

City of Scotts Valley

2015 / 2016 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

2015 / 2016

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 / Finance Director
Kirsten Powell	City Attorney
Tracy A. Ferrara	City Clerk
John Weiss	Chief of Police
Scott Hamby	Director of Public Works
Corrie Kates	Community Development Dir / Deputy City Manager

TABLE OF CONTENTS

2015 / 2016

PRELIMINARY BUDGET

PAGE

TRANSMITTAL LETTER.....	i
ORGANIZATION CHART.....	1
POPULATION HISTORY	2
FINANCIAL SUMMARIES:	
Fund Balance Summary	5
Authorized Fund Transfers To Be Made.....	7
General Fund Revenues (pie chart)	9
General Fund Expenditures (pie chart).....	10
Consolidated Expenditures - All Funds.....	11
General Fund Expenditures By Department.....	12
General Fund Expenditures By Account.....	13
Personnel Detail Summary By Department	15
REVENUES – ALL FUNDS	16
DEPARTMENT BUDGETS:	
Legislative.....	35
Legal.....	37
General Government	39
Administration.....	43
Finance.....	45
Police.....	47
Animal Control	51
Emergency Services.....	52
Planning.....	53
Building.....	55

TABLE OF CONTENTS (concluded)

PAGE

DEPARTMENT BUDGETS (cont.)

Public Works:	
Engineering	57
Street Maintenance	59
Vehicle/Equipment Maintenance	61
Wastewater Treatment Plant	63
Park Maintenance	67
Building Maintenance	69
Recreation	71
DEBT SERVICE FUND	74
CAPITAL PROJECT FUNDS	78
IMPACT FEE FUNDS	82
SPECIAL ASSESSMENT (FIDUCIARY) FUNDS	86
INTERNAL SERVICE FUND	90
SPECIAL REVENUE FUNDS	94
INSURANCE COST DISTRIBUTION	100
CAPITAL OUTLAY	104
CAPITAL IMPROVEMENT PROGRAM	108



CITY OF SCOTTS VALLEY

OFFICE OF THE CITY MANAGER

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June 17, 2015

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

SUBJECT: 2015-16 Fiscal Year Budget

Honorable Mayor and City Council:

It is with pleasure that I submit to the City Council the budget for fiscal year 2014-2015. Below is an overview of the General Fund followed by a discussion of the revenues and expenditures of the larger funds that comprise the budget of the City of Scotts Valley: the General Fund, Wastewater Fund, and Recreation Fund.

GENERAL FUND OVERVIEW

As shown below, the 2015-16 General Fund is budgeted with a \$122,008 deficit. This does not include any additional amounts for the current negotiations with employee bargaining units. The last three years the City benefited from the payment of back taxes from the successful lawsuit against the County. Next year will be the first year without those payments of \$725,000. The City was successful with the passage of Measure U, a temporary sales tax measure. This is currently providing approximately \$1,100,000 per year. It will end in fiscal year 2021-22. The City has a projected General Fund surplus in 2014-15 with the one year overlap of the County back taxes payment and a full year of Measure U sales tax. Because of this, the City's General Fund reserves are estimated to start next year at \$1,700,000.

Revenues / Transfers In	\$9,522,425
Expenditures / Transfers Out	<u>(9,644,433)</u>
Net Deficit	<u>(\$122,008)</u>

The private educational facility at the former Bethany University site as well as the new hotel on Scotts Valley Drive have started construction. Once operational, both of these projects will provide additional transient occupancy tax to the City. The former Borland Building has a new owner and has been reinvigorating this commercial building with new tenants bringing more people and business into the City. With these projects, the City is looking to increased tax revenue. However, this will help with the City's current structural deficit first. The City must also look to the future in seven more years when the Measure U temporary sales tax will expire. The City is also facing increased retirement costs from CalPERS for the unfunded liability that exists. As recommended by the Mayor, the City needs to start talking and planning for the future now regarding the current and long-term structural deficit the City is facing.

GENERAL FUND REVENUE

Compared to 2014-15 projected revenue, 2015-16 budgeted revenues are decreasing \$459,970 as shown below by revenue category. The large decrease in taxes is the third and final payment of \$725,000 in 2014-15 from the County for back taxes from the City's lawsuit with the County regarding the Tax Equity Act. Without this payment in 2015-16, taxes decreased.

<u>Revenue Category</u>	<u>2014-15 Projected</u>	<u>2015-16 Budget</u>	<u>Increase (Decrease)</u>
Taxes	\$7,839,550	\$7,440,000	(\$339,550)
Franchise Fees	881,000	900,000	19,000
Fines & Forfeitures	35,620	35,600	(20)
Charges for Services	608,225	547,825	(60,400)
Investment Earnings	5,000	5,000	-
Other Revenue	<u>463,000</u>	<u>444,000</u>	<u>(19,000)</u>
Total	<u>\$9,832,395</u>	<u>\$9,372,425</u>	<u>(\$459,970)</u>

Offsetting the large decrease from the last payment from the County in 2014-15, the City is budgeting increases in sales tax, transient occupancy tax, vehicle in-lieu fee, and property taxes as discussed below.

Sales tax in 2014-15 was decreased by an audit adjustment of approximately \$193,000 that covered July 2007 to June 2010 for tax erroneously paid on nontaxable purchases or on purchases of inventory for resale. The sales tax revenue for 2015-16 was calculated by adding back the \$193,000 audit adjustment amount to the projected 2014-15 sales tax amount and then adding 2%. This comes to a \$240,000 increase over the 2014-15 projected amount. The 2% increase is to be both conservative and to allow for the possibility of another audit adjustment for the year after June 2010. Comparing calendar years 2013 to 2014, sales tax is increasing the most (in no particular order) with grocery stores, restaurants/fast food, auto repair, business services, and office supplies. Contractors showed the largest decrease. Actual amounts cannot be given as this is proprietary information of the individual businesses.

Transient occupancy tax is projected to increase 8% in 2014-15. Next year's TOT is being budgeted at a 5% increase (\$50,000). The Hilton was purchased by another company in March of 2015. The conservative 5% increase is in part related to the higher increases in years past that can only happen for so long and to see how well the hotel is operated under new management.

State vehicle in lieu fee is being budgeted at a 4% increase (\$37,000). Again, the 4% is conservative to the 6.4% projected for this year.

Current, secured property taxes are being budgeted with a 3.5% increase (\$27,000). This is consistent with the percentage increase for the current fiscal year. This is based on the remaining Woodside homes coming onto the tax roll for next year and the pickup in the housing market.

GENERAL FUND EXPENDITURES

The 2015-16 General Fund expenditures are being recommended with a net increase of \$349,622 from the 2014-15 budget. The increases and decreases in the major categories are detailed below.

	<u>2014-15 Budget</u>	<u>2015-16 Budget</u>	<u>Increase (Decrease)</u>
Salaries & Benefits	\$6,843,027	\$7,237,184	\$394,157
Services & Supplies	1,282,470	1,406,706	124,236
Fixed Assets	-	5,000	5,000
Other	<u>655,699</u>	<u>481,928</u>	<u>(173,771)</u>
Total	<u>\$8,781,196</u>	<u>\$9,130,818</u>	<u>\$349,622</u>

Salaries & Benefits:

In total this category is increasing \$394,157. This is mostly made up of a combination of an increase in pension costs (\$182,095) and group insurance (\$257,271) offset by a decrease in workers compensation (\$52,354). This does not include any additional funding for current contract negotiations with the various employee bargaining units.

Pension costs are increasing because of CalPERS increasing rates to cover the unfunded liability that currently exists. Group insurance is increasing to account for higher premiums than expected last year and for this account being budgeted too low in general for 2014-15.

Scotts Valley is in a pool with nine other cities for workers compensation insurance. Workers compensation is decreasing this next year due to the formula allocating premiums. Other cities had higher claims experience which is one of the allocation factors. Therefore, those cities received a higher portion of the insurance pool costs. However, the following year, Scotts Valley's allocation will be increasing because the high claims experience for those cities will be dropping out of the formula.

Services & Supplies: Overall, this category is increasing \$124,236. The main changes are in the following accounts:

Professional / Contract Services	146,747
Equipment Maintenance	15,150
Elections	(15,000)
All Other Accounts	<u>(22,661)</u>
Total	<u>\$124,236</u>

Professional / contract services are being budgeted higher primarily in Public Works Engineering (\$90,000) and Building (\$75,000). The City now contracts for City Engineer services and the Building department needs additional help due to the increase in building activity. These amounts are offset by decreases in General Government (\$10,000) and Street Maintenance (\$9,000). General Government is decreasing due to the City not needing to fund the Conference and Visitors Council. The City's contribution was replaced by a self-imposed assessment on the lodging industry. Street Maintenance is decreasing due to lower costs for tree removal, signal maintenance and bike lane maintenance.

Equipment maintenance is increasing mainly in General Government (\$8,850) and Police (\$4,000). The City's copier maintenance was budgeted too low in fiscal year 2014-15. The Police have substantial computer and communications equipment that needs more maintenance than previously budgeted.

Elections are every other year; therefore, no amounts were budgeted for 2015-16.

Other: The decrease in this category relates to debt service payments. The City refinanced some of its debt in the previous fiscal year and lowered the payments.

WASTEWATER

A recap of the Wastewater Operations is shown below.

	2014-15 <u>Budget</u>	2014-15 <u>Projected</u>	2015-16 <u>Budget</u>
Revenues	\$1,731,800	\$1,877,000	\$2,007,600
Salaries/Benefits	759,510	811,912	849,206
Services/Supplies	655,404	702,954	699,812
Fixed Assets	35,600	35,600	42,500
Other	215,000	225,000	230,000
Pension Bond	50,462	50,462	50,479
Tertiary Treatment	<u>73,880</u>	<u>70,640</u>	<u>76,080</u>
Total Expenditures	<u>1,789,856</u>	<u>1,896,568</u>	<u>1,948,077</u>
Net Deficit	<u>(\$58,056)</u>	<u>(\$19,568)</u>	<u>\$59,523</u>

The 2014-15 budgeted revenues are \$130,600 higher than the 2014-15 projected revenues. This is a little higher than the 5% scheduled rate increase due to additional residential units being added in the City and more commercial activity.

In total, expenditures are being budgeted next fiscal year with a \$158,221 increase from the current fiscal year budget as follows:

	<u>Increase</u>
Salaries / Benefits	\$89,696
Services and Supplies	44,408
Fixed Assets	6,900
Other	15,000
Pension Bond	17
Tertiary Treatment	<u>2,200</u>
Total	<u>\$158,221</u>

The budget for salaries and benefits is increasing due to a new mid-management position. When the Wastewater Manager became the Public Works Director, the City tried to have him still have a significant role in managing the Wastewater Treatment Plant and as well as using existing staff. While he continues to oversee all WWTP operations, there is still the need for a full time on-site manager. Because of this, a new mid-management position was created which increased salaries and benefits. Retirement is increasing because of CalPERS increasing rates to cover the unfunded liability that currently exists. Group insurance also increased due to higher premiums

than expected last year and for this account being budgeted too low in general for 2014-15. This was offset by workers compensation decreasing approximately \$12,000 as discussed in the General Fund section above.

Services and supplies is being budgeted \$44,408 higher next year than the current year. This is made up of the following:

	Increase (Decrease)
Special Department Expense	25,000
Miscellaneous	13,000
Contract Services	12,440
Utilities	(10,000)
All other accounts	<u>3,968</u>
Total	<u>\$44,408</u>

Special Department expense is increasing for the higher sludge disposal costs. This amount was lowered in the 2014-15 budget in anticipation of lower disposal costs due to disposing of the sludge at the City of Santa Cruz. Costs are lower than before; however, we are not able to dispose of all of the sludge at the City of Santa Cruz treatment plant as anticipated. There is still a need to haul sludge to the landfill in Marina a couple of times each week.

Miscellaneous expense was increased by Council during the current year to account for the projected higher demand for the water efficient fixture rebate program. At the annual review of the program last December, Council approved increasing the rebate amount from the budgeted \$12,000 to a total of \$25,000. This was in response to the Scotts Valley Water District's new program where the District would handle the toilet installations which increased the number of residents applying for this program.

Contract services have been over budget for one reason or another the past few years. With the plant getting older, it needs more services. Increasing the budget will cover those items.

Utilities are being budgeted lower to account for the lower costs associated with the more efficient air diffuser system at the treatment plant. Previously two air blowers were needed on occasion to provide the necessary oxygen level. Now only one air blower is needed to run at one time.

Future Analysis:

The rate increases have almost eliminated the operating deficit as projected this year. With next year's last rate increase, the WWTP is budgeted with a \$59,000 surplus. Revenues will need to be monitored closely after next year. Without any further scheduled rate increases, revenues will only be increasing from more commercial activity and other residential projects. The new hotel on Scotts Valley, the educational facility at the former Bethany University campus, and increased activity at the former Borland Building will add to the commercial revenues. The Polo Ranch project will add to the residential revenues.

RECREATION

A recap of the Recreation budget is presented below. It presents revenues in detail and expenditures in summary for the following: 2014-15 budget, 2014-15 projected amounts, and 2015-16 budget.

	<u>2014-15 Budget</u>	<u>2014-15 Projected</u>	<u>2015-16 Budget</u>
Revenue:			
School Age Recreation	\$570,000	\$628,000	\$665,000
Sports	80,000	64,000	70,000
Aquatics	55,000	50,000	53,000
Classes	75,000	74,000	78,000
Facility Rental	65,000	64,000	80,000
Other Revenue	<u>17,000</u>	<u>36,000</u>	<u>20,000</u>
Total Revenue	<u>862,000</u>	<u>916,000</u>	<u>966,000</u>
Expenditures:			
Salaries/Benefits	663,832	700,747	744,830
Services/Supplies	238,192	260,000	261,150
Pension Bond Transfer	<u>30,072</u>	<u>30,072</u>	<u>30,083</u>
Total Expenditures	<u>932,096</u>	<u>1,005,819</u>	<u>1,036,063</u>
Net Deficit	<u>(\$70,096)</u>	<u>(\$89,819)</u>	<u>(\$70,063)</u>

Fiscal year 2014-15 is being budgeted with a \$70,000 deficit. This is a \$20,000 decrease from the projected deficit for the current fiscal year. This is due to higher budgeted revenues (\$50,000) being offset by higher expenses (\$30,000).

Total revenues are being budgeted \$50,000 higher than the 2014-15 projected amounts as follows:

	<u>Increase (Decrease)</u>
School Age Recreation	\$37,000
Facility Rentals	16,000
Sports	6,000
Classes	4,000
Aquatics	3,000
Other Revenue	<u>(16,000)</u>
Total	<u>\$50,000</u>

School age recreation is being budgeted with a \$37,000 increase over the current year projected amount. This is a 5.9% increase. This is compared to the current year projected amount being 15.2% (\$83,000) over last year's actual amount. After such a high increase this year, the \$37,000 increase is being conservative. The childcare program continues to do well with enrollment increasing. We have an increase in younger-age kids who will stay with the program in years to come. Previously, we had a larger older kid group that were not returning in the following year.

Facility rentals continue to do well. Next year's increase includes recording the \$13,000 soccer field rental at Skypark in the Recreation Fund. It has always been recorded in the General Fund, but it is more appropriate to record it in Recreation. With this additional revenue, another \$3,000 is being budgeted for a total increase of \$16,000. The \$3,000 will come from a continued increase in usage and the restructuring of the fee schedule at Council's May 6 meeting.

The increase in sports revenue is due to the projected low revenue amount in the current year. This was due to revenue for tennis being low. The City's tennis instructor was out with an injury and could not provide lessons for a period of time.

Class revenue and aquatics are being budgeted with smaller increases. Class revenue is estimated with a \$4,000 increase due to more kids in the childcare program which increases the opportunities for taking more classes. City staff take the kids from childcare to their classes thereby freeing up the parents to not worry about transportation. Aquatics is budgeted \$3,000 higher due to more aquatics classes being added for younger kids. With the increase in younger-age kids, staff is projecting more signups for these classes.

Other revenue is decreasing due to the current year projection including one-time reimbursements from Lennar funds, Scotts Valley Advocates, and Monterey Bay Area Self Insurance Authority for the purchase of various furniture and equipment.

Expenditures are budgeted in 2015-16 with an increase of \$30,244 from the current year projected amounts as shown below.

	<u>Increase</u>
Salaries and Benefits	\$44,083
Services and Supplies	1,150
Fixed Assets	(15,000)
Pension Bond Transfer	<u>11</u>
Total	<u>\$30,244</u>

Salaries and benefits are being budgeted with a \$44,083 increase over the current year projected amount. This is mainly due to two accounts: temporary wages (\$24,000) and retirement (\$15,692). Temporary wages are increasing due to the minimum wage increasing from \$9 per hour to \$10 per hour effective January 1, 2016. Retirement is increasing because of CalPERS increasing rates to cover the unfunded liability that currently exists.

Services and supplies are being held for the most part at the projected amount for 2015. The only difference being insurance increasing by \$1,150.

Fixed assets are decreasing because no items are being budgeted for next year. The items in the current year were purchased with funding from Lennar funds, Scotts Valley Advocates, and MBASIA.

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.

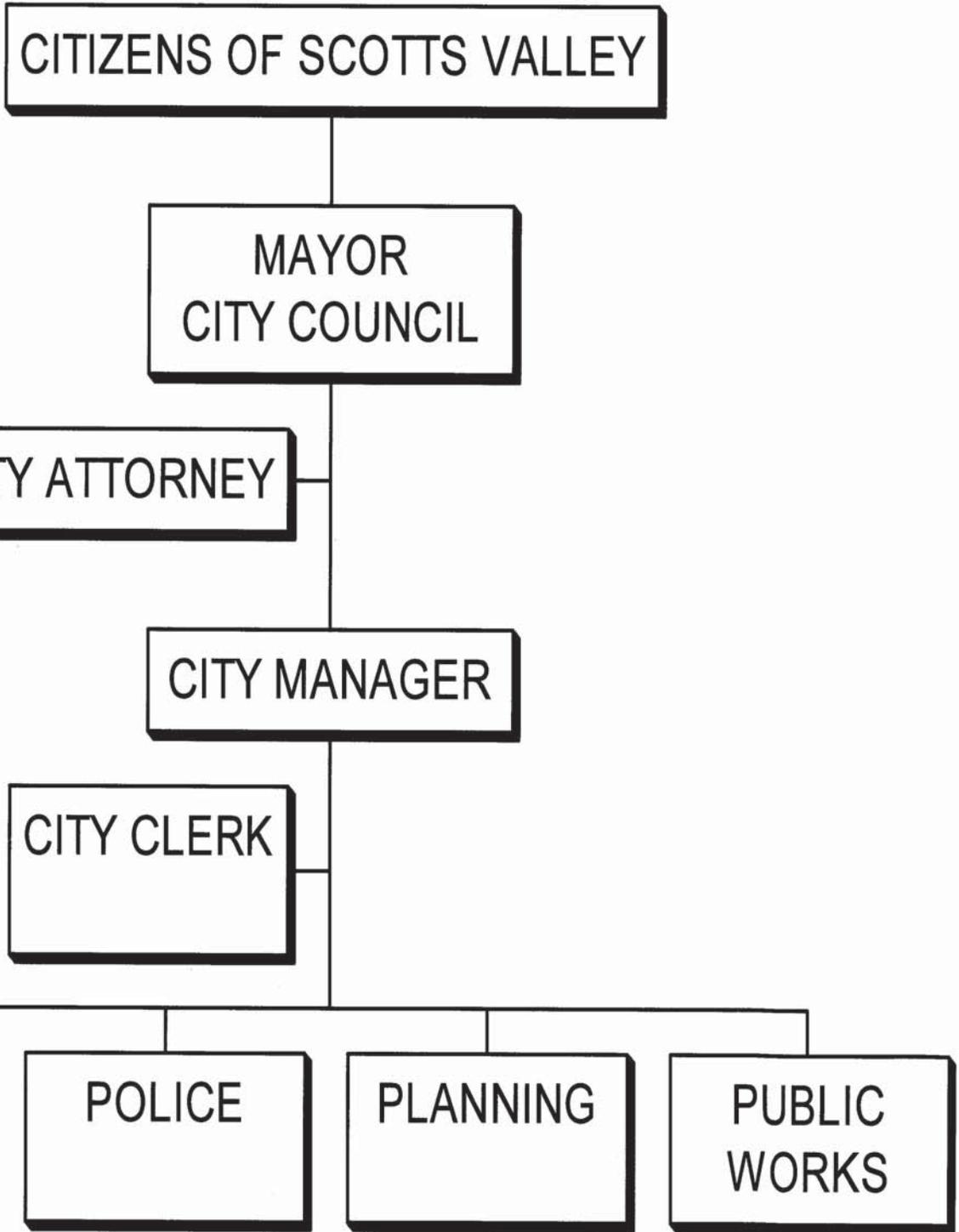
I would also like to close the budget message by indicating, as I have in the past, how proud I am to be associated with the City of Scotts Valley, its Council, its employees, and the community. The City continues to respond in an excellent fashion in a difficult environment where we are challenged by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

Sincerely,

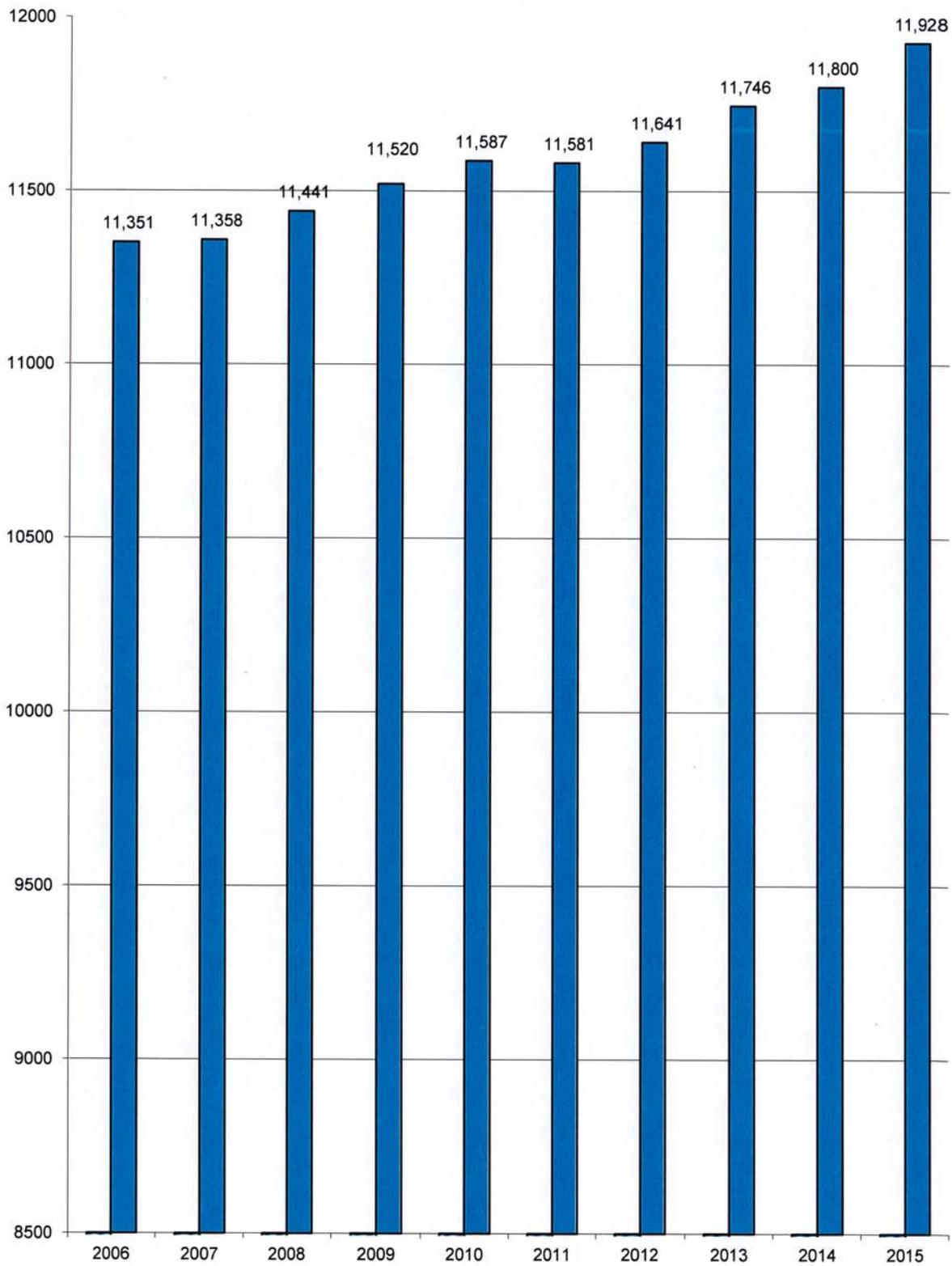
A handwritten signature in blue ink, appearing to read "Stephen H. Ando".

Stephen H. Ando
City Manager

CITY OF SCOTTS VALLEY
ORGANIZATION CHART



CITY OF SCOTTS VALLEY POPULATION



DATA SOURCE: CALIFORNIA DEPARTMENT OF FINANCE

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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 - 2015 / 2016**

		7/1/2015	2015 / 2016	ESTIMATED	TOTAL
		AVAILABLE	ESTIMATED	TRANSFERS	FUNDS
FUND	FUND TITLE	ASSETS	REVENUE	IN	AVAILABLE
1	General	1,700,000	9,372,425	150,000	11,222,425
2	Recycling Operations	24,000	58,500		82,500
3	Gas Tax	478,000	259,950		737,950
4	Recreation Operations	0	966,000	70,063	1,036,063
5	SMIP Fees	11,000	2,520		13,520
6	General Capital	480,000	26,200		506,200
7	Drainage Construction	15,000	3,200		18,200
8	Traffic Impact Mitigation	1,370,000	23,000		1,393,000
9	Parks & Recreation Facilities	506,000	26,000		532,000
10	Wastewater Operations	222,000	2,007,600		2,229,600
11	Tertiary Treatment Plant	0	106,990	76,083	183,073
12	Wastewater Capital Reserve	2,153,000	34,400		2,187,400
14	Wastewater Equip Replacement Reserve	851,000	2,000		853,000
18	Senior Center Designated Donations	3,700	10		3,710
19	Successor Housing Agency	0	60,000		60,000
21	General Facility	70,000	3,200	37,500	110,700
26	Pension Obligation Bonds	0	0	444,358	444,358
27	Police Facility Building	189,000	224,050		413,050
28	Senior Center Operations	23,000	80,200		103,200
31	STP Exchange Projects	27,000	70		27,070
33	Tree Replacement Fund	42,000	400		42,400
35	Green Building Funding	136,000	11,100		147,100
36	Disability Compliance Fund	1,000	1,000		2,000
50	Pinewood Estates Maintenance Dist	8,000	6,265		14,265
51	Mt Hermon Traffic Mitigation	51,000	120		51,120
66	COP Debt Service Reserve	944,000	1,700		945,700
77	Skypark Maint Assessment District	0	41,750		41,750
78	Skypark Maint Assessment District Insurance	464,000	10,200		474,200
86	Library	214,000	5,550		219,550
90	Scotts Valley Drive Redemption	350,000	568,200		918,200
91	Scotts Valley Drive Prepayment	8,000	20		8,020
92	Scotts Valley Drive Reserve	569,000	40		569,040
112	Dental Insurance	0	70,000		70,000
123	Community Facility Center	13,000	70,000		83,000
150	General Capital Projects	170,000	128,400	96,000	394,400
306	Supplemental Law Enforcement Services	82,000	100,160		182,160
315	Police Development Fees	164,000	400		164,400
317	EDG - Revolving Loan Fund	550,000	1,400		551,400
	TOTAL:	11,888,700	14,273,020	874,004	27,035,724

**CITY OF SCOTTS VALLEY
FUND BALANCE SUMMARY - 2015 / 2016**

		2015 / 2016	ESTIMATED	6/30/2016	6/30/2016
		BUDGETED	TRANSFERS	RESTRICTED	FUND
FUND	FUND TITLE	EXPENDITURES	OUT	RESERVE	BALANCE
1	General	9,130,818	513,615		1,577,992
2	Recycling Operations	58,500			24,000
3	Gas Tax	75,000	190,000		472,950
4	Recreation Operations	1,005,980	30,083		0
5	SMIP Fees	0			13,520
6	General Capital	0			506,200
7	Drainage Construction	0			18,200
8	Traffic Impact Mitigation	150,000			1,243,000
9	Parks & Recreation Facilities	168,000			364,000
10	Wastewater Operations	1,821,518	126,562		281,520
11	Tertiary Treatment Plant	183,073			0
12	Wastewater Capital Reserve	100,000		2,087,400	0
14	Wastewater Equip Replacement Reserve	169,600	12,500	670,900	0
18	Senior Center Designated Donations	0			3,710
19	Successor Housing Agency	0			60,000
21	General Facility	50,000			60,700
26	Pension Obligation Bonds	444,358			0
27	Police Facility Building	345,000			68,050
28	Senior Center Operations	84,367	622		18,211
31	STP Exchange Projects	0			27,070
33	Tree Replacement Fund	10,000			32,400
35	Green Building Funding	0			147,100
36	Disability Compliance Fund	0			2,000
50	Pinewood Estates Maintenance Dist	13,500		765	0
51	Mt Hermon Traffic Mitigation	0		51,120	0
66	COP Debt Service Reserve	0		945,700	0
77	Skypark Maint Assessment Dist	41,000		750	0
78	Skypark Maint Assessment Dist Insurance	0		474,200	0
86	Library	0		219,550	0
90	Scotts Valley Drive Redemption	568,645		349,555	0
91	Scotts Valley Drive Prepayment	0		8,020	0
92	Scotts Valley Drive Reserve	0		569,040	0
112	Dental Insurance	70,000			0
123	Community Facility Center	68,058	622		14,320
150	General Capital Projects	158,400			236,000
306	Supplemental Law Enforcement Services	86,000			96,160
315	Police Development Fees	0			164,400
317	EDG - Revolving Loan Fund	0			551,400
	TOTAL:	14,801,817	874,004	5,377,000	5,982,903

**AUTHORIZED FUND TRANSFERS
 TO BE MADE
 BY RESOLUTION OF THE COUNCIL
 DURING THE FISCAL YEAR 2015 / 2016**

To:	Pension Obligation Bonds (26)	\$ 444,358
From:	General Fund (1)	362,552
	Wastewater Operations (10)	50,479
	Recreation (4)	30,083
	Senior Center Operations (28)	622
	Community Center Operations (123)	622

To transfer the amounts necessary for the 2015-16 Pension Obligation Bond payments.

To:	Recreation (4)	\$ 70,063
From:	General Fund (1)	70,063

General Fund subsidy to the Recreation Department.

To:	General Fund (1)	\$ 150,000
From:	Gas Tax (3)	150,000

To reimburse the General Fund for gas tax related expenditures.

To:	Tertiary Treatment Plant (11)	\$ 76,083
From:	Wastewater Operations (10)	76,083

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

To:	General Capital Projects (150)	\$ 81,000
From:	General Fund (1)	81,000

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

To:	General Capital Projects (150)	\$ 15,000
From:	Gas Tax (3)	15,000

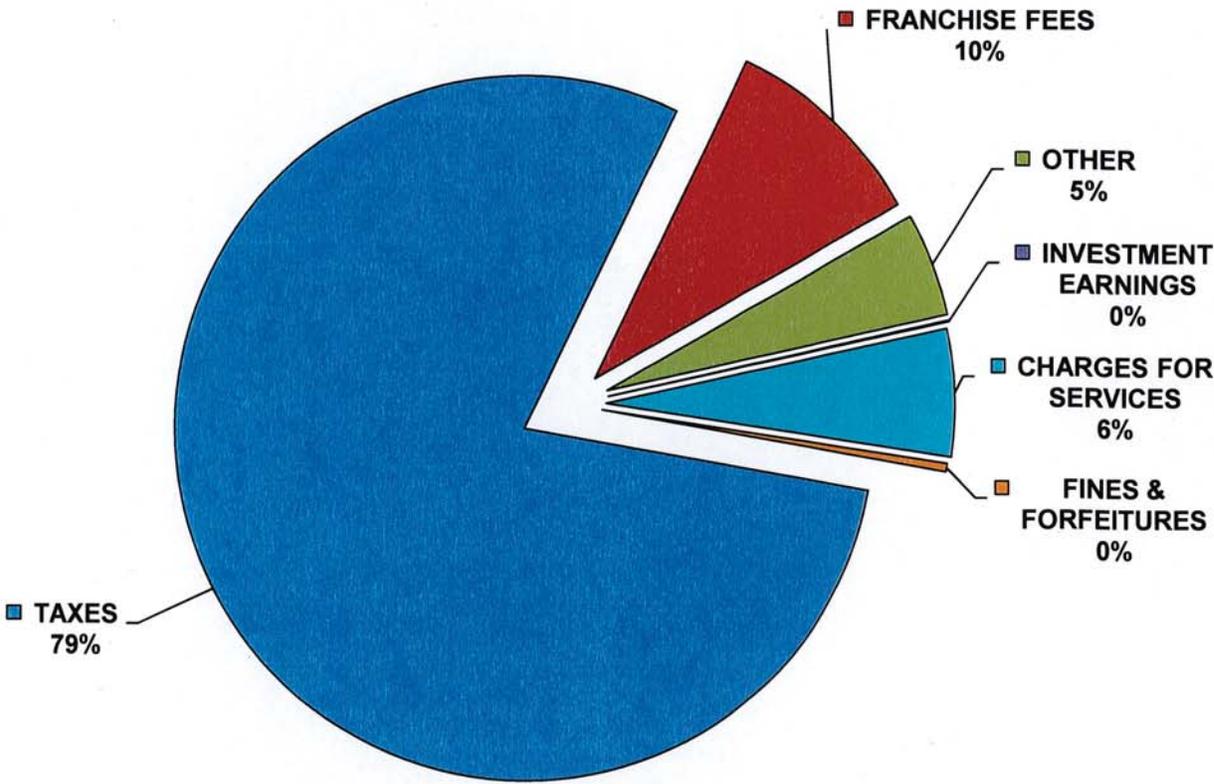
To transfer partial funding for the Granite Creek Bridge Sidewalk Repair project.

AUTHORIZED FUND TRANSFERS
TO BE MADE
BY RESOLUTION OF THE COUNCIL
DURING THE FISCAL YEAR 2015 / 2016

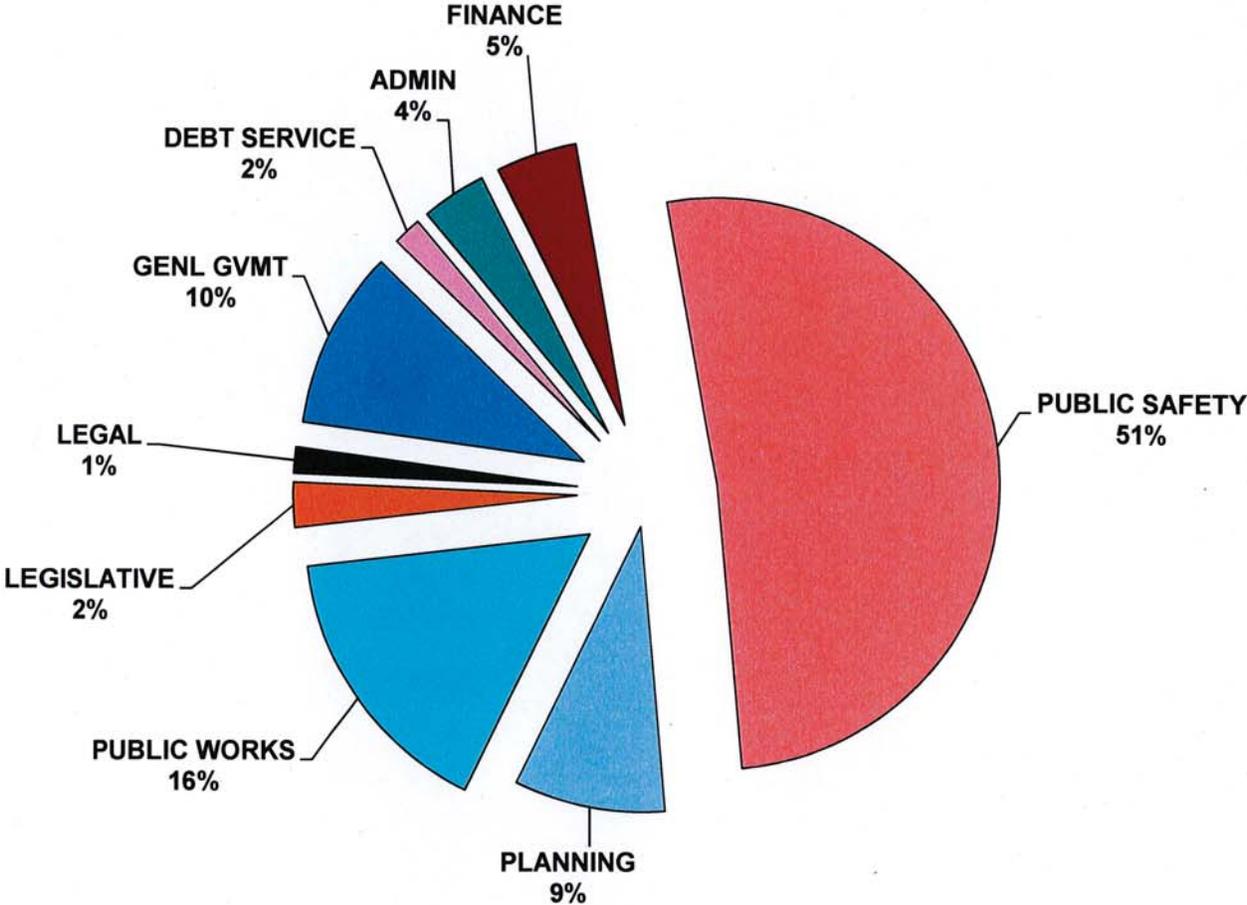
To:	General Facility (21)	\$ 37,500
From:	Gas Tax (3)	25,000
	Wastewater Equip Replacement Reserve (14)	12,500

To transfer partial funding for a backhoe.

**2015 / 2016
GENERAL FUND REVENUES**



2015 / 2016 GENERAL FUND EXPENDITURES



**CITY OF SCOTTS VALLEY
2015 / 2016 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	228,244	211,144	17,100	0	0
42 LEGAL	133,500	0	133,500	0	0
43 GENERAL GOVERNMENT	1,067,226	423,849	262,182	0	381,195
44 ADMINISTRATION	331,383	329,328	2,055	0	0
45 FINANCE	416,593	392,268	24,325	0	0
61 PLANNING	566,500	555,175	11,325	0	0
62 BUILDING	216,453	109,953	106,500	0	0
TOTAL	2,959,899	2,021,717	556,987	0	381,195
<u>PUBLIC SAFETY</u>					
51 POLICE	4,558,150	4,241,070	282,080	5,000	30,000
52 ANIMAL CONTROL	111,199	0	111,199	0	0
53 EMERGENCY SERVICES	71,933	0	1,200	0	70,733
TOTAL	4,741,282	4,241,070	394,479	5,000	100,733
<u>PUBLIC WORKS</u>					
71 ENGINEERING	398,808	280,808	118,000	0	0
72 STREET MAINTENANCE	364,175	242,425	121,750	0	0
73 VEHICLE/EQMT MAINTENANCE	127,262	119,762	7,500	0	0
74 WASTEWATER OPERATIONS	1,821,518	849,206	699,812	42,500	230,000
75 PARK MAINTENANCE	325,394	200,294	125,100	0	0
76 BUILDING MAINTENANCE	213,998	131,108	82,890	0	0
77 RECREATION	1,005,980	744,830	261,150	0	0
TOTAL	4,257,135	2,568,433	1,416,202	42,500	230,000
<u>NON-DEPARTMENTAL</u>					
2 RECYCLING OPERATIONS	58,500	0	58,500	0	0
3 GAS TAX	75,000	0	0	75,000	0
8 TRAFFIC IMPACT MITIGATION	150,000	0	0	150,000	0
9 PARKS AND RECREATION FACILITIES	168,000	0	0	168,000	0
11 TERTIARY TREATMENT PLANT	183,073	51,270	117,803	14,000	0
12 WASTEWATER CAPITAL RESERVE	100,000	0	0	100,000	0
14 WASTEWATER EQMT REPLACEMENT RESERVE	169,600	0	0	169,600	0
21 GENERAL FACILITY	50,000	0	0	50,000	0
26 PENSION OBLIGATION BONDS	444,358	0	0	0	444,358
27 POLICE FACILITY	345,000	0	0	345,000	0
28 SENIOR CENTER OPERATIONS	84,367	47,241	37,126	0	0
33 TREE REPLACEMENT FUND	10,000	0	0	10,000	0
50 PINWOOD EST LNDS CP MAINT DIST	13,500	0	13,500	0	0
77 SKYPARK OPEN SPACE MAINT ASSESSMENT DIST	41,000	0	41,000	0	0
90 SV DRIVE A REDEMPTION	568,645	0	13,000	0	555,645
112 DENTAL INSURANCE	70,000	70,000	0	0	0
123 COMMUNITY FACILITIES CENTER	68,058	29,623	38,435	0	0
150 GENERAL CAPITAL PROJECTS	158,400	0	0	158,400	0
306 SUPPLEMENTAL LAW ENFORCEMENT SERVICES	86,000	0	0	86,000	0
TOTAL	2,843,501	198,134	319,364	1,326,000	1,000,003
GRAND TOTAL	14,801,817	9,029,354	2,687,032	1,373,500	1,711,931

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 DEPARTMENT</u>	<u>2013 / 2014 ACTUAL</u>	<u>2014 / 2015 BUDGET</u>	<u>2014 / 2015 PROJECTED</u>	<u>2015 / 2016 DEPT REQUEST</u>	<u>2015 / 2016 CITY MANAGER PROPOSED</u>
41 LEGISLATIVE / ELECTIONS	244,630	219,929	233,733	228,244	228,244
42 LEGAL	129,484	134,000	133,500	133,500	133,500
43 GENERAL GOVERNMENT	6,027,247	1,254,672	1,105,685	1,067,226	1,067,226
44 ADMINISTRATION	290,116	301,292	304,764	331,383	331,383
45 FINANCE	369,278	370,217	385,663	416,593	416,593
51 POLICE	4,052,080	4,264,298	4,293,351	4,564,650	4,558,150
52 ANIMAL CONTROL	104,250	104,202	106,922	111,199	111,199
53 EMERGENCY SERVICES	67,249	69,117	69,317	71,933	71,933
61 PLANNING	502,034	513,150	543,471	566,500	566,500
62 BUILDING	178,162	129,477	175,761	216,453	216,453
71 PUBLIC WORKS-ENGINEERING	580,542	434,656	476,862	403,308	398,808
72 PUBLIC WORKS-STREET MAINT	393,549	349,903	354,832	365,675	364,175
73 PUBLIC WORKS-VEHICLE/EQMT MAINT	115,582	114,829	133,044	127,262	127,262
75 PUBLIC WORKS-PARK MAINT	244,941	312,291	238,902	325,894	325,394
76 PUBLIC WORKS-BUILDING MAINT	197,323	209,163	215,775	218,998	213,998
<u>TOTAL</u>	<u>13,496,467</u>	<u>8,781,196</u>	<u>8,771,582</u>	<u>9,148,818</u>	<u>9,130,818</u>

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

		2013 / 2014	2014 / 2015	2014 / 2015	2015 / 2016	2015 / 2016
		ACTUAL	BUDGET	PROJECTED	DEPT REQUEST	CITY MANAGER PROPOSED
SALARIES & BENEFITS:						
101	REGULAR WAGES	3,658,304	3,839,920	3,771,129	3,828,535	3,828,535
107	TEMPORARY WAGES	36,165	12,144	19,000	28,350	28,350
109	OVERTIME WAGES	128,589	132,000	132,355	135,000	135,000
202	PARS	451	557	557	557	557
203	FICA	274,838	293,385	289,870	292,709	292,709
204	RETIREMENT	942,938	1,018,755	951,464	1,200,850	1,200,850
205	GROUP INSURANCE	1,320,799	1,314,300	1,508,747	1,571,571	1,571,571
206	WORKERS' COMPENSATION	286,753	221,966	239,763	169,612	169,612
207	UNEMPLOYMENT INSURANCE	16,640	10,000	4,200	10,000	10,000
TOTAL SALARIES & BENEFITS		6,665,477	6,843,027	6,917,085	7,237,184	7,237,184
SERVICES & SUPPLIES:						
208	UNIFORM EXPENSE	23,324	27,750	33,000	27,850	27,850
210	SUPPLEMENTAL SERVICES	165,775	185,000	179,900	180,000	178,000
301	OFFICE EXPENSE	35,905	33,225	33,375	33,425	33,425
302	SPECIAL DEPARTMENT EXPENSE	38,202	32,735	28,685	31,535	30,535
303	SMALL TOOLS & SUPPLIES	16,340	14,975	21,250	14,850	14,850
305	ADVERTISING	115	0	0	0	0
306	COMMUNICATIONS	42,756	50,020	48,420	48,460	48,460
308	RENTS & LEASES	3,990	4,000	5,100	5,100	5,100
310	RECRUITMENT	34,522	20,000	20,000	18,000	15,000
312	PROFESSIONAL/SPECIALIZED SVC	177,722	53,000	95,365	120,000	120,000
313	OTHER CONTRACTUAL SERVICES	290,846	251,852	283,336	334,599	331,599
314	INSURANCE & SURETY BONDS	96,494	117,918	116,145	120,782	120,782
315	MEMBERSHIPS & DUES	19,371	19,035	18,956	19,295	18,795
316	TRAVEL/CONFERENCES/MEETINGS	12,112	13,310	10,760	11,810	11,810
319	ELECTIONS	42,283	15,000	10,650	0	0
322	TRAINING & EDUCATION	33,246	44,750	43,900	52,950	49,450
327	POWER UTILITIES	131,180	95,000	93,000	93,000	93,000
328	WATER UTILITIES	37,533	32,500	25,000	31,500	31,500
349	MISCELLANEOUS	11,891	8,000	8,000	8,000	8,000
401	MAINT OF BLDGS/STRUCT/GRNDS	75,269	73,500	75,251	68,500	65,000
402	MAINT & OPERATION OF EQMT	68,318	64,500	92,040	75,650	79,650
403	MAINT & OPERATION OF VEHICLES	106,595	100,900	98,150	98,900	98,900
404	ROAD MAINTENANCE MATERIALS	15,645	25,500	25,000	25,500	25,000
TOTAL SERVICES & SUPPLIES		1,479,434	1,282,470	1,365,283	1,419,706	1,406,706

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

	<u>2013 / 2014 ACTUAL</u>	<u>2014 / 2015 BUDGET</u>	<u>2014 / 2015 PROJECTED</u>	<u>2015 / 2016 DEPT REQUEST</u>	<u>2015 / 2016 CITY MANAGER PROPOSED</u>
FIXED ASSETS:					
901 LAND	4,200	0	0	0	0
904 IMPROVEMENTS O/T BUILDINGS	10,900	0	0	0	0
908 VEHICLES	10,558	0	0	0	0
910 OFFICE EQMT & FURNITURE	9,279	0	10,265	5,000	5,000
914 COMMUNICATIONS EQUIPMENT	0	0	12,067	0	0
TOTAL FIXED ASSETS	<u>34,937</u>	<u>0</u>	<u>22,332</u>	<u>5,000</u>	<u>5,000</u>
OTHER:					
701 CONTRIBUTIONS	59,635	63,835	65,329	68,539	63,539
705 CONTRIBUTIONS/SOCIAL SERVICE	46,356	46,258	46,258	50,894	50,894
801 RETIREMENT OF PRINCIPAL	4,685,000	350,000	130,000	145,000	145,000
802 INTEREST EXPENSE	220,737	195,606	225,295	222,495	222,495
803 DEBT ISSUANCE COSTS	304,891	0	0	0	0
TOTAL OTHER	<u>5,316,619</u>	<u>655,699</u>	<u>466,882</u>	<u>486,928</u>	<u>481,928</u>
GRAND TOTAL:	<u>13,496,467</u>	<u>8,781,196</u>	<u>8,771,582</u>	<u>9,148,818</u>	<u>9,130,818</u>

CITY OF SCOTTS VALLEY

2015 / 2016 PERSONNEL DETAIL SUMMARY

DEPARTMENT	2011 / 12	2012 / 13	2013 / 14	2014 / 15	2015 / 16	POSITIONS FROZEN
					CITY MANAGER PROPOSED	
LEGISLATIVE	5.50	5.50	5.50	5.50	5.50	
ADMINISTRATION	1.20	1.60	1.60	1.60	1.60	0.10
FINANCE	4.75	4.75	4.75	4.75	4.75	1.40
POLICE	30.00	30.00	30.00	30.00	30.00	2.00
PLANNING	3.40	4.50	4.50	4.50	3.50	
BUILDING	1.41	2.41	2.41	1.75	1.75	0.75
ENGINEERING	3.00	3.30	3.30	3.30	3.30	
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	8.05	7.05	
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	2.00
REDEVELOPMENT AGENCY	1.25	0.00	0.00	0.00	0.00	
AFFORDABLE HOUSING	0.55	0.00	0.00	0.00	0.00	
TOTAL	74.41	75.41	75.41	75.45	73.45	8.25

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
Secretary I	0.75
Network Systems Specialist	0.50
Senior Recreation Specialist	1.00
Senior Center Coordinator	1.00
Maintenance Division Manager	1.00
Maintenance Worker I	1.00
Total Full-Time Equivalent Positions	<u>8.25</u>