

ADOPTED BUDGET 2014-15



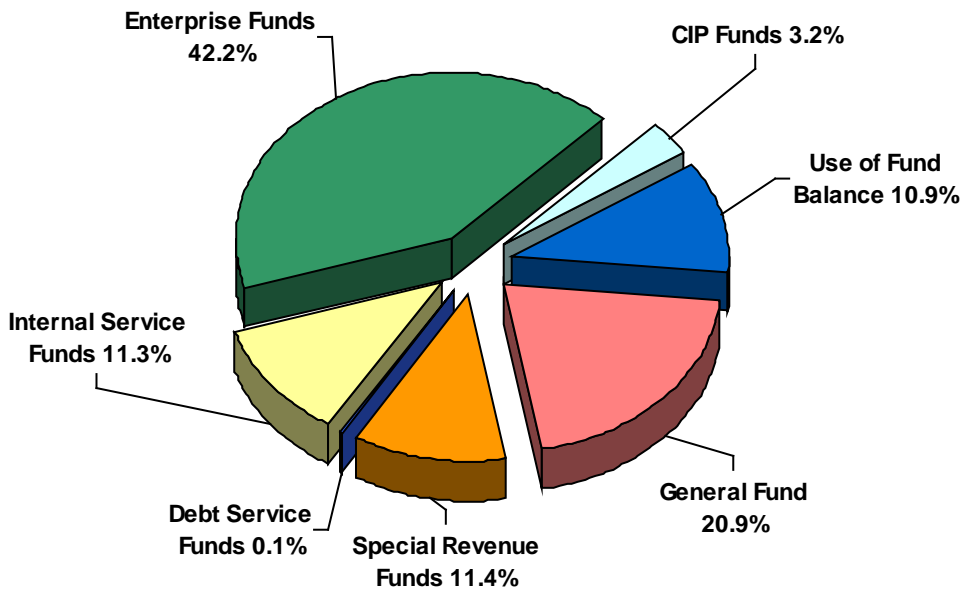
CITY OF GLENDALE RESOURCES & APPROPRIATIONS

OVERVIEW OF RESOURCES

The City Resources forecasted for FY 2014-15 reflect a somewhat conservative yet consistent approach with established budget practices and financial principles. We used various forecasting techniques such as trend analysis, economic indicators, and professional judgment to arrive at the forecasted revenue. Revenue forecasting is one of the most challenging aspects in the budget process and a variety of factors come into play when deciding on revenue projections. Estimates of population growth, local and regional economic growth, inflation, historical revenue patterns, and factors specific to individual revenue sources are considered.

Total FY 2014-15 City Resources (including Transfers from Other Funds and Use of Fund Balance) are \$832.7 million. The following chart illustrates the total budgeted resources for all City Funds for FY 2014-15:

FY 2014-15 Total City Resources
\$832.7 Million



Total City Resources
(In Millions)

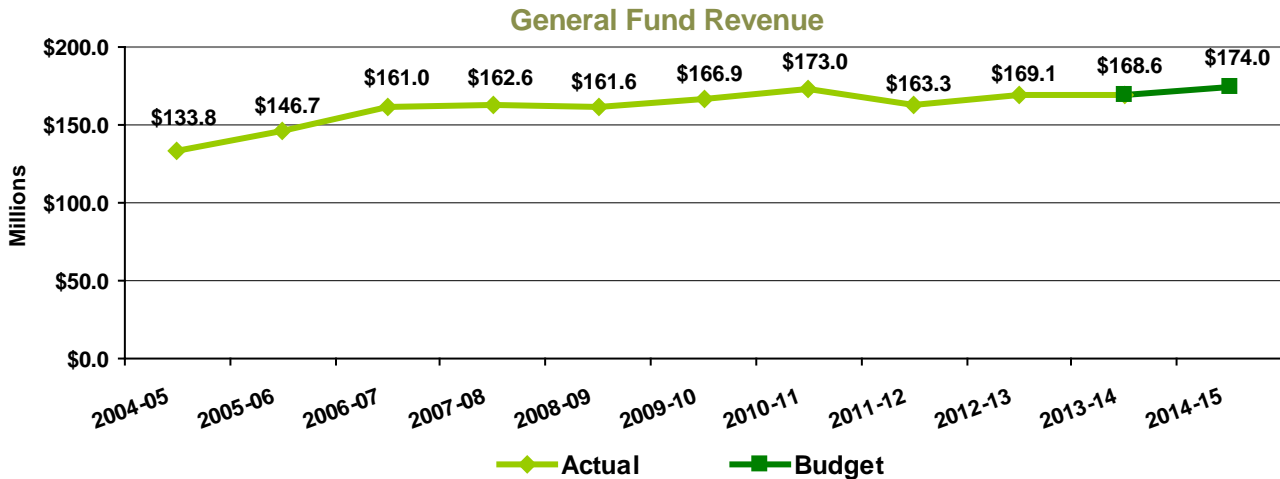
Fund Type	Adopted 2013-14	Adopted 2014-15	Increase / (Decrease)	% Change
General Fund	\$ 168,632,769	\$ 174,006,103	\$ 5,373,334	3.2%
Special Revenue	88,424,812	95,293,579	6,868,767	7.8%
Debt Service	1,642,062	700,000	(942,062)	-57.4%
Capital Improvement	13,772,745	26,316,827	12,544,082	91.1%
Enterprise	328,512,124	350,994,636	22,482,512	6.8%
Internal Service	92,177,661	94,380,406	2,202,745	2.4%
Net Use of Fund Balance	44,779,552	91,024,378	46,244,826	103.3%
Total Resources	\$ 737,941,725	\$ 832,715,929	\$ 94,774,204	12.8%

CITY OF GLENDALE RESOURCES & APPROPRIATIONS

General Fund

The General Fund Resource budget for FY 2014-15 is projected to be \$181.5 million. The General Fund provides the majority of ongoing governmental services that are not funded through restricted special revenue funds. These services include Fire, Police, Library, Arts & Culture, Community Services & Parks, Community Development, Public Works and general staff support services that include the City Clerk, City Treasurer, City Attorney, City Manager, Administrative Services - Finance, and Human Resources. This fund is supported by general taxes including property, sales, and utility users taxes in addition to other various fees, taxes and transfers from other funds.

The graph below shows the General Fund revenue history along with adopted budgets for FY 2013-14 and FY 2014-15.



The table below shows the estimates of the major revenue sources for the General Fund by category for FY 2013-14 and FY 2014-15.

General Fund Resources

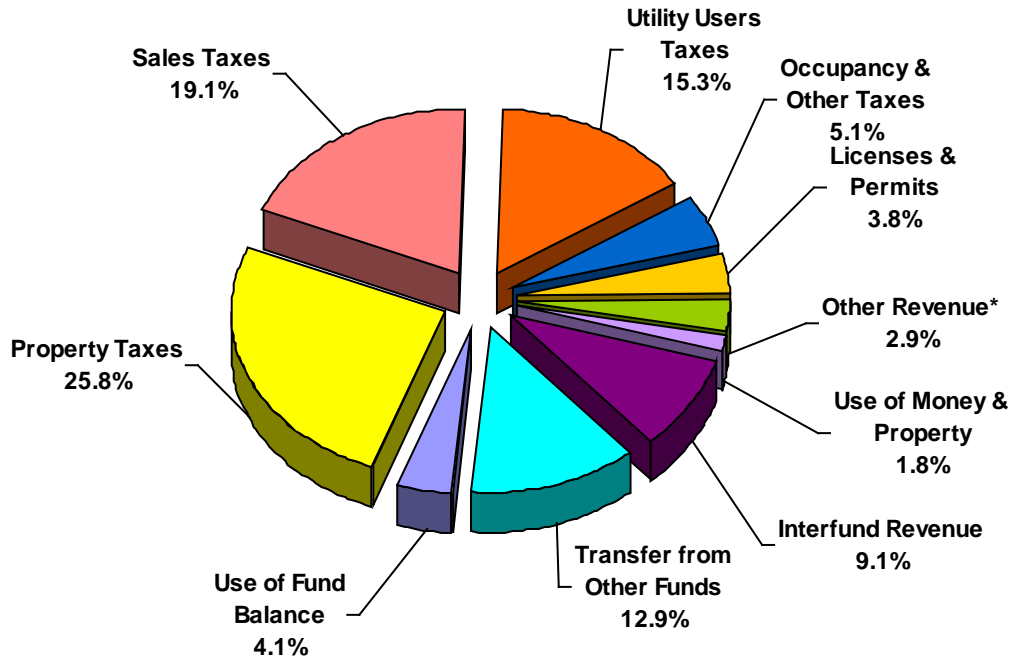
Category	Adopted 2013-14	Adopted 2014-15	Increase / (Decrease)	% Change
Revenues				
Property Taxes	\$ 45,185,000	\$ 46,865,000	\$ 1,680,000	3.7%
Sales Taxes	32,866,000	34,700,000	1,834,000	5.6%
Utility Users Taxes	27,600,000	27,746,000	146,000	0.5%
Occupancy & Other Taxes	9,090,000	9,340,000	250,000	2.8%
Licenses & Permits	6,455,000	6,925,000	470,000	7.3%
Fines & Forfeitures	1,100,000	950,000	(150,000)	-13.6%
Interest/Use of Money	3,385,000	3,215,000	(170,000)	-5.0%
Intergovernmental	-	1,200,000	1,200,000	N/A
Revenue from Other Agencies	100,000	100,000	-	0.0%
Charges for Services	1,904,394	1,872,000	(32,394)	-1.7%
Misc & Non-Operating	1,095,000	1,163,500	68,500	6.3%
Interfund Revenue	16,195,375	16,522,603	327,228	2.0%
Transfer from Other Funds	23,657,000	23,407,000	(250,000)	-1.1%
Total Revenues	\$ 168,632,769	\$ 174,006,103	\$ 5,373,334	3.2%
Current Year Use of Fund Balance	2,099,137	495,424	(1,603,713)	-76.4%
Subtotal-Current Year Resources	\$ 170,731,906	\$ 174,501,527	\$ 3,769,621	2.2%
One-Time Use of Fund Balance				
Data Center Upgrade	-	2,000,000	2,000,000	N/A
Central Library Renovation	-	5,000,000	5,000,000	N/A
Total Resources	\$ 170,731,906	\$ 181,501,527	\$ 10,769,621	6.3%

CITY OF GLENDALE

RESOURCES & APPROPRIATIONS

Approximately 60% of the City's General Fund resources consist of three revenue sources: property taxes, sales taxes and utility users taxes. Other General Fund revenues include franchise tax, transient occupancy tax, building & planning permits, fines & forfeitures, use of money & property and other revenues. Below is a graph of the various General Fund Resources by category which will be followed by a more in-depth discussion on all of the major General Fund revenue categories.

FY 2014-15 General Fund Resources
\$181.5 Million



*Note: Other Revenue consists of Fines & Forfeitures, InterGovernmental, Revenues from Other Agencies, Charges for Services and Miscellaneous Revenues.

Property Taxes are the largest revenue source in the General Fund. It represents 25.8% of the total General Fund resources for the FY 2014-15 budget. For FY 2014-15 the property tax category is projected to increase by \$1.7 million or 3.7% for a total of \$46.9 million. The increase is attributable to an increase in the assessed property valuation. Also, the housing market still continues to improve as home buying continues to increase due to continued low interest rates. Per HdL Companies, foreclosure levels are back to historical norms. Median prices and numbers of sale transactions are up statewide and this trend is expected to continue in FY 2014-15.

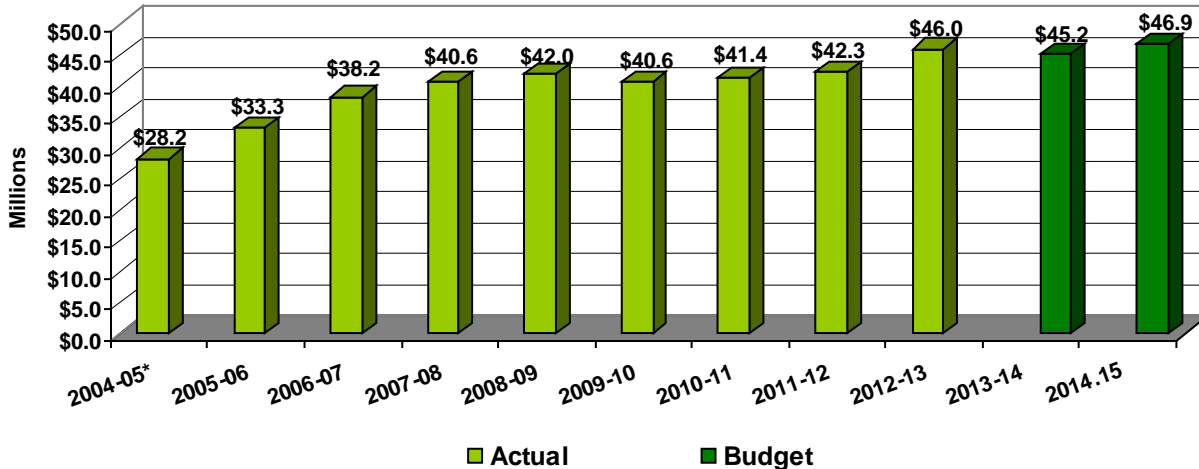
Property tax is an ad valorem tax (based on value) imposed on real property (land and permanently attached improvements such as buildings) and personal (movable) property. Proposition 13 adopted by the California voters on June 6, 1978, created a comprehensive system for the assessment and limitation of real property taxes. Property tax is based on the real property's adjusted assessed full value. Proposition 13 set the FY 1975-76 assessed values as the base year from which future annual inflationary assessed value increases are calculated (not to exceed 2% for any given year). The County Assessor also re-appraises each real property parcel when there are purchases, construction, or other statutory defined "changes in ownership". Proposition 13 limits the property tax rate to 1% of the property's full value plus overriding rates to pay specifically approved voter indebtedness. The 1% property tax levy is collected by the County Tax Collector and is distributed to various public agencies. The City of Glendale receives 13.5% of the 1% levy on assessed value.

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It should be noted that starting in FY 2014-15 the newly created Economic Development Fund 215 will receive the City's Share of Property Tax Residuals to support the economic development related services for the City. The City's Share of Property Tax Residuals is the amounts left after all Redevelopment Project Area Obligations have been paid.

The graph below shows the historical and forecasted Property Tax revenue followed by a listing of the top 10 property taxpayers for the City's General Fund.

Property Taxes – General Fund



*Note: Starting FY 2004-05, the Property Tax category includes the VLF backfill

Top 10 Property Taxpayers (In Alphabetical Order)

<p>David Weiswasser Trust Dignity Health Corporation Essex 416 on Broadway LP Glendale Adventist Medical Glendale Fashion Associates, LLC</p>	<p>Grand Villa Glendale, LLC Joseph A. Perry PR Glendale Plaza Office California LLC Property Reserve Inc. Tishman Speyer Archstone-Smith</p>
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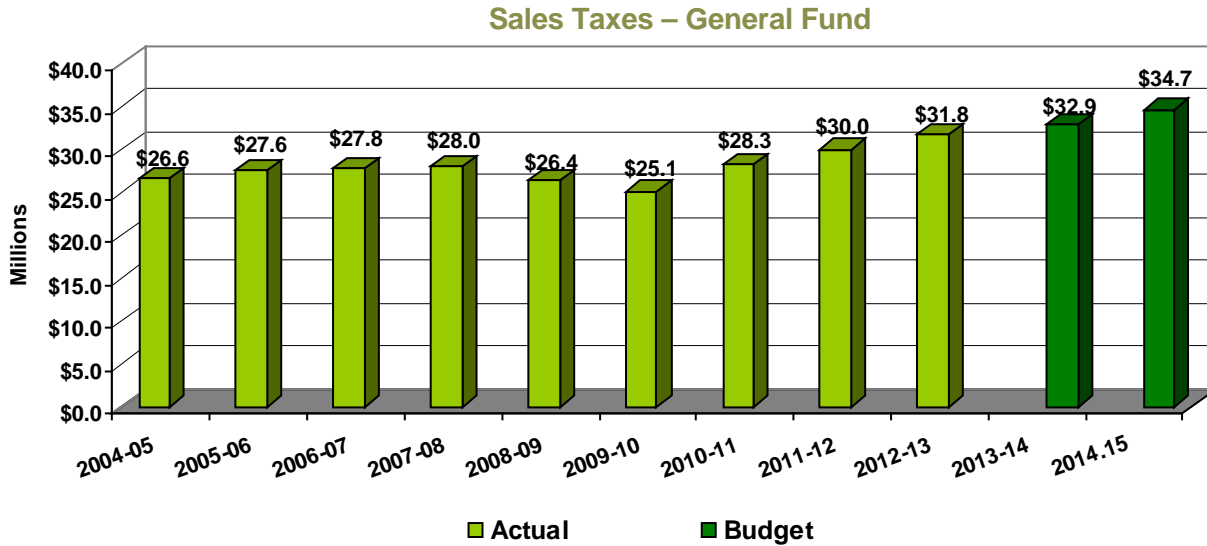
Source: HdL Coren & Cone 2013-14 property data (Tax District #1)

Sales Taxes are the second largest revenue source in the General Fund, representing 19.1% of the total General Fund resources estimated for the FY 2014-15 budget. For FY 2014-15, Sales Taxes are forecasted to increase by \$1.8 million, or 5.6%, for a total of \$34.7 million. California's retail sales have risen again and recent additions to the auto, department store and restaurant categories will contribute to the overall increase in sales tax for FY 2014-15. Also, on a positive note, California's unemployment rate is expected to continue its gradual decline in FY 2014-15 and according to the City's sales tax consultant, the HdL Companies, the U.S. unemployment rate reached 6.7% in March 2014, and the coming fiscal year will see the unemployment rate dip below 6.5% for the first time since 2008.

It should be noted that starting from FY 2003-04 through FY 2008-09, 86% of the Sales Tax revenue was deposited into the General Fund, with the remaining 14% deposited into the Capital Improvement Fund (401). Starting in FY 2009-10, the split of Sales Tax was shifted to 96% and 4%, respectively. For FY

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2010-11 and FY 2011-12, 100% of the Sales Tax went to the General Fund. Starting in FY 2012-13, the City has restored sales tax funding to the Capital Improvement Fund, albeit only 1% of the estimate. This is part of the City’s strategy in becoming structurally balanced and will look to increase the sales tax contribution to the Capital Improvement Fund over the next several years as resources permit. The graph below illustrates historical and forecasted sales tax revenue for the past 10 fiscal years followed by a listing of the top 20 Sales Tax producers for the City.



Top 20 Sales Tax Producers (In Alphabetical Order)

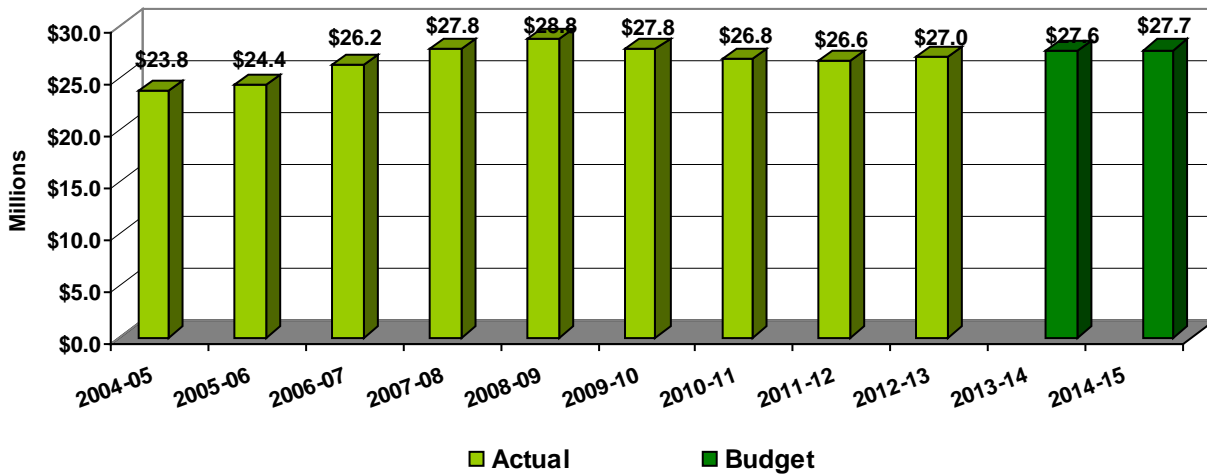
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- | | |
|------------------------------|-----------------------------|
| Apple | Lexus of Glendale |
| Bloomingdales | Macy’s |
| Bob Smith Toyota | Nordstrom |
| Calstar Mercedes | Pacific BMW |
| Diamond Honda of Glendale | Ralphs |
| Glendale Dodge Chrysler Jeep | Target |
| Glendale Mitsubishi | Tesoro Refining & Marketing |
| Glendale Nissan Infiniti | Toyota of Glendale |
| Home Depot | Video Equipment Rental |
| JC Penny | Vons |

Source: HdL Coren & Cone

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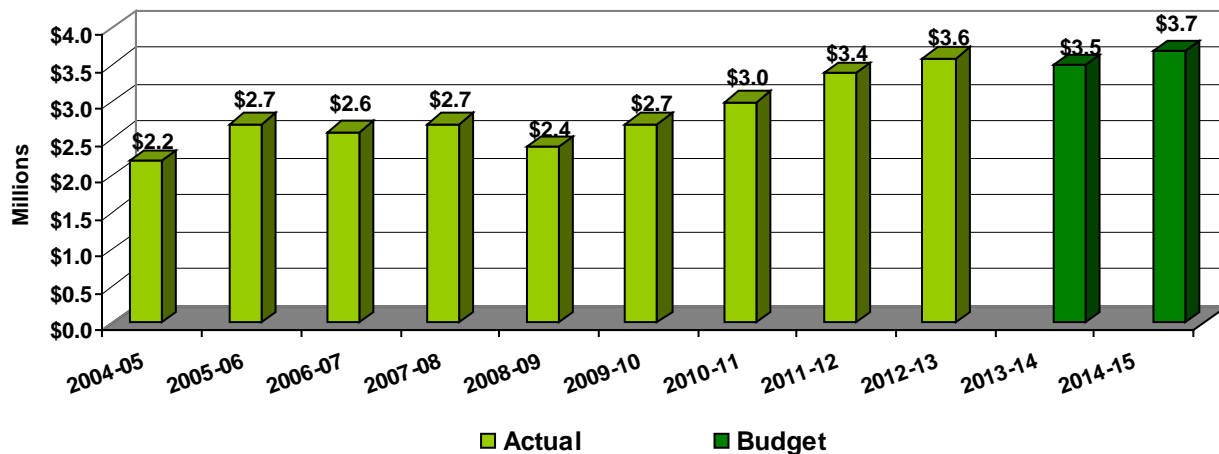
Utility Users Taxes (UUT) are the third largest revenue source for the General Fund, representing 15.3% of the total General Fund resources estimated for FY 2014-15 budget. This tax is levied on the following utility services: telecommunications (6.5%), video (6.5%), electricity (7%), gas (7%), and water (7%). The telecommunications category now includes wired and wireless telecommunications, intrastate, interstate, and international services; ancillary services; voice-over internet protocol; paging; and private communication services. UUT revenues are estimated to increase by \$146 thousand, or 0.5%, for a total estimate of \$27.7 million. Modest increases are forecasted for the Electric, Gas, Water and Video UUT categories, however this will be offset by the Telecommunications category. This segment continues to decline due to wireless customers shifting from conventional contracts to prepaid wireless services.

Utility Users Taxes – General Fund



Transient Occupancy Tax (TOT) represents about 2.0% of the total General Fund resources in the FY 2014-15 Adopted Budget. This tax is levied at 10% for occupying a room(s) or other living space in a hotel, inn, tourist home/house, motel or other lodging for a period of 30 days or less. The TOT is authorized under Section 4.32 of the Glendale Municipal Code and the revenue is deposited into the General Fund. As shown on the graph below, TOT revenue decreased by 12.8% in FY 2008-09 due to the economic recession. However, this sector started recovering in FY 2009-10 and this trend is expected to continue. For FY 2014-15 TOT revenue is anticipated to increase by \$200 thousand or 5.7%.

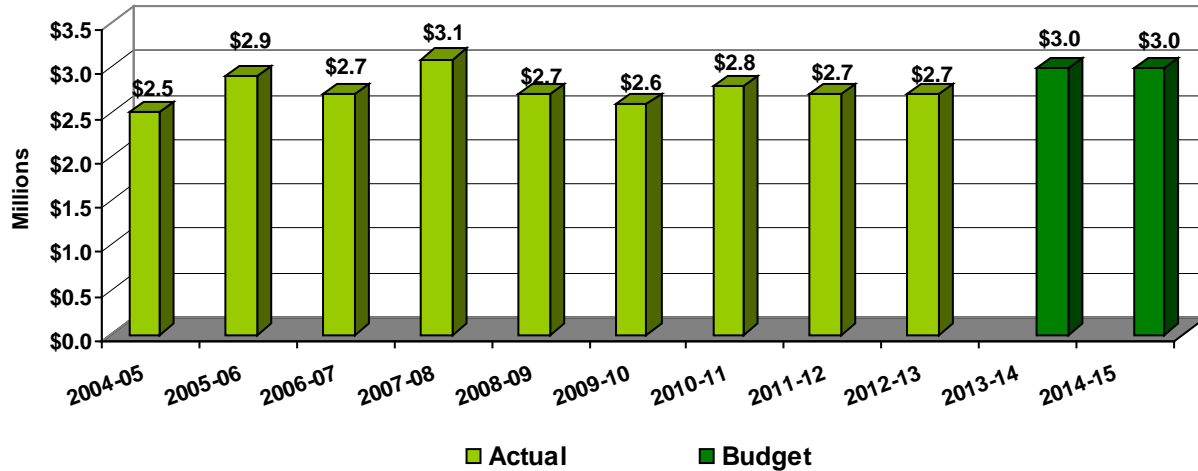
Transient Occupancy Tax – General Fund



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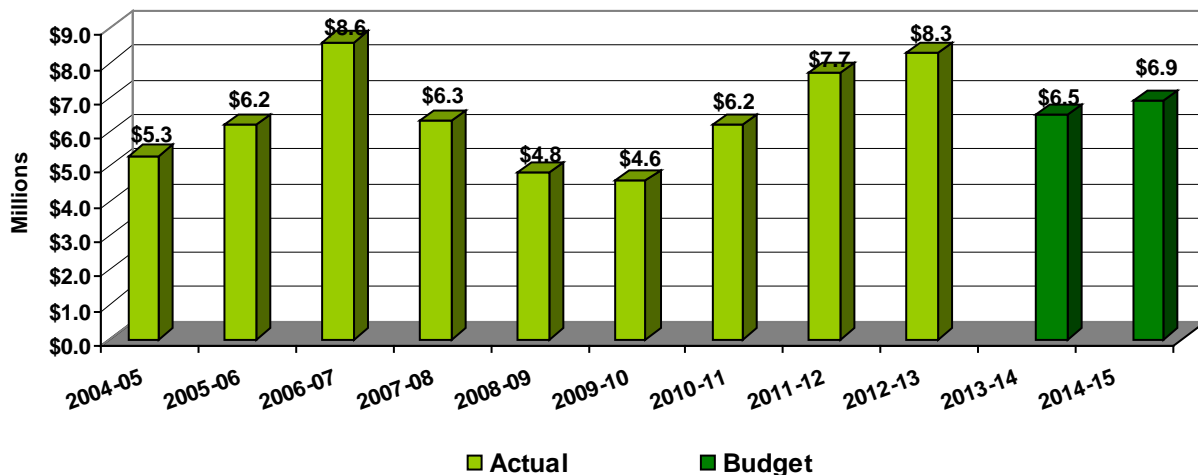
Franchise Tax is a charge for the right-of-way or license granted to an individual or a group to market a company's goods or services in a particular territory. The majority of our franchise revenue is received from Charter Communications, Pacific Bell and the Gas Company. The Franchise Tax represents about 1.7% of the total General Fund resources in the FY 2014-15 Adopted Budget. Starting in FY 2008-09, this revenue dropped due to the economic recession. For FY 2014-15 it is estimated for franchise tax to increase slightly by \$30 thousand, or 1.0% for a total of \$3.0 million. This is primarily due to an increase in commercial and residential units in the City during the last few years.

Franchise Tax – General Fund



Licenses & Permits include Building Permits, Business License Permits, Variance Permits, Plan Check Fees, Street Permits and Dog License Fees. Licenses & Permits represent 3.8% of the total General Fund resources for FY 2014-15 Adopted Budget. The Licenses & Permits category decreased significantly from FY 2007-08 through FY 2009-10 due to the economic recession in which the construction industry was severely impacted. Starting in FY 2010-11, there was an increase in construction projects which included Disney, Doran Gardens, 200 E. Broadway Lofts, the Triangle Project and the renovation of the historic Seeley's building. It's worth noting that due to continued construction activities in the City the actual revenue for FY 2013-14 is estimated to reach \$8 million compared to the \$6.5 million initially forecasted. It should be noted that revenue in this category is project-based and non-recurring. As such, the forecast for FY 2014-15 is conservative and revenue is estimated to increase by \$470 thousand or 7.3% from the FY 2013-14 adopted budget. This revenue will be monitored throughout the upcoming year and adjusted as needed.

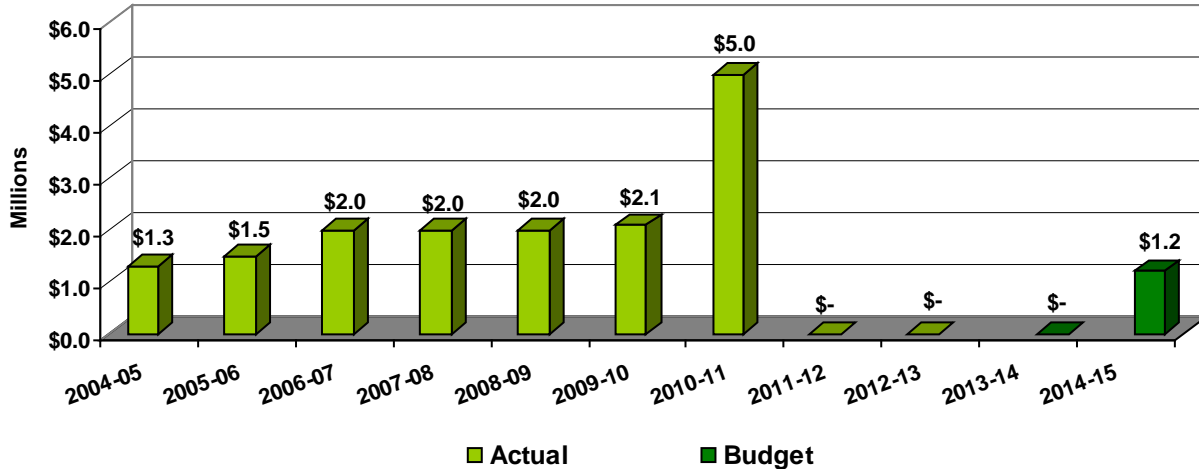
Licenses & Permits – General Fund



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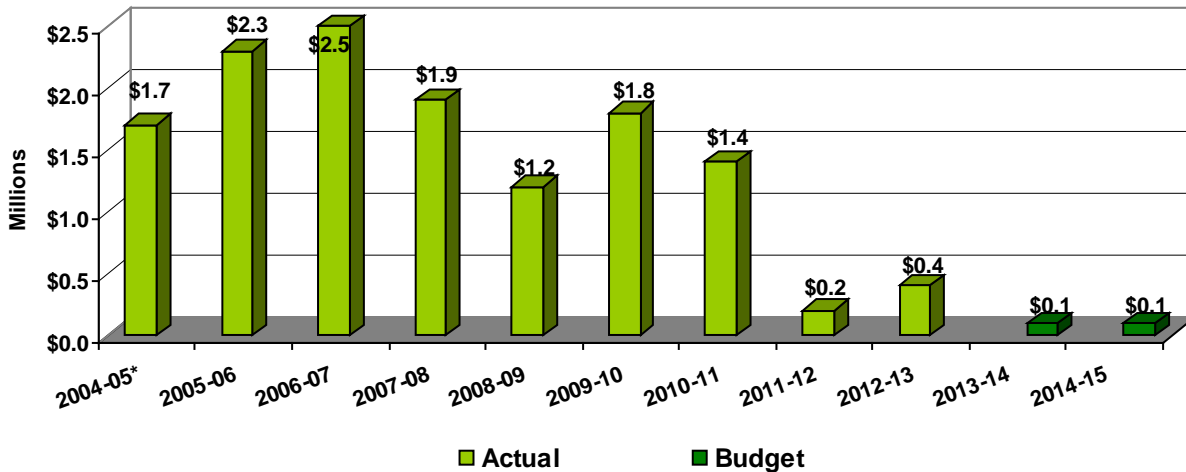
Intergovernmental Revenue is the loan repayment from the Successor Agency (formerly known as the Glendale Redevelopment Agency) to the General Fund. When the Glendale Redevelopment Agency (GRA) was formed, the General Fund loaned a significant amount of money to the GRA which was slowly being repaid using tax increment generated from new projects in the redevelopment project areas. Due to AB 1x26, the loan was not recognized as an enforceable obligation. In April 2013, the Department of Finance issued a determination letter approving that the loan was made for legitimate redevelopment purposes. Therefore, it's anticipated the General Fund will receive a loan repayment from the Successor Agency estimated at \$1.2 million for FY 2014-15.

Intergovernmental Revenue – General Fund



Revenues from Other Agencies mainly consists of Federal, State and Local grants, which includes State SB 90, Mutual Aid Reimbursements and Motor Vehicle In Lieu Fees. Starting in FY 2011-12 the State suspended the motor vehicle in lieu fee and this suspension will continue for future fiscal years. It is generally more difficult to estimate grant revenues since most grant awards are made throughout the fiscal year in the form of an award letter or funding agreement. As grants are awarded during the year, departments go to City Council for an authorization in accordance with Article XI, Section 8 of the City Charter.

Revenues from Other Agencies – General Fund

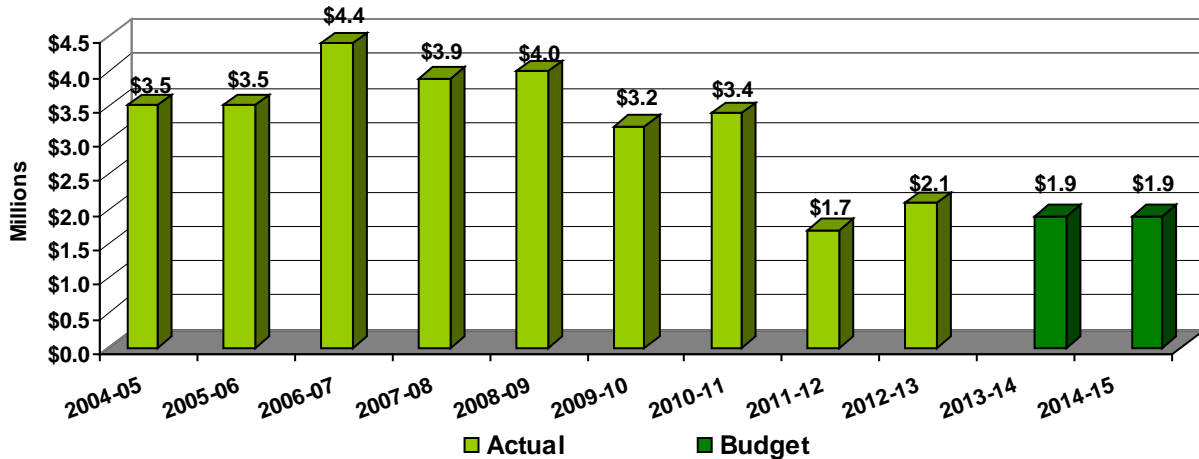


*Note: In 2004 the California Legislature approved a VLF for property tax swap as part of a state-local budget agreement. This accounts for the significant drop in the revenue category for FY 2004-05 and a corresponding increase in the Property Tax category.

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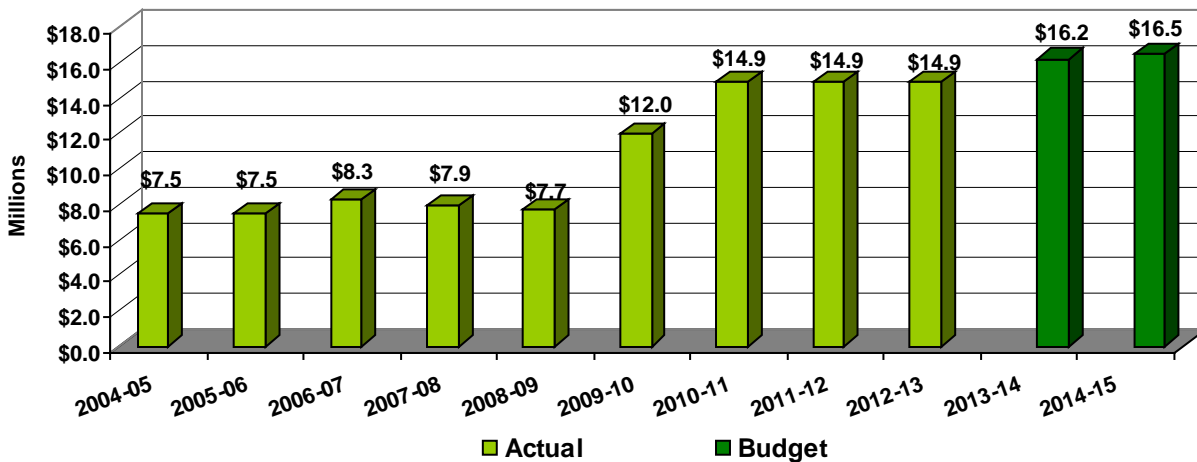
Charges for Services are generally known as user fees that are charged for a variety of services provided to the general public. Fees charged for services in this category include library fees, fire fees, special police fees, map and publication fees and code enforcement fees. The large decrease in FY 2011-12 is primarily due to the shifting of the Glendale Youth Alliance (GYA) from the General Fund to a Special Revenue Fund (211). However, revenues increased by \$400 thousand in FY 2012-13, which was primarily due to fee increases as a result of a Citywide Fee Study. For FY 2014-15 this category is estimated to decrease slightly by \$32 thousand, or 1.7%, primarily due to assumed fewer activities for code enforcement and special police fee categories.

Charges for Services – General Fund



Interfund Revenue is the revenue derived from the City’s cost allocation plan, which commenced in FY 2009-10. This plan formally allocates certain General Fund costs from “central service” departments to a variety of “receiving” departments that are funded outside of the General Fund. The central service departments in the General Fund include the City Attorney, City Clerk, City Treasurer, Administrative Services-Finance, Management Services, Human Resources, Fire Administration, and Public Works Administration. Receiving departments include Community Development, Community Services & Parks, Fire, Glendale Water & Power, Information Services, Library, Arts & Culture, Public Works, and Police. The premise behind the formal cost allocation plan is to identify those costs associated with services provided by the central service departments to the receiving departments and recover said costs. For FY 2014-15 this category is expected to increase by \$327 thousand or 2%.

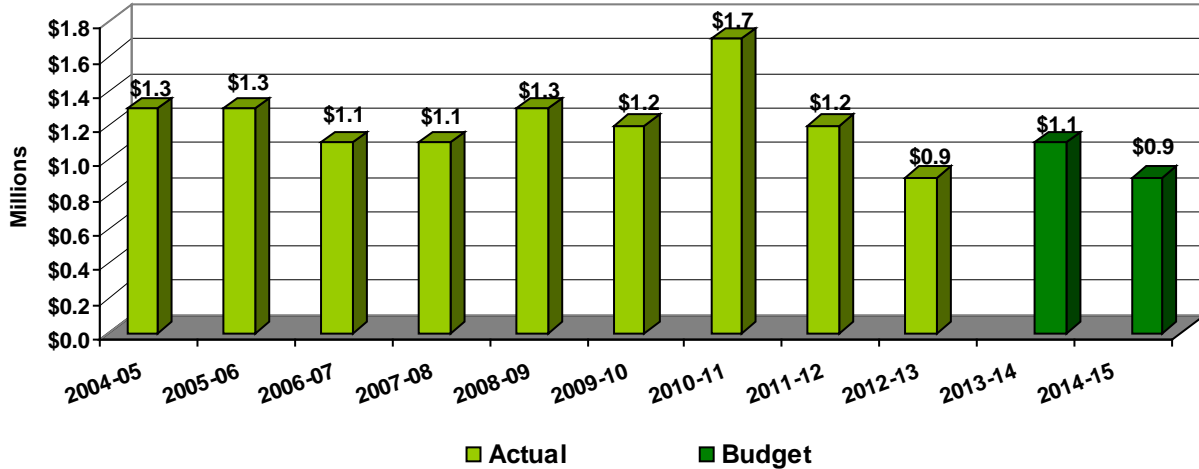
Interfund Revenue – General Fund



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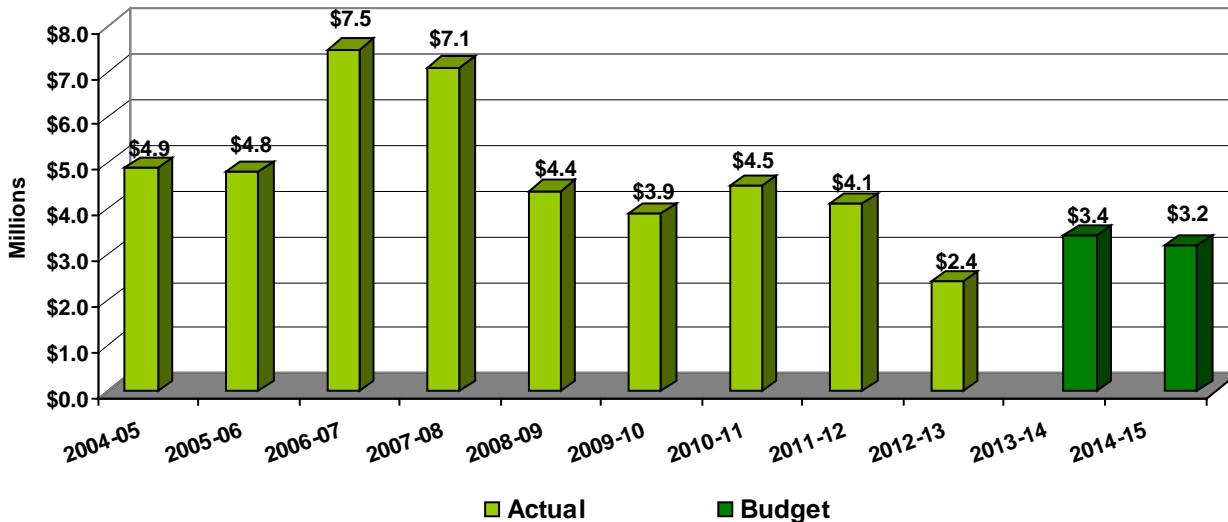
Fines & Forfeitures are derived from the collection of penalties for violations of statutory offenses, administrative rules, confiscated property, and court fees. Fines & Forfeitures revenue represents 0.5% of the total General Fund resources in the FY 2014-15 Adopted Budget. FY 2010-11 experienced a large increase due to the shifting of the “Red Light Traffic” revenue from the Police Staff Augmentation Fund (263) to the General Fund. However, due to a series of court cases at the State level over the legality of red light camera enforcement, the City has voluntarily decided to terminate the program as of February 2012, which accounted for the decrease in the following year.

Fines & Forfeitures – General Fund



Use of Money & Property includes Interest & Investment Revenues, Landfill Gas Royalties and Rent & Lease Income. The City Treasurer invests funds that are available but not needed for immediate disbursement. Funds are invested in Local Investments Pool and in a core portfolio of U.S. Government Obligations. For FY 2014-15 this category is projected to decrease by \$170 thousand or 5%. The decrease is mainly attributable to the reduction in rent income category. Starting in FY 2014-15 rent income received from the Bank of Manhattan and Glendale Arts will be deposited directly into the newly created Economic Development Fund.

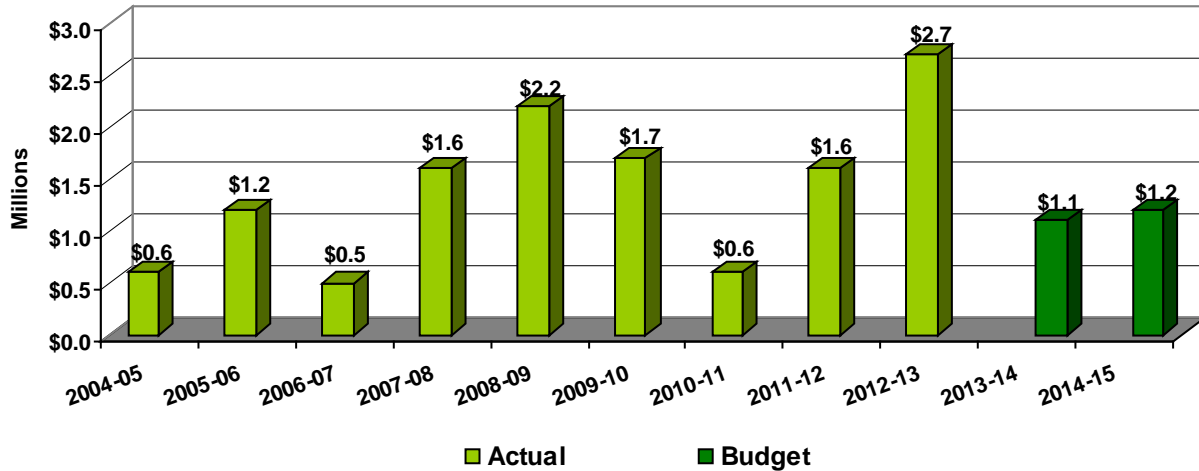
Use of Money & Property – General Fund



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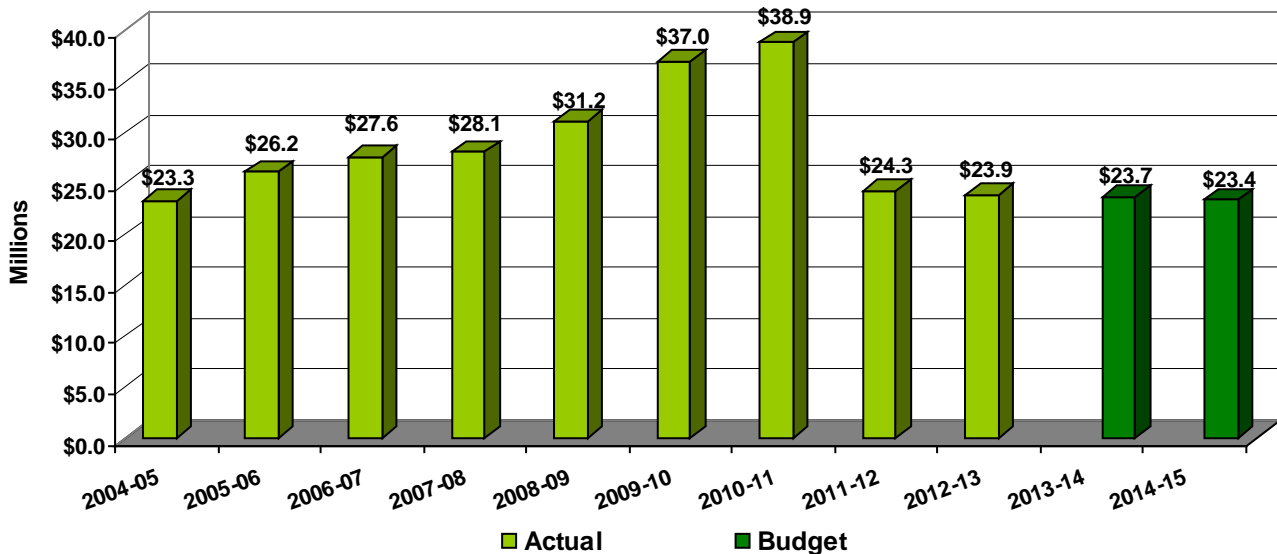
Miscellaneous Revenue consists of revenues other than taxes and fees such as sale of items/property not normally held for resale, collections from advertising, unclaimed money, and property and other contributions and donations.

Miscellaneous Revenue – General Fund



Transfers from Other Funds are made to the General Fund for a variety of purposes. The Transfers represent 12.9% of the total General Fund resources in the FY 2014-15 Adopted Budget and includes transfers from Electric Utility, Parking, and Refuse Disposal Funds. The decrease for FY 2011-12 in the Transfers was attributable to the loss of the Water Utility transfer of \$4.2 million, loss of the one-time transfer from the close out of the Police Staff Augmentation Fund, and the two transfers from the Internal Service Funds (ISF). The two ISF transfers consisted of a transfer to the ISD Applications Fund (604), and a transfer to the Fleet / Equipment Management Fund (601). These transfers were discontinued in FY 2011-12 as they were incorporated into the Internal Service Fund rates in lieu of a straight transfer to General Fund. For FY 2014-15, the decrease in the Transfers was attributable to the reduction of the Electric Utility transfer by \$250 thousand.

Transfers from Other Funds – General Fund



CITY OF GLENDALE

RESOURCES & APPROPRIATIONS

Special Revenue Funds

The revenues for Special Revenue funds for FY 2014-15 are expected to increase by \$6.9 million or 7.8% and are primarily due to the following:

- Urban Art Fund 210 – The increase of revenues of approximately \$1.5 million in this fund is primarily due to the increase in construction activities in the City.
- Economic Development Fund 215 – The increase in revenues of \$1.9 million is primarily due to revenues from the City's share of the property tax increments for ROPS 14-15 to fund this newly created Economic Development fund. Prior to the creation of this fund, this revenue was received in the General Fund.
- Measure R Regional Return Fund 255 – The increase in revenues of \$1.2 million in this fund is due to an increase in the revenues from other agencies (i.e., grants) category.
- Transit Utility Fund 258 – The increase in revenues of \$3.0 million is due to a slight increase in revenue categories charges for services and revenues from other agencies, which includes federal grants and County Prop A incentives.

Debt Service Funds

For FY 2014-15, the revenue in the Debt Service fund category is estimated to decrease compared to last fiscal year. This is primarily due to the one-time transfer in FY 2013-14 used to pay the final lease payment for the Municipal Service Building seismic retrofit project. As the lease was fully paid, a transfer was no longer needed hence the reduction in revenue for these funds.

Capital Improvement Program (CIP)

The revenues in CIP funds for FY 2014-15 are estimated to increase by \$12.5 million due to the following:

- General Fund Capital Improvement Fund 401 – The net increase of approximately \$2.7 million is primarily due to the transfer of \$5 million from the General Fund for the Central Library Renovation project.
- Parks Mitigation Fee Fund 405 – The net increase of approximately \$8.9 million is primarily due to the following two factors: 1) increased fees and, 2) increased construction activities in the City, which includes Council approved projects such as the North Central Apartments, the Link, and Tropic Apartments.
- Library Mitigation Fee Fund 407 – The increase of approximately \$870 thousand is a result of increased fees and increased construction activities in the City.

Enterprise Funds

For FY 2014-15, revenues in the Enterprise funds are estimated to increase net \$22.5 million primarily due to the following:

- Electric Utility Funds 552 & 555 – The increase of approximately \$19 million is attributable to a revenue increase of about \$15.6 million from the Electric Works Revenue Fund 552 as increased

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electric rates were implemented last year. In addition, a new fund, Electric Customer Paid Capital Fund 555, was created and revenue is estimated at \$3.4 million for the upcoming fiscal year.

- Water Utility Funds 572 & 575 – The increase of approximately \$3.7 million is attributable to a revenue increase of about \$1.8 million in the Water Works Revenue fund 572 as increased water rates were implemented early in FY 2014-15. Also, a new fund, Water Customer Paid Capital Fund 575, was created and revenue is estimated at \$1.9 million for the upcoming fiscal year.

Internal Service Funds

For FY 2014-15, revenues in the Internal Service funds are estimated to increase by \$2.2 million primarily due to the following:

- Joint Helicopter Operation Fund 602 – The decrease of approximately \$1.5 million is due to a reduction in joint air support maintenance fees resulting from the purchase of a helicopter that was budgeted in FY 2013-14. The City of Burbank is responsible for 50 percent of the cost.
- ISD Infrastructure Fund 603 – The increase of approximately \$1.3 million is from increased charges for services to other funds for the implementation of specific ISD projects which are considered critical to the operation of various City departments.
- Compensation Insurance Fund 614 – The increase of approximately \$1.8 million is due to increased rates to other funds for higher future claims costs and to amortize the existing fund balance deficit.
- Medical Insurance Fund 616 – The increase of approximately \$1.5 million is due to anticipated increases in medical premiums and claims.

CITY OF GLENDALE RESOURCES & APPROPRIATIONS

OVERVIEW OF APPROPRIATIONS

The table below depicts the total City appropriations by fund type as adopted for FY 2013-14 and FY 2014-15. Additional details can be found in the *Summary of Appropriations by Fund Type (SUM-7)* under the Budget Summaries section of this book.

Total City Budgeted Appropriations

Fund Type	Adopted 2013-14	Adopted 2014-15	Increase / (Decrease)	% Change
General Fund	\$ 170,731,906	\$ 181,501,527	\$ 10,769,621	6.3%
Special Revenue	89,983,396	96,683,890	6,700,494	7.4%
Debt Service	4,092,062	3,053,500	(1,038,562)	-25.4%
Capital Improvement	15,465,798	15,264,102	(201,696)	-1.3%
Enterprise	364,771,055	444,404,223	79,633,168	21.8%
Internal Service	92,897,508	91,808,687	(1,088,821)	-1.2%
Totals	\$ 737,941,725	\$ 832,715,929	\$ 94,774,204	12.8%

The following sections discuss some of the major changes in appropriations depicted in the table above for each fund type.

General Fund

The appropriations for the proposed FY 2014-15 General Fund budget, together with comparative FY 2013-14 appropriations, are as follows:

General Fund Appropriations

Category	Adopted 2013-14	Adopted 2014-15	Increase / (Decrease)	% Change
Salaries	\$ 80,193,308	\$ 79,463,021	\$ (730,287)	-0.9%
Overtime	6,644,993	6,901,626	256,633	3.9%
Hourly Wages	2,622,568	2,902,799	280,231	10.7%
Benefits	24,993,937	26,673,243	1,679,306	6.7%
PERS	18,854,429	20,092,380	1,237,951	6.6%
Maintenance & Operation	35,839,928	38,550,312	2,710,384	7.6%
Capital Outlay	294,855	103,258	(191,597)	-65.0%
Transfers	390,000	5,917,000	5,527,000	1417.2%
Retirement Incentive	897,888	897,888	-	N/A
Total General Fund Budget	\$ 170,731,906	\$ 181,501,527	\$ 10,769,621	6.3%

The total FY 2014-15 Adopted Budget for the General Fund is \$181.5 million. As indicated above, the General Fund budget is forecasted to increase approximately \$10.8 million or 6.3%. The bulk of the \$10.8 million increase is attributable to one time use of \$7 million of Fund Balance to fund the Information Technology Data Center Upgrade (\$2 million in the Maintenance & Operation category) and the Central Library Renovation (\$5 million in the Transfers category). The remainder of the increase includes: \$635 thousand for the Fleet/Equipment Management Fund, \$350 thousand in contractual obligations, \$1.2 million in PERS costs (net of employee cost sharing), and increases in employee

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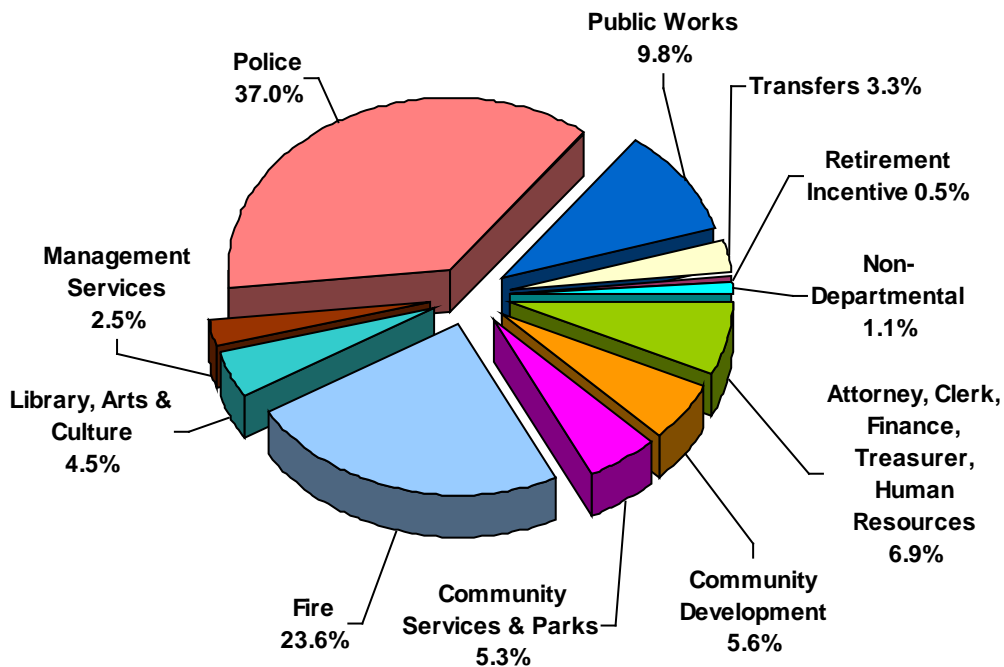
benefits, such as medical, dental, and vision costs. In addition, \$500 thousand was added to fund the repayment of the Certificates of Participation (COP's).

It is important to note that a new fund was created for Economic Development, Fund 215. Thus, staffing and programming costs were shifted out of the General Fund and into the Economic Development Fund to be funded by additional property tax as a result of AB 1x26.

Notwithstanding the changes discussed above, the proposed General Fund Budget for FY 2014-15 represents the City's continued commitment to deliver quality services while maintaining fiscal responsibility and demonstrates that Glendale is stable, progressive, and operationally balanced while striving towards a structural balance. Across the board, departments continue to look for new and innovative ways to deliver core services while keeping costs neutral relative to last year's budget.

The graph below depicts the FY 2014-15 General Fund appropriations by Department.

FY 2014-15 General Fund Appropriations \$181.5 Million



Special Revenue Funds

The \$6.7 million increase in the *Special Revenue Funds* is primarily due to the following increases/decreases:

- CDBG Fund 201 – The decrease of approximately \$320 thousand is due to a reduction in CDBG funding from HUD.
- Supportive Housing Grant Fund 204 – The decrease of approximately \$324 thousand is due to a reduction in funding from HUD.

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- Workforce Investment Act Fund 206 – The increase of approximately \$235 thousand is due to an increase in Federal grant funding.
- Urban Art Fund 210 – The increase of approximately \$360 thousand is due to the implementation of new programs.
- Glendale Youth Alliance Fund 211 – The decrease of approximately \$228 thousand is due to a reduction of grant funding.
- Economic Development Fund 215 – Effective July 1, 2014, this fund was created to shift Economic Development from the General Fund to a Special Revenue Fund. Thus, the appropriation of approximately \$1.2 million is due to the shifting of the staffing and programming costs out of the General Fund into this fund.
- Public Works Special Grants Fund 252 – At this time, no appropriation is being presented for approval in this year's budget adoption. The Public Works Department will seek Council approval during the upcoming fiscal year to authorize the acceptance of the grants and related appropriations as grants are awarded. Thus, there is a decrease of \$709 thousand in this fund.
- Measure R Local Return Fund 254 – The increase of approximately \$4.9 million is due to partial funding for Beeline bus replacement and capital improvement for the overall maintenance and operation of the Beeline facility.
- Measure R Regional Return Fund 255 – The increase of \$375 thousand in this fund is due to new funding for several capital improvement projects including the construction of the SR-134 Freeway & Glendale Avenue Interchange Modification, Ocean View Boulevard Traffic Signal Upgrade and Installation, and Verdugo Road Traffic Signals Modification.
- Transit Prop A Local Return Fund 256 – The decrease of \$1.3 million is due to decreased capital equipment expenditures.
- Transit Prop C Local Return Fund 257 – The increase of \$261 thousand is due to new funding for the Refurbishment of Glendale Transportation Center.
- Transit Utility Fund 258 – The increase of \$3.0 million is due to partial funding for Beeline bus replacement and capital improvement for the overall maintenance and operation of the Beeline facility.
- Electric Public Benefit Fund 290 – The decrease of \$264 thousand is due to the reduction of maintenance and operational costs.
- Emergency Medical Services Fund 511 – The decrease of \$253 thousand is due to departmental reorganization.

Debt Service Funds

There is only one remaining *Debt Service Fund* with an appropriation for FY 2014-15: the Police Building Project Fund 303. The increase in the Police Building Project Fund 303 is for the repayment on the debt related to the construction of the police building. The final lease payment for the Municipal Service Building (MSB) seismic retrofit project in the Capital Leases Fund 306 was made in FY 2013-14, which eliminated the need for an appropriation in this fund for FY 2014-15.

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Capital Improvement Program

Changes in the *Capital Improvement Program* equated to a net decrease of \$202 thousand and are primarily attributable to the following:

- General Fund Capital Improvement Fund 401 – The net increase of approximately \$257 thousand is due to the completion of the final lease payment for the Municipal Service Building (MSB) made in FY 13-14, an increase to post-closure costs related to the Scholl Canyon Landfill, and an increase in capital improvement projects which includes Central Library Renovation and Fire Station 29 Reconstruction.
- State Gas Tax Fund 402 – The decrease of approximately \$1.0 million is a result of decreased project appropriation relative to last year. It should be noted that the department will go to Council during the year should additional funding be needed.
- Parks Mitigation Fee Fund 405 – The increase of approximately \$160 thousand is a result of additional project appropriation relative to last year.
- Library Mitigation Fee Fund 407 – The increase of approximately \$45 thousand is a result of additional project appropriation relative to last year.
- CIP Reimbursement Fund 409 – During FY 2013-14, this fund was created for capital improvement projects funded by Grants. There is \$350 thousand appropriated in this fund for the Palmer Park Improvements project.

Enterprise Funds

The \$79.6 million increase in the *Enterprise Funds* is primarily due to the following:

- Recreation Fund 501 – The increase of approximately \$470 thousand is due to capital outlay equipment replacements and capital improvement projects at the Civic Auditorium and Sports Complex.
- Parking Fund 520 – The increase of approximately \$1.7 million is due to an increase of contractual obligations and new funding for capital improvement projects including the LED Lighting Upgrade in City-owned parking facilities and Lighting Upgrade at Brand Park and Library.
- Sewer Fund 525 – The increase of \$3.1 million is attributable to an increase in new funding for capital improvement projects relative to last year.
- Electric Utility Funds 552, 553 & 555 – The increase of approximately \$56.7 million is attributable to funding for customer and capital improvement projects, contractual obligations, interest on bonds, regulatory, and purchased power costs.
- Water Utility Funds 572, 573 & 575 – The increase of approximately \$17.9 million is attributable to funding for customer and capital improvement projects, contractual obligations, general plant allocation, and purchased water costs.

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Internal Service Funds

Changes in the *Internal Service Funds* equated to a net decrease of \$1.1 million primarily due to the following:

- *Fleet/Equipment Management Fund 601* – The decrease of approximately \$460 thousand is primarily due to a decrease in the depreciation budget.
- *Joint Helicopter Operation Fund 602* – The decrease of approximately \$3 million is due to decreased capital outlay expenditures. In FY 2013-14, \$3 million was budgeted for a replacement helicopter.
- *ISD Infrastructure Fund 603* – The increase of approximately \$583 thousand is due to funding added for the implementation of specific ISD projects considered critical to the operation of various City departments.
- *ISD Applications Fund 604* – The increase of approximately \$628 thousand is due to funding added for the implementation of specific ISD projects considered critical to the operation of various City departments.
- *Compensation Insurance Fund 614* – The increase of approximately \$774 thousand is due to anticipated higher future claims costs based on our experience.
- *Medical Insurance Fund 616* – The increase of approximately \$881 thousand is due to anticipated increases in medical premiums and claims.
- *ISD Wireless Fund 660* – The decrease of approximately \$495 thousand is due to decreased capital outlay expenditures for the purchase of radios.