

Council Meeting Agenda

May 25, 2011

CITY COUNCIL CHAMBERS

3:30 p.m. Closed Session; 4:30 p.m. Regular Session
201 N. Broadway, Escondido, CA 92025

MAYOR	Sam Abed
DEPUTY MAYOR	Marie Waldron
COUNCIL MEMBERS	Olga Diaz Ed Gallo Michael Morasco
CITY MANAGER	Clay Phillips
CITY CLERK	Marsha Whalen
CITY ATTORNEY	Jeffrey Epp
DIRECTOR OF COMMUNITY DEVELOPMENT	Barbara Redlitz
DIRECTOR OF ENGINEERING SERVICES	Ed Domingue

ELECTRONIC MEDIA:

Electronic media which members of the public wish to be used during any public comment period should be submitted to the City Clerk's Office at least 24 hours prior to the Council meeting at which it is to be shown.

The electronic media will be subject to a virus scan and must be compatible with the City's existing system. The media must be labeled with the name of the speaker, the comment period during which the media is to be played and contact information for the person presenting the media.

The time necessary to present any electronic media is considered part of the maximum time limit provided to speakers. City staff will queue the electronic information when the public member is called upon to speak. Materials shown to the Council during the meeting are part of the public record and may be retained by the Clerk.

The City of Escondido is not responsible for the content of any material presented, and the presentation and content of electronic media shall be subject to the same responsibilities regarding decorum and presentation as are applicable to live presentations.



Council Meeting Agenda

May 25, 2011
3:30 p.m. Meeting
Escondido City Council
Community Development Commission

CALL TO ORDER

ROLL CALL: Diaz, Gallo, Morasco, Waldron, Abed

ORAL COMMUNICATIONS

At this time the public may comment on items not appearing on the agenda. State law prohibits the Council from discussing or taking action on such items, but the matter may be referred to the City Manager/staff or scheduled on a subsequent agenda. (Please refer to the back page of the agenda for instructions.)

CLOSED SESSION: (COUNCIL/CDC/RRB)

I. CONFERENCE WITH LABOR NEGOTIATOR (Government Code §54957.6)

- a. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Escondido City Employee Association
Supervisory Bargaining Unit**
- b. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Escondido City Employee Association
Administrative/Clerical/Engineering (ACE) Bargaining Unit**
- c. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Maintenance & Operations, Teamsters Local 911**
- d. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee or organization: **Escondido Police Officers' Association**

II. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)

- a. Property: 401 N. Spruce Street
City Negotiator: Clay Phillips
Negotiating parties: City and Interfaith Community Services
Under negotiation: Price and terms of payment

ADJOURNMENT



Council Meeting Agenda

May 25, 2011
4:30 p.m. Meeting

Escondido City Council
Community Development Commission
Mobilehome Rent Review Board

CALL TO ORDER

MOMENT OF REFLECTION:

City Council agendas allow an opportunity for a moment of silence and reflection at the beginning of the evening meeting. The City does not participate in the selection of speakers for this portion of the agenda, and does not endorse or sanction any remarks made by individuals during this time. If you wish to be recognized during this portion of the agenda, please notify the City Clerk in advance.

FLAG SALUTE

ROLL CALL: Diaz, Gallo, Morasco, Waldron, Abed

PRESENTATIONS: Webelos Special Achievement Award

PROCLAMATIONS: National Historic Preservation Month

ORAL COMMUNICATIONS

At this time the public may comment on items not appearing on the agenda. State law prohibits the Council from discussing or taking action on such items, but the matter may be referred to the City Manager/staff or scheduled on a subsequent agenda. (Please refer to the back page of the agenda for instructions.) *NOTE: Depending on the number of requests, comments may be reduced to less than 3 minutes per speaker and limited to a total of 30 minutes. Any remaining speakers will be heard during Oral Communications at the end of the meeting.*

CONSENT CALENDAR

Items on the Consent Calendar are not discussed individually and are approved in a single motion. However, Council members always have the option to have an item considered separately, either on their own request or at the request of staff or a member of the public.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/CDC/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/CDC)**
3. **APPROVAL OF MINUTES: Regular Meeting of April 13, 2011**
4. **TREASURER'S INVESTMENT REPORT FOR THE QUARTER ENDED MARCH 31, 2011 –**
Request Council receive and file the Quarterly Investment Report.

Staff Recommendation: Receive and file: **(City Treasurer's Office: Kenneth Hugins)**

5. **SECOND AMENDMENT TO AGREEMENT WITH MR. B'S LANDSCAPE MAINTENANCE –**
Request Council approve a second amendment to the Public Service Agreement with Mr. B's Landscape Maintenance in the amount of \$18,525 per month for landscape maintenance services in the City of Escondido Landscape Maintenance District (LMD) that will extend the term of the agreement to June 30, 2012, and add maintenance responsibilities for one additional LMD zone.

Staff Recommendation: Approval **(Engineering Services: Frank Schmitz)**

RESOLUTION NO. 2011-61

6. **STREET VACATION - PORTION OF NORTH ELM STREET –** Request Council set a public hearing date of June 8, 2011 at 4:30 p.m. to consider approving the vacation of a portion of North Elm Street.

Staff Recommendation: Approval **(Engineering Services: Ed Domingue)**

RESOLUTION NO. 2011-57

7. **INTENTIONALLY LEFT BLANK**

8. **CALIFORNIA CENTER FOR THE ARTS, ESCONDIDO –** Request Council approve an advance payment of \$270,000.00 to CCAE to meet cash flow needs for the balance of Fiscal Year 2010-11.

Staff Recommendation: Approval **(City Manager's Office: Clay Phillips)**

CONSENT - RESOLUTIONS AND ORDINANCES (COUNCIL/CDC/RRB)

The following Resolutions and Ordinances were heard and acted upon by the City Council/CDC/RRB at a previous City Council/Community Development Commission/Mobilehome Rent Review meeting. (The title of Ordinances listed on the Consent Calendar are deemed to have been read and further reading waived.)

PUBLIC HEARINGS

9. **SHORT FORM RENT INCREASE APPLICATION FOR WESTWINDS MOBILEHOME PARK –** Request Council approve the short-form rent increase, granting an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or an average of \$3.32 per space per month for the period of December 31, 2009 to December 31, 2010.

Staff Recommendation: Approval (**Community Services/Housing Division: Jerry VanLeeuwen**)

RESOLUTION RRB NO. 2011-03

CURRENT BUSINESS

10. **DEMONSTRATION OF NEW LIBRARY WEB SITE –** A presentation on the new features of the Escondido Library's new online services.

Staff Recommendation: None (**Community Services/Library: Laura Mitchell**)

11. **REAL PROPERTY PURCHASE – 455 & 525 N. QUINCE STREET -** Request Council authorize an expenditure of \$6,600,000.00 plus related closing costs for the purchase of property addressed as 455 & 525 N. Quince Street; and authorize the Mayor and City Clerk to execute all documents related to the purchase; and accept the Grant Deeds on behalf of the City.

Staff Recommendation: Approval (**City Manager's Office: Charles Grimm**)

RESOLUTION NO. 2011-69

12. **BID AWARD FOR FLEET REPLACEMENT OF TWELVE TRUCKS –** Request Council award the bid for fleet replacement of twelve trucks to North County Ford of Vista, California in the amount of \$264,314. **Continued from May 11, 2011**

Staff Recommendation: Approval (**Finance Department: Gil Rojas**)

CURRENT BUSINESS - Continued

13. **FUND BALANCE POLICY AND COMMITMENT OF FUND BALANCE IN THE GENERAL FUND** – Request Council approve the Fund Balance Policy in compliance with Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and commit fund balance in the General Fund for Economic Uncertainty and Economic Development.

Staff Recommendation: Approval (**Finance Department: Gil Rojas**)

RESOLUTION NO. 2011-56

14. **RESOLUTION OPPOSING SENATE BILL 468** – Request Council oppose Senate Bill 468 which would impose additional, unnecessary requirements on capacity-increasing highway projects in the coastal zone, as well as prevent the implementation of the Regional Transportation Plan. **Continued from May 11, 2011**

Staff Recommendation: None (**Mayor Sam Abed and Councilmember Marie Waldron**)

RESOLUTION NO. 2011-62

WORKSHOP

15. **UTILITIES BOND FINANCING** – Presentation of information relating to the Fiscal Year 2011/2012 CIP Budget, which will propose that water and wastewater use bond financing to fund \$17.8 million dollars in capital projects.

Staff Recommendation: None (**Finance Department: Gil Rojas**)

FUTURE AGENDA

16. **FUTURE AGENDA ITEMS** - The purpose of this item is to identify issues presently known to staff or which members of the Council wish to place on an upcoming City Council agenda. Council comment on these future agenda items is limited by California Government Code Section 54954.2 to clarifying questions, brief announcements, or requests for factual information in connection with an item when it is discussed

Staff Recommendation: None (**City Clerk's Office: Marsha Whalen**)

ORAL COMMUNICATIONS

At this time the public may comment on items not appearing on the agenda. State law prohibits the Council from discussing or taking action on such items, but the matter may be referred to the City Manager/staff or scheduled on a subsequent agenda.

COUNCIL MEMBERS' COMMITTEE REPORTS/COMMENTS/BRIEFING

ADJOURNMENT

UPCOMING MEETING SCHEDULE				
Date	Day	Time	Meeting Type	Location
June 1			No Meeting Scheduled	
June 8	Wednesday	3:30 & 4:30 p.m.	Council Meeting	Council Chambers
June 15	Wednesday	3:30 & 4:30 p.m.	Council Meeting	Council Chambers
June 22	Wednesday	3:30 & 4:30 p.m.	Council Meeting	Council Chambers

TO ADDRESS THE COUNCIL

The public may address the City Council on any agenda item. Please complete a Speaker's form and give it to the City Clerk. Comments are generally limited to 3 minutes.

If you wish to speak concerning an item *not* on the agenda, you may do so under "Oral Communications." Please complete a Speaker's form as noted above.

Handouts for the City Council should be given to the City Clerk. To address the Council, use the podium in the center of the Chambers, STATE YOUR NAME FOR THE RECORD and speak directly into the microphone.

AGENDA, STAFF REPORTS AND BACK-UP MATERIALS ARE AVAILABLE:

- Online at <http://www.ci.escondido.ca.us/government/agendas/PublishedMeetings.htm>
- In the City Clerk's Office at City Hall
- In the Library (239 S. Kalmia) during regular business hours and
- Placed in the Council Chambers (See: City Clerk/Minutes Clerk) immediately before and during the Council meeting.

AVAILABILITY OF SUPPLEMENTAL MATERIALS AFTER AGENDA POSTING: Any supplemental writings or documents provided to the City Council regarding any item on this agenda will be made available for public inspection in the City Clerk's Office located at 201 N. Broadway during normal business hours, or in the Council Chambers while the meeting is in session.

LIVE BROADCAST

Council meetings are broadcast live on Cox Cable Channel 19 and can be viewed the following Sunday and Monday evenings at 6:00 p.m. on Cox Cable. The Council meetings are also available live via the Internet by accessing the City's website at www.escondido.org, and selecting: City Council/broadcasts of City Council Meetings/live video streaming.

Please turn off all cellular phones and pagers while the meeting is in session.

**The City Council is scheduled to meet the first four Wednesdays
of the month at 3:30 in Closed Session and 4:30 in Open Session.
(Verify schedule with City Clerk's Office)**

**Members of the Council also sit as the Community Development Commission
and the Mobilehome Rent Review Board.**

**CITY HALL HOURS OF OPERATION
Monday-Thursday 7:30 a.m. to 5:30 p.m.**



If you need special assistance to participate in this meeting, please contact our ADA Coordinator at 839-4641. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.

Listening devices are available for the hearing impaired – please see the City Clerk.



Agenda Item: No. 3
Date: May 25, 2011

APPROVAL
OF
MINUTES

CITY OF ESCONDIDO
April 13, 2011
3:30 p.m. Meeting Minutes

Escondido City Council
Community Development Commission

CALL TO ORDER

The Regular Meeting of the Escondido City Council and Community Development Commission was called to order at 3:30 p.m. on Wednesday, April 13, 2011 in the Council Chambers at City Hall with Mayor Abed presiding.

ATTENDANCE

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Councilmember Michael Morasco, Deputy Mayor Marie Waldron, and Mayor Sam Abed. Quorum present.

ORAL COMMUNICATIONS

CLOSED SESSION: (COUNCIL/CDC/RRB)

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Diaz to recess to Closed Session. Motion carried unanimously.

I. CONFERENCE WITH LABOR NEGOTIATOR (Government Code §54957.6)

- a. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Escondido City Employee Association
Supervisory Bargaining Unit**
- b. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Escondido City Employee Association
Administrative/Clerical/Engineering (ACE) Bargaining Unit**
- c. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Maintenance & Operations, Teamsters Local 911**
- d. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Escondido Police Officers' Association - Sworn**
- e. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Escondido Police Officers' Association – Non-Sworn**
- f. Agency Negotiator: Sheryl Bennett, Clay Phillips
Employee organization: **Escondido Firefighters' Association**

II. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9(b): **One Case**

III. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)

Property: A parcel on the north side of West Valley Parkway
between City Hall and the California Center for the Arts,
Escondido, APN#229-372-20
Agency Negotiator: Charles Grimm
Negotiating parties: City of Escondido and CW Clark
Under negotiation: Price and terms of payment

IV. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)

Property: 475 & 480 North Spruce Street
Agency Negotiator: Clay Phillips
Negotiating parties: City and JMI Sports
Under negotiation: Price and terms of payment

ADJOURNMENT

Mayor Abed adjourned the meeting at 4:38 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO
April 13, 2011
4:30 p.m. Meeting Minutes

Escondido City Council
Community Development Commission
Mobilehome Rent Review Board

CALL TO ORDER

The Regular Meeting of the Escondido City Council and Community Development Commission was called to order at 4:40 p.m. on Wednesday, April 13, 2011 in the Council Chambers at City Hall with Mayor Abed presiding.

MOMENT OF REFLECTION

FLAG SALUTE

Mayor Abed led the flag salute.

ATTENDANCE

The following members were present: Councilmember Olga Diaz, Councilmember Ed Gallo, Councilmember Michael Morasco, Deputy Mayor Marie Waldron, and Mayor Sam Abed.

Also present were: Clay Phillips, City Manager; Jeffrey Epp, City Attorney; Bill Martin, Planning Department; Ed Domingue, Engineering Services Director; Marsha Whalen, City Clerk; and Liane Uhl, Minutes Clerk.

PROCLAMATIONS

Mayor Abed introduced Cameron Curry, Classical Academy Chief Executive Officer, who accepted a proclamation for Charter Schools Association's Leader of the Year.

Mayor Abed introduced Kelly Matthews, North County Lifeline, who accepted a proclamation for Fair Housing Month, April 2011.

Mayor Abed introduced David Wilkinson who accepted a proclamation for Mormon Helping Hands 2011 on Serving our Community Day, April 30, 2011.

PRESENTATIONS

Deputy Mayor Waldron introduced Carol Rea and Kevin Grangetto who presented a series of slides and accepted recognition for Beautification/America in Bloom.

ORAL COMMUNICATIONS

Chester Mordasini, Teamsters Local 911, asked Council to be sensitive to the issues of city workers.

Lee Graniero, Escondido, expressed concern over the possibility of closing the branch library and requested Council keep it open.

Nina Deerfield, Escondido, indicated she would like to volunteer and urged Council to keep recreation programs open.

Roy Garrett, Escondido, stated that closing recreation programs would put youth at risk and asked that Council not cut those programs or close facilities.

Patricia Borchmann, Escondido, asked Council to keep recreation programs open so young people don't become police statistics.

Larry Steneck, Escondido, requested that Council not cut recreation programs or close the library.

Jerry Lenhart, Escondido, expressed concern with code enforcement inspections of mobilehome parks.

Lynne Lau, Escondido, voiced concern with the proposed recreation cuts.

CONSENT CALENDAR

Councilmember Gallo removed item 4 and Councilmember Diaz removed item 5 from the Consent Calendar for discussion.

MOTION: Moved by Councilmember Waldron and seconded by Councilmember Diaz that the following Consent Calendar items be approved with the exception of items 4 and 5. Motion carried unanimously.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/CDC/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/CDC)**
3. **APPROVAL OF MINUTES: Regular Meeting of March 9, 2011**
4. **BID AWARD FOR SPORTS CENTER OFFICE EXPANSION** – Request Council accept the apparent low bid from MW Construction, Inc. as the lowest responsive and responsible bid; and authorize the Mayor and City Clerk to execute an agreement with MW Construction, Inc. in the amount of \$176,973 for the Sports Center Office Expansion project base bid. (File No. 0600-10 [A-3013])

Staff Recommendation: Approval (**Engineering Services: Robb Zaino**)

RESOLUTION NO. 2011-45

Councilmember Gallo asked for clarification of the cost of the project.

Robb Zaino, Engineering Services Deputy Director, indicated the total that Councilmember Gallo had was correct.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Waldron to accept the apparent low bid from MW Construction, Inc. as the lowest responsive and responsible bid; authorize the Mayor and City Clerk to execute an agreement with MW Construction, Inc. in the amount of \$176,973 for the Sports Center Office Expansion project base bid and adopt Resolution No. 2011-45. Ayes: Diaz, Gallo, Waldron and Abed. Noes: Morasco. Absent: None. Motion carried.

- 5. FISCAL YEAR 2010 URBAN AREA SECURITY INITIATIVE (UASI) GRANT AND BUDGET ADJUSTMENT** – Request Council authorize the Escondido Police Department to accept FY 2010 Urban Area Security Initiative (UASI) Grant funds in the amount of \$246,000; authorize the Chief of Police to submit grant documents on behalf of the City; and authorize staff to establish budgets to spend grant funds. (File No. 0430-80)

Staff Recommendation: Approval (**Police Department: Jim Maher**)

Councilmember Diaz asked why the vehicle was needed and for a description of it.

Police Captain Bob Benton answered the City had many incidents involving firearms, that the vehicle looked like a large van, and that it was armored.

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Morasco to authorize the Escondido Police Department to accept FY 2010 Urban Area Security Initiative (UASI) Grant funds in the amount of \$246,000; authorize the Chief of Police to submit grant documents on behalf of the City; and authorize staff to establish budgets to spend grant funds. Motion carried unanimously.

- 6. FISCAL YEAR 2009 PROJECT SAFE NEIGHBORHOD GUN VIOLENCE AND BUDGET ADJUSTMENT** – Request Council authorize the Escondido Police Department to accept FY 2009 Project Safe Neighborhood Gun Violence Suppression Grant funds in the amount of \$20,000; authorize the Chief of Police to submit grant documents on behalf of the City; and authorize staff to establish budgets to spend grant funds. (File No. 0430-80)

Staff Recommendation: Approval (**Police Department: Jim Maher**)

- 7. FISCAL YEAR 2010 ASSISTANCE TO FIREFIGHTERS GRANT AND BUDGET ADJUSTMENT** – Request Council authorize the Escondido Fire Department to accept a grant award of \$75,800 from the Federal FY 2010 Assistance to Firefighters Grant (AFG) Program; authorize the Fire Chief to execute grant documents on behalf of the City; and authorize budget adjustments to track spending of these grant funds. (File No. 0430-80)

Staff Recommendation: Approval (**Fire Department: Michael Lowry**)

- 8. LEASE AGREEMENT BETWEEN THE CITY OF ESCONDIDO AND GRAND DENTISTRY FOR A PARKING LOT AT 418 EAST SECOND AVENUE IN ESCONDIDO** – Request Council approve a three-year lease agreement for a parking lot at 418 East Second Avenue in the City of Escondido. (File No. 0600-10 [A-3016])

Staff Recommendation: Approval (**Engineering Services: Ed Domingue**)

RESOLUTION NO. 2011-49

CONSENT - RESOLUTIONS AND ORDINANCES (COUNCIL/CDC/RRB)

None

PUBLIC HEARINGS

9. **SHORT FORM RENT REVIEW BOARD HEARING FOR LAKE BERNARDO MOBILE ESTATES** – Request Council approve an increase of seventy-five percent of the change in the Consumer Price Index, or an average of \$5.41 per space, per month for the period of June 30, 2009 to June 30, 2010. (File No. 0697-20-9779)

Staff Recommendation: Approval (**Housing Division: Roni Keiser**)

RESOLUTION NO. RRB 2011-02

Michelle Henderson, Housing Division, gave the staff report and presented a series of slides.

Mayor Abed opened the public hearing and asked if anyone would like to speak on this issue in any way.

Priscilla Cervantes, Park Owners Representative, listed the recent improvements to the park and asked Council to grant the short form rent increase.

Larry Steneck, Escondido, asked that additional data be included in the staff report.

Mayor Abed asked if anyone else wanted to speak on this issue in any way. No one asked to be heard. Therefore, he closed the public hearing.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Morasco to grant the short form rent increase and adopt Resolution No. RRB 2011-02. Motion carried unanimously.

CURRENT BUSINESS

10. **DRAFT PROPOSED CHARTER** – Request Council approve the draft proposed Charter and direct staff to return to Council with the appropriate resolutions to place the Charter on the ballot for a future election. (File No. 0650-20)

Staff Recommendation: None: (**Mayor Sam Abed and Deputy Mayor Marie Waldron**)

Chester Mordasini, Teamsters Local 911, voiced concern with the language regarding political contributions in the proposed Charter City and that project labor agreements create jobs.

Ralph Valenzuela, San Bernardo, indicated prevailing wage had allowed him to make a living, take his family to local dentists and doctors, and provided money to spend in the community.

Ken Bertalan, Escondido, stated the issue of prevailing wage was a choice for the Council when a project was proposed.

Tom Lemmon, San Diego, encouraged the Council to get public feedback on the proposed City Charter.

Murtaza Baxamusa, San Diego, stated the Charter would be the constitution of the City and to be careful of what language was in it so as not to restrict future decisions.

Val Macedo, Escondido, asked to meet with Councilmembers to discuss the proposed Charter City language.

James Conway, urged Council to not cut prevailing wages.

Jerome Kern, Oceanside Councilmember, encouraged Council to proceed with the Charter City proposal.

Bill Baber, Associated Builders and Contractors, indicated project labor agreements were unfair to non-union workers.

COUNCIL ACTION: Directed staff to research the requirement of showing identification when voting and determine at a later time when the issue should be placed on the ballot.

WORKSHOP

- 11. OUTSOURCING OF PUBLIC SERVICES** – Presentation of opportunities to outsource a variety of public services. (File No. 0110-20)

Staff Recommendation: Provide direction to staff (**Community Services: Jerry VanLeeuwen**)

Jerry Van Leeuwan, Community Services Director, gave the staff report and presented a series of slides.

Chester Mordasini, Teamsters Local 911, voiced concern with outsourcing Fleet Services.

COUNCIL ACTION: Directed staff to return with a cost analysis.

FUTURE AGENDA

- 12. FUTURE AGENDA ITEMS** - The purpose of this item is to identify issues presently known to staff or which members of the Council wish to place on an upcoming City Council agenda. Council comment on these future agenda items is limited by California Government Code Section 54954.2 to clarifying questions, brief announcements, or requests for factual information in connection with an item when it is discussed

Staff Recommendation: None (**City Clerk's Office: Marsha Whalen**)

ORAL COMMUNICATIONS

Don Greene, Escondido, thanked Council for placing a Prop K workshop on a future agenda.

COUNCIL MEMBERS' COMMITTEE REPORTS/COMMENTS/BRIEFING

Councilmember Morasco asked that a response to Senator Anderson's request for support of SB 1 and SB 120 be sent to him by April 20, 2011.

Councilmember Waldron indicated that April 30, 2011 was National Take-Back Day where any expired or unwanted prescription drugs could be turned in at the Police and Fire Facility from 10:00 to 2:00 p.m.

Mayor Abed stated the Police Department had arrested four sex offenders that had violated their registration compliance.

ADJOURNMENT

Mayor Abed adjourned the meeting at 8:15 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Orcl No. _____

Agenda Item No.: 4

Date: May 25, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Kenneth C. Hugins, City Treasurer

SUBJECT: Treasurer's Investment Report for the Quarter Ended March 31, 2011

RECOMMENDATION:

It is requested that Council receive and file the Quarterly Investment Report

PREVIOUS ACTION:

The Investment Report for the quarter ended December 31, 2010, was filed with the City Clerk's Office on February 22, 2011, and presented to the City Council on March 2, 2011.

BACKGROUND:

From January 1, 2011, to March 31, 2011, the City's investment portfolio increased from \$130.6 million to \$131.6 million. The adjusted average yield decreased from 2.18% to 2.01%. An excess of cash receipt inflows over cash payment outflows for the quarter resulted in an increase of \$1.0 million in the book value of the investment portfolio. Major components of the net \$1.0 million increase are:

	<u>In millions</u>
Property tax and tax increment allocations	\$ 7.2
Property tax in lieu receipts	8.3
Sales tax allocations	4.5
Debt Service payments	(8.3)
CALPERS contributions	(4.0)
County Water Authority payments	(2.6)
Employee Health & Benefits payments	(1.8)
Housing Set Aside loan funding	(1.5)
Net Increase in operational cash account	<u>(.8)</u>
 Net Increase to Investment Portfolio	 <u>\$ 1.0</u>

Treasurer's Investment Report

May 25, 2011

Page 2

Details of the City's investment portfolio are included in the attached reports that are listed below:

- Summary of Investment Allocation Graph as of March 31, 2011
- Summary of General Obligation Bond Proceeds Balance as of March 31, 2011
- Summary of Investment Portfolio Yield for the last 12 months
- Summary and Detailed Reports of Investment Portfolio – January 2011 through March 2011
- Schedule of Investments Matured and Sold – First Quarter 2011
- Schedule of Funds Managed by Outside Parties as of March 31, 2011

The General Obligation bond proceeds are invested in a separate LAIF account as authorized by Council on August 9, 2006. This is a permitted investment pursuant to the bond's Official Statement and also meets the City's investment objectives of safety, liquidity, and risk.

There are adequate funds to meet the next six month's expected expenditures. The Union Bank of California's monthly statement and Bloomberg are the sources for the market valuation. Investment transactions are executed in compliance with the City of Escondido's Investment Policy.

Respectfully submitted,

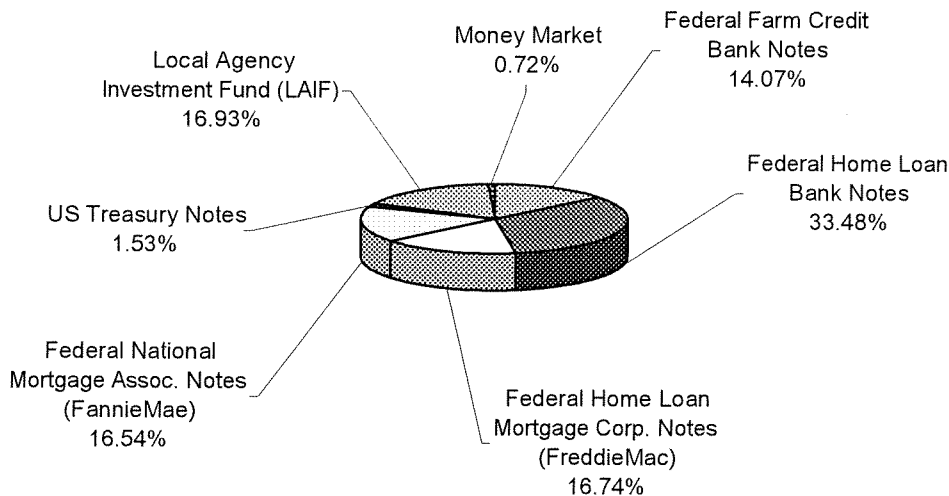


Kenneth C. Hugins
City Treasurer

**City of Escondido
Summary of Investment Allocation
as of March 31, 2011**

Investment Type	Book Value	Market Value	Percent of Portfolio at Market
Federal Farm Credit Bank Notes	\$ 18,481,281.22	\$ 18,666,020.10	14.07%
Federal Home Loan Bank Notes	43,842,485.08	44,423,737.55	33.48%
Federal Home Loan Mortgage Corp. Notes (FreddieMac)	21,905,517.05	22,209,499.50	16.74%
Federal National Mortgage Assoc. Notes (FannieMae)	21,504,027.63	21,954,541.74	16.54%
US Treasury Notes	1,983,292.20	2,023,953.25	1.53%
Local Agency Investment Fund (LAIF)	22,467,960.82	22,467,960.82	16.93%
Money Market	960,464.91	960,464.91	0.72%
Total Investment Portfolio - March 2011	\$131,145,028.91	\$132,706,177.87	100%
2004 Election General Obligation Bond Proceeds held separately in LAIF	\$ 413,897.71	\$ 413,897.71	
Reported Total Investments- March 2011	\$131,558,926.62	\$133,120,075.58	
Total Investment Portfolio - December 2010	\$130,158,404.50	\$132,314,753.11	
2004 Election General Obligation LAIF- December 2010	\$ 412,946.10	\$ 412,946.10	
Reported Total Investments- December 2010	\$130,571,350.60	\$132,727,699.21	
Change from Prior Quarter	\$ 987,576.02	\$ 392,376.37	
Portfolio Effective Duration	1.076		
Portfolio Effective Duration - (Excluding LAIF and Money Market)	1.310		

**Summary of Investment Allocation as of March 31, 2010
(Excluding General Obligation Bond Proceeds)**



City of Escondido
General Obligation Bonds, Election of 2004, Series A
Public Safety Facilities Project
Calculation of Bond Proceeds Balance
As of March 31, 2011

Description	(*) LAIF Interest Earnings	Project Cost Reimbursement to the City	Balance
Par Value			\$84,350,000.00
Add:			
Original Issue Bond Premium			914,861.55
Less:			
Underwriter's Discount			(292,829.00)
Cost of Issuance Expense			(220,000.00)
Credit Enhancement			(275,000.00)
Net Bond Proceeds			84,477,032.55
Monthly Activities:			
August to September 2006	\$ -	\$ (3,190,032.55)	81,287,000.00
September 2006 - Interest withdrawn	-		
October to December 2006	445,726.90	(3,300,000.00)	78,432,726.90
January to March 2007	1,033,671.72	(1,880,000.00)	77,586,398.62
April to June 2007	996,045.58	(200,000.00)	78,382,444.20
July to September 2007	1,022,452.03	(1,670,000.00)	77,734,896.23
October to December 2007	1,033,456.91	(1,980,000.00)	76,788,353.14
January to March 2008	970,394.61	(6,250,000.00)	71,508,747.75
April to June 2008	774,021.46	(8,300,000.00)	63,982,769.21
June 2008 - Interest Drawdown	(1,513,000.00)		62,469,769.21
July - September 2008	530,295.74	(14,000,000.00)	49,000,064.95
October to December 2008	386,163.16	(10,700,000.00)	38,686,228.11
January to March 2009	284,700.95	(7,500,000.00)	31,470,929.06
April to June 2009	169,983.58	(10,533,000.00)	21,107,912.64
July to September 2009	101,934.35	(7,300,000.00)	13,909,846.99
October to December 2009	42,769.87	(6,600,000.00)	7,352,616.86
January to March 2010	17,670.57	(1,074,000.00)	6,296,287.43
Feb 2010 - Interest Drawdown	(626,000.00)		5,670,287.43
April to June 2010	9,059.54		5,679,346.97
April 2010 - Interest Drawdown	(1,300,000.00)		4,379,346.97
June 2010 - Interest Drawdown	(1,825,000.00)		2,554,346.97
July to September 2010	6,114.18		2,560,461.15
August 2010 - Interest Drawdown	(1,300,000.00)		1,260,461.15
October 2010	2,484.95		1,262,946.10
November 2010 - Interest Drawdown	(850,000.00)		412,946.10
October to December 2010	951.61		413,897.71
Ending Balance, 03/31/2011	\$ 413,897.71	\$(84,477,032.55)	\$ 413,897.71

CITY OF ESCONDIDO
SUMMARY OF INVESTMENT PORTFOLIO YIELDS
FOR THE LAST 12 MONTHS
as of March 31, 2011

Date	Book Value	Yield
Mar-11	\$131,558,926.62	2.0120%
Feb-11	\$134,759,167.06	2.0410%
Jan-11	\$141,503,295.59	2.0150%
Dec-10	\$130,571,350.60	2.1850%
Nov-10	\$131,748,046.66	2.2080%
Oct-10	\$133,326,910.85	2.2330%
Sep-10	\$136,345,321.47	2.2780%
Aug-10	\$138,349,623.42	2.3760%
Jul-10	\$158,133,691.43	2.4510%
Jun-10	\$165,329,720.37	2.4810%
May-10	\$158,727,481.96	2.4920%
Apr-10	\$162,000,069.67	2.3890%

Average Annual Investment Portfolio Yield **2.2634%**



**City of Escondido
Portfolio Management
Portfolio Summary
January 31, 2011**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	YTM/C
Calif. Local Agency Investment Fund	24,968,403.19	24,968,403.19	24,968,403.19	17.65	1	0.005
Money Market Accounting	11,107,814.51	11,107,814.51	11,107,814.51	7.85	1	0.003
Federal Agency Coupon Securities	100,971,000.00	104,837,597.44	102,778,912.45	72.63	617	2.703
Treasury Coupon Securities	2,225,000.00	2,292,891.25	2,234,267.73	1.58	899	3.211
LAIIF - Public Safety Facility Bonds	413,897.71	413,897.71	413,897.71	0.29	1	0.005
Investments	139,686,115.41	143,620,604.10	141,503,295.59	100.00%	463	2.015

Total Earnings	January 31	Month Ending	Fiscal Year To Date
Current Year	237,554.46		1,864,103.19
Average Daily Balance	134,407,027.61		141,192,590.88
Effective Rate of Return	2.08%		2.24%

Kenneth C. Hugins
 Kenneth C. Hugins, City Treasurer
 5/10/11

City of Escondido
Portfolio Management
Portfolio Details - Investments
January 31, 2011

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
Calif. Local Agency Investment Fund											
SYS1000	1000	Local Agency Investment Fund			20,687,960.82	20,687,960.82	20,687,960.82	0.005	1	0.005	
SYS1001	1001	Local Agency Investment Fund			4,280,442.37	4,280,442.37	4,280,442.37	0.005	1	0.005	
		Subtotal and Average	24,957,568.01		24,968,403.19	24,968,403.19	24,968,403.19		1	0.005	
Money Market Accounting											
SYS2001	2001	Bank of America			11,107,814.51	11,107,814.51	11,107,814.51	0.003	1	0.003	
		Subtotal and Average	3,978,053.01		11,107,814.51	11,107,814.51			1	0.003	
Federal Agency Coupon Securities											
31331VRT5	3202	Federal Farm Credit		02/24/2006	2,000,000.00	2,006,000.00	1,999,932.79	4.900	23	4.960	02/24/2011
31331LCX4	3252	Federal Farm Credit		05/23/2007	1,000,000.00	1,005,790.00	1,000,861.47	6.000	34	5.040	03/07/2011
3133XJVL9	3256	Federal Home Loan Bank		05/30/2007	1,000,000.00	1,005,030.00	999,865.95	5.000	38	5.130	03/11/2011
3137EAA85	3258	Federal Home Loan Mtg Assoc		06/04/2007	510,000.00	515,365.20	509,962.98	5.125	76	5.161	04/18/2011
3128X7MN1	3288	Federal Home Loan Mtg Assoc		04/30/2009	5,050,000.00	5,093,480.50	5,078,272.48	3.500	93	1.320	05/05/2011
3133XFJY3	3259	Federal Home Loan Bank		06/04/2007	500,000.00	508,710.00	500,075.74	5.250	129	5.202	06/10/2011
3134A4FM1	3241	Federal Home Loan Mtg Assoc		03/12/2007	690,000.00	705,062.70	692,787.79	6.000	134	4.785	06/15/2011
3134A4FM1	3253	Federal Home Loan Mtg Assoc		05/25/2007	1,000,000.00	1,021,830.00	1,003,056.30	6.000	134	5.080	06/15/2011
3136F3K21	3247	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,030,280.00	1,989,324.89	3.640	163	4.960	07/14/2011
31331VJ80	3226	Federal Farm Credit		12/27/2006	1,030,000.00	1,054,627.30	1,032,264.12	5.375	167	4.840	07/18/2011
31331VJ80	3296	Federal Farm Credit		12/28/2009	5,000,000.00	5,119,550.00	5,105,239.82	5.375	167	0.800	07/18/2011
3133MGYH3	3227	Federal Home Loan Bank		12/27/2006	2,000,000.00	2,057,640.00	2,008,481.10	5.750	195	4.860	08/15/2011
3133MGYH3	3271	Federal Home Loan Bank		04/25/2008	1,000,000.00	1,028,820.00	1,011,242.22	5.750	195	3.520	08/15/2011
31398ATL6	3300	Federal National Mtg Assoc		12/28/2009	1,000,000.00	1,018,100.00	1,015,090.36	3.625	195	0.956	08/15/2011
31398ATL6	3306	Federal National Mtg Assoc		03/24/2010	1,000,000.00	1,018,100.00	1,015,767.82	3.625	195	0.680	08/15/2011
31331SSJ3	3243	Federal Farm Credit		03/21/2007	3,000,000.00	3,072,720.00	2,996,926.63	4.625	202	4.830	08/22/2011
3133XF5T9	3254	Federal Home Loan Bank		05/29/2007	1,000,000.00	1,027,590.00	999,391.30	5.000	220	5.111	09/09/2011
3133XF5T9	3274	Federal Home Loan Bank		05/14/2008	1,950,000.00	2,003,800.50	1,966,007.95	5.000	220	3.549	09/09/2011
31331Y3P3	3313	Federal Farm Credit		03/23/2010	1,000,000.00	1,021,260.00	1,018,480.00	3.500	244	0.730	10/03/2011
31359MZ30	3246	Federal National Mtg Assoc		04/17/2007	2,000,000.00	2,065,980.00	2,000,750.38	5.000	256	4.925	10/15/2011
3133MJUQ1	3275	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,035,740.00	1,010,049.23	4.875	287	3.510	11/15/2011
3128X3K69	3269	Federal Home Loan Mtg Assoc		04/22/2008	1,000,000.00	1,032,870.00	1,008,026.38	4.500	287	3.410	11/15/2011
3134A1GH7	3244	Federal Home Loan Mtg Assoc		03/30/2007	1,800,000.00	1,891,980.00	1,821,897.74	6.480	307	4.850	12/05/2011
31359M5H2	3248	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,095,460.00	2,000,794.02	5.000	380	4.955	02/16/2012
3137EAA80	3250	Federal Home Loan Mtg Assoc		05/22/2007	1,000,000.00	1,047,680.00	997,384.00	4.750	398	5.020	03/05/2012
3137EAA80	3260	Federal Home Loan Mtg Assoc		06/18/2007	500,000.00	523,840.00	496,537.23	4.750	398	5.474	03/05/2012
3133XJUT3	3242	Federal Home Loan Bank		03/19/2007	1,000,000.00	1,050,880.00	1,001,821.68	5.000	402	4.810	03/09/2012

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

City of Escondido
Portfolio Management
Portfolio Details - Investments
January 31, 2011

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
31331GNQ8	3291	Federal Farm Credit		05/28/2009	2,000,000.00	2,043,800.00	2,012,663.19	2.250	448	1.719	04/24/2012
3133XKSK2	3276	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,059,430.00	1,014,493.57	4.875	493	3.710	06/08/2012
3137EACC1	3292	Federal Home Loan Mtg Assoc		05/28/2009	2,000,000.00	2,035,000.00	1,998,649.04	1.750	500	1.801	06/15/2012
3133XTHE9	3295	Federal Home Loan Bank		08/05/2009	1,000,000.00	1,021,740.00	1,000,912.76	2.000	528	1.935	07/13/2012
31359MYO0	3270	Federal National Mtg Assoc		04/22/2008	2,000,000.00	2,134,240.00	2,036,928.52	5.000	548	3.660	08/02/2012
31359MYO0	3272	Federal National Mtg Assoc		04/25/2008	1,000,000.00	1,067,120.00	1,017,898.41	5.000	548	3.700	08/02/2012
3137EAAV1	3290	Federal Home Loan Mtg Assoc		05/28/2009	3,000,000.00	3,230,520.00	3,163,788.92	5.500	566	1.860	08/20/2012
3133XXF91	3318	Federal Home Loan Bank		05/10/2010	2,000,000.00	2,024,080.00	1,989,685.18	1.250	573	1.260	08/27/2012
3133XX4Z7	3310	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,025,680.00	2,001,529.28	1.350	574	1.299	08/28/2012
3133XUK93	3316	Federal Home Loan Bank		05/05/2010	3,000,000.00	3,070,320.00	3,030,962.86	2.000	591	1.350	09/14/2012
3133XML66	3279	Federal Home Loan Bank		10/29/2008	2,000,000.00	2,138,660.00	2,014,657.14	4.625	617	4.150	10/10/2012
3133XXLX3	3312	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,027,560.00	1,998,271.70	1.375	633	1.426	10/26/2012
3133XVNT42	3304	Federal Home Loan Bank		03/24/2010	1,000,000.00	1,020,150.00	1,003,763.31	1.750	682	1.543	12/14/2012
31359MQV8	3273	Federal National Mtg Assoc		04/25/2008	2,000,000.00	2,164,360.00	2,034,919.82	4.750	751	3.811	02/21/2013
31359MQV8	3294	Federal National Mtg Assoc		07/23/2009	2,000,000.00	2,164,360.00	2,106,277.33	4.750	751	2.055	02/21/2013
3133XPBB9	3293	Federal Home Loan Bank		06/17/2009	1,535,000.00	1,612,486.80	1,556,307.57	3.125	766	2.430	03/08/2013
31331VTY2	3277	Federal Farm Credit		05/14/2008	1,000,000.00	1,094,080.00	1,025,650.95	5.200	778	3.870	03/20/2013
31331Y2Q2	3308	Federal Farm Credit		03/23/2010	2,000,000.00	2,160,360.00	2,113,380.93	4.250	888	1.840	07/08/2013
31359MSL80	3317	Federal National Mtg Assoc		05/05/2010	1,000,000.00	1,082,220.00	1,062,542.99	4.375	897	1.750	07/17/2013
3133XL21	3311	Federal Home Loan Bank		03/23/2010	3,000,000.00	3,070,590.00	2,998,129.98	1.875	941	1.900	08/30/2013
3133XUPZ0	3302	Federal Home Loan Bank		03/24/2010	3,000,000.00	3,128,070.00	3,051,406.50	2.625	955	2.221	09/13/2013
3133XUPZ0	3314	Federal Home Loan Bank		05/05/2010	1,050,000.00	1,094,824.50	1,070,273.27	2.625	955	1.860	09/13/2013
31364GBF54	3315	Federal National Mtg Assoc		05/05/2010	1,006,000.00	1,117,404.44	1,095,235.58	5.380	974	1.930	10/02/2013
3133XYDK8	3319	Federal Home Loan Bank		05/07/2010	1,000,000.00	1,026,140.00	1,003,037.53	2.000	1,000	1.885	10/28/2013
3133XHW57	3303	Federal Home Loan Bank		03/24/2010	1,350,000.00	1,492,465.50	1,452,440.26	4.875	1,046	2.108	12/13/2013
3137EACD9	3321	Federal Home Loan Mtg Assoc		06/18/2010	5,000,000.00	5,269,250.00	5,187,233.55	3.000	1,273	1.880	07/28/2014
3133XUMR1	3322	Federal Home Loan Bank		06/18/2010	1,000,000.00	1,056,510.00	1,040,976.38	3.250	1,319	2.060	09/12/2014
31359MWJ8	3320	Federal National Mtg Assoc		06/18/2010	1,000,000.00	1,111,430.00	1,093,779.26	4.625	1,352	1.972	10/15/2014
31331SNP4	3323	Federal Farm Credit		06/18/2010	1,000,000.00	1,113,250.00	1,088,388.69	4.550	1,492	2.260	03/04/2015
3133XTYD2	10011	Federal Home Loan Bank		09/30/2010	1,000,000.00	1,085,330.00	1,105,866.75	4.000	1,596	1.485	06/16/2015
31398AU34	10013	Federal National Mtg Assoc		09/30/2010	1,000,000.00	1,013,780.00	1,038,647.97	2.375	1,638	1.480	07/28/2015
313370JB5	10012	Federal Home Loan Bank		09/30/2010	1,000,000.00	983,950.00	1,009,945.09	1.750	1,663	1.525	09/11/2015
3133716Z4	10009	Federal Home Loan Bank		09/30/2010	1,000,000.00	979,500.00	1,003,749.47	1.625	1,700	1.541	09/28/2015
31331GCR8	10010	Federal Farm Credit		09/30/2010	1,000,000.00	1,120,390.00	1,144,524.59	4.750	1,702	1.520	09/30/2015
313371VF0	10014	Federal Home Loan Bank		12/29/2010	1,000,000.00	976,600.00	966,669.47	1.625	1,774	2.355	12/11/2015
313371NW2	10015	Federal Home Loan Bank		12/29/2010	1,000,000.00	963,760.00	955,032.27	1.375	1,774	2.360	12/11/2015

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

**City of Escondido
Portfolio Management
Portfolio Details - Investments
January 31, 2011**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
Subtotal and Average			102,823,390.19		100,971,000.00	104,837,597.44	102,778,912.45		617	2.703	
Treasury Coupon Securities											
912828FA3	4021	U.S. Treasury Note		03/12/2007	250,000.00	251,817.50	250,102.18	4.750	58	4.465	03/31/2011
912828FNS	4022	U.S. Treasury Note		10/05/2007	400,000.00	409,296.00	401,411.29	4.875	180	4.093	07/31/2011
912828GZ7	4023	U.S. Treasury Note		10/05/2007	275,000.00	292,360.75	276,535.42	4.625	546	4.203	07/31/2012
912828HE3	4024	U.S. Treasury Note		10/05/2007	300,000.00	318,867.00	300,210.82	4.250	607	4.203	09/30/2012
912828NF3	4027	U.S. Treasury Note		06/18/2010	1,000,000.00	1,020,550.00	1,006,008.02	2.125	1,580	1.978	05/31/2015
Subtotal and Average			2,234,516.20		2,225,000.00	2,292,891.25	2,234,267.73		899	3.211	
LAIF - Public Safety Facility Bonds											
SYS10002	10002	Local Agency Investment Fund			413,897.71	413,897.71	413,897.71	0.005	1	0.005	
Subtotal and Average			413,498.65		413,897.71	413,897.71	413,897.71		1	0.005	
Bank of America Escrow Account											
SYS5000	5000	Bank of America			0.00	0.00	0.00	0.130	1	0.130	
Subtotal and Average			0.00		0.00	0.00	0.00		0	0.000	
UBOC Money Market Sweep											
SYS2501	2501	Union Bank			0.00	0.00	0.00		1	0.000	
Subtotal and Average			1.56		0.00	0.00	0.00		0	0.000	
Total and Average			134,407,027.61		139,686,115.41	143,620,604.10	141,503,295.59		463	2.015	

City of Escondido
Portfolio Management
Portfolio Details - Cash
January 31, 2011

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C
		Average Balance	0.00						0	
		Total Cash and Investments	134,407,027.61		139,686,115.41	143,620,604.10	141,503,295.59		463	2.015



**City of Escondido
Portfolio Management
Portfolio Summary
February 28, 2011**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	YTM/C
Calif. Local Agency Investment Fund	24,968,403.19	24,968,403.19	24,968,403.19	18.53	1	0.005
Money Market Accounting	6,459,254.62	6,459,254.62	6,459,254.62	4.79	1	0.003
Federal Agency Coupon Securities	98,971,000.00	102,418,752.98	100,683,807.60	74.71	601	2.659
Treasury Coupon Securities	2,225,000.00	2,282,238.25	2,233,803.94	1.66	871	3.211
LAIIF - Public Safety Facility Bonds	413,897.71	413,897.71	413,897.71	0.31	1	0.005
Investments	133,037,555.52	136,542,546.75	134,759,167.06	100.00%	464	2.041

Total Earnings	February 28	Month Ending	Fiscal Year To Date
Current Year		235,087.56	2,099,190.75
Average Daily Balance		137,760,492.65	140,797,122.77
Effective Rate of Return		2.22%	2.24%

Kenneth C. Hugins

 Kenneth C. Hugins, City Treasurer 5/10/11

**City of Escondido
Portfolio Management
Portfolio Details - Investments
February 28, 2011**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
Calif. Local Agency Investment Fund											
SYS1000	1000	Local Agency Investment Fund			20,687,960.82	20,687,960.82	20,687,960.82	0.005	1	0.005	
SYS1001	1001	Local Agency Investment Fund			4,280,442.37	4,280,442.37	4,280,442.37	0.005	1	0.005	
		Subtotal and Average	24,968,403.19		24,968,403.19	24,968,403.19	24,968,403.19		1	0.005	
Money Market Accounting											
SYS2001	2001	Bank of America			6,459,254.62	6,459,254.62	6,459,254.62	0.003	1	0.003	
		Subtotal and Average	7,768,580.23		6,459,254.62	6,459,254.62			1	0.003	
Federal Agency Coupon Securities											
31331LCX4	3252	Federal Farm Credit		05/23/2007	1,000,000.00	1,000,970.00	1,000,143.58	6.000	6	5.040	03/07/2011
3133XJVL9	3256	Federal Home Loan Bank		05/30/2007	1,000,000.00	1,001,260.00	999,966.49	5.000	10	5.130	03/11/2011
3137EAAB5	3258	Federal Home Loan Mtg Assoc		06/04/2007	510,000.00	513,289.50	509,977.41	5.125	48	5.161	04/18/2011
3128X7MN1	3288	Federal Home Loan Mtg Assoc		04/30/2009	5,050,000.00	5,079,795.00	5,069,249.35	3.500	65	1.320	05/05/2011
3133XFJY3	3259	Federal Home Loan Bank		06/04/2007	500,000.00	506,710.00	500,058.13	5.250	101	5.202	06/10/2011
3134A4FM1	3241	Federal Home Loan Mtg Assoc		03/12/2007	690,000.00	701,736.90	692,163.66	6.000	106	4.785	06/15/2011
3134A4FM1	3253	Federal Home Loan Mtg Assoc		05/25/2007	1,000,000.00	1,017,010.00	1,002,372.05	6.000	106	5.080	06/15/2011
3136F3K21	3247	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,024,940.00	1,991,289.63	3.640	135	4.960	07/14/2011
31331VJ80	3226	Federal Farm Credit		12/27/2006	1,030,000.00	1,050,342.50	1,031,857.39	5.375	139	4.840	07/18/2011
31331VJ80	3296	Federal Farm Credit		12/28/2009	5,000,000.00	5,098,750.00	5,086,334.46	5.375	139	0.800	07/18/2011
3133MGYH3	3227	Federal Home Loan Bank		12/27/2006	2,000,000.00	2,049,240.00	2,007,169.59	5.750	167	4.860	08/15/2011
3133MGYH3	3271	Federal Home Loan Bank		04/25/2008	1,000,000.00	1,024,620.00	1,009,503.73	5.750	167	3.520	08/15/2011
31398ATL6	3300	Federal National Mtg Assoc		12/28/2009	1,000,000.00	1,015,560.00	1,012,756.80	3.625	167	0.956	08/15/2011
31398ATL6	3306	Federal National Mtg Assoc		03/24/2010	1,000,000.00	1,015,560.00	1,013,329.50	3.625	167	0.680	08/15/2011
31331SSJ3	3243	Federal Farm Credit		03/21/2007	3,000,000.00	3,062,730.00	2,997,385.34	4.625	174	4.830	08/22/2011
3133XF5T9	3254	Federal Home Loan Bank		05/29/2007	1,000,000.00	1,024,040.00	999,475.06	5.000	192	5.111	09/09/2011
3133XF5T9	3274	Federal Home Loan Bank		05/14/2008	1,950,000.00	1,996,878.00	1,963,805.02	5.000	192	3.549	09/09/2011
31331Y3P3	3313	Federal Farm Credit		03/23/2010	1,000,000.00	1,018,620.00	1,016,189.09	3.500	216	0.730	10/03/2011
31359MZ30	3246	Federal National Mtg Assoc		04/17/2007	2,000,000.00	2,058,120.00	2,000,661.76	5.000	228	4.925	10/15/2011
3133MJUQ1	3275	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,031,890.00	1,008,987.69	4.875	259	3.510	11/15/2011
3128X3K69	3269	Federal Home Loan Mtg Assoc		04/22/2008	1,000,000.00	1,029,320.00	1,007,178.52	4.500	259	3.410	11/15/2011
3134A1GH7	3244	Federal Home Loan Mtg Assoc		03/30/2007	1,800,000.00	1,882,728.00	1,819,736.78	6.480	279	4.850	12/05/2011
31359M5H2	3248	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,087,280.00	2,000,730.49	5.000	352	4.955	02/16/2012
3137EAAR0	3250	Federal Home Loan Mtg Assoc		05/22/2007	1,000,000.00	1,043,790.00	997,583.19	4.750	370	5.020	03/05/2012
3137EAAR0	3260	Federal Home Loan Mtg Assoc		06/18/2007	500,000.00	521,895.00	496,800.90	4.750	370	5.020	03/05/2012
3133XJUT3	3242	Federal Home Loan Bank		03/19/2007	1,000,000.00	1,046,770.00	1,001,684.37	5.000	374	4.810	03/09/2012
31331GNQ8	3291	Federal Farm Credit		05/28/2009	2,000,000.00	2,040,260.00	2,011,805.64	2.250	420	1.719	04/24/2012

Portfolio CITY
AP
PM (PRF_PM2)7.2.5

**City of Escondido
Portfolio Management
Portfolio Details - Investments
February 28, 2011**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
3133XKSK2	3276	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,055,220.00	1,013,600.74	4.875	465	3.710	06/08/2012
3137EACC1	3292	Federal Home Loan Mtg Assoc		05/28/2009	2,000,000.00	2,032,800.00	1,998,731.08	1.750	472	1.801	06/15/2012
3133XTHE9	3295	Federal Home Loan Bank		08/05/2009	1,000,000.00	1,019,840.00	1,000,860.30	2.000	500	1.935	07/13/2012
31359MYQ0	3270	Federal National Mtg Assoc		04/22/2008	2,000,000.00	2,125,560.00	2,034,880.73	5.000	520	3.660	08/02/2012
31359MYQ0	3272	Federal National Mtg Assoc		04/25/2008	1,000,000.00	1,062,780.00	1,016,905.89	5.000	520	3.700	08/02/2012
3137EAAV1	3290	Federal Home Loan Mtg Assoc		05/28/2009	3,000,000.00	3,215,610.00	3,154,998.82	5.500	538	1.860	08/20/2012
3133XYF91	3318	Federal Home Loan Bank		05/10/2010	2,000,000.00	2,021,080.00	1,999,701.86	1.250	545	1.260	08/27/2012
3133XX4Z7	3310	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,022,560.00	2,001,448.37	1.350	546	1.299	08/28/2012
3133XUK93	3316	Federal Home Loan Bank		05/05/2010	3,000,000.00	3,063,930.00	3,029,369.58	2.000	563	1.350	09/14/2012
3133XML66	3279	Federal Home Loan Bank		10/29/2008	2,000,000.00	2,129,740.00	2,013,935.12	4.625	589	4.150	10/10/2012
3133XXLX3	3312	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,024,100.00	1,998,354.66	1.375	605	1.426	10/26/2012
3133XVNT42	3304	Federal Home Loan Bank		03/24/2010	1,000,000.00	1,017,990.00	1,003,595.55	1.750	654	1.543	12/14/2012
31359MQV8	3273	Federal National Mtg Assoc		04/25/2008	2,000,000.00	2,154,920.00	2,033,504.15	4.750	723	3.811	02/21/2013
31359MQV8	3294	Federal National Mtg Assoc		07/23/2009	2,000,000.00	2,154,920.00	2,101,968.79	4.750	723	2.055	02/21/2013
3133XPBB9	3293	Federal Home Loan Bank		06/17/2009	1,535,000.00	1,607,452.00	1,555,463.15	3.125	738	2.430	03/08/2013
31331VTY2	3277	Federal Farm Credit		05/14/2008	1,000,000.00	1,089,610.00	1,024,650.26	5.200	750	3.870	03/20/2013
31331Y2Q2	3308	Federal Farm Credit		03/23/2010	2,000,000.00	2,150,400.00	2,109,502.45	4.250	860	1.840	07/08/2013
31359MSL80	3317	Federal National Mtg Assoc		05/05/2010	1,000,000.00	1,077,520.00	1,060,425.28	4.375	869	1.750	07/17/2013
3133XXL21	3311	Federal Home Loan Bank		03/23/2010	3,000,000.00	3,059,250.00	2,998,190.37	1.875	913	1.900	08/30/2013
3133XUPZ0	3302	Federal Home Loan Bank		03/24/2010	3,000,000.00	3,114,480.00	3,049,769.35	2.625	927	2.221	09/13/2013
3133XUPZ0	3314	Federal Home Loan Bank		05/05/2010	1,050,000.00	1,090,068.00	1,069,627.63	2.625	927	1.860	09/13/2013
31364GBF54	3315	Federal National Mtg Assoc		05/05/2010	1,006,000.00	1,111,559.58	1,092,449.87	5.380	946	1.930	10/02/2013
3133XYDK8	3319	Federal Home Loan Bank		05/07/2010	1,000,000.00	1,021,790.00	1,002,945.20	2.000	972	1.885	10/28/2013
3133XHW57	3303	Federal Home Loan Bank		03/24/2010	1,350,000.00	1,482,718.50	1,449,462.34	4.875	1,018	2.108	12/13/2013
3137EACD9	3321	Federal Home Loan Mtg Assoc		06/18/2010	5,000,000.00	5,233,200.00	5,182,764.97	3.000	1,245	1.880	07/28/2014
3133XUMR1	3322	Federal Home Loan Bank		06/18/2010	1,000,000.00	1,053,760.00	1,040,031.50	3.250	1,291	2.060	09/12/2014
31359MWJ8	3320	Federal National Mtg Assoc		06/18/2010	1,000,000.00	1,102,630.00	1,091,670.28	4.625	1,324	1.972	10/15/2014
31331SNP4	3323	Federal Farm Credit		06/18/2010	1,000,000.00	1,101,980.00	1,086,588.51	4.550	1,464	2.260	03/04/2015
3133XTYD2	10011	Federal Home Loan Bank		09/30/2010	1,000,000.00	1,076,960.00	1,103,850.24	4.000	1,568	1.485	06/16/2015
31398AU34	10013	Federal National Mtg Assoc		09/30/2010	1,000,000.00	1,008,710.00	1,037,930.94	2.375	1,610	1.480	07/28/2015
313370JB5	10012	Federal Home Loan Bank		09/30/2010	1,000,000.00	977,980.00	1,009,765.36	1.750	1,655	1.525	09/11/2015
3133716Z4	10009	Federal Home Loan Bank		09/30/2010	1,000,000.00	973,660.00	1,003,682.39	1.625	1,672	1.541	09/28/2015
31331GCR8	10010	Federal Farm Credit		09/30/2010	1,000,000.00	1,110,490.00	1,141,942.26	4.750	1,674	1.520	09/30/2015
313371VF0	10014	Federal Home Loan Bank		12/29/2010	1,000,000.00	970,980.00	967,240.85	1.625	1,746	2.355	12/11/2015
313371NW2	10015	Federal Home Loan Bank		12/29/2010	1,000,000.00	958,400.00	955,803.14	1.375	1,746	2.360	12/11/2015
Subtotal and Average					98,971,000.00	102,418,752.98	100,683,807.60		601	2.659	

**City of Escondido
Portfolio Management
Portfolio Details - Investments
February 28, 2011**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date	
Treasury Coupon Securities												
912828FA3	4021	U.S. Treasury Note		03/12/2007	250,000.00	250,947.50	250,052.85	4.750	30	4.465	03/31/2011	
912828FN5	4022	U.S. Treasury Note		10/05/2007	400,000.00	407,876.00	401,191.76	4.875	152	4.093	07/31/2011	
912828GZ7	4023	U.S. Treasury Note		10/05/2007	275,000.00	291,403.75	276,456.68	4.625	518	4.207	07/31/2012	
912828HE3	4024	U.S. Treasury Note		10/05/2007	300,000.00	317,871.00	300,201.10	4.250	579	4.203	09/30/2012	
912828NF3	4027	U.S. Treasury Note		06/18/2010	1,000,000.00	1,014,140.00	1,005,901.55	2.125	1,552	1.978	05/31/2015	
		Subtotal and Average	2,234,027.55		2,225,000.00	2,282,238.25	2,233,803.94		871	3.211		
LAIF - Public Safety Facility Bonds												
SYS10002	10002	Local Agency Investment Fund			413,897.71	413,897.71	413,897.71	0.005	1	0.005		
		Subtotal and Average	413,897.71		413,897.71	413,897.71			1	0.005		
Bank of America Escrow Account												
SYS5000	5000	Bank of America			0.00	0.00	0.00	0.130	1	0.130		
		Subtotal and Average	0.00		0.00	0.00			0	0.000		
UBOC Money Market Sweep												
SYS2501	2501	Union Bank			0.00	0.00	0.00		1	0.000		
		Subtotal and Average	0.00		0.00	0.00			0	0.000		
		Total and Average	137,760,492.65		133,037,555.52	136,542,546.75	134,759,167.06		464	2.041		

City of Escondido
Portfolio Management
Portfolio Details - Cash
February 28, 2011

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C
		Average Balance	0.00						0	
		Total Cash and Investments	137,760,492.65		133,037,555.52	136,542,546.75	134,759,167.06		464	2.041



**City of Escondido
Portfolio Management
Portfolio Summary
March 31, 2011**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	YTM/C
Calif. Local Agency Investment Fund	22,467,960.82	22,467,960.82	22,467,960.82	17.08	1	0.005
Money Market Accounting	960,464.91	960,464.91	960,464.91	0.73	1	0.003
Federal Agency Coupon Securities	103,971,000.00	107,253,798.89	105,733,310.98	80.37	659	2.579
Treasury Coupon Securities	1,975,000.00	2,023,953.25	1,983,292.20	1.51	947	3.053
LAIIF - Public Safety Facility Bonds	413,897.71	413,897.71	413,897.71	0.31	1	0.005
Investments	129,788,323.44	133,120,075.58	131,558,926.62	100.00%	544	2.120

	March 31	Month Ending	Fiscal Year To Date
Total Earnings			
Current Year	226,003.81		2,325,194.56
Average Daily Balance	133,801,925.87		140,005,695.39
Effective Rate of Return	1.99%		2.21%

Kenneth C. Hugins

 Kenneth C. Hugins, City Treasurer

5/10/11

**City of Escondido
Portfolio Management
Portfolio Details - Investments
March 31, 2011**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
Calif. Local Agency Investment Fund											
SYS1000	1000	Local Agency Investment Fund			22,467,960.82	22,467,960.82	22,467,960.82	0.005	1	0.005	
SYS1001	1001	Local Agency Investment Fund			0.00	0.00	0.00	0.005	1	0.005	
		Subtotal and Average	24,322,942.23		22,467,960.82	22,467,960.82	22,467,960.82		1	0.005	
Money Market Accounting											
SYS2001	2001	Bank of America			960,464.91	960,464.91	960,464.91	0.003	1	0.003	
		Subtotal and Average	5,846,390.44		960,464.91	960,464.91			1	0.003	
Federal Agency Coupon Securities											
3137EAA85	3258	Federal Home Loan Mtg Assoc		06/04/2007	510,000.00	511,208.70	509,991.83	5.125	17	5.161	04/18/2011
3128X7MN1	3288	Federal Home Loan Mtg Assoc		04/30/2009	5,050,000.00	5,066,210.50	5,060,226.22	3.500	34	1.320	05/05/2011
3133XFJY3	3259	Federal Home Loan Bank		06/04/2007	500,000.00	504,755.00	500,040.51	5.250	70	5.202	06/10/2011
3134A4FM1	3241	Federal Home Loan Mtg Assoc		03/12/2007	690,000.00	698,466.30	691,539.53	6.000	75	4.785	06/15/2011
3134A4FM1	3253	Federal Home Loan Mtg Assoc		05/25/2007	1,000,000.00	1,012,270.00	1,001,687.81	6.000	75	5.080	06/15/2011
3136F3K21	3247	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,019,780.00	1,993,254.38	3.640	104	4.960	07/14/2011
31331VJ80	3226	Federal Farm Credit		12/27/2006	1,030,000.00	1,046,140.10	1,031,450.66	5.375	108	4.840	07/18/2011
31331VJ80	3296	Federal Farm Credit		12/28/2009	5,000,000.00	5,078,350.00	5,067,429.11	5.375	108	0.800	07/18/2011
3133MGYH3	3227	Federal Home Loan Bank		12/27/2006	2,000,000.00	2,041,040.00	2,005,858.08	5.750	136	4.860	08/15/2011
3133MGYH3	3271	Federal Home Loan Bank		04/25/2008	1,000,000.00	1,020,520.00	1,007,765.24	5.750	136	3.520	08/15/2011
31398ATL6	3300	Federal National Mtg Assoc		12/28/2009	1,000,000.00	1,013,110.00	1,010,423.24	3.625	136	0.956	08/15/2011
31398ATL60	3306	Federal National Mtg Assoc		03/24/2010	1,000,000.00	1,013,110.00	1,010,891.18	3.625	136	0.680	08/15/2011
31331SSJ3	3243	Federal Farm Credit		03/21/2007	3,000,000.00	3,053,130.00	2,997,844.06	4.625	143	4.830	08/22/2011
3133XF5T9	3254	Federal Home Loan Bank		05/29/2007	1,000,000.00	1,020,790.00	999,558.83	5.000	161	5.111	09/09/2011
3133XF5T9	3274	Federal Home Loan Bank		05/14/2008	1,950,000.00	1,990,540.50	1,961,602.09	5.000	161	3.549	09/09/2011
31331Y3P3	3313	Federal Farm Credit		03/23/2010	1,000,000.00	1,016,610.00	1,013,898.18	3.500	185	0.730	10/03/2011
31359MZ30	3246	Federal National Mtg Assoc		04/17/2007	2,000,000.00	2,051,340.00	2,000,573.13	5.000	197	4.925	10/15/2011
3133MJUQ1	3275	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,028,410.00	1,007,926.15	4.875	228	3.510	11/15/2011
3128X3K69	3269	Federal Home Loan Mtg Assoc		04/22/2008	1,000,000.00	1,026,150.00	1,006,330.66	4.500	228	3.410	11/15/2011
3134A1GH7	3244	Federal Home Loan Mtg Assoc		03/30/2007	1,800,000.00	1,874,214.00	1,817,575.82	6.480	248	4.850	12/05/2011
31359M5H2	3248	Federal National Mtg Assoc		04/18/2007	2,000,000.00	2,080,600.00	2,000,666.97	5.000	321	4.955	02/16/2012
3137EAA80	3250	Federal Home Loan Mtg Assoc		05/22/2007	1,000,000.00	1,040,680.00	997,782.38	4.750	339	5.020	03/05/2012
3137EAA80	3260	Federal Home Loan Mtg Assoc		06/18/2007	500,000.00	520,340.00	497,064.56	4.750	339	5.474	03/05/2012
3133XJUT3	3242	Federal Home Loan Bank		03/19/2007	1,000,000.00	1,043,490.00	1,001,547.06	5.000	343	4.810	03/09/2012
31331GNQ8	3291	Federal Farm Credit		05/28/2009	2,000,000.00	2,038,460.00	2,010,948.09	2.250	389	1.710	04/24/2012
3133XKS2	3276	Federal Home Loan Bank		05/14/2008	1,000,000.00	1,052,000.00	1,012,707.92	4.875	434	3.710	06/08/2012
3137EACC1	3292	Federal Home Loan Mtg Assoc		05/28/2009	2,000,000.00	2,031,000.00	1,998,813.13	1.750	441	1.801	06/15/2012

Portfolio CITY
AP
PM (PRF_PM2) 7.2.5

**City of Escondido
Portfolio Management
Portfolio Details - Investments
March 31, 2011**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date	
Federal Agency Coupon Securities												
3133XTHE9	3295	Federal Home Loan Bank		08/05/2009	1,000,000.00	1,018,840.00	1,000,807.84	2.000	469	1.935	07/13/2012	
31359MYQ0	3270	Federal National Mtg Assoc		04/22/2008	2,000,000.00	2,118,180.00	2,032,832.94	5.000	489	3.660	08/02/2012	
31359MYQ0	3272	Federal National Mtg Assoc		04/25/2008	1,000,000.00	1,059,090.00	1,015,913.37	5.000	489	3.700	08/02/2012	
3137EAAV1	3290	Federal Home Loan Mtg Assoc		05/28/2009	3,000,000.00	3,203,760.00	3,146,208.72	5.500	507	1.860	08/20/2012	
3133XYF91	3318	Federal Home Loan Bank		05/10/2010	2,000,000.00	2,019,820.00	1,999,718.55	1.250	514	1.260	08/27/2012	
3133XX4Z7	3310	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,021,200.00	2,001,367.45	1.350	515	1.299	08/28/2012	
3133XLUK93	3316	Federal Home Loan Bank		05/05/2010	3,000,000.00	3,059,850.00	3,027,776.29	2.000	532	1.350	09/14/2012	
3133XNML66	3279	Federal Home Loan Bank		10/29/2008	2,000,000.00	2,122,220.00	2,013,213.09	4.625	558	4.150	10/10/2012	
3133XXLX3	3312	Federal Home Loan Bank		03/23/2010	2,000,000.00	2,021,900.00	1,998,437.62	1.375	574	1.426	10/26/2012	
3133XVNT42	3304	Federal Home Loan Bank		03/24/2010	1,000,000.00	1,016,340.00	1,003,427.80	1.750	623	1.543	12/14/2012	
31359MQV8	3273	Federal National Mtg Assoc		04/25/2008	2,000,000.00	2,145,640.00	2,032,088.48	4.750	692	3.811	02/21/2013	
31359MQV8	3294	Federal National Mtg Assoc		07/23/2009	2,000,000.00	2,145,640.00	2,097,660.25	4.750	692	2.055	02/21/2013	
3133XPBB9	3293	Federal Home Loan Bank		06/17/2009	1,535,000.00	1,602,432.55	1,554,618.73	3.125	707	2.430	03/08/2013	
31331VTY2	3277	Federal Farm Credit		05/14/2008	1,000,000.00	1,084,830.00	1,023,649.58	5.200	719	3.870	03/20/2013	
31331V2Q2	3308	Federal Farm Credit		03/23/2010	2,000,000.00	2,143,860.00	2,105,623.97	4.250	829	1.840	07/08/2013	
31359MSL80	3317	Federal National Mtg Assoc		05/05/2010	1,000,000.00	1,069,880.00	1,058,307.57	4.375	838	1.750	07/17/2013	
3133XXL21	3311	Federal Home Loan Bank		03/23/2010	3,000,000.00	3,052,080.00	2,998,250.76	1.875	882	1.900	08/30/2013	
3133XUPZ0	3302	Federal Home Loan Bank		03/24/2010	3,000,000.00	3,105,120.00	3,048,132.20	2.625	896	2.221	09/13/2013	
3133XUPZ0	3314	Federal Home Loan Bank		05/05/2010	1,050,000.00	1,086,792.00	1,068,981.98	2.625	896	1.860	09/13/2013	
31364GBF54	3315	Federal National Mtg Assoc		05/05/2010	1,006,000.00	1,106,891.74	1,089,664.16	5.380	915	1.930	10/02/2013	
3133XYDK8	3319	Federal Home Loan Bank		05/07/2010	1,000,000.00	1,019,010.00	1,002,852.88	2.000	941	1.885	10/28/2013	
3133XHW57	3303	Federal Home Loan Bank		03/24/2010	1,350,000.00	1,475,617.50	1,446,484.43	4.875	987	2.108	12/13/2013	
3137EACD9	3321	Federal Home Loan Mtg Assoc		06/18/2010	5,000,000.00	5,225,200.00	5,178,296.39	3.000	1,214	1.880	07/28/2014	
3133XUMR1	3322	Federal Home Loan Bank		06/18/2010	1,000,000.00	1,051,710.00	1,039,086.61	3.250	1,260	2.060	09/12/2014	
31359MWJ8	3320	Federal National Mtg Assoc		06/18/2010	1,000,000.00	1,100,260.00	1,089,561.30	4.625	1,293	1.972	10/15/2014	
31331SNP4	3323	Federal Farm Credit		06/18/2010	1,000,000.00	1,098,560.00	1,084,788.33	4.550	1,433	2.260	03/04/2015	
3133XTYD2	10011	Federal Home Loan Bank		09/30/2010	1,000,000.00	1,077,080.00	1,101,833.73	4.000	1,537	1.485	06/16/2015	
31398AU34	10013	Federal National Mtg Assoc		09/30/2010	1,000,000.00	1,010,340.00	1,037,213.91	2.375	1,579	1.480	07/28/2015	
31398AU34	10016	Federal National Mtg Assoc		03/24/2011	2,000,000.00	2,020,680.00	2,034,976.75	2.375	1,579	1.951	07/28/2015	
313370NE4	10018	Federal Home Loan Bank		03/24/2011	1,000,000.00	980,440.00	986,559.41	1.630	1,602	1.950	08/20/2015	
313370JB5	10012	Federal Home Loan Bank		09/30/2010	1,000,000.00	981,600.00	1,009,585.63	1.750	1,624	1.525	09/11/2015	
3133716Z4	10009	Federal Home Loan Bank		09/30/2010	1,000,000.00	975,200.00	1,003,615.32	1.625	1,641	1.541	09/28/2015	
31331GCR8	10010	Federal Farm Credit		09/30/2010	1,000,000.00	1,107,920.00	1,139,359.92	4.750	1,643	1.520	09/30/2015	
313371VF0	10014	Federal Home Loan Bank		12/29/2010	1,000,000.00	972,240.00	967,812.23	1.625	1,715	2.365	12/11/2015	
313371NW2	10015	Federal Home Loan Bank		12/29/2010	1,000,000.00	959,860.00	956,574.02	1.375	1,715	2.360	12/11/2015	
3133XXP43	10017	Federal Home Loan Bank		03/24/2011	3,000,000.00	3,102,840.00	3,116,302.63	3.125	1,806	2.291	03/11/2016	

City of Escondido
Portfolio Management
Portfolio Details - Investments
March 31, 2011

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date	
Federal Agency Coupon Securities												
31331KEK2	10019	Federal Farm Credit		03/24/2011	1,000,000.00	998,160.00	1,006,289.32	2.400	1,810	2.265	03/15/2016	
		Subtotal and Average	100,993,221.05		103,971,000.00	107,253,798.89	105,733,310.98		659	2.579		
Treasury Coupon Securities												
912828FNS	4022	U.S. Treasury Note		10/05/2007	400,000.00	406,312.00	400,948.70	4.875	121	4.093	07/31/2011	
912828GZ7	4023	U.S. Treasury Note		10/05/2007	275,000.00	290,177.25	276,369.50	4.625	487	4.207	07/31/2012	
912828HE3	4024	U.S. Treasury Note		10/05/2007	300,000.00	316,524.00	300,190.33	4.250	548	4.203	09/30/2012	
912828NF3	4027	U.S. Treasury Note		06/18/2010	1,000,000.00	1,010,940.00	1,005,783.67	2.125	1,521	1.978	05/31/2015	
		Subtotal and Average	2,225,474.45		1,975,000.00	2,023,953.25	1,983,292.20		947	3.053		
LAIF - Public Safety Facility Bonds												
SYS10002	10002	Local Agency Investment Fund			413,897.71	413,897.71	413,897.71	0.005	1	0.005		
		Subtotal and Average	413,897.71		413,897.71	413,897.71	413,897.71		1	0.005		
Bank of America Escrow Account												
SYS5000	5000	Bank of America			0.00	0.00	0.00	0.130	1	0.130		
		Subtotal and Average	0.00		0.00	0.00	0.00		0	0.000		
UBOC Money Market Sweep												
SYS2501	2501	Union Bank			0.00	0.00	0.00	0.000	1	0.000		
		Subtotal and Average	0.00		0.00	0.00	0.00		0	0.000		
		Total and Average	133,801,925.87		129,788,323.44	133,120,075.58	131,558,926.62		544	2.120		

City of Escondido
 Portfolio Management
 Portfolio Details - Cash
 March 31, 2011

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C
		Average Balance	0.00						0	
		Total Cash and Investments	133,801,925.87		129,788,323.44	133,120,075.58	131,558,926.62		544	2.120



City of Escondido
Maturity Report
 Sorted by Maturity Date
 Receipts during January 1, 2011 - March 31, 2011

CUSIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date at Maturity	Rate	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
31331VRT5	3202	003	FAC	FFCB	2,000,000.00	02/24/2011	02/24/2006	4.900	2,000,000.00	49,000.00	2,049,000.00	49,000.00
31331LCX4	3252	003	FAC	FFCB	1,000,000.00	03/07/2011	05/23/2007	6.000	1,000,000.00	30,000.00	1,030,000.00	30,000.00
3133XJVL9	3256	003	FAC	FHLB	1,000,000.00	03/11/2011	05/30/2007	5.000	1,000,000.00	25,000.00	1,025,000.00	25,000.00
912828FA3	4021	004	TRC	T NOTE	250,000.00	03/31/2011	03/12/2007	4.750	250,000.00	5,937.50	255,937.50	5,937.50
Total Maturities									4,250,000.00	109,937.50	4,359,937.50	109,937.50

CITY OF ESCONDIDO
 FUNDS MANAGED BY OUTSIDE PARTIES
 As of March 31, 2011

Type of Funds / Institution	Market Value	Interest Rate	Reserve Fund Type of Investment
<u>BOND FUNDS</u>			
BANK OF NEW YORK:			
1993 Vineyard Golf Course Certificates of Participation	\$ 702,206.26	0.300%	FNMA Discount Note / Money Market
2001 Reidy Creek Golf Course Lease Revenue Bonds (issued April 2001)	542,820.21	0.300%	FNMA Discount Note / Money Market
1992 Community Development Commission Revenue Bond	348,650.43	0.253%	FNMA Discount Note / Money Market
2001 JPFA Lease Revenue Bonds (1992 CDC Refunding)	2,247,912.24	0.300%	FNMA Discount Note / Money Market
2000A COP - Water Project (Certificates issued March 2000)	991,739.33	0.261%	FNMA Discount Note / Money Market
2002A COP - Water Project (Certificates issued August 2002)	845,165.43	0.301%	FNMA Discount Note / Money Market
2007 COP - Water Project (Certificates issued September 2007)	14,165,345.55	0.010%	Money Market
2004A Wastewater Bond (1996 Wastewater Refunding)	2,028,923.27	0.300%	FNMA Discount Note / Money Market
2004B Wastewater Bond - Brine Project	3,649,150.56	0.083%	FNMA Discount Note / Money Market
2001 Community Facility District (Hidden Trails)	258,993.27	0.272%	FNMA Discount Note / Money Market
2006 Community Facility District (Eureka Ranch)	2,986,917.02	0.141%	FNMA Discount Note / Money Market
1986-1R/98 Auto Parkway Assessment District	331,324.08	0.299%	FNMA Discount Note / Money Market
1998-1 Rancho San Pasqual Assessment District	336,684.95	0.299%	FNMA Discount Note / Money Market
TOTAL FUNDS MANAGED BY OUTSIDE PARTIES	\$ 29,435,832.60		

CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 5

Date: May 25, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Director of Engineering Services
Frank P. Schmitz, Parks and Open Space Administrator

SUBJECT: Second Amendment to Agreement with Mr. B's Landscape Maintenance

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2011-61 authorizing the Second Amendment to the Public Service Agreement with Mr. B's Landscape Maintenance for landscape maintenance services in the City of Escondido Landscape Maintenance District (LMD) that will extend the term of the agreement to June 30, 2012, and add maintenance responsibilities for one additional LMD zone.

FISCAL ANALYSIS:

This work is funded through the LMD.

PREVIOUS ACTION:

The City Council approved the original agreement with Mr. B's Landscape Maintenance by adopting Resolution 2008-144 on July 9, 2008, and approved the First Amendment to the original agreement by adopting Resolution 2010-88 on June 9, 2010.

BACKGROUND:

In May 2008 proposals for LMD Landscape Maintenance Services were received from fourteen landscape maintenance contractors. Mr. B's Landscape Maintenance was determined to be the lowest responsive bidder and was awarded the contract for landscape maintenance services for thirty zones in the LMD at a monthly maintenance fee of \$18,359.

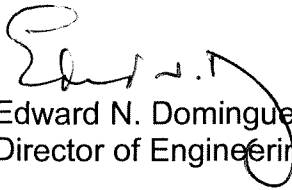
The term of the original agreement was for a period of 24 months from July 1, 2008, through June 30, 2010. With satisfactory performance and mutual agreement between the City and Contractor, the original agreement provided for 3 one-year extensions beginning July 1, 2010, through June 30, 2013. A First Amendment was approved by the City Council on June 9, 2010, which extended the term of the agreement to June 30, 2011, and added a new zone to the maintenance responsibilities of the agreement for a fee of \$45 per month. The total monthly maintenance fee for the 31 LMD zones in the First Amendment was \$18,404. Mr. B's Landscape Maintenance has submitted a letter

May 25, 2011
Mr. B's Second Amendment
Page 2

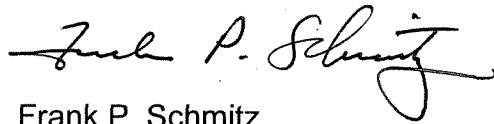
(attached to staff report) requesting an extension of the agreement for an additional year at the current monthly maintenance fee.

In addition, the City is adding another zone to the maintenance responsibilities of this agreement at a fee of \$121 per month. The total monthly maintenance fee for the 32 LMD zones in this Second Amendment to the original agreement is \$18,525.

Respectfully submitted,



Edward N. Domingue, P.E.
Director of Engineering Services



Frank P. Schmitz
Parks and Open Space Administrator



27005 Goetz Road
Perris, CA 92570-3000
Mailing Address: PO Box 707, Murrieta, CA 92564-0707
951 657-8307 FAX 951 657-1687
E-mail: misterbs@hughes.net

May 3, 2011

Engineering Services Department
City of Escondido
201 N. Broadway
Escondido, CA 92025
Attn: Frank Schmitz

Dear Mr. Schmitz:

First and foremost, I want to thank you for allowing Mr. B's Landscape to provide the landscaping maintenance needs at some of your assessment districts. I personally have enjoyed our contract association. Over the years, we have seen many changes and I feel comfortable in our ability to adapt to the City's needs within the landscape areas we maintain.

Mr. B's landscape contract with the City of Escondido for the past three-year period is coming to an end in June 2011. We understand that an additional one-year contract extension is available. Mr. B's Landscape is interested in continuing to provide the City of Escondido landscaping needs, and is requesting an extension of the contract for an additional one year.

Since our goal is to continue to provide you with the highest quality of work we promised since you hired us, we believe the current monthly fee will allow us to do that. We hope to continue our service with you and look forward to the year.

Sincerely,

Mike Bloxton
Owner

RESOLUTION NO. 2011-61

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE MAYOR AND CITY CLERK, TO EXECUTE, ON BEHALF OF THE CITY, A SECOND AMENDMENT TO A PUBLIC SERVICE AGREEMENT WITH MR. B'S LANDSCAPE MAINTENANCE TO PROVIDE LANDSCAPE MAINTENANCE SERVICES FOR THE CITY OF ESCONDIDO LANDSCAPE MAINTENANCE DISTRICT

WHEREAS, by adoption of Resolution No. 2008-144, the City of Escondido ("City") entered into an agreement on July 17, 2008, ("Original Agreement") with Mr. B's Landscape Maintenance to provide landscape maintenance services for the City of Escondido Landscape Maintenance District ("LMD"); and

WHEREAS, the City of Escondido entered into a First Amendment to a Public Service Agreement, by adoption of resolution No. 2010-88, with Mr. B's Landscape to include additional work and to extend the term of the Original Agreement to June 30, 2011; and

WHEREAS, the Director of Engineering Services recommends a second amendment to Public Services Agreement ("Second Amendment") to include additional work and to extend the term of the Original Agreement to June 30, 2012.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.

2. That the City Council adopts the recommendation of the Director of Engineering Services for a Second Amendment.

3. That the Mayor and City Clerk are hereby authorized to execute, on behalf of the City, a Second Amendment with Mr. B's Landscape. A copy of the Second Amendment is attached as Exhibit "1" and is incorporated by this reference.



CITY OF ESCONDIDO
SECOND AMENDMENT TO PUBLIC SERVICE AGREEMENT

This "Amendment" is made this _____ day of _____, 2011.

Between: CITY OF ESCONDIDO
a municipal corporation
201 N. Broadway
Escondido, California 92025
("CITY")

And: Mr. B's Landscape Maintenance
27005 Goetz Road
Sun City, CA 92585
Attn: Michael Bloxton
951-453-7300
("CONTRACTOR")

Witness that whereas:

- A. CITY and CONTRACTOR entered into an agreement on July 17, 2008 ("Agreement"), wherein CITY retained CONTRACTOR to provide landscape maintenance services for the City of Escondido Landscape Maintenance District for an amount not to exceed \$18,359 per month; CITY and CONTRACTOR amended the agreement to include additional work in an amount not to exceed \$45 per month and to extend the term of the Agreement to June 30, 2011; and
- B. CITY and CONTRACTOR desire to amend the Agreement to include additional work, which is defined in "Attachment A" to this Amendment, which is incorporated by reference, and to extend the term of the agreement to June 30, 2012;

NOW THEREFORE, it is mutually agreed by and between CITY and CONTRACTOR as follows:

- 1. The CONTRACTOR will furnish the services described in "Attachment A" to this Amendment.

2. CITY will compensate the CONTRACTOR in an additional amount not to exceed \$121 per month, pursuant to the conditions and compensation terms contained in "Attachment A" to this Amendment.
3. The term of the agreement will be extended to June 30, 2012.
4. All other terms of the original Agreement and previous amendments (excepting those noted below) between CITY and CONTRACTOR shall remain in full force and effect; in the event of any conflict between any specific provision of the original Agreement and this Amendment, this Amendment shall prevail.
5. The original agreement entered into on July 17, 2008 shall be modified as follows:

E-Verify Participation. CONTRACTOR agrees to enroll in and begin use of the United States Department of Homeland Security's ("DHS") E-Verify program within thirty (30) days of the execution of this Agreement to confirm employment eligibility of all of CONTRACTOR'S potential new hires. CONTRACTOR agrees and understands that E-Verify enrollment requires CONTRACTOR TO SIGN A Memorandum of Understanding ("MOU") with DHS which provides the E-Verify terms of use. Any violation of the MOU by CONTRACTOR is grounds for DHS' termination of CONTRACTOR'S participation in the E-Verify program. Any such termination by DHS shall constitute grounds for City's immediate termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first above written.

CITY OF ESCONDIDO

Date: _____

Sam Abed
Mayor

Date: _____

Marsha Whalen
City Clerk

Mr. B's Landscape Maintenance

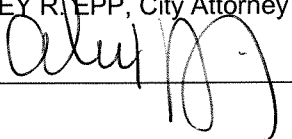
Date: _____

(Contractor Signature)

Title

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
JEFFREY R. EPP, City Attorney

By: , DCA

“Attachment A” (1 of 2)

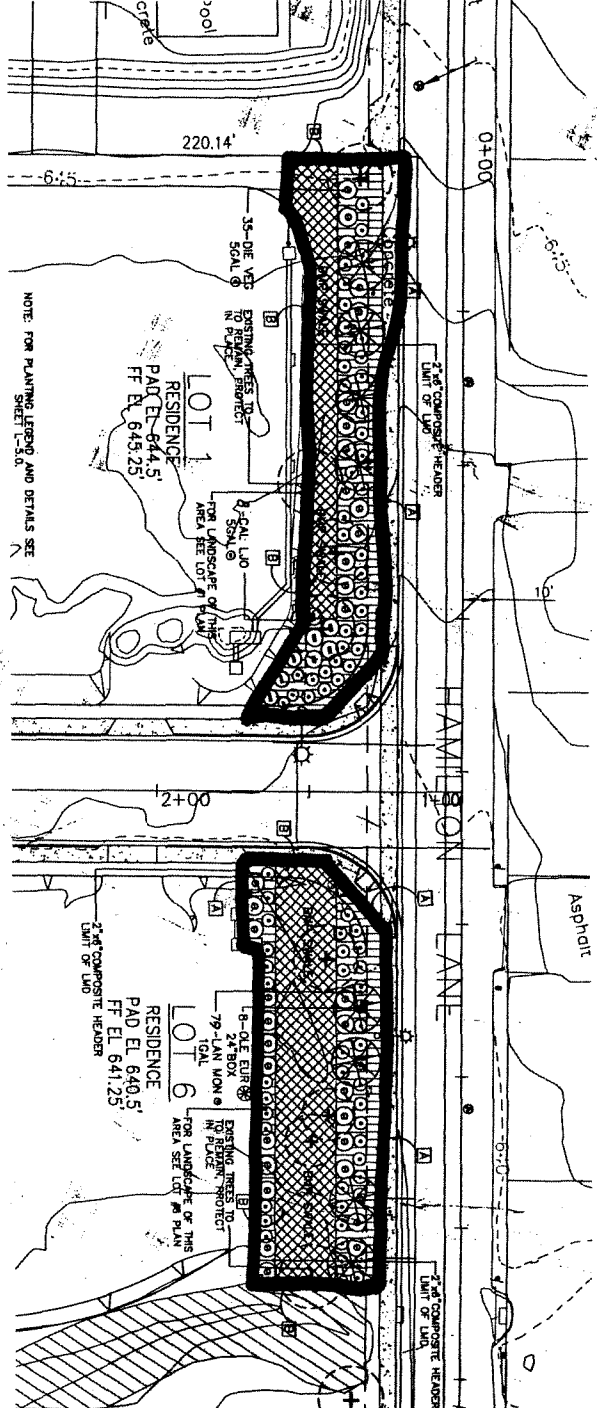
City of Escondido
Landscape Maintenance District

Landscape Maintenance Services

Second Amendment to the Public Services Agreement for Landscape Maintenance Services with Mr. B's Landscape Maintenance includes the following:

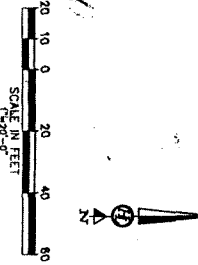
1. Adds 8,926 SF of landscaped area in Zone 35 of the Landscape Maintenance District to the maintenance responsibilities of the original Agreement at the additional fee of \$121 per month. Total monthly maintenance fee for all areas, including Zone 35, is increased from \$18,404 to \$18,525.
2. The term of the Agreement is extended to June 30, 2012.

Resestation No. 2011-61
EXHIBIT 1
Page 5 of 5



NOTE: FOR PLANNING LEGEND AND DETAILS SEE SHEET L-5.0.

City of Escondido
Planning Division
APPROVED
Date: 11-10-11



LMD Zone 35
Area to be Maintained
8,926 SF Landscape

ACTION RECORD		REVISIONS		DATE		BY	

ESCONDIDO
CITY OF CALIFORNIA

ESCONDIDO PLANNING DEPARTMENT
LANDSCAPE MAINTENANCE DISTRICT
ESCONDIDO TRACT NO. 947

ESCONDIDO
CITY OF CALIFORNIA

Designed By: _____
 Drawn By: _____
 Checked By: _____
 Date: _____

ESCONDIDO PLANNING DEPARTMENT
 LANDSCAPE MAINTENANCE DISTRICT
 ESCONDIDO TRACT NO. 947
 SHEET 4 OF 8



CITY COUNCIL

For City Clerk's Use:

APPROVED DENIED

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 6

Date: May 25, 2011

TO: Honorable Mayor and Members of the City Council
FROM: Edward N. Domingue, Director of Engineering Services
SUBJECT: Street Vacation - Portion of North Elm Street

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2011-57 to set June 8, 2011 as the date to conduct a hearing to consider authorizing the vacation of a portion of North Elm Street.

FISCAL ANALYSIS:

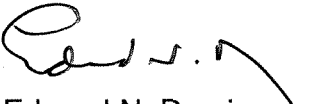
The \$1,200.00 processing fee has been paid into the General Fund.

BACKGROUND:

Habitat for Humanity, Inc., has requested that the City of Escondido vacate a portion of North Elm Street. The approval of this street vacation will provide additional guest parking for its Elm Street Townhome Developments as well as provide access to the running/bike path that runs along the southerly edge of the project.

A public utility easement will be reserved in the event that utilities are identified which must remain in place. Neither the City nor the utility companies require that this area remain as Public Street.

Respectfully submitted,


Edward N. Domingue, P.E.
Director of Engineering Services

RESOLUTION NO 2011-57

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, TO VACATE AND ABANDON A PORTION OF A PUBLIC STREET, SPECIFICALLY DESCRIBED HEREIN, LOCATED IN THE CITY OF ESCONDIDO, AND SETTING A PUBLIC HEARING TO RECEIVE PROTESTS

(A portion of North Elm Street)

(May 25, 2011)

WHEREAS, the City Council of the City of Escondido, California, having received the recommendations of the Director of Engineering Services and staff, and being fully advised in the premises, finds that it is in the public interest and convenience to order portions of the hereinafter described street to be vacated.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That it is the intention of the City Council to order a portion of the public street known as North Elm Street, be vacated, abandoned, and closed to public use.
3. That the portions of the public street proposed to be vacated are legally described in Exhibit "A," and depicted in Exhibit "B." Exhibits "A" and "B" are attached to this resolution and are incorporated by this reference.
4. That this street vacation shall be conducted pursuant to the provisions of the Public Streets, Highways and Service Easements Vacation Law, which act is now incorporated in Part 3, Division 9, Chapter 3, commencing at Section 8300, of the Streets and Highways Code of the State of California.

5. That notice is hereby given that the City Council will hear protests made by any person interested in or objecting to the said proposed street vacation at 4:30 p.m. on Wednesday, June 8, 2011, at the City Council Chambers, 201 North Broadway, Escondido, California. Such protests must be in writing and may be filed at any time prior to the hours set for hearing objections to the proposed vacation, and shall state the name or names of persons objecting and the objection in general terms.

6. That the Superintendent of Streets of the City of Escondido shall post notices of said proposed street vacation.

EXHIBIT 'A'

LEGAL DESCRIPTION – STREET VACATION

THAT PORTION OF NORTH ELM STREET , IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 10, 1886, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEASTERLY CORNER OF BLOCK 5 OF SAID MAP NO. 336; THENCE ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 5, NORTH 28°19'31" WEST 44.86 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE CONTINUING NORTH 28°19'31" WEST 56.95 FEET TO A POINT ON THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF PARCEL 3 OF PARCEL MAP NO. 11132, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON MARCH 24, 1981, SAID LINE BEING A 48.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY, A RADIAL LINE FROM SAID POINT BEARS NORTH 28°06'30" EAST; THENCE LEAVING SAID NORTHEASTERLY LINE OF SAID BLOCK 5, AND ALONG THE SOUTHEASTERLY PROLONGATION OF SAID EASTERLY LINE OF SAID PARCEL 3 AND ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 44°24'51", A DISTANCE OF 37.21 FEET, TO A LINE PARALLEL AND 30.00 FEET NORTHEASTERLY, MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK 5; THENCE NON-TANGENT TO SAID CURVE AND ALONG SAID PARALLEL LINE, SOUTH 28°19'31" EAST 36.54 FEET; THENCE LEAVING SAID PARALLEL LINE, SOUTH 61°40'29" WEST 30.00 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 1,315 SQ.FT., MORE OR LESS

EXHIBIT "B" ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF.

THIS DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION.

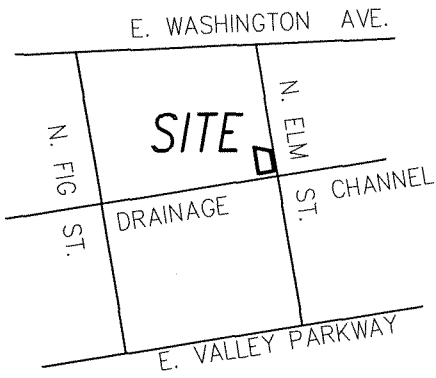


GARY D. MELLOM, PLS 8537
EXPIRES 12/31/2012

4/4/11

DATE





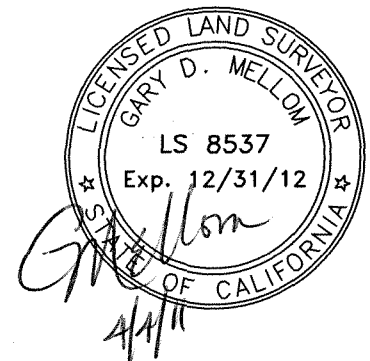

NORTH
VICINITY MAP
 NOT TO SCALE

THOMAS GUIDE PG. 1130, A-2

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS SURVEY IS THE NAD83 (1992) CALIFORNIA COORDINATE SYSTEM, ZONE 6 (CCS83.92) COORDINATES AND GRID BEARING BETWEEN STATION 1006 AND STATION 1013 (BOTH HAVING A CALIFORNIA COORDINATE VALUE OF FIRST ORDER ACCURACY OR BETTER) AS SAID STATIONS ARE PUBLISHED ON RECORD OF SURVEY 14236, I.E. NORTH 64°04'59" EAST. QUOTED BEARINGS FROM REFERENCE MAPS OR DEEDS MAY OR MAY NOT BE IN TERMS OF SAID SYSTEM.

THE COMBINED SCALE FACTOR AT STATION 1006 IS 0.999929893
 GRID DISTANCE = GROUND DISTANCE X COMBINED SCALE FACTOR.
 ALL DISTANCES NOT SO NOTED AS "GRID" ARE SHOWN HEREON AS GROUND DISTANCES.




 \\Engineering\LP-10\10-10476S\DWG\10476-vacate-1.dwg
CONSTRUCTION TESTING & ENGINEERING, INC.
 PLANNING - CIVIL ENGINEERING - LAND SURVEYING - GEOTECHNICAL
 1441 MONTIEL ROAD, SUITE 115 ESCONDIDO CA. 92026, PH: (760) 746-4955

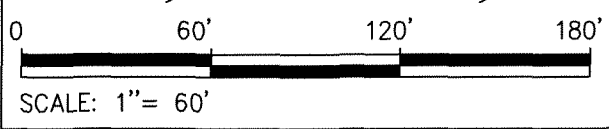
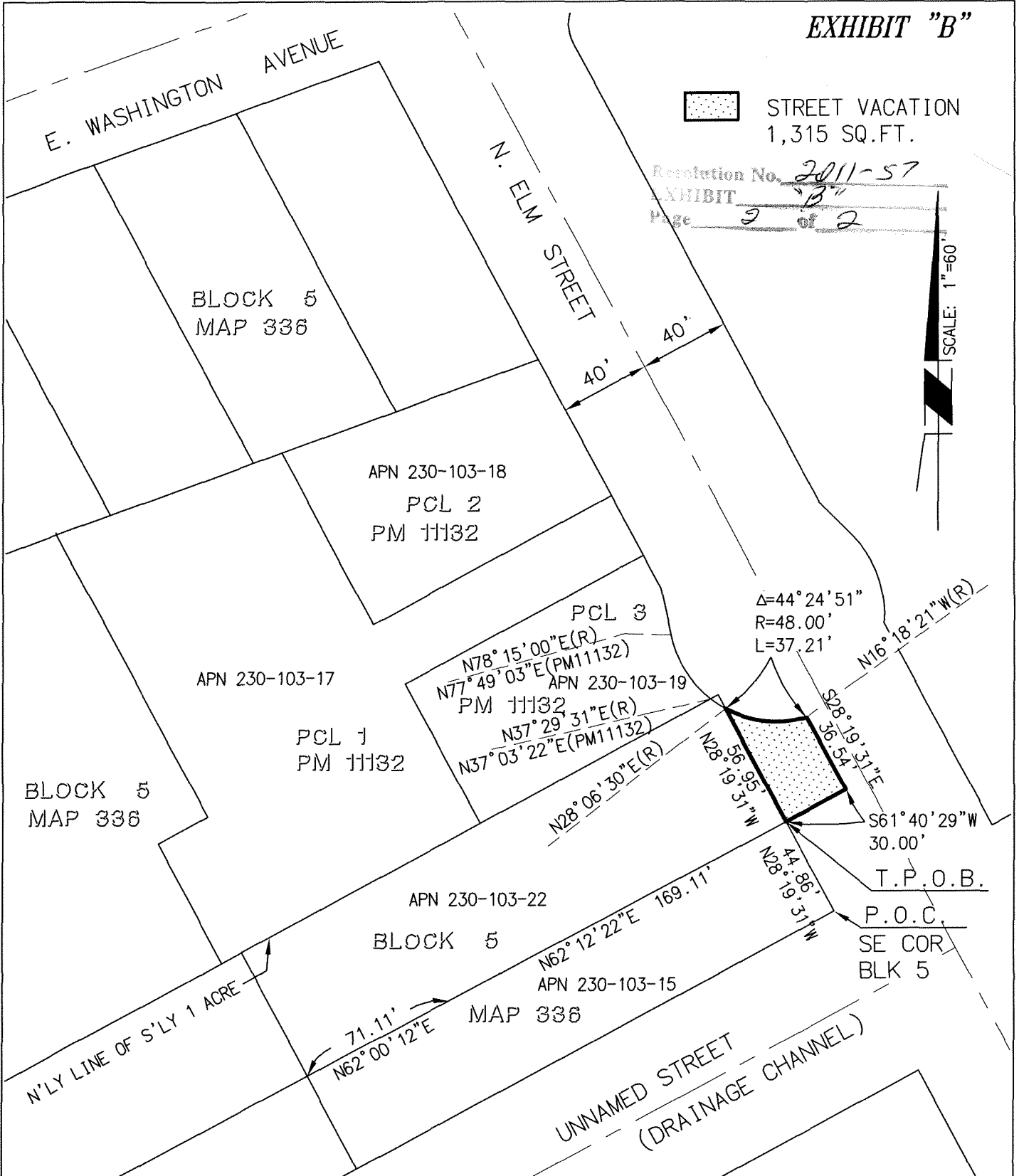
APPROVED BY: _____ DRAWN BY: _____	DATE: <u>4/04/11</u> SCALE: <u>NA</u>	SHEET NO. <u>1 OF 2</u> PARCEL NO. _____
STREET VACATION		

EXHIBIT "B"



STREET VACATION
1,315 SQ.FT.

Resolution No. 2011-57
EXHIBIT "B"
Page 2 of 2



\\Engineering\LP-10\10-10476\DWG\10476-vacate-1.dwg

C&E CONSTRUCTION TESTING & ENGINEERING, INC.
 PLANNING - CIVIL ENGINEERING - LAND SURVEYING - GEOTECHNICAL
 1441 MONTIEL ROAD, SUITE 115 ESCONDIDO CA. 92026, PH: (760) 746-4955

APPROVED BY: _____	DATE: <u>4/04/11</u>	SHEET NO. <u>2 OF 2</u>
DRAWN BY: _____	SCALE: <u>1"=60'</u>	PARCEL NO. _____

STREET VACATION

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 8
Date: May 25, 2011

TO: Honorable Mayor and Members of the City Council
FROM: Clay Phillips, City Manager
SUBJECT: California Center for the Arts, Escondido

RECOMMENDATION:

It is requested that the City Council approve an advance payment of \$270,000.00 to CCAE to meet cash flow needs for the balance of FY 2010-11.

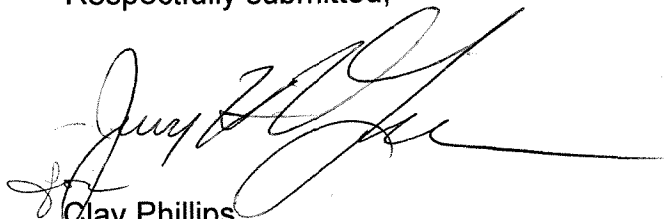
FISCAL ANALYSIS:

The request will draw upon funds anticipated to be approved in the FY 2011-12 budget. The requested amount is less than the amount proposed to be funded in FY 2011-12.

BACKGROUND:

The Center for the Arts Board of Trustees and staff have made significant strides to raise revenues both through donations and programming. In addition, significant changes have been made to reduce staffing and other expenses. Despite these efforts, the Center is in need of an advance to meet payroll and other obligations for the balance of this fiscal year.

Respectfully submitted,



Clay Phillips
City Manager

RENT REVIEW BOARD

For City Clerk's Use:

APPROVED **DENIED**

Reso No. RRB _____ File No. _____

Ord No. RRB _____

Agenda Item No.: 9

Date: May 25, 2011

TO: Honorable Chairman and Members of the Rent Review Board
FROM: Roni Keiser, Housing Division Manager
SUBJECT: Short-form Rent Increase Application for Westwinds Mobilehome Park

RECOMMENDATION:

- Consider the short-form rent increase application submitted by Westwinds Mobilehome Park.
- If approved, adopt Rent Review Board Resolution No. 2011-03 granting an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or .932% (an average of \$3.32) for the period of December 31, 2009, to December 31, 2010.

INTRODUCTION:

Westwinds Mobilehome Park ("Park") has filed a short-form rent increase application. The Board is asked to accept the staff report, hear public testimony, and make a determination concerning the request in accordance with the Escondido Rent Protection Ordinance and the short-form procedures as outlined in the Rent Review Board Guidelines. The application and the staff report have been made available to the Board for review and consideration prior to the hearing.

THE RENT INCREASE APPLICATION:

Westwinds Mobilehome Park is an all-age park located at 1415 S. Pine Street and has a total of 65 spaces. There are 13 spaces subject to rent control, and the Park is requesting an increase for the 13 rent controlled spaces. The other spaces not included in this application are on long-term leases, occupied as rentals or are vacant. The amenities available for the residents include a furnished clubhouse with a kitchen, a pool, and laundry facilities.

The application meets all the eligibility criteria for submittal of a short-form rent increase application.

PARK OWNER'S REQUEST:

The Park is requesting an increase of 75% of the change in Consumer Price Index for the period of December 31, 2009, to December 31, 2010. Seventy-five percent of the change in the CPI for the period of consideration is .932%. The average monthly rent for the residents that are affected by this application is \$355.84. The average monthly increase requested for each of the 13 spaces is \$3.32 per space, per month.

This is the fourteenth rent increase request filed by this Park since the Ordinance was implemented. The last increase was granted in 2010 for an average amount of \$1.49, per space, per month.

RESIDENT MEETING AND COMMENTS:

A resident meeting was held in the Park's clubhouse on April 20, 2011. The meeting was attended by the Property Manager, Jim Younce, the resident representative, Faith Crouse, Code Enforcement Officer, Sandra Moore and consultant, Michelle Henderson. Ms. Crouse stated that the residents had not expressed any issues or concerns to her prior to the meeting, and she did not have any health and safety code issues to be addressed.

Westwinds has five residents participating in the City of Escondido Rent Subsidy Program.

CODE ENFORCEMENT INSPECTION:

An inspection of the common areas of the Park by the Code Enforcement Division of the City noted some violations of the Health and Safety Code. A copy of the Code Report ("Report") is attached as "Exhibit A." The Owner, resident Manager, and resident representative received a copy of the Report, and were made aware that no rent increase, if granted, may be implemented until the Health and Safety Code violations have been cleared.

ADDITIONAL FACTORS AFFECTING THE APPLICATION:

The decision of the Rent Review Board will be finalized by adoption of the Resolution confirming the findings of the Public Hearing. The Notice of Determination will be mailed to the applicant and residents immediately upon adoption of the Resolution. The Park owner may send the 90-day notice of any rent increase granted to the residents upon the adoption of the Resolution.

Respectfully Submitted,




Roni Keiser
Housing Division Manager



DATE: APRIL 28, 2011

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD

FROM: BRIAN GUSTAFSON, CODE ENFORCEMENT MANAGER 

SUBJECT: WESTWINDS MOBILEHOME PARK RENT CONTROL

Westwinds Mobilehome Park was inspected on April 28, 2011, with the lighting inspection conducted that morning. This inspection was a result of an application for a rent increase having been filed. Three violations were found and noted in the attached inspection report.

The resident representative for the park was contacted and was the only resident who attended the resident meeting on April 20, 2011. She advised there were no health and safety concerns and said she had received no complaints from any of the park's residents.

There were two cases in this park in the past year, both concerning property issues on specific spaces that are the responsibility of the residents.

CC: Barbara Redlitz, Director of Community Development
Michelle Henderson, Rent Control Administration



April 28, 2011

MOBILEHOME PARK RENT CONTROL
CODE ENFORCEMENT INSPECTION REPORT

Park Name: Westwinds Mobile Home Park

Park Owner: Westwinds Mobile Home Park LLC
c/o Thomsen Properties
301 E. 17th Street, #208
Costa Mesa, CA 92627

Park Manager: Jim Younce **Phone:** (760) 740-0743

Inspection Date: 04/26/11 **Inspector(s):** S. Moore

The following report is based on the inspection of the mobile home park conducted under provisions outlined in the California Health & Safety Code, Division 13, Part 2.1; the California Code of Regulations, Title 25; the Escondido Zoning Code, Article 45; and the Escondido Municipal Code. This inspection report only addresses health and safety issues that are related to areas for which maintenance, repair and operations is the responsibility of the owners and managers of the park.

General Violations:

1. Install a protective covering such as conduit around the exposed electrical wiring at the top of the light fixture near the laundry room building. **25 CCR 1605 (d) (1)**
2. Repair the walkway near the trash bins and laundry room and repair cracks in asphalt of roadways where necessary. **25 CCR 1102 (a)**

3. Inspector not able to visually verify bonding conductor from pool steel to pump motor. Have licensed and qualified electrician check for continuity from pool steel to pump motor location. Schedule inspection with electrician present to witness test performed on bond wire connection system. **25 CCR 1162, 25 CCR 1188 (b), 25 CCR 1605 (d) (1)**, per NEC, 2010 Edition, Article 250 and Article 680.

**Areas of the park needing illumination per 25 CCR 1108
(Lighting Inspection; 04-28-11)**

No lighting violations were found.

MOBILEHOME PARK RENT REVIEW

RESIDENT REPRESENTATIVE REPORT FORM

Park Name: Westwind MHP

Date of Inspection:

Resident Representative Faith Crouse, 8 Tahiti Dr.

This park will be inspected as a result of an application having been filed for a rent increase. The Code Enforcement Division will base their inspection under provisions outlined in the California Health and Safety Code, Division 13, Part 2.1; California Code of Regulations – Title 25, the Escondido Zoning Code, Article XLV; and the Escondido Municipal Code, Section 6-480 Property Maintenance.

The report compiled by the Code Enforcement Division will address the health and safety issues related to the common areas of the mobile home park and those items for which the repair and maintenance is the responsibility of the owners and managers of the park. The attached list is to assist you and the residents in noting your current concerns so that they can be addressed as part of the process.

At the time of the inspections, each item on this list will be discussed with the participants. If it is a violation of Title 25 it will be made part of the Inspection Report.

Occasionally there are no concerns noted by park residents. If that is the case, we ask that you check the appropriate statement below, sign the form and return it to the Code Enforcement Division.

The residents have expressed no specific concerns or issues at this time.

The residents have expressed the specific issues and concerns that are noted on the accompanying pages of this report.

Faith Crouse
Print Name of Resident Representative

Faith Crouse
Signature

4-20-2011
Date

8 Tahiti 760/740-8572
Space # / Phone Number

City of Escondido
Code Enforcement Division
201 N. Broadway
Escondido, CA 92025
(760) 839-4650

**RENT CONTROL INSPECTION CHECKLIST
RESIDENT COMMENTS**

Responsible person: There shall be a person available who shall be responsible for the operation and maintenance of the mobile home park. The person or designee shall reside in parks of 50 units or more, and shall have knowledge of emergency procedures of the park facilities.

Rubbish, accumulation of waste material: The park shall be kept clean and free of the accumulation of refuse, garbage, rubbish, excessive dust or debris.

Drainage: The park common areas and roadways shall be graded and sloped to provide storm drainage runoff. Standing water should evaporate within 72 hours.

Building and park lighting: During hours of darkness, artificial lighting shall be maintained in accordance with requirements of Title 25.

Lot address identification: Each lot shall be identified by letters, numbers or a street address mounted in a conspicuous place facing the roadway.

Permanent park buildings: Park buildings, structures and facilities shall be maintained free from hazards.

Emergency information: Emergency information is to be printed and posted in a conspicuous location and shall contain the following telephone numbers/information:

- Fire Department
- Police Department
- Park office
- Responsible person for operation and maintenance
- Code Enforcement
- Park location – address
- Nearest public telephone

Other questions, comments or concerns:

RESOLUTION NO. RRB 2011-03

A RESOLUTION OF THE ESCONDIDO
MOBILEHOME RENT REVIEW BOARD
MAKING FINDINGS AND GRANTING A
RENT INCREASE FOR WESTWINDS
MOBILEHOME PARK

WHEREAS, Article V of Chapter 29 of the Escondido Municipal Code is a codification of the Escondido Mobilehome Rent Protection Ordinance ("Ordinance") and provides for mobilehome space rent regulation; and

WHEREAS, the City of Escondido Mobilehome Park Rental Review Board ("Board") is charged with the responsibility of considering applications for rent increases; and

WHEREAS, a short-form rent increase application pursuant to Section 12 of the Rent Review Board Guidelines was filed on March 30, 2011, by Bart Thomsen, the owner of the rental spaces in Westwinds Mobilehome Park, located at 1415 S. Pine Street in Escondido; and

WHEREAS, this is the fourteenth rent increase application filed by the Park since the Ordinance became effective in 1988. The last rent increase was granted by the Rent Review Board Resolution 2010-02 on May 26, 2010, for an increase of .455%, or approximately \$1.49 per space, per month; and

WHEREAS, at the time of the current application, the average monthly rent per space was \$355.84 for 13 spaces subject to the rent increase. The owner requested a rent increase in the amount of 75% of the change in the Consumer Price Index (CPI) for the period December 31, 2009, through December 31, 2010, in accordance with the

Rent Review Board short-form policy guidelines. The application estimated this amount to be an average of \$3.32 (an increase of .932%) per space, per month; and

WHEREAS, a notice of the Park's Rent Increase Application was sent to all affected homeowners. All parties were given notice of the time, date, and place of the rent hearing before the Board; and

WHEREAS, on April 28, 2011, a Mobilehome Park Rent Review Code Enforcement Inspection Report ("Inspection Report") was completed. It noted Health and Safety Code violations in the Park; and

WHEREAS, on May 25, 2011, the Board held its public hearing. After an initial staff presentation, the Board invited testimony from Park ownership, residents of the Park, and other residents of the community at large; and

WHEREAS, after all present had been given an opportunity to speak, the hearing was closed. Following an opportunity for discussion among the Board members, and clarifying questions to the parties and Staff, the Board voted to grant an average rent increase of \$3.32 per space, per month, for the 13 spaces which are subject to the rent increase.

NOW, THEREFORE, BE IT RESOLVED by the Rent Review Board of the City of Escondido, as follows:

1. That the above recitations are true.
2. That the Board has heard and considered all of the reports and testimony presented, and has considered the facts as outlined in the short-form Guidelines ("Guidelines").
3. That following the Guidelines, an increase based on 75% of the change in

the Consumer Price Index (CPI) for San Diego County from December 31, 2009, through December 31, 2010, amounts to an increase of .932%, which averages \$3.32 per space, per month, for the 13 spaces that are subject to the rent increase.

4. That the Board concluded an increase of \$3.32 per space, per month, is consistent with the Guidelines, and is fair, just, and a reasonable increase in light of the information presented by all parties.

5. That the increase may not be implemented until after the health and safety code violations noted in the Inspection Report have been corrected, signed off, and are in compliance with the various state and local code sections as noted in the Inspection.

6. That the increase may be implemented upon the expiration of the required 90-day notice to the residents, which may be issued upon the adoption of this Resolution.



Agenda Item No. 10
Date: May 25, 2011

(X) There is no material for this agenda item

THE FOLLOWING ITEM(S) WILL BE DISTRIBUTED WHEN AVAILABLE:

- () Staff Report**
- () Resolution No.**
- () Ordinance No.**
- () Exhibits/Attachments**

DUE TO THE SIZE OF THIS AGENDA ITEM:

- () COUNCIL MEMBERS:**
- () Staff & Others:**

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 11
Date: May 25, 2011

TO: Honorable Mayor and Members of the City Council
FROM: Charles Grimm, Assistant City Manager
SUBJECT: 455 and 525 N. Quince Street

RECOMMENDATION:

It is requested that the City Council adopt Resolution Number 2011-69 authorizing an expenditure of \$6,600,000 plus related closing costs for the purchase of two properties addressed as 455 and 525 N. Quince Street, authorize the Mayor and City Clerk to execute all documents related to the purchase and accept the Grant Deeds on behalf of the City.

FISCAL ANALYSIS:

The negotiated price for the rights to purchase the two properties is \$6,600,000. This money, along with other associated clean-up costs, comes from funds that had been reserved for the hotel project.

PREVIOUS ACTION:

On October 27, 2010, the City Council adopted Resolution Number 2010-14 authorizing the purchase of property at 480 N. Spruce and this acquisition was subsequently completed.

BACKGROUND:

Over the last several years, the City Council has discussed the need to redevelop the older industrial area generally bounded by Washington Street on the north, Center City Parkway on the east, West Valley Parkway on the south and the railroad tracks on the west. This area has major development potential due to its location, reasonable land costs, proximity to rail lines, freeways, and Downtown Escondido. Previously the City Council had designated this area for special study by staff and the General Plan Citizens Committee.

The October 27 2010 Staff Report regarding the property at 480 North Spruce Street informed Council that the Moorad Group employed a local broker to negotiate the possible purchase of several key properties within the study area boundaries, which included 480 N. Spruce Street, 455 N. Quince Street and 525 N. Quince Street. The City has acquired title to 480 N. Spruce Street and a tentative deal has been reached for the sale of the properties at 455 and 525 N. Quince to the Moorad Group. The negotiated price is \$6,600,000.

455 and 525 N. Quince Street
May 25, 2010
Page 2

City staff has evaluated comparable prices for real estate in this area and recommends moving forward with the transaction. Staff has also taken into account the fact that the acquisition terms have already been negotiated between a willing buyer and a willing seller, and the proposed transaction is for the City Council to assume the buyer's position in the transaction. The City's redevelopment agency does not have the power of eminent domain to acquire land, and the City itself is generally reluctant to use eminent domain except when necessary to provide essential public services. Hence, the opportunity to assume the buyer's position in this voluntary transaction should also be taken into account, as well as the opportunity for the City to continue assembling land for future development in this important area. Normally, the City would obtain a full appraisal prior to purchasing real property, however, this circumstance is different for the above reasons, as well as the fact that staff anticipates any appraisal would justify the purchase. More importantly, any subsequent information would not alter the purchase terms, which have already been agreed upon by the prior parties.

Upon agreement by the City Council and the Moorad Group, and with the consent of the Seller, the City of Escondido was substituted as the Buyer for the property in place of the Moorad Group. Per direction given by City Council, the City has made a total deposit of \$150,000 to replace the deposit previously made by the Moorad Group into the escrows for the properties.

The acquisition of the subject properties will provide needed land area should the City proceed with development of a ballpark. However, in the event that the City should decide not to proceed with the ballpark, the aggregate of land would be beneficial for completion of other projects that City Council may desire for this targeted area.

Approval of this action will authorize the expenditure of \$6,600,000 for land purchase plus related closing costs, authorize the Mayor and City Clerk to execute the documents required to complete the purchase and accept the Grant Deeds on behalf of the City.

Respectfully submitted,



Charles Grimm
Assistant City Manager

RESOLUTION NO. 2011-69

A RESOLUTION OF THE CITY COUNCIL
AUTHORIZING THE ACQUISITION OF TWO
PROPERTIES LOCATED AT 455 AND 525 N.
QUINCE STREET, AND TO AUTHORIZE THE
MAYOR AND CITY CLERK TO EXECUTE ALL
DOCUMENTS NECESSARY TO COMPLETE
THE ACQUISITIONS AND ACCEPT A GRANT
DEED

WHEREAS, the City Council has identified the need to provide for other land uses in an older industrial area of the City generally bounded by Washington Street on the north, Center City Parkway on the east, West Valley Parkway on the south, and the railroad tracks on the west; and

WHEREAS, property located in this area might also be appropriate locations for for a possible ballpark, business park or other form of redevelopment even though future uses of such properties have not yet been agreed upon; and

WHEREAS, the owners of the properties located at 455 and 525 N. Quince have entered into a Purchase and Sale Agreement to dispose of their specific properties with a private buyer ("Buyer"); and

WHEREAS, the Buyer is willing to allow the City to assume the Buyer's rights and obligations in the purchase transaction, thereby allowing the City to acquire the property; and

WHEREAS, the acquisition of this Property will provide significant benefit as the City engages in future plans to develop the area into a commercial or mixed-use

development, especially in light of the fact the City is unwilling to utilize the power of eminent domain under these circumstances; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to approve an expenditure in an amount not to exceed \$6,600,000 for the rights to acquire the two properties, plus any related closing costs;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the use of Economic Development Reserve funds for acquisition of these two properties will provide significant benefit to the health, safety, and welfare of the citizens, particularly in this area in enabling the assemblage of parcels and planning for future economic development.
3. That an allocation of Economic Development Reserve funds in an amount not to exceed \$6,600,000 for acquisition of the two properties, plus any related closing costs, is hereby approved.
4. That the Mayor and City Clerk are authorized to execute all documents related to the purchases and to accept the Grant Deeds on behalf of the City, subject to final approval as to form by the City Attorney.

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. 0470-35

Ord No. _____

Agenda Item No.: 12

Date: ~~May 11, 2011~~

TO: Honorable Mayor and Members of the City Council

CONTINUED TO MAY 25, 2011

FROM: Gilbert Rojas, Director of Finance

SUBJECT: Bid Award for Fleet Replacement of Twelve Trucks

RECOMMENDATION:

It is requested that Council award the bid for fleet replacement of twelve trucks to North County Ford of Vista, California as the lowest responsive and responsible bidder in the amount of \$264,314.08.

FISCAL ANALYSIS:

Sufficient funds are located in the Motive Equipment Replacement Fund.


BACKGROUND:

On March 28, 2011, requests for bids for fleet replacement of twelve trucks were mailed to nine vendors and seven bids were opened and evaluated on April 13, 2011. The bid results are outlined below:

VENDORS	AMOUNT
North County Ford	\$ 264,314.08
Kearny Ford	274,655.29
Heller Ford	276,167.46
Hoblit Ford	282,227.15
Raceway Ford	287,550.21
Theodore Robins Ford	302,852.19
Fairview Ford	94,925.69 (only bid on three items)

The Fleet Superintendent has reviewed all bid responses and recommends awarding this bid to North County Ford of Vista, California as the lowest responsive and responsible bidder.

Respectfully submitted,


Gilbert Rojas,
Director of Finance

Distribution of Old Trucks

Department	Number of Trucks Replaced	Year of Truck	Mileage of Truck
Recreation	1	1995	86,619
Building	2	2000	68,377
		2000	96,738
Public Works Engineering	4	1998	93,449
		1999	163,140
		1999	140,913
		1999	108,887
Public Works Collections	2	1988	55,368
		1997	89,312
Hale Avenue Resource Recovery Facility	1	1995	86,423

DATE: April 20, 2011

TO: Blanca Wolf, Purchasing Supervisor

FROM: Raul Juarez, Fleet Maintenance Superintendent

SUBJECT: Award of Ford Trucks; Bid Number 11-03

I have thoroughly reviewed the bid submitted from North County Ford of Vista, California and agree that they have met all of our bid requirements. I also feel that their bid meets or exceeded our minimum requirements in the technical specifications area.

Therefore, please award bid number 11-03 to North County Ford of Vista, California for the purchase of twelve replacement trucks.

Respectfully Submitted,



Raul Juarez

CITY COUNCIL

For City Clerk's Use:

APPROVED **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 13
Date: May 25, 2011

TO: Honorable Mayor and Members of the City Council
FROM: Gil Rojas, Director of Finance
SUBJECT: Fund Balance Policy and Commitment of Fund Balance in the General Fund

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2011-56 that will approve the Fund Balance Policy in compliance with Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and commit fund balance in the General Fund for Economic Uncertainty and Economic Development.

FISCAL ANALYSIS:

There is no fiscal impact.

BACKGROUND:

In March 2009 the Governmental Accounting Standards Board (GASB) issued its Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions with the intent of improving financial reporting by providing fund balance categories that will be more easily understood.

Part of the City's implementation of this statement for FY 2010-11 is the formal adoption of a fund balance policy. The policy explains the five components of fund balance and gives the City Council, as the City's highest level of decision-making authority, the authority to commit fund balance for specific purposes. The new policy sets restrictions for spending committed funds and requires that a method for replenishment of fund balance be established as funds are spent. Prior to GASB Statement No. 54, these amounts were reported by the Finance Director as Unreserved and Designated and did not require City Council delegation.

The resolution is the City Council's formal commitment of the excess of fund balance in the General Fund to be set aside specifically for Economic Uncertainties defined as one-time unanticipated expenditure requirements, local disasters, or other financial hardships or downturns in the local or national economy. The resolution will also set aside \$20,000,000 in the General Fund specifically for Economic Development defined as fund any capital project that spurs economic development. It

Fund Balance Policy and Commitment of Fund Balance in the General Fund
May 25, 2011
Page 2

should be noted that this amount and/or commitment may be changed with the adoption of a new resolution by the affirming vote of three council members.

The Fund Balance Policy is attached to Resolution No. 2001-56 as Exhibit "A". This policy is effective beginning in Fiscal Year 2010-11 until further amended.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gilbert Rojas", written in a cursive style.

Gilbert Rojas
Director of Finance

RESOLUTION NO. 2011-56

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING THE CITY OF ESCONDIDO
FUND BALANCE POLICY, GENERAL FUND
ECONOMIC UNCERTAINTY AND
ECONOMIC DEVELOPMENT COMMITMENT
OF FUND BALANCE FOR THE GENERAL
FUND

WHEREAS, the Governmental Accounting Standards Board (GASB) has issued its Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions with the intent of improving financial reporting by providing fund balance categories that will be more easily understood; and

WHEREAS, the City Council of the City of Escondido has considered the Fund Balance Policy, as presented in Exhibit "A" attached to this resolution and incorporated by this reference, which outlines the policy and procedures enacted to accurately categorize and report fund balance in the General Fund; and

WHEREAS, the Fund Balance Policy provides that the City Council may commit General Fund balance for specific purposes by taking formal action and these committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same formal action to establish the commitment; and

WHEREAS, the Finance Director has recommended to the City Council that the General Fund Economic Uncertainty Commitment of General Fund balance be equal to the remaining fund balance in the General Fund at June 30, 2011 for Fiscal Year 2010-

11, and that the General Fund Economic Development Commitment of General Fund balance be established at \$20,000,000 for Fiscal Year 2010-11; and

WHEREAS, the City Council has determined that the General Fund Economic Uncertainty Commitment of General Fund balance be equal to the remaining fund balance in the General Fund at June 30, 2011 for Fiscal Year 2010-11, and that the General Fund Economic Development Commitment of General Fund balance be established at \$20,000,000 for Fiscal Year 2010-11

WHEREAS, the City Council also commits fund balance for the Special Revenue Funds as presented in Exhibit "A" attached to this resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the City Council hereby adopts the attached Fund Balance Policy presented in Exhibit "A".
3. That the City Council hereby establishes and approves the General Fund Economic Uncertainty Commitment of General Fund balance be equal to the remaining fund balance in the General Fund at June 30, 2011 for Fiscal Year 2010-11, and the General Fund Economic Development Commitment of General Fund balance at \$20,000,000 for Fiscal Year 2010-11.
4. The City Council has determined that the specific purposes for which the General Fund Economic Uncertainty Commitment be used to fund one-time

unanticipated expenditure requirements, local disasters, or other financial hardships or downturns in the local or national economy.

5. The City Council has determined that the specific purposes for which the General Fund Economic Development Commitment be used to fund any capital project that spurs economic development.

6. The City Council hereby confirms that in any fiscal year in which recurring sources exceed recurring uses in the General Fund, the amount of the General Fund Economic Uncertainty Commitment of General Fund balance will be increased by that amount.

7. The City Council commits fund balance for the Special Revenue Funds as presented in Exhibit "A" attached to this resolution.

City of Escondido Fund Balance Policy

Purpose

This Fund Balance Policy establishes the procedures for reporting unrestricted fund balance in the General Fund financial statements. Certain commitments and assignments of fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Procedures

Fund Balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent:

- Nonspendable fund balance (inherently nonspendable)
- Restricted fund balance (externally enforceable limitations on use)
- Committed fund balance (self-imposed limitations on use)
- Assigned fund balance (limitation resulting from intended use)
- Unassigned fund balance (residual net resources)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above. These three components are further defined below.

Committed Fund Balance

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment, a resolution. City Council action to commit fund balance needs to occur within the fiscal reporting period; however, the amount can be determined subsequently. The following will be classified as committed fund balance.

General Fund

Economic Uncertainty

The City will commit the remaining fund balance in the General Fund at year end for Economic Uncertainty in order to maintain adequate levels of fund balance to mitigate current and future risks and to adequately provide for cash flow requirements and contingencies for unseen operating or capital needs the City. The Economic Uncertainty balance is available to fund one-time unanticipated expenditure requirements, local disasters, or other financial hardships or downturns in the local or national economy.

When Economic Uncertainty Funds are used the method for replenishing deficiencies including the source of funding and time period for replenishment to occur will be defined in the resolution.

The City Council may, by the affirming vote of three members, change the amount of this commitment and/or specific use of these funds.

Economic Development

The City's General Fund balance committed for economic development is established at \$20 million. The Economic Development balance is available to fund any capital project that spurs economic development.

The City Council may, by the affirming vote of three members, change the amount of this commitment and/or specific use of these funds.

Special Revenue Funds

Center for the Arts

The City will commit that portion of fund balance derived from charges for services generated from Arts Center Activities for the operations of the California Center for the Arts.

Park Development

The City will commit that portion of fund balance received from park development fees collected from developers for the purchase and development of parks.

Parks & Recreation

The City will commit that portion of fund balance received from operating activities of City facilities (charges for services) for the operation of City parks and recreation facilities.

Daley Ranch Restoration

The City will commit that portion of fund balance received from the sale of mitigation credits to be used to provide fund restoration projects at Daley Ranch.

Reidy Creek Golf Course Fund

The City will commit that portion of fund balance received from operating activities of the golf course (charges for services) for the operation of the Reidy Creek Golf Course.

Recycling

The City will commit that portion of fund balance received from the sale of recycled materials to be used to further the effort of recycling within the City.

Public Art

The City will commit that portion of fund balance received from public art fees, which are assessed when development occurs, to be used to provide public art throughout the City.

Vehicle Parking District

The City will commit that portion of fund balance provided by parking permit revenues for the maintenance and operation of City-owned public parking lots.

Ryan Trust

The City will commit monies received from the Frances B. Ryan Trust, which was established to create the Pioneer Room, a historical perspective of Escondido, to provide financing for its ongoing operation.

Hegy Trust

The City will commit Funds received for the Hegyi Family Trust to be used to recognize library volunteers.

Assigned Fund Balance

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance.

This policy hereby delegates the authority to assign amounts to be used for specific purposes to the Finance Director for the purpose of reporting these amounts in the annual financial statements. A few examples of assigned fund balance follow.

Continuing Appropriations

Fund balance levels must be sufficient to meet funding requirements for projects approved in prior years and which must be carried forward into the new fiscal year.

Debt Service

Established to provide for future debt service obligations

Unassigned Fund Balance

These are residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories.

Fund Balance Classification

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

This policy is in place to provide a measure of protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54. No other policy or procedure supersedes the authority and provisions of this policy.

RESOLUTION NO. 2011-62

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
OPPOSING SENATE BILL 468

WHEREAS, it has been more than 40 years since substantial improvements have been made along the I-5 North Coast Corridor; and

WHEREAS, the I-5 North Coast Corridor Project represents a \$4.5 billion investment in the region and would create thousands of jobs over the next decade; and

WHEREAS, improvements along the I-5 North Coast Corridor are part of a balanced regional transportation phasing plan that includes transit, highway, community and environmental improvements, and was developed to address funding constraints, projected demand and maximizes environmental opportunities; and

WHEREAS, sequencing as proposed in Senate Bill 468 ("SB 468") creates conflict with local street improvements, causing unnecessary delays in construction timelines; and

WHEREAS, SB 468 would have wide-reaching, detrimental impacts on transportation projects throughout the state, such as the I-5 North Coast Corridor project; and

WHEREAS, SB 468 would delay the construction of four carpool lanes to relieve future congestion along the I-5 North Coast Corridor; and

WHEREAS, without improvements, the current commute time of 38 minutes along the I-5 North Coast Corridor would double to 70 minutes by 2030; and

WHEREAS, SB 468 would jeopardize hundreds of millions of dollars for transit and environment enhancements along the I-5 North Coast Corridor; and

WHEREAS, SB 468 threatens the region's ability to secure federal funding for highway and transportation projects; and

WHEREAS, SB 468 would prevent the I-5 North Coast Corridor project from moving forward after nearly ten years of work and more than \$50 million of preliminary study and engineering.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the City of Escondido does hereby oppose SB 468 and authorizes the Mayor to sign a letter of opposition to it.



Agenda Item No. 15
Date: May 25, 2011

(X) There is no material for this agenda item

THE FOLLOWING ITEM(S) WILL BE DISTRIBUTED WHEN AVAILABLE:

- () Staff Report**
- () Resolution No.**
- () Ordinance No.**
- () Exhibits/Attachments**

DUE TO THE SIZE OF THIS AGENDA ITEM:

- () COUNCIL MEMBERS:**
- () Staff & Others:**

FUTURE CITY COUNCIL AGENDA ITEMS
May 19, 2011

AGENDA ITEMS AND COUNCIL MEETING DATES ARE SUBJECT TO CHANGE. CHECK WITH THE CITY CLERK'S OFFICE AT 839-4617

Green Sheet Due by Noon on Monday, 5/16/11
Staff Reports/Resos due by Noon on Tuesday 5/24/11

JUNE 1, 2011 – No Meeting (Memorial Day)

Green Sheet Due by Noon on Monday, 5/23 /11
Staff Reports/Resos due by Noon on Tuesday 5/31/11

JUNE 8, 2011

CONSENT CALENDAR

Acceptance of Fireman Fund Grant
(M. Lowry)

Need Green Sheet

Implement 2 hour and 3 hour Parking on Various Locations
(E. Domingue)

Area residents and businesses requested the City restrict street parking spaces along these areas. Unlicensed dealers who "flip" automobiles have taken advantage of the great exposure and unlimited parking along busy streets by parking their vehicles for sale there. There has been a sharp increase in parked for sale vehicles in recent months that this request should remedy.

PUBLIC HEARINGS:

Street Vacation Portion of North Elm Street
(E. Domingue)

Need Green Sheet

Adoption of An Interim Fiscal Year 2011/12 and 2012/13 Two Year Operating Budget
(G. Rojas)

This action will adopt an operating budget for all City funds effective July 1, 2011 through June 30, 2012. The second Fiscal Year budget (2012/2013) will be reviewed by the City Council on an ongoing basis.

JUNE 8, 2011, Continued

CURRENT BUSINESS

Downtown Business Improvement District (BID) Annual Report and Resolution of Intention to Set the Date for the Public Hearing (6.15.11) to Modify the BID Boundary and to Levy the BID Assessment for FY 2011-2012

(B. Redlitz)

The City Council initially adopted Ordinance No. 89-28 on June 4, 1989, establishing a Downtown Business Improvement Assessment District. The City Council reviews the DBA's annual report and budget for the next fiscal year and adopts an annual resolution to set the assessment schedules and rates. This is done in accordance with the provisions of the California Streets and Highways Code. The DBA has worked with PPH to include their downtown property within an expanded assessment boundary.

WORKSHOP

Future Agenda Items (M. Whalen)