




MEETING DATE: 6/06/05
ITEM NO. 11

COUNCIL/AGENCY AGENDA REPORT

DATE: June 6, 2005

TO: MAYOR AND TOWN COUNCIL/
CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

FROM: TOWN MANAGER/EXECUTIVE DIRECTOR 


SUBJECT: ADOPT RESOLUTIONS APPROVING THE TOWN AND
REDEVELOPMENT AGENCIES FISCAL YEAR 2005/06 OPERATING
BUDGET, CAPITAL IMPROVEMENT PLAN FOR FISCAL YEAR 2005-10,
CARRY-FORWARD APPROPRIATIONS, AND OTHER APPROVED
ADJUSTMENTS AND MINOR CORRECTIONS

RECOMMENDATION:

1. Adopt resolution approving the 2005/06 Operating and Capital Summary Budget and the FY 2005-2010 Capital Improvement Plan for the Town of Los Gatos, directing staff to incorporate within the final adopted budget any changes related to any Council approved meet and confer process and/or any management compensation plan amendments, minor corrections due to more refined budgetary estimates or additional Town Council direction received by staff upon adoption of the budget (if any), and authorized carry-forward appropriations.
2. Adopt resolution approving the 2005/06 Operating and Capital Summary Budget and the FY 2005-2010 Capital Improvement Plan for the Redevelopment Agency of Los Gatos, directing staff to incorporate within the final adopted budget any changes related to any Council approved meet and confer process and/or any management compensation plan amendments, minor corrections due to more refined budgetary estimates or additional Agency Board Member direction received by staff upon adoption of the budget (if any), and authorized carry-forward appropriations.


PREPARED BY: STEPHEN CONWAY
Finance & Administrative Services Director

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Reviewed by: _____ Assistant Town Manager  Town Attorney _____ Clerk SC Finance
_____ Community Development Revised: 6/2/05 4:38 pm

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MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT RESOLUTION APPROVING THE 2005/06 OPERATING/CAPITAL
BUDGET

JUNE 6, 2005

BACKGROUND:

A public hearing was held on the 2005-2010 Capital Improvement Plan, the Redevelopment Agency Operating & Capital Budget, and the Town's Operating Budget on May 16, 2005. Staff received additional direction and feedback from Council regarding the Proposed Budget for FY 2005/06. The proposed changes to date received from Council have been incorporated into the revised FY 2005/06 Proposed Budget. The Council changes are discussed in the following pages. There are also some recommended adjustments to the Proposed budget being suggested by staff as detailed in the following discussion. Any additional minor corrections and changes directed by the Town Council upon adoption of the budget can be incorporated into the final authorized budget as provided for in the adopted Budget Resolution.

DISCUSSION:

The table below presents summary fund information reflecting the proposed FY 2005/06 revenues and other sources and expenditures reviewed by Town Council on May 16, 2005.

TOWN OF LOS GATOS REVENUES AND OTHER FUNDING SOURCES ALL FUNDS	FY 2005/06 Proposed Budget	FY 2005/06 Proposed Adjustments	FY 2005/06 Recommended Budget
General Fund	\$ 26,110,250	\$ 176,000	\$ 26,286,250
Special Revenue Funds	1,966,561		1,966,561
Internal Service Funds	3,920,220		3,920,220
Trust & Agency Funds	188,240		188,240
Capital Project Funds	2,755,692	(25,000)	2,730,692
RDA Funds	5,489,900		5,489,900
Total Town Revenues and Transfers In	40,430,863	151,000	40,581,863
Plus Reserve Funding			
Capital Project GFAR Fund Balance Carryforward	1,547,250		1,547,250
Capital Project RDA Fund Balance Carryforward	1,956,924		1,956,924
GF Reserve for State Budget	480,000		480,000
Total Revenues, Transfers In, & Reserve Funding	44,415,037	151,000	44,566,037
EXPENDITURES AND OTHER FUNDING USES			
Town Expenditures, Transfers Out, and Use of Reserves			
General Fund	26,640,065	180,212	26,820,277
Special Revenue Funds	2,176,121		2,176,121
Internal Service Funds	4,337,780		4,337,780
Trust & Agency Funds	219,840		219,840
Capital Project Funds	4,251,542	(18,100)	4,233,442
RDA Funds	6,673,784		6,673,784
Total Town Expenditures, Transfers Out, & Use of Reserves	44,299,132	162,112	44,461,244
Total Sources Over Uses of Funds	\$ 115,905	\$ (11,112)	\$ 104,793

The revised revenue estimate reflects staff's recommendation to increase operating grant revenues \$176,000 in recognition of Town's share of the new statewide 911 fees collected by the State, which is expected to be available in calendar year 2005.

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MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT RESOLUTION APPROVING THE 2005/06 OPERATING/CAPITAL
BUDGET

JUNE 6, 2005

The revised proposed Town and RDA Recommended Budget for FY 2005/06 is balanced with total revenues and other funding sources of \$44,566,037 versus total operating and capital expenditures of \$44,461,244. As demonstrated in the Financial Summaries Total Budgeted Fund Activity Summary (Page C-23), the Town's RDA Capital Projects and Debt Service Funds have sufficient fund balance projected to be available to cover any operating revenue shortfall as a result of the proposed FY 2005/06 State ERAF payment (currently estimated at approximately \$303,000). Per accounting principles, "reserves" are not classified as revenues; instead they are shown as "Reserve Funding" in the table above.

Recap of Suggested Revisions to Proposed FY 2005/06 Budget:

Council Approved/Directed Modifications:

Wildlife Center Funding for FY 2005/06

The final budget includes \$4,212 in funding from the Town's Non-Departmental program for support of the Wildlife Center. Funding for this program was previously included in the Silicon Valley Animal Control Authority (SVACA) annual budget. With the Town no longer participating in this agency, a separate budget item providing Town support was necessary. This allocation will be re-evaluated prior to the next budget cycle in light of the Town's Animal Control Services contract with the City of San Jose.

50/50 Sidewalk Cost Sharing Program

There is no cost sharing program proposed for the adopted budget until staff receives Council direction regarding its implementation. As part of the discussion of the FY 2005-10 Capital Improvement Plan, staff presented preliminary recommendations regarding the feasibility of a cost sharing plan with Town property owners for annual sidewalk repairs and maintenance. Various aspects of the program were discussed with Council, including the potential to reduce Town liability costs related to trip and fall claims, potential caps or limits on out-of-pocket costs paid by the property owner, exemptions for qualifying low income owners, etc. Council indicated interest in further discussing the policy issues associated with this program, and asked to continue the discussion after a public hearing is held at later date.

Holiday Tree Lighting

At the public hearing held on May 16, 2005, Council expressed a desire to ensure that the holiday tree lighting replacement project was funded at a sufficient level to enhance the current amount of lighting on the tree. The adopted budget for FY 2005/06 includes a Town Beautification project which the Town Manager recommends as the source for funding improvements to the holiday tree lighting. Staff believes there are sufficient funds available in this project to fund the estimated costs of improvements. Staff will be determining the amount of funding needed to replace and enhance the existing lights on the holiday tree. The proposed allocation of the Town Beautification project funding will be presented to Council before expenditure of project funds in the coming months.

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MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT RESOLUTION APPROVING THE 2005/06 OPERATING/CAPITAL
BUDGET

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Grant Revenues Received Historically by the Town for Capital Improvements

Council requested information on the total amounts the Town has leveraged from grant funding sources on Town projects in the recent past. Staff is pleased to note that in the past five years including FY 2004/05 the Town has received approval for grant funding totaling approximately \$1,150,000. Of this amount, nearly \$870,000 has been paid out to the Town. The remaining balance is expected to be received as soon as the granting agency reviews and audits the qualifying project expenditures.

Staff Recommended Modifications to the Proposed FY 2005/06 Budget

Police Grant from Statewide 911 Fee (\$176,000)

The recommended FY 2005/06 budget has been revised to include a \$176,000 increase to the Police Department's "Pass Through" program. This action is necessary to recognize the Town's local share of the State's 911 surcharge fee for calendar year 2005. The local share of the state 911 surcharge is dedicated for funding local equipment upgrades and other eligible costs such as networks, databases, public safety answering point equipment, among other eligible uses.

West Valley Dog Park (\$25,000)

The final capital improvement budget includes a proposed use of \$25,000 in GFAR funds for the Town's contribution to the West Valley Dog Park. The GFAR funds were recommended by staff to replace the grant funds that were originally anticipated to be available, but for which funding approval was not obtained from the State.

Gas Tax CIP Carry Forward Correction (-\$18,100)

The Gas Tax Funds funding source portion of the Curbs, Gutter, and Sidewalks project was decreased by \$18,100 to adjust the carryforward balances available for funding this project in FY 2005/06. The revised estimate was necessary based on revised current year estimated expenditures of gas tax for curb, gutter and sidewalk activity.

Other Pending Budget Issues

The Governor's May Revised Budget was released on Friday, May 13, 2005. The Governor's May Revised budget includes additional revenue proposals that staff has not incorporated into the recommended FY 2005/06 adopted budget at this time. Specifically, the Governor's May Revised budget includes allocations for the following revenues:

- Proposition 42- Gasoline taxes paid under Proposition 42 are proposed by the Governor to be appropriated to fund transportation in FY 2005/06. In recent years these monies were used to balance the State's General Fund deficit. If appropriated at full authorized funding, the Town's local share for local street and road maintenance FY 2005/06 is estimated to be approximately \$120,000.



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- Vehicle License Fees (VLF) Gap Backfill. The State used approximately \$490,000 to of VLF revenues collected by the State and due to the Town to balance the state budget in FY 2003/04. The State promised to repay this "loan" in FY 2006/07. The May Revised budget has called for an accelerated repayment of one-half of the amount due to the Town.
- Community Oriented Policing (COPS) Grant. Based on the Governor's January 2005 Budget, the Town reduced this funding source by two-thirds. The Governor's May Revised does not appear to address this issue specifically, but developments at the State lead staff to be cautiously optimistic that the funding may be restored to the \$200,000 level received in FY 2004/05.

Staff anticipates incorporating any new revenues at mid-year once the State's final budget bill is approved by the Governor and the legislature.

Carry-Forwards:

Encumbered Items Outstanding at June 30, 2005

Town policy is that unexpended encumbered funds lapse at the end of the fiscal year. Town policy also provides that valid encumbrances that are open at the end of the fiscal year may be carried forward to the following fiscal year and re-appropriated from the encumbrance reserve dollars set aside upon the close of the prior fiscal year. Because of the need to reduce expenditures, the majority of these encumbrances will either be closed out during the year-end process or paid in full by the time of the final fiscal year close-out and will not be carried forward to FY2005/06. Capital Project Fund appropriations are carried forward to the following fiscal year until the projects are completed.

On an exception basis, and only upon Town Manager's Office approval, some valid outstanding encumbrances or unspent appropriated balances from the prior year are allowed to carry forward at the close of year-end 2005. These amounts will be reserved in their respective funds at year end. The designated reserve will provide the funding source to be used in FY 2005/06.

Non-Encumbered Items

In addition to the open encumbrances outstanding at year-end, staff is proposing to bring forward remaining FY 2004/05 appropriations for unexpended balances in its grant funded operating projects. Grants provide matching revenues for expenditures and often span two or three fiscal years in their program or project implementation.

Final Adopted Budget Changes FY 2005/06

The resolution adopting the FY 2005/06 recommended budget directs staff to include changes resulting from any future meet and confer processes or minor corrections or changes in accounting estimates that will cause the final published budget to differ slightly from what is presented for adoption. Other minor adjustments as authorized by Town Council on June 6th will be incorporated

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MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT RESOLUTION APPROVING THE 2005/06 OPERATING/CAPITAL
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JUNE 6, 2005

within the final published budget document thereby not requiring a second adoption of the annual budget. The FY 2005/06 Recommended Budget includes staffing levels for each department as expressed by classification, full-time equivalent positions, and temporary staff hours. This reflects the authorized budgeted staff levels for 2005/06.

Personnel Impacts:

Personnel reductions in FTEs as identified in the Town's FY 2005/06 Proposed Budget continue to be recommended to align operating revenue and expenditures and continue to be scheduled for implementation on or about July 30, 2005.

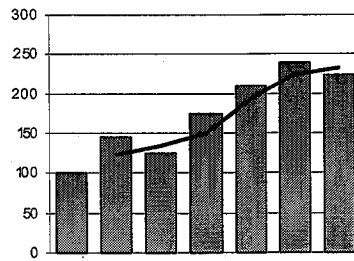
FISCAL IMPACT

The fiscal impacts to the Town and Redevelopment Agency's FY 2005/06 budget, including the proposed revisions discussed earlier, are provided in the Financial Summaries section of the budget document including estimates of Fund Reserves at June 30, 2005.

As stated by staff at the public hearing on May 16, 2005, the Town will continue to monitor the local economy and developments at the State regarding the budget crisis and its associated impacts to the Town and RDA's adopted FY 2005/06 budgets. It is currently anticipated that staff will bring forward any further adjustments necessary in the Town's mid year budget review. These adjustments may include some further actions necessary to align operating revenues with expenditures, however staff cannot determine at this time whether or not these will be required.

Attachments:

1. Financial Summaries -Total Revenues and Expenditures All Funds FY 2005/06
2. Resolution Approving Town FY 2005/06 Operating and FY 2004-2009 Capital Budget
3. Resolution Approving FY 2005/06 Redevelopment Agency Operating and FY 2004-2009 Capital Budget



FINANCIAL SUMMARIES

Total Revenues and Expenditures

Summary schedules which provide a high level overview of the entire Town budget, in a fund-type summary, as well as by fund-specific and category-specific summary levels.

Total Budgeted Fund Activity	C – 3
Total Revenue, Expenditure, and Fund Balance Trend Information.....	C – 4
Total Town and RDA Revenues – by Fund	C – 6
Total Town and RDA Expenditures – by Fund.....	C – 8
Total Town and RDA Revenues – by Category	C – 10
Total Town and RDA Expenditures – by Category	C – 11

General Fund Revenues and Expenditures

Summary schedules which identify the Town's General Fund operating sources and uses at the department and category levels. The Fund Balance Activity summarizes the General Fund sources and uses which impact the resulting ending fund balance.

General Fund Revenues – by Department	C – 12
General Fund Expenditures – by Department	C – 13
General Fund Revenues – by Category	C – 14
General Fund Expenditures – by Category.....	C – 16
General Fund Tax Revenues per Capita – Cities of Santa Clara County	C – 18
General Fund Tax Revenues – 10 Year History of Key Tax Revenues	C – 19
General Fund – Fund Balance Activity.....	C – 20

Operating Transfers

A schedule summarizing activity by fund, of estimated fund transfers for the prior year and budgeted for the adopted fiscal year.

Schedule of Interfund Transfers	C – 21
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Fund Balance

Fund Balance schedules, one which summarizes activity and ending fund balances to provide a quick look at the ongoing status of the individual funds, and another which provides a 5 year trend.

Fund Balance Activity Summary – by Fund	C – 22
5 Year Comparative Fund Balance – by Fund	C – 24

FINANCIAL SUMMARIES

Attachment 1

Departmental Budgets

Department level schedules which provide an overview of funding source and expenditure use, by each program within the department.

Department Revenues – by Program	C – 26
Department Expenditures – by Program	C – 28

Staffing

The labor position schedules provide a summary level view of operational staffing assignments, funding, and trends. The Personnel Changes Summary discusses staffing levels and labor costs in more detail.

Summary of Positions – by Fund	C – 30
Summary of Positions – by Department.....	C – 31
5 Year Staffing Trend – by Department	C – 32
Personnel Changes Summary (not yet updated).....	C – 33
Positions by Assigned Department	C – 38

Attachment 1

TOTAL BUDGETED FUND ACTIVITY SUMMARY FY 2005/06

Fund Category	Estimated Fund Balance 7/1/05	Revenues, PY Carryfwrds and Transfers In	Expenditures, Use of FB and Transfers Out	Estimated Fund Balance 6/30/06	Fund Balance Change From PY
Operating Funds					
General Fund	\$ 11,419,326	\$ 26,286,250	\$ 26,820,277	\$ 10,885,299	(4.7%)
Parking Management Program	-	577,250	577,250	-	0.0%
Solid Waste	201,909	381,420	389,300	194,029	(3.9%)
Community Dev Block Grant	1,132,484	191,421	391,421	932,484	(17.7%)
Non-Point Source	157,527	176,330	176,330	157,527	0.0%
Sewer Maintenance	-	601,120	601,120	-	0.0%
Assessment Districts	64,616	39,020	40,700	62,936	(2.6%)
Special Revenue Grants	-	-	-	-	0.0%
Equipment Replacement Fund	3,337,767	430,700	240,600	3,527,867	5.7%
Workers Comp Self Insurance	1,754,500	601,420	664,680	1,691,240	(3.6%)
ABAG Self Insurance	1,803,864	492,600	549,750	1,746,714	(3.2%)
Office Stores Fund	233,653	86,000	86,000	233,653	0.0%
Mgmt Information Systems	2,318,082	805,600	1,293,900	1,829,782	(21.1%)
Vehicle Maintenance	126,412	512,900	512,900	126,412	0.0%
Building Maintenance	514,831	991,000	989,950	515,881	0.2%
Total Operating Funds	\$ 23,064,969	\$ 32,173,031	\$ 33,334,178	\$ 21,903,822	(5.0%)
Trust & Agency Funds					
Library Trust Funds	\$ 305,846	\$ 32,800	\$ 71,300	\$ 267,346	(12.6%)
Parking District Agency Fund	309,442	155,440	148,540	316,342	2.2%
Total Trust & Agency Funds	615,288	188,240	219,840	583,688	(5.1%)
Capital Funds					
GFAR	\$ 3,450,723	\$ 245,000	\$ 1,150,575	\$ 2,545,148	(26.2%)
Traffic Mitigation Fund	40,704	180,000	70,000	150,704	270.2%
Grant Funded CIP Projects	35,403	1,627,692	1,627,692	35,403	0.0%
Storm Drain Funds	903,573	139,000	415,000	627,573	(30.5%)
Construction Tax Fund	1,958,570	95,000	-	2,053,570	4.9%
Gas Tax Fund	815,939	444,000	970,175	289,764	(64.5%)
Total Capital Funds	\$ 7,204,911	\$ 2,730,692	\$ 4,233,442	\$ 5,702,161	(20.9%)
Redevelopment Agency Funds					
Capital Projects	\$ 3,264,877	50,000	2,580,124	\$ 734,753	(77.5%)
Debt Service	4,074,960	4,336,440	3,785,240	4,626,160	13.5%
Low/Moderate Housing Program	4,202,639	1,103,460	308,420	4,997,679	18.9%
Total Redevelopment Funds	\$ 11,542,476	\$ 5,489,900	\$ 6,673,784	\$ 10,358,592	(10.3%)
TOTAL ALL FUNDS	\$ 42,427,644	\$ 40,581,863	\$ 44,461,244	\$ 38,548,263	(9.1%)

This Total Budget Fund Activity Summary schedule groups the Town's funds into four categories based on fund purpose:

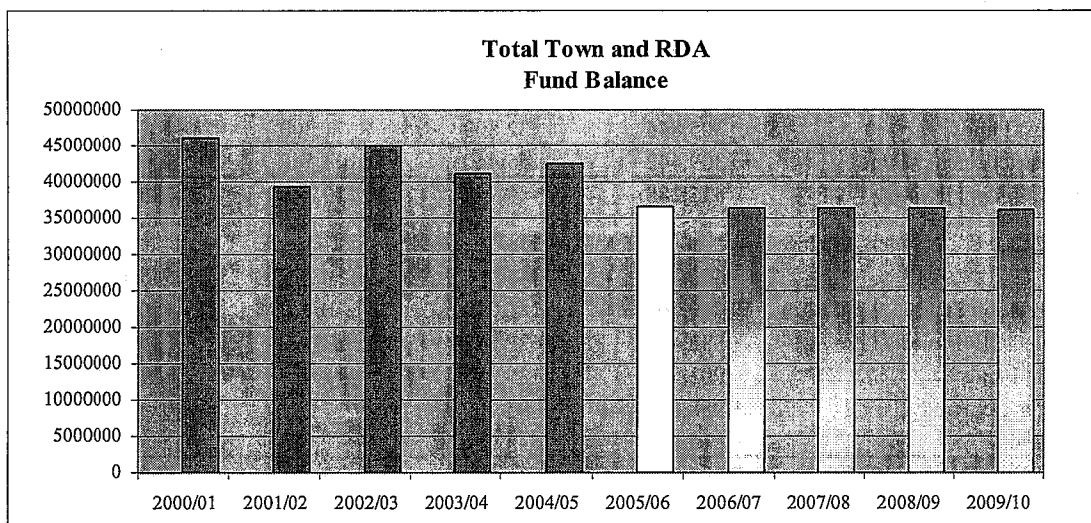
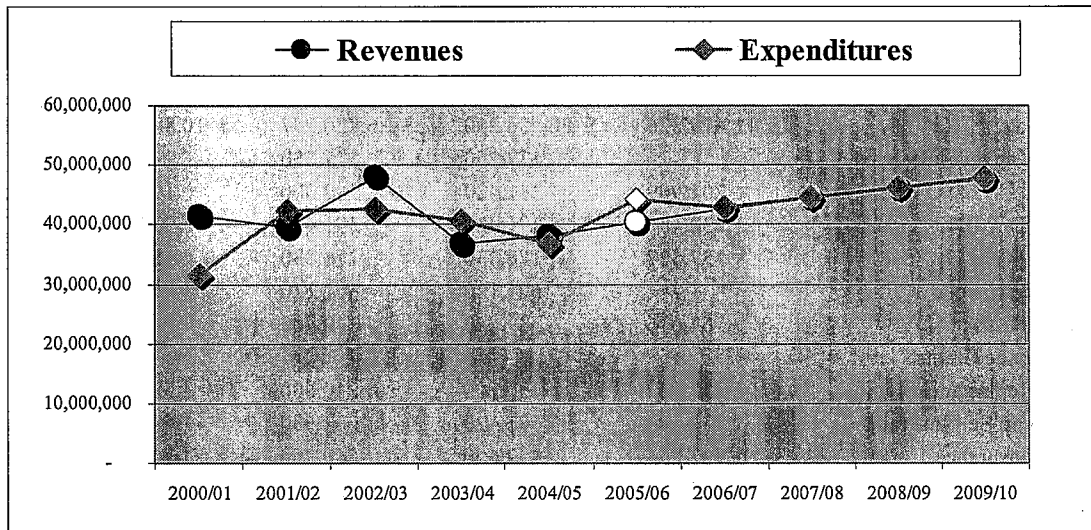
Operating Funds - Ongoing operations are funded out of the various Operating Funds. This includes the Town's General Fund departmental program operations, as well as special revenue activities and internal service functions.

Trust & Agency Funds - These funds are held in a fiduciary capacity, with little variation in activity. The Parking District Fund facilitates a debt service function, and the Library Trusts are held for special uses for the Library.

Capital Funds - Representing the capital improvement program activity, the Capital Funds reflect the significant progress made in the ongoing push in the capital program to complete projects, and the resulting decrease in fund balances.

Redevelopment Agency Funds - The RDA is financially external to the Town, however is included in the Town's budget to reflect the integral association between the two agencies. These funds represent the three functions of the RDA: the capital program to enhance the project area, the financing aspect of the Agency, and the affordable housing element of the program.

TOTAL TOWN and RDA Revenue, Expenditure, & Fund Balance Trend Information



Current year budget projection shown in white, future year projections in lighter shades.

Year End	Reference	Revenues and Transfers In	Expenditures and Transfers Out	Fund Balance
2000/01	Actuals	41,591,489	31,397,545	\$ 46,025,269
2001/02	Actuals	39,588,532	42,259,090	\$ 39,285,237
2002/03	Actuals	48,158,229	42,448,325	\$ 44,995,139
2003/04	Actuals	36,878,440	40,696,341	\$ 41,177,233
2004/05	Estimated	38,041,552	36,791,140	\$ 42,427,644
2005/06	Budgeted	40,581,863	44,461,244	\$ 38,548,264
2006/07	Projected	42,654,218	43,006,218	\$ 38,196,264
2007/08	Projected	44,793,939	44,610,722	\$ 38,379,482
2008/09	Projected	46,203,256	46,277,090	\$ 38,305,648
2009/10	Projected	47,657,473	48,007,753	\$ 37,955,368

Expenditures and Transfers Out exceed Revenues and Transfers In due to the inclusion of CIP and RDA Capital Project carryforwards which are re- appropriated each following years until the project is completed.

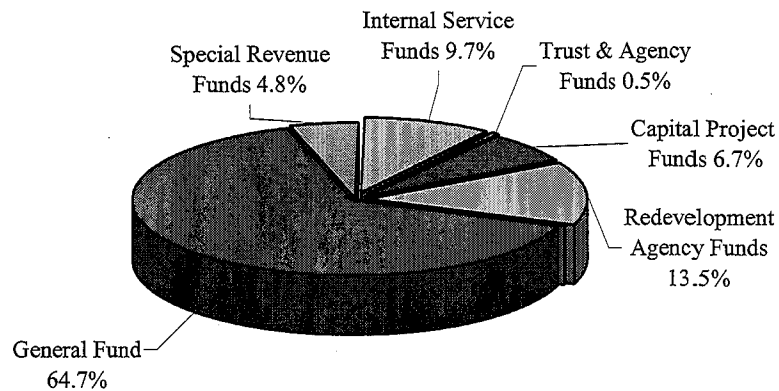
**TOTAL TOWN and RDA
Revenue, Expenditure, & Fund Balance Trend Information**

NOT YET UPDATED

TOTAL TOWN and RDA REVENUES
By Fund
(Includes Transfers In)

Fund	Fund Name	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted	% Change
General Funds							
100	General Fund	\$23,991,783	23,090,932	24,554,592	\$25,457,900	\$26,286,250	5.9%
Special Revenue Funds							
207	Parking Management	792,217	765,879	669,750	649,550	577,250	(15.5%)
210	Solid Waste Management	93,105	150,981	149,585	151,460	381,420	60.7%
218	HCD Housing Rehabilitation	44,747	109,369	10,000	146,800	10,000	(77.7%)
219	HCD-Community Block Grant	241,273	124,805	125,416	161,910	181,421	(48.0%)
220	Urban Run-Off Program	153,323	169,955	158,570	158,567	176,330	3.4%
230	Sewer Maintenance	625,270	590,316	543,590	511,780	601,120	(13.1%)
270	Special Revenue Grants	44,773	48,311	9,496	19,645	-	(78.8%)
Assessment Districts							
250	Blackwell District	3,290	3,292	3,260	3,200	3,200	(0.9%)
251	Kennedy Meadows District	10,325	10,325	10,315	10,360	10,355	(0.1%)
252	Gemini Court District	4,272	4,252	4,240	4,220	4,220	(0.7%)
253	Santa Rosa Heights District	9,500	9,277	9,300	9,270	9,200	(2.1%)
254	Vasona Heights District	10,193	10,090	10,095	9,990	9,985	(1.0%)
255	Hillbrook District	2,468	2,145	2,240	2,050	2,060	(9.2%)
256	Arroyo Del Rancho	-	-	4,600	-	-	-%
Internal Service Funds							
601	Equipment Replacement Fund	\$ 540,425	484,750	442,165	\$ 442,170	\$ 430,700	(18.2%)
610	Worker's Comp Self Insurance	509,431	498,308	575,515	574,020	601,420	13.0%
620	Self Insurance Fund	780,168	636,062	472,200	472,200	492,600	(39.5%)
680	Office Stores Fund	91,421	117,466	92,000	82,500	86,000	0.6%
685	Management Information Systems	772,360	832,881	755,300	793,000	805,600	(2.2%)
690	Vehicle Maintenance Fund	539,000	515,090	459,100	469,100	512,900	(14.8%)
695	Building Maintenance Fund	1,048,703	1,096,212	1,028,400	988,120	991,000	(1.9%)
Trust & Agency Funds							
710	Library Trust	\$ 40,924	\$ 99,367	13,700	16,650	19,500	(66.5%)
711	Ness Trust Bequest	4,420	3,500	3,000	3,000	3,000	(32.1%)
712	Hooked on History Project	-	-	-	72,150	10,300	-%
724	Parking District #88	156,745	157,352	157,308	157,310	155,440	0.4%
Capital Project Funds							
400	GFAR	\$ 794,061	594,170	156,500	194,160	245,000	(80.3%)
405	Traffic Mitigation	-	-	5,000	70,000	180,000	-%
410	Grant Funded CIP Projects	188,792	588,097	805,000	423,160	684,814	619.0%
461	Storm Drain #1	72,162	50,595	61,000	86,000	76,000	(15.5%)
462	Storm Drain #2	43,579	48,467	57,200	41,000	41,000	31.3%
463	Storm Drain #3	8,782	25,221	14,200	21,500	22,000	61.7%
474	Construction Utility Underground	92,573	103,886	102,000	85,000	95,000	10.2%
480	Gas Tax - Street & Signal	579,472	567,889	442,000	444,000	444,000	(23.7%)
Redevelopment Agency Funds							
930	RDA - Capital Project Funds	\$11,310,575	93,489	590,750	591,020	50,000	(94.8%)
950	RDA - Debt Service Fund	3,598,993	4,329,626	3,360,970	3,665,010	4,336,440	(6.6%)
960	RDA - Low / Moderate Housing	959,112	946,082	972,165	1,053,780	1,103,460	1.4%
Total Fund Revenues and Transfers-In		\$48,158,236	\$36,878,440	\$36,830,522	\$38,041,552	\$39,638,985	7.6%
Plus Estimated PY Carryforward Grant Revenue for Capital Projects						942,878	
Total Fund Revenues, Transfers-In, and Prior Year Carryforwards						\$40,581,863	
Plus Use of Reserve for State ERAF Take						480,000	
Plus Estimated Use of Town Fund Balance for Capital Projects						1,547,250	
Plus Estimated Use of RDA Fund Balance for Capital Projects						1,956,924	
Total Fund Revenues, Transfers-In, Prior Year Carryforwards, and Use of Fund Balance						\$44,566,037	

TOTAL TOWN and RDA REVENUES By Fund



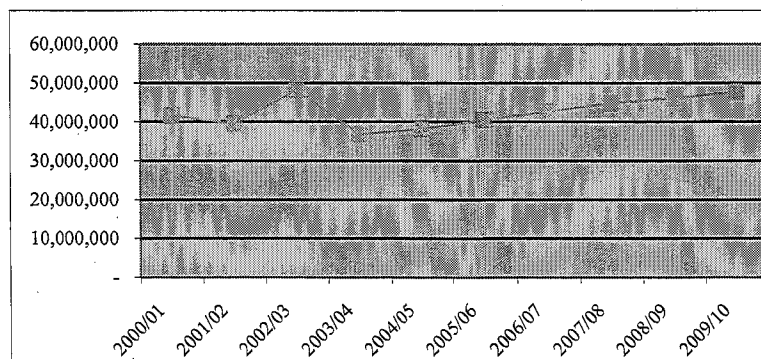
FY 2005/06 Revenues by Fund

	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted	% of Total
General Fund	\$23,991,783	\$23,090,932	\$24,554,592	\$25,457,900	\$26,286,250	64.7%
Special Revenue Funds	2,034,753	1,998,997	1,710,457	1,838,802	1,966,561	4.8%
Internal Service Funds	4,281,508	4,180,769	3,824,680	3,821,110	3,920,220	9.7%
Trust & Agency Funds	202,089	260,219	174,008	249,110	188,240	0.5%
Capital Project Funds	1,779,417	1,978,326	1,642,900	1,364,820	2,730,692	6.7%
Redevelopment Agency Funds	15,868,679	5,369,197	4,923,885	5,309,810	5,489,900	13.5%
Total Revenues & Transfers	\$48,158,229	\$36,878,440	\$36,830,522	\$38,041,552	\$40,581,863	100.0%

TOWN and RDA REVENUE HISTORICAL TREND

(Includes Transfers In)

FY	Total	Status
2000/01	41,591,489	Actuals
2001/02	39,588,532	Actuals
2002/03	48,158,229	Actuals
2003/04	36,878,440	Actuals
2004/05	38,041,552	Estimated
2005/06	40,581,863	Adopted
2006/07	42,654,218	Projected
2007/08	44,793,939	Projected
2008/09	46,203,256	Projected
2009/10	47,657,473	Projected

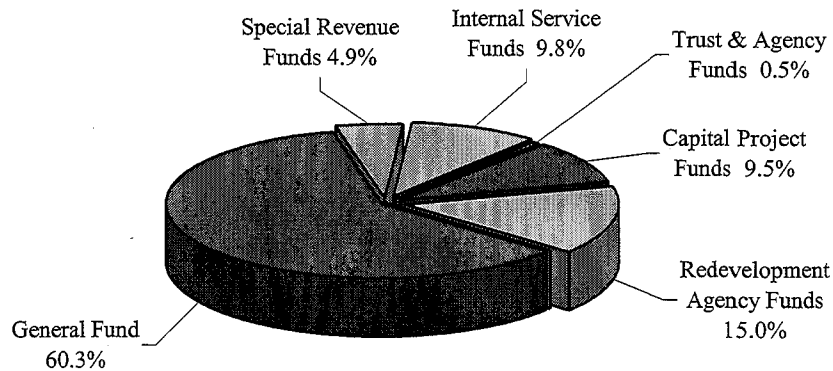


Note - The FY 2002/03 revenue spike reflects reimbursement proceeds from the issuance of the Redevelopment Agency's 2002 \$10.725 million COP Bond Issue. FY's 2003/04, 2004/05, and 2005/06 drop in revenues reflects State ERAF takes. Future year estimates reflect conservative 2 - 3% projected growth rates.

TOTAL TOWN and RDA EXPENDITURES
By Fund
(Includes Transfers Out)

Fund	Fund Name	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted	% Change
General Funds							
100	General Fund	\$23,570,544	\$23,354,037	\$25,174,742	\$24,655,180	\$26,820,277	6.5%
Special Revenue Funds							
207	Parking Management	792,217	765,879	669,750	649,550	577,250	(13.8%)
210	Solid Waste Management	172,988	184,517	331,738	268,660	389,300	17.4%
218	HCD Housing Rehabilitation	14,527	269,888	211,300	28,590	210,000	(0.6%)
219	HCD-Community Block Grant	241,273	124,083	125,416	162,630	181,421	44.7%
220	Urban Run-Off Program	165,719	214,828	158,570	171,060	176,330	11.2%
230	Sewer Maintenance	625,270	590,316	543,590	511,780	601,120	10.6%
270	Special Revenue Grants	136,575	121,872	42,535	41,692	-	(100.0%)
Assessment Districts							
250	Blackwell District	3,067	3,657	3,672	3,670	3,670	(0.1%)
251	Kennedy Meadows District	12,566	6,329	11,099	11,100	7,100	(36.0%)
252	Gemini Court District	4,037	4,644	4,882	4,860	4,860	(0.5%)
253	Santa Rosa Heights District	6,095	6,522	7,221	7,220	7,220	(0.0%)
254	Vasona Heights District	21,626	13,824	14,996	15,000	12,000	(20.0%)
255	Hillbrook District	4,797	6,482	5,843	5,850	5,850	0.1%
256	Arroyo Del Rancho	18,215	8,462	5,000	8,500	-	(100.0%)
Internal Service Funds							
601	Equipment Replacement Fund	\$ 818,985	420,794	1,013,940	373,130	240,600	(76.3%)
610	Worker's Comp Self Insurance	663,396	776,762	696,024	538,610	664,680	(4.5%)
620	Self Insurance Fund	507,537	944,733	591,100	490,370	549,750	(7.0%)
680	Office Stores Fund	89,987	93,965	92,000	67,100	86,000	(6.5%)
685	Management Information Systems	702,962	503,099	1,211,900	700,500	1,293,900	6.8%
690	Vehicle Maintenance Fund	513,098	416,871	459,245	508,500	512,900	11.7%
695	Building Maintenance Fund	940,074	838,363	1,028,530	1,224,100	989,950	(3.8%)
Trust & Agency Funds							
710	Library Trust	\$ 38,750	\$ 53,218	\$ 17,500	\$ 13,970	\$ 12,000	(31.4%)
711	Ness Trust Bequest	-	-	-	-	-	- %
712	Hooked on History Project	-	-	-	21,360	59,300	- %
724	Parking District #88	148,562	148,629	149,265	149,170	148,540	(0.5%)
Capital Project Funds							
400	GFAR	\$ 2,906,951	2,776,178	1,606,467	746,040	342,500	(78.7%)
405	Traffic Mitigation	99,130	61,366	50,000	70,000	70,000	40.0%
410	Grant Funded CIP Projects	296,743	464,454	1,551,035	423,160	684,814	(55.8%)
461	Storm Drain #1	-	106,725	27,574	25,240	-	(100.0%)
462	Storm Drain #2	-	-	100,000	-	100,000	0.0%
463	Storm Drain #3	-	-	-	-	-	- %
474	Construction Utility Underground	-	-	-	-	-	- %
480	Gas Tax - Street & Signal	1,119,995	637,644	550,475	126,300	546,000	(0.8%)
Redevelopment Agency Funds							
930	RDA - Capital Project Funds	\$ 4,799,556	2,800,516	2,850,752	826,528	623,200	(78.1%)
950	RDA - Debt Service Fund	2,629,982	3,735,768	3,518,184	3,734,480	3,785,240	7.6%
960	RDA - Low / Moderate Housing	383,105	241,916	261,650	207,240	308,420	17.9%
Total Operating Expenditures by Fund:		\$42,448,329	40,696,340	43,085,995	36,791,140	40,014,192	(7.1%)
Plus Estimated PY Carryforward of Town Grant Funded Capital Project Appropriations						942,878	
Plus Estimated PY Carryforward of Town Capital Project Appropriations						1,547,250	
Plus Estimated PY Carryforward of RDA Capital Project Appropriations						1,956,924	
Total Fund Expenditures, Transfers-In, and Prior Year Carryforwards:						\$44,461,244	

TOTAL TOWN and RDA EXPENDITURES By Fund

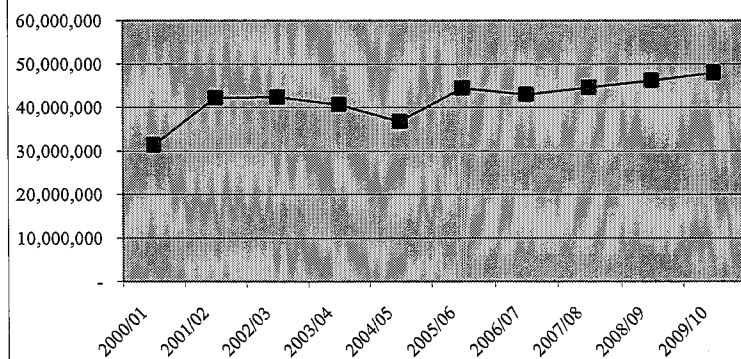


FY 2005/06 Expenditures by Fund

	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted	FY 05/06 %
General Fund	\$23,570,544	\$23,354,037	\$25,174,742	\$24,655,180	\$26,820,277	60.3%
Special Revenue Funds	2,218,972	2,321,303	2,135,612	1,890,162	2,176,121	4.9%
Internal Service Funds	4,236,039	3,994,587	5,092,739	3,902,310	4,337,780	9.8%
Trust & Agency Funds	187,312	201,847	166,765	184,500	219,840	0.5%
Capital Project Funds	4,422,819	4,046,367	3,885,551	1,390,740	4,233,442	9.5%
Redevelopment Agency Funds	7,812,643	6,778,200	6,630,586	4,768,248	6,673,784	15.0%
Total Expenditures & Transfer	\$42,448,329	\$40,696,340	\$43,085,995	\$36,791,140	\$44,461,244	100.0%

TOWN and RDA EXPENDITURE HISTORICAL TREND (Includes Transfers Out)

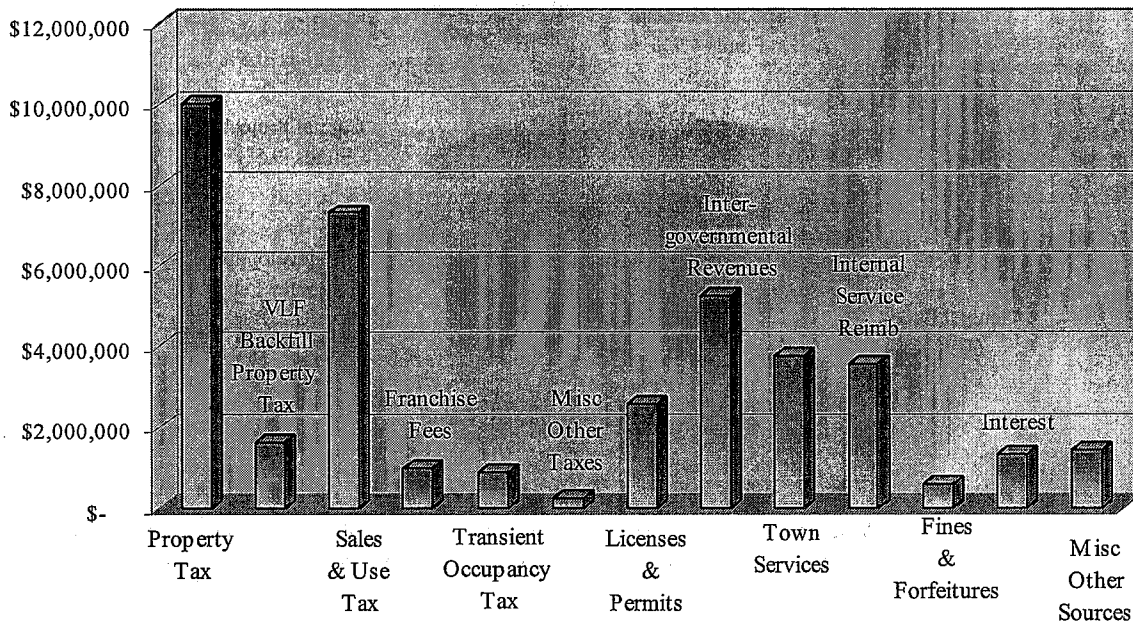
FY	Total	Status
2000/01	31,397,545	Actuals
2001/02	42,259,090	Actuals
2002/03	42,448,329	Actuals
2003/04	40,696,340	Actuals
2004/05	36,791,140	Estimated
2005/06	44,461,244	Adopted
2006/07	43,006,218	Projected
2007/08	44,610,722	Projected
2008/09	46,277,090	Projected
2009/10	48,007,753	Projected



Note – FY 2001/02 through FY 2003/04 expenditures reflect a significant increase in the Town's capital program due to a workload spike in the Streets and Resurfacing Project and RDA projects. Ongoing operational expenditures reflect a steady climb in accordance with increasing labor and operating costs, at a projected 3% increase for future years.

TOTAL TOWN and RDA REVENUES By Category

FY 2005/06 Budgeted Revenues



Revenues	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted	% of Total
Property Tax	\$ 9,193,903	\$ 9,763,333	\$ 8,816,781	\$ 9,547,360	\$10,007,430	24.7%
VLF Backfill Property Tax	-	-	\$ -	\$ 1,554,390	\$ 1,632,110	4.0%
Sales & Use Tax	6,928,817	6,914,526	6,900,000	7,450,000	7,313,000	18.0%
Franchise Fees	897,158	930,997	957,000	952,000	983,450	2.4%
Transient Occupancy Tax	713,064	829,026	900,000	880,000	870,000	2.1%
Miscellaneous Other Taxes	198,064	245,254	241,000	229,000	234,000	0.6%
Licenses & Permits	1,961,167	2,031,387	2,382,055	2,501,280	2,577,180	6.4%
Intergovernmental Revenues	4,984,000	5,560,916	5,683,710	4,267,945	5,276,083	13.0%
Town Services	6,922,138	3,291,551	3,453,815	3,418,280	3,775,690	9.3%
Internal Service Reimbursements		3,769,503	3,461,365	3,465,170	3,566,300	8.8%
Fines & Forfeitures	748,744	751,532	674,950	539,970	566,700	1.4%
Interest	1,998,058	301,570	1,360,441	1,355,540	1,312,480	3.2%
Miscellaneous Other Sources	927,734	867,787	948,985	1,205,607	1,427,070	3.5%
Total Revenues	\$35,755,378	\$35,526,056	\$35,780,102	\$37,366,542	\$39,541,493	
Plus Bond Proceeds:	10,725,000	-	-	3,020	-	0.0%
Plus Transfers In:	1,677,851	1,352,382	1,050,420	671,990	1,040,370	2.6%
Total Revenues & Other Sources	\$48,158,229	\$36,878,438	\$36,830,522	\$38,041,552	\$40,581,863	100.0%

Total Budgeted Revenues (exclusive of Bond Proceeds and Transfers In) reflect mild growth in receipts for most revenue categories. Some revenues of note are as follows:

Property Tax – Budgeted FY 2004/05 and 2005/06 include reductions for the State's \$476,000 annual ERAF take, however, receipts show the overall Property Tax is increasing with the recent growth surge in property values.

Sales and Use Tax – continues to reflect an increase from significant growth in one local business.

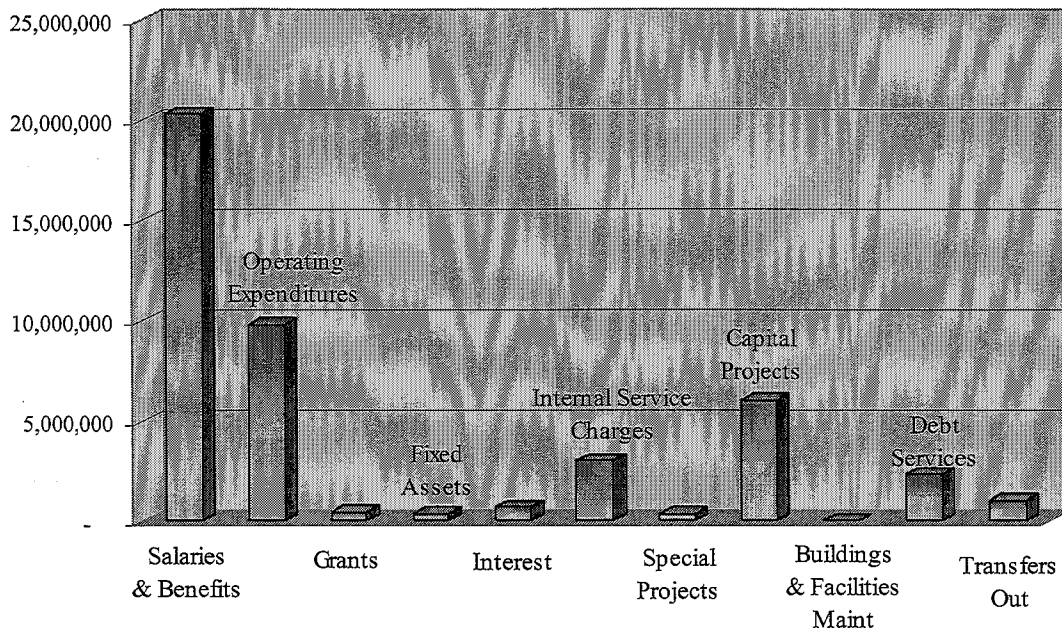
Licenses and Permits – reflects revenue increases resulting from higher fees established per the cost recovery analysis.

Intergovernmental Revenues – FY 2005/06 receipts promise some growth from FY 2004/05, however revenues continue to fall behind prior year receipts due to the States restructuring shift of VLF fees to Property Tax.

Interest – With a recent turnaround in interest rates, FY 2005/06 reflects significant growth in interest revenue.

TOTAL TOWN and RDA EXPENDITURES By Category

FY 2005/06 Budgeted Expenditures



	FY 02/03	FY 03/04	FY 04/05	FY 04/05	FY 05/06	% of
Expenditures	Actuals	Actuals	Adopted	Estimated	Adopted	Total
Salaries and Benefits	17,919,087	\$17,641,425	\$19,166,783	\$18,511,026	\$20,344,000	45.8%
Operating Expenditures	8,519,759	8,673,479	9,265,093	8,845,806	9,787,972	22.0%
Grants	530,681	545,587	452,096	269,910	462,096	1.0%
Fixed Assets	470,810	76,345	833,940	373,130	364,600	0.8%
Interest	633,640	748,088	770,530	770,530	712,340	1.6%
Internal Service Charges	3,443,981	3,296,404	2,892,200	2,949,640	2,981,900	6.7%
Special Projects	-	-	350,000	-	350,000	0.8%
Capital Projects	7,909,939	5,830,567	5,933,829	1,416,018	6,029,366	13.6%
Capital Acquisitions	-	-	-	300,000	-	0.0%
Buildings & Facilities Maint	158,459	236,710	52,574	364,570	50,000	0.1%
Debt Services	1,184,118	2,295,354	2,318,530	2,318,520	2,338,600	5.3%
Total Expenditures	\$40,770,474	\$39,343,959	\$42,035,575	\$36,119,150	\$43,420,874	
Transfers Out	1,677,851	1,352,382	1,050,420	671,990	1,040,370	2.3%
Total Uses of Funds	\$42,448,325	\$40,696,341	\$43,085,995	\$36,791,140	\$44,461,244	100.0%

Total Budgeted Expenditures (exclusive of Transfers Out) include budgeted Capital Improvements, which can vary significantly from year to year. Net of Capital Projects, total expenditures reflect an overall increase of 3% in FY 2005/06, after further reductions were made from the prior year's adopted budget. Expenditures of note include:

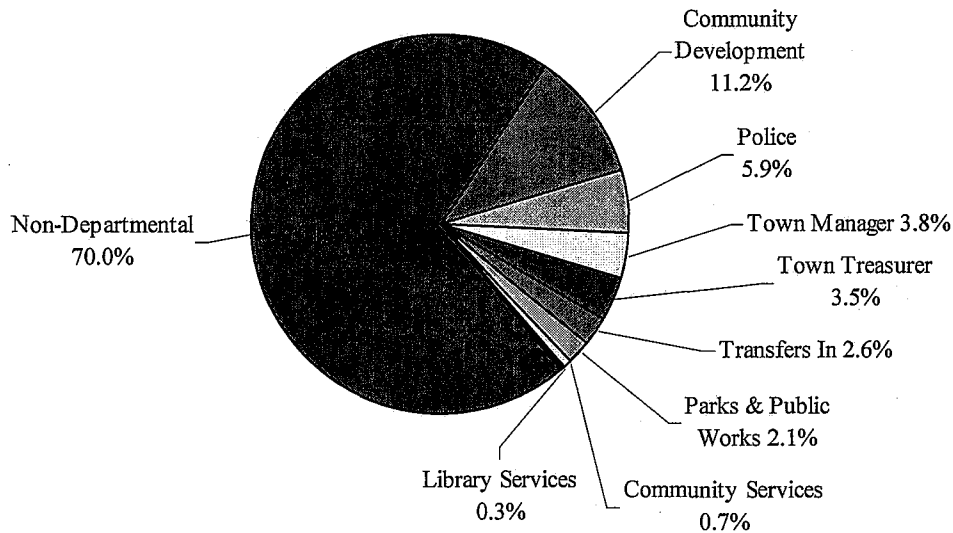
Salaries and Benefits- Additional staffing reductions have mitigated some of the salary and benefit increases; however substantial increases in both PERS and insurance rates remain significant cost factors in Town operations.

Fixed Assets – expenditures reflect a large decrease, however because these expenditures are funded through the asset's designated savings for replacement, the varying expense does not impact current year revenues.

Internal Service Charges – remains steady with stable budgeting of the funds. Internal services costs have been minimized where feasible, allowing rates to be adjusted downward to a level which reflects operating reimbursements.

Building & Facilities Maintenance – reflects a significant reduction in planned repairs on Town facilities. While safety issues will be addressed, discretionary repairs and replacements will be held to a minimum.

GENERAL FUND REVENUES By Department

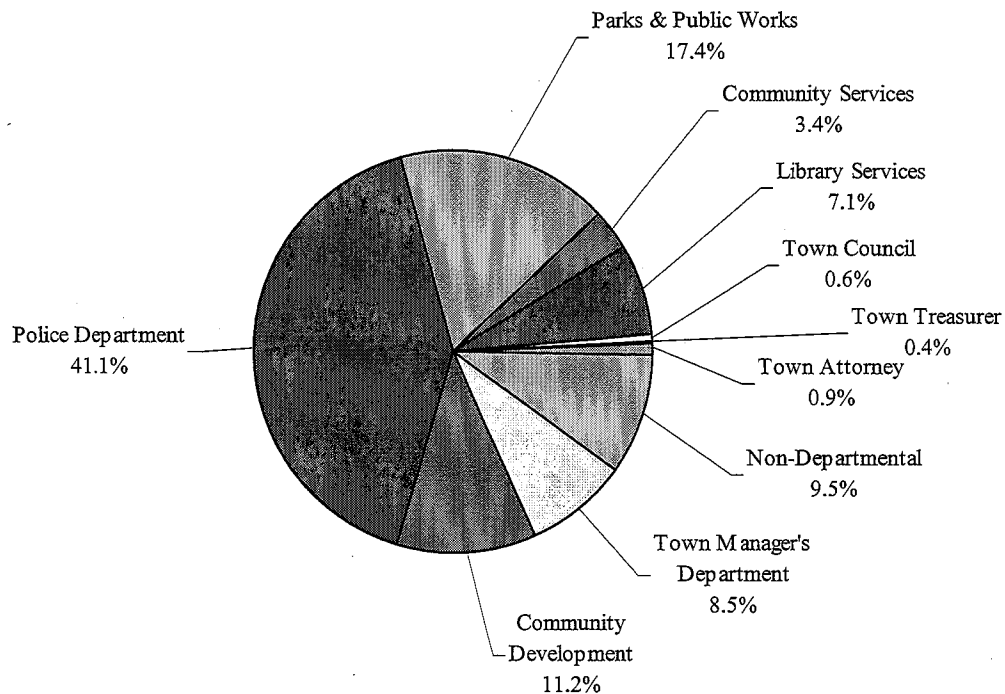


FY 2005/06 Departmental Revenues

<i>Departments</i>	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted	% of Total
Town Council	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Town Treasurer	1,161,231	\$ (61,256)	794,336	900,000	918,750	3.5%
Town Attorney	-	\$ -	-	-	-	0.0%
Non-Departmental	16,749,074	16,857,653	17,416,908	18,316,540	18,389,010	70.0%
Town Manager's Department*	1,043,700	\$ 1,123,845	1,111,000	1,020,800	1,000,700	3.8%
Town Clerk	-	\$ -	-	-	-	0.0%
Community Development	1,803,013	\$ 2,025,304	2,655,680	2,633,980	2,943,030	11.2%
Police Department	1,375,913	\$ 1,360,240	1,061,720	1,372,060	1,550,000	5.9%
Parks & Public Works	515,172	\$ 450,155	458,978	644,770	556,600	2.1%
Community Services	153,797	\$ 231,557	181,100	192,290	183,100	0.7%
Library Services	84,030	\$ 85,112	64,950	70,130	72,000	0.3%
Total General Fund Revenues	\$22,885,930	\$22,072,610	\$23,744,672	\$25,150,570	\$25,613,190	97.4%
Fund Transfers In:	1,105,853	1,018,322	809,920	307,330	678,060	2.6%
Net Operating Revenues	\$23,991,783	\$23,090,932	\$24,554,592	\$25,457,900	\$26,286,250	100.0%

* The Town Manager's Office, Human Resources, Finance & Administrative Services, Clerk Administration, Customer Service Center, and Management Information Services Departments are all included within the Town Manager's Department.

GENERAL FUND EXPENDITURES By Department



FY 2005/06 Departmental Expenditures

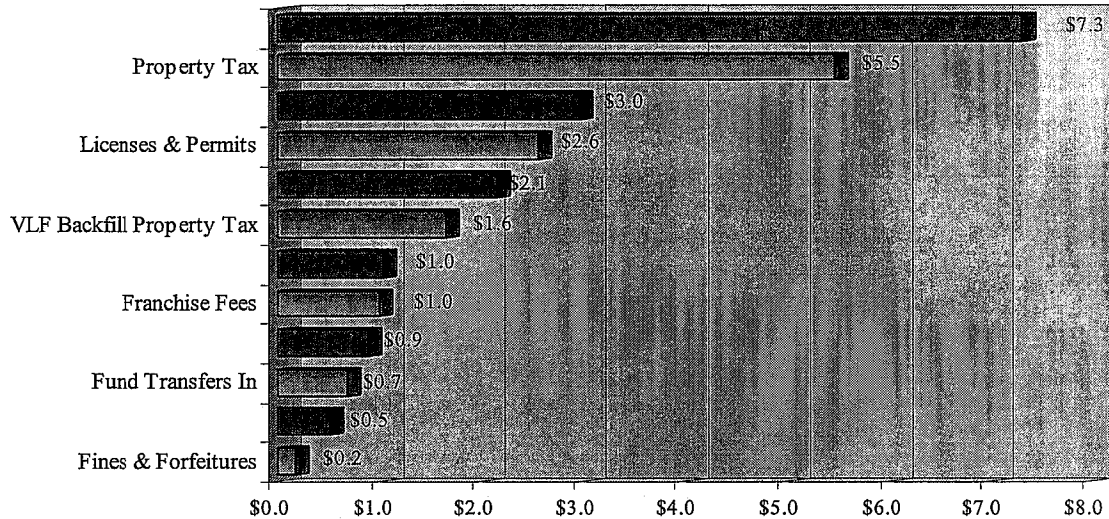
Departments	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted	% of Total
Town Council	\$ 128,859	\$ 136,866	\$ 143,500	\$ 136,235	\$ 151,390	0.6%
Clerk - Elected	\$ -	\$ -	\$ -	\$ -	\$ 2,100	0.0%
Town Treasurer	52,168	76,668	89,360	85,210	97,250	0.4%
Town Attorney	215,327	221,413	232,550	211,050	233,700	0.9%
Non-Departmental	1,694,500	1,918,358	2,665,152	2,569,180	2,541,212	9.5%
* Town Manager's Department	2,247,518	2,172,997	2,180,310	2,154,595	2,290,310	8.5%
Town Clerk	-	-	-	-	-	0.0%
Community Development	2,256,602	2,263,191	2,743,110	2,560,530	3,016,850	11.2%
Police Department	9,370,409	9,160,567	9,928,675	9,819,150	11,012,350	41.1%
Parks & Public Works	4,842,997	4,638,683	4,441,290	4,494,260	4,666,190	17.4%
Community Services	950,299	931,909	934,430	850,650	905,065	3.4%
Library Services	1,811,865	1,833,385	1,816,365	1,774,320	1,903,860	7.1%
Total General Fund Expenditures	\$23,570,544	\$23,354,037	\$25,174,742	\$24,655,180	\$26,820,277	100.0%

* The Town Manager's Office, Human Resources, Finance & Administrative Services, and Management Information Services Departments are included within the Town Manager's Department. As of FY 2005/06, the Clerk Administrator and Customer Service Center Department were relocated to the Town Manager's Department.

GENERAL FUND REVENUES By Category

Attachment 1

\$26.3 Million



Revenue Category	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Proposed	FY 05/06 %
Sales & Use Tax	6,928,817	6,914,526	6,900,000	7,450,000	7,313,000	27.8%
Property Tax	\$ 4,977,119	\$ 5,207,381	\$ 4,952,893	\$ 5,202,000	\$ 5,459,780	20.8%
VLF Backfill Property Tax	\$ -	\$ -	\$ -	\$ 1,554,390	\$ 1,632,110	6.2%
Franchise Fees	897,158	930,997	957,000	952,000	983,450	3.7%
Transient Occupancy Tax	713,064	829,026	900,000	880,000	870,000	3.3%
Other Taxes	9,161	13,929	11,000	11,000	11,000	0.0%
Licenses & Permits	1,937,094	2,008,178	2,356,055	2,477,280	2,553,180	9.7%
Intergovernmental	3,186,189	3,213,221	3,370,135	2,205,260	2,135,750	8.1%
Town Services	2,209,840	2,526,201	2,729,725	2,710,600	2,973,570	11.3%
Fines & Forfeitures	187,117	211,232	174,950	139,970	166,700	0.6%
Interest	1,358,081	37,407	931,836	1,037,500	1,018,750	3.9%
Other Sources	482,290	180,512	461,078	530,570	495,900	1.9%
Total Revenues	\$22,885,930	\$22,072,610	\$23,744,672	\$25,150,570	\$25,613,190	
Fund Transfers In:	1,105,853	1,018,322	809,920	307,330	673,060	2.6%
Total Revenues & Transfers In	\$23,991,783	\$23,090,932	\$24,554,592	\$25,457,900	\$26,286,250	100%

Overall, FY 2005/06 General Fund Revenues and Transfers In are estimated to increase 6.3% from the FY 2004/05 Adopted Budget. The FY 2005/06 Operating Revenues & Transfer In budget of \$26,286,250 is supplemented with additional fund balance reserves to balance the General Fund's budgeted expenditures of \$26,820,277. These funding sources include using the designated \$480,000 from the State ERAF III Reserve set aside for FY 2005/06, and \$131,650 from the Designated from Parking Reserve for the Parking Management program.

GENERAL FUND REVENUES

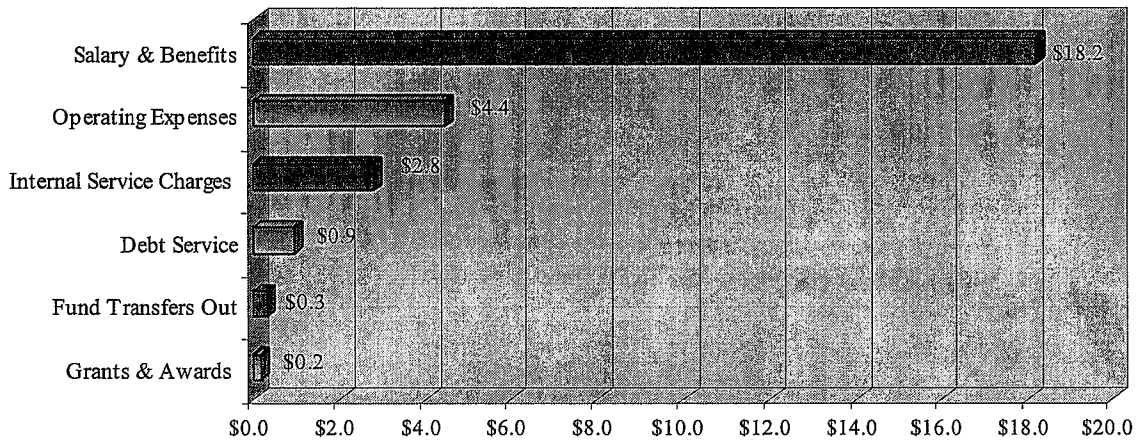
By Category

Not Yet Updated

GENERAL FUND EXPENDITURES By Category

Attachment 1

\$26.8 Million



<i>Expenditure Category</i>	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Proposed	FY 05/06 %
Salary & Benefits	\$15,637,765	\$15,517,124	\$17,111,687	\$16,511,600	\$18,176,600	67.8%
Operating Expenses	\$ 3,732,417	\$ 3,390,321	\$ 4,035,710	\$ 3,995,220	\$ 4,437,662	16.5%
Grants & Awards	\$ 230,263	\$ 186,431	\$ 175,380	\$ 175,380	\$ 176,415	0.7%
Internal Service Charges	\$ 3,201,261	\$ 3,056,215	\$ 2,699,700	\$ 2,758,240	\$ 2,790,300	10.4%
Debt Service	\$ 487,059	\$ 930,177	\$ 931,765	\$ 931,760	\$ 931,800	3.5%
Total Expenditures	\$23,288,765	\$23,080,268	\$24,954,242	\$24,372,200	\$26,512,777	
Fund Transfers Out:	\$ 281,779	\$ 273,770	\$ 220,500	\$ 282,980	\$ 307,500	1.1%
Total Expenditures & Transfers	\$23,570,544	\$23,354,038	\$25,174,742	\$24,655,180	\$26,820,277	100.0%

Not Yet Updated

GENERAL FUND EXPENDITURES

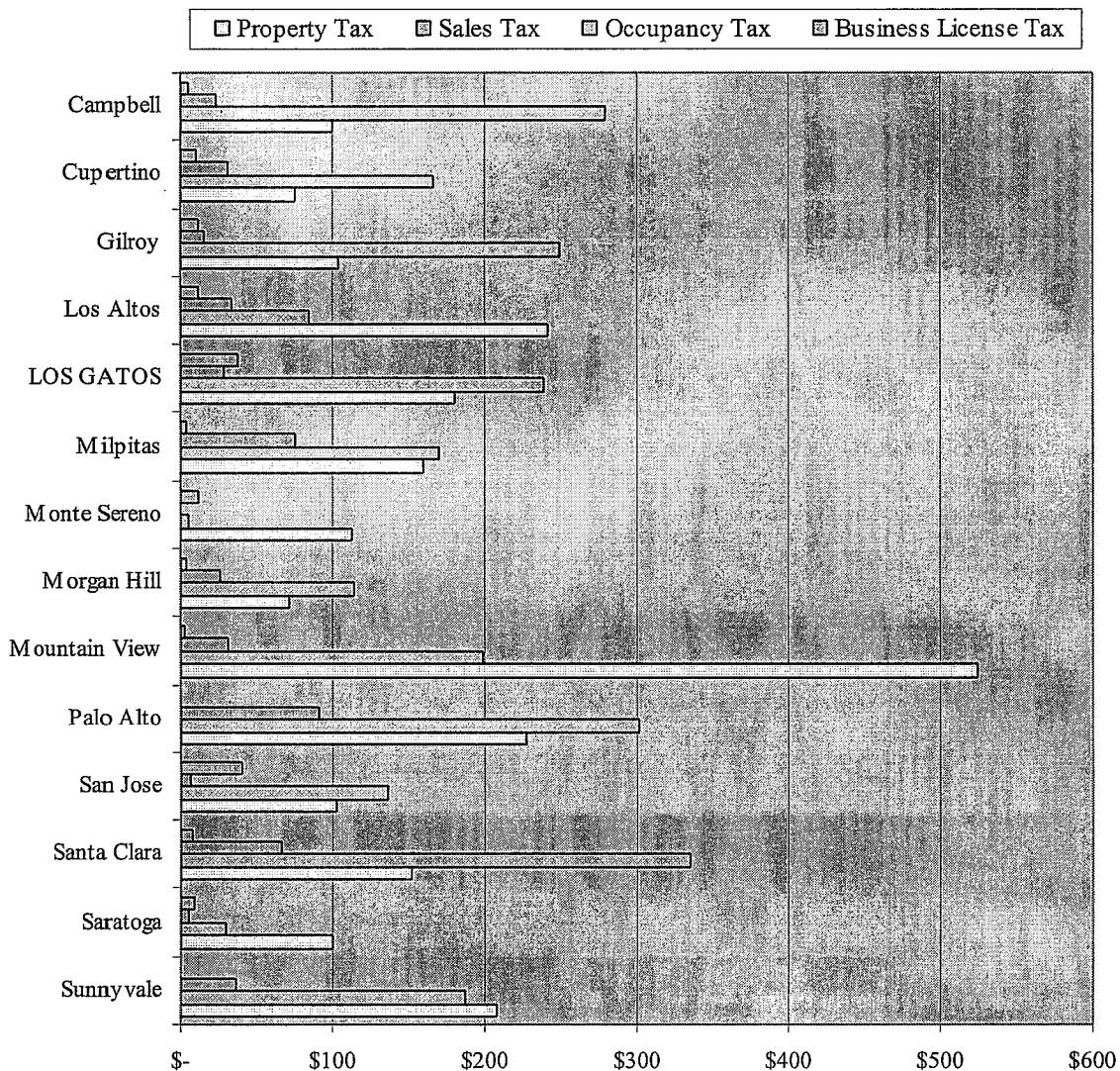
By Category

Not Yet Updated

Attachment 1

GENERAL FUND TAX REVENUES

Cities of Santa Clara County - Revenues Per Capita



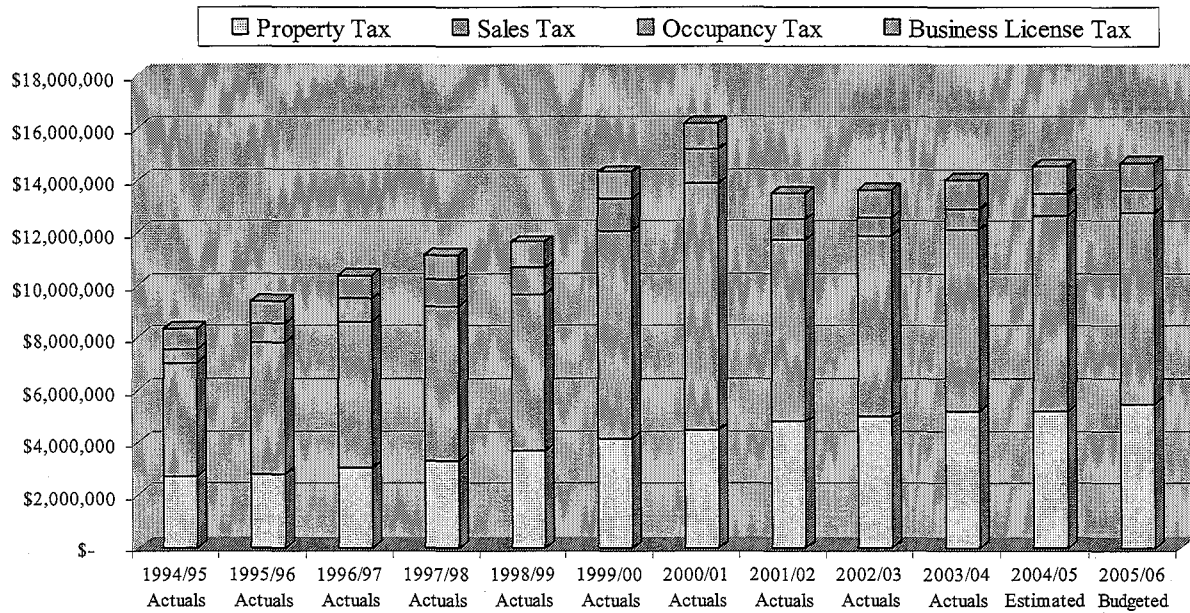
FY 2003/04 Revenue Amounts and Per Capita

Cities	Population	Property Tax		Sales Tax		Occupancy Tax		Business License Tax	
		Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
Campbell	38,179	\$ 3,798,505	\$ 99	\$ 10,684,234	\$ 280	\$ 882,464	\$ 23	\$ 203,520	\$ 5
Cupertino	52,000	3,908,165	75	8,654,185	166	1,632,514	31	556,697	11
Gilroy	46,195	4,772,118	103	11,514,699	249	737,746	16	557,008	12
Los Altos	27,722	6,707,236	242	2,330,608	84	945,649	34	333,668	12
LOS GATOS	28,910	5,207,381	180	6,914,526	239	829,026	29	1,071,865	37
Milpitas	62,698	10,015,238	160	10,635,247	170	4,692,736	75	272,269	4
Monte Sereno	3,500	394,000	113	20,228	6	-	-	40,656	12
Morgan Hill	35,489	2,522,916	71	4,070,030	115	933,041	26	156,861	4
Mountain View	71,616	37,615,600	525	14,188,500	198	2,246,000	31	216,000	3
Palo Alto	60,246	13,707,000	228	18,151,000	301	5,489,000	91	-	-
San Jose	926,200	95,457,834	103	126,426,092	136	5,711,809	6	37,776,270	41
Santa Clara	107,200	16,268,215	152	35,976,144	336	7,159,622	67	827,226	8
Saratoga	30,300	3,020,516	100	895,028	30	149,316	5	282,553	9
Sunnyvale	131,709	27,367,042	208	24,599,056	187	4,751,669	36	244,286	2
Average	115,855	\$ 16,482,983	\$ 142	\$ 19,647,113	\$ 170	\$ 2,582,899	\$ 22	\$ 3,038,491	\$ 26

Source: City of Morgan Hill schedule of data collected from Santa Clara County cities in December, 2004

GENERAL FUND TAX REVENUES

Budget with 10 Year History



Fiscal Year		Property Tax	Sales Tax	Occupancy Tax	Business License Tax	Sum of Key Revenues	Change from Prior Year
1995/96	Actuals	\$ 2,814,556	\$ 5,035,098	\$ 694,273	\$ 848,436	9,392,363	12.7%
1996/97	Actuals	\$ 3,046,615	\$ 5,561,042	\$ 881,890	\$ 888,310	10,377,856	10.5%
1997/98	Actuals	\$ 3,299,489	\$ 5,898,643	\$ 1,012,640	\$ 970,818	11,181,590	7.7%
1998/99	Actuals	\$ 3,687,843	\$ 5,952,597	\$ 1,025,042	\$ 986,299	11,651,781	4.2%
1999/00	Actuals	\$ 4,152,183	\$ 7,932,104	\$ 1,215,702	\$ 1,030,895	14,330,884	23.0%
2000/01	Actuals	\$ 4,472,583	\$ 9,429,256	\$ 1,286,276	\$ 1,003,928	16,192,044	13.0%
2001/02	Actuals	\$ 4,784,476	\$ 6,953,880	\$ 788,408	\$ 986,525	13,513,289	(16.5%)
2002/03	Actuals	\$ 4,977,119	\$ 6,928,817	\$ 713,064	\$ 1,003,014	13,622,014	0.8%
2003/04	Actuals	\$ 5,207,381	\$ 6,914,526	\$ 829,026	\$ 1,071,865	14,022,798	2.9%
2004/05	Estimated	\$ 5,202,000	\$ 7,450,000	\$ 880,000	\$ 1,015,000	14,547,000	6.8%
2005/06	Budgeted	\$ 5,459,780	\$ 7,313,000	\$ 870,000	\$ 1,030,000	14,672,780	4.6%

GENERAL FUND

Fund Balance Activity

Attachment 1

Use of / Addition to GF Reserves:	Estimated July 1, 2005 Balance	Revenues & Fund Balance Sources	Expenditures & Fund Balance Uses	Estimated June 30, 2006 Balance
Reserved Fund Balance				
Reserve for Long Term Notes	\$ 447,545	\$ -	\$ 31,328	\$ 478,873
Advance to RDA	1,500,000	-	(500,000)	1,000,000
Advance to Non-Point Source	150,000	-	-	150,000
Unreserved Fund Balance				
<i>Undesignated Reserves</i>				
Undesignated Fund Balance	257,300	26,286,250	26,317,578	225,972
<i>Designated Reserves</i>				
Civic Center Improvements	663,086	-	-	663,086
Manager's Contingency	100,000	-	-	100,000
Designated Productivity	100,000	-	-	100,000
Open Space Reserve	562,000	-	-	562,000
Designated for Parking	164,764	-	(131,650)	33,114
Economic Uncertainty Reserve	3,678,001	-	-	3,678,001
Capital / Special Projects	1,908,315	-	288,812	2,197,127
Authorized Carryovers	-	-	-	-
Designated for State ERAF III	480,000	-	(480,000)	-
Revenue Stabilization Reserve	1,408,315	-	288,812	1,697,127
Total Use of and Addition To Reserves	\$ 11,419,326	\$ 26,286,250	\$ 25,814,879	\$ 10,885,299

Fund Balance Activity includes:

- FY 2005/06 Budgeted Revenue and Expenditure appropriations, and transfers to and from the General Fund.
- A partial repayment of a long-term note receivable made from the Town to the Redevelopment Agency. Fund balance for the amount of the advance is required to be held as an offset to this non-cash asset, in accordance with Generally Accepted Accounting Principles (GAAP).
- The Designated for Parking Reserve reflects a transfer out to the Parking Management Program as a funding source supporting the FY 2005/06 budget appropriations.
- Authorized Carryovers reflect operating appropriations authorized in FY 2004/05 that are brought forward into FY 2005/06 appropriations as a funding source. The carryover amount will be determined at year-end, with the funding offset by undesignated reserves.
- The FY 2005/06 budget discussion brings forward a reserve policy which distributes year-end fund balance between a Revenue Stabilization Reserve and the Designated for Capital Improvements and Special Projects Reserve. The Revenue Stabilization Reserve is a GFOA recommended reserve to provide governments with a funding source to offset revenue variations from year to year. This reserve will build up in years where revenues exceed expenditures, and will be utilized in years when revenues fall short. The remaining year-end fund balance will be allocated to the Designated for Capital Reserve to allow Council to appropriate or designate for capital investments, projects, or purposes, as they deem appropriate. Funding from both the FY 2004/05 year end fund balance and prior year undesignated fund balance were appropriated to these funds.
- Undesignated Fund Balance is estimated year-end fund balance not previously identified for a specific purpose, and is therefore available to reprogram as appropriations or designated reserves by Council.

SCHEDULE of INTERFUND TRANSFERS
Fiscal Year 2005/06

Attachment 1

Fund Description	Estimated		Adopted Budget	
	FY 04/05 Transfers In	FY 04/05 Transfers Out	FY 05/06 Transfers In	FY 05/06 Transfers Out
General Funds				
General Fund	\$ 307,330	\$ 282,980	\$ 673,060	\$ 307,500
Special Revenue Funds				
Parking Management Fund	203,950		131,650	
Solid Waste Management		24,200		64,000
HCD Housing Rehabilitation	4,030		25,850	
HCD-Community Dev Block Grant		81,680		59,810
Urban Run-Off Program		25,230		26,010
Sewer Maintenance		75,480		88,630
Special Revenue Grants		-		-
Landscape & Lighting Districts				
Blackwell District		550		550
Kennedy Meadows District		1,780		1,780
Gemini Court District		720		720
Santa Rosa Heights District		1,400		1,400
Vasona Heights District		1,680		1,680
Hillbrook District		290		290
Arroyo Del Rancho District		-		-
Internal Service Funds				
Equipment Fund		-		192,000
Worker's Comp Self Insurance		-		60,000
Self Insurance Fund		-		60,000
Office Stores Fund		-		-
Management Information Systems		-		-
Vehicle Maintenance Fund		-		-
Building Maintenance Fund		-		-
Capital Project Funds				
GFAR	75,000		150,000	
Traffic Mitigation		70,000		70,000
Grant Funded CIP Projects	81,680		59,810	
Storm Drain #1				
Storm Drain #2				
Storm Drain #3				
Construction Utility Underground				
Gas Tax - Street & Signal		106,000		106,000
Redevelopment Agency Funds				
RDA - Capital Project Funds	515,750		-	
RDA - Debt Service Fund	(1,509,530)		(1,043,460)	
RDA - Low / Moderate Housing	993,780		1,043,460	
Total Transfers	\$ 671,990	\$ 671,990	\$ 1,040,370	\$ 1,040,370

Operating Transfers Out within the General Fund include \$131,650 in reserve funding to the Parking Management Program, \$150,000 to GFAR, and \$25,850 to support administrative costs in the CDBG program. The CDBG Fund is transferring \$59,810 to the Grant Funded CIP Project Fund for ADA projects. The Internal Service Funds show refunding transfers totaling \$312,000. The remainder of the Transfers Out include: \$106,000 from the Gas Tax Fund, \$70,000 from Traffic Mitigation, and the Special Revenue Fund transfers – all for administrative service fees to the Town for program oversight.

FUND BALANCE ACTIVITY SUMMARY

Fiscal Year 2005/06

Attachment 1

	7/1/05 Estimated Balance	Plus Revenues & Carryforwards	Plus Transfers In	Less Expenditures & Carryforwards	Less Transfers Out	Source & Use of Reserves	6/30/06 Estimated Balance	% Change in Balance
General Fund								
<u>Undesignated Reserves</u>								
Undesignated Fund Balance Activity	\$ 257,300	25,613,190	673,060	26,512,777	307,500	\$ 502,699	\$ 225,972	
Total Fund Balance Available To Be Appropriated							\$ 225,972	
<u>Designated Reserves</u>								
Civic Center Improvements	663,086	-	-	-	-	-	663,086	
Manager's Contingency	100,000	-	-	-	-	-	100,000	
Designated Productivity	100,000	-	-	-	-	-	100,000	
Open Space Reserve	562,000	-	-	-	-	-	562,000	
GASB Market Fluctuations	-	-	-	-	-	-	-	
Designated for Parking	164,764	-	-	-	-	(131,650)	33,114	
Economic Uncertainty Reserve	3,678,001	-	-	-	-	-	3,678,001	
Capital / Special Projects	1,908,315	-	-	-	-	288,812	2,197,127	
Authorized Carryovers	-	-	-	-	-	-	-	
Reserve for Long Term Notes	447,545	-	-	-	-	31,328	478,873	
Advance to RDA	1,500,000	-	-	-	-	(500,000)	1,000,000	
Advance to Non-Point Source	150,000	-	-	-	-	-	150,000	
Designated for State ERAF III	480,000	-	-	-	-	(480,000)	-	
Revenue Stabilization Reserve	1,408,315	-	-	-	-	288,812	1,697,127	
Total General Fund	\$ 11,419,326	\$ 25,613,190	\$ 673,060	\$ 26,512,777	\$ 307,500	\$ -	\$ 10,885,299	(4.7)%

General Fund Undesignated Reserves reflects ongoing revenue, carryforward, transfer, and expenditure activity, the net effect of the change in Designated Reserves, and the use of Undesignated Reserves for the State's ERAF take and various other State fundings discontinued in FYs 2004/05 and 2005/06.

General Fund Designated Reserve changes reflect: use of the Parking Reserve to supplement the Parking Management Program; the use of funding set aside for the State ERAF III take from Property Tax revenues; a reduction in designated Note Receivable reserve due to the repayment from the RDA to the Town; and planned year-end excess of revenues over expenditures reprogrammed to the Designated for Capital and Revenue Stabilization reserves.

Special Revenue Funds

Parking Management Program	\$ -	\$ 445,600	\$ 131,650	\$ 577,250	\$ -	\$ -	\$ -	n/a
Solid Waste Fund	201,909	381,420	-	325,300	64,000	-	194,029	(3.9)%
Housing Conservation Program	1,132,484	10,000	-	210,000	-	-	932,484	(17.7)%
Community Dev Block Grant	-	155,571	25,850	121,611	59,810	-	-	n/a
Urban Run-Off Source Fund	157,527	176,330	-	150,320	26,010	-	157,527	0.0%
Sanitary Sewer Fund	-	601,120	-	512,490	88,630	-	-	n/a
Blackwell Assessment District	4,239	3,200	-	3,120	550	-	3,769	(11.1)%
Kennedy Assessment District	6,429	10,355	-	5,320	1,780	-	9,684	50.6%
Gemini Assessment District	4,568	4,220	-	4,140	720	-	3,928	(14.0)%
Santa Rosa Assessment District	57,695	9,200	-	5,820	1,400	-	59,675	3.4%
Vasona Assessment District	11,957	9,985	-	10,320	1,680	-	9,942	(16.9)%
Hillbrook Assessment District	14,904	2,060	-	5,560	290	-	11,114	(25.4)%
Arroyo Del Rancho	(35,177)	-	-	-	-	-	(35,177)	0.0%
Special Revenue Grants	-	-	-	-	-	-	-	n/a
Total Special Revenue Funds	\$ 1,556,535	\$ 1,809,061	\$ 157,500	\$ 1,931,251	\$ 244,870	\$ -	\$ 1,346,975	(13.5)%

The decrease in Solid Waste Fund Balance reflects higher expenditures due to re-alignment of Solid Waste activities previously paid for by the General Fund. Program activity funding was addressed during landfill contract negotiations and will continue to be funded from the Solid Waste Fund.

The reduction in the Housing Conservation Program Fund Balance includes a \$200,000 appropriation to Santa Clara County for use in administering the Home Rehabilitation Loan Program for Los Gatos Residents.

Changes in Special Assessment Funds have greater proportional impact on Fund Balances - however each District's change is minimal and in line with operations.

The Special Revenue Grants Fund Balance has no planned grant activity in FY 2005/06.

FUND BALANCE ACTIVITY SUMMARY

Fiscal Year 2005/06

Attachment 1

	7/1/05 Estimated Balance	Plus Revenues & Carryforwards	Plus Transfers In	Less Expenditures & Carryforwards	Less Transfers Out	Source & Use of Reserves	6/30/06 Estimated Balance	% Change in Balance
Internal Service								
Equipment Replacement	\$ 2,522,658	\$ 367,800	\$ -	\$ 48,600	\$ 192,000	\$ -	\$ 2,649,858	5.0%
Designated for Gas Tax Assets	330,000	-	-	-	-	-	330,000	0.0%
Designated for Sewer Equipment	396,079	33,800	-	-	-	-	429,879	8.5%
Designated for NPS Equipment	89,030	29,100	-	-	-	-	118,130	32.7%
Worker's Comp Self Insurance	1,754,500	601,420	-	604,680	60,000	-	1,691,240	(3.6)%
ABAG Self Insurance	1,803,864	492,600	-	489,750	60,000	-	1,746,714	(3.2)%
Office Stores Fund	233,653	86,000	-	86,000	-	-	233,653	0.0%
Management Information Systems	2,318,082	805,600	-	1,293,900	-	-	1,829,782	(21.1)%
Vehicle Maintenance	126,412	512,900	-	512,900	-	-	126,412	0.0%
Building Maintenance	514,831	991,000	-	989,950	-	-	515,881	0.2%
Total Internal Service Reserves	\$ 10,089,108	\$ 3,920,220	\$ -	\$ 4,025,780	\$ 312,000	\$ -	\$ 9,671,548	(4.1)%

The Equipment Replacement, Workers Comp. and ABAG Self Insurance Internal Service Funds all reflect planned Fund Balance reductions under the ongoing five year re-funding plan shifting excess funds to the General Fund. The Equipment Replacement Fund has very little replacement in FY 2005/06, therefore, increasing Fund Balance.

Management Information Systems expenditures reflect almost \$490,000 in appropriations for major technology projects.

Trust & Agency

Library Trust	\$ 93,138	\$ 19,500	\$ -	\$ 12,000	\$ -	\$ -	\$ 100,638	8.1%
Ness Trust Bequest	161,918	3,000	-	-	-	-	164,918	1.9%
Library History Project	50,790	10,300	-	59,300	-	-	1,790	
Parking District #88	309,442	155,440	-	148,540	-	-	316,342	2.2%
Total Trust & Agency Reserves	\$ 615,288	\$ 188,240	\$ -	\$ 219,840	\$ -	\$ -	\$ 583,688	(5.1)%

Trust and Agency Fund Balances reflect a planned usage of the Library History Project funding in FY 2005/06.

Capital Project Funds

GFAR	\$ 1,478,723	\$ 95,000	\$ 150,000	\$ 1,150,575	\$ -	\$ -	\$ 573,148	(61.2)%
GFAR - Designated for Parking	1,972,000	-	-	-	-	-	1,972,000	0.0%
Traffic Mitigation	40,704	180,000	-	-	70,000	-	150,704	270.2%
Grant Funded CIP Projects	35,403	1,567,882	59,810	1,627,692	-	-	35,403	0.0%
Storm Drain #1	385,001	76,000	-	215,000	-	-	246,001	(36.1)%
Storm Drain #2	330,312	41,000	-	200,000	-	-	171,312	(48.1)%
Storm Drain #3	188,260	22,000	-	-	-	-	210,260	11.7%
Construction Tax-Undergrounding	1,958,570	95,000	-	-	-	-	2,053,570	4.9%
Gas Tax	815,939	444,000	-	864,175	106,000	-	289,764	(64.5)%
Total Capital Projects Funds	\$ 7,204,911	\$ 2,520,882	\$ 209,810	\$ 4,057,442	\$ 176,000	\$ -	\$ 5,702,161	(20.9)%

GFAR Fund Balances reflect the spending down of available funds in FY 2004/05, in line with the Planned Capital Improvement Program.

Traffic Mitigation Fund reflects a budgeted project in FY 2005/06, with funding transferred in from the Traffic Mitigation deposit account.

Grant Funded Projects Fund Balance reflects the relative appropriation of incoming revenues and prior year carryforwards, resulting in minimal fund balance change.

Decreases in Storm Drain Project Funds and the Gas Tax Fund Balance result from planned project funding in FY 2005/06.

Redevelopment Agency

RDA - Capital Project Funds	\$ 3,264,877	\$ 50,000	\$ -	\$ 2,580,124	\$ -	\$ -	\$ 734,753	(77.5)%
RDA - Debt Service Fund	4,074,960	5,379,900	(1,043,460)	3,785,240	-	-	4,626,160	13.5%
RDA - Low / Moderate Housing	4,202,639	60,000	1,043,460	308,420	-	-	4,997,679	18.9%
Total Redevelopment Reserves	\$ 11,542,476	\$ 5,489,900	\$ -	\$ 6,673,784	\$ -	\$ -	\$ 10,358,592	(10.3)%

The decrease to the Capital Projects Fund Balance results from significant project work in both carryforward and current year appropriations.

The Low / Moderate Housing Fund Balance continues to increase in preparation for future projects.

TOTAL RESERVES	\$42,427,644	\$39,541,493	\$1,040,370	\$43,420,874	\$1,040,370	\$ -	\$38,548,264	(9.1)%
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FUND BALANCE RESERVES

5 Year Comparative Balances

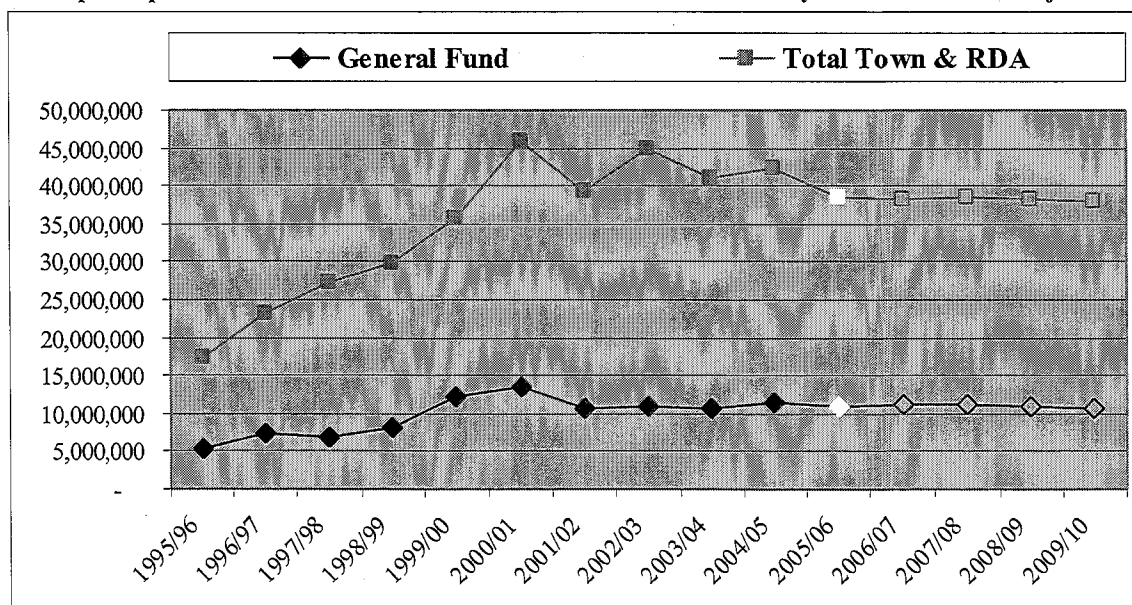
Fund Balance Reserves	6/30/02 Actual YE Balance	6/30/03 Actual YE Balance	6/30/04 Actual YE Balance	6/30/05 Estimated YE Balance	6/30/06 Budgeted YE Balance
General Fund					
<i>Reserved Fund Balances</i>					
Reserve for Encumbrances	\$ 450,973	\$ -	\$ -	\$ -	\$ -
Reserve for Long Term Notes	325,000	325,000	418,266	447,545	478,873
Advance to RDA	1,968,500	1,968,500	984,250	1,500,000	1,000,000
Advance to Non-Point Source	150,000	150,000	150,000	150,000	150,000
<i>Unreserved Fund Balances</i>					
<i>Undesignated Reserves</i>					
Available to be Appropriated	-	1,338,105	1,725,289	257,300	225,972
<i>Designated Reserves</i>					
Civic Center Improvements	663,086	663,086	663,086	663,086	663,086
Manager's Contingency	100,000	100,000	100,000	100,000	100,000
Designated Productivity	100,000	100,000	100,000	100,000	100,000
Open Space Reserve	562,000	562,000	562,000	562,000	562,000
Museum Upgrades	13,500	13,500	-	-	-
Animal Shelter Reserve	174,600	300,000	300,000	-	-
GASB Market Fluctuations	654,874	551,278	-	-	-
Designated for Parking	774,000	567,484	368,714	164,764	33,114
Economic Uncertainty Reserve	3,678,001	3,678,001	3,678,001	3,678,001	3,678,001
Capital / Special Projects	836,593	447,759	500,000	1,908,315	2,197,127
Authorized Carryovers	194,758	115,000	115,000	-	-
Designated for State ERAF III	-	-	952,000	480,000	-
Revenue Stabilization Reserve	-	-	-	1,408,315	1,697,127
Total General Fund Reserves	\$10,645,885	\$10,879,713	\$ 10,616,606	\$11,419,326	\$ 10,885,299
Special Revenue Funds					
Parking Management Program	\$ -	\$ -	\$ -	\$ -	\$ -
Solid Waste Fund	432,528	352,645	319,109	201,909	194,029
Housing Conservation Program	1,144,573	1,174,793	1,014,274	1,132,484	932,484
Community Dev Block Grant	-	-	722	-	-
Urban Run-Off Source Fund	227,288	214,892	170,020	157,527	157,527
Sanitary Sewer Fund	-	-	-	-	-
Blackwell Assessment District	4,851	5,074	4,709	4,239	3,769
Kennedy Assessment District	5,415	3,173	7,169	6,429	9,684
Gemini Assessment District	5,365	5,601	5,208	4,568	3,928
Santa Rosa Assessment District	49,485	52,890	55,645	57,695	59,675
Vasona Assessment District	32,134	20,701	16,967	11,957	9,942
Hillbrook Assessment District	25,370	23,041	18,704	14,904	11,114
Arroyo Del Rancho	-	(18,215)	(26,677)	(35,177)	(35,177)
Special Revenue Grants	-	95,608	22,047	-	-
Total Special Revenue Funds	\$ 1,927,009	\$ 1,930,203	\$ 1,607,897	\$ 1,556,535	\$ 1,346,975
Internal Service					
Equipment Replacement	\$ 2,706,922	\$ 2,365,462	\$ 2,366,518	\$ 2,522,658	\$ 2,649,858
Designated for Gas Tax Assets	330,000	330,000	330,000	330,000	330,000
Designated for Sewer Equipment	294,678	328,479	362,279	396,079	429,879
Designated for NPS Equipment	151,730	180,830	209,930	89,030	118,130
Worker's Comp Self Insurance	2,151,509	1,997,543	1,719,090	1,754,500	1,691,240
ABAG Self Insurance	1,858,075	2,130,705	1,822,034	1,803,864	1,746,714
Office Stores Fund	193,318	194,752	218,253	233,653	233,653
Management Information Systems	1,826,403	1,895,801	2,225,582	2,318,082	1,829,782
Vehicle Maintenance	41,691	67,593	165,812	126,412	126,412
Building Maintenance	384,333	492,962	750,811	514,831	515,881
Total Internal Service Reserves	\$ 9,938,659	\$ 9,984,127	\$ 10,170,308	\$10,089,108	\$ 9,671,548

FUND BALANCE RESERVES

5 Year Comparative Balances

Fund Balance Reserves	6/30/02 Actual YE Balance	6/30/03 Actual YE Balance	6/30/04 Actual YE Balance	6/30/05 Estimated YE Balance	6/30/06 Budgeted YE Balance
Trust & Agency					
Library Trust	\$ 42,136	\$ 44,310	\$ 90,458	\$ 93,138	\$ 100,638
Ness Trust Bequest	150,998	155,418	158,918	161,918	164,918
Library History Project	-	-	-	50,790	1,790
Parking District #88	284,396	292,579	301,302	309,442	316,342
Total Trust & Agency Reserves	\$ 477,530	\$ 492,307	\$ 550,678	\$ 615,288	\$ 583,688
Capital Project Funds					
GFAR	\$ 6,325,503	\$ 4,212,611	\$ 2,030,603	\$ 1,478,723	\$ 573,148
GFAR - Designated for Parking	1,972,000	1,972,000	1,972,000	1,972,000	1,972,000
Traffic Mitigation	201,200	102,070	40,704	40,704	150,704
Grant Funded CIP Projects	19,711	(88,240)	35,403	35,403	35,403
Storm Drain #1	308,210	380,371	324,241	385,001	246,001
Storm Drain #2	197,266	240,844	289,312	330,312	171,312
Storm Drain #3	132,757	141,539	166,760	188,260	210,260
Construction Tax-Undergrounding	1,677,111	1,769,684	1,873,570	1,958,570	2,053,570
Gas Tax	1,108,517	567,994	498,239	815,939	289,764
Total Capital Projects Funds	\$11,942,275	\$ 9,298,873	\$ 7,230,831	\$ 7,204,911	\$ 5,702,161
Redevelopment Agency					
RDA - Capital Project Funds	\$ (303,607)	\$ 6,207,412	\$ 3,500,385	\$ 3,264,877	\$ 734,753
RDA - Debt Service Fund	2,581,560	3,550,572	4,144,430	4,074,960	4,626,160
RDA - Low / Moderate Housing	2,075,925	2,651,933	3,356,099	4,202,639	4,997,679
Total Redevelopment Reserves	\$ 4,353,878	\$12,409,917	\$ 11,000,914	\$11,542,476	\$ 10,358,592
TOTAL RESERVES	\$39,285,236	\$44,995,140	\$ 41,177,234	\$42,427,644	\$ 38,548,264

Graphic representation of 10 Year General and Total Fund Balance History and 5 Year Trend Projection



DEPARTMENT REVENUES By Program

	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted
Town Council					
1010 Administration	\$ -	\$ -	\$ -	\$ -	\$ -
Total Town Council	\$ -	\$ -	\$ -	\$ -	\$ -
Town Clerk					
1055 Town Clerk	\$ -	\$ -	\$ -	\$ -	\$ -
Total Town Clerk	\$ -	\$ -	\$ -	\$ -	\$ -
Town Treasurer					
1077 Administration	\$ 1,161,231	\$ (61,256)	\$ 794,336	\$ 900,000	\$ 918,750
Total Town Treasurer	\$ 1,161,231	\$ (61,256)	\$ 794,336	\$ 900,000	\$ 918,750
Town Attorney					
1099 Administration	\$ -	\$ -	\$ -	\$ -	\$ -
6620 ABAG - Self Insurance Fund	780,168	636,062	472,200	472,200	492,600
Total Town Attorney	\$ 780,168	\$ 636,062	\$ 472,200	\$ 472,200	\$ 492,600
Town Manager					
1111 Non-Departmental	\$17,854,927	\$17,875,975	\$18,226,828	\$18,623,870	\$19,062,070
2010 Town Manager Administration	-	-	-	-	-
2030 Human Resources	-	-	-	-	-
2050 Finance & Administrative Services	971,747	1,042,648	1,051,000	985,800	1,000,700
2060 Town Clerk	71,953	81,197	60,000	35,000	-
2065 Customer Service Center	-	-	-	-	-
6610 Workers' Compensation Fund	509,431	498,308	575,515	574,020	601,420
6680 Office Stores Fund	91,421	117,466	92,000	82,500	86,000
6685 Management Information Systems	772,360	832,881	755,300	793,000	805,600
7724 Parking Assessment District	156,745	157,352	157,308	157,310	155,440
Total Town Manager	\$20,428,584	\$20,605,827	\$20,917,951	\$21,251,500	\$21,711,230
Community Development					
3110 Administration	\$ -	\$ -	\$ -	\$ -	\$ -
3120 Developmental Review	529,487	601,296	692,895	552,590	643,410
3130 Code Compliance	-	-	30,000	5,000	31,200
3140 Inspection Services	974,519	1,060,872	1,557,115	1,616,100	1,746,400
3150 Advanced Planning	43,819	47,932	33,670	39,790	35,020
3199 Pass Thru Accounts	255,188	315,204	342,000	420,500	487,000
Total Community Development	\$ 1,803,013	\$ 2,025,304	\$ 2,655,680	\$ 2,633,980	\$ 2,943,030
Police Department					
4010 Administration	\$ -	\$ -	\$ -	\$ -	\$ -
4020 Records & Communication	1,000	11,140	10,000	28,000	75,000
4030 Patrol	527,200	494,952	403,590	548,090	559,300
4040 Investigations	131,841	147,985	134,000	139,450	108,000
4050 Traffic	302,695	301,724	186,565	236,490	167,000
4060 Personnel & Community Services	413,177	390,026	315,565	390,030	325,500
4070 Parking Program	-	-	-	-	-
4099 Pass Thru Accounts	-	14,413	12,000	30,000	315,200
2207 Parking Management Program	792,217	765,879	669,750	649,550	577,250
270 Grants Program - Police	44,773	22,801	9,496	19,645	-
Total Police Department	\$ 2,212,903	\$ 2,148,920	\$ 1,740,966	\$ 2,041,255	\$ 2,127,250

DEPARTMENT REVENUES

By Program

	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted
Parks & Public Works					
5010 Administration	\$ 26,459	\$ 19,188	\$ 21,000	\$ 5,000	\$ -
5020 Park Services	120,458	105,089	84,478	145,070	136,600
5030 Engineering & Capital Projects	273,069	235,958	268,000	421,000	341,000
5050 Streets / Signals / Sidewalks	990	630	500	3,200	500
5099 Pass Thru Accounts	94,196	89,290	85,000	70,500	78,500
2220 Non-Point Source Fund	153,323	169,955	158,570	158,567	176,330
2230 Sewer Maintenance Fund	625,270	590,316	543,590	511,780	601,120
225x Lighting & Landscape Districts	40,048	39,381	44,050	39,090	39,020
4400 GFAR	794,061	594,170	156,500	194,160	245,000
4405 Traffic Mitigation	-	-	5,000	70,000	180,000
4410 Grant Funded CIP Projects	188,792	588,097	805,000	423,160	684,814
4461 Storm Drain #1	72,162	50,595	61,000	86,000	76,000
4462 Storm Drain #2	43,579	48,467	57,200	41,000	41,000
4463 Storm Drain #3	8,782	25,221	14,200	21,500	22,000
4474 Utility Undergrounding	92,573	103,886	102,000	85,000	95,000
4480 Gas Tax - Street & Signals	579,472	567,889	442,000	444,000	444,000
6601 Equipment Replacement	540,425	484,750	442,165	442,170	430,700
6690 Vehicle Maintenance	539,000	515,090	459,100	469,100	512,900
6695 Building Maintenance	1,048,703	1,096,212	1,028,400	988,120	991,000
270 PPW Department Grants	-	25,510	-	-	-
Total Parks & Public Works	\$ 5,241,362	\$ 5,349,696	\$ 4,777,753	\$ 4,618,417	\$ 5,095,484
Community Services					
8010 Administration	\$ -	\$ -	\$ -	\$ -	\$ -
8020 Neighborhood Center	37,847	38,199	32,000	37,000	37,000
8030 Housing Program	79,328	157,159	101,100	116,000	97,100
8040 Community Grants	-	-	-	-	-
8070 Arts & Culture	36,622	36,199	48,000	35,540	46,000
8099 Pass Thru Accounts	-	-	-	3,750	3,000
2210 Solid Waste Fund	93,105	150,981	149,585	151,460	381,420
2218 HCD Housing Rehab	44,747	109,369	10,000	146,800	10,000
2219 Comm. Development Block Grant	241,273	124,805	125,416	161,910	181,421
Total Community Services	\$ 532,922	\$ 616,711	\$ 466,101	\$ 652,460	\$ 755,941
Library					
8510 Administration	\$ 30,302	\$ 23,596	\$ 13,550	\$ 13,630	\$ 15,000
8520 Adult Services	37,136	42,053	35,000	40,000	40,000
8530 Children's Services	12,304	15,449	13,000	12,500	13,000
8540 Technical Services	4,288	4,014	3,400	4,000	4,000
8550 Circulation Services	-	-	-	-	-
7710 Library Trust	40,924	99,367	13,700	16,650	19,500
7711 Clelles Ness Bequest Trust	4,420	3,500	3,000	3,000	3,000
7712 Library History Project	-	-	-	72,150	10,300
Total Library	\$ 129,374	\$ 187,979	\$ 81,650	\$ 161,930	\$ 104,800
Redevelopment Agency					
9930 Capital Projects Fund	\$11,310,575	\$ 93,489	\$ 590,750	\$ 591,020	\$ 50,000
9950 Debt Service	3,598,993	4,329,626	3,360,970	3,665,010	4,336,440
9960 Low / Moderate Housing	959,112	946,082	972,165	1,053,780	1,103,460
Total Redevelopment Agency	\$15,868,680	\$ 5,369,197	\$ 4,923,885	\$ 5,309,810	\$ 5,489,900
Carryforward of CIP Grant Revenue					942,878
Total Revenues by Department:	\$48,158,236	\$36,878,440	\$36,830,523	\$38,041,553	\$40,581,863

DEPARTMENTAL EXPENDITURES By Program

	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted
Town Council					
1010 Administration	\$ 128,859	\$ 136,866	\$ 143,500	\$ 136,235	\$ 151,390
Total Town Council	\$ 128,859	\$ 136,866	\$ 143,500	\$ 136,235	\$ 151,390
Town Clerk					
1010 Administration	\$ -	\$ -	\$ -	\$ -	\$ 2,100
Total Town Clerk	\$ -	\$ -	\$ -	\$ -	\$ 2,100
Town Treasurer					
1077 Administration	\$ 52,168	\$ 76,668	\$ 89,360	\$ 85,210	\$ 97,250
Total Town Treasurer	\$ 52,168	\$ 76,668	\$ 89,360	\$ 85,210	\$ 97,250
Town Attorney					
1099 Administration	\$ 215,327	\$ 221,413	\$ 232,550	\$ 211,050	\$ 233,700
6620 ABAG - Self Insurance Fund	357,537	819,733	491,100	490,370	489,750
Total Town Attorney	\$ 572,864	\$ 1,041,146	\$ 723,650	\$ 701,420	\$ 723,450
Town Manager					
1111 Non-Departmental	\$ 1,412,721	\$ 1,644,588	\$ 2,444,652	\$ 2,286,200	\$ 2,233,712
2010 Town Manager Administration	427,944	366,081	388,400	369,270	431,000
2030 Human Resources	485,119	487,579	467,800	457,265	543,300
2050 Finance & Administrative Services	966,337	986,152	988,700	1,006,650	1,008,300
2060 Town Clerk	368,118	333,185	335,410	321,410	213,560
2065 Customer Service Center	-	-	-	-	94,150
6610 Workers' Compensation Fund	513,396	651,762	596,024	538,610	604,680
6680 Office Stores Fund	89,987	93,965	92,000	67,100	86,000
6685 Management Information Systems	702,962	503,099	1,211,900	700,500	1,293,900
7724 Parking Assessment District	148,562	148,629	149,265	149,170	148,540
Total Town Manager	\$ 5,115,146	\$ 5,215,040	\$ 6,674,151	\$ 5,896,175	\$ 6,657,142
Community Development					
3110 Administration	\$ 185,305	\$ 155,169	\$ 84,750	\$ 72,390	\$ 107,900
3120 Developmental Review	698,118	677,492	499,500	449,020	851,300
3130 Code Compliance	100,999	141,906	66,900	62,640	120,750
3140 Inspection Services	729,592	731,818	1,611,100	1,423,430	1,291,250
3150 Advanced Planning	282,300	243,913	138,860	132,550	158,650
3199 Pass Thru Accounts	260,288	312,893	342,000	420,500	487,000
Total Community Development	\$ 2,256,602	\$ 2,263,191	\$ 2,743,110	\$ 2,560,530	\$ 3,016,850
Police Department					
4010 Administration	\$ 329,409	\$ 382,152	\$ 387,620	\$ 399,150	\$ 424,150
4020 Records & Communication	1,345,011	1,272,019	1,123,855	1,108,340	1,310,180
4030 Patrol	4,401,143	4,313,355	5,074,750	5,156,130	5,332,820
4040 Investigations	1,650,856	1,677,095	1,847,300	1,860,250	2,008,160
4050 Traffic	841,832	854,542	812,000	662,450	879,050
4060 Personnel & Community Services	802,158	648,773	667,150	602,830	742,790
4070 Parking Program	-	-	-	-	-
4099 Pass Thru Accounts	-	12,631	16,000	30,000	315,200
2207 Parking Management Program	792,217	765,879	669,750	649,550	577,250
2270 Police Department Grants	105,311	127,626	42,535	41,692	-
Total Police Department	\$10,267,937	\$10,054,072	\$10,640,960	\$10,510,392	\$11,589,600

DEPARTMENTAL EXPENDITURES By Program

	FY 02/03 Actuals	FY 03/04 Actuals	FY 04/05 Adopted	FY 04/05 Estimated	FY 05/06 Adopted
Parks & Public Works					
5010 Administration	\$ 192,168	\$ 283,834	\$ 282,840	\$ 272,050	\$ 269,040
5020 Park Services	1,856,301	1,861,944	1,683,650	1,847,950	1,927,350
5030 Engineering & Capital Projects	1,006,154	1,082,327	1,034,200	1,097,220	1,106,200
5050 Streets / Signals / Sidewalks	1,690,826	1,320,783	1,355,600	1,206,540	1,285,100
5099 Pass Thru Accounts	97,548	89,795	85,000	70,500	78,500
2220 Urban Run-Off Program Fund	141,278	183,148	135,170	145,830	150,320
2230 Sewer Maintenance Fund	533,070	503,256	463,390	436,300	512,490
225x Lighting & Landscape Districts	64,003	43,502	46,293	49,780	34,280
4400 GFAR	2,906,951	2,776,178	1,606,467	746,040	342,500
4405 Traffic Mitigation	-	-	-	-	-
4410 Grant Funded CIP Projects	296,743	403,698	1,551,035	423,160	684,814
4461 Storm Drain #1	-	106,725	27,574	25,240	-
4462 Storm Drain #2	-	-	100,000	-	100,000
4463 Storm Drain #3	-	-	-	-	-
4474 Utility Undergrounding	-	-	-	-	-
4480 Gas Tax - Street & Signals	1,013,995	531,024	444,475	20,300	440,000
6601 Equipment Replacement	318,985	20,794	693,940	373,130	48,600
6690 Vehicle Maintenance	513,098	416,871	459,245	508,500	512,900
6695 Building Maintenance	940,074	838,363	1,028,530	1,224,100	989,950
2270 PPW Department Grants	31,264	(5,754)	-	-	-
Total Parks & Public Works	\$11,602,458	\$10,456,487	\$10,997,409	\$ 8,446,640	\$ 8,482,044
Community Services					
8010 Administration	\$ 140,779	\$ 145,220	\$ 155,000	\$ 130,600	\$ 150,500
8020 Neighborhood Center	436,098	399,522	431,400	404,680	422,500
8030 Housing Program	80,694	139,558	101,300	110,740	97,100
8040 Community Grants	234,042	190,525	177,980	144,680	147,715
8070 Arts & Culture	58,686	57,084	68,750	56,200	84,250
8099 Pass Thru Accounts	-	-	-	3,750	3,000
2210 Solid Waste Fund	145,305	160,405	307,838	244,460	325,300
2218 HCD Housing Rehab	14,527	269,888	211,300	28,590	210,000
2219 Comm. Development Block Grant	52,481	73,483	105,416	80,950	121,611
Total Community Services	\$ 1,162,612	\$ 1,435,685	\$ 1,558,984	\$ 1,204,650	\$ 1,561,976
Library					
8510 Administration	\$ 224,419	\$ 219,661	\$ 218,950	\$ 216,020	\$ 234,750
8520 Adult Services	500,289	464,002	460,725	476,150	496,420
8530 Children's Services	348,623	378,944	386,450	370,940	396,150
8540 Technical Services	285,536	264,147	264,440	232,560	243,040
8550 Circulation Services	452,998	506,631	485,800	478,650	533,500
7710 Library Trust	38,750	53,218	17,500	13,970	12,000
7711 Clelles Ness Bequest Trust	-	-	-	-	-
7712 Library History Project	-	-	-	21,360	59,300
Total Library	\$ 1,850,615	\$ 1,886,603	\$ 1,833,865	\$ 1,809,650	\$ 1,975,160
Redevelopment Agency					
9930 Capital Projects Fund	\$ 4,748,130	\$ 2,800,516	\$ 2,850,752	\$ 826,528	\$ 623,200
9950 Debt Service	2,629,982	3,735,768	3,518,184	3,734,480	3,785,240
9960 Low / Moderate Housing	383,105	241,916	261,650	207,240	308,420
Total Redevelopment Agency	\$ 7,761,217	\$ 6,778,200	\$ 6,630,586	\$ 4,768,248	\$ 4,716,860
Total Operating Expenditures	\$40,770,479	\$39,343,958	\$42,035,575	\$36,119,150	\$38,973,822
Plus Transfers Out	1,677,851	1,352,382	1,050,420	671,990	1,040,370
Carryforward CIP Projects	-	-	-	-	\$ 4,447,052
Total Expenditures by Department:	\$42,448,330	\$40,696,340	\$43,085,995	\$36,791,140	\$44,461,244

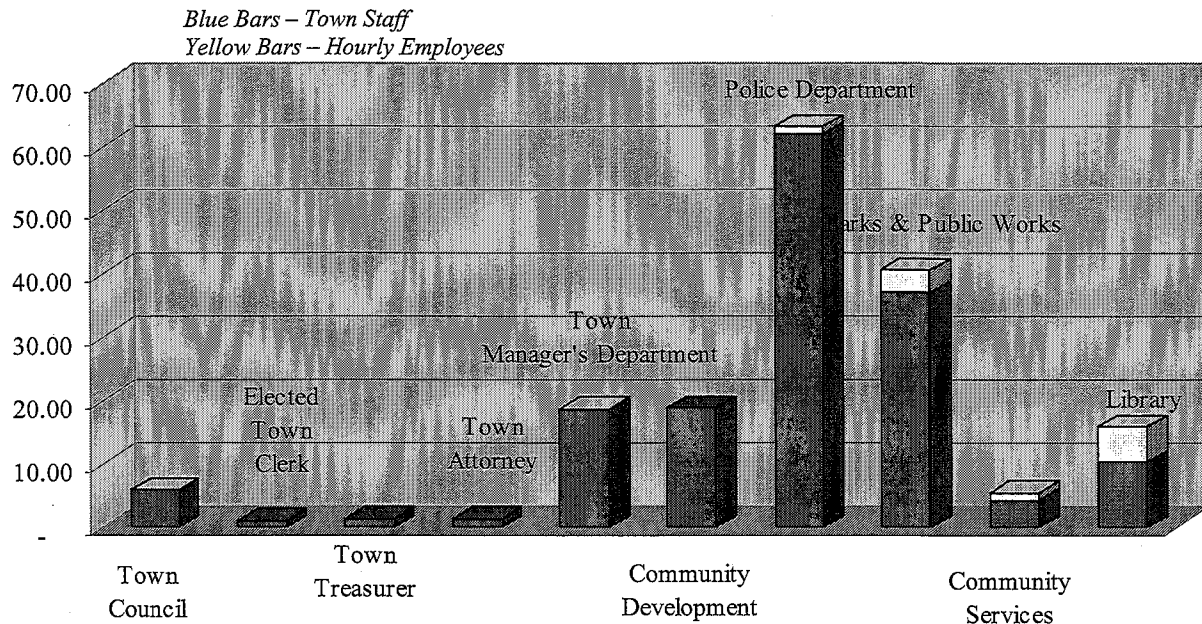
SUMMARY of POSITIONS

Departmental Staff By Fund

	<u>Authorized</u>	<u>FY 02/03 Funded</u>	<u>FY 03/04 Funded</u>	<u>FY 04/05 Funded</u>	<u>FY 05/06 Funded</u>
<i>General Fund</i>					
Town Council	5.85	5.85	5.85	5.85	5.85
Office of the Elected Town Clerk	1.00	0.25	0.25	1.00	1.00
Clerk Administration	-	3.75	3.75	3.50	-
Town Treasurer	1.25	1.25	1.25	1.25	1.25
Town Attorney	1.85	1.50	0.95	1.00	0.85
Town Manager's Department	16.40	14.80	13.65	12.40	14.00
Community Development	19.35	17.75	17.40	17.90	17.95
Police Department	65.00	65.00	61.00	59.50	58.00
Parks & Public Works	33.55	35.24	31.30	26.96	27.05
Community Services	4.55	3.70	3.70	3.65	3.60
Library	10.85	11.25	10.75	11.10	10.35
<i>Total General Fund Staff</i>	159.65	160.34	149.85	144.11	139.90
<i>Special Revenue Funds</i>					
Town Manager	0.20	0.20	0.20	0.20	0.20
Police Department	8.00	8.00	8.00	5.50	4.00
Parks & Public Works	6.44	5.23	6.55	5.74	5.74
Community Services	0.65	0.55	0.55	0.60	0.60
<i>Total Special Revenue Fund Staff</i>	15.29	13.98	15.30	12.04	10.54
<i>Internal Service Funds</i>					
Town Offices	0.45	0.25	0.80	0.50	0.45
Town Manager	3.55	2.65	3.65	3.65	3.55
Parks & Public Works	4.35	3.53	3.15	3.55	3.55
<i>Total Internal Services Funds Staff</i>	8.35	6.43	7.60	7.70	7.55
<i>Redevelopment Agency</i>					
Town Manager	0.80	-	-	-	0.80
Community Development	0.85	1.25	1.20	1.70	0.85
Police Department	-	-	-	0.30	-
Parks & Public Works	0.66	-	-	0.75	0.66
Community Services	0.05	-	-	-	0.05
<i>Total Redevelopment Agency Staff</i>	2.36	1.25	1.20	2.75	2.36
Total Town FTEs	185.65	182.00	173.95	166.60	160.35
FY Defunded Positions		6.50	14.55	22.90	25.30
Total Authorized Positions		188.50	188.50	189.50	185.65

SUMMARY of POSITIONS

Budgeted FTEs by Department



FY 2005/06
Budgeted FTEs by Department
 (Includes Converted Hourly Employees)

Departments	Authorized Town Staff Positions	Funded Town Staff Positions	Hourly Emp Staff converted to FTEs	Total Budgeted Positions
Town Council	5.85	5.85	0.08	5.93
Elected Town Clerk	1.00	1.00	-	1.00
Town Treasurer	1.25	1.25	-	1.25
Town Attorney	2.30	1.30	-	1.30
Town Manager's Department	20.95	18.55	0.16	18.71
Community Development	20.20	18.80	-	18.80
Police Department	73.00	62.00	1.25	63.25
Parks & Public Works	45.00	37.00	3.53	40.53
Community Services	5.25	4.25	1.20	5.45
Library	10.85	10.35	5.58	15.93
Total Positions	185.65	160.35	11.79	172.14

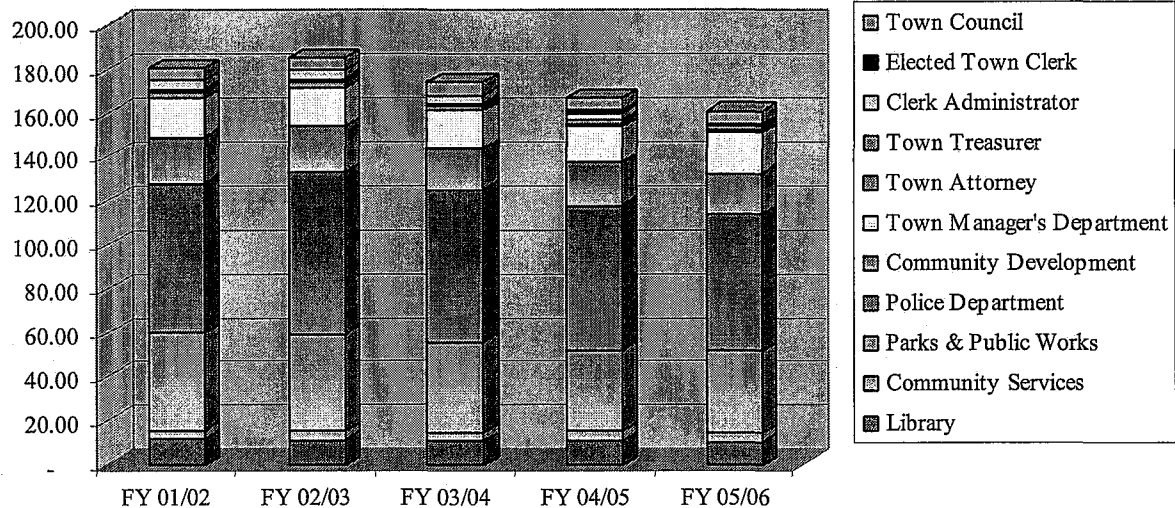
Town Manager's Department staffing numbers include the following six departments: Town Manager's Office; Human Resources; Finance & Administrative Services; Clerk Administration; Customer Service Center; and Management Information Services.

Hourly Employee positions result from seasonal, temporary, and part-time labor needs.

SUMMARY of POSITIONS

Funded FTEs by Department

Five Year Staffing Trend



	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06
Library	11.50	11.25	10.75	11.10	10.35
Community Services	4.25	4.25	4.25	4.25	4.25
Parks & Public Works	44.00	44.00	41.00	37.00	37.00
Police Department	68.00	73.00	69.00	65.30	62.00
Community Development	21.00	19.00	18.60	19.60	18.80
Town Manager's Department	17.65	17.65	17.50	16.25	18.55
Town Attorney	2.75	1.75	1.75	1.50	1.30
Town Treasurer	1.25	1.25	1.25	1.25	1.25
Clerk Administrator	4.00	3.75	3.75	3.50	-
Elected Town Clerk	-	0.25	0.25	1.00	1.00
Town Council	5.85	5.85	5.85	5.85	5.85
Total Budgeted FTEs	180.25	182.00	173.95	166.60	160.35

Note – FTEs represent Town staff positions funded in annual budgets. Numbers do not reflect temporary hours or the filled or unfilled status of the positions.

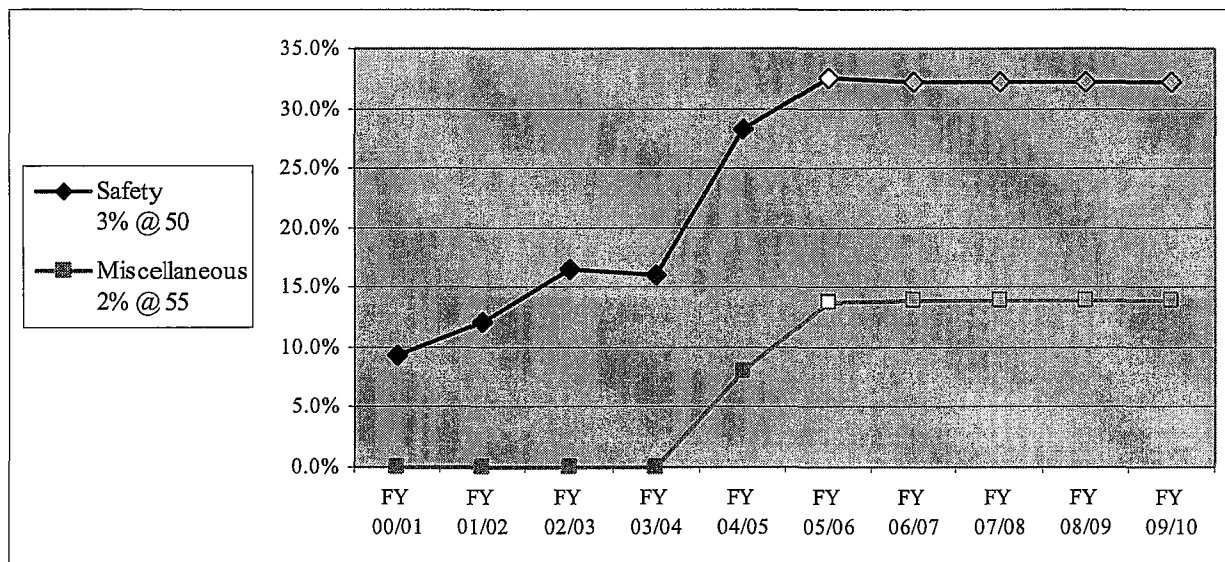
SUMMARY of PERSONNEL CHANGES
FY 2005/06

Attachment 1

Not Yet Updated

SUMMARY of PERSONNEL CHANGES FY 2005/06

Not Yet Updated



PERS Pension Plan	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10
Safety - 3% @ 50	9.4%	12.2%	16.5%	16.0%	28.3%	32.6%	32.3%	32.3%	32.3%	32.3%
Miscellaneous - 2% @ 55	0.0%	0.0%	0.0%	0.0%	8.0%	13.8%	13.9%	13.9%	13.9%	13.9%

SUMMARY of PERSONNEL CHANGES
FY 2005/06

Attachment 1

Not Yet Updated

SUMMARY of PERSONNEL CHANGES
FY 2005/06

Attachment 1

Not Yet Updated

FTE SUMMARY

Department	Position	Prior Defunded FTEs	FY 05/06 Defundings & Deletions	Total Defundings & Deletions
<i>Town Attorney</i>	Secretary to Town Attorney	1.00		1.00
	Legal Assistant - <i>deleted</i>	0.25	0.50	0.75
<i>Town Manager's Office</i>	Admin Programs Manager (<i>formerly Admin Analyst</i>)	0.20	(0.20)	0.00
	Office Clerk	0.20		0.20
<i>Human Resources</i>	Human Resource Specialists	0.60	0.40	1.00
<i>Finance & Administration</i>	Accountant	0.60		0.60
	Finance Project Coordinator	0.20	0.80	1.00
	Account Technicians	0.40		0.40
	Sr. Account Clerk	0.20		0.20
<i>Clerk Administration</i>	Deputy Clerk	0.50	0.00	0.50
	Deputy Clerk	0.00	(0.25)	(0.25)
	Sr. Deputy Clerk	0.00	1.00	1.00
<i>Community Development</i>	Administrative Analyst	0.40		0.40
	Plan Check Engineer	1.00		1.00
<i>Police Department</i>	Police Officer	2.00	2.00	4.00
	Records Communications Mgr.	0.50	(0.50)	0.00
	Communications Dispatcher	1.00		1.00
	Administrative Analyst	1.00		1.00
	Police Records Specialist	1.00		1.00
	Parking Coordinator	0.20	0.80	1.00
	Parking Control Officers	2.00	1.00	3.00
	Superintendent	1.00		1.00
<i>Parks and Public Works</i>	Lead Parks & Maintenance Worker	1.00		1.00
	Sr. Parks & Maintenance Worker	2.00		2.00
	Parks & Maintenance Worker	3.00		3.00
	Associate Civil Engineer	1.00		1.00
<i>Community Services</i>	Secretary II	1.00		1.00
<i>Library Department</i>	Administrative Analyst	0.50		0.50
	Librarian	0.15	(0.15)	0.00
	Circulation Supervisor (<i>formerly Associate Librarian</i>)	0.00	0.00	0.00
	Principal Librarian	0.00	1.00	1.00
Total FTE Defundings (Refundings) and Deletions		22.90	-6.40	29.30

SUMMARY of PERSONNEL CHANGES
FY 2005/06

Attachment 1

Not Yet Updated

TOWN STAFF

Positions by Home Department

	Authorized Positions	FY 02/03 Funded	FY 03/04 Funded	FY 04/05 Funded	FY 05/06 Funded	Comments
TOWN COUNCIL						
Councilmembers	5.00	5.00	5.00	5.00	5.00	
TOTAL DEPARTMENT FTEs	5.00	5.00	5.00	5.00	5.00	
OFFICE OF THE ELECTED TOWN CLERK						
Elected Town Clerk	1.00	0.25	0.25	1.00	1.00	
TOTAL DEPARTMENT FTEs	1.00	0.25	0.25	1.00	1.00	
TOWN TREASURER						
Treasurer	1.00	1.00	1.00	1.00	1.00	
TOTAL DEPARTMENT FTEs	1.00	1.00	1.00	1.00	1.00	
TOWN ATTORNEY'S OFFICE						
Town Attorney	1.00	1.00	1.00	1.00	1.00	
Legal Assistant	-	0.75	0.75	0.50	-	<i>CY delete .75 FTE</i>
Secretary to the Attorney	1.00	-	-	-	-	<i>Continued defunding of 1.0 FTE.</i>
TOTAL DEPARTMENT FTEs	2.00	1.75	1.75	1.50	1.00	
TOWN MANAGER'S OFFICE						
Town Manager	1.00	1.00	1.00	1.00	1.00	
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	-	1.00	0.75	0.80	-	
Administrative Programs Mgr.	1.00	-	-	-	1.00	<i>Reallocation of Administrative Analyst position</i>
Exec. Assistant to Town Mgr.	1.00	1.00	1.00	1.00	1.00	
Economic Vitality Manager	1.00	-	-	-	1.00	
Office Clerk	1.00	1.00	1.00	0.80	0.80	<i>Continued defunding of .20 FTE</i>
TOTAL DEPARTMENT FTEs	6.00	5.00	4.75	4.60	5.80	
HUMAN RESOURCES DEPARTMENT						
Human Resources Director	1.00	1.00	1.00	1.00	1.00	
Human Resources Specialist	2.00	2.00	1.70	1.40	1.00	<i>CY defunding of .40 FTE; continued defunding of .60 FTE</i>
TOTAL DEPARTMENT FTEs	3.00	3.00	2.70	2.40	2.00	

TOWN STAFF

Positions by Home Department

	Authorized Positions	FY 02/03 Funded	FY 03/04 Funded	FY 04/05 Funded	FY 05/06 Funded	Comments
FINANCE & ADMINISTRATIVE SERVICES						
Finance & Admin. Director	1.00	1.00	1.00	1.00	1.00	
Accounting Manager	1.00	1.00	1.00	1.00	1.00	
Finance Project Coordinator	-	1.00	1.00	0.80	-	<i>CY delete 1 FTE</i>
Accountant	1.00	1.00	0.40	0.40	0.40	<i>Continued defunding to .40 FTE - Position shared with .60 FTE CDD Analyst position.</i>
Sr. Account Technician	1.80	1.75	1.75	1.75	1.80	
Account Technician	2.00	2.00	2.00	1.60	1.60	<i>Continued defunding of 2 positions at .20 FTE each</i>
Sr. Account Clerk	1.00	1.00	1.00	0.80	0.80	<i>Continued defunding of .20 FTE</i>
TOTAL DEPARTMENT FTEs	7.80	8.75	8.15	7.35	6.60	
CLERK ADMINISTRATION						
Clerk Administrator	0.75	0.75	0.75	1.00	0.75	
Senior Deputy Clerk	-	1.00	1.00	1.00	-	
Deputy Clerk	1.05	2.00	2.00	1.50	1.05	
TOTAL DEPARTMENT FTEs	1.80	3.75	3.75	3.50	1.80	
CUSTOMER SERVICE CENTER						
Clerk Administrator	0.25	-	-	-	0.25	
Deputy Clerk	0.70	-	-	-	0.70	
TOTAL DEPARTMENT FTEs	0.95	-	-	-	0.95	
MANAGEMENT INFORMATION SERVICES						
MIS Manager	1.00	1.00	1.00	1.00	1.00	
MIS Specialist	2.00	1.00	2.00	2.00	2.00	
TOTAL FTEs	3.00	2.00	3.00	3.00	3.00	
COMMUNITY DEVELOPMENT						
Community Developmt. Director	1.00	1.00	1.00	1.00	1.00	
Asst. Community Dev. Director	1.00	1.00	1.00	1.00	1.00	
Redevelopment Manager	-	1.00	1.00	1.00	-	
Administrative Analyst	1.00	1.00	0.60	0.60	0.60	<i>Continued defunding to .60 FTE - Position shared with .40 FTE Finance Accountant position.</i>
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	
Secretary III	1.00	1.00	1.00	1.00	1.00	
Associate Planner	4.00	4.00	4.00	4.00	4.00	
Planner	1.00	-	-	1.00	1.00	<i>Continued funding of 1.0 FTE - underfilled with a Planning</i>
Assistant Planner	1.00	1.00	1.00	1.00	1.00	
Counter Technician	2.00	2.00	2.00	2.00	2.00	
Code Compliance Officer	1.00	1.00	1.00	1.00	1.00	
Sr. Building Inspector	1.00	1.00	1.00	1.00	1.00	
Building Inspector	4.00	4.00	4.00	4.00	4.00	
Plan Check Engineer	1.00	-	-	-	-	<i>Continued defunding of 1.0 FTE, supported by part-time consultant</i>
TOTAL FTEs	20.00	19.00	18.60	19.60	18.60	

TOWN STAFF

Positions by Home Department

	Authorized	FY 02/03	FY 03/04	FY 04/05	FY 05/06	
	Positions	Funded	Funded	Funded	Funded	Comments
POLICE						
Chief of Police	1.00	1.00	1.00	1.00	1.00	
Police Captain	2.00	2.00	2.00	2.00	2.00	
Police Sergeant	9.00	9.00	8.00	9.00	9.00	
Police Officer	34.00	34.00	33.00	32.00	30.00	<i>CY defunded 2.0 FTE; continue defunding 2.0 FTE</i>
Community Services Officer	4.00	4.00	4.00	4.00	4.00	
Crime Analyst	1.00	1.00	1.00	1.00	1.00	
Records/Dispatch Supervisor	1.00	-	-	-	1.00	<i>Reallocation from Records/Dispatch Supervisor</i>
Records Communications Mgr.	-	1.00	1.00	0.50	-	
Secretary to Chief	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher	8.00	8.00	7.00	7.00	7.00	<i>Continued defunding of 1.0 FTE</i>
Administrative Analyst	1.00	1.00	1.00	-	-	<i>Continued defunding of 1.0 FTE</i>
Police Records Specialist	4.00	4.00	3.00	3.00	3.00	<i>Continued defunding of 1.0 FTE</i>
Parking Coordinator	1.00	1.00	1.00	0.80	-	<i>CY defunding of remaining .80 FTE</i>
Parking Control Officer	6.00	6.00	6.00	4.00	3.00	<i>CY defunded 1.0 FTE; continue defunding 2.0 FTE</i>
TOTAL PROGRAM FTEs	73.00	73.00	69.00	65.30	62.00	

PARKS and PUBLIC WORKS DEPARTMENT						
PPW Director	1.00	1.00	1.00	1.00	1.00	
Town Engineer	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	
Administrative Specialist	1.00	1.00	1.00	1.00	1.00	
Public Works Specialist	2.00	2.00	2.00	2.00	2.00	
Superintendent	3.00	2.00	2.00	2.00	2.00	<i>Continued defunding of 1.0 FTE</i>
Facilities Coordinator	-	1.00	1.00	-	-	
PPW Supervisor	1.00	-	-	1.00	1.00	<i>Reallocation from Facilities Coordinator position</i>
Town Arborist	1.00	1.00	1.00	1.00	1.00	
Lead Parks & Maint. Worker	2.00	2.00	1.00	1.00	1.00	<i>Continued defunding of 1.0 FTE</i>
Sr. Parks & Maint. Worker	4.00	4.00	3.00	2.00	2.00	<i>Continued defunding of 2.0 FTE</i>
Parks & Maintenance Worker	15.00	15.00	14.00	12.00	12.00	<i>Continued defunding of 3.0 FTE</i>
Sweeper / Operator	1.00	1.00	1.00	1.00	1.00	
Tree Trimmer / High Climber	1.00	1.00	1.00	1.00	1.00	
Parks Service Officer	2.00	2.00	2.00	2.00	2.00	
Associate Civil Engineer	4.00	4.00	4.00	3.00	3.00	<i>Continued defunding of 1.0 FTE</i>
Sr. Engineer Technician	1.00	1.00	1.00	1.00	1.00	
Senior Engineer Inspector	1.00	1.00	1.00	1.00	1.00	
Engineer Inspector	1.00	1.00	1.00	1.00	1.00	
Equipment Mechanic	2.00	2.00	2.00	2.00	2.00	
TOTAL PROGRAM FTEs	45.00	44.00	41.00	37.00	37.00	

TOWN STAFF

Positions by Home Department

	Authorized Positions	FY 02/03 Funded	FY 03/04 Funded	FY 04/05 Funded	FY 05/06 Funded
COMMUNITY SERVICES					
Community Services Director	1.00	1.00	1.00	1.00	1.00
Administrative Analyst	0.50	0.50	0.50	0.50	0.50
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Secretary II	1.00	-	-	-	-
					<i>Continued defunding of 1.0 FTE, supported by part-time hourly</i>
Senior Coordinator	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	0.75	0.75	0.75	0.75	0.75
TOTAL FTE's	5.25	4.25	4.25	4.25	4.25

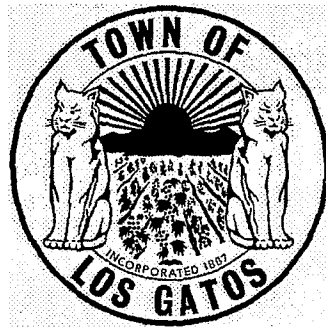
LIBRARY					
Library Director	1.00	1.00	1.00	1.00	1.00
Assistant Library Director	1.00	1.00	1.00	1.00	1.00
Principal Librarian	2.00	3.00	3.00	3.00	2.00
Librarian	2.25	2.25	2.25	2.10	2.25
Associate Librarian	-	1.00	0.50	1.00	-
Circulation Supervisor	1.00	-	-	-	1.00
Library Assistant	2.50	2.50	2.50	2.50	2.50
Secretary III	0.60	0.50	0.50	0.50	0.60
Administrative Analyst	0.50	-	-	-	-
					<i>Continued defunding of .50 FTE</i>
TOTAL PROGRAM FTEs	10.85	11.25	10.75	11.10	10.35

TOTAL TOWN STAFF	185.65	182.00	173.95	166.60	160.35
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HOURLY EMPLOYEES

	FY 02/03 Funded	FY 03/04 Funded	FY 04/05 Funded	FY 05/06 Funded
<i>Temporary Hours by Department</i>				
Town Council	-	500	375	175
Town Manager's Department	5005	1,405	375	325
Community Development	4160	2,400	-	-
Police Department	9880	2,600	2,600	2,600
Parks & Public Works	8871	7,595	7,595	7,332
Community Services	1670	1,670	1,670	2,502
Library Department	12480	12,420	9,768	11,596
Total Temporary Hours by Department	42,066	28,590	22,383	24,530

CONVERTED HOURLY EMPLOYEES	20.22	13.75	10.76	11.79	<i>(1.00 FTE = 2080 hours)</i>
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RESOLUTION 2005-XX

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
APPROVING FISCAL YEAR 2005/06 OPERATING & FY's 2005/06-10 CAPITAL BUDGET
AND CARRY-FORWARD APPROPRIATIONS AND OTHER APPROVED ADJUSTMENTS
RELATING TO MEET AND CONFER PROCESS, MANAGEMENT COMPENSATION PLAN,
AND MINOR CORRECTIONS**

WHEREAS, Section 2.30.295(b) of the Los Gatos Town Code requires the Town Manager to annually prepare and submit a budget to the Town Council and be responsible for its administration; and

WHEREAS, the Town Manager did submit a proposed budget for the 2005/06 to the Town Council; and

WHEREAS, the Town Manager did submit a proposed five-year capital improvement plan for FY's 2005/06 – 2009/10; and

WHEREAS, the Town Council has considered and reviewed said proposed budget and capital improvement plan during public hearings.

RESOLVED, that the Town Council hereby adopts as the budget for the Town of Los Gatos for the 2005/06 fiscal year the schedule entitled "Total Town Revenues By Fund and Total Town Expenditures By Fund" including the first year (FY 2005/06) of the Town's proposed Capital Improvement Plan as contained in the Town's Proposed FY's 2005/06 – 2009/10 Capital Improvement Plan.

BE IT FURTHER RESOLVED, that the final adopted budget includes approved carry-forward appropriations for unspent operating grants and pass-throughs from FY 2004/05, and that there be carried forward from prior year's Reserve for Encumbrances within each fund an amount sufficient to cover approved outstanding encumbrances as of June 30, 2005;

BE IT FURTHER RESOLVED, that the Town Council hereby directs staff that any changes or impacts resulting from the Council approval of the meet and confer process, management compensation plan, or any miscellaneous corrections resulting from further Town Council consensus

direction received on June 6, 2005 or due to more refined estimates be incorporated within the final published FY 2005/06 Operating and Capital Budget.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 6th day of June, 2005 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS

LOS GATOS, CALIFORNIA

ATTEST:

CLERK OF THE TOWN OF LOS GATOS

LOS GATOS, CALIFORNIA

RESOLUTION 2005-XX

**RESOLUTION OF THE REDEVELOPMENT AGENCY
CONSENTING TO THE PROVISION OF PUBLIC IMPROVEMENTS BY THE LOS GATOS
REDEVELOPMENT AGENCY AND MAKING MANDATORY FINDINGS IN REGARDS TO
CAPITAL PROJECTS PROVIDED FOR IN THE LOS GATOS REDEVELOPMENT AGENCY
FY 2005/06 OPERATING AND FY's 2005/06-2009/10 CAPITAL BUDGET**

WHEREAS, Section 33445 of the Health and Safety Code requires the local legislative body to consent to the provision of public improvements by its Redevelopment Agency and make findings: 1) that the public improvements are of benefit to the project area or the immediate neighborhood of the project area; 2) that no other reasonable means of financing such public improvements are available to the community, and; 3) that the Agency's contribution to the cost of the public improvement or facility will assist in eliminating one or more blighting conditions in the project area, and is consistent with the Agency's implementation plan adopted pursuant to Section 33490 of the Health and Safety Code, the ("Implementation Plan"), and

WHEREAS, the Redevelopment Agency's 2005/06-2009/10 Budget provides funding for the following projects (the "Projects"): 1) Downtown Area Street Reconstruction; 2) Redevelopment Area Alley Improvements; 3) Downtown Parking Improvements;

WHEREAS, the Projects will be of substantial benefit to the downtown business district and surrounding areas of the Central Los Gatos Redevelopment Project Area (the "Project Area") established pursuant to the 1991 Redevelopment Plan (the "Redevelopment Plan");

WHEREAS, the Town has limited financial resources for capital improvements and these funds are committed to other critical infrastructure needs of the Town such as repairing aging streets outside of the Project Area;

WHEREAS, the Projects have been specifically called for in the Town's Redevelopment Plan and Implementation Plan; and

WHEREAS, the Downtown infrastructure is currently in a deteriorated condition with broken pavement, deteriorated streets and alleys, deteriorated sidewalks and is functionally obsolescent and the Projects will help eliminate these blighting conditions;

THEREFORE BE IT RESOLVED, that the Town Council of the TOWN OF LOS GATOS does hereby consent to the provision of funding for the Projects by the Los Gatos Redevelopment Agency in accordance with the Agency's FY 2005/06 Operating and FY 2005/06-2009/10 Capital Budget totaling adopted revenues of \$5,489,900 and expenditures of \$4,716,860 (prior to carry-forward appropriations); and

BE IT FURTHER RESOLVED, that the Agency Board hereby finds that the Projects are of benefit to the Project Area and the immediate neighborhood of the Project Area; and

BE IT FURTHER RESOLVED, that the Agency Board hereby finds that no other reasonable means of financing such public improvements are available to the community; and

BE IT FURTHER RESOLVED, that the Agency Board hereby finds that the Los Gatos Redevelopment Agency's contribution to the cost of the public improvements will assist in eliminating blighting conditions in the Project Area, and is consistent with the Implementation Plan.

BE IT FURTHER RESOLVED, that the Agency Board hereby directs staff that any changes or impacts resulting from the meet and confer process, management compensation plan adjustments, including position and classification plans, or any miscellaneous corrections due to additional Agency Board consensus direction received June 6, 2005 or more refined estimates be incorporated within the final published FY 2005/06 Operating Budget.

PASSED AND ADOPTED at a regular meeting of the Redevelopment Agency of the Town of Los Gatos held the 6th day of June, 2004, by the following vote:

REDEVELOPMENT AGENCY MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

CHAIR OF THE REDEVELOPMENT AGENCY
TOWN OF LOS GATOS, CALIFORNIA

ATTEST:

SECRETARY OF THE REDEVELOPMENT AGENCY
TOWN OF LOS GATOS, CALIFORNIA

