

# City Council Adopted 2011-12 Budget

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Operations and Capital

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

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**Town of Los Altos Hills  
2011-12 Adopted Budget**

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RESOLUTION No. 32-11

**A RESOLUTION OF THE CITY COUNCIL OF THE  
TOWN OF LOS ALTOS HILLS ADOPTING THE FISCAL YEAR 2011-12  
APPROPRIATIONS LIMIT, APPROPRIATIONS AND INTERFUND TRANSFERS,  
AND EMPLOYEE COMPENSATION PLAN**

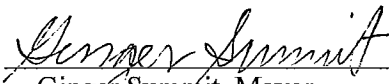
**WHEREAS**, the City Council of the Town of Los Altos Hills has received and completed its review of the proposed 2011-12 Operating and Capital Improvement Program Budget and Employee Compensation Plan for fiscal year 2011-12; and

**WHEREAS**, the City Council of the Town of Los Altos Hills now desires to adopt the 2011-12 Fiscal Year Appropriations Limit, Operating and Capital Improvement Program Budgets, and Employee Compensation Plan for fiscal year 2011-12;

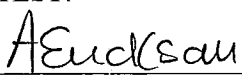
**NOW THEREFORE**, the City Council of the Town of Los Altos Hills does hereby resolve as follows:

1. The City Council does hereby approve and adopt an appropriations limit, pursuant to California Constitution Article XIII B, for fiscal year 2011-12 of \$5,031,438 as set forth in Exhibit A.
2. The City Council does hereby approve and adopt the budget for the Town for fiscal year 2011-12 consisting of appropriations and interfund transfers as set forth in Exhibit B and the Employee Compensation Plan as set forth in Exhibit C attached hereto.
3. The amount of the 2011-12 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.
4. 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.
5. The City Manager shall periodically report to the City council the amount and classification of revenues received and expenditures made.
6. 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 2011-12 fiscal year.

REGULARLY PASSED AND ADOPTED this 16<sup>th</sup> day of June, 2011.

BY:   
Ginger Summit, Mayor

ATTEST:

  
Acting City Clerk

# EXHIBIT A

Town of Los Altos Hills  
 Appropriations Limit Calculation for Fiscal Year 2011-12  
 June 16, 2011

## A. Calculation of 2011-12 Appropriations Limit

<b>Prior Year Appropriation Limit</b>	<b>\$ 4,864,943</b>
<b>Annual Change Factors</b>	
Cost of living adjustment factors	
California per capita personal income (CPCPI)	1.0251
Population adjustment factors	
Town of Los Altos Hills (LAH)	1.0082
County of Santa Clara (SCC)	1.0089
Authorized Adjustment Factor	
CPCPI X SCC Population change	1.0342
<b>2011-12 Appropriation Limit as adjusted</b>	
Prior year limit x Authorized Adjustment Factor	<b>\$ 5,031,438</b>

## B. 2011-12 Estimated Tax Proceeds Subject to Appropriations Limit

<u>Property taxes</u>	
Current secured and unsecured	\$ 2,719,711
In-lieu of vehicle license fees & triple flip	708,390
Supplemental taxes	76,675
Homeowner's property tax exemption	18,000
Subtotal all property taxes	<u>\$ 3,522,776</u>
<u>Other Taxes</u>	
General sales tax	\$ 26,377
Property transfer taxes	185,250
Business tax	160,000
Public safety sales tax	34,100
Subtotal all other taxes	<u>\$ 405,727</u>
<b>Total estimated tax proceeds subject to appropriations limit</b>	<b>\$ 3,928,503</b>

## C. 2011-12 Appropriations Subject to Limit

<u>Appropriations supported by tax proceeds</u>	
Administration	\$ 1,445,848
Committees and Grants	175,509
Public Safety	1,137,098
Planning, Building, Engineering (net of user fees)	736,546
Parks & Recreation (net of user fees)	295,432
<b>Total appropriations subject to limit</b>	<b>\$ 3,790,433</b>

## D. Over (Under) Appropriations Limit

Appropriations limit as adjusted	\$ 5,031,438	
Total appropriations subject to limit	<u>3,790,433</u>	
<b>Appropriations Over (Under) Appropriations Limit</b>		<b>\$ (1,241,005)</b>
		<b>-25%</b>

Town of Los Altos Hills  
2011-12 All Funds Summary

2011-12 Proposed Budget	Est. Beginning Unrestricted Fund Balance, 7/1/11	Proposed 2011-12 Budget			Transfers In (Out)	Proj. Ending Unrestricted Fund Balance, 6/30/12
		Revenue	Expense	Surplus (Deficit)		
<b>General Funds</b>						
Operating	\$ 4,004,505	\$ 6,432,872	\$ 5,324,347	\$ 1,108,525	\$ (2,138,431)	\$ 2,974,600
Debt Service	-	-	213,431	(213,431)	213,431	-
Subtotal	4,004,505	6,432,872	5,537,778	895,094	(1,925,000)	2,974,600
<b>General Capital</b>	188,094	75,973	360,000	(284,027)	125,000	29,066
<b>Drainage Funds</b> <i>Operating &amp; Capital</i>	649,953	96,461	626,698	(530,237)	175,000	294,716
<b>Pathways Funds</b> <i>Operating &amp; Capital</i>	364,501	214,465	1,249,388	(1,034,922)	1,025,000	354,578
<b>Streets Funds</b> <i>Operating &amp; Capital</i>	538,161	678,602	1,262,401	(583,799)	575,000	529,362
<b>Pub.Safety/COPS</b>	78,998	-	97,118	(97,118)	25,000	6,880
<b>Sewer Funds</b> <i>Operating &amp; Capital</i>	2,875,983	1,634,244	1,726,239	(91,995)	-	2,783,987
<b>Total All Funds</b>	<b>\$ 8,700,194</b>	<b>\$ 9,132,618</b>	<b>\$ 10,859,622</b>	<b>\$ (1,727,004)</b>	<b>\$ -</b>	<b>\$ 6,973,190</b>

EXHIBIT C

Town of Los Altos Hills  
 2011-12 Compensation Plan  
 June 16, 2011

	Annual Range		Hourly Range	
	Bottom	Top	Bottom	Top
<b>City Manager's Office</b>				
City Manager	Set by contract		<i>salary</i>	
City Clerk	\$ 67,656	\$ 109,308	<i>salary</i>	
Public Safety Officer	\$ 53,532	\$ 65,076	<i>salary</i>	
<b>Administrative Services</b>				
Director - Administrative Services	\$ 120,528	\$ 162,780	<i>salary</i>	
Finance Manager	\$ 78,012	\$ 94,824	<i>salary</i>	
Office Specialist I/II	\$ 42,516	\$ 58,392	\$ 20.4396	\$ 28.0720
<b>Planning, Building, Parks &amp; Recreation</b>				
Director - Planning & Building	\$ 120,528	\$ 162,780	<i>salary</i>	
Senior Planner	\$ 78,012	\$ 94,824	\$ 37.5043	\$ 45.5867
Associate Planner	\$ 69,612	\$ 84,612	\$ 33.4660	\$ 40.6773
Assistant Planner	\$ 62,292	\$ 75,720	\$ 29.9469	\$ 36.4024
Building Official	\$ 74,292	\$ 90,300	\$ 35.7159	\$ 43.4118
Community Development Specialist	\$ 51,816	\$ 67,656	\$ 24.9106	\$ 32.5258
Planning/Building Technician	\$ 51,816	\$ 62,976	\$ 24.9106	\$ 30.2758
Community Services Coordinator	\$ 55,656	\$ 67,656	\$ 26.7567	\$ 32.5257
Barn Manager	\$ 52,236	\$ 63,492	<i>salary</i>	
Parks & Recreation Facility Aide	\$ 37,836	\$ 45,984	\$ 18.1897	\$ 22.1068
<b>Public Works</b>				
Director - Public Works	\$ 120,528	\$ 162,780	<i>salary</i>	
Associate Engineer	\$ 75,492	\$ 91,764	\$ 36.2928	\$ 44.1156
Assistant Engineer	\$ 64,968	\$ 78,972	\$ 31.2334	\$ 37.9658
Engineering Technician	\$ 58,392	\$ 70,980	\$ 28.0720	\$ 34.1237
Maintenance Superintendent	\$ 72,336	\$ 87,924	\$ 34.7756	\$ 42.2695
Maintenance Worker III	\$ 52,236	\$ 63,492	\$ 25.1125	\$ 30.5238
Maintenance Worker II	\$ 47,484	\$ 57,720	\$ 22.8280	\$ 27.7489
Maintenance Worker I	\$ 42,036	\$ 51,096	\$ 20.2088	\$ 24.5644





June 16, 2011

To the Citizens of the Town of Los Altos Hills,  
Honorable Mayor and Members of the City Council

It is a pleasure to submit to you the Operating and Capital Budget for the Town of Los Altos Hills, for the fiscal year ending June 30, 2012. The General Fund budget, inclusive of several operating contingencies and net of operating transfers to special funds, has an operating surplus in 2011-12. The budget continues to use current year General Fund operating surplus and accumulated fund balances to make a \$2.49 million investment in the Town's infrastructure. The Town has spent an average of \$2.5 million each year on infrastructure improvements for the past four years. This trend is not sustainable and 2011-12 may be the final year of significant capital expenditures outside roadways and drainage.

The budget is meant to serve the following four major purposes:

- To define **policy**, as established by the City Council.
- To serve as an **operating guide** for management staff to aid in the control of financial resources, while complying with State requirements for General Law cities and generally accepted accounting principles for government.
- To present the Town's **Financial Plan** for the fiscal year, illustrating appropriations and projected revenues by which the appropriations are funded.
- To serve as a **Communication Document** for the citizens of Los Altos Hills who wish to understand how the Town operates and the methods used to finance those operations.

The following principles guided the development of this fiscal planning document:

- Continue to **deliver core services** (planning, building, engineering, public safety, and general administration) with a General Fund operating surplus;
- **Ensure the safety** of Town infrastructure assets including roadways and facilities;
- Establish **minimum fund balances** in all special revenue funds equal to one year of operating expenses; and
- **Contain personnel costs** by maintaining personnel headcount at 21.0 full time employees and modifying employee compensation practices in accordance with recommendations by the Santa Clara Civil Grand Jury in their 2010 report on employee compensation.

With the budget as a guide, management is charged with daily operations including the execution of contracts, purchases, and employee compensation within the City Council approved benefit plan and salary ranges. Any information that arises over the course of the fiscal year which would modify the parameters outlined in this document will be presented to the City Council at the earliest possible opportunity. The Town's management team takes great pride in delivering high quality services to the community while remaining respectful of fiscal constraints inherent to local government finance.

I would like to acknowledge the City Council and the Finance and Investment Committee for their input in the development of this budget. The two bodies met on May 12, 2011 in a joint budget study session to review the Town's fiscal condition in 2011-12. With feedback from the joint study session, staff compiled the following document which includes operating changes and a capital improvement program. This document was reviewed by the Finance and Investment Committee at a special meeting on June 2, 2011 and I am pleased to report that the Finance and Investment Committee supports adoption of this budget.

Respectfully Submitted,

/s/ Carl Cahill  
City Manager

# Town Officers

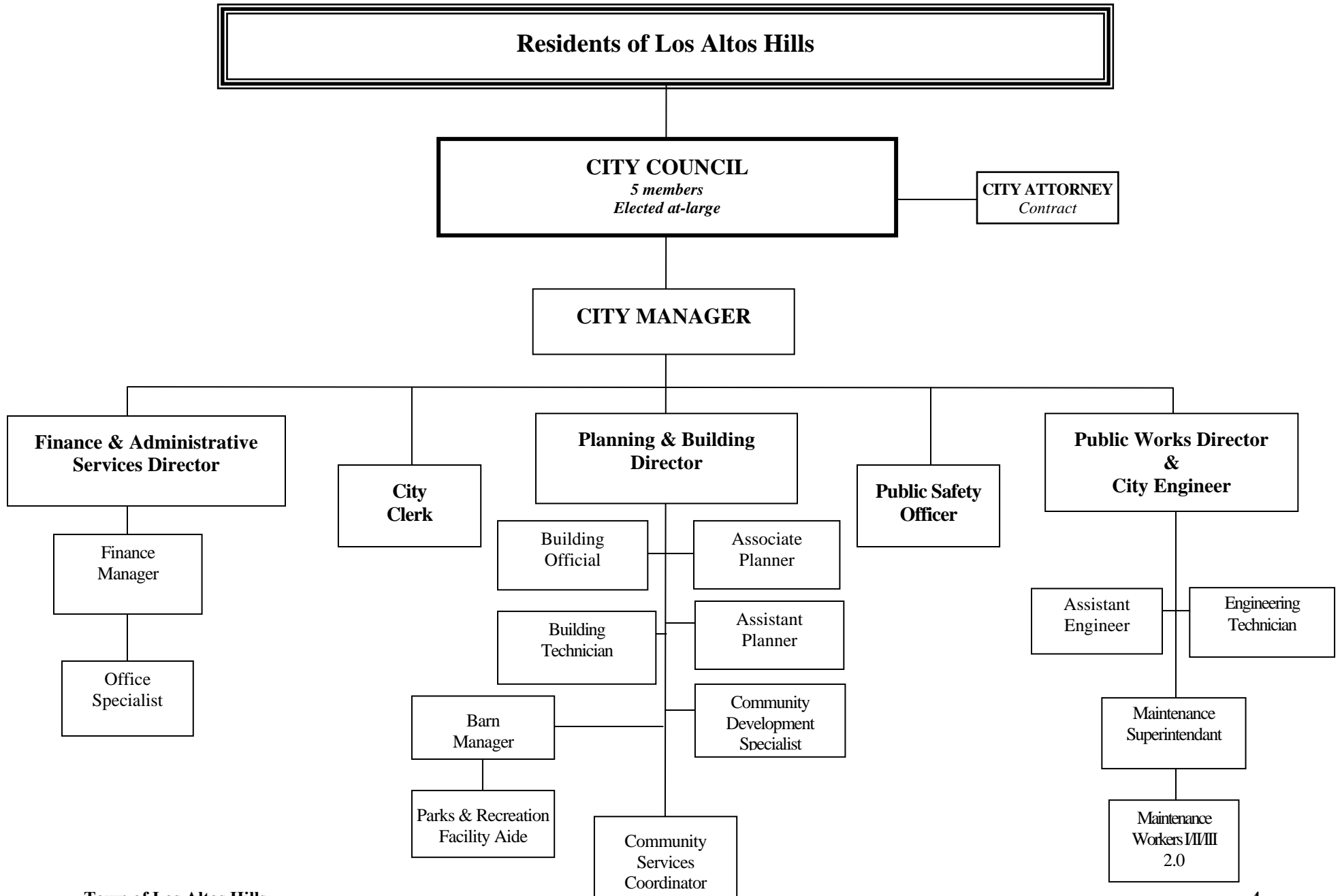
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As of July 1, 2011

<u>City Council</u>	<u>Term Expires</u>
Ginger Summit, Mayor	2012
Rich Larsen, Mayor Pro Tem	2012
Jean Mordo	2012
John Radford	2014
Gary Waldeck	2014

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

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



# Financial Summaries

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**Town of Los Altos Hills  
2011-12 All Funds Summary**

		<b>Adopted 2011-12 Budget</b>				
<b>2011-12 Adopted Budget</b>	<b>Est. Beginning Unrestricted Fund Balance, 7/1/11</b>	<b>Revenue</b>	<b>Expense</b>	<b>Surplus (Deficit)</b>	<b>Transfers In (Out)</b>	<b>Proj. Ending Unrestricted Fund Balance, 6/30/12</b>
<b>General Funds</b>						
Operating	\$ 4,004,505	\$ 6,432,872	\$ 5,324,347	\$ 1,108,525	\$ (2,138,431)	\$ 2,974,600
Debt Service	-	-	213,431	(213,431)	213,431	-
Subtotal	4,004,505	6,432,872	5,537,778	895,094	(1,925,000)	2,974,600
<b>General Capital</b>	188,094	75,973	360,000	(284,027)	125,000	29,066
<b>Drainage Funds</b> <i>Operating &amp; Capital</i>	649,953	96,461	626,698	(530,237)	175,000	294,716
<b>Pathways Funds</b> <i>Operating &amp; Capital</i>	364,501	214,465	1,249,388	(1,034,922)	1,025,000	354,578
<b>Streets Funds</b> <i>Operating &amp; Capital</i>	538,161	678,602	1,262,401	(583,799)	575,000	529,362
<b>Pub.Safety/COPS</b>	78,998	-	97,118	(97,118)	25,000	6,880
<b>Sewer Funds</b> <i>Operating &amp; Capital</i>	2,875,983	1,634,244	1,726,239	(91,995)	-	2,783,987
<b>Total All Funds</b>	<b>\$ 8,700,194</b>	<b>\$9,132,618</b>	<b>\$ 10,859,622</b>	<b>\$ (1,727,004)</b>	<b>\$ -</b>	<b>\$ 6,973,190</b>

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**Town of Los Altos Hill  
General Fund Budget Summary**

<b>GENERAL FUNDS (011,014,015)</b>	<b>Current Year</b>		<b>Adopted 2011-12 Budget</b>
	<b>2010-11 Est. Actual</b>	<b>2010-11 Budget</b>	<b>2011-12</b>
<b>Revenues</b>			
Property taxes	\$ 3,457,091	\$ 3,466,147	\$ 3,522,776
Taxes other than property	398,945	278,885	405,727
Franchise fees	422,394	453,059	429,574
Licenses and permits	662,473	603,103	622,804
Use of money and property	470,556	505,448	484,956
Intergovernmental	84,490	87,000	85,927
Charges for services	740,364	442,294	781,108
Miscellaneous	101,345	134,302	100,000
<b>Total Revenues</b>	<b>6,337,658</b>	<b>5,970,238</b>	<b>6,432,872</b>
<b>Expenditures</b>			
Administration	1,493,554	1,634,255	1,621,358
Public safety	1,014,289	1,023,030	1,137,098
Community development	1,713,442	1,727,376	1,920,559
Parks & recreation	683,948	757,986	645,332
<b>Total Expenditures</b>	<b>4,905,233</b>	<b>5,142,647</b>	<b>5,324,347</b>
<b>Operating Surplus (Deficit)</b>	<b>1,432,425</b>	<b>827,591</b>	<b>1,108,525</b>
<b>Transfers</b>			
Operating transfers in (out)	(573,431)	(518,316)	(773,431)
Capital transfers in (out)	(665,000)	(550,000)	(1,365,000)
<b>Total transfers</b>	<b>(1,238,431)</b>	<b>(1,068,316)</b>	<b>(2,138,431)</b>
<b>Net Change in Fund Balance</b>	<b>193,994</b>	<b>(240,725)</b>	<b>(1,029,906)</b>
<b>Beginning, unrestricted</b>	<b>3,810,511</b>	<b>3,411,802</b>	<b>4,004,505</b>
<b>Ending, unrestricted</b>	<b>\$ 4,004,505</b>	<b>\$ 3,171,077</b>	<b>\$ 2,974,600</b>

## Schedule of Transfers from the General Fund

	2010-11 Est. Actual	2010-11 Budget	2011-12 Adopted Budget
<b>Operating Transfers Out</b>			
Drainage	\$ -	\$ -	\$ 175,000
Pathways	360,000	200,000	360,000
Streets	-	100,000	-
COPS	-	-	25,000
Debt Service	213,431	218,316	213,431
Total operating transfers out	\$ 573,431	\$ 518,316	\$ 773,431
<b>Capital Transfers Out</b>			
Facilities & Equipment Capital	\$ 250,000	\$ 250,000	\$ 125,000
Pathways	90,000	175,000	665,000
Drainage	-	-	-
Streets	325,000	125,000	575,000
Total capital transfers out	\$ 665,000	\$ 550,000	\$ 1,365,000
<b>Total Transfers Out</b>	\$ 1,238,431	\$ 1,068,316	\$ 2,138,431

**Town of Los Altos Hill  
General Capital Fund Budget Summary**

<b>GENERAL CAPITAL (041,043,016)</b>	<b>Current Year</b>		<b>Adopted 2011-12 Budget</b>
	<b>2010-11 Est. Actual</b>	<b>2010-11 Budget</b>	<b>2011-12</b>
<b>Revenues</b>			
016-00 - In-lieu fees	\$ 36,150	\$ 36,150	\$ 36,150
043-44 - Use of Money & Property	39,157	39,157	39,823
043-48 - Miscellaneous	-	-	
<b>Total Revenues</b>	<b>75,307</b>	<b>75,307</b>	<b>75,973</b>
<b>Expenditures</b>			
General Capital Projects/Equip.	293,200	293,200	360,000
Westwind Barn Capital Projects	162,000	125,000	-
<b>Total Expenditures</b>	<b>455,200</b>	<b>418,200</b>	<b>360,000</b>
<b>Transfers</b>			
Operating transfers in (out)	-	-	-
Capital transfers in (out)	250,000	250,000	125,000
<b>Total transfers</b>	<b>250,000</b>	<b>250,000</b>	<b>125,000</b>
<b>Net Change in Fund Balance</b>	<b>(129,893)</b>	<b>(92,893)</b>	<b>(159,027)</b>
<b>Beginning, unrestricted</b>	<b>317,987</b>	<b>175,794</b>	<b>188,094</b>
<b>Ending, unrestricted</b>	<b>\$ 188,094</b>	<b>\$ 82,901</b>	<b>\$ 29,066</b>

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**Town of Los Altos Hill  
Drainage Funds Budget Summary**

<b>DRAINAGE FUNDS (012,045)</b>	<b>Current Year</b>		<b>Adopted 2011-12 Budget</b>
	2010-11 Actual	Est. 2010-11 Budget	2011-12
<b>Revenues</b>			
Charges for services	\$ 91,170	\$ 82,000	\$ 96,461
<b>Total Revenues</b>	91,170	82,000	96,461
<b>Expenditures</b>			
Operations	293,491	260,840	286,698
Capital Program	140,000	140,000	340,000
<b>Total Expenditures</b>	433,491	400,840	626,698
<b>Transfers</b>			
Operating transfers in (out)	-	-	175,000
Capital transfers in (out)	-	-	-
<b>Total transfers</b>	-	-	175,000
<b>Net Change in Fund Balance</b>	(342,320)	(318,840)	(355,237)
<b>Beginning, unrestricted</b>	992,273	1,029,838	649,953
<b>Ending, unrestricted</b>	\$ 649,953	\$ 710,998	\$ 294,716

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**Town of Los Altos Hill  
Pathway Funds Budget Summary**

<b>PATHWAY FUNDS (013,042)</b>	<b>Current Year</b>		<b>Adopted 2011-12 Budget</b>
	2010-11 Est. Actual	2010-11 Budget	2011-12
<b>Revenues</b>			
Use of money and property	\$ 500	\$ 1,050	\$ -
Charge for Current Services	167,211	175,000	135,992
Miscellaneous	36,527	-	78,473
<b>Total Revenues</b>	204,238	176,050	214,465
<b>Expenditures</b>			
Operations	365,809	325,936	359,388
Capital Program	397,975	530,000	890,000
<b>Total Expenditures</b>	763,783	855,936	1,249,388
<b>Transfers</b>			
Operating transfers in (out)	360,000	200,000	360,000
Capital transfers in (out)	90,000	175,000	665,000
<b>Total transfers</b>	450,000	375,000	1,025,000
<b>Net Change in Fund Balance</b>	(109,545)	(304,886)	(9,922)
<b>Beginning, unrestricted</b>	474,046	559,931	364,501
<b>Ending, unrestricted</b>	\$ 364,501	\$ 255,045	\$ 354,578

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**Town of Los Altos Hill  
Street Funds Budget Summary**

<b>STREETS FUNDS (017,018,046)</b>	<b>Current Year</b>		<b>Adopted 2011-12 Budget</b>
	2010-11 Actual	Est. 2010-11 Budget	2011-12
<b>Revenues</b>			
017-43 - Permits & Licenses	\$ 40,000	\$ 28,000	\$ 59,461
017-44 - Use of Money & Property	10,000	20,550	5,000
017-45 - Intergovernmental	241,997	234,002	246,837
017-46 - Charge for Services	47,000	47,000	50,000
018-46 - Charge for Services	312,000	312,000	317,304
046-48 - Miscellaneous	55,000	-	-
<b>Total Expenditures</b>	<b>705,997</b>	<b>641,552</b>	<b>678,602</b>
<b>Expenditures</b>			
Operations	522,854	361,445	362,401
Capital Program	1,469,000	1,469,000	900,000
<b>Total Expenditures</b>	<b>1,991,854</b>	<b>1,830,445</b>	<b>1,262,401</b>
<b>Transfers</b>			
Operating transfers in (out)	-	100,000	-
Capital transfers in (out)	325,000	125,000	575,000
<b>Total transfers</b>	<b>325,000</b>	<b>225,000</b>	<b>575,000</b>
<b>Net Change in Fund Balance</b>	<b>(960,857)</b>	<b>(963,893)</b>	<b>(8,799)</b>
<b>Beginning, unrestricted</b>	<b>1,499,017</b>	<b>1,496,723</b>	<b>538,161</b>
<b>Ending, unrestricted</b>	<b>\$ 538,161</b>	<b>\$ 532,830</b>	<b>\$ 529,362</b>

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**Town of Los Altos Hill  
Public Safety Grant Funds Budget Summary**

<b>PUB.SAFETY/COPS (021,022)</b>	<b>Current Year</b>		<b>Adopted 2011-12 Budget</b>
	2010-11 Actual	Est. 2010-11 Budget	2011-12
<b>Revenues</b>			
COPS Grant	\$ 100,000	\$ 100,000	\$ -
Use of Money & Property	950	950	-
	<u>100,950</u>	<u>100,950</u>	-
<b>Total Revenues</b>			
<b>Expenditures</b>			
Operations	<u>99,239</u>	<u>99,636</u>	97,118
<b>Total Expenditures</b>	99,239	99,636	97,118
<b>Transfers</b>			
Operating transfers in (out)	-	-	25,000
Capital transfers in (out)			
<b>Total transfers</b>	-	-	25,000
<b>Change in Unrestricted Net Assets</b>	1,711	1,314	(72,118)
<b>Beginning unrestricted net assets</b>	<u>77,287</u>	<u>23,662</u>	78,998
<b>Ending unrestricted net assets</b>	<u>\$ 78,998</u>	<u>\$ 24,976</u>	<u>\$ 6,880</u>

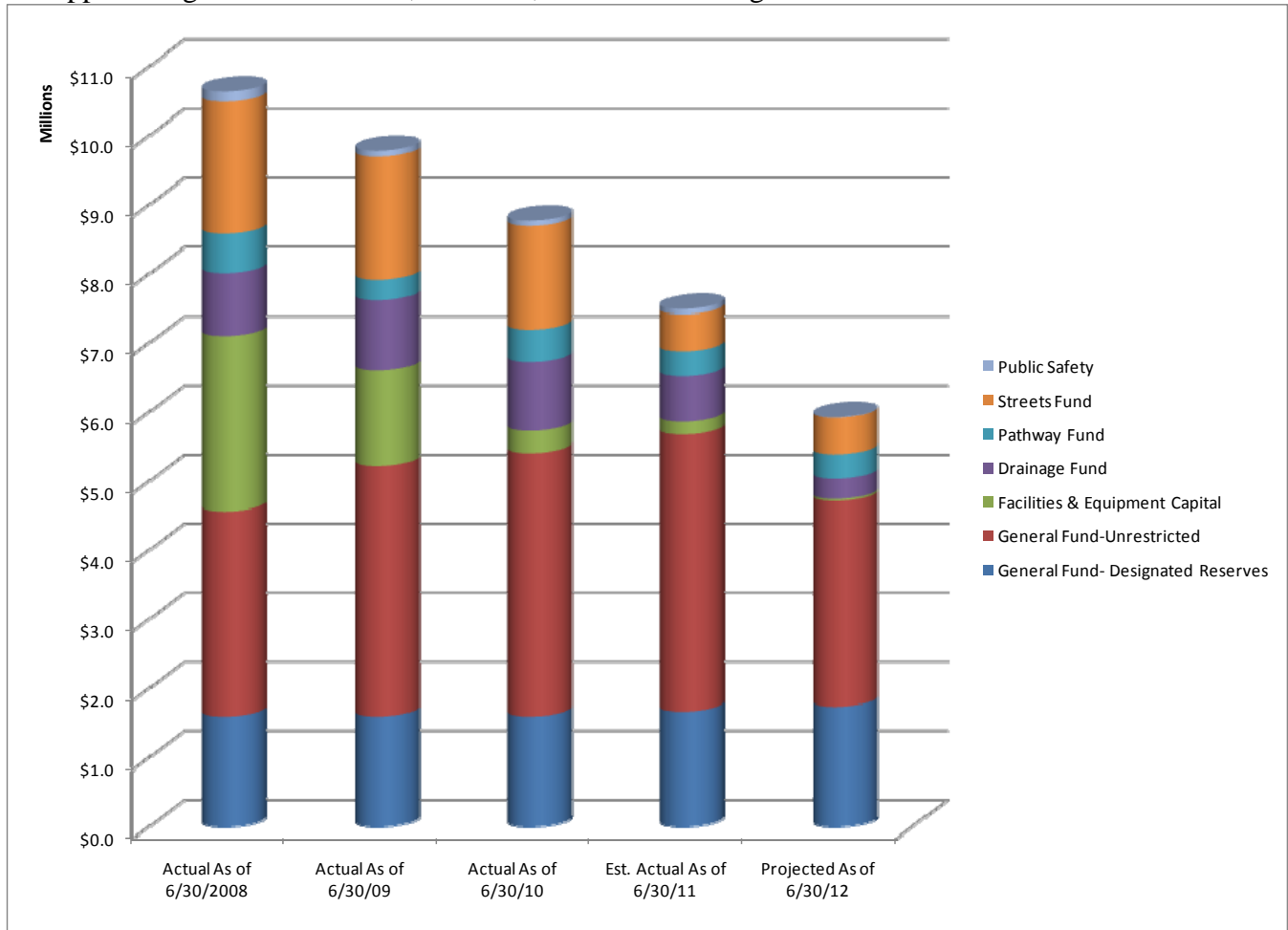
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**Town of Los Altos Hill  
Sewer Funds Budget Summary**

<b>SEWER FUNDS (051,048)</b>	<b>Current Year</b>		<b>Adopted 2011-12 Budget</b>
	2010-11 Actual	Est. 2010-11 Budget	2011-12
<b>Revenues</b>			
Use of Money & Property	\$ 37,691	\$ 21,000	\$ 24,876
Charge for Current Services	1,428,368	1,455,765	1,450,368
Miscellaneous	298,112	319,400	159,000
	<u>1,764,171</u>	<u>1,796,165</u>	<u>1,634,244</u>
<b>Total Revenues</b>			
<b>Expenditures</b>			
Operations			
Personnel	82,539	84,509	81,626
Contract & Professional services	735,121	921,453	749,823
Operations	87,493	130,708	89,243
Allocations	63,301	43,820	64,567
Depreciation	99,000	44,000	100,980
Capital			
Annual capital program	440,000	440,000	640,000
	<u>1,507,454</u>	<u>1,664,490</u>	<u>1,726,239</u>
<b>Total Expenditures</b>			
<b>Transfers</b>			
Operating transfers in (out)	-	-	
Capital transfers in (out)			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total transfers</b>			
<b>Change in Unrestricted Net Assets</b>	256,718	131,675	(91,995)
<b>Beginning unrestricted net assets</b>	<u>2,619,265</u>	<u>2,229,835</u>	<u>2,875,983</u>
<b>Ending unrestricted net assets</b>	<u>\$ 2,875,983</u>	<u>\$ 2,361,510</u>	<u>\$ 2,783,987</u>

## FUND BALANCES

The Town's undesignated governmental fund balances accumulate as the result of revenue exceeding capital and operating expenditures in any given year. Over the past several years, the Town has utilized current year surplus and prior year undesignated fund balances to improve the Town's capital assets including: roadways, pathways, and Town facilities including Purissima Park and Westwind Community Barn. The following demonstrates the drawdown of undesignated fund balances over the past several years and should be viewed in conjunction with the next section on capital investments. The Sewer Fund has been excluded from this presentation because it is an enterprise fund and receives no support for general tax dollars, user fees, or State/Federal grant funds.

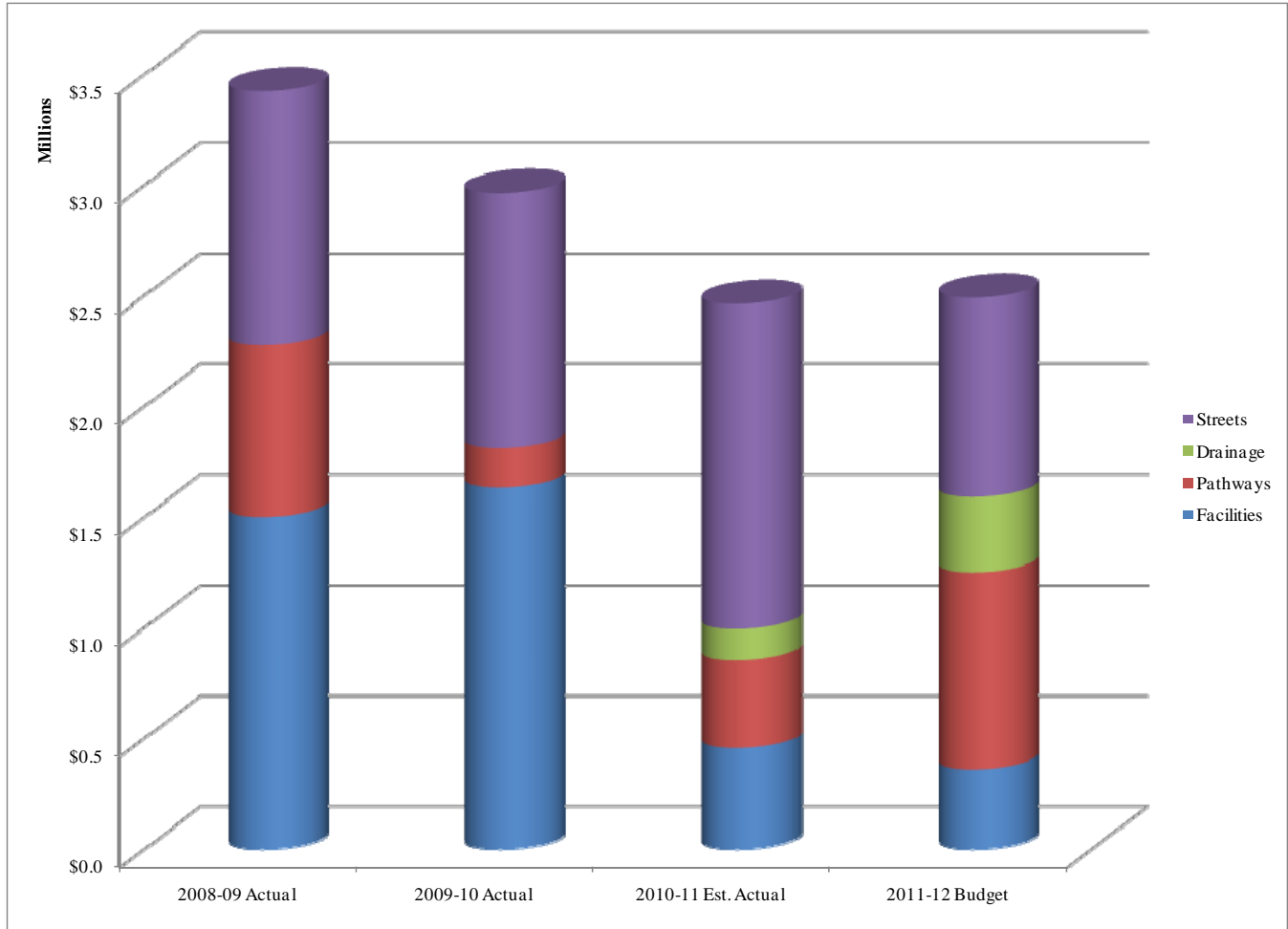


	Actual As of 6/30/2008	Actual As of 6/30/09	Actual As of 6/30/10	Est. Actual As of 6/30/11	Projected As of 6/30/12
General Fund- Designated Reserves	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,670,000	\$ 1,740,000
General Fund-Unrestricted	2,964,602	3,623,779	3,810,512	4,004,505	2,974,600
Facilities & Equipment Capital	2,537,457	1,374,135	317,987	188,094	29,066
Drainage Fund	910,368	1,018,049	992,273	649,953	294,716
Pathway Fund	568,408	298,961	474,046	364,501	354,578
Streets Fund	1,910,879	1,782,523	1,499,017	538,161	529,362
Public Safety	147,731	83,941	77,287	78,998	6,880
<b>Total All Funds</b>	<b>\$ 10,639,445</b>	<b>\$ 9,781,388</b>	<b>\$ 8,771,122</b>	<b>\$ 7,494,211</b>	<b>\$ 5,929,202</b>

Note: As of June 30, 2012, the General Fund Designated Reserves include the following City Council designated reserve funds: \$1,250,000 Emergency & Disaster Contingency, \$350,000 Operating Contingency Reserve, and \$140,000 Pension Contingency Reserve.

## CAPITAL EXPENDITURES

The drawdown of undesignated fund balances discussed in the previous section is largely the result of the Town’s robust capital investments over the same period. In 2009-10, the Town completed its “\$3 million in 3 years” investment in Town parks and recreation facilities. Annual investments in the Town’s roads of \$800,000 to \$1,000,000 have been identified as necessary to maintain the Town’s current road system in a safe and drivable condition. Over the past several years, investments in the Town’s limited storm drain system have been on hold due to large capital programs in other areas. Again, the Sewer Fund has been excluded from this presentation because it is an enterprise fund and receives no support for general tax dollars, user fees, or State/Federal grant funds.



	2008-09 Actual	2009-10 Actual	2010-11 Est. Actual	2011-12 Budget
Facilities	\$ 1,499,820	\$ 1,631,332	\$ 455,200	\$ 360,000
Pathways	776,313	181,774	397,975	890,000
Drainage	-	-	140,000	340,000
Streets	1,147,160	1,150,614	1,469,000	900,000
	\$ 3,423,293	\$ 2,963,720	\$ 2,462,175	\$ 2,490,000

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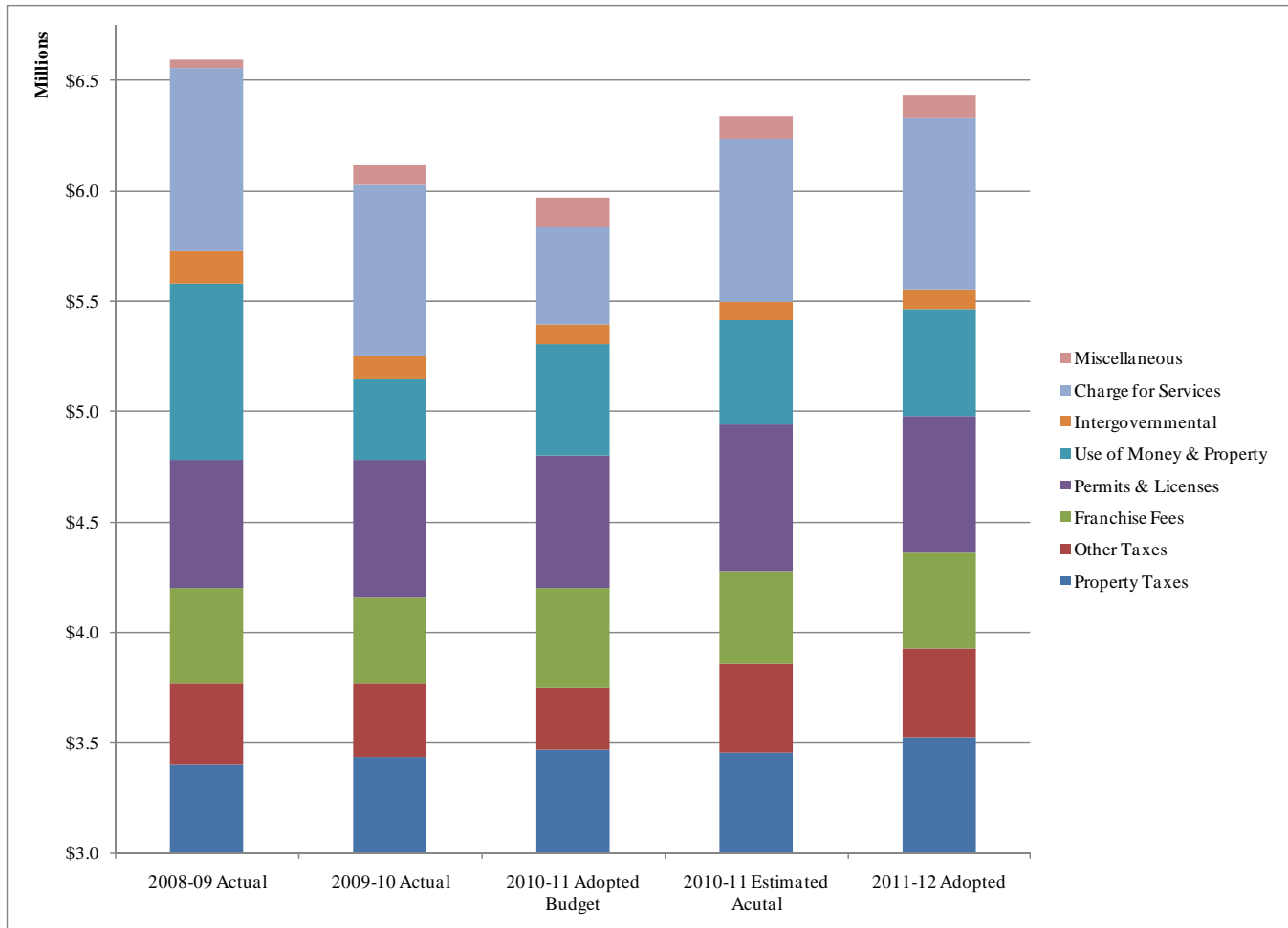


# General Fund

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## GENERAL FUND REVENUES

The budget includes a slight increase of approximately \$81,000 or 1.3% over total 2010-11 estimated actual revenue. The largest component of this increase, \$65,685 is projected in property taxes where an overall increase of 1.9% based largely on a recommendation from the Town's property tax consultant. While positive news in property taxes are lifting the 2011-12 budget, the Town continues to experience lower interest earnings due to the conservative nature of investment in securities authorized by the Town's investment policy.



Revenue Type	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
Property Taxes	\$ 3,403,586	\$ 3,438,168	\$ 3,466,147	\$ 3,457,091	\$ 3,522,776
Other Taxes	366,283	332,190	278,885	398,945	405,727
Franchise Fees	431,573	387,804	453,059	422,394	429,574
Permits & Licenses	580,331	625,609	603,103	662,473	622,804
Use of Money & Property	795,850	360,848	505,448	470,556	484,956
Intergovernmental	146,543	109,537	87,000	84,490	85,927
Charge for Services	831,553	771,407	442,294	740,364	781,108
Miscellaneous	41,901	90,897	134,302	101,345	100,000
	<b>\$ 6,597,620</b>	<b>\$ 6,116,459</b>	<b>\$ 5,970,238</b>	<b>\$ 6,337,658</b>	<b>\$ 6,432,872</b>

### ***Property taxes***

Property taxes generate 55% of the Town's total general fund revenues and provide funding for the Town services where cost recovery user fees are not viable. These services include law enforcement, Town administration, and streets, pathways, and storm drainage operations and capital improvements. Over the past decade the Town's property tax revenues have grown significantly allowing for expansion of Town services to include Parks and Recreation programs and facilities.

HdL, the Town's property tax revenue consultant, has recommended a 1.9% increase in property taxes for 2011-12. This projection reflects a positive growth factor of 0.753% established for 2011-12 by the State of California for all Prop 13 assessed values. The projection also includes an allowance for property tax appeals in situations where Prop 13 assessed values are higher than the current market price. Assessment appeals most typically apply to properties that were purchased around the height of a real estate market. The projection also includes an allowance for properties changing hands which, in many cases, results in a net increase in Prop 13 assessed valuations.

### ***Other taxes***

Other Taxes generate 6% of the Town's total general fund revenues and are the result of taxes that are imposed primarily as the result of a business transaction. These transactions include the transfer of real property and business licenses for private business operating or selling within the Town's boundaries. The real estate market in Los Altos Hills has been strong resulting in higher than budgeted transfer taxes in 2010-11. The budget assumes continued strength in Los Altos Hills' real estate market and subsequently property transfer taxes in 2011-12. Additionally, the Town's business license tax revenues are recovering following a two year decline due to the regional economic contraction.

### ***Use of Money & Property***

Use of Money Property provides for the investment income on Town investments and long-term lease fees charged to outside parties for the use of Town lands. While long-term lease fees are increasing based on changes to the Consumer Price Index, investment income continues to be far lower than those achieved in the pre-2009 fiscal crisis bond market. The Town's current investment strategy emphasizes security of principal which results in primarily purchasing short-term US treasuries. With such a strategy, the Town's investment advisor forecasts portfolio yields of approximately 1.00% in 2011-12.

### ***Permits & Licenses and Charges for Services***

These revenue categories reflect fees collected to offset the Town's cost of doing business and will be discussed in the next section.

## GENERAL FUND COST RECOVERY

### *Planning & Building*

The Planning & Building Department is responsible for preparing and implementing zoning and subdivision ordinances, site plan reviews, and building safety plan and inspection services. The department also provides code enforcement and various land use permits. As of the preparation of this document, staff is working with a consultant to evaluate cost recovery for the various services provided by the Planning & Building Department. For the purpose of this presentation, an assumption is being made that 100% of Building Services and 85% of Planning Services may be legitimately recovered through user fees.

In addition to planning application fees, the charges for services amount includes billable services charged directly to deposits held by the Town for land development projects. The deposits are an estimate of services required to take the project through the Town's planning process and are posted by project applicants. The 2010-11 Estimated Actual and 2011-12 Budget columns reflect assumptions that the Town's billable services will maintain historical trends.

	<b>2010-11 Budget</b>	<b>2010-11 Est. Actual</b>	<b>2011-12 Budget</b>
<b>Planning &amp; Building</b>			
Revenue:			
Charges for Services	\$ 344,442	\$ 521,988	\$ 561,209
Licenses and Permits	603,103	662,473	622,804
Total Revenue	\$ 947,545	\$ 1,184,461	\$ 1,184,013
Expense:			
Planning (85%)	\$ (710,495)	\$ (725,848)	\$ (756,157)
Building	(552,714)	(547,933)	(569,896)
Total Expense	\$ (1,263,209)	\$ (1,273,781)	\$ (1,326,053)
<b>Grand Total Surplus/(Deficit)</b>	<b>(315,664)</b>	<b>(89,320)</b>	<b>(142,040)</b>
<b>Total Revenue as % of Total Expense</b>	<b>75%</b>	<b>93%</b>	<b>89%</b>

**Parks & Recreation**

The Town’s Parks & Recreation Department provide services to the community that include recreation programs, Town-wide events, and operation of Purissima Park and Westwind Community Barn. Like most other public agencies, Parks and Recreation requires overhead support that typically cannot be recovered through user fees. Where possible, however, the Town strives to recover its operating costs incurred to provide recreation programs and park facilities.

Programs & Administration: The following chart summarizes the cost recovery ratio for each of the major program budgetary functions tracked in Parks & Recreation Programs Department.

		<b>2010-11 Budget</b>	<b>2010-11 Est. Actual</b>	<b>2011-12 Budget</b>
<b>P&amp;R Administration</b>				
	Revenue	\$ -	\$ -	\$ -
	Expense	(190,763)	(140,886)	(124,027)
	<b>Total Surplus/(Deficit)</b>	<b>\$ (190,763)</b>	<b>\$ (140,886)</b>	<b>\$ (124,027)</b>
	Revenue as % of Expense	0%	0%	0%
<b>P&amp;R Fee Programs</b>				
(including Equestrian Classes)				
	Revenue	\$ 92,853	\$ 112,605	\$ 110,000
	Expense	(91,900)	(101,500)	(102,000)
	<b>Total Surplus/(Deficit)</b>	<b>\$ 953</b>	<b>\$ 11,105</b>	<b>\$ 8,000</b>
	Revenue as % of Expense	101%	111%	108%
	Note: Surplus program revenue is dedicated to offsetting the P&R Administration deficit			
<b>P&amp;R Events</b>				
	Revenue	\$ 15,000	\$ 22,885	\$ 20,000
	Expense	(42,000)	(47,191)	(55,000)
	<b>Total Surplus/(Deficit)</b>	<b>\$ (27,000)</b>	<b>\$ (24,306)</b>	<b>\$ (35,000)</b>
	Revenue as % of Expense	36%	48%	36%
	<b>Grand Total Surplus/(Deficit)</b>	<b>\$ (216,810)</b>	<b>\$ (154,087)</b>	<b>\$ (151,027)</b>
	<b>Total Revenue as % of Total Expense</b>	33%	47%	46%

**Parks & Recreation Cost Recovery (continued)**

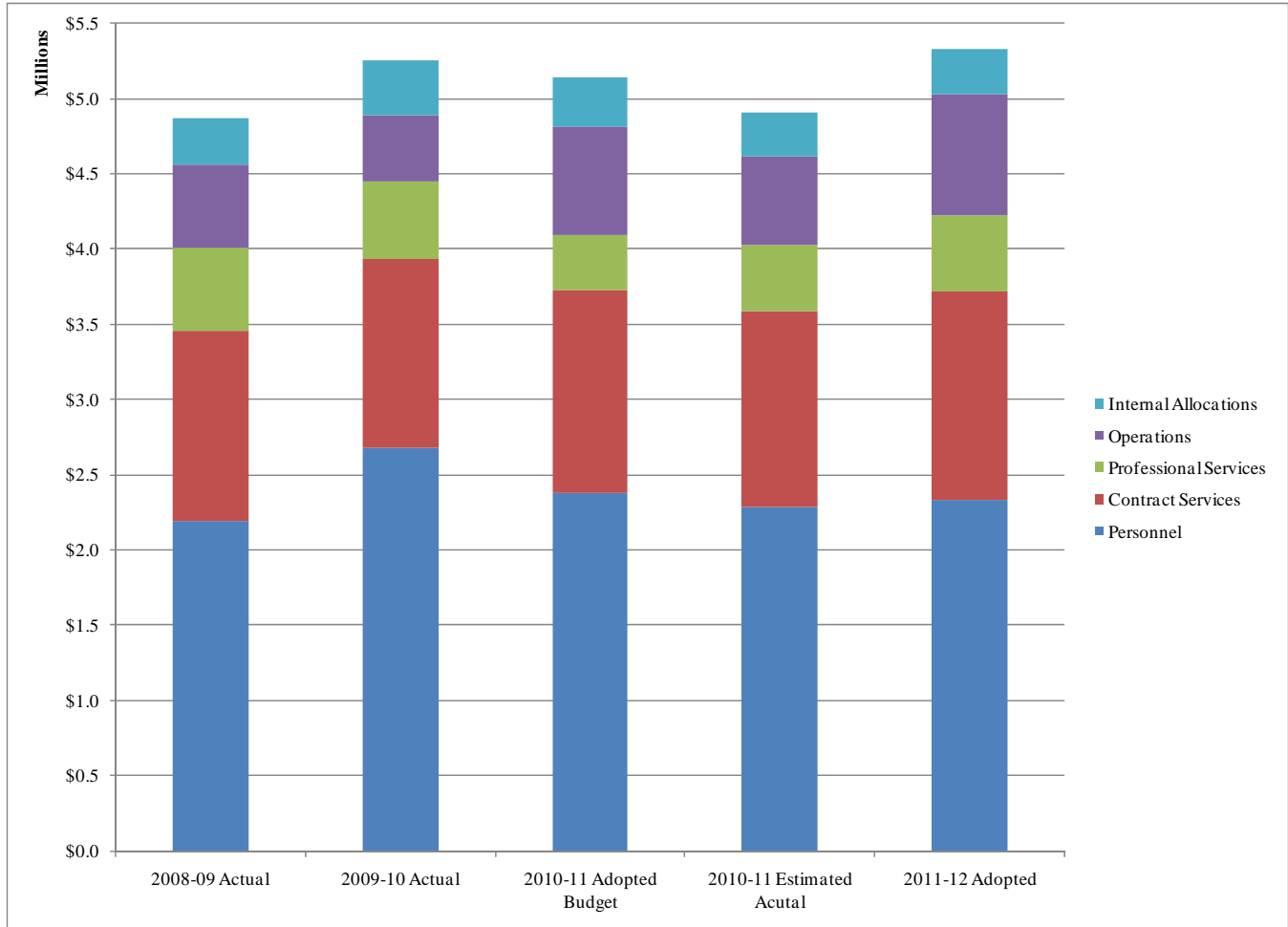
Facilities: The following chart summarizes the cost recovery ratio for each of the major budgetary functions tracked in Parks & Recreation Facilities Department. Important to note is that opportunities to fully recover the costs associated with maintaining and operating Parks and Recreation facilities is limited due to broad public uses of Town’s facilities.

Purissima Park offers Little League Baseball fields and a riding ring both used by organized groups and the general public. Located at Westwind Community Barn, the Westwind-Boarding facility listed below is open to the public for year-round boarding of privately owned horses. Direct costs incurred by the boarding operations are largely paid for through the collection of monthly boarding fees and fees for related services. The Westwind-Facility listed below tracks the general maintenance and operation expenses necessary to keep Westwind Community Barn a hub for activities and programs include the Westwind Riding Institute’s Therapeutic Riding Program, the Pacific Ridge Pony Club, the Town’s Year-Round Riding Programs, and numerous other Town events and programs.

		<b>2010-11 Budget</b>	<b>2010-11 Est. Actual</b>	<b>2011-12 Budget</b>
<b>Purissima Park</b>				
	Revenue	\$ 25,500	\$ 29,000	\$ 29,000
	Expense	(61,800)	(68,850)	(70,710)
	Total Surplus/(Deficit)	\$ (36,300)	\$ (39,850)	\$ (41,710)
	Revenue as % of Expense	41%	42%	41%
<b>Westwind - Boarding</b>				
	Revenue	\$ 239,544	\$ 189,376	\$ 190,899
	Expense	(282,362)	(216,945)	(208,430)
	Total Surplus/(Deficit)	\$ (42,818)	\$ (27,569)	\$ (17,531)
	Revenue as % of Expense	85%	87%	92%
<b>Westwind - Facility</b>				
	Revenue	\$ -	\$ -	\$ -
	Expense	(89,161)	(108,576)	(85,164)
	Total Surplus/(Deficit)	\$ (89,161)	\$ (108,576)	\$ (85,164)
	Revenue as % of Expense	0%	0%	0%
	<b>Grand Total Surplus/(Deficit)</b>	<b>(168,279)</b>	<b>(175,995)</b>	<b>(144,405)</b>
	<b>Total Revenue as % of Total Expense</b>	<b>61%</b>	<b>55%</b>	<b>60%</b>

## GENERAL FUND EXPENDITURES

Overall, expenditures have been categorized into personnel, contract services, professional services, supplies and operations, and internal services. This section discusses major changes in expenditures programmed in the General Fund operating departments including. Departmental budgets following this section provides for more detail by service delivery area.



Expense Category	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
Personnel	\$ 2,193,766	\$ 2,675,941	\$ 2,380,851	\$ 2,289,035	\$ 2,328,135
Contract Services	1,257,780	1,259,769	1,343,230	1,297,638	1,386,279
Professional Services	558,857	516,941	364,863	438,314	510,366
Operations	552,818	438,425	725,966	590,791	804,324
Internal Allocations	308,490	366,949	327,737	289,454	295,244
<b>Total</b>	<b>\$ 4,871,711</b>	<b>\$ 5,258,026</b>	<b>\$ 5,142,647</b>	<b>\$ 4,905,233</b>	<b>\$ 5,324,347</b>

## ***Personnel***

The Town maintains a workforce of 21 full time employees. The overall personnel budget includes an increase of \$39,000 or 1.7% over 2010-11 estimated actual. This increase is attributed primarily to a \$75,000 allowance for salary increases less savings from staff turnover and modifications to fringe benefits detailed below. The personnel budget includes the following factors:

- Salaries – The Town will continue to provide for salary increases within the City Council approved salary range and based solely on merit. The total allowance for salary increases in 2011-12 is \$75,000. Pursuant to City Council direction, across-the-board cost of living adjustments and step increases have been permanently eliminated.
- Pensions - The employer’s share of the CalPERS pension for 2011-12 will be 10.341% of payroll, an increase of 0.982 percentage points from prior year. The Town is currently in the process of reducing the pension benefit for new hires from the “2% at 55” formula to the “2% @ 60” formula. Anticipated implementation of this change is expected for all new employees hired after August 15, 2011. The budget continues to include a \$70,000 contribution to the Town’s in-house Pension Contingency Reserve Fund to protect against unbudgeted increases in the employer’s required contribution to CalPERS.
- Health insurance - The budget retains the current employee and city council medical program with a forecasted increase of 8.0% in premiums. Employees have access to a cafeteria plan through which they may select from a variety of HMO and PPO plans purchased by the CalPERS medical pool. Effective January 1, 2012 the Town will cap its cafeteria plan contribution at the 2012 Kaiser Premium rate. This transition is will impact approximately 35% of benefited employees.
- Retiree medical – The current amortized cost of retiree medical plus the cost of current, pay-as-you-go benefits for existing retirees, \$207,000, is included in the personnel costs for all departments. The Town is required to conduct an actuarial update of the retiree medical liability as of June 30, 2011. This study is scheduled to wrap up in September 2011.

## ***Contract & Professional Services***

Contract services in the General Fund are primarily for law enforcement services provided by the Santa Clara County Sheriff’s Office and animal control through the City of Palo Alto. The budget includes \$100,000 in new funding for additional law enforcement service hours. The budget also includes a reduction of contract cleaning services for the boarding operations at Westwind Community Barn due to the City Council authorized reorganization plan that hires a Parks & Recreation Facility Aide.

Professional services in the General Fund are primarily for specialized functions that are easily scalable through partnering with the private sector. These services include legal, planning, building plan check, and engineering services. In 2011-12, the budget includes a contingency of \$50,000 to engage specialized consultants to assist with various City Council initiated land use projects.

## ***Operations & Internal Allocations***

Operations and Internal Allocations in the General Fund provide for the expenses required to operate the various Town functions. This includes overhead costs for buildings and facilities, office and technology supplies and equipment. The Operations budget for Public Works includes a contingency amount of \$150,000 for emergency safety repairs in the Town’s right of way. Additionally, the budget includes a contingency allocation of \$30,000 for Town committees to request for supplemental special projects.



# City Council

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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.

The City Council's budget is projected to decrease with lower participation in the medical benefits program first made available to council members in 2006-07. Included in operations are supplies and noticing for special meeting and events as 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.

Significant Operating Changes or Capital Requests: **The City Council's goals will affect department staffing and other resource needs.**

## EXPENDITURE BUDGET

Program: 1100 - City Council	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
60 - Personnel	\$ 53,557	\$ 58,629	\$ 74,781	\$ 64,319	\$ 43,800
62 - Professional Services	325	2,953	1,500	5,170	5,250
63 - Operations	62,006	53,416	63,000	56,660	58,000
Program 1100 Total:	\$ 115,888	\$ 114,998	\$ 139,281	\$ 126,149	\$ 107,050

# City Manager

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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.

Significant Operating Changes or Capital Requests: **The 2011-12 budget below includes a contingency allocation of \$75,000 that will be used by the City Manager to award merit based salary increases to Town employees.**

## PERSONNEL SUMMARY \*

	2008-09	2009-10	2010-11	2011-12
<b>City Manager</b>	1.00	1.00	1.00	1.00

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

## EXPENDITURE BUDGET

Program: 1200 - City Manager	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Acutal	2011-12 Adopted
60 - Personnel	\$ 293,636	\$ 359,842	\$ 297,185	\$ 299,848	\$ 262,043
63 - Operations	3,733	1,854	6,300	1,271	1,300
67 - Internal Allocations	26,169	26,530	21,111	19,695	20,089
68 - Other - Misc	-	-	51,000	30,000	85,000
Program 1200 Total:	\$ 323,538	\$ 388,225	\$ 375,596	\$ 350,814	\$ 368,432

# City Clerk

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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.

Significant Operating Changes or Capital Requests: **None.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>City Clerk</b>	1.00	1.00	1.00	1.00

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

## EXPENDITURE BUDGET

Program: 1300 - City Clerk	<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Actual</b>	<b>2011-12 Adopted</b>
60 - Personnel	\$ 174,185	\$ 230,721	\$ 190,985	\$ 163,147	\$ 186,238
62 - Professional Services	10,858	2,390	4,500	37,941	38,700
63 - Operations	20,792	6,121	41,100	36,881	37,000
67 - Internal Allocations	22,480	26,530	21,111	19,695	20,089
Program 1300 Total:	\$ 228,314	\$ 265,761	\$ 257,696	\$ 257,665	\$ 282,027

# Finance & Administrative Services

The Finance & 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, processes payroll, compiles and issues financial reports, and pays Town bills in accordance with adopted fiscal policies and internal controls. Personnel duties include recruitment, examination and selection of employees; maintenance of employee personnel records; and administration of employee benefits. The Department manages service contracts for the Town’s information technology support and building facility support requirements.

Significant Operating Changes or Capital Requests: **None**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Director</b>	1.00	1.00	1.00	1.00
<b>Finance Manager</b>	0.00	0.30	0.30	0.30
<b>Office Manager/Accountant</b>	0.30	0.00	0.00	0.00
<b>Office Specialist</b>	0.00	0.00	0.00	0.30
Total	1.30	1.30	1.30	1.60

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

## EXPENDITURE BUDGET

Program: 1400 - Finance	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
60 - Personnel	\$ 283,527	\$ 326,783	\$ 266,115	\$ 265,441	\$ 296,112
61 - Contract Services	35,376	62,416	45,000	47,236	48,181
62 - Professional Services	41,580	64,583	57,000	53,125	55,781
63 - Operations	34,448	25,481	38,400	41,684	43,000
67 - Internal Allocations	31,102	34,489	27,444	25,604	26,116
Program 1400 Total:	\$ 426,033	\$ 513,751	\$ 433,959	\$ 433,091	\$ 469,190

# City Attorney

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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.

Significant Operating Changes or Capital Requests: **None**

## EXPENDITURE BUDGET

Program: 1500 - City Attorney	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
62 - Professional Services	\$ 171,491	\$ 124,149	\$ 153,963	\$ 131,270	\$ 145,149
Program 1500 Total:	\$ 171,491	\$ 124,149	\$ 153,963	\$ 131,270	\$ 145,149

# Liability Insurance

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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.

Significant Operating Changes or Capital Requests: **None**

## EXPENDITURE BUDGET

Program: 1510 - Insurance	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
63 - Operations	\$ 64,855	\$ 63,804	\$ 93,962	\$ 61,294	\$ 74,000
Program 1510 Total:	\$ 64,855	\$ 63,804	\$ 93,962	\$ 61,294	\$ 74,000

# Community Service Agency Grants

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

Significant Operating Changes or Capital Requests: **None**

**EXPENDITURE BUDGET**

Program: 1600 - Community Service	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
63 - Operations	\$ 61,500	\$ 83,000	\$ 78,500	\$ 65,600	\$ 65,600
Program 1600 Total:	\$ 61,500	\$ 83,000	\$ 78,500	\$ 65,600	\$ 65,600

# 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. To maintain proper internal control of the disbursement of Town funds, the Town budget provided only a minimal amount of discretionary funds for each committee. For equipment purchases, consulting services, and other large ticket items, the 2011-12 budget contains a place holder of \$30,000.

Significant Operating Changes or Capital Requests: **None.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Community Services Coordinator</b>	0.00	0.00	0.40	0.40
Total	0.00	0.00	0.40	0.40

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

## EXPENDITURE BUDGET

Program: 1700 - Committees	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Acutal	2011-12 Adopted
60 - Personnel	\$ -	\$ 23,075	\$ 35,298	\$ 30,256	\$ 39,909
63 - Operations	43,096	48,712	66,000	37,416	70,000
Program 1700 Total:	\$ 43,096	\$ 71,787	\$ 101,298	\$ 67,672	\$ 109,909



# Public Safety

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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 with the main objective of providing 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 procedures, 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.

Significant Operating Changes or Capital Requests: **The 2011-12 budget below includes an additional \$100,000 to purchase supplemental law enforcement services.**

## EXPENDITURE BUDGET

Program: 2100 - Public Safety	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Acutal	2011-12 Adopted
61 - Contract Services	\$ 898,376	\$ 925,860	\$ 936,507	\$ 955,148	\$ 1,075,000
Program 2100 Total:	\$ 898,376	\$ 925,860	\$ 936,507	\$ 955,148	\$ 1,075,000
Program: 2150 - Animal Control	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Acutal	2011-12 Adopted
61 - Contract Services	\$ 66,523	\$ 59,141	\$ 86,523	\$ 59,141	\$ 62,098
Program 2150 Total:	\$ 66,523	\$ 59,141	\$ 86,523	\$ 59,141	\$ 62,098

# Planning Department

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The Planning Department is responsible for preparing and implementing the General Plan, zoning and subdivision ordinances, 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.

Significant Operating Changes or Capital Requests: **The 2011-12 budget below includes \$50,000 contingency budget to engage specialized consulting services to assist with City Council initiated land use studies.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Director</b>	0.80	0.80	0.80	0.80
<b>Senior/Associate Planner</b>	0.80	0.80	0.80	0.80
<b>Assistant Planner</b>	0.80	0.80	0.80	0.80
<b>Planning &amp; Building Technician</b>	1.15	1.15	1.15	0.90
<b>Public Works Director</b>	0.06	0.06	0.06	0.06
<b>Assistant Engineer</b>	0.50	0.70	0.70	0.70
<b>Public Safety Officer</b>	0.00	0.00	0.40	0.40
<b>Maintenance Superintendent</b>	0.01	0.01	0.01	0.01
<b>Maintenance Worker I/II</b>	0.04	0.04	0.02	0.02
<b>Finance Manager</b>	0.00	0.15	0.15	0.15
<b>Accountant/Office Manager</b>	0.15	0.00	0.00	0.00
<b>Office Specialist</b>	0.30	0.30	0.30	0.15
<b>Total</b>	4.60	4.80	5.19	4.79

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

**EXPENDITURE BUDGET**

Program: 3100 - Planning Admin		<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Acutal</b>	<b>2011-12 Adopted</b>
60 - Personnel		\$ 601,248	\$ 787,147	\$ 672,307	\$ 664,586	\$ 643,226
62 - Professional Services		150,062	137,601	22,000	67,640	119,000
63 - Operations		13,242	11,149	14,000	6,876	10,000
67 - Internal Allocations		99,955	135,397	118,310	106,737	108,872
Program 3100 Total:		\$ 864,507	\$ 1,071,294	\$ 826,617	\$ 845,839	\$ 881,097
Program: 3110 - Planning Commiss		<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Acutal</b>	<b>2011-12 Adopted</b>
60 - Personnel		\$ 6,354	\$ 6,541	\$ 6,459	\$ 6,600	\$ 6,000
62 - Professional Services		608	1,404	500	500	500
63 - Operations		243	342	2,300	1,000	2,000
Program 3110 Total:		\$ 7,205	\$ 8,287	\$ 9,259	\$ 8,100	\$ 8,500

# Building Inspection Department

The Building Department has the responsibility of providing life-safety building and 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 maintain quality of life for Town residents.

Significant Operating Changes or Capital Requests: **None**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Director</b>	0.20	0.20	0.20	0.20
<b>Building Official</b>	1.00	1.00	1.00	1.00
<b>Planning &amp; Building Technician</b>	0.85	0.85	0.85	0.85
<b>Senior/Associate Planner</b>	0.20	0.20	0.20	0.20
<b>Assistant Planner</b>	0.20	0.20	0.20	0.20
<b>Assistant Engineer</b>	0.05	0.05	0.05	0.05
<b>Finance Manager</b>	0.00	0.25	0.25	0.25
<b>Accountant/Office Manager</b>	0.25	0.00	0.00	0.00
<b>Office Specialist</b>	0.30	0.30	0.30	0.25
Total	3.05	3.05	3.05	3.00

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

## EXPENDITURE BUDGET

Program: 3200 - Building Admin	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
60 - Personnel	\$ 382,864	\$ 430,937	\$ 380,181	\$ 362,035	\$ 380,280
62 - Professional Services	115,197	69,664	92,000	110,055	112,256
63 - Operations	16,616	6,938	7,400	3,573	3,644
67 - Internal Allocations	63,686	88,970	73,133	72,270	73,715
Program 3200 Total:	\$ 578,364	\$ 596,509	\$ 552,714	\$ 547,933	\$ 569,896

# Engineering Department

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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.

Significant Operating Changes or Capital Requests: **The 2011-12 budget below includes a \$150,000 contingency budget for safety repairs in the Town's right of way.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Director</b>	0.30	0.30	0.30	0.30
<b>Assistant Engineer</b>	0.25	0.25	0.25	0.25
<b>Engineering Technician</b>	0.50	0.50	0.50	0.50
Total	1.05	1.05	1.05	1.05

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

## EXPENDITURE BUDGET

Program: 3300 - Engineering Admin	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
60 - Personnel	\$ 213,425	\$ 198,445	\$ 165,306	\$ 162,092	\$ 158,600
62 - Professional Services	67,428	113,512	32,400	32,087	32,729
63 - Operations	18,898	3,856	112,450	87,693	239,447
67 - Internal Allocations	43,112	33,809	28,630	29,697	30,291
Program 3300 Total:	\$ 342,863	\$ 349,623	\$ 338,786	\$ 311,569	\$ 461,066

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# 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.

Significant Operating Changes or Capital Requests: **The 2011-12 budget below includes the City Council's approved reorganization plan that eliminates the Parks & Recreation Supervisor and reallocates those funds primarily to Westwind Community Barn.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Parks &amp; Recreation Supervisor</b>	0.70	0.70	0.70	0.00
<b>Community Services Coordinator</b>	0	0	0.60	0.60
Total	0.70	0.70	1.30	0.60

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

## EXPENDITURE BUDGET

	2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
Program: 14-1000 - P&R Admin					
60 - Personnel	\$ 94,467	\$ 147,898	\$ 129,015	\$ 96,930	\$ 78,956
61 - Contract Services	598	-	1,300	675	1,000
62 - Professional Services	1,308	685	1,000	525	1,000
63 - Operations	13,127	21,831	21,450	27,000	27,000
67 - Internal Allocations	21,986	21,224	37,998	15,756	16,071
Program 1000 Total:	\$ 131,486	\$ 191,638	\$ 190,763	\$ 140,886	\$ 124,027
Program: 4100 - Equestrian Programs					
61 - Contract Services	\$ 64,029	\$ 64,183	\$ 62,400	\$ 75,000	\$ 75,000
63 - Operations	690	831	500	500	1,000
Program 4100 Total:	\$ 64,720	\$ 65,014	\$ 62,900	\$ 75,500	\$ 76,000
Program: 4110 - P & R Fee Programs					
61 - Contract Services	\$ 19,620	\$ 23,410	\$ 28,000	\$ 25,000	\$ 25,000
63 - Operations	701	-	1,000	1,000	1,000
Program 4110 Total:	\$ 20,322	\$ 23,410	\$ 29,000	\$ 26,000	\$ 26,000
Program: 4120 - P&R Events					
63 - Operations	\$ 34,789	\$ 41,612	\$ 42,000	\$ 47,191	\$ 55,000
Program 4120 Total:	\$ 34,789	\$ 41,612	\$ 42,000	\$ 47,191	\$ 55,000
<b>GRAND TOTAL</b>	<b>\$ 251,316</b>	<b>\$ 321,674</b>	<b>\$ 324,663</b>	<b>\$ 289,577</b>	<b>\$ 281,027</b>

# Parks & Recreation Facilities

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The department manages the Town’s primary recreational facilities including: Purissima Park and Westwind Community Barn.

The Town’s baseball fields at Purissima Park are available for department organized adult and youth programs and for activities sponsored by the Los Altos Little League. The Town has a cost-sharing agreement with the Los Altos Little League to offset field maintenance costs. 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 (LAHHA).

Westwind Community Barn serves at the Town’s primary equestrian facility and hosts a series of community events and programs through the year. The site serves as the instructional venue for adult and youth programs organized by the department. Westwind Community Barn also hosts non-profit organizations such as the therapeutic riding program offered by 4-H/Westwind Riding Institute and the Pacific Ridge Pony Club. To help keep the site a vibrant facility, private boarding is available onsite.

Significant Operating Changes or Capital Requests: **The 2011-12 budget below includes the new position of Parks & Recreation Facility Aide which was part of the Parks & Recreation Department reorganization. This new position does not increase the overall number of Town employee due to the elimination of the Parks & Recreation Supervisor position.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Parks &amp; Recreation Supervisor</b>	0.30	0.30	0.30	0.00
<b>Barn Manager</b>	0.00	1.00	1.00	1.00
<b>Parks &amp; Recreation Facility Aide</b>	0.00	0.00	0.00	1.00
Total	0.30	1.30	1.30	2.00

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



**EXPENDITURE BUDGET**

	<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Actual</b>	<b>2011-12 Adopted</b>
Program: 5100 - Playing Fields					
60 - Personnel	\$ 13,019	\$ 21,787	\$ 10,727	\$ 10,663	\$ 4,137
61 - Contract Services	6,151	29,277	24,500	31,614	35,000
63 - Operations	29,618	16,961	21,573	21,573	26,573
Program 5100 Total:	\$ 48,788	\$ 68,026	\$ 56,800	\$ 63,850	\$ 65,710
Program: 5110 - Town Riding Ring					
61 - Contract Services	\$ 38	\$ 2,915	\$ 5,000	\$ 5,000	\$ 5,000
Program 5110 Total:	\$ 38	\$ 2,915	\$ 5,000	\$ 5,000	\$ 5,000
Program: 5200 - Westwind Boarding Op.					
60 - Personnel	\$ 77,485	\$ 77,878	\$ 80,162	\$ 74,127	\$ 114,670
61 - Contract Services	167,069	79,964	114,000	89,400	35,000
63 - Operations	134,464	45,444	88,200	53,418	58,760
Program 5200 Total:	\$ 379,017	\$ 203,286	\$ 282,362	\$ 216,945	\$ 208,430
Program: 5300 - WWB Facility					
60 - Personnel	\$ -	\$ 6,260	\$ 21,330	\$ 58,991	\$ 29,164
61 - Contract Services	-	12,602	40,000	9,424	25,000
63 - Operations	-	7,075	27,831	40,161	31,000
Program 5300 Total:	\$ -	\$ 25,937	\$ 89,161	\$ 108,576	\$ 85,164
<b>GRAND TOTAL</b>	<b>\$ 427,843</b>	<b>\$ 300,163</b>	<b>\$ 433,323</b>	<b>\$ 394,371</b>	<b>\$ 364,304</b>

			<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Actual</b>	<b>2011-12 Adopted</b>
<b>Funds: 041, 043 &amp; 016 - FACILITIES &amp; EQUIPMENT CAPITAL FUNDS</b>							
<b>REVENUE</b>							
	016-0000 - In-lieu fees		195,221	25,995	36,150	36,150	36,150
	043-44 - Use of Money & Prop		38,383	35,364	39,157	39,157	39,823
	043-48 - Miscellaneous		202,893	340,825	-	-	-
	<b>Total Revenue</b>		<b>436,498</b>	<b>402,184</b>	<b>75,307</b>	<b>75,307</b>	<b>75,973</b>
<b>EXPENSE</b>							
	Program: 041-6900 - General Capital Projects						
	66 - Capital Improvements		1,263,310	69,808	293,200	293,200	360,000
	Program 041-6900 Total:		1,263,310	69,808	293,200	293,200	360,000
	Program: 043-6900 - Westwind Barn Capital Projects						
	66 - Capital Improvements		236,509	1,561,523	125,000	162,000	-
	Program 043-6900 Total:		236,509	1,561,523	125,000	162,000	-
	<b>Total Expense</b>		<b>1,499,820</b>	<b>1,631,332</b>	<b>418,200</b>	<b>455,200</b>	<b>360,000</b>

# Special Revenue and Enterprise Funds

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# Storm Drains

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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.

Drainage fees, in accordance with Municipal Code Section 3-3.403, may 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.

Significant Operating Changes or Capital Requests: **The budget includes \$140,000 for the annual storm drain improvement program and \$200,000 for the O’Keefe Drainage Project.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Public Works Director</b>	0.10	0.10	0.10	0.10
<b>Engineering Technician</b>	0.05	0.05	0.05	0.05
<b>Maintenance Superintendent</b>	0.35	0.35	0.35	0.35
<b>Maintenance Worker I/II/III</b>	1.05	1.05	0.70	0.70
Total	1.55	1.55	1.20	1.20

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

**DRAINAGE FUNDS REVENUE & EXPENSE BUDGETS**

		<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Actual</b>	<b>2011-12 Adopted</b>
<b>Funds: 012 &amp; 045 - DRAINAGE FUNDS</b>						
<b>REVENUE</b>						
	46 - Charge for Current Services	\$ 99,546	\$ 98,667	\$ 82,000	\$ 91,170	\$ 96,461
	<b>Total Revenue</b>	<b>\$ 99,546</b>	<b>\$ 98,667</b>	<b>\$ 82,000</b>	<b>\$ 91,170</b>	<b>\$ 96,461</b>
<b>EXPENSE</b>						
	Program: 4500 - Storm Drain Operations					
	60 - Personnel	\$ 84,423	\$ 183,123	\$ 131,932	\$ 137,684	\$ 128,242
	61 - Contract Services	8,270	20,168	37,500	37,500	38,138
	62 - Professional Services	-	1,900	1,000	23,017	23,409
	63 - Operations	18,650	31,190	30,500	30,933	31,459
	67 - Internal Allocations	60,521	68,063	59,908	64,356	65,450
	Program 4500 Total:	\$ 171,864	\$ 304,444	\$ 260,840	\$ 293,491	\$ 286,698
	Program: 6900 - Capital Projects					
	66 - Capital Improvements	\$ -	\$ -	\$ 140,000	\$ 140,000	\$ 340,000
	Program 6900 Total:	\$ -	\$ -	\$ 140,000	\$ 140,000	\$ 340,000
	<b>Total Expense</b>	<b>\$ 171,864</b>	<b>\$ 304,444</b>	<b>\$ 400,840</b>	<b>\$ 433,491</b>	<b>\$ 626,698</b>

# Pathways and Open Space

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

Pathway revenue originates primarily from the Pathways In-Lieu Fee which, in accordance with Municipal Code Section 10-2.608, assesses a fee for a site development permit on a lot where no path is needed. Funds received from this fee may 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.

Significant Operating Changes or Capital Requests: **The capital budget includes \$440,000 for pathway improvements on Robleda Rd between Beatrice and Fremont. \$390,000 has been allocated for the Fremont Bike Lane project. An additional \$60,000 has been earmarked for general pathway improvement projects.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Public Works Director</b>	0.14	0.14	0.14	0.14
<b>Engineering Technician</b>	0.15	0.15	0.15	0.15
<b>Maintenance Superintendent</b>	0.35	0.35	0.35	0.35
<b>Maintenance Worker I/II/III</b>	1.05	1.05	0.70	0.70
Total	1.69	1.69	1.34	1.34

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

**PATHWAY FUNDS REVENUE & EXPENSE BUDGETS**

			<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Actual</b>	<b>2011-12 Adopted</b>				
<b>Funds: 013 &amp; 042 - PATHWAYS FUNDS</b>											
<b>REVENUE</b>											
Program: 0000 - Administration											
	44 - Use of Money & Property	\$	7,986	\$	6,434	\$	1,050	\$	500	\$	-
	46 - Charge for Current Services		86,700		154,066		175,000		167,211		135,992
	48 - Miscellaneous		233,847		253,765		-		36,527		78,473
	<b>Total Revenue</b>	<b>\$</b>	<b>328,533</b>	<b>\$</b>	<b>414,266</b>	<b>\$</b>	<b>176,050</b>	<b>\$</b>	<b>204,238</b>	<b>\$</b>	<b>214,465</b>
<b>EXPENSE</b>											
Program: 4740 - Pathway Operations											
	60 - Personnel	\$	100,052	\$	208,977	\$	153,017	\$	158,912	\$	148,974
	61 - Contract Services		12,545		32,871		75,000		79,086		80,430
	62 - Professional Services		13,275		24,389		15,000		8,618		8,764
	63 - Operations		26,380		3,625		11,500		45,489		46,262
	67 - Internal Allocations		69,414		72,545		71,419		73,705		74,958
	Program 4740 Total:	<b>\$</b>	<b>221,666</b>	<b>\$</b>	<b>342,407</b>	<b>\$</b>	<b>325,936</b>	<b>\$</b>	<b>365,809</b>	<b>\$</b>	<b>359,388</b>
Program: 6900 - Capital Projects											
	66 - Capital Improvements	\$	776,313	\$	181,774	\$	530,000	\$	397,975	\$	890,000
	Program 6900 Total:	<b>\$</b>	<b>776,313</b>	<b>\$</b>	<b>181,774</b>	<b>\$</b>	<b>530,000</b>	<b>\$</b>	<b>397,975</b>	<b>\$</b>	<b>890,000</b>
	<b>Total Expense</b>	<b>\$</b>	<b>997,979</b>	<b>\$</b>	<b>524,181</b>	<b>\$</b>	<b>855,936</b>	<b>\$</b>	<b>763,783</b>	<b>\$</b>	<b>1,249,388</b>



# Streets

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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.

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 2011-12, as with prior years, the State is expected to continue delay in remitting gas tax payments to local agencies. Other revenues include fees charged to developers and the roadway impact fee.

Significant Operating Changes or Capital Requests: **The 2011-12 capital improvement program includes \$900,000 for the annual pavement management program.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Public Works Director</b>	0.10	0.10	0.10	0.10
<b>Engineering Technician</b>	0.05	0.05	0.05	0.05
<b>Maintenance Superintendent</b>	0.26	0.26	0.19	0.19
<b>Maintenance Worker I/II/III</b>	0.50	0.50	0.38	0.38
Total	0.91	0.91	0.72	0.72

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

**STREET FUNDS REVENUE & EXPENSE BUDGETS**

		<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Actual</b>	<b>2011-12 Adopted</b>
<b>Funds: 017, 018 &amp; 046 - STREET FUNDS</b>						
<b>REVENUE</b>						
	017-43 - Permits & Licenses	\$ 31,760	\$ 106,624	\$ 28,000	\$ 40,000	\$ 59,461
	017-44 - Use of Money & Prop	57,483	6,528	20,550	10,000	5,000
	017-45 - Intergovernmental	206,759	247,981	234,002	241,997	246,837
	017-46 - Charge for Services	52,492	231,069	47,000	47,000	50,000
	018-46 - Charge for Services	334,068	272,772	312,000	312,000	317,304
	046-48 - Miscellaneous	178,000	323,300	-	55,000	-
	<b>Total Revenue</b>	<b>\$ 860,562</b>	<b>\$ 1,188,274</b>	<b>\$ 641,552</b>	<b>\$ 705,997</b>	<b>\$ 678,602</b>
<b>EXPENSE</b>						
	Program: 4600 - Street Operations					
	60 - Personnel	\$ 67,260	\$ 114,959	\$ 86,114	\$ 88,657	\$ 83,194
	61 - Contract Services	57,295	52,162	177,500	197,502	150,000
	62 - Professional Services	20,795	26,836	2,500	95,117	27,000
	63 - Operations	29,697	37,023	37,000	77,648	37,000
	67 - Internal Allocations	66,712	90,186	58,331	63,929	65,208
	Program 4600 Total:	<b>\$ 241,758</b>	<b>\$ 321,165</b>	<b>\$ 361,445</b>	<b>\$ 522,854</b>	<b>\$ 362,401</b>
	Program: 6900 - Capital Projects					
	66 - Capital Improvements	\$ 1,147,160	\$ 1,150,614	\$1,469,000	\$ 1,469,000	\$ 900,000
	Program 6900 Total:	<b>\$ 1,147,160</b>	<b>\$ 1,150,614</b>	<b>\$1,469,000</b>	<b>\$ 1,469,000</b>	<b>\$ 900,000</b>
	<b>Total Expense</b>	<b>\$ 1,388,919</b>	<b>\$ 1,471,780</b>	<b>\$1,830,445</b>	<b>\$ 1,991,854</b>	<b>\$ 1,262,401</b>

# Public Safety Grant Funds

The Public Safety Grant Funds, a \$100,000 grant from the State of California titled COPS, is special funding source that 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.

Significant Operating Changes or Capital Requests: **The primary funding source for this program, \$100,000 COPS grant from the State of California, is at high risk of being defunded in 2011-12. To continue operations, the fund will draw down the bulk of its fund balance and use a transfer of \$25,000 from the General Fund.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Public Safety Officer</b>	1.00	1.00	0.60	0.60
Total	1.00	1.00	0.60	0.60

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

## PUBLIC SAFETY GRANT FUNDS REVENUE & EXPENSE BUDGETS

		2008-09 Actual	2009-10 Actual	2010-11 Adopted Budget	2010-11 Estimated Actual	2011-12 Adopted
<b>Funds: 021 &amp; 022 - PUBLIC SAFETY GRANT FUNDS</b>						
<b>REVENUE</b>						
	44 - Use of Money & Property	\$ 1,957	\$ 333	\$ 950	\$ 950	\$ -
	45 - Intergovernmental Revenue	99,791	100,371	100,000	100,000	-
	<b>Total Revenue</b>	<b>\$ 101,748</b>	<b>\$ 100,704</b>	<b>\$ 100,950</b>	<b>\$ 100,950</b>	<b>\$ -</b>
<b>EXPENSE</b>						
	Program: 6100 - COPS Programs					
	60 - Personnel	\$ 95,485	\$ 74,318	\$ 47,636	\$ 47,239	\$ 45,118
	61 - Contract Services	28,700	23,145	28,000	28,000	28,000
	63 - Operations	41,354	9,894	24,000	24,000	24,000
	<b>Total Expense</b>	<b>\$ 165,539</b>	<b>\$ 107,358</b>	<b>\$ 99,636</b>	<b>\$ 99,239</b>	<b>\$ 97,118</b>

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# Sewer Fund

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The Town contracts with the Regional Water Quality Control Plant (RQCP) in Palo Alto and the City of Los Altos for sewer treatment and conveyance. The bulk of routine maintenance and capital improvements are provided through contract agreements. Sewer operations are funded by a sewer service charge of \$733 assessed to properties that are connected to the system. The annual charge has not increased since 2007-08.

The Town’s sewer operations provide sanitary sewer service to approximately half of the parcels in the Town’s boundaries. 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. All new connections also result in an increase to sewer assessment revenues.

Significant Operating Changes or Capital Requests: **The budget includes a \$200,000 root foaming projected and a \$440,000 annual capital improvement project.**

## PERSONNEL SUMMARY \*

Classification	2008-09	2009-10	2010-11	2011-12
<b>Public Works Director</b>	0.20	0.20	0.20	0.20
<b>Associate Engineer</b>	0.30	0.00	0.00	0.00
<b>Engineering Technician</b>	0.05	0.25	0.25	0.25
<b>Maintenance Superintendent</b>	0.02	0.02	0.02	0.02
<b>Maintenance Worker I/II/III</b>	0.06	0.06	0.04	0.04
Total	0.63	0.53	0.51	0.51

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

**SEWER FUNDS REVENUE & EXPENSE BUDGETS**

		<b>2008-09 Actual</b>	<b>2009-10 Actual</b>	<b>2010-11 Adopted Budget</b>	<b>2010-11 Estimated Actual</b>	<b>2011-12 Adopted</b>
<b>Funds: 048, 051 - SEWER FUNDS</b>						
<b>REVENUE</b>						
	44 - Use of Money & Property	\$ 101,930	\$ 102,876	\$ 21,000	\$ 37,691	\$ 24,876
	46 - Charge for Current Services	1,335,790	1,643,706	1,455,765	1,428,368	1,450,368
	48 - Connection fees	194,929	142,955	319,400	298,112	159,000
	<b>Total Revenue</b>	<b>\$ 1,632,649</b>	<b>\$ 1,889,537</b>	<b>\$1,796,165</b>	<b>\$ 1,764,171</b>	<b>\$ 1,634,244</b>
<b>EXPENSE</b>						
Program: 4800 - Sewer Fund Operations						
	60 - Personnel	\$ 72,889	\$ 82,967	\$ 84,509	\$ 82,539	\$ 81,626
	61 - Contract Services	830,510	549,013	871,453	662,976	676,236
	62 - Professional Services	57,009	108,105	50,000	72,145	73,588
	63 - Operations	17,250	30,150	130,708	87,493	89,243
	67 - Internal Allocations	52,680	79,673	43,820	63,301	64,567
	68 - Other - Misc	66,733	97,542	44,000	99,000	100,980
	<b>Program 4800 Total:</b>	<b>\$ 1,097,072</b>	<b>\$ 947,450</b>	<b>\$1,224,490</b>	<b>\$ 1,067,454</b>	<b>\$ 1,086,239</b>
Program: 048-6900 - Capital Projects						
	66 - Capital Equipment	\$ 1,251,536	\$ 322,983	\$ 440,000	\$ 440,000	\$ 640,000
	Program 6900 Total:	\$ 1,251,536	\$ 322,983	\$ 440,000	\$ 440,000	\$ 640,000
	<b>Total Expense</b>	<b>\$ 2,348,608</b>	<b>\$ 1,270,433</b>	<b>\$1,664,490</b>	<b>\$ 1,507,454</b>	<b>\$ 1,726,239</b>

# Appendix

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**Los Altos Hills  
Personnel Allocations  
2011-12**

Classification	Department																		TOTAL
	City Manager	City Clerk	Admin Services	Committ ees	Planning	Building	Engineer. Admin	Storm Drain	P & R Admin	Barn Boarding	Barn Facility	Streets	Path-ways	COPS	Sewer	Town Center	Corp Yard	Fleet	
<b>City Manager</b>	1.00																		1.00
City Clerk		1.00																	1.00
Public Safety Officer					0.40									0.60					1.00
<b>Admin Services Director</b>			1.00																1.00
Finance Manager			0.30		0.15	0.25										0.30			1.00
Office Specialist			0.30		0.15	0.25										0.30			1.00
<b>PW Dir/City Engineer</b>					0.06		0.30	0.10				0.10	0.14		0.20		0.10		1.00
Assistant Engineer					0.70	0.05	0.25												1.00
Engineering Tech							0.50	0.05				0.05	0.15		0.25				1.00
Maint Superintendent					0.01			0.35				0.19	0.35		0.02	0.02	0.02	0.04	1.00
Maint Wrk I					0.02			0.70				0.38	0.70		0.04	0.04	0.04	0.08	2.00
<b>Planning Director</b>					0.80	0.20													1.00
Associate Planner					0.80	0.20													1.00
Assistant Planner					0.80	0.20													1.00
ComDevel Specialist					0.65	0.10										0.25			1.00
Building Official						1.00													1.00
Bulding Tech					0.25	0.75													1.00
Community Serv Coord.				0.40					0.60										1.00
Barn Manager										1.00									1.00
Parks & Rec Facility Aide										0.50	0.50								1.00
<b>TOTAL STAFF</b>	<b>1.00</b>	<b>1.00</b>	<b>1.60</b>	<b>0.40</b>	<b>4.79</b>	<b>3.00</b>	<b>1.05</b>	<b>1.20</b>	<b>0.60</b>	<b>1.50</b>	<b>0.50</b>	<b>0.72</b>	<b>1.34</b>	<b>0.60</b>	<b>0.51</b>	<b>0.91</b>	<b>0.16</b>	<b>0.12</b>	<b>21.00</b>

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