



# City of Adelanto

## Interim Financial Report

### Fiscal Year 2009/10

33% of the Fiscal Year Complete

July 1, 2009 – October 31, 2009

Prepared by

George Harris, Interim Finance Director



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## Finance Director's Message

First of all let me express my gratitude to the City Manager for selecting me to lead the City of Adelanto Finance Department and for the support I received from the Mayor and City Council. I was appointed Interim Finance Director on July 1, 2009 and during the last four months I have set various goals for the Finance Department; many of which are already beginning to take shape or have already been completed. The City of Adelanto's Finance department is a small, yet focused and dedicated group of employees whom I appreciate the benefit of working with. With their help the department is on its way to becoming a premier department for the City and an accountable function of the entire organization.

Some of the goals that were set at the beginning of the fiscal year are coming to fruition even at this early time in the fiscal year. The various goals include:

- Approval, Implementation and levy of the adjusted Water and Sewer Rates (Completed);
- 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 (Due to be Completed in Dec 09);
- Completion of the Fiscal Years' 2005/06, 2006/07, 2007/08 past due City Audits (FY's 2005/06 and 2006/07 completed and 2007/08 due to be completed in Dec. 09);
- Completion of the Fiscal Year 2008/09 City, ARDA, and APUA audits (All Due to be completed by Dec/Jan);
- On-time completion of all Special Reports, (i.e. State Controllers' Reports) (Completed);
- Completion of the Capital Improvement Program Document (Due to be completed Jan-09).

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 the next Fiscal Year to \$2.2, 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 is going to have to make adjustments to both expenditures and other financial holdings, (i.e. liquidation of long term assets). A possible solution is to backfill the deficit balance with the proceeds from the Sale of the Adelanto Community Correctional Facility (ACCF) for a few years until a permanent and reliable revenue source can be put into place.

Generally, the first six months of the Fiscal Year are negative when comparing revenue to expenditures. Most of the revenues for the City operations come by way of Property Tax allocations that are not distributed until January and May of each year. The State of California budget problems affect the City as well. For the General Fund, the anticipated effect is approximately \$208K. However, with Council approval in October, the City will participate in the Prop 1A Securitization program in which the City will receive the full amount of the State grab in the current year. The Adelanto Redevelopment Agency (ARDA) impact, however, will be approximately \$2.7M in lost property tax increment that will be held by the state.

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 will prepare 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 progresses.

*George N. Harris,*

Interim Finance Director

## Introduction

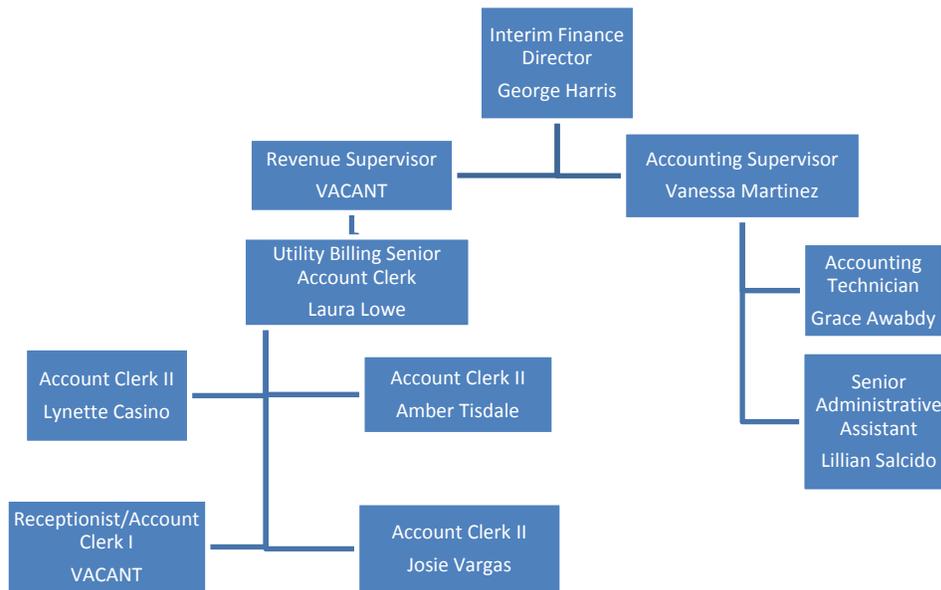
Beginning in Fiscal Year 2009/10, the City of Adelanto Finance Department will be preparing interim Financial Reports. The goal of the Financial Reports is to increase the communication of the City's financial position throughout the year to its stakeholders. Stakeholders include but are not limited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

The City of Adelanto Finance Department

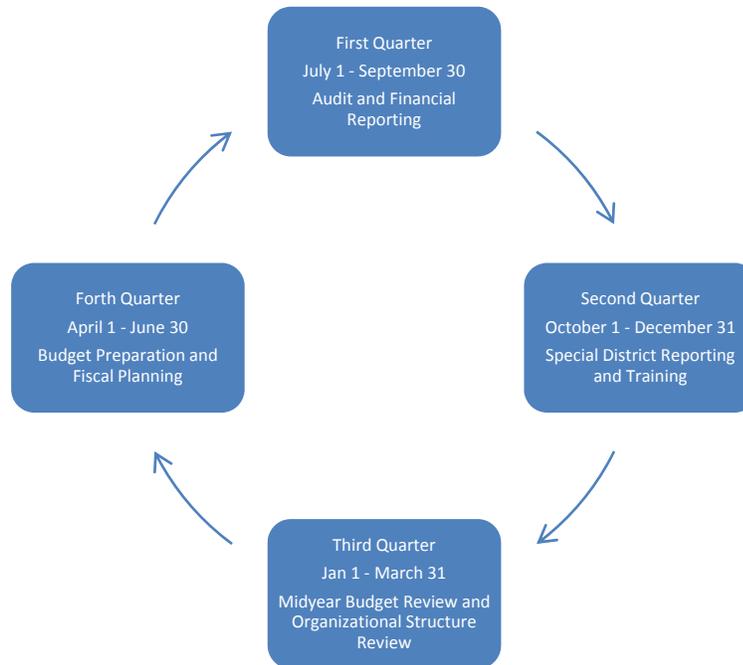
The **Finance Department** consists of two primary sub-divisions the *Utility Billing/Central Cashiering Division* and the *Accounting Division*.

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 Accounting Supervisor, consists of General Ledger accounting, Accounts Payable and Payroll. The Accounting Division consists of three (3) employees: One (1) Accounting Supervisor, 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

### 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 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</i>
<i>City Clerk's Office</i>	<i>Engineering Department</i>	<i>Public Works – Park Maintenance</i>	<i>Fire Department</i>
<i>Finance Department</i>	<i>Community &amp; Economic Development Department</i>	<i>City Council</i>	<i>Building &amp; Safety Department</i>
<i>Animal Control</i>	<i>Public Works – Facility Maintenance</i>	<i>City Attorney</i>	<i>Human Resources &amp; 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 October 31, 2009.

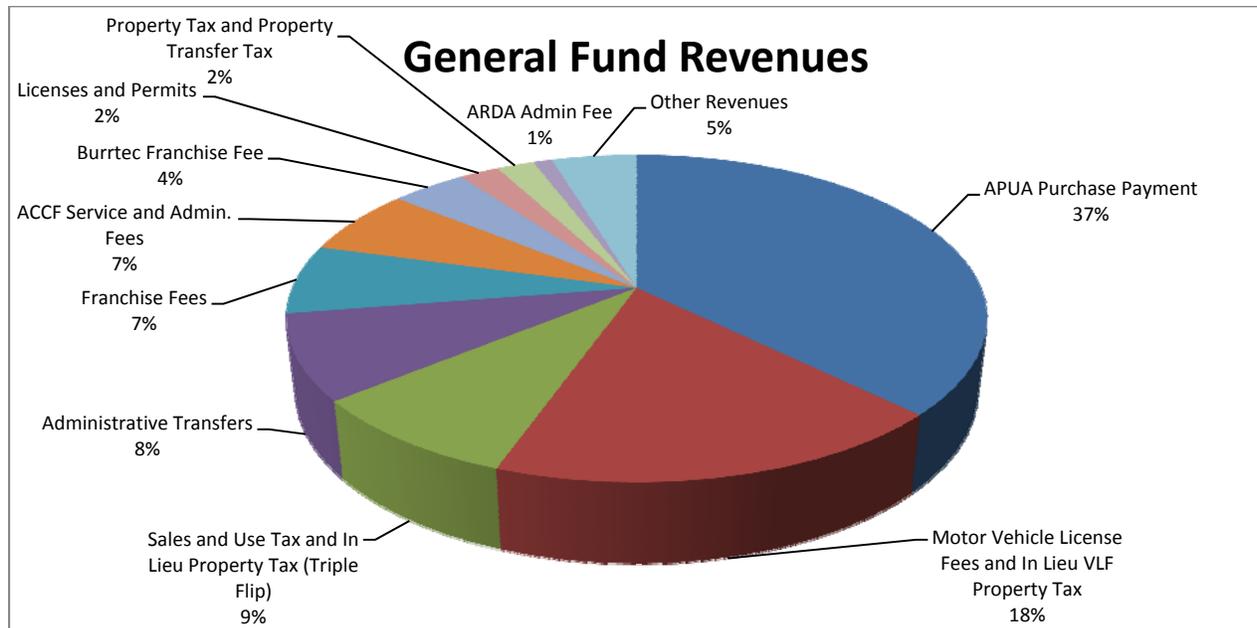
Fund Number	Fund Name	Estimated Beginning Cash Balance	Revenue-to-Date	Expenditures -to-Date	Estimated Cash Balance at Oct. 31, 2009
<b>General Fund</b>					
100	General Fund	\$1,436,316	\$2,234,185	\$4,116,011	(\$445,510)
<b>Total General Fund</b>		<b>\$1,473,816</b>	<b>\$2,234,185</b>	<b>\$4,116,011</b>	<b>(\$445,510)</b>
<b>Special Revenue Funds</b>					
211	Stater Bros. Stadium	(\$2,304,389)	\$80,743	\$66,230	(\$2,289,876)
212	Park Development Fee	2,047,172	0	160,882	1,886,290
213	Community Development Block Grant	(40,406)	6,250	86,128	(120,284)
215	Gas Tax	833,687	128,657	115,000	847,344
216	Article 8	202,747	70,934	56,250	217,431
221	AB 2766	102,078	0	5,400	96,678
236	Measure I 5%	96,693	5,364	0	102,057
237	Measure I 30%	227,297	34,080	35,654	225,723
238	Measure I 65%	2,910,839	67,831	0	2,978,670
241	CLEEP	12,148	0	3,022	9,126
245	Education Seizure	0	0	7,660	(7,660)
248	Educational Seizure Fund	41,848	0	0	41,848
249	Public Safety Augmentation Fund	19,610	24,405	30,000	14,015
255	Sanitation	42,002	924,044	722,904	243,142
256	Traffic Offender	59,652	9,464	7,500	61,616
257	SLEOC	109,903	0	25,000	84,903
260	Drainage	3,569,414	850	9,028	3,561,236
262	CFD 2006-5	(114,653)	0	1,762	(116,415)
265	Lighting and Landscaping District	(4,173)	0	22,910	(27,083)
270	Traffic Impact Fees	855,432	1,208	0	856,640
275	Fire Impact Fees	51,232	64	0	51,296
319	Transit	(23,871)	1,225	0	(22,646)
<b>Total Special Revenue Funds</b>		<b>\$8,694,262</b>	<b>\$1,355,119</b>	<b>\$1,355,330</b>	<b>\$8,694,051</b>
<b>Enterprise Funds</b>					
322	ACCF	\$1,579,902	\$2,620,432	\$1,999,953	\$2,200,381
353	Adelanto Water Authority	9,198,775	1,352,669	2,095,839	8,455,605
360	Adelanto Public Utility Authority	3,224,947	774,036	909,417	3,089,566
477	Inmate Welfare Benefits Fund	24,450	51,361	67,360	8,451
488/489	ACCF Telephone Fund	1,859,808	52,163	82,637	995,284
<b>Total Enterprise Funds</b>		<b>\$15,887,882</b>	<b>\$4,850,661</b>	<b>5,155,206</b>	<b>\$15,583,337</b>
<b>Adelanto Redevelopment Agency Funds (ARDA)</b>					
534/535	ARDA Debt Service Funds	\$374,246	\$0	\$0	\$374,246
550/555	ARDA Capital Projects Funds	5,446,632	19,772	43,381	5,423,023
560	ARDA Housing Fund	309,605	0	0	305,569
570/575	VVEDA	489,444	396,892	465	885,871
<b>Total ARDA Funds</b>		<b>\$6,619,927</b>	<b>\$416,664</b>	<b>\$43,846</b>	<b>6,992,745</b>
<b>Total City (All Funds)</b>		<b>\$32,638,387</b>	<b>\$8,856,629</b>	<b>\$10,670,393</b>	<b>\$30,824,623</b>

## Fund Details

### General Fund (Fund 100)

The General Fund has received 17% of its budgeted revenues and expended 29% of its budget expenditures to date. The majority of the General Funds revenues are received in January and April. The largest revenue source for the General Fund is the APUA Purchase Payment.

### General Fund Revenues



### Top 10 General Fund Revenues – As of 10/31/2009 33% of the Year Complete

The Top 10 General Fund revenues make up 96% of the total General Fund revenues received. Thirty-eight (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	\$1,350,000	25%	\$4,050,000
Motor Vehicle License Fees/In Lieu	2,620,000	18,912	1%	2,601,088
Sales and Use Tax	1,250,000	25,620	2%	1,224,380
Administrative Transfers	1,215,000	303,750	25%	911,250
Franchise Fees	990,000	0	0%	990,000
ACCF Service and Admin. Fees	944,000	157,333	17%	786,667
Burrtec Franchise Fee	600,000	149,577	25%	450,423
Licenses and Permits	315,200	107,820	34%	207,380
Property Tax / Transfer Tax	300,000	21,173	7%	278,827
ARDA Admin Fee	150,000	100,000	67%	50,000
<b>Total</b>	<b>\$13,784,200</b>	<b>\$2,234,185</b>	<b>17%</b>	<b>\$11,550,015</b>
<b>Total General Fund Revenues</b>	<b>\$14,465,201</b>	<b>\$2,388,744</b>	<b>17%</b>	<b>\$12,076,457</b>

**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)** – The City receives approximately \$2.62M annually from the State of California for Motor Vehicle License Fee payments. The allocation is based on population. The majority of this revenue (\$2.3M.) 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** – The City receives approximately \$1.25M in Sales and Use Tax annually. The payments are received monthly. Currently, the State of California is behind in distributing Sales Tax revenues.

**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.

**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 transfers are made monthly.

**Burrtec Waste Franchise Fees** – The City levies a 24% 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.

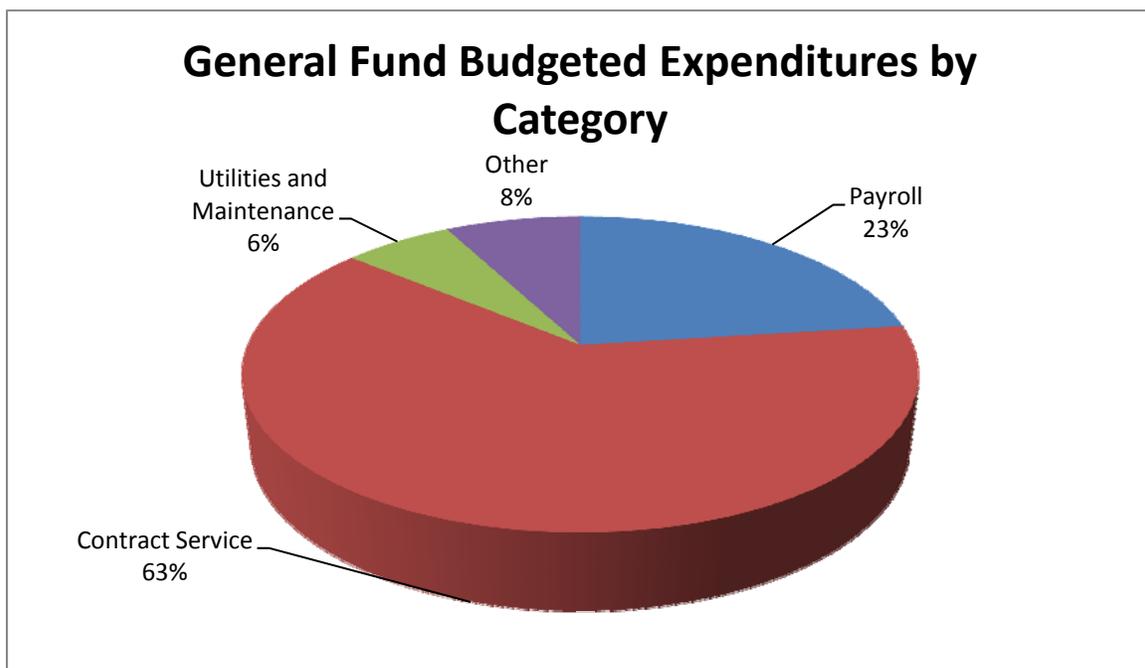
**Property Tax and Property Transfer Tax** - The City receives very little in Property Tax and Property Transfer Tax Revenue. However, this revenue is in the Top 10 Revenue category. Property tax revenue is received in January and May as property owners in the City pay their property taxes to the County. 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.

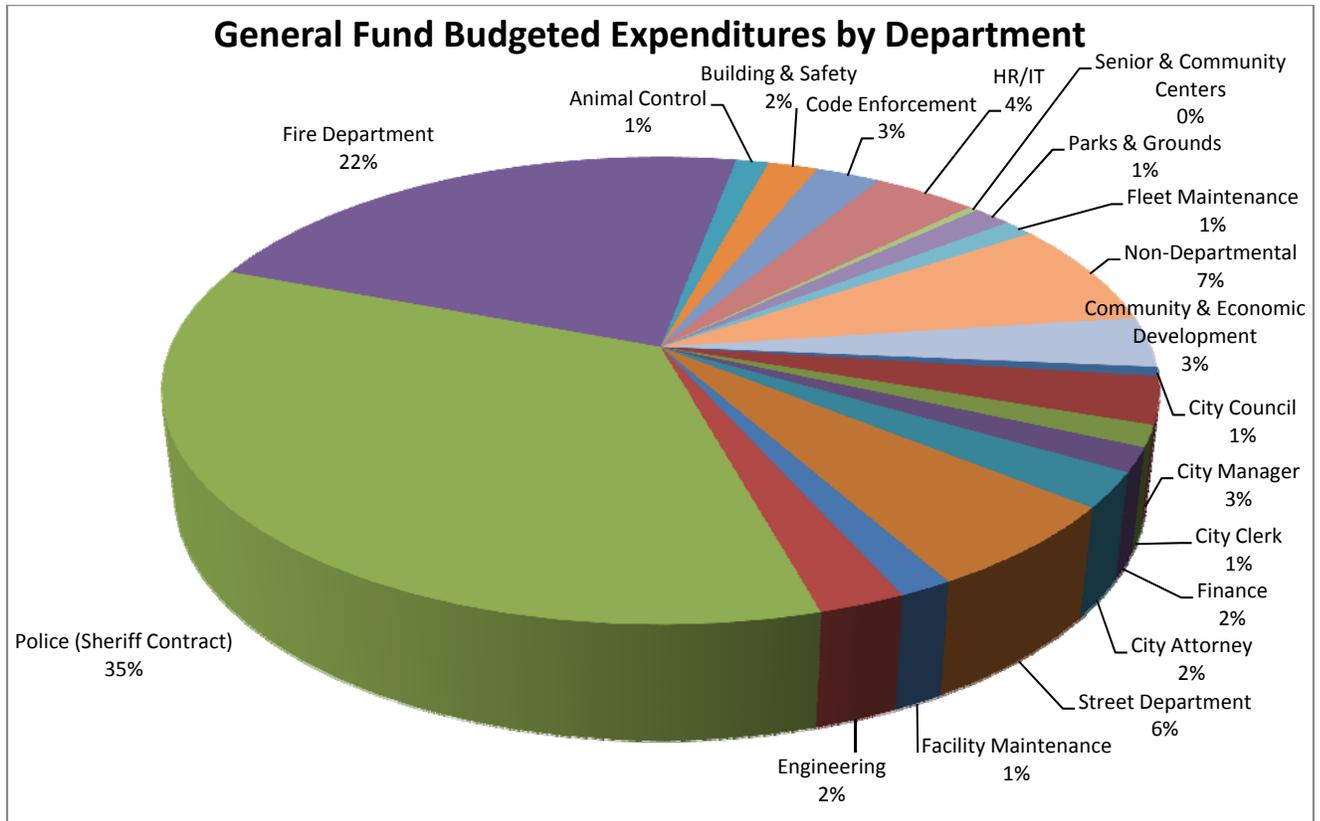
**Adelanto Redevelopment Agency (ARDA) Admin Fee** - The City General Fund receives an allocation of administrative charges levied upon the ARDA fund for Administrative time spent by the General Fund Staff,(i.e. the City Council, City Manager, City Clerk, and Finance Department).

#### 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 \$3,299,971 or 23% of the total budget. Contract Services for Police, Fire, City Attorney and certain individual contract employees total \$9,054,449 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 \$4,116,011 through October 31, 2009 or 29% of total budget for the fiscal year.

Department	Budget	YTD EXP	% Expended	Remaining
City Council	\$91,691	\$31,431	34%	\$60,260
City Manager	467,720	160,695	34%	307,025
City Clerk	211,768	56,912	27%	155,276
Finance	238,356	71,179	30%	167,177
City Attorney	350,000	100,997	29%	249,003
Street Department	861,405	273,980	35%	558,332
Facility Maintenance	212,735	72,732	39%	129,924
Engineering Dept.	342,903	60,736	18%	282,167
Police (Sheriff Contract)	5,051,053	1,247,681	26%	3,757,774
Animal Control	183,389	66,832	37%	115,774
Fire (County Contract)	3,190,486	802,697	25%	2,386,261
Building & Safety	277,822	68,829	25%	208,008
Code Enforcement	360,473	117,839	33%	242,634
Human Resources/IT	576,032	148,876	33%	388,576
Senior/Community Centers	53,000	13,326	23%	39,674
Parks & Grounds	211,656	60,510	37%	133,622
Vehicle Maintenance	168,605	56,192	44%	94,607
Non-Departmental	1,044,805	526,700	52%	505,107
Community & Economic Dev	502,411	177,867	35%	324,544
<b>Total</b>	<b>\$14,396,310</b>	<b>\$4,116,011</b>	<b>29%</b>	<b>\$10,280,299</b>

## **General Fund Expenditure Highlight and Updates**

Generally, the General Fund expenditures are on pace compared to the budgeted expectations, with only a few exceptions that I have listed below. The City Manager has made various budget adjustments to prepare for the Economic Downturn that the City as well as the Country is experiencing. Various positions were eliminated and various contract employees were released. There has been a hiring "Chill" put in place for vacated budgeted positions. Vacated positions are taken on a case-by-case basis to determine if replacement is necessary.

**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 \$430K 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 January of 2010.

**Engineering Department** – The City Engineer, Wilson So of So & Associates, is behind in his invoicing. The amount expended does not reflect the amount actually incurred by Mr. So to date.

**City Manager's Office** – The City Manager's office has a budgeted vacancy for the position of Intern. This position was vacated in September and there are no plans to fill the position at this time.

**Animal Control** – The overtime budget for Animal Control has been expended very early in the Fiscal Year. Staff has made the necessary scheduling adjustments to keep overtime costs under the annual budget. 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.

**City Clerk's Office** – The City Clerk originally budgeted \$50K for election costs. At this time there are no plans to proceed with a special election in current fiscal year. The amount budgeted will be budget savings and re-appropriated as part of the Mid-Year review.

### 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 \$2,304,389 since inception of the Stadium. The High Desert Mavericks have one more season on their contract with the City. The City Manager and the Finance Department are evaluating various solutions to close the budget gap. Options include alternative uses or perhaps liquidating the facility.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Property Leases	\$79,235	\$79,234	100%	\$0
Rents & Concessions	21,000	1,509	8%	19,491
<b>Total Revenue</b>	<b>\$100,235</b>	<b>\$80,743</b>	<b>81%</b>	<b>\$19,491</b>
<i>Expenditures</i>				
Payroll	\$88,654	\$34,554	39%	\$54,100
Contract Services	250	0	0%	250
Utilities & Communications	59,000	23,022	39%	35,978
Maintenance & Supplies	45,000	8,654	20%	36,346
Administrative Costs	1,000	0	0%	1,000
Capital Expenditures	10,000	0	0%	10,000
<b>Total Expenditures</b>	<b>\$203,904</b>	<b>\$66,230</b>	<b>33%</b>	<b>\$137,674</b>
<b>Rev/Exp</b>	<b>(\$103,669)</b>	<b>\$14,513</b>	<b>N/A</b>	<b>(\$103,670)</b>

### Park Development Impact Fees (Fund 212)

The Park Development Fee Fund currently has a fund balance of \$1,886,290. 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. The other includes purchasing land and constructing smaller 'pocket' parks throughout the City at various locations.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Park Dev. Fees	\$30,000	\$0	0%	\$30,000
Interest Income	10,000	0	0%	10,000
<b>Total Revenue</b>	<b>\$40,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$40,000</b>
<i>Expenditures</i>				
Consulting & Outside Services	\$55,000	\$9,176	17%	\$45,824
Capital Improvements	2,000,000	151,707	8%	1,848,294
<b>Total Expenditures</b>	<b>\$2,055,000</b>	<b>\$160,882</b>	<b>8%</b>	<b>\$1,894,118</b>
<b>Rev/Exp</b>	<b>(2,015,000)</b>	<b>(\$160,882)</b>	<b>N/A</b>	<b>(\$1,854,118)</b>

### 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 remaining funds are going to be used to construct the City of Adelanto Skateboard and BMX Park, which will be constructed on the old tennis court pads at Richardson Park. 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.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
CDBG	\$190,000	\$6,250	3%	\$183,750
<b>Total Revenue</b>	<b>\$190,000</b>	<b>\$6,250</b>	<b>3%</b>	<b>\$183,750</b>
<i>Expenditures</i>				
Transfers Out	\$75,000	\$18,750	25%	\$56,250
Capital Expenditures	115,000	67,378	59%	47,622
<b>Total Expenditures</b>	<b>\$190,000</b>	<b>\$86,128</b>	<b>45%</b>	<b>\$103,872</b>
<b>Rev/Exp</b>	<b>\$0</b>	<b>(\$79,878)</b>	<b>N/A</b>	<b>\$79,878</b>

### Gas Tax (Fund 213)

All Gas Tax revenue is transferred to the General Fund to pay for the City's Street Maintenance department activities. Gas Tax revenues are received monthly. Transfers to the General Fund are made quarterly.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Gas Tax 2105	\$153,000	\$40,886	27%	\$112,114
Gas Tax 2106	102,000	26,941	27%	75,059
Gas Tax 2107	208,000	54,830	27%	153,170
Gas Tax 2107.5	6,000	6,000	100%	0
Interest Income	7,000	0	0%	7,000
Traffic Congestion Relief	70,000	0	0%	70,000
<b>Total Revenue</b>	<b>\$546,000</b>	<b>\$128,657</b>	<b>24%</b>	<b>\$417,343</b>
<i>Expenditures</i>				
Transfers Out	460,000	115,000	25%	345,000
<b>Total Expenditures</b>	<b>\$460,000</b>	<b>\$115,000</b>	<b>25%</b>	<b>\$345,000</b>
<b>Rev/Exp</b>	<b>\$86,000</b>	<b>\$13,657</b>	<b>N/A</b>	<b>\$72,343</b>

**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 \$217,431.

Description	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
<b>Total Revenue</b>	<b>\$74,000</b>	<b>\$70,934</b>	<b>96%</b>	<b>\$3,066</b>
<i>Expenditures</i>				
Transfers Out	225,000	56,250	25%	168,750
Capital Improvement	100,000	0	0	100,000
<b>Total Expenditures</b>	<b>\$325,000</b>	<b>\$56,250</b>	<b>25%</b>	<b>\$268,750</b>
<b>Rev/Exp</b>	<b>(\$251,000)</b>	<b>\$14,684</b>	<b>N/A</b>	<b>(\$265,684)</b>

**AB2766 (Fund 221)**

This fund has a current cash balance of \$96,678.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	1,000	0	0%	1,000
AB 2766 Environmental Fund	18,000	0	0%	18,000
<b>Total Revenue</b>	<b>\$19,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$19,000</b>
<i>Expenditures</i>				
Membership and Dues	4,800	5,400	113%	(600)
Transfers Out	100,000	0	0	100,000
<b>Total Expenditures</b>	<b>\$104,800</b>	<b>\$5,400</b>	<b>5%</b>	<b>\$99,400</b>
<b>Rev/Exp</b>	<b>(\$85,800)</b>	<b>(\$5,400)</b>	<b>N/A</b>	<b>(\$80,400)</b>

**Measure I 5% (Fund 236)**

This fund has a current cash balance of \$102,057. Expenditures must be for handicapped/elderly related improvements.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	1,000	0	0%	1,000
Measure I 5%	55,000	5,364	10%	49,636
<b>Total Revenue</b>	<b>\$56,000</b>	<b>\$5,364</b>	<b>10%</b>	<b>\$50,636</b>
<i>Expenditures</i>				
Transfers Out	\$40,000	\$0	0%	40,000
<b>Total Expenditures</b>	<b>\$40,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$40,000</b>
<b>Rev/Exp</b>	<b>\$16,000</b>	<b>\$5,364</b>	<b>N/A</b>	<b>\$10,636</b>

**Measure I 35% (Fund 237)**

This fund has a current cash balance of \$225,723. Expenditures must be for local street improvements.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$5,000	\$0	0%	\$5,000
Measure I 35%	285,000	34,080	12%	250,920
Transfers In	100,000	0	0%	100,000
<b>Total Revenue</b>	<b>\$390,000</b>	<b>\$34,080</b>	<b>9%</b>	<b>\$355,920</b>
<i>Expenditures</i>				
Street Maintenance	\$145,000	\$35,654	25%	\$109,346
Capital Improvements	475,000	0	0%	475,000
<b>Total Expenditures</b>	<b>\$620,000</b>	<b>\$35,654</b>	<b>6%</b>	<b>\$584,346</b>
<b>Rev/Exp</b>	<b>(\$230,000)</b>		<b>N/A</b>	

**Measure I 60% (Fund 238)**

This fund and a current cash balance of \$2,978,670. Expenditures must be for regional street improvements.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$50,000	\$0	0%	\$50,000
Measure I 60%	600,000	67,831	12%	532,169
Other Cost Reimbursements	250,000	0	0%	250,000
<b>Total Revenue</b>	<b>\$900,000</b>	<b>\$67,831</b>	<b>9%</b>	<b>\$832,169</b>
<i>Expenditures</i>				
Consulting & Outside Services	\$10,000	0	0%	\$10,000
Transfers Out	400,000	0	0%	400,000
Capital Improvements	3,500,000	0	0%	3,500,000
<b>Total Expenditures</b>	<b>\$3,910,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$3,910,000</b>
<b>Rev/Exp</b>	<b>(\$3,010,000)</b>		<b>N/A</b>	<b>(\$3,077,831)</b>

**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 \$9,126 remaining fund balance from unspent prior year grant proceeds.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Expenditures</i>				
Department Equipment	\$0	2,797	0%	\$0
Fees	\$0	225	0%	\$0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>
<b>Rev/Exp</b>	<b>\$0</b>	<b>(\$3,022)</b>	<b>N/A</b>	<b>\$0</b>

### Education Seizure (Fund 245)

The funds are used for anti-drug educational programs.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$200	\$0	0%	\$200
<b>Total Revenue</b>	<b>\$200</b>	<b>\$0</b>	<b>0%</b>	<b>\$200</b>
<i>Expenditures</i>				
Consulting & Outside Services	\$10,000	\$1,792	0%	\$8,208
Communication Services	0	5,738	0%	(5,738)
Fees	0	130	0%	(130)
<b>Total Expenditures</b>	<b>\$10,000</b>	<b>\$7,660</b>	<b>0%</b>	<b>\$2,340</b>
<b>Rev/Exp</b>	<b>(\$9,800)</b>	<b>(\$7,660)</b>	<b>N/A</b>	<b>(\$2,140)</b>

### 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	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
½ Cent Sales Tax (Public Safety)	\$123,000	\$24,405	20%	\$98,595
<b>Total Revenue</b>	<b>\$123,000</b>	<b>\$24,405</b>	<b>20%</b>	<b>\$98,595</b>
<i>Expenditures</i>				
Transfers Out	\$120,000	\$30,000	25%	\$90,000
<b>Total Expenditures</b>	<b>\$120,000</b>	<b>\$30,000</b>	<b>25%</b>	<b>\$90,000</b>
<b>Rev/Exp</b>	<b>\$3,000</b>	<b>(\$5,595)</b>	<b>N/A</b>	<b>\$8,595</b>

### 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. The City did budget for a Recycling Coordinator to be funded by this fund. The City is in the process of reviewing the contract with Burrtec. The revised contract involves having Burrtec handle all of the Recycling Coordination and programs. Another key component of the revised contract is to have Burrtec handle the billing separate from the City utility bills.

Sanitation cont'd

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$400	\$0	0%	\$400
Tipping/Dump Fees	700,000	252,894	36%	447,106
Trash Services	1,750,000	659,988	38%	1,090,012
Misc. Income	110,000	11,162	10%	98,838
<b>Total Revenue</b>	<b>\$2,560,400</b>	<b>\$924,044</b>	<b>36%</b>	<b>\$1,636,356</b>
<i>Expenditures</i>				
Payroll	\$55,610	\$9,900	18%	\$45,710
Contract Services	1,800,000	449,582	25%	1,350,418
Utilities & Communications	650,000	98,989	15%	551,011
Maintenance & Supplies	17,000	5,838	34%	11,162
Administrative Costs	37,000	158,595	429%	(149,577)
Transfers Out	30,000	0	0%	30,000
<b>Total Expenditures</b>	<b>\$2,589,610</b>	<b>\$722,904</b>	<b>29%</b>	<b>\$1,838,724</b>
<b>Rev/Exp</b>	<b>(\$29,210)</b>	<b>\$201,140</b>	<b>N/A</b>	<b>(\$103,670)</b>

**Traffic Offender (Fund 256)**

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Vehicle Release Fees	\$45,000	\$9,464	21%	\$35,536
<b>Total Revenue</b>	<b>\$45,000</b>	<b>\$9,464</b>	<b>21%</b>	<b>\$35,536</b>
<i>Expenditures</i>				
Transfers Out	\$0	\$7,500	0%	\$0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$7,500</b>	<b>0%</b>	<b>\$0</b>
<b>Rev/Exp</b>	<b>\$45,000</b>	<b>\$1,964</b>	<b>N/A</b>	<b>\$35,536</b>

**SLEOC (Fund 257)**

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
State Grants	100,000	\$0	0%	\$100,000
Interest Income	1,000	0	0%	1,000
<b>Total Revenue</b>	<b>\$100,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$100,000</b>
<i>Expenditures</i>				
Transfers Out	\$100,000	\$25,000	25%	\$75,000
<b>Total Expenditures</b>	<b>\$100,000</b>	<b>\$25,000</b>	<b>25%</b>	<b>\$75,000</b>
<b>Rev/Exp</b>	<b>\$1,000</b>	<b>(\$25,000)</b>	<b>N/A</b>	<b>\$26,000</b>

### 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 \$3,561,236 from fees collected during the housing boom.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$10,000	\$0	0%	\$10,000
State Grants	350,000	0	0%	350,000
Transfers In	400,000	0	0%	400,000
Drainage Impact Fees	60,000	850	1%	59,150
<b>Total Revenue</b>	<b>\$820,000</b>	<b>\$850</b>	<b>0%</b>	<b>\$819,150</b>
<i>Expenditures</i>				
Capital Improvements	\$1,400,000	\$9,028	1%	\$1,390,972
<b>Total Expenditures</b>	<b>\$1,400,000</b>	<b>\$9,028</b>	<b>1%</b>	<b>\$1,390,972</b>
<b>Rev/Exp</b>	<b>(\$580,000)</b>	<b>(\$8,178)</b>	<b>N/A</b>	<b>(\$571,822)</b>

### 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	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
CFD Special Tax Revenue	\$64,000	0	0%	\$64,000
<b>Total Revenue</b>	<b>\$64,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$64,000</b>
<i>Expenditures</i>				
Consulting and Outside Services	\$3,050	\$1,762	58%	\$1,288
Transfers Out	22,380	0	0%	22,380
<b>Total Expenditures</b>	<b>\$25,430</b>	<b>\$1,762</b>	<b>14%</b>	<b>\$23,668</b>
<b>Rev/Exp</b>	<b>\$38,570</b>	<b>(\$1,762)</b>	<b>N/A</b>	<b>\$40,332</b>

### 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.

LLMD Cont'd

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
LLMD Assessment Revenue	\$145,000	0	0%	\$145,000
<b>Total Revenue</b>	<b>\$145,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$145,000</b>
<i>Expenditures</i>				
Consulting and Outside Services	\$10,000	\$2,910	29%	\$7,090
Transfers Out	80,000	20,000	25%	60,000
Electricity	13,500	0	0%	13,500
Water	500	0	0%	500
<b>Total Expenditures</b>	<b>\$104,000</b>	<b>\$22,910</b>	<b>22%</b>	<b>\$81,090</b>
<b>Rev/Exp</b>	<b>\$41,000</b>	<b>(\$22,910)</b>	<b>N/A</b>	<b>\$63,910</b>

**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 \$856,640 from fees collected during the housing boom.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Traffic Fees	\$0	\$1,208	0%	\$0
<b>Total Revenue</b>	<b>\$0</b>	<b>\$1,208</b>	<b>0%</b>	<b>\$0</b>

**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 \$51,296 from fees collected during the housing boom.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Fire Facility Fees	\$0	\$64	0%	\$0
<b>Total Revenue</b>	<b>\$0</b>	<b>\$64</b>	<b>0%</b>	<b>\$0</b>

**Transit (Fund 319)**

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Bus Passes	\$0	\$1,225	0%	\$0
Transfers In	\$40,000	0	0%	\$40,000
<b>Total Revenue</b>	<b>\$40,000</b>	<b>\$1,225</b>	<b>0%</b>	<b>\$40,000</b>
<i>Expenditures</i>				
Transfers Out	\$40,000	\$0	0%	\$40,000
<b>Total Expenditures</b>	<b>\$40,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$40,000</b>
<b>Rev/Exp</b>	<b>\$0</b>	<b>\$1,225</b>	<b>N/A</b>	<b>\$0</b>

### 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 is in the process of liquidating the facility. Currently, there is a sales contract in place with The GEO Group Inc. The close of escrow is anticipated to be January 4<sup>th</sup>, 2010. The proceeds of the sale will be available to offset the General Fund deficit for up to seven years. The City is also currently in litigation relating to the lease payment receivable from the State of California.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$22,000	\$2,269	10%	\$19,731
Property Leases	1,252,475	0	0%	1,252,475
Flat Rate Participation	7,903,484	2,467,412	31%	5,436,072
Participation Rate Revenue	888,000	99,583	11%	788,417
Misc. Revenue	0	51,170	0%	(51,170)
Transfers In	283,633	0	0%	283,633
<b>Total Revenue</b>	<b>\$10,349,592</b>	<b>\$2,620,432</b>	<b>26%</b>	<b>\$7,677,990</b>
<i>Expenditures</i>				
Payroll	\$6,165,300	\$1,268,366	21%	\$4,898,404
Contract Services	46,240	32,008	73%	14,232
Utilities & Communications	518,000	122,708	24%	395,292
Maintenance & Supplies	1,182,850	260,213	22%	922,637
Administrative Costs	1,013,085	249,016	25%	764,350
Capital Expenditures	105,850	4,984	5%	100,866
Parole Expense	0	31,420	0%	(31,420)
Interest Expense – Bonds	1,252,475	31,238	2%	1,221,238
<b>Total Expenditures</b>	<b>10,283,800</b>	<b>1,999,953</b>	<b>20%</b>	<b>8,287,599</b>
<b>Rev/Exp</b>	<b>\$65,792</b>	<b>\$620,479</b>	<b>N/A</b>	<b>(\$609,609)</b>

### Inmate Welfare Benefits Fund (Fund 477)

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$0	\$445	0%	(\$445)
Rents and Concessions	0	50,361	0%	(50,361)
Misc. Revenue	0	667	0%	(667)
<b>Total Revenue</b>	<b>\$0</b>	<b>\$51,473</b>	<b>0%</b>	<b>(\$51,473)</b>
<i>Expenditures</i>				
Payroll	\$0	\$15,788	0%	(\$15,788)
Maintenance & Supplies	0	1,848	0%	(1,848)
Administrative Costs	0	1,771	0%	(1,771)
Canteen Sales	0	47,953	0%	(47,953)
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$67,360</b>	<b>0%</b>	<b>(\$67,360)</b>
<b>Rev/Exp</b>	<b>\$0</b>	<b>(\$15,888)</b>	<b>N/A</b>	<b>\$15,888</b>

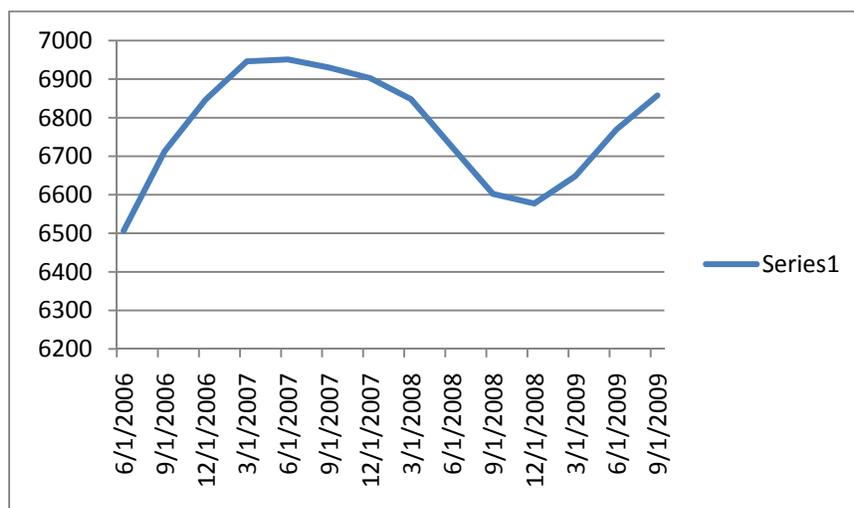
**ACCF Telephone Funds (Funds 488 and 489)**

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$0	\$4,163	0%	(\$4,163)
Telephone Commission	0	48,000	0%	(48,000)
<b>Total Revenue</b>	<b>\$0</b>	<b>\$52,163</b>	<b>0%</b>	<b>(\$52,163)</b>
<i>Expenditures</i>				
Payroll	\$0	\$23,049	0%	(\$23,049)
Maintenance & Supplies	0	59,637	0%	(59,637)
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$82,637</b>	<b>0%</b>	<b>(\$82,637)</b>
<b>Rev/Exp</b>	<b>\$0</b>	<b>(\$30,474)</b>	<b>N/A</b>	<b>\$30,474</b>

**Adelanto Water Authority (AWA)(Fund 353)**

The Adelanto Water Authority had a rate increase approve on August 12<sup>th</sup>, 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.



AWA cont'd

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Interest Income	\$150,000	\$0	0%	\$150,000
Water Rights Fees	12,000	0	0%	12,000
Penalties/Service Charges	200,000	73,356	37%	126,644
Water Availability Charges	500,000	0	0%	500,000
Meter Installations	100,000	0	0%	100,000
Water Sales	3,750,000	1,222,257	33%	2,527,743
Connection/Service Fee	140,000	55,757	40%	84,243
NFS Service Charge	2,000	1,300	71%	700
Purchase Security Income	1,250,000	0	0%	1,250,000
Bond Proceeds	1,650,000	0	0%	1,650,000
<b>Total Revenue</b>	<b>\$7,754,000</b>	<b>\$1,352,669</b>	<b>18%</b>	<b>\$6,401,331</b>
<i>Expenditures</i>				
Payroll	\$1,145,550	\$408,932	36%	\$736,618
Contract Services	1,005,000	23,993	3%	981,007
Utilities & Communications	1,022,000	318,337	31%	702,666
Maintenance & Supplies	1,309,500	80,757	7%	1,228,743
Administrative Costs	52,500	10,528	20%	41,972
Capital Expenditures	1,650,000	0	0%	1,650,000
Transfers Out	3,156,500	1,041,423	33%	2,115,077
Interest Expense – Bonds	728,245	211,869	29%	516,376
<b>Total Expenditures</b>	<b>10,069,295</b>	<b>2,095,839</b>	<b>21%</b>	<b>7,972,460</b>
<b>Rev/Exp</b>	<b>(\$2,315,295)</b>	<b>(\$743,170)</b>	<b>N/A</b>	<b>(\$1,571,129)</b>

**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 is in the final stages of re-financing the outstanding APUA 2007 bonds with fixed rate 2009 bonds.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Sewer Hookup Fees	\$0	\$3,050	0%	(\$3,050)
Sewer Revenue	4,788,000	524,628	11%	4,263,372
Sewer Availability Charges	275,000	0	0%	275,000
Transfers In	3,156,500	0	0%	3,156,500
Bond Proceeds	9,240,000	246,358	3%	8,993,642
<b>Total Revenue</b>	<b>\$17,459,500</b>	<b>\$774,036</b>	<b>3%</b>	<b>\$16,685,464</b>

APUA cont'd

<i>Expenditures</i>				
Contract Services	885,000	375,524	43%	509,476
Utilities & Communications	265,000	76,592	29%	188,408
Maintenance & Supplies	474,000	81,799	31%	327,974
Administrative Costs	158,000	1,185	1%	156,815
Capital Expenditures	9,240,000	246,358	3%	8,993,642
Transfers Out	125,000	31,250	25%	93,750
Interest Expense – Bonds	506,065	96,709	19%	409,356
Inter-fund loan Paybacks	1,624,619	0	0%	1,624,619
Bond Payments	5,350,000	0	0%	5,350,000
<b>Total Expenditures</b>	<b>18,627,684</b>	<b>\$909,417</b>	<b>5%</b>	<b>17,358,267</b>
<b>Rev/Exp</b>	<b>(\$1,168,184)</b>	<b>(\$135,381)</b>	<b>N/A</b>	<b>(\$672,803)</b>

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

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Tax Increment	\$5,480,000	\$0	0%	\$5,480,000
Interest Revenue	\$305,000	0	0%	\$305,000
<b>Total Revenue</b>	<b>\$5,785,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$5,785,000</b>
<i>Expenditures</i>				
Tax Increment Pass-Thru	\$175,000	\$0	0%	\$175,000
Bond Payments	5,300,000	0	0%	5,300,000
Transfer Out	100,000	0	0%	100,000
<b>Total Expenditures</b>	<b>\$5,575,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$5,575,000</b>
<b>Rev/Exp</b>	<b>\$210,000</b>	<b>\$0</b>	<b>N/A</b>	<b>\$210,000</b>

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

The ARDA has \$5,423,023 in cash for capital projects. Staff will develop recommendations on how to use these funds.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Rents and Concessions	\$0	\$19,772	0%	(\$19,772)
Interest Revenue	2,000	0	0%	2,000
Proceed on Sale of Property	300,000	0	0%	300,000
Transfers In	300,000	0	0%	300,000
<b>Total Revenue</b>	<b>\$602,000</b>	<b>\$19,772</b>	<b>0%</b>	<b>\$582,228</b>

ARDA cont'd

<i>Expenditures</i>				
Consulting & Outside Services	\$102,000	\$37,568	38%	\$64,432
Utilities	60,000	1,513	3%	58,487
Administration Costs	159,350	4,300	3%	155,050
Capital Improvements	3,150,000	0	0%	3,150,000
<b>Total Expenditures</b>	<b>\$3,471,350</b>	<b>\$43,381</b>	<b>0%</b>	<b>\$3,427,969</b>
<b>Rev/Exp</b>	<b>(\$2,869,350)</b>	<b>(\$23,609)</b>	<b>N/A</b>	<b>(\$2,845,741)</b>

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

The ARDA has \$305,569 in cash for housing projects. Staff and the City Council will need to plan the use of these funds.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Property Tax Proceeds	\$120,000	\$0	0%	\$120,000
<b>Total Revenue</b>	<b>\$120,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$120,000</b>

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

The VVEDA fund current has a fund balance of \$855,871 to be used for economic development within the City's VVEDA zone.

Description	Budget	YTD Total	% of Budget	Remaining
<i>Revenue</i>				
Property Tax Proceeds	\$0	\$396,892	0%	(\$396,892)
<b>Total Revenue</b>	<b>\$0</b>	<b>\$396,892</b>	<b>0%</b>	<b>(\$396,892)</b>
<i>Expenditures</i>				
Travel	\$0	\$465	0%	(\$465)
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$465</b>	<b>0%</b>	<b>(\$465)</b>

**Staffing and Position Status**

Funding Source	Position Title	Authorized Level	Status
<b>General Fund</b>			
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	Human Resources Director	1	Filled
	Admin Assistant/IT II	1	Filled
Finance	Interim Finance Director	1	Filled
	Accounting Supervisor	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 <sup>(1)</sup>	1	Filled
	Code Enforcement Technician	1	Filled
Building & Safety	Building Official (Contract PT)	1	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	Assistant Public Works Superintendant	1	Filled
	Maintenance Workers	2	Filled
Fleet Maintenance	Mechanic	1	Filled
Non-departmental	Custodians	2	Filled
Police (Contract) <sup>(2)</sup>	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
<b>Total Permanent</b>		<b>140</b>	<b>138 Filled/ 2 Vacant</b>
<b>Total Contract</b>		<b>54</b>	<b>Filled</b>
<b>Total Stipend</b>		<b>15</b>	<b>Filled</b>
<b>Total General Fund</b>		<b>209</b>	
<b>Sanitation</b>			
	Recycling Coordinator	1	Vacant
<b>Total Sanitation</b>		<b>1</b>	
<b>Adelanto Water Authority</b>			
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)	Revenue Supervisor	1	Vacant
	Senior Account Clerk	1	Filled
	Account Clerk II	3	Filled
	Account Clerk I/Receptionist	1	Vacant
<b>Total Adelanto Water Authority</b>		<b>20</b>	<b>17 Filled /3 Vacant</b>
<b>Stater Bros. Stadium</b>			
	Stadium Head Groundskeeper	1	Filled
<b>Total Stater Bros. Stadium</b>		<b>1</b>	
<b>Total All City Stipend</b>		<b>15</b>	<b>Filled</b>
<b>Total All City Permanent</b>		<b>162</b>	<b>156 Filled/ 6 Vacant</b>
<b>Total All City Contract</b>		<b>54</b>	<b>Filled</b>
<b>Total All City</b>		<b>231</b>	

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

(2) The proposed police personnel changes will be reflected in the next interim financial report as they will be effective in December 2009.