

3037

**HESPERIA FIRE PROTECTION DISTRICT
PROFILE SUMMARY SHEET**

Contact person:

Dave Reno, AICP, Principal Planner (760) 947-1253

Address:

9700 Seventh Avenue
Hesperia Ca. 92345
Phone: (760) 947-1000
Fax: (760) 947-1221

E-mail Address: dreno@cityofhesperia.us

Website address: www.cityofhesperia.us

Date of Municipality Formation: July 1, 1988 (became a subsidiary district to the City of Hesperia)

Redevelopment Agency: No

Governing Body:

Five member Board of Directors, elected at-large

Membership:

Rita Vogler, Chair
Mike Leonard, Vice Chair,
Tad Honeycutt, Board Member
Ed Pack, Board Member
Thurston "Smitty" Smith, Board Member

Public Meetings: The City Council/Board of Directors meets on the first and third Wednesdays of the month, beginning at 6:30 p.m., City Council Chambers, 9700 Seventh Avenue.

SERVICES PROVIDED:

Area served: 74.77 square miles, 47,852 acres

Population: 62,852, (2000 Census)
85,876 (2007 State Department of Finance estimate)

RECEIVED
SEP 19 2007

IAFCO

Services provided directly to its public:

Fire protection and suppression services. Fire prevention, inspection and plan check services.

Services provided to the District through a contractual relationship:

<u>Service</u>	<u>Provided by Whom</u>	<u>Contract Date</u>	<u>Sunset date</u>
----------------	-------------------------	----------------------	--------------------

Fire protection and suppression services. Fire prevention, inspection and plan check services. San Bernardino County Fire Department , 2004, renewed annually.

Services provided outside agency boundaries:

None

Special Charges for services outside boundaries: None Identified

Subsidiary Districts: No

Sphere of Influence Established:

<u>LAFCO #</u>	<u>Resolution #/Date</u>	<u>Location</u>
LAFCO 2479	Res. 2155	Golden Triangle/Oak Hills East
LAFCO 2763	Res. 2445	Oak Hills West
LAFCO 2554	Res. 2223	Summit Valley
LAFCO 2479A	Res. 2261	Summit Valley (South of RLF)
LAFCO 2677	Res. 2338	Golden Triangle Reduction

Totally Surrounded Islands within Boundary:

No areas are totally surrounded. There are two areas that meet the current provisions of 56375.3 and will require further action. Both are within the Oak Hills Sphere of Influence.

Budgetary Information: See the attached 2007-08 Fiscal Year Budget.

**MANDATORY FIVE YEAR
SPHERE OF INFLUENCE REVIEW**
(Government Code Section 56425)

1. **Agency:** Hesperia Fire Protection District
2. **Other Serving Entities:** City of Hesperia, Hesperia Water District (subsidiary to City), Hesperia Recreation and Park District, County Service Area (CSA) 70, Zone J, (water, roads), CSA 60 (Apple Valley Airport), CSA 38 (fire protection), Victor Valley Wastewater Reclamation Authority (sewage processing and disposal), Advance Disposal, (private trash pick-up and recycling), Hesperia Unified School District (K-12) Snowline School District (K-12)
3. **Alterations to Sphere:** The Fire Protection District, as well as the City and Water Districts, do not anticipate any expansions to the Sphere of Influence during the next five-year review period.
4. **Negotiations Regarding Sphere:** As part of the adoption of the Oak Hills Community Plan, the City entered into agreements with the County to develop and implement a separation plan for the Zone J water system. The intent is to maintain the functionality of Zone J, while augmenting the capacity of the City's system to accommodate additional commercial, industrial and residential uses, in accordance with the City's plan. The City has three years to design and implement these revisions. These agreements were completed as part of the proceedings for LAFCO 2952 and 2953. These water improvements will augment available fire flows to serve existing and planned land uses considered under the Main Street and Freeway Corridor Specific Plan.

Mandatory Five-Year
Sphere of Influence Review
Hesperia Fire Protection District

5. **General Plan Adoption & Updates:**

General Plan	1991
Land Use	2002
Conservation	1994
Open Space	1991
Noise	1991
Circulation	2001
Housing	2002

The City of Hesperia, acting as the planning agency for the Fire Protection District, is currently working on three planning efforts. First is the City's Civic Plaza, including the City Hall, Hesperia Branch Library and downtown park area. This area will also feature mixed commercial and residential uses integrated into a walkable environment. Second is the Main Street and Freeway Corridor Specific Plan. This plan covers Main Street from the Freeway to "I" Avenue as well as the Freeway Corridor between Oak Hill Road and Bear Valley Road. Plans for this area include regional commercial and industrial uses along the freeway as well as mixed housing, commercial and office uses along Main Street. This plan should be completed by March of 2008. Third, the City is beginning a General Plan update for the entire City and Sphere. This update will account for changes to the City's boundaries, its Sphere of Influence and will also incorporate the ongoing downtown and freeway corridor plan. The update will review all seven elements, the circulation plan and the land use plan. Ultimately, the plan will result in a one-map system to bring consistency to the City's current zoning and land use maps. This effort should take about 18-24 months.

Mandatory Five-Year
Sphere of Influence Review
Hesperia Fire Protection District

6. **Master Planning:** As of 2004, the City of Hesperia now contracts with the County of San Bernardino for Fire Protection services. In December 2006, the City Council accepted the Public Safety Needs Report, which recommends expansion of police and fire facilities and provides economic justification for increased Development Impact Fees. The City is working on acquisition of land as well as expansion of existing fire stations, consistent with this report. In addition, the County is upgrading existing facilities in the City's Sphere of Influence, including Station No. 48 in Summit Valley and Station No. 40 in Oak Hills. The Fire District is also working with Rancho Las Flores and the Sun Cal to coordinate plans for new fire stations as their specific plans develop within Summit Valley.
7. **Not Required**
8. **Sphere of Influence Review Factors:**
 - a. Land uses in the Oak Hills Sphere are shown and described in the Oak Hills Community Plan, adopted in 2002. This plan established a Freeway Corridor to be developed with retail and job producing industrial and office uses on the large parcels adjacent to the freeway. The plan also delineates open space areas within the Oro Grande Wash as well as another wash on the east side of the freeway. These washes form buffer zones for the rural areas lying outside the freeway corridor. The primary intent for this area is to continue to develop homes on 2 ½ acres lots and encourage animal keeping and other agricultural uses. In addition, the City has begun a specific plan for the Main Street and Freeway Corridors. The intent of this plan is to develop criteria for new growth and to fully realize the land use potential of these areas.

Mandatory Five-Year
Sphere of Influence Review
Hesperia Fire Protection District

The Summit Valley Sphere of Influence is expected to be developed with large, master planned communities. This area is noted for its varied terrain and natural vegetation. The Mojave River has its origins here in Silverwood Lake. As the area has few paved roads and little or no infrastructure, the preferred method of development is through the specific plan or planned development process.

- b. As noted above, the Freeway Corridor and Summit Valley lack the necessary infrastructure to support growth. In addition, large-scale residential projects will require the development of schools, parks, recreational trails, medical facilities, police and fire facilities, and other governmental services. The City and its sphere are experiencing its share of growth during the current economic cycle. The City has grown in population by 70% from 1990 to 2007.
- c. Within the Oak Hills Sphere, CSA 70, Zone J is developed to provide domestic water service to residential use on 2 ½ acre lots. There are limited commercial uses present that would demand higher fire protection requirements. No sewer service is present. As noted above, the City has agreed to develop new facilities for the freeway corridor in anticipation of new growth. The School District is developing three schools adjacent to Oak Hills. However, District has grown by 5% last year and new school sites are being sought in conjunction with new development proposals.

Within Summit Valley, there are little or no developed water systems and existing residences utilize private wells. No sewer service is present. As noted above, master-planned communities will develop and finance new infrastructure and services to serve the new residents.

- d. The Oak Hills Plan acknowledged the existence of the Community through the appointment of an Advisory Committee that oversaw the development of the Community Plan. The Committee consisted of both landowners and residents, and was jointly appointed by the City and

Mandatory Five-Year
Sphere of Influence Review
Hesperia Fire Protection District

County. The Committee's final recommendation was ultimately adopted by both the City and County to guide growth and development in Oak Hills.

In Summit Valley, a much smaller community exists. There are several residents living on large lots along Highways 138 and 173, and two small stores serve the highway traffic. Ultimately, large-scale planned developments and specific plans will form the basis of the community in Summit Valley.

Certification:

I hereby certify that the statements furnished above and in the attached supplements, exhibits and documents present the data and information required for this mandatory review to the best of my ability, and that the facts statements and information presented herein are true and correct to the best of my knowledge and belief.

Date: September 18, 2007


Mike Podegracz, General Manager

**MUNICIPAL SERVICE REVIEW – Hesperia Fire Protection District
(Government Code Section 56430)**

I. Infrastructure Needs and Deficiencies

1. Capital Improvement Plans/Studies

The Fire District has identified capital improvements within its current 2007-08 fiscal year budget as part of completing the Fire District's Master Plan. This includes land acquisition and/or construction and expansion of three fire stations:

Fire Station 301 Construction/Property Acquisition – Existing Station 301, located on the west side of the City south of Main Street (9430 Eleventh Avenue), contains approximately 37,000 square feet of building space. In order to fulfill the City's Public Safety Needs Report requirements the facility needs to be expanded and reconstructed to 12,000 square feet. In June 2006, the City sent a Request for Qualifications to architectural firms to provide architectural and construction support services.

It is expected that the land acquisition for the project will be concluded by Summer 2006. Construction plans will be completed by October 2007 and construction will be bid. Construction will commence in Winter/early Spring 2008 and will continue into Fiscal-Year 2008-09. The estimated cost of the project will be \$6 million.

Fire Station 305 Construction – In order to meet the needs of the developing Freeway Corridor, as well as provide administrative offices for the San Bernardino County Fire Department, the County and City are jointly participating in the Development of Station 305, to be located on the west side of Interstate 15, west of Caliente Road, south of Joshua Street. The City's Public Safety Needs Report identifies a station that will be approximately 22,000 square feet in size. In June 2006, the City sent a Request for Qualifications to architectural firms to provide architectural and construction support services. The City has previously owned land west of the freeway for a fire station and completed a "land swap" in order to establish the preferred location for the fire station.

Construction plans will be completed on October 2007, and the plans will be bid for construction. Construction will commence in Winter/early Spring 2008, and continue into Fiscal Year 2008-09. The estimated cost for the project will be \$11 million.

Fire Station 302 Property Acquisition and Design – The Fire District currently operates a station at 17288 Olive Street (West of "I" Avenue, south of Main Street). This facility serves as the Fire Department Headquarters and is 3,435 square feet in size. In order to meet response times in the City's Public Safety Needs Report, Station 302 is to be relocated north of Main Street to serve the northeast

portion on the City in the industrial park. The new facility will be 15,000 square feet in size.

Property acquisition is expected to occur after July 2007. Once a site is selected an architectural design consultant will be engaged to design the facility. Design is expected to take approximately 10 months and will be complete by the end of the fiscal year. The cost of the property is expected to be about \$1.5 million and design will be about \$600,000.

Fire Station 304 Expansion and Design – This project involves the interior expansion of Fire Station 304, located at 15650 Eucalyptus, west of Eleventh Avenue. Station 304 was built in 1996 and contains 6,278 square feet. Due to the increased growth in the northwest area of the City, the station is inadequate in size to house all equipment and personal. The Public Safety Needs Report identifies the need to add approximately 8,800 square feet by Fiscal Year 2017-18; however the current situation necessitated an evaluation of adding a lesser amount of space sooner than 2017.

An architectural firm was engaged in the Summer of 2007 to design the interim expansion. Design is expected to be completed by the end of Fiscal Year 2007-08. The design of the expansion will cost approximately \$150,000 and construction is estimated at \$1,340,000.

These Capital improvements planned for the District will benefit the City and sphere as future residents in Oak Hills and Summit Valley are expected to utilize services available in the District. The agreement to contract with the County of San Bernardino Fire Department remains in place.

2. Fire Service Plans/Studies

In addition to the planned facilities mentioned above, the City of Hesperia is considering two specific plans in Summit Valley. Rancho Las Flores will contain about 16,000 dwelling units on approximately 10,000 acres. The development will include two fire stations, one located along Ranchero Road and "I" Avenue, and other located near the current intersection of State Highways 138 and 173. In addition, the Majestic Hills Specific Plan will be located to the west of Rancho Las Flores, south of the Hesperia Airport and east of the extension of Maple Avenue. This plan will have over 4,200 dwelling units on about 1,500 acres.

3. Age and Condition of Facilities

The Fire District currently operates three stations within the City; Station 301 located at 9430 Eleventh Avenue, consists of a converted single-family residence and several accessory garages and other buildings.

Station 302, located at 17288 Olive Street consists of a single-family residence, a portable building and garage for the fire engine. A new garage was added in 2007 to house an ambulance.

Station 303 is located at 17433 Lemon Street. This is a small building and is only used as the District's hazardous waste collection facility. The property is not large enough to contain a full-service fire station and is not included in the District's master plan.

Station 304 is located at 15660 Eucalyptus Street. As mentioned above, this station was built in 1996 and is slated to be expanded to house additional equipment and personnel.

In addition, the County Fire Department currently operates two paid-call fire stations. Station No. 48 is in Summit Valley, located at 4691 Summit Valley Road, in the City's Sphere of Influence. Station No. 40 is located at 6584 Caliente Road, west of Interstate 15. As noted above, upgrades to Stations 301, 302 and 304 are currently planned, with construction to begin in 2008.

4. Capacity Analysis and Future Development

The Fire District's capacity to serve is being augmented in accordance with the Public Safety Needs Report. This report details the long-term plan for serving the City with adequate fire facilities. The report discussed the expansions for the existing fire stations in response to growth in the city, and establishes a goal of a six-minute response time. The report also acknowledges the developments in Summit Valley, the freeway corridor and in Oak Hills. Expansions to the three existing stations as well as three new stations are identified, including the stations on the west side of the freeway and in Summit Valley. These new stations will be built and funded by new development in the freeway corridor and the Majestic Hills and Rancho Las Flores specific plans as discussed above.

II. Growth and Population

1. Population Information

The City's population has grown from about 50,000 in 1990 to about 85,876 in 2007 (State Department of Finance estimate, January 1, 2007).

2. General Plan

The City's Sphere of Influence includes Oak Hills and Summit Valley. Oak Hills is largely developed with single-family homes on lots of 2.5 acres or larger. Exceptions to this include the freeway corridor, annexed to the City in 2004. The Oak Hills Community Plan, adopted in 2002, designates the freeway corridor for commercial and mixed uses. Overall, the Oak Hills Community Plan sphere area could add an additional 12,000 persons by 2030.

3. Significant Growth Areas

Summit Valley is a largely undeveloped area south of the City. The area has almost no infrastructure and only two paved roads (Highway 138 and Summit Valley Road). The City's General Plan for this area requires comprehensively planned development. Since incorporation, three Specific Plans have been approved in Summit Valley. The largest two of these, Rancho Las Flores and Summit Valley Ranch, combine for a total of about 19,000 dwelling units. A new Specific Plan, Majestic Hills, has been submitted and includes an additional 4,000 dwelling units. Should these specific plans go forward, they could add about 66,000 of additional population to the City and sphere of influence.

III. **Financing Opportunities and Constraints**

1. Finance Plans/Service and Capacity Upgrades

As indicated in Section I, the Fire District has a plan for construction and expansion of new and existing fire stations in the City. The County also operates two paid-call fire stations (No. 40 and No. 48) in Oak Hills and Summit Valley. In all, there are over \$13.1 million of new and continued capital improvement projects in Fiscal Year 2007-08. In addition, 59 fire safety staff will also be maintained at these facilities.

2. Bond Rating

The Fire District does not carry debt and therefore, has no bond rating.

3. Joint Financing Projects

As noted above, the District is staffed by the County of San Bernardino Fire Department under a contract with the City of Hesperia. The City/District will participate with the County to build a fire station (No. 305) and improve and staff the two paid call stations in Oak Hills and Summit Valley.

4. Revenue Sources

Fire District revenues come from property taxes, ambulance service fees, Redevelopment Agency pass through funds and from Community Facilities District 94-1.

Property owners pay a basic tax of 1% of their property's valuation to the County annually. Of this 1% tax levy, the Fire District receives approximately 15 cents of every property tax dollar. Property Tax revenue for the 2007-08 Budget is projected to increase by 10% over the 2006-07 Budget. The 10% increase factors in collections of prior year delinquent taxes of about 5% which are reflected in the 2006-07 revised estimate and the 2007-08 Budget estimate.

Ambulance revenues are derived from transportation fees. The 2007-08 budget estimates that revenues will be impacted by the Medicare rates established by the Health Care Financing Administration. However a 13% increase from the 2006-07 Budget is estimated, based on the increasing service population and the planned additional of a fourth ambulance during FY 2006-07, for a 2007-08 Budget estimate of \$1.8 million.

Redevelopment Agency pass through revenue is received from the Hesperia Redevelopment Agency as a pass through of tax increment received by the agency. The 26% increase from the 2006-07 Budget estimate reflects a slow down in the growth of the City's assessed valuation through December 2006. However, there is still strong growth in the Redevelopment Agency's incremental tax revenue for the 2007-08 Budget.

Community Facilities District 94-1 was established within a portion of the Fire District, primarily west of Maple Avenue. The purpose was to assess new development for the increased cost burden in the Fire District. For the 2007-08 Budget, this revenue is expected to increase by 10% over the 2006-07 Budget. As development continues within the District boundary, this revenue will continue to grow.

These four revenue sources comprise 94.78% of the Fire District's revenue for the 2007-08 fiscal year.

IV. Cost Avoidance Opportunities

This determination is intended to identify opportunities for cost savings or for eliminating duplicative services or costs. At present, the City Council also sits as the Board of Directors for the Hesperia Fire Protection District, the Hesperia Water District as well as the Hesperia Redevelopment Agency. The City also provides administrative services such as budget, accounting, personnel and legal

services to these other agencies. The County Fire Department performs the ambulance billing receivable function.

Where possible, the City participates in joint ventures with other agencies to provide services or to construct public facilities, such as the fire stations mentioned above. Other examples include working with the County of San Bernardino to pave Mesquite Street and Summit Valley Road. The City also cooperates with CSA 70, Zone J to provide water to portions of the Oak Hills Sphere of Influence.

The City and Hesperia Recreation and Park District occupy over 88% of the same territory. Similar to the City's Fire and Water districts, the City could provide administrative and other service functions, and share costs for maintenance of park facilities. Property taxes collected for the Park District could continue to be used for park development, maintenance and acquisition of open space.

V. Opportunities for Rate Restructuring

The Fire District collects ambulance service fees. There are no plans to revise rates at this time.

VI. Opportunities for Shared Facilities

The City already consolidates its Water District management, Redevelopment Agency, and Fire Prevention operations into the recently completed City Hall. The City also consolidated its Animal Control and Code Enforcement Divisions into a Code Compliance Department. This Department operates in the existing Public Works building on Santa Fe Avenue East. The City is also completing its new public works building and corporate yard on Mojave Street. When completed, water, sewer and street maintenance operations, as well as City record archives will be located there. The existing Public Works building will be used as an expanded animal shelter, managed by the Code Compliance Department.

As discussed above, in 2004, the City contracted with the County of San Bernardino to staff the Hesperia Fire Protection District. The City operates three stations within City limits and the County facilities serving the City's Sphere of influence include Station No. 40 in Oak Hills and Station No. 48 in Summit Valley.

The City continues to contract with San Bernardino County Sheriff's Department for police protection. The County operates a station on Santa Fe Avenue. The City is planning a new police station to be located in the vicinity of City Hall. The City relies on County wide services provided by the Sheriff's Department, including crime lab, SWAT, jail, bomb squad, and other specialized resources.

As mentioned above, the City coordinates with the School and Park Districts to establish new schools and parks, in conjunction with new development. The park and school site located within the Mission Crest project operates under a joint-use agreement between the entities. Portions of the park can be used for school activities during school hours and used by the general public at other times. The City desires for other parks and schools to be developed and operated in a similar manner.

VII. Government Structure Options

Currently, the City and its subsidiary districts provide service to the City's incorporated area. County service providers within the sphere of influence include County Service Area 70, Zone J, for water and CSA 38 for Fire Protection. County Code Enforcement is dispatched from the County's Victorville office and Animal Control is provided from the County's Devore facility. As annexations proceed, the City's local facilities will provide services to these areas.

The Hesperia Recreation and Park District provides services within the City and a portion of its sphere of influence. All City annexations to date have included expansion of the Park District where the District did not already serve. The major option for government structure reorganization involves either continuing the current separate operations and administration of the Park District and City, or merge the Park District into the City as subsidiary district. In order for the Oak District to become a subsidiary district of the City, at least 70 percent of the registered voters in the District must reside in the City of Hesperia. In addition, at least 70% of the District's land area must also be within the City's boundaries. The Park District currently includes the City's original 1896 town site and township (T4N, R4N) as well as all of the recent residential development occurring west of Maple Avenue and south of Ranchero Road. This area will certainly cover all of the City's registered voters. In addition, the City is currently about 75 square miles. The Park District covers all of this land, plus an additional 10 square miles, which means the City comprises about 88 percent of the Park District's area.

VIII. Evaluation of Management Efficiencies

Currently, the City has two subsidiary districts and the Park District is a separate, board-governed district. As mentioned above, the City already provides administrative functions for these subsidiary districts. The only major organizational efficiency to be gained is by merging the Park District with the City. Currently, the City covers over 88 percent of the Park District's area. The Park District has established Landscape Maintenance Districts which maintain the City right-of-ways as well as fund the power for street lighting. If merged, the City may consolidate these functions within its Public Works Department. The City could also provide administrative services to the Park District's residents and employees for governance, personnel, and legal services.

However, the current separate operation of the Park District would allow the District to pursue annexation of Oak Hills. Currently these residents use the District's facilities, as there are none in this area. The Park District does not restrict access to its facilities or programs to residents of Oak Hills, but the District does not fully recover costs associated with their participation. Annexation of Oak Hills by the Park District alone would enable the District to collect property taxes from this area. In addition, annexation of portions of Oak Hills by the City has previously been opposed by the residents. It is not known whether similar opposition would exist to a proposed Park District annexation.

IX. Local Accountability and Governance

The City Council of the City of Hesperia also serve as the Board of Directors of the Water and Fire District, as well as the Redevelopment Agency. These five seats are elected at-large with three (3) seats up for election at one time (every 4 years) and the remaining seats two years later. The City Council/Board of Directors holds regular meetings on the first and third Wednesdays of each month. The City Council convenes separate meetings as the Council or Board for the City, Redevelopment Agency, Water District and Fire District. For certain items of common interest to all entities, joint meetings are also held. The Council/Board administers all functions of the City and its districts and adopts the Capitol Improvement Program and budget for each Fiscal year.

The Council will hold additional meetings or workshops to conduct business for budgetary purposes or to discuss special planning issues. These meetings generally occur in same place as regular City Council meetings but may occur at different dates or times. All meetings are noticed, published, and conducted in compliance with the Ralph M. Brown Act.

Comments from the public are accepted for all agenda items. In addition, every meeting of the Council/Board includes a portion to receive public comments for discussion of any issue not on the agenda.

The City also solicits comments from the public via the internet, comment cards available at City Hall and other City facilities, as well as letters and e-mail. In addition, the City makes all of its meetings available on its website (www.cityofhesperia.us). The meetings may be viewed live or may be accessed for viewing at any time.

The City publishes a quarterly newsletter, which is mailed to all of its postal addresses in the City. The newsletter is also available at all City facilities. Items of current interest are reported for all City, Redevelopment Agency, Water and Fire District business. The City's activities are also regularly reported or advertised in the Daily Press, Hesperia Star and the Hesperia Resorter.

Attachments:

1. Adopted Fiscal Year 2007-08 Budget

CITY OF HESPERIA

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2007

	<u>General Fund</u>	<u>Fire District</u>
Assets		
Cash and cash equivalents	\$ 17,704,748	\$ 2,245,150
Restricted investments	4	-
Accounts receivable, net	465,387	292,862
Accrued interest	275,245	28,381
Loans receivable	-	-
Due from other governmental agencies	1,394,568	338,065
Due from other funds	4,703,402	-
Total Assets	\$ 24,543,354	\$ 2,904,458
Liabilities and Fund Balances		
Liabilities		
Accounts payable and other current liabilities	\$ 1,562,578	\$ 364,648
Deferred revenue	273,390	-
Due to other governmental agencies	-	-
Due to other funds	-	-
Total Liabilities	1,835,968	364,648
Fund Balances		
Reserved for:		
Special Revenue	-	-
Debt Service	-	-
Capital Projects	-	-
Self Insurance	150,000	-
Unreserved, reported in:		
General Fund	22,557,386	-
Special Revenue Funds	-	2,539,810
Debt Service Funds	-	-
Capital Projects Funds	-	-
Total Fund Balances	22,707,386	2,539,810
Total Liabilities and Fund Balances	\$ 24,543,354	\$ 2,904,458

See accompanying independent auditors' report and notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year ended June 30, 2007

	General Fund	Fire District	Redevelopment Agency Special Revenue
Revenues:			
Taxes	\$ 12,365,602	\$ 6,408,530	\$ -
Licenses and permits	230,972	-	-
Fines and forfeits	1,118,631	-	-
Use of money and property	716,929	102,537	702,066
Intergovernmental	8,131,180	-	-
Charges for services	4,138,591	2,028,485	-
Grants	110,269	6,979	-
Other revenues	580,665	-	304,486
Total Revenues	27,392,839	8,546,531	1,006,552
Expenditures:			
Current:			
General government:			
City council	797,740	-	-
City manager	1,188,188	-	-
Management services	3,806,611	-	-
Public safety-police	9,235,189	-	-
Public safety-fire	-	7,589,305	-
Development services	6,586,827	-	293,717
Debt service:			
Interest	-	-	246,445
Principal	-	-	740,000
Pass through payments	-	-	-
Bond administration expense	-	-	2,675
Capital outlay:			
Land	31,144	-	804,342
Buildings and improvements	-	42,000	-
Equipment and vehicles	768,924	460,000	-
Infrastructure	278,230	-	-
Total Expenditures	22,692,853	8,091,305	2,087,179
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,699,986	455,226	(1,080,627)
Other Financing Sources (Uses):			
Transfers in	289,833	-	5,400,247
Transfers out	(18,375)	-	-
Total Other Financing Sources (Uses)	271,458	-	5,400,247
Net Change in Fund Balances	4,971,444	455,226	4,319,620
Fund balances at beginning of year	17,735,942	2,084,584	15,083,269
Fund balances at end of year	\$ 22,707,386	\$ 2,539,810	\$ 19,402,889

See accompanying independent auditors' report and notes to financial statements.

BUDGETARY COMPARISON SCHEDULE
FIRE DISTRICT SPECIAL REVENUE FUND
For the year ended June 30, 2007

	Budgeted Amounts		Actual	Favorable (Unfavorable) Variance With Final Budget
	Original	Final		
Fund Balance, July 1	<u>\$ 2,084,584</u>	<u>\$ 2,084,584</u>	<u>\$ 2,084,584</u>	<u>\$ -</u>
Resources (Inflows):				
Taxes	6,296,248	6,296,248	6,408,530	112,282
Use of money and property	53,400	53,400	102,537	49,137
Charges for services	1,947,453	1,947,453	2,028,485	81,032
Grants	3,000	3,000	6,979	3,979
Other revenues	1,000	1,000	-	(1,000)
Amount Available for Appropriations	<u>8,301,101</u>	<u>8,301,101</u>	<u>8,546,531</u>	<u>245,430</u>
Charges to Appropriations (Outflows):				
Current:				
Public safety - fire	7,991,686	8,011,686	7,589,305	422,381
Capital Outlay:				
Buildings and improvements	50,000	50,000	42,000	8,000
Equipment and vehicles	460,000	1,227,000	460,000	767,000
Total Charges to Appropriations	<u>8,501,686</u>	<u>9,288,686</u>	<u>8,091,305</u>	<u>1,197,381</u>
Excess of Resources over (Under) Charges To Appropriations	<u>(200,585)</u>	<u>(987,585)</u>	<u>455,226</u>	<u>1,442,811</u>
Fund Balance, June 30	<u><u>\$ 1,883,999</u></u>	<u><u>\$ 1,096,999</u></u>	<u><u>\$ 2,539,810</u></u>	<u><u>\$ 1,442,811</u></u>

CITY OF HESPERIA

Special Revenue Funds

Development Impact Fees Storm Drain	Development Impact Fees Fire	Development Impact Fees Police	Development Impact Fees Public Service	Beverage Recycling Grant
\$ 2,127,143	\$ 1,332,780	\$ 1,294,574	\$ 2,718,060	\$ 6,116
-	-	-	-	-
-	-	-	-	1
22,933	14,571	14,224	29,549	73
-	-	-	-	10
<u>\$ 2,150,076</u>	<u>\$ 1,347,351</u>	<u>\$ 1,308,798</u>	<u>\$ 2,747,609</u>	<u>\$ 6,200</u>
\$ 22,930	\$ -	\$ -	\$ -	\$ 4,794
-	-	-	-	-
22,930	-	-	-	4,794
-	-	-	-	-
-	-	-	-	-
2,127,146	1,347,351	1,308,798	2,747,609	1,406
-	-	-	-	-
<u>2,127,146</u>	<u>1,347,351</u>	<u>1,308,798</u>	<u>2,747,609</u>	<u>1,406</u>
<u>\$ 2,150,076</u>	<u>\$ 1,347,351</u>	<u>\$ 1,308,798</u>	<u>\$ 2,747,609</u>	<u>\$ 6,200</u>

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

DEPARTMENT EXPENDITURE SUMMARY	2005-06 Actual	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget	% Change From 2007-08 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	130,000	101,329	92,780	253,508	17,759	-81%
Materials	6,397	29,896	26,000	9,433	14,000	-46%
Contractual	5,679,012	7,455,347	8,294,789	8,259,531	9,416,745	14%
Other Operating	23,949	2,734	35,000	8,000	10,000	-71%
Capital Outlay	17,773	502,000	1,505,000	1,412,150	0	-100%
Debt Service	0	0	0	0	0	0%
Total	\$ 5,857,131	\$ 8,091,306	\$ 9,953,569	\$ 9,942,622	\$ 9,458,504	-5%

DEPARTMENT EXPENDITURE SUMMARY	2005-06 Actual	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget	% Change From 2007-08 Budget
520 Operations and Community Safety	\$ 5,584,008	\$ 7,417,621	\$ 8,091,789	\$ 8,091,789	\$ 9,217,872	14%
521 Administration	273,123	673,685	1,861,780	1,850,833	240,632	-87%
Total Fire District	\$ 5,857,131	\$ 8,091,306	\$ 9,953,569	\$ 9,942,622	\$ 9,458,504	-5%

	2005-06	2006-07	2007-08	2008-09
DEPARTMENT STAFFING				
Total Full-Time Staff	51.00	59.00	59.00	59.00
Total Part-Time Staff	0.00	0.00	0.00	0.00
Total Fire District Staff	51.00	59.00	59.00	59.00

DEPARTMENT GOALS FOR 2008-09

- Start and complete the construction bid process for the new Station 301, new Station 305 and the addition/remodel of Station 304. Conduct groundbreaking and start actual construction of all three facilities.
- Continue implementation of the Public Safety Master Plan which includes the above mentioned projects.

SIGNIFICANT DEPARTMENT EXPENDITURE AND STAFFING CHANGES

- The County Contract for the current level of service has increased from \$8,091,789 to \$9,217,872, for a \$1,126,083, or 13.9% increase paid to the San Bernardino County Consolidated Fire District for the continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract.
- Reduction in administration expenditures is primarily due to reduced expenditures for prior Workers' Compensation Claims and no proposed vehicle expenditures.

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

REVENUE DETAIL	2005-06 Actual	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Actual	%Change From 2007-08 Budget
200 Fire District Fund						
Taxes						
Secured Property Taxes 200 55 521 0000 4000	\$ 3,816,789	\$ 4,117,561	\$ 4,195,543	\$4,298,000	\$4,298,000	2%
Fire Assessment 200 55 521 0000 4020	6,164	7,398	0	2,000	0	n/a
CFD# 94-1 200 55 521 0000 4030	149,374	225,695	342,307	283,430	311,595	-9%
Redevelopment Agency Pass- Through 200 55 521 0000 4090	1,050,909	1,547,876	2,102,700	2,016,221	2,177,519	4%
Total Taxes	\$ 5,023,236	\$ 5,898,530	\$ 6,640,550	\$ 6,599,651	\$ 6,787,114	2%
Interest						
Interest Income 200 19 220 0000 5600	\$ 7,317	\$ 71,408	\$ 37,534	\$ 85,627	\$ 55,218	47%
Other Interest	3,396	3,396	3,400	3,400	3,400	0%
Total Interest	\$ 10,713	\$ 74,804	\$ 40,934	\$ 89,027	\$ 58,618	43%
Charges for Services						
Mutual Aid Reimbursements 200 55 521 0000 5320	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	n/a
Hazard Abatement 200 55 523 0000 5366	6,876	4,204	0	1,500	0	n/a
State Regulated Inspections 200 55 523 0000 5330	628	1,227	1,200	1,200	0	-100%
Tenant Improvement Plans Review 200 55 523 0000 4963	4,853	11,963	9,000	12,500	12,500	39%
Burn Permits 200 55 523 0000 4340	13,334	5,970	3,300	2,500	2,500	-24%
Paramedic Ambulance Fees 200 55 525 0000 5300	1,506,524	1,715,654	1,800,000	1,800,000	1,900,000	6%
Non-Transport EMS Charge 200 55 525 0000 5315	92,402	93,449	94,000	70,000	70,000	-26%
Ambulance Membership Service 200 55 525 0000 5305	34,597	28,875	35,000	21,000	21,000	-40%
City/County HazMat Contract 200 55 527 0000 5368	164,155	85,406	133,000	133,000	141,573	6%
Other Charges for Services	51,463	74,175	118,108	88,842	88,642	-25%
Total Charges for Services	\$ 1,874,832	\$ 2,020,923	\$ 2,193,608	\$ 2,130,542	\$ 2,236,215	2%
Grants						
State Used Motor Oil Collection Grant 200 55 527 0000 4700	\$ 2,920	\$ 2,007	\$ 0	\$ 0	\$ 0	n/a
State – Emergency Services Reimbursement 200 55 524 0000 4700	0	4,972	0	0	0	
Other Grants	0	0	0	1,871	0	n/a
Total Grants	\$ 2,920	\$ 6,979	\$ 0	\$ 1,871	\$ 0	n/a

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55

REVENUE DETAIL	2005-06 Actual	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Actual	%Change From 2007-08 Budget
Other Operating						
Cingular Cell Tower Rent 200 19 220 0000 5885	\$ 28,191	\$ 27,673	\$ 30,000	\$29,056	\$29,172	-3%
Sale of Equipment 200 55 521 0000 5905	3,000	0	0	0	0	n/a
State Mandated Claims Reimbursements 0200 8101 4030 5216 0000	8,612	9,449	0	0	0	n/a
Total Other Operating	\$ 39,803	\$ 37,122	\$ 30,000	\$ 29,056	\$ 29,172	-3%
All Other						
All Other	\$ 1,934	\$ 60	\$ 100	\$ 320	\$ 100	0%
Total All Other	\$ 1,934	\$ 60	\$ 100	\$ 320	\$ 100	0%
Total Fire District Fund	\$ 6,953,437	\$ 8,038,418	\$ 8,905,192	\$ 8,850,467	\$ 9,111,219	2%

DEPARTMENT STAFFING

	2005-06	2006-07	2007-08	2008-09
<u>County Full Time Safety Staff (Contract)</u>				
Battalion Chief	2.00	2.00	2.00	2.00
Captain	9.00	9.00	9.00	9.00
Engineer	9.00	9.00	9.00	9.00
Firefighter/Paramedic	18.00	21.00	21.00	21.00
Firefighter - Limited Term	9.00	12.00	12.00	12.00
Total County Full-Time Safety Staff	47.00	53.00	53.00	53.00
<u>County Full Time Non-Safety Staff (Contract)</u>				
Account Clerk I	1.00	1.00	1.00	1.00
Account Representative	1.00	2.00	2.00	2.00
Arson Fire Prevention Specialist	1.00	1.00	1.00	1.00
Clerk III	0.00	1.00	1.00	1.00
Fire Prevention Officer	1.00	1.00	1.00	1.00
Total County Full-Time Non-Safety Staff	4.00	6.00	6.00	6.00
Total County Full-Time Safety and Non-Safety Staff (Contract)	51.00	59.00	59.00	59.00

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

DIVISION EXPENDITURE SUMMARY	2005-06 Actual	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget	% Change From 2007-08 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	0	0	0	0	0	0%
Materials	0	0	0	0	0	0%
Contractual	5,584,008	7,417,621	8,091,789	8,091,789	9,217,872	14%
Other Operating	0	0	0	0	0	0%
Capital Outlay	0	0	0	0	0	0%
Debt Service	0	0	0	0	0	0%
Total	\$ 5,584,008	\$ 7,417,621	\$ 8,091,789	\$ 8,091,789	\$ 9,217,872	14%

DIVISION DESCRIPTION

The Fire District for the City of Hesperia consists of services delivered to the general public providing for the safety of the community. The San Bernardino County Fire Department provides the services to the City under a service contract that became effective June 1, 2004.

The Hesperia Fire Protection District provides its citizens with full-service fire operations including fire suppression, emergency medical paramedic level care and transportation, rescue and extraction of trapped persons, hazardous materials, and disaster mitigation. The Division also maintains ongoing activities such as in-service training and community service.

Community Safety consists of three units: Fire Protection Planning and Engineering, Fire Prevention, and Fire Investigations, whose purpose is to reduce the frequency, probability and severity of fires along with the resultant deaths, injuries, and property damage through occupancy inspections, education, and training the community to be fire safe.

DIVISION STAFFING

	2005-06	2006-07	2007-08	2008-09
<u>County Full Time Safety Staff (Contract)</u>				
Battalion Chief	2.00	2.00	2.00	2.00
Captain	9.00	9.00	9.00	9.00
Engineer	9.00	9.00	9.00	9.00
Firefighter/Paramedic	18.00	21.00	21.00	21.00
Firefighter - Limited Term	9.00	12.00	12.00	12.00
Total County Full-Time Safety Staff	47.00	53.00	53.00	53.00
<u>County Full Time Non-Safety Staff (Contract)</u>				
Account Clerk I	1.00	1.00	1.00	1.00
Account Representative	1.00	2.00	2.00	2.00
Arson Fire Prevention Specialist	1.00	1.00	1.00	1.00
Clerk III	0.00	1.00	1.00	1.00
Fire Prevention Officer	1.00	1.00	1.00	1.00
Total County Full-Time Non-Safety Staff	4.00	6.00	6.00	6.00
Total County Full-Time Safety and Non-Safety Staff (Contract)	51.00	59.00	59.00	59.00

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- The County contract for the current level of service has increased from \$8,091,789 to \$9,217,872, for a \$1,126,083, or 13.9% increase paid to the San Bernardino County Consolidated Fire District for the continuation of 53.0 FTE safety staff and 6.0 FTE non-safety staff, plus other expenses provided in the contract.

2007-08 DIVISION ACCOMPLISHMENTS

- Replaced two outdated Fire Apparatus with state of the art KME Type 1 Fire Engines, completing the replacement of all front-line Type 1 Fire Engines.
- Replaced two outdated Medic Ambulances with state of the art Medic Ambulances, allowing the City to replace all front line ambulances and get closer to the goal of having a reserve ambulance for each front line ambulance.
- Continued to implement the Public Safety Master Plan prepared by the Public Safety Adhoc Committee.
- Completed 95% of architectural and design process for Station 301 and Station 305. Completed 90% of architectural and design process for the addition/remodel of Station 304.
- Added new Zoll 12-lead monitors to all front-line Fire Engines and Medic Ambulances to bring the City into full compliance with the ICEMA requirement that goes into effect on July 1, 2008.
- Mapping system updated to improve responses throughout the City.
- Wildland Urban Interface Tactical Response Plan has been started for the southern portion of the City.

2008-09 DIVISION GOALS AND OBJECTIVES

- Complete the architectural and design process for Station 301, Station 305, and Station 304.
- Begin and complete the bid process for the new Station 301, new Station 305, and the addition/remodel of Station 304.
- Conduct the groundbreaking and begin construction of the new Station 301 and new Station 305.
- Start the construction of the addition/remodel of Station 304.
- Continue working on the staffing and equipment needs to place Station 305 into service in the 2009-10 budget year.
- Continue to update the mapping system for improved response and to assure that all new locations are in the system.
- Complete the Wildland Urban Interface Tactical Response Plan.
- Continue implementation of the Public Safety Master Plan prepared by the Public Safety Adhoc Committee.
- Maintain a positive relationship with the City Council, City personnel in all departments, the business community, other agencies, and the citizens served.

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

**PERFORMANCE AND
WORKLOAD INDICATORS**

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Training Burns Completed-Approved vs. Completed	95%	95%	95%	95%
Incident Command System-Total Hours District Refresher	100%	100%	100%	100%
Technical Rescue Team-Number of Personnel/Cumulative Hours	n/a	n/a	50%	75%
Confined Space	80%	80%	90%	90%
Low Angle	80%	80%	85%	85%
Swift Water	100%	100%	100%	100%
Rescue Systems	100%	100%	100%	100%
Building Shoring	100%	100%	100%	100%
Technical Rescue	100%	100%	100%	100%
Hazardous Materials Team	n/a	n/a	50%	75%
First Responder/Operational	85%	85%	85%	90%
First Responder/Decon	100%	100%	100%	100%

Fire Company

Company Evolution-Company vs. Drills Completed	95%	95%	95%	95%
Development-Personnel (240 Hours/Annually)	90%	90%	90%	90%
Annual Training Hours (9840)	90%	90%	95%	95%
Testing: Promotion & Qualified-Applicants vs. Successful Candidates				
Captain	55%	65%	70%	70%
Engineer	75%	75%	75%	75%
Paramedic/Firefighters	75%	75%	75%	80%

Fire Prevention

Assembly (Churches, Assembly Inspections)	106	106	2	65
Auto Wrecking Yards	6	6	n/a	6
Christmas Tree Lot Inspections/Permits	8	8	6	4
Classes and Talks	12	12	2	n/a
Dust-Producing Inspections/Permits	16	16	n/a	8
Haunted House Inspections/Permits	2	2	n/a	0
High-Piles Combustible Storage Inspections	3	3	n/a	23
Juvenile Fire Setters Counseled	39	39	10	2
Inspections Outside Normal Hours	2	2	13	n/a
Lumber Yard Inspections/Permits	1	1	n/a	2
New Business Inspections	177	177	301	81
Model Rocket Launching Site Inspection	1	1	n/a	n/a
Day Care and Adult Care Facility Inspections	106	106	27	8
Motor Vehicle Fuel Dispensing Station Inspections	38	38	7	31
Special Event Inspections/Permits	14	14	6	10
State Regulated Inspections-Apartments Under 100 Units	187	187	4	n/a
State Regulated Inspections-Apartments Over 100 Units	12	12	n/a	n/a
School Site Inspections	n/a	n/a	4	n/a
Tents, Canopies/Temporary Membrane	11	11	7	8
School Programs Attendance	4,000	4,500	4,500	n/a

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: OPERATIONS AND COMMUNITY SAFETY 520

**PERFORMANCE AND
WORKLOAD INDICATORS (Continued)**

	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Fire Plan Review				
Modification of Sprinklers	n/a	n/a	37	17
Parcel Map	n/a	n/a	62	n/a
Plan Review Alarm System	n/a	n/a	51	43
Plan Review Spray Booth	n/a	n/a	13	2
Plan Review Sprinkler System	n/a	n/a	62	23
Site Plan Review	n/a	n/a	109	360
Structural Plans Review/Inspection	n/a	n/a	70	61
Tenant Improvement Plans Inspection	n/a	n/a	74	44
Vegetation Management				
Burn Permits	1,327	440	330	275
Public Service Station Tours/Public Education	65	75	75	85
Total	1,392	515	405	360
Emergency Responses:				
Advanced Life Support (ALS)	1,913	4,302	5,106	5,259
Basic Life Support (BLS)	2,634	n/a	n/a	n/a
Bomb Threats	2	2	0	1
Fire Alarm Systems	95	55	77	95
Fires-Grass	93	111	127	129
Fires-Miscellaneous	31	29	12	15
Fires-Refuse	17	23	30	45
Fires-Structure	49	55	63	60
Fires-Truck	9	11	6	12
Fires-Vehicle	61	63	54	63
Hazardous Conditions	n/a	n/a	13	15
Hazardous Materials	16	13	16	13
Investigations	435	504	522	468
Mass Casualty Incidents	1	n/a	1	2
Mutual Aids	n/a	n/a	n/a	1,930
Public Service	301	349	380	485
Rescues	2	2	1	2
Strike Team	n/a	n/a	n/a	n/a
Traffic Collisions	751	755	909	890
Traffic Extrications	21	20	23	37
Total	6,431	6,294	7,340	9,521
Household Collection Center				
Number of Participants	2,416	2,502	3,689	3,468
Used Oil Collection	12,124	12,619	11,880	66,492
E-waste Only (Pounds-includes CRTs + Misc. Elec.)	n/a	103,007	110,277	71,031
Waste Materials Collected (Pounds-includes oil and E-wastes)	200,528	351,756	353,065	267,032
Hazardous Materials				
Underground Tank Operation Inspections	39	48	71	15
Hazardous Materials Inspections	131	117	101	43
Certified Unified Program Agency (CUPA) Inspections	225	175	162	65

FUND: HESPERIA FIRE DISTRICT 200
DEPARTMENT: FIRE DISTRICT 55
DIVISION: ADMINISTRATION 521

DIVISION EXPENDITURE SUMMARY						% Change From
	2005-06 Actual	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget	2007-08 Budget
Salaries	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0%
Benefits	130,000	101,329	92,780	253,508	17,759	150%
Materials	6,397	29,896	26,000	9,433	14,000	-68%
Contractual	95,004	37,726	203,000	167,742	198,873	345%
Other Operating	23,949	2,734	35,000	8,000	10,000	193%
Capital Outlay	17,773	502,000	1,505,000	1,412,150	0	181%
Debt Service	0	0	0	0	0	0%
Total	<u>\$ 273,123</u>	<u>\$ 673,685</u>	<u>\$ 1,861,780</u>	<u>\$ 1,850,833</u>	<u>\$ 240,632</u>	<u>175%</u>

DIVISION DESCRIPTION

Starting in the 2004-05 Budget, this program will reflect Fire District initiatives and expenditures that are non-County contract expenditures.

DIVISION STAFFING

- None.

SIGNIFICANT DIVISION EXPENDITURE AND STAFFING CHANGES

- Reduction in administration expenditures is due primarily to reduced expenditures for prior Workers' Compensation Claims and no proposed vehicle expenditures.

2007-08 DIVISION ACCOMPLISHMENTS

- Managed the County of San Bernardino Fire services contract issues and expenditures.
- Monitored the Fire District revenues.
- Managed the Fire District expenditures for non-contract costs and issues related to old workers' compensation claims and CalPers.

2008-09 DIVISION GOALS AND OBJECTIVES

- Manage County of San Bernardino Fire services contract issues and expenditures.
- Monitor the Fire District revenue.
- Manage the Fire District expenditures for non-contract costs and issues related to old workers' compensation claims and CalPers.

FUND BALANCE SUMMARY

Fire District Fund 200

	2005-06 Actual	2006-07 Actual	2007-08 Budget	2007-08 Revised	2008-09 Budget
Total Revenue	\$ 6,915,179	\$ 8,036,531	\$ 8,905,192	\$ 8,850,467	\$ 9,111,219
Budgeted Reserves	0	0	0	0	347,285
<u>Transfers In</u>					
Fund 251 - CDBG	\$ 0	\$ 0	\$ 0	\$ 503,703	\$ 0
Fund 586 - RDA CIP Area #1	0	459,153	1,251,417	797,933	0
Fund 587 - RDA CIP Area #2	0	50,847	138,583	88,364	0
Total Transfers In	\$ 0	\$ 510,000	\$ 1,390,000	\$ 1,390,000	\$ 0
Total Resources (Revenue and Budgeted Reserves)	\$ 6,915,179	\$ 8,546,531	\$ 10,295,192	\$ 10,240,467	\$ 9,458,504
Total Expenditures	\$ 5,818,875	\$ 8,091,305	\$ 9,953,569	\$ 9,942,622	\$ 9,458,504
<u>Transfers Out</u>					
Total Transfers Out	0	0	0	0	0
Total Expenditures and Transfers Out	\$ 5,818,875	\$ 8,091,305	\$ 9,953,569	\$ 9,942,622	\$ 9,458,504
Difference Total Resources and Expenditures and Transfers Out	\$ 1,096,304	\$ 455,226	\$ 341,623	\$ 297,845	\$ 0
<u>FUND BALANCE</u>					
July 1st Beginning Balance	\$ 988,280	\$ 2,084,584	\$ 2,490,393	\$ 2,539,810	\$ 2,837,655
Budgeted Reserves	0	0	0	0	(347,285)
Difference Total Resources and Expenditures and Transfers Out	1,096,304	455,226	341,623	297,845	0
June 30th Ending Balance	\$ 2,084,584	\$ 2,539,810	\$ 2,832,016	\$ 2,837,655	\$ 2,490,370



THE CITY OF HESPERIA

PUBLIC SAFETY NEEDS REPORT 2006

PUBLIC SAFETY
DEVELOPMENT IMPACT FEE UPDATE



THE CITY OF HESPERIA
9700 SEVENTH STREET
HESPERIA, CA 92345



PUBLIC SAFETY NEEDS REPORT

GENERAL OVERVIEW

The City is responsible for providing a variety of services to its citizens. To address these demands, the City Council has adopted goals and objectives in pursuit of fulfilling its mission statement. As part of its strategic planning process, the City established a Public Safety Ad Hoc Committee comprised of two City Council members and staff from City Police and Fire Departments. The purpose of the committee was to identify staffing needs based on Councils' goals to expand public safety services to accommodate increased demands in result of new growth and related facility requirements.

The Public Safety Ad Hoc Committee addressed two public safety factors. First, the Public Safety Ad Hoc Committee identified police and fire facility needs to accommodate increased service call demands in result of new growth. Secondly, the Public Safety Ad Hoc Committee determined staff level ratios that would be needed to deliver emergency response services at current levels and to improve response times. The Development Impact Fee (DIF) Study needs to be updated to reflect the Public Safety Ad Hoc Committee's recommendations and findings.

The Public Safety Ad Hoc Committee found that expansion was needed for police and fire facilities. In addition, the Public Safety Ad Hoc Committee identified that additional police and fire staff would be needed to maximize the functionality of new facilities and to meet service response demands.

BACKGROUND

In September 2001, the City accepted a report entitled, *Economic Justification for Increased Development Impact Fees*. The report identified the purpose and need for an increase in development impact fees. The City Council adopted the proposed increases in its Development Impact Fee (DIF) Study in 2001.

Reiter Lowry Consultants (RLC) provided review, analysis and recommendation of data in relation to new growth's portion of cost and service demand increases in relation to infrastructure and equipment for police and fire services.

The Development Impact Fee (DIF) Study was updated again in 2005 to account for population increases, updated construction costs and to expand infrastructure requirements. The fire component of the study utilized data from the Hesperia Fire Protection District 5 Year Strategic Plan that was completed in 1998. Population figures used in this study did not project the City's rapid population expansion. As a result the needs, identified in the update for fire and police became outdated. In addition, the police portion of the study did not include a space needs assessment or a study on the need for future staffing.



In preparation for the completion of the Public Safety Needs Report 2006, the City worked in cooperation with Southern California Association of Governments (SCAG) to complete population projection updates. The City's General Plan remains the basis for land use and population projects and is currently being updated.

Additionally, the City worked with STK Architecture Inc. in developing analysis on building space needs, equipment and design based on updated population numbers and staffing ratios. While the study excluded indirect impacts to existing service levels and infrastructure, the City also has need to fund increases in ongoing operations, maintenance and replacement of current public safety infrastructure as a result of increased population and service demands.

POPULATION PROJECTIONS

Hesperia's population has increased by an estimated 23.7% since the 2000 Census at roughly 4.5% per year. Population is projected to increase by 14.4% over the next five years. The dramatic increase in growth has impacted staff, resources, facility capacities and service levels.

In 2006, the City of Hesperia's population is 81,000. Hesperia's population is expected to more than double by 2030. (See Table 1)

Table 1. Hesperia's Population Projection

Year	2006	2010	2015	2020	2025	2030
Population	81,000	95,800	117,568	138,603	159,638	180,390

FIRE PROTECTION CURRENT LEVEL OF SERVICE

The Hesperia Fire Protection District is a subsidiary District of the City of Hesperia. The City of Hesperia contracts with the San Bernardino County Fire Department for fire protection services. The City formed the Public Safety Ad Hoc Committee to address response time, facilities and staffing levels. These plans identified facility improvement and replacement needs to accommodate the service needs of current and new growth citizens.

In Fiscal Year 2006-07 the Fire Department has 53 full time Safety Staff and six full time Non-Safety Staff. (See Table 2) With the High Desert's rapid increase in population and associated rise in traffic over the past few years, emergency calls to the City of Hesperia Fire Department have steadily risen by 3% each year. In 2003, the Department received 7,695 calls for service and in 2005 they received 8,179 calls. A 5% to 6% call volume increase is expected in 2006.



Table 2. Hesperia Fire Staffing

County Full Time Staff	2006-2007
Battalion Chief	2
Captain	9
Engineer	9
Firefighter/Paramedic	21
Firefighter-Limited Term	12
Total Full Time Safety	53
County Full Time Non-Safety	2006-2007
Account Clerk I	1
Account Representative	2
Arson Fire Prevention Specialist	1
Clerk III	1
Fire Prevention Officer	1
Total Full Time Non-Safety	6
TOTAL	59

In Fiscal Year 2003/04, response times within urban Hesperia averaged 8:01 minutes. Response times to the farthest areas of the City took as much as 15 minutes and often mutual aide from neighboring cities was required to cover stations emptied by a call, which strained that city's limited resources. However, since June 28, 2005 the average response time to all areas of the City have decreased to an average of 7:15 minutes.

Hesperia Fire currently operates four fire stations with 17 pieces of equipment and a total of 59 employees. Station 303 is not staffed as it serves as a Household and Hazardous Waste Drop Off. Station 301 is 2,100 square feet with a 1,600 square foot Engine Bay. Station 302 is 3,435 square feet. Station 303 is 1,200 square feet and Station 304 is 6,278 square feet. (See Table 3)



Table 3. Existing Fire Stations

	Function	Location	Square Feet
Station 301	Engine Station	9430 11 th Ave.	3,700
Station 302	Engine Station	17288 Olive Street	3,435
Station 303	Household Hazardous Waste Drop Off	17443 Lemon Street	1,200
Station 304	Truck Station	15660 Eucalyptus	6,278

FUTURE FIRE SERVICE

The City of Hesperia annexed a three mile corridor along Interstate 15 from Ranchero Road to the top of the Cajon Summit. This annexation increased the size of the City to 74.77 square miles. This new corridor will continue to trigger new development along the freeway. In addition, it will result in increased public safety call volume and service area.

The City will continue to see an increase in higher density projects both as new development and in fill projects. Higher density will result in an increase in emergency response calls for both paramedic and fire related services. The City will need to hire additional emergency staff to address the increase in existing areas. As a result, the existing facilities will become negatively impacted. New stations and additional equipment, including vehicles, will be needed to meet service response standards.

The City of Hesperia has identified a goal of a six minute response time.

A six minute response time would improve levels of service and reduce financial and safety impacts to the community. With the majority of new development occurring on the western portion of the City, the Strategic Plan identified that the location of Stations 302 and 303 do not meet response time objectives. The relocation of these stations to geographically centered locations is needed to meet service standards. In addition, Station 301 needs expansion and a new Station 305 is needed in the western portion of the City to service demand increases from new growth and the expanded City sphere. At the time existing stations should be replaced, additional staff and equipment is needed to accommodate increase in service demands resulting from new development. Additional staff warrant square footage increases for future fire stations.

Table 4 identifies the estimated cost of replacing existing stations and the cost of constructing stations with an increase in square footage to serve current and new population. In addition, Table 4 names the location and action required for each new station.



Station	DEVELOP (PLAN)	DEVELOP ACTUAL	PROP.	DESIGN
301	08/09	07/08		06/07
302	10/11	08/09	07/08	07/08
304	17/18	12/13	10/11	11/12
305	08/09	07/08	06/07	04/07
306	10/11	09/10	08/09	08/09
308	14/15	11/12	09/10	10/11

Table 4. Future Fire Station Cost

Station	Action	Location	Existing Square Feet	Estimated Replacement Cost	Future Square Feet	Estimated Construction Cost	New Development Cost	Fiscal Year
301	Expansion	Main St. & 11 th Avenue	3,700	\$2,000,000.	12,000	\$6,000,000.	\$4,000,000.	08/09
302	Relocation New Construction	I Street & Lemon	3,435	\$2,000,000.	15,000	\$8,000,000.	\$6,000,000.	10/11
304	Expansion	Eucalyptus Street	6,278	\$3,000,000.	15,000	\$8,000,000.	\$5,000,000.	17/18
305	New Construction	Sage & Caliente	N/A	N/A	22,000	\$11,000,000.	\$6,900,000.	08/09
306	New Construction	Ranchero & Oxford	N/A	N/A	12,000	\$6,000,000.	\$4,000,000.	10/11
308	New Construction	Ranchero & Maple	N/A	N/A	12,000	\$6,000,000	\$6,000,000.	14/15
TOTAL				\$7,000,000.		\$45,000,000.	\$31,900,000	

- * Station 303 will remain Household Hazardous Waste Drop Off
- * Station 305: City has \$1 million earmarked; assume County contributes \$3 million
- * Station 307 will be funded by Rancho Las Flores Development

The fire stations will require more strategically located sites and increased staff levels in order to reach a six minute response time. In total, the construction and operation of new fire stations would require 18 new staff to operate each station at service level standards. This includes four new Engine Company Staff, 12 new Medic Ambulance Staff and two new Truck Company Staff.

Each additional station will require new vehicle equipment in order to properly run each station. Shortages in vehicle equipment would result in an increase in response time. The City of Hesperia's fire station designs include Truck Stations, Engine Stations and Head Quarter Fire Stations.

Engine Stations require one Fire Engine and one Medic Ambulance. Truck Stations require one Fire Engine, one Medical Ambulance and one Ladder Truck. Headquarters Truck Stations require one Fire Engine, one Medical Ambulance and one Ladder Truck. Station 301 and Station 305 require a Battalion Chief Sleeping Quarters.

14-17



Table 5 identifies vehicle and staffing needs for all new fire stations. In addition, Table 5 names the station square footage and type. Stations are sized for anticipated staffing increases needed to meet the six minute response time standard.

Table 5. Future Fire Station Equipment Needs

Type	Size	Staff	Equipment	Estimated Equipment Cost
Engine Station Station 301 Station 304 Station 306 Station 308	12,000 sq. ft.	7 Total Per Station 3 Engine Company 4 Medic Ambulance	2 Vehicles Per Station 1 Fire Engine 1 Medic Ambulance	\$3,000,000.
Truck Station Station 302	15,000 sq. ft.	13 Total Per Station 4 Engine Company 5 Truck Unit 4 Medic Ambulance	3 Vehicles Per Station 1 Fire Station 1 Medic Ambulance 1 Ladder Truck	\$2,000,000.
Headquarters Truck Station Station 305	22,000 sq. ft.	13 Total Per Station 4 Engine Company 5 Truck Unit 4 Medic Ambulance	3 Vehicles Per Station 1 Fire Engine 1 Medic Ambulance 1 Ladder Truck 1 Battalion Chief Sleeping Quarters Total Equipment Cost	\$2,000,000. \$7,000,000.

POLICE PROTECTION CURRENT LEVEL OF SERVICE

The City of Hesperia contracts with the County of San Bernardino Sheriff's Office for police protection. The Hesperia Police Department provides its citizens with full-service law enforcement, which includes patrol, traffic, investigations, a Problem Oriented Policing Unit, a Community Services Officer, a Community Policing Unit and support staff.

In 2006-2007, the Hesperia Police Department has budgeted staffing levels of 64 Police Staff. This includes both Sworn and Non-Sworn employees. The ratio of Sworn Officers per 1,000 population is .63. The City of Hesperia has identified the need to provide a service level of .75 sworn officers per 1,000 population. This is needed to meet the increase in emergency response calls in result of the dramatic population increases and the increase in higher density project areas. In addition, the annexation of the three mile corridor along Interstate 15 has increased the patrol area in a high response environment that encompasses commercial, high density residential and transportation arterials.



The Hesperia Police Department currently operates one station with 29 vehicles and a total of 64 employees. There is a ratio of 1:4 Non-Sworn Staff to Sworn Officers. The Police Department occupies a 7,515 square foot facility located on East Santa Fe and Walnut Street.

Table 6. Hesperia Police Staffing

SWORN OFFICERS	2006-2007
Captain	1
Lieutenant	1
Sergeant	7
Detective/Corporal	5
Sheriff Deputy	35
Total Sworn Full Time Staff	49
NON-SWORN STAFF	
Sheriff's Service Specialist	7
Secretary	1
Office Specialist	7
Total Non Sworn Staff	15
Total Sworn & Non-Sworn Staff	64

FUTURE POLICE PROTECTION

Police calls for service increased significantly due to new growth. The Hesperia Police Department maintained the second highest arrest ratio per deputy in San Bernardino County. New growth in the City requires additional equipment including patrol units, both marked and unmarked, and traffic motorcycle units. A new police station and additional officers are needed.

The City of Hesperia has identified a service level standard of .75 Sworn Officers per 1,000 population.

In 2006, the City has 49 full time Sworn Employees and 15 Non-Sworn employees serving its population of 81,000. The Public Safety Ad Hoc Committee identified that police station expansion was needed to address the increase in calls that result from new population, staffing increases, increased high density developments, new commercial/retail development and City annexations. At build out in 2030, the new facility would need to service 135 Sworn Officers and 33 Non Sworn Staff as shown in Table 7.



Table 7. Sworn Officer Per 1,000 Population

	2006	2010	2015	2020	2025	2030
Population Number	81,100	92,800	117,568	92,800	159,638	180,390
Goal of Sworn Officers	61	72	88	104	120	135

Immediate needs, based on anticipated growth, warrant a 30,000 square foot police station to accommodate Police Department staffing over the next 10 years. At build out, in 2030, a 40,000 square feet police station will be needed to service 135 Sworn Officers. The City plans to construct the new police station to accommodate service demands for the next ten years while purchasing additional land to expand the facility by 10,000-20,000 square feet when the expansion is warranted. (See Table 8)

Table 8. Police Station Square Foot Needs

	2006	2015	2030
Sworn Officers	49	88	135
Police Station Square Feet	7,515	30,000	40,000

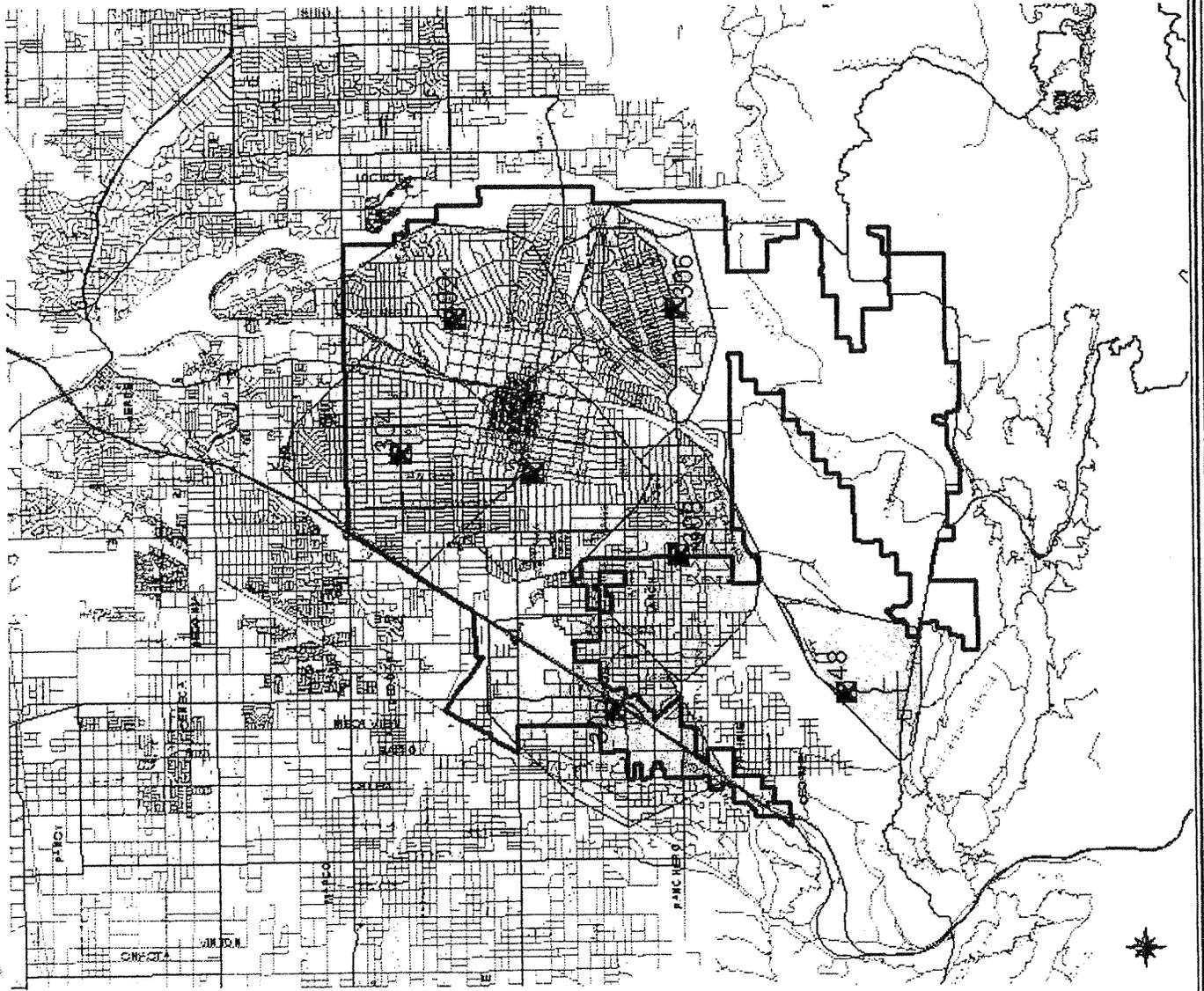
The new police station is planned to be located in a central area in the City of Hesperia. The station is planned to be built in phases beginning with 30,000 square feet that will include an evidence warehouse, an exercise facility with lockers, a lab room, briefing rooms, interviews rooms, a report writing room and records area.

Table 9 identifies the estimated cost of replacing the existing Police Station and the cost of constructing the Police Station with an increase in square footage to serve current and new population. In addition, Table 9 names the location and action required for each new station.

Table 9. Future Police Station Cost

Action	Location	Existing Square Feet	Estimated Replacement Cost	Future Square Feet	Estimated Construction Cost	New Development Cost
Police Station	Relocation Juniper Street	7,515	\$4,000,000.	40,000	\$16,000,000.	\$12,000,000.

City of Hesperia 6 Minute Response Time



- ★ Proposed Stations
- ★ Existing Stations - may be in different location
- ▭ Hesperia City Limits
- ▬ Freeway
- ▬ Major Roads
- ▬ Streets
- ▭ 4 Minute Area



City of Hesperia
1000 E. Main Street
Hesperia, CA 92343



CITY OF HESPERIA
DATA DOCUMENT PROVIDING
ECONOMIC JUSTIFICATION FOR
INCREASED DEVELOPMENT IMPACT FEES

for
FUNDING THE EXPANSION OF INFRASTRUCTURE

Prepared by:
Reiter Lowry Consultants
November 2006

ADDENDUM #2

14-30

EXECUTIVE SUMMARY

■ Basis of Study

The City of Hesperia (City) adopted increases in its Development Impact Fee in September 2001 based on this author's report entitled "Economic Justification for Increased Development Impact Fees" prepared by Reiter Lowry Consultants (RLC). In March 2005, the City adopted Addendum #1 to the original report incorporating the changes that had occurred in the assumptions of rate of growth and capital programs that were used in the original RLC report. During the past eighteen (18) months, the City established a Public Safety Committee comprised of two City Council members and staff from City Police and Fire Departments. The purpose of the committee was to identify facility and staffing needs based on Councils' goals to expand public safety services to accommodate increased demands in result of new growth. This Addendum #2: 1) summarizes the financial impact of the changes produced by the City's research and evaluation; and 2) Reiter Lowry Consultants' findings and recommendations to the City relative to funding growth's share of the cost of the City's future infrastructure and equipment plans for public safety services (police and fire) through continued levy of development impact fees (DIF). This study does not include the costs or funding of ongoing operations, maintenance, or replacement of the City's current infrastructure.

■ Study Approach

In the same manner as the 2001 study and the 2005 update, Reiter Lowry Consultants (RLC) has used a multi-year computer model to analyze the cost of the City's capital expansion (improvement) and equipment plans (CIP) for its fire protection and police functions. The computer model continued use of the forecasts of future population in the 2005 Addendum. In preparing this report, RLC has relied on the various facility and equipment plans prepared by the City's departmental staff. These plans and this study do not include the cost of routine operations, repair, or replacement. The cost estimates and timing of the City's CIP were used as the basis for RLC's cash-flow modeling.

■ Changes in Public Safety Needs Assumptions

Fire and Police Facilities. Since completion of the public safety study in September 2006, the City's "... Public Safety committee found that expansion was needed for police and fire facilities" to accommodate the response to fire and police emergencies. Tables 1 and 2 summarize the fire and police needs to accommodate growth assumptions.

Table 1 Fire Facilities, Equipment Needs & Timing

Fire Facility	Type	Fiscal Year	Growth Share of Cost	
			Facilities	Equipment
301	Expansion	FY08/09	\$4,000,000	
302	Relocation	FY10/11	\$6,000,000	\$120,000
304	Expansion	FY17/18	\$5,000,000	\$600,000
305	New Construction	FY08/09	\$6,900,000	\$1,750,000
306	Relocation	FY10/11	\$4,000,000	\$760,000
308	New Construction	FY14/15	\$6,000,000	\$770,000
TOTALS			\$31,900,000	\$4,000,000 ⁽¹⁾

⁽¹⁾ Add \$10,000 New Opticom equipment per year for twenty-five years for a total equipment cost to growth of \$4,250,000.

Table 2 Police Facilities, Equipment Needs & Timing

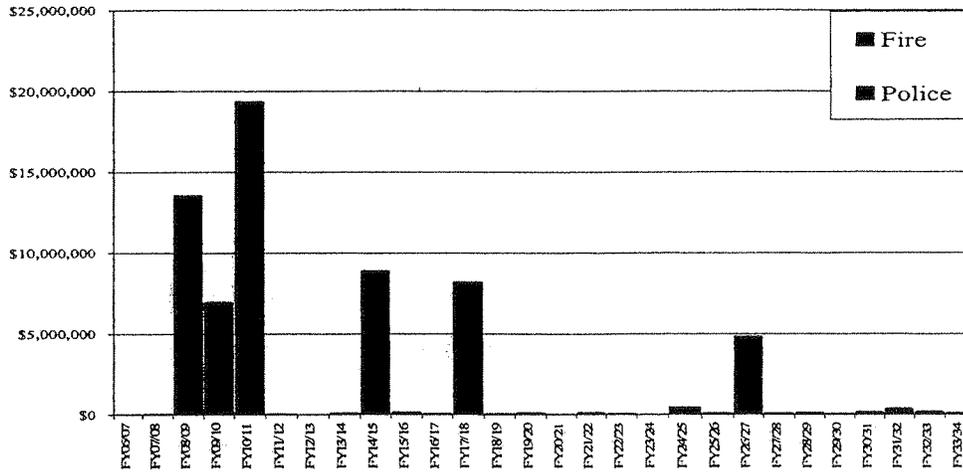
Facility	Type	Fiscal Year	Growth Share of Cost	
			Facilities	Equipment
New Station	New Construction ⁽²⁾	FY08/09	\$12,000,000	\$120,000 ⁽³⁾

⁽²⁾ New construction in lieu of addition of a second new station

⁽³⁾ Add \$1,480,000 for growth share of the investment in new police vehicles & installed equipment over 25 years.

Figure A depicts the timing of expenditure assumptions (future dollars) used for this financial update.

Figure A Capital Expenditure to Accommodate Growth



Generally speaking, the above figure and supporting table depicts the City’s need to fund and build almost \$50M of fire and police planned projects during the next 5 year planning horizon. At the proposed rates and forecast of units of growth, DIF revenues are estimated at approximately \$9M leaving a shortfall of \$41M. Therefore, external funds (borrowing) will be required in order to construct fire facilities, police facilities, and purchase equipment and vehicles. The cost of borrowing approximately \$43M is included in this planning level of analysis and DIF calculations. However, the particulars of the financing are deferred to the City’s actual financing team at a later date.

This model update has proportioned the estimated use of DIF funds/CIP expenditures to future EDUs based on the benefit received. Table 3 depicts the basis (mathematical) for the CIP allocations:

Table 3 USE OF DIF FUNDS

FUNCTION	Estimated DIF SHARE of Cost	Calculated (1) DIF per EDU
Fire	\$84M	\$1,425
Police	\$26M	\$423

(1) Calculation based on cash-flow model, time phasing and cost of money/inflation/borrowing and assumes \$43M external funding

The development impact fee for each category was calculated using the growth plan from Addendum #1 and a time value of money approach; that is, the fee as well as

CIP and borrowing cost, needed for each year was increased using 3.5% as an assumed rate of inflation.

The DIF cash-flow to fund capital expenditures and the calculated development impact fee per EDU for fire and police are as shown in Attachment 1.

RECOMMENDATIONS

- Increase the DIF for fire to \$1,425 and police to \$423 per EDU following appropriate notice and waiting period prescribed by law.
- At the end of FY 06/07, the City should begin considering and evaluating projects, costs, assumptions, and population trends as well as reviewing the DIF calculation results.
- A review of the current administrative procedures is recommended particularly with reference to using EDUs as the basis for all DIF fees.
- The requirements of California Environmental Quality Act (CEQA) should be included as a necessary step of future individual project approval. Seeking the opinion of appropriate counsel regarding CEQA is also recommended.
- Prepare a development impact fee information program which will aid builders' and developers' understanding of the changes.