City of Scotts Valley

2011 / 2012 Preliminary Budget

Dene Bustichi
Mayor

Donna Lind
Vice Mayor

Stephany E. Aguilar
Council Member

Randy Johnson
Council Member

Jim Reed
Council Member

Stephen H. Ando
City Manager

CITY OF SCOTTS VALLEY

2011 / 2012

PRELIMINARY BUDGET

Dene Bustichi	Mayor
Donna Lind	Vice Mayor
Stephany E. Aguilar	Council Member
Randy Johnson	Council Member
Jim Reed	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
Bruce Ambo	Community Development Dir/ Deputy City Manager

TABLE OF CONTENTS

2011 / 2012

PRELIMINARY BUDGET

PAGE

ORGANIZATION CHART 1

POPULATION HISTORY 2

FINANCIAL SUMMARIES:

- Fund Balance Summary 5
- Authorized Fund Transfers To Be Made 10
- General Fund Revenues (pie chart) 11
- General Fund Expenditures (pie chart) 12
- Consolidated Expenditures - All Funds 13
- General Fund Expenditures By Department 16
- General Fund Expenditures By Account 17
- Personnel Detail Summary By Department 19

REVENUES – ALL FUNDS 20

DEPARTMENT BUDGETS:

- Legislative 41
- Legal 43
- General Government 45
- Administration 49
- Finance 51
- Police 53
- Animal Control 57
- Emergency Services 58
- Planning 59
- Building 61

TABLE OF CONTENTS (concluded)

PAGE

DEPARTMENT BUDGETS (cont.)

Public Works:
Engineering 63
Street Maintenance 65
Vehicle/Equipment Maintenance 67
Wastewater Treatment Plant 69
Park Maintenance 73
Building Maintenance 75
Recreation 77
Redevelopment Agency 79
Affordable Housing 83

DEBT SERVICE FUNDS 86

CAPITAL PROJECT FUNDS 90

IMPACT FEE FUNDS 94

SPECIAL ASSESSMENT (FIDUCIARY) FUNDS 98

INTERNAL SERVICE FUND 102

SPECIAL REVENUE FUNDS 106

INSURANCE COST DISTRIBUTION 114

CAPITAL OUTLAY 118

CAPITAL IMPROVEMENT PROGRAM 122

CITY OF SCOTTS VALLEY

OFFICE OF THE CITY MANAGER
One Civic Center Drive • Scotts Valley • California • 95066
Phone (831) 440-5600 • Facsimile (831) 438-2793 • www.scottsvalley.org

June 9, 2011

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

SUBJECT: 2011-12 Fiscal Year Budget

Honorable Mayor and City Council:

It is with pleasure that I submit to the City Council the budget for fiscal year 2011-2012. Below is a discussion of the larger funds that comprise the budget of the City of Scotts Valley.

GENERAL FUND OVERVIEW

City General Fund revenues dropped significantly in 2009-10, approximately $918,000. Part of that decrease ($560,000) was due to the scheduled reduction in the Measure C temporary sales tax rate from .50% down to .25%. Budgeted revenues for 2011-12 decrease again ($245,000) because there is no temporary sales tax budgeted for 2011-12. Measure C ended on March 31, 2011.

To help offset these decreases in revenues, City Council approved reductions in expenditures in September 2009 totaling $442,000 annually. This included eliminating three full-time equivalent positions, reducing one position to half-time, and instituting a one-day-a-month furlough, which equates to a 4.6% reduction in an employee's pay. The City also sold a parcel to the Affordable Housing Fund earlier this year for $725,000 which went into the General Fund reserves.

A recap of the 2011-12 General Fund budget is as follows:

Revenues	$6,643,350	
Transfers In	600,000	$7,243,350
Expenditures	8,109,047	
Potential Salary Savings	(120,000)	7,989,047
Net Deficit		($745,697)

The "transfers in" come from Gas Tax and a debt service reserve fund ($300,000 each). The potential salary savings is from the Police Department which has had salary savings annually for the past four years between $150,000 and $250,000 due to vacancies in police officer and dispatcher positions. The net deficit will draw down the General Fund reserves. With the projected reserves on hand, it is estimated that the General Fund could continue through fiscal year 2013-14. Other factors affecting the General Fund are discussed below.

As mentioned above, the City's temporary sales tax ended on March 31, 2011. It was a bridge to the future to allow the City time to work with a developer to complete the Town Center Project. That path was moving along on schedule until one of the largest national economic downturns came upon us. The Redevelopment Agency is working with a new developer. The Redevelopment Agency has purchased four properties in the Town Center area. One of the two propane companies has relocated outside of the Town Center area. The grand opening of the City's new Scotts Valley Branch Library (located in the Town Center area) is scheduled for June 18, 2011. The Agency is working on a federal EDA grant for $3.5 to $4 million for infrastructure costs for the Town Center. There has been a lot of progress; however, it is still difficult to estimate when the Town Center will be fully developed and operational.

As mentioned in last year's budget message, the City won its case in court with the County of Santa Cruz for additional property tax revenue. The County appealed that decision. The City is still awaiting the decision from the Appellate Court. The City had anticipated hearing the appellate court's decision by now. Having to wait for this decision makes planning for the future difficult. If the City's judgment is upheld, the back taxes are approximately $3 million and the ongoing property tax revenue would be between $300,000 and $400,000 annually. With the backlog in the court system, it is difficult to predict when the court will set a date for its decision. Depending on the outcome of this court case, the City would need to consider asking the city residents to approve a temporary sales tax as was approved in November 2005.

GENERAL FUND EXPENDITURES

The 2011-12 General Fund expenditures are being recommended with an increase of $266,587 from the 2010-11 budget. The breakdown of that decrease by major category is shown below.

	2010-11 Budget	2011-12 Budget	Increase (Decrease)
Salaries & Benefits	$ 6,222,468	$ 6,514,292	$ 291,824
Services & Supplies	1,076,230	1,049,487	(26,743)
Contributions	93,222	97,527	4,305
Debt Service	453,706	450,907	(2,799)
Total	$ 7,845,626	$ 8,112,213	$ 266,587

Salaries & Benefits: There are four areas which account for a majority of the increase in this area:

Retirement	$127,608
Workers Compensation	89,859
Group Insurance	73,019
Regular Wages	(35,722)
All Other Accounts	37,060
Total	$291,824

Retirement and group insurance increased due to an increase in rates. However, staff will be coming back to Council at a future meeting to start a process that will help the City save approximately $900,000 in its retirement costs over the next 14 years. The City will refinance its unfunded liability with the California Public Employees Retirement System which will lower the City's payment.

Workers compensation insurance is increasing $89,859. As you know, the City is a member of a Joint Powers Authority (Monterey Bay Area Self Insurance Authority) to provide workers compensation and liability insurance. The Authority modified its formula for allocating next year's insurance premiums. That change caused the City's premium to increase this next year. However, based on the new formula, it is anticipated the City's premium should decrease substantially the following year (2012-13) absent any major workers compensation injuries before then.

Wages are decreasing primarily due to two departments. In Finance, the City's half-time Network Systems Specialist retired. The City is hiring a contract firm for information technology services that will be able to bring more resources for the City to use. Therefore, wages are decreasing in Finance in exchange for an increase in Contract Services in the General Government department. Wages in the Street Maintenance department are also decreasing due to a retirement with the new replacement hired at a lower starting salary.

Services & Supplies: Overall, this category is decreasing $26,743. The main changes are in three accounts:

Professional Services	($47,850)
Elections	(12,000)
Contract Services	35,000
All Other Accounts	(1,893)
Total	($26,743)

The City hired a temporary employee to handle building inspections that was previously being handled by a contractor. The temporary employee has been more available to the public than the contractor and the cost is lower by approximately $15,000 per year. This eliminated $45,000 in professional services from the Building department budget.

Elections are every other year; therefore, no amounts are budgeted for 2011-12.

Contract services are increasing for hiring a contractor for information technology services as discussed above. The firm will replace the half-time Network Systems Specialist who retired this year.

Fixed Assets: There are no amounts budgeted in this area for the second straight year. The City did this one time before in 2004-05 and 2005-06 to provide relief to the General Fund budget. This is not sustainable for future years as equipment breaks down and needs to be replaced. However, for this additional year, the City will manage.

Contributions: The largest single increase in contributions is for the funding of homeless services ($2,247). As you will recall, last year the Homeless Action Partnership established a new allocation formula because historically the City of Santa Cruz has proportionately contributed more on a per capita basis to winter shelter operations than the other jurisdictions. The new formula based on population dramatically increased Scotts Valley's allocation of winter shelter costs by almost 6 times. Last year the City was allocated $16,034 but budgeted only $4,008 due to the sharp increase in the allocation. This year's budget contains $8,000 for the winter shelter operations. The budget for homeless services is increasing only $2,247 because the homeless census ($1,745) is budgeted every other year. Because the City did not budget its full amount last year, the other jurisdictions made up the difference. If this budget is approved, either the other jurisdictions will make up the difference or the winter shelter budget will be reduced.

GENERAL FUND REVENUES

Not taking Measure C sales tax into account, budgeted revenues are increasing $115,360. This is the increase as represented by ongoing revenues and not the temporary sales tax measure.

Revenue Category	2010-11 Projected	2011-12 Budget	Increase (Decrease)
Taxes (without Measure C)	$4,930,400	$4,949,400	$19,000
Franchise Fees	792,000	800,000	8,000
Fines & Forfeitures	54,500	54,500	-
Charges for Services	367,590	461,450	93,860
Investment Earnings	40,000	35,000	(5,000)
Other Revenue	343,500	343,000	(500)
Total	$6,527,990	$6,643,350	$115,360

Taxes are being budgeted with a slight increase. Most of the accounts are budgeted flat with the following exceptions. Year to date, sales tax has shown a 4.3% increase over the same period last year. For next year's budget, sales tax is budgeted with a modest $20,000 (1.2%) increase. Business license tax is being budgeted with a $10,000 decrease to partially account for the move of Seagate from the City. Transient occupancy tax is budgeted for a $20,000 (3.4%) increase for next year. Year to date, transient occupancy tax is 10% over the same period last year.

Franchise fees are being budgeted with an $8,000 (1.7%) increase, all related to the solid waste franchise fee. This is consistent with the CPI increase allowed by the franchise agreement.

Fines and forfeitures are fairly consistent and, therefore, were budgeted at the amount of the 2010-11 projected amounts.

Charges for services are increasing over last year's projected amount primarily in construction permits. The budget is based on the Bluebonnet and Woodside projects proceeding next year. In addition, the Interim Programmatic Habitat Conservation Plan will be going to the Planning Commission in the near future. This Plan will allow residential property owners in developed residential neighborhoods that support habitat for the Mount Hermon June Beetle and Ben Lomond spine flower to do improvements to their property. Previously it was not feasible to do these improvements due to the regulatory process. We anticipate a number of construction permits from property owners in the affected areas.

The budget for **investment earnings** is decreasing due to a lower cash balance from using reserves.

In total, **other revenue** is substantially the same as 2010-11. These amounts are fairly consistent from year to 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 2010-11 projection. The expenditure budget is decreasing approximately $22,000 mainly due to the amount budgeted for the Santa Cruz County Housing Authority. Only $15,000 is being budgeted for the Housing Authority which will be adequate based on actual payments in recent years.

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 2012 budget is decreasing approximately $26,000. The Special Department Expense is decreasing $12,500 to reflect the change in financial assistance payments. The payments to Easton-Bell Sports have ended, but are being replaced with a payment to Zero Motorcycles. The professional services budget of $5,000 is being eliminated. It was only budgeted to be used if needed.

Debt Service: Tax increment for 2010-11 is projected to decrease approximately $272,000 from the previous year. Part of this is due to reductions in real property values, and part is due to reductions in unsecured property (equipment used at the business location). A discussion on long-term projections for the Agency is provided later in this report. Tax increment for 2011-12 is being budgeted at the same level as the 2010-11 projected tax increment revenue. For expenditures, all required debt payments have been budgeted.

A long-term projection of the Redevelopment Agency through fiscal year 2016-17 was prepared. It includes the Supplemental Educational Revenue Augmentation Fund (SERAF) repayments to the Affordable Housing of the Agency. For this presentation the revenues after 2012-13 were projected to increase 1%. In fiscal year 2012-13 the revenues have a one-time increase due to the projected completion of the two housing developments (Town Center Homes on Bluebonnet Lane and Woodside on Scotts Valley Drive).

The projection showed the fund balance becoming negative in fiscal year 2014-15. That fiscal year marks the last payment of the SERAF repayment to the Affordable Housing Fund. Although the fund balance goes negative in 2014-15, with the end of the SERAF payments the Agency turns the corner at that point and has annual surpluses rather than deficits. The main objective is to get through this time period of repayments to the Affordable Housing Fund.

The amount added to the revenues for the two housing developments was conservative. The negative fund balance in 2014-15 might be lower if the housing units sell for higher amounts. The negative fund balance would only be for one year if it were funded with a short-term loan because the following year shows a surplus. That surplus would be the start of repaying the short-term loan.

WASTEWATER

A recap of the Wastewater Operations is shown below.

WASTEWATER OPERATIONS			
	2010-11 Budget	2010-11 Projected	2011-12 Budget
Revenue	$ 1,620,000	$ 1,590,800	$ 1,585,000
Salaries & Benefits	(827,893)	(821,477)	(891,224)
Services & Supplies	(666,350)	(674,595)	(639,840)
Fixed Assets	(20,000)	(20,000)	(27,600)
Other	(225,000)	(217,000)	(220,000)
Net Deficit	$ (119,243)	$ (142,272)	$ (193,664)

Revenues are being budgeted fairly consistent with the projected amounts for 2010-11. Per Council's direction, staff will be returning during the year with a rate increase proposal to be phased in over a number of years. Wastewater rates have not increased for 15 years.

Compared to 2010-11, the 2011-12 expenditure budget is increasing $39,421, or 2.3%. Salaries and benefits are increasing $63,000 while services and supplies are decreasing $26,500. In salaries and benefits workers compensation is increasing due to a formula change in the City's insurance pool as described in the General Fund budget presentation. Step increases and rate increases for various benefits account for the remainder of this increase. In services and supplies utilities and other contractual services are decreasing to better reflect the prior years actual amounts. Laboratory is decreasing due to performing some lab tests in-house rather than sending them out and performing others less frequently as explained above.

RECREATION

A recap of the Recreation budget is presented on the following page. It presents revenues in detail and expenditures in summary for the following: 2010-11 budget, 2010-11 projected amounts, and 2011-12 budget.

RECREATION PROGRAM			
	2010-11 Budget	2010-11 Projected	2011-12 Estimated
Revenue:			
School Age Rec.	$ 650,000	$ 635,000	$ 645,000
Sports	90,000	75,000	75,000
Aquatics	77,500	68,000	68,000
Classes	70,000	75,000	75,000
Special Events	1,000	-	-
Facilities Rental	35,000	40,000	40,000
Other Revenue	6,000	15,000	15,000
Total Revenue	929,500	908,000	918,000
Expenditures:			
Salary & Benefits	736,684	715,585	751,608
Services & Supplies	200,287	216,707	214,687
Total Expenditures	936,971	932,292	966,295
Net Deficit	$ (7,471)	$ (24,292)	$ (48,295)

This year's revenues are projected to be $21,500, or 2.3%, under budget. This is a combination of school age recreation, sports, and aquatics being under budget by $39,500 and classes, facility rentals and other revenue being over budget by $19,000. School age recreation is under budget due to the economy and the switch by many families to part-time. Sports and aquatics are both under budget due to the economy. Facility rental is projected to be over budget by $5,000 due to people spending more of their free time locally rather than taking long trips. Other revenue, also over budget, 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 of $13,000 over this year's projected revenues. School age recreation is estimated to increase by $10,000, or 1.5%. Registrations in this program appear to be improving slightly. For the most part, revenues in the other programs are being held constant to the 2010-11 projected amounts.

This year's expenditures are projected to be almost $4,700, or .5%, under budget. Salaries and benefits are under budget by approximately $21,000. Temporary wages are projected to be under budget $38,000 which corresponds with the school age recreation revenues being under budget. Regular salaries and benefits are over budget because originally the budget was set to reflect a portion of the salaries being shifted to the Senior Center. However, a temporary position was added to the Senior Center and no wages were shifted. The budget was not adjusted for this last minute change when the budget was adopted.

Next year's expenditure budget is higher than the current year projected by approximately $34,000 due primarily to salaries and benefits. Step increases and rate increases for various benefits account for this increase. Workers compensation insurance has a large percentage increase due to the new allocation formula adopted by the City's insurance pool as described earlier.

CLOSING

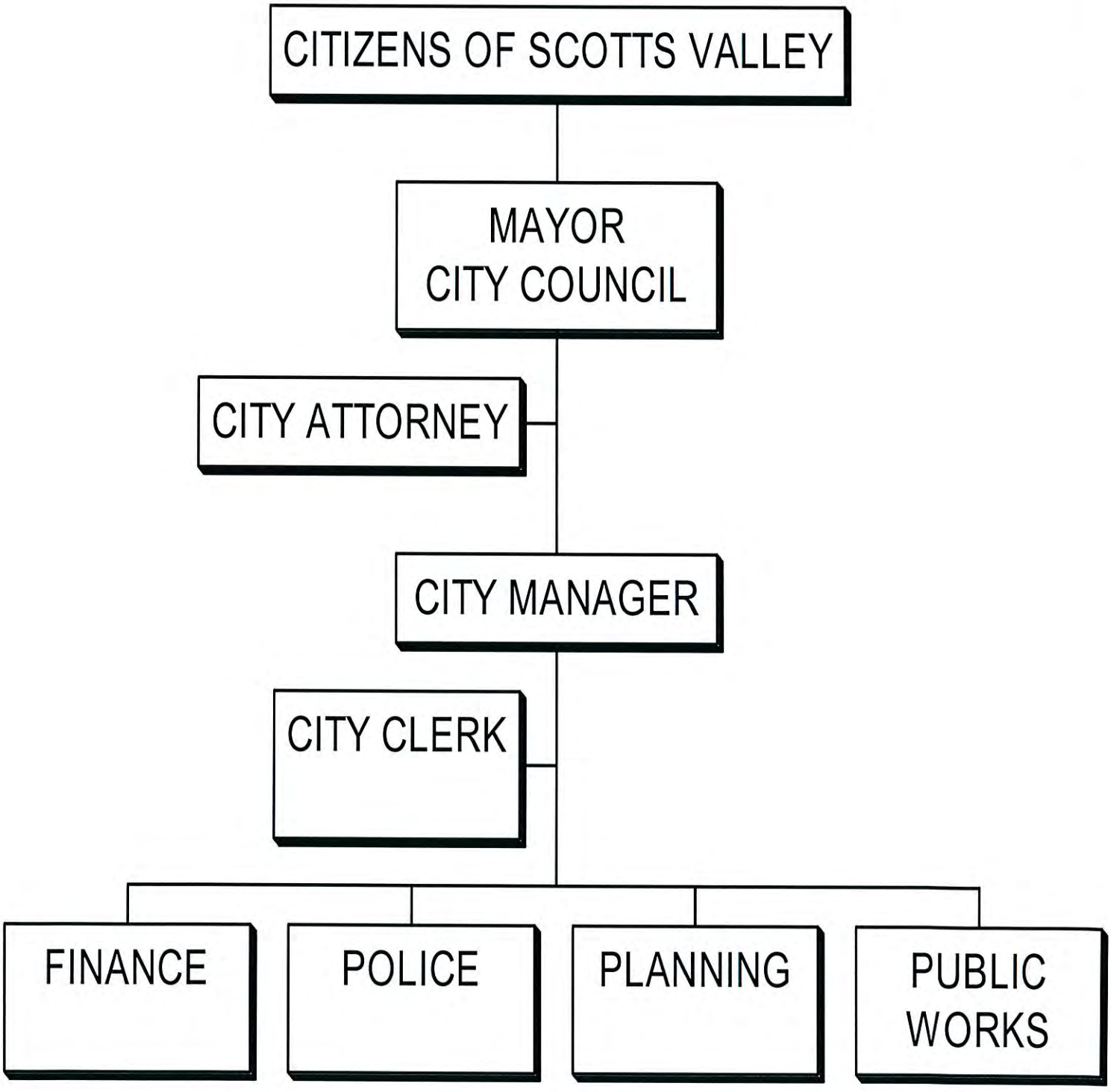
The budget document itself has been prepared with the help of the Finance Department. I want to thank Accountant II Laurie Grundy and the Finance staff for their hard work and dedication.

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.

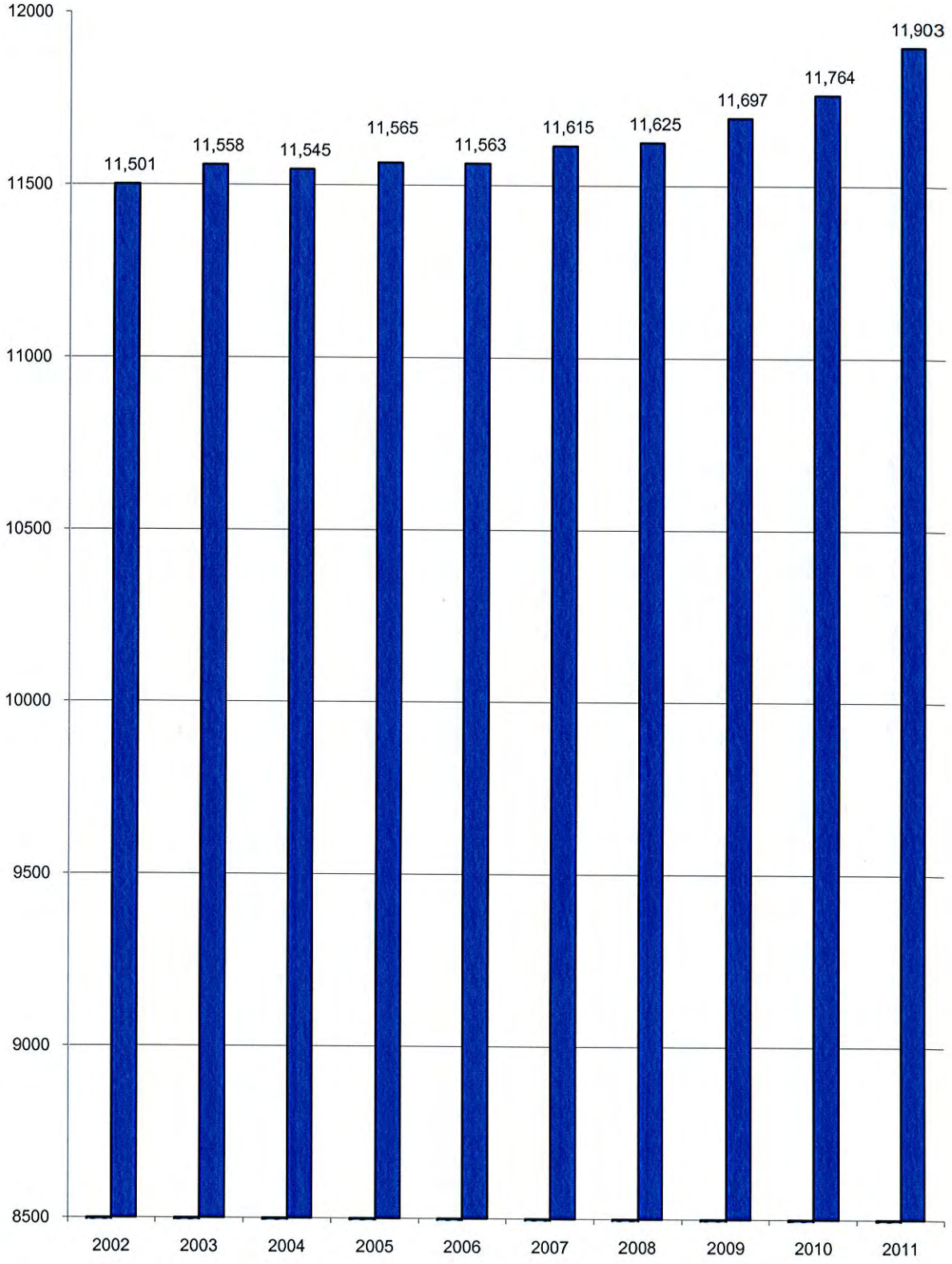
Sincerely,

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	7/1/2011 AVAILABLE ASSETS	2011 / 2012 ESTIMATED REVENUE	ESTIMATED TRANSFERS IN	TOTAL FUNDS AVAILABLE
1	General	2,600,000	6,643,350	600,000	9,843,350
2	Recycling Operations	120,000	67,600		187,600
3	Gas Tax	900,000	202,000		1,102,000
4	Recreation Operations	0	918,000	48,295	966,295
5	SMIP Fees	2,700	14		2,714
6	General Capital	402,000	15,000		417,000
7	Drainage Construction	58,000	15,300		73,300
8	Traffic Impact Mitigation	1,158,000	125,600		1,283,600
9	Parks & Recreation Facilities	240,000	178,000		418,000
10	Wastewater Operations	1,100,000	1,585,000		2,685,000
11	Tertiary Treatment Plant	0	100,000	31,711	131,711
12	Wastewater Capital Reserve	2,300,000	221,000		2,521,000
14	Wastewater Equip Replacement Reserve	1,455,000	15,000		1,470,000
18	Senior Center Designated Donations	3,135	15		3,150
19	Affordable Housing	3,636,000	1,388,157		5,024,157
21	General Facility	55,000	15,250		70,250
22	Redevelopment Agency	0	0	433,223	433,223
23	RDA - Debt Service	1,394,000	3,958,000		5,352,000
27	Police Facility Building	235,000	36,100		271,100
28	Senior Center Operations	0	52,800	3,479	56,279
29	Disasters Fund	683,000	3,200		686,200
31	STP Exchange Projects	26,500	120		26,620
33	Tree Replacement Fund	50,000	730		50,730
35	Green Building Funding	26,500	20,550		47,050
45	1990 Refunding Dist Redemption	45,000	43,700		88,700
50	Pinewood Estates Maintenance Dist	15,000	6,085		21,085
53	Gateway So II/C Redemption	73,400	178,300		251,700
59	Victor Square Dist Redemption	49,000	50,750		99,750
60	Ridgecrest Subdivision Dist Redemption	23,000	23,300		46,300
64	Green Hills Estate District Redemption	4,300	3,165		7,465
66	COP Debt Service Reserve	1,735,000	8,200		1,743,200
67	Wastewater Expansion Redemption	121,800	164,500		286,300
75	Gateway So Supplemental Redemption	36,900	130,000		166,900
77	Skypark Maint Assessment District	0	41,750		41,750
78	Skypark Maint Assessment District Insurance	406,000	16,800		422,800
80	2002 Consolidated Refunding District Prepayment	4,150	0		4,150
82	2002 Consolidated Refunding District Reserve	393,000	1,800		394,800
86	Library	0	26,000		26,000
90	SV Drive A Redemption	387,000	305,700		692,700
91	SV Drive A Prepayment	2,600	0		2,600
92	SV Drive A Reserve	307,000	0		307,000

CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2010 / 2011

FUND	FUND TITLE	2011 / 2012 BUDGETED EXPENDITURES	ESTIMATED TRANSFERS OUT	6/30/2011 RESTRICTED RESERVE	6/30/2012 FUND BALANCE
1	General	8,109,047	51,774		1,682,529
2	Recycling Operations	85,000			102,600
3	Gas Tax	75,000	300,000		727,000
4	Recreation Operations	966,295			0
5	SMIP Fees	0			2,714
6	General Capital	0			417,000
7	Drainage Construction	0			73,300
8	Traffic Impact Mitigation	0			1,283,600
9	Parks & Recreation Facilities	0			418,000
10	Wastewater Operations	1,778,664	31,711		874,625
11	Tertiary Treatment Plant	131,711			0
12	Wastewater Capital Reserve	0		2,521,000	
14	Wastewater Equip Replacement Reserve	205,000		1,265,000	
18	Senior Center Designated Donations	0			3,150
19	Affordable Housing	1,290,116			3,734,041
21	General Facility	0			70,250
22	Redevelopment Agency	433,223			0
23	RDA - Debt Service	3,742,186	433,223		1,176,591
27	Police Facility Building	270,000			1,100
28	Senior Center Operations	56,279			0
29	Disasters Fund	0			686,200
31	STP Exchange Projects	0			26,620
33	Tree Replacement Fund	10,000			40,730
35	Green Building Funding	0			47,050
45	1990 Refunding Dist Redemption	43,768		44,932	
50	Pinewood Estates Maintenance Dist	13,500		7,585	
53	Gateway So II/C Redemption	178,639		73,061	
59	Victor Square Dist Redemption	50,884		48,866	
60	Ridgecrest Subdivision Dist Redemption	23,312		22,988	
64	Green Hills Estate Dist Redemption	3,165		4,300	
66	COP Debt Service Reserve	0	300,000	1,443,200	
67	Wastewater Expansion Redemption	164,942		121,358	
75	Gateway So Supplemental Redemption	129,915		36,985	
77	Skypark Maint Assessment Dist	41,000		750	
78	Skypark Maint Assessment Dist Insurance	0		422,800	
80	2002 Consolidated Refunding District Prepayment	0		4,150	
82	2002 Consolidated Refunding District Reserve	0		394,800	
86	Library	0		26,000	
90	SV Drive A Redemption	305,248		387,452	
91	SV Drive A Prepayment	0		2,600	
92	SV Drive A Reserve	0		307,000	

CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2010 / 2011

FUND	FUND TITLE	7/1/2011 AVAILABLE ASSETS	2011 / 2012 ESTIMATED REVENUE	ESTIMATED TRANSFERS IN	TOTAL FUNDS AVAILABLE
94	SV Drive B Redemption	91,900	134,350		226,250
95	SV Drive B Prepayment	5,000	0		5,000
96	SV Drive B Reserve	132,900	0		132,900
112	Dental Insurance	0	85,000		85,000
123	Community Facility Center	24,000	46,850		70,850
142	Mt. Hermon Rd Improvement Dist	232,000	1,100		233,100
150	General Capital Projects	100,000	18,000		118,000
151	Vehicle Replacement Fund	28,800	130		28,930
169	Scotts Valley Dr Improvement A	143,000	650		143,650
306	Supplemental Law Enforcement Services	410,000	101,500		511,500
315	Police Development Fees	163,000	750		163,750
317	EDG - Revolving Loan Fund	554,000	2,500		556,500
	TOTAL:	**21,932,585**	**16,951,666**	**1,116,708**	**40,000,959**

CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2010 / 2011

FUND	FUND TITLE	2011 / 2012 BUDGETED EXPENDITURES	ESTIMATED TRANSFERS OUT	6/30/2011 RESTRICTED RESERVE	6/30/2012 FUND BALANCE
94	SV Drive B Redemption	134,388		91,862	
95	SV Drive B Prepayment	0		5,000	
96	SV Drive B Reserve	0		132,900	
112	Dental Insurance	85,000			0
123	Community Facility Center	45,338			25,512
142	Mt. Hermon Rd Improvement Dist				233,100
150	General Capital Projects	18,000			100,000
151	Vehicle Replacement Fund	0			28,930
169	Scotts Valley Dr Improvement A	0			143,650
306	Supplemental Law Enforcement Services	0			511,500
315	Police Development Fees	0			163,750
317	EDG - Revolving Loan Fund	0			556,500
	TOTAL:	**18,389,620**	**1,116,708**	**7,364,589**	**13,130,042**

AUTHORIZED FUND TRANSFERS
TO BE MADE
BY RESOLUTION OF THE COUNCIL
DURING THE FISCAL YEAR 2011 / 2012

To:	Recreation (4)	$ 48,295
From:	General Fund (1)	48,295

General Fund subsidy to the Recreation Department.

To:	Senior Center (28)	$ 3,479
From:	General Fund (1)	3,479

Annual General Fund subsidy to the Senior Center.

To:	Redevelopment Agency - Capital (22)	$ 433,223
From:	Redevelopment Agency - Debt Service (23)	433,223

To provide funds for administration and capital projects.

To:	Tertiary Treatment Plant (11)	$ 31,711
From:	Wastewater Operations (10)	31,711

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

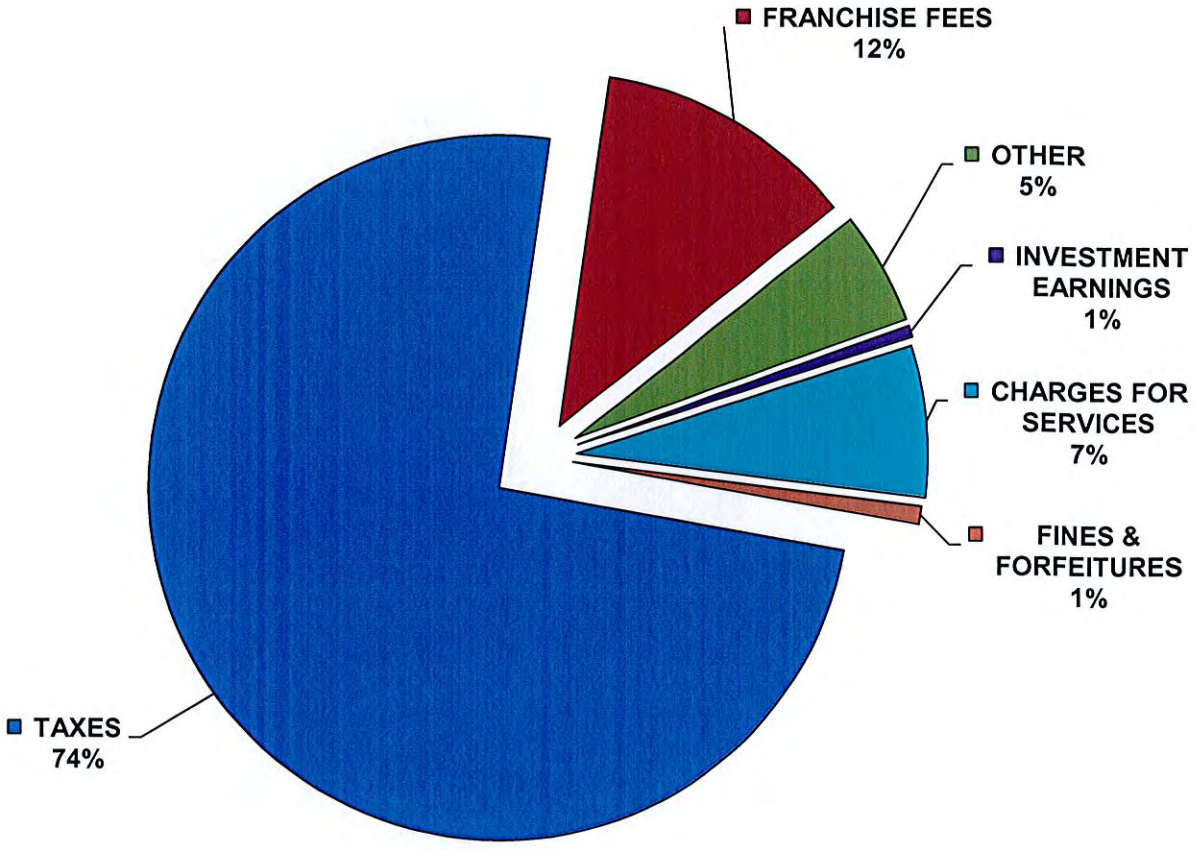
To:	General Fund (1)	$ 300,000
From:	Gas Tax (3)	300,000

To reimburse the General Fund for gas tax related expenditures.

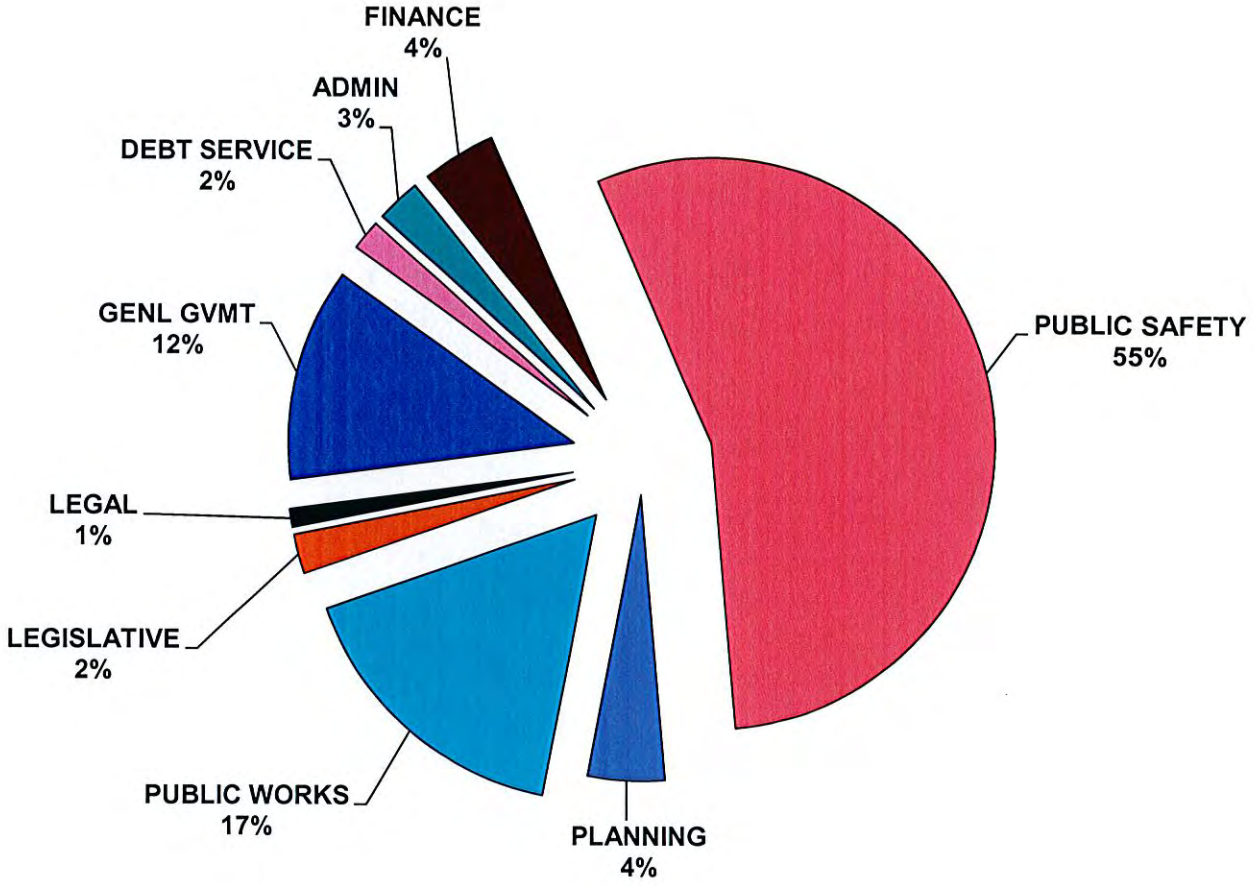
To:	General Fund (1)	$ 300,000
From:	COP Debt Service Reserve (66)	300,000

To provide additional funding for the General Fund.

2011 / 2012
GENERAL FUND REVENUES



2011 / 2012
GENERAL FUND EXPENDITURES



CITY OF SCOTTS VALLEY
2011 / 2012 CONSOLIDATED EXPENDITURES

		TOTAL	SALARIES & BENEFITS	SERVICES & SUPPLIES	FIXED ASSETS	OTHER
	GENERAL GOVERNMENT					
41	LEGISLATIVE	179,249	165,249	14,000	0	0
42	LEGAL	82,800	0	82,800	0	0
43	GENERAL GOVERNMENT	1,117,272	503,700	150,465	0	463,107
44	ADMINISTRATION	201,570	199,270	2,300	0	0
45	FINANCE	337,813	317,083	20,730	0	0
61	PLANNING	322,343	306,708	15,635	0	0
62	BUILDING	31,214	30,064	1,150	0	0
82	AFFORDABLE HOUSING	1,290,116	81,350	38,766	0	1,170,000
	TOTAL	**3,562,377**	**1,603,424**	**325,846**	**0**	**1,633,107**
	PUBLIC SAFETY					
51	POLICE	4,348,404	4,031,548	289,779	0	27,077
52	ANIMAL CONTROL	100,862	0	100,862	0	0
53	EMERGENCY SERVICES	59,350	0	1,100	0	58,250
	TOTAL	**4,508,616**	**4,031,548**	**391,741**	**0**	**85,327**
	PUBLIC WORKS					
71	ENGINEERING	399,131	374,531	24,600	0	0
72	STREET MAINTENANCE	312,177	183,477	128,700	0	0
73	VEHICLE/EQMT MAINTENANCE	109,050	104,000	5,050	0	0
74	WASTEWATER OPERATIONS	1,778,664	891,224	639,840	27,600	220,000
75	PARK MAINTENANCE	319,591	176,441	143,150	0	0
76	BUILDING MAINTENANCE	188,221	122,221	66,000	0	0
77	RECREATION	966,295	751,608	214,687	0	0
81	REDEVELOPMENT AGENCY	433,223	235,912	132,311	15,000	50,000
	TOTAL	**4,506,352**	**2,839,414**	**1,354,338**	**42,600**	**270,000**

CITY OF SCOTTS VALLEY
2011 / 2012 CONSOLIDATED EXPENDITURES

		TOTAL	SALARIES & BENEFITS	SERVICES & SUPPLIES	FIXED ASSETS	OTHER
	NON-DEPARTMENTAL					
2	RECYCLING OPERATIONS	85,000	0	80,000	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	131,711	22,500	105,711	3,500	0
14	WASTEWATER EQMT REPLACEMENT RESERVE	205,000	0	0	205,000	0
23	RDA DEBT SERVICE	3,742,186	0	50,000	0	3,692,186
27	POLICE FACILITY	270,000	0	0	270,000	0
28	SENIOR CENTER OPERATIONS	56,279	31,444	19,035	5,800	0
33	TREE REPLACEMENT FUND	10,000	0	0	10,000	0
45	1990 REFUNDING DIST REDEMPTION	43,768	0	3,400	0	40,368
50	PINEWOOD EST LNDSCP MAINT DIST	13,500	0	13,500	0	0
53	GATEWAY SOUTH IIC REDEMPTION	178,639	0	2,445	0	176,194
59	VICTOR SQUARE DIST REDEMPTION	50,884	0	1,050	0	49,834
60	RIDGECREST SUBDIVISION DIST REDEMPTION	23,312	0	1,100	0	22,212
64	GREEN HILLS ESTATES DIST REDEMPTION	3,165	0	1,000	0	2,165
67	WASTEWATER EXPANSION REDEMPTION	164,942	0	8,365	0	156,577
75	GATEWAY SOUTH SUPPLEMENTAL REDEMPTION	129,915	0	2,900	0	127,015
77	SKYPARK OPEN SPACE MAINT ASSESSMENT DIST	41,000	0	41,000	0	0
90	SV DRIVE A REDEMPTION	305,248	0	9,000	0	296,248
94	SV DRIVE B REDEMPTION	134,388	0	5,750	0	128,638
112	DENTAL INSURANCE	85,000	85,000	0	0	0
123	COMMUNITY FACILITIES CENTER	45,338	16,733	25,105	3,500	0
150	GENERAL CAPITAL PROJECTS	18,000	0	0	18,000	0
	TOTAL	**5,812,275**	**155,677**	**369,361**	**595,800**	**4,691,437**
	GRAND TOTAL	**18,389,620**	**8,630,063**	**2,441,286**	**638,400**	**6,679,871**

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.

DEPT	DEPARTMENT	2009 / 2010 ACTUAL	2010 / 2011 BUDGET	2010 / 2011 PROJECTED	2011 / 2012 DEPT REQUEST	2011 / 2012 CITY MANAGER PROPOSED
41	LEGISLATIVE / ELECTIONS	169,678	189,820	179,786	179,249	179,249
42	LEGAL	245,517	82,800	82,800	82,800	82,800
43	GENERAL GOVERNMENT	1,161,486	931,552	973,616	1,117,272	1,117,272
44	ADMINISTRATION	198,417	202,537	197,823	201,570	201,570
45	FINANCE	376,378	375,842	361,683	337,813	337,813
51	POLICE	3,991,967	4,190,114	3,957,704	4,374,308	4,348,404
52	ANIMAL CONTROL	104,028	104,028	98,580	100,862	100,862
53	EMERGENCY SERVICES	48,711	57,303	57,103	59,350	59,350
61	PLANNING	295,771	310,170	270,835	322,343	322,343
62	BUILDING	151,220	46,500	39,076	31,214	31,214
71	PUBLIC WORKS-ENGINEERING	454,825	390,514	397,453	402,131	399,131
72	PUBLIC WORKS-STREET MAINT	316,639	349,944	318,350	313,177	312,177
73	PUBLIC WORKS-VEHICLE/EQMT MAINT	100,144	107,406	110,983	109,050	109,050
75	PUBLIC WORKS-PARK MAINT	283,195	315,700	308,050	319,591	319,591
76	PUBLIC WORKS-BUILDING MAINT	187,352	191,396	184,251	188,221	188,221
	TOTAL	**8,085,328**	**7,845,626**	**7,538,093**	**8,138,951**	**8,109,047**

CITY OF SCOTTS VALLEY
GENERAL FUND EXPENDITURES BY ACCOUNT

		2009 / 2010 ACTUAL	2010 / 2011 BUDGET	2010 / 2011 PROJECTED	2011 / 2012 DEPT REQUEST	2011 / 2012 CITY MANAGER PROPOSED
	SALARIES & BENEFITS:					
101	REGULAR WAGES	3,419,647	3,541,313	3,341,017	3,505,591	3,505,591
107	TEMPORARY WAGES	9,353	12,144	24,484	41,778	41,778
109	OVERTIME WAGES	106,553	129,300	132,060	143,200	132,000
202	PARS	546	557	557	557	557
203	FICA	260,619	270,070	245,938	267,796	267,796
204	RETIREMENT	1,104,818	1,124,923	1,037,621	1,252,531	1,252,531
205	GROUP INSURANCE	934,292	946,807	930,423	1,019,826	1,019,826
206	WORKERS' COMPENSATION	370,043	194,354	204,513	284,213	284,213
207	UNEMPLOYMENT INSURANCE	30,194	3,000	30,000	10,000	10,000
	TOTAL SALARIES & BENEFITS	**6,236,065**	**6,222,468**	**5,946,613**	**6,525,492**	**6,514,292**
	SERVICES & SUPPLIES:					
208	UNIFORM EXPENSE	25,857	28,830	27,930	27,930	27,930
210	SUPPLEMENTAL SERVICES	269,692	118,200	116,500	116,500	116,500
301	OFFICE EXPENSE	32,944	36,575	36,075	36,575	36,075
302	SPECIAL DEPARTMENT EXPENSE	30,293	30,285	30,346	30,585	30,585
303	SMALL TOOLS & SUPPLIES	15,735	16,765	16,271	16,275	16,275
305	ADVERTISING	3,184	4,000	0	0	0
306	COMMUNICATIONS	57,994	57,100	56,100	54,020	54,020
308	RENTS & LEASES	5,840	6,122	6,275	6,794	6,794
310	RECRUITMENT	2,792	5,200	16,900	15,600	13,000
312	PROFESSIONAL/SPECIALIZED SVC	123,947	73,100	51,510	25,250	25,250
313	OTHER CONTRACTUAL SERVICES	216,777	180,328	174,630	212,162	212,162
314	INSURANCE & SURETY BONDS	19,854	33,155	40,110	39,865	39,865
315	MEMBERSHIPS & DUES	16,675	17,520	16,505	16,505	16,505
316	TRAVEL/CONFERENCES/MEETINGS	3,331	6,900	6,850	7,010	7,010
319	ELECTIONS		12,000	0	0	0
322	TRAINING & EDUCATION	40,175	44,450	44,300	44,400	44,400
327	POWER UTILITIES	83,618	91,000	86,000	86,000	86,000
328	WATER UTILITIES	34,234	38,500	42,500	39,500	39,500
349	MISCELLANEOUS	14,481	8,250	8,000	8,250	8,250
401	MAINT OF BLDGS/STRUCT/GRNDS	62,608	53,500	53,500	54,000	53,500
402	MAINT & OPERATION OF EQMT	85,741	95,000	95,050	107,804	95,200
403	MAINT & OPERATION OF VEHICLES	95,274	92,450	90,500	90,500	90,500
404	ROAD MAINTENANCE MATERIALS	9,876	27,000	27,000	27,000	27,000
	TOTAL SERVICES & SUPPLIES	**1,250,922**	**1,076,230**	**1,042,852**	**1,062,525**	**1,046,321**

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

		2009 / 2010 ACTUAL	2010 / 2011 BUDGET	2010 / 2011 PROJECTED	2011 / 2012 DEPT REQUEST	2011 / 2012 CITY MANAGER PROPOSED
	FIXED ASSETS:					
904	IMPROVEMENTS O/T BUILDINGS	7,129	0	0	0	0
905	MACHINERY & EQUIPMENT	2,803	0	0	0	0
907	ENGINEERING	750	0	0	2,500	0
908	VEHICLES	25,391	0	0	0	0
910	OFFICE EQMT & FURNITURE	6,453	0	0	0	0
	TOTAL FIXED ASSETS	**42,526**	**0**	**0**	**2,500**	**0**
	OTHER:					
701	CONTRIBUTIONS	42,138	45,944	47,644	50,249	50,249
705	CONTRIBUTIONS/SOCIAL SERVICE	43,015	47,278	47,278	47,278	47,278
801	RETIREMENT OF PRINCIPAL	155,914	140,568	140,568	137,871	137,871
802	INTEREST EXPENSE	314,748	313,138	313,138	313,036	313,036
	TOTAL OTHER	**555,815**	**546,928**	**548,628**	**548,434**	**548,434**
	GRAND TOTAL:	**8,085,328**	**7,845,626**	**7,538,093**	**8,138,951**	**8,109,047**

CITY OF SCOTTS VALLEY

2011 / 2012 PERSONNEL DETAIL SUMMARY

DEPARTMENT	2007 / 08	2008 / 09	2009 / 10	2010 / 11	2011 / 12 CITY MANAGER PROPOSED	POSITIONS FROZEN
LEGISLATIVE	10.50	10.50	10.50	10.50	**10.50**	
ADMINISTRATION	1.10	1.20	1.20	1.20	**1.20**	0.10
FINANCE	5.35	5.25	5.25	4.75	**4.75**	1.40
POLICE	30.50	30.50	30.50	30.00	**30.00**	2.00
PLANNING	4.30	4.30	4.30	3.40	**3.40**	0.90
BUILDING	2.41	2.41	2.41	1.41	**1.41**	1.41
ENGINEERING	3.50	3.50	3.50	3.00	**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	2.60	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**	1.00
REDEVELOPMENT AGENCY	1.35	1.35	1.35	1.25	**1.25**	0.10
AFFORDABLE HOUSING	0.55	0.55	0.55	0.55	**0.55**	
TOTAL	**82.91**	**82.91**	**82.91**	**79.41**	**79.41**	**8.91**

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
Network Systems Specialist	0.50
Senior Center Coordinator	1.00
Maintenance Division Manager	1.00
Maintenance Worker I	1.00
Total Full-Time Equivalent Positions	8.91