CITY OF AMERICAN CANYON

AND

AMERICAN CANYON FIRE PROTECTION DISTRICT

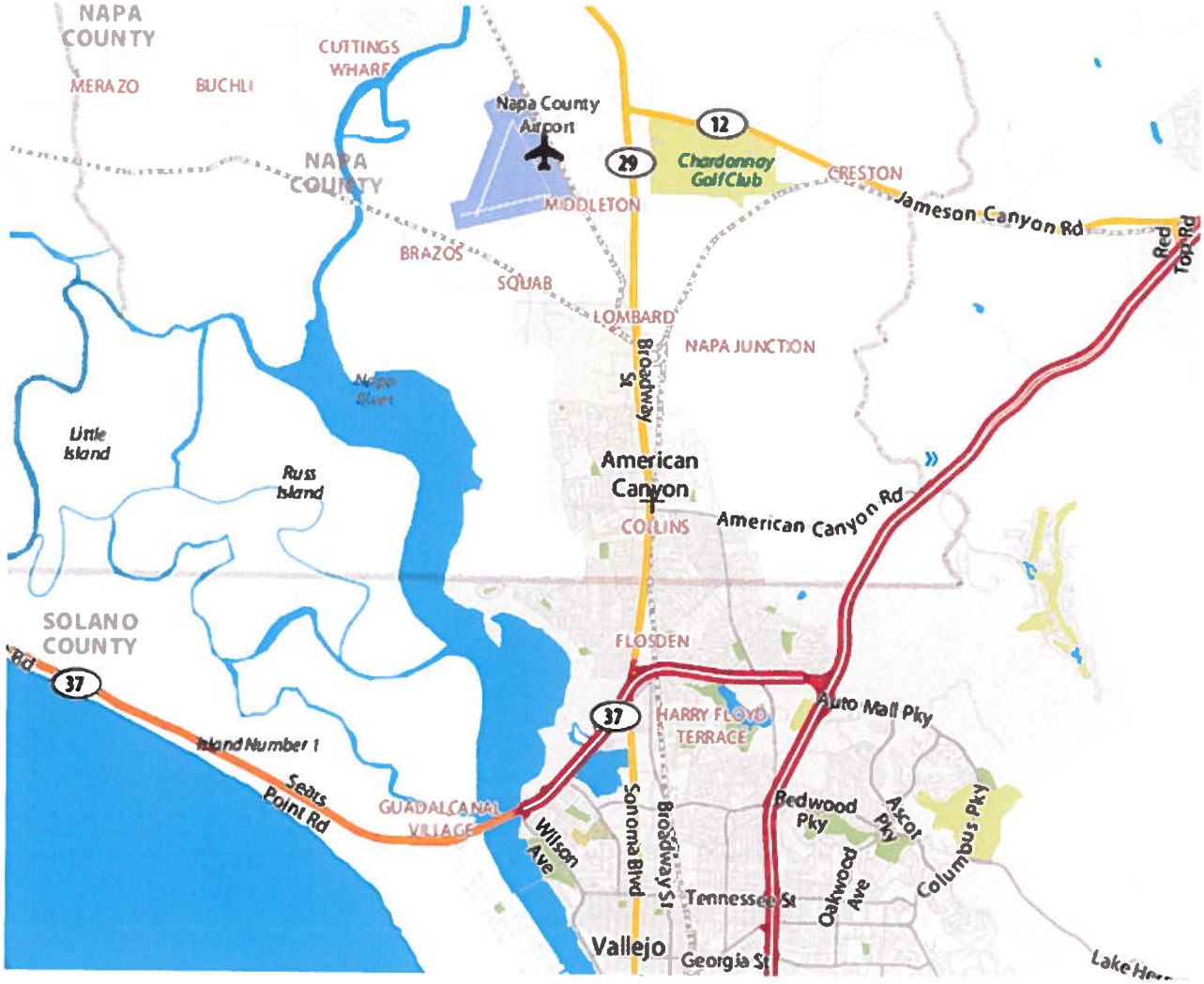
ANNUAL BUDGET

FISCAL YEAR 2010-2011

City of American Canyon Website

www.cityofamericancanyon.org

American Canyon, California



CITY COUNCIL

Leon Garcia, Mayor

Ed West, Vice Mayor

Joan Bennett, Councilmember

Don Callison, Councilmember

Cindy Coffey, Councilmember

City of American Canyon and American Canyon Fire Protection District

The City of American Canyon website had a complete makeover and was relaunched on April 1st of 2010. It is much more user friendly and customer service oriented. Please visit us at www.cityofamericancanyon.org to check out our new look and added features such as our "I want to..." menu. We hope you enjoy our new look.

CITY STAFF

Richard J. Ramirez, City Manager
Brian Banducci, Police Chief
Glen Weeks, Fire Chief
William Ross, City Attorney
Rebekah Barr, City Clerk
Barry Whitley, Finance Director
Michael Throne, Public Works Director
Brent Cooper, Community Development Director
Randy Davis, Parks & Recreation Director
Bronda Silva, Human Resources Director

BUDGET TEAM

Barry Whitley, Finance Director
Susan Presto, Finance Manager
Christina Roybal, Finance Manager
Laura Banta, Accounting Assistant II

City of American Canyon
and
American Canyon Fire Protection District

Adopted Budget
Fiscal Year 2010-11

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CITY OF AMERICAN CANYON

Napa Valley's New Destination

October 15, 2010

Mayor and Members of the City Council
City of American Canyon
4381 Broadway Street, Suite 201
American Canyon, CA 94503

Subject: Budget Message for Fiscal Year 2010-2011

Dear Mayor and Members of the City Council:

We are pleased to present the adopted operating budget for fiscal year 2010-2011. It was a challenging budget and a painful one to prepare due to the on-going impacts of the Great Recession of 2007 – 2010. The national, regional and local economies were depressed and almost all cities were impacted in the same way. In American Canyon, the cumulative impacts to our revenues have resulted in a General Fund structural deficit, which for fiscal year 2009-10, staff estimated at $1.6 million. In subsequent years, this deficit would be followed by increasing deficits if action is not taken. Based on the City Council's Fiscal Policy, such a condition cannot be tolerated.

After a great deal of public input that involved over 25 meetings in fiscal year 2009-10 and conducting a community poll by an independent pollster and public deliberations, the City Council elected to implement a 36-Month Deficit Reduction Plan. It relied on about $800,000 in operating cost reductions, about $300,000 in new revenues (mostly from Measure's E & F on the November Ballot) and the rest or about $500,000 from a recovering economy. On June 1, 2010, the City Council adopted a budget taking the action necessary to continue providing services to our residents and preserving reserves.

The General Fund accounts for general governmental expenses including law enforcement services, street and park maintenance, recreation programs, economic development and planning. The economic impacts of the recession were enormous and the impacts have damaged General Fund finances! During the past year, there was high unemployment throughout the State and locally which still has not abated. The City's unemployment rate peaked at 16% and is currently estimated at 14.8%, the highest in Napa County. There was a wholesale resetting of residential property values throughout the County by the County Assessor which hit American Canyon very hard. This resulted in an unprecedented decline in the City's largest sources of unrestricted general fund

revenues. The property tax revenue budget for fiscal year 2010-11 is $6.7 million or 46% of total revenues in the general fund. From fiscal years 2003 through 2009, the city enjoyed an average annual increase in property tax revenues of 22%. However, in fiscal year 2009-10, the impacts of the recession were realized with a projected decrease of property tax revenue of $1.4 million compared to the prior year. Sales tax revenue, the second largest general fund revenue source, decreased 10% in fiscal year 2009-10 to $1.9 million. It peaked in fiscal year 2008-09 at $2.1 million. This year, it was budgeted at $1.9 million, indicating a continuing weak economy. It remains a key source of revenue at over 13% of total general fund revenues. These negative impacts to our revenue sources put the City in a tough position. However, the City has weathered the recession better than many cities because of our reserves which were established pursuant to the fiscal policy adopted by the City Council. There is a reserve requirement of 20% of expenditures to safeguard the City against unforeseen events.

The City Council directed staff to begin an outreach effort with both the community and the workforce to communicate news about the structural deficit and what actions might be taken. Key points to communicate were:

- The City faced a structural deficit and could not expect to "grow" out of it in less than three years
- Workers would not be laid off in fiscal year 2009-10 and labor commitments would be honored with the understanding that the City would seek concessions following the expiration of labor agreements on 06/30/2010 including layoffs.
- Belt tightening efforts will be required to cut costs but revenue increases must be considered.
- The methods of service delivery will be closely examined with a focus on reducing costs and this may result in the elimination of City staff positions.

City staff conducted over 25 outreach meetings to community groups to deliver the message and to get feedback on what actions the City might take to eliminate the structural deficit. In addition, the City commissioned an independent poll to get additional feedback. The results were:

- The majority of the community understood the City was facing a structural deficit.
- Despite the challenges, the community believed that the City was on the right track and was a safe place to live.
- City residents would support raising hotel and casino taxes.
- Reductions in service levels would be acceptable if forced time off without pay (furloughs) were enacted.

After considering this feedback, the Mayor and City Council directed the City Manager to return with two options to close the General Fund's structural deficit. It was requested that a 12 month option and a 36 month option be presented. These options were reviewed in

detail with the Finance Committee on May 6, 2010 and presented to the City Council on May 20, 2010.

Staff had already taken some cost cutting measures to help reduce the deficit. Department heads were encouraged to look at their department's activities and do as much belt tightening as they could. Auto allowances were eliminated, a hiring freeze was imposed for general fund positions, vehicle and computer replacements were suspended, some professional services contracts were discontinued, street sweeping services were reduced and in a symbolic act, the City Manager took five voluntary furlough days off.

Key points of the 12 month versus 36 Month options presented to the City Council are listed in the table below.

12 Months	36 Months
Revenue Enhancements	
Increase Hotel Tax from 10% to 12 % for additional $120,000 annually	Increase Hotel Tax from 10% to 12 % for additional $120,000 annually
Pass Casino Tax - $200,000 annually	Pass Casino Tax - $200,000 annually
Assumes local economy continues in decline during fiscal year 2010-11 and staying flat over the next two years	Assumes a flat economy in fiscal year 2010-11 followed by a recovery with increased revenues including property tax, sales tax and hotel tax
Expenditure Reductions	
Employee Cost of Living (COLA) - 0%	Employee Cost of Living (COLA) - 0%
Eliminates 22 positions	Eliminates 13 positions
No Furloughs – City Offices Open	Furloughs for 15 days – City Offices Closed
Seek Labor concessions - $140,000	Seek Labor concessions - $140,000
Response times will be delayed for services like park lighting repairs, park maintenance, filling potholes in the streets and weed eradication	Response times for most service requests should not be impacted.
A School Resource Officer will not be available at American Canyon High School when it opens. The position may be added after the deficit is corrected	A School Resource Officer will be available when American Canyon High School opens

12 Months	36 Months
Law enforcement services provided by Napa County Sheriff will continue at reduced levels and costs.	Law enforcement services provided by Napa County Sheriff will be reinstated beginning in July 2010 pursuant to a 3 year fixed price contract
Due to more aggressive cost saving measures, uses less reserves than 36 month option, about $465,000	Due to less aggressive cost cutting, more reserves are used than 12 month option to provide a softer landing, about $935,000 over 36 months
Eliminates 30% of positions in the General Fund	Eliminates 15% of positions in the General Fund
Eliminated City sponsored special events like Friday Night at the Plaza, Annual Volunteer Recognition Ball and Community Grants.	Eliminated City sponsored special events like Friday Night at the Plaza, Annual Volunteer Recognition Ball and Community Grants.

In addition to the above impacts, staff estimated that unemployment expense, as a result of the layoffs, could cost up to $150,000. With respect to health insurance, a new federal law that extends COBRA payments to laid-off workers to ensure that they have health insurance will require an appropriation of about $66,000. On a positive note, the City had been paying for the Napa County library space in American Canyon plus an additional amount to provide for extended hours. The County reviewed their funding formula and found that the City's allocation was too small. The County reported that beginning fiscal year 2010-11, it would pay the American Canyon library rent resulting in a savings to the City of about $120,000.

At the Special City Council Meeting of May 20, 2010, after careful consideration between the 12 month and 36 month options to eliminate the General Fund structural deficit, the City Manager recommended the 36 month option as the more prudent approach. Through the use of furloughs, cost cutting, and modifying staffing for development services, the City Manager reasoned that the structural deficit can be solved using the 36 month option which has the least impact to residents. However, the 36 month option assumes an improving economy resulting in increased revenues and that may not happen. Staff will be closing monitoring revenues and reporting back to the City Council periodically. If the tax measures are not approved by the voters or the basic assumptions of a better economy with increased revenues used in the 36 month option do not materialize, additional layoffs and service cuts will have to be considered.

For the second consecutive year, recession wracked revenues for fiscal year 2010-11 will not support additions to the City's reserves as provided for in the Council's Fiscal Policy and no additions to reserves were proposed. However, the total amount of reserves available to the Mayor and City Council to support programs and services still exceeds the

20% target identified in the fiscal policy. Even with the reduction of reserves they will remain above the 20% target.

At the City Council meeting of June 1, 2010, the City Council approved the City Manager's recommendation and adopted the budget with the 36 month option to eliminate the General Fund structural deficit.

Water Enterprise Fund accounts for the day to day activities of operating the water treatment plan and distribution system. A separate fund, the water capacity fee fund, accounts for plant expansion, expenses associated with acquiring additional potable water rights and capital costs of the recycled water system. Water Enterprise Fund expenses range from staffing and chemicals to fixing leaks in the water mains.

In fiscal year 2010-11, the water fund budget includes the fourth and final rate increase that was approved by the City Council on December 4, 2007. The increase is 7% for residential and commercial and will be applied to water customers' consumption beginning January 2011. It will help ensure that all customers will continue to receive the quality service that they expect. The impact of the voluntary water conservation program has hurt water revenues. However, if drought conditions of the past several years subside, water consumption and revenues will increase and improve the water fund's finances.

Excluding depreciation, a non cash expense, cash flow is positive by $45,000. Adding in depreciation, Staff estimates that expenses will exceed revenues by over $1.06 million in fiscal year 2010-11. That said, revenues should cover all expenses including depreciation so it may be necessary to take further belt tightening measures in the future if revenues remain low.

Wastewater Enterprise - This fund accounts for the day to day activities of operating the wastewater treatment plant and keeping the wastewater flowing through the collection system mains to the treatment plant.

Rates charges to wastewater enterprise fund customers for services were increased through a series of three annual rate increases which began in March 2008. The final increase was effective January 2010. As a result of these increases, the financial condition of the fund continues to improve. The fund's budget in fiscal year 2010-11 shows an increase in resources of over $490,000 but does not include annual depreciation expenses of $1.07 million, a non cash expense. Again, just as in the case of water rates, sewer revenues should cover all expenses including depreciation so it may be necessary to take further belt tightening measures in the future if revenues remain low.

Wastewater enterprise fund finances must improve enough so that all costs, including depreciation are covered so that there will be sufficient resources available for capital replacement. The fund's financial condition will continue to be evaluated so that our customers can continue to receive the quality services that they expect over the long term.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt for water and wastewater activities is accounted for in their respective enterprise funds. Currently, there are three debt service funds for 1) City Hall, 2) Broadway property adjoining City Hall and the 3) Community Gym and Aquatic Center. The first two are paid from general fund tax revenues which are transferred to the respective debt service funds. The third one, the Community Gym and Aquatic Center is paid using Park Impact Fee Fund revenues. The contribution of half the debt service requirement from the General Fund the past few years was eliminated in fiscal year 2010-11 as a result of the recession.

Assessment District debt service payments are made from assessments levied against benefitting property owners and are accounted for in an Agency fund. Currently, there are sufficient resources provided to make all debt service payments.

FIRE PROTECTION DISTRICT BUDGET

The Fire District's Operations Fund accounts for the day to day expenses of running the Fire District. Overall, the fund's financial condition continues to be good based on a projected fund balance at June 30, 2011 of $2.45 million which includes $1.5 million of reserves established pursuant to the Board's fiscal policy.

The District's primary revenue source, property taxes provides about 80% of its annual income. Staff projected that property taxes decreased about 14% or almost $500 thousand to $3.13 million in fiscal year 2009-10 due to the recession. In fiscal year 2010-11, staff is projecting a small decrease in property taxes to $3.10 million.

The proposed budget for the District's other significant revenue source, fire assessment fees, is $550 thousand for fiscal year 2010-2011. These fees are assessed on property owners within the Fire District's boundaries to help maintain adequate fire service levels. Annually, in a separate action, the Board approves these fees which are calculated based on the structure construction type, fire flow area, proximity of other structures, type of occupancy, and the presence of fire prevention devices. This is a reliable and stable source of revenue for the District.

The Fire District's post employment benefits liability computed in accordance with Government Accounting Standards Board Statement Number 45 is $283 thousand which is included in the adopted budget. The District contracted with PERS to establish an irrevocable trust in order to earn higher yields to offset future retiree health care costs.

Reserves - Sufficient revenues have been set aside in a separate fund to enable the District to schedule the appropriate replacement of Fire Apparatus.

The Fire District's budget is impacted by the same negative economic forces which are pressuring the City's budget. As a result, the adopted budget as recommended by the Fire Chief is conservative but continues to maintain service levels and acceptable reserve levels in accordance with the fiscal policy.

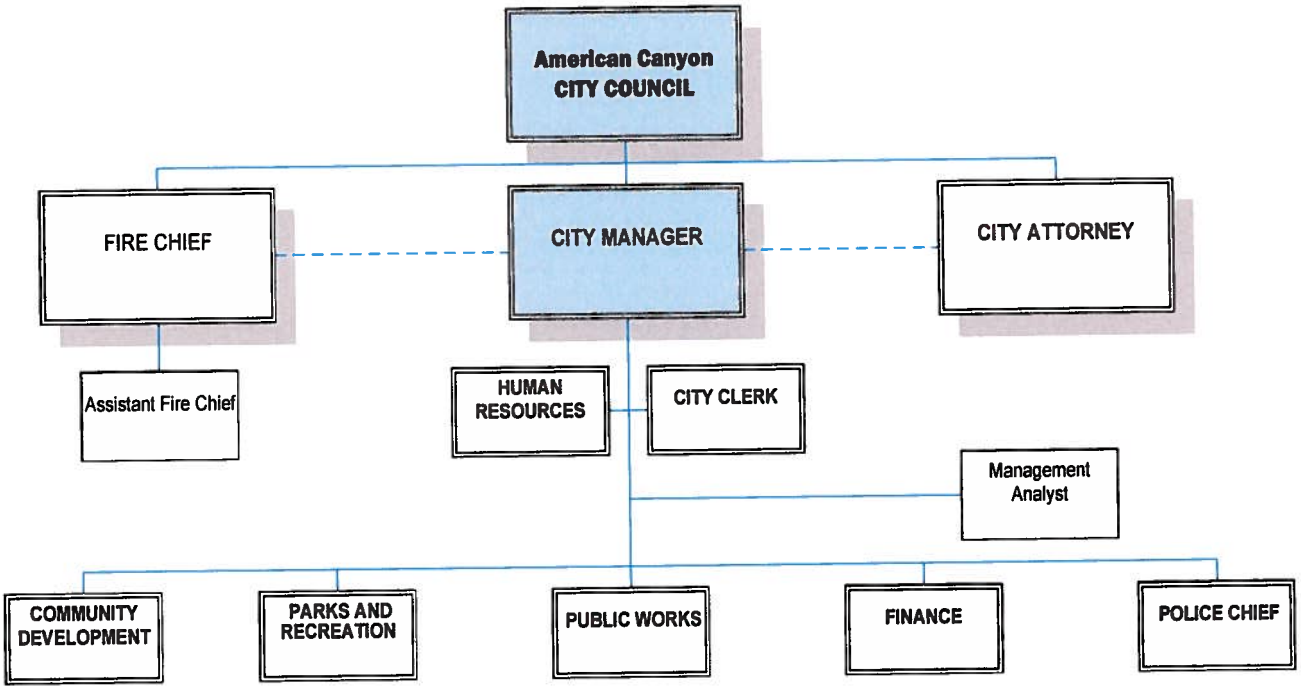
Most Sincerely,

Richard J. Ramirez, CCM
City Manager

Glen Weeks
Fire Chief

Barry K. Whitley, CPA
Finance Director

CITY DEPARTMENTS



Budget Summaries

Local flora and fauna at the Wetlands
from the Bay Trail

City Budget Summary - Sources and Uses [1]

Estimated Fund Balances at June 30, 2011

		Est Balance 7/1/10	Estimated Revenue	Interfund Transfers In	Operating Expenses	Interfund Transfers Out	Est Balance 6/30/11
GENERAL FUND							
100	General Fund Operating	(9,669,408)	(11,537,400)	(2,968,100)	14,571,200	734,100	(8,869,608)
SPECIAL REVENUE FUNDS							
705	Developer Projects	(803,300)	(200,000)		600,000		(403,300)
200	Storm Drain/Measure A	-	(687,300)			687,300	-
201	Gas Tax/Road Maintenance	(921,500)	(424,200)			214,000	(1,131,700)
209	Abandoned Vehicle	(61,600)	(7,800)			8,000	(61,400)
222	CDBG / Housing Revolving Loan	(113,800)	(2,500)		115,000		(1,300)
223	Public Safety Subvention (COPS)	(100)	(100,000)			100,000	(100)
580	Newell Open Space	(37,600)	(10,000)		9,700		(37,900)
581	LaVigne Open Space Maint.	(179,500)	(1,000)		2,800		(177,700)
702	Employee Housing Asst.	(173,500)	(7,600)			160,000	(21,100)
703	Retiree Health Benefits	(142,300)	(1,000)	(265,900)	400,000		(9,200)
42X	Lighting & Landscaping Asst Dist	(1,565,000)	(459,600)		403,800	34,000	(1,586,800)
CAPITAL PROJECTS & GRANTS							-
	Capital Project Funds - Various [2]					532,200	
310	Parks	(1,043,200)	(21,000)	-	-	315,000	(749,200)
320	Traffic	(1,329,300)	(10,000)				(1,339,300)
330	Civic	(234,500)	(26,500)				(261,000)
350	Affordable Housing	(367,700)	(10,000)		363,500		(14,200)
DEBT SERVICE FUNDS							
410	2002 Lease Revenue	(321,000)	(500)	(315,000)	318,800		(317,700)
423	Cabernet Village Lease	(128,000)	(500)	(475,800)	476,300		(128,000)
426	Broadway Property	(500)		(134,800)	134,800		(500)
ENTERPRISE FUNDS							
550	Water Operations	(2,614,700)	(4,494,000)		3,554,200	895,100	(2,659,400)
551	Water Capacity Fees	(1,238,000)	(195,000)		928,100		(504,900)
555	Wastewater Operations	(2,475,680)	(3,369,000)	(431,500)	2,387,800	911,400	(2,976,980)
556	Wastewater Capacity Fees	(1,707,100)	(140,000)		506,600		(1,340,500)
TOTAL FOR CITY		**(25,127,288)**	**(21,704,900)**	**(4,591,100)**	**24,772,600**	**4,591,100**	**(22,591,788)**

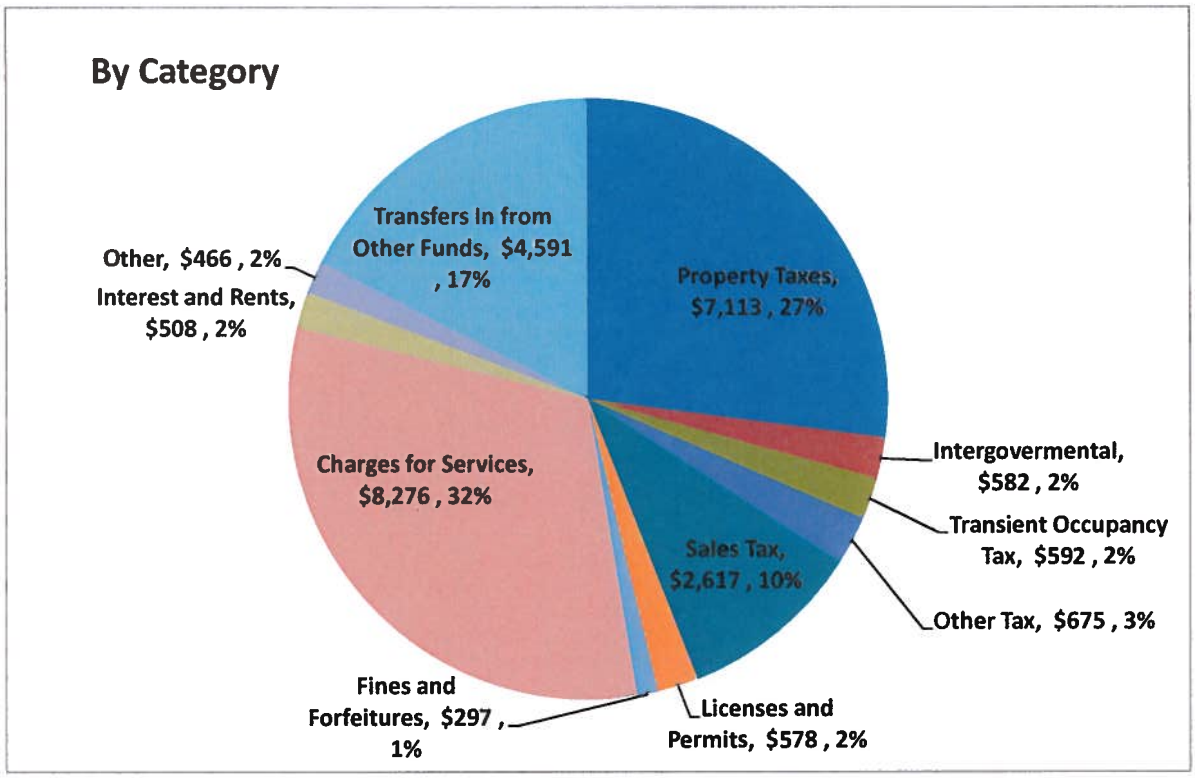
[1] Parentheses represent available resources like a positive fund balance. No parentheses reduce resources.
[2] Capital Projects Administration Reimbursement is due the General Fund from Undetermined Capital Projects

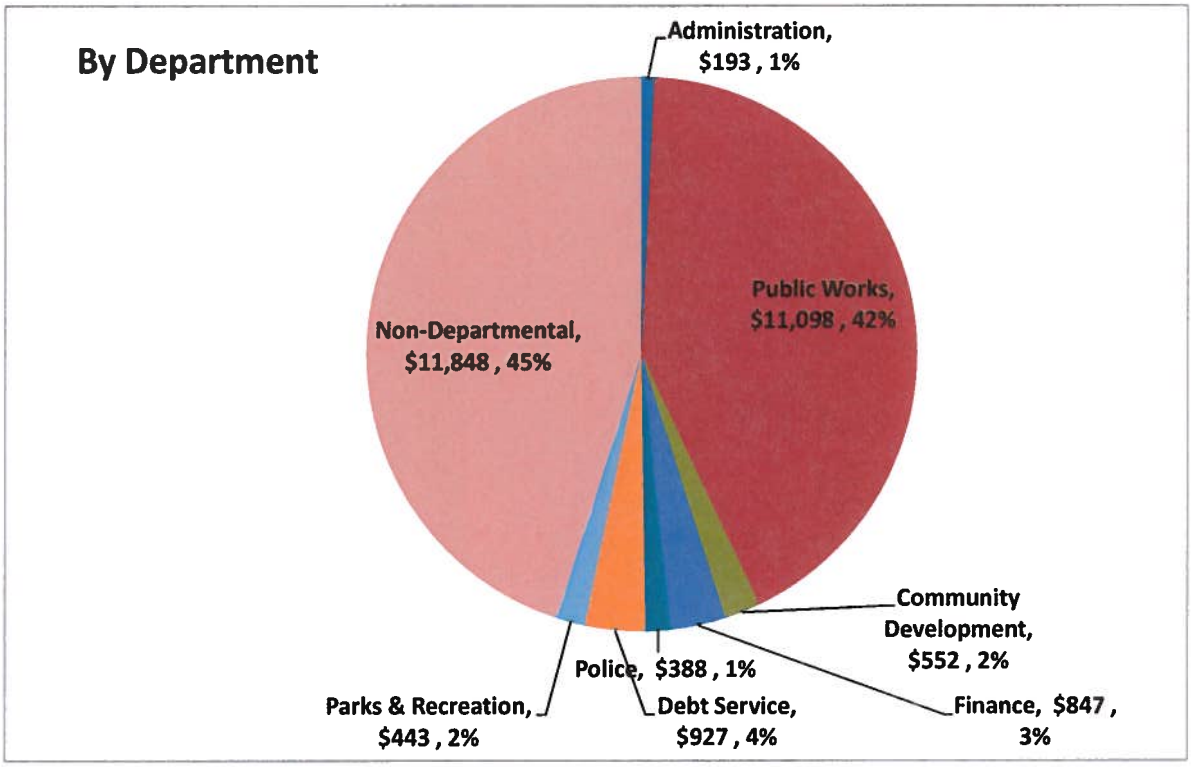
Summary - Revenues and Interfund Transfers In

	Total All Funds	Funding Sources Allocation					
		General Fund	Water Funds	Wastewater Funds	Special Revenue Funds	Debt Service & Agency Funds	Capital Projects Funds
Revenues by Type							
Taxes							
Property	$ (7,113,143)	(6,668,900)	-	-	(444,243)	-	$ -
Sales	(2,617,300)	(1,930,000)	-	-	(687,300)	-	-
Transient Occupancy	(592,300)	(592,300)					
Other	(675,000)	(675,000)	-	-	-	-	-
Licenses and Permits	(578,200)	(578,200)	-	-	-	-	-
Fines and Forfeitures	(296,500)	(178,600)	(60,000)	(50,000)	(7,900)	-	-
Intergovermental	(582,120)	(63,000)	-	-	(519,120)	-	-
Interest and Rents	(508,337)	(293,500)	(79,000)	(74,000)	(33,337)	(1,000)	(27,500)
Charges for Services	(8,275,700)	(419,600)	(4,369,000)	(3,280,000)	(207,100)	-	-
Other	(466,300)	(138,300)	(181,000)	(105,000)	(2,000)	-	(40,000)
Transfers In from Other Funds	(4,591,100)	(2,968,100)	-	(431,500)	(265,900)	(925,600)	-
Total Revenues	(26,296,000)	(14,505,500)	(4,689,000)	(3,940,500)	(2,166,900)	(926,600)	(67,500)
Revenues By Department							
Administration	(193,000)	(193,000)			-	-	-
Community Development	(551,500)	(551,500)			-	-	-
Finance	(847,100)	(847,100)			-	-	-
Non-Departmental	(11,848,390)	(10,600,800)			(1,247,590)	-	-
Debt Service	(926,600)				-	(926,600)	-
Parks & Recreation	(443,100)	(443,100)			-	-	-
Police	(388,400)	(280,600)			(107,800)	-	-
Public Works	(11,097,910)	(1,589,400)	(4,689,000)	(3,940,500)	(811,510)	-	(67,500)
Total City Revenues	$ (26,296,000)	(14,505,500)	(4,689,000)	(3,940,500)	(2,166,900)	(926,600)	$ (67,500)

Budget Summary - Revenues and Interfund Transfers In

Adopted Budget





Budget Summary - Expenses and Transfers out

Div #	Department Divisions	Total All Funds	Funding Sources Allocation (1)					
			General Fund	Water Funds	Wastewater Funds	Special Revenue Funds	Debt Service	Capital Projects Funds
Administration								
110	City Council	$ 328,200	328,200					$ -
120	City Manager	317,100	317,100					
130	City Clerk	278,300	278,300					
160	City Attorney	312,000	312,000					
720	Human Resources	317,900	317,900					
760	Risk Management	283,300	283,300					
		1,836,800	1,836,800	-	-	-	-	-
Community Development								
310	Planning	644,700	644,700					
320	Economic Devpmnt	99,900	99,900					
330	Housing Services	537,700	59,200			115,000		363,500
350	Building & Safety	538,000	538,000			-		
370	City Engineer	819,500	287,300			-		532,200
		2,639,800	1,629,100	-	-	115,000	-	895,700
Finance								
710	Finance	777,700	777,700					
730	Information Sys	404,800	404,800					
750	Utility Billing	524,200	524,200					
		1,706,700	1,706,700	-	-	-	-	-
810	**Non Departmental**	2,957,400	703,600	324,100	219,400	1,710,300	-	
832	**Debt Service**	3,962,600	610,600	1,133,900	673,200	300,000	929,900	315,000
Parks & Recreation								
520	Recreation Prgms	646,800	646,800					
525	Sports Programs	43,700	43,700					
530	Aquatics Programs	570,700	570,700					
550	Parks Maintenance	1,036,200	1,036,200					
561	Senior Center	45,000	45,000					
791	Building Maint	278,500	278,500					
		2,620,900	2,620,900	-	-	-	-	-
210	**Police / Sheriff**	5,619,700	5,611,700			8,000		

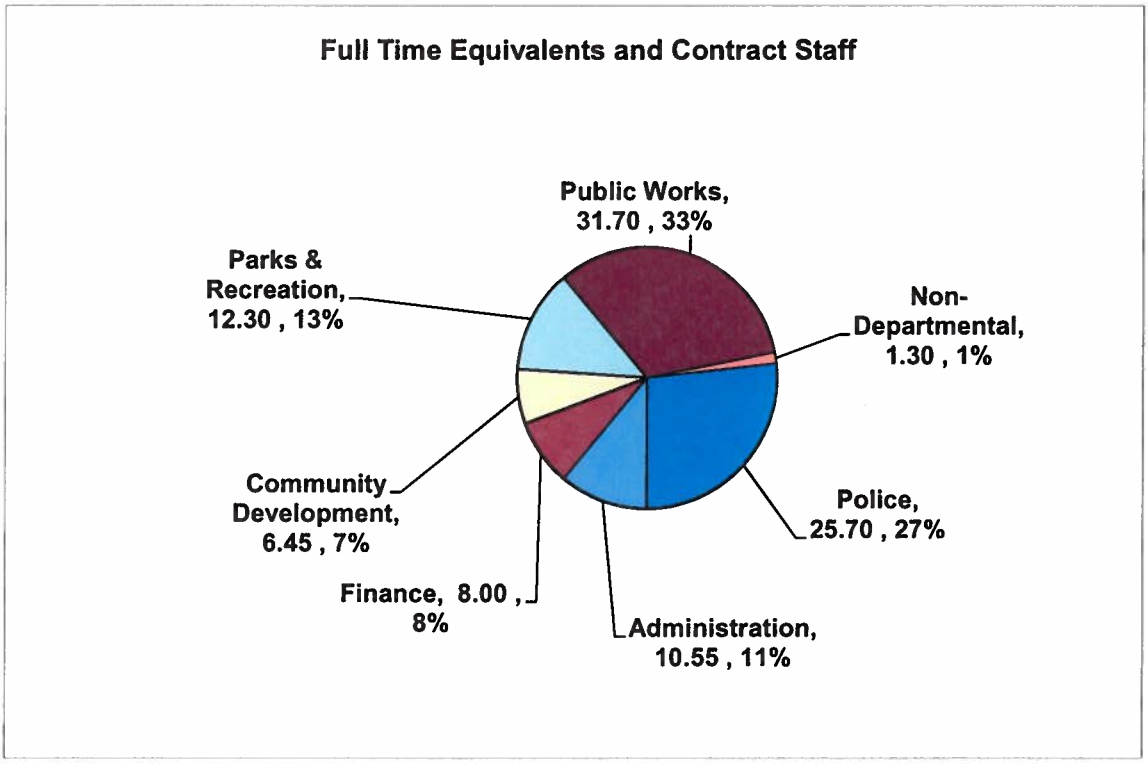
Budget Summary - Expenses and Transfers out

Div #	Department Divisions	Total All Funds	Funding Sources Allocation (1) General Fund	Water Funds	Wastewater Funds	Special Revenue Funds	Debt Service	Capital Projects Funds
Public Works								
405	Capital Projects	**479,100**	479,100					
420	Streets & Roads	**1,102,900**	888,900			214,000		
430	Storm Drainage	**464,500**	208,700			255,800		
440	Storm Water quality	**263,000**	-	-	131,500	131,500		
470	Water Trtmnt Plant	**2,901,400**		2,901,400	-			
475	Water Distribution	**1,018,000**		1,018,000	-			
480	Wstewtr Trtmnt Plant	**2,479,900**		-	2,479,900			
485	Collections	**236,900**		-	236,900			
492	Solid Waste	**64,900**		-	64,900			
493	Pblc Wrks Admin	**643,900**	643,900					
790	Fleet Operations	**360,800**	360,800					
		10,015,300	**2,581,400**	**3,919,400**	**2,913,200**	**601,300**	**-**	**-**
Less Intra Fund Transfers		**(1,995,500)**	**(1,995,500)**					
Total Budget		**$ 29,363,700**	**15,305,300**	**5,377,400**	**3,805,800**	**2,734,600**	**929,900**	**$ 1,210,700**

(1) Includes Inter-Fund transfers Out for services charges, debt service transfers & other uses. Intra-Fund Transfers for service charges are included in each division in the general fund but have been subtracted out in total to determine the net general fund disbursements

Budget Summary - Staffing
Full Time Equivalents (FTE)

	FY 09-10 Staffing	FY 10-11 Staffing
City of American Canyon		
Administration	11.25	10.55
Finance	8.30	8.00
Community Development	12.45	6.45
Parks & Recreation	12.30	12.30
Public Works	37.70	31.70
Non-Departmental	1.30	1.30
Total City Staffing	**83.30**	**70.30**
Police (Includes Sheriff Contract Staff)	**25.70**	**25.70**
Total Staffing	**109.00**	**96.00**



Budget Summary - Staffing

Full Time Equivalents (FTE)

Div #	Department and Divisions	FY 09-10 Staffing	FY 10-11 Staffing
Administration			
110	City Council	5.00	5.00
120	City Manager	2.85	2.15
130	City Clerk	1.40	1.40
720	Human Resources	2.00	2.00
	Administration Total	**11.25**	**10.55**
Finance			
710	Finance	4.90	4.60
730	Information Systems	0.20	0.20
750	Utility Billing	3.20	3.20
	Finance Total	**8.30**	**8.00**
Community Development			
310	Planning	4.30	1.60
320	Economic Development	0.45	0.45
330	Housing Services	0.50	0.35
350	Building & Safety	5.90	2.75
370	City Engineer	1.30	1.30
	Community Development Total	**12.45**	**6.45**
Parks & Recreation			
520	Recreation Programs	2.80	2.80
530	Aquatics Programs	2.35	2.35
550	Parks Maintenance	6.00	6.00
791	Building Maintenance	1.15	1.15
	Park & Recreation Total	**12.30**	**12.30**
Public Works			
405	Capital Projects	4.00	2.00
420	Streets & Roads	4.40	2.80
430	Storm Drainage	1.90	1.30
440	Storm Water quality	0.45	0.45
470	Water Treatment Plant	5.00	4.80
475	Water Distribution	4.50	4.30
480	Wastewater Treatment Plant	10.70	9.50
485	Collections	1.30	1.10
492	Solid Waste	0.35	0.35
493	Public Works Administration	4.00	4.00
790	Fleet Operations	1.10	1.10
	Public Works Total	**37.70**	**31.70**
Police			
	City Staff	2.70	2.70
	Sheriff's Contract	23.00	23.00
210	**Police / Sheriff Total**	**25.70**	**25.70**
810	**Non Departmental**	**1.30**	**1.30**
Total City Budget		**109.00**	**96.00**

Cost Allocations and Interfund Transfers

The budget includes comprehensive cost allocations of various general fund support services and programs within the general fund and between other funds. To eliminate double budgeting of allocated support services costs within the General Fund, they are offset in the budget. Service costs allocated to the Water and Wastewater Enterprise funds are budgeted in those funds as an interfund transfer expense and recorded as an interfund transfer reimbursement in the General Fund. Below is a table of allocated support service costs followed by a description of services provided and the basis of the cost allocations.

Allocated Support Services Costs

General Fund Support Services	**Total Support Service Costs Allocated**	**General Fund Intra-Fund Allocation**	**Water Enterprise Inter-Fund Cost Allocations**	**Wastewater Enterprise Inter-Fund Cost Allocations**
Finance	$777,700	512,700	117,600	$147,400
Human Resources	317,900	208,900	48,400	60,600
Information Technology	404,800	319,600	24,300	60,900
Utility Billing	492,900	0	295,700	197,200
Risk Management	283,300	212,300	31.500	39,500
Fleet / Vehicle Maint	454,600	354,600	65,000	35,000
Building Maintenance	278,500	202,500	43,000	33,000
Public Works Admin	649,900	184,900	206,400	258,600
TOTALS	$3,659,600	1,995,500	831,900	$832,200

Support Services Allocations	
Description	Basis of Cost Allocation
Financial and accounting services - payroll, accounts payable, budget preparation and audit services coordination	Costs are allocated based on the number of full time equivalent (FTEs) employees in each fund / division
Human Resources – recruitment and hiring, benefits administration, training and wellness programs	Costs are allocated based on the number of FTEs in each fund / division
Information Technology - maintenance of computer network, Shortel VOIP phone system, asset acquisition and end user support and training	Costs are allocated based on the number of computers in each fund / division
Utility Billing and Collection Services – Maintains customer accounts for municipal water and wastewater services and collection	Costs are allocated 60% to the Water Enterprise fund and 40% to the Sewer Enterprise fund based on a study of staff time spent in each area
Risk Management – insurance coverage and administration, coordinate safety training	Property Insurance costs are allocated based on the space occupied in City Buildings Liability insurance and other costs are allocated based on FTEs
Fleet / Vehicle Maintenance – includes various mechanical services; basic tune ups, oil changes, tire rotation	Costs are allocated based on the number of vehicles in each fund / division
Building Maintenance – custodial services, building equipment related services	Costs are allocated based on the space occupied in City owned or leased buildings
Public Works Administration	Public Works Depart Management and support services costs are allocated within the PW Department to all General, Water and Wastewater fund cost centers. Costs are allocated based on the number of FTEs in each of the managed cost centers.

Other Interfund Transfers / Cost Allocations

Description	Basis of Cost Allocation
Employee Home Loan Program	This program is inactive and resources are being returned to the General Fund
Lighting and Landscaping Assessment District	Administrative cost reimbursement is transferred to the General Fund
Citizens Options for Public Safety (COPS)	State subvention funds are transferred to the General Fund to reimburse costs in accordance with the approved expenditure plan
Retiree Health Insurance Contribution	Costs are allocated based on the number of FTEs in each fund / division
Gas Tax	Revenues deposited in the Gas tax fund are restricted to specific purposes and are generally programmed each year for street maintenance or for street related CIP Projects
Abandoned Vehicle Towing Program	Transfer from the Abandoned Vehicle Fund to reimburse the General Fund for towed vehicle expenses
Capital Projects Administration	Costs to administer the capital projects program are reimbursed to the General Fund
Measure A	Measure A sales tax is deposited into a special revenue fund and can be used only for storm water related purposes. These revenues are generally programmed each year for storm drain expenses, storm water quality expenses, debt service or construction or maintenance of storm water related projects
Debt Service – Governmental	Interfund Transfers are made to Debt Service funds from the appropriate fund(s) e.g., general fund or park impact fee fund, based on the underlying cause for incurring the debt

Summary of Interfund Transfers [1]

		Funding Sources Allocation					
		General Fund	Water Funds	Wastewater Funds	Special Revenue Funds	Debt Service & Agency Funds	Capital Projects Funds
Interfund Support Service Charges							
Finance		$ (265,000)	117,600	147,400	-	-	$ -
Human Resources		(109,000)	48,400	60,600	-	-	-
Information Technology		(85,200)	24,300	60,900	-	-	-
Utility Billing		(492,900)	295,700	197,200	-	-	-
Risk Management		(71,000)	31,500	39,500	-	-	-
Fleet		(100,000)	65,000	35,000	-	-	-
Building Maint		(76,000)	43,000	33,000	-	-	-
Public Works Admin		(465,000)	206,400	258,600	-	-	-
Total Interfund Support Services Costs Allocations		**(1,664,100)**	**831,900**	**832,200**	**-**	**-**	**-**
Other Transfers							
Employees' Home Loan Program		$ (160,000)	-	-	160,000	-	$ -
Lighting & Landscaping Assessment District		(34,000)	-	-	34,000	-	
Citizen Options For Public Safety - COPS Subvention		(100,000)	-	-	100,000	-	-
Retiree Health Ins Contribution - OPEB		123,500	63,200	79,200	(265,900)	-	-
Street Maintenance Reimbursement from Gas Tax		(214,000)	-	-	214,000	-	-
Capital Projects Administration		(532,200)	-	-	-	-	532,200
Police Towing Program Reimbursement		(8,000)		-	8,000	-	
Storm Drain Expense Reimbursement - Measure A		(255,800)	-	-	255,800	-	-
Storm Water Quality - Measure A		-	-	(131,500)	131,500	-	-
Debt Service - Storm Drain Facilities - Measure A		-	-	(300,000)	300,000	-	-
Debt Service - City Hall		475,800	-	-	-	(475,800)	-
Debt Service - Broadway Property		134,800	-	-	-	(134,800)	-
Debt Service - Aquatic & Community Center		-	-	-	-	(315,000)	315,000
Net Total of Transfers Between Funds		**$(2,234,000)**	**895,100**	**479,900**	**937,400**	**(925,600)**	**$ 847,200**
Total of Interfund Transfers							
Transfers In	($4,591,100)	(2,968,100)	-	(431,500)	(265,900)	(925,600)	$ -
Transfers Out	$4,591,100	734,100	895,100	911,400	1,203,300	-	847,200
Net Total of Transfers Between Funds		(2,234,000)	895,100	479,900	937,400	(925,600)	$ 847,200

[1] Transfers out are indicated as positive numbers and Transfers In are indicated as negative numbers with parenthesis.

Reserves

The City and Fire District maintain operating reserves in key categories as explained below. Due to the Governor's declaration of a fiscal emergency in accordance with Proposition 1A, the City Council resolved to make no additions to City Reserves in fiscal year 2009-10.

For fiscal year 2010-11, the City Council approved a plan to eliminate the general fund structural deficit over a thirty-six month period by using about $935,000 of reserves. This was in addition to $1.6 million which was estimated to be needed during fiscal year 2009-10. No additions to the City's reserves are planned for fiscal year 2010-11.

The Fire District will add reserves in accordance with the fiscal policy provided that resources are available.

The City / Fire District shall use reserves, as appropriate, in each operating fund to pay expenditures caused by unforeseen emergencies or shortfalls caused by revenue declines, extraordinary opportunities to increase efficiency or add value and to eliminate any short-term borrowing for cash flow purposes. Unallocated reserves will be maintained as detailed below except when revenues do not reach budgeted estimates or due to other unforeseen circumstances.

- **City General Fund Reserve**
  Following the initial allocation reserves will grow by a minimum of 3% of the total salary of the General Fund until it reaches 20% of the operating annual budget of the General Fund.

- **Fire District General Fund Reserve**
  Beginning July 1, 2009, an initial Fire District General Fund reserve of 10% of fiscal year 2005 expenditures will be established. Thereafter, each July 1st, the reserve will grow by a minimum of 3% of the total salary of the Fire District General Fund until it reaches 20% of the Fire District's General Fund's annual operating budget.

- **Risk and Catastrophic Reserve**
  Following the establishment of the City's initial Risk Reserve, it will be increased by a minimum of $100,000 per year until it reaches $2.0 million. Thereafter, it should grow by 3% or the annual CPI, whichever is greater.

Reserves (Continued)

Beginning July 1, 2009, the Fire District will establish a Risk Reserve of $250,000. Annually thereafter, the Risk Reserve will increase a minimum of $25,000 until it reaches $500,000. Thereafter it will be increased by 3% or the annual CPI, whichever is greater.

The Risk and Catastrophic Reserve will only be used in the event of a disaster or to replace equipment and buildings damaged due to an unusual event or accident.

- **Economic Development Reserve**
  Following the establishment of the City's initial Economic Development Reserve of $750,000 in February 2007, it will be increased by a minimum of 10% each year until it reaches $5.0 million. The Economic Development Reserve will only be used to further the City's adopted Economic Development program.

- **Technology Reserve**
  Following the establishment of the City's initial Technology Reserve of $500,000 in February 2007, each department will contribute, beginning July 1, 2007, the equivalent of 1% of its allocated annual salary budget to the Technology Reserve.

  Beginning July 1, 2009, the Fire District will establish a Technology Reserve of $50,000. Annually thereafter, the reserve will increase a minimum of $10,000 until it reaches $100,000. Thereafter it will grow by 3% or the annual CPI, whichever is greater.

  The Technology Reserve will be used to upgrade technology system improvements including, but not limited to, it's automated financial accounting system, internet web page development, communications and related improvements.

Reserved and Restricted Balances

	ACTUAL 6/30/08	6/30/09	Estimated Actual 6/30/10	PROJECTED 6/30/11	6/30/12	6/30/13
General Fund						
Fund Balance Designations						
Little League	$ 7,500	7,500	-	-	-	$ -
Vehicle Replacement	62,600	471,496	382,000	266,000	150,000	34,000
Contingency [1]	970,000	1,360,000	400,000	-	-	-
Catastrophy [1]	850,000	950,000	950,000	950,000	950,000	950,000
Economic Development [1]	485,000	220,000	220,000	220,000	220,000	220,000
Technology [1]	75,000	-	-			
Pavement Repair	400,000	400,000	400,000	400,000	400,000	400,000
Retiree Health Care Benefits	500,000	413,200	96,600	-	-	-
General Plan Update	200,000	218,136	217,340	215,000	215,000	215,000
Building Department	470,000	-	-			
Imprest Cash		2,780	2,780	2,780	2,780	2,780
Total General Fund	4,020,100	4,040,332	2,665,940	2,051,000	1,935,000	1,819,000
Water Fund Restricted Balances						
Technology [1]	-	175,640	175,640	175,640	175,640	175,640
Vehicle Replacement		180,000	180,000	180,000	180,000	180,000
Water Fund	-	355,640	355,640	355,640	355,640	355,640
Wastewater Fund						
Technology [1]		211,590	211,590	211,590	211,590	211,590
Vehicle Replacement		180,000	180,000	180,000	180,000	180,000
Total Wastewater Reserves	$ -	391,590	391,590	391,590	391,590	$ 391,590

[1] Reserves are established pursuant to the Fiscal Policy. Note that the above balances represent actual and projected fund balance reserves or restricted working capital and does not present unreserved or unrestricted balances.

Fund Summaries

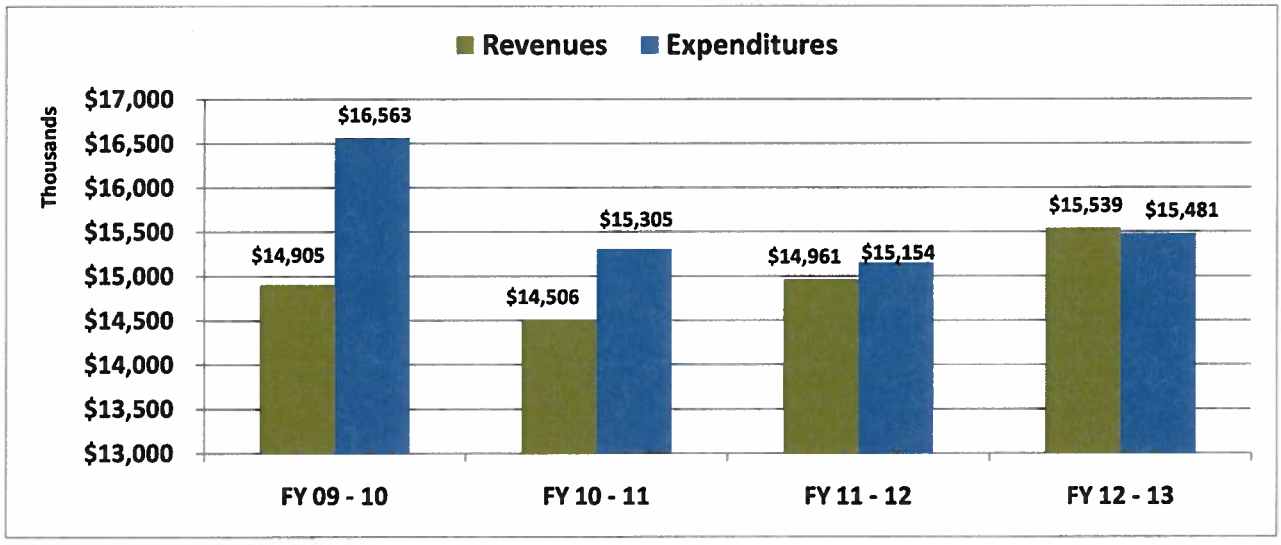
General Fund

Adopted Budget - Summary

36 Months Structural Deficit Reduction Plan

Fiscal Year 2010 - 11

	Budget	Projected	Adopted	Estimated	Estimated
	FY 2009-10		FY 2010-11	FY 2011-12	FY 2012-13
Operating Revenues	$ (12,409,062)	(11,911,700)	(11,537,400)	(12,152,500)	$ (12,731,300)
Interfund Transfers In	(3,291,600)	(2,993,400)	(2,968,100)	(2,808,100)	(2,808,100)
Total Sources	(15,700,662)	(14,905,100)	(14,505,500)	(14,960,600)	(15,539,400)
Expenditures	16,603,630	15,603,800	14,571,200	14,420,200	14,746,600
Interfund Transfers Out	687,700	959,300	734,100	734,100	734,100
Total Uses	17,291,330	16,563,100	15,305,300	15,154,300	15,480,700
Sources less Uses	1,590,668	1,658,000	799,800	193,700	(58,700)
Balance, Beginning	(9,422,800)	(11,327,408)	(9,669,408)	(8,869,608)	(8,675,908)
Balance, Ending	$ (7,832,132)	(9,669,408)	(8,869,608)	(8,675,908)	$ (8,734,608)

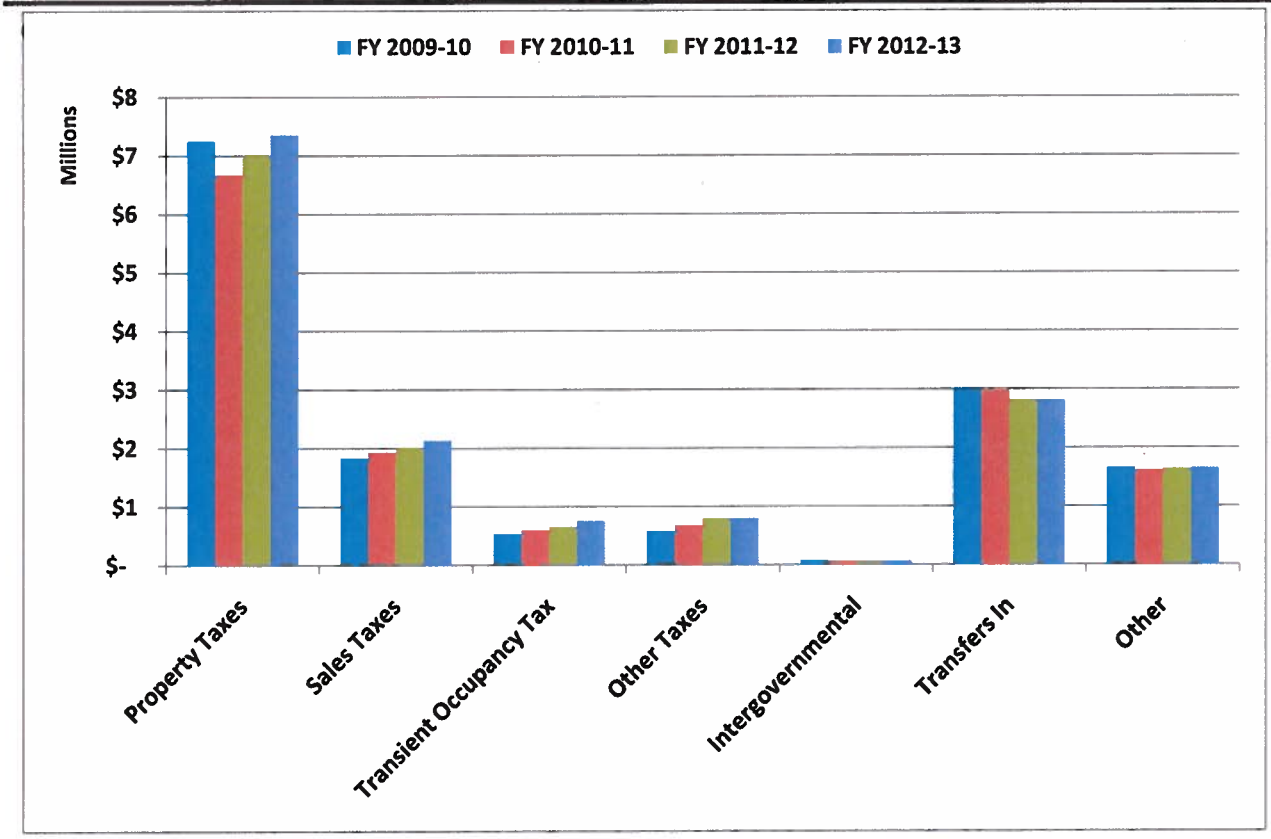


General Fund 100

	Actual FY 2008-09	Projected FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12	Estimated FY 2012-13
Revenues & Other Sources					
Property Taxes	$ (8,467,747)	(7,248,830)	(6,668,900)	(7,002,300)	$ (7,352,600)
Sales & Use Tax	(2,874,767)	(1,830,000)	(1,930,000)	(2,007,200)	(2,128,700)
Transient Occupancy Tax	(459,590)	(532,300)	(592,300)	(652,300)	(752,300)
Other Taxes	(608,065)	(575,000)	(675,000)	(791,000)	(791,000)
Licenses & Permits	(577,296)	(703,500)	(578,200)	(578,200)	(578,200)
Fines & Forfeitures	(119,449)	(178,600)	(178,600)	(178,600)	(178,600)
Intergovernmental Revenues	(467,388)	(71,200)	(63,000)	(63,000)	(63,000)
Interest & Rents	(635,425)	(221,300)	(293,500)	(322,000)	(329,000)
Charges for Services	(456,011)	(414,170)	(421,100)	(421,100)	(421,100)
Miscellaneous / Other	(7,886,342)	(136,800)	(136,800)	(136,800)	(136,800)
Interfund Trans Suppt Servs	(1,572,952)	(1,664,100)	(1,664,100)	(1,664,100)	(1,664,100)
Interfund Transfers Other	(348,207)	(1,329,300)	(1,304,000)	(1,144,000)	(1,144,000)
Total Revenues / Sources	(25,548,239)	(14,905,100)	(14,505,500)	(14,960,600)	(15,539,400)
Expenditures & Other Uses					
General government	4,862,091	4,523,900	3,791,200	3,741,300	3,763,000
Police services	4,949,959	4,900,900	5,289,700	5,341,600	5,609,100
Community development:					
Planning and building	1,297,378	1,397,600	1,186,600	1,002,600	1,010,600
Economic development	95,032	104,600	90,400	90,900	91,400
Parks and recreation:					
Recreation	1,013,709	1,195,900	1,118,000	1,125,500	1,133,600
Park maintenance	783,695	818,400	855,600	862,200	869,500
Building maintenance	274,152	326,100	278,500	280,100	281,900
Public works:	1,035,488	1,347,500	1,069,700	1,076,700	1,084,300
Streets and roads	1,019,644	819,200	736,600	739,000	741,600
Storm drain	258,507	169,700	154,900	160,300	161,600
Transfers Out	9,607,790	959,300	734,100	734,100	734,100
Total Expenditures / Uses	25,197,445	16,563,100	15,305,300	15,154,300	15,480,700
Fund Balance					
Net Change in Fund Balance	(350,794)	1,658,000	799,800	193,700	(58,700)
Beginning Fund Balance	(10,976,614)	(11,327,408)	(9,669,408)	(8,869,608)	(8,675,908)
Ending Fund Balance	$ (11,327,408)	(9,669,408)	(8,869,608)	(8,675,908)	$ (8,734,608)

General Fund
Summary of Revenues by Cateogry
Adopted Budget

Revenues	Projected FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12	Estimated FY 2012-13
Property Taxes	(7,248,775)	(6,668,900)	(7,002,300)	(7,352,600)
Sales Taxes	(1,830,000)	(1,930,000)	(2,007,200)	(2,128,700)
Transient Occupancy Tax	(532,300)	(592,300)	(652,300)	(752,300)
Other Taxes	(575,000)	(675,000)	(791,000)	(791,000)
Intergovernmental	(71,200)	(63,000)	(63,000)	(63,000)
Transfers In	(2,993,400)	(2,968,100)	(2,808,100)	(2,808,100)
Other	(1,654,370)	(1,608,200)	(1,636,700)	(1,643,700)
	$ (14,905,045)	$ (14,505,500)	$ (14,960,600)	$ (15,539,400)

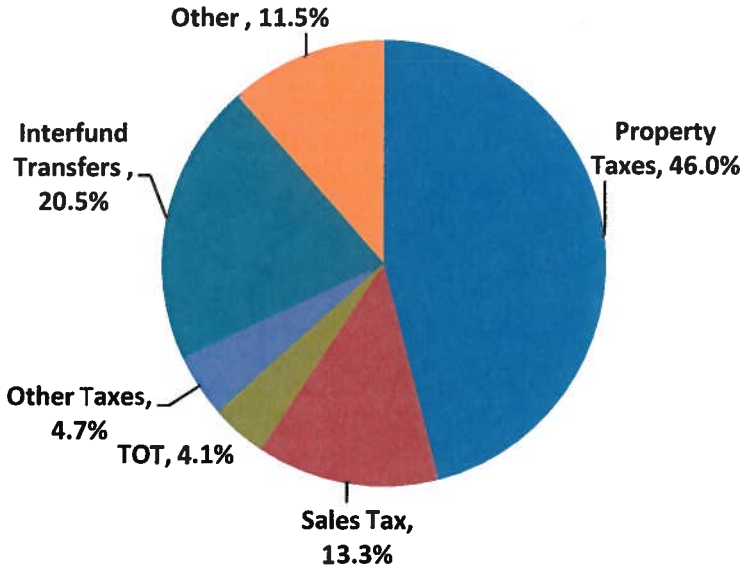


Analysis of Major General Fund Revenues

Revenue forecasting is used to predict resources available and accurate forecasting is necessary to make sound service decisions. City residents depend on basic services paid for mostly with General Fund revenues. A variety of different taxes are used to fund these services and it's very important to forecast them accurately. However, this may be problematic as estimating tax revenues can be more of an art than a science.

To forecast revenues, patterns or trends in prior years are examined and available economic factors are considered during the process. If applicable, available information impacting the local economy is considered. Finance Department Staff prepare the initial estimates and review them with the City Manager who questions the assumptions and provides a different perspective. Revenues are also reviewed by the Finance Committee before the full City Council reviews them.

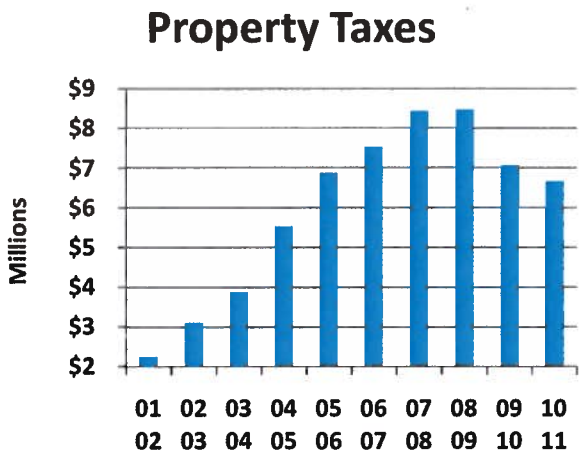
There are five major sources of funding that comprise about 88% of the total General Fund revenue and transfer budget for fiscal year 2010-11 as indicated in the adjacent pie chart.



Property taxes, at 46% of total General Fund Budgeted Revenues for fiscal year 2010-11, are the single largest source of unrestricted revenues at $6.669 million. The property tax is derived from the 1% levy on assessed valuation of real property within the City. The City's receives about 28.5 cents of every dollar collected. Proposition 13, passed by the voters in 1978, capped property tax rates at 1% of assessed valuation. It limits increases in property taxes by providing for a growth factor not to exceed 2% per year except when the property is sold. Then the assessed valuation is adjusted to market value.

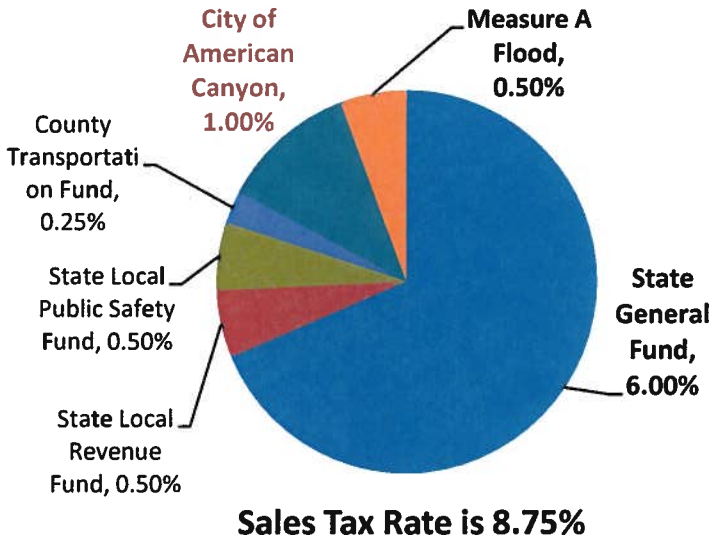
Property taxes received include the City's share of the 1% levy plus unsecured and supplemental taxes. Additionally, beginning in fiscal year 2004-05, the State of California reduced City vehicle license fee revenue and back filled it with property taxes.

This bar graph shows property tax revenues realized by the City since fiscal year 2001-02. From fiscal year 2002-03 through fiscal year 2008-09, the City enjoyed an average increase in revenues of 22% per year. However, in fiscal year 2009-10, there was a $1.4 million decrease in these critical revenues. In fiscal year 2010-11, there is an additional projected decrease of about $390 thousand or about 6% to $6.669 million including the property tax in lieu of vehicle license fees of $1.013 million. This projection was calculated after considering trend data, especially the dramatic drop of 17% in fiscal year 2009-10, estimates of continuing declining assessed valuation received from the County Assessor and current economic conditions.



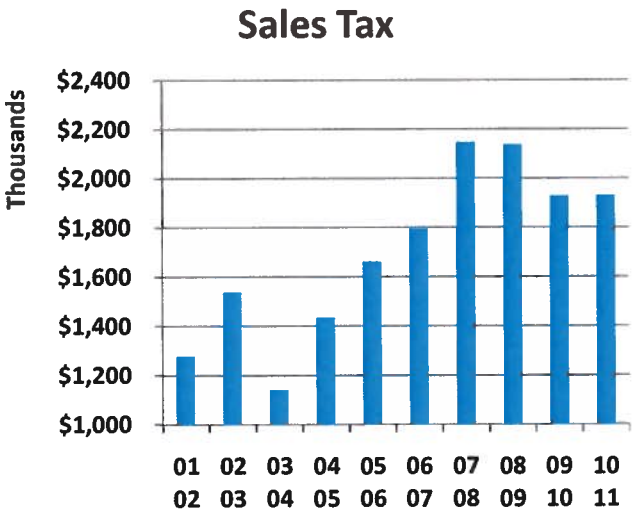
Sales Tax, at 13% of total General Fund Budgeted Revenues for fiscal year 2010-11, is the fund's second largest source of unrestricted revenue at $1.93 million. The allocation of the State's 8.75% sales tax is indicated in the pie chart below. The City of American Canyon receives 1% of the total sales tax allocation as indicated in the adjacent pie chart. In addition, the half cent Measure A sales tax that is assessed throughout Napa County benefits the City by funding storm water related projects. Measure A tax is accounted for in a special revenue fund.

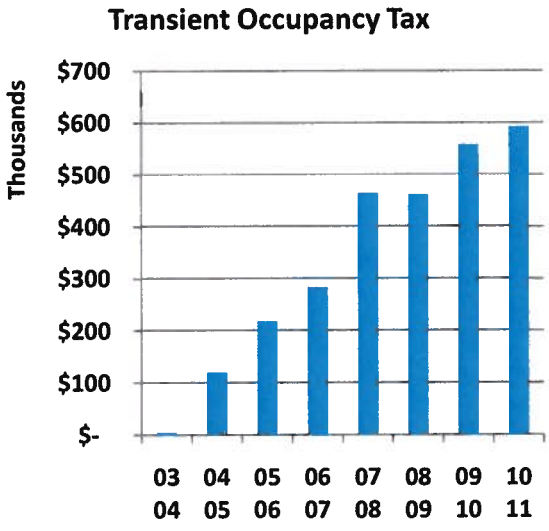
The sales tax rate in the City of American Canyon is 8.75%. A $100 taxable sale would result in a tax of $8.75 and the City would receive $1.00 of the tax.



Sales Tax Rate is 8.75%

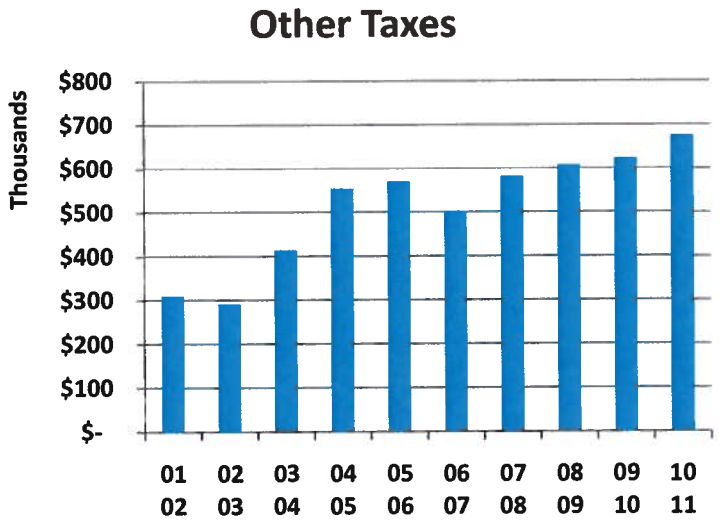
The sales tax budget projection for fiscal year 2010-11 is $1.93 million, which is virtually the same amount projected to be received in the prior year. Sales tax revenues peaked in fiscal years 2007-08 and 2008-09 at $2.1 million and were down about 10% in fiscal year 2009-10. Sales tax revenues are projected to be flat based on the mixed economic indicators of housing, unemployment and vacant retail space. A major share of retail sales is generated by Napa Junction businesses and they were doing the same as last year. Building industry related businesses continue to be down.





Transient Occupancy Tax is a relatively small but growing share of the City's general fund revenue budget at 4% of the fund's revenues or $592,300. The City has three hotel properties, two of which are less than five years old. The City is projecting an increase of 6% over the prior year. Revenues for fiscal year 2009-10 increased 21% over the prior year primarily due to the opening of the City's newest hotel, the Holiday Inn Express. Assumptions are based on the continuing draw of the Napa Valley Wine Tourism industry and a 2% increase in the City's TOT rate which is in a ballot measure going to the voters in November 2010. Also, the Napa Valley Tourist Improvement District was formed in fiscal year 2009-10 to enhance Napa Valley's position as North America's legendary wine, food and wellness capital. Funding is provided by a 2% tourism surcharge on hotel bills. The regional marketing effort is just getting underway and the City expects to benefit from it as well as a local marketing effort funded from the same source.

Other Taxes consists of franchise fees, a property transfer tax and a new card room admissions tax. The budget for fiscal year 2010-11 is estimated at $675,000 or 4.7% of general fund budgeted revenues. This includes $100,000 for a new card room admissions tax. This tax will be voted on in November 2010 and if approved, will be collected beginning January 2011. Franchise fees for electric and gas utilities were projected to be down about 9% in fiscal year 2009-10 compared to the prior year while cable TV franchise fees increased about 19%. The solid waste franchise fees and property transfer tax was down slightly. Overall, primarily based on the stability of these revenues but in consideration of local economic conditions, the revenue budget for this category, not including the card room tax, was budgeted conservatively at about 5% less than the prior year. When the card room tax is included, the budget is up about 5% compared to prior year revenue estimates.



Interfund Transfers at $2.97 million or 20% of budgeted General Fund Revenues represent a major portion of the fund's resources. These transfers consist of two components; support services transfers from the water and wastewater enterprise funds and other interfund transfers.

Support service expenses are incurred in the general fund and allocated to other departments and funds using an appropriate basis of allocation based on the service provided.

Other transfers include reimbursements for storm water expenses, street maintenance and capital projects administration.

These transfers for support service activities and other transfers are more fully described in the Cost Allocations and Interfund Transfers budget narrative

General Fund Revenues and Interfund Transfers by Classification

Revenue Classification	Projected FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12	Estimated FY 2012-13
Current Secured Property Tax	$ (5,700,000)	(5,240,000)	(5,514,500)	$ (5,803,000)
Current Unsecured Prop Tax	(245,000)	(225,000)	(229,500)	(234,100)
Property Tax in Lieu of VLF	(1,100,775)	(1,012,700)	(1,063,300)	(1,116,600)
Supplemental Property Tax	(40,000)	(30,200)	(30,800)	(31,400)
Prior Year Property Tax	(125,000)	(125,000)	(127,500)	(130,100)
Homeowner's Exemption	(38,000)	(36,000)	(36,700)	(37,400)
Property Taxes	**(7,248,775)**	**(6,668,900)**	**(7,002,300)**	**(7,352,600)**
Sales & Use Tax	(1,350,000)	(1,450,000)	(1,517,600)	(1,629,300)
Triple Flip - Sales Tax	(480,000)	(480,000)	(489,600)	(499,400)
Sales & Use Tax	**(1,830,000)**	**(1,930,000)**	**(2,007,200)**	**(2,128,700)**
Transient Occupancy Tax	**(532,300)**	**(592,300)**	**(652,300)**	**(752,300)**
Card Room Admissions Tax		(100,000)	(216,000)	(216,000)
PG&E/ Gas Franchise	(60,000)	(60,000)	(60,000)	(60,000)
PG&E/ Electric Franchise	(140,000)	(140,000)	(140,000)	(140,000)
Cable TV Franchise	(210,000)	(210,000)	(210,000)	(210,000)
Solid Waste Franchise	(115,000)	(115,000)	(115,000)	(115,000)
Property Transfer Tax	(50,000)	(50,000)	(50,000)	(50,000)
Other Taxes	**(575,000)**	**(675,000)**	**(791,000)**	**(791,000)**
Use Permits / Planning	(280,000)	(200,000)	(200,000)	(200,000)
Misc. Planning Permits	(1,500)	(1,500)	(1,500)	(1,500)
Home Occupation Permit	(2,000)	(2,000)	(2,000)	(2,000)
Building Permits	(300,000)	(200,000)	(200,000)	(200,000)
ACT Now Fee Waivers	75,000			
County Building Permits	(1,500)	(1,500)	(1,500)	(1,500)
Grading/Improvement Permit Rev	(20,000)	(20,000)	(20,000)	(20,000)
Oversize / Weight Permits	(3,000)	(3,000)	(3,000)	(3,000)
Grading Permit	(28,000)	(15,000)	(15,000)	(15,000)
Business Licence Fee	(120,000)	(112,700)	(112,700)	(112,700)
Business License $25.00	(19,000)	(19,000)	(19,000)	(19,000)
Business Licence Late Fee	(3,500)	(3,500)	(3,500)	(3,500)
Licenses & Permits	**(703,500)**	**(578,200)**	**(578,200)**	**(578,200)**
Vehicle Code Violations	(75,000)	(75,000)	(75,000)	(75,000)
Towing Fee/Restricted	(40,000)	(40,000)	(40,000)	(40,000)
Other Fines & Forfeitures	(55,000)	(55,000)	(55,000)	(55,000)
Child Seat Program	(600)	(600)	(600)	(600)
Other Fees and Fines	(8,000)	(8,000)	(8,000)	(8,000)
Fines & Forfeitures	**(178,600)**	**(178,600)**	**(178,600)**	**(178,600)**

General Fund Revenues and Interfund Transfers by Classification

Revenue Classification	Projected FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12	Estimated FY 2012-13
Motor Vehicle In-Lieu Tax	(58,000)	(58,000)	(58,000)	(58,000)
SB 90 Mandated Cost	(13,200)	(5,000)	(5,000)	(5,000)
Intergovernmental Revenues	**(71,200)**	**(63,000)**	**(63,000)**	**(63,000)**
Community Garden Rental	(1,100)	(1,100)	(1,200)	(1,200)
Recreation Center Rentals	(3,800)	(3,900)	(4,000)	(4,100)
Community Center Rental	(10,000)	(10,300)	(10,600)	(11,000)
Other Lease/Rentals	(4,500)	(4,600)	(4,800)	(5,100)
Other Lease (Ballfields)	(1,500)	(1,500)	(1,600)	(1,700)
Aquatic Center Rental	(850)	(900)	(900)	(900)
Senior Center Rental		(25,000)	(25,000)	(25,000)
Interest Earnings	(72,500)	(91,300)	(94,800)	(98,300)
Interest from County Treasurer	(17,000)	(17,500)	(17,500)	(17,500)
Tower Asset Sub, Inc/Nextel Le	(27,000)	(28,000)	(28,000)	(28,000)
Pac Bell Lease	(7,500)	(7,500)	(7,700)	(7,900)
Lease Revenue/Cabernet Village	(73,000)	(99,400)	(123,400)	(125,800)
Other Lease/Rentals	(2,550)	(2,500)	(2,500)	(2,500)
Interest & Rents	**(221,300)**	**(293,500)**	**(322,000)**	**(329,000)**
Other Fees / Charges				
Booking and Processing Fees	(2,000)	(2,000)	(2,000)	(2,000)
Sale of Documents	(210)	(200)	(200)	(200)
Appeal / Special Mtg Fees	(100)	(100)	(100)	(100)
General Plan/Zoning Fees	(1,500)	(1,500)	(1,500)	(1,500)
Other Planning Fees	(1,000)	(1,000)	(1,000)	(1,000)
General Plan Update Fees	(2,500)	(2,500)	(2,500)	(2,500)
Building Plan Check Fees	(35,000)	(35,000)	(35,000)	(35,000)
Special Investigation Fee	(200)	(200)	(200)	(200)
Discretionary Planning Applic	(75,000)	(75,000)	(75,000)	(75,000)
Administrative Fee	(3,000)	(3,000)	(3,000)	(3,000)
Sale of Documents	(1,000)	(1,000)	(1,000)	(1,000)
Homeowner Contribution	(2,000)	(2,000)	(2,000)	(2,000)
Recreation Classes	(67,000)	(80,000)	(80,000)	(80,000)
Trips & Excursions	(2,500)	(2,500)	(2,500)	(2,500)
Day Camp Fees	(38,010)	(52,100)	(52,100)	(52,100)
Special Events Fess	(7,300)	(7,300)	(7,300)	(7,300)
Community Recognition Ball	(7,100)			
Donations & Fundraisers		(7,900)	(7,900)	(7,900)
4th July Revenue	(52,000)			
Sports Program Fees	(26,500)	(30,500)	(30,500)	(30,500)

General Fund Revenues and Interfund Transfers by Classification

Revenue Classification	Projected FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12	Estimated FY 2012-13
Open Swim	(13,000)	(22,500)	(22,500)	(22,500)
Water Aerobics	(8,000)	(8,000)	(8,000)	(8,000)
Fitness Swim	(6,500)	(10,200)	(10,200)	(10,200)
Swim Lessons	(38,000)	(51,800)	(51,800)	(51,800)
Educational Instructions	(3,600)	(3,600)	(3,600)	(3,600)
Swim Team Revenue	(5,250)	(5,300)	(5,300)	(5,300)
Annual Rent Stabilization	(14,400)	(14,400)	(14,400)	(14,400)
Charges for Services	**(412,670)**	**(419,600)**	**(419,600)**	**(419,600)**
Other Miscellaneous Revenues	(1,400)	(1,400)	(1,400)	(1,400)
Taxi Script	(2,600)	(2,600)	(2,600)	(2,600)
Donations & Fundraisers	(1,500)	(1,500)	(1,500)	(1,500)
Returned Check Fee	(3,500)	(3,500)	(3,500)	(3,500)
Miscellaneous Revenues	(500)	(500)	(500)	(500)
Other Miscellaneous Revenues	(13,000)	(13,000)	(13,000)	(13,000)
Other Miscellaneous Revenues	(7,000)	(7,000)	(7,000)	(7,000)
Fire Dist Reimb - Salary	(96,800)	(96,800)	(96,800)	(96,800)
Sale of Surplus Equipt	(12,000)	(12,000)	(12,000)	(12,000)
Miscellaneous / Other	**(138,300)**	**(138,300)**	**(138,300)**	**(138,300)**
Pub Wks Admin Xfr In	(465,000)	(465,000)	(465,000)	(465,000)
Finance Xfr In	(265,000)	(265,000)	(265,000)	(265,000)
Human Res Xfr In	(109,000)	(109,000)	(109,000)	(109,000)
Info Tech Xfr In	(85,200)	(85,200)	(85,200)	(85,200)
Utility Billing Xfr In	(492,900)	(492,900)	(492,900)	(492,900)
Risk Management Xfr In	(71,000)	(71,000)	(71,000)	(71,000)
Fleet / Veh Maint Xfr In	(100,000)	(100,000)	(100,000)	(100,000)
Building Maint Xfr In	(76,000)	(76,000)	(76,000)	(76,000)
Interfund Trans Suppt Servs	**(1,664,100)**	**(1,664,100)**	**(1,664,100)**	**(1,664,100)**
Trans In fr Abandoned Vehicle		(8,000)	(8,000)	(8,000)
Transfers In from COPS Subvention		(100,000)	(100,000)	(100,000)
Cap Projects Admin	(610,500)	(532,200)	(532,200)	(532,200)
Gas Tax Xfr In	(214,000)	(214,000)	(214,000)	(214,000)
Storm Drain Reimb Meas A	(255,800)	(255,800)	(255,800)	(255,800)
L&L Assessment District Reimb	(34,000)	(34,000)	(34,000)	(34,000)
Fire District	(215,000)	-	-	
Transf In from Employee Home Loan Fund		(160,000)		
Interfund Transfers Other	**(1,329,300)**	**(1,304,000)**	**(1,144,000)**	**(1,144,000)**
	$ (14,905,045)	**(14,505,500)**	**(14,960,600)**	**$ (15,539,400)**

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General Fund Expenditures by Department / Division

Net of Support Services Charges

Div #	Department Divisions	Total General Fund Appropriations	Net General Fund	Enterprise Funds Serv Chgs: Water Funds	Enterprise Funds Serv Chgs: Wastewater Funds
Administration					
110	City Council	**328,200**	328,200		
120	City Manager	**317,100**	317,100		
130	City Clerk	**278,300**	278,300		
160	City Attorney	**312,000**	312,000		
720	Human Resources	**317,900**	208,900	48,400	60,600
760	Risk Management	**283,300**	212,300	31,500	39,500
	Total Administration	**1,836,800**	**1,656,800**	**79,900**	**100,100**
Community Development					
310	Planning	**644,700**	644,700		
320	Economic Development	**99,900**	99,900		
330	Housing Services	**59,200**	59,200		
350	Building & Safety	**538,000**	538,000		
370	City Engineer	**287,300**	287,300		
	Total Community Develpmnt	**1,629,100**	**1,629,100**	-	-
Finance					
710	Finance	**777,700**	512,700	117,600	147,400
730	Information Systems	**404,800**	319,600	24,300	60,900
750	Utility Billing	**524,200**	31,300	295,700	197,200
	Total Finance	**1,706,700**	**863,600**	**437,600**	**405,500**
810	**Non Departmental**	**703,600**	**703,600**		
832	**Debt Service**	**610,600**	**610,600**		
Parks & Recreation					
520	Recreation Programs	**646,800**	646,800		
525	Sports Programs	**43,700**	43,700		
530	Aquatics Programs	**570,700**	570,700		
550	Parks Maintenance	**1,036,200**	1,036,200		
561	Senior Center	**45,000**	45,000		
791	Building Maintenance	**278,500**	202,500	43,000	33,000
	Total Park & Rec	**2,620,900**	**2,544,900**	**43,000**	**33,000**
210	**Police / Sheriff**	**5,611,700**	**5,611,700**		
Public Works					
405	Capital Projects	**479,100**	479,100		
420	Streets & Roads	**888,900**	888,900		
430	Storm Drainage	**208,700**	208,700		
493	Public Works Administration	**643,900**	178,900	206,400	258,600
790	Fleet Operations	**360,800**	260,800	65,000	35,000
	Total	**2,581,400**	**2,016,400**	**271,400**	**293,600**
Total City Budget		**$ 17,300,800**	**15,636,700**	**831,900**	**$ 832,200**
Less Intra Fund Support Service Chgs		**(1,995,500)**			
	Total Net Appropriations	**$ 15,305,300**			

Support Services Expenses are subtracted in order not to double count expenses in the General Fund

Special Revenue Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Storm Drainage - Measure A, Fund 200			
Revenues			
Sales & Use Tax	$ -	(1,059,913)	$ (687,300)
Total Revenues	-	(1,059,913)	(687,300)
Interfund Transfers			
General Fund Storm Drain		316,100	255,800
Wastewater Fund Storm Water Quality		140,313	131,500
Wastewater Fund Debt Service		300,000	300,000
Capital Improvement Program Fund		303,500	
Total Transfers	-	1,059,913	687,300
Change in Fund Balance	-	-	-
Estimated Beginning Fund Balance	-	-	-
Estimated Ending Fund Balance	$ -	-	$ -
Gas Tax Fund 201			
Revenues			
Traffic Congestion Relief	$ (138,282)	(146,700)	$ (162,250)
Gas Tax	(259,354)	(258,000)	(256,870)
Interest	(19,240)	(5,000)	(5,080)
Total Revenues	(416,876)	(409,700)	(424,200)
Interfund Transfers			
General Fund Streets Divisiion	214,000	214,000	214,000
Capital Improvement Program Fund	164,042		
Total Transfers	378,042	214,000	214,000
Change in Fund Balance	(38,834)	(195,700)	(210,200)
Estimated Beginning Fund Balance	(686,990)	(725,824)	(921,524)
Estimated Ending Fund Balance	$ (725,824)	(921,524)	$ (1,131,724)

Special Revenue Funds

Abandoned Vehicle Abatement Fund 209

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Revenues			
Abandoned Vehicle Enforcement	$ (15,314)	(15,000)	$ (7,300)
Interest	(900)	(400)	(500)
Total Revenues	(16,214)	(15,400)	(7,800)
Expenditures / Transfers			
Personnel	4,620		
General Fund Police Reimbursement		2,000	7,800
Total Transfers	4,620	2,000	7,800
Change in Fund Balance	(11,594)	(13,400)	-
Estimated Beginning Fund Balance	(36,580)	(48,174)	(61,574)
Estimated Ending Fund Balance	$ (48,174)	(61,574)	$ (61,574)

Community Development Block Grant Loan Repayment Fund 222

Revenues			
Interest and Rents	$ (7,671)	(1,600)	$ (500)
Other	(16,281)	(3,000)	(2,000)
Total Revenues	(23,952)	(4,600)	(2,500)
Expenditures			
Professional Services	13,234	15,000	35,000
Program Expenses	82	233,200	80,000
Total Transfers	13,316	248,200	115,000
Change in Fund Balance	(10,636)	243,600	112,500
Estimated Beginning Fund Balance	(346,783)	(357,419)	(113,819)
Estimated Ending Fund Balance	$ (357,419)	(113,819)	$ (1,319)

Special Revenue Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Citizens Options for Public Safety (COPS) Fund 223			
Revenues			
Intergovernmental Revenue	$ (100,365)	(100,100)	$ (100,000)
Interest			(100)
Total Revenues	(100,365)	(100,100)	(100,100)
Expenditures / Transfers			
Personnel Expense	100,365		
Transfers to General Fund Police Reimbursement		100,000	100,200
Total Expenditures / Transfers	100,365	100,000	100,200
Change in Fund Balance	-	(100)	100
Estimated Beginning Fund Balance		-	(100)
Estimated Ending Fund Balance	$ -	(100)	$ -
Newell Park Open Space Preserve Fund 580			
Revenues			
Interest and Rents	$ (10,279)	(10,000)	$ (10,000)
Other			
Total Revenues	(10,279)	(10,000)	(10,000)
Expenditures			
Program Expenses	1,189	2,300	9,700
Total Expenditures	1,189	2,300	9,700
Change in Fund Balance	(9,090)	(7,700)	(300)
Estimated Beginning Fund Balance	(20,760)	(29,850)	(37,550)
Estimated Ending Fund Balance	$ (29,850)	(37,550)	$ (37,850)

Special Revenue Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
La Vigne Open Space Maintenance Fund 581			
Revenues			
Interest	$ (4,002)	(1,000)	$ (1,000)
Total Revenues	(4,002)	(1,000)	(1,000)
Expenditures / Transfers			
General Repairs & Maintenance	188		
Field Supplies	982	2,800	2,800
Total Expenditures / Transfers	1,170	2,800	2,800
Change in Fund Balance	(2,832)	1,800	1,800
Estimated Beginning Fund Balance	(178,551)	(181,383)	(179,583)
Estimated Ending Fund Balance	$ (181,383)	(179,583)	$ (177,783)
Employee Home Loan Assistance Program Fund 702			
Revenues / Transfers			
Interest	$ (2,778)	(1,000)	$ (500)
Program Income	(4,243)	(7,500)	(7,100)
Transfers From Other Funds	(100,100)		
Total Revenues	(107,121)	(8,500)	(7,600)
Expenditures			
Program Expenses	30,000		
Transfer to Other Funds			160,000
Total Expenditures	30,000	-	160,000
Change in Fund Balance	(77,121)	(8,500)	152,400
Estimated Beginning Fund Balance	(87,924)	(165,045)	(173,545)
Estimated Ending Fund Balance	$ (165,045)	(173,545)	$ (21,145)

Special Revenue Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Retiree Health Fund 703			
Revenues			
Transfers From Other Funds	$ (120,000)	(461,900)	$ (265,900)
Interest	(10,997)	(800)	(1,000)
Miscellaneous		(73,100)	
Total Revenues	(130,997)	(535,800)	(266,900)
Expenditures / Transfers			
Program Expenses	1,021,060	455,000	400,000
Total Expenditures	1,021,060	455,000	400,000
Change in Fund Balance	890,063	(80,800)	133,100
Estimated Beginning Fund Balance	(951,557)	(61,494)	(142,294)
Estimated Ending Fund Balance	$ (61,494)	(142,294)	$ (9,194)
Developer Projects Fund 705			
Revenues			
Developer Advances			
Planning	$ (25,760)	(224,000)	$ (125,000)
Engineering	(85,470)	(120,000)	(75,000)
Total Revenues	(111,230)	(344,000)	(200,000)
Expenditures / Transfers			
Planning Services	68,364	60,000	300,000
Engineering Services	289,250	240,000	300,000
Total Expenditures	357,614	300,000	600,000
Change in Fund Balance	246,384	(44,000)	400,000
Estimated Beginning Fund Balance	(1,005,684)	(759,300)	(803,300)
Estimated Ending Fund Balance	$ (759,300)	(803,300)	$ (403,300)

Special Revenue Funds

Lighting & Landscaping Assessment District - All Zones

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Revenues			
Property Assessments	$ (497,465)	(514,014)	$ (444,243)
Interest	(28,418)	(10,401)	(15,347)
Other	(3,290)	(3,887)	-
Total Revenues	(529,173)	(528,302)	(459,590)
Expenditures / Transfers			
Zone 1	70,555	70,880	61,167
Zone 2	119,412	121,219	172,611
Zone 3	35,123	20,006	48,148
Water	110,401	102,954	116,344
Tranfers to General Fund	33,842	34,113	28,450
Total Expenditures	369,333	349,172	426,721
Change in Fund Balance	(159,840)	(179,130)	(32,869)
Estimated Beginning Fund Balance	(1,122,592)	(1,282,432)	(1,461,562)
Estimated Ending Fund Balance	$ (1,282,432)	(1,461,562)	$ (1,494,431)

Capital Project Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Parks Impact Fee Fund 310			
Revenues			
Impact Fees	$ (51,456)	(33,300)	$ (15,000)
Interest	(40,830)	(5,800)	(6,000)
Total Revenues	(92,286)	(39,100)	(21,000)
Expenditures / Transfers			
Professional Services	31,150		
Transfer to General Fund		59,900	
Transfer to Debt Service Fund	150,000	100,000	315,000
Transfer to Other CIP Project Funds	279,273	298,000	
Total Expenditures / Transfers	460,423	457,900	315,000
Change in Fund Balance	368,137	418,800	294,000
Estimated Beginning Fund Balance	(1,830,129)	(1,461,992)	(1,043,192)
Estimated Ending Fund Balance	$ (1,461,992)	(1,043,192)	$ (749,192)
Traffic Impact Fee Fund 320			
Revenues			
Impact Fees	$ (1,335,638)		$ -
Interest	(27,870)	(12,000)	(10,000)
Miscellaneous	(75,752)		
Total Revenues	(1,439,260)	(12,000)	(10,000)
Expenditures / Transfers			
Other Professional Services		9,500	
Major Capital Improvements	4,000		
Transfer to Other CIP Project Funds	66,341	810,100	
Total Expenditures	70,341	819,600	-
Change in Fund Balance	(1,368,919)	807,600	(10,000)
Estimated Beginning Fund Balance	(767,974)	(2,136,893)	(1,329,293)
Estimated Ending Fund Balance	$ (2,136,893)	(1,329,293)	$ (1,339,293)

Capital Project Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Civic Impact Fee Fund 330			
Revenues			
Impact Fees	$ (214,118)	(45,900)	$ (25,000)
Interest	(4,799)	(1,500)	(1,500)
Other Financing Source - General Fund Loan		(1,514,100)	
Total Revenues	(218,917)	(1,561,500)	(26,500)
Expenditures / Transfers			
Other Professional Services			
Transfer to Other CIP Project Funds	54,867	1,633,598	
Total Expenditures	54,867	1,633,598	-
Change in Fund Balance	(164,050)	72,098	(26,500)
Estimated Beginning Fund Balance	(142,584)	(306,634)	(234,536)
Estimated Ending Fund Balance	$ (306,634)	(234,536)	$ (261,036)
Affordable Housing Fund 350			
Revenues / Transfers			
Interest	$ (30,403)	(5,000)	$ (10,000)
Sale of Affordable Houses	(370,767)		
Total Revenues	(401,170)	(5,000)	(10,000)
Expenditures			
Personnel Expenses		61,800	53,500
Purchase of Property	260,507	629,400	120,000
Professional Services		179,200	180,000
Special Department Expenses		30,000	10,000
Total Expenditures	260,507	900,400	363,500
Change in Fund Balance	(140,663)	895,400	353,500
Estimated Beginning Fund Balance	(1,122,411)	(1,263,074)	(367,674)
Estimated Ending Fund Balance	$ (1,263,074)	(367,674)	$ (14,174)

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Debt Service Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
2002 Lease Revenue / Gym & Aquatic Center			
Revenues / Transfers			
Interfund Transfers In	$ (300,000)	(200,000)	$ (315,000)
Interest	(6,017)	(750)	(500)
Total Revenues	(306,017)	(200,750)	(315,500)
Expenditures / Transfers			
Professional Services	4,610	4,800	4,800
Principal	175,000	180,000	190,000
Interest	134,950	129,600	124,000
Total Expenditures / Transfers	314,560	314,400	318,800
Change in Fund Balance	8,543	113,650	3,300
Estimated Beginning Fund Balance	(442,839)	(434,296)	(320,646)
Estimated Ending Fund Balance	$ (434,296)	(320,646)	$ (317,346)
Cabernet Village - City Hall Lease Fund 423			
Revenues / Transfers			
Interest	$ (27,772)	(1,000)	$ (500)
Transfers From General Fund		(472,700)	$ (475,800)
Total Revenues	(27,772)	(473,700)	(476,300)
Expenditures			
Principal		170,000	180,000
Interest	303,953	304,000	296,300
Total Expenditures	303,953	474,000	476,300
Change in Fund Balance	276,181	300	-
Estimated Beginning Fund Balance	(404,359)	(128,178)	(127,878)
Estimated Ending Fund Balance	$ (128,178)	(127,878)	$ (127,878)
Broadway Property Debt Service Fund 426			
Revenues / Transfers			
Interest	$ (857)	(150)	$ -
Transfers From General Fund	(131,500)	(70,000)	$ (134,800)
Total Revenues	(132,357)	(70,150)	(134,800)
Expenditures			
Principal	43,153	89,240	89,300
Interest	24,188	45,440	45,500
Total Expenditures	67,341	134,680	134,800
Change in Fund Balance	(65,016)	64,530	-
Estimated Beginning Fund Balance	-	(65,016)	(486)
Estimated Ending Fund Balance	$ (65,016)	(486)	$ (486)

Enterprise Funds

Water Enterprise Fund 550

Revenues and Tranfers

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Water Service Charges *	$ (3,813,388)	(3,830,000)	$ (4,227,000)
Recovered Water Charges	(255)	(1,100)	-
Service Application Fee	(40,008)	(37,000)	(30,000)
Reconnect Fee	(20,250)	(20,000)	(20,000)
Meter Installation Fee	(38,898)	(24,500)	(30,000)
Water Penalties	(59,153)	(53,000)	(60,000)
Other Water Fees/Charges	(1,605)	(1,200)	(1,500)
Recycled Water Service Charge	(68,961)		-
Interest Earnings	(72,820)	(20,800)	(64,000)
Other Miscellaneous Revenues	(1,929)	(2,400)	(1,000)
Sale of Surplus Equipment	(2,257)	-	(500)
Make Whole Agreement	(87,984)	(60,000)	(60,000)
Other Miscellaneous Revenues	(1,699)	(158,000)	
Total Revenues	(4,209,208)	(4,208,000)	(4,494,000)

Expenses and Transfers

Div No.	Division			
470	Treatment Plant	3,167,565	2,157,000	2,884,400
475	Water Distribution	941,135	950,800	1,018,000
810	Non Departmental	258,691	344,700	341,100
832	Debt Service	198,059	186,800	205,800
450	Capital Projects		400,000	
	Depreciation	647,894	1,100,000	1,100,000
	Total Expenses - Operating	5,213,344	5,139,300	5,549,300

Estimated Resources

Reduction (Increase) In resources (less depreciation)	$ 356,242	$ (168,700)	$ (44,700)
Beginning Balance	(2,602,242)	(2,446,000)	(2,614,700)
Estimated Ending Balance	$ (2,246,000)	$ (2,614,700)	$ (2,659,400)

*** Includes 7% Rate Increase on 1/1/2011**

Enterprise Funds

Water Capacity Fee Fund 551

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Revenues and Tranfers			
Water Capacity Fees	$ (1,053,670)	(180,100)	$ (180,000)
Interest	(20,776)	(15,300)	(15,000)
Miscellaneous	(123,172)	(4,000)	
Transfers From Other Funds	(3,246,500)		
Loan From Wastewater Capacity Fund		(4,602,400)	
Total Revenues	(4,444,118)	(4,801,800)	(195,000)
Expenses and Transfers			
Professional Services	51,992		
Debt Service	1,018,455	1,577,300	928,100
Interfund Transfer to Water CIP	410,574	287,300	
Interfund Transfer to General Fund		221,221	
Interfund Transfer to Wstewater CIP		4,652,779	
Depreciation	619,511	187,000	160,000
Total Expenditures / Transfers	2,100,532	6,925,600	1,088,100
Estimated Resources			
Reduction (Increase) In resources (less depreciation)	(2,963,097)	1,936,800	733,100
Estimated Beginning Balance	(211,703)	(3,174,800)	(1,238,000)
Estimated Ending Fund Balance	$ (3,174,800)	(1,238,000)	$ (504,900)

Enterprise Funds

Wastewater Enterprise Fund 555

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Revenues and Transfers			
Wastewater Service Charges	$ (3,064,024)	(3,151,000)	$ (3,250,000)
Industrial Inspection Fee	(7,420)	(1,200)	(10,000)
Wastewater Penalties	(48,483)	(50,000)	(50,000)
User Fee/Discharge Fee	(30,754)	(8,000)	(20,000)
Interest Earnings	(42,574)	(14,000)	(34,000)
Other Miscellaneous Revenues	(52,199)	(31,000)	(5,000)
Total Revenues	(3,245,454)	(3,255,200)	(3,369,000)
Interfund Transfers In			
Transfers In - Measure A - Storm Water	-	(114,150)	(131,500)
Transfers In - Measure A - Debt Service	(300,000)	(300,000)	(300,000)
	$ (300,000)	(414,150)	$ (431,500)
Total Revenues and Transfers In	$ (3,545,454)	(3,669,350)	$ (3,800,500)
Expenses and Transfers			
Div No. Division			
480 Treatment Plant	2,486,294	2,333,600	2,479,900
485 Collections	267,790	187,800	236,900
440 Storm Water quality	92,714	123,700	131,500
492 Solid Waste	56,028	59,550	64,900
810 Non Departmental - Utility Billing	172,441	229,820	227,400
832 Debt Service	225,347	267,200	166,600
Depreciation	520,202	1,070,000	1,070,000
Total Expenses - Operating	3,820,816	4,271,670	4,377,200
Estimated Resources			
(Increase) In resources (less depreciation)	$ (244,840)	(467,680)	$ (493,300)
Beginning Balance	(1,771,160)	(2,016,000)	(2,483,680)
Estimated Ending Balance	$ (2,016,000)	(2,483,680)	$ (2,976,980)

Enterprise Funds

	FY 2008-09 Actual	FY 2009 10 Estim Actual	FY 2010 - 11 Adopted
Wastewater Capacity Fee Fund 556			
Revenues and Tranfers			
Capacity Fees	$ (155,403)	(78,500)	$ (100,000)
Interest	(120,437)	(30,700)	(40,000)
Transfer In General Fund Legal Settlement	(3,246,500)		
Total Revenues	(3,522,340)	(109,200)	(140,000)
Expenses and Transfers			
Professional Services	11,208	1000	
Debt Service	515,949	506,500	506,600
Interfund Transfer to Wastewater CIP	419,907	255,800	
Interfund Transfer to General Fund		27,400	
Interfund Transfer to Water CIP	3,768	100,000	
Interfund Transfer to General Cap Projs Fund		82,200	
Loan to Water Capacity Fee Fund		4,602,400	
Total Expenditures / Transfers	950,832	5,575,300	506,600
Estimated Resources			
Reduction (Increase) In resources	(2,571,508)	5,466,100	366,600
Estimated Beginning Balance	(4,601,692)	(7,173,200)	(1,707,100)
Estimated Ending Fund Balance	$ (7,173,200)	(1,707,100)	$ (1,340,500)

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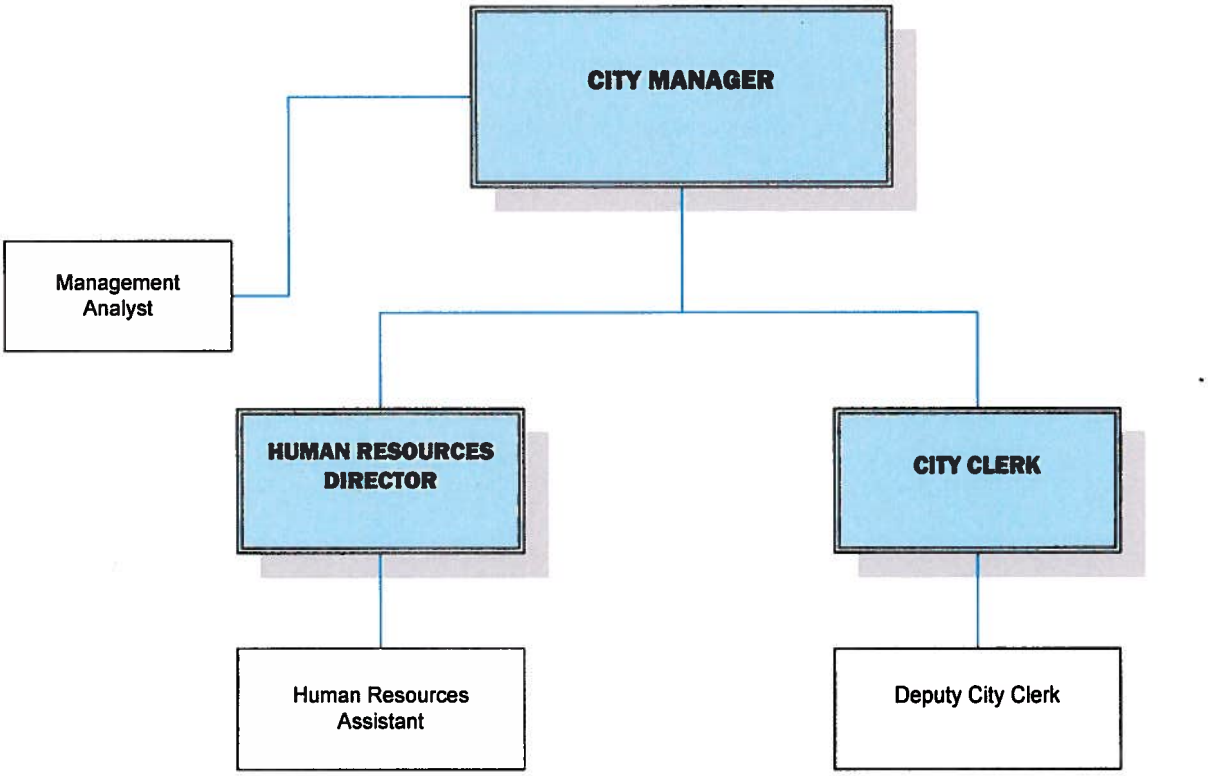
Department Summaries

Late afternoon at the Bay Trail

ADMINISTRATION



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Administration

This Department's divisions provide a range of oversight and administrative services as described below.

City Council

The City's five elected officials are four City Council Members including the Vice Mayor, who are elected to four year overlapping terms, and the Mayor who is elected to a two year term. The City Council provides policy direction and sets goals and priorities and also serves as the Board of Directors for the Fire District.

City Manager

As the Chief Administrative Officer of the City, assists the City Council in developing and evaluating policies, implements Council's policies, oversees community and intergovernmental relations, and provides direction and leadership to City staff.

City Clerk

Is responsible for maintaining the City's official records, processing documents, preparing agendas, minutes of meetings, conducts municipal elections, and responds to requests for information.

City Attorney

Services are provided to the City via contract with the Law Offices of William Ross. He and his firm provide a range of legal services to the City and Fire Protection District. Primary responsibilities include providing legal advice to City and District officials and staff, drafting and reviewing contracts, and defending the City, its officers and employees in litigation, as necessary.

Human Resources

Provides support services to all departments including recruitment, new employee orientations, labor relations, employee benefit administration, coordinates staff training and development, and helps ensure compliance with a range of federal and state laws, civic service rules and various memorandums of understanding (MOU's).

Risk Management

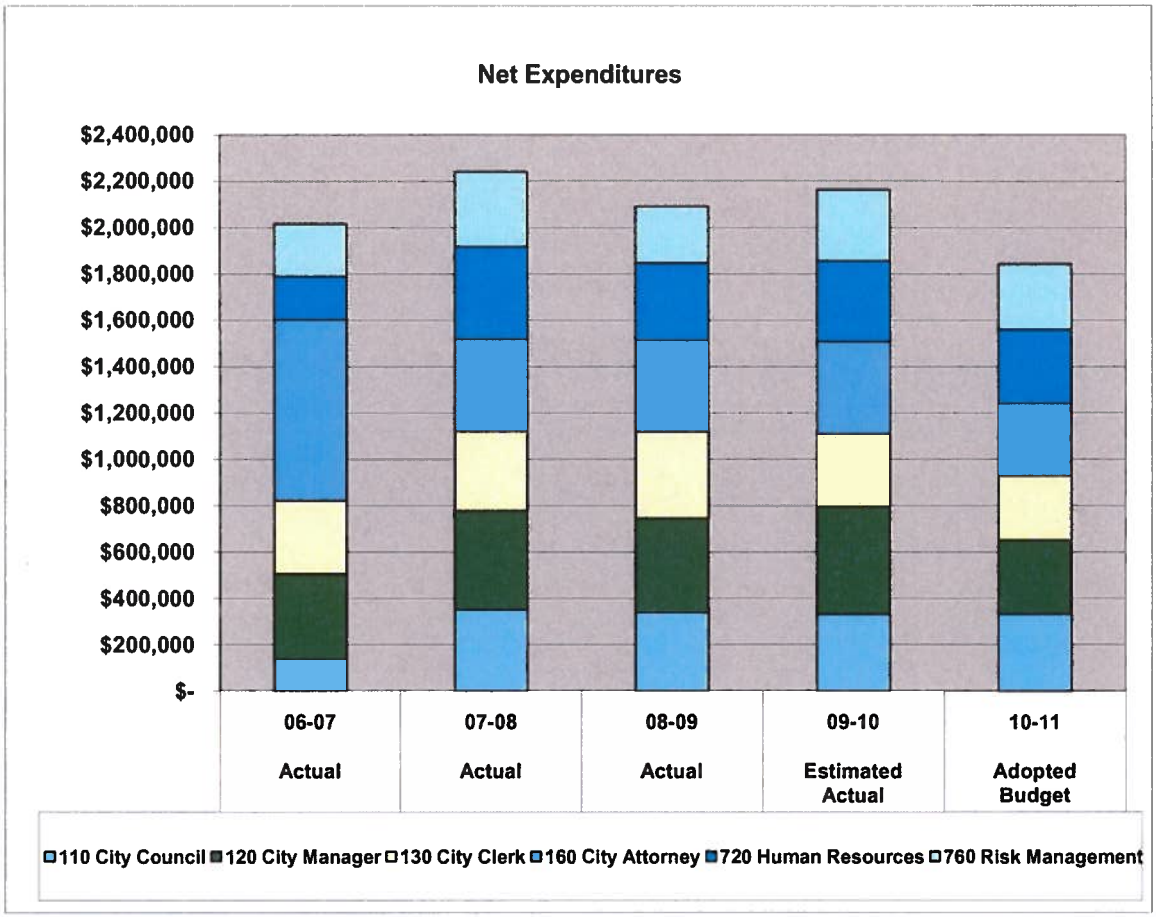
The Human Resources Director oversees liability and property insurance programs for the City, ensures that City contractors have sufficient insurance and is the resource person for all matters related to insurance.

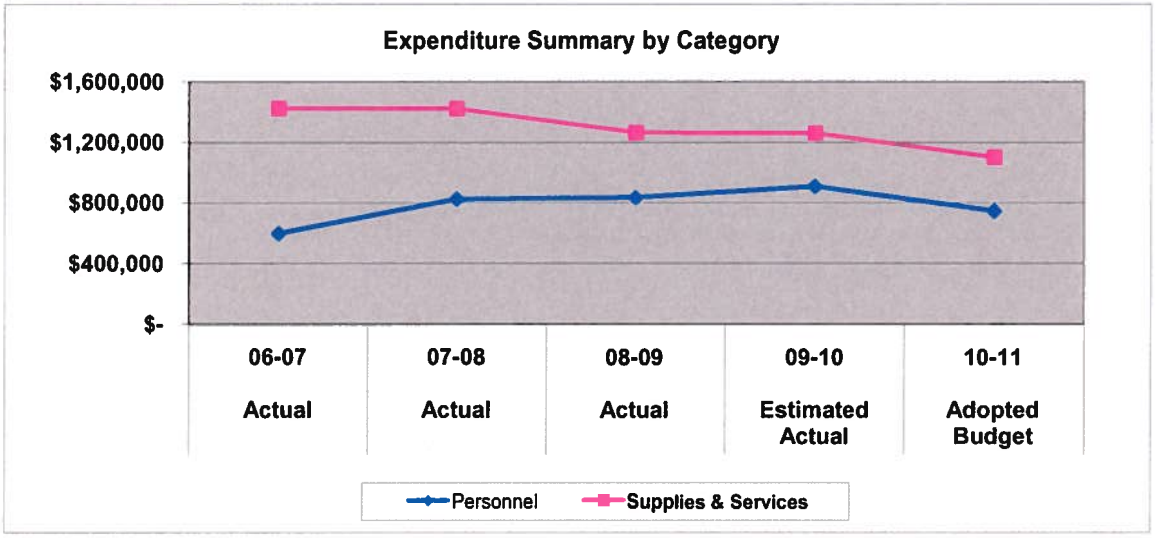
Administration Department General Fund Summary

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	596,624	822,901	833,368	908,000	745,300
Supplies & Services	1,420,141	1,419,204	1,259,520	1,256,816	1,097,800
Total for Department	**2,016,765**	**2,242,105**	**2,092,888**	**2,164,816**	**1,843,100**
Less General Fund Cost Allocations		**(505,730)**	**(404,796)**	**(452,212)**	**(421,200)**
Net Total Department	**2,016,765**	**1,736,375**	**1,688,092**	**1,712,604**	**1,421,900**
Department By Division					
110 City Council	136,660	351,393	338,637	331,900	332,100
120 City Manager	368,535	426,800	407,084	464,850	318,800
130 City Clerk	317,256	343,207	374,725	312,686	279,000
160 City Attorney	780,550	397,438	393,520	400,000	312,000
720 Human Resources	186,275	399,753	333,942	347,130	317,900
760 Risk Management	227,489	323,514	244,980	308,250	283,300
Total for Department	**2,016,765**	**2,242,105**	**2,092,888**	**2,164,816**	**1,843,100**
Revenues / Funding Sources (See Division for details)					
110 City Council	-	-	-	-	-
120 City Manager	-	-	-	-	-
130 City Clerk	(3,086)	(260)	(1,402)	-	(300)
160 City Attorney	(267,913)	(259,776)	(146,704)	-	-
720 Human Resources	-	(123,923)	(92,400)	(109,000)	(109,000)
760 Risk Management	-	(93,614)	(81,727)	(84,000)	(84,000)
Department Funding Sources	-	(217,537)	(174,127)	(193,000)	(193,000)
Other General Fund Sources	(2,016,765)	(2,024,568)	(1,918,761)	(1,971,816)	(1,650,100)
Total Funding Sources	**(2,016,765)**	**(2,242,105)**	**(2,092,888)**	**(2,164,816)**	**(1,843,100)**

Department Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
110 City Council	5.00	5.00	
120 City Manager	2.85	2.15	Staff reduced by 0.70 FTE in FY 2010-11
130 City Clerk	1.40	1.40	
720 Human Resources	2.00	2.00	
Total Staffing	11.25	10.55	

Administration Department General Fund Summary





City Goals and Objectives

A City Council Retreat and Goal Setting Session was held in February 2009. The City Council established a comprehensive list of goals, objectives and priorities for fiscal year 2009-10.

Five goal themes were established:

- Provide Quality Customer Service
- Position the City for Economic Development Opportunities
- American Canyon Will Remain Fiscally Sustainable
- City department directors were assigned minimum objectives.
- The City will Work to Indentify Community Needs

These goal themes are designed to be long-term and Department Directors are continuing to work on department goals in support of these goal themes

Accomplishments of last year's goals are listed in each department's section.

Administration — City Council — Div. No. 110

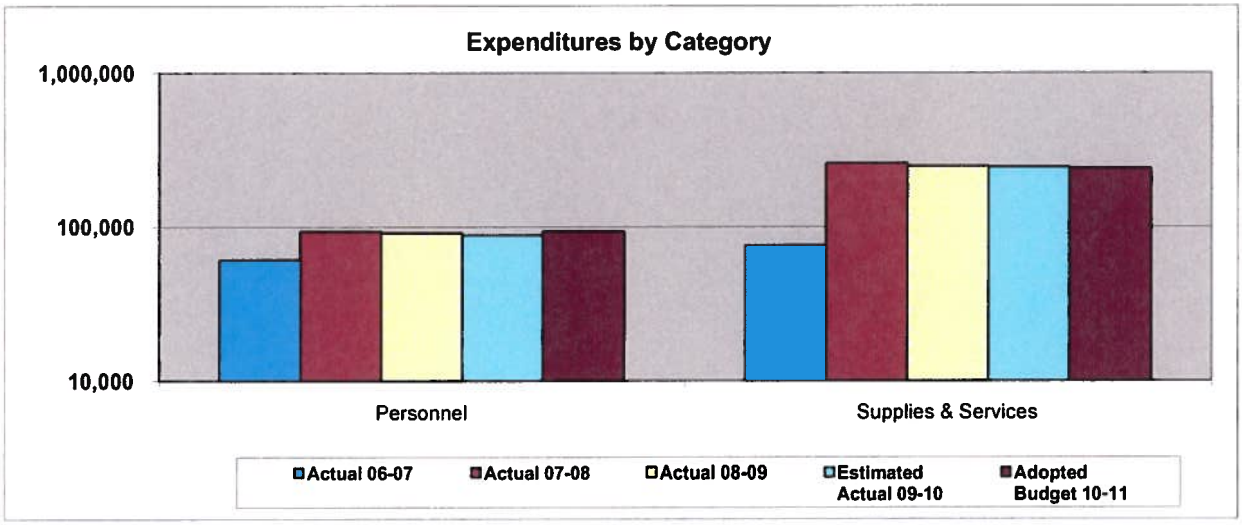
Mission: To Provide Policy Direction to City Staff

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	61,031	93,247	90,978	88,200	93,200
Supplies & Services	75,629	258,146	247,659	243,700	238,900
Capital Outlay					
Total Division	**136,660**	**351,393**	**338,637**	**331,900**	**332,100**

Revenues / Funding Sources

Total Division Sources	-	-	-	-	-
					-
Other General Fund Sources	**(136,660)**	**(351,393)**	**(338,637)**	**(331,900)**	**(332,100)**
Total Rev / Funding Sources	**(136,660)**	**(351,393)**	**(338,637)**	**(331,900)**	**(332,100)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
City Council Members	5.00	5.00	
Total FTE's	**5.00**	**5.00**	



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City Manager

The City Manager, as the Chief Administrative Officer of the City, is responsible for planning, organizing, and directing all municipal activities.

Accomplishments for Fiscal Year 2009-2010

- Significant progress was made on the 2009-2010 City Council Objectives
- Secured additional water supplies
- Significant progress was made in completing the following capital Improvement projects: Senior Center, West Tank 1, Recycling Tank & the completion of the design to bid the WWTP expansion
- Creation of a new Web Page
- Extension of the City's Sphere of Influence to include Lower Watson Area and annexation of the "Grove", Clark Ranch, and the industrial zoned properties north of Green Island
- Secured adoption of the Layoff Action Mitigation Plan (LAMP) and labor agreements
- Recruited and retained new City Clerk
- Assisted the Mayor and City Council to the extent desired with ongoing Fire Labor Negotiations, Finance and Human Resource support
- Secured approval to have the City of American Canyon's name placed on all "directional signs" and "next exit" in the County and I-80, Highways 29 & 37
- Undertook Community Workshops to seek input on service reductions should the need arise and/or revenue enhancements
- Adopted resolutions setting a vote on Measure E and F to help close the budget deficit

Goals for Fiscal Year 2010-2011

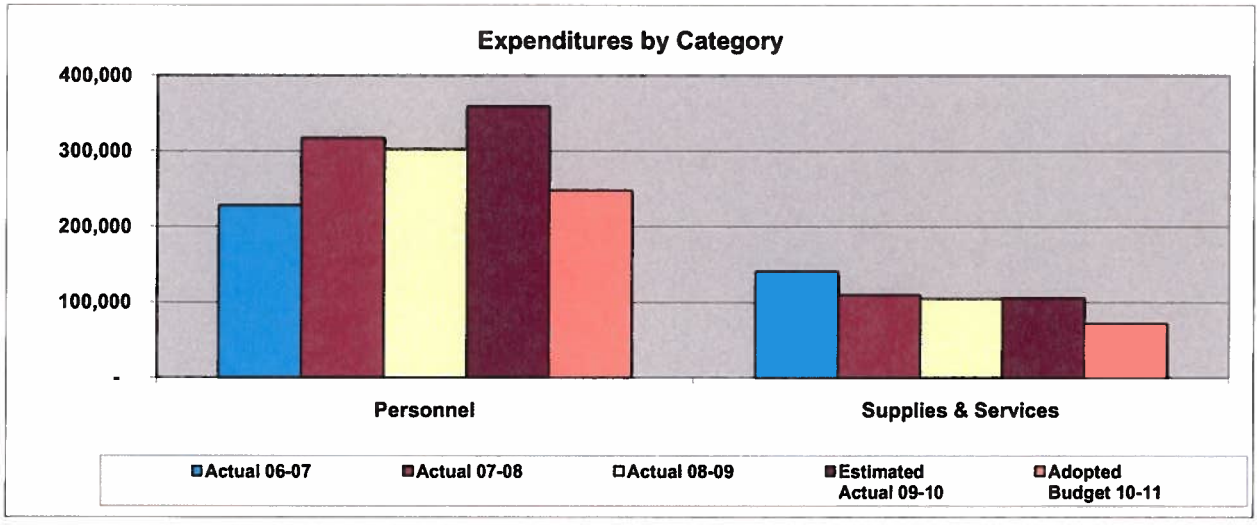
- Adoption of a new labor contract
- Passage of Measure E and F
- Annexation of industrial and Town Center zoned land in the City's SOI
- Following the November Election conduct a planning workshop with the Mayor and City Council to set specific objectives for calendar year 2011

Administration — City Manager — Div. No. 120

Mission: Under Direction of the City Council, runs the City

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	227,850	317,318	302,483	359,200	247,700
Supplies & Services	140,685	109,482	104,601	105,650	71,100
					-
Total Division	**368,535**	**426,800**	**407,084**	**464,850**	**318,800**
Less IntraFund Cost Allocations	-	-	-	-	-
Net Total Division	**368,535**	**426,800**	**407,084**	**464,850**	**318,800**
Revenues / Funding Sources					
Total Division Sources	-	-	-	-	-
Other General Fund Sources	**(368,535)**	**(426,800)**	**(407,084)**	**(464,850)**	**(318,800)**
Total Rev / Funding Sources	**(368,535)**	**(426,800)**	**(407,084)**	**(464,850)**	**(318,800)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
City Manager	0.35	0.35	
Management Analyst	1.00	1.00	
City Clerk	0.50	0.50	
Deputy City Clerk	0.30	0.30	
Administrative Assistant	0.70	-	Administrative Assistant not budgeted in FY 2010-11
Total FTE's	**2.85**	**2.15**	



City Clerk

The Clerk serves as the legislative historian, chief elections official, regulatory filing officer, document administrator, and scribe for the City Council. The Office of the City Clerk serves as the unbiased liaison between the community and its local government.

Accomplishments for Fiscal Year 2009-2010

- Implemented an automated Agenda Workflow system
- Assisted in the selection of website design; and contributed to the creation of a dedicated City Clerk page for public records requests, Board and Committee announcements, public notices, City calendar, searchable public records, and City Council media page.

Goals for Fiscal Year 2010-2011

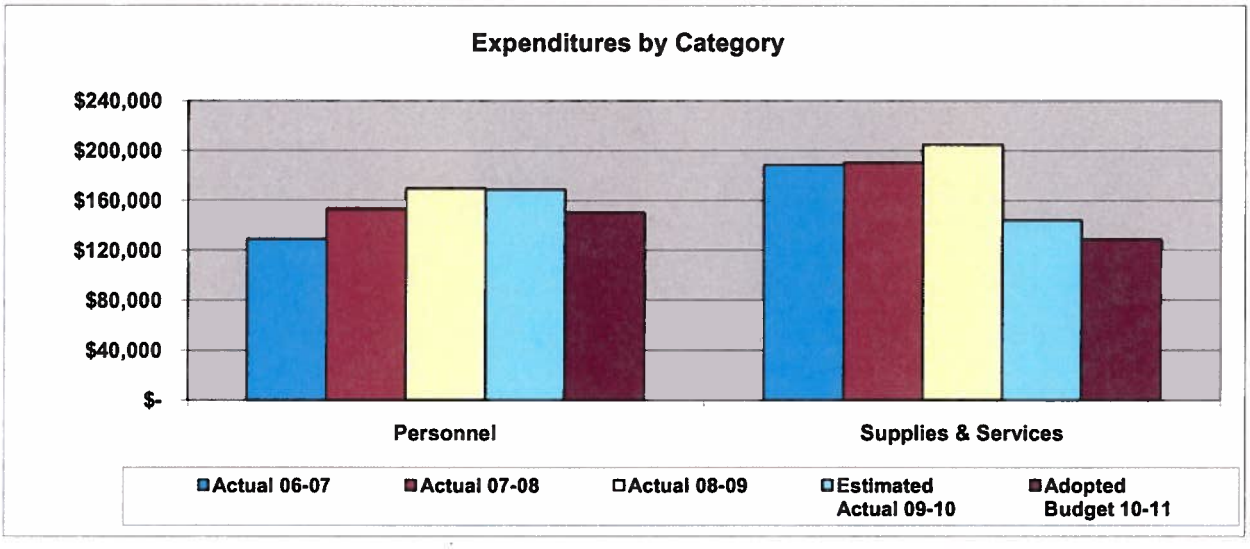
- Reconfigure hard-copy records system in Clerk's office
- Complete an Audit of all City Records, both onsite and offsite
- Destroy records that have met their retention and are no longer required (saving storage costs)
- Implement a "Web Link" portal for public access via the website to certain public records such as ordinances and resolutions
- Continue technical training on Laser fiche; create an interdepartmental committee to work on consistent policies regarding the storage of electronic records

Administration — City Clerk — Div. No. 130

Mission: Assists the City Council, City Staff, and the General Public to access official City records and coordinate all activities related to elections.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	128,705	152,930	169,814	168,700	150,300
Supplies & Services	188,551	190,277	204,911	143,986	128,700
Total Division	**317,256**	**343,207**	**374,725**	**312,686**	**279,000**
Revenues / Funding Sources					
Miscellaneous Revenues	(3,086)	(260)	(1,402)	-	(300)
Total Division Sources	**(3,086)**	**(260)**	**(1,402)**	**-**	**(300)**
Other General Fund Sources	**(314,170)**	**(342,947)**	**(373,323)**	**(312,686)**	**(278,700)**
Total Rev / Funding Sources	**(317,256)**	**(343,207)**	**(374,725)**	**(312,686)**	**(279,000)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
City Manager	0.20	0.20	
City Clerk	0.50	0.50	
Deputy City Clerk	0.70	0.70	
Total FTE's	**1.40**	**1.40**	



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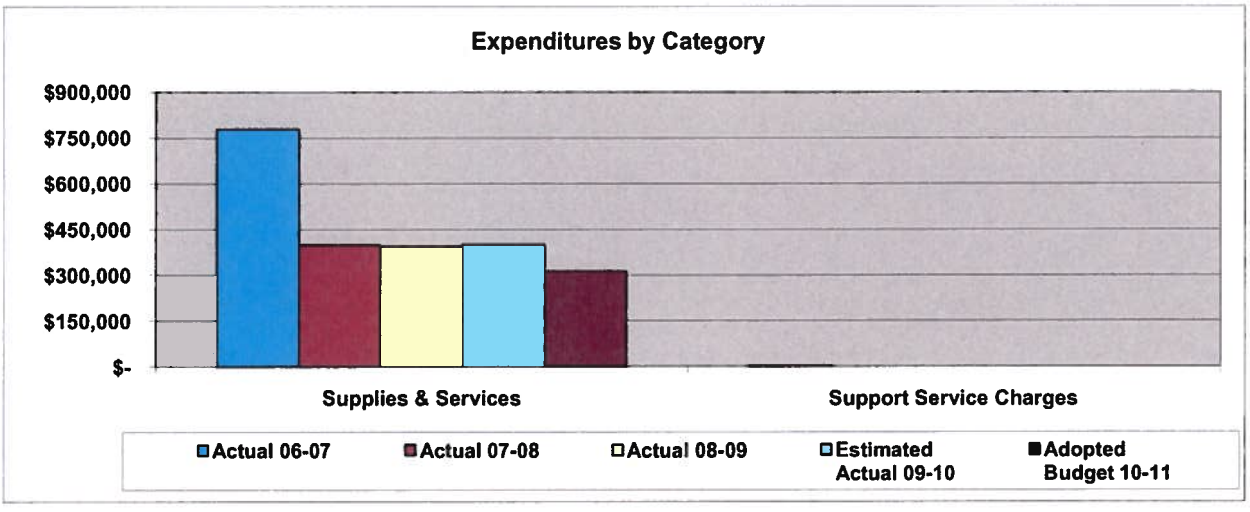
Administration — City Attorney — Div. No. 160

Mission: To provide legal services to the City

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Supplies & Services	779,050	397,438	393,520	400,000	312,000
Support Service Charges	1,500				
Total Division	**780,550**	**397,438**	**393,520**	**400,000**	**312,000**
Revenues / Funding Sources					
Miscellaneous Revenues	(267,913)	(259,776)	(146,704)	-	-
Total Division Sources	**(267,913)**	**(259,776)**	**(146,704)**	**-**	**-**
Other General Fund Sources	**(512,637)**	**(137,662)**	**(246,816)**	**(400,000)**	**(312,000)**
Total Rev / Funding Sources	**(780,550)**	**(397,438)**	**(393,520)**	**(400,000)**	**(312,000)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
			City Attorney Services are contracted



Human Resources

Mission: The Human Resources Department is responsible for attracting, retaining, and developing a highly qualified and diverse City workforce and implementing organizational policies and procedures. In addition to overall Human Resources administration, Human Resources provides the following key services: recruiting, testing, classification and pay, safety, risk and workers' compensation oversight, retirement and benefits coordination with PERS, safety, training, salary administration, and labor/employee relations.

Accomplishments for Fiscal Year 2009-2010

- Completed six months of labor negotiations for the Teamsters General and Mid Management Employees with tentative agreement reached with the General Unit.
- Improved communication by increasing employee knowledge of entire organization through new and improved employee newsletter and implementation of policy training calendar.
- Provided more training opportunities to City employees utilizing various resources such as Solano and Sonoma Counties, the City of Napa, and other training consortia.
- Continued Wellness efforts initiating new programs/plans such as Weight Watchers At Work.

Goals for Fiscal Year 2010-11

- Train supervisors on and implement new MOUs so that everyone understands all elements of the new agreements so they are interpreted consistently across the organization.
- Develop a strategy for instituting a Leadership Academy for new supervisors to the City.
- Develop a schedule for and conduct various employee mini workshops/ meetings with question and answer sessions on HR/employee topics such as benefits, policy interpretation, etc.

Administration — Human Resources — Div. No. 720

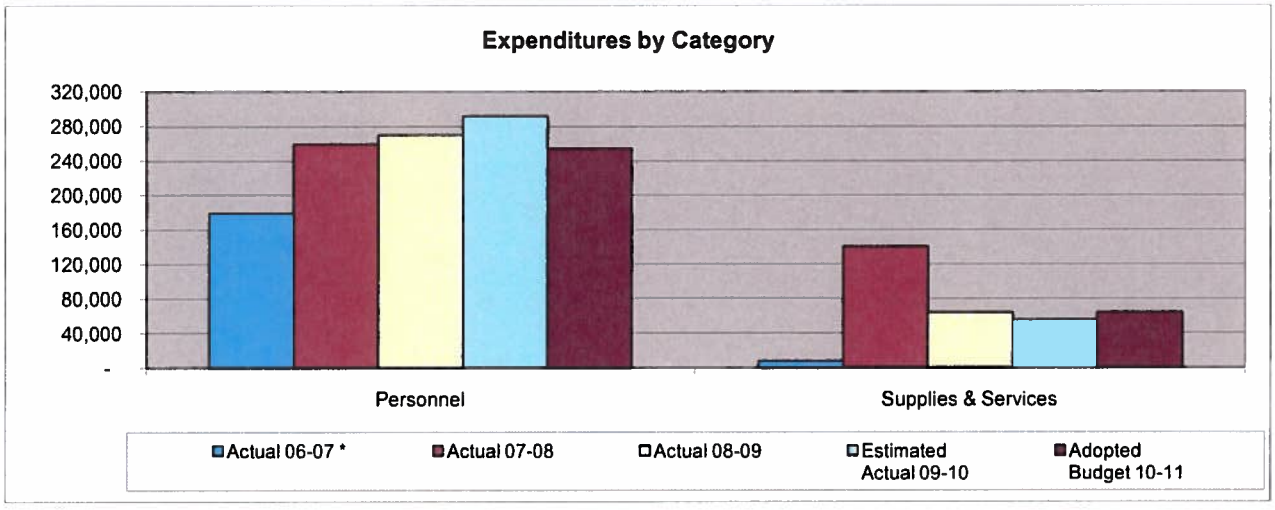
Mission: Attract, retain and develop a highly qualified workforce; coordinate retirement and benefits program; implement organization policies and procedures

	Actual 06-07 *	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	179,038	259,406	270,093	291,900	254,100
Supplies & Services	7,237	140,347	63,849	55,230	63,800
Total Division	**186,275**	**399,753**	**333,942**	**347,130**	**317,900**
Less IntraFund Cost Allocations		**(275,830)**	**(241,542)**	**(239,520)**	**(208,900)**
Net Total Division	**186,275**	**123,923**	**92,400**	**107,610**	**109,000**

* Prior to fiscal year 2007-08, HR was accounted for in an internal service fund. Historical data is provided for comparison purposes

Revenues / Funding Sources					
Interfund Transfers in		(123,923)	(92,400)	(109,000)	(109,000)
Total Division Sources	-	**(123,923)**	**(92,400)**	**(109,000)**	**(109,000)**
Other General Fund Sources	**(186,275)**	**(275,830)**	**(241,542)**	**(238,130)**	**(208,900)**
Total Rev / Funding Sources	**(186,275)**	**(399,753)**	**(333,942)**	**(347,130)**	**(317,900)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Human Resources Director	1.00	1.00	
Human Resources Assistant	1.00	1.00	
Total FTE's	**2.00**	**2.00**	



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Administration — Risk Management

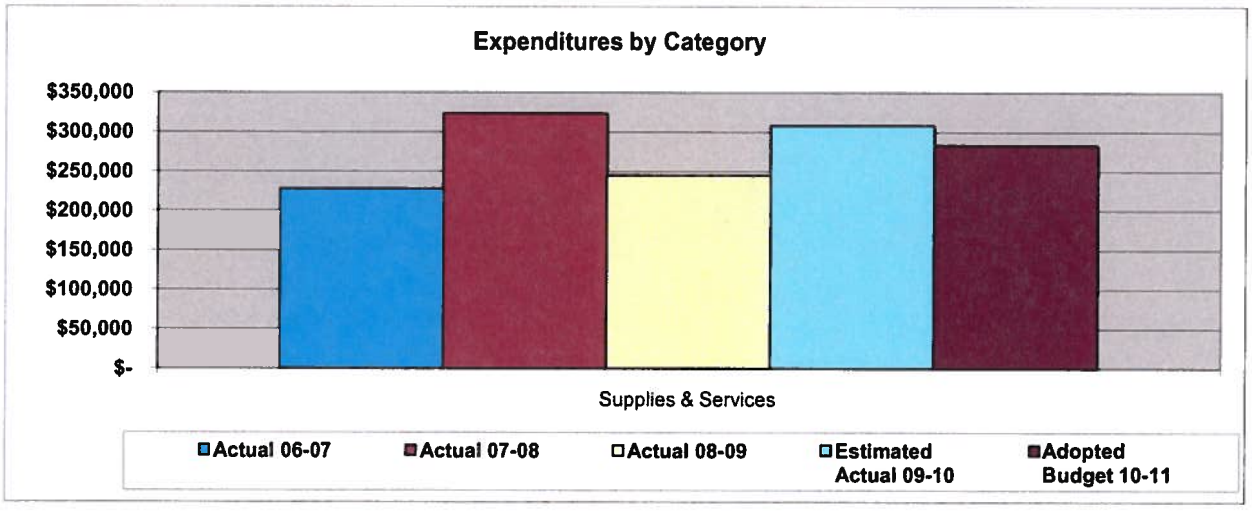
Div. No. 760

Mission: Provides Risk Management Services for all City operations; coordinates employee safety training.

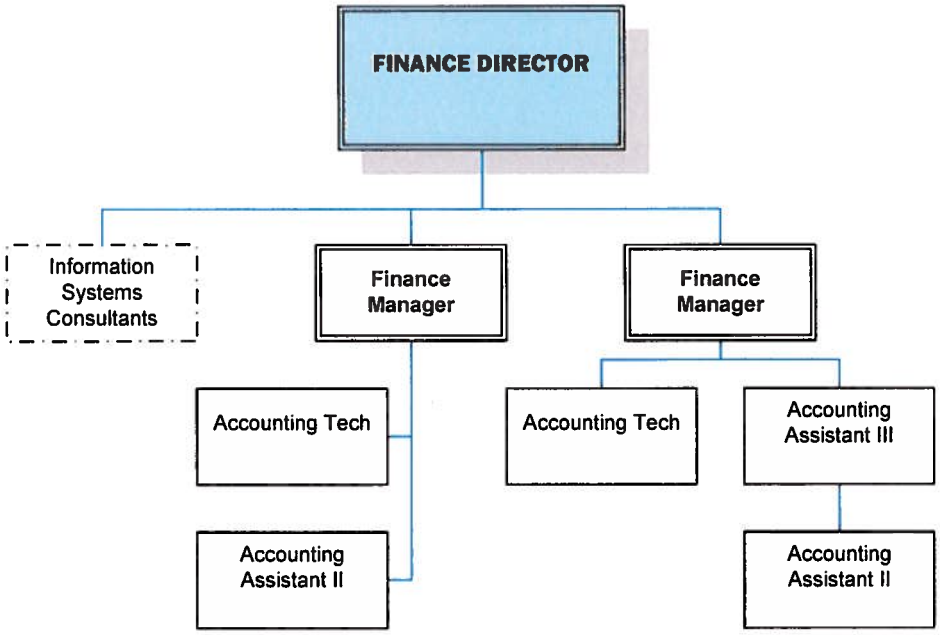
	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Supplies & Services	227,489	323,514	244,980	308,250	283,300
Support Service Charges	-				
Total Division	**227,489**	**323,514**	**244,980**	**308,250**	**283,300**
Less IntraFund Cost Allocations		**(229,900)**	**(163,254)**	**(212,693)**	**(212,300)**
Net Total Division	**227,489**	**93,614**	**81,726**	**95,558**	**71,000**
Revenues / Funding Sources					
Miscellaneous Revenues			(19,937)	(13,000)	(13,000)
Interfund Transfers in	-	(93,614)	(61,790)	(71,000)	(71,000)
Total Division Sources	-	**(93,614)**	**(81,727)**	**(84,000)**	**(84,000)**
Other General Fund Sources	**(227,489)**	**(229,900)**	**(163,253)**	**(224,250)**	**(199,300)**
Total Rev / Funding Sources	**(227,489)**	**(323,514)**	**(244,980)**	**(308,250)**	**(283,300)**

* Prior to fiscal year 2007-08, Risk was accounted for in an internal service fund. Historical data is provided for comparison purposes

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
			No staff allocated to Risk Management



FINANCE


FINANCE DIRECTOR
Information Systems Consultants
Finance Manager
Finance Manager
Accounting Tech
Accounting Assistant II
Accounting Tech
Accounting Assistant III
Accounting Assistant II

Finance

Mission: To provide a range of financial services to internal and external customers. Major functions include accounts payable, payroll, utility billing, business licenses, purchasing, budgeting, financial reporting, cash flow management and investment management.

Department Accomplishments for Fiscal Year 2009-2010

- Assisted the interdepartmental effort to upgrade of the City's Web Site
- Revamped the Business License Process to Provide a more Customer Friendly Experience
- Implemented an Online Business License Application Process for new businesses using Adobe Acrobat Software. This will allow new business license applicants the ability to complete an interactive application form on the City's website and transmit the information to the City electronically.
- Participated in an Interdepartmental effort and Established a Water Conservation Program
- Through a coordinated effort with the Public Works Department, accelerated water meter replacements of old meters to assist customers in monitoring their water usage for improved water conservation
- Played significant role in team effort, including financial analysis and public outreach, to present a budget to the City Council for fiscal year 2010-11 to eliminate the general fund structural deficit in 36 months

Goals and Projects for Fiscal Year 2010-2011

- For Accounts Payable payments, evaluate the feasibility of making electronic payments to vendors using the Springbrook Accounting System instead of printing and mailing paper checks
- Prepare a new improved Chart of Accounts including added a Department Number for more efficient processing and improved reporting
- Upgrade Operating Budget Document for Fiscal Year 2010-11 and submit to the California Society of Municipal Finance Officers Budget Award Program

Finance Department General Fund Summary

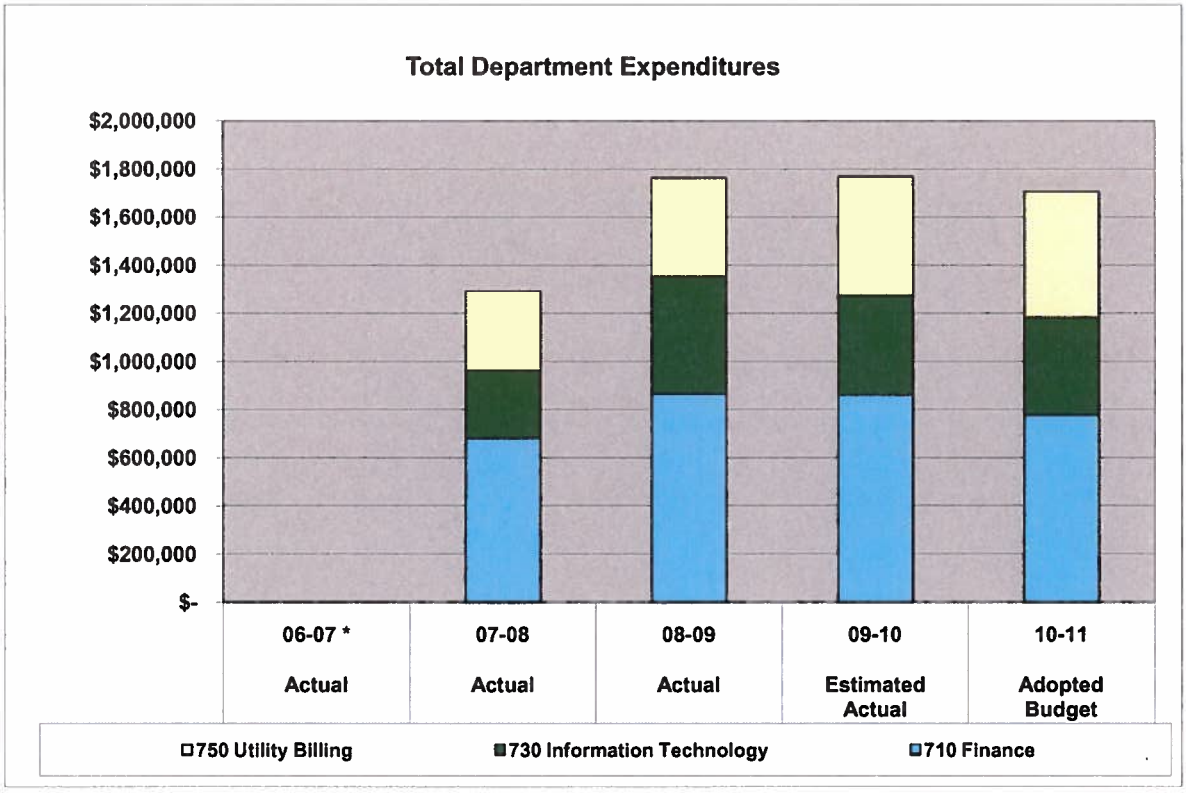
	Actual 06-07 *	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	-	763,141	808,975	876,500	796,300
Supplies & Services	-	528,008	817,923	871,630	905,400
Capital Outlay	-	-	136,177	20,000	5,000
Total for Department	**-**	**1,291,149**	**1,763,074**	**1,768,130**	**1,706,700**
Less General Fnd Cost Allocatns	**-**	**(648,120)**	**(987,424)**	**(879,909)**	**(832,300)**
Net Total Department	**-**	**643,029**	**775,650**	**888,221**	**874,400**

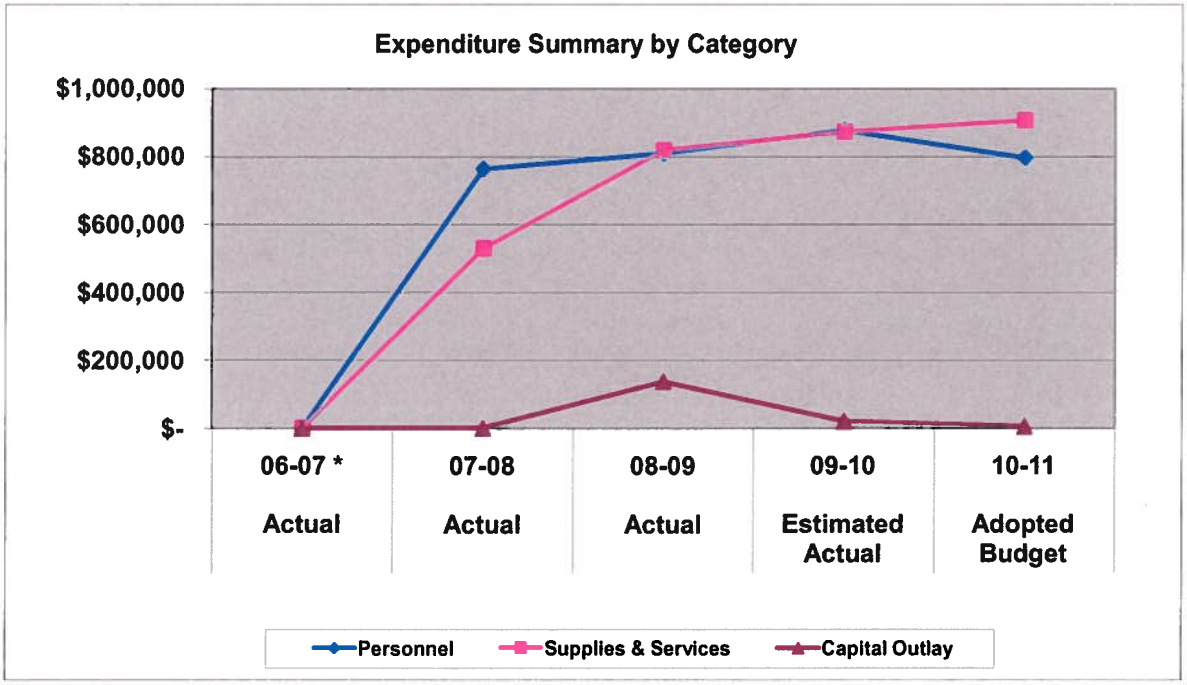
* Prior to Fiscal Year 2007-08, the Finance Department was accounted for in an internal service fund

Department By Division					
710 Finance	-	681,895	865,292	861,300	777,700
730 Information Technology	-	282,620	491,650	413,930	404,800
750 Utility Billing	-	326,634	406,132	492,900	524,200
Total for Department	**-**	**1,291,149**	**1,763,074**	**1,768,130**	**1,706,700**
Revenues / Funding Sources - See Divisions for Details					
710 Finance	-	(251,895)	(249,450)	(269,000)	(269,000)
730 Information Technology	-	(64,500)	(159,249)	(85,200)	(85,200)
750 Utility Billing	-	(326,634)	(406,132)	(492,900)	(492,900)
Net Department Funding Sources	-	(643,029)	(814,831)	(847,100)	(847,100)
Other General Fund Sources	-	(648,120)	(948,243)	(921,030)	(859,600)
Total Rev / Funding Sources	**-**	**(1,291,149)**	**(1,763,074)**	**(1,768,130)**	**(1,706,700)**

Department Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
710 Finance	4.90	4.60	The Administrative Assistant position share by
730 Information Technology	0.20	0.20	the Finance Department and the City Manager was
750 Utility Billing	3.20	3.20	eliminated
Total Staffing	8.30	8.00	

Finance Department General Fund Summary





Finance

Finance Division

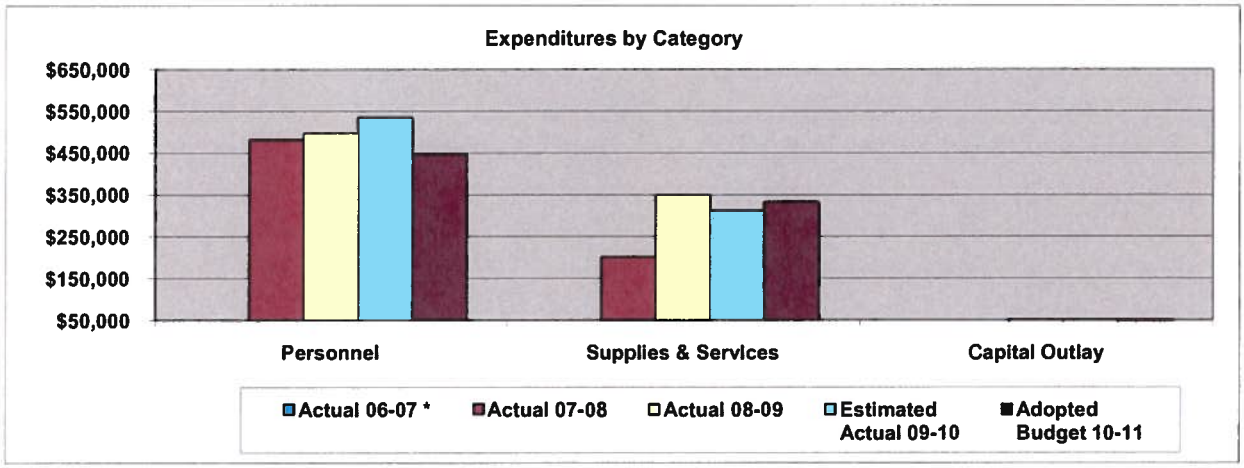
Div. No. 710

Mission: Maintains financial records, invests City's money, oversees the annual audit and prepares narrative for audit report, maintains Business Licenses and Miscellaneous Receivables

	Actual 06-07 *	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel		481,292	496,829	534,500	445,600
Supplies & Services		200,603	348,523	311,800	332,100
Capital Outlay			19,940	15,000	-
Total Division	-	**681,895**	**865,292**	**861,300**	**777,700**
Less General Fund Cost Allocations	-	**(430,000)**	**(615,843)**	**(594,297)**	**(512,700)**
Net Total Division	-	**251,895**	**249,449**	**267,003**	**265,000**
Revenues / Funding Sources					
General Fees		(4,140)	(4,135)	(3,500)	(3,500)
Miscellaneous Revenues		(28)	(3,435)	(500)	(500)
Interfund Transfers in		(247,727)	(241,880)	(265,000)	(265,000)
Total Division Sources	-	**(251,895)**	**(249,450)**	**(269,000)**	**(269,000)**
Other General Fund Sources	-	**(430,000)**	**(615,842)**	**(592,300)**	**(508,700)**
Total Rev / Funding Sources	-	**(681,895)**	**(865,292)**	**(861,300)**	**(777,700)**

* Note: Prior to Fiscal Year 2007-08, the Finance Department was accounted for in an internal service fund

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Accounting Assistant II	0.70	0.70	The Administrative Assistant position shared by
Accounting Technician	2.00	2.00	City Manager and Finance was eliminated
Administrative Assistant	0.30		
Finance Director	0.60	0.60	
Finance Manager	1.30	1.30	
Total FTE's	4.90	4.60	



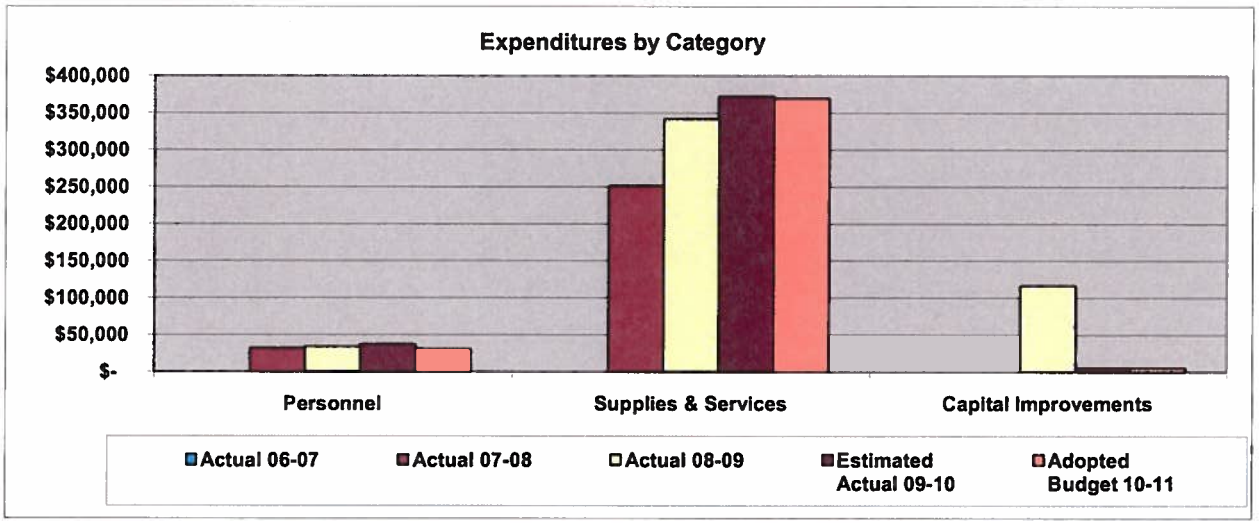
Finance — Information Technology — Div. No. 730

Mission: Maintains City's computer system including the financial management system, utilty billing system, and building permit software. This service is contracted out.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel		31,333	33,726	36,600	30,700
Supplies & Services		251,287	341,688	372,330	369,100
Capital Improvements			116,236	5,000	5,000
Total Division	-	**282,620**	**491,650**	**413,930**	**404,800**
Less General Fund Cost Allocations		**(218,120)**	**(371,581)**	**(285,612)**	**(319,600)**
Net Total Division	-	**64,500**	**120,069**	**128,318**	**85,200**
Revenues / Funding Sources					
Interfund Transfers in		(64,500)	(159,249)	(85,200)	(85,200)
Total Division Sources	-	**(64,500)**	**(159,249)**	**(85,200)**	**(85,200)**
Other General Fund Sources	-	**(218,120)**	**(332,401)**	**(328,730)**	**(319,600)**
Total Rev / Funding Sources	-	**(282,620)**	**(491,650)**	**(413,930)**	**(404,800)**

* Note: Prior to Fiscal Year 2007-08, the Finance Department was accounted for in an internal service fund

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Finance Director	0.20	0.20	There were no staffing changes in FY 2010-11
Total FTE's	**0.20**	**0.20**	

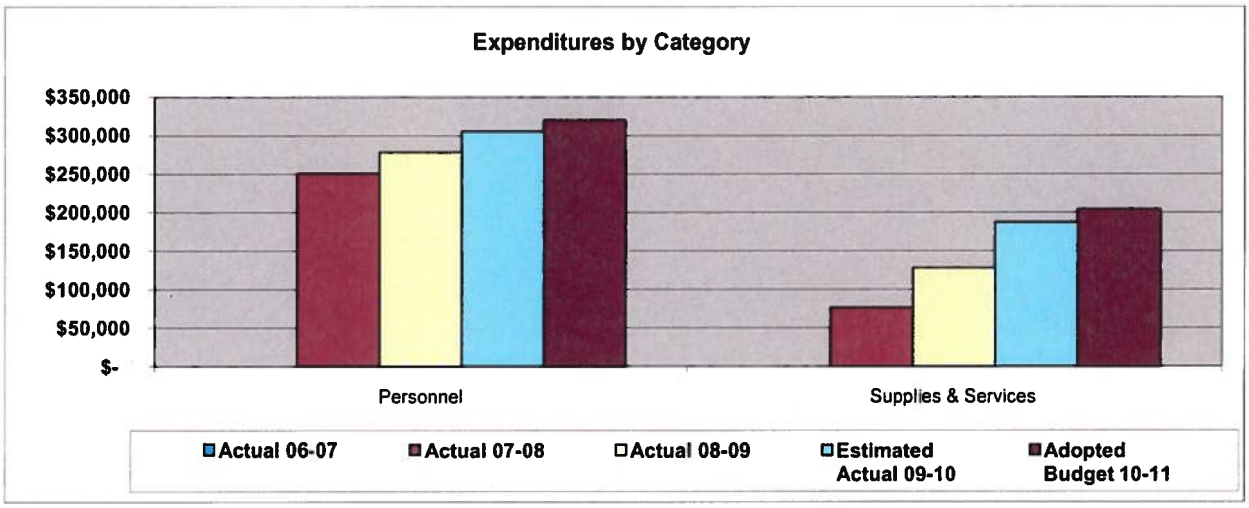


Finance — Utility Billing — Div. No. 750

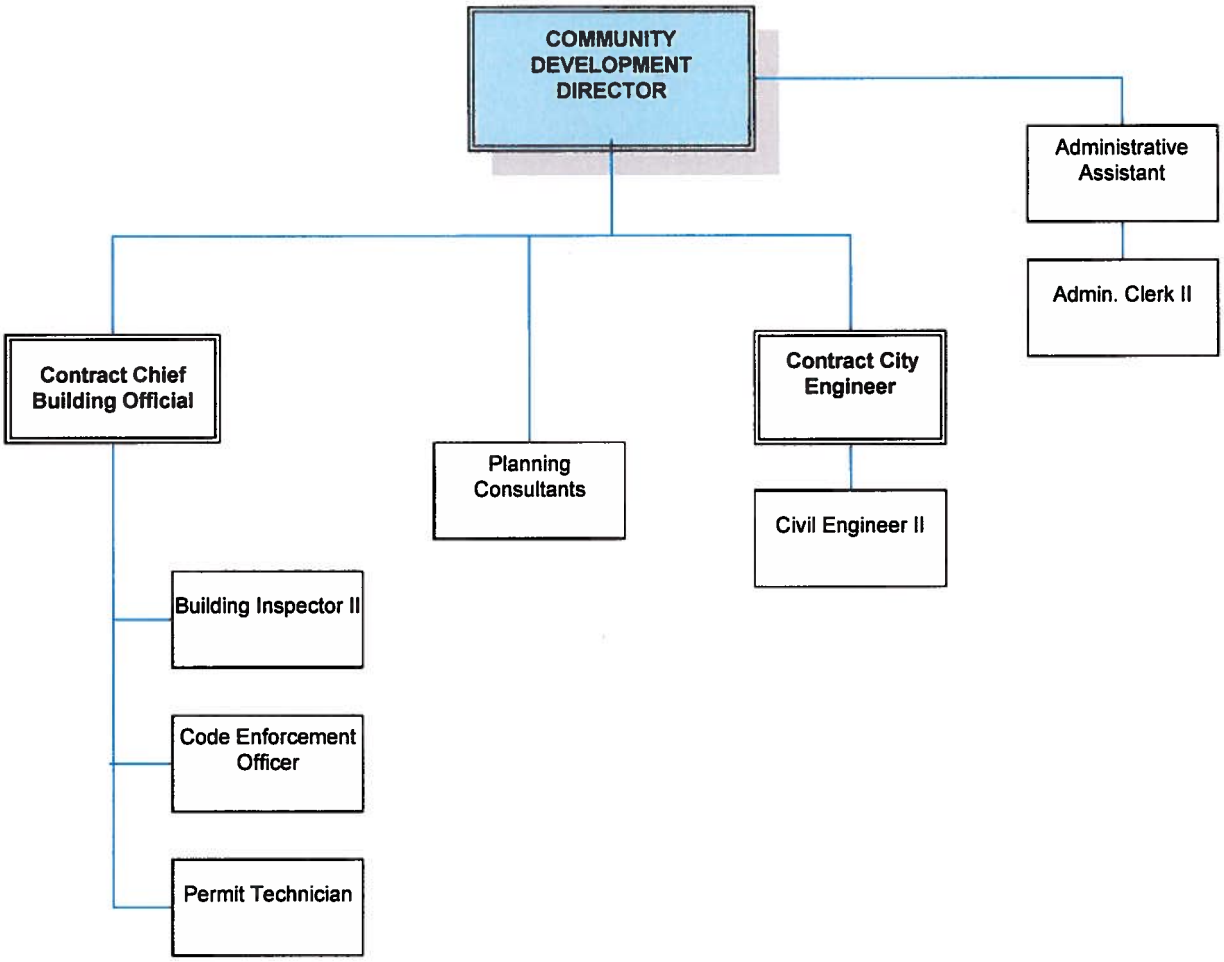
Mission: To prepare Monthly Utility Billing, receive customer payments, provides customer service at the public counter and over the phone.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel		250,515	278,420	305,400	320,000
Supplies & Services		76,119	127,712	187,500	204,200
Total Division	-	**326,634**	**406,132**	**492,900**	**524,200**
Revenues / Funding Sources					
Interfund Transfers in		(326,634)	(406,132)	(492,900)	(492,900)
Total Division Sources	-	**(326,634)**	**(406,132)**	**(492,900)**	**(492,900)**
Other General Fund Sources	-	-	-	-	**(31,300)**
Total Rev / Funding Sources	-	**(326,634)**	**(406,132)**	**(492,900)**	**(524,200)**

Division Staffing - FTE's	Budget 08-09	Budget 10-11	Comments
Accounting Assistant II	1.30	1.30	There were no staffing changes in FY 2010-11
Accounting Assistant III	1.00	1.00	
Finance Director	0.20	0.20	
Finance Manager	0.70	0.70	
Total FTE's	**3.20**	**3.20**	



COMMUNITY DEVELOPMENT



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Community Development

The Department provides services and information related to building permits, community preservation, development projects, economic development, and planning activities for the City of American Canyon.

Accomplishments for Fiscal Year 2009-10

- Received City Council approved for an indemnification ordinance to improve the development review process
- Received City Council approval to prezone Clarke Ranch West and the Eucalyptus Grove
- Submitted a LAFCO application to annex the future American Canyon High School site, Clarke Ranch West, the Eucalyptus Grove, Panattoni, Headwaters and Atkins properties
- Coordinated with LAFCO to complete the comprehensive update to the city's Sphere of Influence
- City Council reached agreement with the County on a RHNA Transfer and Property Tax Share for the Town Center
- Commenced the Citywide Traffic Review Panel
- Made significant progress on updating the Sign Ordinance
- Received City Council approval of a Reasonable Accommodation ordinance
- Received City Council approval of a General Plan and Zoning Code amendment to conform with the Napa County Airport Land Use Plan
- Received City Council approval of streamlined Child Care permit procedures
- Served as the City liaison to the Countywide TBID adoption process
- Obtained ABAG's approval to designate the Highway 29 Corridor as a PDA
- Issued 35 New Single Family Residential permits and 43 commercial permits
- Certificate of Occupancy issued for Kendall Jackson Warehouse and Senior Center
- Flag Pole installation at Veterans Park and the Aquatic Center
- Building Division: Completed 3,620 building inspections
- Code Enforcement: Opened 397 cases, Closed 389 cases
- Engineering Division: Completed 38 applications
- Approved construction permits for Auto Zone Retail Building, Coca Cola Anaerobic Waste Project , RV Storage at Green Island Road and Del Monte Meats Expansion
- Implemented procedure for grading permit intake and distribution

Community Development Department

Accomplishments for Fiscal Year 2009-10 (Continued)

- Formation of Plan Review Committee
- Streamlined the business license and sign permit process
- Streamlined communication and permitting process with the Fire Department
- Cross trained Building Inspectors to serve as Public Works Inspections and completed 70 inspections
- Assisted Finance Department with the annual business license renewals
- Welcomed the new City of American Canyon website. Improved and expanded the Building, Code Enforcement, and Planning Division pages
- Provided Utility Counter coverage when needed
- Scanning of all current building permits to CRW
- Created new building handouts- Window Replacement, Sign Requirements, Swimming Pool Requirements and Reroofing.
- Updated fee schedule for building, planning and engineering in CRW and public documents

Goals for Fiscal Year 2010-11

- Obtain LAFCO approval of annexation for the American Canyon High School site, Clarke Ranch West, the Eucalyptus Grove, Panattoni, and Headwaters properties
- Submit a LAFCO annexation application for the Town Center property
- Submit streamlined procedures for Temporary Outdoor Events to the City Council
- Present an updated development review process to the City Council
- Present standard conditions of approval to the City Council for adoption
- Submit a revised Sign Ordinance to the City Council for adoption
- Submit a Caregiver Ordinance to the City Council for adoption
- Present the City's Traffic Model to the City Council for adoption
- Present the new California Building and Fire Code to the City Council for adoption
- Present an RFP scope of work for an Affordable Seniors Housing project at the Valley Vista site to the City Council
- Complete work with Traffic Review Panel and present revised traffic impact fees to the City Council.
- Submit the Housing Element update to the Planning Commission and City Council

Community Development Department

Goals for Fiscal Year 2010-11 (Continued)

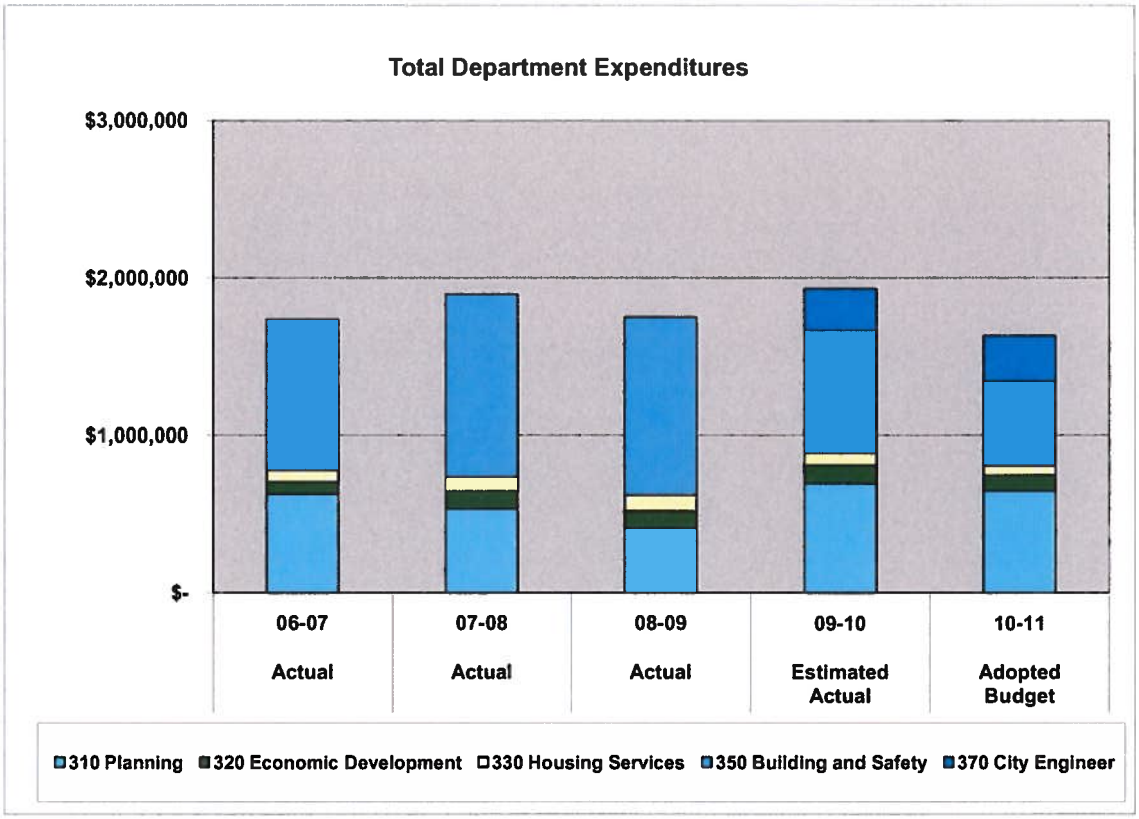
- In conjunction with the Works Department and NCTPA, prepare an RFP scope of work for the Highway 29 PDA which will include long and short-term Highway 29 Corridor Plan strategy to the City Council
- Submit a formal code enforcement program, including a graffiti removal element, to the Mayor and City Council
- Post Quarterly Code Enforcement reports on the department website
- Update the Engineering Division website page with improved processing procedures
- In conjunction with the City Manager and Public Works Departments, present a community Financing District Model to undertake key infrastructure improvements for the new developing areas of American Canyon
- Evaluate and present a General Plan Amendment to revise the City's Circulation and Land Use Elements consistent with the updated traffic impact fee analysis

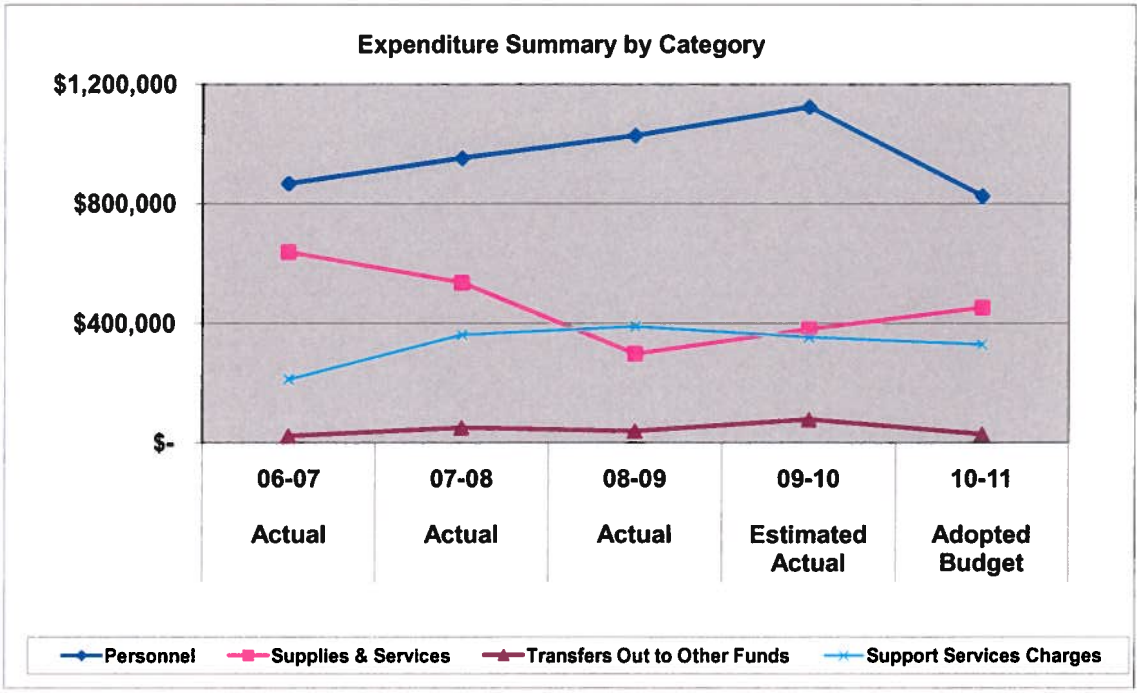
Community Development Department General Fund Summary

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	867,074	951,982	1,028,229	1,123,700	826,000
Supplies & Services	636,657	533,606	295,813	378,550	451,000
Transfers Out to Other Funds	21,600	49,200	37,300	76,700	27,500
Support Services Charges	211,400	360,925	388,639	352,700	328,400
Total for Department	**1,736,731**	**1,895,713**	**1,749,981**	**1,931,650**	**1,632,900**
Department By Division					
310 Planning	628,076	534,771	413,003	693,300	646,400
320 Economic Development	76,418	114,542	106,010	115,600	100,500
330 Housing Services	75,320	90,133	99,311	78,100	59,500
350 Building and Safety	956,917	1,156,267	1,131,657	778,100	540,400
370 City Engineer	-	-	-	266,550	286,100
Total Department	**1,736,731**	**1,895,713**	**1,749,981**	**1,931,650**	**1,632,900**
Revenues / Funding Sources - See Divisions for Details					
310 Planning	(98,754)	(82,872)	(38,921)	(288,800)	(208,800)
320 Economic Development	-	-	-	-	-
330 Housing Services	-	-	-	-	-
350 Building and Safety	(358,657)	(581,903)	(533,604)	(268,210)	(243,200)
370 City Engineer	-	-	-	(127,500)	(114,500)
Net Department Funding Sources	(457,411)	(664,775)	(572,525)	(684,510)	(566,500)
Other General Fund Sources	(1,279,320)	(1,230,938)	(1,177,456)	(1,247,140)	(1,066,400)
Total Rev / Funding Sources	**(1,736,731)**	**(1,895,713)**	**(1,749,981)**	**(1,931,650)**	**(1,632,900)**

Department Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
310 Planning	4.30	1.60	
320 Economic Development	0.45	0.45	
330 Housing Services	0.50	0.35	
350 Building and Safety	5.90	2.75	
370 City Engineer	1.30	1.30	
Total Staffing	12.45	6.45	Staff reduced by 6.0 FTE in FY 2010-11

Community Development Department General Fund Summary



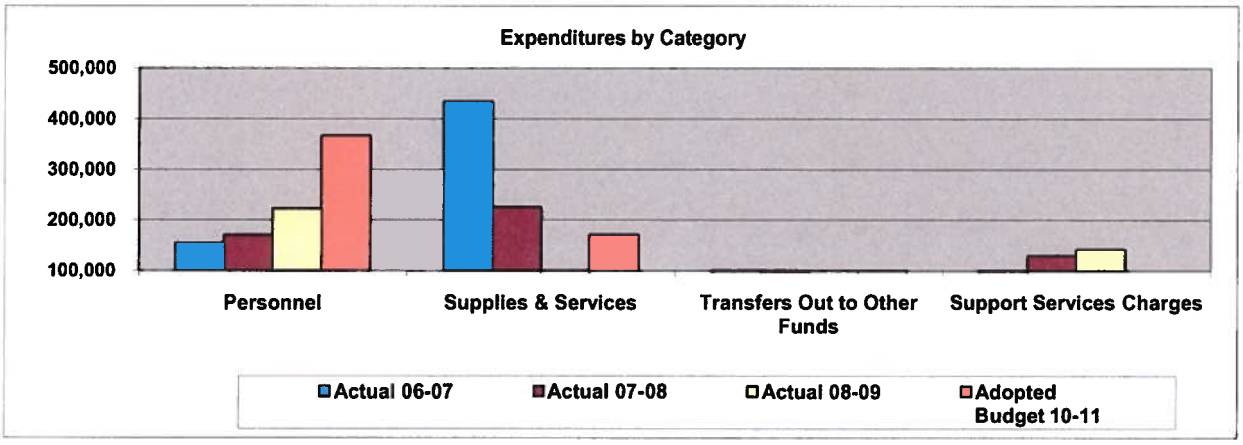


Community Devevelopment — Planning Division — Div. No. 310

Mission: To provide a long range City planning vision and to process development permits in line with that vision and current planning requirements.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	154,361	170,341	222,936	387,600	366,500
Supplies & Services	434,115	225,230	40,907	163,700	171,000
Transfers Out to Other Funds	2,600	9,700	7,300	26,800	8,900
Support Services Charges	37,000	129,500	141,860	115,200	100,000
Total Division	**628,076**	**534,771**	**413,003**	**693,300**	**646,400**
Revenues / Funding Sources					
Planning Permits	(21,630)	(20,490)	(9,892)	(280,000)	(200,000)
Home Occumpation Permits	(1,980)	(2,048)	(2,395)	(2,000)	(2,000)
Subdivision Fees	(25,482)	(952)	-	-	-
Gen Plan/Zoning Fees	(6,249)	(3,478)	(14,208)	(4,000)	(4,000)
Grading Permits	(4,835)	(22,470)	-	-	-
Miscellaneous Revenues	(38,578)	(33,434)	(12,426)	(2,800)	(2,800)
Total Division Sources	**(98,754)**	**(82,872)**	**(38,921)**	**(288,800)**	**(208,800)**
Other General Fund Sources	**(529,322)**	**(451,899)**	**(374,082)**	**(404,500)**	**(437,600)**
Total Rev / Funding Sources	**(628,076)**	**(534,771)**	**(413,003)**	**(693,300)**	**(646,400)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Administrative Clerk I	0.50	0.50	
Admnistrative Assistant	0.55	0.55	
Assistant Planner	0.85	-	
Associate Planner	1.00		
Community Development Director	0.55	0.55	
Sr. Planner	0.85	-	
Total FTE's	4.30	1.60	Staff reduced by 2.7 FTE in FY 2010-11

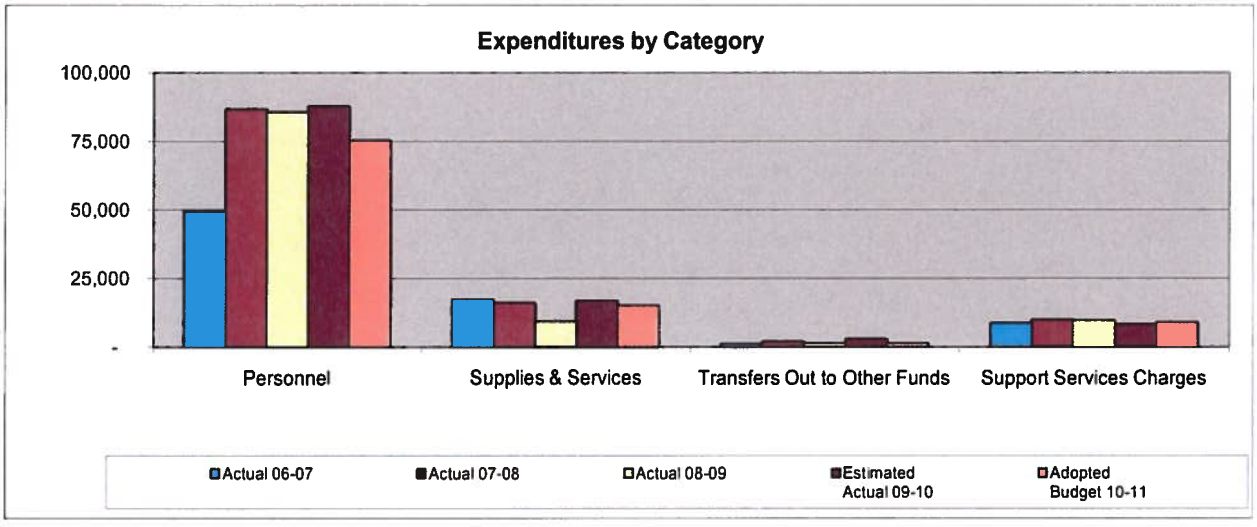


Community Devevelopment — Economic Development — Div. No. 320

Mission: To provide economic development services to the citizens of the City and surrounding area thereby adding to the tax base of the City.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	49,465	86,759	85,688	87,800	75,300
Supplies & Services	17,353	16,083	9,342	16,800	15,100
Transfers Out to Other Funds	1,000	1,800	1,300	2,800	1,200
Support Services Charges	8,600	9,900	9,680	8,200	8,900
Total Division	**76,418**	**114,542**	**106,010**	**115,600**	**100,500**
Revenues / Funding Sources					
Other General Fund Sources	**(76,418)**	**(114,542)**	**(106,010)**	**(115,600)**	**(100,500)**
Total Rev / Funding Sources	**(76,418)**	**(114,542)**	**(106,010)**	**(115,600)**	**(100,500)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Administrative Assistant	0.10	0.10	
City Manager	0.20	0.20	
Community Development Director	0.15	0.15	
Total FTE's	**0.45**	**0.45**	

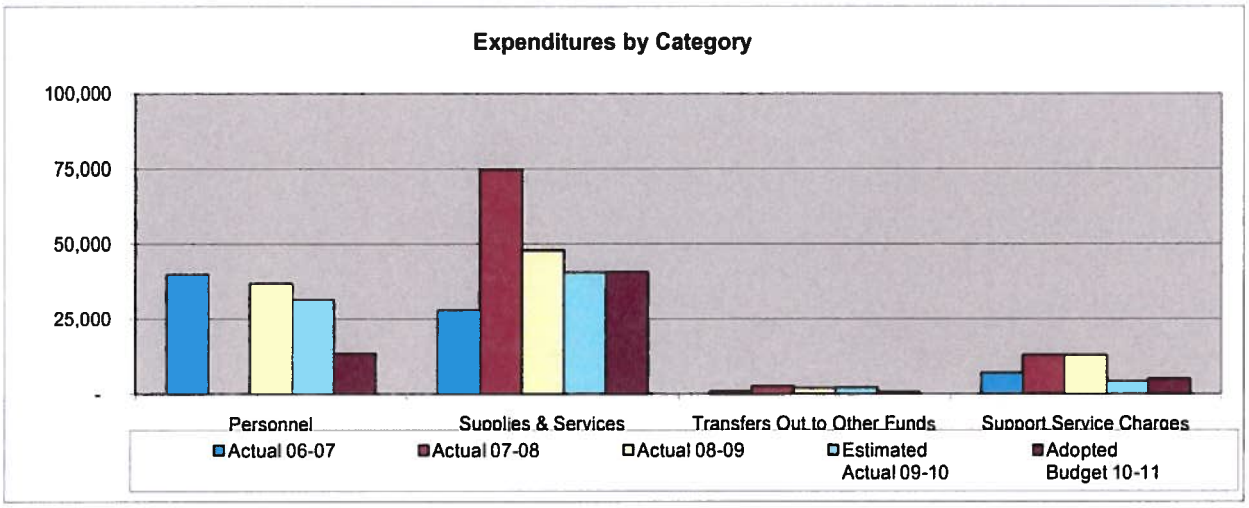


Community Devevelopment — Housing Services — Div. No. 330

Mission: To provide a mix of housing types for all levels of income.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	39,712	-	36,729	31,300	13,300
Supplies & Services	27,808	74,633	47,818	40,500	40,600
Transfers Out to Other Funds	800	2,600	2,000	2,200	700
Support Service Charges	7,000	12,900	12,764	4,100	4,900
Total Division	**75,320**	**90,133**	**99,311**	**78,100**	**59,500**
Revenues / Funding Sources					
Other General Fund Sources	**(75,320)**	**(90,133)**	**(99,311)**	**(78,100)**	**(59,500)**
Total Rev / Funding Sources	**(75,320)**	**(90,133)**	**(99,311)**	**(78,100)**	**(59,500)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Administrative Assistant	0.05	0.05	
Assistant Planner	0.10	-	
City Manager	0.25	0.25	
Community Development Director	0.05	0.05	
Sr. Planner	0.05	-	
Total FTE's	**0.50**	**0.35**	Staff reduced by 0.15 FTE in FY 2010-11

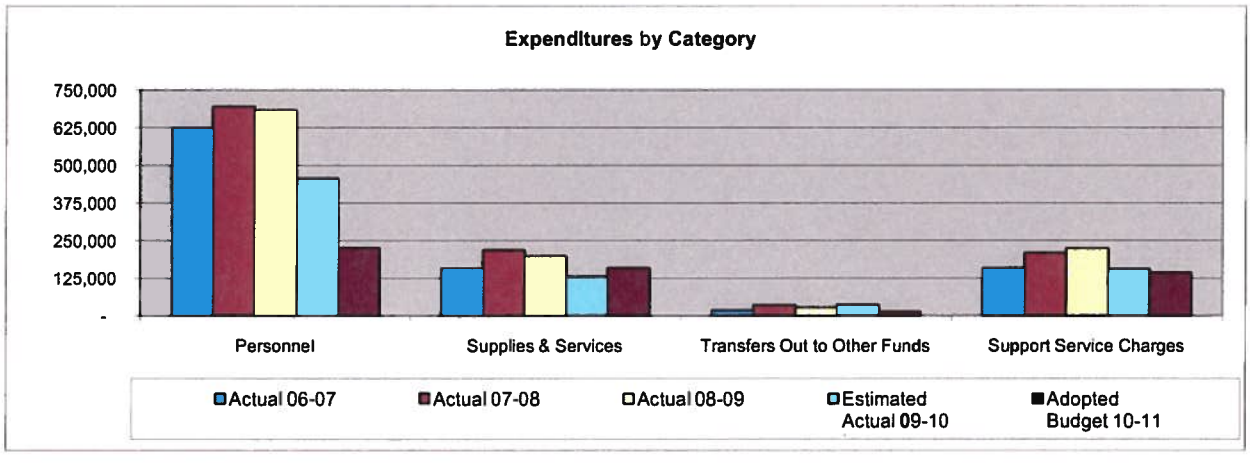


Community Devevelopment — Building and Safety — Div. No. 350

Mission: To provide building permitting, inspection, and code enforcement services while protecting and ensuring the health, safety, and welfare of the City residents.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	623,536	694,882	682,876	456,500	224,900
Supplies & Services	157,381	217,660	197,746	129,400	158,200
Transfers Out to Other Funds	17,200	35,100	26,700	36,800	13,200
Support Service Charges	158,800	208,625	224,335	155,400	144,100
Total Division	**956,917**	**1,156,267**	**1,131,657**	**778,100**	**540,400**
Revenues / Funding Sources					
Building Permits	(256,543)	(410,608)	(383,396)	(300,000)	(200,000)
Issuance Fees	(18,124)	(9,949)	(8,800)	-	-
Building Plan Check Fees	(66,569)	(93,106)	(139,940)	(35,000)	(35,000)
Title 24 Fee	(9,693)	(33,242)	(240)	-	-
Special Investigation	(821)	(22,101)	(1,616)	(200)	(200)
Other Fines and Fees	(6,462)	(12,576)		(8,000)	(8,000)
Miscellaneous Revenues	(445)	(321)	388	74,990	-
Total Division Sources	**(358,657)**	**(581,903)**	**(533,604)**	**(268,210)**	**(243,200)**
Other General Fund Sources	**(598,260)**	**(574,364)**	**(598,053)**	**(509,890)**	**(297,200)**
Total Rev / Funding Sources	**(956,917)**	**(1,156,267)**	**(1,131,657)**	**(778,100)**	**(540,400)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Administrative Assistant	0.15	0.15	
Administrative Clerk I	0.50	0.50	
Assistant Planner	0.05	-	
Building Inspector II	2.00	-	
Chief Building Official	1.00	-	
Code Enforcement Officer	1.00	1.00	
Community Development Director	0.10	0.10	
Permit Technician	1.00	1.00	
Sr. Planner	0.10	-	
Total FTE's	**5.90**	**2.75**	Staff reduced by 3.15 FTE in FY 2010-11



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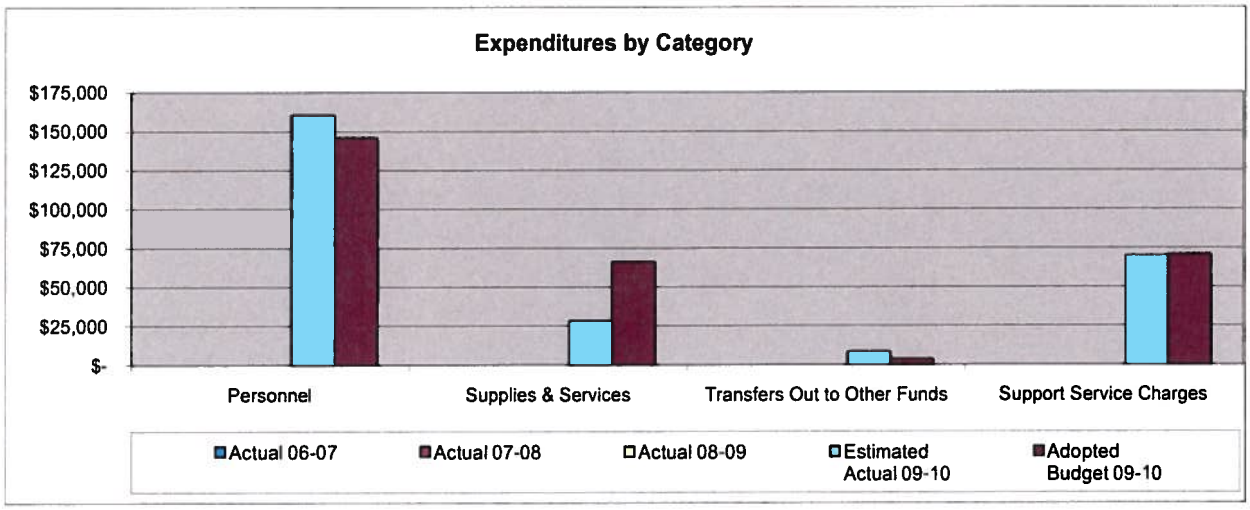
Community Devevelopment — City Engineer — Div. No. 370

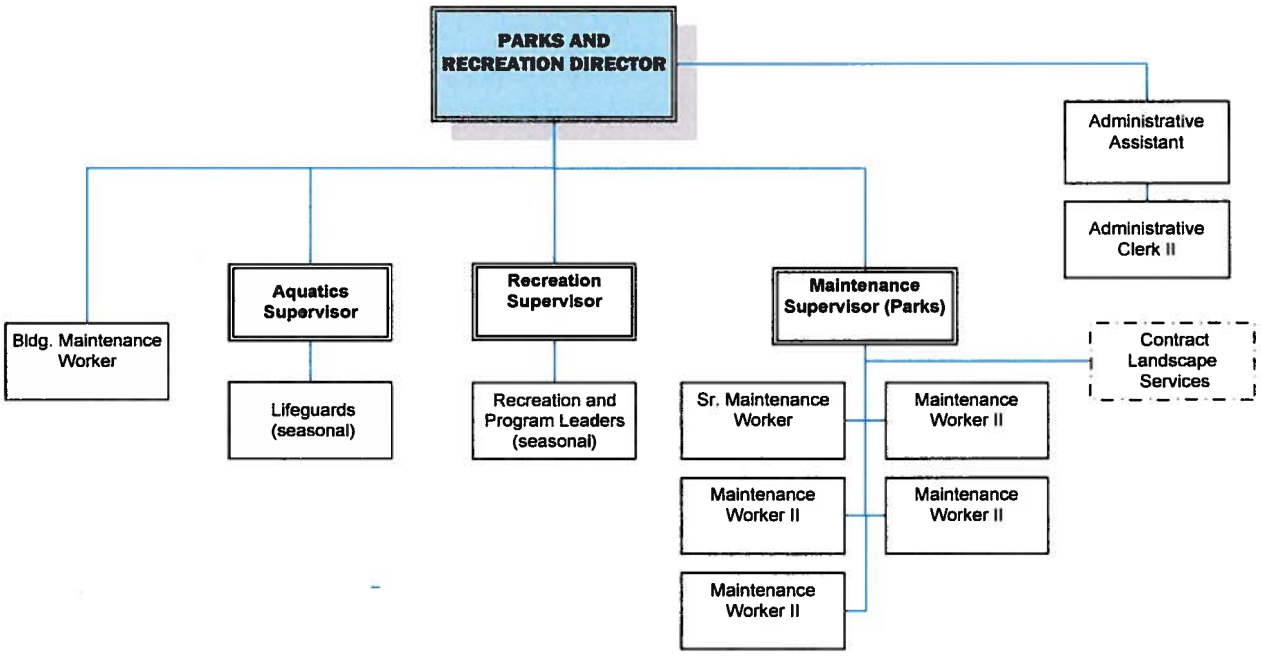
Mission: Ensures that private development complies with City Engineering design standards established to foster a sense of place and to further economic development objectives.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 09-10
Expenditures					
Personnel				160,500	146,000
Supplies & Services				28,150	66,100
Transfers Out to Other Funds				8,100	3,500
Support Service Charges				69,800	70,500
Total Division	-	-	-	**266,550**	**286,100**
Revenues / Funding Sources					
Discretionary Planning Applications				(75,000)	(75,000)
County Building Permits				(1,500)	(1,500)
Grading/Improvement Permit Review				(51,000)	(38,000)
Total Division Sources	-	-	-	**(127,500)**	**(114,500)**
Other General Fund Sources	-	-	-	**(139,050)**	**(171,600)**
Total Rev / Funding Sources	-	-	-	**(266,550)**	**(286,100)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Administrative Assistant	0.15	0.15	This division first budgeted for fiscal year 2009-10
Civil Engineer II	1.00	1.00	
Community Development Director	0.15	0.15	
Total FTE's	**1.30**	**1.30**	



PARKS AND RECREATION DISTRICT



Parks and Recreation Department

The Parks and Recreation Department performs a variety of functions, as described below that serve the residents of American Canyon. The Department strives to enhance the quality of life in American Canyon through programs, parks, facilities and services.

- The Department plans and supervises all City-sponsored recreation classes, programs and special events as well as youth and adult sports, and senior citizen programs. The Department oversees the operation of the Phillip West Aquatic Center and aquatic programs such as swim lessons, open swim, fitness swim, and swim team.

- The Parks and Recreation Department Director performs a variety of duties related to the planning and development of new parks and recreation facilities as well as the improvement of existing parks

- The Department is responsible for the City's operation of the Community Center gym, Recreation Center, Senior Multi-Use Center, Napa River Bay Trail and for all park and recreation facility scheduling and rental.

- The Department provides staff support for the Parks and Community Services Commission and the Open Space Advisory Committee. This involves staffing Commission and Committee meetings, developing and distributing agenda packets and providing required research and report writing.

- The Department is responsible for the City's Building Maintenance function and the Park Maintenance function.

- The Parks and Recreation Department serves as the City's public transportation liaison to the Napa County Transportation and Planning Agency and the Parks and Recreation Director represents the City on the NCTPA's Technical Advisory Committee.

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Accomplishments for Fiscal Year 2009-2010

- Completed and opened the Senior Multi-Use Center (joint project with Public Works).
- Completed and opened the Napa River Bay Trail (joint project with Public Works).
- Completed Request for Proposals (RFP's) and rebid the City's janitorial contract and the landscape maintenance contract for Zone 2 of the Landscaping and Lighting Assessment District (Vintage Ranch).
- The Public Access Trail Corridor Agreement that will enable the future opening of the Congressman Mike Thompson Loop Trail was approved by City Council and the Napa-Vallejo Waste Management Authority. The effort to get a trail around the closed landfill for public access was started in December 2004.
- In conjunction with Public Works, converted irrigation systems to reclaimed water use. Currently three parks and numerous landscapes throughout the City are using the recycled water.
- Assisted the Ahi Swim Team transition from a City program to an independent youth sports organization.
- City Council and the Napa Valley Unified School District approved a Joint Use Agreement between the City of American Canyon and the Napa Valley Unified School District for the use of the American Canyon High School Performing Arts Theatre.

Goals for Fiscal Year 2010-2011

- Completion and adoption of the Parks and Community Services Master Plan.
- Implementation of updated Recreation Program fees and program modifications to generate additional revenue and reduce program costs.
- Development of a Bicycle Master Plan for the City of American Canyon. Consultant work for the Bicycle Master Plan is being provided by the Napa County Transportation and Planning Agency.
- Adoption of the preferred route of the Napa Valley Vine Trail through American Canyon.
- Construct bocce courts at Veterans Memorial Park utilizing volunteer labor and donations.

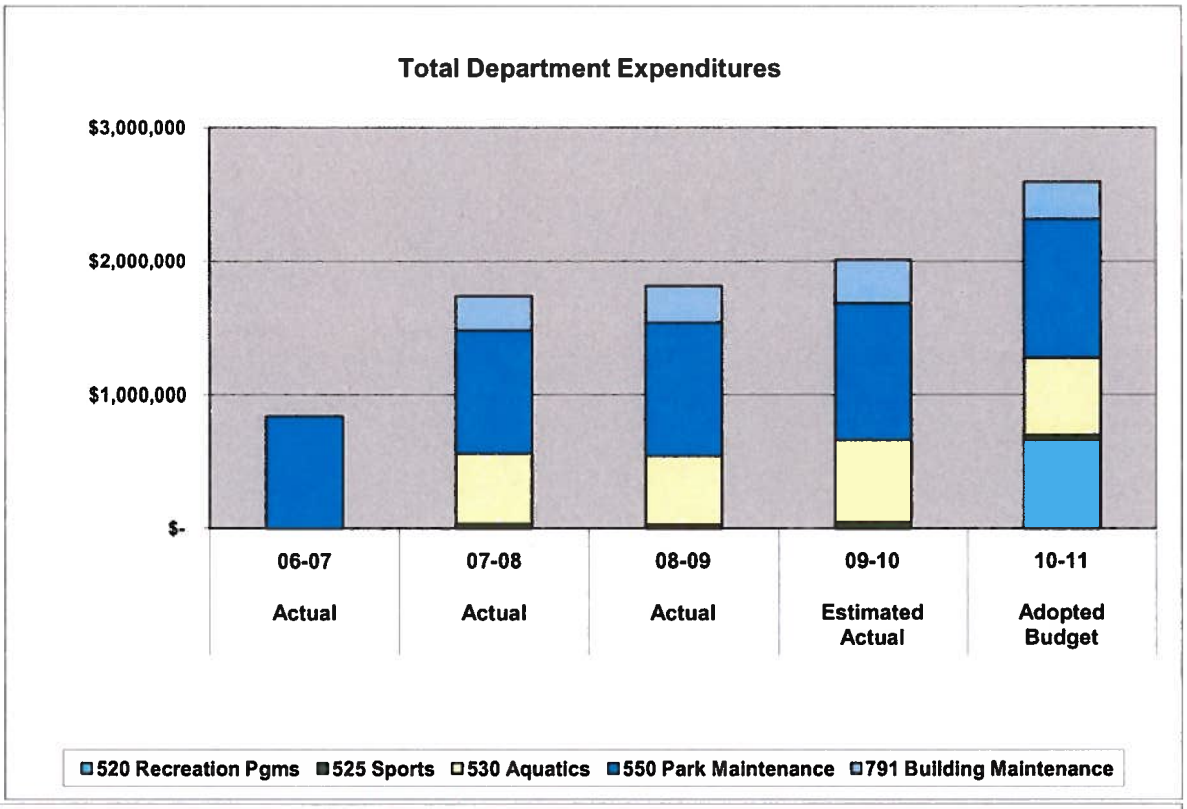
Parks and Recreation Department General Fund Summary

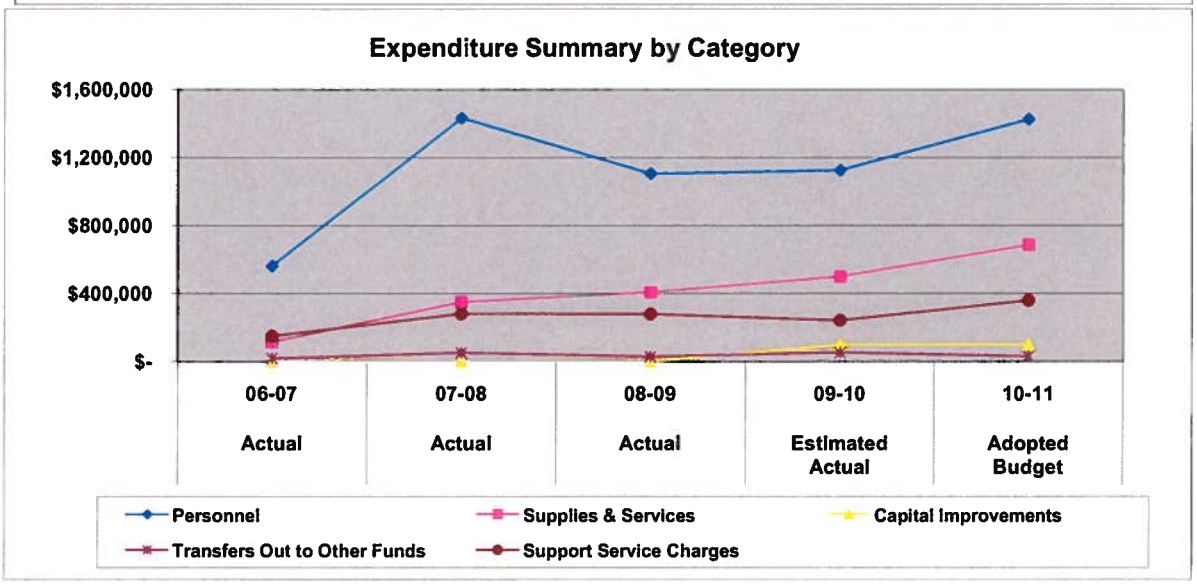
Park and Rec Department Progams except Park Maintenance were accounted for in a special revenue fund prior to FY 07-08

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	560,778	1,432,506	1,105,310	1,124,800	1,424,200
Supplies & Services	111,590	346,955	404,873	497,450	683,400
Capital Improvements	-	-	-	97,700	99,500
Transfers Out to Other Funds	17,200	50,000	26,900	52,000	29,700
Support Service Charges	148,300	279,700	277,510	240,900	358,900
Total for Department	**837,868**	**2,109,161**	**1,814,593**	**2,012,850**	**2,595,700**
Less General Fund Cost Allocations		**(156,404)**	**(181,153)**	**(250,100)**	**(239,200)**
Net Total Department	**837,868**	**1,952,757**	**1,633,440**	**1,762,750**	**2,356,500**
Department By Division					
520 Recreation Pgms					656,200
525 Sports	-	35,665	27,780	47,600	43,700
530 Aquatics	-	525,520	514,392	613,250	578,200
550 Park Maintenance	837,868	921,301	997,518	1,024,400	1,039,100
791 Building Maintenance	-	255,804	274,903	326,100	278,500
Total for Department	**837,868**	**1,738,290**	**1,814,593**	**2,011,350**	**2,595,700**
Revenues / Funding Sources - See Divisions for Details					
520 Recreation Pgms	-	(195,357)	(176,439)	(197,410)	(173,800)
525 Sports	-	(28,181)	(29,736)	(28,000)	(32,000)
530 Aquatics	-	(106,140)	(95,339)	(75,200)	(102,300)
550 Park Maintenance	(31,900)	(32,920)	(33,842)	(34,000)	(34,000)
791 Building Maintenance	-	(99,400)	(93,750)	(76,000)	(76,000)
Department Funding Sources	(31,900)	(461,998)	(429,106)	(410,610)	(418,100)
Other General Fund Sources	(805,968)	(1,276,292)	(1,385,487)	(1,600,740)	(2,177,600)
Total Rev / Funding Sources	**(837,868)**	**(1,738,290)**	**(1,814,593)**	**(2,011,350)**	**(2,595,700)**

Department Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
520 Recreation Pgms	2.80	2.80	
525 Sports	-	-	No staffing changes in Fiscal Year 2010-11
530 Aquatics	2.35	2.35	
550 Park Maintenance	6.00	6.00	
791 Building Maintenance	1.15	1.15	
Total Staffing	12.30	12.30	

Parks and Recreation Department General Fund Summary





Recreation Programs

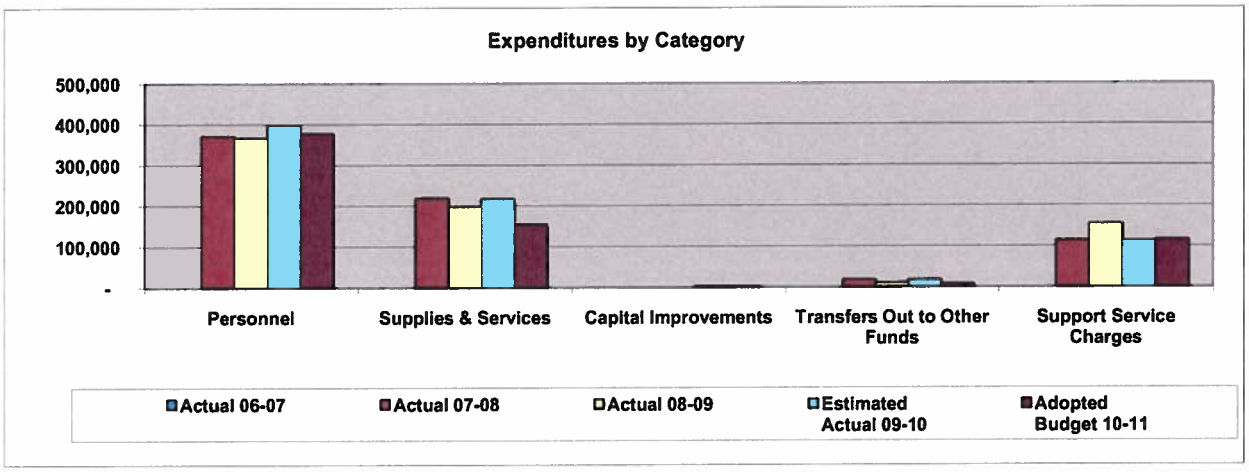
Div. No. 520

Mission: To Provide Recreation Activities and services to the Community

The Rec Progam was accounted for in a special revenue fund prior to FY 07-08

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	-	370,871	366,084	397,500	376,900
Supplies & Services		219,123	196,090	216,475	154,800
Capital Improvements		-	-	1,500	1,500
Transfers Out to Other Funds		17,600	9,200	17,500	7,500
Support Service Charges		114,100	153,620	112,000	115,500
Total Division	-	**721,694**	**724,994**	**744,975**	**656,200**
Revenues / Funding Sources					
Recreation Fees and Charges		(130,177)	(149,361)	(173,910)	(149,800)
Facility Rentals		(30,592)	(25,976)	(19,400)	(19,900)
Other		(34,588)	(1,102)	(4,100)	(4,100)
Total Division Sources	-	**(195,357)**	**(176,439)**	**(197,410)**	**(173,800)**
Other General Fund Sources	-	**(526,337)**	**(548,555)**	**(547,565)**	**(482,400)**
Total Rev / Funding Sources	-	**(721,694)**	**(724,994)**	**(744,975)**	**(656,200)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Administrative Assistant	0.45	0.45	
Administrative Clerk II	0.70	0.70	Does not iinclude bus driver
Park & Recreation Director	0.30	0.30	who works as needed at
Recreation Supervisor	1.00	1.00	special events
Maintenance Supervisor	0.05	0.05	
Maintenance Workers	0.30	0.30	
Total FTE's	2.80	2.80	



Sports

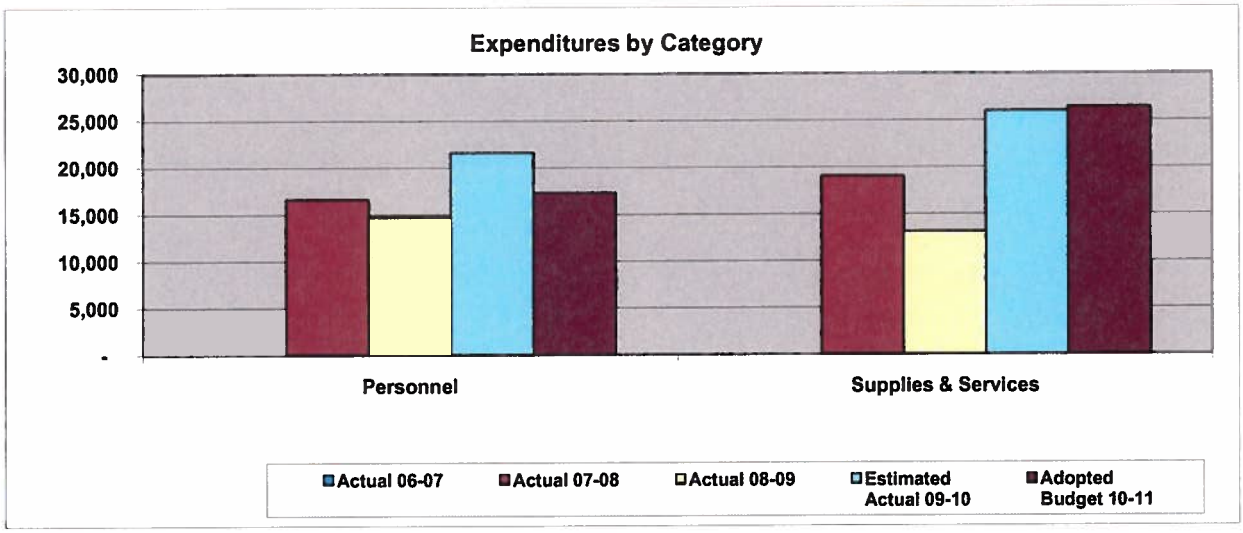
Div. No. 525

Mission: To Provide Sports Progamming; Primarily Year Round Basketball

The Sports Progam was accounted for in a special revenue fund prior to FY 07-08

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel		16,625	14,697	21,600	17,300
Supplies & Services		19,040	13,083	26,000	26,400
Total Division	-	**35,665**	**27,780**	**47,600**	**43,700**
Revenues / Funding Sources					
Sports Program Fees		(27,318)	(27,471)	(26,500)	(30,500)
Other		(863)	(2,265)	(1,500)	(1,500)
Total Division Sources	-	**(28,181)**	**(29,736)**	**(28,000)**	**(32,000)**
Other General Fund Sources		**(7,484)**	**1,956**	**(19,600)**	**(11,700)**
Total Rev / Funding Sources	-	**(35,665)**	**(27,780)**	**(47,600)**	**(43,700)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
			Staffing provided by part time and seasonal staff



Aquatics

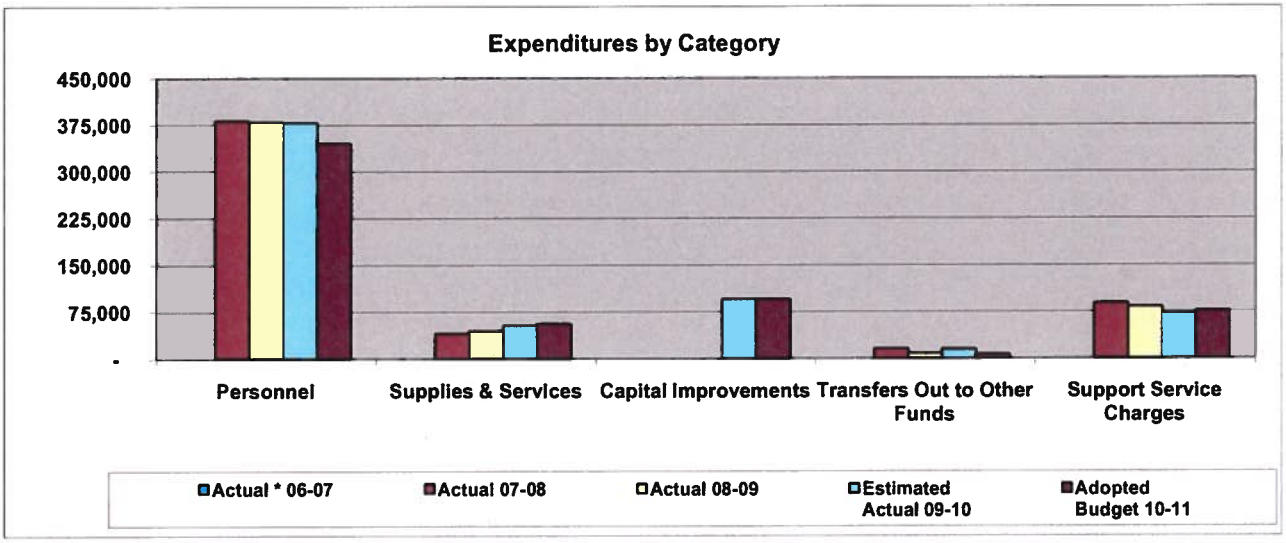
Div. No. 530

Mission: Provides Aquatic Programs to the Community

*** The Aquatics Progam was accounted for in a special revenue fund prior to FY 07-08**

	Actual * 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel		381,847	379,667	378,350	345,400
Supplies & Services		40,373	44,135	53,000	55,700
Capital Improvements				95,000	95,000
Transfers Out to Other Funds		15,200	7,900	14,600	6,300
Support Service Charges		88,100	82,690	72,300	75,800
Total Division	-	**525,520**	**514,392**	**613,250**	**578,200**
Revenues / Funding Sources					
Swim Lessons / Fees		(104,547)	(95,109)	(74,350)	(101,400)
Other		(1,593)	(230)	(850)	(900)
Total Division Sources	-	**(106,140)**	**(95,339)**	**(75,200)**	**(102,300)**
Other General Fund Sources	-	**(419,380)**	**(419,053)**	**(538,050)**	**(475,900)**
Total Rev / Funding Sources	-	**(525,520)**	**(514,392)**	**(613,250)**	**(578,200)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Administrative Assistant	0.40	0.40	
Administrative Clerk II	0.30	0.30	
Aquatics Supervisor	1.00	1.00	
Park and Rec Director	0.30	0.30	
Maintenance Supervisor	0.05	0.05	
Maintenance Worker II	0.25	0.25	
Senior Maintenance Worker	0.05	0.05	
Total FTE's	**2.35**	**2.35**	



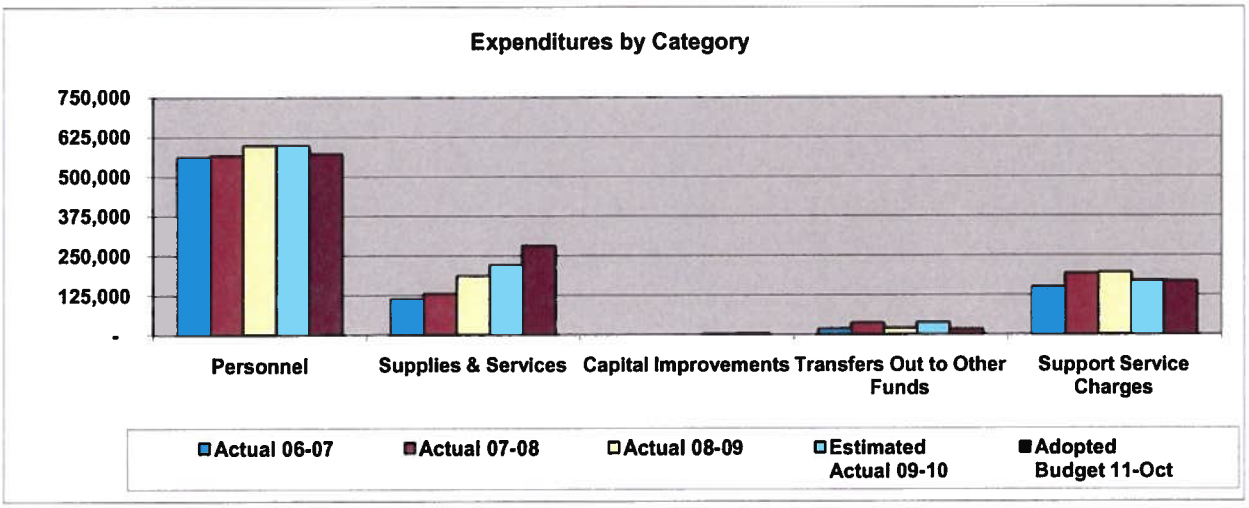
Park Maintenance

Div. No. 550

Mission: Maintenance of all Lawn, Trees and Shrubs in all City Parks and Facilities

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 11-Oct
Expenditures					
Personnel	560,778	566,043	597,550	597,750	571,600
Supplies & Services	111,590	128,858	186,148	219,450	281,000
Capital Improvements				1,200	3,000
Transfers Out to Other Funds	17,200	34,800	19,000	37,400	15,900
Support Service Charges	148,300	191,600	194,820	168,600	167,600
Total Division	**837,868**	**921,301**	**997,518**	**1,024,400**	**1,039,100**
Revenues / Funding Sources					
Transfer In from LLAD	(31,900)	(32,920)	(33,842)	(34,000)	(34,000)
Total Division Sources	**(31,900)**	**(32,920)**	**(33,842)**	**(34,000)**	**(34,000)**
Other General Fund Sources	**(805,968)**	**(888,381)**	**(963,676)**	**(990,400)**	**(1,005,100)**
Total Rev / Funding Sources	**(837,868)**	**(921,301)**	**(997,518)**	**(1,024,400)**	**(1,039,100)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Capital Projects Coordinator			
Maintenance Supervisor	0.80	0.80	
Senior Maintenance Worker	0.80	0.80	
Maintenance Worker I / II	4.00	4.00	
Senior Civil Engineer			
Park and Rec Director	0.30	0.30	
Administrative Assistant	0.10	0.10	
Total FTE's	**6.00**	**6.00**	



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Building Maintenance

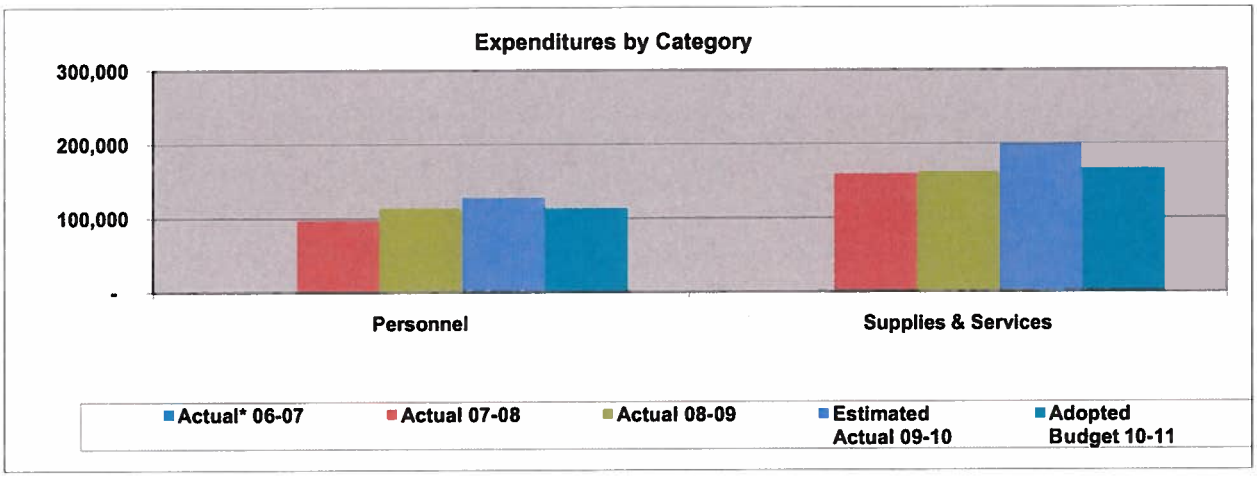
Div. No. 791

Mission: To Maintain all City Facilities to include Janitorial, Security Alarms, Door Locks and Building Related Equipment

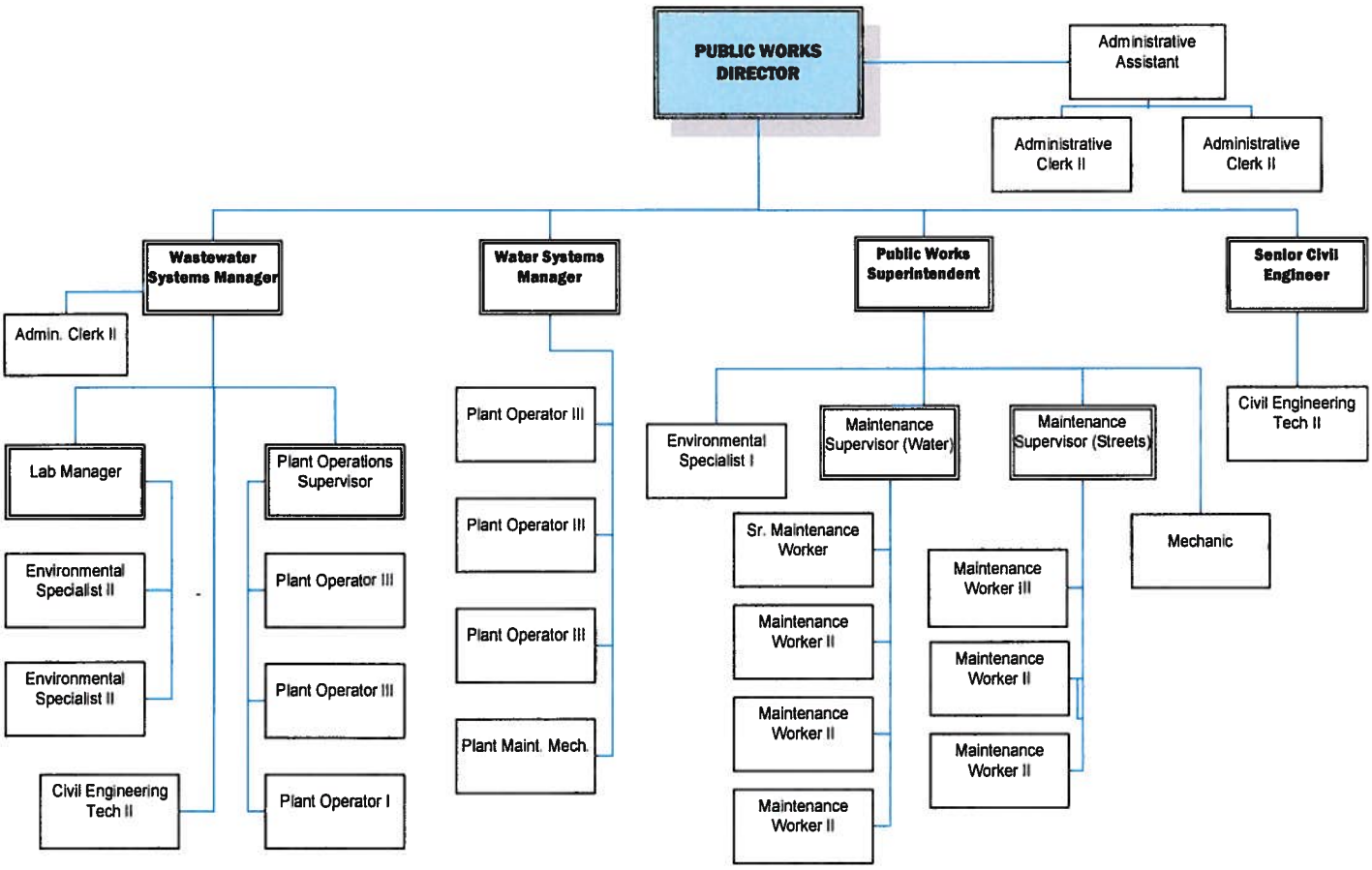
*** Building Maintenance was accounted for in an Internal Service Fund prior to FY 07-08**

	Actual* 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel		97,120	113,396	127,100	113,000
Supplies & Services		158,684	161,507	199,000	165,500
Total Division	-	**255,804**	**274,903**	**326,100**	**278,500**
Less General Fund Cost Allocations		**(156,404)**	**(181,153)**	**(250,100)**	**(239,200)**
Net Total Division	-	**99,400**	**93,750**	**76,000**	**39,300**
Revenues / Funding Sources					
Transfers In from Water Fund		(69,500)	(63,910)	(42,600)	(42,600)
Transfers In from Wastewater Fund		(29,900)	(29,840)	(33,400)	(33,400)
Total Division Sources	-	**(99,400)**	**(93,750)**	**(76,000)**	**(76,000)**
Other General Fund Sources	-	**(156,404)**	**(181,153)**	**(250,100)**	**(202,500)**
Total Rev / Funding Sources	-	**(255,804)**	**(274,903)**	**(326,100)**	**(278,500)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Building Maintenance Wkr II	1.00	1.00	
Park & Rec Director	0.10	0.10	
Administrative Assistant	0.05	0.05	
Total FTE's	1.15	1.15	



PUBLIC WORKS



Public Works

The Department is responsible for providing:

- Clean and reliable water for drinking, fire protection and irrigation
- Consistent and effective collection and treatment of wastewater suitable for water recycling
- Safe and serviceable streets, walkways, bikeways, streetlights and traffic signals
- Free-flowing and efficient storm drains, detention basins, channels and creeks
- Consistent and effective pollution prevention programs for storm water and wastewater
- Resourceful and responsive delivery of capital improvement projects park, community building and open space projects
- Efficient and reliable vehicles and equipment
- Responsible management of solid waste
- Response and recovery services in the event of emergencies or natural disasters

Accomplishments for Fiscal Year 2009-2010

- Completed construction of the 1.0 MG Recycled Water Storage Tank
- Constructed a recycled water pump station with recycled water meter at the Wastewater Treatment Plant
- Finalized the design and completed construction of the Green Island Road Recycled Pipeline project
- Prepared and began implementation of a plan to retrofit City parks and streetscapes to use recycled water
- Completed construction of the 2008 Annual Water Main Replacement project and the American Canyon Road Recycled Water Pipeline project
- Completed construction of the Senior Multi-Use Center
- Completed construction of the Wetlands Edge Bay Trail and Viewing Area Enhancement projects
- Completed construction of the Theresa Avenue Safe Routes to School project; completed design and applied for grant funding for Phase 2
- Completed a Corporation Yard storm water pollution prevention plan

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Goals for Fiscal Year 2010-2011

Several key and major projects and programs are the focus of the Department this fiscal year. Some are currently in construction and others represent critical infrastructure improvements, including:

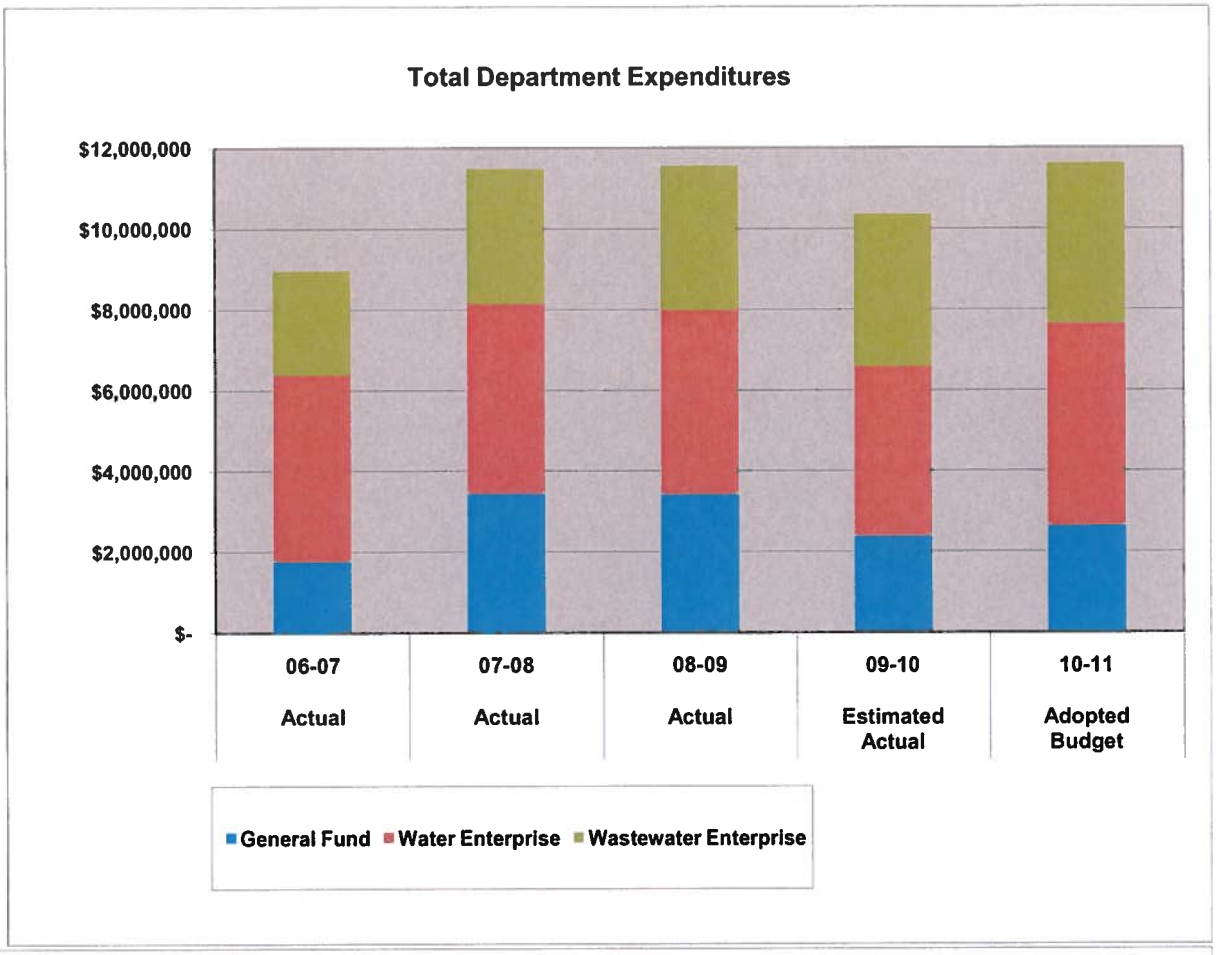
- Prepare and submit to the California Department of Water Resources the 2010 Urban Water Management Plan
- Prepare a drinking water Total Trihalomethane Study
- Plan for the replacement of treatment membranes at the Wastewater Plant
- Implement a Wastewater Treatment Operator Apprentice Program
- Complete the public process required for the adoption of a citywide traffic calming program
- Complete design of the WWTP Modification and Upgrade Phase I project and begin phased construction
- Complete the PS&E of the Kimberly Flood Control, Water Quality and Park Improvement project
- Complete the design and construction of the 2010 Annual Watermain Replacement (Watson Lane) Project
- Complete PS&E for South Broadway Improvements
- Complete PS&E for the 2.5 MG High Pressure Water Tank Project
- Complete the PS&E of the 2010 Street Improvement Project (Napa Square area)
- Complete the PS&E of the West American Canyon Road Project (Broadway to James)
- Complete right-of-way acquisition and construct Phase 2 of the Theresa Avenue Safe Route to Schools Project
- Complete PS&E and install new bus shelters
- Update the Five-Year Capital Improvement Program
- Update the Public Works Department Engineering Standard Plans and Specifications for Public Improvements
- Complete the LED Streetlight Relamping Project per the EECBG grant

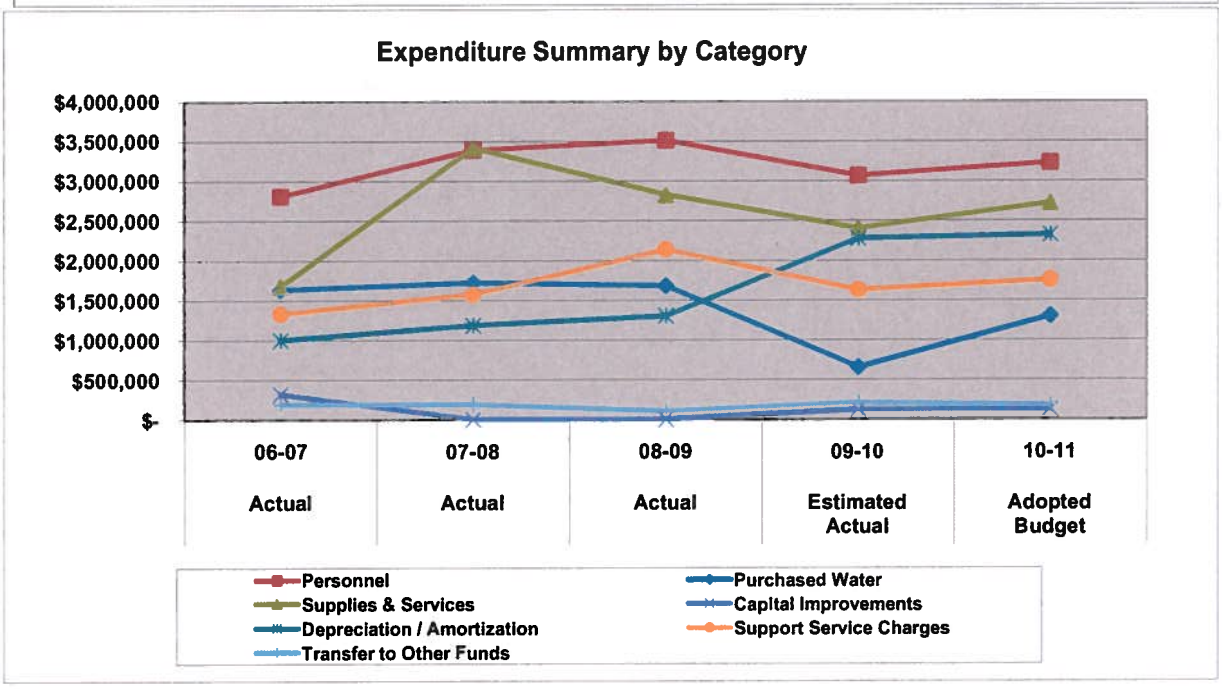
Public Works Department Summary

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	2,808,474	3,387,560	3,508,192	3,065,550	3,225,100
Purchased Water	1,632,492	1,720,349	1,681,500	655,000	1,300,000
Supplies & Services	1,673,922	3,416,241	2,826,593	2,401,350	2,719,200
Capital Improvements	318,054	-	-	119,500	119,500
Depreciation / Amortization	999,487	1,184,297	1,304,090	2,275,000	2,320,000
Support Service Charges	1,326,500	1,572,550	2,133,392	1,625,700	1,750,700
Transfer to Other Funds	188,700	190,000	102,000	208,800	175,000
Total for Department	**8,947,629**	**11,470,997**	**11,555,767**	**10,350,900**	**11,609,500**
Less Cost Allocations	**-**	**(623,304)**	**(716,874)**	**(429,950)**	**(397,200)**
Net Total Department	**8,947,629**	**10,847,693**	**10,838,893**	**9,920,950**	**11,212,300**
Department By Division					
General Fund	1,756,944	3,426,958	3,406,597	2,368,450	2,623,900
Water Enterprise	4,619,630	4,705,989	4,572,543	4,207,800	5,002,400
Wastewater Enterprise	2,571,055	3,338,050	3,576,627	3,774,650	3,983,200
Total for Department	**8,947,629**	**11,470,997**	**11,555,767**	**10,350,900**	**11,609,500**
Less Department Cost Allocations					
Total Department	**8,947,629**	**11,470,997**	**11,555,767**	**10,350,900**	**11,609,500**
Revenues / Funding Sources - See Divisions for Details					
General Fund	(22,765)	(1,431,641)	(1,979,040)	(1,725,600)	(1,574,400)
Water Enterprise	(3,858,150)	(4,093,303)	(4,209,208)	(4,208,000)	(4,494,000)
Wastewater Enterprise	(2,704,047)	(3,196,738)	(4,233,470)	(3,669,350)	(3,800,500)
Department Funding Sources	(6,584,962)	(8,721,682)	(10,421,718)	(9,602,950)	(9,868,900)
Other Department Fund Sources	(2,362,667)	(2,749,315)	(1,134,049)	(747,950)	(1,740,600)
Total Rev / Funding Sources	**(8,947,629)**	**(11,470,997)**	**(11,555,767)**	**(10,350,900)**	**(11,609,500)**

Department Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
General Fund	15.40	11.20	
Water Enterprise	9.50	9.10	
Wastewater Enterprise	12.80	11.40	
Total Staffing	37.70	31.70	Staff reduced by 6.0 FTE in FY 2010-11

Public Works Department Summary



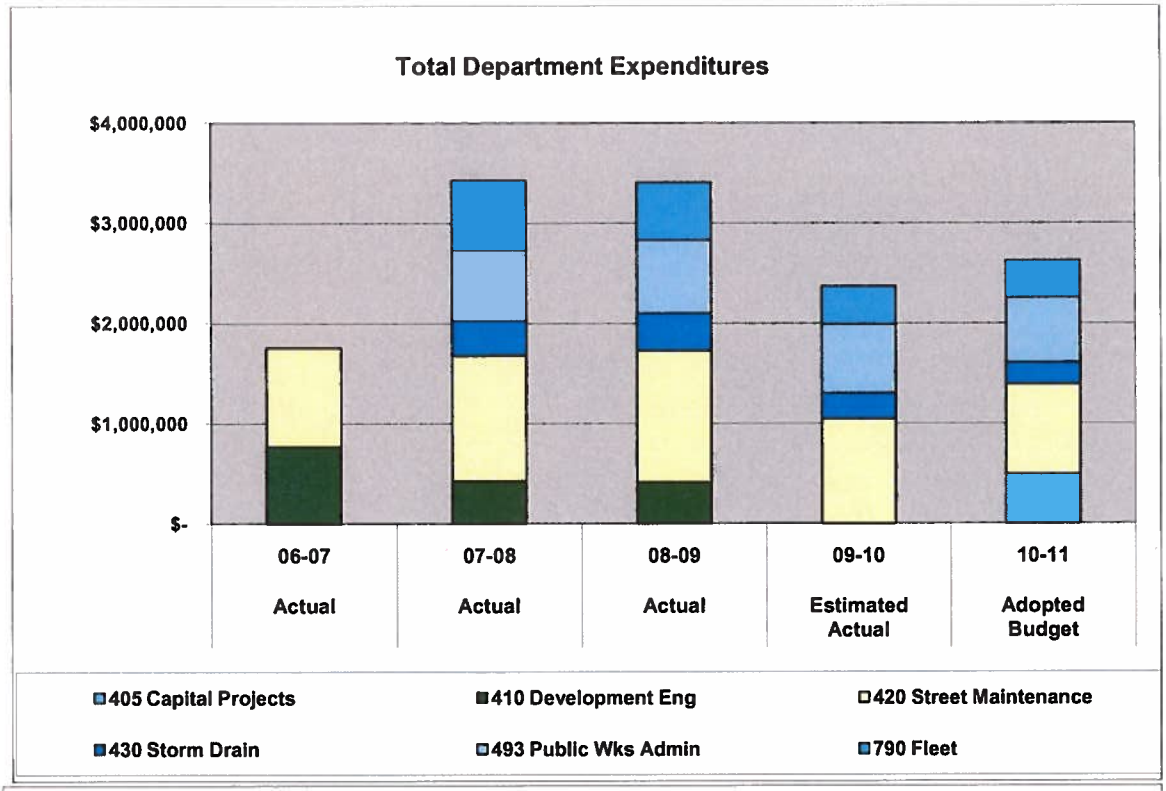


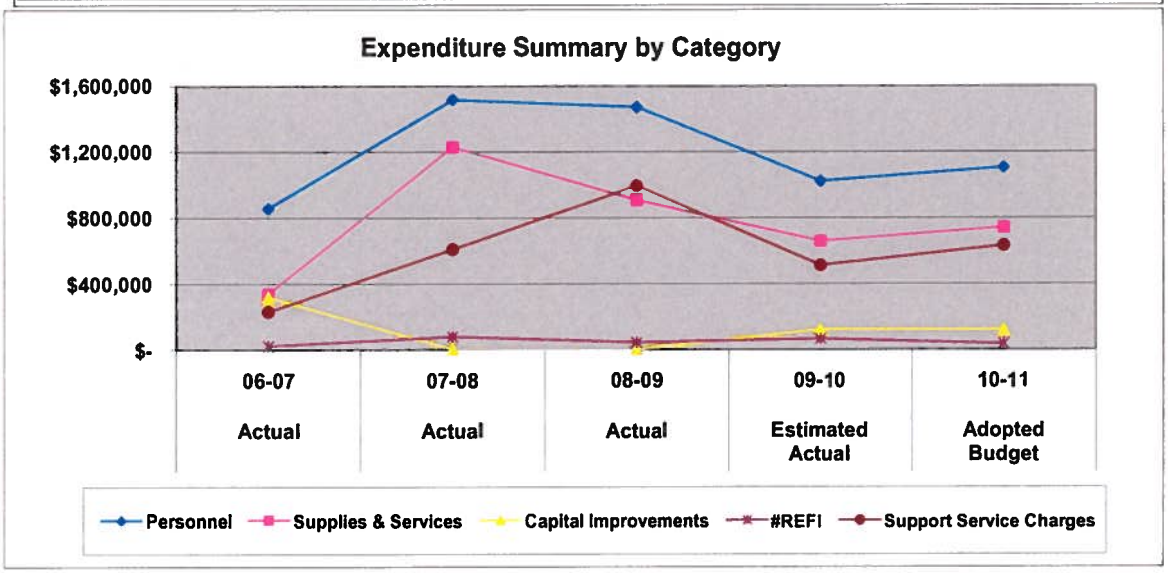
Public Works Department General Fund Summary

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	855,840	1,516,611	1,470,586	1,021,400	1,103,900
Supplies & Services	334,450	1,226,467	903,239	654,750	737,800
Capital Improvements	318,054	-	-	119,500	119,500
Support Service Charges	228,800	606,980	991,572	509,300	630,100
Transfers Out to Other Funds	19,800	76,900	41,200	63,500	32,600
Total for Department	**1,756,944**	**3,426,958**	**3,406,597**	**2,368,450**	**2,623,900**
Less General Fund Cost Allocations		**(623,304)**	**(716,874)**	**(429,950)**	**(397,200)**
Net Total Department	**1,756,944**	**2,803,654**	**2,689,723**	**1,938,500**	**2,226,700**
Department By Division					
405 Capital Projects					496,400
410 Development Eng	769,245	428,563	411,976	-	-
420 Street Maintenance	987,698	1,250,871	1,314,352	1,044,800	898,600
430 Storm Drain	-	351,288	373,675	255,800	214,400
493 Public Wks Admin	-	701,181	735,810	692,650	649,900
790 Fleet	-	695,055	570,784	375,200	364,600
Total for Department	**1,756,944**	**3,426,958**	**3,406,597**	**2,368,450**	**2,623,900**
Revenues / Funding Sources - See Divisions for Details					
405 Capital Projects	-	-	-	(614,500)	(536,200)
410 Development Eng	(18,052)	(82,302)	(37,157)	-	-
420 Street Maintenance	(4,713)	(225,119)	(614,825)	(217,400)	(217,400)
430 Storm Drain	-	(351,288)	(737,338)	(255,800)	(255,800)
493 Public Wks Admin	-	(477,115)	(460,900)	(465,000)	(465,000)
790 Fleet	-	(295,817)	(128,820)	(172,900)	(100,000)
Department Funding Sources	(22,765)	(1,431,641)	(1,979,040)	(1,725,600)	(1,574,400)
Other General Fund Sources	(1,734,179)	(1,995,317)	(1,427,557)	(642,850)	(1,049,500)
Total Rev / Funding Sources	**(1,756,944)**	**(3,426,958)**	**(3,406,597)**	**(2,368,450)**	**(2,623,900)**

Department Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
405 Capital Projects	4.00	2.00	
420 Street Maintenance	4.40	2.80	
430 Storm Drain	1.90	1.30	
493 Public Wks Admin	4.00	4.00	
790 Fleet	1.10	1.10	
Total Staffing	15.40	11.20	Staff reduced by 4.20 FTE in FY 2010-11

Public Works Department General Fund Summary



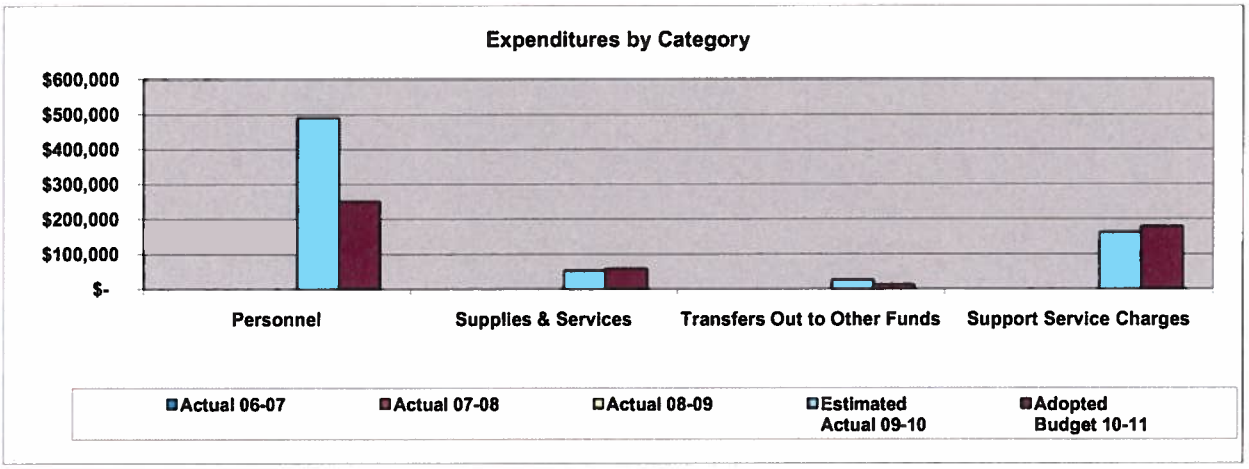


Public Works — Capital Projects — Div. No. 405

Mission: Maintains the City's Capital Improvement Projects (CIP) Program

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	This is a new division for fiscal year 2009-10			489,400	$ 250,400
Supplies & Services	-	-		51,300	57,200
Transfers Out to Other Funds	-	-		24,900	10,800
Support Service Charges	-	-		161,600	178,000
Total Division	-	-	-	**727,200**	**496,400**
Less General Fund Cost Allocations		-			
Net Total Division	-	-	-	**727,200**	**496,400**
Revenues / Funding Sources					
Charges to Capital Proj Funds				(614,500)	(536,200)
Total Division Sources	-	-	-	**(614,500)**	**(536,200)**
Other General Fund Sources	-	-	-	**(112,700)**	**39,800**
Total Rev / Funding Sources	$ -	-	-	**(727,200)**	$ **(496,400)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Senior Civil Engineer	1.00	1.00	
Civil Engineering Tech I / II	2.00	1.00	This is a new Division for Fiscal Year 2009-10
Capital Projects Coordinator	1.00	-	
Total FTE's	4.00	2.00	



Public Works — Development Engineering — Div. No. 410

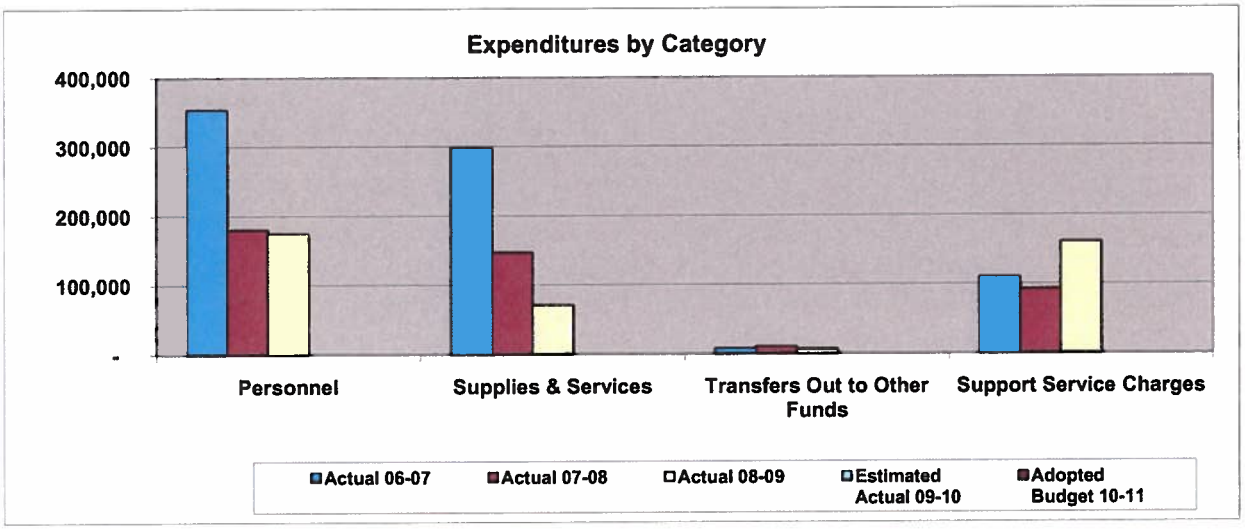
Mission: Provides Engineering Services for private development applications

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	353,771	179,654	174,274		
Supplies & Services	298,274	146,809	70,532		
Transfers Out to Other Funds	7,400	9,600	6,200		
Support Service Charges	109,800	92,500	160,970		
Total Division	**769,245**	**428,563**	**411,976**	-	-
Revenues / Funding Sources					
Grading Permit	(2,096)	(3,640)	(19,000)		
Oversize / Weight Permits	(4,160)	(4,048)	(4,736)		
Encroachment Permits	(3,015)	(12,515)	(4,787)		
Sale of Documents	(6,383)	(7,045)	(1,866)		
Engineering Plan Check Fee	(86)	(3,602)	(6,768)		
Administrative Fees	(2,311)	(51,452)	-		
Total Division Sources	**(18,052)**	**(82,302)**	**(37,157)**	-	-
Other General Fund Sources	**(751,193)**	**(346,261)**	**(374,819)**		-
Total Rev / Funding Sources	**$ (769,245)**	**(428,563)**	**(411,976)**	**$** -	-

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**
Civil Engineer I/II/III		
Civil Engineering Tech II		
Senior Civil Engineer		
Total FTE's	-	-

Comments

As a result of a regorganization this division was discontinued in fiscal year 2009-10

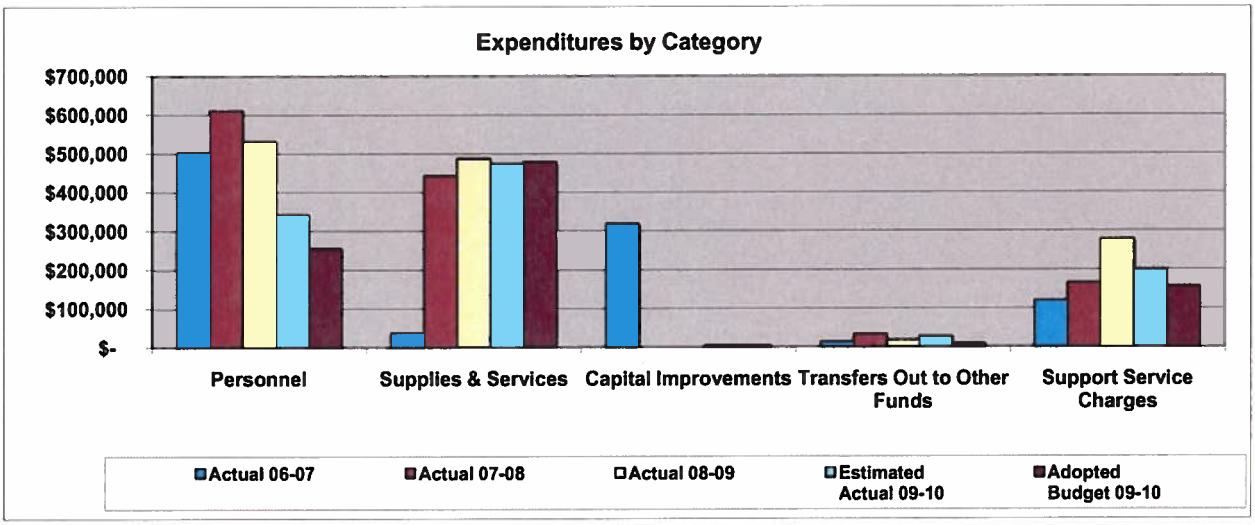


Public Works — Street Maintenance — Div. No. 420

Mission: Operate and Maintain all City Streets, Storm Drains, Sidewalks, Open Space, Street Lights, Signs, and Traffic Signals

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 09-10
Expenditures					
Personnel	$ 502,069	610,673	531,398	342,100	$ 254,600
Supplies & Services	36,175	443,108	487,454	473,600	478,500
Capital Improvements	318,054	-	-	3,500	3,500
Transfers Out to Other Funds	12,400	32,300	17,600	26,800	7,500
Support Service Charges	119,000	164,790	277,900	198,800	154,500
Total Division	**987,698**	**1,250,871**	**1,314,352**	**1,044,800**	**898,600**
Revenues / Funding Sources					
Proposition 1B	-	-	(400,000)	-	-
Other Miscellaneous Revenues	(4,713)	(11,119)	(825)	(3,400)	(3,400)
Transfers In Gax Tax	-	(214,000)	(214,000)	(214,000)	(214,000)
Total Division Sources	**(4,713)**	**(225,119)**	**(614,825)**	**(217,400)**	**(217,400)**
Other General Fund Sources	**(982,986)**	**(1,025,752)**	**(699,527)**	**(827,400)**	**(681,200)**
Total Rev / Funding Sources	**$ (987,698)**	**(1,250,871)**	**(1,314,352)**	**(1,044,800)**	**$ (898,600)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Civil Engineer I/II/III	0.10	-	
Maintenance Supervisor	0.85	0.85	
Maintenance Worker I/II	2.00	1.25	
Maintenance Worker III	0.40	0.40	
Senior Maintenance Worker	0.85	0.10	
PW Superintendent	0.20	0.20	
Total FTE's	**4.40**	**2.80**	Staff reduced by 1.60 FTE in FY 2010-11

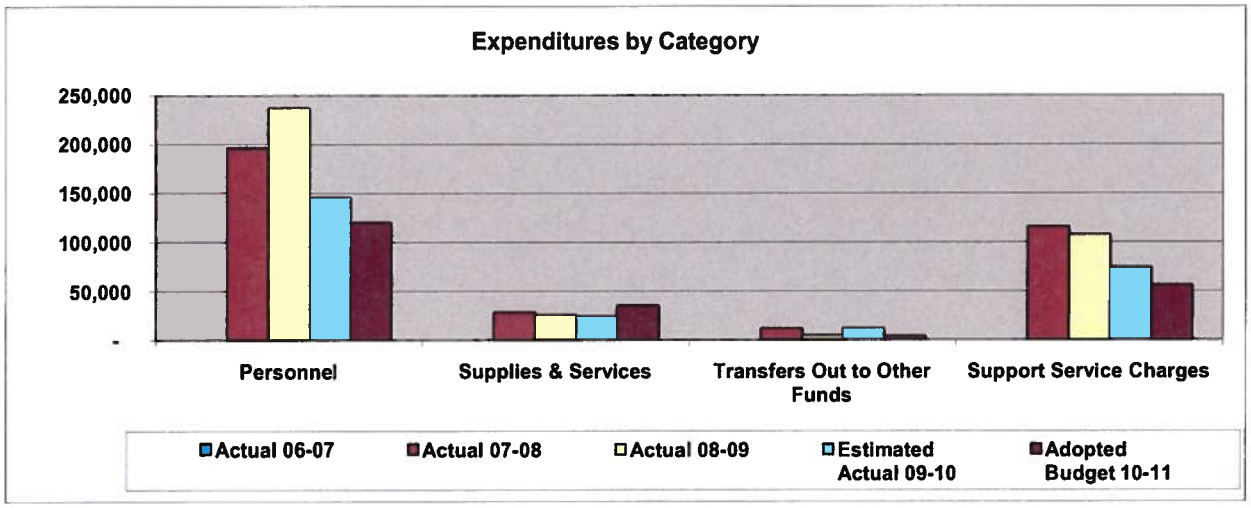


Public Works — Storm Drain — Div. No. 430

Mission: Operate, Maintain, and Improve major flood control channels

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	-	196,031	236,945	145,700	119,900
Supplies & Services	-	28,257	25,060	24,000	35,000
Transfers Out to Other Funds	-	11,500	4,200	11,800	3,500
Support Service Charges	-	115,500	107,470	74,300	56,000
Total Division	**-**	**351,288**	**373,675**	**255,800**	**214,400**
Revenues / Funding Sources					
Sales Tax Transfer from Measure A		(351,288)	(737,338)	(255,800)	(255,800)
Total Division Sources	**-**	**(351,288)**	**(737,338)**	**(255,800)**	**(255,800)**
Other General Fund Sources	**-**	**-**	**363,663**	**-**	**41,400**
Total Rev / Funding Sources	**-**	**(351,288)**	**(373,675)**	**(255,800)**	**(214,400)**

Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
Civil Engineer I/II/III	0.10	-	
Maintenance Supervisor	0.25	0.25	
Senior Maintenance Worker	0.25	-	
Maintenace Worker I/II	0.50	0.25	
Maint Worker III	0.60	0.60	
PW Superintendent	0.20	0.20	
Total FTE's	**1.90**	**1.30**	Staff reduced by 0.60 FTE in FY 2010-11



Public Works

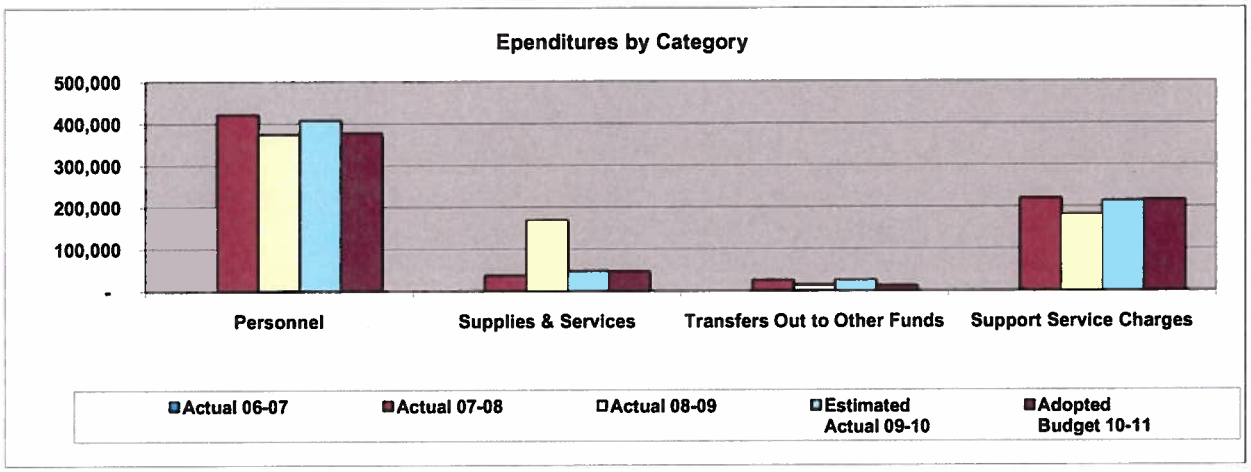
Pulbic Works Administration

Div. No. 493

Mission: Provide Management and Clerical Support to All Public Works Functions. Expenditures are allocated to Water, Wastewater and General Fund Divisions, as appropriate.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	-	421,430	374,423	407,700	377,300
Supplies & Services	-	36,821	168,007	46,650	46,000
Transfers Out to Other Funds	-	23,500	13,200	24,900	10,800
Support Service Charges	-	219,430	180,180	213,400	215,800
Total Division	**-**	**701,181**	**735,810**	**692,650**	**649,900**
Less General Fund Cost Allocations		**(224,066)**	**(274,910)**	**(227,650)**	**(184,900)**
Net Total Division	**-**	**477,115**	**460,900**	**465,000**	**465,000**
Revenues / Funding Sources					
Transfers In from Water Fund		(217,380)	(246,060)	(189,400)	(189,400)
Transfers In from Wastewater Fund		(259,735)	(214,840)	(275,600)	(275,600)
Total Division Sources	**-**	**(477,115)**	**(460,900)**	**(465,000)**	**(465,000)**
Other General Fund Sources	**-**	**(224,066)**	**(274,910)**	**(227,650)**	**(184,900)**
Total Rev / Funding Sources	**-**	**(701,181)**	**(735,810)**	**(692,650)**	**(649,900)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Administrative Assistant	1.00	1.00	
Administrative Clerk II	2.00	2.00	No changes were made to staffing
Public Works Director	1.00	1.00	in fiscal year 2010-11
Total FTE's	4.00	4.00	



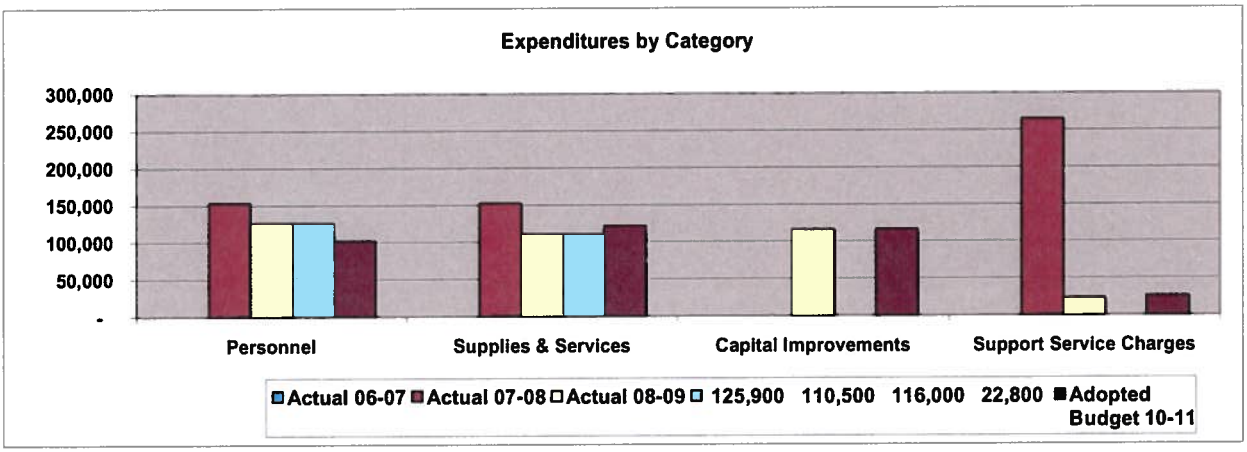
Public Works — Fleet — Div. No. 790

Mission: To Maintain City Vehicles and Equipment. Prior to fiscal year 2007-08, operations were accounted for in an internal service fund.

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	-	108,823	153,546	125,900	101,700
Supplies & Services	-	571,472	152,186	110,500	121,100
Capital Improvements		-	-	116,000	116,000
Support Service Charges		14,760	265,052	22,800	25,800
Total Division	-	**695,055**	**570,784**	**375,200**	**364,600**
Less General Fund Fleet Allocations	-	**(399,238)**	**(441,964)**	**(202,300)**	**(212,300)**
Net Total Division	-	**295,817**	**128,820**	**172,900**	**152,300**
Revenues / Funding Sources					
Transfers In from Water Fund		(69,640)	(77,100)	(114,400)	(65,000)
Transfers In from Wastewater Fund		(43,000)	(47,520)	(58,500)	(35,000)
State Grant/Other	-	(183,177)	(4,200)	-	-
Total Division Sources	-	**(295,817)**	**(128,820)**	**(172,900)**	**(100,000)**
Other General Fund Sources	-	**(399,238)**	**(441,964)**	**(202,300)**	**(264,600)**
Total Rev / Funding Sources	-	**(695,055)**	**(570,784)**	**(375,200)**	**(364,600)**

Note: Prior to FY 07-08, fleet operations were accounted for in an internal service fund

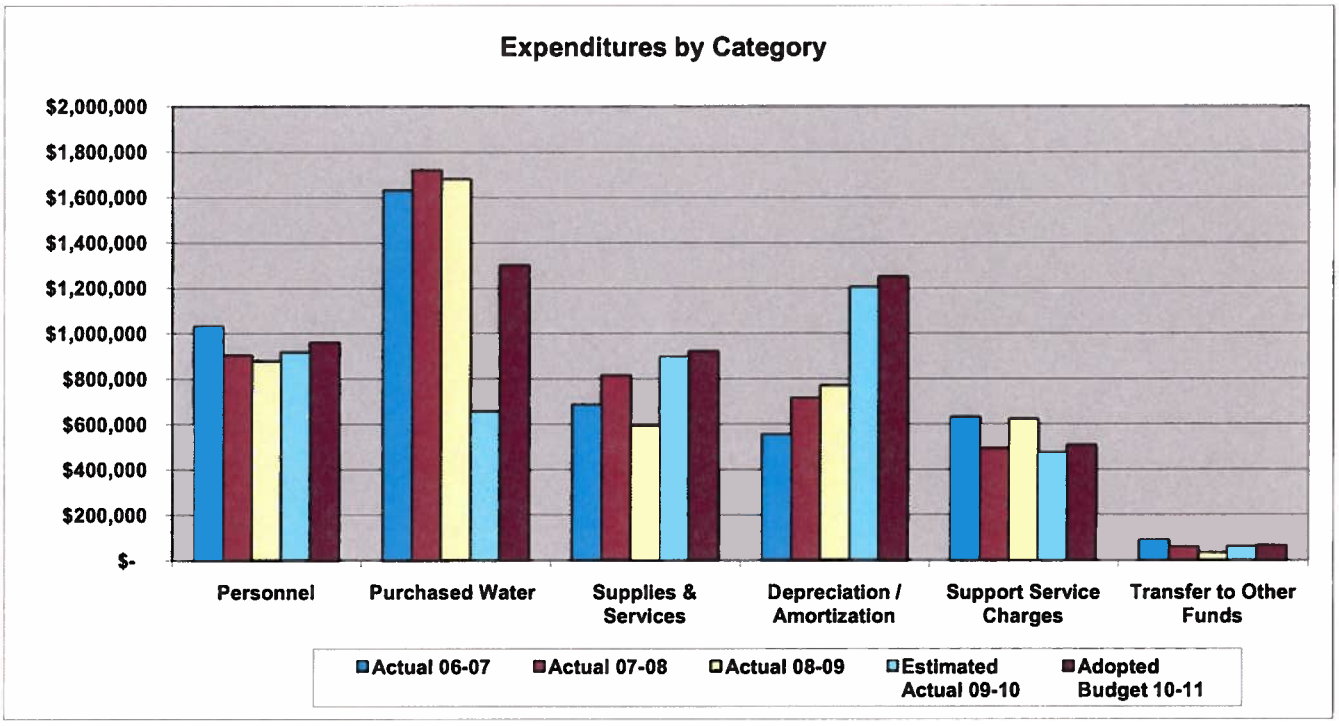
Division Staffing - FTE's	**Budget 09-10**	**Budget 10-11**	**Comments**
PW Superintendent	0.10	0.10	No changes were made to staffing
Mechanic	1.00	1.00	in fiscal year 2010-11
Total	1.10	1.10	



Public Works Department Water Enterprise Fund Summary

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel	$ 1,030,976	$ 904,623	$ 878,852	$ 918,200	$ 960,300
Purchased Water	1,632,492	1,720,349	1,681,500	655,000	1,300,000
Supplies & Services	685,075	815,650	588,967	897,000	921,100
Depreciation / Amortization	553,687	714,437	769,494	1,205,000	1,250,000
Support Service Charges	630,400	493,930	621,330	473,300	507,800
Transfer to Other Funds	87,000	57,000	32,400	59,300	63,200
Total Division	**4,619,630**	**4,705,989**	**4,572,543**	**4,207,800**	**5,002,400**
Revenues / Funding Sources					
Water Service Charges	(3,479,774)	(3,600,980)	(3,882,349)	(3,830,000)	(4,227,000)
Service Application Fee	(11,360)	(14,080)	(40,008)	(37,000)	(30,000)
Water Penalty Drought Surchg	(31,229)	(50,654)	(59,153)	(53,000)	(60,000)
Meter Installation Fee	(28,416)	(76,614)	(38,898)	(24,500)	(30,000)
Make Whole Agreement	(65,114)	(168,612)	(87,984)	(60,000)	(60,000)
Interest Earnings	(237,161)	(171,706)	(67,811)	(16,800)	(60,000)
Other	(5,096)	(10,657)	(33,005)	(186,700)	(27,000)
Transfers In from Other Funds	-				
Total Rev / Funding Sources	**$ (3,858,150)**	**$ (4,093,303)**	**$ (4,209,208)**	**$ (4,208,000)**	**$ (4,494,000)**

Refer to the Summary Section of the Budget for a recap of all water enterprise fund revenues, expenses and other financing sources and uses



Public Works — Water Treatment Plant — Div. No. 470

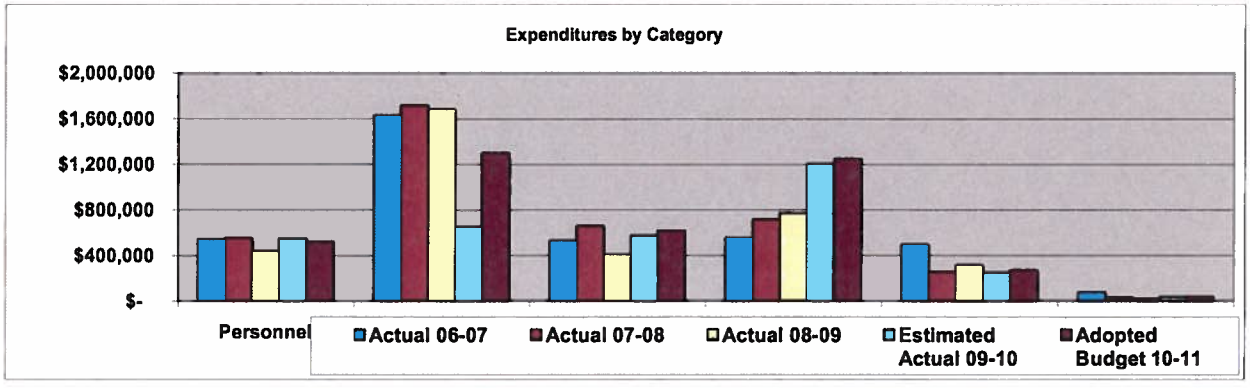
Mission: To Treat Water Delivered to the Treatment Plant in an Efficient and Safe Manner to provide Potable Water to Customers on Demand

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel	$ 540,579	548,551	435,692	545,600	$ 520,100
Purchased Water	1,632,492	1,720,349	1,681,500	655,000	1,300,000
Supplies & Services	527,995	655,936	407,084	571,100	613,200
Depreciation / Amortization	553,687	714,437	769,494	1,205,000	1,250,000
Support Service Charges	494,200	252,370	313,720	249,100	267,800
Transfer to Other Funds	72,000	28,900	16,300	31,200	33,300
Total Exps - Wtr Trtmnt Plant	**3,820,953**	**3,920,543**	**3,623,789**	**3,257,000**	**3,984,400**

Revenues / Funding Sources

Note: All Water Enterprise Revenue is scheduled on the Public Works Department Water Enterprise Fund Summary

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Civil Engr	0.20	-	Staff reduced by 0.20 FTE in FY 2010-11
Environmental Pgm Specialist	0.30	0.30	
Mechanic	0.50	0.50	
Plant Operator I / II / III	3.00	3.00	
Water System Manager	1.00	1.00	
Total	5.00	4.80	



Public Works — Water Distribution System — Div. No. 475

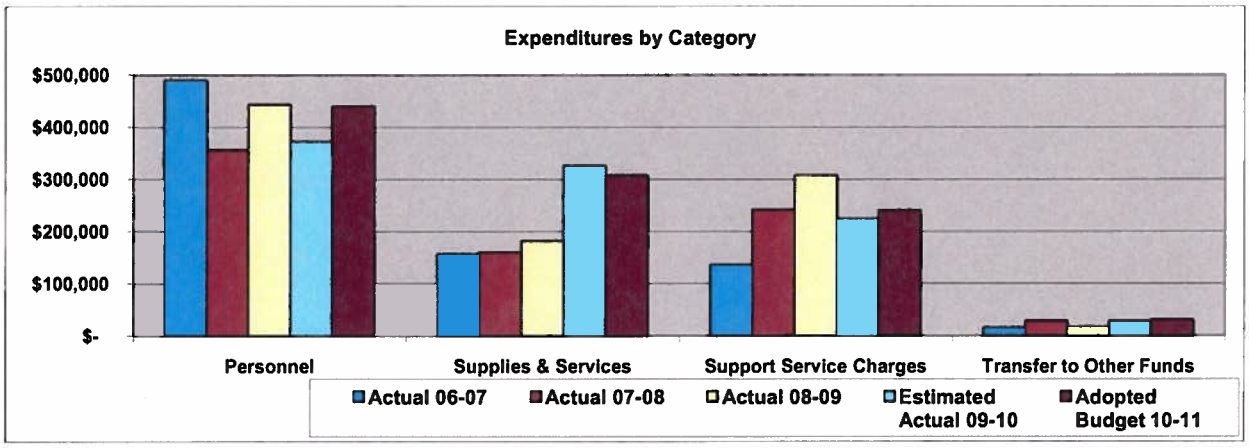
Mission: To Maintain Water Distribution System to enable the efficient delivery to homes and businesses on demand

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel	$ 490,397	356,072	443,160	372,600	$ 440,200
Supplies & Services	157,080	159,714	181,884	325,900	307,900
Support Service Charges	136,200	241,560	307,610	224,200	240,000
Transfer to Other Funds	15,000	28,100	16,100	28,100	29,900
Total Exps - Wtr Dist System	**798,677**	**785,446**	**948,754**	**950,800**	**1,018,000**

Revenues

Note: All Water Enterprise Revenue is scheduled on the Public Works Department Water Enterprise Fund Summary

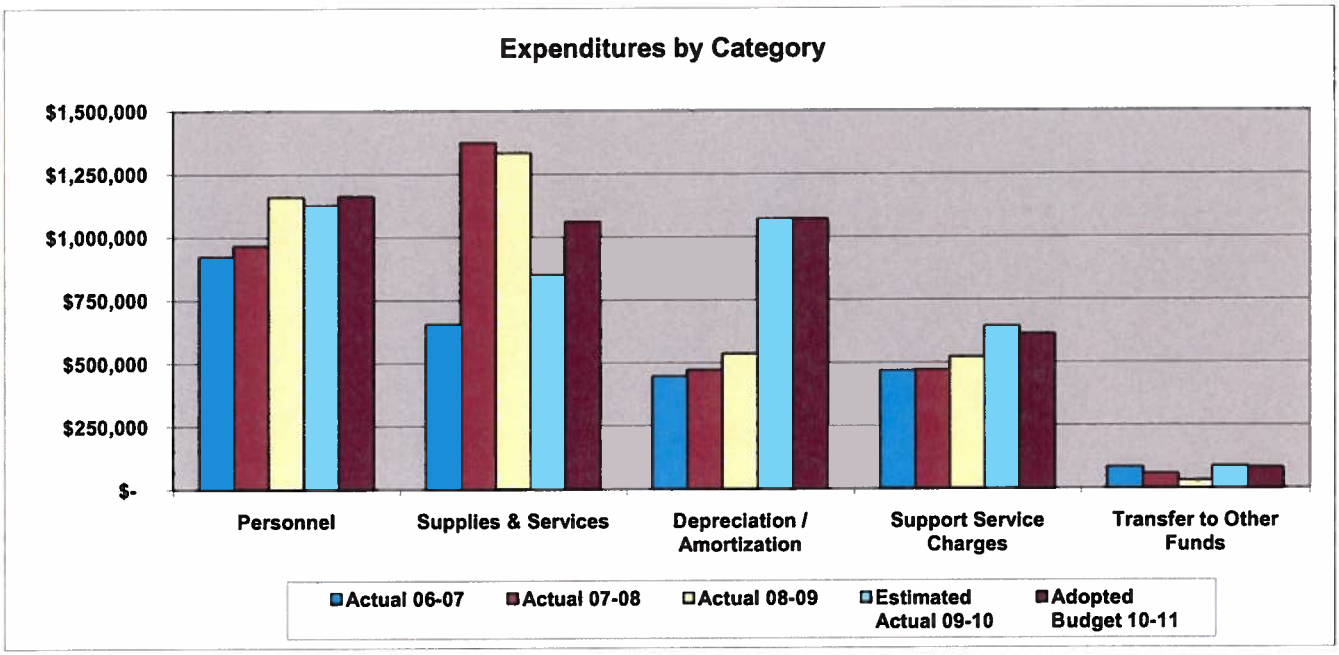
Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Civil Engineer I / II / III	0.20	-	Staff reduced by 0.20 FTE in FY 2010-11
Maintenance Supervisor	0.80	0.80	
Maintenance Worker I / II	2.40	2.40	
Senior Maintenance Worker	0.80	0.80	
Public Works Superintendent	0.30	0.30	
Total	4.50	4.30	



Public Works Department Wastewater Enterprise Fund Summary

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel	$ 921,658	966,326	1,158,754	1,125,950	$ 1,160,900
Supplies & Services	654,397	1,374,124	1,334,387	849,600	1,060,300
Depreciation / Amortization	445,800	469,860	534,596	1,070,000	1,070,000
Support Service Charges	467,300	471,640	520,490	643,100	612,800
Transfer to Other Funds	81,900	56,100	28,400	86,000	79,200
Total Division	**2,571,055**	**3,338,050**	**3,576,627**	**3,774,650**	**3,983,200**
Revenues / Funding Sources					
Wastewater Service Charges	(2,423,394)	(2,686,559)	(3,063,774)	(3,150,000)	(3,250,000)
Industrial Inspection Fee	(9,730)	(9,389)	(7,420)	(1,200)	(10,000)
User Discharge Fee			(30,754)	(8,000)	(20,000)
Wastewater Penalties	(19,217)	(37,052)	(48,483)	(50,000)	(50,000)
Interest Earnings	(15,562)	(69,424)	(38,371)	(10,000)	(30,000)
Miscellaneous Revenues	(644)	(94,314)	(57,668)	(36,000)	(9,000)
Transfers In from Other Funds	(235,500)	(300,000)	(987,000)	(414,150)	(431,500)
Total Rev / Funding Sources	**$ (2,704,047)**	**$ (3,196,738)**	**$ (4,233,470)**	**$ (3,669,350)**	**$ (3,800,500)**

Refer to the Summary Section of the Budget for a recap of all wastewater enterprise fund revenues, expenses and other financing sources and uses



Public Works — Wastewater Treatment Plant — Div. No.: 480

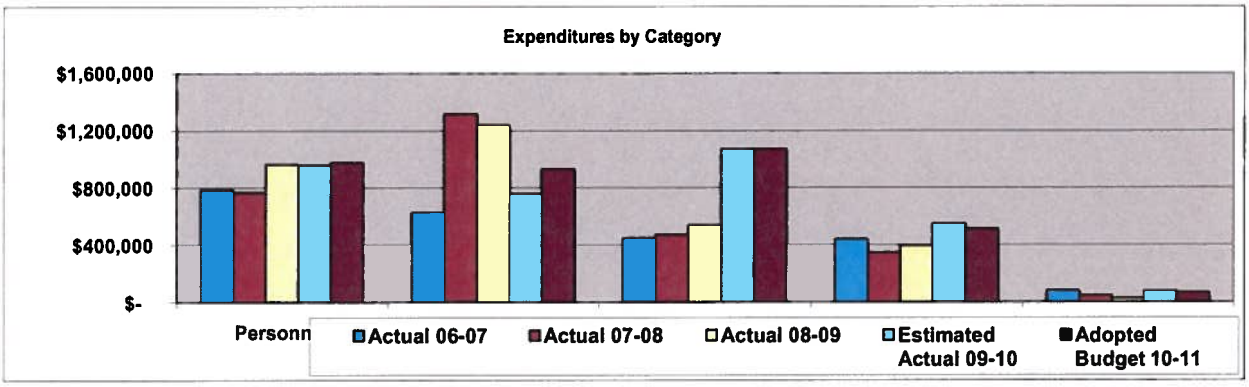
Mission: To Treat Wastewater Delivered to the Treatment Plant in an Efficient and Safe Manner and to dispose of wastewater in an environmentally sound manner

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel	$ 781,730	764,963	$ 962,062	$ 958,900	$ 974,200
Supplies & Services	623,740	1,317,466	1,237,522	756,400	929,100
Depreciation / Amortization	445,800	469,860	534,596	1,070,000	1,070,000
Support Service Charges	436,800	342,420	392,080	545,400	510,600
Transfer to Other Funds	78,500	45,300	22,000	72,900	66,000
Total Exps - Wtr Trtmnt Plant	**2,366,570**	**2,940,009**	**3,148,260**	**3,403,600**	**3,549,900**

Revenues / Funding Sources

Note: All Wastewater Enterprise Revenue is scheduled on the Public Works Dept Wastewater Enterprise Fund Summary

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Plant Operations Supervisor	1.00	1.00	
Water Quality Lab Manager	1.00	1.00	
Administrative Clerk II	1.00	1.00	
Plant Operator I / II / III	3.00	3.00	
Maintenance Mechanic	0.50	0.50	
Environmental Specialist II	2.00	2.00	
Wastewater Systems Manager	1.00	1.00	
Civil Engineer II / III	1.20	-	Staff reduced by 1.20 FTE in FY 2010-11
Total	10.70	9.50	



Public Works — Wastewater Collection System — Div. No. 485

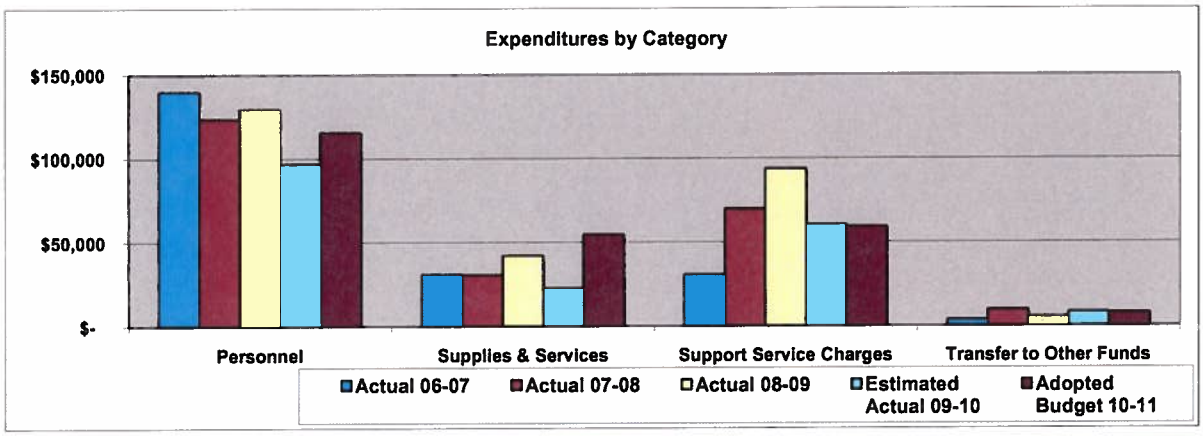
Mission:

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel	$ 139,928	123,729	129,265	$ 96,700	$ 115,500
Supplies & Services	30,657	30,600	41,921	22,500	54,500
Support Service Charges	30,500	69,890	93,760	60,500	59,200
Transfer to Other Funds	3,400	9,300	5,300	8,100	7,700
Total Exps - Wtr Dist System	**204,485**	**233,519**	**270,246**	**187,800**	**236,900**

Revenues

Note: All Wastewater Enterprise Revenue is scheduled on the Public Works Dept Wastewater Enterprise Fund Summary. Revenues to maintain the collection system are built into User Rates.

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Civil Engineer I / II / III	0.20	0.00	Staff reduced by 0.20 FTE in FY 2010-11
Maintenance Supervisor	0.20	0.20	
Maintenance Worker I / II	0.60	0.60	
Senior Maintenance Worker	0.20	0.20	
Public Works Superintendent	0.10	0.10	
Total	1.30	1.10	



Public Works — Wastewater Storm Water Quality — Div. No. 440

Mission: Provide educational and regulatory services to meet the City's Stormwater National Pollution Discharge Elimination System (NPDES) permit requirements

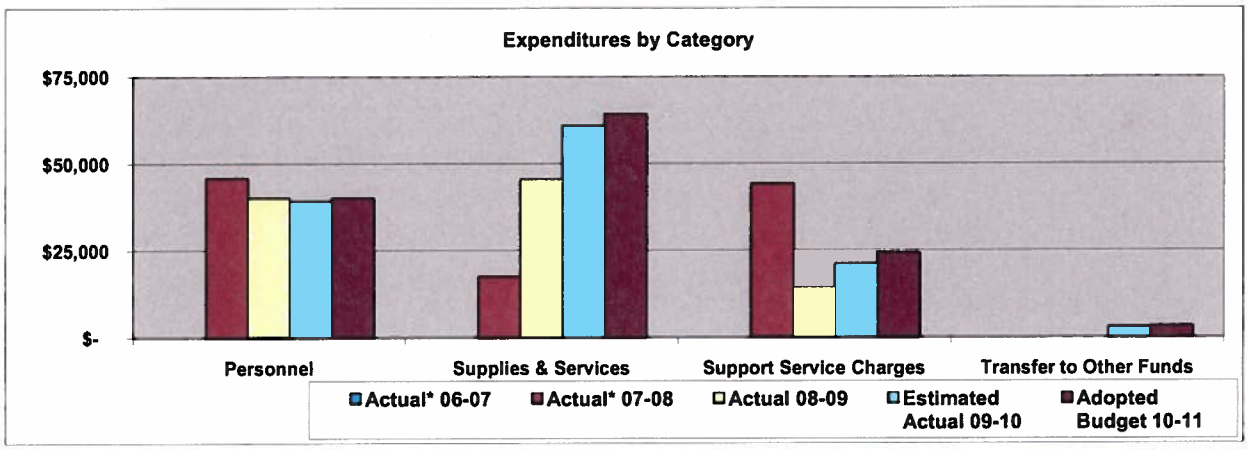
	Actual* 06-07	Actual* 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel		45,762	40,057	39,100	40,000
Supplies & Services		17,437	45,388	60,900	64,200
Support Service Charges		44,110	14,240	20,900	24,200
Transfer to Other Funds				2,800	3,100
Total Exps - Wtr Dist System	**-**	**107,309**	**99,685**	**123,700**	**131,500**

* Note: Storm Water Quality Activities were accounted for in the General Fund prior to fiscal year 2007-08

Revenues

Note: All Wastewater Enterprise Revenue is scheduled on the Public Works Dept Wastewater Enterprise Fund Summary
No revenues are generated by Storm Water Quality activities. Division expenses will be funded by Measure A through an interfund transfer

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Environmental Program Specialist	0.40	0.40	
Public Works Superintendent	0.05	0.05	
Total	0.45	0.45	



Public Works — Wastewater Solid Waste Management — Div. No. 492

Mission: Provide educatonal activities and oversight of solid waste operations to achieve solid waste diversion goals

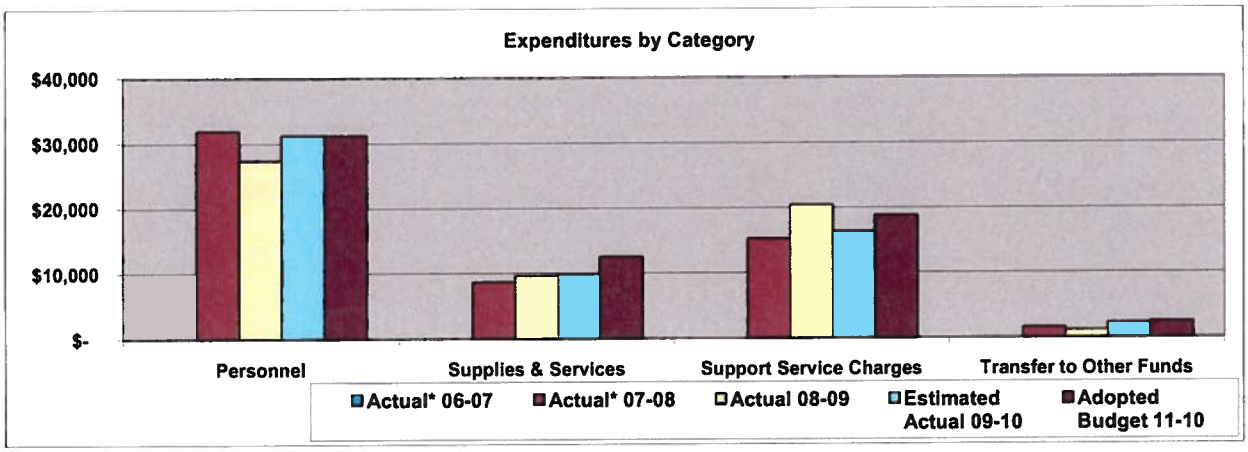
	Actual* 06-07	Actual* 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 11-10
Expenses					
Personnel		31,872	27,370	31,250	$ 31,200
Supplies & Services		8,621	9,556	9,800	12,500
Support Service Charges		15,220	20,410	16,300	18,800
Transfer to Other Funds		1,500	1,100	2,200	2,400
Total Exps - Wtr Dist System	-	**57,213**	**58,436**	**59,550**	**64,900**

* Note: Solid Waste Management was accounted for in the General Fund prior to fiscal year 2007-08

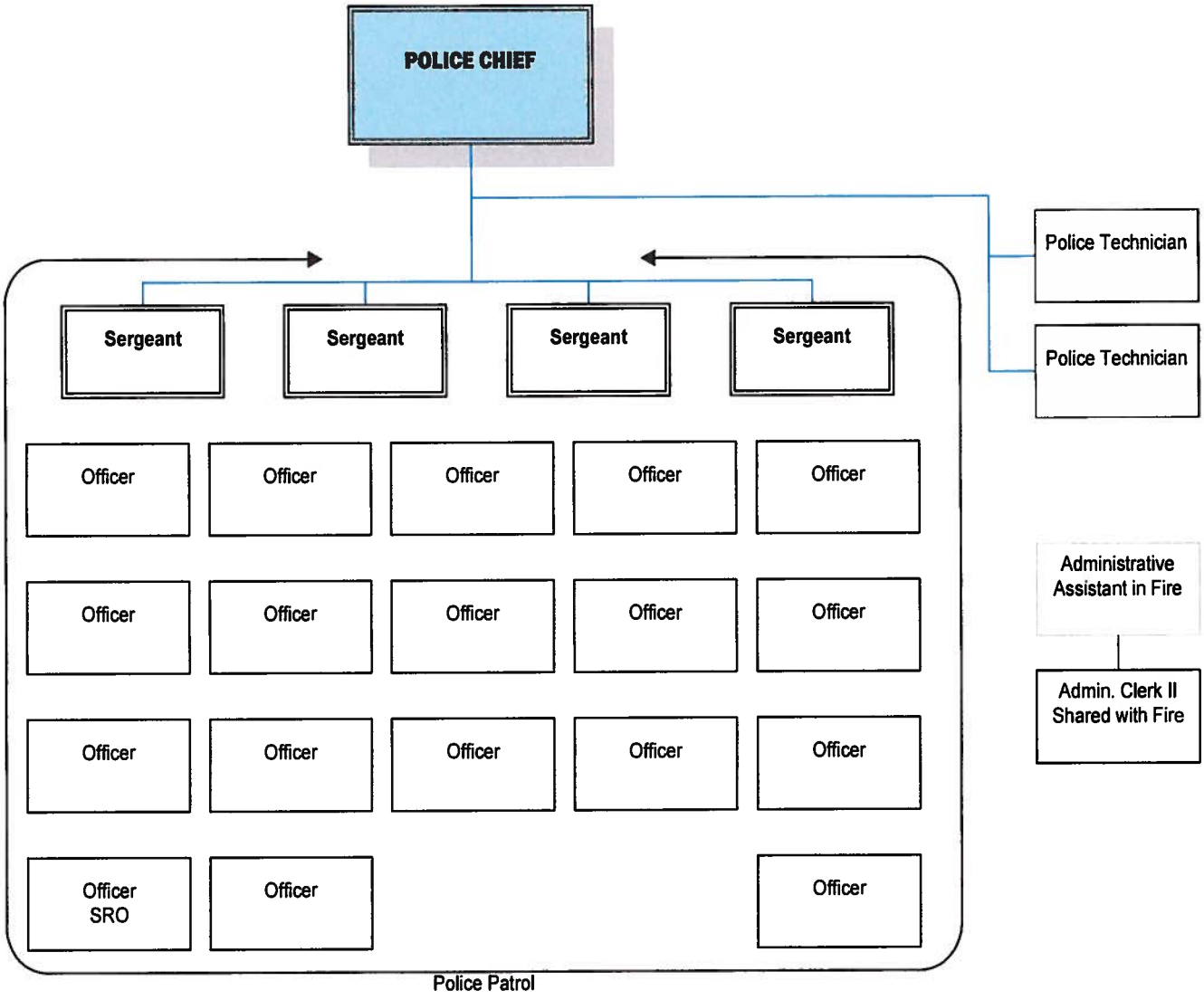
Revenues

Note: All Wastewater Enterprise Revenue is scheduled on the Public Works Dept Wastewater Enterprise Fund Summary No revenues are generated by Solid Waste Management activities. All expenses are funded by Wastewater User Charges.

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Environmental Program Specialist	0.30	0.30	
Public Works Superintendent	0.05	0.05	
Total	0.35	0.35	



POLICE


POLICE CHIEF
Police Technician
Police Technician
Sergeant
Sergeant
Sergeant
Sergeant
Officer
Officer
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Officer
Officer
Officer
Officer
Officer
Officer
Officer
Officer
Officer
Officer
Officer
SRO
Officer
Officer
Police Patrol
Administrative Assistant in Fire
Admin. Clerk II Shared with Fire

Police

The City contracts with the Napa County Sheriff's Office to provide police services to the City of American Canyon. The Police Department is responsible for responding to citizens' calls for service, traffic safety through enforcement, vehicle abatement, crime prevention, gang suppression, criminal investigation and community outreach.

Accomplishments for Fiscal Year 2009-2010

- Increased Business Contacts in the City of American Canyon by assigning individual officers to specific businesses and requiring monthly contact with each business. Officers were assigned up to six businesses to talk about preventive steps in fighting crime.
- Provided safer streets and highways through Targeted Traffic Enforcement. Traffic Collisions resulting in injury were charted to determine areas with higher collision rates. Traffic Officers performed directed traffic enforcement in these areas of American Canyon. Also coordinated three D.U.I. patrols in the City of American Canyon.
- Tracked arrests and prosecutions to determine and to measure clearance rates with other Napa County agencies. Provided statistical update on law enforcement activity. Created a new report on arrest and prosecution data.
- Made significant progress with Napa Valley Unified School Officials to complete a safety plan for the High School prior to the scheduled opening in Fall 2010

Goals for Fiscal Year 2010-11

- Complete an Emergency Operation Plan for local schools to deal with an active shooter scenario. By October 1, 2010, complete map books for each school which will provide campus maps and resources in the event of an emergency and be placed in each patrol unit. Conduct scenario training in December 2010 and complete Officer training by January 1, 2011.

- Train two officers in local and regional gang trends and issues. Prepare and distribute monthly reports to keep all Officers up to date on trends, safety issues and enforcement practices. Officers will be selected and start attending weekly County wide gang meetings beginning October 1, 2010. Officers will be trained by November 1st, 2010 and begin providing monthly updates starting January 2011.

Police Department
Goals for Fiscal Year 2010-11 (Continued)

- Reduce speed related collisions on Highway 29 by making speed enforcement a high priority for the two motorcycle officers. Radar trailers indicating drivers' speed will be placed at key locations on Highway 29 a minimum of four days a month. Speed enforcement efforts will be supplemented by patrol officers as resources are available. Direct enforcement will be started September 1, 2010 and accidents will be reviewed quarterly. Staff will work with California Department of Transportation to reduce the speed limit on Highway 29 through town to be consistent with speed limits just outside the city limits.

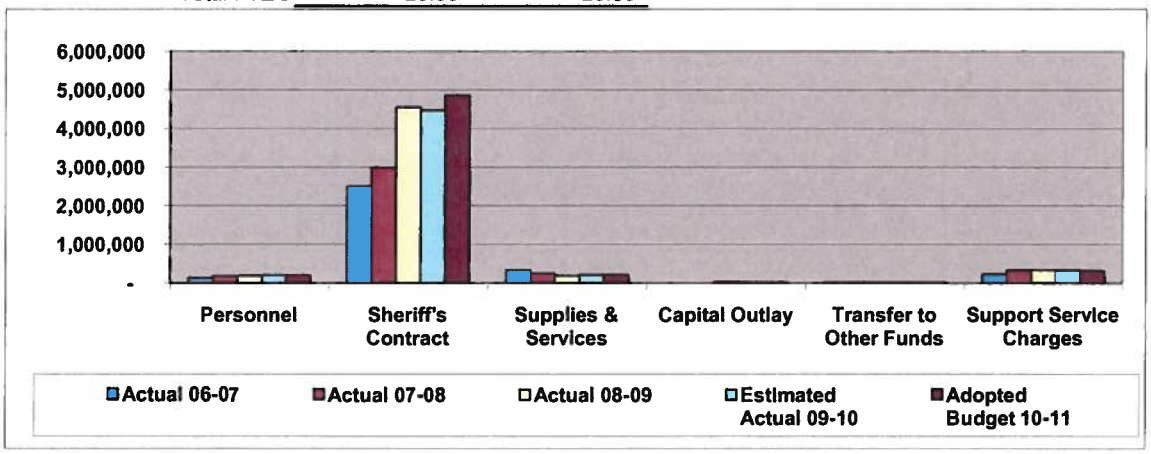
Police Department

Div. No. 210

Mission: To Serve and Protect the Public in the City of American Canyon

	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	128,586	172,539	180,386	201,900	197,300
Sheriff's Contract	2,499,505	2,988,952	4,552,829	4,471,000	4,860,300
Supplies & Services	326,611	241,264	184,282	206,520	210,600
Capital Outlay			32,460	21,500	21,500
Transfer to Other Funds	2,600	15,900	8,900	16,800	7,200
Support Service Charges	227,900	325,500	334,034	332,400	308,300
Total Division	**3,185,202**	**3,744,155**	**5,292,891**	**5,250,120**	**5,605,200**
Revenues / Funding Sources					
Booking and Processing Fees	(29,835)	(1,997)	(9,884)	(2,000)	(2,000)
Vehicle Code Violations	(96,045)	(105,085)	(95,133)	(75,000)	(75,000)
Other Fines and Forfeitures	(40,794)	(46,078)	(25,316)	(55,000)	(55,000)
Towing Fees / Restricted	(6,451)	(33,462)	(48,815)	(40,000)	(40,000)
Transfer In From Other Funds		(14,906)	(100,365)	(600)	(108,000)
Other	(3,442)	(5,535)	(5,111)	-	(600)
Total Division Sources	**(176,567)**	**(207,063)**	**(284,624)**	**(172,600)**	**(280,600)**
Other General Fund Sources	**(3,008,635)**	**(3,537,092)**	**(5,008,267)**	**(5,077,520)**	**(5,324,600)**
Total Rev / Funding Sources	**(3,185,202)**	**(3,744,155)**	**(5,292,891)**	**(5,250,120)**	**(5,605,200)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
City Staff			
Police Technician	2.00	2.00	Admin Clerk II is shared with the Fire District
Administrative Clerk II	0.70	0.70	which is allocated 30% of her salary
Total City FTE's	2.70	2.70	
Sheriff's Contract Staff			
Police Chief	1.00	1.00	
Sergeant	4.00	4.00	
Deputy Sheriff II	18.00	18.00	
Total FTE's	23.00	23.00	



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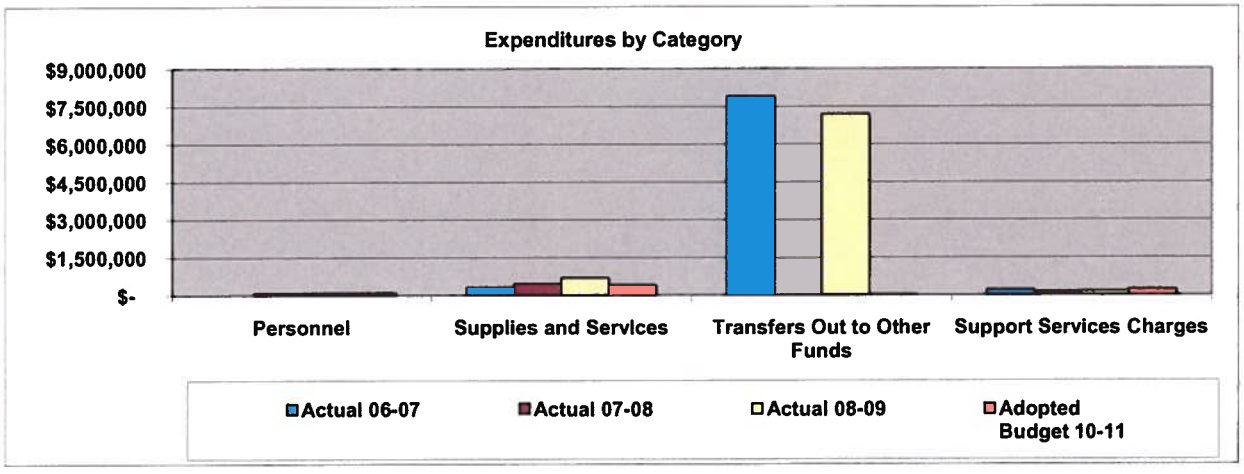
Non - Departmental

Div. No. 810

Mission: This cost center accounts for activities that do not fit into other departments including contributions to various civic, non-profit and charitable organizations, animal control, LAFCO and clerical support costs for the Police Dept and Fire Protection District

Category	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenditures					
Personnel	$ -	63,205	84,362	96,800	$ 88,500
Supplies and Services	308,842	445,047	672,254	609,960	395,800
Transfers Out to Other Funds	7,903,120	5,700	7,184,200	23,100	13,400
Support Services Charges	195,700	129,200	142,623	214,900	226,300
Total Non Dept'l Exps	**8,407,662**	**643,152**	**8,083,439**	**944,760**	**724,000**
Revenues / Funding Sources					
Property Tax	(6,416,082)	(7,164,733)	(8,527,747)	(7,248,775)	(6,668,900)
Sales Tax	(1,794,124)	(2,147,895)	(2,137,429)	(1,830,000)	(1,930,000)
Other Taxes	(309,434)	(245,770)	(142,166)	(108,000)	(208,000)
Transient Occupancy Tax	(282,656)	(462,381)	(459,590)	(532,200)	(592,300)
Franchise Tax	(368,922)	(504,242)	(522,956)	(525,000)	(525,000)
Leases & Rentals	(82,309)	(289,800)	(242,021)	(110,050)	(137,400)
Interest Earnings	(399,067)	(388,479)	(258,794)	(90,000)	(108,800)
Miscellaneous Revenues	(1,597,355)	(1,573,982)	(436,907)	(285,500)	(270,400)
Proceeds from Bonds and Notes	(6,695,000)	-	(1,075,000)	-	-
Extraordinary Revenues	-	-	(7,593,000)	(215,000)	-
Transfers In from Other Funds	(120,000)	-			(160,000)
Total Non Dept'l Revs / Funding	**(18,064,949)**	**(12,777,282)**	**(21,395,610)**	**(10,944,525)**	**(10,600,800)**

Division Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Administrative Clerk II	0.30	0.30	
Administrative Assistant	1.00	1.00	There were no staffing changes in FY 2010-11
Total FTE's	1.30	1.30	



Debt Service

The City incurred debt to finance a number of projects where cash was not available or the use of debt was the best option. Debt descriptions and adopted debt service budgets for fiscal year 2010-11 are listed in the following tables.

Debt Description	Amount Borrowed	Purpose / Comments
2002 Lease Revenue Bonds Maturity 6/1/2022	$4,230,000	Refund 1997 Lease Revenue Bonds which were used to finance construction of the Aquatic Park, Recreation Offices and Other Improvements As of 6/30/2010, balance was $2,850,000
Capital Lease – City Hall Maturity 5/1/2032	$6,695,000	To Finance the purchase of the Broadway City Hall As of 6/30/2010, balance was $6,525,000
State of California Davis Grunsky Loan Maturity 12/31/2027	$2,050,000	To Finance Water system Improvements As of 6/30/2010, balance was $1,172,422
State of California Water Resources Control Board Revolving fund Loan Maturity 1/15/2023	$10,859,470	To Finance the Construction of the Wastewater Treatment Plant As of 6/30/2010, balance was $8,043,409
City of Napa Note Payable Maturity 9/30/2017	$350,000	To Finance the participation in the North Bay Aqueduct Alternative Intake Study and the Delta Habitat Conservation and Conveyance Program from the City of Napa. As of 6/30/2010, balance was $350,000
Capital Lease – Property Adjacent to City Hall Maturity 8/22/2018	$1,075,000	To Finance the purchase of property to the north of City Hall for access to Napa Junction Road and for future civic purposes As of 6/30/2010, balance was $942,607
Capital Lease – Water North Bay Aqueduct Maturity 7/1/2035	$5,909,403	In 1982, the City entered into a water supply contract with Napa County Flood Control and Water Conservation District for certain quantities of water supplied to the City through the State Water Project and the District. This amount represents an estimate of the City's share of the State's debt. As of 6/30/2010, balance was $5,355,254

Debt Service
Adopted Budget

Debt Service Division 832

Debt Description	Principal	Interest	Total	Fund
2002 Lease Revenue Bonds	Acct 5701 $190,000	Acct 5702 $124,000	$314,000	Fund 410 Lease Rev Ref Bonds Debt Service
Capital Lease – City Hall	Acct 5701 $180,000	Acct 5702 $296,300	$476,300	Fund 423 Broadway City Hall Debt Service
State of California Davis Grunsky Loan	Acct 5715 $53,700	Acct 5716 $40,900	$94,600	Fund 550 Water Enterprise
State of California Water Resources Control Board Revolving fund Loan Maturity 1/15/2023 Annual Debt Service: $733K	Acct 5722 $166,000 Acct 5722 $358,300	Acct 5719 $69,000 Acct 5719 $148,300	$235,000 $506,600	Fund 555 Wastewater Enterprise Fund 556 Wastewater Capacity
Total Revolving Fund Loan	$524,300	$217,300	$741,600	
City of Napa Note Payable Alternative Intake Loan	$0	Acct 5723 $7,000	$7,000	Fund 550 Water Enterprise
Capital Lease – Property Adjacent to City Hall	Acct 5701 $93,400	Acct 5702 $41,400	$134,800	Fund 426 City Hall Access Road
Capital Lease – Water North Bay Aqueduct	Acct 5717 $34,000	Acct 5712 $70,200	$104,200	Fund 550 Water Enterprise
	Acct 5717 $698,000	Acct 5712 $230,100	$928,100	Fund 551 Water Capacity
Total NBA Loan Debt Service	$732,000	$300,300	$1,032,300	

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Capital Projects

New recycled water storage tank

Capital Improvement Program

The purpose of the capital improvement program (CIP) is to provide the City of American Canyon with a long-range program for major municipal capital construction projects based on the systematic development of an advanced financial plan.

The first year of the CIP is called the capital budget and is incorporated into the operating budget, which appropriates funds for ongoing day-to-day expenditures.

The CIP five-year capital improvement program is produced periodically as a separate planning document to identify capital improvement needs and to coordinate financing and timing of those needs in a manner that maximizes the return to the public. Generally, as each annual budget is prepared, additional projects and priority needs are developed and added to the program to maintain a total five-year plan. Projects slated for subsequent years are approved on a planning basis and do not receive ultimate expenditure authority until they are eventually incorporated into the capital budget. As such, tentative Council endorsement of the overall five-year program is desirable for effective implementation of overall City goals and objectives.

Prior to approval of the capital budget by the City Council, it is reviewed by the City Council Finance Sub-Committee and approved by the Planning Commission for consistency with the General Plan.

The Finance Committee process is to carefully review the scope of each project and assessed priorities. Only those projects which are truly necessary are included in the capital budget. This will ensure that the City's limited staff resources are properly focused and that expectations for project delivery are realistic.

Due to complexity and regulatory requirements, capital projects typically require several years to complete, so project budgets are established on a project-duration basis. That means that project budgets continue until the project is completed. Projects are typically funded with a combination of general city revenues, developer impact fees, capacity fees, grant funds, and developer dedications.

The City's capital budget for fiscal year 2010-11 is in process of being reviewed. Active CIP project budgets from the prior year are presented in the following pages.

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Capital Improvement Program Projects

Project Number	Project Description	Project Budget	Expenses Thru 6/30/2010	Remaining Project Budget
Parks Projects				
PR07-0700	Develop Paved Prkg Lot: Little Lge Cmplx	5,159	2,201	2,958
PR09-0100	Kensington Way - Kimberly Park Bay Trail	70,000	66,385	3,615
PR09-0300	Napa River / Loop Trail Project	17,460	15,800	1,660
	Total Parks Projects	92,619	84,386	8,233
Storm Drain Projects				
SD07-0200	Rio Del Mar: Watershed Improvement, Phase 1	61,474	495	60,979
SD09-0300	Rio Del Mar Watershed Study - Comm Park 1	29,903	12,490	17,413
SD09-0400	Kimberly Flood Control, Clean Wtr & Pk Imprvmnt	293,000	246,954	46,046
	Total Storm Drain Projects	384,377	259,938	124,439
Transportation Projects				
TR04-0200	Eucalyptus Road Realignment / Widening	316,343	292,529	23,814
TR04-0300	AmCan Road West Improvements	596,970	516,922	80,048
TR05-0300	Broadway Realignment (Mitigation)	27,000	12,617	14,383
TR07-0600	Broadway Improvements (South)	1,115,900	18,561	1,097,339
TR09-0400	Theresa Ave SR2S Phase 2	50,000	22,506	27,494
	Total Transportation Projects	2,106,213	863,135	1,243,078
Water Projects				
	American Cnyn Hi Sch (final costs to NVUSD)	1,104,901	226,680	878,221
RW08-0400	WWTP RW Meter & Pump Station	400,000	301,852	98,148
RW08-0500	Recycle Water Storage Tank	3,006,256	2,671,416	334,840
RW08-0600	Green Island Road Recycled Water Pipelines	1,487,313	1,239,378	247,935
RW09-0100	Recycle Water Delivery Program	305,000	16,694	288,306
WA07-0200	Potable Water Storage Tank - high Pressure Zone	447,852	444,652	3,200
WA07-0500	East Side Storage Tank #1	486,564	870,356	(383,792)
WA07-0600	Integrated Water Management Plan	497,599	448,891	48,708
WA07-1200	WTP FCV-9 replacement	80,000	-	80,000
WA09-0200	Watson Lane Water Main Replacement	446,000	32,006	413,994
	Total Water Projects	8,261,484	6,251,924	2,009,560
Wastewater Projects				
WW07-0500	Wastewater Main Upsizing in ACR and SR 29	404,550	20,169	384,381
WW08-0300	WWTP Upgrade & Expansion Project	271,068	176,586	94,482
	Total Wastewater Projects	675,618	196,755	478,863

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Miscellaneous

Views across the new Bay Trail

RESOLUTION # 2010-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON ADOPTING THE FISCAL YEAR 2010-11 BASIC OPERATING BUDGET (ALSO KNOWN AS THE 36-MONTH BUDGET SOLUTION) THAT WILL PROVIDE THE FIRST INSTALLMENT FOR CLOSING THE STRUCTURAL DEFICIT BY THE END OF FISCAL YEAR 2012-13

WHEREAS, the City of American Canyon along with millions of other municipalities, private sector companies and individuals have been battered by the Great Recession of 2007-2010, and

WHEREAS, due to the Great Recession, the City witnessed an unprecedented decline in property, sale and transient occupancy tax revenues that left the City facing a $1,600,000 deficit at the end of Fiscal Year 2010 that could grow to over $6,000,000 in three short years unless the City acts to reduce expenditures; and

WHEREAS, the precipitous decline in revenues resulted in a deficit that so structurally altered the financial condition of the City's general fund that it would take more than six years to return the City to a position where revenues exceeded or matched expenditures thereby exhausting reserves and creating a "structural deficit" that could not be mitigated without immediate attention; and

WHEREAS, the City Council directed the City staff to commence an outreach effort with the community including but not limited to residents, service groups such as the PTA, non-profits and businesses to discuss the deficit, the reasons behind the deficit and seek input on how best to address the deficit; and

WHEREAS, the community made suggestions on how to best address the deficit including reduction in services and raising fees and taxes; and

WHEREAS, the City undertook a community poll to test the level of support for reducing services through furloughs and specifically raising the hotel tax (Transient Occupancy Tax or TOT) from 10% to 12% and instituting a Casino Admissions Tax of $2.00 per person which is the same amount the City charges for admission to the City owned and operated Philip West Aquatic Center; and

WHEREAS, even if the fee and tax increases included in the Fiscal Year 2010-11 Basic City Operating Budget are adopted, the City must eliminate ten positions from City service resulting in layoffs; and

WHEREAS, the revenues in the budget assume the local economy will begin to improve by January of 2011 and will continue to improve by the end of Fiscal Year 2013 thereby closing the structural deficit through a combination of layoffs, salary reductions (furloughs), employee benefit reductions, and increased revenues; and

WHEREAS, the adoption of this budget leaves out a number of projects or programs that the City Council will consider after the "Basic Budget" is adopted for inclusion in the adopted budget; and

WHEREAS, the economy remains weak and any shift could impact the budget. City Staff will provide formal updates to the City Council in November, February and May of 2010-2011 to make sure the assumptions contained in the budget remain on track.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of American Canyon adopts the 36-Month Strategy to close the structural deficit by the end of Fiscal Year 2013 as presented to the City Council on May 20, 2010, and

BE IT FURTHER RESOLVED that the City Council of the City of American Canyon hereby adopts the attached Basic Operating Budget of the City of American Canyon for Fiscal Year 2010 – 2011.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council on the 1st day of June, 2010 by the following vote:

AYES: **Council Members Bennett, Callison, Vice Mayor West & Mayor Garcia**
NOES: **Council Member Coffey**
ABSTAIN:
ABSENT:

Leon Garcia
Leon Garcia, Mayor

ATTEST:

Rebekah Barr, CMC, City Clerk

APPROVED AS TO FORM:

William D. Ross, City Attorney

Resolution 2010-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE AMERICAN CANYON FIRE PROTECTION DISTRICT ESTABLISHING THE ANNUAL APPROPRIATIONS FOR FISCAL YEAR 2010-2011

WHEREAS, May 20, 2010, the Board of Directors of the American Canyon Fire Protection District (District) held a public hearing on the proposed budget for FY2010-2011; and

WHEREAS, it is the intent of the Board of Directors of the District, to adopt the proposed budget for FY2010-2011; and

WHEREAS, the Fire Chief's recommended budget has been distributed to the Board of Directors of the District and is available for review by the citizens of the City of American Canyon and other interested parties in the office of the District Clerk:

NOW THEREFORE, be it resolved by the Board of Directors of the District that the Fiscal Year 2010-2011 Operating Budget, summarized in Attachment I, is hereby adopted for FY2010-2011.

BE IT FURTHER RESOLVED, that the amount encumbered on the books of the District for FY2009 -2010 shall be carried forward and that the Fire Chief, Fire District Treasurer or their appropriate designees, are hereby authorized to take the necessary steps to carry forward encumbrances in the various funds of the District.

BE IT FURTHER RESOLVED, that the amendments to the Operating Budget for the District for FY2010-2011 shall only be amended in accordance with the fiscal policy of the District.

BE IT FURTHER RESOLVED, that the Fire Chief or his appropriate designee, is hereby authorized to approve payments for goods or services received by the District in accordance with the District's approved budgets, programs, and policies.

BE IT FURTHER RESOLVED, that this resolution shall be operational on July 1, 2010, and may be amended from time to time by resolution of the Board of Directors.

APPROVED AND ADOPTED at a joint meeting of the City Council of the City of American Canyon and the American Canyon Fire Protection District held on the 25th day of May, 2010 by the following:

AYES: Chairman Garcia, Vice Chair West, Board Members Bennett, Coffey and Callison

NOES:

ABSENT:

ABSTAIN:

Leon Garcia

Leon Garcia
Chairman, Board of Directors

ATTEST:

Glen E. Weeks
District Clerk

APPROVED AS TO FORM:

William D. Ross
District Counsel
American Canyon Fire Protection District

Appropriations Limit

State law requires the City and Fire District to set an appropriation limit each fiscal year. The Appropriations Limitation, also known as the Gann Limit, was imposed by Propositions 4 and 111. It created a restriction on the amount of revenue which can be appropriated in any fiscal year. The law stipulates that the Limit is based on actual appropriations in the base year of 1978-79 and is increased annually using the growth of population and an inflation factor. Since the City was incorporated in 1992, it was necessary for the County of Napa to transfer a reasonable amount of its limit to the City which became the City's base year limit. An Agency has a choice of inflation factors. It may use either the growth in the California Per Capita Income or growth in the non-residential assessed valuation due to new construction within the city. Not all revenues are restricted by the Limit, only those which are referred to as "proceeds of taxes."

After the annual appropriations limit is calculated, the appropriations that are subject to the limit are determined. If the proceeds of taxes are greater than the appropriations limit, it will restrict the ability of the Agency to appropriate the taxes. That means that the Agency may not be able to spend the taxes and may in fact have to return taxes which have exceeded the limit. Under State laws, it is allowed for an Agency to carryover the excess and appropriate it the following year if possible. If the limit won't allow it, then the tax revenues must be returned to the taxpayers. There is an override option. If the voters approve an override to temporarily increase the limit, the City may appropriate the revenues and spend them. However, there is a four year time limit on the override.

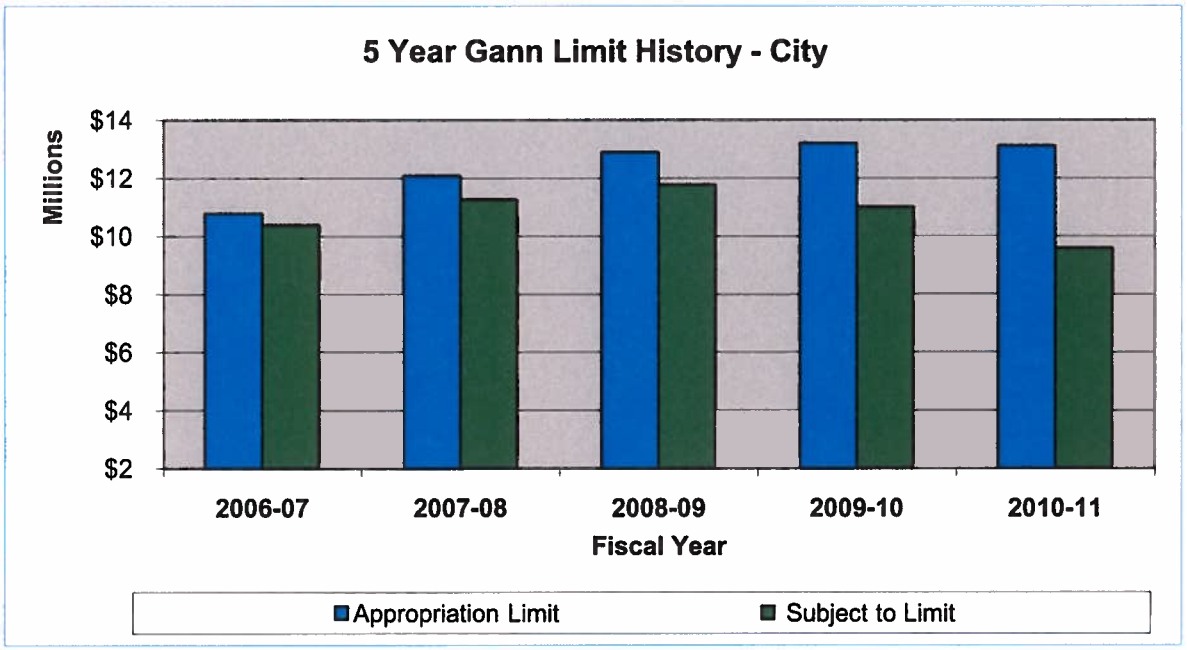
FY 2010-2011 Appropriation Limit

The fiscal year 2010-2011 appropriations limit was calculated using the Statewide Per Capita Personal Income decrease of 2.54% and the City population increase of 1.91%. These factors were provided by the State Department of Finance. Using these factors in the prescribed formula, it was found that the prior year limit decreased by 0.68%.

When applying the decrease to the prior year's limit and comparing it to the proceeds of taxes, it was found that the City and the Fire District are both well below their limits for fiscal year 2010-11. The City is at 73% of its limit while the Fire District is at 36%. Five years of historical data is provided in the following tables and charts.

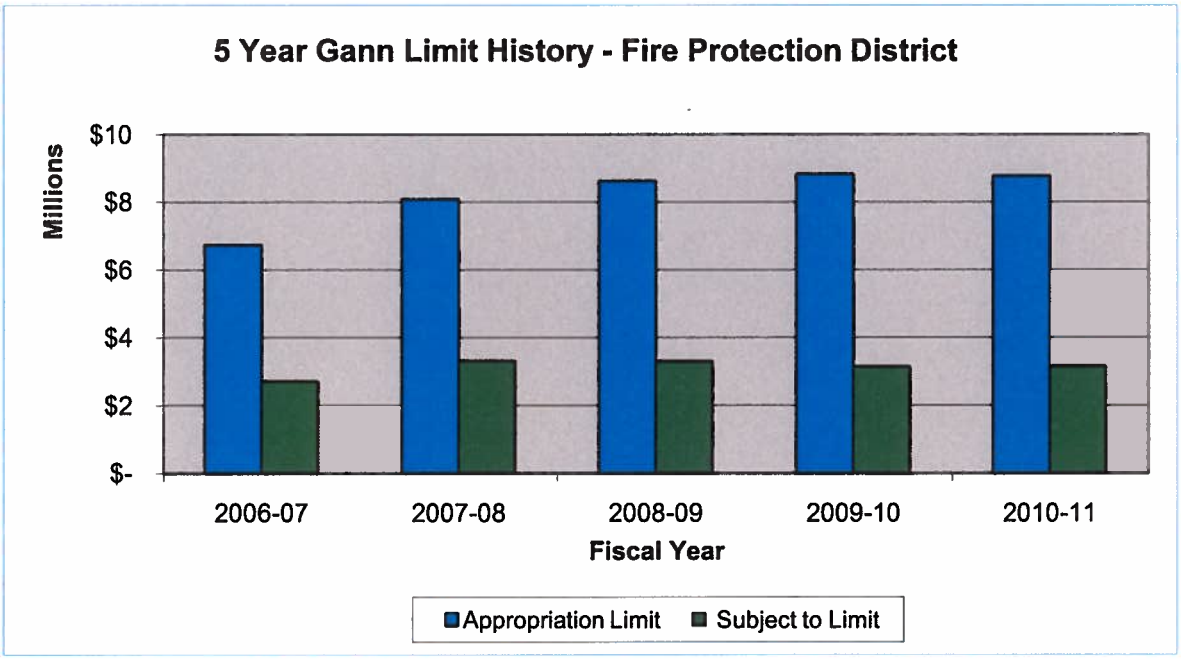
City of American Canyon Appropriations Limit
Five Year History

Fiscal Year	Appropriation Limit	Subject to Limit	Amount Under	Per Capita Income	Population
2006-07	$ 10,783,085	$ 10,384,322	$ 398,763	3.96%	16,031
2007-08	$ 12,076,026	$ 11,253,245	$ 822,781	4.42%	16,293
2008-09	$ 12,885,011	$ 11,768,066	$ 1,116,945	4.29%	16,503
2009-10	$ 13,195,673	$ 11,003,145	$ 2,192,528	0.62%	16,836
2010-11	$ 13,105,942	$ 9,585,117	$ 3,520,825	-2.54%	



American Canyon Fire Protection District Appropriations Limit Five Year History

Fiscal Year	Appropriation Limit	Subject to Limit	Amount Under	Per Capita Income	Population
2006-07	$ 6,729,656	$ 2,700,000	$ 4,029,656	3.96%	16,031
2007-08	$ 8,076,260	$ 3,300,000	$ 4,776,260	4.42%	16,293
2008-09	$ 8,617,297	$ 3,294,887	$ 5,322,410	4.29%	16,503
2009-10	$ 8,825,063	$ 3,126,427	$ 5,698,636	0.62%	16,836
2010-11	$ 8,765,053	$ 3,143,192	$ 5,621,861	-2.54%	



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Timing of Revenues Received

Revenue Types	Daily	Monthly	Scheduled	Varies
Property Tax			Primary Distributions - August, December & May	
Sales Tax [1]		75% of Est Allocations with Quarterly Reconciliation	Estimated 25% of Sales Tax collected paid from Property Tax revenues with Property Tax Distributions in December & May	
Transient Occupancy Tax		Within 30 days of end of month		
Vehicle Licence Fee (VLF) [2]		Local Portion from registration fees	Estimated 80% paid with Property Tax Distributions in December & May	
Grants				Generally based on request for reimbursement of eligible expenditures
Fees for Services & Permits	As services are needed			
Business License Tax			Renewals Sent in December and payments delinquent February 1st	
Water and Wastewater				
Single Family Residential		Billed Monthly		
Multi-family & Mobile Home Parks		Billed Monthly		
Non-Residential		Billed Monthly		
Development Impact & Connection Fees				Generally as Development Permits are issued
Gas Tax allocations [3]		Distribution from State allocations		
Other General fund, Enterprise Funds and Special Funds Revenues				Varies depending on revenue types

[1] As part of Prop 1a (November 2004) an estimated 25% of Sales Tax paid in December and May with a reconcilliation in the following December

[2] As part of Prop 1a, approximately 80% of the initial FY 03-04 VLF revenue, increaseed by Assessed Valuation growth, is paid from Property Tax revenues as a "VLF In-Lieu" payment in December and May

[3] Gas Tax payments will be delayed. July 2010 through March 2011 allocations will be made in April of 2011.

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Fund Descriptions

Governmental Funds

Fund 100, General Fund – accounts for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Fund 705, Developer Deposits Funds –accounts for advances or deposits of private developments for privately initiated annexations handled by Community Development Department. This fund is consolidated with the General Fund in the CAFR.

Special Revenue Funds

Fund 200, Measure A Storm Drain Fund – accounts for the proceeds and expenditures of a special half cent sales taxes approved by the voters in 1998.

Fund 201, Gas Tax Fund – accounts for proceeds and expenditures of gas tax revenue received under the California Streets and Highways Code.

Fund 209, Abandoned Vehicle Abatement Fund – accounts for the grant funds used to abate abandoned vehicles.

Fund 222, CDBG Loan Repayment Fund – accounts for housing rehabilitation loans made to qualified applicants with Federal Community Development Block Grant monies.

Fund 226, Building Equity and Growth in Neighborhoods (BEGIN) Program Fund – accounts for state funds received for mortgage assistance to low and moderate-income first-time homebuyers of Vineyard Place units.

Fund 229, Safe, Accountable, Flexible, Efficient Transportation Equity: A Legacy for Users (SAFETEA-LU) Grant – accounts for federal funds received to fund surface transportation programs such as highways, transit, motor carrier, freight safety and research.

Fund 241, San Francisco Bay Trail Grant – accounts for the funding of the Kensington Kimberly Park Bay Trail. The grant funds for feasibility study, design and construction projects that work towards completing undeveloped segments of the 500-mile Bay Trail.

Special Revenue Funds – Continued

Fund 272, Per Capita Proposition Grant – accounts for grant fund received for Urban Open space and Recreation Program under the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2001. This is to be used for the acquisition, development, improvement, rehabilitation, restoration, enhancement, and interpretation of local parks and recreational lands and facilities.

Fund 276, Proposition 50 Grant – accounts for grant fund received from State Water Resources Control Board for recycled water projects.

Fund 277, American Recovery and Reinvestment Act of 2009 Grant (ARRA) – accounts for pavement rehabilitation of West American Canyon Road. This grant makes $275 billion available for federal contracts, grants and loan for infrastructure development and enhancement, including construction and repair of roads.

Funds 420, 424, 425 – accounts for Lighting and Landscaping Assessment District activities to maintain the LaVigne, Vintage Ranch and Napa Junction Mixed Use neighborhood street lights, safety lighting, parks, street medians, street tree trimming and graffiti removal thru tax assessments to benefitting property owners.

Fund 580, Newell Open Space Fund – accounts for the costs to maintain open space at the Newell Open Space.

Fund 581, LaVigne Open Space Fund – accounts for the costs to maintain open space at the La Vigne Open Space.

Fund 702, Employee Housing Assistance Fund – accounts for loans made to employees with City funds for the purpose of assisting them to purchase homes within the City.

Fund 703, Retiree Health Benefits Fund – this fund was set up to accumulate funds for the purpose of funding retiree health benefits.

Debt Service Funds

Fund 410, Lease Revenue Bonds – debt was issued to finance the acquisition and construction of a Community Center/Gymnasium facility and Aquatic Center Facility.

Fund 423, City Hall Capital Lease – debt was issued to finance acquisition of an office building at 4381 Broadway and construction of tenant improvements to transform the building to a City Hall.

Fund 426, Broadway Property – debt was issued to finance the acquisition of property adjacent to City Hall so that direct vehicle access from Napa Junction Road and for future civic purposes.

Enterprise Funds

Fund 550, Water Operations Fund – accounts for operation and maintenance activities of the City's water treatment plant and distribution system.

Fund 551, Water Capacity Fund – accounts for capacity fees accumulated to pay for expansion of water infrastructure and facilities. This fund is consolidated with Fund 550 in the CAFR.

Fund 555, Wastewater Operations Fund – accounts for operation and maintenance activities of the City's wastewater treatment plant and collection system.

Fund 556, Wastewater Capacity Fund – accounts for capacity fees accumulated to pay for additional wastewater infrastructure and facilities. This fund is consolidated with fund 556 in the CAFR.

Capital Projects Funds

Fund 150, Capital Projects Fund – this account is used to accumulate funds that the city desires to commit to capital projects.

Fund 310, Park Improvement Fund – accounts for impact fees collected by new development to be used for adding new parks, park improvements, and recreation facilities.

Fund 320, Traffic Impact Fee Fund – accounts for impact fees collected by new development to be used for street improvements.

Fund 330, Civic Facilities Impact Fee Fund – accounts for impact fees collected by new development to be used for Civic Facilities improvement projects.

Fund 350, Affordable Housing Fund – accounts for fees collected from developers in lieu of providing affordable housing services.

Agency Funds - The City has no legal responsibility for the repayment of this debt

Fund 800, American Canyon Road East Assessment District – these assessment bonds were issued to finance major street and road realignments and improvements of the American Canyon Road East. The bonds are secured by special assessments levied against properties within the District.

Fund 801, LaVigne Special Assessment District – these assessment bonds were issued to finance water and sewer connection fees of the La Vigne Subdivision. The bonds are secured by special assessments levied against properties within the District.

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Budget Cycle

The City and Fire District budget process begins in January each year. Finance Staff prepares line item budget worksheets, instructions and a budget cycle calendar for presentation to the Department Directors and other key staff involved in the budget process. The City Manager, at the kick off meeting, provides direction regarding City goals, department goals, and expectations during the coming year and beyond.

On the budget worksheets, the Department Directors project their revenue and expenditure line item balances through the end of the fiscal year. This serves as the basis for the beginning balances or resources available in each fund. Additionally, Directors make their new year budget requests on the worksheet and return it to the Finance Department for compilation.

While Directors are completing their department's budget worksheets, Finance staff is computing salary and benefit budgets for regular full time staff for each department which are posted to each department's budget worksheet after verifying staff allocations percentages. Human Resources staff estimates benefit rates and an estimated cost of living increase to program into the budget for planning purposes. Directors are responsible for requesting overtime and part time or seasonal staff budgets.

All supplemental budget requests for new staff or equipment are presented on separate forms for review by the City Manager. If approved, they are added to the City Manager's recommended budget. Once the budget worksheets are completed by the departments, they are compiled by Finance Department staff. All departments' budget worksheets are then provided for City Manager review, evaluation and approval.

The City Manager's recommended budget is then presented to the Finance Committee which is comprised of the Mayor, Vice Mayor, City Manager, Finance Director and the Fire Chief. The details are discussed and reviewed at the Committee and department Directors may make a presentation on their budgets and goals for the new budget year. Following approval by the Finance Committee, a budget workshop is held with the City Council in May. After receiving any feedback and making necessary adjustments, a public hearing is held during the first Council Meeting in June.

The City Council adopted the City's operating budget at their meeting on June 1, 2010. The Fire District budget was adopted by the Board of Directors on May 20, 2010.

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Classification of Funds

Generally Accepted Accounting Principles or GAAP requires that governments segregate funds by fund type. Each fund type is explained below.

The summary schedule of sources and uses of funds shows all the city's funds by fund type.

Governmental Fund Types

These funds account for general governmental functions which are generally tax supported. The five types of government funds are: general fund, special revenue funds, debt service funds, capital projects funds and permanent funds. Modified Accrual basis of Accounting - All governmental funds share a common measurement focus and basis of accounting. Under the *current financial resources* measurement focus, the objective of the operating statement is to report near – term inflows and outflows of spendable resources. To achieve this objective, the modified basis of account is used. This means that revenues are recognized when they are measureable and available to finance expenditures of the fiscal period. Revenues received as long as 90 days after the end of the fiscal year may be accrued. Revenues received after that do not satisfy the availability criterion and the receivable should be offset with deferred revenue, a liability account.

The City records revenues received up to 60 days following the end of the fiscal year under the modified accrual basis of accounting. When revenues are considered immaterial, the cash basis of accounting is used. Expenditures are recorded when the liability is incurred. The City prepares its budget for governmental funds using the modified accrual basis of accounting.

General Fund

The General Fund is the chief operating fund and is used to account for activities traditionally associated with general government which are not required to be accounted for in a separate fund. Major revenues include sales tax, property tax, transient occupancy tax, licenses, permits, and fines and forfeitures. This fund is used to finance most basic municipal functions such as administration, law enforcement services, parks and recreation programs and activities, street maintenance and community development functions. The Fire Protection District is a subsidiary special district to the City and maintains its finances separately from the City. It has its own Fire Operations Fund to account for its activities along with other funds which account for mitigation fees, grants, and for resources dedicated to procuring fire apparatus and special equipment.

Special Revenue Funds

These funds account for revenues raised for a specific purpose. Often there are legal restrictions and the use of a separate fund facilities legal compliance reviews.

For example, the City accounts for Gas Tax revenues in a special revenue fund. Revenues are received from the State using a number of formulas to allocate the City's share of State and County gasoline tax collections in accordance with the provisions of the State of California Streets and Highway Code. Revenues are disbursed by the State based on population and must be used towards the maintenance and repair of City streets that serve as State and County thoroughfares.

Another special revenue fund is the *Measure A* Fund which accounts for the City's share of the half cent County wide tax measure approved by the voters in 1998 to pay for the Napa Flood Control Project and related flood control measures taken by cities throughout the County of Napa. This revenue is legally restricted.

Debt Service Fund Types

Debt Service funds are used to account for the accumulation of resources for, and the payment of general long term debt principal and interest. Debt service funds are not required but are permitted to be used. Three separate debt service funds have been established by the City to account for debt activity related to the acquisition of city hall, construction of the aquatic and community center, park and recreation facilities and the purchase of property adjacent to city hall.

Capital Project Fund Types

Capital project funds are used to account for major capital acquisition and construction sand is permitted by GAAP and not required. The City accounts for general governmental capital projects in one CIP fund and has separate funds to account for impact fees.

Proprietary Fund Types

There are two types of proprietary funds: Enterprise funds and Internal Service Funds. These funds have a different objective than governmental funds and use a different measurement focus and basis of accounting to accomplish it. Proprietary fund types use the full accrual basis of accounting which records liabilities when incurred and revenues when earned.

The economic resources measurement focus used by proprietary funds measures the change in net assets. It was designed to answer the question "What transactions and events have increased or decreased the fund's total economic resources?" Net assets are used as a practical measure of economic resources.

Key differences between the governmental fund type *current financial resources* measurement focus and the *economic resources* measurement focus is that in the latter, the operating statements do not record the issuance of debt, debt service principal payments, or capital outlay. As a result of these transactions, there is no change in economic resources so they are not recorded in proprietary fund types.

Internal service funds are permitted by GAAP and not required. They facilitate accounting and cost allocations of certain internal services like fleet operations, building maintenance or information technology. User charges are computed and charged out to other departments in the government agency that use their services. The City of American Canon does not currently have any internal service funds. Various services are accounted for including cost allocations from within the general fund.

Enterprise Funds – may be used to report any activity for which a fee is charged to external users for goods or services. GAAP also requires the use of an enterprise fund for certain activities related to debt, legal requirements to recover costs or based on a government agency's policy decision to recover costs.

The City operates water and wastewater facilities and accounts for their operations using enterprise funds and prepares their budgets using the full accrual basis of accounting except that capital expenses are budgeted as an expense. Under GAAP, these expenses are reclassified as fixed assets.

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City of American Canyon and American Canyon Fire Protection District
FISCAL AND BUDGETARY POLICIES
Revised October 2009

STATEMENT OF PURPOSE

The purpose of the Fiscal and Budgetary Policies is to identify and present an overview of policies dictated by state law, City ordinances, and administrative policies. The aim of these policies is to achieve long-term stability and a positive financial condition. These policies provide guidelines to the administration and finance staff in planning and directing the City and Fire District's day-to-day financial affairs and in developing financial recommendations to the City Council which also sits as the ex officio Board of Directors for the American Canyon Fire Protection District. These policies set forth the basic framework for the overall fiscal management of the City and Fire District. Operating independently of changing circumstances and conditions, these policies assist in the decision-making process. These policies provide guidelines for evaluating both current activities and proposals for future programs. In short, these policies are designed to achieve, year in and year out, a balanced budget for the City of American Canyon as defined within this policy document.

These policies represent long-standing principles, traditions and practices that will guide the City and Fire District and help maintain financial stability. An important aspect of the policies is the application of budget and fiscal policies in the context of a long-term financial approach. The scope of these policies span accounting, auditing, financial reporting, internal control, operating and capital budgeting, revenue management, cash and investment management, expenditure control, asset management, strategic plans and debt management.

The City Council, upon the recommendation of the Finance Committee, annually approves the Fiscal and Budgetary Policies, making recommendations regarding modifications to policies and for incorporating them into the budget process.

1. BASIS OF ACCOUNTING

Accounting in Accordance With GAAP

City and Fire District finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board, Financial Accounting Standards Board, and other authoritative sources.

Organization of Accounts

The accounts of the City / Fire District shall be organized and operated to provide fiscal accountability and compliance with all legal restrictions. Fund accounting segregates funds according to their intended purpose and is used

to aid management in demonstrating compliance with finance-related legal and contractual provisions.

1) Governmental Fund Types. Governmental funds are used to account for a government's general government activities. The five governmental funds are General, Special Revenue, Debt Service, Capital Project, and Permanent. The financial accounting model for these funds focuses on resources available for spending, using a modified accrual basis of accounting in which revenues are generally recognized when they can be measured and are available to pay the liabilities of the current period, which is about sixty days following the end of the fiscal year. Expenditures are recognized when the liability is incurred.

2) Encumbrance Accounting. The City and Fire District will utilize encumbrance accounting for its Governmental fund types, under which purchase orders (P.O.'s), contracts and other commitments such as contracted sewer and water capacity, are recorded in order to reserve that portion of the applicable appropriation.

3) Proprietary Fund Types. Two funds, Enterprise and Internal Service Funds, are classified as Proprietary fund types. They are used to account for business type activities (i.e., activities that receive a significant portion of their funding through user charges). The City uses Enterprise funds to account for its Water and Wastewater activities. Proprietary fund types are accounted for on a flow of economic resources measurement focus and use the full accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Enterprise funds receive their revenues primarily through user charges for service. The Internal Service fund is commonly used to account for activities like a motor pool, central stores, printing services, etc. that are provided on a cost reimbursable basis to other departments within the government. Currently, the City does not use internal service funds.

2. OPERATING BUDGET

Operating Budget

The operating budget is the City's annual financial operating plan. The budget process creates an opportunity for the City to dialogue with citizens regarding community goals and priorities and the level of services provided. It serves as a public document that can tout past accomplishments and promote communications between the citizens and the City Council. It should explain where the money to fund city operations comes from and where it goes. It can talk about major policy choices, tradeoffs, and recommendations. The City must carefully plan for its financial future to

ensure that the inflow of resources will be adequate to meet its needs. The budget will help ensure adequate fiscal control in all funds.

Finance Committee Review

The City Manager and the Fire Chief will first review the Budget with the Finance Committee before submitting the annual budget to the full Council or Board of Directors. The Finance Committee shall be made up of the Mayor, Vice Mayor, Finance Director, City Manager, and when reviewing Fire Operations, the Fire Chief. Each Department Manager shall have an opportunity to meet with the Finance Committee prior to the budget being submitted to the City Council, to review Department goals, objectives, and budgetary priorities.

Budget Planning

Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The budget planning process should look forward by a three to five year period recognizing that budgets are influenced by decisions made in prior year budgets and that decisions made in the current year budgets serve a precursor to future budget requirements. The City will recognize both short-term needs and objectives in relation to the long-term goals of the City. Accordingly the City will conduct an annual "mid-year" review that will cover various economic factors (i.e., State and National trends) influencing the budget as well as micro economic factors such as the impact of new development in the City. The mid-year review will establish goals and objectives for the coming fiscal year budget and make adjustments to the current year's budget to reflect new conditions.

Fund Structure

An annual budget shall be prepared for the General, Debt Service, Special Revenue, Capital Projects, Enterprise and other funds as established by the City Council.

1) Basis of Budget. All operating budgets shall be adopted on a basis consistent with Generally Accepted Accounting Principles as promulgated by the Governmental Accounting Standards Board, Financial Accounting Standards Board, and other authoritative sources. A budget for depreciation is included in the Proprietary funds and Governmental funds to comply with GASB Statement No. 34.

   Capital Projects funds are project length budgets. Revenues are included in the budget (normally through "transfers") in the year they are expected to become measurable and available. Expenditures are included in the budget when they are measurable, a liability is incurred, and the liability will be liquidated with resources included in the budget. Once adopted, Capital Improvements budgets are encumbered into future years.

2) Legal Level of Control (LLC). This is the level which management, without prior City Council approval, loses the ability to reapply budgeted resources from one use to another and is known as the budget's "legal level of control." At the Fund level, the LLC is the Chief Administrative Officer, as established by Ordinance, Resolution or Minute Order. Within a fund, the City has a number of levels of detail in the operating budgets – the fund, department, division, object and the line item within the fund.

   a) Example:
      i) Fund – General Fund
      ii) Department – Public Safety
      iii) Division – Police
      iv) Object – Salaries, Other Pay and Benefits
      v) Line Item – Regular Salaries

   b) In the above example, Department Managers may not exceed budget allocations at the Division level without Chief Administrative Officer approval.

   c) Only the City Council may move resources from one fund to another.

3) Line Item. The City's automated financial system can accommodate a robust "Program Budget" format and the City will start moving in that direction.

4) Program Budget. As staff resources are available, the City will develop a program budget that represents the expenditure activity within a department by the program(s) each Department is responsible for executing. The plan is for each program budget section within a Department to list out the intended results of the program for the coming year and detail what the total cost of each program is in at least three areas:

   a. Area 1. Department Description. The Department description will include the City Council's approved Mission and Goals for the Department and a summary of total Department Cost.

   b. Area 2. Will describe each program area of the Department.

      (i) Each Program (i.e., Fire Suppression, Code Enforcement, City Clerk Imaging, etc.) will detail the program, number of personnel and its intended results, proposed changes if any from the previous year, and three to four key indicators of performance related to the program. Program area components will be listed as:

(1) Labor
  (a) Salary
  (b) Benefits:
    - Retirement
    - Medical
    - Other
  (c) Other

  Total Labor

(2) Operational and Maintenance (O&M)
  (a) Energy
  (b) Supplies
  (c) Equipment

  Total O&M

c. Area 3. Non-CIP Purchases

Identify Available Funds
The budget shall be sufficiently detailed to identify all available funds. The format will include estimated beginning fund balances, sources of funds, uses of funds, and estimated remaining funds at budget year end. Additionally, the format will provide two years of budget history. The Program Budget will also provide the estimated current year-end and the proposed budget.

Interfund Transfers
A summary showing the net budget totals will be shown, as well as gross budget totals, in order to prevent the "double counting" of revenues and expenditures. Net budget totals are derived by subtracting interfund transfers from the gross budget totals.

Periodic Reports
The City will maintain a budgetary control system to ensure adherence to the budget and will prepare periodic reports comparing actual revenues, expenditures and encumbrances with budgeted amounts.

Self Sufficient Enterprise Funds
Enterprise operations and Special Revenue Funds, including the Fire District, shall be totally self sufficient and will solely operate on revenues dedicated to the Funds mission.

Administrative Cost Reimbursement
The General Fund shall be reimbursed for administrative costs by all Enterprise, Special Revenue and other non-General Fund budgets. Documentation to support the transfer shall be presented to City Council during the budget process.

Appropriations Lapse

Annual Appropriations lapse at year end. Items purchased through the formal purchase order system or Capital Improvement Program may be carried over by the Finance Department into the next fiscal year. The Finance Director will be responsible for setting aside sufficient funds so as not to overstate available reserves/revenues to complete a purchase.

Preparation (Line Item or Program Budget)

The budget is to be prepared as provided by Ordinance or Resolution with the cooperation of all City Departments.

1) Proposed Budget. As provided by Ordinance or Resolution, the Chief Administrative Officer shall submit to the City Council or Board of Directors, a proposed budget at least 30 days prior to the end of the fiscal year that presents a complete financial plan for the ensuing year. Ideally the budget will be presented to the City Council or Board of Directors by May of each year. The budget is to be adopted prior to July 1 each year. In order to achieve this objective, the City Council / Board of Directors shall adopt a budget calendar. Members of the City Council and City Staff will modify their personal calendars to achieve the objectives of the adopted calendar.

   a. Regardless of the budget format (Program or Line Item) the budget, at a minimum, shall include four basic segments for review and evaluation: (1) personnel costs, (2) base budget (same level of service) for operations and maintenance costs, (3) decision packages for capital and other (non-capital) project costs, and (4) revenues.

   b. The budget review process shall include City Council / Board of Directors participation in the development of each of the four segments of the proposed budget.

   c. The budget process will allow the opportunity for the City Council / Board of Directors to address policy and fiscal issues.

   d. A copy of the proposed budget shall be filed with the City Clerk when it is submitted to the City Council.

2) Modified Incremental Approach. The operating budget for the prior year shall serve as the starting point for budget estimates adjusting for the San Francisco/Oakland Consumer Price Index and any contractual obligations that would increase or decrease the previous year's budget totals. Increases or decreases over the base budget shall be detailed in supporting documents on forms provided by the Finance Department. Detail supporting sheets shall be prepared for each

object series by the Department requesting modifications to the Incremental Budget, or as provided for by Ordinance or Resolution.

3) Adoption. Upon the presentation of a proposed budget document, the City Council / Board of Directors, shall call and publicize a public hearing. The City Council shall subsequently adopt by Resolution such budget, as it may have been amended, as the City's / Fire District's Annual Budget, effective for the fiscal year beginning July 1.

   If the City Council / Board of Directors takes no action to adopt their respective budgets on or prior to July 1, twenty-five (25%) of the budget, as submitted per adopted Ordinance or Resolution, is deemed to have been adopted by either the City Council, and/or Board of Directors until such time as it is finally amended by the City Council and/or Board of Directors.

4) Budget Evaluation and Awards Program: The annual budget shall be submitted to the California Society of Municipal Financial Officers or Governmental Finance Officers Association for evaluation and consideration of a Budget Presentation Award.

Balanced Budget

The budget shall be balanced using a combination of current revenues and available funds. In principal, current year operating expenses shall be funded with current year generated revenues. A Proprietary Fund with outstanding revenue bonds shall not use debt proceeds to balance its operating budget. No budget shall be adopted unless the total of estimated revenues and available fund balance or resources is equal to or in excess of appropriations.

Reporting

Periodic financial reports shall be prepared to enable the Department Managers to manage their budgets and to enable monitoring and control of the budget. A quarterly to mid-year budget review shall be presented to City Council in sufficient detail to allow decision making.

Control

Operating Expenditure Control is addressed in Section 5 of these Policies.

Contingent Appropriation

As part of the budget, an adequate contingent appropriation of no less than 1% of the total allocations in each of the operating funds will be established. This contingent appropriation, titled "Reserve for Future Allocation," will be disbursed only by transfer to another departmental appropriation. Transfers from this item shall be controlled by Section 2(LLC) and as outlined in Section 5 of these policies. A contingent appropriation will be established except when prior year revenues do not reach estimated projections or when the

Governor declares a fiscal emergency in accordance with the provisions of Proposition 1A.

3. RESERVES/UNALLOCATED FUNDS

Operating Reserves in Fund Balances
The City / Fire District shall use reserves, as appropriate, in each operating fund to pay expenditures caused by unforeseen emergencies or shortfalls caused by revenue declines, extraordinary opportunities to increase efficiency or add value and to eliminate any short-term borrowing for cash flow purposes. Unallocated reserves will be maintained as detailed below except when prior year revenues do not reach estimated projections or when the Governor declares a fiscal emergency in accordance with the provisions of Proposition 1A.

- **City General Fund Reserve**
  Following the initial allocation of 10% of fiscal year 2005 expenditures, effective July 1, 2007, the reserve will grow by a minimum of 3% of the total salary of the General Fund until it reaches 20% of the operating annual budget of the General Fund. Unallocated reserves will not be used to support long-term, on-going operating expenditures unless they exceed the recommended reserve. This reserve is defined as unreserved current assets minus current liabilities payable from these assets.

- **Fire District General Fund Reserve**
  Beginning July 1, 2009, an initial Fire District General Fund reserve of 10% of fiscal year 2005 expenditures will be established. Thereafter, each July 1st, the reserve will grow by a minimum of 3% of the total salary of the Fire District General Fund until it reaches 20% of the Fire District's General Fund's annual operating budget. Unallocated reserves will not be used to support long-term, on-going operating expenditures unless they exceed the recommended reserve.

- **Risk and Catastrophic Reserve**
  Following the establishment of the City's initial Risk Reserve of $750,000 in February 2007, it will be increased by a minimum of $100,000 per year until it reaches $2.0 million. Thereafter, it should grow by 3% or the annual CPI, whichever is greater.

  Beginning July 1, 2009, the Fire District will establish a Risk Reserve of $250,000. Annually thereafter, the Risk Reserve will increase a minimum of $25,000 until it reaches $500,000. Thereafter it will be increased by 3% or the annual CPI, whichever is greater.

The Risk and Catastrophic Reserve will only be used in the event of a disaster or to replace equipment and buildings damaged due to an unusual event or accident.

- **Economic Development Reserve**
  Following the establishment of the City's initial Economic Development Reserve of $750,000 in February 2007, it will be increased by a minimum of 10% each year until it reaches $5.0 million. The Economic Development Reserve will only be used to further the City's adopted Economic Development program.

- **Technology Reserve**
  Following the establishment of the City's initial Technology Reserve of $500,000 in February 2007, each department will contribute, beginning July 1, 2007, the equivalent of 1% of its allocated annual salary budget to the Technology Reserve.

  Beginning July 1, 2009, the Fire District will establish a Technology Reserve of $50,000. Annually thereafter, the reserve will increase a minimum of $10,000 until it reaches $100,000. Thereafter it will grow by 3% or the annual CPI, whichever is greater.

  The Technology Reserve will be used to upgrade technology system improvements including, but not limited to, it's automated financial accounting system, internet web page development, communications and related improvements.

The Chief Administrative Officer is directed to use unappropriated reserves to extend the above reserves.

Fund Balances Used For Capital Projects
Reserves within Capital Projects will be used for one time capital expenditures only if:

1) There are surplus balances remaining after a reserve or fund allocation is made; or

2) The City has made a rational analysis with justifying evidence that it has an adequate level of short and long-term resources.

Specific Appropriation By City Council / Board of Directors
With the exception of the annual 1% reserves provided for in Section 3 Contingencies and Appropriations, if fund balances are used to support one time capital and one time non-operating expenditures, the funds must be specifically appropriated by the City Council.

Capital and Debt Service Funds

Monies in the Capital Projects Funds will be expended in accordance with an approved budget. Interest income will be used to offset construction costs or interest expense on the debt issue. Reserves in the Debt Service Fund and Interest accounts will be maintained as required by outstanding bond indentures. Reduction of reserves for debt shall be done only with City Council approval after Council has conferred with the City's Financial Advisor, Bond Counsel and the City Manager to insure there is no violation of bond covenants.

Debt Coverage Ratios

Debt Coverage Ratios shall be maintained as specified by the bond covenants.

4. REVENUE MANAGEMENT

Characteristics of the Revenue System

The City / District strives for the following optimum characteristics in its revenue system:

1) Simplicity and Certainty. The City shall strive to keep the revenue classification system simple to promote understanding of the revenue sources. The City shall describe its revenue sources and enact consistent collection policies to provide assurances that the revenue is collected according to budgets and plans.

2) Equity. The City / District shall make every effort to maintain equity in its revenue system structure. The City shall minimize all forms of subsidization between entities, funds, services, utilities, and customers.

3) Centralized Reporting. Receipts will be submitted daily to the Finance Department for deposit and investment. Daily transaction reports and supporting documentation will be prepared.

4) Review of Fees and Charges. The City / District shall review all fees and charges annually in order to match fees and charges with the cost of providing that service, except in cases where the social benefit impact outweighs the objective of full cost recovery (e.g. recreational programs, etc.)

5) Aggressive Collection Policy. The City / District shall follow an aggressive policy of collecting revenues. Utility services will be discontinued (i.e. turned off) for non-payment in accordance with established policies and ordinances. The Finance Director may place a delinquent account on a re-payment plan prior to turning the account over for collection. Other receivables that are 120 days or greater shall

be sent to collections. The Finance Director is authorized to "write-off" all non-collectible accounts and specify said action in the annual audit.

Non-Recurring Revenues
One-time or non-recurring revenues will not be used to finance current ongoing operations. Non-recurring revenues will be used only for one-time expenditures such as capital needs.

Utility Rates
The City shall review and adopt utility rates annually, starting in 2007, that generate revenues required to cover operating expenditures, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital. This policy does not preclude drawing down cash balances to pay for debt service obligations, to retire bonded indebtedness or to undertake capital projects.

Interest Income
Interest earned from investment of available monies, whether pooled or not, may be distributed to the funds in accordance with the equity balance of the fund from which monies were invested.

User-Based Fees and Service Charges
With respect to utility user charges, and impact fees associated with development, the direct and indirect costs of that service shall be offset wholly by a fee. There shall be an annual review of fees and charges to ensure that the fees provide adequate coverage of costs of services. Full fee support shall be obtained from development application processing, compliance with CEQA and related development services.

Enterprise utilities and capital improvements for utilities shall be wholly offset by fees. However, from time to time, the Chief Administrative Officer may establish programs or certain procedures to place a delinquent account on a repayment program for delinquent utility charges. With respect to Special Revenue Funds and other City provided services (i.e. recreation programs), fees should partially offset services as deemed appropriate by the City Council / Board of Directors.

Intergovernmental Revenues/Grants
Grant revenues shall be spent for the purpose(s) intended. The City / District shall review grant match requirements and not rely on grants for the basic operating budget nor rely on one-time revenue sources.

Revenue Monitoring
Revenues actually received are to be regularly compared to the budgeted revenues and reported to the City Council quarterly.

Revenue Projections

The City shall project current year revenues based on the previous five year history and will update this projection annually. Each existing and potential revenue source shall be re-examined annually. Operating Revenues will be projected out five years for report at mid-year. Exception: In the event a new re-occurring land use or development will dramatically skew the projection history, then the Chief Administrative Officer is authorized to adjust the five year history "current year" revenue number to better reflect changed conditions.

5. EXPENDITURE CONTROL

Appropriations

The responsibility for budgetary control lies with the Department Manager. Department Managers may not approve expenditures that exceed monies available at the division level. Capital expenditures are approved by the City Council / Board of Directors on a per project basis.

Amendments to the Budget

The City Council may transfer any unencumbered appropriated balance or portion thereof from any office, department, to another at any time.

Authority to Amend Budget

1. Reserve for Future Allocation. The City Manager or Fire Chief may authorize transfers from within their "Legal Level of Control." They must secure authorization from the City Council / Board of Directors to transfer money from one fund to another fund.

2. Reports to City Council / Board of Directors. Transfers from the Reserve for Future Allocation or transfers between divisions authorized by the Chief Administrative Officer shall be reported on a quarterly basis for review by the City Council / Board of Directors as part of the regular quarterly budget review.

Purchasing

All purchases shall be made in accordance with the Purchasing Ordinance. Key authorizations in the ordinance are:

APPROVAL REQUIREMENTS
PURCHASES OF SUPPLIES & EQUIPMENT AND
PROFESSIONAL SERVICES

Threshold	Department Head	City Manager or Fire Chief	City Council / BOD
SUPPLIES & EQUIPMENT			
less than $5,000	√	√	
$5,000 to $25,000 (requires 3 informal proposals)	√	√	
exceeding $25,000 (requires formal proposals)	√	√	☒
PROFESSIONAL SERVICES			
less than $10,000	√		
$10,000 to $50,000 (requires 3 informal proposals)	√	√	
exceeding $50,000 (requires 3 formal proposals)	√	√	☒

Petty Cash Reimbursement Limit $100.00

√ Denotes signature approval
☒ Denotes Council Authorization

Prompt Payment

All invoices approved for payment by the proper City / Fire District authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt, in accordance with the provisions of state law. Proper procedures shall be established that enables the City / Fire District to take advantage of all purchase discounts, except in the instance where payments can be reasonably and legally delayed in order to maximize the City's investable cash.

Mandatory Professional Services Review

In an effort to maintain the most up to date and competitive services, and effective with the adoption of the Fiscal Policies, the Finance Director shall establish a list of current and reoccurring professional services. Any such service that has not been competitively reviewed for more than three to five years, should be subject to a new RFQ/RFP process. The existing professional services providers will be encouraged to submit a proposal.

Expenditure Control Account (ECA)

Concurrent with the adoption of the Fiscal and Budget Policies, an "Expenditure Control Account" (ECA) was created for each Department. At the close of the fiscal year for each fund, 50% of the remaining unencumbered budget will be deposited into the Department's ECA. The remaining balance, the other 50%, will be returned to the Fund Balance. The Department's ECA may be used, upon review and approval of the Finance Committee, to further the Department's goals and objectives. The allocation in the ECA cannot be used to pay reoccurring expenses but are designed to be one-time allocations to a particular need of the Department. One exception to this ECA policy, is that when prior year revenues do not reach estimated projections or when the Governor declares a fiscal emergency in accordance with the provisions of Proposition 1A, allocations may be reduced or eliminated as recommended by the Finance Committee. In any event, at no time shall the expenditure control account for any department exceed 25% of the department's operating expenditures.

6. CITY CAPITAL IMPROVEMENT PROGRAM AND THE CAPITAL BUDGET

Program Planning

The City shall develop and maintain a multi-year plan for capital improvements and make capital improvements in accordance with the approved plan. The Capital Improvements Program will be updated annually. The Capital Improvements Program (CIP) is a planning document and does not authorize or fund projects. The planning time frame for the CIP will normally be five years. The Planning Commission will review the CIP for consistency with the General Plan.

Budget Preparation

The Annual Capital Budget will be developed from the Capital Improvement Program. Capital project expenditures must be appropriated in the Annual Budget. A funding source/resource availability shall be presented to the City Council at the time a project is presented for funding. The City's Capital Budget is to be prepared annually in conjunction with the Operating Budget on a fiscal year basis to ensure that capital and operating needs are balanced against each other. Projects approved for funding from the Capital Improvements Program will be included in the Annual Budget.

Project Length Budget

A budget for a capital project shall be a project length budget. At the end of the fiscal year, the unspent budget of an approved capital project shall automatically carry forward to the subsequent fiscal year until the project is completed.

Financing Programs

Alternative financing sources will be explored. Debt shall be used only to acquire major assets with expected lives which equal or exceed the average

life of the debt issue, with the exception of costs of marketing and issuing the debt.

Reporting
Periodic financial reports shall be prepared to enable the Department Heads to manage their capital budgets and to enable the Finance Department to monitor and control the authorized capital budget. Capital project status reports shall be presented to the City Council periodically.

Evaluation Criteria
Capital investments shall foster goals of economic vitality, neighborhood vitality, infrastructure preservation, providing service to areas lacking service and improving services in areas with deficient services. Evaluation criteria for selecting which capital assets and projects to include for funding shall include the following:

- mandatory projects
- efficiency improvement
- policy area projects
- project's expected useful life
- availability of state/federal grants
- prior commitments
- achieving stated economic development objectives
- maintenance projects
- project provides a new service
- extent of usage
- effect of project on operation and maintenance costs
- elimination of hazards

General Rule for Inclusion in the Capital Budget
If the item is over $50,000, has a "life" of over ten years, and requires more than two people to lift it, the item should be in the Capital Budget.

7. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

Accounting
The Finance Director is responsible for establishing the Chart of Accounts and for recording financial transactions within the budget. The Finance Director shall periodically determine whether or not the City should consider refinancing existing debt.

Auditing
1) Use of Audited Comprehensive Annual Financial Report (CAFR). The Finance Director, pursuant to Section 37208 of the Government Code, shall be responsible for preparing an audited Comprehensive Annual Financial Report.

2) Pursuant to Government Code Section 37208, payroll warrants and checks will not be audited bi-weekly by the legislative body prior to payment provided the City Council annually adopts a fiscal year

budget and the Finance Department annually submits to the City Council a Comprehensive Annual Financial Report (CAFR).

3) The Chief Administrative Officer is directed to submit amendments to the municipal code for adoption by the City Council / Board of Directors to require the City Finance Department to annually prepare a CAFR.

4) Qualifications of the Auditor. In conformance with state law, the City shall be audited annually by independent accountants ("auditor"). The CPA firm must demonstrate that it has staff to conduct the City's audit in accordance with generally accepted auditing standards and contractual requirements. The auditor must be licensed by the State of California.

5) Responsibility of Auditor to City Council and Finance Committee. The auditor is retained by and is accountable to the City Council / Board of Directors. The auditor shall communicate directly with the Finance Committee as necessary to fulfill its legal and professional responsibilities. The auditor's report on the City's financial statements shall be completed within 180 days of the City's fiscal year end. The auditor shall prepare and review a management letter with the Finance Committee.

6) Contract with Auditor. The agreement between the independent auditor and the City / Fire District shall be in the form of a written contract. A time schedule for completion of the audit shall be included.

7) Scope of Audit. All general purpose statements, combining statements and individual fund and account group statements and schedules shall be subject to a full scope audit.

8) Selection of Auditor. Effective September 30, 2007, the City shall request proposals for audit services at least once every three to five years. The City shall select the auditor by May 31, of each year.

City Financial Reporting

1) External Reporting. As a part of the audit, the auditor shall assist with preparation of a written Comprehensive Annual Financial Report (CAFR) to be presented to the City Council. The CAFR shall be prepared in accordance with generally accepted accounting principles (GAAP) and shall be presented annually to the Government Finance Officer's Association (GFOA) or the CSMFO for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting. The Budget and CAFR shall be posted on the City website.

2) Availability of Reports. The comprehensive annual financial report shall be approved by the City Council and be made available to the elected officials, bond rating agencies, creditors and citizens.

3) Internal Reporting. The Finance Department shall prepare internal financial reports, sufficient to plan, monitor, and control the City's financial affairs.

4) GASB (Governmental Accounting Standards Board) Statement No. 45. In compliance with GASB Statement No. 45, provisions to account for retiree health benefits, the City and the Fire District are required to report the annual cost of retiree health benefits along with the unfunded actuarial accrued liabilities (the difference between the total obligation and any assets that have been set aside for financing the benefits).

The calculation must be redone every two years. The actuarial valuation includes the following assumptions:

- Turnover rate and retiree rate
- Medical care inflation
- Mortality
- Discount rate
- Benefit design
- Health care cost factors such as age, gender, family size, geographic area
- The promise to retirees
- Salary scale assumption
- Expected long-term (or short-term) rate of return on plan assets

Although there is no requirement that the City / Fire District actually fund the benefit cost, not doing so could have a significant impact on our credit rating, consequently, affecting the cost of issuing debt financing. GASB Statement No. 45 requires that a liability, called the net OPEB obligation, be recorded on the financial statements to the extent that the actual OPEB contribution is less than the annual OPEB cost. This liability, if not funded, could increase rapidly over time. The City established an irrevocable trust for OPEB contributions in FY 2008-09 and the Fire District is in the process of opening a trust for FY 2009-10. The City and the Fire District will pay, to the extent that resources are available, the annual required contribution, as designated in the actuarial report. City departments will contribute a proportional share to the fund.

8. INVESTMENTS AND CASH MANAGEMENT

Depository Bank

No later than June 30, 2012, a Depository Bank shall be recommended by the City Manager to the City Council for a three to five year period. A request for proposal (RFP) shall be used as the means of selecting a Depository Bank. The Depository Bank shall specifically outline safekeeping requirements and other policies and practices for the City.

Depositing of Funds

The Finance Director shall promptly deposit all City funds with the Depository Bank in accordance with the provisions of the current Bank Depository Agreement and the City Council approved Investment Policies. Investments and reporting shall strictly adhere to the City Council approved Investment Policies.

Investment Policy

All funds shall be invested in accordance with the approved investment policy. Investment of City funds emphasizes preservation of principal.

Monthly Report

A monthly cash and investment report shall be prepared and distributed to the City Manager.

9. ASSET MANAGEMENT

Fixed Assets and Inventory

A fixed asset of the City is defined as a purchase or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, or addition to existing land, buildings, etc. The cost or value of any such acquisitions, except for infrastructure assets, must be $5,000 or more with an expected useful life greater than one year. The capitalization threshold for infrastructure assets including the Road and Storm Drain Systems Networks is $50,000. Their estimated useful lives, for purposes of calculating depreciation expense are:

Road System Network	Years
Pavement	40
Curbs and Gutters	50
Sidewalks	50
Medians	50
Traffic Signals	30
Street Lights	40
Bridges	75
Trails - Asphalt	40
Trails – Concrete	50
Storm Drain System Network	
Storm drain lines	75
Manholes	75
Catch basins	75
Detention basins	75

Maintenance of Physical Assets
The Finance Director will maintain the City's physical assets at a level adequate to protect the City's capital investment and minimize future maintenance and replacement costs. The budget will provide for the adequate maintenance and the orderly replacement of fixed assets.

Operational Procedures Manual
Records shall be purged that do not meet these criteria and operational procedures shall be in accordance with a fixed asset records procedure manual approved by the Finance Committee.

Safeguarding of Assets
The City's fixed assets will be reasonably safeguarded and properly accounted for. Responsibility for the safeguarding of the City's fixed asset lies with the Department Manager in whose department the fixed asset is assigned.

Maintenance of Records
The Finance Department shall maintain the records of the City's fixed assets including description, cost, department of responsibility, date of acquisition and depreciation where applicable.

Annual Inventory
An annual inventory of assets shall be performed by each department using guidelines established by the Finance Department. Such inventory shall be performed by the Department Head or the designated agent. The Department Manager shall use a detailed listing and shall be responsible for

a complete review of assigned fixed assets. A signed inventory list shall be returned to the Finance Department.

10. DEBT MANAGEMENT

Debt Issuance
The City / Fire District shall issue debt only as specifically approved by the City Council / Board of Directors and expenditure of such monies shall be in strict accordance with the designated purpose.

Issuance of Long-Term Debt
The issuance of long-term debt is limited to capital improvements or projects that cannot be financed from current revenues or resources. For purposes of this policy, current resources are defined as that portion of fund balance in excess of the required reserves. The payback period of the debt will be limited to the estimated useful life of the capital projects or improvements. The City / Fire District may use long-term debt financing when it can be determined that future citizens will receive a benefit from the improvement.

Payment of Debt
When the City / Fire District utilizes long-term debt financing it will ensure that the debt is financed soundly by realistically projecting the revenue sources that will be used to pay the debt; and financing the improvement over a period not greater than the useful life of the improvement.

Types of Debt - City

1) General Obligation Bonds (G.O.'s). General obligation bonds shall be used only to fund capital assets of the general government, and not used to fund operating needs of the City. General obligation bonds are backed by the full faith and credit of the City as well as the ad valorem tax authority of the City. The term of a bond issue shall not exceed the useful life of the asset(s) funded by the bond issue. General obligation bonds must be authorized by a vote of the citizens of the City of American Canyon.

2) Revenue Bonds (R.B.'s). Revenue bonds shall be issued as determined by City Council to provide for the capital needs of any activities where the capital requirements are necessary for continuation or expansion of a service which produces revenue and for which the asset may reasonably be expected to provide for a revenue stream to fund the debt service requirements. The term of the obligation may not exceed the useful life of the asset(s) to be funded by the bond issue.

3) Certificates of Participation (C.O.P.'s) or Lease Purchase Notes. Certificates of Participation or lease purchase notes may be used in order to fund capital assets. Debt service for C.O.P,'s may be either

from general revenues or backed by a specific revenue stream or streams or by a combination of both. Generally C.O.P.'s shall be used to fund capital assets where full bond issues are not warranted as a result of the cost of the asset(s) to be funded through the instrument. The term of the obligation may not exceed the useful life of the asset(s) to be funded by the proceeds of the debt issue.

4) Tax Anticipation Notes (T.A.N's). Tax Anticipation Notes may be used to fund capital assets of the general government or to fund operating needs of the City. Tax Anticipation Notes are backed by the full faith and credit of the City as well as the ad valorem tax authority of the City. The term of a note issue shall not exceed the useful life of the asset(s) funded by the debt issued or seven years whichever is less.

Method of Sale
The City may use a negotiated sale of bonds and certificates of participation, provided the total debt is less than $20 million, unless some other method is specifically agreed to by Council / Board of Directors.

Financial Advisor
The Finance Committee may recommend to the City Council a financial advisor to oversee all aspects of any bond issue over $10 million.

Analysis of Financing Alternatives
Staff and the Finance Committee shall explore and evaluate financing alternatives for capital acquisitions and construction projects.

Disclosure
Full disclosure of operations shall be made to the bond rating agencies and other users of financial information. The City Staff, with the assistance of financial advisors and bond counsel, shall prepare the necessary materials for presentation to the rating agencies, and shall aid in the production of Offering Statements.

Debt Structuring
The repayment schedule shall approximate level debt service unless operational matters dictate otherwise.

11. INTERNAL CONTROLS

Written Procedures
Wherever possible, written procedures shall be established and maintained by the Finance Director for all functions involving cash handling and/or accounting throughout the City. These procedures shall embrace the general concepts of fiscal responsibility set forth in this policy statement.

Department Manager Responsibilities

Each Department Manager is responsible to ensure that good internal controls are followed throughout the Department, that all Finance Department directives or internal controls are implemented, and that all independent auditor internal control recommendations are addressed.

12. RISK MANAGEMENT

Responsibility

The Director of Human Resources is responsible for the general risk liability insurance and the risk management function of the City. The Fire Chief is responsible for the general risk liability insurance and the risk management function of the Fire District. Recommendations for deductibles, limits of coverage, etc. shall be presented to the Finance Committee for review.

13. NEW CITY DEVELOPMENT PROJECTS

The City Council recognizes the need to periodically update its land use policies through use of various tools including, but not limited to, the periodic update of its General Plan Elements, adoption of Specific Plans, adoption of Sphere of Influence Boundaries, and related policy documents such as Master Plans or an Economic Development Strategic Plan. These various policy documents are designed to provide instruction as to how, when and under what conditions new development will occur in American Canyon.

Accordingly, the City Council desires to verify that new development and not the existing residents is paying its own way with respect to benefits and cost to the Community.

Staff is directed, following an initial environmental study, to determine whether or not a development project should utilize an Independent Fiscal Impact or a Facilities and Services Plan analysis. The development applicant will be responsible for paying for either analysis, and the City will select and retain the firm to undertake the work. The City Manager will keep a City Council approved list of firms that may do the subject work.

Fiscal Impact Analysis (FIA) Contents

The FIA will demonstrate at 50%, 75% and 100% of build out what the cost in terms of new services a development will use and what the corresponding revenue will be to the City. Based on the analysis, additional conditions of approval may be placed on the development including but not limited to creating a special district to off-set the new cost burden to the City and not its existing residents. The FIA assumes that the City's existing infrastructure can accommodate the new development project. An FIA will be required for new commercial and industrial projects seeking a Traffic Impact Fee discount.

Facilities and Services Plan (FSP)

In the event that a development could have extraordinary impacts on City services or the City infrastructure, a FSP will be required. The FSP will include a test to determine whether or not existing development fees are sufficient so as not to compromise the City's capacity to absorb the new development.

14. ROLE OF THE FINANCE COMMITTEE OF CITY COUNCIL

The finance committee shall be made up of the Mayor and the Vice Mayor, the Finance Director, and the Chief Administrative Officer(s). The Finance Committee shall have responsibilities including:

1) Monitoring and recommending changes to the Investment Policy;
2) Managing the audit;
3) Overseeing of the City's Self Insurance Program;
4) Salary and Retirement Policy Review;
5) Employee Benefit Policy Review;
6) Make recommendations affecting these polices;
7) Review of Liability Insurance Coverages;
8) Quarterly Budget Review;
9) The City's Fiscal and Budget Policy Monitoring and Recommendations; and
10) Recommending the Retention of a Financial Advisor.

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Demographics, Etc.

Location: The City of American Canyon is located 40 miles northeast of San Francisco. It is 55 miles to Sacramento. Major airports are Oakland (43 miles), San Francisco (50 miles) and Sacramento (60 miles)

- Area in Square Miles: 5.4
- Form of Government: Council – Manager / General Law
- Date of Incorporation: January 1, 1992
- Number of Full-Time Employees: 73
- Housing Units: 5,635
- Persons per Household: 2.963

Climate: At 60 feet above sea level and just a few miles from the greater San Francisco Bay Area, the City enjoys a mild climate making it ideal for business, residential, and recreation opportunities.

- Summers are dry and warm and usually in the 55° F to 80° F range
- Winters are temperate and in the 40° F to 65° F range

- Precipitation is measured at 3.5 to 5 inches between November and March

Population: 16,836 as of January 1, 2010 as estimated by the State Department of Finance

Public Safety:

Police Department: The City contracts with Napa County Sheriff's Department for police services.

Fire Department: American Canyon Fire Protection District is a subsidiary special district to the City.

Recreation:

The City is located in the bucolic Napa Valley. On its western edge, the City supports an extensive hiking, biking trail network along the wetlands which border the city, connecting to the Napa River. This trail network is planned to follow the river to the City of Napa in about 2 years. On its eastern boundary the City supports a trail network system in the Newell Open Space which connects to the ridge between Napa and Solano Counties and a regional trail system there. Some of the trails are available for equestrian use. A system of bikeways is planned throughout the city allowing either of these trail systems without a car.

Eagle Vines and Chardonnay Golf Clubs are conveniently located about three miles north of town.

Napa River feeds into San Pablo Bay which is part of the greater San Francisco Bay where boating, sailing, and sightseeing opportunities abound.

Personal Income and Unemployment Statistics:

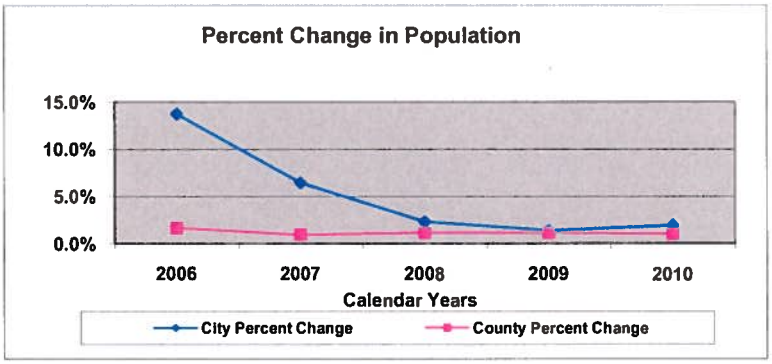
Fiscal Year	Population	Per Capita Personal Income	Unemployment Rate
2000	9,375	$34,203	2.60%
2001	9,774	$37,928	2.50%
2002	11,270	$37,965	2.60%
2003	12,331	$38,361	3.40%
2004	13,156	$38,352	3.70%
2005	14,306	$40,666	4.10%
2006	14,961	$42,720	6.70%
2007	15,925	$42,894	6.70%
2008	16,293	$50,817	9.00%
2009	16,521	$23,332	13.80%

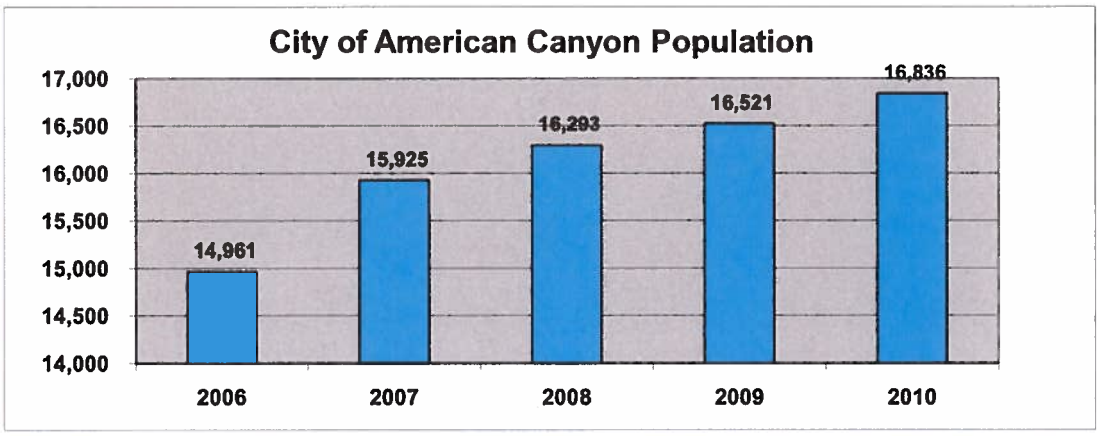
The State Department of Finance reported that the City's median age was 39.9 in 2009. The State also reported on education levels for 2009. The percentage of the population 25 years old and above who graduated from high school was 81.9% while the percentage with Bachelor's Degree was 18.8%.

Demographic and Economic Statistics

Population Changes

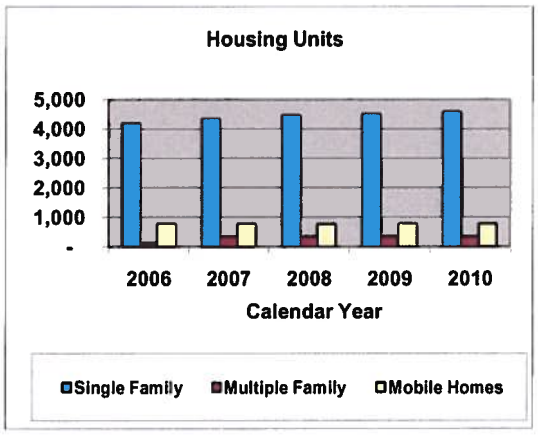
	City	% Change	Napa County	% Change
2006	14,961	13.7%	133,352	1.6%
2007	15,925	6.4%	134,559	0.9%
2008	16,293	2.3%	136,064	1.1%
2009	16,521	1.4%	137,571	1.1%
2010	16,836	1.9%	138,917	1.0%

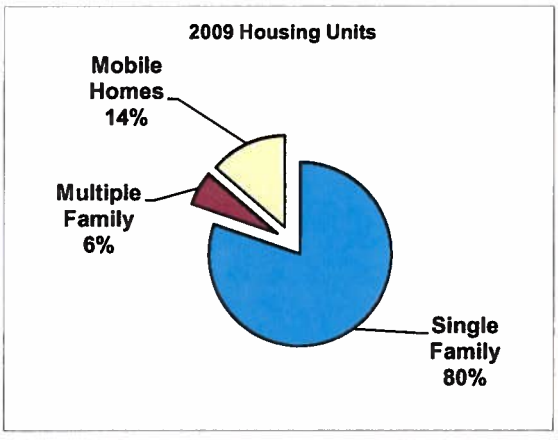




City Housing Trends

	Single Family	Multiple Family	Mobile Homes	Total Housing	% Change	Est Percent Vacant	Avg Persons Per Household
2006	4,201	129	779	5,109	14.9%	1.98%	2.942
2007	4,357	345	779	5,481	7.3%	1.97%	2.933
2008	4,467	345	779	5,591	2.0%	1.97%	2.934
2009	4,511	345	779	5,635	0.8%	1.97%	2.963
2010	4,582	345	781	5,708	1.3%	1.97%	2.985





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Glossary of Budget Terms

The City's budget contains specialized and technical terminology, which is unique to public finance and budgeting. To help the reader understand the terms, a glossary of budgetary terms has been included in the document.

Accounting System - The financial records and procedures that identify, record, classify, summarize and report information on the financial transactions, position and accountability for assets and liabilities of the city government.

Allocated Costs - An expense charged by one department/division to another for services performed or expenditures of a general nature, which are charged to one main account and allocated to other departments/divisions by a specified formula.

Appropriation - An authorization to spend made by resolution of the City Council, which permits the City to incur obligations and spend funds as approved in the adopted budget. Appropriations are made at a Department or Capital Project level.

Appropriation Limit - State law (Proposition 4, 1979 and Proposition 111, 1990 added and amended Article XIII-B of the State Constitution) requires the City to set an appropriation limit for each fiscal year, that is, how much the City can spend from certain revenues. The limit is based on appropriations only from proceeds of taxes, as defined by the law, with certain exclusions. Guidelines were developed to define and implement the changes and establish the annual audit requirements. The limit amount can be increased each year by a formula that uses a combination of percent changes in Statewide Per Capita Income (PCI), City or County Population and Non-residential assessed valuation. The appropriation limit and annual growth factors used to calculate the limit is set by resolution when the annual budget is adopted. The appropriation limit can only be set one year at a time due to the annual State generated factors needed to set the limit.

Assessed Valuation – An annual value of real or personal property established by the County Assessor each January 1st, which is used to generate property taxes from the property tax rates. The property values were established by State Law in 1978 (Proposition 13) and can be adjusted by the County Assessor by either the Statewide Per Capita Income (PCI), the maximum annual increase of 2%, actual sales price, improvements and/or other adjustments allowed by State law.

Assessments - A levy made by the City or other public agencies against certain properties pay for all or part of the costs of a specific capital improvement or annual services that primarily benefits those properties. The City levies assessments for the lighting and landscaping district and for certain road improvements on American Canyon Road east of Highway 29.

Authorized Positions - The number of full time and permanent part time staff identified within a department, division or program measured on a full time equivalent (FTE) basis.

Bonds – A legal obligation to repay money loaned to the City for public improvements.

Budget - A financial plan for a specific period of time, generally a fiscal year, identifies the estimated revenues and expenditures for municipal services.

Glossary of Budget Terms

Budget Amendment – An adjustment to the adopted budget by the City Council or the City Manager. Adjustments to budgets within departmental budgets may be accomplished administratively. City Council approval is required for additional appropriations from fund balance or new revenue sources or shifts between departments or capital improvement projects.

Capital Improvement Program (CIP) Budget - Annual appropriations in the City's budget for capital improvement projects such as street or park improvements, building construction and various kinds of major facility maintenance. They are often multi-year projects, which require funding beyond the one-year period of the annual budget. Project budgets are approved for the life of the project and continue until the project is completed or otherwise changed.

Capital Outlay - Expenditures relating to the purchase of furniture, land, vehicles, computers and equipment.

Certificates of Participation (COPS) – COPS are long-term financing instruments issued to fund the acquisition of equipment or the acquisition, construction or rehabilitation of real property. They are usually structured as a lease arrangement, with payments made from a specified fund.

COLA - Cost of living adjustment as a percentage change from one year to the next. Generally applied to salaries and primarily based on the CPI (see explanation below).

CPI – Consumer price index as a percentage of change from one year to the next. A statistical measure of consumer related costs provided by the U.S. Department of Labor signifying the cost of living and economic inflation. The City uses the San Francisco-Oakland-San Jose area All Consumer indices calculated either as a point-to-point in April or median from June to April for various budget items such as labor costs. Changes in other commodity costs are generally based on more discreet indices for that particular commodity.

Comprehensive Annual Financial Report (CAFR) – An annual report, audited by an independent auditor that reports the prior year financial transactions with a comparison to the budget.

Cost Recovery - The establishment of user fees, which recover all or a portion of the cost of providing services.

Debt Service - The payment of principal and interest on borrowed funds such as bonds, COPs, or leases.

Debt Service Fund - A fund established to account for the payment of general long-term debt, leases and other payments of principal and interest.

Department - A major administrative segment of the city organization, which has overall management responsibility for services or capital improvement projects.

Designated Fund Balance - A portion of fund balance set aside to pay for special programs or expenditures in a future period.

Division or Program - A unit of organization, which reports to a department.

Glossary of Budget Terms

Encumbrance - An amount of money committed, usually with a purchase order, for the payment of goods and services not yet received.

Enterprise Funds - A fund established to account for certain financial and operated activities in a manner similar to private business enterprises. The City Water and Wastewater systems are enterprise funds. This method of accounting is designed to determine the full costs of providing services to facilitate the user fee setting process

Estimated Revenue - The amount of revenue budgeted and expected to be received during a fiscal year.

Expenditures or Expenses – To spend money or use fund resources. Expenditures include operating expenses, debt service and capital outlays.

Fire Protection District - The Fire District which was founded in 1957 exists as a Subsidiary Special District to the City of American Canyon. The District's service area is fifteen square miles in size and covers approximately 17,000 in population. Bordered on the south by the City of Vallejo, on the west by the Napa River and on the east by Interstate 80. The District is frequently called upon to provide automatic and mutual aid to multiple agencies in Napa & Solano counties.

Expenditure Category - A basis for distinguishing types of expenditures. The major expenditure categories used by the City include Personnel Services, Services and Supplies, Debt Service and Capital Projects.

Fiscal Year (FY) - A twelve month time period signifying the beginning and ending period for recording financial transactions. The City has specified July 1 through June 30 for its fiscal year.

Fixed Assets – Land, buildings, vehicles, equipment and other improvements that have a long tangible use to the City.

Full Time Equivalent (FTE) - Part time and hourly positions expressed as a fraction of full time positions (2080 hours per year for all positions except Fire. Firefighter positions are 2912 hours per year). Example: 3 part time positions working 1040 hours each will equal 1 ½ FTE's.

Fund - A fiscal and accounting method to record financial transactions for the purpose of carrying on specific activities in accordance with the requirements placed upon the use of financial resources. Part of a municipal fund accounting system governed by generally accepted accounting principles (GAAP) issued by the Governmental Accounting Standards Board (GASB).

Fund Balance – As used in the Budget, fund balance reflects the available resources in governmental type funds, including any reserves. For Enterprise or proprietary type of funds working capital is similar to fund balance.

General Fund (GF) - the fund used to account for the major operating revenues and expenditures of the City, except for those resources that are required to be accounted for in another fund category. General Fund revenues are derived primarily from property, sales, transient occupancy and other taxes, service fees and revenues from the State. The General Fund provides the primary municipal services such as park and street maintenance, recreation, planning, building inspection, fire and police services and support services.

Glossary of Budget Terms

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards and guidelines for financial accounting and reporting.

Goals - Tasks or projects, which identify the focus of a program's activities within the budget year.

Grants - Contributions of cash or other assets from another governmental agency to be used or expended for a specific purpose, activity or facility.

Gross - Amount prior to any deductions.

Homeowner Exemption and Subvention– A State adopted exemption or reduction in assessed valuation of $7,000 for residential homeowners. This reduces the amount of property tax paid by the homeowner to the County. The State then provides a subvention, or payment, to the City equal to the reduced property tax.

Independent Auditor – a qualified independent accountant that is appointed by the City Council to annually audit the City accounting system and financial statements according to specific guidelines established by the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB)

Infrastructure - A substructure or underlying foundation on which the continuance or growth of a community is dependent; such as streets, sidewalks, water system, wastewater system and storm drains.

Interfund Transfers - Movement of money from one fund to another within the City accounting and budget system.

Intergovernmental Revenue - Grants, entitlements and cost reimbursements from another federal, state or local government unit.

Internal Service Fund - A fund used to account for the services provided by one department/division to other departments on a cost reimbursement basis. The City does not currently use an internal service fund.

Long Term Debt - Debt with a maturity of more than one year after the date of issue.

Mission Statement - A broad direction based on the needs of the community. A mission is general and timeless; it is not concerned with a specific achievement in a given time period.

Motor Vehicle License Fee (Motor Vehicle In-Lieu Fees) – This is a 2% fee of the value of motor vehicles that is levied by the State. These funds are used by the State to fund local governments and are allocated as follows: 30.5% to Cities by population, 30.5% to Counties by population, 18.75% to Cities and Counties to offset specific reductions in other State imposed revenues and 25% to Counties to offset additional costs of health and welfare programs shifted from the State to Counties. The allocation of a portion of the fee is "In-Lieu" of Cities imposing a separate property tax on motor vehicles. In 1998 legislation was adopted to reduce the Motor Vehicle License Fee with annual credits of up to 67% if State General Fund revenues come within certain revenue targets. If the State revenue targets are not achieved, then the credits are to be dropped. The legislation also provided an annual backfill of the revenue loss to local governments due to the credits.

Glossary of Budget Terms

Net - Amount after consideration of any adjustments.

Objectives - Statements of measurable results to be accomplished within a specific time frame. Objectives support long term goals.

Operating Budget - A financial plan for the provision of direct service and support functions that provide basic government services. The operating budget contains appropriations for such expenditures as salaries, benefits, services, supplies, and may include capital outlay and debt service. It includes transfers from and to other funds but does not include capital improvement program expenditures.

Performance Measurement - The performance measures provide an indicator of the amount of work performed or measures the quality of effectiveness of work performed by a department or program from year to year.

PERS – California Public Employees Retirement System. Also known as CalPERS.

Position Classification - Includes job titles, job grades and job families for an overall job level.

Program - An organizational unit that provides a service.

Property Tax Rates – The various tax rates by different government agencies that are charged by the County Tax Collector and generate property taxes based on the net assessed valuation of real and personal property. This includes a statewide base rate of 1% of assessed valuation, which is allocated among the various local agencies – County, City, School District and Special Districts. Also includes additional rates, generally adopted by the voters in the applicable agencies after 1978, for debt service or other services. The City receives an average of 28.5% of the 1% in basic property taxes paid by property owners.

Property Tax Revenue Allocation - The allocation of the 1% base rate to the County, City, School District and Special Districts on a complex formula determined by state law and known as the 'AB 8 formula'. This formula allocates annual property tax revenues in generally the same percentage as local agencies received in 1978 prior to the adoption of Proposition 13, Tax Reform Act. However, over the years, additional voter approved propositions and the State legislature have adjusted the formula.

Propositions – The State Constitution provides for an initiative process through ballot propositions to allow the voters to directly establish constitutional amendments and laws. Over the years, many propositions have been approved that affect the revenues and authority of the City. Below are summaries of some of the major propositions:

Proposition 4– In 1979 the voters added and amended Article XIIIB of the State Constitution, which requires the City to set an appropriation limit for each fiscal year, that is, how much the City can spend from certain revenues. Please see definition of Appropriation Limit.

Glossary of Budget Terms

Proposition 13 – In 1978 the voters approved Article XIIIA of the State Constitution, which limited the ability of local governments to impose property taxes, reduced and established a limitation on the annual increases in assessed valuations and required a two-thirds vote of the people for local special taxes. Implementation of this law significantly changed the funding of local governments and shifted control to the State. Please see the definition of Property Tax Rates and Revenue Allocation. Over the years, there have been a number of other propositions that have modified and added to Proposition 13.

Proposition 62 – In 1986 the voters approved a requirement for a majority vote of the people for general taxes.

Proposition 98 – In 1990 the voters approved minimum annual funding from the State General fund for public schools and community colleges. This has an indirect affect of limiting State funds available for allocation to Cities and Counties.

Proposition 111 – In 1990 the voters approved an increase in the State Gas tax and allocated a portion to Cities and Counties. In addition, modifications to Proposition 4 were approved.

Proposition 172 – In 1993 the voters approved a .5% increase in the Sales tax to be allocated to Cities (approximately 6% of total revenues generated) and Counties (94% of revenues) for Public Safety purposes.

Proposition 218 – In 1996 the voters approved far reaching changes in procedural steps to adopt taxes, assessments and certain fees (property related charges for services). This proposition also placed in the State Constitution the majority vote requirement for general taxes and two-thirds vote for special taxes. In addition, any election on general taxes must be held at a regularly scheduled election when members of the City Council are elected.

Reserves – A type of account used to designate a portion of the fund balance or working capital for a specific future use. Some reserves are required by grant or debt/lease agreements. Reserves are designated for specific or general purposes as part of the annual budget adoption and reviews. For a description of the reserves, see the City's fiscal policy included in this budget.

Revenue - Increases in fund resources. Revenues include cash or equivalents from user service fees, taxes, permits, licenses, interest earnings and other sources. Revenue generally does not include bond or loan proceeds or transfers from other funds.

Revenue Bonds – Cities can pledge the restricted revenues of an enterprise system or other special fund to repay bonds or COPs for improvements. The City uses of revenue financing are for water and wastewater system improvements.

Revised Budget - The Adopted Budget adjusted during the year or at the Mid Year or Mid Term updates by City Council resolution.

Risk Management - All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

Glossary of Budget Terms

Sales Tax – A State and Local tax levied on generally retail sales, which a portion is allocated to the City under the 1955 Bradley-Burns Act. In Napa County the 2003 sales tax rate is 7.75%. The revenue from the sales tax rate is allocated as follows; one percent to the City based on sales within the City, .a half percent to the Napa County Flood Protection Authority on sales within the County, quarter percent for Statewide Transportation purposes, a half percent for Local Public Safety to Counties and Cities, and five and a half percent for the State. Changes in the local rate may be imposed by a vote for general (majority) or special purposes (two-thirds). The City's share of sales tax revenue, except for the half cent flood protection allocation, is recorded in the General fund to fund general municipal services. The flood control allocation is restricted to pay for flood control related expenses and revenues are recorded in the "Measure A" fund, a special revenue fund.

Special Revenue Funds – These funds are restricted to specific uses by Federal, State or City laws or policies. They are used to account for the expenditures of the restricted revenues, such as gasoline taxes, grants, donations, development fees and other special revenues.

Subsidy - Supplemental resources provided to ensure adequate funding when anticipated expenditures exceed revenues.

Subventions - Revenues collected by the State (or other level of government), which are allocated to the City of a formula basis. The major subventions received by the City come from the State of California and include motor vehicle license fee (VLF), Homeowner exemption and gasoline taxes. Subventions are generally allocated by population or other formulas.

Support Services - A grouping of administrative departments/divisions (Finance, Human Resources, Information Technology, Risk Management, Fleet and Building maintenance) that support the operating departments, which provide direct services to the community.

Taxes - Compulsory charges levied by a government, through a vote of the people, on a specific basis or to a specific group of taxpayers to finance services performed for the common benefit. The taxes directly levied by the City are Transient Occupancy, Business License and Real Property Transfer. The tax revenue is part of the General fund and used for general city services.

Transfers From or To Other Funds – Approved transfers of money between funds to better account for the expenditure of funds.

Transient Occupancy Tax - This is a 10% local general tax on the rental of hotel, motel, Spa, Bed & Breakfast and other rentals of less than 30 days. The revenue is recorded in the General fund to fund general municipal services.

User Service Fees or Charges - Fees charged to users of a particular service provided by the City. Fees are established based upon cost recovery policy decisions reviewed on an annualized basis.

Utilities - A public service such as gas, electricity, phone, water, wastewater, refuse, cable or transit. The City owns, sets the rates and directly operates the water and wastewater utility services. The City contracts with the Napa County Transportation Planning Agency for the operation of the transit system. The City's franchise with cable TV providers is governed by a state wide agreement. Comcast, AT&T and others provide cable services which are extensively regulated by Federal and State laws. The gas, electricity and phone utilities are provided by private investor owned firms and are governed by the State Public Utilities Commission and State laws.

Glossary of Budget Terms

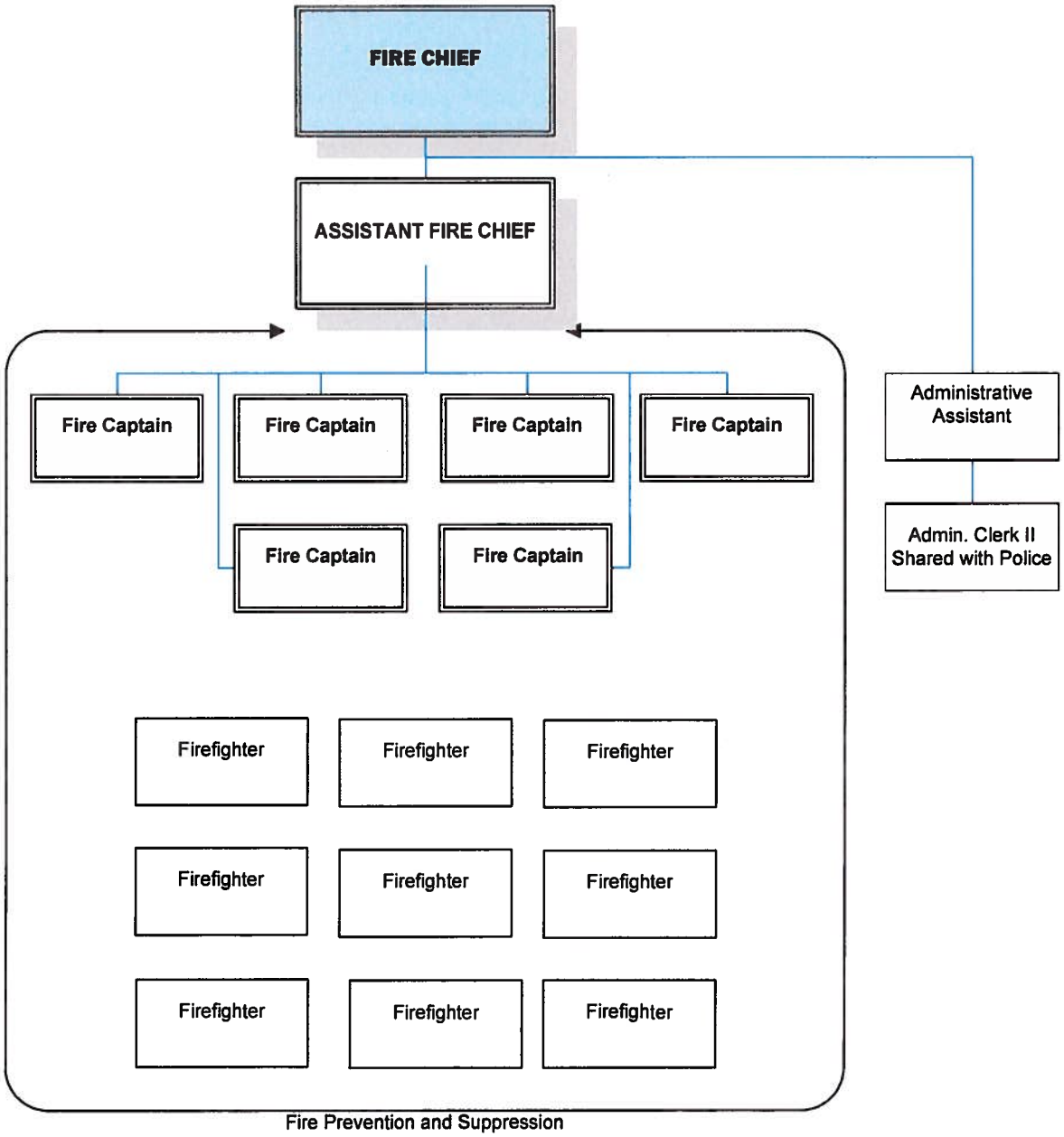
Working Capital – A term used to express the cash or equivalents equity of a fund. It is determined by subtracting current liabilities from current assets. It provides a measure of resources available to be used in the current or next fiscal year. It is generally used to show the available resources in enterprise funds, such as the City's water and wastewater funds. In the General and Special Revenue funds, fund balance is the measure of available spendable resources.

Fire Protection District

911 Donaldson Way
Station 11

The Fire District was founded in 1957 and exists as a subsidiary Special District to the City of American Canyon.

FIRE DISTRICT



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Fire District

The Fire Chief is responsible for planning, organizing, and directing all activities of the Fire Protection District.

Accomplishments for Fiscal Year 2009-10:

- Fire District Strategic Plan completed and adopted
- American Canyon Specific Emergency Operations Plan completed and adopted
- Developed and implemented H1N1 Action Plan
- Maintained staffing; recruited and hired replacement staff – 2 Firefighters
- Standard Operating Guideline development and Manual of Operations completed
- Implemented new FD Records Management System
- ISO re-grading process completed
- Implemented an updated fire apparatus maintenance program
- Completed contract negotiations between the District and L1186
- Established irrevocable trust for retiree healthcare with CalPers
- Amended contract with CalPers to establish a second tier retirement
- Established a Healthcare Vesting requirement with CalPers
- Attended quarterly FASIS Board of Directors meetings
- Completed Fire District Annual Report

Goals for Fiscal Year 2010-11:

- Present information and recommendations to enable the Fire District Board to make decisions on matters of policy
- Oversee and provide direction to ensure that the District remains fiscally sustainable
- Collaborate with neighboring agencies for greater efficiencies
- Renew contract with WARN
- Implement Mobile Data Computer system
- Complete CAD to RMS interface
- Complete LAFCO SOI review and annexations
- Complete EOC structural modifications
- Implement District inspection and special permits fee program
- Assist developers with fire code compliance
- Complete the update of fire hydrant maintenance program and record keeping
- Maintain Urban Search and Rescue and Napa Interagency Rescue Team Programs
- Maintain National Emergency Management System (NEMS) compliance
- Maintain facilities
- Maintain current staffing
- Maintain current Fire District training programs
- Replace Durango command vehicle (C1101)
- Complete specifications for replacement Type 1 engine

Budget Summary Sources and Uses

Estimated Fund Balances at June 30, 2011

		Est Balance 7/1/10	Estimated Revenue	Interfund Transfers In	Operating Expenses	Interfund Transfers Out	Est Balance 6/30/11
810	Operations Fund	$ (2,776,900)	(3,913,500)		3,803,100	433,000	$ (2,454,300)
812	Retiree Health Care	(136,630)		(283,000)	283,000		(136,630)
830	Mitigation	(604,965)	(252,500)		-		(857,465)
860	Equipment	(564,400)		(150,000)			(714,400)
FIRE PROTECTION DISTRICT TOTALS		**$ (4,082,895)**	**(4,166,000)**	**(433,000)**	**4,086,100**	**433,000**	**$ (4,162,795)**

Reserves

	Fire Operations Fund			
	Estimated Actual 6/30/10	PROJECTED 6/30/11	6/30/12	6/30/13
Contingency	(847,000)	(872,400)	(872,400)	(872,400)
Catastrophy	(500,000)	(500,000)	(500,000)	(500,000)
Technology	(100,000)	(100,000)	(100,000)	(100,000)
Total Fire District Reserves	$ (1,447,000)	$ (1,472,400)	$ (1,472,400)	$ (1,472,400)

Note: Reserves are established pursuant to the Fiscal Policy. The above balances represent estimated and projected fund balance reserves. Unreserved balances are not included above.

Budget Summary - Revenues, Expenditures and Interfund Transfers

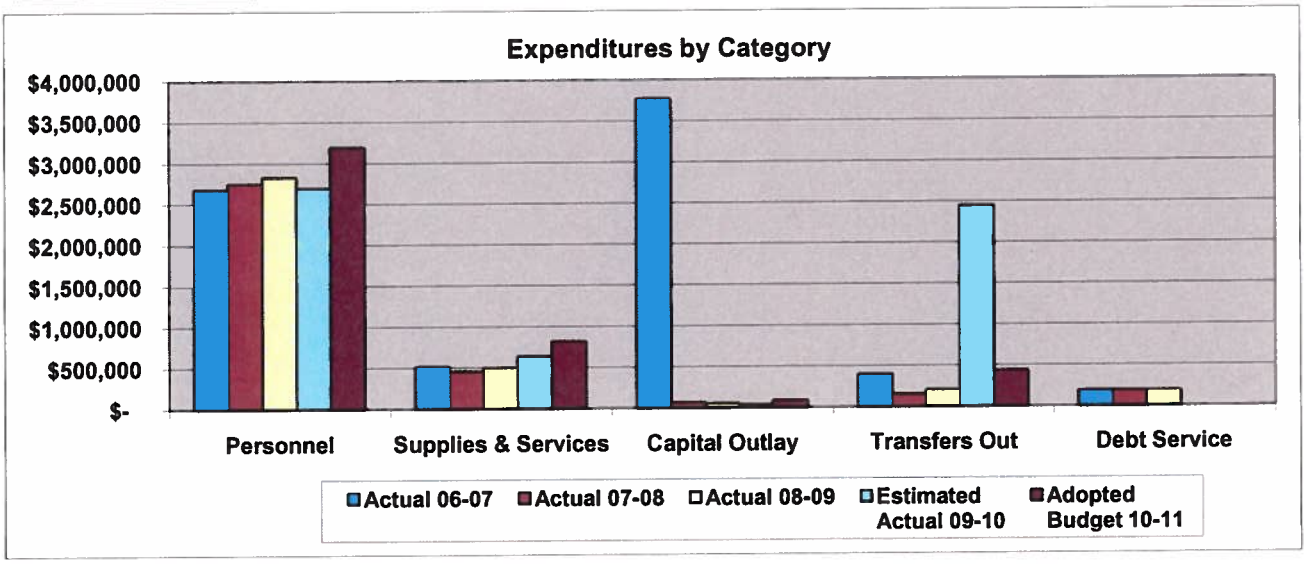
	Totals	Operations Fund	Retiree Health Care	Mitigation	Equipment Replacement	Grants
Revenues / Transfers						
Property Taxes	$ (3,095,000)	(3,095,000)				$ -
Interest and Rents	(62,500)	(60,000)		(2,500)		
Charges for Services	(748,500)	(748,500)				
Other	(260,000)	(10,000)		(250,000)		
Transfers In from Other Funds	(433,000)		(283,000)		(150,000)	
Total	$ (4,599,000)	(3,913,500)	(283,000)	(252,500)	(150,000)	$ -
Expenditures / Transfers						
Fire Operations	$ 4,236,100	4,236,100				$ -
Retiree Health Care	283,000		283,000			
Fire Mitigation	-					
Fire Equipment Replacement	-					
Debt Service	-					
State & Federal Grants	-					
Total	$ 4,519,100	4,236,100	283,000	-	-	$ -

Interfund Transfers (included above)	Operations Fund	Retiree Health	Mitigation	Equipment Replacement	Grants
Retiree Health Care	283,000	(283,000)		-	
Equipment Replacement	150,000	-		(150,000)	
Total of Transfers Between Funds	**433,000**	**(283,000)**		**(150,000)**	**-**

Note: Expenses and Transfers Out are presented as positve numbers while Revenues and Transfers In are presented as negative numbers

Fire District Fund Summary

Category	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel	$ 2,680,133	2,750,029	2,828,580	2,692,594	$ 3,190,100
Supplies & Services	513,315	454,309	496,789	634,000	814,000
Capital Outlay	3,766,090	63,377	47,594	32,000	82,000
Transfers Out	395,876	150,000	200,000	2,444,065	433,000
Debt Service	184,399	184,399	184,399	-	-
Total Expenses	**7,539,813**	**3,602,114**	**3,757,362**	**5,802,659**	**4,519,100**
Expenses by Fund					
810 General Operations	3,684,567	3,363,342	3,512,903	5,502,659	4,236,100
812 Retiree Health	-	54,373	60,060	300,000	283,000
830 Fire Mitigation	3,585,542	-	-	-	-
860 Fire Equipment Replacement	213,667	184,399	184,399	-	-
880 Grants	56,037	-	-	-	-
Total Expenses	**7,539,813**	**3,602,114**	**3,757,362**	**5,802,659**	**4,519,100**
Revenues / Funding Sources					
Property Taxes	(2,940,497)	(3,509,156)	(3,623,151)	(3,130,000)	(3,095,000)
Fire Assessment Fee	(537,652)	(515,112)	(564,858)	(525,000)	(550,000)
Fire Mitigation Fee	(61,015)	-	(337,187)	(300,000)	(250,000)
Interest Earnings	(130,090)	(59,765)	(56,836)	(26,230)	(62,500)
Other	(218,563)	(307,053)	(446,090)	(1,722,365)	(208,500)
Transfers In	(366,822)	(150,000)	(200,000)	(783,000)	(433,000)
Total Rev / Funding Sources	**$ (4,254,639)**	**(4,541,086)**	**(5,228,122)**	**(6,486,595)**	**$ (4,599,000)**

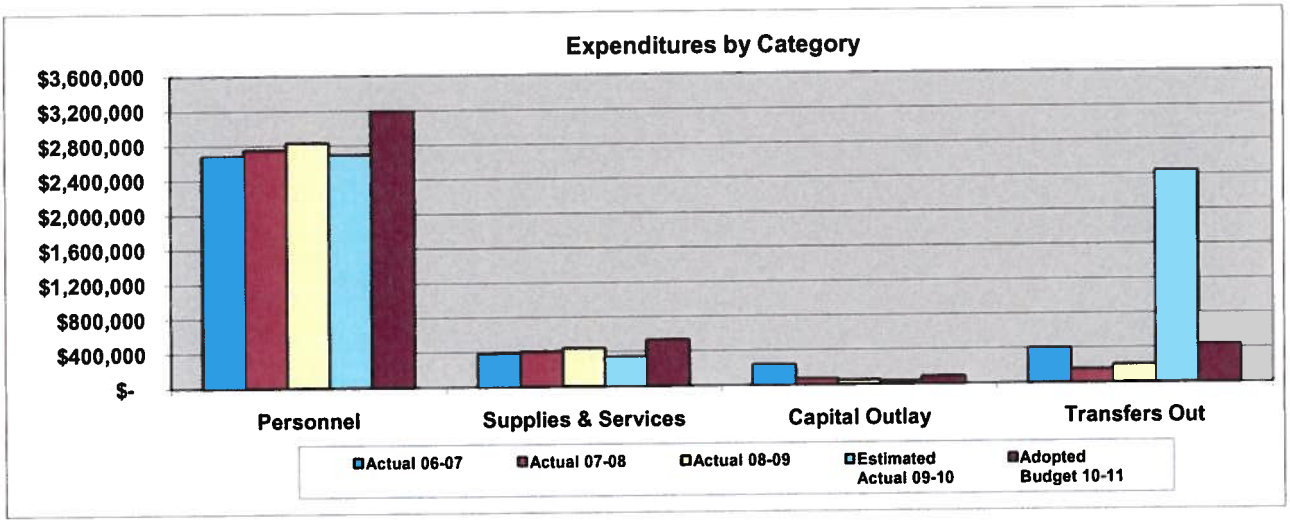


ACFPD — General Operations — Fund No. 810

Mission: To provide general fire protection services within the District's service area

Category		Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses						
Personnel	$	2,680,133	2,750,029	2,828,580	2,692,594	3,190,100
Supplies & Services		377,087	399,936	436,729	334,000	531,000
Capital Outlay		231,471	63,377	47,594	32,000	82,000
Transfers Out		395,876	150,000	200,000	2,444,065	433,000
Total Exps - General Ops		**3,684,567**	**3,363,342**	**3,512,903**	**5,502,659**	**4,236,100**
Revenues / Funding Sources						
Property Taxes		(2,940,497)	(3,509,156)	(3,623,151)	(3,130,000)	(3,095,000)
Fire Assessment Fee		(537,652)	(515,112)	(564,858)	(525,000)	(550,000)
Interest Earnings		(90,889)	(52,123)	(48,208)	(21,000)	(60,000)
Other		(210,073)	(260,053)	(440,656)	(271,600)	(208,500)
Total Revs - General Ops		**(3,779,111)**	**(4,336,444)**	**(4,676,873)**	**(3,947,600)**	**(3,913,500)**

Staffing - FTE's	Budget 09-10	Budget 10-11	Comments
Fire Chief	1.00	1.00	
Assistant Chief	1.00	1.00	
Fire Captain	6.00	6.00	
Engineer	-	-	
Firefighters	9.00	9.00	
Administrative Assistant	1.00	1.00	
Administrative Clerk	0.30	0.30	
Total	18.30	18.30	Staff also includes 20 Reserves.

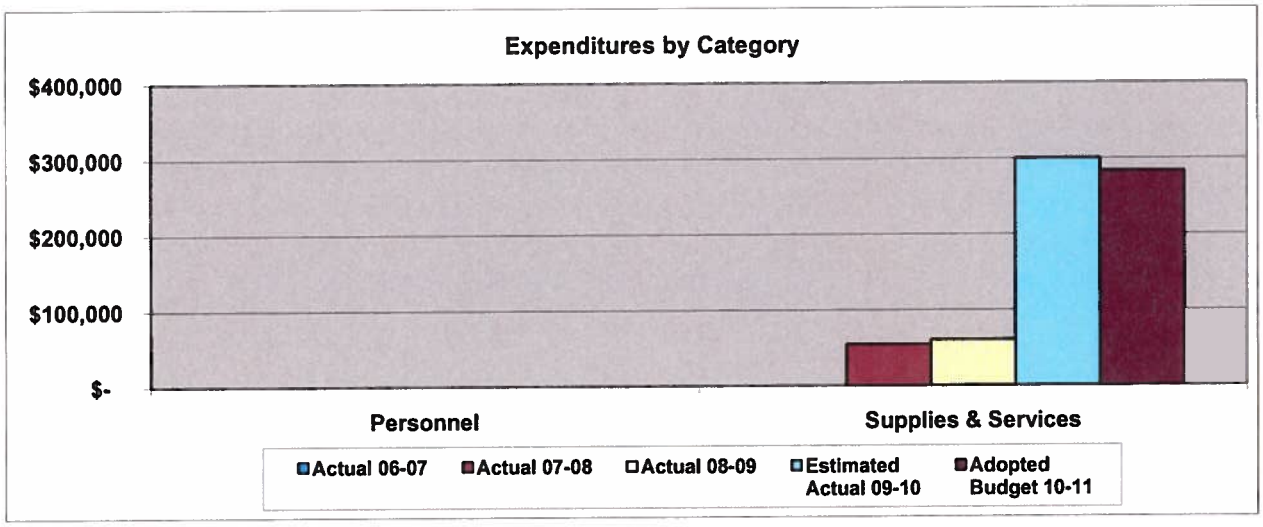


ACFPD — Retiree Health Care — Fund No. 812

Mission: To manage District's retiree health care costs

Category	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Personnel					
Supplies & Services		54,373	60,060	300,000	283,000
Total Exps - Retiree Health	**-**	**54,373**	**60,060**	**300,000**	**283,000**
Revenues / Funding Sources					
Interest Earnings		(4,405)	(2,831)	(730)	
Other	(50,000)	(50,000)	(5,434)	(4,700)	
Transfers In			(50,000)	(283,000)	(283,000)
Total Revs - Retiree Health	**(50,000)**	**(54,405)**	**(58,265)**	**(288,430)**	**(283,000)**

Staffing	Comments
	No Staff are charged to the Retiree Health Fund

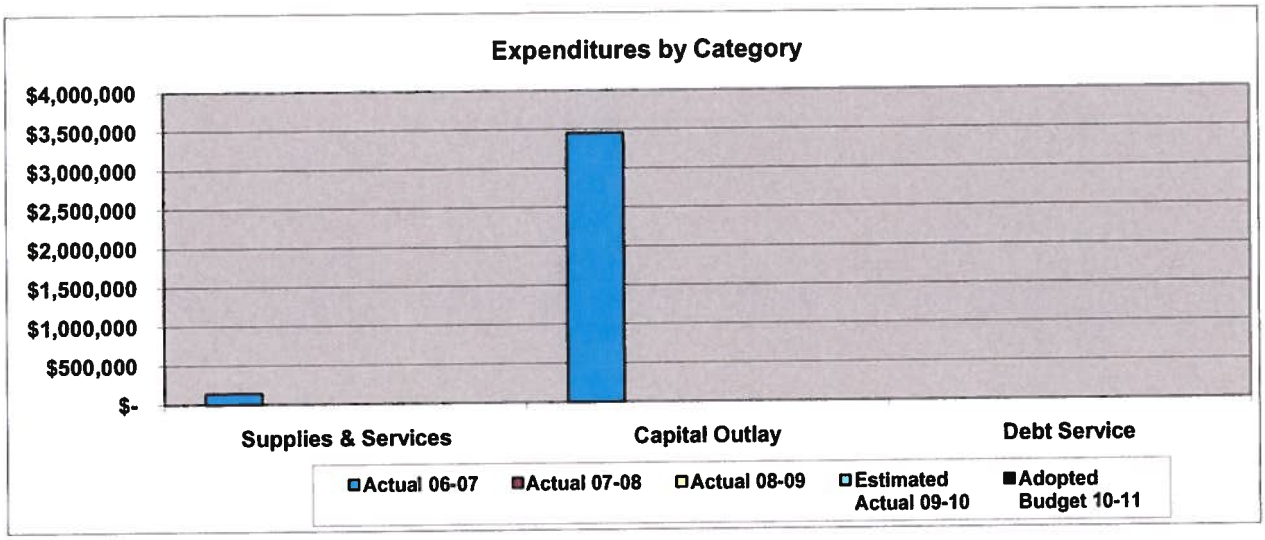


ACFPD — Fire Mitigation — Fund No. 830

Mission: To manage development fees for Fire District infrastructure.

Category	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Supplies & Services	136,228				
Capital Outlay	3,449,314				
Debt Service					
Total Exps - Mitigation	**3,585,542**	-	-	-	-
Revenues					
Fire Mitigation Fee	(61,015)		(337,187)	(300,000)	(250,000)
Interest Earnings	(39,201)	(3,237)	(4,191)	(2,500)	(2,500)
Other				(1,446,065)	
Transfers In					
Total Revs - Mitigation	**(100,216)**	**(3,237)**	**(341,378)**	**(1,748,565)**	**(252,500)**

Staffing	Comments
	No Staff have been charged to the Fire Mitigation Fund

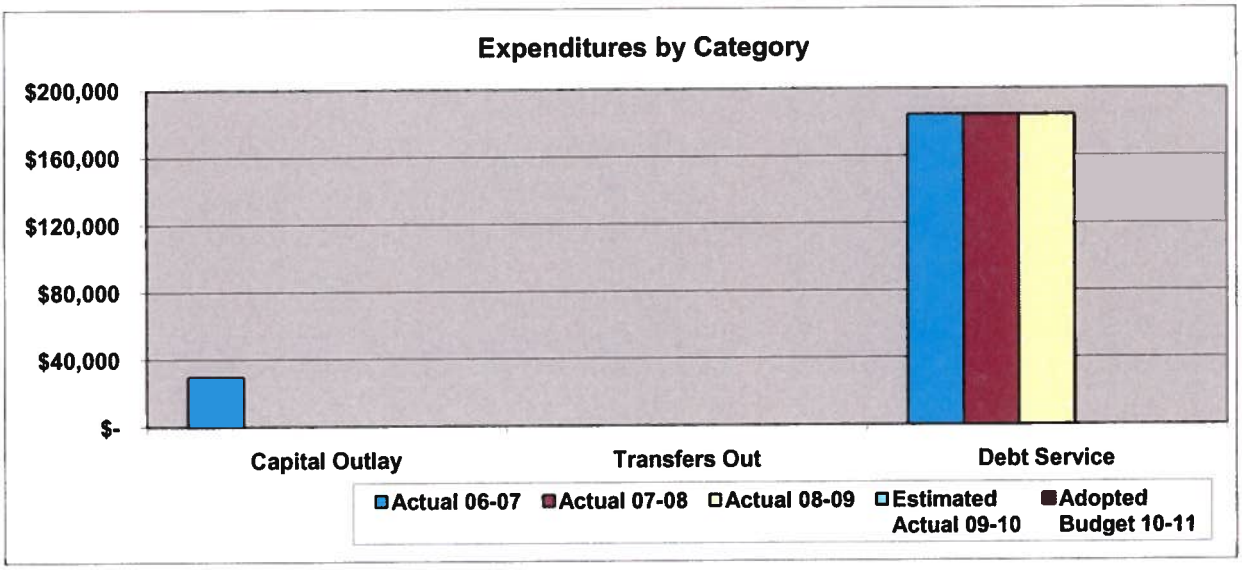


ACFPD

Fire Equipment Replacement

Fund No. 860

Mission: To account for Debt Service expenses incurred to pay for Replacement Equipment.

Category	Actual 06-07	Actual 07-08	Actual 08-09	Estimated Actual 09-10	Adopted Budget 10-11
Expenses					
Capital Outlay	29,268				
Transfers Out					
Debt Service	184,399	184,399	184,399		
Total Exps - Eq. Replacement	**213,667**	**184,399**	**184,399**	-	-
Revenues					
Interest Earnings			(1,606)	(2,000)	-
Other					
Transfers In	(381,349)	(150,000)	(150,000)	(500,000)	(150,000)
Total Revs - Eq. Replacement	**(381,349.00)**	**(150,000.00)**	**(151,606.00)**	**(502,000.00)**	**(150,000.00)**

Staffing	Comments
	No Staff have been charged to the Replacement Equipment Fund