

CITY OF SOLANA BEACH

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



AGENDA

Joint REGULAR Meeting

Wednesday, February 12, 2020 * 6:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

- City Council meetings are video recorded and archived as a permanent record. The [video](#) recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
- Posted Reports & Supplemental Docs contain records up to the cut off time prior to meetings for processing new submittals. Complete records containing meeting handouts, PowerPoints, etc. can be obtained through a [Records Request](#).

PUBLIC MEETING ACCESS

The Regular Meetings of the City Council are scheduled for the 2nd and 4th Wednesdays and are broadcast live on Cox Communications-Channel 19, Spectrum(Time Warner)-Channel 24, and AT&T U-verse Channel 99. The video taping of meetings are maintained as a permanent record and contain a detailed account of the proceedings. Council meeting tapings are archived and available for viewing on the City's [Public Meetings](#) webpage.

AGENDA MATERIALS

A full City Council agenda packet including relative supporting documentation is available at City Hall, the Solana Beach Branch [Library](#) (157 Stevens Ave.), La Colonia Community Ctr., and online www.cityofsolanabeach.org. Agendas are posted at least 72 hours prior to regular meetings and at least 24 hours prior to special meetings. Writings and documents regarding an agenda of an open session meeting, [received](#) after the official posting, and distributed to the Council for consideration, will be made available for public viewing at the same time. In addition, items received at least 1 hour 30 minutes prior to the meeting time will be uploaded online with the courtesy agenda posting. Materials submitted for consideration should be forwarded to the [City Clerk's department](#) 858-720-2400. The designated location for viewing of hard copies is the City Clerk's office at City Hall during normal business hours.

SPEAKERS

Please submit a speaker slip to the City Clerk prior to the meeting, or the announcement of the Section/Item, to provide public comment. Allotted times for speaking are outlined on the speaker's slip for each agenda section: Oral Communications, Consent, Public Hearings and Staff Reports.

SPECIAL ASSISTANCE NEEDED

In compliance with the Americans with Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Section 202. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the [City Clerk's office](#) (858) 720-2400 at least 72 hours prior to the meeting.

As a courtesy to all meeting attendees, please set cellular phones and pagers to silent mode and engage in conversations outside the Council Chambers.

CITY COUNCILMEMBERS

Jewel Edson, Mayor

Judy Hegenauer, Deputy Mayor

Kristi Becker, Councilmember

Kelly Harless, Councilmember

David A. Zito, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

SPEAKERS:

Please submit your speaker slip to the City Clerk prior to the meeting or the announcement of the Item. Allotted times for speaking are outlined on the speaker's slip for Oral Communications, Consent, Public Hearings and Staff Reports.

READING OF ORDINANCES AND RESOLUTIONS:

Pursuant to [Solana Beach Municipal Code](#) Section 2.04.460, at the time of introduction or adoption of an ordinance or adoption of a resolution, the same shall not be read in full unless after the reading of the title, further reading is requested by a member of the Council. If any Councilmember so requests, the ordinance or resolution shall be read in full. In the absence of such a request, this section shall constitute a waiver by the council of such reading.

CALL TO ORDER AND ROLL CALL:

CLOSED SESSION REPORT:

FLAG SALUTE:

APPROVAL OF AGENDA:

PROCLAMATIONS/CERTIFICATES: *Ceremonial*

None at the posting of this agenda

PRESENTATIONS: *Ceremonial items that do not contain in-depth discussion and no action/direction.*

None at the posting of this agenda

ORAL COMMUNICATIONS:

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.6.)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for January 4, 2020 – January 24, 2020.

[Item A.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.2. General Fund Adopted Budget for Fiscal Year 2019-2020 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2019-2020 General Fund Adopted Budget.

[Item A.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.3. Emergency Corrugated Metal Pipes (CMP) Storm Drain Repairs. (File 0850-40)

Recommendation: That the City Council

1. Receive Update No. 2 and provide further direction, if necessary.

[Item A.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.4. Tide Beach Park Slope Paving Removal Project. (File 0730-20)

Recommendation: That the City Council

1. Adopt **Resolution 2020-015**:
 - a. Accepting as complete the Tide Beach Park Slope Paving Removal Project, Bid 2019-06, constructed by Wright Construction Engineering Corp.
 - b. Authorizing the City Clerk to file a Notice of Completion.

[Item A.4. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.5. Coastal Rail Trail (CRT) and Streetlight Assessment Districts Administration.

(File 0495-20)

Recommendation: That the City Council

1. Adopt **Resolution 2020-017** authorizing the City Manager to execute a professional services agreement, in an amount not to exceed \$6,125 for the first year, with Koppel & Gruber Public Finance for annual administration of the Coastal Rail Trail and Streetlight Assessment Districts.
2. Authorizing the City Manager to extend the agreement for up to four additional years, at the City's option.

[Item A.5. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.6. Minutes of the City Council.

Recommendation: That the City Council

1. Approve the Minutes of the City Council Meetings held December 11, 2019 and January 8, 2020.

[Item A.6. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

NOTE: The City Council shall not begin a new agenda item after 10:30 p.m. unless approved by a unanimous vote of all members present. (SBMC 2.04.070)

B. PUBLIC HEARINGS: (B.1. – B.3.)

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designee(s) for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on the Council Dais.

B.1. Junior Lifeguard Program and Day Camp Fees Adjustment (File 0390-23)

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Adopt **Resolution 2020-023** to increase the fees of the Junior Lifeguard and Summer Day Camp programs.

[Item B.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.2. Public Hearing: 1162 Highland Drive, Applicant: Bob and Melissa Kench, Case 17-18-32 (File 0600-40)

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2020-016** conditionally approving a DRP and SDP to construct a square footage addition to an existing single-family residence at 1162 Highland Drive, Solana Beach.
4. Adopt **Resolution 2020-022** ordering the vacation of excess public street right-of-way at 1162 Highland Drive.

[Item B.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.3. Public Hearing: 632 Mar Vista Drive, Applicant: Douglas App, Case 17-19-09 (File 0600-40)

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2020-018** conditionally approving a DRP and SDP to demolish an existing single-family residence, construct a replacement two-story, single-family residence with a partially subterranean, three-car garage and basement entry area, and perform associated site improvements at 632 Mar Vista Drive, Solana Beach.

[Item B.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C. STAFF REPORTS: (C.1. – C.3.)

Submit speaker slips to the City Clerk.

C.1. Fiscal Year 2018/19 Comprehensive Annual Financial Report (CAFR).

(File 0310-22)

Recommendation: That the City Council

1. Accept and file the City of Solana Beach Comprehensive Annual Financial Report (CAFR) for the fiscal year July 1, 2018 – June 30, 2019.
2. Accept and file the Communication of Internal Control Related Matters Identified in an Audit letter.
3. Accept and file the Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets letter.
4. Accept and file The Auditor's Communication With Those Charged with Governance letter.

[Item C.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.2. Solana Energy Alliance (SEA) Quarterly Operational Update. (File 1010-45)

Recommendation: That the City Council

1. Review the Regional Boards/Commissions/Committees.
 - a. Determine the City Selection Committee 2020 annual term appointment, if any changes.
 - b. Make alternate appointments, if necessary.
2. Review Council Standing Committees and make alternate appointments, if necessary.

[Item C.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

C.3. SANDAG 2019 Accomplishments Report – Informational Item. (File 0150-55)

No Staff Report.

WORK PLAN COMMENTS:

Adopted June 12, 2019

COMPENSATION & REIMBURSEMENT DISCLOSURE:

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency "City" at the next regular meeting of the legislative body.

COUNCIL COMMITTEE REPORTS: [Council Committees](#)

REGIONAL COMMITTEES: (outside agencies, appointed by this Council)

- a. City Selection Committee (meets twice a year) Primary-Edson, Alternate-Zito
- b. County Service Area 17: Primary- Harless, Alternate-Edson
- c. Escondido Creek Watershed Authority: Becker /Staff (no alternate).
- d. League of Ca. Cities’ San Diego County Executive Committee: Primary-Becker, Alternate-Harless and any subcommittees.
- e. League of Ca. Cities’ Local Legislative Committee: Primary-Harless, Alternate-Becker
- f. League of Ca. Cities’ Coastal Cities Issues Group (CCIG): Primary-Becker, Alternate-Harless
- g. North County Dispatch JPA: Primary-Harless, Alternate-Becker
- h. North County Transit District: Primary-Edson, Alternate-Becker
- i. Regional Solid Waste Association (RSWA): Primary-Hegenauer, Alternate-Becker
- j. SANDAG: Primary-Zito, 1st Alternate-Edson, 2nd Alternate-Becker, and any subcommittees.
- k. SANDAG Shoreline Preservation Committee: Primary-Hegenauer, Alternate-Zito
- l. San Dieguito River Valley JPA: Primary-Hegenauer, Alternate-Zito
- m. San Elijo JPA: Primary-Zito, Primary-Becker, Alternate-City Manager
- n. 22nd Agricultural District Association Community Relations Committee: Primary-Edson, Primary-Harless

STANDING COMMITTEES: (All Primary Members) (Permanent Committees)

- a. Business Liaison Committee – Zito, Edson.
- b. Fire Dept. Management Governance & Organizational Evaluation – Harless, Hegenauer
- c. Highway 101 / Cedros Ave. Development Committee – Edson, Becker
- d. Parks and Recreation Committee – Zito, Harless
- e. Public Arts Committee – Edson, Hegenauer
- f. School Relations Committee – Hegenauer, Harless
- g. Solana Beach-Del Mar Relations Committee – Zito, Edson

ADJOURN:

Next Regularly Scheduled Meeting is February 26, 2020
Always refer the City’s website Event Calendar for updated schedule or contact City Hall.
www.cityofsolanabeach.org 858-720-2400

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF SOLANA BEACH } §

I, Angela Ivey, City Clerk of the City of Solana Beach, do hereby certify that this Agenda for the February 12, 2020 Council Meeting was called by City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, and the Housing Authority of the City of Solana Beach, California, was provided and posted on February 5, 2020 at 4:30 p.m. on the City Bulletin Board at the entrance to the City Council Chambers. Said meeting is held at 6:00 p.m., February 12, 2020, in the Council Chambers, at City Hall, 635 S. Highway 101, Solana Beach, California.

Angela Ivey, City Clerk
City of Solana Beach, CA

UPCOMING CITIZEN CITY COMMISSION AND COMMITTEE MEETINGS:

Regularly Scheduled, or Special Meetings that have been announced, are posted on each Citizen Commission's Agenda webpage. See the [Citizen Commission's Agenda webpages](#) or the City's Events [Calendar](#) for updates.

- **Budget & Finance Commission**
- **Climate Action Commission**
- **Parks & Recreation Commission**
- **Public Arts Commission**
- **View Assessment Commission**



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Finance
SUBJECT: Register of Demands

BACKGROUND:

Section 3.04.020 of the Solana Beach Municipal Code requires that the City Council ratify a register of demands which represents all financial demands made upon the City for the applicable period.

Register of Demands- 01/04/20 through 01/24/20		
Check Register-Disbursement Fund (Attachment 1)		\$ 1,664,872.41
Council Payroll	January 9, 2020	4,019.34
Federal & State Taxes	January 9, 2020	412.43
PERS Retirement (EFT)	January 9, 2020	508.94
Net Payroll	January 10, 2020	170,426.64
Federal & State Taxes	January 10, 2020	41,789.28
PERS Retirement (EFT)	January 10, 2020	48,126.10
Net Payroll	January 24, 2020	202,471.22
Federal & State Taxes	January 24, 2020	50,807.03
PERS Retirement (EFT)	January 24, 2020	48,128.63
TOTAL		\$ 2,231,562.02

DISCUSSION:

Staff certifies that the register of demands has been reviewed for accuracy, that funds are available to pay the above demands, and that the demands comply with the adopted budget.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The register of demands for January 4, 2020 through January 24, 2020 reflects total expenditures of \$2,231,562.02 from various City funding sources.

CITY COUNCIL ACTION: _____

WORK PLAN:

N/A

OPTIONS:

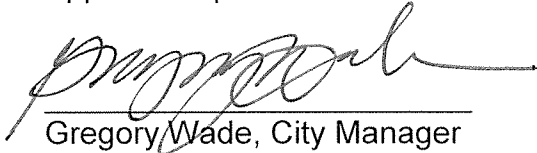
- Ratify the register of demands.
- Do not ratify and provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council ratify the above register of demands.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Check Register – Disbursement Fund

PENTAMATION
 DATE: 01/27/2020
 TIME: 07:47:38

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 1
 ACCTPA21

SELECTION CRITERIA: transact.ck_date between '20200104 00:00:00.000' and '20200124 00:00:00.000'
 ACCOUNTING PERIOD: 7/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	96405	01/09/20	2137	AFLAC	001	DECEMBER 19	0.00	895.40
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00170007110	AUTO FUEL-12/03-01/02	0.00	29.73
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00165006560	AUTO FUEL-12/03-01/02	0.00	55.42
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00165006570	AUTO FUEL-12/03-01/02	0.00	92.36
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00165006510	AUTO FUEL-12/03-01/02	0.00	101.60
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	50900007700	AUTO FUEL-12/03-01/02	0.00	110.83
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00160006140	AUTO FUEL-12/03-01/02	0.00	215.90
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00160006120	AUTO FUEL-12/03-01/02	0.00	249.39
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00165006530	AUTO FUEL-12/03-01/02	0.00	267.86
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00165006520	AUTO FUEL-12/03-01/02	0.00	295.56
1011	96406	01/09/20	3704	ARCO GASPRO PLUS	00160006170	AUTO FUEL-12/03-01/02	0.00	461.21
TOTAL CHECK							0.00	1,879.86
1011	96407	01/09/20	4832	AT&T CALNET 3	50900007700	9391012277 1124-1223	0.00	13.55
1011	96407	01/09/20	4832	AT&T CALNET 3	00165006540	9391012279 1124-1223	0.00	44.86
TOTAL CHECK							0.00	58.41
1011	96408	01/09/20	5320	BAYSHORE CONSULTING GROU	55000007750	CCA PROF SVC-DEC	0.00	1,911.09
1011	96409	01/09/20	5029	BILL SMITH FOREIGN CAR S	00160006170	WNDW WSHR PUMP	0.00	104.51
1011	96410	01/09/20	5319	BRYANT JEMISON	12050005460	2019GYM RIEMB	0.00	480.00
1011	96411	01/09/20	5334	CALIFORNIA BUILDING STAN	001	Q1 BLDG STNDRDS SURCH	0.00	-19.00
1011	96411	01/09/20	5334	CALIFORNIA BUILDING STAN	001	Q1 BLDG STNDRDS SURCH	0.00	190.00
TOTAL CHECK							0.00	171.00
1011	96412	01/09/20	5811	CALIFORNIA HOME BUILDERS	001	RFND-CG3171 310 SRIOS	0.00	3,959.00
1011	96412	01/09/20	5811	CALIFORNIA HOME BUILDERS	001	RFND-SBGP338 310SRIOS	0.00	8,681.00
TOTAL CHECK							0.00	12,640.00
1011	96413	01/09/20	5810	CALVIN ROBERTS	001	RFND-CXLDFCCC 7/25/20	0.00	156.39
1011	96413	01/09/20	5810	CALVIN ROBERTS	001	RFND-CXLDFCCC 7/25/20	0.00	323.61
TOTAL CHECK							0.00	480.00
1011	96414	01/09/20	101	CAMEO PAPER & JANITORIAL	00160006170	TOWELS	0.00	59.86
1011	96415	01/09/20	5812	CARLOS AGUILAR	001	RFND-FCCC 12/14/19	0.00	500.00
1011	96416	01/09/20	5171	CORELOGIC SOLUTIONS, LLC	00155005550	PROPERTY PRO DATA-DEC	0.00	96.83
1011	96417	01/09/20	1964	CSAC EXCESS INSURANCE AU	00150005400	FY19/20 EAP JAN-MAR	0.00	405.60
1011	96418	01/09/20	2098	CULLIGAN OF SAN DIEGO	00160006120	WATER FLTR 12/1-01/31	0.00	85.60
1011	96419	01/09/20	2165	CULLIGAN OF SAN DIEGO	00160006170	DRNKNG WTR SVC-DEC	0.00	45.56
1011	96420	01/09/20	38	DEPARTMENT OF CONSERVATI	001	SMIP FEES-JUL-SEP 19	0.00	-30.36
1011	96420	01/09/20	38	DEPARTMENT OF CONSERVATI	001	SMIP FEES-JUL-SEP 19	0.00	607.28
TOTAL CHECK							0.00	576.92

ATTACHMENT 1

PENTAMATION
 DATE: 01/27/2020
 TIME: 07:47:38

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 2
 ACCTPA21

SELECTION CRITERIA: transact.ck_date between '20200104 00:00:00.000' and '20200124 00:00:00.000'
 ACCOUNTING PERIOD: 7/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	96421	01/09/20	739	DEPARTMENT OF JUSTICE	00150005400	FINGERPRINT APP-NOV	0.00	32.00
1011	96422	01/09/20	134	DIXIELINE LUMBER CO INC	00165006570	KEYS	0.00	6.66
1011	96422	01/09/20	134	DIXIELINE LUMBER CO INC	00165006570	VALVE/ADAPT/CPLING	0.00	10.65
1011	96422	01/09/20	134	DIXIELINE LUMBER CO INC	00165006570	PVC/BOLTS/WASHERS	0.00	31.10
TOTAL CHECK								48.41
1011	96423	01/09/20	5543	DOMUSSTUDIO ARCHITECTURE	45094496510	9449.01 MS CNTR-NOV	0.00	3,045.00
1011	96424	01/09/20	269	DUDEK & ASSOCIATES INC.	50998336510	9833 PUMP STN PHS-NOV	0.00	4,355.00
1011	96425	01/09/20	5674	EMANUELS JONES AND ASSOC	00150005200	PROF SVC-DEC	0.00	2,500.00
1011	96426	01/09/20	94	ESGIL CORPORATION	00155005560	BLDG PRMT 12/02-12/06	0.00	3,417.95
1011	96426	01/09/20	94	ESGIL CORPORATION	00155005560	BLDG PRMT 10/21-10/25	0.00	10,827.05
TOTAL CHECK								14,245.00
1011	96427	01/09/20	4169	FIRE STATS, LLC	00160006120	FIRE DATA-JUL19-SEP19	0.00	459.00
1011	96428	01/09/20	5262	GEORGE HILLS COMPANY, IN	12050005460	CLM.1904-GRIGG	0.00	22.50
1011	96428	01/09/20	5262	GEORGE HILLS COMPANY, IN	12050005460	CLM.2002-HEALY	0.00	112.50
TOTAL CHECK								135.00
1011	96429	01/09/20	4692	GLOBE AIRCRAFT COMPANY	13560006120	FIRE VECHCL GRAPHICS	0.00	262.91
1011	96430	01/09/20	2593	GOLDFARB & LIPMAN	00150005250	PROF SVC-OCT 1575-1	0.00	236.00
1011	96430	01/09/20	2593	GOLDFARB & LIPMAN	00150005250	PROF SVC-NOV	0.00	2,242.00
TOTAL CHECK								2,478.00
1011	96431	01/09/20	4770	MARLA HATRAK	001	RFND-FCCC 12/21/19	0.00	500.00
1011	96432	01/09/20	1011	HDL-HINDERLITER, DE LLAM	00150005300	Q2 FY STAX-CONTRACT	0.00	1,200.00
1011	96432	01/09/20	1011	HDL-HINDERLITER, DE LLAM	00150005300	Q2 CY19 STAX AUDIT	0.00	1,101.26
TOTAL CHECK								2,301.26
1011	96433	01/09/20	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 01/10/20	0.00	11,660.78
1011	96433	01/09/20	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 01/09/20	0.00	7,543.88
TOTAL CHECK								19,204.66
1011	96434	01/09/20	3859	ICMA RETIREMENT TRUST-RH	001	ICMA PD 01/10/20	0.00	2,171.09
1011	96435	01/09/20	5399	INBOUND DESIGN INC.	55000007750	SEA WEBSITE MANT-JAN	0.00	49.00
1011	96436	01/09/20	3755	KEYSER MARSTON ASSOCIATE	00150005200	PROF SVC-NOV	0.00	3,795.63
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	20875007580	CRT FEE ASSESSMENT	0.00	324.41
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	21100007600	ST LGHT FEE ASSESSMNT	0.00	610.91
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	20475007520	SNTA FE HILLS OCT-DEC	0.00	46.68
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	20775007550	SAN ELJO HLLS OCT-DEC	0.00	25.34
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	20575007530	ISLA VERDE OCT-DEC	0.00	24.01
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	20375007510	OLD HGHWY 101 OCT-DEC	0.00	673.45
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT OCT-DEC	0.00	533.43

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	20375007510	EXPENSES OCT-DEC	0.00	23.82
1011	96437	01/09/20	2287	KOPPEL & GRUBER PUBLIC F	67685008560	SO SOL SWR OCT-DEC	0.00	415.06
TOTAL CHECK							0.00	2,677.11
1011	96438	01/09/20	2102	LEGAL SHIELD CORP	001	PPD LEGAL-DEC 19	0.00	64.75
1011	96439	01/09/20	3961	EVAN MASON	12050005460	2019 GYM RIEMB	0.00	320.00
1011	96440	01/09/20	5407	PJ CASTORENA, INC.	55000007750	CCA WKLY 11/25 & 12/2	0.00	58.35
1011	96440	01/09/20	5407	PJ CASTORENA, INC.	55000007750	CCA WKLY 12/9 & 12/16	0.00	94.91
TOTAL CHECK							0.00	153.26
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005350	COFFEE CUPS	0.00	9.36
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005300	STAMP	0.00	11.95
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005350	CUPS	0.00	13.57
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005350	POST IT/NOTE PADS	0.00	22.19
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005300	LETTER TRAY	0.00	23.26
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005350	SOAP	0.00	42.60
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005300	FLDRS/STAPLER/ORGZR	0.00	49.89
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005350	STAPLER	0.00	55.16
1011	96441	01/09/20	50	OFFICE DEPOT INC	00155005550	FILES/FOLDERS	0.00	79.16
1011	96441	01/09/20	50	OFFICE DEPOT INC	00150005350	PAPER	0.00	138.65
TOTAL CHECK							0.00	445.79
1011	96442	01/09/20	4080	JENNIFER REED	00150005350	ADMIN SVC-DEC	0.00	79.75
1011	96443	01/09/20	416	REGIONAL COMMS SYS, MS 0	00160006120	CAP CODE-NOV	0.00	32.50
1011	96444	01/09/20	5809	ROBERT FEHER	001	RFND-FCCC 10/27/19	0.00	324.40
1011	96445	01/09/20	5813	ROBERT J. MARSHBURN	12050005460	PROF SVC-OCT-DEC	0.00	625.00
1011	96446	01/09/20	257	SAN DIEGO COUNTY SHERIFF	21960006110	LAW ENFORCEMENT-OCT	0.00	8,333.33
1011	96446	01/09/20	257	SAN DIEGO COUNTY SHERIFF	00160006110	LAW ENFORCEMENT-OCT	0.00	359,062.74
TOTAL CHECK							0.00	367,396.07
1011	96447	01/09/20	314	SAN ELIJO JPA	50900007700	Q3 MAINT & OP	0.00	405,523.00
1011	96447	01/09/20	314	SAN ELIJO JPA	50900007700	Q3 CIP FUNDING	0.00	219,695.00
1011	96447	01/09/20	314	SAN ELIJO JPA	00165006520	FY20 STRM DRAIN SEDIMN	0.00	2,675.00
1011	96447	01/09/20	314	SAN ELIJO JPA	00165006570	FY20 GENERATR MAINT	0.00	3,288.00
TOTAL CHECK							0.00	631,181.00
1011	96448	01/09/20	169	SDG&E CO INC	00165006540	UTILITIES-11/06-12/06	0.00	459.40
1011	96448	01/09/20	169	SDG&E CO INC	00165006530	UTILITIES-11/05-12/05	0.00	726.51
1011	96448	01/09/20	169	SDG&E CO INC	00165006540	UTILITIES-11/05-12/05	0.00	963.19
1011	96448	01/09/20	169	SDG&E CO INC	00165006570	UTILITIES-11/06-12/06	0.00	1,475.01
1011	96448	01/09/20	169	SDG&E CO INC	20375007510	UTILITIES-11/05-12/05	0.00	2,441.67
1011	96448	01/09/20	169	SDG&E CO INC	00165006530	UTILITIES-11/06-12/06	0.00	400.37
1011	96448	01/09/20	169	SDG&E CO INC	00165006570	UTILITIES-11/05-12/05	0.00	5,008.47
1011	96448	01/09/20	169	SDG&E CO INC	21100007600	UTILITIES-11/06-12/06	0.00	6,570.46
TOTAL CHECK							0.00	18,045.08

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	96449	01/09/20	3909	SECTRAN SECURITY INC	12050005460	COURIER SVC-DEC	0.00	113.37
1011	96449	01/09/20	3909	SECTRAN SECURITY INC	12050005460	COURIER SVC FUEL-DEC	0.00	14.74
TOTAL CHECK							0.00	128.11
1011	96450	01/09/20	156	SHARP REES-STEALY MEDICA	00150005400	FITNESS FOR DUTY	0.00	142.80
1011	96451	01/09/20	1231	STAPLES CONTRACT & COMME	00150005350	PENS	0.00	15.61
1011	96451	01/09/20	1231	STAPLES CONTRACT & COMME	00150005300	FLDR/CALDR/HGHLTR	0.00	60.07
1011	96451	01/09/20	1231	STAPLES CONTRACT & COMME	00165006520	TONER	0.00	75.41
TOTAL CHECK							0.00	151.09
1011	96452	01/09/20	5379	TRACY RICHMOND	00170007110	TREE LGHT SUPPLY REIMB	0.00	283.41
1011	96453	01/09/20	1458	THE UNIFORM SPECIALIST	21460006120	BOOTS-BARRON	0.00	400.51
1011	96454	01/09/20	2097	UT SAN DIEGO - NRTH COUN	55000007750	PUB HRNG-SEACCAIP AMN	0.00	146.55
1011	96455	01/09/20	2189	WILLDAN	67385008530	MARSOLAN OCT-DEC	0.00	269.91
1011	96455	01/09/20	2189	WILLDAN	67285008520	PACIFIC OCT-DEC	0.00	275.34
1011	96455	01/09/20	2189	WILLDAN	67185008510	BARB/GRAN OCT-DEC	0.00	335.97
TOTAL CHECK							0.00	881.22
1011	96456	01/16/20	1135	AFFORDABLE PIPELINE SERV	50900007700	I-SEWR CLEANING- CH	0.00	425.00
1011	96456	01/16/20	1135	AFFORDABLE PIPELINE SERV	50900007700	J-SEWR CLEANING- MS	0.00	575.00
1011	96456	01/16/20	1135	AFFORDABLE PIPELINE SERV	50900007700	C-SEWR CLEAN- 30388	0.00	15,194.00
1011	96456	01/16/20	1135	AFFORDABLE PIPELINE SERV	00165006520	O-STORM DRAIN MAINT	0.00	1,140.00
1011	96456	01/16/20	1135	AFFORDABLE PIPELINE SERV	00165006520	H-STORM DRAIN MAINT	0.00	1,140.00
1011	96456	01/16/20	1135	AFFORDABLE PIPELINE SERV	00165006520	H-STORM DRAIN MAINT	0.00	1,140.00
TOTAL CHECK							0.00	19,614.00
1011	96457	01/16/20	5194	AMANDA SITHER	001	EXCEL-SITHER-11/20	0.00	-99.00
1011	96457	01/16/20	5194	AMANDA SITHER	00150005300	EXCEL-SITHER-11/20	0.00	111.35
TOTAL CHECK							0.00	12.35
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 11/02	0.00	168.38
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 11/16	0.00	255.66
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 11/23	0.00	511.32
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 11/02	0.00	511.32
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 09/28	0.00	511.32
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 10/05	0.00	511.32
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 11/09	0.00	766.98
1011	96458	01/16/20	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 10/12	0.00	922.29
TOTAL CHECK							0.00	4,158.59
1011	96459	01/16/20	4832	AT&T CALNET 3	00160006150	9391012275 1124-1223	0.00	164.69
1011	96460	01/16/20	2526	BARTEL ASSOCIATES, LLC	00150005300	GASB74&75 FY19 CALC	0.00	840.00
1011	96461	01/16/20	5029	BILL SMITH FOREIGN CAR S	00165006560	F250-OIL/FILTER	0.00	48.65
1011	96461	01/16/20	5029	BILL SMITH FOREIGN CAR S	00165006530	F250-OIL/FILTER	0.00	50.40
1011	96461	01/16/20	5029	BILL SMITH FOREIGN CAR S	50900007700	F250-STARTER RPR	0.00	405.80
1011	96461	01/16/20	5029	BILL SMITH FOREIGN CAR S	00165006530	F250-TRNSMSSN/DRVR	0.00	260.12

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	96461	01/16/20	5029	BILL SMITH FOREIGN CAR S	00165006560	F250-TRNSMSSN/DRVR	0.00	260.12
1011	96461	01/16/20	5029	BILL SMITH FOREIGN CAR S	50900007700	F250-TRNSMSSN/DRVR	0.00	520.24
TOTAL CHECK							0.00	1,545.33
1011	96463	01/16/20	1914	US BANK	27060006120	COUNTY OES MEAL	0.00	6.83
1011	96463	01/16/20	1914	US BANK	00160006120	OPEN HOUSE-CAR DEMO	0.00	350.00
1011	96463	01/16/20	1914	US BANK	00150005450	COMPUTER CABLE	0.00	8.61
1011	96463	01/16/20	1914	US BANK	00160006120	MARKERS	0.00	13.64
1011	96463	01/16/20	1914	US BANK	00150005450	PRIME MEMBRSH P FEE	0.00	14.00
1011	96463	01/16/20	1914	US BANK	27060006120	STRIKETM-FUEL	0.00	18.50
1011	96463	01/16/20	1914	US BANK	00160006170	2 EMT TOOLS POUCHES	0.00	22.58
1011	96463	01/16/20	1914	US BANK	00160006120	DISINFECTANT SPRAY	0.00	29.08
1011	96463	01/16/20	1914	US BANK	00160006120	MARKERS/LABELS	0.00	31.84
1011	96463	01/16/20	1914	US BANK	00150005450	BATTERIES	0.00	42.70
1011	96463	01/16/20	1914	US BANK	00150005450	INTERNET SWITCH-MS	0.00	43.09
1011	96463	01/16/20	1914	US BANK	00160006170	HEATER/POWER STRIP	0.00	49.54
1011	96463	01/16/20	1914	US BANK	00160006120	COSTCO MEMBERSHP RNWL	0.00	60.00
1011	96463	01/16/20	1914	US BANK	00160006170	EMT RECERT-URUBURU	0.00	72.10
1011	96463	01/16/20	1914	US BANK	00160006120	TRASH BAGS	0.00	74.32
1011	96463	01/16/20	1914	US BANK	27060006120	STRIKETM-FUEL	0.00	75.00
1011	96463	01/16/20	1914	US BANK	00160006120	3 TOWELS	0.00	77.70
1011	96463	01/16/20	1914	US BANK	00150005450	INTERNET EXTNDR-LCCC	0.00	82.97
1011	96463	01/16/20	1914	US BANK	27060006120	STRIKETM-FUEL	0.00	95.00
1011	96463	01/16/20	1914	US BANK	00160006170	DIVER FINS/ACCSRIES	0.00	95.29
1011	96463	01/16/20	1914	US BANK	27060006120	STRIKETM-FUEL	0.00	101.51
1011	96463	01/16/20	1914	US BANK	00160006170	4 DIVE MASKS	0.00	127.20
1011	96463	01/16/20	1914	US BANK	00160006120	PT TANK TOPS	0.00	134.00
1011	96463	01/16/20	1914	US BANK	00160006120	OPEN HOUSE REFRSHMNTS	0.00	194.00
1011	96463	01/16/20	1914	US BANK	00150005450	ROUTER-LCCC	0.00	210.11
1011	96463	01/16/20	1914	US BANK	13550005450	FIRE DEPT COMPUTERS	0.00	268.38
1011	96463	01/16/20	1914	US BANK	00160006120	TWLS/TSSUE/CLNR/DTGNT	0.00	381.42
1011	96463	01/16/20	1914	US BANK	00160006120	25G TOOL FUEL	0.00	398.20
1011	96463	01/16/20	1914	US BANK	00150005450	FORTHERECRD SFTWRE	0.00	447.00
1011	96463	01/16/20	1914	US BANK	13550005450	FIRE DEPT COMPUTERS	0.00	975.02
TOTAL CHECK							0.00	4,499.63
1011	96464	01/16/20	2476	CCAC	00150005150	2020 RENEWAL FEE-IVEY	0.00	65.00
1011	96465	01/16/20	5051	CINTAS CORPORATION NO. 2	00165006570	FIRST AID SUPPLIES-CH	0.00	118.75
1011	96465	01/16/20	5051	CINTAS CORPORATION NO. 2	00165006570	FIRST AID SUPPLIES-PW	0.00	71.07
TOTAL CHECK							0.00	189.82
1011	96466	01/16/20	2631	CLEAN STREET	00165006550	STREET SWP-DEC	0.00	3,364.00
1011	96466	01/16/20	2631	CLEAN STREET	00165006550	SPCL SWP- 12/20	0.00	475.00
TOTAL CHECK							0.00	3,839.00
1011	96467	01/16/20	689	THE COAST NEWS	00150005150	COMMISS VACANCY AD	0.00	500.00
1011	96468	01/16/20	211	CONSOLIDATED ELECTRICAL	00165006570	56-LAMP BULBS	0.00	758.99
1011	96469	01/16/20	2165	CULLIGAN OF SAN DIEGO	00160006170	DRNKNG WTR SVC-JAN	0.00	45.56

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	96470	01/16/20	2629	D & D DISPOSAL INC	00160006130	ANIMAL DISPOSAL-DEC	0.00	130.00
1011	96471	01/16/20	218	DATATICKET INC.	001	SB06001496-RFND	0.00	62.00
1011	96472	01/16/20	5674	EMANUELS JONES AND ASSOC	00150005200	PROF SVC-OCT	0.00	75.00
1011	96472	01/16/20	5674	EMANUELS JONES AND ASSOC	00150005200	PROF SVC-JAN	0.00	2,500.00
TOTAL CHECK							0.00	2,575.00
1011	96473	01/16/20	223	FEDEX	00150005150	SHIPPING-12/20 & 23	0.00	98.39
1011	96474	01/16/20	2562	LALLEY CONSTRUCTION	00165006570	BACKFLOW VLV-LC	0.00	1,365.00
1011	96474	01/16/20	2562	LALLEY CONSTRUCTION	00165006570	FRM WRK SOLAR-MS	0.00	4,940.00
TOTAL CHECK							0.00	6,305.00
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	55000007750	PROF SERV PE 11/30/19	0.00	87.50
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	175.00
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	227.50
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	411.95
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	647.50
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	1,137.50
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	1,295.00
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	1,395.00
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	5,500.00
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 11/30/19	0.00	6,147.22
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 10/31/19	0.00	87.50
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	12050005460	CLM.2002 PROF SVC-OCT	0.00	245.00
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 10/31/19	0.00	773.32
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 10/31/19	0.00	874.76
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 10/31/19	0.00	1,172.50
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 10/31/19	0.00	1,394.45
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	55000007750	PROF SERV PE 10/31/19	0.00	1,557.50
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 10/31/19	0.00	5,500.00
1011	96475	01/16/20	1130	MCDUGAL LOVE ECKIS SMIT	00150005250	PROF SERV PE 10/31/19	0.00	8,778.77
TOTAL CHECK							0.00	37,407.97
1011	96476	01/16/20	5508	MERCHANTS BUILDING MAINT	00165006570	JANITORIAL SVC-DEC	0.00	4,581.35
1011	96477	01/16/20	5407	PJ CASTORENA, INC.	55000007750	CCA WK ENR12/23&12/30	0.00	73.56
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	2.37
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	2.40
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	2.64
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	2.64
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	6.35
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	6.41
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.04
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.04
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	9.49
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	9.59
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	10.54
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	10.54
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	10.67

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1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	10.79
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	11.86
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	11.86
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	18.97
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	19.18
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	21.08
1011	96478	01/16/20	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	21.08
TOTAL CHECK								202.54
1011	96479	01/16/20	5372	NATIONAL PRINT AND PROMO	00150005300	1099 FORMS /ENVELOPES	0.00	235.49
1011	96480	01/16/20	4522	NISSHO OF CALIFORNIA	00165006530	SOLENOID RPLC-CST TRL	0.00	155.07
1011	96480	01/16/20	4522	NISSHO OF CALIFORNIA	00165006530	MAINLINE REBUILT-LC	0.00	282.29
TOTAL CHECK								437.36
1011	96481	01/16/20	2019	NORTH COUNTY EVS, INC	00160006120	ON CALL REPAIR-11/11	0.00	14,270.50
1011	96482	01/16/20	5608	PALOMAR MTN PREMIUM SPRI	00165006570	DRINKING WATER-PW-DEC	0.00	5.00
1011	96482	01/16/20	5608	PALOMAR MTN PREMIUM SPRI	00165006570	DRINKING WATER-LC-DEC	0.00	7.90
1011	96482	01/16/20	5608	PALOMAR MTN PREMIUM SPRI	00165006570	DRINKING WATER-CH-DEC	0.00	31.00
1011	96482	01/16/20	5608	PALOMAR MTN PREMIUM SPRI	00165006570	DRINKING WATER-CH-DEC	0.00	87.50
1011	96482	01/16/20	5608	PALOMAR MTN PREMIUM SPRI	00165006570	DRINKING WATER-CH-DEC	0.00	102.90
TOTAL CHECK								234.30
1011	96483	01/16/20	4767	PARTNERSHIPS WITH INDUST	00165006550	TRASH ABTMNT PE11/30	0.00	349.26
1011	96483	01/16/20	4767	PARTNERSHIPS WITH INDUST	00165006550	TRASH ABTMNT PE12/15	0.00	429.16
1011	96483	01/16/20	4767	PARTNERSHIPS WITH INDUST	00165006570	TRASH ABTMNT PE11/30	0.00	349.25
1011	96483	01/16/20	4767	PARTNERSHIPS WITH INDUST	00165006570	TRASH ABTMNT PE12/15	0.00	429.15
TOTAL CHECK								1,556.82
1011	96484	01/16/20	4853	PINPOINT PEST CONTROL CO	00165006530	BEE/WASP CNTRL-390 LO	0.00	185.00
1011	96484	01/16/20	4853	PINPOINT PEST CONTROL CO	00165006530	BEE/WASP CNTRL-736 ST	0.00	250.00
TOTAL CHECK								435.00
1011	96485	01/16/20	1008	PSC, LLC	00165006520	HHW-NOV	0.00	1,049.70
1011	96486	01/16/20	1112	RANCHO SANTA FE SECURITY	00165006570	REMOUNT SENSOR ZONE	0.00	78.00
1011	96486	01/16/20	1112	RANCHO SANTA FE SECURITY	00165006560	RESTRM LCK/UNLCK-DEC	0.00	555.79
1011	96486	01/16/20	1112	RANCHO SANTA FE SECURITY	00165006560	ALARM MONITORING-DEC	0.00	240.00
TOTAL CHECK								873.79
1011	96487	01/16/20	5782	SAN DIEGO HOUSE OF MOTOR	00160006170	16PLARIS-MNT/BLC TIRE	0.00	480.55
1011	96488	01/16/20	287	SALIENT NETWORKS (FKA DI	00150005450	FY20 PHNE/VM/FAX MAINT	0.00	426.30
1011	96488	01/16/20	287	SALIENT NETWORKS (FKA DI	00150005450	FY20 PHNE/VM/FAX MAINT	0.00	11,737.32
TOTAL CHECK								12,163.62
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	20475007520	GRP 6-01 12/03-01/02	0.00	1,567.12
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006520	005506014 12/03-01/02	0.00	218.10
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	50900007700	005506014 12/03-01/02	0.00	654.32
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006550	011695000 12/03-01/02	0.00	47.82
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006530	011695000 12/03-01/02	0.00	79.69

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1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506018 12/03-01/02	0.00	130.96
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506019 12/03-01/02	0.00	158.56
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	20875007580	005506020 12/03-01/02	0.00	226.81
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506000 1102-010220	0.00	132.42
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506001 1102-010220	0.00	85.08
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506002 1102-010220	0.00	397.81
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	20875007580	005506003 1102-010220	0.00	136.32
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506004 1102-010220	0.00	85.08
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506005 1102-010220	0.00	199.44
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506006 1102-010220	0.00	136.32
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506007 1102-010220	0.00	103.56
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006570	005506008 1102-010220	0.00	356.23
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506009 1102-010220	0.00	85.08
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506010 1102-010220	0.00	140.52
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506011 1102-010220	0.00	296.17
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506012 1102-010220	0.00	1,067.71
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005506013 1102-010220	0.00	122.04
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	20375007510	005979000 1102-010220	0.00	273.08
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	005979001 1102-010220	0.00	116.43
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	012448000 1102-010220	0.00	136.32
1011	96490	01/16/20	141	SANTA FE IRRIGATION DIST	00165006560	012448001 1102-010220	0.00	87.48
TOTAL CHECK							0.00	7,040.47
1011	96491	01/16/20	1073	SEASIDE HEATING & AIR CO	00165006570	TIMER REPAIR-LC	0.00	298.00
1011	96492	01/16/20	5725	SIEMENS MOBILITY, INC.	21100007600	ST LIGHT REPAIR-NOV	0.00	270.07
1011	96492	01/16/20	5725	SIEMENS MOBILITY, INC.	00165006540	TRAFFIC SGNL MNT-NOV	0.00	1,062.88
TOTAL CHECK							0.00	1,332.95
1011	96493	01/16/20	5743	STANDARD PLUMBING SUPPLY	00165006570	PLMBR PUTTY/STRAINER	0.00	31.64
1011	96493	01/16/20	5743	STANDARD PLUMBING SUPPLY	00165006560	GLUE/PVC PARTS/SPONGE	0.00	74.88
TOTAL CHECK							0.00	106.52
1011	96494	01/16/20	5814	STREAMLINE AUTOMATION SY	13560006120	FY20 FRE INSPCTN SFTWR	0.00	6,588.00
1011	96495	01/16/20	3265	THE LAND STEWARDS	00165006520	POLY SAND BAGS-CH	0.00	262.24
1011	96496	01/16/20	5427	TOSDAL LAW FIRM	55000007750	SEA PROF SVC-DEC	0.00	7,077.00
1011	96497	01/16/20	40	UNDERGROUND SVC ALERT OF	00165006510	DIG ALERT-DEC	0.00	57.85
1011	96497	01/16/20	40	UNDERGROUND SVC ALERT OF	00165006510	CA ST REGLRTY-DEC	0.00	46.16
TOTAL CHECK							0.00	104.01
1011	96498	01/16/20	5509	VALLEY CONSTRUCTON MANAG	50998336510	9833PMP STN MNGMT-DEC	0.00	2,148.75
1011	96498	01/16/20	5509	VALLEY CONSTRUCTON MANAG	50998336510	9833PMP STN MNGMT-DEC	0.00	12,786.25
TOTAL CHECK							0.00	14,935.00
1011	96499	01/16/20	2823	WELLS FARGO BANK	65278007820	FY20 TAB 2017 ADMN FEE	0.00	4,000.00
1011	96500	01/23/20	4706	24 HOUR ELEVATOR, INC	00165006570	BLVTR MAINT-JAN	0.00	160.00
1011	96501	01/23/20	2526	BARTEL ASSOCIATES, LLC	00150005300	GASB68 FY19 AUDIT	0.00	-1,650.00

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1011	96501	01/23/20	2526	BARTEL ASSOCIATES, LLC	00150005300	GASB68 FY19 AUDIT	0.00	1,650.00
1011	96501	01/23/20	2526	BARTEL ASSOCIATES, LLC	00150005300	GASB74&75 FY19 CALC	0.00	5,000.00
TOTAL CHECK							0.00	5,000.00
1011	96502	01/23/20	5816	BOARDRIDERS	00160006170	WETSUIT-MASON	0.00	159.02
1011	96503	01/23/20	1491	COASTAL FRONTIERS INC	45099266190	9926 SHLN MNT-DEC	0.00	3,142.00
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	BULBS	0.00	2.79
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	PVC PARTS	0.00	19.77
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	LIGHT SENSOR	0.00	22.96
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	BATTERIES	0.00	32.30
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	PAINT SPRY/APPOXY	0.00	37.39
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006560	SLEDGE HAMMER	0.00	38.78
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	PAINT/CLIPS	0.00	48.52
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	LUMBER	0.00	56.14
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	CLOSET RBLD KIT	0.00	65.27
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006570	PAINT/ROLLER/BRUSH	0.00	69.22
1011	96504	01/23/20	134	DIXIELINE LUMBER CO INC	00165006530	BLACK TOP PATCH	0.00	86.09
TOTAL CHECK							0.00	479.23
1011	96505	01/23/20	2127	ALLIANT INSURANCE SERVIC	001	Q2 SPEC EVENT INSUR	0.00	876.34
1011	96506	01/23/20	94	ESGIL CORPORATION	00155005560	BLDG PRMT 12/09-12/13	0.00	3,505.08
1011	96507	01/23/20	2873	GEOPACIFICA, INC	45994506510	9450.10 STRM DRN-JUN	0.00	2,652.76
1011	96508	01/23/20	5262	GEORGE HILLS COMPANY, IN	12050005460	CLM.1904-PRO SVC-DEC	0.00	45.00
1011	96509	01/23/20	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 01/24/20	0.00	11,888.41
1011	96510	01/23/20	3859	ICMA RETIREMENT TRUST-RH	001	ICMA PD 01/24/20	0.00	2,171.46
1011	96511	01/23/20	2562	LALLEY CONSTRUCTION	00165006570	EV CHARGING STATION	0.00	5,655.00
1011	96512	01/23/20	172	LEE'S LOCK & SAFE INC	00165006570	AS NEEDED RPR-CH	0.00	1,574.96
1011	96512	01/23/20	172	LEE'S LOCK & SAFE INC	00165006570	AS NEEDED RPR-FS	0.00	124.50
1011	96512	01/23/20	172	LEE'S LOCK & SAFE INC	00165006570	AS NEEDED RPR-CH	0.00	406.56
TOTAL CHECK							0.00	2,106.02
1011	96513	01/23/20	5549	MICHAEL BAKER INTERNATIO	22093826510	9382.03 LSF CORR-III	0.00	3,016.25
1011	96513	01/23/20	5549	MICHAEL BAKER INTERNATIO	22893826510	9382.03 LSF CORR-III	0.00	335.14
TOTAL CHECK							0.00	3,351.39
1011	96514	01/23/20	2106	MIKHAIL OGAWA ENGINEERIN	00165006520	JURMP-DEC	0.00	4,494.14
1011	96514	01/23/20	2106	MIKHAIL OGAWA ENGINEERIN	00165006520	JURMP-NOV	0.00	9,836.92
TOTAL CHECK							0.00	14,331.06
1011	96515	01/23/20	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	2.63
1011	96515	01/23/20	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.05
1011	96515	01/23/20	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	10.54
1011	96515	01/23/20	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	11.86

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1011	96515	01/23/20	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	21.08
TOTAL CHECK								53.16
1011	96516	01/23/20	191	NAPA AUTO PARTS INC	00165006560	OIL	0.00	51.59
1011	96517	01/23/20	4522	NISSHO OF CALIFORNIA	00165006530	STREET LNDSCP SVC-DEC	0.00	1,827.01
1011	96517	01/23/20	4522	NISSHO OF CALIFORNIA	00165006560	PRKS LNDSCP SVC-DEC	0.00	11,716.79
1011	96517	01/23/20	4522	NISSHO OF CALIFORNIA	00165006570	PUBFAC LNDSCP SVC-DEC	0.00	2,509.06
1011	96517	01/23/20	4522	NISSHO OF CALIFORNIA	20375007510	MID#33 LNDSCP SVC-DEC	0.00	2,678.26
1011	96517	01/23/20	4522	NISSHO OF CALIFORNIA	20875007580	CRT LNDSCP SVC-DEC	0.00	3,396.52
TOTAL CHECK								22,127.64
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1715.42/329 S. RIOS	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1716.26/502 MAR VISTA	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.07/801 GENEVIEVE	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.19/982 AVOCADO	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1719.03/640 VIA DE LA	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1719.09/632 MAR VISTA	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1719.12/601 N. CEDROS	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	DRP19003/521 S. RIOS	0.00	250.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	DRP19006/838 ACADEMY	0.00	300.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	DRP19008/FORD AVENUE	0.00	300.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	B190532/948 SANTA EST	0.00	300.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1719.11/1530 SANTA SA	0.00	300.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.36/850 AVOCADO	0.00	375.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	BP18.533/678 S. CEDRO	0.00	450.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	DRP19011/608 N. RIOS	0.00	600.00
1011	96518	01/23/20	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1719.01/4250 NORTH	0.00	625.00
TOTAL CHECK								5,250.00
1011	96519	01/23/20	4767	PARTNERSHIPS WITH INDUST	00165006550	TRASH ABTMNT PE12/31	0.00	245.23
1011	96519	01/23/20	4767	PARTNERSHIPS WITH INDUST	00165006570	TRASH ABTMNT PE12/31	0.00	245.23
TOTAL CHECK								490.46
1011	96520	01/23/20	2260	REDFLEX TRAFFIC SYSTEMS,	00165006540	RED LIGHT CAMERA-DEC	0.00	7,158.00
1011	96521	01/23/20	5725	SIEMENS MOBILITY, INC.	00165006540	TRAFFIC CALL OUT-NOV	0.00	1,087.55
1011	96522	01/23/20	450	SWRCB	00165006520	FY19/20 STRM WTR PRMT	0.00	8,539.00
1011	96522	01/23/20	450	SWRCB	00165006520	FY19/20 STRM WTR PRMT	0.00	2,625.00
1011	96522	01/23/20	450	SWRCB	50998336510	9833FY20 STRM WTR PRMT	0.00	2,339.00
TOTAL CHECK								13,503.00
1011	96523	01/23/20	4534	TRAFFIC SUPPLY, INC	00165006540	2 LED PWR STOP SIGNS	0.00	6,503.79
1011	96523	01/23/20	4534	TRAFFIC SUPPLY, INC	00165006540	SOLAR CURVE SIGN	0.00	1,826.36
TOTAL CHECK								8,330.15
1011	96524	01/23/20	2097	UT SAN DIEGO - NRTH COUN	00150005300	PUB HRG-ANNL INDX ADJ	0.00	142.03
1011	96524	01/23/20	2097	UT SAN DIEGO - NRTH COUN	00155005550	NTC ADPT-IS/MND	0.00	282.29
1011	96524	01/23/20	2097	UT SAN DIEGO - NRTH COUN	00155005550	PUB HRNG-1719.34 DRP	0.00	344.03
TOTAL CHECK								768.35

PENTAMATION
 DATE: 01/27/2020
 TIME: 07:47:38

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 11
 ACCTPA21

SELECTION CRITERIA: transact.ck_date between '20200104 00:00:00.000' and '20200124 00:00:00.000'
 ACCOUNTING PERIOD: 7/20

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	00160006140	CODE CELL 11/24-12/23	0.00	145.71
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	21100007600	PW CELL 12/02-01/01	0.00	2.49
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	50900007700	PW CELL 12/02-01/01	0.00	2.49
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	00165006540	PW CELL 12/02-01/01	0.00	9.97
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	00165006560	PW CELL 12/02-01/01	0.00	9.97
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	00165006510	PW CELL 12/02-01/01	0.00	12.46
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	00165006520	PW CELL 12/02-01/01	0.00	12.46
1011	96525	01/23/20	30	VERIZON WIRELESS-SD	00165006530	PW CELL 12/02-01/01	0.00	12.46
TOTAL CHECK							0.00	208.01
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	W7830PT CLRKS-DEC	0.00	218.99
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	EXCES BLK-11/21-12/30	0.00	22.94
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	EXCES CLR-11/21-12/30	0.00	164.76
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	W7830PT UPSTRS-DEC	0.00	199.60
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	EXCES BLK-11/21-12/21	0.00	21.34
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	EXCES CLR-11/21-12/21	0.00	102.00
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	D95CP PLNG LEASE-DEC	0.00	555.18
1011	96526	01/23/20	37	XEROX CORPORATION	00150005350	EXCS COPY 11/21-12/21	0.00	63.13
TOTAL CHECK							0.00	1,347.94
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	001	CRSSNG GRD11/17-11/30	0.00	2,319.20
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	001	CRSSNG GRD11/03-11/16	0.00	4,174.56
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	001	CRSSNG GRD10/06-10/19	0.00	4,638.40
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	001	CRSSNG GRD10/20-11/02	0.00	4,638.40
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	00165006540	CRSSNG GRD12/01-12/14	0.00	2,489.79
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	00165006540	CRSSNG GRD12/01-12/14	0.00	4,623.91
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	001	CRSSNG GRD12/01-12/14	0.00	-4,623.91
1011	V900079	01/09/20	5504	ALL CITY MANAGEMENT SERV	001	CRSSNG GRD12/01-12/14	0.00	4,623.91
TOTAL CHECK							0.00	22,884.26
1011	V900080	01/09/20	4697	CATHERINE WONG	12050005460	2019 GYM RIEMB	0.00	159.97
1011	V900081	01/09/20	13	SOLANA BEACH FIREFIGHTER	001	FD DUES PD 01/10/20	0.00	913.50
1011	V900082	01/16/20	1561	CDW GOVERNMENT INC	13560006120	(4) SURFACE PRO LTE	0.00	5,247.77
1011	V900083	01/16/20	5527	PCL CONSTRUCTION INC.	50998336510	9833 SB PMP STN-DEC	0.00	195,700.00
1011	V900083	01/16/20	5527	PCL CONSTRUCTION INC.	50998336510	9833 PMP STN RTN-DEC	0.00	10,300.00
1011	V900083	01/16/20	5527	PCL CONSTRUCTION INC.	50998336510	9833 PMP STN CONT-DEC	0.00	62,553.70
1011	V900083	01/16/20	5527	PCL CONSTRUCTION INC.	50998336510	9833PMP STN C RTN-DEC	0.00	3,292.30
1011	V900083	01/16/20	5527	PCL CONSTRUCTION INC.	509	9833 PMP STN RTN-DEC	0.00	-10,300.00
1011	V900083	01/16/20	5527	PCL CONSTRUCTION INC.	509	9833PMP STN C RTN-DEC	0.00	-3,292.30
TOTAL CHECK							0.00	258,253.70
1011	V900084	01/23/20	13	SOLANA BEACH FIREFIGHTER	001	FD DUES PD 01/24/20	0.00	913.50
TOTAL CASH ACCOUNT							0.00	1,664,872.41
TOTAL FUND							0.00	1,664,872.41
TOTAL REPORT							0.00	1,664,872.41



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Finance
SUBJECT: Report on Changes Made to the General Fund Adopted Budget for Fiscal Year 2019/20

BACKGROUND:

Staff provides a report at each Council meeting that lists changes made to the current Fiscal Year (FY) General Fund Adopted Budget.

The information provided in this Staff Report lists the changes made through January 22, 2020.

DISCUSSION:

The following table reports the revenue, expenditures, and transfers for 1) the Adopted General Fund Budget approved by Council on June 12, 2019 (Resolution 2019-085) and 2) any resolutions passed by Council that amended the Adopted General Fund Budget.

GENERAL FUND - ADOPTED BUDGET PLUS CHANGES						
As of January 22, 2020						
Action	Description	Revenues	Expenditures	Transfers from GF		Net Surplus
Reso 2019-085	Adopted Budget	19,357,000	(19,141,500)	(151,100)	(1)	\$ 64,400
	(1) Transfers to:					
	Debt Service for Public Facilities		151,100			
				151,100		

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA

FISCAL IMPACT:

N/A

COUNCIL ACTION:

WORK PLAN:

N/A

OPTIONS:


- Receive the report.
- Do not accept the report

DEPARTMENT RECOMMENDATION:

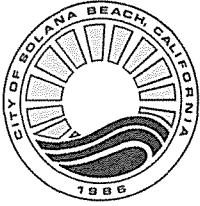
Staff recommends that the City Council receive the report listing changes made to the FY 2019-2020 General Fund Adopted Budget.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Update No. 2 on Actions Taken in Response to the
Emergency CMP Storm Drain Repairs**

BACKGROUND:

The City of Solana Beach owns and operates numerous segments of Corrugated Metal Pipes (CMP) throughout the City. The majority of these pipes were constructed over 30 years ago and have surpassed their useful life. Recently, the City performed a condition assessment of the CMP network and found several locations requiring immediate attention to address conditions that pose significant public safety concerns.

At the January 8, 2020 City Council (Council) meeting, the Council declared an emergency pursuant to Public Contract Code Section 20168, ratified the City Manager's decision to execute contracts necessary to perform the repairs and directed Staff to report to City Council regarding the emergency as required by Public Contract Code Section 22050.

This item is before the City Council for information only to provide Update No. 2 to the construction project pursuant to section 22050(c) of the Public Contract Code. No action is required.

DISCUSSION:

Staff has been working with the Contractor to determine the proper method of repair and scope of work for Phase 1. Since the previous update to the City Council City Staff and the Contractor performed the following tasks:

- Performed confined space entry into the storm drain culvert at the intersection of Cedros Avenue and Marsolan Avenue.

COUNCIL ACTION:

- Assessed observable damages for the entire pipe segment
- Collaborated on the design and method of repair
- Initiated the repair process on a time and material basis

Staff will continue monitoring the progress and provide update reports at future Council meetings.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15302(c) of the State CEQA Guidelines.

FISCAL IMPACT:

The costs associated with the Phase I repairs have not been determined as the scope of work is being developed. The Fiscal Year (FY) 2019/20 Capital Improvement Program has set aside two storm drain projects. The first project is for the Citywide CMP condition assessment for \$15,000 and the second is for storm drain repair for \$250,000. Staff anticipates the costs associated with the Phase I repairs will be well below the appropriated amounts. Since the work associated with these repairs is still underway, Staff will report to the City Council with a full financial accounting once the repairs are completed.

WORK PLAN:

The Project is consistent with Item B.2 of the Environmental Sustainability section of the FY 2019/20 Work Plan.

OPTIONS:

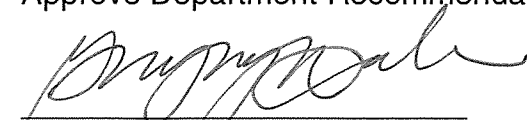
- Receive this report.
- Provide comments or direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council receive Update No. 2 and provide further direction, if necessary.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Consideration of Resolution No. 2020-015 Accepting the Project as Complete and Authorizing the City Clerk to File a Notice of Completion for the Tide Beach Park Slope Paving Removal Project**

BACKGROUND:

At the December 11, 2019 City Council meeting, the City Council awarded a construction contract for the Tide Beach Park Slope Paving Removal Project, Bid 2019-06, in the amount of \$33,900, to Wright Construction Engineering Corp. and also approved a construction contingency in the amount of \$10,000.

This item is before the City Council for the consideration of Resolution 2020-015 (Attachment 1), which reports the final project costs, accepts the project as complete and directs the City Clerk to file a Notice of Completion (NOC).

DISCUSSION:

Wright Construction Engineering Corp completed all work on this project in accordance with the approved plans and specifications of Bid No. 2019-06 to the satisfaction of the City Engineer. There was one change order issued on the project, in the amount of \$8,080, that compensated the contractor for additional slope paving removal.

The City will release the retention (\$2,099) thirty-five (35) days after the Notice of Completion is approved by the City Council.

CEQA COMPLIANCE STATEMENT:

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(d) of the State CEQA Guidelines.

CITY COUNCIL ACTION:

FISCAL IMPACT:

The Fiscal Year (FY) 2019/20 CIP budget included \$100,000 in Transient Occupancy Tax (TOT) Funds for the project. Since the construction bids came in lower than expected, the construction budget approved during the award of the project was \$43,900, which included the \$33,900 bid amount plus a \$10,000 construction contingency.

As mentioned above, there was one change order issued during the project, in the amount of \$8,080, for the removal of additional slope paving. When added to the original construction amount of \$33,900, the final construction cost of the project was \$41,980.

WORK PLAN:

The Project is consistent with Item B.12 of the Community Character Priorities section of the FY 2019/20 Work Plan.

OPTIONS:

- Adopt Staff recommendation.
- Deny Staff recommendation and provide direction.


DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2020-015:

1. Accepting as complete the Tide Beach Park Slope Paving Removal Project, Bid 2019-06, constructed by Wright Construction Engineering Corp.
2. Authorizing the City Clerk to file a Notice of Completion.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2020-015

RESOLUTION 2020 - 015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ACCEPTING AS COMPLETE THE TIDE BEACH PARK SLOPE PAVING REMOVAL PROJECT, BID 2019-06, AND AUTHORIZING THE CITY CLERK TO FILE A NOTICE OF COMPLETION

WHEREAS, the Tide Beach Park Slope Paving Removal Project, Bid 2019-06, awarded by the City Council on December 11, 2019, was completed in accordance with the plans and specifications included as part of the construction contract with Wright Construction Engineering Corp. to the satisfaction of the City Engineer.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council accepts as complete the Tide Beach Park Slope Paving Removal Project, Bid 2019-06, constructed by Wright Construction Engineering Corp.
3. That the City Council authorizes the City Clerk to file a Notice of Completion for the project.

PASSED AND ADOPTED this 12th day of February, 2020, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Engineering Department
SUBJECT: **Consideration of Resolution 2020-017 Approving PSA with Koppel & Gruber Public Finance for Administration of the CRT and Streetlight Assessment Districts**

BACKGROUND:

The City provides annual administration of the Solana Beach Coastal Rail Trail Maintenance District (CRT District) and the Solana Beach Lighting Maintenance District (Streetlight District). This administration includes preparation of the engineer's report, modifications to the assessment roll and determination of assessments. In order to properly manage these two assessment districts, Staff requires assistance from a qualified consulting firm.

The CRT District was formed in January 2006 in order to provide funding for the maintenance of certain public improvements. These improvements include, but are not limited to, the operation, maintenance and servicing of landscaping and public lighting improvements along the CRT. The CRT District was formed pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of California, beginning with Section 22500 ("Act") and in compliance with the substantive and procedural requirements of the California State Constitution Article XIII (C) and XIII (D) ("Proposition 218") and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750).

The Streetlight District was formed by the County of San Diego, before incorporation of the City, in order to provide funding for operation, maintenance and servicing of all lights within the current City boundaries. The streetlights are owned by both the City of Solana Beach (ownership acquired by the City upon incorporation) and San Diego Gas and Electric. The Streetlight District is administered pursuant to the provisions of the

COUNCIL ACTION:

“Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Street and Highway Code of California.”

This item is before Council to consider authorizing the City Manager to enter into a Professional Service Agreement (PSA) with Koppel & Gruber Public Finance (KGPF) for administration of the CRT and Streetlight Assessment Districts.

DISCUSSION:

Staff issued a request for proposals (RFP) seeking assistance with the annual administration of the CRT District and the Street Light District (Zones A and B). The City requested interested consultants to provide information on their experience, qualifications and understanding of the project, as well as estimated fees. While the proposed services fee is considered in the selection process, the demonstrated competence, professional qualifications, and consultant’s experience in performing similar analyses are also important considerations. The RFP was posted on the City’s website and eBidboard.com.

Proposals from three consultants were received as follows:

1. Koppel & Gruber Public Finance	\$6,125
2. Francisco & Associates, Inc.	\$7,255
3. DTA Public Finance	\$27,480

Staff reviewed and rated the proposals according to project understanding, qualifications, experience and ability to serve the needs of the City. While all three consultants could perform the study, Staff is recommending that KGPF be hired to perform the study. KGPF has been performing work for the City for a number of years on several assessment districts including the CRT and Streetlight Districts. KGPF has always produced accurate and reliable information for City Staff in preparation of the annual reports. Staff concluded that KGPF was the most suitable consultant for this work. The proposals from all three consultants are available for review in the Engineering Department.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The proposal submitted by KGPF is for a not to exceed amount of \$6,125 for the first year. This work will be funded by the current fiscal year annual appropriations made in the accounts for the CRT and Streetlight Assessment Districts. There is sufficient funding allocated annually for this work. No additional appropriation is necessary. Future extensions that may be executed as part of this agreement would be subject to a

cost escalator only for the Streetlight District since the CRT District does not have sufficient funds to support an increase.

WORK PLAN:

This item is not mentioned in the Fiscal Year 2019-20 Work Plan.

OPTIONS:

- Approve Staff recommendation.
- Provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Adopt Resolution 2020-017 authorizing the City Manager to execute a professional services agreement, in an amount not to exceed \$6,125 for the first year, with Koppel & Gruber Public Finance for annual administration of the Coastal Rail Trail and Streetlight Assessment Districts.
2. Authorizing the City Manager to extend the agreement for up to four additional years, at the City's option.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2020-017

RESOLUTION 2020-017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH KOPPEL & GRUBER PUBLIC FINANCE FOR ANNUAL ADMINISTRATION OF THE COASTAL RAIL TRAIL AND STREETLIGHT ASSESSMENT DISTRICTS

WHEREAS, the City of Solana Beach Coastal Rail Trail Maintenance District was formed in January 2006 in order to provide funding for the maintenance of certain public improvements including, but not limited to, the operation, maintenance and servicing of landscaping and public lighting improvements along the Coastal Rail Trail; and

WHEREAS, the Solana Beach Lighting Maintenance District ("District") was formed by the County of San Diego, before incorporation of the City, in order to provide funding for operation, maintenance and servicing of all lights within the current City boundaries, owned both by the City of Solana Beach (ownership acquired by the City upon incorporation) and San Diego Gas and Electric; and

WHEREAS, the City solicited requests for proposals seeking assistance with the annual administration of the Coastal Rail Trail Assessment District and the City's Streetlight Assessment District (Zones A and B); and

WHEREAS, in response to the request for proposals, three proposals were received and reviewed by Staff for project understanding, qualifications, experience and ability to serve the needs of the City.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council authorizes the City Manager to execute a professional services agreement, in an amount not to exceed \$6,125, with Koppel & Gruber Public Finance for annual administration of the Coastal Rail Trail and Streetlight Assessment Districts.

3. That the City Council authorizes the City Manager to extend the agreement for up to four additional years, at the City's option.

PASSED AND ADOPTED this 12th day of February, 2020, at a regular meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

ITEM A.6.

Minutes of the City Council

December 11, 2019 Closed Session
Regular Mtg

January 8, 2020 Closed Session
Regular Mtg
Special Mtg

CITY OF SOLANA BEACH

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



MINUTES

Joint Meeting - Closed Session

Wednesday, December 11, 2019 * 5:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

CITY COUNCILMEMBERS

David A. Zito, Mayor

Jewel Edson, Deputy Mayor

Judy Hegenauer, Councilmember

Kristi Becker, Councilmember

Kelly Harless, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

CALL TO ORDER AND ROLL CALL:

Mayor Zito called the meeting to order at 5:00 p.m.

Present: David A. Zito, Jewel Edson, Judy Hegenauer, Kristi Becker, Kelly Harless

Absent: None

Also Present: Gregory Wade, City Manager
Johanna Canlas, City Attorney

PUBLIC COMMENT ON CLOSED SESSION ITEMS (ONLY): None

*Report to Council Chambers and submit speaker slips to the City Clerk
before the meeting recesses to closed session.*

CLOSED SESSION:

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(d)(2)
Two (2) Potential case(s).

2. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION

Pursuant to Government Code Section 54956.9(d)(4)
One (1) Potential case(s).

3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)
Darin Kuite v. City of Solana Beach
WCAB No./Case NO. ADJ12071785

ACTION: No reportable action.

ADJOURN:

Mayor Zito adjourned the meeting at 6:00 p.m.

CITY OF SOLANA BEACH

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



MINUTES

Joint REGULAR Meeting

Wednesday, December 11, 2019 * 6:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

- > City Council meetings are video recorded and archived as a permanent record. The video recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
- > Posted Reports & Supplemental Docs contain records up to the cut off time prior to meetings for processing new submittals. Complete records containing meeting handouts, PowerPoints, etc. can be obtained through a Records Request.

CITY COUNCILMEMBERS

David A. Zito, Mayor

Jewel Edson, Deputy Mayor

Judy Hegenauer, Councilmember

Kristi Becker, Councilmember

Kelly Harless, Councilmember

Reorganization

Jewel Edson, Mayor

Judy Hegenauer, Deputy Mayor

Kristi Becker, Councilmember

Kelly Harless, Councilmember

David A. Zito, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

CALL TO ORDER AND ROLL CALL:

Mayor Zito call the meeting to order at 6:04 p.m.

Present: David A. Zito, Jewel Edson, Judy Hegenauer, Kristi Becker, Kelly Harless

Absent: None

Also Present: Greg Wade, City Manager
Johanna Canlas, City Attorney
Angela Ivey, City Clerk,
Dan King, Assistant City Manager
Mo Sammak, City Engineer/Public Works Dir.
Marie Berkuti, Finance Manager
Joseph Lim, Community Development Dir.

CLOSED SESSION REPORT: None

FLAG SALUTE:

APPROVAL OF AGENDA:

Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

C. STAFF REPORTS: (C.1.)

Submit speaker slips to the City Clerk.

C.1. Annual Mayor and Deputy Mayor Appointments. (File 0430-20)

Recommendation: That the City Council nominate and appoint the 2020 Mayor and Deputy Mayor for a term of December 11, 2019 to December 9, 2020.

Peggy Walker spoke about Mayor Dave Zito's support and presented him with small token of appreciation.

1. Mayor calls for a nomination of Mayor. Call for the vote.

Motion: Moved by Deputy Mayor Jewel Edson and second by Councilmember Harless to appoint Jewel Edson to Mayor. **Approved 5/0.** Motion carried unanimously.

2. Appointed Mayor calls for nomination of a Deputy Mayor. Call for the vote.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to appoint Judy Hegenauer as Deputy Mayor. **Approved 5/0.** Motion carried unanimously.

Councilmembers shared their thanks and appreciation for outgoing Mayor Zito and presented him with a gift.

Councilmember Zito spoke about his year as Mayor and the projects that the Council had accomplished.

Greg Wade, City Manager, spoke about working with Mayor Zito and presented him with a gift from the City and Staff.

Item C.1. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Mayor Edson recessed the meeting for a break for the outgoing Mayor Zito at 7:20 p.m. and reconvened at 7:50 p.m.

PROCLAMATIONS/CERTIFICATES: *Ceremonial*

National 7th Annual Sandy Hook Vigil for Gun Violence Prevention.

ORAL COMMUNICATIONS:

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

Kristine Schindler spoke about the Lomas Santa Fe Corridor project and its workshops, its importance to the community, and support for the need of a safer corridor and a more

complete street. She announced an “open street” event opportunity in Encinitas with Cyclovia Encinitas on January 12, 2020.

Judy Strang, San Dieguito Alliance for Drug Free Youth, spoke about the concerns of vaping among youth, the CDC (Center for Disease Control) report (handout-on file), and a request to consider banning flavored vaping nicotine products.

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendaized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.7.)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for November 09 – November 22, 2019.

Item A.1. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to approve.

Approved 5/0. Motion carried unanimously.

A.2. General Fund Adopted Budget for Fiscal Year 2019-2020 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2019-2020 General Fund Adopted Budget.

Item A.2. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to approve.

Approved 5/0. Motion carried unanimously.

A.3. State Parks Shoreline Erosion Protection Grant Application (File 0390-32, 0610-12)

Recommendation: That the City Council

1. Adopt **Resolution 2019-153** authorizing submittal of a Shoreline Erosion Protection Grant application to the State of California Department of Parks and

Recreation, Division of Boating and Waterways and authorize the City Manager to act on behalf of the City of Solana Beach, in consultation with the City Attorney, to negotiate and execute all agreements and amendments necessary to comply with the State Parks, Division of Boating and Waterways grant requirements.

Item A.3. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to approve.

Approved 5/0. Motion carried unanimously.

A.4. Citywide Janitorial Services. (File 0700-20)

Recommendation: That the City Council

1. Adopt **Resolution 2019-155:**

- a. Authorizing the City Manager to execute a one year professional services agreement with California Office Cleaning, Inc., in an amount not to exceed \$107,880, for Citywide Janitorial Services effective January 1, 2020.
- b. Authorizing the City Manager to extend the agreement up to four additional years at the City's option in an amount not to exceed the amount budgeted each year.

Item A.4. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to approve.

Approved 5/0. Motion carried unanimously.

A.5. Tide Beach Park Slope Paving Removal (File 0730-20)

Recommendation: That the City Council

1. Adopt **Resolution 2019-152:**

- a. Awarding a construction contract for the Tide Beach Park Slope Paving Removal Project, Bid 2019-06, in the amount of \$33,900, to Wright Construction Engineering Corp.
- b. Approving an amount of \$10,000 for construction contingency.
- c. Authorizing the City Manager to execute the construction contract on behalf of the City.
- d. Authorizing the City Manager to approve cumulative change orders up to the construction contingency amount.

Item A.5. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to approve.

Approved 5/0. Motion carried unanimously.

A.6. Pacific Avenue - Phase 2 Underground Utility District (File 1010-90)

Recommendation: That the City Council

1. Adopt **Resolution 2019-154**:

- a. Authorizing the City Manager to enter into Professional Services Agreements, in an amount not to exceed \$240,000, with any required consultants needed for the formation of the Pacific Avenue – Phase 2 Underground Utility District.
- b. Authorizing the City Manager to execute, on behalf of the City, a reimbursement agreement with the neighborhood coordinators for a deposit in the amount of \$35,000 for assessment engineering services for the Pacific Avenue – Phase 2 Underground Utility District.

Item A.6. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to approve.

Approved 5/0. Motion carried unanimously.

A.7. City Hall Holiday Closure (File 0520-80)

Recommendation: That the City Council

1. Approve the closure of City Hall on Thursday, December 26, 2019 and Monday, December 30, 2019 for miscellaneous, confidential and management employees, and approve 16-hours of additional leave to the marine safety and fire employees' leave banks.

Item A.7. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Zito and second by Councilmember Becker to approve.

Approved 5/0. Motion carried unanimously.

B. PUBLIC HEARINGS: (B.1. – B.4.)

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designee(s) for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on the Council Dais.

B.1. Introduce (1st Reading) Ordinance 508 – Providing Regulations Concerning Accessory Dwelling Units and Junior Accessory Dwelling Units (File 0610-10)

Recommendation: That the City Council

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.

2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 and Section 15061(b)(3) of the State CEQA Guidelines; and
3. Introduce **Ordinance 508** regulating the development of accessory dwelling units.

[Item B.1. Report \(click here\)](#)

[Item B.1. Updated Report #1 \(12-11-19 at 1:20pm\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Mayor Edson opened the public hearing.

Council disclosures.

Council and Staff discussion.

Motion: Moved by Councilmember Zito and second by Deputy Mayor Hegenauer to close the public hearing. **Approved 5/0.** Motion carried unanimously.

Motion: Moved by Councilmember Zito and second by Councilmember Harless to approve and clarifying the language that the limit of a hundred square feet would only apply to the accessory structure and not the primary dwelling unit. . **Approved 5/0.** Motion carried unanimously.

B.2. Solana Energy Alliance Community Choice Aggregation Implementation Plan Amendment (File 1010-45)

Recommendation: That the City Council

1. Adopt **Resolution 2019 - 156** approving the Solana Energy Alliance Implementation Plan Amendment.

[Item B.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Dan King, Assistant City Manager, presented a PowerPoint (on file).

Mayor Edson opened the public hearing.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to close the public hearing. **Approved 5/0.** Motion carried unanimously.

Motion: Moved by Councilmember Becker and second by Deputy Mayor Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

B.3. Public Hearing: 652 Stevens Ave., Applicant: 652 Stevens LLC, Case 17-17-34.
(File 0600-40)

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and SDP. Therefore, Staff recommends that the City Council:

1. Conduct the continued Public Hearing: Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2019-116** conditionally approving a DRP, SDP, and MEC to demolish an existing structure and construct a mixed-use development consisting of a two-story commercial dentist office and one (1) residential unit located over an on-grade off-street parking carport at 652 Stevens Avenue, Solana Beach.

[Item B.3. Report \(click here\)](#)

[Item B.3. Updated Report #1 \(12-11-19 at 2:43 pm\)](#)

[Item B.3. Supplemental Docs \(Updated 12-11 at 2:00pm\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Katie Benson, Associate Planner, presented a PowerPoint (on file).

Council disclosures.

Council and Staff discussed setbacks, heights, space for a 10 ft. landscape buffer, surrounding landscape for the parking stalls requiring, and fence heights,

Mojtana Esfahani, Applicant, spoke about meeting with the neighbors twice and walking the property, listening to their concerns and ideas, and addressing most of them.

Rob Quigley, Architect, reviewed the design as well as his commercial designs in Solana Beach. He spoke about the neighborhood in transition, reasons that the structure was designed a certain way, the front planter in line with City property, the elimination of a wall, landscaping to screen parked cars, the building being set-back 65 ft. from the street to minimize the appearance of mass, the building being two-story and not three-story, and their efforts to soften the building mass and the surrounding wall.

Council, Staff and Applicant discussed ceiling heights, the varying heights of the wall, elevation heights between adjacent properties, and the stair-stepped wall.

Irene Young spoke about meeting with the architect and the owner, her concerns for the community and the massiveness of the structure with the large part of it in the front of the project rather than in the back.

Gary Young spoke about the shadow cast by the building and that lowering it 4-5 ft. would reduce the mass appearance.

Danny Hernandez spoke about working with the applicant, breaking down the bulk on the northwest wall, the 21 ft. tall ceilings and 9 ft. overhang, the wall on the north side supporting an overhang that added to the bulk of the project, the sun coming mostly from the south, they're being a good business asset to the community, and the overall effects on the surrounding homes.

Council, Staff, and Applicant discussed possible ideas to reduce the mass, the setbacks, the driveway, shading of the project onto other properties, distances between the properties, lowering the pad elevation to lower the structure, and moving the structure back a bit more. Discussion continued regarding lighting, parking, drainage, solar panels, bike racks, the current story poles not illustrating the changes to the project, the need for updated story poles in projects that return with changes, and how the size of the windows effects the appearance of mass.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Harless to close the public hearing. **Approved 5/0.** Motion carried unanimously.

Motion: Moved by Councilmember Zito and second by Deputy Mayor Hegenauer to approve with additional condition that the architectural windows in the north wall be doubled in dimension and size for aesthetics relating to bulk and mass. **Approved 5/0.** Motion carried unanimously.

B.4. Introduce (1st Reading) Ordinance 509 – Annual Adjustment of Impact Fees
(File 0390-23)

Recommendation: That the City Council

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Introduce **Ordinance 509** Amending Chapter 15.50.080 of the SBMC.
3. Introduce **Ordinance 510** Amending Chapter 15.60.080 of the SBMC.
4. Introduce **Ordinance 511** Amending Chapter 15.65.080 of the SBMC.
5. Introduce **Ordinance 512** Amending Chapter 15.66.080 of the SBMC.

Item B.4. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced

Mayor Edson opened the public hearing.

Motion: Moved by Councilmember Zito and second by Deputy Mayor Hegenauer to close the public hearing. **Approved 5/0.** Motion carried unanimously.

Motion: Moved by Councilmember Zito and second by Councilmember Harless to approve. **Approved 5/0.** Motion carried unanimously.

C. STAFF REPORTS: (C.2.)

Submit speaker slips to the City Clerk.

C.2. Adopt (2nd Reading) Ordinance 507 - Floodplain Overlay Zone (File 0610-10)

Recommendation: That the City Council

1. Adopt **Ordinance 507** (2nd Reading) amending the Solana Beach Floodplain Overlay Zone (Sections 17.80.020, 17.80.090, 17.80.110, 17.80.120, 17.80.140, 17.80.150 and 17.80.200) of the Solana Beach Municipal Code.

Item C.2. Report (click here)

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Johanna Canlas, City Attorney, read the title

Motion: Moved by Councilmember Zito and second by Deputy Mayor Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

WORK PLAN COMMENTS:

Adopted June 12, 2019

COMPENSATION & REIMBURSEMENT DISCLOSURE: None

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency "City" at the next regular meeting of the legislative body.

COUNCIL COMMITTEE REPORTS: Council Committees

REGIONAL COMMITTEES: (outside agencies, appointed by this Council)

STANDING COMMITTEES: (All Primary Members) (*Permanent Committees*)

ADJOURN:

Mayor Edson adjourned the meeting at 8:50 p.m.

CITY OF SOLANA BEACH

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



MINUTES

Joint Meeting - Closed Session

Wednesday, January 8, 2020 * 5:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

CITY COUNCILMEMBERS

Jewel Edson, Mayor

Judy Hegenauer, Deputy Mayor

Kristi Becker, Councilmember

Kelly Harless, Councilmember

David A. Zito, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

CALL TO ORDER AND ROLL CALL:

Mayor Edson called the meeting to order at 5:00 p.m.

Present: Jewel Edson, Judy Hegenauer, Kristi Becker, Kelly Harless, David A. Zito

Absent: None

Also Present: Gregory Wade, City Manager
Johanna Canlas, City Attorney

PUBLIC COMMENT ON CLOSED SESSION ITEMS (ONLY): None

*Report to Council Chambers and submit speaker slips to the City Clerk
before the meeting recesses to closed session.*

CLOSED SESSION:

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(d)(2)

One (1) Potential case(s).

2. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION

Pursuant to Government Code Section 54956.9(d)(4)

One (1) Potential case(s).

3. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION

Pursuant to Government Code Section 54956.9(d)(4)

One (1) Potential case(s).

ACTION: No reportable action.

ADJOURN:

Mayor Edson adjourned the meeting at 6:00 p.m.

CITY OF SOLANA BEACH
SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



MINUTES

Joint REGULAR Meeting

Wednesday, January 8, 2020 * 6:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

- > City Council meetings are video recorded and archived as a permanent record. The [video](#) recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
- > Posted Reports & Supplemental Docs contain records up to the cut off time prior to meetings for processing new submittals. Complete records containing meeting handouts, PowerPoints, etc. can be obtained through a [Records Request](#).

CITY COUNCILMEMBERS

Jewel Edson, Mayor

Judy Hegenauer, Deputy Mayor

Kristi Becker, Councilmember

Kelly Harless, Councilmember

David A. Zito, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

CALL TO ORDER AND ROLL CALL:

Mayor Edson called the meeting to order at 6:10 p.m.

Present: Jewel Edson, Judy Hegenauer, Kristi Becker, Kelly Harless

Absent: David A. Zito

Also Present: Greg Wade, City Manager
Johanna Canlas, City Attorney
Angela Ivey, City Clerk,
Dan King, Assistant City Manager
Mo Sammak, City Engineer/Public Works Dir.
Marie Berkuti, Finance Manager
Joseph Lim, Community Development Dir.

CLOSED SESSION REPORT: None

FLAG SALUTE:

APPROVAL OF AGENDA:

Motion: Moved by Councilmember Harless and second by Deputy Mayor Hegenauer to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

PRESENTATIONS: Ceremonial items that do not contain in-depth discussion and no action/direction.

Santa Fe Irrigation District (SFID)

Al Lau, General Manager, Seth Gates, Administrative Services, and Mike Hogan, Board Chair, presented a PowerPoint (on file) reviewing the rate structure, background, history, territory of SFID serving an approximate population of 20,000, 14 straight years of droughts, potential state and regional projects to ensure ongoing water supply for the area, environmental regulations for efficiency and water contents, aging infrastructure, and proposed rate increases.

Council and SFID representatives discussed that they intended to implement a Climate Action Plan in the next year, the seemingly unfairness of a rate structure between those that conserve and those that use more resources, that no rewards were being provided to those who scale back usage, and the DOSD restriction.

ORAL COMMUNICATIONS:

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

Peggy Walker, San Dieguito Alliance for Drug Free Youth, expressed her appreciation for comments on water conservation by the Santa Fe Irrigation District. She spoke about the teen vaping crisis leading to prolonged hospitalization, serious lung disease, relapse, intubation, and death. She submitted a handout (on file) from the CDC (Center of Disease Control) and reviewed statistics and increase of vapor use, and requested that Council ban flavored vaping products.

Council and speaker discussed that 4-5 places of business were selling vaping products, that the TRL report would show who had the products, and Council's support to agendize the topic regarding a ban on flavored vaping products.

Peter Zahn spoke about his concern that certain auto manufacturers support the current administration's call for the termination of California's authority to regulate greenhouse gas and zero emission vehicle standards, the City adopt a clean vehicle purchasing policy, and agendize the topic for a future meeting.

Council and Staff discussed the City having a vehicle fleet of 10-15 vehicles a variety of manufacturers, that the City has been implementing a program to look at alternative fuel options for new purchases, and Council's interest in agendizing the topic for further discussion.

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.9.)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent

Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for November 23, 2019 – December 31, 2019.

Item A.1. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

A.2. General Fund Adopted Budget for Fiscal Year 2019-2020 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2019-2020 General Fund Adopted Budget.

Item A.2. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

A.3. 2020 City Council Meeting Schedule. (File 0410-05)

Recommendation: That the City Council

1. Review, edit, and/or approve a 2020 interim schedule with proposed cancellations and/or additional meetings.

Item A.3. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

A.4. Quarterly Investment Report. (File 0350-44)

Recommendation: That the City Council

1. Accepts and files the attached Cash and Investment Report for the quarter ended September 30, 2019.

Item A.4. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

A.5. Information Technology Support Agreement Amendment. (File 0190-60)

Recommendation: That the City Council

1. Adopt **Resolution 2020-004:**

- a. Authorizing the City Manager to amend the FY 2019/2020 agreement with Managed Solution for an increased amount not to exceed of \$43,000.
- b. Authorizing the City Manager, at his discretion, to extend the Professional Services Agreement with Managed Solution for up to four (4) additional years in an amount not to exceed \$25,000 per fiscal year.

Item A.5. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

A.6. Emergency Corrugated Metal Pipes (CMP) Storm Drain Repairs. (File 0850-40)

Recommendation: That the City Council

1. Adopt **Resolution 2020-005:**

- a. Declaring an emergency under Public Contract Code Sections 20168 and 22050 regarding the storm drain repair.
- b. Authorizing the City Manager to take any directly related and immediate action required by the emergency and directing Staff to report to City Council as required by Public Contract Code Section 22050 and Resolution 2008-091.
- c. Authorizing the City Manager to execute a change order, for an amount to be determined, for construction and repairs for miscellaneous CMP storm drain repairs at various locations throughout the City.
- d. Approving an additional amount, equal to 15%, of the change order executed for storm drain repairs for construction contingency.
- e. Authorizing the City Manager to approve cumulative change orders up to the combined construction contingency amount.

Item A.6. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

A.7. SB2 Planning Grant Program Application Submittal. (File 0390-34)

Recommendation: That the City Council

1. Adopt **Resolution 2020-006:**

- a. Authorizing/ratifying submittal of a SB 2 PGP application to the California State Department of Housing and Community Development.
- b. Authorizing the City Manager to act on behalf of the City of Solana Beach, in consultation with the City Attorney, to negotiate and execute all agreements and amendments necessary to comply with the grant requirements.

Item A.7. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

A.8. Solana Beach Successor Agency Administrative Budget and Recognized Obligation Payment Schedule (ROPS). (File 0115-30)

Recommendation: That the Successor Agency:

1. Receive the Successor Agency's enforceable obligations payment information and administrative budget for the period July 1, 2020 to June 30, 2021.
2. Adopt **Resolution SA-024** approving the SA Administrative Budget for July 1, 2020 to June 30, 2021.
3. Adopt **Resolution SA-025** approving the ROPS 20-21 for July 1, 2020 to June 30, 2021.

[Item A.8. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried unanimously.

A.9. Credit Card Processing Services (File No.

Staff recommends the City Council:

1. Adopt **Resolution 2020-007** approving an Agreement with Paymentus for credit card processing services.

[Item A.9. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

C. STAFF REPORTS: (C.1. – C.4.)

Submit speaker slips to the City Clerk.

C.1. Restrict Parking on Castro, Gonzales and Academy Streets to Facilitate Emergency Access and Movement of Traffic. (File 0870-40)

Recommendation: That the City Council

1. Authorize the City Manager to restrict parking on one side of Castro and Gonzales Street where the street width, including rolled curbs, is less than 30-feet wide. Parking in the Gonzales Street cul-de-sac shall be prohibited, unless parked off pavement.
2. Authorize the City Manager to prohibit stopping, standing or parking at 741-761 Academy Drive during certain hours of the day in order to facilitate the movement of traffic during school drop-off and pick-up times.

[Item C.1. Report \(click here\)](#)

[Item C.1. Supplemental Docs \(Updated 1-7-20 at 11:30am\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Mo Sammak, Public Works/Engineering Dir., presented a PowerPoint (on file).

Council and Staff discussed that there was overall support for the proposal, restricting parking on one side of the street, outreach made to all properties in the surrounding area, the public meetings held and public comments submitted, emergency vehicle access, and an enforcement mechanism to restrict construction vehicle parking to a project's site.

Michael Mejia spoke about a long-term parking problem in the area, that emergency vehicles could not get around to his property, a request to apply a red paint curb to restrict parking at the end of Gonzales to ensure public safety access, and that apartment residents on Nardo and Stevens park on Gonzales knowing that code enforcement is not available to ticket at night.

Council and Staff discussed that the parking restriction was proposed, signage, a grace period with tickets that are warnings placed on windows of an upcoming parking control enforcement notice, the issue of emergency vehicle access, the Sheriff's department had some Staff additional time to tend to the area at night, a high resolution paint would be used so it is visible at night, and a proposal to restrict some parking on Academy Dr. in the morning and afternoon to address issues with pick-up and drop-off of students at Santa Fe Christian School and business parking access.

Motion: Moved by Councilmember Harless and second by Councilmember Becker to approve. **Approved 4/0/1** (Absent: Zito). Motion carried.

C.2. Council Boards, Committees, & Commissions Mid-Term Review. (File 0410-05)

Recommendation: That the City Council

1. Review the Regional Boards/Commissions/Committees.
 - a. Determine the City Selection Committee 2020 annual term appointment, if any changes.
 - b. Make alternate appointments, if necessary.
2. Review Council Standing Committees and make alternate appointments, if necessary.

[Item C.2. Report \(click here\)](#)

No changes

C.3. Adopt (2nd Reading) Ordinance 508 – Accessory Dwelling Unit Ordinance Update (File 0610-10)

Recommendation: That the City Council

1. Adopt **Ordinance 508** (2nd Reading) amending Title 17 of the Solana Beach Municipal Code.

[Item C.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Johanna Canlas, City Attorney, read the title or the ordinance.

Motion: Moved by Councilmember Harless and second by Councilmember Becker to approve. **Approved 4/0/1** (Absent: Zito). Motion carried.

C.4. Adopt (2nd Readings) Ordinance 509, Ordinance 510, Ordinance 511, and Ordinance 512 Amending the Solana Beach Municipal Code (SBMC) Changing Annual Adjustments to Occur January 1 Instead of July 1. (File 0610-10)

Recommendation: That the City Council

1. Adopt **Ordinance 509** Amending Chapter 15.50.080 of the SBMC.
2. Adopt **Ordinance 510** Amending Chapter 15.60.080 of the SBMC.
3. Adopt **Ordinance 511** Amending Chapter 15.65.080 of the SBMC.
4. Adopt **Ordinance 512** Amending Chapter 15.66.080 of the SBMC.

Item C.4. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Johanna Canlas, City Attorney, read the title or the ordinances.

Motion: Moved by Deputy Mayor Hegenauer and second by Councilmember Becker to approve. **Approved 4/0/1** (Absent: Zito). Motion carried.

Mayor Edson recessed the meeting at 7:37 p.m., to call the Special Meeting, and reconvened this meeting at 7:50 p.m.

COMPENSATION & REIMBURSEMENT DISCLOSURE: None

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency "City" at the next regular meeting of the legislative body.

ADJOURN:

Mayor Edson adjourned the meeting at 7:50 p.m.

CITY OF SOLANA BEACH
**SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY**



MINUTES

Joint SPECIAL Meeting

Wednesday, January 8, 2020 * 7:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

- City Council meetings are video recorded and archived as a permanent record. The [video](#) recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
- Posted Reports & Supplemental Docs contain records up to the cut off time prior to meetings for processing new submittals. Complete records containing meeting handouts, PowerPoints, etc. can be obtained through a [Records Request](#).

CITY COUNCILMEMBERS

Jewel Edson, Mayor

Judy Hegenauer, Deputy Mayor

Kristi Becker, Councilmember

Kelly Harless, Councilmember

David A. Zito, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

CALL TO ORDER AND ROLL CALL:

Mayor Edson called the meeting to order at 7:38 p.m.

Present: Jewel Edson, Judy Hegenauer, Kristi Becker, Kelly Harless

Absent: David A. Zito

Also Present: Greg Wade, City Manager
Johanna Canlas, City Attorney
Angela Ivey, City Clerk,
Dan King, Assistant City Manager
Mo Sammak, City Engineer/Public Works Dir.
Marie Berkuti, Finance Manager
Joseph Lim, Community Development Dir.

FLAG SALUTE:

APPROVAL OF AGENDA:

Motion: Moved by Councilmember Becker and second by Councilmember Harless to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

D. STAFF REPORTS: (D.1.)

Submit speaker slips to the City Clerk.

D.1. 2021-2029 Regional Housing Needs Assessment (RHNA) Allocation Appeal
(File 0150-55).

Recommendation: That the City Council

1. Receive report.

2. Ratify the RHNA allocation appeal to SANDAG as submitted on January 3, 2020.

Item D.1. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Mayor Edson reviewed the history of the allocations, the allocation appeals by the Cities of Coronado, Imperial Beach, Lemon Grove, and Solana Beach, the flawed methodology recognized by other cities who were willing to absorb a higher percentage of housing units due to the unfair and inequitable nature of the allocations for the cities appealing. She spoke about requests submitted to SANDAG to re-examine the allocations and methodology, the recommended revisions presented to the Board being approved by the majority of cities, and the failure to pass them under weighted votes.

Greg Wade, City Manager, stated that the percentage was a typo in the Staff Report and that Solana Beach's increased allocation was 160% higher and 2.6 times that from the prior cycle, rather than 240% or 262% as stated.

Council discussed the higher density of Solana Beach relative to that of other cities, the significant allocation decrease for larger cities, and the unrealistic goal of the 875-unit allocation for Solana Beach.

Motion: Moved by Councilmember Harless and second by Deputy Mayor Hegenauer to approve. **Approved 4/0/1 (Absent: Zito).** Motion carried.

ADJOURN:

Mayor Edson adjourned the meeting at 7:50 p.m.



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Finance
SUBJECT: **Public Hearing: Consideration of Resolution 2020-023
Modifying Junior Lifeguard and Summer Day Camp Fees**

BACKGROUND:

The City of Solana Beach (City) runs a Junior Lifeguard program that serves up to 1,000 children over a ten week period during the summer season. The Solana Beach Junior Lifeguard Program (Program) has a long history of serving our community by providing youth, ages 7 – 16, with an ocean safety program that combines athletics and ocean-related curriculum, in a fun and educational atmosphere. Fees for the Program have not been adjusted since Spring of 2009. Two new programs were added since 2009 - the Elite Junior Lifeguard in 2018 and the Surf Camp in 2019.

The City runs a highly successful Summer Day Camp (Camp) program that serves up to 45 children each week, for seven weeks, based out of the Fletcher Cove Community Center. Expenditures for the Camp include staffing, supplies, transportation, insurance and field trip admissions. In April 2017, the City increased the fees by \$14 per week for residents for the day camp and \$8 per week for the day camp after care. Before the adjustment in 2017, the Camp fees had not been raised for over ten years.

Costs for both the Program and the Camp have been increasing. Minimum wage, which in 2014 was \$9 per hour, has increased to \$13 per hour in 2020 and by 2023 will increase to \$15 per hour. The City desires to update the Program and Camp fees to ensure that user fees continue to be appropriately set to recover costs while maintaining the highly popular and successful summer programs.

This item is before City Council to consider the approval of Resolution 2020-023 (Attachment 1) to adjust the fees for the City's Junior Lifeguard Program and Summer Day Camp.

CITY COUNCIL ACTION:

AGENDA ITEM B.1.

DISCUSSION:

Junior Guard Program

The City works extremely hard to provide an educational, engaging and fun Program. However, the fees have not increased in over ten years and the costs to run the Program have steadily increased. The costs for supplies, uniforms and staffing have increased while the fees have remained constant.

The current Program includes sessions over the ten-week summer schedule and the current fees for each session are shown in the following table:

CURRENT FEE SCHEDULE										
Week	1	2	3	4	5	6	7	8	9	10
Track 1	Grom 1		Grom 2		Grom 3		Grom 4		Grom 5	
	\$250.00		\$250.00		\$250.00		\$250.00		\$250.00	
Track 2	Junior LG (10 – 15)				Junior LG (10 – 15)				Junior LG (10 – 15)	
	\$325				\$325				\$250	
Track 3	Elite Junior LG (14 – 16)					Elite Junior LG (14 – 16)				
	\$525					\$525				
Track 4	Surf Camp 1	Surf Camp 2	Surf Camp 3	Surf Camp 4	Surf Camp 5	Surf Camp 6	Surf Camp 7	Surf Camp 8	Surf Camp 9	Surf Camp 10
	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125

Annual fixed costs for the 2020 Summer Program are estimated at \$216,400. Fixed costs include regular staff salaries and benefits, liability insurance, trailer rental, uniforms for staff, equipment and supplies, banquets, and internal service charges. Variable costs for the 2020 Summer program, assuming each session is fully staffed, are estimated at \$199,600. Variable costs include salary and benefits for Junior Lifeguard staff hired for the summer; bank charges, which are approximately 3.5% of revenue received through the Active Network registration program; various registration discounts and scholarships; and a 10% administrative charge based on revenue. Total fixed and variable costs are estimated to equal \$416,000.

While full enrollment for all sessions based on the current fee structure would equate to \$328,200 in revenues, based on the actual enrollment percentage of 80% from last summer's Program, actual revenue is expected to equal \$262,600. The expected actual revenue of \$262,600 less the estimated Program cost of \$416,000 results in the 2020 Summer Program running at a projected loss of \$(153,400).

A summary of expected revenue, fixed costs, and variable costs is shown in the table on the following page:

		2020		
		Fixed	Variable	Total
REVENUES				
4810	JUNIOR LIFEGUARDS *	-	262,600	262,600
<hr/>				
EXPENDITURES				
6101	REGULAR SALARIES	153,300		153,300
6102	PART-TIME & TEMPS		150,900	150,900
6207	RETIREMENT-UAL PAYMENT	6,000		6,000
6310	INSURANCE PREMIUMS	13,000		13,000
6315	TRAVEL/TRAINING	7,000		7,000
6340	CLOTHING	5,000		5,000
6416	SUPPLIES, EQUIP & SERVICES	13,600		13,600
6519	BANK CHARGES		9,200	9,200
6521	CAMP DISCOUNTS		7,900	7,900
6525	RENTS/LEASES	3,200		3,200
6534	CAMP SCHOLARSHIPS		5,300	5,300
6580	ADMINISTRATIVE CHARGES		26,300	26,300
6910	INTRNL CHRGS - CLAIMS	3,800		3,800
6920	INTRNL CHRGS - WRKRS COM	4,500		4,500
6960	PARS OPEB CHARGES	7,000		7,000
TOTAL EXPENDITURES		216,400	199,600	416,000
REVENUE OVER (UNDER) EXPEND				(153,400)

* 80% of maximum enrollment based on historical information

For the City to realize full cost recovery for the 2020 Summer Program, fees would need to increase a minimum of 58% as shown below:

Revenues needed to recover full costs	\$416,000
Expected Revenues at current fee rates:	\$262,600
 Additional Revenue needed	 \$153,400
Percent Increase	58%

While full cost recovery would require a 58% increase in Program fees for 2020, Staff is recommending an increase of up to 40% as shown in the tables on the following page:

PROPOSED FEE SCHEDULE (40% INCREASE)

Week	1	2	3	4	5	6	7	8	9	10
Track 1	Grom 1		Grom 2		Grom 3		Grom 4		Grom 5	
	\$350.00		\$350.00		\$350.00		\$350.00		\$350.00	
Track 2	Junior LG (10 – 15)				Junior LG (10 – 15)				Junior LG (10 – 15)	
	\$455				\$455				\$350	
Track 3	Elite Junior LG (14 – 16)					Elite Junior LG (14 – 16)				
	\$735					\$735				
Track 4	Surf Camp 1	Surf Camp 2	Surf Camp 3	Surf Camp 4	Surf Camp 5	Surf Camp 6	Surf Camp 7	Surf Camp 8	Surf Camp 9	Surf Camp 10
	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175

PROPOSED FEE SCHEDULE (DOLLAR INCREASE)

Week	1	2	3	4	5	6	7	8	9	10
Track 1	Grom 1		Grom 2		Grom 3		Grom 4		Grom 5	
	\$100.00		\$100.00		\$100.00		\$100.00		\$100.00	
Track 2	Junior LG (10 – 15)				Junior LG (10 – 15)				Junior LG (10 – 15)	
	\$130				\$130				\$100	
Track 3	Elite Junior LG (14 – 16)					Elite Junior LG (14 – 16)				
	\$210					\$210				
Track 4	Surf Camp 1	Surf Camp 2	Surf Camp 3	Surf Camp 4	Surf Camp 5	Surf Camp 6	Surf Camp 7	Surf Camp 8	Surf Camp 9	Surf Camp 10
	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50

Resident and Non-Resident Fees

The City has offered certain discounted fees for Program participants. The City has also charged non-residents who enroll in the Program’s Junior LG session an additional \$50 fee for the session. The City currently offers a \$25 multi-session discount, a \$25 multi-child discount, and a \$25 military discount for the two-week sessions and a \$50 military discount for the four and five week sessions. The City recommends maintaining these non-resident and discount fees.

Comparisons to Other Programs

The City’s neighboring jurisdictions also have Junior Lifeguard programs. These programs have 2020 fees that will be comparable to the proposed fee schedule recommended by Staff as shown in the table on the following page:

Junior Lifeguard Fees 2020			
	Fee	Duration (weeks)	Per Week Cost (Res Rate)
Carlsbad (State Park) *	\$235	3	\$78.33
Coronado **	\$400	4	\$100.00
Torrey Pines (State Park) *	\$315	3	\$105.00
Encinitas *	\$240 res \$250 non-res	2	\$120.00
San Diego *	\$573	4	\$143.25
Del Mar JGs (9-15) *	\$350 res \$400 non-res	2	\$175.00
Coronado *	\$200	1	\$200.00
Solana Beach 1-wk *	\$175	1	\$175.00
Solana Beach 2-wk *	\$350	2	\$175.00
Solana Beach 4-wk *	\$455 res \$505 non-res	4	\$113.75
Solana Beach 5-wk *	\$735	5	\$147.00
Solana Beach Average			\$152.69

* indicates half day program

**9am-2pm

The above table reflects a proposed 40% fee increase. For comparison purposes, the City's current fees are as follows:

	Fee	Duration (weeks)	Per Week Cost (Res Rate)
Solana Beach 1-wk *	\$125	1	\$125.00
Solana Beach 2-wk *	\$250	2	\$125.00
Solana Beach 4-wk *	\$325 res \$375 non-res	4	\$81.25
Solana Beach 5-wk *	\$525	5	\$105.00
Solana Beach Average			\$109.06

Summer Camp Program

The current Camp sessions over the seven-week summer schedule and the current fees for each session are as follows:

- Day Camp (ages 5-11) – Hours 8:30am – 2:00pm
 Current: \$120/resident, \$140/non-resident
- Day Camp After Care (ages 5-11) – Hours 2:00pm – 5:00pm
 Current: \$35 per week/all
- Leader in Training (ages 13-17) – Hours 8:30am – 2:00pm
 Current: \$30 per week/all

Annual fixed costs for the 2020 Summer Camp are estimated at \$46,900. Fixed costs include regular staff salaries and benefits, liability insurance, and internal service

charges. Variable costs for the 2020 Summer Camp, assuming each session is fully staffed, are estimated at \$37,700. Variable costs include a weekly camp budget of \$1,357 for each session totaling \$9,500; salary and benefits for Recreation Leaders hired for the summer; bank charges, which are approximately 3.5% of revenue received through the Active Network registration program; and a 10% administrative charge based on revenue. Total fixed and variable costs are estimated to equal \$84,600.

While full enrollment for the Day Camp and Camp After Care based on the current fee structure would equate to \$39,480 and \$4,900 in revenues, respectively, for a total of \$44,380, based on the actual enrollment percentage of 90% for Day Camp and 72% for Camp After Care from last summer's Camp, actual revenue is expected to equal a total of \$39,000. The expected actual revenue of \$39,000 less the estimated total Camp cost of \$84,000 results in the 2020 Summer Camp running at a projected loss of \$(81,100)

A summary of expected revenue, fixed costs, and variable costs is shown in the following table:

		2020		
		Fixed	Variable	Total
REVENUES				
48XX	SUMMER DAY CAMP *	-	35,500	35,500
48XX	DAY CAMP AFTER CARE **	-	3,500	3,500
	TOTAL REVENUES		39,000	39,000
EXPENDITURES				
6101	REGULAR SALARIES	35,000	-	35,000
6102	PART-TIME & TEMPS	-	22,900	22,900
6207	RETIREMENT-UAL PAYMENT	3,400	-	3,400
6310	INSURANCE PREMIUMS	3,600	-	3,600
6537	SUMMER DAY CAMP	-	9,500	9,500
6519	BANK CHARGES	-	1,400	1,400
6580	ADMINISTRATIVE CHARGES	-	3,900	3,900
6910	INTRNL CHRGS - CLAIMS	1,600	-	1,600
6920	INTRNL CHRGS - WRKRS COM	1,500	-	1,500
6960	PARS OPEB CHARGES	1,800	-	1,800
	TOTAL EXPENDITURES	46,900	37,700	84,600
	REVENUE OVER (UNDER) EXPEND			(81,100)

* 90% of maximum enrollment based on historical information

* 72% of maximum enrollment based on historical information

For the City to realize full cost recovery for the 2020 Summer Camp, fees would need to increase a minimum of 140% as shown below:

Revenues needed to recover full costs	\$84,600
Expected Revenues at current fee rates:	\$35,300
Additional Revenue needed	\$49,300
Percent Increase	140%

While full cost recovery would require a 140% increase in Camp fees for 2020, Staff is recommending an increase of up to 40%, plus an additional \$50 per Day Camp session and \$25 per Day Camp After Care for non-residents, as shown in the following table:

- Day Camp (ages 5-11) – Hours 8:30am – 2:00pm
 Current: \$120/resident, \$140/non-resident
 Proposed: \$168/resident, \$218/non-resident
 Increase: \$48/resident, \$78/non-resident

- Day Camp After Care (ages 5-11) – Hours 2:00pm – 5:00pm
 Current: \$35 per week/all
 Proposed: \$49/resident, \$74/non-resident
 Increase: \$14/resident

- Leader in Training (ages 13-17) – Hours 8:30am – 2:00pm
 Current: \$30 per week/all
 Proposed: \$42 per week/all
 Increase: \$12 per week/all

Staff researched other local summer camps and the fees charged for their camp programs. The following is a comparison of the costs for the regular weekly program:

- City of San Clemente - \$180-250 depending on field trips/\$3 additional for non-resident
- City of Poway - \$145/\$165 non-resident
- City of Encinitas - \$150/\$160 non-resident
- City of Carlsbad - \$217
- City of San Marcos - \$120
- City of Vista - \$168/\$202 non-resident

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

Increasing Camp fees will help ensure that the City can continue to provide highly successful Program and Camp summer sessions and limit the need to subsidize any increase in costs with General Fund revenues. The proposed fee increases will help offset the increase in costs for supplies, staffing, transportation and field trips.

WORK PLAN:

Proper maintenance of the City's user fees supports the City Council's Strategic Priority for Fiscal Sustainability.

OPTIONS:

- Approve Staff recommendation and adopt Resolution 2020-023.
- Approve Staff recommendation subject to alternative fee increases as directed by Council.
- Do not approve Staff recommendation.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, Close the Public Hearing;
2. Adopt Resolution 2020-023 to increase the fees of the Junior Lifeguard and Summer Day Camp programs.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-023

RESOLUTION NO. 2020-023

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ESTABLISHING AN UPDATED SCHEDULE OF FEES AND CHARGES FOR CITY JUNIOR LIFEGUARD PROGRAM AND DAY CAMP SERVICES

WHEREAS, the City of Solana Beach (City) runs a highly successful Junior Lifeguard Program (Program) and Summer Day Camp (Camp) that serves during the summer over 1,000 children for the Program and up to 45 children each week, for seven weeks, for the Camp; and

WHEREAS, expenditures for both the Program and Camp include administration support, regular and summer staffing, supplies and equipment, transportation, and insurance; and

WHEREAS, the City has not raised the fees to attend the Program for over ten years and for the Camp for four years; and

WHEREAS, the City desires to update the Program and Camp fees up to 40% to ensure that user fees continue to be appropriately set to recover costs.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council authorizes the increases to the Program and Camp fees to offset the increases of costs for supplies and equipment, transportation, insurance, regular and summer staffing, and administration of the Program and Camp.
3. That the effective Program and Camp fees are as set forth in the attached Exhibit A.

PASSED AND ADOPTED this 12th day of February 2020, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

EXHIBIT A

Junior Guard Program Fees

JUNIOR LIFEGUARD FEE SCHEDULE

Week	1	2	3	4	5	6	7	8	9	10
Track 1	Grom 1		Grom 2		Grom 3		Grom 4		Grom 5	
	\$350.00		\$350.00		\$350.00		\$350.00		\$350.00	
Track 2	Junior LG (10 – 15)				Junior LG (10 – 15)				Junior LG (10 – 15)	
	\$455				\$455				\$350	
Track 3	Elite Junior LG (14 – 16)					Elite Junior LG (14 – 16)				
	\$735					\$735				
Track 4	Surf Camp 1	Surf Camp 2	Surf Camp 3	Surf Camp 4	Surf Camp 5	Surf Camp 6	Surf Camp 7	Surf Camp 8	Surf Camp 9	Surf Camp 10
	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175

Summer Day Camp Fees

- Day Camp (ages 5-11) – Hours 8:30am – 2:00pm
\$168/resident, \$218/non-resident
- Day Camp After Care (ages 5-11) – Hours 2:00pm – 5:00pm
\$49/resident, \$74/non-resident
- Leader in Training (ages 13-17) – Hours 8:30am – 2:00pm
Proposed: \$42 per week/all



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Community Development Department
SUBJECT: **Public Hearing: Request for DRP and SDP for Square Footage Addition to an Existing Single-Family Residence Including a New Second Story and Perform Associated Site Improvements at 1162 Highland Drive. (Case # 17-18-32 Applicants: Bob and Melissa Kench; APN: 298-380-44; Resolution No. 2020-016)**

BACKGROUND:

The Applicants, Bob and Melissa Kench, are requesting City Council approval of a Development Review Permit (DRP) and Structure Development Permit (SDP) for an interior remodel and square footage addition to the existing single-story, single-family residence, including a new second story and associated street improvements at 1162 Highland Drive. The Applicants are also requesting a partial street vacation of 6 feet of an existing 10-foot Irrevocable Offer to Dedicate (IOD) along the frontage of Highland Drive. The 23,423 square-foot lot is located within the Estate Residential (ER-2) Zone and the Dark Sky Area.

The project proposes grading in the amounts of 30 cubic yards of cut, 90 cubic yards of fill, and 60 cubic yards of import. The project requires a DRP for an aggregate grading quantity in excess of 100 cubic yards. The proposed project requires a SDP for construction in excess of 16 feet in height. The maximum building height would be 24.29 feet above the existing grade or 283.67 feet above Mean Sea Level (MSL).

The issue before the Council is whether to approve, approve with conditions, or deny the Applicants' request as contained in Resolution 2020-016 (Attachment 1).

DISCUSSION:

The property is a pie shaped lot located on the north side of Highland Drive, east of Solana Drive. The lot is currently developed with an existing 1,556 square-foot, single-family residence with a 185 square-foot attached garage and an existing detached 120 square-

CITY COUNCIL ACTION:

foot shed that will remain onsite. The topography of the lot slopes downwards approximately seven feet from the surface of Highland Drive within the front yard setback area along the frontage of Highland Drive. The buildable area of the lot beyond the front yard setback is flat at an elevation of 260 feet above Mean Sea Level (MSL) until you reach the area of the rear yard setback where the lot slopes downward approximately 17 feet. Due to the fact that the property slopes downward from Highland Drive, grading is required in order to provide the required improvements along the street frontage including the decomposed granite path (D.G.) that would be constructed with a 2 % slope towards the street as required for drainage purposes.

The Applicants propose to construct an internal remodel and a 2,129 square-foot addition to the existing single-story, single-family residence. The structure would be setback approximately 25 feet from the southeastern (front) property line fronting on Highland Drive, 11.5 feet from the northern side property line, 50 feet from the northwestern point where the two side property lines meet (where the rear yard setback is taken), and 37.5 feet from the western side property line. A proposed U-shaped driveway that accesses both Highland Drive and Solana Drive will be reconstructed, in the same location as the existing driveway in the northeast corner of the lot.

The proposal includes the partial vacation of an existing 10-foot IOD along Highland Drive as well as street improvements along Highland Drive including the construction of a four to six foot wide DG path. The project plans are provided in Attachment 2.

Table 1 (below) provides a comparison of the Solana Beach Municipal Code (SBMC) applicable zoning regulations with the Applicants' proposed design.

Table 1			
LOT INFORMATION			
Property Address:	1162 Highland Dr.	Zoning Designation:	ER-2 (1-2 du/ac)
Lot Size (Gross):	23,423 ft ²	# of Units Allowed:	1 Dwelling Unit, 1 ADU
Lot Size (Net):	19,802 ft ²	# of Units Requested:	1 Dwelling Unit
Max. Allowable Floor Area:	8,013 ft ²	Setbacks:	Required Proposed
Proposed Floor Area:	3,470 ft ²	Front (S)	35 ft. 66 ft.
Below Max. Floor Area by:	4,543 ft ²	Interior Side (W)	10 ft. 15 ft.
Max. Allowable Height:	25 ft.	Interior Side (E)	10 ft. 53 ft.
Max. Proposed Height:	24.29 ft.	Rear (N)	40 ft. 52 ft.
Highest Point/Ridge:	283.67 MSL		
PROPOSED PROJECT INFORMATION			
Floor Area Breakdown:		Required Permits: DRP:	A DRP is required for grading in excess of 100 cubic yards (aggregate)
Existing First Floor:	1,556 ft ²	SDP:	A SDP is required for construction over 16 feet in height.
Proposed First Floor Addition:	1,026 ft ²	Proposed Parking:	3 Spaces Attached Garage
Existing Garage:	185 ft ²	Proposed Fences and Walls:	Yes
Proposed Garage Addition:	285 ft ²	Proposed Accessory Dwelling Unit:	No
Proposed Second Floor:	818 ft ²	Proposed Accessory Structure:	Existing Shed
Subtotal	3,870 ft ²	Existing Development:	Single-Family Residence
Off-Street Parking Exemption	- 400 ft ²		
Total Floor Area:	3,470 ft²		
Proposed Grading: Cut: 30 yd³ Fill: 90 yd³ Import: 60 yd³			

Staff has prepared draft findings for approval of the project in the attached Resolution 2020-016 for Council's consideration based upon the information in this report. The applicable SBMC sections are provided in italicized text and conditions from the Community Development, Engineering, and Fire Departments are incorporated in the Resolution of Approval. The Council may direct Staff to modify the Resolution to reflect the findings and conditions it deems appropriate as a result of the public hearing process. If the Council determines the project is to be denied, Staff will prepare a Resolution of Denial for adoption at a subsequent Council meeting.

The following is a discussion of the findings for a DRP as each applies to the proposed project as well as references to recommended conditions of approval contained in Resolution 2020-016.

Development Review Permit Compliance (SBMC Section 17.68.40):

A DRP is required because the proposal includes an aggregate grading quantity that would exceed 100 cubic yards. In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a list of the development review criteria topics:

1. Relationship with Adjacent Land Uses
2. Building and Structure Placement
3. Landscaping
4. Roads, Pedestrian Walkways, Parking, and Storage Areas
5. Grading
6. Lighting
7. Usable Open Space

The Council may approve, or conditionally approve, a DRP only if all of the findings listed below can be made. Resolution 2020-016 provides the full discussion of the findings.

1. The proposed development is consistent with the general plan and all applicable requirements of the zoning ordinance including special regulations, overlay zones, and specific plans.
2. The proposed development complies with the development review criteria.
3. All required permits and approvals issued by the city, including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.
4. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicant obtaining the required permit or approval from the other agency.

If the above findings cannot be made, the Council shall deny the DRP. The following is a discussion of the applicable development review criteria as they relate to the proposed project.

Relationship with Adjacent Land Uses:

The property is located within the ER-2 Zone. Surrounding properties are also located within the ER-2 Zone and developed with a mixture of one- and two-story single-family residences.

The project, as designed, is consistent with the permitted uses for the ER-2 Zone as described in SBMC Sections 17.20.010 and 17.12.020. The property is designated Estate Residential in the General Plan and intended for single-family estate residences developed at a maximum density of one-two dwelling unit per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan or Overlay Zone areas; however, it is located within the Coastal Zone. As a condition of project approval, the Applicants would be required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of Building or Grading Permits.

Building and Structure Placement:

The Applicants propose to remodel the existing residence and construct a square footage addition and a new attached garage. The footprint of the existing residence is located towards the center of the buildable area. The proposed addition would be to the eastern side of the existing residence in the approximate location of the existing garage. A new patio cover is proposed on the west side of the existing residence. A new two-car garage would be constructed in the northeast corner of the proposed residence and the existing driveway would be reconstructed. The proposed second floor addition is proposed above the location of the existing garage towards the center of the residence.

The 2,582 square foot first floor of the residence would consist of: an open-concept kitchen, great room, dining room; a pantry, laundry and mudroom area between the kitchen and the proposed 470 square foot two car garage; a front entry, powder room and family room are proposed south of the garage; and two bedrooms and two bathrooms are proposed south of the great room. The proposed 818 square foot second floor would consist of the master suite and an office.

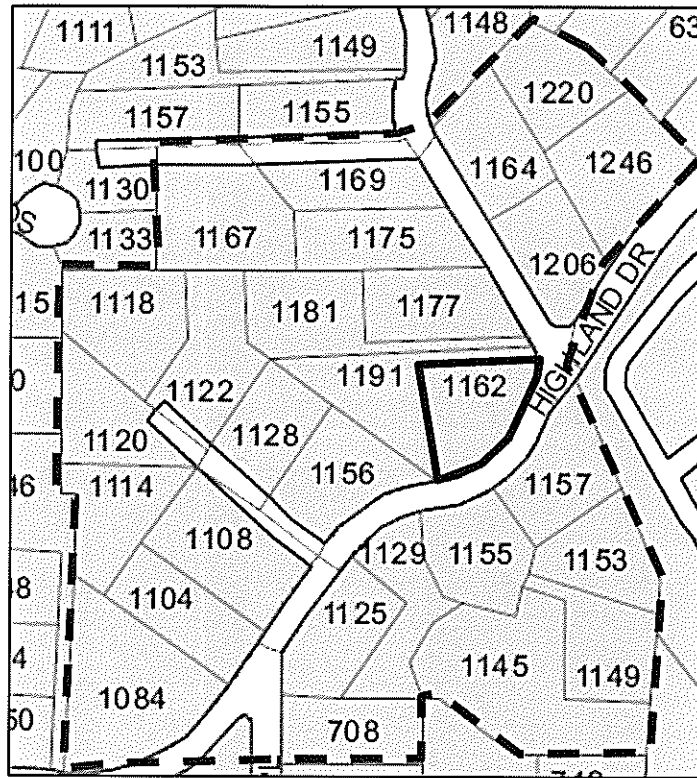
The SBMC parking regulations require two off-street parking spaces per single-family residence. The SBMC indicates that when required spaces are provided in a garage, 200 square feet of floor area is exempted for each required space. Two parking spaces are required; therefore, the project is afforded a 400 square-foot exemption. With the exemption, the total proposed floor area would be 3,470 square feet, which is 4,543 square feet below the maximum allowable floor area for the 23,423 square-foot lot. The maximum floor area calculation for this project is as follows:

0.60 for first 5,000 ft ²	3,000 ft ²
0.30 for 5,000 to 20,000 ft ²	4,500 ft ²
0.15 for anything over 20,000 ft ²	513 ft ²
<u>Maximum Allowable Floor Area:</u>	<u>8,013 ft²</u>

The proposed project, as designed, meets the minimum required setbacks and is below the maximum allowable floor area for the property.

Neighborhood Comparison:

Staff compared the proposed project to 27 other properties within the surrounding area. This area includes properties on both sides of Highland Drive and Solana Drive as shown on the following map.



The properties evaluated in this comparison are also located in the ER Zone. The existing homes range in size from 1,570 square feet to 6,581 square feet, according to the County Assessor records. It should be noted that the County Assessor does not include the garage or covered porch areas in the total square footage. Accordingly, the building area of the proposed project has been calculated for comparison purposes by deleting the area of the proposed garage and the outdoor covered area:

Project Gross Building Area:	3,870 ft ²
Delete Attached Garage:	- 470 ft ²
Project Area for Comparison to Assessor's Data:	3,400 ft ²

Table 2 is based upon the County Assessor's data and SanGIS data. It contains neighboring lot sizes, the square footage of existing development and the maximum allowable square footage for potential development on each lot.

Table 2						
#	Property Address	Lot Size in ft ² (GIS)	Existing ft ² Onsite (Assessor's)	Proposed / Recently Approved ft ²	Max. Allowable ft ²	Zone
1	1206 Highland Drive	22,445	2,943		7,867	ER-2
2	1164 Solana Drive	22,905	1,592		7,936	ER-2
3	1175 Solana Drive	23,235	2,969		7,985	ER-2
4	1169 Solana Drive	25,463	1,620		8,319	ER-2

5	1167 Solana Drive	35,057	Not Available		9,759	ER-2
6	1220 Highland Drive	22,166	4,420		7,825	ER-2
7	1246 Highland Drive	31,194	2,918		9,179	ER-2
8	1118 Highland Drive	28,039	3,746		8,706	ER-2
9	1155 Highland Drive	22,781	3,099		7,917	ER-2
10	1120 Highland Drive	24,252	4,332		8,138	ER-2
11	1114 Highland Drive	23,189	2,291		7,978	ER-2
12	1084 Highland Drive	44,291	1,950		11,144	ER-2
13	1104 Highland Drive	22,512	Not Available		7,877	ER-2
14	1108 Highland Drive	33,064	4,229		9,450	ER-2
15	1122 Highland Drive	28,309	6,581		10,246	ER-2
16	1177 Solana Drive	23,733	3,005		9,560	ER-2
17	1181 Solana Drive	27,944	4,081		10,192	ER-2
18	1145 Highland Drive	52,945	Not Available		12,442	ER-2
19	1128 Highland Drive	23,933	1,884		9,590	ER-2
20	1156 Highland Drive	26,764	3,073		10,015	ER-2
21	1149 Highland Drive	22,028	3,377		7,804	ER-2
22	1153 Highland Drive	21,152	4,020		7,673	ER-2
23	1157 Highland Drive	24,142	3,154		8,121	ER-2
24	1162 Highland Drive	23,423	1,570	3,400	8,013	ER-2
25	1191 Solana Drive	26,138	3,532		8,421	ER-2
26	1125 Highland Drive	22,363	2,120		7,854	ER-2
27	1129 Highland Drive	22,524	2,877		7,879	ER-2
28	708 Avocado Place	21,741	2,795		7,761	ER-2

Fences, Walls and Retaining Walls:

Within the front yard setback area, the SBMC Section 17.20.040(O) allows fences and walls, or any combination thereof, to be no higher than 42 inches in height as measured from existing grade, except for an additional two feet of fence that is at least 80% open to light. Fences and walls located within the rear and interior side yards are allowed to be up to six feet in height with an additional 24 inches that is 50% open to light and air.

The Applicants are proposing to construct a new retaining wall/fence combination along the new front property line that would not exceed 42" of a solid wall and 24" of fence on top that would be 80% open to light.

Currently, the plans show fences and walls that comply with the requirements of SBMC 17.20.040(O) and 17.60.070(C). If the Applicants decide to modify any of the proposed fences and walls or construct additional fences and walls on the project site, a condition of project approval indicates that they would be required to be in compliance with the Municipal Code.

Landscape:

The project is not subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. According to SBMC Section 17.56.040, the regulations apply to modified irrigated landscape areas that exceed 500 square feet. The Applicants are not proposing to modify the existing landscaped area.

Parking:

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicants are proposing to construct an attached 470 square foot garage accessed by the existing driveway in the northeastern corner of the property. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. The proposed garage will provide three 9-foot by 19-foot parking spaces that are clear of obstruction. Two spaces are required, therefore, 400 square feet of garage area is exempt from the project's total floor area calculation.

Grading:

The project proposes grading in the amounts of 30 cubic yards of cut, 90 cubic yards of fill, and 60 cubic yards of import. Grading is proposed to modify the existing street frontage in order to provide a decomposed granite path ranging from 4 to 6 feet in width with a 2% slope toward Highland Drive for drainage purposes.

Lighting:

The property is located within the City's Dark Sky Area which has specific lighting regulations to preserve the traditional semirural character of the area which includes low levels of nighttime illumination. These regulations prohibit the outside illumination for aesthetic or dramatic purposes of any building and or surrounding landscape, including environmentally sensitive habitat areas (public or private). Conditions of project approval include that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060); that all light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area; and that aesthetic illumination of the proposed residence or landscaping is prohibited.

Usable Open Space:

The project consists of the construction of square footage addition on an existing single-story, single-family residence on a developed residential lot, therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040. As a condition of approval, the Applicants will be required to pay the City's Park Impact Fee.

Structure Development Permit Compliance:

The proposed structure exceeds 16 feet in height above the pre-existing grade. Therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicants were required to complete the SDP process. The Applicant had story poles erected onsite. A final Story Pole Height Certification was issued by a licensed land surveyor on August 6, 2019, which showed a maximum building height of 24.29 feet and the tallest story pole (SP #3) at 283.67 feet above Mean Sea Level (MSL) as measured above the existing grade. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site which established a deadline to file for View Assessment on January 2, 2020. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certificate prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.29 feet above the existing grade or 283.67 feet above MSL which is the maximum proposed height reflected on the project plans.

Public Hearing Notice:

Notice of the City Council Public Hearing for the project was published in the Union Tribune more than 10 days prior to the public hearing. The same public notice was mailed to property owners and occupants within 300 feet of the proposed project site on Friday, January 31, 2020. Staff has received three letters in support of the project and inquiries about the proposed development.

In conclusion, the proposed project, as conditioned, could be found to be consistent with the Zoning regulations and the General Plan. Conditions from the Planning, Engineering, and Fire Departments have been incorporated into the Resolution of Approval.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 of the State CEQA Guidelines. Class 3 consists of construction and location of limited numbers of new, small facilities or structures. Examples of this exemption include one single-family residence or second dwelling unit in a residential zone. In urbanized areas, up to three-single-family residences may be constructed or converted under this exemption.

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation adopting the attached Resolution 2020-016.

- Approve Staff recommendation subject to additional specific conditions necessary for the City Council to make all required findings for the approval of DRP.
- Deny the project if all required findings for the DRP cannot be made.

DEPARTMENT RECOMMENDATION:

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2020-016 conditionally approving a DRP and SDP to construct a square footage addition to an existing single-family residence at 1162 Highland Drive, Solana Beach.
4. Adopt Resolution 2020-022 ordering the vacation of excess public street right-of-way at 1162 Highland Drive.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-016
2. Project Plans
3. Resolution 2020-022

RESOLUTION 2020-016

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A DEVELOPMENT REVIEW PERMIT AND AN ADMINISTRATIVE SDP FOR AN INTERIOR REMODEL AND SQUARE FOOTAGE ADDITION INCLUDING A NEW SECOND STORY TO AN EXISTING SINGLE FAMILY RESIDENCE WITH AN ATTACHED GARAGE AND TO PERFORM STREET IMPROVEMENTS ON A PROPERTY LOCATED AT 1162 HIGHLAND DRIVE, SOLANA BEACH

APPLICANT: Bob and Melissa Kench
CASE NO.: 17-18-32 DRP/SDP

WHEREAS, Bob and Melissa Kench (hereinafter referred to as the “Applicants”), have submitted an application for a Development Review Permit (DRP) and Structure Development Permit (SDP) pursuant to Title 17 (Zoning) of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the Public Hearing was conducted pursuant to the provisions of Solana Beach Municipal Code Section 17.72.030; and

WHEREAS, at the Public Hearing on February 12, 2020, the City Council received and considered evidence concerning the proposed application; and

WHEREAS, the City Council of the City of Solana Beach found the application request exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and

WHEREAS, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

- I. That the foregoing recitations are true and correct.
- II. That the request for a DRP and SDP for an interior remodel and a 2,129 square-foot addition to an existing single-family residence which includes the construction of a new second story and street improvements at 1162 Highland Drive, is conditionally approved based upon the following Findings and subject to the following Conditions:

III. FINDINGS

- A. In accordance with Section 17.68.040 (Development Review Permit) of the City of Solana Beach Municipal Code, the City Council finds the following:

- I. *The proposed project is consistent with the General Plan and all applicable requirements of SBMC Title 17 (Zoning Ordinance), including special regulations, overlay zones and specific plans.*

General Plan Consistency: The project, as conditioned, is consistent with the City's General Plan designation of Estate Residential (ER-2) which allows for single-family estate residential development with a maximum density of 1-2 dwelling units per acre. The development is also consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

Zoning Ordinance Consistency: The project is consistent with all applicable requirements of the Zoning Ordinance (Title 17) (SBMC 17.20.030 and 17.48.040), which delineates maximum allowable Floor Area Ratio (FAR), Permitted Uses and Structures (SBMC Section 17.20.020) which provides for uses of the property for a single-family residence. Further, the project adheres to all property development regulations established for the ER-2 Zone and cited by SBMC Section 17.020.030.

The project is consistent with the provisions for minimum yard dimensions (i.e., setbacks) and the maximum allowable Floor Area (FAR), maximum building height, and parking requirements.

- II. *The proposed development complies with the following development review criteria set forth in Solana Beach Municipal Code Section 17.68.040.F:*

- a. *Relationship with Adjacent Land Uses: The development shall be designed in a manner compatible with and where feasible, complimentary to existing and potential development in the immediate vicinity of the project site. Site planning on the perimeter of the development shall give consideration to the protection of surrounding areas from potential adverse effects, as well as protection of the property from adverse surrounding influences.*

The property is located within the ER-2 Zone. Surrounding properties are also located within the ER-2 Zone and developed with a mixture of one- and two-story single-family residences.

The project, as designed, is consistent with the permitted uses for the ER-2 Zone as described in SBMC Sections 17.20.010 and 17.12.020. The property is designated Estate Residential in the General Plan and intended for single-family estate

residences developed at a maximum density of one-two dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan or Overlay Zone areas; however, it is located within the Coastal Zone. As a condition of project approval, the Applicants would be required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of Building or Grading Permits.

- b. *Building and Structure Placement: Buildings and structures shall be sited and designed in a manner which visually and functionally enhances their intended use.*

The Applicants propose to remodel the existing residence and to construct a square footage addition and a new attached garage. The footprint of the existing residence is located towards the center of the buildable area. The proposed addition would be to the eastern side of the existing residence in the approximate location of the existing garage. A new patio cover is proposed on the west side of the existing residence. A new two-car garage would be constructed in the northeast corner of the proposed residence and the existing driveway would be reconstructed. The proposed second floor addition is proposed above the location of the existing garage towards the center of the residence.

The 2,582 square foot first floor of the residence would consist of: an open-concept kitchen, great room, dining room; a pantry, laundry and mudroom area between the kitchen and the proposed 470 square foot two car garage; a front entry, powder room and family room are proposed south of the garage; and two bedrooms and two bathrooms are proposed south of the great room. The proposed 818 square foot second floor would consist of the master suite and an office.

The SBMC parking regulations require two off-street parking spaces per single-family residence. The SBMC indicates that when required spaces are provided in a garage, 200 square feet of floor area is exempted for each required space. Two parking spaces are required; therefore, the project is afforded a 400 square-foot exemption. With the exemption, the total proposed

floor area would be 3,470 square feet, which is 4,543 square feet below the maximum allowable floor area for the 23,423 square-foot lot. The maximum floor area calculation for this project is as follows:

0.60 for first 5,000 ft ²	3,000 ft ²
0.30 for 5,000 to 20,000 ft ²	4,500 ft ²
0.15 for anything over 20,000 ft ²	513 ft ²
<hr/> Maximum Allowable Floor Area:	8,013 ft ²

The proposed project, as designed, meets the minimum required setbacks and is below the maximum allowable floor area for the property.

- c. *Landscaping: The removal of significant native vegetation shall be minimized. Replacement vegetation and landscaping shall be compatible with the vegetation of the surrounding area. Trees and other large plantings shall not obstruct significant views when installed or at maturity.*

The project is not subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. According to SBMC Section 17.56.040, the regulations apply to modified irrigated landscape areas that exceed 500 square feet. The Applicants are not proposing to modify the existing landscaped area.

- d. *Roads, Pedestrian Walkways, Parking and Storage Areas: Any development involving more than one building or structure shall provide common access roads and pedestrian walkways. Parking and outside storage areas, where permitted, shall be screened from view, to the extent feasible, by existing topography, by the placement of buildings and structures, or by landscaping and plantings.*

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicants are proposing to construct an attached 470 square foot garage accessed by the existing driveway in the northeastern corner of the property. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. The proposed garage will provide three 9-foot by 19-foot parking spaces that are clear of obstruction. Two spaces are required, therefore, 400 square feet of garage area is exempt from the project's total floor area calculation.

- e. *Grading: To the extent feasible, natural topography and scenic features of the site shall be retained and incorporated into the proposed development. Any grading or earth-moving operations in connection with the proposed development shall be planned and executed so as to blend with the existing terrain both on and adjacent to the site. Existing exposed or disturbed slopes shall be landscaped with native or naturalized non-native vegetation and existing erosion problems shall be corrected.*

The project proposes grading in the amounts of 30 cubic yards of cut, 90 cubic yards of fill, and 60 cubic yards of import. Grading is proposed to modify the existing street frontage in order to provide a 4.5 foot wide decomposed granite path with a 2% slope toward the Highland Drive for drainage purposes.

- f. *Lighting: Light fixtures for walkways, parking areas, driveways, and other facilities shall be provided in sufficient number and at proper locations to assure safe and convenient nighttime use. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding areas per SBMC 17.60.060 (Exterior Lighting Regulations).*

The property is located within the City's Dark Sky Area which has specific lighting regulations to preserve the traditional semirural character of the area which includes low levels of nighttime illumination. These regulations prohibit the outside illumination for aesthetic or dramatic purposes of any building and or surrounding landscape, including environmentally sensitive habitat areas (public or private). Conditions of project approval include that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060); that all light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area; and that aesthetic illumination of the proposed residence or landscaping is prohibited.

- g. *Usable Open Space: Recreational facilities proposed within required usable open space shall be located and designed to maintain essential open space values.*

The project consists of the construction of square footage addition on an existing single-story, single-family residence on a developed residential lot, therefore, usable open space and recreational facilities are neither proposed nor required

according to SBMC Section 17.20.040. As a condition of approval, the Applicants will be required to pay the City's Park Impact Fee.

- III. All required permits and approvals including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.*

All required permits are being processed concurrently with the Development Review Permit.

- IV. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicant obtaining the required permit or approval from the other agency.*

The Applicants are required to obtain approval from the California Coastal Commission prior to issuance of Building and Grading Permits.

- B. In accordance with Section 17.63.040 (Structure Development Permit) of the Solana Beach Municipal Code, the City Council finds the following:

The proposed structure exceeds 16 feet in height above the pre-existing grade. Therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicants were required to complete the SDP process. The Applicants had story poles erected onsite. A final Story Pole Height Certification was issued by a licensed land surveyor on August 6, 2019, which showed a maximum building height of 24.29 feet and the tallest story pole (SP #3) at 283.67 feet above Mean Sea Level (MSL) as measured above the existing grade. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site which established a deadline to file for View Assessment on January 2, 2020. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certificate prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.29 feet above the existing grade or 283.67 feet above MSL which is the maximum proposed height reflected on the project plans.

IV. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicants shall provide for and adhere to the following conditions:

A. Community Development Department Conditions:

- I. The Applicants shall pay required Public Facilities, Fire Mitigation, Park Development and Public Use Facilities Impact Fees, as established by SBMC Chapter 17.72.020, Chapter 15.60, Chapter 15.65, Chapter 15.66, and Resolutions 1987-36 and 2018-147.
- II. Building Permit plans must be in substantial conformance with the architectural plans presented to the City Council on February 12, 2020, and located in the project file with a submittal date of February 3, 2020.
- III. Prior to requesting a framing inspection, the Applicants shall submit a height certification, signed by a licensed land surveyor, certifying that the building envelope is in conformance with the plans as approved by the City Council on February 12, 2020 and that the maximum height of the proposed addition will not exceed 24.29 feet above the existing grade or 283.67 feet above MSL.
- IV. Any proposed onsite fences, walls and retaining walls and any proposed railing located on top, or any combination thereof, shall comply with applicable regulations of SBMC Section 17.20.040 and 17.60.070 (Fences and Walls).
- V. The Applicants shall obtain required California Coastal Commission (CCC) approval of a Coastal Development Permit, Waiver or Exemption as determined necessary by the CCC, prior to the issuance of a grading or building permit.
- VI. Native or drought tolerant and non-invasive plant materials and water conserving irrigation systems shall be incorporated into any proposed landscaping and compatible with the surrounding area to the extent feasible.
- VII. All new exterior lighting fixtures shall be in conformance with the City-wide lighting regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.
- VIII. The aesthetic illumination of the proposed residence or landscaping is prohibited.
- IX. Construction vehicles shall be parked on the subject property at all times when feasible. If construction activity prohibits parking on the subject property, the Applicants shall ensure construction vehicles are parked in such a way to allow sufficient vehicular access on the street.

and minimize impact to the surrounding neighbors.

- X. The Applicants shall connect to temporary electrical service as soon as feasible to the satisfaction of the City.

B. Fire Department Conditions:

- I. GATES: All gates or other structures or devices, which could obstruct fire access roadways or otherwise hinder emergency operations, are prohibited unless they meet standards approved by the Fire Department. An approved emergency key-operated switch and/or an approved emergency traffic control-activating strobe light sensor shall be installed per Solana Beach Fire Department standards.
- II. OBSTRUCTION OF ROADWAYS DURING CONSTRUCTION: All roadways shall be a minimum of 20 feet in width during construction and maintained free and clear, including the parking of vehicles, in accordance with the California Fire Code and the Solana Beach Fire Department.
- III. ADDRESS NUMBERS: STREET NUMBERS: Approved numbers and/or addresses shall be placed on all new and existing buildings and at appropriate additional locations as to be plainly visible and legible from the street or roadway fronting the property from either direction of approach. Said numbers shall contrast with their background, and shall meet the following minimum standards as to size: 4" high with a ½" inch stroke width for residential buildings, 8" high with a ½" stroke for commercial and multi-family residential buildings, 12" high with a 1" stroke for industrial buildings. Additional numbers shall be required where deemed necessary by the Fire Marshal, such as rear access doors, building corners, and entrances to commercial centers.
- IV. AUTOMATIC FIRE SPRINKLER SYSTEM-ONE AND TWO FAMILY DWELLINGS: Structures shall be protected by an automatic fire sprinkler system designed and installed to the satisfaction of the Fire Department. Plans for the automatic fire sprinkler system shall be approved by the Fire Department prior to installation.
- V. CLASS "A" ROOF: All structures shall be provided with a Class "A" Roof covering to the satisfaction of the Solana Beach Fire Department.

C. Engineering Department Conditions:

- I. Obtain an Encroachment Permit in accordance with Chapter 11.20 of the Solana Beach Municipal Code, prior to the demolition and construction of any improvements within the public right-of way,

including the following as shown on the Preliminary Grading Plan to the satisfaction of the City Engineer:

- a. Demolition on portions of exist A.C. berm.
- b. Construction of SDRSD G-05, Type "E" A.C. berm and 4 - 4.5 foot wide compacted and bonded decomposed granite graded at 2% in the right-of-way.
- c. Construction of new pervious concrete driveway.
- d. 2-foot high gravity retaining wall.

All proposed improvements within the public right-of-way shall comply with city standards including but not limited to the Off-Street Parking Design Manual.

- II. The Applicant shall record the Encroachment Maintenance Removal Agreement (EMRA) with the County of San Diego prior to the release of the Grading Bond and Security Deposit. The EMRA shall be recorded against this property for all improvements in the Public Right-Of-Way including but not limited to:
 - a. Gravity retaining wall.
 - b. End posts as agreed upon with the City Engineer. See condition #4.
 - c. Pervious concrete driveway.
- III. The applicant shall dedicate 4 feet of property frontage for public right-of-way to the City of Solana Beach of the existing 10-foot Irrevocable Offer to Dedicate (I.O.D). The Applicant shall provide the Plat and Legal Description prepared by a Registered Civil Engineer prior to Final Inspection of the Building Permit.
- IV. The Applicant shall remove the existing end posts in the public right-of-way. A maximum of 3 end posts can remain as agreed upon with the City Engineer.
- V. The 6 feet of the 10-foot Irrevocable Offer of Dedication shall be vacated pursuant to conditions below.
- VI. All construction demolition materials shall be recycled according to the City's Construction and Demolition recycling program and an approved Waste Management Plan shall be submitted.

- VII. Construction fencing shall be located on the subject property unless the applicant has obtained an Encroachment Permit in accordance with chapter 11.20 of the SBMC which allows otherwise.
- VIII. The Applicant shall underground all new utility services, including but not limited to electrical and telephone.

GRADING CONDITIONS:

- VI. Obtain a Grading Permit in accordance with Chapter 15.40 of the Solana Beach Municipal Code. Conditions prior to the issuance of a grading permit shall include, but not be limited to, the following:
 - a. The Applicant shall obtain a grading plan prepared by a Registered Civil Engineer and approved by the City Engineer. On-site grading design and construction shall be in accordance with Chapter 15.40 of the Solana Beach Municipal Code.
 - b. The Applicant shall obtain a Soils Report prepared by a Registered Soils Engineer and approved by the City Engineer. All necessary measures shall be taken and implemented to assure slope stability, erosion control and soil integrity. The grading plan shall incorporate all recommendations contained in the soils report.
 - c. The Applicant shall provide a Drainage Report prepared by a Registered Civil Engineer. This report shall address the design for detention basin and corresponding outflow system to ensure the rate of runoff for the proposed development is at or below that of pre-existing condition. All recommendations of this report shall be incorporated into the Preliminary Grading Plan. A detention basin easement(s) shall be recorded for maintenance of the detention basins by the property owner(s) in perpetuity, prior to Final Inspection of the Building Permit.
 - d. The Applicant shall show all retaining walls and drainage structures. Retaining walls shown on the grading plan shall conform to the San Diego Regional Standards or be designed by a licensed civil engineer. Engineering calculations for all designed walls with a surcharge and nonstandard walls shall be submitted at grading plan check. Retaining walls may not exceed the allowable height within the property line setback as determined by the City of Solana Beach Municipal Code. Contact the Community Development department for further information.

- e. The Applicant is responsible to protect the adjacent properties during construction. If any grading, other types of construction or access is anticipated beyond the property lines, the Applicant shall obtain a letter of permission from the adjoining property owners. All required letters of permission shall be submitted to the City Engineer prior to the anticipated work.
- f. Cut and fill slopes shall be set back from site boundaries and buildings shall be set back from cut or fill slopes in accordance with SBMC 15.40.140 and to the satisfaction of the City Engineer.
- g. The Applicant shall pay a grading plan check fee in accordance with the current Engineering Fee Schedule at initial grading plan submittal. Inspection fees shall be paid prior to issuance of the grading permit.
- h. The Applicant shall obtain and submit grading security in a form prescribed by the City Engineer.
- i. The Applicant shall obtain haul permit for import / export of soil. The Applicant shall transport all excavated material to a legal disposal site.
- j. The Applicant shall submit certification from the Engineer of Record and the Soils Engineer that all public or private drainage facilities and finished grades are functioning and are installed in accordance with the approved plans. This shall be accomplished by the Engineer of Record incorporating as-built conditions on the Mylar grading plans and obtaining signatures of the Engineer of Record and the Soils Engineer certifying the as-built conditions.
- k. An Erosion Prevention and Sediment Control Plan shall be prepared by the Applicant. Best management practices shall be developed and implemented to manage storm water and non-storm water discharges from the site at all times during excavation and grading activities. Erosion prevention shall be emphasized as the most important measure for keeping sediment on site during excavation and grading activities. Sediment controls shall be used as a supplement to erosion prevention for keeping sediment on site.
- l. The Applicant shall show all proposed on-site private drainage facilities intended to discharge water run-off. Elements of this design shall include a hydrologic and hydraulic analysis verifying the adequacy of the facilities and identify any easements or structures required to properly convey the

drainage. The construction of drainage structures shall comply with the standards set forth by the San Diego Regional Standard Drawings.

- m. Post Construction Best Management Practices meeting City and RWQCB Order No. R9-2013-001 requirements shall be implemented in the drainage design.
 - n. Prior to obtaining a building permit, submit a building pad certification statement from a soils engineer and an engineer or land surveyor licensed in Land Surveying per SBMC 15.40.230E.
 - o. The building permit shall be issued concurrently with the grading permit.
 - p. No increased cross lot drainage shall be allowed.
 - q. The Applicant shall record a document holding the City of Solana Beach harmless in case of a sanitary sewer backup due to a blockage in the public sewer main. A backflow prevention device shall be installed on private property.
- VII. Provide evidence that the street vacation is approved by all utility companies. This area is recommended to be vacated with this Development Review Permit under a separate resolution.
- VIII. Right-of-way vacation plat shall be reviewed and approved by the City Engineer and recorded with the County of San Diego.
- IX. The approved right-of-way plat shall be recorded with the County of San Diego to the satisfaction of the City Engineer.

V. ENFORCEMENT

Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.1.6 and 1.18 in addition to any applicable revocation proceedings.

VI. EXPIRATION

The Development Review Permit and Structure Development Permit for the project will expire 24 months from the date of this Resolution, unless the Applicants have obtained building permits and have commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council according to SBMC 17.72.110.

VII. INDEMNIFICATION AGREEMENT

The Applicants shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicants of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicants shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicants regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicants shall not be required to pay or perform any settlement unless such settlement is approved by the Applicants.

NOTICE TO APPLICANT: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this resolution you must comply with the provisions of Government Code Section 66020. Generally the resolution is effective upon expiration of the tenth day following the date of adoption of this resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 12th day of February, 2020, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

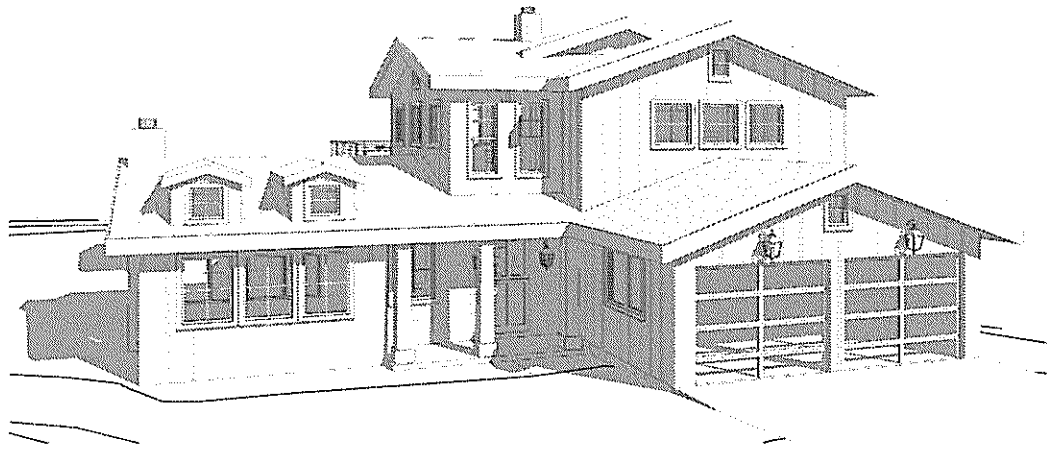
JEWEL EDSON, MAYOR

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



kench

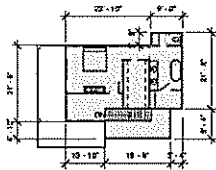
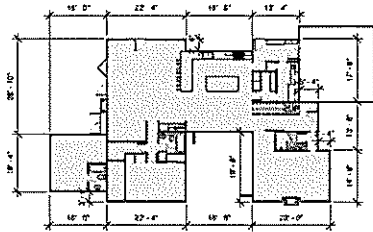
ADDITION + REMODEL

fire department conditions:

- GATES: ALL GATES OR OTHER STRUCTURES OR DEVICES, WHICH COULD OBSTRUCT FIRE ACCESS, ROADWAYS OR COVERAGES (INDOOR EMERGENCY OPERATIONS) AND PREVENTED FROM THEM MUST BE INSTALLED AND MAINTAINED IN AN APPROVED EMERGENCY KEY OPERATED SWITCH AND AN APPROVED EMERGENCY FRAP (F) COUPLER, ACTIVATING BY INDOOR LEANT SENSOR SHALL BE INSTALLED PER CALIFORNIA BEACH FIRE DEPARTMENT STANDARDS.
- ADDRESS NUMBERS: STREET NUMBERS, APPROVED NUMBERS AND/OR ADDRESS NUMBERS SHALL BE PLACED ON ALL NEW AND EXISTING BUILDINGS AT APPROPRIATE ADDITIONAL LOCATIONS AS TO BE PLANNED BY THE FIRE DEPARTMENT. APPROVED NUMBERS SHALL CONTRAST WITH THEIR BACKGROUND, AND SHALL USE THE FOLLOWING MINIMUM STANDARDS: 4" HIGH WITH A 1/4" TWO STROKE WIDTH FOR RESIDENTIAL BUILDINGS, 6" HIGH WITH A 1/4" STROKE FOR COMMERCIAL AND A 3/4" STROKE FOR INDUSTRIAL BUILDINGS. ADDITIONAL NUMBERS SHALL BE PROVIDED WHERE DEEMED NECESSARY BY THE FIRE DEPARTMENT, SUCH AS REAR ACCESS DOORS, BUILDING CORNERS, AND ENTRANCES TO COMMERCIAL CENTERS.
- AUTOMATIC FIRE SPRINKLER SYSTEM: ONE AND TWO FAMILY DWELLINGS: STRUCTURES SHALL BE PROTECTED BY AN AUTOMATIC FIRE SPRINKLER SYSTEM COULDED AND INSTALLED TO THE SATISFACTION OF THE FIRE DEPARTMENT. PLANS FOR THE AUTOMATIC FIRE SPRINKLER SYSTEM SHALL BE APPROVED BY THE FIRE DEPARTMENT PRIOR TO INSTALLATION.
- GLASS "A" ROOF: ALL STRUCTURES SHALL BE PROVIDED WITH A GLASS "A" ROOF COULDED TO THE SATISFACTION OF THE CALIFORNIA BEACH FIRE DEPARTMENT.

far calculations:

FOR RESIDENTIAL PROPERTIES NOT SUBJECT TO SFGC SECTION 17.46.04
 MAXIMUM FLOOR AREA RATIO CALCULATION:
 ALLOWABLE FAR:
 LOT AREA + 400 (FOR THE FIRST 5,000 SF) = 4,000 SF
 LOT AREA + 0.25 (FOR PORTION OF LOT'S UP TO 20,000 SF) = 4,000 SF
 LOT AREA + 0.15 (FOR PORTION OF LOT GREATER THAN 20,000 SF) = 4,000 SF
 SUM OF EACH TEN TO BE 10,000 MAXIMUM FAR = 4,000 SF



governing codes:

- PART 2 2018 CA BUILDING CODE
- PART 3 2018 CA RESIDENTIAL CODE
- PART 3 2018 CA ELECTRICAL CODE
- PART 4 2018 CA MECHANICAL CODE
- PART 5 2018 CA PLUMBING CODE
- PART 6 2018 CA FIRE CODE
- PART 11 2018 CA GREEN BUILDING STANDARDS CODE

NO LANDSCAPING IS PROPOSED AS A PART OF THIS PROJECT
 THERE IS NO WORKING IRRIGATION SYSTEM ON SITE.

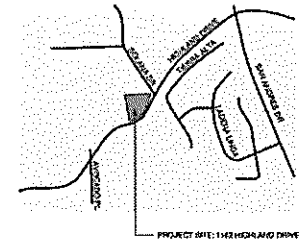
1 - landscape areas		
Name	Existing Square Footage	Proposed Total Square Footage
Non-Irrigated Area	1,782 SF	1,001 SF
Non-Irrigated Landscape	18,457 SF	16,853 SF
Irrigated Landscape	0 SF	0 SF
Water Features	0 SF	0 SF
Decorative Hardscape	3,174 SF	3,489 SF
Total Lot Area	23,423 SF	23,423 SF

2 - landscape areas	
	Area of Work
Irrigated Landscape	0 SF
Water Features	0 SF
Decorative Hardscape	3,489 SF
Aggregate Landscape Area	18,521 SF

sheet index

#	SHEET TITLE
003	WALK SCHEDULE
001	FOUNDATIONS AND FOUNDATIONS
002	FOUNDATION PLAN
003	FOUNDATION PLAN
004	FIRST FLOOR PLAN
005	SECOND FLOOR PLAN
006	STORY POSE PLAN
007	MULTIPLYERS & VENTILATORS
008	PLUMBING & ELECTRICALS
009	MECHANICALS
010	PRELIMINARY GRADE PLAN

vicinity map:



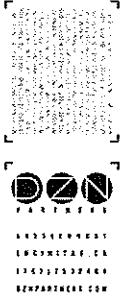
project team:

- ARCHITECT: KENCH PARTNERS
 402 BEECHER ST
 ENCINITAS, CA 92024
 (760) 942-2444
 BART@KENCH.COM
 WWW.KENCH.COM
- ENGINEER: D.A.C. ENGINEERING AND LAND SURVEYING
 1719 WHEAT ROAD #204
 THERESA, CA 92071
 (760) 942-1111
 GREGORY.A.CAPELL
 gca@dac-engineering.com

project data:

- PROJECT OWNER: BOB AND MELISSA KENCH
 OWNER ADDRESS: 1162 HOWLAND DRIVE
 DEL MAR, CA 92024
 OWNER PHONE: 619 254-4954
 619 546-0534
 PROJECT ADDRESS: 1162 HOWLAND DRIVE
 DEL MAR, CA 92024
 PROJECT DESCRIPTION: 1000 SQUARE ADDITION AND REMODEL OF AN EXISTING ONE STORY SINGLE FAMILY RESIDENCE. NEW TWO CAR GARAGE. THE EXTENSION OF THE GARAGE IS RESIDENTIAL. WILL BE A WOODEN FLOOR WITH TILE UTILITY ROOM AND BATH. BATHROOM AND METAL ROOFING.
 LEGAL DESCRIPTION: PAR 1, PM 67012
 AIN: 20-13D 44 05
 USE TYPE: RESIDENTIAL, SINGLE FAMILY
 OCCUPANCY: R-3
 CONSTRUCTION TYPE: V-B
 ZONE: ER 2b
 PROJECTED AREA: 22,423 SF
 NET LOT AREA: 23,423 SF
 YEAR BUILT: 1995

- DECKS:
 FRONT DECK: 20' 0"
 SIDE DECK: 42' 0"
 REAR DECK: 42' 0"
 REAR DECK: 42' 0"
 HEIGHT LIMIT PROPOSED HEIGHT: 25' 0"
 24' 7"
- BUILDING AREA:
 G1 FIRST FLOOR LIVING AREA: 1,550 SF
 G1 SECOND FLOOR LIVING AREA: 0 SF
 G1 GARAGE: 1,111 SF
 G1 TOTAL GARAGE FOOTAGE: 1,111 SF
 G1 OUTDOOR W/DB: 420 SF
- G1 FIRST FLOOR TO REMAIN: 1,289 SF
 G1 FIRST FLOOR TO BE REMOVED: 267 SF
 G2 FIRST FLOOR LIVING ADDITION: 364 SF
 G2 SECOND FLOOR LIVING ADDITION: 819 SF
 G2 OUTDOOR ADDITION: 410 SF
- G3 1ST FLOOR COVERED PATIOS: 292 SF (16'x16'x10)
 *THE FIRST FLOOR COVERED AREA OF 80 SF IS TO BE PROVIDED AS THE PROPOSED FAR BECAUSE THE PROPOSED COVERED PATIOS ARE BY FULL GROUND WALLS AND IS COVERED.
- G3 2ND FLOOR DECK: 314 SF
 G3 TOTAL FIRST FLOOR LIVING AREA: 2,222 SF
 G3 TOTAL SECOND FLOOR LIVING AREA: 3,343 SF
 G3 TOTAL GARAGE: 1,111 SF
 G3 TOTAL GARAGE FOOTAGE IN FLOOR AREA: 80 SF
 G3 COVERED FRONT PORCH AREA: 2,410 SF
 G3 TOTAL FLOOR AREA: 4,005 SF / 213-123 = 1727%
- SCREENED COVERAGE:
 FLOOR AREA RATIO: 3,365 / 1170-425 = 2872% / 23 - 125
- CONCRETE QUANTITIES:
 GUT: 30 C.Y.
 30 E.V.
 80 TON
- PAVING:
 NEW TWO CAR GARAGE: 2 PARKING SPACES
 PROPOSED - 2 PARKING SPACES
 PROPOSED - 2 PARKING SPACES
- FIRE SPRINKLERS:
 *12% REQUIRED
- LANDSCAPE:
 *NO LANDSCAPING IS PROPOSED AS A PART OF THIS PROJECT



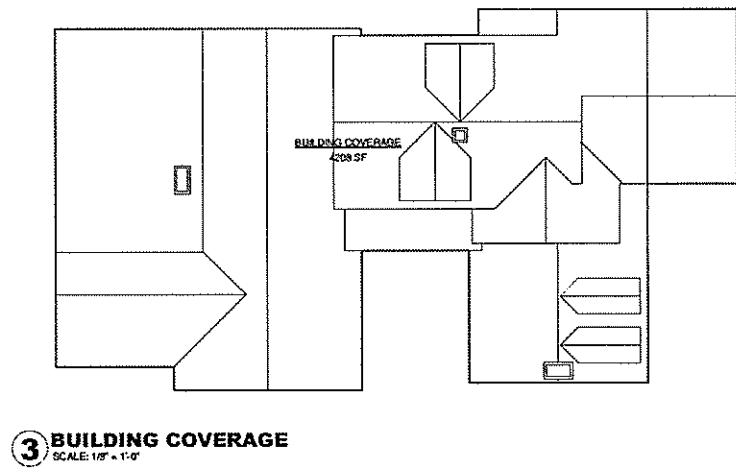
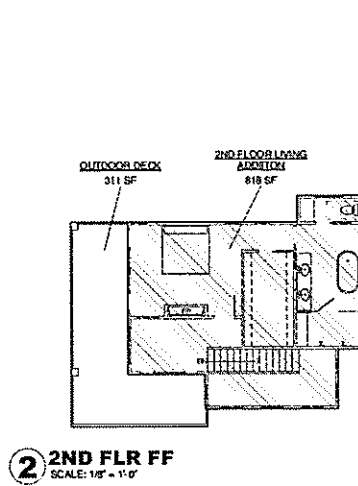
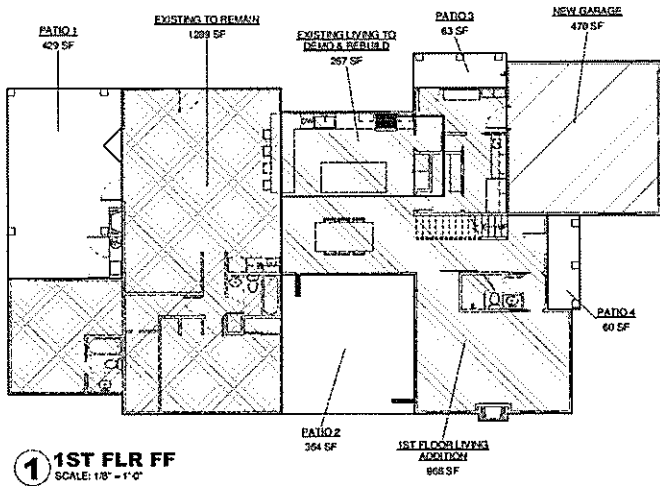
KENCH
 CITY: DEL MAR
 2018.12.14
 2018.05.16
 2018.07.16
 2018.10.04
 2018.11.13
 JOB: 201824R

TITLE SHEET

a0.0

mechanical:		plumbing:		electrical:		electrical:		electrical:		drawing:		drawing:		abbreviations:	
SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
...
...
...

area diagrams:



LEGEND

EXISTING TO REMAIN

EXISTING LIVING TO DEMOLISH & REBUILD

NEW GARAGE

PATIO 1

PATIO 2

PATIO 3

PATIO 4

1ST FLOOR LIVING ADDITION

OUTDOOR DECK

2ND FLOOR LIVING ADDITION

BUILDING COVERAGE



KENCH

CITY: DEL MAR

2018.12.14

2019.05.16

2019.07.18

2019.10.04

2019.11.13

JOB#: 201826R

LEGENDS AND DIAGRAMS

a0.1



2. ALL EXISTING UTILITIES SHOWN ARE BASED ON RECORD DRAWINGS AND FIELD SURVEY. THE CLIENT IS RESPONSIBLE FOR VERIFYING THE LOCATION AND DEPTH OF ALL UTILITIES PRIOR TO CONSTRUCTION.

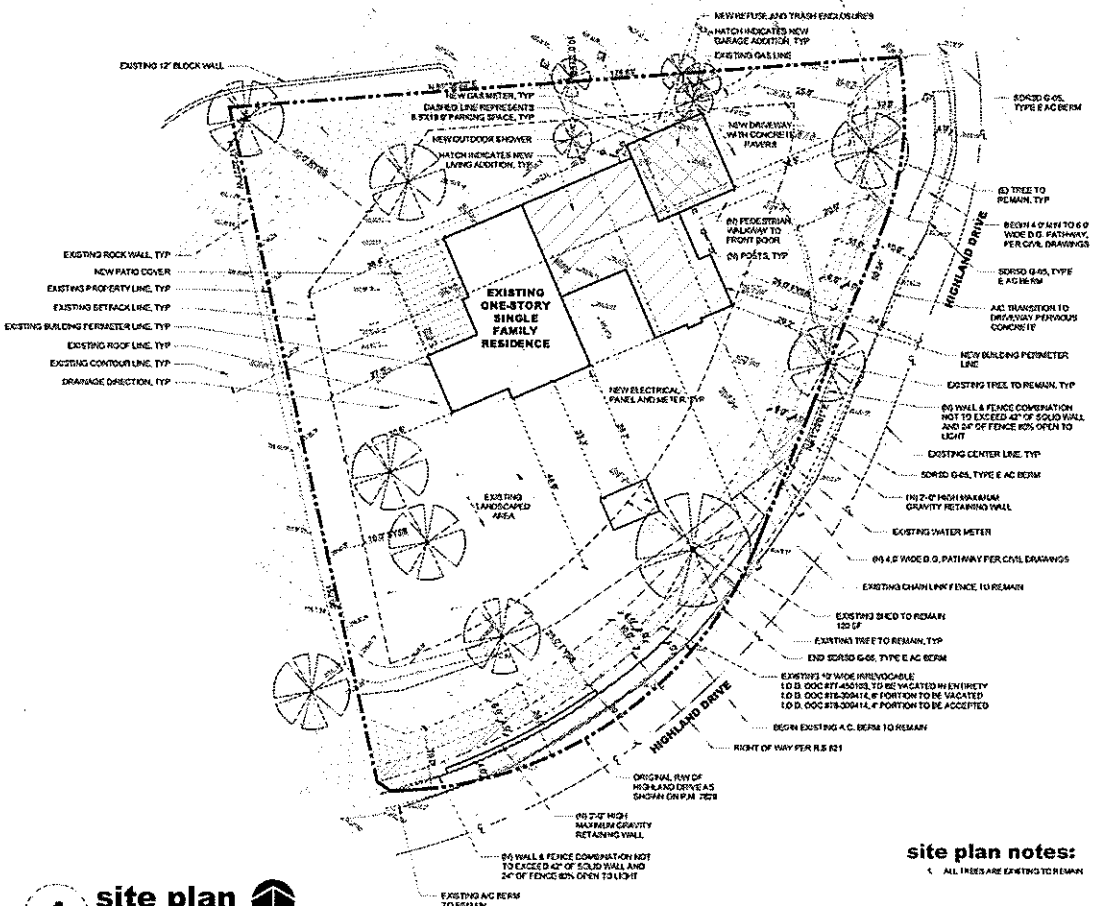


KENCH
CITY: DEL MAR
2019-04-08
2019-05-16
2019-07-18
2018-10-04
2019-11-13

JOB: 201836R

SITE PLAN

a0.2

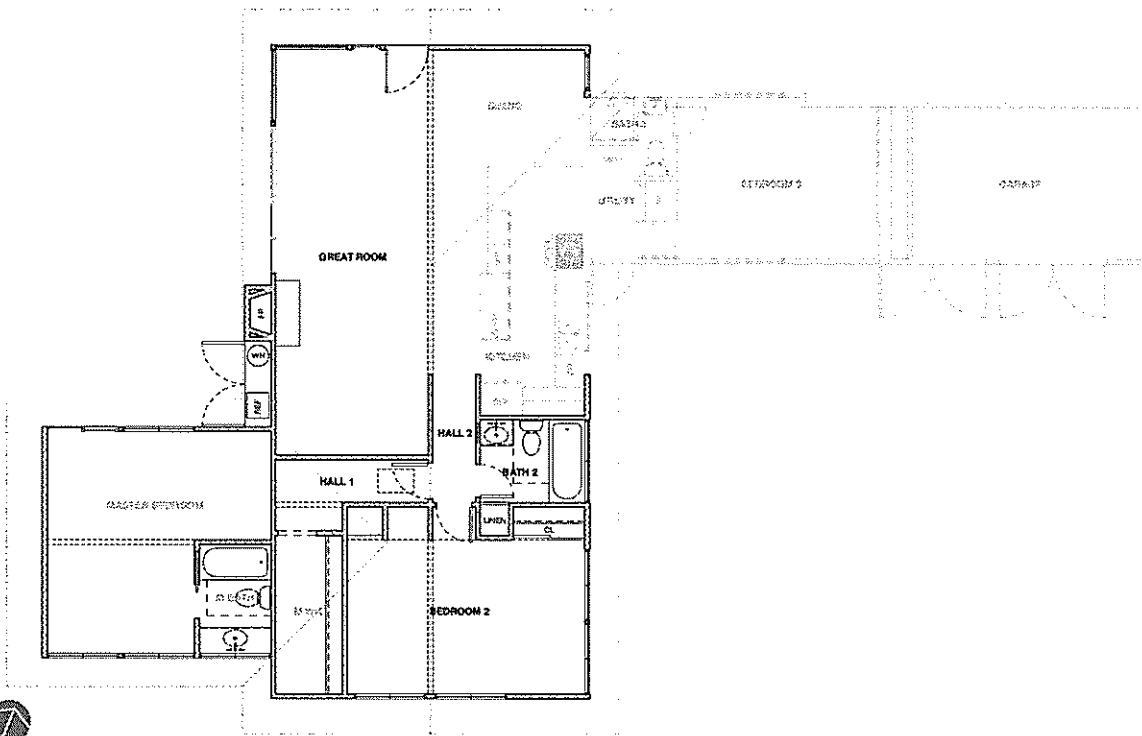


1 site plan
SCALE: 1" = 15'-0"

site plan notes:
ALL LINES ARE EXISTING TO REMAIN

site plan legend:

- EXISTING 19' WIDE 100' PER 100 DOCUMENT #17-021003 TO BE VACATED IN ENTIRETY.
- EXISTING 13' WIDE 100' DOCUMENT #18-123414 6' WIDE PORTION 100' PER 100 DOCUMENT #18-2014 TO BE VACATED.
- ACCEPTED PORTION 100' NOTE: ACCEPTED PORTION 100' PLUS 11.5' EVENING OF RIGHT OF WAY MARK 24' OF 114' OFFSET CENTERLINE HIGHLAND DRIVE PER PGS 4279



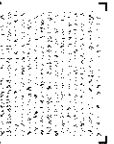
1 m/FFDEMO
SCALE: 1/4" = 1'-0"

demolition plan notes:

- 1. REMOVE ALL LIGHTLY DASHED WALLS AND/OR DUCTS

demolition wall legend:

- — — — — EXISTING 4" STUD WALL TO REMAIN
- - - - - EXISTING 4" STUD WALL TO DEMOLISH



KENCH
ARCHITECTS
17025 237484
KENPARTNERS.COM

KENCH

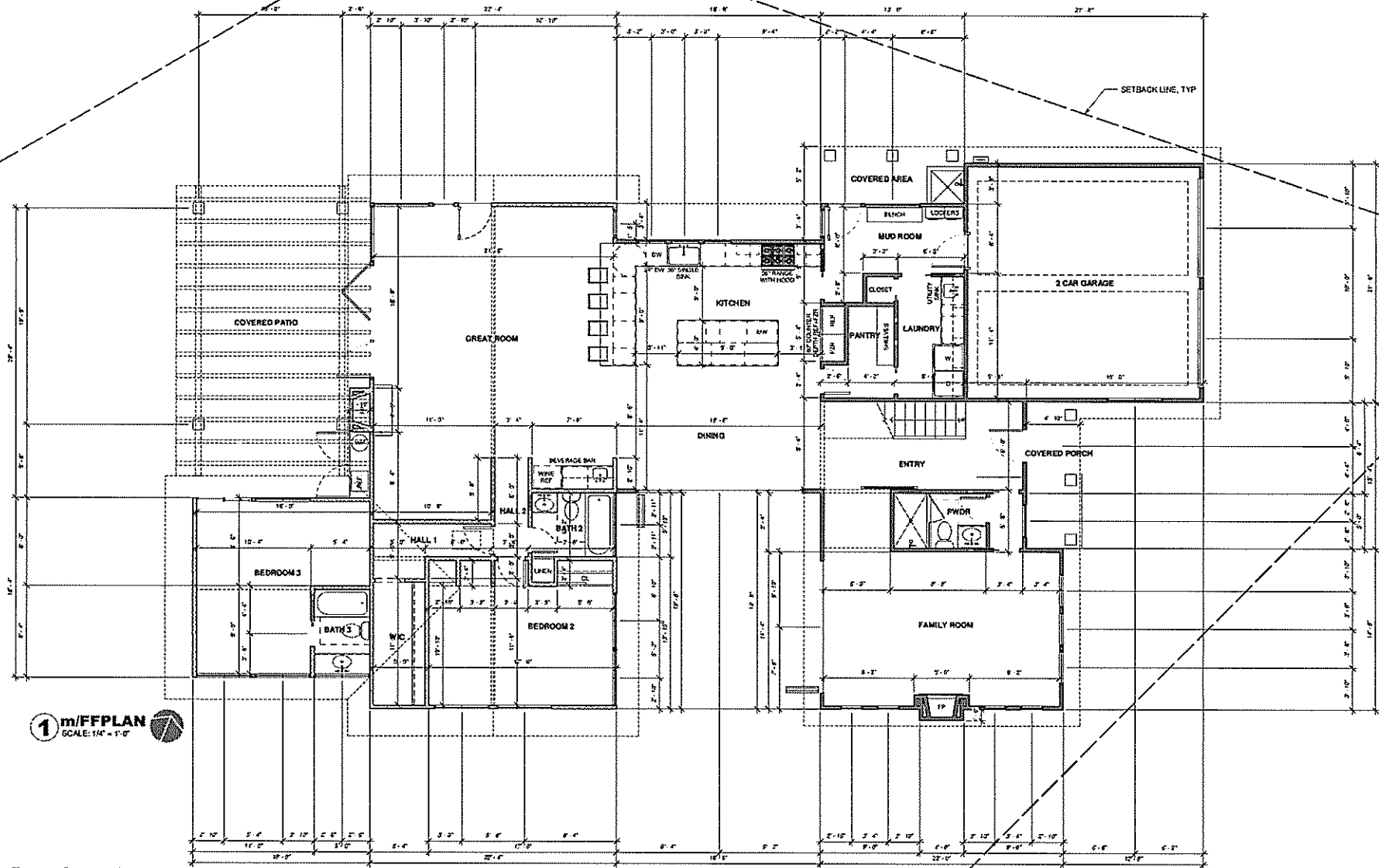
CITY: DEL MAR

2018.12.14
2019.05.16
2019.07.18
2018.10.04
2018.11.13

JOB: 201836R

DEMOLITION PLAN

a0.3



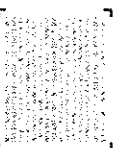
1 m/FFPLAN
SCALE: 1/4" = 1'-0"

floor plan notes:

1. SEE SHEET ALL 1 FOR SYMBOLS AND LEGENDS RELATING TO THE FLOOR PLAN

wall legend:

-
-



PARTRUIS
 483500481
 800121245 05
 07511322604
 SHPARTRUIS.COM

KENCH

CITY: DEL MAR

2018.12.14
 2019.05.15
 2018.07.18
 2019.10.04
 2018.11.13

JOB: 201836R

FIRST FLOOR PLAN

a1.0



KENCH

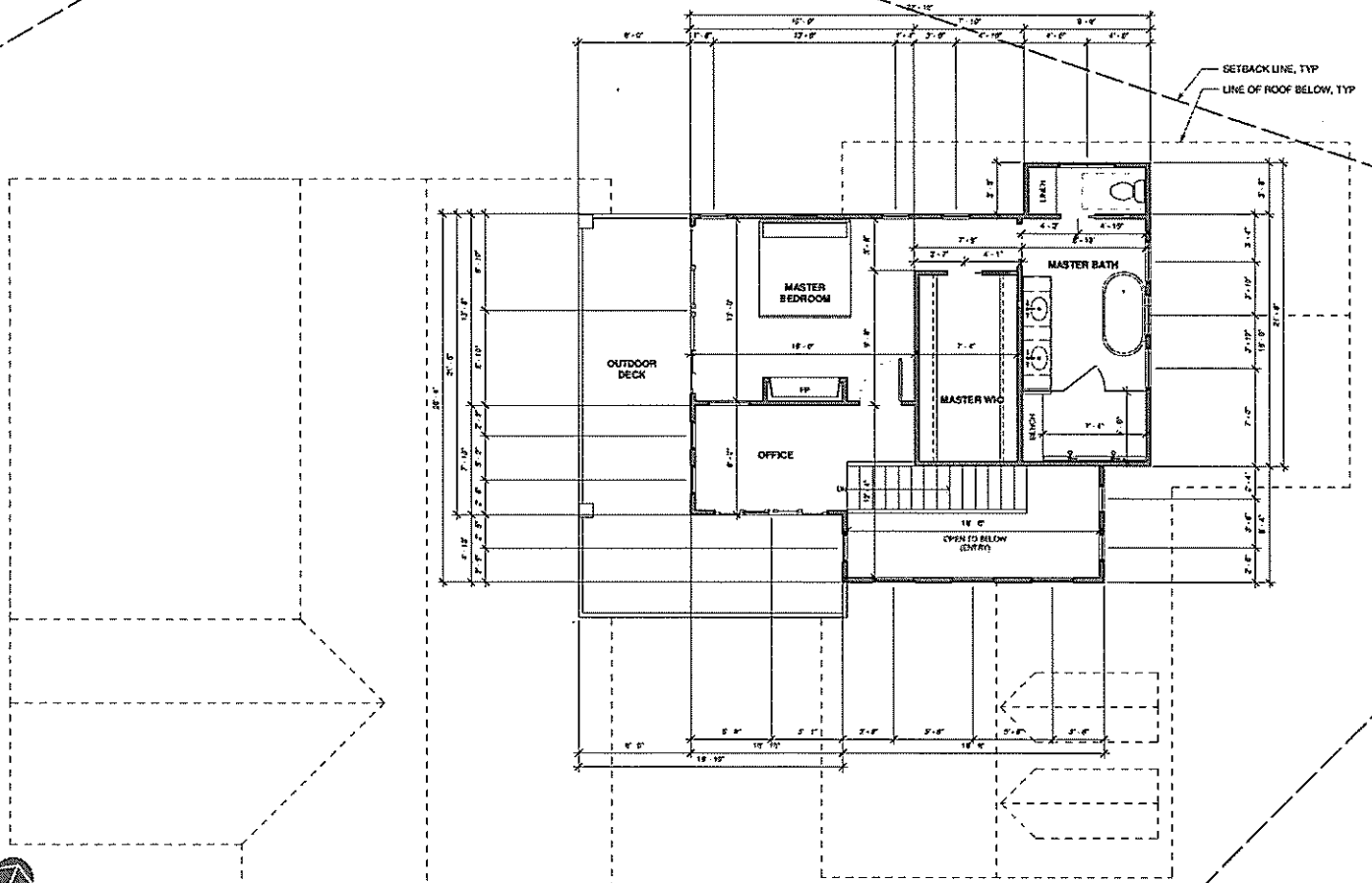
CITY: DEL MAR

2018.12.14
2019.05.16
2019.07.18
2019.10.04
2019.11.13

JOB: 201836R

SECOND FLOOR PLAN

a1.1



1 m/SFPLAN
SCALE: 1/4" = 1'-0"

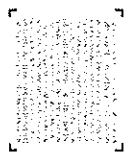
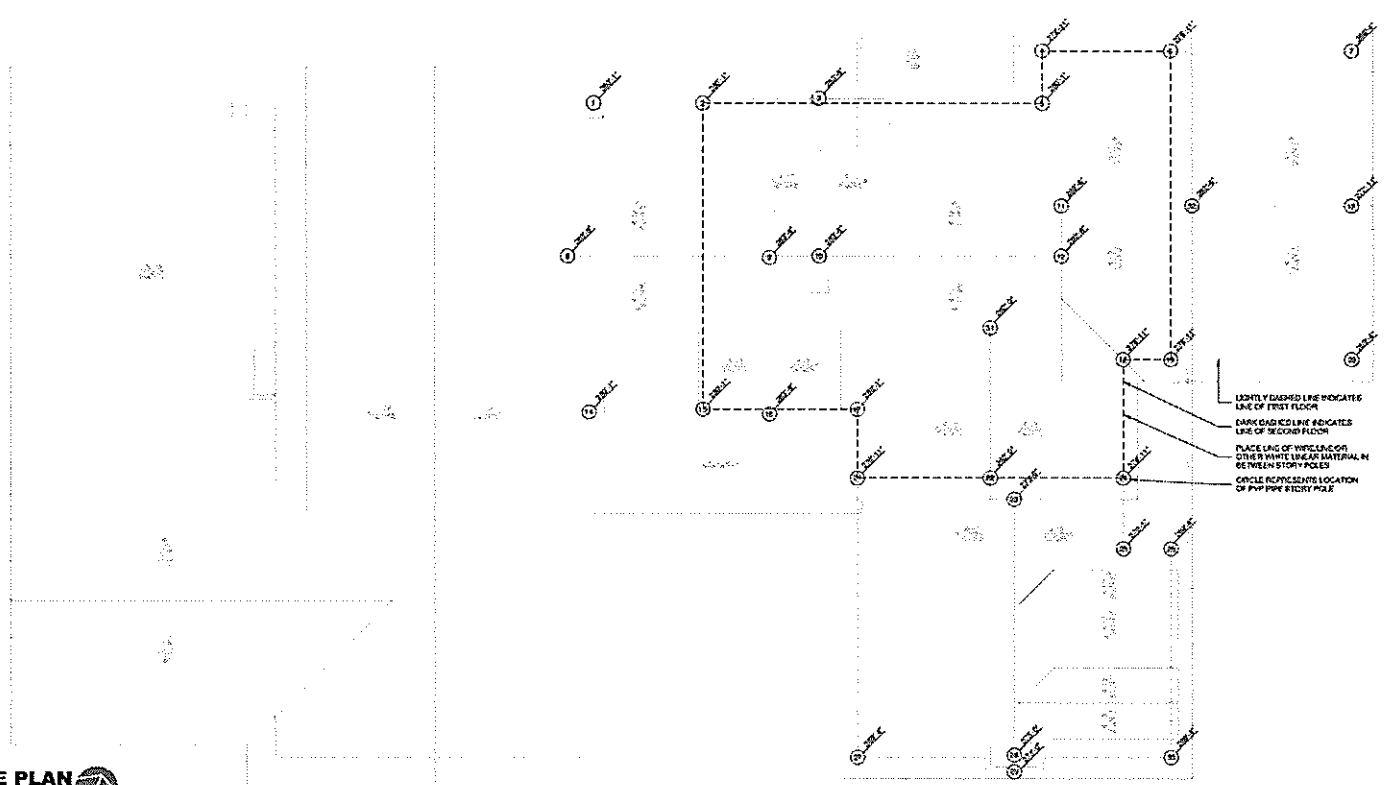
floor plan notes:

1. SEE SHEET A3.1 FOR SYMBOLS AND LEGENDS RELATING TO THE FLOOR PLAN

wall legend:

- EXISTING 4" STUD WALL
- NEW 4" STUD WALL

1 STORY POLE PLAN
SCALE: 1/4" = 1'-0"



KENCH

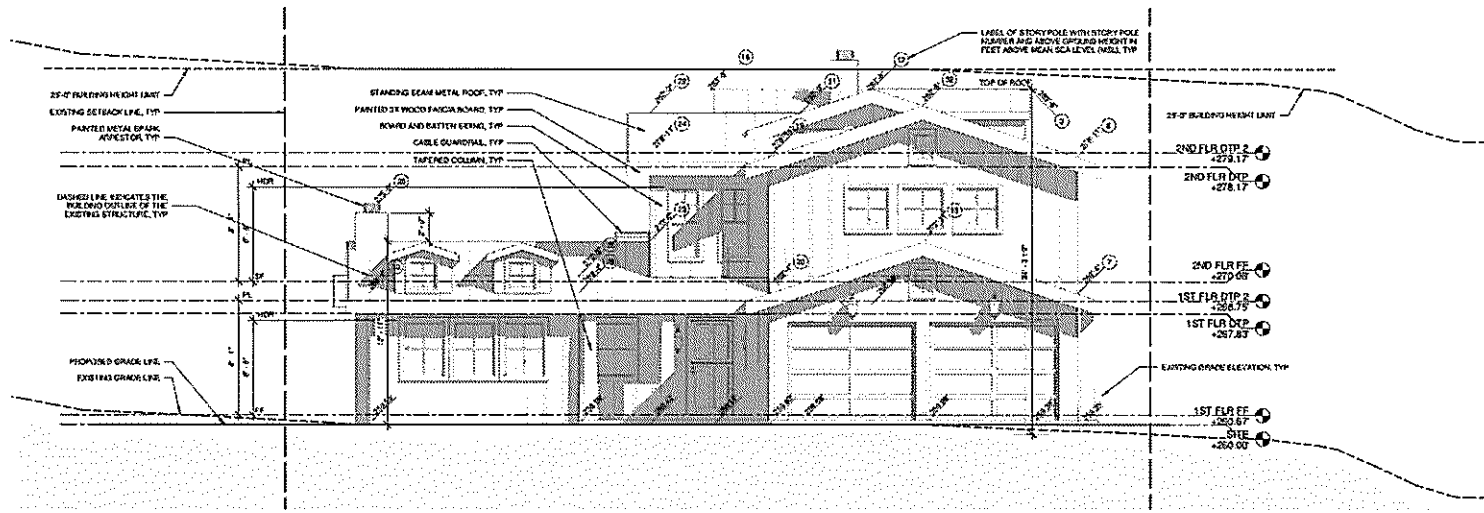
CITY: DEL MAR

2018.12.14
2019.05.16
2019.07.18
2018.10.04
2018.11.13

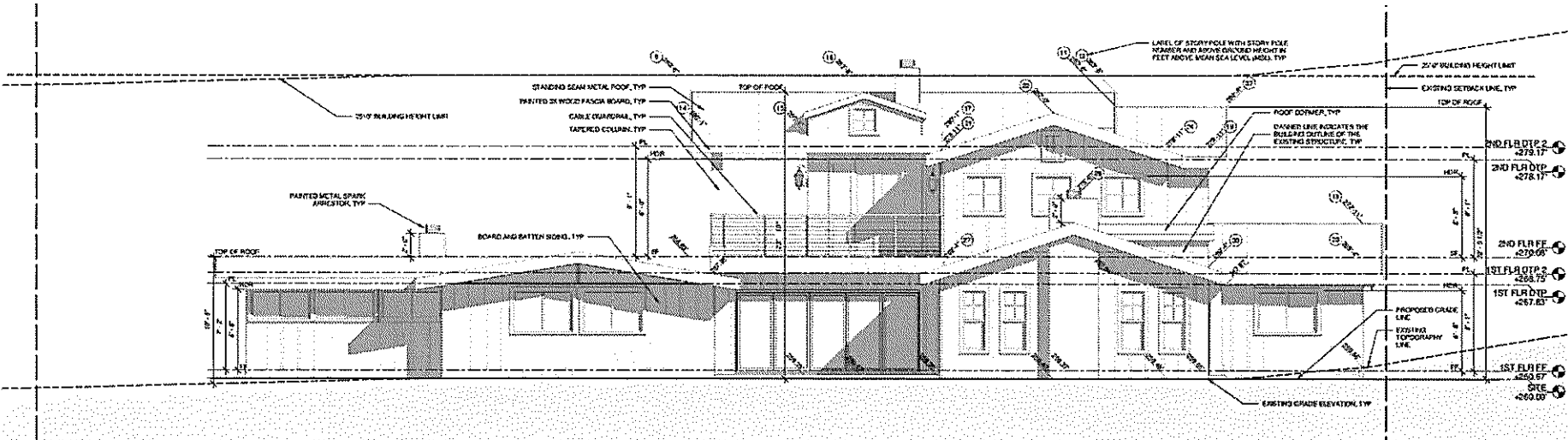
JOB: 201836R

STORY POLE PLAN

a2.0



1 EAST ELEVATION
SCALE: 1/4" = 1'-0"



2 SOUTH ELEVATION
SCALE: 1/4" = 1'-0"

colors & materials:

- SIDING - BOARD AND BATTEN SIDING, WHITE
- ROOFING - 28 GA SPAL METAL STANDING SEAM ROOF, COOL 2ND GRAY
- PAINTED BY WOOD FASCIA - SHEPHERD WILLIAMS 825 WHITE, SW700
- WINDOWS + DOORS - SHEPHERD WILLIAMS 825 WHITE, SW700
- CUMBRAL - STAINLESS STEEL & CABLE RAIL, BLACK
- DECK SURFACE - WEARSTRIP ALK WHITEPOOF SURFACING
- PAINTED TRUSS MEMBERS - SHEPHERD WILLIAMS 825 WHITE, SW700

elevation notes:

- 1 BOTH LINES OF THE EXISTING GRADE AND PROPOSED GRADE ARE DRAWN AT 20' INTERVALS AND A 20'-0" HEIGHT LIMIT. THE HEIGHT LIMIT IS TAKEN FROM THE LOWER OF THE EXISTING OR PROPOSED GRADE AS SHOWN ON THESE ELEVATIONS.

elevation legend:

- ① LEVEL OF STORY POLE WITH STORY POLE NUMBER AND ABOVE GRADE HEIGHT IN FEET ABOVE MEAN SEA LEVEL (MSL), TYP
- ② EXISTING GRADE ELEVATION, TYP



KENCH
ARCHITECT
1600 PINE ST. #200
SAN FRANCISCO, CA 94109
415.774.2200
KENPARTNERS.COM

CITY: DEL MAR

2018.12.14
2019.05.16
2019.07.18
2019.10.04
2019.11.13

JOB: 201836R
BUILDING ELEVATIONS

a3.0



KENCH

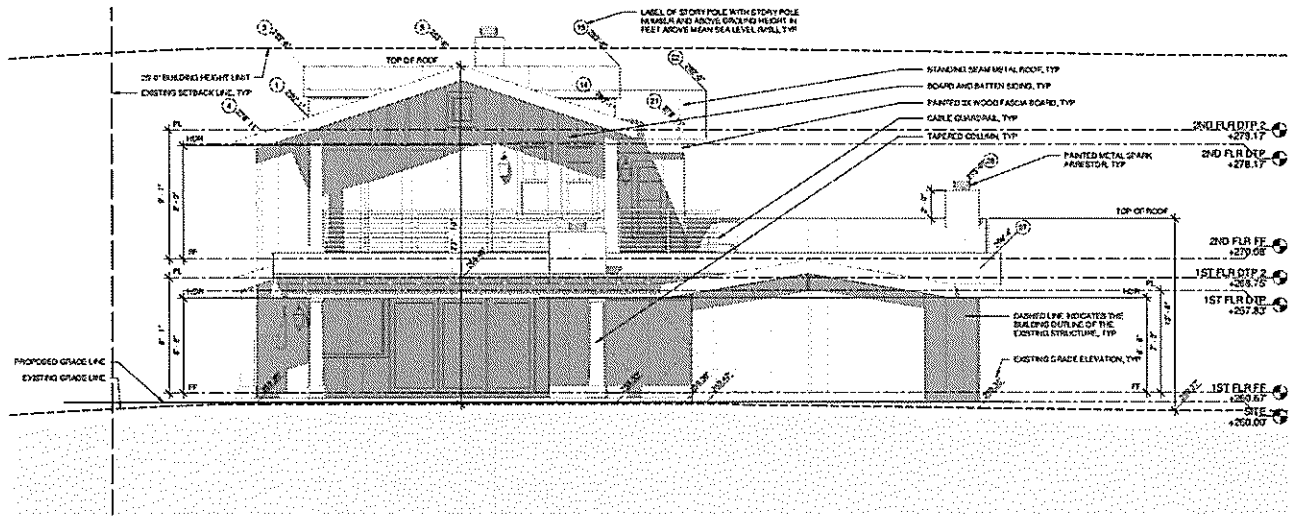
CITY: DEL MAR

2018.12.14
2019.05.16
2019.07.18
2019.10.04
2019.11.13

JOB: 201836R

BUILDING ELEVATIONS

a3.1



colors & materials:

- ROOFING - STANDING SEAM METAL SIDING, WHITE
- ROOFING - AIR SPAN METAL SIDING SEAL MOUSE, COOLING DRY
- PAINTED 2X WOOD FASCIA - SHERWIN WILLIAMS 605 WHITE, SW7005
- WINDOWS - DOORS - SIERRA PACIFIC WINDOWS, BLACK FRAME WITH WHITE EXTENSION
- GLASSWARE - STAINLESS STEEL & GASKET PALE, BLACK
- DECK SURFACE - WESTCOAST ALL WEATHERPOOR SLIPAGING
- PAINTED TRUSS MEMBERS - SHERWIN WILLIAMS 605 WHITE, SW7005

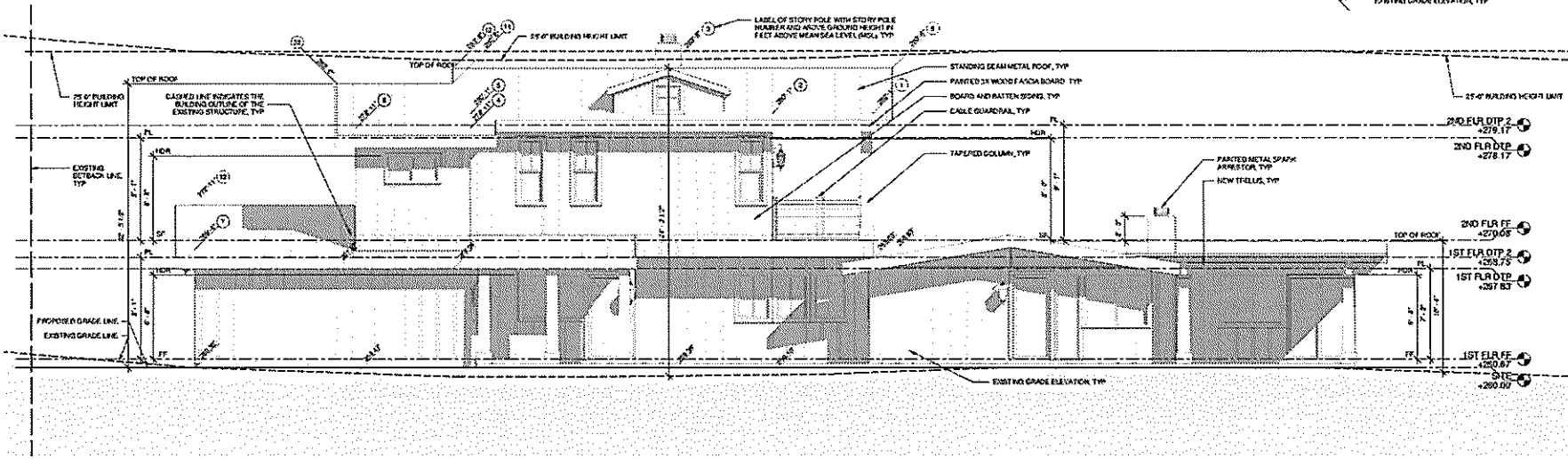
elevation notes:

1. BOTH SIDES OF THE EXISTING GRADE AND PROPOSED GRADE ARE DRAWN AT 25' HIGH TO SHOW A 25' OF HEIGHT LIMIT. THE HEIGHT LIMIT IS TAKEN FROM THE LOWER OF THE EXISTING OR PROPOSED GRADE AS INDICATED IN THESE ELEVATIONS.

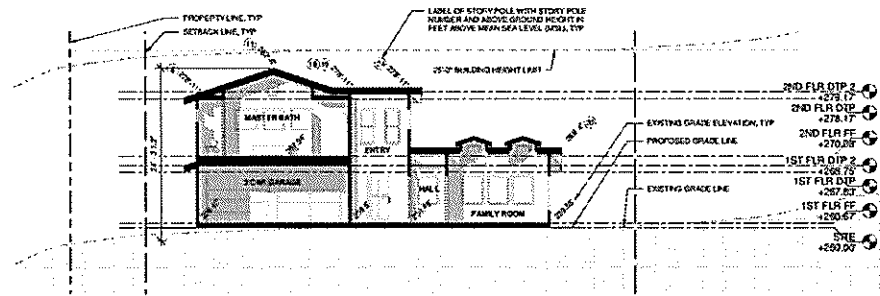
1 WEST ELEVATION
SCALE: 1/4" = 1'-0"

elevation legend:

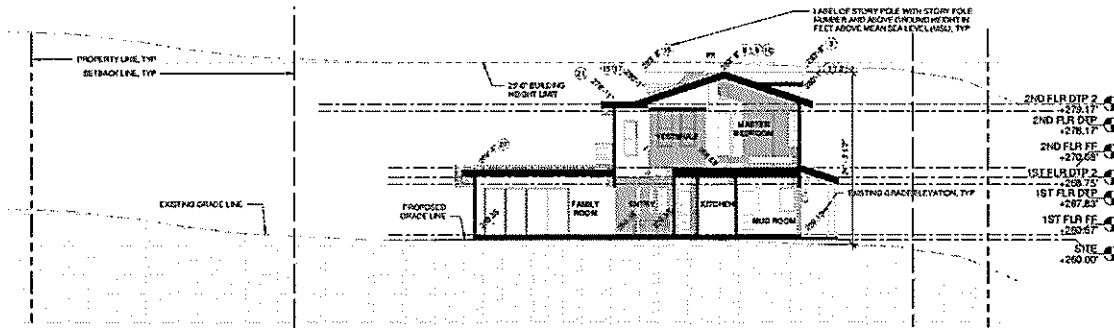
- ① LABEL OF STORY POLE WITH STORY POLE NUMBER AND ABOVE GRADE HEIGHT IN FEET ABOVE MEAN SEA LEVEL (MSL) TYP
- ② EXISTING GRADE ELEVATION, TYP



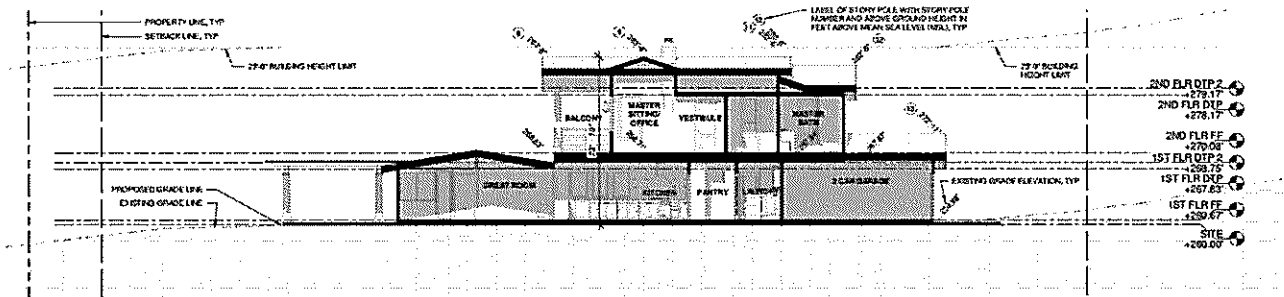
2 NORTH ELEVATION
SCALE: 1/4" = 1'-0"



1 SECTION 1
SCALE: 1/8" = 1'-0"



2 SECTION 2
SCALE: 1/8" = 1'-0"



3 SECTION 3
SCALE: 1/8" = 1'-0"

site section notes:

- BOTH LINES OF THE EXISTING GRADE AND PROPOSED GRADE ARE DRAINAGE 20'-0" HEIGHT TO SHOW A 20'-0" HEIGHT LIMIT. THE LIGHT LIMIT IS TAKEN FROM THE LOWER OF THE EXISTING OR PROPOSED GRADE AS DEPICTED ON THESE SITE SECTIONS.

site section legend:

- LEVEL: LEVEL OF STORY POLE WITH STORY POLE NUMBER AND ABOVE GROUND HEIGHT IN FEET ABOVE MEAN SEA LEVEL (MSL), TYP
- EXISTING GRADE ELEVATION, TYP



KENCH

CITY: DEL MAR

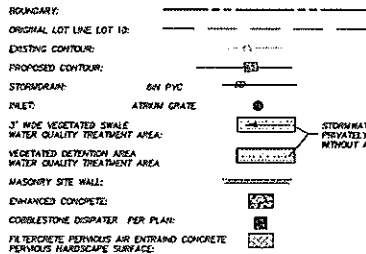
2018.12.14
2019.05.16
2019.07.18
2019.10.04
2019.11.13

JOB: 201803A

SITE SECTIONS

a4.1

LEGEND:



- SPECIAL NOTES:**
1. CONSTRUCT AC CURB PER PLAN ALONG PROPERTY FRONTAGE WITH HIGHLAND DRIVE.
 2. CONSTRUCT 4' WIDE STABILIZED COMPACTED DECOMPOSED GRANITE (D.C.) WALKWAY OR DRIVEWAY ON CURB. THE MATERIALS USED FOR THE PATH ARE TO BE D.G. OR FLORESITE AS SELECTED BY HOMEOWNER ALONG PROPERTY FRONTAGE WITH HIGHLAND DRIVE.
 3. CONSTRUCT A.C. TRANSITIONS TO PROPOSED PERVIOUS CONCRETE AT DRIVEWAY OPENING ALONG HIGHLAND DRIVE. USE MIN A.C. SECTION 4" AC OVER 8" A.R. COMPACTED TROCK MAX DRY WEIGHT.
 4. REMOVE EXISTING AC DRIVEWAY. INSTALL NEW DRIVEWAY CONSTRUCTED WITH PERVIOUS CONCRETE. CONCRETE COLOR AND SPECIFIC PRODUCT SPECIFICATIONS TO BE PROVIDED BY CONTRACTOR TO THE SATISFACTION OF THE OWNER.

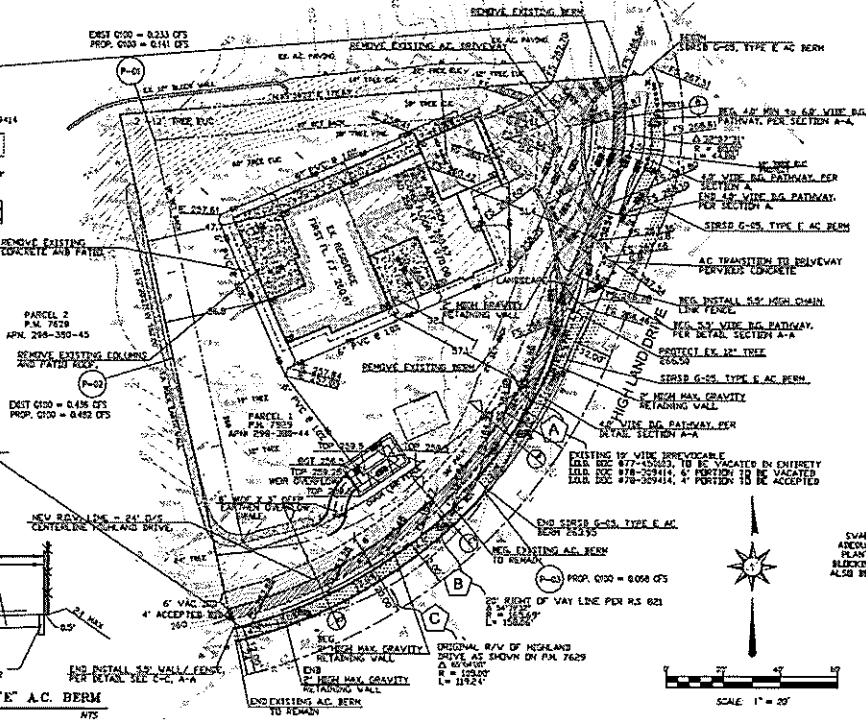
EXISTING 12" VIDE RIB DOCUMENT 877-15023 TO BE VACATED IN ENTIRETY.

EXISTING 12" VIDE RIB DOCUMENT 878-32944 6" VIDE PORTION RIB PER 120 DOCUMENT 878-32944 TO BE VACATED.

4" ACCEPTED PORTION RIB. 120' 4" ACCEPTED PORTION RIB PLUS EXISTING 20' RIGHT OF WAY HORIZ. 24" R/W OFFSET CENTRALINE HIGHLAND DRIVE PER RIB 4276.

1162 HIGHLAND DR.

Scale 1"=20' Date 2-25-19



OWNER:
BOB & MELISSA KENOH
1162 HIGHLAND DRIVE
SOLANA BEACH, CA 92014

LEGAL DESCRIPTION:
PARCEL 1, PARCEL 2, MAP 6782
IN RE CITY OF SOLANA BEACH

ADDRESS:
1162 HIGHLAND DR.
SOLANA BEACH, CA 92014

ASSESSOR'S PARCEL NO.:
28-38-41

BENCHMARK:
BENCHMARK FOR THE TOPOGRAPHY IS CITY OF SOLANA BEACH BENCHMARK BEING A 2.5" BRASS DISC IN STANDARD WELL MONUMENT IN THE CENTER OF THE CROSSCUT OF SAN JUAN ROAD STAMPED L.S. 3053 HAVING AN ELEV. OF 315.148 US FEET NAVD83.

WATER DISTRICT:
CITY OF SOLANA BEACH WATER DISTRICT

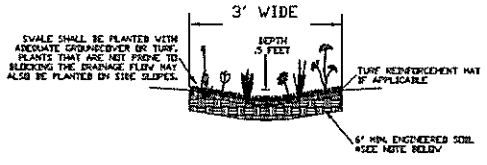
SEWER DISTRICT:
CITY OF SOLANA BEACH SEWER

SOURCE OF TOPOGRAPHY:
FIELD SURVEY PERFORMED BY TRUE SIGHT INC.

EARTHWORK:

TOTAL CUT: 30 CY
FILL: 90 C.Y.
IMPORT: 50 C.Y.

EARTHWORK QUANTITIES STATED ARE FOR DIMENSIONS TO PROPOSED FIN ELEVATION AS SHOWN ON PLAN. OTHER DIMENSIONS AND RE-COMPACTION QUANTITIES TO PROVIDE SURFACE FOR STRUCTURE CONSTRUCTION WILL BE REQUIRED BASED ON RECONSTRUCTION IN PROJECT SOILS REPORT.



SWALE SHALL BE PLANTED WITH ADEQUATE GRASS/SEEDER OR TURF PLANTS THAT ARE 18" TO 24" HIGH TO BLOCKING THE DRAINAGE FLOW. MAY ALSO BE PLANTED BY SITE SURVEY.

6" REINFORCED SOIL LAYER SHALL BE MINIMUM 6" DEEP "SANDY LEAN" SOIL MIX WITH NO MORE THAN 2% CLAY CONTENT. THE MIX SHALL CONTAIN 50-60% SAND, 20-30% COMPOST OR HARDWOOD MULCH, AND 20-30% TOPSOIL.

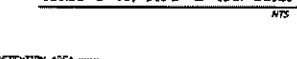
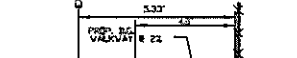
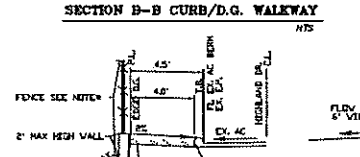
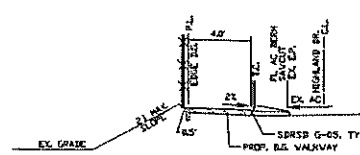
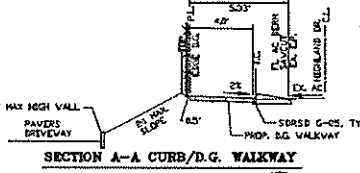
NOTED VEGETATED SWALES ON GRASSES OF MORE THAN 225 MUST INSTALL CHECK BARS TO LIMIT THE SLOPE OF THE SWALE TO 2:1 UNLESS OTHERWISE APPROVED BY THE ENGINEER OF ENGINEERING SERVICES.

NOTED NO FILTER FABRIC IS TO BE USED IN THIS SECTION.

VEGETATED OUTLET

RUNOFF FROM STRUCTURE AND HARDSCAPE SURFACES TO BE DIRECTED TO RETENTION / TREATMENT BASIN AND VEGETATED SWALES OR POROUS SURFACE PRIOR TO OUTLET AND/OR CONFLUENCE WITH PUBLIC STORM WATER FLOW.

STORMWATER RUNOFF TO DRAIN AWAY FROM STRUCTURE AT 3:0% FOR 5:0 FT.



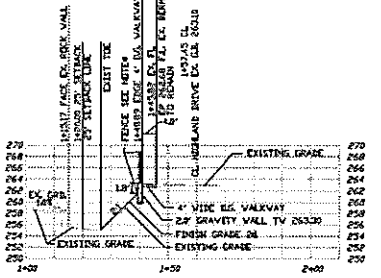
NOTES:

BOUNDARY FOR TOPOGRAPHIC MAPPING IS BASED ON TOPOGRAPHIC MAPPING BY TRUE SIGHT INC. THIS IS NOT A BOUNDARY SURVEY. BOUNDARY INFORMATION:

BENCHMARK FOR THE TOPOGRAPHY IS CITY OF SOLANA BEACH BENCHMARK BEING A 2.5" BRASS DISC IN STANDARD WELL MONUMENT IN THE CENTER OF THE CROSSCUT OF SAN JUAN ROAD STAMPED L.S. 3053 HAVING AN ELEV. OF 315.148 US FEET NAVD83.

THE PROPERTY LINES SHOWN HEREON WERE CALCULATED FROM RECORD DATA USING A MINIMUM OF (2) PINS TO CERTAIN FOUND MONUMENTS

EXISTING HARDSCAPE	PROPOSED HARDSCAPE	EXISTING HARDSCAPE REMOVED
RESIDENCE 1792.43 SQ. FT.	RESIDENCE 3073.82 SQ. FT.	DRIVEWAY 1242.45 SQ. FT.
DRIVEWAY 1667.99 SQ. FT.	PATIOS/WALK 1330.73 SQ. FT.	PATIOS/WALK 365.83 SQ. FT.
PATIOS/WALK 1232.37 SQ. FT.	BARN 193.85 SQ. FT.	TOTAL 1608.28 SQ. FT.
BARN 193.85 SQ. FT.	TOTAL 4898.84 SQ. FT.	
	PROPOSED PERVIOUS DRIVEWAY 1711.49 SQ. FT.	



SECTION D-D WALL / FENCE/D.G. WALKWAY
Scale 1" = 20'

NOTE: NO FENCE OR WALL OR ANY COMBINATION THEREOF, CAN EXCEED 42 INCHES IN HEIGHT SOLE WITH AN ADDITIONAL 24 INCHES THAT IS 66 INCHES TO LIGHT AS MEASURED FROM THE EXISTING GRADE.

CITY OF SOLANA BEACH	
PRELIMINARY GRADING PLAN FOR:	
SINGLE FAMILY ADDITION AT 1162 HIGHLAND DR.	
PLANNING CASE NO. BRP/SDP 17-18-20 3-19-18 7-27-18 10-3-18 11-4-18 11-18-18	DRAWING NO. SHEET 1 OF 1



O.A.C. ENGINEERING AND LAND SURVEYING
10155 WILSON AVENUE, SUITE 100, SAN JUAN BAPTIST, CALIFORNIA 92087

RESOLUTION NO. 2020-022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, ORDERING THE VACATION OF EXCESS PUBLIC STREET RIGHT-OF-WAY AT 1162 HIGHLAND DRIVE

WHEREAS, according to Document 78-309414 recorded 7-24-78 and Document 77-450103 recorded 10-31-77, there is currently a ten foot Irrevocable Offer to Dedicate (I.O.D.) along Avocado Place at 1162 Highland Drive; and

WHEREAS, Document 78-309414 was recorded to correct errors in Document 77-450103, and therefore, Document 77-450103 is superseded by Doc 78-309414; and

WHEREAS, the City has determined that the excess right-of-way is not being used for street purposes or maintained by the City and the City cannot find any evidence that the excess right-of-way has ever been used for street purposes; and

WHEREAS, there are no plans to use the excess right-of-way and the vacation does not affect the Circulation Element of the General Plan; and

WHEREAS, a minimum right-of-way width of 48 feet would remain after the vacation; and

WHEREAS, the proposed resolution includes legal description and plats, if approved by the City Council, the Resolution would be recorded by the County Recorder. The proposed vacation was published and posted in accordance with Sections 8320, 8322 and 8323 of the Streets and Highways Code; and

WHEREAS, the City Council of the City of Solana Beach has considered the proposed vacation in relation to the General Plan of the City of Solana Beach; and

WHEREAS, after consideration of all evidence submitted, the City Council finds the portion of the street right-of-way described and shown on Exhibits A and B unnecessary for present or prospective public use as a public street.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.
2. The portion of the public street right-of-way described and shown on Exhibits A and B of this Resolution shall be vacated.
3. That the City Council authorizes the City Clerk to certify a copy of this resolution and have it recorded at the County of San Diego Recorder in accordance with

Section 8325 of the Streets and Highway Code.

PASSED AND ADOPTED this 12th day of February 2020, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

EXHIBIT 'A'
 VACATED PORTION IRREVOCABLE OFFER OF DEDICATION
 LEGAL DOC #78-309414

A strip of land approximately 6' in width, being all that portion of Document #78-309414 lying within that portion of Lot 6 in Block 4 of Keeney's Marine View Gardens, in the County of San Diego, State of California, according to Map thereof No. 1774, on file in the Office of the County Recorder of said County included in that land described in deed to Hubert S. Higgins, et ux, recorded June 13, 1957, in the said Recorder's Office as Document No. 87740, Book 6619, Page 435, said strip being contiguous with and lying Westerly and Northwesterly of the following described line, said described line also being 24' offset Northerly and Westerly of the centerline of Highland Drive per PM7629 and per ROS 4270:

BEGINNING at the most Easterly corner of that 1.17 acre parcel as shown on Record of Survey Map No. 4270, said corner being a point on the Northwesterly right-of-way line of Highland Drive as shown on said Map No. 4270, said point also being on the arc of a 165.69 foot (165.88 foot per Record of Survey No. 4270) radius curve, concave Northwesterly a radial to said point bears South 13°51'27" East (South 13°38'13" East per Record of Survey No.4270);

,thence leaving said right-of-way line of Highland Drive Northeasterly along said radial line North 13°51'27" West a distance of 4.00 feet to a point at the beginning of a 161.69 foot radius curve concave Northwesterly being offset 24.00 feet Northwest of Centerline Highland Road per Road Survey 821 as shown on said Map No. 4270, and described per Parcel Map 7629, recorded as File No. 78-316299 recorded with the County Recorder of San Diego County, July 27th 1978, a radial to said point bears South 13°51'27" East (South 13°38'13" East per Record of Survey No.4270);thence Northeasterly along the arc of said curve through a central angle of 0°02'15" a distance of 0.11 feet , to the the arc intersection with the westerly line of Parcel 1 of said PM 7629 and the True Point of Beginning.

Thence continuing Northeasterly along the arc of said 161.69 foot radius curve through a central angle of 54°37'17", a distance of 154.14' feet,

thence North 21°29'01" East, 50.54 feet to the beginning of tangent 76.00 foot radius curve, concave Westerly; thence Northerly along the arc of said curve through a central angle of 32°27'26" a distance of 43.05 feet to a point on the Northerly line of Parcel 1 of said Parcel Map 7629 and the POINT OF TERMINUS.

The ends of said strip are to be lengthened and/or shortened so as to terminate on the Northerly and Southwesterly lines of said parcel 1 of PM 7629.

Approx. 0.034 Ac.

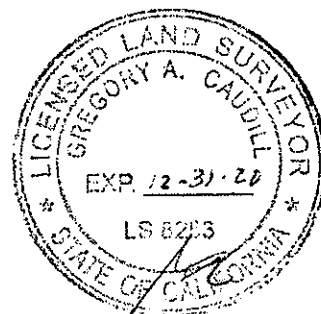


EXHIBIT "B"

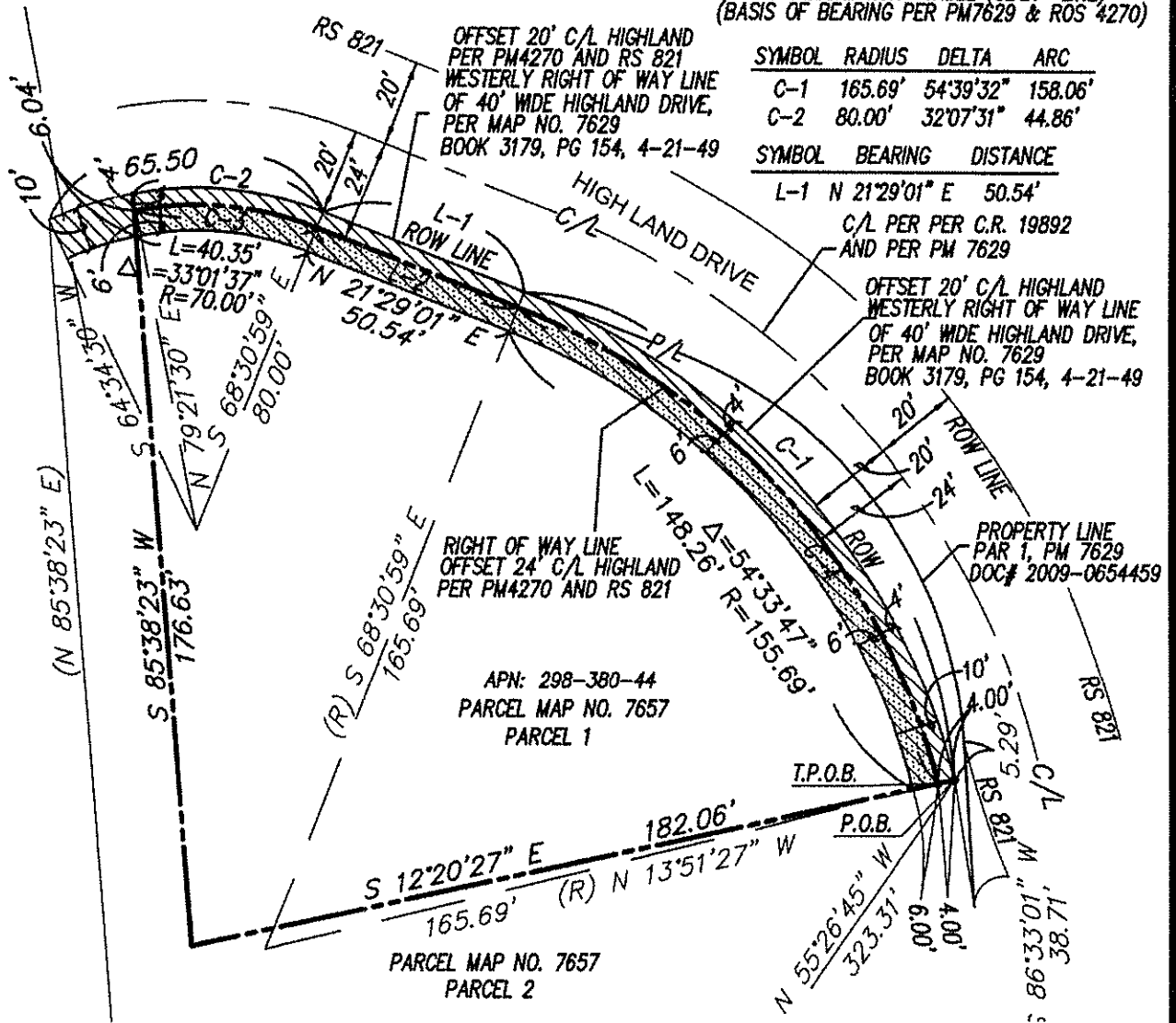
SHEET 1 OF 1 SHEET

**VACATION PLAT FOR
IRREVOCABLE OFFER OF DEDICATION
DOCUMENT NO. 78-309414**

IOD DESCRIPTION TABLE (SE'LY LINE)
(BASIS OF BEARING PER PM7629 & ROS 4270)

SYMBOL	RADIUS	DELTA	ARC
C-1	165.69'	54°39'32"	158.06'
C-2	80.00'	32°07'31"	44.86'

SYMBOL	BEARING	DISTANCE
L-1	N 21°29'01" E	50.54'

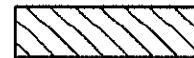


PROPOSED 24' ROW LINE

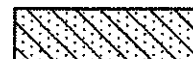
SYMBOL	RADIUS	DELTA	ARC
C-3	76.00'	32°27'26"	43.05'
C-4	161.69'	54°37'17"	154.14'

SYMBOL	BEARING	DISTANCE
L-2	N 21°29'01" E	50.54'

TOTAL AREA OF EX. I.O.D. DOCUMENT
PER DOCUMENT 78-309414
APPROX. 0.057 ACRES



PORTION OF EX. I.O.D. DOC. 78-309414
AREA NORTHWESTERLY, AND WESTERLY
OF THE 24' WIDE HALFSTREET RIGHT OF WAY LINE
TO BE VACATED. AREA AS DESCRIBED PER EXHIBIT "A"
APPROX. 0.034 ACRES



GRAPHIC SCALE SCALE 1" = 40'

Map Check
KENCH

9/17/2019 16:20

78 - IOD DESC. VAC

6' VACATED PORTION

Operator
Date

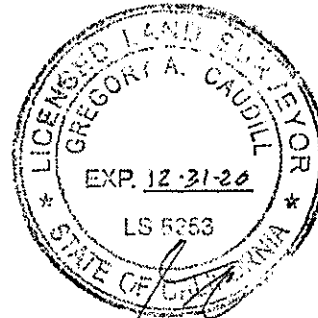
GAC
9-17-19

Project
Time

KENCH
3:58

COURSE	BEARING	DISTANCE	PT#	NORTHING	EASTING	DESCRIPTION
CURVE	A=154.14	DELTA=54°37'17"	T=83.49	EXT=20.28		
12-11	N 48°47'39" E	148.37	11	3384.53	1883.81	PM7629COGO
RADIUS POINT		161.69	3	3443.75	1733.35	PM7629COGO
11-10	N 21°29'01" E	50.54	10	3431.56	1902.32	PM7629COGO
CURVE	A=43.05	DELTA=32°27'26"	T=22.12	EXT=3.15		
10-9	N 05°15'18" E	42.48	9	3473.86	1906.21	PM7629COGO
RADIUS POINT		76.00	6	3459.39	1831.60	PM7629COGO
9-14	S 85°38'23" W	6.04	14	3473.40	1900.18	IOD78
CURVE	A=40.35	DELTA=33°01'37"	T=20.75	EXT=3.01		
14-15	S 04°58'12" W	39.79	15	3433.76	1896.73	IOD78
RADIUS POINT		70.00	6	3459.39	1831.60	PM7629COGO
15-16	S 21°29'01" W	50.54	16	3386.73	1878.22	IOD78
CURVE	A=148.26	DELTA=54°33'47"	T=80.29	EXT=19.49		
16-26	S 48°45'49" W	142.72	26	3292.65	1770.90	IOD77
RADIUS POINT		155.69	3	3443.75	1733.35	PM7629COGO
26-12	S 12°20'27" E	6.00	12	3286.79	1772.18	PM7629COGO

Closure error distance > 0.00000000 Error Bearing > N 90°00'00" E
 Closure Precision > 1 in 498931871648.67 Total Distance Traversed > 498.93
 1460.67 SQ. FT.
 0.034 ACRES



Map Check

9/17/2019 16:26

KENCH

78 - IOD_DESC

Operator

GAC

Project

KENCH

Date

9-17-19

Time

3:58

COURSE	BEARING	DISTANCE	PT#	NORTHING	EASTING	DESCRIPTION
CURVE	A=158.06 * DELTA=54°39'32"		2	3282.88	1773.03	PM7629COGO
2-4	N 48°48'47" E	152.14	4	3383.07	1887.53	PM7629COGO
RADIUS POINT		*165.69	3	3443.75	1733.35	PM7629COGO
4-5	*N 21°29'01" E	*50.54	5	3430.09	1906.04	PM7629COGO
CURVE	*A=44.86 DELTA=32°07'31"		T=23.03	EXT=3.25		
5-7	N 05°25'16" E	44.27	7	3474.17	1910.22	PM7629COGO
RADIUS POINT		*80.00	6	3459.39	1831.60	PM7629COGO
7-14	S 85°38'23" W	10.07	14	3473.40	1900.18	IOD78
CURVE	A=40.35 DELTA=33°01'37"		T=20.75	EXT=3.01		
14-15	S 04°58'12" W	39.79	15	3433.76	1896.73	IOD78
RADIUS POINT		70.00	6	3459.39	1831.60	PM7629COGO
15-16	S 21°29'01" W	*50.54	16	3386.73	1878.22	IOD78
CURVE	*A=148.26 DELTA=54°33'47"		T=80.29	EXT=19.49		
16-26	S 48°45'49" W	142.72	26	3292.65	1770.90	IOD77
RADIUS POINT		155.69	3	3443.75	1733.35	PM7629COGO
26-2	.S 12°20'27" E	*10.00	2	3282.88	1773.03	PM7629COGO
Closure error distance> 0.00000000 Error Bearing> N 90°00'00" E						
Closure Precision> 1 in 512682905702.99 Total Distance Traversed> 512.68						
2463.06 SQ. FT.						
0.057 ACRES						





STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Community Development Department
SUBJECT: **Public Hearing: Request for DRP and SDP to Demolish a Single-Family Residence, Construct a Replacement Two-Story, Single-Family Residence with an Attached Partially Subterranean Garage and Entry Area, and Perform Associated Site Improvements at 632 Mar Vista Drive (Case # 17-19-09 Applicant: Douglas App; APN: 263-096-02; Resolution No. 2020-018)**

BACKGROUND:

The Applicant, Douglas App, is requesting City Council approval of a Development Review Permit (DRP) and Structure Development Permit (SDP) to demolish a single-family residence, construct a replacement two-story, single-family residence including a partially subterranean, three-car garage and living area entry, and perform associated site improvements at 632 Mar Vista Drive. The 9,760 square-foot lot is located within the Low Residential (LR) Zone and the Scaled Residential Overlay Zone (SROZ).

The project proposes a garage/basement of 1,283 square feet and a main floor living area of 2,990 square feet, and grading in the amounts of 1,180 cubic yards of cut, 160 cubic yard of fill and 1,020 cubic yards of export off-site. The tallest point of the proposed residence would be 24.69 feet above the proposed grade and the highest point of the structure would not exceed 257.12 feet above Mean Sea Level (MSL). The project requires a DRP for 1) an aggregate grading quantity in excess of 100 cubic yards, 2) a structure that exceeds 60 percent of the maximum allowable floor area, and 3) a second floor that exceeds 35 percent of the floor area of the first floor. The project requires a SDP because the proposed development exceeds 16 feet in height above existing grade.

The issue before the Council is whether to approve, approve with conditions, or deny the Applicant's request as contained in Resolution 2020-018 (Attachment 1).

CITY COUNCIL ACTION:

DISCUSSION:

The subject property is located on the east side of Mar Vista Drive one property south of the intersection of Canyon Drive and Mar Vista Drive. The lot is rectangular in shape with a 65 foot in frontage along Mar Vista Drive and a lot depth of approximately 150 feet. The existing topography is generally flat but gradually slopes upward approximately 14 feet across the entire 150-foot long lot. With the proposed project, the driveway would be relocated toward the center of the lot and would slope downward approximately five feet to access the partially subterranean 1,062 square foot three-car garage. South of the garage on the basement level is a 221 square foot entry foyer and staircase that leads to the main level. Retaining walls are proposed on each side of the driveway that would support the higher existing grade adjacent to the driveway. The remainder of the lot would be leveled out to provide a flat usable read yard area with retaining walls that follow the side and rear yard property lines approximately 5 feet from each side property line and 10 feet from the rear yard. The above ground height of the proposed retaining wall would be approximately 1/2 foot as measured from the existing grade and approximately 3.5 feet from the proposed lower grade.

The main level is proposed at 2,990 square feet and would consist of an open concept kitchen, dining and living room with an attached covered deck that spans the entire western side of the proposed residence. In addition, the Applicant is proposing a laundry room, powder room, a master suite, a bedroom with and ensuite bathroom and a guest master suite. The project plans are provided in Attachment 2.

Figure 1 (below) is the proposed Site Plan.

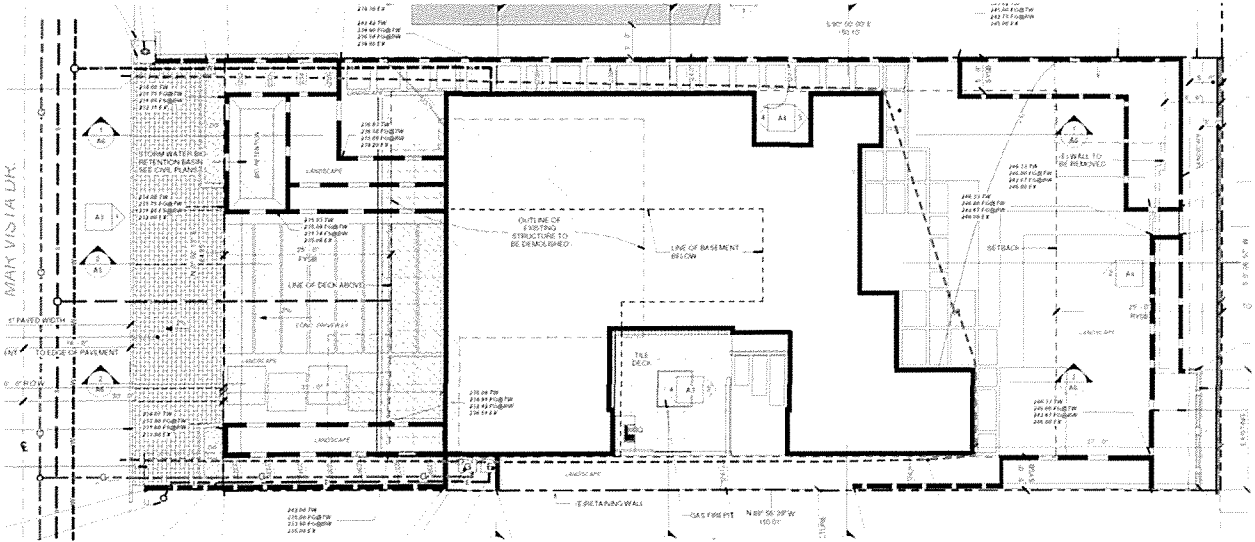


Table 1 (below) provides a comparison of the SBMC applicable zoning regulations with the Applicant's proposed design.

Table 1			
LOT INFORMATION			
Property Address:	632 Mar Vista Dr.	Zoning Designation:	LR (3 du/ac)
Lot Size (Net):	9,760 ft ²	# of Units Allowed:	1 Dwelling Unit, 1 ADU
Max. Allowable Floor area:	3,658 ft ²	# of Units Requested:	1 Dwelling Unit
Proposed Floor area:	3,647 ft ²	Setbacks:	Required Proposed
Below Max. Floor area by:	11 ft ²	Front (W)	25 ft. 39 ft.
Max. Allowable Height:	25 ft.	Interior Side (N)	5 ft. 5 ft.
Max. Proposed Height:	24.69 ft.	Interior Side (S)	5 ft. 5 ft.
Highest Point/Ridge:	257.12 MSL	Rear (E)	25 ft. 35 ft.
PROPOSED PROJECT INFORMATION			
Floor area Breakdown:		Requested Permits:	
Proposed Basement	221 ft ²	DRP: A DRP is required for: 1) grading in excess of 100 cubic yards (aggregate); 2) a structure that exceeds 60% of the maximum allowable floor area; and 3) a second floor that exceeds 35% of the floor area of the first floor	
Proposed Basement Garage	1,062 ft ²		
Proposed Main Floor	2,990 ft ²		
Subtotal	4,273 ft ²	SDP: A SDP is required for a new structure that exceeds 16 feet in height from the existing grade.	
Basement Exemption	- 226 ft ²		
Off-Street Parking Exemption	- 400 ft ²		
Total Floor area	3,647 ft²		
Basement Exemption Calculation:			
	1,283 SF – 400SF = 883 SF		
	883 SF x 37.208 LF x 0.02 = 657 SF (counted floor area)		
	1283 SF– 400 SF– 657 SF = 226 SF(Exemption)		
Proposed Grading: Cut: 1,180 yd³ Fill: 160 yd³ Export: 1,020 yd³			
Proposed Parking: Basement 2-Car Garage		Existing Development:	
Proposed Fences and Walls: Yes		Single-Family Residence	
Proposed Accessory Dwelling Unit: No			
Proposed Accessory Structure: No			

Staff has prepared draft findings for approval of the project in the attached Resolution 2020-018 for Council's consideration based upon the information in this report. The applicable SBMC sections are provided in italicized text and conditions from the Community Development, Engineering, and Fire Departments are incorporated in the Resolution of Approval. The Council may direct Staff to modify the Resolution to reflect the findings and conditions it deems appropriate as a result of the public hearing process. If the Council determines the project is to be denied, Staff will prepare a Resolution of Denial for adoption at a subsequent Council meeting.

The following is a discussion of the findings for a DRP and SDP as each applies to the proposed project as well as references to recommended conditions of approval contained in Resolution 2020-018.

Development Review Permit Compliance (SBMC Section 17.68.40):

A DRP is required for the following reasons: 1) grading in excess of 100 cubic yards (aggregate); 2) a structure that exceeds 60% of the maximum allowable floor area; and 3) a second floor that exceeds 35% of the floor area of the first floor.

In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a list of the development review criteria topics:

1. Relationship with Adjacent Land Uses
2. Building and Structure Placement
3. Landscaping
4. Roads, Pedestrian Walkways, Parking, and Storage Areas
5. Grading
6. Lighting
7. Usable Open Space

The Council may approve, or conditionally approve, a DRP only if all of the findings listed below can be made. Resolution 2020-018 provides the full discussion of the findings.

1. The proposed development is consistent with the general plan and all applicable requirements of the zoning ordinance including special regulations, overlay zones, and specific plans.
2. The proposed development complies with the development review criteria.
3. All required permits and approvals issued by the city, including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.
4. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicant obtaining the required permit or approval from the other agency.

If the above findings cannot be made, the Council shall deny the DRP. The following is a discussion of the applicable development review criteria as they relate to the proposed project.

Relationship with Adjacent Land Uses:

The property is located within the LR Zone. Properties to the north, south and east are also located within the LR Zone. Properties to the west across Mar Vista Drive are located within the Low Medium Residential (LMR) Zone. The surrounding properties are developed with one and two-story, single-family residences.

The project, as designed, is consistent with the permitted uses for the LR Zone as described in SBMC Sections 17.20.010 and 17.12.020. The property is designated Low Density Residential in the General Plan and intended for single-family residences developed at a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the Scaled Residential Overlay Zone (SROZ) and within the Coastal Zone. The project has been evaluated, and could be found to be in conformance with, the regulations of the SROZ, which are discussed further later in this report. As a condition of project approval, the Applicant would be required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of Building or Grading Permits.

Building and Structure Placement:

The Applicant is proposing to construct a replacement single-family residence with a partially subterranean garage and entry to the living area. The replacement residence, as designed, would be located within the buildable area.

The Applicant is proposing a partially subterranean basement garage under the western portion of the residence. The basement level would consist of a 1,062 square-foot, partially subterranean garage with a 37.208 foot exposure on the west side accessed by the driveway. The basement garage would provide access to a 221 square-foot partially subterranean living area consisting of the foyer entry and a staircase that leads to the main living area.

According to SBMC 17.48.040.C, the proposed lower level area is considered a "Basement- Exposed Side(s)" in which the entire lower level that is partially subterranean is subject to the 2 percent formula. As long as there are only two continuous exposed sides of the basement area and the exposure is less than 50 linear feet, a portion of the lower level could be exempt from the calculation of floor area. A building side is considered exposed when the finished floor of the living area directly above the basement (at any point) is more than three feet above the adjacent natural or finished grade, whichever is lower. In the proposed design, the only exposure is along the western side to allow access to the garage door and the front entry.

SBMC 17.48.040 and 17.20.030 indicates that required parking spaces provided within a garage are exempt from the calculation of floor area. When using the 2 percent formula, the square footage of the required parking is subtracted from the total proposed square footage basement level first and then the remaining square footage is multiplied by the linear exposure of the basement level and then multiplied by 2 percent. The result is the amount of square footage of the proposed garage to be included in the calculation of floor area.

The proposed residence includes a basement living area of 221 square feet and a basement garage of 1,062 square feet for a total of 1,283 square feet. A single-family residence requires two parking spaces of 200 square feet each. Therefore, 400 square feet would be subtracted from the proposed partially subterranean basement level square-footage because it would provide required parking. The total linear exposure of the proposed basement level is 37.208 feet. The 2 percent calculation for this project would be as follows:

$$\begin{aligned} 1,283 \text{ ft}^2 - 400 \text{ ft}^2 &= 883 \text{ ft}^2 \\ 883 \text{ ft}^2 \times 37.208 \text{ ft.} \times 0.02 &= 657 \text{ ft}^2 \\ 883 - 657 \text{ ft}^2 &= 226 \text{ ft}^2 \text{ is exempt} \end{aligned}$$

Pursuant to this calculation, 657 square feet of the proposed partially subterranean level would be included in the calculation of floor area and 226 square feet would be exempt or subtracted from the floor area.

The floor area proposed for the residence includes: a 1,062 square-foot partially subterranean garage; a 221 square-foot basement living area consisting of a foyer entry and staircase that leads to the main level; a 2,990 square-foot main floor living area consisting of an open concept living room, dining room, kitchen and pantry as well as a laundry room, powder room, a master suite, a guest master suite and a bedroom with an ensuite bathroom. The subtotal of the proposed residence would be 4,273 square feet of floor area. The floor area exemptions, related to the basement and partially subterranean garage previously explained in this report, total 626 square feet. With the applicable exemptions, the Applicant proposes a total of 3,647 square feet of floor area, which is 11 square feet below the maximum allowable floor area for the 9,760 square-foot lot, pursuant to the SROZ regulations.

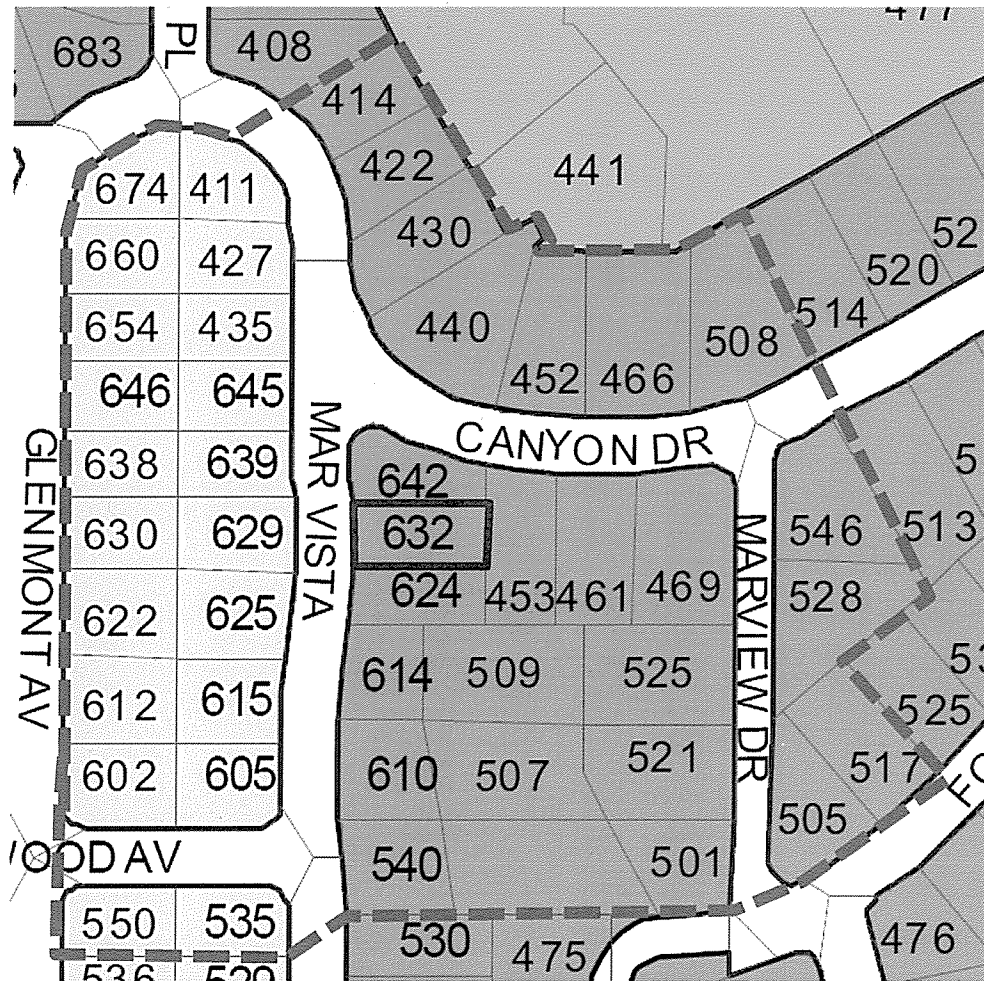
The maximum floor area calculation for this project is as follows:

0.50 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 to 15,000 ft ²	658 ft ²
Total Allowable Floor area:	3,658 ft ²

The proposed project, as designed, meets the minimum required setbacks and is below the maximum allowable floor area for the property.

Neighborhood Comparison:

Staff compared the proposed project to 45 other properties within the surrounding area. This area includes properties along Glenmont Drive, Canyon Drive, Mar Vista Drive, and Marview Drive, as shown on the following map:



The properties evaluated in this comparison are located in the LR and LMR Zones. The existing homes range in size from 1,074 square feet to 5,380 square feet, according to the County Assessor records. It should be noted that the County Assessor does not include the garage, covered porch area, unfinished basement, or accessory building area in the total square footage. Accordingly, the building area of the proposed project has been calculated for comparison purposes by deleting the area of the proposed garages, the covered porch, and ceiling height over 15 feet as follows:

Project Gross Building Area:	4,273 ft ²
Delete Partially Subterranean Garage:	- 1,062 ft ²
Project Area for Comparison to Assessor's Data:	<u>3,211 ft²</u>

Table 2 is based upon the County Assessor's data and SanGIS data. It contains neighboring lot sizes, the square footage of existing development and the maximum allowable square footage for potential development on each lot.

Table 2

#	Property Address	Lot Size in ft ² (SanGis)	Existing ft ² (Assessor)	Proposed / Recently Approved ft ²	Max. Allowable ft ²	Zone
1	674 Glenmont Drive	8,560	1,722		3,448	LMR
2	435 Canyon Drive	8,422	3,017		3,424	LR
3	645 Mar Vista Drive	8,845	2,934		3,498	LMR
4	639 Mar Vista Drive	8,851	2,533		3,446	LMR
5	629 Mar Vista Drive	9,645	4,151		3,638	LMR
6	625 Mar Vista Dive	10,825	2,658		3,844	LMR
7	615 Mar Vista Drive	10,006	3,645		3,701	LMR
8	605 Mar Vista Drive	9,759	2,652		3,658	LMR
9	612 Glenmont Drive	11,050	3,554		3,884	LMR
10	622 Glenmont Drive	10,839	1,708		3,847	LMR
11	630 Glenmont Drive	9,167	2,945		3,554	LMR
12	638 Glenmont Drive	8,662	1,074		3,466	LMR
13	646 Glenmont Drive	8,810	1,834		3,492	LMR
14	654 Glenmont Drive	8,471	1,806		3,432	LMR
15	660 Glenmont Drive	9,484	1,416		3,610	LMR
16	642 Mar Vista Drive	8,753	1,718		3,482	LR
17	632 Mar Vista Drive	9,760	1,215	3,211	3,658	LR
18	624 Mar Vista Drive	9,341	3,501		3,585	LR
19	614 Mar Vista Drive	8,950	3,135		3,516	LR
20	540 Mar Vista Drive	11,306	2,901		3,929	LR
21	422 Canyon Drive	11,066	3,367		3,817	LR
22	430 Canyon Drive	13,065	2,197		4,236	LR
23	440 Canyon Drive	19,019	3,829		4,977	LR
24	550 Glenmont Drive	9,132	1,430		3,548	LMR
25	535 Mar Vista Drive	9,085	2,030		3,540	LMR
26	501 Marview Drive	10,407	3,083		3,771	LR
27	521 Marview Drive	15,301	5,358		4,605	LR
28	525 Marview Drive	16,055	2,186		4,681	LR
29	509 Marview Lane	17,061	5,380		4,781	LR
30	507 Marview Lane	16,939	1,534		4,769	LR
31	546 Marview Drive	15,034	1,606		4,578	LR
32	528 Marview Drive	15,817	2,180		4,657	LR
33	505 Ford Avenue	12,561	4,550		4,148	LR
34	452 Canyon Drive	13,061	2,026		4,236	LR
35	446 Canyon Drive	19,518	1,914		5,027	LR
36	508 Canyon Drive	17,945	1,728		4,870	LR
37	453 Canyon Drive	12,137	2,691		4,074	LR
38	461 Canyon Drive	13,451	2,040		4,304	LR
39	469 Canyon Drive	17,444	3,912		4,819	LR
40	517 Ford Avenue	12,872	n/a		4,203	LR
41	411 Canyon Drive	8,892	2,858		3,506	LR
42	427 Canyon Drive	9,276	1,553		3,573	LR
43	540 Mar Vista Drive	11,306	2,901		3,929	LR
44	600 Mar Vista Drive	19,663	2,186		5,041	LR
45	414 Canyon Drive	9,941	n/a		3,690	LR

46	610 Mar Vista Drive	10,346	n/a		3,761	LR

Fences, Walls and Retaining Walls:

Within the front yard setback area, the SBMC Section 17.20.040(O) allows fences and walls, or any combination thereof, to be no higher than 42 inches in height as measured from existing grade, except for an additional two feet of fence that is at least 80% open to light. Fences, walls and retaining walls located within the rear and interior side yards are allowed to be up to six feet in height with an additional 24 inches that is 50% open to light and air.

Stepped retaining walls are proposed to support the higher existing grade on either side of the proposed driveway that provides access to the partially subterranean garage. Retaining walls are also proposed around the usable rear yard area along the side and rear property lines. The proposed retaining walls as designed are in compliance with the maximum building heights for walls as measured from the existing grade.

Landscape:

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. A Landscape Documentation Package is required for new development projects with an aggregate landscape equal to or greater than 500 square feet requiring a building permit, plan check or development review. The Applicant provided a conceptual landscape plan that has been reviewed by the City's third-party landscape architect, who has recommended approval. The Applicant will be required to submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect will perform inspections during the construction phase of the project. A separate condition has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems are required to be incorporated into the landscaping to the extent feasible.

Parking:

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicant would relocate the existing driveway access toward the center of the lot to access the proposed partially subterranean, three-car garage. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. The proposed garage will provide two parking spaces. Two spaces are required, therefore, 400 square feet of garage area is exempt from the project's floor area calculation.

Grading:

The project includes grading in the amount of 1,180 cubic yards of cut, 160 cubic yards of fill and 1,020 cubic yards of soil to be exported off-site. The majority of proposed cut accounts for the excavation of the driveway and basement. Additional grading is proposed in order to provide a flat usable rear yard area.

Lighting:

A condition of project approval requires that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

Usable Open Space:

The project consists of the construction of a replacement two-story, single-family residence with a basement garage on a developed residential lot; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040.

Structure Development Permit Compliance:

The proposed structure exceeds 16 feet in height above the pre-existing grade; therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicant was required to complete the SDP process. The Applicant had story poles erected onsite. A final Story Pole Height Certification was issued by a licensed land surveyor on August 9, 2019, which showed the highest story pole certified at 257.12 MSL. However, it should be noted, due to the proposed design, there isn't a story pole at the tallest portion of the structure at 24.69 feet above the proposed grade. This occurs on the west elevation where the roof of the deck adjacent to the great room on the main floor (illustrated by a string line at 256.60 MSL between story poles 14 and 15) projects over the proposed driveway. The height of the roof at this location was certified at 256.60 MSL and according to the preliminary grading plan the proposed garage pad below the overhang would be at 231.91 MSL. Therefore, the tallest portion of the structure would be 24.69 feet. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site, which established a deadline to file for View Assessment on January 21, 2020. No applications for View Assessment were received by the City. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certificate prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the tallest point of the proposed residence will not exceed 24.69 feet above the proposed grade on the west elevation and the highest point of the structure will not exceed 257.12 feet above the Mean Sea Level (MSL).

Public Hearing Notice:

Notice of the City Council Public Hearing for the project was published in the Union Tribune more than 10 days prior to the public hearing. The same public notice was mailed to property owners and occupants within 300 feet of the proposed project site on January 31, 2020. As of the date of preparation of this Staff Report, Staff has not received any official correspondence.

In conclusion, the proposed project, as conditioned, could be found to be consistent with the Zoning regulations and the General Plan. Staff has prepared draft findings for approval of the project in the attached Resolution 2020-018 for Council's consideration based upon the information in this report. Conditions from the Community Development, Engineering, and Fire Departments are incorporated in the Resolution of Approval.

Should the Council determine that the findings can be made to approve the project; the SDP will be approved concurrently with the DRP. The Council may direct Staff to modify the Resolution to reflect the findings and conditions it deems appropriate as a result of the Public Hearing process. If the Council determines the project is to be denied, Staff will prepare a Resolution of Denial for adoption at a subsequent Council meeting.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 of the State CEQA Guidelines. Class 3 consists of construction and location of limited numbers of new, small facilities or structures. Examples of this exemption include one single-family residence or second dwelling unit in a residential zone. In urbanized areas, up to three-single-family residences may be constructed or converted under this exemption.

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation adopting the attached Resolution 2020-018.
- Approve Staff recommendation subject to additional specific conditions necessary for the City Council to make all required findings for the approval of a DRP and SDP.
- Deny the project if all required findings for the DRP cannot be made.

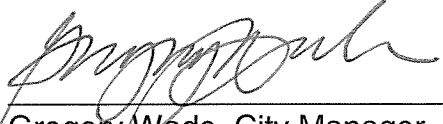
DEPARTMENT RECOMMENDATION:

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2020-018 conditionally approving a DRP and SDP to demolish an existing single-family residence, construct a replacement two-story, single-family residence with a partially subterranean, three-car garage and basement entry area, and perform associated site improvements at 632 Mar Vista Drive, Solana Beach.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2020-018
2. Project Plans

RESOLUTION NO. 2020-018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A DEVELOPMENT REVIEW PERMIT AND STRUCTURE DEVELOPMENT PERMIT TO DEMOLISH A SINGLE-FAMILY RESIDENCE AND CONSTRUCT A REPLACEMENT TWO-STORY, SINGLE-FAMILY RESIDENCE WITH A PARTIALLY SUBTERRANEAN GARAGE AND LIVING AREA ENTRY, AND PERFORM ASSOCIATED IMPROVEMENTS AT 632 MAR VISTA DRIVE, SOLANA BEACH

**APPLICANTS: DOUGLAS APP
APPLICATION: 17-19-09 DRP/SDP**

WHEREAS, Devin Piscitelli (hereinafter referred to as “Applicant”), has submitted an application for a Development Review Permit (DRP) and Structure Development Permit (SDP) pursuant to Title 17 (Zoning) of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the public hearing was conducted pursuant to the provisions of Solana Beach Municipal Code Section 17.72.030; and

WHEREAS, at the Public Hearing on February 12, 2020, the City Council received and considered evidence concerning the proposed application; and

WHEREAS, the City Council of the City of Solana Beach found the application request exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and

WHEREAS, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

- I. That the foregoing recitations are true and correct.
- II. That the request for a DRP and SDP to demolish an existing single-family residence and construct a replacement two-story, single-family residence with a partially-subterranean garage and lower level entry and perform associated site improvements at 632 Mar Vista Drive, is conditionally approved based upon the following Findings and subject to the following Conditions:

III. FINDINGS

- A. In accordance with Section 17.68.040 (Development Review Permit) of the City of Solana Beach Municipal Code, the City Council finds the following:

- I. *The proposed project is consistent with the General Plan and all applicable requirements of SBMC Title 17 (Zoning Ordinance), including special regulations, overlay zones and specific plans.*

General Plan Consistency: The project, as conditioned, is consistent with the City's General Plan designation of Low Density Residential, which allows for a maximum of three dwelling units per acre. The development is also consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

Zoning Ordinance Consistency: The project is consistent with all applicable requirements of the Zoning Ordinance (Title 17) (SBMC 17.20.030 and 17.48.040), which delineates maximum allowable Floor Area Ratio (FAR), Permitted Uses and Structures (SBMC Section 17.20.020) which provides for uses of the property for a single-family residence. Further, the project adheres to all property development regulations established for the Low Residential LR Zone and cited by SBMC Section 17.020.030.

The project is consistent with the provisions for minimum yard dimensions (i.e., setbacks) and the maximum allowable Floor area (FAR), maximum building height, and parking requirements.

- II. *The proposed development complies with the following development review criteria set forth in Solana Beach Municipal Code Section 17.68.040.F:*

- a. *Relationship with Adjacent Land Uses: The development shall be designed in a manner compatible with and where feasible, complimentary to existing and potential development in the immediate vicinity of the project site. Site planning on the perimeter of the development shall give consideration to the protection of surrounding areas from potential adverse effects, as well as protection of the property from adverse surrounding influences.*

The property is located within the LR Zone. Properties immediately surrounding the lot are located within the LR Zone and are developed with one and two-story, single-family residences. The project, as designed, is consistent with the permitted uses for the LR Zone as described in SBMC Sections 17.20.010 and 17.12.020. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan or Overlay Zone areas; however, it is located within the Coastal Zone. As a condition of project approval, the Applicant shall obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of Building and Grading Permits.

- b. *Building and Structure Placement: Buildings and structures shall be sited and designed in a manner which visually and functionally enhances their intended use.*

The Applicant is proposing to construct a replacement single-family residence with a partially subterranean garage and entry to the living area. The replacement residence, as designed, would be located within the buildable area.

The Applicant is proposing a partially subterranean basement garage under the western portion of the residence. The basement level would consist of a 1,062 square-foot, partially subterranean garage with a 37.208 foot exposure on the west side accessed by the driveway. The basement garage would provide access to a 221 square-foot partially subterranean living area consisting of the foyer entry and a staircase that leads to the main living area.

According to SBMC 17.48.040.C, the proposed lower level area is considered a "Basement- Exposed Side(s)" in which the entire lower level that is partially subterranean is subject to the 2 percent formula. As long as there is only two continuous exposed sides of the basement area and the exposure is less than 50 linear feet, a portion of the lower level could be exempt from the calculation of floor area. A building side is considered exposed when the finished floor of the living area directly above the basement (at any point) is more than three feet above the adjacent natural or finished grade, whichever is lower. In the proposed design, the only exposure is along the western side to allow access to the garage door and the front entry.

SBMC 17.48.040 and 17.20.030 indicates that required parking spaces provided within a garage are exempt from the calculation of floor area. When using the 2 percent formula, the square footage of the required parking is subtracted from the total proposed square footage basement level first and then the remaining square footage is multiplied by the linear exposure of the basement level and then multiplied by 2 percent. The result is the amount of square footage of the proposed garage to be included in the calculation of floor area.

The proposed residence includes a basement living area of 221 square feet and a basement garage of 1,062 square feet for a total of 1,283 square feet. A single-family residence requires two parking spaces of 200 square feet each. Therefore, 400 square feet would be subtracted from the proposed partially subterranean basement level square-footage because it would provide required parking. The total linear exposure of the proposed basement level is 37.208 feet. The 2 percent calculation for this project would be as follows:

$$\begin{aligned}
 &1,283 \text{ ft}^2 - 400 \text{ ft}^2 = 883 \text{ ft}^2 \\
 &883 \text{ ft}^2 \times 37.208 \text{ ft.} \times 0.02 = 657 \text{ ft}^2 \\
 &883 - 657 \text{ ft}^2 = 226 \text{ ft}^2 \text{ is exempt}
 \end{aligned}$$

Pursuant to this calculation, 657 square feet of the proposed partially subterranean level would be included in the calculation of floor area and 226 square feet would be exempt or subtracted from the floor area.

The floor area proposed for the residence includes: a 1,062 square-foot partially subterranean garage; a 221 square-foot basement living area consisting of a foyer entry and staircase that leads to the main level; a 2,990 square-foot main floor living area consisting of an open concept living room, dining room, kitchen and pantry as well as a laundry room, powder room, a master suite, a guest master suite and a bedroom with an ensuite bathroom. The subtotal of the proposed residence would be 4,273 square feet of floor area. The floor area exemptions, related to the basement and partially subterranean garage previously explained in this report, total 626 square feet. With the applicable exemptions, the Applicant proposes a total of 3,647 square feet of floor area, which is 11 square-foot below the maximum allowable floor area for the 9,760 square-foot lot, pursuant to the SROZ regulations.

The maximum floor area calculation for this project is as follows:

0.50 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 to 15,000 ft ²	658 ft ²
Total Allowable Floor area:	3,658 ft²

The proposed project, as designed, meets the minimum required setbacks and is below the maximum allowable floor area for the property.

- c. *Landscaping: The removal of significant native vegetation shall be minimized. Replacement vegetation and landscaping shall be compatible with the vegetation of the surrounding area. Trees*

and other large plantings shall not obstruct significant views when installed or at maturity.

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. A Landscape Documentation Package is required for new development projects with an aggregate landscape equal to or greater than 500 square feet requiring a building permit, plan check or development review. The Applicant provided a conceptual landscape plan that has been reviewed by the City's third-party landscape architect, who has recommended approval. The Applicant will be required to submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect will perform inspections during the construction phase of the project. A separate condition has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems are required to be incorporated into the landscaping to the extent feasible.

- d. Roads, Pedestrian Walkways, Parking and Storage Areas: Any development involving more than one building or structure shall provide common access roads and pedestrian walkways. Parking and outside storage areas, where permitted, shall be screened from view, to the extent feasible, by existing topography, by the placement of buildings and structures, or by landscaping and plantings.*

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The driveway will be reconstructed to access the proposed partially subterranean, two-car garage. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. The proposed garage will provide two parking spaces. Two spaces are required, therefore, 400 square feet of garage area is exempt from the project's floor area calculation.

- e. Grading: To the extent feasible, natural topography and scenic features of the site shall be retained and incorporated into the proposed development. Any grading or earth-moving operations in connection with the proposed development shall be planned and executed so as to blend with the existing terrain both on and adjacent to the site. Existing exposed or disturbed slopes shall be landscaped with native or naturalized non-native vegetation and existing erosion problems shall be corrected.*

The project includes grading in the amount of 1,180 cubic yards of cut, 160 cubic yards of fill and 1,020 cubic yards of soil to be exported off-site. The majority of proposed cut accounts for the excavation of the driveway and basement. Additional grading is proposed in order to provide a flat usable rear yard area.

- f. Lighting: Light fixtures for walkways, parking areas, driveways, and other facilities shall be provided in sufficient number and at proper locations to assure safe and convenient nighttime use. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding areas per SBMC 17.60.060 (Exterior Lighting Regulations).*

A condition of project approval includes that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

- g. Usable Open Space: Recreational facilities proposed within required usable open space shall be located and designed to maintain essential open space values.*

The project consists of the construction of a replacement, two-story, single-family residence with a basement garage on a developed residential lot; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040.

- III. All required permits and approvals including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.*

All required permits, including a Structure Development Permit, are being processed concurrently with the Development Review Permit.

- IV. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicant obtaining the required permit or approval from the other agency.*

The Applicant is required to obtain approval from the California Coastal Commission prior to issuance of Building Permits.

- B. In accordance with Section 17.63.040 (Structure Development Permit) of the Solana Beach Municipal Code, the City Council finds the following:

The proposed structure exceeds 16 feet in height above the pre-existing grade; therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicant was required to complete the SDP process. The Applicant had story poles erected onsite. A final Story Pole Height Certification was issued by a licensed land surveyor on August 9, 2019, which showed the highest story pole certified at 257.12 MSL. However, it should be noted, due to the proposed design, there isn't a story pole at the tallest portion of the structure at 24.69 feet above the proposed grade. This occurs on the west elevation where the roof of the deck adjacent to the great room on the main floor (illustrated by a string line at 256.60 MSL between story poles 14 and 15) projects over the proposed driveway. The height of the roof at this location was certified at 256.60 MSL and according to the preliminary grading plan the proposed garage pad below the overhang would be at 231.91 MSL. Therefore, the tallest portion of the structure would be 24.69 feet. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site, which established a deadline to file for View Assessment on January 21, 2020. No applications for View Assessment were received by the City. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certificate prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the tallest point of the proposed residence will not exceed 24.69 feet above the proposed grade on the west elevation and the highest point of the structure will not exceed 257.12 feet above the Mean Sea Level (MSL).

IV. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicant shall provide for and adhere to the following conditions:

A. Community Development Department Conditions:

- I. The Applicant shall pay required Fire Mitigation, Park Development, Public Use Facilities, and Public Facilities Impact Fees.
- II. Building Permit plans must be in substantial conformance with the architectural plans presented to the City Council on February 12, 2020, and located in the project file with a submittal date of February 3, 2020.
- III. Prior to requesting a framing inspection, the Applicant shall submit a height certificate prepared by a licensed land surveyor prior to the framing inspection certifying that the tallest point of the proposed

residence will not exceed 24.69 feet above the proposed grade on the west elevation and the highest point of the structure will not exceed 257.12 feet above the Mean Sea Level (MSL) in conformance with the plans as approved by the City Council on February 12, 2020.

- IV. Any proposed onsite fences, walls and retaining walls and any proposed railing located on top, or any combination thereof, shall comply with applicable regulations of SBMC Section 17.20.040 and 17.60.070 (Fences and Walls).
 - V. The Applicant shall obtain required California Coastal Commission (CCC) approval of a Coastal Development Permit, Waiver or Exemption as determined necessary by the CCC, prior to the issuance of Building and Grading Permits.
 - VI. The Applicant shall provide a full Landscape Documentation Package in compliance with SBMC Chapter 17.56 prior to Grading Permit issuance, which will be reviewed and inspected by the City's third party landscape professional.
 - VII. Native or drought tolerant and non-invasive plant materials and water conserving irrigation systems shall be incorporated into any proposed landscaping and compatible with the surrounding area to the extent feasible.
 - VIII. All new exterior lighting fixtures shall be in conformance with the City-wide lighting regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.
 - IX. Construction vehicles shall be parked on the subject property at all times feasible. If construction activity prohibits parking on the subject property, the Applicant shall ensure construction vehicles are parked in such a way to allow sufficient vehicular access on the street and minimize impact to the surrounding neighbors.
 - X. The Applicant shall connect to temporary electrical service as soon as feasible to the satisfaction of the City.
- B. Fire Department Conditions:
- I. ACCESS ROAD MINIMUM DIMENSIONS: Fire apparatus access roads shall have an unobstructed improved width of not less than 20 feet; curb line to curb line, and an unobstructed vertical clearance of not less than 13 feet 6 inches. Exception: Single-Family residential driveways; serving no more than two single-family dwellings, shall

have minimum of 16 feet, curb line to curb line, of unobstructed improved width. Access roads shall be designed and maintained to support the imposed loads of not less than 75,000 pounds and shall be provided with an approved paved surface to provide all-weather driving capabilities.

- II. OBSTRUCTION OF ROADWAYS DURING CONSTRUCTION: All roadways shall be a minimum of 20 feet in width during construction and maintained free and clear, including the parking of vehicles, in accordance with the California Fire Code and the Solana Beach Fire Department.
- III. FIRE HYDRANTS AND FIRE FLOWS: The Applicant shall provide fire hydrants of a type, number, and location satisfactory to the Solana Beach Fire Department. A letter from the water agency serving the area shall be provided that states the required fire flow is available. Fire hydrants shall be of a bronze type. Multi-family residential or industrial fire hydrants shall have two (2) 4" inch and two (2) 2 ½" inch NST outlets. Residential fire hydrants shall have one (1) 4" inch NST outlet, and one (1) 2 ½" inch NST outlets.
- IV. ADDRESS NUMBERS: STREET NUMBERS: Approved numbers and/or addresses shall be placed on all new and existing buildings and at appropriate additional locations as to be plainly visible and legible from the street or roadway fronting the property from either direction of approach. Said numbers shall contrast with their background, and shall meet the following minimum standards as to size: 4" high with a ½" inch stroke width for residential buildings, 8" high with a ½" stroke for commercial and multi-family residential buildings, 12" high with a 1" stroke for industrial buildings. Additional numbers shall be required where deemed necessary by the Fire Marshal, such as rear access doors, building corners, and entrances to commercial centers.
- V. AUTOMATIC FIRE SPRINKLER SYSTEM-ONE AND TWO FAMILY DWELLINGS: Structures shall be protected by an automatic fire sprinkler system designed and installed to the satisfaction of the Fire Department. Plans for the automatic fire sprinkler system shall be approved by the Fire Department prior to installation.
- VI. FIRE RESISTIVE CONSTRUCTION REQUIREMENTS FOR WILDLAND/URBAN INTERFACE AREAS: Structures shall meet all wildland/urban interface standards to the satisfaction of the Fire Department. Structures shall comply with current California Building Code Chapter 7A.
- VII. CLASS "A" ROOF: All structures shall be provided with a Class "A" Roof covering to the satisfaction of the Solana Beach Fire Department.

VIII. Basement:

- All basements shall be designed and equipped with emergency exit systems consisting of operable windows, window wells or exit door that's leads directly outside via staircase and exit door or exit door at grade.
- Window wells/Light wells that intrude into side yard or backyard setbacks of five feet or less, shall require a hinged grating covering the window well/lightwell opening. The grating shall be capable of supporting a weight of 250lb person; yet must be able to be opened by someone of minimal strength with no special knowledge, effort or use of key or tool. Any modification of previously approved plans related to this condition shall be subject to re-submittal and review by City staff (Fire, Building, Planning).

C. Engineering Department Conditions:

- I. The Applicant is required to obtain an Encroachment Permit in accordance with the Solana Beach Municipal Code Section 11.20 prior to any work being done in the public right-of-way. Per Solana Beach Municipal Code Section 11.04, the Applicant is required to construct all public improvements along the street frontage to the satisfaction of the City Engineer. These include, but are not limited to:
 - a. Construction of a low profile mountable 9" X 9" X 12" concrete curb along the entire frontage of the property of Mar Vista Drive at the flow line of the street.
 - b. Installation of permeable pavers graded at 2% maximum from the property line down toward the curb as shown on the preliminary grading plan prepared by Pasco Laret Suiter Associates to the satisfaction of the City Engineer.
 - c. Removal and construction of retaining walls in Public Right-of-Way.
- II. The Applicant shall record the Encroachment Maintenance Removal Agreement (EMRA) with the County of San Diego prior to the release of the Grading Bond and Security Deposit. The EMRA shall be recorded against this property for all improvements in the Public Right-Of-Way including but not limited to:
 - a. The non-permanent retaining walls.
 - b. New permeable pavers.

- III. The Applicant shall ensure the bollard south of the hydrant remains or is reconstructed per SDRSD WM-04 Type "A".
- IV. The Applicant shall underground all new utility services including, but not limited to, electrical and telephone.
- V. All construction demolition materials shall be recycled according to the City's Construction and Demolition recycling program and an approved Waste Management Plan shall be submitted.
- VI. Construction fencing shall be located on the subject property unless the Applicant has obtained an Encroachment Permit in accordance with chapter 11.20 of the SBMC which allows otherwise.
- VII. Obtain a Grading Permit in accordance with Chapter 15.40 of the Solana Beach Municipal Code. Conditions prior to the issuance of a grading permit shall include, but not be limited to, the following:
 - a. The Applicant shall obtain a grading plan prepared by a Registered Civil Engineer and approved by the City Engineer. On-site grading design and construction shall be in accordance with Chapter 15.40 of the Solana Beach Municipal Code.
 - b. The Applicant shall obtain a Soils Report prepared by a Registered Soils Engineer and approved by the City Engineer. All necessary measures shall be taken and implemented to assure slope stability, erosion control and soil integrity. The grading plan shall incorporate all recommendations contained in the soils report.
 - c. The Applicant shall provide a Drainage Report prepared by a Registered Civil Engineer. This report shall address the design for detention basin and corresponding outflow system to ensure the rate of runoff for the proposed development is at or below that of pre-existing condition. All recommendations of this report shall be incorporated into the Preliminary Grading Plan. A detention basin easement(s) shall be recorded for maintenance of the detention basins by the property owner(s) in perpetuity, prior to Final Inspection of the Building Permit.
 - d. The Applicant shall show all retaining walls and drainage structures. Retaining walls shown on the grading plan shall conform to the San Diego Regional Standards or be designed by a licensed civil engineer. Engineering calculations for all designed walls with a surcharge and nonstandard walls shall be submitted at grading plan check. Retaining walls may not exceed the allowable height within the property line setback as determined by the City of Solana Beach Municipal Code.

Contact the Community Development department for further information.

- e. The Applicant is responsible to protect the adjacent properties during construction. If any grading, construction activity, access or potential construction-related impacts are anticipated beyond the property lines, as determined by the City Engineer, the Applicant shall obtain a letter of permission from the adjoining property owners. All required letters of permission shall be submitted to the City Engineer prior to the issuance of the grading permit.
- f. Cut and fill slopes shall be set back from site boundaries and buildings shall be set back from cut or fill slopes in accordance with SBMC 15.40.140 and to the satisfaction of the City Engineer.
- g. The Applicant shall pay a grading plan check fee in accordance with the current Engineering Fee Schedule at initial grading plan submittal. Inspection fees shall be paid prior to issuance of the grading permit.
- h. The Applicant shall obtain and submit grading security in a form prescribed by the City Engineer.
- i. The Applicant shall obtain haul permit for import / export of soil. The Applicant shall transport all excavated material to a legal disposal site.
- j. The Applicant shall submit certification from the Engineer of Record and the Soils Engineer that all public or private drainage facilities and finished grades are functioning and are installed in accordance with the approved plans. This shall be accomplished by the Engineer of Record incorporating as-built conditions on the Mylar grading plans and obtaining signatures of the Engineer of Record and the Soils Engineer certifying the as-built conditions.
- k. An Erosion Prevention and Sediment Control Plan shall be prepared by the Applicant. Best management practices shall be developed and implemented to manage storm water and non-storm water discharges from the site at all times during excavation and grading activities. Erosion prevention shall be emphasized as the most important measure for keeping sediment on site during excavation and grading activities. Sediment controls shall be used as a supplement to erosion prevention for keeping sediment on site.

- i. The Applicant shall show all proposed on-site private drainage facilities intended to discharge water run-off. Elements of this design shall include a hydrologic and hydraulic analysis verifying the adequacy of the facilities and identify any easements or structures required to properly convey the drainage. The construction of drainage structures shall comply with the standards set forth by the San Diego Regional Standard Drawings.
- m. Post Construction Best Management Practices meeting City and RWQCB Order No. R9-2013-001 requirements shall be implemented in the drainage design.
- n. Prior to obtaining a building permit, submit a building pad certification statement from a soils engineer and an engineer or land surveyor licensed in Land Surveying per SBMC 15.40.230E.
- o. The building permit shall be issued concurrently with the grading permit.
- p. No increased cross lot drainage shall be allowed.
- q. The Applicant shall prepare a City of Solana Beach Storm Water Checklist for Determination of Project Category to address potential water quality impacts to ensure that pollutants and runoff from this development are reduced to the maximum extent practicable.

I. ENFORCEMENT

Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.1.6 and 1.18 in addition to any applicable revocation proceedings.

II. EXPIRATION

The Development Review Permit and Structure Development Permit for the project will expire 24 months from the date of this Resolution, unless the Applicant has obtained building permits and has commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council according to SBMC 17.72.110.

III. INDEMNIFICATION AGREEMENT

The Applicant shall defend, indemnify, and hold harmless the City, its agents,

officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

NOTICE TO APPLICANTS: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this resolution you must comply with the provisions of Government Code Section 66020. Generally the resolution is effective upon expiration of the tenth day following the date of adoption of this resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 12th day of February, 2020, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

JEWEL EDSON, MAYOR

APPROVED AS TO FORM:

ATTEST:

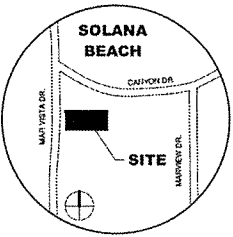
JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

GENERAL NOTES
1. OWNER TO OBTAIN PERMIT AT LEAST 48 HOURS PRIOR TO WORKING IN THE PUBLIC RIGHT OF WAY...

GREEN BUILDING STANDARDS
1. THE BUILDER IS TO PROVIDE AN OPERATION MANUAL (CONTAINING INFORMATION FOR MAINTAINING APPLIANCES, ETC.) FOR THE OWNER AT THE TIME OF FINAL INSPECTION...

VICINITY MAP (NTS)



PROJECT TEAM

OWNER: DOUG APOST 632 MAR VISTA SOLANA BEACH, CA 92075
ARCHITECT: BRIAN CHURCH AIA, BRIAN CHURCH ARCHITECTURE 507 S. CEDROS AVE SOLANA BEACH, CA 92075...

BUILDING CODES

THIS PROJECT SHALL COMPLY WITH THE FOLLOWING CODES:
2016 California Building Code
2016 California Residential Code
2016 California Plumbing Code...

FIRE NOTES

1. SMOKE DETECTORS SHALL BE INSTALLED IN ALL ROOMS USED FOR SLEEPING PURPOSES, ON THE CEILING OR WALL OUTSIDE OF EACH SEPARATE SLEEPING AREA...

SHEET INDEX

Table with columns NO. and SHEET NAME. Rows include T1 TITLE SHEET, C1 SITE PLAN, C2 TOPOGRAPHIC SURVEY MAP, C3 GRADING PLAN, D1 DEMOLITION PLAN, A0 GARAGE, A1 FIRST FLOOR PLAN, A1.1 FLOOR AREA EXHIBIT PLANS, A2 ROOF PLAN, A3 EXTERIOR ELEVATIONS, A4 EXTERIOR ELEVATIONS, A5 BUILDING SECTIONS, A6 BUILDING SECTIONS, A7 BUILDING SECTIONS, A8 BUILDING SECTIONS, A9 STAIR SECTION, SP1 STORY POLE PLAN, L1 WATER CONSERVATION PLAN, L2 LANDSCAPE PLANTING PLAN.

PROJECT INFORMATION

PROJECT NAME: APP HOUSE
PROJECT ADDRESS: 632 MARVISTA DR SOLANA BEACH, CA 92075
CITY CASE No. DRP-SDP 17-19-09
A.P.N. 263-096-0200
LEGAL DESCRIPTION: BLK 'F' LOT 2'

SCOPE OF WORK

NEW SINGLE STORY/SPLIT LEVEL, SINGLE FAMILY RESIDENCE - 4,000SF +/-, STREET LEVEL GARAGE WITH RESIDENCE ABOVE.

BUILDING INFORMATION

ZONE OVERLAY ZONE: LFw (LOW RESIDENTIAL 3 DU/ACRE) SCALED RESIDENTIAL OVERLAY ZONE (SROZ)
LOT AREA (GROSS): 9,760 SF
LOT AREA (NET): 9,760 SF
SETBACKS REQUIRED: FRONT 25'-0", REAR 33'-0", SIDE(S) 5'-0"/5'-0"

Table with columns AREA TYPE, AREA (sf), RATIO, ALLOWED (sf). Rows include TOTAL SITE AREA, GARAGE EXEMPTION TOTAL, BUILDING AREA - EXISTING (FIRST FLOOR, GARAGE TOTAL), BUILDING AREA - PROPOSED (BASEMENT, FIRST FLOOR, TOTAL).

BUILDING HEIGHT ALLOWED: 25 FT
BUILDING HEIGHT PROPOSED: 19' 3 3/8"
OCCUPANCY GROUP: R-3 (SINGLE-FAMILY RESIDENCE)
TYPE OF CONSTRUCTION: TYPE-V/B / EXT. PER CHAPTER 7A

Table with columns LANDSCAPE AREAS, EXISTING (SF), PROPOSED (SF). Rows include NON-LANDSCAPED AREA, IRRIGATED LANDSCAPE, WATER FEATURES, DECORATIVE HARDSCAPE, TOTAL LOT AREA, IRRIGATED LANDSCAPE, WATER FEATURES, DECORATIVE HARDSCAPE, AGGREGATE LANDSCAPE AREA.

Small table with columns for various project details.

BCA Brian Church Architecture 507 S. Cedros Ave Solana Beach, CA 92075 (658) 793-3437

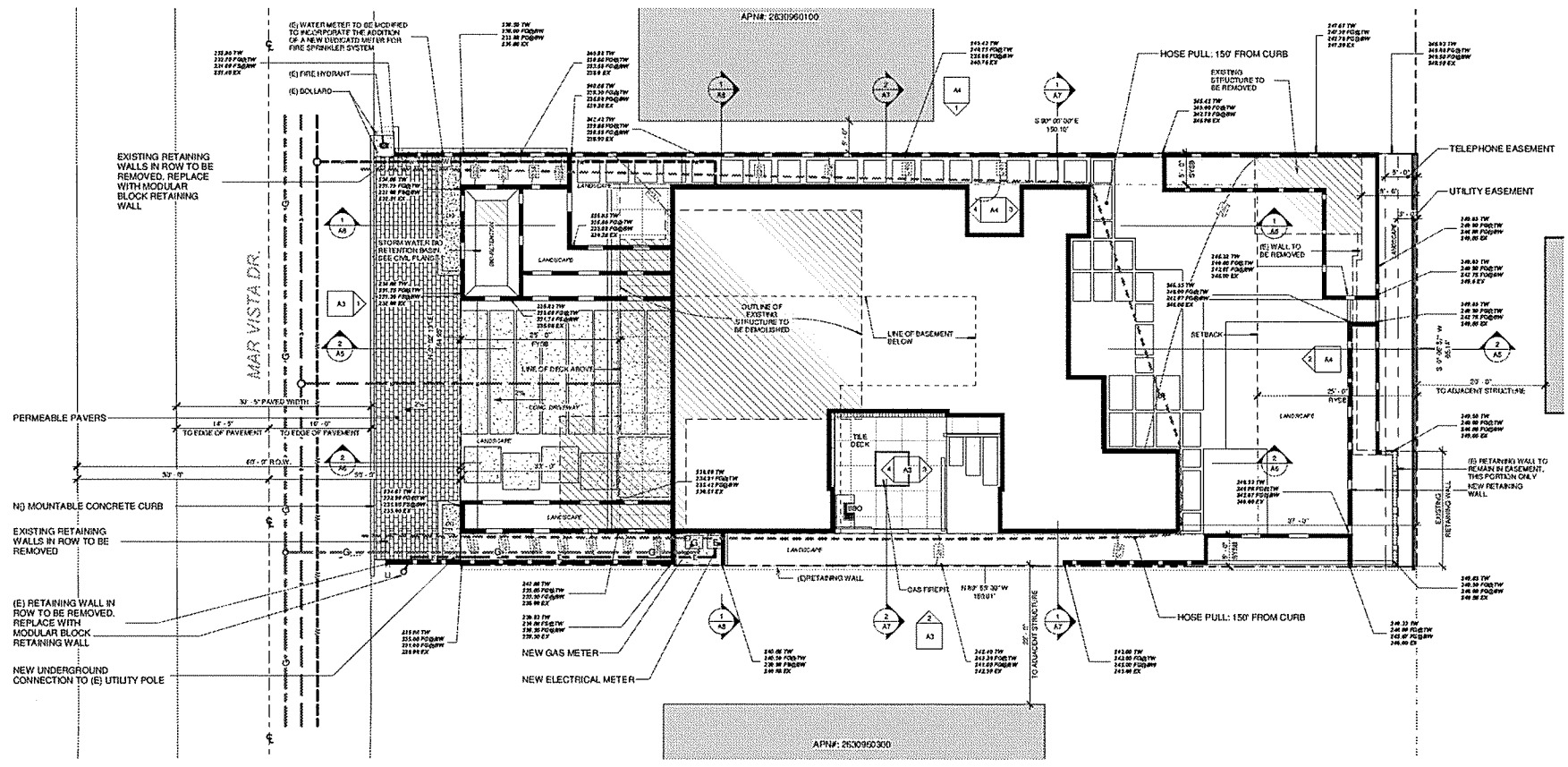
TITLE SHEET NOT FOR CONSTRUCTION

APP HOUSE 632 Mar Vista Dr, Solana Beach, CA 92075

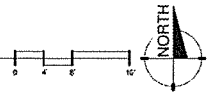


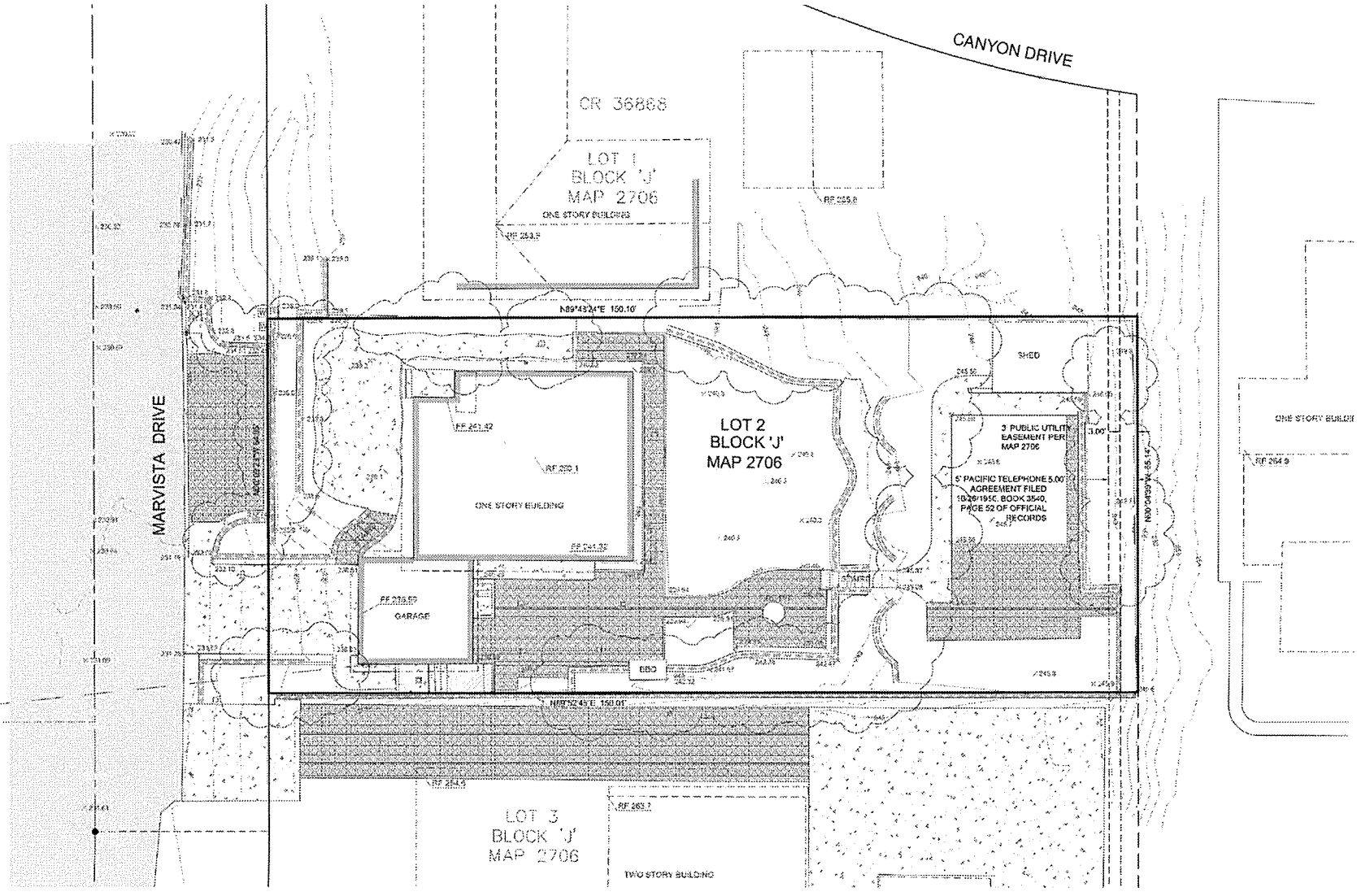
SCALE: 1/2" = 1'-0" DATE: 01/28/2020 SHEET

T1



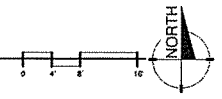
SITE PLAN
1/8" = 1'-0"





TOPOGRAPHIC SURVEY MAP

1/8" = 1'-0"



SUMMARY: REVISIONS	
NO.	DATE

BCA

Brian Church Architecture
507 S. Coulter Ave
Salinas Branch, CA 92075
(858) 793-3437

APP HOUSE

TOPOGRAPHIC SURVEY MAP

NOT FOR CONSTRUCTION

6.32 Mar Vista Dr, Salinas Branch, CA 92075



SCALE: 1/8" = 1'-0"

DATE: 01/27/20

SHEET

C2

GENERAL NOTES

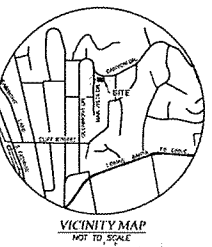
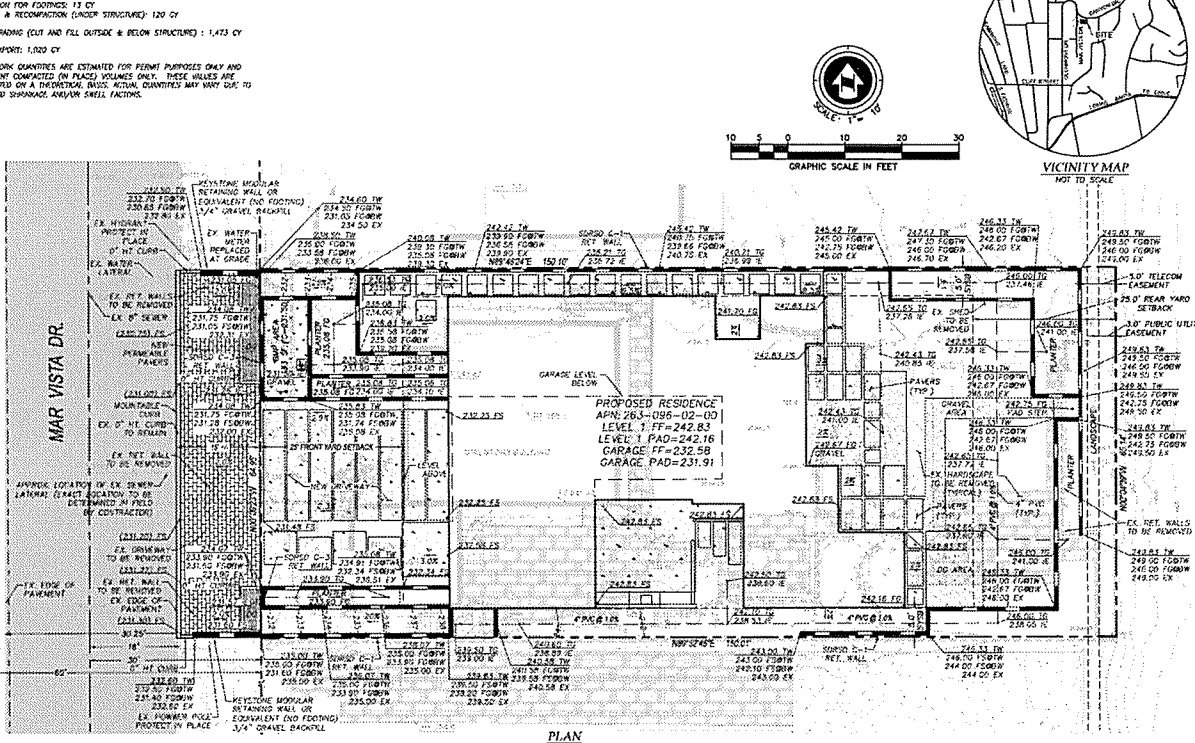
1. APPROVAL OF THIS GRADING PLAN DOES NOT CONSTITUTE APPROVAL OF VERTICAL OR HORIZONTAL ALIGNMENT OF ANY PRIVATE ROAD SHOWING HEREON FOR PUBLIC USE.
2. FINAL APPROVAL OF THESE GRADING PLANS IS SUBJECT TO FINAL APPROVAL OF THE ASSOCIATED IMPROVEMENT PLANS WHERE APPLICABLE. FINAL CIVIL ENGINEER'S EXAMINATIONS MAY REQUIRE CHANGES IN THESE PLANS.
3. REPORT MATERIALS SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR.
4. A SEPARATE PERMIT FROM THE CITY ENGINEER WILL BE REQUIRED FOR ANY WORK IN THE PUBLIC RIGHT-OF-WAY.
5. ALL SLOPES OTHER THAN 3:1 FEET 1 HORIZONTAL SHALL BE LANDSCAPED AND REVEGETATED.
6. THE CONTRACTOR SHALL VERIFY THE EXISTENCE AND LOCATION OF ALL UTILITIES BEFORE COMMENCING WORK. BURIAL OF PROPOSED WORK SHALL BE OPEN TO THE FOLLOWING AGENCIES:
 - LANDGRADING S.A. (800)-227-2890
7. THE SLOPE REPORTS SHALL BE REVIEWED AS REQUIRED BY THE CITY OF SOLANA BEACH PRIOR TO ISSUANCE OF A GRADING PERMIT.
8. APPROVAL OF THESE PLANS BY THE CITY ENGINEER DOES NOT AUTHORIZE ANY WORK OR CHANGES TO BE PERFORMED UNTIL THE PROPERTY OWNER'S PERMISSION HAS BEEN OBTAINED AND A VALID GRADING PERMIT HAS BEEN ISSUED.
9. THE CITY ENGINEER'S APPROVAL OF THESE PLANS DOES NOT CONSTITUTE THE NEARING OFFICIALS' APPROVAL OF ANY FOUNDATION FOR STRUCTURES TO BE PLACED ON THE AREA COVERED BY THESE PLANS. NO WORK OR CHANGES TO THE GRADING PLAN SHALL BE MADE OR PERMITTED WITHOUT THE WRITTEN PERMISSION OF THE CITY ENGINEER.
10. ALL OPERATIONS CONDUCTED ON THE PREMISES, INCLUDING THE BORING OR REPAIR, REMOVAL, DEPARTMENT OR REMOVAL OF STRUCTURES, FARMING EQUIPMENT, CONSTRUCTION EQUIPMENT AND ANY OTHER ASSOCIATED GRADING EQUIPMENT SHALL BE LIMITED TO THE PERIOD BETWEEN 7:00 A.M. AND 4:00 P.M. EACH DAY. EXCESSIVE NOISE OR VIBRATION FROM THE OPERATIONS OF GRADING OPERATORS SHALL BE CONDUCTED ON THE PREMISES ON SATURDAYS OR HOLIDAYS WITHOUT THE WRITTEN PERMISSION OF THE CITY ENGINEER.
11. ALL MAJOR SLOPES SHALL BE REINFORCED INTO EXISTING TERRAIN TO PREVENT A FUTURE EROSION. REINFORCEMENT OR FILL SHALL BE NATURAL ORLAND AND SITUATED OUT OF VIEW FACES.
12. NOTWITHSTANDING THE MINIMUM STANDARDS SET FORTH IN THE GRADING DISTANCE AND NOTWITHSTANDING THE APPROVAL OF THESE GRADING PLANS, THE PERMITTEE IS RESPONSIBLE FOR THE PREVENTION OF DAMAGE TO THE ADJACENT PROPERTY, NO PERSON SHALL EXCAVATE OR LAND SO CLOSE TO THE PROPERTY AS TO CAUSE ANY HAZARD TO ANY ADJACENT STREET, SIDEWALK, ALLEY, FUNCTION OF ANY SEMI DISPOSAL SYSTEM, OR ANY OTHER PUBLIC OR PRIVATE UTILITY. THE PERMITTEE SHALL BE RESPONSIBLE FOR THE PROTECTION OF SUCH PROPERTY FROM SETTLING, CRACKING, EROSION, SLURRING OR OTHER DAMAGE TO SUCH PROPERTY. THE CITY WILL HOLD THE PERMITTEE RESPONSIBLE FOR CORRECTION ON NON-DETERMINED CONDITIONS WHICH DAMAGE ADJACENT PROPERTY.
13. SLOPE RATIOS: OUT 2:1 FILL 3:1 CUT. 1:1:1:1 CUT. 1:1:1:1 CUT. 1:1:1:1 CUT. (NOTE: A SEPARATE VALID PERMIT MUST EXIST FOR OFFSITE REPORT OR EROSION AREAS)
14. THE QUANTITIES ESTIMATED ABOVE ARE FOR PERMIT PURPOSES ONLY AND SHOULD NOT BE USED FOR CONSTRUCTION BIDS. CONTRACTORS ARE RESPONSIBLE FOR THEIR OWN QUANTITIES.
15. SPECIAL CONDITIONS: IF ANY ADDITIONAL RESOURCES ARE DISCOVERED ON THE SITE OF THIS GRADING DURING OPERATIONS, SUCH OPERATIONS SHALL BE STOPPED IMMEDIATELY AND THE PERMITTEE WILL NOTIFY THE CITY ENGINEER OF THE DISCOVERY. GRADING OPERATIONS WILL NOT COMMENCE UNTIL THE PERMITTEE HAS RECEIVED WRITTEN AUTHORITY FROM THE CITY ENGINEER TO DO SO.
16. ALL GRADING SHOWN ON THIS PLAN SHALL BE COMPLETED AS A SINGLE UNIT WITH NO PROVISION FOR PARTIAL RELEASES. SHOULD IT BE ANTICIPATED THAT A PORTION OF THIS PROJECT BE COMPLETED SEPARATELY, A SEPARATE PLAN AND PERMIT APPLICATION SHALL BE SUBMITTED FOR APPROVAL.
17. THE CONTRACTOR SHALL NOTIFY THE CITY OF SOLANA BEACH (562)220-2493 24 HOURS BEFORE GRADING OPERATIONS BEGIN.
18. FINISHED GRADING AND PLANTING SHALL BE COMPLETED ON ALL SLOPES PRIOR TO OCCUPANCY. REVEGETATION FROM CONSTRUCTION SLOPES GRADING BETWEEN OCTOBER 1 AND APRIL 1 PRIOR TO ANY PLANTING. ALL LANDSCAPING SHALL BE APPROVED BY THE PLANNING DEPARTMENT AT THE DEVELOPMENT REVIEW STAGE. ON AN SEPARATE LANDSCAPE PLAN.
19. ALL OFF-SITE HAS REPORTS SHALL BE SUBMITTED BY THE CONTRACTOR TO THE CITY ENGINEER FOR APPROVAL 72 HOURS PRIOR TO THE BEGINNING OF WORK.
20. UPON FINAL COMPLETION OF THE WORK UNDER THE GRADING PERMIT, BUT PRIOR TO FINAL GRADING APPROVAL AND/OR FINAL RELEASE OF SECURITY, AN AS-ORDERED EROSION CONTROL PLAN SHALL BE PROVIDED STATING "THE GRADING UNDER PERMIT NO. 2163-096-02-00 HAS BEEN PERFORMED IN SUBSTANTIAL COMPLIANCE WITH THE APPROVED GRADING PLAN OR AS SHOWN ON THE ATTACHED AS-ORDERED PLANS". THIS STATEMENT SHALL BE FOLLOWED BY THE DAIT AND SIGNATURE OF THE CIVIL ENGINEER WHO CARRIES OUT A GRADING OPERATION.
21. THE CONTRACTOR SHALL DESIGN, CONSTRUCT AND MAINTAIN ALL SAFETY DEVICES INCLUDING STOPPING AND SHALL BE RESPONSIBLE FOR CONFORMANCE TO ALL LOCAL, STATE, AND FEDERAL SAFETY AND HEALTH STANDARDS, LAWS AND REGULATIONS.

EARTHWORK QUANTITIES:

SITE GRADING:
 CUT: 1,180 CY
 FILL: 180 CY
 EXCAVATION FOR FOOTINGS: 11 CY
 REMOVAL & RECONSTRUCTION (RANDOM STRUCTURE): 120 CY
 TOTAL GRADING (CUT AND FILL OUTSIDE & BELOW STRUCTURE): 1,473 CY
 TOTAL EXPORT: 1,002 CY

YEARWORKING QUANTITIES ARE ESTIMATED FOR PERMIT PURPOSES ONLY AND REPRESENT CONTACTED IN PLACE QUANTITIES ONLY. THESE VALUES ARE CALCULATED ON A THEORETICAL BASIS. ACTUAL QUANTITIES MAY VARY DUE TO FOREGROUND SHAPES AND/OR SMOOT FACINGS.

PRELIMINARY GRADING PLAN



LEGAL DESCRIPTION
 LOT 2 IN BLOCK "D" OF MAPPER HEIGHTS (PART OF) IN THE CITY OF SOLANA BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP PERMIT NO. 2306, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, SEPTEMBER 27, 1950.

A.P.N.: 763-096-0200
SITE ADDRESS: 632 MAR VISTA DRIVE, SOLANA BEACH, CA 92075
OWNER/PERMITTEE: COLG APN, 632 MAR VISTA DRIVE, SOLANA BEACH, CA 92075
TOPOGRAPHIC SURVEY: PASCO LARET SUITER & ASSOCIATES (PSS)-255-8812

WORK TO BE DONE
 THE IMPROVEMENTS CONSIST OF THE FOLLOWING WORK TO BE DONE ACCORDING TO THESE PLANS AND THE LATEST EDITIONS OF:

STANDARD SPECIFICATIONS
 (1) STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION INCLUDING THE REGIONAL SUPPLEMENTAL AMENDMENTS
 (2) CALIFORNIA DEPARTMENT OF TRANSPORTATION MANUAL OF TRAFFIC CONTROL FOR CONSTRUCTION AND MAINTENANCE WORK ZONES
 (3) STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION STANDARD SPECIFICATIONS

STANDARD DRAWINGS
 (1) SAN DIEGO REGIONAL STANDARD DRAWINGS
 (2) STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION STANDARD PLANS

LEGEND

ITEM DESCRIPTION	SYMBOL
PROPERTY LINE	---
ADJACENT PROPERTY LINE	---
PROPOSED SETBACK	---
PROPOSED CONTOUR LINE	---
EXISTING CONTOUR LINE	---
TOP OF WALL	---
FINISHED GRADE	---
FINISHED SURFACE	---
RETENTION AREA	---

DECLARATION OF RESPONSIBLE CHARGE
 I, BRIAN W. ARDOLINO, HEREBY DECLARE THAT I AM THE ENGINEER OF WORK FOR THIS PROJECT, THAT I HAVE ASSUMED RESPONSIBLE CHARGE OVER THE DESIGN OF THE PROJECT AS DETAILED IN SECTION 6703 OF THE BUSINESS AND PROFESSIONS CODE, AND THE DESIGN IS CONSISTENT WITH CURRENT STANDARDS AND THE CITY OF SOLANA BEACH RESOLUTION NO. 2007-107.

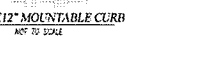
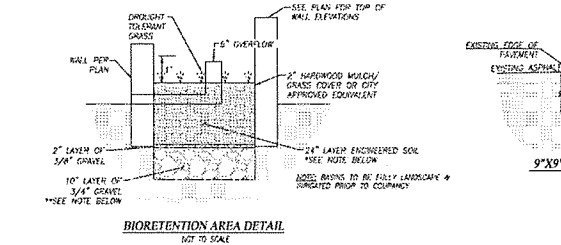
I UNDERSTAND THAT THE CREW OF PROJECT DRAWINGS AND OPERATIONS OF THE CITY OF SOLANA BEACH IS CONFINED TO A REVIEW ONLY AND DOES NOT RELIEVE ME OF MY RESPONSIBILITIES FOR PROJECT DESIGN.

Brian Ardolino 8/7/2019
 CIVIL ENGINEER
 REG. NO. 71681 EXP. 12/31/2019
 PASCO LARET SUITER & ASSOCIATES

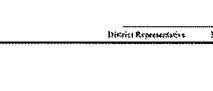


EROSION CONTROL NOTES

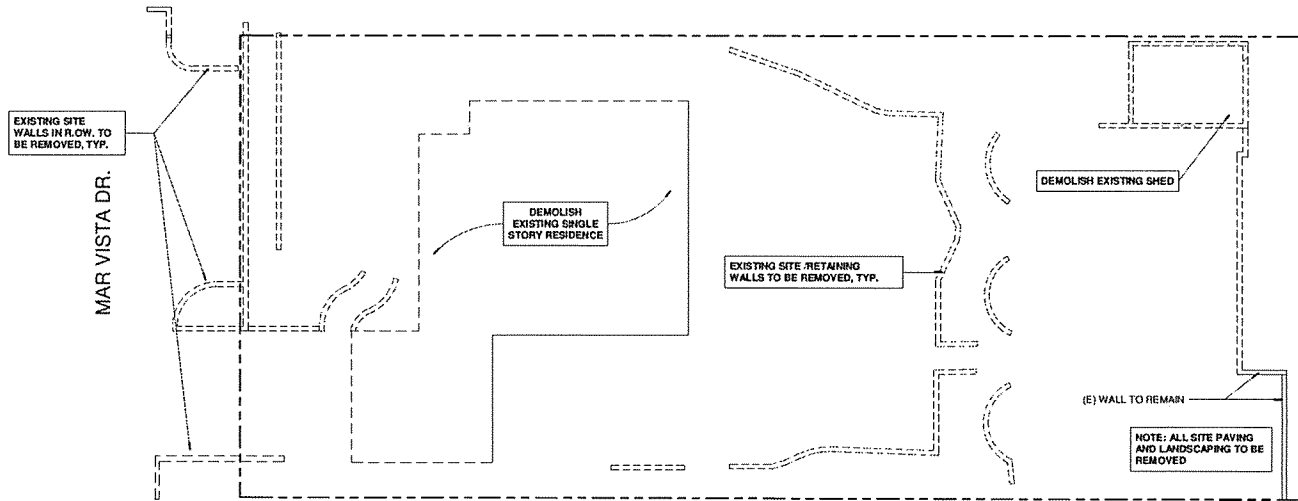
1. STORM WATER AND NON-STEM WATER DISCHARGE CONTROL: BEST MANAGEMENT PRACTICES SHALL BE DEVELOPED AND IMPLEMENTED TO MANAGE STORM WATER AND NON-STEM WATER PROBLEMS FROM THE SITE, AT ALL TIMES DURING CONSTRUCTION AND DRAINAGE ACTIVITIES.
2. EROSION AND SEDIMENT CONTROL: EROSION PREVENTION SHALL BE EMPHASIZED AS THE MOST IMPORTANT MEASURE FOR REDUCING SEDIMENT ON SITE (WARDEN EXPLANATION AND DRAINAGE ACTIVITIES). SEDIMENT CONTROLS SHALL BE USED AS A SUPPLEMENT TO EROSION PREVENTION FOR KEEPING SEDIMENT ON SITE.
3. EROSION CONTROL ON SLOPES SHALL BE INITIATED BY INSTALLING LANDSCAPING AS PER APPROVED LANDSCAPE PLANS AS REQUIRED BY THE DEVELOPMENT REVIEW CONDITIONS OR BY TEMPORARY EROSION CONTROL, CONSISTING OF THE FOLLOWING:
 - NON-PROPOSED DISCHARGES ARE WITHIN A FLOOD HAZARD AREA AT 1:100 L/24 HRS.
4. THE TOPS OF ALL SLOPES TALLER THAN 3' SHALL BE COVERED OR PROTECTED TO PREVENT WATER FLOWING OVER TOPS OF SLOPES.
5. GAIN BARRIERS, BARRIERS AND STORM DRAIN SYSTEMS SHALL BE INSTALLED TO THE SATISFACTION OF THE CITY ENGINEER.
6. SAND BAG CHECK DAMS, SILT FENCES, FINDER ROLLS OR OTHER APPROVED DAMS SHALL BE PLACED IN UNPAVED AREAS WITH CHANNELS IN EXCESS OF 2% AS WELL AS AT OR NEAR EVERY POINT WHERE CONCENTRATED FLOW LEAVES THE SITE.
7. SAND BAGS SHALL BE PLACED ON THE UPSTREAM SIDE OF ALL ORFANGE INLETS TO MINIMIZE SILT BURDEN IN THE INLETS AND PIPES.
8. THE CONTRACTOR SHALL REPAIR ANY ERODED SLOPES AS DIRECTED BY THE OFFICE OF THE CITY ENGINEER.
9. THE CONTRACTOR SHALL SUEP PROBABLY AND EXPOSED TO AND FROM THE SITE ON A REGULAR BASIS TO KEEP THEM FREE OF SOIL ACCUMULATION AND AT ALL OTHER TIMES DIRECTED BY THE CITY ENGINEER.
10. THE CONTRACTOR SHALL WATER SITE ON A CONTINUOUS BASIS TO MAINTAIN AN MOIST, DUST CONTROLLED FROM GRADING AND HANDLE OPERATIONS OR EXCESSIVE WIND CONDITIONS, AND AT ALL TIMES DIRECTED BY THE CITY ENGINEER.
11. IN THE EVENT SILT DOES EXCEED THE EXISTING PUBLIC STORM DRAIN SYSTEM, REMOVAL OF THE SILT FROM THE SYSTEM WILL BE DONE AT THE DEVELOPER'S EXPENSE.



TYPICAL WALL CROSS SECTION ELEVATIONS SHOWN ON PLAN

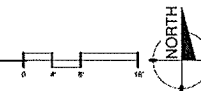


SANTA FE IRRIGATION DISTRICT	ENGINEER OF WORK	CITY APPROVED CHANGES	APPD DATE	RECOMMENDED FOR APPROVAL	APPROVED FOR CONSTRUCTION	BENCHMARK	CITY OF SOLANA BEACH	DRAWING NO.
	BY: <i>Brian Ardolino</i> Date: 8/7/2019					SURVEY CONTROL STATION 2007 "SOL-17, 23" BRASS DISC PER REG 18971	632 MAR VISTA DRIVE	PLS-3004
Drawn By:	Checked By:	Reviewed By:	Approved By:	City Engineer:	Date:	ELEV: 71.45'	DATE: 8/10/18	SHEET 1 OF 1



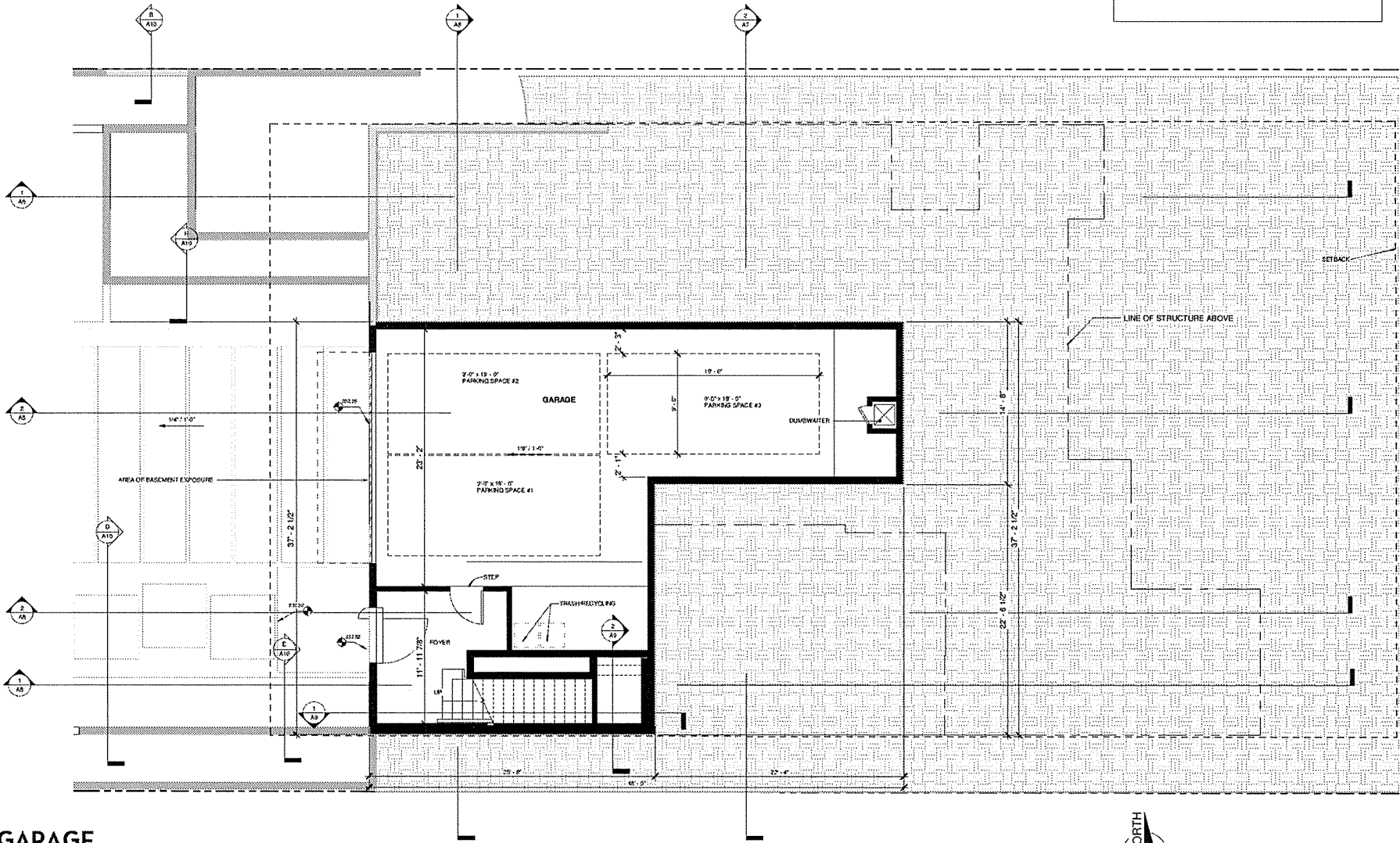
DEMOLITION PLAN

1/8" = 1'-0"

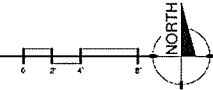


<p>APP HOUSE 612 New Vista Dr., Solano Beach, CA 92075</p>		<p>BCA Brian Church Architecture 507 S. Coast Ave Solano Beach, CA 92075 (858) 793-3437</p>
<p>APP HOUSE 612 New Vista Dr., Solano Beach, CA 92075</p>		
<p>DEMOLITION PLAN</p>		<p>NOT FOR CONSTRUCTION</p>
<p>SCALE: 1/8" = 1'-0" DATE: 08/28/20 SHEET</p>		
<p>D1</p>		<p>BRIAN CHURCH Architect</p>

NOTES
 1. REQUIRED PARKING SPACES, 2, PARKING SPACES PROVIDE: 3



GARAGE
 1/4" = 1'-0"



DATE	BY	REVISION

BCA
 Brian Church Architecture
 507 S. Coates Ave
 Solana Beach, CA 92075
 (658) 793-3437

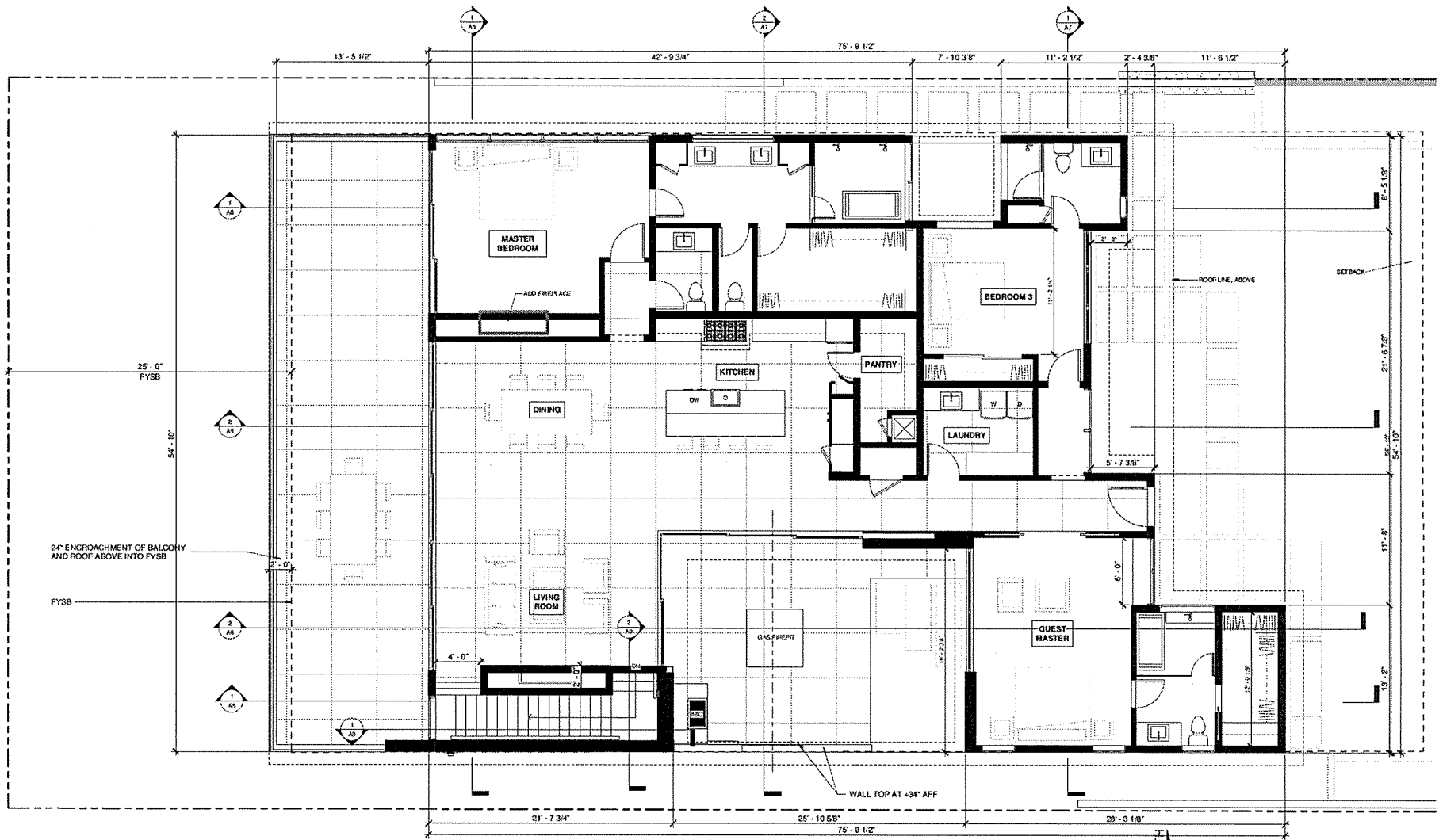
APP HOUSE
 622 New York Dr, Solana Beach, CA 92075

BRIAN CHURCH
 ARCHITECT
 12/1/2011

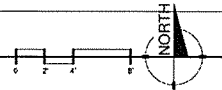
SCALE: 1/4" = 1'-0"
 DATE: 08/28/2013
 SHEET

AO

GARAGE
 NOT FOR CONSTRUCTION



LEVEL 1
1/4" = 1'-0"



REVISIONS

NO.	DESCRIPTION	DATE
1	ISSUED FOR PERMITS	08/28/20

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507 S. Coast Ave
Solano Beach, CA 92075
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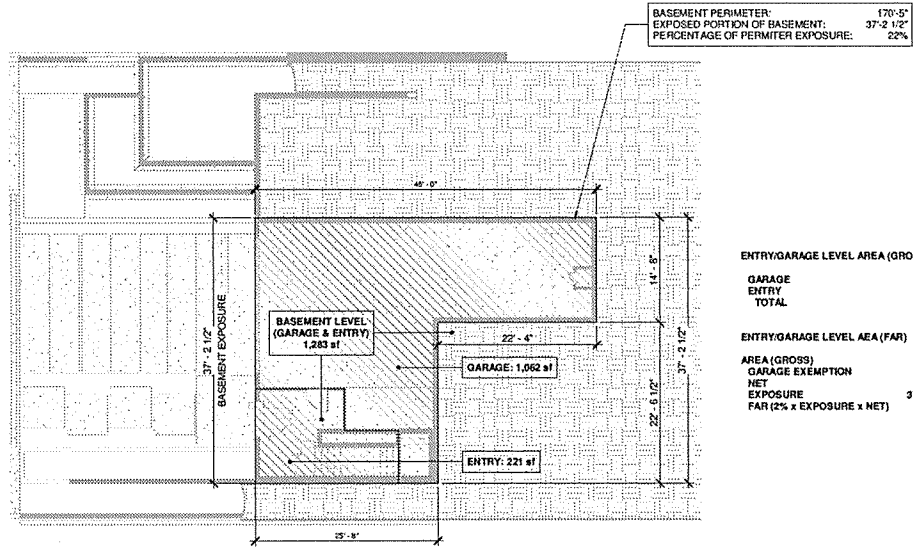
APP HOUSE
652 New Vista Dr., Solano Beach, CA 92075



SCALE: 1/4" = 1'-0"
DATE: 08/28/20
SHEET

A1

FIRST FLOOR PLAN
NOT FOR CONSTRUCTION



ENTRY/GARAGE LEVEL AREA (GROSS)

GARAGE	1,062 sf
ENTRY	221 sf
TOTAL	1,283 sf

ENTRY/GARAGE LEVEL AREA (FAR)

AREA (GROSS)	1,283 sf
GARAGE EXEMPTION	-400 sf
NET	883 sf
EXPOSURE	37'-2 1/2"
FAR (2% x EXPOSURE x NET)	657 sf

FLOOR AREA ALLOWED (FAR)

AREA TYPE	AREA (sf)	RATIO	ALLOWED (sf)
TOTAL SITE AREA	9,760		
FIRST	6,000	.5	3,000
NEXT	3,760	.175	658
TOTAL ALLOWED			3,658

BASEMENT 2% FORMULA

AREA (sf) - 400	x	EXPOSURE (ft)	x	2%	=	FAR (sf)		
1,283	-	400	x	37'-2 1/2"	x	2%	=	FAR
883	x	37.200	x	.02	=	657		

AREAS PROPOSED

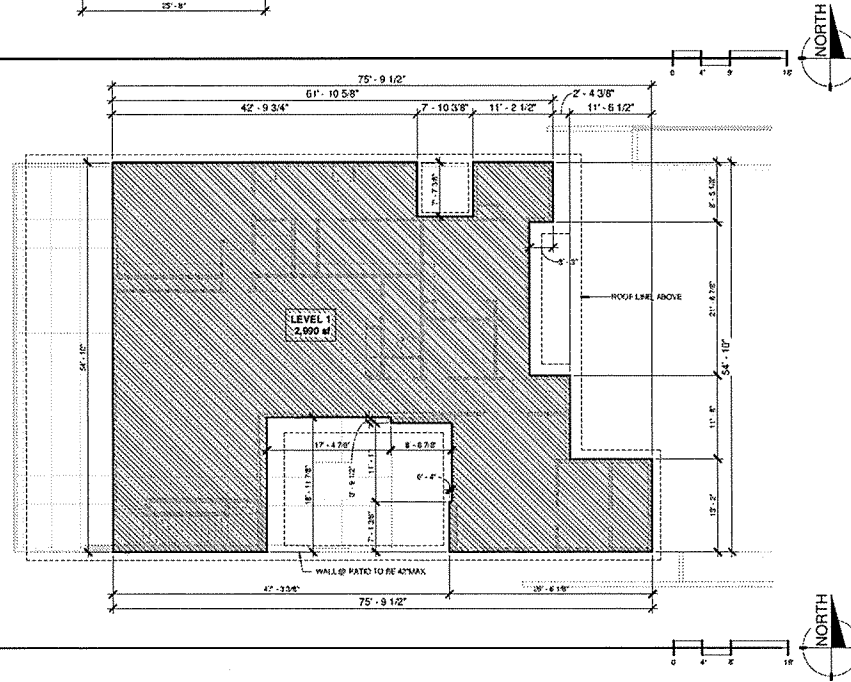
AREA TYPE	GROSS (sf)	FAR (sf)
BASEMENT (GARAGE & ENTRY):	1,283	657
FIRST FLOOR:	2,990	2,990
TOTAL:	4,273	3,647

3,647 < 3,658 = OK
 FAR: 3,647 SF (3,647 + 9,760 SF = 0.37)

- NOTES**
1. ALL DIMENSIONS ARE MEASURED FROM THE EXTERIOR WALL SURFACES.
 2. BASEMENT (SRO2); EXISTING OR PROPOSED GRADE (LOWER) DIRECTLY ADJACENT TO THE SUBTERRANEAN LEVEL MUST BE NO MORE THAN THREE FEET LOWER THAN THE MAIN LEVEL.

GARAGE

1/8" = 1'-0"



LEVEL 1

1/8" = 1'-0"

12/28/2020 9:15 AM

SUBMITTALS / REVISIONS		
#	DATE	REVISIONS/DESCRIPTION

BCA
 Brian Church Architecture
 507 S. Coast Ave
 Solana Beach, CA 92075
 (658) 793-3437

APP HOUSE
 632 New York Dr., Solana Beach, CA 92075



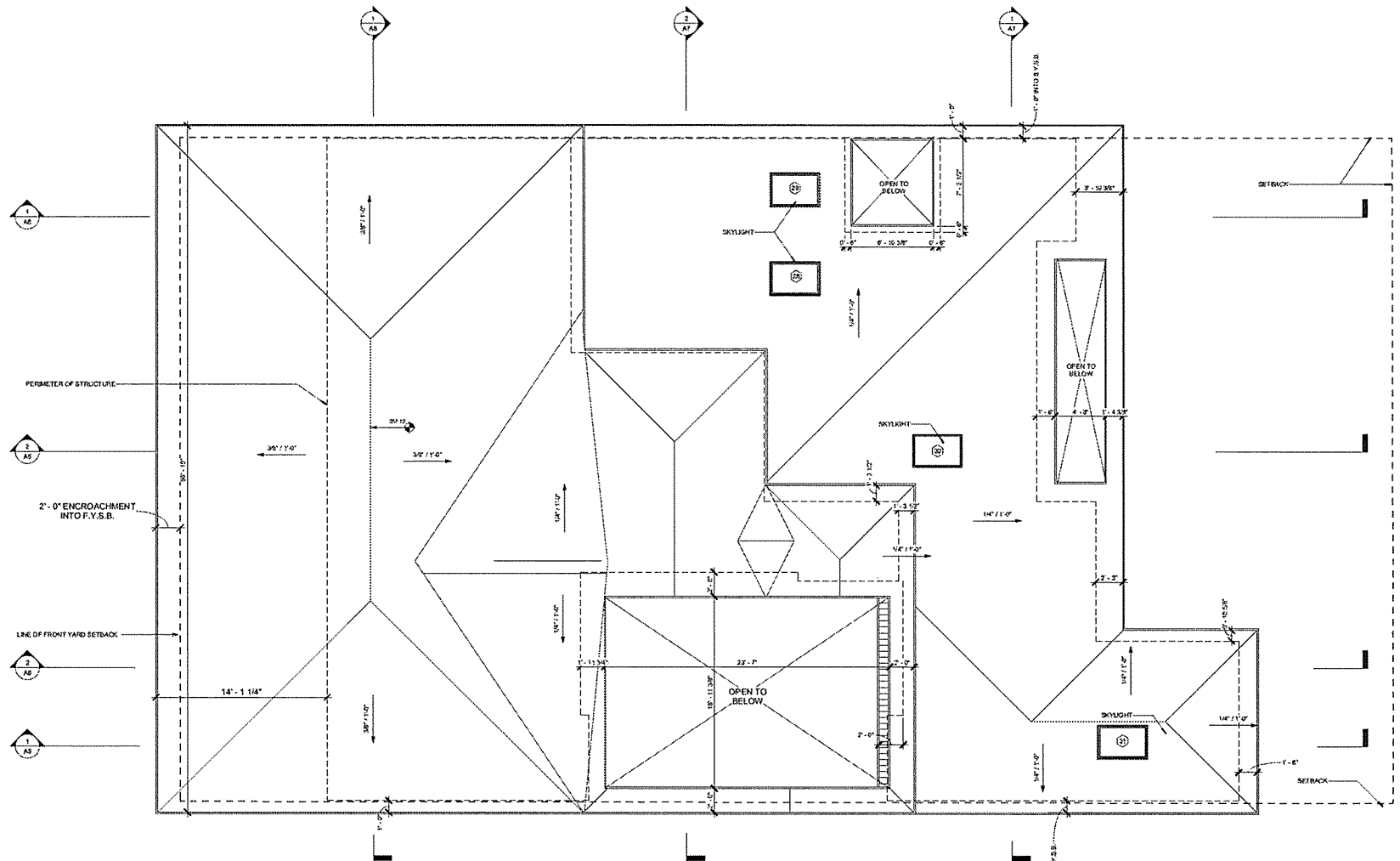
SCALE: 1/8" = 1'-0"
 DATE: 01/28/20
 SHEET

A1.1

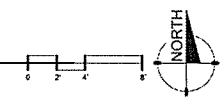
FLOOR AREA EXHIBIT PLANS
NOT FOR CONSTRUCTION

NOTES

1. CLASS 'A' ROOFING MATERIAL IS REQUIRED FOR ALL NEW ROOFS.



ROOF PLATE
 1/4" = 1'-0"



DATE	REVISION

BCA
 Brian Church Architecture
 507 S. Cedros Ave.
 Solvang, CA 92075
 (858) 793-3437

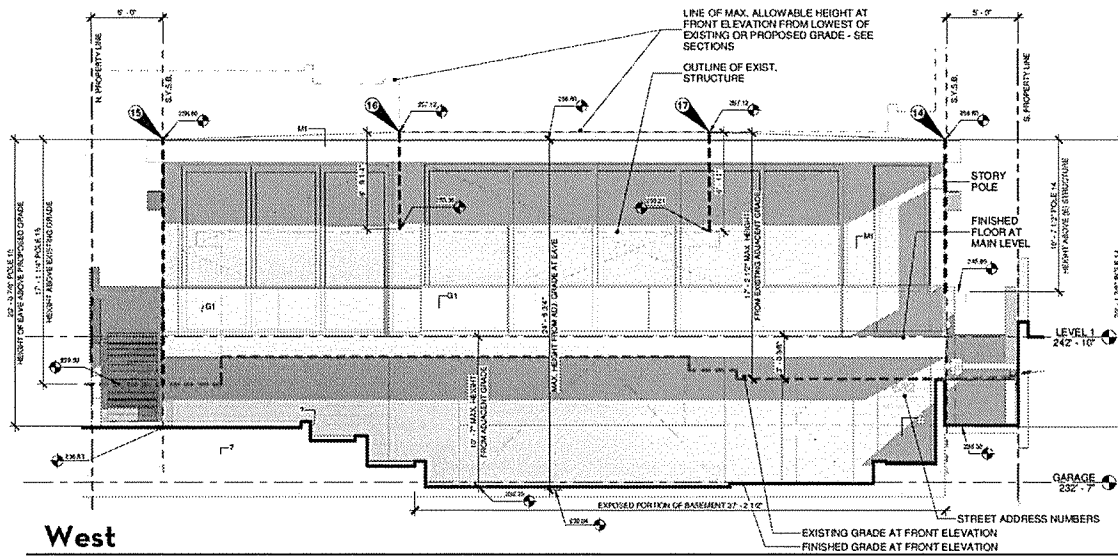
APP HOUSE
 622 New York Dr., Solvang, CA 92075

ROOF PLAN

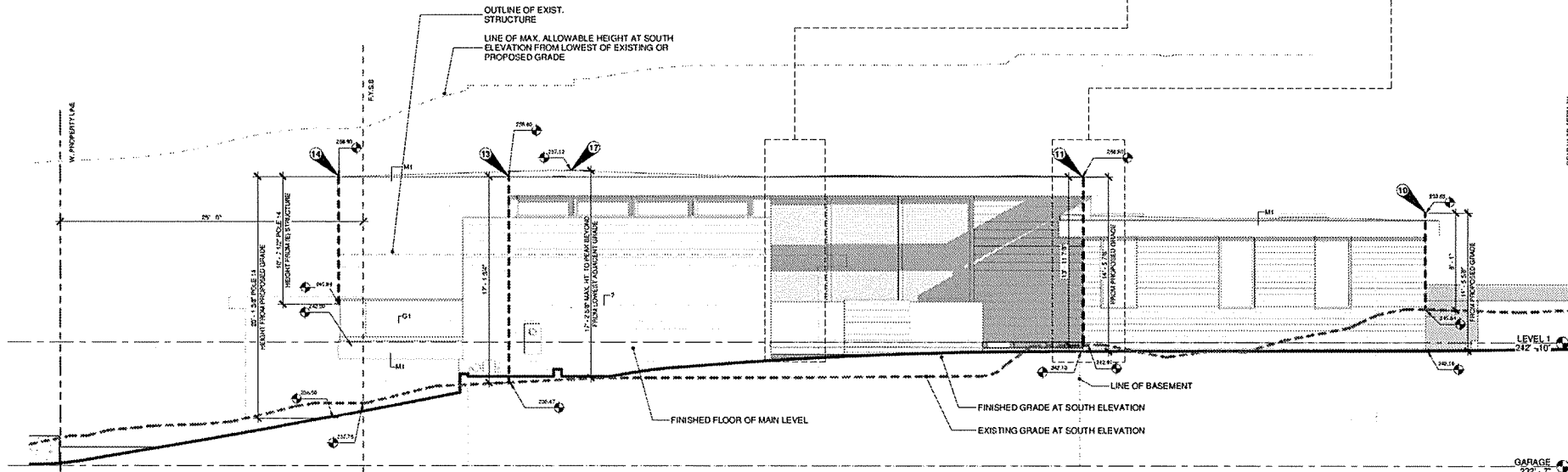
NOT FOR CONSTRUCTION

BRIAN CHURCH
 ARCHITECT

SCALE: 1/4" = 1'-0"
 DATE: 01/28/20
 SHEET: **A2**



West
1/4" = 1'-0"



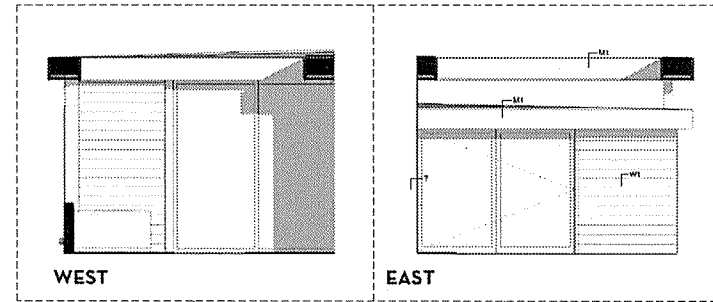
South
1/4" = 1'-0"

EXTERIOR FINISHES

TYPE	DESCRIPTION
C1	BOARD FORM CONCRETE
W1	CEMENT BOARD SIDING
M1	METAL FASCIA
G1	TEMPERED GLASS

FINISH NOTES:
ALL EXTERIOR CONSTRUCTION (FINISHES, DOORS AND WINDOWS) SHALL CONFORM TO CHAPTER 7A FIRE-RESISTIVE CONSTRUCTION DUE TO PROJECT LOCATION IN PROXIMITY TO WILDLAND INTERFACE.

LARGE COURTYARD



NO.	DATE	REVISIONS
1	01/28/20	ISSUE FOR PERMITS

BCA

Brian Church Architecture
507 S. Crafts Ave
Salinas Branch, CA 92075
(858) 793-3437

APP HOUSE

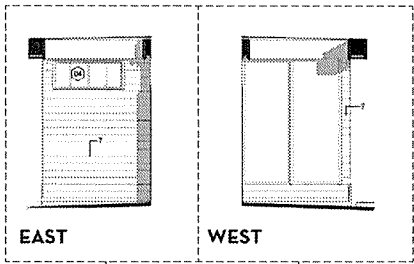


SCALE: 1/4" = 1'-0"
DATE: 01/28/20
SHEET

A3

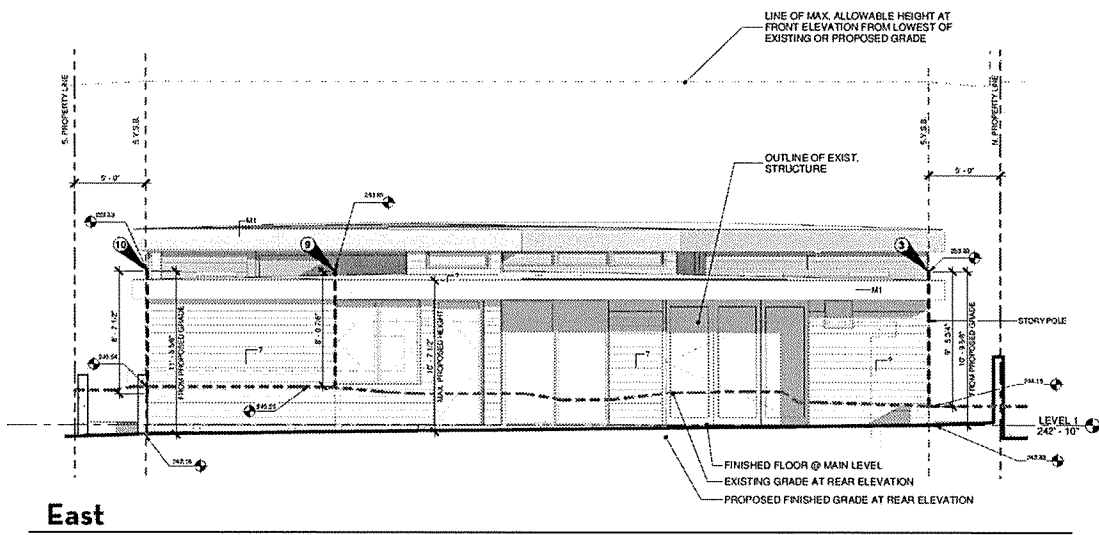
EXTERIOR ELEVATIONS
NOT FOR CONSTRUCTION

SMALL COURTYARD



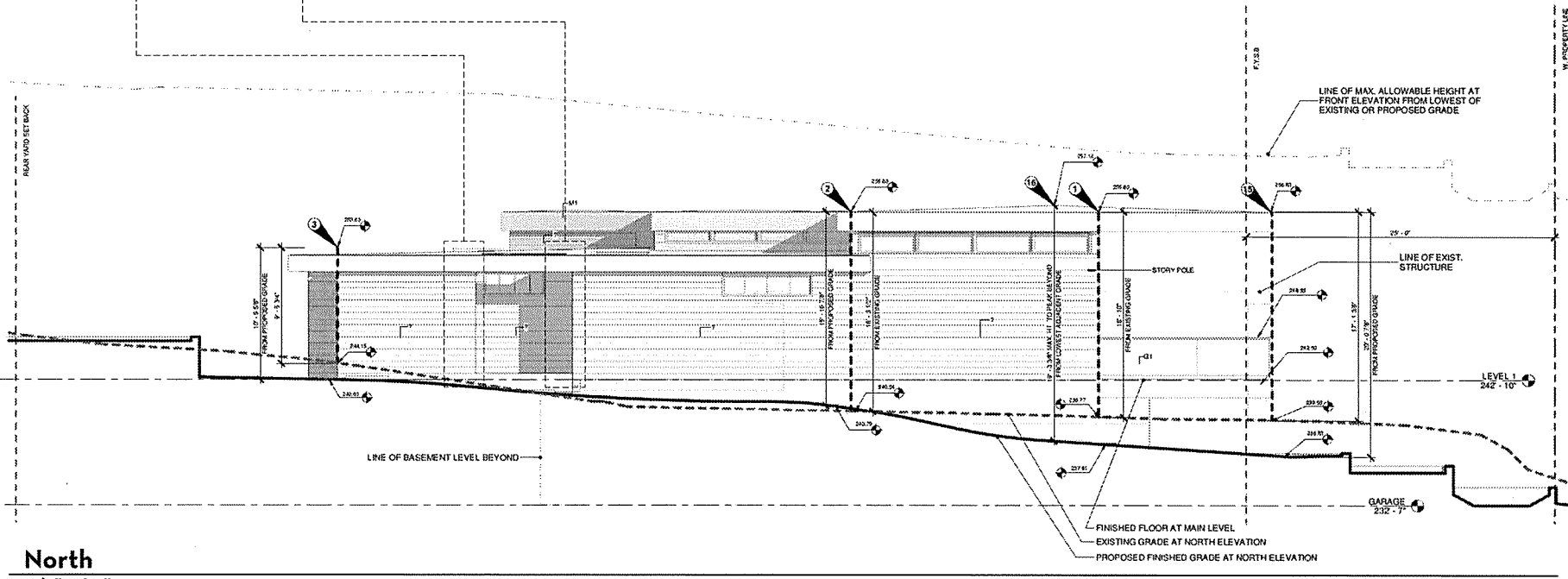
EAST

WEST



East

1/4" = 1'-0"



North

1/4" = 1'-0"

SUBMITTALS/REVISIONS	
#	Description

BCA

Brian Church Architecture
 507 S. Crafts Ave
 Salinas Branch, CA 92075
 (658) 793,3437

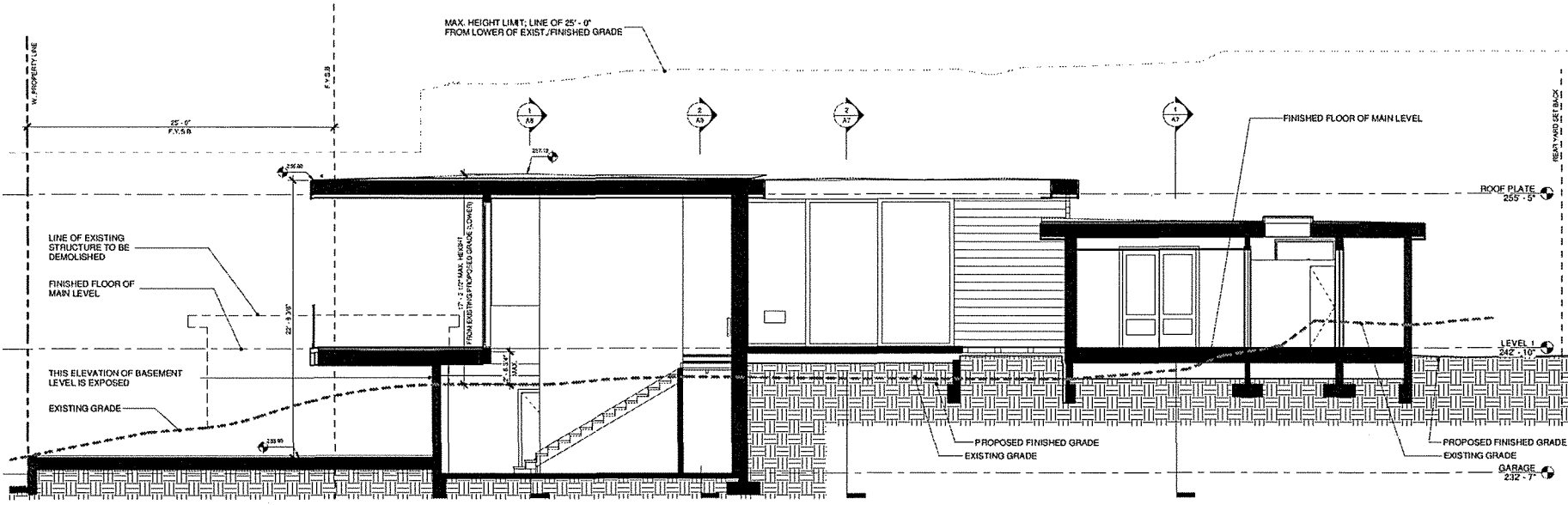
APP HOUSE
 EXTERIOR ELEVATIONS
 NOT FOR CONSTRUCTION

DATE: 08/27/20
 SHEET

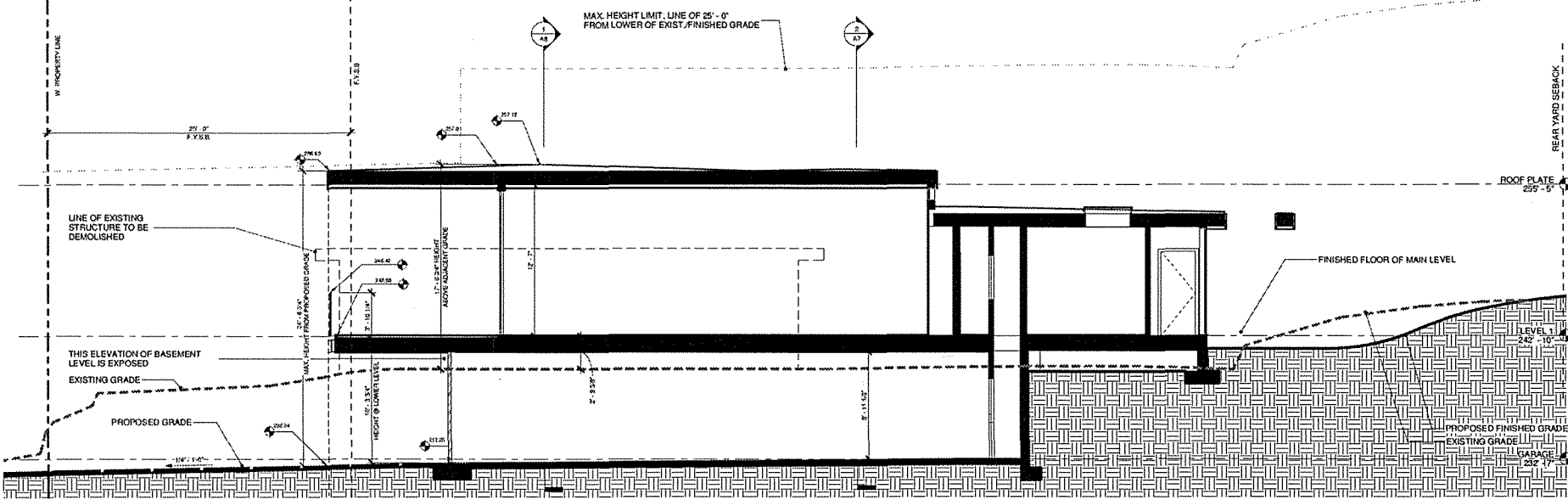


SCALE: 1/4" = 1'-0"
 DATE: 08/27/20
 SHEET

A4



1
A5
1/4" = 1'-0"



2
A5
1/4" = 1'-0"

NO.	DATE	REVISIONS

BCA

Brian Church Architecture
507 S. Carlos Ave
Salinas, CA 92075
(858) 793-3437

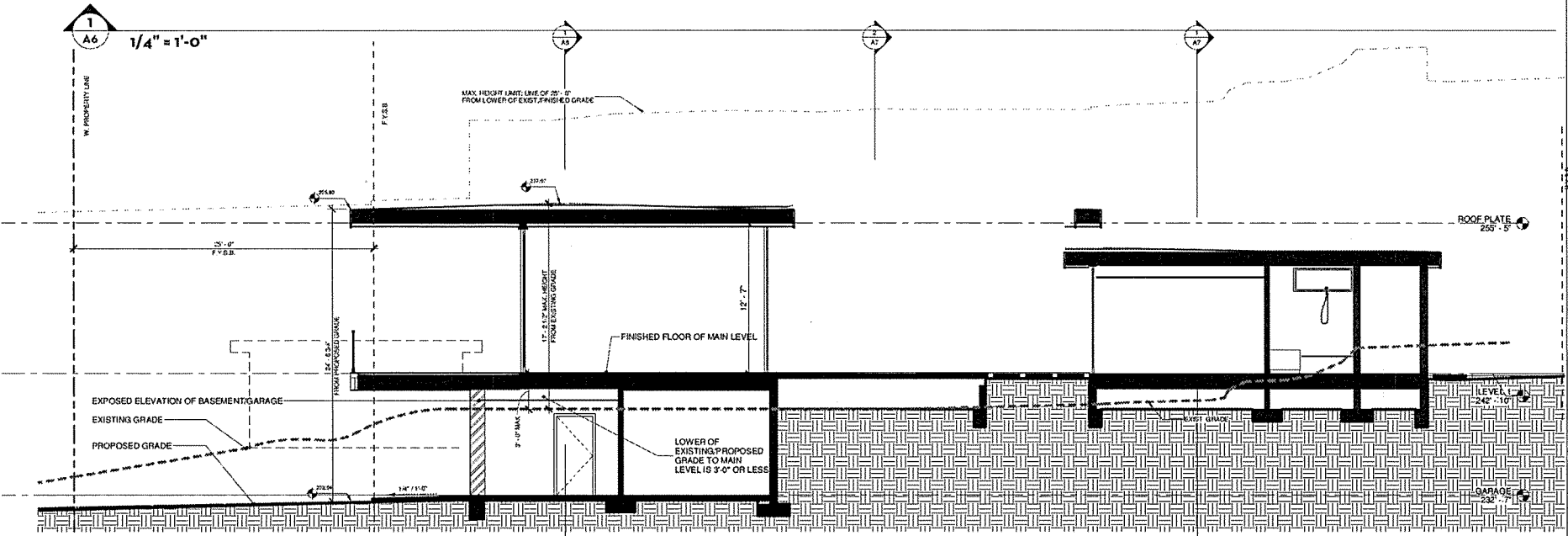
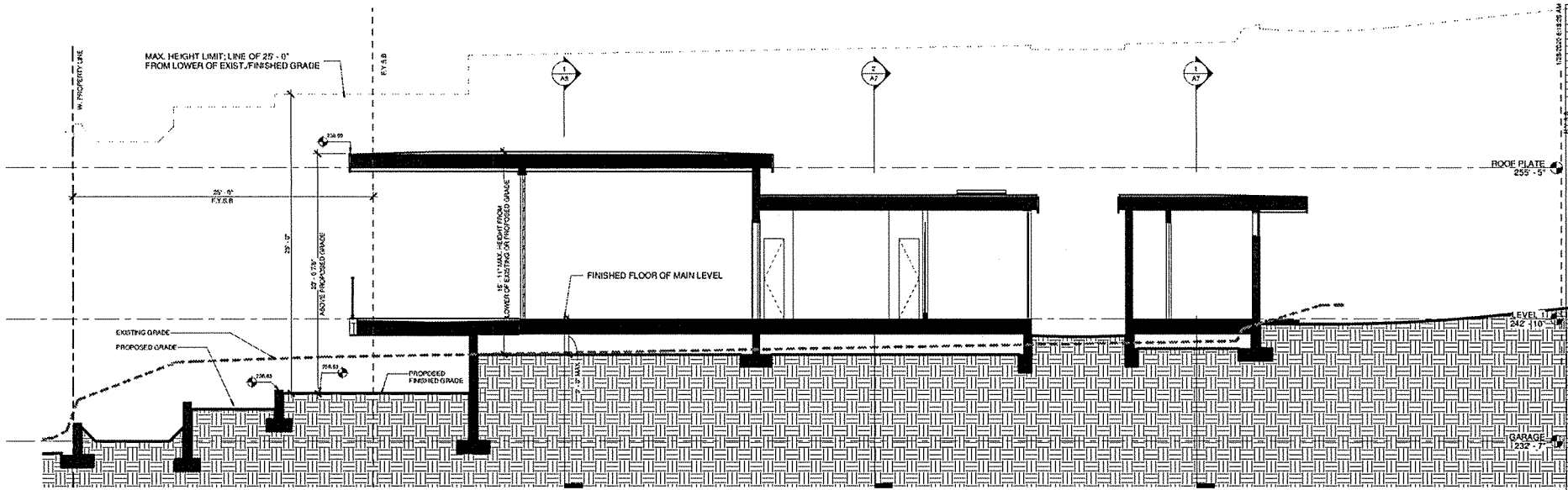
APP HOUSE
6724th Ave., Unit D, Salinas, CA 92075

BRIAN CHURCH
ARCHITECT
2111
(858) 793-3437

SCALE: 1/4" = 1'-0"
DATE: 05/28/20
SHEET

A5

BUILDING SECTIONS
NOT FOR CONSTRUCTION



SUBMITTALS / REVISIONS	
1	Rev
2	Revisions

BCA

Brian Church Architecture
 507 S. Crafts Ave
 Salinas Branch, CA 92075
 (858) 793-3437

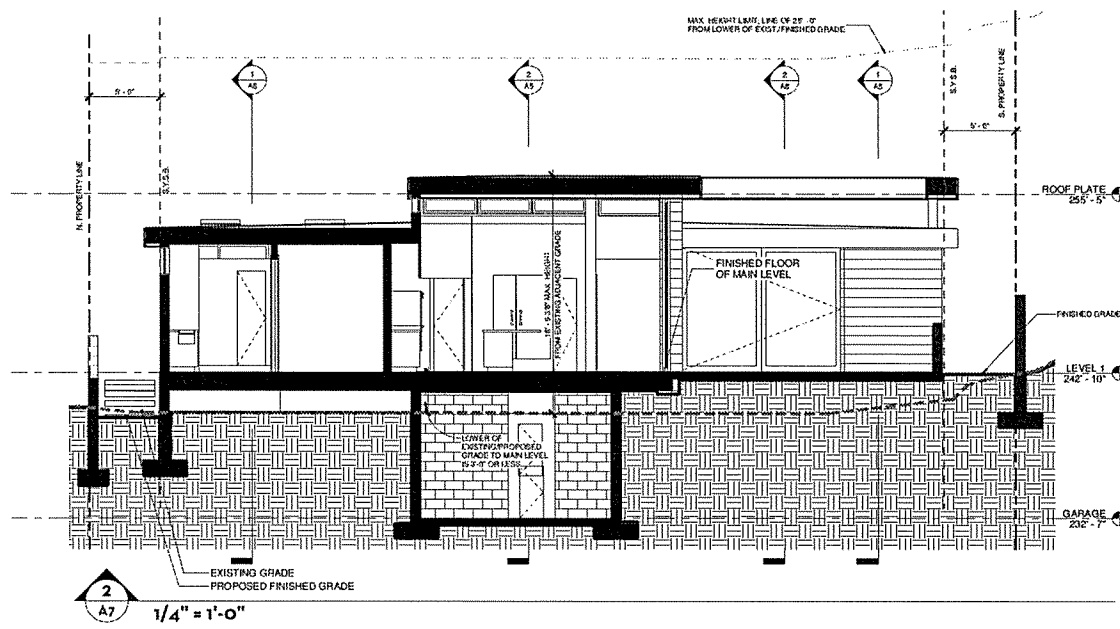
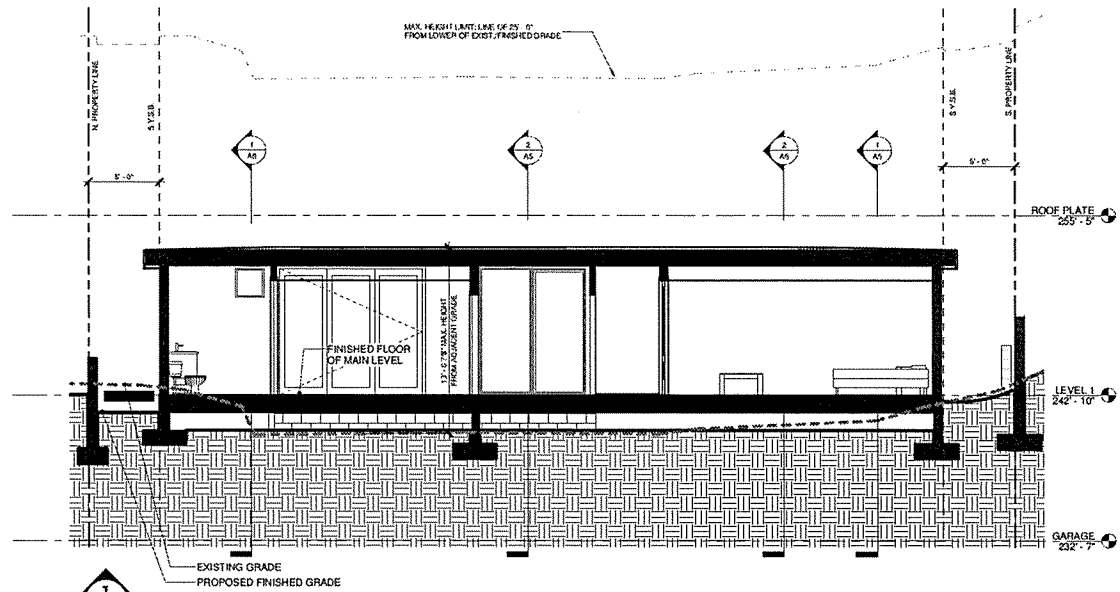
APP HOUSE
 612 New York Dr., Salinas Branch, CA 92075



SCALE: 1/4" = 1'-0"
 DATE: 02/28/20
 SHEET

A6

BUILDING SECTIONS
NOT FOR CONSTRUCTION



1	2	3	4	5	6	7	8	9	10

BCA

Brian Church Architecture
 507 S. Cordova Ave
 Solano Beach, CA 92075
 (858) 793-3437

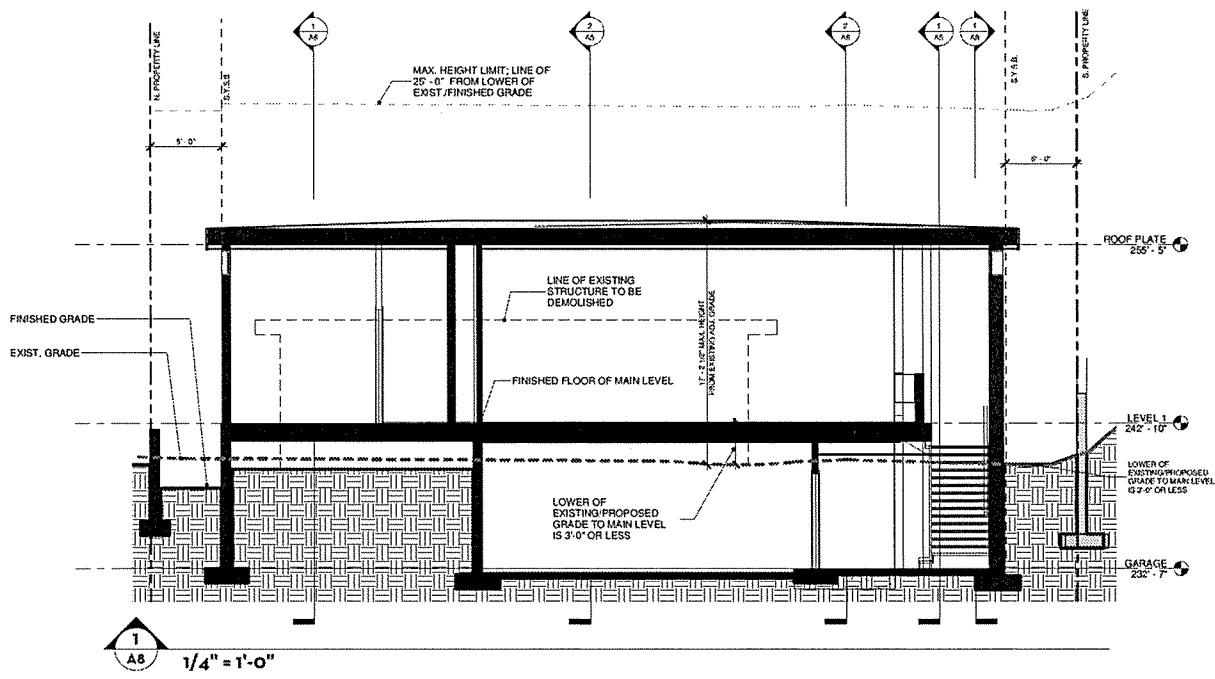
APP HOUSE
 612 New York Dr, Solano Beach, CA 92075



SCALE: 1/4" = 1'-0"
 DATE: 08/28/20
 SHEET

A7

BUILDING SECTIONS
NOT FOR CONSTRUCTION



1
A8
1/4" = 1'-0"

DATE	BY	REVISION

BCA

Brian Church Architecture
 307 S. Cedar Ave
 Solano Beach, CA 92075
 (658) 793-3437

APP HOUSE
 672 Ave. Vista, D. Solano Beach, CA 92075



SCALE: 1/4" = 1'-0"
 DATE: 09/28/20
 SHEET

A8

BUILDING SECTIONS
NOT FOR CONSTRUCTION

SUBMITTALS / REVISIONS	
#	DATE

BCA
 Brian Church Architecture
 507 S. Coast Ave
 Salinas, CA 92075
 (858) 793-3437

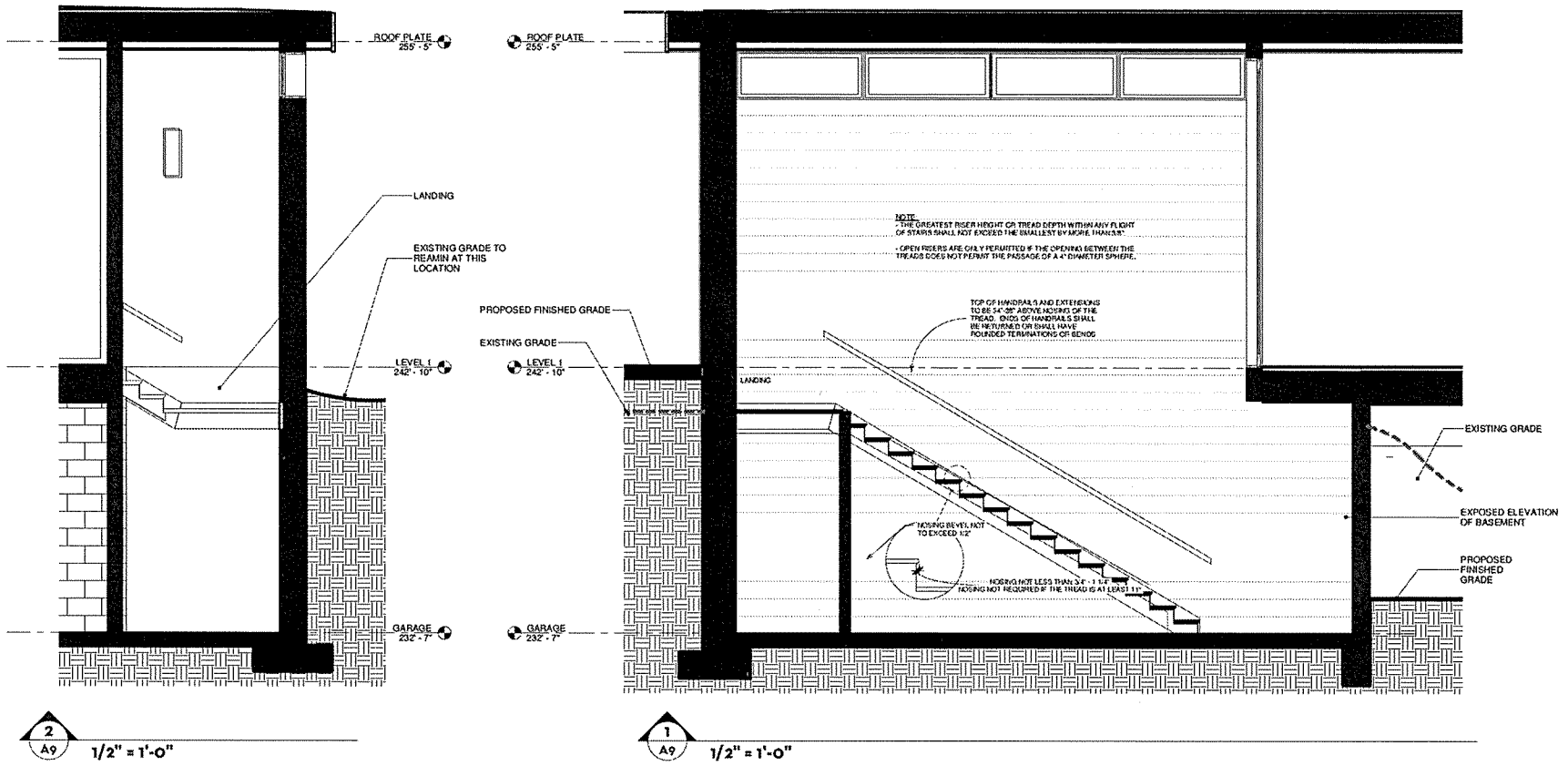
APP HOUSE
 612 New York St., Salinas, CA 92075



SCALE: 1/2" = 1'-0"
 DATE: 01/28/20
 SHEET

A9

STAIR SECTION
NOT FOR CONSTRUCTION



2
A9
 1/2" = 1'-0"

1
A9
 1/2" = 1'-0"

LANDSCAPE NOTES

- AT THE TIME OF COMPLETION OF THE INSTALLATION, A CERTIFICATION OF COMPLETION, USING THE CITY'S FORM AND SIGNED BY THE LICENSED PROFESSIONAL WHO PREPARED THE LANDSCAPE PLANS, WILL BE REQUIRED.
- THE FOLLOWING ITEMS SHALL BE COMPLETED PRIOR TO THE CITY'S INSPECTION.
 - ALL LANDSCAPE WORK HAS BEEN INSTALLED AND COMPLETED PER THE PLANS APPROVED BY THE CITY OF SOLANA BEACH.
 - A HYDRO-ZONE DIAGRAM SHALL BE PROVIDED ADJACENT TO THE IRRIGATION CONTROLLERS.
 - THE PERSON OPERATING THE SYSTEM SHALL RECEIVE ALL REQUIRED MAINTENANCE AND IRRIGATION PLANS.
 - DALL REQUIRED SOIL AMENDMENTS SHALL BE INCORPORATED AND VERIFIED BY THE LICENSED PROFESSIONAL.
 - THE FOLLOWING SHALL BE SUBMITTED WITH THE CERTIFICATION OF COMPLETION FORM:
 - A COPY OF THE AGRONOMIC SOILS REPORT.
 - A MAINTENANCE SCHEDULE FOR PLANTING AND IRRIGATION.
 - A REVISED IRRIGATION SCHEDULE THAT DELINEATES IRRIGATION TIMES AND WATER USAGE CONSISTENT WITH THE APPROVED PLANS' ESTIMATED TOTAL WATER USE (ETWU) AND WITH THE CURRENT SANTA FE IRRIGATION DISTRICT REQUIREMENTS.

WATER USAGE

$$ETWU = (Eto)(0.62) \left(\frac{PPxHA}{IE} + SLA \right)$$

ETWU = Estimated Total Water Use per year (gallons)
 Eto = Reference Evapotranspiration (inches)
 PP = Plant Factor from WUCOLS
 HA = Hydrozone Area (high, medium, and low water use areas) (square feet)
 SLA = Special Landscape Area (square feet)
 0.62 = Conversion Factor
 IE = Irrigation Efficiency (minimum 0.81 or 0.75)

NOTES

- Eto FOR AREAS WEST OF THE L5 = 41
- IRRIGATION FOR SUBGRADE IRRIGATION = 0.81
- ETAF = 0.55 (RESIDENTIAL)

WATER ALLOWANCE

MAWA (MAXIMUM APPLIED WATER ALLOWANCE)

$$MAWA = (LINE 3)(ETAF \times SUM \text{ LINE } 5) + (1 - ETAF \times \text{TOTAL SLA})$$

$$MAWA = (25.42)((0.55 \times 3,133) + (1 - 0.55 \times 0))$$

$$MAWA = 43,803 \text{ gallons/year}$$

WATER USAGE COMPLIANCE

$$ETWU < MAWA$$

$$(34,097 \text{ gal}) < (43,803 \text{ gal}) = \text{COMPLIANT}$$

HYDROZONE LEGEND

HYDRO ZONE 1		LOW WATER USE (LW = 0.3) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 2		MODERATE WATER USE (MW = 0.6) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 3		LOW WATER USE (LW = 0.3) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 4		LOW WATER USE (LW = 0.3) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 5		MODERATE WATER USE (MW = 0.6) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 6		LOW WATER USE (LW = 0.3) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 7		MODERATE WATER USE (MW = 0.6) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 8		MODERATE WATER USE (MW = 0.6) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 9		MODERATE WATER USE (MW = 0.6) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 10		VERY LOW WATER USE (VL = 0.1) DRIP / MICRO SPRAY (IE = 0.81)
HYDRO ZONE 11		LOW WATER USE (LW = 0.3) DRIP / MICRO SPRAY (IE = 0.81)

STATEMENT/SIGNATURE

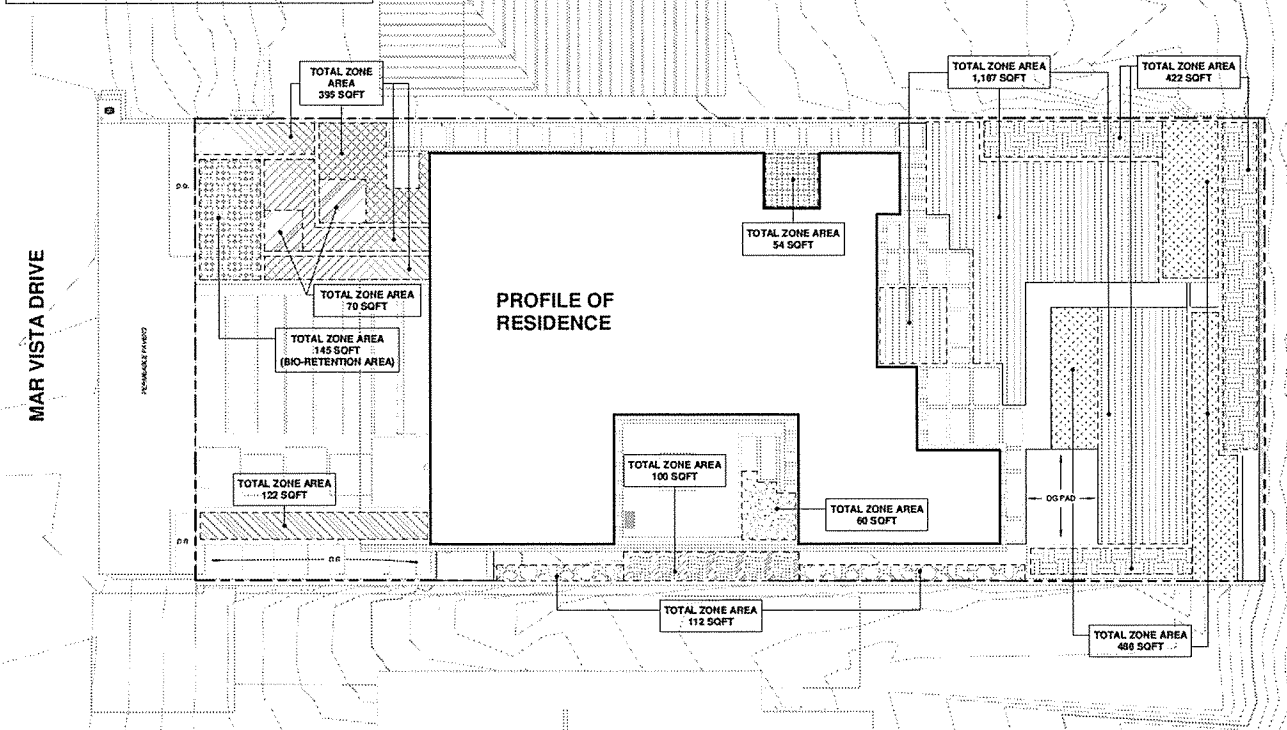
I AM FAMILIAR WITH THE REQUIREMENTS FOR LANDSCAPE AND IRRIGATION PLANS CONTAINED IN THE CITY'S WATER EFFICIENT LANDSCAPE REGULATIONS. I HAVE PREPARED THIS PLAN IN COMPLIANCE WITH THOSE REGULATIONS AND THE LANDSCAPE DESIGN MANUAL. I CERTIFY THAT THE PLAN IMPLEMENTS THOSE REGULATIONS TO PROVIDE AN EFFICIENT USE OF WATER.

Brian Church
 BRIAN CHURCH, AIA

CITY OF SOLANA BEACH ESTIMATED TOTAL WATER USE (ETWU) WORKSHEET

LINE	HYDRO-ZONE NUMBER USE AS MANY TABLES AS NECESSARY TO SHOW ALL HYDRO-ZONES										
	1	2	3	4	5	6	7	8	9	10	11
EVAPOTRANSPIRATION RATE (Eto) SEE 'A' BELOW	USE 41 (WEST OF I-5)										
CONVERSION FACTOR - .62	0.62										
(LINE 1 X LINE 2)	25.42 (WEST OF I-5)										
PLANT FACTOR (PF) SEE 'B' BELOW	0.3	0.6	0.3	0.3	0.6	0.3	0.6	0.6	0.6	0.1	0.3
HYDRO-ZONE AREA (HA) - IN SQUARE FEET	395	70	145	122	60	1,167	486	100	54	422	112
(LINE 4 X LINE 5)	118.5	42	43.5	36	36	350.1	291.6	60	32.4	42.2	33.6
IRRIGATION EFFICIENCY (IE)	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.81
(LINE 6 / LINE 7)	146.3	52	54	45	44.4	472	360	74	40	52.1	41.5
SUM OF LINE 8 BOXES (+ SLA)	1,341.35										
LINE 3 X LINE 9 ESTIMATED TOTAL WATER USE - ETWU (GALLONS PER YEAR) TOTAL SHALL NOT EXCEED MAWA	34,097										

TOTAL LANDSCAPE AREA (LINE 5) = 3,133 SQFT



HYDROZONE PLAN

1/8" = 1'-0"

SUBMITTALS / REVISIONS	
No.	Description

BCA
 Brian Church Architecture
 507 S. Coast Ave
 Solana Beach, CA 92075
 (858) 793-3437

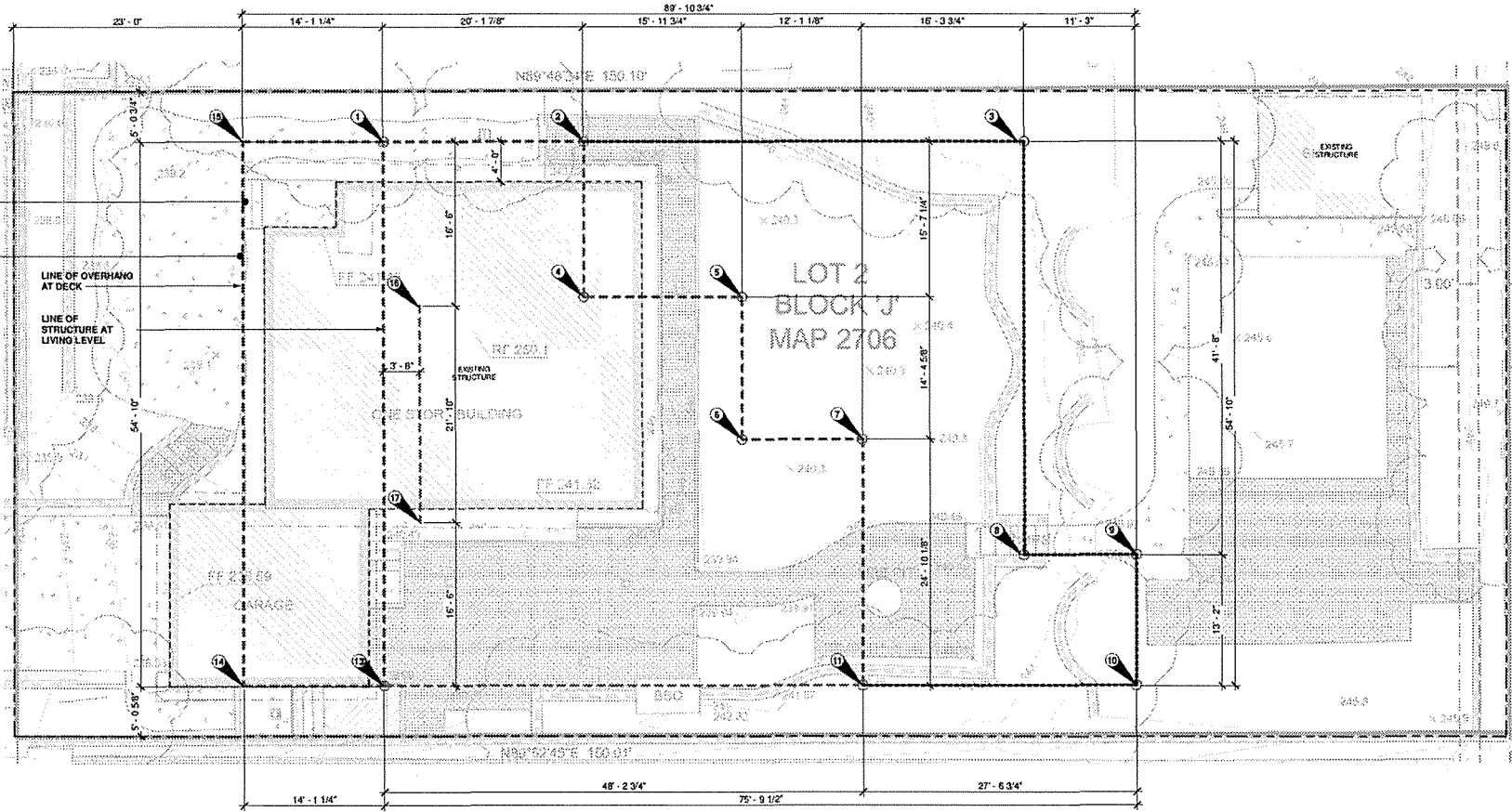
APP HOUSE
 632 New Vista Dr, Solana Beach, CA 92075
WATER CONSERVATION PLAN
 NOT FOR CONSTRUCTION

BRIAN CHURCH
 AIA
 SCALE: 1/8" = 1'-0"
 DATE: 08/28/20
 SHEET

L1

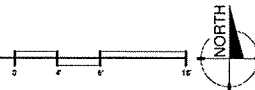
RAILING BELOW:
+246.33'

DECK BELOW:
+242.83'



STORY POLE PLAN

3/16" = 1'-0"



POLE #	ELEVATIONS		POLE LENGTH	
	BASE ELEVATION	STRUCTURE HEIGHT	DECOMAL FEET	FEET & INCHES
1	239.77	256.60	16.83	16'-10"
2	240.24	256.60	16.36	16'-4 3/8"
3	244.15	253.63	9.48	9'-5 3/4"
4	250.41	256.60	6.19	6'-2 1/4"
5	240.13	256.60	16.47	16'-5 5/8"
6	240.14	256.60	16.46	16'-5 1/2"
7	240.14	256.60	16.46	16'-5 1/2"
8	242.71	253.63	10.92	10'-11"
9	245.56	253.63	8.07	8'-0 7/8"
10	245.54	253.63	8.09	8'-1 1/8"
11	242.61	256.60	13.99	13'-11 7/8"
12	OMIT			
13	239.47	256.60	17.13	17'-1 1/2"
14	245.99	256.60	10.61	10'-7 3/8"
15	239.50	256.60	17.10	17'-1 1/8"
16	250.35	257.12	6.77	6'-9 1/4"
17	250.21	257.12	6.91	6'-10 7/8"

4	Eds	Revised/Date

BCA
 Brian Church Architecture
 507 S. Carlos Ave
 Solana Beach, CA 92075
 (658) 793-3437

APP HOUSE
 632 New York Dr., Solana Beach, CA 92075
BRIAN CHURCH
 8-June-2020
 SCALE: As indicated
 DATE: 06/28/20
 SHEET
SP1

STORY POLE PLAN
NOT FOR CONSTRUCTION



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: Finance
SUBJECT: **Fiscal Year 2018/19 Comprehensive Annual Financial Report (CAFR)**

BACKGROUND:

The City's financial policies specify that each year the City's financial statements are to be audited by a firm of independent Certified Public Accountants (CPA's) and that the auditor's opinion is to be included in the financial statements as is required by Generally Accepted Accounting Principles (GAAP). An independent audit is essential to demonstrate the accountability of government officials' use of public resources and provides a basis for user acceptance of the audited financial statements.

This item is before the City Council to accept and file the Fiscal Year (FY) 2018/19 Comprehensive Annual Financial Report (CAFR) (Attachment 1) and receive a presentation by the City's Independent Auditors, Lance, Sol & Lunghard, LLP, on the City's financial condition as of June 30, 2019.

DISCUSSION:

Staff is presenting the FY 2018/19 CAFR for Council's review. The CAFR is a detailed report that goes beyond the requirements of GAAP and beyond any legal reporting requirements. The CAFR covers all funds of the government and all the financial transactions during the applicable fiscal year. It is considered a general purpose report as its contents are intended to meet the needs of a range of user groups. GAAP encourages, but does not require, a government entity to issue a CAFR.

CITY COUNCIL ACTION:

Highlights of the FY 2018/19 CAFR include the following (expressed in thousands of dollars):

- The City's net position increased by \$4,616 to \$81,328 as a result of FY2019 operations
- Governmental net position equaled \$36,724
- The total revenues from all sources were \$37,699
- The total cost of all City programs was \$33,083
- The General Fund reported an excess of expenditures over revenues and other financing sources and uses by \$1,741
- The General Fund's actual resources received exceeded the final revenue budget by \$1,145 while actual expenditures were \$690 less than final budget before other financing sources and uses

GASB Statements Regarding Pension Liabilities

Governmental Accounting Standards Board (GASB) requires government entities to report net pension liabilities in their Statement of Net Positions. The standard, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, was issued by GASB on June 12, 2012.

Under GASB 68, governmental entities need to address net pension liability in their financial statements. Net pension liability refers to the difference between the total pension liability, defined as the present value of the projected benefit payments to employees based on past service, and the pension's assets, generally considered to be the investments set aside to pay retirees and current employees. Since the City takes part in a cost-sharing plan, it needs to recognize its proportionate share of the collective net pension liability and expense for the plan.

GASB 68 also requires governments to immediately recognize annual service costs and interest on the pension liability, as well as the effects of any changes in benefit terms. Since pension expenses are now viewed over the service period of the plan member, governments also have to deal with how changes in economic and demographic assumptions used to project benefits affect the pension, as well as with differences between assumptions and actual experiences. Governmental entities also need to recognize, over a five-year period, the effects of differences between expected and actual investment returns.

The provisions in GASB 68 were effective for financial statements for periods beginning after June 15, 2014.

As of June 30, 2019, the City of Solana Beach reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows, with a comparison to the net pension liability of each Plan as of June 30, 2018:

	Proportionate Share of Net Pension Liability		
	FY 2018/19	FY 2017/18	Difference
Miscellaneous	\$ 5,177,151	\$ 5,268,836	\$ (91,685)
Safety (Fire/Marine)	8,884,523	8,742,997	141,526
	<u>\$ 14,061,674</u>	<u>\$ 14,011,833</u>	<u>\$ 49,841</u>

The City of Solana Beach’s net pension liability for each Plan is measured as the proportionate shares of the net pension liability of \$14,061,674. The net pension liability of each of the Plans is measured as of June 30, 2018, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

More detailed information regarding the implementation of GASB 68 can be found in the following sections of the CAFR:

1. Note 11, City Employees Retirement Plan – Pension Plans, beginning on page 77.
2. Schedule of Proportionate Share of the Net Pension Liability on page 99.
3. Schedule of Plan Contributions on page 100.

GASB Statements Regarding Other Post Employment Benefits (OPEB)

During the fiscal year ended June 30, 2018, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits other than Pensions* which is the “employer” reporting of the plan in its financial statements. GASB 75 reports a liability in the CAFR on the statement of net position for the OPEB liability which is similar to how net pension liability is reported for pensions.

The primary objective of this statement was to improve accounting and financial reporting by state and local governments for post-employment benefits other than pensions (OPEB). It also improved information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaced the requirements of Statements No. 45, *Accounting for Financial Reporting by Employers for Post-Employment Benefits other than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*.

The City provides OPEB in the form of a modest retiree healthcare benefit. The City’s net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June

30, 2017 that was rolled forward to determine the June 30, 2019 total OPEB liability, based on the actuarial methods and assumptions as explained in Note 12 in the CAFR.

In FY 2018/19, the Council changed its funding policy for the City's OPEB liability. Before FY 2018/19, the Council would use a portion of a fiscal year's ending surplus to be placed in the Public Agency Retirement Services (PARS) Section 115 irrevocable benefit trust (Trust) for OPEB. As part of the FY 2018/19 fourth quarter budget adjustment and the adoption of the FYs 2019/20 and 2020/21 budgets, both approved by Council on June 12, 2019, a funding policy was established to fund the OPEB liability.

Using the June 30, 2017 Actuarial Valuation done by Bartel and Associates (Bartel), Council approved an Actuarially Determined Contribution (ADC) with a twenty-year amortization period. The result of this change in funding policy resulted in a reduction of \$969,628 in the City's Total OPEB Liability (TOL) from \$4,806,155 in FY 2017/18 to \$3,836,527 in FY 2018/19. The primary reason for the reduction in the TOL was the update to the discount rate from 3.82% in FY 2017/18 to 6.0% in FY 2018/19 as a result of the change in funding policy. This change in discount rate, plus the increase of \$282,254 in the Fiduciary Net Position (FNP) or monies held by the PARS Trust from \$351,281 in FY 2017/18 to \$633,535 in FY 2018/19 resulted in a total reduction of \$1,251,882 in the City's Net OPEB Liability (NOL) from FY 2017/18 to FY 2018/19 as shown in the following table:

	Net OPEB Liability	
	06/30/18	06/30/19
Total OPEB Liability (TOL)	\$ 4,806,155	\$ 3,836,527
Fiduciary Net Position (FNP)	351,281	633,535
Net OPEB Liability (NOL)	\$ 4,454,874	\$ 3,202,992
Funded Status (FNP/TOL)	7.3%	16.5%
Discount Rate	3.82%	6.00%

Besides the reduction in the City's NOL, Bartel was able to include in its GASB 75 report for June 30, 2019 that the expected City contributions are projected to keep sufficient plan assets to pay all benefits from the Trust with the City following the funding policy for FY 2019/20 and into the future. In Bartel's FY 2017/18 GASB 75 report, it was projected that the Trust would run out of funds by FY 2029/30.

Bartel will be completing a new OPEB actuarial with a measurement date of June 30, 2019 before the end of the current fiscal year.

More detailed information regarding the implementation of GASB 75 can be found in the following sections of the CAFR:

1. Note 12, Other Post-Employment Benefits, beginning on page 83.
2. Schedule of Changes in Net OPEB Liability and Related Ratios on page 101.
3. Schedule of Plan Contributions on page 102.
4. Schedule of Investment Returns on page 103.

Fund Balance

In FY 2010/11, the City adopted the provisions of GASB Statement No. 54, Fund Balance and Governmental Fund Type Definitions. GASB 54 changed how Fund Balances were previously reported in fiscal years prior to FY 2010/11 and has established Fund Balance classifications based largely upon the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The Governmental Fund statements conform to this classification and information regarding Fund Balances can be found in Note 15 on page 89 of the CAFR.

Staff also prepared a schedule, GASB 54 Fund Balance Classifications (Attachment 2), which provides detail about the General Fund Balance categories. The Unassigned category amount of \$4,588,069 includes the Fund Balance amount of \$(2,874,597) for the Real Property Acquisition Fund. This amount reflects the balance due to the Sanitation Fund for \$2,800,000, plus \$74,597 for accrued interest payable for FY 2018/19, borrowed to pay for the purchase of 700 Stevens Avenue, three parcels of vacant land totaling approximately 28,978 square feet located immediately north of and adjacent to La Colonia Park. The purchase of the property offered the City an opportunity to expand its existing open space, recreation and park use in the future.

The loan balance from the Sanitation Fund is reported as a liability on the General Fund's balance sheet as an "Advances from Other Funds". The loan payable to the Sanitation fund was made at an annual interest rate of 2.78% for seven years with annual payments equal to \$445,699. As payments are made each year to the Sanitation Fund, the loan amount will decrease and the Fund Balance amount in the Real Property Acquisition Fund will increase and eventually be zero when the loan is fully paid in FY 2025/26.

Fund Activity

General Fund

The General Fund had the following activity for FY 2018/19:

Total Revenues	\$20,570,945
Expenditures	(19,800,954)
Other Financing Sources	-
Other Financing (Uses)	<u>(2,511,228)</u>
Net Change in Fund Balance	<u>\$ (1,741,237)</u>
Fund Balance	
Beginning of year	<u>15,574,516</u>
End of year	<u><u>\$13,833,279</u></u>
Nonspendable	\$ 23,402
Restricted	1,743,908
Committed	1,436,307
Assigned	6,041,593
Unassigned	<u>4,588,069</u>
Fund Balance-June 30, 2019	<u><u>\$13,833,279</u></u>

The net change in the General Fund's fund balance from FY 2017/18 to FY 2018/19 of \$(1,741,237) using the GASB 54 fund balance classifications is reflected in the following table:

	<u>06/30/19</u>	<u>06/30/18</u>	<u>Difference</u>
Non-Spendable	\$ 23,402	\$ 72,579	\$ (49,177)
Restricted	1,743,908	1,294,957	448,951
Committed	1,436,307	1,015,354	420,953
Assigned	6,041,593	5,805,890	235,703
Unassigned			
GF	7,462,666	7,385,736	76,930
Real Property Acquisition	<u>(2,874,597)</u>	-	<u>(2,874,597)</u>
Total Unassigned	<u>4,588,069</u>	<u>7,385,736</u>	<u>(2,797,667)</u>
Total General Fund	<u><u>\$ 13,833,279</u></u>	<u><u>\$ 15,574,516</u></u>	<u><u>\$ (1,741,237)</u></u>

The General Fund's revenue, expenditures, and fund balance as reported in the CAFR includes the City's internal service funds. The net change in the General Fund's fund balance, including the internal service fund designations, is reflected in the table on the following page:

	06/30/19	06/30/18	Difference
General Fund	\$ 9,867,226	\$ 9,776,459	\$ 90,767
Self Insurance	792,180	820,198	(28,018)
Workers Comp	541,161	642,947	(101,786)
Asset Replacement	2,295,215	2,076,745	218,470
Facilities Replacement	659,462	508,715	150,747
OPEB/Pensions	2,552,632	1,749,452	803,180
Real Property Acquisition	(2,874,597)	-	(2,874,597)
Total General Fund	\$ 13,833,279	\$ 15,574,516	\$ (1,741,237)

When Staff reports to the Council about the General Fund, Staff uses financial information from the "General Fund" category as reported in the above table. At its meeting on October 23, 2019, Council authorized using surplus funds to fund the PARS Trust for Pension with \$540,000, transferring \$940,000 to the City CIP fund for future projects, and transferring \$185,000 to the OPEB Internal Service fund for a total appropriation of \$1,665,000, after which, the remaining General Fund's surplus as of June 30, 2019 was \$90,767.

Other Funds

The Special Revenue Funds, which include funds such as Gas Tax, Street Lighting District and TransNet, had the following activity for FY 2018/19:

Total Revenues	\$ 4,273,048
Expenditures	(3,656,020)
Other Financing Sources (Uses)	43,828
Net Change in Fund Balance	\$ 660,856
Fund Balance	
Beginning of year	4,969,891
End of year	\$ 5,630,747
Fund Balance	
Restricted	5,743,343
Unassigned	(112,596)
Fund Balance-June 30, 2019	\$ 5,630,747

The Debt Service Funds had the following activity for FY 2018/19:

Total Revenues	\$ -
Expenditures	(353,385)
Other Financing Sources (Uses)	<u>353,500</u>
Net Change in Fund Balance	<u>\$ 115</u>
Fund Balance	
Beginning of year	<u>24,979</u>
End of year	<u><u>\$ 25,094</u></u>
Fund Balance	
Restricted	<u>25,094</u>
Fund Balance-June 30, 2019	<u><u>\$ 25,094</u></u>

Capital Projects Funds had the following activity for FY 2018/19:

Total Revenues	\$ 1,393,179
Expenditures	(2,395,544)
Other Financing Sources (Uses)	<u>2,113,900</u>
Net Change in Fund Balance	<u>\$ 1,111,535</u>
Fund Balance	
Beginning of year	<u>2,614,865</u>
End of year	<u><u>\$ 3,726,400</u></u>
Fund Balance	
Restricted	<u>3,726,400</u>
Fund Balance-June 30, 2019	<u><u>\$ 3,726,400</u></u>

The Proprietary Funds, which include Sanitation and Solana Energy Alliance, had the following activity for FY 2018/19 as shown on the following page:

Total Revenues	\$10,810,321
Operating Expenses	(8,849,201)
Non Operating Revenues	742,293
Non Operating Expenses	<u>(751,233)</u>
Net Change in Net Position	<u>\$ 1,952,180</u>
Net Position	
Beginning of year	<u>42,651,157</u>
End of year	<u><u>\$44,603,337</u></u>
Net Position	
Net investment in capital assets	8,892,771
Restricted for debt service	49
Unrestricted	<u>35,710,517</u>
Net Position-June 30, 2019	<u><u>\$44,603,337</u></u>

The Management’s Discussion and Analysis Section of the CAFR provides a more in depth view of the City’s current financial health.

The Statement of Auditing Standards (SAS) No. 115, Communication of Internal Control Related Matters Identified in an Audit (Attachment 3), received from the auditors states that there were no material instances of noncompliance, no material weakness in internal controls, and no reportable conditions.

The auditors also performed procedures to determine whether the City Appropriations Limit worksheets were properly calculated. The auditors found no exceptions as a result of their procedures and issued an Independent Accountants’ Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets letter (Attachment 4).

In SAS No. 114, the Auditor’s Communication With Those Charged with Governance (Communication) (Attachment 5) regarding their responsibilities under auditing standards generally accepted in the United States of America and Government Auditing Standards, the auditors reported on the implementation of various GASBs, among other findings.

The City’s audit was conducted in conformity with Generally Accepted Auditing Standards (GAAS). These are the standards that a CPA must follow when auditing financial statements. In an independent audit, the CPA expresses an opinion as to whether the financial statements present fairly the financial position and results of operations for the year ended. The Fiscal Year 2018/19 audit report contains this unmodified opinion.

The City was proud to accept the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the CAFR for the fiscal year ended June 30, 2018. Staff is confident that this report will again earn this distinction.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

None

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation.
- Provide alternative direction.


DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Accept and file the City of Solana Beach Comprehensive Annual Financial Report (CAFR) for the fiscal year July 1, 2018 – June 30, 2019.
2. Accept and file the Communication of Internal Control Related Matters Identified in an Audit letter.
3. Accept and file the Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets letter.
4. Accept and file The Auditor's Communication With Those Charged with Governance letter.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. CAFR for the year ended June 30, 2019
2. GASB 54 Fund Balance Classifications (General Fund)
3. Communication of Internal Control Related Matters Identified in an Audit letter
4. Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets letter
5. The Auditor's Communication With Those Charged with Governance letter



CITY OF SOLANA BEACH CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL PERIOD ENDED JUNE 30, 2019

CITY OF SOLANA BEACH, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL PERIOD ENDED JUNE 30, 2019

PREPARED BY THE FINANCE DEPARTMENT
OF THE CITY OF SOLANA BEACH

CITY OF SOLANA BEACH, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2019

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2019

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CITY OF SOLANA BEACH, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2019

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CITY OF SOLANA BEACH

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635 SOUTH HIGHWAY 101 • SOLANA BEACH • CALIFORNIA 92075-2215 • (858) 720-2400

January 21, 2020

To the Honorable Mayor, Members of the City Council, and Citizens of Solana Beach:

It is with great pleasure that we present to you the City of Solana Beach (City) Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2019.

This year's report was prepared by the City's Finance Department in conformity with Generally Accepted Accounting Principles (GAAP) and has been audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed Certified Public Accountants. The report consists of management representations concerning the finances of the City. Consequently, responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the City. All disclosures necessary to enable an understanding of the City's financial activities have been included.

The CAFR includes the financial activity for all funds of the City. The City provides a wide range of services including planning; public works; engineering; maintenance of streets, parks and public facilities; community services and recreation; fire and marine safety; sanitation; community choice aggregation; and general administrative activities. Contracted services include building services through a third party consultant, law enforcement with the San Diego County Sheriff and animal control with the San Diego Human Society.

Internal Controls

The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the costs of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of State, County, and Federal financial resources, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by the management of the City.

Annual Audit

Lance, Soll and Lunghard, LLC, appointed by the City Council, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2019, are free of material misstatement. As part of the City's annual audit, reviews are made to determine the adequacy of the internal control structure as well as to determine that the City has complied with applicable laws and regulations.

The results of the City's annual audit for the fiscal year ended June 30, 2019, provided no instances of material weaknesses in the internal control structure and no violations of applicable laws and regulations. The independent auditor concluded there was a basis for rendering an unmodified opinion and the City's financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MDA)

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MDA) and should be read in conjunction with it. The MDA provides "financial highlights" and interprets the financial reports by analyzing trends and by explaining changes, fluctuations, and variances in the financial data. In addition, the MDA is intended to disclose any known significant events or decisions that affect the financial condition of the City. The City's MDA can be found immediately following the report of the independent auditors.

Government Profile

The City of Solana Beach was incorporated on July 1, 1986, under the general laws of the State of California and is home to a population of 13,933 residents per the State of California Department of Finance. Included within the City's financial statements is the financial information of the Solana Beach Public Facilities Corporation. The City is considered the primary government and the Public Facilities Corporation is a component unit. Additionally, since the governing boards of the City and the component unit are the same, the financial statements of the City and the component unit are blended.

The Solana Beach Public Facilities Corporation was incorporated on July 25, 1990, as a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law. Its purpose is to benefit the City by providing financing for the planning, development, acquisition, construction, improvement, extension, repair, and renovation of public works projects, public facilities, furnishings, and equipment for use by the City.

The City of Solana Beach is a coastal community encompassing approximately 3.4 square miles and is located twenty-one miles north of the City of San Diego's downtown district. It is bordered to the North and South by the cities of Encinitas and Del Mar, respectively; to the East by the County San Diego; to the southeast by the City of San Diego; and by the Pacific Ocean to the West.

The City is a general law city that operates under the Council-Manager form of government. The City Council (Council) is comprised of five members elected at large for staggered four-year terms of office. The Mayor and Deputy Mayor are selected by the Council from among its members to serve one-year terms. The Council acts as the legislative and policy-making body of the City, enacting all laws and directing such actions as required providing for the general welfare of the community.

The City Manager, appointed by the Council, serves as the Chief Executive Officer and is responsible to the Council for the proper administration of all City affairs and for the implementation of all policies established by the Council. The City Attorney is the only other position appointed by the Council. All other department heads and employees are appointed by the City Manager.

Commissions play an important role in the governmental structure of Solana Beach. They provide many opportunities for citizens to participate in the affairs of the City. These Advisory Commissions assist in the performance of studies and the issuance of recommendations on various matters of concern to the Council.

The Advisory Commissions are the following:

- Budget & Finance Commission
- Climate Action Commission
- Parks & Recreation Commission
- Public Arts Commission
- View Assessment Commission

Budgetary Process and Controls

The process of adopting a budget for the City is generally a six-month process beginning in late December and ending in June when the Council adopts the budget and appropriates funds necessary for the City to provide services to its residents.

The process is all-inclusive as department directors work with the City Manager and representatives of the Finance Department to discuss departmental requests relative to the City's available resources.

The City's overall objectives and goals, along with the economic outlook, serve as a platform for the proposed budget that is distributed to the Council, and the Budget and Finance Commission, for preliminary review and analysis in preparation of public workshops and hearings. The public workshops and hearings are held to facilitate discussions of items contained within the proposed budget and to allow the citizenry to participate in the budget process.

In June 2019, the City Council approved a two-year budget for Fiscal Years (FY) 2019/20 and 2020/21. The same process was followed in developing the two-year budget and, as the budget is amended during this two-year budget cycle, budget adjustments will be brought to the City Council for review and approval.

In addition to internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Council. Activities of the General, Special Revenue, Debt Service, and Capital Projects Funds are included in the annual appropriated budget.

The budget is arranged by fund, function, and department and is presented to the Council by the City Manager. The budget is then adopted annually by the Council prior to the beginning of the financial year and serves as the foundation for the City's financial planning and control. Department directors may make transfers of appropriations within their own budget units' departments with City Manager approval. The City budget is reviewed and is periodically adjusted at the middle of the fiscal year and at the end of the fiscal year. These adjustments are approved by the Council.

The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. The adopted budget for Fiscal Year 2018/19 was prepared in accordance with Generally Accepted Accounting Principles.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Economic Condition and Outlook

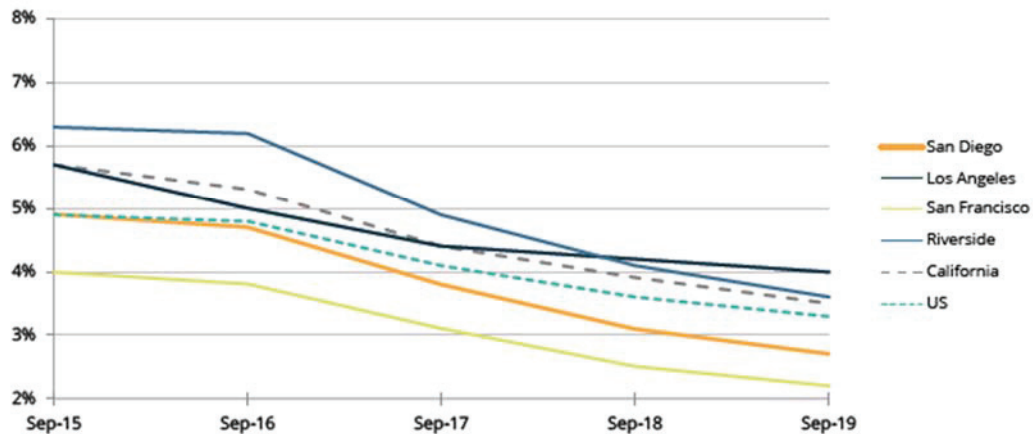
Solana Beach is home to citizens who enjoy the benefits of a coastal community that is within close proximity to the City of San Diego. The local beaches are a big attraction to both residents and non-residents. The City is comprised mainly of single-family homes and condominiums with retail, office and light industrial uses and service entities providing a tax base for the City.

As a somewhat suburban community, Solana Beach's economic base is linked primarily to the economy of the greater San Diego region. In particular, the greater San Diego economic base sustains the City's residential and industrial facilities. The local economy is primarily based on small to medium sized retail establishments and specialty stores selling general merchandise, furniture, arts and crafts, clothing, food, and gasoline. Local economic generators such as vacation tourism support a significant portion of the City's commercial base.

In regards to San Diego's local economy, the San Diego Regional Economic Development Corporation in its report on key economic indicators for the San Diego area shows that the area's unemployment rate is 2.7 percent for the third quarter 2019, which is a reduction from the previous quarter of 0.6 percent, and is lower than the state rate of 3.5 percent and the national rate of 3.3 percent. Out of the 25 most populous metropolitan areas in the United States, San Diego's unemployment rate ranks the 5th lowest. Unemployment rate trends for San Diego as compared to national, state and its regional neighbors have been on a downward trend as shown in the table on the following page.

UNEMPLOYMENT TRENDS

Quarter-End Unemployment Rate
San Diego & Select California Metros

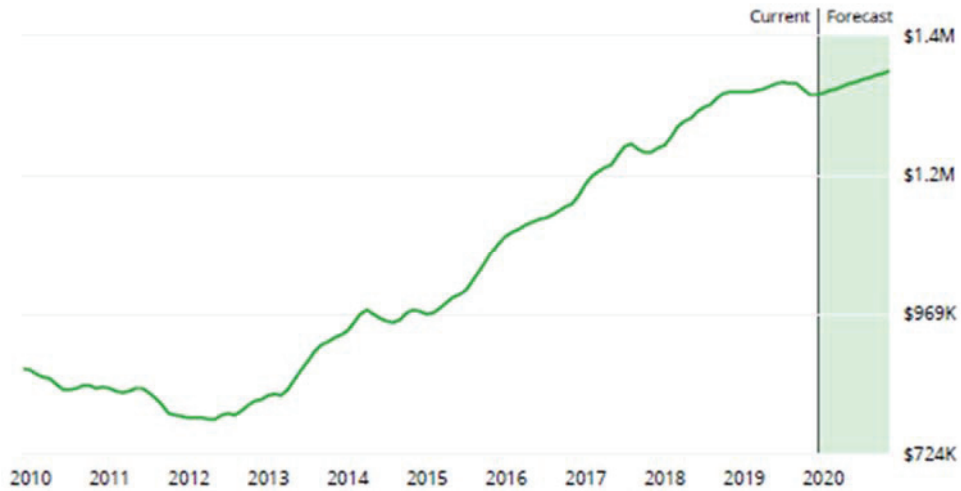


Source: Bureau of Labor Statistics
Note: Data not seasonally adjusted. Quarter-end monthly data.

The strongest area in new hiring is in the construction industry, professional and business services, and educational and health services. Healthcare has an especially strong demand, especially in hiring for registered nurses, followed closely by a demand for applications software developers.

Housing prices continue to place the San Diego region as the third highest median home price chart, just below San Francisco and Los Angeles, as compared to the 25 most populous metropolitan areas in the United States. San Diego's median home price was \$645,000 in the third quarter 2019, a decrease of 0.8 percent as compared to the same quarter in 2018 and as compared to the national average of \$456,500.

Solana Beach's home values follow this trend. Since the 2008 recession, the City's median home value has steadily risen and in October 2019 was \$1,358,000 according to the Zillow home value index. Over the past year, home values in the City have decreased by 0.4 percent and Zillow expects that they will increase 3.0 percent over the next year as illustrated in the graph on the following page.



The median list price per square foot in Solana Beach is \$799, which is higher than the San Diego-Carlsbad Metro average of \$382. Rental costs for the City follow the same pattern - the median rent price in Solana Beach is \$3,900, which is higher than the San Diego-Carlsbad Metro median of \$2,700.

Housing sales may be affected in the coming year by a potential rise in mortgage rates and housing affordability. Additionally, the federal tax law effective in 2018 limits interest that can be deducted to \$750,000 in mortgage debt and limits state and local tax deductions to \$10,000.

The Consumer Confidence Index (Index) reached an 18-year peak in the Fall of 2018 but has fallen due to continuing trade tensions with China that have reduced exports, raised costs and cut into profits. The Index fell in November for the fourth month in a row to 125.5 (1985=100). Despite the Index's decline, Americans are still fairly confident in the economy, with unemployment near a 50-year low, layoffs are infrequent, and wages are continuing to increase steadily.



The UCLA Anderson Forecast's (Forecast) report issued in November 2019 has lowered its risk of a recession in 2020 but still sees the second half of 2020 as unpredictable for the economy. A potential recession in the latter half of 2020 is still possible though perhaps not as high as in previous Forecasts. The Forecast has revised its economic growth projections slightly upward from 1.25% to 1.75% for 2020 and then projects 1.9% growth in 2021.

On June 27, 2018, Governor Gavin Newsom signed a \$208.9 billion budget for the 2019/20 fiscal year, an increase of 2 percent over revised totals for 2018/19. The state budget includes a \$147.8-billion general fund, a \$5.1 billion or 4 percent increase, as compared to the revised FY 2018/19 budget appropriations. General Fund revenues are estimated at \$143.8 billion for FY 2019/20, which is \$5.8 billion or 4.0 percent more than the revised FY 2018/19 revenues.

The new general fund budget allocates \$58.3-billion for K-12 and preschool, and increases higher education to \$17.5 billion. Healthcare spending is the largest portion of the budget, with a total cost of \$163 billion, \$41.9 billion from the general fund and \$121.1 billion from other sources including federal funds. The spending is focused on Medi-Cal, the healthcare program for low-income residents. It is estimated that more than one in three state residents, are now enrolled. Other provisions were made for spending on child-care services, health insurance subsidies, and one-time payments to reduce the long-term cost of pension and retirement costs for public employees.

The FY 2019/20 total budget projects a \$21.5 billion surplus and the budget invests the surplus in a variety of reserves to help the state in case of an economic downturn.

Proposition 2, passed by the voters in 2014, requires the state to set aside at least 1.5% of its revenues each year to pay down debts and build a rainy-day fund. This budget allocates \$2.7-billion to the reserve, with half going to the state's rainy-day fund and half to pay down debts. With the addition of monies to the reserves, the state is expected to have on hand almost \$19.2 billion by the end of FY 2019/20.

Long-Term Financial Planning

Solana Beach's conservative fiscal policies have helped the City build and maintain a healthy reserve and management will continue to hold costs in line with available resources.

General Fund property taxes have been, and are expected to be, the highest revenue generator for the City. Sales tax is the City's second largest revenue source. During FY 2018/19, property taxes increased by \$451,997, or 6.0%, to \$7,952,416 as compared to FY 2017/18, while sales tax increased by \$311,151, or 9.7%, to \$3,502,561. Sales tax revenue in FY 2018/19 included one-time revenues of approximately \$125,000 that were attributable to FY 2017/18 but not received until the following fiscal year.

Overall, the City's General Fund revenues increased by \$2,139,429, or 11.6%, from \$18,431,516 in FY 2017/18 to \$20,570,945 in FY 2018/19.

For FY 2019/20, budgeted property taxes are expected to increase as compared to actual amounts received for the prior fiscal year and sales tax is projected to decrease due to the

one-time revenues received in FY 2018/19. Property tax is expected to increase to \$8,257,200, or by 3.8%, and sales tax is projected to decrease to \$3,259,200, or by 6.9%.

Total General Fund revenues, net of internal service charges, are budgeted at \$19,357,000. It is the City's goal not to rely on General Fund reserves to operate the City annually. The General Fund budget for FY 2019/20 was adopted on June 12, 2019 with a projected \$64,400 surplus and a second-year budget, for FY 2018/19, was also adopted with a projected \$74,000 surplus.

The City has taken steps to help maintain its fiscal sustainability over the next years by:

1. Negotiating a five-year contract beginning in July 2017 with the San Diego Sheriff's Department to provide law enforcement services with increases from year to year projected to average approximately 5.4% over the five years.
2. Amending a Fire Department Management Services Cooperative Agreement with the Cities of Del Mar and Encinitas that continues to provide a cost effective option to eliminate redundancy and increase levels of service by sharing common functions of organizational direction and control, supervision of operations, training, fire prevention, administrative and fiscal management, and disaster preparedness.
3. Maintaining 17% of operating expenditures, including debt service, as a reserve in the General Fund to be used in the case of significant financial or other emergency.
4. Implementing cost sharing of the employer's share of retirement costs with its employee associations. The goal of the increased cost share is to try to reach a 50% normal cost share between the employee and employer for retirement costs. This allows the City to reduce its pension costs.

All Classic Members (Tier 1 and Tier 2) currently pick-up a portion of the Employer Share of CalPERS retirement costs. The Miscellaneous employee groups pick-up 1.04% and 0.19% for Tier 1 and Tier 2, respectively; the Fire employee groups pick-up 3.00% for both Tier 1 and Tier 2; and the Marine Safety employee groups pick-up 2.00% for Tier 1 and Tier 2.

5. Establishing an irrevocable Section 115 trust with Public Agency Retirement Services (PARS) in a "Post-Employment Benefits Trust Program" (Trust). The Trust is a combination trust that allows pre-funding of both unfunded Pension and Other Post Employment Benefit (OPEB) obligations. The City's estimated total obligation at June 30, 2019 is \$14,061,674 for pension and \$4,127,628 for OPEB for a total of \$18,189,302.

As part of the adoption of the FY 2019/20 and 2020/21 Budgets, the City has established a funding policy to fund the OPEB PARS Trust (\$378,000 in FY 2019/20 and \$389,000 in FY 2020/21). Additionally, for FY 2018/19, the City extended the funding policy as part of the FY 2018/19 budget mid-year update at the June 12, 2019 Council meeting (\$323,000 in FY 2018/19).

Through June 30, 2019, the Pension and OPEB trusts have been funded in the amounts of \$2,367,632 and \$818,535, respectively, for a combined total of \$3,186,167.

6. Adopting a comprehensive user fee update effective January 1, 2019 with expected ongoing cost of living increases not to exceed 2.5% per fiscal year. The last comprehensive user fee update had been done in 2006.

Relevant Financial Policies

The City of Solana Beach has financial policies that help guide it during the preparation of the annual budget.

One such policy is the 17% reserve requirement discussed in the previous section. This policy, as in the adoption of the FYs 2019/20 and 2020/21 Budgets, is one that has been continuously adhered to by Council.

The Asset Replacement Reserve Fund is used to provide for the replacement of the City's existing equipment, vehicles, computers, and furnishings and the City's financial policy is to annually budget funds to this Reserve. During the FYs 2019/20 and 2020/21 budget process, the Council again ensured that funds were appropriated to maintain adequate reserves in the Asset Replacement Fund.

Additionally, beginning with the budget cycle for FY 2014/15, the City established an infrastructure replacement reserve to ensure that funds are available in the future for the replacement of buildings and improvements. Through FY 2020/21, the Council has approved \$1,000,000 to this reserve fund.

Cash Management Policies and Practices

Cash resources of the individual funds are combined to form a pool of cash and investments. Cash temporarily idle during the year was invested primarily with Chandler Asset Management and also with the Local Agency Investment Fund (LAIF) consistent with the City's Investment Policy.

The City's longstanding Investment Policy was amended by the Council on February 10, 2016, and provides the City more flexibility to invest its excess funds to provide safety to ensure the preservation of capital in the portfolio, provide sufficient liquidity for cash needs, and to realize a market rate of return consistent with the investment program while staying within the requirements of California Government Code Section 53601.

The City's Investment Policy is designed to maximize the productive use of assets entrusted to its care and to invest and manage those funds wisely and prudently. Criteria for selecting investments and the order of priority are: (1) safety (2) liquidity and (3) yield. The basic premise underlying the City's Investment Policy is to ensure that money is safe, always available, and earning the highest and best returns.

Investment income includes appreciation/depreciation in the fair market value of investments (FMV). The total investment income for all funds for the fiscal year was \$1,617,759 (\$825,375 investment income received plus \$792,384 gain on the FMV), an increase of \$1,321,608 over the prior fiscal year's amount of \$296,151 (\$601,202 investment income received less \$305,051 loss on the FMV).

Major Projects and Financial Planning

Solana Energy Alliance

Community Choice Aggregation (CCA), authorized by Assembly Bill 117, is a state law that allows cities, counties and other authorized entities to aggregate electricity demand within their jurisdictions in order to purchase and/or generate alternative energy supplies for residents and businesses within their jurisdiction while maintaining the existing electricity provider for transmission and distribution services. The goal of a CCA is to provide a higher percentage of renewable energy electricity at competitive and potentially cheaper rates than existing Investor Owned Utilities (IOUs), while giving consumers local choices and promoting the development of renewable power sources and programs and local job growth.

The City's CCA, Solana Energy Alliance (SEA), was established by the City Council through adoption of Ordinance 483 on December 13, 2017 and began serving customers in June 2018. SEA is the first CCA to launch in San Diego Gas & Electric (SDG&E) territory.

The City Council established SEA with the goal of offering cleaner energy, local control, rate savings compared to SDG&E and supporting its Climate Action Plan's aggressive goal of 100% renewable energy by 2035. SEA launched with its default product, SEA Choice, sourced from 50% renewable and 75% greenhouse gas free sources. In addition, SEA offers SEA Green, its 100% renewable energy product. SEA has been operational for one and a half years and continues to achieve the goals set out by the City Council.

Clean Energy Alliance

The City has been actively engaged in regional discussions regarding the potential development of a Joint Powers Authority (JPA) or similar governance structure that would allow the City to join with other jurisdictions to form a larger, regional CCA. The City Council (Council) had always envisioned the City would be a partner in a larger CCA JPA when neighboring cities were ready and willing to join the CCA movement. The Solana Energy Alliance (SEA) was formed as a single-city entity because there were no other feasible options in 2017. This has now changed as multiple cities are exploring CCA formation in San Diego County.

At the September 16, 2019 Council meeting, the Council directed Staff to initiate negotiations with the cities of Carlsbad and Del Mar to form a regional CCA JPA. On October 9, 2019, the Council authorized the City to join what is now called the Clean Energy Alliance (CEA) with the goal to launch in 2021. CEA will have many of the same goals as SEA, but will be a larger and more robust CCA that will take advantage of the larger economies of scale.

Solana Beach Pump Station Rehabilitation

This project is to make recommended upgrades, replacements and add emergency overflow storage to the Solana Beach Pump Station per the 2000 Sanitary Sewer Master Plan, along with recommendations from the San Elijo Joint Powers Authority (SEJPA). This station pumps approximately 92% of the City's sewage through a force main under the San Elijo Lagoon to the SEJPA water reclamation facility on Manchester Avenue. The SEJPA maintains the pump station, which was originally constructed in 1966. Since then, the pump station was upgraded in 1982 when significant improvements were made. The City has recently entered into an agreement with the City of Del Mar to transport the majority of their flows through the City's sewer infrastructure, including this pump station, to the SEJPA water reclamation facility.

City Council awarded the sewer pump station upgrades project to PCL Construction on August 22, 2018. The City issued a notice to proceed to the contractor on November 13, 2018. Construction completion is anticipated March 2020.

La Colonia Tot Lot Improvements

In 2010, Van Dyke Landscape Architects developed preliminary design plans for La Colonia Park. This plan included an expansion of the existing Tot Lot and addition of a new picnic area in the general vicinity of the existing Tot Lot. The City Council, as part of the FY 2017/18 work-plan directed Staff to upgrade the existing Tot Lot. Staff is in the process of developing design plans for the renovation and upgrade of the existing Tot Lot so that the proposed project remains in substantial conformance of the La Colonia Park Master Plan.

Lomas Santa Fe Drive Corridor Improvements

A recently completed transportation needs study identified several segments along the Lomas Santa Fe Drive corridor as high priority improvements. The first phase of the Lomas Santa Fe Corridor Study started in November 2016 and was intended to provide an assessment of the existing conditions which consisted of base mapping, data collection, identification of deficiencies and identification of proposed solutions to the deficiencies. The first phase has been completed. The second phase included additional technical and design analyses of the data collected in Phase I of the Feasibility Study and preparation of 30% preliminary engineering plans and cost estimates. Phase II was completed in the Fall 2018. Phase III will perform preliminary and final design of the proposed improvements. Phase III is expected to be completed in Fall 2020. The City received a grant from SANDAG for the work included in Phase III.

Marine Safety Center Renovations

The Marine Safety Center (MSC) at Fletcher Cove was constructed in or around the 1940s and is showing signs of its age. As part of the FY 2015/16 Adopted Budget, funding was allocated to perform a needs assessment and feasibility study to determine the best course of action for the renovation/replacement of the existing facility.

To accomplish this task, a Professional Services Agreement with Stephen Dalton Architects (SDA) was approved at the March 23, 2016 City Council meeting. During FY 2016/17, Staff worked with SDA on the preparation of the Fletcher Cove MSC Feasibility/Needs Assessment Study. The results of the Study indicate that nearly all building components are degraded and are past their useful lifespan. Spatially, the current building layout does not meet the functional needs of the Lifeguards.

In May 2017, the Study was presented to the City Council at which time the Council directed Staff to proceed with preparing a Request for Qualifications and Proposals (RFQ/P) for the complete removal and replacement of the existing facility. A consultant agreement for the preliminary design of the facility was approved by the City Council in October 2018. Since that time, the ongoing design has been presented at a community workshop and Council meetings.

La Colonia Park Expansion

In July 2018, the City Council approved the purchase of a vacant 28,978 square foot lot located immediately north of and adjacent to La Colonia Park. The purchase price was \$2.8 million and will be financed by a loan from the Sanitation Fund payable over seven years at an annual interest rate of 2.78%.

City Staff will be working with the City Council and the community to integrate the property into the existing park and develop additional recreational opportunities for Solana Beach residents.

Santa Helena Neighborhood Trail

Conceptual design work is underway for a neighborhood trail along Santa Helena, from Sun Valley Road to the northern terminus at the San Elijo Lagoon. In FY 2019/20, \$10,000 was appropriated to perform the conceptual design. This conceptual design is expected to be presented to the City Council for their consideration in the first quarter of the 2020 calendar year. An additional \$300,000 has been appropriated in the FY 2020/21 that would allow for community outreach and engineering design for the proposed project.

Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Solana Beach for its CAFR for the fiscal year ended June 30, 2018. This was the sixteenth year in the past seventeen years that the City has received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such Comprehensive Annual Financial Reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements.

The preparation of the Comprehensive Annual Financial Report in accordance with the GASB 34 financial reporting model was made possible by the dedicated work of the Finance Department staff. Each member of the staff consisting of Catherine Wong, Kyle Koszewnik, Jill Thayer, and Amanda Sither has our sincerest appreciation for their contributions made in the preparation of this report. We would also like to thank the Mayor and Council for their continued support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Gregory Wade
City Manager

Respectfully submitted,



Marie Marron Berkuti
Finance Director/Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Solana Beach
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

**CITY OF SOLANA BEACH
FISCAL YEAR 2018/19
DIRECTORY OF OFFICIALS AND ADVISORY BODIES**

CITY COUNCIL

David A. Zito, Mayor
Jewel Edson, Deputy Mayor
Judy Hegenauer, Council Member
Kristi Becker, Council Member
Kelly Harless, Council Member

TERM EXPIRES

December 2020
December 2020
December 2020
December 2022
December 2022

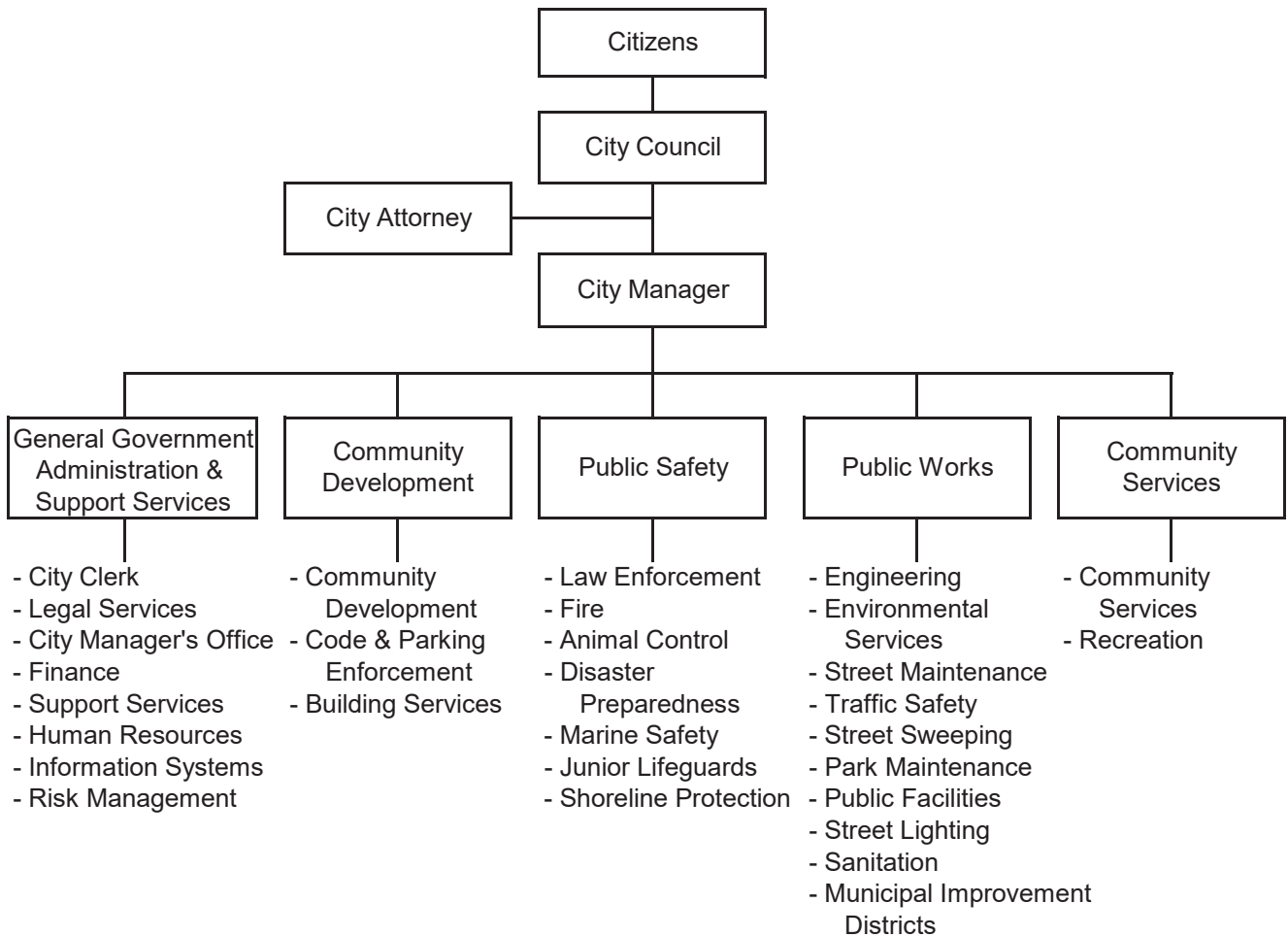
ADVISORY COMMISSIONS

Budget & Finance Commission
Climate Action Commission
Parks & Recreation Commission
Public Arts Commission
View Assessment Commission

APPOINTED OFFICIALS AND DEPARTMENT DIRECTORS

Gregory Wade	City Manager
Dan King	Assistant City Manager
Mohammed Sammak	Director of Public Works/City Engineer
Joseph Lim	Director of Community Development
Angela Ivey	City Clerk
Johanna Canlas	City Attorney
Marie Marron Berkuti	Finance Director/Treasurer

CITY OF SOLANA BEACH
 CITY GOVERNMENT
 ORGANIZATIONAL CHART
 FISCAL YEAR 2018/2019





INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Solana Beach, California, (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Solana Beach, California, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.





To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; the budgetary comparison schedules for the General Fund and the TransNet special revenue fund; the schedule of proportionate share of the net pension liability; the schedule of changes in the net other post-employment benefits (OPEB) liability; the schedules of plan contributions; and the schedule of investment returns be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Prior Year Comparative Information

The financial statements include partial prior-year comparative information. Such information does not include all of the information required or sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended June 30, 2019, from which such partial information was derived.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
January 21, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Solana Beach (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019 (Fiscal Year (FY) 2019). It should be read in conjunction with the accompanying transmittal letter beginning on page i and the accompanying basic financial statements. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The City's net position increased to \$81,328, or by \$4,616, as a result of FY2019 operations.
- Governmental net position equaled \$36,724.
- The total revenues from all sources were \$37,699.
- The total cost of all City programs was \$33,083.
- The General Fund reported an excess of expenditures over revenues and other financing sources and uses by \$1,741.
- The General Fund's actual resources received exceeded the final revenue budget by \$1,145 while actual expenditures were \$690 less than final budget before other financing sources and uses.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are:

- (1) Government-wide financial statements, which include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the City as a whole.
- (2) Fund financial statements describe how City services are financed in the short term as well as what resources are available for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.
- (3) Notes to the financial statements.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities (Government-wide)

A frequently asked question regarding the City's financial health is whether the year's activities contributed positively to the City's overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are accounted for regardless of when cash is received or paid.

These two statements report the City's net position and changes thereto. Net position, the difference between assets and liabilities, are one way to measure the City's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating. However, it is important to consider other non-financial factors such as changes in the City's property tax base or condition of the City's roads to assess accurately the overall health of the City.

The Statement of Net Position and the Statement of Activities present information about the following:

- Governmental activities - All of the City's basic services are considered governmental activities, including general government, community development, public safety, public works, and community services. Property taxes, transient occupancy taxes, sales taxes, and franchise fees finance most of these activities.
- Proprietary activities/Business type activities - The City charges a fee to customers to cover all or most of the cost of the services provided. The City's Sanitation system and Solana Energy Alliance, which provides clean energy services to the general public, are reported in this category.
- Component units - The City's governmental activities include the blending of the City of Solana Beach Public Facilities Corporation, a separate legal entity. Although legally separate, this "component unit" is important because the City is financially accountable for the corporation. A separate component unit financial statement was not issued for the Solana Beach Public Facilities Corporation since it has had no transactions, nor any assets, liabilities or equity over the past three fiscal years.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds that aid in the administration of resources for particular purposes or to meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The City's two kinds of funds, governmental and proprietary, use different accounting approaches:

- *Governmental funds* - Most of the City's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual*, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and

governmental *funds* through the Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements.

- *Proprietary funds* - When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

The City as Trustee

Reporting the City's Fiduciary Responsibilities

The City is the trustee, or *fiduciary*, for certain amounts held on behalf of developers, property owners, and others. These fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Assets and Liabilities. The City is responsible for ensuring that the assets are used for their intended purposes. Therefore, fiduciary activities are excluded from the City's other financial statements because the assets cannot be used to finance operations.

After the date of the dissolution of the Solana Beach Redevelopment Agency (RDA) on February 1, 2012, the assets and liabilities of the former redevelopment agency were transferred to the Successor Agency to the former Solana Beach RDA (Successor Agency) and are reported in a fiduciary fund (private-purpose trust fund).

THE CITY AS A WHOLE

Our analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business activities.

Table 1
City of Solana Beach Net Position
(in Thousands)

	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and other assets	\$ 28,753	\$ 29,135	\$ 48,757	\$ 48,906	\$ 77,510	\$ 78,041
Capital assets, net	36,223	34,370	15,763	13,813	51,986	48,183
Total assets	64,976	63,505	64,520	62,719	129,496	126,224
Deferred Outflows	3,337	4,122	354	288	3,691	4,410
Liabilities:						
Long-term debt outstanding	8,214	8,522	18,116	19,194	26,330	27,716
Other liabilities	21,698	24,173	2,045	1,146	23,743	25,319
Total liabilities	29,912	32,695	20,161	20,340	50,073	53,035
Deferred Inflows	1,677	872	109	16	1,786	888
Net position:						
Net investment in capital assets	29,397	27,241	8,893	5,929	38,290	33,170
Restricted	11,238	9,139	-	-	11,238	9,139
Unrestricted	(3,911)	(2,320)	35,711	36,722	31,800	34,402
Total net position	\$ 36,724	\$ 34,060	\$ 44,604	\$ 42,651	\$ 81,328	\$ 76,711

The City's combined net position for the fiscal year ended June 30, 2019 was \$81,328. The City has chosen to account for its sanitation and community choice aggregation operations in an enterprise fund, which is shown as Business Activities on Table 1. The City's net position for governmental activities increased from \$34,060 to \$36,724. The following is an explanation of the governmental activity changes between fiscal years as shown in Table 1:

- Current and other assets decreased \$382 or 1.3% primarily because of monies borrowed from the Sanitation Fund of \$2.8 million used to purchase 700 Stevens Avenue (700 Stevens). The property consists of three parcels of vacant land totaling approximately 28,978 square feet and is located immediately north of and adjacent to La Colonia Park. The purchase of the 700 Stevens offered the City an opportunity to expand the existing open space, recreation and park use in the future. The amount is reported as a negative Internal Balance amount in the asset section of the balance sheet for government activities. In each succeeding fiscal year, as the Sanitation Fund is repaid, the negative Internal Balance amount will be reduced by that fiscal year's principle payment, and the fund balance will be increased to zero by fiscal year 2025/26.

- Deferred outflows of \$3,337 are a result of the implementation of GASB 68 and are related to contributions made after the actuarial measurement date for the net pension liability.
- Capital assets increased \$1,853 (net of \$3,867 depreciation and disposition) as detailed in Table 4 primarily due to the acquisition of 700 Stevens for \$2.8 million. Ongoing projects include La Colonia Skate Park, which was completed during the summer of 2019, and Marine Safety Center Renovations. The City also had construction activities for the annual street pavement program and ongoing storm drain repairs totaling \$822.
- Governmental long-term debt decreased \$308 due to routine principal payments made on existing debt principal and a reduction in claims payable. See Table 5 for additional detail.
- Deferred inflows of \$1,677 are a result of the implementation of GASB 68 and GASB 75 and are related to unrecognized actuarial gains and losses for the net pension and OPEB liabilities.
- Other liabilities decreased \$2,475 primarily due to decreases in net OPEB liability of \$1,456 and in net pension liability of \$504. The City began recording its net OPEB liability in FY 2018 as a result of implementing GASB 75 and had previously implemented GASB 68 in FY 2015 to record its net pension liability. Decreases were also recorded in deposits payable of \$874.
- Net investment in capital assets increased \$2,156 primarily due to the addition of 700 Stevens at \$2.8 million. There was also a reduction in net depreciable assets with the addition of depreciable assets totaling \$1,425 less depreciation and disposition costs of \$3,867.
- Restricted net position increased \$2,099 due to an increase in ongoing capital improvement projects of \$893, increasing the irrevocable trust for pension liabilities by contributions and interest equaling \$449, and increasing redevelopment activities by \$325 due to the receipt of affordable housing impact fees.
- As a result of the above activities, unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements, decreased \$1,591 from \$(2,320) to \$(3,911) at June 30, 2019 primarily due to the \$2.8 million payment made for the purchase of 700 Stevens Avenue.

Governmental Activities

The cost of all Governmental activities in FY2019 was \$23,668 as shown on Tables 2 and 2.1. Of this cost, \$3,286 was paid for by those who directly benefited from the programs; \$2,038 was subsidized by grants received from other governmental organizations for both capital and operating activities; and \$21,008 was financed through general City revenues. Overall governmental program revenues, including intergovernmental aid and fees for services were \$5,324. Items of significance within Table 2 are:

Revenues:

- Charges for services increased by 12.8% as compared to FY2018 primarily as a result of increased revenues received for impact fees and reimbursements due from the proponents of a special election for City Clerk expenses.
- Operating and Capital grants and contributions increased by a net \$94 over the prior fiscal year amount due to an increase in various public safety and public works grants and contributions received or recognized in FY2019 as compared to FY2018.
- Property taxes and other taxes increased by approximately 8.2% or \$1,431 due to improved property valuations as a result of real estate sales in the City and increased transient occupancy tax revenue. Sales tax revenue for FY2019 included revenue that was due to the City for FY2018 but was delayed due to problems with the State of California's new reporting software. This delay resulted in a one-time increase in FY2019 as compared to FY2018.
- Other general revenues increased by \$1,068 as compared to the prior fiscal year primarily due increased investment earnings received and an increase in the market to cost valuation for investments held by the City.

Expenses:

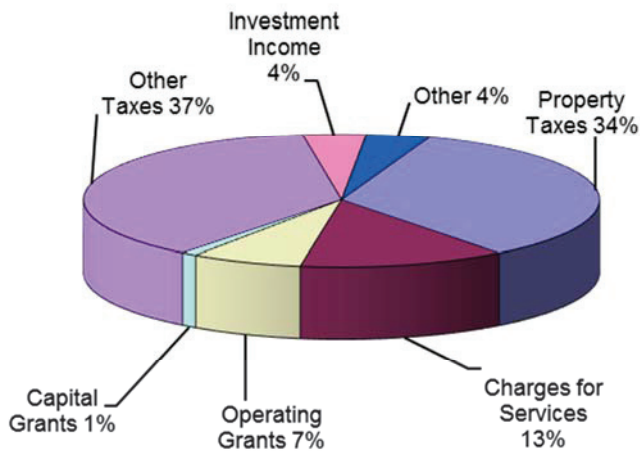
- General Government expenses decreased in FY2019 by 11% or \$450 from the prior fiscal year primarily due to decreased costs in the City's net OPEB liability and allocating the proportionate share of the net OPEB liability to the business-type activities cost centers beginning in FY2019.
- Public Safety increased by 5% or \$511 primarily due a \$562 increase in public safety's share of the increase in net pension liability as reported per GASB 68. The City's contract with the County of San Diego Sheriff's Department for law enforcement services also increased by \$233 or 6%.
- Community Development decreased by \$273 or 16% as compared to the previous fiscal year due to reduced costs in developer-pass through expenses of \$111, a \$112 reduction in net pension liability expense as reported per GASB 68 and a \$51 reduction in net OPEB liability expense as reported per GASB 75.
- Community Services increased \$447 or by 61% due to a payment made in FY2019 to the San Elijo Lagoon Conservancy for the acquisition, rezoning, permitting and construction of improvements proposed for the Harbaugh Trails property located at the northern end of the City from a grant that was received from the State of California Department of Transportation.

Table 2
City of Solana Beach Changes in Net Position
(in Thousands)

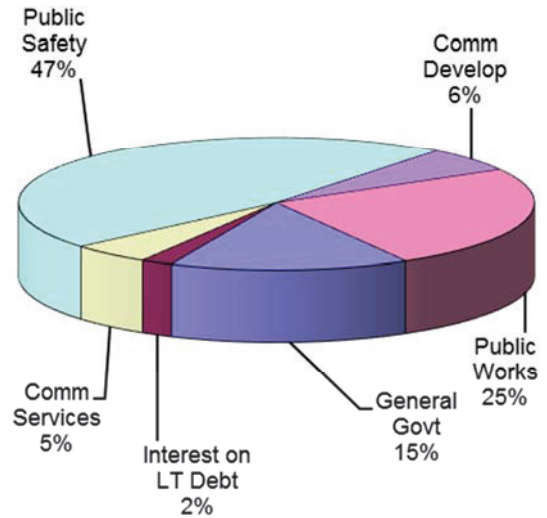
	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 3,286	\$ 2,913	\$ 10,795	\$ 5,910	\$ 14,081	\$ 8,823
Operating grants and contributions	1,740	1,524	-	-	1,740	1,524
Capital grants and contributions	298	420	-	-	298	420
General revenues:						
Property taxes	9,070	8,587	-	-	9,070	8,587
Other taxes	9,861	8,913	-	-	9,861	8,913
Other	2,077	1,009	573	170	2,650	1,179
Total revenues	<u>26,332</u>	<u>23,366</u>	<u>11,368</u>	<u>6,080</u>	<u>37,700</u>	<u>29,446</u>
Expenses:						
General government	3,651	4,101	-	-	3,651	4,101
Public safety	11,051	10,540	-	-	11,051	10,540
Public works	5,937	5,944	-	-	5,937	5,944
Community development	1,482	1,755	-	-	1,482	1,755
Community services	1,178	731	-	-	1,178	731
Interest and fiscal charges	369	382	-	-	369	382
Sanitation	-	-	4,204	2,100	4,204	2,100
Solana Energy	-	-	5,211	391	5,211	391
Total expenses	<u>23,668</u>	<u>23,453</u>	<u>9,415</u>	<u>2,491</u>	<u>33,083</u>	<u>25,944</u>
Increase/(decrease) in net position	2,664	(87)	1,953	3,589	4,617	3,502
Net position - July 1	34,060	36,827	42,651	39,062	76,711	75,889
Net position restatement	-	(2,680)	-	-	-	(2,680)
Net position - June 30	<u>\$ 36,724</u>	<u>\$ 34,060</u>	<u>\$ 44,604</u>	<u>\$ 42,651</u>	<u>\$ 81,328</u>	<u>\$ 76,711</u>

**Fiscal Year 2019
Governmental Activities**
(Graphic representation of Table 2 in percentages)

Sources of Revenue



Program Expenses



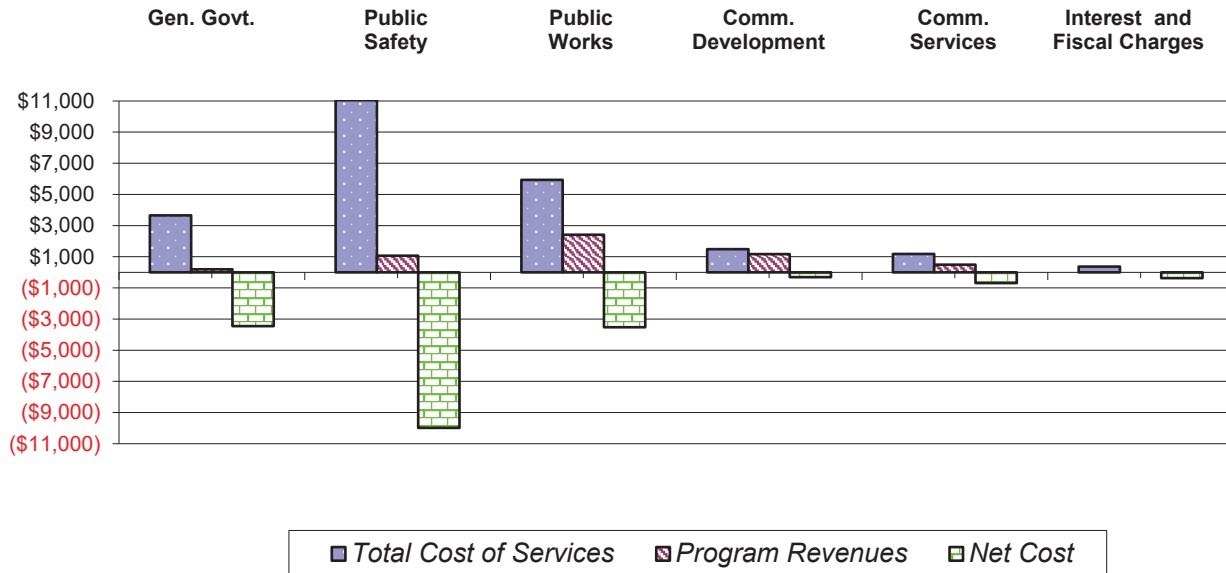
Net Cost of Governmental Activities

The City's programs include General Government, Public Safety, Public Works, Community Development, and Community Services. Each programs' net cost (total cost less revenues generated by the activities) is presented on Table 2.1. The net cost shows the extent to which the City's general taxes support each of the City's programs.

Table 2.1
Net Cost of Governmental Activities
(in Thousands)

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2019	2018	2019	2018	2019	2018
General government	\$ 3,651	\$ 4,101	\$ 194	\$ -	\$ (3,457)	\$ (4,101)
Public safety	11,051	10,540	1,066	1,175	(9,985)	(9,365)
Public works	5,937	5,944	2,410	1,806	(3,527)	(4,138)
Community development	1,482	1,755	1,169	1,400	(313)	(355)
Community services	1,178	731	485	476	(693)	(255)
Interest on long-term debt	369	382	-	-	(369)	(382)
Totals	\$ 23,668	\$ 23,453	\$ 5,324	\$ 4,857	\$ (18,344)	\$ (18,596)

Total Cost of Services, Program Revenues & Net Cost
Governmental Activities
(in Thousands)



Total resources available during the year to finance governmental operations were \$60,392 consisting of a net position at July 1, 2018 of \$34,060, program revenues of \$5,324, and general revenues of \$21,008. Total governmental activities during the year were \$23,668, and as a result, net position increased by \$2,664 to \$36,724.

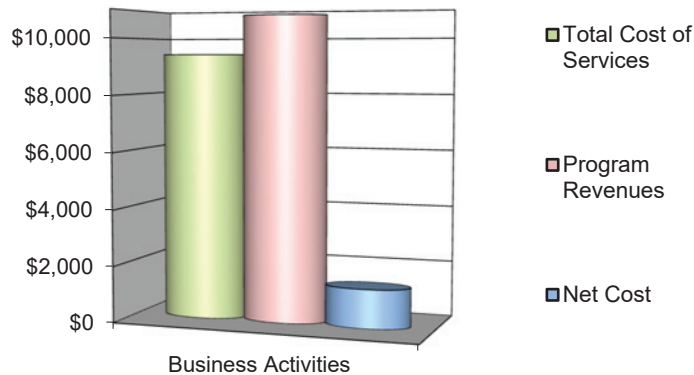
Business Type Activities

Net position of the Proprietary Fund (Business Type activities) at June 30, 2019 as reflected in Table 1 was \$44,603. As shown in Table 3, amounts paid by users of the Sanitation system and Solana Energy Alliance and other operating revenue were \$10,794 while the cost of providing all Proprietary (Business Type) activities in FY2019 was \$9,415 resulting in a net gain of \$1,379. With the addition of non-operating revenues of \$573, as shown on Table 2, assets increased by \$1,952 or 4.6%.

Table 3
Net Cost of Business Activities
(in Thousands)

	Total Cost of Services		Program Revenue		Net Cost of Services	
	2019	2018	2019	2018	2019	2018
Sanitation	\$ 4,204	\$ 2,101	\$ 5,592	\$ 5,416	\$ 1,388	\$ 3,315
Solana Energy Alliance	5,211	390	5,202	494	(9)	-
Total Business Activities	\$ 9,415	\$ 2,491	\$ 10,794	\$ 5,910	\$ 1,379	\$ 3,315

Fiscal Year 2019
Total Cost of Services, Program Revenues & Net Cost
Business Activities (in thousands)



General Fund Budgetary Highlights

The final expenditures for the City's General Fund at year-end were \$690 less than actual appropriations prior to other financing uses. The budget to actual variance in appropriations was principally due to 1) conservative estimates at quarter-year and mid-year by management; 2) expenditures for asset replacement appropriations being delayed to next fiscal year; and 3) lower than expected professional service costs across departments.

Actual revenues were \$1,145 greater than the final budget. Budget amendments and supplemental appropriations were made during the normal course of business to increase appropriations for unanticipated expenditures after adoption of the original budget. Significant supplemental appropriations were:

- \$2,800 in the Real Property Acquisition fund for the purchase of 700 Stevens Avenue. The property consists of three parcels of vacant land totaling approximately 28,978 square feet and is located immediately north of and adjacent to La Colonia Park.
- \$1,834 for transfers out to the City CIP fund for various CIP projects.
- \$946 to add funds to trusts established for Pension and Other Post-Employment Benefits (OPEB) liabilities in the amounts of \$323 and \$623, respectively, with Public Agency Retirement Services (PARS).
- \$185 for increased employee salaries and flex credit allowances per the FY2019 salary and compensation plan approved by the City Council after the annual budget had been adopted.
- \$143 increase in equipment and vehicles to cover the purchase of a new dump truck and Kubota tractor for the public works department and equipment for fire, marine safety, and human resources.
- \$183 increase in the City Clerk's budget to cover the costs of the special election held in May 2019.
- \$200 for Fire department overtime.

Significant budgetary variations between certain departments' final amended budget versus actual for the General Fund were:

- Manager: costs for the City Manager's professional services and contingency expenditure accounts were \$60 lower than anticipated in FY2019.
- Personnel: regular salaries, retirement, and flex credit benefits were under spent by a combined total of \$48 due in part to vacancies in the City Clerk, Human Resources, Information Systems, Fire, and Engineering departments.

- Human Resources: unemployment benefit payments were lower than expected and professional services contracts were moved to the following fiscal year.
- Street and other public works: savings were realized in professional services due to lower than anticipated use for outside contractors in environmental services, street maintenance, traffic safety, and park maintenance.
- Capital Outlay: amounts were budgeted for City Clerk, Planning and Finance department software and Public Works vehicles and equipment that was to be purchased in FY2019. These expenditures were delayed until the following fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The capital assets of the City are those assets that are used in performance of City functions including infrastructure assets. Capital assets include equipment, buildings, land, park facilities, and roads.

At June 30, 2019, net capital assets of the governmental activities totaled \$36,223 and the net capital assets of the business-type activities totaled \$15,763. Depreciation on capital assets is recognized in the government-wide financial statements. (See Table 4 and Note 5 to the financial statements.)

The City's five-year Capital Improvement Plan projects to spend \$19,717 through FY2024. Over the next five years, funding will come from current fund balances and revenues such as Gas Tax and TransNet. Significant projects are rebuilding the Solana Beach Pump Station, La Colonia Park Tot Lot Improvements, Lomas Santa Fe Drive Corridor Improvements, Marine Safety Center Renovations, and ongoing pavement management, traffic calming, and storm drain and sewer pipeline improvements and replacement projects.

Table 4
City of Solana Beach Capital Assets at Year-End
(Net of Depreciation)
(In Thousands)

	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 5,337	\$ 2,538	\$ 112	\$ 112	\$ 5,449	\$ 2,650
Buildings & Improvements	10,308	10,552	12,381	12,426	22,689	21,798
Equipment & Vehicles	1,137	1,309	297	331	1,434	1,443
Infrastructure	16,650	18,675	-	-	16,650	22,058
Work in Progress	2,791	1,296	2,973	944	5,764	3,005
	<u>\$ 36,223</u>	<u>\$ 34,370</u>	<u>\$ 15,763</u>	<u>\$ 13,813</u>	<u>\$ 51,986</u>	<u>\$ 50,954</u>

Debt

At year-end, the City had \$8,214 in governmental type debt and \$18,089 in proprietary debt (including premium on debt issuance) totaling \$26,303. This debt is a liability of the government and amounts to \$1,888 per capita.

See Table 5 and Notes 6 through 8 and Note 10 to the financial statements for detailed descriptions.

Table 5
City of Solana Beach Outstanding Debt at Year-End
(In Thousands)

	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
Refunding lease	\$ 561	\$ 690	\$ -	\$ -	\$ 561	\$ 690
Capital leases	769	944	-	-	769	944
SEJPA Loan Payable-2011	-	-	117	869	117	869
SEJPA Loan Payable-2017	-	-	11,057	11,057	11,057	11,057
Sewer Revenue Bond-2006	-	-	-	-	-	-
2017 Wastewater Refunding Bond	-	-	6,385	6,655	6,385	6,655
TransNet Bond	5,500	5,500	-	-	5,500	5,500
Bond premiums	-	-	506	566	506	566
Bond discounts	(4)	(5)	-	-	(4)	(5)
Claims and judgements	994	1,026	-	-	994	1,026
Compensated absences	394	367	51	47	445	414
	<u>\$ 8,214</u>	<u>\$ 8,522</u>	<u>\$ 18,116</u>	<u>\$ 19,194</u>	<u>\$ 26,330</u>	<u>\$ 27,716</u>

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

In June 2019, the City Council adopted a two-year budget for fiscal years ending June 30, 2020 and June 30, 2021.

In considering the City Budget for the two fiscal years, the focus of the City Council and management was to adopt balanced budgets and promote fiscal sustainability. Budget decisions were made with the understanding that, although the current economic climate was markedly improved, the City's growth rate for certain revenues was still uneven and uncertain and that the rate of any expenditure cost increase needed to be closely evaluated and monitored. The challenge given these circumstances was to prepare a budget that held costs in line while continuing to provide high quality services and to move forward implementing the City's five-year capital improvement plan.

The result at the time of the budget adoption was that no new programs or services were added to the FY2020 budget. Departments were asked to prepare budgets with no change in their materials, supplies, and services categories and any requests for new monies needed to be justified.

Salary increases of 2.5% and cafeteria benefits increases of 5% were provided to marine safety and miscellaneous regular employees as called for in their memorandum of understandings (MOU) with the City. Unrepresented regular employees received the same increases. The City's fire department employees received salary increases of 2.5% and no increase was received for their cafeteria benefits as outlined in their MOU.

The adopted budget for FY2020 and FY2021 reflected projected surpluses in the General Fund of \$64,400 and \$74,000, respectively.

While fiscal sustainability included focusing on the expenditure side of the budget, in the coming fiscal year, City staff will be tasked with developing increased revenue sources to help broaden the revenue base needed by the City for its short and long-term needs.

Overall, the budget anticipates that local tax revenues to the City next year will increase based upon the economic activity in the California economy, including property taxes, which are projected to increase in FY2020 by 7.8% as compared to the FY2019 adopted budget. Transient occupancy tax is expected to increase by 2.9% and sales tax is expected to remain flat as compared to the previous fiscal year's adopted budget. Overall, the General Fund adopted operating expenditures for FY2020 are budgeted to increase approximately 10.4% as compared to the previous fiscal year's adopted budget. The CIP budget was set to be \$2,324 for the upcoming year.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's fiduciary responsibility for the funds it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department, at the City of Solana Beach, 635 South Highway 101, Solana Beach, California 92075 or online: <http://www.ci.solana-beach.ca.us>.

BASIC FINANCIAL STATEMENTS

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**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

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CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF NET POSITION

JUNE 30, 2019

(With comparative totals for June 30, 2018)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	
			2019	2018
Assets:				
Cash and investments	\$ 27,722,276	10,318,810	\$ 38,041,086	\$ 40,128,844
Receivables:				
Accounts, net	403,029	867,520	1,270,549	909,174
Taxes	1,043,765	-	1,043,765	956,775
Interest	120,303	120,094	240,397	151,502
Prepaid costs	23,402	1,691	25,093	101,916
Deposits	-	100,000	100,000	-
Due from other governments	338,228	165,610	503,838	208,815
Internal balances	(2,642,811)	2,642,811	-	-
Restricted assets:				
Cash and investments	-	49	49	54
Cash and investments with fiscal agent	1,744,718	-	1,744,718	1,294,957
Capital assets not being depreciated	8,128,569	3,084,511	11,213,080	4,889,380
Capital assets, net of depreciation	28,094,460	12,678,411	40,772,871	43,293,485
Investment in joint venture	-	34,540,199	34,540,199	34,289,455
Total Assets	64,975,939	64,519,706	129,495,645	126,224,357
Deferred Outflows of Resources:				
Deferred charge on refunding	-	137,294	137,294	205,941
Deferred outflows related to pensions	3,337,044	216,350	3,553,394	4,203,914
Total Deferred Outflows of Resources	3,337,044	353,644	3,690,688	4,409,855
Liabilities:				
Accounts payable	2,048,041	767,388	2,815,429	2,326,494
Accrued liabilities	333,638	35,179	368,817	198,608
Accrued interest	5,763	226,526	232,289	252,095
Unearned revenue	321,084	-	321,084	460,202
Deposits payable	2,739,837	-	2,739,837	3,614,311
Compensated absences, due within one year	302,123	24,594	326,717	308,136
Capital leases, due within one year	178,905	-	178,905	174,171
Claims payable, due within one year	248,500	-	248,500	129,614
Bonds and loans payable, due within one year	137,600	555,000	692,600	1,150,954
Noncurrent liabilities:				
Compensated absences	91,602	26,808	118,410	106,665
Capital leases	590,421	-	590,421	769,325
Claims payable	745,500	-	745,500	896,386
Bonds and loans payable	5,919,225	17,509,945	23,429,170	24,181,517
Net pension liability	13,250,932	810,742	14,061,674	14,011,833
Net other post-employment benefit liability	2,998,536	204,456	3,202,992	4,454,874
Total Liabilities	29,911,707	20,160,638	50,072,345	53,035,185
Deferred Inflows of Resources:				
Deferred inflows related to pensions	614,102	36,896	650,998	679,087
Deferred inflows related to other post-employment benefits	1,062,973	72,479	1,135,452	208,696
Total Deferred Inflows of Resources	1,677,075	109,375	1,786,450	887,783
Net Position:				
Net investment in capital assets	29,396,878	8,892,771	38,289,649	33,170,339
Restricted:				
Redevelopment activities	1,297,725	-	1,297,725	972,507
Public safety	641,903	-	641,903	479,924
Parks and recreation	-	-	-	71,128
Public works	3,485,107	-	3,485,107	3,143,823
Capital projects	4,045,008	-	4,045,008	3,151,863
Debt service	25,094	49	25,143	25,033
Pensions	1,743,908	-	1,743,908	1,294,957
Unrestricted	(3,911,422)	35,710,517	31,799,095	34,401,670
Total Net Position	\$ 36,724,201	\$ 44,603,337	\$ 81,327,538	\$ 76,711,244

The notes to financial statements are an integral part of this statement.

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2019
 (With comparative totals for June 30, 2018)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
General government	\$ 3,650,982	\$ 194,122	\$ -	\$ -
Public safety	11,050,684	581,313	186,145	298,205
Community development	1,482,428	1,169,232	-	-
Community services	1,178,128	335,828	148,747	-
Public works	5,937,131	1,005,828	1,404,721	-
Interest on long-term debt	368,495	-	-	-
Total Governmental Activities	23,667,848	3,286,323	1,739,613	298,205
Business-Type Activities:				
Sanitation Fund	4,204,504	5,592,045	-	-
Solana Energy Alliance Fund	5,210,816	5,202,375	-	-
Total Business-Type Activities	9,415,320	10,794,420	-	-
Total Primary Government	\$ 33,083,168	\$ 14,080,743	\$ 1,739,613	\$ 298,205

General Revenues:

Taxes:

Property taxes, levied for general purpose

Sales taxes

Transient occupancy taxes

Franchise taxes

Other taxes

Use of money and property

Other

Total General Revenues

Change in Net Position

Net Position at the Beginning of the Year

Net Position at the End of the Year

Net (Expenses) Revenues and Changes in Net Position

Primary Government

Governmental Activities	Business-Type Activities	Total	
		2019	2018
\$ (3,456,860)	\$ -	\$ (3,456,860)	\$ (4,101,140)
(9,985,021)	-	(9,985,021)	(9,364,379)
(313,196)	-	(313,196)	(354,499)
(693,553)	-	(693,553)	(255,150)
(3,526,582)	-	(3,526,582)	(4,138,797)
(368,495)	-	(368,495)	(381,634)
<u>(18,343,707)</u>	<u>-</u>	<u>(18,343,707)</u>	<u>(18,595,599)</u>
-	1,387,541	1,387,541	3,315,434
-	(8,441)	(8,441)	103,774
-	1,379,100	1,379,100	3,419,208
<u>(18,343,707)</u>	<u>1,379,100</u>	<u>(16,964,607)</u>	<u>(15,176,391)</u>
9,070,200	-	9,070,200	8,586,838
3,502,561	-	3,502,561	3,191,410
2,019,005	-	2,019,005	1,827,753
792,575	-	792,575	723,164
3,547,175	-	3,547,175	3,170,331
1,100,795	557,179	1,657,974	368,496
975,510	15,901	991,411	810,425
<u>21,007,821</u>	<u>573,080</u>	<u>21,580,901</u>	<u>18,678,417</u>
2,664,114	1,952,180	4,616,294	3,502,026
<u>34,060,087</u>	<u>42,651,157</u>	<u>76,711,244</u>	<u>73,209,218</u>
<u>\$ 36,724,201</u>	<u>\$ 44,603,337</u>	<u>\$ 81,327,538</u>	<u>\$ 76,711,244</u>

The notes to financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements
Proprietary Fund Financial Statements
Fiduciary Fund Financial Statements

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**GOVERNMENTAL FUND
FINANCIAL STATEMENTS**

CITY OF SOLANA BEACH, CALIFORNIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

(With comparative totals for June 30, 2018)

	<u>Special Revenue Fund</u>		<u>Capital Projects Fund</u>
	<u>General</u>	<u>TransNet</u>	<u>City CIP</u>
Assets:			
Cash and investments	\$ 17,406,859	\$ 75,710	\$ 3,183,001
Receivables:			
Accounts	356,891	-	-
Taxes	984,386	-	-
Accrued interest	90,408	-	4,611
Prepaid costs	23,402	-	-
Due from other governments	146,569	-	-
Due from other funds	271,877	-	31,171
Restricted cash and investments with fiscal agents	1,744,718	-	-
Total Assets	\$ 21,025,110	\$ 75,710	\$ 3,218,783
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 1,362,039	\$ 52,516	\$ 374,929
Accrued liabilities	297,339	-	15,960
Unearned revenues	-	-	-
Deposits payable	2,665,884	-	4,727
Due to other funds	-	-	-
Advances from other funds	2,800,000	-	-
Total Liabilities	7,125,262	52,516	395,616
Deferred Inflows of Resources:			
Unavailable revenues	66,569	-	-
Total Deferred Inflows of Resources	66,569	-	-
Fund Balances:			
Nonspendable	23,402	-	-
Restricted	1,743,908	23,194	2,823,167
Committed	1,436,307	-	-
Assigned	6,041,593	-	-
Unassigned	4,588,069	-	-
Total Fund Balances	13,833,279	23,194	2,823,167
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 21,025,110	\$ 75,710	\$ 3,218,783

The notes to financial statements are an integral part of this statement.

CITY OF SOLANA BEACH, CALIFORNIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

(With comparative totals for June 30, 2018)

	Other Governmental Funds	Total Governmental Funds	
		2019	2018
Assets:			
Cash and investments	\$ 7,056,706	\$ 27,722,276	\$ 26,087,810
Receivables:			
Accounts	46,138	403,029	315,153
Taxes	59,379	1,043,765	913,841
Accrued interest	25,284	120,303	100,138
Prepaid costs	-	23,402	72,779
Due from other governments	191,659	338,228	208,815
Due from other funds	-	303,048	375,914
Restricted cash and investments with fiscal agents	-	1,744,718	1,294,957
Total Assets	\$ 7,379,166	\$ 31,698,769	\$ 29,369,407
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 258,557	\$ 2,048,041	\$ 1,686,814
Accrued liabilities	20,339	333,638	189,219
Unearned revenues	321,084	321,084	460,202
Deposits payable	69,226	2,739,837	3,614,311
Due to other funds	145,859	145,859	234,610
Advances from other funds	-	2,800,000	-
Total Liabilities	815,065	8,388,459	6,185,156
Deferred Inflows of Resources:			
Unavailable revenues	28,221	94,790	-
Total Deferred Inflows of Resources	28,221	94,790	-
Fund Balances:			
Nonspendable	-	23,402	72,779
Restricted	6,648,476	11,238,745	9,139,181
Committed	-	1,436,307	1,015,354
Assigned	-	6,041,593	5,805,890
Unassigned	(112,596)	4,475,473	7,151,047
Total Fund Balances	6,535,880	23,215,520	23,184,251
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 7,379,166	\$ 31,698,769	\$ 29,369,407

The notes to financial statements are an integral part of this statement.

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CITY OF SOLANA BEACH, CALIFORNIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds		\$ 23,215,520
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		36,223,029
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.		
Limited Tax Bonds 2010A Series	\$ (5,500,000)	
Lease revenue bond - ABAG	(560,600)	
Unamortized bond discount - ABAG	3,775	
Capital lease obligations	(769,326)	
Claims and judgments	(994,000)	
Compensated absences	<u>(393,725)</u>	(8,213,876)
Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds.		(5,763)
Governmental funds report all pension contributions as expenditures; however, in the statement of activities, the excess of the total pension liability over the plan fiduciary net position is reported as a net pension liability.		(13,250,932)
Pension-related deferred outflows of resources that have not been included as financial uses in the governmental fund activity are as follows:		
Contributions made after the actuarial measurement date	1,294,854	
Changes in assumptions	1,285,377	
Difference between expected and actual experiences	333,997	
Net difference between projected and actual earnings on plan investments	77,243	
Adjustments due to differences in proportions	<u>345,573</u>	3,337,044
Pension-related deferred inflows of resources that have not been included as financial resources in the governmental fund activity are as follows:		
Changes in assumptions	(222,628)	
Difference between expected and actual experiences	(51,854)	
Adjustments due to differences in proportions	(38,686)	
Difference in proportionate share	<u>(300,934)</u>	(614,102)
Governmental funds report all other post-employment benefits contributions as expenditures; however, in the statement of net position, the excess of the total other post-employment benefits liability over the plan fiduciary net position is reported as a net other post-employment benefits liability.		(2,998,536)
Other post-employment benefits related deferred inflows of resources that have not been included as financial resources in the governmental fund activity are as follows:		
Changes in assumptions	(1,057,701)	
Net difference between projected and actual earnings on plan investments	<u>(5,272)</u>	(1,062,973)
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities.		<u>94,790</u>
Net Position of Governmental Activities		<u>\$ 36,724,201</u>

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(With comparative totals for the year ended June 30, 2018)

	<u>Special</u>		<u>Capital</u>
	<u>General</u>	<u>Revenue Fund</u>	<u>Projects Fund</u>
	<u>General</u>	<u>TransNet</u>	<u>City CIP</u>
Revenues:			
Taxes and assessments	\$ 15,015,549	\$ -	\$ -
Licenses, permits and fees	440,510	46,381	-
Intergovernmental	1,952,837	544,505	537,081
Charges for services	953,305	-	393,615
Use of money and property	822,401	-	63,091
Fines and forfeitures	502,249	-	-
Other revenues	884,094	-	51,538
Total Revenues	<u>20,570,945</u>	<u>590,886</u>	<u>1,045,325</u>
Expenditures:			
Current:			
General government	4,139,846	-	1,668
Public safety	9,417,894	-	41,636
Public works	2,020,973	-	3,683
Community development	1,097,517	-	5,133
Community services	224,587	-	537,081
Capital outlay	2,900,137	205,581	1,582,109
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	325,105	-
Total Expenditures	<u>19,800,954</u>	<u>530,686</u>	<u>2,171,310</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	769,991	60,200	(1,125,985)
Other Financing Sources (Uses):			
Transfers in	-	-	2,113,900
Transfers out	(2,511,228)	-	-
Total Other Financing Sources (Uses)	<u>(2,511,228)</u>	<u>-</u>	<u>2,113,900</u>
Net Change in Fund Balances	(1,741,237)	60,200	987,915
Fund Balances (Deficits) at the Beginning of the Year	15,574,516	(37,006)	1,835,252
Fund Balances at the End of the Year	<u>\$ 13,833,279</u>	<u>\$ 23,194</u>	<u>\$ 2,823,167</u>

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(With comparative totals for the year ended June 30, 2018)

	Other Governmental Funds	Total Governmental Funds	
		2019	2018
Revenues:			
Taxes and assessments	\$ 2,259,665	\$ 17,275,214	\$ 15,945,223
Licenses, permits and fees	-	486,891	508,549
Intergovernmental	631,476	3,665,899	3,498,266
Charges for services	883,694	2,230,614	1,584,561
Use of money and property	215,303	1,100,795	286,867
Fines and forfeitures	-	502,249	479,933
Other revenues	39,878	975,510	1,061,983
Total Revenues	4,030,016	26,237,172	23,365,382
Expenditures:			
Current:			
General government	49,862	4,191,376	3,820,029
Public safety	784,016	10,243,546	9,831,070
Public works	950,862	2,975,518	2,628,777
Community development	420,778	1,523,428	1,574,333
Community services	68,647	830,315	328,755
Capital outlay	1,075,403	5,763,230	2,417,383
Debt service:			
Principal retirement	303,971	303,971	296,366
Interest and fiscal charges	49,414	374,519	383,487
Total Expenditures	3,702,953	26,205,903	21,280,200
Excess (Deficiency) of Revenues Over (Under) Expenditures	327,063	31,269	2,085,182
Other Financing Sources (Uses):			
Transfers in	522,470	2,636,370	997,300
Transfers out	(125,142)	(2,636,370)	(997,300)
Total Other Financing Sources (Uses)	397,328	-	-
Net Change in Fund Balances	724,391	31,269	2,085,182
Fund Balances (Deficits) at the Beginning of the Year	5,811,489	23,184,251	21,099,069
Fund Balances at the End of the Year	\$ 6,535,880	\$ 23,215,520	\$ 23,184,251

CITY OF SOLANA BEACH, CALIFORNIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	31,269
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.</p>		
Capital outlay	\$	5,754,228
Depreciation		<u>(3,901,505)</u>
		1,852,723
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
Lease revenue bond - ABAG principal payments		129,800
Capital leases - principal payments		174,170
Amortization of lease revenue bond - ABAG discount		(1,066)
Change in compensated absences		(26,383)
Change in claims and judgments		<u>32,000</u>
		308,521
Net change in accrued interest on long-term debt for the current period reported on the statement of activities.		7,090
Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(232,340)
Other post-employment benefits obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		602,061
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the operating contributions and miscellaneous income in the statement of activities.		<u>94,790</u>
Change in Net Position of Governmental Activities	\$	<u>2,664,114</u>

**PROPRIETARY FUND
FINANCIAL STATEMENTS**

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2019

(With comparative totals for June 30, 2018)

	Sanitation Fund	Solana Energy Alliance Fund	Total Proprietary Funds	
			2019	2018
Assets:				
Current Assets:				
Cash and investments	\$ 10,318,810	\$ -	\$ 10,318,810	\$ 14,041,034
Receivables:				
Accounts	70,819	796,701	867,520	594,021
Taxes	-	-	-	42,934
Interest	120,094	-	120,094	51,364
Prepaid costs	1,691	-	1,691	29,137
Deposits	-	100,000	100,000	-
Due from other governments	165,610	-	165,610	-
Restricted cash and investments	49	-	49	54
Total Current Assets	<u>10,677,073</u>	<u>896,701</u>	<u>11,573,774</u>	<u>14,758,544</u>
Noncurrent Assets:				
Advances to other funds	2,800,000	-	2,800,000	-
Investment in joint venture	34,540,199	-	34,540,199	34,289,455
Capital assets, not being depreciated	3,084,511	-	3,084,511	1,055,830
Capital assets, net of accumulated depreciation	12,678,411	-	12,678,411	12,756,729
Total Noncurrent Assets	<u>53,103,121</u>	<u>-</u>	<u>53,103,121</u>	<u>48,102,014</u>
Total Assets	<u>63,780,194</u>	<u>896,701</u>	<u>64,676,895</u>	<u>62,860,558</u>
Deferred Outflows of Resources:				
Deferred charge on refunding	137,294	-	137,294	205,941
Deferred outflows related to pensions	172,144	44,206	216,350	81,669
Total Deferred Outflows of Resources	<u>309,438</u>	<u>44,206</u>	<u>353,644</u>	<u>287,610</u>
Liabilities:				
Current Liabilities:				
Accounts payable	335,839	431,549	767,388	639,680
Accrued liabilities	10,301	24,878	35,179	9,389
Interest payable	226,526	-	226,526	239,242
Due to other funds	-	157,189	157,189	141,304
Compensated absences, due within one year	24,594	-	24,594	28,376
Long-term debt, due within one year	555,000	-	555,000	1,021,154
Total Current Liabilities	<u>1,152,260</u>	<u>613,616</u>	<u>1,765,876</u>	<u>2,079,145</u>
Noncurrent Liabilities:				
Compensated absences	26,808	-	26,808	19,083
Long-term debt	17,509,945	-	17,509,945	18,125,758
Net other post-employment benefits liability	162,569	41,887	204,456	-
Net pension liability	645,073	165,669	810,742	257,119
Total Noncurrent Liabilities	<u>18,344,395</u>	<u>207,556</u>	<u>18,551,951</u>	<u>18,401,960</u>
Total Liabilities	<u>19,496,655</u>	<u>821,172</u>	<u>20,317,827</u>	<u>20,481,105</u>
Deferred Inflows of Resources:				
Deferred inflows relating to pensions	29,356	7,540	36,896	15,906
Deferred inflows relating to other post-employment benefits	57,630	14,849	72,479	-
Total Deferred Inflows of Resources	<u>86,986</u>	<u>22,389</u>	<u>109,375</u>	<u>15,906</u>
Net Position:				
Net investment in capital assets	8,892,771	-	8,892,771	5,929,088
Restricted for debt service	49	-	49	54
Unrestricted	35,613,171	97,346	35,710,517	36,722,015
Total Net Position	<u>\$ 44,505,991</u>	<u>\$ 97,346</u>	<u>\$ 44,603,337</u>	<u>\$ 42,651,157</u>

The notes to financial statements are an integral part of this statement.

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
JUNE 30, 2019
(With comparative totals for June 30, 2018)

	Sanitation Fund	Solana Energy Alliance Fund	Total Proprietary Funds	
			2019	2018
Operating Revenues:				
Charges for services	\$ 5,592,045	\$ 5,202,375	\$ 10,794,420	\$ 5,909,997
Miscellaneous Revenue	15,901	-	15,901	88,239
Total Operating Revenues	5,607,946	5,202,375	10,810,321	5,998,236
Operating Expenses:				
Cost of sales and services	2,111,713	5,139,300	7,251,013	2,637,205
Administration	1,103,141	71,516	1,174,657	381,153
Depreciation	423,531	-	423,531	383,902
Total Operating Expenses	3,638,385	5,210,816	8,849,201	3,402,260
Operating Income (Loss)	1,969,561	(8,441)	1,961,120	2,595,976
Nonoperating Revenues (Expenses):				
Interest income	555,166	2,013	557,179	81,629
Interest expense	(705,008)	-	(705,008)	(776,017)
Amortization of bond premium/discount & refunding charge	(35,280)	-	(35,280)	(292,627)
Amortization of investment premium	(10,945)	-	(10,945)	(10,945)
Share in joint venture net gain/(loss)	185,114	-	185,114	1,991,060
Total Nonoperating Revenues (Expenses)	(10,953)	2,013	(8,940)	993,100
Changes in Net Position	1,958,608	(6,428)	1,952,180	3,589,076
Net Position at the Beginning of the Year	42,547,383	103,774	42,651,157	39,062,081
Net Position at the End of the Year	\$ 44,505,991	\$ 97,346	\$ 44,603,337	\$ 42,651,157

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

JUNE 30, 2019

(With comparative totals for June 30, 2018)

	Sanitation Fund	Solana Energy Alliance Fund	Total Proprietary Funds	
			2019	2018
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 5,514,541	\$ 4,799,605	\$ 10,314,146	\$ 5,418,193
Cash paid to suppliers for goods and services	(2,139,255)	(4,770,865)	(6,910,120)	(2,038,937)
Cash paid to employees for services	(566,939)	(46,857)	(613,796)	(552,536)
Net Cash Provided by (Used for) Operating Activities	2,808,347	(18,117)	2,790,230	2,826,720
Cash Flows from Noncapital Financing Activities:				
Proceeds from short-term interfund borrowings	-	15,885	15,885	806,768
Repayment made to other funds	(2,800,000)	-	(2,800,000)	-
Net Cash Provided by (Used for) Noncapital Financing Activities	(2,800,000)	15,885	(2,784,115)	806,768
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(2,373,894)	-	(2,373,894)	(956,179)
Principal paid on capital debt	(1,081,967)	-	(1,081,967)	(1,084,159)
Interest paid on capital debt	(695,521)	-	(695,521)	(904,384)
Proceeds from capital debt	-	-	-	7,324,984
Defeasance on debt	-	-	-	(7,525,000)
Net Cash Used for Capital and Related Financing Activities	(4,151,382)	-	(4,151,382)	(3,144,738)
Cash Flows from Investing Activities:				
Interest received	486,436	2,013	488,449	67,363
Investment in joint venture	(65,630)	-	(65,630)	10,945
Net Cash Provided by Investing Activities	420,806	2,013	422,819	78,308
Net Increase (Decrease) in Cash and Cash Equivalents	(3,722,229)	(219)	(3,722,448)	567,058
Cash and Cash Equivalents, July 1 (including \$54 for the Sanitation Fund Reported for Restricted Accounts)	14,041,088	219	14,041,307	13,474,030
Cash and Cash Equivalents, June 30 (Including \$49 for the Sanitation Fund Reported in Restricted Accounts)	\$ 10,318,859	\$ -	\$ 10,318,859	\$ 14,041,088

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 JUNE 30, 2019

(With comparative totals for June 30, 2018)

	Sanitation Fund	Solana Energy Alliance Fund	Total Proprietary Funds	
			2019	2018
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Operating income (loss)	\$ 1,969,561	\$ (8,441)	\$ 1,961,120	\$ 2,595,976
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation	423,531	-	423,531	383,902
(Increase) decrease in accounts receivable	72,205	(302,770)	(230,565)	(580,043)
(Increase) in deposits receivable	-	(100,000)	(100,000)	-
(Increase) in due from other governments	(165,610)	-	(165,610)	-
Decrease in prepaid expense	27,446	-	27,446	845
Increase (decrease) in accounts payable	(54,988)	182,696	127,708	597,423
(Decrease) in accrued liabilities	1,131	24,659	25,790	1,340
Increase (decrease) in net pension liability	310,929	129,003	439,932	(181,646)
Increase in other post-employment benefits	220,199	56,736	276,935	-
Increase in compensated absences	3,943	-	3,943	8,923
Total Adjustments	838,786	(9,676)	829,110	230,744
Net Cash Provided by (Used for) Operating Activities	\$ 2,808,347	\$ (18,117)	\$ 2,790,230	\$ 2,826,720
Schedule of Non-Cash Investing, Capital, and Financing Activities:				
Amortization of bonds premium/discount	\$ 68,647	\$ -	\$ -	\$ -
Unrealized gain on investment in joint venture	185,114	-	185,114	1,991,060

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**FIDUCIARY FUND
FINANCIAL STATEMENTS**

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CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	Agency Funds		OPEB Trust Fund		Private-Purpose Trust Successor Agency of the Former RDA	
	2019	2018	2019	2018	2019	2018
Assets:						
Cash and investments	\$ 519,890	\$ 506,663	\$ -	\$ -	\$ 244,663	\$ 472,600
Receivables:						
Accounts	1,668	1,248	-	-	-	-
Taxes	5,049	2,771	-	-	-	-
Restricted assets:						
Cash	-	-	633,829	10,538	-	-
Mutual funds	-	-	-	340,743	-	-
Cash and investments with fiscal agents	-	-	-	-	198	60
Total Assets	\$ 526,607	\$ 510,682	633,829	351,281	244,861	472,660
Liabilities:						
Accounts payable	\$ 912	\$ 7	294	-	613	660
Accrued liabilities	-	-	-	-	1,104	2,981
Accrued interest	-	-	-	-	7,078	7,391
Due to bondholders	525,695	510,675	-	-	-	-
Long-term liabilities:						
Bonds payable, due in one year	-	-	-	-	116,900	112,000
Bonds payable, due in more than one year	-	-	-	-	2,410,800	2,527,700
Total Liabilities	\$ 526,607	\$ 510,682	294	-	2,536,495	2,650,732
Net Position:						
Restricted for other post-employment benefits			633,535	351,281	-	-
Held in trust for other purposes			-	-	(2,291,634)	(2,178,072)
Total Net Position			\$ 633,535	\$ 351,281	\$ (2,291,634)	\$ (2,178,072)

CITY OF SOLANA BEACH, CALIFORNIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	OPEB Trust Fund		Private-Purpose Trust Fund	
			Successor Agency of the Former RDA	
	2019	2018	2019	2018
Additions:				
Contributions:				
Employer contributions	\$ -	\$ 92,434	\$ -	\$ -
Plan members	253,516	-	-	-
Total contributions	253,516	92,434	-	-
Investment earnings:				
Interest	25,027	13,513	199	709
Net increase in the fair value of investments	6,490	6,892	-	-
Net investment earnings	31,517	20,405	199	709
Taxes	-	-	141,440	411,790
Total Additions	285,033	112,839	141,639	412,499
Deductions:				
Administrative expenses	2,779	2,612	159,942	159,672
Contractual services	-	-	7,795	4,778
Interest expense	-	-	87,464	222,036
Total Deductions	2,779	2,612	255,201	386,486
Changes in Net Position	282,254	110,227	(113,562)	26,013
Net Position at the Beginning of the Year	351,281	241,054	(2,178,072)	(2,204,085)
Net Position at the End of the Year	\$ 633,535	\$ 351,281	\$ (2,291,634)	\$ (2,178,072)

The notes to financial statements are an integral part of this statement.

NOTES TO BASIC FINANCIAL STATEMENTS

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Note 1: Summary of Significant Accounting Policies

The basic financial statements of the City of Solana Beach, California (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental agencies. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

a. Financial Reporting Entity

The City was formed July 1, 1986 after an election held June 3, 1986 in the proposed incorporated area. The City's incorporation involved a reorganization consisting primarily of the incorporation of the City of Solana Beach; the detachment of territory from the Cardiff Sanitation District and annexation of the same territory to the Solana Beach Sanitation District; the establishment of the Solana Fire Protection District and Solana Beach Sanitation District as subsidiary districts of the City; and the establishment of five improvement districts of the City, which coincided with five previously existing county service areas (CSAs). The City merged the Fire District into the City by dissolving the District and creating a separate Fire Department within the City's General Fund effective January 1, 1988. Effective July 1, 1990, the Solana Beach Sanitation District was dissolved and is now a department of the City.

The Solana Beach Public Facilities Corporation (Corporation) was incorporated on July 25, 1990 as a nonprofit public benefit corporation duly organized and existing under the Nonprofit Public Benefit Corporation Law. Its purpose is to benefit the City by providing financing for the planning, development, acquisition, construction, improvement, extension, repair, and renovation of public works projects, public facilities, furnishings, and equipment for use by the City. The Corporation does not issue separate financial statements. The City's basic financial statements have the Corporation included using the blended method since the governing bodies of the component unit is substantially the same as the governing body of the City. The Corporation provides services entirely to the City.

b. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of Governmental and Business-Type Activities for the City, the primary government, accompanied by a total column. Fiduciary activities of the City are not included in these statements.

Note 1: Summary of Significant Accounting Policies (Continued)

The Government-Wide Financial Statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets and related infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to, Due from other funds
- Advances to, Advances from other funds
- Transfers in, Transfers out

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Note 1: Summary of Significant Accounting Policies (Continued)

Revenues are recorded when received in cash, except those revenues subject to accrual (generally 90 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, sales taxes, franchise taxes, gas taxes, transient occupancy taxes, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unavailable revenues arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable revenue is removed from the balance sheet and revenue is recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences.

The City reports the following major governmental fund:

General Fund - accounts for all revenues and expenditures used to finance the traditional services associated with a municipal government which are not accounted for in the other funds. In Solana Beach, these services include general government, public safety, public works, community development, and community services.

TransNet Special Revenue Fund - accounts for revenues received and expenditures made related to transportation development, transit and related studies. Funding is provided to the City as a secondary recipient under agreement with the County of San Diego and with San Diego Association of Governments (SANDAG).

City Capital Projects Fund - accounts for the acquisition, construction and improvement of capital facilities and infrastructure. Projects are funded by transfers from the General Fund.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for all proprietary funds.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Note 1: Summary of Significant Accounting Policies (Continued)

Operating revenues, such as charges for services, in the proprietary funds are those revenues that are generated from exchange transactions as the primary operations of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. All other revenues, such as subsidies, taxes, and investment earnings, which result from non-exchange transactions or ancillary activities are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major proprietary fund:

Sanitation Fund - is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing sewage and wastewater treatment services to the general public on a continuing basis be financed or recovered primarily through user charges.

Solana Energy Alliance Fund - is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost of providing clean energy services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Net Position. The City's fiduciary funds include agency funds, an OPEB trust fund and one private-purpose trust fund. Agency funds are used to account for collections received from special assessment districts and their disbursement to bondholders. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Spending of agency fund resources is controlled primarily through legal agreements and applicable State and Federal laws. Agency funds are reported using the accrual basis of accounting.

The Private-Purpose Trust Fund is used to account for the assets and liabilities of the former redevelopment agency and the allocated revenue to pay estimated installment payments of enforceable obligations until the obligations of the former redevelopment agency are paid in full and assets have been liquidated.

The OPEB and Private Purpose Trust Fund funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Note 1: Summary of Significant Accounting Policies (Continued)

c. Cash, Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City considers pooled cash and investment amounts, with original maturities of three months or less, to be cash equivalents.

The cash flow statements require presentation of “cash and cash equivalents”. For the purpose of the statement of cash flows, the City considers all proprietary fund pooled cash and investments as “cash and cash equivalents”, as such funds are available to the various funds as needed.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled *Local Agency Investment Fund* (LAIF) which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF’s investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as to change in interest rates.

d. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects.

e. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the time of acquisition by the City. City policy has set the capitalization threshold for reporting infrastructure and all other capital assets at \$5,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings and improvements	20-50 years
Equipment	3-25 years
Infrastructure - sewer lines	40-50 years
Infrastructure - other	20-60 years

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include roads and streets, curbs, gutters and sidewalks, street lights, signs and signals, park equipment, and storm drains. The appropriate operating department maintains information regarding the infrastructure assets.

Note 1: Summary of Significant Accounting Policies (Continued)

For all infrastructure systems, the City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City commissioned an appraisal of City owned infrastructure and property that determined the original cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition.

Original costs were developed in one of three ways: (1) historical records; (2) standard unit costs appropriate for the construction/acquisition date; or (3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

f. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and governmental fund balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the deferred outflows relating to the net pension obligation reported in the government-wide statement of net position and proprietary statement of net position. These outflows are the results of contributions made after the measurement period, which are recognized in the following year, and of adjustments due to difference in proportions, differences between expected and actual experiences, changes in assumptions, and the net difference between expected and actual earnings on plan investments. These amounts are deferred and amortized over the expected average remaining service lifetime or five years.

In addition to liabilities, the statement of financial position or governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category which are deferred inflows related to the pensions and deferred inflows relating to other post-employment benefits reported in the government-wide statement of net position and proprietary statement of net position. These inflows are the result of the differences between employer's contributions and proportionate share of contributions, adjustment due to differences in proportions, differences between expected and actual experiences, and changes in assumptions. These amounts are deferred and amortized straight-line over the expected average remaining service lifetime.

Note 1: Summary of Significant Accounting Policies (Continued)

g. Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

h. Compensated Absences

Government-Wide Financial Statements

For governmental activities, compensated absences are recorded as incurred and the related expenses and liabilities are reported.

Fund Financial Statements

In governmental funds, compensated absences are recorded as expenditures in the years paid, as it is the City's policy to liquidate any unpaid vacation or sick leave at June 30 from future resources, rather than currently available financial resources. Accordingly, the entire unpaid liability for the governmental funds is recorded in the government-wide financial statements, as these amounts will be liquidated from future resources. In the proprietary fund, compensated absences are expensed in the period they are earned, and the unpaid liability is recorded as a long-term liability of the fund.

i. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

j. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan), the assets of which are held by Public Agency Retirement Services (PARS), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss with the net difference between projected and actual earnings on OPEB plan investments being recognized over 5 years and all other amounts being recognized over the expected average remaining service lifetime (EARSLS) of 6.3 years at June 30, 2019.

k. Net Position

In the Government-Wide and Proprietary Fund Financial Statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets, net of accumulated depreciation and reduced by outstanding debt that was issued for the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position.”

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

Note 1: Summary of Significant Accounting Policies (Continued)

I. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

m. Fund Balances

In the Governmental Fund Financial Statements, fund balances are classified in the following categories:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City. The formal action required to establish, modify, or rescind a fund balance commitment is through a resolution.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized through a resolution the City Manager and the Director of Finance for that purpose.

Unassigned – This is the residual classification that includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balances first, then unrestricted fund balances as they are needed.

Note 1: Summary of Significant Accounting Policies (Continued)

n. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order: committed, assigned, and unassigned.

o. Property Taxes

Property taxes are levied on July 1 and are payable in two installments: November 1 and February 1 of each year. Property taxes become delinquent on December 10 and April 10, for the first and second installments, respectively. The lien date is January 1. The County of San Diego, California (County) bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when received in cash except at year end when they are accrued pursuant to the modified accrual basis of accounting. The City recognizes as revenues at June 30 available taxes or those collected within 90 days. The County is permitted by State law to levy taxes at 1% of full market value (at time of purchase) and can increase the property tax rate no more than 2% per year. The City receives a share of this basic levy.

p. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 2: Stewardship, Compliance, and Accountability

a. Budgets

The Boating and Waterways Fund and Miscellaneous Grants Fund did not adopt budgets. Therefore, no budgetary comparison schedule is presented as supplementary information.

b. Deficit Fund Balances

At June 30, 2019, the following funds had deficit fund balances:

Fund	Deficit
Special Revenue Funds	
Fire Mitigation Fund	\$ 17,710
Transportation Development Act Fund	28,221
CDBG Fund	15,573
Developer Pass Through Fund	87
CAMP Programs Fund	51,005

The deficits will be resolved through future fund revenue sources.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 3: Cash and Investments

The following is a summary of pooled cash and investments and restricted cash and investments at June 30, 2019:

	Government-Wide Statement of Net Position		Fiduciary Funds	Total
	Governmental Activities	Business-Type Activities	Statement of Net Position	
Cash and investments	\$ 27,722,276	\$ 10,318,810	\$ 764,553	\$ 38,805,639
Restricted cash and investments	-	49	633,829	633,878
Cash and investments with fiscal agent held by fiscal agents	1,744,718	-	198	1,744,916
Total	\$ 29,466,994	\$ 10,318,859	\$ 1,398,580	\$ 41,184,433

Cash and investments consisted of the following at June 30, 2019:

Cash:	
Cash on hand	\$ 400
Demand deposits	821,965
Total cash	822,365
Investments:	
Local Agency Investment Fund	6,473,519
Investments	31,510,002
Cash and investments held in PARS Section 115 Trust	2,378,547
Total investments	40,362,068
Total cash and investments	\$ 41,184,433

a. Cash Deposits

The carrying amounts of the City's cash deposits were \$821,965 at June 30, 2019. Bank balances were \$1,584,673 at that date. The total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name is discussed below. The \$762,708 difference represents outstanding checks and other reconciling items.

The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2019, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. For investments identified herein as held by fiscal agent, the fiscal agent selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the City.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019
Note 3: Cash and Investments (Continued)**b. Investments**
Investments Authorized by the California Government Code and the City's Investment Policy

The following table identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. The City has no investments held by bond trustee.

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity	*Maximum Percentage of Portfolio	*Maximum Investment in One Issuer
Local agency bonds	Yes	5 years	None	65,000,000
U.S. Treasury bills	Yes	5 years	None	25%
U.S. Treasury notes	Yes	5 years	None	25%
U.S. agency securities	Yes	5 years	None	25%
Banker's acceptances	Yes	180 days	25%	5%
Commercial paper	Yes	270 days	25%	10%
Non-Negotiable certificates of deposit	Yes	5 years	20%	5%
Negotiable certificates of deposit	Yes	5 years	30%	None
Certificate of Deposit Placement Services	Yes	5 years	30%	None
Collateralized Bank Deposits	Yes	1 year	None	None
Repurchase agreements	Yes	1 year	None	None
Medium-term notes	Yes	5 years	30%	5%
Mutual funds	Yes	5 years	20%	None
Money market mutual funds	Yes	5 years	20%	None
Asset backed security	Yes	5 years	20%	5%
Supranational	Yes	5 years	30%	10%
Local Agency Investment Fund (LAIF)	Yes	5 years	\$65,000,000	None

* Based on state law or investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by fiscal agent are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
U.S. Treasury obligations	None	None	None
U.S. agency securities	None	None	None
Banker's acceptances	360 days	None	None
Commercial paper	270 days	None	None
Money market mutual funds	90 days	None	None
Investment contracts	None	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 3: Cash and Investments (Continued)**c. External Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based on the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on accounting records maintained by LAIF, which are recorded on an amortized cost basis. The entire balance of the City's share of the investment pool is available for withdrawal at any time. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of \$1 and not fair value. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

d. Risk Disclosures**Interest Rate Risk**

Interest rate risk is the risk that the market value of investments in the portfolio will fall due to changes in market interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City manages this risk by investing its operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools to ensure liquidity and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

	Fair Value	Remaining Investment Maturities		
		12 Months Or Less	13 to 24 Months	25 to 60 Months
Investments:				
Local Agency Investment Fund	\$ 6,473,519	\$ 6,473,519	\$ -	\$ -
US Treasury	9,161,060	2,507,507	448,578	6,204,975
U.S Government Agency Securities				
Federal Farm Credit Bank	7,078,815	1,477,345	-	5,601,470
Federal Home Loan Mortgage Corp	1,645,068	1,645,068	-	-
Federal National Mortgage Association	3,467,901	1,227,494	712,642	1,527,765
Medium Term Notes	5,793,621	2,820,840	2,463,711	509,070
Commercial Paper	1,572,668	151,569	-	1,421,099
Money Market	101,588	101,588	-	-
Negotiable CDs	481,459	481,459	-	-
Supranational	1,330,777	1,124,693	206,084	-
Asset Backed Security	876,797	3,399	38,601	834,797
Investments with fiscal agents:				
Money Market Mutual Funds	2,154,096	2,154,096	-	-
Cash Equivalent	224,699	224,699	-	-
Total Investments	\$ 40,362,068	\$ 20,393,276	\$ 3,869,616	\$ 16,099,176

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 3: Cash and Investments (Continued)

Credit Risk

Credit Risk is the risk of loss due to failure of the security issuer. The risk can be identified through the rating assigned by a nationally recognized statistical rating organization to the issuers of securities. The City minimizes this risk by investing only in investment types allowed for municipalities by the Government Code as listed on the City's investment policy and investing only in instruments that are most credit worthy. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of June 30, 2019, for each investment type.

Investment Type	Total as of June 30, 2019	Minimum Legal Rating				
			A+ - A-	AA+ - AA-	AAA	Not Rated
Investments:						
Local Agency Investment Fund	\$ 6,473,519	N/A	\$ -	\$ -	\$ -	\$ 6,473,519
US Treasury	9,161,060	N/A	-	9,161,060	-	-
U.S Government Agency Securities						
Federal Farm Credit Bank	7,078,815	N/A	-	7,078,815	-	-
Federal Home Loan Mortgage Corp.	1,645,068	N/A	-	1,645,068	-	-
Federal National Mortgage Association	3,467,901	N/A	-	3,467,901	-	-
Medium Term Notes	5,793,621	A	5,339,272	149,712	304,637	-
Commercial Paper	1,572,668	A-1	402,412	1,170,256	-	-
Money Market	101,588	AAA	-	-	-	101,588
Negotiable CD	481,459	N/A	-	-	-	481,459
Supranational	1,330,777	AA	-	206,084	1,124,693	-
Asset Backed Security	876,797	AA	-	-	673,407	203,390
Investments with Fiscal Agent						
Money Market Mutual Fund	2,154,096	N/A	-	-	-	2,154,096
Cash Equivalent	224,699	N/A	-	-	-	224,699
Total Investments	\$ 40,362,068		\$ 5,741,684	\$ 22,878,896	\$ 2,102,737	\$ 9,638,751

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 3: Cash and Investments (Continued)

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The City had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

Issuer	Investment Type	Reported Amount	
Federal Farm Credit Banks	Federal agency securities	7,078,815	18%
Fannie Mae	Federal agency securities	67,901	9%

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2019:

Investment Type	Totals	Level 2	Uncategorized
Local Agency Investment Fund	\$ 6,473,519	\$ -	\$ 6,473,519
US Treasury	9,161,060	9,161,060	-
Federal Agencies	12,191,784	12,191,784	-
Medium Term Notes	5,793,621	5,793,621	-
Commercial Paper	1,572,668	1,572,668	-
Money Market	101,588	101,588	-
Negotiable	481,459	481,459	-
Supranational	1,330,777	1,330,777	-
Asset Backed Security	876,797	876,797	-
Investments with fiscal agents:			
Money Market Mutual Funds	2,154,096	2,154,096	-
Cash Equivalent	224,699	-	224,699
Total Investments	<u>\$ 40,362,068</u>	<u>\$ 33,663,850</u>	<u>\$ 6,698,218</u>

Certificates of Deposit, any local agency, and Registered Treasury Notes or Bonds of any other 49 States are classified in Level 2 of the fair value hierarchy are value using specified fair market value factors.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 4: Interfund Transactions

Due From and To Other Funds

At June 30, 2019, the City had the following short-term interfund receivables and payables:

Due to other funds	Due from other funds		
	General Fund	City CIP	Total
Non-major Governmental Funds	145,859	-	145,859
Solana Energy Alliance	126,018	31,171	157,189
Total	\$ 271,877	\$ 31,171	\$ 303,048

Due from/to other funds balances arise from the short-term borrowing made from the City's General Fund to various other funds to cover cash shortages during the year. The General Fund and City CIP fund also provided a short-term borrowing of \$107,494 to the Solana Energy Alliance fund as part of the process of starting up the activities of that fund that will be paid back to the General Fund and City CIP fund by August 2019. The remaining amount due to the General Fund by Solana Energy Alliance of \$49,695 will be paid back to the General Fund in the fiscal year ended June 30, 2020.

Interfund Transfers

For the year ended June 30, 2019, the City had the following transfers:

Transfers Out	Transfers In		
	City CIP Fund	Non-Major Governmental Funds	Total
General Fund	\$ 2,113,900	\$ 397,328	\$ 2,511,228
Non-major governmental funds	-	125,142	125,142
	\$ 2,113,900	\$ 522,470	\$ 2,636,370

The most significant interfund transfers were from the General Fund to the City Capital Projects Fund for the City's construction project costs. With the non-major funds, transfers were made to various special revenue funds to public service and public works related costs, as well as debt service principal and interest payments on capital leases. During the fiscal year ended June 30, 2019, there were no significant interfund transfers that were not expected, budgeted for, unusual, nor of a non-routine nature.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 4: Interfund Transactions (Continued)

Advances to, Advances from other funds

On July 11, 2018, the City Council adopted Resolution 2018-069 approving the purchase and sale agreement for 700 Stevens Avenue ("Property") for \$2.8 million; establishing an internal General Fund service fund named "Real Property Acquisition" to receive funds from the Sanitation fund to pay for the acquisition of the Property; and authorizing the transfer of \$2.8 million from the Sanitation Fund to the Real Property Acquisition fund as a loan payable to the Sanitation fund at an annual interest rate of 2.78% for seven years with annual payments equal to \$445,699.

The City is a built-out coastal community and availability of vacant land is scarce. The Property is three parcels of vacant land totaling approximately 28,978 square feet and is located immediately north of and adjacent to La Colonia Park. The purchase of the Property offered the City an opportunity to expand the existing open space, recreation and park use in the future.

The City has the ability to make this kind of transfer from one fund to another so long as there is no prohibition on the use of the funds. In this case, the Sanitation funds are not specifically prohibited for other uses (except for connection fees, which cannot be used for any other purpose). See Health & Safety Code §§ 5473 et seq.

The City elected to borrow funds from its Sanitation Fund to pay for the purchase of the Property. Repayment to the Sanitation Fund over the seven years of the loan will be as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 367,859	\$ 77,840	\$ 445,699
2021	378,085	67,614	445,699
2022	388,596	57,103	445,699
2023	399,399	46,300	445,699
2024	410,503	35,196	445,699
2025	421,914	23,785	445,699
2026	433,644	12,055	445,699
Total	<u>\$ 2,800,000</u>	<u>\$ 319,893</u>	<u>\$ 3,119,893</u>

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 5: Capital Assets

The following is a summary of changes in capital assets for governmental activities for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Deletions	Transfers	Balance June 30, 2019
Governmental Activities:					
<i>Non-Depreciable Assets:</i>					
Land	\$ 2,537,440	\$ 2,800,000	\$ -	\$ -	\$ 5,337,440
Construction in progress	1,296,110	2,796,829	-	(1,301,810)	2,791,129
Total non-depreciable assets	<u>3,833,550</u>	<u>5,596,829</u>	<u>-</u>	<u>(1,301,810)</u>	<u>8,128,569</u>
<i>Depreciable Assets:</i>					
Buildings	6,016,915	-	-	-	6,016,915
Improvements	12,176,538	-	-	298,184	12,474,722
Equipment	2,209,601	65,099	-	-	2,274,700
Vehicles	2,443,545	58,555	34,583	-	2,467,517
Infrastructure	70,731,833	33,745	-	1,003,626	71,769,204
Total depreciable assets	<u>93,578,432</u>	<u>157,399</u>	<u>34,583</u>	<u>1,301,810</u>	<u>95,003,058</u>
<i>Less accumulated depreciation:</i>					
Buildings	(2,878,694)	(120,792)	-	-	(2,999,486)
Improvements	(4,762,368)	(422,367)	-	-	(5,184,735)
Equipment	(1,870,178)	(113,389)	-	-	(1,983,567)
Vehicles	(1,473,816)	(182,716)	34,583	-	(1,621,949)
Infrastructure	(52,056,620)	(3,062,241)	-	-	(55,118,861)
Total accumulated depreciation	<u>(63,041,676)</u>	<u>(3,901,505)</u>	<u>34,583</u>	<u>-</u>	<u>(66,908,598)</u>
Total depreciable assets, net	<u>30,536,756</u>	<u>(3,744,106)</u>	<u>69,166</u>	<u>1,301,810</u>	<u>28,094,460</u>
Total capital assets, net	<u>\$ 34,370,306</u>	<u>\$ 1,852,723</u>	<u>\$ 69,166</u>	<u>\$ -</u>	<u>\$ 36,223,029</u>

Governmental activities depreciation expense for capital assets for the year ended June 30, 2019, is as follows:

General Government	\$ 130,805
Public Safety	245,325
Public Works	3,107,059
Community Development	37,528
Community Services	380,788
Total depreciation expenses	<u>\$ 3,901,505</u>

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 5: Capital Assets (Continued)

	Balance June 30, 2018	Transfers	Additions	Deletions	Balance June 30, 2019
Business-Type Activities					
<i>Non-Depreciable Assets:</i>					
Land	\$ 111,706	\$ -	\$ -	\$ -	\$ 111,706
Construction in progress	944,124	(343,761)	2,372,442	-	2,972,805
Total non-depreciable assets	1,055,830	(343,761)	2,372,442	-	3,084,511
<i>Depreciable Assets:</i>					
Building and improvements	18,964,628	343,761	1,452	-	19,309,841
Equipment	828,705	-	-	-	828,705
Total depreciable assets	19,793,333	343,761	1,452	-	20,138,546
<i>Less accumulated depreciation:</i>					
Building and improvements	(6,538,543)	-	(390,467)	-	(6,929,010)
Equipment	(498,061)	-	(33,064)	-	(531,125)
Total accumulated depreciation	(7,036,604)	-	(423,531)	-	(7,460,135)
Total depreciable assets, net	12,756,729	343,761	(422,079)	-	12,678,411
Total capital assets, net	\$ 13,812,559	\$ -	\$ 1,950,363	\$ -	\$ 15,762,922

Business-type activities depreciation expense for capital assets for the year ended June 30, 2019, is \$423,531

Note 6: Compensated Absences

The following is a summary of changes in compensated absences for the year ended June 30, 2019:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year
Governmental Activities	\$ 367,342	\$ 308,261	\$ 281,878	\$ 393,725	\$ 302,123
Business-Type Activities	47,459	26,650	22,707	51,402	24,594
Total	\$ 414,801	\$ 334,911	\$ 304,585	\$ 445,127	\$ 326,717

Compensated absences do not have a fixed repayment schedule and become payable when leave is used by employees. Governmental activities' compensated absences are typically liquidated through the General Fund, and business-type activities' compensated absences are liquidated through the Water Utility Fund.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 7: Capital Lease Obligations

The following is a summary of changes in governmental activities' capital lease obligations for the year ended June 30, 2019:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year
Energy Efficiency/Conservation Upgrades	\$ 565,930	\$ -	\$ 51,288	\$ 514,642	\$ 53,073
Fire Truck Lease	377,567	-	122,883	254,684	125,832
Total	\$ 943,497	\$ -	\$ 174,171	\$ 769,326	\$ 178,905

a. Energy Efficiency/Conservation Upgrades

On May 9, 2012, the City entered into a capital lease with Municipal Finance Corporation for various energy efficiency/conservation upgrades at City facilities. The lease was executed in the amount of \$818,696. Rental payments are due in thirty-one semi-annual payments of \$35,187 and include interest at the rate of 3.45%. The City also executed an acquisition fund agreement with Deutsche Bank National Trust Company for distribution of the funds.

b. Fire Truck Lease

In 2016, the City entered into a capital lease with Municipal Finance Corporation for for a fire truck at the cost of \$614,759. Rental payments are due in annual installments of \$131,944 which includes interest at the rate of 2.40% per annum. Payments are due July of each year.

The debt requirements due under the terms of the leases as of June 30, 2019, are as follows:

Year Ending June 30,	Governmental Activities
2020	\$ 202,318
2021	202,318
2022	70,374
2023	70,374
2024	70,374
2025-2028	246,309
Total minimum lease payments	862,067
Less: amount representing interest	(92,741)
Present value of minimum lease payments	\$ 769,326

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 8: Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2019:

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Limited Tax Bonds 2010A Series	\$ 5,500,000	\$ -	\$ -	\$ 5,500,000	\$ -
Unamortized discount	(4,841)	-	(1,066)	(3,775)	-
Direct Placements:					
Lease Revenue Bonds - ABAG	690,400	-	129,800	560,600	137,600
Subtotal - Governmental Activities	6,185,559	-	128,734	6,056,825	137,600
Business-Type Activities:					
Bonds Payable:					
2017 Waste Water Refunding Bond	6,655,000	-	270,000	6,385,000	280,000
Unamortized premium	565,757	-	60,812	504,945	-
Direct Borrowings:					
SEJPA Loan Payable - 2011	868,655	-	751,155	117,500	57,500
SEJPA Loan Payable - 2017	11,057,500	-	-	11,057,500	217,500
Subtotal - Business Type Activities	19,146,912	-	1,081,967	18,064,945	555,000
Total Long-Term Debt	\$ 25,332,471	\$ -	\$ 1,210,701	\$ 24,121,770	\$ 692,600

a. Bonds Payable

San Diego County Regional Transportation Commission Sales Tax Revenue Bonds

On October 28, 2010, the San Diego Association of Governments (SANDAG), acting as the San Diego County Regional Transportation Commission, issued \$338,960,000 Taxable Build America Bonds 2010 Series A (Limited Tax Bonds). SANDAG is responsible for the administration of programs under the TransNet Extension ordinance, Proposition A, which sets forth the permitted uses for revenues from a half cent transaction and use tax in San Diego County (TransNet Extension Program). In fiscal year ended June 2010, the City borrowed \$5,500,000 from the TransNet debt financing program for the Highway 101 Streetscaping/Traffic Calming Project and other projects eligible under the terms of the debt financing and applicable SANDAG policies and approved projects. 2017 Wastewater Revenue Refunding Bonds. The bond is wholly secured by sales tax revenues pledged for the payment of debt service. In the event of default, all sales tax revenues pledged for the payment of the debt must be transferred to the bond trustee; however, there is no acceleration of payment on outstanding debt service.

Note 8: Long-Term Debt (Continued)

2017 Wastewater Revenue Refunding Bonds

On August 1, 2017, the City, issued \$6,865,000 of 2017 Wastewater Revenue Refunding Bonds to refund, on a current basis, the outstanding Solana Beach Public Financing Authority Subordinate Wastewater Revenue Bonds, Series 2006, which were issued to finance the improvement, betterment, renovation and expansion of certain facilities within the City's municipal wastewater enterprise. These bonds have a 19-year maturity with principal payments ranging from \$210,000 to \$485,000 with the final maturity paid on March 1, 2036. Interest on the bonds is payable semi-annually March 1 and September 1 commencing on March 1, 2018. Interest rates range from 4.00% to 4.375%. Failure by the City to make debt service payments on the Bonds constitutes an event of default under the Indenture and the Trustee is permitted to pursue remedies at law or in equity to enforce the City's obligation to make such payments. Although the Trustee has the right to accelerate the total unpaid principal amount of the debt service payments on the Bonds, there is no assurance that the City would have sufficient funds to pay the accelerated amounts.

The Bonds are paid solely from, and secured by a pledge of, installment payments and moneys in the funds and account held under the indenture. The installment payments are special limited obligations of the City payable solely from and secured by a pledge of and first lien on residual net revenues of the Wastewater System. Residual net revenues consist of revenues derived from the Wastewater System and remaining after the payment of operating and maintenance expense and debt service on the JPA Loan Payable. The loan amount outstanding at June 30, 2019, is \$6,385,000.

b. Direct Borrowings and Direct Placements

Lease Revenue Bonds – ABAG

On January 10, 2002, the City issued \$3,465,000 of Series 2002 ABAG Lease Revenue Bonds to advance refund \$2,185,000 of the outstanding Certificates of Participation, Series 1992, and \$1,125,000 of the outstanding Certificates of Participation, Series 1995, establish a reserve account for the bonds, and to pay the cost of issuing the bonds.

On November 1, 2011, the City entered into a refunding lease agreement with Municipal Financial Corporation in the amount of \$1,388,300 to current refund the outstanding balance of the ABAG Lease Revenue Bonds, Series 2002 and to take advantage of historically low interest rates. The average savings are approximately \$21,258 per fiscal year with the net present value savings equal to \$185,245. The lease matures on December 1, 2022. Principal payments are due December 1st of each year with semi-annual interest rate at 3.40%. In the event of default, the City remains liable for the continued payment of debt service and damages for breach of the refunding lease agreement.

Note 8: Long-Term Debt (Continued)

San Elijo JPA Loan Payable - 2011

On March 1, 2012, the San Elijo Joint Powers Authority issued the 2012 Refunding Revenue Bonds to refund on a current basis the 2003 Refunding Revenue Bonds and prepaid a note to the California Energy Commission. Each local agency entered into a Third Amended and Restated Loan Agreement as of January 1, 2012 to assist in the financing of the Local Agencies' respective share of the Bonds. The City of Encinitas and the City of Solana Beach will be paying approximately 52% and 48% of total debt service on the bonds, respectively. In the event of default, the trustee may accelerate the payment of outstanding principal and interest. The loan is wholly secured by revenues pledged for the payment of the loan.

The amended loan matures on March 1, 2021. The interest rates on the bonds range from 2.00% to 4.00% per year. The City of Solana Beach's portion of annual principal installments range from \$25,000 to \$751,155.

San Elijo JPA Loan Payable - 2017

On June 1, 2017, the San Elijo Joint Powers Authority issued the 2017 Revenue Bonds for the purpose of funding facilities and improvements as part of the Authority's capital improvement plan. Each local agency entered into a "Series 2017 Loan Agreement" on June 1, 2017 to assist in the financing of the Local Agencies' respective share of the Bonds. The City of Encinitas and the City of Solana Beach will each be paying 50 percent of total debt service on the bonds, respectively. In the event of default, the trustee may accelerate the payment of outstanding principal and interest. The loan is wholly secured by revenues pledged for the payment of the loan.

The loan matures on March 1, 2047. The interest rates on the bonds range from 3.00% to 5.00% per year. The City of Solana Beach's portion of annual principal installments range from \$217,500 to \$642,500.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 8: Long-Term Debt (Continued)

c. Annual Debt Service Requirements

The annual debt service requirements to maturity on the City's long-term debts as of June 30, 2019, are as follows:

Year Ending June 30,	Governmental Activities			
	Bonds Payable		Direct Placements	
	Principal	Interest	Principal	Interest
2020	\$ -	\$ 325,105	\$ 137,600	\$ 16,721
2021	-	325,105	135,300	12,082
2022	-	325,105	142,700	7,356
2023	-	325,105	145,000	2,465
2024	-	325,105	-	-
2025-2029	-	1,625,525	-	-
2030-2034	-	1,625,525	-	-
2035-2039	581,280	1,618,705	-	-
2040-2044	2,612,169	1,156,552	-	-
2045-2049	2,306,551	332,822	-	-
Total	\$ 5,500,000	\$ 7,984,654	\$ 560,600	\$ 38,624

Year Ending June 30,	Business-Type Activities			
	Bonds Payable		Direct Borrowings	
	Principal	Interest	Principal	Interest
2020	\$ 280,000	\$ 224,956	\$ 275,000	\$ 454,622
2021	285,000	216,556	285,000	446,573
2022	300,000	208,006	230,000	438,113
2023	305,000	199,006	237,500	431,213
2024	320,000	186,806	245,000	424,088
2025-2029	1,770,000	750,031	1,407,500	1,937,563
2030-2034	2,165,000	360,269	1,785,000	1,556,563
2035-2039	960,000	45,156	2,210,000	1,134,219
2040-2044	-	-	2,645,000	696,900
2045-2049	-	-	1,855,000	150,300
Total	\$ 6,385,000	\$ 2,190,786	\$ 11,175,000	\$ 7,670,154

d. Debt Covenant Compliance for JPA Loans

In Compliance with bond issuance covenants, specifically, the 2011 and 2017 San Elijo JPA Bonds, the City is including this table showing debt service coverage for the fiscal year of at least 1.30 times (i) the loan installments coming due and payable during the fiscal year, (ii) all payments required with respect to parity debt, and (iii) amount required to replenish the Reserve Fund as required by the indenture.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 8: Long-Term Debt (Continued)

The City covenants under the 2017 Wastewater Revenue Refunding Bond agreement require while the Bonds remain outstanding and to the extent permitted by law, the City will fix, prescribe, and collect rates and charges which will be at least sufficient to yield during each fiscal year Residual Net Revenues equal to one hundred thirty percent (130%) of Debt Service.

The debt coverage ratios for the 2011 and 2017 San Elijo JPA Loans Payable and the 2017 Wastewater Revenue Refunding Bonds are calculated as follows:

	2011 and 2017 JPA Loans	2017 Wastewater Bonds
Revenues:		
Operating revenues	\$ 5,592,045	\$ 5,592,045
Other operating	15,901	15,901
Non-operating	555,166	555,166
Gross revenues	<u>6,163,112</u>	<u>6,163,112</u>
Expenses:	<u>3,397,664</u>	<u>3,397,664</u>
Net Income	2,765,448	2,765,448
Add Back:		
Interest expense	705,008	705,008
Depreciation	423,531	423,531
Amortization of bond premium/discount & refunding	35,280	35,280
Amortization of investment in JPA	10,945	10,945
Net revenues available for debt service (2011 and 2017 JPA Loans)	<u>\$ 3,940,212</u>	<u>3,940,212</u>
2011 Refunding Revenue Bonds debt service:		
Principal repayment	\$ 751,154	751,154
Interest charges	33,280	33,280
2017 Refunding Revenue Bonds debt service:		
Principal repayment	-	-
Interest charges	451,388	451,388
Total debt service	<u>\$ 1,235,822</u>	<u>1,235,822</u>
Net revenues available for debt service (2017 Wastewater Bonds)		<u>\$ 2,704,390</u>
2017 Wastewater Bonds debt service:		
Principal repayment		\$ 270,000
Interest charges		233,056
Total debt service		<u>\$ 503,056</u>
Coverage ratio	<u>3.2</u>	<u>5.4</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 9: Non-City Obligations – Special Assessment Debt

Bonds issued to finance public improvement projects in certain assessment districts are liabilities of the property owners and are secured by liens against the assessed property. The City acts as an agent for collection of principal and interest payments by the property owners and remittance of such monies to the bondholders.

The City has no obligation or duty to pay any delinquency out of any available funds of the City. Neither the faith, credit, nor the taxing power of the City is pledged to the payment of the bonds. Therefore, none of the following obligations are included in the accompanying basic financial statements.

a. Undergrounding Districts

During July 2006, the Solana Beach Public Financing Authority issued Assessment District Revenue Bonds totaling \$2,112,000 (less bond issuance costs of \$244,393) to finance the undergrounding of utility lines for the Barbara/Granados Avenue Utility Undergrounding District and the Pacific Avenue/East and West Circle Drive Utility Underground Assessment District. In July 2008, the City of Solana Beach issued \$480,000 (less bond issuance costs of \$87,775) to finance the undergrounding of utility lines on Marsolan Avenue. The outstanding bonds as of June 30, 2019, were \$1,995,000.

b. South Solana Sewer District

In November 2006, the Solana Beach Public Financing Authority issued Limited Obligation Improvement Bonds totaling \$570,000 (less bond issuance costs of \$5,742) to finance the construction of sewer improvements to connect 51 properties of the South Solana Beach Sewer District assessment district to the City's sewer system. The outstanding bonds as of June 30, 2019, were \$435,000.

Note 10: Risk Management

a. General Liability Insurance

On June 30, 2015, the San Diego County Pooled Insurance Program Authority (SANDPIPA), a joint-powers authority (JPA) that provided liability, property and casualty coverage, of which the City was a member, was dissolved. As of July 1, 2015, the City acquired excess liability insurance directly from CSAC Excess Insurance Authority (EIA).

The City has a Self-Insured (SIR) of \$100,000 per claim and additional coverage above its SIR with CSAC - EIA to \$5 million per claim; there is an additional \$45 million of reinsurance above CSAC – EIA coverage bringing the total coverage to over \$50 million per claim. The CSAC – EIA is ranked as the second largest public entity risk pool and the largest property and casualty pool in the nation.

b. Workers' Compensation

Beginning October 1, 2004, the City became fully self-insured with respect to Workers' Compensation. The City has a Self-Insured Retention (SIR) of \$125,000 per claim and additional coverage above its SIR with CSAC Excess Insurance Authority (EIA) to \$5 million per claim; there is an additional \$45 million of reinsurance above CSAC-EIA coverage bringing the total coverage to over \$50 million per claim, up to the statutory workers' compensation limits set by the State of California. The CSAC-EIA is ranked as the second largest public entity risk pool and the largest property and casualty pool in the nation.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 10: Risk Management (Continued)

The workers' compensation and general liability claims payable of \$994,000 reported at June 30, 2019, includes all claims for which information prior to the issuance of the financial statements indicates that it was probable that a liability had been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. During the past three fiscal (claims) years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage in the prior year. Changes in the claims liability amounts were as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2016-2017	\$ 1,222,742	\$ 328,311	\$ (342,851)	\$ 1,208,202
2017-2018	1,208,202	(29,570)	(152,632)	1,026,000
2018-2019	1,026,000	142,144	(174,144)	994,000

The City also maintains insurance coverage in the following specific areas: real and personal property damage, boiler and machinery, special events, cyber liability, and pollution.

The latest financial information of the CSAC Excess Insurance Authority for fiscal year ended June 30, 2019, is as follows:

Total assets	\$ 836,033,671
Total liabilities	<u>713,463,077</u>
Total net position	<u>\$ 122,570,594</u>
Total revenues	\$ 895,094,521
Total expenses	<u>906,849,821</u>
Revenues over Expenses	<u>\$ 11,755,300</u>

Note 11: City Employees Retirement Plan - Pension Plans

a. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefits tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors nine rate plans (three miscellaneous and six safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 11: City Employees Retirement Plan - Pension Plans (Continued)

Below is a summary of the plans' provisions and benefits in effect at June 30, 2019, for which the City of Solana Beach has contracted:

Major Benefit Options	Miscellaneous*	Miscellaneous Second Tier	Miscellaneous PEPRA	Safety Fire First Tier*	Safety Fire Second Tier	Safety Fire PEPRA	Safety Lifeguard First Tier*	Safety Lifeguard Second Tier*	PEPRA Other Safety
Hire Date	Prior to January 1, 2010	January 1, 2010 but prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2010	January 1, 2010 but prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2010	January 1, 2010 but prior to January 1, 2013	On or after January 1, 2013
Benefit Provision									
Benefit Formula	2.5% @ 55	2.0% @ 60	2.0% @ 62	3.0% @ 50	2.0% @ 50	2.7% @ 57	3.0% @ 50	2.0% @ 50	2.7% @ 57
Social Security	no	no	no	no	no	no	no	no	no
Full/ Modified	full	full	full	full	full	full	full	full	full
Benefit vesting schedule	5 yrs service	5 yrs service	5 yrs service	5 yrs service	5 yrs service	5 yrs service	5 yrs service	5 yrs service	5 yrs service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50-63	50-63	52-67	50	50-55	50-57	50-55	50-55	52-67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.092% to 2.418%	1.0% to 2.5%	3%	2.4% to 3.0%	2% to 2.7%	1.423% to 2.0%	1.423% to 2.0%	2.0% to 2.7%
Required employer contribution rates	10.609%	7.634%	6.842%	20.556%	15.719%	12.141%	20.556%	15.719%	12.141%
Required employee contribution rates	8.000%	7.000%	6.250%	9.000%	9.000%	12.000%	9.000%	9.000%	12.000%

*closed to new member entrants

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2019, the contributions recognized as a reduction to the net pension liability was \$1,178,475.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 11: City Employees Retirement Plan - Pension Plans (Continued)

b. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2019, the City of Solana Beach reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 5,177,151
Safety	8,884,523
Total	<u>\$ 14,061,674</u>

The net pension liability of each of the Plans is measured as of June 30, 2018, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan measured as of June 30, 2017 and 2018, respectively, was as follows:

Proportions as a percentage of the CalPERS Miscellaneous risk pool:

	<u>Miscellaneous</u>
Proportion - June 30, 2017	0.05313%
Proportion - June 30, 2018	0.05550%
Change - Increase (Decrease)	<u>4.46076%</u>

Proportions as a percentage of the CalPERS Safety risk pool:

	<u>Safety</u>
Proportion - June 30, 2017	0.08816%
Proportion - June 30, 2018	0.09361%
Change - Increase (Decrease)	<u>6.18194%</u>

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 11: City Employees Retirement Plan - Pension Plans (Continued)

For the year ended June 30, 2019, the City of Solana Beach recognized pension expense as follows:

Miscellaneous	Safety	Total Plans
\$ 652,042	\$ 1,399,877	\$ 2,051,919

At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous Plan		
Pension contributions subsequent to measurement date	\$ 541,582	\$ -
Adjustment due to differences in proportions	109,242	-
Difference between expected and actual experience	178,247	60,656
Difference between actual contributions and the proportionate share of contributions	-	45,146
Changes in assumptions	529,623	129,800
Net difference between projected and actual earnings on plan investments	22,967	-
Total Miscellaneous Plan	1,381,661	235,602
Safety Plan		
Pension contributions subsequent to measurement date	838,065	-
Adjustment due to differences in proportions	253,438	38,686
Difference between expected and actual experience	183,664	697
Difference between actual contributions and the proportionate share of contributions	-	262,858
Changes in assumptions	838,693	113,155
Net difference between projected and actual earnings on plan investments	57,873	-
Total Safety Plan	2,171,733	415,396
Total All Plans	\$ 3,553,394	\$ 650,998

The \$1,379,647 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources		
	Miscellaneous Plan	Safety Plan	Total
2020	\$ 495,587	\$ 753,065	\$ 1,248,652
2021	272,759	437,028	709,787
2022	(122,085)	(212,613)	(334,698)
2023	(41,785)	(59,207)	(100,992)
	\$ 604,476	\$ 918,273	\$ 1,522,749

Note 11: City Employees Retirement Plan - Pension Plans (Continued)

c. Actuarial Methods and Assumptions

Actuarial Assumptions

For the measurement period ended June 30, 2018 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. The June 30, 2017, total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method Actuarial Assumptions	Entry Age Normal Cost Method
Discount Rate	7.15%
Inflation	2.625%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.00% thereafter

⁽¹⁾ The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2017 experience study report on the CalPERS' website.

Change of Assumptions

On December 21, 2016, the CalPERS Board lowered the discount rate for funding purposes from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 actuarial valuation. The minimum employer contributions for Fiscal Year 2019-20 determined in the June 30, 2017 funding valuation were calculated using a discount rate of 7.25 percent. The projected employer contributions for Fiscal Year 2020-21 are calculated assuming that the discount rate will be lowered to 7.00 percent next year.

On December 19, 2017, the CalPERS Board of Administration adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases, and inflation assumptions. These new assumptions are incorporated into the June 30, 2017 actuarial valuations. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7.00 percent discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decreases in the discount rate. For the June 30, 2017 valuation, an inflation rate of 2.625 percent will be used, and a rate of 2.50 percent will be used in the following valuation.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 11: City Employees Retirement Plan - Pension Plans (Continued)Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent for each plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ years) using a building-block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ⁽¹⁾	Real Return Years 11+ ⁽²⁾
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%

(1) An expected inflation of 2.00% used for this period.

(2) An expected inflation of 2.92% used for this period.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019

Note 11: City Employees Retirement Plan - Pension Plans (Continued)Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability of the Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.15 percent) or 1% point higher (8.15 percent) than the current rate:

Plan Type	Discount Rate - 1%	Current Discount Rate	Discount Rate + 1%
	6.15%	7.15%	8.15%
Miscellaneous	\$ 7,993,731	\$ 5,177,151	\$ 2,852,112
Safety	13,313,550	8,884,523	5,255,728
Total	\$ 21,307,281	\$ 14,061,674	\$ 8,107,840

d. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS website for additional information.

Note 12: Other Post-Employment Benefits**a. Plan Description**

The City of Solana Beach Retiree Healthcare Plan ("Plan") is a single employer defined benefit healthcare plan administered by the City. The Plan provides healthcare benefits to eligible retirees and their dependents through the California Public Employees' Retirement System healthcare program (PEMHCA). Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its non-represented employees and the unions representing City employees. The Retiree Healthcare Plan does not issue a financial report.

The City provides the PEMHCA minimum benefit (\$136 per month for 2019) but no less than \$325 per month for employees retired before January 1, 2007 and \$290 per month for employees hired before January 1, 2007.

b. Plan Membership

At June 30, 2019, membership consisted of:

Inactive plan members or beneficiaries currently receiving benefit payments	46
Inactive plan members entitled to but not yet receiving benefit payments	11
Active plan members	70
	<u>127</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 12: Other Post-Employment Benefits (Continued)

c. Contributions

The contribution requirements of the Plan participants and the City are established by and may be amended by the City pursuant to agreements with its non-represented employees and the unions representing City Employees. The City pays cash and implied subsidy benefit payments and PEMHCA administrative fees directly from City assets. Contributions made to the trust are on an ad-hoc basis. On average over the past 5 years, 0.98 percent of payroll was contributed to the trust each year.

The City contributed \$484,191 during the 2019 fiscal year which consisted of \$165,901 of pay-as-you-go benefit payments, \$253,516 in contributions to the trust, and \$64,140 in implied subsidy benefits. Retired plan members and their beneficiaries pay the annual premium cost not paid by the employer.

d. Net OPEB Liability of the City

	Fiscal Year Ending	
	June 30, 2019	June 30, 2018
Total OPEB Liability (TOL)	\$ 3,836,527	\$ 4,806,155
Fiduciary Net Position (FNP)	633,535	351,281
Net OPEB Liability (NOL)	<u>\$ 3,202,992</u>	<u>\$ 4,454,874</u>
Funded Status (FNP/TOL)	16.5%	7.3%

The City's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2017 that was rolled forward to determine the June 30, 2019 total OPEB liability, based on the following actuarial methods and assumptions:

e. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions

Discount Rate	6.00% at June 30, 2019 3.82% at June 30, 2018 Expected City contributions projected to keep sufficient plan assets to pay all benefits from trust with the City following the Funding policy for 2019/20 and thereafter
General Inflation	2.75% annually
Salary Increases	Aggregate - 3% annually Merit CalPERS 1997-2011 Experience Study
Mortality, Retirement, Disability, Termination	CalPERS 1997-2011 Experience Study
Municipal Bond Rate	3.08% at June 30, 2019, Fidelity 20-Year (AAA) 3.56% at June 30, 2018, Fidelity 20-Year (AAA)
Expected Long-Term	6.00% at June 30, 2019 and June 30, 2018

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019**Note 12: Other Post-Employment Benefits (Continued)****f. Change in Assumptions**

Discount rate was updated based on municipal bond rate as of the measurement date and crossover test.

g. Discount Rate

The discount rate used to measure the total OPEB liability was 6.00%. Expected City contributions are projected to keep sufficient plan assets to pay all benefits from the trust with the City following the funding policy for fiscal year 2019-20 and thereafter.

h. Changes in the OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2018	\$ 4,806,155	\$ 351,281	\$ 4,454,874
Changes for the year			
Service Cost	218,793	-	218,793
Interest	187,559	-	187,559
Assumption changes	(1,145,939)	-	(1,145,939)
Contributions - employer	-	484,191	(484,191)
Net investment income	-	27,769	(27,769)
Benefit payments*	(230,041)	(227,210)	(2,831)
Administrative Expenses	-	(2,496)	2,496
Net changes	<u>(969,628)</u>	<u>282,254</u>	<u>(1,251,882)</u>
Balance at June 30, 2019	<u>\$ 3,836,527</u>	<u>\$ 633,535</u>	<u>\$ 3,202,992</u>

*Benefit payments include an implied subsidy of \$64,140 for the measurement date June 30, 2019

i. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (5.00%)	Current Rate (6.00%)	1% Increase (7.00%)
Net OPEB liability	\$ 3,664,594	\$ 3,202,992	\$ 2,822,575

j. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend	1% Increase
Net OPEB liability	\$ 2,886,408	\$ 3,202,992	\$ 3,657,644

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 12: Other Post-Employment Benefits (Continued)

k. OPEB Plan Fiduciary Net Position

PARS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the Public Agency Retirement Services, 4350 Von Karman Ave, Newport Beach, California 92660.

l. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the City recognized OPEB expense of \$602,061. As of fiscal year ended June 30, 2019, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ 1,129,821
Net difference between projected and actual earnings on plan investments	-	5,631
Total	<u>\$ -</u>	<u>\$ 1,135,452</u>

Amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2020	(222,128)
2021	(222,128)
2022	(222,130)
2023	(221,037)
2024	(193,460)
Thereafter	(54,569)

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 13: Investment in Joint Venture

On June 17, 1987, the Cardiff Sanitation District and the City of Solana Beach established the San Elijo Joint Powers Authority (SEJPA), a separate legal entity, whose function is to manage, operate, maintain and expand a plant for the treatment and disposal of sewage or wastewater and to determine the joint and separate obligations of the members concerning the transmission, treatment, disposal and reclamation of sewage and wastewater within the respective service territories. The SEJPA's governing board consists of two members from each entity. The City of Solana Beach's investment in the SEJPA has been recorded using the equity method of accounting and is shown as an investment in joint venture in the City's financial statements. Summarized audited information of the SEJPA for the fiscal year ended June 30, 2019, is as follows:

Operating revenues	\$ 7,750,330
Operating expenses	(8,599,404)
Net non-operating income	1,219,301
Capital contributions	<u>153,514</u>
Change in net position	<u>\$ 523,741</u>
Total assets and deferred outflows of resources	\$ 102,821,407
Total liabilities and deferred inflows of resources	<u>(33,955,862)</u>
Net position- total fund equity	<u>\$ 68,865,545</u>

Prior to the formation of the San Elijo Joint Powers Authority, the Cardiff Sanitation District and the City of Solana Beach operated the San Elijo water pollution control facility under an agreement whereby operating costs were shared based on usage and capital expansions were funded 56% by Cardiff and 44% by Solana Beach. Upon formation of the SEJPA in June 1987 the members continued funding SEJPA activities in this manner until May 1989, when the equity interests in the joint venture were revised to 50% Cardiff and 50% Solana Beach. To effect the change in equity interests, the City of Solana Beach agreed to pay Cardiff Sanitation District \$750,680, which included a premium on the value of the equity interest in the amount of \$437,782. This premium is being amortized over the estimated useful life of the facility of forty years.

A summary of the changes in the City's investment in the San Elijo Joint Powers Authority for the year ended June 30, 2019, is as follows:

Investment at June 30, 2018	\$ 34,289,455
Capital contribution	76,757
Current year share in the joint venture net income	185,114
Amortization of JPA	<u>(11,127)</u>
Investment at June 30, 2019	<u>\$ 34,540,199</u>

At June 30, 2019, the SEJPA had \$294,886 in 2012 Refunding Revenue Bonds outstanding. The financial statements of the SEJPA can be obtained from the Solana Beach Finance Department located at Solana Beach City Hall, 635 S. Highway 101, Solana Beach, California 92075.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 14: Commitments and Contingencies

a. Litigation

The City is a defendant in certain legal actions arising in the normal course of operations. The accompanying basic financial statements reflect a liability for the probable amounts of loss associated with these claims.

b. Construction Commitments

Construction Commitments

The following material construction commitments existed at June 30, 2019:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Expenditures as of June 30, 2019</u>	<u>Remaining Commitments</u>
Pump Station	\$ 4,652,723	\$ 1,580,230	\$ 3,072,493
LSF Corridor	616,050	148,530	467,520
Emergency Drain Repair	750,000	516,386	233,614
	<u>\$ 6,018,773</u>	<u>\$ 2,245,146</u>	<u>\$ 3,773,627</u>

c. Sales Tax – Transnet Debt Commitment

On November 10, 2010, Solana Beach executed an agreement with The San Diego Association of Governments (SANDAG) relating to the 2010 Series A Bonds Build American Bonds (BABs) for the completion of several projects including the Highway 101 streetscape and traffic calming project and other eligible projects. In the agreement, SANDAG withholds one-sixth of the interest due each month when Sales Tax is sent from the Board of Equalization (BOE) in an effort to have the full amount with the Trustee by the 1st of April and 1st of October.

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 15: Classification of Fund Balances

The City has adopted the provisions of GASB Statement No. 54 Fund Balance and Governmental Fund Type Definitions. GASB 54 establishes Fund Balance classifications based largely upon the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Governmental Fund statements conform to this new classification.

Fund Name	General	TransNet	City CIP	Other Governmental Funds	Total
Nonspendable:					
Prepays	\$ 23,402	\$ -	\$ -	\$ -	\$ 23,402
Total Nonspendable	23,402	-	-	-	23,402
Restricted:					
Transnet	-	23,194	-	-	23,194
Pensions	1,743,908	-	-	-	1,743,908
Gas tax	-	-	-	152,517	152,517
Municipal Improvement Districts	-	-	-	1,019,335	1,019,335
Assessment Districts	-	-	-	120,369	120,369
Lighting District	-	-	-	2,465,772	2,465,772
COPS	-	-	-	262,067	262,067
Public Safety	-	-	-	318,520	318,520
Coastal area business/ Visitor assistance & Enhancement	-	-	-	673,872	673,872
Sand Replenishment	-	-	-	782,864	782,864
Boating and Waterways	-	-	-	61,316	61,316
Miscellaneous grants	-	-	-	6,098	6,098
Housing	-	-	-	623,853	623,853
SB1 streets & roads	-	-	-	136,799	136,799
Capital projects	-	-	2,823,167	-	2,823,167
Debt Service	-	-	-	25,094	25,094
Total Restricted	1,743,908	23,194	2,823,167	6,648,476	11,238,745
-					
Committed:					
Public Facilities	469,388	-	-	-	469,388
Public Art	27,458	-	-	-	27,458
OPEB	185,000	-	-	-	185,000
Pensions	623,724	-	-	-	623,724
In-Lieu Housing	100,786	-	-	-	100,786
Parks & Recreation	29,951	-	-	-	29,951
Total Committed	1,436,307	-	-	-	1,436,307
Assigned:					
Park Fee	38,703	-	-	-	38,703
Community Television	82,130	-	-	-	82,130
Street Sweeping	133,242	-	-	-	133,242
Housing	1,499,500	-	-	-	1,499,500
Self-Insurance	792,180	-	-	-	792,180
Worker's Comp	541,161	-	-	-	541,161
Asset Replacement	2,295,215	-	-	-	2,295,215
Facilities Replacement	659,462	-	-	-	659,462
Total Assigned	6,041,593	-	-	-	6,041,593
Unassigned	4,588,069	-	-	(112,596)	4,475,473
Total Fund Balances	\$ 13,833,279	\$ 23,194	\$ 2,823,167	\$ 6,535,880	\$ 23,215,520

CITY OF SOLANA BEACH, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 15: Classification of Fund Balances (Continued)

	General Fund	Self Insurance	Worker's Compensation	Asset Replacement	Facilities Replacement	Real Property Acquisition	PARS - OPEB	PARS - Pension	Total Classification
Non-Spendable									
Prepays	\$ 23,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,402
Total Non-Spendable	23,402	-	-	-	-	-	-	-	23,402
Restricted									
Pensions	-	-	-	-	-	-	-	1,743,908	1,743,908
Total Restricted	-	-	-	-	-	-	-	1,743,908	1,743,908
Committed									
Public Facilities	469,388	-	-	-	-	-	-	-	469,388
Public Art	27,458	-	-	-	-	-	-	-	27,458
OPEB	-	-	-	-	-	-	185,000	-	185,000
Pensions	-	-	-	-	-	-	-	623,724	623,724
In-Lieu Housing	100,786	-	-	-	-	-	-	-	100,786
Parks & Recreation	29,951	-	-	-	-	-	-	-	29,951
Total Committed	627,583	-	-	-	-	-	185,000	623,724	1,436,307
Assigned									
Park Fee	38,703	-	-	-	-	-	-	-	38,703
Community Television	82,130	-	-	-	-	-	-	-	82,130
Street Sweeping	133,242	-	-	-	-	-	-	-	133,242
Housing	1,499,500	-	-	-	-	-	-	-	1,499,500
Self-Insurance	-	792,180	-	-	-	-	-	-	792,180
Worker's Comp	-	-	541,161	-	-	-	-	-	541,161
Asset Replacement	-	-	-	2,295,215	-	-	-	-	2,295,215
Facilities Replacement	-	-	-	-	659,462	-	-	-	659,462
Total Assigned	1,753,575	792,180	541,161	2,295,215	659,462	-	-	-	6,041,593
Unassigned	7,462,666	-	-	-	-	(2,874,597)	-	-	4,588,069
Total Fund Balances	\$ 9,867,226	\$ 792,180	\$ 541,161	\$ 2,295,215	\$ 659,462	\$ (2,874,597)	\$ 185,000	\$ 2,367,632	\$ 13,833,279

The General Fund for financial reporting purposes consists of the General Fund and the following funds that act as internal funds: Self Insurance Liability, Worker's Compensation, Asset Replacement, Facilities Replacement, OPEB/Pensions, and Real Property Acquisition.

The fund balances for the internal service funds are classified as Assigned with the exception of the OPEB/Pension funds where the fund balance is either Restricted because the fund balance is invested in a Section 115 Trust or Committed because the City Council has limited the use of the funds to either OPEB or Pension purposes and the Real Property Acquisition fund. This fund has a deficit fund balance of \$2,874,597 and because the fund balance amount is a deficit, GASB 54 requires this amount to be classified as Unassigned instead of Assigned.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 16: Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Solana Beach that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

a. Cash and Investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	\$	244,663
Cash and investments with fiscal agent		198
		<u>244,861</u>
	\$	<u>244,861</u>

b. Long-Term Debt

The following debt was transferred from the Redevelopment Agency to the Successor Agency as of February 1, 2012, as a result of the dissolution. A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2019, follows:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019	Due Within One Year
Fiduciary Funds:					
2017 Tax Allocation					
Refunding Bonds	\$ 2,639,700	\$ -	\$ 112,000	\$ 2,527,700	\$ 116,900
	<u>2,639,700</u>	<u>-</u>	<u>112,000</u>	<u>2,527,700</u>	<u>116,900</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2019**Note 16: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

2017 Tax Allocation Refunding Bonds

On November 10, 2017, the Agency issued the 2017 Tax Allocation Bonds to be used for the purpose of providing funds to the Successor Agency to refund, on a current basis, the Solana Beach Redevelopment Agency, Solana Beach Redevelopment Project, Tax Allocation Bonds, Series and pay the costs of issuing the Bonds. These bonds have an 18-year maturity with the final maturity paid on December 1, 2035 and interest rate of 3.360%. Interest on the bonds is payable semi-annually on June 1 and December 1, commencing December 1, 2035.

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 116,900	\$ 83,965	\$ 200,865
2021	120,900	80,005	200,905
2022	124,900	75,909	200,809
2023	129,100	71,677	200,777
2024	133,500	67,302	200,802
2025 - 2029	738,900	265,490	1,004,390
2030 - 2034	872,900	131,557	1,004,457
2035 - 2039	290,600	9,820	300,420
Total	<u>\$ 2,527,700</u>	<u>\$ 785,725</u>	<u>\$ 3,313,425</u>

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low- and Moderate-Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low- and Moderate-Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$3,313,425 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the City for the payment of indebtedness incurred by the dissolved redevelopment agency was \$141,440 and the debt service obligation on the bonds was \$199,777.

c. Insurance

The Successor Agency is covered under the City of Solana Beach's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 6.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2019

Note 17: Purchase and Sale Agreement

On July 11, 2018, the City Council adopted Resolution 2018-069 approving the purchase and sale agreement for 700 Stevens Avenue (“Property”) for \$2.8 million; establishing an internal General Fund service fund named “Real Property Acquisition” to receive funds from the Sanitation fund to pay for the acquisition of the Property; and authorizing the transfer of \$2.8 million from the Sanitation Fund to the Real Property Acquisition fund as a loan payable to the Sanitation fund at an annual interest rate of 2.78% for seven years with annual payments equal to \$445,699.

The City is a built-out coastal community and availability of vacant land is scarce. The Property is three parcels of vacant land totaling approximately 28,978 square feet and is located immediately north of and adjacent to La Colonia Park. The purchase of the Property offered the City an opportunity to expand the existing open space, recreation and park use in the future.

The City has the ability to make this kind of transfer from one fund to another so long as there is no prohibition on the use of the funds. In this case, the Sanitation funds are not specifically prohibited for other uses (except for connection fees, which cannot be used for any other purpose). See Health & Safety Code §§ 5473 et seq.

The City elected to borrow funds from its Sanitation Fund to pay for the purchase of the Property. Repayment to the Sanitation Fund over the seven years of the loan will be as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 367,859	\$ 77,840	\$ 445,699
2021	378,085	67,614	445,699
2022	388,596	57,103	445,699
2023	399,399	46,300	445,699
2024	410,503	35,196	445,699
2025	421,914	23,785	445,699
2026	433,644	12,055	445,699
Total	<u>\$ 2,800,000</u>	<u>\$ 319,893</u>	<u>\$ 3,119,893</u>

The Real Property Acquisition fund reported a deficit fund balance of \$2,874,597 for fiscal year 2018-19, which is the total of \$2,800,000 made by the fund for the purchase of the property plus \$74,597 for accrued interest payable for fiscal year 2018-19. The deficit fund balance was reported as an unassigned fund balance per the requirements of GASB 54. In each succeeding fiscal year, as the Sanitation Fund is repaid, the deficit fund balance will be reduced by that fiscal year’s principle payment, and the fund balance will be increased to zero by fiscal year 2025-26. Note 15 provides additional information regarding the fund balance classification for the Real Property Acquisition fund.

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REQUIRED SUPPLEMENTARY INFORMATION

Note 1: Budgetary Information

The City is required by its municipal code to adopt an annual budget on or before June 30 for the ensuing fiscal year. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. From the effective date of the budget adoption, the amounts budgeted become the "annual appropriated budget." Annual appropriated budget is adopted for the General Fund, special revenue funds, capital projects funds and debt service funds.

The City Council may amend the budget by motion during the fiscal year. The appropriations constitute the budget for the 2018-2019 fiscal year and the City Manager is authorized to transfer monies between accounts within a department, provided that the total budget for the department is not exceeded. Transfer of monies from one department of the City to another, or from one fund to another, shall be approved by the City Council. However, any revisions that alter total expenditures of any fund must be approved by the City Council.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at the end of the fiscal year. Selected appropriations are carried over. Project-length financial plans are adopted for the City capital projects. Supplemental appropriations, which increase appropriations, may be made during the fiscal year.

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019
(With comparative totals for the year ended June 30, 2018)**

	2019			Variance with Final Budget Positive (Negative)	2018
	Budget Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Budgetary Fund Balance, July 1	\$ 15,574,516	\$ 15,574,516	\$ 15,574,516	\$ -	\$ 14,323,777
Resources (Inflows):					
Taxes:					
Property	7,657,000	7,877,000	7,952,416	75,416	7,500,419
Transient occupancy	1,380,000	1,380,000	1,553,081	173,081	1,405,964
Sales	3,231,100	3,331,100	3,502,561	171,461	3,191,410
Franchise and other	1,740,000	1,883,000	2,007,491	124,491	1,866,108
Licenses and permits	456,000	456,000	440,510	(15,490)	508,549
Intergovernmental	1,877,500	1,933,500	1,952,837	19,337	1,842,035
Charges for services	770,000	963,000	953,305	(9,695)	784,373
Use of money and property	259,500	259,500	822,401	562,901	243,298
Fines and forfeitures	487,000	487,000	502,249	15,249	479,933
Miscellaneous	320,900	856,267	884,094	27,827	609,427
Amounts Available for Appropriations	33,753,516	35,000,883	36,145,461	1,144,578	32,755,293
Charges to Appropriations (Outflows):					
General Government:					
City Council	302,800	317,800	311,582	6,218	300,146
City Clerk	431,300	604,200	561,303	42,897	347,854
Legal Services	723,800	473,800	460,813	12,987	517,766
City Manager	317,500	326,900	283,236	43,664	319,198
Finance	810,700	760,700	763,261	(2,561)	770,007
Personnel	439,100	192,700	202,784	(10,084)	342,335
Information Systems	319,900	294,900	295,796	(896)	355,450
Support Services	1,010,600	1,187,754	1,261,071	(73,317)	864,388
Total General Government	4,355,700	4,158,754	4,139,846	18,908	3,817,144
Public Safety:					
Marine safety	782,200	734,500	710,252	24,248	680,397
Law enforcement	4,094,500	4,094,500	4,087,358	7,142	3,854,756
Code & parking enforcement	234,900	214,900	213,324	1,576	165,925
Fire department	4,123,800	4,324,075	4,294,375	29,700	4,008,908
Animal regulation	83,100	86,600	84,922	1,678	108,826
Civil defense	30,700	30,700	26,663	4,037	28,775
Environmental services	1,100	1,100	1,000	100	-
Total Public Safety	9,350,300	9,486,375	9,417,894	68,481	8,847,587
Public Works:					
Street and other	1,378,500	1,501,603	1,397,694	103,909	1,244,863
Engineering	379,500	369,500	346,016	23,484	347,958
Public Facilities	306,900	295,520	277,263	18,257	235,422
Total Public Works	2,064,900	2,166,623	2,020,973	145,650	1,828,243
Community Development:					
Planning	746,000	748,500	711,621	36,879	695,910
Building services	390,100	386,100	385,896	204	410,709
Total Community Development	1,136,100	1,134,600	1,097,517	37,083	1,106,619
Community Services:					
Community services	85,400	85,600	73,091	12,509	112,552
Recreation programs	159,900	160,100	151,496	8,604	146,190
Total Community Services	245,300	245,700	224,587	21,113	258,742
Capital Outlay	324,500	3,298,858	2,900,137	398,721	395,542
Total Charges to Appropriations	17,476,800	20,490,910	19,800,954	689,956	16,253,877
Other Financing Uses:					
Transfers out	(553,600)	(2,505,682)	(2,511,228)	(5,546)	(926,900)
Total Financing Uses	(553,600)	(2,505,682)	(2,511,228)	(5,546)	(926,900)
Budgetary Fund Balance, June 30	\$ 15,723,116	\$ 12,004,291	\$ 13,833,279	\$ 1,828,988	\$ 15,574,516

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 TRANSNET FUND
 FOR THE YEAR ENDED JUNE 30, 2019
 (With comparative totals for the year ended June 30, 2018)

	2019			Variance with Final Budget Positive (Negative)	2018
	Budget Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Budgetary Fund Balance (Deficit), July 1	\$ (37,006)	\$ (37,006)	\$ (37,006)	\$ -	\$ 38,518
Resources (Inflows):					
Service fees	-	-	46,381	46,381	-
Intergovernmental	465,000	465,000	544,505	79,505	648,535
Use of money and property	-	-	-	-	47
Miscellaneous	-	-	-	-	36,233
Amounts Available for Appropriations	427,994	427,994	553,880	125,886	723,333
Charges to Appropriations (Outflows):					
Public works	75,000	75,000	-	75,000	-
Capital outlay	390,000	390,000	205,581	184,419	435,234
Debt service:					
Interest and fiscal charges	-	325,105	325,105	-	325,105
Total Charges to Appropriations	465,000	790,105	530,686	259,419	760,339
Budgetary Fund Balance (Deficit), June 30	\$ (37,006)	\$ (362,111)	\$ 23,194	\$ 385,305	\$ (37,006)

The notes to required supplementary information are an integral part of this schedule.

CITY OF SOLANA BEACH, CALIFORNIA

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MISCELLANEOUS AND SAFETY PENSION PLANS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾**

Measurement Date	<u>2019</u> 6/30/2018	<u>2018</u> 6/30/2017	<u>2017</u> 6/30/2016	<u>2016</u> 6/30/2015	<u>2015</u> 6/30/2014
<u>Miscellaneous Plan:</u>					
Proportion of the Net Pension Liability	0.05550%	0.05313%	0.05241%	0.05706%	0.04245%
Proportionate Share of the Net Pension Liability	\$ 5,177,151	\$ 5,268,836	\$ 4,534,940	\$ 3,550,604	\$ 2,651,591
Covered Payroll	\$ 2,879,582	\$ 2,721,499	\$ 2,593,354	\$ 2,409,776	\$ 2,517,165
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	179.79%	193.60%	174.87%	147.34%	105.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.26%	72.59%	75.87%	79.82%	78.40%
<u>Safety Plan:</u>					
Proportion of the Net Pension Liability	0.09361%	0.08816%	0.08774%	0.09490%	0.07208%
Proportionate Share of the Net Pension Liability	\$ 8,884,523	\$ 8,742,997	\$ 7,592,101	\$ 5,905,301	\$ 4,940,589
Covered Payroll	\$ 2,249,144	\$ 2,115,191	\$ 2,116,065	\$ 1,997,991	\$ 1,925,616
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	395.02%	413.34%	358.78%	295.56%	256.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.26%	72.59%	75.87%	79.82%	78.40%

Notes to Schedule of Proportionate Share of the Net Pension Liability:

Benefit Changes: There were no changes in benefit terms.

Changes of Assumptions: In 2019, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only five years are shown.

CITY OF SOLANA BEACH, CALIFORNIA

**SCHEDULE OF PLAN CONTRIBUTIONS
MISCELLANEOUS AND SAFETY PENSION PLANS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾**

	2019	2018	2017	2016	2015
Miscellaneous Plan:					
Actuarially Determined Contribution	\$ 541,582	\$ 460,816	\$ 417,318	\$ 385,634	\$ 330,415
Contribution in Relation to the Actuarially Determined Contribution	(541,582)	(460,816)	(417,318)	(385,634)	(330,415)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 3,058,602	\$ 2,879,582	\$ 2,721,499	\$ 2,593,359	\$ 2,409,776
Contributions as a Percentage of Covered Payroll	17.71%	16.00%	15.33%	14.87%	13.71%
Safety Plan:					
Actuarially Determined Contribution	\$ 838,065	\$ 717,659	\$ 673,212	\$ 619,022	\$ 519,933
Contribution in Relation to the Actuarially Determined Contribution	(838,065)	(717,659)	(673,212)	(619,022)	(519,933)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 2,270,208	\$ 2,249,144	\$ 2,115,191	\$ 2,116,065	\$ 1,997,991
Contributions as a Percentage of Covered Payroll	36.92%	31.91%	31.83%	29.25%	26.02%

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2018-19 were derived from the June 30, 2016 funding valuation report.

Actuarial Cost Method:	Entry Age Normal
Amortization Method/Period:	For details, see June 30, 2016 Funding Valuation Report
Asset Valuation Method:	Market Value of Assets. For details, see June 30, 2016 Funding Valuation Report.
Inflation:	2.75%
Salary Increases:	Varies by Entry Age and Service
Payroll Growth:	3.00%
Investment Rate of Return:	7.50%, Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Retirement Age:	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period of 1997 to 2011.
Mortality:	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period of 1997 to 2011. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal year 2015 was the first year of implementation; therefore only five years are shown.

CITY OF SOLANA BEACH, CALIFORNIA

**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS PLAN
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability:			
Service Cost	\$ 218,793	\$ 231,577	\$ 225,000
Interest	187,559	172,035	164,000
Assumption changes	(1,145,939)	(242,883)	-
Benefit payments	(230,041)	(219,042)	(148,000)
Net Changes	(969,628)	(58,313)	241,000
Total OPEB Liability (beginning of year)	4,806,155	4,864,468	4,623,000
Total OPEB Liability (end of year) (a)	<u>\$ 3,836,527</u>	<u>\$ 4,806,155</u>	<u>\$ 4,864,000</u>
Plan Fiduciary Net Position:			
Contributions - employer ⁽²⁾	\$ 484,191	\$ 307,582	\$ 233,000
Net investment income	27,769	23,652	17,000
Benefit payments	(227,210)	(219,042)	(148,000)
Administrative expenses	(2,496)	(2,062)	-
Net Changes	282,254	110,130	102,000
Plan Fiduciary Net Position (beginning of year)	351,281	241,151	139,000
Plan Fiduciary Net Position (end of year) (b)	<u>633,535</u>	<u>351,281</u>	<u>241,000</u>
Plan Net OPEB Liability - Ending (a) - (b)	<u>\$ 3,202,992</u>	<u>\$ 4,454,874</u>	<u>\$ 4,623,000</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	16.5%	7.3%	5.0%
Covered Payroll	\$ 7,050,741	\$ 6,666,082	\$ 6,406,137
Plan Net OPEB Liability as a Percentage of Covered Payroll	45.43%	66.83%	72.17%

Notes to Schedule of Changes in Net OPEB Liability and Related Ratios:

Benefit Changes: There were no benefit changes.

Changes of Assumptions: In 2018, the accounting discount rate increased from 3.45 percent to 3.82 percent. In 2019, the discount rate was based on on municipal bond rate as of the measurement date and crossover test.

⁽¹⁾ Historical information is required only for years for which GASB 74/75 are applicable. Fiscal Year 2017 was the first year of implementation; therefore, only three years are shown.

⁽²⁾ Contributions include pay-as-you-go benefit payments, contributions to the trust, and an implied subsidy.

CITY OF SOLANA BEACH, CALIFORNIA

**SCHEDULE OF PLAN CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS PLAN
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially Determined Contribution	\$ 484,191	\$ 220,491	\$ 531,000
Contribution in Relation to the Actuarially Determined Contribution	(484,191)	(252,055)	(233,000)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (31,564)</u>	<u>\$ 298,000</u>
Covered Payroll	\$ 5,147,216	\$ 4,729,364	\$ 3,885,846
Contributions as a Percentage of Covered Payroll	9.41%	5.33%	6.00%

Notes to Schedule of Plan Contributions:

Valuation Date:	June 30, 2017
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal cost method
Amortization method/period	Level
Assets valuation method	Market Value
Inflation	2.75%
Merit payroll increases	CalPERS 1997-2011
Payroll increases	3.00%
Investment rate of return	6.00%
Retirement age	The probabilities of retirement are based on the 2011 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	CalPERS 1997-2011 Experience Study

⁽¹⁾ Historical information is required only for years for which GASB 74/75 are applicable. Fiscal Year 2017 was the first year of implementation; therefore, only three years are shown.

CITY OF SOLANA BEACH, CALIFORNIA

SCHEDULE OF INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFITS PLAN
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

<u>Fiscal Year Ending June 30</u>	<u>Net Money-Weighted Rate of Return</u>
2019	5.94%
2018	5.62%
2017	10.55%

Notes to Schedule of Investment Returns:

⁽¹⁾ GASB Statement No. 74, which requires ten years of history for this schedule, was implemented during Fiscal Year 2016/17. Additional years will be added as they become available in the future.

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SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Gas Tax Fund - accounts for revenues received and expenditures made for street related activities. Revenues are received from the State of California for the City's share of gasoline taxes pursuant to California Streets and Highways Code Sections 2105, 2106, 2107 and 2107.5.

Municipal Improvement Districts Fund - accounts for receipts and expenditure related to landscape maintenance within the various improvement districts. Budgets for maintenance cost are determined by property owners who are then assessed on a per parcel basis. The assessments are collected via the County tax roll.

Lighting District Fund - accounts for the revenues received and expenditures made related to street lights on the City's streets. The City determines the yearly budget and property owners are charged their proportionate share based on a per unit basis. The assessments are collected via the County tax roll.

TEA 21 / TEA Fund - the Intermodal Surface Transportation Enhancement Act (ISTEA) and Transportation Enhancement Act (TEA) fund accounts for the transportation grant related receipts and expenditures.

COPS Fund - accounts for federal and state grants received for police services.

Public Safety Fund - accounts for federal and state grants received for public safety.

Fire Mitigation Fund - accounts for fire mitigation fees collected during new structural development based on construction type and size. The fees are restricted to equipment purchases only.

Transportation Development Act - accounts for the revenues and expenditures of the Transportation Development Act.

CDBG Fund - accounts for the revenues and expenditures of the Community Development Block Grant program.

CALTRANS Fund - these monies are derived from Congestion Mitigation and Air Quality funds. CALTRANS is responsible for distributing these funds as well as Intermodal Surface Transportation Efficiency Act (ISTEA) funds from the federal government to local agencies.

Coastal Area Business/Visitor Assistance and Enhancement Fund - this fund is for expenditures that include local visitor and business promotion such as assistance to the Chamber of Commerce and North County Convention and Visitor's Bureau, special events such as the Fiesta Del Sol, public art, and visitor enhancements to the Highway 101 business corridor or the Cedros Design District.

NON-MAJOR GOVERNMENTAL FUNDS

Boating and Waterways Fund - accounts for grants received from the Department of Boating and Waterways. These funds are being used to fund the US Army Corps of Engineers beach replenishment study.

Miscellaneous Grants Fund - accounts for grant received to fund various ongoing capital projects.

Developer Pass-Thru Fund - accounts for resources reserved to developer deposits.

Housing Fund - accounts for resources reserved to provide for low and moderate income housing.

Camp Programs Fund - accounts for camp programs in the City

SB1 Streets & Roads - accounts for revenues received and expenditures made for street related activities. Revenues are received from the State of California for the City's share of SB1 taxes pursuant.

Assessment Districts CIP Fund - accounts for capital projects in the assessment districts.

Sand Replenish / Retention and Coastal CIP - is limited to sand replenishment, sand retention, and coastal improvement project. Seewall expenditures are excluded from this CIP fund.

City Debt Service Fund - accounts for debt service in the City

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	Special Revenue Funds		Capital Projects Funds	
	2019	2018	2019	2018
Assets:				
Cash and investments	\$ 6,033,011	\$ 5,765,993	\$ 998,601	\$ 891,375
Receivables:				
Accounts	35,038	24,606	11,100	-
Taxes	59,379	22,083	-	-
Interest	22,282	19,001	3,002	2,968
Prepaid costs	-	200	-	-
Due from other governments	191,659	90,935	-	-
Total Assets	\$ 6,341,369	\$ 5,922,818	\$ 1,012,703	\$ 894,343
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 218,313	\$ 241,108	\$ 40,244	\$ 45,504
Accrued liabilities	20,339	25,715	-	-
Unearned revenues	321,084	451,502	-	-
Deposits payable	-	-	69,226	69,226
Due to other funds	145,859	197,596	-	-
Total Liabilities	705,595	915,921	109,470	114,730
Deferred Inflows of Resources:				
Unavailable revenues	28,221	-	-	-
Total Deferred Inflows of Resources	28,221	-	-	-
Fund Balances:				
Nonspendable	-	200	-	-
Restricted	5,720,149	5,204,380	903,233	779,613
Unassigned	(112,596)	(197,683)	-	-
Total Fund Balances	5,607,553	5,006,897	903,233	779,613
Total Liabilities Deferred Inflows of Resources and Fund Balances	\$ 6,341,369	\$ 5,922,818	\$ 1,012,703	\$ 894,343

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	Debt Service Funds		Total Nonmajor Governmental Funds	
	2019	2018	2019	2018
Assets:				
Cash and investments	\$ 25,094	\$ 24,927	\$ 7,056,706	\$ 6,682,347
Receivables:				
Accounts	-	-	46,138	24,606
Taxes	-	-	59,379	22,083
Interest	-	-	25,284	21,969
Prepaid costs	-	-	-	200
Due from other governments	-	-	191,659	90,935
Total Assets	\$ 25,094	\$ 24,927	\$ 7,379,166	\$ 6,842,140
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 258,557	\$ 286,612
Accrued liabilities	-	-	20,339	25,715
Unearned revenues	-	-	321,084	451,502
Deposits payable	-	-	69,226	69,226
Due to other funds	-	-	145,859	197,596
Total Liabilities	-	-	815,065	1,030,651
Deferred Inflows of Resources:				
Unavailable revenues	-	-	28,221	-
Total Deferred Inflows of Resources	-	-	28,221	-
Fund Balances:				
Nonspendable	-	-	-	200
Restricted	25,094	24,927	6,648,476	6,008,972
Unassigned	-	-	(112,596)	(197,683)
Total Fund Balances	25,094	24,927	6,535,880	5,811,489
Total Liabilities Deferred Inflows of Resources and Fund Balances	\$ 25,094	\$ 24,927	\$ 7,379,166	\$ 6,842,140

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	Special Revenue Funds			
	Gas Tax	Municipal Improvement Districts	Lighting District	TEA 21 / TEA
Assets:				
Cash and investments	\$ 152,222	\$ 1,079,335	\$ 2,469,402	\$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	7,671	6,091	-
Interest	300	4,289	10,894	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	\$ 152,522	\$ 1,091,295	\$ 2,486,387	\$ -
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ 5	\$ 71,529	\$ 18,352	\$ -
Accrued liabilities	-	431	2,263	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	5	71,960	20,615	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	152,517	1,019,335	2,465,772	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	152,517	1,019,335	2,465,772	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 152,522	\$ 1,091,295	\$ 2,486,387	\$ -

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

(CONTINUED)

	Special Revenue Funds			
	COPS	Public Safety	Fire Mitigation	Transportation Development Act
Assets:				
Cash and investments	\$ 256,469	\$ 294,340	\$ -	\$ -
Receivables:				
Accounts	-	1,915	-	-
Taxes	-	-	-	-
Interest	1,058	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	20,000	23,129	-	148,530
Total Assets	\$ 277,527	\$ 319,384	\$ -	\$ 148,530
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ 15,460	\$ 364	\$ -	\$ 97,543
Accrued liabilities	-	500	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	17,710	50,987
Total Liabilities	15,460	864	17,710	148,530
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	28,221
Total Deferred Inflows of Resources	-	-	-	28,221
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	262,067	318,520	-	-
Unassigned	-	-	(17,710)	(28,221)
Total Fund Balances (Deficits)	262,067	318,520	(17,710)	(28,221)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 277,527	\$ 319,384	\$ -	\$ 148,530

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	Special Revenue Funds			
	CDBG	CALTRANS	Coastal Area Business / Visitor Assistance &	Boating & Waterways
Assets:				
Cash and investments	\$ -	\$ -	\$ 674,977	\$ 61,316
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Interest	-	-	2,694	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	\$ -	\$ -	\$ 677,671	\$ 61,316
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 3,799	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	15,573	-	-	-
Total Liabilities	15,573	-	3,799	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-	673,872	61,316
Unassigned	(15,573)	-	-	-
Total Fund Balances (Deficits)	(15,573)	-	673,872	61,316
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ -	\$ 677,671	\$ 61,316

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

(CONTINUED)

	Special Revenue Funds			
	Miscellaneous Grants	Developer Pass- Thru	Housing	Camp Programs
Assets:				
Cash and investments	\$ 6,098	\$ 326,808	\$ 621,191	\$ -
Receivables:				
Accounts	-	-	-	33,123
Taxes	-	-	-	-
Interest	-	-	2,712	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	\$ 6,098	\$ 326,808	\$ 623,903	\$ 33,123
Liabilities and Fund Balances (Deficits)				
Liabilities:				
Accounts payable	\$ -	\$ 5,811	\$ 50	\$ 5,394
Accrued liabilities	-	-	-	17,145
Unearned revenues	-	321,084	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	61,589
Total Liabilities	-	326,895	50	84,128
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	6,098	-	623,853	-
Unassigned	-	(87)	-	(51,005)
Total Fund Balances (Deficits)	6,098	(87)	623,853	(51,005)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,098	\$ 326,808	\$ 623,903	\$ 33,123

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	Special Revenue	Capital Projects Funds	
	Funds		Sand Replenish/ Retention and Coastal Access CIP
	SB1 Streets & Roads	Assessment Districts CIP	
Assets:			
Cash and investments	\$ 90,853	\$ 206,239	\$ 792,362
Receivables:			
Accounts	-	-	11,100
Taxes	45,617	-	-
Interest	335	-	3,002
Prepaid costs	-	-	-
Due from other governments	-	-	-
Total Assets	\$ 136,805	\$ 206,239	\$ 806,464
Liabilities and Fund Balances (Deficits)			
Liabilities:			
Accounts payable	\$ 6	\$ 16,644	\$ 23,600
Accrued liabilities	-	-	-
Unearned revenues	-	-	-
Deposits payable	-	69,226	-
Due to other funds	-	-	-
Total Liabilities	6	85,870	23,600
Deferred Inflows of Resources:			
Unavailable revenues	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balances:			
Nonspendable	-	-	-
Restricted	136,799	120,369	782,864
Unassigned	-	-	-
Total Fund Balances (Deficits)	136,799	120,369	782,864
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 136,805	\$ 206,239	\$ 806,464

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	<u>Debt Service Funds</u>	<u>Total Nonmajor Governmental Funds</u>	
	<u>City Debt Service</u>	<u>2019</u>	<u>2018</u>
Assets:			
Cash and investments	\$ 25,094	\$ 7,056,706	\$ 6,682,347
Receivables:			
Accounts	-	46,138	24,606
Taxes	-	59,379	22,083
Interest	-	25,284	21,969
Prepaid costs	-	-	200
Due from other governments	-	191,659	90,935
Total Assets	<u>\$ 25,094</u>	<u>\$ 7,379,166</u>	<u>\$ 6,842,140</u>
Liabilities and Fund Balances (Deficits)			
Liabilities:			
Accounts payable	\$ -	\$ 258,557	\$ 286,612
Accrued liabilities	-	20,339	25,715
Unearned revenues	-	321,084	451,502
Deposits payable	-	69,226	69,226
Due to other funds	-	145,859	197,596
Total Liabilities	<u>-</u>	<u>815,065</u>	<u>1,030,651</u>
Deferred Inflows of Resources:			
Unavailable revenues	-	28,221	-
Total Deferred Inflows of Resources	<u>-</u>	<u>28,221</u>	<u>-</u>
Fund Balances:			
Nonspendable	-	-	200
Restricted	25,094	6,648,476	6,008,972
Unassigned	-	(112,596)	(197,683)
Total Fund Balances (Deficits)	<u>25,094</u>	<u>6,535,880</u>	<u>5,811,489</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 25,094</u>	<u>\$ 7,379,166</u>	<u>\$ 6,842,140</u>

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

(With comparative totals for the year ended June 30, 2018)

	Special Revenue Funds		Capital Projects Funds	
	2019	2018	2019	2018
Revenues:				
Taxes and assessments	\$ 1,949,049	\$ 1,700,129	\$ 310,616	\$ 281,193
Intergovernmental	631,476	907,696	-	-
Charges for services	883,694	753,044	-	-
Use of money and property	189,399	25,309	25,904	6,328
Other revenues	28,544	8,155	11,334	-
Total Revenues	3,682,162	3,394,333	347,854	287,521
Expenditures:				
Current:				
General government	5,832	-	44,030	832
Public safety	689,986	800,937	94,030	136,534
Public works	950,832	796,876	30	2,054
Community development	420,778	454,091	-	-
Community services	68,647	63,805	-	-
Capital outlay	989,259	611,482	86,144	285,081
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	3,125,334	2,727,191	224,234	424,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	556,828	667,142	123,620	(136,980)
Other Financing Sources (Uses):				
Transfers in	168,970	-	-	-
Transfers out	(125,142)	(70,400)	-	-
Total Other Financing Sources (Uses)	43,828	(70,400)	-	-
Net Change in Fund Balance	600,656	596,742	123,620	(136,980)
Fund Balance at the Beginning of the Year	5,006,897	4,410,155	779,613	916,593
Fund Balance at the End of the Year	\$ 5,607,553	\$ 5,006,897	\$ 903,233	\$ 779,613

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

(With comparative totals for the year ended June 30, 2018)

	Debt Service Funds		Total Nonmajor Governmental Funds	
	2019	2018	2019	2018
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ 2,259,665	\$ 1,981,322
Intergovernmental	-	-	631,476	907,696
Charges for services	-	-	883,694	753,044
Use of money and property	-	-	215,303	31,637
Other revenues	-	-	39,878	8,155
Total Revenues	-	-	4,030,016	3,681,854
Expenditures:				
Current:				
General government	-	-	49,862	832
Public safety	-	-	784,016	937,471
Public works	-	-	950,862	798,930
Community development	-	-	420,778	454,091
Community services	-	-	68,647	63,805
Capital outlay	-	-	1,075,403	896,563
Debt service:				
Principal retirement	303,971	288,487	303,971	296,366
Interest and fiscal charges	49,414	67,114	49,414	58,382
Total Expenditures	353,385	355,601	3,702,953	3,506,440
Excess (Deficiency) of Revenues Over (Under) Expenditures	(353,385)	(355,601)	327,063	175,414
Other Financing Sources (Uses):				
Transfers in	353,500	355,700	522,470	354,800
Transfers out	-	-	(125,142)	(70,400)
Total Other Financing Sources (Uses)	353,500	355,700	397,328	284,400
Net Change in Fund Balance	115	99	724,391	459,814
Fund Balance at the Beginning of the Year	24,979	24,828	5,811,489	5,351,675
Fund Balance at the End of the Year	\$ 25,094	\$ 24,927	\$ 6,535,880	\$ 5,811,489

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(With comparative totals for the year ended June 30, 2018)

	Special Revenue Funds			
	Gas Tax	Municipal Improvement Districts	Lighting District	TEA 21 / TEA
Revenues:				
Taxes and assessments	\$ 278,098	\$ 659,185	\$ 600,860	\$ -
Intergovernmental	15,718	2,736	3,261	-
Charges for services	-	-	-	-
Use of money and property	8,511	35,621	91,220	-
Other revenues	-	-	-	-
Total Revenues	302,327	697,542	695,341	-
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	192	623,585	323,869	-
Community development	-	-	-	-
Community services	-	-	-	-
Capital outlay	540,967	-	33,745	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	541,159	623,585	357,614	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(238,832)	73,957	337,727	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	168,970
Transfers out	-	-	(70,400)	-
Total Other Financing Sources (Uses)	-	-	(70,400)	168,970
Net Change in Fund Balance	(238,832)	73,957	267,327	168,970
Fund Balance (Deficit) at the Beginning of the Year	391,349	945,378	2,198,445	(168,970)
Fund Balance (Deficit) at the End of the Year	\$ 152,517	\$ 1,019,335	\$ 2,465,772	\$ -

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

(With comparative totals for the year ended June 30, 2018)

(CONTINUED)

	Special Revenue Funds			
	COPS	Public Safety	Fire Mitigation	Transportation Development Act
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	148,747	298,205	-	120,309
Charges for services	-	-	5,963	-
Use of money and property	8,361	-	-	-
Other revenues	-	21,735	-	-
Total Revenues	157,108	319,940	5,963	120,309
Expenditures:				
Current:				
General government	-	285	-	-
Public safety	100,112	190,597	10,620	-
Public works	-	1,505	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	23,517	-	148,530
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	100,112	215,904	10,620	148,530
Excess (Deficiency) of Revenues Over (Under) Expenditures	56,996	104,036	(4,657)	(28,221)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	56,996	104,036	(4,657)	(28,221)
Fund Balance (Deficit) at the Beginning of the Year	205,071	214,484	(13,053)	-
Fund Balance (Deficit) at the End of the Year	\$ 262,067	\$ 318,520	\$ (17,710)	\$ (28,221)

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(With comparative totals for the year ended June 30, 2018)

	Special Revenue Funds			
	CDBG	CALTRANS	Coastal Area Business / Visitor Assistance & Enhancement	Boating & Waterways
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ 155,308	\$ -
Intergovernmental	42,500	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	22,567	947
Other revenues	-	-	6,809	-
Total Revenues	42,500	-	184,684	947
Expenditures:				
Current:				
General government	-	5,547	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Community development	-	-	129,906	-
Community services	-	-	-	-
Capital outlay	42,500	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	42,500	5,547	129,906	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(5,547)	54,778	947
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(54,742)	-	-
Total Other Financing Sources (Uses)	-	(54,742)	-	-
Net Change in Fund Balance	-	(60,289)	54,778	947
Fund Balance (Deficit) at the Beginning of the Year	(15,573)	60,289	619,094	60,369
Fund Balance (Deficit) at the End of the Year	\$ (15,573)	\$ -	\$ 673,872	\$ 61,316

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

(With comparative totals for the year ended June 30, 2018)

(CONTINUED)

	Special Revenue Funds			
	Miscellaneous Grants	Developer Pass- Thru	Housing	Camp Programs
Revenues:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	285,374	258,329	334,028
Use of money and property	-	-	19,023	1,143
Other revenues	-	-	-	-
Total Revenues	-	285,374	277,352	335,171
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	388,657
Public works	-	1,614	-	-
Community development	-	283,760	7,112	-
Community services	-	-	-	68,647
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	285,374	7,112	457,304
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	270,240	(122,133)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	270,240	(122,133)
Fund Balance (Deficit) at the Beginning of the Year	6,098	(87)	353,613	71,128
Fund Balance (Deficit) at the End of the Year	\$ 6,098	\$ (87)	\$ 623,853	\$ (51,005)

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(With comparative totals for the year ended June 30, 2018)

	Special Revenue Funds	Capital Projects Funds	
	SB1 Streets & Roads	Assessment Districts CIP	Sand Replenish/ Retention and Coastal Access CIP
Revenues:			
Taxes and assessments	\$ 255,598	\$ -	\$ 310,616
Intergovernmental	-	-	-
Charges for services	-	-	-
Use of money and property	2,006	2,609	23,295
Other revenues	-	-	11,334
Total Revenues	257,604	2,609	345,245
Expenditures:			
Current:			
General government	-	43,416	614
Public safety	-	-	94,030
Public works	67	-	30
Community development	-	-	-
Community services	-	-	-
Capital outlay	200,000	-	86,144
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	200,067	43,416	180,818
Excess (Deficiency) of Revenues Over (Under) Expenditures	57,537	(40,807)	164,427
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	57,537	(40,807)	164,427
Fund Balance (Deficit) at the Beginning of the Year	79,262	161,176	618,437
Fund Balance (Deficit) at the End of the Year	\$ 136,799	\$ 120,369	\$ 782,864

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019
(With comparative totals for the year ended June 30, 2018)

	<u>Debt Service Funds</u>	<u>Total Nonmajor Governmental Funds</u>	
	<u>City Debt Service</u>	<u>2019</u>	<u>2018</u>
Revenues:			
Taxes and assessments	\$ -	\$ 2,259,665	\$ 1,981,322
Intergovernmental	-	631,476	907,696
Charges for services	-	883,694	753,044
Use of money and property	-	215,303	31,637
Other revenues	-	39,878	8,155
Total Revenues	-	4,030,016	3,681,854
Expenditures:			
Current:			
General government	-	49,862	832
Public safety	-	784,016	937,471
Public works	-	950,862	798,930
Community development	-	420,778	454,091
Community services	-	68,647	63,805
Capital outlay	-	1,075,403	896,563
Debt service:			
Principal retirement	303,971	303,971	296,366
Interest and fiscal charges	49,414	49,414	58,382
Total Expenditures	353,385	3,702,953	3,506,440
Excess (Deficiency) of Revenues Over (Under) Expenditures	(353,385)	327,063	175,414
Other Financing Sources (Uses):			
Transfers in	353,500	522,470	354,800
Transfers out	-	(125,142)	(70,400)
Total Other Financing Sources (Uses)	353,500	397,328	284,400
Net Change in Fund Balance	115	724,391	459,814
Fund Balance (Deficit) at the Beginning of the Year	24,979	5,811,489	5,351,675
Fund Balance (Deficit) at the End of the Year	\$ 25,094	\$ 6,535,880	\$ 5,811,489

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 GAS TAX FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 391,349	\$ 391,349	\$ 391,349	\$ -
Resources (Inflows):				
Taxes	309,800	309,800	278,098	(31,702)
Intergovernmental	-	-	15,718	15,718
Use of money and property	2,000	2,000	8,511	6,511
Amounts Available for Appropriations	703,149	703,149	693,676	(9,473)
Charges to Appropriations (Outflows):				
Public works	2,600	2,600	192	2,408
Capital outlay	460,000	716,435	540,967	175,468
Total Charges to Appropriations	462,600	719,035	541,159	177,876
Budgetary Fund Balance (Deficit), June 30	\$ 240,549	\$ (15,886)	\$ 152,517	\$ 168,403

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
MUNICIPAL IMPROVEMENT DISTRICTS FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 945,378	\$ 945,378	\$ 945,378	\$ -
Resources (Inflows):				
Taxes	611,700	611,700	659,185	47,485
Intergovernmental	2,500	2,500	2,736	236
Use of money and property	600	600	35,621	35,021
Amounts Available for Appropriations	1,560,178	1,560,178	1,642,920	82,742
Charges to Appropriations (Outflows):				
Public works	529,800	651,980	623,585	28,395
Total Charges to Appropriations	529,800	651,980	623,585	28,395
Budgetary Fund Balance, June 30	\$ 1,030,378	\$ 908,198	\$ 1,019,335	\$ 111,137

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 LIGHTING DISTRICT FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,198,445	\$ 2,198,445	\$ 2,198,445	\$ -
Resources (Inflows):				
Taxes	551,100	551,100	600,860	49,760
Intergovernmental	3,200	3,200	3,261	61
Use of money and property	15,000	15,000	91,220	76,220
Amounts Available for Appropriations	2,767,745	2,767,745	2,893,786	126,041
Charges to Appropriations (Outflows):				
Public works	290,200	369,204	323,869	45,335
Capital outlay	-	33,745	33,745	-
Transfers out	70,400	70,400	70,400	-
Total Charges to Appropriations	360,600	473,349	428,014	45,335
Budgetary Fund Balance, June 30	\$ 2,407,145	\$ 2,294,396	\$ 2,465,772	\$ 171,376

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 TEA 21 / TEA FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance (Deficit), July 1	\$ (168,970)	\$ (168,970)	\$ (168,970)	\$ -
Resources (Inflows):				
Transfers in	-	168,970	168,970	-
Amounts Available for Appropriations	(168,970)	-	-	-
Budgetary Fund Balance (Deficit), June 30	\$ (168,970)	\$ -	\$ -	\$ -

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 COPS FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 205,071	\$ 205,071	\$ 205,071	\$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	148,747	48,747
Use of money and property	400	400	8,361	7,961
Amounts Available for Appropriations	305,471	305,471	362,179	56,708
Charges to Appropriations (Outflows):				
Public safety	100,000	100,200	100,112	88
Total Charges to Appropriations	100,000	100,200	100,112	88
Budgetary Fund Balance, June 30	\$ 205,471	\$ 205,271	\$ 262,067	\$ 56,796

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 214,484	\$ 214,484	\$ 214,484	\$ -
Resources (Inflows):				
Intergovernmental	49,500	119,358	298,205	178,847
Miscellaneous	-	-	21,735	21,735
Amounts Available for Appropriations	263,984	333,842	534,424	200,582
Charges to Appropriations (Outflows):				
General government	-	-	285	(285)
Public safety	85,000	159,243	190,597	(31,354)
Public works	-	-	1,505	(1,505)
Capital outlay	-	57,615	23,517	34,098
Total Charges to Appropriations	85,000	216,858	215,904	954
Budgetary Fund Balance, June 30	\$ 178,984	\$ 116,984	\$ 318,520	\$ 201,536

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 FIRE MITIGATION FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Deficit, July 1	\$ (13,053)	\$ (13,053)	\$ (13,053)	\$ -
Resources (Inflows):				
Charges for services	5,000	5,000	5,963	963
Amounts Available for Appropriations	(8,053)	(8,053)	(7,090)	963
Charges to Appropriations (Outflows):				
Public safety	5,000	11,375	10,620	755
Total Charges to Appropriations	5,000	11,375	10,620	755
Budgetary Fund Balance (Deficit), June 30	\$ (13,053)	\$ (19,428)	\$ (17,710)	\$ 1,718

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 TRANSPORTATION DEVELOPMENT ACT FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	-	616,050	120,309	(495,741)
Amounts Available for Appropriations	-	616,050	120,309	(495,741)
Charges to Appropriations (Outflows):				
Capital outlay	-	616,050	148,530	467,520
Total Charges to Appropriations	-	616,050	148,530	467,520
Budgetary Fund Balance (Deficit), June 30	\$ -	\$ -	\$ (28,221)	\$ (28,221)

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
CDBG FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Deficit, July 1	\$ (15,573)	\$ (15,573)	\$ (15,573)	\$ -
Resources (Inflows):				
Intergovernmental	-	42,500	42,500	-
Amounts Available for Appropriations	(15,573)	26,927	26,927	-
Charges to Appropriations (Outflows):				
Capital outlay	-	42,500	42,500	-
Total Charges to Appropriations	-	42,500	42,500	-
Budgetary Fund Deficit, June 30	\$ (15,573)	\$ (15,573)	\$ (15,573)	\$ -

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 CALTRANS FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 60,289	\$ 60,289	\$ 60,289	\$ -
Amounts Available for Appropriations	60,289	60,289	60,289	-
Charges to Appropriations (Outflows):				
General government	-	-	5,547	(5,547)
Transfers out	-	60,289	54,742	5,547
Total Charges to Appropriations	-	60,289	60,289	-
Budgetary Fund Balance, June 30	\$ 60,289	\$ -	\$ -	\$ -

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
COASTAL AREA BUSINESS / VISITOR ASSISTANCE AND ENHANCEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 619,094	\$ 619,094	\$ 619,094	\$ -
Resources (Inflows):				
Taxes	138,000	138,000	155,308	17,308
Use of money and property	2,500	2,500	22,567	20,067
Miscellaneous	-	-	6,809	6,809
Amounts Available for Appropriations	759,594	759,594	803,778	44,184
Charges to Appropriations (Outflows):				
Community development	48,600	147,900	129,906	17,994
Total Charges to Appropriations	48,600	147,900	129,906	17,994
Budgetary Fund Balance, June 30	\$ 710,994	\$ 611,694	\$ 673,872	\$ 62,178

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 DEVELOPER PASS-THRU FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Deficit, July 1	\$ (87)	\$ (87)	\$ (87)	\$ -
Resources (Inflows):				
Charges for services	100,000	100,000	285,374	185,374
Use of money and property	-	-	-	-
Amounts Available for Appropriations	99,913	99,913	285,287	185,374
Charges to Appropriations (Outflows):				
Community development	100,000	284,685	283,760	925
Public works	-	46,051	1,614	44,437
Total Charges to Appropriations	100,000	330,736	285,374	45,362
Budgetary Fund Deficit, June 30	\$ (87)	\$ (230,823)	\$ (87)	\$ 230,736

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
HOUSING FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 353,613	\$ 353,613	\$ 353,613	\$ -
Resources (Inflows):				
Charges for services	-	-	258,329	258,329
Use of money and property	2,500	2,500	19,023	16,523
Amounts Available for Appropriations	356,113	356,113	630,965	274,852
Charges to Appropriations (Outflows):				
Community development	10,000	64,403	7,112	57,291
Total Charges to Appropriations	10,000	64,403	7,112	57,291
Budgetary Fund Balance, June 30	\$ 346,113	\$ 291,710	\$ 623,853	\$ 332,143

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 CAMP PROGRAMS FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 71,128	\$ 71,128	\$ 71,128	\$ -
Resources (Inflows):				
Charges for services	430,700	430,700	334,028	(96,672)
Use of money and property	-	-	1,143	1,143
Amounts Available for Appropriations	501,828	501,828	406,299	(95,529)
Charges to Appropriations (Outflows):				
Public safety	390,300	409,400	388,657	20,743
Parks and recreation	64,000	69,000	68,647	353
Total Charges to Appropriations	454,300	478,400	457,304	21,096
Budgetary Fund Balance (Deficit), June 30	\$ 47,528	\$ 23,428	\$ (51,005)	\$ (74,433)

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
SB1 STREETS & ROADS
FOR THE YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 79,262	\$ 79,262	\$ 79,262	\$ -
Resources (Inflows):				
Taxes	-	-	255,598	255,598
Use of money and property	-	-	2,006	2,006
Amounts Available for Appropriations	79,262	79,262	336,866	257,604
Charges to Appropriation (Outflow):				
Public works	-	100	67	33
Capital outlay	200,000	200,000	200,000	-
Total Charges to Appropriations	200,000	200,100	200,067	33
Budgetary Fund Balance (Deficit), June 30	\$ (120,738)	\$ (120,838)	\$ 136,799	\$ 257,637

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
CITY CIP CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,835,252	\$ 1,835,252	\$ 1,835,252	\$ -
Resources (Inflows):				
Intergovernmental	-	537,081	537,081	-
Charges for services	-	3,800	393,615	389,815
Use of money and property	10,000	10,000	63,091	53,091
Miscellaneous	-	60,000	51,538	(8,462)
Transfers in	270,500	2,113,900	2,113,900	-
Amounts Available for Appropriations	2,115,752	4,560,033	4,994,477	434,444
Charges to Appropriations (Outflows):				
General government	-	-	1,668	(1,668)
Public safety	63,400	90,880	41,636	49,244
Community development	10,000	10,000	5,133	4,867
Parks and recreation	-	537,081	537,081	-
Public works	20,000	20,000	3,683	16,317
Capital outlay	275,000	2,153,565	1,582,109	571,456
Total Charges to Appropriations	368,400	2,811,526	2,171,310	640,216
Budgetary Fund Balance, June 30	\$ 1,747,352	\$ 1,748,507	\$ 2,823,167	\$ 1,074,660

CITY OF SOLANA BEACH, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
 ASSESSMENT DISTRICT CIP CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 161,176	\$ 161,176	\$ 161,176	\$ -
Resources (Inflows):				
Use of money and property	100	100	2,609	2,509
Amounts Available for Appropriations	161,276	161,276	163,785	2,509
Charges to Appropriations (Outflows):				
General government	-	45,000	43,416	1,584
Total Charges to Appropriations	-	45,000	43,416	1,584
Budgetary Fund Balance, June 30	\$ 161,276	\$ 116,276	\$ 120,369	\$ 4,093

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
SAND REPLENISHMENT / RETENTION AND COASTAL ACCESS CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 618,437	\$ 618,437	\$ 618,437	\$ -
Resources (Inflows):				
Taxes	276,000	276,000	310,616	34,616
Use of money and property	400	400	23,295	22,895
Miscellaneous	-	11,100	11,334	234
Amounts Available for Appropriations	894,837	905,937	963,682	57,745
Charges to Appropriations (Outflows):				
General government	-	-	614	(614)
Public safety	149,200	151,825	94,030	57,795
Public works	100,000	100,000	30	99,970
Capital outlay	215,000	249,763	86,144	163,619
Total Charges to Appropriations	464,200	501,588	180,818	320,770
Budgetary Fund Balance, June 30	\$ 430,637	\$ 404,349	\$ 782,864	\$ 378,515

CITY OF SOLANA BEACH, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
CITY DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 24,979	\$ 24,979	\$ 24,979	\$ -
Resources (Inflows):				
Transfers in	353,500	353,500	353,500	-
Amounts Available for Appropriations	378,479	378,479	378,479	-
Charges to Appropriations (Outflows):				
Debt service:				
Principal retirement	304,000	304,000	303,971	29
Interest and fiscal charges	49,500	49,500	49,414	86
Total Charges to Appropriations	353,500	353,500	353,385	115
Budgetary Fund Balance, June 30	\$ 24,979	\$ 24,979	\$ 25,094	\$ 115

FIDUCIARY FUNDS

Cedros Avenue Assessment District Fund - accounts for payments from property owners as well as debt service on bonds which were issued to pay for the improvements within the assessment district. This is accounted for as an agency fund because the City has no responsibility for the debt service on the bonds.

Undergrounding District Funds - the Barbara/Granados Avenue, Pacific Avenue/East and West Circle Drive, and Marsalan Avenue Utility Underground Assessment Districts are utility districts created to finance the undergrounding of utility lines. These funds account for payments from property owners as well as debt service on bonds that were issued to pay for the undergrounding improvements within the assessment districts. This is accounted for as an agency fund because the City has no responsibility for the debt service on the bonds.

South Solana Sewer District Fund - this fund was formed to finance the construction of sewer improvements to connect the 51 properties of the assessment district to the City's sewer system. This fund accounts for payments from property owners as well as debt service on the bonds that were issued to pay for the sewer improvements. This is accounted as an agency fund because the City has no responsibility for the debt service on the bonds.

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CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF NET POSITION
 ALL AGENCY FUNDS
 JUNE 30, 2019
 (With comparative totals for June 30, 2018)

	Cedros Avenue Assessment District	Undergrounding Districts	South Solana Sewer District	Total Agency Funds	
				2019	2018
Assets:					
Cash and investments	\$ -	\$ 440,575	\$ 79,315	\$ 519,890	\$ 506,663
Receivables:					
Accounts	-	1,668	-	1,668	1,248
Taxes	-	4,097	952	5,049	2,771
Total Assets	\$ -	\$ 446,340	\$ 80,267	\$ 526,607	\$ 510,682
Liabilities:					
Accounts payable	\$ -	\$ 909	\$ 3	\$ 912	\$ 7
Due to bondholders	-	445,431	80,264	525,695	510,675
Total Liabilities	\$ -	\$ 446,340	\$ 80,267	\$ 526,607	\$ 510,682

CITY OF SOLANA BEACH, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2019

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
<u>Cedros Avenue Assessment District</u>				
Assets:				
Cash and investments	\$ 13,199	\$ -	\$ 13,199	\$ -
Total Assets	\$ 13,199	\$ -	\$ 13,199	\$ -
Liabilities:				
Due to bondholders	\$ 13,199	\$ -	\$ 13,199	\$ -
Total Liabilities	\$ 13,199	\$ -	\$ 13,199	\$ -
<u>Undergrounding Districts</u>				
Assets:				
Cash and investments	\$ 417,197	\$ 182,745	\$ 159,367	\$ 440,575
Receivables:				
Accounts	1,248	7,917	7,497	1,668
Taxes	1,579	4,097	1,579	4,097
Total Assets	\$ 420,024	\$ 194,759	\$ 168,443	\$ 446,340
Liabilities:				
Accounts payable	\$ 781	\$ 138	\$ 10	\$ 909
Due to bondholders	419,243	455,625	429,437	445,431
Total Liabilities	\$ 420,024	\$ 455,763	\$ 429,447	\$ 446,340
<u>South Solana Sewer District</u>				
Assets:				
Cash and investments	\$ 76,267	\$ 135,585	\$ 132,537	\$ 79,315
Receivables:				
Taxes	1,192	3,302	3,542	952
Total Assets	\$ 77,459	\$ 138,887	\$ 136,079	\$ 80,267
Liabilities:				
Accounts payable	\$ 3	\$ 39,349	\$ 39,349	\$ 3
Due to bondholders	77,456	73,980	71,172	80,264
Total Liabilities	\$ 77,459	\$ 113,329	\$ 110,521	\$ 80,267
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and investments	\$ 506,663	\$ 318,330	\$ 305,103	\$ 519,890
Receivables:				
Accounts	1,248	7,917	7,497	1,668
Taxes	2,771	7,399	5,121	5,049
Total Assets	\$ 510,682	\$ 333,646	\$ 317,721	\$ 526,607
Liabilities:				
Accounts payable	\$ 784	\$ 39,487	\$ 39,359	\$ 912
Due to bondholders	509,898	529,605	513,808	525,695
Total Liabilities	\$ 510,682	\$ 569,092	\$ 553,167	\$ 526,607

**STATISTICAL SECTION
(UNAUDITED)**

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Statistical Section

This part of the City of Solana Beach's Statistical comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.

- * **Net Position by Component**
- * **Changes in Net Position**
- * **Fund Balances of Governmental Funds**
- * **Changes in Fund Balances of Governmental Funds**

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property taxes.

- * **Assessed Value and Estimated Actual Value of Taxable Property**
- * **Direct and Overlapping Property Tax Rates**
- * **Principal Property Tax Payers**
- * **Property Tax Levies and Collections**

Debt Capacity

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.

- * **Ratios of Outstanding Debt by Type**
- * **Direct and Overlapping Debt**
- * **Legal Debt Margin Information**
- * **Pledged-Revenue Coverage**

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.

- * **Demographic and Economic Statistics**
- * **Principal Employers**

Operating Information

These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.

- * **Full-time Equivalent City Government Employees by Function/Program**
- * **Operating Indicators by Function/Program**
- * **Capital Assets Statistics by Function/Program**

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.*

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Financial Trends

CITY OF SOLANA BEACH

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2010	2011	2012	2013	2014
Government activities					
Net Investment in Capital					
Assets					
Restricted	\$ 33,268,562	\$ 32,138,178	\$ 34,301,049	\$ 39,384,623	\$ 34,095,894
Unrestricted	7,086,145	6,747,340	6,370,933	4,688,776	5,183,814
	<u>7,537,582</u>	<u>4,479,958</u>	<u>5,275,012</u>	<u>1,418,151</u>	<u>6,871,872</u>
Total governmental activities net position	<u>\$ 47,892,289</u>	<u>\$ 43,365,476</u>	<u>\$ 45,946,994</u>	<u>\$ 45,491,550</u>	<u>46,151,580</u>
Business-type activities					
Net Investment in Capital					
Assets					
Restricted	10,679,302	6,389,844	5,470,469	5,682,518	6,324,862
Unrestricted	-	-	-	-	-
	<u>17,901,556</u>	<u>22,974,310</u>	<u>24,794,121</u>	<u>25,769,871</u>	<u>27,155,489</u>
Total governmental activities net position	<u>\$ 28,580,858</u>	<u>\$ 29,364,154</u>	<u>\$ 30,264,590</u>	<u>\$ 31,452,389</u>	<u>33,480,351</u>
Primary government					
Net Investment in Capital					
Assets					
Restricted	\$ 43,947,864	\$ 38,528,022	\$ 39,771,518	\$ 45,067,141	\$ 40,420,756
Unrestricted	7,086,145	6,747,340	6,370,933	4,688,776	5,183,814
	<u>25,439,138</u>	<u>27,454,268</u>	<u>30,069,133</u>	<u>27,188,022</u>	<u>34,027,361</u>
Total governmental activities net position	<u>\$ 76,473,147</u>	<u>\$ 72,729,630</u>	<u>\$ 76,211,584</u>	<u>\$ 76,943,939</u>	<u>79,631,931</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

		Fiscal Year				
2015	2016	2017	2018	2019		
\$ 32,415,836	\$ 30,365,711	\$ 28,412,121	\$ 27,241,251	\$ 29,396,878		
4,979,850	5,825,595	6,619,853	9,139,181	11,238,745		
(85,816)	1,230,929	1,795,456	(2,320,375)	(3,911,422)		
37,309,870	37,422,235	36,827,430	\$ 34,060,057	\$ 36,724,201		
6,798,584	5,594,350	6,195,352	\$ 5,929,088	\$ 8,892,771		
-	-	-	54	49		
26,759,779	29,711,194	32,866,729	36,722,015	35,710,517		
33,558,363	35,305,544	39,062,081	\$ 42,651,157	\$ 44,603,337		
\$ 39,214,420	\$ 35,960,061	\$ 34,607,473	\$ 33,170,339	\$ 38,289,649		
4,979,850	5,825,595	6,619,853	9,139,235	11,238,794		
26,673,963	30,942,123	34,662,185	34,401,640	31,799,095		
70,868,233	72,727,779	75,889,511	\$ 76,711,214	\$ 81,327,538		

CITY OF SOLANA BEACH

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2010	2011	2012	2013	2014
Expenses					
Governmental Activities:					
General government	4,680,495	4,943,119	3,509,970	3,521,929	3,712,734
Public safety	8,066,129	9,730,398	7,801,875	8,177,235	8,416,330
Public works	4,350,781	4,207,981	4,499,601	5,070,916	5,008,665
Community development	1,055,575	1,078,141	957,995	957,303	1,361,588
Community services	526,188	569,907	561,563	604,445	579,088
Interest on long-term debt	738,430	543,852	139,345	78,156	439,918
Total Governmental Activities expenses	19,417,598	21,073,398	17,470,349	18,409,984	19,518,323
Business-Type Activities:					
Sanitation	3,654,076	3,942,484	4,038,404	3,456,455	2,855,368
Solana Energy Alliance Fund	-	-	-	-	-
Total Business-Type Activities Expenses	3,654,076	3,942,484	4,038,404	3,456,455	2,855,368
Total Primary Government Expenses	\$ 23,071,674	\$ 25,015,882	21,508,753	21,866,439	22,373,691
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ -	\$ -	\$ 21,370	\$ -	\$ -
Public safety	397,971	471,722	439,523	376,156	402,670
Public works	571,933	689,658	251,766	511,843	743,210
Community development	447,581	506,927	796,475	648,280	830,429
Community services	248,803	151,189	229,571	357,877	303,070
Operating Contributions:					
General government	-	14,213	-	-	-
Public safety	181,174	251,237	273,048	270,428	286,687
Public works	1,000	1,351	173,664	583,136	1,577,961
Community development	-	-	-	-	-
Community services	76,250	13,500	30,331	-	-
Capital Contributions and Grants:					
Public safety	-	65,696	78,590	162,672	129,740
Public works	25,500	414,003	25,000	-	-
Community services	-	21,001	-	-	-
Total Governmental Activities Program Revenues	1,950,212	2,600,497	2,319,338	2,910,392	4,273,767
Business-Type Activities:					
Charges for services:					
Sanitation	4,498,181	4,501,364	4,517,005	4,708,765	4,775,489
Solana Energy Alliance Fund	-	-	-	-	-
Total Business-Type Activities Program Revenues	4,498,181	4,501,364	4,517,005	4,708,765	4,775,489
Total Primary Government Program Revenues	\$ 6,448,393	\$ 7,101,861	\$ 6,836,343	\$ 7,619,157	\$ 9,049,256
Net (Expense)/Revenue					
Governmental Activities	(17,467,386)	(18,472,901)	(15,151,011)	(15,499,592)	(15,244,556)
Business-Type Activities	844,105	558,880	478,601	1,252,310	1,920,121
Total primary Government Net Expense	(16,623,281)	(17,914,021)	(14,672,410)	(14,247,282)	(13,324,435)
General Revenues and Other Charges in Net Position					
Governmental Activities:					
Taxes:					
Property taxes, levied for general purpose	\$ 6,880,563	\$ 6,813,559	\$ 6,597,393	\$ 6,655,138	\$ 6,880,916
Transient occupancy taxes	929,836	978,840	1,118,592	1,186,197	1,220,075
Sales taxes	2,515,183	2,813,228	2,963,507	3,077,691	2,814,702
Intergovernmental, unrestricted:					
Franchise taxes	652,485	663,660	685,336	698,672	714,991
Other taxes	2,228,379	2,353,883	2,670,333	2,643,515	2,736,146
Investment income	175,659	161,701	-	-	-
Use of money and property	-	-	102,469	84,903	137,906
Other	345,098	218,377	494,008	722,094	1,399,850
Loss on sale of property	-	(57,159)	-	-	-
Extraordinary Gain/(Loss) on dissolution on redevelopment agency	-	-	2,933,995	-	-
Total Governmental Activities	13,727,203	13,946,089	17,617,717	15,068,210	15,904,586
Business-Type Activities:					
Investment income	73,634	51,294	-	-	-
Use of money and property	-	-	152,477	78,615	71,541
Share in joint venture net loss	-	-	-	-	-
Other	-	-	269,358	46,470	36,300
Miscellaneous	421,515	173,122	-	-	-
Total Business-Type Activities	495,149	224,416	421,835	125,085	107,841
Total Primary Government	14,222,352	14,170,505	18,039,552	15,193,295	16,012,427
Changes in Net Position					
Governmental Activities	(3,740,183)	(4,526,812)	2,466,706	(431,382)	660,030
Business-Type Activities	1,339,254	783,296	900,436	1,377,395	2,027,962
Total Primary Government	\$ (2,400,929)	\$ (3,743,516)	\$ 3,367,142	\$ 946,013	\$ 2,687,992

Fiscal Year				
2015	2016	2017	2018	2019
3,344,429	3,944,303	4,309,372	4,101,170	3,650,982
8,441,144	9,162,345	9,628,140	10,539,671	11,050,684
5,181,223	5,438,407	5,487,183	5,944,432	5,937,131
1,281,059	1,378,130	1,745,101	1,754,910	1,482,428
622,608	627,748	1,122,128	730,645	1,178,128
388,144	398,408	389,077	381,634	368,495
<u>19,258,607</u>	<u>20,949,341</u>	<u>22,681,001</u>	<u>23,452,462</u>	<u>23,667,848</u>
4,566,357	3,568,901	1,602,359	2,100,256	4,204,504
-	-	-	390,533	5,210,816
<u>4,566,357</u>	<u>3,568,901</u>	<u>1,602,359</u>	<u>2,490,789</u>	<u>9,415,320</u>
<u>23,824,964</u>	<u>24,518,242</u>	<u>24,283,360</u>	<u>25,943,251</u>	<u>33,083,168</u>
\$ -	\$ -	\$ -	\$ -	\$ 194,122
464,533	578,282	620,990	577,351	581,313
238,587	416,524	449,962	698,999	1,005,828
852,578	928,065	1,252,126	1,300,411	1,169,232
347,698	365,289	400,353	336,079	335,828
-	-	-	-	-
285,399	270,152	198,615	177,936	186,145
920,807	1,045,301	1,241,379	1,106,636	1,404,721
109,689	200,388	-	100,000	-
-	-	129,324	139,416	148,747
53,091	160,372	158,370	420,005	298,205
-	-	-	-	-
-	-	-	-	-
<u>3,272,382</u>	<u>3,964,373</u>	<u>4,451,119</u>	<u>4,856,833</u>	<u>5,324,141</u>
4,949,069	5,151,671	5,255,483	5,415,690	5,592,045
-	-	-	494,307	5,202,375
<u>4,949,069</u>	<u>5,151,671</u>	<u>5,255,483</u>	<u>5,909,997</u>	<u>10,794,420</u>
<u>\$ 8,221,451</u>	<u>\$ 9,116,044</u>	<u>\$ 9,706,602</u>	<u>\$ 10,766,830</u>	<u>\$ 16,118,561</u>
(15,986,225)	(16,984,968)	(18,229,882)	(18,595,629)	(18,343,707)
382,712	1,582,770	3,653,124	3,419,208	1,379,100
<u>(15,603,513)</u>	<u>(15,402,198)</u>	<u>(14,576,758)</u>	<u>(15,176,421)</u>	<u>(16,964,607)</u>
\$ 7,247,202	\$ 7,705,956	\$ 8,095,383	\$ 8,586,838	\$ 9,070,200
1,467,373	1,605,685	1,740,208	1,827,753	2,019,005
2,808,203	3,255,104	3,127,803	3,191,410	3,502,561
-	-	-	-	-
765,995	736,042	733,354	723,164	792,575
2,747,073	2,797,559	2,868,629	3,170,331	3,547,175
-	-	-	-	-
136,763	261,446	283,828	286,867	1,100,795
914,672	735,521	785,872	722,186	975,510
-	-	-	-	-
-	-	-	-	-
<u>16,087,281</u>	<u>17,097,313</u>	<u>17,635,077</u>	<u>18,508,549</u>	<u>21,007,821</u>
-	-	-	-	-
71,973	115,321	88,940	81,629	557,179
-	-	-	-	-
28,939	49,090	14,473	88,239	15,901
-	-	-	-	-
<u>100,912</u>	<u>164,411</u>	<u>103,413</u>	<u>169,868</u>	<u>573,080</u>
<u>16,188,193</u>	<u>17,261,724</u>	<u>17,738,490</u>	<u>18,678,417</u>	<u>21,580,901</u>
101,056	112,345	(594,805)	(87,080)	2,664,114
483,624	1,747,181	3,756,537	3,589,076	1,952,180
<u>\$ 584,680</u>	<u>\$ 1,859,526</u>	<u>\$ 3,161,732</u>	<u>\$ 3,501,996</u>	<u>\$ 4,616,294</u>

CITY OF SOLANA BEACH

Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis Of Accounting)

	Fiscal Year				
	2010	2011	2012	2013	2014
General Fund					
Reserved	\$ 590,395	\$ -	\$ -	\$ -	\$ -
Unreserved	8,836,776	-	-	-	-
Nonspendable	-	32,550	6,482	9,276	7,523
Restricted	-	-	-	-	-
Committed	-	346,990	264,534	278,377	324,083
Assigned	-	4,553,037	4,486,177	4,579,527	5,102,543
Unassigned	-	1,600,449	2,573,592	4,014,144	4,369,152
Total General Fund	<u>\$ 9,427,171</u>	<u>\$ 6,533,026</u>	<u>\$ 7,330,785</u>	<u>\$ 8,881,324</u>	<u>9,803,301</u>
All Other Governmental Funds					
Reserved	\$ 2,039,729	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in nonmajor,					
Special revenue funds	3,883,762	-	-	-	-
Capital Projects funds	630,964	-	-	-	-
Debt service funds	531,690	-	-	-	-
Nonspendable	-	69,226	-	-	-
Restricted	-	6,169,355	6,241,182	4,588,670	5,107,900
Committed	-	-	-	-	-
Assigned	-	782,116	539,450	525,735	425,416
Unassigned	-	(273,357)	(315,857)	(5,333,420)	(222,713)
Total all other Governmental Funds	<u>\$ 7,086,145</u>	<u>\$ 6,747,340</u>	<u>\$ 6,464,775</u>	<u>\$ (219,015)</u>	<u>5,310,603</u>

Fiscal Year				
2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
9,382	7,471	20,164	72,579	23,402
-	508,897	893,185	1,294,957	1,743,908
454,048	787,790	914,846	1,015,354	1,436,307
5,324,048	5,520,890	5,690,381	5,805,890	6,041,593
5,580,686	6,200,244	6,805,201	7,385,736	4,588,069
<u>11,368,164</u>	<u>13,025,292</u>	<u>14,323,777</u>	<u>15,574,516</u>	<u>13,833,279</u>

\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	200	-
4,979,850	5,316,698	5,726,668	7,844,224	9,494,837
-	-	-	-	-
589,120	849,917	1,385,099	-	-
(213,005)	(184,544)	(336,475)	(234,689)	(112,596)
<u>5,355,965</u>	<u>5,982,071</u>	<u>6,775,292</u>	<u>7,609,735</u>	<u>9,382,241</u>

CITY OF SOLANA BEACH

Changes In Fund Balances Of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis Of Accounting)

	Fiscal Year				
	2010	2011	2012	2013	2014
Revenues:					
Taxes and assessments	\$ 12,299,501	\$ 12,700,086	\$ 12,881,767	\$ 13,046,917	\$ 13,135,199
Intergovernmental	1,700,918	1,623,918	1,822,705	2,230,532	3,217,319
Licenses and permits	308,284	323,091	420,339	361,573	429,464
Charges for services	678,188	607,354	799,836	830,907	959,935
Fines and forfeitures	349,291	385,394	342,136	323,961	348,337
Contributions from property owners	-	-	-	-	-
Investment income	-	-	-	-	-
Use of money and property	176,320	162,086	102,469	84,903	137,906
Other	421,595	1,132,388	604,953	1,099,809	1,941,493
Total revenues	15,934,097	16,934,317	16,974,205	17,978,602	20,169,653
Expenditures:					
General government	3,433,354	4,363,499	3,230,362	3,057,761	3,085,499
Public safety	7,848,577	9,531,715	7,614,262	7,945,912	8,238,659
Public works	2,278,876	2,263,950	2,301,953	2,075,777	2,215,596
Community development	1,079,651	1,103,618	953,383	955,907	1,360,192
Community services	224,884	268,603	244,955	284,884	259,809
Capital outlay	1,134,878	1,644,750	2,048,301	7,638,942	3,452,914
Debt service:					
Principal retirement	424,079	444,385	239,900	280,700	155,925
Interest	282,725	265,360	155,519	77,283	439,464
Payment to refunded bond escrow agent	-	-	1,545,000	-	-
Pass-through payments	453,250	281,387	7,147	-	-
Total expenses	17,160,274	20,167,267	18,340,782	22,317,166	19,208,058
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,226,177)	(3,232,950)	(1,366,577)	(4,338,564)	961,595
Other financing sources (uses):					
Transfers in	857,227	874,996	2,560,970	742,322	1,319,473
Transfers out	(857,227)	(874,996)	(2,560,970)	(742,322)	(1,319,473)
Contributions to Successor Agency	-	-	-	(834,007)	(10,000)
Refunding Bonds issued	-	-	1,388,300	-	-
Other Debts Issued	-	-	818,696	-	-
Bond Discount	-	-	(10,650)	-	-
Contributions to OPEB Trust Fund	-	-	-	-	-
Long-term debt issued	-	-	(24,062)	-	5,500,000
Capital leases	-	-	-	-	-
Total other financing sources (uses)	-	-	2,172,284	(834,007)	5,490,000
Extraordinary Gain/(Loss) on dissolution of Redevelopment Agency (Note 16)	-	-	\$ (366,005)	\$ -	-
Net change in fund balances / net position	\$ (1,226,177)	\$ (3,232,950)	\$ 439,702	\$ (5,172,571)	6,451,595
Capital assets used in debt service calculation*	\$ 963,854	\$ 1,364,025	\$ 2,055,611	\$ 7,859,585	\$ 3,527,607
Debt service as a percentage of noncapital expenditures	4.4%	3.8%	2.4%	2.5%	3.8%

* The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is the same as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures and changes in fund balance.

		Fiscal Year							
		2015	2016	2017	2018	2019			
\$	13,727,132	\$	14,719,229	\$	15,109,053	\$	15,945,223	\$	17,275,214
	2,674,057		3,069,673		3,185,272		3,498,266		3,665,899
	461,687		471,581		527,146		508,549		486,891
	1,001,943		1,313,658		1,699,140		1,584,561		2,230,614
	392,683		502,921		495,885		479,933		502,249
	-		-		-		-		-
	-		-		-		-		-
	136,763		261,466		283,828		286,867		1,100,795
	961,755		735,521		785,872		1,061,983		975,510
	19,356,020		21,074,049		22,086,196		23,365,382		26,237,172
	3,222,933		3,500,443		3,777,819		3,820,029		4,191,376
	8,315,766		8,912,742		9,070,746		9,831,070		10,243,546
	2,322,090		2,463,442		2,509,194		2,628,777		2,975,518
	1,291,073		1,380,934		1,721,715		1,574,333		1,523,428
	275,790		278,481		760,475		328,755		830,315
	1,773,690		2,190,316		1,473,835		2,417,383		5,763,230
	155,930		161,086		288,487		296,366		303,971
	388,523		383,130		392,219		383,487		374,519
	-		-		-		-		-
	-		-		-		-		-
	17,745,795		19,270,574		19,994,490		21,280,200		26,205,903
	1,610,225		1,803,475		2,091,706		2,085,182		31,269
	446,865		743,400		1,576,800		997,300		2,636,370
	(446,865)		(743,400)		(1,576,800)		(997,300)		(2,636,370)
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
	-		(135,000)		-		-		-
	-		614,759		-		-		-
	-		-		-		-		-
	-		479,759		-		-		-
	-		-		-		-		-
	1,610,225		2,283,234		2,091,706		2,085,182		31,269
\$	1,764,750	\$	2,194,361	\$	1,440,550	\$	2,432,556	\$	5,754,228
	3.4%		3.2%		3.7%		3.6%		3.3%

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Revenue Capacity

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CITY OF SOLANA BEACH

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Residential Property	Commercial Property	Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value ^a	Taxable Assessed Value as a Percentage of Actual Taxable Value
2010	2,919,582	352,525	168,139	-	3,440,246	0.1797%	N/A	N/A
2011	2,925,829	343,837	158,782	-	3,428,448	0.1780%	N/A	N/A
2012	2,990,970	352,417	158,210	-	3,501,597	0.1800%	N/A	N/A
2013	3,053,864	459,003	156,019	-	3,668,886	0.1800%	N/A	N/A
2014	3,150,064	457,092	154,207	-	3,761,363	0.1803%	N/A	N/A
2015	3,348,897	471,453	159,027	-	3,979,377	0.1779%	N/A	N/A
2016	3,549,149	490,565	161,797	-	4,201,511	0.1778%	N/A	N/A
2017	3,750,959	504,604	173,545	-	4,429,108	0.1779%	N/A	N/A
2018	3,974,035	567,922	182,779	-	4,724,736	0.1778%	N/A	N/A
2019	4,237,025	598,064	202,769	-	5,037,858	0.1778%	N/A	N/A

(a) The County of San Diego does not compile Estimated Actual Valuations

N/A - Data not available

Source: San Diego County Assessor 2009/10 - 2018/19 Combined Tax Rolls
HdL Coren & Cone.
City of Solana Beach Finance Department

CITY OF SOLANA BEACH

Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of taxable value)

City's Share of 1% Levy Per Prop 13

Fiscal Year	General Basic Tax Levy	Municipal Improvement District	Lighting District	Total City's Share of 1% Levy per Prop 13
2010	0.1602	0.0037	0.00955	0.1735
2011	0.1602	0.0037	0.00955	0.1735
2012	0.1602	0.0037	0.00955	0.1735
2013	0.1602	0.0037	0.00955	0.1735
2014	0.1602	0.0037	0.00955	0.1735
2015	0.1602	0.0037	0.09600	0.1735
2016	0.1602	0.0037	0.09600	0.1735
2017	0.1602	0.0037	0.09600	0.1735
2018	0.1602	0.0037	0.00955	0.1735
2019	0.1602	0.0037	0.00955	0.1735

Overlapping Rates

Fiscal Year	San Diego County (1)	Carlsbad/Oceanside/Vista Projects	School Districts	Community College	Santa Fe Irrigation District (2)
2010	0.167550	0.0004	0.40281	0.10486	0.025350
2011	0.167550	0.0004	0.40281	0.10486	0.025350
2012	0.167550	0.0004	0.40281	0.10486	0.025350
2013	0.167550	0.0004	0.40281	0.10486	0.025350
2014	0.167550	0.0004	0.40281	0.10486	0.025350
2015	0.167550	0.0004	0.40281	0.10486	0.025340
2016	0.167550	0.0004	0.40281	0.10486	0.025340
2017	0.167550	0.0004	0.40281	0.10486	0.025340
2018	0.167490	0.0004	0.40285	0.10490	0.025330
2019	0.167490	0.0004	0.40293	0.10490	0.025330

(1) Includes County School Services, Library, Childrens Institution Tuition, and Regional Occupational Centers.

(2) Includes Cwa Santa Fe Irrigation District (.00423) and Santa Fe Irrigation (.02111)

(3) Includes only rate(s) from indebtedness adopted prior to 1989 per California State Statute

Source: San Diego County Assessor 2018/19 Annual Tax Increment Tables and HdL Coren and Cone.

Overlapping Rates

Educational Revenue Augmentation	Voter Approved (3)					Total Direct & Overlapping Tax Rate
	Solana Beach School District Prop JJ Debt Service	Metropolitan Water District Debt Service	Santa Fe Irrigation Tax Rate Reduction	Mira Costa Comm College 2016A	San Dieguito Prop Aa 11/6/2013 2013A A1	
0.12551	-	0.0043	-	-	-	1.00430
0.12551	-	0.0037	-	-	-	1.00370
0.12551	-	0.0037	-	-	-	1.00370
0.12551	-	0.0035	-	-	-	1.00350
0.12551	-	0.0035	-	-	0.0378	1.04131
0.12551	-	0.0035	-	-	0.0215	1.02497
0.12551	-	0.0035	-	-	0.0227	1.02622
0.12551	-	0.0035	-	-	0.0228	1.02625
0.12550	0.03093	0.0035	-	0.01443	0.0223	1.07115
0.12550	0.02886	0.0035	-	0.01294	0.0230	1.06828

CITY OF SOLANA BEACH

**Principal Property Tax Payers,
Current Year and Ten Years Ago**

<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>
<u>For the Fiscal Year Ended June 30, 2019</u>		
S B T C Holdings LLC	\$ 99,411,247	1.99%
Pacific Solana Beach Holdings LP	69,301,721	1.39%
SB Coporate Centre III-IV LLC	57,531,036	1.15%
GRE Beachwalk LLC (Pending Appeals on Parcels)	33,915,000	0.68%
Sanyo Foods Corporation of America	32,736,648	0.66%
Fenton Solana Highlands LLC	31,052,063	0.62%
E R P Operating LP	19,909,643	0.40%
Lavida Delmar Asscs LP	17,889,460	0.36%
Showprop Monrovia II LLC	16,126,200	0.32%
Hankey Investment Company LP	15,259,883	0.31%
Total	<u>\$ 393,132,901</u>	<u>7.89%</u>
<u>For the Fiscal Year Ended June 30, 2010</u>		
SB Towne Centre	\$ 68,777,407	2.03%
Sanyo Foods Corporation of America	29,271,116	0.86%
Muller-Beachwalk LLC	29,183,220	0.86%
Pacific Solana Beach Holdings LP	29,026,313	0.85%
Fenton Solana Highlands LLC	27,511,909	0.81%
E R P Operating LP	17,631,713	0.52%
445 Marine View LLC	16,875,000	0.50%
Lavida Delmar Asscs LP	15,532,532	0.46%
Urschel Laboratories Inc	12,779,612	0.38%
Price Self Storage Solana Beach	12,430,687	0.37%
Total	<u>\$ 259,019,509</u>	<u>7.63%</u>

Source: HdL Coren & Cone and San Diego County Assessor 2009/10 & 2018/19

CITY OF SOLANA BEACH

**Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	5,781,014	5,407,172	93.5%	206,031	5,613,203	97%
2011	5,741,547	5,440,612	94.8%	-	5,440,612	95%
2012	5,770,042	5,489,946	95.1%	-	5,489,946	95%
2013	6,110,404	5,832,325	95.4%	258,145	6,090,470	100%
2014	6,303,038	6,033,082	95.7%	252,973	6,286,055	100%
2015	6,576,197	6,257,093	95.1%	215,422	6,472,515	98%
2016	6,931,466	6,635,180	95.7%	80,163	6,715,343	97%
2017	7,300,293	7,017,400	96.1%	27,141	7,044,541	96%
2018	7,741,663	7,444,166	96.2%	33,622	7,477,788	97%
2019	8,232,844	7,949,648	96.6%	27,740	7,977,388	97%

Sources: City of Solana Beach Finance Department, County of San Diego
Office of Auditor-Controller.

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Debt Capacity

CITY OF SOLANA BEACH

Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year	Government Activities				Business-type Activities	Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	2002 ABAG Lease Revenue Bonds	Refunding Lease ABAG	Bonds	Capital Leases	Loans			
2009*	2,100,000	-	3,435,000	568,999	16,620,000	22,723,999	3.66%	0.0027
2010*	1,875,000	-	3,370,000	434,920	15,915,000	21,594,920	3.78%	0.0028
2011**	1,640,000	-	3,300,000	295,535	15,409,277	20,644,812	3.20%	0.0023
2012*	-	1,388,300	-	958,681	14,132,771	16,479,752	4.20%	0.0032
2013*	-	1,279,300	-	787,950	13,095,631	15,162,881	4.58%	0.0035
2014*	-	1,166,600	5,500,000	745,693	12,175,456	19,587,749	3.56%	0.0027
2015*	-	1,055,400	5,500,000	701,931	11,273,883	18,531,214	3.95%	0.0030
2016	-	940,600	5,500,000	1,271,372	10,339,405	18,051,377	4.05%	0.0031
2017	-	817,200	5,500,000	1,113,062	9,373,587	16,803,849	4.85%	0.0036
2018	-	690,400	5,500,000	943,496	19,146,912	26,280,808	3.10%	0.0023
2019	-	560,600	5,500,000	769,326	18,064,945	24,894,871	3.52%	0.0025

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^a See Demographic and Economic Statistics schedule for personal income and population data.

These ratios are calculated using personal income and population for the prior calendar year.

* Prior years adjusted to comply with GASB comment Q&A 9.24- Included the Premiums/Discounts and Bonds

** Prior year adjusted to comply with GFOA comment GASB-S44 23- included bonds to schedule

CITY OF SOLANA BEACH

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2019**

Fiscal Year 2018-19 Assessed Valuation : \$5,038,447,175

<u>Direct Debt:</u>	<u>Gross Bonded Debt Balance</u>	<u>Percent Applicable to City (1)</u>	<u>Net Bonded Debt</u>
City of Solana Beach Lease Agreement	\$ 560,600	100.000%	(3) \$ 560,600
City of Solana Beach Capital Lease Obligation	\$ 769,325	100.000%	769,325
Total Direct Debt			<u>\$ 1,329,925</u>
 <u>Overlapping Debt:</u>			
Metropolitan Water District	\$ 48,050,000	0.173%	\$ 83,127
Mira Costa Community College District	\$ 85,850,000	4.659%	\$ 3,999,752
San Dieguito Union High School District	333,920,000	7.629%	\$ 25,474,757
San Dieguito Union High School District Community Facilities District No. 95-1	29,250,000	3.274%	\$ 957,645
Solana Beach School District School Facilities Improvement District No. 2016-1	100,450,000	31.883%	\$ 32,026,474
City of Solana Beach 1915 Act Bonds	2,390,000	100.000%	\$ 2,390,000
Olivenhain Municipal Water District, Assessment District No. 96-1	9,765,000	0.59%	\$ 57,614
San Diego County General Fund Obligations	255,365,000	0.958%	\$ 2,446,397
San Diego County Pension Obligations	508,765,000	0.958%	\$ 4,873,969
San Diego County Superintendent of Schools General Fund Obligations	10,085,000	0.958%	\$ 96,614
Mira Costa Community College District Certificates of Participation	150,000	4.659%	\$ 6,989
San Dieguito Union High School District Certificates of Participation	12,730,000	7.629%	\$ 971,172
Overlapping Tax Increment Debt	2,527,700	100.000%	<u>\$ 2,527,700</u>
Total Overlapping Debt			<u>\$ 75,912,209</u>
Total Direct and Overlapping Debt			<u>(2) \$ 77,242,134</u>

Debt to Assessed Valuation Ratios :

Direct Debt	0.03%
Overlapping Debt	1.51%
Total Debt	1.53%

Note: (1) - Percentage of overlapping agency's assess valuation located within the boundaries of the city.

(2) - Excludes tax and revenue anticipation notes, enterprise revenues, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

(3) Includes the Unamortized Bond Discount

Source: California Municipal Statistics, Inc.

CITY OF SOLANA BEACH

Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed value	\$ 5,038,447
Debt limit (15% of assessed value)	755,767
Debt applicable to limit:	
General obligation bonds	-
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 755,767</u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total net debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Legal Debt Margin Percentage of Debt Limit</u>
2009	495,650	-	495,650	100.00%
2010	504,121	-	504,121	100.00%
2011	502,577	-	502,577	100.00%
2012	513,291	-	513,291	100.00%
2013	550,417	-	550,417	100.00%
2014	564,290	-	564,290	100.00%
2015	597,013	-	597,013	100.00%
2016	630,359	-	630,359	100.00%
2017	664,464	-	664,464	100.00%
2018	708,810	-	708,810	100.00%
2019	755,767	-	755,767	100.00%

CITY OF SOLANA BEACH

Pledged-Revenue Coverage
Last Ten Fiscal Years

2011 ABAG Refunded Lease Revenue Bonds

<u>Fiscal Year</u>	<u>Use of Money & Property</u>	<u>Lease/Rents</u>	<u>Less: Expenditures</u>	<u>Net Available Revenue</u>
2010*	8,291	320,756	1,676	327,371
2011*	8,210	321,263	1,627	327,846
2012*	4,122	154,349	-	158,471
2013*	-	154,280	-	154,280
2014*	-	148,974	-	148,974
2015*	-	148,732	-	148,732
2016*	-	153,283	-	153,283
2017*	-	152,429	-	152,429
2018*		151,067		151,067
2019*		154,321		154,321

<u>Fiscal Year</u>	<u>Debt Service</u>		<u>Coverage</u>
	<u>Principal</u>	<u>Interest</u>	
2010*	225,000	95,756	1.02
2011*	235,000	86,263	1.00
2012*	109,000	45,349	1.03
2013*	112,700	41,580	1.00
2014*	111,200	37,774	1.00
2015*	114,800	33,932	1.00
2016*	123,400	29,883	1.00
2017*	126,800	25,629	1.00
2018*	129,800	21,267	1.00
2019*	137,600	16,721	1.00

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Expenditures do not include interest, depreciation, or amortization expenses.

* 2002 ABAG Lease Revenue Bonds

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Demographic and Economic Information

CITY OF SOLANA BEACH

**Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	Unemployment Rate
2009	13,600	815,227	59,947	6.6%
2010	13,783	659,875	47,876	7.2%
2011	13,000	691,899	53,223	6.8%
2012	12,987	695,142	53,526	4.7%
2013	13,099	697,561	53,253	4.1%
2014	13,059	731,200	55,992	6.0%
2015	13,494	778,568	57,697	4.8%
2016	13,527	815,210	60,265	4.3%
2017	13,938	830,408	59,578	1.7%
2018	13,933	875,833	62,860	1.7%

Sources: HdL Coren & Cone report prepared on 10/24/19

CITY OF SOLANA BEACH

25 MAJOR EMPLOYERS - SAN DIEGO COUNTY
AS OF 2019

Employer	Category	Business category
Barona Resort & Casino	1	Casinos
Ceasar Entertainment	1	Amusement & Recreation NEC
Employee's Association SDG-E	1	Associations
General Dynamics Nassco	1	Ship Builders & Repairers (Mfrs)
Illumina Inc	1	Biotechnology Products & Services
Kaiser Permanente Zion Med Ctr	1	Health Services
Merchants Building Maintenance	1	Janitor Service
Palomar Medical Ctr Downtown	1	Hospitals
Rady's Children's Hospital	1	Hospitals
Respiratory Support Prod Inc	1	Nonclassified Establishments
San Diego County Sheriff	1	Police Departments
Scripps Mercy Hospital	1	Hospitals
Scripps Research Institute	1	Laboratories-Research & Development
Sea World-San Diego	1	Amusement & Theme Parks
Sharp Mary Birch Hospital	1	Hospitals
Sharp Memorial Hospital	1	Hospitals
Sony Electronics	1	Electronic Equipment & Supplies-Retail
Kaiser Permanente Vandever Med	2	Physicians & Surgeons
San Diego Community College	2	Junior-Community College- Tech Institutes
UC San Diego Health	2	Hospitals
32nd St Naval Station	3	Federal Government-National Security
Mccs Mcrd	3	Military Bases
UCSD	3	College & University Placement Svc
University of California	3	University-College Dept/Facility/Office
Univesity-California Sn Diego	3	University-College Dept/Facility/Office

Source:

State of California- Employee Development Department- Major Employers in San Diego for 2019

Categories

- 1 1,000-4,999 Employees
- 2 5,000-9,999 Employees
- 3 10,000+ Employees

Employer information specific to the City of Solana Beach is not readily available*

* Due to unreliable data, the Top Employer Report is no longer offered by HdL Coren & Cone

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Operating Information

CITY OF SOLANA BEACH

Full-time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Fiscal Years:	2011	2012	2013	2014	2015
Function/Program					
General government					
City Council	0.20	0.20	0.20	0.20	0.20
City Clerk	2.75	2.75	2.65	2.60	3.10
City Manager	1.92	1.92	1.84	1.74	2.05
Legal Services	0.25	0.25	0.25	0.25	0.25
Finance	3.40	3.40	3.35	3.80	3.55
Non Departmental	-	-	-	-	-
Personnel	1.10	1.10	0.98	0.95	1.00
Info/Communication Systems	1.00	1.00	1.00	1.00	1.00
Community Development	5.50	5.50	5.50	5.40	6.00
Public Safety					
Fire	19.22	19.22	19.95	19.95	19.95
Code Enforcement	1.78	1.78	1.75	1.75	1.80
Marine Safety	8.08	8.08	8.06	8.06	8.06
Junior Lifeguards	3.73	3.73	3.73	3.73	3.73
Public Works					
Engineering	2.31	2.31	2.48	2.41	2.28
Environmental/Flood Control	1.10	1.10	1.10	1.10	1.10
Street Maintenance	2.90	2.90	2.90	2.90	2.95
Park Maintenance	1.35	1.35	1.35	1.35	1.35
Recreation & Community Services					
Community Services	0.95	0.95	0.95	0.95	0.95
Recreation	2.59	2.59	2.59	1.49	1.85
Sanitation	2.93	2.93	2.93	2.98	2.93
Improvement Districts	0.95	0.95	0.95	0.95	0.9
Redevelopment Agency	0.50	0.50	0.60	1.05	0.90
Solana Energy Alliance*	-	-	-	-	-
Total Personnel	<u>64.51</u>	<u>64.51</u>	<u>65.11</u>	<u>64.61</u>	<u>65.90</u>

N/A - Data Not Available

Notes: A full-time employee is scheduled to work 2,080 hours per Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

*Solana Energy Alliance started mid FY18

Source: City of Solana Beach's Annual Budget

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2018</u>	<u>2019</u>
0.20	0.20	0.20	0.20	0.20
3.10	3.10	3.10	3.10	3.10
2.05	1.80	1.90	1.90	1.90
0.25	0.25	0.25	0.25	0.25
3.55	3.55	3.45	3.45	3.05
-	-	-	-	-
1.00	1.15	0.95	0.95	0.95
1.00	1.00	1.00	1.00	1.00
6.00	5.80	5.80	5.80	5.80
19.95	19.95	20.20	20.20	20.20
1.80	1.80	1.80	1.80	1.80
9.49	9.49	9.29	9.29	9.29
3.53	4.03	4.23	4.23	4.23
2.13	2.73	2.73	2.73	2.73
1.10	1.05	1.05	1.05	1.05
2.95	2.95	2.95	2.95	2.95
1.35	1.35	1.35	1.35	1.35
0.95	0.90	0.90	0.90	0.65
1.85	1.80	1.55	1.55	1.50
3.22	3.12	3.37	3.37	3.37
0.9	0.9	0.9	0.9	0.9
0.90	1.10	0.80	0.80	0.80
-	-	-	-	0.75
<u>67.27</u>	<u>68.02</u>	<u>67.77</u>	<u>67.77</u>	<u>67.82</u>

CITY OF SOLANA BEACH

Operating Indicators by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Community development					
Number of:					
Business licenses (A)	1641	1943	1877	2023	2147
Plan checks (B)	322	125	211	225	276
Code violations (calendar basis)	510	1184	1277	1458	1467
Police (Calendar basis)					
Number of calls for service (C):					
Priority 1	11	11	12	11	27
Priority 2	504	426	501	480	498
Priority 3	1836	1777	1689	1711	1624
Priority 4	1259	1110	1199	1156	1037
FBI Index Crimes	265	276	337	321	210
Fire					
Emergency Responses	1438	1588	1093	1736	1702
Training Hours	2634	5304	n/a	5090	7079.67
Plan Checks	101	62	161	335	92
Public works					
Miles of:					
Street resurfacing/ repair	60000**	60000**	180000**	150000**	150000**
Street sweeping	900	900	900	900	900
Number of:					
Street signal maintained	168	168	168	168	192
Trees pruned per year	287	10	158	500	158
Recreation & community services					
Number of enrollees:					
Day camp (Calendar basis)	212	271	315	385	280
Classes (classes offered to san digueto adult school)	78	48	35	35	N/A
Mira Costa College Community Education, # of students	N/A	N/A	N/A	N/A	N/A
Special events (attendees)	8200	10200	11250	N/A	7350

N/A - Data not available

(A) - Includes new & renewal licenses, excludes temporary licenses

(B) - Excludes temporary plan checks.

(C) - Numbers adjusted and updated on CAFR FY16-17 for FY08-FY17 numbers to count only complete calls for service.

Sources: Various city departments.

* Street Repair in Miles

** Street repair in Square Feet (SF)

*** Classes offered by Mira Costa College

Fiscal Year				
2015	2016	2017	2018	2019
1957	2068	2007	2055	2345
275	304	284	319	319
1016	1240	1124	2513	2656
12	13	7	11	218
467	437	343	470	1321
1712	1740	1141	1825	394
1225	1110	826	1181	703
305	240	173	227	139
1798	1810	1883	1859	1792
6178	5997	4695.6	4687	6350
289	380	390	375	375
550000**	5.3*	1.7*	1.9	3.8
900*	900*	900*	504	504
192	192	192	192	192
40	40	500	274	280
329	266	315	322	315
144	***N/A	***N/A	***N/A	***N/A
N/A	N/A	N/A	720	700
10600	7800	8300	7400	7700

CITY OF SOLANA BEACH

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Public Safety					
Code enforcement vehicles	2	2	2	2	2
Fire					
Stations	1	1	1	1	1
Fire Engines	4	4	4	4	4
Other vehicles	2	2	2	2	1
Public works					
Streets (miles)	46	46	46	46	46
Street lights (city-owned)	748	748	748	748	748
Traffic signals	13	13	13	16	18
Public works vehicles	7	7	7	7	8
Public works Corporation Yard	1	1	1	1	1
Recreation & community service					
Community centers	2	2	2	2	2
Parks	3	3	3	3	3
Marine Safety					
Lifeguard Stations (Permanent)*	3	3	3	3	3
Lifeguard Stations (Temporary)	N/A	N/A	N/A	N/A	N/A
Vehicles	5	5	5	5	4

Notes: No capital asset indicators are available for the general government.

Sources: Various city departments.

* Both Fixed and Portable Towers up FY18. FY19 broke out number of temporary stations.

Fiscal Year				
2015	2016	2017	2018	2019
2	2	2	2	2
1	1	1	1	1
3	3	3	3	2
2	2	2	2	3
42	42	42	42	42
527	527	527	525	525
16	16	16	16	16
11	11	12	8	8
1	1	1	1	1
2	2	2	2	2
3	3	3	2	2
3	3	6	6	3
N/A	N/A	N/A	N/A	3
4	4	5	5	5

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**The City of Solana Beach
 GASB 54 Fund Balance Classifications (General Fund)
 FYE 06/30/19**

Fund #	General Fund								Total	
	001	120	125	135	140	152	16X			
Fund Name	GF	Self Insurance	Worker's Comp	Asset Replacement	Facilities Replacement	Real Property Acquisition	OPEB/Pensions	Detail	Category	
Non-Spendable										
Prepays	23,402							23,402	23,402	
Restricted										
Pensions							1,743,908	1,743,908	1,743,908	
Committed:										
Public Facilities	469,388							469,388		
Public Art	27,458							27,458		
OPEB							185,000	185,000		
Pensions							623,724	623,724		
In-Lieu Housing	100,786							100,786		
Parks & Recreation	29,951							29,951	1,436,307	
Assigned to:										
Park Fee	38,703							38,703		
Community Television	82,130							82,130		
Street Sweeping	133,242							133,242		
Housing	1,499,500							1,499,500		
Self-Insurance		792,180						792,180		
Worker's Comp			541,161					541,161		
Asset Replacement				2,295,215				2,295,215		
Facilities Replacement					659,462			659,462	6,041,593	
Unassigned	7,462,666					(2,874,597)		4,588,069	4,588,069	
<hr/>										
Total Fund Balance at 06/30/19	9,867,226	792,180	541,161	2,295,215	659,462	(2,874,597)	2,552,632	13,833,279	13,833,279	
<hr/>										
Fund Balance at 06/30/18	9,776,459	820,198	642,947	2,076,745	508,715	-	1,749,452	15,574,516	15,574,516	
Change in fund balance	90,767	(28,018)	(101,786)	218,470	150,747	(2,874,597)	803,180	(1,741,237)		



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Solana Beach, California (the City), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 21, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.





To the Honorable Mayor and Members of the City Council
City of Solana, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Lingham, LLP

Brea, California
January 21, 2020

INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON
PROCEDURES APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS

To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet No. 6 (or other alternative computation) of the City of Solana Beach, California, for the year ended June 30, 2019. These procedures, which were agreed to by the City of Solana Beach and the League of California Cities (as presented in the publication entitled Agreed-Upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution), were performed solely to assist the City of Solana Beach in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The City of Solana Beach's management is responsible for the Appropriations Limit Worksheet No. 6 (or other alternative computation).

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed Worksheets No. 1 through No. 7 (or other alternative computations) and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Worksheet No. 6, we multiplied line A, last year's limit, by line D, ratio of change, and agreed the resulting amount to line E, this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the current year information presented in the accompanying Appropriations Limit Worksheet No. 6 to the other worksheets described in No. 1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.

Finding: No exceptions were noted as a result of our procedures.



To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit Worksheet No. 6 (or other alternative computation). Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by the League publication entitled Article XIII B Appropriations Limitation Uniform Guidelines.

This report is intended solely for the use of the City of Solana Beach and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Lane, Soll & Loughran, LLP

Brea, California
November 1, 2019

CITY OF SOLANA BEACH, CALIFORNIA
FISCAL YEAR 2018-2019
APPROPRIATIONS LIMIT CALCULATION

A. 2017-2018 APPROPRIATIONS LIMIT:	\$	35,457,916	
B. 2018-2019 CHANGE IN PER CAPITA PERSONAL INCOME:			3.67%
C. 2018-2019 CHANGE IN POPULATION:			0.95%
D. RATIO OF CHANGE (1.0367 x 1.0095):	X	<u>1.04654865</u>	
E. 2018-2019 APPROPRIATIONS LIMIT: (\$35,457,916 x 1.04654865)	\$	<u>37,108,434</u>	



January 21, 2020

To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Solana Beach, California (the City) for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 21, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2018-2019. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the City's financial statements was (were):

Management's estimates of its net pension liability and net other postemployment benefits liability are based on actuarial valuation specialist assumptions. We evaluated the key factors and assumptions used to develop the net pension liability and net other postemployment benefits liability in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.



To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were found.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 21, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis; the budgetary comparison schedules for the General Fund and the Transnet special revenue fund; the schedule of proportionate share of the net pension liability; the schedule of changes in the net other post-employment benefits (OPEB) liability; the schedules of plan contributions; and the schedule of investment returns which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report combining and individual fund statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.



To the Honorable Mayor and Members of the City Council
City of Solana Beach, California

We were not engaged to report on introductory or statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

New Accounting Standards

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2018-2019 audit:

GASB Statement No. 83, *Certain Assets Retirement Obligations*.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*.

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in the following fiscal year audit and should be reviewed for proper implementation by management:

Fiscal year 2019-2020

GASB Statement No. 84, *Fiduciary Activities*.

GASB Statement No. 90, *Majority Equity Interests - an Amendment of GASB Statement Nos. 14 and 61*.

Fiscal year 2020-2021

GASB Statement No. 87, *Leases*.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

Fiscal year 2021-2022

GASB Statement No. 91, *Conduit Debt Obligations*.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of Solana Beach, California, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Lance, Soll & Lughard, LLP". The signature is written in a cursive, flowing style.

Brea, California



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: February 12, 2020
ORIGINATING DEPT: City Manager's Department
SUBJECT: **Quarterly Report on Solana Energy Alliance (SEA) Activities and Operations**

BACKGROUND:

Community Choice Aggregation (CCA), authorized by Assembly Bill 117, is a state law that allows cities, counties and other authorized entities to aggregate electricity demand within their jurisdictions in order to purchase and/or generate alternative energy supplies for residents and businesses within their jurisdiction while maintaining the existing electricity provider for transmission and distribution services. The goal of a CCA is to provide a higher percentage of renewable energy electricity at competitive and potentially cheaper rates than existing Investor Owned Utilities (IOUs), while giving consumers local choices and promoting the development of renewable power sources and programs and local job growth.

The City of Solana Beach's (City) CCA, Solana Energy Alliance (SEA), was established by the City Council through adoption of Ordinance 483 on December 13, 2017 and began serving customers in June 2018. SEA is the first CCA to launch in San Diego Gas & Electric territory and remains the only CCA operating in San Diego County.

This item is before Council to receive a report on SEA activities, operations and preliminary financial results through December 2019. The Council is also being asked to consider providing direction on potentially restructuring SEA goals to better align with the Clean Energy Alliance (CEA) and projected available funds.

DISCUSSION:

The City Council established SEA with the goal of offering cleaner energy, local control, rate savings compared to San Diego Gas & Electric (SDG&E) and supporting the Climate Action Plan's aggressive goal of 100% renewable energy by 2035. SEA launched with its default product, SEA Choice, sourced from 50% renewable and 75% greenhouse gas free sources. In addition, SEA offers SEA Green, its voluntary 100%

CITY COUNCIL ACTION:

renewable energy product option. The City Council also established a goal of providing a 3% rate savings to customers as compared to SDG&E's generation rates.

Transition to Clean Energy Alliance Update

Solana Beach was the first community to launch a CCA in San Diego County, however, it consistently expressed a desire to collaborate and work with other agencies to expand CCA in the region and partner in a larger local program. In October 2019, Solana Beach City Council adopted Resolution 2019-136 approving the Joint Powers Authority Agreement that created the Clean Energy Alliance (CEA) Joint Powers Authority (JPA), along with the cities of Carlsbad and Del Mar. In December 2019, Solana Beach City Council adopted Resolution 2019-156 approving an amendment to the SEA Implementation Plan, which reflected Solana Beach's intention to join CEA and transition its customers during CEA's enrollment in May 2021. The Implementation Plan Amendment has been submitted to the California Public Utilities Commission (CPUC) for review and certification.

The CEA Board approved the CEA Implementation Plan in December 2019, which has been submitted to the CPUC for review and certification, which is due March 30, 2020. The CEA JPA Agreement establishes a minimum renewable energy content of 50% renewable sourced (and in no event lower than the renewable content of SDG&E's base product) and a target 2% savings compared to SDG&E's generation rate.

SEA customers' Power Charge Indifference Adjustment (PCIA) vintage is 2017 based on the June 2018 SEA establishment. SEA customers will maintain their PCIA vintage which establishes the basis of the fees charged by SDG&E for energy SDG&E procured on behalf of the CCA customers which now must be liquidated at market prices.

San Diego Gas & Electric Generation Rate Changes

SDG&E's electric generation and PCIA rates are set through a CPUC proceeding known as the Energy Resource Recovery Account (ERRA) proceeding, which typically becomes effective in January of each year. For 2020, the rate change was only partially implemented in January 2020, with the remaining rate change implemented effective February 1, 2020. Information regarding the final SDG&E rates was not available until January 31, 2020, impacting the ability to schedule a public hearing to consider an updated SEA rate schedule in alignment with SDG&E's rate change. Staff is evaluating the changes and will schedule a public hearing and bring back a recommended updated rate schedule for City Council consideration on March 11, 2020.

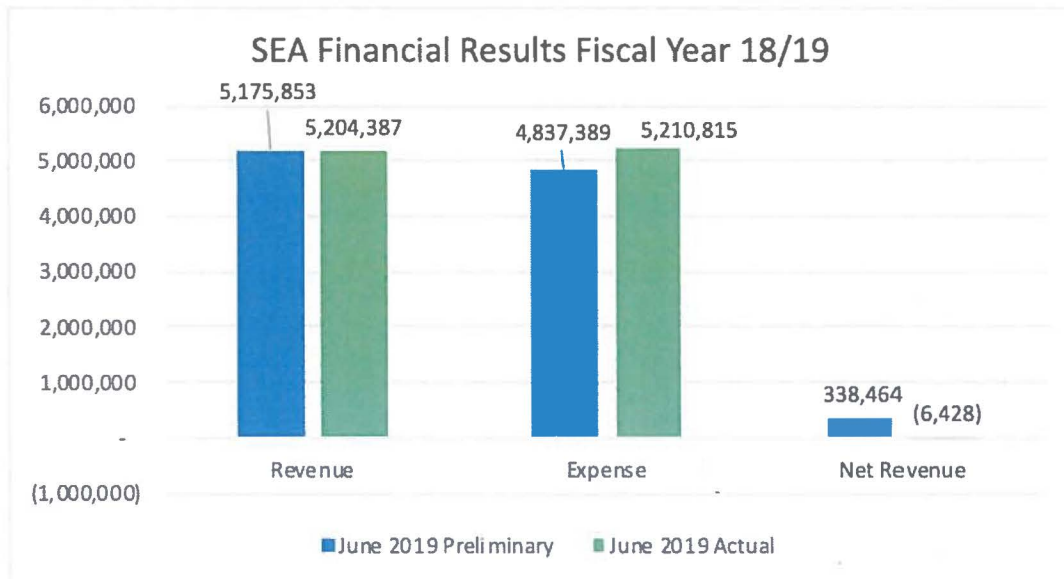
Estimated Customer Savings

Based on current rates SEA customers have saved nearly \$450,000 since the program began in June 2018. It is projected that SEA customers will have saved over \$700,000 by participating in the program, assuming the 3% rate discount continues through May 2021 when SEA's customers will transition to CEA.

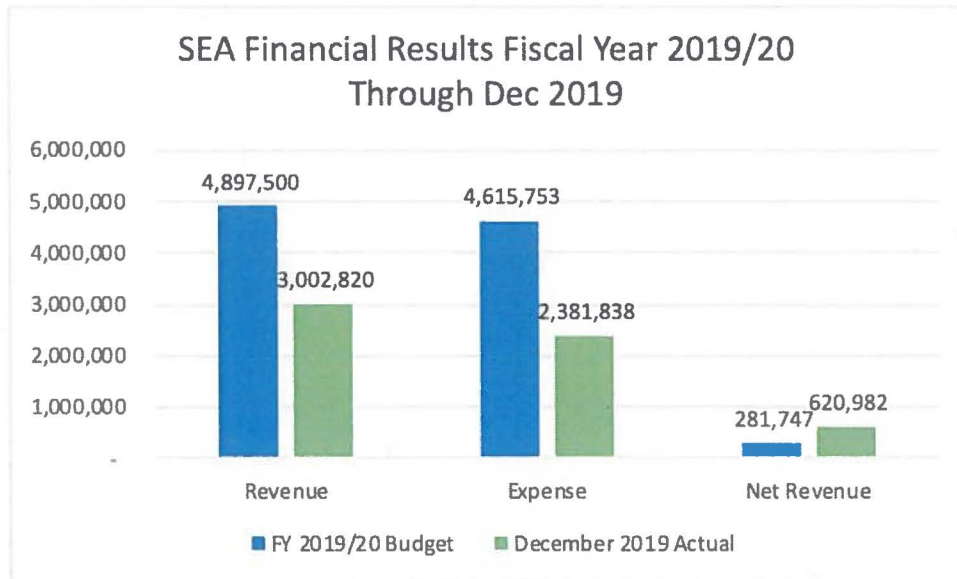
	7/1/2019- 12/31/2019	2018	2019	2020	1/1/2021 - 6/1/2021
Residential Savings	\$67,516	\$122,786	\$ 106,779	\$ 93,463	\$ 47,584
Commercial Savings	\$59,111	\$113,872	\$ 102,376	\$ 103,400	\$ 40,909
Other Savings	\$540	\$819	\$ 1,031	\$ 1,006	\$ 406
Total Savings	\$127,167	\$237,477	\$210,186	\$ 177,867	\$88,899

Financial Results

For the Fiscal Year (FY) 18/19, SEA revenues were \$5,204,387, or 0.5%, above projections and expenditures were \$5,210,815, or, 7.7% above projections. Overall FY 18/19 net revenue (revenues – expenditures) was (\$6,428), due primarily to pension and other post-employment benefit accruals of \$203,206.



The chart below reflects SEA financial results for FY 19/20, through December 2019.



Revenues are tracking in line with expectations as a result of the higher summer rates in effect July – October. Revenue growth will slow over the next few months, bringing net revenue in line with projections. Expenditures through December 2019 are also tracking with expectations with current net revenue projections expected to exceed budget projections.

Attachment 1 provides a detailed financial report through December 2019, including internal administrative costs that have been incurred by the City of Solana Beach, such as Staff time and professional consulting services.

The SEA Financial Model (FiMo) has been updated to reflect current SDG&E rate forecasts and energy market conditions, as well as the wind-down of SEA operations with the anticipated CEA launch in May 2021.

The following charts illustrate the change to anticipated net revenue as a result of these changes (results are shown on a fiscal year basis):

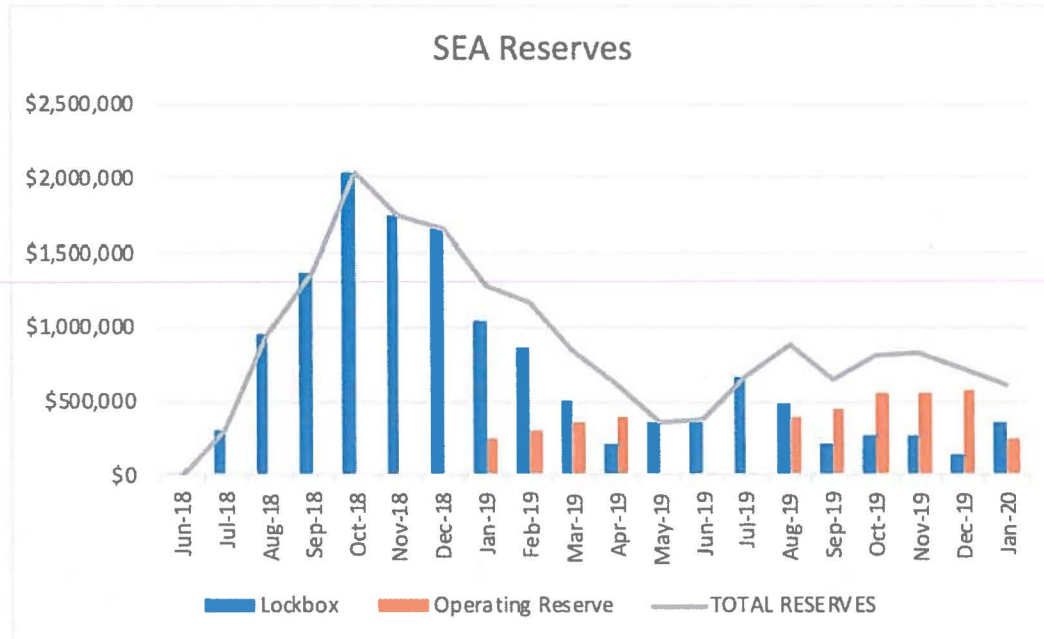
SEA Lockbox and Reserve Requirements

Protection of the City’s General Fund has been, and continues to be, a top priority of the City Council. SEA revenues, which are held as an enterprise fund separately from the General Fund, continue to be the only recourse energy suppliers have for payments both now and in the future.

The agreement with SEA’s portfolio manager and trading services manager, The Energy Authority (TEA), provides the General Fund with ample protections and requires

that minimum reserves be established. These reserves include a \$200,000 minimum reserve in a lockbox account and a separate operating reserve that is funded at \$50,000 per month, building to \$550,000 by May 2019.

The chart below reflects the lockbox and operating reserve balances per month through January 2020.



SEA cash balances are lower in 2019 as compared to 2018 due to the impact of rate decreases to maintain the 3% discount from SDG&E comparable generation rates and an increase in energy costs, particularly costs related to Resource Adequacy and carbon-free energy costs.

Balances at January 31, 2020 were:

Lockbox	\$360,285	(Minimum Req \$200,000)
Operating Reserve	\$259,285	(Target \$550,000)
Total Cash	<u>\$619,574</u>	(Target \$750,000)

SEA total cash position as of January 31, 2020 is \$130,426 lower than targets set in the TEA agreement.

Projected Cash Flow through May 2021 Operations and SEA Wind-Down

As discussed at the September 16, 2019 Council update, current regulatory, market and rate conditions have had a negative impact on SEA’s net revenues. Due to changes related to the PCIA calculation methodology, SEA rates have needed to be decreased to maintain the 3% discount for customers; regulatory changes related to Resource

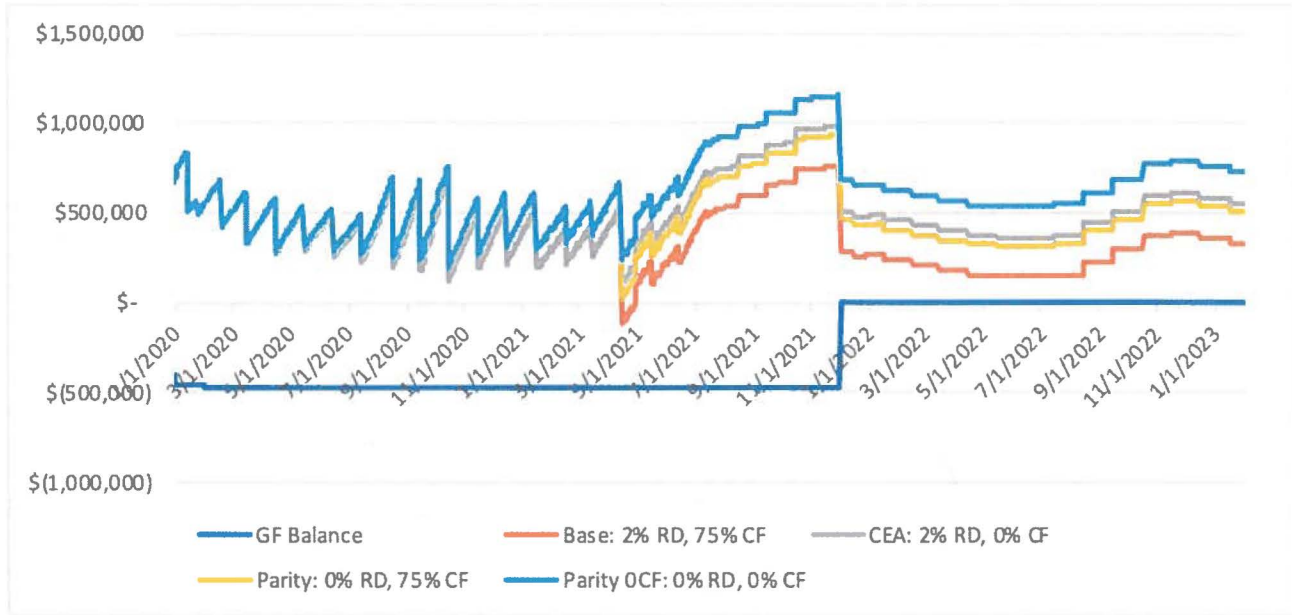
Adequacy (RA) procurement have resulted in the need for SEA to procure out three years in advance for a portion of its RA, and the supply has compressed, resulting in higher costs.

These factors result in a cash projection that goes into the negative for a period of time in 2021, assuming the 3% rate discount compared to SDG&E generation rates is maintained, the 50% renewable energy and 75% carbon free base energy product.

With the assistance of TEA, staff has evaluated several options that SEA can consider to address the projected cash flow challenges ahead. The scenarios include evaluating changes to the rate discount, carbon free percentage and monthly general fund reimbursement payment. The 8 scenarios are summarized below:

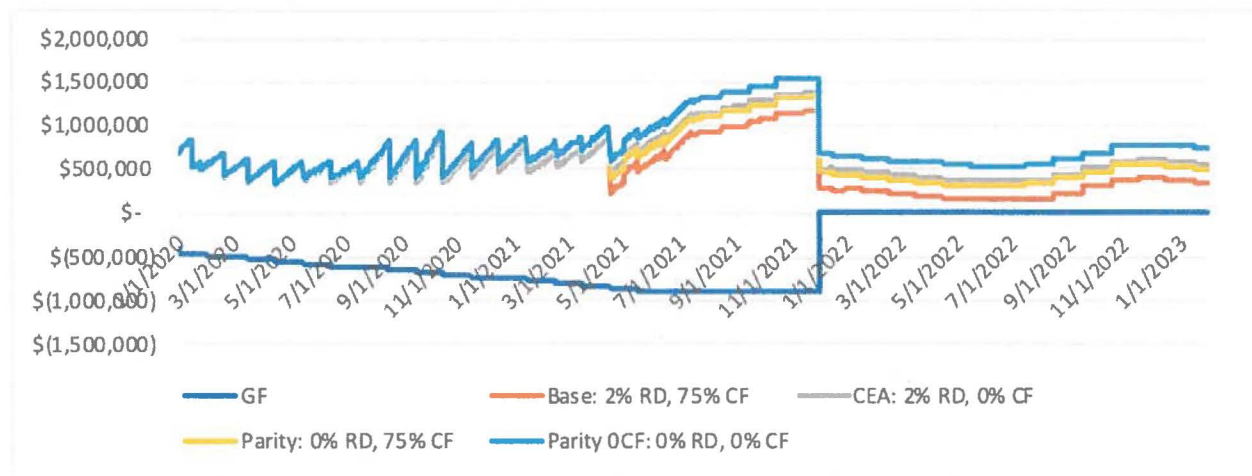
Scenario	Rate Discount	CF %	GF Payment
Base	2% on 2/1/2020	75%	\$25k/month
Base – GF	2% on 2/1/2020	75%	\$0k/month
CEA	2% on 2/1/2020	0%	\$25k/month
CEA – GF	2% on 2/1/2020	0%	\$0k/month
Parity	0% on 2/1/2020	75%	\$25k/month
Parity – GF	0% on 2/1/2020	75%	\$0k/month
Parity 0 CF	0% on 2/1/2020	0%	\$25k/month
Parity 0 CF – GF	0% on 2/1/2020	0%	\$0k/month

The chart below reflects the scenarios of reducing the rate discount to 2% and rate parity with SDG&E, along with maintaining the 75% carbon free as well as reducing the carbon free to no additional (i.e., 50% renewable only), all with maintaining the monthly \$25,000 reimbursements to general fund.



The orange line reflects the base scenario with a generation rate discount of 2%, no changes to carbon free or general fund reimbursement. This scenario projects SEA’s cash balance to go negative in April/May 2021. By changing either the rate discount or the additional carbon free procurement, the cash balance is maintained in a positive position. Cash continues to flow in to SEA after its customers transition to CEA in May 2021 due to liquidation of its energy contracts through January 2023. These funds would be available to reimburse the City for any remaining unreimbursed general fund costs.

The next chart reflects the same scenarios with the additional change of discontinuing the monthly \$25k reimbursement to the general fund and deferring repayment until after SEA customers transition to CEA.



By deferring repayment to the general fund, under all the scenarios, including maintaining the current 3% rate discount and 75% carbon free procurement, cash balance remains positive. Funds are anticipated to be available to repay the general fund by the end of calendar year 2021, from the funds generated by the liquidation of existing energy contracts.

Staff is seeking direction from Council regarding a possible rate discount decrease and the carbon free energy assumptions for the remaining life of SEA. This direction will inform the development of the rate schedules to be brought for Council consideration at the upcoming rate public hearing, as well as remaining energy purchases.

Status of General Fund Loans and Administrative Expenses

The table below reflects the status of loans from the City and administrative expenses incurred in the General Fund:

	Balance @ 6/30/19	Incurred 7/1/19- 12/31/19	Repayments	Balance @ 12/31/19
Start-Up Loan	\$107,493.71	\$0	\$107,493.71	\$0
CCA Bond	\$100,000.00	\$0	\$0	\$100,000.00
Administrative Expenses	\$320,195.70	\$179,634.06	\$149,776.71	\$350,053.05
TOTAL	\$527,689.41	\$179,634.06	\$257,270.42	\$450,053.05

Start-Up Loan

On May 9, 2018, the City Council approved a \$117,000 loan from the General Fund to the SEA Enterprise Fund for expenses related to the SEA start-up. Actual start-up costs resulted in a final loan amount of \$107,493.71. The terms of the loan set repayment to begin in the fiscal year that surplus funds become available.

The loan was repaid from funds available in the lockbox in October 2019.

CCA Bond Loan

The general fund provided \$100,000 for the CCA bond posted with the California Public Utilities Commission, a requirement of the CCA registration process. It is anticipated that the bond will be returned to the City once its customers have transitioned to CEA and SEA is no longer serving customers.

Administrative Expenses

The majority of the SEA expenses are paid for directly out of the lockbox account, including energy costs, wholesale services provided by TEA, and data management/call center services. Administrative related costs are paid by the City utilizing general funds.

Reimbursements to the City have been made from the lockbox account to the City as funds have been available.

Regulatory Proceedings

The City continues to take a lead role in actively participating in a number of regulatory proceedings at the California Public Utilities Commission (CPUC), both on its own initiative and in collaboration with other CCA groups. As a Load Serving Entity (LSE), both the City and SEA have a vested interest in proceedings that impact SEA customers or that could put SEA at a competitive disadvantage. Among these proceedings, SEA is actively participating in the following:

- San Diego Gas & Electric Energy Resource Recovery Account (ERRA) Rate Proceeding
- Power Charge Indifference Adjustment (PCIA or Exit Fee) Proceedings
- Microgrids Proceeding

SEA's regulatory affairs attorney, Ty Tosdal, will provide further update regarding these proceedings at the Council meeting and will be available for questions.

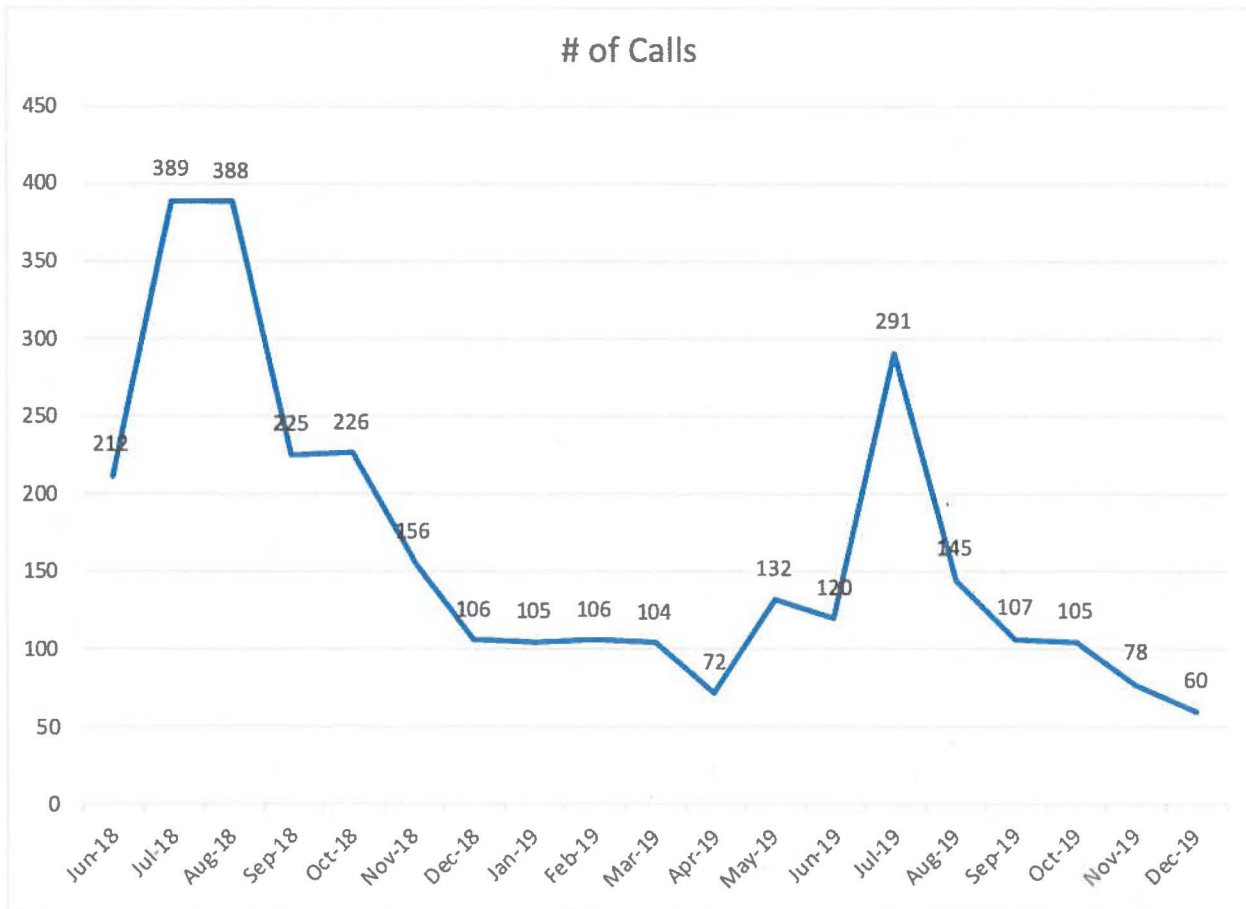
Risk Management Policy

At its March 14, 2018 meeting, the City Council adopted an Energy Risk Management Policy (ERMP) that established SEA's Energy Risk Management Program including risk management functions and procedures to manage the risks associated with power procurement activities. The ERMP documents the framework by which management, Staff and TEA:

- Identify and quantify risk
- Develop and execute procurement strategies
- Create a framework of controls and oversight
- Monitor, measure and report on the effectiveness of SEA

Consistent with the ERMP, monthly meetings have been held with City management, Staff and TEA to review SEA results, current market conditions, and the changing regulatory environment and to develop procurement strategies that minimize risk to SEA under the current operating environment. Due to the impacts of the recent rate forecast, and consistent with the ERMP, Staff and TEA recommend that the Council consider delaying repayment of both the CCA bond and administrative costs to the City until the wind-down of SEA. Sufficient net revenues are anticipated to be available to reimburse all expenses incurred by the general fund on behalf of SEA.

Call Center Statistics



Calls to the Call Center continue to trend lower than in 2018, however, calls did increase in July due to calls related to the annual Net Energy Metering true-up, which occurred in June 2019.

Overall Results

SEA continues to meet the goals set out by the City Council of local control and providing cleaner energy at a reduced rate. Despite the current cash flow challenges, SEA’s financial outlook is positive over the next few years, during which it remains in operation.

CEQA COMPLIANCE STATEMENT:

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” under Section 15378(b)(5) of CEQA Guidelines.

FISCAL IMPACT:

SEA rates currently provide customers with a 3% discount on energy generation costs compared to SDG&E rates. Any Council decision to reduce the rate reduction would come back to the Council for discussion and approval at a future public hearing.

WORK PLAN:

Environmental Sustainability – Policy Development – Implement Solana Energy Alliance

OPTIONS:

- Receive SEA Annual Update
- Approve Staff recommendations
- Do not approve Staff recommendations
- Provide alternative direction to Staff


DEPARTMENT RECOMMENDATION:

Staff recommends the City Council:

1. Receive the SEA Quarterly Report.
2. Provide direction regarding potential restructure of SEA to align with CEA goals and/or Financial Model results.
3. Direct Staff to schedule a public hearing to consider an update to the rate schedule reflecting direction given.

CITY MANAGER RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. SEA Financial Report through December 2019

**Solana Energy Alliance
Schedule of Net Position
As of December 31, 2019**

ASSETS	@ June 30, 2019	@ December 31, 2019
Cash		
UB Operating Account	\$ -	\$ -
RCB Lockbox Account	368,498.46	138,911.18
RCB Operating Reserve Account	<u>2,002.56</u>	<u>573,725.20</u>
Total Cash	370,501.02	712,636.38
CPUC Deposit	100,000.00	100,000.00
Accounts Receivable	796,701.14	502,473.87
Deferred Outflows - Pension	<u>44,206.00</u>	<u>44,206.00</u>
TOTAL ASSETS	<u>\$ 1,311,408.16</u>	<u>\$ 1,315,110.25</u>
LIABILITIES		
Taxes Payable	\$ 4,215.27	\$ 4,452.56
Accounts Payable	427,334.14	337,152.40
NEM Liability	22,016.71	-
Accrued Payroll	2,481.86	2,481.86
Start-up Loan from General Fund	107,493.71	-
Due to General Fund - Administration	320,195.70	350,053.05
Due to General Fund - CPUC Deposit	100,000.00	100,000.00
Y/E PR Benefits Accrual	379.23	379.23
TEA Deferred Phase 1 Costs	38,077.00	31,549.00
Pension & OPEB Liabilities	<u>229,945.00</u>	<u>170,909.00</u>
TOTAL LIABILITIES	<u>\$ 1,252,138.62</u>	<u>\$ 996,977.10</u>
NET POSITION	<u>\$ 59,269.54</u>	<u>\$ 318,133.15</u>
Lockbox Reserve		200,000.00
Required Operating Reserve		18,133.15
CPUC Deposit		<u>100,000.00</u>
UNRESERVED	<u>\$ 59,269.54</u>	<u>\$ -</u>

SANDAG 2019 Accomplishments Report

Informational Report

No Staff Report