FISCAL YEAR
2018-19

ADOPTED BUDGET

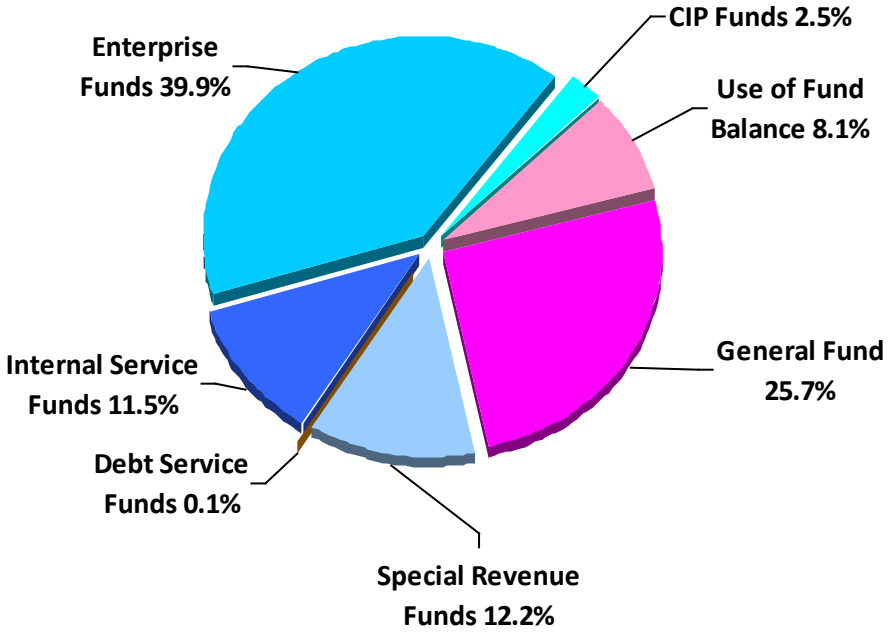
CITY OF GLENDALE
RESOURCES & APPROPRIATIONS

OVERVIEW OF RESOURCES

The City Resources forecasted for FY 2018-19 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 2018-19 City Resources (including Transfers from Other Funds and Use of Fund Balance) are $887.3 million. The following chart illustrates the total budgeted resources for all City Funds for FY 2018-19:

FY 2018-19 Total City Resources
$887.3 Million



Total City Resources
(In Millions)

Fund Type	Adopted 2017-18	Adopted 2018-19	Increase / (Decrease)	% Change
General Fund	$ 213,508,136	$ 228,409,246	$ 14,901,110	7.0%
Special Revenue	99,936,237	108,311,822	8,375,585	8.4%
Debt Service	981,286	1,200,000	218,714	22.3%
Capital Projects	17,305,821	21,810,652	4,504,831	26.0%
Enterprise	365,501,271	354,310,569	(11,190,702)	-3.1%
Internal Service	98,496,122	101,343,092	2,846,970	2.9%
Net Use of Fund Balance	41,185,604	71,875,183	30,689,579	74.5%
Total Resources	**$ 836,914,477**	**$ 887,260,564**	**$ 50,346,087**	**6.0%**

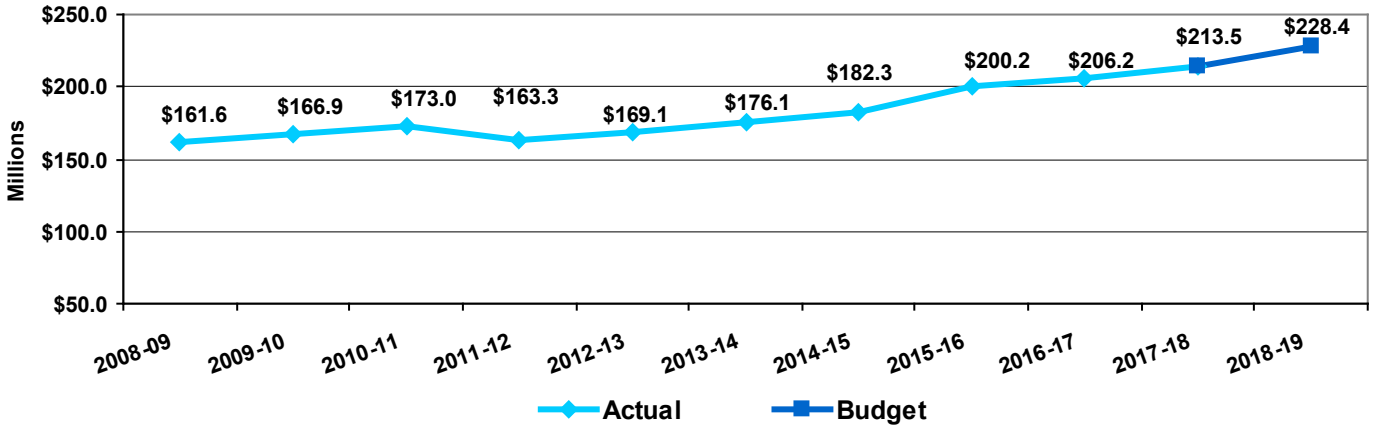
CITY OF GLENDALE
RESOURCES & APPROPRIATIONS

General Fund Resources

The General Fund Resource budget for FY 2018-19 is projected to be $229.4 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, Innovation, Performance and Audit (IPA), 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 2017-18 and FY 2018-19.

General Fund Revenue



The table below shows the estimates of the major revenue sources for the General Fund by category for FY 2017-18 and FY 2018-19.

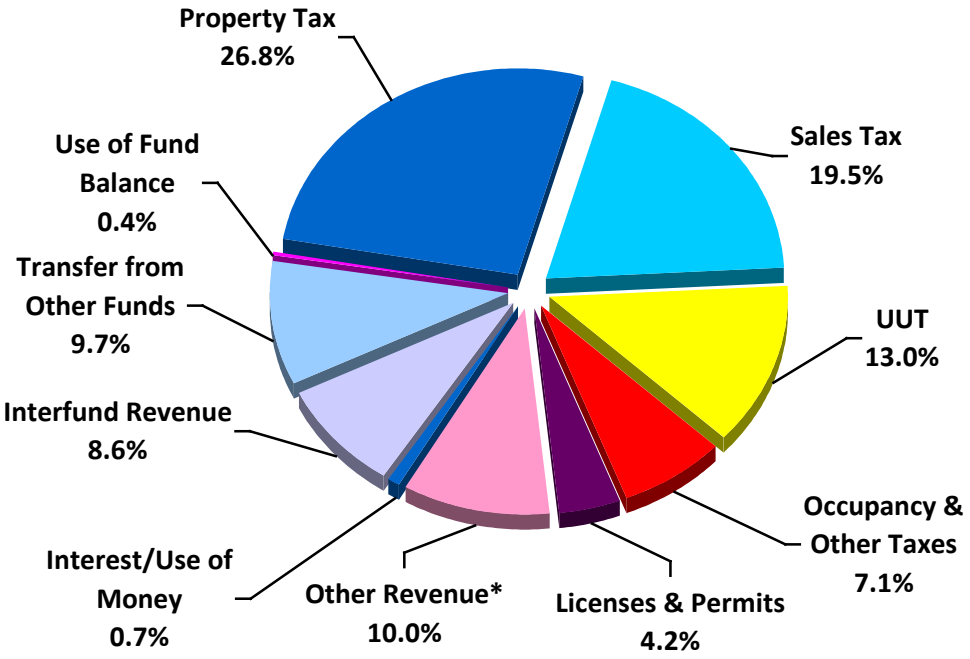
General Fund Resources

Category	Adopted 2017-18	Proposed 2018-19	Increase / (Decrease)	% Change
Property Taxes	$ 56,229,054	$ 61,537,641	$ 5,308,587	9.4%
Sales Taxes	41,015,140	44,685,000	3,669,860	8.9%
Utility Users Taxes	30,054,000	29,855,000	(199,000)	-0.7%
Occupancy & Other Taxes	14,858,661	16,278,661	1,420,000	9.6%
Licenses & Permits	9,597,000	9,725,000	128,000	1.3%
Fines & Forfeitures	2,621,776	2,500,000	(121,776)	-4.6%
Interest/Use of Money	4,045,000	1,550,000	(2,495,000)	-61.7%
Revenue from Other Agencies	112,000	100,000	(12,000)	-10.7%
Charges for Services	9,225,000	9,205,500	(19,500)	-0.2%
Misc & Non-Operating	1,455,500	1,164,265	(291,235)	-20.0%
Interfund Revenue	18,099,742	19,582,006	1,482,264	8.2%
Transfer from Other Funds	21,310,000	22,186,300	876,300	4.1%
GSA Reimbursement	4,885,263	10,039,873	5,154,610	105.5%
Total Revenues	**$ 213,508,136**	**$ 228,409,246**	**$ 14,901,110**	**7.0%**
Use of Assigned Econ Dev Fund Balance	905,734	985,379	79,645	8.8%
Use of Fund Balance	629,075	-	(629,075)	-100.0%
Total Resources	**$ 215,042,945**	**$ 229,394,625**	**$ 14,351,680**	**6.7%**

CITY OF GLENDALE
RESOURCES & APPROPRIATIONS

Almost 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 explanation of all of the major General Fund revenue categories.

FY 2018-19 General Fund Resources
$229.4 Million



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

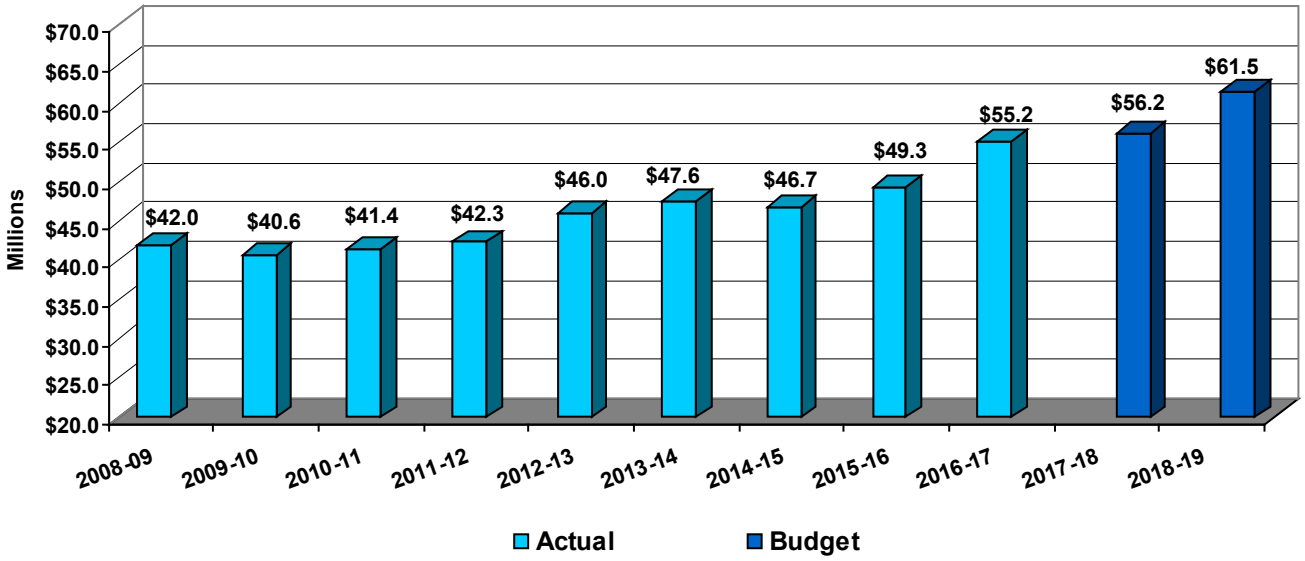
Property Taxes are the largest revenue source in the General Fund, representing 26.8% of the total General Fund resources. For FY 2018-19, the property tax category is projected to increase by $5.3 million or 9.4% for a total of $61.5 million. Majority of the increase is attributable to an increase in the assessed property valuation. According to City's property tax consultant (HdL Companies), Southern California has set a new all–time high for median sale price and this trend is expected to continue in FY 2018-19. In addition, the inventory of homes on the market remains tight which also supports continued growth in home prices. Another contributing factor to the increase is the City's share of Property Tax Residuals which moved from economic development function to the General Fund Effective FY 2016-17. The City's Share of Property Tax Residuals is the amount left after all Redevelopment Project Area Obligations have been paid.

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 County Tax Collector and is distributed to various public agencies. The City of Glendale receives 13.5% of the 1% levy on assessed value.

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

Property Taxes – General Fund



Top 10 Property Taxpayers
(In Alphabetical Order)

CP IV Glendale LLC	Glendale Fashion Associates LLC
DWF V 655 North Central LLC	J P Allen Company LLC
Equity Residential Glendale	Property Reserve Inc
Faruque Sikder Co Trustee	Stanley A Sirott Trust
Glendale Adventist Medical Center	University of Southern California

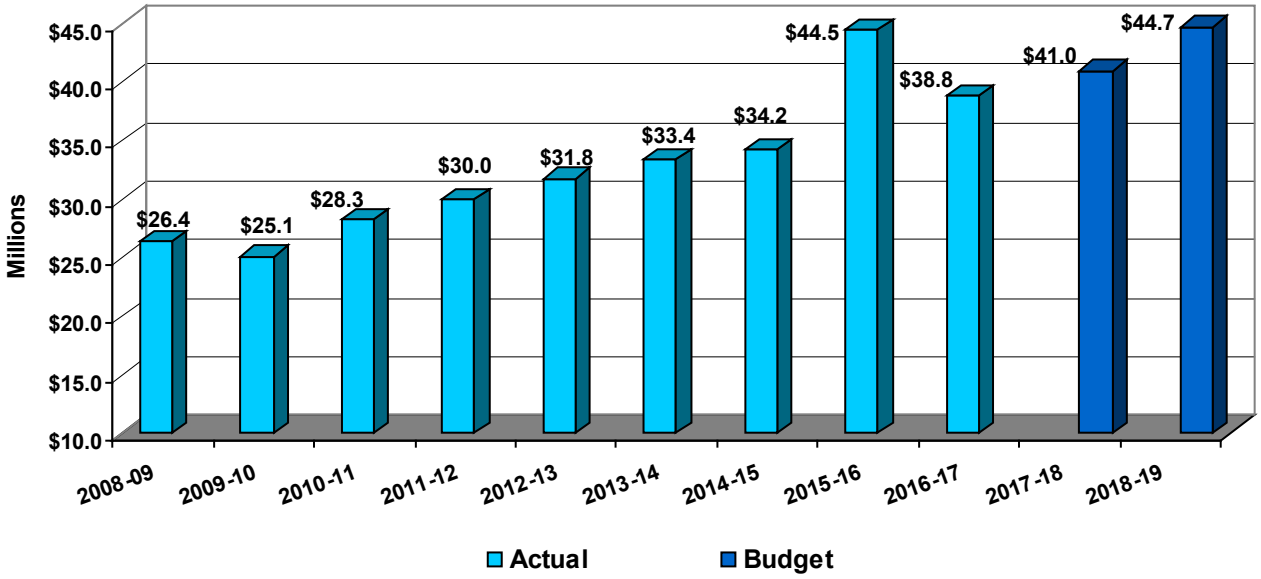
Source: HdL Coren & Cone 2017-18 property data (Tax District #1: General Fund)

Sales Taxes are the second largest revenue source in the General Fund, representing 19.5% of the total General Fund resources. For FY 2018-19, sales taxes are forecasted to increase by $3.7 million, or 8.9%, for a total of $44.7 million. The increase is part due to an audit conducted by the California Department of Tax and Fee Administration (CDTFA). Per HdL Companies, various categories including auto lease, electronics and appliances and casual dining show solid gains for the fourth quarter of 2017 and this trend is expected to continue. It is worth noting that according to HdL consultants there is a behavioral shift in online shopping which is also expected to trend upward for the countywide pool allocations.

It should be noted that 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 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. Starting in FY 2015-16 the 1% sales tax transfer to CIP will be increased by 0.25% and will cap at 2% from FY 2018-19 through FY 2021-22. In FY 2022-23 it will be increased to 2.5%. 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 revenues followed by a listing of the top 20 Sales Tax producers for the City.

Sales Taxes – General Fund



Top 20 Sales Tax Producers
(In Alphabetical Order)

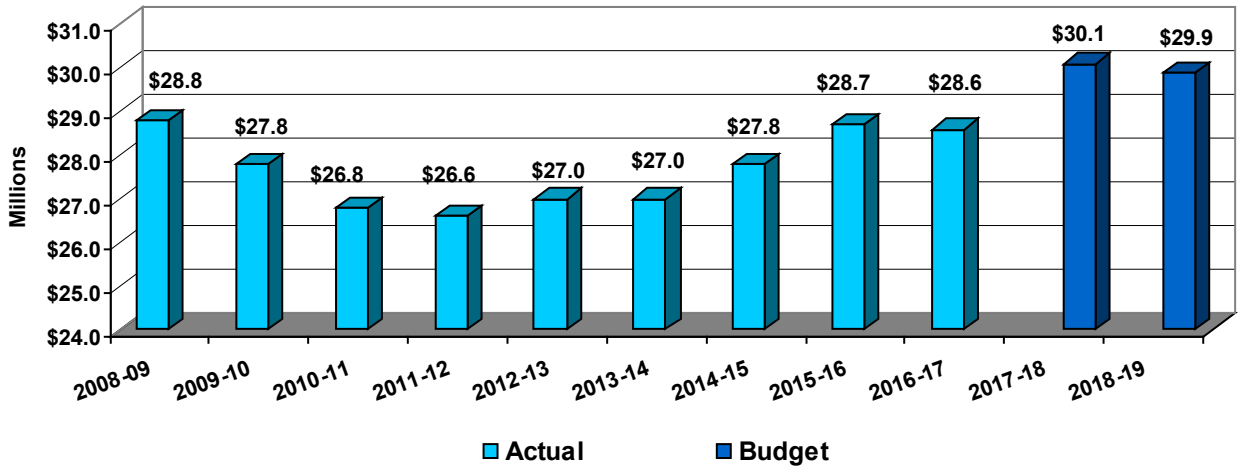
Apple	Macys
Bloomingdales	New Century Honda
Calstar Mercedes	Nordstrom
Car Pros Kia Glendale	Pacific BMW
CDW	Star Ford Lincoln
Financial Services Vehicle Trust	Subaru of Glendale
Glendale Dodge Chrysler Jeep	Target
Home Depot	Toyota Lease Trust
JC Penney	Toyota of Glendale Scion

Source: HdL Companies

Utility Users Taxes (UUT) is the third largest revenue source for the General Fund, representing 13.0% of the total General Fund resources for FY 2018-19. 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, prepaid, intrastate, interstate, and international services; ancillary services; voice-over internet protocol; paging; and private communication services. UUT revenues are estimated to decrease by $199 thousand, or -0.7%, for a total estimate of $29.9 million. Decreases are forecasted in telecommunications and video while a modest increase is projected in the gas category. It's worth noting that per AB1717, effective January 1,

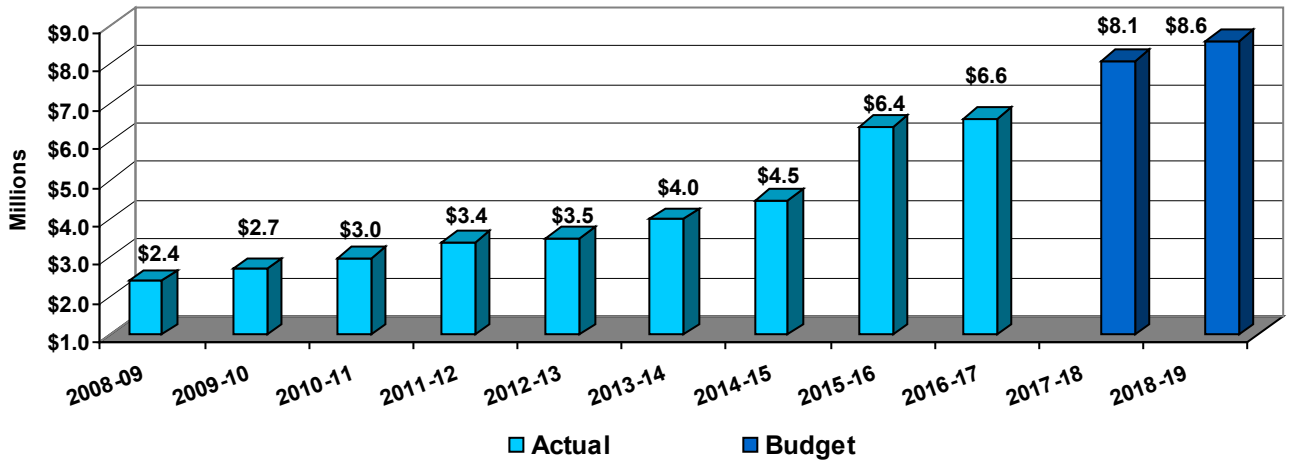
2016, the Board of equalization and the City have been authorized to collect the UUT from prepaid wireless sales within local jurisdictions.

Utility Users Taxes – General Fund



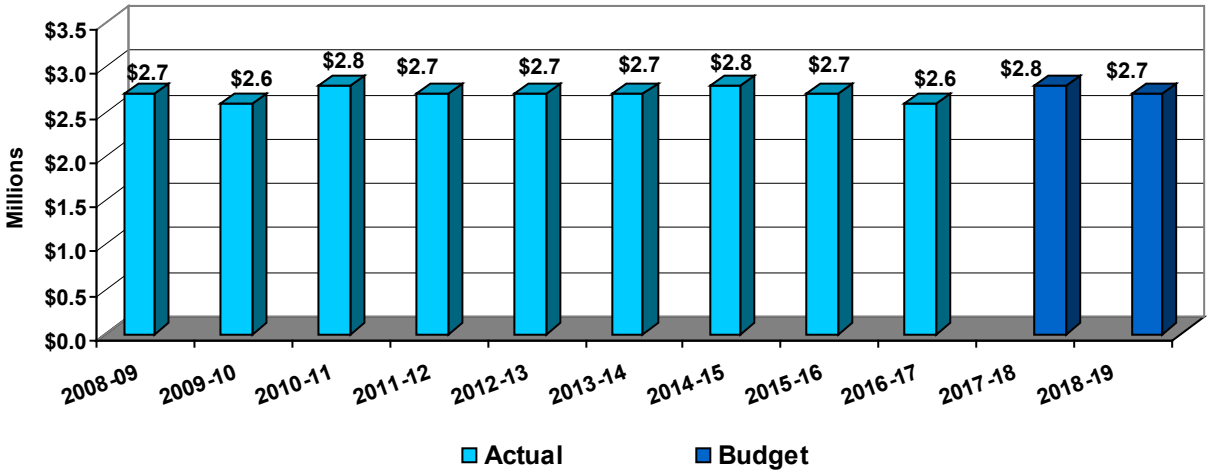
Transient Occupancy Tax (TOT) represents about 3.7% of the total General Fund resources in the FY 2018-19 Adopted Budget. This tax is levied at 12% for occupying a room(s) or other living space in a hotel, inn, tourist home/house, motel or other lodging for a period of 30 days or less. The TOT is authorized 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 still expected to continue. For FY 2018-19, TOT revenue is anticipated to increase by $500 thousand, or 6.0% for a total estimate of $8.6 million. It's worth noting that in April 2015 Glendale voters passed revenue ballot Measure O, which increased the transient occupancy tax (hotel tax) from 10% to 12%.

Transient Occupancy Tax – General Fund



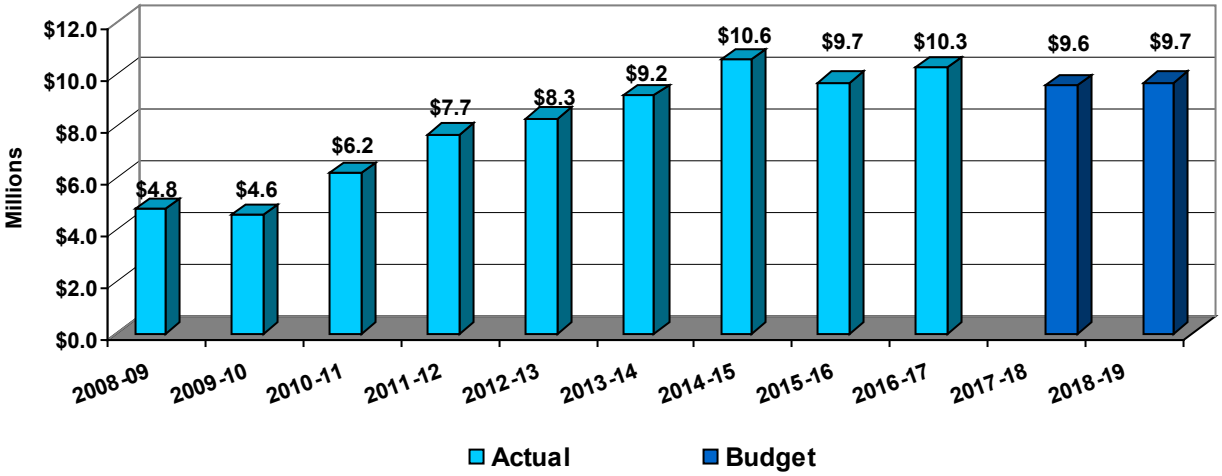
Franchise Tax is a charge for a right-of-way or license granted to an individual or a group to market a company's goods or services in a particular territory. The majority of our franchise revenue is received from Charter Communications, Pacific Bell and the Gas Company. For FY 2018-19 the franchise tax is estimated to be $2.7 million or 1.2% of the total General Fund resources.

Franchise Tax – General Fund



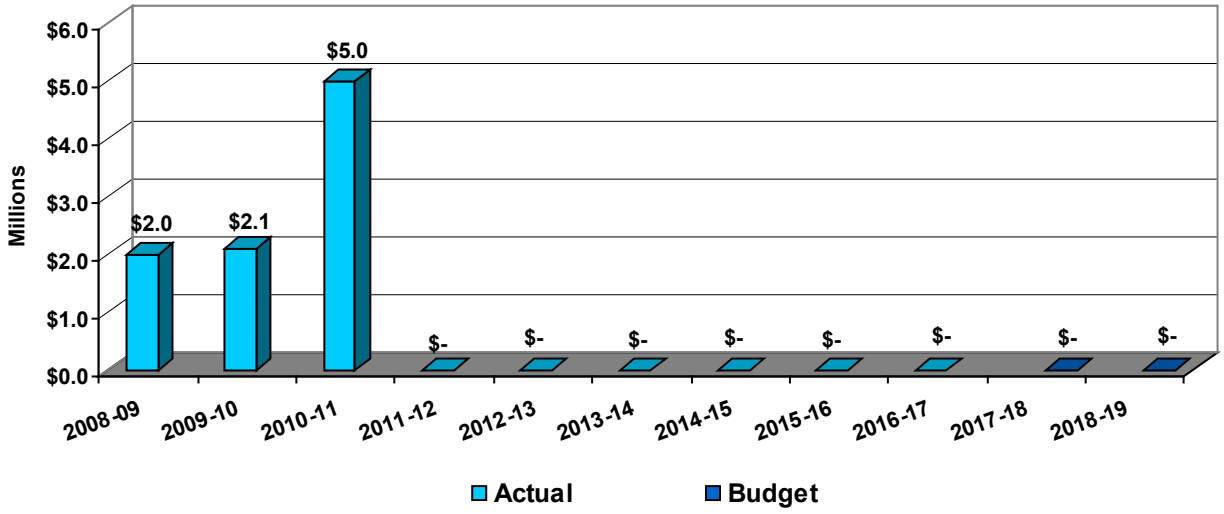
Licenses & Permits include Building Permits, Business License Permits, Variance Permits, Plan Check Fees, Street Permits and Dog License Fees. Licenses & Permits represent 4.2% of the total General Fund resources for FY 2018-19 Adopted Budget. Starting in FY 2010-11, there was an increase in construction projects which included Disney, Doran Gardens, 200 E. Broadway Lofts, the Triangle Project and the renovation of the historic Seeley's building. It should be noted that revenue in this category is project-based and non-recurring and, as such, the revenue forecast for FY 2018-19 is estimated to increase by $128 thousand, or 1.3%. It is also worth noting that a portion of the increase is attributable to the recommended fee increases which are based on the Consumer Price Index (CPI) adjustment of 3.5% for the month ending January, 2018.

Licenses & Permits – General Fund

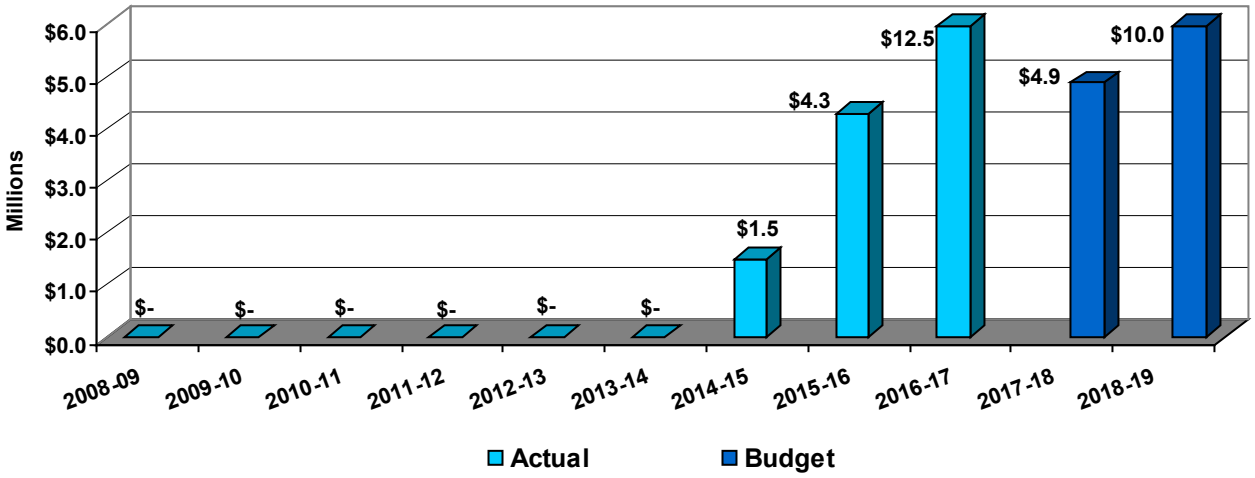


Intergovernmental Revenue / GSA Reimbursement is the loan repayment from the Successor Agency (formerly known as the Glendale Redevelopment Agency) to the General Fund. When the Glendale Redevelopment Agency (GRA) was formed, the General Fund loaned a significant amount of money to the GRA which was slowly being repaid using tax increment generated from new projects in the redevelopment project areas. GSA Reimbursement is estimated at $10.0 million for FY 2018-19. At this point in time the State is accelerating its payments to pay off loan sooner than originally anticipated. Prior to FY 2014-15 this revenue was reported in the Intergovernmental Revenue category. The purpose of this change was for better visibility of the repayment.

Intergovernmental Revenue – General Fund

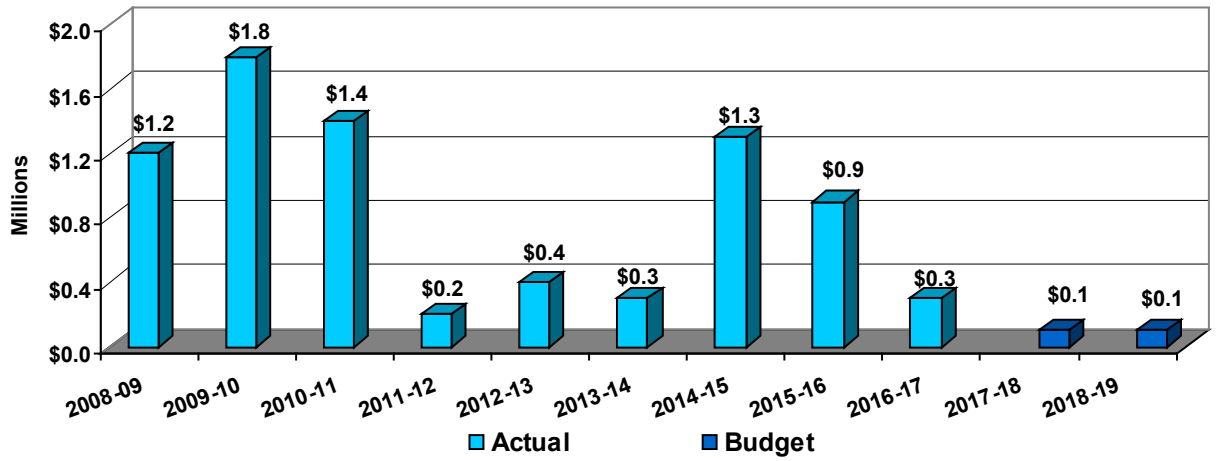


GSA Reimbursement – General Fund



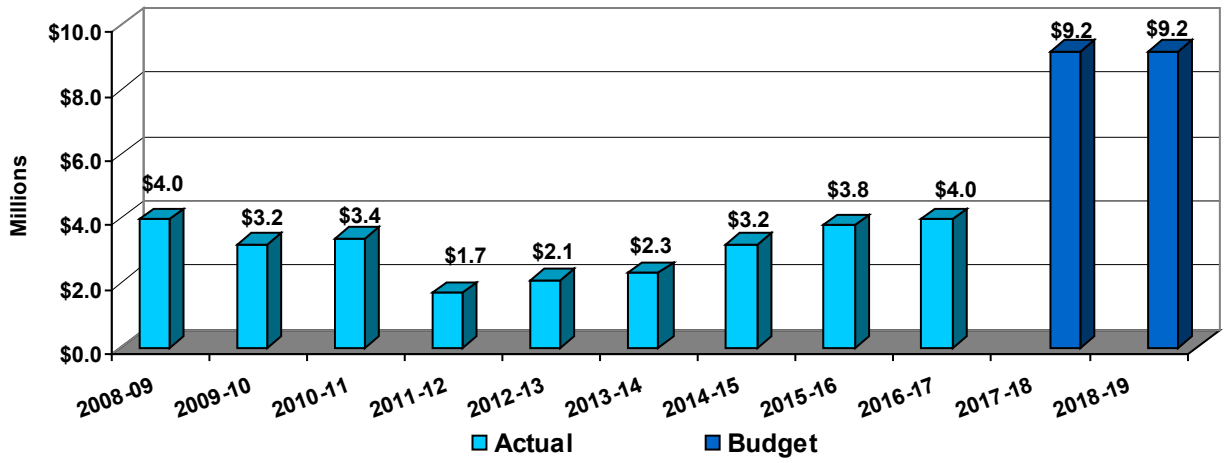
Revenues from Other Agencies mainly consist of Federal, State and Local grants, which include State SB 90 and Mutual Aid Reimbursements. It is generally more difficult to estimate grant revenues since it is based on grant availability and whether the grants are awarded. If grants are awarded during the 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



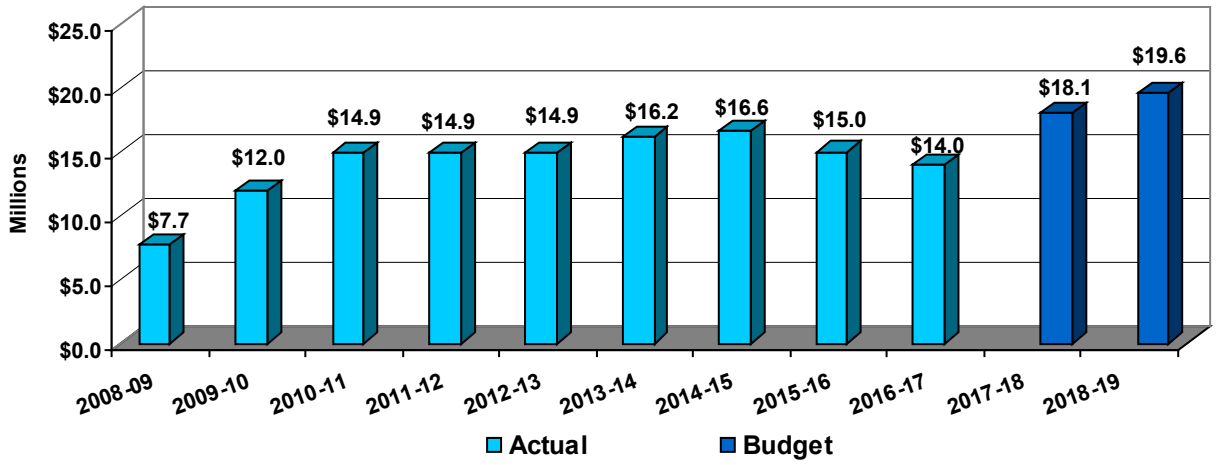
Charges for Services are generally known as user fees that are charged for a variety of services provided to the general public. Fees charged for services in this category include library fees, fire fees, special police fees, map and publication fees and code enforcement fees. The decrease in FY 2011-12 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 following a Citywide fee study. In FY 2017-18 the large increase is mainly due to the collapse of the Emergency Medical Response fund (511) to the General Fund, which also includes the Paramedic Membership Fees. For FY 2018-19 this category is projected to slightly decrease by approximately $20 thousand or 0.2%.

Charges for Services – General Fund



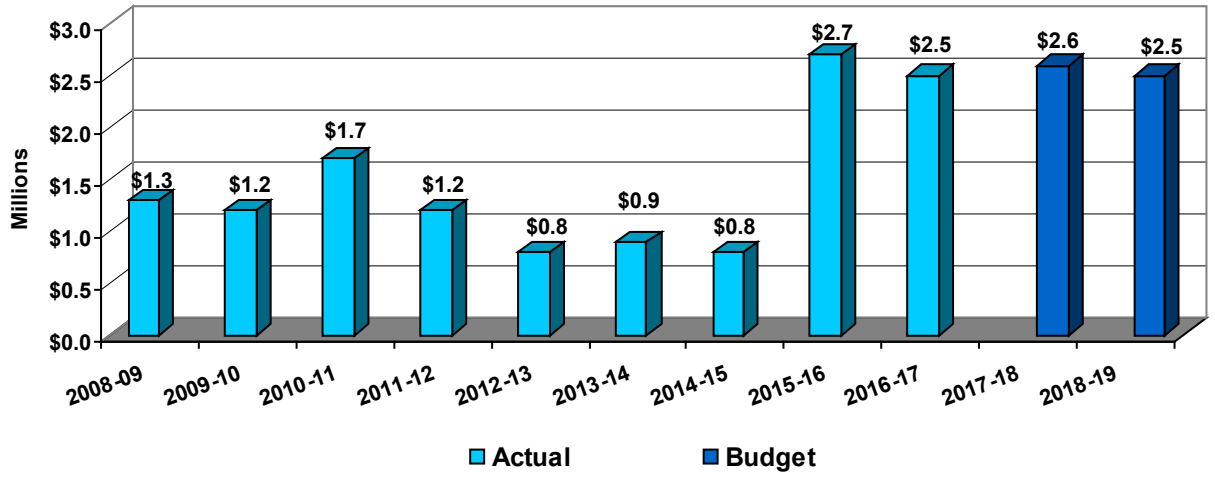
Interfund Revenue is the revenue derived from the City's cost allocation plan, which commenced in FY 2009-10. This plan formally allocates certain General Fund costs from "central service" departments to a variety of "receiving" departments that are funded outside of the General Fund. The central service 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 2018-19 this category is expected to increase by $1.5 million or 8.2%.

Interfund Revenue – General Fund



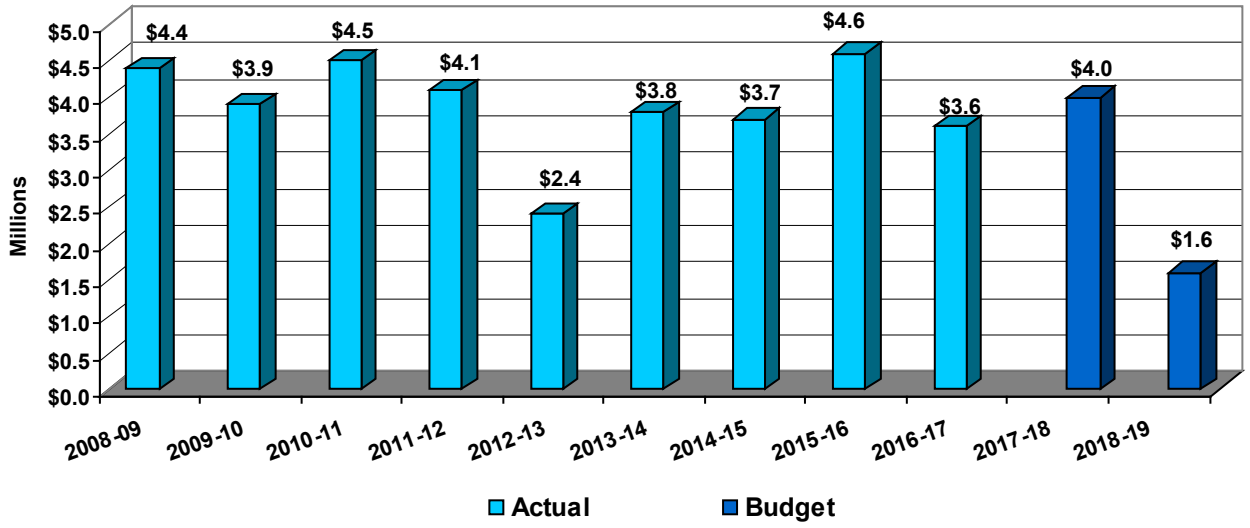
Fines & Forfeitures are derived from the collection of penalties for violations of statutory offenses, administrative rules, confiscated property, and court fees. Fines & Forfeitures revenue represents 1.1% of the total General Fund resources in the FY 2018-19 Adopted Budget. FY 2010-11 experienced a 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. Starting in FY 2015-16, the $1.9 million transfer from the Parking Fund will no longer be listed under *Transfer From Other Funds* category but reported under this category. The estimated revenue for FY 2018-19 is $2.5 million.

Fines & Forfeitures – General Fund



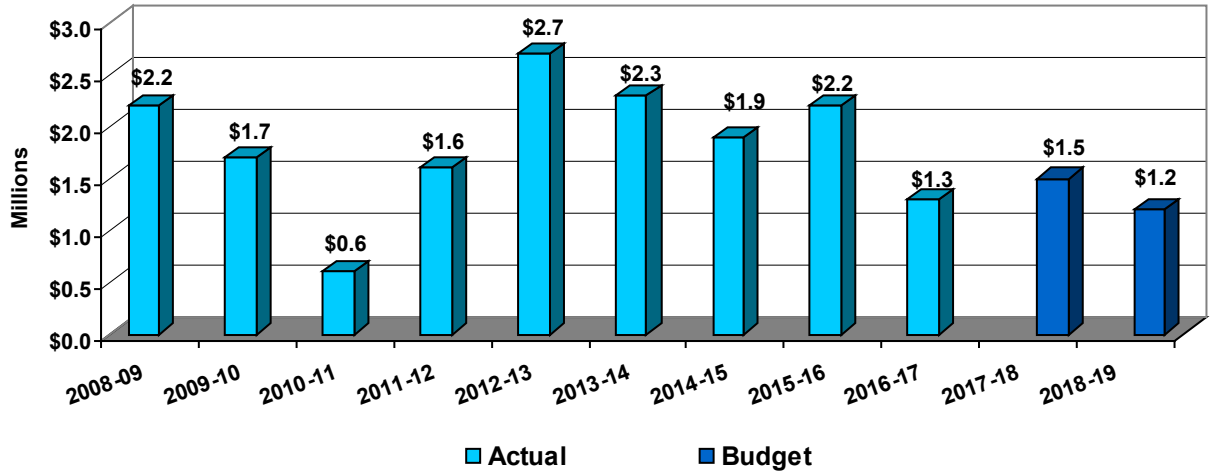
Use of Money & Property includes Interest & Investment Revenues and Rent & Lease Income. The City Treasurer invests funds that are available but not needed for immediate disbursement. Funds are invested in Local Investments Pool and in a core portfolio of U.S. Government Obligations. Starting in FY 2018-19 the Landfill Gas Royalties will be eliminated from this category due to the flaring of the gas. Therefore, this category is projected to decrease by $2.5 million, or 61.7% for FY 2018-19.

Use of Money & Property – General Fund



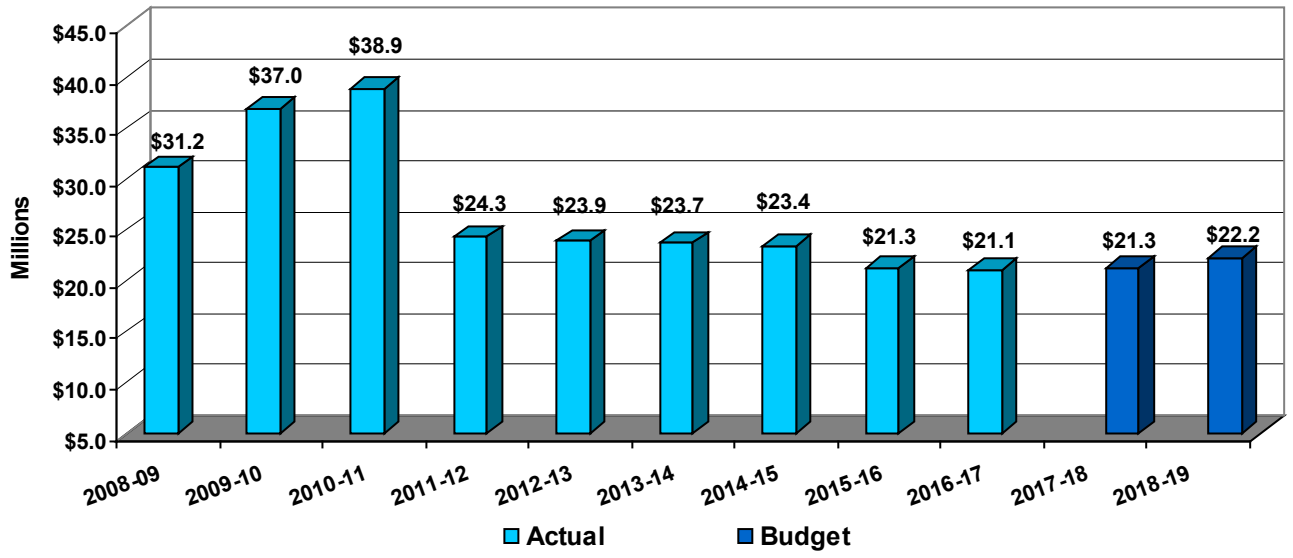
Miscellaneous Revenue consists of revenues other than taxes and fees, such as: sale of items/property not normally held for resale, collections from advertising, unclaimed money, and property or other contributions and donations.

Miscellaneous Revenue – General Fund



Transfers from Other Funds are made to the General Fund for a variety of purposes. Transfers represent 9.7% of the total General Fund resources in the FY 2018-19 Adopted Budget and include transfers from Electric Utility and Refuse Disposal Funds. The decrease for FY 2011-12 in Transfers was attributable to the loss of the Water Utility transfer of $4.2 million, the loss of the one-time transfer from the close out of the Police Staff Augmentation Fund, and the loss of 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. In FY 2015-16 the $1.9 million transfer from the Parking Fund will no longer be listed under this category but reported in the *Fines & Forfeiture* category. Effective FY 2016-17 the electric transfer amount was capped at 10% of the electric revenues.

Transfers from Other Funds – General Fund



Special Revenue Funds

Special Revenue funds for FY 2018-19 are expected to have a net increase of $8.4 million or 8.4%, primarily due to the following increases/decreases:

- *Housing Assistance Fund 202* – The increase of approximately $6.1 million in this fund is due to the additional funding in the HCV HAP and the HCV portable voucher HAP program anticipated to receive from HUD.

- *Home Grant Fund 203* – The increase of approximately $710 thousand is due to increased funding in housing program.

- *Continuum of Care Grant Fund 204* – The increase of approximately $45 thousand is due to an increase in grant funding from HUD.

- *Emergency Solutions Grant Fund 205* – The decrease of approximately $115 thousand is due to decrease in grant funding.

- *Workforce Innovation and Opportunity Act Fund 206* – The increase of approximately $498 thousand is due to additional funding for the various programs in this fund.

- *Miscellaneous Grant Fund 216* – The decrease of approximately $1.5 million is primarily due to decreases in state and federal grants.

- *Filming Fund 217* – The increase of approximately $146 thousand is due to anticipated increases in rental of city property and other filming associated fees.

- *Transit Utility Fund 258* – The increase of approximately $390 thousand in this fund is due to increase in local grants.

- *Fire Mutual Aid Fund 266* – The increase of $300 thousand is due to increase for mutual-aid reimbursements.

- *Recreation Fund 501* – The increase of approximately $212 thousand is due to the increase in various recreational activities and rental incomes.

Debt Service Funds

For FY 2018-19 there is an increase of approximately $219 thousand or 22.3% in the Debt Service Fund for the Police Building construction Project based on the Police Building Certificates of Participation (COPs) schedule.

Capital Improvement Program (CIP)

Revenues in CIP funds for FY 2018-19 are estimated to increase by $4.5 million or 26%, due to the following increases/decreases:

- *General Fund Capital Improvement Fund 401* – The net increase of approximately $1.1 million is due to an increase in revenues from landfill royalty tipping fees and an increase from transfers from general fund for street improvements.

- *State Gas Tax Fund 402* – The net increase of approximately $2.8 million is due to increase in State gas tax revenues and the new revenue from the Road Maintenance and Rehabilitation Account (Also Known As: SB1).

- *Parks Mitigation Fee Fund 405* – The increase of $100 thousand is due to anticipated increase in interest revenue.

Enterprise Funds

For FY 2018-19, revenues in the Enterprise funds are estimated to see a net decrease of $11.2 million or 3.1%, primarily due to the following increases/decreases:

- *Sewer Fund 525* – The decrease of $2.7 million is mainly due to a decrease in single family residential and multi-family user group revenues.

- *Refuse Disposal Fund 530* – The decrease of $400 thousand is due to a decrease from commercial and residential refuse revenues.

- *Electric Utility Fund 582, 583, 585 & 587* – The net decrease of approximately $10.8 million is attributable to the following: a decrease of $1.8 million in the Electric Works Revenue Fund 582, a decrease of $530 thousand in the Electric Depreciation Fund 583, an increase of approximately $180 thousand in Electric Customer Paid Capital Fund 585, and decrease of $8.6 million in Regulatory Adjustment Charge (RAC) Fund 587. As part of the Cost of Service Analysis (COSA) study the Regulatory Adjustment Charge (RAC) of $0.0076 per kwh has been reduced to zero in all customer classes. Based on average usage, this change will result in a monthly bill reduction for all customer classes in FY 2018-19.

- *Water Utility Funds 592, 593 & 595* – The net increase of approximately $2.9 million is attributable to the following: a revenue increase of $2.6 million in the Water Works Revenue fund 592, due to the Cost of Service Analysis (COSA) study. An increase of $310 thousand in the Water Depreciation Fund 593. There are no revenue adjustments in the Water Customer Paid Capital Fund 595 for FY 2018-19. It's worth noting that in addition to the Sewer and Electric COSA's the Water rates were studied and approved as well.

- *Fire Communication Fund 701* – The decrease of approximately $390 thousand is mainly from the fire communication capital contribution.

Internal Service Funds

For FY 2018-19, revenues in the Internal Service funds are estimated to increase by $2.8 million or 2.9%, primarily due to the following:

- *ISD Infrastructure Fund 603* – The increase of approximately $829 thousand is due to an increase in ISD service charges to other departments.

- *ISD Applications Fund 604* – The decrease of approximately $114 thousand is due to decrease in service charges.

- *Building Maintenance Fund 607* – The decrease of approximately $487 thousand is due to the decrease in Building Maintenance Service Charge cost recovery. The Building Maintenance Fund was established in FY 2015-16, while the building maintenance fund rate was established in FY 2016-17 in order to centralize the building maintenance operation into a single fund and establish a rate for cost recovery.

- *Compensation Insurance Fund 614* – The increase of approximately $3.0 million is based on anticipated costs for excess liability premiums and anticipated claims.

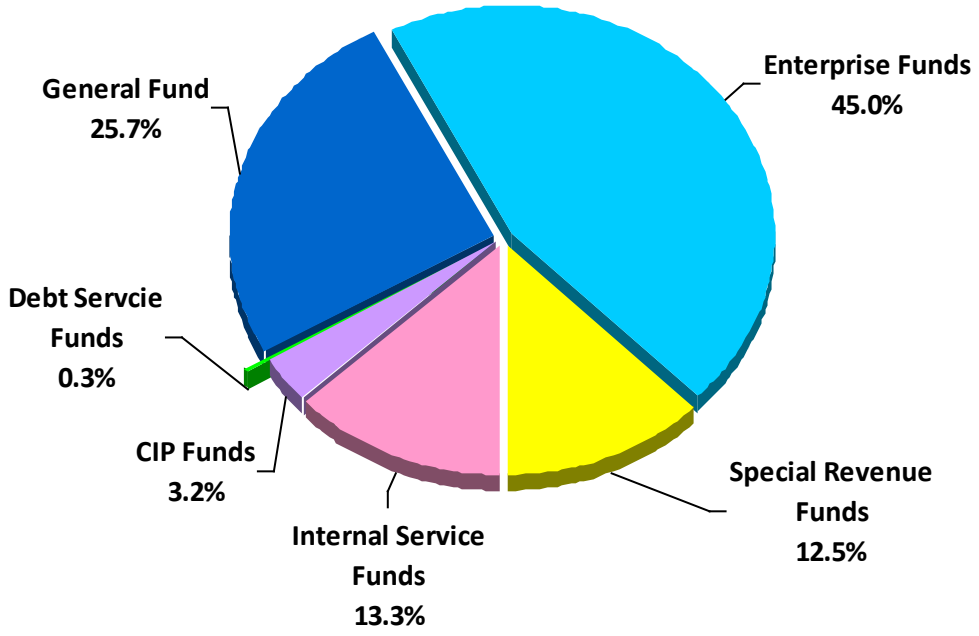
- *Medical Insurance Fund 616* – The increase of approximately $859 thousand is due to anticipated increases in medical premiums and claims.

CITY OF GLENDALE
RESOURCES & APPROPRIATIONS

OVERVIEW OF APPROPRIATIONS

Total citywide FY 2018-19 appropriations (included Transfers to Other Funds) are $887.3 million. The following chart illustrates the percentage of budgeted appropriations for each fund type:

FY 2018-19 Total Citywide Appropriation
$887.3 Million



The table below depicts the total City appropriations by fund type as adopted for FY 2017-18 and FY 2018-19. Additional details can be found in the *Summary of Appropriations by Fund Type* report found under the Budget Summaries section of this book.

Total Citywide Budgeted Appropriations

Fund Type	Adopted 2017-18	Adopted 2018-19	Increase/ (Decrease)	% Change
General Fund	$ 215,042,945	$ 227,786,018	$ 12,743,073	5.9%
Special Revenue	98,780,317	111,398,466	12,618,149	12.8%
Debt Service	2,222,150	2,619,909	397,759	17.9%
Capital Improvement	16,008,821	28,433,000	12,424,179	77.6%
Enterprise	393,568,677	399,248,497	5,679,820	1.4%
Internal Service	111,291,567	117,774,674	6,483,107	5.8%
Totals	**$ 836,914,477**	**$ 887,260,564**	**$ 50,346,087**	**6.0%**

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

CITY OF GLENDALE
RESOURCES & APPROPRIATIONS

General Fund Appropriations

The appropriations for the adopted FY 2018-19 General Fund budget, together with comparative appropriations from FY 2017-18, are as follows:

Category	Adopted 2017-18	Adopted 2018-19	Increase / (Decrease)	% Change
Salaries	$ 89,950,763	$ 95,445,174	$ 5,494,411	6.1%
Overtime	8,649,193	9,020,309	371,116	4.3%
Hourly Wages	5,862,839	6,378,557	515,718	8.8%
Benefits (Net salary charges out)	27,644,254	28,359,950	715,696	2.6%
PERS (Net of cost-share)	30,521,273	36,844,519	6,323,246	20.7%
Maintenance & Operation	49,709,318	47,811,257	(1,898,061)	-3.8%
Capital Outlay	125,628	-	(125,628)	-100.0%
Transfers	2,579,677	3,926,252	1,346,575	52.2%
Total General Fund Budget	**$ 215,042,945**	**$ 227,786,018**	**$ 12,743,073**	**5.9%**

As indicated above, the General Fund budget has seen an increase of approximately $12.7 million or 5.9%. The majority of the $12.7 million increase is attributable to the following:

- Salaries and Benefits: $6.3 million increase in PERS costs (net of employee cost sharing); $2.15 million increase for proposed service level adjustments in personnel costs; $1.8 million increase for Workers' Compensation mainly due to an increase in safety rates; Cost of Living Adjustments for GPOA (3.5%), GMA Police Sworn (3.0%), GCEA (1.5%), GMA (1.5%) and Hourly Employees (1.5%). Increases are offset by decreases in Sick Leave and Retiree Health Savings Plan rates due to a reduction in the rates.

- Maintenance & Operation: $1.0 million increase for Liability insurance; $382 thousand for ISD Service Charge; and $152 thousand increase for proposed service level adjustments across various M&O accounts. Increases are offset by decreases of $2.1 million in one-time service level adjustments; $1.0 million in Fleet/Equipment Rental Charge; and $614 thousand in Building Maintenance Rate.

- Transfers/Capital Outlay: $1.0 million increase in transfers due to the 20% transfer of the GSA Loan Repayment to the Low and Moderate Housing Fund; $200 thousand increase in transfer to the Debt Service Fund; and $116 thousand increase in transfer to the Capital Fund. Increases offset by a decrease of $126 thousand in Capital Outlay.

Based on adopted revenues and appropriations, the General Fund is adopted with a surplus of $1.6 million. This is an improvement relative to last year when the budget was adopted with an estimated use of $629 thousand in fund balance. Notwithstanding the changes discussed above, the adopted General Fund Budget for FY 2018-19 represents the City's commitment to deliver quality services while maintaining fiscal responsibility.

CITY OF GLENDALE
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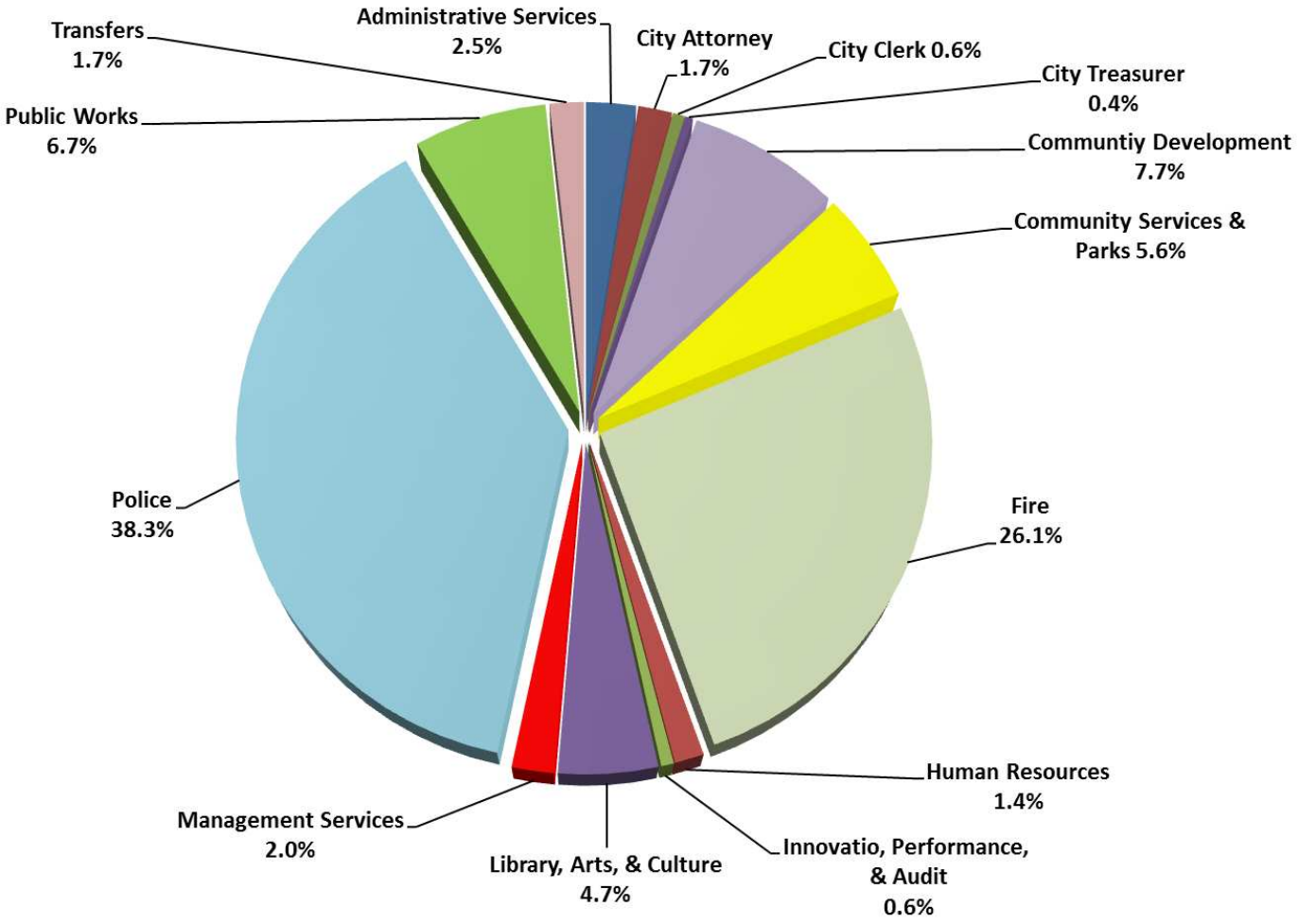
The graph below depicts the FY 2018-19 General Fund appropriations by Department.

FY 2018-19 General Fund Appropriation
$227.8 Million



Special Revenue Fund Appropriations

The $12.6 million increase in the Special Revenue Funds is primarily due to the following:

- *CDBG Fund 201* – The increase of approximately $178 thousand is due to an increase in projected revenue applied towards direct assistance.

- *Housing Assistance Fund 202* – The increase of approximately $5.5 million is due to anticipated increase in HUD funding to be applied towards higher per unit costs as a result of increases in rent.

- *Home Grant Fund 203* – The increase of approximately $710 thousand is due to an increase in HUD funding applied toward direct assistance.

- *Continuum of Care Grant Fund 204* – The increase of approximately $892 thousand is due to an increase in appropriation toward direct assistance.

- *Emergency Solutions Grant Fund 205* – The decrease of approximately $32 thousand is due to a decrease in funding applied toward direct assistance.

- *Workforce Innovation & Opportunity Act Fund 206* – The increase of approximately $300 thousand is mainly due to an increase in funding applied toward direct assistance.

- *Urban Art Fund 210* – The decrease of approximately $203 thousand is due to a decrease in contractual services.

- *Low & Mod Income Housing Asset Fund 213* – The increase of approximately $48 thousand is due to increases in personnel costs.

- *Miscellaneous Grant Fund 216* – The decrease of approximately $557 thousand is due to a decrease in project appropriation relative to last year.

- *Filming Fund 217* – The increase of approximately $128 thousand is due to an increase in overtime for Police and Fire to meet projected filming activity and revenue.

- *Measure M Local Return Fund 222* –The increase of approximately $132 thousand is due to additional personnel charging to projects within this fund.

- *Measure H Fund 224* – This fund was established in FY 2017-18 post budget adoption. The fund carries appropriation for direct assistance and hourly wages to provide services for the homeless.

- *Measure R Local Return Fund 254* – The decrease of approximately $61 thousand is due to less appropriation for capital outlay.

- *Measure R Regional Fund 255* – The increase of approximately $2.8 million is due to an increase in project appropriation relative to last year.

- *Transit Prop A Local Return Fund 256* – The decrease of approximately $346 thousand is due shifting of personnel into the General Fund as well as a decrease in contractual services.

- *Transit Prop C Local Return Fund 257* – The increase of approximately $141 thousand is due to an increase in subsidy to the Transit Utility Fund. Part of this increase is offset by a decrease in personnel costs due to personnel shifts into the General Fund.

- *Transit Utility Fund 258* – The increase of approximately $390 thousand is due to an increase in contractual services and hourly wages.

- *Asset Forfeiture Fund 260* – The decrease of approximately $48 thousand is due to a decrease in personnel costs.

- *Supplemental Law Enforcement Fund 262* – The increase of approximately $49 thousand is due to an increase in personnel costs.

- *Fire Mutual Aid Fund 266* – The increase of approximately $300 thousand is due to an increase in mutual aid activity applied towards salaries and benefits.

- *Special Events Fund 267* – The increase of approximately $714 thousand is due to an increase in overtime to meet projected operations and special event activity.

- *Library Fund 275* – The decrease of $509 thousand is mainly due to less appropriation in direct assistance. In FY 2017-18, $500 thousand in one-time funding received from Robert E. Seiden Trust was programmed into direct assistance. Since this funding was not recurring, the direct assistance appropriation is less relative to last year.

- *Cable Access Fund 280* – The increase of approximately $865 thousand is due to an increase in project appropriation relative to last year.

- *Electric Public Benefit Fund 291* – The increase of approximately $959 thousand is due an increase in contractual services.

- *Hazardous Disposal Fund 510* – The increase of approximately $121 thousand is due to an increase in personnel costs.

- *Parking Fund 520* – The decrease of approximately $293 thousand is due to a decrease in project appropriation relative to last year.

Debt Service Funds

There is only one Debt Service Fund with an appropriation for FY 2018-19: the Police Building Project (Fund 303). The increase in this fund of approximately $398 thousand is mainly due to an increase in interest costs on bonds.

Capital Improvement Funds

Changes in the *Capital Improvement Funds* equated to a net increase of approximately $12.4 million and are attributable to the following:

- *General Fund Capital Improvement Fund 401* –The increase of approximately $10.2 million is a result of an increase in appropriation for projects relative to last year. Some of the major project appropriations for FY 2018-19 within this fund include: $4.0 million for Fremont Park Renovation; $3.0 million for Maryland Paseo & Alley; $2.0 million for Central Park Block; $1.5 million for Purchase of Maryland Retail Units; and $1.5 million for City Hall Building Renovation. These increases in appropriation are offset by reductions in appropriation across various projects relative to last year.

- *State Gas Tax Fund 402* – The increase of approximately $3.5 million is a result of increased project appropriations relative to last year. Some of the major project appropriations for FY 2018-19 within this fund include: $2.2 million for Phase 3 of San Fernando Rehabilitation; $1.2 million for Highland Avenue Rehabilitation; and $1.0 million for Verdugo Blvd Rehabilitation. These increases in appropriation are offset by reductions in appropriation across various projects relative to last year.

- *Parks Mitigation Fee Fund 405* – The increase of approximately $1.5 million is a result of additional project appropriation for the Fremont Park Renovation.

- *Library Mitigation Fee Fund 407* – The decrease of approximately $250 thousand is a result of no new project appropriation relative to last year.

- *CIP Reimbursement Fund 409* – The decrease of approximately $2.1 million is a result of no new project appropriation relative to last year.

- *San Fernando Corridor Tax Share Fund 410* – The decrease of approximately $400 thousand is a result of no new project appropriation relative to last year.

Enterprise Funds

The $5.7 million increase (approximate) in the *Enterprise Funds* is primarily due to the following:

- *Sewer Fund 525* – The increase of approximately $6.8 million is due to an increase in project appropriation relative to last year.

- *Refuse Disposal Fund 530* – The decrease of approximately $103 thousand is due to reduced appropriation for capital outlay. Part of this decrease is offset by an increase in personnel costs and the cost allocation rate.

- *Electric Utility Funds 582, 585, & 588* – The decrease of approximately $8.6 million is mainly attributable to a decrease in purchased power, fuel-natural gas, and regulatory expenses. Part of this decrease is offset by an increase in project appropriation relative to last year.

- *Water Utility Funds 592, 593, 595, & 598* – The increase of approximately $7.5 million mainly attributable to an increase in project appropriation relative to last year as well as personnel costs, the cost allocation rate, and depreciation.

- *Fire Communication Fund 701* – The increase of approximately $32 thousand is due to an increase in personnel costs.

Internal Service Funds

The $6.5 million increase (approximate) in the *Internal Service Funds* is primarily due to the following:

- *Fleet/Equipment Management Fund 601* – The increase of approximately $2.0 million is primarily due to an increase in capital outlay, vehicle maintenance, and equipment.

- *Joint Helicopter Operation Fund 602* – The decrease of approximately $1.7 million is due to no new capital outlay appropriation relative to last year.

- *ISD Infrastructure Fund 603* – The increase of approximately $4.9 million is primarily due to additional project appropriation relative to last year.

- *ISD Applications Fund 604* – The decrease of approximately $1.3 million is primarily due to less project appropriation relative to last year. This decrease is offset by an increase in contractual services.

- *Building Maintenance Fund 607* – The increase of approximately $125 thousand is primarily due to an increase in personnel costs.

- *Unemployment Fund 610* – The increase of approximately $666 thousand is primarily due to a transfer to the Compensation Insurance Fund (614). Since the fund balance is healthy in this fund, on a one-time basis, funding is being transferred to the Compensation Insurance Fund to help improve its negative fund balance. Moving forward, the unemployment insurance rate charged to departments has been adjusted downward to better reflect the needs of the fund.

- *Liability Insurance Fund 612* – The decrease of approximately $1.1 million is primarily due to a reduction in projected claims, litigation and legal consultation fees relative to last year.

- *Compensation Insurance Fund 614* – The increase of approximately $1.5 million is due to increases in contractual services, and the PERS costs for safety employees on worker's compensation leave being charged to this fund as opposed to being charged to the employee home funds.

- *Dental Insurance Fund 615* – The increase of approximately $470 thousand is primarily due to a transfer to the Medical Insurance Fund (Fund 616). Since the fund balance is healthy in this fund, on a one-time basis, funding is being transferred to the Medical Insurance Fund, redirecting funding to another internal service fund with greater needs. The increase is offset by a decrease in claims.

- *Medical Insurance Fund 616* – The decrease of approximately $677 thousand is due to the shifting of Retirees Medicare Part A costs to the Post-Employment Benefits Fund (Fund 642) and anticipated costs in administrative fees and claims.

- Vision Insurance Fund 617 – The increase of approximately $229 thousand is primarily due to a transfer to the Medical Insurance Fund (Fund 616). Since the fund balance is healthy in this fund, on a one-time basis, funding is being transferred to the Medical Insurance Fund, redirecting funding to another internal service fund with greater needs.

- *Employee Benefits Fund 640* – The decrease of approximately $555 thousand is due to anticipated reduction in separation, vacation, and compensation time payouts.

- *RHSP Benefits Fund 641* – The decrease of approximately $500 thousand is due an anticipated reduction in accrued liability and removal of OPEB un-blending payouts.

- *Post-Employment Benefits Fund 642* – The increase of approximately $406 thousand is due to the shifting of Retirees Medical Part A costs and permanent OPEB subsidy costs from the Medical Insurance Fund (Fund 660) into this fund.

- *ISD Wireless Fund 660* – The increase of approximately $2.1 million is primarily due to additional project appropriation relative to last year as well as an increase in depreciation.