

Adopted 2009-10 Budget

Operations and Capital

TOWN OF LOS ALTOS HILLS
26379 FREMONT ROAD
LOS ALTOS HILLS, CA 94022

PAGE LEFT BLANK INTENTIONALLY

Table of Contents

- Revenues 1**
 - General Fund Revenues.....2
 - Special Revenue Funds7
 - Sewer Fund Revenues11
- Expenditures 13**
 - Expenditures by Category.....14
 - General Fund Department Budgets..... 21
 - Special Revenue Funds & Sewer Fund Department Budgets37
- Appendix55**

PAGE LEFT BLANK INTENTIONALLY

RESOLUTION No. 34-09

A RESOLUTION OF THE CITY COUNCIL OF THE
TOWN OF LOS ALTOS HILLS ADOPTING THE OPERATING
AND CAPITAL IMPROVEMENT PROGRAM BUDGETS AND
APPROVING THE STAFF COMPENSATION PLAN
FOR FISCAL YEAR 2009- 2010

WHEREAS, the City Council of the Town of Los Altos Hills has received and reviewed the proposed Fiscal Year 2009 - 2010 Operating and Capital Improvement Program Budget and Staff Compensation Plan for fiscal year 2009 - 2010; and

WHEREAS, the City Council of the Town of Los Altos Hills now desires to adopt the 2009 - 2010 Fiscal Year Operating and Capital Improvement Program Budgets and Staff Compensation Plan for fiscal year 2009 - 2010;

NOW THEREFORE, the City Council of the Town of Los Altos Hills does hereby resolve as follows:

1. The City Council does hereby approve and adopt the budget for the Town for fiscal year 2009 - 2010 consisting of appropriations and interfund transfers as set forth in Exhibits A and the Staff Compensation Plan as set forth in Exhibit B attached hereto.
2. The amount of the 2009 - 2010 fiscal year budget for each account area of the budget may be drawn upon in the form of warrants issued for payment of demands and certified in accordance with the provisions of California Government Code Sections 37208 and 37209.
3. The City Manager is hereby authorized to prepare an administrative budget which further specifies the accounts for the expenditure of appropriations approved by the City Council and set forth in Exhibit A. The City Manager shall provide the Council with copies of this budget.
4. The City Manager shall periodically report to the City council the amount and classification of revenues received and expenditures made.
5. A copy of the adopted budget, signed by the Mayor and attested to by the City Clerk, shall be kept on file with the City Clerk of the Town of Los Altos Hills, as the official budget of the Town of Los Altos Hills for the 2009 - 2010 fiscal year.

REGULARLY PASSED AND ADOPTED this 11th day of June, 2009.

BY: Jean Mordo
Jean Mordo, Mayor

ATTEST:

Karen Jost
Karen Jost, City Clerk

Town of Los Altos Hills 2009-10 Budget Summary		Beginning Unrestricted Fund Balance, 7/1/09	Revenue	Expenditures	Surplus (Deficit)	Transfers In	Transfers Out	Ending Unrestricted Fund Balance, 6/30/10
GENERAL FUNDS								
11	General Fund	\$ 4,793,972	\$ 5,132,254	\$ 4,367,735	\$ 764,520	\$ -	\$ 1,018,494	\$ 4,539,997
14	Parks & Recreation - Programs	0	89,150	267,404	(178,254)	178,254	-	0
15	Parks & Recreation - Facilities	0	339,500	388,424	(48,924)	48,924	-	0
	Sub-total	\$ 4,793,972	\$ 5,560,904	\$ 5,023,563	\$ 537,342	\$ 227,178	\$ 1,018,494	\$ 4,539,998
SPECIAL REVENUE FUNDS								
12	Drainage Fund	\$ 186,880	\$ 80,367	\$ 287,529	(207,162)	\$ 180,000	\$ -	\$ 159,718
13	Pathways Fund	172,067	72,075	312,959	(240,884)	200,000	-	131,183
16	Parks In-Lieu Fee Fund	96,924	58,342	-	58,342	-	-	155,266
17	Streets Fund	237,651	273,959	375,955	(101,996)	-	-	135,655
18	Roadway Impact Fee Fund	56,321	285,420	-	285,420	-	341,741	(0)
21	COPS	63,726	102,100	156,426	(54,326)	-	-	9,400
22	CLEEP	4,791	-	4,791	(4,791)	-	-	-
33	Debt Service Fund	-	-	211,316	(211,316)	211,316	-	-
	Sub-total	\$ 818,362	\$ 872,262	\$ 1,348,976	\$ (476,714)	\$ 591,316	\$ 341,741	\$ 591,223
CAPITAL IMPROVEMENT FUNDS								
41	General	\$ 448,956	\$ -	\$ 100,000	(100,000)	\$ 100,000	\$ -	\$ 448,956
42	Pathways	348,633	-	400,000	(400,000)	100,000	-	48,633
43	Westwind Barn	913,970	37,007	880,000	(842,993)	-	-	70,977
45	Drainage	557,876	-	270,000	(270,000)	-	-	287,876
46	Streets	1,399,790	350,000	1,250,000	(900,000)	341,741	-	841,531
	Sub-total	\$ 3,669,225	\$ 387,007	\$ 2,900,000	\$ (2,512,993)	\$ 541,741	\$ -	\$ 1,697,973
PROPRIETARY FUNDS								
51	Sewer Operations Fund	\$ 1,196,773	\$ 1,719,000	\$ 1,215,241	\$ 503,759	\$ -	\$ -	\$ 1,700,531
48	Sewer Capital Improvement Fund	652,774	-	440,000	(440,000)	-	-	212,774
53	Sewer Connection Fees Fund	150,801	389,550	-	389,550	-	-	540,351
	Sub-total	\$ 2,000,347	\$ 2,108,550	\$ 1,655,241	\$ 453,309	\$ -	\$ -	\$ 2,453,656
52	Solid Waste Operations Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	Solid Waste Capital Improvement Fund	-	-	-	-	-	-	-
	Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL - ALL FUNDS		\$ 11,281,906	\$ 8,928,723	\$ 10,927,780	\$ (1,999,057)	\$ 1,360,235	\$ 1,360,235	\$ 9,282,849

**Town of Los Altos Hills
Compensation Plan
Effective July 1, 2009**

Salary Range

	A	B	C	D	E
City Manager's Office					
City Manager	Set by contract				
City Clerk	\$ 6,971	\$ 7,320	\$ 7,686	\$ 8,070	\$ 8,474
Parks & Recreation Sup.	4,638	4,870	5,114	5,370	5,638
Public Safety Officer	4,461	4,684	4,919	5,165	5,423
Barn Manager	3,957	4,155	4,363	4,581	4,810

Administrative Services

Finance Director	\$ 10,044	\$ 10,546	\$ 11,073	\$ 11,627	\$ 12,209
Office Assistant II	4,003	4,203	4,413	4,634	4,866
Office Assistant I	3,543	3,720	3,906	4,101	4,306

Planning and Building

Planning Director	\$ 10,044	\$ 10,546	\$ 11,073	\$ 11,627	\$ 12,209
Senior Planner	6,501	6,826	7,167	7,526	7,902
Associate Planner	5,801	6,091	6,395	6,715	7,051
Assistant Planner	5,191	5,451	5,723	6,010	6,310
Building Official	6,191	6,500	6,825	7,166	7,525
Planning/Building Tech.	4,318	4,534	4,760	4,998	5,248
Office Assistant II	4,003	4,203	4,413	4,634	4,866
Office Assistant I	3,543	3,720	3,906	4,101	4,306

Public Works

Public Works Director	\$ 11,160	\$ 11,718	\$ 12,304	\$ 12,919	\$ 13,565
Associate Engineer	6,291	6,606	6,936	7,283	7,647
Assistant Engineer	5,414	5,685	5,969	6,268	6,581
Engineering Technician	4,866	5,109	5,365	5,633	5,915
Maintenance Superintendent	5,672	5,955	6,253	6,565	6,894
Maintenance Lead Worker	4,353	4,571	4,799	5,039	5,291
Maintenance Worker II	3,957	4,155	4,363	4,581	4,810
Maintenance Worker I	3,503	3,678	3,862	4,055	4,258

PAGE LEFT BLANK INTENTIONALLY

**A RESOLUTION OF
THE CITY COUNCIL OF THE TOWN
OF LOS ALTOS HILLS APPROVING THE
APPROPRIATION LIMIT OF \$4,907,809
FOR FISCAL YEAR 2009-10**

WHEREAS, Article XII of the California Constitution and Section 7900 et seq. of the California Government Code requires cities to adopt limits on appropriations for each fiscal year; and

WHEREAS, the Appropriations Limit has been calculated for the fiscal year 2009-10 and is set forth in that certain document Appropriations Limit Calculation for Fiscal Year 2009-10, attached hereto (Exhibit A) and made a part hereof ; and

WHEREAS, the staff report and the documentation used in determining the Appropriations Limit and appropriations subject to limit have been made available to the public as required by law; and

NOW THEREFORE, the City Council of the Town of Los Altos Hills does hereby resolve that:

1. The adjustment factors selected for calculating this Appropriations Limit are based on a California Per Capita Personal Income change of 0.62% and the County of Santa Clara population change of 1.56% as provided by the State of California Department of Finance for January 1, 2009; and
2. The Appropriations Limit for fiscal year 2009-10 is established at \$4,907,809; and
3. The City Council reserves the right to recalculate this Appropriations Limit.

REGULARLY PASSED AND ADOPTED this 23th day of July, 2009.

BY: _____

Dean Warshawsky
Dean Warshawsky, Mayor

ATTEST:

Karen Jost

Karen Jost, City Clerk

EXHIBIT A

Town of Los Altos Hills
 Appropriations Limit Calculation for Fiscal Year 2009-10
 June 30, 2009

A. Calculation of 2009-10 Appropriations Limit

2008-09 Appropriation Limit		\$ 4,802,647
Annual Change Factors		
Cost of living adjustment factors		
California per capita personal income (CPCPI)	0.620%	
Population adjustment factors		
Town of Los Altos Hills (LAH)	1.010%	
County of Santa Clara (SCC)	1.560%	
Authorized Adjustment Factor for 2009-10		
CPCPI + SCC Population change		
(1+.0062) x (1+.0156)	1.0219	
2009-10 Appropriation Limit as adjusted		
2008-09 appropriation limit x 2009-10 adjustment factor		\$ 4,907,809

B. 2009-10 Estimated Tax Proceeds Subject to Appropriations Limit

<u>Property taxes</u>		
Current secured and unsecured	\$ 2,661,687	
In-lieu of vehicle license fees & triple flip	687,836	
Supplemental taxes	84,635	
Property transfer taxes	69,394	
Homeowner's property tax exemption	18,000	
Subtotal all property taxes	\$ 3,521,552	
<u>Other Taxes</u>		
General sales tax	\$ 5,859	
Business tax	136,915	
Vehicle license fees	28,480	
Subtotal all other taxes	\$ 171,254	
Total estimated tax proceeds subject to appropriations limit		\$ 3,692,806

C. 2009-10 Appropriations Subject to Limit

2009-10 Appropriations supported by tax proceeds		
Administration	\$ 1,433,488	
Committees and Grants	170,000	
Public Safety	1,009,747	
Planning, Building, Engineering (net of user fees)	829,290	
Parks & Recreation (net of user fees)	166,995	
Total appropriations subject to limit		\$ 3,609,520

D. Over (Under) Appropriations Limit

2009-10 appropriations limit as adjusted	\$ 4,907,809	
Total appropriations subject to limit	3,609,520	
Appropriations Over (Under) Appropriations Limit		\$ (1,298,289)
		-26%

Town Officers

As of July 1, 2009

<u>City Council</u>	<u>Term Expires</u>
Jean Mordo, Mayor	2012
Dean Warshawsky, Mayor Pro Tem	2010
Breene Kerr	2010
Rich Larsen	2012
Ginger Summit	2012

City Council Appointed
Carl Cahill, City Manager
Steve Mattas, City Attorney

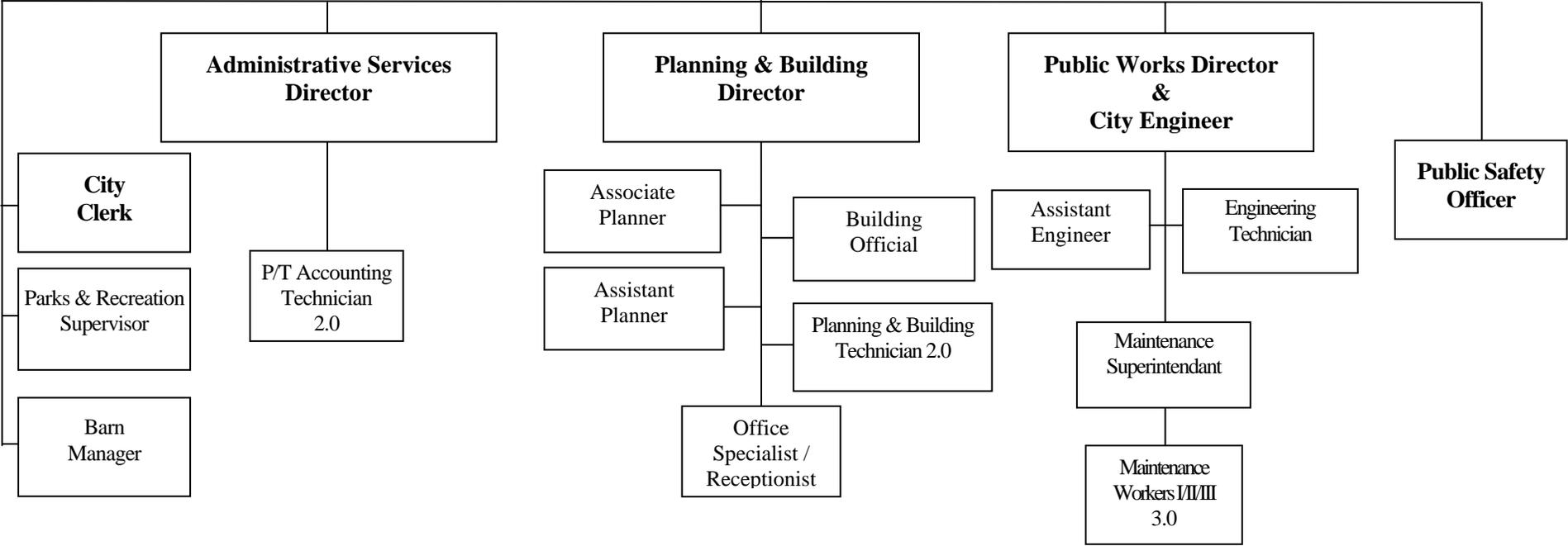
City Manager Appointed
City Clerk Karen Jost
Administrative Services Director Nick Pegueros
Planning & Building Director Debbie Pedro
Public Works Director & City Engineer Richard Chiu

Residents of Los Altos Hills

CITY COUNCIL
*5 members
Elected at-large*

CITY ATTORNEY
Contract

CITY MANAGER



Revenues

General Fund Revenues

Property taxes

The Town's property tax consultant, HdL, has recommended a 1.97% or \$68,688 increase in property taxes for the upcoming fiscal year. This projection includes a 2% growth factor for those properties with an assessed value below the median sales price. The projection also accounts for property tax appeals for homes purchased at the height of the market. Counteracting the modest growth in property taxes is the Governor's proposal to shift 8% of local property taxes to the State General Fund. If the proposal fulfills the constitution requirements, the Town would lose an estimated \$270,075 in property tax revenues to the State next fiscal year.

Object Name	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4010 - Secured property taxes	\$ 2,363,205	\$ 2,423,000	\$ 2,470,733
4011 - SB 813 Secured supplemental	103,900	83,000	84,635
4014 - In-lieu VLF & Triple Flip	736,376	674,547	687,836
4020 - Unsecured property taxes	171,435	187,265	190,954
4060 - Homeowners' property tax relief	18,494	18,000	18,000
4012 - State shift	-	-	(278,000)
Total	\$ 3,393,410	\$ 3,385,812	\$ 3,174,158

Other taxes

The budget for other taxes and franchise fees is \$57,454 less than prior fiscal year budget. This reduction is largely due to few business licenses being pulled in FY2009.

	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4101 - Business license tax	\$ 200,000	\$ 144,121	\$ 136,915
4110 - Real property transfer tax	65,000	68,100	69,394
4150 - Sales and use tax	52,428	57,500	58,593
4151 - Public safety sales tax	39,064	33,500	34,137
Total	\$ 356,492	\$ 303,221	\$ 299,038

Franchise Fees

Franchise fees are projected to remain relatively level with minor increases in the solid waste franchise due to the new service provider.

	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4201 - Water franchise fee	\$ 16,962	\$ 17,000	\$ 17,323
4202 - Solid waste franchise fee	172,000	171,000	174,249
4203 - Gas and electric franchise fee	128,500	157,060	160,044
4204 - Cable TV franchise fee	51,914	59,200	60,325
Total	\$ 369,376	\$ 404,260	\$ 411,941

Intergovernmental revenue

The State currently provides a minimum public safety grant of \$100,000 to local jurisdictions. The Town uses these funds to pay for the public safety officer and a number of emergency operations related programs. In the past, the State has threatened to eliminate this grant. If the grant were eliminated, we would recommend backfilling the grant with General Fund monies.

	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4501 - Motor vehicle in-lieu fees	48,410	22,560	28,480
4512 - Vehicle code fines	30,000	62,814	62,814
4580 - Abandoned vehicles recovery	3,500	1,808	1,843
4590 - Other intergovernmental revenue	(100,000)	-	(100,000)
Total	(18,090)	87,183	(6,863)

Planning and Building Fees

Planning and building fees are generally believed to track the state of the overall regional economy. In planning the budget for fiscal year 2009-10, staff did not see any significant decreases in the number of site developments or building permit activity. In an abundance of caution, the planning permit fees have been adjusted 10% lower than the estimated actual for fiscal year 2008-09. This would represent two fewer new homes in FY2010 when compared to FY2009. Since building permit activity typically trails changes in planning activity, building permit revenue is forecasted to decrease 5% year to year.

	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4601 - Site development fees	\$ 126,000	\$ 174,353	\$ 156,918
4605 - Zoning fees	3,300	80	72
4607 - Final map fees	1,200	500	450
4614 - Site development compliance	41,200	41,507	37,356
4681 - Address change	200	480	432
4683 - False alarm charges	2,100	1,000	1,000
Total	\$ 174,000	\$ 217,920	\$ 196,228

	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4301 - Building permits	\$ 438,000	\$ 400,500	\$ 380,475
4302 - Electrical permits	32,000	34,500	32,775
4303 - Heating permits	23,000	25,500	24,225
4304 - Plumbing permits	32,000	35,500	33,725
4306 - Housing Permits	22,000	23,000	21,850
4307 - Structural additional permits	19,000	16,500	15,675
4310 - Septic tank fees	2,300	3,000	2,850
4311 - Plan retention fees	32,000	37,500	35,625
4312 - Energy fee	24,000	34,500	32,775
4313 - Bedroom tax	8,500	10,500	9,975
4330 - Dog licenses/kennel fees	6,200	6,500	6,175
Total	\$ 639,000	\$ 627,500	\$ 596,125

Use of Money & Property

With several high yield investments maturing in fiscal year 2009-10, the Town’s investment advisor has assumed reinvestment in 2-year US Treasury Notes, between 0.90% and 1.44% over the course of the coming year. The lower yield will reduce investment income by 40%.

	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4401 - Interest earnings	\$ 309,120	\$ 291,054	\$ 197,500
4422 - Purissima Hills Water District	21,500	22,000	22,418
4424 - Cingular - 2 cell towers at LL fields rer	50,300	47,880	48,789
4426 - Metro PCS - cell tower at LL fields ren	24,300	24,000	24,456
4427 - Cingular - Town Hall site rental	24,600	34,944	35,608
Total	\$ 429,820	\$ 419,878	\$ 328,771

Miscellaneous Revenues

FY2010 does not anticipate any significant changes in miscellaneous revenues. The major decrease year-to-year is in the area of one-time grants and donations.

	FY 2009 Budget	FY 2009 Est. Actual	FY 2010 Adopted
4711 - Fines and forfeitures	\$ 52,000	\$ 8,267	\$ 8,430
4801 - Maps and reproduction fees	4,500	3,710	3,525
4804 - Pathway map	300	300	300
4809 - Donations	1,600	4,500	-
4810 - Miscellaneous revenue	-	6,054	-
4813 - Grants - non-governmental	-	37,209	-
4999 - General Administration Allocation	120,602	120,602	120,602
Total	\$ 179,002	\$ 180,642	\$ 132,856

PAGE LEFT BLANK INTENTIONALLY

Special Revenues

Drainage fees

In accordance with Municipal Code Section 8-1.07, applicants for the issuance of any building permit shall pay a drainage fee. Municipal Code Section 3-3.403 provides that all funds received in the Drainage Fund shall be used solely for the construction, or reimbursement of construction, of local drainage facilities within the Town, or to reimburse the Town for the cost of engineering and administrative services related to the Master Plan for Storm Water Drainage and the design and construction of the facilities.

Drainage fees are calculated at \$.60 per square foot of development within the public right-of-way or easements and, for development area added, \$.85 per square foot for impermeable structures and \$.60 per square foot for semi-permeable structures. Unspent funds in this account accrue interest earnings in accordance with the Town's pooled investments rate of return.

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
12 - Storm Drain Fund	CHARGES FOR SERVICES	\$ 125,000	\$ 84,596	\$ 80,367
12 - Storm Drain Fund Total		\$ 125,000	\$ 84,596	\$ 80,367

Pathway in-lieu fees

In accordance with Municipal Code Section 10-2.608, a site development permit for a lot on which no path is needed shall be assessed a pathway fee. Municipal Code Section 3-3.303 provides that all funds received in the Pathway Fund shall be used exclusively for the maintenance, repair, construction and acquisition of property for the Town's pathway system.

The pathway in-lieu fee is calculated at \$47 per lineal foot of the average width of the property or \$5,220, whichever is greater, for each lot without a path. Unspent funds in this account accrue interest earnings in accordance with the Town's pooled investments rate of return.

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
13 - Pathways Fund	CHARGES FOR SERVICES	\$ 75,000	\$ 73,500	\$ 69,825
	USE OF MONEY & PROPERTY	\$ 19,320	\$ 3,545	\$ 2,250
13 - Pathways Fund Total		\$ 94,320	\$ 77,045	\$ 72,075

Parks and recreation program and facility fees

The Town’s parks and recreation department is divided into two funds: Programs and Facilities. The Parks & Recreation Programs Fund collects user fees to partially offset the cost of providing program instruction such as summer camps or yoga classes. The Parks & Recreation Facilities Fund collects fees for use of the Town’s parks facilities including the playing fields at Purissima Park and horse stabling at Westwind Barn.

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
14 - Parks & Recreation Programs Fund	CHARGES FOR SERVICES	\$ 42,000	\$ 71,833	\$ 89,150
14 - Parks & Recreation Programs Fund Total		\$ 42,000	\$ 71,833	\$ 89,150
15 - Parks & Recreation Facilities Fund	USE OF MONEY & PROPERTY	\$ 16,500	\$ 310,845	\$ 339,500
15 - Parks & Recreation Facilities Fund Total		\$ 16,500	\$ 310,845	\$ 339,500
Grand Total		\$ 58,500	\$ 382,678	\$ 428,650

Park and recreation dedication fees

In accordance with Municipal Code Section 9-1.1403, every subdivider shall be required to dedicate a portion of land, or pay a fee in lieu thereof, or a combination of both, for the purpose of providing park and/or recreational space/facilities. The fees are to be used only for the purpose of providing park or recreational facilities to serve the subject subdivision. Municipal Code Section 9-1.1404 provides that the specific amount of real property to be dedicated in a given subdivision shall be .018 acres for every lot or parcel.

The in lieu fee is calculated by multiplying the required amount of property to be dedicated by the fair market value of the property. Fair market value is the greater of (1) the average estimated fair market value for all residentially zoned real property located in the Town as determined by the Planning Director or (2) the fair market value of the land in the subdivision based upon its then assessed value modified to equal market in accordance with the current practices of the County assessor and as determined by the Planning Director. Unspent funds in this account accrue interest earnings in accordance with the Town’s pooled investments rate of return.

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
16 - Parks & Recreation In-Lieu Fee Fund	CHARGES FOR SERVICES	\$ 25,000	\$ 58,781	\$ 55,842
	USE OF MONEY & PROPERTY	\$ 4,830	\$ 143,158	\$ 2,500
16 - Parks & Recreation In-Lieu Fee Fund Total		\$ 29,830	\$ 201,939	\$ 58,342

Street Funds

The primary revenue source for Streets continues to be remittances from the State of California’s gas tax funds which are used to support street improvements. In 2008-09 and continuing in 2009-10, the State’s delay in payments to local agencies of gas tax revenues has impacted the cash flow of this fund. Other revenues include fees charged to developers.

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
17 - Streets Fund	CHARGES FOR SERVICES	\$ 45,000	\$ 61,886	\$ 50,000
	INTERGOVERNMENTAL REVENUE	\$ 127,000	\$ 173,123	\$ 152,000
	PERMITS & LICENSES	\$ 19,000	\$ 29,430	\$ 27,959
	USE OF MONEY & PROPERTY	\$ 28,980	\$ 70,557	\$ 44,000
17 - Streets Fund Total		\$ 219,980	\$ 334,997	\$ 273,959

Roadway impact fees

In accordance with Municipal Code Section 3-3.508, the Town shall impose impact fees as a condition of approval of all building permit valuations equal to or greater than \$10,000 and a refuse vehicle impact fee shall be imposed on all operators of refuse collection companies based on the portion of street maintenance and repair attributable to damage caused by the heavy vehicles. Municipal Code Section 3-3.510 provides that all funds received in the Roadway Impact Fee Fund shall be expended only for the type of street maintenance and repair for which they were imposed, calculated and collected.

Roadway impact fees are calculated as follows: for building permits - .63% of the building permit valuation; and for each refuse account - \$3.11 per month. The proceeds from this account are transferred entirely to the Town’s streets capital improvement fund.

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
18 - Roadway Impact Fee Fund	CHARGES FOR SERVICES	\$ 300,000	\$ 294,439	\$ 285,420
18 - Roadway Impact Fee Fund Total		\$ 300,000	\$ 294,439	\$ 285,420

Sewer Fund Revenues

The Town's sewer operations provide sanitary sewer service to approximately half of the parcels in the Town's boundaries. Properties receiving sewer services are charged an annual service fee, last adjusted in 2007-08, on their property tax bills. When a property connects to the Town's sewer main, a connection fee is charges to pay for necessary future sewer system capital improvements and capacity.

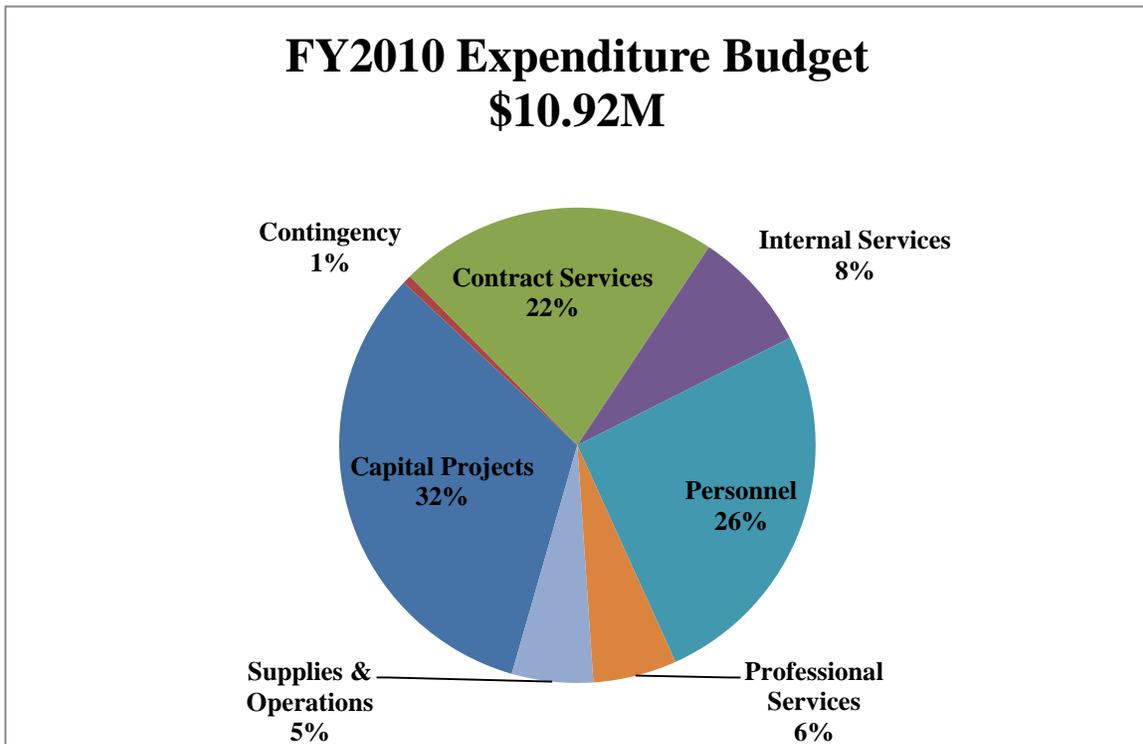
Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
51 - Sewer Operations Fund	CHARGES FOR SERVICES	\$ 1,250,000	\$ 1,383,848	\$ 1,668,000
	USE OF MONEY & PROPERTY	\$ 96,600	\$ 81,257	\$ 51,000
	CONNECTION FEES	\$ 60,000	\$ 150,801	\$ 389,550
Grand Total		\$ 1,406,600	\$ 1,615,906	\$ 2,108,550

PAGE LEFT BLANK INTENTIONALLY

Expenditures

Expenditures by Category

Expenditures by department are discussed in detail in the next section. Overall, expenditures have been categorized into personnel, professional services, contract services, supplies and operations, and internal services. While each department has a varying requests for most expenditure categories, most departments operate with a fixed personnel budget.



Personnel

The Town maintains a workforce of 21 full time employees. For fiscal year 2009-10, the following factors were incorporated into the personnel budgets:

- Salaries - The budget does not provide an across the board salary increase.
- Pension - The employer’s share of the CalPERS pension for fiscal year 2010 is forecasted to be 14.694% of payroll.
- Health insurance - The budget retains the current employee and city council medical program with a forecasted increase of 6.0% in premiums.
- Retiree medical – The current amortized cost of retiree medical plus the cost of current, pay-as-you-go benefits for existing retirees, \$245,000, is included in the personnel costs for all departments.

Expense Category	Department	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
Personnel	111100 - City Council	\$ 98,439	\$ 78,660	\$ 63,977
	111200 - City Manager	\$ 276,292	\$ 265,499	\$ 276,447
	111300 - City Clerk	\$ 187,126	\$ 193,951	\$ 186,804
	111400 - Finance	\$ 254,718	\$ 254,018	\$ 263,722
	113100 - Planning	\$ 652,476	\$ 636,410	\$ 650,893
	113110 - Planning Commission	\$ 6,459	\$ 6,912	\$ 6,459
	113200 - Building Inspection	\$ 392,805	\$ 389,434	\$ 391,808
	113300 - Engineering Administration	\$ 169,272	\$ 172,852	\$ 172,272
	124500 - Storm Drain Maintenance	\$ 157,091	\$ 157,111	\$ 157,229
	134740 - Pathway Maintenance	\$ 178,862	\$ 179,266	\$ 179,400
	141000 - Parks & Recreation, Administration	\$ 87,336	\$ 85,978	\$ 87,168
	151100 - Parks & Recreation, Playing Fields	\$ 9,704	\$ 9,675	\$ 9,683
	151200 - Parks & Recreation, Westwind Barn Facility	\$ 61,727	\$ 71,403	\$ 81,041
	174600 - Streets Maintenance	\$ 99,808	\$ 100,286	\$ 100,361
	212100 - Citizen's Option for Public Safety Grant	\$ 93,334	\$ 93,059	\$ 93,135
514800 - Sewer Operations	\$ 84,963	\$ 86,911	\$ 86,977	
Personnel Total		\$ 2,810,412	\$ 2,781,425	\$ 2,807,377

Professional Services

The Town retains specialized professional service providers in-lieu of or to augment in-house staff resources. All Town legal services and most parks and recreation program instruction are provided through professional services contracts. On an as needed basis, professional services are used to augment building permit review and engineering services.

Expense Category	Department	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
Professional Services	111100 - City Council	\$ 2,500	\$ 1,500	\$ 1,500
	111300 - City Clerk	\$ 25,000	\$ 22,705	\$ 14,000
	111400 - Finance	\$ 101,000	\$ 92,000	\$ 92,250
	111500 - City Attorney	\$ 144,000	\$ 135,250	\$ 151,000
	113100 - Planning	\$ 12,300	\$ 11,592	\$ 13,000
	113110 - Planning Commission	\$ -	\$ 375	\$ 500
	113130 - General Plan	\$ 80,000	\$ 41,000	\$ 20,000
	113200 - Building Inspection	\$ 23,000	\$ 17,000	\$ 20,000
	113210 - Permit Review & Inspection	\$ 85,000	\$ 115,500	\$ 85,000
	113300 - Engineering Administration	\$ 52,400	\$ 36,500	\$ 52,400
	124500 - Storm Drain Maintenance	\$ 6,000	\$ 3,500	\$ 3,500
	134740 - Pathway Maintenance	\$ 1,000	\$ 1,000	\$ 1,000
	141000 - Parks & Recreation, Administration	\$ 1,000	\$ 2,300	\$ 2,300
	141100 - Parks & Recreation, Equestrian Programs	\$ 68,200	\$ 57,833	\$ 62,400
	141110 - Parks & Recreation, Fee Classes	\$ 28,000	\$ 13,500	\$ 28,000
	174600 - Streets Maintenance	\$ 2,500	\$ 2,500	\$ 2,500
	212100 - Citizen's Option for Public Safety Grant	\$ 30,200	\$ 30,000	\$ 22,000
	514800 - Sewer Operations	\$ 50,000	\$ 50,000	\$ 50,000
Professional Services Total		\$ 712,100	\$ 634,054	\$ 621,350

Contract Services

Contract services are used to minimize the number of in-house staff members. Larger service contracts include the County of Santa Clara Sheriff's Office for public safety services, the City of Palo Alto for animal control services, a private maintenance firm to operate the Town's sewer system, and a private maintenance firm to clean the Town's horse stable operation at Westwind Barn.

Expense Category	Department	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
Contract Services	111510 - Liability Insurance	\$ 119,270	\$ 87,000	\$ 95,000
	112100 - Public Safety	\$ 902,300	\$ 902,356	\$ 919,747
	112150 - Animal Control	\$ 90,000	\$ 43,545	\$ 90,000
	124500 - Storm Drain Maintenance	\$ 45,000	\$ 20,000	\$ 25,000
	134740 - Pathway Maintenance	\$ 35,500	\$ 31,000	\$ 35,500
	151100 - Parks & Recreation, Playing Fields	\$ 27,700	\$ 21,600	\$ 27,500
	151110 - Parks & Recreation, Riding Ring	\$ 5,000	\$ 5,000	\$ 5,000
	151200 - Parks & Recreation, Westwind Barn Facility	\$ 161,000	\$ 164,000	\$ 164,000
	174600 - Streets Maintenance	\$ 150,000	\$ 112,000	\$ 142,500
	212100 - Citizen's Option for Public Safety Grant	\$ 7,500	\$ 7,000	\$ 7,500
	514800 - Sewer Operations	\$ 883,136	\$ 770,996	\$ 860,590
	520000 - Solid Waste	\$ 389,545	\$ 367,521	\$ -
Contract Services Total		\$ 2,815,951	\$ 2,532,018	\$ 2,372,338

Supplies & Operations

Supplies and operations expenditures include those items necessary to provide the Town's services.

Expense Category	Department	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
Supplies & Operations	111100 - City Council	\$ 62,350	\$ 57,667	\$ 68,300
	111200 - City Manager	\$ 6,200	\$ 3,650	\$ 6,300
	111300 - City Clerk	\$ 31,900	\$ 21,190	\$ 4,900
	111400 - Finance	\$ 25,200	\$ 22,300	\$ 29,400
	111500 - City Attorney	\$ 15,000	\$ 12,000	\$ 15,000
	111600 - Community Service Grants	\$ 61,000	\$ 58,500	\$ 58,500
	111700 - Town Committees	\$ 107,500	\$ 60,755	\$ 111,500
	113100 - Planning	\$ 15,100	\$ 13,350	\$ 17,300
	113110 - Planning Commission	\$ 2,700	\$ 2,500	\$ 2,700
	113200 - Building Inspection	\$ 7,400	\$ 19,055	\$ 7,400
	113300 - Engineering Administration	\$ 16,750	\$ 8,600	\$ 12,450
	124500 - Storm Drain Maintenance	\$ 26,500	\$ 26,500	\$ 26,500
	134740 - Pathway Maintenance	\$ 2,700	\$ 8,800	\$ 11,500
	141000 - Parks & Recreation, Administration	\$ 16,100	\$ 18,465	\$ 19,800
	141100 - Parks & Recreation, Equestrian Programs	\$ 1,000	\$ 500	\$ 500
	141110 - Parks & Recreation, Fee Classes	\$ 2,000	\$ 1,000	\$ 1,000
	141120 - Parks & Recreation, Events	\$ 32,500	\$ 30,673	\$ 33,750
	151100 - Parks & Recreation, Playing Fields	\$ 16,000	\$ 11,984	\$ 18,000
	151200 - Parks & Recreation, Westwind Barn Facility	\$ 89,600	\$ 83,200	\$ 83,200
	174600 - Streets Maintenance	\$ 33,900	\$ 25,000	\$ 37,000
212100 - Citizen's Option for Public Safety Grant	\$ 25,801	\$ 21,500	\$ 24,000	
220100 - C.L.E.E.P. Grant	\$ 7,260	\$ 13,000	\$ 4,791	
514800 - Sewer Operations	\$ 8,600	\$ 9,000	\$ 9,100	
Supplies & Operations Total		\$ 613,061	\$ 529,188	\$ 602,891

Internal Services

The Town's internal services provide general facility maintenance, technology support, corporation yard operations, and fleet maintenance. Internal services are allocated to each department based on their use of each service.

Expense Category	Department	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
Internal Services	111200 - City Manager	\$ 30,186	\$ 31,626	\$ 30,233
	111300 - City Clerk	\$ 30,186	\$ 31,626	\$ 30,233
	111400 - Finance	\$ 39,244	\$ 41,116	\$ 39,422
	113100 - Planning	\$ 156,293	\$ 163,204	\$ 157,446
	113200 - Building Inspection	\$ 103,467	\$ 107,859	\$ 104,381
	113300 - Engineering Administration	\$ 39,985	\$ 41,497	\$ 40,490
	124500 - Storm Drain Maintenance	\$ 74,547	\$ 76,494	\$ 75,300
	134740 - Pathway Maintenance	\$ 84,293	\$ 86,415	\$ 85,559
	141000 - Parks & Recreation, Administration	\$ 32,259	\$ 33,699	\$ 32,486
	174600 - Streets Maintenance	\$ 92,433	\$ 93,576	\$ 93,594
	514800 - Sewer Operations	\$ 164,051	\$ 164,697	\$ 164,574
Internal Services Total		\$ 846,944	\$ 871,809	\$ 853,718

PAGE LEFT BLANK INTENTIONALLY

General Fund Department Budgets

City Council

The City Council governs the Town of Los Altos Hills by enacting and enforcing ordinances and regulations that concern municipal affairs, subject only to limitations and restrictions of the State Constitution.

Budget Requests

The City Council budget's personnel budget is projected to decrease with reduced participation in the medical benefits program first made available to council members in 2006-07. Included in supplies and operations is a \$5,000 sponsorship for the Hidden Villa Summer Concert Series, \$5,000 for special meeting notices requested by the City Council, and the Town's various memberships and dues including the League of California Cities, the Peninsula Division of the League of California Cities, the Association of Bay Area Governments, Local Agency Formation Commission, the Santa Clara County Cities Association, Silicon Valley Leadership Group, and the Homeless Survey.

Capital Requests

None

Significant Operating Changes

The City Council's goals will affect department staffing and other resource needs.

Personnel Summary

None

Expenditure Budget

Department code: 11-1100

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111100 - City Council	Personnel	\$ 98,439	\$ 78,660	\$ 63,977
	Professional Services	\$ 2,500	\$ 1,500	\$ 1,500
	Supplies & Operations	\$ 62,350	\$ 57,667	\$ 68,300
111100 - City Council Total		\$ 163,289	\$ 137,827	\$ 133,777

City Manager

The City Manager is responsible for the implementation of City Council goals and the smooth functioning of the Town while providing its residents with the services and amenities they desire. Major elements include appointment and supervision of all Town staff other than the City Attorney, goal setting, policy suggestions and implementation, personnel management, fiscal responsibility and budget.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

The Adpoted budget for FY2010 includes an additional \$55,000 in contingency for the City Manager to allocate towards performance based salary adjustments over the fiscal year.

Personnel Summary *

	FY2008	FY2009	FY2010
City Manager	1.00	1.00	1.00

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Expenditure Budget

Department code: 11-1200

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111200 - City Manager	Personnel	\$ 276,292	\$ 265,499	\$ 276,447
	Supplies & Operations	\$ 6,200	\$ 3,650	\$ 6,300
	Internal Services	\$ 30,186	\$ 31,626	\$ 30,233
	Contingency	\$ 10,000	\$ -	\$ 65,000
111200 - City Manager Total		\$ 322,678	\$ 300,775	\$ 377,980

City Clerk

The City Clerk is the liaison and public information officer between the public and the City Council. The City Clerk is the records manager for the Town. The City Clerk prepares City Council agendas, minutes, and other legislative history. Elections and Campaign and Economic Interest Reporting as required by State law are administered through this office. The Clerk also provides logistical support to Town Committees.

BUDGET REQUESTS

No new requests.

CAPITAL REQUESTS

None

SIGNIFICANT OPERATING CHANGES

There is no election budgeted for this fiscal year.

PERSONNEL SUMMARY *

Classification	FY2008	FY2009	FY2010
City Clerk	1.00	1.00	1.00

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

EXPENDITURE BUDGET

Department code: 11-1300

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111300 - City Clerk	Personnel	\$ 187,126	\$ 193,951	\$ 186,804
	Professional Services	\$ 25,000	\$ 22,705	\$ 14,000
	Supplies & Operations	\$ 31,900	\$ 21,190	\$ 4,900
	Internal Services	\$ 30,186	\$ 31,626	\$ 30,233
111300 - City Clerk Total		\$ 274,212	\$ 269,471	\$ 235,937

Administrative Services

The Administrative Services Department is responsible for administrative services of the Town – financial accounting and reporting, personnel, information systems coordination, and risk and office management. With respect to financial duties, the department collects revenues, invests funds, coordinates the preparation of the Town budget, compiles and issues financial reports, and pays Town bills in accordance with fiscal policies and internal controls. Personnel duties include recruitment, examination and selection of employees; employee personnel records; and employee insurance and other benefits. The Department coordinates information technology support services and processes computer equipment purchases and installation.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

Beginning on July 1, 2009, the department was reorganized to eliminate the Accountant/Office Manager, provide two Part-Time Accounting Technicians, and augment the department’s consulting services budget.

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Director	1.00	1.00	1.00
Part-time Accounting Tech	0.00	0.00	0.30
Accountant /Office Manager	0.30	0.30	0.00
Total	1.30	1.30	1.30

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Expenditure Budget

Department code: 11-1400

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111400 - Administrative Services	Personnel	\$ 254,718	\$ 254,018	\$ 263,722
	Professional Services	\$ 101,000	\$ 92,000	\$ 92,250
	Supplies & Operations	\$ 25,200	\$ 22,300	\$ 29,400
	Internal Services	\$ 39,244	\$ 41,116	\$ 39,422
111400 - Administrative Services Total		\$ 420,162	\$ 409,434	\$ 424,794

City Attorney

The City Attorney reports directly to the City Council and is charged with the task of advising the City Council, City Manager and other Town officials on all legal aspects of municipal operations. The City Attorney represents the Town in civil and criminal actions; prosecutes violations of Town ordinances; and drafts or reviews required legal documents, including contracts, ordinances, and resolutions. The City Attorney attends all regular and special City Council meetings. Attorney-client relationship is furnished for members of the Town Council and appointed officials in all city-related matters. Other services of the City Attorney include meeting with the City Manager and other city officials on an on-call basis and keeping the City Council, City Manager and staff advised of current laws affecting decisions and programs of the Town.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

None

Staffing Summary

None

Expenditure Budget

Department code: 11-1500

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111500 - City Attorney	Professional Services	\$ 144,000	\$ 135,250	\$ 151,000
	Supplies & Operations	\$ 15,000	\$ 12,000	\$ 15,000
111500 - City Attorney Total		\$ 159,000	\$ 147,250	\$ 166,000

Liability Insurance

The City Clerk, in coordination with the senior management team, coordinates all liability claims incurred by the Town through a consortium (ABAG-PLAN) of bay area cities, including the Town's benchmark agencies Los Altos, Woodside, Portola Valley, Atherton, and Hillsborough. This budget provides for the premiums as well as any settlements resulting from claims against the Town.

Budget Requests

No significant changes of note.

Capital Requests

None

Significant Operating Changes

None

Personnel Summary

None

Expenditure Budget

Department code: 11-1510

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111510 - Liability Insurance	Contract Services	\$ 119,270	\$ 87,000	\$ 95,000
111510 - Liability Insurance Total		\$ 119,270	\$ 87,000	\$ 95,000

Community Service Agency Grants

Various community agencies which service residents of the Town and surrounding area petition the City Council for contributions in support of their activities.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

Due to the uncertainty in the State of California’s financial stability, the grant award period is recommended to occur in December/January rather than June/July of each year.

Personnel Summary

None

Expenditure Budget

Department code: 11-1600

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111600 - Community Service Grants	Supplies & Operations	\$ 61,000	\$ 58,500	\$ 58,500
111600 - Community Service Grants Total		\$ 61,000	\$ 58,500	\$ 58,500

Town Committees

The City Council has established standing committees to assist the Council with a variety of issues. The Committees render advice and make recommendations to the City Council, Planning Commission, City Manager and other Town bodies designated by the City Council on all aspects of their particular sphere of interest.

Budget Requests

To maintain proper internal control of the disbursement of Town funds, the FY2009 budget provided only a minimal amount of discretionary funds for each committee. For equipment purchases, consulting services, and other large ticket items, a place holder of \$80,000 was provided in a miscellaneous account for the City Council to appropriate as necessary over the course of the fiscal year based on requests from the Committees. The committees did not request the full \$80,000 in FY2009 however the \$80,000 remains budgeted for FY2010.

Capital Requests

None

Significant Operating Changes

None

Personnel Summary

None

Expenditure Budget

Department code: 11-17XX

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
111700 - Town Committees	Supplies & Operations	\$ 107,500	\$ 60,755	\$ 111,500
111700 - Town Committees Total		\$ 107,500	\$ 60,755	\$ 111,500

PAGE LEFT BLANK INTENTIONALLY

Public Safety

The Town contracts with the Santa Clara County Sheriff’s Office for police protection and with the City of Palo Alto for animal control. The Sheriff is responsible for the protection of lives and property of the residents of the Town. The main objective is to provide for a safe and healthy community environment. This is accomplished through the active enforcement of local and state laws, apprehending violators, and by the use of effective law enforcement procedure, programs and techniques. The City of Palo Alto administers an animal control program servicing the cities of Palo Alto, Mountain View, Los Altos, and the Town.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

The City of Palo Alto is constructing a new animal control shelter and the Town anticipates a contribution of \$30,000 in FY2010.

Personnel Summary

None

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
112100 - Public Safety	Contract Services	\$ 902,300	\$ 902,356	\$ 919,747
112100 - Public Safety Total		\$ 902,300	\$ 902,356	\$ 919,747
112150 - Animal Control	Contract Services	\$ 90,000	\$ 43,545	\$ 90,000
112150 - Animal Control Total		\$ 90,000	\$ 43,545	\$ 90,000
Grand Total		\$ 992,300	\$ 945,901	\$ 1,009,747

Planning Department

The Planning Department is responsible for preparing and implementing the General Plan, zoning and subdivision ordinances, and processing applications, conditional use permits, site plan reviews, home occupation permit, administrative permits and other applications. The Department supports the activities of the Planning Commission.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Director	0.80	0.80	0.80
Planning & Building Technician	1.15	1.15	1.15
Senior/Associate Planner	0.80	0.80	0.80
Assistant Planner	0.80	0.80	0.80
Public Works Director	0.06	0.06	0.06
Assistant Engineer	0.50	0.70	0.70
Maintenance Worker I/II	0.04	0.04	0.04
P/T Accounting Tech.	0.00	0.00	0.15
Accountant/Office Manager	0.15	0.15	0.00
Office Specialist	0.30	0.30	0.30
Total	4.60	4.80	4.80

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

*Planning Department
(continued)*

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
113100 - Planning	Personnel	\$ 652,476	\$ 636,410	\$ 650,893
	Professional Services	\$ 12,300	\$ 11,592	\$ 13,000
	Supplies & Operations	\$ 15,100	\$ 13,350	\$ 17,300
	Internal Services	\$ 156,293	\$ 163,204	\$ 157,446
113100 - Planning Total		\$ 836,169	\$ 824,556	\$ 838,639
113110 - Planning Commission	Personnel	\$ 6,459	\$ 6,912	\$ 6,459
	Professional Services	\$ -	\$ 375	\$ 500
	Supplies & Operations	\$ 2,700	\$ 2,500	\$ 2,700
113110 - Planning Commission Total		\$ 9,159	\$ 9,787	\$ 9,659
113130 - General Plan	Professional Services	\$ 80,000	\$ 41,000	\$ 20,000
113130 - General Plan Total		\$ 80,000	\$ 41,000	\$ 20,000
Grand Total		\$ 925,328	\$ 875,343	\$ 868,298

Building Inspection Department

The Building Department has the responsibility of providing life-safety, plan checking, inspection and permitting, as well as quality control on building activity within the Town. The Department manages the Town's code compliance programs to improve the quality of life.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Director	0.20	0.20	0.20
Building Official	1.00	1.00	1.00
Planning & Building Technician	0.85	0.85	0.85
Senior/Associate Planner	0.20	0.20	0.20
Assistant Planner	0.20	0.20	0.20
Assistant Engineer	0.05	0.05	0.05
P/T Accounting Technician	0.00	0.00	0.25
Accountant/Office Manager	0.25	0.25	0.00
Office Specialist	0.30	0.30	0.30
Total	3.05	3.05	3.05

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

*Building Inspection Department
(Continued)*

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
113200 - Building Inspection	Personnel	\$ 392,805	\$ 389,434	\$ 391,808
	Professional Services	\$ 23,000	\$ 17,000	\$ 20,000
	Supplies & Operations	\$ 7,400	\$ 19,055	\$ 7,400
	Internal Services	\$ 103,467	\$ 107,859	\$ 104,381
113200 - Building Inspection Total		\$ 526,672	\$ 533,348	\$ 523,589
113210 - Permit Review & Inspection	Professional Services	\$ 85,000	\$ 115,500	\$ 85,000
113210 - Permit Review & Inspection Total		\$ 85,000	\$ 115,500	\$ 85,000
Grand Total		\$ 611,672	\$ 648,848	\$ 608,589

Engineering Department

The Engineering Department provides administrative management of the Town's public work operations including the Capital Improvement Program. The Department develops and implements the Town's capital projects and engineering support for inspection services for all projects within the Town.

Budget Requests

No new requests

Capital Requests

None

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Director	0.20	0.30	0.30
Associate Engineer	0.70	0.00	0.00
Assistant Engineer	0.25	0.25	0.25
Engineering Technician	0.50	0.50	0.50
Total	1.65	1.05	1.05

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Expenditure Budget – Engineering Administration

Department code: 11-3300

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
113300 - Engineering Administration	Personnel	\$ 169,272	\$ 172,852	\$ 172,272
	Professional Services	\$ 52,400	\$ 36,500	\$ 52,400
	Supplies & Operations	\$ 16,750	\$ 8,600	\$ 12,450
	Internal Services	\$ 39,985	\$ 41,497	\$ 40,490
113300 - Engineering Administration Total		\$ 278,408	\$ 259,449	\$ 277,612

Special Revenue Funds & Sewer Fund Departments Budgets

Parks & Recreation Programs

The department develops, implements and evaluates recreational programs and activities for children and adults and coordinates and supervises recreational uses of the Playing Fields, Town Riding Ring and Westwind Barn.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Parks & Recreation Supervisor	0.80	0.80	0.80
Total	0.80	0.80	0.80

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Revenue Budget

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
14 - Parks & Recreation Programs Fund	CHARGES FOR SERVICES	\$ 42,000	\$ 71,833	\$ 89,150
14 - Parks & Recreation Programs Fund Total		\$ 42,000	\$ 71,833	\$ 89,150

*Parks & Recreation Programs
(Continued)*

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
141000 - Parks & Recreation, Administration	Personnel	\$ 87,336	\$ 85,978	\$ 87,168
	Professional Services	\$ 1,000	\$ 2,300	\$ 2,300
	Supplies & Operations	\$ 16,100	\$ 18,465	\$ 19,800
	Internal Services	\$ 32,259	\$ 33,699	\$ 32,486
141000 - Parks & Recreation, Administration Total		\$ 136,695	\$ 140,442	\$ 141,754
141100 - Parks & Recreation, Equestrian Programs	Professional Services	\$ 68,200	\$ 57,833	\$ 62,400
	Supplies & Operations	\$ 1,000	\$ 500	\$ 500
141100 - Parks & Recreation, Equestrian Programs Total		\$ 69,200	\$ 58,333	\$ 62,900
141110 - Parks & Recreation, Fee Classes	Professional Services	\$ 28,000	\$ 13,500	\$ 28,000
	Supplies & Operations	\$ 2,000	\$ 1,000	\$ 1,000
141110 - Parks & Recreation, Fee Classes Total		\$ 30,000	\$ 14,500	\$ 29,000
141120 - Parks & Recreation, Events	Supplies & Operations	\$ 32,500	\$ 30,673	\$ 33,750
141120 - Parks & Recreation, Events Total		\$ 32,500	\$ 30,673	\$ 33,750
Grand Total		\$ 268,395	\$ 243,947	\$ 267,404

Parks & Recreation Facilities

The Town's baseball fields in Purissima Park are available for adult and youth programs organized by the Parks and Recreation Department and for activities sponsored by the Los Altos Little League. The Town has a use agreement with the Los Altos Little League to provide for field maintenance reimbursement.

Also at Purissima Park is the Town's riding ring which is available for adult and youth programs organized by the Parks and Recreation Department and for activities sponsored by the Los Altos Hills Horsemen's Association. The Horsemen's Association leases the ring from the Town.

The Town's primary equestrian facility is at Westwind Community Barn which is available for adult and youth programs organized by the Parks and Recreation Department, the therapeutic riding program (4-H/Westwind Riding Institute), and private boarding operations.

Budget Requests

No new requests.

Capital Requests

The proposed budget includes an anticipated \$880,000 contribution to the Westwind Community Barn seismic retrofit project. These funds were originally budgeted in FY2008 and have gone unspent.

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Parks & Recreation Supervisor	0.20	0.20	0.20
Barn Manager	0.00	1.00	1.00
Total	0.20	1.20	1.20

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Revenue Budget

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
15 - Parks & Recreation Facilities Fund	USE OF MONEY & PROPERTY	\$ 16,500	\$ 310,845	\$ 339,500
15 - Parks & Recreation Facilities Fund Total		\$ 16,500	\$ 310,845	\$ 339,500

*Parks & Recreation Facilities
(Continued)*

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
151100 - Parks & Recreation, Playing Fields	Personnel	\$ 9,704	\$ 9,675	\$ 9,683
	Contract Services	\$ 27,700	\$ 21,600	\$ 27,500
	Supplies & Operations	\$ 16,000	\$ 11,984	\$ 18,000
151100 - Parks & Recreation, Playing Fields Total		\$ 53,404	\$ 43,259	\$ 55,183
151110 - Parks & Recreation, Riding Ring	Contract Services	\$ 5,000	\$ 5,000	\$ 5,000
151110 - Parks & Recreation, Riding Ring Total		\$ 5,000	\$ 5,000	\$ 5,000
151200 - Parks & Recreation, Westwind Barn Facility	Personnel	\$ 61,727	\$ 71,403	\$ 81,041
	Contract Services	\$ 161,000	\$ 164,000	\$ 164,000
	Supplies & Operations	\$ 89,600	\$ 83,200	\$ 83,200
151200 - Parks & Recreation, Westwind Barn Facility Total		\$ 312,327	\$ 318,603	\$ 328,241
Grand Total		\$ 370,731	\$ 366,862	\$ 388,424

Storm Drains

The Town maintains a program of controlling storm water to prevent erosion and control water flow into sewer systems. These maintenance efforts are supported, in part, by storm drain fees collected in connection with development applications.

Budget Requests

No new requests.

Capital Requests

The budget proposes completion of a master plan for the Town’s storm drainage system to assist in developing a comprehensive capital improvement program in the years to come. The capital improvement program budget for storm drains provides for completion of this study and some constructions as resources permit.

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Public Works Director	0.10	0.10	0.10
Engineering Technician	0.05	0.05	0.05
Maintenance Superintendent	0.35	0.35	0.35
Maintenance Worker I/II	1.05	1.05	1.05
Total	1.55	1.55	1.55

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Revenue Budget

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
12 - Storm Drain Fund	CHARGES FOR SERVICES	\$ 125,000	\$ 84,596	\$ 80,367
12 - Storm Drain Fund Total		\$ 125,000	\$ 84,596	\$ 80,367

*Storm Drains
(Continued)*

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
124500 - Storm Drain Maintenance	Personnel	\$ 157,091	\$ 157,111	\$ 157,229
	Professional Services	\$ 6,000	\$ 3,500	\$ 3,500
	Contract Services	\$ 45,000	\$ 20,000	\$ 25,000
	Supplies & Operations	\$ 26,500	\$ 26,500	\$ 26,500
	Internal Services	\$ 74,547	\$ 76,494	\$ 75,300
124500 - Storm Drain Maintenance Total		\$ 309,137	\$ 283,605	\$ 287,529
450000 - Storm Drain Capital Projects	CIP	\$ 395,000	\$ -	\$ 270,000
450000 - Storm Drain Capital Projects Total		\$ 395,000	\$ -	\$ 270,000
Grand Total		\$ 704,137	\$ 283,605	\$ 557,529

Pathways and Open Space

The Town's pathway system was designed to provide safe and convenient non-vehicular travel throughout the community. It unites neighborhoods through a series of connecting paths. The Pathways and Open Space Division is used to account for routine maintenance of the Town's pathway system.

Budget Requests

No new requests.

Capital Requests

The proposed budget recommends completing the Taaffe off-road pathway and a miscellaneous capital improvement program in FY2010 for a grand total of \$400,000.

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Public Works Director	0.14	0.14	0.14
Engineering Technician	0.15	0.15	0.15
Maintenance Superintendent	0.35	0.35	0.35
Maintenance Worker I/II/III	1.05	1.05	1.05
Total	1.69	1.69	1.69

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Revenue Budget

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
13 - Pathways Fund	CHARGES FOR SERVICES	\$ 75,000	\$ 73,500	\$ 69,825
	USE OF MONEY & PROPERTY	\$ 19,320	\$ 3,545	\$ 2,250
13 - Pathways Fund Total		\$ 94,320	\$ 77,045	\$ 72,075
42 - Pathways CIP	INTERGOVERNMENTAL REVENUE	\$ 440,000	\$ 440,000	\$ -
42 - Pathways CIP Total		\$ 440,000	\$ 440,000	\$ -
Grand Total		\$ 534,320	\$ 517,045	\$ 72,075

*Pathways and Open Space
(continued)*

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
134740 - Pathway Maintenance	Personnel	\$ 178,862	\$ 179,266	\$ 179,400
	Professional Services	\$ 1,000	\$ 1,000	\$ 1,000
	Contract Services	\$ 35,500	\$ 31,000	\$ 35,500
	Supplies & Operations	\$ 2,700	\$ 8,800	\$ 11,500
	Internal Services	\$ 84,293	\$ 86,415	\$ 85,559
134740 - Pathway Maintenance Total		\$ 302,354	\$ 306,481	\$ 312,959
420000 - Pathways Capital Projects	CIP	\$ 1,155,000	\$ 931,176	\$ 400,000
420000 - Pathways Capital Projects Total		\$ 1,155,000	\$ 931,176	\$ 400,000
Grand Total		\$ 1,457,354	\$ 1,237,657	\$ 712,959

Streets

The Street Division activities include maintenance and repair of Town streets and right-of-ways, and the installation, repair and maintenance of street signs and markings. The Division maintains approximately 57 miles of paved roadway.

Budget Requests

No new requests.

Capital Requests

The Pavement Management Program, as part of the Capital Improvement Program, accomplishes major street repairs. Street centerline striping and other pavement markings are also subcontracted as part of the Capital Improvement Program. Additionally, the Town anticipates a federal roads/highways grant funded project to be awarded by the Metropolitan Transportation Commission in FY2010.

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Public Works Director	0.10	0.10	0.10
Engineering Technician	0.05	0.05	0.05
Maintenance Superintendent	0.26	0.26	0.26
Maintenance Worker I/II	0.50	0.50	0.50
Total	0.91	0.91	0.91

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

Streets (continued)

Revenue Budget

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
17 - Streets Fund	CHARGES FOR SERVICES	\$ 45,000	\$ 61,886	\$ 50,000
	INTERGOVERNMENTAL REVENUE	\$ 127,000	\$ 173,123	\$ 152,000
	PERMITS & LICENSES	\$ 19,000	\$ 29,430	\$ 27,959
	USE OF MONEY & PROPERTY	\$ 28,980	\$ 70,557	\$ 44,000
17 - Streets Fund Total		\$ 219,980	\$ 334,997	\$ 273,959
46 - Streets CIP	INTERGOVERNMENTAL REVENUE	\$ 400,000	\$ 395,696	\$ 350,000
46 - Streets CIP Total		\$ 400,000	\$ 395,696	\$ 350,000
Grand Total		\$ 619,980	\$ 730,693	\$ 623,959

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
174600 - Streets Maintenance	Personnel	\$ 99,808	\$ 100,286	\$ 100,361
	Professional Services	\$ 2,500	\$ 2,500	\$ 2,500
	Contract Services	\$ 150,000	\$ 112,000	\$ 142,500
	Supplies & Operations	\$ 33,900	\$ 25,000	\$ 37,000
	Internal Services	\$ 92,433	\$ 93,576	\$ 93,594
174600 - Streets Maintenance Total		\$ 378,641	\$ 333,362	\$ 375,955
460000 - Streets Capital Projects	CIP	\$ 1,000,000	\$ 1,208,887	\$ 1,250,000
460000 - Streets Capital Projects Total		\$ 1,000,000	\$ 1,208,887	\$ 1,250,000
Grand Total		\$ 1,378,641	\$ 1,542,249	\$ 1,625,955

Citizens Option for Public Safety Grant (COPS)

This special funding source has enabled to Town to hire a Public Safety Officer who is charged with both code enforcement and emergency preparedness duties. In addition, the funding has been used for emergency communications supplies and equipment.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

None

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Public Safety Officer	1.00	1.00	1.00
Total	1.00	1.00	1.00

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

REVENUE BUDGET

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
21 - COPS Fund	INTERGOVERNMENTAL REVENUE	\$ 100,000	\$ 100,000	\$ 100,000
	USE OF MONEY & PROPERTY	\$ 9,660	\$ 3,346	\$ 2,100
21 - COPS Fund Total		\$ 109,660	\$ 103,346	\$ 102,100

Citizens Option for Public Safety Grant (COPS)
(Continued)

EXPENDITURE BUDGET

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
212100 - Citizen's Option for Public Safety Grant	Personnel	\$ 93,334	\$ 93,059	\$ 93,135
	Professional Services	\$ 30,200	\$ 30,000	\$ 22,000
	Contract Services	\$ 7,500	\$ 7,000	\$ 7,500
	Supplies & Operations	\$ 25,801	\$ 21,500	\$ 24,000
	Site Improvements	\$ -	\$ 5,000	\$ 5,000
212100 - Citizen's Option for Public Safety Grant Total		\$ 156,835	\$ 156,559	\$ 151,635

California Law Enforcement Equipment Program Grant (CLEEP)

This special funding source has enabled to Town to purchase equipment that is being used by deputies of the Santa Clara County Sheriff's Department while on patrol in the Town and by the ham radio operators of the Town's Emergency Communications Committee.

Budget Requests

No new requests.

Capital Requests

None

Significant Operating Changes

None

Personnel Summary

None

Revenue Budget

None

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
220100 - C.L.E.E.P. Grant	Supplies & Operations	\$ 7,260	\$ 13,000	\$ 4,791
220100 - C.L.E.E.P. Grant Total		\$ 7,260	\$ 13,000	\$ 4,791

PAGE LEFT BLANK INTENTIONALLY

Sewer Fund

The Town contracts with the Regional Water Quality Control Plant (RQCP) in Palo Alto and the City of Los Altos for sewer services. Sewer operations are funded by a sewer service charge assessed to properties that are connected to the systems. The annual charge to these properties has not increased since 2007-08. The Town's Maintenance Crew performs some inspection and repair services; major projects are performed by outside contractors.

Budget Requests

No new requests

Capital Requests

Sewer main major repairs and construction are budgeted in the Capital Improvement Program budget.

Significant Operating Changes

The budget creates a Sewer Connection Fees fund into which all connection fees will be deposited and used for capital improvement programs.

Personnel Summary *

Classification	FY2008	FY2009	FY2010
Public Works Director	0.20	0.20	0.20
Associate Engineer	0.30	0.00	0.00
Engineering Technician	0.05	0.25	0.25
Maintenance Superintendent	0.02	0.02	0.02
Maintenance Worker I/II	0.06	0.06	0.06
Total	0.63	0.53	0.53

* Shown as a percentage of 1.00 full-time employees. See appendix for complete staffing matrix.

*Sewer Fund
(Continued)*

Revenue Budget

Fund	Type	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
51 - Sewer Operations Fund	CHARGES FOR SERVICES	\$ 1,250,000	\$ 1,383,848	\$ 1,668,000
	USE OF MONEY & PROPERTY	\$ 96,600	\$ 81,257	\$ 51,000
	CONNECTION FEES	\$ 60,000	\$ 150,801	\$ 389,550
Grand Total		\$ 1,406,600	\$ 1,615,906	\$ 2,108,550

Expenditure Budget

Department	Expense Category	Sum of FY 2009 Budget	Sum of FY 2009 Est. Actual	Sum of FY 2010 Adopted
470000 - Sewer Capital Projects	CIP	\$ 1,840,000	\$ 1,187,226	\$ 440,000
470000 - Sewer Capital Projects Total		\$ 1,840,000	\$ 1,187,226	\$ 440,000
514800 - Sewer Operations	Personnel	\$ 84,963	\$ 86,911	\$ 86,977
	Professional Services	\$ 50,000	\$ 50,000	\$ 50,000
	Contract Services	\$ 883,136	\$ 770,996	\$ 860,590
	Supplies & Operations	\$ 8,600	\$ 9,000	\$ 9,100
	Internal Services	\$ 164,051	\$ 164,697	\$ 164,574
	Depreciation	\$ 44,000	\$ 44,000	\$ 44,000
514800 - Sewer Operations Total		\$ 1,234,750	\$ 1,125,604	\$ 1,215,241
Grand Total		\$ 3,074,750	\$ 2,312,830	\$ 1,655,241

Town Hall Debt Service

Town Hall Lease Financing

The Town entered into a lease agreement in the amount of \$2 million in September, 2004 to finance the construction of the Town Hall facility. Annual lease payments, including interest at 4.65%, are \$195,965; the final payment will be due in September, 2019. Payments will be financed by transfers from the General Fund.

California Energy Commission Loan

The Town received a loan from the California Energy Commission in the amount of \$160,000 to finance energy saving systems for the Town Hall facility, including a 30 kw photovoltaic panel solar system, skylights, solar lighting tubes, lighting controls, higher efficiency HVAC units, an upgraded building envelope with increased insulation values, and high efficiency glass. Annual loan payments, including interest at 3.95%, are \$15,351; the final payment will be due in June, 2018. Payments will be financed by transfers from the General Fund.

Budget Requests

The budget for fiscal year 2010 is \$211,316, funded by a transfer from the general fund.

Appendix

Town of Los Altos Hills
Staff Allocation Schedule, in full-time equivalents (FTE)
FY 2010 Adopted Budget

	City Manager	City Clerk	Admin Svc	Plan	Build	Eng	Storm Drain	P & R Prog	P&R Facilities	Streets	Path Maint	COPS	Sewer	Town Ctr	Corp Yard	Fleet Maint	TOTAL
City Manager	1.00																1.00
Admin Srv Director			1.00														1.00
Asst Engineer				0.70	0.05	0.25											1.00
Asst Planner				0.80	0.20												1.00
Barn Manager									1.00								1.00
Building Official					1.00												1.00
City Clerk		1.00															1.00
Engineering Tech						0.50	0.05			0.05	0.15		0.25				1.00
Maint I				0.01			0.35			0.19	0.35		0.02	0.02	0.02	0.04	1.00
Maint II				0.02			0.70			0.38	0.70		0.04	0.04	0.04	0.08	2.00
Maint Superintendent				0.01			0.35			0.19	0.35		0.02	0.02	0.02	0.04	1.00
Office Specialist II				0.30	0.30									0.40			1.00
Park/Rec Supervisor								0.80	0.20								1.00
Plan & Bldg Tech				0.25	0.75												1.00
Plan & Bldg Tech				0.90	0.10												1.00
Planning Director				0.80	0.20												1.00
PW Dir/City Engineer				0.06		0.30	0.10			0.10	0.14		0.20		0.10		1.00
Senior Planner				0.80	0.20												1.00
P/T Account Tech			0.30	0.15	0.25									0.30			1.00
Public Safety Officer												1.00					1.00
TOTAL STAFF	1.00	1.00	1.30	4.80	3.05	1.05	1.55	0.80	1.20	0.91	1.69	1.00	0.53	0.78	0.18	0.16	21.00