

# THE FINANCIAL VIEW

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## FISCAL YEAR 2019-20 ANNUAL BUDGET REPORT OF THE CITY CITY OF MOUNTAIN VIEW



Dear Mountain View Community,

We are pleased to issue the third edition of *The Financial View*, a user-friendly summary of the annual City budget and easy-to-follow information about how your City is operating financially. Mountain View has had a longstanding commitment to government transparency, and we believe giving you information about how your City is run will not only keep you better informed, but encourage citizen engagement in the process.

In this edition, we cover the Fiscal Year 2019-20 Adopted Budget, which spans July 1, 2019 through June 30, 2020. This time period includes two-year goals the City Council set in early 2019 that continue to emphasize Housing, Transportation, Sustainability, and Community for All. These Council goals help guide City staff on which projects to prioritize and where to budget resources for the two-year cycle. The Adopted Budget provides documentation of our resources and helps us plan for a better future. For the detailed version of the City's Adopted Budget, visit:

[www.MountainView.gov/CurrentBudget](http://www.MountainView.gov/CurrentBudget).

Sincerely,

Dan Rich  
City Manager

Jesse Takahashi  
Finance and Administrative  
Services Director

## CITY COUNCIL GOALS

**Goal 1:** Promote a Community for All with a focus on strategies to protect vulnerable populations and preserve Mountain View's socioeconomic and cultural diversity.



**Goal 2:** Improve the quantity, diversity, and affordability of housing by providing opportunities for subsidized, middle-income, and ownership housing.



**Goal 3:** Develop and implement comprehensive and innovative transportation strategies to achieve mobility, connectivity, and safety for people of all ages.



**Goal 4:** Promote environmental sustainability and quality of life for the enjoyment of current and future generations with a focus on measurable outcomes.



## FISCAL YEAR 2019-20 BUDGET HIGHLIGHTS

THE CITY CONTINUES TO BENEFIT FROM A STRONG LOCAL ECONOMY that is stimulating development and property tax growth. Other Local Taxes revenue is also growing due to the new Business License Tax structure beginning to phase-in for Fiscal Year 2019-20. Adding resources where most needed and to the extent the long-term budget will allow, additional positions were approved for Fiscal Year 2019-20 to help with heavy workloads. There are 14 net ongoing new positions and 17 limited period positions. In addition, the Fiscal Year 2019-20 Adopted Budget details the supplements to reserves, the commitment to sustainability, and continuing prefunding contributions to CalPERS.

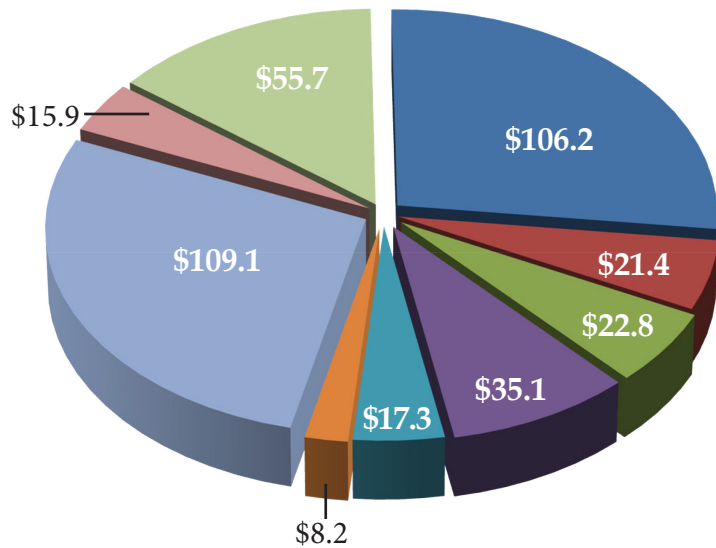
For the General Operating Fund (GOF), the Adopted Budget includes \$2.2 million in new ongoing expenditures and \$4.4 million in new limited-period expenditures. These increases will support ongoing services and key priorities identified by the City Council. After the recommendations for new spending and \$10 million in one-time transfers, a positive ending balance of \$2.9 million is projected for Fiscal Year 2019-20. Positive operating balances are projected through Fiscal Year 2020-21 in the GOF 5-Year Financial Forecast, but modest deficits are forecasted to return with the next economic downturn.

# WHERE THE CITY'S MONEY (REVENUES) COMES FROM

THE CITY OF MOUNTAIN VIEW RECEIVES REVENUES FROM A VARIETY OF SOURCES. The two largest sources are Property Taxes and Charges for Services. The City charges for many of the services it provides to the community, including water and sewer services. Another source is Property Taxes; however, the City only receives a small portion of what property owners pay—about 16 percent. Another large source for the City is rent revenue from property the City owns. The City has a decades-long history of maintaining property for community needs, such as below-market-rate or senior housing, both of which the City has contracted to provide locally on City property.

## SOURCES OF CITY REVENUES

TOTAL: \$391.7 MILLION  
(DOLLARS IN MILLIONS)



- Property Taxes
- Sales Tax
- Other Local Taxes
- Investment Income/Rents & Leases
- Licenses, Permits, & Franchise Fees/Fines & Forfeiture
- Intergovernmental
- Charges for Services
- Miscellaneous Revenues
- Interfund Revenues/Transfers



Through innovative engineering and collaboration with Valley Water, a new flood detention basin has been built at McKelvey Park. Along with reducing the risk of flooding, the project includes two baseball fields with bleachers and a concession stand, the new Schaefer Park playground, and walking paths.

## HOW MUCH OF YOUR PROPERTY TAXES ACTUALLY GO TO THE CITY'S GENERAL FUND?

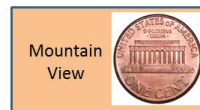
Education: Elementary, High School,  
Community College: ≈62%

City General  
Fund≈16%

Santa Clara  
County  
≈16% Other  
≈6%

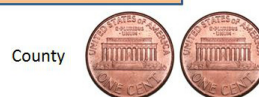


## WHERE DOES YOUR 9 CENTS SALES TAX GO?



Mountain  
View

Of the 9 cents of sales tax you pay when you buy goods in Mountain View, 1 cent goes to the City.



County



State

WHEN YOU BUY GOODS IN THE CITY OF MOUNTAIN VIEW, the business reports the sales and submits the sales tax to the California Department of Tax and Fee Administration on a quarterly basis. The collected sales tax is then distributed to the State, the County of Santa Clara, and the City of Mountain View. Those pennies really add up, which is why we encourage you to “shop in Mountain View.”

## MOUNTAIN VIEW'S TOP SALES TAX GENERATORS

(in alphabetical order)

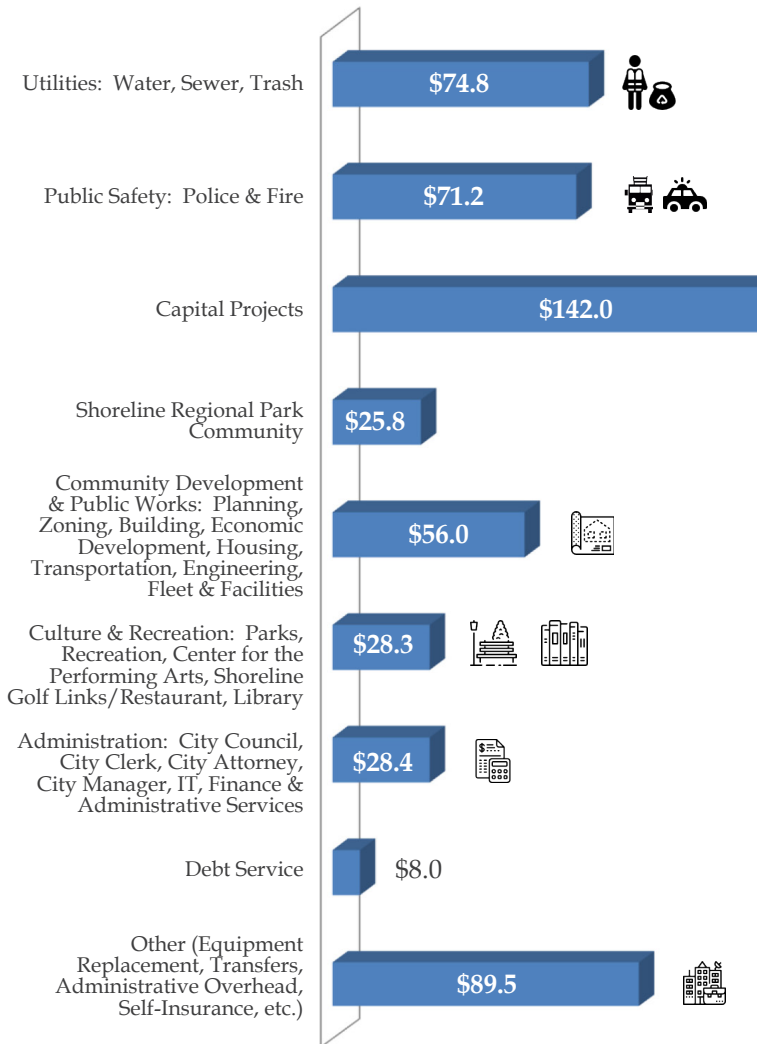
ABB Control Valves • BMW of Mountain View • Bed Bath & Beyond • Best Buy • Bon Appetit • Chevron  
Costco • Financial Services Vehicle Trust • Kohl's • Marshalls • Mountain View Shell • Omnicell  
Project Fi by Google • Pure Storage • REI • Safeway • Siemens Medical Solutions • Synopsys • Target  
Total Wine & More • Valley Oil • Walgreens • Walmart • Zee Aero • Zones



# WHERE THE CITY'S MONEY (EXPENDITURES) IS USED

## TOTAL EXPENDITURES BY CITY SERVICES

\$524.0 MILLION  
(DOLLARS IN MILLIONS)

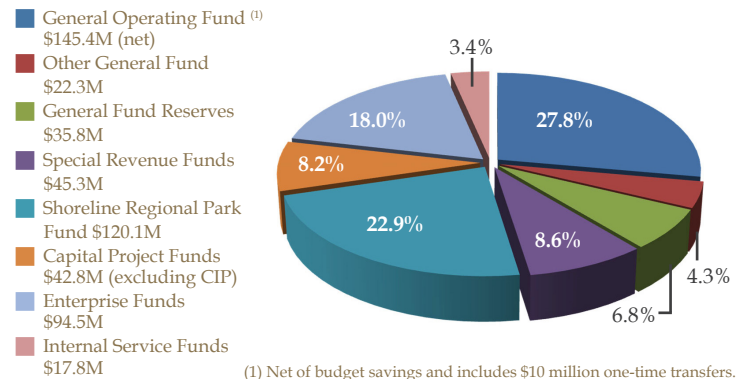


## AAA Credit Rating

The City of Mountain View is proud to be one of only 41 municipalities in the State of California with an AAA credit rating, which means the City has been formally recognized as having a solid and diversified tax base, sound financial policies, and a low debt burden.

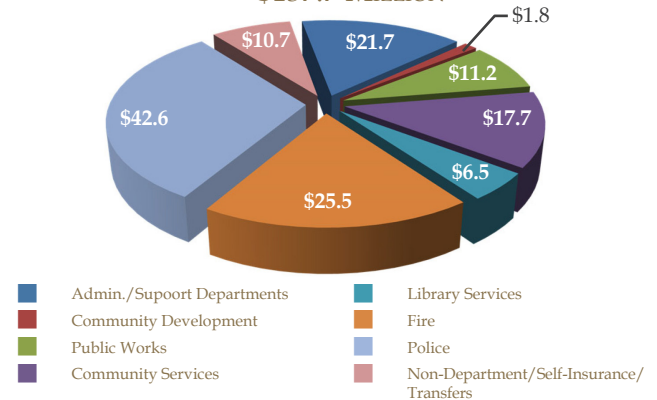
## FISCAL YEAR 2019-20 TOTAL EXPENDITURES — ALL FUNDS

\$524.0 MILLION



## GENERAL OPERATING FUND EXPENDITURES (DAY-TO-DAY OPERATIONS)

\$137.7 MILLION <sup>(1)</sup>



Zeus, the Police Department's "narcotics canine," has been on the force since 2012. When not hard at work assisting officers in keeping Mountain View safe, Zeus makes regular appearances at the National Night Out and other City events. Always a fan favorite, Zeus loves to visit with community members.



The City Library hosts a wide range of programs for patrons of all ages, including a popular story-time series, featuring singing, puppets, costumes, and more. Other Library resources for youth include a dedicated Teen Zone, a summer reading program, and digital tools to help with research and homework.

## FISCAL YEAR 2019-20 ANNUAL BUDGET REPORT OF THE CITY

### BALANCED BUDGET

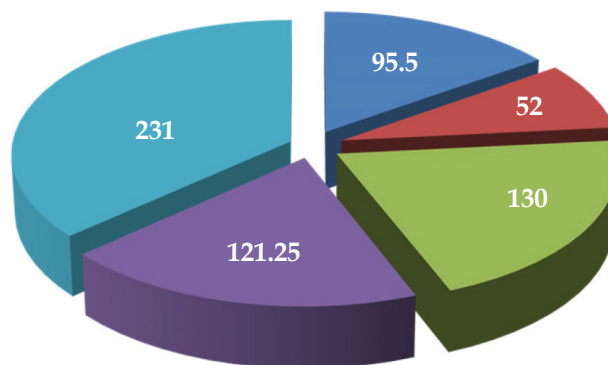
**T**HE CITY OF MOUNTAIN VIEW PLANS YEARS IN advance for the needs of our community. The City is well-positioned and financially stable because of unique ongoing revenue sources, such as land leases of City-owned properties. The City of Mountain View was recently ranked in the top 15 percent of all California cities for its fiscal condition. The City Council adopts City goals through biennial Study Sessions and holds several public meetings as it considers the City's balanced budget for the new fiscal year. Generally, there is a session on the Narrative Budget in April and two meetings on the Proposed Budget in June.

*The City maintains parks, street trees, and median landscaping to support the growth and healthy management of Mountain View's "urban forest." The medians on Castro Street were recently redesigned to include curving swaths of drought-tolerant trees, shrubs and grasses, accented with decorative rocks, and new efficient uplighting.*



### TOTAL BUDGETED POSITIONS (629.75) BY SERVICES

- Administration: City Council, City Clerk, City Attorney, City Manager, IT, Finance & Administrative Services
- Community Development: Planning, Zoning, Building, Economic Development, Housing
- Public Works: Transportation, Engineering, Water, Sewer, Trash, Fleet, Facilities
- Culture & Recreation: Parks, Recreation, Center for the Performing Arts, Shoreline Golf Links/Restaurant, Shoreline Park, Library
- Public Safety: Police, Fire



### FUN FACTS:

#### BY THE NUMBERS FOR FISCAL YEAR 2018-19

- 500** – Attendees at the inaugural Earth Day event
- 600** – Affordable housing units in the pipeline
- 12,200** – Items logged into the Police Department property room
- 32,329** – Registrations or reservations to the Shoreline and Recreation Divisions
- 285,479** – Inbound phone calls to the City
- 1,249,572** – Library items circulated
- 4.7 million** – Reduction in gallons of water used in City parks and trails compared to prior year
- \$20 million** – Recurring annual rent proceeds from City's portfolio of 23 leases

REVIEW THE FULL BUDGET AND DETAILED CITY FINANCIAL REPORTS:  
<http://www.mountainview.gov/depts/fasd/forms.asp>



*The Mountain View Fire Department is an "all-risk" emergency response organization, with rigorous training to ensure we are "response-ready." The drill in this picture practiced wildland firefighting skills, including drafting water from a static source and operating the fire engine's "master stream appliance."*