



Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: December 1, 2015

TITLE: FISCAL YEAR 2015/16 FIRST QUARTER BUDGET REVIEW AND APPROVAL OF THE REVISED BUDGET

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Receive and file the Fiscal Year 2015/16 First Quarter Budget Review.
2. Adopt Resolution No. 2015-78. A resolution of the City Council of the City of Moreno Valley, California, adopting the revised operating budgets for fiscal years 2015/16 and 2016/17.
3. Approve the new position of Animal Rescue Coordinator; reclassification of two existing positions to Assistant City Attorney and Paralegal, and the associated job classifications.
4. Approve the Position Control Roster. Specific position changes are discussed within this staff report and listed on the Position Control Roster. (Attachment 8)
5. Approve and ratify purchase orders totaling \$180,325 with Moss Bros. Auto Group for the purchase of six replacement vehicles.
6. Approve Procurement Policy #318, Section V.A.7 delegating approval of purchase orders exceeding \$100,000 to the City Manager for purchases of preowned vehicles approved in the Approved Annual Budget.
7. Approve the addition of a Tier 4 cafeteria benefit level of \$18,000 annually for department heads hired on or after November 1, 2015.

SUMMARY

This First Quarter Budget Report updates the Mayor and City Council regarding current year financial trends and provides the Fiscal Year 2015/16 First Quarter Budget Review through September 30, 2015; requests the approval of certain FY 2015/16 revenue and expenditure appropriations; and requests position control adjustments in the way of reclassifications to three existing positions and one new job classification. These items were presented to the Finance Subcommittee on November 23rd for review and discussion.

DISCUSSION

On June 23, 2015, the City Council adopted the Two-Year Operating Budget for Fiscal Years 2015/16 – 2016/17. The budget included all component units of the City, including the General Fund, Community Services District and Successor Agency. During the two-year budget period, the City Council will be kept informed of the City's financial condition through the process of First Quarter and Mid-Year Budget Reviews. These reports are typically provided to the City Council in December and March, respectively. This ongoing process ensures a forum to review expenditure and revenue changes from the estimates made in the budget document. Additionally, any significant changes in projected revenue or unanticipated expenditures will be shared with the City Council should they occur.

This report will provide a FY 2015/16 First Quarter Review for the first three months of FY 2015/16, July through September. The first quarter budget review will focus primarily on the City's General Fund. The General Fund represents the greatest impacts as well as the most budget adjustments that are necessary for the remainder of the year. This review will also present three-month operational results from other key funds.

The City Council's direction of "Maintain a Balanced General Fund Budget" continues to be the goal regarding the fiscal status of City operations. Changes were considered where necessary to adjust for expenditure needs that could not be absorbed within current approved appropriations and to correct some one-time requirements in some funds. This report identifies the budget adjustments as recommended by the City Manager.

This item was scheduled to be reviewed by the Finance Subcommittee on November 23.

FISCAL YEARS 2015/16 FIRST QUARTER:

This First Quarter Report updates the Mayor and City Council regarding current year financial trends and provides the opportunity for the City Council to review the recommended actions as they relate to revenues and expenditures.

General Fund Revenue Update

Revenue receipts do not follow an even schedule. Although 25% of the fiscal year has elapsed, based on historic trends revenues are estimated to be at approximately 10% of the budgeted amount. Actual revenues received are currently 10% of budget. Revenue amounts continue to be stable. Although there will be variances in some of the amounts budgeted, the total is expected to remain within 1% of the amended budget for the year. Total General Fund revenue is estimated to be \$92.4 million. It should be noted that this lag in timing of revenue receipts is one reason an operating cash reserve is necessary.

General Fund Expenditure Update

Although not all expenditures follow a straight-line spending pattern, operating expenditures should track close to within 25% of budget for the year at the end of the first three months. As of September 30, 2015 total General Fund expenditures were at 25.5%. This pace is within expectations for most activities in the General Fund.

FISCAL YEAR 2015/16-2016/17 BUDGET ADJUSTMENTS

Based on economic activity and revenue collections through September 2015, staff is not anticipating that total revenues will produce any significant increases over the amounts originally budgeted. Although there are some increases noted by revised estimates, there are offsetting adjustments that negate these impacts. The increase to the FY 2015/16 General Fund revenues is \$471,832 to approx. \$92.4 million as presented on Exhibit A. For FY 2016/17, the increase to the General Fund revenues is \$16,768 to approximately \$95.4 million as presented on Exhibit A.

The FY 2015/16 General Fund expenditures budget, as currently amended, totals approximately \$91.5 million. The recommended first quarter budget changes increase expenditures by \$531,338 to \$92.0 million. The fund continues to be structurally balanced, without the use of fund balance. The majority of the recommended expenditure increases are represented by increased costs for the State Controller's Office repayment (one interest payment of \$298,513 made per the terms of the Conference and Recreation Center promissory note was deemed unallowable) and foreclosure registration costs which shall be offset with additional revenues. The specific budget adjustments for the General Fund are summarized in Exhibit A attached to the City Council Resolution recommended for approval. For FY 2016/17, the increase to the General Fund expenditures is \$94,716 to approximately \$94.5 million as presented in Exhibit A.

Position Control Actions

The first quarter adjustments also contain position control changes that are requested to better align workloads. The cost of these changes total approximately \$58,000 annually.

The Position Control Roster as amended by the City Council serves as an important internal control tool for the City Council to establish authorized positions for the City

while enabling staff to manage within the authorized and funded approved positions. Position Control addresses career authorized positions and does not include temporary positions. As a result of operational changes, some positions are being requested to be adjusted based on current and projected demands for those positions.

As a follow up to the September 15, 2015 Study Session on the Animal Control Division, the Administrative Services Department is requesting an Animal Rescue Coordinator position. The position will enhance the Animal Services Division's ability to promote a greater number of positive outcomes for homeless pets thereby further reducing the shelter's euthanasia rate. This position will be dedicated to work closely with 501(c)3 non-profit animal rescue organizations and individuals both locally and nationally to facilitate the adoption of homeless pets.

Staff recommends updating the Position Control Roster to reflect an adjustment to the Sr. Financial Analyst within the Moreno Valley Utility to a Financial Analyst. The Sr. Financial Analyst position is currently being underfilled by a Financial Analyst and this action will bring the position title in line with the duties currently being performed by this position.

The Legal Secretary position in the City Attorney's office is classified to provide administrative support functions to the City Attorney's Office. Over time, and with changes to the City Attorney's Office structure, this position has been relied on to perform more analytical and paralegal functions. Current operational needs in the City Attorney's Office include the continued need to have a position classified to perform Paralegal functions, including research, legal drafting, case management and analysis. The reclassification of the position from Legal Secretary to Paralegal allows the office to meet operational needs without paying for additional attorney time. Administrative support functions will continue to be provided by the office's Executive Assistant position.

Similarly, changes in the office structure over the past few years have resulted in the necessity to have an attorney classification capable of supervising and evaluating the City Attorney Department's staff, planning and managing the City Attorney's Department budget, developing, managing, monitoring and reviewing the City Attorney's Departments goals and policies, coordinating with outside legal counsel, paying and processing the City Attorney's Departments invoices. The reclassification of the current Deputy City Attorney III position to Assistant City Attorney will allow for these increased responsibilities not covered by the Deputy City Attorney III classification and continue to provide support directly to the City Attorney.

The following table provides a summary of all position changes:

Department / Position Title		FY 2015/16 Adj.	Budget Impacts
<u>Administrative Services</u>			
Animal Rescue Coordinator	FT	1	\$58,000
<u>Financial & Management Services</u>			
Financial Analyst	FT	1	*
Sr. Financial Analyst	FT	(1)	
<u>City Attorney</u>			
Assistant City Attorney	FT	1	**
Deputy City Attorney III	FT	(1)	
Paralegal	FT	1	**
Legal Secretary	FT	(1)	

* The current budget is based on the current filled position.

** Additional cost shall be absorbed within the current budget.

Procurement Policy Update

The City Council discussed the City's vehicle replacement policy and practice during the FY 2015/16 two-year budget review. As discussed in the budget process, staff outlined a pilot program for "Good Quality" pre-owned vehicles to maximize value for taxpayer dollars. This program will allow the City to capture the value of initial depreciation over the first 1-2 years, while acquiring low-mileage units with the remaining factory warranty, verified history with Carfax and safety inspection. To maximize maintenance efficiencies, staff examined vehicle options that would allow the City to standardize a vehicle brand for each type: sedan, small truck, and medium/heavy duty truck. Due to reliability, consumer reviews, cost effectiveness and availability of two Certified Dodge Master Mechanics on staff, the Dodge brand was selected to replace aging units in the City's vehicle fleet. Based on the City Council's review, staff is proposing a modification to the procurement policy to effectuate this concept.

Following budget approval, staff moved forward to make the initial vehicle purchases under this program. To retain sales tax dollars within our City, staff contacted the local Dodge dealer and negotiated a pricing structure of \$500 over invoice. Additional costs for safety inspection, Carfax history, delivery, DMV, detailing and extra keys were also negotiated on a flat-rate basis.

Six units have been identified for purchase totaling \$180,000. The total cost for low mileage pre-owned units provides the City with an overall savings of just over 30% (equating to nearly \$80,000 on the initial six-vehicle purchase). With significant value obtained through the initial six-unit purchase, staff is recommending Council approval of updates to the Purchasing Policy to support this pilot program while requiring that procurements comply with Council-approved spending limits and ensuring full

transparency for these transactions. Key features of recommended updates to the Procurement Policy (presented as an attachment to this report) include:

- **Approval Authority:** Purchase order approval for all pre-owned vehicles is limited only to those vehicle acquisitions approved by the Council as part of the adopted budget for the current fiscal year.
- **Shop MoVal:** Whenever possible and most cost efficient, purchases will be made from an auto dealer in the City of Moreno Valley to support local jobs and the return of sales tax revenues to the City.
- **Price Verification:** Although the process for purchasing used vehicles is unique (the City must complete the transaction quickly after the dealer locates the specified used vehicle), the City must always validate the purchase price. To do so, the Purchasing Division Manager will compare the offered pricing with at least three used vehicles of similar make, model, age and mileage to verify the pricing is reasonable – before approving the transaction.
- **Transparency:** To provide proper internal control, disclosure and transparency to these purchases, the City Manager will provide a report of all used vehicles purchased with each quarterly budget update report to the City Council. This report will report the budgeted amount for each vehicle, the actual cost of the vehicle purchased and a comparative estimated price had the vehicle been purchased new.

Based upon the savings garnered from the initial six-vehicle purchase, staff believes that the Council's approval of this program in the adopted budget has already generated significant value for the City of Moreno Valley. Council approval of the recommended Purchasing Policy updates will ensure that the pilot program continues to move forward with all appropriate fiscal controls and full disclosures.

Cafeteria Benefit Level

As a future cost control measure, this report recommends establishing a new level of cafeteria benefits for Executive Managers hired on or after November 1, 2015. As proposed, Tier 4 would provide newly hired employees in this category with a level of benefits comparable to those earned by existing employees placed in Tier 3 based upon their hire date. The new Tier would, however, reduce the City's long-term costs by establishing a flat amount to replace the current benefit which is indexed to employee salaries.

This new fourth tier would apply only to department heads (executives) hired after the approval of the change. Any proposed changes to benefits for other groups would have to be negotiated through the meet and confer process; Memoranda of Understanding with employee groups are in place through June 30, 2017.

The City's existing annual cafeteria benefit tiers for department heads are as follows:

Tier I (hired prior to 7/1/09)	Tier II (hired on or after 7/1/09)	Tier III (hired on or after 9/30/11)
\$14,229 + 6% of salary	\$12,600 + 6% of salary	\$9,450 + 4.5% of salary

Notes:

- Figures above reflect annual contributions.
- All City employees in Tier I and Tier II with family medical coverage receive an additional monthly benefit of \$200.
- All City employees in Tier III with family medical coverage receive an additional monthly benefit of \$150.

The benefit dollars in the cafeteria plan are used by the employees to cover medical, dental, vision and other insurance coverage. Any additional costs over and above the cafeteria contributions must be paid by the employee. The average annual cost for family medical, dental and vision plans for the 2016 calendar year is \$21,558.

The proposed Tier IV cafeteria benefit would be set at a flat annual amount of \$18,000. This amount is nearly equal the existing benefit for department heads hired after 9/30/11 but would be fixed and could not be increased without City Council action. Staff recommends that the Tier IV benefit also continue to include the additional \$150 per month for those with family medical coverage as currently provided for all City employees at Tier III.

With the current recruitments of two new department heads due to retirements, approval of the proposed Tier IV would allow the City to realize future cost savings associated with a single flat rate contribution to employee benefits.

Summaries of Other Major Funds

The following provides a summary of some of the proposed budget adjustments to other major funds. A complete list of all changes is identified in Exhibit B to the Resolutions.

Gas Tax (Fund 2000)

There is a budget adjustment recommended for the first quarter that increases expenditures by \$300,354 for FY 2015/16 and by \$193,354 for FY 2016/17 primarily for personnel costs which are being moved from Measure A and to adjust for additional project costs.

Measure A (Fund 2001)

There is a budget adjustment recommended for the first quarter that reduces expenditures by \$203,954 for both fiscal years primarily for personnel costs which are being moved to Gas Tax.

Workers Compensation (Fund 7110)

Fund balances between the General Liability and Workers Compensation are routinely reviewed and balanced to provide funding for eligible costs.

Equipment Maintenance/Fleet Operations

As part of the adoption of the FY 2015/16 budget, \$2,482,909 was appropriated from vehicle replacement reserves for the purchase/replacement of existing vehicle inventory. The Purchasing and Fleet Operations Divisions have been working with Moss Bros. Auto Group to identify and acquire used vehicles which may provide a cost effective replacement rather than the purchase of new vehicles. At this point in time, the City has created purchase orders for \$180,325 for the potential purchase of six vehicles plus taxes and licensing fees. Since these individual vehicle purchases exceed \$100,000, the cumulative purchase amount is being presented to City Council for ratification.

ALTERNATIVES

1. Recommend approval of proposed resolution adopting the revised operating budgets for fiscal years 2015/16 and 2016/17; and approval of the City Manager recommended actions. The approval of these items will allow the City to modify budgets and operations as necessary through this quarterly review. *Staff recommends this alternative.*
2. Do not recommend approval of proposed resolution adopting the revised operating budgets for fiscal years 2015/16 and 2016/17; or recommended actions. *Staff does not recommend this alternative.*

FISCAL IMPACT

The City's Operating and Capital Budgets provide the funding and expenditure plan for all funds. As such, they serve as the City's financial plan for the fiscal year. The fiscal impacts for the proposed budget amendments are identified in Exhibits A and B to the Resolutions.

COMMITTEES

The proposed First Quarter review and budget amendments were presented to the Finance Subcommittee on November 23, 2015 for discussion.

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:

Department Head Approval:

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

ATTACHMENTS

1. FY 2015-16 First Quarter Financial Report
2. Resolution No. 2015-78
3. Exhibit A - General Fund
4. Exhibit B - Non-General Fund
5. Animal Rescue Coordinator - Class Specification
6. Assistant City Attorney - Class Specification
7. Paralegal - Class Specification
8. Position Control Roster
9. Procurement Policy - Redline

APPROVALS

Budget Officer Approval	<u>✓ Approved</u>	11/17/15 10:06 AM
City Attorney Approval	<u>✓ Approved</u>	11/17/15 10:16 AM
City Manager Approval	<u>✓ Approved</u>	11/19/15 9:48 AM



City of Moreno Valley

Fiscal Year 2015/16

First Quarter Financial Summary

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

DATE: November 24, 2015

INTRODUCTION

On June 23, 2015, the City Council adopted the Two-Year Operating Budget for Fiscal Years (FY) 2015/16 – 2016/17. During the two-year budget period the City Council will be kept apprised of the City's financial condition through the process of First Quarter and Mid-Year Budget Reviews. This ongoing process ensures a forum to look at expenditure and revenue deviations from the estimates made in the budget document. Additionally, any significant variances in projected revenue or unanticipated expenditures will be shared with the City Council should they occur.

This report provides a review of the unaudited financial results for the completed FY 2015/16 First Quarter (July 2015 – September 2015, 25% of the fiscal year).

CITYWIDE OPERATING EXPENDITURE SUMMARY

The following table contains a summary of the adopted budget, amended budget and the First Quarter expenditures. The totals represent each major fund type and component unit of the City.

Table 1. Citywide Operating Expenditures

Fund/Component Unit	FY 2015/16 Adopted Budget	FY 2015/16 Amended Budget	Actuals as of 9/30/2015 (unaudited)	% of Amended Budget
General Fund	\$ 90,909,226	\$ 91,458,226	\$ 23,347,732	25.5%
Community Services District (CSD)	19,313,385	19,313,385	3,651,844	18.9%
Successor Agency	5,394,517	5,394,517	1,510,337	28.0%
Housing Fund	72,000	72,000	1,509	2.1%
Special Revenue Funds	27,817,559	45,163,464	5,877,843	13.0%
Capital Projects Funds	2,391,884	15,704,465	2,532,039	16.1%
Electric Utility Funds	23,688,897	23,718,897	3,530,451	14.9%
Internal Service Funds	20,106,545	21,150,980	10,668,169	50.4%
Debt Service Funds	6,237,300	6,237,300	46,909	0.8%
Total	\$ 195,931,313	\$ 228,213,234	\$ 51,166,833	22.4%

Actions taken by the City Council subsequent to the June 23, 2015 adoption of the two-year budget and included in the Amended Budget are:

- On May 26, 2015, the City Council approved the Capital Improvement Plan including approx. \$29.3 million (\$24,000 General Fund) of one-time carryovers from FY 2014/15.
- On September 22, 2015, the City Council approved the first phase of the City's El Niño Storm Preparation Strategy and the expenditure of \$325,000 for preparation and response.
- On October 13, 2015, the City Council approved the appropriation of \$200,000 for planning and design efforts of the Hubbard Street Storm Drain to fast track the project. These funds may be reimbursed by the Riverside County Flood Control and Water Conservation District.
- On November 10, 2015, the city Council approved one-time carryovers from FY 2014/15 with a net impact to the General Fund of \$389,734.
- Throughout the fiscal year there are also budget amendments to reflect the acceptance of grants and adjustments to contractual services and material/supplies. The individual amendments are reviewed as part of separate City Council agenda items.

The majority of this quarterly update will focus on the General Fund, as it supports all basic services provided to City residents. Highlights for other key component funds will be discussed at a summary level as well.

GENERAL FUND OPERATING

Table 2. General Fund Operations

	FY 2015/16 Adopted Budget	FY 2015/16 Amended Budget	Actuals as of 9/30/2015 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 12,072,224	\$ 12,072,224	\$ 429,907	3.6%
Property Tax in-lieu	15,732,303	15,732,303	-	0.0%
Utility Users Tax	15,912,000	15,912,000	3,075,676	19.3%
Sales Tax	19,269,321	19,269,321	1,231,407	6.4%
Other Taxes	9,155,250	9,155,250	645,452	7.1%
Licenses & Permits	2,090,930	2,090,930	536,893	25.7%
Intergovernmental	230,000	230,000	440,158	191.4%
Charges for Services	10,733,409	10,733,409	2,511,441	23.4%
Use of Money & Property	3,469,962	3,469,962	(146,739)	-4.2%
Fines & Forfeitures	623,760	623,760	111,674	17.9%
Miscellaneous	103,400	103,400	29,359	28.4%
Total Revenues	\$ 89,392,559	\$ 89,392,559	\$ 8,865,228	9.9%
Expenditures:				
Personnel Services	18,446,109	18,446,109	3,647,268	19.8%
Contractual Services	61,100,017	61,405,017	16,862,634	27.5%
Material & Supplies	3,614,989	3,634,989	311,385	8.6%
General Government	-	-	-	-
Debt Service	-	-	-	-
Fixed Charges	4,298,728	4,298,728	1,378,086	32.1%
Fixed Assets	50,000	274,000	-	0.0%
Total Expenditures	\$ 87,509,843	\$ 88,058,843	\$ 22,199,373	25.2%
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	1,882,716	1,333,716	(13,334,145)	
Transfers:				
Transfers In	2,492,842	2,492,842	-	0.0%
Transfers Out	3,399,383	3,399,383	1,148,359	33.8%
Net Transfers	\$ (906,541)	\$ (906,541)	\$ (1,148,359)	
Total Revenues & Transfers In	91,885,401	91,885,401	8,865,228	9.6%
Total Expenditures & Transfers Out	90,909,226	91,458,226	23,347,732	25.5%
Net Change of Fund Balance	\$ 976,175	\$ 427,175	\$ (14,482,504)	

General Fund Operating Revenues

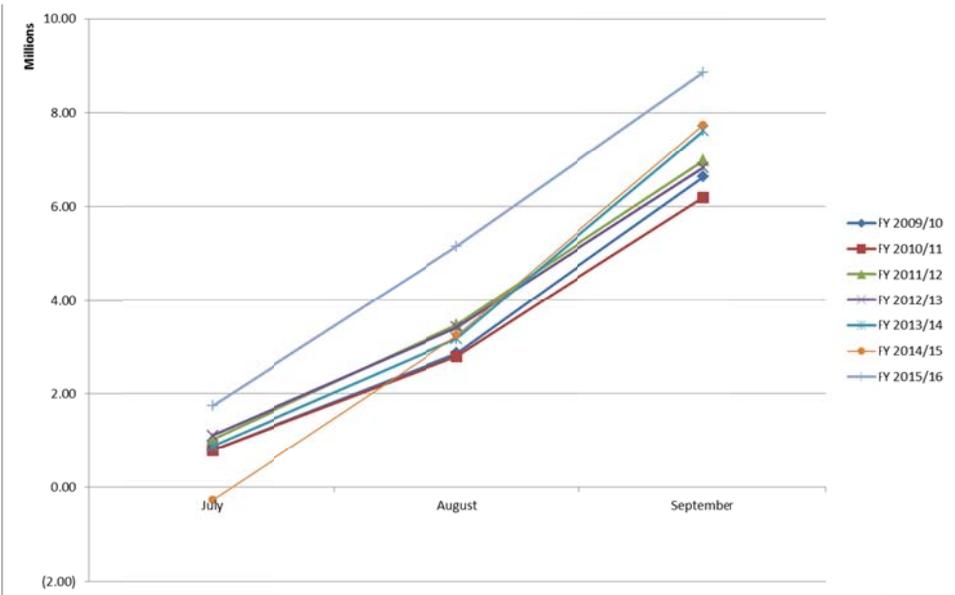
The General Fund is comprised of several revenue types. However, the main sources include property tax, utility users tax, and sales tax. Each of these are affected by different economic activity cycles and pressures.

Table 3. General Fund Operating Revenues

	FY 2015/16 Adopted Budget	FY 2015/16 Amended Budget	Actuals as of 9/30/2015 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 12,072,224	\$ 12,072,224	\$ 429,907	3.6%
Property Tax in-lieu	15,732,303	15,732,303	-	0.0%
Utility Users Tax	15,912,000	15,912,000	3,075,676	19.3%
Sales Tax	19,269,321	19,269,321	1,231,407	6.4%
Other Taxes	9,155,250	9,155,250	645,452	7.1%
Licenses & Permits	2,090,930	2,090,930	536,893	25.7%
Intergovernmental	230,000	230,000	440,158	191.4%
Charges for Services	10,733,409	10,733,409	2,511,441	23.4%
Use of Money & Property	3,469,962	3,469,962	(146,739)	-4.2%
Fines & Forfeitures	623,760	623,760	111,674	17.9%
Miscellaneous	103,400	103,400	29,359	28.4%
Total Revenues	\$ 89,392,559	\$ 89,392,559	\$ 8,865,228	9.9%

The following chart represents a graphical representation comparing total General Fund revenue collections through the first quarter, over a seven year period.

Chart 1. General Fund Revenue Trends



Property Taxes/Property Taxes In-Lieu

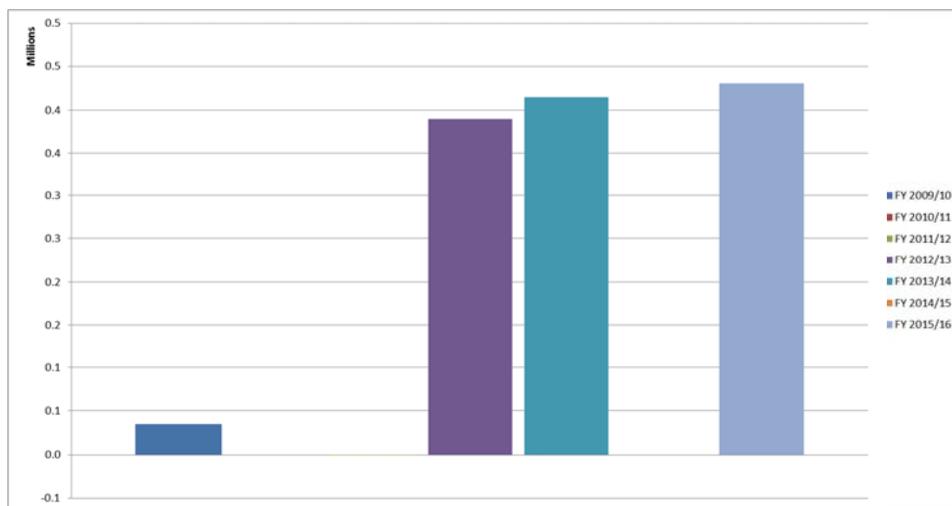
Property taxes were budgeted to increase by 7% from the FY 2014/15 Amended Budget. The annual schedule of property tax payments from the County of Riverside will provide payments to the City based on the following estimated schedule:

Secured Property Tax Payment Dates

Settlement 1	January
Settlement 2	May
Settlement 3	August
Teeter Settlement	October

Based on historical averages of actual receipts, the City is estimated to receive 2% of the budgeted property tax revenue within the first quarter. The City has currently received 2% during the first quarter. Property taxes will continue to be monitored as property valuations may adjust through the year based on property sales and assessment appeals filed with the County.

Chart 2. General Fund First Quarter Revenue Trend – Property Taxes



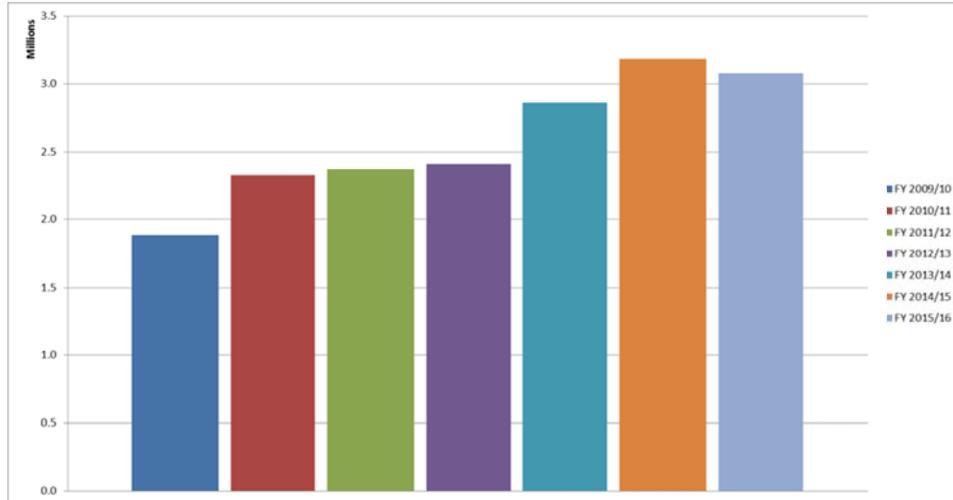
Note: FYs 2010/11, 2011/12 and 2014/15 did not receive any property tax revenues in the first quarter.

Utility Users Tax

Utility Users taxes were budgeted to remain flat from the FY 2014/15 Amended Budget. This projection is primarily due to competitive forces within the communications markets. Both the wireless and wired markets experienced downturns year over year. Based on our discussions with utility tax experts, there are a couple of causes for this trend. First is competition and bundling practices within the market as more small players continue to join the market. Second is the migration of customers from contract plans to prepaid plans. Currently there is no method within the State to capture UUT related to prepaid wireless plans. There is currently legislation in Sacramento trying to address this and close that gap.

Based on historical averages of actual receipts, the City is estimated to receive 13% of the budgeted utility users tax revenue within the first quarter. The City has currently received 19.3% during the first quarter.

Chart 3. General Fund First Quarter Revenue Trend – Utility Users Taxes

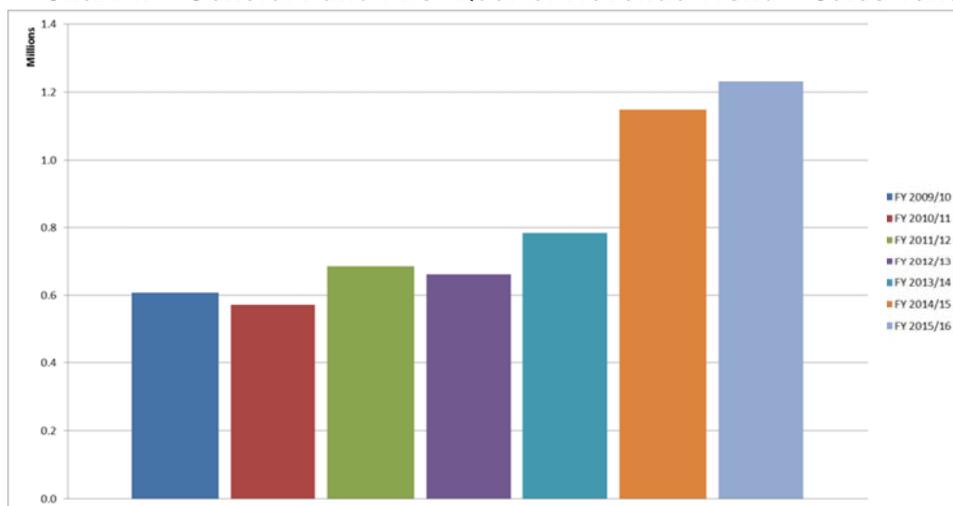


Sales Taxes

Based on the recovering economy and new businesses that began operating in the City, the FY 2015/16 sales tax budget was increased by 9.2%. Sales tax receipts will need to be continually monitored through the year to determine if current trends begin to plateau or begin to decrease.

Based on historical averages of actual receipts, the City is estimated to receive 6% of the budgeted sales tax revenue within the first quarter. The City has currently received 6.4% during the first quarter.

Chart 4. General Fund First Quarter Revenue Trend – Sales Taxes

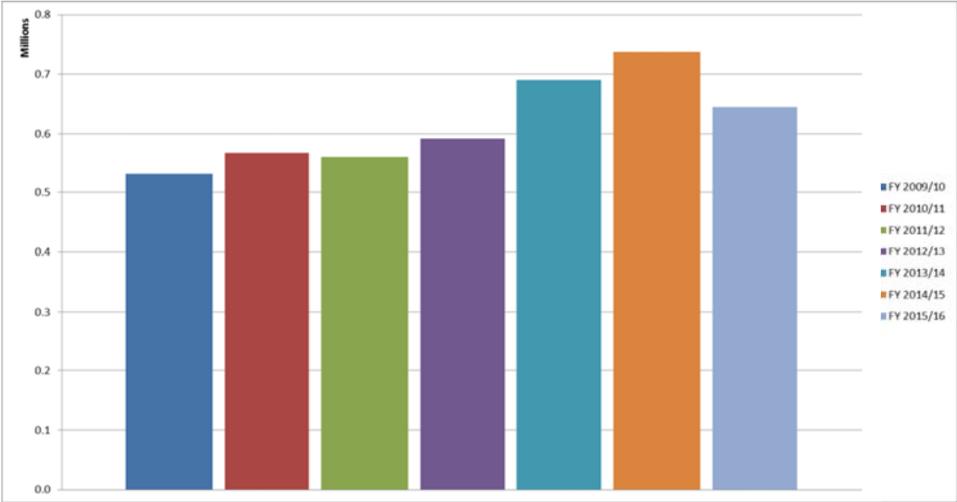


Other Taxes

Other taxes are primarily composed of Business Gross Receipts, Transient Occupancy Tax, Documentary Transfer Tax, and Franchise Fees. Collectively, other taxes were budgeted to increase 10.8% from the FY 2014/15 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 8% of the budgeted Other Taxes revenue within the first quarter. The City has currently received 7.1% during the first quarter.

Chart 5. General Fund First Quarter Revenue Trend – Other Taxes

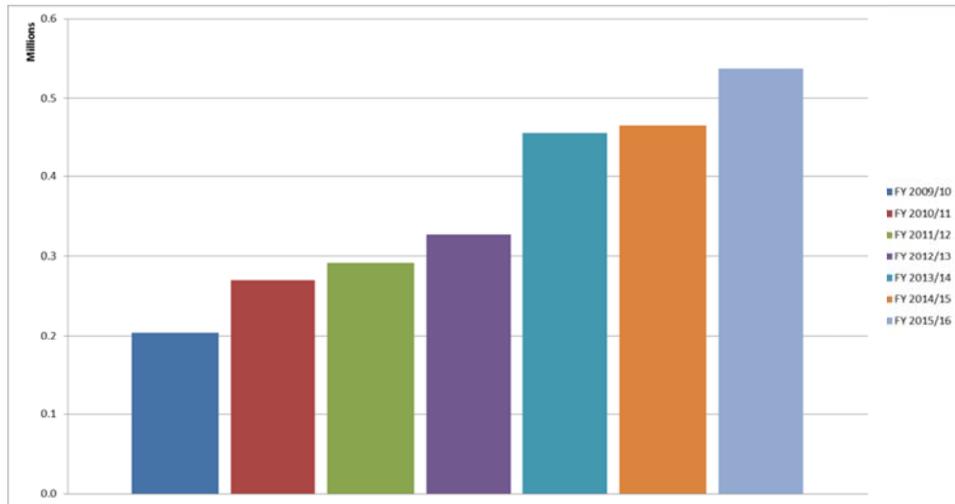


Licenses & Permits

Licenses & Permits are primarily composed of Business and Animal Licenses, along with Building, Electrical, Mechanical, Plumbing and other permits. Collectively, Licenses & Permits were budgeted to increase 37.6% from the FY 2014/15 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 26% of the budgeted Licenses & Permits revenue within the first quarter. The City has currently received 25.7% during the first quarter.

Chart 6. General Fund First Quarter Revenue Trend – Licenses & Permits

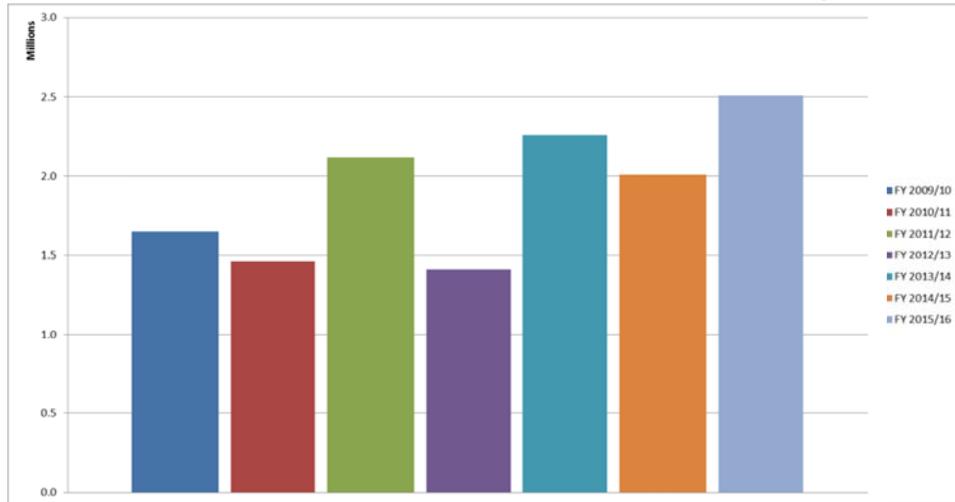


Charges for Services

Charges for Services are primarily composed of Plan Check Fees, Inspection Fees, Administrative Charges to other funds, and Parking Control Fines. Collectively, Charges for Services were budgeted to increase 15.6% from the FY 2014/15 Amended Budget.

Based on historical averages of actual receipts, the City is estimated to receive 22% of the budgeted Charges for Services revenue within the first quarter. The City has currently received 23.4% during the first quarter.

Chart 7. General Fund First Quarter Revenue Trend – Charges for Services



Use of Money and Property

Investment income continues to remain low due to extremely low rates of return for fixed income investments. The investments managed by Chandler Asset Management totaled \$82,154,547 at par and achieved a Yield to Maturity (YTM) for September 2015 of 1.41%. This compares to

a YTM in June 2015 of 1.38% and a YTM in September 2014 of 1.42%. The investments managed by Cutwater Asset Management totaled \$54,180,338 at par and achieved a Yield to Maturity (YTM) for September 2015 of 1.08%. Since Cutwater was assigned a portion of the portfolio in December, the comparative metrics we have available are from June 2015 with a YTM of 1.08% and March 2015 with a YTM of 1.07%. In addition, the City maintained \$17,626,318 in the State Local Agency Investment Fund Pool (LAIF) with a YTM of .34%. This is a very low rate of return compared to historical experience, but is indicative of how investment income is performing everywhere. As the market begins to move upward, there will be less opportunity for these trading gains.

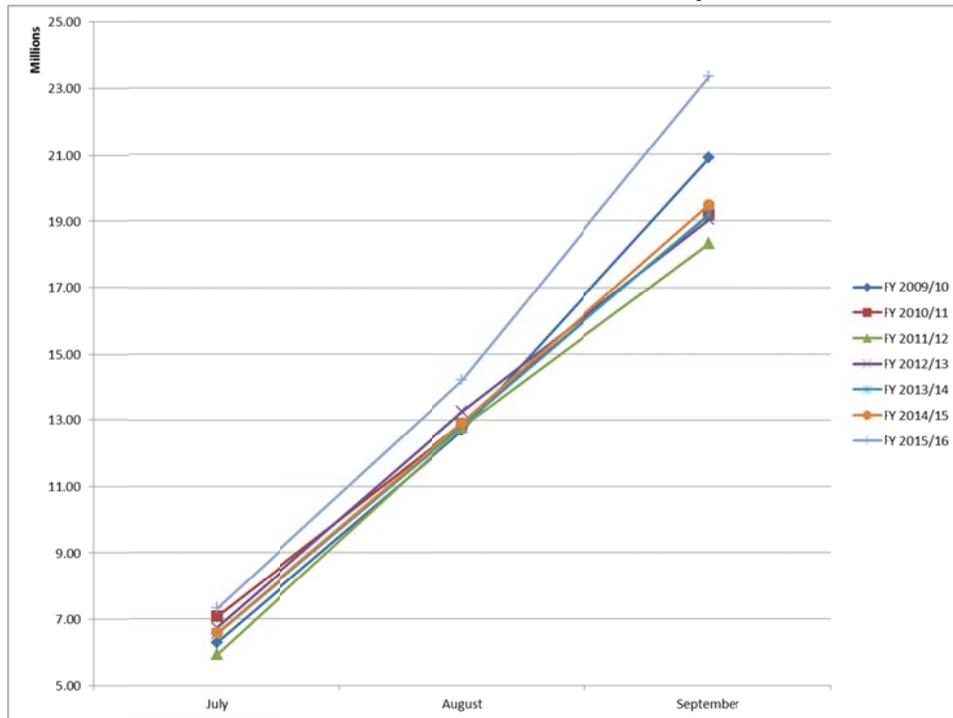
General Fund Expenditures

Expenditures are being spent in-line with prior year expenditures. Each Department's activities will be monitored throughout the year as they may be impacted by different economic activity cycles and pressures.

Table 4. General Fund Expenditures

	FY 2015/16 Adopted Budget	FY 2015/16 Amended Budget	Actuals as of 9/30/2015 (unaudited)	% of Amended Budget
Department				
City Council	\$ 621,116	\$ 805,346	\$ 148,656	18.5%
City Clerk	512,583	512,583	115,019	22.4%
City Manager	1,640,137	1,307,362	265,602	20.3%
City Attorney	723,542	723,542	65,064	9.0%
Community Development	5,624,400	5,624,400	976,446	17.4%
Economic Development	1,129,753	1,129,753	173,816	15.4%
Financial & Management Services	7,496,505	7,645,050	1,477,941	19.3%
Administrative Services	3,938,047	3,938,047	807,533	20.5%
Public Works	7,884,460	8,433,460	1,053,632	12.5%
Non-Departmental	3,973,383	3,973,383	2,247,014	56.6%
Non-Public Safety Subtotal	33,543,926	34,092,926	7,330,723	21.5%
Public Safety				
Police	39,309,484	39,309,484	11,534,779	29.3%
Fire	18,055,816	18,055,816	4,482,230	24.8%
Public Safety Subtotal	57,365,300	57,365,300	16,017,009	27.9%
Total	\$ 90,909,226	\$ 91,458,226	\$ 23,347,732	

Chart 8. General Fund First Quarter Expense Trends



CONTINUED CHALLENGES AND ITEMS OF NOTE

Preserving a balanced City budget over the next several years will require the same level of vigilance and strategic planning which produced the budget. While focusing significant energy to attract and retain local businesses, the City will also contend with fiscal pressures associated with:

- A General Fund subsidy for street lights, along with the impacts of future SCE rate increases;
- Continued cost increases levied by the County for contract law enforcement services;
- Projected cost increases for contract Fire protection;
- Anticipated pension cost increases, exacerbated by revisions to CalPERS rate methodology which had previously smoothed rate increases over longer periods;
- With the dissolution of the prior Redevelopment Agency, there are continued risks that the payment of certain agreements may not be approved by the California Department of Finance, which will impact the General Fund.
- The General Fund's obligation to guarantee debt service payments on the police and fire facilities;
- The restoration of funding for deferred infrastructure maintenance and vehicle replacements during the fiscal downturn.
- The continuation of the existing Utility User Tax.

The City Council's resolve as demonstrated during the budget cycle, along with engaged managers throughout the City organization and a collaborative relationship with our employees should continue to serve us well to successfully address these challenges ahead.

OTHER KEY FUNDS

The following summaries describe other major funds in the City.

Moreno Valley Community Services District

The Moreno Valley Community Services District (CSD) was formed by the voters in 1984 to collect fees and certain taxes to provide an array of services including parks, recreation and community services, streetlights, landscaping and ongoing maintenance. The CSD provides these services through separate "zones" that define the services that are provided.

For certain zones, the primary revenue source used to provide services to properties is parcel fees or taxes levied on properties via their annual tax bill. Proposition 218, passed by California voters in November 1996, has posed a serious challenge to managing the future operation of the CSD zones. Prop. 218 requires any revenue increase to be addressed through a voting process by affected property owners. For a period following the initial implementation of Prop. 218, the CSD was successful in receiving approval for some new or increased revenues. There were also revenue increases due to the growth of developed parcels within the zones. However, due to cost increases that exceed any offsetting increases in the revenues over the past years, and the recent economic downturn slowing new parcel growth, property owners have been resistant to efforts to fully fund service levels.

Table 5. CSD Operations

	FY 2015/16 Adopted Budget	FY 2015/16 Amended Budget	Actuals as of 9/30/2015 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 4,045,429	\$ 4,045,429	\$ 146,528	3.6%
Other Taxes	6,392,300	6,392,300	-	0.0%
Charges for Services	6,162,347	6,162,347	370,159	6.0%
Use of Money & Property	743,900	743,900	159,653	21.5%
Fines & Forfeitures	50,000	50,000	8,933	17.9%
Miscellaneous	9,150	9,150	1,369	15.0%
Transfers In	1,560,375	1,560,375	390,093	25.0%
Total Revenues	18,963,501	18,963,501	1,076,734	5.7%
Expenditures:				
Library Services Fund (5010)	\$ 1,747,334	\$ 1,747,334	\$ 435,449	24.9%
Zone A Parks Fund (5011)	9,068,071	9,068,071	1,991,811	22.0%
LMD 2014-01 Residential Street Lighting Fund (5012)	1,700,769	1,700,769	258,929	15.2%
Zone C Arterial Street Lighting Fund (5110)	1,005,200	1,005,200	140,596	14.0%
Zone D Standard Landscaping Fund (5111)	1,228,678	1,228,678	175,956	14.3%
Zone E Extensive Landscaping Fund (5013)	527,795	527,795	34,941	6.6%
5014 LMD 2014-02	2,326,393	2,326,393	320,248	13.8%
5015 CFD 2014-01	-	-	-	#DIV/0!
Zone M Median Fund (5112)	195,126	195,126	24,936	12.8%
CFD No. 1 (5113)	1,410,481	1,410,481	262,231	18.6%
Zone S (5114)	53,346	53,346	6,747	12.6%
5211 ZONE A PARKS - RESTRICTED ASSETS	50,192	50,192	-	0.0%
Total Expenditures	19,313,385	19,313,385	3,651,844	18.9%
Net Change or Adopted Use of Fund Balance	\$ (349,884)	\$ (349,884)	\$ (2,575,110)	

Community Services District Zone A – Parks & Community Services

The largest Zone within the CSD is Zone A. It accounts for the administration and maintenance of the Parks & Community Services facilities and programs. Funding sources for these services come from a combination of property taxes, fees for service and smaller amounts from other City funds.

Table 6. CSD Zone A Operations

	FY 2015/16 Adopted Budget	FY 2015/16 Amended Budget	Actuals as of 9/30/2015 (unaudited)	% of Amended Budget
Revenues:				
Taxes:				
Property Tax	\$ 2,133,544	\$ 2,133,544	\$ 75,665	3.5%
Other Taxes	4,930,000	4,930,000	-	0.0%
Charges for Services	1,075,350	1,075,350	340,651	31.7%
Use of Money & Property	671,200	671,200	171,554	25.6%
Miscellaneous	7,150	7,150	648	9.1%
Transfers In	521,021	521,021	130,254	25.0%
Total Revenues	9,338,265	9,338,265	718,772	7.7%
Expenditures:				
35010 Parks & Comm Svcs - Admin	\$ 496,229	\$ 496,229	\$ 93,454	18.8%
35210 Park Maintenance - General	3,362,922	3,362,922	714,950	21.3%
35211 Contract Park Maintenance	485,131	485,131	76,826	15.8%
35212 Park Ranger Program	379,377	379,377	72,730	19.2%
35213 Golf Course Program	271,857	271,857	70,952	26.1%
35214 Parks Projects	205,777	205,777	43,437	21.1%
35310 Senior Program	564,102	564,102	120,866	21.4%
35311 Community Services	188,893	188,893	44,904	23.8%
35312 Community Events	82,767	82,767	21,969	26.5%
35313 Conf & Rec Cntr	486,736	486,736	116,945	24.0%
35314 Conf & Rec Cntr - Banquet	342,162	342,162	80,053	23.4%
35315 Recreation Programs	1,333,706	1,333,706	326,712	24.5%
35317 July 4th Celebration	134,054	134,054	53,036	39.6%
35318 Sports Programs	666,855	666,855	134,568	20.2%
35319 Towngate Community Center	67,503	67,503	13,197	19.6%
95011 Non-Dept Zone A Parks	-	-	7,214	#DIV/0!
Total Expenditures	9,068,071	9,068,071	1,991,811	22.0%
Net Change or Adopted Use of Fund Balance	\$ 270,194	\$ 270,194	\$ (1,273,039)	

Electric Utility

The Moreno Valley Utility (MVU) manages the operation, maintenance and business planning of the City's electric utility. MVU's basic purpose is to purchase and distribute electricity to customers in newly developed areas of the City. The City began serving new customers in February 2004, and now serves more than 5,600 customers. As it reaches fiscal and operational maturity, MVU will continue to be a key component of the City's economic development strategy. The City Council has established special tiered rates for electric utility customers based upon factors such as the number of jobs created.

The main revenue source for this fund is derived from charges for services. The customer base includes residential, commercial and industrial customers. The growth in customer base will continue to provide for the ability to create rate stabilization and replacement reserve funding.

Table 7. MVU Operations

	FY 2015/16 Adopted Budget	FY 2015/16 Amended Budget	Actuals as of 9/30/2015 (unaudited)	% of Amended Budget
Revenues:				
Charges for Services	\$ 27,153,398	\$ 27,153,398	\$ 9,961,877	36.7%
Use of Money & Property	80,500	80,500	5,161	6.4%
Miscellaneous	81,721	81,721	29,558	36.2%
Total Revenues	27,315,619	27,315,619	9,996,596	36.6%
Expenditures:				
45510 Electric Utility - General	\$ 18,809,614	\$ 18,809,614	\$ 3,303,910	17.6%
45511 Public Purpose Program	2,740,147	2,740,147	225,932	8.2%
45520 2007 Taxable Lease Rev Bonds	1,831,700	1,831,700	-	0.0%
45530 2005 Lease Revenue Bonds	-	-	-	#DIV/0!
96031 Non-Dept 2013 Refunding 05 LRB	-	-	190	
Total Expenditures	23,381,461	23,381,461	3,530,033	15.1%
Net Change or Adopted Use of Fund Balance	\$ 3,934,158	\$ 3,934,158	\$ 6,466,563	

MVU's revenues and expenses will fluctuate annually based on energy demands.

Chart 9. MVU First Quarter Revenue Trends

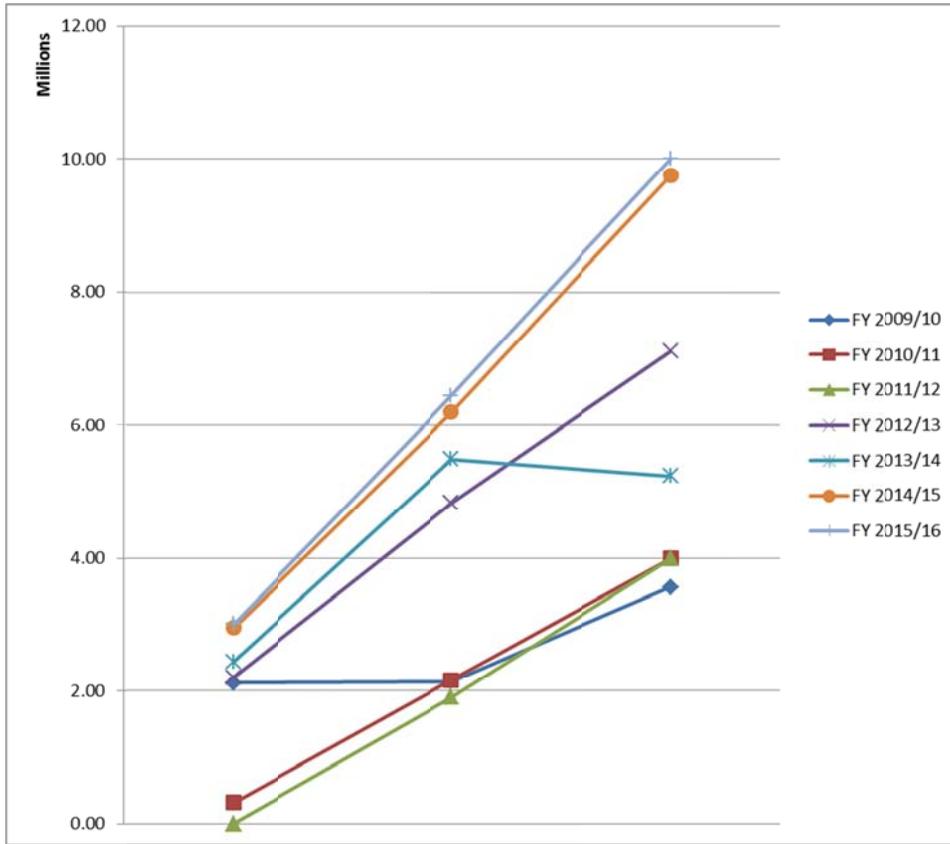
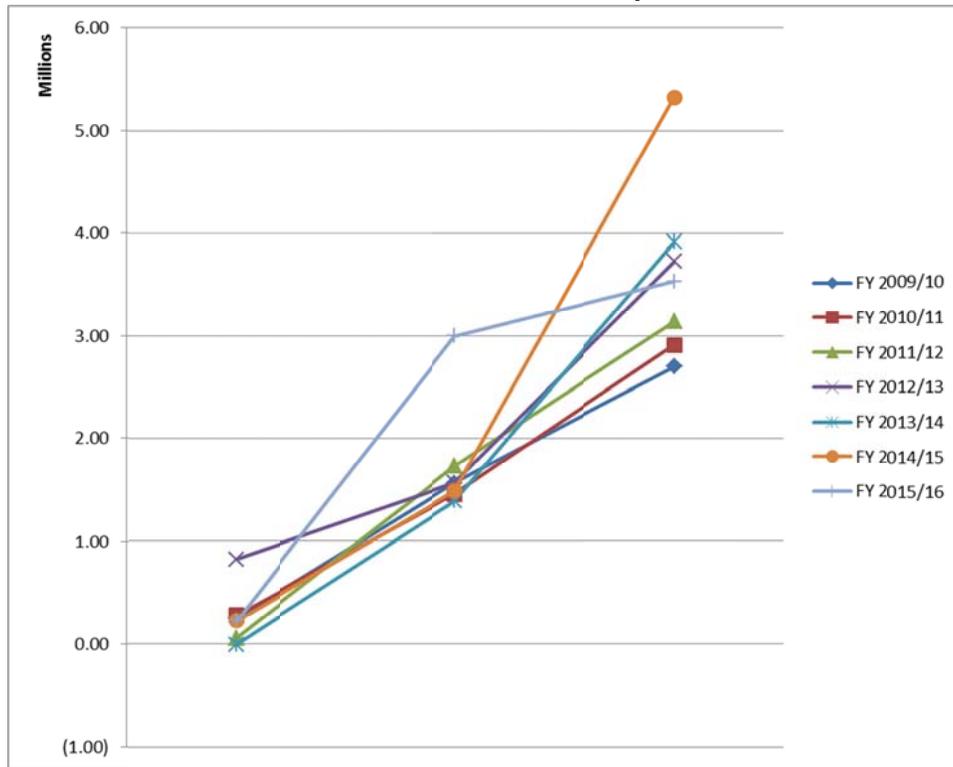


Chart 10. MVU First Quarter Expense Trends



SUMMARY

The City of Moreno Valley is experienced certain levels of recovery following the Great Recession and continues to maintain a balanced Budget without the use of reserves.

Although the City has experienced positive results in some areas through FY 2014/15 and the first quarter of FY 2015/16, the City should remain cautiously optimistic as we proceed though the fiscal year.

As positive fund balances begin to grow, we will bring back to the City Council for discussion options to address the other challenges and unfunded liabilities, as well as examining the reserve fund balances held by the City.

RESOLUTION NO. 2015-78

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, ADOPTING THE REVISED BUDGET FOR FISCAL YEARS 2015/16 – 2016/17

WHEREAS, the City Council approved the Operating Budget for the City for Fiscal Years 2015/16 – 2016/17, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the City Manager has heretofore submitted to the City Council proposed amendments to the Budgets for the City for Fiscal Years 2015/16 – 2016/17, a copy of which, as may have been amended by the City Council, is on file in the Office of the City Clerk and is available for public inspection; and

WHEREAS, the said proposed amendments to the Budgets contain estimates of the services, activities and projects comprising the budget, and contain expenditure requirements and the resources available to the City; and

WHEREAS, the said proposed amendments to the Budgets contain the estimates of uses of fund balance, if required, to stabilize the delivery of City services during periods of operational deficits; and

WHEREAS, the amended Budgets, as herein approved, will enable the City Council to make adequate financial plans and will ensure that City officers can administer their respective functions in accordance with such plans.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The Proposed Amendments to the Budgets, as shown on Exhibits A and B to this Resolution and as on file in the Office of the City Clerk, and as may have been amended by the City Council, is hereby approved and adopted as part of the Budgets of the City of Moreno Valley for Fiscal Years 2015/16 – 2016/17.
2. The Proposed Amendments to Position Control included within the staff report and contained in the Position Control Roster attached as Attachment 5 and on file in the Office of the City Clerk, and as may have been amended by the City Council, is hereby adopted as part of the Approved Position Control of the City of Moreno Valley for Fiscal Years 2015/16 – 2016/17.

3. The amounts of proposed expenditures, which may include the uses of fund balance specified in the approved budget, are hereby appropriated for the various budget programs and units for said fiscal years.
4. Within fifteen (15) days after the adoption of this Resolution, the City Clerk shall certify to the adoption hereof and, as so certified, cause a copy to be posted in at least three (3) public places within the City.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 1st day of December, 2015.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2015-78 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 1st day of December, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

CITY OF MORENO VALLEY
GENERAL FUND
FY 2015/16 Proposed Amendments

EXHIBIT A

Department	Fund	Account Description	GL Account	FY 2015/16 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Community Development	1010	Foreclosure Registration Fees	1010-20-26-20110-525080	\$ -	\$ 150,000	\$ 150,000	New revenue/expense for foreclosure registrations
Admin. Services	1010	Animal Services - Perris Shelter	1010-18-38-18210-500410	81,600	(67,720)	13,880	Loss of revenue from the City of Perris revenue
Financial & Management Svcs	1010	T & M Reimbursed Costs	1010-30-33-25020-583010	50,000	(50,000)	-	Reduce revenue acct 1010-30-33-25020-583010 (T&M Reimbursed Costs). Savings will be reflected in acct 611510 (Reimbursed Salaries In & Out)
Financial & Management Svcs	1010	SB90 State Mandated Costs	1010-99-99-91010-480170	-	435,000	435,000	Recognize one-time SB 90 revenues received from the State
Financial & Management Svcs	1010	Transfer In	1010-99-99-91010-802914	-	4,552	4,552	Final transfer of \$4,552 for DIF study costs
TOTAL REVENUES					\$ 471,832		
Admin. Services	1010	Salaries, Regular	1010-18-38-18210-611110	\$ 970,404	\$ 38,043	\$ 1,008,447	Animal Rescue Coordinator C11, Step C
Admin. Services	1010	Benefits - Bank	1010-18-38-18210-612120	286,137	19,782	305,919	Animal Rescue Coordinator C11, Step C
Admin. Services	1010	Oper Mfrs - Furn & Equip	1010-18-38-18210-630330	48,000	60,000	108,000	Carryover from FY 14/15. for the construction of a Healthy Dog Intake Area at the Moreno Valley Animal Shelter.
Community Development	1010	Professional Svcs - Other	1010-20-26-20110-620299	-	120,000	120,000	New revenue/expense for foreclosure registrations
Financial & Management Svcs	1010	Salaries, Reimbursable (In/Out)	1010-30-33-25020-611510	-	(25,000)	(25,000)	Reduce revenue acct 1010-30-33-25020-583010 (T&M Reimbursed Costs) and reduce expense acct 611510 (Reimbursed Salaries In & Out). based on the last 12 months, the actual reimbursement may be \$25,000 for the year
Financial & Management Svcs	1010	Maint & Repair - Machine Equip	1010-30-39-16210-620930	-	20,000	20,000	Adjustment to cover anticipated maintenance on Machine Repair/Equipment
Financial & Management Svcs	1010	Transfers to SUCCESSORY AGENCY ADMIN FUND	1010-99-99-91010-904800	-	298,513	298,513	Based on an audit of the State Controller's Office the Gen. Fund shall return funds to the Succ. Agency
City Attorney	1010	Professional Svcs - Legal Svcs	1010-14-10-14010-620230	250,000	(20,000)	230,000	Reclassification of employees funded through reduction to contractual services
City Attorney	1010	Salaries, Regular	1010-14-10-14010-611110	236,727	20,000	256,727	Reclassification of employees funded through reduction to contractual services
TOTAL EXPENSES					\$ 531,338		

CITY OF MORENO VALLEY
GENERAL FUND
FY 2016/17 Proposed Amendments

EXHIBIT A

Department	Fund	Account Description	GL Account	FY 2015/16 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Admin. Services	1010	Animal Services - Perris Shelter	1010-18-38-18210-500410	\$ 83,232	\$ (83,232)	\$ -	Loss of revenue from the City of Perris revenue
Community Development	1010	Foreclosure Registration Fees	1010-20-26-20110-525080	-	150,000	150,000	New revenue/expense for foreclosure registrations
Financial & Management Svcs	1010	T & M Reimbursed Costs	1010-30-33-25020-583010	50,000	(50,000)	-	Reduce revenue acct 1010-30-33-25020-583010 (T&M Reimbursed Costs). Savings will be reflected in acct 611510 (Reimbursed Salaries In & Out)
TOTAL REVENUES					\$ 16,768		
Admin. Services	1010	Salaries, Regular	1010-18-38-18210-611110	970,404	39,945	1,010,349	Animal Rescue Coordinator C11, Step C
Admin. Services	1010	Benefits - Bank	1010-18-38-18210-612120	286,137	20,771	306,908	Animal Rescue Coordinator C11, Step C
Community Development	1010	Professional Svcs - Other	1010-20-26-20110-620299	-	120,000	120,000	New revenue/expense for foreclosure registrations
City Attorney	1010	Professional Svcs - Legal Svcs	1010-14-10-14010-620230	250,000	(21,000)	229,000	Reclassification of employees funded through reduction to contractual services
City Attorney	1010	Salaries, Regular	1010-14-10-14010-611110	236,727	21,000	257,727	Reclassification of employees funded through reduction to contractual services
Financial & Management Svcs	1010	Salaries, Reimbursable (In/Out)	1010-30-33-25020-611510	-	(25,000)	(25,000)	Reduce revenue acct 1010-30-33-25020-583010 (T&M Reimbursed Costs) and reduce expense acct 611510 (Reimbursed Salaries In & Out). based on the last 12 months, the actual reimbursement may be \$25,000 for the year
Financial & Management Svcs	1010	Maint & Repair - Machine Equip	1010-30-39-16210-620930	-	20,000	20,000	Adjustment to cover anticipated maintenance on Machine Repair/Equipment
Financial & Management Svcs	1010	Agency Svcs - State	1010-99-99-91010-620310	906,000	(81,000)	825,000	For FY 16/17, the projected expenditure of \$906k will be reduced to \$825k based on updated estimates
TOTAL EXPENSES					\$ 94,716		

CITY OF MORENO VALLEY
NON - GENERAL FUND
FY 2015/16 Proposed Amendments

EXHIBIT B

Department	Fund	Account Description	GL Account	FY 2015/16 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Financial & Management Svcs	3001	Reimbursements - Other Govts	3001-99-99-93001-483010	\$ -	\$ 1,000,000	\$ 1,000,000	These funds are being segregated from the other reimbursement funding that would be captured in Fund 3008 and to easily identify for future Library construction.
Financial & Management Svcs	3008	Reimbursements - Other Govts	3008-99-99-93008-483010	1,000,000	(1,000,000)	-	These funds are being segregated from the other reimbursement funding that would be captured in Fund 3008 and to easily identify for future Library construction.
Public Works	3005	Transfer In	3005-99-99-93005-802903	-	15,500	15,500	Transfer of fund balances between two Fire capital funds
Financial & Management Svcs	4800	Interest Income - Other	4800-30-33-20820-460200	3,150	(1,575)	1,575	Payment of MVU loan to Successor Agency
Financial & Management Svcs	4800	Principal Repayment	4800-30-33-20820-461000	31,500	31,500	63,000	Payment of MVU loan to Successor Agency
Financial & Management Svcs	4800	Transfers in - from GENERAL FUND	4800-99-99-94800-801010	-	298,513	298,513	Based on an audit of the State Controller's Office the Gen. Fund shall return funds to the Succ. Agency
Financial & Management Svcs	7010	Transfer In	7010-99-99-97010-807110	-	600,000	600,000	Transfer to balance the two ISF funds based on actual performance and actuarial valuation
TOTAL REVENUES					\$ 943,938		
Public Works	2000	Salaries, Reimbursable (In/Out)	2000-70-77-45220-611510	\$ (1,790,626)	\$ 107,000	\$ (1,683,626)	Adjusted to reflect a reduction of other project funding sources
Public Works	2000	Salaries, Reimbursable (In/Out)	2000-70-77-45220-611510	(1,790,626)	193,354	(1,597,272)	Move traffic engineer cost to sign/stripping in Measure A
Public Works	2001	Salaries, Reimbursable (In/Out)	2001-70-76-45122-611510	-	(193,354)	(193,354)	Move traffic engineer cost to sign/stripping in Measure A
Public Works	2001	Interest Expense	2001-99-99-92001-670410	10,600	(10,600)	-	Adjusting interest payments to reflect the loan being paid off.
Public Works	2903	Transfer Out	2903-99-95-92903-903005	-	15,500	15,500	Transfer of fund balances between two Fire capital funds
Financial & Management Svcs	2914	Transfer Out	2914-99-95-92914-901010	-	4,552	4,552	Transfer for DIF study costs
Financial & Management Svcs	7110	Transfer Out	7110-99-99-97110-907010	-	600,000	600,000	Transfer to balance the two ISF funds based on actual performance and actuarial valuation
Financial & Management Svcs	7220	CIP Other	7220-30-39-80003-720199	469,285	119,579	588,864	Box Springs Communication Site 803-0011-30-39. Carryover of budget from Radio Repeater System 803-0012-30-39
TOTAL					\$ 836,031		

CITY OF MORENO VALLEY
NON - GENERAL FUND
FY 2016/17 Proposed Amendments

EXHIBIT B

Department	Fund	Account Description	GL Account	FY 2015/16 Amended Budget	Proposed Amendment	Revised Budget	Description - Proposed Adjustment
Financial & Management Svcs	3001	Reimbursements - Other Govts	3001-99-99-93001-483010	-	1,000,000	1,000,000	These funds are being segregated from the other reimbursement funding that would be captured in Fund 3008 and to easily identify for future Library construction.
Financial & Management Svcs	3008	Reimbursements - Other Govts	3008-99-99-93008-483010	1,000,000	(1,000,000)	-	These funds are being segregated from the other reimbursement funding that would be captured in Fund 3008 and to easily identify for future Library construction.
Financial & Management Svcs	4800	Interest Income - Other	4800-30-33-20820-460200	1,575	(1,575)	-	Payment of MVU loan to Successor Agency
Financial & Management Svcs	4800	Principal Repayment	4800-30-33-20820-461000	31,500	(31,500)	-	Payment of MVU loan to Successor Agency
TOTAL REVENUES					\$ (33,075)		
Public Works	2000	Salaries, Reimbursable (In/Out)	2000-70-77-45220-611510	\$ (1,843,144)	\$ 193,354	\$ (1,649,790)	Move traffic engineer cost to sign/stripping in Measure A
Public Works	2001	Salaries, Reimbursable (In/Out)	2001-70-76-45122-611510	-	(193,354)	(193,354)	Move traffic engineer cost to sign/stripping in Measure A
Public Works	2001	Interest Expense	2001-99-99-92001-670410	10,600	(10,600)	-	Adjusting interest payments to reflect the loan being paid off.
TOTAL					\$ (10,600)		

CLASS SPECIFICATION
Animal Rescue Coordinator

GENERAL PURPOSE

Under general supervision, performs a variety of duties necessary for the evaluation and marketing of animals for adoption, development of rescue contacts and transfer of animals to rescue organizations and creates and maintains an active volunteer program that will reduce the number of animals euthanized. Promotes humane care of animals through education and humane, pro-active animal service programs committed to preventing the suffering of animals and ending pet overpopulation while recognizing the value of animal rescue groups to help place companion animals into new homes. May perform other related duties as assigned.

DISTINGUISHING CHARACTERISTICS

Animal Rescue Coordinators showcase and promote animals using social media, videos and photographs, while networking and relationship building with animal rescue groups. Incumbents may perform intake activities including inputting animal data into the department records system, performing vaccinations, conducting preliminary health examinations and animal assessments. Incumbents interact with the public during adoption events, out-processing of fostered, adopted or recovered animals. Work requires contact with sick, injured, unruly and/or vicious animals in accordance with law and City policy and procedure.

Animal Rescue Coordinator is distinguished from Lead Animal Care Technician in that incumbents in the latter class provide lead work direction in addition to performing animal care or rescue duties.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to this class.

1. Development and implementation of animal marketing strategies to increase adoption rates and educational programs relating to animal welfare.
2. Make contacts, develop relationships and serve as the primary point of contact for animal rescue groups and organizations, in order to effectively increase the animal live release rate through the transferring of animals to these groups.
3. Manage, monitor, and promote an effective animal fostering program with outside groups.
4. Conduct initial and annual inspections and background checks as needed to rescue and foster homes that work with agency.
5. Participates regularly in or plans, schedules, set up and assists with animal adoption outreach events that frequently occur on weekends; coordinates spay/neutering of animals in anticipation of outreach activities.

6. Conducts training sessions for animal adoption program and other staff or volunteers on the proper handling, evaluation and adoption of shelter animals.
7. Organize for or transports animals to groomers, veterinarians, adoption outreaches or other locations as needed.
8. Will video and photograph animals to email for breed specific and general interest groups.
9. Maintains records of rescued animals and communications made in attempt to get an animal placed.
10. Provides assistance to the public with contacting individual rescue groups.
11. Stays current with available shelter animals to assess for rescue, and able to follow through with policy and procedures to partner with groups.
12. Assists individuals seeking lost animals or adoptable animals; assists customers in making pet selections; responds to public inquiries regarding care and treatment of animals.
13. Advises public of legal rights and interprets appropriate laws, regulations and policy as they relate to the adoption of animals or transfer of animals to adoption partners; tactfully handle complaints, trying to remedy the problems, gathering evidence and issuing denials, as necessary.
14. Assist in the preparation and completion of grant applications related to reducing pet over-population and increasing positive outcomes for shelter animals.
15. Performs office clerical and administrative duties as assigned.

OTHER DUTIES

1. Treat all animals humanely, with compassion and concern, both on and off the job and transmit these values to others.
2. Assist in the office with preparation of required paperwork and assist in the kennel with the care of animals.
3. Provides microchip services to residents impounded animals, including scanning and implanting chips.
4. Assists as needed with the euthanasia and disposal of animals, as required by City policy and procedures.

QUALIFICATIONS

Knowledge of:

1. Techniques and procedures for the safe, humane and efficient handling of animals.
2. Methods, practices and procedures in the handling, care and feeding of animals, including practices and techniques for handling unruly and/or vicious animals.
3. Basic state, county and local law, ordinances and regulations applicable to the licensing, control, care and protection of animals.

4. Animal behaviors and proper animal handling techniques.
5. Common breeds of domestic animals, their characteristics and behavior patterns.
6. Infectious and contagious diseases of animals and their symptoms.
7. Safe operation of cleaning equipment and chemicals used in the cleaning process.
8. Microchip implantation and scanning techniques.
9. Excellent communication (written & verbal) and public relations skills.

Ability to:

1. Clearly explain animal services to the public and rescue groups.
2. Safely and confidently handle animals of all sizes and temperaments in a humane manner.
3. Learn and follow appropriate procedures for administering medications and vaccinations as directed by a veterinarian.
4. Use computer programs to track history and outcomes while utilizing the existing database.
5. Ability to create and manage an Adoption Partner network.
6. Proficiently maintain records needed to participate in the rescue program.
7. Work independently, be self-motivated and have ability to multi-task while following direction.
8. Demonstrate working in professional manner with others in a fast pace, complex and changing environment.
9. Understand and follow oral and written instructions.
10. Communicate effectively (written & verbal) with the public and provide effective customer service.
11. Apply sound independent judgment in a variety of situations in accordance with established policies and procedures.
12. Exercise tact and good judgment to establish and maintain effective working relationships with other staff, volunteers, rescue groups, the public and others encountered in the course of work.
13. Demonstrate knowledge and ability to euthanize animals.

Education, Training and Experience:

A typical way of obtaining the knowledge, skills and abilities outlined above is graduation from high school or G.E.D. equivalent, and two years of work experience that include working with animals; or an equivalent combination of training and experience.

Licenses; Certificates; Special Requirements:

A valid California driver's license and the ability to main insurability under the City's vehicle insurance policy.

Ability to obtain a P.C. 832 certification and pass a breed identification and symptoms of disease test within one year of employment.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands

While performing the duties of this job, employees are regularly required to use hands to finger, handle, feel or operate objects, tools or control; and reach with hands and arms. The employee is regularly required to stand, walk or sit; talk or hear; stoop, bend, kneel, crouch or crawl. The employee must regularly lift and/or move animals or objects up to 50 pounds and frequently over 100 pounds.

Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and the ability to adjust focus.

Mental Demands

While performing the duties of this class, incumbents are regularly required to use written and oral communication skills; read and interpret data, information and documents; analyze and solve animal care and shelter maintenance problems; use basic mathematics; observe and interpret situations; work with regular interruptions; and interact with other staff, the public and others encountered in the course of work. The employee is occasionally required to deal with dissatisfied or quarrelsome individuals.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Employees regularly work on slippery and uneven surfaces and are exposed to loud noise, odors and dirt. Employees are routinely exposed to dangerous, injured or diseased animals; fecal matter, blood and other hazards; and to various cleaning chemicals.

CLASS SPECIFICATION
Assistant City Attorney

GENERAL PURPOSE

Under general direction, assists in managing operations of the City Attorney's Office and performs a wide range of legal services of a complex nature in representing the City and providing advice and counsel to City staff, the City Council and official City boards and commissions; conducts legal research and drafts legal documents; represents the City and its employees in federal and state litigation and administrative hearings; and performs related duties as assigned.

DISTINGUISHING CHARACTERISTICS

Assistant City Attorney is responsible for providing legal services and counsel on a wide range of highly complex and sensitive legal issues confronting City departments, elected officials, City management, employees and official City boards and commissions. An incumbent is also responsible for assisting the City Attorney in the management and supervision of the City Attorney's Office. Overall assignments are typically complex, require particularized skills and political sensitivity and involve significant risk and consequences for the City. Duties and responsibilities are carried out with considerable independence within the framework of established policies, procedures and guidelines.

Assistant City Attorney is distinguished from Deputy City Attorney in that an incumbent in the former class is responsible for assisting in the management of the City Attorney's Office and is responsible for the more complex cases involving a higher degree of sensitivity and greater risk and consequences for the City.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to this class.

1. Assists in planning, organizing, supervising and evaluating work the City Attorney's Office; with staff, develops, implements and monitors work plans to achieve assigned goals and objectives; contributes to development of and monitoring of performance against the annual Office budget; participates in developing, implementing and evaluating work programs, plans, processes, systems and procedures to achieve Office and City goals, objectives and performance measures consistent with the City's quality and service expectations; assists in planning and evaluating the performance of Office staff.
2. Provides legal advice to City executives and managers on a wide range of law and regulations, including employment, environment, real estate, right of way, construction, tort liability, public records, Brown Act, conflicts of interest and public agency powers, obligations and limitations; conducts research and provides opinions and advice regarding the duties, powers, functions and

obligations of City departments and related bodies; provides risk assessments and advice to elected officials and City staff on current legal issues; provides advice and direction to ensure City compliance with legal requirements; reviews documents for legality; determines priorities and timelines for the resolution of numerous competing legal issues.

3. Prepares and litigates or oversees private counsel in litigating City cases in all areas of law and commercial, business and construction disputes, including the review, analysis and investigation of claims made against the City and its employees; represents the City and its employees in state and federal litigation; prepares for trial by investigating and mastering non-legal information and facts, legal provisions, statutes, case law and City Code; investigates claims and defenses raised by claimants; interviews witnesses; conducts document discovery; investigates and locates evidentiary materials; performs legal research; tries cases; drafts appellate briefs and oral arguments before state and federal appellate courts; participates in negotiations and settlement discussions; prepares cost/benefit analyses of pursuing litigation versus other forms of resolution; prepares and takes depositions; selects expert witnesses; files pre-trial pleadings and motions; drafts hearing briefs; handles appeals.
4. Researches legal issues and statutory and case law; drafts and reviews opinions, ordinances, resolutions, Code amendments, contracts, leases, deeds and other legal documents and instruments; drafts and approves ordinances, resolutions and contracts as to form and legality; prepares oral and written legal opinions for City departments and staff; drafts, reviews and finalizes legal documents; reviews and approves contracts; drafts explanatory memoranda on legal implications of complex issues; reviews department documents for legal sufficiency.
5. Attends meetings of and provides advice to the City Council and other official boards and commissions as requested by the City Attorney; represents the City in administrative hearings before City bodies and state and federal agencies; represents the City in negotiations to resolve issues involving litigation risk.
6. Reviews proposed legislation for policy and fiscal impacts on the City; advises City staff on legal and policy issues; monitors and prepares comments on proposed federal and state legislation and regulation; recommends changes in City policies and practices in order to comply with legal requirements..
7. Responds to complex public records requests; provides interpretations of City Code provisions to citizen and public official requests.

OTHER DUTIES

1. Keeps abreast of City functions, programs and operations and monitors changes in law and regulations for impacts.
2. Assists other attorneys in all phases of legal work on complex litigation.
3. Answers correspondence and public inquiries on legal matters related to City business.

QUALIFICATIONS

Knowledge of:

1. Principles and practices of civil and administrative law, especially as they relate to municipal governments.
2. State and federal court procedures and rules of evidence.
3. Interview techniques and methods and strategies for case preparation.
4. Pleadings and effective practices and techniques in the presentation of court cases.
5. Principles, methods and techniques of legal research and investigation.
6. City Council procedures, filing requirements and deadlines, as well as parliamentary procedures found in Code provisions that govern Council proceedings.
7. Municipal Code, state and federal law and regulation, court decisions and other legal requirements applicable to municipal government functions, operations and staff.
8. The Brown Act, the Fair Political Practices Act, the Public Records Act and other state laws and court cases applicable to municipalities and public bodies.
9. Principles and practices of legal communication.
10. Responsibilities and obligations of public officials and administrative agencies in the State of California.
11. Principles and practices of effective supervision.
12. City human resources policies and procedures and labor contract provisions.

Ability to:

1. Prepare legal briefs and other legal documents and instruments.
2. Define issues, perform legal research, analyze problems, evaluate alternatives and develop sound conclusions and recommendations.
3. Present statements of fact, law and argument clearly, logically and persuasively.
4. Exercise sound, independent judgment within general policy guidelines and legal parameters.
5. Interpret state and federal laws, regulations, legislation and constitutional provisions affecting municipal operations.
6. Develop sound litigation strategy and represent the City effectively in hearings, courts of law and meetings.
7. Prepare clear, concise and comprehensive correspondence, reports and other written materials.
8. Use effective written and oral communication skills, including explaining complex and unfamiliar principles to non-technical audiences.

9. Advocate for the City in presenting statements of fact, law and argument clearly, logically and persuasively.
10. Objectively and neutrally evaluate witnesses, legal materials and evidence.
11. Organize, set priorities and exercise sound independent judgment within areas of responsibility.
12. Remain neutral on issues where there are competing political agendas.
13. Conduct computer assisted legal research and investigation.
14. Use a high degree of tact, discretion and diplomacy in dealing with sensitive situations and concerned or upset individuals.
15. Develop and maintain effective working relationships with elected officials, City management and staff, officers of the court, litigants and their attorneys, complainants, representatives of other public agencies, business and community leaders, media representatives, City residents, the public and others encountered in the course of work.

Education, Training and Experience:

A typical way of obtaining the knowledges, skills and abilities outlined above is graduation from a four-year college or university; graduation with a juris doctor degree from an accredited law school; and at least seven years of progressively responsible experience in the practice of civil law and civil litigation defense in a municipal setting.

Licenses; Certificates; Special Requirements:

Admission to the Bar of the State of California and admission to practice law before State of California and federal courts.

A valid California driver's license and the ability to maintain insurability under the City's vehicle insurance policy.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands

While performing the duties of this job, the employee is regularly required to sit; talk or hear, both in person and by telephone; use hands to finger, handle and feel computers and standard business equipment; and reach with hands and arms. The employee is frequently required to stand and walk.

Specific vision abilities required by this job include close vision and the ability to adjust focus.

Mental Demands

While performing the duties of this class, the incumbent is regularly required to use written and oral communication skills; read and interpret complex data, information and documents; analyze and solve complex problems; use math/mathematical reasoning; perform highly detailed work under changing, intensive deadlines, on multiple concurrent tasks; work with constant interruptions, and interact with elected officials, City management and staff, officers of the court, litigants and their attorneys, complainants, representatives of other public agencies, business and community leaders, media representatives, City residents, the public and others encountered in the course of work.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

The employee works under typical office conditions, and the noise level is usually quiet.

CLASS SPECIFICATION**Paralegal****GENERAL PURPOSE**

Under general supervision, performs a wide range of legal support work in conjunction with the City Attorney's Office; conducts legal research, including state and federal case law, statutes and legislation; prepares legal documents, including all court filings and litigation related correspondence; assists attorneys in litigation of civil and criminal cases; reviews and prepares contracts, agreements and citations for attorney approval; and performs a wide range of paralegal and legal secretarial duties as assigned.

DISTINGUISHING CHARACTERISTICS

Paralegal is distinguished from Legal Secretary by their responsibilities of conducting factual or legal research; analyzing situations and recommending an effective course of action; working with a substantially greater degree of skill and independence; communicating effectively both orally and in writing; reading and understanding statutes, court decisions, and legal documents; and obtaining data through interviewing clients.

ESSENTIAL DUTIES AND RESPONSIBILITIES

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to this class.

1. Performs legal research; prepares documents for civil litigation and code enforcement; and organizes and maintains litigation and litigation form files.
2. Composes, types and compiles pleadings, including answers, complaints, motions, appellate and trial briefs, affidavits, discovery and other legal documents and related correspondence, case memoranda, reports, and exhibits.
3. Supports in-house staff as needed in coordinating legal activities, such as, assist with depositions, trials and other legal events; inform attorneys of pertinent activities; schedules and arranges meetings for attorneys, calendar, organize, monitors and retrieves all court dates, legal deadlines, meetings and other important dates; arrange, contacts and coordinates investigators and experts; requests subpoenas of records and/or witnesses and review documents; and maintains telephone contact with courts, witnesses and outside counsel.
4. Prepares ordinances and resolutions as assigned. Prepares and maintains a variety of records, reports and files related to the City Attorney's office.
5. Reviews and processes finished materials for completeness, accuracy, format, compliance with local, state and federal rules and policy procedures, and appropriate English usage; reviews contracts and

agreements for compliance with standardized forms; reviews citations of case law, statutes, and City codes.

6. Perform secretarial duties; answering phones, filing, etc.
7. Formulates and implements new and revised office procedures and forms.
8. Participates in budget preparation and administration; Monitors and controls expenditures.
9. Reviews contracts, bonds and insurance certifications.
10. Maintains law library.
11. Perform other duties as assigned.

QUALIFICATIONS

Knowledge of:

1. Legal terminology, procedures and the format for legal documents.
2. Standard office administrative and secretarial practices and procedures as well as local court rules and procedures, pleading practices and litigation protocol.
3. Computer applications used in the course of work, such as, legal research databases, word-processing, spreadsheet and graphical presentation.
4. Correct English grammar, spelling and usage.
5. Basic business arithmetic.
6. Organization, functions and activities of the City Attorney's office and municipal government.
7. Legal office and secretarial procedures and requirements.
8. Federal and State Court rules and procedures.
9. Criminal and civil law functions of the legal office.
10. Modern office practices, procedures and equipment.
11. Interpersonal skills using tact, patience and courtesy.
12. City and department organization, operations, policies and objectives.
13. Proper telephone techniques and etiquette.

Ability to:

1. Perform a variety of responsible paraprofessional and legal secretarial duties in support of attorneys.
2. Research and analyze case law, statutes, regulations and legislation.

3. Properly interpret, apply, explain and make recommendations in accordance with laws, regulations, policies, codes and procedures.
4. Operate a computer to enter data, maintain records and generate reports; and utilize software applications, such as, legal research databases, word-processing, legal calendar and file management, spreadsheet, and graphics presentation as required by the duties of the job.
5. Analyze and resolve office administrative situations and problems.
6. Maintain accurate records and files, and calendar court dates and calculate litigation deadlines.
7. Organize work, set priorities, meet critical deadlines.
8. Perform work with minimal supervision.
9. Provide excellent customer service skills, including phone reception and direction.
10. Communicate effectively both orally and in writing.
11. Maintain sensitive and confidential information.
12. Establish and maintain highly effective working relationships with City officials, staff, outside legal staff, litigants and claimants and others encountered in the course of work.

Education, Training and Experience:

A typical way of obtaining the knowledge, skills and abilities outlined above is graduation from high school or G.E.D. equivalent, and three years of progressively responsible experience performing journey level paralegal and legal secretarial work in a law office or municipal setting; or an equivalent combination of training and experience.

Licenses; Certificates; Special Requirements:

A valid California driver's license and the ability to maintain insurability under the City's vehicle insurance policy.

Possession of a certificate from an approved Paralegal Certification Program.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Physical Demands

While performing the duties of this class, employees are regularly required to sit; talk or hear, both in person and by telephone; and use hands to operate, finger, handle or feel office equipment; and reach with hands and arms. The employee is frequently required to stand and walk and lift up to 10 pounds. Specific vision abilities required by this job include close vision and the ability to adjust focus.

Mental Demands

While performing the duties of this class, employees are regularly required to use written and oral communication skills; read and interpret data; analyze and solve problems; learn and apply new information; perform highly detailed work on multiple, concurrent tasks; meet intensive and changing deadlines and interact with City officials, staff, outside legal staff, litigants and claimants, the public and others encountered in the course of work.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. An employee works under typical office conditions, and the noise level is usually quiet.

City of Moreno Valley
FY 2015/16 - 2016/17
City Position Summary

Position Title	FY									
	2010/11	2011/12	2012/13	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17
	No.	No.	No.	No.	Adj.	No.	Adj.	No.	Adj.	No.
Accountant I	2	2	2	2	-	2	(1)	1	-	1
Accountant II	-	-	-	-	1	1	-	1	-	1
Accounting Asst	5	3	3	3	-	3	-	3	-	3
Accounting Technician	4	4	4	3	-	3	(1)	2	-	2
Accounts Payable Supervisor	1	1	1	1	-	1	-	1	-	1
Administrative Asst	5	5	5	8	(1)	7	-	7	-	7
Administrative Services Dir	1	1	1	1	-	1	-	1	-	1
After School Prog Coordinator	4	-	-	-	-	-	-	-	-	-
After School Prog Specialist	8	-	-	-	-	-	-	-	-	-
After School Prog Supervisor	1	-	-	-	-	-	-	-	-	-
Animal Care Technician	4	4	4	4	-	4	1	5	-	5
Animal Control Officer	7	7	7	7	-	7	-	7	-	7
Animal Rescue Coordinator	-	-	-	-	-	-	1	1	-	1
Animal Services Asst	2	2	2	2	-	2	2	4	-	4
Animal Svcs Dispatcher	2	1	1	2	-	2	(1)	1	-	1
Animal Svcs Division Manager	1	1	1	1	-	1	-	1	-	1
Animal Svcs Field Supervisor	1	1	1	1	-	1	-	1	-	1
Animal Svcs License Inspector	1	1	1	1	-	1	-	1	-	1
Animal Svcs Office Supervisor	1	1	1	1	-	1	-	1	-	1
Applications & DB Admin	1	1	1	1	-	1	-	1	-	1
Applications Analyst	1	1	1	1	-	1	-	1	-	1
Assistant City Attorney	-	-	-	-	-	-	1	1	-	1
Assistant City Clerk	-	-	-	-	-	-	-	-	-	-
Assoc Environmental Engineer	1	1	1	1	-	1	-	1	-	1
Associate Engineer	6	5	5	5	-	5	(1)	4	-	4
Associate Planner	4	4	4	4	-	4	-	4	-	4
Asst Buyer	2	2	2	2	-	2	-	2	-	2
Asst City Manager	1	1	1	1	-	1	-	1	-	1
Asst Crossing Guard Spvr	1	1	1	1	-	1	-	1	-	1
Asst Network Administrator	1	1	1	1	-	1	-	1	-	1
Asst to the City Manager	1	1	1	1	-	1	(1)	-	-	-
Asst. Applications Analyst	-	-	-	-	-	-	-	-	-	-
Banquet Facility Rep	1	1	1	1	-	1	-	1	-	1
Budget Officer	1	-	1	-	-	-	-	-	-	-
Building & Neighborhood Services Div Mgr	-	-	-	1	-	1	(1)	-	-	-
Building Safety Supervisor	-	-	-	-	-	-	1	1	-	1
Building Div Mgr / Official	1	1	1	-	-	-	-	-	-	-
Building Inspector I I	4	4	4	4	-	4	-	4	-	4
Business License Liaison	-	-	-	-	-	-	1	1	-	1
Bus. Support & Neigh Prog Admin	1	1	1	-	-	-	-	-	-	-
Cable TV Producer	2	2	2	2	-	2	-	2	-	2
Chief Financial Officer/City Treas	1	1	1	1	-	1	-	1	-	1
Child Care Asst	5	5	5	4	-	4	-	4	-	4
Child Care Instructor I I	5	5	5	4	-	4	-	4	-	4
Child Care Program Manager	1	1	1	1	-	1	-	1	-	1
Child Care Site Supervisor	5	5	5	4	-	4	-	4	-	4
City Attorney	1	1	1	1	-	1	-	1	-	1
City Clerk	1	1	1	1	-	1	-	1	-	1
City Manager	1	1	1	1	-	1	-	1	-	1
Code & Neigh Svcs Official	1	1	1	-	-	-	-	-	-	-
Code Compliance Field Sup.	-	-	-	1	-	1	-	1	-	1
Code Compliance Officer I/I I	5	5	5	6	-	6	-	6	-	6
Code Supervisor	-	-	-	-	-	-	-	-	-	-
Comm & Economic Dev Director	1	1	1	1	(1)	-	-	-	-	-
Community Dev Director	1	-	-	-	1	1	-	1	-	1
Community Svcs Supervisor	1	1	1	1	-	1	-	1	-	1
Construction Inspector	4	5	5	5	-	5	-	5	-	5
Crossing Guard	35	35	35	35	-	35	-	35	-	35
Crossing Guard Supervisor	1	1	1	1	-	1	-	1	-	1

City of Moreno Valley
FY 2015/16 - 2016/17
City Position Summary

Position Title	FY									
	2010/11	2011/12	2012/13	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17
	No.	No.	No.	No.	Adj.	No.	Adj.	No.	Adj.	No.
Customer Service Asst	1	1	1	-	-	-	-	-	-	-
Dep PW Dir /Asst City Engineer	1	1	1	1	-	1	-	1	-	1
Deputy City Attorney I I I	2	2	2	-	1	1	(1)	-	-	-
Deputy City Clerk	1	1	1	1	-	1	-	1	-	1
Deputy City Manager	-	-	-	-	-	-	-	-	-	-
Dep. Comm & Economic Dev Director	-	-	-	-	-	-	-	-	-	-
Development Svcs Coordinator	1	1	-	-	-	-	-	-	-	-
Economic Dev Director	-	-	-	-	1	1	-	1	-	1
Economic Dev Mgr	-	-	-	-	-	-	1	1	-	1
Electric Utility Division Mgr	1	1	1	1	-	1	-	1	-	1
Electric Utility Program Coord	1	1	1	1	-	1	-	1	-	1
Emerg Mgmt & Vol Svc Prog Spec	2	1	1	1	-	1	-	1	-	1
Emerg Mgmt & Vol Svcs Prog Mgr	1	1	1	1	-	1	-	1	-	1
Engineering Division Manager	1	1	1	1	-	1	-	1	-	1
Engineering Technician I I	1	1	1	1	-	1	-	1	-	1
Enterprise Systems Admin	1	1	1	1	-	1	-	1	-	1
Environmental Analyst	1	1	1	1	-	1	-	1	-	1
Equipment Operator	4	4	4	4	-	4	-	4	-	4
Exec Asst to Mayor / City Council	1	1	1	1	-	1	-	1	-	1
Exec. Assistant to the City Manager	-	-	-	-	-	-	-	-	-	-
Executive Asst I	7	7	9	9	-	9	(1)	8	-	8
Executive Asst I I	1	1	1	1	-	1	-	1	-	1
Facilities Maint Mechanic	1	1	1	1	-	1	-	1	-	1
Facilities Maint Worker	3	3	3	3	(1)	2	1	3	-	3
Facilities Maintenance Spvr	1	-	-	-	-	-	-	-	-	-
Financial Analyst	-	-	-	-	-	-	1	1	-	1
Financial Operations Div Mgr	1	1	1	1	-	1	-	1	-	1
Financial Resources Div Mgr	-	-	-	1	-	1	-	1	-	1
Fire Inspector I	-	-	-	2	-	2	(2)	-	-	-
Fire Inspector I I	2	2	2	2	(1)	1	(1)	-	-	-
Fire Marshall	1	1	1	1	(1)	-	-	-	-	-
Fire Safety Specialist	1	1	1	2	(1)	1	(1)	-	-	-
Fleet Supervisor	-	-	-	-	-	-	1	1	-	1
GIS Administrator	1	1	1	1	(1)	-	-	-	-	-
GIS Specialist	1	1	1	1	-	1	-	1	-	1
GIS Technician	1	1	-	-	1	1	-	1	-	1
Housing Program Coordinator	1	1	1	1	-	1	-	1	-	1
Housing Program Specialist	3	3	3	-	-	-	-	-	-	-
Human Resources Analyst	1	1	1	1	-	1	-	1	-	1
Human Resources Technician	2	1	-	-	-	-	-	-	-	-
Info Technology Technician	2	2	2	2	-	2	-	2	-	2
Landscape Development Coord	1	1	-	-	-	-	-	-	-	-
Landscape Irrigation Tech	1	1	1	1	-	1	-	1	-	1
Landscape Svcs Inspector	7	5	3	2	-	2	-	2	-	2
Landscape Svcs Supervisor	-	-	-	-	1	1	-	1	-	1
Lead Animal Care Technician	1	1	1	1	-	1	-	1	-	1
Lead Facilities Maint Worker	-	-	-	-	1	1	-	1	-	1
Lead Maintenance Worker	3	3	3	3	-	3	1	4	-	4
Lead Parks Maint Worker	5	5	5	5	-	5	1	6	-	6
Lead Traffic Sign/Marking Tech	2	2	2	2	-	2	-	2	-	2
Lead Vehicle / Equip Tech	1	1	1	1	-	1	(1)	-	-	-
Legal Secretary	1	1	1	1	-	1	(1)	-	-	-
Lib Serv Div Mgr	1	1	1	-	-	-	-	-	-	-
Librarian	4	4	4	-	-	-	-	-	-	-
Library Asst	13	13	13	-	-	-	-	-	-	-
Library Circulation Supervisor	1	1	1	-	-	-	-	-	-	-
Maint & Operations Div Mgr	1	1	1	1	-	1	-	1	-	1
Maintenance Worker I	-	-	-	7	(7)	-	-	-	-	-
Maintenance Worker II	1	1	1	1	(1)	-	-	-	-	-

City of Moreno Valley
FY 2015/16 - 2016/17
City Position Summary

Position Title	FY									
	2010/11	2011/12	2012/13	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17
	No.	No.	No.	No.	Adj.	No.	Adj.	No.	Adj.	No.
Maintenance Worker I/II	12	12	12	12	6	18	-	18	-	18
Management Aide	-	-	-	-	1	1	1	2	-	2
Management Analyst	11	11	14	12	(1)	11	(1)	10	-	10
Management Asst	3	3	3	4	1	5	(1)	4	-	4
Media & Production Supervisor	1	1	1	1	-	1	-	1	-	1
Network Administrator	1	1	1	1	-	1	-	1	-	1
Office Asst	1	1	1	1	(1)	-	-	-	-	-
Paralegal	-	-	-	-	-	-	1	1	-	1
Park Ranger	3	3	3	3	-	3	-	3	-	3
Parking Control Officer	2	2	2	2	-	2	-	2	-	2
Parks & Comm Svcs Director	1	1	1	1	-	1	-	1	-	1
Parks & Comm Svcs Div Mgr	-	-	1	1	-	1	-	1	-	1
Parks Maint Division Manager	1	1	-	-	-	-	-	-	-	-
Parks Maint Supervisor	2	2	2	2	-	2	-	2	-	2
Parks Maint Worker	13	13	13	13	-	13	(1)	12	-	12
Parks Projects Coordinator	1	1	1	1	-	1	-	1	-	1
Payroll Supervisor	1	1	1	1	-	1	-	1	-	1
Permit Technician	6	6	6	5	-	5	-	5	-	5
Planning Commissioner	7	7	7	7	-	7	-	7	-	7
Planning Div Mgr / Official	1	1	1	1	-	1	-	1	-	1
Principal Accountant	1	1	1	1	-	1	-	1	-	1
Purch & Facilities Div Mgr	1	1	1	1	-	1	-	1	-	1
PW Director / City Engineer	1	1	1	1	-	1	-	1	-	1
PW Program Manager	-	-	-	-	-	-	-	-	-	-
Recreation Program Coord	2	2	1	1	-	1	1	2	-	2
Recreation Program Leader	7	7	7	7	-	7	-	7	-	7
Recreation Supervisor	-	-	1	1	-	1	(1)	-	-	-
Recycling Specialist	-	-	-	1	-	1	-	1	-	1
Resource Analyst	-	-	-	-	-	-	-	-	-	-
Risk Division Manager	1	1	-	-	-	-	-	-	-	-
Security Guard	3	2	2	2	-	2	-	2	-	2
Spec Dist Budg & Accting Spvr	1	-	-	-	-	-	-	-	-	-
Spec Districts Div Mgr	1	1	1	1	-	1	-	1	-	1
Special Districts Prog Mgr	1	1	1	1	-	1	(1)	-	-	-
Sr Accountant	1	1	1	1	-	1	1	2	-	2
Sr Administrative Asst	19	14	16	14	3	17	1	18	-	18
Sr Applications Analyst	-	-	-	-	1	1	-	1	-	1
Sr Citizens Center Coord	1	1	1	1	-	1	-	1	-	1
Sr Code Compliance Officer	1	-	-	-	-	-	-	-	-	-
Sr Customer Service Asst	3	3	3	3	-	3	-	3	-	3
Sr Deputy Clerk	-	-	-	-	-	-	-	-	-	-
Sr Electrical Engineer	1	1	1	1	-	1	-	1	-	1
Sr Engineer, P.E.	11	9	9	9	-	9	(2)	7	-	7
Sr Engineering Technician	1	1	1	1	-	1	-	1	-	1
Sr Equipment Operator	1	1	1	1	-	1	-	1	-	1
Sr Financial Analyst	2	2	2	2	(1)	1	(1)	-	-	-
Sr GIS Analyst	1	1	1	1	-	1	-	1	-	1
Sr Graphics Designer	1	1	1	1	-	1	-	1	-	1
Sr Human Resources Analyst	1	1	1	1	-	1	-	1	-	1
Sr IT Technician	-	-	-	-	-	-	-	-	-	-
Sr Landscape Svcs Inspector	1	1	1	1	(1)	-	-	-	-	-
Sr Management Analyst	2	2	2	2	1	3	1	4	-	4
Sr Office Asst	6	5	5	4	(1)	3	-	3	-	3
Sr Park Ranger	1	-	-	-	-	-	-	-	-	-
Sr Parking Control Officer	1	1	1	1	-	1	-	1	-	1
Sr Parks Maint Technician	1	1	2	2	-	2	-	2	-	2
Sr Payroll Technician	1	1	1	1	-	1	-	1	-	1
Sr Permit Technician	2	2	2	2	-	2	-	2	-	2
Sr Planner	2	2	2	2	-	2	-	2	-	2

City of Moreno Valley
 FY 2015/16 - 2016/17
 City Position Summary

Position Title	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2010/11	2011/12	2012/13	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17
	No.	No.	No.	No.	Adj.	No.	Adj.	No.	Adj.	No.
Sr Recreation Program Leader	2	2	2	2	-	2	-	2	-	2
Sr Telecomm Technician	1	1	1	1	-	1	-	1	-	1
Sr Traffic Engineer	1	1	1	1	-	1	(1)	-	-	-
Sr Traffic Signal Technician	1	1	1	1	-	1	-	1	-	1
Storekeeper	1	1	1	1	-	1	-	1	-	1
Storm Water Prog Mgr	1	1	1	1	-	1	-	1	-	1
Street Maintenance Supervisor	2	2	2	2	-	2	-	2	-	2
Sustainability & Intergovernmental Prog Mgr	-	-	-	1	-	1	-	1	-	1
Technology Services Div Mgr	1	1	1	1	-	1	-	1	-	1
Telecomm Engineer / Admin	1	1	1	1	-	1	-	1	-	1
Telecomm Technician	1	1	1	1	-	1	-	1	-	1
Traffic Operations Supervisor	1	1	1	1	-	1	-	1	-	1
Traffic Sign / Marking Tech I	1	1	1	1	-	1	-	1	-	1
Traffic Sign/Marking Tech II	2	2	2	2	-	2	-	2	-	2
Traffic Signal Technician	2	2	2	2	-	2	-	2	-	2
Trans Div Mgr / City Traf Engr	1	1	1	1	-	1	-	1	-	1
Treasury Operations Div Mgr	1	1	1	1	-	1	-	1	-	1
Tree Trimmer	1	1	1	1	-	1	(1)	-	-	-
Vehicle / Equipment Technician	2	2	2	3	-	3	-	3	-	3
Total	411	376	378	360	-	360	(5)	355	-	355

* Excludes City Council Members and temporary positions

PROCUREMENT POLICY

PURPOSE: To establish the manner by which all City procurement is to be conducted as well as to ensure City compliance with applicable laws relating to the expenditure of public funds.

POLICY: When authorized to procure material or service, all City employees shall follow this policy to correctly and ethically process a procurement need and ensure the efficient use of public funds. Public works projects are processed by the Public Works Department and follow state and federal guidelines. All City rules, regulations, laws, resolutions and the City Purchasing Ordinance are incorporated herein by reference (see Chapter 3.12 of the Municipal Code). *For an explanation of terms, see the Definitions starting on page 19 of this document.*

I. Overview

The City’s Purchasing Ordinance and Procurement Policy are in place as your guideline to ensure materials and services are purchased in a legal and cost-effective manner. Keep in mind that services generally have some risk associated with them and typically require additionally insured documentation and/or a City Agreement. There are four ways to encumber and/or expend City funds for products and services:

- 1. Purchase Order
- 2. Procurement Card (CAL-Card)
- 3. Direct Pay
- 4. Petty Cash

Important to our procurement process is the system of encumbrance accounting, which helps departments (and Financial & Administrative Services) control department spending by knowing what amounts have been committed prior to the actual invoicing and payment of services. When a department makes a verbal commitment with a vendor and does not issue a purchase requisition and a purchase order is not created, it circumvents the entire budgetary control process. Verbal commitments with a vendor and the absence of a purchase order is not an acceptable practice. Obtaining a purchase order from the Purchasing Division is the main method of encumbering City funds. Exceptions to this rule are:

- 1. Purchase of material under \$5,000 (use of a procurement card)
- 2. Purchase of material on contract and paid for with a procurement card
- 3. Use of a Direct Pay Form for only the reasons listed in this Procurement Policy, 3.18 VII (A)

Accounts Payable will pay approved vendor invoices with an appropriate and valid purchase order number issued from the Purchasing Division.

If a purchase order number was not issued prior to procurement, the department will be required to submit a Direct Pay Form directly to Accounts Payable (not to the Purchasing Division), however, **a Direct Pay Form submitted for any reason other than those listed in section VII (A) of this Procurement Policy (3.18), must be specifically approved by the Department Head. The Department Head shall explain in writing to the Financial & Administrative Services Director the circumstances regarding the need for payment without a City issued Purchase Order.**

Because Direct Pay Forms sent directly to Accounts Payable do not allow Purchasing the opportunity to review the procurement for policy adherence prior to committing City funds, the responsibility of following all ordinances and policies will rest solely on the ordering department.

II. Signature Authority

- A. Levels of procurement signature authority are determined by City Council Resolution No. 2008-115, or as amended from time to time. Current signature authority is as follows:

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

<i>Authorized Signer</i>	<i>Amount to be Procured</i>
Division Manager:	up to \$15,000
Department Head:	up to \$30,000
Financial & Administrative Services Director:	up to \$50,000
City Manager (or designee):	up to \$100,000
Mayor: (upon Council approval)	over \$100,000

1. Approval signatures are to be obtained prior to processing the applicable document (e.g. requisition, direct pay).
 2. Route documents through each appropriate management level based on the above chart.
 3. Signature levels may be amended from time to time per Council Resolution.
 4. Electronic signatures and/or approvals are accepted.
- B. Exceptions to Signature Authority
1. Minor procurement needs, as defined in this policy, may be processed by using an authorized City issued procurement card, however, any item(s) purchased on a procurement card valued over \$5,000 shall include an e-mail or wet signature from an individual with the appropriate signature authority, prior to making the purchase.
 2. Emergency purchases (see Chapter 3.12 of the Municipal Code).
 3. An individual with signature authority may give (in writing) signature authority to a subordinate supervisor during his or her absence.
 - a. Notify Accounts Payable, Payroll and all Department Heads and Division Managers.
 4. The City Manager may authorize exceptions to this signature authority.
- C. Payment Authorization Signature Authority
1. Signature authority to authorize a **payment** against a purchase order is administratively given to employees classified as Professional/Administrative/Management (PAM) and above.
 - a. At the beginning of each fiscal year, each department will complete the Invoice Payment Authority Designation with original signatures and initials and forward it to the Financial & Administrative Services Director. When changes to the Invoice Payment Authority Designation occur during the fiscal year, the department will send in a subsequent addendum with any necessary original signatures and initials and forward it to the Financial & Administrative Services Director.
 - b. For vendor invoices that are authorized to be paid by the Direct Pay process, please refer to the procurement signature authority levels for authorization on the Direct Pay Form.
 2. Where the expenditure is for another division (i.e. Public Works project for CDD, or Facilities Project for the Library) approving signatures or documentation are required from each responsible division (the one who validates the work or product and the responsible budget division).

Note: This new policy supersedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

- a. The only required signature from the servicing division would be that of the project manager, regardless of the amount. The budget owner shall obtain authorizations to pay based on the chart below.
- 3. The authorized invoice payment signature levels for purchase order invoices are as follows:

<i>Authorized Signer</i>	<i>Amount To Be Paid</i>
Professional/Administrative/Management (PAM)	up to \$15,000
Division Manager:	up to \$50,000
Department Head:	up to \$100,000
Financial & Administrative Services Director:	N/A
City Manager:	over \$100,000

- 4. Authorized payment signatures are to be on the “Authorized Payment for Purchase Order Form” (See addendum “B”) or the “Green Stamp”.
 - a. The Green Stamp criteria are:
 - i. Must have no more than two account numbers
 - ii. Must have no more than two signatures/initials of approval
 - iii. Must have no more than two purchase order numbers
 - b. The “Authorization for Payment Form” criteria are:
 - i. More than two account numbers to be charged
 - ii. More than two signatures
 - iii. The payment is reduced by a retention amount
 - c. Attach the “Authorized Payment for Purchase Order Form” to the invoice.
 - d. Send completed form with the invoice to Accounts Payable.

III. Circumventing the Signature or Spending Authority (Splitting of Purchases)

- A. Defined as: Intentional splitting of a purchase into two or more smaller orders for the purpose of evading a policy rule or bidding law.
 - 1. Purchases of the same or related items in a manner that evades or appears to evade limitations of a predefined limit such as a procurement card purchase limit, signature limit, or bid limit are strictly prohibited.

IV. Procurement/Payment Methods

- A. Procurement/Payment methods available.

Note: This new policy supersedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

1. Purchase Order
 - a. The Financial & Administrative Services Department has designated the purchase order as the primary and preferable procurement and payment method.
 - b. The Purchase Order (PO) is the main source of encumbering and procuring services and material. The PO is used to communicate to a vendor the City's terms and conditions, authorizes an encumbrance of City funds and is a contractual agreement to order goods and some services. The PO is used to process payment and track expenditures in the financial system.
 - c. Most services and projects will require a standard City agreement which can be found on the City's Intranet. Each agreement must be approved as to form by the City Attorney's Office.
 - i. Contact the Risk Division Manager's office if you are in doubt as to whether or not you need a City agreement. If waived, provide an e-mail from the Risk Division Manager stating such.
 2. Credit and Procurement Card
 - a. A purchase and payment method used to procure budgeted low value items, typically up to \$5,000. It may be used for higher value purchases on an approved basis. Cardholder and cardholder's manager are responsible for proper use of the credit or procurement card. The Cardholder's manager is to designate original and subsequent spending limits and types of authorized purchases.
 3. Direct Pay
 - a. A limited use payment method that is typically used for refunds, one-time payments for emergency orders and other payments as further outlined in this policy. See Section VII in this document for acceptable uses. Is not to be used for payment of services or routine/re-occurring payment of goods.
 4. Petty Cash
 - a. For reimbursements under \$100 or as amended from time-to-time.
 5. Electronic Funds Transfer
 - a. A limited use payment method that is typically used for transactions with large dollar amounts which are time sensitive. Types of payments which are routinely processed by means of a wire are debt service payments, the purchase of securities or homeowner assistance loans.
- B. The Purchasing Division will determine the best method of procurement for varying procurement needs based on all applicable laws, ordinances and policies. Your procurement/payment method decision will be reviewed for appropriateness.
- C. See Addendum "A" for a sample of payment methods.

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06

Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

- D. Refunds of any sort should be issued as a credit to the City and/or a credit to the appropriate procurement card. Store credit shall not be accepted from the vendor. Please contact the Purchasing Division Manager if you have a vendor that will only issue a store credit voucher/card.

V. Purchase Orders

- A. To issue a purchase order, the following conditions shall be met:
1. The requestor shall obtain all appropriate signature(s) on a requisition for the level of expenditure.
 - a. When utilizing an approved City agreement, an appropriate signature, as defined by Signature Authority Resolution 2008-115, or as amended from time-to-time, will satisfy the signature authority requirement; therefore, signature authority per the limits prescribed is not required on the requisition, however, the requisition must be signed by the Division Manager to acknowledge the purchase. A purchase order will be issued based on the requisition description, authorized signature and City Attorney approval as to form.
 2. In the event Purchasing grants permission to process a RFP, RFQ, or Bid, by the requesting Division, all ordinances, policies and procedures must be adhered to. Prior to creating an agreement with a vendor, Purchasing will need to review the results. Once approved, you will need to send the following documents with the purchase requisition to Purchasing for award:
 - a. A copy of the RFP, RFQ, Bid document
 - b. The scope of work and approved agreement
 - c. The worksheet and/or analysis describing the vendor selected showing the quotes
 - d. A listing of all vendors who were invited and replied
 3. When a RFP, RFQ or Bid is to be processed by the Purchasing Division:
 - a. Send an e-mail or a memo initialed off from the Division Manager to Purchasing to start the process. Include:
 - i. Account number(s)
 - ii. Requested due date
 - iii. Send the scope of work and/or specifications
 4. The Risk Division Manager shall approve insurance required by the City. Approved copies of insurance documents shall be attached to the requisition and/or on file in the Purchasing Office (see Risk Management Administrative Policy No. 6.12 for insurance requirements).
 - a. When an agreement is approved "as to form" by the City Attorney (insurance has been verified), the executed agreement is sufficient to show insurance is in place and approved.

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

- b. It is the responsibility of the requesting division/department to keep all required insurance and agreement documentation up to date and on file.
- 5. Capital expenditures require approval in the budget process. Such expenditures, whether new or carried over from a prior fiscal year, shall be listed on a capital expenditure budget sheet.
 - a. A copy of the Green Sheet Budget Form shall be attached to the requisition. Funding in the budget must be sufficient to cover the project.
 - b. If additional funds were required and approved by City Council, a copy of the staff report shall be attached to the requisition. A Budget Appropriation Form shall be completed and forwarded to the Financial & Administrative Services Department. A Purchase order will be issued once the transfer is completed.
- 6. When an expenditure is approved by City Council, apart from the formal budget process, a copy of the staff report shall be attached to the requisition.
- 7. Purchase of Used Vehicles: The purchase of used vehicles is preferred when, based on the determination of the City Manager, there is more efficiency and value to the City from buying a well maintained preowned vehicle rather than paying retail price (or government contract price if such pricing is available) for a new vehicle. This portion of the purchasing policy was approved by City Council on November 24, 2015.
 - a. City Council delegates the purchase order approval for all preowned vehicles, provided that the vehicle purchased is included in the approved budget for the current fiscal year. This specifically applies to aggregate purchases of vehicles that exceed the \$100,000 limit for City Manager approval authority from a single vendor. Whenever possible and most cost efficient, purchases will be made from an auto dealer in the City of Moreno Valley to support local jobs and the return of the sales tax to the City.
 - b. This policy change reflects that the process for purchasing used vehicles is unique in that the auto dealer is provided detailed specifications and then must search for that particular unit in the used vehicle market. Once the vehicle meeting the specifications is found, the City must move quickly to complete the purchase due to limited availability. The Purchasing Division Manager will compare the offered pricing with at least three used vehicles of similar make, model, age and mileage to verify the pricing is reasonable. Once the pricing is verified, the Purchasing Division Manager will give the dealer the approval to proceed with the vehicle purchase.
 - c. To provide proper internal control, disclosure and transparency to the purchases completed under this portion of the procurement policy, the City Manager will provide a report of all used vehicles purchased with each quarterly budget update report to City Council. This report will report the budgeted amount for each vehicle, the actual cost of the vehicle purchased and a comparative estimated price had the vehicle been purchased new.
- 7.8. Fixed asset expenditures that exceed the approved budgeted amount will be permitted up to 10% over the original approved amount budgeted for the item. The funds must be available in the budget and will require written certification by the requesting department Division Manager or Department Head.

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Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

- a. When applicable, a Budget Appropriation Adjustment (BAA) form, to transfer additional required funds, shall be completed and forwarded to the Financial & Administrative Services Department.

~~8.9.~~ When requesting a single or sole source a written explanation shall be attached to the requisition and addressed to the Purchasing Division Manager for approval:

- a. When the material or **general non-professional service (see definition of professional service in #9a below)** is valued at an amount over \$5,000 where:
- i. A single or sole source purchase is requested
 - ii. When fewer than three quotes are obtained
 - iii. Give details as to why you believe your item cannot be supplied by another source. The Purchasing Division Manager will review your explanation and approve or deny the request.

~~9.10.~~ A professional service (non public works) is exempt from the multiple-quote requirement, however, a single or sole source request shall accompany the requisition.

- a. A professional service is defined as: architectural, construction management, construction surveys, material testing, inspection services, appraising, ad campaigns, engineering, environmental, finance, fine arts, insurance, land surveying, landscape architectural, legal management consultants, management information consultants, janitorial, medical, document processing services, municipal program implementation, performing arts, personnel, psychological, sports and underwriting or any other professional service as deemed appropriate by the Purchasing Division Manager.

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

~~40-11.~~ Per the California Contract Code, a single or sole source for a Public Works Project requires a finding and approval by the City Engineer or appropriate Department Head.

B. Annual Purchase Orders, Contracts and Agreements

1. Annual purchase orders for materials or services may be requested where funding in the budget is sufficient to cover the expenditure.
 - a. The **total fiscal annual value** of expenditure involved with a single or group of like or associated items shall dictate the proper signature authority required.
 - b. Annual expenditures of an item, or group of like items that go together, that exceed \$5,000, require competitive quotations. Examples:
 - i. Janitorial supplies over \$5,000 annually require competitive quotation.
 - ii. Miscellaneous one time or annual supply needs under \$5,000 do not require additional quotations.
 - c. When applicable, annual requisitions should list City personnel who have been given the authority to procure items against the resulting annual purchase order.
 - d. Write in account numbers, phone numbers, and any applicable information to be listed on the purchase order.
2. Annual purchase orders, or agreements that extend to a subsequent fiscal year are subject to the appropriation of funds through the annual budget process and must include the clause shown in section "a" below. This clause must also be included in any agreement that covers multiple fiscal years.
 - a. "It should be noted that multi-year agreements may be continued each fiscal year only after funding appropriations and program approvals have been granted by the City Council. In the event that the City Council does not grant necessary funding appropriation and/or program approval, then the affected multi-year agreement becomes null and void, effective July 1st of the fiscal year for which such approvals have been denied."
3. Annual purchase orders or agreements may be extended for four additional fiscal years pending funding approval in the new year's budget.
 - a. The City Manager, or designee, may authorize deviations from this policy as deemed necessary.

C. Change Orders to an Original Purchase Order

1. Change order approvals are to be authorized by signature authority as defined in this policy.
2. Amount to be approved is the total of the original purchase order plus all subsequent change orders. Show all subsequent amounts approved on the Change Order Form, the new amount requested and the cumulative total.

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

- 3. Unless deemed necessary, non public works change orders are not required to be presented to Council for approval, regardless of the cumulative amount.

Example

Original Base Purchase Order Amount	Change Order #1	Change Order #2	Total for Approval	Signature Required
\$8,500	\$500		\$9,000	Division Manager
\$28,000	\$1,000		\$29,000	Department Head
\$46,000	\$1,500	\$500	\$48,000	Financial & Administrative Services Director
\$48,000	\$6,000		\$54,000	City Manager
\$91,000	\$8,000	\$6,000	\$105,000	City Manager

- D. Urgent needs shall be handled in the following manner:
 - 1. When there is an urgent request to procure a product or service, it may be in relation to an ongoing project.
 - a. Example #1: If a vendor has been issued a PO to trim 10 trees and wind damage creates the need for additional work, a verbal approval to the vendor will suffice and a change order shall be created and sent to the Purchasing Division Manager to add the additional work.
 - b. Example #2: A PO has been issued to install an electrical conduit between two buildings. During excavation, a water main is found that was not on the plans. The water main must be modified to allow the job to continue. City staff should contract with an appropriate vendor who has the required expertise. If current insurance or City agreement documentation is not on file for an appropriate vendor, the City staff member shall notify the Risk Division Manager for approval to move forward. Once approved and the job is complete attach the Risk Division Managers approval letter to the requisition. Send the requisition and the vendor's invoice to the Purchasing Division Manager for the creation of a Purchase order. Purchasing staff will forward the original signed invoice to Accounts Payable along with the newly created purchase order.

VI. Procurement Card Method (aka: CAL-Card)

- A. Avoiding Interest Charges on Procurement Card Purchases
 - 1. It is in the City's best interest to pay the credit/procurement card billing in a timely manner and avoid any interest expense. When cardholders render a timely accounting of their purchases the matching of the itemized billing to the cardholders records is a time-saving process, which can minimize the amount of time spent administering the account.
- B. Recipients of a procurement or credit card are required to attend a cardholder training session and sign the Cardholder User Agreement.
- D. Use of Procurement Cards
 - 1. Personalized Cards

Note: This new policy supercedes 3.16.

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05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

- a. A Division Manager or Department Head shall determine which City staff members are to be assigned personalized procurement or credit card.
 - b. The procurement or credit card may only be used for budgeted City-related business expenses.
 - c. Original and subsequent single and monthly transaction limits are to be authorized by the cardholder's manager.
 - d. The cardholder's manager (Approving Official) may require prior approval before each use or may give blanket purchasing authority based on the cardholder's predefined limits.
 - e. Once such cards are assigned, staff shall abide by the policy set forth herein.
 - f. Purchasing policies and procedures shall be adhered to.
2. Purchases of Services
- a. Services are typically not to be paid for with a procurement card.
 - b. On-site service related needs are not authorized to be ordered and paid for utilizing a procurement card. Any variance from this rule must be in writing from the Purchasing Division Manager.
 - c. Off site minor service purchases, such as printing, blade sharpening, picture framing, etc. are permitted AS LONG AS THE VENDOR IS INCORPORATED.
 - i. Non-Incorporated service vendors will require the use of a Purchase Order.
- E. Program Management
- 1. The Financial & Administrative Services Director will assign the following Procurement Card program management staff:
 - a. Program Coordinator
 - b. Accounts Payable Contact
 - c. Dispute Monitor
 - d. Approving Officials (Department Heads/Division Managers)
- F. Approving Officials Cardholder Set-Up Responsibilities
- 1. Assign transaction and monthly spending limits.
 - 2. Assign merchant category restrictions.
 - 3. Approve spending limit and merchant activity type changes for subordinate cardholders.
- G. Back Up Coverage
- Program Management staff will train and provide back up coverage for their duties related to the procurement card program.
- H. Authorized and Unauthorized Purchases
- 1. Use of the City's procurement card for any reason, including travel shall be restricted to City-related business only.
 - a. Cardholder must sign a Cardholder Agreement before being issued a procurement card.

Note: This new policy supercedes 3.16.

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PROCUREMENT POLICY

- b. The cardholder named on the City procurement card is the only authorized person to procure business-related items with his/her individual procurement card.
 - i. A manager's card may be used by administrative staff to purchase low value miscellaneous items including travel and training arrangements. The manager shall be responsible for all purchases made on the procurement card account.
 - c. With prior approval, the procurement card may be used for travel related expenses including airfare, fuel, lodging, car rentals and other miscellaneous travel expenses.
 - d. When Per Diem is granted for approved travel, the procurement card should not be used to pay for meals or incidentals that are to be covered under the Per Diem amount given.
2. Unauthorized Use of the City's Procurement Card
- a. No cardholder shall loan the procurement card or give out the procurement card number for use by any other individual (see exception in VI,H,1,b,i).
 - b. **Transactions should not be intentionally split to go beyond a cardholders transaction limit.** Splitting an order with another card holder to go beyond a cardholders transaction limit is prohibited.
 - i. Transactions that are of such a high value that go beyond the vendors bank authorized transaction amount may be split with the Purchasing Division Manager's written approval.
4. Unauthorized purchases can result in the suspension of cardholder privileges and possible disciplinary action up to and including dismissal.
- I. Cardholder Responsibilities and Procedures
1. Accounting for Procurement Cards:
- a. A cardholder is responsible for each purchase and must provide a receipt and log for all purchase activity. The cardholder is responsible for properly coding each purchase for accounting purposes.
 - b. Cardholders must submit the reconciled statement and all attachments, including the log, invoices, disputes, credits and any requisitions required to verify the purchase, to their Approving Official (Manager) for approval.
 - c. The Cardholder is responsible to ensure the approved procurement card package is submitted to the Purchasing Division by the 10th business day after receipt of the official bank statement.
 - d. Lost or Stolen Procurement Cards
 - i. In case of a lost or stolen card, it is the responsibility of the cardholder to immediately notify the issuing bank and record the date, time and name of the individual contacted at the issuing bank.
 - ii. The cardholder must immediately inform his or her Approving Official.
- J. Approving Official Duties
1. Approving Officials shall review and approve the reconciled cardholder statements and attachments, including invoices, logs (both electronic and a hard copy), disputes, credits, and requisitions.

Note: This new policy supercedes 3.16.

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05/24/06
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PROCUREMENT POLICY

2. The Approving Official shall be sure the cardholder submits to Purchasing the approved procurement card package no later than ten (10) business days after receipt of the official bank statement.
3. Non-Compliance with Policy
 - a. Improper use and/or abuse of the procurement or credit card policy will result in disciplinary action including, but not limited to, an employee performance issue, removal from the procurement card program or, for proven fraud, termination from City employment.
 - b. Failure on the part of cardholders to render a timely accounting can result in the suspension of their card use privilege.

VII. Direct Pay

- A. The Direct Pay signature authority shall follow the procurement signature authority table as outlined in I,A above. The use of a Direct Pay shall be limited to the following areas:
 1. Direct Pay requests are allowed for non-service items that are valued up to \$5,000.
 - a. Use of a procurement card or purchase order is encouraged as a first payment method.
 2. Employee reimbursement (*in most cases the use of petty cash is the preferred payment method when the amount is under \$100*).
 3. Benefit payments.
 4. To pay for an in-store purchasing card purchase at a contracted vendor (i.e. Office Depot).
 5. Emergency purchases (see Chapter 3.12 of the Municipal Code).
 6. Refunds, i.e. Business License, canceled classes, False Alarm, Planning Fees, Etc.
 7. Utility payments, e.g. Electricity, Gas, Water, Sewer, Communication expenses.
 8. Debt Service payments.
 9. Financial management activities, e.g. Investments, Payments to Bond Trustees, Paying Agents.
 10. Payment of Retention (the following items must be submitted):
 - a. Vendor's original invoice, appropriately signed.
 - b. Copy of the staff report that shows submittal of the Notice of Completion and recommendation to release the retention to City Council.
 - c. Confirmation that City Council approved the release of retention (e.g., minutes of the meeting or affirmation memo/e-mail from City Clerk).

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

- d. Copy of the recorded Notice of Completion.
 - e. Incomplete packets will be returned and may delay the processing of the payment.
 - f. At project completion, packets should be submitted to Accounts Payable in time to meet the payment requirement date.
11. Other direct payment needs, not described in number one through ten above, must be authorized by the Financial & Administrative Services Director or his/her designee. An e-mail explaining the circumstances will most likely be sufficient. The Purchasing Division Manager and Accounts Payable Supervisor should be copied on the request.
- a. The Financial & Administrative Services Director will notify all parties of the decision to approve or disapprove the Direct Pay request.
- B. Direct Pay requests that do not meet the criteria of 1-11 above will be returned with a request to process a requisition for a purchase order.
- 1. Direct Pay Forms submitted for any reason other than those listed in section VII (A) of this Procurement Policy (3.18), shall be specifically approved by the Department Head. The Department Head shall explain in writing to the Financial & Administrative Services Director the circumstances regarding the need for payment without a City-issued purchase order.

VIII. Electronic Fund Transfers

- A. The use of an Electronic Fund Transfer shall be limited to the following areas:
 - 1. Financial Management activities, e.g. Investments, Payments to Bond Trustees, Paying Agent.
 - 2. Monthly Procurement Card statements.
 - 3. Debt Service payments.
 - 4. Homeowner Assistance loans.
 - 5. Payments for services under City agreements.
 - 6. Payroll benefits and deductions
- B. All Electronic Fund Transfers must be pre-approved by the Financial & Administrative Services Director.
- C. Payments must be submitted on the Electronic Funds Transfer Form and require the following supporting documentation:
 - 1. Vendor's original invoice or trade ticket appropriately signed.
 - 2. Copy of the staff report recommending action.
 - 3. Copy of the confirmation that City Council has approved action.

Note: This new policy supercedes 3.16.

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PROCUREMENT POLICY

4. Copy of signed agreement.
- D. Processing of the Electronic Fund Transfer will be coordinated and performed by the Treasury Operations Division Manager/Assistant City Treasurer, or his/her designee.
- E. Confirmation will be provided back to the requesting department.

Note: Since Electronic Fund Transfers generally involve large dollar amounts, at least one day's prior notice is required to ensure that funds are made available.

IX. Minor Purchase

- A. Minor purchases do not require competitive quotes. The value of a minor purchase is \$5,000 or less. This value represents a one-time per fiscal year purchase or the total value of multiple purchases of the same item or group of similar items throughout the fiscal year.
Minor Purchase Example:
 1. One Air Compressor @ \$4,200
 - a. A minor purchase may be a single item or a group of like items that relate to one another, e.g. sprinkler bodies and sprinkler heads, misc. promotional items, etc.
- B. Agreements to purchase, on an annual basis, (annual purchase order or other form of agreement) of an item or group of items that relate to one another, fall into two categories
 1. An annual fiscal year total value for the product or non-professional service of \$5,000 or less will be considered a minor purchase.
 2. An annual fiscal year total value for the product or non-professional service exceeding \$5,000 will require competitive quotes for award and are **not** considered minor purchases.

X. RFOs, RFPs and Bids (non public works projects)

- A. Methods and determination
 1. The anticipated level of expenditure shall determine the method selected to secure the best value for the City. Approved budgeted capital expenditures and fixed assets typically will require a formal R.F.Q. R.F.P. or BID. See the chart below in selecting the most appropriate method.

PROCUREMENT POLICY

Up to \$5,000	>\$5,000 - \$25,000	>\$25,000 - \$50,000	>\$50,000 - \$100,000	>\$100,000
No competitive quotes required.	Informal Quotes	Informal R.F.Q., R.F.P., or Bid	Semi-Formal R.F.Q. R.F.P., or Bid	Formal R.F.Q. R.F.P., or Bid
<ul style="list-style-type: none"> No quotes required Use your best judgment 	<ul style="list-style-type: none"> Minimum of three quotes May be verbal quotes that you keep notes of Submit quote notes with purchase paperwork 	<ul style="list-style-type: none"> Minimum of three quotes on vendor's letterhead. Faxed, e-mailed or Internet quotes are acceptable and are to be attached to the requisition. Attach approved insurance and single or sole source letter if applicable. (See Single & Sole Source requirements, Section IV, #A8-A10) 	<ul style="list-style-type: none"> Minimum three quotes. R.F.Q. has opening date & time. No negotiation or discussion. R.F.P. has closing date & time and allows for negotiation. If single or sole source, attach letter. (See Sole Source requirements, Section IV, #A7 & A8) 	<ul style="list-style-type: none"> Formal legal advertising. Opening & recording by City Clerk. Award by City Council. Staff report, proof of Council award and a valid signed agreement are to be attached to the requisition.

B. Advertising requirements for formal bids

2. Materials, supplies and equipment shall be advertised pursuant to Chapter 3.12 of the Municipal Code.
3. Public projects shall be processed and awarded in accordance with all state and federal codes, acts and laws as described in Chapter 3.12 of the Municipal Code.

C. Exceptions

1. Professional Services are as follows:
 - a. Professional services are services rendered by members of a recognized profession or possessing a special skill. Such services are generally acquired to obtain information, advice, training or direct assistance. Any type of professional service that may be lawfully rendered but does not include public projects.
 - b. A professional service is defined as: Architectural, construction management, construction surveys, material testing, inspection services, appraising, ad campaigns, engineering, environmental, finance, fine arts, insurance, land surveying, landscape architectural, legal management consultants, management information consultants, janitorial, medical, document processing services, municipal program implementation, performing arts, personnel, psychological, sports and underwriting or any other professional service as deemed appropriate by the Purchasing Division Manager.
2. Library Circulation Materials

Note: This new policy supercedes 3.16.

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05/24/06
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PROCUREMENT POLICY

- a. Competitive quotations are not required to purchase library books, tapes, periodicals, and other information delivery formats (such as microfilm, CD-ROM, online information) in accordance with the budget approved by the City Council, as long as sufficient unencumbered funds exist to pay the expense.

XI. RFQs, RFPs and Bids (public works projects)

- A. The City's Public Works Department is the main group that processes RFQs, RFPs and Bids for Public Works Projects.
- B. Purchasing reviews award criteria and lets the Purchase Order prior to issuing the Notice-To-Proceed.
- C. Uniform Public Construction Cost Accounting Act (UPCCA)
 - 1. The City utilizes the UPCCA which provides for alternative bidding procedures when an agency performs public project work by contract.
 - 2. Public projects of \$30,000 or less may be performed by negotiated contract or by purchase order (PCC 22032(a)). This value may be adjusted from time-to-time by the State of California.
 - 3. Public projects of \$125,000 or less may be let to contract by the informal procedures set forth in the Act (PCC 22032(b)). This value may be adjusted from time-to-time by the State of California.
 - 4. Public projects of more than \$125,000 shall be let to contract by formal bidding procedures (PCC 22032(c)). This value may be adjusted from time-to-time by the State of California.
- D. On-Call Professional Service Consultants
 - 1. The Capital Projects Division of Public Works maintains a list of qualified professional service consultants for use on a rotational or short list basis. See the Capital Projects Division Policy 2008-01 for details.

XII. Cooperative or "Piggybacking" Agreements

- A. An optional method used to procure material or service that has been awarded by another public agency, either by competitive award, volume pricing or negotiated best value. Eliminates the full RFP/RFQ or Bid process when the below requirements are met.
- B. Documentation Requirements:
 - 1. A copy of the originating agency's documentation showing an award based on the above criteria.
 - 2. The original award that the City is "piggybacking" on must have been awarded within the past 24 months.
- C. Slight modifications to the product that do not alter the major operation or intention for use of the equipment are permitted.

Note: This new policy supercedes 3.16.

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PROCUREMENT POLICY

XIII. City Agreement and Insurance Requirements

- A. A City agreement is typically required for most service needs and is the responsibility of the end user division to prepare and maintain.
1. City agreement templates are found on the Intranet under the City Attorney's section here: <http://edinburgh/newsite/forms/legal.shtml>
 2. Contact the Risk Division Manager's office to see if your situation warrants a waiver of this requirement.
 3. A copy of a waiver note (e-mail) shall be attached to the requisition.
- B. Multiple types of insurance are required to protect the City against loss. It is the responsibility of the requesting division to secure the proper insurance, regardless of the method chosen for procurement. See: [\zurich\shared\InterDept\AdminPolicyPDF\612.pdf](\\zurich\shared\InterDept\AdminPolicyPDF\612.pdf)
- C. See the Risk Management Administrative Policy 6.12 through 6.15 here: <http://edinburgh/newsite/policies/admin.shtml>
1. Insurance coverage must be current and applicable to the service being performed.
 2. The Risk Division Manager, or designee, must approve all insurance documents.
 3. Insurance must be in place prior to the beginning of work.
 4. Approved insurance and endorsement documents must be attached to the purchasing requisition in order for a purchase order to be issued.
 - a. When a City agreement is used, the signature page showing the City Attorney's "Approved as to Form" signature will designate that the insurance requirement has been met.

XIV. Local Vendor

- A. Local vendor is a firm, individual, partnership, association, corporation or other legal entity that regularly maintains a place of business and transacts business in, or maintains an inventory of materials, supplies or equipment for sales in, and is licensed by, or pays business taxes to the city.

XV. Central Stores Pre-Printed Forms

- A. Approval Requirements:
1. Approval for ordering Central Stores inventoried, pre-printed forms is based on each division's or department's criteria. A Central Stores requisition shall be turned in to the Purchasing Division with the appropriate signatures, as outlined in the signature authority limits in section I of this policy.
 2. Blank stationery items, stocked in Central Stores, are pre-printed with the city logo and motto as determined by the Media and Communications Division.

Note: This new policy supercedes 3.16.

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PROCUREMENT POLICY

3. The formatting of City stationery/logo is standardized. The Media and Communications Division must approve any changes to the format prior to submission to the Purchasing Division.
4. Printed and personalized stationery is not stored in Central Stores and must be ordered using a regular requisition. Attach to a Stationery Order Form.

XVI. Purchases of Recycled Material

- A. Where all things are equal, the purchasing of recycled material is encouraged.
 1. Prior to purchase, get verification from the appropriate Division for the use of recycled material. i.e. Toner Cartridges (Tech. Services), Copy Paper (Purchasing).

PROCUREMENT POLICY

DEFINITIONS

ANNUAL PURCHASE ORDER: A purchaser's written document to a vendor allowing for the purchase of a variety of materials and supplies, by authorized personnel, during a specified period of time. Issued for a specific amount of consideration that is drawn from throughout the specified time frame for payment of invoices related to the annual purchase order.

ARCHITECTURAL AND ENGINEERING SERVICES: Professional services within the scope of the practice of architecture and professional engineering, as defined by the jurisdiction, usually involving research, design, development, construction, alteration or repair of real property. Includes those professional services of an architectural, landscape architectural, engineering, environmental, geotechnical or land surveying nature as well as incidental services that members of these professions and those in their employ may logically or justifiably perform.

BEST AND FINAL OFFER: (BAFO). In competitive negotiation, the final proposal submitted after negotiations are completed, that contains the vendor's most favorable terms for price and service of products to be delivered. Used in the Request for Proposal (RFP) and Multi-step bidding process.

BID FOR PUBLIC PROJECT: (See Competitive Sealed Bid and Competitive Sealed Proposal). Any proposal submitted to the City of Moreno Valley, the Community Redevelopment Agency of the City of Moreno Valley, and the Moreno Valley Community Services District in competitive bidding for the construction, alteration, demolition, repair, maintenance, or improvement of any structure, building, road, property, or other improvement of any kind.

BID SPLITTING: It is unlawful to split or separate procurement into smaller work orders or projects for any public work project for the purpose of evading the provisions of Article 4, Division 2, Section 20163 of the Public Contract Code, requiring public work to be done by contract after competitive bidding. Every person who willfully violates this provision of this section is guilty of a misdemeanor.

BLANKET PURCHASE ORDER: A purchaser's written document to a vendor formalizing all the terms, conditions and fixed, firm pricing for a specific commodity. Fixed pricing is established first through an agreement and releases/deliveries are requested from the vendor as required by the purchasing entity.

CAL-CARD: A Visa® Procurement card sponsored by the State of California. Used by state and local governments to procure low value items. See Procurement Card definition below.

CAPITAL ASSET: An asset with a life of more than one year, either tangible or intangible, with a value above a certain minimum amount set by an agency.

CAPITAL EXPENDITURE: Money spent for the acquisition of an item, inclusive of all costs, relating to assets that add to long-term net worth. Can be used for the acquisition of hardware, equipment, real property, buildings or permanent improvements to existing assets. Must meet certain level of criteria and/or expense set by purchasing agency.

COMPETITIVE NEGOTIATION: A method for acquiring goods, services and construction for public use. Discussions or negotiations may be conducted with responsible offerors who submit proposals in the competitive range. (See request for proposal, best and final offers, award). Also called competitive sealed proposal. (Compare with competitive sealed bidding).

COMPETITIVE QUOTE: A statement of price, terms of sale and description of goods or services offered by a vendor to a prospective purchaser. Used by the purchaser to evaluate and compare quotes from competing sources.

Note: This new policy supercedes 3.16.

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PROCUREMENT POLICY

COMPETITIVE SEALED BID: Also referred to as a Formal Bid. An offer submitted by a prospective vendor in response to an invitation to bid issued by a purchasing authority; becomes a contract upon acceptance by the buyer. Differs from a Competitive Sealed Proposal as follows.

- a. Public opening (versus closing time and place). Read prices, items bid, discounts offered, delivery terms, etc. No discussion with bidders. Responses evaluated against specifications. Award made to lowest responsive and responsible bidder. Once the City Clerk has received a bid, no changes may be made. Entire record is public after award. (See Competitive Sealed Proposals).

COMPETITIVE SEALED BIDDING: Preferred method for acquiring goods, services, and construction for public use in which award is made to the lowest responsive and responsible bidder, based solely on the response to the criteria set forth in the invitation to bid. Does not include discussions or negotiations with bidders.

COMPETITIVE SEALED PROPOSAL: Also referred to as Request for Proposal (R.F.P). A method for acquiring goods, services and construction services for public use from responsible offerors who submit proposals in the competitive range. Differs from a Competitive Sealed Bid as follows:.

- a. Public closing (versus opening). Set time and place. Read only vendors (proposer) names. Discussion with proposers is permitted after evaluation, even encouraged. Evaluate responses against evaluation criteria and competing proposals. Proposal most advantageous to entity is awarded. Negotiations on price, terms and other factors are allowed. Only awarded contract is public.

CREDIT CARD: A credit card is one that only has a maximum spending limit. Is typically issued to Directors or the City Manager only. Differs than a "Procurement Card" in that the procurement card has built in transaction limitations.

DESIGN-BUILD: Where a single source has absolute accountability for both design and construction. The design-build approach may be used, but is not limited to use, when it is anticipated that it will: reduce project cost, expedite project completion, or provide design features not achievable through the design-bid-build method. May award the project using best value. Specific local agencies must be granted authority by the state legislature to use the design-build method.

DIRECT PAY: A limited use payment method. Typically used for refunds, one-time payments for emergency orders and other payments as further outlined in this policy. Not for routine payment of goods and services.

FIXED ASSET: An economic resource that is physical in nature such as property, buildings and equipment. Must meet level of expense set by purchasing agency. Fixed assets may be purchased as new or replacement items.

FUNDING OUT CLAUSE: An agreement whereby multi-year contracts may be continued each fiscal year only after funding appropriations and program approvals have been granted by the City Council. In the event that the City Council does not grant necessary funding appropriation and/or program approval, then the affected multi-year contract becomes null and void, effective July 1st of the fiscal year for which such approvals have been denied.

GREEN SHEET: Used for budget preparation to convey the need for a new or replacement fixed asset or a capital project request. Although this document is no longer "green", it is now in electronic form and is found on the Intranet in the budget preparation area.

MULTI-STEP BIDDING: (Also referred to as Two-step Process). A source selection method involving at least two competitive steps, combining the elements of both competitive sealed bids (formal bids) and competitive sealed proposals. The first step requires the submission of un-priced, technical proposals. In the second step, bidders with acceptable technical proposals are asked to submit sealed bid prices. A percentage (weighted average) is typically assigned to each element of the proposal to help analyze and determine the award.

Note: This new policy supercedes 3.16.

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PROCUREMENT POLICY

OPEN MARKET PURCHASE: The procurement of materials, supplies or equipment, usually of a limited monetary amount, from any available and reliable source. Open market purchases shall be made when feasible and when in the best interest of the City utilizing the methods prescribed herein.

PIGGYBACK: A form of intergovernmental cooperative purchasing in which an agency purchaser requests competitive sealed bids, enters into a contract and arranges, as part of the contract, for other public purchasing agencies to purchase from the selected vendor under the same terms and conditions as itself.

PROCUREMENT: Purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction; includes all functions that pertain to the acquisition, including description or requirements, selection and solicitation or sources, preparation and award of contract, and all phases of contract administration. It also pertains to the combined functions of purchasing, inventory control, traffic and transportation, receiving, receiving inspection, storekeeping, and salvage and disposal operations.

PROCUREMENT CARD: A purchase and payment method used to procure budgeted low value items, May be used for higher value purchases on an approved basis. Cardholder and manager are responsible for proper use of the procurement card. Cardholder's manager to designate spending limits and types of authorized purchases. Differs from a "Credit Card" as the Procurement Card has built in transaction limitations. Controlled and audited by the Purchasing Division.

PROFESSIONAL SERVICES: Services rendered by members of a recognized profession or possessing a special skill. Such services are generally acquired to obtain information, advice, training or direct assistance. For purposes of this document, the following are, but not limited to, professional services:

- a. Architectural, construction management, construction surveys, material testing, inspection services, appraising, ad campaigns, engineering, environmental, finance, fine arts, insurance, land surveying, landscape architectural, legal management consultants, management information consultants, janitorial, medical, document processing services, municipal program implementation, performing arts, personnel, psychological, sports and underwriting. Providers of such services are hereinafter referred to individually as "consultant" or collectively as "consultants".

PROPOSAL: In competitive negotiations, the document submitted by the offeror in response to the RFP to be used as the basis for negotiations to enter into a contract.

PUBLIC WORKS PROJECT: As pertains to bidding on public contracts and as defined in Section 22002 of the Public Contract Code, "public project" means any of the following:

- a. Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.
- b. Painting or repainting of any publicly owned, leased, or operated facility.
- c. In the case of a publicly owned utility system, "public project" shall include only the construction, erection, improvement, or repair of dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.
- d. "Public project" does not include maintenance work. For purposes of this section, "maintenance work" includes all of the following:
 1. Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 2. Minor repainting.

Note: This new policy supercedes 3.16.

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05/24/06

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PROCUREMENT POLICY

3. Resurfacing of streets and highways at less than one inch.
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
5. Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

For purposes of this section, "facility" means any plant, building, structure, ground facility, real property, streets and highways, utility system (subject to the limitation found in "c" above), or other public work improvement.

PURCHASE ORDER: The primary procurement method. Used to communicate to a vendor the City's terms and conditions, authorizes an encumbrance of City funds and is a contractual agreement to pay for acceptable goods or services received. Used to process payment and track an expenditure in the financial system.

REQUEST FOR PROPOSAL (R.F.P): All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals. (See Competitive Sealed Proposal).

RETENTION: The withholding of a part of the payment due, until final acceptance of the purchase by the purchaser, in accordance with the contract terms.

REQUEST FOR QUOTE (FORMAL R.F.Q.): Three competitive quotes required through a more formal process than competitive quotes as described above, following administrative policies and procedures for signature authority and approved level of expenditure. Process duplicates the formal bid process by requiring a written document with an R.F.Q. number assigned, scope and/or specifications, issued to a list of potential bidders, has a final receiving date and time, but is received by the requestor, not the city clerk. Analyzed and awarded to the most responsive and responsible bidder meeting all requirements and criteria set forth in the R.F.Q. The names of the bidders involved may be announced, however the quotes received are confidential until after award. No negotiation is permitted.

REQUISITION: A written document used to communicate a need to the Purchasing Division. Unless otherwise noted in this policy, the requisition requires appropriate signatures as outlined in the signature authority section. At least one business unit and expenditure code must be designated for the purchase. Indicate a description of the item or service to be purchased and include any pertinent documentation, i.e. insurance documentation, contracts, quotes received, etc.

SINGLE SOURCE: A contract for the purchase of goods or services entered into after soliciting and negotiating only with one source, usually because of the technology required or uniqueness of the product or service provided. (Compare to Sole Source).

SOLE SOURCE: When only one vendor possesses the unique and singularly available capability to meet the requirement of the solicitation, such as technical qualifications, matching to currently owned equipment or supplies, the ability to deliver at a particular time, or services from a public utility. (Compare to Single Source).

UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT: A program created in 1983 which allows local agencies to perform public project work up to \$30,000 with its own work force if the agency elects to follow the cost accounting procedures set forth in the Cost Accounting Policies and Procedures Manual of the California Uniform Construction Cost Accounting Commission (Commission). The Act is enacted under Public Contracts Code Section 22000 through 22045 (hereafter abbreviated as PCC 22000-22045). In addition, the Act provides for alternative bidding procedures when an agency performs public project work by contract. (a) Public projects of \$30,000 or less may be performed by negotiated contract or by purchase order (PCC 22032(a)). (b) Public projects of \$125,000 or less may be let to contract by the informal procedures set forth in the Act (PCC 22032(b)). (c) Public projects of more than \$125,000 shall be let to contract by formal bidding procedures (PCC 22032(c)).

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

PROCUREMENT POLICY

ADDENDUM “A”

EXAMPLES OF WHEN TO USE THE
FIVE PAYMENT METHODS

<i>Expense Item</i>	<i>Purchase Order</i>	<i>Procurement Card (CAL-Card)</i>	<i>Direct Pay</i>	<i>Petty Cash</i>	<i>Wire Transfer</i>
Cab Fare Reimbursement (\$15)				X	
So. Cal. Edison Pole Move Request			X		
Bond Payment					X
Office Chair	X				
Desk Calculator		X	X		
Fee Refund of Cancelled Event (>\$100)			X		
Riding Lawn Mower	X				
Office Depot Store Card Purchase			X		
Office Supplies		X			
Plan Copies from Riverside Blueprint*	X				
Copies at PIP or Office Depot		X			
Tree Trimming Service	X				
Purchase of Truck	X				
Hire of Temporary Worker	X				
Professional Memberships**	X	X	X		

*Service order from a non-incorporated vendor

** First choice would be the CAL-Card. If unacceptable, then a Purchase order or Direct Pay is appropriate.

Note: This new policy supercedes 3.16.

Approved by: City Manager
05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09

Addendum 'B'

AUTHORIZATION FOR PAYMENT ON PURCHASE ORDER

Please fill in the information below and attach this document to your invoice. Once all required payment approval signatures are in place, route the invoice with this form to Accounting. If the payment amount is higher than your authorized signature limit, the next level must also sign.

Where the expenditure is for another division (i.e. Public Works project for CDD, or Parks and Facilities Project for the Library) approving signatures are required from both responsible divisions (the one who validates that the work or product is satisfactory and the budget owner). The only required signature from the servicing division would be that of the project manager, regardless of the amount. The budget owner shall obtain authorizations to pay based on the chart below. You may allocate your invoice up to five business units and expenditure codes.

Payment Signature Authority is as follows:

Professional/Admin./Mgmt. (PAM)	up to \$15,000	Purchase Order Number:	
Division Manager:	up to \$50,000	Vendor Name:	
Department Head:	up to \$100,000	Invoice Number:	
City Manager:	over \$100,000	Invoice Date:	
		Total Invoice Amount:	

Retention Information							Total Net Payment Amount	
3-Digit Fund No.	5-Digit Business Unit	Expenditure Code and Sub-Code	Gross Allocated Dollars	Retention Allocated Dollars	3-Digit Fund No.	3-Digit Business Unit		Retention Expenditure Code
								\$0.00
								\$0.00
								\$0.00
								\$0.00
								\$0.00
Gross Payment Total>			\$0.00	\$0.00	<Retention Dollars		Net Payment Amount>	\$0.00

Signature Section		
Type or Print Name	Signature	Date

Note: This new policy supercedes 3.16.

Approved by: City Manager

05/24/06
Revised: 05/25/06; 11/13/08; 5/6/09