

City of Newport Beach

PERFORMANCE PLAN

FISCAL YEAR 2014-15



Newport Beach, California

Performance Plan

Fiscal Year 2014-15



Prepared for the Newport Beach City Council:

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Mayor Pro Tem Edward D. Selich

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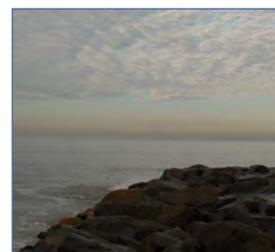
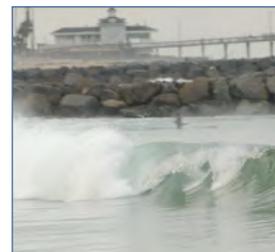
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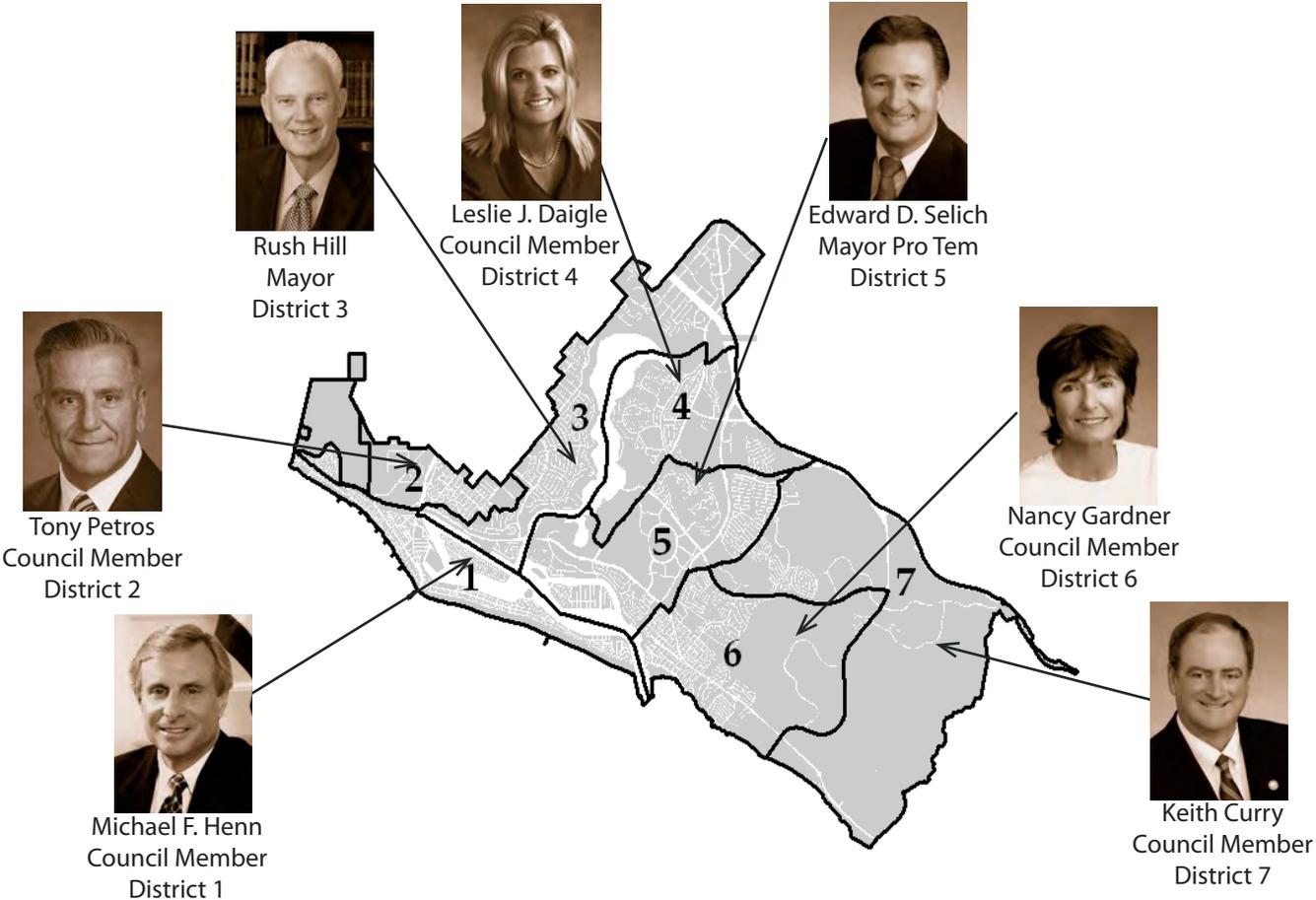
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INTRODUCTION



Newport Beach City Officials



City Attorney
Aaron Harp



City Manager
Dave Kiff



City Clerk
Leilani Brown

- Steve BadumAssistant City Manager
- Dan Matusiewicz.....Finance Director/Treasurer
- Kimberly BrandtCommunity Development Director
- Scott Poster.....Fire Chief
- Terri L. CassidyDeputy City Manager/Human Resources Director
- Tim HethertonLibrary Services Director
- George Murdoch, Mike PisaniMunicipal Operations Co-Directors (Acting)
- Jay JohnsonPolice Chief
- Dave Webb.....Public Works Director
- Laura Detweiler.....Recreation & Senior Services Director



CITY OF NEWPORT BEACH

Honorable Mayor Hill and City Council Members
City of Newport Beach
100 Civic Center Drive
Newport Beach, California 92660

Dear Mayor Hill and Council Members:

I'm pleased to submit the City of Newport Beach's Fiscal Year 2014-15 Budget. The annual budget serves as the foundation for financial planning and control and allows the City Council to prioritize expenditures in alignment with core community values. The budget as submitted is balanced and includes \$165 million in General Fund operating expenditures. We reduced regular full-time staff by 9 full-time positions while adding some part-time staff in order to maintain services at a lower cost. Appropriations for operating expenditures are balanced in relation to projected revenue sources and will not over-rely on one-time revenue sources or reserves. Our tax and permit revenue sources have rebounded, allowing us to fund a series of important investments in our community in the following areas:

- **Remaining a safe community** – we propose to add more police staff and head towards a faster, more responsive community paramedicine model by training more existing firefighters as paramedics.
- **Our Shining City by the Bay** – The community will continue to see upgrades in park amenities and how our community looks, with more parks, a new sailing center and marina, more trees, and adding more bike lanes/paths.
- **Still getting smaller and smarter** – Along with a net reduction in staff positions, we are finalizing the new dispatch and records system in Police, paperless plan review, using paperless agendas, revamping our financial software, and much more.

This is the first budget that reflects the outsourcing of residential refuse which resulted in the reduction of 14 full-time refuse positions. It also includes the "Newport Dividend," an initiative that temporarily waives City construction related fees for qualifying residential development activities and helps people reinvest in their homes and yards.

The backdrop for these positive developments is an increasingly healthy local and Southern California economy. Year over year, the number of jobs in Orange County grew by 2.7 per cent. The steady expansion has been driven by a boom in the residential construction industry. Restaurant employment rose. Other fields showed better-than-average growth, including architecture, accountancy, social work, and scientific and technical consulting. The county's unemployment is lower than anywhere in Southern California. Foreclosures are also at their lowest levels in five years and median prices and numbers of sale transactions are up.

As the result of these economic trends, the General Fund's top three revenue sources (Property Tax, Sales Tax, and Transient Occupancy Taxes) are expected to continue their climb into positive territory in FY 2014-15. We're projecting that secured property taxes will increase 5.0%, Sales Taxes will increase 4.8%, and Commercial Transient Occupancy Taxes will increase 6.1% over our FY 2013-14 revised revenue estimates.

Budget Highlights

We prepared the FY 2014-15 Budget using the following principles that have guided our decision-making process in recent years. These core budget principles have served us well and we will continue to practice them in the coming year:

Maintain a Safe and Secure City. Our focus on public safety translates into top quality police, fire, emergency medical, and lifeguard response, as well as working with the community to prevent crime, fires, and the need for rescue (our fire prevention, emergency preparedness, junior lifeguarding, and other programs support this). While public safety is paramount, there always are smarter, better ways of delivering public safety services without compromising safety.

Match our Residents' Interest in Being Active. This is an organization-wide effort to ensure that we rise up to meet our residents' demands for high-quality sports, recreation, arts, cultural, library, open space, and parks programming. Our goal is to meet the needs of every age group and every demographic.

Keep the Community Looking Great. Our goal is to maintain our high-quality natural and physical environment by creating aesthetically-pleasing places in which to live, work, recreate, and visit. Key service areas include maintaining high-quality community centers, parks, parkways and medians, roads, trees, alleys, beaches, utility services, and other major infrastructure.

Maintain an Efficient Government. Our goal here is to maintain the City as a highly performing municipal corporation that anticipates and responds to customer needs by delivering public services better, faster, inexpensively, and in a friendly customer-driven manner. This principle asks us to adhere to our Fiscal Sustainability Plan to maintain the City's financial health including, but not limited to: regularly assessing the City's revenue performance; managing resources as efficiently as possible; and working collaboratively with employees to recalibrate the compensation structure and share in the costs of pension obligations.

The following are noteworthy components of the FY 2014-15 Budget.

Revenues

The General Fund revenue picture continues to improve with solid results in the top three individual revenue sources: Property Taxes, Sales Taxes and Sales Tax in Lieu, and Transient Occupancy Taxes (TOT). The top three revenues represent 76.1% of all General Fund. Overall, we are anticipating a 2.6% increase in General Fund revenue from our FY 2013-14 revised revenue estimates. Demand for housing in Orange County and especially within Newport Beach is increasing, as are housing median prices. We are seeing a marked increase in secured property tax and especially supplemental taxes. Supplemental assessments reflect the difference between the new assessed value and the old or prior assessed value upon a change in ownership or new construction. Newport Beach construction activity and the associated permit and plan check revenue is also growing. Sales Tax revenue continues to trend upward with the Autos and Transportation, General Consumer Goods, and Restaurants and Hotels sales tax categories accounting for the largest increases over the prior year. We are projecting that hotel TOT revenues will also continue to grow at a steady pace due to a favorable industry outlook and fine luxury accommodations located within the city. Of the city's larger hotels, the Resort at Pelican Hill, all three Marriott branded accommodations, and the Fairmont Hotel generated the largest increases to TOT collections over the past year. Revenue projections are, as always, based on conservative assumptions to minimize surprise and to assure the City has adequate financial resources to meet obligations and complete the programs approved by the City Council.

Expenditures

Total General Fund expenditures are increasing by \$3.4 million or 2.1% over the FY 2013-14 Revised Budget. Of this amount \$2.4 million is due to one-time additions, mostly in the Community Development, Police, and Fire Departments. The General Fund expenditure budget includes \$6.0 million in re-appropriated Capital Improvement Projects (CIPs) that have not yet been completed. Please note that in such areas as Community Development and in Recreation and Senior Services, the addition of staffing

and consulting expenditure is offset by permit and fee revenue. The summary that follows details the nature of the some of the major proposed expenditures by department.

- Community Development – adding \$1.5 million (mostly one-time) to provide contract inspection, plan review services, and code enforcement staff and overtime due to the sustained uplift in construction activity within the community.
- Recreation and Senior Services – adding almost \$400,000 to expand programs for our community, increasing staffing of the preschool program due to higher attendance, increasing the safety and aesthetics of 32 city playgrounds, increasing staffing and funds to protect air quality via new fire ring regulations, and more.
- Fire Department – adding \$1.4 million (\$550,000 one-time) to increase our focus on emergency medical response. Medical response is now the predominant service activity among fire departments. Better construction standards and regulations, sprinklers in buildings, and better fire prevention awareness among the general public has reduced fire risk. But the advent of the Affordable Care Act, with its focus on wellness, avoiding hospitalization, and post-hospital care will only increase the role of community paramedicine. Therefore, we are moving more firefighter positions to paramedic positions, procuring newer and adding more life-saving equipment, and adding a new full-time Paramedic Coordinator and other part-time medical support staff.
- Public Works – The Council's continued focus on improving our infrastructure, from transportation to parks to facilities, translates into increasing our contractual services budget for environmental engineering and technical support, among other things.
- Police Department – We will add one full-time Police Officer to complete last year's effort to create a focused Crime Suppression Unit that will be able to pre-empt certain crime trends; restore a Custody Officer to maintain regulatory compliance with mandated staffing levels (this follows a decision in 2013 to keep the jail service in-house); and replace special equipment (\$335,000 one-time).

We have listened carefully to our residents' concerns about maintaining and improving our natural and physical environment. We are proposing an ambitious and wide-ranging capital improvement program that provides major funding initiatives for neighborhood revitalization projects, park improvements, road and pavement rehabilitations, transportation upgrades, and water quality and environmental improvements. In addition, significant work continues in FY 2014-15 on the major facilities projects identified in the Facilities Financial Planning Program such as Marina Park, Sunset Ridge Park, and the rehabilitation of fire stations, including our aptly-named "Fibrary" in Corona del Mar.

The FY 2014-15 CIP budget consists of over \$41.2 million in new appropriations and an estimated \$25 million in re-budgeted funds to be carried forward from the current fiscal year for a total CIP budget of just over \$66 million.

The "elephant in the room" for any full-service municipality in California are our long-term costs such as our pension obligations and other post-employment benefits (OPEB). Newport Beach has significant pension liabilities as a 108-year old city with its own police, fire, and lifeguard programs. But at the same time, we have taken major steps forward to address them – these include always paying our required contributions to CalPERS, paying extra when we can, fixing the amortization period for our unfunded liability, having all employees pay for their share (and more) of the pension costs, and establishing lower, less-generous pension tiers for newer hires. Further, this will be the first budget year in decades where the "Employer Paid Member Contribution" is dead and gone – not many cities can say that today.

The newest pension tier – which officials call the "PEPRA" tier (for Public Employee Pension Reform Act of 2012) – is one that will help cities turn the corner on pension costs overall, but over time. We note – importantly – that new hires coming in with the PEPRA tier's benefits as well as paying significant amounts of their salary towards pension costs – has in some cases resulted in a paradigm shift for hiring. We are now expecting consultant costs in some professional classifications to be

significantly higher than the long-term cost of a new employee in the PEPRA tier. As a result, Council will see a few recommendations for new positions in this budget – where previously we might have suggested outside consultants for these roles.

Conclusions and Final Comments

Newport Beach continues to be a financially secure municipality due to its strong underlying tax base, governance, and careful fiscal decisions. Our growing economy and your decision-making in recent years provides us with the opportunity to commit resources for quality improvements while allowing us to continue the provision of high level public programs and services that the Newport Beach population demands. The balanced budget that you see for FY 2014-15 delivers services effectively and efficiently, and is forward-looking. My plan for FY 2014-15 is to focus on:

- Continue working with the IT Strategic Plan to help us use technology better to be smarter, faster, and leaner.
- Getting even more great projects built – like Marina Park, Sunset View Park and more.
- Outsourcing after analysis and where it makes sense. This will be the fifth year of reductions in full-time positions, done primarily through attrition. Recall that we were at 833 full-time positions in July 2009. We adopted a budget with about 752 full-time positions in June 2012 and 736 in June of 2013. Our budget today proposes further reductions, to 727, while still adding to our sworn police personnel and keeping service levels and programs at Newport Beach standards.

I close by offering my sincerest thanks to the Office of Management and Budget (OMB), the division of the Finance Department that coordinated the budget process, to our diligent Public Works staff who develop and implement one of the region's most aggressive Capital Improvement Programs, and the department directors, managers, and line staff across all of our departments who deliver such high quality services on such a consistent basis to our citizenry. They have my ongoing appreciation and admiration.

Respectfully submitted,



David A. Kiff
City Manager

**CITY OF NEWPORT BEACH
BUDGET FOR FISCAL YEAR 2014-15
User's Guide**

Each year the City prepares and adopts, by formal Resolution, an annual budget as required by the City's Charter. The budget is the operating and capital expenditure plan for the City for the fiscal year beginning on July 1 and ending on June 30 of the following year.

Budget Process – During December of each year, the Finance Department prepares preliminary fund balance estimates for the current year and preliminary revenue estimates for the next fiscal year. In January of each year, the Finance Department prepares a budget calendar and issues budget instructions and expenditure detail to each department for use in preparation of the next year's City budget. Included in these instructions are budget guidelines and appropriation limits for each department. These guidelines are developed by the Finance Director and approved by the City Manager.

After submission of revenue and appropriation requests by each department, the Finance Department summarizes the requests for review by the City Manager and department heads. After review at the City Manager level, the Finance Department prepares the City's proposed budget for the next fiscal year and submits it to the City Council. Thereafter, the City Council holds as many budget study sessions as it deems necessary. Subsequent to Council review and prior to its final adoption, the City Manager provides each Council Member with an itemized list of all proposed changes to permit a roll call vote by the City Council on each item during the budget hearing at the regular Council meeting. The City Council holds the budget hearing and adopts the budget on or before June 30 as required by the City Charter. Citizen input is encouraged during the Council study sessions or during the budget hearing.

The Budget is prepared on a modified accrual basis with all appropriations lapsing at the close of the fiscal year. If an expenditure of an appropriation is required but unexpended at the close of the fiscal year, the appropriation must be rebudgeted or reappropriated by the City Council.

Administration of the Annual Budget – During the budget year, department heads and their designated representatives may only authorize expenditures based on appropriations previously approved by City Council action, and only from accounts under their organizational responsibility. In addition, budget expenditures may only be authorized in the year appropriated. Department heads are responsible for not authorizing expenditures above budget appropriations in any given expenditure classification within their purview, without additional appropriation or transfer as specified below.

New Appropriations. During the Budget Year, the City Council may appropriate additional funds for special purposes by a City Council Budget Amendment. The City Manager has authority to approve requests for budget increases not to exceed \$10,000 in any Budget Activity or Capital Project. All budget amendment increases exceeding \$10,000 shall be referred to the City Council for approval.

Transfers. During the fiscal year, actual expenditures may exceed budget appropriations for specific expenditure line items within departmental budgets. If a total departmental budget, within a specific Classification, is not exceeded, the Finance Director has the authority to transfer funds within that Classification and department, to make the most efficient use of funds appropriated by the City Council. (Salaries and Benefits, Maintenance and Operation, Other Charges, and Capital Outlay are the City's four Classifications.)

Realignments. Further, funds may be realigned between one Department Budget Activity and another, within the same Classification, with City Manager approval. For example, if a Fire Department function

and the employee who accomplishes it are replaced by a slightly different function assigned to the Police Department, the City Manager may authorize the transfer of appropriate salary and benefit funds to support this function.

Reprogramming. Any reprogramming of funds among the four Classifications (Salaries and Benefits, Maintenance and Operation, Other Charges, and Capital Outlay) within a given fund requires the City Manager's approval. Any budget revision that changes the total amount budgeted for any fund (other than the minor provisions allowed for the City Manager) must be approved by the City Council.

Capital Projects. The department head having primary responsibility for a Capital Project (usually the Public Works Director) is authorized to encumber and approve subsequent expenditure of City funds for Capital Projects. However, contracts in excess of \$120,000 require specific City Council authorization at the time of contract award. In addition, any contracts not of format and wording already approved by the City Attorney require specific City Attorney review and approval prior to contract award.

The budget document is intended to provide the public concise and readable information about the City of Newport Beach's proposed operating and capital budgets, as well as anticipated funding sources.

The document is actually prepared in three separate volumes: the **Performance Plan**, the **Budget Detail** and the **Capital Improvement Program**.

The **Performance Plan** is designed to be the summary "user friendly" document for the public. It is divided into the following five major sections: (The Table of Contents lists every subject covered in the budget document and its page number.)

Introduction – includes the Table of Contents, City Organization Chart, List of City Officials, the City Manager's Letter of Transmittal and the Finance Director's Budget Summary.

Summaries – includes Revenues by Source, Expenditures by Function, Estimated Fund Balances and Schedule of Fund Transfers.

Department Budgets – includes proposed performance plans and budget information by department.

Other Budgets – includes a description of internal service funds, debt service information and the proposed capital improvement budgets by funding source.

Appendix – includes a summary of the Tide and Submerged Land Fund; a Capital Asset Schedule (Land, Structures and Improvements for the City); a summary of Rolling Stock in Service; a Three Year Comparison of Full-time and Full-time Equivalent Positions; a history of capital projects spending; and a glossary of accounting terms and definitions of terms used in the Newport Beach Budget documents.

Both the **Budget Detail** volume and the **Capital Improvement Program** volume are designed to provide the reader more detail on the proposed operating and capital improvement expenditures. The **Capital Improvement Program** volume also serves as a Five Year Proposed Capital Improvement Plan.

For the most part, the General Fund is the portion of the City's operating budget that funds the majority of City services. This fund is used to account for fiscal resources which are dedicated to the general government operations of the City, and which are not required to be accounted for in

another fund. Examples of the services funded by the General Fund include Police, Fire and Lifeguard Services; Refuse Collection ; Public Library; Recreation Programs; much of the City's expenditures on street maintenance; Community Development and Engineering services; as well as the general administration of the City. In addition, many Capital Improvements are funded by the General Fund.

The General Fund and its activities are primarily supported by property, sales and transient occupancy taxes. In addition, the other revenue sources supporting General Fund activities include: Licenses, Fees and Permits; Intergovernmental Revenues; Charges for Services; Fines, Forfeitures and Penalties; Revenue from the Use of Money and Property; Contributions; and Other Miscellaneous Revenue. By far, the City's largest revenue source is property taxes. The City's second largest single revenue source is Sales Tax, followed by Transient Occupancy Tax. Together, these three revenue sources provide just over 78% percent of total General Fund revenues.

In addition to the City's General Fund, there are numerous other funds that help finance City expenditures, particularly capital improvements. The City's Special Revenue Funds are used to account for the proceeds of special revenue sources, which are legally restricted to expenditures for specific purposes. The best example of a special revenue fund is the City's Gas Tax Fund, which is funded by the State Gasoline Tax and which can only be expended for street repair, construction and maintenance. The City has many other special revenue funds that are all included in the Budget.

The City employs Internal Service Funds to account for vehicle maintenance and replacement, as well as all compensated absences, general liability, workers' compensation, other insurance payments and information technology.

Finally, the Budget includes Enterprise Funds, which are used to account for City operations that are financed and operated in a manner similar to private business enterprises. The objective of segregating activities of this type is to identify the costs of providing the services, and to finance them through user charges. The two main City enterprise funds are the City's Water Fund and the Wastewater Fund. Both of these funds are financed by user charges to the customers (residents and businesses of Newport Beach).

Appropriation (Gann) Limit – Article XIII B of the California Constitution (Proposition 4) specifies that tax based appropriations of government entities (with certain exclusions) may increase annually only by a limited amount (primarily to allow for population increases and inflation). Newport Beach has been under its Gann Limit by a comfortable margin each year. For 2014-15, the appropriations limit adopted by the City Council, in accordance with Revenue and Taxation Code Section 7910, was \$159,687,483. Calculations determining this amount, which is \$22.4 million greater than the budgeted proceeds of taxes (even without adjusting for exclusions), are verified as part of the City's annual audit.

In addition to the Annual Budget, the City's audited financial statements for the prior fiscal years are available in the Finance Department, City Clerk Department and each of the City's library branches.

Fund Balance Policy – Reserve Policy F-2 in the City of Newport Beach Council Policy Manual identifies various constraints imposed on reserve balances established by City Council. This policy, in part, identifies the Contingency Reserve balance in the General Fund shall have a target balance of twenty-five percent (25%) General Fund, Operating Budget.

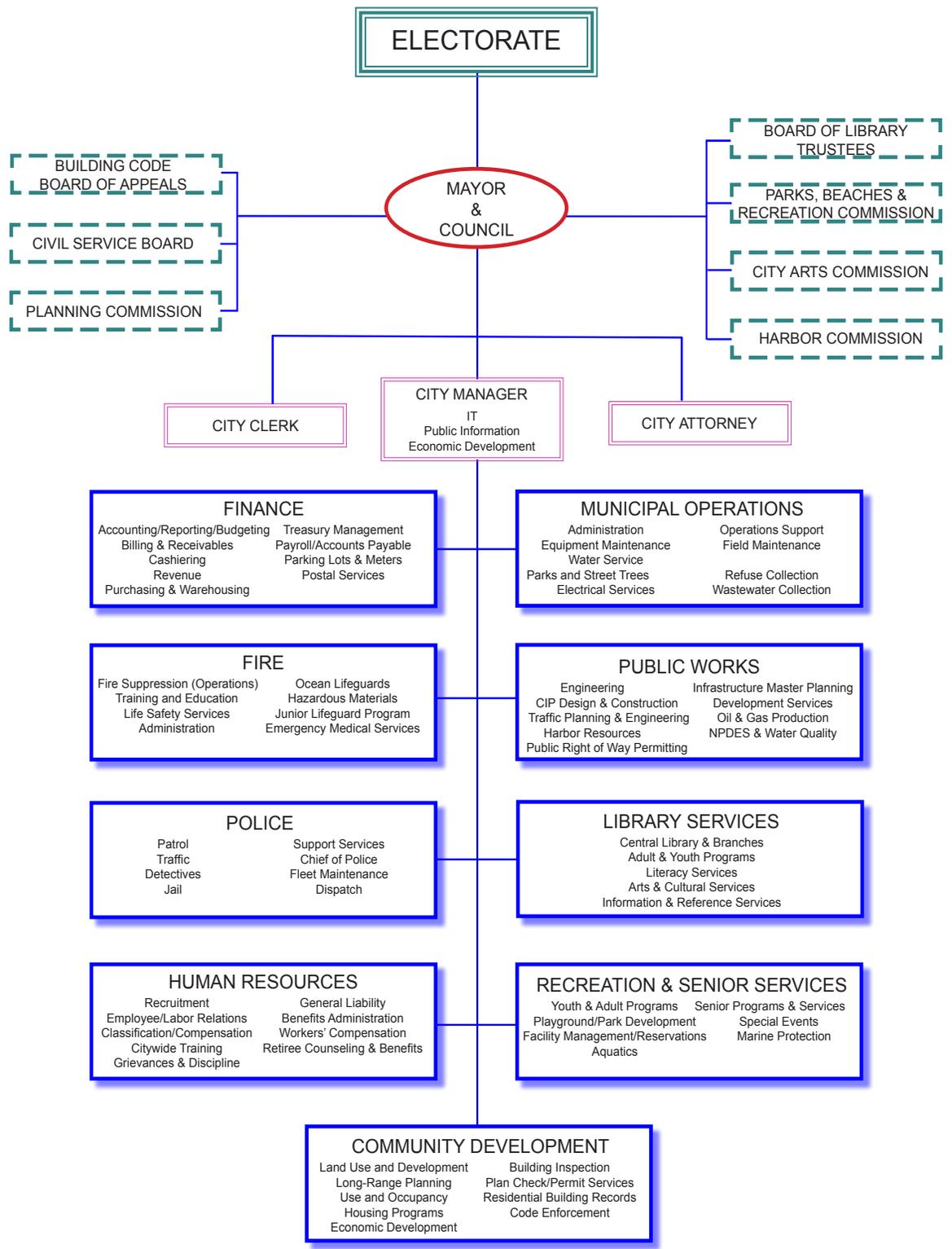
In addition to the General Fund's reserves, other reserve policies have been established for the perpetual replacement of equipment and major facilities; the pre-funding of claims, judgments and compensated absence payables and the funding of stabilization and contingency reserves levels in the Water and Wastewater enterprises.

Debt Administration – The City does not issue debt instruments to finance operating activities; therefore Debt Service Expenditures are the result of capital financing ventures. There are two principal reasons why debt instruments are issued. The first circumstance is when the cash flow for the construction or purchase of a long-term asset would cause a significant strain on the City's cash flow and the asset to be financed will benefit many service periods. In no instance would the City select the duration of a given debt instrument to extend beyond the expected life of the asset financed. The second scenario arises when an asset to be purchased may not cause a significant cash flow strain but it would be economically advantageous to finance the asset rather than to purchase it outright (e.g. occasionally the City can borrow money at a lower rate than its investment portfolio is earning). Information regarding the City's current Debt Service Expenditures is included in the section entitled, Other Budgets.

Cash Management – The City pools all cash and investments of all funds, except for funds required to be held by outside fiscal agents under the provisions of certificates of participation and investment funds in its deferred compensation plan. Under the provisions of the City's investment policy, and in accordance with Section 53601 of the California Government Code, the City may deposit and invest in the following:

- Certificates of Deposit
- Negotiable & Non-negotiable Certificates of Deposit
- Bankers Acceptances
- U.S. Treasury Issues
- Federal Agency or U.S. Government-Sponsored Enterprise Obligations
- Prime Commercial paper
- Repurchase Agreements and Reverse Repurchase Agreements
- Local Agency Investment Fund (State of California)
- County Investment Pool (Los Angeles)
- Medium Term Corporate Bonds/Notes
- Mortgage-backed Securities and Asset-backed securities
- Municipal Bonds
- Money Market Funds

The City allocates interest to all funds as required by Federal, State, County, or local code. Each fund allocated interest is indicated on the Revenue Summary of the Budget Detail book.



Fiscal Year 2014-15

Mission Statement

“Newport Beach is an exceptional community because of its nautical heritage, the natural beauty of the bay and ocean, and its outstanding enhancements.

As employees of the City of Newport Beach, we have been entrusted to be the stewards of the quality of life cherished by those who live, work and visit here.

In support of that trust, we commit to provide excellent service that respects the uniqueness and diversity of the community.”



Core Values



Responsibility is mastering your job, taking ownership of your work product and meeting deadlines. It also means being reliable, dependable and accountable for your decisions and actions.

Initiative is readiness to take action, being proactive, and seeking solutions. It also means having a high motivation to take on additional responsibility and welcome new opportunities, techniques and approaches.

Excellent Service means providing thorough, efficient and effective service with a courteous and professional attitude. It also means being informed, timely, and open to complaints and requests.

One Team is working together to support each other and the community by carrying out City Council policies. It also means sharing information across departments and aligning processes, and fostering innovation.

Integrity is being honest, reliable, respectful, ethical, fair and authentic.

SUMMARIES



REVENUE SUMMARY 2014-15

Fund/Revenue Category	2010-11 Actual Revenue	2011-12 Actual Revenue	2012-13 Actual Revenue	2013-14 Adopted Revenue	2013-14 Revised Revenue	2014-15 Adopted Revenue	Percent Increase (Decrease)
GENERAL FUND							
PROPERTY TAXES	71,630,345	71,546,135	81,603,194	77,560,970	79,438,816	82,607,239	3.99%
TAXES OTHER THAN PROPERTY	45,898,190	49,681,079	52,641,811	54,255,938	55,246,154	58,436,950	5.78%
LICENSES AND PERMITS	3,234,996	4,085,672	4,093,829	5,382,970	5,485,970	4,289,085	-21.82%
INTERGOVERNMENTAL	2,306,209	2,189,764	1,691,428	1,443,521	1,485,285	1,371,213	-7.68%
CHARGES FOR CURRENT SERVICES	15,134,529	15,900,289	16,082,818	15,291,626	15,541,418	15,759,069	1.40%
FINES, FORFEITURES & PENALTIES	3,542,294	3,772,841	3,647,417	3,776,000	3,776,000	3,399,200	-9.98%
USE OF MONEY AND PROPERTY	7,531,034	8,047,288	7,833,576	7,826,863	8,000,385	8,057,488	0.71%
OTHER REVENUE	1,457,541	877,260	2,818,467	504,803	1,050,364	417,110	-60.29%
TOTAL GENERAL FUND	150,735,137	156,100,328	170,412,540	166,042,691	170,024,392	174,337,354	2.54%
ASSET FORFEITURE FUND							
USE OF MONEY AND PROPERTY	-	25,603	379,695	-	24,040	3,847	-84.00%
TOTAL ASSET FORFEITURE FUND	-	25,603	379,695	-	24,040	3,847	-84.00%
OTS GRANT							
INTERGOVERNMENTAL	227,507	154,698	187,772	46,250	442,818	83,517	-81.14%
TOTAL OTS GRANT FUND	227,507	154,698	187,772	46,250	442,818	83,517	-81.14%
SLESF - COPS FUND							
INTERGOVERNMENTAL	100,016	141,453	107,007	138,222	138,222	138,000	-0.16%
USE OF MONEY AND PROPERTY	703	498	-	-	-	-	0.00%
TOTAL SLESF - COPS FUND	100,719	141,951	107,007	138,222	138,222	138,000	-0.16%
JAG FUND (FORMERLY LLEBG)							
INTERGOVERNMENTAL	13,322	10,976	8,139	-	-	-	0.00%
TOTAL JAG FUND	13,322	10,976	8,139	-	-	-	0.00%
CDBG FUND							
INTERGOVERNMENTAL	284,615	355,654	411,737	350,669	350,669	355,000	1.24%
TOTAL CDBG FUND	284,615	355,654	411,737	350,669	350,669	355,000	1.24%
STATE GAS TAX FUND							
INTERGOVERNMENTAL	2,025,226	2,427,091	2,036,522	2,517,083	2,517,083	2,172,036	-13.71%
USE OF MONEY AND PROPERTY	63,248	53,003	6,247	20,947	20,947	20,607	-1.62%
TOTAL GAS TAX FUND	2,088,474	2,480,095	2,042,769	2,538,030	2,538,030	2,192,643	-13.61%
PROP 1B TRANSPORTATION FUND							
INTERGOVERNMENTAL	-	-	-	-	693,000	-	-100.00%
USE OF MONEY AND PROPERTY	3,239	-	-	-	-	-	0.00%
TOTAL PROP 1B TRANSPORT FUND	3,239	-	-	-	693,000	-	-100.00%
TRAFFIC CONGESTION FUND							
INTERGOVERNMENTAL	197,344	-	-	-	-	-	0.00%
USE OF MONEY AND PROPERTY	3,380	-	-	-	-	-	0.00%
TOTAL TRAFFIC CONGESTION FUND	200,724	-	-	-	-	-	0.00%
TIDELANDS FUND							
LICENSES, PERMITS AND FEES	1,485,375	1,790,750	60,923	2,038,500	125,850	15,000	-88.08%
CHARGES FOR SERVICES	151,284	120,524	171,582	115,000	115,000	-	-100.00%
FINES, FORFEITURES & PENALTIES	2,935	22,946	2,115	15,000	15,000	-	-100.00%
USE OF MONEY AND PROPERTY	8,821,318	10,135,702	11,199,660	9,906,286	11,228,653	11,085,674	-1.27%
OTHER REVENUE	-	162,166	(3,095)	-	-	(457)	0.00%
TOTAL TIDELANDS FUND	10,460,912	12,232,088	11,431,185	12,074,786	11,484,503	11,100,217	-3.35%
TIDELANDS CAPITAL FUND							
LICENSES, PERMITS AND FEES	-	-	-	1,026,947	-	-	0.00%
INTERGOVERNMENTAL	-	-	643,081.00	-	-	-	0.00%
USE OF MONEY AND PROPERTY	-	-	924,508	178,801	1,024,919	1,572,862	53.46%
TOTAL TIDELANDS FUND	-	-	1,567,589	1,205,748	1,024,919	1,572,862	53.46%
CONTRIBUTIONS FUND							
INTERGOVERNMENTAL	2,136,516	1,134,267	1,027,967	1,450,000	2,341,357	3,607,112	54.06%
USE OF MONEY AND PROPERTY	-	-	7,298	-	-	15,039	0.00%
OTHER REVENUE	15,930	7,931	-	253,786	253,786	-	-100.00%
TOTAL CONTRIBUTIONS FUND	2,152,446	1,142,198	1,035,265	1,703,786	2,595,143	3,622,151	39.57%
CIRCULATION AND TRANS FUND							
LICENSE, PERMITS AND FEES	378,481	506,728	358,101	373,024	373,024	325,000	-12.87%
USE OF MONEY AND PROPERTY	64,154	15,802	-	-	-	5,228	0.00%
OTHER REVENUE	-	-	323,907	-	961,685	-	-100.00%
TOTAL CIRCULATION FUND	442,635	522,530	682,008	373,024	1,334,709	330,228	-75.26%

REVENUE SUMMARY 2014-15

Fund/Revenue Category	2010-11 Actual Revenue	2011-12 Actual Revenue	2012-13 Actual Revenue	2013-14 Adopted Revenue	2013-14 Revised Revenue	2014-15 Adopted Revenue	Percent Increase (Decrease)
BUILDING EXCISE TAX FUND							
LICENSES, PERMITS AND FEES	100,134	307,975	352,307	235,000	235,000	223,250	-5.00%
USE OF MONEY AND PROPERTY	4,861	5,577	2,421	2,855	2,855	1,794	-37.16%
TOTAL BET FUND	<u>104,995</u>	<u>313,552</u>	<u>354,728</u>	<u>237,855</u>	<u>237,855</u>	<u>225,044</u>	<u>-5.39%</u>
MEASURE "M" FUND							
INTERGOVERNMENTAL	1,175,606	2,578,563	2,926,523	2,760,717	2,760,717	6,250,730	126.42%
USE OF MONEY AND PROPERTY	58,336	44,442	4,505	30,809	30,809	11,956	-61.19%
TOTAL MEASURE "M" FUND	<u>1,233,942</u>	<u>2,623,005</u>	<u>2,931,028</u>	<u>2,791,526</u>	<u>2,791,526</u>	<u>6,262,686</u>	<u>124.35%</u>
AIR QUALITY MGMT FUND							
INTERGOVERNMENTAL	100,655	264,047	103,005	-	100,000	100,000	0.00%
USE OF MONEY AND PROPERTY	5,656	4,126	728	2,882	2,882	1,901	-34.04%
TOTAL AQMD FUND	<u>106,311</u>	<u>268,173</u>	<u>103,733</u>	<u>2,882</u>	<u>102,882</u>	<u>101,901</u>	<u>3435.45%</u>
ENVIRONMENTAL LIABILITY FUND							
TAXES OTHER THAN PROPERTY	481,952	515,372	488,545	484,160	484,160	533,689	10.23%
USE OF MONEY AND PROPERTY	55,717	38,927	5,997	34,042	34,042	15,336	-54.95%
OTHER REVENUE	-	-	50,754	-	-	25,000	0.00%
TOTAL ENVIRONMENTAL LIAB FUND	<u>537,670</u>	<u>554,299</u>	<u>545,296</u>	<u>518,202</u>	<u>518,202</u>	<u>574,025</u>	<u>10.77%</u>
NEWPORT ANNEXATION FUND							
USE OF MONEY AND PROPERTY	117,601	69,511	9,297	29,211	29,211	17,959	-38.52%
TOTAL ANNEXATION FUND	<u>117,601</u>	<u>69,511</u>	<u>9,297</u>	<u>29,211</u>	<u>29,211</u>	<u>17,959</u>	<u>-38.52%</u>
ASSESSMENT DISTRICT PROJECTS							
OTHER REVENUE	-	-	1,160	-	-	-	0.00%
USE OF MONEY AND PROPERTY	-	-	6,229	4,457	4,457	-	-100.00%
TOTAL ASSESSMENT DIST. FUND	<u>-</u>	<u>-</u>	<u>7,389</u>	<u>4,457</u>	<u>4,457</u>	<u>-</u>	<u>-100.00%</u>
FACILITIES FINANCIAL PLANNING FUND							
LICENSES, PERMITS AND FEES	-	-	2,817,395	-	8,363,049	7,063,000	-15.55%
OTHER REVENUE	-	13,545,000	35,000	26,895,579	-	19,209,742	0.00%
USE OF MONEY AND PROPERTY	275,381	343,796	50,608	223,626	223,626	93,744	-58.08%
TOTAL FACILITIES FINANCING FUND	<u>275,381</u>	<u>13,888,796</u>	<u>2,903,003</u>	<u>27,119,205</u>	<u>8,586,675</u>	<u>26,366,486</u>	<u>-2.78%</u>
MAJOR FACILITIES REPLACEMENT FUND							
OTHER REVENUE	-	-	261,150	-	-	-	0.00%
USE OF MONEY AND PROPERTY	209,315	399,779	66,615	-	-	3,592	0.00%
OTHER FINANCING SOURCES USES	127,815,300	-	-	-	-	-	0.00%
TOTAL MAJOR FACILITIES FINANCING	<u>128,024,614</u>	<u>399,779</u>	<u>327,765</u>	<u>-</u>	<u>-</u>	<u>3,592</u>	<u>0.00%</u>
CIOSA FUND							
OTHER REVENUE	-	-	-	-	-	-	0.00%
USE OF MONEY AND PROPERTY	2,544	-	-	-	-	-	0.00%
TOTAL CIOSA FUND	<u>2,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
BONITA CANYON DEV. FUND							
USE OF MONEY AND PROPERTY	5	-	-	-	-	-	0.00%
TOTAL BONITA CANYON DEV. FUND	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
OASIS SR CENTER							
INTERGOVERNMENTAL	1,685,873	-	-	-	-	-	0.00%
TOTAL OASIS SR CENTER	<u>1,685,873</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
Misc. SAH PROJECTS							
INTERGOVERNMENTAL	376,436	-	91,663	-	1,403,584	217,193	-84.53%
USE OF MONEY AND PROPERTY	-	-	-	-	-	8,980	0.00%
TOTAL Misc. SAH PROJECTS	<u>376,436</u>	<u>-</u>	<u>91,663</u>	<u>-</u>	<u>1,403,584</u>	<u>226,173</u>	<u>0.00%</u>
FACILITIES MAINTENANCE FUND							
USE OF MONEY AND PROPERTY	-	-	(4,844)	-	-	4,310	0.00%
TOTAL FACILITIES MAINTENANCE	<u>-</u>	<u>-</u>	<u>(4,844)</u>	<u>-</u>	<u>-</u>	<u>4,310</u>	<u>0.00%</u>
WATER ENTERPRISE FUND							
INTERGOVERNMENTAL	-	-	158,863	-	-	-	0.00%
CHARGES FOR SERVICES	19,950,223	23,762,559	26,668,904	27,430,464	27,430,464	28,402,098	3.54%
USE OF MONEY AND PROPERTY	55,405	32,093	16,754	55,518	55,518	36,788	-33.74%
OTHER REVENUE	122,692	115,128	(123,198)	48,046	48,046	57,000	18.64%
TOTAL WATER FUND	<u>20,128,320</u>	<u>23,909,779</u>	<u>26,721,323</u>	<u>27,534,028</u>	<u>27,534,028</u>	<u>28,495,886</u>	<u>3.49%</u>

REVENUE SUMMARY 2014-15

Fund/Revenue Category	2010-11 Actual Revenue	2011-12 Actual Revenue	2012-13 Actual Revenue	2013-14 Adopted Revenue	2013-14 Revised Revenue	2014-15 Adopted Revenue	Percent Increase (Decrease)
WASTEWATER ENTERPRISE FUND							
CHARGES FOR SERVICES	3,323,017	3,376,436	3,416,719	3,279,500	3,279,500	3,023,000	-7.82%
USE OF MONEY AND PROPERTY	39,105	38,409	5,688	7,602	-	14,497	0.00%
OTHER REVENUE	25,416	(182,813)	6,221	57,583	57,583	10,000	-82.63%
TOTAL WASTEWATER FUND	3,387,538	3,232,031	3,428,628	3,344,685	3,337,083	3,047,497	-8.89%
INSURANCE RESERVE FUND							
WORKERS' COMP PREMIUM	2,769,262	2,723,584	2,706,375	2,706,339	2,706,339	2,753,913	1.76%
GENERAL LIABILITY PREMIUM	-	-	3,068,886	3,068,231	3,068,231	3,068,231	0.00%
CHARGES FOR SERVICES	-	-	172	-	-	-	0.00%
OTHER REVENUE	360,236	436,088	288,426	158,225	158,225	65,488	-58.61%
TOTAL INSURANCE FUND	3,129,498	3,159,672	6,063,859	5,932,795	5,932,795	5,887,632	-0.76%
RETIREE MEDICAL FUND							
CHARGES FOR SERVICES	3,723,971	3,782,988	3,929,516	3,603,000	3,603,000	3,780,340	4.92%
OTHER REVENUE	2,445,748	11,047,671	1,571,886	2,750,000	2,750,000	5,388	-99.80%
TOTAL RETIREE MEDICAL FUND	6,169,719	14,830,659	5,501,402	6,353,000	6,353,000	3,785,728	-40.41%
COMPENSATED ABSENCE FUND							
CHARGES FOR SERVICES	2,323,973	2,230,167	2,229,951	2,248,374	2,248,374	2,338,638	4.01%
USE OF MONEY AND PROPERTY	19,114	17,454	(1,336)	15,195	15,195	5,781	-61.95%
OTHER REVENUE	(3,668)	3,674	1,502	-	-	-	0.00%
TOTAL COMP. ABSENCE FUND	2,339,420	2,251,295	2,230,117	2,263,569	2,263,569	2,344,419	3.57%
INFORMATION TECHNOLOGY FUND							
INTERGOVERNMENTAL	-	-	3,461	-	-	-	0.00%
CHARGES FOR SERVICES	-	5,039,247	4,964,193	3,369,007	3,369,007	4,002,150	18.79%
OTHER REVENUE	-	7,001	(10,936)	-	-	23,347	0.00%
TOTAL INFO TECHNOLOGY FUND	-	5,046,248	4,956,718	3,369,007	3,369,007	4,025,497	19.49%
EQUIPMENT MAINTENANCE FUND							
PARKING EQUIPMENT	-	-	-	400,664	400,664	354,954	-11.41%
EQUIPMENT MAINTENANCE	2,222,291	2,008,370	2,014,257	2,005,916	2,005,916	1,759,963	-12.26%
EQUIPMENT REPLACEMENT	2,905,201	2,869,656	2,953,096	3,671,235	3,671,235	2,742,603	-25.29%
OTHER REVENUE	412,628	244,247	80,356	249,874	249,874	65,000	-73.99%
TOTAL EQUIPMENT FUND	5,540,120	5,122,273	5,047,709	6,327,689	6,327,689	4,922,520	-22.21%
PD EQUIPMENT MAINTENANCE FUND							
EQUIPMENT REPLACEMENT	691,945	691,945	691,945	550,500	550,500	550,500	0.00%
OTHER REVENUE	103,695	58,661	18,208	57,082	57,082	48,819	-14.48%
TOTAL PD EQUIPMENT FUND	795,640	750,606	710,153	607,582	607,582	599,319	-1.36%
ACKERMAN FUND							
USE OF MONEY AND PROPERTY	17,735	11,544	1,833	4,744	4,744	4,238	-10.67%
TOTAL ACKERMAN TRUST FUND	17,735	11,544	1,833	4,744	4,744	4,238	-10.67%
NEWPORT BAY DREDGING FUND							
USE OF MONEY AND PROPERTY	72,740	46,683	7,565	34,414	34,414	17,412	-49.40%
TOTAL BACK BAY DREDGING	72,740	46,683	7,565	34,414	34,414	17,412	-49.40%
DEBT SERVICE FUND							
USE OF MONEY AND PROPERTY	1,497,193	2,535,413	2,425,040	2,406,081	2,406,081	2,352,662	-2.22%
TOTAL DEBT SERVICE FUND	1,497,193	2,535,413	2,425,040	2,406,081	2,406,081	2,352,662	-2.22%
TOTAL ALL FUNDS	342,253,025	252,179,439	252,629,111	273,354,141	262,494,829	283,000,805	7.81%
Less: Internal Premiums	(10,220,727)	(14,871,025)	(18,628,703)	(18,020,266)	(18,020,266)	(17,570,952)	0.00%
TOTAL ALL CITY FUNDS, NET OF INTERNAL PREMIUMS	332,032,298	237,308,414	234,000,408	255,333,875	244,474,563	265,429,853	8.57%

EXPENDITURES BY FUND

Function and Activities	2011-12 Actual Expenditures	2012-13 Actual Expenditures	2013-14 Adopted Expenditures	2013-14 Revised Expenditures	2014-15 Adopted Expenditures	% of Total Operating Budget	% Incr (Decr) Over PY Revised
GENERAL FUND BUDGET							
General Government							
City Council	1,036,820	996,952	1,023,962	1,958,687	1,043,162	0.44%	-46.74%
City Clerk	583,501	748,250	655,701	655,701	794,423	0.28%	21.16%
City Manager	1,857,195	2,111,926	3,012,537	3,270,221	3,126,625	1.28%	-4.39%
Human Resources	2,498,074	2,463,759	2,575,202	2,691,584	2,638,311	1.10%	-1.98%
City Attorney	1,995,770	2,033,029	2,295,766	2,292,833	2,294,326	0.98%	0.07%
Finance	4,909,396	5,242,090	5,295,173	5,294,527	5,465,404	2.25%	3.23%
Total General Government	12,880,756	13,596,006	14,858,341	16,163,553	15,362,251	6.53%	-4.96%
Public Safety							
Police Department	40,793,782	43,866,273	44,615,180	45,167,901	46,744,677	18.97%	3.49%
Fire Department	34,181,698	36,234,692	37,028,642	38,169,074	39,708,179	15.75%	4.03%
Total Public Safety	74,975,480	80,100,965	81,643,822	83,336,975	86,452,856	36.76%	3.74%
Community Development							
Community Development	8,499,415	8,520,168	8,969,880	9,932,394	10,052,725	3.81%	1.21%
Public Works-Code/Watr Qual Enfr	314,510	358,604	592,280	592,280	627,808	0.25%	6.00%
Total Community Development	8,813,925	8,878,772	9,562,160	10,524,674	10,680,533	4.54%	1.48%
Public Works							
Municipal Operations - General Services	21,826,025	22,995,259	23,169,835	24,807,408	25,604,621	9.85%	3.21%
Public Works	5,727,878	5,855,617	6,037,334	6,267,284	6,260,694	2.57%	-0.11%
Municipal Operations - Utilities	926,857	897,238	950,463	955,016	1,034,833	0.40%	8.36%
Total Public Works	28,480,760	29,748,114	30,157,632	32,029,708	32,900,148	13.99%	2.72%
Community Services							
Recreation & Sr. Services	8,357,758	8,613,048	9,453,010	9,499,649	10,200,965	4.02%	7.38%
Libraries & Arts	7,302,926	7,189,489	6,849,943	7,797,842	7,214,852	2.91%	-7.48%
Finance - Parking Meters	2,071,240	1,482,227	1,672,910	1,816,950	1,545,634	0.71%	-14.93%
Total Community Services	17,731,924	17,284,764	17,975,863	19,114,441	18,961,451	8.06%	-0.80%
General Fund Debt Service/Non Dept Exp	780,000	180,444	265,000	101,500	320,000	0.11%	215.27%
Total General Fund Op. Budget	143,662,845	149,789,065	154,462,817	161,270,851	164,677,239	65.68%	2.11%
General Fund CIPs	3,827,130	5,235,781	7,562,622	8,310,062	11,236,610	3.22%	35.22%
Total General Fund Budget	147,489,975	155,024,846	162,025,439	169,580,913	175,913,849	74.80%	3.73%
ENTERPRISE FUNDS							
Water - Operations	17,376,899	17,729,061	19,281,097	19,648,446	20,652,084	8.20%	5.11%
Water - CIP	1,366,232	5,503,478	2,737,000	8,912,754	6,070,950	1.16%	-31.88%
Water - Debt Service	3,672,436	3,879,249	-	-	-	0.00%	0.00%
Wastewater - Operations	2,866,566	2,569,741	2,845,911	2,975,186	3,186,812	1.21%	7.11%
Wastewater - CIP	553,658	118,145	571,885	478,260	823,394	0.24%	72.16%
Total Enterprise Funds	25,835,792	29,799,674	25,435,893	32,014,646	30,733,240	13.07%	-4.00%
INTERNAL SERVICE FUNDS							
Insurance Reserve	6,792,871	10,631,148	6,400,510	6,400,510	9,137,635	2.72%	42.76%
Equipment Fund - Operations	2,348,295	2,780,539	3,545,771	7,133,052	6,793,306	1.51%	-4.76%
Equipment Fund - CIP	5,258	-	-	-	-	0.00%	0.00%
Equipment Fund - Debt Service	959,440	-	-	-	-	0.00%	0.00%
PD Equipment Replacement	875,944	106,677	1,264,700	1,544,076	1,687,500	0.54%	9.29%
800 MHZ Equipment	-	-	393,541	623,811	-	0.17%	-100.00%
Parking Equipment Fund	-	-	-	133,109	630,000	0.00%	373.30%
Compensated Absences	1,876,529	2,146,127	2,670,050	2,670,050	1,975,100	1.14%	-26.03%
Retiree Medical	6,471,811	6,575,759	3,232,000	3,232,000	4,459,000	1.37%	37.96%
Pension Management	-	-	-	-	1,000,000	0.00%	0.00%
Information Technology	4,689,103	5,017,254	9,693,473	10,238,938	4,796,786	4.12%	-53.15%
Total Internal Service Funds	24,019,251	27,257,504	27,200,045	31,975,546	30,479,327	12.96%	-4.68%
OTHER FUNDS							
Police Grants	402,378	447,288	538,442	963,544	761,837	0.23%	-20.93%
CDBG - Operations	112,632	113,046	122,675	137,487	138,174	0.05%	0.50%
CDBG - Debt Service	201,653	202,485	204,722	204,722	205,315	0.09%	0.29%
Tidelands - Harbor Resources	1,564,586	12,781,652	1,780,557	2,070,904	2,064,668	0.76%	-0.30%
Tidelands - Oil and Gas	706,328	899,685	754,147	1,052,484	855,460	0.32%	-18.72%
Tidelands - Debt Service	5,543,809	813,820	-	-	-	0.00%	0.00%
Circulations & Trans Debt Service	253,364	259,051	-	-	-	0.00%	0.00%
AQMD	6,188	6,297	10,500	10,500	10,566	0.00%	0.63%
Environmental Liability	141,454	160,876	176,886	180,529	178,530	0.08%	-1.11%
Newport Annexation Allocation Fund	1,200,000	1,209,297	1,200,000	1,200,000	1,200,000	0.51%	0.00%
Debt Service	9,682,542	10,557,744	10,601,017	10,601,017	10,591,217	4.51%	-0.09%
Civic Center Admin Fees	15,512	9,833	-	-	-	0.00%	0.00%
CIOSA Debt Service	253,364	179,051	-	-	162,500	0.00%	0.00%
Ackerman Fund	29,000	2,999	5,000	6,666	5,000	0.00%	-24.99%
All Other CIP	76,974,248	66,718,745	59,288,847	68,826,929	48,059,714	25.21%	-30.17%
Total Other Funds	97,087,058	94,361,869	74,682,793	85,254,782	64,232,981	27.31%	-24.66%
TOTAL OPERATING BUDGET	211,705,549	228,867,743	219,183,816	232,297,882	235,168,729	100.00%	1.24%
TOTAL CIP	82,726,526	77,576,149	70,160,354	86,528,005	66,190,668		-23.50%
TOTAL CITY BUDGET	294,432,075	306,443,892	289,344,170	318,825,887	301,359,397		-5.48%
LESS: INTERNAL CHARGES	(14,871,025)	(17,936,758)	(18,020,266)	(18,020,266)	(17,570,952)		-2.49%
TOTAL BUDGET NET OF INTERNAL CHARGES	279,561,051	288,507,134	271,323,904	300,805,621	283,788,445		-5.66%

2014-15 EXPENDITURES BY DEPARTMENT

	Salaries & Benefits	% of Total	Maintenance and Operation	% of Total	Capital Outlay	% of Total	Debt Service	Total Budget	% of Total
DEPARTMENT SERVICES									
City Council	265,382	0.20%	775,980	0.95%	1,800	0.02%	-	1,043,162	0.35%
City Clerk	535,192	0.41%	259,231	0.32%	-	0.00%	-	794,423	0.26%
City Manager	1,481,577	1.12%	1,642,361	2.00%	2,687	0.03%	-	3,126,625	1.04%
Human Resources	1,669,874	1.27%	963,437	1.17%	5,000	0.05%	-	2,638,311	0.88%
City Attorney	1,287,413	0.98%	1,000,313	1.22%	6,600	0.07%	-	2,294,326	0.76%
Finance	4,321,841	3.28%	2,677,697	3.26%	11,500	0.13%	-	7,011,038	2.33%
Police	40,292,859	30.56%	6,444,124	7.86%	7,694	0.08%	-	46,744,677	15.51%
Fire	32,552,632	24.69%	6,949,281	8.47%	206,266	2.26%	-	39,708,179	13.18%
Community Development	7,402,113	5.61%	2,741,100	3.34%	47,686	0.52%	-	10,190,899	3.38%
Municipal Operations	14,146,467	10.73%	36,648,293	44.68%	539,050	5.89%	-	51,333,810	17.03%
Public Works	5,944,454	4.51%	2,979,716	3.63%	29,000	0.32%	-	8,953,170	2.97%
Library Services (incl Cultural Arts)	5,074,649	3.85%	2,138,203	2.61%	2,000	0.02%	-	7,214,852	2.39%
Recreation and Sr. Services	5,652,553	4.29%	4,450,162	5.43%	98,250	1.07%	-	10,200,965	3.38%
General Fund - Non Dept	150,000	0.11%	170,000	0.21%	-	0.00%	-	320,000	0.11%
INTERNAL SERVICES									
Insurance Reserve	-	0.00%	9,137,635	11.14%	-	0.00%	-	9,137,635	3.03%
Equipment Maint. & Replacement	1,158,858	0.88%	575,448	0.70%	5,059,000	55.31%	-	6,793,306	2.25%
PD Equipment Replacement	-	0.00%	324,000	0.39%	1,363,500	14.91%	-	1,687,500	0.56%
Parking Equipment Fund	-	0.00%	30,000	0.04%	600,000	6.56%	-	630,000	0.21%
Compensated Absence	1,975,100	1.50%	-	0.00%	-	0.00%	-	1,975,100	0.66%
Retiree Medical	4,459,000	3.38%	-	0.00%	-	0.00%	-	4,459,000	1.48%
Pension Management	1,000,000	0.76%	-	0.00%	-	0.00%	-	1,000,000	0.33%
Information Technology	2,192,128	1.66%	1,736,943	2.12%	867,715	9.49%	-	4,796,786	1.59%
Other - Fire 800 MHz Radios	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
DEBT SERVICE									
CDBG Balboa Village Loan	-	0.00%	-	0.00%	-	0.00%	205,315	205,315	0.07%
Balboa Yacht Basin Construction Loan	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Circulation and Transportation	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Newport Annexation Receipt Fund	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Newport Annexation Allocation Fund	-	0.00%	-	0.00%	-	0.00%	1,200,000	1,200,000	0.40%
Central Library Construction	-	0.00%	7,000	0.01%	-	0.00%	10,584,217	10,591,217	3.51%
Civic Center Admin Fees	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
CIOSA	-	0.00%	-	0.00%	-	0.00%	162,500	162,500	0.05%
Groundwater Improvement Bonds	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
Rolling Stock Leases	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
OTHER ACTIVITIES									
Narcotic Asset Forfeiture	53,768	0.04%	187,922	0.23%	298,630	3.27%	-	540,320	0.18%
OTS Grant	83,517	0.06%	-	0.00%	-	0.00%	-	83,517	0.03%
SLESF	138,000	0.10%	-	0.00%	-	0.00%	-	138,000	0.05%
LLEBG	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%
AQMD	4,631	0.00%	5,935	0.01%	-	0.00%	-	10,566	0.00%
Environmental Liability Fund	-	0.00%	178,530	0.22%	-	0.00%	-	178,530	0.06%
Ackerman Donation	-	0.00%	5,000	0.01%	-	0.00%	-	5,000	0.00%
Capital Improvement Projects	-	0.00%	-	0.00%	-	0.00%	-	66,190,668	21.96%
Total Budget	131,842,008	100.00%	82,028,311	100.00%	9,146,378	100%	12,152,032	301,359,397	100.00%
Less: Internal Charges	(5,092,551)		(12,478,401)					(17,570,952)	
Total Budget Net of Internal Charges	126,749,457		69,549,910		9,146,378		12,152,032	283,788,444	
OPERATING BUDGET	TOTAL	% OF BUDGET TYPE	% OF TOTAL BUDGET		GENERAL FUND	% OF BUDGET TYPE	% OF TOTAL BUDGET		
Salaries and Benefits	131,842,008	56.06%	43.75%		114,753,232	69.68%	65.23%		
Maintenance and Operation	82,028,311	34.88%	27.22%		49,170,474	29.86%	27.95%		
Capital Outlay	9,146,378	3.89%	3.04%		753,533	0.46%	0.43%		
Debt Service	12,152,032	5.17%	4.03%		-	0.00%	0.00%		
Total Operating Budget	235,168,729	100.00%	78.04%		164,677,239	100.00%	93.61%		
CAPITAL IMPROVEMENTS	66,190,668	21.96%	21.96%		11,236,610	100.00%	6.39%		
TOTAL BUDGET	301,359,397	100.00%	100.00%		175,913,849	100.00%	100.00%		

SUMMARIES

OPERATING EXPENDITURES - ALL FUNDS

Acct Code	Activity - Function	City Council	City Clerk	City Manager	Human Resources	City Attorney	Finance	Police	Fire	Community Development	Municipal Operations	Public Works	Library Services	Recreation & Sr Svcs	Internal Svc Funds	Other Activities	Total	Activity - Function	Acct Code
7000	SALARIES - MISC	-	353,872	988,326	1,115,859	870,687	2,702,298	5,672,416	1,204,978	4,820,281	8,484,680	3,965,656	2,602,514	2,627,138	2,106,154	-	37,514,859	SALARIES-MISC	7000
7010	SALARIES - SAFETY	-	-	-	-	-	-	14,962,116	13,164,355	-	-	-	-	-	-	-	28,126,471	SALARIES-SAFETY	7010
7020	SALARIES - PERM PART TIME & TEMP	-	-	33,975	11,468	30,472	139,115	606,572	1,462,090	149,077	-	80,143	837,774	1,241,735	41,964	-	4,634,385	SALARIES-PERM PART TIME & TEMP	7020
7040	OVERTIME, MISC	-	500	2,000	-	5,000	26,500	279,664	-	72,600	449,886	20,535	1,883	2,400	45,180	3,000	909,148	OVERTIME, MISC	7040
7041	OVERTIME, SAFETY	-	-	-	-	-	-	1,411,658	-	-	-	-	-	-	-	132,323	1,543,981	OVERTIME, SAFETY	7041
7042	OVERTIME, FIRE	-	-	-	-	-	-	-	3,680,099	-	-	-	-	-	-	-	3,680,099	OVERTIME, FIRE	7042
7059	PACKER/CALLBACK/STANDBY PAY	-	-	-	-	-	-	-	29,000	-	116,500	-	-	-	4,000	-	149,500	PACKER/CALLBACK/STANDBY PAY	7059
7060	SPECIAL ASSIGNMENT/TILLER/EMT PAY	-	-	-	-	-	-	-	76,144	-	-	-	-	-	-	-	76,144	SPECIAL ASSIGNMENT/TILLER/EMT PAY	7060
7062	NIGHT DIFF, MISC	-	-	-	-	-	-	50,147	-	238	-	-	10,263	-	-	-	60,648	NIGHT DIFF, MISC	7062
7063	CERTIFICATION PAY	-	-	-	-	-	2,640	-	242,943	48,840	38,561	8,040	-	935	16,845	-	358,804	CERTIFICATION PAY	7063
7066	BILINGUAL PAY	-	-	-	-	-	5,400	48,001	19,200	9,000	1,800	-	-	5,400	-	-	88,801	BILINGUAL PAY	7066
7067	LONGEVITY PAY	-	-	-	-	-	-	67,901	62,861	-	-	-	-	-	-	-	130,762	LONGEVITY PAY	7067
7070	SCHOLASTIC ACHIEVEMENT	-	-	-	-	-	-	666,830	496,950	-	-	-	-	5,000	-	-	1,168,780	SCHOLASTIC ACHIEVEMENT	7070
7071	EDUCATION RETENTION, MISC	-	-	-	-	-	-	109,131	-	-	-	-	-	-	-	-	109,131	EDUCATION RETENTION, MISC	7071
7072	HOLIDAY PAY, MISC	-	-	-	-	-	-	208,748	19,902	-	-	-	-	-	-	-	228,650	HOLIDAY PAY, MISC	7072
7074	HOLIDAY PAY, SAFETY	-	-	-	-	-	-	681,955	329,445	-	-	-	-	-	-	-	1,011,400	HOLIDAY PAY, SAFETY	7074
7076	LEADERSHIP PAY, SAFETY	-	-	-	-	-	-	25,497	-	-	-	-	-	-	-	-	25,497	LEADERSHIP PAY, SAFETY	7076
7085	UNEMPLOYMENT & TERMINATION PAY	-	-	-	-	-	-	-	-	-	-	-	-	-	1,450,000	150,000	1,600,000	UNEMPLOYMENT & TERMINATION PAY	7085
7088	PAID FLEX/SPILLOVER PAY	-	-	-	-	-	-	-	-	-	-	-	-	-	350,000	-	350,000	PAID FLEX/SPILLOVER PAY	7088
7100	COUNCIL ALLOWANCES	110,333	-	-	-	-	-	-	-	-	-	-	-	-	-	-	110,333	COUNCIL ALLOWANCES	7100
7210	HEALTH/DENTAL/VISION	136,059	77,748	136,059	223,526	116,622	612,266	3,839,879	2,537,014	952,413	2,225,537	680,295	719,169	728,888	466,488	-	13,451,963	HEALTH/DENTAL/VISION	7210
7223	RETIREE INSURANCE - OPEB COST	-	17,678	49,261	55,376	47,785	134,211	1,001,933	710,124	239,403	458,705	193,968	133,135	128,607	3,401,814	-	6,572,000	RETIREE INSURANCE - OPEB COST	7223
7250	SALARY SAVINGS/REIMBURSEMENT	-	-	-	-	-	-	-	-	(97,114)	-	-	-	-	580,000	138,000	620,886	SALARY SAVINGS/REIMBURSEMENT	7250
7227	RETIREE INSURANCE - RHS CONTRIB	-	5,160	5,190	6,720	-	25,950	171,782	131,130	39,204	98,926	39,990	28,500	24,840	613,835	-	1,191,227	RETIREE INSURANCE - RHS CONTRIB	7227
7232	PAYMENT > ARC	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000	PAYMENT > ARC	7232
7290	LIFE INSURANCE	-	420	735	1,203	630	3,308	23,126	15,645	5,127	12,023	3,675	3,881	3,933	2,496	-	76,202	LIFE INSURANCE	7290
7295	EMPLOYEE ASSISTANCE	-	95	165	272	142	744	5,223	3,521	1,158	2,706	827	874	886	567	-	17,180	EMPLOYEE ASSISTANCE	7295
7350	OTHER MISC BENEFITS/ALLOWANCES	-	959	26,751	5,910	9,841	10,141	284,255	78,831	22,222	46,746	21,244	7,801	21,033	9,421	4,565	549,720	OTHER MISC BENEFITS/ALLOWANCES	7350
7370	WORKERS' COMP, MISC	-	4,913	26,717	14,622	18,046	69,023	146,594	80,399	95,203	423,267	99,504	69,174	142,438	73,913	-	1,263,813	WORKERS' COMP, MISC	7370
7371	WORKERS' COMP, SAFETY	-	-	-	-	-	-	819,784	670,316	-	-	-	-	-	-	-	1,490,100	WORKERS' COMP, SAFETY	7371
7373	COMPENSATED ABSENCES	-	12,386	34,591	39,055	30,474	94,580	722,209	502,927	168,710	296,964	138,798	91,088	91,950	233,715	-	2,457,447	COMPENSATED ABSENCES	7373
7425	MEDICARE FRINGES	1,600	5,138	14,852	16,346	13,139	41,600	359,464	297,234	73,951	131,826	59,078	50,060	56,298	47,130	2,029	1,169,745	MEDICARE FRINGES	7425
7439	PERS EMPLOYER PD MEMBER CONTRIB MISC	7,446	27,602	79,739	87,931	67,898	216,349	490,795	95,322	385,484	665,686	309,121	226,909	238,070	167,005	-	3,065,357	PERS EMPLOYER PD MEMBER CONTRIB MISC	7439
7440	PER EMPLOYER CONTRBN-MISC	7,638	28,310	81,784	90,186	75,389	229,685	546,232	100,167	404,140	682,755	317,896	265,877	296,189	173,250	-	3,299,498	PER EMPLOYER CONTRBN-MISC	7440
7441	PERS EMPLOYER CNTRBN-SAFETY	-	-	-	-	-	-	2,899,269	2,540,941	-	-	-	-	-	-	-	5,440,210	PERS EMPLOYER CNTRBN-SAFETY	7441
7442	PERS EMPLOYER PD MEMBER CONTRIB SAFE	-	-	-	-	-	-	1,507,779	1,314,989	-	-	-	-	-	-	-	2,822,768	PERS EMPLOYER PD MEMBER CONTRIB SAFE	7442
7445	EMPLOYEE CONTRIBUTIONS TO PENSION	(10,405)	(38,572)	(111,185)	(122,796)	(98,005)	(302,432)	(2,518,872)	(1,451,468)	(528,429)	(930,254)	(433,133)	(314,869)	(333,675)	(235,749)	-	(7,429,844)	EMPLOYEE CONTRIBUTIONS TO PENSIONS	7445
7446	PERS UNFUNDED LIABILITY	12,154	38,983	112,615	124,195	99,294	308,350	5,193,219	4,082,745	537,784	940,152	435,811	320,692	340,872	236,981	-	12,783,847	PERS UNFUNDED LIABILITY	7446
7460	RETIREMENT PART TIME/TEMP	-	558	-	-	-	2,113	9,552	54,828	2,822	-	3,005	19,923	29,616	75	-	122,492	RETIREMENT PART TIME/TEMP	7460
	SUBTOTAL SALARY & BENEFITS	265,382	535,192	1,481,578	1,669,874	1,287,413	4,321,841	40,292,859	32,552,632	7,402,114	14,146,466	5,944,453	5,074,648	5,652,552	10,785,086	429,918	131,842,008	SUBTOTAL SALARY & BENEFITS	
8010	ADVERT & PUB RELATIONS	4,000	12,000	5,000	9,000	-	-	11,650	26,245	15,000	20,000	-	6,000	-	-	25,000	133,895	ADVERT & PUB RELATIONS	8010
8012	PROGRAMMING/FIRE EXPLORERS	-	-	-	-	-	-	-	5,000	-	-	-	41,500	-	-	19,460	65,960	PROGRAMMING/FIRE EXPLORERS	8012
8020	AUTOMOTIVE SERVICE	-	-	-	-	-	1,580	446,435	215,626	19,400	322,200	15,500	6,000	40,710	13,500	-	1,080,951	AUTOMOTIVE SERVICE	8020
8021	AUTOMOTIVE EXTERIOR MAINT	-	-	-	-	-	-	52,768	3,000	-	-	-	-	-	-	-	55,768	AUTOMOTIVE EXTERIOR MAINT	8021
8022	EQUIPMENT MAINTENANCE	-	-	-	-	-	8,865	591,446	53,096	912,126	62,844	7,725	79,342	44,519	-	-	1,759,963	EQUIPMENT MAINTENANCE	8022
8023	AUTOMOTIVE PURCHASE	-	-	-	-	-	-	141,445	118,000	-	-	-	-	26,000	-	-	285,445	AUTOMOTIVE PURCHASE	8023
8024	EQUIPMENT REPLACEMENT	-	-	-	-	-	7,182	550,500	1,585,963	36,959	933,874	48,686	5,492	105,700	18,747	-	3,293,103	EQUIPMENT REPLACEMENT	8024
8030	MAINT & REPAIR - EQUIP	150	15,000	15,650	1,000	1,000	2,800	118,355	129,537	20,000	17,900	280,000	12,700	10,000	3,500	138,643	766,235	MAINT & REPAIR - EQUIP	8030
8031	MAINT & REPAIR - COPIERS	-	-	-	-	-	-	-	-	-	-	-	4,000	-	55,000	-	59,000	MAINT & REPAIR - COPIERS	8031
8033	MAINT & REPAIR - PRINTERS	-	500	1,200	2,500	-	1,000	48,000	7,250	11,760	5,650	2,000	4,000	7,085	10,975	-	101,920	MAINT & REPAIR - PRINTERS	8033
8034	MAINT & REPAIR - NOC	-	-	-	-	-	-	-	-	-	219,897	50,000	-	-	-	-	269,897	MAINT & REPAIR - NOC	8034
8040	MAINT & REPAIR - FACILITIES	2,000	-	15,773	-	-	20,000	184,440	171,652	5,000	452,374	40,220	108,900	143,938	-	-	1,144,297	MAINT & REPAIR - FACILITIES	8040
8050	PSTGE,FREIGHT,EXPRESS NOC	1,000	5,000	92,050	2,500	5,300	47,850	50,000	14,120	17,400	83,882	6,050	12,000	60,698	400	-	398,250	PSTGE, FREIGHT, EXPRESS NOC	8050
8060	PUBLICATIONS & DUES NOC	62,000	1,100	9,000	4,700	4,500	9,545	21,363	40,475	26,900	7,950	9,700	8,850	3,505	1,500	-	211,088	PUBLICATIONS & DUES NOC	8060
8065	PROPERTY MANAGEMENT	-	-	-	-	-	-	-	-	19,400	-	6,450	-	-	-	-	25,850	PROPERTY MANAGEMENT	8065
8070	RENTAL/PROP & EQUIP NOC	-	-	-	-	-	4,130	36,149	32,443	-	15,500	-	400	81,288	-	-	169,910	RENTAL/PROP & EQUIP NOC	8070
8078	EMPLOYEE RECOGNITION	-	-	-	10,000	-	-	-	-	-	-	-	-	-	-	2,935	12,935	EMPLOYEE RECOGNITION	8078
8080	SERVICES-PROF & TECH NOC	250,000	115,000	781,000	116,000	67,000	291,950	883,592	140,631	1,532,050	2,422,164	1,010,000	168,000	374,579	655,044	9,590	8,816,600	SERVICES-PROF & TECH NOC	8080
80802	SERVICES-OTHER SPECIAL	-	-	-	303,770	-	85,000	700,000	308,993	-	3,807,000	-	-	-	-	-	5,204,763	SERVICES-OTHER SPECIAL	80802
80805	SERVICES-TREE RELATED	-	-	-	-														

SUMMARY OF ESTIMATED 2013-14 YEAR END FUND BALANCES

Fund / Account	Actual Fund Balance 2012-13	Estimated Revenue 2013-14	Transfers In	Transfers Out	Estimated Budget Expenditures 2013-14	Estimated Capital Improvements 2013-14	Estimated Year End Fund Balance 2013-14
General Fund	-	170,024,392	32,041,448	32,484,927	161,270,851	8,310,062	-
Nonspendable							
Reserve for Inventories	217,722	-	-	-	-	-	217,722
Reserve for LT Receivables	9,676,659	-	6,132,900	-	-	-	15,809,559
Reserve for Prepaid Items	25,105	-	-	-	-	-	25,105
Restricted							
Affordable Housing Reserve	2,275,613	-	711,612	-	-	-	2,987,225
Hoag Circulation Improvements	134,760	-	-	134,760	-	-	-
Park In Lieu Fees	982,071	-	-	982,071	-	-	-
Oceanfront Encroachment	759,686	-	211,944	-	-	-	971,630
Committed							
Contingency Reserve	22,134,775	-	-	22,134,775	-	-	-
Senior Fitness Center	46,888	-	23,000	-	-	-	69,888
Bike Safety	308,666	-	-	140,785	-	-	167,881
Off Street Parking	-	-	6,774	-	-	-	6,774
Paramedic Program	437,386	-	-	43,200	-	-	394,186
Recreation Program Reserve	490,094	-	18,200	-	-	-	508,294
Recreation Facilities Reserve	28,947	-	3,000	-	-	-	31,947
Sr Srvs Facilities Reserve	35,517	-	5,000	-	-	-	40,517
In Lieu Parking Fees	-	-	42,406	-	-	-	42,406
Neighborhood Enhncmt Res. A	353,580	-	54,701	-	-	-	408,281
Neighborhood Enhncmt Res. B	(384,701)	-	418,206	-	-	-	33,505
Cable Franchise	309,040	-	264,000	113,642	-	-	459,398
START Video	391,545	-	2,345	247,058	-	-	146,832
Encumbrances	3,093,312	-	-	3,093,312	-	-	-
CIP Reappropriations (Rebudget)	1,843,417	-	6,026,110	1,843,417	-	-	6,026,110
City Manager Assignments							
City Manager Assignments	-	-	2,112,658	-	-	-	2,112,658
Reserve for PERS Rate Chgs	5,000,000	-	-	5,000,000	-	-	-
Unassigned							
Contingency Reserve	-	-	41,321,103	-	-	-	41,321,103
Residual Fund Balance	32,970,076	-	-	32,436,931	-	-	533,145
TOTAL	81,130,158	170,024,392	89,395,407	98,654,878	161,270,851	8,310,062	72,314,166
Ackerman Donation Fund							
Appropriations Reserve	-	4,744	1,922	-	6,666	-	-
Appropriations Reserve - Schlrsip	158,317	-	-	1,922	-	-	156,395
Appropriations Reserve - Hi Tech	38,990	-	-	-	-	-	38,990
Perm Scholrshp Endowmt Resv	261,531	-	-	-	-	-	261,531
Perm Equip Endowmt Resv	720,127	-	-	-	-	-	720,127
CDBG Fund							
Appropriations Reserve	-	350,669	-	-	342,209	-	8,460
AQMD Fund							
Appropriations Reserve	668,775	102,882	-	-	10,500	-	761,157
Asset Forfeiture Fund							
Appropriations Reserve	1,407,841	24,040	33,089	-	433,309	-	1,031,661
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	33,089	-	-	33,089	-	-	-
OTS Grant Fund	(50,805)	442,818	-	-	392,013	-	-
SLESF - COPS Fund	-	138,222	-	-	138,222	-	-
State Gas Tax Fund							
Appropriations Reserve	2,806,515	2,538,030	4,058,989	2,116,809	-	4,453,222	2,833,503
CIP Reappropriations (Rebudget)	4,050,350	-	2,116,809	4,050,350	-	-	2,116,809
Reserve for Encumbrances	8,639	-	-	8,639	-	-	-
Prop 1B Transportation Fund							
Appropriations Reserve	(687,444)	693,000	-	-	-	5,556	-
Measure M Fund							
282 Measure M 2	2,946,016	1,514,172	41,826	2,982,448	-	975,181	544,385
Measure M 2 Fair Val Adj. Resv	-	-	-	-	-	-	-
Measure M 2 Encumbrances	41,826	-	-	41,826	-	-	-
Competitive	(2,509,218)	1,277,354	1,398,587	1,090,801	-	3,844,469	(4,768,547)
CIP Reappropriations (Rebudget)	857,946	-	4,073,249	857,946	-	-	4,073,249

SUMMARY OF ESTIMATED 2013-14 YEAR END FUND BALANCES

Fund / Account	Actual Fund Balance 2012-13	Estimated Revenue 2013-14	Transfers In	Transfers Out	Estimated Budget Expenditures 2013-14	Estimated Capital Improvements 2013-14	Estimated Year End Fund Balance 2013-14
Competitive Fair Val Adj. Resrv	-	-	-	-	-	-	-
Competitive Encumbrances	540,641	-	-	540,641	-	-	-
Tide and Submerged Land Operating Fund							
Appropriation Reserve	-	11,484,503	1,754,555	9,119,973	3,123,388	995,697	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
CIP Reappropriations (Rebudget)	1,294,997	-	2,001,034	1,294,997	-	-	2,001,034
Reserve for Encumbrances	459,558	-	-	459,558	-	-	-
Upper Bay Reserve	324,635	-	95,550	-	-	-	420,185
Oil and Gas	440,000	-	40,000	-	-	-	480,000
Tide and Submerged Land Harbor Capital Fund							
Appropriation Reserve	(9,145,600)	1,024,919	334,179	84,250	-	6,366,369	(14,237,121)
Fair Value Adj. Reserve	-	-	-	-	-	-	-
CIP Reappropriations (Rebudget)	300,000	-	84,250	300,000	-	-	84,250
Reserve for Encumbrances	34,179	-	-	34,179	-	-	-
Contributions Fund							
Misc. Cooperative Projects	(2,841,409)	2,595,143	1,771,919	3,934,330	-	2,088,665	(4,497,342)
Bristol Street Relinquishment	9,306	-	1,174	-	-	-	10,480
Bristol St. Fair Val Adj. Reserve	-	-	-	-	-	-	-
PCH Relinquishment	3,671,317	-	300,000	1,394,800	-	105,200	2,471,317
PCH Relinquishment Fair Val Adj. Rsv	-	-	-	-	-	-	-
Environmental Contributions	(2,481,073)	-	592,913	70,000	-	687,952	(2,646,112)
Environmental Fair Val Adj. Resv	-	-	-	-	-	-	-
CIP Reappropriations (Rebudget)	2,061,788	-	5,399,130	2,061,788	-	-	5,399,130
Reserve for Encumbrances	604,218	-	-	604,218	-	-	-
Transportation and Circulation Fund							
Appropriations Reserve	(500,332)	1,334,709	301,379	664,142	-	203,657	267,957
Fair Value Adj. Reserve	-	-	-	-	-	-	-
CIP Reappropriations (Rebudget)	280,000	-	397,630	280,000	-	-	397,630
Reserve for Encumbrances	21,379	-	-	21,379	-	-	-
Building Excise Tax Fund							
Appropriations Reserve	75,194	237,855	358,394	-	-	336,075	335,368
Fair Value Adj. Reserve	-	-	-	-	-	-	-
CIP Reappropriations (Rebudget)	324,950	-	-	324,950	-	-	-
Reserve for Encumbrances	33,444	-	-	33,444	-	-	-
Environmental Liability Fund							
Appropriation Reserve	4,604,729	518,202	127,414	-	180,529	-	5,069,816
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	3,642	-	-	3,642	-	-	-
Reserve for Prepaid Items	123,772	-	-	123,772	-	-	-
Newport Annexation Funds							
Receipt Fund	4,800,000	29,211	-	1,229,211	-	-	3,600,000
Fair Value Adj. Resv-Receipt	-	-	-	-	-	-	-
Allocation Fund	-	-	1,200,000	-	1,200,000	-	-
Debt Service Fund							
Appropriation Reserve	1,157,250	2,406,081	8,054,820	-	10,601,017	-	1,017,134
Assessment District Projects							
Appropriation Reserve	681,210	4,457	296,380	-	-	-	982,047
Reserve for Encumbrances	296,380	-	-	296,380	-	-	-
Facilities Financial Planning Reserve Fund							
Appropriations Reserve	26,752,367	8,586,675	8,982,071	23,981,089	-	-	20,340,024
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Major Facilities Replacement							
Civic Center	(6,823,531)	-	16,602,724	-	-	9,434,135	345,058
CIP Reappropriations (Rebudget)	7,724,708	-	-	7,724,708	-	-	-
Reserve for Encumb-Civic Ctr	4,872,463	-	-	4,872,463	-	-	-
Reserve for Prepaid Items	5,553	-	-	5,553	-	-	-
	5,779,193	-	16,602,724	12,602,724	-	9,434,135	345,058

SUMMARY OF ESTIMATED 2013-14 YEAR END FUND BALANCES

Fund / Account	Actual Fund Balance 2012-13	Estimated Revenue 2013-14	Transfers In	Transfers Out	Estimated Budget Expenditures 2013-14	Estimated Capital Improvements 2013-14	Estimated Year End Fund Balance 2013-14
Marina Park	(10,775,348)	-	7,029,950	3,170,000	-	26,385,550	(33,300,948)
Sunset Ridge Park	(10,867,131)	-	17,941,971	200,000	-	8,730,796	(1,855,956)
Police Facility	-	-	-	-	-	-	-
Lifeguard Headquarters	(380,424)	-	2,581,582	63,087	-	2,168,396	(30,325)
Strategic Planning	(298,876)	-	489,004	54,121	-	134,883	1,124
City Hall Reuse	-	-	-	-	-	-	-
Fire Station Rebuild	-	-	250,000	249,250	-	750	-
Facilities Miscellaneous	-	-	-	749,900	-	100	(750,000)
CIP Reapprprtns (Rebudget)	14,141,531	-	4,486,358	14,141,531	-	-	4,486,358
Reserve for Encumbrances	2,224,707	-	-	2,224,707	-	-	-
Public Arts & Culture	-	-	-	-	-	-	-
CIP Reapprprtns (Rebudget)	-	-	-	-	-	-	-
CIOSA Fund							
Appropriation Reserve	-	-	186,512	-	-	-	186,512
Misc. SAH Projects Fund							
Appropriation Reserve	(1,479,371)	1,403,584	1,460,274	-	-	1,460,274	(75,787)
CIP Reapprprtns (Rebudget)	153,758	-	-	153,758	-	-	-
Reserve for Encumbrances	1,306,516	-	-	1,306,516	-	-	-
Facilities Maintenance Fund							
Appropriation Reserve	995,156	-	1,250,000	-	-	450,000	1,795,156
Newport Bay Dredging Fund							
Permanent Endowment	3,857,000	34,414	-	-	-	-	3,891,414
Appropriation Reserve	1,032,716	-	-	-	-	-	1,032,716
Insurance Reserve Fund							
Workers Comp Reserve	17,954,904	2,780,705	-	-	2,838,660	-	17,896,949
Liability Reserve	3,542,323	3,152,090	3,000,000	-	3,561,850	-	6,132,563
Retiree Medical Fund							
Operating Fund	430,698	6,353,000	1,500,000	-	3,232,000	-	5,051,698
Compensated Absence Fund							
Appropriation Reserve	1,153,029	2,263,569	-	-	2,670,050	-	746,548
Information Technology Fund							
Appropriation Reserve	6,723,906	3,369,007	2,338,343	-	10,238,938	-	2,192,318
Reserve for Encumbrances	218,343	-	-	218,343	-	-	-
Equipment Fund							
Equipment Maintenance	-	2,067,122	-	-	2,015,739	-	51,383
Equip Replacement - All Other	14,482,945	3,859,903	738,808	2,000,000	5,117,313	-	11,964,343
Equip Replacement - PD	3,740,538	607,582	279,376	-	1,544,076	-	3,083,420
800 MHz Equipment	80,587	-	1,500,000	-	623,811	-	956,776
Parking Equipment	-	400,664	-	-	133,109	-	267,555
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	1,018,184	-	-	1,018,184	-	-	-
Water Enterprise Fund							
Stabilizatn & Contngcy Reserve	9,100,117	27,534,028	283,801	5,187,281	19,648,446	-	12,082,219
521/7! Infrastructre Replcmt Reserve	403,445	-	10,925,635	-	-	8,912,754	2,416,326
CIP Reapprprtns (Rebudget)	552,200	-	1,170,950	552,200	-	-	1,170,950
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	6,640,905	-	-	6,640,905	-	-	-
	<u>16,696,667</u>	<u>27,534,028</u>	<u>12,380,386</u>	<u>12,380,386</u>	<u>19,648,446</u>	<u>8,912,754</u>	<u>15,669,495</u>
Wastewater Enterprise Fund							
Stabilizatn & Contngcy Reserve	1,497,784	3,337,083	62,275	759,007	2,975,186	-	1,162,949
Infrastructre Replcmt Reserve	260,627	-	1,077,267	-	-	478,260	859,634
CIP Reapprprtns (Rebudget)	449,885	-	223,394	449,885	-	-	223,394
Fair Value Adj. Reserve	-	-	-	-	-	-	-
Reserve for Encumbrances	154,044	-	-	154,044	-	-	-
	<u>2,362,340</u>	<u>3,337,083</u>	<u>1,362,936</u>	<u>1,362,936</u>	<u>2,975,186</u>	<u>478,260</u>	<u>2,245,977</u>
TOTAL	<u>199,903,086</u>	<u>262,494,829</u>	<u>208,590,894</u>	<u>208,590,894</u>	<u>232,297,882</u>	<u>86,528,005</u>	<u>143,572,030</u>

SUMMARY OF ESTIMATED 2014-15 YEAR END FUND BALANCES

Fund / Account	Estimated Fund Balance 2013-14	Adopted Revenue 2014-15	Transfers In	Transfers Out	Adopted Budget Expenditures 2014-15	Adopted Capital Improvements 2014-15	Estimated Year End Fund Balance 2014-15
General Fund	-	174,337,353	14,585,576	12,426,839	165,259,480	11,236,610	-
Nonspendable							
Reserve for Inventories	217,722	-	-	-	-	-	217,722
Reserve for LT Receivables	15,809,559	-	-	500,000	-	-	15,309,559
Reserve for Prepaid Items	25,105	-	-	-	-	-	25,105
Restricted							
Affordable Housing Reserve	2,987,225	-	1,375,428	-	-	-	4,362,653
Oceanfront Encroachment	971,630	-	213,000	-	-	-	1,184,630
Committed							
Senior Fitness Center	69,888	-	23,000	10,000	-	-	82,888
Bike Safety	167,881	-	-	-	-	-	167,881
Off Street Parking	6,774	-	7,269	-	-	-	14,043
Paramedic Program	394,186	-	-	394,186	-	-	-
Recreation Program Reserve	508,294	-	20,000	-	-	-	528,294
Recreation Facilities Reserve	31,947	-	3,000	10,000	-	-	24,947
Sr Srvc Facilities Reserve	40,517	-	5,000	-	-	-	45,517
In Lieu Parking Fees	42,406	-	42,406	-	-	-	84,812
Neighborhood Enhncmt Res. A	408,281	-	54,701	-	-	-	462,982
Neighborhood Enhncmt Res. B	33,505	-	419,035	-	-	-	452,540
Cable Franchise	459,398	-	264,000	100,000	-	-	623,398
START Video	146,832	-	-	-	-	-	146,832
CIP Reapprtns (Rebudget)	6,026,110	-	-	6,026,110	-	-	-
City Manager Assignments							
City Manager Assignments	2,112,658	-	-	338,127	-	-	1,774,531
Reserve for PERS Rate Chgs	-	-	-	-	-	-	-
Unassigned							
Contingency Reserve	41,321,103	-	-	-	-	-	41,321,103
Residual Fund Balance	533,145	-	-	404,605	-	-	128,540
TOTAL	72,314,166	174,337,353	17,012,415	20,209,867	165,259,480	11,236,610	66,957,977
Ackerman Donation Fund							
Appropriations Reserve	-	4,238	762	-	5,000	-	-
Appropriations Reserve - Schlrshp	156,395	-	-	762	-	-	155,633
Appropriations Reserve - Hi Tech	38,990	-	-	-	-	-	38,990
Perm Scholrshp Endowmt Resv	261,531	-	-	-	-	-	261,531
Perm Equip Endowmt Resv	720,127	-	-	-	-	-	720,127
CDBG Fund							
Appropriations Reserve	8,460	355,000	-	-	343,489	-	19,971
AQMD Fund							
Appropriations Reserve	761,157	101,901	-	-	10,566	-	852,492
Asset Forfeiture Fund							
Appropriations Reserve	1,031,661	3,847	-	-	540,320	-	495,188
OTS Grant Fund							
-	-	83,517	-	-	83,517	-	-
SLESF - COPS Fund							
-	-	138,000	-	-	138,000	-	-
State Gas Tax Fund							
Appropriations Reserve	2,833,503	2,192,643	2,116,809	-	-	6,741,809	401,146
CIP Reapprtns (Rebudget)	2,116,809	-	-	2,116,809	-	-	-
Measure M Fund							
282 Measure M 2	544,385	1,711,956	1,947,500	-	-	5,047,500	(843,659)
Measure M 2 Fair Val Adj. Resv	-	-	-	-	-	-	-
Measure M 2 Encumbrances	-	-	-	-	-	-	-
Competitive	(4,768,547)	4,550,730	1,034,948	-	-	5,710,678	(4,893,547)
CIP Reapprtns (Rebudget)	4,073,249	-	-	2,982,448	-	-	1,090,801
Tide and Submerged Land Operating Fund							
Appropriation Reserve	-	11,100,217	2,001,034	6,920,089	2,920,128	3,261,034	-
Fair Value Adj. Reserve	-	-	-	-	-	-	-
CIP Reapprtns (Rebudget)	2,001,034	-	-	2,001,034	-	-	-
Reserve for Encumbrances	-	-	-	-	-	-	-
Upper Bay Reserve	420,185	-	95,500	-	-	-	515,685
Oil and Gas	480,000	-	40,000	-	-	-	520,000

SUMMARY OF ESTIMATED 2014-15 YEAR END FUND BALANCES

Fund / Account	Estimated Fund Balance 2013-14	Adopted Revenue 2014-15	Transfers In	Transfers Out	Adopted Budget Expenditures 2014-15	Adopted Capital Improvements 2014-15	Estimated Year End Fund Balance 2014-15
Tide and Submerged Land Harbor Capital F	-	-	-	-	-	-	-
Appropriation Reserve	(14,237,121)	1,572,862	84,250	-	-	1,184,250	(13,764,259)
Fair Value Adj. Reserve	-	-	-	-	-	-	-
CIP Reapprprtns (Rebudget)	84,250	-	-	84,250	-	-	-
Contributions Fund							
Misc. Cooperative Projects	(4,497,342)	3,622,151	3,949,810	-	-	8,364,862	(5,290,243)
Bristol Street Relinquishment	10,480	-	-	10,480	-	-	-
Bristol St. Fair Val Adj. Reserve	-	-	-	-	-	-	-
PCH Relinquishment	2,471,317	-	1,394,800	-	-	1,394,800	2,471,317
PCH Relnqshmt Fair Val Adj. Rsv	-	-	-	-	-	-	-
Environmental Contributions	(2,646,112)	-	70,000	-	-	70,000	(2,646,112)
Environmental Fair Val Adj. Rsv	-	-	-	-	-	-	-
CIP Reapprprtns (Rebudget)	5,399,130	-	-	5,404,130	-	-	(5,000)
Transportation and Circulation Fund							
Appropriations Reserve	267,957	330,228	397,630	162,500	-	397,630	435,685
Fair Value Adj. Reserve	-	-	-	-	-	-	-
CIP Reapprprtns (Rebudget)	397,630	-	-	397,630	-	-	-
Building Excise Tax Fund							
Appropriations Reserve	335,368	225,044	-	-	-	283,600	276,812
Environmental Liability Fund							
Appropriation Reserve	5,069,816	574,025	-	-	178,530	-	5,465,311
Newport Annexation Funds							
Receipt Fund	3,600,000	17,959	-	1,217,959	-	-	2,400,000
Fair Value Adj. Resv-Receipt	-	-	-	-	-	-	-
Allocation Fund	-	-	1,200,000	-	1,200,000	-	-
Debt Service Fund							
Appropriation Reserve	1,017,134	2,352,662	8,194,455	-	10,591,217	-	973,034
Reserve for Debt Service	-	-	-	-	-	-	-
Assessment District Projects							
Appropriation Reserve	982,047	-	-	-	-	40,000	942,047
Facilities Financing Plan Fund							
Appropriations Reserve	20,340,024	26,366,486	8,001,124	40,448,695	-	-	14,258,939
Major Facilities Replacement							
Civic Center	345,058	3,592	-	-	-	-	348,650
CIP Reapprprtns (Rebudget)	-	-	-	-	-	-	-
	345,058	3,592	-	-	-	-	348,650
Parks & Community Centers	-	-	2,550,000	-	-	2,550,000	-
Marina Park	(33,300,948)	-	23,852,848	-	-	3,170,000	(12,618,100)
Sunset Ridge Park	(1,855,956)	-	2,055,956	-	-	200,000	-
Lifeguard Headquarters	(30,325)	-	63,087	-	-	173,087	(140,325)
Strategic Planning	1,124	-	54,121	1,124	-	54,121	-
Fire Station Rebuild	-	-	6,274,250	-	-	6,274,250	-
15th St Restrnm Cmplx (Design)	-	-	-	-	-	-	-
Facilities Miscellaneous	(750,000)	-	1,499,900	-	-	1,299,900	(550,000)
CIP Reapprprtns (Rebudget)	4,486,358	-	-	4,486,358	-	-	-
Public Arts & Culture							
CIP Reapprprtns (Rebudget)	-	-	390,436	-	-	100,000	290,436
CIOSA Fund							
Appropriation Reserve	186,512	-	162,500	-	162,500	-	186,512
Misc. SAH Projects Fund							
Appropriation Reserve	(75,787)	226,173	-	-	-	217,193	(66,807)

SUMMARY OF ESTIMATED 2014-15 YEAR END FUND BALANCES

Fund / Account	Estimated Fund Balance 2013-14	Adopted Revenue 2014-15	Transfers In	Transfers Out	Adopted Budget Expenditures 2014-15	Adopted Capital Improvements 2014-15	Estimated Year End Fund Balance 2014-15
Facilities Maintenance Fund							
Appropriation Reserve	1,795,156	4,310	350,000	-	-	1,525,000	624,466
Newport Bay Dredging Fund							
Permanent Endowment	3,891,414	17,412	-	-	-	-	3,908,826
Appropriation Reserve	1,032,716	-	-	-	-	-	1,032,716
Insurance Reserve Fund							
Workers Comp Reserve	17,896,949	2,786,657	1,629,051	-	2,791,150	-	19,521,507
Liability Reserve	6,132,563	3,100,975	2,273,852	-	6,346,485	-	5,160,905
Retiree Medical Fund							
Operating Fund	5,051,698	3,785,728	200,000	-	4,459,000	-	4,578,426
Pension Management Fund							
Appropriation Reserve	-	-	1,000,000	-	1,000,000	-	-
Compensated Absence Fund							
Appropriation Reserve	746,548	2,344,419	1,380,728	-	1,975,100	-	2,496,595
Information Technology Fund							
Appropriation Reserve	2,192,318	4,025,497	-	-	4,796,786	-	1,421,029
Equipment Fund							
Equipment Maintenance	51,383	1,759,963	-	-	1,747,806	-	63,540
Equip Replacement - All Other	11,964,343	2,807,603	450,000	6,283,631	5,045,500	-	3,892,815
Equip Replacement - PD	3,083,420	599,319	-	-	1,687,500	-	1,995,239
800 MHz Equipment	956,776	-	1,000,000	-	-	-	1,956,776
Parking Equipment	267,555	354,954	-	-	630,000	-	(7,491)
Water Enterprise Fund							
Stabilization Reserve	12,082,219	28,495,886	-	4,156,902	20,652,084	-	15,769,119
Infrastructre Replcmt Reserve	2,416,326	-	5,327,852	-	-	6,070,950	1,673,228
CIP Reappropriatns (Rebudget)	1,170,950	-	-	1,170,950	-	-	-
	<u>15,669,495</u>	<u>28,495,886</u>	<u>5,327,852</u>	<u>5,327,852</u>	<u>20,652,084</u>	<u>6,070,950</u>	<u>17,442,347</u>
Wastewater Enterprise Fund							
Stabilization Reserve	1,162,949	3,047,497	223,394	554,359	3,186,812	-	692,669
Infrastructre Replcmt Reserve	859,634	-	554,359	-	-	823,394	590,599
CIP Reappropriatns (Rebudget)	223,394	-	-	223,394	-	-	-
	<u>2,245,977</u>	<u>3,047,497</u>	<u>777,753</u>	<u>777,753</u>	<u>3,186,812</u>	<u>823,394</u>	<u>1,283,268</u>
TOTAL	<u><u>143,572,030</u></u>	<u><u>283,000,805</u></u>	<u><u>98,833,371</u></u>	<u><u>98,833,371</u></u>	<u><u>235,750,970</u></u>	<u><u>66,190,668</u></u>	<u><u>124,631,196</u></u>

DEPARTMENT BUDGETS



City Council

Mission Statement

To protect and enhance Newport Beach's unique quality of life for the full enjoyment of its residents, visitors, and business owners and to direct the efficient and effective delivery of municipal services.

Overview

Newport Beach is a charter city with a Council-Manager form of government. Unlike a general law city that only has certain powers granted by the state, a city governed by a voter-approved charter establishes its own powers and authorities.

The seven members of the Newport Beach City Council each represent and reside in one of seven districts, but they are elected at-large by all of the city's registered voters and therefore serve a broader constituency.

While being a City Council member is considered a part-time job, the actual time commitment can be significant. In addition to City Council meetings, Council Members hold special committee assignments, meet frequently with city staff, local residents, and business owners to discuss issues and projects, and regularly attend a variety of community events.

Per the charter, the City Council hires three people: the City Manager, the City Clerk, and the City Attorney. The City Manager oversees the hiring and management of the rest of the staff. It is the City Council's responsibility to enact policy and the City Manager's job to implement it.



Marina Park Ground Breaking Ceremony

Goals

In Newport Beach, the City Council reviews and approves three tools that are critical to implementing policy – the City’s yearly budget, the quarterly business report (“QBR”), and the various goals and priorities that the Council sets.

In 2014, the Council identified these key projects and priorities (among others):

- Extending the neighborhood-friendly protections at John Wayne Airport.
- Beautifying key neighborhoods with greener, welcoming streetscapes.
- Investing more in Newport Harbor, with improved amenities for all users.
- Ensuring the community’s safety via increased law enforcement should prisoner realignment affect us further.
- Continuing to right-size the City organization without compromising services.
- Constructing two major park facilities at Marina Park and Sunset Ridge.



Total City Council Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 171,755	\$ 177,709	\$ 248,206	\$ 265,382
Maintenance and Operations	\$ 865,046	\$ 818,394	\$ 1,708,681	\$ 775,980
Capital Equipment	\$ 19	\$ 849	\$ 1,800	\$ 1,800
Total	<u>\$ 1,036,820</u>	<u>\$ 996,952</u>	<u>\$ 1,958,687</u>	<u>\$ 1,043,162</u>

City Clerk

Mission Statement

To provide service to the Mayor and City Council, City Manager, City Departments, and the public in a courteous, timely, and efficient manner while remaining neutral and impartial. To improve the administration of the affairs of the City Clerk's Office consistent with applicable laws and through sound management practices to provide easier access to local government and fulfill our responsibility to the residents of Newport Beach.

Department Overview

The City Clerk's Office provides service and support to the Mayor, City Council, City Manager, and administrative departments, as well as the public. As the office of record, the City Clerk has responsibility for maintaining the official records of City Council actions in accordance with the legal requirements for public meetings and execution of all minutes,



ordinances, resolutions, and contracts. Services to the public include assistance with understanding and participating in the decision and policy making process, assistance with research and retrieval of information and public documents, notary services, and general day to day inquiries.

Goals

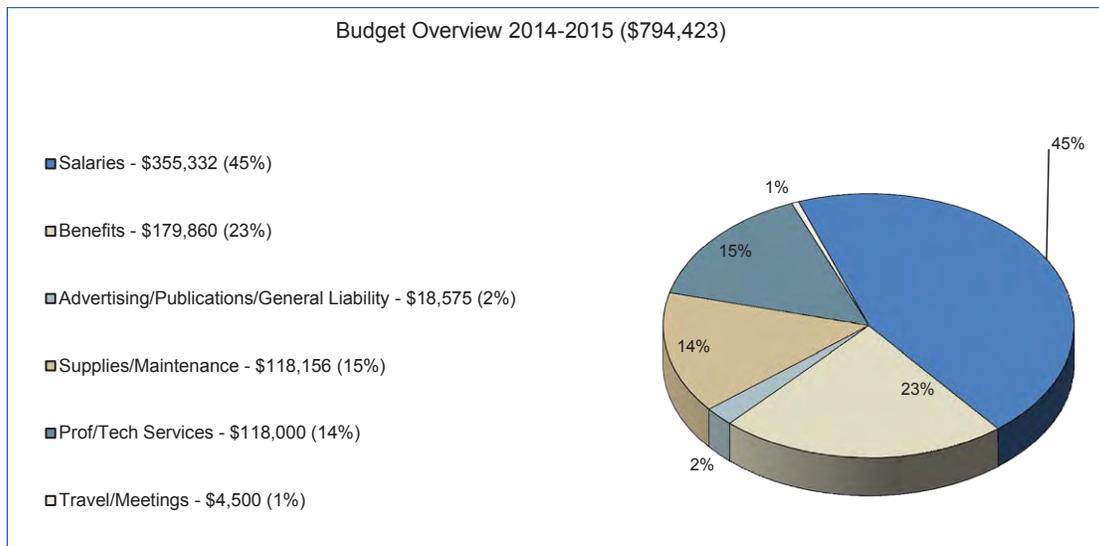
- Increase ease of access to City records, enhance transparency and create a more paperless environment through the implementation of a new records management system (Laserfiche) and an agenda management workflow system.
- Provide continued support to staff and improve various City processes, e.g. Board, Commission, and Committees, and the agenda packet process.
- Update the City's Records Retention schedule and process.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Projected
Council Meetings, Regular	20	22	22	22
Council Meetings, Special or Adjourned	20	22	23	22
Resolutions adopted	110	126	120	125
Ordinances adopted	35	22	25	25
Claims/Summons and Complaints processed	85	100	100	100
Contracts/Agreements processed	500	470	500	500
Notices of Completion/Release Bonds	22	23	25	25
Documents process to Orange County Recorder	25	45	30	25
Passports processed	345	250	0*	0*
Public Records Act requests processed	90**	290	300	325
FPPC Form management	314	370	370	370
Notaries	165	180	200	150
BID Openings	0	20***	20	20

* Department of State approved Passport Services transition from the City Clerk's Office to Library Services during for the upcoming FY.

** Effective January 2012 (pursuant Council Policy E-1).

*** Prior to FY 12/13 this workload indicator was not tracked.



Total City Clerk Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 465,362	\$ 473,860	\$ 519,428	\$ 535,192
Maintenance and Operations	\$ 116,726	\$ 206,363	\$ 131,273	\$ 159,231
Capital Equipment	\$ 269	\$ -	\$ -	\$ -
Total	\$ 582,357	\$ 680,223	\$ 650,701	\$ 694,423
Elections	\$ 1,144	\$ 68,027	\$ 5,000	\$ 100,000
Total	\$ 583,501	\$ 748,250	\$ 655,701	\$ 794,423

<u>Core Functions:</u>	<u>Work Plan:</u>
<ul style="list-style-type: none"> • Prepare, publish, and notice agendas and documents for City Council meetings. Record and maintain the proceedings of the City Council meetings. 	<ul style="list-style-type: none"> • Continue efforts to reduce hard-copy agenda packets, make available on the website, and assist residents with the location of such documents. • Promote the use of electronics in lieu of paper. • Assist with the implementation of various software for the new Civic Center, including a Council Chambers voting system and agenda management system.
<ul style="list-style-type: none"> • Maintain the document imaging system in order to reduce staff time in searching, retrieving and copying records, as well as providing storage for permanent records. 	<ul style="list-style-type: none"> • Transition from the previous records management software with the updated Laserfiche software. • Ensure transition is quality assured and provide necessary assistance to staff and the public. • Preserve permanent records in a newly improved vault.
<ul style="list-style-type: none"> • Provide staff and residents with online access to the Newport Beach Municipal Code; Council Policy Manual; Boards, Commissions, and Committees Manual; applications and vacancy notices for Boards and Commissions; and City Council agendas, minutes, and staff reports. 	<ul style="list-style-type: none"> • Continue to update and improve documentation provided on the City’s website. • Make documents better attainable using the new records management software.
<ul style="list-style-type: none"> • Maintain the Appointive List for Boards and Commissions as required under the Maddy Appointive List Act. 	<ul style="list-style-type: none"> • Revise pursuant to the Maddy Act and continue to issue updates as they occur.
<ul style="list-style-type: none"> • Process legal publications, postings, and notices. 	<ul style="list-style-type: none"> • Continue to follow publication and posting requirements in accordance with State mandates, and make this information available on the City’s webpage. • Work with City staff in the preparation and timing of notices for publication.
<ul style="list-style-type: none"> • Ensure accurate codification of City-adopted ordinances. 	<ul style="list-style-type: none"> • Work closely with the City’s codifier to ensure an accurate Newport Beach Municipal Code.
<ul style="list-style-type: none"> • Act as Filing Officer for the Political Reform Act of 1974 regulations (Campaign Disclosure Forms and Statements of Economic Interest.) 	<ul style="list-style-type: none"> • Notify and follow up with all Form 400 and Form 700 filers of their filing obligations pursuant to FPPC regulations.

<ul style="list-style-type: none"> Receive and open bids for City projects. 	<ul style="list-style-type: none"> Work with City departments to schedule bid openings and have appropriate staff in attendance during the openings to answer any questions.
<ul style="list-style-type: none"> Accept and transmit Claims for damages, and Summons and Complaints against the City. 	<ul style="list-style-type: none"> Process in a timely manner and maintain the official Claims log for the City. Provide the public, Risk Management, and our Third Party Administrator with requests and necessary information.
<ul style="list-style-type: none"> Serve as the City's Election Official and receive petitions relating to initiatives, referendums or recalls. 	<ul style="list-style-type: none"> Comply with all laws and regulations related to the conduct of elections.
<ul style="list-style-type: none"> Administer oaths, affirmations, and acknowledgements. 	<ul style="list-style-type: none"> Continue to administer the Oath or Affirmation to new officials.
<ul style="list-style-type: none"> Receive and transmit Public Records Act requests. 	<ul style="list-style-type: none"> Consistent with City Council Policy E-1, assist the public and staff on all requests.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Assistant	1.0	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0	1.0
Department Assistant + 7.5%	1.0	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0	1.0
Total Full-Time	4.0	4.0	4.0	4.0
Total Budgeted Staffing	4.0	4.0	4.0	4.0

City Manager

Mission Statement

Efficiently and effectively deliver great amenities, quality programs, strong services, and provide for strong community engagement.

Department Overview

The City of Newport Beach operates under a Council-Manager form of government. The elected seven-member City Council appoints the city manager to provide executive leadership and oversee the day-to-day business of the City government. The city manager is responsible for implementing City Council policies, directing City departments and operations, and developing and managing the City's capital and operating budgets.



The City Manager's Office includes the public information office, economic development, and information technology divisions.

Key Department Programs

- City Management
- Economic Development
- Public Information
- Information Technology (IT)

Goals

- Provide leadership and strategic direction to the City's operating departments.
- Maintain strong fiscal accountability and transparency of public funds and resources.
- Provide direction and oversight to the development and execution of the City's annual budget and Capital Improvement Program.
- Effectively engage the public.
- Develop an information technology infrastructure and provide top quality IT support to help the City remain an efficient organization.

Total City Manager Office Costs:

	2011-12 [^] Actual	2012-13 ^o Actual	2013-14 [•] Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,362,359	\$ 1,458,842	\$ 1,421,989	\$ 1,481,578
Maintenance and Operations	\$ 11,352,253	\$ 332,354	\$ 1,845,545	\$ 1,642,363
Capital Equipment	\$ 7	\$ 1,448	\$ 2,687	\$ 2,687
IT Internal Service Fund	\$ 4,689,103	\$ 5,017,254	\$ 10,238,938	\$ 4,796,787
Total	\$ 17,403,722	\$ 6,809,898	\$ 13,509,159	\$ 7,923,415

[^] Code & Water Quality Enforcement and Harbor Resources Divisions were transferred to the Community Development and Public Works Departments in FY 2011-12.

^o Police Department Information Technology functions moved to the Police Department budget in FY 2012-13.

[•] Expenditures for the City's new ERP system and CAD/RMS systems were budgeted for FY 2013-14.

Programs

City Management

The executive staff, led by the City Manager, is responsible for the implementation of Council goals, oversight of day-to-day City operations, and delivering a balanced budget. The City Manager continues to modernize the City's organizational structure to improve efficiency and customer service and to reduce operational costs and long-term financial obligations. Key objectives for this year are the Council's priorities. These include completing the JWA settlement extension process, completing infrastructure investment projects in a timely and efficient way, continuing to improve the City's information technology infrastructure, and continuing to improve how we engage the community.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Administrative Assistant to Assistant City Manager	1.0	1.0	1.0	1.0
Assistant City Manager	1.0	1.0	1.0	1.0
Assistant to the City Manager	1.0	1.0	-	-
City Manager	1.0	1.0	1.0	1.0
Deputy City Manager	-	-	0.5	0.5
Executive Assistant to the City Manager	1.0	1.0	1.0	1.0
IT Manager	-	-	0.5	0.5
Total Full-Time	5.0	5.0	5.0	5.0
Part-Time				
Intern	-	-	-	0.24
Total Part-Time	-	-	-	0.24
Total Budgeted Staffing	5.0	5.0	5.0	5.24

Public Information Office

Intended Outcome: To effectively share information about City policies and programs and engage our residents, businesses, and visitors.

Core Functions:

- Provide community outreach, media relations, and public relations assistance to City departments to facilitate communication with the community and identify potential issues.
- Provide information, both proactively and in response to inquiries, to members of the news media.
- Encourage citizen engagement by using interactive communication tools and techniques to share information and gather feedback.



Work Plan:

- Update our strategic communication plan to incorporate new resources and technologies.
- Transition NBTV programming to an outside provider while still retaining the community benefit it provides.
- Develop web content, print materials, social media messages, and videos focused on City projects, programs, and issues.



Facebook - cityofnewportbeach



Twitter - @newportbeachgov



YouTube - newportbeachgov

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Public Information Specialist	1.0	1.0	1.0	1.0
Public Information Manager	1.0	1.0	1.0	1.0
Total Full-Time	2.0	2.0	2.0	2.0
<u>Part-Time</u>				
Production Assistant	-	2.45	-	-
Total Part-Time	-	2.45	-	-
Total Budgeted Staffing	2.0	4.45	2.0	2.0

Total Public Information Office Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 389,723	\$ 430,169	\$ 327,051	\$ 333,446
Maintenance and Operations	\$ 32,864	\$ 99,266	\$ 257,332	\$ 284,753
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 422,588	\$ 529,435	\$ 584,383	\$ 618,199

Economic Development

Intended Outcome: To create quality infrastructure and safety services, to make it easy and simple for businesses to secure permits and plan check, and to further strengthen city/business relationships.

Work Plan:

- Continue to support efforts and identify projects and funding sources to revitalize the physical environment and public infrastructure in the City's commercial districts.
- Further develop relationships with business owners and representatives in each of the City's core business sectors.
- Support our merchants associations and business improvement districts.
- Simplify City procedures and improve clarity and ease of access for businesses.



Total Economic Development Program Costs:

	2011-12 Actual	2012-13 Actual*	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ -	\$ -	\$ -	\$ 30,973
Maintenance and Operations	\$ -	\$ 156,041	\$ 773,825	\$ 713,002
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ 156,041</u>	<u>\$ 773,825</u>	<u>\$ 743,975</u>

*This new division was created in FY 2012-13. Formerly CDD - Econ Devt division 2720.

Information Technology

Intended Outcome: To provide top quality hardware and software support to provide smarter, faster, and easier IT systems for residents, business customers, and staff.

Core Functions:

- Computer systems and network administration
- Email, phone, and voicemail support
- System security
- Centralized database application development and support
- Development and administration of the City's Internet, Intranet, and mobile sites
- GIS data analysis and mapping

Work Plan:

- Continue implementing the IT Strategic Plan including;
 - o Award and start implementation of a new ERP (Finance, HR, Budget, Payroll, etc.) system. This will include implementation phases to replace the current Financial, HR, Payroll, Utility Billing, and Work Order systems..
 - o Refine Mobile App (myNB) and continue to expand mobile and web based services.
 - o Expand City information access through next generation GIS maps that summarize complicated City data in intuitive and interactive ways.
- Work to help the City move toward a streamlined organization that uses cutting-edge technology off-the-shelf, that has greater flexibility and skill, and utilizes private resources where appropriate.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Applications Coordinator P.D.	2.0	2.0	-	-
Chief Information Officer	1.0	1.0	-	-
Electronics Specialist	1.0	-	-	-
Engineering Technician	-	0.5	0.5	0.5
GIS Analyst	2.0	2.0	2.0	2.0
GIS Technician	1.0	1.0	1.0	1.0
Information Systems Coordinator	1.0	1.0	1.0	1.0
IT Applications Analyst	3.0	3.0	3.0	3.0
IT Applications Supervisor	1.0	1.0	1.0	1.0
IT Manager	-	-	0.5	0.5
IT Operations Supervisor	1.0	1.0	1.0	1.0
IT Specialist III	2.0	2.0	2.0	1.0
IT Technician	1.0	1.0	1.0	2.0
Library Information Systems Administrator	1.0	1.0	-	-
Personal Computer/Network Coordinator	1.0	1.0	-	-
Police Computer Systems Manager	1.0	1.0	-	-
Police MIS Specialist	1.0	1.0	-	-
Senior IT Applications Analyst	1.0	1.0	1.0	1.0
Senior IT Specialist	1.0	1.0	1.0	1.0
Total Full-Time	22.0	21.5	15.0	15.0
<u>Part-Time</u>				
GIS Technical Aide	0.5	0.5	0.5	0.5
Total Part-Time	0.5	0.5	0.5	0.5
Total Budgeted Staffing	22.5	22.0	15.5	15.5

Total Information Technology Program Costs:

	2011-12*	2012-13	2013-14	2014-15 ^o
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 2,684,274	\$ 2,068,087	\$ 2,514,862	\$ 2,192,128
Maintenance and Operations	\$ 1,691,648	\$ 1,168,587	\$ 6,310,001	\$ 1,736,943
Capital Equipment	\$ 313,182	\$ 1,780,579	\$ 1,414,075	\$ 867,716
Total	\$ 4,689,103	\$ 5,017,254	\$ 10,238,938	\$ 4,796,787

* Consolidated into one division reporting to the City Manager's Office in FY 2011-12.

^o Expenditures for the City's new ERP system and CAD/RMS systems were budgeted for FY 2013-14.

Human Resources/Risk Management

Mission Statement

To hire and retain quality employees to fulfill the City's organizational goals, reduce City's liability costs through proactive, sound administrative measures, and serve as advisor to internal City and external customers.

Department Overview

The Human Resources (HR) Department provides professional customer service and support to City departments, employees, City Council, Civil Service Board, and the public. We provide organizational strategy and analytical information to the City Manager in meeting key Council goals established for negotiations with bargaining units, work to streamline the bureaucracy in the organization and assist in restructuring/improving departments and in succession planning for the future workforce.

We continue to offer training opportunities to help staff meet and anticipate the needs of the community, while keeping the City of Newport Beach an exceptional place to work. HR is committed to hiring capable, versatile, and highly-qualified employees for City Departments, while adhering to budgetary parameters.

We work with City Departments and provide expertise in employment-related laws and best practices to minimize the City's liability. This includes such areas as workers' compensation, liability prevention, risk management topics, as well as a yearly assessment of the benefit program for viability and cost effectiveness.

Deputy City Manager/Human Resources Director Terri Cassidy is the Secretary to the Civil Service Board and works collaboratively with the City Attorney's Office to help the Board comply with the City Charter, Civil Service Board Rules, Procedural Hearing Rules, City Policy, Memoranda of Understanding (labor contracts), employee/employer relations and to maintain best practices in government and industry.



Key Department Programs

- Benefits
- City-wide Administration
- Civil Service Board Support
- Labor Relations/Contract Administration & Implementation
- Recruitment & Selection
- Risk Management
- Training (City-wide)

Goals

- Offer viable and cost-effective resources and benefits to City employees.
- Continue to improve and enhance administrative management to all departments through the use of online services, in-house training and employee relations/counseling and other cost saving measures.
- Complete the first City-wide Classification & Compensation study.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
<i>Recruiting & Administration Division</i>				
Full-time Recruitments	40	48	35	40
Part-time Recruitments	33	25	30	30
Tuition Reimbursements	142	192	172	155
Unemployment Claims	67	20	25	25
Classification & Compensation Studies	22	0*	0*	See below
<i>Benefits & Risk Management Division</i>				
Benefit Transactions	2,699	2,730	3,300	3,630
Retirements	26	35	19	21
General Liability Claims	104	107	100	100
Industrial Disability Retirements	6	4	6	5
Workers' Comp & Disability Claims	109	137	107	105

* HR has withheld conducting classification studies as a result of the Fox Lawson & Associates City-wide study, which was initiated in August 2012 and will conclude prior to the end FY13-14. The proposed new classification structure is a revision to the current system, affecting the majority of City classifications. The full report is anticipated for City Council consideration in May 2014.

Total Human Resources Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,489,297	\$ 1,520,624	\$ 1,630,429	\$ 1,669,874
Maintenance and Operations	\$ 1,006,587	\$ 934,996	\$ 1,054,655	\$ 963,437
Capital Equipment	\$ 2,190	\$ 8,138	\$ 5,000	\$ 5,000
Total	\$ 2,498,074	\$ 2,463,758	\$ 2,690,084	\$ 2,638,311



Programs

Benefits / Risk Management Division

<u>Core Functions:</u>	<u>Work Plan:</u>
<ul style="list-style-type: none"> Administer and train employees on the City's benefit programs. 	<ul style="list-style-type: none"> Coordinate and assist all eligible, City employees with the Deferred Compensation program, and Health/Dental/Vision and Retirement Benefits. Facilitate and train employees on Disability Benefits and Workers' Compensation. Provide direction and guidance in using the Employee Assistance Program.
<ul style="list-style-type: none"> Coordinate, organize, and provide City-wide training to facilitate employee's knowledge of current practices. 	<ul style="list-style-type: none"> Organize, track, and assure Mandated Training Compliance (Sexual Harassment/Discrimination/Prevention).
<ul style="list-style-type: none"> Provide resources for City departments and staff. 	<ul style="list-style-type: none"> Employee Health Fair New Hire Orientation Public Agency Retirement Services (PARS) Coordination Retirement Procedures
<ul style="list-style-type: none"> Provide counseling to City departments and staff members. 	<ul style="list-style-type: none"> Employee Career Counseling Employee Relations Progressive Discipline Policy Grievances Pensions/Related Topics
<ul style="list-style-type: none"> Oversee and maintain administrative procedures. 	<ul style="list-style-type: none"> City Hall Access/Security General Liability Claims Regarding Personal and Property Damage Special Events Review

Total Risk Management/Benefits Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 699,016	\$ 695,480	\$ 717,502	\$ 734,334
Maintenance and Operations	\$ 210,088	\$ 338,611	\$ 387,313	\$ 395,788
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ 909,104</u>	<u>\$ 1,034,091</u>	<u>\$ 1,104,815</u>	<u>\$ 1,130,122</u>

<ul style="list-style-type: none"> • Insure compliance with local, state and federal rules & regulations. 	<ul style="list-style-type: none"> • Review and update Personnel documents and processes, such as: the Employee Policy Manual, new hire orientation, pre-employment, training materials and forms - bringing them into compliance with new laws and regulations such as but not limited to: • Affordable Care Act • Consolidated Omnibus Budget Reconciliation Act (COBRA) • DMV Employer Pull Program • DOT Drug Program • Family Medical Leave Act (FMLA) Compliance • Health Insurance Portability and Accountability Act (HIPAA) Compliance • Federal/State Labor Laws & Labor Code • Safety Program (OSHA)
<ul style="list-style-type: none"> • Organize and administer City-wide events and programs. 	<ul style="list-style-type: none"> • Create and lead the Healthy Eating Active Living (HEAL) and Innovation/ Improvement Incentive Program (IIIP) activities and ideas. • Provide restructuring assistance & transitional support to management and employees. • Assist employees and assure compliance with the Tuition Reimbursement program.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Department Assistant	1.0	1.0	1.0	1.0
Deputy City Manager	-	-	0.25	0.25
HR/RM Department Administrator	0.75	0.5	0.75	0.75
Human Resources Director	0.5	0.5	-	-
Human Resources Specialist I	1.0	1.0	1.0	1.0
Human Resources Specialist II	1.0	1.0	1.0	1.0
Human Resources Supervisor	1.0	1.0	1.0	1.0
Total Full-Time	5.25	5.0	5.0	5.0
Total Budgeted Staffing	5.25	5.0	5.0	5.0

Administration / Recruitment Division

<u>Core Functions:</u>	<u>Work Plan:</u>
<ul style="list-style-type: none"> Coordinate, organize, and provide City-wide training to facilitate employee's knowledge of current practices. 	<ul style="list-style-type: none"> Perform and/or organize City-wide trainings such as Organizational Effectiveness, Performance Pro Software (Employee Performance Evaluations), Quarterly Administrative Meetings, and others.
<ul style="list-style-type: none"> Facilitate collective bargaining for all exclusively recognized bargaining units (currently 10 associations) and administer unrepresented Key & Management Work Rules. 	<ul style="list-style-type: none"> Negotiate with the bargaining units in good faith resulting in collaborative bargaining and a Memorandum of Understanding.
<ul style="list-style-type: none"> Initiate, coordinate, facilitate, and process recruitments and selection of City employees. 	<ul style="list-style-type: none"> Track and organize background screening, Fit for Duty evaluations and Pre-employment physical examinations (Occupational Medical Program). Facilitate Job Offers and Promotions to meet departments' needs. Continue to gain knowledge and assist with online NeoGov Recruiting Software.
<ul style="list-style-type: none"> City-wide classification and compensation study. 	<ul style="list-style-type: none"> Completion of Classification portion of the study is anticipated before beginning of this fiscal year. Compensation portion of the study will be the focus in this fiscal year.
<ul style="list-style-type: none"> Support the City's Civil Service Board (CSB) and maintain the integrity of the Civil Service Rules & Regulations System. 	<ul style="list-style-type: none"> Provide staff support in all matters pertaining to the CSB, specifically administrative hearings & procedures.
<ul style="list-style-type: none"> Organize and administer City-wide events and programs. 	<ul style="list-style-type: none"> Solicit nominations from local schools and employees and facilitate the Ackerman Trust Scholarship program. Coordinate and organize the annual Employee Recognition event, which includes administering the Employee of the Year process and award. Assist employees and assure compliance with the Tuition Reimbursement program.

<ul style="list-style-type: none"> Oversee and maintain administrative procedures. 	<ul style="list-style-type: none"> Records Management Update and Maintain Employee Records in Database Verifications of Employment
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Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Assistant to the HR Director	1.0	1.0	1.0	1.0
Department Assistant	-	1.0	1.0	1.0
Deputy City Manager	-	-	0.25	0.25
HR/RM Department Administrator	0.25	0.5	0.25	0.25
Human Resources Analyst	1.0	1.0	1.0	1.0
Human Resources Analyst Part-time	0.75	-	-	-
Human Resources Director	0.5	0.5	-	-
Human Resources Specialist II	1.0	1.0	1.0	1.0
Human Resources Supervisor	1.0	1.0	1.0	1.0
Office Assistant	1.0	-	-	-
Senior Human Resources Analyst	-	1.0	1.0	1.0
Total Full-Time	6.5	7.0	6.5	6.5
<u>Part-Time</u>				
Vacant, Office Assistant P/T	-	-	-	0.3
Total Part-Time	-	-	-	0.3
Total Budgeted Staffing	6.5	7.0	6.5	6.8

Total Administration/Recruitment Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 790,280	\$ 825,145	\$ 912,927	\$ 935,540
Maintenance and Operations	\$ 796,499	\$ 596,385	\$ 667,342	\$ 567,649
Capital Equipment	\$ 2,190	\$ 8,138	\$ 5,000	\$ 5,000
Total	\$ 1,588,970	\$ 1,429,668	\$ 1,585,269	\$ 1,508,189

Office of the City Attorney

Mission Statement

The City Attorney's Office provides timely, cost-effective, quality legal advice and services to support the City Council, the City Manager and all City departments, boards, commissions, and committees in achieving the City Council's goals while limiting risk and costs to the taxpayers.

Department Overview

The City Attorney's Office provides legal advice and services to the City Council, City staff, boards, commissions, and committees through the preparation of ordinances, resolutions, contracts, and legal opinions relating to land use, public safety, and other municipal law matters. As the prosecutor for the City, the City Attorney's Office protects the health, safety, and welfare of the public through the effective prosecution of violations of the Charter and Municipal Code. The City Attorney's Office also represents the City, its officers, and staff in civil litigation matters and manages the legal services provided to the City by outside legal counsel.



Key Department Programs

- Advisory
- Representation

Goals

- Continue to provide the highest quality legal services in an efficient and cost effective manner to the City Council, City officials, City staff, boards, commissions, and committees.
- Assist in developing legal strategies for implementing City Council goals, identifying legal issues related to community development proposals, and responding to community concerns.
- Propose alternative and legally acceptable ways to accomplish the City Council's objectives when the City encounters legal obstacles.
- Maintain an accessible attorney staff, provide timely responses to formal and informal requests for legal advice, and enhance legal support to City departments.

- Represent the City in legal proceedings and effectively manage legal services provided by outside counsel.
- Support City staff's efforts to resolve violations of the Charter and Municipal Code in a fair and timely manner.
- Pursue cost controls and expenditure restrictions to decrease costs and promote efficiencies in the legal services provided to the City.
- Attract, develop, and retain qualified and experienced legal staff.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
City Attorney	1.0	1.0	1.0	1.0
Assistant City Attorney	2.0	2.0	3.0	3.0
Deputy City Attorney	2.0	2.0	-	-
Administrative Assistant to the City Attorney	1.0	1.0	1.0	1.0
Department Assistant	2.0	-	-	-
Paralegal	1.0	1.0	1.0	1.0
Budget Analyst	-	0.1	0.1	-
Legal Assistant	-	1.0	1.0	-
Total Full-Time	9.0	8.1	7.1	6.0
<u>Part-Time</u>				
Budget Intern	0.1	-	-	-
Deputy City Attorney Part Time	0.7	-	-	-
Paralegal	-	-	-	0.5
Total Part-Time	0.8	-	-	0.5
Total Budgeted Staffing	9.8	8.1	7.1	6.5

Total City Attorney Department Costs:

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Salaries and Benefits	\$ 1,267,949	\$ 1,264,453	\$ 1,346,694	\$ 1,287,413
Maintenance and Operations	\$ 256,679	\$ 213,997	\$ 264,539	\$ 285,313
Capital Equipment	\$ 5,305	\$ 664	\$ 6,600	\$ 6,600
Outside Counsel	\$ 465,837	\$ 553,915	\$ 675,000	\$ 715,000
Total	<u>\$ 1,995,771</u>	<u>\$ 2,033,029</u>	<u>\$ 2,292,833</u>	<u>\$ 2,294,326</u>

Programs

The City Attorney's Office, led by the City Attorney, is responsible for advising the City Council, the City Manager, and all City departments, boards, commissions, and committees regarding applicable legal requirements as well as representing the City in administrative proceedings and litigation.

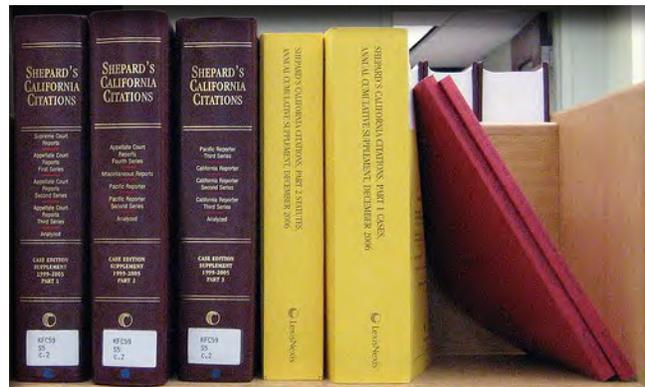
Advisory



Intended Outcome: To provide the highest quality legal advice and services to the City Council, City officers, City staff, boards, commissions, and committees.

Core Functions:

- Provide support at meetings of the City Council, boards, commissions, and committees.
- Develop and maintain systems to provide legal services in a timely, accurate, and efficient manner.
- Provide timely and accurate legal advice to all departments including reviewing and/or preparing all contracts, ordinances, resolutions, and other legal documents.
- Provide support to City Clerk's office in regards to Public Records Act requests.
- Continue to assist City staff manage risk in an appropriate manner.



Work Plan:

- Coordinate with City departments to ensure that attorneys are properly assigned to cover meetings and participate in training staff, commissioners, board members, and committee members regarding applicable legal requirements.
- Utilize technology to allow for the timely, accurate, and efficient provision of contracts, ordinances, and resolutions.
- Assign work to attorneys with requisite experience to handle matters in a timely/accurate manner.
- Ensure that all attorneys continue to participate in continuing education courses.
- Assist the City Clerk to interpret legal requirements under the Public Records Act.
- Continue to work with the City's Risk Manager to standardize indemnity and insurance requirements to appropriately limit risk.

Representation

Intended Outcome: To represent the City of Newport Beach in litigation and administrative matters in a cost effective manner.

Core Functions:

- Represent the City of Newport Beach in litigation related to violations of the City's Charter and Municipal Code.
- Provide representation to the City in administrative matters and litigation.
- Effectively monitor outside counsel's representation of the City in litigation matters.

Work Plan:

- Coordinate with the City's Code Enforcement and Planning Divisions to ensure that City staff is appropriately trained regarding legal requirements.
- Collaborate with City staff to ensure that code enforcement matters are resolved in a timely, fair, and consistent manner.
- Continue to represent the City at administrative hearings and in litigation matters.
- Ensure that outside counsel continue to comply with billing guidelines and that outside counsel are providing quality legal services in a timely and cost effective manner.

Performance Measures:

The following indicators are provided as a means to quantify some of the general work performed by the City Attorney's Office throughout the year.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
City Council, Board, Commission and Committee Meetings	120	120	120	120
City Council, Board, Commission, Committee and Staff Training	15	17	17	20
Preparation/review of Contracts, Agreements, MOUs	600	500*	525	525
Preparation/review Ordinances	25	21	34	35
Preparation/review Resolutions	120	112	145	145
Respond to Records Requests	206	38	45	45
Subpoenas	115	73	70	70
Criminal/Civil Litigation Caseload	104	66	80	80

* Beginning in Fiscal Year 2012-13, CAO treated all amendments to an agreement as one in the same agreement for tracking purposes.

Finance

Mission Statement

The Finance Department will provide prudent financial management of publicly entrusted resources and will provide the organization with the highest quality financial, administrative, investment and analytical reports and services. We will establish and maintain a level of trust with our community, our City Council and our customer departments and will always be sensitive to the needs of our customers.

Department Overview

The Department's primary purpose is to act as the chief financial steward over all public resources and to provide a wide variety of financial, technical, and support functions generally encompassed by treasury, accounting, budget, long-term financial planning, auditing, and revenue administration. The City places a high value on transparency and full disclosure in all matters concerning the City's financial position and results of operations. To this end, Finance strives to provide superior disclosure in all documents including but not limited to the City's Budget, Quarterly Financial Reports, Comprehensive Financial Report and compliance filings. We will go beyond the minimum reporting requirements established by the professional standards organizations, including applying to professional certificate achievement programs and completing voluntary event disclosure filings. We provide accurate, reliable and timely financial information to the entire organization and members of the public. These financial reports and services are critical to the City's financial stability, and the City's ability to consistently deliver the highest quality of municipal services our residents have grown to expect and deserve. We are committed to supporting the Council's Fiscal Sustainability Plan by maintaining appropriate cash reserves, maintaining the highest possible credit rating for Newport Beach, accurately reporting and forecasting revenue and expenditure performance on a quarterly basis, and appropriately calculating fair and defensible cost recovery targets. The Finance Department will be heavily involved in the implementation of a new Integrated Enterprise Resource Planning Software System (ERP) in FY 2014-15. This project will provide the City with an integrated financial and human resource system including software, implementation services, training, and technical support to replace our current out of date system and also expand the breadth of coverage by adding a work order system to coordinate customer service efforts throughout the City. The ERP implementation is scheduled to take between 25 and 30 months and will consist of 5 major phases. The benefits that will accrue to the City as the result of this effort will be stronger decision support (better and timelier information), expanded use of web and mobile device applications to improve customer convenience and numerous workflow process improvements that will streamline and enhance workplace efficiency.

Key Department Programs

- Finance and Treasury
- Office of Management and Budget
- Revenue
- Accounting

Goals

- Manage public resources by providing prudent financial planning, reporting and control to manage and protect City assets, with the intended outcome of long term fiscal sustainability.
- Provide accurate, relevant and reliable information about the City’s financial condition to City Council, departments and the public to improve accountability, maintain the public’s trust and assist City Council and the City Manager in making well-informed financial decisions.
- Actively serve on the implementation team for an Enterprise Resource Planning (ERP) system to update our financial systems, improve business processes and develop an improved performance-based budget document.
- Partner with departments to plan and implement strategic business and financial direction to ensure sound financial decisions.

Total Finance Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 4,459,229	\$ 4,517,037	\$ 4,258,316	\$ 4,321,841
Maintenance and Operations	\$ 2,514,843	\$ 1,883,760	\$ 2,834,603	\$ 2,677,696
Capital Equipment	\$ 6,563	\$ 323,520	\$ 18,557	\$ 11,500
Internal Service Fund	\$ -	\$ -	\$ 133,109	\$ 630,000
Total	\$ 6,980,635	\$ 6,724,317	\$ 7,244,585	\$ 7,641,037

Programs

Finance and Treasury

Intended Outcome: Provide prudent financial planning and management of public resources, to ensure fiscal sustainability, and high quality, accurate and timely financial reporting and services that our community, departments and City Council can rely upon and utilize to make well-informed decisions.

Core Functions:

- Provide effective leadership to the Finance Department by providing clear, well-defined goals and expectations which encourage employees to perform their duties with high standards and ethics, always keeping in mind the customer’s and the City Council priorities.
- Ensure staff has the resources and professional training necessary to achieve success in the performance of all duties.
- Recommend and maintain prudent fiscal policies to ensure financial stability and protection of City assets.
- Provide long-term financial planning and recommend financial strategies for liquidity management, capital planning, public financing and debt management.
- Provide economic analysis to support revenue and expenditure assumptions and forecasting.
- Actively serve on the ERP implementation team and provide technical staff to assist in the implementation to ensure a high quality system which focuses on business process improvements, accurate and timely reporting, and overall protection of all City resources.

Work Plan:

- Take a leadership role in the implementation of a new financial system / ERP system.
 - Further refine as necessary and maintain the Facilities Financing Planning Tool (FFPT) to provide sufficient resources for the long-term Facilities Financial Planning Reserve.
 - Evaluate, and make recommendations to the City Council as needed regarding the City's Reserve Policy (F-2) to make sure it remains relevant given the City's strategic objectives and financial risks.
 - Assist the City Council with developing the best pension funding policy going forward
- by providing analysis on CalPERS changes regarding actuarially determined employer contribution rates, and by assessing how the impact of actuarial studies (e.g. payroll growth, mortality, wage inflation, discount rate, etc.) impact employer rates.
 - Review the City's investment policy and seek policy guidance from the Finance Committee and City Council regarding the scope, objectives, and standards that govern the City's investment portfolio.
 - Oversee the compilation of the Quarterly Financial Report provided to Council as part of the City Manager's Quarterly Business Report.

Total Finance & Treasury Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14* Estimated	2014-15 Proposed
Salaries and Benefits	\$ 843,676	\$ 718,508	\$ 760,504	\$ 793,618
Maintenance and Operations	\$ 96,588	\$ 168,305	\$ 186,916	\$ 197,591
Capital Equipment	\$ -	\$ 130	\$ 12,557	\$ 5,000
Total	\$ 940,264	\$ 886,943	\$ 959,977	\$ 996,209

* Print services were contracted out to an offsite vendor in FY 2013-14.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Support Services Coordinator	1.0	1.0	1.0	1.0
Deputy Finance Director	1.0	1.0	1.0	1.0
Finance Director/Treasurer	1.0	1.0	1.0	1.0
Fiscal Clerk	-	-	1.0	1.0
Graphics & Printing Specialist	1.0	1.0	-	-
Printing Services Supervisor	1.0	1.0	-	-
Senior Mail Processing Clerk	1.0	1.0	1.0	1.0
Total Full-Time	6.0	6.0	5.0	5.0
<u>Part-Time</u>				
Student Aide	-	-	-	1.0
Total Part-Time	-	-	-	1.0
Total Budgeted Staffing	6.0	6.0	5.0	6.0

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
Outcome: Finance is prudent in planning, managing and protecting public resources with the long-term goal of fiscal sustainability. Finance always provides high quality, accurate and timely reports and analysis.				
Maintain Implied Credit Rating of AAA	AAA ¹	AAA	AAA	AAA
Qtrly Financial Reports Submitted	4	4	4	4
Investment Portfolio Benchmark Comparison ²				
Avg Credit Quality (Benchmark/Portfolio)	AAA/AA ³	AAA/AA	AAA/AA	AAA/AA
Duration (Benchmark/Portfolio)	1.88 /1.72 Yrs	1.91/1.96 Yrs	1.90/1.75 Yrs	1.90/1.75 Yrs
Total Return (Benchmark/Portfolio)	1.07/1.17%	0.66/0.27%	0.9/1.0%	1.0%/1.0%
Investment Portfolio Yield to Maturity at Cost	0.91%	0.76%	0.55%	0.75%
Contingency Reserve >15% of Operating Budget	15.00%	15.00%	25.00%	25.00%
Facilities Financing Plan Reviewed Annually	Yes	Yes	Yes	Yes
Bonded Debt Service <8% of General Fund Revenues	4.58%	4.77%	4.92%	4.74%
40 Hours of Continuing Education met Annually	Yes	Yes	Yes	Yes
Finance expenditures maintained under budget	Yes	Yes	Yes	Yes

¹ Moody's Investor Service, Standard & Poor's and Fitch Ratings have all assigned the City of Newport Beach an AAA credit rating, the highest possible underlying rating, one of only five agencies in California to receive an AAA rating from all three rating agencies.

² Core Investment Portfolio is currently benchmarked against the BofA ML 1-3 yr government/corporate securities benchmark.

³ Standard and Poors downgraded U.S. Sovereign Debt and related institutions in August 2010.



Office of Management and Budget

Intended Outcome: Develop and manage a cost effective means for processing budget, payroll, accounts payable, and purchasing transactions in a manner that ensures the proper allocation of City resources. Provide accurate and reliable financial reports to the City Council, the City Manager and departments so they can make informed decisions.

Core Functions:

- Development and administration of the City's operating budget including monthly monitoring to ensure budgetary control, accuracy of revenues and expenditure compliance.
- Coordinate and process the City's biweekly payroll function.
- Provide accounts payable and purchasing services to all departments and administer the Citywide purchasing card program.
- Prepare financial analysis as directed by management in a timely and accurate manner.

Work Plan:

- Provide administrative and technical support to the City Council and departments as they develop and implement a strategy-driven budgeting process that is reflective of high-level priorities.
- Be actively involved in the implementation of an ERP system for a smooth transition of our financial systems.
- Provide coordination and oversight in support of new budgeting and reporting software system.
- Provide analytical reports and analysis to management for use in employee contract negotiations.
- Provide the City Council periodic financial reports and updates to align the budget with actual revenues and expenditures and report performance measure outcomes.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
Outcome: Develop and manage cost effective processes over Budget, Payroll, A/P and Purchasing and provide accurate and timely financial reports to the City Manager, City Council and departments so they can make informed decisions.				
Total Budget Administered ¹	\$344,320,506	\$386,806,682	\$370,056,020	\$305,743,161
General Fund Budget	\$148,900,334	\$190,305,040	\$184,405,887	\$175,824,439
Total Value of Payables Processed	\$150,800,000	\$176,800,000	\$139,000,000	
Days to issue vendor payments-target < 7 days	100% ²	100%	100%	100%
Purchase Orders Issued	701 ³	741	775	780
Days to issue purchase order-target 5 days	4	3	3	2
# of Request for Proposals processed	98	116	130	140
Administrative Policies established or revised-target 4	4	1	2	4
Training seminars given to City employees-target 8	13	8	11	8
# of budget adjustments	176	139	140	145
Single audit finding-target none ⁴	0	0	0	0
# of paychecks processed	25,083	25,170	24,300	24,200

¹ Budget Administered represents the gross budget administered (including internal service charges).

² Target established in FY 11 when we transitioned to weekly vendor payments.

³ Starting this FY, Blanket Agreements and Maintenance Agreements were phased out; these transactions would be replaced with formal RFPs and Contracts. This will lower the number of PO's issued but raise the number of RFPs and Contracts.

⁴ No potential loss of grant funding.

Total Office of Management and Budget Program Costs:

	2011-12* Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,017,764	\$ 1,091,851	\$ 1,158,407	\$ 1,210,117
Maintenance and Operations	\$ 104,026	\$ 215,138	\$ 173,075	\$ 199,076
Capital Equipment	\$ -	\$ 1,122	\$ -	
Total	\$ 1,121,789	\$ 1,308,111	\$ 1,331,482	\$ 1,409,193

* The Parking Meter function was eliminated in FY 2011-12.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Budget Analyst	1.0	1.4	1.4	1.5
Budget Manager	1.0	1.0	1.0	1.0
Buyer	1.0	1.0	1.0	1.0
Fiscal Specialist	2.0	2.0	2.0	2.0
Inventory Analyst	1.0	1.0	1.0	1.0
Purchasing Agent	1.0	1.0	1.0	1.0
Senior Budget Analyst	1.0	1.0	1.0	1.0
Senior Fiscal Clerk	1.0	1.0	1.0	1.0
Total Full-Time	9.0	9.4	9.4	9.5
<u>Part-Time</u>				
Budget Intern	0.4	-	-	-
Fiscal Clerk Part-time	0.5	0.5	-	-
Student Aide	0.5	0.5	0.5	-
Total Part-Time	1.4	1.0	0.5	-
Total Budgeted Staffing	10.4	10.4	9.9	9.5

Revenue

Intended Outcome: Safeguard and maximize City revenues, manage collections timely and equitably, and provide excellent customer service.

Core Functions:

- Implement and enforce Municipal Code revenue programs.
- Work with City Council to develop new revenue programs and streamline current programs for the benefit of the Newport Beach business community and the general public.
- Monitor legislative changes impacting revenue services, with a particular focus on revenue enhancements, parking revenues, tax collection, tax programs, municipal billing, user fees, business license tax, payment transactions and revenue controls.
- Review the accuracy of subventions collected from state and local government agencies.
- Review compliance of City's revenue programs, including, but not limited to, the Transient Occupancy Tax, Sales and Use Tax ordinances and lease agreements.
- Automate services to the public, improve online bill payment functions and maintain high-quality customer service.
- Administer the City's business tax program pursuant to the Municipal Code.
- Collect revenues through online services (credit card), cashiering (cash), other departments (checks and credit cards) and perform reconciliations.
- Maintain accurate records and book keeping for all payments received, ensuring security controls to prevent theft, fraud or mishandling of public funds.
- Monitor external contracts for parking lot and meter management services, sales tax reviews, dog licensing, and other to ensure City revenues are maximized and consultants are adhering to contract terms.
- Be actively involved in the implementation of an ERP system for a smooth transition of our financial systems.

- Proactively research the availability of new technologies that have the potential for improving efficiency and service to the public.

Work Plan:

- Update fee schedule pursuant to the cost-of-services study.
- Ensure a customer-centric focus, fair and consistent enforcement, and provide for system modernization for on-street and off-street parking programs. Develop residential, commercial, and visitor parking permit programs.
- Explore and begin implementation of a new business license software application to increase cost efficiency, improve workflow and improve the quality of online access to taxpayers.
- Modernize the filing system of hard copy

documents and set procedures to have documents readily available through computer access.

- Improve online bill pay, billing, business license, general customer service functionality and ensure a more user-friendly system.
- Provide timely and just adjudication decisions.
- Provide regular and timely performance, agreement, tax, and franchise audits.
- Restructure staff responsibilities to increase efficiencies while maintaining excellent customer service.
- Improve work flow procedures to expedite processing of administrative citations and payments posting, and in identifying non-licensed businesses.
- Improve receipting processes to promote a paper free environment.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Accountant, Senior	-	-	1.0	1.0
Fiscal Clerk	4.0	5.0	2.0	2.0
Fiscal Process Supervisor	1.0	1.0	1.0	1.0
Fiscal Specialist	2.0	2.0	2.0	2.0
License Inspector	1.0	1.0	-	-
License Supervisor	1.0	1.0	1.0	1.0
Mail Processing Clerk	1.0	1.0	-	-
Parking Lot Supervisor	1.0	1.0	-	-
Revenue Auditor	1.0	1.0	1.0	1.0
Revenue Manager	1.0	1.0	1.0	1.0
Senior Fiscal Clerk	4.0	3.0	3.0	3.0
Total Full-Time	17.0	17.0	12.0	12.0
<u>Part-Time</u>				
Fiscal Clerk Part-time	0.9	-	-	-
Fiscal Specialist Part-time	0.45	0.45	0.45	0.45
Lead Parking Lot Attendant	1.2	1.2	-	-
Parking Lot Attendant	5.9	5.9	-	-
Review Officer	0.76	0.76	0.76	0.76
Senior Fiscal Clerk Part-Time	-	0.75	0.50	0.50
Student Aide	0.39	0.39	0.39	-
Total Part-Time	9.6	9.45	2.1	1.71
Budgeted Total Staffing	26.60	26.45	14.10	13.71

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
Outcome: Protect and maximize City revenue sources in a timely and conscientious manner; provide superior customer service.				
Customer issues resolved w/in 24 hours-target 100%	98%	99%	99%	99%
All City billings	278,880	278,317	278,000	278,000
Paperless billings (percentage of all City billings)	7%	9%	10%	10%
New business licenses (paper)-target 0%	17%	10%	8%	9%
New business licenses (online)-target 100%	83%	90%	92%	91%
Business license renewals (paper)-target 0% ¹	69%	68%	67%	66%
Business license renewals (online)-target 100% ¹	31%	32%	33%	34%
Parking citations processed	55,426	58,930	56,500	57,000
# completely automated customer service transactions ²	73,798	80,809	85,000	86,700
# of electronic customer service transactions ³	94,198	101,190	104,300	109,000
Administrative citations processed	2,981	2,789	2,000	2,500
Adjudications	5,131	4,026	4,100	4,100
# of payments processed w/remittance processor	85,500	82,395	80,199	80,000
Income contracts administered	55	55	48	48
Compliance reviews	66	66	65	65
Transient Occupancy Tax (TOT) audit recovery-Target \$0	\$63,970	\$5,000	\$10,000	\$10,000
Fees studied for current full cost recovery	291		287	254
Parking lots revenue-target \$2,250,000	\$2,071,238	\$2,466,989	\$2,301,851	\$2,301,851
# of film applications		73	115	94
# of filming days		107	180	143

¹ Counts and percentages are estimates.

² Requires no staff support, includes Web and phone payments and sign-ups for APP and paperless billing.

³ May require some staff support, includes Web and phone payments, sign-ups for APP and paperless billing, and Quest service requests.

Total Revenue Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14* Estimated	2014-15 Proposed
Salaries and Benefits	\$ 2,006,470	\$ 2,069,805	\$ 1,667,850	\$ 1,611,858
Maintenance and Operations	\$ 2,148,014	\$ 1,388,408	\$ 2,308,433	\$ 2,137,341
Capital Equipment	\$ 288	\$ 322,199	\$ -	\$ -
Internal Service Fund	\$ -	\$ -	\$ 133,109	\$ 630,000
Total	\$ 4,154,772	\$ 3,780,412	\$ 4,109,392	\$ 4,379,199

* Parking Lots were contracted out to an outside vendor in FY 2013-14.

Accounting

Intended Outcome: Ensure compliance with GASB, Council, State, and Federal regulations and provide accurate, reliable, and timely financial reports to our stakeholders.

Core Functions:

- Prepare, reconcile and present the Comprehensive Annual Financial Report (CAFR) to the external auditors.
- Continue to strive for the Government Finance Officers Association "Award for Certificate of Excellence in Financial Reporting" which the City has received for the last 20 years.
- Coordinate all accounting, audit management and financial reporting.
- Monitor and implement new accounting pronouncements to ensure the City adheres to generally accepted accounting practices.
- Manage general ledger maintenance, debt administration and assessment district administration.
- Maintain the accounting and reporting for capital assets.
- Track and manage cash flows and treasury requirements.
- Safeguard the City's cash from fraudulent activity through daily monitoring of reverse positive pay.
- Continue to update and maintain the Facilities Financing Plan.
- Assist with the compilation of the Quarterly Financial Report provided to Council as part of the City Manager's Quarterly Business Report.



Work Plan:

- Monitor, interpret and implement new GASBs as needed, including the recent exposure draft on new pension disclosures.
- Monitor performance and produce quarterly financial status reports for the City Manager and Council to keep them abreast of the City's financial condition and any challenges or solutions identified to keep our General Fund balanced.
- Automate the allocation of interest income on a monthly basis.
- Continue to issue comprehensive annual financial reports (CAFR) in accordance with generally accepted accounting principles that meet the Government Finance Officers Association's program requirements for excellence in financial reporting.
- Improve on analytical review of all revenues/ expenditures by developing or acquiring modern forecasting and business analytics tools.
- Be actively involved in the implementation of an ERP system for a smooth transition of our financial systems.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
Outcome: Ensure compliance with all Federal, State and local regulations and standards while providing high-quality, accurate, and timely financial information to all stakeholders.				
Maintain Underlying AAA Credit Rating	Yes ¹	Yes	Yes	Yes
Quarterly Financial Report w/in 45 days-target 4	4	2	4	4
Track & manage cash flows and treasury requirements on a daily basis	Yes	Yes	Yes	Yes
Daily monitoring of fraudulent account activity	Yes	Yes	Yes	Yes
GFOA Award for Excellence received for CAFR	Yes	Yes	Yes	Yes
External Audit of CAFR results in a "Clean" Opinion	Yes	Yes	Yes	Yes
Days after fiscal year end CAFR available-target < 180	169	177	174	172
Update compliance with Reserve Policy annually	Yes	Yes	Yes	Yes
# of Continuing Disclosure Filings- Target ALL	17	17	3	3

¹ Moody's Investor Service, Standard & Poor's and Fitch Ratings have all assigned the City of Newport Beach an AAA credit rating, the highest possible underlying rating, one of only five agencies in California to receive an AAA rating from all three rating agencies.

² In July 2012, the City issued \$13.58 million of bonds to refund and consolidate 14 Assessment Districts into 1 Assessment District.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Accountant	3.0	2.0	2.0	2.0
Accounting Manager	1.0	1.0	1.0	1.0
Fiscal Specialist	1.0	1.0	1.0	1.0
Senior Accountant	-	1.0	1.0	1.0
Total Full-Time	5.0	5.0	5.0	5.0
<u>Part-Time</u>				
Fiscal Clerk Part-time	0.25	0.25	-	-
Total Part-Time	0.25	0.25	0.0	-
Total Budgeted Staffing	5.25	5.25	5.0	5.0

Total Accounting Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 591,320	\$ 636,873	\$ 671,555	\$ 706,248
Maintenance and Operations	\$ 166,215	\$ 111,908	\$ 166,179	\$ 143,689
Capital Equipment	\$ 6,275	\$ 70	\$ 6,000	\$ 6,500
Total	\$ 763,810	\$ 748,851	\$ 843,734	\$ 856,437

Police Department

Mission Statement

The Newport Beach Police Department is committed to providing our Community with the highest quality police services possible to maintain the quality of life that is cherished by those who reside, work, and visit here. Our mission is to:

“Respond positively to the Community’s needs, desires, and values, and in so doing be recognized as an extension and reflection of those we serve. Strive to provide a safe and healthy environment for all, free from violence and property loss resulting from criminal acts, and injuries caused by traffic violators. Manage inevitable change and welcome the challenge of future problems with creative solutions which are financially prudent and consistent with Community values.”

Department Overview

With over one hundred years of service to the citizens of Newport Beach, the Police Department stands as an example of municipal efficiency with a workforce committed to the Community and its visitors. This fiscal year again marks one of the lowest crime rates in Newport Beach’s history. This milestone could not have been accomplished without the collaborative efforts of our employees, our fellow City Government partners and our Community Stakeholders.

Members of the Police Department’s Patrol/Traffic Division are the Community’s front line defense against criminal activity as well as offering ancillary services such as parking enforcement, animal control, and detention services.

The Detective Division is the investigative arm of the Police Department and is responsible for providing investigative follow up for more than 7,000 reports the Police Department takes each year. The Division is also responsible for narcotics and vice enforcement, criminal intelligence, crime analysis, School Resource Officers, court liaison services, and crime scene investigation.

Offering administrative, fleet and clerical support to the Police Department is the Support Services Division. During the last fiscal year, the Division’s Communications Section was responsible for taking 214,208 telephone calls and dispatching over 70,000 calls for service, while the Records Section helped process the 11,642 reports generated by Police Department employees. The Division’s additional responsibilities include the Property and Evidence Unit, Personnel and Training, Fiscal Services, Range Operations, Information Technology, and Fleet Maintenance.

The Office of the Chief of Police is responsible for the effective and responsive leadership of the Police Department. The Office is also responsible for the organization’s community outreach and education programs as well as internal quality controls and professional standards.

Key Department Programs

- Office of the Chief of Police
- Support Services Division
- Patrol Division
- Traffic Division
- Detective Division

Goals

Focus on Reducing Crime and Increasing the Quality of Life for our Citizens and Visitors in Newport Beach

The Police Department has established measurable goals that focus on Enhancing the Feeling of Safety in the Community. These efforts will include:

- a Department-wide focus on crime reduction;
- information dissemination by use of media sources, informational sign boards, and Social Media sources such as Facebook, Twitter and Nixle;
- conducting Parole and Probation operations to ensure compliance by parolees and probationers;
- tracking and reducing response times to emergency calls for service, and reducing call answering times for calls into the Communications Center;
- tracking and increasing criminal investigation clearance rates;
- targeting our community’s highest volume crime: burglary/theft from motor vehicles;
- conducting bicycle safety seminars for adults and bicycle safety rodeos for children;
- conducting Boardwalk Safety operations;
- exploring other options to address problem party residences;
- increasing Neighborhood Watch participation;
- conducting outreach efforts to our homeless population; and
- conducting various Community Outreach events across the City.

Expand Organizational Development and Training

The Police Department has set measurable goals that focus on developing both the individual members of the Police Department as well as the Organization as a whole. These efforts will include:

- a Department-wide focus on taking training and development to a level surpassing previous years;
- designing a Training Coordinator position and creating a formal training matrix;
- centralizing training oversight;
- improving overall emergency preparedness, including Emergency Operations Center training for all Department supervisors, and disaster training for field personnel;
- conducting evacuation procedure reviews with employees;
- updating of the Department’s Succession Plan and establishing leadership programs for line-level personnel, both sworn and professional staff;
- conducting regular meetings with all Management Staff;

Total Police Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 34,274,961	\$ 36,913,167	\$ 38,915,432	\$ 40,292,859
Maintenance and Operations	\$ 6,448,111	\$ 6,898,441	\$ 6,235,716	\$ 6,444,124
Capital Equipment	\$ 70,710	\$ 54,665	\$ 7,694	\$ 7,694
Internal Service Fund	\$ 875,944	\$ 106,677	\$ 1,544,076	\$ 1,687,500
Total	<u>\$ 41,669,726</u>	<u>\$ 43,972,950</u>	<u>\$ 46,702,918</u>	<u>\$ 48,432,177</u>

- reviewing scheduling options for uniformed divisions;
- conducting a review of all Patrol beat assignments to ensure maximum efficiency;
- conducting Family Outreach events for employees;
- continuing interdepartmental relations meeting with our counterparts in other City departments; and
- distributing monthly Department-wide reports on favorable conduct of employees.

Implement and Better Utilize State-of-the-Art Technology and Processes to Improve Efficiency and Effectiveness

The Police Department will continue to explore methods for better utilization of state-of-the-art technology and processes. These efforts will include:

- improvement of crime analysis capabilities;
- increasing information sharing through technology;
- modernizing technology infrastructure,
- implementing a new Computer Aided Dispatch and Records Management (CAD/RMS) software system;
- improving Mobile Data Computer connectivity;
- implementing “dashboards” for tracking crime and administrative data;
- implementing an optimized document imaging and work flow management software system; and
- improving intelligence-gathering capabilities.

Maintain the Police Department as a High-Performing Team, Built on Trust, with a High Standard of Ethics and Integrity, Devoted to Serving the Community and Each Other

The Police Department has set measurable goals that focus on the improvement of the team environment within the organization, accountability, and employee development. These efforts will include:

- developing a geographical area policing model;
- enhancing the team-policing concept;
- creating team-building workshops;
- reviewing Department-wide auditing procedures; and
- developing a comprehensive employee wellness program.

Customer Service

The Department will continue to explore options to improve methods of delivering service to our Community. These options may include:

- creating a Crime Suppression Unit and a full time Bicycle Patrol Unit;
- evaluating Department systems to ensure efficient reporting of traffic-related information;
- fully participating in the Visit Newport Beach Ambassador Training Program; and
- reviewing and improving policies for recognition of Department employees and community members.

Workload Indicators

The following indicators are provided as a means to quantify some of the work accomplished by the Police Department throughout the year. These measures reflect some of the many responsibilities and actions of Police Department staff, and are useful as a set of statistics that can be monitored year-by-year, as well as compared to other cities. The Police Department is committed to creating a safe environment for all residents and visitors to the City, and strives to maintain the exceptional level of service that the community has come to expect from us.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected**
Part One Crimes *	2,384	2,400	2,394	2,444
Adult Arrests	2,987	3,161	3,058	3,051
Juvenile Detentions	191	153	190	209
Total Crime and Misc. Reports	11,201	11,642	11,464	11,444
Calls for Service	67,098	70,044	67,990	67,614
Field Interviews Conducted	3,882	4,470	4,023	3,907
False Alarms Handled	3,018	2,980	3,036	3,105
Vehicle Code Citations/Warnings Issued	12,969	13,704	13,960	14,716
Other Citations Issued (exclusive of Parking Citations)	2,146	2,188	2,414	2,689

* Part One are the eight most serious crimes (Homicide, Forcible Rape, Robbery, Aggravated Assault, Burglary, Larceny-Theft, Auto Theft, and Arson) as defined by the FBI in the Uniform Crime Reports.

** Projected Service Indicators for FY 2014-15 are derived from mathematical formulas based on historical data and are not indicative of recent downward trends.

Programs

Office of the Chief of Police

Intended Outcome: The Office of the Chief of Police is responsible for assisting the Chief of Police in the management and administration of the Police Department. This Section works closely with the community, and encourages residents to partner with the Police Department through programs such as Neighborhood Watch. The Professional Standards Unit coordinates the investigation of personnel complaints, and ensures that the Department is adhering to procedures and providing the desired level of service to the community.

Core Functions:

- Executive leadership
- Community Relations and Crime Prevention
- Professional Standards Unit
- Payroll
- Educational programs
- Volunteer programs
- Auditing of Department performance and procedures and resources
- Media relations
- Risk Management

Work Plan:

- Provide leadership and vision for the Department
- Collaborate with other City departments to fulfill the goals and objectives of the Department and the City of Newport Beach
- Coordinate the Citizen's Police Academy and Teen Academy Programs
- Issue press releases and liaison with the media
- Provide Internet Safety classes and Crime Prevention classes to the community
- Host meetings for Neighborhood Watch and Business Watch
- Coordinate the use of Social Media for disseminating useful information to the community
- Investigate complaints and claims against the Department or its employees
- Track personnel data and payroll
- Provide classes to school children on the Step UP! bystander intervention program
- Coordinate and assign duties for all Police Department Volunteers, who donated over 6,300 hours of service in Fiscal Year 2013
- Audit department procedures and systems to improve service delivery and optimize department performance
- Partner with governmental and non-governmental agencies on community-wide events that communicate the Department's mission and core values

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Lifeguard Officer	0.6	-	-	-
Police Chief	1.0	1.0	1.0	1.0
Police Lieutenant	1.0	1.0	1.0	1.0
Police Sergeant	2.0	2.0	2.0	2.0
Total Full-Time	4.6	4.0	4.0	4.0
<u>MISC</u>				
<u>Full-Time</u>				
Administrative Assistant to the Police Chief	1.0	1.0	1.0	1.0
Crime Prevention Specialist	2.0	2.0	3.0	3.0
Police Community Service Officer	1.0	1.0	1.0	1.0
Total Full-Time	4.0	4.0	5.0	5.0
Total Budgeted Staffing	8.6	8.0	9.0	9.0

Total Office of the Chief of Police Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,668,080	\$ 1,627,909	\$ 1,706,040	\$ 1,758,183
Maintenance and Operations	\$ 49,579	\$ 56,564	\$ 73,322	\$ 209,272
Capital Equipment	\$ -	\$ -	\$ -	
Total	\$ 1,717,659	\$ 1,684,473	\$ 1,779,362	\$ 1,967,455

Support Services Division

Intended Outcome: The Support Services Division provides operational support to all Divisions in the Police Department.

Core Functions:

- Front Desk Operations
- Emergency Dispatch
- Records & Identification
- Property & Evidence
- Alarms (Residential and Commercial)
- Personnel & Training
- Planning & Research
- Range Operations
- Facility Maintenance
- Fiscal Services / Budget Management
- Purchasing
- Warrant Processing
- Electronics Maintenance and Repair
- Video Evidence
- Information Technology
- Fleet Maintenance

Work Plan:

- Utilize civilian employees in a variety of positions. This not only reduces staffing costs, but also allows for additional continuity and specialization of staff and ensures more sworn Officers are assigned to field positions.
- Provide emergency and non-emergency Dispatch services. In Fiscal Year 2013, approximately 89% of emergency calls (defined as a present and imminent threat to life or property) were answered by a Dispatcher within 10 seconds.
- Process and identify arrestees, conduct warrant checks and prepare Court Packages
- Process citations and requests for copies of Police Reports
- Process, retain, release, and dispose of all Found Property, Evidence, and Safekeeping Property booked in the City
- Maintain an indoor Shooting Range, and provide quarterly firearms qualifications for all sworn Officers
- Service and maintain specialized electronics in the Department and fleet vehicles
- Retain and catalog Mobile Video System recordings, which are utilized by sworn Officers in the field
- Perform routine maintenance, conduct repairs and track the service history on a fleet of over 100 vehicles, including marked Police Cars and SUV's, marked Police Motorcycles, unmarked vehicles, ATV's (used on the beach), Parking Control Trucks, Animal Control Trucks, Transportation Vans, a Mobile Command Post and specialized vehicles for the S.W.A.T. team.

- Prepare and manage Department budget and utilize cost saving measures for procurement.
- Maintain the security of the police building ensuring a safe and functioning facility.
- Provide customer service to the community by taking police reports and answering a variety of inquiries.

Total Support Services Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14* Estimated	2014-15 Proposed
Salaries and Benefits	\$ 5,702,315	\$ 6,899,245	\$ 7,079,790	\$ 7,171,428
Maintenance and Operations	\$ 5,031,665	\$ 5,441,698	\$ 4,457,397	\$ 4,521,000
Capital Equipment	\$ 4,016	\$ 44,311	\$ 7,694	\$ 7,694
Total	<u>\$ 10,737,996</u>	<u>\$ 12,385,254</u>	<u>\$ 11,544,881</u>	<u>\$ 11,700,122</u>

Includes Fleet Maintenance Division
 *Police Department Information Technology expenditures transferred from the City Manager's Office for FY 2013-14.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Police Captain	1.0	-	-	-
Police Lieutenant	1.0	1.0	1.0	1.0
Police Officer	1.0	1.0	-	-
Police Sergeant	1.0	1.0	2.0	2.0
Total Full-Time	4.0	3.0	3.0	3.0
<u>Part-Time</u>				
Police Officer Part-time	0.26	0.26	0.26	0.00
Total Part-Time	0.26	0.26	0.26	0.00
<u>MISC</u>				
<u>Full-Time</u>				
Applications Coordinator Police Department	-	-	2.0	2.0
Civilian Supervisor	2.0	2.0	2.0	2.0
Electronics Specialist	-	1.0	1.0	1.0
Personal Computer/Network Coordinator	-	-	1.0	1.0
Police Community Service Officer	18.0	18.0	18.0	18.0
Police Computer Systems Manager	-	-	1.0	1.0
Police Dispatcher	11.0	11.0	11.0	11.0
Police Fiscal Services/Facilities Manager	1.0	1.0	1.0	1.0
Police Mechanic II	1.0	1.0	1.0	1.0
Police MIS Specialist	-	-	1.0	1.0
Police Support Services Division Administrator	1.0	1.0	1.0	1.0
Rangemaster-Armorer	1.0	1.0	1.0	1.0
Senior Police Community Service Officer	2.0	2.0	2.0	2.0
Senior Police Dispatcher	3.0	3.0	3.0	3.0
Senior Police Mechanic	1.0	1.0	1.0	1.0
Station Officer	1.0	1.0	1.0	1.0
Total Full-Time	42.0	43.0	48.0	48.0
<u>Part-Time</u>				
Police Cadet	1.70	1.70	1.70	1.70
Police Community Service Officer Part-time	0.94	0.94	0.94	1.20
Police Dispatcher Part-time	2.22	2.22	2.22	2.22
Total Part-Time	4.86	4.86	4.86	5.12
Total Budgeted Staffing	51.12	51.12	56.12	56.12

Patrol Division

Intended Outcome: The primary purpose of the Patrol Division is to maintain the safety and security of the community. The Patrol Division is on-duty 24 hours per day, every day of the year.

Core Functions:

- Uniformed Patrol
- Field Training Program
- Gang Suppression
- S.W.A.T. Unit
- Crisis Negotiation Team
- Bicycle Unit / ATV Patrol
- Canine Officers
- Jail Operations
- Reserve Officer Program
- Explorer Program and Cadet Program
- R.A.C.E.S. Volunteer Program
- Mounted Equestrian Officers
- Crime Suppression Unit

Work Plan:

- Respond to Calls for Service. In Fiscal Year 2013, the average response time to a top priority call was **2 minutes, 24 seconds** from the moment the call was received until an Officer arrived on scene. Officers arrived on scene within 5 minutes in **91.4%** of all Emergency calls (which involve a Police response with lights and sirens).
- Conduct preliminary investigations on all reported crimes
- Control crowds and keep the peace
- Enforce local laws and ordinances
- Take preventative measures to actively stop crime and disturbances before they occur through an area command model and monthly "Crimestat" meetings
- Utilize Specialized Units to augment regular Patrol functions when possible
- Provide short-term custody facilities
- Utilize the Reserve Officer Program to provide transportation and administrative assistance to regular Patrol Officers, allowing those Officers to remain in the field for a larger portion of their assigned shift
- The Explorer Unit is affiliated with the Boy Scouts of America, and is a volunteer unit of persons between the ages of 14 and 20. These young people volunteer approximately 3,000 hours annually in support of Police Department functions.
- R.A.C.E.S. (Radio Amateur Civil Emergency Service) Volunteers conduct over 100 hours of training annually, to support City-Wide communication through the use of ham radios in case of a communications failure.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Assistant Police Chief	-	1.0	1.0	1.0
Police Captain	1.0	-	-	-
Police Lieutenant	4.0	4.0	4.0	4.0
Police Officer	68.0	70.0	73.0	74.0
Police Officer Helicopter	2.0	-	-	-
Police Sergeant	12.0	12.0	13.0	13.0
Senior Helicopter Mechanic	1.0	-	-	-
Total Full-Time	88.0	87.0	91.0	92.0
<u>Part-Time</u>				
Police Reserve Officer	4.17	4.17	4.17	4.17
Total Part-Time	4.17	4.17	4.17	4.17
<u>MISC</u>				
<u>Full-Time</u>				
Civilian Custody Supervisor	1.0	1.0	1.0	1.0
Custody Officer	8.0	8.0	7.0	8.0
Helicopter Mechanic	2.0	-	-	-
Police Community Service Officer	1.0	1.0	1.0	1.0
Total Full-Time	12.0	10.0	9.0	10.0
Total Budgeted Staffing	104.17	101.17	104.17	106.17

Total Patrol Program Costs:

	2011-12	2012-13	2013-14	2014-15
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 16,327,286	\$ 17,622,853	\$ 18,503,047	\$ 19,752,189
Maintenance and Operations	\$ 909,143	\$ 948,617	\$ 1,194,363	\$ 1,184,603
Capital Equipment	\$ 59,646	\$ 10,354	\$ -	\$ -
Total	\$ 17,296,075	\$ 18,581,824	\$ 19,697,410	\$ 20,936,792

Traffic Division

Intended Outcome: The primary purpose of the Traffic Division is to promote traffic safety through education and enforcement.

Core Functions:

- Traffic Collision Investigation
- Motorcycle Officer Patrol
- Follow-up Investigations on fatal traffic collisions and Traffic-related felony arrests
- DUI Enforcement and Checkpoints
- Parking Enforcement
- Animal Control
- Special Events Coordinator
- Bicycle safety education/enforcement

Work Plan:

- Investigate Traffic Collisions. In Fiscal Year 2013, the Traffic Division handled **3** fatal traffic collisions involving 7 fatalities (5 in one vehicle), **430** injury traffic collisions, and **519** property damage traffic collisions.
- Investigate public concerns and complaints regarding traffic issues
- Increase the traffic awareness for all members of the Community through Traffic Education Programs and enforcement
- Review applications and make recommendations on Special Events
- Utilize Office of Traffic Safety grant funds to aggressively enforce DUI criminal statutes and other significant traffic issues.
- Conduct Parking Enforcement patrols. In Fiscal Year 2013, **29,594** Parking Citations were issued throughout the City for various infractions.
- Provide Animal Control services. In Fiscal Year 2013, **321** stray or injured animals were impounded and **269** Animal Control Citations were issued.
- Police Department Liaison to the City's Bicycle Master Plan Oversight Committee.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Police Lieutenant	1.0	1.0	1.0	1.0
Police Officer	11.0	11.0	11.0	11.0
Police Sergeant	2.0	2.0	2.0	2.0
Total Full-Time	14.0	14.0	14.0	14.0
<u>MISC</u>				
<u>Full-Time</u>				
Animal Control Officer	2.0	2.0	2.0	3.0
Police Community Service Officer	4.0	4.0	4.0	3.0
Senior Animal Control Officer	1.0	1.0	1.0	1.0
Senior Police Community Service Officer	1.0	1.0	1.0	1.0
Total Full-Time	8.0	8.0	8.0	8.0
<u>Part-Time</u>				
Police Community Service Officer Part-time	2.69	2.69	3.49	3.49
Total Part-Time	2.69	2.69	3.49	3.49
Total Budgeted Staffing	24.69	24.69	25.49	25.49

Total Traffic Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 3,876,294	\$ 3,741,397	\$ 4,585,151	\$ 4,336,292
Maintenance and Operations	\$ 321,720	\$ 312,021	\$ 365,702	\$ 381,224
Capital Equipment	\$ -	\$ -	\$ -	
Total	\$ 4,198,014	\$ 4,053,418	\$ 4,950,853	\$ 4,717,516

Detective Division

Intended Outcome: The Detective Division conducts follow-up investigation on all reported crimes and (non-Traffic related) felony and misdemeanor arrests. The Detective Division also handles juvenile investigations, and issues that concern juvenile welfare, that occur within the City.

Core Functions:

- Burglary, Auto Theft, and Theft Section
- Narcotics and Special Investigations
- Crimes Against Persons Section
- Economic Crimes Section
- Juvenile and Sexual Assault Section
- School Resource Officers
- Court Liaison Officer
- Crime Analyst
- Crime Scene Investigation
- Liaisons for O.C.A.T.T. (Orange County Auto Theft Task Force) and R.N.S.P. (Regional Narcotics Suppression Program)

Work Plan:

- Conduct investigations and apprehend suspects. In Fiscal Year 2013, **7,227** cases were assigned for Investigation, including **203** Domestic Violence Cases. On average, each Detective was assigned **258** cases throughout the year.
- Recover stolen property. In Fiscal Year 2013, investigations resulted in the recovery of property valued at **\$1,933,465**.
- Prepare cases for presentation in Court
- Monitor Massage Establishments
- Monitor Pawn Shop transactions
- Gather, track, and conduct analysis of Crime Statistics
- Liaison with the Orange County Superior Court and the Orange County District Attorney's Office
- Monitor establishments that are licensed by the California Alcoholic Beverage Control
- Coordinate the grant-funded "Every 15 Minutes" DUI Awareness Program annually in local schools



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Assistant Police Chief	1.0	1.0	-	-
Police Captain	-	-	1.0	1.0
Police Lieutenant	1.0	1.0	1.0	1.0
Police Officer	22.0	22.0	22.0	22.0
Police Sergeant	5.0	5.0	5.0	5.0
Total Full-Time	29.0	29.0	29.0	29.0
<u>Part-Time</u>				
Police Reserve Officer	0.19	0.19	0.19	0.19
Total Part-Time	0.19	0.19	0.19	0.19
<u>MISC</u>				
<u>Full-Time</u>				
Crime Scene Investigator	4.0	4.0	4.0	4.0
Police Community Service Officer	2.0	2.0	2.0	2.0
Senior Crime Analyst	1.0	1.0	1.0	1.0
Senior Crime Scene Investigator	1.0	1.0	1.0	1.0
Total Full-Time	8.0	8.0	8.0	8.0
Total Budgeted Staffing	37.19	37.19	37.19	37.19

Total Detective Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 6,700,986	\$ 7,021,763	\$ 7,041,404	\$ 7,274,767
Maintenance and Operations	\$ 136,004	\$ 139,541	\$ 144,932	\$ 148,025
Capital Equipment	\$ 7,048	\$ -	\$ -	\$ -
Total	\$ 6,844,038	\$ 7,161,304	\$ 7,186,336	\$ 7,422,792

Fire Department

Mission Statement

Protect life, property, and the environment with innovative professionalism, and organizational effectiveness using highly trained professionals committed to unparalleled service excellence.



Vision

The Newport Beach Fire Department will be engaged in the community, and recognized for exemplary lifesaving services, fire protection, prevention, and preparedness by investing in our employees and the people we serve.

Basic Operating Principles

Safety, Service, Professionalism

Core Values

Integrity, Teamwork, Caring, Respect, Innovation

Department Overview

Newport Beach has a full service fire department providing our residents and visitors with exemplary customer service twenty-four hours a day. The terrain and geologic features create a challenging and diversified environment influenced by residential, commercial, mercantile, retail, and manufacturing businesses as well as a wildland and ocean interface. In order to serve our customers, the Department has eight strategically located fire stations and three lifeguard offices on the beach supported by thirty-eight lifeguard towers.

The fire department is divided into four divisions, Administration, Marine Operations, Life Safety Services, and Fire Operations. Our full service department provides advanced life support provided by paramedic/firefighters, basic life support provided by EMT/firefighters and lifeguards, fire and building inspections, construction plan review, special event permits, fuel modification/brush clearance, fire suppression, urban search and rescue, ocean rescue, community emergency response teams, and most of all public education on our beaches and in our schools.

The Fire Department continues on the path to change by exploring innovation, efficiencies, effectiveness and new optimum, service delivery models. In fiscal year 2013-14 through the assistance of consultant services, we engaged in an extensive 4-phase department evaluation and strategic planning. In fiscal year 2014-15, we are moving towards a more EMS focused delivery model. With nearly 80% of the calls for service being for medical assistance, the Fire Department will gradually decrease the number of firefighters while increasing the number of fire paramedics. The end result will be an enhanced EMS system with a paramedic on every fire unit. Responding with advanced life support personnel faster to critical medical calls allows us to provide life-saving interventions even sooner. We will also be pioneering a new model of community-based health care known as "Community Paramedicine." The Fire Department, along with other healthcare partners, is participating in a pilot study where paramedics with advanced training function outside their customary roles to facilitate the most appropriate access

to medical care. This innovative model of community-based health care has sparked recent interest because of its benefits of improving access to quality care while reducing costs.

In fiscal year 2014-15, Fire will add full-time staff to meet strategic planning needs, mitigate risks, balance responsibilities with operational priorities, and protect capital assets. The EMS budget division will be restructured to accurately reflect ambulance transport and Advanced Life Support expenditures. EMS will utilize professional contract service agreements to train our personnel and update new protocols in line with continually evolving federal, state, and local regulatory guidelines. Life Safety Services will continue contract service provisions for building plan checks. After successfully completing the new Civic Center Emergency Operations Center, the Emergency Services Coordinator will be repositioned under Marine Operations supervision and assist with training and the Junior Lifeguard program.

Key Department Programs

- Administration
- Fire Operations
- Life Safety Services
- Marine Operations

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
Fire Responses	201	338	338	340
Medical Responses	6,745	7,204	7,800	7,800
Fire Medics Membership	5,599	5,296	5,000	5,300
Water Rescues	3,228	3,811	3,900	3,950
Lifeguard Medical Aids	7,737	8,045	8,100	8,200
Boats in Distress/Warnings	102	103	104	105
Preventive Actions	131,253	149,501	169,000	169,500
Fire Alarm Responses	666	810	830	850
Other Emergency Responses	3,017	1,226	1,250	1,250
Public Education Contacts	9,013	15,000	15,000	17,000
Fire Inspections	4,315	4,338	4,024	2,016
New Construction Inspections	834	716	1,500	1,500
Beach Attendance	9,421,250	9,703,500	9,800,000	9,800,500
Special Events	240	242	240	240
Fire Plan Checks	559	586	950	1,000

Total Fire Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 28,627,498	\$ 30,044,007	\$ 31,127,559	\$ 32,552,632
Maintenance and Operations	\$ 5,438,727	\$ 5,930,580	\$ 6,727,197	\$ 6,949,281
Capital Equipment	\$ 115,472	\$ 260,105	\$ 314,320	\$ 206,266
Total	\$ 34,181,698	\$ 36,234,692	\$ 38,169,076	\$ 39,708,179

Goals

- In fiscal year 2013-14, the Fire Department successfully fully implemented electronic prehospital care reporting (ePCR) for all emergency medical calls by August 2013, three months ahead of schedule. Orange County Health Care Agency's Medical Emergency Data System (OC-MEDS) was designed to facilitate the collection and analysis of EMS patient management from the time 9-1-1 is accessed through discharge from the emergency department. This new technology enhances patient care by enabling real-time patient information to be transmitted from the scene to the hospital, stores medical information to be retrieved for repeat calls, and generates reports that can be used to trend data for the purposes of improving services. The ePCR will also create financial efficiencies that will result in improved work performance and report accuracy which will decrease the overall length of the billing cycle by fifty percent (50%).

Performance Measures

	FY12 Actual	FY13 Actual	FY14 Estimate	FY 15 Projected
% ePCR's generated	0	80%	99%	100%
Avg # days spent processing PCR's for submittal to billing company	28-42 days	28-42 days	20-30 days	10-15 days
% PCR's with errors or illegible print	98%	98%	30%	25%
# days from receipt of billing documentation to invoice generation	3-5 days	3-5 days	3-5 days	3-5 days

- Increase reimbursable training hours with College affiliation programs.** A joint partnership program with Santa Ana College provides a revenue stream from training hours completed by field personnel. The program is supervised to assure fulfillment of specified core curriculum. Revenue from the program funds a department Career Development program dedicated to succession planning, increased workforce value, promotional opportunities, and staff motivation incentive.

Performance Measures

	FY12 Actual	FY13 Actual	FY14 Estimate	FY15 Projected
# Classes	4,412	4,631	5,000	5,500
# Participants	16,482	8,538	18,538	18,538
# Training hours completed	36,533	33,007	35,000	38,000
\$ Revenue reimbursed	\$104,960	\$122,685	\$90,000	\$120,000

3. **Assure success of self-sustainable programs (Junior Lifeguards, Fire Medics, START).** Several Fire sponsored programs create a large benefit to the community as well as assist in preparing the next generation to be safety conscious. Strategic management will maintain the excellence of each program while assuring these programs are cost neutral thereby minimizing general fund subsidization.

Performance Measures

<i>Junior Lifeguards</i>	FY12 Actual	FY13 Actual	FY14 Estimate	FY15 Projected
# Participants	1,300	1,300	1,410	1,375
\$ Revenue	\$925,164	\$1,001,308	\$1,068,003	\$1,043,000
\$ Expenses (labor, M&O)	\$895,498	\$1,033,561	\$1,050,000	\$1,043,000
% Cost Recovery	100%	97%	100%	100%

START Triage Program

# Orders placed	168	89	55	45
\$ Revenue	\$13,067	\$10,929	\$7,250	\$5,000
\$ Expenses (M&O)	\$1,817	\$6,857	\$2,000	\$1,500
% Cost Recovery	100%	100%	100%	100%

Fire Medics

# Participants	5,599	5,296	5,000	5,300
\$ Revenue	\$306,236	\$271,403	\$235,000	\$240,000
\$ Expenses (M&O)	\$37,145	\$15,986	\$13,110	\$18,500
% Cost Recovery	100%	100%	100%	100%

4. **Increase the number of community outreach and educational programs.** Continuous educational prevention and preparedness programs extended to adults and youths are a priceless investment in maintaining the value of our community. This interactive partnership expands the reach of our fire staff in maintaining a safe environment for the enjoyment of our residents and visitors. Not only is the community better informed on preventative measures but also well equipped at any age level to deal with diverse types of emergencies.

Performance Measures

	FY12 Actual	FY13 Actual	FY14 Estimate	FY15 Projected
# CERT Academy Graduates	127	68	120	120
# Educational presentations	266	298	300	310
# Group Fire/LG station tours	40	59	65	65

Programs

Administration

Core Functions:

- Leadership, direction, motivation, enforcement, and supervision
- Succession planning
- Payroll processing
- Personnel facilitation
- Budget development, implementation, and management
- Interdepartmental collaboration
- Procurement
- Support services
- Policy development and guidance
- Council proposals
- Intergovernmental relations
- Community engagement

Work Plan:

Fire Administration is the core of the Department providing leadership and administrative support to all divisions in order to achieve the organizational missions and standards set by Fire Chief Scott Poster. Assisting with oversight of the Chief's schedule and Department needs is the Administrative Assistant to the Fire Chief. All Department finances are managed by the Administrative Analyst. Support Service Aides provide logistical support to all eleven facilities. The new Fire Facilities Coordinator will manage the maintenance, repair, and replacement of Fire Department facilities and specialized equipment.

Work plan concentration areas:

- Continue efforts to streamline the budget and create fiscal efficiencies.
- Implement strategic planning to chart a course for future innovation, efficiencies, and effectiveness throughout the emergency response delivery system. Oversee a new EMS service delivery model to sustain exemplary emergency services.
- Policy and procedural revisions and new direction will continue to improve operational efficiencies and promote utilization of best practices.
- Improved methods of communication and clarity continue to evolve and foster workforce excellence.
- Celebrate and recognize employees who deliver outstanding customer service.
- Develop a Fire Department Speakers Network made of up firefighters, lifeguards, and other topical experts who are dedicated to assisting the Department in speaking to community-based organizations, schools, and other targeted groups.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Fire Chief	1.0	1.0	1.0	1.0
Total Full-Time	1.0	1.0	1.0	1.0
<u>MISC</u>				
<u>Full-Time</u>				
Administrative Analyst	1.0	1.0	1.0	-
Administrative Manager	-	-	-	1.0
Administrative Assistant to the Fire Chief	1.0	1.0	1.0	1.0
EMS Manager	0.5	-	-	-
Fire Facilities Coordinator	0.0	0.0	0.0	1.0
Total Full-Time	2.5	2.0	2.0	3.0
<u>Part-Time</u>				
Support Services Aide Part-time	1.0	1.0	1.0	1.0
Total Part-Time	1.0	1.0	1.0	1.0
Total Budgeted Staffing	4.5	4.0	4.0	5.0



Total Administration Program Costs:

	2011-12	2012-13	2013-14	2014-15
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 595,441	\$ 651,636	\$ 653,883	\$ 799,454
Maintenance and Operations	\$ 568,086	\$ 218,329	\$ 298,307	\$ 225,854
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,163,528	\$ 869,965	\$ 952,190	\$ 1,025,308

Fire Operations

Core Functions:

- Fire suppression
- Emergency medical service and transport
- Urban Search and Rescue
- Fire investigation
- Hazardous materials response
- Training and certification
- Fire Explorer Program
- Media/Public Information
- Public Education and Community Training



Work Plan:

Work Plan: Fire Operations is committed to safeguarding the general welfare and economy of the City of Newport Beach. The safety and well-being of residents, visitors, property, and community is our highest priority. Response time is provided by 8 strategically located fire stations, 118 full-time suppression staff, and a fleet of 8 fire engines, 2 fire trucks, 3 fire paramedic transport units, 2 Surge ambulances, and 1 Urban Search and Rescue engine (USAR). Calls for service cover a broad range which is generally classified into five

categories – fire suppression, technical rescue, emergency medical aid, hazardous materials, and public assistance.

Work plan concentration areas:

- Two new “Surge” ambulances taken from our reserve fleet will be staffed by fire operation personnel and deployed during periods of increased demand when front-line Paramedic Rescue Ambulances are unavailable. The pilot program has proven very successful in improving our transport capabilities during draw down.
- Upgrade firefighter positions on three engine companies to firefighter-paramedic classifications. This will create three additional Paramedic Assessment Units (PAU) to complement the department’s 3-year strategic plan for an enhanced EMS program.
- Up to 9 Paramedics will receive advanced training to participate in the Orange County Community Paramedicine pilot study, which is designed to study the feasibility and safety of assessing and transporting 9-1-1 patients with lower acuity conditions to urgent care clinics instead of to the hospital emergency departments.
- The Staff Training Captain continues to assist the Training Battalion Chief with improved training program delivery. Training focus for the upcoming year will include: professional development for company officers, ethics training for all personnel, and incident management and command training.
- Fire Operations will accept delivery of four fire engines, a new ladder truck, and a new command vehicle. Vehicle replacements will improve service delivery and minimize operational mechanical deficiencies resulting in improved service delivery.
- Training Services will work with Human Resources to develop promotional training and testing.

- US&R unit will replace deficient equipment and begin developing specifications for a new replacement unit for budget fiscal year 2015-16.
- Review and update operating policies and procedures.
- The Fire Explorer program will continue to expand and increase enrollment.
- The Fire Medics Subscription Program and START triage training materials will be revitalized with updated brochures and expanded distribution.
- Focus on collecting response time data and improving response times based on empirical findings.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Fire Assistant Chief	1.0	1.0	1.0	1.0
Fire Battalion Chief	1.0	1.0	1.0	1.0
Fire Captain	30.0	30.0	30.0	31.0
Fire Division Chief	-	-	2.0	2.0
Fire Engineer	30.0	30.0	30.0	30.0
Fire Line Battalion Chief	3.0	3.0	1.0	1.0
Fire Paramedic	24.0	24.0	24.0	30.0
Firefighter	30.0	30.0	30.0	24.0
Total Full-Time	119.0	119.0	119.0	120.0
<u>MISC</u>				
<u>Full-Time</u>				
Department Assistant	2.0	2.0	2.0	2.0
EMS Manager	0.5	1.0	1.0	1.0
Total Full-Time	2.5	3.0	3.0	3.0
Total Budgeted Staffing	121.5	122.0	122.0	123.0

Total Fire Operations Program Costs:

	<u>2011-12</u>	<u>2012-13*</u>	<u>2013-14</u>	<u>2014-15</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Salaries and Benefits	\$ 22,982,939	\$ 24,133,181	\$ 25,061,526	\$ 26,133,857
Maintenance and Operations	\$ 3,444,081	\$ 3,995,663	\$ 4,510,862	\$ 4,817,293
Capital Equipment	\$ 83,286	\$ 201,470	\$ 251,597	\$ 144,077
Total	\$ 26,510,306	\$ 28,330,314	\$ 29,823,985	\$ 31,095,227

* Division 2351 for Fire Training is being absorbed into Fire Operations beginning FY 2012-13.

Life Safety Services

Core Functions:

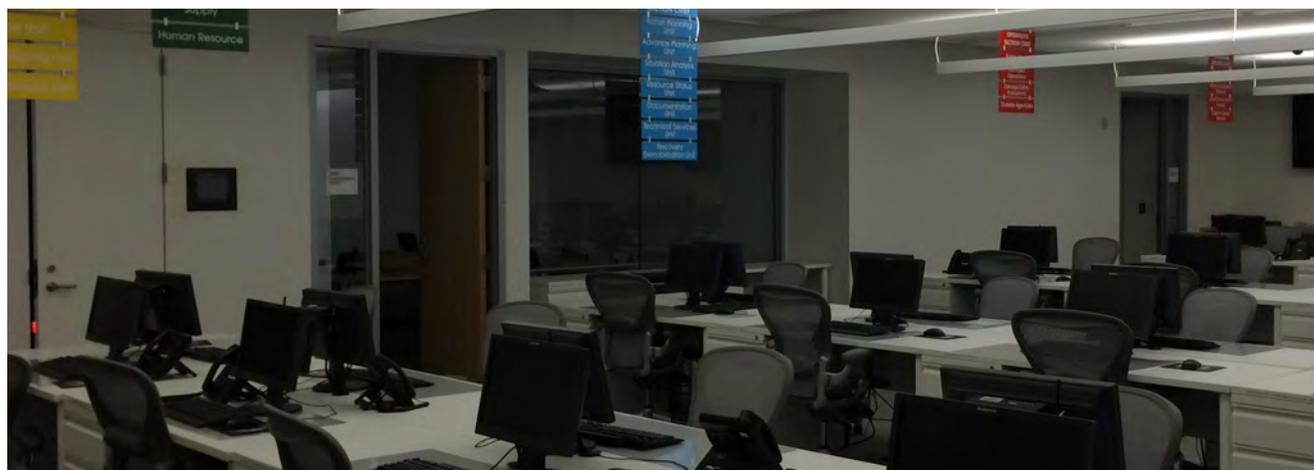
- Fire code enforcement
- Fire code development
- Issuance of fire code permits
- Construction plans/projects reviews
- Building inspections
- Special event inspections
- Wildland vegetation fuel management
- Very High Fire Hazard Severity Zone enforcement
- Hazardous materials disclosure program
- Community education programs
- Disaster preparedness
- Grant management

Work Plan:

The Life Safety Services Division provides cost effective fire prevention, life safety, and emergency preparedness services through education, enforcement, and awareness. This is the Department's smallest division with a staff of seven dedicated to providing proactive, effective, and efficient services. Staff is responsible for delivering a wide range of life safety technical services and promoting community disaster preparedness by working cooperatively with businesses, community partners, and individuals. Staff is committed to providing the highest level of service and expertise in partnership with our community.

Work plan concentration areas:

- Ensure Records Management System (RMS) support for its core functions.
- Implement a risk based fire inspection program designed to minimize risk and loss in compliance with state of California mandated and required inspections.
- Confirm fire and life safety plan review turnaround times are in step with the Community Development Department timelines to ensure a seamless and efficient customer experience.
- Build upon its nationally recognized community outreach, CERT, and preparedness programs by continuing to implement innovative methods, curriculum, and tools.
- Train key staff members to the capabilities and functionality of the new Civic Center Command Center.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Fire Assistant Chief	-	1.0	1.0	1.0
Fire Division Chief	1.0	-	-	-
Total Full-Time	1.0	1.0	1.0	1.0
<u>MISC</u>				
<u>Full-Time</u>				
Community Education Coordinator	1.0	-	-	-
Community Preparedness Coordinator	1.0	1.0	-	-
Confidential Administrative Assistant	-	1.0	-	-
Department Assistant	1.0	-	1.0	1.0
Emergency Services Coordinator	1.0	1.0	1.0	1.0
Fire Prevention Plans Examiner Non-Sworn	2.0	2.0	-	-
Fire Prevention Specialist Non-Sworn	1.0	2.0	-	-
Life Safety Specialist II	-	-	4.0	4.0
Life Safety Specialist III	-	-	1.0	1.0
Total Full-Time	7.0	7.0	7.0	7.0
Total Budgeted Staffing	8.0	8.0	8.0	8.0

Total Life Safety Program Costs:

	2011-12 Actual	2012-13* Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,227,404	\$ 1,282,729	\$ 1,399,164	\$ 1,436,058
Maintenance and Operations	\$ 462,130	\$ 629,232	\$ 712,635	\$ 697,052
Capital Equipment	\$ -	\$ 29,726	\$ 20,976	\$ 27,976
Total	\$ 1,689,534	\$ 1,941,687	\$ 2,132,775	\$ 2,161,086

* Divisions 2354, 2355 & 2356 became Division 2335 beginning FY 2012-13, but presented retroactively here.

Marine Operations

Core Functions:

- Ocean, open water, and beach safety
- Preventing and response to ocean rescues
- Enforce City Municipal Codes and State Navigational Codes
- Providing emergency medical assistance to beach visitors
- Training and certification
- Junior Lifeguard program
- Underwater rescue dive team
- Rescue boat operations
- Urban Search and Rescue – swift water response
- Community education
- CPR instruction for schools
- Emergency preparedness

Work Plan:

Marine Operations provides year-round, high quality water rescue, emergency response, prevention and beach safety services. A staff of thirteen full-time, professionally trained and certified Marine Safety personnel, along with 200 seasonal part-time lifeguards, maintain ocean water safety for over 10 million beach and bay visitors annually.

Work plan concentration areas:

- Maintain a fully self-sustainable, exceptional Junior Lifeguard program to educate and prepare our community youth on ocean safety.
- Provide CPR, First Aid and Ocean Safety instruction to the community schools, CERT program, and group associations.
- Restructure staffing model for cost efficiencies while maintaining dedicated ocean safety measures.
- Continue to participate in grant funding opportunities to support the Fire Department and community efforts to mitigate community risks, and improve service levels.
- Prepare City employees as disaster service workers and incident management team members in the event of a City, or regional emergency.
- Enhance training programs to better serve the community in public safety and customer service.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>SAFETY</u>				
<u>Full-Time</u>				
Lifeguard Battalion Chief	2.0	2.0	2.0	2.0
Lifeguard Captain	5.0	5.0	5.0	6.0
Lifeguard Captain Boat	1.0	1.0	1.0	-
Lifeguard Officer	3.4	3.0	4.0	4.0
Lifeguard Operations Assistant Chief	1.0	1.0	1.0	1.0
Total Full-Time	12.4	12.0	13.0	13.0
<u>Part-Time</u>				
Community Preparedness Coordinator	0.4	-	-	-
Part-time Lifeguard Officer	-	0.4	-	-
Total Part-Time	0.4	0.4	-	-
<u>MISC</u>				
<u>Full-Time</u>				
Department Assistant	-	1.0	1.0	1.0
Total Full-Time	-	1.0	1.0	1.0
<u>Part-Time</u>				
Lifeguard Cadet	0.48	0.64	0.64	0.87
Lifeguard I	16.52	16.31	16.31	17.16
Lifeguard II	13.32	14.65	14.65	15.14
Lifeguard III	1.8	2.33	2.33	2.42
Lifeguard Trainee	2.1	1.20	1.20	1.32
Total Part-Time	34.24	35.13	35.13	36.91
Total Budgeted Staffing	47.04	48.53	49.13	50.91

Total Lifeguard Operations Program Costs:

	2011-12	2012-13*	2013-14	2014-15
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 3,714,598	\$ 3,976,461	\$ 4,012,986	\$ 4,183,263
Maintenance and Operations	\$ 951,049	\$ 1,087,356	\$ 1,205,393	\$ 1,209,082
Capital Equipment	\$ 32,187	\$ 28,909	\$ 41,746	\$ 34,213
Total	\$ 4,697,834	\$ 5,092,726	\$ 5,260,125	\$ 5,426,558

* Division 2352 for Lifeguard Training was absorbed into this division beginning FY 2012-13.

Community Development

Mission Statement

A responsive, knowledgeable team of professionals guiding community development in the public interest and promoting the quality of life and safety of those who live, work and visit the City of Newport Beach.

Department Overview

The Community Development Department's services encompass revitalization of targeted areas, retaining and attracting businesses to Newport Beach, and creating and maintaining high-quality residential neighborhoods and business areas to ensure that Newport Beach provides safe, economically vital, and aesthetically pleasing places in which to live, work, and visit. The Department administers the City's land use policies, including the general plan, zoning, building, subdivision, and environmental regulations, to ensure the orderly physical growth of the community. Program activities range from advanced and current planning to building permit inspection, plan check, code enforcement, Real Property and Asset Management Program and oversight of the Community Development Block Grant program.

Key Department Programs

- Building
- Code Enforcement
- Planning
- Systems and Administration

Department Goals

For Fiscal Year 2014-15, the following Department goals have been identified:

- Continue to prepare and implement short- and long-term strategies that promote City Council priorities for enhancing the City's physical environment and the character and quality of its neighborhoods;
- Continue to explore and implement new online services such as permitting and electronic plan review;
- Continue to reevaluate operations in the Permit Center to ensure staff is providing the best customer service as possible;
- Continue to improve electronic document storage and retrieval for all department records utilizing the new content management system;
- Continue to refine and improve internal and external customer service and streamline the development review process; and
- Continue to consistently implement the codes, policies, and regulatory requirements to ensure quality residential neighborhoods and businesses throughout the City.



WATG

Aerial View | Overall Site
Newport Beach, CA | LIDO HOUSE HOTEL

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
<i>Building Division</i>				
Plan Submittals				
<i>Total Plan Checks:</i>	1,939	2,649	3,000	2,850
<u>Permits Issued</u>				
Building/Combination Permits	2,828	3,175	3,334	3,167
Electrical Permits	1,851	2,379	2,522	2,396
Plumbing Permits	1,520	2,018	2,008	1,908
Mechanical Permits	1,110	1,608	1,710	1,625
Pool/Spa Permits	100	128	108	103
Harbor Permits	53	48	52	49
Fire Permits	520	511	702	667
<i>Total Permits Issued:</i>	7,982	9,867	10,436	9,915
<u>Inspections</u>				
Inspections Related to Complaints	1,340	1,396	1,114	1,058
RBR Inspections	655	754	516	490
Construction Inspections	28,302	35,335	38,476	36,552
<i>Total Inspections:</i>	30,297	37,485	40,106	38,100
<i>Code Enforcement Division</i>				
Administrative Citations Issued	200	354	300	300
Notice of Violations Issued	1,005	1,552	1,600	1,800
Code Enforcement Investigations	1,650	2,330	2,250	2,400
<i>Planning Division</i>				
Planning Applications Received	140	182	169	175
<u>Actions taken by Approval Authority</u>				
City Council	74	70	45	60
Planning Commission	58	50	40	45
Zoning Administrator	49	63	70	70
Hearing Officer	17	1	1	1
Special Committees	27	14	35	35
<i>Totals:</i>	225	198	191	211

Total Community Development Department Costs:

	2011-12 [^] Actual	2012-13 [•] Actual	2013-14 [*] Estimated	2014-15 Proposed
Salaries and Benefits	\$ 7,054,558	\$ 7,172,860	\$ 7,141,524	\$ 7,402,114
Maintenance and Operations	\$ 1,439,072	\$ 1,323,555	\$ 2,752,186	\$ 2,602,926
Capital Equipment	\$ 5,785	\$ 23,663	\$ 36,686	\$ 47,686
CDBG Fund	\$ 112,632	\$ 113,046	\$ 138,174	\$ 138,174
Total	\$ 8,612,048	\$ 8,633,124	\$ 10,068,570	\$ 10,190,900

[^] In FY 2011-12, Code Enforcement was split between Community Development and Public Works, previously combined as one in the City Manager's Department.

[•] In FY 2012-13, the Economic Development Division transferred to a new City Manager Division, 0340.

^{*} In FY 2013-14, the Real Property Division 2970 was added to Building.

Programs

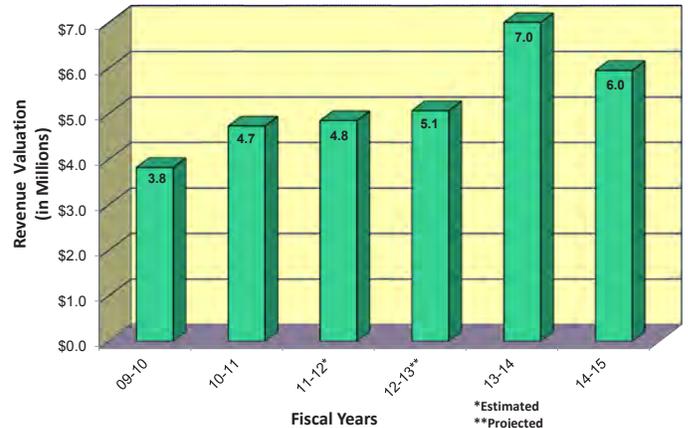
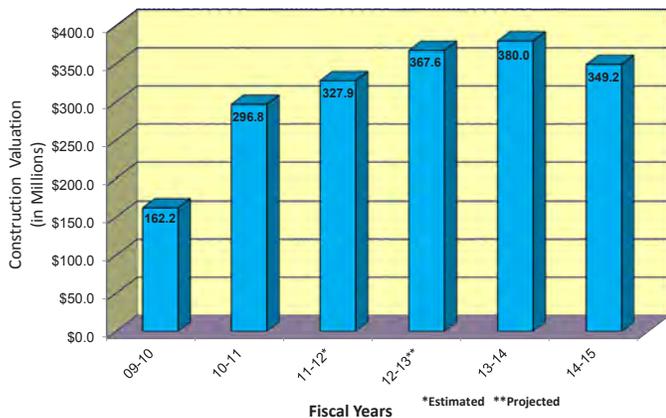
Building Division

Core Functions:

- Ensure plans and construction adhere to adopted codes and minimum design standards for the protection of life and property;
- Expeditiously process utility releases, code modification and hardship requests, applications for alternate materials and methods of construction, flood zone determinations, building code violations, handicap accessibility complaints, and temporary occupancy requests;
- Provide thorough and detailed building inspections within 24 hours of requests to ensure compliance with approved plans, applicable codes, and local ordinances;
- Implement exceptional customer service, effective project management, and a responsive and accountable staff;
- Ensure that a minimum of eighty (80%) percent of all building permit applications are reviewed at the front counter, the same day an applicant applies for a permit;
- Review existing lease agreements and ensure tenants are in compliance with the terms of their agreements;
- Continue to evaluate the real asset portfolio of the City and provide recommendations to City Council; and
- Provide necessary staff support to the Building and Fire Board of Appeals.

Work Plan:

- Utilize all training opportunities to ensure staff is fully prepared and knowledgeable in all areas and disciplines;
- Cross train the inspection staff and ensure a versatile, responsive, and well-trained team;
- Provide public outreach through workshops and notices of pending code and process changes;
- Process "Letter of Map Revision" to amend the Federal Emergency Management Agency's Base Flood Elevation for the Newport Harbor area;
- Utilize and leverage the use of professional consultants to expedite the plan review and inspection processes;
- Innovate through the use of technology to expedite permits online;
- Execution of lease with Newport-Mesa Unified School District for playfields at Newport Elementary School;
- Negotiate lease with Harbor Day School for parking lot at Big Canyon Reservoir;
- Conduct an Appraisal of West Newport/15th Street Community Center for lease or sale;
- Issue a Request for Proposals and select tenant for restaurant space at new Marina Park Project;
- Issue a Request for Proposals for the Newport Pier and return to City Council for further direction; and
- Continue to issue permits and leases for Commercial Tidelands in Newport Harbor.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Assistant	1.0	-	-	-
Building Department Specialist	1.0	1.0	1.0	1.0
Building Inspector II	3.0	3.0	3.0	3.0
Building Manager/Chief Building Official	1.0	1.0	1.0	1.0
Chief Building Inspector	1.0	1.0	-	-
Civil Engineer Plan Check	-	1.0	-	-
Code Enforcement Officer Trainee	-	-	-	0.5
Department Assistant	1.0	1.0	1.0	1.0
Office Assistant	1.0	1.0	1.0	-
Permit Counter Supervisor	1.0	1.0	1.0	1.0
Permit Technician I	1.0	-	-	-
Permit Technician II	3.0	4.0	4.0	4.0
Principal Building Inspector	2.0	2.0	2.0	2.0
Principal Civil Engineer	2.0	1.0	1.0	1.0
Principal Civil Engineer Plan Check	-	1.0	1.0	1.0
Real Property Administrator	-	1.0	1.0	1.0
Records Specialist	1.0	1.0	1.0	1.0
Residential Building Records Inspector	1.0	1.0	1.0	1.0
Senior Building Inspector	3.0	2.0	2.0	2.0
Senior Civil Engineer Plan Check	6.0	5.0	6.0	6.0
Subtrade Plans Examiner	1.0	1.0	1.0	1.0
Total Full-Time	30.0	29.0	28.0	27.5
<u>Part-Time</u>				
Administrative Analyst	0.5	-	-	-
Community Development Director	0.5	-	-	-
Permit Technician II Part-time	0.5	0.5	0.5	0.5
Student Aide	0.66	-	-	-
Total Part-Time	2.16	0.5	0.5	0.5
Total Budgeted Staffing	32.16	29.5	28.5	28.0

Building Total Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14* Estimated	2014-15 Proposed
Salaries and Benefits	\$ 3,971,440	\$ 4,100,123	\$ 4,118,392	\$ 4,301,327
Maintenance and Operations	\$ 686,025	\$ 837,752	\$ 1,282,863	\$ 1,728,983
Capital Equipment	\$ 3,174	\$ 22,138	\$ 34,686	\$ 45,686
Total	\$ 4,660,639	\$ 4,960,013	\$ 5,435,941	\$ 6,075,996

* In FY 2013-14, the Real Property Division 2970 was added to Building.

Code Enforcement Division

Core Functions:

- Ensure the health, safety, and general welfare of the community is preserved through the enforcement of City and state laws as they relate to land use, building codes, and property maintenance standards;
- Provide the highest level of customer service with a friendly, well-educated, fully-trained, responsive staff;
- Conduct detailed and comprehensive investigations in response to citizen complaints and abate violations through effective and efficient enforcement;
- In residential areas, focus on property maintenance conditions, nuisance violations, adherence to Zoning Code entitlements, development agreements, and construction activity without approved permits;
- Facilitate meetings with Homeowners Associations (HOAs), ad hoc Citizen Advisory Panels, residents, and business owners to further the division's goals of education and voluntary compliance;
- Assist with public outreach and proactive enforcement of the City's water quality regulations; and
- Coordinate activities and provide assistance to other City staff, departments, and outside agencies.

Work Plan:

- Maintain prompt and thorough reactive code enforcement. FY 2014 recorded an average response time of less than two days from the filing of the complaint until completion of the initial investigation;
- Conduct detailed investigations, ensuring that violations are resolved in a timely manner. For FY 2014, 80% of all cases were resolved in 30 days or less and 91% resolved within 90 days;
- Develop and implement special enforcement programs addressing community specific concerns related to the Zoning Code and property maintenance;
- Continue to implement educationally based public outreach pertinent to community aesthetics, consistent with traditions of excellence that define Newport Beach;
- Take advantage of all training and development opportunities to ensure Code Enforcement Officers and support staff are current on changes in applicable codes, and best business practices;
- Continue to provide support to special abatement programs, including summer weekend enforcement and annual reviews of use permits and development agreements;
- Coordinate with Newport Beach Police Department and assign Code Enforcement Volunteers to address quality of life concerns through public outreach and education;
- Complete improvements to the Code Enforcement Division's web page with the goal of improving access to important information and educational brochures, and encouraging the public's use of QUEST, the City's online complaint system; and
- Proactive enforcement of property maintenance violations, illegal signage, encroachments into public rights-of-way, health and safety issues, and water quality standards.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Code & Water Quality Enforcement Officer	1.0	1.0	1.0	1.0
Code & Water Quality Enforcement Officer I	-	-	-	1.0
Code & Water Quality Enforcement Officer Trainee	1.0	1.0	1.0	-
Code Enforcement Officer Trainee	-	-	-	0.5
Code Enforcement Supervisor	1.0	1.0	1.0	1.0
Senior Code & Water Quality Enforcement Officer	1.0	1.0	1.0	1.0
Total Full-Time	4.0	4.0	4.0	4.5
Total Budgeted Staffing	4.0	4.0	4.0	4.5



Before.....



After

Total Code Enforcement Program Costs:

	2011-12*	2012-13	2013-14	2014-15
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 401,754	\$ 461,061	\$ 501,175	\$ 538,517
Maintenance and Operations	\$ 41,319	\$ 79,682	\$ 85,052	\$ 90,613
Capital Equipment	\$ -	\$ 1,341	\$ -	\$ -
Total	\$ 443,073	\$ 542,084	\$ 586,227	\$ 629,130

*Code Enforcement is a new Division split between Community Development and Public Works, previously combined as one division in the City Manager Department.

Planning Division

Core Functions:

- Maintain and apply the provisions of the General Plan, Zoning Code, Local Coastal Program, and related policy documents;
- Provide high quality customer service through efficient case management and plan check processing;
- Determine appropriate uses of properties, suitable site plan configurations and in designing buildings of size, scale, and character consistent with traditions of excellence that define Newport Beach;
- Review building plan checks for compliance with the Zoning Code and City conditions of approval;
- Review and process development applications to ensure compliance with the City's General Plan, Zoning requirements, community goals, and the California Environmental Quality Act (CEQA);
- Provide critical information and recommendations to the Hearing Officer, Zoning Administrator, Planning Commission, and City Council to assist in decisions pertaining to a variety of development projects and land use policies;
- Maintain and implement the City's Housing Programs;
- Provide assistance to other departments in demonstrating compliance with CEQA and the City's Local Coastal Program; and
- Provide assistance to other departments in demonstrating compliance with the City's General Plan, Zoning requirements, community goals, and the California Environmental Quality Act (CEQA).

Work Plans:

- With support from the Balboa Village Advisory Committee, develop and implement the revitalization strategies detailed in the Balboa Village Master Plan;
- Prepare the draft Implementation Plan to achieve the long-term goal of obtaining a certified Local Coastal Program;
- Amend the Zoning Code where appropriate to clarify the intent of some of the newly adopted regulations, including the amendment to the Land Use Element if it is approved by the voters in November 2014;
- Manage the preparation of environmental documentation and project entitlements for the following major proposals:
 - ⇒ Balboa Marina and Public Dock on East Coast Highway
 - ⇒ ExplorOcean in Balboa Village
 - ⇒ Koll Center Newport in the Airport Area;
- Facilitate the process to redevelop the former City Hall site located at 3300 Newport Boulevard, including the processing of necessary project entitlements, environmental review, and development team coordination;
- Develop and implement a program to conduct comprehensive assessment of Mariners' Mile, which includes community engagement, focused on accessibility and revitalization of the area; and
- Add the current planning cases layer to the existing active building permits mapping application available to the public.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Assistant	1.0	1.0	1.0	1.0
Assistant Planner	6.0	5.0	3.0	3.0
Associate Planner	3.0	3.0	3.0	3.0
Department Assistant	2.0	2.0	2.0	1.0
Deputy Community Development Director	1.0	1.0	1.0	1.0
Planning Manager	1.0	1.0	1.0	1.0
Planning Technician	2.0	1.0	1.0	1.0
Principal Planner	1.0	1.0	1.0	1.0
Senior Planner	2.0	2.0	2.0	2.0
Systems & Administrative Manager	1.0	-	-	-
Total Full-Time	20.0	17.0	15.0	14.0
<u>Part-Time</u>				
Administrative Analyst	0.5	-	-	-
Community Development Director	0.5	-	-	-
Department Assistant Part-time	-	-	-	0.6
Student Aide	0.4	-	-	-
Total Part-Time	1.4	-	-	0.6
Total Budgeted Staffing	21.4	17.0	15.0	14.6



Mariner's Pointe
West Coast Highway at Dover Newport Beach, CA

Total Planning Program Costs:

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Salaries and Benefits	\$ 2,140,559	\$ 2,032,732	\$ 1,920,946	\$ 1,894,952
Maintenance and Operations	\$ 619,892	\$ 293,958	\$ 1,203,400	\$ 581,654
Capital Equipment	\$ 2,531	\$ 125	\$ 2,000	\$ 2,000
CDBG Fund	\$ 112,632	\$ 113,046	\$ 138,174	\$ 138,174
Total	\$ 2,875,614	\$ 2,439,861	\$ 3,264,520	\$ 2,616,780

Systems and Administration Division

Core Functions:

- Integration and leveraging of technology to streamline and automate daily operations to better serve internal and external customers;
- Field all general phone calls and assist customers with records research;
- Prepare, facilitate, and monitor the annual operating budget which includes: contracts and agreements, revenue and fee analysis, developer deposit accounts and all other department expenditures;
- Provide departmental and divisional administrative support services to ensure consistency of standard operating procedures and to avoid duplication of efforts;
- Maintain department documents in an electronic format to reduce staff research time;
- Manage the department's Geographic Information System (GIS) which includes the maintenance of all regulatory maps and documents, and statistical information;
- Develop reports for tracking permit activity and performance within the department;
- Maintain the department's web site; and
- Ensure that the preparation and posting of public notices, meeting agendas, and minutes for the Planning Commission, Zoning Administrator, Hearing Officer, Citizen Advisory Committees, and the Building and Fire Board of Appeals are in compliance with the Brown Act.

Work Plans:

- Develop new workflows and procedures for the newly implemented automated agenda process;
- Continue to develop the department's GIS by establishing convenient linkages to the City's content management system to assist in record retrieval;
- Assist in the development and deployment of online permitting and electronic plan review for the department;
- Continue to develop workflows that automatically store and organized documents into the City's content management system;
- Work with IT and Finance Divisions in the design and implementation of the City's Enterprise Resource Planning (ERP) software; and
- Complete developer fee study for Building and Planning Divisions.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Analyst	1.0	1.0	1.0	1.0
Community Development Director	1.0	1.0	1.0	1.0
Systems & Administrative Manager	1.0	1.0	1.0	1.0
Total Full-Time	3.0	3.0	3.0	3.0
<u>Part-Time</u>				
Student Aide	1.06	1.06	1.9	3.0
Total Part-Time	1.06	1.06	1.9	3.0
Total Budgeted Staffing	4.06	4.06	4.9	6.0

Total Systems and Administration Costs:

	2011-12*	2012-13	2013-14	2014-15
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 540,805	\$ 578,942	\$ 601,009	\$ 667,317
Maintenance and Operations	\$ 91,837	\$ 112,253	\$ 180,871	\$ 201,676
Capital Equipment	\$ 80	\$ 59	\$ -	\$ -
Total	\$ 632,721	\$ 691,254	\$ 781,880	\$ 868,993

*CDD Admin was a new division created in FY 2011-12.

Municipal Operations Department

Mission Statement

To provide clean, safe, and responsive utility and infrastructure maintenance services to the community of Newport Beach.

Department Overview

Responsible for providing water service, wastewater collection, oil and gas production, electrical services, streetlight services, refuse collection, park and tree maintenance, storm drain, facilities and beach maintenance, street and sidewalk maintenance, vehicle and equipment maintenance, customer service, and administrative support.

Key Department Programs

- Administration
- Electrical
- Equipment Maintenance
- Field Maintenance
- Oil & Gas
- Operations Support
- Parks & Trees
- Refuse
- Water
- Wastewater

The department is divided into ten functional divisions that are responsible for administrative support, customer service, and regulatory compliance; electrical maintenance of pump stations, control systems, and street lighting; residential refuse collection and recycling; safe operation and maintenance of oil and natural gas production; maintenance of the City's urban forest, parks, and landscaped areas; delivery of safe drinking water; street sweeping and maintenance of storm drains, tide valves, beaches, traffic signs, and public facilities; safe collection and delivery of wastewater for treatment; management and replacement of the City fleet of vehicles and equipment; and improvement of public streets and sidewalks.

Goals

- Build on previous successful efforts to reduce costs while maintaining excellent levels of service.
- Move forward with the purchase of alternative fuel replacements for fleet vehicles.
- Reduce the volume and duration of streetlight outages through an improved maintenance program.
- Evaluate the impact of reduced staff positions on internal services
- Meet current and future needs for infrastructure, services, and resources for citizens and visitors through contract management
- Provide the City a safe, reliable, and cost-competitive water supply.

- Operate and maintain the City's water, wastewater, oil and gas, and street lighting systems in an efficient and innovative manner.
- Provide outstanding customer service and education to the public, other departments, and agencies.
- Encourage continuous employee assessment and development programs.
- Facilitate the flow of information by maintaining a records management system.

Total Municipal Operations Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
General Fund				
Salaries and Benefits	\$ 9,566,460	\$ 9,718,305	\$ 9,543,226	\$ 8,607,784
Maintenance and Operations	\$ 12,253,504	\$ 13,272,174	\$ 16,194,148	\$ 17,696,620
Capital Outlay	\$ 6,062	\$ 6,062	\$ 25,050	\$ 335,050
General Fund Total	\$ 21,826,026	\$ 22,996,541	\$ 25,762,424	\$ 26,639,454
Water Fund				
Salaries and Benefits	\$ 3,776,635	\$ 3,938,918	\$ 3,977,932	\$ 3,922,186
Maintenance and Operations	\$ 13,599,471	\$ 13,786,521	\$ 15,499,514	\$ 16,558,898
Capital Outlay	\$ 794	\$ 3,622	\$ 171,000	\$ 171,000
Water Fund Total	\$ 17,376,899	\$ 17,729,061	\$ 19,648,446	\$ 20,652,084
Wastewater Fund				
Salaries and Benefits	\$ 1,687,533	\$ 1,449,941	\$ 1,479,875	\$ 1,616,497
Maintenance and Operations	\$ 1,177,890	\$ 1,085,970	\$ 1,462,312	\$ 1,537,315
Capital Outlay	\$ 1,143	\$ 33,830	\$ 33,000	\$ 33,000
Wastewater Fund Total	\$ 2,866,566	\$ 2,569,741	\$ 2,975,187	\$ 3,186,812
Tidelands Fund				
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance and Operations	\$ 706,328	\$ 899,685	\$ 1,052,484	\$ 855,460
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Tidelands Fund Total	\$ 706,328	\$ 899,685	\$ 1,052,484	\$ 855,460
Operations - All Funds	\$ 42,775,819	\$ 44,195,028	\$ 49,438,541	\$ 51,333,810
Internal Service Fund				
Equipment Funds	\$ 2,348,295	\$ 2,780,539	\$ 7,133,052	\$ 6,793,306
Capital Improvement Projects (CIP)				
Water	\$ 1,366,232	\$ 5,503,478	\$ 8,808,305	\$ 6,070,950
Wastewater	\$ 553,658	\$ 118,145	\$ 409,700	\$ 823,394
CIP Total	\$ 1,919,890	\$ 5,621,623	\$ 9,218,005	\$ 6,894,344
Total	\$ 47,044,005	\$ 52,597,190	\$ 65,789,598	\$ 65,021,460

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
Beach Debris Collected (tons)	938	594	800	900
Curb & Gutter Replacement (linear feet)	1,868	2,530	2,400	2,200
Graffiti Incidents	1,591	4,685	4,200	4,500
Landscaped Acres Maintained	641	641	699	726
Oil Produced for Sale (barrels)	26,900	25,824	24,791	23,433
Parks Maintained	57	58	58	60
Pipe Cleaned (miles)	260	250	260	260
Pipe Video Inspected (miles)	27	23	30	39
Reclaimed Water Used (acre feet)	430	466	455	455
Residential Refuse Collected (tons)	33,220	33,400	33,500	34,000
Sidewalk Repair (square feet)	34,000	37,607	36,000	34,000
Street & Pavement Marking (linear feet)	252,608	370,795	450,000	300,000
Street Sweeping (cubic yards)	5,997	5,734	6,300	6,400
Streetlight Service Requests	486	440	400	385
Trees Planted	171	400*	500	500
Trees Removed	326**	140	200	250
Trees Trimmed	13,200	12,500	13,500	13,500
Wastewater Repairs	100	50	50	60
Wastewater Services Requests	300	300	300	350
Water Main Breaks	18	18	18	18
Water Purchased/Produced (acre feet)	16,150	15,915	16,631	17,000
Water Service Requests	2,164	2,715	2,725	2,725
1 MCF = 1,000 cubic feet				
1 Acre foot = 325,850 gallons				
* Includes Civic Center				
** Includes Blue Gum Eucalyptus				

Programs

Administration

Intended Outcome of the Program (benefit): Provide administrative support through the oversight of the department’s budget, contracts, regulatory compliance, capital projects, reports, and customer service.

Work Plan

Council Goal: Effective Management

- Consolidate staff to one physical location.
- Reduce the volume of paper records in favor of electronic records.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Administrative Assistant	1.0	1.0	1.0	1.0
Administrative Manager	0.5	0.5	0.5	0.5
Department Assistant	1.0	1.0	1.0	1.0
Deputy MOD Director	1.0	1.0	1.0	1.0
MOD Director	0.5	0.5	0.5	0.5
Management Assistant	1.0	1.0	1.0	1.0
Total Full-Time	5.0	5.0	5.0	5.0
Total Budgeted Staffing	5.0	5.0	5.0	5.0

Total Administration Costs:

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Salaries and Benefits	\$ 708,207	\$ 728,557	\$ 750,606	\$ 737,998
Maintenance and Operations	\$ 116,852	\$ 161,492	\$ 158,881	\$ 169,304
Capital Equipment	\$ -	\$ 451	\$ 2,500	\$ 2,500
Total	\$ 825,059	\$ 890,500	\$ 911,987	\$ 909,802

Streetlights

Intended Outcome: Ensure the safety of motorists, residents and pedestrians by maintaining and repairing an efficient street and outdoor lighting system.

Work Plan

Council Goal: Community Enhancements

- Provide maintenance, repair and replacement of city owned park, beach, parking lot, and streetlight systems.
- Continue to upgrade streetlights to utilize more efficient lighting fixtures.

Total Electrical Program Costs:

	<u>2011-12*</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Salaries and Benefits	\$ 35,023	\$ -	\$ -	\$ -
Maintenance and Operations	\$ 891,834	\$ 897,238	\$ 955,016	\$ 1,034,833
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 926,857	\$ 897,238	\$ 955,016	\$ 1,034,833

*Personnel costs transferred to other divisions in FY 2011-12. This division no longer had staff associated with it after July 2011.

Equipment Maintenance

Intended Outcome: Maintain, repair, and replace the City fleet of vehicles and equipment.

Work Plan

Council Goal: Economic Sustainability

- Reduce the size of the vehicle fleet.
- Reduce the amount of time that vehicles are out of service.
- Introduce alternative fuel-powered vehicles for replacements.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Automotive Parts Buyer	1.0	1.0	1.0	1.0
Automotive Stock Clerk	1.0	-	-	-
Equipment Maintenance Superintendent	1.0	1.0	1.0	1.0
Equipment Maintenance Supervisor	1.0	1.0	1.0	1.0
Equipment Mechanic I	1.0	1.0	1.0	1.0
Equipment Mechanic II	6.0	5.0	5.0	3.0
Fiscal Clerk	1.0	-	-	-
Inventory Assistant	-	1.0	1.0	1.0
Senior Equipment Mechanic	1.0	1.0	1.0	1.0
Total Full-Time	13.0	11.0	11.0	9.0
<u>Part-Time</u>				
Maintenance Aide	0.75	0.75	0.75	0.75
Total Part-Time	0.75	0.75	0.75	0.75
Total Budgeted Staffing	13.75	11.75	11.75	9.75

Total Equipment Maintenance Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,262,960	\$ 1,282,870	\$ 1,339,173	\$ 1,158,858
Maintenance and Operations	\$ 740,915	\$ 727,194	\$ 663,066	\$ 575,448
Capital Equipment	\$ 344,420	\$ 770,475	\$ 5,130,813	\$ 5,059,000
Total	\$ 2,348,295	\$ 2,780,539	\$ 7,133,052	\$ 6,793,306
Includes Equipment Replacement				

Facilities Maintenance

Intended Outcome: Clean, safe, and efficient public facilities.

Work Plan

Council Goal: Effective Management, Community Enhancements

- Expand the facilities maintenance program in order to implement a more comprehensive preventative maintenance and repair program.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Electrician	-	-	-	1.0
Facilities Maint Tech	-	-	-	4.0
Facilities Maint Crew Chief	-	-	-	1.0
Total Full-Time	-	-	-	6.0
Total Budgeted Staffing	-	-	-	6.0

Total Facilities Maintenance Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ -	\$ -	\$ 636,940	\$ 667,693
Maintenance and Operations	\$ -	\$ -	\$ 484,860	\$ 1,555,976
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ 1,121,800	\$ 2,223,669

Field Maintenance

Intended Outcome: Maintain and repair public streets and sidewalks for the safe and efficient travel of motorists and pedestrians.

Work Plan

Council Goal: Community Enhancements

- Continue to maintain the streets and sidewalks to allow for safe travel through of the city.

Total Field Maintenance Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 2,155,838	\$ 2,203,251	\$ 2,251,115	\$ 2,387,425
Maintenance and Operations	\$ 1,146,995	\$ 1,105,628	\$ 1,227,861	\$ 1,276,342
Capital Equipment	\$ 645	\$ 915	\$ 2,000	\$ 2,000
Total	\$ 3,303,479	\$ 3,309,794	\$ 3,480,976	\$ 3,665,767

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Concrete Finisher	2.0	2.0	2.0	2.0
Concrete Maintenance Crew Chief	1.0	1.0	1.0	1.0
Concrete Supervisor	1.0	1.0	1.0	1.0
Equipment Operator I	2.0	2.0	2.0	2.0
Equipment Operator II	5.0	5.0	5.0	5.0
Field Maintenance Superintendent	1.0	1.0	1.0	1.0
Maintenance Worker I	1.0	1.0	1.0	4.0
Maintenance Worker II	5.0	5.0	5.0	3.0
Street Maintenance Crew Chief	1.0	1.0	1.0	1.0
Street Maintenance Supervisor	1.0	1.0	1.0	1.0
Traffic Painter	1.0	1.0	-	-
Total Full-Time	21.0	21.0	20.0	21.0
Part-Time				
Temporary Labor	0.75	0.75	-	-
Total Part-Time	0.75	0.75	-	-
Total Budgeted Staffing	21.75	21.75	20.0	21.0

Oil & Gas

Intended Outcome: Safe and profitable operation and maintenance of oil and natural gas production facilities.

Work Plan

Council Goal: Fiscal and Environmental Sustainability

- Study the oil fields operations and potential reserves in order to increase oil production and improve long-term revenue.

Total Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Maintenance and Operations	\$ 706,328	\$ 899,685	\$ 1,052,484	\$ 855,460
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 706,328	\$ 899,685	\$ 1,052,484	\$ 855,460

Operations Support

Intended Outcome: Clean and maintain streets, beaches, and other public facilities.

Work Plan

Council Goal: Effective Management, Community Enhancements

- Upgrade select tide valves for remote operation.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Beach Maintenance Supervisor	1.0	1.0	1.0	1.0
Electrician	1.0	1.0	1.0	-
Equipment Operator I	1.0	1.0	1.0	1.0
Equipment Operator II	6.0	6.0	6.0	6.0
Facilities Maintenance Crew Chief	1.0	1.0	1.0	-
Facilities Maintenance Tech	4.0	4.0	4.0	-
Maintenance Worker I	4.0	4.0	4.0	4.0
Maintenance Worker II	3.0	3.0	3.0	3.0
Operations Support Superintendent	1.0	1.0	1.0	1.0
Storm Drain/Street Sweeping Crew Chief	1.0	1.0	1.0	1.0
Storm Drain/Street Sweeping Supervisor	1.0	1.0	1.0	1.0
Temporary Labor	2.0	2.0	-	-
Total Full-Time	26.0	26.0	24.0	18.0
Total Budgeted Staffing	26.0	26.0	24.0	18.0

Total Operations Support Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 2,694,946	\$ 2,709,995	\$ 2,201,042	\$ 2,249,155
Maintenance and Operations	\$ 3,043,060	\$ 3,407,762	\$ 3,284,727	\$ 2,695,904
Capital Equipment	\$ 4,667	\$ 2,534	\$ 17,550	\$ 17,550
Total	\$ 5,742,672	\$ 6,120,291	\$ 5,503,319	\$ 4,962,609

Parks & Trees

Intended Outcome: Preserve and maintain the City's urban forest, parks, and landscaped areas in an aesthetically pleasing and environmentally sustainable manner.

Work Plan

Council Goal: Fiscal and Environmental Sustainability, Community Enhancements

- Refurbish landscape of existing parks, reduce the backlog for the replacement of street trees, and prepare for the opening of new parks.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Groundswoker I	4.0	3.0	2.0	5.0
Groundswoker II	3.0	3.0	3.0	2.0
Irrigation Specialist	1.0	1.0	1.0	1.0
Parks & Trees Superintendent	1.0	1.0	1.0	1.0
Park Maintenance Crew Chief	3.0	3.0	3.0	3.0
Park Maintenance Supervisor	2.0	2.0	2.0	2.0
Urban Forester	1.0	1.0	1.0	1.0
Total Full-Time	15.0	14.0	13.0	15.0
Total Budgeted Staffing	15.0	14.0	13.0	15.0

Total Parks & Trees Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,576,457	\$ 1,605,216	\$ 1,568,708	\$ 1,791,914
Maintenance and Operations	\$ 4,678,022	\$ 5,213,464	\$ 5,952,017	\$ 6,142,822
Capital Equipment	\$ 750	\$ 880	\$ 3,000	\$ 313,000
Total	\$ 6,255,229	\$ 6,819,560	\$ 7,523,725	\$ 8,247,736

Refuse

Intended Outcome: Provide for the collection of residential refuse and the diversion of landfill-bound waste through recycling.

Work Plan

Council Goal: Fiscal and Environmental Sustainability, Community Enhancements

- Transition to contractor-provided automated and semi-automated residential refuse collection.
- Provide enhanced collection services for bulky items, sharps, and household hazardous waste.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Refuse Superintendent	1.0	1.0	1.0	1.0
Refuse Supervisor	1.0	1.0	1.0	1.0
Refuse Worker I	8.0	8.0	5.0	2.0
Refuse Worker II	14.0	14.0	11.0	-
Total Full-Time	24.0	24.0	18.0	4.0
<hr/>				
Total Budgeted Staffing	24.0	24.0	18.0	4.0

Total Refuse Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 2,431,012	\$ 2,471,286	\$ 2,134,814	\$ 773,599
Maintenance and Operations	\$ 3,268,575	\$ 3,383,828	\$ 4,130,788	\$ 4,821,439
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 5,699,587	\$ 5,855,114	\$ 6,265,602	\$ 5,595,038

Water

Intended Outcome: Provide a safe and reliable water source for residents, businesses, and visitors of Newport Beach. Operate, maintain, and repair water facilities to assure adequate water supply for drinking, irrigation, and fire suppression. Provide customer service related to water use, billing, and conservation. Compliance with all Federal, State, and local regulations and laws.

Work Plan

Council Goal: Environmental Sustainability

- Reduce water use through conservation programs and groundwater pumping.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Assistant	1.0	1.0	1.0	1.0
Administrative Manager	0.5	0.5	0.5	0.5
Department Assistant	1.0	1.0	1.0	1.0
Electrician	2.0	1.0	1.0	1.0
Engineering Technician	1.0	0.5	0.5	0.5
Field Superintendent I	-	2.0	2.0	-
Field Superintendent II	-	1.0	1.0	-
MOD Director	0.5	0.5	0.5	0.5
Junior Civil Engineer	1.0	-	-	-
Management Assistant	1.0	1.0	1.0	-
Senior Utilities Specialist	5.0	5.0	5.0	5.0
Utilities Crew Chief	5.0	5.0	5.0	5.0
Utilities General Manager	1.0	1.0	1.0	1.0
Utilities Safety Officer	1.0	-	-	-
Utilities SCADA Coordinator	1.0	1.0	1.0	1.0
Utilities Specialist	10.0	8.0	8.0	8.0
Utilities Supervisor	2.0	-	-	2.0
Water Production Operator	3.0	3.0	3.0	3.0
Water Production Supervisor	1.0	-	-	1.0
Water Quality Coordinator	1.0	1.0	1.0	1.0
Total Full-Time	38.0	32.5	32.5	31.5
<u>Part-Time</u>				
Office Assistant Part-time	0.5	-	-	-
Total Part-Time	0.5	-	-	-
Total Budgeted Staffing	38.5	32.5	32.5	31.5

Total Water Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 3,776,635	\$ 3,938,918	\$ 3,977,932	\$ 3,922,186
Maintenance and Operations	\$ 13,599,471	\$ 13,786,521	\$ 15,499,514	\$ 16,558,898
Capital Equipment	\$ 794	\$ 3,622	\$ 171,000	\$ 171,000
CIP	\$ 1,366,232	\$ 5,503,478	\$ 8,808,305	\$ 6,070,950
Total	\$ 18,743,131	\$ 23,232,539	\$ 28,456,751	\$ 26,723,034

Wastewater

Intended Outcome: Provide wastewater service to residents, businesses, and visitors of Newport Beach. Operate, maintain, and repair wastewater facilities to assure proper operation and protect bay and ocean water quality. Provide customer service related to wastewater connections and billing. Compliance with all Federal, State, and local regulations and laws.

Work Plan

Council Goal: Environmental Sustainability

- Proactive preventative maintenance of our collection system and pump stations to minimize spills and blockages.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Electrician	-	1.0	1.0	1.0
Field Superintendent I	-	1.0	1.0	-
Senior Equipment Mechanic	1.0	1.0	-	-
Senior Utilities Specialist	2.0	2.0	2.0	2.0
Utilities Crew Chief	4.0	4.0	3.0	3.0
Utilities Operations Manager	1.0	-	-	-
Utilities SCADA Technician	1.0	1.0	1.0	1.0
Utilities Specialist	5.0	5.0	5.0	6.0
Utilities Supervisor	1.0	-	-	1.0
Total Full-Time	15.0	15.0	13.0	14.0
Total Budgeted Staffing	15.0	15.0	13.0	14.0

Total Wastewater Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,687,533	\$ 1,449,941	\$ 1,479,875	\$ 1,616,497
Maintenance and Operations	\$ 1,177,890	\$ 1,085,970	\$ 1,462,312	\$ 1,537,315
Capital Equipment	\$ 1,143	\$ 33,830	\$ 33,000	\$ 33,000
CIP	\$ 553,658	\$ 118,145	\$ 409,700	\$ 823,394
Total	\$ 3,420,224	\$ 2,687,886	\$ 3,384,887	\$ 4,010,206

Public Works

Mission Statement

Protecting and providing quality public improvements and services.

Department Overview

The City of Newport Beach is committed to maintaining a high quality of life by providing essential infrastructure and public facilities. The Department of Public Works is responsible for managing a comprehensive and ambitious improvement program designed to meet the current and future needs of the community and to protect the City's physical and natural assets. Capital projects include improvements to the City's roads, intersections, bridges, sidewalks, storm drains, traffic signals, water quality and environmental features, piers, water and sewer systems, street lighting, public buildings and parks.

A key service area focuses on the use of engineering expertise to solve problems and to promote a safe and efficient transportation system. Public Works adds quality and safety to our lives through the use of engineered controls and measures such as traffic signals, signage, and pavement maintenance.

Public Works also protects public property from unpermitted encroachments, ensures the safety of utility company activities, private construction and special events in the public right-of-way, and reviews plans for residential and commercial development as they relate to the public right-of-way.

Key Department Programs

- Capital Improvement Program Delivery
- Harbor Resources
- Water Quality and Environmental Programs
- Transportation and Development Services
- Administration



Goals

- Facilitate design and construction of public infrastructure to meet community priorities and goals and to optimize the performance and lifespan of public assets.
- Continuously improve our project delivery capability and use of project management tools to deliver the highest quality improvements and services on time and on budget.
- Implement use of technology tools, such as online bidding for capital improvement projects, website and social media, and citywide efforts to upgrade several new software systems to improve efficient delivery of services and meet customer expectations.
- Integrate increased communication and team building in all aspects of department operations and organizational culture.
- Develop long-range plans for the maintenance and repair of publically maintained buildings, facilities, and structures as well as a capital improvements plan for tidelands related facilities and amenities.
- Participate in discussions and innovative solutions for current and emerging issues such as bicycle safety, sea levels and seawalls, regulatory compliance and permitting, water quality and water conservation, and park planning.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
CIP funds managed*	\$85,354,175	\$79,282,383	\$70,160,354	TBD
CIP projects completed within two months of baseline schedule - target 85%	88%	81%	100%	85%
CIP projects completed within awarded contract value, plus approved contingency - target 90%	87%	100%	100%	90%
Plan checks completed within target date	95%	95%	95%	95%
Total full-time department personnel	34	35	34	34

* Does not include assessment district project funds nor encumbered funds for work in progress; actual data reflects amounts expended including assessment district project expenses and capital budget expenses approved mid-year.

Total Public Works Department Costs:

	2011-12* Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 5,279,717	\$ 5,359,230	\$ 5,564,084	\$ 5,944,454
Maintenance and Operations	\$ 2,311,263	\$ 13,614,979	\$ 3,332,518	\$ 2,979,716
Capital Equipment	\$ 15,995	\$ 21,664	\$ 24,950	\$ 29,000
Total	\$ 7,606,975	\$ 18,995,873	\$ 8,921,552	\$ 8,953,170

*Water Quality & Harbor Resources were transferred to Public Works in FY 2011-12.

Programs

Capital Improvement Program Delivery

Intended Outcome: Manage the construction and administration of all Capital Improvements Program (CIP) projects.

Core Functions:

- Feasibility studies, planning, permitting, master plans
- Right-of-way acquisition
- Utilities coordination
- Engineering design
- Project management
- Construction management
- Public right-of-way inspection
- Community outreach and education
- Utility undergrounding district administration and coordination
- Coordination with outside agencies such as County of Orange, OCTA, Caltrans, OCSD, MWDOC, and surrounding cities related to regional infrastructure issues
- Coordination with federal and state regulatory agencies related to strategic planning for dredging, water quality, and ecosystem restoration projects



Work Plan:

- Oversee project and construction management of scheduled Capital Improvement Program projects including Council priorities such as Marina Park, Sunset Ridge Park, Traffic Signal Modernization, Water Infrastructure Improvements, Pavement Condition Improvements, and Harbor and Tidelands Improvements.
- Continue with project development and implementation of City Council goals associated with the revitalization of various areas of the City including Newport Boulevard/32nd Street, Lido Marina Village, Balboa Village, Balboa Boulevard, West Newport/Coast Highway, Mariner's Mile, and the west entry to Corona del Mar.
- Continue efforts to update infrastructure master plans to reflect the community's goals of maintaining quality public infrastructure that are sustainable into the future with emphasis on facilities, multi-modal transportation, energy efficiency, environmental and water quality, and tidelands management.
- Delivery of street preservation and beautification improvements including Ocean Boulevard Reconstruction, Dover Drive/Westcliff Pavement Rehabilitation, Newport Boulevard/32nd Street Modifications, West Coast Highway Landscaping, and more.
- Construct new City facilities according to the Facilities Financing Planning Tool including replacement of Fire Station No. 5 and Corona del Mar branch library.

- Coordinate utility undergrounding projects with Southern California Edison and residents interested in forming Utility Undergrounding Districts.
- Assist in implementation of Water and Wastewater Master Plans providing safe and reliable utility systems throughout the City.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Assistant City Engineer	2.0	1.0	1.0	1.0
Assoc 5% Civil Engineer	2.0	2.0	3.0	3.0
Associate Civil Engineer	1.0	1.0	1.0	1.0
Construction Inspection Supervisor	1.0	1.0	1.0	1.0
Deputy Public Works Director/City Engineer	1.0	1.0	1.0	1.0
Facilities Manager	-	1.0	1.0	-
Junior 5% Civil Engineer	1.0	1.0	-	-
Principal Civil Engineer	1.0	1.0	1.0	1.0
Public Works Inspector II	-	-	-	1.0
Senior Civil Engineer	3.0	3.0	3.0	3.0
Senior Public Works Inspector	2.0	2.0	2.0	2.0
Total Full-Time	14.0	14.0	14.0	14.0
<u>Part-Time</u>				
Contract Civil Engineer	0.26	0.26	0.26	-
Public Works Technical Aide	0.85	0.85	0.85	1.35
Total Part-Time	1.11	1.11	1.11	1.35
Total Budgeted Staffing	15.11	15.11	15.11	15.35

Total Capital Improvement Program Delivery Program Costs:

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Salaries and Benefits	\$ 2,346,976	\$ 2,268,607	\$ 2,432,864	\$ 2,483,199
Maintenance and Operations	\$ 392,549	\$ 489,959	\$ 649,539	\$ 412,647
Capital Equipment	\$ 15,889	\$ 8,502	\$ 8,200	\$ 14,000
Total	\$ 2,755,414	\$ 2,767,068	\$ 3,090,603	\$ 2,909,846

Harbor Resources

Intended Outcome: Protect and improve the resources of Newport Harbor and Upper Newport Bay for life, recreation, and commerce.

Core Functions:

- Permit issuance and administration for pier, marina, and mooring operations
- Coordination and execution of harbor dredging
- Water quality improvement
- Regulatory compliance
- Interagency coordination and planning
- Harbor Commission and Tidelands Management Committee staffing support
- Balboa Yacht Basin property management
- Studies, planning, permitting, and long term capital facilities
- Beach sand replenishment projects and sediment maintenance

Work Plan:

- Continue pursuing funding opportunities for harbor related projects and amenities.
- Carry out capital project priorities in the harbor area such as Marina Park, harbor pier maintenance and repairs, minor harbor dredging and sand management, and bulkhead and seawall repairs.
- Ensure current and future projects address and account for possible future sea level changes that may affect public and private properties.
- Continue development of a comprehensive master plan for the management, governance, and financing strategies for all tidelands, including dredging, beach replenishment, long-term capital plan, sea level rise, oil and gas and water quality.
- Address reconstruction of sea walls around Balboa Island and Newport Harbor.
- Complete Eelgrass Surveys along the harbor shoreline.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Harbor Resources Manager	1.0	1.0	1.0	1.0
Harbor Resources Supervisor	1.0	1.0	1.0	1.0
Harbor Resources Technician II	1.0	1.0	1.0	1.0
Total Full-Time	3.0	3.0	3.0	3.0
Total Budgeted Staffing	3.0	3.0	3.0	3.0

Total Harbor Resources Management Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 428,886	\$ 460,704	\$ 470,301	\$ 485,091
Maintenance and Operations	\$ 1,135,700	\$ 12,309,273	\$ 1,589,740	\$ 1,579,577
Capital Equipment	\$ -	\$ 11,676	\$ 12,000	\$ -
Total	<u>\$ 1,564,586</u>	<u>\$ 12,781,653</u>	<u>\$ 2,072,041</u>	<u>\$ 2,064,668</u>

Water Quality and Environmental Programs

Intended Outcome: Ensure that the citizens and guests of Newport Beach enjoy the best environmental standard of living possible by planning and engineering protections and implementing clean water requirements for Newport Bay, the ocean shoreline, and other sensitive areas.

Core Functions:

- Community education and promotion of best management practices
- Management and enforcement of local, state, and federal laws, policies, and regulations
- Environmental programming and capital planning including the pursuit of funding opportunities and collaborative public/private partnerships.
- Participate in regional planning and coordination with the community, other public agencies, regulatory agencies, and various environmental stakeholders.
- Water Quality/Coastal Tidelands Committee staffing

Work Plan:

- Implement water quality improvement projects for Big Canyon wetlands, Semeniuk Slough dredging, Little Corona and Cameo Shores infiltration galleries, and Newport Coast Areas of Special Biological Significance (ASBS) projection program.
- Install various catch basin filters and water quality filtration units citywide.
- Continue coordination with regional watershed stakeholders and the Regional Water Quality Control Board to develop sustainable water quality strategies with achievable goals given the current economic environment.
- Encourage water conservation.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Assistant City Engineer	-	1.0	1.0	1.0
Code & Water Quality Enforcement Division Manager	1.0	1.0	1.0	1.0
Water Conservation Coordinator	1.0	1.0	1.0	1.0
Total Full-Time	2.0	3.0	3.0	3.0
Total Budgeted Staffing	2.0	3.0	3.0	3.0

Total Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated*	2014-15 Proposed
Salaries and Benefits	\$ 293,765	\$ 303,277	\$ 510,355	\$ 520,108
Maintenance and Operations	\$ 20,745	\$ 55,327	\$ 80,426	\$ 105,200
Capital Equipment	\$ -	\$ -	\$ 1,500	\$ 2,500
Total	\$ 314,510	\$ 358,604	\$ 592,281	\$ 627,808

* This is a new division in Public Works effective FY 2011-12.

Transportation and Development Services

Intended Outcome: Promote a safe, efficient, and effective transportation system for various roadway uses and protect interests in the public right-of-way.

Core Functions:

- Traffic engineering, traffic studies, and transportation planning
- Traffic signal system operations, coordination, and maintenance
- Neighborhood traffic calming
- Bicycle Safety Committee staffing
- Special event support and coordination
- Plan check services
- Subdivision engineering
- Land use coordination
- Planning Commission support staffing
- Surveying and mapping
- Encroachment permits and temporary street closures



Work Plan:

- Continue processing the transportation planning and associated environmental processes for private developments including the Banning Ranch property.
- Continue implementing traffic management plan to improve traffic flows and reduce congestion with Phase 6 of the Traffic Signal Modernization Program addressing San Joaquin Hills Road and Newport Coast Drive.
- Review, manage and implement traffic, bicycle, and pedestrian safety and operation improvements.
- Implement elements of the Bicycle Master Plan to provide safe and efficient movement of bicycles throughout the City.
- Rehabilitate traffic signals on City maintained portion of Pacific Coast Highway.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Assoc 5% Civil Engineer	2.0	2.0	2.0	3.0
City Traffic Engineer	1.0	1.0	1.0	1.0
Junior Civil Engineer	1.0	2.0	2.0	2.0
Senior Civil Engineer	2.0	2.0	2.0	2.0
Senior Traffic Engineering Technician	1.0	1.0	-	-
Total Full-Time	7.0	8.0	7.0	8.0
<u>Part-Time</u>				
PW Technical Aide	1.0	1.0	1.0	1.0
Total Part-Time	1.0	1.0	1.0	1.0
Total Budgeted Staffing	8.0	9.0	8.0	9.0

Total Transportation and Development Services Program Costs:

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Proposed</u>
Salaries and Benefits	\$ 1,250,095	\$ 1,332,811	\$ 1,231,261	\$ 1,405,436
Maintenance and Operations	\$ 588,328	\$ 534,423	\$ 832,068	\$ 704,214
Capital Equipment	\$ -	\$ 1,177	\$ -	\$ 1,000
Total	\$ 1,838,423	\$ 1,868,411	\$ 2,063,329	\$ 2,110,650

Administration

Intended Outcome: Lead and support department's organizational development and strategic planning and provide administrative support for Public Works divisions.

Core Functions:

- Implementation of City Council and management directives and policies
- Budget development and administration
- CIP management
- Contracts and grants administration
- Customer service and communications
- Permit issuance

Work Plan:

- Coordinate infrastructure management priorities, including updates to the major Facilities Financing Planning Tool.
- Facilitate department staffing and management practices to improve efficiencies and manage resource allocation of budget, staffing, and contractual services.
- Provide quarterly reports to City Council on performance measurements and project priorities.
- Enhance customer service and communications through improved information access, friendly service and prompt professional responses.
- Continue movement to electronic records to improve efficiency and enable improved access to information for accountability and transparency.
- Coordinate with outside agencies including OCTA, Caltrans, OCSD, SCE, etc. regarding regional issues affecting the City.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Analyst	-	1.0	1.0	1.0
Administrative Assistant	-	-	1.0	1.0
City Surveyor	1.0	1.0	-	-
Engineering Technician	1.0	1.0	1.0	1.0
Management Assistant	1.0	1.0	1.0	1.0
Public Works Director	1.0	1.0	1.0	1.0
Public Works Specialist	2.0	1.0	1.0	1.0
PW Finance/Admin Manager	1.0	1.0	1.0	1.0
Total Full-Time	7.0	7.0	7.0	7.0
<u>Part-Time</u>				
Office Assistant Part-time	0.47	0.47	-	-
Student Aide	-	-	-	0.5
Total Part-Time	0.47	0.47	-	0.5
Total Budgeted Staffing	7.47	7.47	7.0	7.5

Total Administration Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 959,995	\$ 993,831	\$ 919,303	\$ 1,050,620
Maintenance and Operations	\$ 173,941	\$ 225,997	\$ 180,745	\$ 178,078
Capital Equipment	\$ 106	\$ 309	\$ 3,250	\$ 11,500
Total	\$ 1,134,042	\$ 1,220,137	\$ 1,103,298	\$ 1,240,198

Library Services

Mission Statement

To serve as the cultural, educational, and informational heart of the City.

Department Overview

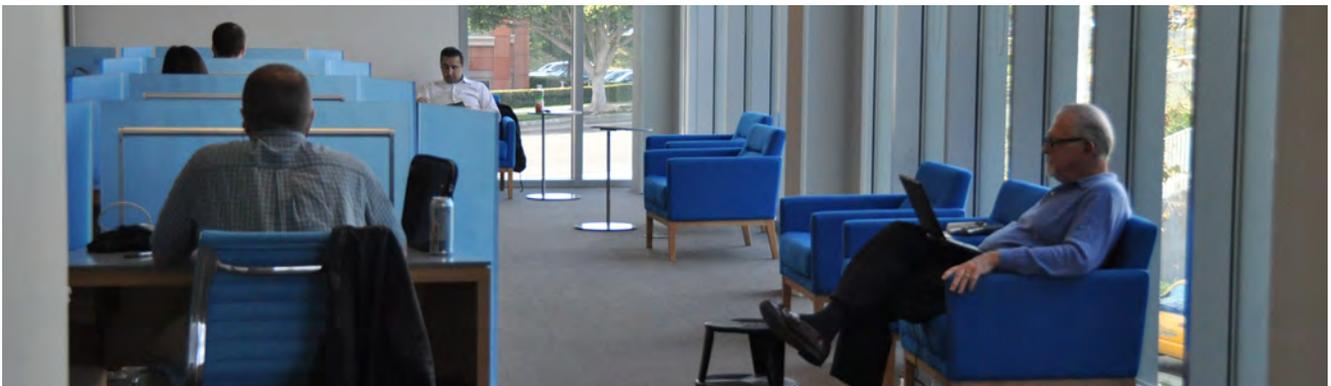
The Library is a valuable resource which offers a diverse range of materials, information, and special programs for every age group in our community. Over one million people come into the libraries each year and many more use the online resources from their home, office or school.

Key Department Programs

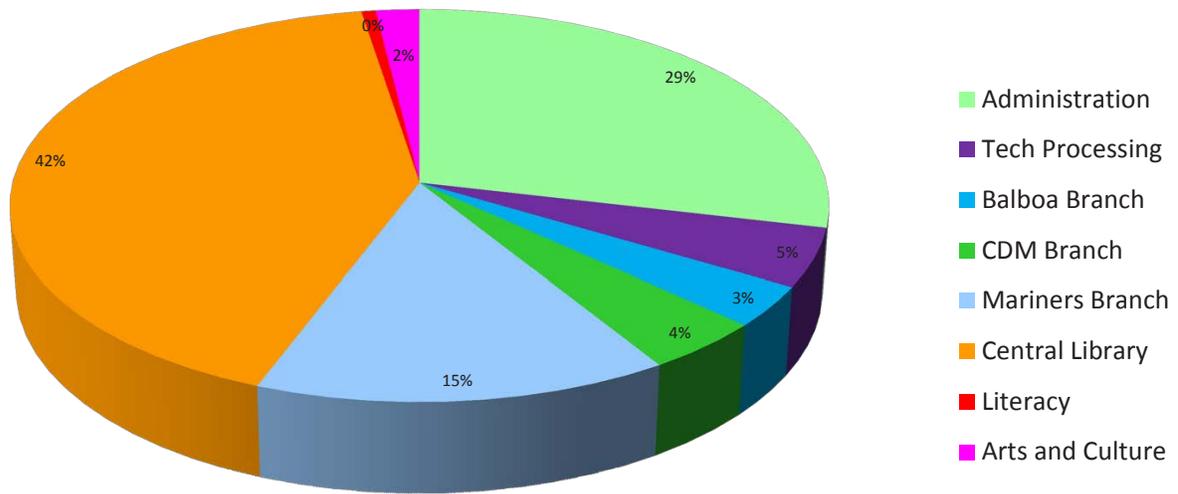
- Public Services
 - Central Library
 - Donna & John Crean Mariners Branch Library
 - Corona del Mar Branch Library
 - Balboa Branch Library
- Library Administration
- Technical Processing
- Literacy Services
- Arts and Cultural Services

Goals

- Provide current materials and information that meet the varying needs of the community
- Deliver quality service to customers by providing accurate answers, quick responses, and assistance
- Provide programs for audiences of all ages
- Provide literacy services to adults
- Support arts and cultural events and programming



Patrons enjoying the Central Library



Workload Indicators	2011-12 Actual*	2012-13 Actual*	2013-14 Estimated**	2014-15 Projected
Circulation	1,582,953	1,582,914	1,650,454	1,666,958
Customers served in the Library	1,143,898	1,074,933	1,257,264	1,269,836
Reference questions asked	191,567	184,260	188,413	190,297
Program attendance	48,025	51,556	51,595	52,626

* Construction at the Central Library caused a drop in use during FY 2011-12 and 2012-13.

* New Central Library addition and Civic Center complex is projected to increase library use beginning in FY 2013-14.

Total Library Department Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 4,738,495	\$ 4,962,896	\$ 5,058,904	\$ 5,074,648
Maintenance and Operations	\$ 2,120,169	\$ 1,789,795	\$ 1,984,843	\$ 2,138,204
Capital Equipment	\$ 1,022	\$ -	\$ 14,542	\$ 2,000
Subtotal	\$ 6,859,686	\$ 6,752,691	\$ 7,058,289	\$ 7,214,852
Expenditures funded through donations*	\$ 443,238	\$ 436,798	\$ 734,154	\$ -
Total	\$ 7,302,924	\$ 7,189,489	\$ 7,792,443	\$ 7,214,852

*Community donations are used to enhance Library programs and services and are not considered when establishing the City's operating budget.

Programs

Public Service

Intended Outcome: To provide a range of materials, information, and programs to meet the needs of customers of all ages.

Core Functions:

- Serve customers at all locations
- Circulate books, magazines, movies and audio recordings to customers of all ages
- Answer questions and assist customers in person, by phone and via email
- Provide library services 24/7 through accessible information databases, eBooks, online renewals and reserves
- Provide technology training and assistance to customers
- Provide access to a workspace equipped with technology and resources for customers to use in creating presentations, videos, web, and graphic design
- Plan and host programs for children, teens, and adults throughout the year

Work Plan

- The new entrance, Bistro and additional space on the second floor of the Central Library has created a new vibe. Customers are using more personal devices and Library provided laptop and tablet computers with WiFi access. The traditional desk top computers continue to be used as well, but staff has found that the customers are enjoying the new workstations and Bistro seating. The Library will continue to assess the number of computing devices that are offered to the public and the type of devices which best fit their needs.
- Staff will provide training classes in the Media Suite/Sound Lab on topics such as Photoshop, video editing, and effective use of the Library's financial databases. The staff will continue to make the room available to individual users.
- Staff will continue to evaluate collections and services that best fill the needs of customers at each individual location.
- Staff will continue to explore new digital media and increase the collection of eBooks and digital magazines to support the Library's 24/7 service model.
- The Library will explore new programming opportunities for customers of all ages.
- The Library will continue to provide concierge service to Newport Coast and OASIS to serve the customers using those facilities.

Total Public Service Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 3,222,515	\$ 3,461,864	\$ 3,624,626	\$ 3,691,583
Maintenance and Operations	\$ 391,288	\$ 666,909	\$ 738,462	\$ 842,706
Capital Equipment	\$ -	\$ -	\$ 12,542	
Total	<u>\$ 3,613,803</u>	<u>\$ 4,128,773</u>	<u>\$ 4,375,630</u>	<u>\$ 4,534,289</u>

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Librarian I	6.0	6.0	6.0	6.0
Librarian II	6.0	6.0	6.0	6.0
Librarian III	1.0	1.0	1.0	1.0
Library Assistant	6.0	5.0	5.0	5.0
Library Clerk I	4.0	4.0	4.0	4.0
Library Clerk II	3.0	4.0	4.0	4.0
Senior Library Clerk	1.0	1.0	1.0	1.0
<i>Total Full-Time</i>	<i>27.0</i>	<i>27.0</i>	<i>27.0</i>	<i>27.0</i>
<u>Part-Time</u>				
Library Assistant Part-time	2.37	3.33	3.33	3.33
Library Clerk I Part-time	8.65	8.69	8.69	8.69
Library Page Part-time	7.9	7.9	7.9	7.9
<i>Total Part-Time</i>	<i>18.92</i>	<i>19.92</i>	<i>19.92</i>	<i>19.92</i>
Total Budgeted Staffing	45.92	46.92	46.92	46.92

<i>Library Administration</i>

Intended Outcome: To manage the successful operations of the Library system allowing the public service staff to focus on meeting the day to day needs of customers. Plan for the future needs of the community.

Core Functions:

- Provide support to the public, the Library Board of Trustees, the Arts Commission, Friends of the Library, and the Library Foundation.
- Assess the needs of the community and plan for the future.
- Provide support in the areas of personnel, record keeping, and marketing.
- Oversee the maintenance of the Library facilities.
- Monitor the budget and financial planning, and expenditures.

Work Plan

- Assist the support groups in maintaining their prominence and name recognition in the community.
- Provide staff training opportunities to keep up with technological advances and enhancements to Library service.
- Provide quarterly and annual reports for the State Library to encourage re-establishment of State funding to local agencies.
- Evaluate maintenance and furnishing needs for the Branch Libraries.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Assistant	1.0	1.0	1.0	1.0
Facilities Maintenance Worker II	1.0	1.0	1.0	1.0
Librarian III	2.0	2.0	2.0	2.0
Library Services Director	1.0	1.0	1.0	1.0
Library Services Manager	1.0	1.0	1.0	1.0
Office Assistant	1.0	1.0	1.0	1.0
Total Full-Time	7.0	7.0	7.0	7.0
<u>Part-Time</u>				
Department Assistant Part-time	0.45	0.45	0.45	0.45
Marketing Specialist Part-time	0.65	0.65	0.65	0.65
Total Part-Time	1.1	1.1	1.1	1.1
Total Budgeted Staffing	8.1	8.1	8.1	8.1

Total Administration Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 1,000,283	\$ 1,046,958	\$ 1,076,324	\$ 1,057,186
Maintenance and Operations	\$ 1,614,501	\$ 984,716	\$ 942,539	\$ 971,869
Capital Equipment	\$ 978	\$ -	\$ 2,000	\$ 2,000
Total	\$ 2,615,762	\$ 2,031,674	\$ 2,020,863	\$ 2,031,055

Technical Processing

Intended Outcome: To ensure that the libraries have new materials to fill the needs of customers.

Core Functions:

- Order, receive and process materials
- Process the payments for materials
- Mend and maintain collections

Work Plan

- Evaluate ordering processes to ensure that the most efficient and effective practices and vendors are used to meet the needs of customers.
- Assess the workflow and update processes as appropriate.
- Continue to cycle the audio and video discs through a regular rotation of cleaning to ensure that materials are in good working order.

Budget Staffing:

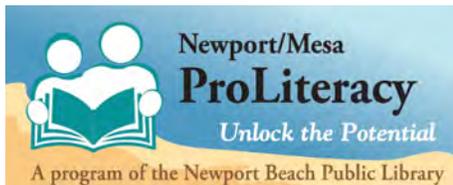
Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Library Clerk I	1.0	1.0	1.0	1.0
Library Clerk II	2.0	1.0	1.0	1.0
Senior Library Clerk	1.0	1.0	1.0	1.0
Total Full-Time	4.0	3.0	3.0	3.0
Total Budget Staffing	4.0	3.0	3.0	3.0

Total Technical Processing Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 326,969	\$ 264,182	\$ 274,420	\$ 281,511
Maintenance and Operations	\$ 19,253	\$ 50,378	\$ 52,196	\$ 61,671
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 346,222	\$ 314,560	\$ 326,616	\$ 343,182

Literacy Service

Intended Outcome: To provide tutoring for adult literacy learners.



Literacy program

Core Functions:

- Assess the needs of prospective learners
- Train literacy tutors
- Assist in community awareness
- Support the Literacy Board Members

Work Plan

- Use social media to spread the word of the Library Literacy program.
- Work with tutors and learners to evaluate progress and establish a system of moving learners on to higher levels.
- Explore new grant opportunities to ensure ongoing funding for the program.
- Establish a relationship with the OASIS Senior Center for recruiting and training tutors.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Part-Time				
Literacy Coordinator Part-time	0.4	0.4	0.4	0.5
Total Part-Time	0.4	0.4	0.4	0.5
Total Budgeted Staffing	0.4	0.4	0.4	0.5

Total Literacy Services Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 86,446	\$ 90,199	\$ 83,534	\$ 44,369
Maintenance and Operations	\$ 13,324	\$ 9,012	\$ 12,000	\$ -
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 99,769	\$ 99,211	\$ 95,534	\$ 44,369

Arts & Cultural Services

Intended Outcome: To support the City Arts Commission in their endeavors.

Core Functions:

- Arrange art exhibits for the City, including the annual juried art show
- Plan and execute programs and cultural arts events
- Administer departmental grants

Work Plan

- Provide the community with summer programming such as Shakespeare by the Sea and other outdoor performances and concerts.
- Arrange fee-based tours to museums and exhibitions.
- Coordinate musical performances at the Library.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Full-Time				
Cultural Arts Coordinator	1.0	1.0	-	-
Total Full-Time	1.0	1.0	-	-
Total Budgeted Staffing	1.0	1.0	-	-

Total Arts & Cultural Services Program Costs:

	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 106,605	\$ 99,692	\$ -	\$ -
Maintenance and Operations	\$ 75,651	\$ 78,781	\$ 245,045	\$ 261,957
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 182,257	\$ 178,473	\$ 245,045	\$ 261,957



Cultural Arts programming

Recreation & Senior Services

Mission Statement

To enhance the quality of life by providing diverse opportunities in safe and well maintained facilities, open spaces, and parks. We pledge to respond to community needs by creating quality educational, environmental, recreational, cultural, and social programs for people of all ages.

Department Overview

The Recreation and Senior Services (RSS) Department consists of three divisions: Administration, Recreation, and Senior Services. Under the guidance of the Department Director, the RSS Department is responsible for the creation, coordination, and implementation of recreational and social opportunities that serve a population ranging from infants to those in their advanced years. In addition, the department oversees the use of 64 parks and 12 facilities while also playing a role at the Back Bay Science Center and a number of natural spaces and sensitive marine habitats throughout the city. The OASIS Senior Center focuses on serving the senior community, offering programs to enrich senior life, prevent isolation, and create positive, successful aging experiences. With all programs, the backbone of the Department's success is the large volume of part-time staff and independent contractors out in the field serving the community as well as numerous volunteers who join us on a daily basis to fulfill our mission. These dedicated individuals, combined with the full-time staff, form a unified team that is talented, skilled, and service oriented.

Key Department Programs

- Administration
- Recreation
- Senior Services



Department Goals

- Deliver well rounded, high quality recreational and social programs as well as senior services to the Newport Beach community.
- Protect and preserve natural land and marine habitats within the City of Newport Beach boundaries while fostering stewardship of the environment.
- Ensure open spaces, parks, and community centers are well maintained and safe for the community to enjoy.
- Continue to seek partnerships and opportunities to enhance recreation and senior services while minimizing general fund support.
- Participate in and support efforts for the design, development, and programming of Sunset Ridge Park, Marina Park, Lower Castaways Park, Big Canyon Public Access, and West Newport Community Center.

- Promote the City of Newport Beach rental properties, including the OASIS Senior Center and Civic Center Community Room and Park, as premier locations for rentals.
- Continue to enhance the Department’s website to better market programming.
- Continue to broaden our outreach to the community by such offerings as resource expos tailored to each age group.
- Develop a trend analysis report that tracks participation of Department offerings to improve performance and make informed decisions that further meet the needs of the community.

Workload Indicators	2011-12 Actual	2012-13 Actual	2013-14 Estimated	2014-15 Projected
<i>Recreation Services</i>				
Special event permits	235	252	250	250
Facility rentals	2,507	2,638	2,700	2,700
Program attendance	404,273*	394,055	395,000	395,000
Community youth sports program attendance	257,322	293,938	294,000	294,000
<i>Senior Services</i>				
Facility rentals	176	146	150	150
Program attendance	75,084	77,600	77,000	77,000
Human services attendance	35,519	28,000	28,000	28,000
Transportation service attendance	15,464	13,007	15,000	15,000
Fitness center attendance	67,695	70,416	70,000	70,000

* FY12 actuals restated down from 418,242 to 404,273 to correct for drop-in and day pass registrants who attend less than the full duration of program.



Total Recreation & Senior Services Department Costs:

	2011-12 [^] Actual	2012-13* Actual	2013-14 Estimated	2014-15 Proposed
Salaries and Benefits	\$ 4,524,187	\$ 4,752,186	\$ 5,267,858	\$ 5,652,552
Maintenance and Operations	\$ 3,820,677	\$ 3,845,713	\$ 4,205,485	\$ 4,450,160
Capital Equipment	\$ 12,895	\$ 15,149	\$ 26,304	\$ 98,250
Total	\$ 8,357,758	\$ 8,613,048	\$ 9,499,647	\$ 10,200,962

[^] Marine Protection and Education was added to Recreation & Senior Services in FY 2011-12.

* Irvine Ranch Conservancy Contract added in FY 2012-13.

Programs

Administration Division

Intended Outcome: Provide leadership and administrative support to the RSS divisions throughout all phases of executing the Department’s mission and strategic goals.



Core Functions:

- Executive leadership and direction
- Policy development and guidance
- Liaison to City Council and Parks, Beaches & Recreation Commission
- Marketing
- Budget development and management
- Financial and statistical analysis
- Payroll processing
- Personnel facilitation
- Contract management
- Invoice processing
- ActiveNet system administration
- Interdepartmental and intradepartmental collaboration

Work Plan:

- Provide ongoing leadership and direction for the RSS Department, to ensure quality execution of department goals.
- Lead marketing efforts department-wide, including publication of the Newport Navigator brochure on a quarterly basis.
- Prepare, facilitate, and monitor the annual budget; maintain the budget tracking model.
- Perform financial analysis and audits to support staff in implementing department goals.
- Manage contractual services and contract record keeping processes; coordinate with City Attorney’s office to ensure proper contract execution.
- Process payroll bimonthly; track personnel data and coordinate personnel changes.
- Maintain active communication with ActiveNet, the provider of the RSS program registration system, to ensure a smooth registration process for the community.
- Continue to efficiently manage front office operations, providing quality internal support services and quality customer service to the community.
- Process and track invoices on a timely basis.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Administrative Assistant	1.0	1.0	1.0	1.0
Budget Analyst	-	0.5	0.5	0.5
Budget Intern	0.5	-	-	-
Marketing Specialist	1.0	1.0	1.0	1.0
Recreation & Senior Services Director	1.0	1.0	1.0	1.0
Total Full-Time	3.5	3.5	3.5	3.5
<u>Part-Time</u>				
Senior Fiscal Clerk Part-time	0.5	0.5	0.5	0.5
Total Part-Time	0.5	0.5	0.5	0.5
Total Budgeted Staffing	4.0	4.0	4.0	4.0

Total Administration Program Costs:

	<u>2011-12</u>	<u>2012-13*</u>	<u>2013-14</u>	<u>2014-15</u>
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 479,990	\$ 534,907	\$ 565,645	\$ 593,107
Maintenance and Operations	\$ 240,220	\$ 403,148	\$ 439,452	\$ 451,591
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Total	\$ 720,210	\$ 938,055	\$ 1,005,097	\$ 1,044,698

* Irvine Ranch Conservancy Contract added in FY 2012-13.

Recreation Division

Intended Outcome: Provide programs and facilities for the community that enrich citizens' lives, improve their health, and enhance community safety.

Core Functions:

- Provide staffing support to City Council and the Parks, Beaches & Recreation Commission on a variety of recreational and community use issues
- Allocate and patrol use of 64 parks and 11 facilities
- Provide a wide variety of high quality programming for youth and adults
- Develop and conduct programs in support of environmental awareness
- Maintain and operate nine community centers
- Develop future community facilities
- Maintain citywide sports courts, ball fields, and tot lots
- Manage special event permits
- Provide community support

Work Plan:

- Continue to develop a wide variety of recreational and social programs that address the needs of tots, youth, and adults in the Newport Beach community.
- Collaborate with over 100 independent contractors to ensure high quality class instruction and programs year-round, focusing on expanding program offerings at Newport Coast and Carroll Beek Community Centers.
- Manage the City adult sports leagues, focusing on expanding softball and basketball participation; expand offerings with contracted Volleyball and Sand Soccer leagues as well as Pickleball programming.
- Maintain a well trained staff to efficiently operate the aquatics program, preschool and after-school programs, youth recreational sports programs, and summer day camps.
- Manage the sports field allocation program in collaboration with the Youth Sport Commission members, such as Youth Soccer and Little League, serving over 6,000 youth annually through this program.
- Finalize the Traveling Tidepool Outreach Program to educate the community about the Crystal Cove Marine Protected Area; implement full schedule of Traveling Tidepool school tours for the FY 2014-15 school year.
- Manage the Marine Protection and Education program, educating residents and visitors on how best to explore and protect natural land and marine habitats.
- Develop staffing, partnership, and program plan for Marina Park operations.
- Process over 2,600 reservation requests each year, for rentals of picnic areas, fields, gyms, and meeting rooms.
- Maintain reserves to replace or mitigate the accelerated aging of recreational equipment and facilities utilized.
- Monitor and maintain playground equipment, play surfaces, backstops, and courts for over 30 playgrounds throughout the city.
- Maintain adequate Park Patrol units throughout the city to ensure parks, open spaces, and facilities remain safe environments for the community to enjoy; enforce City ordinances pertaining to open spaces, including managing the new regulations on fire rings.
- Process over 250 special events permits annually for both large and small scale events.
- Sponsor special events and community programs, including the Corona del Mar Scenic 5k and the Mariners and Balboa Peninsula Independence Day Parades and Picnics, Camp Expo, Youth Track Meet, Breakfast with Santa, and increased neighborhood based events.
- Collaborate with community partners and agencies to provide facilities and programming for the community. These groups include the Newport-Mesa Unified School District, Irvine Ranch Conservancy, Boys & Girls Club, U.S. Fish and Wildlife, Newport Theatre Arts Center, Newport Aquatic Center, academic institutions, and environmental non-governmental organizations.



Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Department Assistant	2.0	1.0	1.0	1.0
Deputy Rec & Sr Svcs Director	-	-	-	1.0
Facilities Maintenance Worker II	2.0	2.0	2.0	2.0
Groundswoker II	2.0	2.0	2.0	2.0
Lead Park Patrol Officer	1.0	1.0	1.0	1.0
Marine Protection & Education Supervisor	1.0	1.0	1.0	1.0
Office Assistant	-	-	2.0	2.0
Park Patrol Officer	-	-	-	1.0
Recreation Coordinator	-	3.0	5.0	5.0
Recreation Manager	2.0	2.0	2.0	2.0
Recreation Superintendent	1.0	1.0	1.0	0.0
Recreation Supervisor	5.0	5.0	5.0	5.0
Total Full-Time	16.0	18.0	22.0	23.0
<u>Part-Time</u>				
Assistant Part-Time Recreation Coordinator	3.52	1.76	0.50	0.50
Marine Naturalist Interpreter Part-time	1.5	1.95	2.35	2.60
Office Assistant Part-time	3.2	2.57	0.88	0.88
Park Patrol Officer	1.75	1.75	1.75	2.57
Pool Lifeguard	0.01	-	-	-
Pool Swim Instructor	3.59	3.18	3.18	3.18
Pool Swim Instructor Trainee	0.39	-	-	-
Recreation Clerk	0.01	-	-	-
Recreation Leader	8.13	8.75	9.35	12.04
Senior Pool Lifeguard	0.96	1.52	1.52	1.52
Senior Recreation Leader I	4.74	5.3	5.55	5.70
Total Part-Time	27.80	26.78	25.08	28.99
Total Budgeted Staffing	43.80	44.78	47.08	51.99

Total Recreation Program Costs:

	2011-12*	2012-13	2013-14	2014-15
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 2,753,475	\$ 2,907,301	\$ 3,302,413	\$ 3,544,286
Maintenance and Operations	\$ 2,793,753	\$ 2,639,158	\$ 2,823,632	\$ 3,002,174
Capital Equipment	\$ 6,652	\$ 9,476	\$ 17,950	\$ 88,750
Total	\$ 5,553,880	\$ 5,555,935	\$ 6,143,995	\$ 6,635,210

* Tidepools was added to Recreation and Senior Services in FY 2011-12.

Senior Services Division

Intended Outcome: Ensure that senior citizens of Newport Beach are able to live a healthy and active lifestyles by providing services that assist them in their daily living and activities that enhance their lives.

Core Functions:

- Maintain and operate the OASIS Senior Center
- Provide a wide variety of recreational and educational services for seniors
- Provide help and assistance to those who are struggling with aging issues
- Provide information on health and social aging issues
- Operate a full service fitness center for the 50 plus population
- Administer facility rentals at the OASIS Senior Center for private and community functions
- Provide transportation services to and from the Center and medical appointments

Work Plan:

- Continue to develop a wide variety of recreational, social, and human service programs that address the needs of seniors in the Newport Beach community.
- Partner with the Friends of OASIS nonprofit organization in providing volunteer assistance to the Center and monetary support for programs. The Friends of OASIS membership continues to grow to 6,500 at its peak.
- Collaborate with a multitude of community organizations to enhance programming and services. These organizations include: Age Well, OC Department of Health, University of California at Irvine, Hoag Memorial Hospital Presbyterian, Braille Institute, Orange County Council on Aging, and the Orange County Transit Authority.
- Maintain and utilize reserves to replace or mitigate the accelerated aging of the OASIS equipment and facilities.



- Continue to market the OASIS Fitness Center to ensure optimum usage of the facility.
- Support continuing education for staff to better understand how to serve the senior community. Staff includes professionals in the fields of Gerontology, Administration, Recreation, Transportation, and Health & Fitness.
- Actively seek out and consider customer feedback when developing program offerings; encourage customer participation in the development process.
- Consider programming impact on parking when scheduling classes to enable maximum parking availability for participants throughout the day.
- Expand classes, activities and services into the evening hours to accommodate working adults.
- Expand our health and wellness programs to address the growing aging population and their ability to stay active for a longer period in life.
- Expand our case management programs to be able to provide help to the growing older population who are aging in place.

Budgeted Staffing:

Positions	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<u>Full-Time</u>				
Department Assistant	1.0	1.0	1.0	1.0
Facilities Maintenance Worker II	1.0	1.0	1.0	1.0
Recreation Coordinator	1.0	1.0	1.0	1.0
Recreation Supervisor	3.0	3.0	3.0	3.0
Senior Services Manager	1.0	1.0	1.0	1.0
Senior Services Van Driver	4.0	4.0	4.0	4.0
Total Full-Time	11.0	11.0	11.0	11.0
<u>Part-Time</u>				
Assistant Recreation Coordinator Part-time	0.75	0.88	0.88	0.88
Office Assistant Part-time	0.75	0.75	0.75	0.88
Recreation Leader OASIS	2.91	2.91	2.91	3.43
Senior Recreation Leader I	1.84	1.84	1.84	1.84
Senior Services Van Driver Part-time	0.5	0.5	0.5	0.9
Total Part-Time	6.75	6.88	6.88	7.93
Total Staffing	17.75	17.88	17.88	18.93

Total Senior Services Program Costs:

	2011-12	2012-13	2013-14	2014-15
	Actual	Actual	Estimated	Proposed
Salaries and Benefits	\$ 1,290,721	\$ 1,309,978	\$ 1,399,800	\$ 1,515,159
Maintenance and Operations	\$ 786,704	\$ 803,406	\$ 942,400	\$ 996,395
Capital Equipment	\$ 6,243	\$ 5,672	\$ 8,354	\$ 9,500
Total	\$ 2,083,668	\$ 2,119,056	\$ 2,350,554	\$ 2,521,054

OTHER BUDGETS



Description of Internal Services

The City continues to provide for the financing of certain functions through the use of Internal Service Funds (ISF). The purpose of these funds is to facilitate the management of some types of expenditures on a centralized, as opposed to decentralized (by department) basis, without losing the visibility of each Department's share of the overall cost. Each Department has been required to budget for the cost of these functions at a pre-determined rate, as opposed to attempting to project actual costs at the Department level, which would be required if there was no ISF mechanism. Funds are then collected from each Department at the pre-determined rate by the Internal Service Fund during the course of the year. All actual expenditures for the function in question (for the City as a whole) are then made from the Internal Service Fund. The City has established five Internal Service Funds – Insurance Reserve Fund, Retiree Medical Insurance Fund, Compensated Absences Fund, Equipment Maintenance and Replacement Fund, and an Information Technology Fund.

Insurance Reserve Fund. The Insurance Reserve Fund is used to pay all Workers' Compensation and General Liability expenses of the City. This includes insurance premiums, consultant fees, medical expenses, contract attorney costs, payments for judgments and settlements, and all other expenses connected with this function. The amounts paid into this Fund by the individual Departments vary. Each Department's budget base for Liability expenses was established by examining a ten-year history of claims and determining each Department's appropriate share, based on the nature of the claims themselves. That share was then used to establish each Department's percentage of the funding being set aside in the Insurance Reserve Fund for anticipated Liability expenses this year, and to address at least part of any reserve deficiencies. This year's contribution by departments, which constitutes revenue to the ISF, is projected to be \$3,068,231. This should constitute sufficient resources to fund short term expenditures and accumulate resources to pay long-term claims.

Each Department's share of the City's anticipated Workers' Compensation expenses was determined by an analysis of claims history by labor class in Newport Beach as compared to the same information for the State as a whole. Based on this data, appropriate rates were established for each labor class in the City. These rates were then used to determine the budget base needed in each Department to accumulate the total anticipated Insurance Reserve Fund requirement to pay all Workers' Compensation claims and related expenses for this budget year (approximately \$2,791,150).

Retiree Medical Insurance Fund . In January 2006, the City implemented a new defined contribution Retiree Medical Insurance Fund in place of the prior defined benefit program, which will ultimately reduce the City's long-term liability for this program. The transition to the new program will take an estimated twenty years or more to fully implement, but our operating expenses will eventually be capped as we will only need to fund contributions for current employees and the City's unfunded liability will be zero. The contribution amount is based on a formula currently provided for in the Memorandum of Understanding between the City and the employees. This year, the City's cost for contributions for eligible full-time employees is projected to be \$598,226.

Compensated Absences Fund. Departmental payments into the Compensated Absences Internal Service Fund are based on a percentage of salary. That percentage is set at a level which will accumulate a sufficient monetary base within the fund to accommodate current year expenses. This year's contribution level is 3.5% of salary resulting in a budgeted amount of \$2,297,447. Any amounts collected in excess of the annual expense, reduce the long-term unfunded liability in this fund.

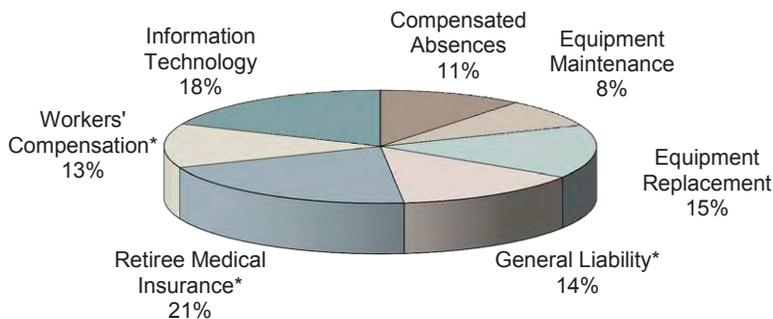
Equipment Maintenance and Replacement Fund. The Equipment Maintenance and Replacement Fund is used to provide funding for the maintenance of almost all of the City’s fleet of Rolling Equipment, and to accumulate funds for the eventual replacement of that equipment. Based on the City’s maintenance experience, anticipated equipment life span, and projected replacement costs, rates were established for each class and type of equipment. These rates function much like vehicle rental rates from the perspective of the using Departments.

Funds for replacement and for maintenance remain segregated. Maintenance funds are used to fully fund the Municipal Operations Equipment Maintenance Division, including the Auto Parts Warehouse, and certain other Municipal Operations Department overhead expenses which are directly attributable to rolling equipment maintenance, but are contained in the budgets of other divisions. Each Department Budget unit’s share of this cost, based on the equipment it has in service, is contained on line 8022 of the respective M&O budget sheets. The FY 2014-15 contributions total \$1,759,963. The Police Department has their own equipment replacement and maintenance program including a Police Fleet Maintenance Division.

Recommendations for rolling stock replacement are made by each Department to the City Manager through the Municipal Operations Director. The City Manager then includes his final recommendation for Equipment Replacement action to the City Council as part of the annual budget submission. Money accumulated in the Equipment Replacement portion of this Fund can only be used for equipment replacement unless specifically reprogrammed by the City Manager. Each Department Budget unit’s “contributions” to this fund, based on the equipment it has in service, can be found on line 8024 of the respective M&O budget sheets. The FY 2014-15 vehicle replacement contributions total \$3,293,103.

Information Technology Fund. The City redefined the IT services department in FY 2011-12. All IT staff and budgets were centralized within the City Manager’s Office in order to allow for a City-wide vision and shared implementation process that serves all City departments in a coordinated manner. As part of this new structure all IT budgets were consolidated within the centralized IT department using an Internal Service Fund model. The Departmental payments into the Information Technology Internal Service Fund are based on the number of computers and required technological support. That contribution amount is set at a level which will accumulate a sufficient monetary base within the fund to accommodate current year expenses. This year’s contribution level is \$4,002,150. Any amounts collected in excess of the annual expense, reduce the long-term unfunded liability in this fund.

For Fiscal Year 2014-15, City expenditures from Internal Service Funds are projected as follows:



*Includes legal services, insurance premiums, contract administration, claims & settlements, and payments to providers of medical service.

Debt Services and Other Activities

Most of the City budget is dedicated to a one-year operating plan for each department. However, certain budgetary components do not fit within this definition.

Capital Improvement Projects (CIP) and Debt Service expenditures benefit more than one operating period. Since CIPs may have significant useful lives, expenditures are deemed to benefit both the current and future operating periods while Debt Service expenditures are deemed to benefit current, future, and past operating periods. An entire section of the budget document is dedicated to CIP expenditures; however Debt Service expenditures can be adequately covered within this section.

Some proposed expenditures in the budget only benefit the current operating period but do not readily fit within the operating plan of any one department and/or its funding source cannot be relied upon to fund routine department operations. For lack of a more descriptive term, we often refer to non-departmental expenditures of this nature as other activities.

Debt Service Expenditures

Since the City does not issue debt instruments to finance operating activities, Debt Service Expenditures are the result of capital financing ventures. There are two principal reasons why debt instruments are issued. The first circumstance is when the cash flow for the construction or purchase of a long-term asset would cause a significant strain on the City's cash flow and the asset to be financed will benefit many service periods. In no instance would the City select the duration of a given debt instrument to extend beyond the expected life of the asset financed. The second scenario arises when an asset to be purchased may not cause a significant cash flow strain but it would be economically advantageous to finance the asset rather than to purchase it outright (e.g. occasionally the City can borrow money at a lower rate than its investment portfolio is earning).

Civic Center COP Series A

In Fiscal Year 2010-2011, the City issued \$20,085,000 of Series 2010A (Tax Exempt) and \$106,575,000 of Series 2010B (Federally Taxable Direct Pay Build America Bonds) Certificates of Participation. The 2010A Certificates were issued to prepay the \$3,990,000 principal outstanding on the 1998 Library Certificates of Participation. The refunding was undertaken to reduce total debt service payments over a nine-year period by \$1,084,556 and resulted in a net present value savings of \$429,500. Accordingly, the 1998 Library Certificates have been defeased pursuant to the defeasance provisions of the 1998 Trust Agreement. The remaining proceeds from the Series 2010A Certificates are to be used to finance the acquisition, improvement and equipping of the Civic Center Project. The Series 2010B Certificates were issued to provide additional financing for the Civic Center Project. The proceeds of the Certificates will also be applied to pay certain costs of issuance incurred in connection with the Certificates.

The lease payments made by the City are held by a trustee who makes semi-annual payments on the Certificates of Participation. The lease payments began January 1, 2011, and are in amounts sufficient to cover the payment of principal and interest of the Certificates. Interest on the Certificates is payable semiannually on January 1 and July 1 of each year. The City has designated the Series 2010B Certificates as "Build America Bonds" (BABs) under the provisions of the American Recovery and Reinvestment Act of 2009. Thus, the City expects to receive periodic payments from the United States Treasury equal to 35% of the interest payable on the 2010B Certificates. Principal payments are payable annually on July 1 of each year. Future principal payments for the Series 2010A, which commence July 1, 2011 and continue through July 1, 2019, range from \$410,000 to \$3,185,000. The future principal payments for the Series 2010B Certificates, which commence July 1, 2018 and are payable through July 1, 2040, range from \$2,900,000 to \$7,245,000. The Series A Certificates outstanding at June 30, 2014, amounted to \$12,795,000 and the Series B Certificates outstanding at June 30, 2014, amounted to \$106,575,000.

Office Equipment Leases

The City occasionally enters into lease-purchase agreements to finance the acquisition of copiers, computers, telecommunications or other office equipment and upgrades. The terms of the leases normally range from three to five years and are typically payable monthly. Currently there are no outstanding leases of this nature. Debt of this nature is serviced by whichever fund derives the benefit of the equipment. In most circumstances the General Fund enjoys the benefit of office equipment purchases of this type and would therefore service this debt.

Rolling Stock Leases

Most City vehicle purchases do present a cash flow challenge and are therefore purchased outright except when financially advantageous conditions exist. However, the City does own and operate some rolling stock including fire engines, ladder trucks, vactor trucks and other heavy equipment that can be several hundred thousand dollars per vehicle. These items are periodically financed through lease-purchase agreements, but at this time we have no lease-purchase agreements.

Newport Coast Special Assessment District Relief

Because the Newport Coast area was not incorporated into the City limits when much of the public improvements that serve this area were constructed, the improvements were financed by private property special assessments. Had the Newport Coast area been incorporated within the City limits at the time the improvements were constructed, the City would have likely participated in funding much of the public improvements. Before this area was officially annexed into the City limits, the City entered into a pre-annexation agreement with the Newport Coast Committee of 2000 where the City agreed to reimburse residents and thereby reduce the cost of certain private property special assessments. As a part of the pre-annexation agreement, the Irvine Ranch Water District (IRWD) transferred \$25 million to the City in exchange for the right to continue to provide water utility service to this area. With this \$25 million from IRWD, the City dedicated \$7 million toward the construction of the Newport Coast Community Center which opened in 2007 and will reduce the special assessment levies by \$1.2 million a year for 15 years. At June 30, 2014, \$3,600,000 was outstanding.

Community Development Block Grant (CDBG) Loan

The CDBG program is a federal revenue source that is restricted to programs and projects that benefit low and moderate income areas. In August of 2002, the City was granted a \$2.4 million loan that is secured and will be repaid by future block grant allocations to partially finance the Balboa Village improvements. Commonly known as a "Section 108 Loan," this loan will be repaid over 20 years in \$215,000 installments. As of June 30, 2014, the outstanding balance of this loan was \$1,462,000.

Debt Service Estimates 2014-15

	Original Issuance	Balance 06/30/2015	2015			Year of Final Payment
			Total Payments	Interest	Principal Paid to Date	
Pre-Annexation Agreement	18,000,000	2,400,000	1,200,000	-	15,600,000	2017
2010 Civic Center COP Series A	20,085,000	9,940,000	3,340,800	400,800	10,145,000	2041
2010 Civic Center COP Series B*	106,575,000	106,575,000	7,243,417	7,243,417	-	2041
Section 108 Loan	2,400,000	1,339,000	205,315	82,315	1,061,000	2024
Total Debt Service	147,060,000	120,254,000	11,989,532	7,726,532	26,806,000	
2010 Civic Center COP Series B BAB Subsidy*	-	-	(2,352,662)	(2,352,662)	-	2041
Total Debt Service w/ BAB Subsidy	147,060,000	120,254,000	9,636,870	5,373,870	26,806,000	

*The City is required to budget the 2010 Civic Center COP Series B debt service at the gross amount. However, we expect to receive \$2,352,662 of Federal BAB Subsidy, thus reducing our total debt service.

The City's Pension Obligations

In Fiscal Year 2014-15, the City will continue on a path towards successfully addressing rising pension costs. The City's unfunded liability as of June 30, 2012 (the "date of value" for our most up to date actuarial valuation from the California Public Employees Retirement System or "PERS") is \$275 million on a market value basis. Beginning in FY 2014-15, the City's "net pension liability" must be posted to the City's Government-wide balance sheet per Governmental Accounting Standards Board (GASB) Statement 68.

Pension Assets and Liabilities. Again, as of June 30, 2012, the market value of the City's pension assets and liabilities is as follows:

City of Newport Beach's PERS Plan	June 30, 2011	June 30, 2012
Funded Portion of Plan (Market Value Basis)	\$467,000,000	\$452,000,000
Unfunded Portion of Plan (Market Value Basis)	\$226,000,000	\$275,000,000

Annual PERS Cost. The City's annual payments to PERS have risen significantly over time, as has the amount contributed to the Plan by city employees, as shown here:

Annual Payments to PERS	FY 11-12	FY 12-13	FY 13-14	FY 14-15 (est)
by City	\$18,000,000	\$18,150,000	\$19,440,000	\$20,000,000
by Employees	\$3,550,000	\$4,700,000	\$6,060,000	\$7,400,000
<i>Total Payments</i>	\$21,550,000	\$22,850,000	\$25,500,000	\$27,400,000

Other actions taken in recent years by the City Council include:

- Establishing lower benefit formulas for newer hires. These are:
 - ❖ New staff coming from other agencies with PERS reciprocity can retire at:
 - ♦ Age 60 with 2% of salary for each year's service (all non-Safety)
 - ♦ Age 50 with 2% of salary for each year's service (Fire)
 - ♦ Age 55 with 3% of salary for each year's service (Police)
 - ❖ New staff coming in with no prior service in an agency with PERS reciprocity:
 - ♦ Age 62 with 2% of salary for each year's service (all non-Safety)
 - ♦ Age 57 with 2.7% of salary for each year's service (Fire and Police)
- Eliminating the Employer-Paid Member Contribution (EPMC). This practice previously allowed cities to pay both the city's expected contribution to PERS and the contribution that PERS indicates that employees (the "members") should pay. Many cities paid some or all of their employees' share, as did Newport Beach. Over the last 3-4 years, this practice has ended following negotiations with employee associations.
- Having employees pay more for their own pensions. Most employees in Newport Beach pay not only the member contribution, but some of the employer's contribution – this leads to many employees paying 10.9% of salary towards PERS (increasing to 12.35% in July 2015). Others pay between 8% and 12.8% of their salary. In 2014-15, the City's employees on average will be paying over half of the "Normal Cost" of their pensions – a goal that California's Governor set for 2018. The

normal cost is the amount that must be set aside now for pension benefits that have accrued for the current workforce in the current year. It is less than the total cost of pensions, which includes the cost of eliminating any unfunded liability associated with prior fiscal periods

- Reducing the overall amount of staff at the City (from 833 full-time positions in FY 2009-10 to 727 as proposed in this budget). This does not affect the unfunded liability but it can stop additional liability from accruing.
- Adopting a Fixed Amortization Schedule to Eliminate the Unfunded Liability (referred to as a “Fresh Start”). This means that the City will invest more dollars earlier to fully fund the unfunded portion of the pension plan by a date certain. For the plan that covers non-safety employees, that date is 21 years from now. For the safety plan, it’s 25 years from now. Increased contributions related to Council’s decision to implement the Fresh Start are anticipated to be \$72.2 million over 30 years while reducing the unfunded liability by approximately \$185.7 million and avoiding \$113 million in increased interest.

Q: Does it make sense to pay even more to PERS now if the City has cash available?

A: It can, but there are market risks and opportunity costs which need to be considered. First, the unfunded liability accrues interest, currently at a rate of 7.5% per year. The City can avoid a significant amount of interest annually with the caveat and understanding that deposits with PERS are subject to market fluctuation, both the good and the bad kind. Therefore, any deposits should be made over time to reduce the City’s exposure to market volatility on any one day. At the same time, the use of available cash for early PERS payments has an opportunity cost locally – other projects and programs may not be funded because of the PERS early payment. Once funds are deposited in the trust, they cannot be returned to the City for any reason. Therefore a balanced approach regarding the amount and timing of the deposits should be sensible.

Q: Can’t the City move to a 401(k) Plan instead of a defined benefit plan?

A: Right now, no. We can only offer the plans that PERS itself offers for full-time staff.

Threats and Opportunities

In the coming years, these variables can affect payment of the unfunded liability:

- The discount rate used by PERS to calculate asset growth (currently 7.5% per year) continues to be evaluated. If too high, the unfunded liability is understated.
- The expected lifespan of our retirees – and the expected age at which they may choose to retire – may not be accurately determined. If people retire earlier and/or live longer in retirement, the unfunded liability is understated. PERS conducts regular “Mortality Studies” to determine whether their estimates match reality.
- Reform at the State level in 2012 was helpful for new hires. Further reform, if passed by the Legislature or voters, that allowed localities to negotiate reductions in benefits for current employees, could significantly improve cities’ pension statuses.
- PERS’ own rules could be more helpful as well, if PERS gave cities more leeway to compensate employees today that did not increase the employees’ retirement benefits. Today, such “non-PERSable” compensation is generally limited to overtime, one-time bonuses, contributions towards the purchase of health care, car and phone allowances, tuition reimbursement, and a few more.

The City's efforts to reduce future liabilities by selective outsourcing can be hampered by PERS' and others' rules regarding whether an outsourced provider is serving the City as truly a contractor versus a de facto employee.

- Rules which make Industrial Disability Retirements (IDRs) easier to file can open the door to individual cases of abuse. Each IDR from a Safety employee – especially one who must retire earlier in his or her career – can have a dramatic affect on the City's overall pension cost.

A Word about OPEB

This discussion does not include Other Post-Employment Benefits (OPEB) and the City's assets and liabilities associated with these benefits, which primarily center around promises to provide access to health care after retirement, generally via a stipend and an ability to purchase health, dental, and vision insurance through a City plan. The City made significant progress in reducing its OPEB liabilities in 2005-06 when it moved from a defined benefit OPEB plan to a defined contribution plan (called the Retiree Health Savings or RHS by city employees). For more information about the MERP and OPEB, please contact Finance Director Dan Matusiewicz at 949.644.3123 or see the "Notes to the Financial Statements" in the City's Comprehensive Annual Financial Statement (CAFR) at www.newportbeachca.gov/CAFR.

Other Activities

Asset Forfeiture Funds

Funds derived from the City's participatory share of State and Federal assets seizures are accounted for separately from other funds due to special restrictions placed on the use of these proceeds. These funds can only be used to supplement but not subsidize law enforcement activities. Therefore, this funding source is not used to fund regular departmental operations. Asset Forfeiture expenditures in fiscal year 2014-15 will be utilized for crime prevention efforts, crime suppression operations and equipment and to supplement Police Department technology and equipment needs.

Office of Traffic Safety DUI Grant (OTS)

The City received grant awards from the Office of Traffic Safety to provide federal funding for the Selective Traffic Enforcement Program and Sobriety Checkpoints. Grant funds are to be used for sobriety checkpoints, DUI saturation patrols, motorcycle safety enforcement, warrant service operations, court sting operations, and traffic enforcement and distracted driving operations. The grant stipulates funds are to be segregated from departmental operations.

Air Quality Management District Funds (AQMD)

State Assembly Bill 2766 provides cities with a modest annual budget to encourage the reduction of air emissions. The City uses its AQMD funds to support the employee rideshare program and to subsidize the cost of the electric vehicles used to supply City services.

Ackerman Donation

The Ackerman Fund is a permanent endowment for which the interest earned is to be used to purchase high tech library equipment and to fund a City administered scholarship program. The fund was created when the Carl Ackerman Family Trust donated some commercial property to the City in 1992. At that time the property was subject to a 15-year lease. The lease proceeds were split with the City receiving 40 percent and the University of California, Irvine Foundation receiving 60 percent. Included in the lease was an option for the lessee to purchase the property. In August 2003, the lessee exercised the option to purchase in the amount of \$1,940,000. The sale proceeds were subject to the same City/Foundation split and the City's lump sum payment was the basis for the permanent endowment.

Environmental Liability Fund

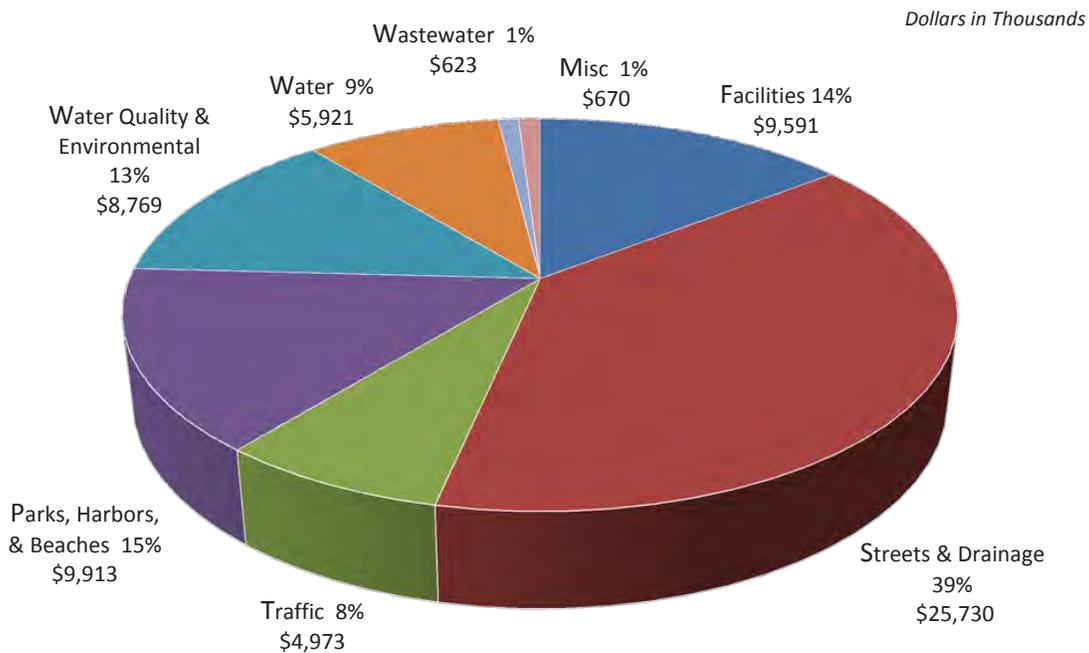
As part of the City's franchise agreements with commercial solid waste haulers, the City collects 5.50 percent of their gross receipts that are set aside to defray the cost of any legal or environmental costs that might arise connected with the collecting, hauling and dumping of waste originating within the City. These funds are used to provide the City with environmental liability insurance and to conduct waste related environmental assessments.

Capital Improvement Program

The City of Newport Beach Capital Improvement Program (CIP) serves as a plan for the provision of public improvements, special projects, on-going maintenance programs, and the implementation of the City's master plans. Projects in the CIP include improvements and major maintenance on arterial highways, local streets, and alleys; storm drain and water quality improvements; harbor, bay, pier, and beach improvements; park and facility improvements; water and wastewater system improvements; transportation safety and traffic signal improvements; and planning programs and studies.

The adopted FY 2014-15 CIP budget consists of nearly \$41.2 million in new appropriations and about \$24.9 million in rebudgeted funds carried forward from the prior fiscal year for a total proposed budget of \$66,190,668. Major funding initiatives include neighborhood revitalization projects, park improvements, road and pavement rehabilitations, transportation upgrades, and water quality and environmental improvements. Significant work continues this fiscal year on major facilities projects such as Marina Park, Sunset Ridge Park, and rehabilitation of fire stations.

*FY 14-15 Adopted CIP Budget by Category
\$66,190,668 (total)*



Projects are organized by primary function or benefit into one of the following categories: Facilities; Streets and Drainage; Traffic; Parks, Harbors and Beaches; Water Quality and Environmental; Water; Wastewater; and Miscellaneous. The development of the proposed CIP is aimed to meet City Council priorities and master plan requirements. Essential projects are prioritized and summarized by available funds and are presented to the public and to the City Council for consideration at several public meetings prior to approval.

Highlights of the adopted CIP budget for FY 2014-15 are presented by category as follows:

Facilities

Projects organized under Facilities include construction, rehabilitation, and repair of City buildings and facilities. Major projects within this category approximate \$9.6 million and include:

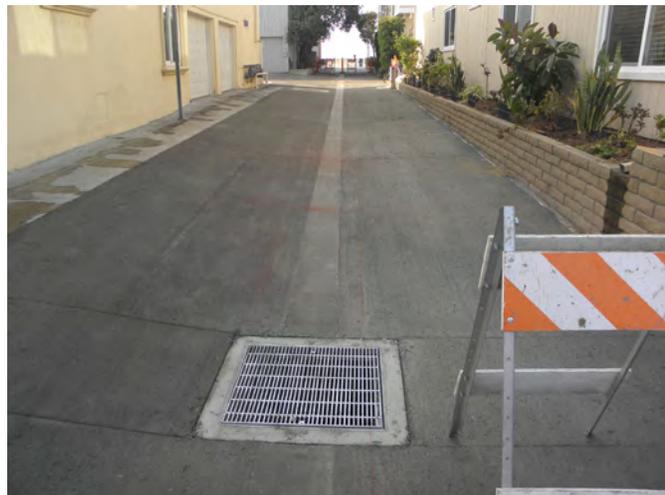
- Big Canyon Reservoir Auxiliary Maintenance Yard
- Facilities Maintenance Master Plan
- Fire station replacements
- Library building replacement design
- Lifeguard Headquarters rehabilitation
- West Newport Community Center design



Streets and Drainage

Projects organized under Streets and Drainage include construction, rehabilitation, and repair of City roads, alleys, medians, bridges, sidewalks, streetlights, slopes, and tide structures. Projects within this category exceed \$25.7 million and major highlights include:

- Arterial streets and highway modifications
- Landscaping and other streetscape enhancements
- Park Avenue Bridge over Grand Canal replacement
- Sidewalk, curb, and gutter and ADA improvements
- Slurry seal program
- Storm drain improvements
- Street and alley construction and rehabilitation
- Streetlight replacement program



Traffic

Projects organized under Traffic include traffic signal system maintenance and improvements, neighborhood traffic management, pedestrian improvements, and signage. Projects within this category approximate \$5 million and major highlights include:

- Bike lane projects
- East Coast Highway traffic signal rehabilitation
- Mariners Mile street configuration and land use review
- Pedestrian crossings and intersection improvements at Superior and Pacific Coast Highway
- Traffic signal modernization
- Traffic signal rehabilitation, equipment maintenance, and modeling
- Traffic signage, striping, and parking lot improvements



Parks, Harbors, and Beaches

Projects organized under Parks, Harbors, and Beaches include improvements or repairs to the City's parks, harbors, docks, wharfs, piers, and beaches. Projects within this category exceed \$9.9 million and major highlights include:

- Park improvements – Sunset Ridge Park, Sunset View Park, Marina Park, Back Bay View Park, Lower Castaways Park, San Joaquin Hills Park Pickleball Court, Spyglass Hill Park, tot lot resurfacings at various locations, and synthetic turf replacement at Bonita Creek Park
- Harbor and Tidelands maintenance projects – Harbor piers maintenance, ocean piers maintenance, eelgrass surveys, bay beach sand management and minor dredging, bulkhead repairs and sealing, mooring field realignment, tidegate retrofit and upgrades
- Harbor and Tidelands Capital Projects – Public docks, Balboa Island seawalls design

Water Quality and Environmental

Projects organized under Water Quality and Environmental include studies, improvements, and programs that benefit the City's natural resources. Projects within this category exceed \$8.7 million and major highlights include:

- Bayview Heights drainage and runoff treatment
- Big Canyon Wash restoration
- Santa Ana Delhi regional project
- Semeniuk Slough dredging
- Storm Drain interceptors and infiltration galleries
- Irrigation controls and runoff reduction

Water and Wastewater

Projects listed as Water and Wastewater improvements are funded from respective service charges and are used for the rehabilitation and expansion of these services. Projects in these categories exceed \$6.5 million and major highlights include:

- Dolphin and Tamura water wells rehabilitation
- Newport Boulevard water main improvements
- Saint James Road sewer relocation
- SCADA system upgrades
- Master Plan Program projects for wastewater mains and water mains

Miscellaneous

Projects listed as Miscellaneous are ones that do not fit into any other category and include capital purchases and special projects with a budget approximating \$670,000. Major highlights include:

- Arts and culture master plan
- Assessment District formation coordination and Rule 20A credit purchase
- Entry arches at Balboa Island and Balboa Village
- Local Coastal Program Plan implementation

Conclusion

The City continues to undertake an ambitious and wide-ranging capital improvement program. The projects, both significant and diverse, serve all areas of the City. It is the City's policy to appropriate sufficient funds for all projects scheduled during the coming budget year. Many of the projects require multiple year terms to complete them. In such cases, only current work, identified to be completed during FY 2014-15, is budgeted and appropriated. Subsequent phases of a project and projects requiring more time or funding are reconsidered at the appropriate time. Future funding estimates are included on some project sheets where known. Our project delivery team of engineers, support staff and consultants are tasked with managing more complex workloads while maintaining high quality standards. Creative project management solutions and alternative delivery methods continue to play a key role in our future success.



APPENDICES



NEWPORT BEACH TIDELANDS AT A GLANCE

OVERVIEW

The City's granted Tidelands consist primarily of the land bayward of the bulkhead, and portions of the bay beaches in the Lower Bay (Coastward of the Upper Bay Bridge). Newport Beach Tidelands also include large portions of our ocean beaches and land covered by the Pacific Ocean from the shoreline, three miles out to sea. Additionally, some areas within the Tidelands were filled in and developed long ago, and these are known as filled Tidelands. The Tidelands within the City are owned by the State of California and overseen by the California State Lands Commission. The City manages and administers the Tidelands illustrated in the map below, on behalf of all of the people of California and subject to specific legislative grants.



Guiding Legislation

The granted Tidelands must be used for purposes consistent with a public trust. Legislation known as the Beacon Bay Bill, adopted in 1978, is the guiding document that outlines how the City is to use and manage Tidelands, as well as, account for revenues and expenditures generated within Tidelands. According to the Bill, Tidelands can only be used for purposes in which there is a general statewide interest. These purposes include establishing, maintaining, improving and operating a public harbor, docks, piers, slips, beaches, marinas, etc.

Additionally, the **Public Trust Doctrine** and the **State Constitution** advise us. The Public Trust Doctrine says that:

...the Legislature has the power to delegate the management responsibility of tidelands and submerged lands to local governments. When it does so, these lands are known as granted lands, and the **grantees that manage them must ensure that they are used in ways that are consistent with the public trust and with any other conditions the Legislature imposes....** (emphasis added)

And the **State Constitution** (Article XVI, Section 6) says that:

...The Legislature shall have no power ...to make any gift or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever.

The City has the power to regulate the use of Tidelands through leases, permits, policies, and ordinances that are consistent with the trust and relevant legislation.

ACCOUNTING FOR TIDELANDS

Revenues

The Beacon Bay Bill requires the City to set up a separate Tidelands trust fund or funds, and mandates that the City deposit into these funds “all moneys received directly from, or indirectly attributable to...” the granted Tidelands in the City. Property income is the primary source of Tidelands revenue, and includes monies collected from leases, parking lots, sale of oil and rents from moorings, residential piers, and commercial marina activity. In Fiscal Year 2014-15, we project that about \$12.67 million in revenue will go to the Tidelands Fund.

Additionally, the City has committed to using revenues generated by certain incremental increases in rental rates for moorings, piers, and leases over designated base years for Harbor related improvements in the Harbor Capital Fund. The following illustration identifies the structure of the City’s Tidelands funds and the allocation of revenue between those funds.

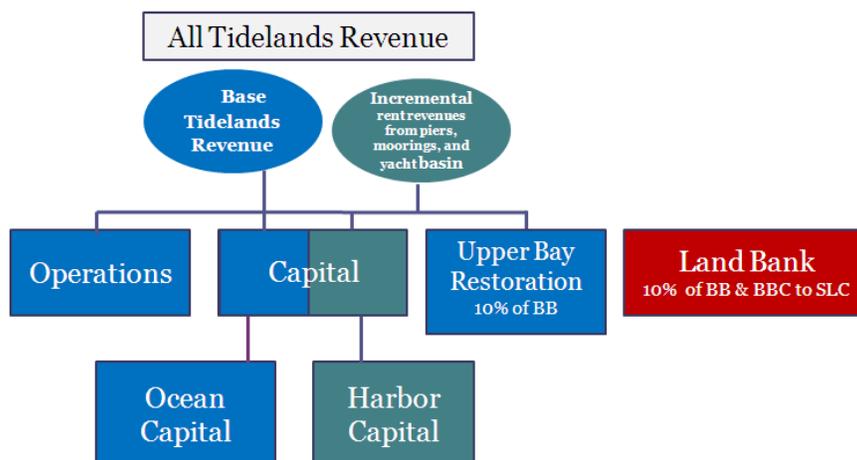
Table 1 shows the top 11 revenue producers to the Tidelands Fund in Fiscal Year 2014-15:

Table 1

Top Tidelands Revenue Producers (FY 14-15)		
Top Tidelands Revenue Producers	Tidelands Operating Fund	Tidelands Capital Fund
Balboa Bay Resort	\$ 3,000,000	
Petroleum Royalties	\$ 2,000,000	
Balboa Pier Parking Lot	\$ 1,557,000	
Offshore Moorings	\$ 623,171	\$ 892,000
Beacon Bay Residences	\$ 1,041,000	
Balboa Yacht Basin	\$ 653,000	\$ 109,470
Oceanfront Parking Meters	\$ 741,326	
Commercial Piers	\$ 295,000	
Residential Piers	\$ 117,800	\$ 112,325
A & B Metered Parking	\$ 205,000	
Onshore Moorings	\$ 69,546	\$ 99,000
Totals =	\$ 11,100,217	\$ 1,572,862

Note: "Total" includes other Tidelands revenues besides the top revenue producers. See p7-8 of Budget Detail.

Tidelands Funds



BB and BBC represents Beacon Bay and Balboa Bay Club respectively.

Expenditures

Generally, the Beacon Bay Bill permits the City to use the revenues accruing from use of the Tidelands for the management, operation, and control of the lands and/or any improvements, betterments, or structures, as well as, for any use that furthers the purposes of the trust. Expenditures are broken into direct costs and indirect costs.

Direct costs are those activities, programs, or functions whose primary purpose wholly or substantially benefit the Tidelands. Examples include Harbor Resources division operating costs, oil and gas generating activities, and capital projects directly benefiting, or located within, the Tidelands.

Indirect costs are City-wide costs for services which are budgeted centrally and support a variety of City activities, programs, and functions. Examples include Police, Fire, and Marine safety services, Public Works Services, Community Services, and General Government administrative services. The City uses an outside contractor to develop the indirect cost allocation plan that identifies and distributes these indirect costs to all operating activities, programs, and functions within the City's organizational structure.

Why allocate Police and Fire/EMS costs to Tidelands? A certain percentage of calls and responses for emergency medical and police services occur on the ocean beaches, which are tidelands. These departments' activities are higher because of beach going visitors. However, of the expenses discussed above for FY 2012-13, the expenses attributable to tidelands are only **4%** and **6%** of the Police Department's and Fire Department's (exclusive of lifeguarding) budgets respectively. Remember, too, that we add in ocean beach parking lot revenue and oceanfront parking meter revenue to the income side of the spreadsheet. Beach parking revenue alone offsets over 70% of the cost of Police and Fire/EMS services to the Tidelands.

How do we know the City is allocating these funds appropriately? We regularly report our expenditure information to the State Lands Commission for review and approval to ensure that we are meeting the obligations of the Beacon Bay Bill – using Tidelands Funds only for Tidelands purposes. For more information, please contact the Finance Department at (949) 644-3127.

Fund Structure

Given the complexity of accounting for Tidelands revenues and expenditures, at this time the City uses a two-fund approach to track and control resources intended for Tidelands purposes.

Operating Fund

The Tidelands Operating fund is used to account for revenues related to the operation of the City’s tidelands, including beaches and marinas, and the related expenditures. Revenue from tideland operations includes, but is not limited to, rents from moorings, piers, and leases, as well as income from parking lots, meters, and the sale of oil.

Historically, the Tidelands Operating fund does not generate sufficient revenue to cover the full cost of operations. Thus, on an annual basis, the City uses general funds in addition to Tidelands revenues to cover all of the tidelands operational expenses.

Harbor Capital Fund

With the adoption of new permit and lease templates and adjusted commercial and noncommercial tidelands rent to fair market value, the Harbor Capital Fund was created to earmark incremental increases from resulting tidelands rent adjustments to finance critical in-Harbor capital improvements, like dredging, marinas, and sea walls. Below is a table outlining recent and projected revenues in the Harbor Capital Fund.

Table 2

Harbor Capital Fund - Revenues						
	FY 11*	FY 12*	FY 13	FY 14**	FY 15**	Totals
Property income						
- Incremental	\$ 234,657	\$ 579,170	\$ 924,508	\$ 2,552,749	\$ 1,572,862	\$ 5,863,946
Contributions						
- from County	-	-	643,081	601,413	-	1,244,494
Totals	\$ 234,657	\$ 579,170	\$ 1,567,589	\$ 3,154,162	\$ 1,572,862	\$ 7,108,440

* Incrementals transferred to Harbor Capital in FY 13

** Projected

The Tidelands Management Committee meets in open public meetings to make recommendations to the City Council on the prioritization and implementation of large infrastructure needs of the harbor through the publicly-available Tidelands Capital Plan.

Harbor dredging has been a major priority to restore the harbor to its optimal state for recreation, commerce, and nature.

Beginning in Fiscal Year 2008-09 the City had an opportunity to complete a long-awaited maintenance dredging project within Newport Bay, and a similar opportunity arose with the long-contaminated Rhine Channel. The timing was critical, as the contaminated sediment within the Harbor and the Rhine needed a special repository – and that repository was at the Port of Long Beach as the Port embarked on a major terminal expansion. To take advantage of the Port’s space for contaminated sediment (where it would be buried and encased in a support structure and secured), the City Council advanced a loan from the General Fund to the Tidelands Harbor Capital Fund. The balance of advance due to the General Fund as of June 30, 2013 was about \$9.7 million. This consists of:

Table 3

Project	Total Advances
Lower Bay Dredging	\$ 5,443,142
Rhine Channel Dredging	\$ 4,202,784
Linda Isle Dredging	\$ 30,730
<i>Total =</i>	<i>\$ 9,676,656</i>

In addition, City Council approved another \$6.1 million in loan advances to the Harbor Capital Fund to cover the cost of developing the marina portion of the Marina Park project at 16th Street on the Peninsula. The advances are to be paid back to the General Fund from incremental revenue increases generated from certain leases, mooring rents, and commercial and residential pier rents, but a repayment schedule has not yet been determined.

Below is a table outlining recent and expected major capital project expenditures in the Harbor Capital Fund.

Table 4

Harbor Capital Fund Project Expenditures					
	FY 12 Actual	FY 13 Actual	FY 14 Projected	FY 15 Budgeted	Totals
Harbor Dredging	\$ 222	\$ -	\$ -	\$ -	\$ 222
Rhine Channel Dredging	4,069,102	124,531	-	9,152	4,202,785
Lower Harbor Dredging	2,779,649	4,112,051	27,524	50,536	6,969,760
Linda Isle Dredging	30,730	-	-	-	30,730
Bulkhead Repairs/Sealing	-	76,544	79,691	66,565	222,800
Marina Park	-	-	2,431,303	3,701,597	6,132,900
Balboa Island Seawalls	-	-	-	650,000	650,000
Balboa Marina Public Pier	-	-	-	48,000	48,000
Central Ave Public Pier	-	-	-	450,000	450,000
Totals	\$ 6,879,703	\$ 4,313,126	\$ 2,538,518	\$ 4,975,850	\$ 18,707,197

Newport Beach is home to approximately 9,900 boats, 1,200 moorings, 2,300 commercial slips and side ties, and 870 residential piers. The City will continue to manage and administer Tidelands in accordance with the appropriate legislation while working with the California State Lands Commission to ensure Newport Harbor continues to be one of the world's premier harbors.

Further detail on City of Newport Beach Tidelands can be found in the Tidelands Financial Report for the year ending June 30, 2013 which can be found at www.newportbeachca.gov/tidelands.

CAPITAL ASSET SCHEDULE

as of June 30, 2013

Description	Year of Acquisition	Historical Cost/ Fair Market Value*
Administration and Services		
City Hall Complex	1930	\$2,347,623
Civic Center	2013	\$120,911,253
Corporate Yard - General Services	1955	\$6,463,840
Safety		
Fire Station #1 - Balboa	1962	\$81,615
Fire Station #2 - Headquarters	1966	\$94,419
Fire Station #3 - Fashion Island	1971	\$888,366
Fire Station #4 - Balboa Island	1994	\$1,420,602
Fire Station #5 - Corona del Mar	1950	\$237,135
Fire Station #6 - Irvine Avenue	1957	\$376,073
Fire Station #7 - Santa Ana Heights	2005	\$11,872,633
Fire Station #8 - Newport Coast	2002	\$1,816,350
Fire Station Diesel Exhaust System	2007	\$47,110
Big Canyon Fire Training Facility	2008	\$917,488
Lifeguard Headquarters	1989	\$556,483
Police Station	1973	\$3,626,878
Libraries		
Balboa	1906	\$223,225
Central	1992	\$17,014,712
Corona del Mar	1958	\$240,465
Mariners	2007	\$6,961,878
Harbors, Beaches, and Recreation		
15th Street Restrooms	1956	\$538,528
19th Street Restrooms	1940	\$2,000
38th Street Park	1925	\$212,988
Arroyo Park	2003	\$17,578,871
Back Bay View Park	2006	\$2,650,000
Bayview Landing Open Space	2008	\$1,989,330
Beach and Harbor Right of Way	various	\$52,705,580
Balboa Community Center	1956	\$156,246
Balboa Island Park	1973	\$162,397
Balboa Beach - Parking Lots and Booth	1986	\$1,619,492
Balboa Pier	1940	\$3,774,489
Balboa Pier - Concession	1982	n/a **
Balboa Pier Restroom	1957	\$250,229
Balboa Theater	1998	\$480,000
Balboa Yacht Basin - Apartments/Garages/Parking	1960	\$150,110
Balboa Yacht Basin - Galley Café	1988	\$44,000
Balboa Yacht Basin - Headquarters/Restrooms	1984	\$158,746

* Any land donated, dedicated or annexed is recorded at fair market value at the time of acquisition.

** Leasehold improvements made by Lessee not valued.

CAPITAL ASSET SCHEDULE

as of June 30, 2013 (cont.)

Description	Year of Acquisition	Historical Cost/ Fair Market Value*
Balboa Yacht Basin - Land	1930	\$1,276,308
Balboa Yacht Basin - Piers and Docks	1984	\$3,079,395
Bayside Park	1926	\$490,865
Bayview Park	1985	\$3,917,422
Begonia Park	1926	\$373,609
Big Canyon - Land	1959	\$9,586,650
Bob Henry Park	1997	\$4,480,305
Bolsa Park	1994	\$99,474
Bonita Canyon Sports Park	2004	\$5,746,983
Bonita Creek Park	2002	\$5,051,170
Boy Scout House	1960	\$2,000
Boys and Girls Club	1971	n/a **
Buck Gully Restrooms	1956	\$13,442
Buffalo Hills Park	1970	\$4,371,663
Bulkheads	various	\$2,130,377
Canyon & Harbor Watch Park	2006	\$850,000
Castaways Park	1997	\$803,052
CDM Beach - Concession	1970	\$30,994
CDM Beach - Parking Lot and Booth	1957	\$5,574,889
CDM Beach - Restrooms	1956	\$54,883
Channel Place Park	1958	\$504,202
Civic Center Parks and Bridge	2013	\$9,859,327
Cliff Drive Park	1917	\$1,186,603
Cliff Drive View Park	1975	\$147,668
Eastbluff Park	1965	\$580,468
Ensign Park	1973	\$804,466
Ferry Landing Restrooms	1962	\$28,917
Galaxy Park	1962	\$255,697
Gateway Park	1999	\$1,014,620
Girl Scout House	1956	\$24,665
Grant Howald Park	1964	\$486,218
Grant Howald Park - Community Youth Center	1988	\$1,944,227
Harbor View Nature Park	1974	\$4,167,542
Inspiration Point	1953	\$16,000
Irvine Terrace Park	1960	\$1,771,254
Jasmine Creek Park	1959	\$48,961
Kings Road Park	1974	\$210,482
L Street Park	1924	\$41,948
Las Arenas Park	1956	\$133,438
Lido Park	1973	\$94,219
Little Corona Restrooms	2010	\$293,455
Lookout Point	1953	\$16,000

* Any land donated, dedicated or annexed is recorded at fair market value at the time of acquisition.

** Leasehold improvements made by Lessee not valued.

CAPITAL ASSET SCHEDULE

as of June 30, 2013 (cont.)

Description	Year of Acquisition	Historical Cost/ Fair Market Value*
Los Trancos Canyon View Park	2006	\$1,280,000
M Street Park	1930	\$12,763
Mariners Park	1957	\$3,335,008
Newport Aquatic Center	1987	n/a **
Newport Coast Community Center	2006	\$15,324,797
Newport Island Park	1938	\$142,024
Newport Pier	1940	\$3,578,311
Newport Pier - Concession	1990	n/a **
Newport Pier - Restrooms	1989	\$305,188
Newport Shores Park	1906	\$57,258
Newport Theater Arts	1973	\$359,002
Newport Village Park	2006	\$2,290,000
Oasis Senior Center	2012	\$16,141,656
Ocean Front Parking Lot	1919	\$302,258
Old School Park	1917	\$24,829
Peninsula Park	1929	\$651,343
Rhine Wharf Park	1974	\$52,620
San Joaquin Hills Park	1965	\$1,162,974
San Miguel Park	1983	\$2,796,293
Santa Ana Heights Mesa Birch Park	2010	\$391,844
Spyglass Hill Park	1970	\$499,239
Spyglass Reservoir Park	1970	\$312,377
Sunset Park	1970	\$311,435
Sunset Ridge Park	2006	\$5,175,000
Veterans Park	1994	\$52,795
Washington Street Restrooms	1935	\$320,946
West Jetty View Park	1917	\$8,276
West Newport Community Center	1988	\$1,200,000
West Newport Park	1972	\$5,664,403
Westcliff Park	1962	\$729,952
Other		
608 E Balboa Parking Lot	2010	\$3,701,190
26th Street Parking Lot	1965	\$85,848
30th Street Parking Lot	1987	\$1,039,429
1499 Monrovia	2013	\$4,308,199
Avocado & San Miguel Parcel	2009	\$440,000
Balboa Bay Club - Land	1918	\$1,049,252
Bayside and Marguerite Parking Lot	1950	\$83,494
Beacon Bay - Land	1919	\$750,103
Birch Street Extension	2013	5,294
Buck Gully	2006	\$17,580,506

* Any land donated, dedicated or annexed is recorded at fair market value at the time of acquisition.

** Leasehold improvements made by Lessee not valued.

CAPITAL ASSET SCHEDULE

as of June 30, 2013 (cont.)

Description	Year of Acquisition	Historical Cost/ Fair Market Value*
Cannery Village Parking Lot	1989	\$1,146,634
John Wayne Gulch	2006	\$3,920,000
Lower Castaways Parcel	2009	\$7,960,000
Mariners Mile Parking Lot	1976	\$642,081
Palm Street Parking Lot	1906	\$55,721
Land behind Central Library	1992	\$6,448,622
Equipment		
Rolling Equipment	various	\$23,128,228
IT Equipment	various	\$3,321,407
Parking Equipment	various	\$1,151,957
800 MHz	various	\$914,569
Other Equipment	various	\$7,435,660
Infrastructure		
Road System	various	\$1,843,748,346
Storm Drain System	various	\$55,835,437
Bicycle Paths	various	\$42,975,504
Oil Wells	various	\$1,145,490
Walls	various	\$2,268,313
Water System		
Utility Yard	1987	\$2,425,243
Recycled Water	2011	\$482,603
Water Reducers	various	\$82,094
Water Meters	various	\$1,534,865
Water Lines/Mains	various	\$73,774,491
Fire Hydrants	various	\$556,615
Reservoirs:		
Big Canyon	1959	\$24,086,298
Spyglass	1972	\$418,244
16th Street	1996	\$3,800,000
Capitalized Interest	1995	\$1,034,462
Pump Stations	various	\$8,125,224
Wells	1996	\$3,465,113
Equipment	various	\$140,191
Sewer System		
Sewer Lines/Mains	various	\$35,055,948
Pump Stations	various	\$10,242,867
TOTAL		\$2,588,983,145

* Any land donated, dedicated or annexed is recorded at fair market value at the time of acquisition.

** Leasehold improvements made by Lessee not valued.

EQUIPMENT MAINTENANCE AND REPLACEMENT FUND

Schedule of Rolling Equipment Replacement (FY 2014-15)

Public Safety Departments

Police Department

Sedan/SUV (19)	\$	588,000
Truck (2)	\$	50,000
Motorcycle (4)	\$	112,000
Speciality Vehicle	\$	225,000
Sub Total	\$	975,000

Fire Department

Pumper (2)	\$	1,220,000
US&R Unit	\$	900,000
Sedan/SUV (4)	\$	148,000
Lifeguard Vehicles (4)	\$	144,000
Sub Total	\$	2,412,000

Other Departments

Community Development Department

Sedan/SUV (2)	\$	53,000
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Municipal Operations Department

Digging Vactor	\$	450,000
Sewer Rodder	\$	350,000
Pickup Trucks (5)	\$	202,000
Wheeled Loader	\$	150,000
Beach Tractor	\$	125,000
Beach Cleaner	\$	120,000
Trailer Pumps (2)	\$	84,000
Dump Truck, 1 1/2 Ton	\$	50,000
Beach Truck, 1 1/2 Ton	\$	50,000
Skid Steer Loader	\$	45,000
Sub Total	\$	1,626,000

Recreation and Senior Services Department

12 Passenger Bus (CNG)	\$	105,000
Sedan/SUV/Crossover (4)	\$	109,000
Utility Van	\$	125,000
Sub Total	\$	339,000

PUBLIC SAFETY TOTAL **\$3,387,000**

OTHER DEPARTMENTS TOTAL **\$2,018,000**

TOTAL ALL DEPARTMENTS **\$5,405,000**

ROLLING STOCK IN SERVICE

	Fiscal Year 2011-12 Changes & Adjustments	Fiscal Year 2011-12 Final Inventory	Fiscal Year 2012-13 Changes & Adjustments	Fiscal Year 2012-13 Final Inventory	Fiscal Year 2013-14 Changes & Adjustments	Fiscal Year 2013-14 Final Inventory
<u>General City Operations</u>						
Passenger Cars	-1	55	5	60	-1	59
Jeeps	0	2	-1	1	0	1
Trucks	-4	100	1	101	5	106
Fire Trucks	0	16	-1	15	2	17
Loadpackers	-2	20	-2	18	-18	0
Street Sweepers	-2	3	0	3	-1	2
Tractors and Graders	0	4	0	4	1	5
Backhoes and Loaders	0	6	0	6	1	7
Beach Cleaners	-1	2	1	3	0	3
Trailers	-2	33	-2	31	0	31
Special Equipment	-2	11	0	11	0	11
Total General City Operations	-14	252	1	253	-11	242
<u>Police Department¹</u>						
Passenger Cars	-16	43	0	43	0	43
Trucks	17	36	0	36	1	37
Motorcycles	-2	15	0	15	0	15
Trailers	3	4	0	4	2	6
Special Equipment	-1	6	0	6	0	6
Total Police Department	1	104	0	104	3	107
<u>Utility Enterprise²</u>						
Passenger Cars	0	3	0	3	0	3
Trucks	0	48	0	48	0	48
Tractors and Graders	0	2	0	2	0	2
Backhoes and Loaders	-1	5	0	5	0	5
Trailers	0	11	12	23	2	25
Special Equipment	0	17	-12	5	0	5
Total Utility Enterprise	-1	86	0	86	2	88
GRAND TOTAL	-14	442	1	443	-6	437

¹ Police Department re-categorized their vehicles in Fiscal Year 2011-12

² Includes vehicles in both the Water and Wastewater Sections

THREE-YEAR COMPARISON OF FULL-TIME AND FTE POSITIONS

	2012-13		2013-14		2014-15	
	F/T	FTE	F/T	FTE	F/T	FTE
GENERAL CITY GOVERNMENT						
City Council	0.00	0.07	0.00	0.07	0.00	0.00
City Clerk	4.00	0.00	4.00	0.00	4.00	0.00
City Manager	7.00	2.45	7.00	0.00	7.00	0.74
Human Resources	12.00	0.00	11.50	0.00	11.50	0.30
City Attorney	8.10	0.00	7.10	0.00	6.00	0.50
Finance	36.40	3.60	31.40	2.60	31.50	2.71
Total	67.50	6.12	61.00	2.67	60.00	4.25
PUBLIC SAFETY						
Police	211.00	12.17	219.00	12.97	221.00	12.97
Fire	146.00	36.53	147.00	36.13	149.00	37.91
Total	357.00	48.70	366.00	49.10	370.00	50.88
COMMUNITY DEVELOPMENT						
Public Works - Water Quality	3.00	0.00	3.00	0.00	3.00	0.00
Community Devt - Admin	3.00	1.06	3.00	1.90	3.00	3.00
Community Devt - Planning	17.00	0.00	15.00	0.00	14.00	0.60
Community Devt - Building	29.00	0.50	28.00	0.50	27.50	0.50
Community Devt - Code Enforcement	4.00	0.50	4.00	0.50	4.50	0.00
Total	56.00	2.06	53.00	2.90	52.00	4.10
PUBLIC WORKS						
Public Works	29.00	2.58	28.00	2.11	29.00	2.85
Municipal Operations - Utilities Electrical	0.00	0.00	0.00	0.00	0.00	0.00
Municipal Operations - General Services	88.00	2.75	80.00	0.00	69.00	0.00
Total	117.00	5.33	108.00	2.11	98.00	2.85
COMMUNITY SERVICES						
Library	37.00	21.42	37.00	21.42	37.00	21.52
Cultural & Arts	1.00	0.00	0.00	0.00	0.00	0.00
Recreation	18.00	26.78	22.00	25.08	23.00	28.99
Senior Services	11.00	6.88	11.00	6.88	11.00	7.93
Recreation & Sr Svcs Admin	3.50	0.50	3.50	0.50	3.50	0.50
Total	70.50	55.58	73.50	53.88	74.50	58.94
GENERAL FUND	668.00	117.79	661.50	110.66	654.50	121.02
TIDELANDS FUND						
Public Works - Harbor Resources	3.00	0.00	3.00	0.00	3.00	0.00
Finance - Parking Lots	1.00	7.10	0.00	0.00	0.00	0.00
Recreation - Tidepools	0.00	0.00	0.00	0.00	0.00	0.00
Total	4.00	7.10	3.00	0.00	3.00	0.00
WATER ENTERPRISE FUND	32.50	0.00	32.50	0.00	31.50	0.00
SEWER ENTERPRISE FUND	15.00	0.00	13.00	0.00	14.00	0.00
EQUIPMENT FUND	11.00	0.75	11.00	0.75	9.00	0.75
INFORMATION TECHNOLOGY FUND	21.50	0.50	15.00	0.50	15.00	0.50
TOTALS	752.00	126.14	736.00	111.91	727.00	122.27

Historical Capital Projects Spending

(dollars in thousands)

	2008-09 <u>Actual</u>	2009-10 <u>Actual</u>	2010-11 <u>Actual</u>	2011-12 <u>Actual</u>	2012-13 <u>Actual</u>	2013-14 <u>Projected</u>	2014-15 <u>Proposed</u>
General Fund Projects							
General Fund	5,910	7,127	2,085	3,827	5,236	8,310	11,237
Special Revenue							
CDBG	165	142	-	-	96	-	-
Gas Tax	1,866	471	277	2,123	772	4,453	6,742
Prop 1B	1,355	945	386	-	687	6	-
Tidelands	2,846	1,197	1,270	7,359	4,961	7,362	4,445
Contributions	1,016	1,649	2,949	1,569	2,074	2,882	9,830
Circulation & Transportation	587	684	2,131	3,974	244	204	398
Building Excise Tax	183	56	58	-	569	336	284
Measure M	1,710	2,088	1,127	4,102	3,801	4,820	10,758
AHRP Fund	310	-	-	-	-	-	-
Cooperative Projects							
Environmental Liability	67	-	-	-	-	-	-
Traffic Congestion Relief	334	639	740	-	-	-	-
American Trader Oil Spill Remediation	10	-	-	-	-	-	-
Misc SAH Projects	136	4,895	57	6	56	1,460	217
Air Quality Management District	-	-	148	26	-	-	-
Facilities / Parks							
Fire Stations	28	-	-	-	-	1	6,274
Civic Center	1,694	8,777	22,500	56,245	47,072	9,434	-
Marina Park	718	321	347	688	1,532	26,386	3,170
Sunset Ridge Park	243	660	312	314	397	8,731	200
Police Facility	2	-	-	-	-	-	-
Lifeguard Headquarters	30	-	-	-	145	2,168	173
OASIS Senior Center	2,282	9,654	3,313	-	-	-	-
Back Bay Science Center	217	5	-	-	-	-	-
Facilities Miscellaneous	-	-	-	-	4,308	-	1,300
Parks & Community Centers	-	-	-	-	-	-	2,550
Facilities Maintenance Fund	-	-	-	-	-	450	1,525
Strategic Planning	-	-	-	106	4	135	54
Public Art & Culture	-	-	-	-	-	-	100
Special Assessment Projects							
Assessment Districts	6,708	4,221	2,977	-	-	-	-
CIOSA Development	268	1,485	450	-	-	-	-
Bonita Canyon Development	-	1,032	78	24	-	-	-
Enterprise Fund Projects							
Water	1,433	1,808	1,564	1,366	5,503	8,913	6,071
Sewer	423	490	2,949	554	118	478	823
Internal Service Fund							
Equipment Maintenance	66	58	75	5	-	-	-
Annual Totals	<u>30,607</u>	<u>48,403</u>	<u>45,792</u>	<u>82,288</u>	<u>77,576</u>	<u>86,528</u>	<u>66,151</u>

Glossary

Fund Descriptions

Ackerman Donation Fund – Used to account for the disbursement of funds received from the Ackerman Trust. Such funds must be used for library and scholarship purposes.

Air Quality Management District (AQMD) Fund – Used to account for revenues received from the South Coast Air Quality Management District restricted for the use of reducing air pollution.

Asset Forfeiture Fund – Established to account for revenues resulting from the seizure of assets in conjunction with criminal cases (primarily drug trafficking). The City's policy is that all such funds be used for enhancement of law enforcement programs.

Bonita Canyon Development Fund – Used to account for the receipt and expenditure of funds for the Bonita Canyon Public Facilities Agreement. The improvements include certain public parks and recreation facilities, and street improvements and facilities.

Building Excise Tax Fund – Used to account for revenues received from builders or developers on building or remodeling projects within the City. Expenditures from this fund are used exclusively for public safety, libraries, parks, beaches, or recreational activities.

CIOSA Construction Fund – Used to account for the receipt and expenditure of funds for the Circulation Improvement and Open Space Agreement (CIOSA). The improvements include street and frontage improvements.

Circulation and Transportation Fund – Used to account for fair share revenues collected from developers and restricted for capital improvement projects meeting the circulation element of the City's General Plan.

Community Development Block Grant (CDBG) Fund – Used to account for revenues and expenditures

related to the City's Community Development Block Grant program. These funds are received from the Federal Department of Housing and Urban Development and must be expended exclusively on programs for low or moderate income individuals or families.

Compensated Absence Fund – Used to account for the City's accumulated liability for compensated absences.

Contributions Fund – Used to account for revenues received from other government agencies or private developers and expended for specific projects.

Environmental Liability Fund – Used to account for solid waste fees restricted for mitigation of future environmental liability relating to the handling of solid waste.

Equipment Fund – Used to account for the cost of maintaining and replacing the City's rolling stock fleet, 800 MHz radio system and parking equipment/infrastructure.

Facilities Financial Planning Reserve Fund – Used to account for the receipt and expenditure of funds for the replacement of City facilities, including the Civic Center, fire stations, police station, and parks.

General Fund – Used to account for fiscal resources, which are: a) dedicated to the general government operations of the City, and b) not required to be accounted for in another fund.

Information Technology Fund – Used to account for the cost of maintaining and replacing the City's information technology (computer) systems.

Insurance Reserve Fund – Used to account for the City's self-insured general liability and workers' compensation program.

Justice Assistance Grant (JAG) Fund – Formerly called the Local Law Enforcement Block Grant Fund; used to account for federal support of law enforcement activities.

Marine Science Center Fund – Formerly called the Back Bay Science Center Fund. Used to account for revenues and expenditures related to construction of the Marine (Back Bay) Science Center.

Measure M Fund – Used to construct transportation improvement and traffic congestion relief projects. Funding is one percent of retail transaction and use tax.

Miscellaneous Santa Ana Heights Projects – Used to account for revenue and expenditures related to miscellaneous projects in Santa Ana Heights.

Newport Annexation Fund – Used to account for receipt of revenue from the Irvine Ranch Water District intended to repay Newport Coast property owners for a portion of assessment district costs, and for construction of a community center in Newport Coast.

Newport Bay Dredging Fund – Used to account for the receipt of permanent endowments intended to fund the ongoing cost of maintaining and dredging of the Upper Newport Bay.

Office of Traffic Safety Grant (OTS) Fund – Used to account for federal funding of DUI violation enforcement activities.

Proposition 1B Fund – Used to account for state funds available through Proposition 1B to fund the maintenance and improvement of local transportation facilities.

Retiree Insurance Fund – Used to account for the cost of providing post-employment health care benefit.

Special Assessment District Fund – Used to account for the receipt and expenditure of funds received from 1911 Act and 1915 Act Assessment Districts for capital improvement projects.

State Gas Tax Fund – Accounts for all State Gas Tax related revenues and expenditures, including street repair, construction, and maintenance. State law requires that these funds be used exclusively for maintenance of the street and highway system.

Supplemental Law Enforcement Services Fund (SLESF) – Used to account for revenues received from the County to be used exclusively for front-line law enforcement activities.

Tide and Submerged Land Fund – Used to account for all revenues and expenditures related to the operation of the City's tidelands, including beaches and marinas.

Wastewater Enterprise Fund – Used to account for the activities associated with providing sewer services by the City to its users.

Water Enterprise Fund – Used to account for the activities associated with the transmission and distribution of potable water by the City to its users.

Accounting Terms

Accrual Basis – The basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent. The accrual basis of accounting is used to account for all proprietary (enterprise and internal service funds) fund types.

Activity – Departmental efforts that contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget.

Appropriation – A legal authorization to incur obligations and to make expenditures for specific purposes.

Assessed Valuation – The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

Authorized Positions – Employee positions, which are authorized in the adopted budget, to be filled during the year.

Available (Undesignated) Fund Balance – This refers to the funds remaining from the prior year that are available for appropriation and expenditure in the current year.

Bonds – A form of borrowing (debt financing) which reflects a written promise from the City to repay a sum of money on a specific date at a specified interest rate.

Bond Refinancing – The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget – A plan of financial activity for a specified period of time indicating all planned revenues and expenses for the budget period.

Budgetary Basis – This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

Budget Calendar – The schedule of key dates that a government follows in the preparation and adoption of the budget.

Budgetary Control – The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Capital Budget – The appropriation of bonds or operating revenue for improvements to facilities, and other infrastructure.

Capital Improvements – Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvements Program (CIP) – A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Outlay – Fixed assets which have a value of \$500 or more and have a useful economic lifetime of more than one year; or, assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

Capital Project – Major construction, acquisition, or renovation activities which add value to government's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Reserve – An account used to segregate a portion of the government's equity to be used for future capital program expenditures. The amount of capital reserve is roughly equal to the government's annual equipment depreciation and an amount identified as being needed for future capital acquisition.

Cash Basis – A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Charges for Services – Those charges levied to individuals or organizations for the use or consumption of services provided by the City.

Certificate of Participation – A debt issue similar to issuing bonds, but less restrictive.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Debt Service – The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Deficit – The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department – The basic organizational unit of government which is functionally unique in its delivery of services.

Depreciation – Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development Fees – Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

Disbursement – The expenditure of moneys from an account.

Distinguished Budget Presentation Awards Program – A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Employee (or Fringe) Benefits – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included is the government's share of costs for various pensions, medical and life insurance plans, etc.

Encumbrance – The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Enterprise Fund – Used to account for City operations that are financed and operated in a manner similar to private business enterprises. The objective of segregating activities of this type is to identify the costs of providing the services, and to finance them through user charges.

Expenditure – The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss.

Expense – Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges.

Fiscal Policy – A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs, and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Newport Beach's fiscal year is July 1 through June 30.

Fixed Assets – Assets that are intended to continue to be held or used long-term, such as land, buildings, machinery, furniture, and other equipment. Fixed assets are also called capital assets.

Full-time Equivalent Position (FTE) – A part-time position converted to the decimal equivalent of a full-time position based on 2080 hours per year. For example, a part-time fiscal clerk working 20 hours per week would be the equivalent to .5 of a full-time position.

Function – A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).

Fund – A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance – The excess of the assets of a fund over its liabilities, reserves, and carryover.

GAAP – Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Obligation (G.O.) Bond – This type of bond is backed by the full faith, credit, and taxing power of the government.

Goal – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Governmental Accounting Standards Board (GASB) – The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

Grants – A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure – The physical assets of a government (e.g., streets, water, sewer, public buildings, parks).

Intergovernmental Revenue – Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Charges – The charges to user departments for internal services provided by another government agency, such as equipment maintenance and replacement charges, or insurance funded from a central pool.

Lapsing Appropriation – An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period any unexpended or unencumbered balance lapses or ends, unless otherwise provided by law.

Levy – To impose taxes for the support of government activities.

Line-item Budget – A budget prepared along departmental lines that focuses on what is to be bought.

Long-term Debt – Debt with a maturity of more than one year after the date of issuance.

Maintenance and Operations – Expendable materials and operating supplies necessary to conduct departmental operations.

Modified Accrual Basis – The basis of accounting in which revenues are recognized when they become both “measurable” and “available” to finance expenditures or the current period. All governmental and fiduciary fund types are accounted for using the modified accrual basis of accounting.

Net Budget – The legally adopted budget less all interfund transfers and interdepartmental charges.

Object of Expenditure – An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, etc.

Obligations – Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Revenue – Funds that the government receives as income to pay for on-going operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Expenses – The cost for personnel, materials, and equipment required for a department to function.

Performance Budget – A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Prior-Year Encumbrances – Obligations from previous fiscal years in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program – A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

Program Budget – A budget that allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Program Performance Budget – A method of budgeting whereby the services provided to the residents are broken down in identifiable service programs or performance units. A unit can be a

department, a division, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service. The effectiveness and efficiency of providing the service by the program is measured by performance indicators.

Program Revenue (Income) – Revenues earned by a program, including fees for services, license and permit fees, and fines.

Purpose – A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

Reserve – An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution – A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources – Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue – Sources of income financing the operations of government.

Revenue Bond – A bond that is backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.

Secured Property Tax – A tax levied on both real and personal property according to the property's valuation and the tax rate.

Service Indicators – Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Source of Revenue – Revenues are classified according to their source or point of origin.

Supplemental Appropriation – An additional appropriation made by the governing body after the budget year has started.

Tax Levy – The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out – Amounts transferred from one fund to finance the services for the recipient fund.

Transient Occupancy Tax – A tax paid to the City for short-term lodging/residency within the City limits. Short-term is defined as 30 days or less.

Unencumbered Balance – The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance – The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

Unsecured Property Tax – The property tax on unsecured property such as business inventory or moveable equipment.

User Charges – The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Working Capital – Excess of readily available assets over current liabilities. Or cash on hand equivalents which may be used to satisfy cash flow needs.



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