

THE FINANCIAL VIEW

Annual Budget Report of the City

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CITY OF MOUNTAIN VIEW

Dear Mountain View Citizens,

We are pleased to present the first annual *Financial View*. This report contains summarized information about how the City is operating financially. Through easier, more user-friendly financial reporting, this report exemplifies Mountain View's commitment to transparent government and the desire to engage our citizens.

As you read this report, know that, with support from the City Council and the hard work of staff from all departments, the City is working on pressing issues to maintain and improve community resources. The financial information presented here is from the Fiscal Year 2017-18 Adopted Budget, which provides further financial detail, and can be found on the City's website: www.mountainview.gov/depts/fasd/budget/current.asp.

Sincerely,

Daniel H. Rich
City Manager

Patty J. Kong
Finance and Administrative
Services Director

City Council Goals

Promote strategies to protect vulnerable populations and preserve the socioeconomic and cultural diversity of the community.



Improve the quantity, diversity, and affordability of housing with an added focus on middle-income and ownership opportunities



Develop and implement comprehensive and coordinated transportation strategies to achieve mobility, connectivity, and safety for people of all ages.



Promote environmental sustainability with a focus on measurable outcomes.



Fiscal Year 2017-18 Budget Highlights

In Fiscal Year 2017-18, the City continues to benefit from a strong local economy, demand for development, and the resulting increased property values and associated revenues. After necessary reductions and process efficiencies during the Great Recession, the City has been adding back positions when possible, with 12 regular and 17 limited-period positions added in Fiscal Year 2017-18 to support critical City services. The City's General Operating Fund Revenues are projected to grow 7.8 percent over the prior fiscal year, allowing the City to focus on key priorities and needed infrastructure projects, while being fiscally mindful of the potential next recession.



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 such things as 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 acquiring property for future social or community needs, such as below-market-rate or senior housing, both of which the City has contracted to provide locally on City property.

AAA Credit Rating

The City of Mountain View is proud to be one of only 25 cities 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.

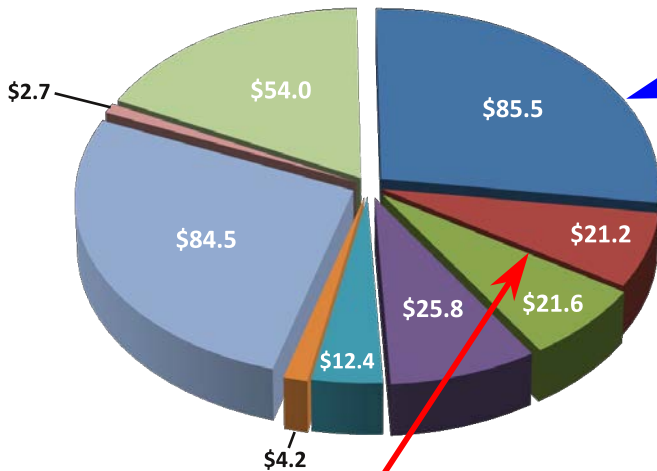
How much of your Property Taxes actually go to the City's General Fund?

Education: Elementary, High School, Community College ≈62%
City General Fund ≈16%
 Santa Clara County ≈16%
 Other ≈6%



Sources of City Revenues

Total: \$311.9 Million



- Property Taxes
- Sales Tax
- Other Local Taxes
- Use of Money and Property
- Licenses, Permits & Franchise Fees/Fines & Forfeitures
- Intergovernmental
- Charges for Services
- Miscellaneous Revenues
- Interfund Revenues/Transfers

Where does your 9 cents sales tax go?



When you buy goods in the City of Mountain View, the business reports the sales and collection of 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 you may have heard of campaigns to "shop in Mountain View."

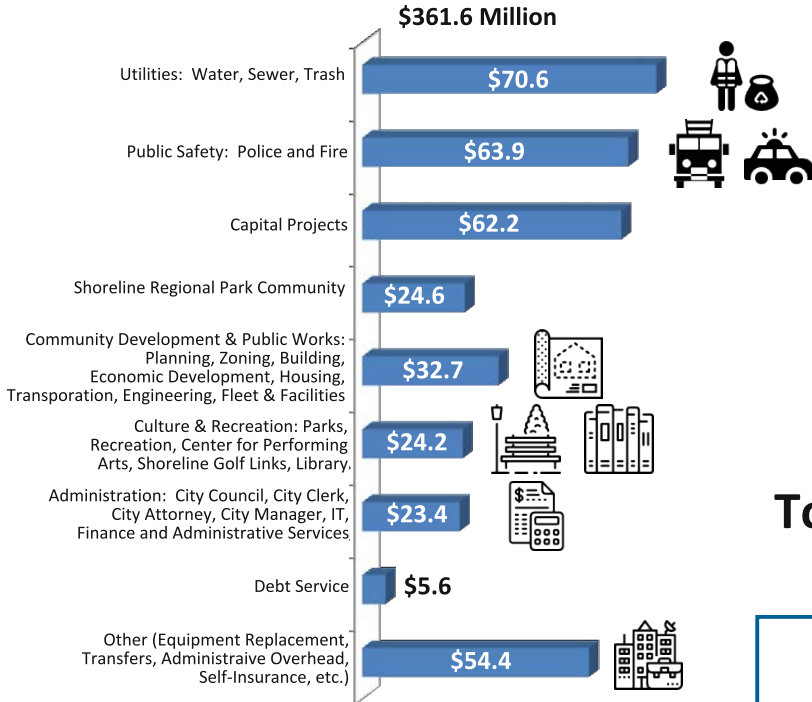
Mountain View's Top Sales-Tax Generators

(in alphabetical order)

- Allison BMW • Au Energy Shell Station • Bed Bath & Beyond • Best Buy • Bill Bailey's Chevron • Bon Appetit • Costco
 CVS Pharmacy • Financial Services Vehicle Trust • Google LLC • Marshalls • Orchard Supply Hardware • Project FI by Google
 Pure Storage • REI • Safeway • Siemens Medical Solutions • Symantec • Synopsys • Takara Bio USA • Target • Valley Oil
 Walgreens • Walmart • Zones

Where the City's money (Expenditures) is used

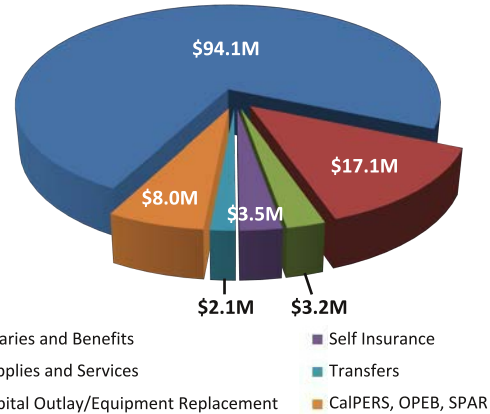
Total Expenditures by City Services



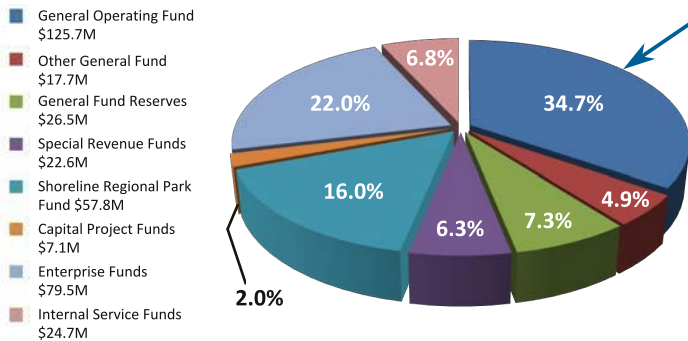
The Fire Department has increased services by upgrading additional staff from EMTs to Paramedics, adding specialized rescue equipment and training for improved capabilities and has also improved accessibility to service areas in Shoreline Park and Stevens Creek Trail area.

Total General Operating Fund Expenditures

General Operating Fund Expenditures (Day-to-Day Operations) \$128.0 Million



Total Operating Fund Expenditures \$361.6 Million



New at Mountain View Police Department: 700MHz radio equipment for enhanced communication; expanded community policing resources for homeless outreach; and new Rape Aggression Defense classes for the public.



New at Mountain View Public Library: Construction for expanded children's area and study rooms; 30-day electronic library cards; vulnerable population programs; enhanced summer reading program; and library noticing by "text."



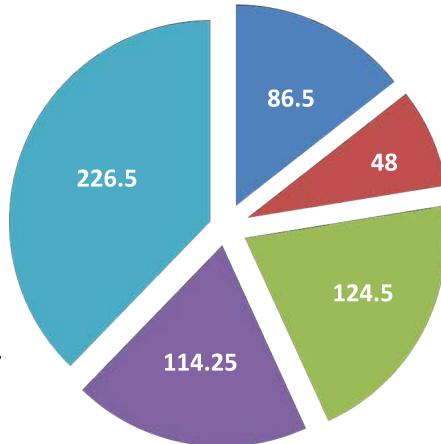
Community Services Department: Celebrated the 150th Anniversary of the Rengstorff House and received Gold Medal Finalist Award for Excellence in Parks and Recreation from National Recreation and Park Association.

Balanced Budget

The 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 Council adopts City goals through bi-annual study sessions and holds several public meetings as it considers the City's balanced budget for the new fiscal year. The Fiscal Year 2018-19 budget will first be discussed on May 1, 2018.

Total Employees (599.75) by Department/Services

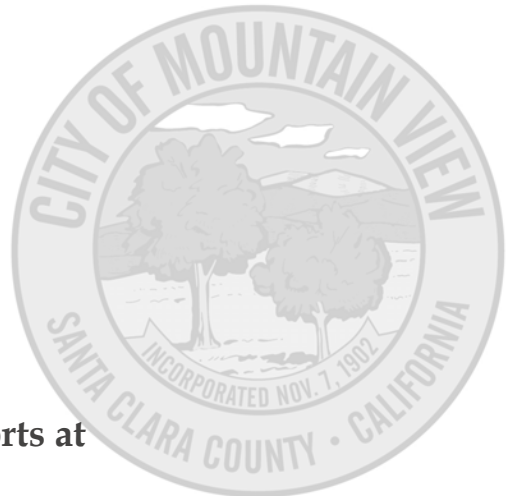
- Administration: City Council, City Clerk, City Attorney, City Manager, IT, Finance & Administrative Services
- Community Development: Planning, Zoning, Building, Economic Development, Housing
- Public Works: Transportation, Engineering, Water, Sewer, Trash, Fleet, Facilities
- Culture & Recreation: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



New at the Public Works Department: Awarded a construction contract for the Community Center renovation, rolled out a food scraps collection program for residential areas, and completed a master plan for the Downtown Transit Center.

Fun Facts: By the Numbers for Fiscal Year 2016-17

- 42,988—Building permit inspections conducted
- 72%—Percentage of residents with Library cards (57,022 residents)
- 404—Events hosted at The Center for the Performing Arts
- 3,900,000—Impressions ... on Twitter alone
- 1,338,714—Library materials circulated
- 59—In-person multilingual outreach activities by the City
- 2,690—Youth enrolled in spring and summer swim lessons



Review the full budget and detailed City financial reports at <http://www.mountainview.gov/depts/fasd/forms.asp>