

City of Scotts Valley

2010 / 2011 Preliminary Budget

Jim Reed
Mayor

Dene Bustichi
Vice Mayor

Stephany E. Aguilar
Council Member



Randy Johnson
Council Member

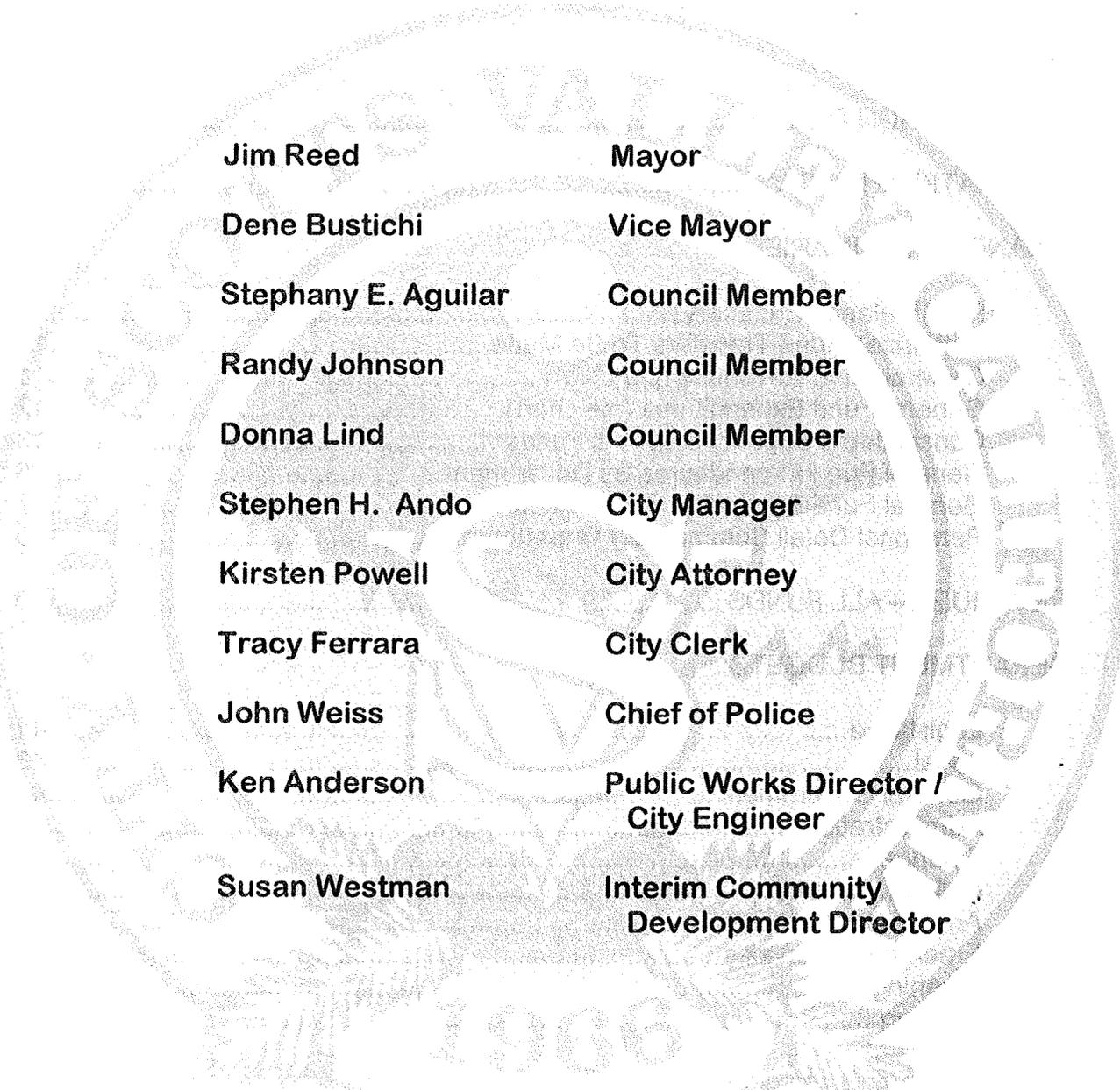
Donna Lind
Council Member

Stephen H. Ando
City Manager

CITY OF SCOTTS VALLEY

2010 / 2011

PRELIMINARY BUDGET



Jim Reed	Mayor
Dene Bustichi	Vice Mayor
Stephany E. Aguilar	Council Member
Randy Johnson	Council Member
Donna Lind	Council Member
Stephen H. Ando	City Manager
Kirsten Powell	City Attorney
Tracy Ferrara	City Clerk
John Weiss	Chief of Police
Ken Anderson	Public Works Director / City Engineer
Susan Westman	Interim Community Development Director

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2010 / 2011

PRELIMINARY BUDGET

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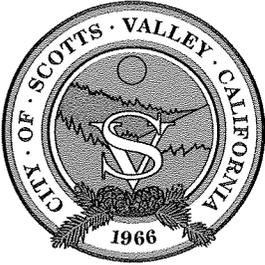
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CITY OF SCOTTS VALLEY

OFFICE OF THE CITY MANAGER

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June 3, 2010

Honorable Mayor and City Council
City of Scotts Valley
One Civic Center Drive
Scotts Valley, CA 96066

SUBJECT: 2010-11 Fiscal Year Budget

Honorable Mayor and City Council:

It is with pleasure that I submit to the City Council the budget for fiscal year 2010-2011. Below is a discussion of the larger funds that comprise the budget of the City of Scotts Valley.

GENERAL FUND OVERVIEW

For fiscal year 2010-11 the General Fund is in its last year of Measure C revenues. The City has built up a fund balance reserve during earlier years when Measure C was assessed at a half percent. The beginning fund balance is being estimated at \$2,450,000. If revenues and expenditures went according to budget, the fund balance would be \$1,945,005 at June 30, 2011. This is with \$600,000 of transfers from Gas Tax and COP Reserve funds. It is estimated that the City could continue two more years through June 30, 2013; however, the fund balance would be very low at that point.

There are three revenue generating possibilities that could significantly improve the budget.

1. The City has won its case in court with the County of Santa Cruz for additional property tax revenue. The County has appealed that decision. The appeal is anticipated to be heard this summer (2010). If the City prevails again, the City would receive approximately \$3 million in back taxes and \$400,000 in on-going property taxes.
2. As discussed below in the Redevelopment Agency section, the State shifted funds from all redevelopment agencies. This shift is being appealed in court after the redevelopment agencies lost their case against the State. The appeal could take up to one year to be heard. If this shift is overturned on appeal, then the Scotts Valley Redevelopment Agency could repay the General Fund for earlier loans. A long-term budget projection of the Agency estimates that the Agency could make \$350,000 payments annually for five years. It is difficult to project beyond that point.
3. The Scotts Valley Redevelopment Agency has entered into an exclusive negotiating agreement with new developers after a predevelopment agreement with previous developers expired to develop the Town Center Project. The specific plan for this mixed use project allows up to 180,000 square feet of new retail/commercial development. The

new developer is a partnership where one partner already owns/operates two shopping centers in Scotts Valley. The other partner has completed several developments in the last 10-15 years, including a one million square foot development in El Dorado Hills. Completion of the Scotts Valley project would not only provide the City with a long awaited town center, but would also provide the City with significant sales tax revenue.

In addition to the above revenue generating possibilities, the city has also tightened its belt even further. First, during this past year (2009-10), the City eliminated two full-time and 2 half-time positions. When an Administrative Secretary III position became vacant due to a retirement, the position was lowered to a half-time Administrative Secretary I position. Second, all non-safety employees, the police chief, and police lieutenants agreed to a one-day-a-month furlough (day off without pay). This equates to a 4.6% decrease in salary for those employees. Third, many employees continue to perform two job duties due to vacant positions being frozen.

With the above reductions, fund balance reserve, and the three revenue generating possibilities, the City could continue for at least three years, through June 30, 2013. If the City does not benefit from additional revenues, then the City would need to consider asking the city residents to approve an add-on sales tax as was approved in November 2005.

GENERAL FUND EXPENDITURES

The 2010-11 General Fund expenditures are being recommended with a decrease of \$348,553 from the 2009-10 budget. The breakdown of that decrease by major category is shown below.

	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>	<u>Increase (Decrease)</u>
Salaries & Benefits	\$ 6,545,412	\$ 6,306,106	\$ (239,306)
Services & Supplies	1,080,702	1,076,230	(4,472)
Fixed Assets	116,200	-	(116,200)
Contributions	83,997	93,222	9,225
Debt Service	<u>451,506</u>	<u>453,706</u>	<u>2,200</u>
Total	<u>\$ 8,277,817</u>	<u>\$ 7,929,264</u>	<u>\$ (348,553)</u>

Salaries & Benefits: Three areas account for a majority of the decrease in this area. Workers compensation insurance is decreasing \$157,880. As mentioned in last year's budget, it was anticipated that this would decrease in 2010-11 due to the way premiums are allocated in the insurance pool in which the City is a member. Wages are decreasing \$50,483 due to reductions in City staffing last year. The preliminary budget numbers above do not reflect any reductions for furloughs for any City employees at this time. Negotiations with the bargaining units are taking place and the results will be reflected in the final budget document. The final area to decrease is group insurance in the amount of \$43,753. With reductions in staff, group insurance costs have decreased as well. The number of full-time equivalent City personnel as of fiscal years 1997, 2004, and 2011 were 71.75, 76.41, and 62.10, respectively. Fiscal year 2011 is net of the current frozen positions. This shows the reductions the City has made in the last seven years.

Services & Supplies: Overall, this category is decreasing \$4,472. In an ever ongoing attempt to tighten the budget, 16 of the 23 accounts have been reduced by a total of \$56,427. Five accounts had increases totaling \$51,955. Two accounts had no change.

The largest decreases are in Maintenance of Equipment (\$17,070 mainly in Police and Street Maintenance) and Other Contractual Services (\$10,425 mainly in Building Maintenance and Street Maintenance). These budget accounts were decreased based on actual expenditures the past two years.

The largest increases are in Professional Services (\$35,850 mainly in Building) and Elections (\$12,000). The increase in Professional Services is for the contract building inspector. Until building activity picks up consistently, having a contract building inspector rather than a city employee is more cost effective and more flexible for the City. Elections are every other year, so there were no costs budgeted for elections last year.

Fixed Assets: There are no amounts budgeted in this area. The City did this one time before in 2004-05 to provide relief to the General Fund budget for one year. This is not sustainable for future years as equipment breaks down and needs to be replaced. However, for this one year, the City will manage.

Contributions: No increase or decrease has been budgeted at this time in the preliminary budget for the community service organizations. A total of \$46,278 is budgeted for community service organizations and \$1,000 for the Cultural Council.

GENERAL FUND REVENUES

Not taking Measure C sales tax into account, budgeted revenues are increasing \$143,700. This is the increase as represented by ongoing revenues and not the temporary sales tax measure.

<u>Revenue Category</u>	<u>2009-10 Projected</u>	<u>2010-11 Budget</u>	<u>Increase (Decrease)</u>
Taxes (without Measure C)	\$4,682,700	\$4,682,700	\$ -
Franchise Fees	786,000	796,000	10,000
Fines & Forfeitures	64,000	64,000	-
Charges for Services	391,000	524,700	133,700
Investment Earnings	50,000	50,000	-
Other Revenue	336,000	336,000	-
Total	<u>\$6,309,700</u>	<u>\$6,453,400</u>	<u>\$143,700</u>

Taxes are being budgeted flat for next year. Although there are reports of signs of the economy beginning to pick up, it is difficult to imagine a true recovery until the unemployment figures decrease from their present levels. For now, the budget reflects that we have hit bottom and will stay there for the next year.

Franchise fees are being budgeted with a \$10,000 increase, all related to the solid waste franchise fee and the increased fees that were approved with the franchise agreement last December.

Fines and forfeitures are fairly consistent and, therefore, were budgeted at the amount of the 2009-10 projected amounts.

Charges for services are increasing over last year's projected amount primarily in construction permits. There are four residential projects that could proceed (on Blue Bonnet, the quarry site, Polo Ranch, and at Pinnacle Pass). To be conservative, the budget reflects, on average, only two

of these projects going forward. In addition to these projects, the library remodel project will be going forward next year. This is a Redevelopment Agency project; therefore, the Agency will be paying the construction permits to the General Fund.

The budget for **investment earnings** is flat to reflect the bottoming out of interest rates.

Other revenue is also flat. The 2009-10 projected amounts do not have anything that would likely change for next year.

REDEVELOPMENT AGENCY

The Redevelopment Agency budget is presented in three funds:

Fund 19: Affordable Housing (page 83)

Fund 22: Capital Projects (page 79)

Fund 23: Debt Service (page 88)

Affordable Housing: The 20% set-aside tax increment revenue in the Affordable Housing Fund is being budgeted at the same amount as the 2009-10 projection. After a drop in assessed values in fiscal year 2009-10, the County Assessor is estimating no change for 2010-11. The expenditure budget is virtually the same as 2009-10 with minor changes in salary/benefits and services/supplies.

Capital Projects: The fund balance is always zero because the administrative and capital expenses are covered by a transfer from the Debt Service Fund. The 2011 budget is increasing approximately \$11,000. The last payment to Easton-Bell Sports is budgeted for \$37,500 and the Chamber of Commerce payment increased by \$10,000. These are offset by a reduction in professional services of \$15,000, improvement projects decreased \$13,000, and salary/benefits decreased \$8,000. The professional services budget is used only if needed. The salary/benefits decreased due to the elimination of the Economic Development Specialist position last September.

Debt Service: Compared to 2009-10 projections, tax increment revenue is estimated to be the same for 2010-11 due to the same reason discussed above. For expenditures, all required debt payments have been budgeted.

As the you are aware, the California Redevelopment Association (CRA) lost its lawsuit against the State challenging the constitutionality of a shift of redevelopment agency revenues to the Supplemental Educational Revenue Augmentation Fund (SERAF). Scotts Valley Redevelopment Agency had to pay \$1,485,273 to the State. The CRA is appealing this decision; however, if they are not successful, the State will be shifting another \$305,510 in fiscal year 2010-11. The Agency is allowed to borrow these amounts from the Low and Moderate Income Fund and repay them over five years.

A long-term budget projection through 2016-17 was prepared. In this projection, the revenue, the 20% set-aside to the Low and Moderate Income Fund, and the pass-through payments were projected to increase 1% starting with fiscal year 2011-12. The SERAF payments to the Low and Moderate Income Fund were included. The projection did not factor in any payments to the General Fund. The projection shows the fund balance dropping to its lowest in fiscal year 2014-15 at \$121,391. The SERAF payments end in that year, and the fund balance begins to increase again starting in 2015-16. However, this is with the assumption of a 1% increase each year which may or may not materialize.

WASTEWATER

A recap of the Wastewater Operations is shown below.

WASTEWATER OPERATIONS			
	2009-10 Budget	2009-10 Projected	2010-11 Budget
Revenue	\$ 1,652,000	\$ 1,588,500	\$ 1,620,000
Salaries & Benefits	(887,544)	(842,849)	(835,322)
Services & Supplies	(662,670)	(681,228)	(666,350)
Fixed Assets	(20,000)	(15,000)	(20,000)
Other	(232,000)	(225,000)	(225,000)
Net Deficit	<u>\$ (150,214)</u>	<u>\$ (175,577)</u>	<u>\$ (126,672)</u>

Revenues are down due to vacancies in commercial space. This is what is causing the net deficit. No rate increase is necessary at this time. Wastewater operations has a sufficient fund balance that can sustain it at this time. Annual commercial billings are based on water usage in February every year. Based on this amount, revenues are estimated to increase next fiscal year. They are still below the level they have been in previous years.

Total expenses are projected to be under budget by approximately \$40,000, or 2.2%. The main reason is again the work furlough. For next year the main difference is in salaries and benefits for two reasons. First, our workers compensation premium decreased by \$35,000. As discussed above, we were expecting this to decrease based on the method insurance premiums are allocated in the insurance pool. Second, due to an upcoming retirement at the treatment plant, a new person will be hired at a lower salary than the person retiring. The treatment plant must rehire a new person to be in compliance with State regulations.

RECREATION

A recap of the Recreation budget is presented on the next page.

This year's revenues are projected to be \$73,000, or 7.5%, under budget with school age recreation accounting for most of the decrease. This is the result of the poor economy. One of the bright spots is facility rental which is projected to be over budget by \$5,000. Other revenue is also projected to be over budget. Other revenue consists of insurance purchased by the public for events, cleaning fees, and entertainment permits which all relate to facility rentals.

Next year's revenue budget shows an increase over this year's projected revenues. School age recreation is estimated to increase by \$45,000. Registrations in this program are up over last year, a sign that maybe the economy is improving. In addition, Council increased the fee by 9.7% on the part-time enrollment which now comprises 80% to 90% of the total enrollment. This increase is offset by decreases in sports and classes, a reflection of the staffing change discussed earlier.

This year's expenditures are projected to be \$73,167, or 7.4%, under budget. This is a combination of lower program costs and the furlough instituted last September. With lower revenues, the costs associated with those programs decreases accordingly. In addition, the entire Recreation staff was subject to a one-day-per-month furlough which equates to a 4.6% reduction.

Next year's expenditure budget is higher than the current year projected due to the increase in the school age recreation program as noted above. The temporary wages and the supplies supporting that program will increase proportionately with the increase in budgeted revenue.

RECREATION PROGRAM			
	2009-10 <u>Budget</u>	2009-10 <u>Projected</u>	2010-11 <u>Estimated</u>
Revenue:			
School Age Rec.	\$ 675,000	\$ 605,000	\$ 650,000
Sports	107,000	100,000	90,000
Aquatics	77,500	77,500	77,500
Classes	80,000	75,000	70,000
Special Events	1,000	-	1,000
Facilities Rental	35,000	40,000	35,000
Other Revenue	1,000	6,000	6,000
Total Revenue	<u>976,500</u>	<u>903,500</u>	<u>929,500</u>
Expenditures:			
Salary & Benefits	767,963	723,226	736,684
Services & Supplies	217,857	189,427	200,287
Total Expenditures	<u>985,820</u>	<u>912,653</u>	<u>936,971</u>
Net Deficit	<u>\$ (9,320)</u>	<u>\$ (9,153)</u>	<u>\$ (7,471)</u>

CLOSING

The budget document itself has been prepared with the help of the Finance Department. I want to thank Accountant II Laurie Grundy and the other Finance staff for their hard work and dedication.

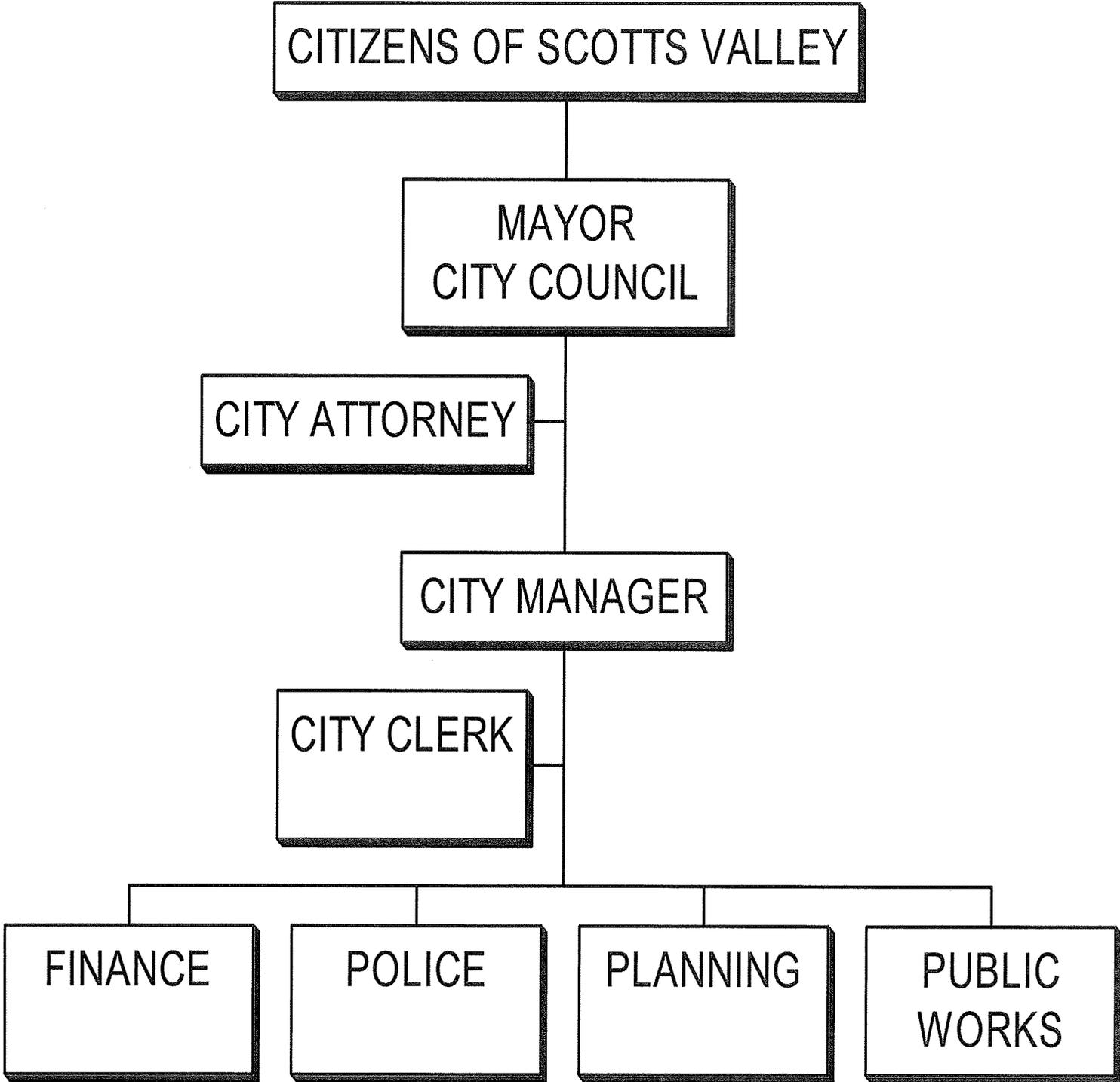
I would also like to close the budget message by indicating, as I have in the past, how proud I am to be associated with the City of Scotts Valley, its Council, its employees, and the community. The City continues to respond in an excellent fashion in a difficult environment where we are challenged by fiscal constraints.

Sincerely,

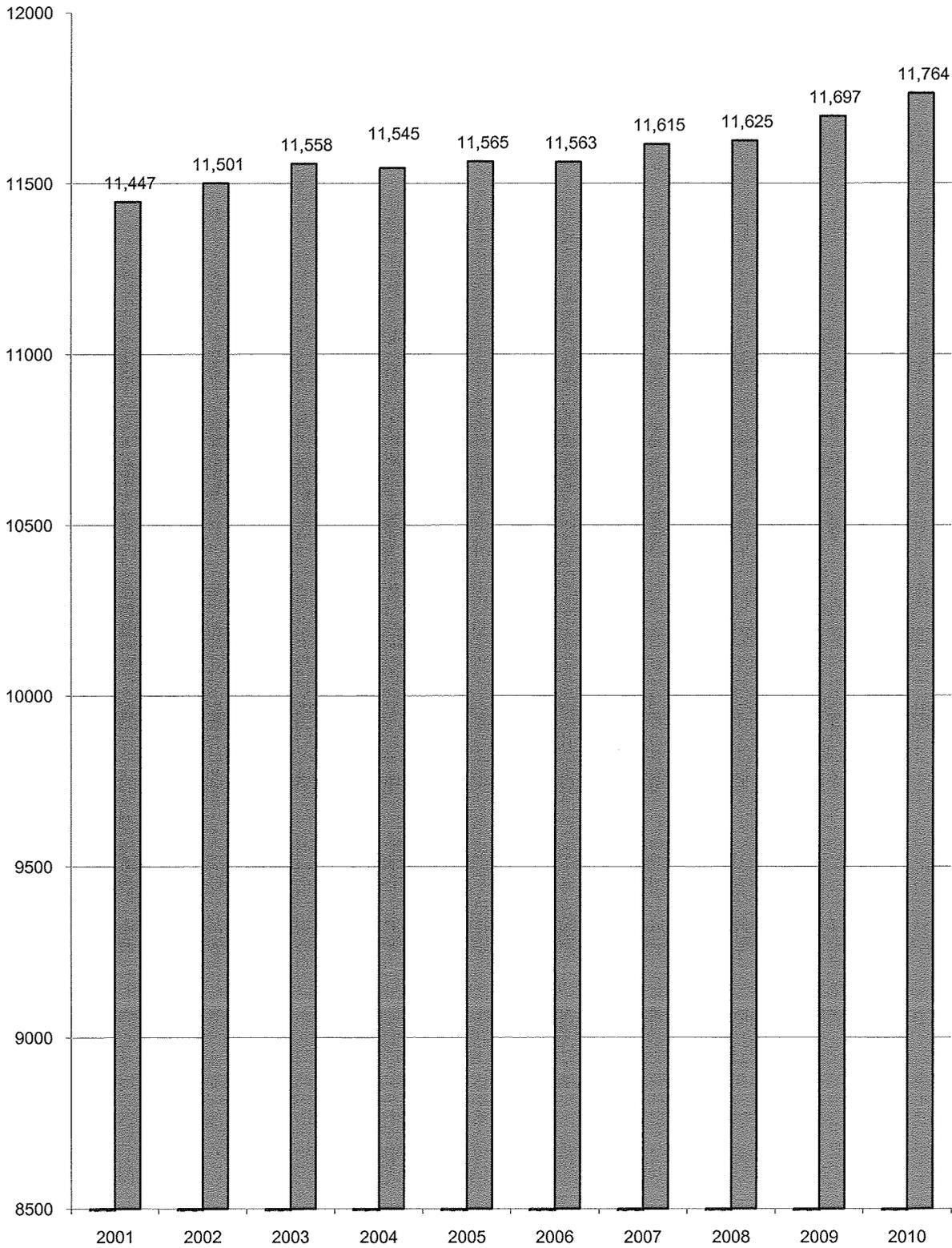


Stephen H. Ando
City Manager

CITY OF SCOTTS VALLEY
ORGANIZATION CHART



CITY OF SCOTTS VALLEY POPULATION



DATA SOURCE: CALIFORNIA DEPARTMENT OF FINANCE

FINANCIAL SUMMARIES

THIS SECTION INCLUDES:

- *Fund Balance Summary*
- *Authorized Fund Transfers To Be Made*
- *General Fund Revenues (pie chart)*
- *General Fund Expenditures (pie chart)*
- *Consolidated Expenditures – All Funds*
- *General Fund Expenditures By Department*
- *General Fund Expenditures By Account*
- *Personnel Detail Summary By Department*

**CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2010 / 2011**

FUND	FUND TITLE	7/1/2010 AVAILABLE ASSETS	2010 / 2011 ESTIMATED REVENUE	ESTIMATED TRANSFERS IN	TOTAL FUNDS AVAILABLE
1	General	2,450,000	6,888,400	600,000	9,938,400
2	Recycling Operations	210,000	78,000		288,000
3	Gas Tax	671,000	178,000		849,000
4	Recreation Operations	0	929,500	7,471	936,971
5	SMIP Fees	2,700	70		2,770
6	General Capital	383,000	12,500		395,500
7	Drainage Construction	80,000	32,750		112,750
8	Traffic Impact Mitigation	1,070,000	1,273,500		2,343,500
9	Parks & Recreation Facilities	190,000	443,500		633,500
10	Wastewater Operations	1,140,000	1,620,000		2,760,000
11	Tertiary Treatment Plant	0	100,000	26,930	126,930
12	Wastewater Capital Reserve	2,258,000	620,000		2,878,000
14	Wastewater Equip Replacement Reserve	1,505,000	15,000		1,520,000
18	Senior Center Designated Donations	3,115	20		3,135
19	Affordable Housing	2,820,000	1,105,200		3,925,200
21	General Facility	52,000	40,400		92,400
22	Redevelopment Agency	0	0	459,780	459,780
23	RDA - Debt Service	1,350,000	4,206,800		5,556,800
27	Police Facility Building	258,000	139,000		397,000
28	Senior Center Operations	0	41,000	36,660	77,660
29	Disasters Fund	673,000	5,000		678,000
31	STP Exchange Projects	26,500	200		26,700
33	Tree Replacement Fund	49,300	800		50,100
35	Green Building Funding	1,700	1,300		3,000
45	1990 Refunding Dist Redemption	45,000	45,600		90,600
50	Pinewood Estates Maintenance Dist	20,000	6,100		26,100
53	Gateway So II/C Redemption	74,000	180,000		254,000
59	Victor Square Dist Redemption	50,000	52,360		102,360
60	Ridgecrest Subdivision Dist Redemption	23,000	17,500		40,500
64	Green Hills Estate District Redemption	4,300	3,300		7,600
66	COP Debt Service Reserve	1,723,000	11,000		1,734,000
67	Wastewater Expansion Redemption	122,000	172,000		294,000
75	Gateway So Supplemental Redemption	37,000	129,600		166,600
77	Skypark Maint Assessment District	2,000	41,750		43,750
78	Skypark Maint Assessment District Insurance	389,000	17,200		406,200
80	2002 Consolidated Refunding District Prepayment	4,100	0		4,100
82	2002 Consolidated Refunding District Reserve	391,000	2,400		393,400
86	Library	553,000	72,000		625,000
90	SV Drive A Redemption	260,000	306,000		566,000
91	SV Drive A Prepayment	2,600	0		2,600
92	SV Drive A Reserve	307,000	500		307,500

CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2010 / 2011

		2010 / 2011	ESTIMATED	6/30/2011	6/30/2011
		BUDGETED	TRANSFERS	RESTRICTED	FUND
FUND	FUND TITLE	EXPENDITURES	OUT	RESERVE	BALANCE
1	General	7,929,264	64,131		1,945,005
2	Recycling Operations	132,150			155,850
3	Gas Tax	75,000	300,000		474,000
4	Recreation Operations	936,971			0
5	SMIP Fees	0			2,770
6	General Capital	0			395,500
7	Drainage Construction	0			112,750
8	Traffic Impact Mitigation	0			2,343,500
9	Parks & Recreation Facilities	0			633,500
10	Wastewater Operations	1,746,672	26,930		986,398
11	Tertiary Treatment Plant	126,930			0
12	Wastewater Capital Reserve	4,500		2,873,500	
14	Wastewater Equip Replacement Reserve	15,000		1,505,000	
18	Senior Center Designated Donations	0			3,135
19	Affordable Housing	1,312,102			2,613,098
21	General Facility	0			92,400
22	Redevelopment Agency	459,780			0
23	RDA - Debt Service	3,507,926	459,780		1,589,094
27	Police Facility Building	250,000			147,000
28	Senior Center Operations	77,660			0
29	Disasters Fund	0			678,000
31	STP Exchange Projects	0			26,700
33	Tree Replacement Fund	10,000			40,100
35	Green Building Funding	0			3,000
45	1990 Refunding Dist Redemption	45,600		45,000	
50	Pinewood Estates Maintenance Dist	13,500		12,600	
53	Gateway So II/C Redemption	180,585		73,415	
59	Victor Square Dist Redemption	53,410		48,950	
60	Ridgecrest Subdivision Dist Redemption	17,500		23,000	
64	Green Hills Estate Dist Redemption	3,300		4,300	
66	COP Debt Service Reserve	0	300,000	1,434,000	
67	Wastewater Expansion Redemption	172,200		121,800	
75	Gateway So Supplemental Redemption	129,665		36,935	
77	Skypark Maint Assessment Dist	41,000		2,750	
78	Skypark Maint Assessment Dist Insurance	0		406,200	
80	2002 Consolidated Refunding District Prepayment			4,100	
82	2002 Consolidated Refunding District Reserve			393,400	
86	Library			625,000	
90	SV Drive A Redemption	205,945		360,055	
91	SV Drive A Prepayment	0		2,600	
92	SV Drive A Reserve	0		307,500	

**CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2010 / 2011**

FUND	FUND TITLE	7/1/2010 AVAILABLE ASSETS	2010 / 2011 ESTIMATED REVENUE	ESTIMATED TRANSFERS IN	TOTAL FUNDS AVAILABLE
94	SV Drive B Redemption	119,000	137,000		256,000
95	SV Drive B Prepayment	5,000	0		5,000
96	SV Drive B Reserve	132,900	200		133,100
112	Dental Insurance	0	85,000		85,000
123	Community Facility Center	22,000	35,100		57,100
142	Mt. Hermon Rd Improvement Dist	230,000	1,500		231,500
150	General Capital Projects	64,000	258,000	20,000	342,000
151	Vehicle Replacement Fund	28,700	150		28,850
169	Scotts Valley Dr Improvement A	143,000	900		143,900
306	Supplemental Law Enforcement Services	300,000	101,500		401,500
315	Police Development Fees	162,000	1,000		163,000
317	EDG - Revolving Loan Fund	550,000	3,500		553,500
	TOTAL:	20,956,915	19,412,100	1,150,841	41,519,856

**CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2010 / 2011**

FUND	FUND TITLE	2010 / 2011 BUDGETED EXPENDITURES	ESTIMATED TRANSFERS OUT	6/30/2011 RESTRICTED RESERVE	6/30/2011 FUND BALANCE
94	SV Drive B Redemption	137,090		118,910	
95	SV Drive B Prepayment	0		5,000	
96	SV Drive B Reserve	0		133,100	
112	Dental Insurance	85,000			0
123	Community Facility Center	34,931			22,169
142	Mt. Hermon Rd Improvement Dist				231,500
150	General Capital Projects	258,000			84,000
151	Vehicle Replacement Fund	0			28,850
169	Scotts Valley Dr Improvement A	0			143,900
306	Supplemental Law Enforcement Services	0			401,500
315	Police Development Fees	0			163,000
317	EDG - Revolving Loan Fund	0			553,500
	TOTAL:	17,961,681	1,150,841	8,537,115	13,870,219

AUTHORIZED FUND TRANSFERS
 TO BE MADE
 BY RESOLUTION OF THE COUNCIL
 DURING THE FISCAL YEAR 2010 / 2011

To:	Recreation (4)	\$ 7,471
From:	General Fund (1)	7,471

General Fund subsidy to the Recreation Department.

To:	Senior Center (28)	\$ 36,660
From:	General Fund (1)	36,660

Annual General Fund subsidy to the Senior Center.

To:	Redevelopment Agency - Capital (22)	\$ 459,780
From:	Redevelopment Agency - Debt Service (23)	459,780

To provide funds for administration and capital projects.

To:	Tertiary Treatment Plant (11)	\$ 26,930
From:	Wastewater Operations (10)	26,930

To provide City's share of Tertiary Treatment Plant operation and maintenance costs.

To:	General Capital Projects (150)	\$ 20,000
From:	General Fund (1)	20,000

To transfer General Plan Maintenance Fee revenues to General Capital Projects to fund the City's General Plan update.

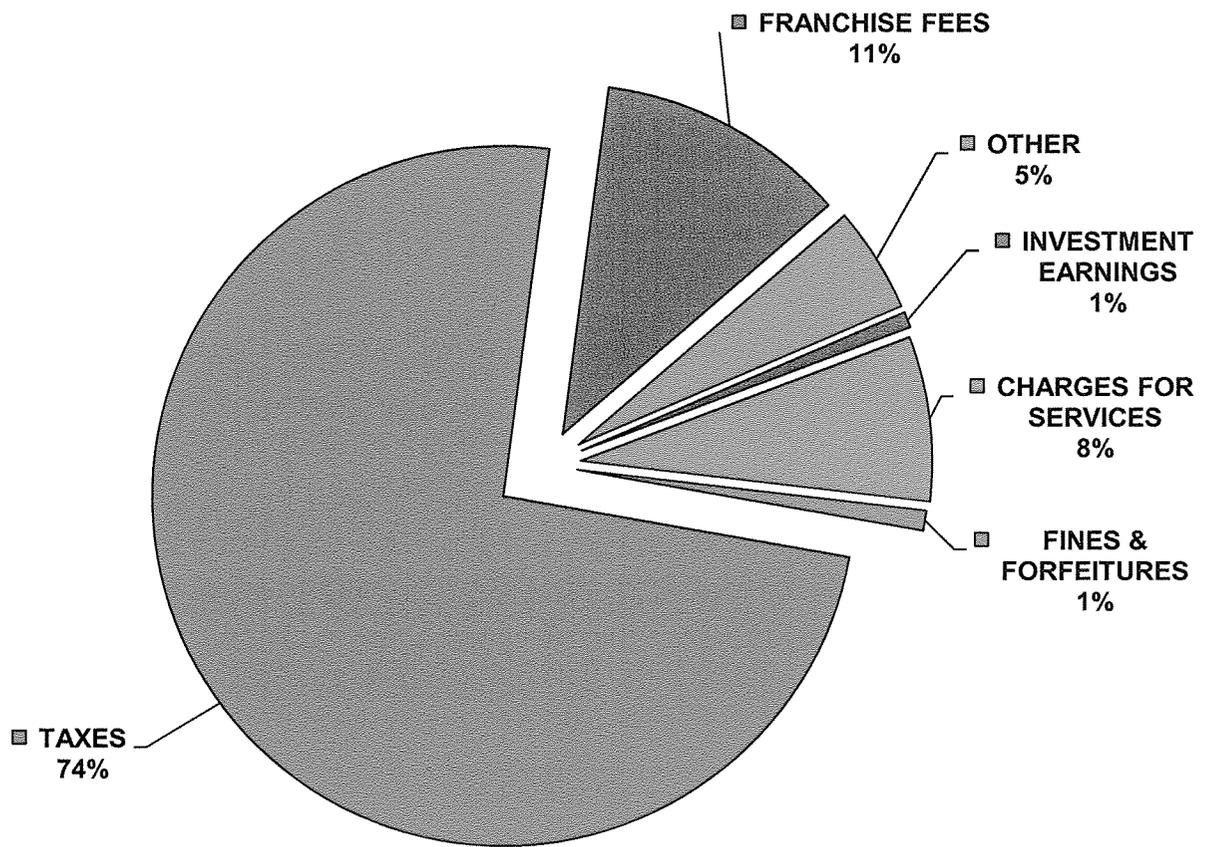
To:	General Fund (1)	\$ 300,000
From:	Gas Tax (3)	300,000

To reimburse the General Fund for gas tax related expenditures.

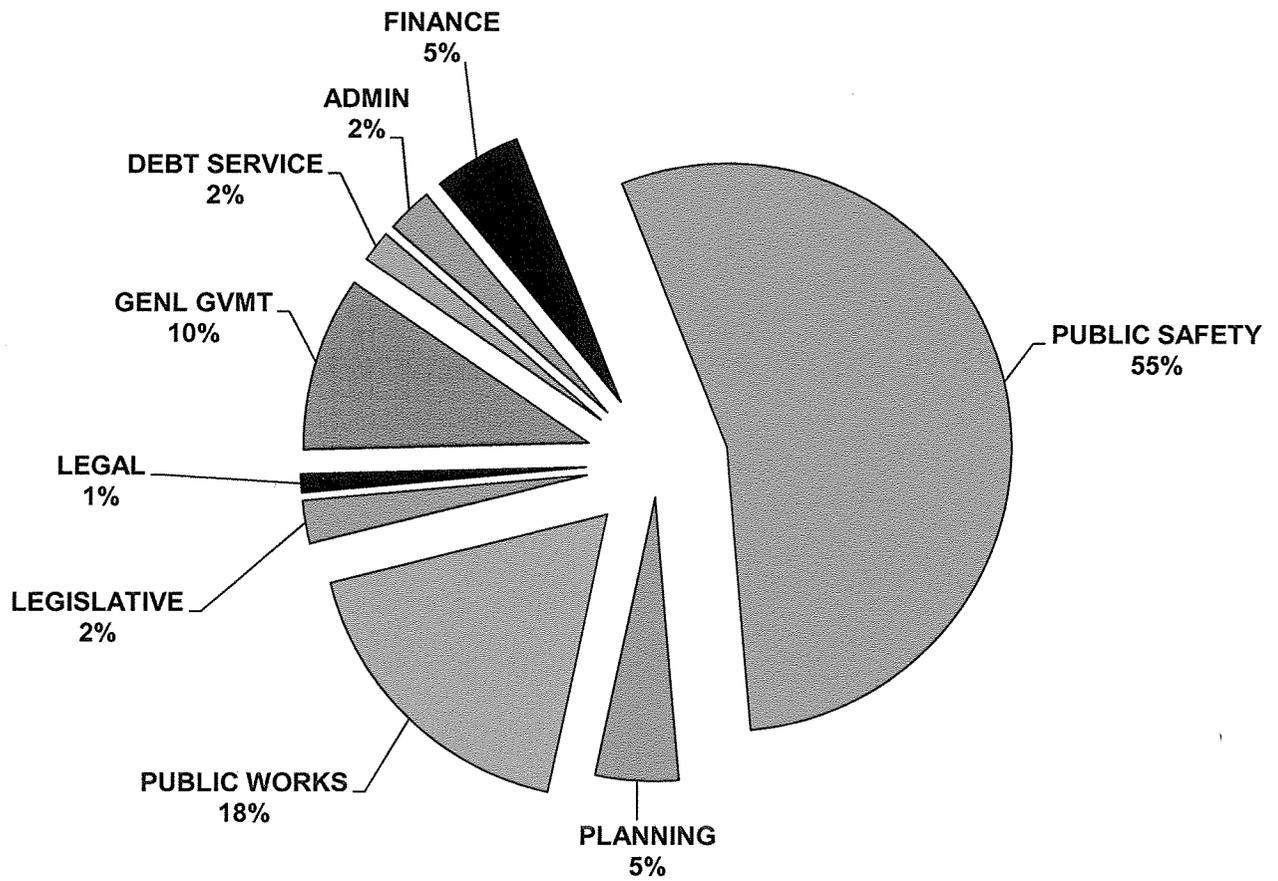
To:	General Fund (1)	\$ 300,000
From:	COP Debt Service Reserve (66)	300,000

To provide additional funding for the General Fund.

2010 / 2011 GENERAL FUND REVENUES



2010 / 2011 GENERAL FUND EXPENDITURES



**CITY OF SCOTTS VALLEY
2010 / 2011 CONSOLIDATED EXPENDITURES**

	<u>TOTAL</u>	<u>SALARIES & BENEFITS</u>	<u>SERVICES & SUPPLIES</u>	<u>FIXED ASSETS</u>	<u>OTHER</u>
<u>GENERAL GOVERNMENT</u>					
41 LEGISLATIVE	192,336	165,936	26,400	0	0
42 LEGAL	82,800	0	82,800	0	0
43 GENERAL GOVERNMENT	931,552	354,841	112,505	0	464,206
44 ADMINISTRATION	205,054	202,554	2,500	0	0
45 FINANCE	389,796	369,466	20,330	0	0
61 PLANNING	322,404	306,604	15,800	0	0
62 BUILDING	46,500	0	46,500	0	0
82 AFFORDABLE HOUSING	1,312,102	82,509	59,593	0	1,170,000
TOTAL	3,482,544	1,481,910	366,428	0	1,634,206
<u>PUBLIC SAFETY</u>					
51 POLICE	4,204,012	3,898,526	278,767	0	26,719
52 ANIMAL CONTROL	104,028	0	104,028	0	0
53 EMERGENCY SERVICES	57,303	0	1,300	0	56,003
TOTAL	4,365,343	3,898,526	384,095	0	82,722
<u>PUBLIC WORKS</u>					
71 ENGINEERING	405,752	379,052	26,700	0	0
72 STREET MAINTENANCE	357,840	217,340	140,500	0	0
73 VEHICLE/EQMT MAINTENANCE	111,422	105,622	5,800	0	0
74 WASTEWATER OPERATIONS	1,746,672	835,322	666,350	20,000	225,000
75 PARK MAINTENANCE	322,276	179,476	142,800	0	0
76 BUILDING MAINTENANCE	196,189	126,689	69,500	0	0
77 RECREATION	936,971	736,684	200,287	0	0
81 REDEVELOPMENT AGENCY	459,780	239,773	150,007	20,000	50,000
TOTAL	4,536,902	2,819,958	1,401,944	40,000	275,000

**CITY OF SCOTTS VALLEY
2010 / 2011 CONSOLIDATED EXPENDITURES**

	<u>TOTAL</u>	<u>SALARIES & BENEFITS</u>	<u>SERVICES & SUPPLIES</u>	<u>FIXED ASSETS</u>	<u>OTHER</u>
<u>NON-DEPARTMENTAL</u>					
2 RECYCLING OPERATIONS	132,150	1,000	126,150	5,000	0
3 GAS TAX	75,000	0	0	75,000	0
9 PARKS AND RECREATION FACILITIES	0	0	0	0	0
11 TERTIARY TREATMENT PLANT	126,930	28,630	98,300	0	0
14 WASTEWATER EQMT REPLACEMENT RESERVE	15,000	0	0	15,000	0
23 RDA DEBT SERVICE	3,507,926	0	55,000	0	3,452,926
27 POLICE FACILITY	250,000	0	0	250,000	0
28 SENIOR CENTER OPERATIONS	77,660	61,975	15,685	0	0
33 TREE REPLACEMENT FUND	10,000	0	0	10,000	0
45 1990 REFUNDING DIST REDEMPTION	45,600	0	3,600	0	42,000
50 PINWOOD EST LNDS CP MAINT DIST	13,500	0	13,500	0	0
53 GATEWAY SOUTH IIC REDEMPTION	180,585	0	2,600	0	177,985
59 VICTOR SQUARE DIST REDEMPTION	53,410	0	1,050	0	52,360
60 RIDGECREST SUBDIVISION DIST REDEMPTION	17,500	0	1,100	0	16,400
64 GREEN HILLS ESTATES DIST REDEMPTION	3,300	0	1,000	0	2,300
67 WASTEWATER EXPANSION REDEMPTION	172,200	0	9,000	0	163,200
75 GATEWAY SOUTH SUPPLEMENTAL REDEMPTION	129,665	0	2,900	0	126,765
77 SKYPARK OPEN SPACE MAINT ASSESSMENT DIST	41,000	0	41,000	0	0
90 SV DRIVE A REDEMPTION	205,945	0	9,000	0	196,945
94 SV DRIVE B REDEMPTION	137,090	0	5,750	0	131,340
112 DENTAL INSURANCE	85,000	85,000	0	0	0
123 COMMUNITY FACILITIES CENTER	34,931	14,181	20,750	0	0
150 GENERAL CAPITAL PROJECTS	258,000	0	0	258,000	0
TOTAL	5,576,892	190,786	406,385	617,500	4,362,221
GRAND TOTAL	17,961,681	8,391,180	2,558,852	657,500	6,354,149

GENERAL FUND EXPENDITURES BY DEPARTMENT

The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with governments and not accounted for in other funds.

<u>DEPT</u>	<u>DEPARTMENT</u>	<u>2008 / 2009 ACTUAL</u>	<u>2009 / 2010 BUDGET</u>	<u>2009 / 2010 PROJECTED</u>	<u>2010 / 2011 DEPT REQUEST</u>	<u>2010 / 2011 CITY MANAGER PROPOSED</u>
41	LEGISLATIVE / ELECTIONS	189,080	184,692	172,440	192,336	192,336
42	LEGAL	239,799	82,800	123,000	82,800	82,800
43	GENERAL GOVERNMENT	991,345	1,078,895	1,097,838	931,552	931,552
44	ADMINISTRATION	201,964	198,667	197,548	205,054	205,054
45	FINANCE	413,119	394,750	374,483	389,796	389,796
51	POLICE	3,837,408	4,081,865	3,971,436	4,252,534	4,204,012
52	ANIMAL CONTROL	115,860	104,028	104,028	104,028	104,028
53	EMERGENCY SERVICES	51,951	50,778	48,578	57,303	57,303
61	PLANNING	398,391	411,125	297,382	324,229	322,404
62	BUILDING	131,196	139,147	104,486	48,000	46,500
71	PUBLIC WORKS-ENGINEERING	464,528	465,497	443,169	411,752	405,752
72	PUBLIC WORKS-STREET MAINT	401,871	449,120	348,911	375,840	357,840
73	PUBLIC WORKS-VEHICLE/EQMT MAINT	105,808	110,397	107,894	111,422	111,422
75	PUBLIC WORKS-PARK MAINT	312,037	324,765	298,777	325,276	322,276
76	PUBLIC WORKS-BUILDING MAINT	244,207	201,291	185,879	198,189	196,189
TOTAL		<u>8,098,564</u>	<u>8,277,817</u>	<u>7,875,849</u>	<u>8,010,111</u>	<u>7,929,264</u>

**CITY OF SCOTTS VALLEY
GENERAL FUND EXPENDITURES BY ACCOUNT**

		<u>2008 / 2009</u>	<u>2009 / 2010</u>	<u>2009 / 2010</u>	<u>2010 / 2011</u>	<u>2009 / 2010</u>
		<u>ACTUAL</u>	<u>BUDGET</u>	<u>PROJECTED</u>	<u>DEPT</u>	<u>CITY</u>
					<u>REQUEST</u>	<u>MANAGER</u>
						<u>PROPOSED</u>
SALARIES & BENEFITS:						
101	REGULAR WAGES	3,490,555	3,654,639	3,388,678	3,604,156	3,604,156
107	TEMPORARY WAGES	9,856	12,144	6,332	12,144	12,144
109	OVERTIME WAGES	129,037	130,800	126,673	143,000	129,300
202	PARS	598	557	480	557	557
203	FICA	260,633	278,934	255,946	274,168	274,168
204	RETIREMENT	1,039,611	1,122,390	1,076,959	1,141,474	1,141,474
205	GROUP INSURANCE	935,579	990,706	939,554	946,953	946,953
206	WORKERS' COMPENSATION	234,087	352,242	354,862	194,354	194,354
207	UNEMPLOYMENT INSURANCE	10,694	3,000	8,500	3,000	3,000
TOTAL SALARIES & BENEFITS		6,110,650	6,545,412	6,157,984	6,319,806	6,306,106
SERVICES & SUPPLIES:						
208	UNIFORM EXPENSE	30,655	29,405	28,830	28,830	28,830
210	SUPPLEMENTAL SERVICES	265,513	121,700	157,700	121,700	118,200
301	OFFICE EXPENSE	38,198	37,675	40,275	36,575	36,575
302	SPECIAL DEPARTMENT EXPENSE	24,709	31,465	29,835	30,285	30,285
303	SMALL TOOLS & SUPPLIES	17,602	20,257	18,057	17,765	16,765
305	ADVERTISING	5,618	6,500	4,000	4,000	4,000
306	COMMUNICATIONS	71,253	57,700	57,100	57,100	57,100
308	RENTS & LEASES	4,949	6,222	6,122	6,458	6,122
310	RECRUITMENT	6,284	5,200	5,200	5,200	5,200
312	PROFESSIONAL/SPECIALIZED SVC	41,424	37,250	76,678	73,100	73,100
313	OTHER CONTRACTUAL SERVICES	213,700	190,753	208,498	190,328	180,328
314	INSURANCE & SURETY BONDS	37,047	30,000	22,000	33,155	33,155
315	MEMBERSHIPS & DUES	17,778	18,955	17,295	18,295	17,520
316	TRAVEL/CONFERENCES/MEETINGS	9,493	8,650	6,797	7,300	6,900
319	ELECTIONS	11,105	0	0	12,000	12,000
322	TRAINING & EDUCATION	43,413	45,900	43,750	44,850	44,450
327	POWER UTILITIES	82,747	89,000	92,000	89,000	91,000
328	WATER UTILITIES	46,929	38,500	38,500	38,500	38,500
349	MISCELLANEOUS	9,321	8,500	8,000	8,500	8,250
401	MAINT OF BLDGS/STRUCT/GRNDS	65,835	60,500	53,500	55,500	53,500
402	MAINT & OPERATION OF EQMT	88,477	112,070	104,693	113,486	95,000
403	MAINT & OPERATION OF VEHICLES	103,658	91,500	92,700	92,450	92,450
404	ROAD MAINTENANCE MATERIALS	13,522	33,000	27,000	33,000	27,000
TOTAL SERVICES & SUPPLIES		1,249,230	1,080,702	1,138,530	1,117,377	1,076,230

**CITY OF SCOTTS VALLEY
GENERAL FUND EXPENDITURES BY ACCOUNT
(CONCLUDED)**

	<u>2008 / 2009 ACTUAL</u>	<u>2009 / 2010 BUDGET</u>	<u>2009 / 2010 PROJECTED</u>	<u>2010 / 2011 DEPT REQUEST</u>	<u>2009 / 2010 CITY MANAGER PROPOSED</u>
FIXED ASSETS:					
904 IMPROVEMENTS O/T BUILDINGS	180,089	80,000	7,129	0	0
905 MACHINERY & EQUIPMENT	0	2,700	2,803	0	0
907 ENGINEERING	3,356	0	0	2,000	0
908 VEHICLES	0	28,500	28,500	18,000	0
910 OFFICE EQMT & FURNITURE	15,351	5,000	5,000	6,000	0
TOTAL FIXED ASSETS	<u>198,796</u>	<u>116,200</u>	<u>43,432</u>	<u>26,000</u>	<u>0</u>
OTHER:					
701 CONTRIBUTIONS	35,829	35,719	37,119	45,944	45,944
705 CONTRIBUTIONS/SOCIAL SERVICE	50,568	48,278	47,278	47,278	47,278
801 RETIREMENT OF PRINCIPAL	137,999	138,457	138,457	140,568	140,568
802 INTEREST EXPENSE	315,492	313,049	313,049	313,138	313,138
TOTAL OTHER	<u>539,888</u>	<u>535,503</u>	<u>535,903</u>	<u>546,928</u>	<u>546,928</u>
GRAND TOTAL:	<u>8,098,564</u>	<u>8,277,817</u>	<u>7,875,849</u>	<u>8,010,111</u>	<u>7,929,264</u>

CITY OF SCOTTS VALLEY

2010 / 2011 PERSONNEL DETAIL SUMMARY

DEPARTMENT	2006 / 07	2007 / 08	2008 / 09	2009 / 10	2010 / 11	POSITIONS FROZEN
					CITY MANAGER PROPOSED	
LEGISLATIVE	10.50	10.50	10.50	10.50	10.50	
ADMINISTRATION	1.25	1.10	1.20	1.20	1.20	0.10
FINANCE	5.35	5.35	5.25	5.25	4.75	0.90
POLICE	31.00	30.50	30.50	30.50	30.00	2.00
PLANNING	4.30	4.30	4.30	4.30	3.40	1.00
BUILDING	2.41	2.41	2.41	2.41	1.41	1.41
ENGINEERING	4.00	3.50	3.50	3.50	3.00	
STREET MAINTENANCE	3.60	3.60	3.60	3.60	3.60	1.30
VEHICLE/EQUIPMENT MAINTENANCE	1.20	1.20	1.20	1.20	1.20	0.10
WASTEWATER OPERATIONS	7.35	7.35	7.35	7.35	7.35	
PARK MAINTENANCE	3.10	2.60	2.60	2.60	2.60	0.30
BUILDING MAINTENANCE	1.60	1.60	1.60	1.60	1.60	0.30
RECREATION	7.00	7.00	7.00	7.00	7.00	
REDEVELOPMENT AGENCY	1.35	1.35	1.35	1.35	1.25	
AFFORDABLE HOUSING	0.55	0.55	0.55	0.55	0.55	
TOTAL	84.56	82.91	82.91	82.91	79.41	7.41

Note: The frozen positions are included in the "City Manager Proposed" number but no dollar amounts have been included in the budget for these positions. The positions are:

Deputy City Mgr/Admin Serv Dir	1.00
Police Officer	2.00
Principal Planner	1.00
Senior Building Inspector / Code Enforcement Officer	0.66
Secretary I	0.75
Maintenance Division Manager	1.00
Maintenance Worker I	1.00
	<hr/>
Total Full-Time Equivalent Positions	<u>7.41</u>