



CITY OF
MORENO VALLEY
 CALIFORNIA



PROPOSED BUDGET
 FISCAL YEARS - 2019-20 | 2020-21



PRESENTATION BY:
 Thomas M. DeSantis, City Manager
 Marshall Eyerman, Chief Financial Officer



**your tax dollars
 AT WORK**

Proposed Calendar – Key Items

The City seeks to do so in a transparent, fiscally-accountable, and community-responsive manner, and has engaged thousands of residents in a participatory budget process including:

- ✓ **December** • Internal City Budget Process Begins
- ✓ **January** • Budget Kickoff
- ✓ **February** • Study Session, Town Hall Meetings & Balancing Act
• Finance Sub Committee - updates
- ✓ **April** • City Manager's Proposed Budget (Study Session)
- ✓ **April** • Finance Subcommittee – Preview Budget
- ➔ **May/June** • Public Hearing/Budget Adoption



Community Priorities

The City has a proud history of community engagement and feedback, which informs both our budget process and Momentum MoVal strategic plan goals

In 2018, the City of Moreno Valley again commissioned a community survey that assessed resident perspectives and priorities

Some of the priorities identified by constituents in that survey include:

- Maintaining 911 emergency response times/services
- Maintaining robbery and burglary suppression programs
- Protecting local funds from State or regional money grabs
- Maintaining safe and clean public areas
- Repairing potholes, local streets, and roads
- Maintaining the number of sworn police officers on the streets and fire engines in service
- Enhancing recreation and youth programs and facilities

Budget Development Building Blocks

Maintain a balanced General Fund budget

Meet *Momentum MoVal* Priorities

Build upon successes in previous fiscal year amended budget

- Examine fiscal strengths
- Reflect prior year actuals
- Remove one-time costs
- Identify savings where possible

Revenues

- Regional economic projections
- Impacts of Economic Development
- Property and Sales taxes

Expenditures

- Contractual Costs
- Cost of Service for Police and Fire
- Capital projects
- Continue to examine new costs savings and potential efficiencies





1. Economic Development – Strategic Priority

Maintain Economic Development Team efforts to attract, retain and grow businesses

Continue marketing and outreach efforts

Fund the Employment Resource Center (ERC)

Provide Economic and Community Development staff support





2. Public Safety – Strategic Priority



Provide four additional Police Community Service Officers (CSO)

Complete purchase of new Fire truck (approved FY 18/19)

Maintain citywide camera system

Provide additional services funded through Commercial Cannabis Business activities

MOMENTUM →
MoVal



Police Department - Staffing

Current service levels:

.79 Officers per 1,000 population (incl. Program Overtime)

164.5 Sworn positions

25.5 Non-Sworn positions

Includes:

457.8 supported hours per day (~94 positions)

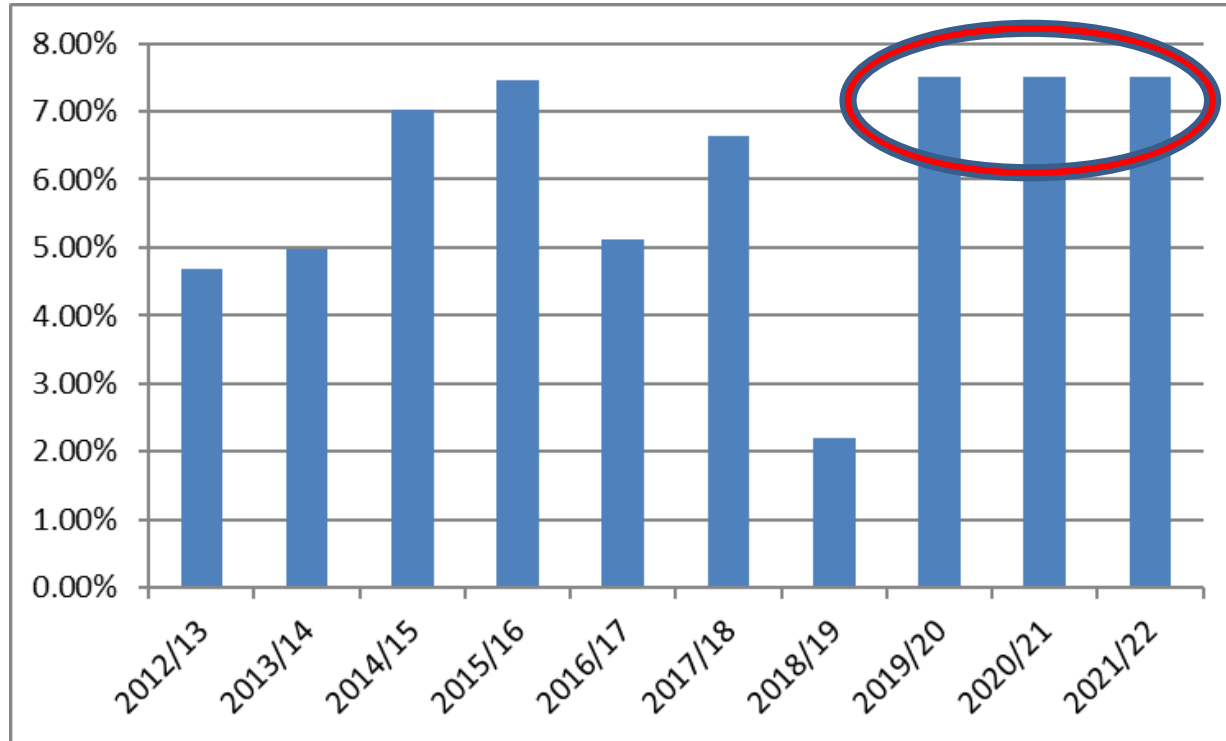
71.4 overtime hours per day (~15 positions)

Patrol support positions through the contract rate (~64)

41 Dedicated positions



Police Department – Contract Rates



22.5% or \$11.9M
cumulative over
three years

Fire Department - Staffing

Operations

1 City

75 contract positions

7 Fire stations

7 Engines/1 Truck/1 Squad



Prevention

3 City

8 contract positions

Emergency Management

3 City positions



3. Library – Strategic Priority



Increase mall library hours

Complete ADA improvements at main library

Open a new satellite library in south/east end of the City



4. Infrastructure – Strategic Priority

\$5.2M allocated for annual street maintenance

Deliver Capital Improvement Projects (CIP) – over \$50.8 million of improvements

Complete citywide streetlight LED retrofit and Fleet replacement

Maintain existing facilities

Replace facilities maintenance software (Approved FY 18/19)

MOMENTUM
MoVal





5. Beautification, Community Engagement, Quality of Life – Strategic Priority

Enhance Homeless to Work program's outreach element

Expand Highway Off Ramp trash cleanup

Continued Landscape, Lighting and Maintenance support

Conduct Telephone town hall meetings

Complete Laserfiche software upgrade for public records

Promote Hire MoVal programs

Provide critical home repair and clean up through CDBG funding

Complete Amphitheatre and Skate Park (Approved FY 18/19)

6. Youth – Strategic Priority

Conduct 450 programs annually with Advertising in Soaring Guides

Maintain 603.5 acres of parkland and trails
CDBG funded support programs

Annual Support for our Schools and Students:

Mayor's apprentice program (MAPPED)

Summer at City Hall – Val Verde USD

Asterik internship program - MVUSD

Promise Initiative - MV College

MoVaLearns – MV College

\$0.5 million Crossing Guards

\$7.5 million ASES Grant program

\$0.8 million Child Care program



Citywide - Expenditure Summary

	FY 2018/19	FY 2019/20	FY 2020/21
	Amended Budget	Proposed Budget	Proposed Budget
Fund/Component Unit			
General Fund	\$ 112,096,781	\$ 112,921,104	\$ 116,773,613
Community Services District (CSD)	21,146,121	20,551,302	21,332,223
Successor Agency	4,286,389	5,089,728	5,089,728
Housing Fund	250,000	250,000	250,000
Special Revenue Funds	66,942,370	34,094,848	29,279,760
Electric Utility Funds	67,574,939	32,076,318	32,751,206
Internal Service Funds	15,969,644	12,347,625	10,013,938
Debt Service Funds	4,327,000	4,332,843	4,327,834
Total	\$ 292,593,244	\$ 221,663,768	\$ 219,818,302

General Fund - Expenditure Summary

	FY 2018/19 Amended Budget	FY 2019/20 Proposed Budget	FY 2020/21 Proposed Budget
Department			
City Council	\$ 1,252,156	\$ 1,018,424	\$ 1,037,483
City Clerk	968,805	720,072	1,054,060
City Attorney	893,528	1,049,324	1,099,482
City Manager	6,079,382	1,962,633	2,039,696
Human Resources	1,211,758	1,512,487	1,560,508
Economic Development	1,928,168	2,378,885	2,464,235
Financial & Management Svcs	6,378,999	11,415,727	11,818,382
Non-Department	5,201,108	5,878,117	5,247,135
	\$ 23,913,904	\$ 25,935,669	\$ 26,320,981
Public Safety			
Community Development	\$ 10,000,029	\$ 10,304,411	\$ 10,666,576
Public Works	9,350,294	8,659,994	7,771,229
Fire	23,769,169	23,100,928	24,017,196
Police	45,063,385	44,920,102	47,997,631
	\$ 88,182,877	\$ 86,985,435	\$ 90,452,632
Total	\$ 112,096,781	\$ 112,921,104	\$ 116,773,613
		0.74%	3.41%

Public Safety Budget Percentage

77.03%

77.46%



General Fund – Budget Summary

	FY 2018/19 Amended Budget	FY 2019/20 Proposed Budget	FY 2020/21 Proposed Budget
Revenues	\$ 111,134,727	\$ 112,930,034	\$ 116,787,313
Expenses	112,096,781	112,921,104	116,773,613
Variance	\$ (962,054)	\$ 8,930	\$ 13,700

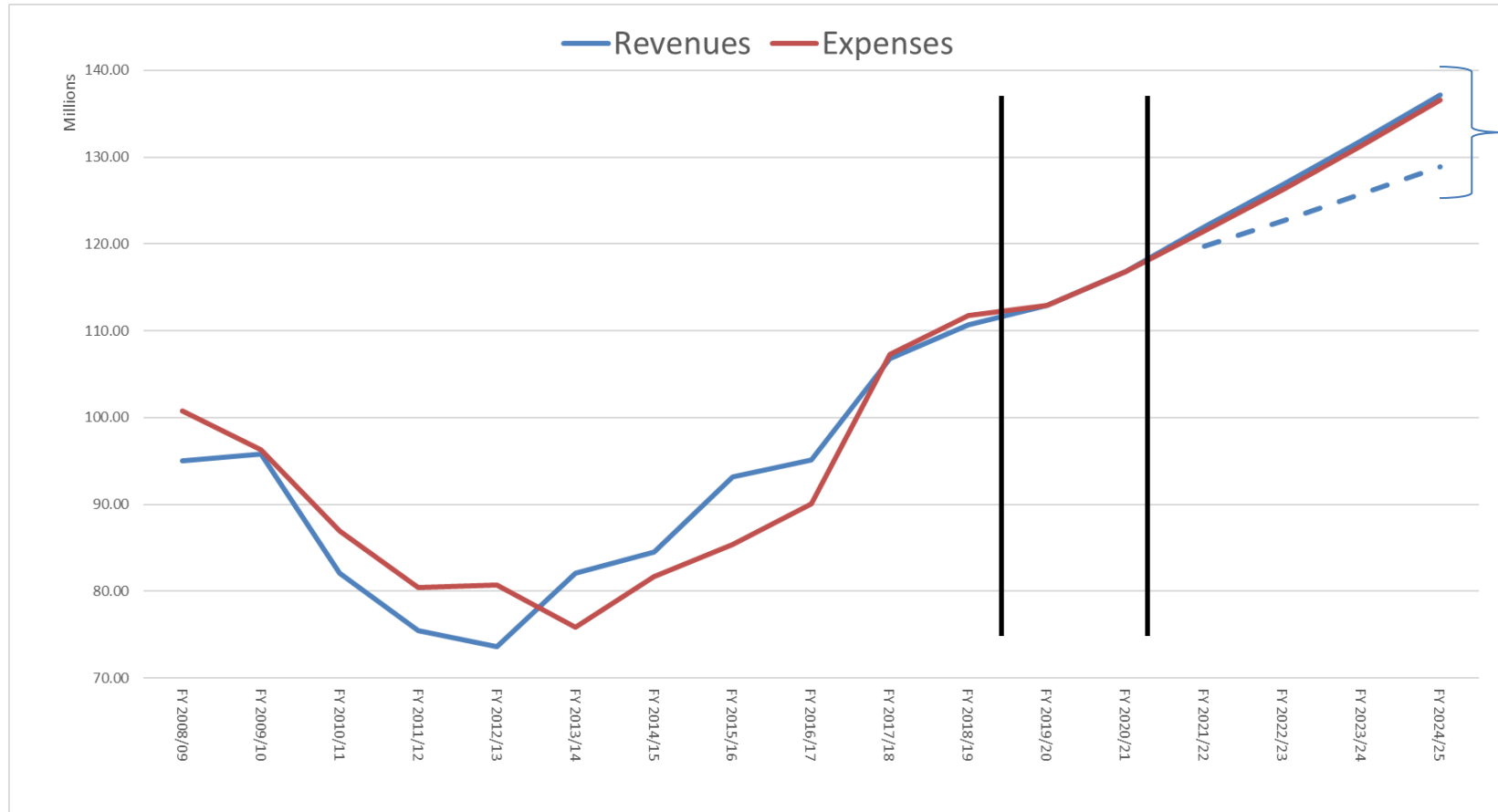
Community Services District (CSD)

	FY 2018/19 Amended Budget	FY 2019/20 Proposed Budget	FY 2020/21 Proposed Budget
Total Revenues	\$ 19,664,743	\$ 20,479,715	\$ 21,031,819
Expenditures:			
Library Services Fund (5010)	\$ 2,494,590	\$ 2,453,182	\$ 2,708,319
Zone A Parks Fund (5011)	9,893,481	10,061,021	10,258,968
LMD 2014-01 Residential Street Lighting Fund (5012)	1,601,729	1,468,459	1,516,919
Zone C Arterial Street Lighting Fund (5110)	913,854	850,324	875,414
Zone D Standard Landscaping Fund (5111)	1,356,695	1,105,995	1,213,105
Zone E Extensive Landscaping Fund (5013)	335,826	279,191	289,398
5014 LMD 2014-02	2,723,254	2,518,060	2,666,609
Zone M Median Fund (5112)	330,778	306,412	335,229
CFD No. 1 (5113)	1,361,821	1,439,762	1,390,660
Zone S (5114)	68,093	68,896	77,602
5211 Zone A Parks - Restricted Assets	66,000	-	-
Total Expenditures	\$ 21,146,121	\$ 20,551,302	\$ 21,332,223
Net Change or Adopted Use of Fund Balance	\$ (1,481,378)	\$ (71,587)	\$ (300,404)

Moreno Valley Utility (MVU)

	FY 2018/19 Amended Budget	FY 2018/19 Proposed Budget	FY 2019/20 Proposed Budget
Total Revenues	\$ 39,969,535	\$ 34,527,040	\$ 35,654,876
Expenditures:			
45510 Electric Utility - General	\$ 31,758,853	\$ 25,248,274	\$ 26,287,723
45511 Public Purpose Program	2,060,185	1,694,007	1,702,376
45512 SCE Served Street Lights	-	800,000	400,000
80005 CIP - Electric Utility	22,605,155	-	-
96010 Non-Dept Electric	5,354	-	-
96030 Non-Dept 2005 Lease Revenue Bonds	1,550,000	2,049,081	2,109,081
96021 Non-Dept 2016 Tax LRB of 07 Tax	867,700	848,900	829,775
96031 Non-Dept 2013 Refunding 05 LRB	37,500	29,106	21,336
96032 Non-Dept 2014 Refunding 2005 LRB	119,300	119,227	119,174
96040 Non-Dept 2015 Taxable LRB	460,000	453,751	447,769
96050 Non-Dept 2018 Streetlight Fin	8,110,892	833,972	833,972
Total Expenditures	\$ 67,574,939	\$ 32,076,318	\$ 32,751,206
Net Change or Adopted Use of Fund Balance	\$ (27,605,404)	\$ 2,450,722	\$ 2,903,670

Budget Assumptions



ED
Bridges
the gap



Next Steps – Future Challenges

Per Council's direction, the City will continue and increase engagement on community budget priorities, including:

- Educating the community on Moreno Valley's successes and long term potential budget challenges
- Continuing to Solicit feedback on resident priorities

Staff will continue to monitor State and County impacts to the City:

- California state takeaways. Sacramento continues to find new ways to take millions from local cities like ours, including imposing expensive new regulations without any funding to implement them
- Riverside County continues to increase costs for services used by our residents
- These money grabs are impacting the City's ability to provide the services and programs at the levels our residents expect and deserve in the long term