



## Report to City Council

---

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

**FROM:** Marshall Eyerman, Chief Financial Officer  
Michelle Dawson, City Manager

**AGENDA DATE:** June 20, 2017

**TITLE:** APPROVAL OF FISCAL YEAR 2016/17 THIRD QUARTER BUDGET REVIEW AND THIRD QUARTER BUDGET AMENDMENTS

---

### **RECOMMENDED ACTION**

#### **Recommendations: That the City Council:**

1. Receive and file the Fiscal Year 2016/17 Third Quarter Budget Review. (Attachment 1)
2. Adopt Resolution No. 2017-XX. A resolution of the City Council of the City of Moreno Valley, California, adopting the revised budget for Fiscal Year 2016/17.

#### **Recommendation: That the CSD:**

1. Adopt Resolution No. CSD 2017-XX. A resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, adopting the revised budget for Fiscal Year 2016/17.

#### **Recommendation: That the HA:**

1. Adopt Resolution No. HA 2017-XX. A resolution of the Moreno Valley Housing Authority of the City of Moreno Valley, California, adopting the revised budget for Fiscal Year 2016/17.

## **SUMMARY**

This report provides the Third Quarter Budget Report which updates the Mayor and City Council regarding current year financial trends and provides the Fiscal Year (FY) 2016/17 Third Quarter Budget Review through March 31, 2017. This report also requests the approval of certain FY 2016/17 revenue and expenditure budget amendments.

These items were presented to the Finance Subcommittee on May 23, 2017 for review and discussion.

## **DISCUSSION**

On June 23, 2015, the City Council adopted the Two-Year Operating Budget for Fiscal Years 2015/16 – 2016/17. The budget included all component units of the City, including the General Fund, Community Services District, Housing Authority and Successor Agency. During the two-year budget period, the City Council will be kept informed of the City's financial condition through the process of First Quarter, Mid-Year and Third Quarter Budget Reviews. This ongoing process ensures a forum to review expenditure and revenue changes from the estimates made in the budget document. Additionally, any significant changes in projected revenue or unanticipated expenditures will be shared with the City Council should they occur. This report provides the FY 2016/17 Third Quarter Review for the first nine months of FY 2016/17, July through March. The third quarter budget review will focus primarily on the City's General Fund. This review will also present nine-month operational results from other key funds.

The City Council's direction of "Maintain a Balanced General Fund Budget" continues to be the goal regarding the fiscal status of City operations. Changes were considered where necessary to adjust for expenditure needs that could not be absorbed within current approved appropriations and to correct some one-time requirements in some funds. This report identifies the proposed budget adjustments.

## **FISCAL YEAR 2016/17 THIRD QUARTER REVIEW:**

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

### **General Fund Revenue Update**

Revenue receipts do not follow an even schedule. Although 75% of the fiscal year has elapsed, based on historic trends revenues are estimated to be at approximately 66% of the budgeted amount. Actual revenues received are currently 61% of budget. Revenue amounts continue to be stable. Although there will be variances in some of the amounts budgeted, the total is expected to remain within 1% of the amended budget for the year. Total General Fund revenue is estimated to be \$97.6 million. It should be noted that the lag in timing of revenue receipts is one reason an operating cash reserve is necessary.

## General Fund Expenditure Update

Although not all expenditures follow a straight-line spending pattern, operating expenditures should track close to within 75% of budget for the year at the end of the first 9 months. As of March 31, 2017 total General Fund expenditures were at 68%. This pace is within expectations for most activities in the General Fund.

## **FISCAL YEAR 2016/17 BUDGET ADJUSTMENTS**

Based on economic activity and revenue collections through March 2017, staff is not anticipating that total revenues will produce any significant increases over the amounts originally budgeted. Although there are some decreases noted by revised estimates, there are offsetting adjustments that offset these impacts. The decrease to the FY 2016/17 General Fund revenues is \$1 million to approximately \$96.7 million as presented on Exhibit A. This is primarily due to updated estimates in sales tax revenue. Although sales tax has continued to grow, we are beginning to see a lower percentage of growth. Additionally, this includes a one-time adjustment to the projections following the end of the triple-flip. These adjustments were taken into account for the development of the City's 2017/18 budget.

The FY 2016/17 General Fund expenditures budget, as currently amended, totals approximately \$97.6 million. The recommended first quarter budget changes decrease expenditures by \$1.2 to \$96.4 million. This reduction is primarily driven by the actual percentage increase for contract police services coming in lower than previously estimated. The fund continues to be structurally balanced, without the use of fund balance. The specific budget adjustments for the General Fund are summarized in Exhibit A attached to the City Council Resolutions recommended for approval.

Fund	Type (Rev/Exp)	FY16/17 Budget	Proposed Adjustments (\$)	Proposed Adjustments (%)	FY16/17 Amended Budget (1)
General Fund	Rev	\$97,686,799	(\$1,021,033)	1.05%	\$96,665,766
General Fund	Exp	\$97,662,687	(\$1,218,860)	1.25%	\$96,443,827

## **SUMMARIES OF MAJOR FUNDS**

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

### Gas Tax (Fund 2000)

There is a budget adjustment recommended for third quarter that decreases revenue by \$188,078 based on the updated Highway User Tax projected revenue from the State.

### Measure A (Fund 2001)

There is a budget adjustment recommended for third quarter that decreases expenditures by \$46,141 for FY 2016/17 due to an update to the fleet operations budget. Revenue is decreasing by \$186,000 due to revised Measure A Tax projections from the Riverside County Transportation Commission.

### Development Impact Fees (DIF) Traffic Signals and DIF Traffic Signal Capital Projects (Funds 2902 and 3302)

This recommended budget transfer of \$453,600 from DIF Traffic Signal Fund 2902 to Fund 3302 DIF Traffic Signal Capital Projects is to adjust remaining fund balances within the funds. The transfer will not increase any project expenditures as previously approved by the City Council.

### Total Road Improvement Program (TRIP) Capital Projects (Fund 3411)

The Reche Vista project was originally budgeted at \$302,089, while the actual expenditures were \$283,589. Staff is requesting a decrease in expenditures by \$18,500 to match actuals.

### Community Facilities District (CFD) No. 1 (Fund 5113)

Based on current year activities, staff requests a reduction by \$122,000 for the parks maintenance program. The budget adjustments will still provide for continued parks maintenance through FY 2016/17.

### Electric – Restricted Assets (Fund 6011)

Moreno Valley Utility proposes to increase expenditures by \$685,700 to adjust the budget for the solar carport project and to restore amounts that were not previously carried over from the prior year's budget. The increase will also provide an adjustment for the initial design on Alessandro and Heacock cross town ties and for the electric vehicle charging station due to additional design requirements.

## **ALTERNATIVES**

1. Recommend approval of proposed Recommended Actions as set forth in this staff report, including the approval of the budget adjustments for FY 2016/17, as presented in Exhibit A. The approval of these items will allow for ongoing activities to be carried out in the current fiscal year and the City is able to modify budgets and operations as necessary through this quarterly review. Staff recommends this alternative.
2. Do not recommend approval of proposed Recommended Actions as set forth in this staff report, including the resolutions adopting the budget adjustments to the

FY 2016/17 budget, as presented in Exhibit A; or recommended actions. Staff does not recommend this alternative.

## **FISCAL IMPACT**

The City's Budget provides the funding and expenditure plan for all funds. As such, it serves as the City's financial plan for the fiscal year. The fiscal impacts for the proposed budget amendments are identified in Exhibit A to the Resolutions.

## **NOTIFICATION**

Publication of the agenda.

## **PREPARATION OF STAFF REPORT**

Prepared By:  
Stephanie Cuff  
Management Analyst

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

## **CITY COUNCIL GOALS**

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

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

## **CITY COUNCIL STRATEGIC PRIORITIES**

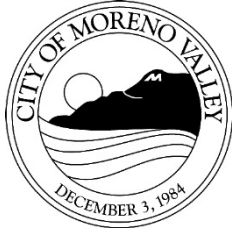
1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

## **ATTACHMENTS**

1. FY 2016-17 Third Quarter Financial Report
2. Resolution-City 2017-38
3. Exhibit A - Amendments
4. Resolution-CSD 2017-13
5. Resolution-HA 2017-04

**APPROVALS**

Budget Officer Approval	<u>✓ Approved</u>	5/28/17 9:56 AM
City Attorney Approval	<u>✓ Approved</u>	5/30/17 2:07 PM
City Manager Approval	<u>✓ Approved</u>	6/06/17 5:06 PM



# City of Moreno Valley

## Fiscal Year 2016/17

### Third Quarter Financial Summary

**TO:** Mayor and City Council

**FROM:** Marshall Eyerman, Chief Financial Officer/City Treasurer

**DATE:** June 20, 2017

#### INTRODUCTION

On June 23, 2015, the City Council adopted the Two-Year Operating Budget for Fiscal Years 2015/16 – 2016/17. During the two-year budget period the City Council will be kept apprised of the City's financial condition through the process of First Quarter, Mid-Year Budget and Third Quarter Reviews. This ongoing process ensures a forum to look at expenditure and revenue deviations from the estimates made in the budget document. Additionally, any significant variances in projected revenue or unanticipated expenditures will be shared with the City Council should they occur.

This report provides a review of the unaudited financial results at the third quarter of Fiscal Year (FY) 2016/17 (July 2016 – March 2017, 75% of the fiscal year).

#### CITYWIDE OPERATING EXPENDITURE SUMMARY

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

**Table 1. Citywide Operating Expenditures**

Fund/Component Unit	FY 2016/17 Adopted Budget	FY 2016/17 Amended Budget	Actuals as of 3/31/17 (unaudited)	% of Amended Budget
General Fund	\$ 94,411,033	\$ 97,662,687	\$ 66,373,124	68.0%
Community Services District (CSD)	19,851,779	20,005,432	12,019,579	60.1%
Successor Agency	5,395,517	5,953,848	3,616,024	60.7%
Housing Fund	72,000	72,000	647,333	899.1%
Special Revenue Funds	27,513,046	49,729,996	20,424,063	41.1%
Capital Projects Funds	2,410,500	11,866,799	2,779,435	23.4%
Electric Utility Funds	23,549,201	45,045,782	19,988,460	44.4%
Internal Service Funds	11,915,579	15,530,031	8,531,110	54.9%
Debt Service Funds	6,670,800	10,182,830	8,202,000	80.5%
<b>Total</b>	<b>\$ 191,789,455</b>	<b>\$ 256,049,405</b>	<b>\$ 142,581,129</b>	<b>55.7%</b>

Actions taken by the City Council subsequent to the June 23, 2015 adoption of the two-year budget may include carryovers and requested amendments as approved by the City Council.

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

## GENERAL FUND OPERATING

**Table 2. General Fund Operations**

	FY 2016/17 Adopted Budget	FY 2016/17 Amended Budget	Actuals as of 3/31/2017 (unaudited)	% of Amended Budget
<b>Revenues:</b>				
Taxes:				
Property Tax	\$ 12,736,197	\$ 12,969,197	\$ 7,771,065	59.9%
Property Tax in-lieu	16,597,580	17,430,250	8,715,125	50.0%
Utility Users Tax	16,092,542	16,092,542	10,996,616	68.3%
Sales Tax	20,486,866	19,518,257	10,696,914	54.8%
Other Taxes	9,452,668	9,819,668	6,480,227	66.0%
Licenses & Permits	2,126,877	2,096,377	2,522,055	120.3%
Intergovernmental	215,000	418,371	424,495	101.5%
Charges for Services	10,971,363	10,981,143	8,186,734	74.6%
Use of Money & Property	3,469,962	3,269,962	964,596	29.5%
Fines & Forfeitures	629,073	629,073	371,860	59.1%
Miscellaneous	103,400	53,400	179,214	335.6%
<b>Total Revenues</b>	<b>\$ 92,881,528</b>	<b>\$ 93,278,240</b>	<b>\$ 57,308,901</b>	<b>61.4%</b>
<b>Expenditures:</b>				
Personnel Services	\$ 17,007,883	\$ 17,336,992	\$ 13,272,246	76.6%
Contractual Services	64,934,778	65,535,514	43,714,437	66.7%
Material & Supplies	3,569,633	5,603,921	2,797,739	49.9%
Fixed Charges	5,603,063	5,603,063	4,156,689	74.2%
Fixed Assets	50,000	297,510	61,279	20.6%
<b>Total Expenditures</b>	<b>\$ 91,165,357</b>	<b>\$ 94,377,000</b>	<b>\$ 64,002,390</b>	<b>67.8%</b>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	\$ 1,716,171	\$ (1,098,760)	\$ (6,693,489)	
<b>Transfers:</b>				
Transfers In	\$ 2,547,650	\$ 4,408,559	\$ 1,910,736	43.3%
Transfers Out	3,245,676	3,285,687	2,370,734	72.2%
<b>Net Transfers</b>	<b>\$ (698,026)</b>	<b>\$ 1,122,872</b>	<b>\$ (459,998)</b>	
Total Revenues & Transfers In	\$ 95,429,178	\$ 97,686,799	\$ 59,219,637	60.6%
Total Expenditures & Transfers Out	94,411,033	97,662,687	66,373,124	68.0%
<b>Net Change of Fund Balance</b>	<b>\$ 1,018,145</b>	<b>\$ 24,112</b>	<b>\$ (7,153,487)</b>	



## General Fund Operating Revenues

The General Fund is comprised of several revenue types. However, the main sources include property tax, utility users tax, and sales tax. Each of these is affected by different economic activity cycles and pressures.

**Table 3. General Fund Operating Revenues**

	FY 2016/17 Adopted Budget	FY 2016/17 Amended Budget	Actuals as of 3/31/2017 (unaudited)	% of Amended Budget
<b>Revenues:</b>				
Taxes:				
Property Tax	\$ 12,736,197	\$ 12,969,197	\$ 7,771,065	59.9%
Property Tax in-lieu	16,597,580	17,430,250	8,715,125	50.0%
Utility Users Tax	16,092,542	16,092,542	10,996,616	68.3%
Sales Tax	20,486,866	19,518,257	10,696,914	54.8%
Other Taxes	9,452,668	9,819,668	6,480,227	66.0%
Licenses & Permits	2,126,877	2,096,377	2,522,055	120.3%
Intergovernmental	215,000	418,371	424,495	101.5%
Charges for Services	10,971,363	10,981,143	8,186,734	74.6%
Use of Money & Property	3,469,962	3,269,962	964,596	29.5%
Fines & Forfeitures	629,073	629,073	371,860	59.1%
Miscellaneous	103,400	53,400	179,214	335.6%
<b>Total Revenues</b>	<b>\$ 92,881,528</b>	<b>\$ 93,278,240</b>	<b>\$ 57,308,901</b>	<b>61.4%</b>

### Property Taxes/Property Taxes In-Lieu

Property taxes were budgeted to increase by 5.2% from the FY 2015/16 Amended Budget. The annual schedule of property tax payments from the County of Riverside will provide payments to the City based on the following estimated schedule:

#### Secured Property Tax Payment Dates

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

Based on historical averages of actual receipts, the City is estimated to receive 54.6% of the budgeted property tax revenue through third quarter. The City has currently received 54.2% through third quarter. Property taxes will continue to be monitored as property valuations may adjust through the year based on property sales and assessment appeals filed with the County.

**Chart 1. General Fund Third Quarter Revenue Trend – Property Taxes**

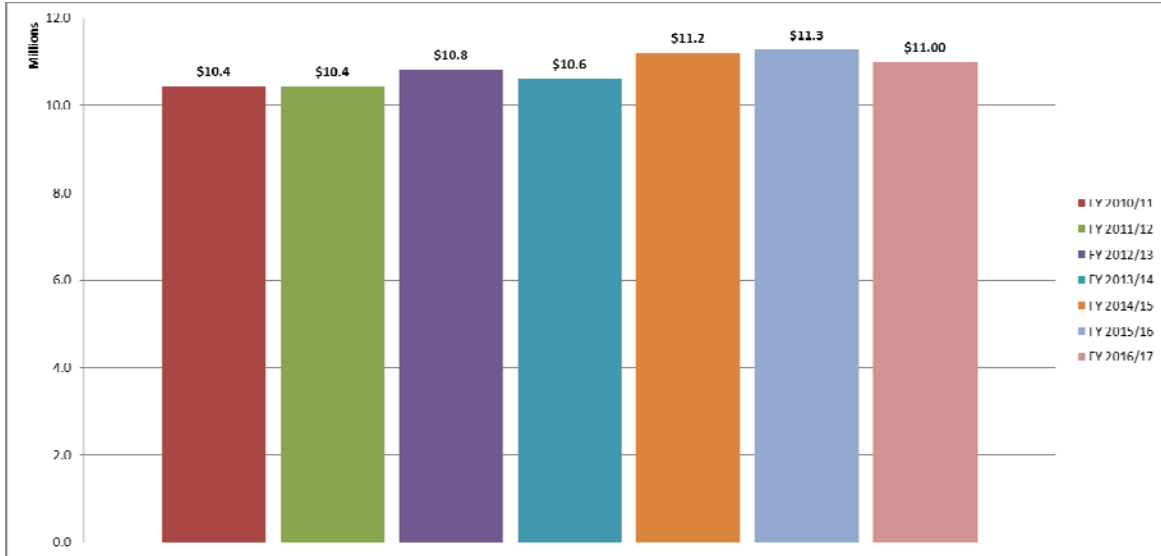


### ***Utility Users Tax***

Utility Users taxes were budgeted to remain flat from the FY 2015/16 Amended Budget. This projection is primarily due to competitive forces within the communications markets. Both the wireless and wired markets experienced downturns year over year. Based on our discussions with utility tax experts, there are a couple of causes for this trend. First is competition and bundling practices within the market as more small players continue to join the market. Second is the migration of customers from contract plans to prepaid plans.

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

**Chart 2. General Fund Third Quarter Revenue Trend – Utility Users Taxes**

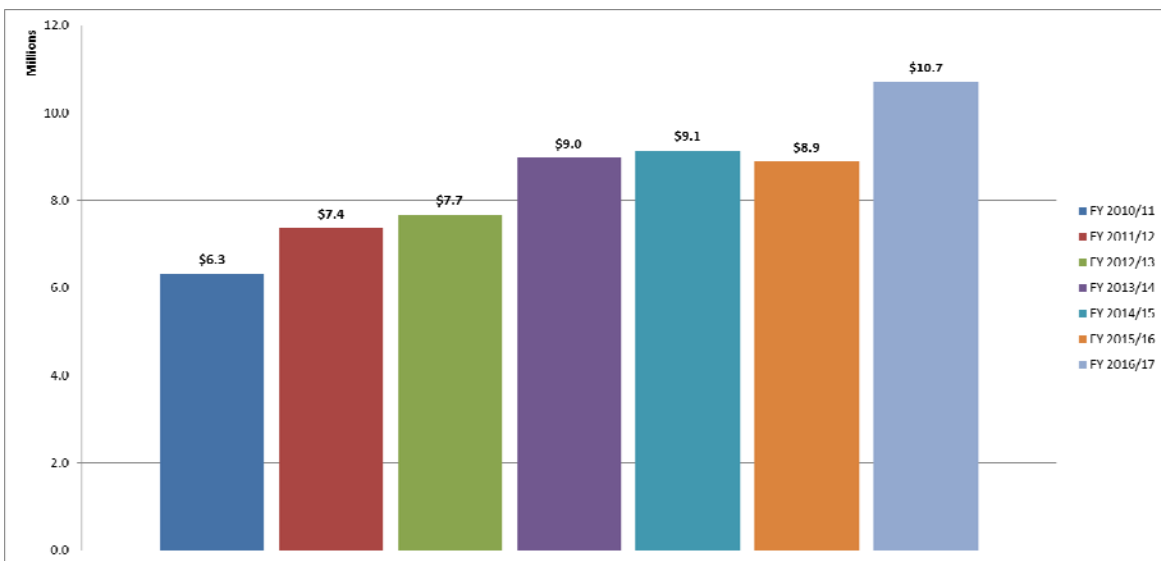


**Sales Taxes**

Based on the recovering economy and new businesses that began operating in the City, the FY 2016/17 sales tax budget was increased by 6%. Sales tax receipts will need to be continually monitored through the year to determine if current trends begin to plateau or begin to decrease.

Based on historical averages of actual receipts, the City is estimated to receive 56% of the budgeted sales tax revenue through third quarter. The City has currently received 55% through third quarter.

**Chart 3. General Fund Third Quarter Revenue Trend – Sales Taxes**

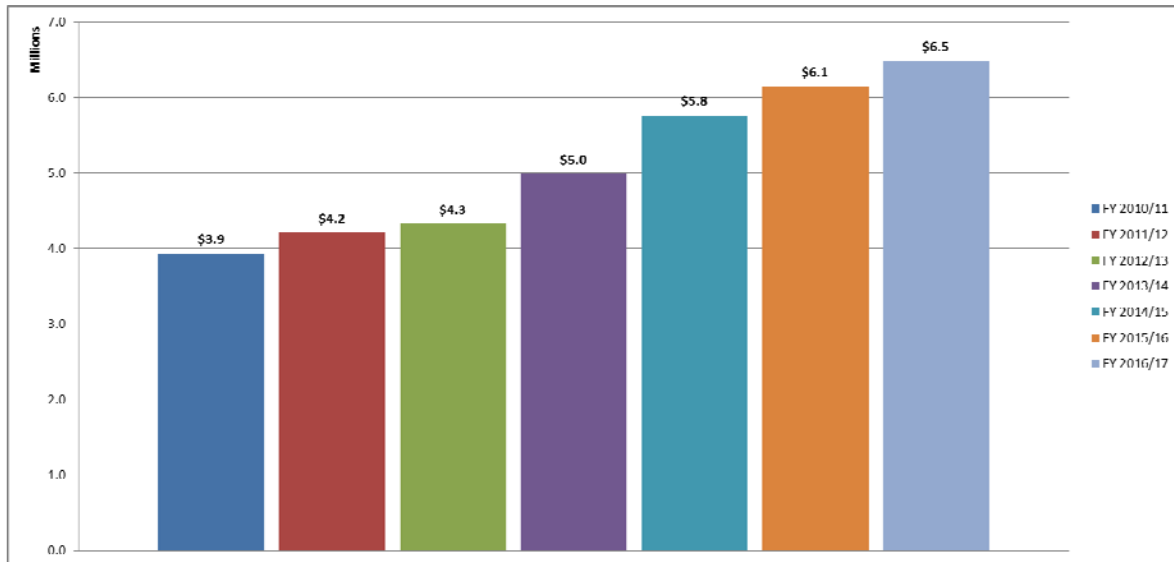


### **Other Taxes**

Other taxes are primarily composed of Business Gross Receipts, Transient Occupancy Tax, Documentary Transfer Tax, and Franchise Fees. Collectively, other taxes were budgeted to increase 3.1% from the FY 2015/16 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 62% of the budgeted Other Taxes revenue through third quarter. The City has currently received 66% through third quarter.

**Chart 4. General Fund Third Quarter Revenue Trend – Other Taxes**

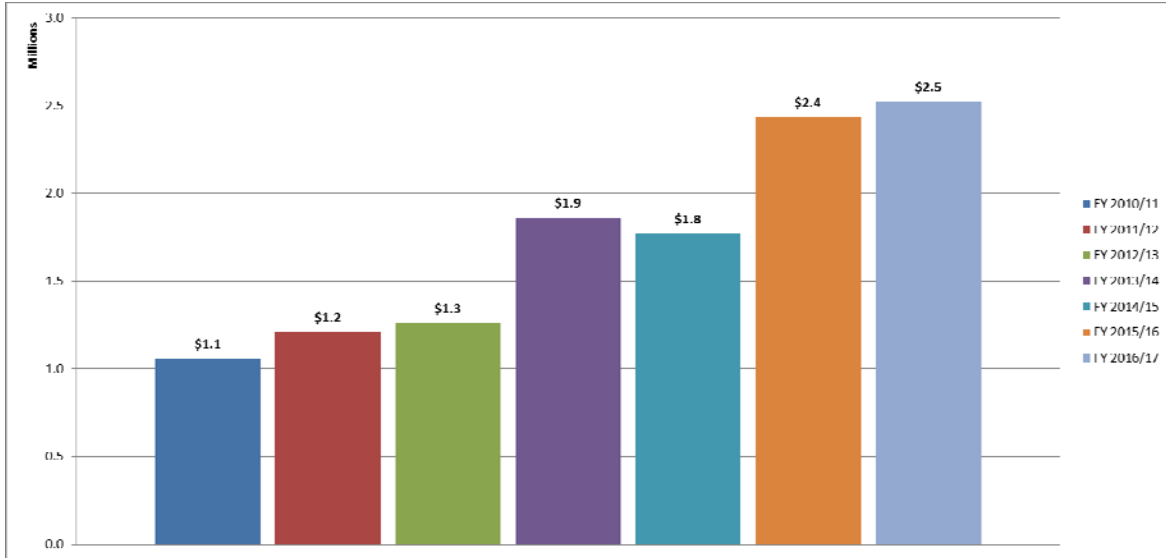


### **Licenses & Permits**

Licenses & Permits are primarily composed of Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits. Collectively, Licenses & Permits were budgeted to decrease 36% from the FY 2015/16 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 91% of the budgeted Licenses & Permits revenue through third quarter. The City has currently received 120% through third quarter. The higher growth rate is related primarily to the recent building permit activities.

**Chart 5. General Fund Third Quarter Revenue Trend – Licenses & Permits**

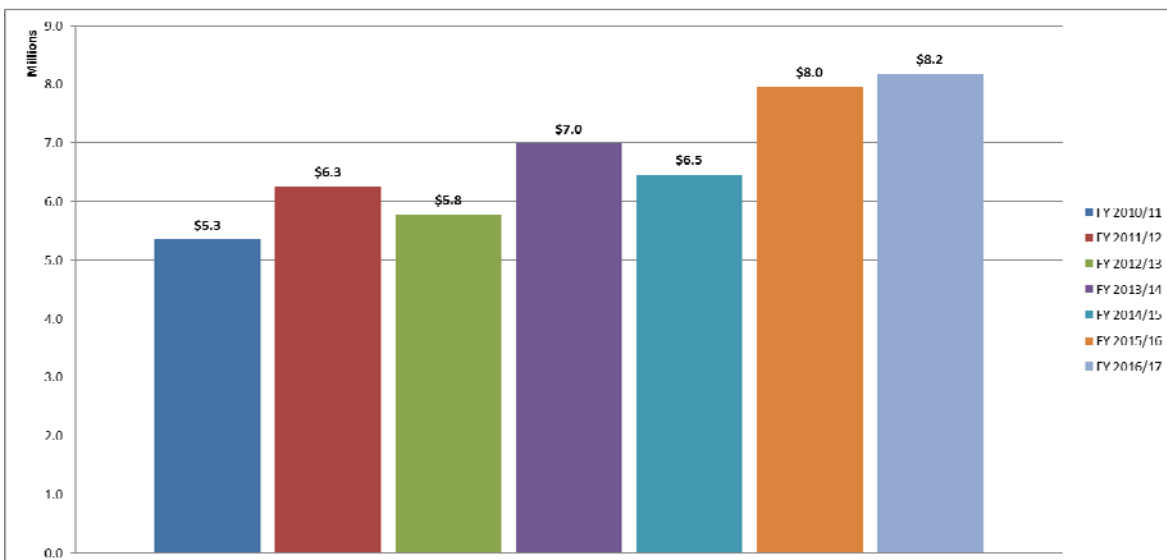


**Charges for Services**

Charges for Services are primarily composed of Plan Check Fees, Inspection Fees, Administrative Charges to other funds, and Parking Control Fines. Collectively, Charges for Services were budgeted to increase 2% from the FY 2015/16 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 74% of the budgeted Charges for Services revenue through third quarter. The City has currently received 75% through third quarter.

**Chart 6. General Fund Third Quarter Revenue Trend – Charges for Services**



## Use of Money and Property

Investment income continues to remain low due to extremely low rates of return for fixed income investments. The investments managed by Chandler Asset Management totaled \$84,203,833 at par and achieved a Yield to Maturity (YTM) for March 2017 of 1.59%. This compares to a YTM in March 2016 of 1.46% and a YTM in June 2016 of 1.49%. The investments managed by Insight Investments totaled \$55,036,202 at par and achieved a Yield to Maturity (YTM) for March 2017 of 1.17%. This compares to a YTM in March 2016 of 1.08% and a YTM in June 2016 of 1.09%. In addition, the City maintained \$40,778,655 in the State Local Agency Investment Fund Pool (LAIF) with a YTM of 0.82%. This is a very low rate of return compared to historical experience, but is indicative of how investment income is performing everywhere. As the market begins to move upward, there will be less opportunity for the trading gains that are generally available under an active management approach.

## General Fund Expenditures

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

**Table 4. General Fund Expenditures**

Department	FY 2016/17 Adopted Budget	FY 2016/17 Amended Budget	Actuals as of 3/31/17 (unaudited)	% of Amended Budget
City Council	\$ 638,925	\$ 985,598	\$ 743,254	75.4%
City Clerk	689,746	689,746	297,170	43.1%
City Manager	1,656,313	5,382,783	3,428,053	63.7%
City Attorney	728,616	903,616	669,465	74.1%
Community Development	5,706,871	5,826,871	3,848,949	66.1%
Economic Development	1,097,783	1,249,972	748,710	59.9%
Financial & Management Services	7,596,922	3,606,511	2,305,995	63.9%
Administrative Services	3,934,529	4,034,129	2,832,831	70.2%
Public Works	8,015,264	10,417,414	5,514,742	52.9%
Non-Departmental	3,571,676	3,526,787	3,910,167	110.9%
Non-Public Safety Subtotal	\$ 33,636,645	\$ 36,623,427	\$ 24,299,335	66.3%
Public Safety				
Police	\$ 41,952,136	\$ 42,083,791	\$ 28,752,432	68.3%
Fire	18,822,252	18,955,469	13,321,357	70.3%
Public Safety Subtotal	\$ 60,774,388	\$ 61,039,260	\$ 42,073,789	68.9%
<b>Total</b>	<b>\$ 94,411,033</b>	<b>\$ 97,662,687</b>	<b>\$ 66,373,124</b>	

## OTHER KEY FUNDS

The following summaries describe other major funds in the City.

## Moreno Valley Community Services District

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

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

**Table 5. CSD Operations**

	FY 2016/17 Adopted Budget	FY 2016/17 Amended Budget	Actuals as of 3/31/17 (unaudited)	% of Amended Budget
<b>Revenues:</b>				
Taxes:				
Property Tax	\$ 4,263,157	\$ 4,263,157	\$ 2,654,831	62.3%
Other Taxes	6,413,100	6,412,944	3,407,104	53.1%
Charges for Services	6,246,150	6,040,688	3,262,454	54.0%
Use of Money & Property	747,900	743,701	566,704	76.2%
Fines & Forfeitures	50,000	50,000	28,762	57.5%
Miscellaneous	9,150	9,150	12,591	137.6%
Transfers In	1,367,676	1,354,316	1,027,484	75.9%
<b>Total Revenues</b>	<b>\$ 19,097,133</b>	<b>\$ 18,873,956</b>	<b>\$ 10,959,930</b>	<b>58.1%</b>
<b>Expenditures:</b>				
Library Services Fund (5010)	\$ 1,779,473	\$ 1,779,473	\$ 1,352,518	76.0%
Zone A Parks Fund (5011)	9,250,791	9,293,994	6,253,916	67.3%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,795,108	1,795,108	1,054,471	58.7%
Zone C Arterial Street Lighting Fund (5110)	1,033,249	1,033,249	586,446	56.8%
Zone D Standard Landscaping Fund (5111)	1,204,716	1,208,837	510,048	42.2%
Zone E Extensive Landscaping Fund (5013)	531,589	533,740	95,793	17.9%
5014 LMD 2014-02	2,412,448	2,456,127	1,140,205	46.4%
Zone M Median Fund (5112)	199,740	201,188	91,617	45.5%
CFD No. 1 (5113)	1,590,216	1,648,237	872,556	52.9%
Zone S (5114)	54,449	55,479	37,420	67.4%
5211 Zone A Parks - Restricted Assets	0	0	24,590	0%
<b>Total Expenditures</b>	<b>\$ 19,851,779</b>	<b>\$ 20,005,432</b>	<b>\$ 12,019,579</b>	<b>60.1%</b>
<b>Net Change or Adopted Use of Fund Balance</b>	<b>\$ (754,646)</b>	<b>\$ (1,131,476)</b>	<b>\$ (1,059,650)</b>	

## Community Services District Zone A – Parks & Community Services

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

**Table 6. CSD Zone A Operations**

	FY 2016/17 Adopted Budget	FY 2016/17 Amended Budget	Actuals as of 3/31/17 (unaudited)	% of Amended Budget
<b>Revenues:</b>				
Taxes:				
Property Tax	\$ 2,250,887	\$ 2,250,887	\$ 1,361,502	60.5%
Other Taxes	4,930,000	4,930,000	2,616,910	53.1%
Charges for Services	1,114,350	1,114,350	757,145	67.9%
Use of Money & Property	681,200	677,001	567,628	83.8%
Miscellaneous	7,150	7,150	12,135	169.7%
Transfers In	521,021	524,084	390,762	74.6%
<b>Total Revenues</b>	<b>\$ 9,504,608</b>	<b>\$ 9,503,472</b>	<b>\$ 5,706,082</b>	<b>60.0%</b>
<b>Expenditures:</b>				
35010 Parks & Comm Svcs - Admin	\$ 500,638	\$ 506,984	\$ 490,107	96.7%
35210 Park Maintenance - General	3,472,640	3,424,895	2,174,552	63.5%
35211 Contract Park Maintenance	502,650	505,023	230,743	45.7%
35212 Park Ranger Program	386,369	386,369	243,150	62.9%
35213 Golf Course Program	278,757	343,214	222,960	65.0%
35214 Parks Projects	207,700	207,700	158,874	76.5%
35310 Senior Program	571,615	571,615	348,803	61.0%
35311 Community Services	189,741	157,611	114,230	72.5%
35312 Community Events	82,767	103,767	77,452	74.6%
35313 Conf & Rec Cntr	492,927	542,896	369,467	68.1%
35314 Conf & Rec Cntr - Banquet	343,393	346,456	248,948	71.9%
35315 Recreation Programs	1,344,500	1,344,500	971,277	72.2%
35316 ASA Tournament	0	0	0	
35317 July 4th Celebration	134,594	134,594	70,128	52.1%
35318 Sports Programs	676,447	652,317	417,293	64.0%
35319 Towngate Community Center	66,053	66,053	47,318	71.6%
95011 Non-Dept Zone A Parks	0	0	68,613	0.0%
<b>Total Expenditures</b>	<b>\$ 9,250,791</b>	<b>\$ 9,293,994</b>	<b>\$ 6,253,916</b>	<b>67.3%</b>
<b>Net Change or Adopted Use of Fund Balance</b>	<b>\$ 253,817</b>	<b>\$ 209,478</b>	<b>\$ (547,834)</b>	

## Electric Utility

The Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility. MVU's basic purpose is to purchase and distribute electricity to customers in newly developed areas of the City. The City began serving new customers in February 2004, and now serves more than 6,000 customers. As it reaches fiscal and



operational maturity, MVU will continue to be a key component of the City's economic development strategy. The City Council has established special tiered rates for electric utility customers based upon factors such as the number of jobs created.

The main revenue source for this fund is derived from charges for services. The customer base includes residential, commercial and industrial customers. The growth in customer base will continue to provide for the ability to create rate stabilization and replacement reserve funding. MVU's revenues and expenses will fluctuate annually based on energy demands.

**Table 7. MVU Operations**

	FY 2016/17 Adopted Budget	FY 2016/17 Amended Budget	Actuals as of 3/31/2017 (unaudited)	% of Amended Budget
<b>Revenues:</b>				
Taxes:				
Charges for Services	\$ 28,475,344.00	\$ 28,475,344.00	\$ 20,908,405.08	73.4%
Use of Money & Property	80,500	80,500	37,153	46.2%
Miscellaneous	86,625	86,625	70,443	81.3%
<b>Total Revenues</b>	<b>\$ 28,642,469</b>	<b>\$ 28,642,469</b>	<b>\$ 21,016,001</b>	<b>73.4%</b>
<b>Expenditures:</b>				
45510 Electric Utility - General	\$ 18,508,368	\$ 18,639,819	\$ 13,766,747	73.9%
45511 Public Purpose Program	2,903,183	1,888,837	469,616	24.9%
Taxable Lease Rev Bonds	1,834,700	644,147	640,696	99.5%
80005 CIP - Electric Utility	0	20,082,155	3,397,204	16.9%
96010 Non-Dept Electric	0	4,793	6,230	130.0%
96030 Non-Dept 2005 Lease Revenue Bonds	0	1,008,000	434,763	43.1%
96021 Non-Dept 2016 Tax LRB of 07 Tax	0	1,832,081	645,504	35.2%
96031 Non-Dept 2013 Refunding 05 LRB	180,450	180,450	156,872	86.9%
96032 Non-Dept 2014 Refunding 2005 LRB	122,500	122,500	59,887	48.9%
96040 Non-Dept 2015 Taxable LRB	0	643,000	410,941	63.9%
<b>Total Expenditures</b>	<b>\$ 23,549,201</b>	<b>\$ 45,045,782</b>	<b>\$ 19,988,460</b>	<b>44.4%</b>
<b>Net Change or Adopted Use of Fund Balance</b>	<b>\$ 5,093,268</b>	<b>\$ (16,403,313)</b>	<b>\$ 1,027,541</b>	

Note: CIP expenditures will be funded through fund balances and the issuance of the 2015 Lease Revenue Bonds. Projects may only be completed as funding is available.

## SUMMARY

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

Although the City has experienced positive results in some areas through FY 2015/16 and through the third quarter of FY 2016/17, the City should remain cautiously optimistic as we proceed through the fiscal year.

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

RESOLUTION NO. 2017-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED BUDGET FOR FISCAL YEAR 2016/17

WHEREAS, the City Council approved the Budget for the City for Fiscal Year 2016/17, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the City Council approves amendments to the budget throughout the fiscal year and such prior amendments are reflected within the current amended budget and further ratified as part of the adoption of the 3<sup>rd</sup> Quarter budget amendments; and

WHEREAS, the City Manager has heretofore submitted to the City Council proposed amendments to the Budget for the City for Fiscal Year 2016/17, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

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

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

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

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

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

1. The proposed amendments to the Budget, as Exhibit A to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the City Council, are hereby approved and adopted as the annual Budget of the City of Moreno Valley for the Fiscal Year 2016/17.
2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.

3. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

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

APPROVED AND ADOPTED this 20<sup>th</sup> day of June, 2017.

\_\_\_\_\_  
Mayor of the City of Moreno Valley

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**RESOLUTION JURAT**

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

I, Pat Jacquez-Nares, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2017-38 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 20<sup>th</sup> day of June, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

\_\_\_\_\_  
CITY CLERK

(SEAL)

**CITY OF MORENO VALLEY  
GENERAL FUND  
FY 2016/17 Proposed Amendments**

Department	Fund	Account Description	General Ledger Account	Project	Fiscal Year 2016/17 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
City Clerk	1010	Council - Election Services	1010-12-05-12010-620120		\$ 177,000	\$ 90,000	\$ 267,000	Special Election cost estimate for June 2017.
City Manager	1010	Software Maint/Support/License	1010-16-39-25412-625010		76,200	(16,000)	60,200	Moving to fund 7220 for the Telecom's purchase of switches.
Police	1010	Mach-Equip, Repl - Vehicles	1010-60-67-40210-660322		-	30,000	30,000	The Police Department is requesting \$30,000 and \$35,000 for three replacement motorcycles and maintenance. Currently \$71,344 is set aside for additional funds for motorcycle replacement based on the shorter life they are experiencing.
Police	1010	Repl Chrg - Other	1010-60-67-40210-693010		51,479	71,344	122,823	
Police	1010	Oper Mtrls - Vehicles	1010-60-67-40210-630350		35,000	35,000	70,000	Based on the actual contract rate being lower than projected from 8% to 5.14%.
Police	1010	Agency Svcs - Cnty	1010-60-65-40010-620320		861,842	(34,474)	827,368	
Police	1010	Agency Svcs - Cnty	1010-60-66-40110-620320		23,853,877	(954,155)	22,899,722	
Police	1010	Agency Svcs - Cnty	1010-60-66-40111-620320		380,780	(15,231)	365,549	
Police	1010	Agency Svcs - Cnty	1010-60-67-40210-620320		5,792,602	(231,704)	5,560,898	
Police	1010	Agency Svcs - Cnty	1010-60-67-40220-620320		1,090,394	(43,616)	1,046,778	
Police	1010	Agency Svcs - Cnty	1010-60-68-40310-620320		743,310	(29,732)	713,578	
Police	1010	Agency Svcs - Cnty	1010-60-68-40312-620320		1,525,569	(61,023)	1,464,546	
Police	1010	Agency Svcs - Cnty	1010-60-69-40410-620320		4,597,209	(183,888)	4,413,321	
Public Works	1010	Admin Chrg - Fleet Ops	1010-70-76-45122-692050		-	67,590	67,590	
Public Works	1010	Admin Chrg - Fleet Ops	1010-70-78-45315-692050		-	57,030	57,030	Fleet Ops Administrative charge for Tree Trimming vehicles.
<b>EXPENSES TOTAL</b>					<b>\$ 39,185,262</b>	<b>(1,218,860)</b>	<b>\$ 37,966,402</b>	

Community Development	1010	Building Permits	1010-20-28-20310-425000		\$ 944,000	602,000	\$ 1,546,000	Budget adjustment due to higher than projected building permit revenue in the fiscal year (FY). With the implementation of ACP and new fee schedule all permit revenue will be posted to this account; electrical, mechanical, plumbing, sign and special inspection permit revenue accounts are no longer being used.
Community Development	1010	Bldg. & Safety Plan Check F	1010-20-28-20310-540000		457,776	443,224	901,000	Budget adjustment due to higher than projected plan check revenue in the fiscal year.
Community Development	1010	Abandoned Vehicle Abatement	1010-20-26-20110-480140		180,000	115,000	295,000	Adjustment due to higher than projected abandoned vehicle abatement fee revenue in the fiscal year
Financial Management Services	1010	Revenue Close to Bal Sheet - Use of M&P-Int Income	1010-99-99-91010-469999		-	(763,000)	(763,000)	Adjustment to reflect certain accounting rules for the recording of revenues from the Towngate mall note.
Financial Management Services	1010	Sales Tax - General	1010-99-99-91010-402000		19,518,257	(1,418,257)	18,100,000	Updated estimate for sales tax revenue for FY 2016/17.
<b>REVENUE TOTAL</b>					<b>\$ 21,100,033</b>	<b>(1,021,033)</b>	<b>\$ 20,079,000</b>	

**CITY OF MORENO VALLEY  
NON - GENERAL FUND  
FY 2016/17 Proposed Amendments**

Department	Fund	Account Description	General Ledger Account	Project	Fiscal Year 2016/17 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Administrative Services	7310	Transfers to - ENERGY EFFICIENCY REVOLVING FUND	7310-99-99-97310-902017		\$ -	\$ 15,000	\$ 15,000	Per Policy 2.47 Energy Efficiency, Fund 7310 transfers 50% of energy efficiency savings realized at the end of each fiscal year to Fund 2017 to be spent on future energy projects. A budget of \$15,000 for these accounts should cover the transfers for FY2016/17.
City Manager	7220	Computer, Repl - Hardware	7220-16-39-25413-660420		-	7,962	7,962	Replacement printer for Geographic Information System
City Manager	7220	Computer, Repl - Software	7220-16-39-25410-660422		-	45,569	45,569	Replacement of cashiering system.
City Manager	7220	Computer, New - Hardware	7220-16-39-25411-660410		-	16,000	16,000	For the Telecomm's purchase of switches.
Financial Management Services	8884	Transfers to NEIGHBORHOOD STABILIZATION PRG	8884-99-99-98884-902507		-	594,000	594,000	Riverside County Habitat property from Housing Authority to Neighborhood Stabilization Program. This adjustment will reflect the final sale of these properties.
Financial Management Services	2507	NSP Programs	2507-30-36-72701-733201		-	594,000	594,000	
Financial Management Services	6021	Principal Pymt- Contra Ac	6021-99-99-96021-670312		-	(855,000)	(855,000)	
Financial Management Services	6031	Principal Pymt- Contra Ac	6031-99-99-96031-670312		-	(130,000)	(130,000)	Adjustment to reflect certain accounting rules for the recording of expenditures for the 2007 Taxable lease revenue Bond Principal.
Financial Management Services	6040	Principal Pymt- Contra Ac	6040-99-99-96040-670312		-	(175,000)	(175,000)	
Financial Management Services	6011	CIP Other	6011-30-80-80005-720199	805 0026 6011	19,601,768	50,000	19,651,768	Moreno Valley Utility proposes to increase expenditures to adjust the budget for the solar carport project and to include amounts that were not previously carried over from the prior year's budget. The increase will also provide an adjustment for the initial design on Alessandro and Heacock cross town ties and for the electric vehicle charging station due to additional design requirements.
Financial Management Services	6011	CIP Other	6011-30-80-80005-720199	805 0039 6011	19,601,768	520,000	20,121,768	
Financial Management Services	6011	CIP Other	6011-30-80-80005-720199	805 0044 6011	19,601,768	73,700	19,675,468	
Financial Management Services	6011	CIP Other	6011-30-80-80005-720199	805 0043 6011	19,601,768	42,000	19,643,768	
Financial Management Services	2715	Salaries, Temporary	2715-20-26-72115-611310		34,976	28,693	63,669	True-up fund to reflect expenditures to be reimbursed by the grant.
Financial Management Services	2715	Benefits - PERS & ERPD Def Comp	2715-20-26-72115-612110		9,269	4,369	13,638	
Financial Management Services	2715	Benefits - Medicare	2715-20-26-72115-612130		507	515	1,022	
Financial Management Services	2715	Maint & Repair - Machine Equip	2715-20-26-72115-620930		-	117	117	
Financial Management Services	2715	Oper Suppl - Office	2715-20-26-72115-630210		-	94	94	
Financial Management Services	2715	Oper Mtrls - Fuel: Gasoline	2715-20-26-72115-630355		-	393	393	
Financial Management Services	5211	Construction contract	5211-50-57-80003-720134		-	24,590	24,590	
Fire Department	2014	Oper Mtrls - Other	2014-40-45-30150-630399		44,000	4,000	48,000	To supplement Emergency Medical Services system costs to include first responder and training enhancements.
Parks and Community Services	5113	CIP Other	5113-50-57-80007-720199	807 0023 50 57	122,000	(20,000)	102,000	True-up of projected projects expenditures.
Parks and Community Services	5113	CIP Other	5113-50-57-80007-720199	807 0032 50 57	122,000	(92,000)	30,000	
Parks and Community Services	5113	CIP Other	5113-50-57-80007-720199	807 0037 50 57	122,000	(10,000)	112,000	
Public Works	2001	Admin Chrg - Fleet Ops	2001-70-76-45122-692050		81,666	(67,590)	14,076	Update to Fleet Operations budget for vehicle replacements for the Transportation Engineering Division.
Public Works	2301	CIP Other	2301-70-77-80001-720199	801 0031 70 77	4,805,412	(21,449)	4,783,963	The \$21,449 will return to Fund 2001 (Measure A) Fund Balance. Project 801 0031 Cactus Avenue Eastbound 3rd Lane Improvements/ Veterans Way to Heacock St has been completed. The remaining budget in Fund 2301 (Capital Projects Grants) needs to be transferred to Fund 2001 (Measure A) because these funds were transferred in from Measure A as a local match.
Public Works	2001	CIP Other	2001-70-77-80001-720199	801 0031 70 77	6,443,585	21,449	6,465,034	
Public Works	2902	Transfers to DIF TRAFFIC SIGNAL CAPITAL PRO	2902-99-95-92902-903302		185,000	453,600	638,600	This recommended budget transfers from DIF Traffic Signal Fund 2902 to Fund 3302. Fund 2902 collects and manages the development impact fees for traffic signals.
Public Works	3005	Transfers to DIF - FIRE	3005-99-99-93005-902903		-	63,000	63,000	Returning to DIF - Fire fund the project savings for Fire Station #48 remodel, Project # 803 0022. This project was completed in the Winter of FY 2016/17 and there is an approximate savings of \$63,000.
Public Works	3414	Admin Chrg - Special Dist	3414-70-79-25701-692020		25,000	(25,000)	-	Updated administrative charges.
Public Works	3411	CIP Other	3411-70-77-80001-720199	801 0009 70 77	737,136	(18,500)	718,636	The Reche Vista project was originally budgeted at \$302,089, while the actual expenditures were \$283,589. Staff is requesting a decrease in expenditures by \$18,500 to match actuals.
<b>EXPENSES TOTAL</b>					<b>\$ 91,139,623</b>	<b>\$ 1,144,512</b>	<b>\$ 92,284,135</b>	

**CITY OF MORENO VALLEY  
NON - GENERAL FUND  
FY 2016/17 Proposed Amendments**

Administrative Services	2017	Transfers in - from FACILITIES FUND (ADMIN/OPER)	2017-99-99-92017-807310		\$ -	\$ 15,000	\$ 15,000	Per Policy 2.47 Energy Efficiency, Fund 7310 transfers 50% of energy efficiency savings realized at the end of each fiscal year to Fund 2017 to be spent on future energy projects. A budget of \$15,000 for these accounts should cover the transfers for FY 2016/17.
Financial Management Services	2507	Transfers in - from HOUSING AUTHORITY	2507-99-99-92507-808884		-	594,000	594,000	Riverside County Habitat property from Housing Authority to Neighborhood Stabilization Program. This adjustment will reflect the final sale of these properties.
Financial Management Services	2514	Fed Grant-Operating Revenue	2514-30-36-72751-485000		181,852	406,706	588,558	True-up fund to reflect funds to be reimbursed by the grant.
Financial Management Services	2715	Fed Grant-Operating Revenue	2715-20-26-72115-485000		46,292	34,181	80,473	True-up fund to reflect funds to be reimbursed by the grant.
Financial Management Services	2512	Fed Grant-Operating Revenue	2512-99-99-92512-485000		2,606,961	107,940	2,714,901	True-up fund with projected revenue.
Public Works	2000	State Gas Tax 2107	2000-99-99-92000-408000		1,740,432	(215,112)	1,525,320	The City received an updated Highway User Tax projections for FY 2016/17 in January 2017.
Public Works	2000	State Gas Tax 2106	2000-99-99-92000-408020		616,555	101,393	717,948	
Public Works	2000	State Gas Tax 2105	2000-99-99-92000-408030		1,253,318	(72,474)	1,180,844	
Public Works	2000	State Gas Tax 2103	2000-99-99-92000-408040		486,663	(1,885)	484,778	
Public Works	2001	RCTC - Sales Tax	2001-99-99-92001-480180		3,889,000	(186,000)	3,703,000	Riverside County Transportation Commission revised Measure A Sales Tax projections for FY 2016/17.
Public Works	3708	Other Misc. Revenue	3708-99-90-93708-589900		-	789,600	789,600	Budgeting for Community Facility District #5 Stoneridge Debt Service Miscellaneous revenue.
Public Works	3302	Transfers in - from DIF - TRAFFIC SIGNALS	3302-99-99-93302-802902		185,000	453,600	638,600	This recommended budget transfer from DIF Traffic Signal Fund 2902 to Fund 3302. Fund 2902 collects and manages the development impact fees for traffic signals.
Public Works	2903	Transfers in - from FIRE SERVICES CAP FUND	2903-99-95-92903-803005		-	63,000	63,000	Returning to DIF - Fire fund the project savings for Fire Station #48 remodel, Project # 803 0022. This project was completed in the Winter of FY 2016/17.
Public Works	2800	County Article 3	2800-99-99-92800-487100		250,000	65,000	315,000	Project 801 0068 (Cycle 7 - Citywide Pedestrian and Bicycle Facility Enhancements) has a total life-to-date budget of \$315,000 (SB 821 SCAG Article 3 RCTC grant). SB 821 grants are only billed at project completion and there is a two year spending requirement. The project deadline for 801 0068 is 6/30/17. This budget adjustment will increase the revenue budget to match with the projected revenue.
Public Works	3414	Administrative Charges	3414-70-79-25701-585020		25,000	5,450	30,450	Updated administrative charges.
<b>REVENUE TOTAL</b>					<b>\$ 11,281,073</b>	<b>\$ 2,160,399</b>	<b>\$ 13,441,472</b>	

RESOLUTION NO. CSD 2017-13

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED BUDGET FOR FISCAL YEAR 2016/17

WHEREAS, the Community Services District Board approved the Budget for the District for Fiscal Year 2016/17, a copy of which, as may have been amended by the Community Services District Board, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the Community Services District Board approves amendments to the budgets throughout the fiscal year and such prior amendments are reflected within the current amended budget and further ratified as part of the adoption of the 3<sup>rd</sup> Quarter budget amendments; and

WHEREAS, the City Manager has heretofore submitted to the President and Board Members of the Moreno Valley Community Services District proposed amendments to the Budget for the District for Fiscal Year 2016/17, a copy of which, as may have been amended by the District's Board of Directors, is on file in the Office of the City Clerk and is available for public inspection; and

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

WHEREAS, the said proposed amendments to the Budget contain the estimates of uses of fund balance as required to stabilize the delivery of Community Services District services during periods of operational deficits; and

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

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

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

1. The proposed amendments to the Budget, as Exhibit A to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the Community Services District's Board of Directors, is hereby approved and adopted as the annual Budget of the Moreno Valley Community Services



District for the Fiscal Year 2016/17.

2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.
3. Pursuant to Section 61047 of the California Government Code, compensation for the City Council acting in the capacity of the Directors of the Community Services District, shall be \$100 per meeting or for each day's service rendered as a Director, not to exceed six days or \$600 in any calendar month. In addition, the Directors shall be compensated for actual and necessary traveling and incidental expenses incurred while on official business.
4. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

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

APPROVED AND ADOPTED this 20<sup>th</sup> day of June, 2017.

---

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

ATTEST:

---

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

APPROVED AS TO FORM:

---

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

**RESOLUTION JURAT**

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

I, Pat Jacquez-Nares, Secretary of the Moreno Valley Community Services District, Moreno Valley, California do hereby certify that Resolution No. CSD 2017-13 was duly and regularly adopted by the Board of Directors of the Moreno Valley Community Services District at a regular meeting held on the 20<sup>th</sup> day of June, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Board members, Vice-President and President)

---

SECRETARY

(SEAL)

RESOLUTION NO. HA 2017-04

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED BUDGET FOR FISCAL YEAR 2016/17

WHEREAS, the Housing Authority approved the Budget for the City for Fiscal Year 2016/17, a copy of which, as may have been amended by the Housing Authority, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the Housing Authority approves amendments to the budget throughout the fiscal year and such prior amendments are reflected within the current amended budget and further ratified as part of the adoption of the 3<sup>rd</sup> Quarter budget amendments; and

WHEREAS, the City Manager has heretofore submitted to the Housing Authority proposed amendments to the Budget for the Authority for Fiscal Year 2016/17, a copy of which, as may have been amended by the Housing Authority, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Budget contain estimates of the services, activities and projects comprising the budget, and contain expenditure requirements and the resources available to the Housing Authority; and

WHEREAS, the said proposed amendments to the Budget contain the estimates of uses of fund balance as required to stabilize the delivery of Housing Authority services during periods of operational deficits; and

WHEREAS, the Housing Authority have made such revisions to the proposed amended Budget as so desired; and

WHEREAS, the amended Budget, as herein approved, will enable the Housing Authority to make adequate financial plans and will ensure that Authority's officers can administer their respective functions in accordance with such plans.

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

1. The proposed amendments to the Budget, as Exhibit A to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the Housing Authority, is hereby approved and adopted as the annual Budget of the Moreno Valley Housing Authority for the Fiscal Year 2016/17.
2. The amounts of proposed expenditures, which include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal year.

3. Pursuant to Section 61047 of the California Government Code, compensation for the City Council acting in the capacity of the Housing Authority, shall be \$100 per meeting or for each day's service rendered as a Director, not to exceed six days or \$600 in any calendar month. In addition, the Directors shall be compensated for actual and necessary traveling and incidental expenses incurred while on official business.
4. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

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

APPROVED AND ADOPTED this 20<sup>th</sup> day of June, 2017.

---

Mayor of the City of Moreno Valley,  
Acting in the capacity of Chairman of the  
Housing Authority

ATTEST:

---

City Clerk, acting in the capacity of  
Secretary of the Housing Authority

APPROVED AS TO FORM:

---

City Attorney, acting in the capacity of  
General Counsel of the Housing Authority

**RESOLUTION JURAT**

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

I, Pat Jacquez-Nares, Secretary of the Housing Authority, Moreno Valley, California do hereby certify that Resolution No. HA 2017-04 was duly and regularly adopted by the Commissioners of the Housing Authority at a regular meeting held on the 20<sup>th</sup> day of June, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Commissioners, Vice Chairperson and Chairperson)

---

SECRETARY

(SEAL)