COUNCIL REPORT

CITY OF MOUNTAIN VIEW

DATE: February 11, 2014

CATEGORY: New Business

DEPT.: Finance and Administrative Services

TITLE: **Fiscal Year 2013-14 Midyear Budget Status Report and Fiscal Year 2014-15 Preliminary General Operating Fund Forecast**

RECOMMENDATION

1. Acknowledge and file the Fiscal Year 2013-14 Midyear Budget Status Report, the Fiscal Year 2014-15 Preliminary General Operating Fund (GOF) forecast, and the six-month status of the Fiscal Year 2013-14 Performance/Workload Measures (Attachment 1 to the Council report).

2. Appropriate and transfer $1.2 million from the General Fund Reserve to the Capital Improvement Reserve. (Five votes required)

3. Approve the addition of one Recreation Supervisor position in the Community Services Department as part of the department reorganization (Attachment 2 to the Council report).

4. Increase appropriations in the Shoreline Regional Park Community Fund, Community Services Department, $32,000 for additional personnel costs to the end of the fiscal year resulting from the reorganization.

5. Increase appropriations $397,724 in the Solid Waste Management Fund for prior fiscal year Sunnyvale Materials and Recovery Transfer (SMaRT®) Station operating expenses resulting from the Fiscal Year 2012-13 fiscal year-end reconciliation. (Five votes required)

6. Acknowledge and file the Fiscal Year 2013-14 Council Major Goals Work Plan Midyear Update (Attachment 3 to the Council report).

BACKGROUND

This report is intended to provide the City Council, public, and employees with an update of the City's budgetary position at midyear as well as a preliminary GOF forecast for the upcoming fiscal year. The six-month status of Fiscal Year 2013-14 Council Goals and Performance/Workload Measures is also included in this report. This year's report also includes other recommendations and information, including the Community Services Department proposed position and reorganization, and the SMaRT Station appropriation increase request.

Economic reports and indicators (e.g., unemployment, manufacturing, lending, office vacancy, and foreclosure statistics) portray that, overall, the economic recovery continues, particularly in this geographic area. Employment is growing in the City. Development activity for residential and commercial property located within the City limits began to recover in Fiscal Year 2009-10 and has continued to grow into the current fiscal year. However, Santa Clara County (County) continues to process the backlog of assessment value appeals submitted by owners of residential and commercial property.

I. EXECUTIVE SUMMARY

FISCAL YEAR 2013-14 MIDYEAR GOF BUDGET STATUS

The Midyear Budget Status Report represents staff's best estimate of the City's budgetary position at this time, taking into consideration data midway through the fiscal year and certain assumptions regarding revenues and expenditures for the remainder of the fiscal year.

General Operating Fund

A comparison of estimated amounts to budget for the General Operating Fund follows (dollars in thousands):

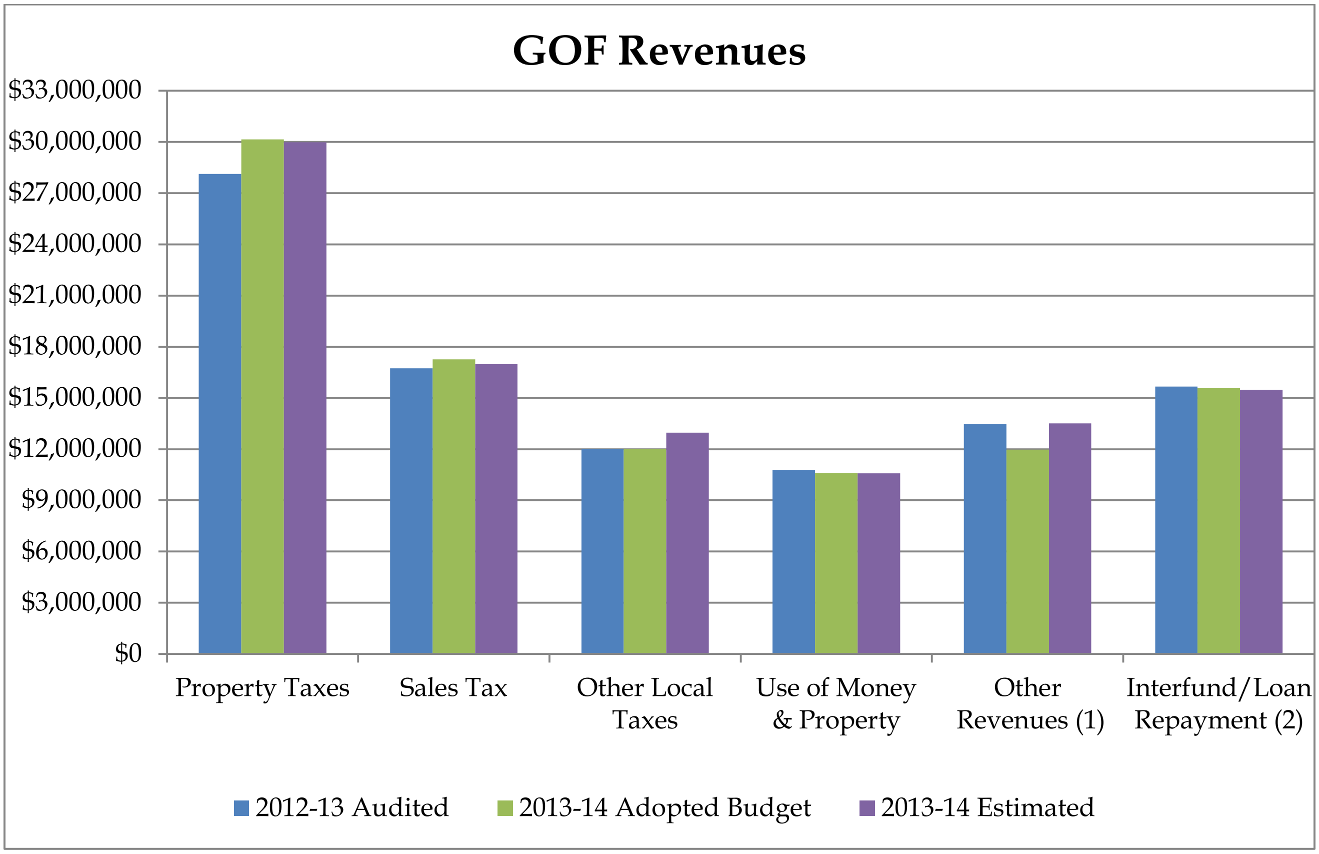
	2013-14 Adopted Budget	2013-14 Adjusted Budget[1]	**2013-14 Estimated**	Variance of Estimated to Adjusted Budget
Revenues	$ 97,567	98,095	**99,503**	1,408
Expenditures	(98,076)	(100,040)	**(96,422)**	3,618
Estimated Budget Savings	2,800	2,800	**Included**	(2,800)
Operating Balance	2,291	855	**3,081**	2,226
Carryovers[1]	-0-	1,448	**-0-**	(1,448)
Ending Balance	$ 2,291	2,303	**3,081**	778

[1] Fiscal Year 2013-14 Adjusted Budget includes the Adopted Budget; any encumbrance and grant/donation carryovers from the prior fiscal year; increases for reimbursed expenditures, grants, and donations; and any budget changes approved to date by Council for the current fiscal year.

Although there are variances in all categories, revenues are now estimated at $99.5 million, $1.4 million (1.4 percent), and $1.9 million (2.0 percent) higher than the Adjusted and Adopted Budgets, respectively. Expenditures for the current fiscal year are estimated at $96.4 million, $3.6 million (3.6 percent), and $1.7 million (1.7 percent) less than the Adjusted and Adopted Budgets, respectively.

A summary of revenues and expenditures is as follows:

General Operating Fund Revenues

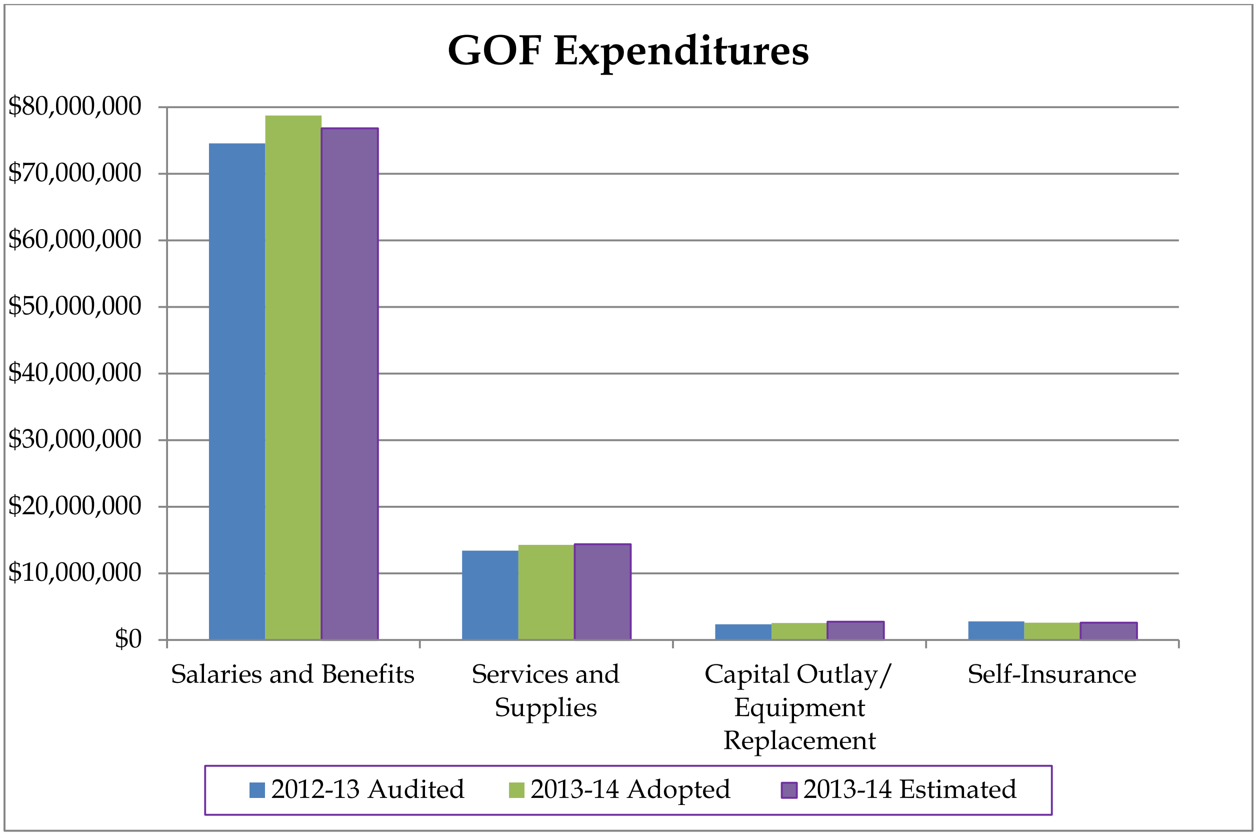


(1) Includes: Licenses, Permits, and Fees/Fines and Forfeitures; Intergovernmental; Charges for Service; and Miscellaneous Revenues.

(2) Includes: Interfund Revenues and Transfers, and Loan Repayments.

Property Taxes, Sales Tax, Use of Money and Property, and Interfund Revenues and Transfers are estimated slightly lower than budget. All other major categories are estimated at or higher than budget.

General Operating Fund Expenditures



The expenditure savings compared to the Adjusted Budget are comprised primarily of $1.9 million in Salaries and Benefits and $1.7 million in Services and Supplies. The Adopted Budget assumed fiscal year-end savings of $2.8 million; however, estimated expenditure savings compared to the Adopted Budget are only $1.7 million.

Other Funds

Building Services revenues are estimated to exceed budget and expenditures are estimated below budget for a net gain of $2.1 million. Shoreline Golf Links revenues are estimated at $2.6 million, slightly higher than budget. As a result of the drought, water usage and the related expenditures are currently trending above budget, resulting in an operating balance of $71,000, $99,000 less than the operating balance in the Adopted Budget. A wind down and dissolution proposal for the former Mountain View Revitalization Authority was proposed by the Successor Agency and has been approved by the Oversight Board. For the Shoreline Community Fund, revenues are currently trending higher than budget and expenditures are trending lower than budget for a net gain of $3.9 million. For the three utility funds, revenues are trending above budget and expenditures are trending below budget as explained later in this report.

FISCAL YEAR 2014-15 PRELIMINARY GENERAL OPERATING FUND FORECAST

The Silicon Valley area continues to drive the State's employment growth and the businesses located in the City are contributing to that growth. Mountain View companies are hiring, development activity continues at a strong pace and, overall, property values are increasing. The preliminary projection for Fiscal Year 2014-15 follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Estimated	2014-15 Preliminary Forecast	Variance of 2014-15 Forecast to 2013-14 Adopted
Revenues	$ 97,567	99,503	101,137	3,570
Expenditures	(98,076)	(96,422)	(101,757)	(3,681)
Estimated Budget Savings	2,800	Included	2,000	(800)
Ending Balance	$ 2,291	3,081	1,380	(911)

General Operating Fund revenues are projected to increase $3.6 million (3.7 percent) from the current fiscal year Adopted Budget. While the Fiscal Year 2014-15 budget has not been fully developed, expenditures are projected to increase by $3.7 million (3.8 percent) compared to the current fiscal year Adopted Budget, primarily related to salary and benefit cost increases. After allowing for $2.0 million of Projected Budget Savings, the ending balance is projected at a positive $1.4 million. This preliminary forecast does not include changes for potential discretionary and nondiscretionary cost increases submitted by departments and currently under review. Staff will return to Council with an updated projection and recommendations with the Narrative Budget Report in late April.

FISCAL YEAR 2012-13 GENERAL FUND REMAINING BALANCE

Section IV details the Fiscal Year 2012-13 General Fund remaining balance of $1.2 million and the recommended allocation of these funds to the Capital Improvement Reserve.

FISCAL YEAR 2013-14 MIDYEAR PERFORMANCE WORKLOAD/MEASURES UPDATE

Section V provides an update of performance/workload measures by department, including the Fiscal Year 2012-13 actual results as well as the annual target and midyear (six-month) status for Fiscal Year 2013-14.

OTHER RECOMMENDATIONS AND INFORMATION

Solid Waste Management

The City of Sunnyvale has submitted the fiscal year-end 2012-13 financials for the SMaRT Station. The financials show expenditures for Fiscal Year 2012-13 were higher than anticipated primarily due to higher-than-expected deliveries of solid waste to the SMaRT Station and lower-than-anticipated diversion due to the continued inability to market all of the Materials Recovery Facility (MRF) organic materials for composting (due to high contamination). The net effect has increased landfill expenditures compared to the budget and results in an amount due from Mountain View of $397,724 for the City's share of the prior fiscal year's costs.

Community Services Department Reorganization

The Community Services Department proposed reorganization (Attachment 2) includes the reclassification of the Shoreline Section Manager position to Recreation Manager, the reclassification of the vacant Assistant Community Services Director position to a Recreation Supervisor, and the addition of a Recreation Supervisor position. This is a net increase of one position but results in modest annual savings to the General Operating and Shoreline Golf Links Funds of approximately $1,300 and $2,600, respectively, and an annual increase in the Shoreline Regional Park Community Fund of approximately $91,000.

Fiscal Year 2013-14 Council Major Goals Work Plan Update

Attachment 3 is the midyear update to the Fiscal Year 2013-14 Council Major Goals Work Plan. For this fiscal year (the first year of a two-year goal cycle), staff has identified 25 projects that help achieve the City Council's goals to:

1. Retain and improve green space and canopy.

2. Improve bicycle and pedestrian mobility.

3. Use technology to enhance customer service, efficiency, and advance the mission of the organization.

For each item, the work plan identifies leading and coordinating departments, key milestones, dates, and a notes column. For some projects, the date column has been adjusted. In order to accurately track staff's work, any date adjustments are listed underneath the original date, in italicized text.

As the middle of the two-year goal cycle approaches, staff will be reaching out to Council advisory bodies and assessing progress in meeting the objectives of the Council's goals, and determining capacity for additional activities to the work plan in the next fiscal year. Staff will present to Council an updated work plan seeking direction on the Council's goals and activities for the remainder of the two-year goal cycle in the Fiscal Year 2014-15 Budget Narrative in late April.

II. FISCAL YEAR 2013-14 MIDYEAR BUDGET STATUS

This section of the report includes a discussion of Fiscal Year 2013-14 revenue and expenditure estimates compared to budget for the major funds.

GENERAL OPERATING FUND

Revenues

A comparison of midyear estimated revenues compared to budget for the General Operating Fund follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
Property Taxes	$30,149	30,149	29,976	(173)
Sales Tax	17,268	17,268	16,988	(280)
Other Local Taxes	12,009	12,009	12,971	962
Use of Money and Property	10,605	10,605	10,578	(27)
Licenses, Permits, and Fees/Fines and Forfeitures	5,727	5,727	5,972	245
Intergovernmental	559	579	682	103
Charges for Services	4,168	4,547	4,730	183
Miscellaneous Revenues	1,510	1,639	2,124	485
Interfund Revenues and Transfers	13,678	13,678	13,588	(90)
Loan Repayments	1,894	1,894	1,894	-0-
Total Operating Revenues	$97,567	98,095	99,503	1,408

Property Taxes for the General Operating Fund is estimated at $30.0 million, $173,000 (0.6 percent) below budget. The Fiscal Year 2013-14 Adopted Budget included projected growth in both secured and unsecured General Fund assessed values (AV) compared to the July 1, 2012 tax roll. The growth was based on a positive 2.0 percent California Consumer Price Index (CCPI) applied to the majority of properties, plus increased value related to changes in ownership and new development. The County continues to process appeals and refunds and the estimated revenue takes into consideration anticipated additional refunds by the end of the current fiscal year.

Sales Tax revenue is currently estimated at $17.0 million, $280,000 (1.6 percent) below Adjusted Budget. Overall, Sales Tax has grown compared to budget and the prior fiscal year actual; however, the State Board of Equalization (BOE) completed an audit which resulted in a major negative adjustment to the City's Sales Tax revenue for the current fiscal year.

Other Local Taxes is estimated at $13.0 million in total, $962,000 (8.0 percent) higher than Adjusted Budget. Transient Occupancy Tax (TOT) is estimated to be $411,000 (8.2 percent) higher than budget and 16.1 percent higher than the prior fiscal year actual. TOT revenue has grown over the past four fiscal years, and this trend is estimated to continue for the remainder of the current fiscal year. Overall, Utility Users Tax (UUT) revenue is estimated at $543,000 (8.0 percent) higher than budget, primarily as the actual UUT revenue received to date this fiscal year from newly reporting companies is higher than anticipated in the Adopted Budget. UUT generated from energy use is estimated to be higher than both the current fiscal year budget and the prior fiscal year actual.

Use of Money and Property is comprised of Investment Earnings and Rents and Leases and is estimated at $10.6 million, $27,000 (0.3 percent) below the current fiscal year Adjusted Budget. Investment Earnings is estimated to be $46,000 (3.4 percent) lower than budget. Although rates have increased slightly from the lowest point since the recession, they continue to be significantly lower than the 5.0 percent rate available prior to the recession. Rates are anticipated to continue to impact the City's return on investments. Rents and Leases, which include the City's long-term ground leases and leases for a variety of City properties, provide a steady income stream with annual contractual increases. This revenue, which is currently estimated to be on target with budget, contributes $9.3 million (9.3 percent) of total GOF revenues.

Licenses, Permits, and Fees/Fines and Forfeitures is $245,000 (4.3 percent) higher than Adjusted Budget and slightly higher than the prior fiscal year actuals. Revenue from parking and vehicle citations is trending to be higher than budget as a result of increased deployment of Community Services Officers for parking enforcement and staffing of an additional traffic officer and directed enforcement programs. In addition, excavation permit revenue is trending above budget as a result of the higher level of development activity.

Intergovernmental revenue is estimated at $103,000 (17.8 percent) higher than Adjusted Budget as a result of higher County and State reimbursements and receipt of unbudgeted Federal grants.

Charges for Services is generated by fees assessed for Recreation and other types of services. In total, revenues are $183,000 (4.0 percent) higher than Adjusted Budget. Recreation services revenue is estimated at budget and revenue from other types of services is higher than budget, primarily related to development.

Miscellaneous Revenues is estimated to be $485,000 (29.6 percent) higher than the Adjusted Budget resulting from the concert schedule and the related reimbursements by Live Nation for Police services provided at the Shoreline Amphitheatre and reimbursements for private development inspections. In addition, some grants, donations, and expense reimbursements have been received which are not budgeted.

Interfund Revenues and Transfers and **Loan Repayments** are estimated to be $90,000 below Adjusted Budget as the transfer from the Shoreline Golf Links has been reduced from $200,255 to $110,000, which includes $40,000 from the prior fiscal year. Due to the impacts of the drought, water usage is much higher than anticipated and the fund is currently estimated to exceed budget as a result of increased water costs.

Expenditures

A comparison of midyear estimated expenditures to budget for the General Operating Fund follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
Salaries and Benefits	$78,722	78,729	76,787	1,942
Services and Supplies	14,244	16,017	14,341	1,676
Capital Outlay/Equipment Replacement	2,545	2,729	2,729	-0-
Self-Insurance	2,565	2,565	2,565	-0-
Total Operating Expenditures	$98,076	100,040	96,422	3,618

Salaries and Benefits is estimated at $76.8 million, $1.9 million (2.5 percent) below the Adjusted Budget, the result of vacant positions and some personnel turnover during the first half of the fiscal year.

Services and Supplies expenditures appear to be trending at $14.3 million, $1.7 million (10.5 percent) less than the Adjusted Budget.

Capital Outlay/Equipment Replacement is estimated at $2.7 million and includes $2.2 million of annual funding for equipment replacement and $494,000 is currently estimated for new capital purchases.

Self-Insurance is estimated as budgeted at $2.6 million.

In total, estimated expenditures indicate a $3.6 million and $1.7 million favorable variance compared to the Adjusted Budget and the Adopted Budget, respectively. Expenditure savings compared to the Adopted Budget are lower than previously projected, savings from services and supplies has steadily declined over the past four years due to departments absorbing more annual increases into their existing budgets. Savings from salaries and benefits has also declined due to more positions being filled. The ending balance is estimated at $3.6 million, exceeding the $2.3 million adopted ending balance. However, as mentioned above, the expenditures savings compared to the adopted is estimated at $1.7 million; less than the $2.8 million included in the Adopted Budget.

Expenditures by Department

All departments appear to be trending under budget for the current fiscal year. The variance detailed below does not take into consideration encumbrances that may be incurred as of the end of the fiscal year.

A comparison of midyear estimated amounts to budget for the General Operating Fund department expenditures follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget	Percent Savings of Adjusted Budget
City Council	$ 310	314	212	102	32.5
City Clerk	560	562	555	7	1.2
City Attorney	1,585	1,634	1,566	68	4.2
City Manager	2,973	3,068	2,789	279	9.1
Information Technology	3,046	3,136	2,845	291	9.3
Finance and Administrative Services	4,917	5,251	4,692	559	10.6
Community Development	3,017	3,453	3,084	369	10.7
Public Works	8,475	8,637	8,567	70	0.8
Community Services	13,092	13,247	12,437	810	6.1
Library Services	4,961	5,248	4,885	363	6.9
Fire	19,515	19,682	19,575	107	0.5
Police	30,813	30,996	30,405	591	1.9
Nondepartmental(1)	4,812	4,812	4,810	2	0.0
Total Operating Expenditures	$98,076	100,040	96,422	3,618	3.6

(1) Nondepartmental expenditures include interfund transfers for equipment replacement and self-insurance.

BUILDING SERVICES

Building Services is a General Fund program separated from the GOF in order to facilitate better tracking and accounting. This separation allows for an effective way to match revenues and expenditures and to provide the Building Inspection Division with sufficient support to sustain services throughout the fluctuations of the development and economic cycles.

A comparison of midyear estimated amounts to budget for Building Services follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
Revenues	$ 6,192	6,192	7,080	888
Expenditures	(5,868)	(6,372)	(5,112)	1,260
Operating Balance/(Deficit)	324	(180)	1,968	2,148
Transfer to Workers' Comp	(22)	(22)	(22)	-0-
Capital Projects	(88)	(88)	(88)	-0-
Excess/(Deficiency) of Revenues	214	(290)	1,858	2,148
Beginning Balance	11,223	11,223	11,223	-0-
Ending Balance	$11,437	10,933	13,081	2,148

Midway through the current fiscal year, estimated revenues of $7.1 million are trending $888,000 (14.3 percent) higher than budget, as the level of development activity continues to be very strong. Estimated expenditures of $5.1 million are $1.3 million (19.8 percent) below the Adjusted Budget, reflecting salary and benefit savings from several vacant positions. It is estimated that operating revenues will exceed operating expenditures by $2.0 million. After Workers' Compensation funding of $22,000 and capital projects funding of $88,000, an ending balance of $13.1 million is estimated. In a separate item earlier this evening, staff requested the Council approve an increase in appropriations to fund additional contractual support in order to maintain the desired level of service. The Fiscal Year 2013-14 estimated operating balance is sufficient to fund this request.

SHORELINE GOLF LINKS

Shoreline Golf Links (SGL) is an 18-hole course designed by Robert Trent Jones II & Associates and was completed in 1983. The course is generally open 364 days a year and approximately 61,200 paid rounds of golf were played in Fiscal Year 2012-13. Touchstone Golf (Touchstone) manages and operates the Pro Shop and maintenance of the course.

A comparison of midyear estimated amounts to budget for Shoreline Golf Links follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
Revenues	$ 2,567	2,567	2,601	34
Expenditures	(2,366)	(2,397)	(2,530)	(133)
Operating Balance	201	170	71	(99)
Transfer to Workers' Comp	(1)	(1)	(1)	-0-
Transfer to the General Fund	(200)	(200)	(110)	90
Excess (Deficiency) of Revenues	-0-	(31)	(40)	(9)
Beginning Balance	40	40	40	-0-
Ending Balance	$ 40	9	-0-	(9)

Based on financial information midway through the fiscal year, activity at the course is estimated to generate $2.6 million in revenues, $34,000 (1.3 percent) higher than budget. Touchstone continues to improve the financial status of golf course operations. Revenues for the current fiscal year are estimated to be $321,000 (14.1 percent) higher than the prior fiscal year actuals. Paid rounds through December 2013 are at 36,249, which is 6,135 (20.4 percent) higher compared to the same time last fiscal year, primarily due to the impact of increased memberships.

Expenditures of $2.5 million are currently estimated at $133,000 (5.5 percent) higher than budget. As a result of the dry weather conditions, it has been necessary to water the course more than usual, and it is currently estimated water costs will exceed budget. After funding the $1,000 transfer to the Workers' Compensation Fund from the operating balance of $71,000, and taking into consideration the prior fiscal year ending balance of $40,000, there is an available balance of $110,000 to be transferred to the GOF. This is $90,000 less than the Adopted Budget and will be reviewed again with the Narrative Budget Report. Expenditures will continue to be monitored, but if the drought persists, it will likely be necessary to request an increase in appropriations before the end of the fiscal year and reduce or eliminate the transfer to the GOF. Staff continues to work with Touchstone and meets quarterly to review financial status.

SUCCESSOR AGENCY TO THE REVITALIZATION AUTHORITY FUND

As of January 31, 2012, under the Dissolution Act, all California redevelopment agencies were dissolved and ceased to exist as a public entity. The City has elected to serve as the Successor Agency to the Revitalization Authority (Successor Agency) and to also retain the housing assets and functions. The Successor Agency is responsible for winding down the affairs of the former Revitalization Authority (Authority). An Oversight Board consisting of seven members was established as required by the legislation. The Oversight Board is responsible for reviewing and approving all Recognized Obligation Payment Schedules (ROPS) which include the enforceable obligations of the Authority for each six-month period. The ROPS is reviewed by the County and submitted to the State Department of Finance (DOF) for final approval.

The outstanding obligations of the Successor Agency, reamortized at the State Local Agency Investment Fund (LAIF) rate as required by legislation, as applicable, are as follows:

	Balance
2003 Certificates of Participation (COPs)	$7.7 million
City Advance	$1.1 million
Registered Note	$2.4 million
2003 TABs	$2.3 million

The Due Diligence Review (DDR) for all other funds identified an unencumbered balance of $6.3 million. Staff recommended the retention of these funds for the purposes of prepaying outstanding debt that would result in saving over $1.0 million in interest expense over the remaining life of the 2003 Certificates of Participation (COPs).

The Successor Agency proposed a comprehensive wind down and Dissolution Plan that has been approved by the County and the Oversight Board. The Dissolution Plan includes maintaining the unencumbered funds to call the outstanding 2003 COPs and waiving the reinstatement of the outstanding loans by the City and Shoreline Community, in exchange for credit towards the Bryant Street and Franklin Street properties owned by the Successor Agency.

The DOF has also issued a Finding of Completion. The 2003 COPs have been called as of February 1, 2014. The remaining component of the Dissolution Plan is the approval of the Long-Range Property Management Plan (LRPMP), which includes the transfer of assets from the Successor Agency to the City, including the Properties and Parking Structures. A Compensation Agreement for the allocation of any revenues resulting from the parking structures to the taxing entities will be necessary to be approved by the City and all the taxing entities. Once the DOF approves the LRMP, staff will return to Council for the approval of the compensation agreement.

SHORELINE REGIONAL PARK COMMUNITY (SHORELINE COMMUNITY) FUND

The Shoreline Community was enacted by special legislation to create and operate a regional park, develop the North Bayshore Area, and provide a means of financing the short- and long-term responsibilities of the Area.

A comparison of midyear estimated amounts to budget for the Shoreline Community Fund follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
Revenues	$ 26,935	26,935	29,997	3,062
Expenditures	(25,745)	(26,009)	(25,220)	789
Operating Balance	1,190	926	4,777	3,851
Transfer to Workers' Comp	(20)	(20)	(20)	-0-
Capital Projects	(4,202)	(4,202)	(4,202)	-0-
Excess/(Deficiency) of Revenues	(3,032)	(3,296)	555	3,851
Beginning Balance	52,668	52,668	52,668	-0-
Reserve	(4,600)	(4,600)	(4,600)	-0-
Landfill Reserve	(2,000)	(2,000)	(2,000)	-0-
Ending Balance	$ 43,036	42,772	46,623	3,851

Revenues for the 2013-14 fiscal year are estimated at $30.0 million, $3.1 million (11.4 percent) higher than budget. The Adopted Budget assumed a net 19.3 percent AV decline taking into consideration reductions for assessment appeals. Subsequent to adopting the budget, the County provided the summary July 1, 2013 tax roll information which indicated a net AV increase of 0.4 percent compared to the prior fiscal year tax roll. Property taxes are estimated at $28.9 million, $2.8 million (10.9 percent) higher than budget. There are a significant number of appeals still pending from prior years and the County will adjust the Shoreline Community's revenue as each appeal is processed.

Expenditures for Fiscal Year 2013-14 are estimated at $25.2 million, $789,000 (3.0 percent) lower than budget as a result of savings from operations. The fund will pay $1.9 million on the General Fund loan and $6.7 million of debt service. Last fiscal year, the Shoreline Community negotiated a new 10-year Joint Powers Agreement (JPA) with the Mountain View Whisman School District and the Mountain View Los Altos Union High School District. The combined annual interagency payment to the school districts and the County is estimated at $7.3 million for Fiscal Year 2013-14.

It is estimated that operating revenues will exceed operating expenditures by $4.8 million which will fund the transfer of $20,000 to the Workers' Compensation Fund and $4.2 million of capital projects. After reserving $6.6 million for the General Reserve and the Landfill Corrective Action Reserve approved by Council with the Fiscal Year 2013-14 Adopted Budget, the fund is estimated with a $46.6 million ending balance.

ENTERPRISE UTLITY FUNDS

The City's three enterprise utility funds are fully funded by the rates charged to customers; there is no General Fund support to the utility funds. In a July 2006 California Supreme Court decision (*Bighorn*), the Court ruled that utility rates charged by governmental entities for water, sewer, and refuse services are considered property-related fees and are subject to the procedural requirements of Proposition 218, Article 130, of the California Constitution. Proposition 218 (as now interpreted) requires governmental agencies that charge for utility services to conduct a majority protest hearing prior to adopting any changes to utility rates. A notice must be mailed no later than 45 days prior to the Public Hearing, include the proposed rate adjustment, the calculation methodology, and describe the process for submitting a protest vote to the rate adjustment. The City has complied with Proposition 218 and will be reviewing the revenues and expenditures for each of the utility funds and returning to Council with rate recommendations in the Narrative Budget Report in late April.

WATER FUND

The Water Enterprise Fund is a utility fund accounting for the revenues and expenditures associated with the provision of retail water service to Mountain View residents and businesses. The City provides water service to approximately 96.0 percent of water customers within the City limits while California Water Service (a private company) provides service to the remaining 4.0 percent of water customers in a few previously unincorporated neighborhoods. Water for the City's system is obtained primarily from the San Francisco Public Utilities Commission (SFPUC) regional Hetch Hetchy water system (87.0 percent). Water is also purchased from the Santa Clara Valley Water District (SCVWD) (9.0 percent) and well production (4.0 percent). The primary costs associated with water service are the purchase of water, staffing to operate and maintain the system, ongoing maintenance, and major capital replacement and improvement projects. Charges for services are designed to fully fund ongoing annual costs and a base level of annual capital projects as well as to maintain an adequate reserve.

During Fiscal Year 2012-13, staff conducted a rate study for water and wastewater rates. The water rate structure changes included the following:

1. Fixed meter rates have been updated to match capacity ratios published by the American Water Works Association (AWWA).

2. Fixed meter rates have been revised to recover a greater portion of fixed costs (15 percent of total revenue).

3. Commercial/nonresidential rates have been changed from tiered volumetric rates by meter size to a uniform volumetric rate.

4. Multi-family volumetric tiered rates are based on the number of dwellings per account instead of the meter size.

5. Maintains the same average rate per unit of water for all customer classes.

6. Tiers have been set using the following principals:

   a. Ensure the rates for all tiers are at least equal to the wholesale cost of water.

   b. Set Tier 2 rate equal to the average rate for all customer classes.

   c. Set rates for Tiers 1 and 3 as a percentage of the Tier 2 rate (75 percent and 160 percent, respectively, for Fiscal Year 2013-14).

   d. Establish breakpoints for Tiers 1 and 3 so that a similar percentage of single-family and multi-family water sales fall into each tier (single-family 3 and 15 units, multi-family 2 and 7 units, respectively, for Fiscal Year 2013-14).

A comparison of the midyear estimated amounts to budget for the Water Fund follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
Revenues	$ 25,978	25,978	27,917	1,939
Expenditures	(23,185)	(23,297)	(22,817)	480
Operating Balance	2,793	2,681	5,100	2,419
Transfer to Workers' Comp	(38)	(38)	(38)	-0-
Capital Projects	(2,480)	(2,480)	(2,480)	-0-
Excess of Revenues	275	163	2,582	2,419
Beginning Balance	14,210	14,210	14,210	-0-
Reserve	(7,675)	(7,675)	(7,675)	-0-
Ending Balance	$ 6,810	6,698	9,117	2,419

An overall 9.0 percent rate increase and the rate restructuring were adopted for Fiscal Year 2013-14. Revenues are estimated at $27.9 million, approximately $1.9 million (7.5 percent) higher than budget. Water usage is 6.8 percent higher comparing usage through November in the current fiscal year to last fiscal year. This can be attributed to the lower level of rainfall in the current fiscal year compared to the prior fiscal year.

Also, recycled water sales are trending lower than budget, mainly due to the Shoreline Golf Links using more potable water to reduce salinity of recycled water used on the turf.

Expenditures are estimated at $22.8 million, $480,000 (2.1 percent) below budget, primarily as a result of savings in operations. Water purchases are trending higher than budgeted due to higher usage as mentioned above. The estimated operating balance of $5.1 million will fund the $38,000 transfer to the Workers' Compensation Fund and the current fiscal year's $2.5 million for capital projects. The fund is estimated with a $9.1 million ending balance and $7.7 million in reserve.

WASTEWATER FUND

The Wastewater Enterprise Fund is a utility fund that accounts for the costs and revenues associated with the collection, transportation, and treatment of liquid wastes generated by all residents and businesses in the City. Expenditures in this fund include the construction and maintenance of sanitary sewer lines, stormwater lines and pump stations, the City's costs associated with the operation of the Palo Alto Regional Water Quality Control Plant (PARWQCP), in which the City is a partner, and personnel costs for the operation and maintenance of the system.

During Fiscal Year 2012-13, staff conducted a rate study for water and wastewater rates. For the wastewater rate structure, there were minimal changes which included reallocating wastewater rates based on updated sewer flows and loadings, or the strength of the flow, for different customer classes.

A comparison of midyear estimated amounts to budget for the Wastewater Fund follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
Revenues	$ 15,258	15,258	15,404	146
Expenditures	(14,220)	(14,255)	(13,420)	835
Operating Balance	1,038	1,003	1,984	981
Transfer to Workers' Comp	(79)	(79)	(79)	-0-
Capital Projects	(2,851)	(2,851)	(2,851)	-0-
Excess (Deficiency) of Revenues	(1,892)	(1,927)	(946)	981
Beginning Balance	13,007	13,007	13,007	-0-
Reserve	(5,984)	(5,984)	(5,984)	-0-
Ending Balance	$ 5,131	5,096	6,077	981

An overall 7.0 percent rate increase and the rate restructuring were adopted for Fiscal Year 2013-14. Revenues are estimated at $15.4 million, approximately $146,000 (1.0 percent) higher than budget. Estimated operating expenditures of $13.4 million are trending $835,000 (5.9 percent) below budget, as a result of savings in operations and a $273,000 credit from the PARWQCP. Each fall, an annual reconciliation of the prior fiscal year's actual treatment costs (based on volume) is performed by the PARWQCP, and an adjustment is provided to each member agency. The City's share of actual expenditures of the treatment plant for last fiscal year were lower than budgeted, resulting in a credit of $273,000 and is netted against the current fiscal year's treatment costs. The estimated operating balance of $2.0 million will fund the $79,000 transfer to the Workers' Compensation Fund and a majority of the current fiscal year's $2.9 million for capital projects. The fund is estimated with a $6.1 million ending balance and $6.0 million in reserve.

SOLID WASTE MANAGEMENT FUND

The Solid Waste Management Enterprise Fund is a utility fund that accounts for the revenues and expenditures of solid waste-related services, including refuse collection and disposal, recycling services, street sweeping, and the maintenance of two of the City's three closed landfill sites.

Refuse and recyclables generated in the City are transported to the SMaRT Station (in which the City is one of three partners) for removal of recyclables and the remaining refuse transported for final disposal at the Kirby Canyon Landfill in South San Jose. The City provides a variety of services through an outside contractor (Recology) for the collection of refuse and recyclables. The City bills and collects for all revenues for solid waste services.

A comparison of midyear estimated amounts to budget for the Solid Waste Management Fund follows (dollars in thousands):

	2013-14 Adopted Budget	2013-14 Adjusted Budget	2013-14 Estimated	Variance of Estimated to Adjusted Budget
City Revenues	$ 11,642	11,642	11,777	135
Recology Revenues[1]	13,529	13,529	13,494	(35)
Total Revenues	25,171	25,171	25,271	100
City Expenditures	(11,845)	(12,183)	(12,109)	74
Recology Payments[1]	(13,529)	(13,529)	(13,494)	35
Total Expenditures	(25,374)	(25,712)	(25,603)	109
Operating Balance (Deficit)	(203)	(541)	(332)	209
Transfer to Workers' Comp	(18)	(18)	(18)	-0-
Capital Projects	(277)	(277)	(277)	-0-
Excess (Deficiency) of Revenues	(498)	(836)	(627)	209
Beginning Balance	5,537	5,537	5,537	-0-
Reserve	(2,966)	(2,966)	(2,966)	-0-
Ending Balance	$ 2,073	1,735	1,944	209

(1) Neither revenues nor expenditures are adopted for Recology.

Fiscal Year 2013-14 is the first full year of the new refuse collection services agreement with Recology. This agreement expanded diversion services primarily to bin customers, increased convenience for cart customers through additional curbside collections, and expanded drop-off services at the Mountain View Recycling Center. An overall average rate increase of 7.0 percent was adopted for Fiscal Year 2013-14, which included a 9.0 percent increase for cart, debris box, and compactor rates and a 6.0 percent increase for bin rates.

The City's Solid Waste Fund revenues are estimated at $11.8 million, $135,000 (1.2 percent) higher than budgeted. City expenditures are estimated at $12.1 million, $74,000 (0.6 percent) below Adjusted Budget, as a result of savings in operations offset by higher SMaRT Station costs due for the prior fiscal year SMaRT Station reconciliation. As noted earlier in the agenda report, staff is requesting a $397,724 appropriation increase to fund additional expenses related to the financial impacts of higher-than-expected deliveries of solid waste to SMaRT Station and lower-than-anticipated diversion due to the continued inability to market all of the MRF organic materials for composting due to contamination. This resulted in increased landfill expenses compared to budget.

Operating revenues are estimated to be below operating expenditures by $332,000. After funding the $18,000 transfer to the Workers' Compensation Fund and the current fiscal year's $277,000 for capital projects, there is an estimated ending balance of $1.9 million and a reserve of $3.0 million.

Previously, a Cost of Service Study was started to review the rate structure and potential realignment of rates to reflect the cost of collection and disposal. Due to the timing of the implementation of new services negotiated in the new agreement with Recology, the Cost of Service Study will not be finalized until after a full year of new service levels have been completed. The revenues generated for refuse and recycling services are based on trash service, and as diversion opportunities increase, consumers will continue to reduce service levels for trash, resulting in lower total revenues. However, the cost to pick up and haul both recycling and trash remains and increases with inflation. In addition, rates are charged based on volume while disposal costs are based on weight.

III. FISCAL YEAR 2014-15 PRELIMINARY GENERAL OPERATING FUND FORECAST

This section of the report will focus on the Fiscal Year 2014-15 GOF preliminary forecast. This forecast is based on limited data and many assumptions are being made at this time. An updated forecast will be incorporated into the Narrative Budget in late April.

The preliminary projection for Fiscal Year 2014-15 follows (dollars in thousands):

	2012-13 Audited	2013-14 Adopted Budget	2013-14 Estimated	2014-15 Preliminary Forecast	Variance of 2014-15 Forecast to 2013-14 Adopted
Revenues	$ 96,811	97,567	99,503	101,137	3,570
Expenditures	(93,041)	(98,076)	(96,422)	(101,757)	(3,681)
Estimated Budget Savings	Included	2,800	Included	2,000	(800)
Operating Balance	3,770	2,291	3,081	1,380	(911)
Transfer to General Nonoperating Fund	(2,970)	-0-	-0-	-0-	-0-
Transfer to General Fund Reserve	(800)	-0-	-0-	-0-	-0-
Ending Balance	$ -0-	2,291	3,081	1,380	(911)

The preliminary forecast projects total GOF revenue of $101.1 million, an increase of $3.6 million (3.7 percent) compared to the current fiscal year Adopted Budget and $1.6 million (1.6 percent) higher than the current fiscal year estimated revenues. Expenditures are anticipated to increase $3.7 million (3.8 percent) to $101.8 million compared to the current fiscal year adopted. Projected budget savings is being reduced to $2.0 million. Actual budget savings declined the past fiscal year to $2.5 million, as departments continue to absorb expenditure increases into their existing budget and more positions are being filled. The current fiscal year estimated savings is trending lower than the prior fiscal year. This results in a preliminary positive balance of $1.4 million for next fiscal year. However, this forecast does not include any additional appropriations requested through the budget process by departments for Fiscal Year 2014-15. Any recommended expenditures will be included with the Narrative Budget Report in late April.

A more detailed discussion of the projected General Operating Fund revenues and expenditures follows.

Revenues

A comparison of the Preliminary Forecast to current fiscal year Estimated and Adopted Budget and prior fiscal year Audited for the General Operating Fund follows (dollars in thousands):

	2012-13 Audited	2013-14 Adopted Budget	2013-14 Estimated	2014-15 Preliminary Forecast	Variance of 2014-15 Forecast to 2013-14 Adopted
Property Taxes	$28,122	30,149	29,976	32,162	2,013
Sales Tax	16,744	17,268	16,988	17,900	632
Other Local Taxes	12,015	12,009	12,971	13,058	1,049
Use of Money and Property	10,783	10,605	10,578	10,387	(218)
Licenses, Permits, and Fees/Fines and Forfeitures	5,910	5,727	5,972	5,805	78
Intergovernmental	665	559	682	556	(3)
Charges for Service	4,438	4,168	4,730	4,471	303
Miscellaneous Revenues	2,459	1,510	2,124	1,526	16
Interfund Revenues and Transfers	13,781	13,678	13,588	13,378	(300)
Loan Repayments	1,894	1,894	1,894	1,894	-0-
Total Operating Revenues	$96,811	97,567	99,503	101,137	3,570

A brief explanation of the assumptions and changes for Fiscal Year 2014-15 follows:

Property Taxes is projected to increase $2.0 million compared to the Fiscal Year 2013-14 Adopted. Compared to the July 1, 2013 tax roll, the assessed value of property generating tax revenues for the General Operating Fund is projected to grow, reflecting the following:

- 0.454 percent increase in AV for most properties resulting from the annual California Consumer Price Index inflation factor (October 2012 to October 2013).

- AV increases resulting from changes in ownership which occurred from January 1, 2013 through November 30, 2013 (information currently available).

Staff will continue to collect data and revise the property tax forecast with the projected impact of new development and appeal resolutions.

Sales Tax is projected at $17.9 million for Fiscal Year 2014-15, based on actual sales tax activity for the first half of the current fiscal year, plus estimates for the remaining two quarters, adjusted for the following:

- Anticipated new businesses at the Villages at San Antonio, known business closures, changes in reporting, and audit adjustments; and

- 2.5 percent growth on the level of current fiscal year sales tax estimated to be received from the remaining sales tax generators.

This results in $632,000 and $912,000 more revenue compared to the current fiscal year Adopted Budget and Estimated, respectively.

Other Local Taxes is projected to increase $1.0 million compared to the current fiscal year Adopted. TOT revenues received to date are performing better than budgeted for the current fiscal year, and this trend is expected to continue, but at a slower pace into Fiscal Year 2014-15. Fiscal Year 2014-15 UUT generated from telecommunications services is projected to increase 1.0 percent compared to the current fiscal year Estimated. The audit of the telecommunications providers which began in July 2012 has been completed and the new revenue resulting from the audit is included in the Fiscal Year 2013-14 Estimated and continues into the Fiscal Year 2014-15 projection. The UUT assessed on energy is projected at the same level as the current fiscal year Estimated.

Use of Money and Property is projected to decline compared to both the current fiscal year Adopted ($218,000) and the current fiscal year Estimated ($191,000). It is anticipated that investment earnings will continue to be impacted by the decline in the average portfolio yield resulting from the continuing low-interest rate environment. The Federal Reserve benchmark interest rates remain at a historic low. Effective February 1, Janet Yellen became the new chairman of the U.S. Federal Reserve and, although there may be some change in Federal policy, the projection for the upcoming fiscal year currently assumes rates will not change significantly. As previously approved by Council, staff implemented the Corporate Note investment program as a strategy for improving the City's return on investment. During the current fiscal year, $19.8 million (cost value) in corporate note securities have been purchased and is managed by Chandler Asset Management. The decline in investment earnings is offset by a slight increase in rents and leases revenue, primarily due to the contractual annual increases included in the City's land leases.

Licenses, Permits, and Fees/Fines and Forfeitures is projected to increase $78,000 (1.4 percent) compared to the current fiscal year Adopted and a decline of $167,000 compared to the current fiscal year Estimated. Franchise fees will be updated for the Narrative Budget based on both the annual franchise fees to be received in April and any recommended rate changes for refuse disposal services. Licenses and Permits are projected with a slight decrease as development activity is projected at a slightly lower level than the current fiscal year Estimated. Fees/Fines and Forfeitures are projected at the same level as the current fiscal year Adopted.

Intergovernmental is projected to be essentially the same as the current fiscal year Adopted Budget and $126,000 less than the current fiscal year Estimated as the budget assumes the City will not receive any mandate reimbursement funding or Federal grants.

Charges for Services is projected to increase $303,000 (7.3 percent) compared to the Adopted Budget and $259,000 (5.5 percent) less than the current fiscal year Estimated. Development activity is projected at a slightly lower level than the current fiscal year.

Miscellaneous Revenues is projected to remain essentially the same as the current fiscal year Adopted Budget and a decline of $598,000 from the current fiscal year Estimated as some grants, donations, and reimbursements are not anticipated and, therefore, not budgeted.

Interfund Revenues and Transfers and **Loan Repayments** are projected with a net loss reflecting an inflationary increase for reimbursements to the GOF and the end of the administrative reimbursement from the former Revitalization Authority. Interfund Transfers include a decline reflecting the utilization of the remaining balance of the CalPERS Reserve in the current fiscal year. Loan repayments is projected to remain at the same level as the current fiscal year.

Expenditures

A comparison of the Preliminary Forecast to current fiscal year Estimated to Adopted Budget and prior fiscal year Audited for the General Operating Fund follows (dollars in thousands):

	2012-13 Audited	2013-14 Adopted Budget	2013-14 Estimated	2014-15 Preliminary Forecast	Variance of 2014-15 Forecast to 2013-14 Adopted
Salaries and Benefits	$74,561	78,722	76,787	81,273	2,551
Services and Supplies	13,414	14,244	14,341	14,822	578
Capital Outlay/Equipment Replacement	2,315	2,545	2,729	2,567	22
Self-Insurance	2,751	2,565	2,565	3,095	530
Total Operating Expenditures	$93,041	98,076	96,422	101,757	3,681

A brief explanation of the assumptions and changes in expenditures follows:

Salaries and Benefits incorporates modest cost-of-living adjustments (COLAs) included in the various employee group MOUs and agreements. The cost for retirement benefits is projected with the rates provided by CalPERS. Medical and dental costs are projected with average 11.0 percent and 3.0 percent increases, respectively, for half a year as the benefit year has changed to a calendar-year basis.

CalPERS is anticipated to take action at its February 18, 2014 meeting that will impact future rates. Previous indications were for increases to rates associated with updates to the demographic and economic assumptions, with the impacts beginning in Fiscal Year 2015-16. The latest CalPERS staff recommendations indicate no change to the discount rate and the impact from demographic assumptions to be greater, but the implementation is not recommended until Fiscal Year 2016-17. Regardless of the timing, this is expected to have significant long-term costs. Staff will provide updated information in the Narrative Budget Report after the CalPERS board action.

Services and Supplies is projected with a $578,000 increase over the Fiscal Year 2013-14 Adopted Budget, related to projected increases for each type of service or supply and a $200,000 increase for water costs due to a preliminary estimated increase from the SFPUC ranging from 23.7 to 31.8 percent. This forecast does not include any additional appropriations requested by departments through the Fiscal Year 2014-15 budget process. Any recommended increases will be included with the Narrative Budget Report in late April.

Capital Outlay/Equipment Replacement includes a base amount of $300,000 for Capital Outlay. The annual equipment replacement funding amount is projected to increase slightly due to inflation for replacement cost and some adjustments to quantity of items and life expectancy.

Self-Insurance is projected to increase for Liability insurance and the cost of the Retirees' Health Unfunded Actuarial Accrued Liability (UAAL) amortization is projected with an increase based on the actuarial updated as of July 1, 2013, which included a change in the discount rate as reported to Council this past December.

The Fiscal Year 2014-15 projection will be updated for the Narrative Budget Report in late April, at which time budget recommendations will be presented to Council.

IV. FISCAL YEAR 2012-13 GENERAL FUND REMAINING BALANCE

As discussed in the Analysis of Fiscal Year 2012-13 GOF Audited Financial Results report on the December 3, 2013 Council agenda, the City's General Fund ended the 2012-13 fiscal year with an unallocated balance of $1.2 million. The table below details the General Fund balance, including one-time revenues and expenditures savings, budgeted transfers, and limited-period expenditure allocations (dollars in thousands):

General Operating Fund Balance	$ 3,770
Transfer to General Fund Reserve	(800)
Available Carryover Balance Remaining from Prior Fiscal Year	749
One-Time Revenues and Expenditure Savings:	
UUT Settlement	846
Property Tax Administration Fee Reimbursement	627
Unspent Limited-Period Expenditures	340
Unencumbered Redevelopment Low-/Moderate-Income Housing Funds (MLMIHF) Distribution	141
Total Available for Allocation	5,673
Less Allocations in the Fiscal Year 2013-14 Adopted Budget:	
Workers' Compensation Fund	(1,800)
Compensated Absences Reserve	(1,000)
New and Rebudget Limited-Period Expenditures and Capital Outlay	(1,637)
Total Allocated	(4,437)
Remaining Unallocated Balance	$ 1,236

Staff recommends transferring this remaining unallocated balance to the Capital Improvement Reserve.

V. FISCAL YEAR 2012-13 MIDYEAR PERFORMANCE/WORKLOAD MEASURE UPDATE

Departments review and revise their performance measures from time to time to ensure measures provide relevant and clear information about department operations. Attachment 1 includes the status of each measure as of midyear of the current fiscal year.

The final results for Fiscal Year 2013-14 will be reported in the Fiscal Year 2014-15 Adopted Budget.

FISCAL IMPACT

The various fiscal impacts are identified and discussed within this report.

CONCLUSION

The midyear budget status of the Fiscal Year 2013-14 General Operating Fund estimates revenues at $99.5 million, 2.0 percent higher than the Adopted Budget. Expenditures are estimated at $96.4 million, 3.6 percent below the Adjusted Budget and 1.7 percent less than the Adopted Budget. The General Operating Fund is estimated with a $3.1 million ending balance, which would be available to fund limited-period expenditures for Fiscal Year 2014-15, supplement reserves, and/or provide funding for the CIP.

Shoreline Golf Links revenues are trending slightly higher than budget; however, as a result of the drought, water use is higher and expenditures are also currently trending above budget. The Successor Agency has received a Finding of Completion and is awaiting the approval of the LRPMP. Revenues for the remaining funds are currently trending higher than budget and expenditures are currently trending lower than budget.

The preliminary Fiscal Year 2014-15 forecast for the General Operating Fund indicates revenues are growing and are sufficient to meet projected expenditures, creating a preliminary $1.4 million projected balance. Expenditure recommendations for Fiscal Year 2014-15 are not included in this preliminary projection and staff will return to Council with recommendations as part of the Narrative Budget Report.

ALTERNATIVES

1. Utilize the $1.2 million from the General Fund Reserve for another purpose.

2. Do not approve the addition of one Recreation Supervisor position in the Community Services Department as part of the department reorganization, or the $32,000 increase in appropriations in the Shoreline Regional Park Community Fund, Community Services Department, for additional personnel costs resulting from the reorganization.

3. Do not increase appropriations $397,724 in the Solid Waste Management Fund for prior fiscal year SMaRT Station operating expenses resulting from the Fiscal Year 2012-13 fiscal year-end reconciliation.

PUBLIC NOTICING—Agenda posting.

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Attachments:
1. Performance Measures/Workload Measures
2. Community Services Department Reorganization
3. Fiscal Year 2013-14 Council Major Goals Work Plan Midyear Update