

LOS GATOS, CALIFORNIA

PROPOSED

Operating and Capital Summary Budget

for

Fiscal Year July 1, 2009 to June 30, 2010

Town Council

Mike Wasserman	
Diane McNutt	Vice Mayor
Barbara Spector	Council Member
Joe Pirzynski	Council Member
Steve Rice	

TOWN VISION STATEMENT

The Town of Los Gatos' Vision Statement describes the community at its full potential, and is the basis for the Five-Year Strategic Plan and accompanying priorities and goals. This Vision Statement articulates the future for Los Gatos and reflects the high ideals identified by the community:

Residents are united in their desire to maintain a high quality of life and preserve the character of the Town. The overall community consensus is that Los Gatos be a full-service community that is also environmentally sensitive; that Los Gatos maintains a balanced, well-designed mix of residential, commercial, service and open space uses, fostering a pedestrian-oriented community with a small town, village-like character; that Los Gatos supports an active business community that provides a wide variety of goods and services and a broad range of employment opportunities, eliminating the need to travel to other communities; and that Los Gatos provides a well-run, efficient municipal government that is fiscally healthy, with high levels of public safety, recreational, art and cultural amenities and is committed to high quality education.

TOWN OF LOS GATOS

OPERATING AND CAPITAL DEPARTMENTAL BUDGET FISCAL YEAR 2009/10

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TOWN OF LOS GATOS

CIVIC CENTER 110 E. MAIN STREET P.O. BOX 949 LOS GATOS, CA 95031

May 8, 2009

Honorable Mayor and Town Council:

I am pleased to present to you the FY 2009/10 Operating and Capital Budget for the Town of Los Gatos and the Los Gatos Redevelopment Agency. This document provides a comprehensive summary of all Town Operating and Redevelopment Agency financial activities for fiscal year 2009/10 and Capital Improvement Program activities for the 2009-14 planning period. This budget is a numerical representation of the Town's priorities and goals given the global economic and local fiscal challenges we face.

The proposed operating budget incorporates reductions in staffing and other expenses and limited revenue enhancements totaling the \$2.6 million necessary to balance this year's budget. This balancing includes the elimination of vacant positions, targeted expenditure reductions, service delivery changes and revenue increases to recover costs for private development and other user fee supported services.

The capital budget includes limited funding for upgrades to the Town's infrastructure, including investments in streets, parks, and storm drains and site improvements to the Civic Center. A significant capital project for next year is the successful completion and occupancy of the new police operations building on Los Gatos Boulevard. A second key capital project is the new library. Next year staff anticipates the completion of the library design and planning process and start of actual construction.

Budget Plan Carries Out Town Goals and Priorities

In 2007, the Town Council established six goals to guide the identification of future projects and priorities. The goals were in the categories of Community Character, Good Governance, Fiscal Stability, Public Infrastructure, Civic Enrichment, and Public Safety. Priority projects for FY 2009/10 include:

Community Character

Continuing the established work plan for the 2010 General Plan update.

Good Governance

Expanding the availability of online services, including the issuance of selected building permits.

Fiscal Stability

 Seeking diversification of the Town's revenue base, through appropriate planning and development of Los Gatos Boulevard and the North Forty.

Public Infrastructure

Addressing funding needs for street maintenance, sidewalks and retaining walls.

Civic Enrichment

- Beginning construction of the new library.
- Identifying short and long-term opportunities to increase the supply of sports facilities.

Public Safety

- Constructing and occupying the Police Operations building.
- Expanding the Los Gatos Prepared campaign to maximize the number of individuals, families and businesses who are self-sufficient in the event of an emergency.

Five Year Financial Plan Update Provides Framework for Budget Development

In January 2009, staff updated the Town's Five-Year Financial Plan spanning fiscal years 2009/10 through 2013/14, setting the stage for FY 2009/10 budget development. The Five-Year Financial Plan is an independent financial tool that is based upon current costs and revenue forecasts, but is designed to be fluid in nature, allowing staff to build various funding scenarios and test "what if" assumptions of expected increases in operating costs and changes to operating revenues. Provisions for limited augmentations to critical service areas including maintenance were also assumed in the forecast.

Revenues in the forecast were projected assuming varying growth rates, ranging between 1-2% for tax revenues and 4% for fees for services, including cost of living increases and overhead charges. Expenditures were projected using a database of prior year actual costs adjusted for future known increases such as labor costs specified in multi-year labor agreements and actuarial updates for retirement and other benefits.

This prior forecast identified the need for budget adjustments totaling \$2 million to balance next year's budget. This shortfall is the result of recessionary impacts on the Town's locally generated revenues and projected cost increases for salaries and benefits, ongoing impacts of funding post retirement health benefits on an actuarial basis as required by Governmental Accounting Standards Board (GASB) Statement #45, and other unavoidable cost increases.

Budget Development Principles & Strategies

As presented in the prior Five-Year Financial Plan, the projections indicate a balanced budget for FY 2009/10 and a longer-term outlook that reflects continued operating deficits over the next four years. With this forecast as a guide, staff began development of a balanced budget for FY 2009/10, including reductions that generate ongoing savings while maintaining service levels to the greatest extent possible.

The proposed FY 2009/10 budget reflects principles that take into account the current and long-term fiscal picture, as well as high priority service delivery needs. The key principles include:

- Develop and recommend a balanced budget that maintains service levels;
- Continue to make progress on Council priorities identified at the 2007 Town Council retreat;
- Initiate organizational transitions to ensure cost-effective and efficient service delivery; and
- Identify opportunities for enhancing service delivery through technology.

The following section reflects strategies used to balance the FY 2009/10 operating budget and one recommended augmentation to a fund a service deficiency. In analyzing these issues, staff considered the impacts on both current and future budgets and assessed alternative approaches to meet service demands.

Staffing and Salary Reductions

The FY 2009/10 proposed operating budget includes the elimination of selected vacant positions, reduced overtime, fewer temporary staff hours, a management pay freeze and staff furloughs. A list of the eliminated positions can be found in the Financial Summaries on page C-44. Combined, the proposed staffing and salary reductions total approximately \$1.5 million.

Other operational changes include the reduction of public counter hours Monday – Friday, 8:00 a.m. – 1:00 p.m., in Business Licenses, Planning, Building, and Engineering. Public counter hours for Police Records were also adjusted to be Monday – Friday, 9:00 a.m. – 4:00 p.m. Originally introduced as a pilot program in March 2009, staff recommends that the reduced hours continue to help departments manage and prioritize service workloads.

Service Deficiencies

The budget includes continuation of the School Resource Officer position (SRO), a joint funding effort that began in FY 2008/09. With the elimination of the full time SRO in FY 2007/08, the Town asked school districts to share in the costs of one officer who would be assigned full time to work with the elementary and high school districts on a regular basis. An arrangement between the Town and school districts was made in January 2009 to jointly fund this position; however state cuts or loss of local revenue could force the termination of the shared funding. Staff has also submitted an application for a Federal Stimulus COPS grant to help support the SRO and another Police Officer position. If either funding source becomes unavailable, the SRO position could be discontinued or reconfigured.

Organizational Restructuring

Budget constraints continue to demand that staff assess organizational structures to align staff resources with work demands. Workload reassignments planned for FY 2009/10 include reallocating the Housing programs from the Community Services Department to the Community Development Department. Other strategies include exploring alternative service delivery options through outsourcing and staffing reconfigurations to offset necessary reductions in FY 2010/11. In addition, Parks and Public Works will be implementing several staffing and service changes which should provide significant budget savings with relatively little impact on public services.

Last, the Town Manager has initiated consideration of several organizational change opportunities as future staff vacancies occur that could result in significant budget savings to help balance the Town budget in future years. These opportunities are primarily in Community Services, the Library, and Police.

Changing Operational Demands

The Proposed FY 2009/10 budget addresses funding for two regional issues that will continue to affect the Town's future operating budgets:

Additional resources (use of approximately \$13,000 in fund balance in the Urban Runoff fund) are recommended to be expended to comply with the new regional storm water permit issued by the San Francisco Regional Water Quality Control Board (SFRWQCB) last year. The permit is issued to four programs, the Santa Clara Valley Urban Runoff Prevention program (comprised of all cities in the County), the West Valley Sanitation District (independent district), the West Valley Clean Water Program (comprised of City of Campbell, Town of Los Gatos, and The City of Saratoga) and the Town's managed Non Point Source Discharge Elimination System (NPDES).

In past years, the Town-managed NPDES program has had sufficient pass-through revenues collected from Los Gatos customers by the West Valley Sanitation District (WVSD) to provide funding for the Town's NPDES program requirements. As the storm water program requirements have grown, the funding collected by WVSD for this purpose is no longer sufficient to meet the program costs. In early April 2009, the WVSD Storm Water Management program's proposed FY 2009/10 budget was presented to Town staff. It recommends reducing pass-through payments to each of the agencies in the program, including the Town and the cities of Campbell and Saratoga. These funds are used by each local agency for carrying out the local government's responsibilities as required by the storm water permit. The local share of revenues are reduced due in part to increasing costs of administration for the collective Storm Water Management program and the higher levels of program activity required to meet increasingly tough permit standards.

Due to reduced pass-through revenue received from the WVSD, an approximate \$13,000 shortfall has developed in the Town's urban runoff program's annual revenues versus expenditures for the proposed FY 2009/10 budget. There is fund balance available to fund the gap for next budget year, but unless the

revenue streams for this program improve or program requirements are moderated, a deficit could occur in this fund as early as FY2010/11. Staff has been advised to expect increases of 30% to 40% in storm water program costs in FY 2010/11, which adds further impetus to finding a longer term revenue solution or working with the permitting agencies to reduce costs to all local governments. In the coming year, staff in Community Development, Parks and Public Works and Finance will ascertain the cost impacts of the new permitting requirements and to propose appropriate fee and revenue sources to cover these increased costs.

The other regional funding demand regards the Silicon Valley Regional Interoperability Project (SVRIP), which aims to integrate public safety data and communication systems in the Valley. This is a long-term project with multiple components for which federal funding is being pursued. While it is likely that federal funding will be received, the project will require local matches and ongoing support. The impact to the FY 2009/10 proposed budget is approximately \$18,000 for the Town's share of an executive director position and related costs. The capital budget proposes a new microwave tower project associated with this project, with ongoing annual maintenance costs of \$12,000 per year for rental of the tower site. Greater impacts associated with the next phases of this project are expected in future budget years.

FY 2009/10 General Fund Operating Budget Overview

GENERAL FUND SOURCES	P	FY 2009/10 PROPOSED BUDGET
Revenues		
General Fund Operating Revenues		
Sales & Use Tax	\$	8,677,460
Property Taxes	\$	6,922,920
Licenses & Permits	\$	2,199,610
Charges for Services	\$	2,353,250
All Others	\$	12,370,665
Fund Balance Sources		
Other Uses of Fund Balance	\$	195,918
Capital / Special Project Reserve	\$	825,000
TOTAL SOURCE	\$	33,544,823
GENERAL FUND USES		
General Fund Operating Expenditures	\$	31,697,589
General Fund Transfers	\$	825,000
Transfer to Revenue Stabilization	\$	500,000
Transfer to Capital/Special Projects	\$	500,000
TOTAL USE	\$	33,522,589

As shown above, the Proposed FY 2009/10 General Fund Budget is a balanced budget barring other financial outcomes not anticipated at this time. However, as true each year, the revenue estimates may change next year if the current recession becomes prolonged or there are other unexpected negative local economic developments or unanticipated future State revenue take-aways. If any of these occur, adjustments to the budget may be required early next fiscal year.

Overall, General Fund appropriated expenditures are proposed to decrease approximately 3% from the FY 2008/09 Adopted Budget levels of \$32,693,250 to \$31,697,589, excluding capital transfers-out. The FY

2009/10 General Fund Operating Budget projects a balanced budget after supplementing operating revenues with designated reserves for discretionary or "one-time" use.

Operating Revenues

The General Fund's revenue outlook remains guarded regarding the future growth of revenues. The deep and long recession has impacted the Town's economically sensitive revenue (including sales taxes, property taxes, charges for services, and licenses and permits) which is estimated to be lower than the modest amounts budgeted for FY 2008/09. Due to the slow and uncertain economy, sales tax and property tax have been budgeted at a 0% growth rate for FY 2009/10. A challenge to the sales tax base is the portion attributable to the Town's auto dealerships, which has fallen from 30% to 12% over the past five years. Another concern is the importance of retaining technology-based businesses which contribute to the Town's revenue, one of which is the Town's largest provider of sales tax annually, contributing nearly 28% of the Town's sales tax revenue. Diversification continues to be an important objective so that the Town can better weather the effects of economic cycles and their impact on services. To that end, the Town will move forward with key economic development efforts, including the Los Gatos Boulevard Plan, General Plan Update, and North Forty and maintain its outreach and support of the downtown and local business through the continued funding of the Economic Vitality Manager.

Los Gatos' property values remain largely stable, although the volume of housing sales has decreased in the past year. Turnovers of pre-Proposition 13 housing, which are often revalued at current market rates may help offset the loss of property tax growth due to the slow housing market. Transient Occupancy Tax (TOT) has been reduced by 5% due to a decline in travel and tourism. Licenses and Permits have decreased; the majority of this reduction comes from the decreased fees for private development activity and related fees and permits. The FY 2009/10 projected revenue for licenses and permits takes in account overhead charges and fee increases adopted by Council in April 2009. A comprehensive fee study is scheduled for fall 2009, which will more accurately determine the level of overhead and fees that should be charged for services.

Lastly, charges for Town services have increased by \$400,000 due to the General Plan Update reimbursement to the General Fund. All other revenues were adjusted based on the latest information available from the state or recent revenue trend history and other information provided by Town departments that track particular revenue sources.

Operating Expenditures

The Town's General Fund operating budget expenditures for FY 2009/10 have decreased by \$996,000 compared to the prior year's adopted budget (excluding fund transfers). These expenditures are comprised of six major categories of costs: salaries and benefits paid to employees who provide services to the community (\$971,434 decrease), grants and awards (\$69,200 decrease), internal service charges (\$133,482 decrease), debt service (\$1,830 increase) and other operating expenses for supplies and services (\$176,685) increase due to cost of living adjustments).

Despite the decreases in expenditures, salary and benefits continue to be the largest portion (64%) of the Town's operating costs, and include increases in post retirement health benefit costs due to state legislation (\$80,000) and actuarial requirements as prescribed by the Governmental Accounting Standards Board Statement #45 (\$150,000).

State Budget Impacts

Details on the State of California Proposed FY 2009/10 budget will available following the May 19, 2009 election. While budget discussions are underway, actions by State legislators will be influenced by the outcome of State-driven budget balancing ballot measures, including but not limited to: budget reform,

financing for public schools and other key State services, and the expansion and financing of State lottery revenues.

According to the League of California Cities, Governor Arnold Schwarzenegger is prepared to propose suspending Proposition 1A, a 2004 constitutional initiative protecting city and county revenues, to borrow 8% of FY 2008/09 property tax revenue from California cities and counties, which is estimated to be nearly \$2 billion statewide. It is estimated that the financial impact to the Town could be in the range of \$650,000 - \$800,000. Staff is developing a contingency plan should the Town lose additional property tax to the State.

Other funding sources like the \$100,000 Community Oriented Policing (COPS) grant, vehicle license fees, and the state mandated costs reimbursement also remain at risk. Staff will continue to monitor the State budget situation and work proactively with the League of California Cities, legislators, and other professional associations like the Associations of Police Chiefs to provide local revenue sources.

Forecasted General Fund Reserve Status - June 30, 2010

The total General Fund Reserves are forecasted to close at a balance of approximately \$21.8 million at June 30, 2010 (excluding approximately \$2.2 million in funds set aside to pay accrued compensated absences). In addition to the approximate \$2.1 million of General Fund Reserves set aside for legally restricted purposes, the Town has approximately \$19.7 million in General Fund designated reserves established in accordance with Town financial policies and operating and capital budget requirements. The forecasted June 30, 2010 balance of \$19.7 million in General Fund designated reserves include \$3.7 million in reserves for economic uncertainty, \$3.2 million in reserves for future capital projects, and \$5 million in revenue stabilization reserves, among other smaller reserve balances. The combined balance of \$3.7 million in reserves for economic uncertainty and \$5 million in revenue stabilization constitute approximately 27% of the Town's annual General Fund operating budget. Nationally, a contingency reserve of 15% of the Town's General Fund operating budget is considered to be indicative of a strong financial position for the local government.

Overview of the FY 2009/10 Capital Budget

Of vital importance is the Town's continued investment in infrastructure preservation and the addition of new capital assets to benefit the community. The FY 2009/10 proposed budget funds the first year (2009/10) of the Town's Five-Year Capital Improvement Plan (CIP). Total appropriations for FY 2009/10 are \$26.9 million, consisting of \$2.5 million in new project funding, and \$24.5 million in carryover funding from the prior year for projects like the new library or the police services building that span multiple years. Of note in the CIP is continued funding for investment in the Town's street system infrastructure. In the last ten years, the Town has invested approximately \$19 million in street improvements. Next year, the CIP proposes a total of approximately \$1.1 million in additional new funding dedicated for various street repair and resurfacing projects in the Town.

The proposed CIP includes approximately \$18.8 million in estimated carryover funding for two new public facilities, the police operations building (\$1.1 million) and the new library project (\$17.7 million) as discussed earlier in this message. Both of these projects are significant projects for Town staff who will be working to ensure a successful completion of these facilities that are expected to serve the community for many years in the future.

The CIP also proposes \$600,000 for Civic Center site improvements to improve circulation, access, and parking. These improvements include undergrounding of PG&E overhead electric lines, relocating underground utilities, reconfiguring parking, and enhancing access to Pageant Park. The Civic Center project is funded from GFAR (\$250,000) and the Utility Underground Fund (\$350,000).

Lastly, the CIP proposes the reallocation of \$100,000 in of Proposition 40 State Park Bond funds provided by the City of Monte Sereno. Approximately \$87,000 would be used for the Town Fountain Filtration project and \$13,000 for the Bachman Park Basketball Resurfacing project. However, park bond funds dedicated to Town projects have been frozen by the State of California due to the budget crisis. It is anticipated that these funds will become available sometime in FY 2009/10.

Future Challenges

Prolonged Recession - The unprecented (with the exception of the Great Depression) length of the economic recession has negatively impacted General Fund operating revenues through the loss of property tax growth, sales tax declines (including the closure of auto dealers), and slowing of private development activity among others. If the economy does not recover to the modest growth projections assumed in the Five-Year Financial Plan, more adverse impacts to services beyond those currently projected are likely to occur.

Sales Tax Vulnerability - Sales tax revenue accounts for approximately 28% of General Fund operating revenues. Netflix, an internet retail provider, generates a significant portion of this revenue, which continues to grow at a rapid rate. A strong and diversified sales tax revenue base makes the Town less vulnerable to the unexpected loss of a vital sales tax generator. For planning purposes, year five of the Five-Year Financial Plan includes a provision for the loss of Netflix's sales tax revenue. This conservative approach will enable the Town to better plan for future service delivery in the absence of this vital source of operating revenue.

Structural Imbalances (Operating Deficits) - Despite the adjustments made to date, the five-year forecast indicates that the current operating revenue stream is inadequate to meet the ongoing costs of current services. If this ongoing structural imbalance is not solved with permanent ongoing revenue increases or expenditure reductions, the level of imbalance would worsen each year leading to annual projected shortfalls ranging from \$1.4 million to \$6.2 million in the fiscal years following 2009/10. Many other jurisdictions in Silicon Valley and throughout California are already facing these challenges and may identify usable solutions for Los Gatos. Fortunately, the Town's strong reserves and past fiscal prudence provide some time to address these ongoing challenging issues.

PERS Retirement Benefits – Investment losses experienced by CalPers since Summer 2008 are expected to be in the range of 20-30%. These losses exceed the statutory "corridor" for rate smoothing and the Town currently believes that employer PERS rates could increase by approximately 30% beginning fiscal years 2011/12. The Five-Year Financial Plan is being updated with these higher rates, which could be reduced by a recovery in the general stock market and/or changes in legislation.

Limited Capacity for Infrastructure Funding - In past years, the Town has relied on a practice where half of any excess revenues available after replenishing certain required reserves were placed in the Town Reserve for Future Capital Improvements. Among other capital uses, this reserve has been the primary funding source for street improvements over the past 10 years. This investment has increased the Town's average Pavement Condition Index (PCI) from a low in recent years of 64 to its current level of 74. (The PCI index is an indication of pavement condition at a point of time, with 100 being considered the best possible condition.) However, the Town continues to build a large unfunded demand for street and sidewalk improvements throughout the Town. Attention to the funding needed to support to these demands will be required during the next five years.

Conclusion

For the foreseeable future, the Town anticipates fiscal challenges and uncertainties until the global, national, and local economy improves. Responding proactively, the Town recommends reductions to operating expenses and revenue enhancements and associated service delivery adjustments totaling

approximately \$2.6 million for the proposed FY 2009/10 budget. If the economy does not improve in the short term, the financial forecast indicates that more adjustments will be necessary to balance future budgets.

In light of anticipated deficit projections, staff has already begun exploring opportunities to enhance service delivery and lower operating costs through resource and workload redeployments and organizational restructuring. Staff will also be vigilant in tracking developments in the local economy and at the state level, enabling the Town to quickly respond to changing conditions. Changes needed to respond to more severe revenue declines due to a recession or unanticipated State revenue "takes" will be brought to Town Council's attention in a timely manner so that the Town can implement the appropriate response to conditions as warranted. Included in the range of options will be use of "bridge funding" from the Revenue Stabilization Reserve or other appropriate funding sources.

I wish to thank all of the departments, in particular, Department Directors and the members of their management and support staff, who worked diligently on the preparation of this budget document as well as the following staff members:

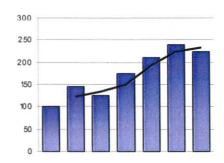
Stephen Conway, Finance and Administrative Services Director Pamela Jacobs, Assistant Town Manager Rumi Portillio, HR Director Jenny Haruyama, Assistant Finance/Budget Director Glenda Cracknell, Accountant/Finance Analyst Gayle Barr, Payroll Specialist Linda Isherwood, Accountant/Finance Analyst Gitta Ungvari, Administrative Analyst

Respectfully submitted,

Duy Larour

Greg Larson

Town Manager



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
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Total Town and RDA Revenues – by Category	C – 1	14
Total Town and RDA Expenditures – by Category	C - 1	15

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.

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Operating Transfers

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

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FINANCIAL SUMMARIES

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
5 Year Comparative Fund Balance – by Fund
Departmental Budgets
Department level schedules provide an overview of funding source and expenditure use, by each program within the department.
Department Revenues – by Program
Department Expenditures – by Program
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.
Departmental Staff – by Fund
Summary of FTE's – by Department
5 Year History of Funded Positions – by Department
Summary of Personnel Changes
Positions by Home Department

TOTAL BUDGETED FUND ACTIVITY SUMMARY FY 2009/10

Fund Category		Estimated and Balance	PY C	evenues, Carryfwrds and ansfers In		use of FB and ansfers Out		Estimated und Balance 6/30/2010		Fund Balance Change From PY
Operating Funds	_	111111111		insters in		unsters out		0/20/2010		1101
General Fund	\$	21,887,687	\$ 3	2,523,905	\$	32,522,589	\$	21,889,003		0.0%
Community Dev Block Grant		675,173		143,975		338,975		480,173		(28.9%)
Non-Point Source		34,204		135,000		147,335		21,869		(36.1%)
Assessment Districts		93,605		35,860		43,290		86,175		(7.9%)
Equipment Replacement Fund		3,175,135		339,280		372,697		3,141,718		(1.1%)
Workers Comp Self Insurance		2,677,561		692,510		648,781		2,721,290		1.6%
ABAG Self Insurance		1,880,163		528,990		606,812		1,802,341		(4.1%)
Office Stores Fund		258,125		124,500		146,000		236,625		(8.3%)
Mgmt Information Systems		2,152,621		1,038,420		1,151,488		2,039,553		(5.3%)
Vehicle Maintenance		264,702		618,400		604,824		278,278		5.1%
Facilities Maintenance		652,664		1,085,200		1,171,246		566,618		(13.2%)
Total Operating Funds	\$	33,751,640		7,266,040	\$	37,754,037	s	33,263,643		(1.4%)
Trust & Agency Funds										
Library Trust Funds	\$	323,009	\$	6,000	\$	317,831	\$	11,178		(96.5%)
Parking District Agency Fund		331,443		148,380		145,730		334,093		0.8%
Total Trust & Agency Funds		654,452	-	154,380		463,561	-	345,271		(47.2%)
Capital Funds										
GFAR	\$	9,942,127	\$ 1	5,328,564	\$	22,673,928	\$	2,596,763	*	(73.9%)
Traffic Mitigation Fund		79,233		65,000		65,000		79,233		0.0%
Grant Funded CIP Projects		402,350		1,989,093		2,353,483		37,960		(90.6%)
Storm Drain Funds		677,295		105,850		55,000		728,145		7.5%
Construction Tax Fund		2,472,243		52,080		350,000		2,174,323		(12.1%)
Gas Tax Fund		977,759		595,670		1,279,064		294,365		(69.9%)
Total Capital Funds	S	14,551,007	\$ 1	8,136,257	\$	26,776,475	-\$	5,910,789	_	(59.4%)
Redevelopment Agency Funds										
Capital Projects	\$	1,774,149		635,000		1,103,676	\$	1,305,473		(26.4%)
Debt Service		6,699,642		6,744,490		6,295,300		7,148,832		6.7%
Low/Moderate Housing Program		8,632,532		1,771,430		383,354		10,020,608		16.1%
Total Redevelopment Funds	s	17,106,323	S	9,150,920	\$	7,782,330	s	The state of the s	-	8.0%
TOTAL ALL FUNDS	S	66,063,421	\$ 6	64,707,597	S	72,776,403	S	57,994,615		(12.2%)

This Total Budgeted 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.

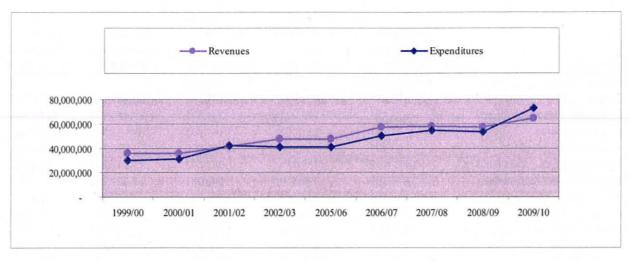
Trust & Agency Funds – These funds are held in a fiduciary capacity, with little variation in activity. The Parking District Fund facilitates a debt service function, and the Library Trusts are held for special uses for the Library.

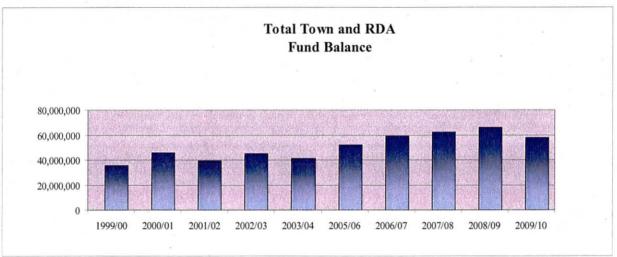
Capital Funds - Representing the capital improvement program activity, the Capital Funds reflect the significant progress made in the ongoing push in the capital program to complete projects, and the resulting decrease in fund balances.

Redevelopment Agency Funds – The RDA is financially external to the Town, however it 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.

^{*} The large decline in fund balance is primarily attributable to authorized appropriations for the new police operations building and the new library.

TOTAL TOWN & RDA REVENUE, EXPENDITURE, & FUND BALANCE TREND INFORMATION





		Revenues and	Expenditures and	1	Designated Fund
Year End	Reference	Transfers In	Transfers Out		Balance
1999/00	Audited	35,984,699	30,122,158	\$	35,831,325
2000/01	Actuals	35,984,699	31,397,545	\$	46,025,269
2001/02	Actuals	41,591,489	42,259,090	\$	39,285,225
2002/03	Actuals	47,285,614	40,684,365	\$	44,995,133
2003/04	Actuals	36,878,439	40,684,365	\$	41,177,235
2005/06	Actuals	47,288,124	40,702,404	\$	52,217,142
2006/07	Actuals	57,356,537	50,324,153	\$	59,249,596
2007/08	Actuals	57,785,643	54,751,826	\$	62,283,413
2008/09	Estimated	57,403,529	53,623,520	\$	66,063,421
2009/10	Adopted	64,707,597	72,776,400	\$	57,994,616

^{*}Expenditures and Transfers-Out may exceed Revenues due to the inclusion of planned and carryforward capital projects. Approximately \$14 M funding for Library project will come from issuance of Certificates of Participation (COP) in future years.

TOTAL TOWN & RDA REVENUE, EXPENDITURE, & FUND BALANCE TREND INFORMATION

The Town continues to focus on priority issues of maintaining public safety; maintaining and enhancing infrastructure including streets and parks; and providing library, community development, and community services to the Town's community. These priorities are coordinated with protecting the Town's fiscal health, and ensuring cost efficient and effective delivery of Town-wide administrative services. A continued emphasis on the implementation of various cost savings, revenue enhancements, operating efficiencies and a policy to establish a revenue stabilization reserve over recent years have softened the impact of continuing negative fiscal developments; however, as depicted in the Revenue and Expenditures graph on the previous page, fund balances are not expected to grow in FY 2009/10. Fund balances are actually expected to decline due to the use of designated reserves for vital capital improvements as approved in the FY 2009-13 Capital Improvement Plan.

The FY 2009/10 budget is a balanced budget, but a the Five Year Financial Forecast projects continuing deficits each year thereafter if the economy doesn't improve significantly or further corrective actions not are taken. Shortfalls are the result of recessionary impacts on the Town's locally generated revenues and projected cost increases for employer paid benefits due to PERS investment losses (anticipated to be charged to cities in FY 2011/12) and the ongoing impacts of funding post retirement health benefits on an actuarial basis as required by Governmental Accounting Standards Board (GASB) Statement #45. Other key trends affecting the fund balance forecast include:

Salary and Benefits Increases – Salaries and Benefits account for 30.7% of the Town's total expenditures and 64% of General Fund expenditures in FY 2009/10. Delivery of Town services is highly dependent on labor. The single largest driver of this cost has been the Town's contribution to the Public Employees Retirement System (PERS) on behalf of public safety employees. The Town's safety retirement contribution rates paid to the PERS have more than doubled in the recent past years - from 16% of covered payroll in FY 2003/04 to 33.6% in FY 2008/09. In FY 2009/10 this rate changes to 33.8% and projected to be higher in FY 2010/11. All other employee contribution rates to PERS have increased markedly, from 7% in FY 2003/04 to 14.58% in FY 2009/10, with the potential for larger increases in FY 2011/12.

In a proactive response to the fiscal challenges facing the Town, the management group recommended to forgo any cost of living and performance bonuses for FY 2009/10, whose approximate \$200,000 in annual savings has been incorporated into the recommended FY 2009/10 budget. Simultaneously, employee bargaining groups were in discussion with management regarding the potential for approximately \$250,000 in budget savings obtainable from reduced cost of living increases, furloughs, or some combination of both. For FY 2009/10, the Memorandums of Understanding (MOU) for the Town Employee Association (TEA), American Federation of State, County, and Municipal Employees (ASMFE), and Police Officers Association (POA) stipulate salary increases of 3%, 3%, and 4% respectively.

Other Cost Drivers – Chief among other cost drivers are the continuing rise in energy costs, including fuel for Police vehicles and Parks & Public Works field trucks, water for Town parks, landscaping and facilities, and natural gas and electricity to provide heating, air conditioning, and lighting for public infrastructure and facilities including street lights, parking lots, parks, and the Town's Civic Center, Neighborhood Center and Corporation Yard facility. The Energy Information Administration of the US government projects that energy costs will continue to increase in FY 2009/10. As a result, the Town will continue to explore energy efficient alternatives at existing and future facilities.

Revenue Recovery –During the boom years of the mid-late nineties, the Town's General Fund operating revenues increased at an average rate of 13.8% per year between 1996 and 2001. However, between 2002 and 2004 General Fund revenues declined, but subsequently showed signs of recovery in 2005. Excluding two one-time revenue sources (FY 2008/09 Vasona land sale of \$6 million and FY 2009/10 \$14 million library project bond proceeds), FY 2009/10 are expected to decline. This represents approximately a 3% decrease in revenue compared to FY 2008/09. Recovery from the current economic recession is predicted to be slow and revenues for FY 2009/10 are expected to show little or no growth.

PROPUSED

TOTAL TOWN & RDA REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY

GENERAL FUND

SPECIAL REVENUE FUNDS

	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimate	2009/10 Budget	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimate	2009/10 Budget
REVENUES		, tetum	. tetum	Datimute	Duaget		Accum	Actual	Estimite	Duaget
Property Tax	5,831,822	6,645,436	7,036,875	6,922,920	6,922,920	37,161	33,613	33,725	33,510	33,510
VLF Backfill	1,923,378	1,990,555	2,141,994	2,302,186	2,325,200		_	-	-	-
Sales & Use Tax	8,655,566	9,509,947	9,345,432	8,700,000	8,677,460	-	-	-	-	-
Franchise Fees	1,130,190	1,162,038	1,659,829	1,665,600	1,689,260	-	-	-	-	-
Transient Occupancy Tax	1,028,664	1,108,257	1,245,078	1,100,000	1,080,000	_	-			
Other Taxes	19,810	1,209,138	1,144,647	1,103,456	1,127,000	-	-	-	-	-
Licenses & Permits	2,611,108	2,382,477	2,450,828	1,789,880	2,199,610	D:	-		-	-
Intergovernmental	2,779,681	681,165	828,623	818,638	796,090	234,895	113,608	144,333	142,890	108,975
Town Services	3,006,634	1,988,312	1,851,638	1,976,783	2,353,250	133,341	177,630	168,074	135,000	135,000
Internal Srvc Reimbursement		100000000000000000000000000000000000000	0.45500888855	-		1010-0 BC. 1719.	-	7000 PAGE 1	**************************************	10000 MO1700
Fines & Forteitures	608,331	561,645	369,292	497,180	496,040	<u>u</u>	91	12		T-
Interest	1,407,265	2,576,062	3,123,491	1,760,938	1,580,000	60,040	55,198	35,010	39,500	37,350
Other Sources	3,044,367	3,005,895	1,711,557	8,896,308	2,801,155	526,574	221,082	•	-	-
Fund Transfers In	430,839	114,470	148,369	569,394	475,920	665		224,110	-	2
TOTAL REVENUES	32,477,655	32,935,397	33,057,653	38,103,283	32,523,905	992,676	601,131	605,252	350,900	314,835
EXPENDITURES										
Salaries & Benefits	18,088,938	18,377,769	19,445,619	20,582,091	20,659,566	400,647	282,474	257,149	108,800	112,544
Operating Expenditures	3,866,158	4,171,699	4,556,099	6,017,821	6,497,965	162,703	116,744	205,697	93,827	94,330
Grants & Awards	176,282	184,329	196,042	299,290	201,230	61,681	435,456	35,564	179,502	227,050
Fixed Assets	192,343	30,598	62,628	8,136	,	-	-	-	-	
Interest	-		-	-		27,985	40,447	21,376		-
Internal Service Charges	2,904,563	3,158,892	3,401,191	3,597,500	3,412,858	60,713	48,260	49,029	40,300	16,739
Capital Projects	-	1 11		* ·	170 17	:: -		A 5-		
Capital Acquisitions	-	1,012,884		*	*	*	-	-		-
Facilities Maintenance	**	-	-	-			140		I N	-
Debt Service	932,122	931,078	930,717	924,135	925,970		-	₹₩:	-	-
Transfers	475,664	4,194,094	6,339,504	1,916,500	825,000	213,717	56,830	82,210	426,424	78,937
TOTAL EXPENDITURES	26,636,070	32,061,343	34,931,800	33,345,473	32,522,589	927,446	980,211	651,025	848,853	529,600
Net Increase (Decrease)	5,841,585	874,054	(1,874,147)	4,757,810	1,316	65,230	(379,080)	(45,773)	(497,953)	(214,765)
Beginning Fund Balance	12,288,390	18,129,975	19,004,029	17,129,882	21,887,692	1,660,560	1,725,790	1,346,710	1,300,937	802,984
Ending Fund Balance	\$18,129,975	\$ 19,004,029	\$ 17,129,882	\$21,887,692	21,889,008	\$ 1,725,790 \$	1,346,710	\$ 1,300,937	\$ 802,984	\$ 588,219

TOTAL TOWN & RDA REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY

INTERNAL SERVICE FUNDS

LIBRARY TRUSTS & PARKING ASSESSMENT FUNDS

	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimate	2009/10 Budget		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008 Estin		2009/10 Budget
REVENUES		AN INCREMENTATION OF THE PARTY				-						
Property Tax .	i ii		-	-	-		138,206	137,637	145,555	5 13	7,465	139,380
VLF Backfill			-	-					· · · · · · · · ·		-	-
Sales & Use Tax				-				-			×	-
Franchise Fees							100				~	-
Transient Occupancy Tax				-				-				-
Other Taxes	89,143	57,221	29,656	15,000	15,000			-	10		-	1# 1
Licenses & Permits	-		54	-	-		540	1 =	19		~	×1
Intergovernmental			-	-	*		w:	-	1.		-	·
Town Services	89,686	94,021	91,669	66,000	66,000		-	~	14		-	
Internal Srvc Reimbursement	3,652,589	3,908,859	4,212,818	4,360,650	4,282,700						¥	
Fines & Forteitures	-	-	-	-			-	-			-	-
Interest	47	46	50	-			14,214	22,366	22,020	2	,150	13,000
Other Sources	128,163	119,155	139,783	86,286	63,600		56,561	21,725	25,275	33	,050	2,000
Fund Transfers In	-	*	15,500	20,980	-			-			-	
TOTAL REVENUES	3,959,628	4,179,302	4,489,476	4,548,916	4,427,300		208,981	181,728	192,850	190	,665	154,380
EXPENDITURES												
Salaries & Benefits	885,847	897,631	981,151	1,054,200	1,146,884		9,899	9,404			2	9
Operating Expenditures	1,782,258	2,164,154	2,781,990	2,479,622	2,832,890		31,329	19,065	36,660	31	.026	320,631
Grants & Awards	1,702,250	2,104,124	2,701,220	2,47,022	2,032,070		01,000	12,005	30,000		,020	520,051
Fixed Assets	216,170	363,668	451,350	376,755	503,074		12,610	-				
Interest	210,170	505,000	451,550	5.10,755	505,074		70,537	64,395	142,836	144	.681	142,930
Internal Service Charges					_		313	1,290	142,050	145	,001	142,200
Capital Projects	495,298				_		212	1,20				
Capital Acquisitions	475,276											_
Facilities Maintenance	19,857	29,163		_	2		_		_			_
Debt Service	17,007	27,100	_		2		75,000	80,000				-
Transfers	146,450	1,235,322	119,471	669,534	219,000		-	-	74			
TOTAL EXPENDITURES	3,545,880	4,689,938	4,333,962	4,580,111	4,701,848	_	199,688	174,154	179,496	182	,707	463,561
Net Increase (Decrease)	413,748	(510,636)	155,514	(31,195)	(274,548)		9,293	7,574	13,354	7	,958	(309,181)
Beginning Fund Balance	11,033,540	11,447,288	10,936,652	11,092,166	11,060,971		616,273	625,566	633,140	646	,494	654,452
Ending Fund Balance	\$ 11,447,288	\$ 10,936,652	\$ 11,092,166	\$ 11,060,971	\$ 10,786,423	\$	625,566 \$	633,140	\$ 646,494	\$ 654	,452	\$ 345,271

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PROPUSE

TOTAL TOWN & RDA REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY

CAPITAL PROJECT FUNDS

REDEVELOPMENT AGENCY

	2005/06	2006/07	2007/08	2008/09	2009/10	2005/06	2006/07	2007/08	2008/09	2009/10
0.00	Actual	Actual	Actual	Estimate	Budget	Actual	Actual	Actual	Estimate	Budget
REVENUÉS										
Property Tax	-	*	-	-	7. * 2.	5,976,062	7,425,925	8,072,176	7,231,383	7,386,550
VLF Backfill	-	(±)	= c	-		-	-		-	-
Sales & Use Tax	-	-	2	-	(2)		-	72	2	-
Franchise Fees	-	-	-		-	-	2	-	-	-
Transient Occupancy Tax	-	4	-	-		V-	-	-	-	-
Other Taxes	348,988	180,826	29,656	15,000	15,000		*		-	-
Licenses & Permits	-	126,193	202,492	154,000	277,000	-	-	-	-	-
Intergovernmental	804,785	1,444,906	2,155,286	1,904,023	2,782,640	932,122	931,078	930,717	924,135	925,970
Town Services			-			6,676	-	-	-	-
Internal Srvc Reimbursement	-		-	-	-	-	-	0+0	-	-
Fines & Forteitures	*:		-	-	-	-	×	-	-	-
Interest	96,750	166,890	134,270	131,900	62,600	358,764	809,827	897,964	293,400	263,400
Other Sources	341,554	106,681	153,286	324,870	14,075,000	3,464	E00000 # 00000	4		-
CIP Proj Reimbursement	64,608	117,305	41,105	(10,500)	2	-	-	_	-	21
Fund Transfers In	715,409	5,429,414	6,273,466	2,666,554	924,017	-	2,720,000	550,000	575,000	575,000
TOTAL REVENUES	2,372,094	7,572,215	8,989,561	5,185,847	18,136,257	7,277,088	11,886,830	10,450,861	9,023,918	9,150,920
EXPENDITURES						,				
Salaries & Benefits	8,277	35,271	48,298	-	117,959	269,810	226,447	250,869	193,700	263,105
Operating Expenditures*	1,197	-	-	·		3,153,318	3,609,025	3,981,742	4,354,089	4,519,090
Grants & Awards	-		-	-	-	121,707	100,000	932,700	-	-
Fixed Assets	96,293	180,130	-	-	-		.00,000	-	-	
Interest			-	-	1 = 1	682,538	666,914	651,556	629,138	610,970
Internal Service Charges	443	1,515	2,280	14	5,114	15,191	13,956	15,516	11,600	16,039
Capital Projects	2,520,719	2,478,972	5,340,852	6,016,362	26,376,401	881,039	983,389	1,401,591	1,272,882	407,156
Capital Acquisitions	-,,			-	20,570,107		,00,00,	-,	1,272,002	
Facilities Maintenance	_	-				_	-	_		_
Debt Service	_					1,331,705	1,345,245	1,359,885	1,369,135	1,390,970
Transfers	311,081	57,640	120,259	244,470	277,000	1,551,755	2,720,000	550,000	575,000	575,000
TOTAL EXPENDITURES	2,938,010	2,753,528	5,511,689	6,260,832	26,776,474	6,455,308	9,664,976	9,143,859	8,405,544	7,782,330
Net Increase (Decrease)	(565,916)	4,818,687	3,477,872	(1,074,985)	(8,640,217)	821,780	2,221,854	1,307,002	618,374	1,368,590
Beginning Fund Balance	7,895,347	7,329,430	12,148,117	15,625,989	14,551,004	12,137,311	12,959,092	15,180,946	16,487,948	17,106,322
Ending Fund Balance	7,329,430 \$	12,148,117	\$ 15,625,989	\$14,551,004 \$	5,910,787	\$12,959,091	\$ 15,180,946	\$ 16,487,948	\$17,106,322	\$18,474,912

TOTAL TOWN & RDA REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY

TOTAL ALL FUNDS

	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimate	2009/10 Budget	
REVENUES		, , , , , , , , , , , , , , , , , , , ,	1			•
Property Tax	11,983,253	14,242,612	15,288,331	14,325,278	14,482,360	
VLF Backfill	1,923,378	1,990,555	2,141,994	2,302,186	2,325,200	
Sales & Use Tax	8,655,566	9,509,947	9,345,432	8,700,000	8,677,460	
Franchise Fees	1,130,190	1,162,038	1,659,829	1,665,600	1,689,260	
Transient Occupancy Tax	1,028,664	1,108,257	1,245,078	1,100,000	1,080,000	
Other Taxes	457,941	1,447,185	1,203,959	1,133,456	1,157,000	
Licenses & Permits	2,611,108	2,508,670	2,653,320	1,943,880	2,476,610	
Intergovernmental	4,751,483	3,170,757	4,058,959	3,789,686	4,613,675	
Town Services	3,236,337	2,259,963	2,111,381	2,177,783	2,554,250	
Internal Srvc Reimbursement	3,652,589	3,908,859	4,212,818	4,360,650	4,282,700	
Fines & Forteitures	608,331	561,645	369,292	497,180	496,040	
Interest	1,937,080	3,630,389	4,212,805	2,246,888	1,956,350	
Other Sources	4,100,683	3,474,538	2,029,905	9,339,514	16,941,755	
CIP Proj Reimbursement	64,608	117,305	41,105	(10,500)	-	
Fund Transfers In	1,146,913	8,263,884	7,211,445	3,831,928	1,974,937	
TOTAL REVENUES	47,288,124	57,356,604	57,785,653	57,403,529	64,707,597	1
EXPENDITURES						
Salaries & Benefits	19,663,410	19,828,994	20,983,086	21,938,791	22,300,058	
Operating Expenditures	8,996,963	10,080,687	11,562,188	12,982,385	14,264,906	
Grants & Awards	359,670	719,785	1,164,306	478,792	428,280	
Fixed Assets	517,416	574,396	513,978	384,891	503,074	
Interest	781,060	771,756	815,768	774,819	753,900	
Internal Service Charges	2,981,223	3,223,913	3,468,016	3,649,400	3,450,750	
Capital Projects	3,897,056	3,462,361	6,742,443	7,289,244	26,783,557	*
Capital Acquisitions		1,012,884	-			
Facilities Maintenance	19,857	29,163	-		-	
Debt Service	2,338,827	2,356,323	2,290,602	2,293,270	2,316,940	
Transfers	1,146,912	8,263,886	7,211,444	3,831,928	1,974,937	
TOTAL EXPENDITURES	40,702,394	50,324,148	54,751,831	53,623,520	72,776,402	
Net Increase (Decrease)	6,585,720	7,032,453	3,033,822	3,780,009	(8,068,805)	*
Beginning Fund Balance	45,631,421	52,217,141	59,249,593	62,283,415	66,063,424	
Ending Fund Balance	\$ 52,217,141	\$ 59,249,594	\$ 62,283,415	\$ 66,063,424	\$ 57,994,619	

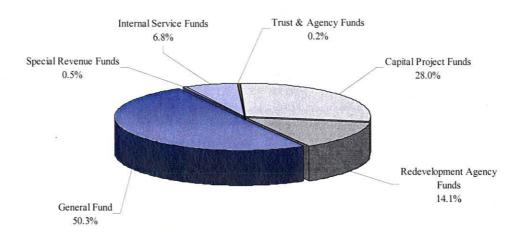
* Change for theses items reflect completion of the Police Operation Building and the initiation of the Library construction.

TOTAL TOWN & RDA REVENUES

BY FUND (Includes Transfers In)

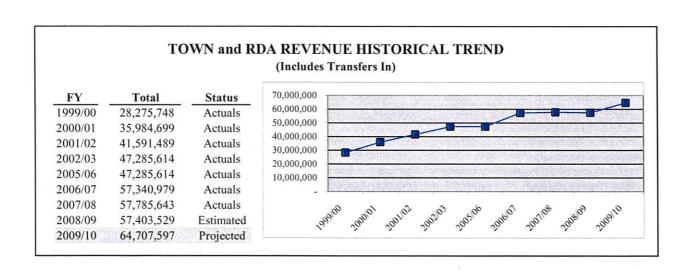
Fund	Fund Name	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	Change from PY
Gener	ral Funds							
111	General Fund	32,493,187	32,919,772	33,057,647	32,475,653	38,103,283	32,523,905	0.1%
111	Special Revenue Grants	2,510	15,558		-			
Specia	al Revenue Funds							
221	Solid Waste Management	388,497	271,505	265,153	-	-		
211	HCD Housing Rehabilitation	57,530	51,118	32,140	52,000	36,800	35,000	(32.7%)
212	HCD-CDBG	179,264	66,750	104,702	113,994	142,890	108,975	(4.4%)
222	Urban Run-Off Program	176,333	174,063	166,660	135,000	135,000	135,000	0.0%
	Sewer Maintenance Assessment Districts	133,342			:= :			
231	Blackwell District	3,210	3,282	3,308	3,200	3,260	3,240	1.3%
232	Kennedy Meadows District	10,589	10,735	10,549	10,375	10,575	10,555	1.7%
232	Gemini Court District	4,270	4,380	4,374	4,290	4,400	4,340	1.2%
233	Santa Rosa Heights District	9,610	7,167	6,480	6,500	6,200	6,000	(7.7%)
234	Vasona Heights District	9,930	9,973	9,901	9,775	9,895	9,865	0.9%
235	Hillbrook District	2,063	2,155	1,983	1,950	1,880	1,860	(4.6%)
	Arroyo Del Rancho		-	-		-	•	
Intern	al Service Funds				4			
611	Self Insurance Fund	506,227	537,767	586,436	518,400	566,800	528,990	2.0%
612	Worker's Comp Self Insurance	634,178	601,059	668,518	652,800	590,000	692,510	6.1%
621	Management Info Systems	822,041	858,940	951,982	1,074,970	1,066,830	1,038,420	(3.4%)
622	Office Stores Fund	84,593	81,953	104,521	124,480	143,000	124,500	0.0%
631	Equipment Replacement	403,370	357,700	409,460	421,470	421,520	339,280	(19.5%)
632	Vehicle Maintenance Fund	501,765	598,530	612,247	637,100	637,100	618,400	(2.9%)
	Facilities Maintenance Fund	1,007,454	1,143,352	1,156,310	1,138,200	1,123,666	1,085,200	(4.7%)
	& Agency Funds		10.010	24.204		*****		
711	Library Trust	46,606	18,840	24,384	18,900	31,650	900	(95.2%)
712	Hooked on History Project	13,525	4,855	3,141	3,950	1,550	2,100	(46.8%)
713	Ness Trust Bequest	4,320	7,470	4,950	7,000	6,000	2,000	(71.4%)
714 721	Betty McClendon Trust Parking District #88	144,530	4,030 146,533	3,040 157,335	3,600 148,465	3,000 148,465	1,000 148,380	(72.2%)
	al Project Funds	144,550	140,555	137,333	140,403	140,405	148,380	(0.170)
411	GFAR	1,024,851	5,969,777	6,985,783	2,700,634	2,987,391	15,328,564	467.6%
421	Grant Funded CIP Projects	183,304	692,585	1,204,395	3,007,156	1,265,766	262,017	(91.3%)
461	Storm Drain #1	45,303	50,694	57,092	177,520	171,090	48,220	(72.8%)
462	Storm Drain #2	209,187	98,050	64,394	63,020	53,000	52,630	(16.5%)
463	Storm Drain #3	32,465	11,911	11,192	16,930	(2,100)	5,000	(70.5%)
471	Traffic Mitigation	180,000	25,081		50,000	110,000	65,000	30.0%
472	Const Utility Underground	142,413	153,551	106,096	146,370	97,000	52,080	(64.4%)
481	Gas Tax - Street & Signal	554,571	570,569	560,610	584,200	503,700	595,670	2.0%
Redeve	elopment Agency Funds							
911	RDA - Capital Project Funds	595,589	3,437,448	688,569	672,850	650,000	635,000	(5.6%)
921	RDA - Debt Service Fund	5,524,806	6,594,403	7,834,893	7,409,970	6,621,259	6,744,490	(9.0%)
931	RDA - Low/Moderate Housing	1,156,692	1,854,981	1,927,398	1,743,660	1,752,659	1,771,430	1.6%
Total	Fund Rev and Transfers-In	47,288,124	57,356,537	57,785,643	54,134,382	57,403,529	62,980,521	16.3%
Plus l	Estimated PY Carryforward Grant	Revenue for Ca	pital Projects				1,727,076	
Total	Fund Revenues, Transfers -In, a	nd Prior Year	Carryforwards			A phase and	64,707,597	
	Estimated Use of Town Fund Bala Estimated Use of RDA Fund Balai		-				22,299,182 407,156	
				Use of Fund B			87,413,935	

TOTAL TOWN & RDA REVENUES BY FUND



FY 2009/10 Revenues By Fund

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	% of Total
General Fund	\$32,493,187	\$32,919,772	\$33,057,647	\$32,475,653	\$38,103,283	\$ 32,523,905	50.2%
Special Revenue Funds	974,638	601,128	605,250	337,084	350,900	314,835	0.5%
Internal Service Funds	3,959,628	4,179,301	4,489,474	4,567,420	4,548,916	4,427,300	6.8%
Trust & Agency Funds	208,981	181,728	192,850	181,915	190,665	154,380	0.2%
Capital Project Funds	2,372,094	7,572,218	8,989,562	6,745,830	5,185,847	18,136,257	28.0%
Redevelopment Agency Funds	7,277,087	11,886,832	10,450,860	9,826,480	9,023,918	9,150,920	14.1%
Total Rev & Transfers In	\$47,285,614	\$57,340,979	\$57,785,643	\$54,134,382	\$57,403,529	\$ 64,707,597	100.0%



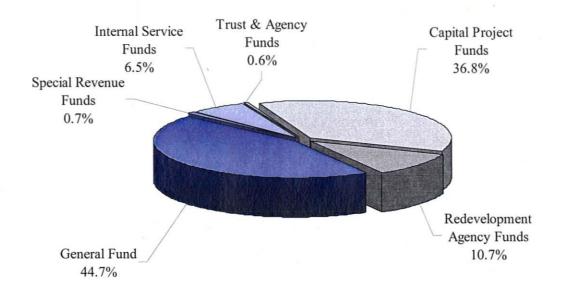
TOTAL TOWN & RDA EXPENDITURES

BY FUND

(Includes Transfers Out)

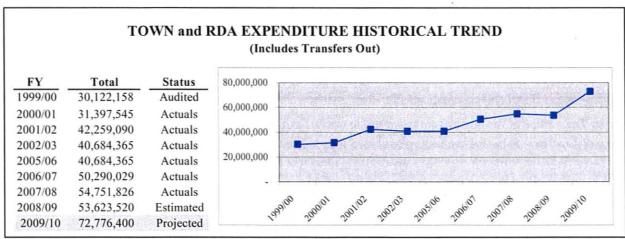
Fund	Fund Name	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	% Change
Gene	ral Funds							
111	General Fund	26,636,071	32,027,220	34,931,799	33,793,250	33,345,473	32,522,586	(3.8%)
111	Special Revenue Grants	18,039	34,125		=	-		- %
Speci	al Revenue Funds							
221	Solid Waste Management	308,620	262,569	307,449		296,554		
211	HCD Housing Rehabilitation	27,985	429,222	21,376	240,000	176,772	230,000	(4.2%)
212	HCD-Community Block Grant	179,264	65,844	102,397	114,124	142,890	108,975	(4.5%)
222	Urban Run-Off Program	219,219	177,014	186,400	184,100	189,347	147,335	(20.0%)
	Sewer Maintenance	133,342		100,100	104,100	107,547,		- %
	Assessment Districts	155,512						,,,
231	Blackwell District	3,310	3,104	2,490	3,220	3,220	3,220	0.0%
232	Kennedy Meadows District	7,181	16,606	6,767	8,060	8,060	8,060	0.0%
232	Gemini Court District	3,215	3,031	3,076	5,000	5,000	5,000	0.0%
233	Santa Rosa Heights District	6,768	5,745	8,638	13,140	13,140	13,140	0.0%
234	Vasona Heights District	11,884	12,177	7,958	8,490	8,490	8,490	0.0%
235	Hillbrook District	5,296	4,898	4,472	5,380	5,380	5,380	0.0%
	Arroyo Del Rancho	3,324	-	-				- %
		-,						
	nal Service Funds	****				***		
611	Self Insurance Fund	398,988	459,933	856,024	610,900	542,080	606,812	(0.7%)
612	Worker's Comp Self Insurance	260,675	398,156	477,923	663,640	496,495	648,781	(2.2%)
621	Management Info Systems	642,904	1,354,050	913,660	1,528,200	1,038,290	1,151,488	(24.7%)
622	Office Stores Fund	72,702	82,720	107,936	144,530	122,802	146,000	1.0%
631	Equipment Replacement Fund	331,186	759,669	480,135	373,817	337,235	372,697	(0.3%)
632	Vehicle Maintenance Fund	520,239	541,452	571,823	639,300	603,699	604,824	(5.4%)
633	Building Maintenance Fund	1,319,186	1,093,959	926,458	1,596,500	1,439,510	1,171,246	(26.6%)
Trust	& Agency Funds							
711	Library Trust	17,695	11,389	18,340	15,500	23,250	43,875	183.1%
712	Hooked on History Project	34,442	15,598	9,850	8,373	11,000		(100.0%)
713	Ness Trust Bequest			*:		-	182,577	- %
714	Betty McClendon Trust		-	5,691	5,000		91,379	
721	Parking District #88	147,552	147,166	145,616	148,460	148,457	145,730	(1.8%)
Canita	al Project Funds							
411	GFAR	1,005,366	1,584,084	3,257,216	25,637,274	4,991,648	1,412,200	(94.5%)
421	Grant Funded CIP Projects	188,877	824,442	1,368,653	2,663,127	557,704	262,017	(90.2%)
461	Storm Drain #1	215,000	144,477	26,337	157,013	163,890	55,000	(65.0%)
462	Storm Drain #2	400,000	14,150	-			V Ashio-Ry	- %
463	Storm Drain #3	7,386	184	21,000	271,430	271,430		(100.0%)
471	Traffic Mitigation	205,081	(48,360)	14,259	50,000	110,000	65,000	30.0%
472	Const Utility Underground	,	-	-	-	-	350,000	- %
481	Gas Tax - Street & Signal	916,301	234,553	824,223	839,224	166,160	606,000	(27.8%)
Daday	elopment Agency Funds			V	5-30-000 En. (5-20)			/ACC-0355/04.6
911	RDA - Capital Project Funds	1.482.050	1 552 420	2 007 715	2 360 626	1 872 626	606 520	(70.59/)
911		1,482,950	1,553,439	2,007,715	2,360,626	1,873,626	696,520	(70.5%)
931	RDA - Debt Service Fund RDA - Low/Moderate Housing	4,591,731 380,626	7,702,276 409,262	5,850,268 1,285,876	6,194,890 403,630	6,213,291 318,627	6,295,300 383,354	(5.0%)
	ARCHIOLOGICAL PROPERTY OF THE STREET		Year State of the Land	AND PARTIES/AND AND			Charles Control of Control	radia veneralis (l
Total	Operating Exp by Fund:	40,702,404	50,324,153	54,751,826	78,686,198	53,623,520	48,342,986	(38.6%)
	Estimated PY Carryforward of To						2,091,466	
Plus	Estimated PY Carryforward of To-	wn Capital Proje	ect Appropriatio	ns			21,934,792	
Plus	Estimated PY Carryforward of RD	A Capital Proje	ect Appropriation	ıs			407,156	

TOTAL TOWN & RDA EXPENDITURES BY FUND



FY 2009/10 Expenditures by Fund

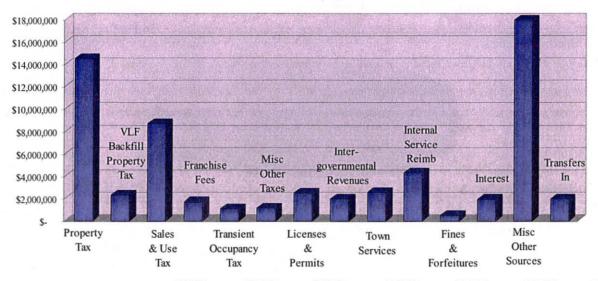
	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	2009/10
General Fund	\$26,636,071	\$32,027,220	\$34,931,799	\$33,793,250	\$33,345,473	\$32,522,586	44.7%
Special Revenue Funds	909,408	980,210	651,023	581,514	848,853	529,600	0.7%
Internal Service Funds	3,545,880	4,689,939	4,333,959	5,556,887	4,580,111	4,701,848	6.5%
Trust & Agency Funds	199,689	174,153	179,497	177,333	182,707	463,561	0.6%
Capital Project Funds	2,938,011	2,753,530	5,511,688	29,618,068	6,260,832	26,776,475	36.8%
Redevelopment Agency Funds	6,455,307	9,664,977	9,143,859	8,959,146	8,405,544	7,782,330	10.7%
Total Exp & Transfers Out	\$40,684,365	\$50,290,029	\$54,751,826	\$78,686,198	\$53,623,520	\$72,776,400	100.0%



The adopted fiscal year expenditure total reflects a spike due to the inclusion of carryforward appropriations for prior year's uncompleted capital projects.

TOTAL TOWN & RDA REVENUES BY CATEGORY

FY 2009/10 Budgeted Revenues



	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10	% of
Revenues	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted	Total
Property Tax	\$11,983,252	\$14,242,610	\$14,977,529	\$14,952,555	\$14,325,278	\$14,482,360	23.0%
VLF Backfill Property Tax	1,923,378	1,990,555	2,452,797	2,206,250	2,302,186	2,325,200	3.7%
Sales & Use Tax	8,655,566	9,509,947	9,345,432	9,058,300	8,700,000	8,677,460	13.8%
Franchise Fees	1,130,190	1,162,038	1,659,829	1,756,100	1,665,600	1,689,260	2.7%
Transient Occupancy Tax	1,028,664	1,108,257	1,245,078	1,210,000	1,100,000	1,080,000	1.7%
Miscellaneous Other Taxes	457,941	1,447,185	1,203,960	1,195,000	1,133,456	1,157,000	1.8%
Licenses & Permits	2,611,108	2,508,670	2,653,321	2,548,390	1,935,354	2,476,610	3.9%
Intergovernmental Revenues	4,751,483	2,224,123	3,128,238	5,163,303	2,865,551	1,960,629	3.1%
Town Services	3,236,338	2,341,563	2,152,516	2,530,972	2,175,809	2,554,250	4.1%
Internal Service Reimbursements	3,652,589	3,908,859	4,212,788	4,348,140	4,360,650	4,282,700	6.8%
Fines & Forfeitures	608,331	561,645	369,292	412,400	497,180	496,040	0.8%
Interest	1,937,079	3,630,389	4,212,805	2,156,520	2,210,088	1,921,350	3.1%
Miscellaneous Other Sources	4,100,682	4,331,525	2,960,623	3,936,175	10,300,449	17,902,725	28.4%
CIP Project Reimbursement	64,608	125,283	-	-		-	0.0%
Total Revenues	\$46,141,209	\$49,092,649	\$50,574,208	\$51,474,105	\$53,571,601	\$61,005,584	
Plus Transfers In:	1,146,912	8,263,886	7,211,444	2,660,277	3,831,928	1,974,937	3.1%
Total Revenues & Other Sources	\$47,288,121	\$57,356,535	\$57,785,652	\$54,134,382	\$57,403,529	\$62,980,521	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 - Property Tax revenues are anticipated to remain flat in FY 2009/10.

Sales and Use Tax – Sales and use tax revenues have been impacted by the national recession. This decline has been partially offset by the continued success of one internet retail business. The sales and use tax revenue for FY 2009/10 is projected to be flat and subsequent fiscal years have a 1-3% growth, assuming that the economy shows signs of recovery.

Licenses and Permits – Licenses and Permits reflect a projected 4 % increase 2009/10 due to fee adjustments and overhead recovery. Development activity is forecasted to be lower in FY 2009/10 than in prior years, but fee adjustments and overhead charges have offset this anticipated decline.

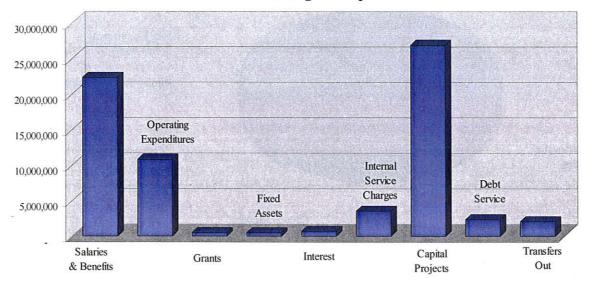
Intergovernmental Revenues - Increases in intergovernmental revenues are due primarily to adjustments related to the renewal of the police services contract between the Town and the City of Monte Sereno.

Interest – Interest income is forecasted to be lower in FY 2009/10 due to a declining interest rate environment and reduced cash balances than prior years as a result of significant capital expenditures planned for the coming fiscal year.

TOTAL TOWN & RDA EXPENDITURES

By CATEGORY

FY 2009/10 Budgeted Expenditures



Expenditures	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	% of Total
Salaries and Benefits	\$ 19,663,420	\$ 19,823,473	\$ 20,983,086	\$ 23,263,513	\$ 21,938,791	\$ 22,301,420	30.6%
Operating Expenditures	6,944,836	7,217,551	8,515,466	10,478,073	9,584,286	10,787,756	14.8%
Grants	353,439	719,785	1,164,306	503,220	478,792	428,280	0.6%
Fixed Assets	517,414	394,265	469,509	594,437	326,755	417,074	0.6%
Interest	781,060	771,364	651,556	629,150	629,138	610,970	0.8%
Internal Service Charges	2,981,222	3,223,588	3,468,017	3,602,540	3,649,400	3,449,387	4.7%
Capital Projects	3,401,757	4,655,381	6,786,911	31,167,361	7,347,380	26,869,557	36.9%
RDA Pass Thrus	2,573,514	2,897,786	3,210,934	3,543,780	3,543,780	3,620,080	5.0%
Debt Services	2,338,827	2,357,075	2,290,602	2,293,290	2,293,270	2,316,940	3.2%
Total Expenditures	\$ 39,555,489	\$ 42,060,268	\$ 47,540,387	\$ 76,075,364	\$ 49,791,592	\$ 70,801,464	
Transfers Out	1,146,913	8,263,886	7,211,444	2,610,834	3,831,928	1,974,937	2.7%
Total Uses of Funds	\$ 40,702,402	\$ 50,324,154	\$ 54,751,831	\$ 78,686,198	\$ 53,623,520	\$ 72,776,401	100.0%

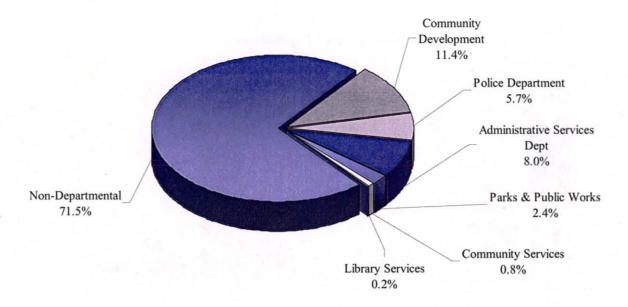
Total Budgeted Expenditures (exclusive of Transfers Out) include budgeted Capital Improvements, which can vary significantly from year to year. Net of Capital Projects, total expenditures reflect an overall increase of 7% in FY 2008/09 from the prior years adopted budget. Expenditures of note include:

Salaries and Benefits - Salary and Benefit expenditures reflect cost of living increases for miscellaneous and safety employees (excluding management) and post retirement expenses related to GASB 45.

Fixed Assets – Budgeted fixed asset costs stem primarily from scheduled vehicle and equipment replacements. The variance in expenditures from year to year does not impact current year charges to the departments, only the actual cash out to replace the asset.

Internal Service Charges - Internal service charges have been reduced to reflect adjustments made to operating costs, changes to equipment replacement schedules, and other efficiencies.

GENERAL FUND REVENUES BY DEPARTMENT



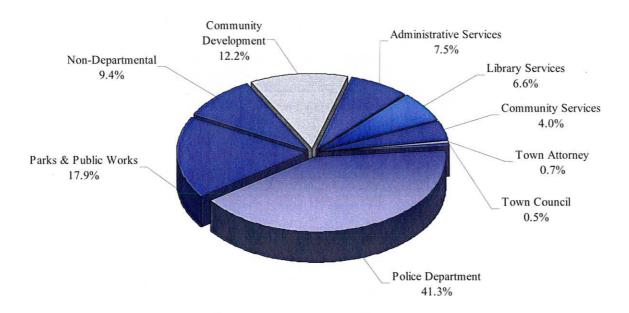
FY 2009/10 Departmental Revenues

Departments	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	% of Total
Town Treasurer	\$ 1,250,001	\$ 2,426,062	\$ 2,973,491	\$ 1,140,800	\$ 1,610,938	\$ -	0.0%
Non-Departmental	23,835,607	22,522,673	23,374,803	23,603,188	28,913,301	22,923,520	71.5%
* Administrative Services	1,020,979	1,177,015	1,138,510	1,100,600	1,100,000	2,552,000	8.0%
Community Development	3,070,115	2,997,419	2,954,123	3,834,200	3,030,496	3,641,180	11.4%
Police Department	2,024,679	1,722,152	1,583,858	1,664,110	1,793,957	1,832,310	5.7%
Parks & Public Works	612,975	663,591	606,755	588,300	721,013	771,885	2.4%
Community Services	173,515	1,217,910	205,616	282,100	297,309	261,870	0.8%
Library Department	74,478	78,480	71,532	77,985	66,875	65,220	0.2%
Total General Fund Revenues	\$ 32,062,349	\$ 32,805,302	\$ 32,909,278	\$ 32,291,283	\$37,533,889	\$32,047,985	100.0%
** Fund Transfers In:	430,838	114,470	148,369	184,370	569,394	475,920	
Net Operating Revenues	\$ 32,493,187	\$ 32,919,772	\$ 33,057,647	\$ 32,475,653	\$38,103,283	\$32,523,905	

^{*}The Town Manager's Office, Human Resources, Finance & Administrative Services, Clerk Administration, Customer Service Center, and Management Information Services Programs are all accounted for within the Administrative Services Department. In FY 2009/10 the Town Treasurer was incorporated into Administrative Services Department.

^{**}Transfers were increased beginning in FY 2008/09 for residual balances from closed funds being transferred to the General Fund and internal service rebate transfers effective FY 2009/10.

GENERAL FUND EXPENDITURES BY DEPARTMENT

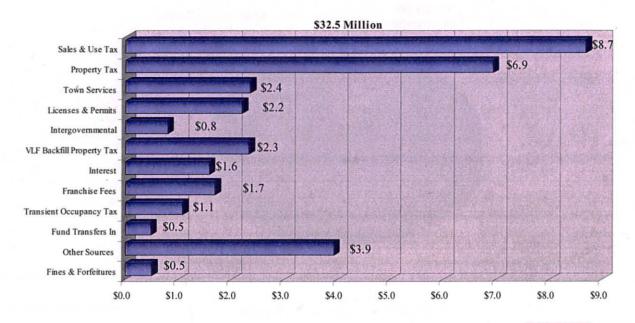


FY 2009/10 Departmental Expenditures

Departments	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	% of Total
Police Department	\$ 11,368,160	\$ 11,620,650	\$ 12,232,463	\$ 12,917,130	\$ 13,054,094	\$ 13,088,615	41.3%
Parks & Public Works	4,766,543	4,961,343	5,241,604	6,050,840	5,881,588	5,664,047	17.9%
Non-Departmental	1,697,544	1,807,198	2,193,203	3,245,640	2,789,708	2,973,720	9.4%
Community Development	2,916,068	2,805,498	3,037,484	3,941,520	3,593,670	3,868,863	12.2%
* Administrative Services	2,214,363	2,307,354	2,433,867	2,510,800	2,358,210	2,373,511	7.5%
Library Services	1,879,187	1,914,248	1,948,015	2,111,060	2,023,570	2,082,065	6.6%
Community Services	866,028	1,943,842	1,009,003	1,375,510	1,219,510	1,270,551	4.0%
Town Attorney	228,744	234,828	251,654	247,900	250,913	215,373	0.7%
Town Council	146,249	148,135	147,830	181,500	170,900	160,841	0.5%
Town Treasurer	75,184	102,713	94,754	109,050	85,610	14 (1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	0.0%
Clerk - Elected	2,336	2,315	2,418	2,300	1,200		0.0%
Total General Fund Exp	\$ 26,160,406	\$ 27,848,124	\$ 28,592,295	\$ 32,693,250	\$ 31,428,973	\$ 31,697,586	100.0%
Fund Transfers Out:	475,664	4,179,094	6,339,504	1,100,000	1,916,500	825,000	
Net Operating Revenues	\$ 26,636,071	\$ 32,027,218	\$ 34,931,799	\$ 33,793,250	\$ 33,345,473	\$ 32,522,586	

^{*} The Town Manager's Office, Human Resources, Finance & Administrative Services, and Clerk Administrator, Customer Service Center, and Management Information Services programs are all accounted for within the Administrative Services Department. In FY 2009/10 the Town Treasurer was incorporated into Administrative Services Department.

GENERAL FUND REVENUES BY CATEGORY



Revenue Category	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted	2008/09
Sales & Use Tax	\$ 8,655,566	\$ 9,509,947	\$ 9,345,432	\$ 9,058,300	\$ 8,700,000	\$ 8,677,460	26.7%
Property Tax	5,831,822	6,645,436	7,036,875	7,093,300	6,922,920	6,922,920	21.3%
VLF Backfill Property Tax	1,923,378	1,990,555	2,141,994	2,206,250	2,302,186	2,325,200	7.1%
Franchise Fees	1,130,190	1,162,038	1,659,829	1,756,100	1,665,600	1,689,260	5.2%
Transient Occupancy Tax	1,028,664	1,108,257	1,245,078	1,210,000	1,100,000	1,080,000	3.3%
Other Taxes	19,810	1,209,138	1,144,647	1,110,000	1,103,456	1,127,000	3.5%
Licenses & Permits	2,611,108	2,382,477	2,450,828	2,340,150	1,789,880	2,199,610	6.8%
Intergovernmental	2,779,681	665,608	828,623	864,080	818,638	796,090	2.4%
Town Services	3,006,634	1,988,312	1,851,638	2,271,678	1,976,783	2,353,250	7.2%
Fines & Forfeitures	608,331	561,645	369,292	412,400	497,180	496,040	1.5%
Interest	1,407,265	2,576,062	3,123,491	1,290,800	1,760,938	1,580,000	4.9%
Other Sources	3,059,896	3,005,824	1,711,557	2,678,225	8,896,308	2,801,155	8.6%
Total Revenues	32,062,345	32,805,299	32,909,284	32,291,283	\$ 37,533,889	\$32,047,985	
Fund Transfers In:	430,839	114,470	148,369	184,370	569,394	475,920	1.5%
Total Revenues & Transfers In	\$ 32,493,184	\$32,919,769	\$33,057,653	\$ 32,475,653	\$ 38,103,283	\$32,523,905	100%

FY 2009/10 General Fund Revenues and Transfers In are estimated to decrease 0.2 % from the FY 2008/09 Adopted Budget. The Town's operations are funded through a variety of revenue sources as depicted above. Revenues were estimated by trend analysis and historical data as explained below:

Sales Tax — While the Town only receives 1 cent of the 9.25 cents of sales tax paid per dollar of taxable sales generated in the Town, Sales and Use Tax remains one of the General Fund's largest revenue sources. The FY 2009/10 budget reflects a 4.2% decrease from the prior year's adopted budget. Sales and use tax revenues have been impacted by the national recession. This decline has been partially offset by the continued success of one internet retail business. The sales and use tax revenue for FY 2009/10 is projected to be flat and subsequent fiscal years have a 1-3% growth, assuming that the economy shows signs of recovery.

GENERAL FUND REVENUES BY CATEGORY

Property Tax – FY 2009/10 property tax revenue is projected to remain relatively flat given the slow housing market and potential property tax reassessments. The FY 2009/10 budget shows a decrease of 2.4 % over the prior year's adopted budget. The Town receives 9.5 cents of each property tax dollar paid by property owners. The remaining 90.5 cents of each dollar is distributed to other taxing jurisdictions: local schools and community college districts (46.3 cents), ERAF I & II (11.7 cents), the County of Santa Clara (15.7 cents), Santa Clara County Central Fire Protection District (13.7 cents), and other special districts (totaling 3.1 cents) that serve the community.

Town Services – Despite expected reduced volume in private development activity, Town services reflects a growth of 3.6% due to a combination of fee adjustments, recovery of overhead charges, and pass through revenues.

Licenses & Permits – Licenses and Permits reflect a projected 4 % increase 2009/10 due to fee adjustments and overhead recovery. Development activity is forecasted to be lower in FY 2009/10 than in prior years, but fee adjustments and overhead charges have offset this anticipated decline.

Intergovernmental Revenues — Intergovernmental revenue various local, state, and federal grants and reimbursements for police, library, and general funding purposes. Increases in intergovernmental revenues are due primarily to adjustments related to the Spring 2009 renewal of the police services contract between the Town and the City of Monte Sereno.

Interest Earnings – Interest income is forecasted to be lower in FY 2009/10 due to a declining interest rate environment and reduced cash balances than prior years as a result of significant capital expenditures planned for the coming fiscal year.

Franchise Fees – Compared to the prior fiscal year, franchise fees reflect a decrease of 3.8% in electricity and natural gas sales, garbage and cable franchise fees. This decrease is a result of a decline on customer base growth and price changes on utilities charged by the associated vendors doing business in the Town of Los Gatos.

Transient Occupancy Tax – Estimates for Transient Occupancy Tax reflect a 13.2% decrease due to reduced travel and tourism.

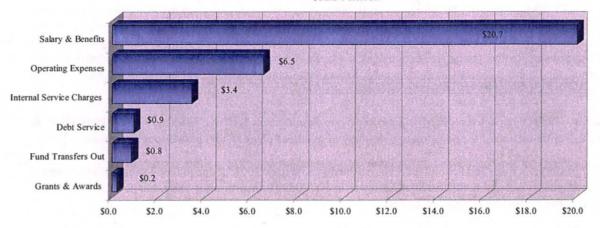
Transfers In - There are no significant changes expected in this revenue category in FY 2009/10.

Other Sources – Other sources reflect a 4.6% increase compared to the prior fiscal year due to adjustments in passthrough revenue accounts associated with private development activity forecasted for the upcoming fiscal year.

Fines and Forfeitures – These revenues includes library fines, administrative citations, and traffic fines which are expected to increase by \$83,640 due to more efficient parking enforcement management.

GENERAL FUND EXPENDITURES BY CATEGORY

\$32.5 Million



Expenditure Category		2005/06 Actuals		2006/07 Actuals		2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted		2009/10
Salary & Benefits	S	18,088,938	S	18,372,245	\$	19,445,619	\$ 21,631,000	\$ 20,582,091	S	20,659,566	63.5%
Operating Expenses		3,866,158		5,156,307		4,556,099	6,321,280	6,017,821	碧	6,497,965	20.0%
Grants & Awards		176,282		184,329		196,042	270,490	299,290	慧	201,230	0.6%
Internal Service Charges		2,904,563		3,158,567		3,401,191	3,546,340	3,597,500	號	3,412,858	10.5%
Debt Service		932,122		931,078		930,717	924,140	924,135	1	925,970	2.8%
Total Expenditures	S	26,160,406	\$	27,833,124	S	28,592,296	\$ 32,693,250	\$ 31,428,973	S	31,697,589	
Fund Transfers Out:		475,664		4,194,094		6,339,504	1,100,000	1,916,500	100	825,000	2.5%
Total Exp & Transfers Out	\$	26,636,070	\$	32,027,218	\$	34,931,800	\$ 33,793,250	\$ 33,345,473	\$	32,522,589	100.0%

The FY 2009/10 General Fund Operating Budget (net of transfers out) represents a 3 % decrease of approximately \$995,661 from the net FY 2008/09 adopted operating expenditures budget of \$32,693,250. This decrease is primarily a result of FY 2009/10 budget "rightsizing," which decreased operating expenditures across all expenditure categories except for materials and supplies. The majority of the decrease is explained by a \$1 million reduction in salary and benefit costs budgeted for FY 2009/10. The following describes these expenditures in more detail:

Salary & Benefits – Delivery of Town services are highly dependent on labor and comprise 64% of budgeted General Fund Expenditures for FY 2009/10. Managing rising labor and benefit costs, including other post employment benefits (OPEB) continues to be a challenge, although the elimination of several vacant positions has resulted in a 4.5% decrease in labor and benefit costs. More detailed Salary & Benefit information is available in the Summary of Personnel Changes later in this section.

Operating Expenses – Many variables impact the operating expenditures such as supplies, materials and contractual services. The continual emphasis on containing costs while maintaining core services over the past several years has resulted in well planned reductions, while factors such as escalating energy costs (including fuel for police and public work vehicles, facility heating and cooling costs, electricity and water for town parks, streets, and facilities), rising intergovernmental fees, and general cost increases have greatly offset the reductions.

GENERAL FUND EXPENDITURES BY CATEGORY

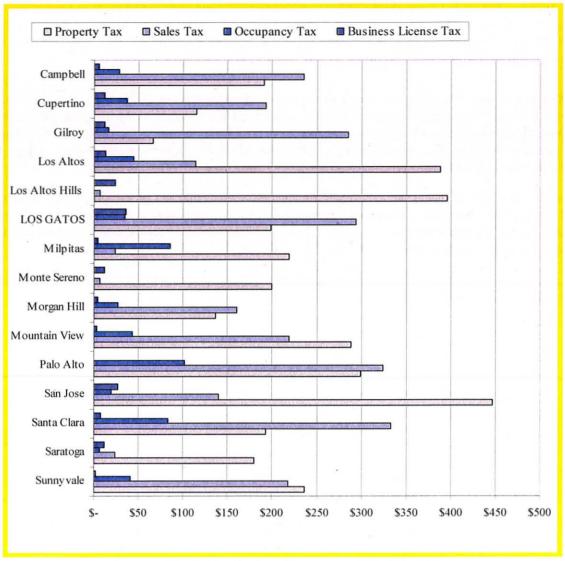
Grants & Awards – For several years, the Town has provided General Fund grants and awards to local nonprofit organizations for human, art, and education services, support for local community television access, and to the Town's Chamber of Commerce. Grants and awards with local nonprofit organizations have been decreased by \$69,260 due to budget limitations in FY 2009/10.

Internal Service Charges – This expense represents the service program costs charged back to the operational programs for Workers Compensation Insurance, Liability Insurance, Office Equipment, Management Information Services, Vehicle Maintenance, and Building Maintenance services. Charges for the various Internal Service Fund programs decreased by \$133,482 compared to FY 2008/09 due adjustments made to operating costs, changes to equipment replacement schedules, and other efficiencies.

Debt Service – The Town facilitates the Redevelopment Agency's two Certificates of Participation Bond Issues (1994 and 2002) through a leasing expense and reimbursement revenue which nets to zero for the Town, while Agency funds provide the actual debt payment for the bond issues. The negligible change in Debt Service expense reflects minor fluctuations in the annual interest rate on the outstanding debt balance each year.

Transfers Out – The General Fund's transfer to the Capital Projects Fund decreased to \$825,000 for FY 2009/10 in the annual appropriation to fund the CIP.

GENERAL FUND TAX REVENUES CITIES OF SANTA CLARA COUNTY – TAX REVENUES PER CAPITA (TO BE UPDATED)

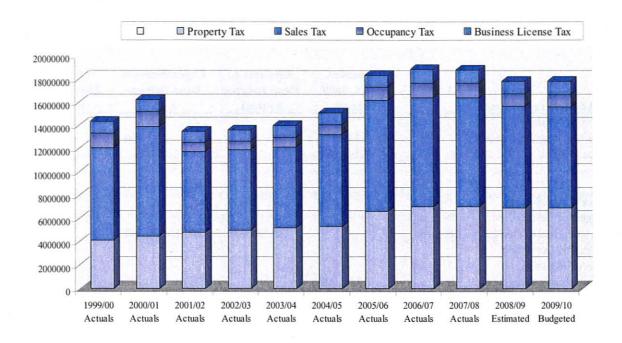


FY 2006/07 Tax Revenue Amounts and Per Capita *

		Property	y Ta	x	ar.	Sales	Гах		6	Occupan	юy	Tax	Business Li	cens	e Tax
Cities	Population	Amount	Per	Capita	100	Amount	Pe	Capita		Amount	Pe	r Capita	Amount	Per	Capita
Campbell	39,748	\$ 7,568,750	\$	190	\$	9,346,984	S	235	\$	1,132,495	5	28	\$ 202,101	S	5
Cupertino	55,162	6,357,000	S	115		10,671,642	\$	193		2,054,904	S	37	643,681	\$	12
Gilroy	49,649	3,273,898	S	66		14,163,413	S	285		817,299	S	16	605,323	\$	12
Los Altos	28,104	10,902,569	S	388		3,188,216	\$	113		1,260,279	S	45	364,602	\$	13
Los Altos Hills	8,607	3,407,000	S	396		55,696	S	6			S	-	205,569	\$	24
LOS GATOS	29,407	5,831,822	S	198		8,655,566	S	294		1,028,664	S	35	1,058,642	S	36
Milpitas	66,568	14,548,284	S	219		1,622,788	\$	24		5,669,231	S	85	280,663	\$	4
Monte Sereno	3,565	712,762	\$	200		22,248	\$	6			S	-	43,457	S	12
Morgan Hill	38,418	5,234,589	S	136		6,183,959	\$	161		1,029,837	S	27	162,022	\$	4
Mountain View	73,262	21,135,000	\$	288		16,019,000	\$	219		3,177,000	\$	43	217,000	S	3
Palo Alto	62,615	18,731,000	\$	299		20,315,000	\$	324		6,393,000	\$	102		S	-
San Jose	973,672	434,604,000	\$	446		136,031,000	\$	140		19,214,000	S	20	26,039,442	S	27
Santa Clara	114,238	22,050,626	\$	193		38,066,053	S	333		9,601,273	\$	84	858,355	\$	8
Saratoga	31,401	5,652,244	S	180		747,296	\$	24		193,222	S	6	369,445	\$	12
Sunnyvale	135,721	32,042,437	\$	236		29,616,502	\$	218		5,531,248	\$	41	286,349	\$	2
Average	114,009	\$ 39,470,132	s	346	\$	19,647,024	s	172	s	3,806,830	s	33	\$ 2,089,110	S	18

^{*} Latest fiscal year for which data is available

GENERAL FUND TAX REVENUES BUDGET WITH 10 YEAR HISTORY



Fiscal	Property Fiscal Year Tax		COMPANY OF THE PARTY OF THE PAR	Sales Tax			Decupancy Tax	100	Business icense Tax	um of Key Revenues	Change from Prior Year
1999/00 A	Actuals	\$	4,152,183	\$	7,932,104	\$	1,215,702	\$	1,030,895	\$ 14,330,884	23.0%
2000/01 A	Actuals	\$	4,472,583	\$	9,429,256	\$	1,286,276	\$	1,003,928	\$ 16,192,044	13.0%
2001/02 A	Actuals	\$	4,784,476	\$	6,953,880	\$	788,408	\$	986,525	\$ 13,513,289	(16.5%)
2002/03 A	Actuals	\$	4,977,119	\$	6,928,817	\$	713,064	\$	1,003,014	\$ 13,622,014	0.8%
2003/04 A	Actuals	\$	5,207,381	\$	6,914,526	\$	829,026	\$	1,071,865	\$ 14,022,798	2.9%
2004/05 A	Actuals	\$	5,302,061	\$	7,904,130	\$	868,908	\$	1,015,000	\$ 15,090,099	7.6%
2005/06 A	Actuals	\$	6,645,436	\$	9,509,947	\$	1,108,257	\$	1,058,642	\$ 18,322,282	21.4%
2006/07 A	Actuals	\$	7,036,875	\$	9,345,432	\$	1,245,078	\$	1,176,422	\$ 18,803,807	2.6%
2007/08 A	Actuals	\$	7,036,875	\$	9,345,432	\$	1,245,078	\$	1,138,057	\$ 18,765,442	(0.2%)
2008/09 H	Estimated	\$	6,922,920	\$	8,700,000	\$	1,100,000	\$	1,100,000	\$ 17,822,920	(5.0%)
2009/10 H	Budgeted	\$	6,922,920	\$	8,677,460	\$	1,080,000	\$	1,122,000	\$ 17,802,380	(0.1%)

GENERAL FUND FUND BALANCE ACTIVITY

General Fund Estimated Fund Balance Activity FY 2009/10

Use of / Addition to GF Reserves:		Estimated uly 1, 2009 Balance	Revenues Fund Bala Sources	nce		enditures & nd Balance Uses		Estimated ne 30, 2010 Balance
Reserved Fund Balance								
Reserve for Long Term Notes	\$	586,639	\$ -		\$	41,064	\$	627,703
Advance to RDA	\$	1,500,000	-			-		1,500,000
Unreserved Fund Balance								
Undesignated Reserves			22 522 0	0.5		22 522 500		1 216
Plus Appropriated Designated Reserves		\.	32,523,9	05		32,522,589		1,316
Undesignated /Available								20,918
Designated Reserves								
Manager's Contingency		100,000	-			=		100,000
Designated Productivity		100,000	-			(100,000)		
Open Space Reserve		562,000	-			· ·		562,000
GASB Market Fluctuations		456,430				-		456,430
Sustainability Reserve		240,554	-			(50,000)		190,554
Economic Uncertainty Reserve		3,678,001	-			-		3,678,001
YE Savings		175,000	-			(175,000)		· .
Capital / Special Projects		3,445,485	-			(150,000)		3,295,485
Authorized Carryovers		31,910	-			-		31,910
Actuarial		400,000				(200,000)		200,000
Revenue Stabilization Reserve		4,567,918	-			500,000		5,067,918
Vasona Land Sale	-	6,043,750	-			113,018		6,156,768
Net Desinated and Reserved (Sources)						(20,918)		
Total Use of and Addition To Reserves	S	21,887,687	\$ 32,523,9	05	S	32,542,735	S	21,889,003

Fund Balance Activity includes:

- FY 2009/10 Budgeted Revenue and Expenditure appropriations, and transfers to and from the General Fund.
- Authorized Carryovers reflect operating appropriations authorized in FY 2008/09 that are brought forward into FY 2009/10 appropriations as a funding source. The actual carryover amount will be determined at FY 2008/09 year-end, with funding offset by undesignated reserves.
- A reserve policy was established with the FY 2005/06 budget which equally distributes year-end undesignated 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 undesignated fund balance will be allocated to the Designated for Capital Reserve to allow Council to appropriate for capital investments, projects, or purposes.
- Undesignated Fund Balance is year-end fund balance not previously identified for a specific purpose, and is therefore available to reprogram as appropriations or designated reserves by Council. Current Town practice is to designate all year-end fund balance to the two above reserves, thereby eliminating undesignated fund balance.

SCHEDULE OF INTERFUND TRANSFERS FISCAL YEAR 2009/10

Schedule of Interfund Transfers Fiscal Years 2008/09 and 2009/10

		Estin	ated	i		Adopted	Bud	get
	2	008/09		2008/09		2009/10	1	2009/10
Fund Description	Tra	nsfers In	Tra	ansfers Out	Tr	ansfers In	Tra	nsfers Out
General Funds								
General Fund	\$	569,394	\$	1,916,500	\$	475,920	\$	825,000
Special Revenue Funds								
Solid Waste Management				296,554				
HCD Housing Rehabilitation								
HCD-Community Dev Block Grant				101,500				74,017
Urban Run-Off Program				23,450				-
Landscape & Lighting Districts				SAMONIA CONSTITU				
Blackwell District				460				460
Kennedy Meadows District				1,510				1,510
Gemini Court District				610				610
Santa Rosa Heights District				660				660
Vasona Heights District				1,430				1,430
Hillbrook District				250				250
Internal Service Funds								
Equipment Fund				20,980				194,000
Office Stores Fund		20,980		0000 1 6 000000				
Management Information Systems				215,000				
Vehicle Maintenance Fund								
Facilities Maintenance Fund				433,554				25,000
Capital Project Funds								
GFAR		2,565,054		88,470		850,000		121,000
Traffic Mitigation		,		50,000		,		50,000
Grant Funded CIP Projects		101,500		A. 782.75		74,017		
Gas Tax - Street & Signal		,		106,000		,.		106,000
Redevelopment Agency Funds								
RDA - Capital Project Funds		575,000				575,000		
RDA - Debt Service Fund	(1,537,659)		575,000		(1,571,430)		575,000
RDA - Low / Moderate Housing		1,537,659		The second secon		1,571,430		
Total Transfers	\$	3,831,928	\$	3,831,928	\$	1,974,937	\$	1,974,937

FUND BALANCE ACTIVITY SUMMARY FISCAL YEAR 2009/10

	7/1/09 Estimated Balance	Plus Revenues & Carryforwards	Plus Transfers In	Less Expenditures & Carryforwards	Less Transfers Out	Source & Use of Reserves	6/30/10 Estimated Balance	% Change in Balance
General Fund								
Undesignated Reserves								
Undesignated Fund Balance Activity	S -	32,047,985	475,920	31,697,589	825,000	\$ 20,918	\$ 22,234	
Total Fund Balance Available To Be	Appropriated						\$ 22,234	-
Designated Reserves								
Civic Center Improvements	-	-		*	-	: -		
Manager's Contingency	100,000	2	-	-	9	-	100,000	
Designated Productivity	100,000			-		(100,000)	:	
Open Space Reserve	562,000				-	-	562,000	
GASB Market Fluctuations	456,430	-		-	8	-	456,430	
Sustainability Reserve	240,554	· ·		-		(50,000)	190,554	
Economic Uncertainty Reserve	3,678,001	-		-	-	-	3,678,001	
YE Savings	175,000	-	-			(175,000)		
Capital / Special Projects	3,445,485				-	(150,000)	3,295,485	
Authorized Carryovers	31,910	- S	-	-	-		31,910	
Reserve for Long Term Notes	586,639	-				41,064	627,703	
Advance to RDA	1,500,000	-			-		1,500,000	
Actuarial	400,000	20		14	9	(200,000)	200,000	
Revenue Stabilization Reserve	4,567,918			-		500,000	5,067,918	
Vasona Land Sale	6,043,750	-		12		113,018	6,156,768	
Total General Fund	\$ 21,887,687	\$ 32,047,985	\$ 475,920	\$ 31,697,589	\$ 825,000	s -	\$ 21,889,003	0.0%

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.

General Fund Designated Reserve changes reflect: the Manager and Productivity Reserves utilized each year to fund unbudgeted appropriations demeed worthwhile (reserves are replenished at the end of the fiscal year as funding allows), a transfer from Capital and Special Projects Reserve to the Capital Improvement Program. Year-end excess of revenues over expenditures are programmed equally to the Designated for Capital and Special Projects Reserve and the Revenue Stabilization Reserves.

Total Special Revenue Funds	S	802,981	S	314,835	S	-	S	450,663	S	78,937	S	-	S	588,216	(26.7)%
Hillbrook Assessment District		4,032		1,860		-		5,130		250		-		512	(87.3)%
Vasona Assessment District		9,815		9,865				7,060		1,430		-		11,190	14.0%
Santa Rosa Assessment District		53,414		6,000		-		12,480		660		*		46,274	(13.4)%
Gemini Assessment District		7,851		4,340		-		4,390		610		27		7,191	(8.4)%
Kennedy Assessment District		14,505		10,555		~		6,550		1,510		*		17,000	17.2%
Blackwell Assessment District		3,988		3,240		34		2,760		460		-		4,008	0.5%
Urban Run-Off Source Fund		34,204		135,000		2		147,335		-		-		21,869	(36.1)%
Community Dev Block Grant		3,210		108,975		-		34,958		74,017		-		3,210	n/a
Housing Conservation Program	S	671,963	S	35,000	S		S	230,000	S		S	-	S	476,963	(29.0)%
Special Revenue Funds															

Due to contract negotiation in FY 2006/07 the Solid Waste Fund no longer receives Solid Waste Management Surcharge. Program activity funding will be transferred to the General Fund starting FY 2008/09.

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

The Special Revenue Grants Fund Balance has been incorporated into the General Fund for FY 2008/09.

FUND BALANCE ACTIVITY SUMMARY FISCAL YEAR 2009/10

	7/1/09 Estimated Balance	Plus Revenues & Carryforwards	Plus Transfers In	Less Expenditures & Carryforwards	Less Transfers Out	Source & Use of Reserves	6/30/10 Estimated Balance	% Change in Balance
Internal Service								
Equipment Replacement	\$ 3,026,404	\$ 310,180	S	S 178,697	\$ 194,000	S -	\$ 2,963,887	(2.1)%
Designated for Gas Tax Assets					-	5	=	#DIV/0!
Designated for NPS Equipment	148,731	29,100			38.0	-	177,831	19.6%
Worker's Comp Self Insurance	2,677,561	692,510		648,781	12.5	2	2,721,290	1.6%
ABAG Self Insurance	1,880,163	528,990		606,812	-	5	1,802,341	(4.1)%
Office Stores Fund	258,125	124,500		146,000			236,625	(8.3)%
Management Information Systems	2,152,621	1,038,420		1,151,488	120	9	2,039,553	(5.3)%
Vehicle Maintenance	264,702	618,400		604,824	121		278,278	5.1%
Facilities Maintenance	652,664	1,085,200		1,146,246	25,000	-	566,618	(13.2)%
Total Internal Service Reserves	\$ 11,060,971	\$ 4,427,300	S	- \$ 4,482,848	\$ 219,000	s -	\$ 10,786,423	(2.5)%

Equipment Replacement Fund Balance is the accumulation of replacement funding-to-date for assets. Revenues are the pro-rated annual charges to departments for asset replacement, and expenditures reflect the cost of equipment up for replacement in this fiscal year.

The Building Maintenance Fund will be transferring \$25,000 to the Capital Projects fund for Vehicle Canopy Repaint.

Total Trust & Agency Reserves	8	654,452	9	154,380	5			463,561	•	-	c		•	345,271	(47.2)%
Parking District #88		331,443		148,380				145,730		12				334,093	0.8%
McClendon Trust		94,379		1,000		×		91,379		1.00		-		4,000	
Library History Project		14		2,100		5		170		10				2,114	
Ness Trust Bequest		185,518		2,000		2		182,577		12		-		4,941	(97.3)%
Library Trust	S	43,098	S	900	S		S	43,875	S		S	-	\$	123	(99.7)%
Trust & Agency															

Trust and Agency Fund Balances reflect the spending down of Fund Balance for new Library Facility.

Total Capital Projects Funds	\$ 14,551,007	\$17,212,240	\$ 924,017	\$ 26,499,475	\$ 277,000	s -	S	5,910,789	(59.4)%
Gas Tax	977,759	595,670		1,173,064	106,000		.*)	294,365	(69.9)%
Construction Tax-Undergrounding	2,472,243	52,080	-	350,000			-	2,174,323	(12.1)%
Storm Drain #3	(45,857)	5,000	-	345	24			(40,857)	(10.9)%
Storm Drain #2	508,489	52,630	in the	(*)	•			561,119	10.4%
Storm Drain #1	214,663	48,220	ř	55,000			-	207,883	(3.2)%
Grant Funded CIP Projects	402,350	1,915,076	74,017	2,353,483	2.		(a)	37,960	(90.6)%
Traffic Mitigation	79,233	65,000	, 5	15,000	50,000			79,233	0.0%
GFAR - Designated for Parking	1,757,000	-	=	~	123		12	1,757,000	0.0%
GFAR	\$ 8,185,127	\$ 14,478,564	\$ 850,000	\$ 22,552,928	\$ 121,000	S -	S	839,763	(89.7)%
Capital Project Funds						22			

GFAR. Grant Fund, Storm Drain Funds, and Gas Tax Fund Balances reflect the spending down of available funds in FY 2009/10, in line with the planned Capital Improvement Program. The GFAR and Grant Funds also include transfers-in to fund these planned projects.

Traffic Mitigation Fund reflects a transfer out of \$50,000 for estimated annual administration fees.

Grant Funded Projects Fund Balance reflects appropriations for incoming revenues and prior year carryforwards, which will result in either positive or negative fund balance depending on timing of receipts and budget. All grant projects net to zero at completion.

Total Redevelopment Reserves	S	17,106,323	S	7,004,490	S	2,146,430	S	7,207,330	S	575,000	S		S	18,474,913	8.0%
RDA - Low / Moderate Housing		8,632,532		200,000		1,571,430		383,354		-		+		10,020,608	16.1%
RDA - Debt Service Fund		6,699,642		6,744,490		(2)		5,720,300		575,000		(*)		7,148,832	6.7%
RDA - Capital Project Funds	S	1,774,149	S	60,000	S	575,000	S	1,103,676	S	- 2	S	-	S	1,305,473	(26.4)%
Redevelopment Agency															

The significant decrease in the RDA Capital Projects Fund Balance results from the large amount of project work carried forward in appropriations.

The Low / Moderate Housing Fund Balance continues to increase in preparation for future projects. Some expenditures are planned for initial consultant project work.

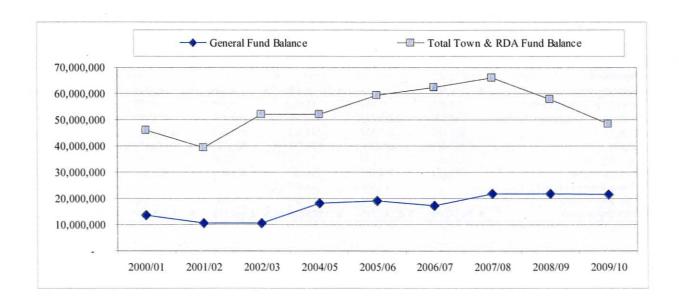
*									
TOTAL RESERVES	\$ 66,063,421	\$61,161,230	\$3,546,367	\$ 70,801,466	\$1,974,937	S	-	\$ 57,994,616	(12.2)%

FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Dalamas Danamas	6/30/2006 Actual YE Balance	6/30/2007 Actual	6/30/2008 Actual YE Balance	6/30/2009 Estimated	6/30/2010 Budgeted YE Balance
Fund Balance Reserves General Fund	YE Balance	YE Balance	YE Balance	YE Balance	YE Balance
Reserved Fund Balances					
Reserve for Encumbrances	s -	\$ -	\$ -	S -	s -
Reserve for Long Term Notes	478,873	512,394	548.261	586,639	627,703
Advance to RDA	1,500,000	4,220,000	1,500,000	1,500,000	1,500,000
Actuarial	150,000	4,220,000	1,500,000	400,000	200,000
Unreserved Fund Balances	150,000	-	-	400,000	200,000
Undesignated Reserves					
Available to be Appropriated	67,009	_		2	22,234
Designated Reserves	07,007				22,251
Civic Center Improvements	663,086	663,086	_	-	_
Debt Service	005,000	005,000			
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	202,000	502,000	202,000	502,000	-
Sustainability Reserve	-	-		240,554	190,554
GASB Market Fluctuations	_		456,430	456,430	456,430
GASB Market Fluctuations	119,921	-	150,150	150,150	150,150
Economic Uncertainty Reserve	3,678,000	3,678,000	3,678,001	3,678,001	3,678,001
YE Savings	-	-	1,432,000	175,000	2,070,001
Capital / Special Projects	4,143,887	4,325,011	4,351,921	3,445,485	3,295,485
Authorized Carryovers	66,900	31,910	31,910	31,910	31,910
Designated for State ERAF III	-	-	51,510	51,51.0	21,510
Revenue Stabilization Reserve	4,048,887	4,817,445	4,369,354	4,567,918	5,067,918
Sewer Assets Proceeds	2,438,660	.,0.7,7.15	.,507,557	1,507,510	2,007,510
Operting Grants	12,750	(5,817)		6,043,750	6,156,768
Total General Fund Reserves	\$ 18,129,973	\$ 19,004,029	\$ 17,129,877	\$ 21,887,687	\$ 21,889,003
Martin Martin Commission of the Commission of th	5 10,127,770	0 12,001,022	0 17,127,077	3 21,007,007	5 21,007,000
Special Revenue Funds			1225-224		
Solid Waste Fund	329,914	338,850	296,554	-	
Housing Conservation Program	1,179,275	801,171	811,935	671,963	476,963
Community Dev Block Grant		906	3,211	3,210	3,210
Urban Run-Off Source Fund	111,241	108,291	88,551	34,204	21,869
Blackwell Assessment District	2,952	3,130	3,948	3,988	4,008
Kennedy Assessment District	14,079	8,208	11,990	14,505	17,000
Gemini Assessment District	5,804	7,153	8,451	7,851	7,191
Santa Rosa Assessment District	61,090	62,512	60,354	53,414	46,274
Vasona Assessment District	8,672	6,467	8,410	9,815	11,190
Hillbrook Assessment District	12,764	10,021	7,532	4,032	512
Arroyo Del Rancho Total Special Revenue Funds	\$ 1,725,790	\$ 1,346,708	\$ 1,300,935	\$ 802,981	\$ 588,216
	3 1,745,790	3 1,340,708	3 1,300,935	3 002,901	3 300,410
Internal Service	2				
Equipment Replacement	\$ 3,442,963	\$ 3,040,995	\$ 2,941,219	\$ 3,026,404	\$ 2,963,887
Loan to CIP		-	38		•
Designated for Sewer Equipment	(A)	THE SECOND SECON	2.5	(#L	.=.
Designated for NPS Equipment	120,531	120,531	149,631	148,731	177,831
Worker's Comp Self Insurance	2,190,558	2,393,461	2,584,056	2,677,561	2,721,290
ABAG Self Insurance	2,047,197	2,125,031	1,855,443	1,880,163	1,802,341
Office Stores Fund	242,110	241,342	237,927	258,125	236,625
Management Information Systems	2,580,869	2,085,759	2,124,081	2,152,621	2,039,553
Vehicle Maintenance	133,800	190,877	231,301	264,702	278,278
Facilities Maintenance	689,263	738,656	968,508	652,664	566,618
Total Internal Service Reserves	\$ 11,447,290	\$ 10,936,652	\$ 11,092,166	\$ 11,060,971	\$ 10,786,423

FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Balance Reserves		6/30/2006 Actual E Balance		6/30/2007 Actual /E Balance	6/30/2008 Actual E Balance	6/30/2009 Estimated E Balance	6/30/2010 Budgeted E Balance
Trust & Agency							
Library Trust	\$	21,203	\$	28,654	\$ 34,698	\$ 43,098	\$ 123
Ness Trust Bequest		167,098		174,568	179,518	185,518	4,941
Library History Project		26,916		16,173	9,464	14	2,114
Betty McClendon Trust		90,000		94,030	91,379	94,379	4,000
Parking District #88		320,349		319,716	331,435	331,443	334,093
Total Trust & Agency Reserves	S	625,566	\$	633,141	\$ 646,494	\$ 654,452	\$ 345,271
Capital Project Funds							
GFAR	\$	1,860,125	\$	6,245,818	\$ 9,974,384	8,185,127	839,763
GFAR - Designated for Parking		1,972,000		1,972,000	1,972,000	1,757,000	1,757,000
Traffic Mitigation		20,051		93,492	79,233	79,233	79,233
Grant Funded CIP Projects		(9,597)		(141,454)	(305,712)	402,350	37,960
Storm Drain #1		270,491		176,708	207,463	214,663	207,883
Storm Drain #2		307,195		391,095	455,489	508,489	561,119
Storm Drain #3		225,754		237,481	227,673	(45,857)	(40,857)
Construction Tax-Undergrounding		2,115,596		2,269,147	2,375,243	2,472,243	2,174,323
Gas Tax		567,816		903,832	640,219	977,759	294,365
Total Capital Projects Funds	\$	7,329,430	\$	12,148,119	\$ 15,625,992	\$ 14,551,007	\$ 5,910,789
Redevelopment Agency							
RDA - Capital Project Funds	\$	2,432,912	\$	4,316,921	\$ 2,997,775	\$ 1,774,149	\$ 1,305,473
RDA - Debt Service Fund		5,414,921		4,307,049	6,291,674	6,699,642	7,148,832
RDA - Low / Moderate Housing		5,111,259		6,556,978	7,198,500	8,632,532	10,020,608
Total Redevelopment Reserves	\$	12,959,092	\$	15,180,948	\$ 16,487,949	\$ 17,106,323	\$ 18,474,913
TOTAL RESERVES	S	52,217,142	S	59,249,596	\$ 62,283,413	\$ 66,063,421	\$ 57,994,616



DEPARTMENT REVENUES BY PROGRAM

		2005/06 Actuals		2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		2008/09 Estimated		2009/10 Adopted
Town	Council	Actuals	_	Actuals	_	Actuals	-	Adopted	_	Estillateu	-	Adopted
1101	Administration	s -	S		s	_	s		s	-	S	
	Town Council	s -	5		3		\$		\$	- i	S	are blidge
-	Clerk										iel	as Haujuga
	Town Clerk	s -	S		S		S	2	S	_	S	Marin.
	Town Clerk	s -	\$		s	-	s		\$		S	RUNEA ES
-	Treasurer										器	E1000820
1103	Administration	\$ 1,250,001	S	2,426,062	S	2,973,491	S	1,140,800	S	1,610,938	S	
	Town Treasurer	\$ 1,250,001		2,426,062		2,973,491		1,140,800	S	1,610,938	S	Solonia S.S.
	Attorney	,		-,,	_	-,-,-,		1,1 10,000	-	2,010,000	193	
1301	Administration	s -	S		S	591	S		S		S	
1301			3	527 767	3		3	519 400	3	566 900	3	529 000
	ABAG - Self Insurance Fund	506,227 \$ 506,227	s	537,767	s	586,436	S	518,400 518,400	S	566,800	S	528,990
	Town Attorney	3 500,227	3	537,767	3	587,027	3	518,400	3	566,800	3	528,990
	nistrative Services Department	601.066.115										
1201	Non-Departmental	\$24,266,445	52	2,637,143	2	23,523,172	3	23,787,558	2	29,482,695	2	23,399,440
2101	Town Manager Administration			-		-		-		-		18 19 1
2201	Human Resources	624 170		-				-		-		(02.510
2202	Workers' Compensation Fund	634,178		601,059		668,518		652,800		590,000		692,510
2301	Finance & Administrative Services	1,019,979		1,177,015		1,138,510		1,100,600		1,100,000		2,552,000
2302	Office Stores Fund	84,593		81,953		104,521		124,480		143,000		124,500
2303	Parking Assessment District	144,530		146,533		157,335		148,465		148,465		148,380
2401	Town Clerk	1,000		-								
2501	Management Information Systems	822,041	63	858,940	-	951,982	•	1,074,970	rt.	1,066,830		1,038,420
	Administrative Services	\$26,972,766	- 52	5,502,643	3	26,544,038	3	26,888,873	\$	32,530,990	3	27,955,250
	unity Development											
3101	Administration	s -	S		S	*	\$		S	-	S	
3201	Developmental Review	679,282		785,002		647,320		637,100		530,363		603,620
3401	Code Compliance	400		-		. 100		500		500		540
3301	Inspection Services	1,703,037		1,684,166		1,780,489		1,820,000		1,171,151		1,457,060
3202	Advanced Planning	48,858		52,404		56,099		236,100		187,982		439,460
3999	Pass Thru Accounts	638,538		475,847		470,115		1,140,500		1,140,500		1,140,500
Total	Community Development	\$ 3,070,115	S	2,997,419	S	2,954,123	\$	3,834,200	\$	3,030,496	S	3,641,180
Police	Department											
4101	Administration	\$ 4,900	S	-	S	8,328	S	6,500	S	62,015	S	11,000
4201	Records & Communication	23,275		19,484		17,615		19,000		19,000		19,000
4202	Personnel & Community Services	293,246		258,239		315,701		299,490		275,000		286,840
4301	Patrol	504,152		537,638		533,922		609,500		608,693		655,590
4302	Traffic	432,555		430,086		423,181		410,020		381,539		409,530
4303	Investigations	122,921		58,842		291		6,000		3,360		6,000
4304	Parking Program	445,911		394,292		236,727		291,600		422,350		422,350
4800	Grants Program - Police	(<u>*</u>		15,558		28,507		-		-		-
4999	Pass Thru Accounts	197,719		23,571		19,586		22,000		22,000		22,000
Total	Police Department	\$ 2,024,679	S	1,737,710	S	1,583,858	S	1,664,110	\$	1,793,957	\$	1,832,310

DEPARTMENT REVENUES BY PROGRAM

		2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09	2008/09 Estimated	2009/10
Parks	& Public Works	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
5101	Administration	S -	S -	S -	S -	S -	S -
5201	Engineering Program Services	2			.5		
5202	Engineering Development Srvcs	349,568	324,103	292,622	315,000	276,400	314,000
5203	Non-Point Source Fund	176,333	174,063	166,660	135,000	135,000	135,000
5301	Park Services	159,728	168,413	171,145	151,400	146,625	187,885
5401	Streets / Signals / Sidewalks	46,029	18,368	6,760	4,900	142	-
5402	Equipment Replacement	403,370	357,700	409,460	421,470	421,520	339,280
5403	Vehicle Maintenance	501,765	598,530	612,247	637,100	637,100	618,400
5404	Facilities Maintenance	1,007,454	1,143,352	1,156,310	1,138,200	1,123,666	1,085,200
5405	Property Damage	-i	67,375	32,919	-	86,972	
5501	Lighting & Landscape Districts	39,672	37,692	36,595	36,090	36,210	35,860
5999	Pass Thru Accounts	57,650	85,332	103,309	117,000	210,874	270,000
\$7 \$50 F.M.	PPW Department Grants	2,510	-	*	,	,-,-	2,0,000
8011	GFAR	1,024,851	5,969,777	6,985,783	2,700,634	2,987,391	15,328,564
8021	Grant Funded CIP Projects	183,304	692,585	1,204,395	3,007,156	1,265,766	262,017
8031	Storm Drain #1	45,303	50,694	57,092	177,520	171,090	48,220
8032	Storm Drain #2	209,187	98,050	64,394	63,020	53,000	52,630
8033	Storm Drain #3	32,465	11,911	11,192	16,930	(2,100)	5,000
8041	Traffic Mitigation	180,000	25,081	11,122	50,000	110,000	65,000
8042	Utility Undergrounding	142,413	153,551	106,096	146,370	97,000	52,080
8051	Gas Tax - Street & Signals	554,571	570,569	560,610	584,200	503,700	595,670
0031	Sewer Maintenance Fund	133,342	370,302	500,010	304,200	303,700	373,070
Total	Parks & Public Works	\$ 5,249,515	\$10,547,146	\$ 11,977,588	\$ 9,701,990	\$ 8,260,356	\$ 19,394,806
		0 0,247,010	\$10,547,140	311,777,500	3 3,701,550	3 0,200,550	3 17,574,000
	nunity Services	(6)	6	6			•
6101	Administration	S -	S -	S -	S -	S -	\$ -
6201	Neighborhood Center	35,247	28,925	28,300	25,200	25,600	25,600
6204	Arts & Culture	38,568	38,441	42,532	51,000	52,000	52,000
6205	Community Grants	200 (10	2/2 720	257.440	42.050	2,975	20.000
6302	Sustainablity	380,640	263,730	257,449	43,050	38,000	39,000
6302	AB2020 Beverage Container Grant		7,775	7,704	7,700	7,714	7,700
6401	Housing Program	97,021	1,147,095	132,944	152,150	156,300	137,570
6501	HCD Housing Rehab	57,530	51,118	32,140	52,000	36,800	35,000
6502	Comm. Development Block Grant	179,264	66,750	104,702	113,994	142,890	108,975
6999	Pass Thru Accounts	2,679	3,449	1,840	3,000	14,720	- 10-01-
Re-	Community Services	\$ 798,806	\$ 1,607,283	\$ 607,611	\$ 448,094	\$ 476,999	\$ 405,845
Librai	•						
7101	Administration	\$ 14,493	\$ 19,637	\$ 13,495	\$ 14,985	\$ 12,695	\$ 12,220
7201	Adult Services		±1	; ~ ;	-	-	5 - 5
7202	Children's Services	12	31	*	-	-	
7203	Acquisitons & Cataloging	3,015	3,010	4,682	3,000	3,000	2,000
7204	Circulation Services	56,970	55,833	53,355	60,000	51,180	51,000
7301	Library Trust	46,606	18,840	24,384	18,900	31,650	900
7302	***************************************	4,320	7,470	4,950	7,000	6,000	2,000
7303	Library History Project	13,525	4,855	3,141	3,950	1,550	2,100
7304	Betty McClendon Trust		4,030	3,040	3,600	3,000	1,000
Total	Library	\$ 138,929	\$ 113,675	\$ 107,047	\$ 111,435	\$ 109,075	\$ 71,220
Redev	elopment Agency						
9101	Capital Projects Fund	\$ 595,589	\$ 3,437,448	\$ 688,569	\$ 672,850	\$ 650,000	\$ 635,000
9201	Debt Service	5,524,806	6,594,403	7,834,893	7,409,970	6,621,259	6,744,490
9301	Low / Moderate Housing	1,156,692	1,854,981	1,927,398	1,743,660	1,752,659	1,771,430
Total	Redevelopment Agency	\$ 7,277,087	\$11,886,832	\$ 10,450,860	\$ 9,826,480	\$ 9,023,918	\$ 9,150,920
Car	rryforward of CIP Grant Revenue				- consider a top come a (Chi)		1,727,076
700	Revenues by Department:	\$47,288,124	\$57,356,537	\$ 57,785,643	\$ 54,134,383	\$ 57,403,530	\$ 64,707,597
-							

DEPARTMENTAL EXPENDITURES BY PROGRAM

			2005/06 Actuals		2006/07 Actuals	_	2007/08 Actuals		2008/09 Adopted		2008/09 Estimated		2009/10 Adopted
Town C													
1101	Administration	S	146,249	\$	148,135	S	147,830	\$	181,500	S		\$	160,841
	own Council	S	146,249	s	148,135	s	147,830	S	181,500	S	170,900	S	160,841
Town C	Clerk												
1102	Administration	8	2,336	S	2,315	S	2,418	S	2,300	S		S	WE HIS .
Total T	own Clerk	\$	2,336	S	2,315	S	2,418	S	2,300	S	1,200	S	
Town 7	reasurer												
1103	Administration	S	75,184	S	102,713	5	94,754	S	109,050	S	85,610	S	politicair.
Total T	own Treasurer	\$	75,184	S	102,713	S	94,754	S	109,050	S	85,610	S	Karaker-
Town A	ttorney												
1301	Administration	5	228,744	S	234,828	S	251,654	S	247,900	S	250,913	S	215,373
1302	ABAG - Self Insurance Fund		398,988		459,933		856,024		610,900		542,080		606,812
Total T	own Attorney	S	627,732	S	694,761	S	1,107,678	S	858,800	S	792,993	\$	822,185
Admini	strative Services Department												
1201	Non-Departmental	5	1,697,544	\$	1,807,198	S	2,193,203	S	3,245,640	S	2,789,708	S	2,973,720
2101	Town Manager Administration		423,630		444,394		470,203		431,950		475,660		649,528
2201	Human Resources		500,025		573,848		576,625		617,200		574,632		431,487
2301	Finance & Administrative Services		984,636		1,009,659		1,087,348		1,186,450		1,018,459		1,063,223
2401	Town Clerk		306,072		279,453		299,691		275,200		289,459		229,273
612	Workers' Compensation Fund		260,675		398,156		477,923		663,640		496,495		648,781
622	Office Stores Fund		72,702		82,720		107,936		144,530		122,802		146,000
621	Management Information Systems		642,904		703,460		863,719		1,313,200		823,290		1,151,488
721	Parking Assessment District		147,552		147,166		145,616		148,460		148,457		145,730
Total A	dministrative Services	\$	5,035,740	S	5,446,054	S	6,222,264	S	8,026,270	S	6,738,962	\$	7,439,230
Commi	unity Development												
3101	Administration	S	101,410	S	98,704	S	105,251	S	119,310	S	96,098	\$	127,530
3201	Developmental Review		767,041		819,105		953,050		1,007,800		864,492		855,489
3401	Code Compliance		95,008		95,252		51,043		110,230		54,674		32,348
3301	Inspection Services		1,163,725	-	1,150,623		1,290,319		1,270,130		1,220,316		1,221,969
3202	Advanced Planning		150,967		151,460		167,586		293,550		217,590		491,027
3999	Pass Thru Accounts		637,917		475,354		470,235		1,140,500		1,140,500		1,140,500
Total C	community Development	\$	2,916,068	S	2,790,498	S	3,037,484	\$	3,941,520	\$	3,593,670	S	3,868,863
Police I	Department												
4101	Administration	5	456,505	S	478,878	S	494,777	S	500,050	S	499,200	S	492,109
4201	Records & Communication		1,266,666		1,384,702		1,459,075		1,664,760		1,617,110		1,679,573
4301	Patrol		5,524,247		5,798,683		6,418,423		6,802,190		7,004,292		6,897,167
4303	Investigations		1,984,817		2,018,770		2,017,420		2,087,730		2,148,335		2,135,613
4302	Traffic		739,177		781,033		740,387		788,800		665,700		814,799
4202	Personnel & Community Services		684,563		509,434		624,801		611,140		626,665		570,889
4304	Parking Program		512,918		625,119		442,929		440,460		470,792		476,465
4999	Pass Thru Accounts		199,267		24,031		19,586		22,000		22,000		22,000
2270	Police Department Grants		15,529		34,125		15,065				-		
Total P	olice Department	5	11,383,689	S	11,654,775	s	12,232,463	S	12,917,130	S	13,054,094	S	13,088,615

DEPARTMENTAL EXPENDITURES BY PROGRAM

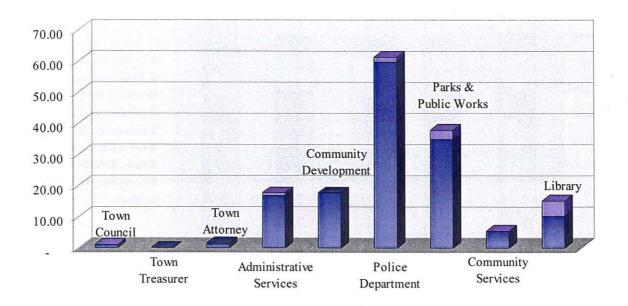
					LKOGKA								
			2005/06		2006/07		2007/08		2008/09		2008/09		2009/10
Darke A	& Public Works		Actuals	_	Actuals	_	Actuals		Adopted	E	stimated_	- 2	Adopted
5101	Administration	S	292,643	S	254,195	S	313,787	S	381,550	S	378,588	S	261,667
5201	Engineering Program Services	3	472,043	3	601,165	3	681,119	3	833,400	3	771,407	3	827,042
5202	Engineering Development Srvcs		1,080,269		600,564		798,366		776,870		767,797		662,775
5301	Park Services		1,902,324		1,868,329		1,917,506		2,180,420		2,208,375		1,881,454
5401	Streets / Signals / Sidewalks		1,433,608		1,499,778		1,376,196		1,761,600		1,457,575		1,761,109
098	Property Damage		1,433,008		52,101		49,340		1,701,000		86,972		1,701,109
999	Pass Thru Accounts		57,699						117,000		210,874		270,000
221					85,211		105,290						
221	Urban Run-Off Program Fund Sewer Maintenance Fund		186,889 113,992		154,704		163,210		160,650		165,897		147,335
23X	Lighting & Landscape Districts		31,236		40,641		28,481		38,370		38,370		38,370
	GFAR						3,257,216		25,637,274		4,903,178		1,291,200
111			1,005,366		1,584,084				23,037,274				
471	Traffic Mitigation		100 077		021.112		1 260 652		2 662 127		60,000		15,000
121	Grant Funded CIP Projects		188,877		824,442		1,368,653		2,663,127		557,704		262,017
161	Storm Drain #1		215,000		144,477		26,337		157,013		163,890		55,000
162	Storm Drain #2		400,000		14,150		21.000		271 120		271 120		
163	Storm Drain #3		7,386		184		21,000		271,430		271,430		350,000
172	Utility Undergrounding		010 201		100								350,000
48 I	Gas Tax - Street & Signals		810,301		128,553		718,223		733,224		60,160		500,000
531	Equipment Replacement		201,186		363,668		435,605		352,837		316,255		178,697
532	Vehicle Maintenance		520,239		541,452		571,823		639,300		603,699		604,824
633	Facilities Maintenance		1,302,736		905,227		901,458		1,146,500		1,005,956		1,146,246
270	PPW Department Grants	_	2,510		-						-		
Total I	Parks & Public Works	S	9,752,260	\$	9,662,925	5	12,733,611	5	37,850,565	5	14,028,127	5	10,252,736
Comm	unity Services												
5101	Administration	5	141,311	S	145,126	S	132,533	S	171,000	S	124,300	5	163,225
5201	Neighborhood Center		395,404		432,417		515,646		526,300		497,400		481,965
5401	Housing Program		101,017		1,134,751		132,944		152,150		131,900		136,164
6205	Community Grants		150,156		153,628		145,638		159,290		141,890		144,934
6204	Arts & Culture		75,461		74,167		80,402		95,550		95,300		92,647
6999	Pass Thru Accounts		2,679		3,753		1,840		3,000		14,720		
6302	Solid Waste Fund		245,201		224,611		302,090		260,520		211,300		243,916
6302	HCD Housing Rehab		5,084		8,358		5,359		7,700		2,700		7,700
211	HCD Housing Rehab		27,985		429,222		21,376		240,000		176,772		230,000
212	Comm. Development Block Grant		85,305		65,844		48,297		48,640		41,390		34,958
Total (Community Services	S	1,229,603	S	2,671,877	S	1,386,125	S	1,664,150	S	1,437,672	S	1,535,509
Library	,												
7101	Administration	S	254,699	S	256,551	S	289,536	S	302,550	S	291,840	S	286,151
7201	Adult Services		510,976		544,668		547,512		583,630		573,430	-	583,631
7202	Children's Services		389,596		392,213		384,377		436,680		406,400		428,373
7203	Acquisitons & Cataloging		240,586		217,557		220,128		234,700		231,800		226,595
7204	Circulation Services		483,330		503,259		506,462		553,500		520,100		557,315
711	Library Trust		17,695		11,389		18,340		15,500		23,250		43,875
713	Clelles Ness Bequest Trust		17,093		11,509		10,540						182,577
712	Library History Project		34,442		15,598		9,850		8,373		11,000		102,377
714	Betty McClendon Trust		34,442		15,595				5,000		11,000		91,379
	Library	s	1,931,324	S	1,941,235	S	5,691 1,981,896	S	2,139,933	S	2,057,820	•	2,399,896
			1,751,524		1,741,255	9	1,701,070	-	2,107,700	-	210271020	-	2,077,070
	elopment Agency						2 002 212		2 260 626		1 053 (3)		(0) 520
911	Capital Projects Fund	S		S		2	2,007,715	S	2,360,626	2	1,873,626	S	
921	Debt Service		4,591,731		4,982,276		5,300,268		5,619,890		5,638,291		5,720,300
931	Low / Moderate Housing	_	380,626		409,262	-	1,285,876	-	403,630	_	318,627		383,354
i otal l	Redevelopment Agency	S	6,455,307	S	6,944,977	S	8,593,859	S	8,384,146	S	7,830,544	3	6,800,174
Total (Operating Expenditures	S	39,555,492	S	42,060,264	S	47,540,382	S	76,075,364	S	49,791,592	S	46,368,049
D.I.	Transfers Out		1,146,912		8,263,886		7,211,444		2,610,834		3,831,928		1,974,937
Plus	Transfers out												
	yforward CIP Projects											5	24,433,414

SUMMARY OF POSITIONS DEPARTMENTAL STAFF BY FUND

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10 Evended
General Fund	Positions	_Funded_	Funded	Funded	_Funded_	Funded
Town Council	0.85	0.85	0.85	0.85	0.95	0.85
Town Treasurer	0.65	0.25	0.85	0.25	0.25	0.03
Town Attorney	0.90	0.85	0.25	0.80	0.90	0.90
Administrative Services	12.50	14.00	14.80	14.50	13.60	12.50
Community Development	17.00	17.95	17.95	17.95	17.80	17.00
Police Department	60.00	62.00	62.00	61.00	61.00	60.00
Parks & Public Works	29.50	27.05	27.58	27.85	31.50	29.50
	5.15	3.60	3.60	3.90	5.15	5.15
Community Services	10.35	10.35	10.35	10.35	10.35	10.35
Library	136.25	136.90	138.23	137.45	141.50	136.25
Total General Fund Staff	130.25	130.90	138.23	137.45	141.50	130.25
S						
Special Revenue Funds		0.20	0.20	0.10		
Administrative Services	-	0.20	0.20	0.10		-
Parks & Public Works	1.00	5.74	1.72	1.72	1.00	1.00
Community Services	0.05	0.60	0.60	1.30	0.05	0.05
Total Special Revenue Fund Staff	1.05	6.54	2.52	3.12	1.05	1.05
Internal Service Funds						
Town Attorney	0.65	0.25	0.25	0.25	0.65	0.65
Administrative Services	3.65	3.75	3.75	3.95	3.80	3.65
Parks & Public Works	4.50	3.75	4.43	4.43	4.50	4.50
Total Internal Services Funds Staff		7.55	8.43	8.63	8.95	8.80
Redevelopment Agency						
Administrative Services	0.80	0.80	0.80	0.80	0.80	0.80
Community Development	0.80	0.85	0.85	0.85	1.00	0.80
Parks & Public Works	-	0.66	0.27	-	=	-
Community Services	0.05	0.05	0.05	0.05	0.05	0.05
Total Redevelopment Agency Staff	1.65	2.36	1.97	1.70	1.85	1.65
Total Town FTEs	147.75	153.35	151.15	150.90	153,35	147.75

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

SUMMARY OF POSITIONS BUDGETED FTES BY DEPARTMENT



Blue Bar Shading – Town Staff Purple Bar Shading – Hourly Employees

FY 2008/09
Budgeted FTEs by Department
(Includes Converted Hourly Employees)

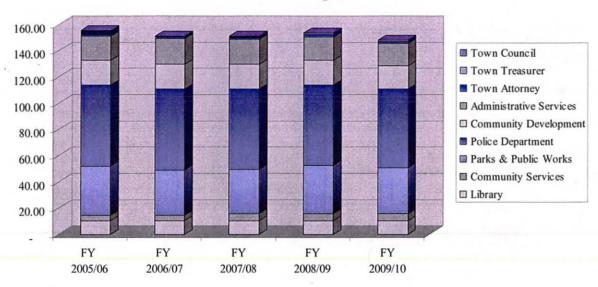
Departments	Authorized/ Funded Town Staff Positions	Hourly Emp Staff converted to FTEs	Total Budgeted Positions
Town Council	0.85	0.08	0.93
Town Treasurer	-		
Town Attorney	1.55	# *	1.55
Administrative Services	16.95	0.78	17.73
Community Development	17.80	=	17.80
Police Department	60.00	1.40	61.40
Parks & Public Works	35.00	2.96	37.96
Community Services	5.25	0.23	5.48
Library	10.35	4.85	15.20
Total Positions	147.75	10.30	158.05

Administrative Services Department staffing numbers include the following six programs: Town Manager's Office; Human Resources; Finance & Administrative Services; Clerk Administration; 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 2004/05 – FY 2008/09
Five Year Funded and Authorized Positions
(Staff positions only)

Departments	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Town Council	0.85	0.85	0.85	0.95	0.85
Town Treasurer	0.25	0.25	0.25	0.25	•
Town Attorney	1.10	1.10	1.05	1.55	1.55
Administrative Services	18.75	19.55	19.35	18.20	16.95
Community Development	18.80	18.80	18.80	18.80	17.80
Police Department	62.00	62.00	61.00	61.00	60.00
Parks & Public Works	37.00	34.00	34.00	37.00	35.00
Community Services	4.25	4.25	5.25	5.25	5.25
Library	10.35	10.35	10.35	10.35	10.35
Total Budgeted FTEs	153.35	151.15	150.90	153.35	147.75

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

SUMMARY OF PERSONNEL CHANGES

FY 2009/10

The Town's total budgeted labor and benefit costs for FY 2009/10 decreased to \$22.3 million (\$23.2 million in FY 2008/09). Of this amount, labor and benefit costs in the General Fund account for nearly \$20.7 million (\$21.6 million in FY 2008/09) or 92.6% of the Town's total labor and benefit expenditures. As a comparative, the General Fund component of labor and benefits in FY 2007/08 was 92.7% of labor and benefit expenses. Contractually obligated increases in salaries, health insurance rates and retirement are the primary causes of the increase in labor costs. A number of cost saving strategies have been employed in the budget to help mitigate part of the increase in personnel costs. The following discussion describes some of the staffing expenditures, savings and budget impacts.

Employee Compensation and Benefits

Personnel costs represent salaries of full and part-time personnel (including vacation, holiday, and sick leave compensation) and benefits, including health coverage, life and disability insurance, and retirement contributions. Annual wage increases and benefit adjustments are negotiated under each bargaining unit's Memorandum of Understanding (MOU's).

Memorandums of Understanding/Wages

In FY 2008/09, nonsworn employees waived salary increases in lieu of an enhancement to the retirement formula from 2% at 55 to 2.5% at 55, resulting in no net increase cost to the Town. In addition to absorbing the increase in the employer's rate, the PERS rate charged to employees increased from 8% to 9% of salary.

The FY 2009/10 budget assumes that the Town will achieve savings of \$200,000 from a management salary freeze and \$250,000 from non-management employee salaries through reduced COLAs or furloughs. Discussions with the bargaining units are underway regarding the specific terms of the salary savings for represented employees; however, the salary savings have been incorporated in the budget. Highlights of the existing MOUs or known salary actions are as follows:

- In 2008, the Town Employees Association (TEA) extended their agreement for two years through October 31, 2010. TEA is scheduled to receive a 3% wage increase in FY 2009/10.
- By resolution, the salaries for Confidential employees mirror the TEA contract.
- Park and Public Works maintenance employees, represented AFSCME, are in the last year of a threeyear agreement (July 1, 2007 – June 30, 2010) with the Town. AFSCME is scheduled to receive a 3% wage increase in FY 2009/10.
- The Police Officer's Association entered into a two and a half year MOU during FY 2007/08, which is effective from January 1, 2008 June 30, 2011. The agreement included a 4% wage increase for the six months ending June 30, 2008 and 4% in each year of FY 2008/09 and FY 2009/10.
- Management's salary and benefit terms are reflected in the Town's Management Compensation Plan
 which is approved by Council each fiscal year. To assist the Town in balancing the budget,
 management salaries will be frozen for FY 2009/10. By forgoing the 3% wage increase and bonuses
 for FY 2009/10, the Town will save \$200,000 and this will be the second year of no Management cost
 of living increases.

SUMMARY OF PERSONNEL CHANGES FY 2009/10

Benefits

Although no major coverage changes to health insurance benefits, increases in medical insurance rates are anticipated and will adversely impact budgeted labor costs. The Town's basic insurance premium coverage (Kaiser) increased by 8% effective January 1, 2009. The new rates effective January 2010 are expected to be known in November 2009. On a more positive note, disability and life insurance rates were renegotiated with a new provider, saving the Town \$50,000 annually.

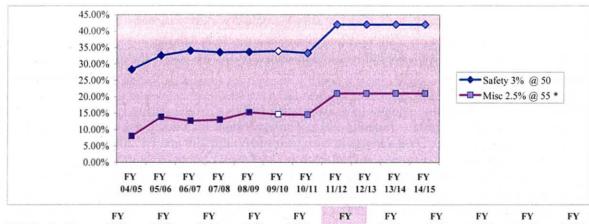
Pension Plan

The Town's two pension plans are 2.5% at 55 (effective July 1, 2008, prior formula was 2% at 55) for "Miscellaneous Employees" (non-safety) personnel and 3% at 50 for "Safety Employees" (Police Officers). From FY 1998/99 through FY 2003/04, retirement costs for Miscellaneous and Safety employees were negligible due to PERS "super funding" calculations from prior investment boom years. Following conservative practices however, the Town continued to charge itself a PERS retirement expense (based on the average PERS employer rates of years past) during these low-rate years and set aside the savings in a reserve account to be used to offset future increases in PERS rates.

In the past three years, however, due to the low interest rate climate, PERS has been compelled to increase contribution rates significantly to cover rising retiree costs. The Town's Miscellaneous Employee rates formerly set at 7% in FY 2003/04 are 14.584% in FY 2009/10 while the Safety Personnel Employee rate, formerly 16.0% in FY 2003/04 is 33.838% for FY 2009/10. Due to record PERS investment losses sustained in 2008, PERS actuaries have advised the Town that significant increases to PERS rates may occur in beginning in FY 2011/12. These rates are anticipated to be as high as 42% of covered payroll for safety employees and 21% for miscellaneous employees.

As anticipated, a portion of this increase in retirement costs will be offset with the utilization of the PERS reserve account which had a balance of \$3.7 million in FY 2004/05. The planned draw down of reserves at the rate of \$300,000 is anticipated to smooth the effects of any future rate increases, should they occur. The added benefit of expensing retirement costs and setting a liability account aside during the employer "zero rate" years is the stability that it has afforded staffing levels. Through the recognition of realistic labor and benefit cost for staffing, the substantial PERS rate increases that the Town has experienced in recent years were mitigated by use of the PERS reserve.

The following schedule reflects the Town's PERS pension rate for FY 2009/10 and expected rate for FY 2010/11 as issued by CALPERS in October, 2008.



04/05 05/06 06/07 07/08 08/09 09/10 14/15 **PERS Pension Plan** 10/11 11/12 12/13 13/14 Safety 3% @ 50 28.30% 32.56% 33.99% 33.55% 33.60% 33.30% 33.84% 42% ** 42.00% 42.00% 42.00% Misc 2.5% @ 55 * 8.01% 13.81% 12.66% 12.99% 15.18% 14.60% 14.50% 21% ** 21.00% 21.00% 21.00%

^{*}According to union contracts with T.E.A. and AFSCME the Town changed the retirement formula from 2% at 55 to 2.5% at 55 effective July 1, 2008

^{**} Based on estimates received from PERS Actuarilas in May 2009

SUMMARY OF PERSONNEL CHANGES FY 2009/10

Budget Management Strategies

A number of strategies have been implemented to mitigate rising personnel costs. These include: charging staff time for grant-funded and Redevelopment Agency project work and proprietary services; increasing user fees to recover staff time costs for Town services; focusing staff time on core services to maintain the reduction in budgeted overtime; reducing hourly staffing use; and the elimination of vacant, non-essential benefited positions.

Overtime

Overtime expenditures continue to be assessed and adjustments continue to be made to reduce expenses where feasible. While unpredictable or non-controllable events will undoubtedly have their impact on the limited public safety and public works maintenance resources of the Town, adjustments to schedules and workload planning continues to generate a reduction in budgeted overtime from prior years. As a consequence, some non-critical Town services may see a reduction in service levels caused by staff being limited to regular work shifts, however, the restrictions have not proven to be problematic for normal operations of the Town.

Staffing Changes

The FY 2009/10 Operating Budget has 147.75 full-time equivalent (FTE) authorized positions and reflects an elimination of 5.6 FTE. With continued focus on centralizing customer-based functions, cross training of support staff, and staffing appropriate positions for work duties, additional operational functions will be assessed during FY 2009/10 to identify further reorganizational opportunities. The recommended FY2009/10 staffing levels include the following changes from the prior year's adjusted budget:

- Parks and Public Works Two positions have been eliminated in the Parks and Public Works Department; the Parks Services Officer (PSO) and a Maintenance Worker in the Streets and Signals Program. The PSO will be backfilled through the use of a temporary staff and workloads will be reconfigured to mitigate impacts related to the elimination of the Maintenance Worker. Additionally, the FY 2008/09 clerical overstrength position to provide temporary administrative support will be eliminated in FY 2009/10. A vacant Superintendent position is being evaluated for reclassification and a placeholder of \$34K in savings has been incorporated in the budget, pending the staffing restructure.
- Police Department To contain costs, the Department has implemented several cost cutting strategies, including FTE eliminations, cost sharing for court liaison and School Resource Officer services, reductions in Community Service Officer Intern temporary hours, and overtime reduction efforts. Due to budget limitations, one Sergeant, through attrition has been eliminated and Community Service Officer Intern hours have been reduced. Additional FTE saving efforts include an agreement between the Los Gatos Police Department and the City of Campbell to share court liaison services to be provided by Campbell. The cost to the Town is approximately \$40,000. As a result, the department eliminated a vacant Records Specialist position. Other cost sharing initiatives include an agreement between the Town and the elementary and high school districts to jointly fund the SRO position. Staff has also submitted an application for a Federal Stimulus COPS grant to obtain additional funding for the SRO and another Police Officer position. If either funding source becomes unavailable, the SRO position could be discontinued or reconfigured. Overtime funding in all programs continues to be relied upon by the department to backfill for vacancies as a result of training, vacation, sick or extended absences. The department acknowledges a need to reduce the reliance on these funds to compensate for personnel absences and has implemented several reduction strategies. This will be a continued focused reduction effort for the department in FY 2009/10.

- Administrative Services The FY 2009/10 Administrative Services budget reflect a full allocation of the Town Manager and Assistant Town Manager positions to the Town Manager's Office budget. This adjustment is moderated by the elimination of the Administrative Programs Manager position to allow flexibility to meet higher priority staffing needs within the organization. Core services provided by the Manager's Office, such as Council agenda management, general program/policy analysis, economic vitality efforts, public outreach, and customer service initiatives will remain at current levels. However, the Manager's Office will need to prioritize and schedule special project and inter-departmental efforts given the reduced management staff.
- Clerk/Management Information Systems The FY 2009/10 budget for the Clerk Administration
 Department reflects a decrease in salary and benefits and slightly lower expenditure levels. The
 decrease in salary and benefits is due to the elimination of the Administrative Programs Manager. The
 FY 2009/10 budget for Management Information System maintains prior year salary and benefit
 levels.
- Finance The FY 2009/10 Finance budget reflects the elimination of a .80 FTE Account Technician
 for Business Licenses. Additional temporary hours have been added to backfill the Account
 Technician position and provide technical support financial/human resources information system
 upgrade. To mitigate impacts from reduced staffing, the department will aggressively seek out
 opportunities to train and cross-train available personnel and maximize the use of its new
 financial/human resources information system, which should be fully implemented by the end of FY
 2009/10.
- Human Resources The FY 2009/10 Human Resources budget reflects a significant decrease in salary and benefits and operating expenditures. Decreases in salary and benefits are due to staffing reallocation of the Town Manager and Assistant Town Manager positions from Human Resources to the Town Manager's Office budget program. This reallocation does not change the staffing level or service delivery for the Human Resources Department or the Town Manager's Office.
- Legal Services The FY 2009/10 budget for the Town Attorney's Office reflects a moderate decrease
 in salary and benefits and operating expenditure levels. Decreases in salary and benefits are due to
 program reallocations. Operational expenditures have been lowered to reduce costs. These changes
 are part ongoing reorganization aimed at matching costs with services, consolidated work loads were
 possible and thereby increase cost efficiency.
- Community Development –Notable expenditure reductions include the elimination of the Code Compliance Officer and Associate Planner position. Should the local economic situation improve, these positions will be reevaluated accordingly.
- Library There are no proposed staffing changes for FY 2009/10.
- Community Services There are no proposed staffing changes for FY 2009/10.

SUMMARY OF PERSONNEL CHANGES FY 2009/10

Internal Service Fund Allocations

In addition to direct personnel expenditures, departments are charged for internal support services and employee insurance costs through payroll allocation charges. Appropriate charge-back rates are established based on either employee group historical costs or through a flat surcharge per employee. Annual reviews of these funds may result in adjustments to the rates.

Liability Insurance

Self-Insurance Fund rates (liability claim insurance premiums) for FY 2009/10 remain at the prior year rates as the Self-Insurance Fund Balance continues to be more than sufficient, and revenues are keeping pace with expenditures.

Workers Compensation

The Workers Compensation fund balance also continues to be healthy. The program's allocation charges were increased in FY 2004/05 to keep pace with the increase in insurance premiums, and have been adjusted in FY 2009/10 to keep pace with increasing expenditures.

Management Information

The Management Information Systems (MIS) program is funded through two different charge-backs to the departments. One charge is based on a percentage of salary to fund the salaries and operating expenses of the MIS program. The second allocation charge is based on the department's computer and printer equipment, established to fund the replacement cost of current technology equipment.

	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded	Comments
TOWN ATTORNEY'S OFFICE		runucu	runded	runded	runded	runded	Comments
Town Attorney	1.00	1.00	1.00	1.00	1.00	1.00	
Legal Admin Assistant	0.50	-					CY fund .50 FTE
Legal Assistant	2	-		2	0.50	-	CY deletion
TOTAL FTEs	1.50	1.00	1.00	1.00	1.50	1.50	CT WOOD TO
TOWN MANAGER'S OFFICE							
Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Programs Mgr.	-	1.00	1.00	1.00	1.00	-	CY deletion
Exec. Assistant to Town Mgr.	1.00	1.00	1.00	1.00	1.00	1.00	
Economic Vitality Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Office Clerk	0.90	0.80	0.80	0.80	0.90	0.90	
TOTAL FTEs	4.90	5.80	5.80	5.80	5.90	4.90	
HUMAN DESOUDCES	-	THE SE		5.767			
HUMAN RESOURCES Human Resources Director	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	1.00	
Human Resources Specialist	0.25	1.00	1.00	0.25	0.25	0.25	
TOTAL FTEs	2.25	2.00	2.00	2.25	2.25	2.25	
Finance & Admin. Director Finance Manager	1.00	1.00 1.00	1.00 1.00	1.00	1.00 1.00	1.00 1.00	
						1.00	Position shared with .60 FTE CDD
Finance Manager Accountant/Finance Analyst	1.00 1.40	1.00 0.40	1.00	1.00 1.40	1.00 1.40	1.00 1.40	Position shared with .60 FTE CDD Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist	1.00 1.40 1.00	1.00 0.40	1.00 0.40	1.00 1.40 1.00	1.00 1.40 1.00	1.00 1.40 1.00	
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician	1.00 1.40 1.00	1.00 0.40 - 1.80	1.00 0.40 - 2.00	1.00 1.40 1.00	1.00 1.40 1.00	1.00 1.40 1.00	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician	1.00 1.40 1.00 - 2.00	1.00 0.40 - 1.80 1.60	1.00 0.40 - 2.00 2.00	1.00 1.40 1.00 - 3.00	1.00 1.40 1.00 - 2.60	1.00 1.40 1.00 - 2.00	
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk	1.00 1.40 1.00 - 2.00	1.00 0.40 - 1.80 1.60 0.80	1.00 0.40 - 2.00 2.00 1.00	1.00 1.40 1.00 - 3.00	1.00 1.40 1.00 - 2.60	1.00 1.40 1.00 - 2.00	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk	1.00 1.40 1.00 - 2.00	1.00 0.40 - 1.80 1.60	1.00 0.40 - 2.00 2.00	1.00 1.40 1.00 - 3.00	1.00 1.40 1.00 - 2.60	1.00 1.40 1.00 - 2.00	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk TOTAL FTES CLERK ADMINISTRATION	1.00 1.40 1.00 - 2.00 - 6.40	1.00 0.40 - 1.80 1.60 0.80 6.60	1.00 0.40 2.00 2.00 1.00 7.40	1.00 1.40 1.00 - 3.00 - 7.40	1.00 1.40 1.00 - 2.60 - 7.00	1.00 1.40 1.00 - 2.00 - 6.40	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk TOTAL FTEs	1.00 1.40 1.00 - 2.00	1.00 0.40 - 1.80 1.60 0.80	1.00 0.40 - 2.00 2.00 1.00	1.00 1.40 1.00 - 3.00	1.00 1.40 1.00 - 2.60	1.00 1.40 1.00 - 2.00	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk TOTAL FTES CLERK ADMINISTRATION	1.00 1.40 1.00 - 2.00 - 6.40	1.00 0.40 - 1.80 1.60 0.80 6.60	1.00 0.40 2.00 2.00 1.00 7.40	1.00 1.40 1.00 - 3.00 - 7.40	1.00 1.40 1.00 - 2.60 - 7.00	1.00 1.40 1.00 - 2.00 - 6.40	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk TOTAL FTES CLERK ADMINISTRATION Clerk Administrator	1.00 1.40 1.00 - 2.00 - 6.40	1.00 0.40 - 1.80 1.60 0.80 6.60	1.00 0.40 - 2.00 2.00 1.00 7.40	1.00 1.40 1.00 - 3.00 - 7.40	1.00 1.40 1.00 - 2.60 - 7.00	1.00 1.40 1.00 - 2.00 - 6.40	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk TOTAL FTES CLERK ADMINISTRATION Clerk Administrator Deputy Clerk	1.00 1.40 1.00 - 2.00 - 6.40	1.00 0.40 - 1.80 1.60 0.80 6.60	1.00 0.40 - 2.00 2.00 1.00 7.40	1.00 1.40 1.00 - 3.00 - 7.40	1.00 1.40 1.00 - 2.60 - 7.00	1.00 1.40 1.00 - 2.00 - 6.40	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk FOTAL FTES CLERK ADMINISTRATION Clerk Administrator Deputy Clerk MIS Specialist FOTAL FTES	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 - 1.75	1.00 0.40 - 1.80 1.60 0.80 6.60	1.00 0.40 - 2.00 2.00 1.00 7.40	1.00 1.40 1.00 - 3.00 - 7.40 1.00 0.75 0.50	1.00 1.40 1.00 - 2.60 - 7.00	1.00 1.40 1.00 - 2.00 - 6.40	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk FOTAL FTES CLERK ADMINISTRATION Clerk Administrator Deputy Clerk MIS Specialist FOTAL FTES	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 - 1.75	1.00 0.40 - 1.80 1.60 0.80 6.60	1.00 0.40 - 2.00 2.00 1.00 7.40	1.00 1.40 1.00 - 3.00 - 7.40 1.00 0.75 0.50	1.00 1.40 1.00 - 2.60 - 7.00	1.00 1.40 1.00 - 2.00 - 6.40	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk FOTAL FTES CLERK ADMINISTRATION Clerk Administrator Deputy Clerk MIS Specialist FOTAL FTES	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 - 1.75	1.00 0.40 - 1.80 1.60 0.80 6.60	1.00 0.40 2.00 2.00 1.00 7.40	1.00 1.40 1.00 - 3.00 - 7.40 1.00 0.75 0.50 2.25	1.00 1.40 1.00 - 2.60 - 7.00 1.00 0.75 - 1.75	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 -	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk TOTAL FTES CLERK ADMINISTRATION Clerk Administrator Deputy Clerk MIS Specialist TOTAL FTES MANAGEMENT INFORMATIO MIS Manager Network Administrator	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 - 1.75	1.00 0.40 - 1.80 1.60 0.80 6.60 - 1.00 1.75 - 2.75	1.00 0.40 2.00 2.00 1.00 7.40 1.75 - 2.75	1.00 1.40 1.00 - 3.00 - 7.40 1.00 0.75 0.50 2.25	1.00 1.40 1.00 - 2.60 - 7.00 1.00 0.75 - 1.75	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 - 1.75	Analyst position.
Finance Manager Accountant/Finance Analyst Payroll Specialist Sr. Account Technician Account Technician Sr. Account Clerk TOTAL FTES CLERK ADMINISTRATION Clerk Administrator Deputy Clerk MIS Specialist TOTAL FTES MANAGEMENT INFORMATIO MIS Manager	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 - 1.75 N SERVICI 1.00 1.00	1.00 0.40 - 1.80 1.60 0.80 6.60 - 1.00 1.75 - 2.75	1.00 0.40 2.00 2.00 1.00 7.40 1.00 1.75 	1.00 1.40 1.00 - 3.00 - 7.40 1.00 0.75 0.50 2.25	1.00 1.40 1.00 - 2.60 - 7.00 1.00 0.75 - 1.75	1.00 1.40 1.00 - 2.00 - 6.40 1.00 0.75 - 1.75	Analyst position.

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10	
	Positions	Funded	Funded	Funded	Funded	Funded	Comments
COMMUNITY DEVELOPME							
Community Developmt. Dir.	1.00	1.00	1.00	1.00	1.00	1.00	
Asst. Community Dev. Dir.	1.00	1.00	1.00	1.00	1.00	1.00	
Deputy Town Manager	1.00		-	-	-		CY fund 1.0 FTE
Administrative Analyst	0.60	0.60	0.60	0.60	0.60	0.60	Position shared with .40 FTE Finance Accountant position.
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00	
Secretary III	1.00	1.00	1.00	1.00	1.00	1.00	
Senior Planner	1.00	540	-	1.00	1.00	1.00	
Associate Planner	2.00	4.00	4.00	3.00	3.00	2.00	CY delete 1.0 FTE
Planner	1.00	1.00	1.00	1.00	1.00	1.00	
Assistant Planner	1.00	1.00	1.00	1.00	1.00	1.00	
Counter Technician	2.00	2.00	2.00	2.00	2.00	2.00	
Code Compliance Officer	-	1.00	1.00	1.00	1.00	-	CY delete 1.0 FTE
Building Official	1.00		Ξ	1.00	1.00	1.00	
Sr. Building Inspector	-	1.00	1.00	-	=	•	
Building Inspector	4.00	4.00	4.00	4.00	4.00	4.00	
TOTAL FTES	17.60	18.60	18.60	18.60	18.60	17.60	
POLICE							
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00	
Police Captain	2.00	2.00	2.00	2.00	2.00	2.00	
Police Sergeant	8.00	9.00	9.00	9.00	9.00	8 00	CY delete 1.0 FTE
Police Corporal	5.00	-		5.00	5.00	5.00	
Police Officer	26.00	30.00	30.00	25.00	25.00		CY fund 1.0 FTE
Community Services Officer	4.00	4.00	4.00	4.00	4.00	4.00	
Crime Analyst	-	1.00	1.00	1.00			
Police Admin Services Mgr.	1.00	1.00	1.00	1.00	1.00	1.00	
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher	7.00	7.00	7.00	7.00	7.00	7.00	
Police Records Specialist	3.00	3.00	3.00	3.00	4.00	3.00	CY delete 1.0 FTE
Parking Control Officer	2.00	3.00	3.00	2.00	2.00	2.00	
			The second second				

PARKS and PUBLIC WORKS D Parks & Public Works Dir. Asst PPW Dir/Town Engineer Administrative Analyst Administrative Specialist Public Works Specialist Administrative Secretary Secretary III Superintendent Facility Technician PPW Supervisor	Positions DEPARTME 1.00 1.00 1.00 1.00 - 2.00	1.00 1.00 1.00 1.00 2.00	1.00 1.00 1.00 1.00	1.00 1.00 1.00	1.00 1.00	1.00 1.00	Comments
Parks & Public Works Dir. Asst PPW Dir/Town Engineer Administrative Analyst Administrative Specialist Public Works Specialist Administrative Secretary Secretary III Superintendent Facility Technician	1.00 1.00 1.00 1.00 -	1.00 1.00 1.00 1.00 2.00	1.00 1.00	1.00		1000000	
Asst PPW Dir/Town Engineer Administrative Analyst Administrative Specialist Public Works Specialist Administrative Secretary Secretary III Superintendent Facility Technician	1.00 1.00 1.00 - 2.00	1.00 1.00 1.00 2.00	1.00 1.00	1.00		1000000	
Administrative Analyst Administrative Specialist Public Works Specialist Administrative Secretary Secretary III Superintendent Facility Technician	1.00 1.00 - 2.00	1.00 1.00 2.00	1.00		1.00	1.00	
Administrative Specialist Public Works Specialist Administrative Secretary Secretary III Superintendent Facility Technician	2.00	1.00 2.00		1.00			
Public Works Specialist Administrative Secretary Secretary III Superintendent Facility Technician	2.00	2.00	1.00	1.00	1.00	1.00	
Administrative Secretary Secretary III Superintendent Facility Technician	2.00			1.00	1.00	1.00	
Secretary III Superintendent Facility Technician			1.00	1.00	2.00	*	CY delete 2.0 FTE
Superintendent Facility Technician	-	155	*	1.00	1.00	2.00	CY fund 1.0 FTE
Facility Technician		-	1.00	-	-	-	
	1.00	2.00	2.00	2.00	2.00	1.00	CY delete 1.0 FTE
PPW Supervisor	1.00			1.00	1.00	1.00	
	2.00	1.00	1.00	1.00	1.00	2.00	CY fund 1.0 FTE
Town Arborist	1.00	1.00	1.00	1.00	1.00	1.00	
Lead Parks & Maint, Worker	2.00	1.00	1.00	2.00	2.00	2.00	
Sr. Parks & Maint. Worker	-	2.00	1.00	-	1.00	-	CY delete 1.0 FTE
Parks & Maintenance Worker	9.00	12.00	10.00	9.00	9.00	9.00	
Sweeper Operator	1.00	1.00	1.00	1.00	1.00	1.00	
Tree Trimmer / High Climber	1.00	1.00	1.00	1.00	1.00	1.00	
Parks Service Officer	1.00	2.00	2.00	2.00	2.00	1.00	CY delete 1.0 FTE
Associate Civil Engineer	3.00	3.00	3.00	3.00	3.00	3.00	
Assistant Civil Engineer	1.00	-	-	1.00	1.00	1.00	
Sr. Engineer Technician	=	1.00	1.00	-		-	
Engineering Technician	1.00			-	1.00	1.00	
Senior Engineer Inspector	1.00	1.00	1.00	1.00	1.00	1.00	
Engineer Inspector	2.00	1.00	1.00	1.00	1.00	2.00	CY fund 1.0 FTE
Apprentice Mechanic	1.00	-		-	-	1.00	CY fund 1.0 FTE
Equipment Mechanic	1.00	2.00	2.00	2.00	2.00	1.00	CY delete 1.0 FTE
TOTAL DEPARTMENT FTES	35.00	37.00	34.00	34.00	37.00	35.00	
COMMUNITY SERVICES							
Community Services Director	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	0.50	0.50	0.50	0.50	0.50	0.50	
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00	
Senior Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	
Volunteer Coordinator	0.75	0.75	0.75	0.75	0.75	0.75	
Secretary I	1.00	0.75		1.00	1.00	1.00	
TOTAL DEPARTMENT FTES	5.25	4.25	4.25	5.25	5.25	5.25	

	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded	
LIBRARY							
Library Director	1.00	1.00	1.00	1.00	1.00	1.00	
Assistant Library Director	1.00	1.00	1.00	1.00	1.00	1.00	
Principal Librarian	2.00	2.00	2.00	2.00	2.00	2.00	
Librarian	2.25	2.25	2.25	2.25	2.25	2.25	
Circulation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00	
Library Assistant	2.50	2.50	2.50	2.50	2.50	2.50	
Secretary III	0.60	0.60	0.60	0.60	0.60	0.60	
TOTAL DEPARTMENT FTES	10.35	10.35	10.35	10.35	10.35	10.35	
TOTAL TOWN FTES	147.75	153.35	151.15	150.90	153.35	147.75	

ELECTED OFFICIALS

TOTAL ELECTED OFFICIALS	6.00	7.00	7.00	7.00	5.0
Town Treasurer	-	1.00	1.00	1.00	_
Town Clerk	1.00	1.00	1.00	1.00	
Town Council	5.00	5.00	5.00	5.00	5.00
	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded

HOURLY EMPLOYEES

	11.59	13.15	11.39	10.09	10.30 (1.00	
Total Temporary Hours by Department	24,114	27,355	23,683	20,987	21,431	
Library Department	11,180	10,953	10,093	10,093	10,093	
Community Services	2,502	2,502	470	470	470	
Parks & Public Works	7,332	10,800	8,760	5,184	6,152	
Police Department	2,600	2,600	3,640	3,640	2,920	
Community Development	2 -		120	-	-	
Administrative Services	325	325	425	1,425	1,621	
Town Council	175	175	175	175	175	
Temporary Hours by Department	2005/06 Funded	2006/07 Funded	Funded	2008/09 Funded	2009/10 Funded	



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Town Offices

PROGRAM PURPOSE

The Town Offices programs are comprised of: Town Council Administration and the Office of the Town Attorney, which includes the Self-Insurance Liability program. The purpose of each program is outlined in the sections that follow this page.

BUDGET OVERVIEW

The FY 2009/10 Town Offices budget reflects a decrease in salary and benefit costs and operating expenditures due to the consolidation of the Elected Clerk and Treasurer programs into the Clerk Administration and Finance Department budgets. This consolidation was a result of the approval of Measure C, a ballot initiative that made the Town Clerk and Town Treasurer positions appointed positions. In addition to this consolidation, other budget adjustments were made in the Town Offices budget, including staffing reallocations to better reflect the deployment of resources and reductions in operating expenditures. It is anticipated that general administrative, legal and risk management services will be maintained at current levels.



Town Council

TOWN COUNCIL ADMINISTRATION PROGRAM 1101

PROGRAM PURPOSE

The Town Council is the elected legislative body that represents and directs the Town of Los Gatos. The Town Council is comprised of five (5) Council members, with the Mayor and Vice Mayor appointed annually by the Council each November. The Town operates under a Council/Manager (corporate) form of government that combines the policy leadership of elected officials with the managerial responsibility of an appointed Town Manager. With the assistance of Town staff, the Mayor and Town Council identify and adopt appropriate policy, program and budget priorities for the Town.

As an elected Legislature, the Council's priorities reflect, through its regulatory and budgetary enactments, the aspirations of the residents of Los Gatos. These priorities are implicit in the programs adopted and set forth in the annual operating budget for the Town of Los Gatos.

BUDGET OVERVIEW

The FY 2009/10 budget for the Town Council reflects a moderate decrease in salary and benefit costs and operating expenditures. This decrease is largely due to eliminating the Administrative Programs Manager position in the Town Manager's Office. Staff anticipates that through the redeployment of resources, general administrative services, including agenda packet preparation and distribution, customer and elected official support and Council policy/program analysis will be maintained at current service levels. However, it is important to note that the proposed structural changes will impact workload capacity and flexibility to address unanticipated service requests.

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SUMMARY OF REVENUES AND EXPENDITURES

	-	05/06 ctuals		06/07 tuals		2007/08 Actuals		008/09 dopted		008/09 timated	L CLE	009/10 dopted
REVENUES												
Service Charges		-		-		-		-		-		
Other Sources		-		-		-		-				
TOTAL REVENUES	S	-	S	~	S	-	S	-	S	-	S	
EXPENDITURES												
Salaries and Benefits	1	20,766	1	24,529		124,670		153,500		152,700		136,027
Operating Expenditures		20,649		18,566		17,950		23,200		13,000		20,200
Fixed Assets		-						-		-		
Internal Service Charges		4,834		5,040		5,210		4,800		5,200		4,614
TOTAL EXPENDITURES	\$ 1	46,249	\$ 1	48,135	S	147,830	\$	181,500	S	170,900	\$	160,841

KEY PROGRAM SERVICES

- Represents the residents of Los Gatos
- Formulates and enacts public policy in response to current and anticipated needs within political, administrative, and fiscal constraints
- Provides community leadership as the legislative and policy-making body of the municipal government
- Oversees Town boards and commissions
- Represents the Town of Los Gatos through coordination and collaboration with other government agencies

	TOWN	COUNCIL S	TAFFING			
Full Time Equivalents (FTE)						
Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Administrative Programs Mgr.	-	0.10	0.10	0.10	0.10	
Executive Asst. to the Town Mgr.	0.50	0.50	0.50	0.50	0.50	0.50
Office Clerk	0.35	0.25	0.25	0.25	0.35	0.35
TOTAL PROGRAM FTEs	0.85	0.85	0.85	0.85	0.95	0.85
		2005/06	2006/07	2007/08	2008/09	2009/10
		Funded	_Funded_	Funded	Funded	Funded
						Funded
Elected Officials Councilmembers		5.00	5.00	5.00	5.00	Funded 5.00
						Funded
Councilmembers		5.00	5.00	5.00	5.00	Funded 5.00
Councilmembers TOTAL ELECTED OFFICIALS		5.00	5.00	5.00	5.00	Funded 5.00

Town Attorney

TOWN ATTORNEY ADMINISTRATION PROGRAM 1301

PROGRAM PURPOSE

The Town Attorney is the legal advisor to the Town Council, Redevelopment Agency and staff. In this capacity, the Office of the Town Attorney provides a wide range of legal services to ensure that Town actions and activities are legally sound. The core services of the Town Attorney's Office include, but are not limited to: providing timely legal advice to the Town Council, Town advisory bodies and staff; drafting contracts, opinions, resolutions and ordinances; reviewing, processing, and settling claims against the Town; and prosecuting, and defending civil lawsuits against the Town.

BUDGET OVERVIEW

The FY 2009/10 budget for the Town Attorney's Office reflects a moderate decrease in salary and benefits and operating expenditure levels. Decreases in salary and benefits are due to program reallocations. Operating expenses such as legal subscriptions and outside legal services have been reduced due to budget limitations.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Good Governance Ensure responsive, accountable and collaborative governance	 Provided legal advice to assist in the management of complex land use applications and decision-making processes Streamlined property damage claims processes Settled long-term grading violations

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SUMMARY OF REVENUES AND EXPENDITURES

	_	005/06 ctuals		06/07 tuals	007/08 Actuals		2008/09 Adopted	008/09 timated	009/10 dopted
REVENUES									有 有
Service Charges		-	:	421	16		12:	ω.	_
Other Sources	2	-		-	 591		-	 	-
TOTAL REVENUES	\$	***	\$	<u></u>	\$ 591	\$		\$ */	\$
EXPENDITURES									
Salaries and Benefits		177,703	1	56,752	178,708		179,700	193,400	157,873
Operating Expenditures		28,757		45,043	48,543		42,800	31,913	34,530
Fixed Assets		-		-	-		=:	14	-
Internal Service Charges		22,284		23,033	 24,403	·	25,400	 25,600	22,970
TOTAL EXPENDITURES	\$	228,744	\$ 2.	34,828	\$ 251,654	\$	247,900	\$ 250,913	\$ 215,373

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
	Process Improvements
Good Governance Ensure responsive, accountable and collaborative governance	The Town Attorney's Office is a service department that must be available to respond to the varying needs of the Town Council and Town staff. However, without compromising this key focus, the Town Attorney will continue to assist in the effort to streamline administrative functions, including contract development and management and reduce the cost of legal services and overall Town liability.

KEY PROGRAM SERVICES

- Represents the Town regarding litigation matters, including criminal prosecutions of code violations
- Serves as the legal advisor for the Town Council, Town staff, and Redevelopment Agency
- Processes and evaluates all personal injury, property damage and other monetary claims against the Town and manages all litigation involving the Town
- Drafts and/or reviews all proposed ordinances and resolutions
- Supervises personal injury or property damage claims and related claims litigation
- Reviews and/or drafts Town staff reports and contracts
- Assists in the administration of the Town's liability insurance and risk management program
- Negotiates key transactions such as property acquisitions

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TOWN ATTORNEY STAFFING

Full Time Equivalents (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Town Attorney	0.60	0.75	0.75	0.75	0.60	0.60
Legal Admin Assistant	0.25					0.25
Legal Assistant	-	-	12	1 <u>0</u>	0.25	
Deputy Clerk	0.05	0.10	0.10	0.05	0.05	0.05
TOTAL PROGRAM FTEs	0.90	0.85	0.85	0.80	0.90	0.90

Pe	rfor	mance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.		reduce the legal and financial consequences of ims and lawsuits against the Town.					
	a.	Percentage of claims for denial or approval processed within forty-five days of filing:	98%	98%	98%	98%	98%
2.	time	protect the Town from legal exposure through the ely review of contracts, staff reports, and Town licies and practices.			3		
	a.	Percentage of staff reports and contracts reviewed in twenty-four hours of receipt:	95%	95%	95%	95%	95%
	b.	Percentage of formal Request for Written Opinions prepared within three working days:	95%	95%	95%	95%	95%

Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of incident reports processed:	30	21	25	16	15
2.	Number of property loss reports processed:	35	21	25	30	20
3.	Number of subpoenas handled:	8	7	8	2	5
4.	Number of Public Records Act requests processed:	24	24	24	16	20
5.	Number of resolutions and ordinances developed:	24	24	24	13	15
6.	Number of opinion requests and contracts reviewed:	150	150	150	150	150
7.	Number of cases closed:	22	30	25	191	80
8.	Number of claims:	19	24	25	-15	15



Town Attorney

LIABILITY SELF-INSURANCE FUND PROGRAM 1302

FUND PURPOSE

The Town is a member of the Association of Bay Area Government (ABAG) insurance pool, a self-insurance program established in 1986 to provide general liability, property insurance, and risk management services to 30 cities within the Bay Area. This coverage minimizes the Town's exposure to losses as a result of Town policy or actions.

The annual premium paid by the Town allows for \$10 million total coverage with a \$50,000 deductible per occurrence. Self–Insurance rates have been established to accurately allocate the cost of this internal service fund to all programs based on staffing levels, thus, more accurately distributing and reflecting actual costs of services.

BUDGET OVERVIEW

The FY 2009/10 budget reflects a decrease in salary and benefits and an increase in operating expenditure levels. Staffing changes include FTE reallocations to the Self-Insurance Liability Fund to better reflect the use of resources. The Town's operating expenses have risen slightly because of an increase in the ABAG insurance premium. The adjustment in the Town's premium was due to resolution of a sizeable claim. However, the Town continues to make strides in the area of risk management and was recently awarded an ABAG grant in the amount of \$10,000 for its efforts.

The Self-Insurance program is funded through departmental charges based on established assessment rates per labor dollar expended. Service rates are established to maintain fund balance capacity at a minimum of three times the annual operating expense. This rule of thumb provides a funding source for potential claims against the Town. Excess funding is reduced through lower service rates and transfers back to the General Fund.

As the liability program's overall cost remains significantly lower than in previous years due to a low-claims history, the labor rate assessments to the departments will continue at the reduced rates established in FY 2004/05. These rates reflect a 20% decrease in FY 2004/05 from the 80% assessment levels initiated in FY 2003/04 (meaning rates continue at 64% of what they were four years ago.) This lower rate more accurately reflects actual program costs, which although results in reduced revenue to this program, produces town-wide reductions in program expenses. Program costs will be evaluated in FY 2009/10 to determine if the current assessments need to be revised.

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
COVER OF PURPOS	=		3	10 		
SOURCE OF FUNDS						
Beginning Fund Balance				235,404	235,404	
Loan to CIP - Police Facility Undesignated	1,939,958	2,047,197	2,125,031	1,620,039	1,620,039	1,880,163
Total Beginning Fund Balance	1,939,958	2,047,197	2,125,031	1,855,443	1,855,443	1,880,163
Revenues						
Service Charges	497,246	500,502	561,436	518,400	556,800	528,990
Other Sources	8,981	37,265	25,000	=	10,000	-
Total Revenues	506,227	537,767	586,436	518,400	566,800	528,990
TOTAL SOURCE OF FUNDS	2,446,185	2,584,964	\$ 2,711,467	\$ 2,373,843	\$ 2,422,243	\$ 2,409,153
USE OF FUNDS						
Expenditures						
Salaries and Benefits	80,322	55,674	80,679	138,100	95,200	109,062
Operating Expenditures	318,666	404,259	765,345	472,800	446,880	497,750
Fixed Assets	(E)	-	10,000	~	-	
Internal Service Charges			-	1.00		
Total Expenditures	398,988	459,933	856,024	610,900	542,080	606,812
Operating Transfers						
Transfer to General Fund						
Total Operating Transfers	•	+0	-	*:	-	
Ending Fund Balance	×					
Loan to CIP - Police Facility		# m	235,404	235,404	#	-
Undesignated	2,047,197	2,125,031	1,620,039	1,527,539	1,880,163	1,802,341
Total Ending Fund Balance	2,047,197	2,125,031	1,855,443	1,762,943	1,880,163	1,802,341
TOTAL USE OF FUNDS	2,446,185	2,584,964	\$ 2,711,467	\$ 2,373,843	\$ 2,422,243	\$ 2,409,153

⊗ TOWN ATTORNEY ©3 Liability Self-Insurance Program

2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and collaborative governance	Premium Management Emphasize the improvement of safety concerns by actively pursuing ABAG training programs. In an effort to minimize insurance claims, the insurance pool offers safety training in areas which produce a high liability risk.

KEY PROGRAM SERVICES

- Act as liaison with the Town's Liability Insurance administration
- Inform Town Council and Town Management of potential claims and results

LIABILITY SELF-INSURANCE PROGRAM STAFFING

Full Time Equivalent (FTE)

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Town Attorney	0.35	0.25	0.25	0.25	0.35	0.35
Assistant Town Manager		~	-	4 41	0.05	
Legal Admin Assistant	0.25					0.25
Legal Assistant	-		-	-	0.25	
Clerk Administrator	•	-	-	0.05	-	
Deputy Clerk	97.	0.20	0.20			
Account Technician	0.10	-	-	-	0.10	0.10
MIS Specialist		-	-	0.25		
Total Liability FTEs	0.70	0.45	0.45	0.55	0.75	0.70

PROPOSED



Administrative Services Department

DEPARTMENT PURPOSE

The Town Manager provides overall management, administration, and direction for the Town organization, reporting to the full Town Council. The Administrative Services Department supports the Town Manager in these functions, and is made up of six key programs, including the Town Manager's Office, Clerk Administration, Finance and Administrative Services, Human Resources, and Management Information Systems (MIS). Below is a summary of the Administrative Services Department core services and service objectives.

The Administrative Services Department identifies community issues and needs requiring legislative policy decisions and provides alternative solutions; assures that the Council's policies, programs, and services are effectively and efficiently provided; prepares the Town budget with recommendations on the appropriate resources for Council action; provides research and information necessary for responsible decision making; fosters public awareness of municipal programs, services and goals; responds to resident inquiries by explaining Town services and functions; investigates problems and provides information and specialized assistance in Redevelopment project area development. The Department is also directly responsible for human resources, finance, budgeting, purchasing, labor relations, management information systems, cable television franchise management, equipment replacement, worker's compensation, records management, customer service management, economic vitality, and other administrative support.

BUDGET OVERVIEW

The FY 2009/10 departmental operating budget reflects a significant decrease in expenditures due to the elimination of a senior management position and other reduced expenses. Given these reductions, it is anticipated that core services and programs provided by the Administrative Services Department will remain at current service levels. However, because budgeted expenditure levels remain unchanged, resource capacity will continue to be limited, impacting the Town's ability to address unanticipated service requests. In addition, the division of central management funding to several programs has been consolidated in this program.

Key staffing and administrative changes will be discussed in more detail in the program narratives that follow this section. Future administrative restructuring and/or service delivery efforts will continue to be evaluated, implemented, and managed by the Town Manager's Office.

80 ADMINISTRATIVE SERVICES DEPARTMENT 03

DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES	110101115					
Licenses and Permits	\$ 1,019,386	\$ 1,176,422	\$ 1,138,057	\$1,100,000	\$ 1,100,000	\$ 1,122,000
Intergovernmental Revenues	593	593	453	600		
Service Charges	1,000	-	-	-	i.e.	
Interest	-	-	5 7 L_			1,430,000
TOTAL REVENUES	1,020,979	1,177,015	1,138,510	1,100,600	1,100,000	2,552,000
EXPENDITURES						
Salaries and Benefits	1,836,167	1,846,739	1,927,856	2,000,000	1,953,200	1,858,933
Operating Expenditures	203,478	277,778	307,678	319,800	208,850	* 334,660
Fixed Assets		=	9 =	#3	:=	
Internal Service Charges	174,718	182,837	198,333	191,000	196,160	179,918
TOTAL EXPENDITURES	\$ 2,214,363	\$ 2,307,354	\$ 2,433,867	\$2,510,800	\$ 2,358,210	\$ 2,373,511

^{*} Town Treasurer now incorporated into Administrative Services

DEPARTMENTAL EXPENDITURES BY PROGRAM

		2005/06 Actuals		2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		2008/09 Estimated	2009/10 Adopted
PROGRAM											
Town Manager's Office	S	423,630	S	444,394	S	470,203	\$	431,950	S	475,660	\$ 649,528
Human Resources		500,025		573,848		576,625		617,200		574,632	431,487
Finance & Admin Services		984,636		1,009,659		1,087,348		1,186,450		1,018,459	1,063,223
Clerk Administration		306,072		279,453		299,691		275,200		289,459	229,273
Customer Service Center		-		-		-		31		- 2	-
TOTAL EXPENDITURES	S	2,214,363	\$	2,307,354	S	2,433,867	\$2	2,510,800	S	2,358,210	\$ 2,373,511

Note – The above departmental schedule represents a summary of General Fund revenues and expenditures for: Town Manager's Office, Human Resources, Finance and Administrative Services, and Clerk Administration. Prior to FY 2008/09, the Customer Service Center Program was a separate departmental program, but is now budgeted within the Clerk Administration. The programs within the Administrative Services Department that are not in the General Fund (i.e. the Workers Compensation Program) have applicable fund schedules within their program section.

∞ ADMINISTRATIVE SERVICES DEPARTMENT ©3

DEPARTMENT STAFFING

6 15 1	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
General Fund	Positions	Funded	Funded	Funded	Funded	Funded
Town Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Town Manager	1.00	1.00	1.00	1.00	0.85	1.00
Administrative Analyst	0.80	-	-	0.85	0.80	0.80
Administrative Programs Mgr.	21	0.70	0.70	0.70	0.70	- 1
Executive Asst. to Town Mgr.	0.50	0.50	0.50	0.50	0.50	0.50
Office Clerk	0.55	0.55	0.55	0.55	0.55	0.55
Human Resources Director	0.75	0.80	0.80	0.80	0.75	0.75
Human Resources Specialist	0.25	0.85	0.85	0.25	0.25	0.25
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Finance Manager	0.80	1.00	1.00	1.00	1.00	0.80
Accountant/Finance Analyst	1.40	0.40	0.40	0.75	1.15	1.40
Payroll Specialist	0.95	41		1.00	0.95	0.95
Sr. Account Technician	-	1.35	1.35	-		
Account Technician	1.80	1.60	1.60	2.40	2.40	1.80
Sr. Account Clerk	-	0.80	0.80	2)	20	
Clerk Administrator	1.00	1.00	1.00	0.95	1.00	1.00
Deputy Clerk	0.70	1.45	1.45	0.70	0.70	0.70
MIS Specialist	-	-		0.25	#	1.5
Total General Fund FTEs	12.50	14.00	14.00	13.70	13.60	12.50

NON-General Fund FTEs (located	l in Administrati	ve Services De	partment progr	ams unless oth	erwise noted)	
Equipment Replacement						
Account Technician	0.10	5 - 8.	i - -	-	0.10	0.10
Accountant/Finance Analyst	*			0.10	- 1	
Total Equip Replace FTE's	0.10	=======================================	æ	0.10	0.10	0.10
Liability Self-Insurance						
Assistant Town Manager	-	-	Sec. 1	-	0.05	-
Clerk Administrator	-	-	(41)	0.05	-	TO THE REAL PROPERTY.
Deputy Clerk	-	0.20	0.20	-	- 9	
Account Technician	0.10	t +	-	-	0.10	0.10
MIS Specialist	le.	-		0.25	- 1	
Total Equip Replace FTE's	0.10	0.20	0.20	0.30	0.15	0.10
Workers Compensation						
Human Resources Director	0.25	0.20	0.20	0.20	0.25	0.25
Assistant Town Manager	-		7=	-	0.05	
Payroll Specialist	0.05	Le.	i a	12	0.05	0.05
Administrative Analyst	0.20	5-	-	0.15	0.20	0.20
Human Resources Specialist	-	0.15	0.15	19	- 1	
Total Workers Comp FTEs	0.50	0.35	0.35	0.35	0.55	0.50

∞ ADMINISTRATIVE SERVICES DEPARTMENT ∽3

	D	EPARTMENT	STAFFING			
Full Time Equivalents (FTE) Continu	ued					
Management Information Service	es.					
MIS Manager	1.00	1.00	1.00	1.00	1.00	1.00
Network Administrator	1.00	-	*	1.00	1.00	1.00
Help Desk Administrator	0.75	-	æ	0.50	0.75	0.75
MIS Specialist	-	2.00	2.00	0.50	-	-
Assistant Town Manager		i e z	(B)	: * :	0.05	
Administrative Programs Mgr.		0.20	0.20	0.20	0.20	-
Finance Manager	0.20	-	-	2	(-)	0.20
Total MIS FTEs	2.95	3.20	3.20	3.20	3.00	2.95
CDBG Program (FTEs located in Co	mmunity Sar	vicas Danartma	nt under Fund 3	210)		
Accountant/Finance Analyst	mmunny Ser	vices Departmen	n unuer 1 unu 2	0.10		
Sr. Account Technician	177	0.20	0.20	0.10	_	
Total CDBG FTEs		0.20	0.20	0.10		
Total CDBG 11Ls		0.20	0.20	0.10		
Redevelopment Agency (FTEs located	d in Redevelo	pment Agency l	Budget under F	und 930)		
Economic Vitality Manager	0.80	0.80	0.80	0.80	0.80	0.80
Total Redevelopment FTEs	0.80	0.80	0.80	0.80	0.80	0.80
,						
		2005/06	2006/07	2007/08	2008/09	2009/10
		Funded	Funded	Funded	Funded	Funded
CIP Information System Upgrade Pro	oject (FTEs l	ocated in Capita	l Improvement	Program under	Fund 400)	
Accountant/Finance Analyst	-	:=1	=:	0.20	-	
Sr. Account Technician	-	*	0.20		:=::	
Account Technician	140	-	0.40	0.60	(4):	
Sr. Account Clerk	.=.	-	0.20	÷.	-	
Total CIP Project FTEs						
- c.m. c.r. r. oject r r.c.	-	#1	0.80	0.80		
20m On Hojett Hab		₩5	0.80	0.80	w 0	-
Total Admin Services FTEs	16.95	18.75	0.80	0.80	18.20	16.95
			11			16.95
Total Admin Services FTEs			11			16.95
Total Admin Services FTEs Temporary Staff			11			16.95
Total Admin Services FTEs Temporary Staff Project Manager		18.75	19.55	19.35 100	18.20 100	
Total Admin Services FTEs Temporary Staff Project Manager Intern			19.55	19.35	18.20 100 75	256
Total Admin Services FTEs Temporary Staff Project Manager	16.95	18.75 - 125	19.55	19.35 100 75	18.20 100	256 75

Administrative Services Department

TOWN MANAGER'S OFFICE ADMINISTRATION PROGRAM 2101

PROGRAM PURPOSE

The Office of the Town Manager ensures that all Town programs and services are provided effectively and efficiently. The core services of the Town Manager's Office are to: provide administrative direction and leadership for Town departments, programs, and services to ensure the community receives a high level of service; oversee the Town Council agenda process to provide comprehensive information and analysis to Town Council in a timely manner; support business attraction, retention, and marketing through economic vitality efforts; foster public awareness of municipal programs, services, and goals; and provide a satisfactory level of response to resident inquiries, complaints, and requests.

Other key duties include initiating new or special projects that enhance the Town government and community and providing direct staff assistance to the Mayor and Town Council on special projects and day-to-day activities.

BUDGET OVERVIEW

The FY 2009/10 budget for the Town Manager's Office reflects a significant reallocation in salary and benefits to this program although overall management staffing has been reduced from three positions to two. The increases in salary and benefits are due to the reallocation of the Town Manager and Assistant Town Manager positions to the Town Manager's Office Administration program budget. In prior years, large portions of these positions were allocated to various administrative and internal service fund budget programs to evenly distribute staffing costs. The Town Manager and Assistant Town Manager positions have now been fully allocated to the Town Manager's Office Administration budget. This increase is moderated by the elimination of the Administrative Programs Manager position to allow flexibility to meet higher priority staffing needs within the organization. Core services provided by the Manager's Office, such as Council agenda management, general program/policy analysis, economic vitality efforts, public outreach, and customer service initiatives will remain at current levels. However, the Manager's Office will need to prioritize and schedule special project and inter-departmental efforts given the reduced management staff.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Good Governance Ensure responsive, accountable and collaborative governance	Developed public information and outreach materials to educate the community about the recently adopted Council Donation and Solicitation Policy.
Fiscal Stability Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	 Designed and implemented Council Retreat to provide information on the Town's fiscal status in the current year and five years beyond, and to obtain feedback on potential budget balancing strategies for FY 2009/10. Conducted Mayor's business outreach program to establish relationships with Los Gatos top sales tax generators, growing companies, vulnerable firms, and start-ups. Provided budget reduction leadership, including staff reductions, pay freezes, sale of assets, and service reorganization.
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	 Oversaw the selection of Noll & Tam Architects to develop the conceptual design for the new Los Gatos Library and subsequently the schematic design and design development phases; managed the staff team and provided support to the Council ad hoc Library Committee throughout this process. Led the effort to identify short and long term opportunities for community sports fields and to negotiate for their use.
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	 Directed staff team charged with managing the design, bidding and construction of the new Police Operations facility on Los Gatos Blvd. Developed a program to provide discounted First Aid training to Los Gatos residents as part of Los Gatos Prepared campaign. Coordinated response to closure of Community Hospital and community outreach to ensure residents were aware of alternative locations for emergency needs. Oversaw updated writing and retraining of Town Emergency Operations Plan and structure.

SUMMARY OF REVENUES AND EXPENDITURES

	2005 Acti	40	-773	006/07 Actuals	-	007/08 .ctuals	2770	008/09 dopted	5.0.10	008/09 imated		009/10 dopted
REVENUES												
Licenses and Permits		-				÷.		.=		≅ //		-
Intergovernmental Revenues		-		100		:01				-:		-
Service Charges				1/2		WY.		1/21		27		-
TOTAL REVENUES	\$	51:	S	(=	S	#s	S	o p .	S	-	\$	
EXPENDITURES												
Salaries and Benefits	36	4,262		379,346		352,306		367,100	2	411,100		578,494
Operating Expenditures	1	5,783		15,849		68,110		18,250		13,900		17,450
Fixed Assets		30		-		+		-				
Internal Service Charges	4	3,585		49,199		49,787		46,600		50,660		53,584
TOTAL EXPENDITURES	\$ 42	3,630	S	444,394	S	470,203	S	431,950	S .	475,660	S	649,528

⊗ ADMINISTRATIVE SERVICES DEPARTMENT ©3Town Manager's Office

FY 2009/10 KEY PROJECTS

Strategic Goals	KEY PROJECTS
Fiscal Stability Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	Economic Vitality Economic Vitality staff will continue to promote Los Gatos businesses in partnership with the Chamber of Commerce through summer and holiday marketing campaigns. In addition, staff will identify companies who are key sales tax generators, promising startups, or vulnerable to closure or relocation for the Mayor's outreach program. In 2009/10, staff will expand efforts to grow or attract companies to the Town's R&D parks, focusing on "green tech," entertainment-related and medical supply companies, which already have a presence in Los Gatos. Staff will continue its planning efforts for long-term fiscal challenges, including potential loss of major sales tax generators, unmet infrastructure demands, and rising personnel costs.
Civic Enrichment Foster opportunities for civic engagement,	New Library Project The Town Manager's Office will continue to lead the project team managing the new Library project, including the schematic design, design development, environmental review, planning process, and ultimately construction process. It is anticipated that the project will go out to bid in early 2010.
and cultural, recreational and individual enrichment	Community Sports Fields The Town Manager's Office will continue to lead the effort to identify opportunities to expand the availability of sports fields for youth and community recreation, to negotiate for their use, and to undertake any necessary Town actions to make them usable. Fields identified in FY 2008/09 will likely be made available in FY 2009/10, and the Town Manager's Office will continue to identify other opportunities for long-term use recreational use by the community.
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community wide emergency preparedness	Los Gatos Prepared In conjunction with the Police Department, the Town Manager's Office will assist in organizing activities to promote disaster preparedness for residents and businesses during the month of October. A focus of this year's efforts will be on Town employees, as they become local disaster workers in the event of an emergency. Additionally, the Manager's Office will oversee the completion and opening of the new Police Operations building.

™ ADMINISTRATIVE SERVICES DEPARTMENT Town Manager's Office

KEY PROGRAM SERVICES

- Provides staff support to the Mayor and Town Council
- Provides administrative direction and leadership over Town Departments, programs, and services
- Oversees the Town's organizational and fiscal management efforts and program development and evaluation processes
- Coordinates the preparation of the annual Operating and Capital Budget
- Oversees and administers the Economic Vitality program
- Oversees the Town Council agenda process
- Addresses resident complaints, inquiries, and requests
- · Provides public information and web management
- Monitors proposed state and federal legislation and coordinates response plan with key legislative organizations
- Oversees special projects and new initiatives, particularly during policy development stages
- Monitors Town interests in regional issues

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TOWN MANAGER'S OFFICE STAFFING

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Town Manager	1.00	0.45	0.45	0.45	0.45	1.00
Assistant Town Manager	1.00	0.35	0.35	0.35	0.35	1.00
Administrative Analyst	- 2	-	-	0.20	1=	
Administrative Programs Mgr.	-0	0.70	0.70	0.40	0.40	
Executive Asst. to Town Mgr.	0.50	0.50	0.50	0.50	0.50	0.50
Economic Vitality Manager*	, - :;	E:	-	-	8=	-
Office Clerk	0.55	0.55	0.55	0.55	0.55	0.55
Total Manager's Program FTEs	3.05	2.55	2.55	2.45	2.25	3.05

Total Annual Hours	123	13	13	7.5	13
T-2-1 1	125	75	75	75	75
Intern	125	75	75	75	75
Temporary Staff Hours	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded

The Economic Vitality Manager position is included in the Town Manager's Office staffing to reflect the position's alignment with managerial oversight. Funding allocation is distributed .20 FTE in Community Development Administration, and .80 FTE to the Redevelopment Agency's Administration.

⊗ ADMINISTRATIVE SERVICES DEPARTMENT Town Manager's Office

Pe	rfo	rmance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	To	ovide administrative direction and leadership over wn departments, programs and services to ensure c community receives a high level of service.*					
	a.	Percentage of residents satisfied or very satisfied with quality of Town services:	93%	93%	93%	93%	93%
	b.	Percentage of residents rating quality of life as good or excellent:	97%	97%	97%	97%	97%
2.	cor	persee the Town Council Agenda process to ensure imprehensive information and analysis is provided to Town Council in a timely manner.					
	a.	Percentage of Town Council reports available 96 hours prior to Town Council Meetings	93%	93%	93%	94%	95%
3.		ster public awareness of municipal programs, vices, and goals.*					
	a.	Percentage of residents satisfied with the Town's efforts to inform the community about services and events:	85%	85%	85%	85%	85%
		ovide a satisfactory level of response to citizen					
	inq a.	nuiries, complaints, and requests.* Percentage of residents having contact with a Town employee satisfied with the timeliness of response:	85%	85%	85%	85%	85%
	b.	Percentage of residents having contact with a Town employee satisfied with an employee's courtesy:	90%	90%	90%	90%	90%
	c.	Percentage of residents having contact with a Town employee satisfied with an employee's competency in handling the issue:	87%	87%	87%	87%	87%

Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of Town Council agenda reports approved:	201	220	241	250	250
2.	Number of community/customer referrals:	280	280	244	250	250

^{*}Customer satisfaction Performance Measures are based on the Town's 2003 survey results.

^{*} A new customer satisfaction survey will be conducted in FY 2009/10.

Administrative Services Department

HUMAN RESOURCES PROGRAM 2201

The purpose of the Human Resources Program is to attract, develop and retain a quality workforce. It accomplishes this by providing effective and efficient employee recruitment and retention, professional development, training, organizational development, compensation and classification administration, employee relations support, safety and workers compensation administration, benefit administration, and policy and procedure development and administration. Employee relations activities emphasize proactive and preventative informal resolution of employee and management concerns. Program staff is responsible for the development of Memorandums of Understanding (MOU) with the Town's three bargaining units and informal discussions with the Town's management and confidential employees.

BUDGET OVERVIEW

The FY 2009/10 Human Resources budget reflects a significant decrease in salary and benefits and operating expenditures. Decreases in salary and benefits are due to staffing reallocation of the Town Manager and Assistant Town Manager positions from Human Resources to the Town Manager's Office budget program. This reallocation does not change the staffing level or service delivery for the Human Resources Department or the Town Manager's Office.

Operating expenditures will remain status quo and available resources will be used to enhance training, evaluation of employee benefit options, and internal process improvements. Effort will continue to be placed on maximizing savings related to Town benefit packages and other personnel-related expenses. Recent efforts in this area have resulted in an operational savings of \$50,000 annually.

While recruitment activity has decreased due to a limited hiring freeze, Los Gatos applicant pools for advertised positions continue to increase as a result of the current economic condition, requiring greater oversight of the screening and selection process.

№ ADMINISTRATIVE SERVICES DEPARTMENT Human Resources

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Good Governance Ensure responsive,	 Successfully completed an extensive executive recruitment process for a Community Development Director.
accountable and collaborative governance	 Implemented town-wide computer software training to enhance work processes.
	 Updated and revised outdated position specifications to reflect current industry standards.
Fiscal Stability Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	 Negotiated new dental and disability insurance agreements which reduced Town costs and improved employee dental coverage.
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	 Conducted rigorous promotional assessments to fill vacancies for Police Corporal and Sergeant Completed workplace violence training to respond to violent or potentially violent encounters.

SUMMARY OF REVENUES AND EXPENDITURES

		5/06 tuals		6/07 uals	007/08 cetuals		08/09 opted		8/09 nated		09/10 opted
REVENUES											n (17)
Licenses and Permits				-	-		-		100		
Intergovernmental Revenues		-		-			-		ne:		
Service Charges		-	g.	-	-		-	_			
TOTAL REVENUES	\$	-	\$	-	\$ -	\$	-	S	-	\$	- 20
EXPENDITURES											
Salaries and Benefits	38	36,904	40	08,856	447,432	4.	34,800	44	2,400	2	58,008
Operating Expenditures	(90,712	13	9,415	95,764	1:	51,200	9	9,032	1	48,750
Fixed Assets		21		2	2		=		<u>=</u>		
Internal Service Charges	2	22,409	2	25,577	33,429		31,200	3	3,200		24,729
TOTAL EXPENDITURES	\$ 50	00,025	\$ 57	3,848	\$ 576,625	\$ 6	17,200	\$ 57	4,632	\$ 4.	31,487

► ADMINISTRATIVE SERVICES DEPARTMENT Human Resources

FY 2009/10 KEY PROJECTS

Human Resources will continue to provide basic personnel services, however significant emphasis will be placed on training, evaluation of employee benefit options, and internal process improvements. Key projects that were initiated in prior fiscal years that will continue in FY 2009/10 include:

Strategic Goals	Key Projects
	Succession Planning Staff will conduct an analysis of the current workforce to identify upcoming retirements and potential turnover, provide a readiness assessment of existing employees to fill future vacancies, and identify strategies for leadership and professional development.
	Benchmarking Staff will conduct surveys to measure employee satisfaction with employee benefits administration and training.
Good Governance Ensure responsive, accountable and collaborative governance	Job Redesign and Classification Updates Vacant positions will be evaluated for elimination or restructuring and the affected class specs will be updated to reflect changes in work.
	Performance Evaluations An on-line performance evaluation system will be implemented to streamline and improve the documentation of performance reviews.
	Employee Benefits Cost Containment Employee and retiree benefits will be studied to identify potential cost-saving strategies.
	Continuous Improvement of Hiring Exams Staff will seek ways to improve entry-level and promotional exams to match job skills and abilities to the position, with special emphasis on Police entry-level and promotional exams.

№ ADMINISTRATIVE SERVICES DEPARTMENT Human Resources

KEY PROGRAM SERVICES

- · Provides effective administration of employee relations program
- Conducts employee training and organizational development assessments
- Administers employee benefits
- · Administers recruitment and selection program
- · Administers classification and compensation plans
- Provides information and interpretation regarding Town Personnel Rules, regulations and procedures, MOU and ordinances
- · Effectively resolves personnel issues
- Maintains employee personnel files, records, and documentation
- · Administers the workers' compensation and safety programs
- · Develops, implements, and maintains administrative policies and procedures
- · Serves as advisor to employee recognition program
- Provides support for Personnel Board activities

HUMAN RESOURCES PROGRAM STAFFING

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Human Resources Director	0.75	0.80	0.80	0.80	0.75	0.75
Human Resources Specialist	0.25	0.85	0.85	0.25	0.25	0.25
Administrative Analyst	0.80	:=	-	0.65	0.80	0.80
Town Manager		0.30	0.30	0.30	0.30	
Assistant Town Manager	-	0.50	0.50	0.50	0.40	
Total Human Resources FTEs	1.80	2.45	2.45	2.50	2.50	1.80

Temporary Staff Hours Project Manager	Funded	Funded	Funded 100	Funded 100	Funded 100
Total Annual Hours		-	100	100	100

⊗ ADMINISTRATIVE SERVICES DEPARTMENT ♥3 Human Resources

Pe	erformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	To provide effective and efficient employee recruitment and retention.	×				
	 Percentage of managers rating Human Resources as good or excellent based on quality of service: 	Data Not Available	Data Not Available	Data Not Available	tbd	ıbd
	 Percentage of time a candidate pool is produced within time frame mutually agreed to by the hiring department and Human Resources: 	Data Not Available	75%	75%	85%	90%
2.	To provide effective and efficient benefits administration.					
	 Percentage of employees rating benefit program material, products and services as good to excellent: 	Data Not Available	Data Not Available	75%	60%	60%
3.	To provide effective and efficient professional development, training, and organizational development.	9			ř.	
	 Percentage of employees rating the effectiveness of training classes as good to excellent: 	Data Not Available	Data Not Available	Data Not Available	83%	90%
	b. Percentage of employee evaluations completed by due date:	65%	66%	90%	91%	90%
4.	To provide effective and efficient safety programs.					
	 Percentage of employees rating safety programs as good or excellent based on quality, content and response: 	Data Not Available	Data Not Available	Data Not Available	80%	80%
5.	To provide effective and efficient employee relations support. a. Percentage of labor agreements ratified prior to expiration of existing contracts:	100%	50%	100%	100%	100%
Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of (full-time, part-time and temporary) employees:	199	195	200	175	170
2.	AND OF THE PROPERTY OF THE PRO	12	22	15	16	6
3.	Number of employment applications processed:	761	900	750	1350	900
4.	Number of Workers' Compensation claims filed:	17	15	15	12	12
	Percentage of eligible employees participating in deferred compensation:	40	42	50	50	50
6.	Number of sick leave hours used per benefitted employee:	35	30	40	27	30

PROPOSED



Administrative Service's Department

FINANCE & ADMINISTRATIVE SERVICES PROGRAM 2301

PROGRAM PURPOSE

The Finance and Administrative Services Program provides staff support to assure fiscal accountability to the public. The Finance program's core services are to: provide financial oversight and administer accounting functions for all of the Town's funds and accounts; prepare the Town's Annual Operating and Capital Budgets for fiscal and service accountability; coordinate the annual financial audit and preparation of the Comprehensive Annual Financial Report (CAFR) to verify proper fiscal practices are maintained; administer the Town's Business License, Accounts Payable, Accounts Receivable, and Payroll functions and oversee the Town's Purchasing and Claims Administrations functions, ensuring proper practices are in place, and that fiscal and operational responsibility is upheld.

BUDGET OVERVIEW

The Finance Department's FY 2009/10 budget reflects relatively flat business license tax revenue growth given the current economic climate. Business license tax revenue projections are based on the anticipated number of licensed businesses operating in Town and business gross receipts activity, which are expected to be low. In March 2009, selected public counter hours were reduced to 8:00 a.m. – 1:00 p.m., Monday – Friday, including Business License services. Customer impact of this change has been minimal and staff will use the closed public counter hours to focus on audit and revenue collection efficiencies to maintain or increase its revenue base. The Department's workplan also includes the continued implementation of the new financial/human resources information system and a comprehensive fee study planned for fall 2009.

The FY 2009/10 budget also reflects a decrease in salary and benefits due to the elimination of the .80 FTE Account Technician for business license services. Additional temporary hours have been added to backfill the Account Technician position and provide technical support financial/human resources information system upgrade. To mitigate impacts from reduced staffing, the department will aggressively seek out opportunities to train and cross-train available personnel and maximize the use of its new financial/human resources information system, which should be fully implemented by the end of FY 2009/10. Other FTE changes include the reallocation of the Town Manager and Assistant Town Manager positions to the Town Manager's Office.

№ ADMINISTRATIVE SERVICES DEPARTMENT Finance & Administrative Services

Lastly, the FY 2009/10 budget includes the consolidation of the Treasurer program due to the approval of Measure C, a ballot initiative that made the Town Clerk and Town Treasurer positions appointed positions. Treasurer responsibilities will be absorbed by the Finance Department.

ACCOMPLISHMENTS

Accomplishments
 Completed the final implementation of a Financial and Management Accounting Software Upgrade, including Business Licenses and
Miscellaneous Billing Modules.
 Designed and implemented acceptance of face-to-face and limited online credit/debit card transactions.
 Developed Credit Card Acceptance Policy.
Revised Purchasing Policy

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
REVENUES						
Licenses and Permits	1,019,386	1,176,422	1,138,057	1,100,000	1,100,000	1,122,000
Intergovernmental Revenues	593	593	453	600	w.1	
Service Charges	o .	,2	-	-	-	-
Interest					-	1,430,000
TOTAL REVENUES	\$ 1,019,979	\$ 1,177,015	\$ 1,138,510	\$ 1,100,600	\$ 1,100,000	\$ 2,552,000
EXPENDITURES						
Salaries and Benefits	835,745	843,813	891,234	984,200	867,100	846,580
Operating Expenditures	79,324	97,957	123,600	130,550	81,519	150,660
Fixed Assets	18	-	· ·	=	-	aktorow - co
Internal Service Charges	69,567	67,889	72,514	71,700	69,840	65,983
TOTAL EXPENDITURES	\$ 984,636	\$ 1,009,659	\$ 1,087,348	\$ 1,186,450	\$ 1,018,459	\$ 1,063,223

^{*} FY 2009/10 combines Finance with Treasurer's Program

№ ADMINISTRATIVE SERVICES DEPARTMENT Ø Finance & Administrative Services

TOWN TREASURER SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/0 Actua	2000.02	2008/09 Estimated	2009/10 Adopted
REVENUE						
Interest Income	1,250,001	2,426,00	2,973,	491 1,140,800	1,610,938	-
TOTAL REVENUES	\$ 1,250,001	\$ 2,426,00	§ 2,973,	491 \$ 1,140,800	\$ 1,610,938	s -
EXPENDITURES						
Salaries and Benefits	46,061	57,52	28 48,	63,600	41,900	
Operating Expenditures	25,498	40,7	71 42,	,044 41,350	40,010	
Fixed Assets		-			-	
Internal Service Charges	3,625	4,4	144,	,016 4,100	3,700	
TOTAL EXPENDITURES	\$ 75,184	\$ 102,7	13 S 94,	,754 \$ 109,050	\$ 85,610	s -

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects					
	Financial System Upgrade Continue the implementation of a financial/personnel information system upgrade to support town-wide budget-related operations and community needs.					
Good Governance	Town-Wide Credit Card Acceptance Expand online credit/debit card transactions to enhance customer service and convenience.					
Ensure responsive, accountable and collaborative governance	Policies & Procedures Improvements Develop written administrative policies and procedures to strengthen organizational knowledge and skills in the area of budget and financial analysis and report generation.					
	Performance Based Budget Development Assist the Town Manager's Office in restructuring internal budget development processes to incorporate meaningful performance measures into budgeting decisions.					
Fiscal Stability Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	GASB 45 Implementation Explore and recommend sustainable financing options for Other Post Employment Benefit (OPEB). Governmental Accounting Standards Board's (GASB) Statement 45 requires that non-pension benefits for retirees, such as retiree health care be shown as an accrued liability on financial statements, similar to pension benefits.					

№ ADMINISTRATIVE SERVICES DEPARTMENT Finance & Administrative Services

KEY PROGRAM SERVICES

- Develop and monitor the Town's annual operating and capital budgets in accordance with Governmental Finance Officer Association (GFOA) guidelines
- Coordinate the annual audit of the Town's financial statements and preparation of the Comprehensive Annual Financial Report (CAFR)
- Maintain the Town's financial information system for record-keeping and reporting of all financial transactions
- Provide Accounts Payable and Payroll disbursement and reporting services; Accounts Receivable
 invoicing, revenue collection, and cash reconcilement; and Business License Tax processing and
 auditing services
- Provide accounting, arbitrage reporting, and claim reimbursement services for bond issues
- Provide oversight of procurement functions including Purchase Order processing, financial tracking of contracts, vendor resolution issues, and proper accounting allocation

FINANCE & ADMINISTRATIVE SERVICES PROGRAM STAFFING

Full	Time	Equiva	lents	(FTE)
I titt	Line	Lyntru	ichis	(1 11)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Finance Manager	0.80	1.00	1.00	1.00	1.00	0.80
Accountant/Fin Analyst	1.40	0.40	0.40	1.00	1.40	1.40
Payroll Specialist	0.95	.=.	-	1.00	0.95	0.95
Sr. Account Technician	1=1	1.60	1.60	: = ::	2.40	-
Account Technician	1.80	1.60	1.60	2.40		1.80
Sr Account Clerk	24	0.80	0.80	-		
Town Manager	=	0.25	0.25	0.25	0.25	-
Assistant Town Manager	-	0.15	0.15	0.15	0.10	
Total Finance Services FTEs	5.95	6.80	6.80	6.80	7.10	5.95

T C CC	2005/06	2006/07	2007/08	2008/09	2009/10
Temporary Staff	Funded	Funded	Funded	Funded	Funded
Administrative Analyst		35	3 7	500	1,040
Project Manager	,* 0	K H	-	. * :	156
Mail Room Clerk	250	250	250	250	250
Total Annual Hours	250	250	250	750	1,446

⊗ ADMINISTRATIVE SERVICES DEPARTMENT Finance & Administrative Services

Pei	formance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Provide oversight of Town investment activities to obtain highest available portfolio earnings in accordance with State Government and Town Codes. a. Average rate of return on investments:	4.17%	4.40%	4.50%	3.00%	3.00%
2.	Assure legal and fiscal accountability to the public, in compliance with established accounting standards.					
	 Town Financial Statements receive an 'Unqualified Opinion' from the Town's independent auditor: 	Yes	Yes	Yes	Yes	Yes
	 Governmental Finance Officer Association (GFOA) 'Certificate of Achievement of Excellence in Financial Reporting' awarded to the Town: 	Yes	Yes	Yes	Yes	Yes
5.	Prepare accurate budget forecasts and workplans in compliance with standard budgeting practices.					
	Percent of time actual expenditures do not exceed a fund's approved budget appropriations:	82%	85%	85%	85%	85%
4.	 b. Governmental Finance Officer Association (GFOA) 'Certificate of Achievement of Excellence in Budgeting' awarded to the Town: Provide timely and accurate financial reports within 	Yes	Yes	Yes	Yes	Yes
	specified deadlines. a. Percent of State Controller's annual financial reports completed and filed by deadlines:	100%	100%	100%	100%	100%
	 Percent of County annual financial reports completed and filed by deadlines: 	100%	100%	100%	100%	100%
	 Percent of time revenue analyses are completed within 30 days of month-end: 	100%	100%	100%	100%	100%
	d. Percent of time bank statements are reconciled to general ledger within 30 days of month-end:	100%	100%	100%	100%	100%
4.	Provide financial oversight and administer accounting					
	functions for all Town funds and accounts. a. Percentage of Accounts Payable invoices paid accurately:	99%	99%	99%	99%	99%
	b. Percentage of Payroll checks paid accurately and on-time:	99%	99%	99%	99%	99%
	数据的 · 计正常经验 · 图 图 · 图 · 图 · 图 · 图 · 图 · 图 · 图 · 图	2005/06	2006/07	2007/08	2008/09	2009/10
Ac	tivity and Workload Highlights	Actual	Actual	Actual	Estimated	Budget
1.	Monthly investment reports to Town Council:	12	12	12	12	12
2.	Number of general ledger corrections needed during audit:	1	3	0	0	0
3.	Annual number of invoices entered into the Accounts Payable system:	8,600	7,900	7,600	8,000	8,000
4.	Average number of Accounts Payable checks issued weekly:	95	92	92	80	80
5.	Average number of regular and temporary employee payroll checks issued bi-weekly:	196	195	196	190	186
6.	Number of Business Licenses issued annually:	3,073	3,444	3,700	3,700	3,700

PROPOSED



Administrative Services Department

CLERK ADMINISTRATION PROGRAM 2401

PROGRAM PURPOSE

The Clerk Administration Program serves the public by providing information and assistance related to Town records and elections. Currently, the core services of the department include maintaining key Town records through the timely indexing of resolutions, ordinances, and agreements and processing board and commission recruitment applications within established timelines and assisting in the coordination of Town-related election activities. The Clerk Department is also responsible for providing selected centralized customer service assistance.

BUDGET OVERVIEW

The FY 2009/10 budget for the Clerk Administration Department reflects a decrease in salary and benefits and slightly lower expenditure levels. The decrease in salary and benefits is due to the elimination of the Administrative Programs Manager. Operational expenditures have been lowered to reduce costs.

In 2008, the Los Gatos voters approved Measure C, a ballot initiative that makes the positions of Elected Town Clerk and Town Treasurer appointive. As a result, the Elected Town Clerk program is no longer included in the Town budget. This budget change does not affect the program's core services, such as the management of Town records, board and commission recruitment activities, and customer service will be maintained at existing levels

ACCOMPLISHMENTS

Strategic Goals	Accomplishments						
Good Governance Ensure responsive, accountable and collaborative governance	Updated Town Records Retention Program Implemented electronic record keeping processes to preserve vital documents						

≈ ADMINISTRATIVE SERVICES DEPARTMENT Clerk Administration

SUMMARY OF REVENUES AND EXPENDITURES

		2005/06 Actuals		2006/07 Actuals		2007/08 Actuals	0.2	2008/09 Adopted	2008/09 stimated		2009/10 Adopted
REVENUES											
Licenses and Permits		-		-		12		=:	-		
Intergovernmental Revenues						im.		Ex.	7.5		-
Service Charges		1,000						-			-
TOTAL REVENUES	\$	1,000	\$	ŧ"	S	14	\$	-3%	\$	S	-
EXPENDITURES											
Salaries and Benefits		249,256		214,724		236,884		213,900	232,600		175,851
Operating Expenditures		17,659		24,557		20,204		19,800	14,399		17,800
Fixed Assets		24		15		=		2	~		-
Internal Service Charges		39,157	-	40,172		42,603		41,500	42,460		35,622
TOTAL EXPENDITURES	S	306,072	\$	279,453	S	299,691	\$	275,200	\$ 289,459	\$	229,273

Note - Prior to FY 2005/06, the Clerk Administration Program was budgeted in Town Offices. This budget presentation reprograms these prior year summaries into the Administrative Services Department.

2009/10 KEY PROJECTS

Strategic Goals	Key Projects
	Record Management Policy
Good Governance	Implement updated Records Retention Policy and Program. This project will
Ensure responsive, accountable and collaborative governance	further enhance the accessibility of Town records, reduce storage costs, and protect vital records. This project prepares all Town records for the future implementation of an electronic records management system, which may be explored in FY 2009/10.

⊗ ADMINISTRATIVE SERVICES DEPARTMENT Clerk Administration

KEY PROGRAM SERVICES

- · Provides public notice of Council, Commission and Board meetings
- · Provides public notice of Town Board, Commission, and Committee vacancies
- · Accepts and files appropriate documents associated with municipal elections
- Acts as Filing Official for the Town's Conflict of Interest Code in conformance with the requirements of the Fair Political Practices Commission
- Preserves and maintains the Town records and legislative history
- Centralize and coordinate key customer, clerical, and administrative processes to further enhance inter-departmental efficiencies and customer service

CLERK ADMINISTRATION STAFFING

Full Time Equivalents (FTE) Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Administrative Programs Mgr.	-		-	0.30	0.30	
Clerk Administrator	1.00	1.00	1.00	0.95	1.00	1.00
Deputy Clerk	0.70	1.45	1.45	0.70	0.70	0.70
MIS Specialist	-		=(4)	0.25	1 -	•
Total Clerk Admin FTEs	1.70	2.45	2.45	2.20	2.00	1.70

Performance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Provide efficient and effective indexing of key documents to ensure adequate tracking of and accessibility to the Town's legislative history.					
 a. Percentage of resolutions, agreements, and ordinances indexed within five business days: b. Percentage of Town Council Minutes prepared within three business days: 	99% 95%	99% 95%	99% 95%	99% 95%	99% 95%
 Provide a satisfactory level of response for customer counter service. 					
a. Percentage of customers satisfied with services:	Data Not Available	Data Not Available	Under Development	Under Development	Under Developmen

Activity and Workload Highlights		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of resolutions indexed:	138	160 -	170	162	160
2.	Number of commission and board recruitments and appointments processed:	78	75	81	76	79
•	Number of agreements indexed:	187	195	198	200	221
	Number of documents recorded:	92	100	85	72	76
	Number of Legal Notices published within established timelines:	136	130	126	125	125
	Number of Fair Political Practices Commission (FPPC) Form 700:	129	130	161	167	170
	Number of bids processed and project files monitored for final action:	12	15	14	13	12
	Number of legislative files maintained following Council action:	400	400	400	400	400
	Number of Town records processed for retention:	1,100	1,100	1,600	1,500	2,000
0	Number of required insurance certificates verified:	246	250	380	350	340
1.	Number of citizen inquiries and requests for information received and addressed:	18,000	22,500	18,200	19,000	20,000
2.	Number of residential parking permits processed:	697	790	822	985	980
3.	Number of business parking permits processed:	28	31	32	25	20

Administrative Services Department

NON-DEPARTMENTAL PROGRAM PROGRAM 1201

PROGRAM PURPOSE

Appropriated funds are provided in the Non-Departmental Program to account for a variety of Town services and activities not specifically attributable to individual departments. Tax revenues, license and permit fees, and intergovernmental revenues are generated as a result of overall government operations. Non-departmental employee and retiree expenses, town-wide organizational costs, Town memberships, and joint-agency service agreements benefiting the entire Town are also accumulated in the Non-Departmental Program. Debt service and the related lease payments also flow in and out as non-departmental expenses in accordance with the bonding structure set up for the Redevelopment Agency's 1992 and 2002 Certificates of Participation. These pass-through expenses account for almost half of the annual program expenditures.

BUDGET OVERVIEW

The majority of the Town's general revenues are accounted for in the Non-Department Program. Current trends in the various tax revenues display signs that the local economic situation is worsening. The FY 2009/10 proposed General Fund budget assumes very conservative growth trends approximating 0 to 1% per year for most categories of revenue. The budgeted sales taxes for FY 2009/10 are forecasted to remain relatively flat as well as property tax compared to the prior year's adopted budget based upon current tax collection data. Economically sensitive and other revenue sources, including Franchise Fees, Transient Occupancy Tax (TOT), Intergovernmental Revenue, and Charge for Services are expected to have limited or no growth. Given the Town's challenging budget situation, proactive efforts are underway to reduce operating budget costs, retain and protect vital revenue sources, and to align organizational services with projected revenue streams.

Los Gatos, like all California Cities, continues to experience a significant increase in the employer's share of its public retirement system contributions, a cost factor that is in large measure immune to employer control. The adoption of new safety (3% at 50) and "miscellaneous" classified (2.5 at 55) employee's retirement formulas coupled with past and present negative investment returns in the State of California PERS pension system have contributed to increases in retirement contributions paid by the Town. The current employer rates have nearly doubled for miscellaneous employees and more than doubled for sworn employees in comparison to rates a few years ago and are anticipated to increase to even highter levels in the future. In particular, current PERS rates of covered payroll for the Town's miscellaneous are 15% and safety rates of covered payroll are 34%, which are anticipated to dramatically rise in FY 2011/12 to 23% and 44% respectively.

№ ADMINISTRATIVE SERVICES DEPARTMENT № Non-Departmental

Non-Departmental expenditures maintain FY 2008/09 adopted budget levels due to reductions in operating expenses. As has been the case in past years, the Non-Departmental Program will continue to fund:

- \$550,000 for approximately 25% of the actuarially required contribution for post retirement benefit
 obligations. The Governmental Accounting Standards Board Statement No. 45 (GASB 45) requires
 that the Town accrue an annual expense on its financial statements for the cost of providing post
 retirement health care costs.
- \$330,000 for potential increases to the employee leave liability reserve at year end.
- \$428,000 for the cost of covering the Town's portion of retiree medical insurance premiums. The Town has paid for this expense since the Town became a member of the California Public Employees Retirement System (PERS) medical plan as it is part of the PERS agreement.
- \$244,000 for the lease payment on the Town's Parking Lot #4 structure as pledged under the 1992
 Certificates of Participation. This payment is fully offset by a reimbursement from the
 Redevelopment Agency, with a result of no net impact on the Town's General Fund budget.
- \$682,000 for the lease payment on the Town's Corporation Yard property as pledged under the 2002 Certificates of Participation. This payment is also fully offset by a reimbursement from the Redevelopment Agency, with a result of no net impact on the Town's General Fund budget.
- \$145,000 for the County's Tax Administration fee for collecting and processing of the Town's assorted tax receipts.
- \$100,000 for Town Manager's Contingency and Productivity to be used to provide funding budgets for unforeseen situations or opportunities that may arise during the fiscal year.
- \$52,200 for the Los Gatos Chamber of Commerce contract to provide support for the Chamber's information center and implementation the Town's Leadership Los Gatos program.
- \$195,000 for animal control services provided by the City of San Jose. The Town entered into a 20 year agreement with the City of San Jose, effective July 1, 2004.
- \$31,000 to fund the annual KCAT Grant and \$50,000 to fund video operation services to televise Town Council and Planning Commission meetings.
- \$25,000 for community emergency preparedness education efforts in the event of a natural or manmade emergency.

The net operating budget will also continue to support the Capital Improvement Program in FY 2009/10 with an Operating Transfer of \$650,000 to the General Fund Appropriated Reserves (GFAR) Fund.

№ ADMINISTRATIVE SERVICES DEPARTMENT ©3Non-Departmental

SUMMARY of REVENUES & EXPENDITURES

	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
REVENUES						
Property Tax	5,884,149	6,645,436	7,036,876	7,093,300	6,922,920	6,922,920
VLF Backfill Property Tax	1,923,378	1,990,555	2,141,993	2,206,250	2,302,186	2,325,200
Sales & Use Tax	8,655,566	9,253,891	9,345,432	9,058,300	8,700,000	8,677,460
Franchise Fees	1,130,190	1,162,038	1,659,829	1,756,100	1,665,600	1,689,260
Transient Occupancy Tax	1,028,664	1,108,257	1,245,078	1,210,000	1,100,000	1,080,000
Licenses & Permits	40,400	31,037	10,800	500	9,164	500
Intergovernmental Revenues	711,040	344,896	207,540	223,100	197,417	184,280
Lease Payments	932,122	931,078	930,717	924,140	924,135	925,970
Charges for Services	572,298	583,823	636,699	629,398	625,397	667,930
Fines & Forfeitures	-	-	12	=:	-	
Interest	157,264	150,000	150,000	150,000	150,000	150,000
Other Sources	2,800,536	321,662	9,838	352,100	6,316,482	300,000
Transfers In	430,838	114,470	148,369	184,370	569,394	475,920
TOTAL REVENUES	24,266,445	22,637,143	23,523,172	23,787,558	29,482,695	23,399,440
EXPENDITURES						
Salaries and Benefits	51,741	(33,412)	246,222	330,000	264,691	80,000
Operating Expenditures	644,937	831,318	939,986	1,820,300	1,426,882	1,884,550
Grants and Awards	68,744	69,714	76,277	171,200	169,000	83,200
Fixed Assets			-	-	-	
Public Buildings & Equip	- 10	8,500	-	20	5,000	
Debt Service	932,122	931,078	930,718	924,140	924,135	925,970
TOTAL EXPENDITURES	1,697,544	1,807,198	2,193,203	3,245,640	2,789,708	2,973,720
Transfer out to Bldg Maint		T#	2.	-	40	
Transfer out to CDBG	664			-		
Transfer out to GFAR	475,000	4,179,094	6,339,504	1,100,000	1,916,500	825,000
Transfer out to Solid Waste	-				*	
TOTAL OPERT'G BUDGET	\$2,173,209	\$5,986,292	\$8,532,707	\$4,345,640	\$4,706,208	3,798,720

Transfer out to GFAR consists of \$4,838,086 appropriation of fund balance for Library project, and one-time projects funding from operation totaling \$790,500.



Administrative Services Department

MANAGEMENT INFORMATIONS SYSTEMS FUND 621

FUND PURPOSE

Management Information Systems (MIS) supports the delivery of services to all the Town's customers through the use of SMART technology (Sensible, Multi-modal, Accessible, Responsive, and Time phased technology). Key services include the maintenance, replacement, and upgrade of existing technology, and the support for new information technology initiatives.

In meeting the organization's information technology needs, the MIS program strives to achieve the following goals:

- Continuously enhance and improve customer service
- Maintain and enhance a sound and reliable IT infrastructure
- Use information technology to provide seamless services
- Operate as a team to achieve information technology goals

BUDGET OVERVIEW

The FY 2009/10 budget for Management Information Systems (MIS) recognizes the continued need to identify and invest in information technology opportunities. Continued investment in information technology is a cost-effective approach to maintaining, or potentially increasing, service delivery levels in times of fiscal constraints.

The Management Information System (MIS) Program receives revenues through charges to General Fund and Special Revenue departmental programs based on employee category and equipment replacement costs. Service rates are adjusted to build fund balance capacity for future technology projects.

The FY 2009/10 budget maintains prior year salary and benefit levels and some reductions in operating expenditures. Major projects planned for FY 2009/10 include the completion of the financial information system, implementation of the electronic document management system, and assistance with technology-related design, planning, and setup needs for the new police operations building.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
	 Provided technical assistance with the upgrade of a Financial and Management Accountant Software Upgrade, including support for the acceptance of credit cards at Town facilities
Good Governance Ensure responsive,	 Installed web filtering and file sharing monitoring systems and email public records archiving system to enhance employee productivity
accountable and collaborative	Installed a new ID Card system
governance	 Assisted in the development of a network cabling design for the new Police operations building
	 Installed virtualized servers to conserve energy and minimize impacts on the environment.
	 Updated network software, including Microsoft System Center Configuration Manager, Operations Manager, and Data Protection Manager

⊗ ADMINISTRATIVE SERVICES DEPARTMENT ♥ Management Information Systems

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
SOURCE OF FUNDS						
Beginning Fund Balance	2 401 722	2 500 070	2 005 750	2 124 001	2 124 001	2.152.621
Undesignated	2,401,732	2,580,869	2,085,759	2,124,081	2,124,081	2,152,621
Total Beginning Fund Balance	2,401,732	2,580,869	2,085,759	2,124,081	2,124,081	2,152,621
Revenues						
Charges for Services	822,041	858,800	945,070	1,074,970	1,065,830	1,038,420
Other Sources	(+	140	6,912	H	1,000	Davide.
Total Revenues	822,041	858,940	951,982	1,074,970	1,066,830	1,038,420
TOTAL SOURCE OF FUNDS	\$ 3,223,773	\$ 3,439,809	\$ 3,037,741	\$ 3,199,051	\$ 3,190,911	\$ 3,191,041
USE OF FUNDS						
Expenditures						
Salaries and Benefits	365,340	333,927	345,128	422,100	367,600	409,788
Operating Expenditures	261,328	369,533	501,380	623,100	435,690	493,700
Fixed Assets/Special Projects	16,236		17,211	268,000	20,000	248,000
Internal Service Charges						
Total Expenditures	642,904	703,460	863,719	1,313,200	823,290	1,151,488
Operating Transfers						
Transfer to GFAR		650,590	49,941	215,000	215,000	
Total Operating Transfers	-	650,590	49,941	215,000	215,000	-
Ending Fund Balance						
Undesignated	2,580,869	2,085,759	2,124,081	1,670,851	2,152,621	2,039,553
Total Ending Fund Balance	2,580,869	2,085,759	2,124,081	1,670,851	2,152,621	2,039,553
TOTAL USE OF FUNDS	\$ 3,223,773	\$ 3,439,809	\$ 3,037,741	\$ 3,199,051	\$ 3,190,911	\$ 3,191,041

⊗ ADMINISTRATIVE SERVICES DEPARTMENT ⊗Management Information Systems

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good	Development of IT Master Plan Projects Continued implementation of selected projects in the IT Master Plan, including e- government improvements and upgrade of the financial system.
Governance Ensure responsive, accountable and	System Upgrades Replacement of selected computers, notebooks, servers, and printers as part of the replacement program.
collaborative governance	Electronic Document Management System Implementation of electronic document management system in the Community Development and Police Department to increase efficiency of record retrieval. Over time, this system would be implemented town-wide.
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	Systems Support for Police Operations Building Provide assistance with technology-related design, planning, and setup needs for the new police operations building.

KEY PROGRAM SERVICES

- Maintenance and upgrades of administrative network system (servers, PCs, notebooks, printers, hardware, & software)
- Town-wide MIS replacement program purchases
- Customer technical support
- Website management
- Research and planning for new technology solutions

⊗ ADMINISTRATIVE SERVICES DEPARTMENT ⊗ Management Information Systems

MANAGEMENT INFORMATION PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
MIS Manager	1.00	1.00	1.00	1.00	1.00	1.00
Network Administrator	1.00	120	2	1.00	1.00	1.00
Help Desk Administrator	0.75	-	-	0.50	0.75	0.75
MIS Specialist	-	2.00	2.00	0.50	9. =	1
Assistant Town Manager	5 -	;=	-	-	0.05	
Administrative Programs Mgr.	: -	0.20	0.20	0.20	0.20	
Finance Manager	0.20	-	-	B	18	0.20
Total MIS FTEs	2.95	3.20	3.20	3.20	3.00	2.95

Pe	Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	cus (Se	oport the delivery of services to all the Town's stomers through the use of SMART technology ensible, Multi-modal, Accessible, Responsive, and me phased technology).					
	a.	Percent of time service requests are resolved within established guidelines	72%	80%	80%	70%	90%
	b.	Percent of network availability during normal business hours	100%	99%	99%	99%	99%
	c.	Percent of customers rating support as "good" or "excellent" based on timeliness and quality of service	Data Not Available	Data Not Available	Data Not Available	88%	90%

A	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of PCs/Notebooks maintained:	138	158	168	197	200
2.	Number of network servers maintained:	21	24	23	37	40
3.	Number of network printers maintained:	36	37	37	37	37
4.	Number of service requests received:	908	900	900	1100	1200

PROPOSED



Administrative Service's Department

WORKERS COMPENSATION FUND FUND 612

FUND PURPOSE

The Town's Workers' Compensation Program provides for anticipated liabilities for worker compensation benefits. The Town self-insures for benefits provided to Town employees and volunteers for work-related injuries up to \$250,000 dollars, and has excess insurance coverage for claims up to \$25 million. The Town belongs to the Local Agency Workers' Compensation Excess (LAWCX) Joint Powers Authority for the purpose of pooling for this excess insurance. A third party administrator, Innovative Claims Solutions, Inc. (ICS), handles the day-to-day workers' compensation claims administration.

BUDGET OVERVIEW

Revenues to fund this program are derived as a percentage of salary each payroll period. Each department pays a portion of the program's cost based on gross wages and level of risk for the various job classifications within the department. The annual appropriation to this fund represents the self-insurance premiums paid by the operating departments. Service rates are established which maintains fund balance capacity at approximately two and one-half times the annual operating expense. Any excess funds are returned through reduced rates and fund balance transfers as needed.

Program costs covered in the internal rates include administration fees, claim settlement costs, attorney fees (outside counsel), medical expenses, payment for temporary and permanent disability, safety program administration and training, and excess insurance premiums. The FY 2009/10 budget maintains the workers' compensation-related funding at the same level as the prior year, adjusted by 3% for inflation. Although overall expenditures were less than budgeted for the prior year, more time is needed to evaluate whether the decrease in incurred costs will continue. Full-time equivalent (FTE) changes include staffing reallocations of executive management and professional classifications to the Workers' Compensation program.

Staff is working with the Town's third party administrator to evaluate the impacts of recently enacted legislation for State's workers' compensation reform. Staff will continue to monitor workers' compensation reform activities and recommend adjustments to the Town's Workers Compensation Program as appropriate, should longer-term trends be identified.

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Loan to CIP - Police Facility		2	79	235,404	235,404	-
Undesignated	1,817,055	2,190,558	2,393,461	2,348,652	2,348,652	2,677,561
Total Beginning Fund Balance	1,817,055	2,190,558	2,393,461	2,584,056	2,584,056	2,677,561
Revenues						
Charges for Services	587,024	601,013	660,076	652,800	590,000	692,510
Interest Income	47	46	50	°€		
Other Sources	47,107		8,392	-		
Total Revenues	634,178	601,059	668,518	652,800	590,000	692,510
TOTAL SOURCE OF FUNDS	2,451,233	2,791,617	\$ 3,061,979	\$ 3,236,856	\$ 3,174,056	\$ 3,370,071
USE OF FUNDS						
Expenditures						
Salaries and Benefits	51,848	49,976	52,307	98,600	71,400	83,741
Operating Expenditures	208,827	348,180	425,616	565,040	425,095	565,040
Internal Service Charges	200,027	340,100	423,010	303,040	423,093	303,040
Total Expenditures	260,675	398,156	477,923	663,640	496,495	648,781
Operating Transfers						
Transfer to General Fund	7		-	-	-	
Total Operating Transfers	150	-	-	•	*	
Ending Fund Balance			confirmed desired Nation of			
Loan to CIP - Police Facility	_	72	235,404	_		
Undesignated	2,190,558	2,393,461	2,348,652	2,573,216	2,677,561	2,721,290
Total Ending Fund Balance	2,190,558	2,393,461	2,584,056	2,573,216	2,677,561	2,721,290
TOTAL USE OF FUNDS	2,451,233	2,791,617	\$ 3,061,979	\$ 3,236,856	\$ 3,174,056	\$ 3,370,071

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and	Training Programs Minimize Workers' Compensation program costs through the promotion of safe work practices and employee wellness programs. Staff is continues to coordinate with the Town's third party insurance administrator (ABAG) to identify grants and training opportunities related to safety and injury/illness prevention.
collaborative governance	Program Benefit Information Continue efforts to provide information to Town employees on workers' compensation benefits.

KEY PROGRAM SERVICES

- · Coordinates the Town's Workers' Compensation program with contract administration firm
- · Administers and/or coordinates work safety programs
- Promotes safe work practices and employee wellness
- · Provides timely reporting of employee injury reports
- · Provides information to employees regarding workers' compensation reporting
- Minimizes the Town's exposure to losses as a result of employee accidents or illnesses

WORKERS' COMPENSATION PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Human Resources Director	0.25	0.20	0.20	0.20	0.25	0.25
Town Attorney	0.05	E.		æ:	0.05	0.05
Assistant Town Manager	-	-			0.05	
Payroll Specialist	0.05	*	33	=	0.05	0.05
Administrative Analyst	0.20	-	-	0.15	0.20	0.20
Human Resources Specialist	-	0.15	0.15	-	-	- T
Total Workers Compensation FTEs	0.55	0.35	0.35	0.35	0.60	0.55



Administrative Services Department

OFFICE STORES FUND FUND 622

FUND PURPOSE

Photocopy and printer equipment, postage, and bulk mail expenses are centrally funded through the Town's Office Stores program, and subsequently charged back to the appropriate department for services and materials utilized on a monthly basis. Due to limited personnel activity in the operations of this program, there are no staffing, key projects, or performance measures accounted for in this fund.

BUDGET OVERVIEW

The Office Stores continues maintaining approximately 34 printers and copiers. The lease and maintenance program includes toner and repairs for all copiers and printers and the Office Stores Fund is paying for copy paper for use on the printers and copiers on the program.

In FY 2008/09, the Town postage meter was replaced as directed by the United States Postal Service. This was a government lease program, which will include annual maintenance.

KEY PROGRAM SERVICES

- · Provide postage and photocopy equipment and supplies for various Town Departments
- Monitor service levels and performance of copiers, printers and postage machines, maintaining and replacing equipment as needed.

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
SOURCE OF FUNDS						
Beginning Fund Balance		17				
Designated	-	-	-0			-
Undesignated	230,218	242,109	241,342	237,927	237,927	258,125
Total Beginning Fund Balance	230,218	242,109	241,342	237,927	237,927	258,125
Revenues						
Charge for Services	84,199	81,564	83,719	103,500	121,500	124,500
Other Sources	394	389	20,802	-	520	
Total Revenues	84,593	81,953	104,521	103,500	122,020	124,500
		,	3 #250/ h 🕊 Text (2011)	CONT. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	*	
Operating Transfers						
Transfers from Equipment				20,980	20,980	
Total Operating Transfers	-	= -	#	20,980	20,980	-
TOTAL SOURCE OF FUNDS	\$ 314,811	\$ 324,062	\$ 345,863	\$ 362,407	\$ 380,927	\$ 382,625
USE OF FUNDS						
Expenditures						
Salaries and Benefits	-	-1	<u>-</u>	_	_	
Operating Expenditures	72,702	82,720	107,936	144,530	122,802	146,000
Internal Service Charges	-	-	-	-		
Total Expenditures	72,702	82,720	107,936	144,530	122,802	146,000
Operating Transfers						
Transfer to General Fund	=	95		122		-
Total Operating Transfers	-	E =	-	-	-	J
Ending Fund Balance						
Designated	4	23	2	9章		
Undesignated	242,109	241,342	237,927	217,877	258,125_	236,625
Total Ending Fund Balance	242,109	241,342	237,927	217,877	258,125	236,625
TOTAL USE OF FUNDS	\$ 314,811	\$ 324,062	\$ 345,863	\$ 362,407	\$ 380,927	\$ 382,625

Administrative Services Department

DOWNTOWN PARKING ASSESSMENT DISTRICT FUND 721

FUND PURPOSE

On December 5, 1988, the Town issued 25-year Limited Obligation Bonds in the amount of \$1,587,956.29. The net proceeds of the bonds were used to finance several parking improvement projects, which include: the construction of a surface lot known as Parking Lot No. 3, located in the block bounded by University and Santa Cruz Avenue, Grays Lane, and Royce Street; construction of surface lot No. 4 located in the block bounded by University and Santa Cruz Avenues, and Grays Lane and Elm Street; re-construction of an existing traffic island and adjacent street located at the intersection of East Main Street and Alpine Avenue, known as Parking Lot No. 8; and lastly, fund a portion of the construction costs of a two-level parking structure, collectively with the Redevelopment Agency's 1992 Certificate of Participation funding issuance in the amount of \$2,960,000.

The bonds are not a financial liability of the Town, and were issued upon and secured by unpaid assessments on properties within the Downtown Parking Assessment District. Installments of principal and interest sufficient to meet annual bond debt service are included in the property owner's regular county tax bills which represents a pro-rata share of the total principal and interest coming due that year. The pro-rata shares are based on the percentage of the unpaid assessment against the property relative to the total unpaid assessments levied to repay the bonds.

Property owners pay their assessments to the county, and the county remits the assessment monies to the Town. The Town makes semi-annual payments to the Trustee Bank on behalf of the property owners. Property owners may pay off their assessments to the Town at any time. These prepayments are retained in this fund (earning interest) and used to make bond payments as they become due.

To provide funds for the payment of the bonds, and interest due as a result of delinquent assessment installments, the Town is required to establish a special bond reserve equal to 5% of the aggregate principal amount of the bonds. Interest earnings on the special reserve are retained up to 8% of the aggregate principal amount of the bonds. This Trust Fund provides for the servicing of this special reserve, as well as the annual redemption of bonds.

™ ADMINISTRATIVE SERVICES DEPARTMENT Downtown Parking Assessment District

BUDGET OVERVIEW

The budget for this fund is comprised of the expected assessment receipts and the semi-annual debt service payments made to the Trustee Bank. Interest expense continues to decrease each year as bonds mature. The September 2009 bond principal maturity payment of \$100,000 will leave an outstanding bond balance of \$490,000.

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	7=1	-		-	-	_
Undesignated	323,371	320,349	319,716	331,435	331,435	331,443
Total Beginning Fund Balance	323,371	320,349	319,716	331,435	331,435	331,443
Revenues						
Assessments	138,206	137,637	145,555	137,465	137,465	139,380
Interest / Dividends	6,324	8,896	11,780	11,000	11,000	9,000
Total Revenues	144,530	146,533	157,335	148,465	148,465	148,380
TOTAL SOURCE OF FUNDS	\$ 467,901	\$ 466,882	\$ 477,051	\$ 479,900	\$ 479,900	\$ 479,823
USE OF FUNDS						
Expenditures						
Operating Expenditures	2,014	2,770	2,780	2,780	2,776	2,800
Debt Service	145,538	144,396	142,836	145,680	145,681	142,930
Total Expenditures	147,552	147,166	145,616	148,460	148,457	145,730
Operating Transfers						
Transfer to						
Total Operating Transfers		-	-			-
Ending Fund Balance						
Designated	(=):	-	-	5 -	·	
Undesignated	320,349	319,716	331,435	331,440	331,443	334,093
Total Ending Fund Balance	320,349	319,716	331,435	331,440	331,443	334,093
TOTAL USE OF FUNDS	\$ 467,901	\$ 466,882	\$ 477,051	\$ 479,900	\$ 479,900	\$ 479,823

⊗ ADMINISTRATIVE SERVICE'S DEPARTMENT ଔ Downtown Parking Assessment District

Town of Los Gatos Limited Obligation Improvement Bonds, Series 88-1 Bond Debt Schedule

Fiscal Year	Annual Interest Rate	September Principal Payment	September Interest Payment	March Interest Payment	Fiscal Year Total Interest Payment	Bond Principal Balance @ YE
Initial Bon	d Offering a	t December 5, 198	38			1,587,956
1989/90		-	91,127	61,434	152,560	1,587,956
1990/91	6.25	27,956	61,434	60,560	121,994	1,560,000
1991/92	6.50	30,000	60,560	59,585	120,145	1,530,000
1992/93	6.75	30,000	59,585	58,573	118,158	1,500,000
1993/94	7.00	30,000	58,573	57,523	116,095	1,470,000
1994/95	7.10	35,000	57,523	56,280	113,803	1,435,000
1995/96	7.20	35,000	56,280	55,020	111,300	1,400,000
1996/97	7.30	40,000	55,020	53,560	108,580	1,360,000
1997/98	7.40	40,000	53,560	52,080	105,640	1,320,000
1998/99	7.50	45,000	52,080	50,392	102,472	1,275,000
1999/00	7.60	50,000	50,392	48,493	98,885	1,225,000
2000/01	7.70	50,000	48,493	46,568	95,060	1,175,000
2001/02	7.80	55,000	46,568	44,423	90,990	1,120,000
2002/03	7.80	60,000	44,423	42,083	86,505	1,060,000
2003/04	7.90	65,000	42,083	39,515	81,598	995,000
2004/05	7.90	70,000	39,515	36,750	76,265	925,000
2005/06	7.90	75,000	36,750	33,788	70,538	850,000
2006/07	7.95	80,000	33,788	30,608	64,395	770,000
2007/08	7.95	85,000	30,608	27,229	57,836	685,000
2008/09	7.95	95,000	27,229	23,453	50,681	590,000
2009/10	7.95	100,000	23,453	19,478	42,930	490,000
2010/11	7.95	110,000	19,478	15,105	34,583	380,000
2011/12	7.95	120,000	15,105	10,335	25,440	260,000
2012/13	7.95	125,000	10,335	5,366	15,701	135,000
2013/14	7.95	135,000	5,366	-	5,366	9
TOTALS		1,587,956	988,196	926,762	1,914,958	



Community Development Department

DEPARTMENT PURPOSE

The Community Development Department guides the physical growth of the Town to maintain the character and vitality of the community. It accomplishes this by providing current and advanced planning, redevelopment, code compliance, building inspection, and other development-related activities. The community assists the Department's efforts through participation on the Planning Commission, Historic Preservation Committee, Conceptual Development Advisory Committee, General Plan Committee, Architectural Standards/Hillside Committee, and related subcommittees, all of which are supported by Department staff. In coordination with the Town Manager's Office, the Department guides management of the Redevelopment Agency and Affordable Housing Programs, and supports the Town's Economic Vitality Program.

BUDGET OVERVIEW

The Community Development Department will continue to work on a large number of advanced planning and development review applications in FY 2009/10. The complexity and scope of these projects are significant and will require that Town Council define priorities for the advance planning workload as new projects arise.

In keeping with the Town's financial policies, the development-related services provided by the Community Development Department are supported by fees based on the actual costs of the services. On a regular basis, the Town analyzes the actual costs associated with development services to ensure that development fees achieve the goal of providing cost recovery service delivery. Anticipated revenues resulting from the adopted fee schedule are reflected in the budget. The anticipated revenues will provide cost recovery for building inspection, plan check services, and planning services. Limited funding is provided through the General Fund to cover the costs associated with special advanced planning projects that are unrelated to the development services provided by the department. Established fee rates include department wide development support services. Consequently, actual cost recovery is to be viewed with a departmental perspective, not on a program-by-program basis.

Budgeted revenues for the Community Development Department reflect an annual increase in user fees based on the Consumer Price Index (CPI) and an annual adjustment to building permits and plan check fees based on the Building Cost Index (BCI). In addition to the CPI and BCI, an increase of 5% will be charged to planning and building fees to recover overhead costs in FY 2009/10. The overhead costs are due to significant increases in salary and benefits as a result of higher annual actuarial costs and a 3% increase in PERS. These methods of determining service fees on an annual basis alleviate the need for dramatic increases in Community Development fees in the future and ensure that fees provide for cost recovery.

∞ COMMUNITY DEVELOPMENT DEPARTMENT ©3

For FY 2009/10, budgeted revenues are projected to be slightly lower than previous years due to economic trends. As part of the adopted FY 2009/10 Comprehensive Fee Schedule, Community Development fees were increased by 3% based on the average Consumer Price Index (CPI). Building permit fees were increased by 4.6% based on the February Building Cost Index (BCI). It is anticipated that these increases better reflect the cost of service delivery in FY 2009/10. Additionally, an increase of 5% will be charged to planning and building fees to recover overhead costs. The overhead costs are due to significant increases in salary and benefits as a result of higher annual actuarial costs for GASB 45 post retirement medical costs effective FY 2008/09 and a 3% increase in miscellaneous employees' employer rates charged by PERS.

Budgeted expenditures reflect a decrease primarily due to the elimination of the Code Compliance Officer and Associate Planner positions. In addition, the Building and Planning Divisions will absorb a portion of building permit and inspection fees and planning application fees for the new Town Library as well as all services in association with those processes. Notable expenditure reductions include the elimination of the Code Compliance Officer and Associate Planner position. Should the local economic situation improve, these positions will be reevaluated accordingly. Other changes include the reduction of public counter hours from 8:00 a.m. – 1:00 p.m., Monday – Friday, which have helped to enhance operational efficiencies with limited impact on customers.

Overall, the department budget remains balanced with limited funding provided through the General Fund.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Preserve and enhance the appearance character and environment quality of the community	 Adopted the Residential Design Guidelines Commenced General Plan Update/Housing Element and completed an inventory of recreation-based services and facilities Amended Town Code to Streamline Review of Historic Applications Commenced Affordable Housing Strategies Study Commenced Los Gatos Blvd Plan Evaluation

⋈ COMMUNITY DEVELOPMENT DEPARTMENT ଔ

DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Licenses and Permits	1,357,001	1,968,580	1,991,785	1,960,100	1,389,322	1,737,640
Service Charges	1,712,714	1,028,853	962,264	1,873,600	1,640,674	1,903,000
Fines & Forfeitures	400		100	500	500	540
Other Sources	*	(14)	(26)		-	
TOTAL REVENUES	3,070,115	2,997,419	2,954,123	3,834,200	3,030,496	3,641,180
EXPENDITURES						
Salaries and Benefits	1,915,018	1,935,160	2,096,800	2,285,600	2,015,200	2,259,910
Operating Expenditures	790,419	635,549	687,421	1,408,490	1,350,104	1,377,020
Fixed Assets	-	-	20,000	-	3,136	
Internal Service Charges	210,631	219,789	233,263	247,430	225,230	231,933
Fund Transfers Out	-	15,000	27	12	2:	1 1 m 2 m.
TOTAL EXPENDITURES	2,916,068	2,805,498	3,037,484	3,941,520	3,593,670	3,868,863
EXPENDITURES BY PRO	GRAM					
Administration	101,410	98,704	105,251	119,310	96,098	127,530
Developmental Review	767,041	819,105	953,050	1,007,800	864,492	855,489
Code Compliance	95,008	95,252	51,043	110,230	54,674	32,348
Inspection Services	1,163,725	1,165,623	1,290,319	1,270,130	1,220,316	1,221,969
Advanced Planning	150,967	151,460	167,586	293,550	217,590	491,027
Pass-Through Accounts	637,917	475,354	470,235	1,140,500	1,140,500	1,140,500
TOTAL EXPENDITURES	2,916,068	2,805,498	3,037,484	3,941,520	3,593,670	3,868,863

∞ COMMUNITY DEVELOPMENT DEPARTMENT ©3

DEPARTMENT STAFFING

Full Time Equivalents (FTE)	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
General Fund Staffing	Positions	Funded	Funded	Funded	Funded	Funded
Community Development Dir.	0.80	0.90	0.90	0.90	0.80	0.80
Asst. Community Dev. Dir.	0.80	0.65	0.65	0.65	0.80	0.80
Deputy Town Manager	1.00	:=	: 4 0	=7	-	1.00
Administrative Analyst	0.40	0.40	0.40	0.40	0.40	0.40
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Secretary III	1.00	1.00	1.00	1.00	1.00	1.00
Economic Vitality Manager	0.20	0.20	0.20	0.20	0.20	0.20
Senior Planner	1.00	: =	#####################################	1.00	1.00	1.00
Associate Planner	1.80	3.80	3.80	2.80	2.60	1.80
Planner	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Planner	1.00	1.00	1.00	1.00	1.00	1.00
Counter Technician	2.00	2.00	2.00	2.00	2.00	2.00
Code Compliance Officer	<u> </u>	1.00	1.00	1.00	1.00	
Building Official	1.00	(T)	-	1.00	1.00	1.00
Sr. Building Inspector	-	1.00	1.00		-	-
Building Inspector	4.00	4.00	4.00	4.00	4.00	4.00
Total General Fund FTEs	17.00	17.95	17.95	17.95	17.80	17.00
Redevelopment Agency						
Community Development Dir.	0.20	0.10	0.10	0.10	0.20	0.20
Asst. Community Dev. Dir.	0.20	0.35	0.35	0.35	0.20	0.20
Associate Planner	0.20	0.20	0.20	0.20	0.40	0.20
Administrative Analyst	0.20	0.20	0.20	0.20	0.20	0.20
Total Redevelopment FTEs	0.80	0.85	0.85	0.85	1.00	0.80
Total Community Dev. FTEs	17.80	18.80	18.80	18.80	18.80	17.80
Temporary Staff Hours						
Building Inspector				120	:=	
Total Annual Hours		-	-	120	-	- 2

^{*} A 1.0 FTE Accountant / Administrative Analyst position is shared between Finance, Community Development Department (CDD) and the Redevelopment Agency (RDA). Finance has a .40 FTE Accountant, CDD a .40 FTE Administrative Analyst, and RDA a .20 FTE Administrative Analyst.

^{**} One Associate Planner position is underfilled with an Assistant Planner position.

Community Development Department

COMMUNITY DEVELOPMENT ADMINISTRATION PROGRAM 3101

PROGRAM PURPOSE

The Administration Program supports the delivery of all services provided by the Community Development Department. Staff assigned to this program work with other agencies, boards and commissions to represent the Town's interests. Staff serves on the Below Market Price (BMP) Advisory Board, Rehabilitation Loan Committee, and Valley Transportation Authority (VTA) Technical Advisory Committee. Administrative support is provided to the Planning Commission including the preparation of agenda packets for 22 scheduled Planning Commission meetings per year. Management of department operations is provided for within this program, including personnel and budget administration.

BUDGET OVERVIEW

The FY 2009/10 budget reflects an increase in operating expenditures from the FY 2008/09 budget mainly due to the an increase in contract transcription services for the Planning Commission meetings as well as an increase in salary and benefit expenses and related internal service charges. The Administration Program continues to keep the Community Development Department focused on management of the department, including budget preparation.

EXECUTE 1 COMMUNITY DEVELOPMENT DEPARTMENT Cos Administration

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Licenses and Permits	-	-	9₩	-	(- (
Service Charges	S.	14	*		-	4
Other Sources			: <u>*</u>	1 =		
TOTAL REVENUES	-	7=		-	-	-
EXPENDITURES						
Salaries and Benefits	66,633	61,678	69,838	74,400	54,800	76,055
Operating Expenditures	8,075	9,301	7,332	17,710	15,098	23,890
Fixed Assets	-	3.75	·		(=)	
Internal Service Charges	26,702	27,725	28,081	27,200	26,200	27,585
TOTAL EXPENDITURES	101,410	98,704	105,251	119,310	96,098	127,530

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and	Staff Training To continue to build the capacity of Community Development staff to carry out broad job responsibilities, the Department will conduct in-house training and participate in select outside training.
collaborative governance	Coordinate Retreat Coordinate the annual Town Council/Planning Commission retreat and implement follow-up actions.
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	Planning Commission Training Continue the training program for the Planning Commission with emphasis on the role of the Commission; communication with applicants; how a quasi-judicial body performs its duties; Brown Act; and specific training in various aspects of Town regulations and procedures.

№ COMMUNITY DEVELOPMENT DEPARTMENT Administration

KEY PROGRAM SERVICES

- Set and monitor goals for the department and staff
- · Manage department operations, including the budget
- · Provide support for Town Council and Planning Commission meetings
- Provide support on Town projects and initiatives including planning and building issues
- Oversee General Plan Update

ADMINISTRATION PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Development Dir.	0.05	0.05	0.05	0.05	0.05	0.05
Asst. Community Dev. Dir.	0.05	0.05	0.05	0.05	0.05	0.05
Administrative Analyst	0.10	0.10	0.10	0.10	0.10	0.10
Secretary III	0.05	0.05	0.05	0.05	0.05	0.05
Administrative Secretary	0.10	0.10	0.10	0.10	0.10	0.10
Economic Vitality Manager	0.20	0.20	0.20	0.20	0.20	0.20
Total Administration FTEs	0.55	0.55	0.55	0.55	0.55	0.55



Community Development Department

DEVELOPMENT REVIEW PROGRAM 3201

PROGRAM PURPOSE

Development Review services facilitate the development of land and structures consistent with Town codes, plans, and policies. This is accomplished through analysis and processing of all development applications including environmental review, plan check, and inspection. The process involves an assessment of a project's consistency and compliance with the General Plan, Hillside Specific Plan, Town Code, and other Town regulations.

BUDGET OVERVIEW

As noted in the Department budget overview, Development Review related fees reflect an increase in accordance with the FY 2009/10 approved fee schedule. This increase in the Planning Division fees helps to support the increase in operating expenses, thereby ensuring ongoing cost recovery. While expenditures exceed revenues within this program, overall department fee rates include department wide development services; hence actual cost recovery is to be viewed with a departmental perspective.

FY 2009/10 budgeted revenues are lower than prior year budgeted revenue due to economic trends affecting the construction climate.

The FY 2009/10 budget reflects a decrease in operating expenditures from the prior budget year due to the reduction of temporary employee services. The decrease in the salary and benefit expenses and related internal service charges is due to the reallocation of staff to align with the workload in other programs and the elimination of the Associate Planner position.

№ COMMUNITY DEVELOPMENT DEPARTMENT ©Development Review

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Licenses and Permits	-	628,091	496,441	475,100	398,667	471,400
Service Charges	679,282	156,911	150,879	162,000	131,696	132,220
Other Sources	-				-	
TOTAL REVENUES	679,282	785,002	647,320	637,100	530,363	603,620
EXPENDITURES		50				
Salaries and Benefits	679,470	720,897	825,884	813,900	727,400	705,418
Operating Expenditures	42,309	50,839	73,639	144,000	89,492	104,500
Fixed Assets	= =	÷		-	F	-
Internal Service Charges	45,262	47,369	53,527	49,900	47,600	45,571
TOTAL EXPENDITURES	767,041	819,105	953,050	1,007,800	864,492	855,489

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and	Development Team Continuous Improvement The Development Team (Community Development, Parks & Public Works, Fire, and the Police Department) will focus on evaluating processes, procedures, and systems; defining roles and responsibilities; building capacity; and obtaining input and feedback from customers to continue to improve the development review process.
collaborative governance	Process Improvements The following key projects will be continued to enhance the development review process: coordinate Arborist/Architect peer review process; revise/update development application forms and website information; and implementation of revised Residential Design Guidelines.
	Major Development Applications Pending
Community Character Preserve and enhance the appearance character and environment quality of the community	 Includes the following known properties: Emmanuel Convalescent Hospital/Thrash House – in progress Chevrolet Site Redevelopment Linda Avenue – in progress Placer Oaks – in progress Swanson Ford redevelopment 475-485 Alberto Way – in progress McHugh Site Redevelopment Los Gatos Meadows Redevelopment

™ COMMUNITY DEVELOPMENT DEPARTMENT Development Review

KEY PROGRAM SERVICES

Provide Staff support to the following boards and commissions:

- Planning Commission
- Development Review Committee
- Historic Preservation Committee
- Conceptual Development Advisory Committee
- General Plan Committee
- Architectural Standards/Hillside Committee
- Various subcommittees

Analyze and process the following types of applications:

- General Plan amendments
- Town Code amendments
- Rezoning and Planned Developments
- Architecture and Site
- Variances
- Conditional Use Permits
- Minor Residential Development
- Subdivisions
- Agricultural Preserve Contracts
- Home Occupation Permits
- · Certificates of Use and Occupancy
- Sign and Banner Permits
- Secondary Dwelling Units
- Mobile Home Park Conversions
- Environmental Review

№ COMMUNITY DEVELOPMENT DEPARTMENT ©3Development Review

DEVELOPMENT REVIEW PROGRAM STAFFING

Full Time Equivalent (FTE)	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Community Development Dir.	0.25	0.30	0.30	0.30	0.25	0.25
Asst. Community Dev. Dir.	0.30	0.40	0.40	0.40	0.30	0.30
Senior Planner	0.75	2₩	-	0.75	0.75	0.75
Associate Planner	1.05	2.55	2.55	1.80	1.65	1.05
Planner	0.80	0.90	0.90	0.90	0.80	0.80
Assistant Planner	0.80	0.80	0.80	0.80	0.80	0.80
Counter Technician	0.10	0.10	0.10	0.10	0.10	0.10
Building Official	0.10	\$ 5	17	0.10	0.10	0.10
Sr. Building Inspector	H	0.10	0.10	₩	1 80	4
Code Compliance Officer	18	0.15	0.15	0.15	0.15	-
Administrative Analyst	0.15	0.15	0.15	0.15	0.15	0.15
Administrative Secretary	0.65	0.65	0.65	0.65	0.65	0.65
Secretary III	0.75	0.75	0.75	0.75	0.75	0.75
Total Development Review FTE	5.70	6.85	6.85	6.85	6.45	5.70

Per	erformance Objectives and Measure		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1	Facilitate the development of land and s consistent with Town codes, plans and p						
	 Percentage of permits processed wit cycle times: 	hin adopted	100%	100%	100%	100%	100%
2.	Analyze and process development applie efficiently and effectively.	cations					
	 Percentage of applications continued Commission: 	d by Planning	5%	5%	5%	3%	3%
	 Percentage of Planning Commission upheld by Town Council: 	decisions	95%	95%	95%	95%	95%

Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of applications processed:	755	785	695	525	600
2.	Number of Planning Commission Hearings:	20	22	22	22	22
3.	Number of Public Notices:	8593	8500	4256	6000	6000
4.	Number of referrals to consulting architect:	60	51	50	45	50



Community Development Department

ADVANCED PLANNING PROGRAM 3202

PROGRAM PURPOSE

The Advanced Planning Program guides the physical development of the community consistent with the General Plan, Hillside Specific Plan, and Town Codes that are kept relevant and current through approved amendments. Staff updates official Town maps to ensure they are clear and accurate. Staff undertakes special projects and studies to meet the evolving needs of the community and provides staff support for the following advisory committees:

- General Plan Committee and Sub-Committees
- Architectural Standards/Hillside Committee

BUDGET OVERVIEW

FY 2009/10 budgeted revenues increase due to an offset from the General Plan deposit account for salaries that will be charged to the General Plan program.

The FY 2009/10 budgeted expenditures reflect an increase from the FY 2008/09 budget primarily due to the reallocation of staff to work on the General Plan update and Housing Element programs. The General Plan Update project will also require the need for outside consultants, which will be funded by the General Plan Update fees.

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SUMMARY OF REVENUES AND EXPENDITURES

:	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES				•		
Licenses and Permits	-	-	-	2	-	-
Service Charges	48,858	52,404	56,099	236,100	187,982	439,460
Other Sources	<u> </u>	<u> </u>				4
TOTAL REVENUES	48,858	52,404	56,099	236,100	187,982	439,460
EXPENDITURES						
Salaries and Benefits	109,858	108,776	122,851	243,300	169,900	430,170
Operating Expenditures	32,208	33,297	34,452	35,850	35,690	37,100
Fixed Assets		t e c		-	-	
Internal Service Charges	8,901	9,387	10,283	14,400	12,000	23,757
TOTAL EXPENDITURES	150,967	151,460	167,586	293,550	217,590	491,027

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Community Character Preserve and enhance the appearance character and environment quality of the community	General Plan Update On February 4, 2008, the Council approved the work plan for the General Plan Update. This effort is intended to fine-tune the existing General Plan rather than a comprehensive overhaul of the document. New topics identified by the Council for review as part of the update are Recreation and Open Space, Needs of Youth and Seniors and Sustainability and Green Building. Additionally, the update provides an opportunity to refine existing policies that may not be serving the community as intended or lack clarity and to revise information that is no longer current. The General Plan Update began in July 2008 and is estimated to be completed by September 2010. Housing Element The State of California requires that all jurisdictions update the Housing Element of their General Plans periodically. On July 19, 2007, ABAG's Executive Board adopted the draft Regional Housing Needs Allocation (RHNA) for all the jurisdictions in the San Francisco Bay. Los Gatos is required to plan for 562 units in the 2007 – 2014 period. In June 2008, the final RHNA will be adopted by ABAG's Executive Board and released by ABAG. State law requires that the Housing Element be completed by June 2009. Funding for the Housing Element Update will come from the General Plan Update Fund and Low-Moderate Redevelopment Agency Housing Fund.

™ COMMUNITY DEVELOPMENT DEPARTMENT Advanced Planning

KEY PROGRAM SERVICES

- · Preparation of plans, amendments, administrative policies, ordinances, and maps
- Management of consultants assisting with the General Plan implementation

ADVANCED PLANNING PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Development Dir.	0.30	0.10	0.10	0.10	0.30	0.30
Asst. Community Dev. Dir.	0.30	0.05	0.05	0.05	0.30	0.30
Deputy Town Manager	1.00	-	-	-	1	1.00
Senior Planner	0.10	-	14	0.10	0.10	0.10
Associate Planner	0.55	0.65	0.65	0.55	0.60	0.55
Planner	0.05	-	-	-	0.05	0.05
Assistant Planner	0.05	0.05	0.05	0.05	0.05	0.05
Administrative Secretary	0.05	:-	-	-	-	0.05
Secretary III	0.05		Ξ.	Ξ		0.05
Total Advanced Planning FTEs	2.45	0.85	0.85	0.85	1.40	2.45

Performance Objectives and Measures			2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	cor	nide the physical development of the community nsistent with the General Plan, Hillside Specific an, and Town Codes.					
	a.	Percentage of General Plan implementation measures completed within cycle time.	100%	N/A	N/A	N/A	N/A
2.		eet the evolving needs of the community and provide off support to advisory committees.					
	a.	Percentage of committee directives resulting in plan adoption.	100%	100%	100%	100%	100%
	b.	Percentage of special studies adopted.	0%	50%	50%	100%	50%

Activity and Workload Highlights		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of special studies completed:	4	1	2	2	3
2.	Number of Planning Commission directives received:	5	5	3	3	3
3.	Number of General Plan implementation measures completed:	3	0	4	4	4
4.	Number of General Plan amendments requested:	0	1	3	3	5



Community Development Department

BUILDING & INSPECTION SERVICES PROGRAM 3301

PROGRAM PURPOSE

This program helps to ensure safe, healthy, and attractive property improvements by facilitating the issuance of permits and compliance with codes, policies, guidelines, and standards. Staff assigned to this program provide information concerning building regulations; maintain the computerized permit tracking and plan check systems; inspect commercial and residential buildings under construction; provide plan check review for compliance with the Uniform Building Codes, disabled access regulations, and other state and local ordinances; and coordinate the duties of the plan check consultant, which provides complex structural and engineering plan check services.

BUDGET OVERVIEW

The FY 2009/10 budget includes an adjustment to the building permit and plan check fees based on the Building Cost Index (BCI). The BCI is a nation-wide index of construction costs used by the industry to establish cost estimates for new construction. The fee increases for FY 2009/10 are intended to accurately track the cost of construction and will provide for cost recovery for building inspection and plan check services. While revenues exceed expenditures within this one program, Building and Permit Fee rates include department wide development support services. Consequently, actual cost recovery is to be viewed from a departmental perspective.

FY 2009/10 budgeted revenues are lower than prior year revenue estimates due to economic trends affecting the construction climate. Overall program budgeted expenditures for FY 2009/10 reflect a decrease from FY 2008/09.

The Building Inspectors continue to handle the storm water management inspections for all building permits with the potential to generate non-point source storm water runoff during construction as part of the National Pollutant Discharge Elimination system (NPDES) program. The Building Division is absorbing most of the code enforcement work load with the elimination of the Code Enforcement Officer position. A contract Plan Check Engineer continues to provide plan check services on a cost recovery basis.

The San Francisco Regional Water Quality Control Board is expected to issue a new NPDES permit for the municipalities in Santa Clara County later this summer. The new NPDES permit will implement significant new requirements on development projects that could impact Town staffing resources. Staff will monitor the new permit and evaluate the potential to recover additional costs imposed by the NPDES permit through the upcoming Town-wide fees study.

™ COMMUNITY DEVELOPMENT DEPARTMENT Building & Inspection Services

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES	*					
Licenses and Permits	1,357,001	1,340,489	1,495,344	1,485,000	990,655	1,266,240
Service Charges	346,036	343,691	285,171	335,000	180,496	190,820
Other Sources	-	(14)	(26)			1 - 1 - 1
TOTAL REVENUES	1,703,037	1,684,166	1,780,489	1,820,000	1,171,151	1,457,060
EXPENDITURES						
Salaries and Benefits	972,822	958,040	1,034,300	1,055,400	1,016,200	1,023,764
Operating Expenditures	68,631	65,483	100,851	67,300	67,650	67,900
Fixed Assets	*	v 8 1	20,000	:=	3,136	
Internal Service Charges	122,272	127,100	135,168	147,430	133,330	130,305
Fund Transfers Out		15,000	=		<u> </u>	
TOTAL EXPENDITURES	1,163,725	1,165,623	1,290,319	1,270,130	1,220,316	1,221,969

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Community Character Preserve and enhance the	Public Information on Building Codes Staff will continue to provide updated forms and information the Town's web site as well as assisting customers with on-line permitting, processing and information as soon as the system is released. Staff will continue to correct and clarify the Town's official street address file.
appearance character and environment quality of the community	Inspection Services on Larger Projects Several significant projects will continue during FY 2009/10: Villa Felice Planned Development, the new satellite PD Building and completion of the 8-unit townhouse project at the corner of Wedgewood and Calle Marguerita. Staff will continue to provide same day inspection services even with the increased inspection workload from these projects.
	Web Permitting Staff will be working with Accela, Inc. and Attevo to complete the implementation of web permitting for simple permits.
Good Governance Ensure responsive, accountable and collaborative governance	Improvements to Plan Checking Services To improve the efficiency of the plan checking process, the Building Division will: 1) Coordinate with the Santa Clara County Fire Department and Planning Division to expedite commercial tenant improvements. 2) Continue to increase the number of internal plan checks by Building Inspection Staff. The goal is to decrease the workload of the plan check consultant and reduce the time required to conduct a plan check thus providing a higher level of service.

™ COMMUNITY DEVELOPMENT DEPARTMENT Building & Inspection Services

KEY PROGRAM SERVICES

Inspection Services:

- Perform on-site field inspections for all buildings and structures under construction
- Investigate Housing Code violations
- · Assist contractors, architects, engineers, and the general public with construction questions

Building Counter Services:

- Coordinate building permit applications with other departments and agencies
- Review worker's compensation requirements and contractors' licenses
- Maintain the computerized permit tracking and plan check systems including data entry for permit
 activity
- Produce and distribute reports on statistical information regarding building and related permit activity
- · Distribute and track plans, and calculate and collect fees

Plan Check Services:

- Perform complex professional building, structural, and life safety plan review of commercial, industrial and residential building per the Uniform building codes, state regulations, and local ordinances.
- Coordinate building information and activity with other department and agencies
- Provide building code information to customer

BUILDING & INSPECTION SERVICES PROGRAM STAFFING

Full Time Equivalent (FTE)

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Community Development Dir.	0.15	0.40	0.40	0.40	0.15	0.15
Asst. Community Dev. Dir.	0.10	0.10	0.10	0.10	0.10	0.10
Administrative Analyst	0.15	0.15	0.15	0.15	0.15	0.15
Senior Planner	0.15	9		0.15	0.15	0.15
Associate Planner	0.20	0.60	0.60	0.45	0.35	0.20
Assistant Planner	0.15	0.15	0.15	0.15	0.15	0.15
Planner	0.15	0.10	0.10	0.10	0.15	0.15
Counter Technician	1.90	1.90	1.90	1.90	1.90	1.90
Building Official	0.90			0.90	0.90	0.90
Sr. Building Inspector	-	0.90	0.90	: ** :		
Building Inspector	4.00	4.00	4.00	4.00	4.00	4.00
Code Compliance Officer	:	0.10	0.10	0.10	0.10	
Administrative Secretary	0.15	0.20	0.20	0.20	0.20	0.15
Secretary III	0.15	0.20	0.20	0.20	0.20	0.15
Total Building and Inspection FTEs	8.15	8.80	8.80	8.80	8.50	8.15

Temporary Staff Hours	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Building Inspector	*	T ₂	120		11C
Total Annual Hours	-	-	120	-	

™ COMMUNITY DEVELOPMENT DEPARTMENT © Building & Inspection Services

Peri	ormance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
	Ensure safe, healthy, and attractive property mprovements.					
í	 Percentage of inspections delivered within cycle times: 	100%	100%	100%	100%	100%
1	 Percentage of plan checks completed within cycle times: 	95%	95%	95%	95%	95%

A	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of inspections conducted:	15,259	13,009	11,090	11,000	11,000
2.	Number of building plan checks completed:	2,335	1827**	1084*	1,050	1,100
3.	Number of Building Division permit applications received:	2,879	2341**	1450*	1,400	1,400
4.	Number of Building Division permits issued:	2,837	2244**	1275*	1,175	1,200

^{*} Combination permits were created upon implementation of the new Accela Permits System. Combination permits will reduce numbers to roughly 50%.

^{**} Reduced numbers due to almost 4 months of combination permits.

Community Development Department

CODE COMPLIANCE PROGRAM PROGRAM 3401

PROGRAM PURPOSE

The Code Compliance Program ensures property is used in a manner that is safe, healthy, and consistent with the community's character as conveyed by the Town's zoning regulations. Program staff identifies, investigates, and abates zoning violations, nonconforming uses, and other Town Code violations related to zoning issues. Enforcement activity is pro-active and is designed to achieve timely compliance, through ongoing education of the public to increase awareness of the Town's zoning and sign regulations. Violations that affect life, health, and safety are given the highest priority.

BUDGET OVERVIEW

The Code Compliance program budget includes revenue from the Administrative Citation program established in FY 2003/04. With the added incentive to avoid fines, this program reduces the number of times Code Compliance must revisit an outstanding violation, thereby abating violations more effectively. The fines also reduce the financial burden off the General Fund by placing the cost of abating violations on the violator. Staff found that most violators chose to comply within the established time frame rather than pay a fine. Revenue for this program will have a minimal increase for FY 2009/10.

The decrease in expenditures for the FY 2009/10 budget is due to the elimination of the Code Compliance Officer position and is directly related to the economic downturn. The duties of the Code Compliance Officer have been spread among staff in the Building and Planning Departments, which is possible due to the decline in building activity.

≥ COMMUNITY DEVELOPMENT DEPARTMENT C3 Code Compliance Program

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES	-					
Licenses and Permits		1-	-			-
Service Charges	:=	(-	·=:	=:	₩:	
Fines & Forfeitures	400		100	500	500	540
Other Sources	=	721	-	24		
TOTAL REVENUES	400	-	100	500	500	540
EXPENDITURES						
Salaries and Benefits	86,235	85,769	43,927	98,600	46,900	24,503
Operating Expenditures	1,279	1,275	912	3,130	1,674	3,130
Fixed Assets	-	-	-		-	
Internal Service Charges	7,494	8,208	6,204	8,500	6,100	4,715
TOTAL EXPENDITURES	95,008	95,252	51,043	110,230	54,674	32,348

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects									
Good Governance Ensure responsive, accountable and collaborative governance	Process Improvements During FY 2009/10, staff will continue to work with the Police, Parks & Public Works Departments, and Town Attorney on code compliance issues and the Administrative Citation Program.									

™ COMMUNITY DEVELOPMENT DEPARTMENT Code Compliance Program

KEY PROGRAM SERVICES

- Resolve complex Town code and zoning violations
- Enforce various Town codes, while focusing on obtaining voluntary compliance from the public
- · Educate residents, business and property owners about Town regulations
- Review Home Occupation Permits for proper use in residential zones
- Conduct inspections/investigations of structures/residences concerning public health related issues
- Coordinate with the Finance Department's Business License Tax Division to ensure all operating businesses have a business license

CODE COMPLIANCE PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Development Dir.	0.05	0.05	0.05	0.05	0.05	0.05
Asst. Community Dev. Dir.	0.05	0.05	0.05	0.05	0.05	0.05
Code Compliance Officer	-	0.75	0.75	0.75	0.75	-
Administrative Secretary	0.05	0.05	0.05	0.05	0.05	0.05
Total Code Compliance FTEs	0.15	0.90	0.90	0.90	0.90	0.15

™ COMMUNITY DEVELOPMENT DEPARTMENT ∽ Code Compliance Program

Pe	rformance Objectives and Measures	2005/06 Actual	- 2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Ensure properties in the Town of Los Gatos are used safely and are consistent with the Town's zoning regulations. a. Percentage of complaints abated within cycle times:	90%	90%	90%	90%	90%
2.	Proactive enforcement activity to achieve timely compliance					
	 Percentage of complaints resulting in court hearings: 	0%	0%	1%	1%	1%

Activity and	Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1. Number of	complaints reported:	365	400	400	400	400
2. Number of	complaints abated:	219	300	300	350	350
3. Total numb	er of Administrative Citations:	N/A	N/A	N/A	200	200
4. Number of	citations issued resulting in fines:	3	5	5	5	5

Community Development Department

PASS –THROUGH ACCOUNTS PROGRAM 3999

PROGRAM PURPOSE

This pass-through accounting structure separates Community Development program activities from the funding mechanism set up for external consultant services utilized to assist applicants in the planning, development, and building processes. Most pass-through activity is generated by development projects. Depending on the development project, an applicant may be required to deposit funds for architectural services, arborist services, environmental impact review services, and/or plan checking services with the Town. The Town retains these various services for an applicant's projects and the consultants are subsequently paid out of the applicant's account until the funds zero out. Any remaining balances are returned to the applicants. Pass-through funding is also utilized for the Town's General Plan funding. General Plan Fees are collected for development projects and held in deposit until recognized as General Plan expenses as they are incurred during the year.

BUDGET OVERVIEW

There is no net budgetary impact to this program, as revenues will equal expenditures. The revenues and expenditures reflect estimates based on prior year trends. At fiscal year-end, actuals may differ substantially from original budgeted numbers as the quantity and size of development projects within the community in any given year is not known or determinable in advance. This budget reflects a reasonable estimate only.

FY 2009/10 budgeted pass-through revenues and expenditures remain status quo due to the continuation of the General Plan update project. This project is in addition to several other projects that are anticipated to continue and/or will commence in FY 2009/10.

© COMMUNITY DEVELOPMENT DEPARTMENT ©3Pass-Through Accounts

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES		,				
Licenses and Permits	· **	-	-	5	-	
Service Charges	638,538	475,847	470,115	1,140,500	1,140,500	1,140,500
Other Sources	·=				= =	
TOTAL REVENUES	638,538	475,847	470,115	1,140,500	1,140,500	1,140,500
EXPENDITURES						
Salaries and Benefits	-	(-)	=2	-	-	
Operating Expenditures	637,917	475,354	470,235	1,140,500	1,140,500	1,140,500
Fixed Assets	-	=	=:	-	-	
Internal Service Charges	; = /	-	₩¢		: 	-
TOTAL EXPENDITURES	637,917	475,354	470,235	1,140,500	1,140,500	1,140,500

DEPARTMENT PURPOSE

The Los Gatos/Monte Sereno Police Department provides police services to the Town of Los Gatos and, through a contract, to the City of Monte Sereno. The department's vision is to accomplish three things: build a highly competent and professional Police Department providing traditional law enforcement services; build community relationships and engage in community problem solving. The Department's ultimate goal is to know everyone in the community.

The core services provided by the department are: response to emergency and non-emergency calls for service; identification of criminal activity; dispatch services; investigation and prosecution of crimes; recruiting, hiring and training of personnel; crime prevention and community outreach; traffic safety; maintenance of records and property and evidence; and community problem solving.

The department continues to build a strong police/community partnership through innovative department and community programs such as Drug Free Community Committee, Alive...And Loving Life, Youth Commission and traffic management. Volunteer programs such as Reserve Police Officers, Volunteers In Policing (V.I.P.), Disaster Aid Response Team (D.A.R.T.), the Police Chaplain program, Parking Citation Hearing Officers, Pipe and Drum Team, and the Police Explorer Scout program extend this partnership to the community. Additionally, community volunteers have been instrumental in the training and growth of the Community Emergency Response Team (CERT).

The department is focused on community problem solving. Individual officers and patrol teams are responsible for identifying problems and creating and implementing solutions to those problems. In furtherance of this effort, the department continues to develop relationships with specific segments of our community such as the Chamber of Commerce, homeowner and neighborhood associations, schools, non profit organizations, the faith community and service clubs, among others.

All police department personnel are committed to these activities and continue to make significant strides towards reaching the ultimate goal of knowing everyone in the Los Gatos and Monte Sereno communities.

BUDGET OVERVIEW

This budget overview will discuss the Police Department's focus for FY 2009/10 as well as its revenue and expenditure outlook for the next fiscal year.

Police Operations Building

In Fall 2009, the Police Department will relocate to the new Police Operations Facility, located at 15900 Los Gatos Boulevard. The new facility will house the patrol division, detective bureau, property and evidence, and an emergency operations center. Construction is currently underway and it is anticipated that the project will be completed by October 2009.

The Department will continue to engage in the county-wide, multi-agency interoperability effort to build a microwave network. This network provides a mechanism for high speed and reliable communications traffic between all law enforcement agencies within the county and eventually will be built out to include the entire bay area. The Town will purchase a second microwave link to connect the police operations building with the civic center in FY 2009/10.

The majority of funding for this project was set aside by the Town in FY 2008/09 from the general fund. Some additional installation expenses and shared county-wide personnel costs will also be added to the FY 2009/10 budget. The interoperability project is in the process of creating a joint powers agreement which will become the governing body for all participating entities and will manage all costs contributed towards interoperability programs and purchases.

FY 2009/10 Budget Outlook

The FY 2009/10 budget maintains current service levels, with some program adjustments. Police Department revenues are expected to remain fairly constant throughout FY 2009/10. New revenues were introduced and adopted by Council as part of the FY 2009/10 Comprehensive Fee Schedule in Spring 2009. The new fees include a Firearms Storage Fee and Annual Alarm Registration Fee/False Alarm Fee. The Firearms Storage Fee is for the intake and storage of seized or impounded weapons as a result of a protective order or arrest for domestic violence. The Alarm fee included a registration fee for commercial alarms to recover the cost of tracking and updating contact information. An additional fee was added for a second false alarm response. These fees are expected to generate about \$23,000 annually. A Tow Service Franchise Fee and Taxicab Fee was also approved in concept as part of the FY 2009/10 Fee Schedule, but first require ordinance changes that will be brought forward to Council at a later date. It is anticipated that these fees will generate about \$25,000 annually.

Expenditures for FY 2009/10 are higher than in prior years due to increases in salary and benefits and contract services. To contain costs, the Department has implemented several cost cutting strategies, including FTE eliminations, cost sharing for court liaison and School Resource Officer services, reductions in Community Service Officer Intern temporary hours, and overtime reduction efforts. These cost containment strategies are discussed in more detail below.

At the end of FY 2008/09, the department experienced the retirement of two senior Sergeant positions. One of these positions has been filled through the promotion of one Corporal to the rank of Sergeant. The other Sergeant position will be eliminated due to budget limitations. This will result in the consolidation of two sergeant positions that previously existed in the Department.

In September 2008, the Department engaged in a pilot project to share the duties of the court liaison with the City of Campbell Police Department. One FTE Community Service Officer from the Campbell Police Department serves as a liaison between the Office of the District Attorney, the Courts and both Police Departments to facilitate the filing of criminal cases and other documents to support a conviction. After a successful trial period, the department formalized an agreement with the City of Campbell to share funding of this position at a 60/40 split arrangement through FY 2009/10. The cost to the Town is approximately \$40,000. This arrangement allowed the department to offer one vacant FTE Police Records Specialist as reduction in the department's budget.

The School Resource Officer position (SRO) is another joint funding effort that began in FY 2008/09 and is expected to continue through FY 2009/10. With the elimination of the full time SRO in FY 2007/08, the school districts began to explore alternatives to share in the costs of one FTE officer who would be assigned to working with the students and staff of both the elementary and high school districts on a routine basis. An arrangement between the Town and school districts was made in January 2009 to jointly fund a SRO position. Staff has also submitted an application for a Federal Stimulus COPS grant to help support the SRO and another Police Officer position. The continuation of the SRO will be contingent on continued school district funding and//or receipt of a federal COPS Stimulus Grant to pay for the costs of the backfill officer to return the Patrol Division to full staffing.

The department has reduced the number of hours for CSO Interns from three to two, resulting in an additional \$20,000 in salary savings. The CSO Intern program has proven to be an excellent training ground for students who desire a future career in law enforcement. Two of this department's most recent hires worked in this program. The reduction of hours allocated to this program will allow it to continue but will essentially reduce the number of interns the department will hire since they share the same pool of hours. Given the limited number of officer vacancies anticipated over the next several years, this reduction should not impact training or service delivery.

The department's training budget has been reduced by approximately \$17,000. Only mandatory or certification training classes will be authorized in most programs. This reduction will be managed to balance with the need to continued department training in areas of high liability. Additionally, some training programs such as range qualifications will be conducted on-regular time versus overtime.

Other operational expenditure changes include transferring \$19,000 from the Parking Reserve Fund in the General Fund Appropriated Reserves (GFAR) to fund valet services during the holiday season. By using this funding source, the General Fund can offset its operational expenditures.

Overtime funding in all programs continues to be relied upon by the department to backfill for vacancies as a result of training, vacation, sick or extended absences. The department acknowledges a need to reduce the reliance on these funds to compensate for personnel absences and has implemented several

reduction strategies. This will be a continued focused reduction effort for the department in FY 2009/10 to ensure that total Department expenditures remain in budget at year end.

For the Police Department budget, FY 2009/10 will be focused on cost containment, work management and revenue generation. New opportunities for sharing of services with the Campbell Police Department will also be explored. Grant and new revenue opportunities are also being considered to supplement the department's budget. Existing revenue generating programs have had modest increases to the fee schedule for the next fiscal year. In general, the department will continue to make every effort to offer a high level of quality service to the citizens of this community in light of the current economic situation.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	Implemented a 36-hour Los Gatos "Parent Project Class" to provide parental communication skills in dealing with strong willed adolescent children.
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	 Revised the Town-Wide Emergency Operations Plan and enhanced emergency response training for Town staff. Collaboratively implemented a regional public safety emergency notification system tentative scheduled to be activated in Summer 2009. Assisted with the development of the New Police Operations Building project. It is anticipated that the new facility will be complete in Fall 2009. Successfully investigated and solved a high-profile conspiracy crime.

DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

		2005/06		2006/07		2007/08		2008/09		2008/09		2009/10
		Actuals	_	Actuals	_	Actuals	_	Adopted	I	Estimated		Adopted
REVENUES				varantara.a						200000		
Licenses and Permits		44,790		46,363		44,446		42,500		41,126		72,200
Intergovernmental Revenue		1,077,621		543,880		609,216		581,680		565,000		557,840
Service Charges		265,343		580,574		542,110		639,430		642,856		705,170
Fines and Forfeitures		547,296		502,170		294,538		338,900		432,500		432,500
Other Sources	_	89,629	_	49,165		93,548	_	61,600		112,475		64,600
TOTAL REVENUES	S	2,024,679	S	1,722,152	S	1,583,858	S	1,664,110	S	1,793,957	\$	1,832,310
EXPENDITURES												
Salaries and Benefits		9,172,187		9,551,499		9,985,591		10,601,900		10,559,300		10,606,919
Operating Expenditures		863,471		829,393		838,615		851,950		947,914		974,445
Fixed Assets		167,635		7,458		37,628		-		-		
Internal Service Charges		1,164,867		1,232,300		1,370,629		1,463,280		1,546,880		1,507,251
Buildings & Facilities Maint.		:-		-		:=:		*		-		-
TOTAL EXPENDITURES	\$	11,368,160	S	11,620,650	S	12,232,463	S	12,917,130	S	13,054,094	\$	13,088,615
EXPENDITURES		2005/06		2006/07		2007/08		2008/09		2008/09		2009/10
BY PROGRAM		Actuals	_	Actuals		Actuals		Adopted		Estimated	Na	Adopted
Administration	S	456,505	S	478,878	S	494,777	S	500,050	S	499,200	\$	492,109
Records and Communications	S	1,266,666	S	1,384,702	S	1,459,075	S	1,664,760	S	1,617,110	\$	1,679,573
Patrol	S	5,524,247	S	5,798,683	S	6,418,423	S	6,802,190	S	7,004,292	S	6,897,167
Investigations	S	1,984,817	S	2,018,770	S	2,017,420	S	2,087,730	S	2,148,335	\$	2,135,613
Traffic	S	739,177	S	781,033	S	740,387	S	788,800	S	665,700	S	814,799
Personnel & Community Svcs	S	684,563	S	509,434	S	624,801	S	611,140	S	626,665	\$	570,889
Parking	S	512,918	S	625,119	S	442,929	S	440,460	S	470,792	\$	476,465
Operating Grants	S	5,090	S	10,282	S	15,065	S		S		5	
Pass-Through Accounts	S	199,267	S	24,031	S	19,586	S	22,000	S	22,000	S	22,000
TOTAL EXPENDITURES	S	11,373,250	S	11,630,932	S	12,232,463	S	12,917,130	S	13,054,094	\$	13,088,615

DEPARTMENT STAFFING

Full Time Equivalents (FTE)

General Fund Staffing	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00
Police Captain	2.00	2.00	2.00	2.00	2.00	2.00
Police Sergeant	8.00	9.00	9.00	9.00	9.00	8.00
Police Corporal	5.00	-	-	5.00	5.00	5.00
Police Officer	26.00	30.00	30.00	25.00	25.00	26.00
Community Services Officer	4.00	4.00	4.00	4.00	4.00	4.00
Crime Analyst	-	1.00	1.00	1.00	-	
Police Admin. Services Mgr.	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00	1.00
Communications Dispatcher	7.00	7.00	7.00	7.00	7.00	7.00
Parking Control Officer	2.00	3.00	3.00	2.00	2.00	2.00
Police Records Specialist	3.00	3.00	3.00	3.00	4.00	3.00
Total General Fund FTEs	60.00	62.00	62.00	61.00	61.00	60.00
Temporary Staff Hours						
Community Service Officer In	terns	2,080	2,080	3,120	3,120	2,080
Police Records Specialist - Te	mp	-	·	-:	141	320
Communication Dispatcher - 7	Гетр	520	520	520	520	520
Total Annual Hours		2,600	2,600	3,640	3,640	2,920

POLICE ADMINISTRATION PROGRAM 4101

PROGRAM PURPOSE

Police Department administration is responsible for effectively managing all department programs by developing policy, planning and implementing organizational tasks, and oversight of the department budget and expenditures. The administrative unit supports responsive, effective, and efficient police service and a strong police/community partnership. Direction of department operations will be consistent with Town policies and community safety needs, especially in the areas of open communication with the public, responsive crime suppression and prevention programs, directed traffic enforcement to promote safe and orderly traffic flow on Town streets and comprehensive disaster preparedness. Department administration is dedicated to furthering the mission and goals of the department and supporting the personnel who are responsible for carrying them out.

BUDGET OVERVIEW

This program continues to be the primary support for the Town's Youth Commission activities. There are no substantial increases or decreases in this program for FY 2009/10.

POLICE DEPARTMENT (3) Police Administration

SUMMARY OF REVENUES AND EXPENDITURES

		005/06 ctuals		2006/07 Actuals	007/08 Actuals	2008/09 Adopted	0.00	008/09 stimated	009/10 dopted
REVENUES									
Licenses and Permits		-		19	8,328	6,500		4,500	1,000
Intergovernmental Revenues		-		1.0	-	-		=:	
Service Charges		-		-	-	-		21	-
Fines and Forfeitures		-		1.50		: -		- 6	4
Other Sources		4,900	_	32	- 2			57,515	10,000
TOTAL REVENUES	\$	4,900	\$:=	\$ 8,328	\$ 6,500	\$	62,015	\$ 11,000
EXPENDITURES									
Salaries and Benefits	1	376,221		377,773	378,945	377,400		374,800	362,444
Operating Expenditures		20,522		20,780	34,497	22,500		23,850	32,425
Fixed Assets		121		-	=	720		II-	-
Internal Service Charges	212	59,762	21	80,325	81,335	 100,150	_	100,550	97,240
TOTAL EXPENDITURES	\$	456,505	\$	478,878	\$ 494,777	\$ 500,050	S	499,200	\$ 492,109

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and collaborative governance	Organizational Development The Administrative unit will continue to build on its efforts to strengthen the core management team through skill development, cross-training, and teambased work activities. Activities this year will focus on an organizational review of promotional preparation, strategic planning, elevating the organization from "good to great" and building strategies for increased regional collaboration.
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	Youth Commission The Los Gatos Youth Commission is responsible for advising the Town Council on issues involving the youth of Los Gatos. The Commission works to solicit input for various issues which are important to local youth. The Commission participates in several local activities and will continue to expand their involvement in the community.
Public Safety Ensure public safety through proactive	Community Outreach Goal The Administrative unit will direct and monitor all personnel efforts towards achievement of the department's vision and its ultimate department goal of "knowing everyone in our community" and continue efforts with the new resident outreach program.
community policing, affective emergency response, and community-wide emergency preparedness	Emergency Preparedness The Police Department will provide oversight with its Community Emergency Response Team (CERT), in partnership with the Town Manager's Office, and local, state, and regional health and public safety organizations and agencies, to implement the forth year of "Los Gatos Prepared"- a campaign to provide residents and businesses with a 72-hour resource plan for self-sufficiency during a natural or man-made disaster.

POLICE DEPARTMENT & Police Administration

KEY PROGRAM SERVICES

- · Administer department operations
- · Provide policy and philosophy guidance
- Develop and monitor the department's annual operating budget

POLICE ADMINISTRATION PROGRAM STAFFING

· Full Time Equivalents (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00	1.00
Total Administration FTEs	2.00	2.00	2.00	2.00	2.00	2.00



RECORDS AND COMMUNICATION PROGRAM 4201

PROGRAM PURPOSE

The Police Department Communications Center handles the vast majority of all incoming phone calls to the Police Department on a daily basis. Of significant importance is the answering of all 911 emergency calls for service to the department, including newly routed cellular phone calls. In addition to answering these incoming calls, dispatchers are responsible for assigning the appropriate police personnel needed to respond to the incident or transferring the call to another designated agency. The Communications Center functions as the central point of contact for all department personnel and the emergency, and more routine needs of the community.

The Police Department Records unit serves as a repository for all police records. This unit is responsible for the accurate data entry and maintenance of police activity in all systems including the in-house records management systems, county, state and intra-state databases. Records personnel also provide general information to the public on police related matters and manage the release of public information.

The Communications Center and Records Unit is supervised by the Administrative Services Manager who also provides support to police administration on the department budget, grant writing and general analytical duties.

BUDGET OVERVIEW

The FY 2009/10 budget maintains prior year service levels, with a moderate decrease in salary and benefits and increase operating expenditures, including internal service charges. Revenues are anticipated to remain at FY 2008/09 levels. Salary and benefits are lower due to the elimination of a vacant Records Specialist position. This reduction was possible as a result of partnering with the City of Campbell to provide shared court liaison services. Operating expenditures have risen because of contractual cost of living adjustments. Internal service charges have also increased due to the anticipated opening of the new police operations building in fall 2009.

The Records and Communications Unit continues to explore opportunities to enhance services and reduce costs. In November 2008, the Unit partnered with the Campbell Police Department to cross train Campbell dispatchers to fill shift vacancies at the Los Gatos communications center on a per diem basis. Once the Unit's staffing has stabilized, cross training efforts will include the training of Los Gatos dispatchers at the Campbell communications center. It is expected that this approach will help reduce

Records and Communications

overtime costs and the fatigue factor associated with using existing full-time employees to cover shift vacancies.

Other operational changes including reducing police records public counter hours to enhance the productivity of employees. In Spring 2009, public records counter hours were adjusted from 8:00 a.m. – 5:00 p.m., Monday – Friday to 9:00 a.m. – 4:00 p.m., and will be continued through FY 2009/10.

The Records and Communications Unit continues to move forward with the electronic document storage system, a CIP project approved in FY 2008/09. This system will allow documents to be electronically retrieved and provides limited access to sharing of key documents with the Campbell Police Department.

Additional sharing opportunities and cost saving strategies will be evaluated in FY 2009/10 and future years, including the possible sharing of dispatch services and shared use of the department's computer aided dispatch software.

SUMMARY OF REVENUES AND EXPENDITURES

		2005/06 Actuals		2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		2008/09 stimated		2009/10 Adopted
REVENUES	_	retuins	_	1100000				raoptea				raoptea
Intergovernmental Revenues		-		-1				-		-		
Service Charges		23,275		19,484		17,615		19,000		19,000		19,000
Fines and Forfeitures		-		-		*		9		- 30		-
Other Sources						-						
TOTAL REVENUES	S	23,275	\$	19,484	\$	17,615	S	19,000	S	19,000	S	19,000
EXPENDITURES												
Salaries and Benefits		999,671		1,113,369		1,149,589		1,333,600		1,260,800		1,280,802
Operating Expenditures		175,560		176,573		210,414		234,810		261,560		293,410
Fixed Assets		-		7,458		7,458		-		-		- 0
Internal Service Charges		91,435		87,302		91,614		96,350		94,750	5.45	105,361
TOTAL EXPENDITURES	S	1,266,666	S	1,384,702	S	1,459,075	S	1,664,760	S	1,617,110	S	1,679,573

Records and Communications

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and collaborative governance	This project will allow remote access to police records and was started a joint project between the Police department and Planning. It will be carried into FY 2009/10.
Public Safety Ensure public safety through proactive community policing,	Silicon Valley Regional Interoperability Project This multi-year county-wide project increases information and data sharing capabilities. The Chief of Police chairs this project committee. Personnel costs will continue. Ongoing microwave tower lease costs for the Los Gatos microwave link will be approximately \$12,000 per year and will include a link to the new Operations building.
affective emergency response, and community-wide emergency preparedness	Radio Infrastructure Upgrade The Silicon Valley Regional Interoperability Project (SVRIP), of which Los Gatos is a member, is still planning to conduct a feasibility study to examine the development and costs of building a hybrid 700/150 megahertz radio communications system for Santa Clara County. Forecast replacement costs for the radio system anticipates a migration to a regional radio system.

KEY PROGRAM SERVICES

Records

- Respond to customer inquiries
- · Process police reports and citations
- · Process criminal and traffic warrants
- Provide fingerprint services to citizens

Communications

- Respond to 911 calls and other emergency/non emergency calls
- · Provide dispatch service to Patrol
- · Dispatch emergency personnel
- · Handle customer inquiries
- · Maintain audio recordings of radio and phone traffic; provide copies for court and department use

Administrative Analysis

- · Provide departmental financial / budget and general analysis
- Develop and monitor the department's annual operating budget
- Department liaison for SVRIP committee

Records and Communications

RECORDS & COMMUNICATION PROGRAM STAFFING

Full Time Equivalents (FTE)

Police Records Specialist Communications Dispatcher

Total Annual Hours

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Police Admin. Services Mgr.	1.00	1.00	1.00	1.00	1.00	1.00
Communications Dispatcher	7.00	7.00	7.00	7.00	7.00	7.00
Police Records Specialist	3.00	2.00	2.00	2.00	4.00	3.00
Total Records & Comm. FTEs	11.00	10.00	10.00	10.00	12.00	11.00
		2005/06	2006/07	2007/08	2008/09	2009/10
Temporary Staff Hours		Funded	Funded	Funded	Funded	Funded
	100					
Police Records Specialist		-	F4t	4	2	320

Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Provide efficient delivery of police reports, records information, and other record services to the public.					
	a. Processing time for reports of Part I offenses:	3 days	3 days	3 days	3 days	3 days
	b. Processing time for reports of Part II offenses:	7 days	7 days	7 days	7 days	7 days

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ity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Total calls for service received:					
Total landline and wireless calls received by dispatch	27,303*	63,332	57,290	69,625	69,625
Number of 9-1-1 calls received:	5,246	7,599	6,602	8,355	8,355
Number of front counter contacts:	no longer tra	icked			
Number of stored and/or impounded vehicles processed:	292	256	258	238	238
Number of police reports processed:	3,099	2,849	3,140	3,036	3,036
	Total calls for service received: Total landline and wireless calls received by dispatch Number of 9-1-1 calls received: Number of front counter contacts: Number of stored and/or impounded vehicles processed:	Total calls for service received: Total landline and wireless calls received by dispatch Number of 9-1-1 calls received: Number of front counter contacts: Number of stored and/or impounded vehicles processed: 27,303* 5,246 no longer training traini	Total calls for service received: Total landline and wireless calls received by dispatch Number of 9-1-1 calls received: Number of front counter contacts: Number of stored and/or impounded vehicles processed: 27,303* 5,246 7,599 no longer tracked 292 256	Total calls for service received: Total landline and wireless calls received by dispatch 27,303* 63,332 57,290 Number of 9-1-1 calls received: 5,246 7,599 6,602 Number of front counter contacts: no longer tracked Number of stored and/or impounded vehicles processed: 292 256 258	Total calls for service received: Total landline and wireless calls received by dispatch Number of 9-1-1 calls received: Number of front counter contacts: Number of stored and/or impounded vehicles processed: 27,303* 63,332 57,290 69,625 5,246 7,599 6,602 8,355 Number of stored and/or impounded vehicles processed: 292 256 258 238

New phone system installed in dispatch center in September 2005 enabling the PD to track the volume of all incoming calls.

PERSONNEL AND COMMUNITY SERVICES PROGRAM 4202

PROGRAM PURPOSE

The Personnel and Community Services (PCS) program provides a critical level of support to the police department, primarily through the recruitment of new personnel, continued education and training for all department members, development and administration of crime prevention activities, coordination of the Town's emergency response activities, monitoring of the department's information technology programs, as well as oversight of the numerous volunteer programs that support all functions of the department.

Increased mandates from The Department of Homeland Security are the responsibility of the sergeant assigned to Personnel and Community Services. The Personnel and Community Services program is also responsible for the monitoring of all department information technology systems and programs. The unit supervisor works closely with Town IT staff members to ensure the contemporary management of police information networks.

BUDGET OVERVIEW

The FY 2009/10 budget maintains prior year's service levels with a moderate decrease in expenditures. This program reflects funding for a School Resource Officer (SRO) position, which is jointly supported between the Town and the Elementary and High School Districts. Staff has also submitted an application for a Federal Stimulus COPS grant to help support the SRO and another Police Officer position. If either funding source becomes unavailable, the SRO position could be discontinued. The proposed FY 2009/10 budget also eliminates a PCS Sergeant which will be backfilled through the consolidation of the Administrative Sergeant from the Patrol program.

In FY 2009/10, staff will explore converting management of the Community Emergency Response Team (CERT) program to rely more on County Fire personnel or civilian staff to reduce the overtime costs associated with this program.

The Personnel and Community Service program oversees all mandated training as specified by the State of California's Peace Officer Standards and Training (POST). Part of this responsibility includes exploring ways to provide quality training at a reasonable cost, while, while managing overtime expenses.

№ POLICE DEPARTMENT ©3Personnel and Community Services

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Intergovernmental Revenues	279,748	256,056	283,185	291,490	275,000	286,840
Service Charges		-	:=:	-	. 	-
Fines and Forfeitures	-	27	121	£	¥:	
Other Sources	13,498	2,183	32,516	8,000	-	
TOTAL REVENUES	\$ 293,246	\$ 258,239	\$ 315,701	\$ 299,490	\$ 275,000	\$ 286,840
EXPENDITURES						
Salaries and Benefits	508,948	325,259	358,222	373,600	366,000	326,519
Operating Expenditures	44,786	37,384	45,988	39,500	60,525	40,100
Fixed Assets	œ		30,170		=	-
Internal Service Charges	130,829	146,791	190,421	198,040	200,140	204,270
Buildings & Facilities Maint.	=	7. -	<u> </u>	a .	-	
TOTAL EXPENDITURES	\$ 684,563	\$ 509,434	\$ 624,801	\$ 611,140	\$ 626,665	\$ 570,889

№ POLICE DEPARTMENT ©Personnel and Community Services

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects				
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	Mobile Audio/Video (MAV) This project will continue as an ongoing project in PCS as the main focus will be to continue to enhance capability and reduce problem areas with the software package. Additional training for officers will continue provided by the MIS specialist in this program.				
	Volunteer Programs				
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	The department focus will be on increasing volunteer assignments to continue supporting the various functions of the police department, including the resident outreach program, Community Emergency Response Team (CERT) whose mission is to increase the Town's overall preparedness for a disaster, and vacation checks. **New Resident Outreach Program** This program is a collaborative effort between the real estate and escrow companies in Town and the police department. The department intends to increase the number of resident contacts by Police Department Volunteers, providing a packet of information about the Police Department and Town Services. This program will continue to enhance access between the community				
	and the police, thereby allowing for a positive connection to our residents in a unique and meaningful way.				
	Department Training				
Good Governance Ensure responsive, accountable and collaborative governance	This ongoing program manages the training needs for all personnel in order to maintain credential standards and improve job knowledge and performance. The department has prioritized its training needs and continues to develop the ability to provide training using department personnel and will focus on training during on duty time to reduce overtime. The department will continue to aggressively evaluate all requests for external training in order to keep costs at a minimum.				

KEY PROGRAM SERVICES

- Manage personnel hiring
- Manage the department training program
- Coordinate the department's community outreach, crime prevention and neighborhood organization efforts
- Manage the volunteer program
- Coordinate emergency management response, training of personnel and maintenance of Emergency Operations Center (EOC)
- Develop, coordinate, and manage the Community Emergency Response Team

№ POLICE DEPARTMENT ©Personnel and Community Services

PERSONNEL & COMMUNITY SERVICE PROGRAM STAFFING

Full Time Equivalents (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Police Sergeant		1.00	1.00	1.00	1.00	
Police Officer	1.00	1.00	36	-	-	1.00
Crime Analyst	-	-	i=	=)		ing it is
Community Services Officer	1.30	2.00	1.30	1.30	1.30	1.30
Total Personnel & CS FTEs	2.30	4.00	2.30	2.30	2.30	2.30

Pe	erformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Enhance the breadth of public safety services provide through the effective use of volunteers.	d				
	 Percentage of Volunteer in Policing (VIP) reporting satisfaction with their assignments: 	ng 100%	100%	100%	100%	100%
2.	Prepare resident volunteers to assist in an emergency					
	Percentage of CERT participants better prepared assist in an emergency:	to 100%	100%	100%	100%	100%
Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Hours of essential training provided to each person in specialized assignment (Detective Bureau, Traffic,	a 40	40	40	40	40
2.	Number of hours of VIP service:	5,562	3,885	3,286	4,708	4,708
3.	Dollar value of total annual VIP hours of service:*	\$161,298	\$112,665	\$95,294	\$95,326	\$95,326
	The dollar amount used prior to 2004/05 was for a first step it was determined that the hourly wage should be that of a f Officer. Therefore 2004/05 and future years will be based or	irst step Communit	y Service			
4.	Annual number of public school visits by the School Resource Officer:	Data Not Available	Data Not Available	Data Not Available	300	624
7.	Average hours of training for sworn officers:	25	25	30	51	30
8.	Average hours of training for non-sworn personnel:	15	16	24	15	24
9.	Number of CERT personnel trained:	78	78	78	64	64

PATROL PROGRAM 4301

PROGRAM PURPOSE

The Patrol Program performs preventive patrol, engages in assigned and self initiated enforcement actions and community problem solving designed to increase community safety. Officers are available to provide police assistance seven days per week, 24 hours per day. The Patrol unit maintains quality law enforcement and community service while providing a safer and more secure environment in which to live and visit. The patrol officer initiates citizen contacts, responds to calls for service, makes arrests, participates in community problem solving and issues traffic citations and warnings. Community Service Officer Interns respond to non-criminal and non-emergency calls where suspects are no longer present, investigate accidents, assist patrol officers and process crime scenes. Specialized units include motorcycle patrol and officers assigned collaterally to Special Weapons and Tactics (SWAT), Field Training and the Crime Scene Team.

BUDGET OVERVIEW

The FY 2009/10 budget reflects an increase in revenues and overall expenditures, including salary and benefits. Adjustments in revenues are due to an increase in the Monte Sereno police services contract and newly adopted fees by Council as part of the FY 2009/10 Comprehensive Fee Schedule. New police fees include an Annual False Alarm Registration fee for commercial alarms to recover the cost of tracking and updating contact information and a second false alarm response fee. Changes in expenditures are due to increases in salary and benefits, contractual expenses, and internal service charges for the new police operations facility. To help offset other cost increases, the number of Community Service Officer Interns has been reduced from three to two.

In prior years, funding in the amount of \$90,000 was provided to "hire ahead," to reduce delays in hiring new officers and mitigate the impacts of unanticipated vacancies. Given current budget limitations and that no officer vacancies are anticipated next year, the "hire ahead" funds will be reduced to \$40,000 and used to offset unbugeted overtime expenses.

№ POLICE DEPARTMENT ©Patrol Program

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES			-			
Licenses and Permits	7,897	14,476	7,900	5,000	5,426	15,000
Intergovernmental Revenue.	383,555	64,396	33,900	32,000	32,000	10,000
Service Charges	93,152	456,955	472,276	562,500	561,267	620,590
Fines and Forfeitures	7-	-	-	-	-	-
Other Sources	19,548	1,811	19,846	10,000	10,000	10,000
TOTAL REVENUES	\$ 504,152	\$ 537,638	\$ 533,922	\$ 609,500	\$ 608,693	\$ 655,590
EXPENDITURES						
Salaries and Benefits	4,761,961	5,052,955	5,673,177	6,009,700	6,134,800	6,096,974
Operating Expenditures	211,967	191,147	121,601	114,600	119,902	105,850
Fixed Assets	-	=	-	85	12	-
Internal Service Charges	550,319	554,581	623,645	677,890	749,590	694,343
TOTAL EXPENDITURES	\$ 5,524,247	\$ 5,798,683	\$ 6,418,423	\$ 6,802,190	\$ 7,004,292	\$ 6,897,167

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	Police Operations Building In FY 2009/10, the police department will split its operations and move patrol operations, detective bureau and property and evidence to the new building on Los Gatos Boulevard. The new building will include an Emergency Operations Center (EOC) with a communications dispatch back up station in the event of a disaster or major critical incident. Transient Population The transient population in Town at any given time ranges from 25-30 individuals, many with alcohol and/or drug dependency and severe mental health issues. The crimes committed by some of these individuals range from public intoxication and drug use to assault and weapons charges. The department will take a proactive approach to identifying this population and through increased enforcement or identifying community resources to assist them.
Good Governance Ensure responsive, accountable and collaborative governance	Problem Oriented Policing The department will continue to develop strategic and proactive efforts to identify, solve and evaluate community problems, partnering with the school district, business community and neighborhoods, specifically related to disorder related to alcohol, drugs and youth high risk behavior.

№ POLICE DEPARTMENT CS Patrol Program

KEY PROGRAM SERVICES

- Respond to emergency and non-emergency calls for service
- Perform directed patrol and self initiated activity during non committed time
- Investigate crimes and traffic accidents
- Support the Department's traffic enforcement control program; including issuance of traffic and parking citations
- Solve community problems using proactive Problem Oriented Policing techniques
- Build relationships within the community to enhance public safety
- Oversee Disaster Aid Response Team (DART), Reserve Police Officers, and the Police Explorer Post

PATROL PROGRAM STAFFING

Full Time Equivalents (FTE)

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Police Captain	1.00	1.00	1.00	1.00	1.00	1.00
Police Sergeant	6.00	6.00	6.00	6.00	6.00	6.00
Police Corporal	5.00		i S	5.00	5.00	5.00
Police Officer	18.00	20.00	22.00	18.00	18.00	18.00
Total Patrol Program FTEs	30.00	27.00	29.00	30.00	30.00	30.00

Temporary Staff Hours	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Service Interns	2,080	2,080	3,120	3,120	2,080
Total Annual Hours	2,080	2,080	3,120	3,120	2,080

№ POLICE DEPARTMENT ©Patrol Program

Pei	rfoi	rmance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.		ovide safe environment through timely response and lice assistance.					
	a.	Average response time - Priority I calls	4:95	4:50	5:14	4:52	4:52
	b.	Average response time - Priority II calls	8:81	6:56	6:20	6:41	6:41
	c.	Average response time - Priority III calls	14:79	13:70	10:30	10:58	10:58
*		Reduction in response time due to system tracking and tabulation versus manual data collection and tabulation.					

Ac	tivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of Priority I calls (serious emergency and public safety hazard):	312	349	317	302	302
2.	Number of Priority II calls (immediate response, but non-emergency):	4,465	4,250	4,663	4,113	4,113
3.	Number of Priority III calls (non-emergency):	5,537	5,331	5,880	5,670	5,670
4.	Hours of Volunteer Reserve Officer hours used:	1,370	1,436	1,090	744	744
5.	Dollar value of total Reserve Officer hours used:	\$48,100	\$52,169	\$39,599	\$26,784	\$26,784
6.	Hours of Disaster Aid Response Team service used:	1,707	1,380	1,390	1,440	1,440
7.	Dollar value of total Disaster Aid Response Team service used:	\$59,933	\$50,135	\$50,498	\$50,400	\$50,400
8.	Number of hours patrolling Monte Sereno:	4,572	4,871	4,160	5,458	5,458
9.	Total number of arrests by Los Gatos/ Monte Sereno Police Department:	905	1,095	1,214	934	934
*	Reduction in volunteer officer hours due to personnel resignations.					

TRAFFIC PROGRAM 4302

PROGRAM PURPOSE

The Traffic Unit of the Police Department is responsible for ensuring the safe and free flow of traffic on the Town's streets and highways. Officers assigned to traffic enforcement are responsible for directed enforcement activities designed to address traffic complaints and to reduce personal injuries obtained as a result of a traffic collision. Officers spend numerous hours coordinating and serving on annual public awareness campaigns designed to increase driver attentiveness to safety issues. Permitting and coordination of Town sponsored events that may impact the flow of traffic on Town streets also fall under the responsibility of this unit. Supervision of the Parking Management Program is performed by the sergeant in this program.

BUDGET OVERVIEW

The FY 2009/10 budget maintains prior year's revenue levels, and reflects an increase in expenditures. New police fees were adopted by Council as part of the FY 2009/10 Comprehensive Fee Schedule and include a Tow Franchise Fee and Taxicab Fee. Implementation of these fees will require an ordinance change that will be brought forward to Council at a later date. It is anticipated that these fees combined will generate about \$25,000 annually. Changes in expenditures include increases in internal service funds for the new police operations facility which is scheduled to open in Fall 2009.

Two motorcycles officers are currently assigned to the Traffic Unit. The department plans to re-engage in joint traffic enforcement opportunities with the City of Campbell Police Department in FY 2009/10. Staff continues to seek state grants in order to provide additional traffic officers for targeted enforcement of drinking driver campaigns and seat belt enforcement.

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 _Adopted_	2008/09 Estimated	2009/10 Adopted
REVENUES						
Licenses & Permits	10,024	6,295	3,974	6,000	6,200	31,200
Intergovernmental Revenues	226,682	223,428	263,624	258,190	258,000	258,000
Service Charges	45,995	45,293	51,928	51,930	59,839	62,830
Fines and Forfeitures	149,854	155,070	103,655	93,900	57,500	57,500
TOTAL REVENUES	\$ 432,555	\$ 430,086	\$ 423,181	\$ 410,020	\$ 381,539	\$ 409,530
EXPENDITURES						
Salaries and Benefits	578,118	600,446	530,608	593,700	478,900	607,732
Operating Expenditures	66,143	70,094	82,786	81,200	79,200	82,400
Fixed Assets	-	9 .	-		-	•
Internal Service Charges	94,916	110,493	126,993	113,900	107,600	124,667
TOTAL EXPENDITURES	\$ 739,177	\$ 781,033	\$ 740,387	\$ 788,800	\$ 665,700	\$ 814,799

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Public Safety Ensure public safety through proactive	Towing Services Franchise Agreement The Police Department in partnership with a local towing service company will provide for exclusive towing services which will increase efficiency, communication and increased revenue for FY 2009/10.
community policing, affective emergency response, and community-wide	Joint Traffic Enforcement The department will continue to work periodically with the Campbell Police Department to provide enhanced traffic enforcement in designated areas.
emergency preparedness	Traffic Safety Campaigns The department will pursue new programs and provide assistance in established programs that are designed to increase driver safety and awareness.

KEY PROGRAM SERVICES

- Respond to and investigate traffic accidents
- Educate the public on traffic safety
- Manage the Special Event Permit process
- Manage the Parking Control Program

№ POLICE DEPARTMENT (%) Traffic

TRAFFIC PROGRAM STAFFING

Full Time Equivalents (FTE)						
	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Police Sergeant	0.70	1.00	0.70	0.70	0.70	0.70
Police Officer	2.00	3.00	2.00	2.00	2.00	2.00
Community Services Officer	0.30	-	0.30	0.30	0.30	0.30
Total Traffic Program FTEs	3.00	4.00	3.00	3.00	3.00	3.00

Pe	rformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Reduction of DUI involved collisions through specialized enforcement and educational programs. a. Percentage of reported traffic collisions involving drugs or alcohol:	2.0%	2.0%	2.9%	3.3%	3.3%
2.	Through directed enforcement, the program seeks to minimize the loss of life and reduce personal injuries due to traffic collisions.					
	a. Traffic Index:	19.80	29.80	23.04	20.25	24.00
	The Traffic Index is a national standard developed by the Feder determined by dividing the number of hazardous citations issue index of 35 is generally viewed as desirable. A substantially hig excessive number of citations that are not related to the causes indicates that inadequate staffing or attention is directed at the	d by the total n gher number we of traffic collisi	umber of fatal ould indicate to ons. A substan	and injury co hat officers ar ntially lower r	llisions. An e writing an	

Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Total number of traffic citations issued (includes hazardous citations):	3,605	3,240	2,199	1,665	2,000
2.	Number of courtesy citations issued:	1,146	1,207	900	655	655
3.	Number of DUI arrests:	115	116	95	86	86
4.	Number of traffic collision reports:	282	199	278	284	284
5.	Number of injury collisions:	73	55	72	79	79
6.	Number of hazardous citations:	1,446	1,639	1,659	1,600	1,600



INVESTIGATIONS PROGRAM 4303

PROGRAM PURPOSE

The Investigations program conducts self initiated and follow-up investigations of crime, and coordinates the prosecution of crimes through the court system.

Officers in this program spend the majority of their time on cases that require in-depth investigation, identification of crime trends and patterns, participation on county task force teams, recovery of stolen property and deterrence of juvenile crime. Support is provided to patrol officers who conduct their own investigations. In addition, the unit also maintains property and evidence storage and disposal, monitors sex offenders, and provides crime analysis and statistical support to the department.

BUDGET OVERVIEW

The FY 2009/10 budget reflects a slight increase in revenue due to a new Firearms Storage Fee adopted by Council as part of the FY 2009/10 Comprehensive Fee Schedule. The Firearms Storage Fee is charged for the intake and storage of seized or impounded weapons as a result of a protective order or arrest for domestic violence.

Expenditures have risen due to salary and benefit adjustments and costs associated with the Santa Clara County Crime Lab. It is anticipated that these costs will increase by \$20,000 in FY 2009/10. Fees are primarily dependent upon the number of cases with evidence presented for analysis using a five year average formula. While the department does not expect these fees to significantly decrease due to rising personnel costs and workload, especially in the area of detailed laboratory analysis, the department has implemented internal controls to limit excessive lab analysis submissions.

The Investigations program continues to assign one Police Officer position to the Santa Clara County Specialized Enforcement Team (SCCSET). This task force does not reimburse the Town for officer participation; however, the department does receive assistance from the members of this task force to address narcotics related crime in Los Gatos, including significant support during the 2008 homicide investigation. Officers assigned to this task force receive training and experience that is valuable to the organization upon their return.

№ POLICE DEPARTMENT Investigations

2009/10 KEY PROJECTS

Strategic Goals	Key Projects									
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	Case Management System Staff continues to expand its use of the modules within the Case Management System, part of the department's Records Management System, which enhances tracking of case load and investigative activity.									
	Police Operations Building Staff will play an integral part in assisting with the move of the detective bureau to the Police Operations Building in 2009. A feasibility study will occur to determine whether a bar code system for property and evidence can be included in the existing case management system, thereby removing the manual system and increasing efficiencies.									
Good Governance Ensure responsive, accountable and collaborative governance	Cross Training As part of the department's desire for succession planning as well as providing additional training opportunities for all officers, patrol officers will train with existing detectives for a two to three week period, when staffing allows without increased overtime. This will offset, to some degree, the previous reduction of a permanent task force assignment to address patrol staffing issues. Homicide Trials The department is expected to be managing criminal trials in FY 2009/10 for two homicide cases that occurred in 2008 and 2001. These trials will include a majority of the investigations division, along with patrol operations supervisors and officers.									

SUMMARY OF REVENUES AND EXPENDITURES

		2005/06 Actuals		2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		2008/09 Estimated		2009/10 Adopted	
REVENUES											200		
Intergovernmental Revenues		20,000				-		-		~		3,000	
Service Charges		102,921		58,842		291		6,000		2,000		2,000	
Fines and Forfeitures		-		_		21		-		-		-	
Other Sources		-		-		=,	-	-		1,360		1,000	
TOTAL REVENUES	S	122,921	S	58,842	S	291	\$	6,000	S	3,360	S	6,000	
EXPENDITURES													
Salaries and Benefits		1,636,502		1,658,380		1,625,263	1,	,645,900	1,683,200		1,677,779		
Operating Expenditures		165,302		174,437		198,217		219,180		228,285		246,550	
Fixed Assets		**		-		15		Tip.		-		ME BY	
Internal Service Charges		183,013		185,953		193,940		222,650		236,850	(AR)	211,284	
TOTAL EXPENDITURES	\$	1,984,817	\$	2,018,770	s	2,017,420	\$ 2,	,087,730	S 2	,148,335	S 2	,135,613	

KEY PROGRAM SERVICES

- · Investigate and solve crimes
- · Direct and coordinate the prosecution of offenders
- · Provide services to victims
- · Provide diversion opportunities and counseling to local youth
- · Assist in management of property and evidence
- · Monitor and register narcotics, sex, and arson offenders
- · Provide administrative, strategic and tactical crime analysis

INVESTIGATIONS PROGRAM STAFFING

Full Time Equivalents (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Police Captain	1.00	1.00	1.00	1.00	1.00	1.00
Poice Sergeant	1.00	1.00	1.00	1.00	1.00	1.00
Police Officer *	5.00	6.00	6.00	5.00	5.00	5.00
Community Services Officer	2.00	2.00	2.00	2.00	2.00	2.00
Crime Analyst	*	1.00	1.00	1.00	-	
Total Investigation FTEs	9.00	11.00	11.00	10.00	9.00	9.00

^{*} Includes one officer in the Santa Clara County Enforcement Team (SCCET).

№ POLICE DEPARTMENT ©3 Investigations

Pe	erformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	To provide thorough and objective analysis of crime to achieve resolution of criminal matters.					
	a. Number of Part I and Part II crimes cleared:	206*	210	186	178	178
	* Part I crimes only counted beginning in FY 05/06					
2.	To divert local youth from the criminal justice system.					
	 Percentage of youthful offenders diverted from the criminal justice system: 	20%	17%	21%	29%	29%
3.	To obtain criminal complaints against violators.					
	Percentage of criminal complaints issued by District Attorney with charges filed:	83%	85%	82%	80%	82%
	 Percentage of criminal complaints denied by District Attorney: 	17%	15%	18%	20%	18%
4.	To resolve criminal matters and obtain complaints against violators.					
	 Percentage of residents satisfied with the Town's efforts to maintain a low crime rate: * No survey data collected since FY 04/05 	Data Not Available *	Data Not Available	Data Not Available	Data Not Available	Data Not Available

Ac	tivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of cases investigated*:	520	530	664	438	438
2.	Number of criminal complaints requested for review at District Attorney's Office:	650	744	590	502	502
k	Numbers do not include cases handled by the Regional Auto Th Specialized Enforcement Team (SCCSET).	eft Task Force	(RATTF) and t	he Santa Clar	a County	

Police Department

PARKING MANAGEMEMENT FUND PROGRAM 4304

PROGRAM PURPOSE

The enforcement of parking regulations promotes pedestrian and vehicular safety, provides improved traffic flow, and increases parking availability on residential streets. The Parking Management Program is responsible for routine daily enforcement of Town-wide parking regulations. The Parking Management Program also handles customer requests for the ticketing of vehicles for parking regulation violations such as residential and employee zone permit parking, private property parking, and parking in loading zones.

BUDGET OVERVIEW

The FY 2009/10 budget reflects an increase in revenues and total expenditures. The increase in revenue is due to enhanced citation generation, which also has a corresponding expense. These expenses are fees which are collected as a percentage of the value of the citation by Santa Clara County and the electronic parking citation service. The program continues to work toward the goal of becoming self-supporting, but still relies on support from designated reserves or the Town General Fund.

Parking enforcement on the weekends will continue to be enhanced by a Community Service Officer (CSO) working overtime on an as available basis. This will result in a net increase of revenue of approximately \$75,000 in FY 09/10.

№ POLICE DEPARTMENT Parking Management

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Licenses and Permits	26,869	25,592	24,244	25,000	25,000	25,000
Service Charges	-	-	35	-	750	750
Fines and Forfeitures	397,442	347,100	190,883	245,000	375,000	375,000
Other Sources	21,600	21,600	21,600	21,600	21,600	21,600
TOTAL REVENUES	\$ 445,911	\$ 394,292	\$ 236,727	\$ 291,600	\$ 422,350	\$ 422,350
EXPENDITURES						
Salaries and Benefits	310,766	423,317	269,787	268,000	260,800	254,669
Operating Expenditures	147,559	134,947	110,461	118,160	152,592	151,710
Fixed Assets	-	-	-	-	-	
Internal Service Charges	54,593	66,855	62,681	54,300	57,400	70,086
Buildings & Facilities Maint.	4		n <u>u</u>	-		
TOTAL EXPENDITURES	\$ 512,918	\$ 625,119	\$ 442,929	\$ 440,460	\$ 470,792	\$ 476,465

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Community Character Preserve and enhance the appearance character and environment quality of the community	Parking Management Plan The department will take the lead Town role in evaluating current parking regulations, zoning and parking impacts to maximize parking services with existing staffing levels and continue to improve parking signage consistency and impacts surrounding the high school.

№ POLICE DEPARTMENT Parking Management

KEY PROGRAM SERVICES

- Proactively manage the Town's available parking inventory
- · Monitor and enforce parking and abandoned vehicle laws
- Communicate with and educate residents, businesses, and visitors on parking issues and regulations
- · Coordinate the Holiday Parking Program and promotion

PARKING MANAGEMENT FUND STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Parking Coordinator		-			-	
Police Sergeant	0.30	-	0.30	0.30	0.30	0.30
Parking Control Officer	2.00	3.00	3.00	2.00	2.00	2.00
Community Services Officer	0.40	121	0.40	0.40	0.40	0.40
Police Records Specialist		1.00	1.00	1.00		
Total Parking Mgmt. FTEs	2.70	4.00	4.70	3.70	2.70	2.70

Pe	erformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Promote pedestrian and vehicular safety while providing improved traffic flow and increased parking availability on residential streets.					
	 a. Percentage of parking citations paid: 	90%	90%	90%	90%	90%

A	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of parking citations issued:	10,207	7,340	3,626	8,500	8,500
2.	Revenue received on parking citations issued:	\$397,422	\$347,100	\$190,883	\$375,000	\$375,000
3.	Number of residential and employee parking permits issued:	725	690	458	1100	1100
4.	Revenue received on parking permits issued:	\$26,869	\$25,342	\$17,200	\$38,200	\$38,200
5.	Number of vehicles marked for 72-hour parking:	690	453	382	505	505
6.	Number of abandoned vehicles removed from public streets:	42	41	36	15	15



Police Department

PASS-THROUGH ACCOUNTS PROGRAM 4999

PROGRAM PURPOSE

Revenues and Expenditures which are collected for, and remitted to, external agencies are considered "Pass-Through" appropriations in the Town's budget. Accounting for these activities in a separate accounting structure allows the true cost of operations to remain intact within a program, eliminating unrelated funding fluctuations from year to year.

BUDGET OVERVIEW

There is no budgetary impact to this program as revenues will equal expenditures. The revenues and expenditures reflect a reasonable estimate based on prior year trends or department information; however, actuals may differ substantially from original budgeted numbers at fiscal year-end.

SUMMARY OF REVENUES AND EXPENDITURES

	100	005/06 ctuals		2006/07 Actuals		007/08 cetuals		008/09 dopted	2008/09 Estimated		2009/10 Adopted	
REVENUES												
Intergovernmental Revenues	1	167,636		-		-		1.0		-		
Service Charges		-		-		-		ī -		-		-
Fines and Forfeitures		-				-		-		-		-
Other Sources		30,083	v	23,571		19,586		22,000		22,000		22,000
TOTAL REVENUES	S	197,719	S	23,571	S	19,586	S	22,000	S	22,000	S	22,000
EXPENDITURES												
Salaries and Benefits		Ξ,		-		-		-		-		
Operating Expenditures		31,632		24,031		19,586		22,000		22,000		22,000
Fixed Assets		167,635		-		-		÷		-		-
Internal Service Charges		-		-		-		1-		-		-
Buildings & Facilities Maint.		-				1		=		•		
TOTAL EXPENDITURES	S	199,267	S	24,031	S	19,586	S	22,000	S	22,000	S	22,000



Police Department

OPERATING GRANTS

PROGRAM PURPOSE

This fund accounts for revenues and expenses attributed to grants for operating budget projects that fall outside of the Capital Improvement Grant Projects. Capital Improvement Program project guidelines state a project has a value of \$25,000 or more with a minimum useful life of 5 years at a fixed location.

Grant revenues and expenditures are structured to net out to zero. If overages or non-reimbursable expenses occur for grant activities, the additional charges are absorbed within the department's operating budget. Some grants require that a portion of the grant expenses are funded by the recipient agency, which is reflected either as funding transferred into the grant, or expenditures reallocated to the appropriate program budget.

BUDGET OVERVIEW

For FY 2009/10, the Police Department will carry forward funding from several prior year operating grants. This includes two Department of Homeland Security grants which are allocated to cities based upon population factors:

- The Emergency Management Preparedness grant provides funding for the purpose of emergency planning, which includes supplies and equipment for the Town's Emergency Operations Center, and funds activities and equipment supporting the Town's "Los Gatos Prepared" program, instituted in FY 06/07. The FY 2009/10 budget provides funding to continue the "Los Gatos Prepared" Campaign to enhance self-sufficiency for residents in the event of a disaster.
- The Community Emergency Response Team (CERT) grant provides funds to further the Town's CERT program. These funds have been used very successfully over the last several years to continue to train residents in emergency preparedness, as well as to organize and supply neighborhood groups ahead of an emergency.

Any funds remaining from prior year grants will be re-appropriated to FY 2009/10 if they are not fully expended by the end of FY 2008/09.

HOMELAND SECURITY GRANT

SUMMARY OF REVENUES AND EXPENDITURES

	1000	005/06 ctuals	1000	006/07 Actuals	,500	007/08 Actuals	2000 Ado	8/09 pted	2008/e Estima		2009 Adoj	
REVENUES Intergovernmental Revenues		A=		-		11,086		-		-		
TOTAL REVENUES	S		S	-	\$	11,086	S		\$	2	S	Ī
EXPENDITURES												
Operating Expenditures		1,304	v	10,282		1,980		-				•
TOTAL EXPENDITURES	\$	1,304	\$	10,282	\$	1,980	\$		\$	-	\$	-

CERT/EMPG GRANT

SUMMARY OF REVENUES AND EXPENDITURES

		2005/06 Actuals		2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		8/09 nated_	2009/10 Adopted	
REVENUES												
Intergovernmental Revenues						11,449		- 1-		- 1		-
TOTAL REVENUES	S	-	S	-	\$	11,449	\$	-	\$	-	\$	-
EXPENDITURES												
Operating Expenditures		3,786	,	9		13,085		-		=		-
TOTAL EXPENDITURES	S	3,786	S	3+	S	13,085	\$		\$	-	\$	

Parks & Public Works Department

DEPARTMENT PURPOSE

The Parks and Public Works Department (PPW) is responsible for maintaining the Town's public parks, facilities, roadways, right-of-ways, and all infrastructure. Five organizational units (Administration, Parks Services, Engineering Development Services, Engineering Program Services, and Streets and Signals Programs) work in coordination to achieve the Department's overarching goal of ensuring the Town's public use areas are safe, functional and attractive. Additional departmental services that support these objectives include the Facilities Maintenance, Vehicle Maintenance and Non-Point Source programs. In addition to providing ongoing maintenance activities, Parks and Public Works Department staff provide information and outreach to Town residents, merchants, and the public concerning the Department's programs and activities that are available to them and projects that may affect them.

BUDGET OVERVIEW

The FY 2009/10 department budget reflects reductions to each of the department's five programs due to limited resources. The Parks and the Street and Signals programs have each eliminated 1.0 FTE position. These programs will retain temporary staff and shift full time staff duties to accommodate these reductions. It is anticipated that some of these reductions could result in delayed response time to operational tasks.

The FY 2009/10 budget continues to align cost of services with user fees through annual CPI increases and cost recovery reviews. A focused town wide user fee study will be performed in FY 2009/10 to review the fees related to all development services the department provides to the public. In addition, the FY 2009/10 department budget will absorb service costs associated with the new Library project.

In March 2009, selected public counter hours were reduced to 8:00 a.m. – 1:00 p.m., Monday – Friday, including engineering services. This reduction was in response to the economic downturn and reduced staffing. In addition, flex-hour work schedules are being used to reduce overtime pay and to effectively manage the community's service demands.

A next generation of the NPDES storm water permit will be implemented in FY 2009/10. Although the NPDES program was transferred to the Community Development Department last fiscal year, some department operation impacts may result due to the new reporting and tracking requirements of this new permit. A full determination on the impacts of this new permit will be determined in the coming months.

The Engineering Program, in coordination with the Facilities Maintenance Program, will manage the design and construction of the Los Gatos-Monte Sereno Police Operations building and the new Library building.

The department assessment, completed in FY 08/09, has identified operational improvements and several restructuring opportunities. Staff will move forward with implementation of some key recommendations this fiscal year.

Lastly, as part of its workplan, the department will work collaboratively with the community to help establish a non-profit, "Friends of the Park" group. The purpose of the group would be to assist in the management and distribution of work projects and solicit local service groups and businesses for financial and/or in-kind resources for park-related services.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Community Character Preserve and enhance the appearance character and environment quality of the community	 Implemented an online parks reservation system Introduced three new hybrid vehicles to the Town's vehicle fleet, increasing fuel efficiency and promoting environmentally friendly transportation
Public Infrastructure Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	 Completed upgrades at Town Plaza Park, including the removal and replacement of turf, expansion of park storm drain system, and installation of new ultra-violet fountain filtration system Replaced major components of the Civic Center Heating, Ventilation, and Air Conditioning (HVAC) system Resurfaced University Avenue Constructed a lighted crosswalk on Pollard Road in collaboration with the City of Campbell

№ PARKS & PUBLIC WORKS DEPARTMENT ©

DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Miscellaneous Taxes	19,810	12,716	6,590	10,000	3,456	5,000
Licenses & Permits	238,848	220,086	283,505	184,900	195,742	236,000
Intergovernmental	-	-	3.5	J e	8 - 0	nesi (Bay -
Service Charges	307,407	346,195	281,693	379,500	425,224	508,350
Other Sources	46,910	84,594	34,967	13,900	96,591	22,535
TOTAL REVENUES	612,975	663,591	606,755	588,300	721,013	771,885
EXPENDITURES						
Salaries and Benefits	3,099,346	3,036,838	3,121,979	4,000,000	3,556,700	3,541,152
Operating Expenditures	891,490	1,052,858	1,222,679	1,108,110	1,397,558	1,255,890
Fixed Assets	18,907	23,140	5,000	u≢.	1.77	
Internal Service Charges	756,800	848,507	891,946	942,730	927,330	867,005
Buildings & Facilities	<u> </u>	<u>2</u> 2	16	1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A 1 A	42	4
TOTAL EXPENDITURES	4,766,543	4,961,343	5,241,604	6,050,840	5,881,588	5,664,047
EXPENDITURES BY PROGRAM	4					
Administration	292,643	254,195	313,787	381,550	378,588	261 667
Park Services	1,902,324	1,868,329	1,917,506	2,180,420	2,208,375	261,667
Engineering Development Srvcs	1,080,269	600,564	798,366	776,870	767,797	1,881,454 662,775
Engineering Program Srvcs	1,080,209	601,165	681,119	833,400	771,407	827,042
Streets/Signals/Sidewalks	1,433,608	1,499,778	1,376,196	1,761,600	1,457,575	1,761,109
Property Damage Claims	1,455,000	1,777,110	49,340	1,701,000	86,972	1,701,109
Pass Thru Accounts	57,699	85,211	105,290	117.000	210,874	270,000
TOTAL EXPENDITURES	4,766,543	4,909,242	5,241,604	6,050,840	5,881,588	5,664,047

The above totals reflect General Fund programs. Additional Parks and Public Works programs are reflected in separate Special Revenue and Internal Service Funds following the General Fund portion of this section. Staffing assignments to the Capital Program and Redevelopment Agency are reflected outside of the department's budget

№ PARKS & PUBLIC WORKS DEPARTMENT

DEPARTMENT STAFFING

	DI	EPARTMENT	STAFFING			
Full Time Equivalent (FTE)						
General Fund	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Parks & Public Works Dir.	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Specialist	-	1.70	0.80	0.80	1.80	<u>-</u>
Administrative Secretary	1.80	-	Ę.,	1.00	1.00	1.80
Secretary III	i e i	-	1.00	=	5 	
Superintendent	0.70	1.55	1.70	1.70	1.70	0.70
PPW Supervisor	1.00	0.30	-		1.0	1.00
Town Arborist	1.00	1.00	1.00	1.00	1.00	1.00
Lead Parks & Maint, Worker	2.00	1.00	1.00	1.93	2.00	2.00
Sr. Parks & Maint, Worker	=	1.00	0.93	=	1.00	
Parks & Maint. Worker	9.00	8.20	8.51	8.51	9.00	9.00
Tree Trimmer / High Climber	1.00	1.00	1.00	1.00	1.00	1.00
Parks Service Officer	1.00	1.96	1.91	1.91	2.00	1.00
Asst PPW Dir/Town Engineer	1.00	0.88	0.91	1.00	1.00	1.00
Associate Civil Engineer	3.00	2.76	2.95	3.00	3.00	3.00
Assistant Civil Engineer	1.00	2.70	-	1.00	1.00	1.00
Sr. Engineer Technician	-	1.00	1.00	-	-	
Engineering Technician	1.00	*****	-	-	1.00	1.00
Sr. Engineering Inspector	1.00	0.81	0.87	1.00	1.00	1.00
Engineering Inspector	2.00	0.89	1.00	1.00	1.00	2.00
Total General Fund FTEs	29.50	27.05	27.58	27.85	31.50	29.50
NON-General Fund FTEs (in Pa	rks & Public W	orks Departme	nt programs un	less otherwise i	noted)	
Solid Waste Management (FTEs la	ocated in Comm	unity Services L	epartment und	er Program 630.	2)	
Park Service Officer	Ψ,	0.04	0.09	0.09	12	
Facility Technician	-	-	<u></u>	0.07	1	-
Lead Parks & Maint Worker	-	÷		0.07	-	and the
Sr. Parks & Maint. Worker	.≅ti	-	0.07	95	=	-
Parks & Maint. Worker		0.70	0.56	0.49		
Total Solid Waste Fund FTEs	=	0.74	0.72	0.72	_	-
Non-Point Source						
Sweeper Operator	1.00	1.00	1.00	1.00	1.00	1.00
Total Non-Point Source FTEs	1.00	1.00	1.00	1.00	1.00	1.00
				77.5.5.75		
Sanitary Sewer		0.20				
Superintendent	*	0.30	7=	-	-	
Public Works Specialist	-	0.10	5 =	-	:=:	
Sr. Parks & Maint. Worker	-	1.00	· =	:=1	=	
Parks & Maint. Worker		2.60	5 7	(#)		
The second secon						

4.00

Total Sanitary Sewer FTEs

№ PARKS & PUBLIC WORKS DEPARTMENT 03

Full Time Equivalent (FTE)

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Vehicle Maintenance	Positions	Funded	Funded	Funded	Funded	Funded
	0.20	0.15	0.20	0.20	0.20	0.20
Superintendent	0.30	0.15	0.30	0.30	0.30	0.30
PPW Supervisor	-	0.07	0.07	0.07	0.07	1.00
Equipment Mechanic	1.00	2.00	2.00	2.00	2.00	1.00
Apprentice Mechanic	1.00	-	7-	-	-	1.00
Administrative Secretary	0.20	-	16	-	2	0.20
Public Works Specialist	-	0.20	0.20	0.20	0.20	
Total Vehicle Maint. FTEs	2.50	2.42	2.57	2.57	2.57	2.50
Building Maintenance						
PPW Supervisor	1.00	0.63	0.93	0.93	0.93	1.00
Facility Technician	1.00	-	-	0.93	1.00	1.00
Parks & Maint. Worker	-	0.50	0.93	:=	-	
Total Building Maint. FTEs	2.00	1.13	1.86	1.86	1.93	2.00
Town Engineer Associate Civil Engineer		0.12 0.24	0.09 0.05		-	
	-			-	37	-
Senior Engineer Inspector	38	0.19	0.13	-	0.00	
Engineering Inspector	191	0.11				
Total Redevelopment FTEs	-	0.66	0.27	-	:=	•
Total PPW Department FTE's	35.00	37.00	34.00	34.00	37.00	35.00
Temporary Staff Hours			*			
Engineering Technician		832	1.000	1.560		
Engineering Technician Engineering Intern		0.32	1,000	1,000	-	
Maintenance Assistant		6,100	6,800	5,200	4,784	4 704
		0,100		5,200	4,/84	4,784
Public Works Specialist Office Clerk		-	1,000	-	400	200
		100	1.000	1.000	400	368
Office Intern		400	1,000	1,000		1,000
Total Annual Hours		7,332	10,800	8,760	5,184	6,152



Parks & Public Works Department

PARKS & PUBLIC WORKS ADMINISTRATION PROGRAM 5101

PROGRAM PURPOSE

The Administration program supports the delivery of services throughout the Department. The primary responsibilities include managing and coordinating the efforts of the Department's programs; organizing meetings with citizens, contractors and agencies; preparing and administering budget documents; manage and coordinate traffic calming programs, writing various grant applications and manage all tasks related to securing, processing and administrating grants, and preparing reports to the Town Council, Commissions, and Town Manager.

BUDGET OVERVIEW

The Department's Administration Program budget for FY 2009/10 reflects a service level reduction due to budget limitations. As of March 16, 2009, the public counter hours in the Engineering Program have been reduced to 8:00 am to 1:00 pm Monday through Friday. This reduction was in response to the economic downturn and reduced staffing. These hours mirror the reduced public counter hours offered by the Community Development and Finance Departments.

Staff will continue to manage the complex State Proposition 12 and 40 Park Bond grant fund documentation and reimbursement processes, and conduct customer service surveys of each program's customers (e.g. permit applicants, park reservation users, etc.) to measure customer satisfaction. Additionally, the Administration program staff will manage the implementation of the new park reservation software, which was launched in January 2009.

№ PARKS & PUBLIC WORKS DEPARTMENT Administration

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
REVENUES						
Miscellaneous Taxes	*	19	£	=	8	
Licenses & Permits	-	*	:=:	-	-	
Intergovernmental	4	-	35	=	-	-
Service Charges	-	=		-		-
Other Sources		(4)				-
TOTAL REVENUES	7 #	* *	-	e -		
EXPENDITURES			34			
Salaries and Benefits	200,988	178,272	218,848	295,600	295,100	196,094
Operating Expenditures	37,877	20,540	35,914	23,450	21,988	22,410
Fixed Assets		-	-	-	•	
Internal Service Charges	53,778	55,383	59,025	62,500	61,500	43,163
TOTAL EXPENDITURES	292,643	254,195	313,787	381,550	378,588	261,667

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance	Online Implementation of Park Reservation Software
Ensure responsive, accountable and collaborative	Full implementation of the park reservation software for park and picnic facilities, an automated, web-based self reservation system with online payment receipt capabilities, was launched in January 2009. It is anticipated that 20-40% of the 576
governance	expected reservations in the coming year will be completed online.
	Customer Service Efficiency
	The Administration Program staff will focus on evaluating processes, procedures, and
	systems; and obtain input and feedback from customers to continuously improve the
	delivery of service to both internal and external customers.
Civic Enrichment	Friends of the Parks
Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	The Administration will work collaboratively with the community to help establish a non-profit, "Friends of the Park" group. The purpose of the group would be to assist in the management and distribution of work projects and solicit local service groups and businesses for financial and/or in-kind resources for park-related services.

№ PARKS & PUBLIC WORKS DEPARTMENT Administration

KEY PROGRAM SERVICES

- Provide walk-in and phone customer service for Department programs and services
- Provide internal clerical and program support for Departmental services
- · Oversee regulatory and project operations
- Manage departmental budget
- Pursue grant funding to enable the Town to implement key projects
- Facilitate neighborhood meetings to discuss concerns related to traffic calming, street improvements, and other parks and public works related issues
- Provide staff support to the Parks Commission and Transportation and Parking Commission and assist in coordination of Commission-sponsored projects
- Provide support for town-wide committees having mutual project interests, such as Community Unity projects, Town-wide Health & Safety Committee, Bicycle Advisory Committee, Town Outreach Team, and Los Gatos Town Employees Foundation.
- Administer the processing of permits and Town park reservations
- Oversight of Department employee training and safety programs

PPW ADMINISTRATION PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Public Works Director	0.40	0.40	0.40	0.40	0.40	0.40
Administrative Analyst	0.25	0.25	0.25	0.25	0.25	0.25
Administrative Specialist	0.25	0.25	0.25	0.25	0.25	0.25
Administrative Secretary	0.50	-	-	0.40	0.40	0.50
Secretary III	-	0 .	0.40		1-1	
Public Works Specialist	÷	0.50	0.10	0.10	1.10	
TOTAL PROGRAM FTE's	1.40	1.40	1.40	1.40	2.40	1.40

Temporary Staff Hours	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Office Intern	400	1,000	1,000		
Office Clerk	-	-	¥:	400	368
TOTAL ANNUAL HOURS	400	1,000	1,000	400	368

PROPOSED



Parks & Public Works Department

ENGINEERING PROGRAM SERVICES PROGRAM 5201

PROGRAM PURPOSE

Engineering Program Services provides oversight for Town engineering activities not related to private development. This includes the design, construction management and administration of the Capital Improvement Program to improve the Town's public infrastructure (such as streets, sidewalks, storm drains, parks, retaining walls, buildings, and signalized intersections) with an emphasis on delivering capital projects within their planned schedule and budgets. Engineering operations also effectively manage: Town-wide and neighborhood traffic issues such as the Town's traffic calming policy; engineering inspection services to ensure the Town's project contractors are meeting contract standards and requirements; development of GIS data to manage Town infrastructure; right-of-way and property boundary issues; and the administration of the asset management and workload tracking software.

BUDGET OVERVIEW

Engineering Program Services provides non-fee-related engineering services and activities. Budgeted staffing supports engineering design, review, and construction oversight of Town Capital Improvements Projects and inspection activities to ensure construction is built as approved. Engineering Program Services staff oversees grant fund applications and reimbursements, and public information meetings and notifications. Additionally, traffic engineering management for traffic control, signalization, and daily operations, and joint agency coordination of shared intersections and roadways, are funded in this program.

For FY 2009/10, some key projects staff will focus on include the design and construction of the Los Gatos-Monte Sereno Police Operations building and the new Library building. In addition, staff will design and administer capital projects funded through the federal-legislated American Recovery and Reinvestment Act of 2009.

№ PARKS & PUBLIC WORKS DEPARTMENT © Engineering Program Services

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Miscellaneous Taxes	-	-	-	-	*	
Licenses & Permits	#	•		=	3	
Intergovernmental	-	*	3.0	-	. 	
Service Charges	8	-	4	ä	2	-
Other Sources		-	<u> </u>			
TOTAL REVENUES	1=	=		-	-	-
EXPENDITURES						
Salaries and Benefits	12	503,102	572,623	735,700	649,500	707,277
Operating Expenditures	-	28,573	30,412	15,150	44,557	43,250
Fixed Assets	12	-	-	2		
Internal Service Charges	<u> </u>	69,490	78,084	82,550	77,350	76,515
TOTAL EXPENDITURES	:=	601,165	681,119	833,400	771,407	827,042

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Public	Capital Improvement Projects (CIP)
Infrastructure	Manage and complete currently programmed capital projects, prepare project plan
Maintain the	proposals and construction documents for future Capital Improvement Program,
condition and	and continue to seek and obtain grant funding for projects where applicable.
availability of	Planned projects include the design and construction of the Los Gatos-Monte
public facilities,	Sereno Police Operations building and the new Library building. Staff will also
transportation	manage projects funded through the federal-legislated American Recovery and
systems, and other	Reinvestment Act of 2009.
public	
infrastructure	

№ PARKS & PUBLIC WORKS DEPARTMENT ©3 Engineering Program Services

KEY PROGRAM SERVICES

Capital Improvement Projects

- Provide plans, specifications, estimates, right-of-way plans, property descriptions for Town projects, coordinate consultants and administer contracts
- Design and administer projects for the annual Capital Improvement Program, including curb, gutter and sidewalk improvement analysis
- Provide administrative and engineering support services for the various new parks improvement projects funded with Propositions 12 & 40 Bond Act grant funds

Traffic Engineering

- Perform traffic engineering analysis
- Manage neighborhood traffic concerns and requests, including traffic calming program

Community Information

Provide assistance to the public regarding engineering services

ENGINEERING PROGRAM SERVICES

Full Time Equivalent (FTE)						
Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Asst PPW Dir/Town Engineer	0.82	-	0.73	0.82	0.82	0.82
Associate Civil Engineer	1.33	-	1.28	1.33	1.33	1.33
Assistant Civil Engineer	0.20			0.20	0.20	0.20
Sr. Engineer Technician		-	0.20	(-	-	
Sr. Engineering Inspector	0.85	-	0.72	0.85	0.85	0.85
Engineering Inspector	0.20	:-:	0.20	0.20	0.20	0.20
Engineering Technician	1.00	-	Ξ.	,#	1.00	1.00
Administrative Secretary	0.50	-	-	0.50	0.50	0.50
Secretary III	-	-	0.50	V.E.		
Administrative Analyst	0.25	-	0.25	0.25	0.25	0.25
Administrative Specialist	0.20		0.20	0.20	0.20	0.20
TOTAL PROGRAM FTEs	5.35	-	4.08	4.35	5.35	5.35
		2005/06	2006/07	2007/08	2008/09	2009/10
Temporary Staff Hours		Funded	Funded	Funded	Funded	Funded
Engineering Technician		-	700	1,260		
TOTAL ANNUAL HOURS		-	700	1,260	-	

№ PARKS & PUBLIC WORKS DEPARTMENT © Engineering Program Services

Pe	Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.		effectively manage neighborhood traffic consistent th the Town's traffic calming policy.					
	a.	Percentage of residential households in traffic calming project neighborhood rating their experience in the process as satisfactory:	67%	67%	67%	67%	67%
	b.	Percentage of residents satisfied with the Town's efforts to calm traffic in neighborhoods*:	74%	74%	74%	74%	74%

Activity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 · Budget
Number of traffic calming requests received:	4	4	4	3	3
2. Number of traffic calming projects:	3	3	3	3	3
4. Number of traffic calming projects closed:	4	4	4	1	1

^{*}Customer Satisfaction Performance Measures for the period 2004-2007 were based on the Town's 2003 survey results.

Parks & Public Works Department

ENGINEERING DEVELOPMENT SERVICES PROGRAM 5202

PROGRAM PURPOSE

The Engineering Development Services Program, in coordination with the Town's Community Development Department, provides services for private development projects to ensure development projects are processed and constructed in accordance with Town standards. Engineering functions also include reviewing plans and specifications, inspection services for grading, drainage, and encroachment in the public right-of-way issues. The goal of this program is to recover engineering staff costs and expenditures related to private development oversight.

BUDGET OVERVIEW

The Engineering Development Services Program continues to align cost of services with user fees through annual CPI increases and review of fees on an ongoing basis. For FY 2009/10, a number of fees have been adjusted for this purpose, including encroachment and engineering plan check application fees. In addition, a re-inspection fee has been added to the fee schedule to account for costs incurred due to unprepared and repeat inspection requests. These are representative of the specific fee adjustments that have been implemented to better reflect costs associated with the department's oversight of private development within the Town.

As of March 16, 2009, Engineering's public counter hours have been reduced to 8:00 am to 1:00 pm Monday through Friday. This reduction was in response to the economic downturn and reduced staffing. These hours mirror the reduced public counter hours offered by the Finance and Community Development Departments. In addition, the program has utilized flex-hour work schedules to reduce overtime pay and to effectively manage the community's service demands.

№ PARKS & PUBLIC WORKS DEPARTMENT © Engineering Development Services

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Miscellaneous Taxes	-		-:	-	-	
Licenses & Permits	129,061	94,401	141,391	77,000	81,000	96,500
Intergovernmental	-	:=	= 1	-	-	
Service Charges	220,507	229,702	151,231	238,000	195,400	217,500
Other Sources	-			-		
TOTAL REVENUES	349,568	324,103	292,622	315,000	276,400	314,000
EXPENDITURES						
Salaries and Benefits	929,678	472,964	515,540	670,300	661,000	558,052
Operating Expenditures	41,230	47,320	192,823	18,320	16,847	16,740
Fixed Assets	-	-	2		_	_
Internal Service Charges	109,361	80,280	90,003	88,250	89,950	87,983
TOTAL EXPENDITURES	1,080,269	600,564	798,366	776,870	767,797	662,775

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and collaborative governance	Development Team Continuous Improvement The Development Team (Community Development, Parks & Public Works, Fire, and the Police Department) will continue to focus on evaluating processes, procedures, and systems; defining roles and responsibilities; building capacity; and obtaining input and feedback from customers to continue to improve the development review process.
Public Infrastructure Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	Grading Ordinance The Development Team (Community Development, Parks & Public Works) has continued working on the development of the new grading ordinance, tentatively scheduled for Council review in FY 2009/10. This new grading ordinance provides guidelines that will be in tune with the hillside development guidelines which the Town has adopted. In addition, the new ordinance will provide criteria that are compatible with the development projects that are being built in Town now, as the current ordinance is outdated.

№ PARKS & PUBLIC WORKS DEPARTMENT ©3Engineering Development Services

KEY PROGRAM SERVICES

Development Projects

- Review development applications for compliance with Town grading and engineering standards
- · Review plans and approve final maps (tracts) and parcel maps as required by state law
- · Conduct inspections of work within public right-of-way through the encroachment permit process

Traffic Engineering

· Perform traffic engineering analysis for proposed development projects

Community Information

· Provide assistance to the public regarding right-of-way issues

ENGINEERING DEVELOPMENT SERVICES

	Equival	

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Public Works Director	0.20	0.20	0.20	0.20	0.20	0.20
Administrative Analyst	-	0.25	-	-	-	0.20
Asst PPW Dir/Town Engineer	0.18	0.88	0.18	0.18	0.18	0.18
Associate Civil Engineer	1.67	2.76	1.67	1.67	1.67	1.67
Assistant Civil Engineer	0.80	-	-	0.80	0.80	0.80
Sr. Engineer Technician	-	1.00	0.80		-	
Sr. Engineering Inspector	0.15	0.81	0.15	0.15	0.15	0.15
Engineering Inspector	0.80	0.89	0.80	0.80	0.80	0.80
Public Works Specialist		0.50	-	* :	**	
Administrative Secretary	0.10	-	•	0.10	0.10	0.10
Secretary III		~	0.10	147	-	
Administrative Specialist	0.05	0.25	0.05	0.05	0.05	0.05
TOTAL PROGRAM FTEs	3.95	7.54	3.95	3.95	3.95	3.95

	2005/06	2006/07	2007/08	2008/09	2009/10
Temporary Staff Hours	Funded	Funded	Funded	Funded	Funded
Engineering Technician	832	300	300	-	
Engineering Intern		1,000	1,000	-	
TOTAL ANNUAL HOURS	832	1,300	1,300	-	

№ PARKS & PUBLIC WORKS DEPARTMENT ©Engineering Development Services

Pe	rfo	rmance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.		ensure private development projects are nstructed according to Town standards:.			-		
	a.	Percentage of private development customers who are satisfied with the grading and encroachment inspection process*:	Data Not Available	Data Not Available	Under Development	Data not available	Data not available

Activity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Number of grading permits processed:	15	20	20	17	15
2. Number of encroachment permits processed:	Data Not Available	175	175	200	200

^{*}A survey of the grading and encroachment permit applicants was conducted in Fall 2007.

Parks & Public Works Department

PARK SERVICES PROGRAM 5301

PROGRAM PURPOSE

The Park Services program provides for the maintenance of the Town's parks, trails, open spaces, facility grounds, median islands, roadside banks, parking lot landscaping, downtown planters and the urban forest, creating recreational opportunities for residents and visitors, beautifying the cityscape and maintaining functional public areas throughout the community. Program functions include maintaining plants, trees, lawns, and irrigation systems in the Town parks, Town facilities, street median islands, public right-of-ways, parking lots, trails and open space areas. Additional services include managing park use fees and reservations, providing code enforcement in the Town's parks and open space areas, pesticide use program and ensuring the safety of parks playground equipment.

BUDGET OVERVIEW

The FY 2009/10 budget reflects a reduction in some program services due to budget limitations. The program eliminates 1.0 FTE vacant Park Service Officer position. This reduction limits services in area of park patrolling, maintenance of open space and trails, and park code enforcement. The program will retain temporary staff to assist with high priority program services, particularly during the spring and summer months.

The program's mowing contract will be reduced to weekly service six months out of the year, during the peak season to save program expenditures. Staff will provide mowing services during the off season months when park usage is generally lower. However, during the off season, staff mowing will be prioritized relative to other park demands. This shift in staff resources will result in the delay of some program services, such as park repairs, weed abatement, trash pick up, and inspection of playground equipment.

In FY 2009/10 the administration of the tree pruning contract services has moved to the Streets and Signals Program. This transfer of the tree pruning contract services is administrative only and will not affect the delivery of services.

№ PARKS & PUBLIC WORKS DEPARTMENT ©Park Services

An increase in the Oak Meadow Park parking fee will generate additional revenue for the program. The fee increase is one dollar for non-resident visitors to the park. The ticket booth hours will increase during peak park usage periods to generate this additional revenue.

The program recently implemented its online Parks Reservation System. The system will increase customer service efficiency and improve access to parks reservation information.

As one of the Department's strategic planning initiatives, the Parks Program staff will join forces with the Streets and Signals Program staff to complete several large in-house maintenance projects during FY 2009/10. This effort will focus on large-scale maintenance projects such as tree trimming, brush removal, median maintenance, paving, and graffiti abatement previously unachievable by either Program independently.

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
REVENUES						
Miscellaneous Taxes	19,810	12,716	6,590	10,000	3,456	5,000
Licenses & Permits	108,355	124,710	141,175	106,500	114,600	139,500
Intergovernmental	-	=	-	-	-	
Service Charges	17,684	20,159	18,750	21,000	18,950	20,850
Other Sources	13,879	10,828	4,630	13,900	9,619	22,535
TOTAL REVENUES	159,728	168,413	171,145	151,400	146,625	187,885
EXPENDITURES						1
Salaries and Benefits	1,286,336	1,226,330	1,205,631	1,411,200	1,342,000	1,226,334
Operating Expenditures	316,631	341,134	389,294	433,090	531,945	366,390
Fixed Assets	7,065	-	5,000	:-	-	2
Internal Service Charges	292,292	300,865	317,581	336,130	334,430	288,730
TOTAL EXPENDITURES	1,902,324	1,868,329	1,917,506	2,180,420	2,208,375	1,881,454

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Public Infrastructure Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	Park & Trail Improvements – Grant Funded Projects During FY 2009/10, project development will continue for Proposition 40 grant projects, as approved in the Capital Improvement Program Budget. This will include Bachman Park Basketball Court Resurfacing, Oak Meadow Park Walkway, Blossom Hill Park Tennis Court Resurfacing, and La Rinconada Park Tennis Court Resurfacing. Staff will also continue to seek funding for the unfunded projects, listed in the Capital Improvement Program.

PARKS & PUBLIC WORKS DEPARTMENT OF

KEY PROGRAM SERVICES

Maintenance Services

- Maintain 62 public sites, including 75.3 acres of landscaped parks located on 15 Town parks, 12.09 miles of trails and pathways, 246 acres of open space located in 3 open space areas, 19.15 acres of landscaping for medians, roadside banks and triangles and 9 community parking lots, 33 downtown streetscape planters, and grounds maintenance for 5 Town-owned public buildings with 6.81 acres of landscaped area.
- Maintain trees and plants in all parks, on all median islands, along all streets, and on public property, including State Route 9, per agreement with Caltrans
- Conduct ongoing maintenance and improvement projects, as needed, to ensure parks and trails equipment and facilities are functional and in safe operating condition
- Maintain the downtown tree lights
- Coordinate the tree removal permit process to protect trees and manage tree inspection services
- Oversee the contractual tree pruning contract
- Oversee contract services for six Landscaping and Lighting Benefit Assessment Districts
- Supervise the Department of Corrections Work Furlough Program for clean-up projects

Park Use Fees and Reservation System

- Manage the park reservation and user fee process
- Provide code enforcement in the Town's parks system

Volunteer Projects

- Manage the downtown Adopt-a-Planter program
- Coordinate volunteers (individuals and groups) who maintain or construct parks related projects, including parks and trails system improvements and debris removal

Special Events

- Provide support services for Town-sponsored and co-sponsored events, in particular Music in the Park, 4th of July event, Screen on the Green, the holiday tree lighting ceremony in the Town Plaza, and the Holiday Children's Parade
- Provide services for non-town sponsored events on a cost-recovery basis, for events such as Fiesta de Artes & Shakespeare Festival

№ PARKS & PUBLIC WORKS DEPARTMENT ©3 Park Services

PARK SERVICES PROGRAM STAFFING

Full Time Equivalent (FTE)

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Public Works Director	0.20	0.20	0.20	0.20	0.20	0.20
Superintendent	F #5	1.00	1.00	1.00	1.00	
PPW Supervisor	1.00	Ë	*	.	*	1.00
Administrative Analyst	0.25	0.25	0.25	0.25	0.25	0.25
Administrative Specialist	0.25	0.25	0.25	0.25	0.25	0.25
Public Works Specialist	8.55	0.40	0.40	0.40	0.40	-
Administrative Secretary	0.40	2	21	=:	-	0.40
Town Arborist	o. = .	1.00	1.00	1.00	1.00	
Lead Parks & Maint Worker	1.00	1.00	1.00	1.00	1.00	1.00
Sr. Parks & Maint Worker	(E	3	8	÷	-	
Parks & Maint Worker	5.00	5.80	4.72	4.72	5.00	5.00
Tree Trimmer / High Climber	S = 5	1.00	1.00	1.00	1.00	-
Parks Service Officer	1.00	1.96	1.91	1.91	2.00	1.00
TOTAL PROGRAM FTE's	9.10	12.86	11.73	11.73	12.10	9.10

	2005/06	2006/07	2007/08	2008/09	2009/10
Temporary Staff Hours	Funded	Funded	Funded	Funded	Funded
Maintenance Assistant	4,650	5,000	3,200	4,584	4,584
Parks Service Officer - Temp	·-	-	*:	*	1,000
TOTAL ANNUAL HOURS	4,650	5,000	3,200	4,584	5,584

№ PARKS & PUBLIC WORKS DEPARTMENT © Park Services

Pe	erformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	To ensure the park's playground equipment is functional and in safe operating condition.					
	 a. Percentage of parks with playground equipment receiving weekly safety inspections: 	90%	90%	90%	90%	90%
2.	To ensure the Town's park and trails facilities are we maintained and functional.	ell				
	 Percentage of residents satisfied with the Town's efforts to maintain parks: 	95%	95%	95%	N/A	N/A
	 Percentage of residents satisfied with the Town's efforts to maintain Town trails: 	83%	83%	83%	N/A	N/A
	 Percentage of residents rating the appearance of Town parks as good or excellent: 	92%	92%	92%	N/A	N/A

Activity and Workload Highlights		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Total number of tree-related maintenance requests received, requiring inspection by staff:	Data Not Available	Data Not Available	Under Development	218	218
2.	Total number of staff hours to conduct tree inspections and/or pruning:	Data Not Available	Data Not Available	Under Development	164	164
3.	Total number of acres of Town parks, open space and median islands maintained:	348.2	348.2	348.2	348.2	348.2
4.	Total miles of parks and open space trails maintained:	12.9	12.9	12.9	14.9	14.9
5.	Total number of park use permits issued annually:	Data Not Available	550	630	630	630

Software System change beginning in FY 2006/07 reflects new Highlights

PROPOSED



Parks & Public Works Department

STREETS and SIGNALS PROGRAM PROGRAM 5401

PROGRAM PURPOSE

The purpose of the Streets and Signals Program is to provide safe and functional roadways, retaining walls, bridges, curbs and sidewalk systems through ongoing maintenance of the Town's roadway network. Objectives include: small pavement reconstruction, minor street repairs, the filling of potholes, maintenance of roadway signs, traffic markings (paint), signals, streetlights, storm drain maintenance, and debris removal. Staff coordinates road-side clean-up projects with the Department's other programs, such as Parks and with other agencies, such as neighboring communities and Caltrans. Additional project coordination is conducted with the Engineering Program for traffic calming device installation and roadway improvements in the Capital Improvement Program.

BUDGET OVERVIEW

The FY 2009/10 budget reflects a reduction in some program services due to budget limitations. The program eliminated 1.0 FTE Maintenance Worker position. The reduction of this position will result in limited staff resources for long-term scheduling of maintenance tasks, such as street and traffic sign maintenance, roadway striping and traffic legend painting, sidewalk repairs, and urban forestry tree related issues. The program will perform fewer services, and as a result, may require use of contractual services to complete key tasks. The program's traffic signal contract will be reduced to save program expenditures. The section of the contract that will be modified is the annual maintenance portion, which will reduce the frequency of maintenance tasks such as lens cleaning, conflict monitor testing, and general signal testing. These tasks are currently performed on an annual cycle; the frequency will be adjusted such that these tasks will now be performed only when other maintenance work is required at a given site. This approach is consistent with how other local agencies are performing this work. Overall signal performance and reliability will continue to be monitored and adjustments to this maintenance cycle will be made if necessary.

The program's traffic signal contract will be reduced to save program expenditures. The section of the contract that will be modified is the annual maintenance portion, which will reduce the frequency of maintenance tasks and signal testing. Less ongoing maintenance of street signals may result in possible interruption or delays at signaled intersections and higher repair costs.

№ PARKS & PUBLIC WORKS DEPARTMENT Streets & Signals Program

In addition, in FY 2009/10 electricity usage for the downtown street tree lights will be reduced for cost and energy efficiency measures. In FY 2008/09, the downtown street tree lights remained on from sunset to sunrise, which was controlled by a photocell mechanism. To reduce costs, the program will install automatic timers to turn off the street tree lights at midnight.

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Miscellaneous Taxes	-		=		-	
Licenses & Permits	1,432	975	939	1,400	142	-
Intergovernmental		15		-		
Service Charges	15,621	17,373	5,821	3,500	~	
Other Sources	28,976	20			-	
REVENUES	46,029	18,368	6,760	4,900	142	
EXPENDITURES						
Salaries and Benefits	682,344	656,170	609,337	887,200	609,100	853,395
Operating Expenditures	438,053	489,549	419,606	501,100	484,375	537,100
Fixed Assets	11,842	11,570	14	-	-	
Internal Service Charges	301,369	342,489	347,253	373,300	364,100	370,614
Buildings & Facilities		-	· · · · · · · · · · · · · · · · · · ·	¥:	-	<u>.</u>
TOTAL EXPENDITURES	1,433,608	1,499,778	1,376,196	1,761,600	1,457,575	1,761,109

KEY PROGRAM SERVICES

Street Maintenance/Traffic Signal Program

- Maintain traffic signs and street signs along public streets
- Maintain visibility of pavement markings, including crosswalks, red curbs and roadway striping
- Maintain 28 signalized intersections and 1,575 street lights in the public right-of-way

Street Maintenance/Pavement

- Maintain and repair over 106 miles of public streets and 22 parking lots
- Maintain storm drain basins, ditches and culverts

Sidewalk Maintenance Program

- Coordinate concrete sidewalks, curbs and gutters replacement program with CIP program
- Maintain the cleanliness of sidewalks, benches, bus stop shelter, and waste receptacles in the business districts using pressure washing equipment

Special Events

- Provide support services to Town-sponsored events
- Install banners and flags throughout Town at various times during the year to celebrate national and local events, such as Flag Day, the 4th of July, Memorial and Veteran's Day

Streets & Signals Program

STREETS & SIGNALS PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Public Works Director	0.20	0.20	0.20	0.20	0.20	0.20
Superintendent	0.70	0.55	0.70	0.70	0.70	0.70
Administrative Analyst	0.25	0.25	0.25	0.25	0.25	0.25
Administrative Specialist	0.25	0.25	0.25	0.25	0.25	0.25
Public Works Specialist	2	0.30	0.30	0.30	0.30	feetile -
Administrative Secretary	0.30	-		-		0.30
Lead Parks & Maint Worker	1.00	8	*1	0.93	1.00	1.00
Sr. Parks & Maint Worker	-	1.00	0.93	-	1.00	
Town Arborist	1.00		9.50	-	-	1.00
Tree Trimmer / High Climber	1.00	25	- :	-	÷-	1.00
Parks & Maint Worker	4.00	2.40	3.79	3.79	4.00	4.00
PPW Supervisor		0.30		, , ,	। । । । । । । । । । । । । । । । । । । ।	
TOTAL PROGRAM FTEs	8.70	5.25	6.42	6.42	7.70	8.70

Temporary Staff Hours	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Maintenance Assistant	650	1,000	200	200	200
TOTAL ANNUAL HOURS	650	1,000	200	200	200

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive,	Inter-Program Work Projects Program staff will continue to plan and coordinate work projects, such as roadside clean-up, that use both Parks and Streets program staff and equipment to increase department efficiency and address large scale maintenance issues.
accountable and collaborative governance	Partnership with Other Municipalities Staff will continue to pursue opportunities with local agencies that have similar service needs in an effort to reduce program expenditures. Successful ongoing coordinated efforts include graffiti removal, paving operations and brush removal activities.
Public Infrastructure Maintain the condition and availability of public facilities, transportation systems, and other	Capital Improvement Projects To increase efficiency in cost and management to complete Capital Improvement Projects, Streets program staff will continue to prepare sites in advance of contractor work. Town-wide Tree Pruning The Program provides maintains and monitors the urban forest for both street and park facility trees.
public infrastructure	park facility trees.

erformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
To ensure streetlights and traffic signals are working in effective operating order:					
 Percentage of streetlight malfunctions repaired within 5 days of notification: 	New Measure for 2005/06	100%	100%	100%	100%
 Percentage of traffic signals meeting visibility and operational State guidelines: 	100%	100%	100%	100%	100%
c. Percentage of residents satisfied with the Town's efforts to provide and maintain street lights:*	90%	90%	90%	90%	90%
To provide safe and functional roadway systems					
throughout Town:					
 Percentage of traffic signal malfunctions repaired within three hours of notification: 	New Measure for 2005/06	100%	100%	100%	100%
 Percentage of stop signs repaired and replaced within 24 hours of notification: 	New Measure for 2005/06	100%	100%	95%	95%
c. Pavement Condition Index (PCI):	74	74	74	74	74

Activity and Workload Highlights		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of Town street lights maintained:	1575	1575	1575	1575	1575
2.	Number of PG&E street lights monitored by Town staff for functionality:	397	397	397	397	397
3.	Annual number of Town street lights repaired:	Data Not Available	134	130	150	150
	Number of signalized intersections maintained:	28	28	28	28	28
	Miles of street maintained:	106	106	106	106	106
).	Number of traffic signs repaired:	Data Not Available	Data Not Available	260	250	250
	Total number of traffic related work orders completed: received:	Data Not Available	511	500	290	300
·C	Sustomer satisfaction Performance Measures are based on the	he Town's 200	3 survey resu	lts.		

Software System change during FY 2006/07 reflects new Highlights

PASS-THROUGH ACCOUNTS PROGRAM 5999

PROGRAM PURPOSE

This Pass-Through Program provides an accounting structure to separate ongoing Parks and Public Works program activities from applicant funding utilized for external engineering services consultants, such as traffic study engineering, subdivision map checking and geotechnical reviews. Fees for these external development services are paid for in advance by the applicant, with the funds then applied to a purchase order. All invoices from the consultants are subsequently paid out of the applicant's account until they zero out. Any remaining balances are returned to the applicant. Accounting for these activities in a separate accounting structure allows the true cost of operations to remain intact within a program, eliminating unrelated funding fluctuations from year to year. This pass-through approach is also used in the Community Development Department for their similar projects.

BUDGET OVERVIEW

There is no budgetary impact to this program as revenues will equal expenditures. The revenues and expenditures reflect estimates based on prior year trends and known departmental operations. At fiscal year-end, actuals may differ substantially from original budgeted numbers as the quantity and size of engineering fees within the community in any given year is not known or determinable in advance. This budget reflects a reasonable estimate only.

№ PARKS & PUBLIC WORKS DEPARTMENT OF Pass-Through Accounts

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Miscellaneous Taxes	-	-	=	- 1-	-	
Licenses & Permits	-	-	-	~	-0	-
Intergovernmental		81	÷	-	-	
Service Charges	53,595	77,997	103,309	117,000	210,874	270,000
Other Sources	4,055	7,335	-		-	
REVENUES	57,650	85,332	103,309	117,000	210,874	270,000
EXPENDITURES						
Salaries and Benefits	-	~	<u> -</u>	-	-	
Operating Expenditures	57,699	85,211	105,290	117,000	210,874	270,000
Fixed Assets	-	-	2:	-	-	
Internal Service Charges			-	· -	-	
TOTAL EXPENDITURES	57,699	85,211	105,290	117,000	210,874	270,000

EQUIPMENT REPLACEMENT FUND FUND 631

PROGRAM PURPOSE

The Equipment Replacement Fund Program provides funding for the replacement acquisition of Town vehicles, equipment, and information technology costing greater than \$10,000. Initially, Town vehicles and equipment are charged to the program budget requesting the asset. A normal life span is calculated and replacement costs are then charged back to the program having custody and use of the asset by means of internal service charges over the asset's useful life span. These internal service charges accumulate the needed funding to replace the Town's vehicle and equipment assets at the end of their useful life. The result of this funding structure is a smoothing of operating expenses and a more accurate reflection of the actual cost of operations.

Town vehicles and equipment purchased and maintained by the Town's Vehicle Maintenance Program are considered for replacement based on the vehicle meeting predetermined age and/or mileage criteria as set forth in the Equipment Replacement Policy. Vehicle Maintenance personnel evaluate vehicles scheduled for replacement before a final determination is made.

BUDGET OVERVIEW

This program budget includes funding for replacement vehicles and equipment. Program expenditures change significantly each year due to timing of major purchases of equipment. A combination of deferred replacement, upgrading, replacing and refurbishing vehicles and equipment are proposed, based on the condition of the vehicle/equipment and cost effectiveness. The total scheduled vehicle and equipment replacement cost for FY 2009/10 is \$169,074. Appropriations budgeted in FY 2009/10 include the replacement of one Police parking control vehicle, one Police patrol vehicle, one Police motorcycle, and one Police Hybrid staff vehicle, and one PPW Hybrid staff vehicle.

In addition, the program will strategically remove vehicles from the replacement schedule as a cost reduction measure to reduce operational costs to Town departments. Program staff will evaluate the current fleet inventory and evaluate each vehicle's frequency of use along with the department's needs against the Equipment Maintenance and Replacement Policy. Vehicles removed from the replacement schedule will not be replaced once they are no longer operational. In the long-term, this will reduce the size of the Town vehicle fleet and reduce the amount of money held in the fund balance. This assessment

№ PARKS & PUBLIC WORKS DEPARTMENT Equipment Replacement Fund

of the vehicle inventory will take place annually for the next three to four years or until all unallocated funds in the fund balance are reallocated. As a result of this, approximately \$160,000 will result in operational cost savings for Parks and Public Works and approximately \$34,000 for the Police Department for FY 2009/10.

Staff will also explore replacement costs versus rental of equipment, in order to reduce ongoing program operation expenditures. Assessments between internal and external diagnostic and repair facility costs will be conducted to determine the most cost-effective approach of services.

	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
			-			
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated - Gas Tax Assets	330,000	330,000	199	5	-	•
Designated - Non-Point Assets	239,030	239,030	120,531	149,631	149,631	148,731
Designated - Genl Fund Assets	2,922,280	2,994,464	3,040,995	2,941,219	2,941,219	3,026,404
Total Beginning Fund Balance	3,491,310	3,563,494	3,161,526	3,090,850	3,090,850	3,175,135
Revenues						
Intergovernmental	-		:-	-	-	
Charges for Services	396,900	357,700	394,160	416,470	416,520	339,280
Other Sources	6,470	557,700	15,300	5,000	5,000	557,200
		257 700				220.200
Total Revenues	403,370	357,700	409,460	421,470	421,520	339,280
TOTAL SOURCE OF FUNDS	\$ 3,894,680	\$ 3,921,194	\$ 3,570,986	\$ 3,512,320	\$ 3,512,370	\$ 3,514,415
USE OF EVENO						
USE OF FUNDS						
Expenditures			10.000	0.000	0.000	0.122
Salaries and Benefits	1,253	:=:	10,606 17,872	9,900	9,000 500	9,123 500
Operating Expenditures Fixed Assets	1,233	363,668	407,127	16,500		
Total Expenditures	201,186	363,668	435,605	326,437 352,837	306,755 316,255	169,074 178,697
Total Expellutures	201,100	303,000	433,003	334,037	310,233	170,097
Operating Transfers	(222)222	12201222	Parasar	C spanisher		
Transfers Out	130,000	396,000	44,530	20,980	20,980	194,000
Total Operating Transfers	130,000	396,000	44,530	20,980	20,980	194,000
Ending Fund Balance						
Loan to CIP - Police Facility	ä	-	500,000		-	
Designated - Gas Tax Assets	330,000	4:	=	-	- 2	-
Designated - Non-Point Assets	239,030	120,531	149,631	148,731	148,731	177,831
Designated - Future Replacemt	2,994,464	3,040,995	2,441,219	2,989,772	3,026,404	2,963,887
Total Ending Fund Balance	3,563,494	3,161,526	3,090,850	3,138,503	3,175,135	3,141,718
TOTAL USE OF FUNDS	\$ 3,894,680	\$ 3,921,194	\$ 3,570,986	\$ 3,512,320	\$ 3,512,370	\$ 3,514,415

► PARKS & PUBLIC WORKS DEPARTMENT © Equipment Replacement Fund

KEY PROGRAM SERVICES

- Assessment of vehicles and equipment for proper replacement timing and for fuel efficiency and functionality
- · Cost effectiveness studies for asset cost and replacements
- Accumulate appropriate internal service charges for asset replacement funding
- Coordination with Town Departments for the smooth placement into service of new vehicles and equipment

EQUIPMENT REPLACEMENT PROGRAM STAFFING

Full Time Equivalent (FTE)						
Town Staff	Authorized Positions	2004/05 Funded	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded
Account Technician	0.10	-	-	-	-	0.10
Accountant/Finance Analyst	20		120	-	0.10	÷
Total Equipment Replacement FTE	₩6	-		-	0.10	0.10

№ PARKS & PUBLIC WORKS DEPARTMENT © Equipment Replacement Fund

FY 2009/10 ASSET REPLACEMENT SCHEDULE

Dept	Dept Program Asset		Replacement Asset Description	S	2009/10 Scheduled placements	Re	2009/10 placement Budget		scheduled for Future eplacement
PD	Parking	5880	Parking Control vehicle (remove)	S	35,663	-			
PD	Parking	5881	Parking Control vehicle	S	35,663	S	35,663		
PD	Parking	5916	Parking Control vehicle	S	35,663			S	35,663
PD	Patrol	5911	02 Chevy Tahoe	S	43,800	S	43,800		
PD	Patrol	5910	02 Chevy Tahoe	S	43,800			S	43,800
PD	Patrol	5892	02 Chevy Impala	S	22,643	S	31,300		
PD	Patrol	5918	03 Crown Vic (+4270)	S	28,450			S	28,450
PD	Patrol	5920	03 Crown Vic (+4266)	S	28,450			S	28,450
PD	Patrol	5922	03 Crown Vic (+4269)	S	27,860			S	27,860
PD	Traffic	5924	BMW Motorcycle	\$	26,311			S	26,311
PD	Traffic	5923	BMW Motorcycle	S	26,311	S	26,311		
PD	Investigations	5894	02 Ford Taurus LX	S	24,406			S	24,406
PPW	Parks	4231	Brush Chipper	S	34,759		i i	S	34,759
PPW	Parks	4197	200 Gallon Sprayer	\$	13,331			S	13,331
PPW	Parks	4224	300 Gallon Sprayer	S	17,600			S	17,600
PPW	Parks	5063	Hyster Fork Lift	S	19,370			S	19,370
PPW	Parks	5893	Toro Ground Master (remove)	S	71,724				
PPW	Parks	5895	52" Toro Mower (remove)	S	23,790				
PPW	Parks	5898	02 Ranger Pickup	S	19,500			S	19,500
PPW	Parks	4219	99 Utility Toilet	S	8,910			S	8,910
PPW	Parks	4209	97 Fermac Loader Scraper (remove)	S	59,048				
PPW	Engineering	5900	02 Crown Vic	S	25,200	S	32,000		
PPW	Engineering	5858	00 Ford F150 Pickup	S	29,810			S	29,810
PPW	Streets	4195	Layton Paver	S	30,680			S	30,680
PPW	Streets	4106	Emulsion Sprayer (remove)	S	12,500				
PPW	Streets	5883	Ford CNG Pickup (weekend work crew)	S	26,800			S	26,800
PPW	Streets	5103	93 Tymco Sweeper	S	89,000			S	89,000
PPW	Streets	5095	Zieman Tilt Trailer	S	44,700			S	44,700
PPW	Streets	4201	95 Vibratory Roller (remove)	S	50,466				
PPW	Streets	4108	I-R Air Compressor (remove)	S	15,400				
PPW	Streets	5885	01 Ford F350 Pickup	S	26,800			S	- 26,800
PPW	Streets	4218	Concrete Saw	S	10,984			S	10,984
TOTA	L TOWN REPL	ACEMEN	VTS:	S	1,009,392	S	169,074	S	587,184

VEHICLE MAINTENANCE FUND FUND 632

PROGRAM PURPOSE

The Vehicle Maintenance Program maintains the Town's vehicles and equipment to ensure each piece is safe and well-functioning. Program staff provides preventive maintenance and repair for the Town's fleet of 91 vehicles and 62 pieces of light to heavy duty construction equipment, and the fueling systems used by the vehicles/equipment and the City of Saratoga, who uses the Town's CNG fueling station for their CNG powered vehicles. A combination of in-house personnel and outside contractors is used to provide assorted maintenance and repair services for the Town's vehicles and equipment.

BUDGET OVERVIEW

The FY 2009/10 budget reflects a reduction in expenditures due to budget limitations. The retirement of 1.0 FTE Equipment Mechanic is anticipated this fiscal year. This vacant position will be reclassified to an Apprentice Mechanic, which will result in an immediate personnel savings, and allows for future professional development opportunities within the department. Based on declining fuel costs a 10% reduction over last year's budget is recommended. It is premature to project what fuel prices may be long term, however, a 5% increase has been factored into the operating budget to offset possible short term increases.

№ PARKS & PUBLIC WORKS DEPARTMENT © Vehicle Maintenance Program

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance					•	
Designated		-	-	₩ 7	-:	
Undesignated	152,273	133,799	190,877	231,301	231,301	264,702
Total Beginning Fund Balance	152,273	133,799	190,877	231,301	231,301	264,702
Revenues						
Charges for Services	501,765	597,800	611,600	637,100	637,100	618,400
Other Sources		730	647	-		
Total Revenues	501,765	598,530	612,247	637,100	637,100	618,400
TOTAL SOURCE OF FUNDS	\$ 654,038	\$ 732,329	\$ 803,124	\$ 868,401	\$ 868,401	\$ 883,102
USE OF FUNDS						
Expenditures						
Salaries and Benefits	258,671	273,520	287,026	297,700	277,500	274,374
Operating Expenditures	261,568	267,932	284,797	341,600	326,199	330,450
Fixed Assets		-				-
Total Expenditures	520,239	541,452	571,823	639,300	603,699	604,824
Operating Transfers						
Transfer to General Fund	-		<u>,</u>		1-	<u>-</u>
Total Operating Transfers	-		-		~	
Ending Fund Balance						
Designated	-	-	-	1-	-	-
Undesignated	133,799	190,877	231,301	229,101	264,702	278,278
Total Ending Fund Balance	133,799	190,877	231,301	229,101	264,702	278,278
TOTAL USE OF FUNDS	\$ 654,038	\$ 732,329	\$ 803,124	\$ 868,401	\$ 868,401	\$ 883,102

№ PARKS & PUBLIC WORKS DEPARTMENT Vehicle Maintenance Program

KEY PROJECTS

Strategic Goals	Key Projects					
	Repair Schedules The Vehicle Maintenance Program continues a review of existing oil-change and maintenance repair schedules to determine if improvements will increase efficiency and/or customer service. In addition, the program plans to conduct comparative analyses on in-house versus vendor costs to determine best options for cost efficiency.					
Good Governance Ensure responsive, accountable and collaborative governance	The Vehicle Maintenance program's asset management information system will track a vehicle's total repair, maintenance and fuel costs. This system will provide reliable and quantitative information for replacement decisions and operational efficiencies. Ongoing system training and full implementation will continue in FY 2009/10. In conjunction with the Town Manager's Office, review the current Equipment Maintenance and Replace policy adopted by Town Council in 1999. Update the vehicle equipment acquisition and replacement policy, and evaluate Police Department needs for take home vehicles.					
	Department Joint Projects Vehicle Maintenance Repair staff will continue to participate in Department joint projects on an as-needed basis, which provides additional departmental flexibility for major projects as well as participation in storm-response activities.					
Community Character Preserve and enhance the	Energy-Efficient Vehicles The program will continue to pursue energy-efficient vehicles as the replacement schedule and functionality requirements allow.					
appearance character and environment quality of the community	Alternative Fuel Station The program provides Compressed Natural Gas (CNG) for the Town's fleet as well as the City of Saratoga's CNG fleet vehicles on a full cost recovery basis.					

KEY PROGRAM SERVICES

- · Provide preventative maintenance and repairs for all Town owned vehicles and equipment
- · Maintain the Town's fueling system infrastructure for CNG, gasoline, and diesel fuel

№ PARKS & PUBLIC WORKS DEPARTMENT ©Vehicle Maintenance Program

VEHICLE MAINTENANCE PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Superintendent	0.30	0.15	0.30	0.30	0.30	0.30
PPW Supervisor		0.07	0.07	0.07	0.07	
Equipment Mechanic	1.00	2.00	2.00	2.00	2.00	1.00
Apprentice Mechanic	1.00	-	-1		-	1.00
Administrative Secretary	0.20	-	-	*	-	0.20
Public Works Specialist	= :	0.20	0.20	0.20	0.20	
Total Vehicle Maint. FTEs	2.50	2.42	2.57	2.57	2.57	2.50

Pe	rfo	rmance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	То	provide safe and functional vehicles and equipment.		Tio.			
	a.	Percentage of fleet in compliance with maintenance schedule:	Data Not Available	Data Not Available	100%	100%	100%
	b.	Cost per mile, by class of equipment (Life, cost/replacement cost=annual cost per mile)					
		Police:	Data Not Available	Data Not Available	Under Development	\$0.52	\$0.52
		General Fleet - light:	Data Not Available	Data Not Available	Under Development	\$0.76	\$0.76
		General Fleet - heavy:	Data Not Available	Data Not Available	Under Development	\$3.48	\$3.48

tivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Number of police vehicles maintained:	45	45	45	45	45
Number of heavy-duty vehicles maintained:	7	7	7	7	6
Number of light-duty (non-police) vehicles maintained:	36	38	38	38	32
Pieces of equipment maintained (light and heavy duty):	61	61	61	61	56
	Number of police vehicles maintained: Number of heavy-duty vehicles maintained: Number of light-duty (non-police) vehicles maintained:	Number of police vehicles maintained: 45 Number of heavy-duty vehicles maintained: 7 Number of light-duty (non-police) vehicles maintained: 36	Number of police vehicles maintained: 45 45 Number of heavy-duty vehicles maintained: 7 7 Number of light-duty (non-police) vehicles maintained: 36 38	Number of police vehicles maintained: 45 45 45 Number of light-duty (non-police) vehicles maintained: 36 38 38	Number of police vehicles maintained: 45 45 45 45 Number of heavy-duty vehicles maintained: 7 7 7 7 Number of light-duty (non-police) vehicles maintained: 36 38 38 38

FACILITIES MAINTENANCE PROGRAM FUND 633

PROGRAM PURPOSE

The Facilities Maintenance Program provides services to ensure Town facilities are safe and functional for public and employee use. Maintenance services include custodial services, elevator maintenance, telephone systems, heating and ventilation air systems, building improvements, facility security, and lighting systems. Facilities program staff also plan, schedule, and manage small and large building facility projects, such as Building remodeling, American Disability Act (ADA) access related improvements; re-carpeting and work space reconfigurations; roof repairs; heating and air conditioning system improvements; elevator and electrical services, and all other aspects required to keep the Town's facilities well-functioning and safe. This program also provides property management oversight for Town owned rental properties in the vicinity of the Civic Center Complex.

BUDGET OVERVIEW

Revenues for this fund are obtained through assessment charge-backs to Town departments, based upon a percentage of square footage assigned to each department. The Facilities Maintenance Program pays for all operating expenses, including utilities, repairs and maintenance so the departments are in turn funding these facility expenses through these allocations. Revenues also include rent receipts from Town owned properties, including Neighborhood Center rentals and two residential properties located next to the Town Civic Center.

The FY 2009/10 budget reflects a reduction in expenditures due to budget limitations. Contractual maintenance for routine HVAC issues and parking lot lighting has been reduced and these tasks will be transferred to program staff. While staff will mitigate the impacts of this reduction with the addition of temporary part-time staff, there may be increased response time for non-emergency Town staff requests.

Program planned projects include continuation of the replacement and rebuilding of two of the Civic Center's main air handlers and significant additions to the building control system. This upgrade of the HVAC system is in coordination with the replacement of the boiler at Civic Center, which was completed in FY 2007/08, and continues the major over-haul of the HVAC system at Civic Center. The program's unspent appropriations contribute to a fund balance used for planned and unplanned repair or replacement Facilities projects.

№ PARKS & PUBLIC WORKS DEPARTMENT ©Facilities Maintenance Program

Another project that will be continuing through FY 09/10 is the implementation of a new asset management computer program that will record and inventory all Town Facilities' assets. One of the long term benefits of this program will be the ability to forecast replacement of large inventory assets.

his program contributes project management and site coordination for the Los Gatos-Monte Sereno Police Operations building project and the new Library building.

STATEMENT	OF SOURCE	AND USE	OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	-		-	:-:	-	
Undesignated	1,000,995	689,263	738,656	968,508	968,508	652,664
Total Beginning Fund Balance	1,000,995	689,263	738,656	968,508	968,508	652,664
Revenues						
Miscellaneous Other Taxes	89,143	57,221	29,656	35,000	15,000	15,000
Charges for Services	853,100	1,006,830	1,048,425	1,038,900	1,038,900	1,006,600
Other Sources	65,211	79,301	62,729	64,300	69,766	63,600
Total Revenues	1,007,454	1,143,352	1,140,810	1,138,200	1,123,666	1,085,200
Operating Transfers						
Transfers from General Fund		-	15,500		-	_
Total Operating Transfers	1=	· · · · · · · · · · · · · · · · · · ·	15,500	-	-	-
TOTAL SOURCE OF FUNDS	\$ 2,008,449	\$ 1,832,615	\$1,894,966	\$ 2,106,708	\$2,092,174	\$1,737,864
USE OF FUNDS						
Expenditures						
Salaries and Benefits	129,667	184,535	205,405	241,000	233,500	260,796
Operating Expenditures	657,915	691,530	679,042	855,500	722,456	799,450
Fixed Assets	-	F 0=	-	-	-	-
Improvements and Upgrades	515,154	29,162	17,011_	50,000	50,000	86,000
Total Expenditures	1,302,736	905,227	901,458	1,146,500	1,005,956	1,146,246
Operating Transfers						
Transfer to GFAR	16,450	188,732	25,000	450,000	433,554	25,000
Total Operating Transfers	16,450	188,732	25,000	450,000	433,554	25,000
Ending Fund Balance						
Designated	-	1 -	-	Ð ≡ -	-	
Undesignated	689,263	738,656	968,508	510,208	652,664	566,618
Total Ending Fund Balance	689,263	738,656	968,508	510,208	652,664	566,618
TOTAL USE OF FUNDS	\$ 2,008,449	\$ 1,832,615	\$1,894,966	\$ 2,106,708	\$2,092,174	\$1,737,864

№ PARKS & PUBLIC WORKS DEPARTMENT Facilities Maintenance Program

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
	Oversight of Capital Improvement Projects Assist in the oversight of all Facility improvements planned during FY 2009/10, including the Civic Center's HVAC project, and the Neighborhood Center's sound attenuation project.
Public Infrastructure Maintain the condition and availability of public facilities, transportation systems,	Police Department Relocation Management of building relocation needs, in coordination with the Police Department's Operations Division relocation to the facility at 18900 Los Gatos Blvd.
and other public infrastructure	New Library Construction Continued participation in the design and development of the new library building.
	Asset Management Program Implement an asset management program which will allow for Town-wide inventory of Facilities.

KEY PROGRAM SERVICES

- Administer custodial, telephone, heating, ventilating, and air conditioning system maintenance agreements
- Manage preventative maintenance contracts for elevator, fire, and building alarms
- Administer facilities capital improvement contracts
- Administer repairs and improvements to the Town's two museum buildings and the Recreation Department.
- Manage interdepartmental service requests
- Manage lighting and signage for public parking garages and public parking lots

BUILDING MAINTENANCE PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
PPW Supervisor	1.00	0.63	0.93	0.93	0.93	1.00
Facility Technician	1.00	=3	=	0.93	1.00	1.00
Parks & Maint Worker	The Control of the Co	0.50	0.93	I.e.	-	
Total Building Maint. FTEs	2.00	1.13	1.86	1.86	1.93	2.00

№ PARKS & PUBLIC WORKS DEPARTMENT Facilities Maintenance Program

Perf	ormance Objectives and Measures	n 7 Data Not 98		2007/08 Actual	2008/09 Estimated	2009/10 Budget
	o ensure Town facilities are safe and functional for public and employee use.					
8	 Percent of repair-related requests fulfilled within 7 days: 	Data Not Available	98%	98%	98%	93%
ł	 Percent of service-related requests fulfilled within 7 days: 	Data Not Available	98.5%	98.5%	97%	93%

Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Total square footage of facilities maintained*:	57,000	57,000	57,000	83,000**	95,000***
2.	Total number of annual facility projects (non-CIP):	Data Not Available	4	3	4	5
3.	Total number of facility service requests received and completed:	Data Not Available	100	100	83	100
4.	Total number of facility repairs requests received and completed:	Data Not Available	100	100	142	150

^{*} The square footage reported from FY 2005/06 through FY 2007/08 corresponded specifically to the area cleaned under the Town's custodial contract.

^{**} A department assessment was taken, which accounted for all of the Town structures maintained by the Facilities Division. This figure reflects the actual square footage.

^{***} The square footage will increase due to the completion of the Police Operations Building.

NON-POINT SOURCE PROGRAM FUND 221

PROGRAM PURPOSE

The principal objective of the Non-Point Source Program is to keep debris and pollution from entering the Town's storm drain system which drains directly into the San Francisco Bay. This objective is accomplished by providing street sweeping services on all Town-owned public streets and parking lots on a rotating schedule, in adherence to the Town's National Pollution Discharge Elimination System (NPDES) Municipal Storm Water permit. To meet the NPDES Permit requirements, Non-Point Source, Engineering, and Community Development staff will work in coordination as they new NPDES permit requires more comprehensive enforcement and monitoring of development projects and their impacts to the storm water runoff from each site.

BUDGET OVERVIEW

The West Valley Sanitation District receives funding from the County of Santa Clara for Non-Point Source functions, based on property tax receipts. These receipts are then distributed to four local programs that support this function: to the Town for operating expenses incurred through this program's activities; to the West Valley Clean Water Program (WVCWP) for the Town's share of the program's operating expenses; and to the West Valley Sanitation (WVSD) to reimburse the District for the NPDES permit fee, the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPP) and WVSD annual storm drain maintenance work. These four programs perform various functions required under the Federal Clean Water Act, Environmental Protection Agency regulations and respective NPDES permits. Each year, the Town and the District cooperatively prepare an outline of the annual work plan and the associated budget for approval prior to the establishment of the annual user fees, and prior to the District transmitting those fees to the County for collection on the property tax roll.

The NPDES permit which regulates each of these four programs is issued by the San Francisco Regional Water Quality Control Board (SFRWQCB) annually and has been in effect since 1990. In FY 08/09 the water board re-introduced a next generation of the storm water permit, which is a regional permit that will affect 77 Bay Area municipal agencies. This new NPDES permit will expand the reporting and enforcement requirements and will impact both private development and public infrastructure maintenance operations. The exact financial impacts of the new NPDES permit are not fully known at this time. Staff is working with the WVCWP to make an assessment of the cost increases.

№ PARKS & PUBLIC WORKS DEPARTMENT ©3Non-Point Source Program

The Town's NPDES program conducts regular sweeping of the streets and parking lots, clearing storm drains, ditches and culverts and disposing of collected material in a safe and secure manner. Program activities also include volunteer groups who regularly pick up debris along the Los Gatos Creek Trail. Town staff track and report the amount of debris collected by all these activities to WVCWP.

The Town's Non-Point Source Program budget will maintain the same service level in FY 2009/10. The cost of this program exceeds the annual revenues by approximately \$12,000. The Town is off setting these costs by using the program's fund balance to pay for these expenses.

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	(4)	-	4	4	27	-
Undesignated	154,127	111,242	108,291	88,551	88,551	34,204
Total Beginning Fund Balance	154,127	111,242	108,291	88,551	88,551	34,204
Revenues						
Intergovernmental	2,663	2,663		91		
Service Charges	25	=	20	-	<u>~</u>	
Other Sources	173,670	171,400	166,660	135,000	135,000	135,000
Total Revenues	176,333	174,063	166,660	135,000	135,000	135,000
TOTAL SOURCE OF FUNDS	\$ 330,460	\$ 285,305	\$ 274,951	\$ 223,551	\$ 223,551	\$ 169,204
USE OF FUNDS						
Expenditures						
Salaries and Benefits	129,014	99,986	102,741	105,400	101,000	105,317
Operating Expenditures	17,956	15,042	20,267	15,350	25,097	25,600
Fixed Assets	<u> </u>	2		¥	-	-
Internal Service Charges	39,918	39,676	40,202	39,900	39,800	16,418
Total Expenditures	186,889	154,704	163,210	160,650	165,897	147,335
Operating Transfers						
Admin Service Fee Transfer	32,330	22,310	23,190	23,450	23,450	
Total Operating Transfers	32,330	22,310	23,190	23,450	23,450	
Ending Fund Balance						
Designated	111.242	109 201	00.551	20.451	24.204	21.900
Undesignated Total Ending Fund Balance	111,242 111,242	108,291 108,291	88,551 88,551	39,451 39,451	34,204 34,204	21,869 21,869
TOTAL USE OF FUNDS	\$ 330,460	\$ 285,305	\$ 274,951	\$ 223,551	\$ 223,551	\$ 169,204

№ PARKS & PUBLIC WORKS DEPARTMENT Non-Point Source Program

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Community Character Preserve and enhance the appearance character and environment quality of the community	Expand Volunteers Adopting Trails The program will continue ways to increase volunteerism to reduce debris from entering the waterways alongside trails and walkways in Town.

KEY PROGRAM SERVICES

- · Sweep Town streets and parking lots, and steam-clean business area sidewalks
- Coordinate Consolidated Pest Management with Parks Program, to reduce pesticides from entering waterways.

NON-POINT SOURCE FUND STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Sweeper Operator	1.00	1.00	1.00	1.00	1.00	1.00
Total Non-Point Source FTEs	1.00	1.00	1.00	1.00	1.00	1.00

№ PARKS & PUBLIC WORKS DEPARTMENT ©3Non-Point Source Program

Pe	rfo	rmance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.		event street debris from entering the storm drain stem.					
	a.	Percentage of residents satisfied with the Town's efforts to provide street sweeping services:*	80%	80%	80%	80%	80%
	b.	Number of NPDES fines the Town has received from the state regulatory agency:	0	0	0	0	0

A	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of Los Gatos curb and parking lot miles swept annually:	10,800	10,800	10,800	10,800	10,800
2.	Number of cubic yards of debris removed annually:	Data Not Available	6,400	6,400	6,400	6,400
3.	Number of volunteers participating in clean-up activities to remove debris from entering creeks:	450	110	200	200	200

^{*} Customer satisfaction Performance Measures are based on the Town's 2003 survey results. Software System change during FY 2006/07 reflects new Highlights

ASSESSMENT DISTRICTS FUNDS 231 - 236

ASSESSMENT DISTRICT PURPOSE

The Town formed six Landscape and Lighting District Funds with the written consent of all property owners within the boundaries of the districts. The six Landscape and Lighting Districts are funded through tax assessments to reimburse the Town for the payment of water and electricity, district improvements and upgrades, and the regular maintenance of trees, landscaping, trails, irrigation systems, and lighting.

The Landscape and Lighting Districts are exempt from Proposition 218 requirements requiring a 2/3 majority approval, unless the assessments are increased. Section 5 of Proposition 218 provides that the measure does not apply to assessments existing on November 1996 if the assessments were "imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed." As long as the assessments were imposed by request or with the consent of all the property owners, the Town Attorney is of the opinion that this provision has been met, even without a formal petition. Consequently, the Town is not required to conduct an election of the property owners unless the assessment is increased. The fund balances for each of the assessment districts has proven to be adequate to fund routine maintenance needs, however in previous years when maintenance requirements for large repairs have arisen, the Town has been required to step in to offset these one-time costs. The following table provides an overview of the annual assessments:

Fiscal Year 2008/09 Annual Special District Assessments

Fund #	Assessment Districts	Number of Parcels	50.0	arcel ssment		Total sessment	Rate in effect prior to Prop 218
250	Blackwell Drive	- 5	S	632	S	3,160	Yes
251	Kennedy Meadows	15		685		10,275	Yes
252	Gemini Court	18		230		4,140	Yes
253	Santa Rosa	15		300		4,500	Yes
254	Vasona Heights	33		295		9,735	Yes
255	Hillbrook	34		50		1,700	Yes

Total Landscape & Lighting Assessment:

\$ 33,510

№ PARKS & PUBLIC WORKS DEPARTMENT Landscape & Lighting Districts

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	ž	-	-	(2)	92	
Undesignated	106,666	105,360	97,491	100,685	100,685	93,605
Total Beginning Fund Balance	106,666	105,360	97,491	100,685	100,685	93,605
Revenues						
Property Tax Assessments	37,162	33,612	33,725	33,510	33,510	33,510
Interest	2,510	4,080	2,870	2,580	2,700	2,350
Other Sources			141		=	-
Total Revenues	\$ 39,672	\$ 37,692	\$ 36,595	\$ 36,090	\$ 36,210	\$ 35,860
TOTAL SOURCE OF FUNDS	\$ 146,338	\$ 143,052	\$ 134,086	\$ 136,775	\$ 136,895	\$ 129,465
TOTAL USE OF FUNDS						
Expenditures						
Salaries & Benefits	(-	-	(#F)	(= 5)	-	
Operating Supplies	31,236	40,641	28,481	38,370	38,370	38,370
Total Expenditures	31,236	40,641	28,481	38,370	38,370	38,370
Operating Transfers						
Business Service Transfer	9,742	4,920	4,920	4,920	4,920	4,920
Total Operating Transfers	9,742	4,920	4,920	4,920	4,920	4,920
Ending Fund Balance						
Designated	9 7 9	-	-	3	-	-
Undesignated	105,360	97,491	100,685	93,485	93,605	86,175
Total Ending Fund Balance	105,360	97,491	100,685	93,485	93,605	86,175
TOTAL USE OF FUNDS	\$ 146,338	\$ 143,052	\$ 134,086	\$ 136,775	\$ 136,895	\$ 129,465

BLACKWELL DRIVE ASSESSMENT DISTRICT FUND 231

FUND PURPOSE

The assessment district incorporates five homes and a median island along Blackwell Drive at National Avenue constructed as part of Tract 8306, Blackwell Development. Assessments to maintain the landscaping and irrigation in the median island and for street light maintenance on National Avenue remain constant for the five parcels at \$632 annually.

The median island landscaping and irrigation are maintained by contract. The street trees and lighting are also part of the district. The contractor clears trash and weeds the median island biweekly. Landscaping plants and irrigation are replaced and repaired as necessary.

BUDGET OVERVIEW

During FY 2009/10, maintenance expenditures are anticipated to remain constant. The fund balance surplus is held for use of current or future repair costs to the median island's irrigation system when the irrigation controller and related parts need replacement or repairs, and for the streetlight when it needs replacement and/or repairs. A \$1,000 contingency repair fund has been added to augment the fund balance and specifically address emergency repair or restoration maintenance issues outside of normal contracted maintenance and would only be spent in the case where such issues arose.

№ PARKS & PUBLIC WORKS DEPARTMENT Landscape & Lighting Districts

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS		-		h		
Beginning Fund Balance						
Designated	<u> </u>	¥:	2	:=	-	
Undesignated	3,052	2,952	3,130	3,948	3,948	3,988
Total Beginning Fund Balance	3,052	2,952	3,130	3,948	3,948	3,988
Revenues						
Property Tax Assessments	3,160	3,192	3,228	3,160	3,160	3,160
Interest	50	90	80	40	100	80
Other Sources		-				-
Total Revenues	3,210	3,282	3,308	3,200	3,260	3,240
TOTAL SOURCE OF FUNDS	\$ 6,262	\$ 6,234	\$ 6,438	\$ 7,148	\$ 7,208	\$ 7,228
USE OF FUNDS						
Expenditures						
Salaries and Benefits	=	=	=	45	·=	
Operating Expenditures	2,760	2,644	2,030	2,760	2,760	2,760
Total Expenditures	2,760	2,644	2,030	2,760	2,760	2,760
Operating Transfers						
Business Service Transfer	550	460	460	460	460	460
Total Operating Transfers	550	460	460	460	460	460
Ending Fund Balance						
Designated	-	=	1=	5 82	[24]	- 1
Undesignated	2,952	3,130	3,948	3,928	3,988	4,008
Total Ending Fund Balance	2,952	3,130	3,948	3,928	3,988	4,008
TOTAL USE OF FUNDS	\$ 6,262	\$ 6,234	\$ 6,438	\$ 7,148	\$ 7,208	\$ 7,228

KENNEDY MEADOWS ASSESSMENT DISTRICT FUND 232

FUND PURPOSE

The Kennedy Meadows assessment district consists of eight acres of open space area with a paved trail surrounding 15 homes. The Open Space area contains a paved trail, wetlands area, and a portion of Ross Creek. Streetlights on Forrester Court and Kennedy Court are also maintained by the district. Annual assessments for district upkeep remain constant at \$685 per parcel.

As part of the development of the subdivision, this district was required by the Army Corp of Engineer's to reinstate the open space riparian and wetlands area back into its natural habitat under a ten-year plan, which ended June 30, 2005. The trees, landscaping, irrigation system, trail, and streetlights within the open space area are maintained by contract. The district, including the paved trail, is cleaned and cleared of trash biweekly. Irrigation repair and tree replacement is completed as necessary.

BUDGET OVERVIEW

During FY 2009/10, maintenance expenditures are anticipated to remain constant. The fund balance surplus is held for use of current or future repair costs to the median island's irrigation system when the irrigation controller and related parts need replacement or repairs, and for the streetlight when it needs replacement and/or repairs. A \$1,000 contingency repair fund has been added to augment the fund balance and specifically address emergency repair or restoration maintenance issues outside of normal contracted maintenance and would only be spent in the case where such issues arose.

№ PARKS & PUBLIC WORKS DEPARTMENT Landscape & Lighting Districts

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS		-				
Beginning Fund Balance						
Designated	-	-	(*	-	20	
Undesignated	10,671	14,079	8,208	11,990	11,990	14,505
Total Beginning Fund Balance	10,671	14,079	8,208	11,990	11,990	14,505
Revenues						
Property Tax Assessments	10,309	10,275	10,309	10,275	10,275	10,275
Interest	280	460	240	100	300	280
Other Sources		12	112	12:	T 1	
Total Revenues	10,589	10,735	10,549	10,375	10,575	10,555
TOTAL SOURCE OF FUNDS	21,260	24,814	18,757	22,365	22,565	25,060
USE OF FUNDS						
Expenditures						
Salaries and Benefits	2=	89	12	Œ	-	
Operating Expenditures	5,401	15,096	5,257	6,550	6,550	6,550
Total Expenditures	5,401	15,096	5,257	6,550	6,550	6,550
Operating Transfers						
Business Service Transfer	1,780	1,510	1,510	1,510	1,510	1,510
Total Operating Transfers	1,780	1,510	1,510	1,510	1,510	1,510
Ending Fund Balance						
Designated	-	6 	:=:	370	-	-
Undesignated	14,079	8,208	11,990	14,305	14,505	17,000
Total Ending Fund Balance	14,079	8,208	11,990	14,305	14,505	17,000
TOTAL USE OF FUNDS	21,260	24,814	18,757	22,365	22,565	25,060

GEMINI COURT ASSESSMENT DISTRICT FUND 233

FUND PURPOSE

This assessment district, located on Blossom Hill Road and Gemini Court, is made up of 18 residences with a public right-of-way within the boundaries of the Gemini subdivision, Tract No. 8439. The assessment district provides for the maintenance of trees, landscaping, irrigations systems, lighting, sound wall, and fences along this walkway.

Landscaping and irrigation are maintained by contract. The contractor clears trash and weeds the median island biweekly. Landscaping plants and irrigation are replaced and repaired as necessary. Annual assessments remain constant for the 18 parcels at \$230 each.

BUDGET OVERVIEW

During FY 2009/10, maintenance expenditures are anticipated to remain constant. The fund balance surplus is held for use of current or future repair costs to the median island's irrigation system when the irrigation controller and related parts need replacement or repairs, and for the streetlight when it needs replacement and/or repairs. A \$1,000 contingency repair fund has been added to augment the fund balance and specifically address emergency repair or restoration maintenance issues outside of normal contracted maintenance and would only be spent in the case where such issues arose.

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	-	9	-	-	8	
Undesignated	4,749	5,804	7,153	8,451	8,451	7,851
Total Beginning Fund Balance	4,749	5,804	7,153	8,451	8,451	7,851
Revenues						
Property Tax Assessments	4,140	4,140	4,174	4,140	4,140	4,140
Interest	130	240	200	150	260	200
Other Sources	-	-	-		-	
Total Revenues	4,270	4,380	4,374	4,290	4,400	4,340
TOTAL SOURCE OF FUNDS	9,019	10,184	11,527	12,741	12,851	12,191
USE OF FUNDS						
Expenditures						
Salaries and Benefits	-	-	·	(2)	41	-
Operating Expenditures	2,495	2,421	2,466	4,390	4,390	4,390
Total Expenditures	2,495	2,421	2,466	4,390	4,390	4,390
Operating Transfers						
Business Service Transfer	720	610	610	610	610	610
Total Operating Transfers	720	610	610	610	610	610
Ending Fund Balance						
Designated		-	150	-	-	
Undesignated	5,804	7,153	8,451	7,741	7,851	7,191
Total Ending Fund Balance	5,804	7,153	8,451	7,741	7,851	7,191
TOTAL USE OF FUNDS	9,019	10,184	11,527	12,741	12,851	12,191

SANTA ROSA HEIGHTS ASSESSMENT DISTRICT FUND 234

FUND PURPOSE

This assessment district provides maintenance and upkeep within designated Open Space areas A, B, C, and D of Tract No. 8400, Santa Rosa Heights Subdivision. There are 15 residences in this district. The open space area to be maintained by the Town lies north of Shannon Road up to the ridgeline of Blossom Hill Road, adjacent to the subdivision. This area includes a pedestrian/equestrian trail through the subdivision from Shannon Road to Belgatos Park, street trees, and lighting. The trail is pruned, sprayed, and cleared of trash biweekly by contract. Annual assessments for the fifteen parcels were decreased from \$540 each, to \$300 each, effective FY 2006/07.

BUDGET OVERVIEW

During FY 2009/10, maintenance expenditures are anticipated to remain constant. The fund balance surplus is held for use of current or future repair costs to the median island's irrigation system when the irrigation controller and related parts need replacement or repairs, and for the streetlight when it needs replacement and/or repairs. A \$1,000 contingency repair fund has been added to augment the fund balance and specifically address emergency repair or restoration maintenance issues outside of normal contracted maintenance and would only be spent in the case where such issues arose.

№ PARKS & PUBLIC WORKS DEPARTMENT Landscape & Lighting Districts

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	12		: <u>=</u>	:=		_
Undesignated	58,248	61,090	62,512	60,354	60,354	53,414
Total Beginning Fund Balance	58,248	61,090	62,512	60,354	60,354	53,414
Revenues						
Property Tax Assessments	8,100	4,527	4,530	4,500	4,500	4,500
Interest	1,510	2,640	1,950	2,000	1,700	1,500
Other Sources	15	1/2°	E=	(#S		
Total Revenues	9,610	7,167	6,480	6,500	6,200	6,000
TOTAL SOURCE OF FUNDS	67,858	68,257	68,992	66,854	66,554	59,414
USE OF FUNDS						
Expenditures						
Salaries and Benefits	-	-	-	-	(2)	1 L
Operating Expenditures	5,368	5,085	7,978	12,480	12,480	12,480
Total Expenditures	5,368	5,085	7,978	12,480	12,480	12,480
Operating Transfers						
Business Service Transfer	1,400	660	660	660	660	660
Total Operating Transfers	1,400	660	660	660	660	660
Ending Fund Balance						
Designated	-	t = ((** /	.=:	-	-
Undesignated	61,090	62,512	60,354	53,714	53,414	46,274
Total Ending Fund Balance	61,090	62,512	60,354	53,714	53,414	46,274
TOTAL USE OF FUNDS	67,858	68,257	68,992	66,854	66,554	59,414

VASONA HEIGHTS ASSESSMENT DISTRICT FUND 235

FUND PURPOSE

This assessment district is adjacent to Blossom Hill and Roberts Road, with open space running between the subdivision and the Los Gatos Creek Trail. The District was created to provide maintenance and upkeep within the designated open space areas A, B, and C of Tract No. 8280, of the Vasona Heights Subdivision. All 32 assessments are assessed an annual charge of \$295 per parcel, continuing the decrease in original property assessments as agreed to by the property owners and the Town Council in FY 2001/02.

The district upkeep includes, trees, landscaping, irrigation systems, trail, emergency access, and a retaining wall along Blossom Hill Road. The open space areas are maintained by contract, with cleanup, trash control, irrigation maintenance, and landscape maintenance completed biweekly.

BUDGET OVERVIEW

During FY 2009/10, maintenance expenditures are anticipated to remain constant. The fund balance surplus is held for use of current or future repair costs to the median island's irrigation system when the irrigation controller and related parts need replacement or repairs, and for the streetlight when it needs replacement and/or repairs. A \$1,000 contingency repair fund has been added to augment the fund balance and specifically address emergency repair or restoration maintenance issues outside of normal contracted maintenance and would only be spent in the case where such issues arose.

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	-			-	-	
Undesignated	10,625	8,671	6,467	8,410	8,410	9,815
Total Beginning Fund Balance	10,625	8,671	6,467	8,410	8,410	9,815
Revenues						
Property Taxes	9,750	9,773	9,771	9,735	9,735	9,735
Interest	180	200	130	40	160	130
Other Sources	-		-	-	2	
Total Revenues	9,930	9,973	9,901	9,775	9,895	9,865
TOTAL SOURCE OF FUNDS	20,555	18,644	16,368	18,185	18,305	19,680
USE OF FUNDS						
Expenditures						
Salaries and Benefits	-	1=1	3-1	(=)	-6	-
Operating Expenditures	10,206	10,747	6,528	7,060	7,060	7,060
Total Expenditures	10,206	10,747	6,528	7,060	7,060	7,060
Operating Transfers						
Business Service Transfer	1,678	1,430	1,430	1,430	1,430	1,430
Total Operating Transfers	1,678	1,430	1,430	1,430	1,430	1,430
Ending Fund Balance						
Designated	-	-		180	-	
Undesignated	8,671	6,467	8,410	9,695	9,815	11,190
Total Ending Fund Balance	8,671	6,467	8,410	9,695	9,815	11,190
TOTAL USE OF FUNDS	20,555	18,644	16,368	18,185	18,305	19,680

HILLBROOK DRIVE ASSESSMENT DISTRICT FUND 236

FUND PURPOSE

This assessment district, encompassing the designated open space area within Tract No. 3026 at the corner of Blossom Hill Road and Hillbrook Drive, provides maintenance services for the trees, landscaping, irrigation system and hardscape for the improved area in parcel #523-11-28 of the Hillbrook Benefit Zone. Annual assessments remain constant for the 34 parcels at \$50 each.

The district is comprised of 34 residences and a small park of approximately .26 acres. The landscape contract for this assessment district includes maintenance of the lawn, trees, shrubs, and irrigation system. This park is cleared of trash, mowed, and cleaned weekly.

BUDGET OVERVIEW

During FY 2009/10, maintenance expenditures are anticipated to remain constant. The fund balance surplus is held for use of current or future repair costs to the median island's irrigation system when the irrigation controller and related parts need replacement or repairs, and for the streetlight when it needs replacement and/or repairs. A \$1,000 contingency repair fund has been added to augment the fund balance and specifically address emergency repair or restoration maintenance issues outside of normal contracted maintenance and would only be spent in the case where such issues arose.

№ PARKS & PUBLIC WORKS DEPARTMENT ©Landscape & Lighting Districts

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS				raoptea		
Beginning Fund Balance						
Designated	-	-		-		
Undesignated	15,997	12,764	10,021	7,532	7,532	4,032
Total Beginning Fund Balance	15,997	12,764	10,021	7,532	7,532	4,032
Revenues						
Property Taxes	1,703	1,705	1,713	1,700	1,700	1,700
Interest	360	450	270	250	180	160
Other Sources			-			
Total Revenues	2,063	2,155	1,983	1,950	1,880	1,860
TOTAL SOURCE OF FUNDS	18,060	14,919	12,004	9,482	9,412	5,892
USE OF FUNDS						
Expenditures						
Salaries and Benefits	*			-	8)	0.5
Operating Expenditures	5,006	4,648	4,222	5,130	5,130	5,130
Total Expenditures	5,006	4,648	4,222	5,130	5,130	5,130
Operating Transfers						
Business Service Transfer	290	250	250	250	250	250
Total Operating Transfers	290	250	250	250	250	250
Ending Fund Balance						
Designated	-	*	-:	~	*	
Undesignated	12,764	10,021	7,532	4,102	4,032	512
Total Ending Fund Balance	12,764	10,021	7,532	4,102	4,032	512
TOTAL USE OF FUNDS	18,060	14,919	12,004	9,482	9,412	5,892

Community Services Department

DEPARTMENT PURPOSE

The Community Services Department serves as the center for programs that enrich the life of the community. The Department is committed to the following:

- Identifying and responding to the needs of a diverse population, with programs that serve seniors, youth, families, homeowners, renters, and low-income residents
- Promoting a spirit of hometown community by including volunteers and program participants as integral parts of ongoing projects
- Facilitating communication between local human service providers in order to increase effectiveness and to continually improve programs through shared expertise and resources
- Managing Town compliance with a variety of Federal and State programs, targeting related resources toward identified local priorities
- Encouraging a sustainable future by promoting environmentally sound programs and initiatives

BUDGET OVERVIEW

The FY 2009/10 department budget reflects a moderate decrease in revenues and expenditures. Overall, the budget is approximately 7% less than the prior year's budget with the scope of services remaining the same. The Department's revenue, which comes from the General Fund, is made up of fees, grants, and donations. FY 2009/10 expenses in the Housing program are lower to reflect the number of BMP sales anticipated in the fiscal year. Revenues from the BMP in-lieu fund used to offset BMP costs are expected to be lower. Expenditures have also decreased as a result of lower housing-related contractual expenses. Reductions were also realized in the Conservation, Recycling, and Sustainability Program due to the completion of special projects.

Additional reductions are reflected in the Neighborhood Center program budget. Special event expenses have been reduced below FY 2008/09 without impacting service levels. This reduction will limit future event expansion or enhancement opportunities.

The Department will continue to take a lead role in promoting the Town's sustainability and environmental initiatives. It is anticipated that the greenhouse gas emissions inventory will be completed by the end of FY 2008/09, which will position the department to begin work a plan to monitor and implement a carbon reduction program.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Good Governance Ensure responsive, accountable and collaborative governance	 Published and circulated 16,000 copies of the Town Fall and Spring Vista and Annual Report
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	 Successfully planned and held an annual Fourth of July, Music in the Park and Screen on the Green events. Installed six exhibits by local artists in the Council Chambers.
Community Character Preserve and enhance the appearance character and environment quality of the community	 Completed sale of three Below Market Price homes. Completed environmental and sustainability initiatives, including a Greenhouse Gas Emissions Inventory and Growing Greener campaign.

™ COMMUNITY SERVICES DEPARTMENT ©

DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Intergovernmental	(6)	(e		47,700	45,714	46,700
Service Charges	100,113	1,141,260	120,838	156,400	146,600	127,870
Interest	14	-	1=	-:	-	-
Other Sources	73,402	76,650	84,778	78,000	104,995	87,300
TOTAL REVENUES	\$ 173,515	\$1,217,910	\$ 205,616	\$ 282,100	\$ 297,309	\$ 261,870
EXPENDITURES						
Salaries and Benefits	400,233	411,229	436,279	609,900	498,900	591,963
Operating Expenditures	131,818	1,156,994	181,647	361,120	319,520	319,210
Grants	109,615	114,615	119,765	130,290	130,290	118,030
Fixed Assets	2	-	7,346	-	-	
Internal Service Charges	224,362	261,004	263,966	274,200	270,800	241,348
TOTAL EXPENDITURES	\$ 866,028	\$1,943,842	\$ 1,009,003	\$1,375,510	\$ 1,219,510	\$ 1,270,551
GENERAL FUND EXPENDI	TURES BY PRO	OGRAM				
Administration	141,311	145,126	132,533	171,000	124,300	163,225
Neighborhood Center	395,404	432,417	515,646	526,300	497,400	481,965
Housing Program	101,017	1,134,751	132,944	152,150	131,900	136,164
Community Grants	150,156	153,628	145,638	159,290	141,890	144,934
Arts & Culture	75,461	74,167	80,402	95,550	95,300	92,647
Sustainability	•	-		260,520	211,300	243,916
AB2020 Grants			3=	7,700	2,700	7,700
Pass Through Accounts	2,679	3,753	1,840	3,000	14,720	
TOTAL GF EXPENDITURE	S \$ 866,028	\$1,943,842	\$ 1,009,003	\$1,375,510	\$ 1,219,510	\$ 1,270,551

The above program totals reflect General Fund programs. Additional Community Service programs are reflected in separate Special Revenue Funds following the General Fund portion of this section.

DEPARTMENT STAFFING

Full Time Equivalent (FTE)						
	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
General Fund	Positions	Funded	Funded	Funded	Funded	Funded
Community Services Dir.	0.95	0.70	0.70	0.70	0.95	0.95
Administrative Analyst	0.45	0.25	0.25	0.25	0.45	0.45
Administrative Secretary	1.00	0.90	0.90	0.90	1.00	1.00
Senior Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	0.75	0.75	0.75	0.75	0.75	0.75
Secretary I	1.00		-	0.30	1.00	1.00
Total General Fund FTEs	5.15	3.60	3.60	3.90	5.15	5.15
NON-General Fund FTEs (in	. Community 9	lawiess Denov	tmont nuccuor	ns unless other	ewice noted)	
NON-General Fund FIES (I	i Community S	services Depar	tment prograi	us uniess other	wise noteu)	
CDBG Program						
Community Services Dir.	-	0.05	0.05	0.05		-
Administrative Analyst	0.05	0.20	0.20	0.20	0.05	0.05
Total CDBG FTEs	0.05	0.25	0.25	0.25	0.05	0.05
Redevelopment Agency (FTFs	in Redevelonm	ent Agency Bu	døet under Fun	d 960)		
Redevelopment Agency (FTEs	0.05	0.05	0.05	0.05	0.05	Harris Constitution (Constitution)
	0.05	- E1.	-		0.05 0.05	Harris Constitution (Constitution)
Community Services Dir. Total Redevelopment FTEs	0.05	0.05	0.05	0.05		Harris Constitution (Constitution)
Community Services Dir. Total Redevelopment FTEs Solid Waste Management	0.05	0.05	0.05	0.05		
Community Services Dir. Total Redevelopment FTEs	0.05	0.05 0.05	0.05 0.05	0.05		Harris Constitution (Constitution)
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir.	0.05	0.05 0.05	0.05 0.05	0.05 0.05		Harris Constitution (Constitution)
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst	0.05	0.05 0.05 0.20 0.05	0.05 0.05 0.20 0.05	0.05 0.05 0.20 0.05		Harris Constitution (Constitution)
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst Administrative Secretary	0.05	0.05 0.05 0.20 0.05	0.05 0.05 0.20 0.05	0.05 0.05 0.20 0.05 0.10		0.05
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst Administrative Secretary Secretary I	0.05 0.05	0.05 0.05 0.20 0.05 0.10	0.05 0.05 0.20 0.05 0.10	0.05 0.05 0.20 0.05 0.10 0.70	0.05	
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst Administrative Secretary Secretary I Total Solid Waste FTEs Total Community Serv. FTEs	0.05 0.05	0.05 0.05 0.20 0.05 0.10 	0.05 0.05 0.20 0.05 0.10 -	0.05 0.05 0.20 0.05 0.10 0.70 1.05	0.05	
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst Administrative Secretary Secretary I Total Solid Waste FTEs Total Community Serv. FTEs	0.05 0.05	0.05 0.05 0.20 0.05 0.10 	0.05 0.05 0.20 0.05 0.10 -	0.05 0.05 0.20 0.05 0.10 0.70 1.05	0.05	
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst Administrative Secretary Secretary I Total Solid Waste FTEs Total Community Serv. FTEs Temporary Staff * Recycling Coordinator	0.05 0.05	0.05 0.05 0.20 0.05 0.10 - 0.35 4.25	0.05 0.05 0.20 0.05 0.10 - 0.35 4.25	0.05 0.05 0.20 0.05 0.10 0.70 1.05	0.05	
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst Administrative Secretary Secretary I Total Solid Waste FTEs Total Community Serv. FTEs Temporary Staff * Recycling Coordinator Office Clerk	0.05 0.05	0.05 0.05 0.20 0.05 0.10 - 0.35 4.25	0.05 0.05 0.20 0.05 0.10 - 0.35 4.25	0.05 0.05 0.20 0.05 0.10 0.70 1.05	0.05	
Community Services Dir. Total Redevelopment FTEs Solid Waste Management Community Services Dir. Administrative Analyst Administrative Secretary Secretary I Total Solid Waste FTEs Total Community Serv. FTEs Temporary Staff * Recycling Coordinator	0.05 0.05	0.05 0.05 0.20 0.05 0.10 - 0.35 4.25	0.05 0.05 0.20 0.05 0.10 - 0.35 4.25	0.05 0.05 0.20 0.05 0.10 0.70 1.05 5.25	5.25	

COMMUNITY SERVICES ADMINISTRATION PROGRAM 6101

PROGRAM PURPOSE

The Administration Program supports the delivery of all services provided by the Community Services Department through maintaining a responsive, global focus for the department, and ensuring departmental resources are allocated appropriately. Program staff serves as a point of contact for residents seeking referral to a variety of human service organizations; provides staff support to the Town's Community Services Commission and several ad hoc committees; and manages special projects, including production and publishing of the Town's community newsletter.

BUDGET OVERVIEW

The primary work in this program is internally focused; program staff coordinates the resources of the department as a whole. One of the major external services of the program is the development and dissemination of public information. Ongoing public information efforts include the Town newsletter, the Los Gatos Vista, special event publicity, and the Town's Annual Report. For FY 2009/10, production of the Vista will be reduced from twice a year to once a year generating expenditure savings. The Vista will be published in the Spring, followed by the Annual Report in the Fall and sent via direct mail to all Los Gatos addresses. Staff will continue to work with staff in the Town Manager's Office and other departments to improve the quality and coordination of Town public information efforts. Staff will also continue to participate in the Town General Plan Update.

⊗ COMMUNITY SERVICES DEPARTMENT ©Administration

SUMMARY OF REVENUES AND EXPENDITURES

	= 7.5	5/06 uals		6/07 uals	2007/08 Actuals		08/09 opted	1000	08/09 mated		09/10 lopted
REVENUES			-		 						
Service Charges		140		-			#1		-		-
Interest		; -		-	-		=:		-		-
Other Sources		-			 		-		-		-
TOTAL REVENUES	S	E-1	\$	-	\$ -	S	-	\$	9 -	\$	-
EXPENDITURES											
Salaries and Benefits	10	7,572	10	08,503	98,379	1	24,500	9	91,700	1	17,267
Operating Expenditures	2	1,701	2	23,626	21,451	1	33,700		20,900		33,700
Fixed Assets		S=0		-	170		-		L.E.		:
Internal Service Charges	1	2,038	1	2,997	 12,703		12,800		11,700		12,258
TOTAL EXPENDITURES	\$ 14	1,311	\$ 14	15,126	\$ 132,533	\$ 1	71,000	\$ 12	24,300	\$ 1	163,225

FY 2009/10 KEY PROJECTS

Strategic Goals	KEY PROJECTS
Good Governance Ensure responsive, accountable and collaborative governance	Town Newsletter The Town newsletter, the Los Gatos Vista, provides thorough, effective, and professional conveyance of information to residents. It will be produced each Spring, followed by the Annual Report in the Fall, and sent via direct mail to all Los Gatos addresses.
Public Safety Ensure public safety through proactive community policing, affective emergency response, and community wide emergency preparedness	Emergency Preparedness In coordination with the Town Manager's Office and Police Department, the Community Services Department will continue to implement the campaign to assist residents and businesses to develop a plan for self-sufficiency during a natural or man-made disaster. In the event of an emergency, Community Services is responsible for organizing and implementing the Emergency Volunteer Center in conjunction with other local governments in the area. The Emergency Volunteer Center will serve as the central meeting point for local volunteers to gather and accept volunteer assignments related to the emergency. Focus during the next year will be placed on assisting homebound residents with developing emergency plans.

™ COMMUNITY SERVICES DEPARTMENT Administration

KEY PROGRAM SERVICES

- Produce and distribute one issue of the Town newsletter annually, the Town Annual Report in cooperation with the Town Manager's Office, and other communications materials as needed
- Manage the Departmental budget, and track fiscal and program performance
- Provide staff support to the Community Services Commission, its subcommittees, ad hoc committees, and projects
- Manage implementation of the General Plan's Human Services Element
- Manage effective use of Departmental personnel and related resources

ADMINISTRATION PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Services Dir.	0.30	0.25	0.25	0.25	0.30	0.30
Administrative Analyst	0.10	0.10	0.10	0.10	0.10	0.10
Administrative Secretary	0.55	0.55	0.55	0.55	0.55	0.55
Total Administration FTEs	0.95	0.90	0.90	0.90	0.95	0.95

Office Clerk	80	80	Tunucu	- runded	- unucu
Temporary Staff	Funded	Funded	Funded	Funded	Funded
	2005/06	2006/07	2007/08	2008/09	2009/10



NEIGHBORHOOD CENTER PROGRAM 6201

PROGRAM PURPOSE

This program encompasses the primary services provided by the Community Services Department directly to its customers, including Neighborhood Center facility use, the Senior Program, and the Volunteer Program. In addition, the program has the lead role in the coordination of Town-sponsored special events.

Neighborhood Center

The Los Gatos Downtown Neighborhood Center benefits Los Gatos' senior citizens, youth, civic and service groups, and community residents. As part of a comprehensive community strategy to meet the needs of Los Gatos residents, programs at the Neighborhood Center include a variety of services and activities in such areas as education, creative arts, counseling, recreation, leadership development, health, nutrition, social work, and other supportive services. Rooms in the Neighborhood Center are rented for community activities and private parties, and leased on a monthly basis to a nonprofit organization that provides human services to frail elderly residents.

Senior Program

The Senior Program seeks to promote a feeling of community and community involvement among seniors; to enhance existing programs that provide for the physical, social, and mental well-being of seniors and their families; to identify and meet unfilled senior service and activity needs; and to increase program participation through public awareness of the Senior Program.

Volunteer Program

The goals of the Volunteer Program are to create a spirit of cooperation between the Town organization and the community; to promote civic pride and community involvement; to enhance existing programs and help deliver a higher level of service to the community; and to bring a broad spectrum of volunteer experiences and additional skills to the Town.

Special Events

The Community Services Department oversees the management and implementation of special events including the annual 4th of July celebration and Screen on the Green.

© COMMUNITY SERVICES DEPARTMENT ♥3 Neighborhood Center

BUDGET OVERVIEW

Costs related to special events were moved to the Neighborhood Center in FY 2008/09 to reflect work that is done by staff to organize and implement the events. The FY 2009/10 budget reflects a \$15,000 reduction in special event expenses. This reduction will impact the ability to expand special events in scope and number.

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Service Charges	3,092	465	545	1,200	600	600
Interest		-	3.5	-	-	
Other Sources	32,155	28,460	27,755	24,000	25,000	25,000
TOTAL REVENUES	\$ 35,247	\$ 28,925	\$ 28,300	\$ 25,200	\$ 25,600	\$ 25,600
EXPENDITURES						
Salaries and Benefits	188,285	197,005	238,098	237,800	217,400	237,377
Operating Expenditures	14,711	9,606	41,728	55,600	47,700	41,600
Fixed Assets	-	-	ile	-	(2)	-
Internal Service Charges	192,408	225,806	235,820	232,900	232,300	202,988
TOTAL EXPENDITURES	\$ 395,404	\$ 432,417	\$ 515,646	\$ 526,300	\$ 497,400	\$ 481,965

™ COMMUNITY SERVICES DEPARTMENT Neighborhood Center

FY 2009/10 KEY PROJECTS

Strategic Goals	KEY PROJECTS
Good Governance Ensure responsive, accountable and collaborative	Logistics Team In an effort to provide improved customer service and a streamlined application process that efficiently utilizes Town resources, the Community Services Department facilitates the Logistics Team for special events. The Logistics Team coordinates multiple resources including Police, Parks, and Maintenance as well as other services as needed for special events.
governance	Senior Services During the next fiscal year, staff will convene senior service providers, both governmental and non-profits, to explore opportunities for enhanced cooperation and partnerships.
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	Community Unity Community Unity is a grassroots effort to bring together Los Gatans focused on maintaining and improving community, building community partnerships, and fostering civic pride. The Town's role, in which the department takes a lead, is that of a facilitator of the forum through which volunteer partnerships are made and maintained. This forum has taken the shape of the Community Unity website, www.losgatosca.gov/cu. During FY 09/10, the department will continue to solicit projects for the website and to make referrals; it will also continue its additional outreach efforts to youth.

KEY PROGRAM SERVICES

- In coordination with Building Maintenance staff, manage Neighborhood Center facility maintenance and improvements
- Manage long-term Neighborhood Center lease and hourly facility rentals
- Manage the Town's Volunteer Program
- Manage the Senior Program and the Senior Center, including provision of Case Management services
- Manage Town-wide special events, such as the annual July 4th Celebration and Screen on the Green, and take a lead role on the Town-wide Logistics Team
- · Build community partnerships through the Community Unity effort

⊗ COMMUNITY SERVICES DEPARTMENT ©3 Neighborhood Center

NEIGHBORHOOD CENTER PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Services Dir.	0.15	0.15	0.15	0.15	0.15	0.15
Administrative Analyst	0.05	-	21	-	0.05	0.05
Administrative Secretary		9	₩.	-		
Senior Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	0.55	0.75	0.75	0.75	0.55	0.55
Secretary I	0.40		9	0.20	0.40	0.40
Total Neighborhood Center FTEs	2.15	1.90	1.90	2.10	2.15	2.15

Temporary Staff	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Office Clerk	80	80	-	-	Subar
Facility Attendant	470	470	470	470	470
Total Annual Hours	550	550	470	470	470

© COMMUNITY SERVICES DEPARTMENT Neighborhood Center

Pe	rformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Seek to promote a feeling of community and community involvement among seniors. a. Percentage of participants in Town Senior Program activities who are satisfied with the program:	100%	100%	100%	100%	100%
2.	Create a spirit of cooperation between the Town organization and the community.					
	 Percentage of Town volunteers who find their participation in Town volunteer activities to be a positive experience: 	100%	100%	100%	100%	100%

Ac	tivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of Neighborhood Center applications processed:	58	49	43	40	40
2.	Number of hours Neighborhood Center is reserved by application:	3,076	3,141	3,784	4,000	4,000
3.	Number of Senior Center programs and services offered monthly, bi-monthly, quarterly, and annually:	15	15	15	15	15
4.	Number of Senior Center programs and services offered weekly:	8	8	8	8	8
5.	Number of participants in Case Management:	35	36	34	32	32
6.	Total number of hours volunteered Town-wide:	41,960	34,388	36,859	36,800	36,800
7.	Total value of volunteer hours:	\$1,033,195	\$891,600	\$830,887	\$838,000	\$838,000

^{*}Starting in FY 07/08, the total hours of Neighborhood Center use was calculated to include Recreation Department reservations.



ARTS & CULTURE PROGRAM 6204

PROGRAM PURPOSE

The Arts and Culture Program provides support for the Town's Arts Commission and the Art Selection Panel, and their projects. The Arts Commission facilitates the advancement of the arts through a variety of programs, including the annual Music in the Park summer concert series, the ongoing Art in the Council Chambers exhibits, and special arts projects. The Commission also makes recommendations to the Town Council regarding allocation of the annual community grant funds to arts, cultural, and educational nonprofit organizations. The Art Selection Panel reviews proposals from artists for development and installation of public art.

BUDGET OVERVIEW

The Music in the Park (MIP) summer concert series is funded by private donations, which cover all direct costs of the series, and is coordinated by the Arts Commission. In addition, the Town provides in-kind services in the form of administrative and support staff resources. In February 2009, Council approved the staff and Arts Commission recommendation to authorize staff to negotiate an agreement with Los Gatos Music & Art to transfer coordination and management of MIP to the non-profit agency. This action will relieve the Arts Commission of all fundraising and volunteer efforts associated with the concert series. Although cost savings will not be experienced until an agreement is in place, staff capacity will be increased as support to the event and the Commission is reduced. Art in the Council Chambers, and support of the two Council-appointed bodies, will remain constant from previous years.

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SUMMARY OF REVENUES AND EXPENDITURES

		005/06 Actuals	006/07 Actuals	2007/08 Actuals	008/09 dopted	008/09 stimated	009/10 dopted
REVENUES							
Service Charges		-	80	Ħ	12	_	-
Interest		i - i		-	:-	-	-
Other Sources		38,568	38,441	42,532	51,000	 52,000	52,000
TOTAL REVENUES	\$	38,568	\$ 38,441	\$ 42,532	\$ 51,000	\$ 52,000	\$ 52,000
EXPENDITURES							
Salaries and Benefits		26,882	27,560	27,888	33,400	34,000	31,327
Operating Expenditures		42,390	39,560	45,168	54,850	53,900	54,850
Fixed Assets		-	-:	7,346	-	-	-
Grants		-	-	8	÷	-	-
Internal Service Charges		6,189	 7,047	 	7,300	7,400	6,470
TOTAL EXPENDITURES	S	75,461	\$ 74,167	\$ 80,402	\$ 95,550	\$ 95,300	\$ 92,647

FY 2009/10 KEY PROJECTS

Strategic Goals	KEY PROJECTS
Civic	Music in the Park (MIP)
Enrichment	Coordinated jointly by the Arts Commission and department staff, MIP is a summer
Foster	series of free musical concerts held on Sunday afternoons. MIP is an extremely popular
opportunities	event, which has enriched the community and added vitality to the downtown area since
for civic	1988. Arts Commission members raise private donations to cover all production costs.
engagement,	Hundreds of volunteer hours go into raising funds for and producing Music in the Park.
and cultural,	It is anticipated that Music in the Park coordination will be transferred to a non-profit
recreational	agency during FY 2009/10.
and individual	
enrichment	Art in the Council Chambers
	The Arts Commission, with staff assistance, installs and curates six art exhibits in the
	Council Chambers each year. This program allows the Town Council and residents to
	enjoy a wide variety of art expression, and provides local artists a venue in which to
	display their work.

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KEY PROGRAM SERVICES

- · Provide staff support to the Arts Commission, its subcommittees, ad hoc committees, and projects
- · Provide staff support to the Art Selection Panel, its subcommittees, ad hoc committees, and projects
- · Provide program oversight, staff support, and fiscal accounting for Music in the Park
- · Provide program oversight, staff support, and fiscal accounting for Art in the Council Chambers

ARTS & CULTURE PROGRAM STAFFING

$F_{II}II$	Tima	Eauiva	Lout	(FTE)	٠,
1 1111	Lune	Lauru	ICHLI	1 1 1	,

m: 1 1 1 0 1 0 1	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Community Services Dir.	0.10	0.10	0.10	0.10	0.10	0.10
Administrative Secretary	0.15	0.15	0.15	0.15	0.15	0.15
Total Arts & Culture FTEs	0.25	0.25	0.25	0.25	0.25	0.25

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Per	formance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
	Foster a comprehensive arts environment within the Town through the support, development, and appreciation of the arts.					
	 Percentage of Music in the Park concert attendees satisfied with the experience: 	100%	100%	100%	100%	100%
1	 Percentage of public art pieces in good to excellent condition: 	86%	86%	86%	86%	86%
(Resident satisfaction with Arts and Cultural opportunities in Los Gatos: 	0.99	0.99	0.99	0.99	0.99

A	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of Art in the Council Chambers exhibitions installed and curated:	6	6	6	6	6
2.	Number of volunteer hours donated to Arts Commission projects:	1209	758	786	775	400
3.	Average number of attendees at Music in the Park concerts:	1,600	1,600	2,000	2,500	3,000

COMMUNITY GRANTS PROGRAM 6205

PROGRAM PURPOSE

The Community Grants Program manages all Town grants to nonprofit agencies providing human services and art, cultural, and educational programming so Los Gatos residents may maintain or improve their quality of life. Program staff seeks out and manages grant contributions from other public and private sources and works to improve communications between grant recipients to encourage collaboration, increase effectiveness, and eliminate duplication of effort. Grants are allocated through a competitive process. Human Services Agency grant applications are reviewed by the Community Services Commission; the Arts Commission reviews Arts and Cultural Agency applications. Both Commissions then make funding recommendations to the Town Council.

BUDGET OVERVIEW

For several years, the Town has granted approximately \$100,000 in General Fund monies annually to local nonprofit organizations, for human, arts, and cultural services. These grants are in addition to the approximately \$27,000 of Community Development Block Grant (CDBG) funding to local non-profit agencies, for human services, that the department administers each year. The Town also provides in-kind donations of subsidized leases to A Place for Teens, the Los Gatos Museum Association and Los Gatos-Saratoga Community Education and Recreation, as well as an annual Community Contribution grant to the Los Gatos Museum Association. The value of the leases is reflected in the Reference section as an in-kind contribution.

All nonprofits funded through the Community Grants Program provide valuable human services to Los Gatos Residents. FY 2008/09 CBDG funding level of \$32,730 has been reduced to \$27,050 for FY 2009/10. Human service agencies anticipate that service levels will be impacted.

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SUMMARY OF REVENUES AND EXPENDITURES

		005/06 ctuals		2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		008/09 timated		2009/10 Adopted
REVENUES												
Service Charges		-		7=		-		-		-		-
Interest		-		-				-		-		-
Other Sources		- 41		-		-				2,975		
TOTAL REVENUES	S	-	S	-	S	-	S	-	S	2,975	S	
EXPENDITURES												
Salaries and Benefits		33,862		33,556		26,047		33,600		17,400		32,325
Operating Expenditures		235		183		647		1,100		300		1,100
Fixed Assets		:=		:=:		-		-		-	180	
Grants:		109,615		112,615		111,765		117,290		117,290		105,030
Internal Service Charges		6,444		7,274		7,179		7,300		6,900	Her	6,479
TOTAL EXPENDITURES	\$	150,156	\$	153,628	\$	145,638	\$	159,290	S	141,890	\$	144,934

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	Local Non-Profit Assistance Staff will implement the first year of the two-year funding cycle for human service grants. The two-year funding cycle was initiated based on Community Services Commission and staff review of best practices.

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KEY PROGRAM SERVICES

- · Manage annual Community Grant allocation process
- · Administer annual grant agreements; track performance and funds distribution
- Monitor local provision of human services, and serve as a resource for local nonprofit service agencies

COMMUNITY GRANT PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Services Dir.	0.05	0.05	0.05	0.05	0.05	0.05
Administrative Analyst	0.10	0.10	0.10	0.10	0.10	0.10
Administrative Secretary	0.10	0.10	0.10	0.10	0.10	0.10
Total Community Grant FTEs	0.25	0.25	0.25	0.25	0.25	0.25

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GRANTS SUMMARY

	Source	2005/06 Actuals	2006/07	2007/08 Actuals	2008/09 Funded	2009/10 Funded
Human Services	Source	Actuals	Actuals	Actuals	runded	runded
Catholic Charities/LTC Ombudsman	CDBG	7,680	7,680	7,680	7,680	7,370
Emergency Housing Consortium	Town	1,574	1,574	1,574	7,000	1,570
Second Harvest Food Bank	CDBG	3,802	3,802	3,802	3,800	4,800
Live Oak Adult Day Services	CDBG	12,988	12,988	12,988	12,990	12,470
Live Oak Sr. Nutrition and Service	Town	27,456	27,456	27,456	27,460	26,360
Next Door Solutions Dom. Violence	Town	12,000	12,000	8,903	12,000	11,520
Parents Helping Parents	Town	1,920	1,920	1,920	1,920	1.840
A Place for Teens	Town	10,840	13,340	13,340	12,000	10,940
Support Network	Town	4,800	4,800	4,800	4,800	4,600
SJSU Foundation/The Health Place	CDBG	12,211	12,211	11,094	8,260	2,410
SJSU Foundation/The Health Place	Town	4,681	4,681	5,798	8,630	13,810
Teen and Family Counseling Center	Town	27,044	27,044	27,044	27,050	25,390
United Way - 211 Funding	Town	-	-	2,500	2,500	2,400
Total Human Services Grants		126,996	129,496	128,899	129,090	123,910
Art / Education						
Art Docents of Los Gatos	Town	4,500	4,500	4,500	4,500	4,260
Festival Theatre Ensemble	Town	1,000	1,000	1,000	1,000	900
Los Gatos Community Concert	Town	870	870	1,000	1,000	1,000
Photographic Guild of Los Gatos	Town	-	I-	1,000	1,000	1,000
St. Luke's/Sunset Concert Series	Town	500	500		1,000	1,000
Cinecats	Town		500			
Total Art / Education Grants		6,870	7,370	7,500	8,500	8,160
Community Contributions						
Los Gatos Museum Association	Town	12,430	12,430	12,430	12,430	12,430
Total Community Contributions		12,430	12,430	12,430	12,430	12,430
CDBG Total	CDBG	36,681	36,681	35,564	32,730	27,050
Town's General Fund Total	Town	109,615	112,615	113,265	117,290	117,450
Grand Total	ALL	\$ 146,296	\$ 149,296	\$ 148,829	\$ 150,020	\$ 144,500

\bowtie COMMUNITY SERVICES DEPARTMENT \bowtie Community Grants

Pe	rformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Encourage collaboration, increase effectiveness, and eliminate duplication of effort among grant recipients.					
	 Percentage of grant recipients satisfied with the grant allocation process: 	100%	100%	100%	100%	100%
2.	Manage grants to nonprofit agencies providing human services and art, cultural, and educational programming so that Los Gatos residents may maintain or improve their quality of life.					
	The average percentage of a grantee's budget that comes from the Town's grant contributions:	2.5%	2.8%	0.6%	3.7%	3.0%

Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Grant Agreements administered:					
	a. Number of Human Service grants:	8	8	8	8	8
	b. Number of Arts/Cultural/Educational grants:	5	5	5	5	5
	c. Number of Community Contribution grants:	1	1	1	1	1
2.	Total dollar amount of General Fund grant agreements administered:	\$97,185	\$100,185	\$95,092	\$96,360	\$96,870
3.	Number of Los Gatos residents directly served by Town grant-funded organizations:	5,261	5,762	4,960	5,000	5,000



CONSERVATION, RECYCLING & SUSTAINABILITY PROGRAM 6302

PROGRAM PURPOSE

The purpose of the Conservation, Recycling and Sustainability Program is to encourage and promote initiatives that will reduce harmful impacts on the environment. Through a multi-faceted approach, the Program maximizes diversion from landfills in order to protect public health and safety, and the environment and promotes programs to encourage a sustainable future. Staff works to encourage:

- 1) Sustainability initiatives to reduce harmful impacts on the environment
- 2) Conservation of natural resources
- 3) Source reduction, to reduce the generation of wastes
- 4) Recycling and composting of materials
- 5) Transformation of wastes, such as waste-to-energy processes
- 6) Landfilling, as a last resort, for management of remaining materials

As required by the California Integrated Waste Management Act of 1989 (AB 939), the Town must divert a minimum of 50% of its waste from the landfill. Staff manages compliance with AB 939 requirements, monitors and evaluates existing waste collection and recycling programs, and recommends new programs to meet diversion objectives. Staff also actively participates in the West Valley Solid Waste Management Authority, the local joint powers authority for managing the solid waste vendor contracts.

The fund balance of the former Solid Waste Management Fund was transferred to the General Fund as Conservation, Recycling and Sustainability Program in FY 2008/09. These funds have been designated for the purpose of implementing environmental initiatives to support a sustainable future.

BUDGET OVERVIEW

The FY 2009/10 budget reflects a decrease in funding for the administration of the JPA in anticipation of reduced management costs. There is also a slight decrease in funding for sustainability efforts. Funding for special projects, such as the Greenhouse Gas Emissions Inventory and Reduction Plan will be supported by General Plan Update program fees. Also included in the Conservation, Recycling, and Sustainability budget program is AB 2020, the State Beverage Container Grant, which will be used to support the Town's "green" effort and "Keep Los Gatos Beautiful" activities.

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STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	· -			=		
Undesignated	250,037	329,914	338,850	296,554	296,554	
Total Beginning Fund Balance	250,037	329,914	338,850	296,554	296,554	
Revenues						
Intergovernmental	51,123	50,424	41,043	-	i e	-
Other Sources	337,374	221,081	20	¥	B4	
Total Revenues	388,497	271,505	41,043	-	-	
Operating Transfers						
Transfers from General Fund	641	2:	224,110			
Total Operating Transfers		-	224,110	<u> </u>	75	
TOTAL SOURCE OF FUNDS	\$ 638,534	\$ 601,419	\$ 604,003	\$ 296,554	\$ 296,554	s -
USE OF FUNDS						
Expenditures						
Salaries and Benefits	152,861	165,137	143,000	=	.57	-
Operating Expenditures	90,109	59,974	156,291	-	19 2 1	
Fixed Assets	-		51	5	150	•
Internal Service Charges	7,315	7,858	8,158			-
Total Expenditures	250,285	232,969	307,449	-	-	
Operating Transfers						
Business Service Fee Transfer	58,335	29,600			296,554	0.4
Total Operating Transfers	58,335	29,600	۵)		296,554	•
Ending Fund Balance						
Designated	220.014	220.050	206.554	206 554	(2)	-
Undesignated Total Ending Fund Balance	329,914 329,914	338,850 338,850	296,554 296,554	296,554 296,554		-
The second secon			7.2113.7327	1		
TOTAL USE OF FUNDS	\$ 638,534	\$ 601,419	\$ 604,003	\$ 296,554	\$ 296,554	\$ -

^{*} The fund balance of the former Solid Waste Management Fund was transferred to the General Fund as Conservation, Recycling and Sustainability Program in FY 2008/09.

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals		2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		2008/09 Estimated		2009/10 Adopted	
REVENUES												
Intergovernmental		14		(5)		=		40,000		38,000		39,000
Service Charges		-						3,050				-
TOTAL REVENUES	S	-	\$	-	S	-	\$	43,050	S	38,000	\$	39,000
EXPENDITURES												
Salaries and Benefits		92		-		-		125,700		97,900		123,037
Operating Expenditures		1.5		:=:		-		129,120		108,700		115,100
Internal Service Charges		(2)		8		-		5,700		4,700		5,779
TOTAL EXPENDITURES	S	-	S	-	S	-	S	260,520	S	211,300	\$	243,916

AB2020 BEVERAGE CONTAINER GRANT

Program 6303

SUMMARY OF REVENUES AND EXPENDITURES

	2005 Acti	1000000	200 Act	6/07 uals	200' Act		1250	008/09 lopted	12702	008/09 imated		09/10 lopted
REVENUES												
Intergovernmental		-		-				7,700		7,714		7,700
Service Charges		12		-		-		ē		=		
Interest		-		-		-		-		-		-
Other Sources	_	12		-								_
TOTAL REVENUES	S		\$	-	S	-	S	7,700	\$	7,714	S	7,700
EXPENDITURES												
Salaries and Benefits				: -		377		2,000		-		-
Operating Expenditures		2		-		:28		5,700		2,700		7,700
Fixed Assets		-				-		-		-		
Grants		2		22		-		-		-		
Internal Service Charges				-		-		-				-
TOTAL EXPENDITURES	S	-	S	-	S	-	S	7,700	S	2,700	S	7,700

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FY 2009/10 KEY PROJECTS

Strategic Goals	KEY PROJECTS
	Collection Service The Town is an active member of the West Valley Solid Waste Management Authority, a joint powers authority (JPA) that contracts for solid waste collection, recycling, and disposal services for residential and commercial customers in Los Gatos, Campbell, Monte Sereno, and Saratoga. In FY 2006/07, a new hauler, West Valley Collection and Recycling, began service to the Authority member cities. During FY 2009/10, Staff will continue to work with the JPA and West Valley Collection and Recycling as it enters into its third year of providing service to West Valley cities.
Community Character Preserve and enhance the appearance	Keep Los Gatos Beautiful April is "Keep Los Gatos Beautiful" month, and a full slate of activities is planned. The campaign celebrates National Earth Day, National Arbor Day, and National Volunteer Recognition Week, all of which occur during the month of April. Keep Los Gatos Beautiful events are funded in part by state Beverage Container Grant funds. Community Garage Sale The Community Garage Sale has been a partnership between the Town of Los Gatos, the City of Monte Sereno and the County of Santa Clara. The County has indicated that it is focusing on other efforts and will no longer be participating in the joint program. During the coming months, staff will work with Monte Sereno staff to develop a less
character and environment quality of the community	Community Outreach and Awareness Program staff will coordinate a variety of waste prevention and resource conservation community outreach activities, to promote recycling and waste reduction, such as Second Chance Week and America Recycles Day. Green Business Education Staff coordinates the promotion of green business educational programs including the Growing Greener Together" campaign.
	Environmental and Sustainability Initiatives The Department has taken a leadership role in promoting the Town's sustainability and environmental initiatives. Staff will work closely with Joint Venture Silicon Valley Network, Cities for Climate Protection and Sustainable Silicon Valley to develop a plan for monitoring and implementing carbon reduction programs. Household Hazardous Waste The Town contracts with the County of Santa Clara which provides safe hazardous waste disposal services for residents.

™ COMMUNITY SERVICES DEPARTMENT Conservation, Recycling & Sustainability

KEY PROGRAM SERVICES

- Maintain Town's compliance with California Integrated Waste Management Act of 1989 (AB 939) solid waste diversion requirements, including initiating and implementing programs to increase diversion
- Participate in West Valley Solid Waste Management Authority JPA activities, including rate and service reviews
- · Manage the use of Solid Waste Management Fund funds throughout the Town organization
- · Provide for safe household hazardous waste disposal options
- · Implement an emissions inventory and develop strategies for reducing the Town's carbon footprint
- · Promote sustainability initiatives and education

CONSERVATION, RECYCLING AND SUSTAINABILITY STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Services Dir.	0.20	-		:-	0.20	0.20
Administrative Analyst	0.15				0.15	0.15
Administrative Secretary	0.10				0.10	0.10
Secretary I	0.50	*	-	-	0.50	0.50
Volunteer Coordinator	0.20				0.20	0.20
Secretary II	0.05	-	-		-	
Total General Fund FTE	1.20	-	-	**	1.15	1.15

Previously charged for Solid Waste Fund as below

SOLID WASTE MANAGEMENT STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Services Dir.	-	0.20	0.20	0.20	-	
Park Service Officer		0.04	0.09	0.09	-	
Facilities Coordinator	-	-	\-	0.07	1-0	
Parks & Maint. Worker	-	0.70	0.56	0.49	-	
Lead Parks & Maint Wkr	25			0.07	-	
Sr. Parks & Maint Worker	-	-	0.07	-	-	
Administrative Analyst	19	0.05	0.05	0.05	+,	
Administrative Secretary		0.10	0.10	0.10	-	
Secretary I	/ =	· · ·	V2	0.70	-	
Total Solid Waste Fund FTEs	-	1.09	1.07	1.77	-	

Temporary Staff	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Recycling Coordinator	1,040	1,040	_	-:	
Secretary II	832	832	2		
Maintenance Assistant	800	800	1,800	- 0	
Total Annual Hours	2,672	2,672	1,800	-	

™ COMMUNITY SERVICES DEPARTMENT Conservation, Recycling & Sustainability

Pe	rfor	mance Objectives and Measures	2005/06 Actual			2008/09 Estimated	2009/10 Budget
1.		ximize diversion from landfills in order to protect blic health and safety, and the environment.					
	a.	Percentage of solid waste diverted from landfill, by calendar year (State goal: 50%):*	58%	65%	65%	65%	65%
	*	SB1016 changes diversion calculation methodologies	2005 - FY 2007/09	2006 is estimated	2007	2008	2009
2.		nitor and evaluate existing waste collection and yeling programs.					
	a.	Percentage of solid waste collection complaints resolved:	100%	100%	100%	100%	100%

A	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of households participating in the Community Garage Sale event:	283	178	200	0	200
2.	Number of missed collections.**	n/a	n/a	800	574	500
3.	Number of Los Gatos households participating in the Household Hazardous Waste Disposal Program:	934	868	914	930	950

^{**} These numbers include pick ups missed due to customers' failure to leave receptacles at the pick up location.

HOUSING PROGRAMS PROGRAM 6401

PROGRAM PURPOSE

The purpose of the Housing Program is to provide for adequate housing for Los Gatos residents, regardless of age, income, race, or ethnic background. The Town encourages conservation and construction of housing adequate for future populations and replacement needs, consistent with environmental limitations and in proper relationship to community facilities, open space, transportation, and small-town character.

Housing Program staff manage the Below-Market Price Housing Program, and the Rental Dispute Resolution Program; coordinate affordable housing development projects with other Town staff; and support the Rent Advisory Committee.

BUDGET OVERVIEW

All expenditures in this program are funded by non-General Fund revenues. Below Market Price (BMP) activities are funded through BMP In-Lieu Fees, paid by developers of new housing. Rental Dispute Resolution Program activities are funded by a fee paid by owners of eligible rental housing.

The majority of expenditures in this program are related to two service contracts: the Housing Authority of Santa Clara County, which administers the Below Market Price Housing Program; and Project Sentinel, which administers the Rental Dispute Resolution Program.

A grant to West Valley Community Services for its rent and utility subsidy program for low-income residents was added to the Program in FY 2006/07.

™ COMMUNITY SERVICES DEPARTMENT © Housing Programs

SUMMARY OF REVENUES AND EXPENDITURES

	-	2005/06 Actuals	2006/07 Actuals		2007/08 Actuals		2008/09 Adopted	 08/09 imated		009/10 dopted
REVENUES		07.021	1 140 705		120.202		152 150	146,000		107.070
Service Charges Interest		97,021	1,140,795		120,293		152,150	146,000		127,270
Other Sources		-	6,300		12,651	0	-	10,300		10,300
TOTAL REVENUES	\$	97,021	\$1,147,095	S	132,944	\$	152,150	\$ 156,300	s	137,570
EXPENDITURES										
Salaries and Benefits		43,632	44,605		45,867		52,900	40,500		50,630
Operating Expenditures		50,102	1,080,266		70,813		78,050	70,600		65,160
Grants		-	2,000		8,000		13,000	13,000		13,000
Internal Service Charges		7,283	7,880		8,264		8,200	7,800		7,374
TOTAL EXPENDITURES	S	101,017	\$1,134,751	S	132,944	S	152,150	\$ 131,900	\$	136,164

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects						
Community Character Preserve and enhance the appearance	Rental Dispute Resolution Program During previous years, the Rent Advisory Committee (RAC) developed revisions to the Town Code for improving the process for resolving apartment home-related rental disputes. This year, the RAC plans to continue this process, focusing on policy-level issues.						
character and environment quality of the community	Below Market Price Housing (BMP) Program The BMP Program makes homes available for purchase or rent at below market prices to low and median income families. Eligibility for the BMP program is based on federal household income guidelines. In FY 2009/10, it is anticipated that 5 owner-occupied units will be available for sale.						

™ COMMUNITY SERVICES DEPARTMENT © Housing Programs

KEY PROGRAM SERVICES

- Administer the Below Market Price Housing Program, in cooperation with the Community Development Department
- Administer the Rental Dispute Resolution Program
- Provide staff support to the Rent Advisory Committee, its subcommittees, ad hoc committees, and projects
- Assist with implementation of the General Plan's Housing Element and Affordable Housing Strategy.

HOUSING PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Services Dir.	0.15	0.15	0.15	0.15	0.15	0.15
Administrative Analyst	0.05	0.05	0.05	0.05	0.05	0.05
Administrative Secretary	0.10	0.10	0.10	0.10	0.10	0.10
Secretary I	0.10	-	2 - -	0.10	0.10	0.10
Total Housing Program FTEs	0.40	0.30	0.30	0.40	0.40	0.40

© COMMUNITY SERVICES DEPARTMENT ⋈Housing Programs

Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget	
1.		de for adequate housing for Los Gatos citizens, dless of age, income, race, or ethnic background.					
		centage of Rental Dispute Resolution Program nts satisfied with service received:	100%	100%	100%	100%	100%

Activity and Workload Highlights		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
	Number of owner-occupied housing units registered in the Below Market Price Housing Program:	33	37	40	42	47
2.	 Number of rental housing units registered in the Below Market Price Housing Program: 		94	94	94	94
3.	Rental Dispute Resolution Program activities:					
	a. Number of cases opened:	27	38	59	16	20
	b. Number of successful conciliations:	19	14	15	6	6
	c. Number of successful mediations:	3	9	20	2	2
	d. Number of arbitrations held:	0	3	0	2	0

PASS-THROUGH ACCOUNTS PROGRAM 6999

PROGRAM PURPOSE

Revenues and expenditures which function as pass-through funding operate in this separate program within the department's General Fund budget. This accounting structure separates ongoing Community Services departmental operations from the funding mechanism set up for various external activities. These activities include donations received for specific uses, such as a donation from a local service club to pay for a live band at a senior dance, or a donation from a local art organization to be used for a specific art project.

BUDGET OVERVIEW

There is no budgetary impact to this program as revenues will equal expenditures. The revenues and expenditures reflect estimates based on prior year trends and known donations; however, actuals may differ substantially from original appropriations at fiscal year-end as external activities are not known in time for preparation of the budget document. This budget reflects a reasonable estimate only.

© COMMUNITY SERVICES DEPARTMENT ☞Pass-Through Accounts

SUMMARY OF REVENUES AND EXPENDITURES

96		005/06 ctuals		006/07 ctuals		007/08 ctuals		008/09 dopted	1570	008/09 timated_	2009 Ado	
REVENUES				E .								
Service Charges		_		-		-		-		E =		
Interest		-		1 5 1		7.				=		
Other Sources		2,679		3,449		1,840		3,000		14,720		
TOTAL REVENUES	\$	2,679	S	3,449	\$	1,840	S	3,000	\$	14,720	\$	
EXPENDITURES												
Salaries and Benefits		-		•		-		¥.		8		
Operating Expenditures		2,679		3,753		1,840		3,000		14,720		
Fixed Assets		-				=		. π.		-		
Grants		-		1-3		12.5		_		2		1505
Internal Service Charges										-		
TOTAL EXPENDITURES	S	2,679	S	3,753	S	1,840	S	3,000	\$	14,720	S	

HOUSING CONSERVATION PROGRAM FUND FUND 211

FUND PURPOSE

The Housing Conservation Program preserves existing housing stock in Town and promotes safe housing for Los Gatos residents, through provision of no- and low-interest loans to rehabilitate housing occupied by income-eligible households. The Town's housing goal is to provide for adequate housing for Los Gatos residents, regardless of age, income, race, or ethnic background. The Town encourages conservation and construction of housing adequate for future populations and replacement needs, consistent with environmental limitations and in proper relationship to community facilities, open space, and transportation, and small-town character. The Housing Conservation Program Fund receives federal Community Development Block Grant (CDBG) funds.

BUDGET OVERVIEW

This fund is a Revolving Loan Fund as defined by the federal Community Development Block Grant (CDBG) Program, which provided initial funding. As required by federal regulations, the budget for this fund includes no staff time; rather it only details loan servicing activities under the CDBG-funded Housing Conservation Program. Specifically, the fund budget includes capital for new Housing Conservation Program loans, the receipt of loan and interest payments, and the repayment of this interest to the CDBG program, as required by law. Staff time for administering the program is contained in the Housing Conservation Administration program, within Fund 6501, the Community Development Block Grant Fund. Also as required by federal regulations, the fund balance is restricted for use as loan capital; portions of this balance are transferred as needed to the Santa Clara County Office of Affordable Housing, which administers new Housing Conservation loans to Los Gatos homeowners.

™ COMMUNITY SERVICES DEPARTMENT © Housing Conservation Program Fund

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	~	-	ı.e	-	-	
Undesignated	1,149,730	1,179,275	801,171	811,935	811,935	671,963
Total Beginning Fund Balance	1,149,730	1,179,275	801,171	811,935	811,935	671,963
Revenues						
Intergovernmental			-		5-	
Interest	57,530	51,107	32,140	52,000	36,800	35,000
Other Sources	-	11	-	=	-	
Total Revenues	57,530	51,118	32,140	52,000	36,800	35,000
TOTAL SOURCE OF FUNDS	\$1,207,260	\$1,230,393	\$ 833,311	\$ 863,935	\$ 848,735	\$ 706,963
USE OF FUNDS						
Expenditures						
Salaries and Benefits	i e	-	5 8	-	-	-
Operating Expenditures	(m)	-	-	-	-	
Grants & Awards	*	388,775	-	200,000	146,772	200,000
Interest	27,985	40,447	21,376	40,000	30,000	30,000
Total Expenditures	27,985	429,222	21,376	240,000	176,772	230,000
Operating Transfers						
Business Service Fee Transfer						
Total Operating Transfers	-	-	3	•	5	
Ending Fund Balance						
Designated Undesignated	1,179,275	801,171	811,935	623,935	671,963	476.963
Total Ending Fund Balance	1,179,275	801,171	811,935	623,935	671,963	476,963
TOTAL USE OF FUNDS	\$1,207,260	\$1,230,393	\$ 833,311	\$ 863,935	\$ 848,735	\$ 706,963

™ COMMUNITY SERVICES DEPARTMENT © Housing Conservation Program Fund

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Community	Housing Conservation Program
Character	The Town contracts with the Santa Clara County Office of Affordable Housing to
Preserve and	administer the Town's Housing Conservation Program. During FY 2009/10.
enhance the appearance character and environment quality of the community	department staff will continue to work with the County to improve the communication of program administration activities and the sharing of related data.

KEY PROGRAM SERVICES

- Monitor contract with Santa Clara County to provide administration of Housing Conservation Program
- Service Housing Conservation Program loans, including monthly loan payments and loan payoffs
- Promote Housing Conservation Program in Town publications
- Provide information and referrals to interested residents

™ COMMUNITY SERVICES DEPARTMENT © Housing Conservation Program Fund

Performance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget	
Preserve existing housing stock in Town and promote safe housing for Los Gatos residents. a. Percentage of new Housing Conservation Program	100%	100%	100%	100%	100%	
clients satisfied with service received:	13070	10070	10070	10070	10070	

Activity and Workload Highlights		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of Housing Conservation Program rehabilitation projects completed:	1	0	1	2	2
2.	Number of Housing Conservation Program loans serviced by Town:	13	5	5	5	5
3.	Number of Housing Conservation Program loans serviced by Santa Clara County:	9	6	7	9	11

Community Services Department

COMMUNITY DEVELOPMENT BLOCK GRANT FUND 212

FUND PURPOSE

The Community Development Block Grant Program seeks to improve the quality of living for low income residents, with emphasis in the areas of affordable housing and human services. Community Development Block Grant (CDBG) Fund staff manage compliance with Title I of the Federal Housing and Community Development Act of 1974, the primary objective of which is the development of a viable urban community by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

BUDGET OVERVIEW

This fund contains all Town activities funded through the federal Community Development Block Grant (CDBG) Program, with the exception of the Housing Conservation Program loans, which are contained in Fund 211. The budget for this fund consists primarily of portions of staff time as required to administer the program, and CDBG-funded grants to nonprofit agencies. The funding levels for these activities, which are set by the federal government, have declined slightly over the past two years. For FY 2009/10, the total grant amount has been reduced by approximately \$5,680. The General Fund will not increase its contribution to the grant program (Program 6502).

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STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated				: •-:		
Undesignated			906	3,211	3,211	3,210
Total Beginning Fund Balance		-	906	3,211	3,211	3,210
Revenues						
Intergovernmental	178,600	66,750	104,702	113,994	142,890	108,975
Other Sources	12					
Total Revenues	178,600	66,750	104,702	113,994	142,890	108,975
Operating Transfers						
Transfers from General Fund	664		-	S=0.	-	
Total Operating Transfers	664	-	-		-	
TOTAL SOURCE OF FUNDS	179,264	66,750	105,608	117,205	146,101	112,185
USE OF FUNDS						
Expenditures						
Salaries and Benefits	21,483	17,350	11,407	14,700	7,800	7,227
Operating Expenditures	1,068	1,088	658	910	360	360
Grants & Awards	61,681	46,681	35,564	32,730	32,730	27,050
Internal Service Charges	1,073	725	668	300	500	321
Total Expenditures	85,305	65,844	48,297	48,640	41,390	34,958
Operating Transfers						
Transfer to Grant Funded CIP	93,959		54,100	65,484	101,500	74,017
Total Operating Transfers	93,959	:-	54,100	65,484	101,500	74,017
Ending Fund Balance						
Designated	-		-	-	-	
Undesignated		906	3,211	3,081	3,210	3,210
Total Ending Fund Balance		906	3,211	3,081	3,210	3,210
TOTAL USE OF FUNDS	\$ 179,264	\$ 66,750	\$ 105,608	\$ 117,205	\$ 146,100	\$ 112,185

^{*}Any shortfall in Fund Balance will be provided for at year end with a transfer from the General Fund

™ COMMUNITY SERVICES DEPARTMENT © Community Development Block Grant

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Community	ADA Projects
Character	In FY 2009/10, approximately \$74,000 has been allocated to Americans with
Preserve and enhance the	Disabilities Act (ADA) compliance projects to install curb cuts in order to make Town sidewalks accessible to those with disabilities.
appearance character and	
environment	
quality of the community	

KEY PROGRAM SERVICES

- Manage federal CDBG funds under a joint powers agreement with Santa Clara County, and participate in related countywide activities
- Manage the award of CDBG grants to nonprofit agencies providing human service programming to Los Gatos residents, in tandem with the Community Grant Program
- Work with the Housing Program and the Community Development Department to increase the amount of affordable housing in Town, with the use of CDBG funds
- Work with the Parks and Public Works Department to develop, fund, and complete Americans with Disabilities Act (ADA) compliance projects at Town facilities

CDBG FUND STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Community Services Dir.	-	0.05	0.05	0.05	(-	
Administrative Analyst	0.05	0.20	0.20	0.20	0.05	0.05
Accountant/Finance Analyst	-	-	≈ £	-	:-	
Sr. Account Technician	-	0.20	0.20	0.20	-	<u>.</u>
Total CDBG Fund FTEs	0.05	0.45	0.45	0.45	0.05	0.05

™ COMMUNITY SERVICES DEPARTMENT © Community Development Block Grant

Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Manage compliance with Title I of the federal Housing and Community Development Act of 1974.					
	 Percentage of grant recipients satisfied with the grant allocation process: 	100%	100%	100%	100%	100%
2.	Seek to improve the quality of living for low income residents, with emphasis in the areas of affordable housing and human services.					
	 The average percentage of CDBG grantee's funding that comes from the Town CDBG grant contributions: 	0.4%	0.3%	0.9%	2.2%	50.0%

Activity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Total number of grant agreements administered:	6	6	4	4	4
 Number of Los Gatos residents directly served by CDBG grant-funded organizations: 	1,294	1,276	341	340	340

Community Services Department

BEVERAGE CONTAINER GRANTS

PROGRAM PURPOSE

This program accounts for revenues and expenses attributed to the State Beverage Container Grant. Funds will be used, in part, to offset cost associated with "Keep Los Gatos Beautiful" activities, as well as the Town's "green" efforts.

BUDGET OVERVIEW

Any funds remaining from prior year grants will be re-appropriated to FY 2009/10 if they are not fully expended by the end of FY 2008/09.

№ COMMUNITY SERVICES DEPARTMENT 63 Operating Grants

	1125	PAGE 1911	12.5
A R2020	Roverage	Container	Crant

Program 6303

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES					·	
Intergovernmental						
45502 AB2020 Bev Container Grant	7,857	7,775	7,704	-	H .	
TOTAL REVENUES	7,857	7,775	7,704	-	7-	in the
EXPENDITURES						
Salaries and Benefits						
51100 Staff Salaries	571	1,263	12	-	14	
51300 Temporary Employees	752	-	-	-	-	
Total Salaries	1,323	1,263	3.0			
Fringe Benefits	274	186				
Total Salaries and Benefits	1,597	1,449	552	-	-	FY8, 8. 7.
Operating Expenditures						
60010 Xerox Copies	+	=	17	- /-		
60040 Recycling - Cans	1,375	3,984	*	~		
60510 Advertising			3	*	-	
60513 Office Supplies	539	796	2.60	*:	(*	
60700 Meetings & Events	1,573	2,129	- 12		12	
Total Operating Expenditures	3,487	6,909	4,783	-	-	
Fixed Assets						
Total Fixed Assets	-:	n#	-	-		
Internal Service Charges						
80620 Self-Insurance - ABAG	-		-	-	-	
80687 Management Info Systems			-	-		-
Total Internal Service Charges	-	14	24	-	-	
TOTAL EXPENDITURES	5,084	8,358	5,359	-		
TOTAL OPERATING BUDGET	5,084	8,358	5,359	-	•	HOLE.

SUMMARY OF REVENUES AND EXPENDITURES

	200s			6/07 uals		7/08 uals		008/09 dopted		008/09 timated	11.8	009/10 dopted
REVENUES			-									ie being di
Intergovernmental		-		-		-		7,700		7,714		7,700
Service Charges		100				-0		-		-		
Interest		-		-		-		-		-		-
Other Sources		-		-		-		-		-		
TOTAL REVENUES	S	-	S	-	S	-	S	7,700	S	7,714	\$	7,700
EXPENDITURES												
Salaries and Benefits				~		12		2,000				
Operating Expenditures		-		-		-		5,700		2,700		7,700
Fixed Assets		-		-		-		_		-		
Grants		-						-		-		
Internal Service Charges		-				-		-		-		
TOTAL EXPENDITURES	S	-	S	-	S	-	S	7,700	S	2,700	\$	7,700

Library Department

DEPARTMENT PURPOSE

The Los Gatos Public Library serves as the Town's primary provider of information services. The Library is committed to:

- Promoting lifelong learning by collecting current, high-demand materials as well as traditional resources for customers of all ages, including youth and seniors
- Facilitating access to library materials and digital resources
- Providing educational support by making available appropriate materials and services for students at the elementary and secondary levels
- Preserving and providing access to the history of the Town
- Encouraging an interest in reading and learning
- · Providing library programs for all ages
- Providing a knowledgeable and service-oriented staff responsive to the community's need for information

BUDGET OVERVIEW

The FY 2009/10 reflects a moderate increase in salary and benefits and a reduction in operating expenditures, including the administrative travel and train budget. The current expenditure budget maintains current service levels.

Due to the economic downturn, the number of people visiting the Library has increased by approximately 20% over the last year. Additionally, during the last six months of 2008, circulation increased by an average of 18.66%. The Library continues to invest in online collections and services and uses a local consortium, the Silicon Valley Library System to leverage its purchasing power. Applying for jobs, doing research, getting and sending e-mail, getting tax forms and doing schoolwork can all be accomplished at the Library using electronic resources.

Through the implementation of new technologies, the Library Department has been able to maximize staff productivity and successfully promote the concept of self-service. Patrons are empowered to initiate, retrieve and check out their own materials. The Radio Frequency Identification (RFID) technology installed two years ago has also been well received by customers and continues to enhance the Library's productivity, allowing the Department to accommodate increases in visitors and circulation.

The Department's partnership with the Friends of the Library continues to enhance service delivery at the Library. During the past fiscal year, the Friends contributed more than \$30,000 to support Library's Teen,

EXECUTE LIBRARY DEPARTMENT CS

Children's, and Family programs, three Summer Reading Clubs (Adults, Teen, and Children) and to underwrite the purchase of a collection of best-selling books. The Friends also sponsored a yearly series of adult programs and participated in and contributed to the "Silicon Valley Reads" program. It is expected that the Friends will continue to fund the Library's numerous programs for children, teens and adults and buy equipment and materials for the library in FY 2009/10.

Planning for the construction of a new building will be a major focus of the Library Department in FY 2009/10. This year, staff will manage the development of an efficient, operational design of the interior space for the new Library building.

ACCOMPLISHMENTS

Strategic Goals	Accomplishments
Good Governance Ensure responsive, accountable and collaborative governance	 Partnered with the Los Gatos-Saratoga Recreation Department and Los Gatos High School to enhance the delivery of youth and adult educational and library services.
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	 Managed the development of an efficient, operational design of interior space for the new Library building. Partnered with the Friends of the Los Gatos Library to develop a campaign to raise funds for furniture, fixtures, and equipment for the new Library facility.

DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES				-		
Intergovernmental Revenues	11,709	16,738	11,409	11,000	10,507	10,270
Service Charges	2,134	2,246	1,751	3,000	1,932	1,700
Fines and Forfeitures	60,635	59,496	58,372	63,935	54,436	53,250
Other Sources				50		
TOTAL REVENUES	\$ 74,478	\$ 78,480	\$ 71,532	\$ 77,985	\$ 66,875	\$ 65,220
EXPENDITURES						
Salaries and Benefits	1,267,488	1,267,655	1,276,511	1,415,300	1,345,000	1,426,786
Operating Expenditures	269,367	265,382	269,537	302,460	282,070	297,460
Fixed Assets	66,617	15	-	.=.	-	-
Internal Service Charges	275,715	381,211	401,967	393,300	396,500	357,819
TOTAL EXPENDITURES	\$ 1,879,187	\$ 1,914,248	\$ 1,948,015	\$2,111,060	\$ 2,023,570	\$ 2,082,065
EXPENDITURES BY PROGR	RAM					
Administration	254,699	256,551	289,536	302,550	291,840	286,151
Adult Services	510,976	544,668	547,512	583,630	573,430	583,631
Children's Services	389,596	392,213	384,377	436,680	406,400	428,373
Acquistions & Cataloging	240,586	217,557	220,128	234,700	231,800	226,595
Circulation Services	483,330	503,259	506,462	553,500	520,100	557,315
TOTAL EXPENDITURES	\$ 1,879,187	\$ 1,914,248	\$ 1,948,015	\$2,111,060	\$ 2,023,570	\$ 2,082,065

The above program totals reflect General Fund programs. Additional Library Department programs are reflected in separate Trust Funds following the General Fund portion of this section.

DEPARTMENT STAFFING

Y7 77	7974			(FIRES)
Full	Time	Equival	ent	(FIF)

Full Time Equivalent (FTI	E)		16			
General Fund	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Library Director	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Library Dir.	1.00	1.00	1.00	1.00	1.00	1.00
Principal Librarian	2.00	2.00	2.00	2.00	2.00	2.00
Librarian	2.25	2.25	2.25	2.25	2.25	2.25
Circulation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Library Assistant	2.50	2.50	2.50	2.50	2.50	2.50
Secretary III	0.60	0.60	0.60	0.60	0.60	0.60
Total General Fund FTEs	10.35	10.35	10.35	10.35	10.35	10.35
Temporary Staff						
Librarian		1,578	1,543	683	683	683
Principal Librarian		250	-	-	-	
Library Clerks		5,376	5,434	5,434	5,434	5,434
Library Pages		3,976	3,976	3,976	3,976	3,976
Total Annual Hours		11,180	10,953	10,093	10,093	10,093

Library Department

LIBRARY ADMINISTRATION PROGRAM 7101

PROGRAM PURPOSE

Library Administration provides staff support to ensure the development of quality and cost effective library services that are responsive to community needs. Library Administration's core services are to: provide administrative and managerial oversight for programs and services, provide clerical and administrative assistance for day-to-day operations, provide personnel management, coordinate purchasing and physical plant maintenance, as well as fiscal management and budget preparation, and provide support for the Library Commission.

BUDGET OVERVIEW

The FY 2009/2010 budget assumes revenue in the amount of \$11,000 from the Public Library Fund (PLF). This revenue is provided by the State to those agencies which continue to meet 100% maintenance of effort appropriation level each year. This maintenance of effort measurement is a requirement to exceed the prior year's expenditure level, which Los Gatos has achieved each year.

Assisting with planning for the interior design and layout of the new library building will be the central focus for library administration this year. The new building will be designed to be user-friendly and efficient, maximizing available staffing resources. Additionally, library administration will act as liaisons to the Friends of Los Gatos Library, a nonprofit 501C3 organization currently concentrating on raising funds for the furniture, fixtures and equipment for the new library building.

≥ LIBRARY DEPARTMENT ⊘S Administration

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES						
Intergovernmental Revenues	11,709	16,738	11,409	11,000	10,507	10,270
Service Charges	2,134	2,246	1,751	3,000	1,932	1,700
Fines and Forfeitures	650	653	335	935	256	250
Other Sources	*			50		
TOTAL REVENUES	\$ 14,493	\$ 19,637	\$ 13,495	\$ 14,985	\$ 12,695	\$ 12,220
EXPENDITURES						
Salaries and Benefits	173,645	166,911	170,556	189,100	178,700	183,521
Operating Expenditures	11,803	12,204	38,751	34,250	33,940	30,750
Fixed Assets	-	-	i i		1#	Valley and
Internal Service Charges	69,251	77,436	80,229	79,200	79,200	71,880
TOTAL EXPENDITURES	\$ 254,699	\$ 256,551	\$ 289,536	\$ 302,550	\$ 291,840	\$ 286,151

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational and individual enrichment	New Library Project In preparation for ground breaking in Spring 22010, staff will work with the architects in the schematic design and design development of the new library building

≥ LIBRARY DEPARTMENT ♥3 Administration

KEY PROGRAM SERVICES

- Administer and supervise four operating programs in the department
- · Provide oversight of day-to-day operations and scheduling
- · Prepare and monitor Library Department budget
- Provide staff support to the Town Library Board and Friends of the Library meetings, programs, and activities
- Contribute to the planning for a new Library building.
- Coordinate and maintain the department's existing physical spaces
- Collaborative with area libraries by serving on the Silicon Valley Library System Administrative Council
- Increase public awareness of Library services and programs through effective public relations and marketing
- · Provide oversight of Library staff training and development
- Provide oversight and direction for Information Technology and Systems Administration developments

ADMINISTRATION PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded	
Library Director	0.40	0.40	0.40	0.40	0.40	0.40	
Assistant Library Director	0.40	0.30	0.40	0.40	0.40	0.40	
Secretary III	0.60	0.60	0.60	0.60	0.60	0.60	
Total Administration FTEs	1.40	1.30	1.40	1.40	1.40	1.40	



Library Department

ADULT SERVICES PROGRAM 7201

PROGRAM PURPOSE

The Adult Services Program supports library services for adults 18 years of age and older. Adult Services anticipates and meets community information needs, providing opportunities for lifelong learning. The Adult Services Program's core services are to provide: reference services to all clientele, reader's advisory services, instruction in the use of computerized resources, and management of collections.

BUDGET OVERVIEW

The FY 2009/10 Adult Services budget provides for hourly librarians to staff the adult reference desk on Holiday weekends, and all Sunday hours. All staff are required to assume responsibility for library technology, both operations and delivery, with Adult Services staff continuing to focus on implementation of technology to aid in customer self service. The expenditure budget for collection materials (books, periodicals, databases and media) will remain static. Adult Services staff will contribute toward the design of optima; spaces and services in the new library building.

№ LIBRARY DEPARTMENT Adult Services

SUMMARY OF REVENUES AND EXPENDITURES

		005/06 ctuals	2006/07 Actuals		2007/08 Actuals		2008/09 Adopted		2008/09 stimated		2009/10 adopted
REVENUES										8	
Intergovernmental Revenues		-	-		-		-		-		
Service Charges		-	-		-		-		-		
Fines and Forfeitures		-	-		-		-		-		-
Other Sources		-	-		*		-				
TOTAL REVENUES	S	-	\$ -	S	-	S	-	S	-	\$	-
EXPENDITURES											
Salaries and Benefits		296,342	324,208		321,755		347,200		350,700		357,551
Operating Expenditures		132,800	130,635		128,693		136,530		122,530		136,530
Fixed Assets		-	-		-		-				-
Internal Service Charges		81,834	89,825		97,064		99,900		100,200		89,550
TOTAL EXPENDITURES	\$	510,976	\$ 544,668	S	547,512	S	583,630	S	573,430	\$	583,631

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and collaborative governance	Integrated System Replacement Adult Services staff will participate in work groups with local libraries to study the implications of open source software to replace traditional integrated library systems.
Civic Enrichment Foster opportunities for civic engagement, and cultural, recreational, and individual enrichment	Los Gatos History Database Adult Services will assume responsibility for the Los Gatos History database and will demonstrate community use of the database in outreach.

► LIBRARY DEPARTMENT ✓ Adult Services

KEY PROGRAM SERVICES

Meeting Information Needs

- · Provide reference and reader's advisory services
- · Maintain viable reference and circulating collections
- Consistently update the Reference Resources area of the Library's Web site to include accurate, timely information
- Provide Interlibrary Loan services for our customers

Information Technologies and Training

- Develop online counterparts to services traditionally available only within the Library's walls, such as Readers Advisory and reference requests.
- · Provide access to the Internet and training for the public in basic searching and navigational skills

ADULT SERVICES PROGRAM STAFFING

Full Time Equivalent (FTE)						
Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Library Director	0.15	0.15	0.15	0.15	0.15	0.15
Assistant Library Director	0.15	0.15	0.15	0.15	0.15	0.15
Principal Librarian	0.90	1.00	0.90	0.90	0.90	0.90
Librarian	1.10	1.10	1.10	1.10	1.10	1.10
Circulation Supervisor	0.25	-	0.25	0.25	0.25	0.25
Library Assistant	0.50	0.10	0.50	0.50	0.50	0.50
Total Adult Services FTEs	3.05	2.50	3.05	3.05	3.05	3.05
Temporary Staff		2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Librarian		230	810	310	310	310
Total Annual Hours		230	810	310	310	310

№ LIBRARY DEPARTMENT Ø Adult Services

Perfo	ormance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
	danage adult library collections to anticipate and eet community information needs.					
a.	Percentage of collection systematically evaluated and updated:	18%	23%	20%	100%	100%
b.	Percentage of Los Gatos Library usage of Gale Databases - proprietary subscription databases purchased through Silicon Valley Library Services:	3.57%	4.20%	1.12%	2.00%	N/A
c.	Percentage of available internet sessions used by public:	100%	99.9%	99.9%	99.9%	99.9%
d.	Percentage of clientele rating computerized instruction sessions as "improved/greatly improved my skills":	100%	100%	100%	100%	100%
e.	Percentage of Reference Services clientele rating staff assisted reference service as good/excellent:	100%	99.9%	99.9%	100.0%	100.0%

A	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of reference questions received:	8,859	11,085	9,200	9,800	9,900
2.	Reference questions per capita:	0.31	0.32	32	34	34
3.	Number of patrons' materials reserves processed:	19,993	19,987	22,419	24,000	24,000
4.	Number of inter-library loans loaned:	0	1	127	200	175
5.	Number of inter-library loans borrowed:	100	40	156	230	250
6.	Hours of service per week at adult services desk:	54	54	54	54	45
7.	Number of patrons using the Library's public access computers	28,264	22,768	23,347	N/A	N/A

Library Department

YOUTH SERVICES PROGRAM 7202

PROGRAM PURPOSE

Youth Services supports students at the elementary and secondary level with appropriate programs and services and provides current high-demand, high-interest materials in a variety of formats. Youth Services also creates a welcoming environment for children and teens that encourage their curiosity, imagination, creativity and a permanent love of reading. Programs are provided for children 0-14 years of age and teens from 12-17 years of age. The Youth Services Program's core services are to: provide reference services, reader's advisory services and instruction in the use of computerized resources, manage collections, and provide a variety of programs throughout the year both in the Library and at local schools.

BUDGET OVERVIEW

Library programming and outreach to youth will continue at the established levels. The FY 2009/10 budget provides for hourly librarians to staff the Children's Services desk on Holiday weekends, and all Sunday hours. All staff are required to assume responsibility for library technology, both operations and delivery, with Youth Services staff continuing to focus on implementation of technology to aid school age customers. The expenditure budget for collection materials (books, periodicals, databases and media) will remain static. Youth Services staff will contribute toward design of optimal spaces and services in the new building.

№ LIBRARY DEPARTMENT ✓ Youth Services

SUMMARY OF REVENUES AND EXPENDITURES

		005/06 ctuals		2006/07 Actuals		007/08 Actuals	_	008/09 dopted	008/09 timated	11.15	2009/10 Adopted
REVENUES											
Intergovernmental Revenues		-		-		-		-	*		
Service Charges		1-		3		-		2	2		-
Fines and Forfeitures		-		- €		-		-	-		-
Other Sources		-		<u> </u>					 120		-
TOTAL REVENUES	\$	-	S	-	\$	-	S	-	\$ = 31	\$	•
EXPENDITURES											
Salaries and Benefits	2	264,633		264,522		259,167		310,700	286,900		310,915
Operating Expenditures		58,346		53,406		48,000		51,980	45,900		51,980
Fixed Assets		66,617		-		<u>~</u>		2	20		-
Internal Service Charges			52.5	74,285		77,210		74,000	73,600		65,478
TOTAL EXPENDITURES	. \$ 3	389,596	S	392,213	S	384,377	\$	436,680	\$ 406,400	\$	428,373

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Civic Enrichment	Los Gatos History Database
Foster opportunities	With the launch in summer 2009 of the Los Gatos History Database, Youth Services
for civic	will engage in outreach and publicity efforts to enhance awareness of history database
engagement, and	to K-12 school teachers.
cultural,	
recreational and	
individual	
enrichment	

№ LIBRARY DEPARTMENT ✓ Youth Services

KEY PROGRAM SERVICES

Meeting information needs for children 0-17 years of age and their parents

- Provide reference and reader's advisory services
- · Manage children's and teens' Web pages
- Manage children's and teens' collections

Providing programs to youth

- Provide year-around programming for infants, toddlers, preschoolers, school-age children, and families
- Plan and promote annual Summer Reading Club to listeners from ages 0-5, readers from ages 5-13 and teen readers from ages 13-17

Outreach to youth

Raise awareness of youth about collections, services, and programs available at the Library

Web Management

Design and maintain Library's Web site

YOUTH SERVICES PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Library Director	0.15	0.15	0.15	0.15	0.15	0.15
Assistant Library Director	0.15	0.15	0.15	0.15	0.15	0.15
Principal Librarian	0.95	1.00	0.95	0.95	0.95	0.95
Librarian	0.65	0.65	0.65	0.65	0.65	0.65
Library Assistant	0.89	0.60	0.89	0.89	0.89	0.89
Total Youth Services FTEs	2.79	2.55	2.79	2.79	2.79	2.79

Temporary Staff	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Librarian	233	233	233	233	233
Total Annual Hours	233	233	233	233	233

№ LIBRARY DEPARTMENT © Youth Services

Pe	rfo	rmance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	en	ovide a variety of programs throughout the year that courage curiosity, imagination, creativity, love of ading.					
	a.	Percentage agree/strongly agree that youth services programs enhance my child's development:	93%	96%	96%	100%	100%
	b.	Percentage of request for outreach that are delivered:	100%	100%	100%	100%	100%
	c.	Percentage of cards issued through 2nd grade library card campaign:	15%	25%	30%	30%	30%
2.		sure the delivery of reference service to youth entele.					
	a.	Percentage of Youth Reference Services clientele rating staff assisted reference service as good/excellent:	100%	100%	100%	100%	100%
3.		anage youth library collections to anticipate and vet community information needs.					
	a.	Percentage of total circulation that is youth collections:	45.3%	45%	45%	45%	45%
	b.	Percentage of collection systematically evaluated and updated:	25%	25%	25%	100%	100%

Activity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Number of youth programs per year:	349	314	322	335	335
Total annual attendance at youth programs:	7,776	8,789	8,594	9,000	9,000
Program attendance per capita:	0.29	0.3	0.3	0.31	0.31
4. Annual number of reference questions received:	10,172	9,452	7,531	9,000	9,000
5. Hours of public service per week at youth services desk:	54	54	54	54	45

Library Department

ACQUISITIONS & CATALOGING PROGRAM 7203

PROGRAM PURPOSE

The Acquisitions & Cataloging Program provides customers with access to a broad range of up-to-date library materials and technology, and ensures customers have ready, user-friendly access to the collection. The Acquisitions & Cataloging program's core services are: creation and maintenance of an online catalog, (available both in-house and through the internet), collection maintenance, acquisition of all Library materials, and general support services.

BUDGET OVERVIEW

Significant progress has been made on improving technical capabilities through system improvements. This includes improving customer's 24/7 access to library services; linking the catalog user to the subscription databases; linking the reference customer to online versions of printed material; and improving the range of services, such as downloading books and movies. Acquisitions & Cataloging will continue to develop access services to Library collections.

► LIBRARY DEPARTMENT Acquisitions & Cataloging

SUMMARY OF REVENUES AND EXPENDITURES

		05/06 ctuals		2006/07 Actuals		007/08 Actuals		008/09 dopted		008/09 timated	HALL	009/10 dopted
REVENUES											130	
Intergovernmental Revenues		-:						-		-		-
Service Charges		57		-		72		~		-		-
Fines and Forfeitures		3,015		3,010		4,682		3,000		3,000		2,000
Other Sources		41		-		\ <u>_</u>		-				-
TOTAL REVENUES	S	3,015	\$	3,010	S	4,682	S	3,000	S	3,000	\$	2,000
EXPENDITURES												
Salaries and Benefits	1	69,851		143,010		146,708		154,800		151,700		153,608
Operating Expenditures		13,939		10,487		6,629		14,700		14,700		14,700
Fixed Assets		-		-				-		-		
Internal Service Charges		56,796		64,060		66,791		65,200		65,400		58,287
TOTAL EXPENDITURES	S 2	40,586	S	217,557	S	220,128	S	234,700	S	231,800	\$	226,595

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Good Governance Ensure responsive, accountable and collaborative governance	Cataloging Staff will study alternative methods to provide cost-effective cataloging of items purchased for Los Gatos collection.
Civic Enrichment Ensure responsive, accountable and collaborative governance	Integrated System Replacement Acquisitions and Cataloging staff will provide significant leadership in evaluating potential replacements for the Horizon System including open source software.

№ LIBRARY DEPARTMENT ©3Acquisitions & Cataloging

KEY PROGRAM SERVICES

- Maintain online catalog to assure customer access to Library materials
- Acquire Library materials
- Maintain Library collections, include shelving of materials

ACQUISITIONS & CATALOGING PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Library Director	0.15	0.15	0.15	0.15	0.15	0.15
Assistant Library Director	0.15	0.25	0.15	0.15	0.15	0.15
Principal Librarian	2.1	-	= 7	27	=	
Librarian	0.50	0.50	0.50	0.50	0.50	0.50
Library Assistant	0.59	0.80	0.59	0.59	0.59	0.59
Total Technical Services FTEs	1.39	1.70	1.39	1.39	1.39	1.39

Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget	
1.		ovide customers with access to a broad range of up- date library materials and multimedia .					
	a.	Percentage of high demand items processed within four (4) days	100%	99%	99%	99%	99%
	b.	Percentage of items received cataloged within 30 days.	100%	100%	100%	100%	100%
	b.	Percentage of items processed and shelf ready within 30 days.	100%	100%	100%	100%	100%

Activity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Number of items ordered, checked-in and cataloged	8250	8452	8314	8000	8000
Number of periodical subscriptions checked-in, processed and exchanged	257	235	225	215	210



Library Department

CIRCULATION/SYSTEM ADMINISTRATION PROGRAM 7204

PROGRAM PURPOSE

The Circulation Program enables customers to access library materials for use outside the Library. The System Administration Program manages all Library automated services and technology systems. Circulation/System Administration's core services are to: manage the circulation process; maintain library circulation records; and to implement and support the Library's computer network, the integrated library automation system, and public Internet access.

BUDGET OVERVIEW

With the program's responsibility for supporting the Library's integrated computer system and network, the majority of budgeted expenditures provide for annual software support to maintain the Library's technology systems.

Staff will closely monitor the development of industry integrated systems, as the current system in use is no longer being developed, and maintenance will cease within the next few years. Depending on industry developments, the library will form a transition plan that aligns itself with the timing of the opening of the new Library. An upgrade of the Library's integrated computer system would be brought forward to Council as part of a future capital improvement project.

Staff will continue to ensure that the design of technology support systems and their layout, as well as circulation services can operate in both the current and future new Library.

№ LIBRARY DEPARTMENT ઉ Circulation / System Administration

SUMMARY OF REVENUES AND EXPENDITURES

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
REVENUES			1			
Intergovernmental Revenues		₽ = 1	-,-			-
Service Charges	-	141		=	:=	
Fines and Forfeitures	56,970	55,833	53,355	60,000	51,180	51,000
Other Sources	(4)	.94	-	-		
TOTAL REVENUES	\$ 56,970	\$ 55,833	\$ 53,355	\$ 60,000	\$ 51,180	\$ 51,000
EXPENDITURES						
Salaries and Benefits	363,017	369,004	378,325	413,500	377,000	421,191
Operating Expenditures	52,479	58,650	47,464	65,000	65,000	63,500
Fixed Assets	-		_	-	3≖	-
Internal Service Charges	67,834	75,605	80,673	75,000	78,100	72,624
TOTAL EXPENDITURES	\$ 483,330	\$ 503,259	\$ 506,462	\$ 553,500	\$ 520,100	\$ 557,315

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Civic Enrichment	Integrated System Replacement
Ensure responsive, accountable and collaborative	Circulation and System Administration staff will provide significant leadership in evaluating potential replacements for the Horizon System including open source software.

№ LIBRARY DEPARTMENT © Circulation / System Administration

KEY PROGRAM SERVICES

- Manage circulation process
- Management of all Library automated systems, including the Library's network

CIRCULATION / SYSTEMS ADMINISTRATION PROGRAM STAFFING

Full Time Equivalent (FTE)

Town Staff	Authorized Positions	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Library Director	0.15	0.15	0.15	0.15	0.15	0.15
Assistant Library Director	0.15	0.15	0.15	0.15	0.15	0.15
Circulation Supervisor	0.75	1.00	0.75	0.75	0.75	0.75
Principal Librarian	0.15	-	0.15	0.15	0.15	0.15
Library Assistant	0.52	1.00	0.52	0.52	0.52	0.52
Total Circulation/System FTEs	1.72	2.30	1.72	1.72	1.72	1.72

Temporary Staff	2005/06 Funded	2006/07 Funded	2007/08 Funded	2008/09 Funded	2009/10 Funded
Library Clerks	5,376	5,434	5,434	5,434	5,434
Library Pages	3,976	3,976	3,976	3,976	3,976
Librarian	≅n	TE.	140	140	140
Principal Librarian	250		-		
Total Annual Hours	9,602	9,410	9,550	9,550	9,550

№ LIBRARY DEPARTMENT © Circulation / System Administration

Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget	
1.		ovide customer access to materials for use outside elibrary.					
	a.	Percentage of Los Gatos residents holding a library card	56.5%	57%	42%	57%	57%
	b.	Percentage of circulation attributed to Los Gatos Residents in the last twelve months	53.5%	53%	61%	58%	58%
2.	As	sure access to library online services.				k)	
	b.	Percentage of time library online services are available	99.9%	99.9%	99.9%	99.9%	99.9%

Activity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
Circulation: printed material - adult:	106,999	95,346	102,331	100,000	100,000
2. Circulation: printed material - youth:	124,504	115,132	133,237	140,000	140,000
3. Circulation: videos/DVDs:	97,017	99,271	107,245	108,000	108,000
4. Circulation: audio books:	26,255	25,872	26,034	27,000	27,000
5. Circulation: CDs:	30,095	29,942	30,940	31,000	31,000
6. Circulation per capita:	13.3	13	13.8	14	14
7. Door count:	199,606	197,090	198,656	200,000	200,000
8. Number of new patrons registered:	2,596	2,500	2,650	2,500	2,500
9. Hours of public service per week at circulation:	54	54	54	54	45

Library Trust Fund

FUND 711

FUND PURPOSE

The Library Trust Fund was established to provide for the servicing of donations and bequests to the Town's Library Program. A Los Gatos Friends of the Library organization exists for the benefit of the Library, and this fund allows the Town to plan for and recognize the numerous bequests this non-profit group makes to the Library. In addition, numerous local service organizations and individuals make generous donations and memorial bequests to the Library, sometimes for specific uses. This fund provides for retaining these donations until they can be used as designated.

BUDGET OVERVIEW

These funds supported the "Summer Reading Clubs" for children and teens, the "Silicon Valley Reads" program, and family-focused programs. Additionally, the Friends provided funding for furniture and equipment for public use and monies to support a small collection of new bestselling books. Other library supporters have made donations to the Library Trust Fund to purchase memorial books. Contributions to the Library Trust Fund are expected to continue at varying levels.

№ LIBRARY DEPARTMENT Library Trust Fund

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Undesignated	82,292	21,203	28,654	34,698	34,698	43,098
Total Beginning Fund Balance	82,292	21,203	28,654	34,698	34,698	43,098
Revenues						
Lib Services & Tech Acct	-	628	-	·	-	-
Interest	2,800	1,010	990	1,000	900	900
Donations	43,806	17,202	23,394	17,900	30,750	
Total Revenues	46,606	18,840	24,384	18,900	31,650	900
TOTAL SOURCE OF FUNDS	\$ 128,898	\$ 40,043	\$ 53,038	\$ 53,598	\$ 66,348	\$ 43,998
USE OF FUNDS						
Expenditures						
Salaries and Benefits	-		£3	*:	93	-
Operating Expenditures	17,695	11,389	18,340	15,500	23,250	43,875
Fixed Assets			¥1	-	#1	-
Internal Service Charges						
Total Expenditures	17,695	11,389	18,340	15,500	23,250	43,875
Ending Fund Balance						
Undesignated	111,203	28,654	34,698	38,098	43,098	123
Total Ending Fund Balance	111,203	28,654	34,698	38,098	43,098	123
TOTAL USE OF FUNDS	\$ 128,898	\$ 40,043	\$ 53,038	\$ 53,598	\$ 66,348	\$ 43,998

^{*} Note: A portion of the FY 2005/06 fund balance reflects donations from the Betty McClendon Trust received in FY 2003/04 and FY 2005/06. As these donations are restricted for specific uses, the trust funds will be accounted for separately, in the Betty McClendon Trust Fund (Fund 713) as of FY 2006/07.

History Project Trust Fund

FUND 712

FUND PURPOSE

The History Project Trust Fund was established to provide for the servicing of donations, bequests, grant monies and expenditures to the history project partnership of Los Gatos Public Library and The Museums of Los Gatos. The joint history project, named "Hooked on Los Gatos" began in 2003 to: create and disseminate a searchable database of Los Gatos historical images over the Internet; to preserve the two-dimensional archival materials owned by each institution; to index and catalog the materials; to scan the materials so that they are saved and available in a digital format; and to make available cultural heritage educational resource materials to schools and lifelong learners. Some genealogical information is available, especially that which is related to early Los Gatos settlers.

The work of this project is accomplished at the library, where a local history room has been established for that purpose. The project is overseen by the Library Director.

Money remaining in this trust fund will continue to pay for hardware and software upgrades and maintenance, archival preservation materials, and other necessary supplies and equipment. A limited amount of money will be used for local history collection development.

BUDGET OVERVIEW

The History Project Trust Fund was set up in FY 2004/05 to provide better tracking of the monies received by the joint project, through grants, benefits and donations, and of the expenditures made to accomplish the goals of the project. Funding will continue to be generated via royalties from the sale of *Images of America: Los Gatos*, and *Images of Rail: Railroads of Los Gatos*, and *Los Gatos Generations*; and from the Friends' sales of those books. A fourth book in the Los Gatos series, a postcard history, will be published in May, 2009, with royalties also contributed to the History Project. The completion of a full-length historical documentary film in 2005 has continued to produce limited additional revenue. The Digital History Collection is accessible at www.historylosgatos.org.

№ LIBRARY DEPARTMENT History Project Fund

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Undesignated	47,833	26,916	16,173	9,464	9,464	14
Total Beginning Fund Balance	47,833	26,916	16,173	9,464	9,464	14
Revenues						
Interest / Dividends	770	960	1,260	950	250	100
Donations	12,755	3,895	1,881	3,000	1,300	2,000
Total Revenues	13,525	4,855	3,141	3,950	1,550	2,100
TOTAL SOURCE OF FUNDS	\$ 61,358	\$ 31,771	\$ 19,314	S 13,414	\$ 11,014	\$ 2,114
USE OF FUNDS						y dealer to
Expenditures						
Salaries and Benefits	9,899	9,528	-	-	=	
Operating Expenditures	11,620	4,904	9,850	8,373	11,000	
Fixed Assets	12,610		-		*	
Internal Service Charges	313	1,166			-	(1.00) (1.00 <u>-</u> 0
Total Expenditures	34,442	15,598	9,850	8,373	11,000	e de la
Ending Fund Balance						
Undesignated	26,916	16,173	9,464	5,041	14	2,114
Total Ending Fund Balance	26,916	16,173	9,464	5,041	14	2,114
TOTAL USE OF FUNDS	\$ 61,358	s 31,771	\$ 19,314	\$ 13,414	S 11,014	\$ 2,114

LIBRARY HISTORY PROJECT FUND STAFFING

Librarian Total Annual Hours		-	1,115	500 500	E HALF
Temporary Staff	Funded	Funded	Funded	Funded	Funded
	2003/04	2004/05	2005/06	2006/07	2007/08

Clelles Ness Trust Fund

FUND 713

FUND PURPOSE

The Clelles Ness Trust Fund was established in January, 1961, by Ansten R. Ness, M.D. and the Board of Library Trustees for the Town of Los Gatos, as a memorial to his wife, Clelles Ness. Mrs. Ness was a long-time Los Gatos resident who was active in civic life, winning the 1947 Citizen of the Year award. Among her many contributions to the Town, she was heavily involved with the Arts. She helped to bring the Los Gatos Pageants and numerous other play productions to the Town, was an avid reader, and wrote for the Los Gatos Times (the local newspaper). She was also involved with bringing a hospital to the Town, and with her husband started the "Holiday Circle" social club which required at least one spouse to be active in civic planning to join.

The intention of the memorial fund was to use the income and principal of the trust estate to provide materials and services not ordinarily available from public funds. An amendment to the trust agreement in 1983 relinquished control over the management and investment of the trust to the Town Council.

Historically, the Library has used money from the trust to purchase art books for Los Gatos Public Library. The Library is no longer able to spend the money in this manner, due to the building's space constraints. As a result, in July of 1999 an agreement was entered into with the daughter of Clelles Ness to use the trust fund for a new library facility, should one be built in the future.

Per the agreement, the trust fund principal and interest may be used for Library building plan documents and studies, such as but not limited to, a building program and architectural drawings. The balance of the trust not spent on the planning documents and studies will be placed in a Library Building Fund to be used for the purchase of items for the new library building, such as furniture, shelving, and equipment.

BUDGET OVERVIEW

Interest continues to increase the fund balance, to be used when determined appropriate.

№ LIBRARY DEPARTMENT Clelles Ness Trust Fund

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Undesignated	162,778	167,098	174,568	179,518	179,518	185,518
Total Beginning Fund Balance	162,778	167,098	174,568	179,518	179,518	185,518
Revenues						
Interest / Dividends	4,320	7,470	4,950	7,000	6,000	2,000
Donations	-			-	-	
Total Revenues	4,320	7,470	4,950	7,000	6,000	2,000
TOTAL SOURCE OF FUNDS	\$ 167,098	\$ 174,568	\$ 179,518	\$ 186,518	\$ 185,518	\$ 187,518
USE OF FUNDS						
Expenditures						
Salaries and Benefits		1.5	V#	151		
Operating Expenditures			-	1.0	-	182,577
Fixed Assets	170	(*	:=	:-		
Internal Service Charges						
Total Expenditures	-		-		-	182,577
Ending Fund Balance						
Undesignated	167,098	174,568	179,518	186,518	185,518	4,941
Total Ending Fund Balance	167,098	174,568	179,518	186,518	185,518	4,941
TOTAL USE OF FUNDS	\$ 167,098	\$ 174,568	\$ 179,518	\$ 186,518	\$ 185,518	\$ 187,518

Susan McClendon Trust Fund

FUND 714

FUND PURPOSE

A bequest to the Los Gatos Public Library from the estate of the late Susan E. (Betty) McClendon was established in support of children's services. Betty McClendon was a long-time resident and dance instructor. She is especially remembered as the choreographer of the Town's 1940 pageant, "Trail Days," which celebrated the completion of the final section of the new four-lane highway from Santa Cruz into Los Gatos. Betty McClendon's mother, Mrs. Hilda McClendon, served as Children's Librarian at Los Gatos Memorial Library from 1923 – 1929. Ms. McClendon left this gift in memory of her mother and her mother's husband, Gorman Burtner.

These funds are restricted for use for children's services at the library, and will be directed toward support of reading clubs, book discussion groups, evening family programs, and equipment and furniture needs of children's services that are not met by other funding. This funding will also be used for enhancement of children's collections.

BUDGET OVERVIEW

This Fund is established to better track and assure funds from this trust are expended for children's services in line with the wishes of the bequestor. Initially established at \$90,000, the library plans to budget \$5,000 each fiscal year from this fund, to be able to respond in a timely fashion to new services or programs that may present themselves in the next fiscal year. Interest will accrue annually on the unspent balance.

№ LIBRARY DEPARTMENT Susan McClendon Trust Fund

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Undesignated		90,000	94,030	91,379	91,379	94,379
Total Beginning Fund Balance		90,000	94,030	91,379	91,379	94,379
Revenues						
Interest / Dividends	. =	4,030	3,040	3,600	3,000	1,000
Donations	-	-	-		-	
Total Revenues	-	4,030	3,040	3,600	3,000	1,000
TOTAL SOURCE OF FUNDS	\$ -	\$ 94,030	\$ 97,070	\$ 94,979	\$ 94,379	\$ 95,379
USE OF FUNDS						
Expenditures						
Salaries and Benefits			12	1 9		
Operating Expenditures	-	72	5,691	5,000	-	91,379
Fixed Assets	-	12	-	-	-	
Internal Service Charges	(e)					
Total Expenditures		-	5,691	5,000	-	91,379
Ending Fund Balance						
Undesignated		94,030	91,379	89,979	94,379	4,000
Total Ending Fund Balance	-	94,030	91,379	89,979	94,379	4,000
TOTAL USE OF FUNDS	s -	\$ 94,030	s 97,070	S 94,979	\$ 94,379	\$ 95,379

The Capital Improvement Section is presented in the CIP Document

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TOWN of LOS GATOS REDEVELOPMENT AGENCY

he Los Gatos Town Council activated the Los Gatos Redevelopment Agency on January 22, 1990, pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code, Section 33000 et seq.) and declared itself to constitute the Agency, by Ordinance No. 1806, adopted on December 4, 1989. The Redevelopment plan was pursued as a result of the Loma Prieta Earthquake in 1989 and the need to rebuild existing infrastructure. The Redevelopment Agency area encompasses approximately 440 acres in and around Downtown Los Gatos, which includes retail and residential areas, lodging, schools, and main traffic thoroughfares. Projects such as street and utility reconstruction, parking, streetscape and civic improvements were called out in the Plan.

BUDGET OVERVIEW

The Agency receives the majority of its funds from tax increment revenues. When the Agency was formed in 1991, the tax base for all properties within the Central Los Gatos Redevelopment Area was "frozen" to form the base year. As properties are reassessed due to sales or improvements over the Agency's 40-year life span, the tax base grows and the Agency receives the majority of the difference in property taxes paid between the "base year" and the new level. This is called 'tax increment financing' and is the primary funding mechanism for redevelopment agencies throughout California. This does not result in an increase in taxes to property owners, but rather a redistribution of property taxes to the redevelopment agency to allow for reinvestment within the redevelopment project area. The Agency will terminate at the end of its 40-year life span – in the year 2031.

In the 17 years since the Redevelopment Plan was adopted, a number of actions and changes have occurred which facilitated implementation of the Agency Plan. First is that the Agency's tax increment revenue grew significantly in recent years to a level where the Agency could finance key projects. As shown in the RDA Debt Service Fund's Source and Use of Funds Statement, total Agency gross tax increment is estimated to grow to approximately \$7.8 million in FY 2009/10. In July 2002, the Town issued debt in the amount of nearly \$11 million in Certificates of Participation (COP's) for use in funding key infrastructure projects in the Downtown. The debt service on the COP's is paid for with the Redevelopment Agency's tax increment revenues.

Educational Revenue Augmentation Fund (ERAF)

During the State budget crisis in FY 1992/93, the State took property tax increment revenues from redevelopment agencies across the State to help balance its own budget. This revenue take-away was presented as "one-time" under the description of 'Educational Revenue Augmentation Fund' (ERAF), but

№ LOS GATOS REDEVELOPMENT AGENCY ©

re-occurred in subsequent years. Since the Los Gatos Redevelopment Agency was newly formed in FY 1992/93, there was little revenue at that time resulting in a minor impact to the Agency. Over a period of three years, the Agency's ERAF takes were as follows: \$209,975 in FY 2003/04; \$303,158 in FY 2004/05; and \$347,440 in FY 2005/06. The January 2009 Governor's budget did propose further RDA ERAF takes. The ERAF shift for FY 2008/09 was \$456,910. At the time of the Town's budget development, a FY 2009/10 ERAF take was not included in the preliminary state budget. The RDA remains vulnerable to future ERAF takes as Proposition 1A does not specifically protect RDA tax increment. However, many legal experts are of the opinion that RDA tax increments are already constitutionally protected and do not require Proposition 1A protection. In FY 2008/09 a lawsuit was filed by the California Redevelopment Association contending that ERAF takes were illegal and unconstitutional. While the trial court ruling protected local government, the state will likely to appeal and that outcome is uncertain.

Fiscal Year 2009/10 Revenues and Expenditures

Redevelopment property tax revenue for FY 2009/10 is estimated to be \$7.8 million. The following provides a summary of the Agency's planned expenditures for capital projects, debt service, and required affordable housing. Budgeted expenditures for Fiscal Year 2009/10 will include:

- Pass through payments to taxing entities: When the Agency was created in 1991, tax-sharing agreements were negotiated with affected educational entities, the Open Space District, and Santa Clara County. These payments, based on the amount of tax increment the Agency receives, go to these entities to relieve them of any financial burden that the Redevelopment Plan may cause them. Nearly half of all Agency tax increment will be passed through to these taxing entities. Such pass-throughs help support educational activities at Los Gatos High School and the Los Gatos Union Elementary School District, and are reflected in the Debt Administration Fund. Pass through payments for FY 2009/10 are estimated to be \$3,620,080.
- 1992 COP payments for Parking Lot #4: The Town issued debt for approximately \$2.5 million in 1992 to finance the construction of the Downtown parking garage known as Lot #4. Redevelopment Agency tax increment is used to pay the debt service on the COP's in an amount of approximately \$250,000 annually. The debt will be paid off in FY 2011/12.
- 2002 COP payments for RDA Capital Projects: In 2002, the Town issued debt for approximately \$10.8 million to fund RDA infrastructure projects in the project area. Annual debt service payments of approximately \$680,000 will continue through FY 2031/32.
- Agency administration: This pays for the day-to-day operations of the Agency including staff salary
 and benefits, supplies and materials, and consultant assistance. Budgeted expenditures are estimated
 to be \$600,744.
- Overhead charges paid to the Town of Los Gatos: The Agency is a separate legal entity from the
 Town; however, it utilizes direct services from the Town. This expenditure reimburses the Town for
 such items as office space, utilities, financial and administrative support functions, and most
 significantly, the staff time that various members of the Town staff devote to redevelopment
 activities. The Agency will pay \$632,930 to the Town in overhead expenses.
- Redevelopment Projects and Affordable Housing Projects: These are the funds spent directly, or indirectly, on projects to implement the Redevelopment Plan.

№ LOS GATOS REDEVELOPMENT AGENCY 03

Economic Vitality Program: This program implements the adopted Economic Vitality Plan, which
discusses business retention, expansion, attraction, and revenue enhancement programs for the Town.
The program is partially paid for as part of the Agency administration and Low/Moderate Housing
budgets.

The Los Gatos Redevelopment Agency's budget implements an aggressive work program to complete key redevelopment projects in the Downtown area, implement affordable housing projects using 20 percent set-aside funds, and for the Economic Vitality Program of the Town. Planned FY 2009/10 Capital Project carryover expenditures are described further in the following Capital Projects Fund section.

REDEVELOPMENT AGENCY PROGRAM STAFFING

Full Time Equivalent (FTE)

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Economic Vitality Manager	0.80	0.80	0.80	0.80	0.80	0.80
Community Development Dir.	0.20	0.10	0.10	0.10	0.20	0.20
Asst. Community Dev. Dir.	0.20	0.35	0.35	0.35	0.20	0.20
Associate Planner	0.20	0.20	0.20	0.20	0.40	0.20
Administrative Analyst	0.20	0.20	0.20	0.20	0.20	0.20
Town Engineer		0.12	0.09	-	, :	
Associate Engineer	*	0.24	0.05		-	
Senior Engineer Inspector	-	0.19	0.13	1-	~:	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -
Engineering Inspector	-	0.11	-		-	
Community Services Director	0.05	0.05	0.05	0.05	0.05	0.05
Total RDA FTEs	1.65	2.36	1.97	1.70	1.85	1.65



TOWN of LOS GATOS REDEVELOPMENT AGENCY

Capital Projects Fund

FUND 911

FUND PURPOSE

The Redevelopment Agency's Capital Projects Fund encompasses three core functions: Redevelopment Agency (RDA) administration, Capital Project development and implementation, and the implementation of the Economic Vitality Program. Administrative functions include all fiscal and reporting matters of the Agency in conjunction with the Finance Department. The second function, Capital Project development, includes the planning and support of proposed redevelopment projects, and the implementation of the goals and policies of the Los Gatos Redevelopment Plan. Construction project oversight is administered by the Parks and Public Works Department. The purpose of the third function, the Economic Vitality Program, is to increase revenues through business promotion and development. Its core services include business retention, development, expansion and attraction, business appreciation and recognition, and tax monitoring.

BUDGET OVERVIEW

The Capital Projects program budget includes administrative revenues and expenditure activity in addition to capital project activity. The Agency also funds year-round Town marketing activities in support of the downtown business community.

Capital Projects currently in process are funded through the 2002 Certificates of Participation (COP's) issuance, as designated in the plan for key infrastructure improvements in the Downtown. Completed capital projects include: University Avenue from Mullen to Main Resurfacing. Capital improvements are now focused on one remaining project for FY 2009/10: the Santa Cruz Avenue/Wood Road Gateway project design. In addition, an eligible portion of the Police Facility project is being funded in the RDA Capital Projects Fund and is anticipated to be completed by late 2009.

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS	Actuals	Actuals	- Actuals	- ruopicu	Listimated	Traoptea
Beginning Fund Balance						
Designated Designated		_	12		le.	
Undesignated	3,320,273	2,432,912	4,316,921	2,997,775	2,997,775	1,774,149
Total Beginning Fund Balance	3,320,273	2,432,912	4,316,921	2,997,775	2,997,775	1,774,149
Revenues						
Interest Income	85,449	117,448	138,569	97,850	75,000	60,000
Service Charges	6,676		72	12	12	_
Other Sources	3,464		12	_	-	
Bond Proceeds	12	-	-	:2	-	
Total Revenues	95,589	117,448	138,569	97,850	75,000	60,000
Operating Transfers						
Operating Loan from Town	-	-	-	-	78	
Transfers - RDA Debt Service	500,000	3,320,000	550,000	575,000	575,000	575,000
Total Operating Transfers	500,000	3,320,000	550,000	575,000	575,000	575,000
TOTAL SOURCE OF FUNDS	\$ 3,915,862	\$ 5,870,360	\$ 5,005,490	\$ 3,670,625	\$ 3,647,775	\$ 2,409,149
USE OF FUNDS						
Expenditures						
Salaries and Benefits	193,009	191,007	164,050	186,400	121,700	184,362
Operating Expenditures Capital Projects - Carryfwd	397,817	408,558	428,549	495,520	470,644	501,150 407,156
Capital Projects - Current Yr	881,039	941,351	1,403,903	1,667,206	1,272,882	<u>-</u> 2
Internal Service Charges	11,085	12,523	11,213	11,500	8,400	11,008
Total Expenditures	1,482,950	1,553,439	2,007,715	2,360,626	1,873,626	1,103,676
Ending Fund Balance						
Bond Reserve	741	121				687,000
Reserve for Admin Costs						603,850
Undesignated	2,432,912	4,316,921	2,997,775	1,309,999	1,774,149	14,623
Total Ending Fund Balance	2,432,912	4,316,921	2,997,775	1,309,999	1,774,149	1,305,473
TOTAL USE OF FUNDS	\$ 3,915,862	\$ 5,870,360	\$ 5,005,490	\$ 3,670,625	\$ 3,647,775	\$ 2,409,149

№ LOS GATOS REDEVELOPMENT AGENCY Capital Projects Fund

RDA CAPITAL PROJECTS FY 2009/10

		Estimated Expenditures Prior To FY 2008/09	Expenditures During FY 2008/09	Estimated Carryforward	New Funding FY 2009/10	Total Budgeted
Complet	ted Projects					
0217	Downtown Street Reconstruction	1,710,695	-	*	**	1,710,695
0103	N Santa Cruz Street Lighting	49,988	5,074			55,062
0105	Univ Ave from Mullen to Main	*	92,770	*	-	92,770
Total of	Completed Projects	1,760,683	97,844		-	1,858,527
Carryfo	rward Projects					
0542	Santa Cruz/Wood Gateway Design	27	12	65,000		65,000
0003	Almond Grove Concrete Rehabiltation	1,920	:**	78,080	-	80,000
2401	Police Facility Project	1,280,886	1,175,038	264,076	-	2,720,000
Total of	Carryforward Projects	1,282,806	1,175,038	407,156	-	2,865,000

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Public Infrastructure Maintain the	Police Facility Project The Council appropriated \$8,213,468 towards this project. The funds included estimated costs for site acquisition, design and construction, furniture, fixtures and equipment, contingency and minor façade improvements. RDA will fund 34.7% of the Police Facility Project.
condition and availability of public facilities, transportation systems, and other public infrastructure	Library Facility Project In FY 2007/08 the Town appropriated approximately \$18.3 million towards the acquisition and construction of a new library for the Town. The budgeted amount included approximately \$14 million in proceeds from an anticipated Town/RDA financing planned for spring 2010. The financing is anticipated to be funded through available RDA tax increment revenues. Staff will be updating future RDA cash flow projections including updated tax increment analyses and future debt service costs this summer. The increment estimates will be based on updates obtained from the County Assessor on parcels within the RDA project area boundaries. Staff will assess the prevailing market interest rate environment for public debt in its assessment of future debt service cost requirements.

№ LOS GATOS REDEVELOPMENT AGENCY Capital Projects Fund

KEY PROGRAM SERVICES

Redevelopment Agency Capital Projects

- Implement capital project work as identified in the Los Gatos Redevelopment Plan and Five-Year Implementation Plan
- Facilitate the development of redevelopment projects

Economic Vitality Activities

- Act as a liaison between the business community and Town Hall
- Provide business outreach and retention efforts
- · Provide business recognition activities
- Provide targeted business attraction

CAPITAL PROJECTS PROGRAM STAFFING

Full Time Equivalent (FTE)

	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Economic Vitality Manager	0.75	0.75	0.75	0.75	0.75	0.75
Community Development Dir.	0.10	-	V2	7 <u>~</u>	0.10	0.10
Asst. Community Dev. Dir.	0.05	0.15	0.15	0.15	0.05	0.05
Associate Planner	0.10	0.10	0.10	0.10	0.15	0.10
Administrative Analyst	0.20	0.20	0.20	0.20	0.20	0.20
Town Engineer		0.12	0.09	100		
Associate Engineer	14	0.24	0.05	-	-	
Senior Engineer Inspector	l.e.	0.19	0.13	3.77	18	
Engineering Inspector		0.11	-	-	-	
Total Capital Projects FTEs	1.20	1.86	1.47	1.20	1.25	1.20

№ LOS GATOS REDEVELOPMENT AGENCY ©Capital Projects Fund

Pe	rformance Objectives and Measures	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Informs Redevelopment area businesses of proposed projects and works with businesses to mitigate concerns. a. Percentage of businesses satisfied with the results of downtown public works projects including: Streetscape, repaving, merchant notification and scheduling:	90%	90%	93%	95%	95%
2.	The RDA Economic Vitality Program ensures efforts are being made for business attraction, retention and promotion.					
	Percentage of businesses rating business assistance provided by RDA as good or excellent:	88%	88%	89%	95%	95%

Ac	ctivity and Workload Highlights	2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
1.	Number of businesses provided with promotion assistance:	250	350	580	590	590
2.	Number of businesses attending business outreach receptions:	30	50	150	160	160
3.	Business attraction assistance/Number of businesses assisted	Data Not Available	125	220	240	240
4.	Commercial Brokers/Property Owner Outreach Meetings:	Data Not Available	160	175	185	185
5.	Annual Community Marketing Campaigns: Summer - 1, Winter/Holiday -1, Shop Local - Year-Round, and Tourism Development - 2	Data Not Available				
6	Agency Rating (Moody's June 28, 2002)	Aa3	Aa3	Aa3	Aa3	Aa3



TOWN of LOS GATOS REDEVELOPMENT AGENCY

Debt Administration Fund

Fund 921

FUND PURPOSE

Under California Redevelopment Law, tax increment is restricted to the repayment of debt; therefore, a redevelopment agency must have indebtedness in order to receive tax increment revenues. In response to this requirement, the Los Gatos Redevelopment Agency incurred debt for use in implementing its redevelopment plan and to receive tax increment revenue. This indebtedness was achieved by two primary means: 1) loans from the Town of Los Gatos, and; 2) the issuance of Certificates of Participation. Debt service payments for this indebtedness are made from the Debt Administration Fund.

BUDGET OVERVIEW

In adherence with Redevelopment law, the Los Gatos Redevelopment Agency incurs debt in two ways. First, it obtains loans from the Town of Los Gatos, and second, the Agency has undertaken the obligation of paying debt service on the Town's 1992 and 2002 Certificates of Participation (COPs) in return for the lease of Town property. All debts are repaid with tax increment revenue.

1992 Certificates of Participation

The Town of Los Gatos bears the obligation for the 20-year Certificates of Participation issued in the original amount of \$2,960,000, dated August 1, 1992. The Town's Motor Vehicle License Fee revenues were pledged as security for the COPs, and the guarantee was registered with the State Controllers Office.

The COPs were issued to finance certain construction costs of the Town's Parking Lot 4 Project, which was constructed on land located in the Los Gatos Central Redevelopment Project Area. The project consisted of the completion of construction of a parking facility comprised of 316 parking spaces on two levels, located on approximately 4 acres of land in the block bounded by University and Santa Cruz Avenues, and Grays Lane and Elm Street. The lot improvements were paid for from the 1992 Certificate of Participation proceeds, in conjunction with the portion paid for through the 1988 Downtown Parking Assessment District's Limited Obligation Bonds in the amount of \$1,587,986.

The COPs are similar to bond debt as they allow investors to participate in a share of guaranteed payments. Because they are similar to debt, the present value of the total of the payments to be made is recorded as long-term debt. Principal payments are due annually on August 1st, with interest payments

№ LOS GATOS REDEVELOPMENT AGENCY Debt Administration Fund

payable semi-annually on February 1st and August 1st.

The financing structure of the COP includes two twenty-year term lease agreements dated August 1, 1992, by and between the Town of Los Gatos and the Los Gatos Redevelopment Agency. The first lease, with the Town as lessor and the Redevelopment Agency as lessee, agrees to lease the site to the Agency for the duration of the lease term for a one-time fee of \$10. The second lease, with the Town as lessee and the Redevelopment Agency as lessor, agrees to lease the completed parking lot site to the Town effective the date of the lease. Annual lease payments are equal to the annual debt service for the COPs. In addition, a Reimbursement Agreement dated August 1, 1992, by and between the Town and Agency, obligates the Agency to reimburse the Town in an amount equal to the annual lease payment the Town pays to the Agency for lease of the parking lot (under the second lease agreement). This reimbursement is in consideration of the Town's cost of the acquisition and the Town's funding of the construction of the parking lot project.

While the annual impact of these agreements net to zero, the lease and reimbursement payments are included in the Town's and Redevelopment Agency's budget each year to accurately reflect the terms of these agreements. The Agency remains responsible for making the principal and interest payments to US Bank (as illustrated in the following schedule).

2002 Certificates of Participation

The 2002 Certificates of Participation financing structure parallels the 1992 issue. The Town of Los Gatos bears an obligation for the 30-year Certificates of Participation issued in the original amount of \$10,725,000, dated August 1, 2002. The COPs were issued to finance infrastructure improvements in the downtown redevelopment area including plaza reconstruction, streetscape improvements, street reconstruction, storm drainage, alley improvements as well as partially funding the reconstruction of the pool at Los Gatos High School. The COPs principal payments are due annually on August 1, with interest payments payable semi-annually on February 1 and August 1.

The financing structure of the COP includes two lease agreements by and between the Town of Los Gatos and the Los Gatos Redevelopment Agency under agreements dated July 1, 2002. The first agreement leases five Town owned parcels, commonly known as the Miles Avenue Corporation Yard, to the Redevelopment Agency through August 1, 2031 for a one-time fee of \$1 dollar. In the second lease, the Redevelopment Agency subleases the land back to the Town, effective the date of the original lease. The annual sub-lease payments are equal to the annual debt service for the COPs.

A reimbursement agreement by and between the Town and Agency, also dated July 1, 2002, obligates the Agency to reimburse the Town in an amount equal to the annual lease payment the Town pays to the Agency for the sub-lease of the corporation yard. This reimbursement is in consideration of the Town's cost of the acquisition and construction of the yard facilities.

While the annual impact of these agreements net to zero, the lease and reimbursement payments are included in the Town's and Redevelopment Agency's budget each year to accurately reflect the terms of these agreements. The Agency remains responsible for making the principal and interest payments, as illustrated in the following schedules.

№ LOS GATOS REDEVELOPMENT AGENCY Debt Administration Fund

Pass-Through Agreements

Pass-through-agreement payments to taxing entities comprise the majority of the Debt Administration's operating expenditures. These payments are based on the amount of tax increment the Agency receives, with nearly half of all Agency tax increment passed through to these taxing entities.

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	-	-		1.0	~	1000
Undesignated	4,481,846	5,414,922	4,307,049	6,291,674	6,291,674	6,699,642
Total Beginning Fund Balance	4,481,846	5,414,922	4,307,049	6,291,674	6,291,674	6,699,642
Revenues						
Property Tax	4,902,747	5,909,470	6,457,740	6,150,620	5,693,724	5,815,120
Lease Income - COPs	932,122	699,584	930,717	924,150	924,135	925,970
Interest Income	189,937	585,349	446,436	335,200	3,400	3,400
Other Sources	41	-	*		52	-
Total Revenues	6,024,806	7,194,403	7,834,893	7,409,970	6,621,259	6,744,490
Operating Transfers						
Transfer-RDA Debt Service	(500,000)	(600,000)	-	12		
Total Operating Transfers	(500,000)	(600,000)	-	-	85 	
TOTAL SOURCE OF FUNDS	\$ 10,006,652	\$ 12,009,325	\$ 12,141,942	\$ 13,701,644	\$ 12,912,933	\$ 13,444,132
USE OF FUNDS						
Expenditures						
Operating Expenditures	2,577,489	2,970,117	3,288,828	3,621,590	3,640,018	3,718,360
Debt - Interest Town Loan	150,000	150,000	150,000	150,000	150,000	150,000
Debt Service - 1992 COPs	248,851	248,498	249,188	244,380	244,375	243,870
Debt Service - 2002 COPs	683,269	682,583	681,535	679,770	679,763	682,100
1992 Lease Payment to Town	248,852	248,498	249,187	244,380	244,375	243,870
2002 Lease Payment to Town	683,270	682,580	681,530	679,770	679,760	682,100
Total Expenditures	4,591,731	4,982,276	5,300,268	5,619,890	5,638,291	5,720,300
Operating Transfers						
Transfer to Capital Projects		2,720,000	550,000	575,000	575,000	575,000
Total Operating Transfers	•	2,720,000	550,000	575,000	575,000	575,000
Ending Fund Balance						
Designated	-	27	:-	-	-	100 March 100
Loan from General Fund					97944	1,500,000
Undesignated Total Ending Fund Polones	5,414,922	4,307,049	6,291,674	7,506,754	6,699,642	5,648,832
Total Ending Fund Balance	5,414,922	4,307,049	6,291,674	7,506,754	6,699,642	7,148,832
TOTAL USE OF FUNDS	\$ 10,006,652	\$ 12,009,325	\$ 12,141,942	\$ 13,701,644	\$ 12,912,933	\$ 13,444,132

№ LOS GATOS REDEVELOPMENT AGENCY OS Debt Administration Fund

The maturity schedule for the Redevelopment Agency's current Debt Service obligation under the 1992 COP is as follows:

REDEVELOPMENT AGENCY 1992 COP DEBT SERVICE

	Principal	Total		
Fiscal	Maturing	Annual	Total	Principal
Year	August 1st	Interest Due	Debt Service	Balance
1991/92			18	2,960,000
1992/93	70,000	184,136	254,136	2,890,000
1993/94	75,000	177,836	252,836	2,815,000
1994/95	80,000	171,086	251,086	2,735,000
1995/96	90,000	163,886	253,886	2,645,000
1996/97	95,000	155,786	250,786	2,550,000
1997/98	105,000	147,236	252,236	2,445,000
1998/99	115,000	137,786	252,786	2,330,000
1999/00	125,000	127,436	252,436	2,205,000
2000/01	135,000	116,186	251,186	2,070,000
2001/02	145,000	107,580	252,580	1,925,000
2002/03	150,000	99,895	249,895	1,775,000
2003/04	160,000	91,795	251,795	1,615,000
2004/05	170,000	82,995	252,995	1,445,000
2005/06	175,000	73,475	248,475	1,270,000
2006/07	185,000	63,500	248,500	1,085,000
2007/08	195,000	54,250	249,250	890,000
2008/09	205,000	44,500	249,500	685,000
2009/10	215,000	34,250	249,250	470,000
2010/11	230,000	23,500	253,500	240,000
2011/12	240,000	12,000	252,000	;=s
TOTAL	2,960,000	2,069,116	5,029,116	

№ LOS GATOS REDEVELOPMENT AGENCY Debt Administration Fund

The maturity schedule for the Redevelopment Agency's current Debt Service obligation under the 2002 COP is as follows:

LOS GATOS REDEVELOPMENT AGENCY 2002 COP DEBT SERVICE

Principal Fiscal Maturing Year August 1st		Interest Due August 1st		Interest Due Feburary 1st		De	Total Debt Service		Principal Balance	
Issue Date:	August 1,	2002							\$ 10	,725,000
2002/03				-	S	237,164	\$	237,164	10	,725,000
2003/04	\$ 21	10,000	S	235,854		233,229		679,083	10	,515,000
2004/05	21	15,000		233,229		230,541		678,770	10	,300,000
2005/06	22	25,000		230,541		227,729		683,270	10	,075,000
2006/07	23	30,000		227,729		224,854		682,583	9	,845,000
2007/08	23	35,000		224,854		221,681		681,535	9	,610,000
2008/09	24	40,000		221,681		218,081		679,763	9	,370,000
2009/10	25	50,000		218,081		214,019		682,100	9	,120,000
2010/11	25	55,000		214,019		209,556		678,575	8	,865,000
2011/12	26	65,000		209,556		204,720		679,276	8	,600,000
2012/13	27	75,000		204,720		199,426		679,146	8	,325,000
2013/14	28	85,000		199,426		193,726		678,153	8	,040,000
2014/15	29	95,000		193,726		187,679		676,405	7	,745,000
2015/16	3	10,000		187,679		181,169		678,848	7	,435,000
2016/17	32	20,000		181,169		174,209		675,378	7	,115,000
2017/18	33	35,000		174,209		166,755		675,964	6	,780,000
2018/19	3:	50,000		166,755		158,793		675,548	6	,430,000
2019/20	30	65,000		158,793		150,306		674,099	6	,065,000
2020/21	38	85,000		150,306		141,163		676,469	5	6,680,000
2021/22	40	000,000		141,163		131,463		672,625	5	,280,000
2022/23	42	20,000		131,463		121,225		672,688	4	,860,000
2023/24	4	40,000		121,225		110,500		671,725	4	4,420,000
2024/25	40	65,000		110,500		98,875		674,375	.3	3,955,000
2025/26	4	85,000		98,875		86,750		670,625	3	3,470,000
2026/27	5	10,000		86,750		74,000		670,750	2	2,960,000
2027/28	5.	35,000		74,000		60,625		669,625	2	2,425,000
2028/29	50	65,000		60,625		46,500		672,125	1	,860,000
2029/30	5	90,000		46,500		31,750		668,250	1	,270,000
2030/31	6.	20,000		31,750		16,250		668,000		650,000
2031/32	6.	50,000		16,250		i e		666,250		-
TOTALS:	\$ 10,7	25,000 -	+ S	4,551,426	+ \$	4,552,737	= \$]	19,829,163		

≥ LOS GATOS REDEVELOPMENT AGENCY Debt Administration Fund

The California Government Code Section 43605 states: "A city shall not incur an indebtedness for public improvements which exceeds in the aggregate 15 percent of the assessed value of all real and personal property of the city. Within the meaning of this section "indebtedness" means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the city."

This schedule calculates the Town's legal debt margin by determining the 15% debt limit and comparing this limit to the Town's outstanding debt at the end of the fiscal year to determine the difference between the two. Only certain types of outstanding debt are subject to the legal debt limit, therefore while this schedule recognizes all debt, the total debt is reduced by that debt not subject to the legal debt limit, as well as amounts held in sinking funds for debt repayment.

The Town's debt structure currently includes only Certificates of Participation which are not subject to the legal debt limit, and are therefore backed out in the calculation.

LEGAL DEBT MARGIN COMPUTATION FY 2009/10

Assessed Secured Property Valuation for FY 2008/09 Debt Limitation (15% of assessed value)			\$ 7,90)4,845,020 15%
Bonded Debt Limit			\$ 1,18	35,726,753
Outstanding Bonded Debt at 6/30/08				
1992 Certificates of Participation	\$	890,000		
2002 Certificates of Participation		9,610,000		
TOTAL Outstanding Debt	S	10,500,000		
LESS Debt not subject to limit:				
Special Assessment Bonds		14		
Special Revenue Bonds		-		
Certificate of Participation Debt		10,500,000		
Amounts held in Sinking Funds		-		
TOTAL Debt not subject to limit:	S	10,500,000		
Amount of Debt Subject to Limit:	S	-	s	-

TOWN of LOS GATOS REDEVELOPMENT AGENCY

Affordable Housing Fund

FUND 931

FUND PURPOSE

This fund provides for the implementation of the Agency's required Affordable Housing Set-Aside Program obligations. The program's core services include the administration and fiscal responsibilities for the program, and the creation of affordable housing options in cooperation with non-profit and for-profit developers.

California Community Redevelopment Law (CRL) requires that no less than 20 percent of tax increment revenue derived from a redevelopment project area be used to increase, improve, and preserve the supply of housing for very low, low, and moderate income households. If none is provided within a redevelopment project area, then the funds can be used to build twice that amount elsewhere. Possibilities include financial assistance to upgrade existing units, the construction of new housing, and improvements to public facilities and infrastructure that service low and moderate income neighborhoods.

The following are some authorized uses of housing set-aside funding:

- Acquisition of real property, buildings or structures
- New construction or rehabilitation of buildings or structures
- Onsite or offsite improvements, if such improvements are part of a program which results in the new construction or rehabilitation of affordable housing
- Donation of real property to private or public persons or entities
- Subsidies to, or for the benefit of, lower-income households to obtain housing at affordable costs in the private marketplace
- Development of plans, payment of principal, interest, financing or carrying costs on bonds, loans, advances or other indebtedness to finance low- and moderate-income housing
- Reasonable administrative expenses (including operating support for nonprofit developers of redevelopment agency-assisted housing)

In addition to the 20 percent requirement, California Community Redevelopment Law (CRL) contains inclusionary housing requirements for the Affordable Housing program:

№ LOS GATOS REDEVELOPMENT AGENCY Affordable Housing Fund

- For units developed by an agency At least 30 percent of all new or rehabilitated dwelling units
 developed by the Agency must be available at affordable housing cost to persons of low and
 moderate income. Also, not less than 50 percent of those units are to be available at affordable cost
 to persons of very low income.
- For units developed within a redevelopment project area For new or rehabilitated dwelling units
 developed by public or private entities or persons other than an agency within a 10-year period, those
 units are to be available at costs affordable to persons of low or moderate income. Not less than 40
 percent of these units are to be available to very low-income households.

A redevelopment agency may satisfy inclusionary requirements by purchasing or assisting in the purchase of existing housing, and deed restricting the units for long-term affordability. A redevelopment agency has this option if the units to be acquired are not presently available at affordable housing cost, or are presently available at affordable housing cost, but finds the affordability of such units in jeopardy.

Whenever low or moderate income level residential housing units are removed from the market as part of a specific project, an agency is required by law to rehabilitate or construct an equal number of replacement dwelling units within the jurisdiction of that agency, within four years of removal. Also, 75 percent of the replacement units must be affordable to the same income level (very low, low or moderate) as the persons displaced from the removed units.

BUDGET OVERVIEW

The FY 2009/10 Agency budget includes an increase in its Administrative Services payment to the Town in consideration of Town staff time and resources utilized in supporting affordable housing projects during this fiscal year.

№ LOS GATOS REDEVELOPMENT AGENCY 03 Affordable Housing Fund

STATEMENT OF SOURCE AND USE OF FUNDS

	2005/06 Actuals	2006/07 Actuals	2007/08 Actuals	2008/09 Adopted	2008/09 Estimated	2009/10 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	_	:=:	(6)	II+	-	
Undesignated	4,335,193	5,111,259	6,556,978	7,198,500	7,198,500	8,632,532
Total Beginning Fund Balance	4,335,193	5,111,259	6,556,978	7,198,500	7,198,500	8,632,532
Revenues						
Interest Income	83,377	338,525	312,963	206,000	215,000	200,000
Total Revenues	83,377	338,525	312,963	206,000	215,000	200,000
Operating Transfers						
Tax Increment @ 20%	1,073,315	1,516,456	1,614,435	1,537,660	1,537,659	1,571,430
Total Operating Transfers	1,073,315	1,516,456	1,614,435	1,537,660	1,537,659	1,571,430
TOTAL SOURCE OF FUNDS	\$5,491,885	\$6,966,240	\$8,484,376	\$8,942,160	\$8,951,159	\$10,403,962
USE OF FUNDS						
Expenditures						
Salaries and Benefits	77,199	75,107	84,614	106,700	72,000	80,106
Operating Supplies	199,720	230,520	264,366	292,430	243,427	299,580
Grants	100,000	100,000	932,700			
Internal Service Charges	3,707	3,635	4,196	4,500	3,200	3,668
Total Expenditures	380,626	409,262	1,285,876	403,630	318,627	383,354
Operating Transfers						
Transfer to Debt Service		-	-			
Total Operating Transfers	2	5	20		95	
Ending Fund Balance Designated			_			
Undesignated	5,111,259	6,556,978	7,198,500	8,538,530	8,632,532	10,020,608
Total Ending Fund Balance	5,111,259	6,556,978	7,198,500	8,538,530	8,632,532	10,020,608
TOTAL USE OF FUNDS	\$5,491,885	\$ 6,966,240	\$8,484,376	\$8,942,160	\$8,951,159	\$10,403,962

FY 2009/10 KEY PROJECTS

Strategic Goals	Key Projects
Public Infrastructure Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	Affordable Housing Opportunities The Agency continues its work in identifying and facilitating other opportunities for the development of affordable housing

№ LOS GATOS REDEVELOPMENT AGENCY 03Affordable Housing Fund

KEY PROGRAM SERVICES

Affordable Housing Set-Aside Projects

- · Provide planning, analysis and recommendations for potential affordable housing projects
- Initiate an affordable housing project within the Redevelopment Project Area

AFFORDABLE HOUSING PROGRAM STAFFING

Full Time Equivalent (FTE)						
	Authorized	2005/06	2006/07	2007/08	2008/09	2009/10
Town Staff	Positions	Funded	Funded	Funded	Funded	Funded
Economic Vitality Manager	0.05	0.05	0.05	0.05	0.05	0.05
Community Development Dir.	0.10	0.10	0.10	0.10	0.10	0.10
Asst. Community Dev. Dir.	0.15	0.20	0.20	0.20	0.15	0.15
Associate Planner	0.10	0.10	0.10	0.10	0.25	0.10
Administrative Analyst	-	=	*	*	*	
Community Services Director	0.05	0.05	0.05	0.05	0.05	0.05
Total Affordable Housing FTEs	0.45	0.50	0.50	0.50	0.60	0.45

№ LOS GATOS REDEVELOPMENT AGENCY Affordable Housing Fund

Performance Objectives and Measures		2005/06 Actual	2006/07 Actual	2007/08 Actual	2008/09 Estimated	2009/10 Budget
	Works in coordination with developers in the planning and programming of affordable housing projects.					
	 Percentage of affordable housing developers that are satisfied with RDA assistance. 	Data Not Available	Data Not Available	100%	100%	100%

Activity and Workload Highlights	2005/06	2006/07	2007/08	2008/09	2009/10
	Actual	Actual	Actual	Estimated	Budget
 Number of new affordable housing units produced, under construction, or in the planning process as a result of RDA. 	15	15	5	20	20

