



**Overview**

This financial report summarizes the City’s General Fund financial position for Fiscal Year 2018-2019 through December 31, 2018, and projections for the remainder of the year ending on June 30, 2019. The purpose of this report is to provide the City Council, Management and the citizens of Chula Vista an update on the City’s fiscal status based on the most recent financial information.

This report also includes information from the City’s long-term financial plan (LTFP). The LTFP is a forecast of ten future years based upon information available at the time and is updated annually to reflect the most current information available. The full LTFP can be found on the City’s website at <https://www.chulavistaca.gov/departments/finance/financial-reports>.

At the end of the second quarter, the City’s financial outlook is projected to improve as revised revenue projections are anticipated to exceed revised expenditure projections by \$2.4 million as the City is receiving one-time adjusted allocations in sale tax amounts and increased reimbursements from the deployment of fire department staff. Based on current projections, revenues are anticipated to increase by \$4.7 million and expenditures are projected to increase by \$ 2.3 million for a net positive difference of approximately \$2.4 million.

**Revenues**

The following table shows the FY 2019 General Fund Amended Budget revenues and the year-end Projected Budget revenues. The Projected Budget includes all the change in projections included in this report. Overall, General Fund revenues are projected to increase by approximately \$4.7 million above the Amended Budget amounts. The primary drivers of the increase in revenue are due to:

(1) The State of California did not distribute all of the City’s Sales Tax revenue resulting in a decrease of actual sales tax receipts for FY 2018 by approximately \$1M. The City is now receiving FY 2018 Sales Tax during the current fiscal year. Based on information from the City’s sales tax consultant, the City is projecting an overall

increase of Sales Tax by the amount not distributed in FY 2018;

- (2) An increase of \$1.6 million in reimbursements from the Federal Government for deployment of the City’s Fire Department Strike Team to assist other jurisdiction in their dealing with emergency situations. The reimbursements for the deployment of the Fire Department Strike Team are difficult to estimate as deployment of staff is based upon emergency situations in other jurisdictions and varies from year to year. Based on deployment during the current fiscal year, staff is revising the projected reimbursement amounts for this fiscal year;
- (3) An increase of \$1.2 million is projected to be collected from the Measure P Sales Tax; however, this amount will be evaluated as more data becomes available;
- (4) And an increase of \$0.4 million to the Property Tax In-Lieu of Vehicle License Fees projection based on information provided by the County of San Diego after the development and adoption of the FY 2019 Budget.

The proposed budgetary adjustments are shown within the respective revenue categories in the following table.

Revenue Category	FY 2019 Amended Budget	FY 2019 Projected Budget	Variance
Property Taxes	\$ 35,301,977	\$ 35,312,736	\$ 10,759
Sales Tax	\$ 33,698,020	\$ 34,674,606	\$ 976,586
Measure P Sales Tax	\$ 18,085,000	\$ 19,299,000	\$ 1,214,000
Measure A Sales Tax	\$ 13,430,000	\$ 13,430,000	\$ -
PT in lieu of Motor Vehicle License Fee (VLF)	\$ 21,886,241	\$ 22,333,660	\$ 447,419
Franchise Fees	\$ 11,691,843	\$ 11,691,843	\$ -
Utility Users Tax	\$ 5,605,396	\$ 5,605,396	\$ -
Transient Occupancy Taxes	\$ 4,102,798	\$ 4,102,798	\$ -
Development Revenue	\$ 1,250,153	\$ 1,250,153	\$ -
License and Permits	\$ 1,448,143	\$ 1,448,444	\$ 301
Fines, Forfeitures, Penalties	\$ 1,241,423	\$ 1,241,423	\$ -
Use of Money & Property	\$ 2,953,166	\$ 2,953,166	\$ -
Other Local Taxes	\$ 2,598,193	\$ 2,598,193	\$ -
Police Grants	\$ 837,440	\$ 837,440	\$ -
Revenue from Other Agencies	\$ 1,327,635	\$ 1,338,964	\$ 11,329
Charges for Services	\$ 7,921,718	\$ 7,921,718	\$ -
Interfund Reimbursements	\$ 9,648,924	\$ 11,256,924	\$ 1,608,000
Other Revenue	\$ 2,006,965	\$ 2,007,265	\$ 300
Transfers In	\$ 13,709,581	\$ 14,180,142	\$ 470,561
<b>TOTAL REVENUES</b>	<b>\$188,744,616</b>	<b>\$193,483,871</b>	<b>\$ 4,739,255</b>

The Finance Department will continue to monitor the City’s actual revenues and will provide any significant changes in subsequent quarterly budget monitoring



reports.

**Expenditures**

The following table reflects the FY 2019 General Fund Adopted Budget expenditures and actual expenditures by department as of December 31, 2018. In total, departments have expended approximately \$96.3 million or 51% of the General Fund Revised Budget after 50% of the fiscal year has elapsed. Overall, departmental expenditures are tracking consistent with the total Revised Budget as of the end of the second quarter. The Fire Department expenditures are trending higher than budgeted due to increased personnel costs related to the deployment of their strike team. Staff will continue to monitor department expenditures to identify any costs that might trend higher than anticipated and proposed future actions to address these trends as appropriate.

**GENERAL FUND EXPENDITURES AS OF 12/31/2018**

Department	FY 2019 Revised Budget	Expended as of 12/31/18	% Expended
City Council	\$ 1,626,561	\$ 878,260	54.0%
Boards & Commissions	\$ 27,783	\$ 10,453	37.6%
City Clerk	\$ 984,447	\$ 476,616	48.4%
City Attorney	\$ 3,163,225	\$ 1,655,331	52.3%
Administration	\$ 2,216,056	\$ 1,336,499	60.3%
Information Technology	\$ 3,817,967	\$ 2,069,289	54.2%
Human Resources	\$ 2,888,499	\$ 1,484,727	51.4%
Finance	\$ 3,987,938	\$ 2,132,445	53.5%
Non-Departmental	\$ 38,693,602	\$ 9,701,905	25.1%
Animal Care Facility	\$ 2,966,306	\$ 1,639,887	55.3%
Economic Development	\$ 2,128,750	\$ 1,289,960	60.6%
Planning & Building	\$ 2,900,096	\$ 1,570,590	54.2%
Engineering/Capital Project	\$ 8,953,842	\$ 4,679,003	52.3%
Police	\$ 56,625,786	\$ 32,756,228	57.8%
Fire	\$ 30,827,479	\$ 19,542,475	63.4%
Public Works	\$ 11,823,153	\$ 6,398,448	54.1%
Parks and Recreation	\$ 10,914,193	\$ 6,422,503	58.8%
Library	\$ 4,108,278	\$ 2,241,949	54.6%
<b>TOTAL EXPENDITURE BUDGET</b>	<b>\$ 188,653,961</b>	<b>\$ 96,286,568</b>	<b>51.0%</b>

The following table reflects the projected expenditures for June 30, 2018. The largest projected budget variances for the year-end are within the Fire Department and Non-Departmental. These variances are due to the increased expenses noted previous for the Fire Department Strike Team and additional transfers of Measure P funds from the General Fund. The transfer of funds will show as expenditures for the Non-Department budget. At the end of the fiscal

year, the Finance Department will be seeking to make transfers from other expenditure categories with projected savings and to appropriate available revenues to fully utilize resources and mitigate any departmental deficits.

**GENERAL FUND PROJECTIONS BY DEPARTMENT FOR JUNE 30, 2018**

Department	FY 2019 Amended Budget*	FY 2019 Projected Budget	Variance
City Council	\$ 1,626,561	\$ 1,626,561	\$ -
Boards & Commissions	\$ 27,783	\$ 27,783	\$ -
City Clerk	\$ 984,447	\$ 991,189	\$ 6,742
City Attorney	\$ 3,163,225	\$ 3,163,225	\$ -
Administration	\$ 2,216,056	\$ 2,216,056	\$ -
Information Technology	\$ 3,817,967	\$ 3,817,967	\$ -
Human Resources	\$ 2,888,499	\$ 2,888,499	\$ -
Finance	\$ 3,987,938	\$ 3,987,938	\$ -
Non-Departmental	\$ 38,693,602	\$ 39,907,603	\$ 1,214,001
Animal Care Facility	\$ 2,966,306	\$ 2,966,306	\$ -
Economic Development	\$ 2,128,750	\$ 2,128,750	\$ -
Planning & Building	\$ 2,900,096	\$ 2,900,096	\$ -
Engineering/Capital Project	\$ 8,953,842	\$ 8,953,842	\$ -
Police	\$ 56,625,786	\$ 56,370,100	\$ (255,686)
Fire	\$ 30,827,479	\$ 32,206,659	\$ 1,379,180
Public Works	\$ 11,823,153	\$ 11,842,152	\$ 18,999
Parks and Recreation	\$ 10,914,193	\$ 10,914,193	\$ -
Library	\$ 4,108,278	\$ 4,119,907	\$ 11,629
<b>TOTAL EXPENDITURE BUDGET</b>	<b>\$ 188,653,961</b>	<b>\$ 191,028,826</b>	<b>\$ 2,374,865</b>

\* Adopted budget plus any budget amendments occurring independent of the quarter update requested actions.

Staff will continue to monitor General Fund expenses and look for potential cost saving measures in order to remain within budget during the current fiscal year.

**LONG-TERM FINANCIAL PLAN UPDATE - FISCAL YEARS 2020 TO 2024**

A focus of this financial report is to review the Long-Term Financial Plan (LTFP) and look beyond the current fiscal year at fiscal issues facing the City on the horizon.

The following table displays the updated financial projections for fiscal years 2020 through 2024. A more detailed table that includes all ten years is provided at the end of this report.



**Long-Term Financial Plan FY 2020 - 2029**

Description	Forecast	Forecast	Forecast	Forecast	Forecast
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>Revenue Projections (millions)</b>					
MAJOR DISCRETIONARY REVENUES	\$ 151.22	\$ 154.03	\$ 156.91	\$ 159.87	\$ 162.90
OTHER REVENUES	\$ 43.84	\$ 43.42	\$ 43.25	\$ 43.53	\$ 43.80
NEW DEVELOPMENT REVENUES	\$ 3.12	\$ 4.24	\$ 5.22	\$ 6.21	\$ 7.18
<b>TOTAL REVENUES</b>	<b>\$ 198.18</b>	<b>\$ 201.69</b>	<b>\$ 205.39</b>	<b>\$ 209.60</b>	<b>\$ 213.88</b>
Year-over-Year Change	5.37%	1.77%	1.83%	2.05%	2.04%
<b>Expenditure Projections (millions)</b>					
PERSONNEL SERVICES EXPENDITURES	\$ 134.76	\$ 138.99	\$ 143.50	\$ 148.14	\$ 152.05
OTHER EXPENDITURES	\$ 67.20	\$ 68.09	\$ 69.83	\$ 69.05	\$ 70.25
NEW DEVELOPMENT EXPENDITURES	\$ 2.01	\$ 2.14	\$ 2.88	\$ 2.99	\$ 3.11
<b>TOTAL EXPENDITURES</b>	<b>\$ 203.97</b>	<b>\$ 209.22</b>	<b>\$ 216.21</b>	<b>\$ 220.18</b>	<b>\$ 225.41</b>
Year-over-Year Change	8.45%	2.58%	3.34%	1.84%	2.38%
*Personnel expenses related to Millenia Station shown in					
<b>TOTAL GENERAL FUND SURPLUS/(DEFICIT)</b>	<b>\$ (5.79)</b>	<b>\$ (7.53)</b>	<b>\$ (10.82)</b>	<b>\$ (10.58)</b>	<b>\$ (11.53)</b>
<b>SURPLUS/(DEFICIT) AS % OF BUDGET</b>	<b>-2.84%</b>	<b>-3.60%</b>	<b>-5.00%</b>	<b>-4.80%</b>	<b>-5.11%</b>
<b>HIGH PRIORITY PROGRAMS</b>					
Peace Officer Funding <sup>1</sup>	\$ 0.81	\$ 1.72	\$ 2.71	\$ 3.80	\$ 4.96
<b>TOTAL GENERAL FUND SURPLUS/(DEFICIT)</b>	<b>\$ (6.61)</b>	<b>\$ (9.25)</b>	<b>\$ (13.53)</b>	<b>\$ (14.38)</b>	<b>\$ (16.49)</b>
<b>SURPLUS/(DEFICIT) AS % OF BUDGET</b>	<b>-3.24%</b>	<b>-4.42%</b>	<b>-6.26%</b>	<b>-6.53%</b>	<b>-7.32%</b>

(1) Figure represents City's goal of adding five additional peace officer positions each year to address anticipated growth in City's population. Positions not incorporated in the Intended Public Safety Expenditure Plan for Measure A Sale Tax Measure.

While no revenue shortfall is anticipated for Fiscal Year 2019, the current LTFP projects budget deficits beginning in FY 2020. Assuming no additional financial measures or policy changes to either increase revenues or reduce expenditures, FY 2020 projects a revenue shortfall of \$6.6 million, growing to a deficit of \$16.5 million in FY 2024 and \$30.0 million in FY 2029 (the last year of the LTFP).

For revenues, additional revenue sources or increasing growth in existing revenue sources will be needed. The City of Chula Vista continues to pursue development opportunities that have the potential to positively impact revenue for the City. These include the development of the Eastern Urban Center (Millenia) and the approval of the Bayfront Development Project. However, these large developments are still several years away from being built and occupied.

For expenditures, the most significant drivers of the long-term grow in expenses are related to the increase in public safety costs and the increasing costs associated with public employee salaries and benefits.

**Fiscal Year 2019 Budget Balancing**

The purpose of this review is to highlight the structural imbalances that the City will face next fiscal year, and to focus problem solving efforts toward a menu of viable options. These projections will continue to evolve as new information becomes

available. The projections within this report assume continued economic growth. Even a small or short-lived economic downturn will amplify the projected deficits shown in the LTFP.

**SUMMARY AND NEXT STEPS**

At the conclusion of the second quarter of fiscal year 2018-19, the current year budget is on track for revenues and expenditures, with minor modifications. Staff is watching expenditures and revenue projections to assess whether further modifications will be necessary later in the year.

The longer-term projections for the City's General Fund continue to pose serious challenges, because revenues are not projected to be sufficient to cover anticipated costs that are on the horizon. Because the City has limited abilities to impact near-term revenue, its staff and policy makers will need to focus their efforts on the cost side by finding savings, modifying service levels, cost cuts or cost delays in future years, even as efforts continue to address economic development opportunities throughout the City.



**Long-Term Financial Plan FY 2020 - 2029**

Description	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022	Forecast FY 2023	Forecast FY 2024	Forecast FY 2025	Forecast FY 2026	Forecast FY 2027	Forecast FY 2028	Forecast FY 2029
<b>Revenue Projections (millions)</b>										
Property Taxes	\$ 36.36	\$ 37.45	\$ 38.57	\$ 39.72	\$ 40.91	\$ 42.13	\$ 43.39	\$ 44.69	\$ 46.03	\$ 47.40
Sales Tax	\$ 34.04	\$ 34.38	\$ 34.72	\$ 35.07	\$ 35.42	\$ 35.77	\$ 36.13	\$ 36.49	\$ 36.86	\$ 37.22
Measure P Sales Tax	\$ 18.27	\$ 18.45	\$ 18.63	\$ 18.82	\$ 19.01	\$ 19.20	\$ 19.39	\$ 14.69	\$ -	\$ -
Measure A Sales Tax <sup>1</sup>	\$ 18.27	\$ 18.45	\$ 18.63	\$ 18.82	\$ 19.01	\$ 19.20	\$ 19.39	\$ 19.58	\$ 19.78	\$ 19.98
Franchise Fees	\$ 11.93	\$ 12.16	\$ 12.41	\$ 12.66	\$ 12.91	\$ 13.17	\$ 13.43	\$ 13.70	\$ 13.97	\$ 14.25
Utility Users Taxes	\$ 5.63	\$ 5.66	\$ 5.69	\$ 5.72	\$ 5.75	\$ 5.78	\$ 5.81	\$ 5.83	\$ 5.86	\$ 5.89
Transient Occupancy Taxes	\$ 4.19	\$ 4.27	\$ 4.35	\$ 4.44	\$ 4.53	\$ 4.62	\$ 4.71	\$ 4.81	\$ 4.90	\$ 5.00
Motor Vehicle License Fees	\$ 22.54	\$ 23.22	\$ 23.92	\$ 24.63	\$ 25.37	\$ 26.13	\$ 26.92	\$ 27.73	\$ 28.56	\$ 29.41
<b>MAJOR DISCRETIONARY REVENUES</b>	<b>\$ 151.22</b>	<b>\$ 154.03</b>	<b>\$ 156.91</b>	<b>\$ 159.87</b>	<b>\$ 162.90</b>	<b>\$ 166.00</b>	<b>\$ 169.16</b>	<b>\$ 167.51</b>	<b>\$ 155.96</b>	<b>\$ 159.17</b>
Development Revenue	\$ 2.06	\$ 2.06	\$ 2.07	\$ 2.08	\$ 2.08	\$ 2.09	\$ 2.10	\$ 2.10	\$ 2.11	\$ 2.11
Licenses and Permits	\$ 1.48	\$ 1.51	\$ 1.54	\$ 1.57	\$ 1.60	\$ 1.63	\$ 1.66	\$ 1.70	\$ 1.73	\$ 1.77
Fines, Forfeitures & Penalties	\$ 1.27	\$ 1.29	\$ 1.32	\$ 1.34	\$ 1.37	\$ 1.40	\$ 1.43	\$ 1.46	\$ 1.48	\$ 1.51
Use of Money and Property	\$ 2.38	\$ 2.40	\$ 2.42	\$ 2.44	\$ 2.46	\$ 2.49	\$ 2.51	\$ 2.53	\$ 2.56	\$ 2.58
Other Local Taxes	\$ 2.62	\$ 2.65	\$ 2.68	\$ 2.70	\$ 2.73	\$ 2.76	\$ 2.79	\$ 2.81	\$ 2.84	\$ 2.87
Police Grants	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.84
Other Agency Revenue	\$ 2.27	\$ 2.30	\$ 2.32	\$ 2.34	\$ 2.36	\$ 2.39	\$ 2.41	\$ 2.44	\$ 2.46	\$ 2.49
Charges for Services	\$ 7.24	\$ 7.27	\$ 7.31	\$ 7.35	\$ 7.38	\$ 7.42	\$ 7.46	\$ 7.50	\$ 7.53	\$ 7.57
Interfund Reimbursements	\$ 9.74	\$ 9.83	\$ 9.49	\$ 9.58	\$ 9.68	\$ 9.77	\$ 9.87	\$ 9.97	\$ 10.07	\$ 10.17
Other Revenues - Miscellaneous	\$ 1.07	\$ 1.08	\$ 1.08	\$ 1.09	\$ 1.09	\$ 1.10	\$ 1.10	\$ 1.11	\$ 1.12	\$ 1.12
Transfers From Other Funds	\$ 12.89	\$ 12.20	\$ 12.20	\$ 12.20	\$ 12.20	\$ 12.20	\$ 12.20	\$ 12.20	\$ 12.20	\$ 12.20
<b>OTHER REVENUES</b>	<b>\$ 43.84</b>	<b>\$ 43.42</b>	<b>\$ 43.25</b>	<b>\$ 43.53</b>	<b>\$ 43.80</b>	<b>\$ 44.08</b>	<b>\$ 44.36</b>	<b>\$ 44.65</b>	<b>\$ 44.94</b>	<b>\$ 45.23</b>
<b>NEW DEVELOPMENT REVENUES</b>										
Property Taxes - New Development	\$ 1.01	\$ 1.41	\$ 1.76	\$ 2.10	\$ 2.46	\$ 2.79	\$ 3.19	\$ 3.37	\$ 3.37	\$ 3.37
Sales Tax - New Development	\$ 0.32	\$ 0.45	\$ 0.59	\$ 0.74	\$ 0.85	\$ 0.96	\$ 1.06	\$ 1.16	\$ 1.17	\$ 1.18
Franchise Fees - New Development	\$ 0.28	\$ 0.36	\$ 0.45	\$ 0.54	\$ 0.63	\$ 0.72	\$ 0.80	\$ 0.88	\$ 0.90	\$ 0.91
Utility Users Taxes - New Development	\$ 0.10	\$ 0.14	\$ 0.17	\$ 0.20	\$ 0.23	\$ 0.26	\$ 0.29	\$ 0.29	\$ 0.29	\$ 0.30
Transient Occupancy Taxes - New Development	\$ 0.15	\$ 0.15	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.17	\$ 0.17	\$ 0.17	\$ 0.18	\$ 0.18
Motor Vehicle License Fees - New Development	\$ 0.70	\$ 0.97	\$ 1.21	\$ 1.45	\$ 1.69	\$ 1.92	\$ 2.20	\$ 2.32	\$ 2.39	\$ 2.46
Other Revenues - Miscellaneous - New Development	\$ 0.38	\$ 0.50	\$ 0.62	\$ 0.74	\$ 0.86	\$ 0.98	\$ 1.06	\$ 1.16	\$ 1.17	\$ 1.18
Other Local Taxes - New Development	\$ 0.19	\$ 0.26	\$ 0.26	\$ 0.28	\$ 0.31	\$ 0.33	\$ 0.35	\$ 0.30	\$ 0.30	\$ 0.31
<b>NEW DEVELOPMENT REVENUES</b>	<b>\$ 3.12</b>	<b>\$ 4.24</b>	<b>\$ 5.22</b>	<b>\$ 6.21</b>	<b>\$ 7.18</b>	<b>\$ 8.12</b>	<b>\$ 9.10</b>	<b>\$ 9.65</b>	<b>\$ 9.77</b>	<b>\$ 9.89</b>
<b>TOTAL REVENUES</b>	<b>\$ 198.18</b>	<b>\$ 201.69</b>	<b>\$ 205.39</b>	<b>\$ 209.60</b>	<b>\$ 213.88</b>	<b>\$ 218.19</b>	<b>\$ 222.63</b>	<b>\$ 221.81</b>	<b>\$ 210.66</b>	<b>\$ 214.28</b>
<b>Year-over-Year Change</b>	<b>5.37%</b>	<b>1.77%</b>	<b>1.83%</b>	<b>2.05%</b>	<b>2.04%</b>	<b>2.01%</b>	<b>2.03%</b>	<b>-0.37%</b>	<b>-5.03%</b>	<b>1.72%</b>
<b>Expenditure Projections (millions)</b>										
Personnel Services	\$ 92.38	\$ 93.59	\$ 94.89	\$ 96.66	\$ 98.47	\$ 100.32	\$ 102.20	\$ 104.12	\$ 106.10	\$ 108.11
Retirement - PERS	\$ 29.54	\$ 33.51	\$ 36.19	\$ 38.50	\$ 40.02	\$ 41.76	\$ 43.51	\$ 45.32	\$ 47.22	\$ 49.20
Health Insurance	\$ 14.60	\$ 13.66	\$ 14.21	\$ 14.79	\$ 15.40	\$ 16.03	\$ 16.69	\$ 17.38	\$ 18.11	\$ 18.86
Salary Savings (On Going)	\$ (1.75)	\$ (1.77)	\$ (1.79)	\$ (1.81)	\$ (1.83)	\$ (1.85)	\$ (1.87)	\$ (1.89)	\$ (1.91)	\$ (1.93)
<b>PERSONNEL SERVICES EXPENDITURES</b>	<b>\$ 134.76</b>	<b>\$ 138.99</b>	<b>\$ 143.50</b>	<b>\$ 148.14</b>	<b>\$ 152.05</b>	<b>\$ 156.26</b>	<b>\$ 160.53</b>	<b>\$ 164.94</b>	<b>\$ 169.51</b>	<b>\$ 174.24</b>
Supplies and Services	\$ 14.84	\$ 15.96	\$ 17.07	\$ 15.47	\$ 15.90	\$ 15.88	\$ 16.01	\$ 16.35	\$ 16.69	\$ 17.04
Utilities	\$ 4.71	\$ 4.13	\$ 4.39	\$ 4.67	\$ 5.00	\$ 5.31	\$ 5.64	\$ 5.99	\$ 6.36	\$ 5.76
Other Expenses	\$ 0.90	\$ 0.93	\$ 0.93	\$ 0.95	\$ 0.97	\$ 0.99	\$ 1.02	\$ 1.03	\$ 1.05	\$ 1.07
Equipment (Capital not CIP)	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.22
Internal Services	\$ 3.02	\$ 3.08	\$ 3.14	\$ 3.20	\$ 3.26	\$ 3.33	\$ 3.40	\$ 3.46	\$ 3.53	\$ 3.60
Measure A Obligations	\$ 18.27	\$ 18.45	\$ 18.63	\$ 18.82	\$ 19.01	\$ 19.20	\$ 19.39	\$ 19.58	\$ 19.78	\$ 19.98
Transfers/Debt Service	\$ 25.24	\$ 25.33	\$ 25.45	\$ 25.72	\$ 25.89	\$ 26.06	\$ 26.24	\$ 21.29	\$ 6.70	\$ 6.80
<b>OTHER EXPENDITURES</b>	<b>\$ 67.20</b>	<b>\$ 68.09</b>	<b>\$ 69.83</b>	<b>\$ 69.05</b>	<b>\$ 70.25</b>	<b>\$ 70.99</b>	<b>\$ 71.91</b>	<b>\$ 67.92</b>	<b>\$ 54.33</b>	<b>\$ 54.47</b>
<b>NEW DEVELOPMENT EXPENDITURES</b>										
Millenia Parks Maintenance	\$ 0.35	\$ 0.40	\$ 0.41	\$ 0.42	\$ 0.42	\$ 0.43	\$ 0.44	\$ 0.45	\$ 0.46	\$ 0.46
Millenia Fire Station	\$ 1.66	\$ 1.74	\$ 1.83	\$ 1.91	\$ 1.99	\$ 2.08	\$ 2.16	\$ 2.25	\$ 2.32	\$ 2.36
Bayfront Fire Station	\$ -	\$ -	\$ 0.64	\$ 0.67	\$ 0.69	\$ 0.72	\$ 0.74	\$ 0.77	\$ 0.79	\$ 0.80
<b>NEW DEVELOPMENT EXPENDITURES</b>	<b>\$ 2.01</b>	<b>\$ 2.14</b>	<b>\$ 2.88</b>	<b>\$ 2.99</b>	<b>\$ 3.11</b>	<b>\$ 3.23</b>	<b>\$ 3.34</b>	<b>\$ 3.47</b>	<b>\$ 3.57</b>	<b>\$ 3.62</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 203.97</b>	<b>\$ 209.22</b>	<b>\$ 216.21</b>	<b>\$ 220.18</b>	<b>\$ 225.41</b>	<b>\$ 230.48</b>	<b>\$ 235.78</b>	<b>\$ 236.33</b>	<b>\$ 227.41</b>	<b>\$ 232.33</b>
<b>Year-over-Year Change</b>	<b>8.45%</b>	<b>2.58%</b>	<b>3.34%</b>	<b>1.84%</b>	<b>2.38%</b>	<b>2.25%</b>	<b>2.30%</b>	<b>0.23%</b>	<b>-3.77%</b>	<b>2.16%</b>
<b>TOTAL GENERAL FUND SURPLUS/(DEFICIT)</b>	<b>\$ (5.79)</b>	<b>\$ (7.53)</b>	<b>\$ (10.82)</b>	<b>\$ (10.58)</b>	<b>\$ (11.53)</b>	<b>\$ (12.29)</b>	<b>\$ (13.15)</b>	<b>\$ (14.52)</b>	<b>\$ (16.75)</b>	<b>\$ (18.05)</b>
<b>SURPLUS/(DEFICIT) AS % OF BUDGET</b>	<b>-2.84%</b>	<b>-3.60%</b>	<b>-5.00%</b>	<b>-4.80%</b>	<b>-5.11%</b>	<b>-5.33%</b>	<b>-5.58%</b>	<b>-6.14%</b>	<b>-7.37%</b>	<b>-7.77%</b>
<b>HIGH PRIORITY PROGRAMS</b>										
Peace Officer Funding <sup>2</sup>	\$ 0.81	\$ 1.72	\$ 2.71	\$ 3.80	\$ 4.96	\$ 6.24	\$ 7.59	\$ 9.05	\$ 10.52	\$ 11.98
<b>TOTAL GENERAL FUND SURPLUS/(DEFICIT)</b>	<b>\$ (6.61)</b>	<b>\$ (9.25)</b>	<b>\$ (13.53)</b>	<b>\$ (14.38)</b>	<b>\$ (16.49)</b>	<b>\$ (18.53)</b>	<b>\$ (20.74)</b>	<b>\$ (23.57)</b>	<b>\$ (27.27)</b>	<b>\$ (30.02)</b>
<b>SURPLUS/(DEFICIT) AS % OF BUDGET</b>	<b>-3.24%</b>	<b>-4.42%</b>	<b>-6.26%</b>	<b>-6.53%</b>	<b>-7.32%</b>	<b>-8.04%</b>	<b>-8.80%</b>	<b>-9.97%</b>	<b>-11.99%</b>	<b>-12.92%</b>

(1) Any revenues in excess of actual expenditures in any year will be carried forward to future years as an encumbrance and continue to be dedicated to Measure A obligations. Figures from IPS Expenditure Plan.

(2) Figure represents City's goal of adding five additional peace officer positions each year to address anticipated growth in City's population. Positions not incorporated in the Intended Public Safety Expenditure Plan for Measure A Sale Tax Measure.