



DoMo First Fridays! - Downtown Modesto



City of Modesto

Popular Annual Financial Report
FY 2018-2019 | Fiscal Year Ended June 30, 2019

CITY OF
MODESTO
CALIFORNIA



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**City of Modesto
California**

For its Annual
Financial Reporting
for the Fiscal Year Ended

June 30, 2018

The Government Finance Officers Association of the United States and Canada has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Modesto, California for its Popular Annual Financial Report for the fiscal year ended June 30, 2018.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards for creativity, presentation, understandability and reader appeal. We believe our current report, for the fiscal year ended June 30, 2019 also conforms to the Government Finance Officers Association Popular Annual Financial Reporting standards.

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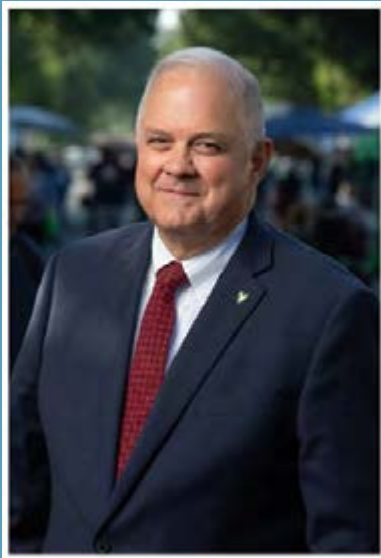
CITY OF
MODESTO
C A L I F O R N I A

Located in Central California, the City of Modesto boasts glorious weather, a low cost of living and a rich sporting and cultural heritage. The city hosts annual events celebrating the movie American Graffiti, has produced more track and field records than any other city, has its own poet laureate and the largest privately owned winery in the world.

Modesto is an ideal business location for start-ups and expanding firms. Amidst its growth, Modesto has not forgotten what makes it special – its people. At a population of approximately 214,000 residents we aren't a small city but we maintain a small town feel while offering big city amenities.

Residents value camaraderie, community, and a healthy lifestyle. Fresh eating and farm-to-table living is an everyday norm in the heart of one of the richest agricultural areas in our nation. Outdoor recreation options abound, with seventy-six parks, three rivers, four walking trails, and multiple cycling paths. Modesto's central location offers close proximity to the ocean, mountains, and some of our nation's largest cities, national parks and renowned landmarks.

Mayor's Message



Mayor
Ted Brandvold



Modesto's strength is its people. Whether you were born here or moved here people of Modesto have special qualities. We are a large City of approximately 215,000 people yet it amazes me that somehow we are still able to keep that small town feel.

We are a City of family wineries, world class industries, iconic movie and car cultures, diverse churches, great schools, and volunteer associations, clubs, and charities that selflessly meet the needs of those who call Modesto home.

And we're a City of vast achievements.

We've increased the City's reserve fund from a dangerously low \$3 million to over \$18 million in just over two years.

We've initiated the important work of creating a roadmap for the City with a Strategic Plan, which aims to set priorities, focus energy and resources, strengthen our operations, and ensure we're all working toward common goals.

We've recommitted resources to establishing a Downtown Master Plan, which will create a vision for economic growth at our City's core, and complement the growth experienced elsewhere in the City with the success of major business hubs like Entekra and Valley Children's Hospital.

On the other hand, we're certainly not naïve to the challenges this City – like many others in the nation – faces every year.

Although the legal sale of cannabis has established a new source of revenue for our community's services, it is still fairly new and untested, and many of our mandated expenses continue to outpace the resources brought to bear.

Unfunded Accrued Liabilities (UAL) will remain on our radar for the foreseeable future as we navigate the financial challenges of the City. I am, however, proud of the work Modesto has accomplished in making additional contributions to the UAL, which is lowering future interest payments on outstanding unfunded liabilities.

This year's PAFR comes at a time we're beginning to celebrate Modesto's 150th Anniversary. We're a City of tremendous heritage and rich culture, and 150 years of invigorating achievements.

I'm confident we've just scratched the surface.

As always, if you have any comments or suggestions on what you read in this report, please email me at mayor@modestogov.com or call me at 209-571-5230.

City Manager's Message

I am pleased to submit the Popular Annual Financial Report for the 2018-2019 Fiscal Year. This report is a reflection of our efforts to make Modesto THE place to be by serving the public with a reimagined government and a balanced budget.

We're proud of the positive growth throughout the city, but also mindful that resources are limited. Our local economy is steady, and we continue to see an increase in revenue from property, business license and sales taxes, which account for 60.13% of General Fund revenues. During Fiscal Year 2018/2019, the city was able to maintain its General Fund emergency reserves at \$18.3 million while continuing to contain costs. This action brings the city to within approximately \$2.4 million of the Government Finance Officers Association recommended level, and we have developed a policy that one third of the available fund balance at yearend be utilized to continue increasing this reserve level.

A new revenue source for the City, eight cannabis-related permits and three open cannabis dispensaries brought in \$526,148. We're watching this resource closely, and the City is cautiously optimistic that additional cannabis businesses opening soon in town will increase this source of revenue.

On the other hand, statewide projections continue to show significant increases in CalPERS contributions for Modesto in this and future fiscal years, which will place a tremendous strain on our budget.

In being fiscally responsible, we also need to think beyond the numbers. We use data-based evidence in our decision-making, making adjustments to the level of service we provide, because we understand measuring performance is just as important as the performance itself. We're using data to directly influence the budgeting process.

A few additional budget themes:

- Public safety remains our priority, and that means addressing the well-being of those experiencing homelessness.
- We're aligning our resources to be an innovative and solutions-oriented organization, aiming the focus on the customer experience.
- Our aggressive pro-business approach means helping to expand businesses and attract new business.
- We're striving for an open, transparent government and are making decisions based on evidence.

As we celebrate Modesto's 150th Anniversary in 2020, we have a lot to be proud of and a lot to be excited about for the future of our great city. We have a journey ahead of us in combatting the city's fiscal challenges, but if we remain diligent this coming year, I'm confident we will have an effective and sustainable local government.



City Manager
Joseph P. Lopez



Fiscal Sustainability: Planning for Challenges

The General Fund Financial Forecast is a valuable tool to the City's future fiscal sustainability. This forecast helps chart our course to fiscal sustainability by providing leadership the tools to:

- Develop a detailed understanding of available funding.
- Assess the likelihood that services can be sustained.
- Assess the level at which capital investment(s) can be made.
- Identify future commitments and resource demands and their impact on the General Fund.
- Identify key variables that cause changes in the level of revenue and expenditures through various forecast methodologies.

General Fund Five Year Forecast

	<u>Actual</u> <u>2015</u>	<u>Actual</u> <u>2016</u>	<u>Actual</u> <u>2017</u>	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Budget</u> <u>2020</u>	<u>Projected</u> <u>2021</u>	<u>Projected</u> <u>2022</u>	<u>Projected</u> <u>2023</u>	<u>Projected</u> <u>2024</u>	<u>Projected</u> <u>2025</u>
Revenues											
Property Tax - Property & VLF Swap	\$27.00 M	\$28.70 M	\$30.30 M	\$32.09 M	\$33.88 M	\$35.71 M	\$36.96 M	\$38.25 M	\$39.59 M	\$40.78 M	\$42.00 M
Sales and Use Tax	\$28.44 M	\$29.88 M	\$30.20 M	\$31.30 M	\$31.67 M	\$32.98 M	\$33.57 M	\$34.17 M	\$34.79 M	\$35.41 M	\$36.05 M
Utility Users Tax	\$19.59 M	\$19.56 M	\$20.11 M	\$20.61 M	\$19.80 M	\$21.33 M	\$21.54 M	\$21.76 M	\$21.98 M	\$22.20 M	\$22.42 M
Business License/Mill Tax	\$11.42 M	\$11.94 M	\$12.26 M	\$13.05 M	\$13.72 M	\$13.21 M	\$13.41 M	\$13.67 M	\$13.95 M	\$14.23 M	\$14.51 M
Transient Occupancy Tax	\$2.10 M	\$2.52 M	\$2.67 M	\$2.83 M	\$2.96 M	\$3.02 M	\$3.17 M	\$3.33 M	\$3.50 M	\$3.67 M	\$3.85 M
Other Taxes/Fees	\$4.89 M	\$5.30 M	\$5.15 M	\$5.13 M	\$5.34 M	\$5.26 M	\$5.33 M	\$5.40 M	\$5.46 M	\$5.53 M	\$5.60 M
Construction Revenues	\$1.62 M	\$1.84 M	\$2.13 M	\$2.32 M	\$2.05 M	\$2.53 M	\$2.70 M	\$2.89 M	\$3.10 M	\$3.27 M	\$3.43 M
Departmental Revenues	\$20.50 M	\$18.47 M	\$21.59 M	\$19.03 M	\$18.96 M	\$23.07 M	\$23.30 M	\$23.53 M	\$23.77 M	\$24.01 M	\$24.25 M
Cannabis Revenues (Tax and Admin Fee)	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.53 M	\$5.40 M	\$7.16 M	\$8.26 M	\$8.26 M	\$8.41 M	\$8.56 M
Transfers In	\$0.94 M	\$0.41 M	\$0.23 M	\$0.77 M	\$2.92 M	\$0.98 M	\$0.99 M	\$0.99 M	\$1.00 M	\$1.00 M	\$1.01 M
Total Revenues	\$116.49 M	\$118.63 M	\$124.63 M	\$127.13 M	\$131.81 M	\$143.48 M	\$148.12 M	\$152.27 M	\$155.39 M	\$158.51 M	\$161.69 M
Expenses											
Salaries	\$42.07 M	\$44.06 M	\$45.56 M	\$47.14 M	\$48.33 M	\$56.60 M	\$62.32 M	\$63.75 M	\$65.16 M	\$65.20 M	\$65.25 M
Overtime	\$4.64 M	\$5.62 M	\$5.91 M	\$6.88 M	\$7.59 M	\$5.77 M	\$5.83 M	\$5.89 M	\$5.95 M	\$6.00 M	\$6.07 M
Health/Dental/Vision	\$3.90 M	\$4.28 M	\$4.32 M	\$4.38 M	\$4.96 M	\$6.16 M	\$6.41 M	\$6.66 M	\$6.93 M	\$7.21 M	\$7.50 M
Pension	\$13.21 M	\$14.52 M	\$15.42 M	\$16.53 M	\$18.75 M	\$23.64 M	\$26.54 M	\$28.92 M	\$31.02 M	\$32.25 M	\$33.50 M
Retiree Medical	\$2.89 M	\$1.23 M	\$1.70 M	\$2.23 M	\$1.14 M	\$1.14 M	\$1.16 M	\$1.19 M	\$1.21 M	\$1.23 M	\$1.26 M
Other Pay & Benefits	\$9.75 M	\$9.41 M	\$9.71 M	\$12.05 M	\$13.11 M	\$14.46 M	\$15.00 M	\$15.56 M	\$16.14 M	\$16.75 M	\$17.39 M
Budget Only (Salary & Benefit Adjustments)	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$1.66 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M
Variance Rate Savings	\$0.00 M	-\$2.33 M	-\$3.66 M	\$0.00 M	\$0.00 M	-\$7.25 M	-\$7.39 M	-\$7.54 M	-\$7.69 M	-\$7.84 M	-\$8.00 M
Subtotal Personnel	\$76.45 M	\$76.79 M	\$78.95 M	\$89.21 M	\$93.89 M	\$102.18 M	\$109.86 M	\$114.42 M	\$118.71 M	\$120.80 M	\$122.95 M
ISF Charges	\$7.21 M	\$7.28 M	\$6.79 M	\$7.11 M	\$8.28 M	\$7.77 M	\$8.02 M	\$8.28 M	\$8.56 M	\$8.85 M	\$9.15 M
Contract Services	\$9.38 M	\$9.55 M	\$9.52 M	\$8.97 M	\$8.89 M	\$9.42 M	\$9.60 M	\$9.79 M	\$9.99 M	\$10.19 M	\$10.39 M
Other Discretionary Expenses	\$12.27 M	\$12.90 M	\$11.25 M	\$12.05 M	\$12.56 M	\$15.95 M	\$16.31 M	\$16.69 M	\$17.07 M	\$17.47 M	\$17.87 M
Debt/Capital Expenses	\$1.61 M	\$1.34 M	\$6.52 M	\$1.22 M	\$0.69 M	\$1.02 M	\$1.04 M	\$1.06 M	\$1.08 M	\$1.10 M	\$1.12 M
Transfers Out	\$7.42 M	\$6.42 M	\$6.10 M	\$9.12 M	\$9.24 M	\$7.71 M	\$7.78 M	\$7.86 M	\$7.94 M	\$8.02 M	\$8.10 M
Proposed Reductions	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M
Total Expenses	\$114.35 M	\$114.28 M	\$119.14 M	\$127.69 M	\$133.56 M	\$144.04 M	\$152.62 M	\$158.11 M	\$163.35 M	\$166.42 M	\$169.58 M
Net Annual Surplus (Shortfall)	\$2.14 M	\$4.35 M	\$5.49 M	-\$0.56 M	-\$1.75 M	-\$0.56 M	-\$4.49 M	-\$5.85 M	-\$7.97 M	-\$7.91 M	-\$7.89 M
Total Beginning Fund Balance	\$19.91 M	\$24.82 M	\$27.07 M	\$29.65 M	\$26.75 M	\$25.51 M	\$24.95 M	\$20.46 M	\$14.61 M	\$6.64 M	-\$1.27 M
CAFR Adjustment	\$2.76 M	-\$2.10 M	-\$2.91 M	-\$2.35 M	\$0.51 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M	\$0.00 M
Ending Fund Balance (Net Surplus+BegFndBlnc+CAFR Adj)	\$24.82 M	\$27.07 M	\$29.65 M	\$26.75 M	\$25.51 M	\$24.95 M	\$20.46 M	\$14.61 M	\$6.64 M	-\$1.27 M	-\$9.16 M
Ending Fund Balance Breakdown											
Nonspendable	\$2.77 M	\$2.65 M	\$2.52 M	\$2.88 M	\$2.72 M	\$2.72 M	\$2.72 M	\$2.72 M	\$2.72 M	\$2.72 M	\$2.72 M
Restricted	\$1.34 M	\$2.09 M	\$1.97 M	\$2.67 M	\$2.21 M	\$2.21 M	\$2.21 M	\$2.21 M	\$2.21 M	\$2.21 M	\$2.21 M
Committed	\$3.00 M	\$3.00 M	\$15.80 M	\$18.40 M	\$18.40 M	\$18.40 M	\$18.40 M	\$18.40 M	\$18.40 M	\$18.40 M	\$18.40 M
Assigned	\$3.12 M	\$6.50 M	\$4.85 M	\$1.10 M	\$0.51 M	\$0.80 M	\$0.80 M	\$0.80 M	\$0.80 M	\$0.80 M	\$0.80 M
Unassigned	\$14.59 M	\$12.82 M	\$4.51 M	\$1.70 M	\$1.66 M	\$0.82 M	-\$3.68 M	-\$9.52 M	-\$17.49 M	-\$25.40 M	-\$33.29 M
Comm + Unassigned as % of Total Expense	15.4%	13.8%	17.0%	15.7%	15.0%	13.3%	9.6%	5.6%	0.6%	-4.2%	-8.8%

Key points to the General Fund Forecast
Major Revenue Assumptions: Average Property Tax Growth of 3.3%, Average Sales Tax Growth Rate of 1.8%, and Average Business License/Mill Tax Growth Rate of 1.9% in years 2021 through 2025.

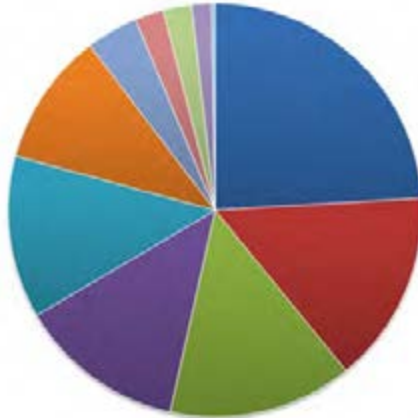
Expenses reflect current staffing levels and do not address unmet needs, future expansion of public safety services, or deferred maintenance on capital assets.

Revenues continue to show marginal increases over the projected years but they are not enough to cover the costs of improved services, increased pension costs, or capital improvements needed in future years.

General Fund Revenues & Expenditures

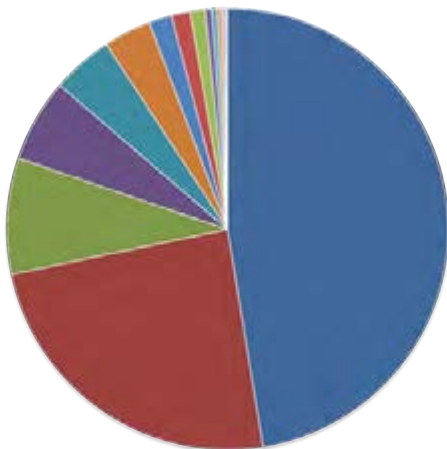
FY 2018-19 Actual General Fund Revenues Received

- Sales and Use Tax (\$31.67 Million)
- Utility Users Tax (\$19.8 Million)
- Departmental Revenues (\$18.96 Million)
- Property Tax (\$17.16 Million)
- Vehicle License Fees Swap (\$16.72 Million)
- Business License/Mill Tax (\$13.72 Million)
- Other Taxes/Fees (\$5.34 Million)
- Transient Occupancy Tax (\$2.96 Million)
- Transfers In (\$2.92 Million)
- Construction Revenues (\$2.05 Million)
- Cannabis Tax (\$0.35 Million)



FY 2018-19 Actual General Fund Expenditures by Department

In FY 2018-19 the General Fund had total expenditures from all Departments (inclusive of Transfers Out) of \$133.6 million. Revenues (inclusive of Transfers In) were at \$131.8 million.



- Police Department (\$63.33 Million)
- Fire Department (\$32.46 Million)
- Parks, Recreation & Neighborhoods (\$11.35 Million)
- Transfers Out (\$8.12 Million)
- Community & Economic Development (\$5.98 Million)
- Finance Department (\$4.62 Million)
- City Manager's Office (\$2.23 Million)
- City Attorney's Office (\$1.84 Million)
- Human Resources (\$1.47 Million)
- City Clerk's Office (\$0.65 Million)
- Public Works (\$0.49 Million)
- City Council (\$0.42 Million)
- Non-Departmental (\$0.36 Million)
- Office of the City Auditor (\$0.23 Million)

What do your tax dollars fund?

Nearly 71.7% of the City's General Fund is used to pay for operating expenditures related to Public Safety (Police and Fire services). These two areas in the General Fund had expenditures of \$95.8 million in FY 2018-19. Taking into account the main resident-driven taxes such as Sales Tax, Property Tax (inclusive of the Vehicle License Fee Swap), and Utility Users Tax, the actual revenue received in FY 2018-19 (\$85.3 million) would not be enough to fund Public Safety services alone.



The figures represented in these charts agree, in totality, to figures shown for revenues in the City of Modesto's CAFR (Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds) for the General Fund in FY 2018-19.

Statements of Net Position & Financial Highlights

City of Modesto's Net Position As of June 30, 2019						
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current & Other Assets	\$ 246,108,781	\$ 243,103,994	\$ 281,130,823	\$ 261,380,685	\$ 527,239,604	\$ 504,484,679
Capital Assets	\$ 439,689,132	\$ 418,014,444	\$ 926,872,707	\$ 904,169,388	\$ 1,366,561,839	\$ 1,322,183,832
Deferred Outflows of Resources	\$ 60,664,344	\$ 70,743,496	\$ 45,442,749	\$ 40,085,699	\$ 106,107,093	\$ 110,829,195
Total Assets & Deferred Outflow of Resources	\$ 746,462,257	\$ 731,861,934	\$ 1,253,446,279	\$ 1,205,635,772	\$ 1,999,908,536	\$ 1,937,497,706
Current Liabilities	\$ 310,234,095	\$ 303,343,367	\$ 146,601,151	\$ 132,037,995	\$ 456,835,246	\$ 435,381,362
Noncurrent Liabilities	\$ 89,612,581	\$ 92,513,335	\$ 333,748,552	\$ 348,564,989	\$ 423,361,133	\$ 441,078,324
Deferred Inflows of Resources	\$ 8,559,554	\$ 10,481,112	\$ 1,708,977	\$ 2,003,153	\$ 10,268,531	\$ 12,484,265
Total Liabilities & Deferred Inflows of Resources	\$ 408,406,230	\$ 406,337,814	\$ 482,058,680	\$ 482,606,137	\$ 890,464,910	\$ 888,943,951
Net Investment in Capital Assets	\$ 401,515,805	\$ 377,529,238	\$ 607,813,261	\$ 571,811,118	\$ 1,009,329,066	\$ 949,340,356
Restricted	\$ 127,885,787	\$ 130,192,278	\$ 15,569,107	\$ 21,071,542	\$ 143,454,894	\$ 151,263,820
Unrestricted	\$ (191,345,565)	\$ (182,197,396)	\$ 148,005,231	\$ 130,146,975	\$ (43,340,334)	\$ (52,050,421)
Total Net Position	\$ 338,056,027	\$ 325,524,120	\$ 771,387,599	\$ 723,029,635	\$ 1,109,443,626	\$ 1,048,553,755

Financial Highlights from the City's Comprehensive Annual Financial Report

- The assets of the City exceeded liabilities at the close of the 2019 fiscal year by \$1,109,443,626 (total net position). Of this amount, \$143,454,894 is restricted for a specific purpose (restricted net position), \$1,009,329,066 is net investment in capital assets, net of related debt and (\$43,340,334) is unrestricted (unrestricted net position).
- The largest portion of the City's net position, \$1,009,329,066 (90.97 percent), reflects its investment in capital assets (e.g. land, water rights, buildings, improvements, furnishings and equipment, buses and fare boxes, pipelines, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of debt and related deferred outflows and inflows, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.
- The City's total net position increased by \$60,889,871 during the current fiscal year and was largely due to the additions associated with the City's infrastructure and capital improvements.

Enterprise Funds Change in Net Position	Business-type Activities	
	2019	2018
Revenues:		
Charges for Services	\$ 158,963,772	\$ 150,864,635
Operating Grants & Contributions	\$ 25,668,280	\$ 17,858,762
Capital Grants & Contributions	\$ 5,198,721	\$ 7,196,698
Other	\$ 9,021,460	\$ 2,728,262
Total Revenues	\$ 198,852,233	\$ 178,648,357
Expenses:		
Water	\$ 62,745,688	\$ 56,526,729
Sewer	\$ 41,216,914	\$ 41,444,220
Bus	\$ 24,276,760	\$ 20,538,934
Parking	\$ 1,899,479	\$ 1,553,258
Storm Drain	\$ 7,157,290	\$ 5,202,444
Compost	\$ 8,477,947	\$ 9,652,175
Airport	\$ 1,646,800	\$ 1,578,654
Golf	\$ 3,052,785	\$ 2,616,077
Community Center	\$ 1,541,592	\$ 1,780,010
Abatement and Public Nuisance	\$ 63,312	\$ 351,557
Total Expenses	\$ 152,078,567	\$ 141,244,058
Increase in Net Position Before Transfers	\$ 46,773,666	\$ 37,404,299
Transfers	\$ 1,675,373	\$ 354,287
Change in Net Position	\$ 48,449,039	\$ 37,758,586
Net Position - Beginning of the Year	\$ 723,029,635	\$ 690,285,159
Adjustments	\$ (91,075)	\$ (5,014,110)
Net Position - End of the Year	\$ 771,387,599	\$ 723,029,635



2015-2018 Strategic Commitments



The 2015-2018 Strategic Plan is the foundation for how the City allocates its resources, how it prioritizes its initiatives to best serve the citizens of Modesto, and how it responds to future challenges. Our 2015-2018 Strategic Plan priorities bring the City's vision and values to life in our community, and define our overall direction as a City. It also confirms our commitment to our citizens.

While the priorities are individually important, they are also interconnected and cannot be addressed in isolation. In addition, they are the basis of our scorecard that measures success and upon which our performance metrics are built.



Great, Safe Neighborhoods

Reduce crime and build a safe, inviting community to live, work and play in, through an emphasis on neighborhood fortification.



Effective, Responsive & Transparent Government

Focus on continuous improvement, team building, and enhanced technology to improve efficiency and service delivery.



Vibrant Infrastructure & Sustainable Environment

Enhance City roads, water supply, transportation needs and seek opportunities to improve the environment through partnership.



Healthy Economy & Great Quality of Life

Strengthen the economy by promoting new business, growing revenue, creating and preserving jobs through business development.

Our Commitment to the Citizens of Modesto



Fiscal Responsibility & Accountability

We will continue to ask ourselves if what we are doing is in the best interest of the City and our citizens. We will be fiscally responsible with expenditures.



Customer Service *for every customer, everyday*

We will remind ourselves that serving the public is our # 1 objective. We will seek solutions before saying something is "against our rules or policy" making sure we have done everything possible for our citizens to have a pleasant experience with the City.



Organizational Excellence

We will strive to be innovative and efficient in all our work processes.

Great, Safe Neighborhoods

Modesto Police Services

The Modesto Police Department is fortunate to receive an incredible amount of support from the community we serve. As we progress as a department, we will continue to strengthen our ties with the community and look for ways to improve our service and efficiency.

- Chief Galen Carroll



Community Engagement

249 Community Activities & Events
i.e. Town Hall Meetings, Coffee with a Cop



Neighborhood Watch

361 Active Watch Groups



Business Watch

20% Increase in Watch Groups
25% Increase in Watch Meetings

Crime Free Multi-Housing

115 Properties Certified
1 Property Management Training



National Night Out

Congratulations Modesto on joining 38 million neighbors and 16,000 communities from across the nation for this year's National Night Out. Modesto has made it to #1 in the State for cities of our size and #5 in the nation with 183 registered NNO parties held across our neighborhoods. Get ready Modesto let's work our way up to #1 in the nation this year!



Great, Safe Neighborhoods



Modesto Fire Services

The Modesto Fire Department has proudly served the citizens of our community for more than 140 years. We take our role in saving lives very seriously and, as a result, continually change and update our practices to further enhance our life saving capabilities.

Our firefighters often see members of the community on what is likely the worst day of their life, as such, we take our “We Care” motto just as seriously as our training, and work to ensure the firefighters who serve this community have a servants heart. Saving lives, protecting property and going above and beyond to ensure the public is safe is, and always will be our primary mission.

- Chief Alan Ernst

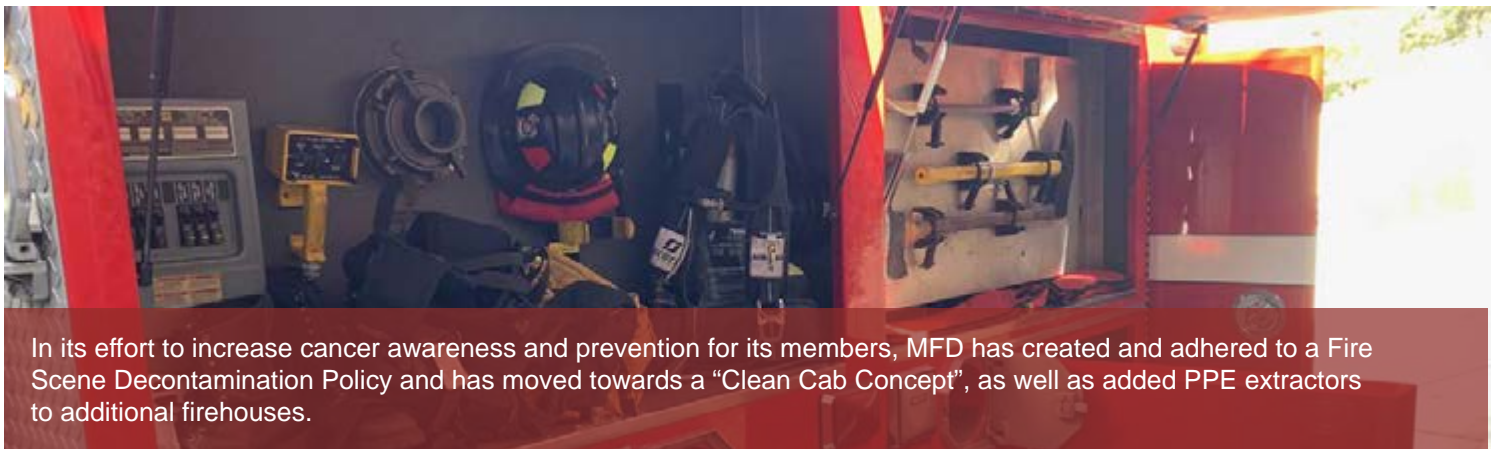


The Modesto Fire Department strengthened and fortified its Health and Wellness program by contracting with a behavioral health clinician and assigning Battalion Chief Michael Shockey as Health and Wellness Officer.



MFD accepted the delivery of 12 LUCAS devices which are used in conjunction with high-performance CPR.

MFD participated in the development of a countywide EMS strategic plan.



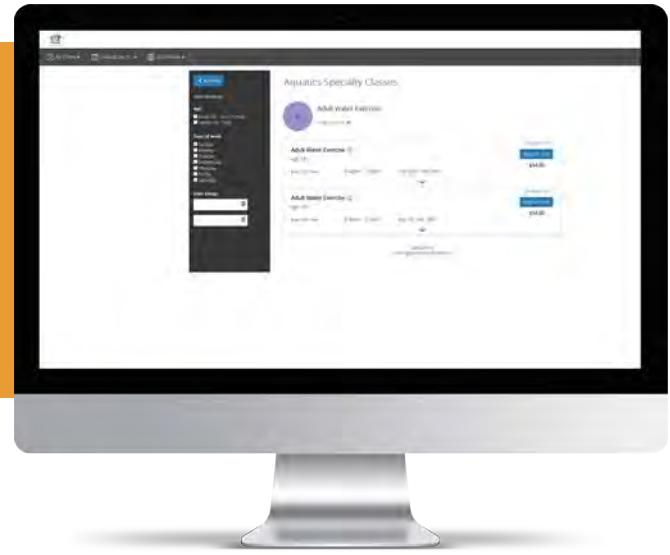
In its effort to increase cancer awareness and prevention for its members, MFD has created and adhered to a Fire Scene Decontamination Policy and has moved towards a “Clean Cab Concept”, as well as added PPE extractors to additional firehouses.

Effective, Responsive & Transparent Government



NEW! Online Facility and Park Rentals Registration

The City of Modesto implemented a new online portal for facility and park rentals.



Completed 95% of citywide upgrade of the Network Communications system which will provide improved network speeds, enhance security, and support the anticipated growth in network dependencies with the introduction of newer technologies such as smart devices, digital audio/video, and increased mobility of City resources.



New Groundwater Monitoring Wells

Installed 5 new groundwater monitoring wells at the Compost Facility site in compliance with the Regional Water Quality Control Board's Composting General Order.

Completed Upgrade of Chambers and Master Control facility for Education and Government Channel. Replaced aged projector with digital TV displays to improve audience viewing and upgraded microphones and speakers for better sound quality. Overhauled the Master Control Facility to improve quality and reliability of video transmission and recordings.



Highlights

- Completed the implementation of Phase I of the City's new Business License software which will allow businesses to submit their payments online.
- Completed the implementation of our new utility billing online portal which provides an easier way to view their utility bills online and make online payments.
- Procedural Justice training was deployed throughout the Modesto Police Department focusing on how law enforcement can improve trust and relationships with their communities by using principles to evaluate their policies, procedures, and training.
- Improved website experience by implementing ADA tool to identify non-compliant items for remediation.
- Implemented the new Lucity, Enterprise Asset Management Software that has enhanced productivity by integrating Geographic Information Systems (GIS) and providing field staff the capability to receive work orders remotely (utilizing a mobile device), so they can resolve the issue and close out the work order without the need to return to the office.

Vibrant Infrastructure & Sustainable Environment



Completed Projects:

- Pavement rehabilitation of 0.9 miles of Claus Road from Gomes Road to Briggsmore Avenue
- Pavement rehabilitation of more than 20 equivalent lane miles in the Lakewood Neighborhood
- Pavement rehabilitation of 1.8 miles of Carpenter Road from Chicago Avenue to Torrid Avenue
- Village One Slurry Seal Project



Dennett Dam Project

Completion of the Dennett Dam Project removed the remnants of Dennett Dam in the Tuolumne River and provided habitat restoration to approximately 200 feet of river channel. The removal included the installation of temporary cofferdams, a bypass channel, and constant pumping to dewater the site for demolition and excavation activities.



Waste into Energy

Under the Public Works Solid Waste Division, the City's garbage service providers collected and sent 109,668 tons of Modesto's garbage to the Covanta Stanislaus Waste to Energy Facility. The Waste-to-Energy Facility uses a clean waste burning technology to produce heat that is then used to evaporate water and generate steam. That steam powers turbines, which in turn generates electrical energy. Modesto's garbage produces power for approximately 19,000 homes.

We are water-wise!

Worked with various neighborhood groups in the city to provide park improvements throughout Modesto through the city's Park Partners Program. Projects include Graceada Park Pool and Splashpad Renovation, Graceada Park Tot Playground Replacement, Beard Brook Park Dog Park and Garrison Park Sign Replacement.

- 25.03% Average Monthly Water Production Reduction
- 7,906 Water Quality Samples Performed
- 4,689 Water Service Calls
- 72,362 Water Services
- 8,260 Water Conservation Contacts
- 77 Water Wells
- 406 Million Gallons average water saved each month
- 1,000 miles approximate number of maintained water mains

Highlights

- The 4 million gallon Industrial Tank was completed in Summer 2019. This is the last of the major "Downstream Improvements" needed to efficiently deliver domestic water to our customers in South Modesto.
- Successfully drilled three new domestic wells (Well 70, 71 & 72) in Fiscal Year 18/19. These new sub-surface wells are currently being finalized so that construction of the above ground improvements can begin construction in Fiscal Year 19/20.
- Headworks and Dryden Box Project began construction. The project consists of diverse improvements at the Sutter Wastewater Treatment Plant including: screens, compactors, parshall flume, grit basins, massive in-ground concrete structures, and sewer trunk line installations.
- The Ceres Trunk Project is nearly complete, which is comprised of approximately 3,500 LF of sewer trunk, rehabilitation of the existing trunk section crossing the HWY 99, and the installation of a secondary trunk line for reliability.
- Construction of the Area 2 Cross Connection Removal – Roosevelt Park Project began which is comprised of removing six existing sewer cross connections, a new underground storm drain system, and renovations to Roosevelt Park. This project received a \$4 million Proposition 84 grant.
- Completed Trash Assessment of all priority land use areas with the City and identified opportunities to mitigated potential trash impacts to the Tuolumne River.

Healthy Economy & Great Quality of Life

Parks, Recreation & Neighborhoods

Community Partnership Events



25th Anniversary Martin Luther King Commemoration
Over 700 community members attended the positive night of civic engagement through word and music at Modesto Junior College.



Westside Community "Back to School" Event
A free community event located at the Neighborhood Center at Marshall Park provided an exciting evening program focused on health, safety & community resources. This 5th annual event included guest speakers, kid's activities, games, prizes, face painting, a bounce house, and the event highlight "Backpack Giveaway." The event served approximately 1,800 participants.



The Kids Connect Community Celebration
Located at Marshall Park this event provided a variety of community resource information to families and featured cultural group performances, musical entertainment, child activities, a bounce house, and guest speakers serving approximately 360 participants.



John Thurman Field Capital Improvements

The City of Modesto and HWS Baseball, LLC (The Modesto Nuts) agreement established in December 2016 includes a stipulation that the City of Modesto would designate \$120,000 each year to improve the capital facilities at John Thurman Field. Two projects were approved by Council replacing 1,000 upper box seats with a new more comfortable premium style stadium seat, as well as upgrading the video board system with a new HD digital scoreboard 32' x 44' display.

Community volunteers in partnership with the City of Modesto range from local clubs to local businesses looking to serve.



3,597
Volunteers



17,317
Volunteer Hours



533
Events



\$498,371
Approximate Volunteer Hours Value

Mary E. Grogan Community Park

The Mary E. Grogan Community Park opened in 2013 and is a premiere soccer facility hosting numerous youth and adult soccer events annually. It also functions as a community park with dedicated full-time and part-time staff on site. It has 7 lighted full size soccer fields with the ability to convert into up to 12 youth size soccer fields. The park has artificial turf and natural turf fields available for rent and is open year round.

5,735 Community Members Served

1,700 Bookings

8,100 Hours of Rentals





Civic Engagement Opportunities Boards, Commissions & Committees

Citizen feedback is essential to providing and maintaining quality services to the Modesto community. Our citizens are our top priority. To meet their expectations, citizen advisory groups, called boards, committees and commissions, are formed to assist the Modesto City Council in making policy decisions that impact the community.

Citizen Advisory Groups research, study and discuss specific issues with both short and long-term implications, forwarding their recommendations to the Council.

The City of Modesto is committed to its mission of maintaining and enhancing the quality of community life by developing an economically vital, culturally rich, safe and attractive community. Only by working hand-in-hand with the community will we be successful in our mission.

Those interested in applying for a position on one of the citizen advisory groups can apply online when applications are being accepted for vacancies. Applications are reviewed annually and are considered whenever a vacancy on one of the advisory groups occurs.

- Airport Advisory Committee
- Board of Building Appeals
- Board of Zoning Adjustments
- Citizens Housing and Community Development
- Citizens Transportation Sales Tax Commission
- Culture Commission
- Destination Modesto Task Force
- Disabled Access Appeals Board
- Entertainment Commission
- Equal Opportunity/Disability Commission
- Golf Course Advisory Committee
- Housing Rehabilitation Loan Committee
- Human Relations Commission
- Landmark Preservation Committee
- Planning Commission
- Tuolumne River Regional Park Citizens Advisory Committee

Appointments Committee

Chair: Councilmember Mani Grewal, Email: mgrewal@modestogov.com

Vice Chair: Mayor Ted Brandvold, Email: mayor@modestogov.com

Member: Councilmember Jenny Kenoyer,
Email: jkenoyer@modestogov.com

Apply

Online: www.modestogov.com/337/Boards-Commissions

Phone: 209-571-5169

In Office: 1010 Tenth Street, 6th Floor, Ste. 6200, Modesto, CA

Modesto City Council

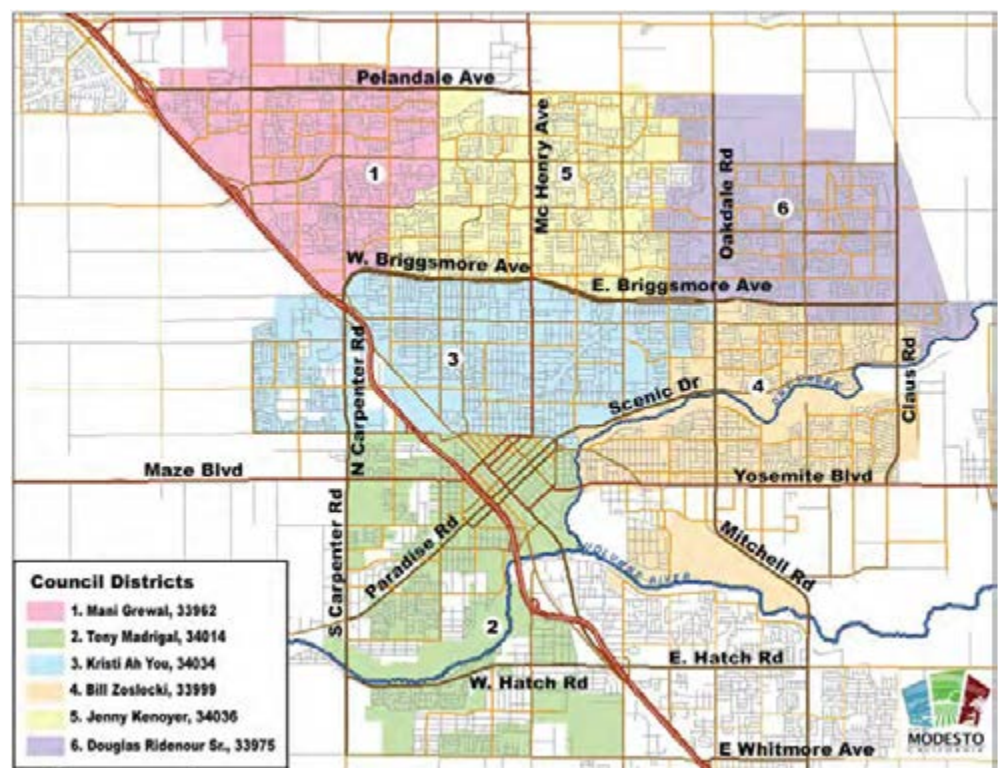
Ted Brandvold Mayor, Mani Grewal District 1, Tony Madrigal District 2, Kristi Ah You District 3 (left to right)



Bill Zoslocki District 4, Jenny Kenoyer District 5, Douglas Ridenour District 6 (left to right)

The Modesto City Council is the City's legislative body. It sets policies, approves budgets, determines tax rates, and passes ordinances and resolutions to govern the City. Council also appoints citizen volunteers to advisory boards, committees, and commissions; and appoints and supervises the City Manager, City Attorney, and City Clerk.

The Modesto City Council is made up of seven elected officials. The Mayor is elected at-large by City residents while the six Councilmembers are elected by district. Members of the City Council hold office for four year terms and are limited to two terms.





This Popular Annual Financial Report (PAFR) has been prepared to inform citizens about the City of Modesto and its operations, services, and programs, as well as its financial condition for the fiscal year ended June 30, 2019. It is suitable for readers who prefer to review operational and financial information in summary form and does not substitute for the City's Comprehensive Annual Financial Report (CAFR). This publication is derived from information provided in the CAFR, which is based on generally accepted accounting principles (GAAP). This report is presented in GAAP format and is not inclusive of all funds. The City's financial statements have been audited by Hudson Henderson & Company, Inc., an independent firm of certified public accountants. The auditors' report concluded that the financial statements fairly reflect the financial condition of the City in all material respects.

The PAFR and a full copy of the CAFR are published on the City's website at www.modestogov.com For more information, please contact DeAnna Christensen - Director of Finance at dachristensen@modestogov.com
1010 10th Street, Modesto, CA 95354 | P.O. Box 642, Modesto, CA 95353 | 209-577-5200

In accordance with the requirements of Title II of the Americans with Disabilities Act ("ADA") of 1990, the Fair Employment & Housing Act ("FEHA"), the Rehabilitation Act of 1973 (as amended), Government Code section 11135 and other applicable codes, the City of Modesto ("City") will not discriminate against individuals on the basis of disability in the City's services, programs, or activities. For more information please visit the City of Modesto website at <https://www.modestogov.com/865/Americans-with-Disabilities-Act-ADA>