

## RESOLUTION NO. 2018-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
VERNON APPROVING A BUDGET FOR THE FISCAL YEAR  
2018-2019

WHEREAS, on June 20, 2017, the City Council of the City of  
Vernon adopted Resolution No. 2017-29 approving a budget for the fiscal  
year 2017-2018; and

WHEREAS, the City Council of the City of Vernon wishes to  
establish a new budget to anticipate the requirements for fiscal year  
2018-2019 for the different departments of the City of Vernon; and

WHEREAS, on May 1<sup>st</sup> and May 15<sup>th</sup>, 2018, City Department Heads  
presented to the City Council the proposed budgets for their respective  
departments for Fiscal Year 2018-2019; and

WHEREAS, the expenditures proposed in the budget are well  
under the limitations imposed pursuant to the Gann Initiative for  
Fiscal Year 2017-2018 and the likely even higher Gann limit for Fiscal  
Year 2018-2019; and

WHEREAS, the budget maintains the proper balance between  
revenues and expenditures, and establishes well thought out priorities;  
and

WHEREAS, approval of the budget is in the public interest.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE  
CITY OF VERNON AS FOLLOWS:

SECTION 1: The City Council of the City of Vernon hereby  
finds and determines that the above recitals are true and correct.

SECTION 2: The City Council of the City of Vernon finds  
that this action is exempt under the California Environmental Quality  
Act (CEQA), because adoption of the budget is the creation of a

government funding mechanism or other government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is therefore not a "project" as defined under Section 15378(b)(4). Further, even if adoption of the budget were considered a "project," it would be exempt from CEQA review, in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment.

SECTION 3: The City Council of the City of Vernon hereby approves the budget as set forth in Exhibit A, attached hereto and incorporated by reference, to anticipate the requirements for fiscal year 2018-2019 for the different departments of the City of Vernon.

SECTION 4: The anticipated revenues for the fiscal year 2018-2019 are set forth in Exhibit B, attached hereto and incorporated by reference.

SECTION 5: The City Council of the City of Vernon hereby finds and determines that certain items provided for in individual department budgets are in the nature of community promotion and education, and the City Council of the City of Vernon further finds and determines that the same are in the best interests of the City of Vernon, and necessary for the further development of the City and constitute a reasonable expenditure of public funds.

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SECTION 6: The City Clerk, or the City Clerk's designee, of the City of Vernon is hereby directed to file this Resolution (along with each exhibit) with the County Auditor of Los Angeles County, located at the following address, within sixty (60) days after July 1, 2018:

County of Los Angeles  
Office of Auditor/Controller  
Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

SECTION 7: The City Clerk of the City of Vernon shall certify to the passage, approval and adoption of this resolution, and the City Clerk, of the City of Vernon shall cause this resolution and the City Clerk's certification to be entered in the File of Resolutions of the Council of this City.

APPROVED AND ADOPTED this 5<sup>th</sup> day of June, 2018.



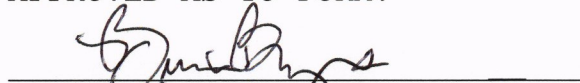
Name: Yvette Woodruff-Perez

Title: Mayor / ~~Mayor Pro-Tem~~

ATTEST:

  
Maria E. Ayala, City Clerk


APPROVED AS TO FORM:

  
Brian Byun,  
Senior Deputy City Attorney

STATE OF CALIFORNIA        )  
  ) ss  
COUNTY OF LOS ANGELES    )

I, Maria E. Ayala, City Clerk of the City of Vernon, do hereby certify that the foregoing Resolution, being Resolution No. 2018-18, was duly passed, approved and adopted by the City Council of the City of Vernon at a regular meeting of the City Council duly held on Tuesday, June 5, 2018, and thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this 12<sup>th</sup> day of June, 2018, at Vernon, California.

  
\_\_\_\_\_  
Maria E. Ayala, City Clerk

(SEAL)



# EXHIBIT A

**CITY OF VERNON  
EXPENDITURE BUDGET  
2018-2019**

DEPARTMENT	SALARIES	BENEFITS	SUPPLIES/ SERVICES	CAPITAL OUTLAY	TOTAL
CITY COUNCIL	\$ 136,646	\$ 62,517	\$ 52,799	\$ -	\$ 251,962
CITY ADMINISTRATION	637,954	271,827	222,871	-	1,132,652
CITY CLERK	430,780	166,778	102,400	-	699,958
FINANCE	1,269,489	506,690	1,539,489	-	3,315,668
TREASURER	-	-	-	-	-
PURCHASING	-	-	-	-	-
HUMAN RESOURCE	644,211	2,197,362	377,210	-	3,218,783
INFORMATION TECHNOLOGY	585,430	209,131	1,129,646	216,000	2,140,207
<b>SUB-TOTAL ADMIN</b>	<b>3,704,510</b>	<b>3,414,305</b>	<b>3,424,415</b>	<b>216,000</b>	<b>10,759,230</b>
HEALTH/ENVIRONMENTAL CTRL	989,088	426,493	272,047	-	1,687,628
HEALTH - SOLID WASTE	-	-	-	-	-
<b>SUB-TOTAL HEALTH</b>	<b>989,088</b>	<b>426,493</b>	<b>272,047</b>	<b>-</b>	<b>1,687,628</b>
POLICE	6,713,758	3,932,668	448,295	65,000	11,159,721
CITY ATTORNEY	757,174	314,979	439,300	-	1,511,453
FIRE	11,397,926	6,178,653	1,112,453	577,031	19,266,063
CIVIL DEFENSE	-	-	-	-	-
<b>SUB-TOTAL SAFETY</b>	<b>18,868,858</b>	<b>10,426,300</b>	<b>2,000,048</b>	<b>642,031</b>	<b>31,937,237</b>
ADMIN-ENGR-PLANNING	390,011	200,541	291,920	-	882,472
BUILDING DEPARTMENT	774,258	336,356	248,250	-	1,358,864
PUBLIC WORKS	2,118,817	973,910	1,944,860	2,953,296	7,990,883
INDUSTRIAL DEVELOPMENT	-	-	87,280	-	87,280
COMMUNITY PROMOTION	-	-	1,020,000	-	1,020,000
CITY GARAGE	370,657	162,892	274,500	-	808,049
CITY WAREHOUSE	267,586	134,063	10,950	-	412,599
CITY HOUSING	169,263	74,932	132,900	350,000	727,095
CITY BUILDINGS	365,767	166,742	743,050	765,000	2,040,559
<b>SUB-TOTAL COMM SER</b>	<b>4,456,359</b>	<b>2,049,436</b>	<b>4,753,710</b>	<b>4,068,296</b>	<b>15,327,801</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 28,018,815</b>	<b>\$ 16,316,534</b>	<b>\$ 10,450,220</b>	<b>\$ 4,926,327</b>	<b>\$ 59,711,896</b>

**CITY OF VERNON  
EXPENDITURE BUDGET  
2018-2019**

DEPARTMENT	SALARIES	BENEFITS	SUPPLIES/ SERVICES	CAPITAL OUTLAY	TOTAL
<b>TOTAL GENERAL FUND</b>	<b>\$ 28,018,815</b>	<b>\$ 16,316,534</b>	<b>\$ 10,450,220</b>	<b>\$ 4,926,327</b>	<b>\$ 59,711,896</b>
<b>RDA OBLIGATION RETIREMENT FUND</b>	-	-	5,744,361	-	<b>5,744,361</b>
<b><u>UTILITIES</u></b>					
<b><u>WATER FUND</u></b>					
WATER OPERATIONS	1,545,622	675,122	5,958,812	5,043,245	13,222,801
RECYCLED WATER	-	-	-	-	-
<b>SUB-TOTAL WATER</b>	<b>1,545,622</b>	<b>675,122</b>	<b>5,958,812</b>	<b>5,043,245</b>	<b>13,222,801</b>
<b><u>LIGHT &amp; POWER</u></b>					
FIELD OPERATIONS	816,319	285,850	461,927	300,000	1,864,096
SYSTEM DISPATCH	1,612,222	540,769	785,647	-	2,938,638
STATION A	-	-	264,071	25,000	289,071
TRANS/DISTRIBUTION	-	-	6,951,765	-	6,951,765
BUILDING MAINTENANCE	-	-	118,450	110,000	228,450
CUSTOMER SERVICE	288,336	143,985	8,789,157	60,000	9,281,478
ADMINISTRATION	996,849	407,803	58,207,802	360,000	59,972,454
ELECTRICAL ENGINEERING	1,356,294	498,572	238,050	10,880,000	12,972,916
RESOURCE MANAGEMENT	1,199,778	451,084	118,494,456	-	120,145,318
ENERGY MANAGEMENT	52,842	21,964	510,500	-	585,306
<b>SUB-TOTAL L &amp; P</b>	<b>6,322,640</b>	<b>2,350,027</b>	<b>194,821,825</b>	<b>11,735,000</b>	<b>215,229,492</b>
<b>GAS</b>	<b>546,664</b>	<b>222,072</b>	<b>9,204,204</b>	<b>543,686</b>	<b>10,516,626</b>
<b>FIBER-OPTICS</b>	<b>113,983</b>	<b>57,794</b>	<b>343,750</b>	<b>300,000</b>	<b>815,527</b>
<b>TOTAL UTILITIES</b>	<b>8,528,909</b>	<b>3,305,015</b>	<b>210,328,591</b>	<b>17,621,931</b>	<b>239,784,446</b>
<b>GRAND TOTAL</b>	<b>\$ 36,547,724</b>	<b>\$ 19,621,549</b>	<b>\$ 226,523,172</b>	<b>\$ 22,548,258</b>	<b>\$ 305,240,703</b>

# EXHIBIT B



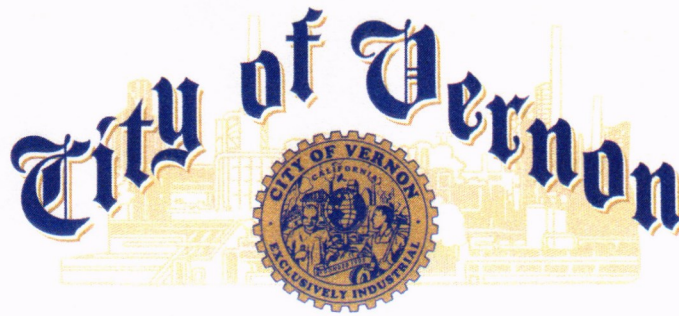
**CITY OF VERNON  
ESTIMATED REVENUES  
2018-2019**

GOVERNMENTAL FUND TYPE GENERAL	FY2019
400110 SECURED PROPERTY TAX-CURRENT	\$ 3,787,887
400210 PRIOR YEAR SECURED	(8,488)
400310 REAL PROPERTY TRANSFER TAX	232,890
400311 BNSF	745,724
400500 PROPERTY TAX-INTEREST & PENALTIES	7,427
400610 PROP "A" FUNDS	2,338
400630 PROP "C" FUNDS	1,916
400700 HOMEOWNERS' PROPERTY TAX EXEMPTION	16,552
400820 PUBLIC SAFETY AUGMENTATION FUND	1,804
400900 PARCEL TAXES - WAREHOUSE	10,400,572
400950 PARCEL TAXES - SAFETY	2,081,736
401000 UTILITY USERS TAX	13,030,692
401200 SALES AND USE TAX	7,177,884
401207 MEASURE M LOCAL RETURN	2,000
401600 ADMINISTRATIVE FEES - SB2557	(34,844)
401650 STATE FEE - SB1186	800
407500 GAS TAX 2103	553
407600 GAS TAX 2106	6,670
407700 GAS TAX 2107	1,511
407800 GAS TAX 2107.5	1,000
410100 BUSINESS LICENSES	5,998,495
410210 BUILDING PERMITS	710,000
410211 FIRE PERMIT FEES	85,000
410212 ALARM PERMITS	32,433
410240 PUBLIC HEALTH PERMITS	960,557
410250 HEALTH PERMIT LATE FEES	11,577
410270 FILMING PERMITS	18,000
410271 SPECIAL EVENT PERMIT FEES	2,000
410280 CONDITIONAL USE PERMITS	10,000
410290 ISSUANCE FEE	19,000
410300 FRANCHISES AND AGREEMENTS	115,008
410310 SOLID WASTE FRANCHISE FEES	1,000,000
410320 SOLID WASTE FRANCHISE LATE FEES	5,000
410330 FRANCHISE FEES, PRIOR YEARS	20,000
410400 CLOSURE REVIEW FEES	2,700
410410 PLAN CHECK REVIEW FEES	2,400
410430 ANNUAL BUSINESS FIRE INSPECTION	280,000
410460 ANNUAL BUSINESS FIRE RE-INSPECITON	9,000
410470 FIVE YEAR SPRINKLER SYSTEM TESTING	15,000
410480 FALSE ALARM FEES	50,000
410490 FIRE EXTINGUISHER TRAINING	250
420100 VEHICLE CODE FINES	60,000
420110 OTHER VEHICLE FINES	20,000
420130 VEHICLE INSPECTION FEE	4,000
420510 PARKING CITATIONS	20,000
420515 FRANCHISE TOWING FEES	20,000
420520 COMMUNITY SERVICES INCOME	37,000
420525 IMPOUNDED VEHICLE RELEASE FEES	6,000
420530 DUI VEHICLE RELEASE FEES	3,000
420535 REPOSSESSED VEHICLE RELEASE FEE	300
430110 INVESTMENT INCOME	136,455
431000 RENTS	528,920
440100 GRANT REVENUE	2,185,526
441015 TASK FORCE REIMBURSEMENT REVENUE	50,000
442001 MOTOR VEHICLE IN-LIEU TAX	9,494

**CITY OF VERNON  
ESTIMATED REVENUES  
2018-2019**

GOVERNMENTAL FUND TYPE GENERAL	FY2019
450110 FIRE SERVICE	45,000
450120 ENGINEERING INSPECTION FEES	70,000
458000 GENERAL CITY ADMINISTRATIVE SERVICES	3,593,677
459030 GROUP MEDICAL REVENUE	228,257
461100 MISCELLANEOUS AND PENALTIES	38,500
466200 PLAN CHECK FEES	390,000
466220 GREEN BUILDING STANDARDS FEE	8,000
466230 ANNUAL FEE	1,000
466600 COPIES AND PUBLICATIONS	19,262
466700 BACKFLOW CERTIFICATES	15,120
466900 MISCELLANEOUS	128,035
467000 STRIKE TEAM REIMBURSEMENT	400,000
467100 EMS REIMBURSEMENT	180,000
467300 BOOKING FEE REIMBURSEMENT	10,000
468400 VARIANCES	5,000
499700 CREDIT FOR GARAGE WORK ORDERS	375,000
600910 OTHER INCOME	6,000
630055 LIGHT AND POWER IN-LIEU TAX	4,925,975
<b>TOTAL GENERAL FUND</b>	<b>60,322,565</b>
<u>FIDUCIARY FUND</u>	
022 RDA/SUCCESSOR AGENCY TAX INCREMENT	5,744,361
<b>SUB-TOTAL FIDUCIARY FUND</b>	<b>5,744,361</b>
<b>TOTAL GOVERNMENTAL TYPE FUNDS</b>	<b>66,066,926</b>
<u>PROPRIETARY FUND TYPES</u>	
<u>WATER DEPARTMENT</u>	
020 WATER - REVENUES	8,573,244
020 WATER - RESERVES APPLIED	4,197,000
<u>LIGHT AND POWER</u>	
055 LIGHT AND POWER - REVENUES	214,307,345
055 LIGHT AND POWER - RESERVES APPLIED	1,435,532
<u>FIBER-OPTICS</u>	
057 FIBER-OPTICS - REVENUES	708,220
<u>GAS UTILITY</u>	
056 GAS - REVENUES	9,952,436
<b>SUB-TOTAL ENTERPRISE FUNDS</b>	<b>239,173,777</b>
<b>GRAND TOTAL ALL FUNDS</b>	<b>\$ 305,240,703</b>

# **TRANSMITTAL COMMUNICATION**



**OFFICE OF THE CITY CLERK**  
4305 Santa Fe Avenue, Vernon, California 90058  
Telephone (323) 583-8811

June 12, 2018

County of Los Angeles  
Office of Auditor/Controller  
Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Re: Resolution No. 2018-18 - A Resolution of the City Council of the City of Vernon  
Approving a Budget for the Fiscal Year 2018 - 2019

To Whom It May Concern:

Transmitted herewith is a copy of Resolution No. 2018-18 that was approved by City Council on June 5, 2018.

If you have any questions regarding this matter, please call William Fox at (323) 583-8811 ext. 849.

Very truly yours,

Deborah R. Juarez  
Records Management Assistant

Enclosure

c: William Fox  
Carlos Fandino  
Resolution No. 2018-18

*Exclusively Industrial*

# **STAFF REPORT**

# City Council Agenda Item Report

Agenda Item No. COV-109-2018

Submitted by: Diana Figueroa

Submitting Department: City Administration

Meeting Date: June 5, 2018

## **SUBJECT**

Adoption of the Citywide Budget for Fiscal Year 2018/2019

### **Recommendation:**

A. Find that adoption of the resolution proposed in this staff report is exempt from the California Environmental Quality Act ("CEQA"), because adoption of the budget is the creation of a government funding mechanism or other government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is therefore not a "project" as defined under Section 15378(b)(4). Further, even if adoption of the budget were considered a "project," it would be exempt from CEQA review in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment; and

B. Conduct a Public Hearing; and

C. Adopt a resolution approving the citywide balanced budget for fiscal year 2018/2019, with estimated budgeted revenues and expenditures of \$305,240,703.

### **Background:**

On May 1 and May 15, 2018, the City's Department Directors presented the proposed fiscal year 2018/2019 budgets for their respective departments to the City Council. Additionally, a budget overview presentation was delivered by the City Administrator to encapsulate the City's overall financial position, identify challenges, and articulate relevant strategies to address notable budgetary issues.

The collective presentations included, among other things, information on the City's budget process, historical budget comparisons, fiscal challenges, fiscal policy, structural deficit, major budget assumptions, strategies for success, organizational charts, expenditure (and revenue, where applicable) comparisons to prior years, proposed staffing changes for fiscal year 2018/2019, and capital expenditures (where applicable).

## **UPDATES SINCE DEPARTMENTAL BUDGET STUDY SESSIONS**

### **Salaries/Benefits:**

As staff continues citywide succession planning efforts and maintains its commitment to maximizing organizational efficiencies, a need for new classifications, re-classifications, and adjustments in staffing levels in certain departments have been recognized and included in the proposed budget for fiscal year 2018/2019. The City remains focused on delivering exceptional, professional, quality services to businesses and residents and, therefore, will continually evolve by implementing adjustments to staffing throughout the City to ensure service standards are met. A conscientious approach has been employed by staff to ensure that there is a balance between the integral components of City operations and the financial constraints of the proposed budget.

Attached herewith (Attachment 2) is a schedule reflecting costs related to personnel additions and salary modifications proposed for the citywide budget for fiscal year 2018/2019 that were incorporated into the budget subsequent to the May Budget Study Sessions. All costs associated with staffing changes not referenced in Attachment 2 were addressed by Department Directors in their May budget presentations. Staffing changes are the result of management's comprehensive evaluation of service priorities, related deficiencies in respective departments, proper assignment of individual duties, and needs to address departmental productivity. In cases where departmental structures/configurations were consolidated for operational and cost efficiency, needs to augment and/or modify existing staff were identified and staffing goals were adjusted accordingly.

As such, related costs for staffing modifications have been incorporated into the final FY 2018/2019 Budget proposed for City Council approval. The various changes being proposed since the Budget Study Sessions result in an overall net decrease of \$18,815 in Salaries/Benefits for the City.

Recent budgetary adjustments affected the Citywide budget in the Salaries/Benefits category only. There were no revisions to Supplies/Services and/or Capital expenditures since the Budget Study Sessions. Thus, the difference in the total monetary impact from the time of departmental presentations in May equates to a decrease in overall City expenditures in the amount of \$18,815.

## CONCLUSION

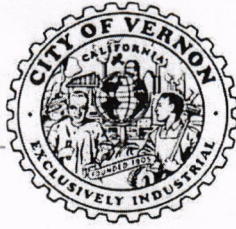
It is recommended that the City Council adopt a resolution approving the fiscal year 2018/2019 Citywide Budget. Staff has been diligent in efforts to produce a balanced budget. Although the City faces a multitude of budgetary challenges, strategies to combat issues are being implemented. Efforts to further improve operational efficiencies and control costs will continue throughout fiscal year 2018/2019 and into the distant future.

### **Fiscal Impact:**

There is no fiscal impact associated with the adoption of the fiscal year 2018/2019 budget, as it is an administrative activity.

## ATTACHMENTS

- 1. Public Hearing Notice - FY 2018/2019 Proposed Citywide Budget
- 2. 2018/2019 BPAF Cost Summary
- 3. Resolution Approving a Budget for Fiscal Year 2018/2019



## NOTICE OF PUBLIC HEARINGS REGARDING THE PROPOSED CITY WIDE BUDGET

The City of Vernon will conduct two (2) Public Hearings, which you may attend.

- PLACE:** Vernon City Hall  
City Council Chamber  
4305 Santa Fe Avenue  
Vernon, CA 90058
- DATE & TIME:** **Tuesday, June 5, 2018, at 9:00 a.m.**  
(or as soon thereafter as the matter can be heard)
- PURPOSE/SUBJECT:** **Consider Adoption of the Fiscal Year 2018/2019**  
**1) Proposed City Wide Budget**  
**2) Gann Governmental Appropriation Limit**

### DOCUMENTS FOR REVIEW:

All relevant documents will be made available for inspection by the public at the Vernon City Hall, City Clerk Department, 4305 Santa Fe Avenue, Vernon, California 90058, Monday through Thursday, 7:00 a.m. to 5:30 p.m. and will be made available on the City's website at: <http://www.cityofvernon.org/government/public-meetings/city-council>

Please send your comments or questions to:

William Fox  
City of Vernon  
4305 Santa Fe Avenue, Vernon, CA 90058  
(323) 583-8811 Ext. 849 Email: [wfox@ci.vernon.ca.us](mailto:wfox@ci.vernon.ca.us)

### PROPOSED CEQA FINDING:

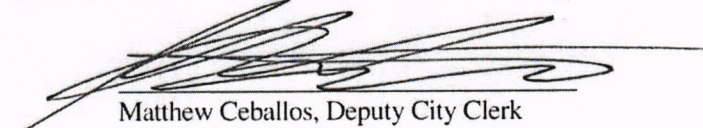
Staff plans to recommend that the Vernon City Council determine that the adoption of the Fiscal Year 2018/2019 Proposed City Wide Budget and the adoption of the FY 2018/2019 Gann Governmental Appropriation Limit will not have a significant effect on the environment and that each are exempt from the California Environmental Quality Act (CEQA). Adoption of the budget and/or the appropriation limit is aligned with the creation of a government funding mechanism or other government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is therefore not a "project" as defined under Section 15378(b)(4). Further, even if adoption of either were considered a "project," it would be exempt from CEQA review in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment.

If you challenge the adoption/approval of the Fiscal Year 2018/2019 Proposed City Wide Budget and/or the Gann Governmental Appropriation Limit or any provision thereof in court, you may be limited to raising only those issues you or someone else raised at the hearing(s) described in this notice or in written correspondence delivered to the City of Vernon at, or prior to, the meeting.

Americans with Disabilities Act (ADA): In compliance with ADA, if you need special assistance to participate in the meeting, please contact the Office of the City Clerk at (323) 583-8811 ext. 546.

The hearing(s) may be continued or adjourned or cancelled and rescheduled to a stated time and place without further notice of a public hearing.

Dated: May 22, 2018

  
Matthew Ceballos, Deputy City Clerk



**City of Vernon**  
**2018-2019 Budget Year**  
**Request for Additional Personnel and Reclassifications - Cost Summary by Department (2018/5/23)**

Fund Department	Position	FTE	Reclass	Monthly Salary		Step	Benefits			Total Cost	
				Salary	Grade		Annual Base Salary	PERS	Payroll Taxes		Medical
011 9019 - Information Technology	IT Analyst, Senior	Y		\$ 8,046	30	1	\$ 8,977	\$ 2,357	\$ 130	\$ 11,464	
							<b>City Administrator Totals</b>				<b>\$ 11,464</b>
011 1015 - Treasury	Accountant, Senior	Y		\$ 6,950	27	1	\$ 7,754	\$ 2,036	\$ 112	\$ 9,902	
							<b>Finance Totals</b>				<b>\$ 9,902</b>
020 1084 - Water	Assistant Civil Engineer	Y		\$ 6,620	26	1	\$ (17,118)	\$ (4,495)	\$ (248)	\$ (21,861)	
055 7100 - Customer Service	Key Account Specialist	Y		\$ 7,663	28	1	\$ 8,141	\$ 2,138	\$ 118	\$ 10,397	
055 9100 - Engineering	Principal Electrical Engineer	Y		\$ 13,106	38	1	\$ 6,792	\$ 1,784	\$ 98	\$ 8,674	
055 9200 - Resource Planning	Principal Resource Planner	Y		\$ 11,322	37	1	\$ (29,278)	\$ (7,688)	\$ (425)	\$ (37,391)	
							<b>Public Utilities Totals</b>				<b>\$ (40,181)</b>
							<b>Total Cost of Proposed Reclassifications</b>				<b>\$ (18,815)</b>

**RESOLUTION NO.**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
VERNON APPROVING A BUDGET FOR THE FISCAL YEAR  
2018-2019

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WHEREAS, the budget maintains the proper balance between revenues and expenditures, and establishes well thought out priorities; and

WHEREAS, approval of the budget is in the public interest.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 1: The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

SECTION 2: The City Council of the City of Vernon finds that this action is exempt under the California Environmental Quality Act (CEQA), because adoption of the budget is the creation of a

government funding mechanism or other government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is therefore not a "project" as defined under Section 15378(b)(4). Further, even if adoption of the budget were considered a "project," it would be exempt from CEQA review, in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment.

SECTION 3: The City Council of the City of Vernon hereby approves the budget as set forth in Exhibit A, attached hereto and incorporated by reference, to anticipate the requirements for fiscal year 2018-2019 for the different departments of the City of Vernon.

SECTION 4: The anticipated revenues for the fiscal year 2018-2019 are set forth in Exhibit B, attached hereto and incorporated by reference.

SECTION 5: The City Council of the City of Vernon hereby finds and determines that certain items provided for in individual department budgets are in the nature of community promotion and education, and the City Council of the City of Vernon further finds and determines that the same are in the best interests of the City of Vernon, and necessary for the further development of the City and constitute a reasonable expenditure of public funds.

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SECTION 6: The City Clerk, or the City Clerk's designee, of the City of Vernon is hereby directed to file this Resolution (along with each exhibit) with the County Auditor of Los Angeles County, located at the following address, within sixty (60) days after July 1, 2018:

County of Los Angeles  
Office of Auditor/Controller  
Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

SECTION 7: The City Clerk of the City of Vernon shall certify to the passage, approval and adoption of this resolution, and the City Clerk, of the City of Vernon shall cause this resolution and the City Clerk's certification to be entered in the File of Resolutions of the Council of this City.

APPROVED AND ADOPTED this 5<sup>th</sup> day of June, 2018.

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: Mayor / Mayor Pro-Tem

ATTEST:

\_\_\_\_\_  
Maria E. Ayala, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian Byun,  
Senior Deputy City Attorney

STATE OF CALIFORNIA            )  
  ) ss  
COUNTY OF LOS ANGELES        )

I, Maria E. Ayala, City Clerk of the City of Vernon, do hereby certify that the foregoing Resolution, being Resolution No. \_\_\_\_\_, was duly passed, approved and adopted by the City Council of the City of Vernon at a regular meeting of the City Council duly held on Tuesday, June 5, 2018, and thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this \_\_\_\_\_ day of June, 2018, at Vernon, California.

\_\_\_\_\_  
Maria E. Ayala, City Clerk

(SEAL)

# EXHIBIT A

**CITY OF VERNON  
EXPENDITURE BUDGET  
2018-2019**

DEPARTMENT	SALARIES	BENEFITS	SUPPLIES/ SERVICES	CAPITAL OUTLAY	TOTAL
CITY COUNCIL	\$ 136,646	\$ 62,517	\$ 52,799	\$ -	\$ 251,962
CITY ADMINISTRATION	637,954	271,827	222,871	-	1,132,652
CITY CLERK	430,780	166,778	102,400	-	699,958
FINANCE	1,269,489	506,690	1,539,489	-	3,315,668
TREASURER	-	-	-	-	-
PURCHASING	-	-	-	-	-
HUMAN RESOURCE	644,211	2,197,362	377,210	-	3,218,783
INFORMATION TECHNOLOGY	585,430	209,131	1,129,646	216,000	2,140,207
<b>SUB-TOTAL ADMIN</b>	<b>3,704,510</b>	<b>3,414,305</b>	<b>3,424,415</b>	<b>216,000</b>	<b>10,759,230</b>
HEALTH/ENVIRONMENTAL CTRL	989,088	426,493	272,047	-	1,687,628
HEALTH - SOLID WASTE	-	-	-	-	-
<b>SUB-TOTAL HEALTH</b>	<b>989,088</b>	<b>426,493</b>	<b>272,047</b>	<b>-</b>	<b>1,687,628</b>
POLICE	6,713,758	3,932,668	448,295	65,000	11,159,721
CITY ATTORNEY	757,174	314,979	439,300	-	1,511,453
FIRE	11,397,926	6,178,653	1,112,453	577,031	19,266,063
CIVIL DEFENSE	-	-	-	-	-
<b>SUB-TOTAL SAFETY</b>	<b>18,868,858</b>	<b>10,426,300</b>	<b>2,000,048</b>	<b>642,031</b>	<b>31,937,237</b>
ADMIN-ENGR-PLANNING	390,011	200,541	291,920	-	882,472
BUILDING DEPARTMENT	774,258	336,356	248,250	-	1,358,864
PUBLIC WORKS	2,118,817	973,910	1,944,860	2,953,296	7,990,883
INDUSTRIAL DEVELOPMENT	-	-	87,280	-	87,280
COMMUNITY PROMOTION	-	-	1,020,000	-	1,020,000
CITY GARAGE	370,657	162,892	274,500	-	808,049
CITY WAREHOUSE	267,586	134,063	10,950	-	412,599
CITY HOUSING	169,263	74,932	132,900	350,000	727,095
CITY BUILDINGS	365,767	166,742	743,050	765,000	2,040,559
<b>SUB-TOTAL COMM SER</b>	<b>4,456,359</b>	<b>2,049,436</b>	<b>4,753,710</b>	<b>4,068,296</b>	<b>15,327,801</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 28,018,815</b>	<b>\$ 16,316,534</b>	<b>\$ 10,450,220</b>	<b>\$ 4,926,327</b>	<b>\$ 59,711,896</b>

**CITY OF VERNON  
EXPENDITURE BUDGET  
2018-2019**

DEPARTMENT	SALARIES	BENEFITS	SUPPLIES/ SERVICES	CAPITAL OUTLAY	TOTAL
<b>TOTAL GENERAL FUND</b>	<b>\$ 28,018,815</b>	<b>\$ 16,316,534</b>	<b>\$ 10,450,220</b>	<b>\$ 4,926,327</b>	<b>\$ 59,711,896</b>
<b>RDA OBLIGATION RETIREMENT FUND</b>	-	-	5,744,361	-	5,744,361
<b><u>UTILITIES</u></b>					
<b><u>WATER FUND</u></b>					
WATER OPERATIONS	1,545,622	675,122	5,958,812	5,043,245	13,222,801
RECYCLED WATER	-	-	-	-	-
<b>    SUB-TOTAL WATER</b>	<b>1,545,622</b>	<b>675,122</b>	<b>5,958,812</b>	<b>5,043,245</b>	<b>13,222,801</b>
<b><u>LIGHT &amp; POWER</u></b>					
FIELD OPERATIONS	816,319	285,850	461,927	300,000	1,864,096
SYSTEM DISPATCH	1,612,222	540,769	785,647	-	2,938,638
STATION A	-	-	264,071	25,000	289,071
TRANS/DISTRIBUTION	-	-	6,951,765	-	6,951,765
BUILDING MAINTENANCE	-	-	118,450	110,000	228,450
CUSTOMER SERVICE	288,336	143,985	8,789,157	60,000	9,281,478
ADMINISTRATION	996,849	407,803	58,207,802	360,000	59,972,454
ELECTRICAL ENGINEERING	1,356,294	498,572	238,050	10,880,000	12,972,916
RESOURCE MANAGEMENT	1,199,778	451,084	118,494,456	-	120,145,318
ENERGY MANAGEMENT	52,842	21,964	510,500	-	585,306
<b>    SUB-TOTAL L &amp; P</b>	<b>6,322,640</b>	<b>2,350,027</b>	<b>194,821,825</b>	<b>11,735,000</b>	<b>215,229,492</b>
<b>GAS</b>	<b>546,664</b>	<b>222,072</b>	<b>9,204,204</b>	<b>543,686</b>	<b>10,516,626</b>
<b>FIBER-OPTICS</b>	<b>113,983</b>	<b>57,794</b>	<b>343,750</b>	<b>300,000</b>	<b>815,527</b>
<b>TOTAL UTILITIES</b>	<b>8,528,909</b>	<b>3,305,015</b>	<b>210,328,591</b>	<b>17,621,931</b>	<b>239,784,446</b>
<b>GRAND TOTAL</b>	<b>\$ 36,547,724</b>	<b>\$ 19,621,549</b>	<b>\$ 226,523,172</b>	<b>\$ 22,548,258</b>	<b>\$ 305,240,703</b>



## **EXHIBIT B**

**CITY OF VERNON  
ESTIMATED REVENUES  
2018-2019**

GOVERNMENTAL FUND TYPE GENERAL	FY2019
400110 SECURED PROPERTY TAX-CURRENT	\$ 3,787,887
400210 PRIOR YEAR SECURED	(8,488)
400310 REAL PROPERTY TRANSFER TAX	232,890
400311 BNSF	745,724
400500 PROPERTY TAX-INTEREST & PENALTIES	7,427
400610 PROP "A" FUNDS	2,338
400630 PROP "C" FUNDS	1,916
400700 HOMEOWNERS' PROPERTY TAX EXEMPTION	16,552
400820 PUBLIC SAFETY AUGMENTATION FUND	1,804
400900 PARCEL TAXES - WAREHOUSE	10,400,572
400950 PARCEL TAXES - SAFETY	2,081,736
401000 UTILITY USERS TAX	13,030,692
401200 SALES AND USE TAX	7,177,884
401207 MEASURE M LOCAL RETURN	2,000
401600 ADMINISTRATIVE FEES - SB2557	(34,844)
401650 STATE FEE - SB1186	800
407500 GAS TAX 2103	553
407600 GAS TAX 2106	6,670
407700 GAS TAX 2107	1,511
407800 GAS TAX 2107.5	1,000
410100 BUSINESS LICENSES	5,998,495
410210 BUILDING PERMITS	710,000
410211 FIRE PERMIT FEES	85,000
410212 ALARM PERMITS	32,433
410240 PUBLIC HEALTH PERMITS	960,557
410250 HEALTH PERMIT LATE FEES	11,577
410270 FILMING PERMITS	18,000
410271 SPECIAL EVENT PERMIT FEES	2,000
410280 CONDITIONAL USE PERMITS	10,000
410290 ISSUANCE FEE	19,000
410300 FRANCHISES AND AGREEMENTS	115,008
410310 SOLID WASTE FRANCHISE FEES	1,000,000
410320 SOLID WASTE FRANCHISE LATE FEES	5,000
410330 FRANCHISE FEES, PRIOR YEARS	20,000
410400 CLOSURE REVIEW FEES	2,700
410410 PLAN CHECK REVIEW FEES	2,400
410430 ANNUAL BUSINESS FIRE INSPECTION	280,000
410460 ANNUAL BUSINESS FIRE RE-INSPECITON	9,000
410470 FIVE YEAR SPRINKLER SYSTEM TESTING	15,000
410480 FALSE ALARM FEES	50,000
410490 FIRE EXTINGUISHER TRAINING	250
420100 VEHICLE CODE FINES	60,000
420110 OTHER VEHICLE FINES	20,000
420130 VEHICLE INSPECTION FEE	4,000
420510 PARKING CITATIONS	20,000
420515 FRANCHISE TOWING FEES	20,000
420520 COMMUNITY SERVICES INCOME	37,000
420525 IMPOUNDED VEHICLE RELEASE FEES	6,000
420530 DUI VEHICLE RELEASE FEES	3,000
420535 REPOSSESSED VEHICLE RELEASE FEE	300
430110 INVESTMENT INCOME	136,455
431000 RENTS	528,920
440100 GRANT REVENUE	2,185,526
441015 TASK FORCE REIMBURSEMENT REVENUE	50,000
442001 MOTOR VEHICLE IN-LIEU TAX	9,494

**CITY OF VERNON  
ESTIMATED REVENUES  
2018-2019**

GOVERNMENTAL FUND TYPE GENERAL	FY2019
450110 FIRE SERVICE	45,000
450120 ENGINEERING INSPECTION FEES	70,000
458000 GENERAL CITY ADMINISTRATIVE SERVICES	3,593,677
459030 GROUP MEDICAL REVENUE	228,257
461100 MISCELLANEOUS AND PENALTIES	38,500
466200 PLAN CHECK FEES	390,000
466220 GREEN BUILDING STANDARDS FEE	8,000
466230 ANNUAL FEE	1,000
466600 COPIES AND PUBLICATIONS	19,262
466700 BACKFLOW CERTIFICATES	15,120
466900 MISCELLANEOUS	128,035
467000 STRIKE TEAM REIMBURSEMENT	400,000
467100 EMS REIMBURSEMENT	180,000
467300 BOOKING FEE REIMBURSEMENT	10,000
468400 VARIANCES	5,000
499700 CREDIT FOR GARAGE WORK ORDERS	375,000
600910 OTHER INCOME	6,000
630055 LIGHT AND POWER IN-LIEU TAX	4,925,975
<b>TOTAL GENERAL FUND</b>	<b>60,322,565</b>
 <u>FIDUCIARY FUND</u>	
022 RDA/SUCCESSOR AGENCY TAX INCREMENT	5,744,361
<b>SUB-TOTAL FIDUCIARY FUND</b>	<b>5,744,361</b>
 <b>TOTAL GOVERNMENTAL TYPE FUNDS</b>	<b>66,066,926</b>
 <u>PROPRIETARY FUND TYPES</u>	
<u>WATER DEPARTMENT</u>	
020 WATER - REVENUES	8,573,244
020 WATER - RESERVES APPLIED	4,197,000
 <u>LIGHT AND POWER</u>	
055 LIGHT AND POWER - REVENUES	214,307,345
055 LIGHT AND POWER - RESERVES APPLIED	1,435,532
 <u>FIBER-OPTICS</u>	
057 FIBER-OPTICS - REVENUES	708,220
 <u>GAS UTILITY</u>	
056 GAS - REVENUES	9,952,436
 <b>SUB-TOTAL ENTERPRISE FUNDS</b>	<b>239,173,777</b>
 <b>GRAND TOTAL ALL FUNDS</b>	<b>\$ 305,240,703</b>