



FY 2014-2015 OPERATIONS AND CAPITAL BUDGET



Town of Los Altos Hills
Santa Clara County, California

City Council Adopted FY 2014-2015 Budget

Operations and Capital

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



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JOHN RADFORD

MEMBERS OF THE CITY COUNCIL

COURTENAY CORRIGAN, VICE MAYOR

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JOHN HARPOOTLIAN

RICH LARSEN

TOWN STAFF

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City Manager

YULIA CARTER
Administrative Services Director

DEBBIE PEDRO
Community Development Director

RICHARD CHIU
Public Works Director & Town Engineer

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ACKNOWLEDGEMENTS

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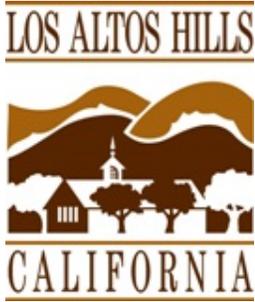
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Budget Overview



June 19, 2014

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

On behalf of the entire Los Altos Hills staff, I am pleased to submit to you the Operating and Capital Budget for the Town of Los Altos Hills, for the fiscal year ending June 30, 2015. The Adopted Fiscal Year 2014-15 General Fund expenditures of \$9,259,622, inclusive of several operating contingencies and operating transfers to special revenue funds, are balanced with \$9,225,610 in revenues and with a small \$34,012 reduction in the Undesignated General Fund Balance. The Town ends the year with a healthy combined fund balance of over \$5.4 million in the general fund and other governmental funds.

The purpose of the budget process is to identify the fiscally sustainable services which the Town may reasonably expect to provide within the context of the Town's available financial resources.

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;
- **Contain personnel costs** by maintaining personnel headcount at 19.2 full time equivalent employees.

Over the course of the past year, the Town implemented a major structural change in the operation of the Westwind Community Barn, by soliciting proposals and awarding a contract for professional concessionaire management and operation that resulted in significant reduction of the Town's operating deficit at the Barn. The Town also completed and implemented the Comprehensive Cost Allocation and

Rate and Fee Study that is favorably reflected in this budget's general building and planning revenues. The Town continues to explore options and look for improvements and cost-effective economic solutions to ensure high quality and fiscally sustainable services continue to be offered to the public.

Last year, the Town implemented a zero-based budgeting process and redesigned presentation format of the budget document. This year, we continue with the same budget format, but further improved and developed its sections to better comply with the best practices for municipal reporting to ensure a better flow of information to make the budget document easier to understand.

The Adopted Fiscal Year 2014–15 Budget, which totals \$12.8 million of expenditures, including capital spending and expenditures on the Sewer System, continues to maintain the level of services in all areas that have been provided in the past. The budget includes \$2.5 million transfer from the General Fund to fund capital projects and infrastructure improvements, including Annual Road Rehabilitation Project, Creek Restoration at O'Keefe Preserve, El Monte Road Rehabilitation Project, and upgrades at Westwind Community Barn.

The budget provides funding of \$1.3 million for street repairs and related costs and is the Town's largest annual capital expenditure. A majority of the Town's public streets are in good to excellent condition. However, in order to maintain good pavement conditions, the Town customarily needs to spend seven to nine hundred thousand dollars a year on pavement rehabilitation projects. This year it was determined that sixteen local residential streets thought to be privately maintained were in fact public streets. This was discovered after careful research of Town and County records dating back fifty-five years. This new information has impacted our budgeting assumptions and the Town will be evaluating these streets as part of its bi-annual update of the Pavement Management Program (PMP). The Town uses the PMP to make the most effective use of limited funds available for road repairs.

The budget provides funding of \$156,700 for annual pathway improvement projects partially funded by in-lieu fees, and an additional appropriation of \$138,800 for annual storm drain improvement program. The budget also provides for \$40,700 in capital projects at Westwind Barn funded through revenues received from the Verizon cell tower lease.

Notwithstanding the slightly negative \$34,000 operating deficit, the General Fund balance is projected to be over \$4.1 million and represents 60% of annual expenditures, which is over four times the Government Finance Officers Association recommended best practice. In addition, there are \$1.3 million operating reserves in the Town's Storm Drain, Pathways and Streets governmental funds that augment funding resources and indicate the Town's sound fiscal health.

The Town operates a separate enterprise fund on behalf of Sewer users that is funded entirely by ratepayers. The Town's Sewer rates have not increased since 2007. Although, the FY 2014-15 Sewer Budget does not anticipate a sewer rate increase in the upcoming year, it includes \$13,000 for a sewer rate study because rate increases will be necessary in the near future. Sewer treatment and conveyance costs are budgeted to \$817,770, which is a 5% increase over the prior year's budget. Sewer capital projects are budgeted at \$515,000 or 5.4% higher than the adopted FY 2013-14 Budget. Over the past year the Town experienced an increasingly high level of sewer overflows. To mitigate this risk, the FY 2014-15 budget provides for additional operations and maintenance scope of work to obtain video data for asset management system, as well as improvements to pump station controls. These additional enhancements combined with the projected increase in the cost of sewer conveyance and treatment plant operation that resulted in substantial draw down of the sewer fund balance by approximately \$1 million.

The Sewer Fund's projected reserve balance is \$1.6 million at the end of FY 2014-15. The FY 2014-15 Sewer Fund's budget assumptions are further described in other sections of this document.

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 as part of the mid-year budget review.

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 June 2, 2014 in a Joint Budget Study Session to review the Town's fiscal condition in 2014-15. With feedback from the joint study session, staff compiled the following document.

Financial sustainability remains a high priority for the Town of Los Altos Hills. To that end, Town staff will continue to seek out ways to be as efficient as possible in providing services to the public. Staff looks forward to working with the City Council and the community to address the financial challenges that lay ahead and will continue to identify operational efficiencies, assess appropriate fee structure, pursue acceptable development projects and advise on alternative revenue options available to the community in order to continue the delivery of comparatively basic, but high quality services to the residents of the Town of Los Altos Hills.

Respectfully Submitted,



/s/ Carl Cahill
City Manager

**BASIS OF BUDGET PREPARATION
 AND MAJOR FUNDS SUMMARIES**

The Town of Los Altos Hills prepared the annual budget that contains the revenues, appropriations and other financial information pertaining to all Town operating and capital budgets. These budgets are accounted for using the modified accrual basis of accounting. The Town’s budget goals are to achieve a balanced budget with operating revenues, including reimbursements from other funds for services provided, equal to or greater than operating expenditures including debt service. Ending fund balance (or working capital in the enterprise fund) must meet minimum policy level of no less than 20% of operating expenditures. Under this policy, it is allowable for total expenditures to exceed revenues in a given year to fund capital improvement plan projects, or other “one-time” non-recurring expenditures.

FY 2014-2015 BUDGET PREPARATION TIMELINE

DATE	DEPARTMENT	ACTION
March 31 st	ASD	Budget Instructions, forms and FY14 Base Budget sent to departments
April 7 th	All Departments	Budget forms are due to Finance
April 8-11	All Departments	ASD meets with each Dept. to go over projections and FY15 Base Budget
Week of April 14 th	All Departments	City Manager budget meetings re: Dept. Budget Requests
April 21 st	City Manager	City Manager ranks budget requests & sets priorities
Week of April 21 st	ASD	Development of the FY2014-15 Proposed Budget, budget options defined
June 2 nd	FIC/City Council	Joint Budget Study Session
June 19 th	City Council	Present Budget to City Council for adoption

Budget Development Process

The City Manager, Administrative Services Director and Finance Manager provide guidance to the departments prior to preparation of department budgets related to economic outlook and parameters for budgeting. The annual budget cycle begins with the development of budget instructions, including policy directives and a budget calendar. Budget projections are submitted by department heads to the Administrative Services Department. The Administrative Services Director and Finance Manager submit the draft proposed Town budget to the City Manager for review. The City Manager presents the City Council and Finance and Investment Committee with a proposed balanced budget. The City Council holds public joint study sessions with the Finance and Investment Committee and adopts the Town operating and capital budget no later than June 30th of each year.

The Town continues with the zero-based budgeting process methodology implemented last year. Each department was provided a base budget expenditure allotment consistent with the authorized FY 2013-2014 Budget, adjusted by known personnel salary and benefit increases, and 3.0% inflationary increase for most operational expenses. Each department was then given an opportunity to submit prioritized program changes for enhancements and reductions to the base budget.

The goals of the budget process are to identify necessary and/or desirable service increase options, as well as identify service reduction options, which are all combined to reach a balanced and sustainable budget. To this end, the City Manager formulates a packaged budget recommendation of enhancements and reductions for Council to consider alongside other enhancements and reductions not being

recommended by staff. The staff recommendation is based on many considerations, including the potential impacts to the overall Town operation and services provided to the community, employee morale and an attempt to keep cuts relatively uniform across departmental lines.

The City Manager and Administrative Services Director met with each department individually, and then as a group, to discuss and finalize the FY 2014-2015 proposed budget recommendations which were presented to the City Council at the June 2, 2014 Joint Council and Finance & Investment Committee Budget Study Session. During this meeting, Council identified approximately \$1.1 million in program enhancements that are included in the FY 2014-15 Budget.

Recommended Program Enhancements:

1. Additional funding for Annual Road Rehab. Project (Street Fund, \$500,700)
2. Funding for 2014-15 General Municipal Election (General Fund, \$24,600)
3. Funding for Sewer O&M and Asset Management (Sewer Fund, \$167,500);
4. Funding for Sewer CIP Project Management Services (Sewer Fund, \$8,000);
5. Funding for Sewer Consultants for sewer rate study, CMMS software evaluation and staff support (Sewer Fund \$26,000);
6. Re-appropriate funds for Professional Planner for 2014-22 Housing Element Update (General Fund, \$70,000)
7. Funding for Purissima Creek at O’Keefe Preserve Rest. Project (General CIP Fund, \$37,575)
8. Funding for El Monte Road Rehabilitation Project (Street Fund, \$40,000);
9. Funding for construction of two additional paddocks at Westwind (WWB CIP Fund, \$15,700)
10. Funding for Video Surveillance upgrade at Westwind Barn (Westwind Barn CIP Fund, \$25,000)
11. Funding for Landscape Maintenance for Purissima Park Ball fields (General Fund, \$15,000)
12. Funding for new Copier Lease (Internal Service Fund, \$5,300)
13. Funding for additional Contract Planning Services (General Fund, \$25,000)
14. Funding for Summer Regional Internship Program (General Fund, \$48,000)
15. Additional funding for OBEB Trust Fund (CERBT) above the Annual Required Contribution (ARC) (Internal Service Fund, \$97,000)

The philosophy which has been employed in creating these budget recommendations has been to focus the efforts to ensure that the Town may continue to provide quality “core” municipal services and timely address the Town’s key infrastructure needs.

Significant Accounting Changes to the Budget

Overhead Cost Allocation Method

The Town entered into agreement with Willdan Financial Services last year to prepare a comprehensive rate and fee study and overhead cost allocation to ensure that the Town is accurately accounting for the true cost of providing various programs and services within Town operations and maximizing the recovery of General Fund indirect costs from identified operating departments, as well as from enterprise and other chargeable funds and projects.

Through this approach, each department’s budget reflects total departmental costs. Then the model calculates how much should be recovered from the other Town funds, based on average time spent on other/non-general fund programs, as well as employing other service utilization factors, like the number of full-time equivalent employees (FTEs), agenda frequency, number of accounts payable and receivable invoices processed, and salaries and benefits budgeted for each department. These indirect and direct overhead costs are represented as cost allocations to and from department budgets.

The FY 2014-15 Adopted Budget reflects the overhead Cost Allocation Plan approved and implemented in FY 2013-14 with one change: fringe benefits internal service fund (ISF) cost is allocated to all administrative departments to show their full salary and benefit cost before allocation to operating departments. Total budgeted benefit cost related to this change for FY 2014-15 is approximately \$0.4 million.

Consolidation of Parks & Recreation Department Funds into General Fund

In prior years, the Town has been using General Fund (011) for general types of activities and two separate funds for Parks & Recreation (Parks & Rec) activities and facilities (014 and 015). All three funds were presented together at the General Fund summary level in the Town’s budget document. The original intent behind keeping the Parks & Rec programs in separate funds might have been related to an idea of treating these activities as enterprise fund activities. However, Parks & Rec programs are defined as general type activities that provide 100% public benefit and, therefore, subsidized by the General Fund. The Parks & Rec department fees charged for services such as special events, camps, classes, and facility rentals do not fully cover all the costs of providing these activities, but help offset expenses needed to offer each year’s schedule of activities. Keeping these activities outside of the General Fund creates an unnecessary convoluted and redundant financial structure that requires operating transfers from the General Fund, and results in extra work for Finance staff to prepare and maintain the annual budget and during the financial year-end closure.

Staff proposed to consolidate the Parks & Rec Programs Fund (014) and Parks & Rec Facilities Fund (015) into General Fund (011), which is incorporated into the FY 2014-15 Adopted Budget.

At a program level, staff also proposes to eliminate/combine redundant and barely used Parks & Rec accounts to simplify the chart of accounts and reflect the structural change at the Westwind Community Barn that eliminates the need to maintain a complex two-program (org) level accounting structure.

The following table provides the summary of consolidated programs and reflects the Adopted FY 2014-15 accounting structure for Parks & Rec Department:

Current Org Structure	Current		Proposed	
	Fund	Org Number	Fund	Org Number
FUND 14 PARKS AND RECREATION PROGRAMS				
Fund Administration	014	0000	deleted	
Park and Recreation Administration	014	1000	011	1000
Equestrian Programs	014	4100	Combined with 5300	
Parks & Rec Fee Programs	014	4110	011	4110
Parks & Rec Special Events	014	4120	011	4120
Parks & Rec Pathway Run/Walk	014	4130	Combined with 4120	
FUND 15 PARKS AND RECREATION FACILITIES				
Fund Administration	015	0000	deleted	
Playing Fields	015	5100	011	5100
Town Riding Ring	015	5110	Combined with 5300	
WWB Operations	015	5200	Combined with 5300	
WWB Facilities	015	5300	011	5300

The Town will maintain a historical accounting data for consolidated programs as part of current and future budget documents, as well as in the financial system.

Westwind Community Barn.

The FY 2014-15 Budget reflects structural changes at the Westwind Barn associated with implementation of the concessionaire model of operation. The Town entered into a three-year agreement with Victoria Dye Equestrian (VDE) in February 2014 to provide facility management, recreation riding and training programs, equine services to 4H and Westwin Riding Institute, as well as promote, increase and develop business at Westwind and reduce the Town’s annual operating deficit.

At this time, the Westwind Barn’s performance is on track as anticipated. The operational loss at the Barn has dropped by approximately 28% from the Actual FY 2012-13 to Estimated Actual FY 2013-14 and is expected to continue going down in the upcoming FY 2014-15.

Budgetary Reserves

The Town’s Fund Balance Policy, states fund balances (or reserves) fall into the following categories: Restricted, Committed, Assigned or Unassigned. In accordance with GASB Statement No. 54 requirements and, the Town policy, the Council established the following designations or General Fund Committed Fund Balances:

- Operating Contingency (\$350,000)
- Disaster Contingency (\$1,250,000)
- Pension Liability Reserve (\$350,000)
- Equipment Replacement (IT) Reserve (\$10,000)

The Town’s committed General Fund balance designation for road rehabilitation program of \$100,000 established by the City Council last year was eliminated, as the FY 2014-15 budget provides appropriation for the annual road rehabilitation project to maintain the current Pavement Condition Index of 77 and prevent accelerated deterioration of the newly recognized public roads.

The General Fund balances for the fiscal years 2014 - 2015 are detailed in the following table. Total operating expenses are also listed to demonstrate the percentage level of reserves required per the Town’s Fund Balance Policy.

GENERAL FUND (RESTRICTED & UNRESTRICTED BALANCES)

Designations	Actual 2011-12	Actual 2012-13	Revised Budget 2013-14	Est. Actual 2013-14	Adopted Budget 2014-15
Beginnning Fund Balance	\$ 5,777,891	\$ 3,119,711	\$ 3,276,434	\$ 3,276,434	\$ 4,275,192
Operating Contingency	\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)
Disaster contingency	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)
Pension liability reserve	(140,000)	(210,000)	(280,000)	(280,000)	(350,000)
Sewer Connect Incentive	(100,000)	(76,150)			
Equipment replacement (IT) reserve			(5,000)	(5,000)	(10,000)
Road maintenance			(100,000)	(100,000)	
Total Designations	\$ (1,840,000)	\$ (1,886,150)	\$ (1,985,000)	\$ (1,985,000)	\$ (1,960,000)
Ending Fund Balance	3,119,711	3,276,434	4,072,628	4,275,192	4,241,180
Undesignated Fund Balance	1,279,711	1,390,284	2,087,628	2,290,192	2,281,180
Total Operating Expenses	6,524,685	5,091,547	6,148,229	6,099,544	6,779,991
Ending Fund Balance as % of Expenses	48%	64%	66%	70%	63%

Establishing Budgets and Budgetary Control

The City Council appropriates the funds necessary to meet operating and capital activities. Budgetary adjustments are only considered within the framework of the adopted budget and the City Council's directions, goals and policies.

Budgetary control is maintained at the department level. The City Manager may approve transfers of appropriation from one program, activity or line-item within or across departments. However, total appropriations within a fund may only be increased with Council approval. Departments monitor and control budgets using the citywide financial system, and through quarterly reports of revenue and expenditure accounts.

The City Council was provided with a summary base budget at the Special Study Sessions on June 2, 2014. During this meeting, the City Manager presented proposed budget and revenue and expenditure options for Council consideration. Based on direction from the City Council, Staff has incorporated those options into the FY 2014-2015 Operating Budget. The proposed budget is presented to Council for consideration during the month of June each year.

MAJOR FUNDS SUMMARIES:

As reported in various published economic reports, the majority of national, state, regional and local indicators point towards a continuously improving economic climate and employment growth. Based on continued gradual growth of regional economy and a strong real estate market, FY 2014-15 projected property tax, building and planning permits assumes further growth from their estimated FY 2013-14 levels.

General Fund

The General Fund is the primary operating fund of the Town and is used to account for most day-to-day activities. It receives unrestricted revenues and provides Town general administrative services, law enforcement and animal control services, and land development-related activities such as planning, building, and engineering. Revenue sources include, but are not limited to property tax, current fees for services, and business registration.

The table below compares FY 2013-14 Revised and Estimated Actual, as well as Adopted FY 2014-15 Budget.

GENERAL FUND SUMMARY (011, 014, 015)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
General Fund (011)	\$ 6,226,837	\$ 6,514,737	\$ 7,926,293	\$ 8,037,397	\$ 9,225,610
P&R Programs Fund (014)	135,630	126,791	36,801	45,800	-
P&R Facilities Fund (015)	265,953	250,104	171,225	205,000	-
General Funds Total Revenues	\$ 6,628,420	\$ 6,891,632	\$ 8,134,319	\$ 8,288,197	\$ 9,225,610

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
General Fund (011)	\$ 5,788,534	\$ 4,329,051	\$ 5,348,453	\$ 5,265,714	\$ 6,779,991
P&R Programs Fund (014)	285,920	303,483	359,732	350,436	-
P&R Facilities Fund (015)	450,221	459,016	440,044	483,395	-
General Funds Total Expenditures	\$ 6,524,675	\$ 5,091,550	\$ 6,148,229	\$ 6,099,545	\$ 6,779,991

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Sale of assets	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in	69,243	71,000	168,786	168,786	-
Transfers (out)	(2,831,158)	(2,107,540)	(1,358,681)	(1,165,973)	(2,479,631)
Total Other Financing Sources (Uses)	\$ (2,761,915)	\$ (2,036,540)	\$ (1,189,895)	\$ (997,187)	\$ (2,479,631)

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Change in Fund Balance (011)	\$ (2,323,612)	\$ (153,552)	\$ 1,387,945	\$ 1,581,788	\$ (34,012)
Change in Fund Balance (014)	(150,290)	126,006	(322,931)	(304,636)	-
Change in Fund Balance (015)	(184,268)	184,269	(268,819)	(278,395)	-
Beginning Fund Balance (011)	5,860,755	3,537,143	3,383,591	3,383,591	4,275,192
Beginning Fund Balance (014)	(82,874)	(233,164)	(107,158)	(107,158)	-
Beginning Fund Balance (015)	-	(184,268)	-	1	-
Ending Fund Balance (011)	3,537,143	3,383,591	4,771,536	4,965,379	4,241,180
Ending Fund Balance (014)	(233,164)	(107,158)	(430,089)	(411,794)	-
Total Ending Fund Balance (011 & 014)	3,303,979	3,276,433	4,341,447	4,553,585	4,241,180
Ending Fund Balance (015)	(184,268)	1	(268,819)	(278,394)	-
Total General Funds Fund Balance	\$ 3,119,711	\$ 3,276,434	\$ 4,072,628	\$ 4,275,192	\$ 4,241,180

Note: Parks & Recreation Funds 014 and 015 have been consolidated into General Fund 011 in FY 2014-15.

The assumptions noted below were applied to the FY 2014-15 Adopted Budget.

FY 2014-15 Base Budget Revenue Assumptions:

- Total General Fund revenue of \$7,265,050 (excluding \$1,867,960 of internal allocations and Parks & Recreation Revenues of \$92,600 described below) show an increase of \$535,507 (8%) from the FY 2013-14 Revised Budget of \$6,729,543 or \$357,639 (5.2%) over the estimated FY 2013-14 Actual;
- Property Tax increase of \$175,000 or 4.2% over Revised FY 2013-14 Budget and is based on the increase in general assessment rolls and information provided by our 3rd party consultants (HDL) which consistent with the prior year’s assumptions;
- Taxes other than property, decrease of \$22,200 or 4.3% is primarily due to a decline from recent elevated levels to more customary business license and property transfer activity levels in FY 2014-15;
- Licenses & Permits increase of \$204,250 or 27.8% over Revised FY2013-14 Budget as a result of adjustments to the Town’s Cost of Services Schedule (User Fees) coupled with a two-year average increase in building permit activity level;

- Franchise fees increase of \$28,200 or 6.6% over the Revised FY 2014-15 Budget or \$11,800 (2.7%) over the Projected FY 2013-14 Actual and is primarily based on trend data from the past fiscal year;
- Use of money and property (mainly including interest earnings and rental income) assumption increase of \$27,600 or 16.1% over the FY 2013-14 Estimated Actual and is based on current investment performance data and an increase in rental income resulting from COLA adjustment per cell tower contracts, as well as transfer of revenues received from the Little League, due to consolidation of Parks & Recreation programs into General Fund;
- Intergovernmental revenue decrease of \$16,000 or 32.6% over the Revised FY 2013-14 Budget is primarily due to decrease in distribution of vehicle code violation fines based on current activity level;
- Charges for current services increase of \$189,909 or 30.1% over the Revised FY 2013-14 Budget primarily due to adjustments to the User Fee Schedule for Planning Permit Services, and using an average of FY 2012-13 Actual and FY 2013-14 Projected activity level assumption;
- Miscellaneous revenue increase of \$38,448 or 74.6% over the Revised FY 2013-14 Budget due to a transfer of Parks & Recreation program revenues of \$67,100 into General Fund per proposed consolidation of these activities, but decreased by \$5,700 or 6% over the Projected FY 2013-14 Budget based on a reduction in available risk management grants (ABAG) for FY 2014-15 in comparison to the current fiscal year;
- Parks & Recreation revenues are reported in General Fund (011) per proposed consolidation described below, and budgeted at \$92,600. This is a decrease of \$114,425 or 55.3% over Revised FY 2013-14 Budget primarily due to structural changes at Westwind Community Barn and implementation of Concessionaire model of operation. This decrease in revenues is counterbalanced by a corresponding decrease in expenditures as the pass-through payments to YRRP instructors are eliminated under the concessionaire model;

FY 2014-15 Base Budget Expenditure Assumptions:

- Total General Fund expenditures of \$6,779,991 an increase of \$410,632 or 6.4% over the Adopted FY 2013-14 budget;
- Salary and Benefit projections include funding for 19.2 FTE which is consistent with the prior year's budget.
- Salary Base Budget includes placeholder of \$92,100 (about 5% of the total base salary budget) to: 1) address regular merit increases, and 2) reserve funds for potential salary adjustments per a comprehensive compensation study to be performed in FY 2014-15. The results of the study will be presented to the Town's Employee Compensation Ad Hoc Committee. Any recommendations for salary adjustments to specific job specifications that may result from this study will be presented to the City Council for approval.
- FY 2014-2015 PERS retirement rates, Tier 1 (2.0 @ 55) 11.84% and Tier 2 (2.0 @ 60) 8.72% are up from prior year rates of 11.1% and 8.67% respectively. Due to recent pension reform, Tier 3 (2% @ 62) for new employees without prior municipal experience is budgeted at a rate of 6.7%.
- Per Town's Employee Compensation Ad Hoc Committee recommendation of multi-year plan to eliminate the employee pension share cost currently paid by the Town for Tier 1 employees, the Town's contribution is continuing to be reduced from 6% to 5% (\$11,900) to a total savings of \$23,500 over two years.

- PERS Medical rates will continue to increase by approximately 8% per year. The FY 2014-15 Base Budget assumes that the Town will continue with the previously implemented cost-sharing model where employees share 10% of the cost for dependent coverage based on average cost of existing CalPERS health plans;
- Funding for Other Post Employment Benefit (OPEB) of \$119,000 or 100% of Annual Required Contribution (ARC), which included the pay-as-you-go payment to retirees, as per latest Actuarial Study report prepared by Bartel & Associates. At the Budget Study Session Council authorized additional appropriation of \$97,000 for pay as you go payment to retirees to a total OPEB Budget of \$216,000. The FY 2014-15 Budget assumes the full ARC investment in the OPEB CERBT Trust in addition to a separate line-item budget for direct payments to retirees.
- Continuing use of temporary hourly Maintenance Worker position (0.4 FTE) to replace contract with IMPEC Group (\$17,800);
- Continuing use of part-time contractual help in Finance Department (\$34,000);
- Base operating expenses were increased by 3% with certain professional services contractual obligations increasing by 5% on average. Water Rates with CalWater and Purissima Hills Water District assume an increase of 7%, and IT services provided by the City of Redwood City increased by 4.5%;
- General Liability and Workers compensation premiums are budgeted at \$135,200 and \$90,800 which is 10% and 20% increase over the Adopted FY 2013-14 Budget respectively. This increase in General Liability and Workers compensation premiums is likely to be overrated based on expected favorable adjustments in experience modification from the prior losses, but ABAG Plan has not yet presented the FY 2014-15 Budget to the Board of Directors. Any unused portion of the premium will be reallocated to a claim settlement budget. The FY 2014-15 Budget also continues funding the cost of supplemental traffic enforcement of \$40,000 in the Citizens' Option for Public Safety (COPS) Grant Fund.

The FY 2014-15 Budget reflects a total General Fund (Fund 011) fund balance projection of \$4.24 million, including both restricted and unrestricted balances, and represents a decrease \$34,012 or 0.8% compared to the FY 2013-14 estimated ending fund balance of \$4.28 million.

Wastewater (Sewer) Fund Budget:

The Wastewater or Sewer Fund is the Town's only enterprise fund and is used to account for sewage treatment, transmission, major replacements and improvements to the Town's sewer system. Revenues recorded in the Sewer Fund can only be used to fund sewer-related projects.

The Town contracts with the Regional Water Quality Control Plant (RQCP) in Palo Alto and the City of Los Altos for sewer conveyance and treatment. 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.

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 charged to pay for necessary future sewer system capital improvements and capacity. All new connections also result in an increase to sewer assessment revenues.

Below are the highlights of the assumptions used in developing the FY 2014-15 Sewer Budget:

- Revenues are budgeted \$1,533,900 or 0.3% higher than the Adopted FY 2013-14 Budget of \$1,529,900 and assume no Proposition 218 sewer rate increase in the upcoming year and based on the assumption of 15 additional connections to the Town’s sewer infrastructure. The FY 2013-14 Estimated Actual revenues are projected to be \$1,530,700.
- Sewer Treatment Plant operations are budgeted to \$817,700, which is \$39,500 or 5% higher than the Adopted FY 2013-14 Budget based on City of Palo Alto’s estimated expenditures.
- Salaries and Benefits are budgeted \$165,391 or \$54,485 higher than the Adopted FY 2013-14 Budget due to an additional allocation of 0.3 FTE of the Senior Engineer position to the Sewer Fund;
- Other operating expenditures are budgeted at \$1,041,933, which is \$319,474 higher than the Adopted FY 2013-14 Budget of \$722,459 primarily due to budget requests described on page 5 and an increase of \$105,054 in Cost Allocation Plan (CAP) overhead allocations;
- Capital projects are budgeted at \$515,000 which is \$26,200 or 5.4% higher than the Adopted FY 2013-14.

The table below summarizes the current Revised FY 2013-14 Budget, projections for FY 2013-14 Actual, and the FY 2014-15 Adopted Sewer Fund Budget.

SEWER FUNDS SUMMARY (051, 048)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Sewer operations (051)	\$ 1,536,983	\$ 1,481,600	\$ 1,527,000	\$ 1,530,700	\$ 1,531,000
Sewer capital (048)	3,640	3,640	2,900	-	2,900
Total Revenues	\$ 1,540,623	\$ 1,485,240	\$ 1,529,900	\$ 1,530,700	\$ 1,533,900

Expenses	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Sewer operations (051)	\$ 1,328,855	\$ 1,242,885	\$ 1,681,565	\$ 1,623,565	\$ 2,025,024
Sewer capital (048)	-	-	505,000	507,000	515,000
Total Expenses	\$ 1,328,855	\$ 1,242,885	\$ 2,186,565	\$ 2,130,565	\$ 2,540,024

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in (051)	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in (048)	-	-	-	-	-
Transfers out (051)	(69,243)	(71,000)	-	-	-
Transfers out (048)	-	-	-	-	-
Total net transfers	\$ (69,243)	\$ (71,000)	\$ -	\$ -	\$ -

Total Net Assets	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Change in Fund Equity (051)	\$ 138,885	\$ 167,715	\$ (154,565)	\$ (92,865)	\$ (494,024)
Change in Fund Equity (048)	3,640	3,640	(502,100)	(507,000)	(512,100)
Beginning Total Fund Equity (051)	5,071,284	5,210,169	5,377,884	5,377,884	5,285,019
Beginning Total Fund Equity (048)	2,154,148	2,157,788	2,161,428	2,161,428	1,654,428
Ending Total Fund Equity (051)	5,210,169	5,377,884	5,223,319	5,285,019	4,790,995
Ending Total Fund Equity (048)	2,157,788	2,161,428	1,659,328	1,654,428	1,142,328
Less: Invested in Fixed Assets	(4,452,208)	(4,312,151)	(4,312,151)	(4,312,151)	(4,312,151)
Sewer Fund Unrestricted Fund Equity	\$ 2,915,749	\$ 3,227,161	\$ 2,570,496	\$ 2,627,296	\$ 1,621,172

The Sewer net assets at the end of FY 2014-2015 is estimated to be \$4.79 million (operations) and \$1.14 million (capital) which is 9.34% and 30.9% (respectively) lower than the net assets estimated at the end

of FY 2013-2014. This is a direct result of one-time capital infrastructure costs in fund 48 and an increase in contractual services and allocation cost in fund 51.

Total Net Assets	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
Ending Total Net Assets	\$ 7,367,957	\$ 7,539,312	\$ 6,882,447	\$ 6,939,447	\$ 5,933,323
Invested in capital assets	(4,452,208)	(4,312,151)	(4,312,151)	(4,312,151)	(4,312,151)
Fund Net Assets Less Capital Investments	2,915,749	3,227,161	2,570,496	2,627,296	1,621,172
Total Operating Expenses	1,328,855	1,242,885	2,186,565	2,130,565	2,540,024
Unrestricted Net Assets as % of Expenses	219%	260%	118%	123%	64%

Other Funds

The Town’s Special Revenue Funds are used to account for revenue sources for which expenditures are restricted, by law or administrative action, to specific purposes. The Adopted FY 2014-15 Budget assumed no fee or activity changes for Sewer, Storm Drain, Pathway, and Street special revenue funds.

Storm Drain Fund is used to account for revenues from drainage fees, which are designated for storm drain maintenance streams, improvement, and construction.

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 \$0.69 per square foot of development within the public right-of-way or easements and, for development area added, \$0.96 per square foot for impermeable structures and \$0.69 per square foot for semi-permeable structures.

The FY 2014-15 Adopted Budget includes appropriation of \$138,800 for annual storm drain capital program.

Pathway In-Lieu Fee Fund is used to account for revenues from pathway in-lieu fees, which are designated for pathway maintenance, improvement, and construction.

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. The Adopted FY 2014-15 Budget provides funding of \$156,700 for annual pathway capital program.

Parks and Recreation Facilities Fee Fund is used to account for revenues from parks and recreation in-lieu fees, which are designated for park maintenance, improvement, and construction. In January 2014, City Council authorized re-appropriation of the Parks and Recreation Facilities fund balance to fund a contract for Lower Base and Footing Renovation Project at Westwind Barn in the amount of \$134,500. This decision reduced the ending fund balance for this fund from \$132,006 in FY 2012-13 to \$37,506 estimated year-end actual balance for FY 2013-14. The estimated FY 2014-15 ending fund balance is \$79,506.

Street Fund is used to account for State of California Gas Tax revenues and developer fees for street excavation, which are designated for street maintenance, improvement, and construction. A modest increase of 2.5% was applied to gas tax revenues.

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 adopted FY 2014-15 Budget includes appropriation of \$1,150,000 as capital expenditures for the FY 2014-15 pavement rehabilitation projects to maintain the current Pavement Condition Index of 77 prevent accelerated deterioration of the newly recognized public roads. The Adopted FY 2014-15 Budget also includes appropriation of \$40,000 for El Monte Road Rehabilitation Project. Staff has secured tentative approval from VTA for construction grant funds in the amount of \$186,000 for this project.

Citizens' Option for Public Safety (COPS) Grant Fund is used to account for revenues from Citizens' Option for Public Safety program, which are designated for public safety.

The Public Safety Grant Funds, a \$100,000 grant from the State of California titled COPS, is special funding source used for emergency communications supplies and equipment and code enforcement.

The FY 2014-15 Adopted Budget included additional appropriation of \$11,000 for code enforcement and continues funding the Town's Emergency Preparedness and supplemental traffic enforcement contracts of \$25,000 and \$40,000 respectively.

Westwind Barn CIP Fund is used to account for capital projects at Westwind Community Barn financed by Verizon Cell Tower revenues. These revenues include a CPI increase of 2.5% for the FY 2014-15 Adopted Budget. The appropriations include additional funding for construction of two additional paddocks (\$15,700) and video surveillance upgrade at Westwind Barn \$25,000).

General Fund CIP Fund is used to account for general capital projects including building construction, technology purchases and other infrastructure needs. The main source of revenues comes from the General Fund and special grants if available. The main source of revenues comes from the General Fund. FY 2014-15 appropriations total \$244,075 and no projects are identified at this time.

Town Debt Service Funds are used to account for the accumulation of annual tax levies earmarked for payment of principal and interest on the loans from California Energy Commission that were used to finance the energy efficiency and conservation improvements at the Town buildings. Total appropriations for FY 2014-15 are \$19,600 to pay for debt service due during this fiscal year.

Additional information about the FY 2014-15 Adopted Budget for the Town's special revenue funds could be found in the Financial Summaries section of this document.

The table below provides details on the Town's Fund Balances by each fund.

**Town of Los Altos Hills
 FY 2014-2015 Fund Balance**

Fund	Fund Description	Projected Beginning Fund Balance as of 7/1/14	Projected Revenues	Projected Expenditures	Projected Transfers In	Projected Transfers Out	Projected Ending Fund Balance as of 6/30/15	Change in Fund Balance
011	General Fund	\$ 4,275,192	\$ 9,225,610	\$ 6,779,991	\$ -	\$ 2,479,631	\$ 4,241,180	\$ (34,012)
012	Storm Drain Operations	417,410	132,500	381,351	387,651	138,800	417,410	-
013	Pathways Operations	597,167	188,000	488,081	446,781	146,700	597,167	-
014	Parks & Recreation Programs	-	-	-	-	-	-	-
015	Parks & Recreation Facilities	-	-	-	-	-	-	-
016	Parks & Recreation In-Lieu Fee	37,505	42,000	-	-	-	79,505	42,000
017	Street Operations	285,000	180,100	436,924	256,824	-	285,000	-
018	Roadway Impact Fee	-	-	-	-	-	-	-
021	COPS	101,774	100,100	149,504	-	-	52,370	(49,404)
033	CEC Loan 024-03-ECB	-	-	15,370	15,370	-	-	-
034	CEC Loan 003-09-ECD	-	-	4,230	4,230	-	-	-
041	General CIP	6,973	98,425	342,500	244,075	-	6,973	-
042	Pathways CIP	171,499	10,000	156,700	146,700	-	171,499	-
043	Westwind Barn CIP Admin	72,830	43,000	40,700	-	-	75,130	2,300
045	Storm Drain CIP	52,545	-	138,800	138,800	-	52,545	-
046	Street CIP	46,562	216,000	1,340,700	1,124,700	-	46,562	-
048	Sewer CIP	1,654,428	2,900	515,000	-	-	1,142,328	(512,100)
051	Sewer Oper - Net of Fixed Assets	972,868	1,531,000	2,025,024	-	-	478,844	(494,024)
TOTAL		\$ 8,691,753	\$ 11,769,635	\$ 12,814,875	\$ 2,765,131	\$ 2,765,131	\$ 7,646,513	\$ (1,045,240)

Basis of Budgeting and Accounting

The Town’s accounting system is maintained on a fund basis in accordance with governmental accounting standards. Each fund is considered a separate accounting entity with a self-balancing set of accounts that record assets, liabilities, fund equity, revenue and expenditures. All governmental funds are budgeted and accounted for using the modified accrual basis of accounting, which recognizes revenues when they become susceptible to accrual - i.e. measurable and available. Expenditures are recognized when the related fund liability is incurred.

Fiscal Year 2015-2020 General Fund Long Range Financial Forecast

The Fiscal Year 2015-2020 General Fund Long Range Financial Forecast (LRFF) is prepared and presented as part of FY 2014-15 Adopted Budget. As the LRFF shows on pages 30-31, during this Forecast Period, net revenues over expenditures range from negative \$34,012 in FY 2014-15 to a surplus of \$114,100 to \$199,400 in the remaining forecasted fiscal years. Although the LRFF presents a positive fiscal outlook for the City’s General Fund, it is important to note that it does not fully reflect the negative impact of increases in Town’s retirement contributions to CalPERS and long-term increases in medical premium costs. Town will continue to maintain a balance with ongoing revenues and personnel costs as part of its overall strategic financial planning.

GANN ANNUAL APPROPRIATION LIMIT FISCAL YEAR 2014-15

Appropriations Limitation, imposed by Propositions 4 and 111, establishes a formula to restrict the amount of revenues that can be appropriated in any fiscal year. The Limit is based on actual appropriations for base fiscal year 1978-79 and is increased annually using the growth in population and a price adjustment index within the Town during the year.

Revenues that are restricted to the limitation are those which are referred to as “proceeds of taxes,” such as property tax and business license tax.

The Town must adopt an appropriation limit for each fiscal year. Beginning with the fiscal year 1990-1991, the law provides the local agency an option to calculate the adjustment factors by the following:

Price Factor: Either the percentage change in the California Per Capita Income or the percentage change in the local assessment roll from the preceding year due to the addition of local non-residential construction.

Population Factor: Either the Town’s own population growth or the population growth of the entire County.

In 1980, the State Legislature added Division 9 to Title I of the Government Code to implement Article XIII B. This legislation required the governing body of each local jurisdiction in California to establish a tax appropriations limit on or before June 30 of each year for the following fiscal year, pursuant to which the Town of Los Altos Hills has been establishing this limit.

Annual changes in the price factor adjustment or population factor do not affect the Town’s compliance with the Gann Tax Appropriations Limit in prior years.

**TOWN OF LOS ALTOS HILLS
 GANN APPROPRIATIONS LIMIT CALCULATIONS
 FISCAL YEAR 2014-2015
 June 19, 2014**

A. Calculation of 2014-15 Appropriations Limit

Prior Year Appropriation Limit	\$ 5,729,308
Annual Change Factors	
Cost of living adjustment factors	
California per capita personal income (CPCPI)	1.0200
Population adjustment factors	
Town of Los Altos Hills (LAH)	1.0120
County of Santa Clara (SCC)	1.0090
Authorized Adjustment Factor	
CPCPI X LAH Population change	1.0322
2014-15 Appropriation Limit as adjusted	
Prior year limit x Authorized Adjustment Factor	\$ 5,914,021

B. 2014-15 Estimated Tax Proceeds Subject to Appropriations Limit

<u>Property taxes</u>	
Current secured and unsecured	\$ 3,403,600
In-lieu of vehicle license fees & triple flip	856,500
Supplemental taxes	49,500
Homeowner's property tax exemption	19,900
Subtotal all property taxes	\$ 4,329,500
<u>Other Taxes</u>	
General sales tax	\$ 79,100
Property transfer taxes	150,000
Business tax	211,000
Public safety sales tax	49,100
Subtotal all other taxes	\$ 489,200
Total estimated tax proceeds subject to appropriations limit	\$ 4,818,700

C. 2014-15 Appropriations Subject to Limit

<u>Appropriations supported by tax proceeds</u>	
Administration	\$ 2,017,550
Committees and Grants	409,620
Public Safety	1,245,985
Planning, Building, Engineering (net of user fees)	1,424,538
Parks & Recreation (net of user fees)	535,888
Total appropriations subject to limit	\$ 5,633,581

D. Over (Under) Appropriations Limit

Appropriations limit as adjusted	\$ 5,914,021	
Total appropriations subject to limit	<u>5,633,581</u>	
Appropriations Over (Under) Appropriations Limit		\$ (280,440)
		-5%

RESOLUTION 28-14

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF LOS ALTOS HILLS ADOPTING THE FISCAL YEAR 2014-15 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 2014-15 Operating and Capital Improvement Program Budget and Employee Compensation Plan for fiscal year 2014-15; and

WHEREAS, the City Council of the Town of Los Altos Hills now desires to adopt the 2014-15 Fiscal Year Appropriations Limit, Operating and Capital Improvement Program Budgets, and Employee Compensation Plan for fiscal year 2014-15;

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 2014-15 of \$5,914,021 as set forth in GANN Appropriation Limit Calculation.
2. The City Council does hereby approve and adopt the Town's budget of \$12,814,875 for fiscal year 2014-15 consisting of appropriations and inter-fund transfers as set forth in Proposed All Fund Summary section of the Fiscal Year 2014-15 Budget and the Employee Compensation Plan as set forth in the 2014-15 Compensation Plan section of the Fiscal Year 2014-15 Budget.
3. The amount of the 2014-15 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 GANN Appropriation Limit Calculation section. 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 2014-15 fiscal year.

The above and foregoing resolution was passed and adopted by the City Council of the Town of Los Altos Hills at a regular meeting held on the 19th day of June, 2014 by the following vote:

AYES: Radford, Corrigan, Harpootlian, Larsen, Waldeck

NOES: None

ABSTAIN: None

ABSENT: None

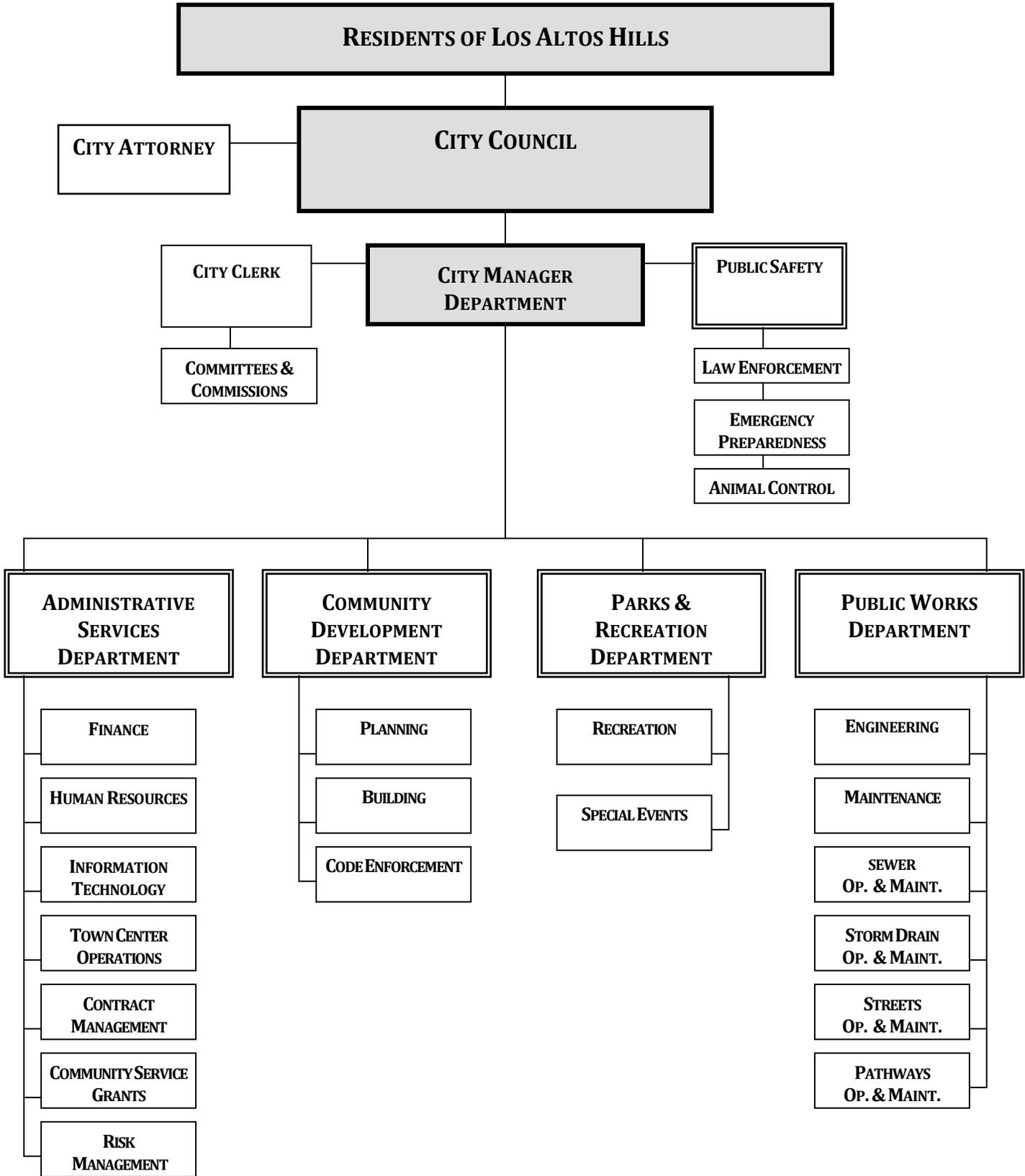
BY: 
John Radford, Mayor

ATTEST:


Deborah Padovan, City Clerk

Organizational Charts

Town of Los Altos Hills Organizational Chart



Town of Los Altos Hills Commissions & Committees

**City Council
5 members**

**PLANNING COMMISSION
5 MEMBERS**

**LA-LAH SENIOR COMMISSION
2 MEMBERS**

**EDUCATION
COMMITTEE
UP TO 11 MEMBERS**

**EMERGENCY
COM. COMMITTEE
UP TO 25 MEMBERS**

**ENVIRONMENTAL DESIGN &
PROTECTION COMMITTEE
UP TO 8 MEMBERS**

**ENVIRONMENTAL INITIATIVES
COMMITTEE
UP TO 11 MEMBERS**

**PATHWAYS COMMITTEE
UP TO 11 MEMBERS**

**TRAFFIC SAFETY
COMMITTEE
UP TO 10 MEMBERS**

**LA-LAH JOINT COMMUNITY
VOLUNTEER AWARDS
COMMITTEE
5 MEMBERS**

**FINANCE & INVESTMENT
COMMITTEE
UP TO 11 MEMBERS**

**HISTORY COMMITTEE
UP TO 9 MEMBERS**

**WATER CONSERVATION
COMMITTEE
UP TO 7 MEMBERS**

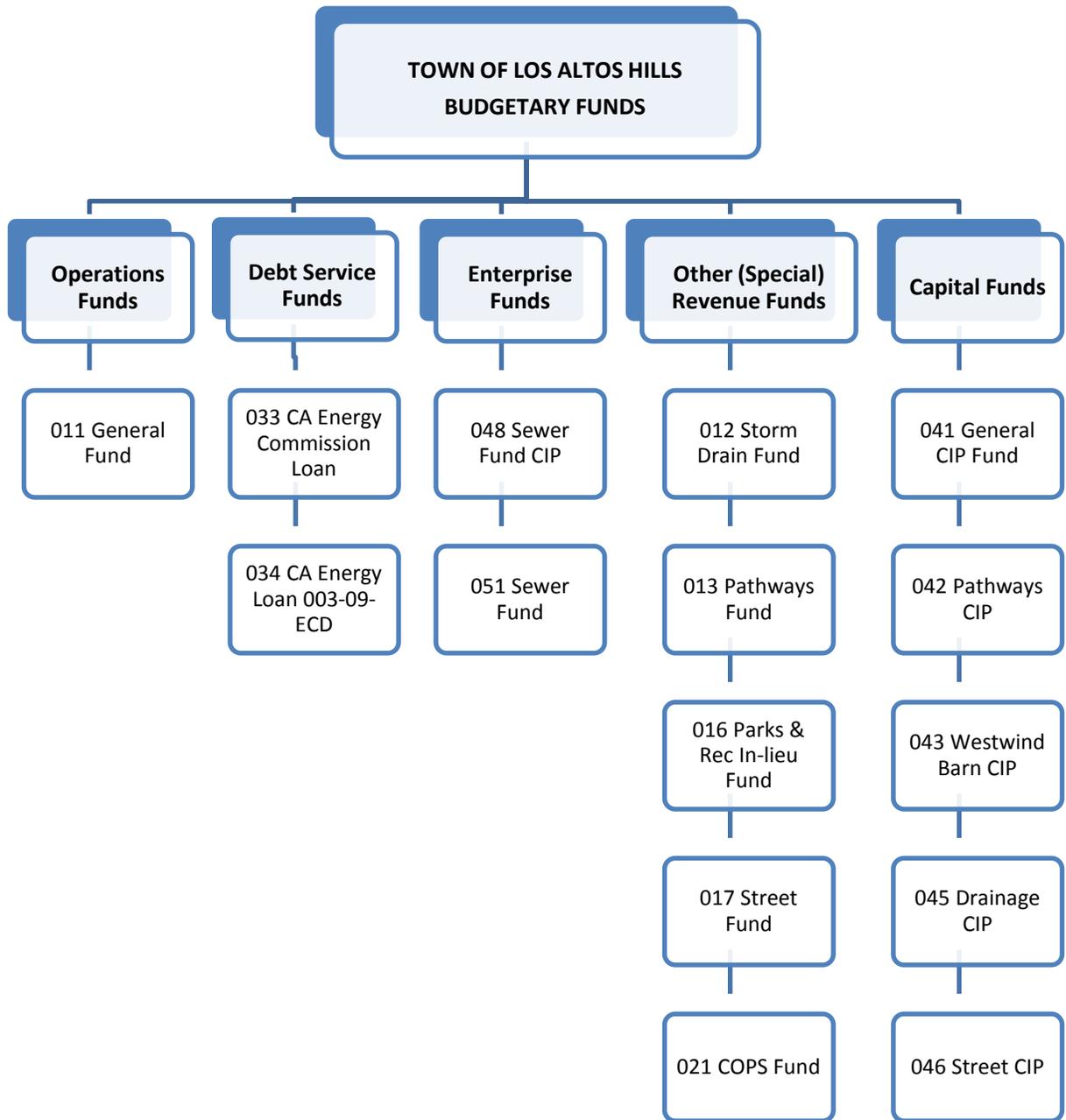
**PARKS & RECREATION
COMMITTEE
UP TO 10 MEMBERS**

**COMMUNITY RELATIONS
COMMITTEE
UP TO 11 MEMBERS**

**YOUTH COMMISSION
20 MEMBERS**

Financial Summaries

Town of Los Altos Hills Fund Structure

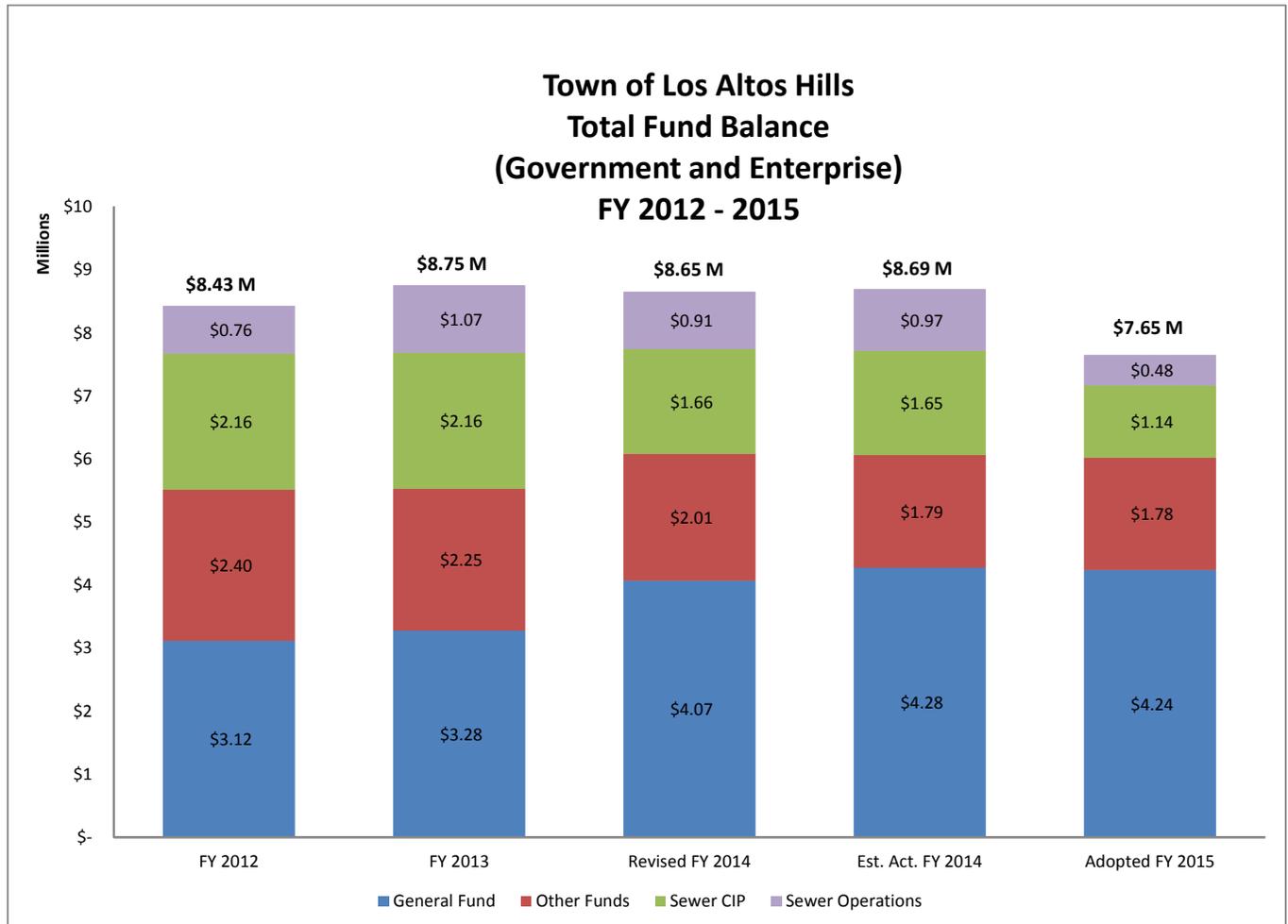


Fund Descriptions:

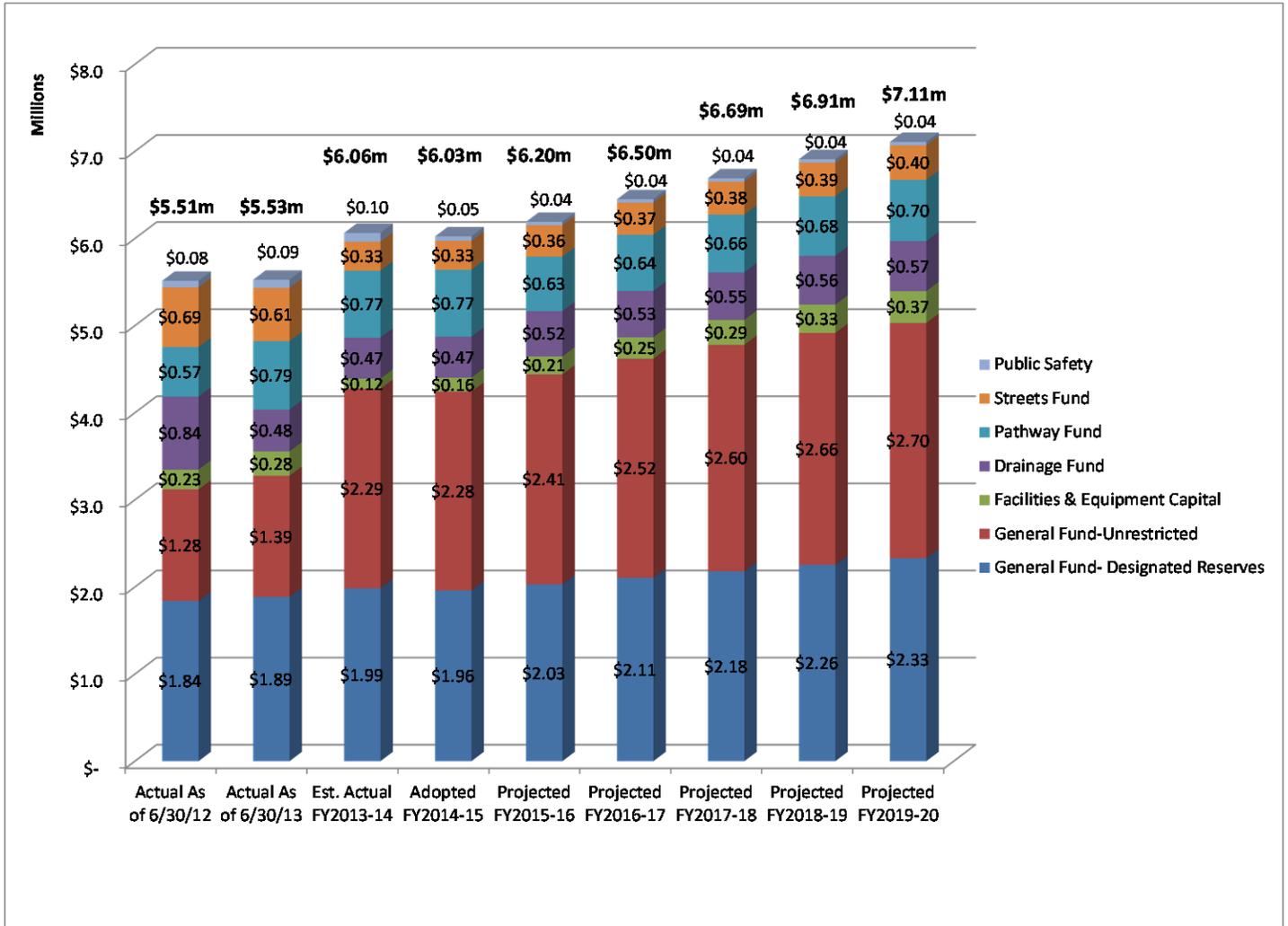
011	<i>General Fund</i> is the primary operating fund of the Town and is used to account for most day-to-day activities. Revenue sources include (but are not limited to) property tax, current fees for services, and business registration.
012 045	<i>Storm Drain Fund</i> are used to account for revenues from drainage fees, which are designated for storm drain maintenance, improvement, and construction.
013 042	<i>Pathway Funds</i> are used to account for revenues from pathway in-lieu fees, which are designated for pathway maintenance, improvement, and construction.
014	<i>Parks & Recreation Programs Fund</i> is used to account for recreation services, programs and activities, This fund is consolidated into General Fund 011 in the FY 2014-15 Budget
015	<i>Parks & Recreation Facilities Fund</i> is used to account for revenues received from boarding at Westwind Barn, which are expended on operation and maintenance of Westwind Community Barn, This fund is consolidated into General Fund 011 in the FY 2014-15 Budget
016	<i>Parks & Recreation in-lieu Fund</i> is used to account for development revenues from parks and recreation in-lieu fees which are designated for park maintenance, improvement, construction, and acquisition.
017 046	<i>Street Fund</i> is used to account for revenue received and expended under the State of California, Street and Highways Code Sections 2106, 2107 and 2107.5 (commonly referred to as Gas Tax). These revenues must be expended for maintenance or construction of streets.
021	<i>Police Grants</i> are used to account for grant activities and services paid for and reimbursed by grant funding. This fund includes grants from the following funding source: Supplemental Law Enforcement Services Account (SLESA) – Under the SLESA program (commonly referred to as the Citizens Option for Public Safety, or COPS grant), cities and counties receive state funds to augment public safety expenditures.
041	<i>General CIP Fund</i> is used to account for general capital projects including building construction, technology purchases and other infrastructure needs The main source of revenue comes from the General Fund.
043	<i>Westwind Barn CIP Fund</i> is used to account for capital projects at Westwind Community Barn financed by Verizon Cell Tower revenue.
048 051	<i>Enterprise Fund</i> or the <i>Wastewater (Sewer) Fund</i> is used to account for town operations that are financed and operated like private business enterprises. The Sewer Fund is used to account for sewage treatment, transmission, major replacements and improvements to the City’s sewer system.
033 034	<i>Town Debt Service Funds</i> are used to account for the accumulation of annual tax levies earmarked for payment of principal and interest on the loans from the California Energy Commission that were used to finance the energy efficiency and conservation improvements.

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 capital investments section of this document. The Sewer Fund has been excluded from the Governmental Funds Chart because it is an enterprise fund and receives no support for general tax dollars, user fees, or State/Federal grant funds.

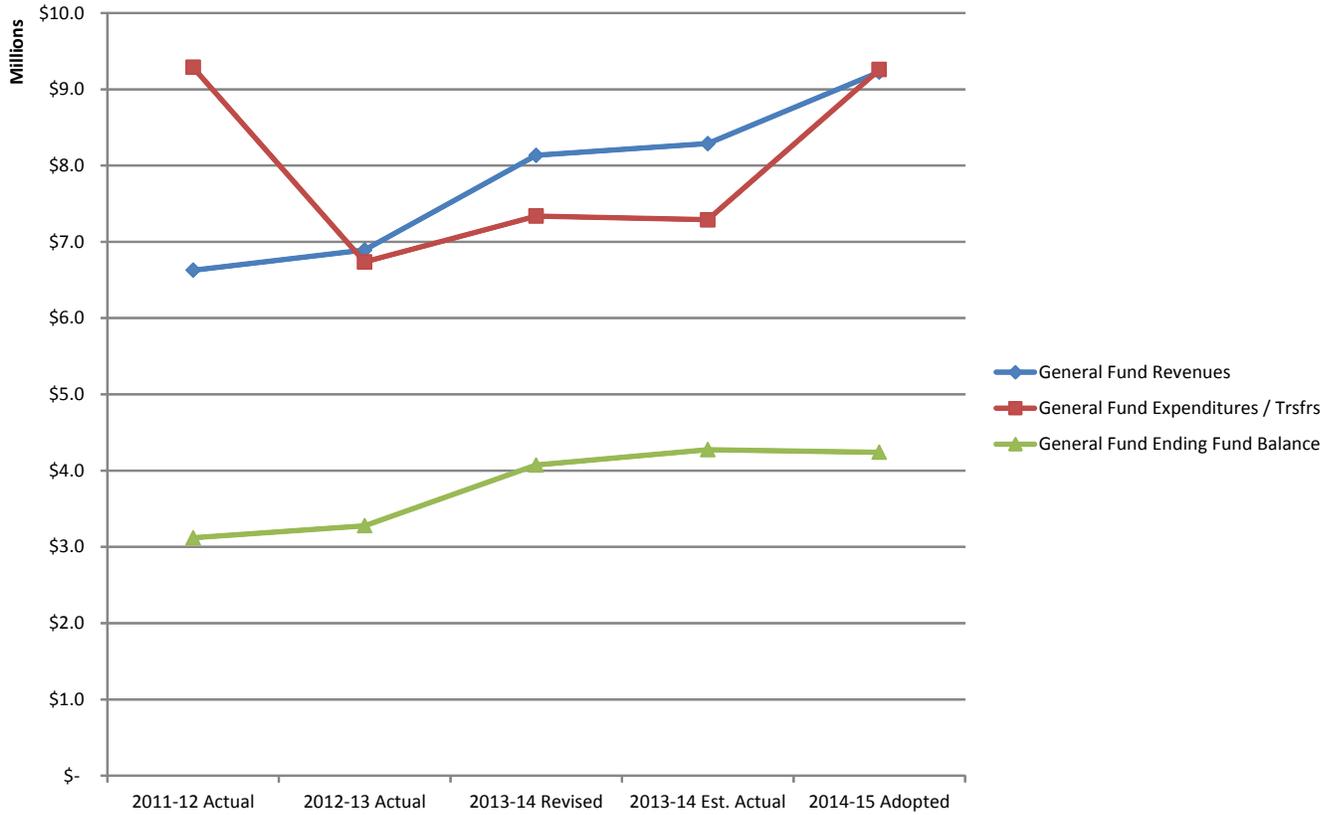


Town of Los Altos Hills Governmental Funds Fund Balance Trend



	Actual As of 6/30/12	Actual As of 6/30/13	Est. Actual FY2013-14	Adopted FY2014-15	Projected FY2015-16	Projected FY2016-17	Projected FY2017-18	Projected FY2018-19	Projected FY2019-20
General Fund- Designated Reserves	\$ 1,840,000	\$ 1,886,150	\$ 1,985,000	\$ 1,960,000	\$ 2,030,000	\$ 2,105,000	\$ 2,180,000	\$ 2,255,000	\$ 2,330,000
General Fund-Unrestricted	1,279,711	1,390,284	2,290,191	2,281,180	2,410,580	2,515,180	2,598,980	2,660,880	2,699,980
Facilities & Equipment Capital	226,921	280,407	117,307	161,607	205,710	245,710	285,710	325,710	365,710
Drainage Fund	838,075	478,860	469,955	469,955	520,448	533,348	546,648	560,348	574,448
Pathway Fund	569,192	785,707	768,666	768,666	625,100	643,600	662,600	682,200	702,400
Streets Fund	685,510	611,475	331,563	331,562	359,839	368,639	377,739	387,039	396,639
Public Safety	75,384	94,273	101,774	52,370	40,000	40,000	40,000	40,000	40,000
Total All Funds	\$ 5,514,793	\$ 5,527,157	\$ 6,064,456	\$ 6,025,340	\$ 6,191,677	\$ 6,451,477	\$ 6,691,677	\$ 6,911,177	\$ 7,109,177

Town of Los Altos Hills Trends in General Fund Revenues, Expenditures and Fund Balance



**Town of Los Altos Hills
 All Funds Summary
 FY 2014-15 Adopted Budget**

Fund Name	General Fund		Storm Drain		Pathways		Streets		Debt Svc	COPS	Subtotal	Sewer			All Funds
	011	041, 043, 016	012	045	013	042	017	046	032, 033, 034	021	All	051	048	048, 051	Total
Fund #	Operations	Capital	Operations	Capital	Operations	Capital	Operations	Capital	Operations	Operations	Govt. Funds	Operations	Capital	Op/Capital	Total
Revenues	\$ 9,225,610	\$ 183,425	\$ 132,500	\$ -	\$ 188,000	\$ 10,000	\$ 180,100	\$ 216,000	\$ -	\$ 100,100	\$ 10,235,735	\$ 1,531,000	\$ 2,900	\$ 1,533,900	\$ 11,769,635
Expenditures	6,779,991	383,200	381,351	138,800	488,081	156,700	436,924	1,340,700	19,600	149,504	10,274,851	2,025,024	515,000	2,540,024	12,814,875
Transfers In / (Out)	(2,479,631)	244,075	248,851	138,800	300,081	146,700	256,824	1,124,700	19,600	-	\$ -	-	-	-	-
Net Change	(34,012)	44,300	-	-	-	-	-	-	-	(49,404)	(39,116)	(494,024)	(512,100)	(1,006,124)	(1,045,240)
Beginning Fund Balance	4,275,192	117,308	417,410	52,545	597,167	171,499	285,000	46,562	-	101,774	6,064,457	5,285,019	1,654,428	6,939,447	13,003,904
Invested in Capital Assets	-	-	-	-	-	-	-	-	-	-	\$ -	(4,312,151)	-	(4,312,151)	(4,312,151)
Ending Fund Balance	\$ 4,241,180	\$ 161,608	\$ 417,410	\$ 52,545	\$ 597,167	\$ 171,499	\$ 285,000	\$ 46,562	\$ -	\$ 52,370	\$ 6,025,341	\$ 478,844	\$ 1,142,328	\$ 1,621,172	\$ 7,646,513

GENERAL FUND FORECAST
GENERAL FUND
(Funds 011, 014, 015)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est Actual
Property taxes	\$ 3,543,231	\$ 3,785,652	\$ 4,157,700	\$ 4,179,519
Taxes other than property	423,353	545,227	511,400	511,400
Franchise fees	430,149	421,634	425,200	441,631
Licenses and permits	609,108	729,106	734,900	787,941
Use of money and property	155,587	166,735	193,600	186,500
Intergovernmental	58,370	66,355	49,100	44,836
Charges for services	976,834	753,608	631,091	674,877
Miscellaneous	431,788	423,315	234,577	331,508
Internal Allocations	-	-	1,196,750	1,129,986
Total Revenues	\$ 6,628,420	\$ 6,891,632	\$ 8,134,318	\$ 8,288,197

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est Actual
Administration	\$ 2,830,900	\$ 1,363,141	\$ 1,257,850	\$ 1,218,911
Public safety	965,052	1,047,501	1,220,984	1,215,984
Parks & Recreation	\$ 736,141	\$ 762,499	\$ 799,776	\$ 833,830
Community development	1,992,582	1,918,409	2,869,619	2,830,819
Total Expenditures	\$ 6,524,675	\$ 5,091,550	\$ 6,148,229	\$ 6,099,544

Operating Surplus (Deficit)	\$ 103,745	\$ 1,800,083	\$ 1,986,089	\$ 2,188,654
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est Actual
Sale of assets	\$ -	\$ -	\$ -	\$ -
Operating transfers in	69,243	71,000	168,786	168,786
Operating transfers (out)	(2,166,158)	(534,360)	(900,181)	(900,181)
Capital transfers in	-	-	-	-
Capital transfers (out)	(665,000)	(1,180,000)	(458,500)	(458,500)
Total transfers	\$ (2,761,915)	\$ (1,643,360)	\$ (1,189,895)	\$ (1,189,895)

Net Change in Fund Balance	\$ (2,658,170)	\$ 156,723	\$ 796,194	\$ 998,759
Beginning Fund Balance	\$ 5,777,881	\$ 3,119,711	\$ 3,276,434	\$ 3,276,434
Ending Fund Balance	\$ 3,119,711	\$ 3,276,434	\$ 4,072,628	\$ 4,275,192

Designations	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est Actual
Operating contingency	\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)
Disaster contingency	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)
Pension liability reserve	(140,000)	(210,000)	(280,000)	(280,000)
Sewer Connect Incentive	(100,000)	(76,150)	-	-
Equipment replacement (IT) reserve	-	-	(5,000)	(5,000)
Road maintenance	-	-	(100,000)	(100,000)
Total Designations	\$ (1,840,000)	\$ (1,886,150)	\$ (1,985,000)	\$ (1,985,000)

Undesignated Fund Balance	\$ 1,279,711	\$ 1,390,284	2,087,628	2,290,192
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Schedule of transfers from the General Fund

Operating Transfers Out	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est Actual
Parks & recreation programs	\$ -	\$ -	\$ -	\$ -
Parks & recreation facility	\$ -	\$ -	\$ -	\$ -
Debt service	(1,438,139)	(21,702)	(19,585)	(19,585)
Drainage	(331,325)	(241,917)	(433,297)	(433,297)
Pathways	(326,565)	(270,743)	(334,276)	(334,276)
Streets	(70,129)	-	(113,023)	(113,023)
Total operating transfers out	\$ (2,166,158)	\$ (534,362)	\$ (900,181)	\$ (900,181)

Capital Transfers Out	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est Actual
Facilities & Equipment Capital	\$ (15,000)	\$ -	\$ (89,300)	\$ (89,300)
Westwind Barn	-	-	-	-
Drainage	-	-	-	-
Pathways	-	(425,000)	-	-
Streets	(650,000)	(755,000)	(369,200)	(369,200)
Total capital transfers out	\$ (665,000)	\$ (1,180,000)	\$ (458,500)	\$ (458,500)

Total Transfers Out	\$ (2,831,158)	\$ (1,714,362)	\$ (1,358,681)	\$ (1,358,681)
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GENERAL FUND FORECAST
GENERAL FUND
(Funds 011, 014, 015)

2014-15 Adopted	2015-16 Projected	2016-17 Projected	2017-18 Projected	2018-19 Projected	2019-20 Projected
\$ 4,332,700	\$ 4,462,700	\$ 4,596,600	\$ 4,734,500	\$ 4,876,500	\$ 5,022,800
489,200	494,100	499,000	504,000	509,000	514,100
453,400	462,500	471,800	481,200	490,800	500,600
939,150	967,300	996,300	1,026,200	1,057,000	1,088,700
199,100	205,100	211,300	217,600	224,100	230,800
33,100	33,300	33,500	33,700	33,900	34,100
821,000	837,400	854,100	871,200	888,600	906,400
90,000	90,000	90,000	90,000	90,000	90,000
1,867,960	1,924,000	1,981,700	2,041,200	2,102,400	2,165,500
\$ 9,225,610	\$ 9,476,400	\$ 9,734,300	\$ 9,999,600	\$ 10,272,300	\$ 10,553,000

2014-15 Adopted	2015-16 Projected	2016-17 Projected	2017-18 Projected	2018-19 Projected	2019-20 Projected
\$ 1,987,550	\$ 2,047,200	\$ 2,108,600	\$ 2,171,900	\$ 2,237,100	\$ 2,304,200
1,245,985	1,283,400	1,321,900	1,361,600	1,402,400	1,444,500
628,488	647,300	666,700	686,700	707,300	728,500
2,917,968	3,005,500	3,095,700	3,188,600	3,284,300	3,382,800
\$ 6,779,991	\$ 6,983,400	\$ 7,192,900	\$ 7,408,800	\$ 7,631,100	\$ 7,860,000

\$ 2,445,619	\$ 2,493,000	\$ 2,541,400	\$ 2,590,800	\$ 2,641,200	\$ 2,693,000
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2014-15 Adopted	2015-16 Projected	2016-17 Projected	2017-18 Projected	2018-19 Projected	2019-20 Projected
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
(1,110,856)	(1,143,600)	(1,177,300)	(1,212,000)	(1,247,700)	(1,284,600)
-	-	-	-	-	-
(1,368,775)	(1,150,000)	(1,184,500)	(1,220,000)	(1,256,600)	(1,294,300)
\$ (2,479,631)	\$ (2,293,600)	\$ (2,361,800)	\$ (2,432,000)	\$ (2,504,300)	\$ (2,578,900)

\$ (34,012)	\$ 199,400	\$ 179,600	\$ 158,800	\$ 136,900	\$ 114,100
\$ 4,275,192	\$ 4,241,180	\$ 4,440,580	\$ 4,620,180	\$ 4,778,980	\$ 4,915,880
\$ 4,241,180	\$ 4,440,580	\$ 4,620,180	\$ 4,778,980	\$ 4,915,880	\$ 5,029,980

2014-15 Adopted	2015-16 Projected	2016-17 Projected	2017-18 Projected	2018-19 Projected	2019-20 Projected
\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)
(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)
(350,000)	(420,000)	(490,000)	(560,000)	(630,000)	(700,000)
-	-	-	-	-	-
(10,000)	(10,000)	(15,000)	(20,000)	(25,000)	(30,000)
-	-	-	-	-	-
\$ (1,960,000)	\$ (2,030,000)	\$ (2,105,000)	\$ (2,180,000)	\$ (2,255,000)	\$ (2,330,000)

\$ 2,281,180	\$ 2,410,580	\$ 2,515,180	\$ 2,598,980	\$ 2,660,880	\$ 2,699,980
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2014-15 Adopted	2015-16 Projected	2016-17 Projected	2017-18 Projected	2018-19 Projected	2019-20 Projected
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
(19,600)	(19,600)	(19,600)	(19,600)	(19,600)	(19,600)
(387,651)	(399,300)	(411,300)	(423,600)	(436,300)	(449,400)
(446,781)	(460,200)	(474,000)	(488,200)	(502,800)	(517,900)
(256,824)	(264,500)	(272,400)	(280,600)	(289,000)	(297,700)
\$ (1,110,856)	\$ (1,143,600)	\$ (1,177,300)	\$ (1,212,000)	\$ (1,247,700)	\$ (1,284,600)

2014-15 Adopted	2015-16 Projected	2016-17 Projected	2017-18 Projected	2018-19 Projected	2019-20 Projected
\$ (244,075)	\$ (150,000)	\$ (154,500)	\$ (159,100)	\$ (163,900)	\$ (168,800)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(1,124,700)	(1,000,000)	(1,030,000)	(1,060,900)	(1,092,700)	(1,125,500)
\$ (1,368,775)	\$ (1,150,000)	\$ (1,184,500)	\$ (1,220,000)	\$ (1,256,600)	\$ (1,294,300)

\$ (2,479,631)	\$ (2,293,600)	\$ (2,361,800)	\$ (2,432,000)	\$ (2,504,300)	\$ (2,578,900)
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FISCAL YEAR ENDING JUNE 30, 2015
BUDGET SUMMARIES

GENERAL FUND (011)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Property taxes	\$ 3,543,231	\$ 3,785,652	\$ 4,157,700	\$ 4,179,519	\$ 4,332,700
Taxes other than property	423,353	545,227	511,400	511,400	489,200
Franchise fees	430,149	421,634	425,200	441,631	453,400
Licenses and permits	609,108	729,106	734,900	787,941	939,150
Use of money and property	154,887	142,786	168,600	171,500	199,100
Intergovernmental	58,370	66,355	49,100	44,836	33,100
Charges for services	976,834	753,608	631,091	674,877	821,000
Miscellaneous	30,905	70,369	51,552	95,708	90,000
Internal Allocations	-	-	1,196,750	1,129,986	1,867,960
Total Revenues	\$ 6,226,837	\$ 6,514,737	\$ 7,926,293	\$ 8,037,397	\$ 9,225,610

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Administration	\$ 2,830,901	\$ 1,363,141	\$ 1,257,850	\$ 1,218,911	\$ 1,987,550
Public safety	965,052	1,047,501	1,220,984	1,215,984	1,245,985
Parks & Recreation	-	-	-	-	628,488
Community development	1,992,581	1,918,409	2,869,619	2,830,819	2,917,968
Total Expenditures	\$ 5,788,534	\$ 4,329,051	\$ 5,348,453	\$ 5,265,714	\$ 6,779,991

Operating Surplus (Deficit)	\$ 438,303	\$ 2,185,686	\$ 2,577,840	\$ 2,771,683	\$ 2,445,619
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Sale of assets	\$ -	\$ -	\$ -	\$ -	\$ -
Operating transfers in	69,243	71,000	168,786	168,786	-
Operating transfers (out)	(2,166,158)	(1,230,239)	(900,181)	(900,181)	(1,110,856)
Capital transfers in	-	-	-	-	-
Capital transfers (out)	(665,000)	(1,180,000)	(458,500)	(458,500)	(1,368,775)
Total transfers	\$ (2,761,915)	\$ (2,339,238)	\$ (1,189,895)	\$ (1,189,895)	\$ (2,479,631)

Net Change in Fund Balance	\$ (2,323,612)	\$ (153,552)	\$ 1,387,945	\$ 1,581,788	\$ (34,012)
Beginning Fund Balance	\$ 5,860,755	\$ 3,537,143	\$ 3,383,591	\$ 3,383,591	\$ 4,275,192
Ending Fund Balance	\$ 3,537,143	\$ 3,383,591	\$ 4,771,536	\$ 4,965,379	\$ 4,241,180

Designations	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Operating contingency	\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)	\$ (350,000)
Disaster contingency	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)
Pension liability reserve	(140,000)	(210,000)	(280,000)	(280,000)	(350,000)
Sewer Connect Incentive	(100,000)	(76,150)	-	-	-
Equipment replacement (IT) reserve	-	-	(5,000)	(5,000)	(10,000)
Road maintenance	-	-	(100,000)	(100,000)	-
Total Designations	\$ (1,840,000)	\$ (1,886,150)	\$ (1,985,000)	\$ (1,985,000)	\$ (1,960,000)

Undesignated Fund Balance	\$ 1,697,143	\$ 1,497,441	2,786,536	2,980,379	\$ 2,281,180
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Note: FY2013-14 Est. Actual ending balance does not match FY2014-15 Adopted beginning fund balance due to consolidation of Parks and Recreation Funds (Funds 014 & 015) with General Fund (Fund 011)

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

SCHEDULE OF TRANSFERS FROM GENERAL FUND

Operating Transfers Out	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Parks & recreation programs	\$ -	\$ (302,695)	\$ -	\$ -	\$ -
Parks & recreation facility	-	(393,181)	-	-	-
Debt service	(1,438,139)	(21,702)	(19,585)	(19,585)	(19,600)
Drainage	(331,325)	(241,917)	(433,297)	(433,297)	(387,651)
Pathways	(326,565)	(270,743)	(334,276)	(334,276)	(446,781)
Streets	(70,129)	-	(113,023)	(113,023)	(256,824)
Total operating transfers out	\$ (2,166,158)	\$ (1,230,239)	\$ (900,181)	\$ (900,181)	\$ (1,110,856)
Capital Transfers Out	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Facilities & Equipment Capital	\$ (15,000)	\$ -	\$ (89,300)	\$ (89,300)	\$ (244,075)
Westwind Barn	-	-	-	-	-
Drainage	-	-	-	-	-
Pathways	-	(425,000)	-	-	-
Streets	(650,000)	(755,000)	(369,200)	(369,200)	(1,124,700)
Total capital transfers out	\$ (665,000)	\$ (1,180,000)	\$ (458,500)	\$ (458,500)	\$ (1,368,775)
Total Transfers Out	\$ (2,831,158)	\$ (2,410,238)	\$ (1,358,681)	\$ (1,358,681)	\$ (2,479,631)

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

PARKS & RECREATION PROGRAMS (014)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Equestrian programs	\$ 94,430	\$ 81,467	\$ 8,800	\$ 8,800	\$ -
Fee programs	28,317	30,039	16,000	25,000	-
Special events	927	2,816	2,000	2,000	-
Pathways run	10,790	12,398	10,000	10,000	-
Camps	1,076	61	-	-	-
Miscellaneous	90	11	1	-	-
Total Revenues	\$ 135,630	\$ 126,791	\$ 36,801	\$ 45,800	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Administration	\$ 117,514	\$ 134,923	\$ 182,071	\$ 174,656	\$ -
Equestrian programs	88,400	85,528	12,297	13,622	-
Fee programs	22,298	23,731	85,080	80,671	-
Special events	43,921	47,355	66,484	67,688	-
Pathways run	13,508	11,946	13,800	13,800	-
Camps	279	-	-	-	-
Total Expenditures	\$ 285,920	\$ 303,483	\$ 359,732	\$ 350,436	\$ -

Operating Surplus (Deficit)	\$ (150,290)	\$ (176,692)	\$ (322,931)	\$ (304,636)	\$ -
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Operating transfers in	\$ -	\$ 302,698	\$ -	\$ -	\$ -
Operating transfers (out)	-	-	-	-	-
Total transfers	\$ -	\$ 302,698	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (150,290)	\$ 126,006	\$ (322,931)	\$ (304,636)	\$ -
Beginning Fund Balance	(82,874)	(233,164)	(107,158)	(107,158)	-
Ending Fund Balance	\$ (233,164)	\$ (107,158)	\$ (430,089)	\$ (411,794)	\$ -

Note: The fund has been consolidated into General Fund 011 in the FY 2014-15 Adopted Budget.

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

PARKS & RECREATION FACILITIES (015)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Playing fields	\$ 15,500	\$ 23,374	\$ 25,000	\$ 15,000	\$ -
Town riding ring	1,250	-	-	-	-
Westwind Barn boarding operations	248,593	226,152	146,225	190,000	-
Westwind Barn facility	-	-	-	-	-
Miscellaneous	610	578	-	-	-
Total Revenues	\$ 265,953	\$ 250,104	\$ 171,225	\$ 205,000	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Playing fields	\$ 62,293	\$ 71,809	\$ 88,721	\$ 99,821	\$ -
Town riding ring	3,350	1,585	7,610	7,610	-
Westwind Barn boarding operations	329,423	342,547	274,806	301,356	-
Westwind Barn facility	54,933	43,075	68,907	74,608	-
Miscellaneous	222	-	-	-	-
Total Expenditures	\$ 450,221	\$ 459,016	\$ 440,044	\$ 483,395	\$ -

Operating Surplus (Deficit)	\$ (184,268)	\$ (208,912)	\$ (268,819)	\$ (278,395)	\$ -
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Operating transfers in	\$ -	\$ 393,181	\$ -	\$ -	\$ -
Operating transfers (out)	-	-	-	-	-
Total transfers	\$ -	\$ 393,181	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (184,268)	\$ 184,269	\$ (268,819)	\$ (278,395)	\$ -
Beginning Fund Balance		\$ (184,268)	-	1	-
Ending Fund Balance	\$ (184,268)	\$ 1	\$ (268,819)	\$ (278,394)	\$ -

Note: The fund has been consolidated into General Fund 011 in the FY 2014-15 Adopted Budget.

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

GENERAL FUND SUMMARY (011, 014, 015)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
General Fund (011)	\$ 6,226,837	\$ 6,514,737	\$ 7,926,293	\$ 8,037,397	\$ 9,225,610
P&R Programs Fund (014)	135,630	126,791	36,801	45,800	-
P&R Facilities Fund (015)	265,953	250,104	171,225	205,000	-
General Funds Total Revenues	\$ 6,628,420	\$ 6,891,632	\$ 8,134,319	\$ 8,288,197	\$ 9,225,610

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
General Fund (011)	\$ 5,788,534	\$ 4,329,051	\$ 5,348,453	\$ 5,265,714	\$ 6,779,991
P&R Programs Fund (014)	285,920	303,483	359,732	350,436	-
P&R Facilities Fund (015)	450,221	459,016	440,044	483,395	-
General Funds Total Expenditures	\$ 6,524,675	\$ 5,091,550	\$ 6,148,229	\$ 6,099,545	\$ 6,779,991

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Sale of assets	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in	69,243	71,000	168,786	168,786	-
Transfers (out)	(2,831,158)	(2,107,540)	(1,358,681)	(1,165,973)	(2,479,631)
Total Other Financing Sources (Uses)	\$ (2,761,915)	\$ (2,036,540)	\$ (1,189,895)	\$ (997,187)	\$ (2,479,631)

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Change in Fund Balance (011)	\$ (2,323,612)	\$ (153,552)	\$ 1,387,945	\$ 1,581,788	\$ (34,012)
Change in Fund Balance (014)	(150,290)	126,006	(322,931)	(304,636)	-
Change in Fund Balance (015)	(184,268)	184,269	(268,819)	(278,395)	-
Beginning Fund Balance (011)	5,860,755	3,537,143	3,383,591	3,383,591	4,275,192
Beginning Fund Balance (014)	(82,874)	(233,164)	(107,158)	(107,158)	-
Beginning Fund Balance (015)	-	(184,268)	-	1	-
Ending Fund Balance (011)	3,537,143	3,383,591	4,771,536	4,965,379	4,241,180
Ending Fund Balance (014)	(233,164)	(107,158)	(430,089)	(411,794)	-
Total Ending Fund Balance (011 & 014)	3,303,979	3,276,433	4,341,447	4,553,585	4,241,180
Ending Fund Balance (015)	(184,268)	1	(268,819)	(278,394)	-
Total General Funds Fund Balance	\$ 3,119,711	\$ 3,276,434	\$ 4,072,628	\$ 4,275,192	\$ 4,241,180

Note: Parks & Recreation Funds 014 and 015 have been consolidated into General Fund 011 in FY 2014-15.

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

PARKS & RECREATION IN-LIEU (016)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
In-lieu fees	\$ 75,105	\$ 56,894	\$ 40,000	\$ 40,000	\$ 42,000
Total Revenues	\$ 75,105	\$ 56,894	\$ 40,000	\$ 40,000	\$ 42,000

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
	\$ -	\$ -	\$ 134,500	\$ 134,500	\$ -
Total Expenditures	\$ -	\$ -	\$ 134,500	\$ 134,500	\$ -

Operating Surplus (Deficit)	\$ 75,105	\$ 56,894	\$ (94,500)	\$ (94,500)	\$ 42,000
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (out)	-	-	-	-	-
Total Transfers	\$ -	\$ -	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	75,105	56,894	(94,500)	(94,500)	42,000
Beginning Fund Balance	6	75,111	132,005	132,005	37,505
Ending Fund Balance	\$ 75,111	\$ 132,005	\$ 37,505	\$ 37,505	\$ 79,505

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

GENERAL CAPITAL (041)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Grant revenues	\$ -	\$ 42,260	\$ 172,100	\$ 86,500	\$ 98,425
Total Revenues	\$ -	\$ 42,260	\$ 172,100	\$ 86,500	\$ 98,425

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Capital expenditures	\$ 212,602	\$ 54,943	\$ 286,400	\$ 286,400	\$ 342,500
Total Expenditures	\$ 212,602	\$ 54,943	\$ 286,400	\$ 286,400	\$ 342,500

Operating Surplus (Deficit)	\$ (212,602)	\$ (12,683)	\$ (114,300)	\$ (199,900)	\$ (244,075)
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 15,000	\$ -	\$ 89,300	\$ 89,300	\$ 244,075
Transfers (out)	-	-	-	-	-
Total Transfers	\$ 15,000	\$ -	\$ 89,300	\$ 89,300	\$ 244,075

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (197,602)	\$ (12,683)	\$ (25,000)	\$ (110,600)	\$ -
Beginning Fund Balance	327,858	130,256	29,762	117,573	6,973
Ending Fund Balance	\$ 130,256	\$ 117,573	\$ 4,762	\$ 6,973	\$ 6,973

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

WESTWIND BARN CAPITAL (043)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Use of money and property	\$ 39,448	\$ 34,057	\$ 42,000	\$ 42,000	\$ 43,000
Total Revenues	\$ 39,448	\$ 34,057	\$ 42,000	\$ 42,000	\$ 43,000

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Capital Outlay	\$ 46,674	\$ 24,781	\$ -	\$ -	\$ 40,700
Total Expenditures	\$ 46,674	\$ 24,781	\$ -	\$ -	\$ 40,700

Operating Surplus (Deficit)	\$ (7,226)	\$ 9,276	\$ 42,000	\$ 42,000	\$ 2,300
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (out)	-	-	-	-	-
Total Transfers	\$ -	\$ -	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (7,226)	\$ 9,276	\$ 42,000	\$ 42,000	\$ 2,300
Beginning Fund Balance	28,780	21,554	30,830	30,830	72,830
Ending Fund Balance	\$ 21,554	\$ 30,830	\$ 72,830	\$ 72,830	\$ 75,130

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

GENERAL CAPITAL FUNDS SUMMARY (041, 043, 016)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Parks and Recreation In-Lieu Fee Fund (016)	\$ 75,105	\$ 56,894	\$ 40,000	\$ 40,000	\$ 42,000
General Capital Fund (041)	-	42,260	172,100	86,500	98,425
Westwind Barn Capital Fund (043)	39,448	34,057	42,000	42,000	43,000
Total Revenues	\$ 114,553	\$ 133,210	\$ 254,100	\$ 168,500	\$ 183,425

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Parks and Recreation In-Lieu Fee Fund (016)	\$ -	\$ -	\$ 134,500	\$ 134,500	\$ -
General Capital Fund (041)	212,602	54,943	286,400	286,400	342,500
Westwind Barn Capital Fund (043)	46,674	24,781	-	-	40,700
Total Revenues	\$ 259,276	\$ 79,724	\$ 420,900	\$ 420,900	\$ 383,200

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in (016)	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in (041)	15,000	-	89,300	89,300	244,075
Transfers in (043)	-	-	-	-	-
Transfers out (016)	-	-	-	-	-
Transfers out (041)	-	-	-	-	-
Transfers out (043)	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ 15,000	\$ -	\$ 89,300	\$ 89,300	\$ 244,075

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance (016)	\$ 75,105	\$ 56,894	\$ (94,500)	\$ (94,500)	\$ 42,000
Net Change in Fund Balance (041)	(197,602)	(12,683)	(25,000)	(110,600)	-
Net Change in Fund Balance (043)	(7,226)	9,276	42,000	42,000	2,300
Beginning Fund Balance (016)	6	75,111	132,005	132,005	37,505
Beginning Fund Balance (041)	327,858	130,256	29,762	117,573	6,973
Beginning Fund Balance (043)	28,780	21,554	30,830	30,830	72,830
Ending Fund Balance (016)	75,111	132,005	37,505	37,505	79,505
Ending Fund Balance (041)	130,256	117,573	4,762	6,973	6,973
Ending Fund Balance (043)	21,554	30,830	72,830	72,830	75,130
Total General Capital Funds Fund Balance	\$ 226,921	\$ 280,407	\$ 115,096	\$ 117,307	\$ 161,608

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

STORM DRAIN OPERATIONS (012)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Charges for services	\$ 128,581	\$ 136,086	\$ 125,800	\$ 125,800	\$ 132,500
Total Revenues	\$ 128,581	\$ 136,086	\$ 125,800	\$ 125,800	\$ 132,500

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Salaries and benefits	\$ 141,854	\$ 128,758	\$ 161,017	\$ 161,017	\$ 86,985
Contractual services	45,489	36,763	70,100	85,099	72,250
Operations	26,813	9,072	30,000	30,000	30,972
Internal allocations	76,368	67,325	166,086	166,086	191,144
Total Expenditures	\$ 290,524	\$ 241,918	\$ 427,203	\$ 442,202	\$ 381,351

Operating Surplus (Deficit)	\$ (161,943)	\$ (105,832)	\$ (301,403)	\$ (316,402)	\$ (248,851)
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 331,325	\$ 241,917	\$ 433,297	\$ 433,297	\$ 387,651
Transfers (out)	-	-	(125,800)	(125,800)	(138,800)
Total transfers	\$ 331,325	\$ 241,917	\$ 307,497	\$ 307,497	\$ 248,851

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ 169,382	\$ 136,086	\$ 6,094	\$ (8,905)	\$ -
Beginning Fund Balance	120,847	290,229	426,315	426,315	417,410
Ending Fund Balance	\$ 290,229	\$ 426,315	\$ 432,409	\$ 417,410	\$ 417,410

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

STORM DRAIN CAPITAL (045)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Charges for services	\$ -	\$ -	\$ 13,000	\$ 13,000	\$ -
Intergovernmental	-	588	-	-	-
Total Revenues	\$ -	\$ 588	\$ 13,000	\$ 13,000	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Capital expenditures	\$ 68,578	\$ 495,889	\$ 138,800	\$ 138,800	\$ 138,800
Total Expenditures	\$ 68,578	\$ 495,889	\$ 138,800	\$ 138,800	\$ 138,800

Operating Surplus (Deficit)	\$ (68,578)	\$ (495,301)	\$ (125,800)	\$ (125,800)	\$ (138,800)
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ -	\$ 125,800	\$ 125,800	\$ 138,800
Transfer (out)	-	-	-	-	-
Total transfers	\$ -	\$ -	\$ 125,800	\$ 125,800	\$ 138,800

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (68,578)	\$ (495,301)	\$ -	\$ -	\$ -
Beginning Fund Balance	616,424	547,846	52,545	52,545	52,545
Ending Fund Balance	\$ 547,846	\$ 52,545	\$ 52,545	\$ 52,545	\$ 52,545

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

STORM DRAIN FUNDS SUMMARY (012, 045)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Storm Drain Operations (012)	\$ 128,581	\$ 136,086	\$ 125,800	\$ 125,800	\$ 132,500
Storm Drain Capital (045)	-	588	13,000	13,000	-
Total Revenues	\$ 128,581	\$ 136,674	\$ 138,800	\$ 138,800	\$ 132,500

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Storm Drain Operations (012)	\$ 290,524	\$ 241,918	\$ 427,203	\$ 442,202	\$ 381,351
Storm Drain Capital (045)	68,578	495,889	138,800	138,800	138,800
Total Expenditures	\$ 359,102	\$ 737,807	\$ 566,003	\$ 581,002	\$ 520,151

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in (012)	\$ 331,325	\$ 241,917	\$ 433,297	\$ 433,297	\$ 387,651
Transfers in (045)	-	-	125,800	125,800	138,800
Transfers out (012)	-	-	(125,800)	(125,800)	(138,800)
Transfers out (045)	-	-	-	-	-
Total Net Transfers	\$ 331,325	\$ 241,917	\$ 433,297	\$ 433,297	\$ 387,651

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance (012)	\$ 169,382	\$ 136,086	\$ 6,094	\$ (8,905)	\$ -
Net Change in Fund Balance (045)	(68,578)	(495,301)	-	-	-
Beginning Fund Balance (012)	120,847	290,229	426,315	426,315	417,410
Beginning Fund Balance (045)	616,424	547,846	52,545	52,545	52,545
Ending Fund Balance (012)	290,229	426,315	432,409	417,410	417,410
Ending Fund Balance (045)	547,846	52,545	52,545	52,545	52,545
Total Storm Drain Funds Balance	\$ 838,075	\$ 478,860	\$ 484,954	\$ 469,955	\$ 469,955

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

PATHWAYS OPERATIONS (FUND 013)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Use of money and property	\$ 1,255	\$ (200)	\$ 700	\$ 10,000	\$ 1,000
Intergovernmental	8,300	-	-	-	-
Charges for services	172,848	202,763	146,700	146,700	187,000
Total Revenues	\$ 182,403	\$ 202,563	\$ 147,400	\$ 156,700	\$ 188,000

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Salaries and benefits	\$ 163,281	\$ 145,138	\$ 185,788	\$ 185,788	\$ 172,000
Contractual services	37,465	36,133	44,300	59,300	50,450
Operations	27,246	16,029	19,500	19,500	20,053
Internal Allocations	85,429	73,443	190,551	190,551	245,578
Total Expenditures	\$ 313,421	\$ 270,743	\$ 440,139	\$ 455,139	\$ 488,081

Operating surplus / (deficit)	(131,018)	(68,180)	(292,739)	(298,439)	(300,081)
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Other Financial Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 326,565	\$ 270,743	\$ 334,276	\$ 334,276	\$ 446,781
Transfers (out)	-	-	(146,700)	(146,700)	(146,700)
Total transfers	\$ 326,565	\$ 270,743	\$ 187,576	\$ 187,576	\$ 300,081

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ 195,547	\$ 202,563	\$ (105,163)	\$ (110,863)	\$ -
Beginning Fund Balance	309,920	505,467	708,030	708,030	597,167
Ending Fund Balance	\$ 505,467	\$ 708,030	\$ 602,867	\$ 597,167	\$ 597,167

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

PATHWAYS CAPITAL (FUND 042)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Intergovernmental	\$ 5,000	\$ 800,000	\$ 10,000	\$ 10,650	\$ 10,000
Charges for services	-	-	-	-	-
Miscellaneous	83,242	44,185	-	51,772	-
Total Revenues	\$ 88,242	\$ 844,185	\$ 10,000	\$ 62,422	\$ 10,000

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Capital expenditures	\$ 367,297	\$ 1,255,232	\$ 103,300	\$ 115,300	\$ 156,700
Total Expenditures	\$ 367,297	\$ 1,255,232	\$ 103,300	\$ 115,300	\$ 156,700

Operating surplus / (deficit)	(279,055)	(411,048)	(93,300)	(52,878)	(146,700)
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Other Financial Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ 425,000	\$ 146,700	\$ 146,700	\$ 146,700
Transfers (out)	-	-	-	-	-
Total transfers	\$ -	\$ 425,000	\$ 146,700	\$ 146,700	\$ 146,700

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (279,055)	\$ 13,952	\$ 53,400	\$ 93,822	\$ -
Beginning Fund Balance	342,780	63,725	356,845	77,677	171,499
Ending Fund Balance	\$ 63,725	\$ 77,677	\$ 410,245	\$ 171,499	\$ 171,499

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

PATHWAY FUNDS SUMMARY (013, 042)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Pathways Operations (013)	\$ 182,403	\$ 202,563	\$ 147,400	\$ 156,700	\$ 188,000
Pathways Capital (042)	88,242	844,185	10,000	62,422	10,000
Total Revenues	\$ 270,645	\$ 1,046,748	\$ 157,400	\$ 219,122	\$ 198,000

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Pathways Operations (013)	\$ 313,421	\$ 270,743	\$ 440,139	\$ 455,139	\$ 488,081
Pathways Capital (042)	367,297	1,255,232	103,300	115,300	156,700
Total Expenditures	\$ 680,718	\$ 1,525,975	\$ 543,439	\$ 570,439	\$ 644,781

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in (013)	\$ 326,565	\$ 270,743	\$ 334,276	\$ 334,276	\$ 446,781
Transfers in (042)	-	425,000	146,700	146,700	146,700
Transfers out (013)	-	-	(146,700)	(146,700)	(146,700)
Transfers out (042)	-	-	-	-	-
Total Net Transfers	\$ 326,565	\$ 695,743	\$ 334,276	\$ 334,276	\$ 446,781

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance (013)	\$ 195,547	\$ 202,563	\$ (105,163)	\$ (110,863)	\$ -
Net Change in Fund Balance (042)	(279,055)	13,952	53,400	93,822	-
Beginning Fund Balance (013)	309,920	505,467	708,030	708,030	597,167
Beginning Fund Balance (042)	342,780	63,725	356,845	77,677	171,499
Ending Fund Balance (012)	505,467	708,030	602,867	597,167	597,167
Ending Fund Balance (045)	63,725	77,677	410,245	171,499	171,499
Total Pathways Funds Balance	\$ 569,192	\$ 785,707	\$ 1,013,112	\$ 768,666	\$ 768,666

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

STREET OPERATIONS (017)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Permits and licenses	\$ 42,368	\$ 25,353	\$ 40,000	\$ 15,000	\$ 34,000
Use of money and property	463	385	600	1,000	1,000
Intergovernmental	151,384	140,272	139,900	153,900	144,100
Charges for services	-	-	-	-	-
Miscellaneous	344	7,500	500	4,000	1,000
Total Revenues	\$ 194,559	\$ 173,510	\$ 181,000	\$ 173,900	\$ 180,100

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Salaries and benefits	\$ 91,115	\$ 88,329	\$ 127,762	\$ 117,762	\$ 120,900
Contractual services	80,289	71,537	81,900	66,900	85,130
Operations	19,692	30,494	43,600	47,600	45,102
Internal allocations	68,163	60,612	160,003	160,003	185,792
Total Expenditures	\$ 259,259	\$ 250,972	\$ 413,265	\$ 392,265	\$ 436,924

Operating surplus / (deficit)	\$ (64,700)	\$ (77,462)	\$ (232,265)	\$ (218,365)	\$ (256,824)
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 70,129	\$ -	\$ 113,023	\$ 113,023	\$ 256,824
Transfers (out)	-	-	-	-	-
Total transfers	\$ 70,129	\$ -	\$ 113,023	\$ 113,023	\$ 256,824

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ 5,429	\$ (77,462)	\$ (119,242)	\$ (105,342)	\$ -
Beginning Fund Balance	462,375	467,804	390,342	390,342	285,000
Ending Fund Balance	\$ 467,804	\$ 390,342	\$ 271,100	\$ 285,000	\$ 285,000

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

ROADWAY IMPACT FEE FUND (018)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Charges for services	168,717	-	-	-	-
Total Revenues	\$ 168,717	\$ -	\$ -	\$ -	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Operating surplus / (deficit)	\$ 168,717	\$ -	\$ -	\$ -	\$ -
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (out)	-	-	(168,787)	(168,786)	-
Total transfers	\$ -	\$ -	\$ (168,787)	\$ (168,786)	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ 168,717	\$ -	\$ (168,787)	\$ (168,787)	\$ -
Beginning Fund Balance	70	168,787	168,787	168,787	-
Ending Fund Balance	\$ 168,787	\$ 168,787	\$ -	\$ -	\$ -

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

STREET CAPITAL (046)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Intergovernmental	134,897	115,829	172,800	127,737	176,000
Charges for services	48,848	21,197	8,000	40,000	40,000
Miscellaneous	-	-	-	7,279	-
Total Revenues	\$ 183,745	\$ 137,026	\$ 180,800	\$ 175,016	\$ 216,000

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Capital expenditures	\$ 889,219	\$ 888,599	\$ 550,000	\$ 550,000	\$ 1,340,700
Total Expenditures	\$ 889,219	\$ 888,599	\$ 550,000	\$ 550,000	\$ 1,340,700

Operating surplus / (deficit)	\$ (705,474)	\$ (751,573)	\$ (369,200)	\$ (374,984)	\$ (1,124,700)
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 650,000	\$ 755,000	\$ 369,200	\$ 369,200	\$ 1,124,700
Transfers (out)	-	-	-	-	-
Total transfers	\$ 650,000	\$ 755,000	\$ 369,200	\$ 369,200	\$ 1,124,700

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (55,474)	\$ 3,427	\$ -	\$ (5,784)	\$ -
Beginning Fund Balance	104,393	48,919	52,346	52,346	46,562
Ending Fund Balance	\$ 48,919	\$ 52,346	\$ 52,346	\$ 46,562	\$ 46,562

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

STREET FUNDS SUMMARY (017, 018, 046)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Street operations (017)	\$ 194,559	\$ 173,510	\$ 181,000	\$ 173,900	\$ 180,100
Roadway Impact Fee (018)	168,717	-	-	-	-
Street capital (046)	183,745	137,026	180,800	175,016	216,000
Total Revenues	\$ 547,021	\$ 310,536	\$ 361,800	\$ 348,916	\$ 396,100

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Street operations (017)	\$ 259,259	\$ 250,972	\$ 413,265	\$ 392,265	\$ 436,924
Roadway Impact Fee (018)	-	-	-	-	-
Street capital (046)	889,219	888,599	550,000	550,000	1,340,700
Total Expenditures	\$ 1,148,478	\$ 1,139,571	\$ 963,265	\$ 942,265	\$ 1,777,624

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in (017)	\$ 70,129	\$ -	\$ 113,023	\$ 113,023	\$ 256,824
Transfers in (018)	-	-	-	-	-
Transfers in (046)	650,000	755,000	369,200	369,200	1,124,700
Transfers out (017)	-	-	-	-	-
Transfers out (018)	-	-	(168,787)	(168,786)	-
Transfers out (046)	-	-	-	-	-
Total Net Transfers	\$ 720,129	\$ 755,000	\$ 313,436	\$ 313,437	\$ 1,381,524

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance (017)	\$ 5,429	\$ (77,462)	\$ (119,242)	\$ (105,342)	\$ -
Net Change in Fund Balance (018)	168,717	-	(168,787)	(168,786)	-
Net Change in Fund Balance (046)	(55,474)	3,427	-	(5,784)	-
Beginning Fund Balance (017)	462,375	467,804	390,342	390,342	285,000
Beginning Fund Balance (018)	70	168,787	168,787	168,787	-
Beginning Fund Balance (046)	104,393	48,919	52,346	52,346	46,562
Ending Fund Balance (017)	467,804	390,342	271,100	285,000	285,000
Ending Fund Balance (018)	168,787	168,787	-	1	-
Ending Fund Balance (046)	48,919	52,346	52,346	46,562	46,562
Total Street Funds Balance	\$ 685,510	\$ 611,475	\$ 323,446	\$ 331,563	\$ 331,562

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

COPS FUND (021)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Use of Money & Property	\$ 138	\$ (40)	\$ 100	\$ 100	\$ 100
Intergovernmental	100,000	100,000	100,000	100,000	100,000
Miscellaneous	-	3,200	-	-	-
Total Revenues	\$ 100,138	\$ 103,160	\$ 100,100	\$ 100,100	\$ 100,100

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Salaries and benefits	\$ 41,231	\$ -	\$ 2,879	\$ 2,879	\$ 20,400
Contractual services	42,745	45,626	87,700	52,798	96,000
Operations	8,304	22,583	16,900	24,600	11,194
Internal allocations	-	16,062	12,322	12,322	21,910
Total Expenditures	\$ 92,280	\$ 84,271	\$ 119,801	\$ 92,599	\$ 149,504

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (out)	-	-	-	-	-
Total transfers	\$ -	\$ -	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ 7,858	\$ 18,889	\$ (19,701)	\$ 7,501	\$ (49,404)
Beginning Fund Balance	67,526	75,384	94,273	94,273	101,774
Ending Fund Balance	\$ 75,384	\$ 94,273	\$ 74,572	\$ 101,774	\$ 52,370

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

TOWN HALL LOAN (032)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Operations	\$ 1,420,673	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1,420,673	\$ -	\$ -	\$ -	\$ -

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 1,420,673	\$ -	\$ -	\$ -	\$ -
Transfers (out)	-	-	-	-	-
Total transfers	\$ 1,420,673	\$ -	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

CALIFORNIA ENERGY COMMISSION LOAN 024-03-ECB (033)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Operations	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,370
Total Expenditures	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,370

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,370
Transfers (out)	-	-	-	-	-
Total transfers	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,370

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

CALIFORNIA ENERGY COMMISSION LOAN 003-09-ECD (034)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Operations	\$ 4,234	\$ 4,233	\$ 4,234	\$ 4,234	\$ 4,230
Total Expenditures	\$ 4,234	\$ 4,233	\$ 4,234	\$ 4,234	\$ 4,230

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ 2,115	\$ 6,351	\$ 4,234	\$ 4,234	\$ 4,230
Transfers (out)	-	-	-	-	-
Total transfers	\$ 2,115	\$ 6,351	\$ 4,234	\$ 4,234	\$ 4,230

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance	\$ (2,119)	\$ 2,118	\$ -	\$ -	\$ -
Beginning Fund Balance	-	(2,119)	-	(1)	-
Ending Fund Balance	\$ (2,119)	\$ (1)	\$ -	\$ -	\$ -

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

DEBT SERVICE FUNDS SUMMARY (032, 033, 034)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Town Hall Loan (032)	\$ -	\$ -	\$ -	\$ -	\$ -
CA Energy Commission Loan 024-03-ECB (033)	-	-	-	-	-
CA Energy Commission Loan 003-09-ECD (034)	-	-	-	-	-
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -

Expenditures	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Town Hall Loan (032)	\$ 1,420,673	\$ -	\$ -	\$ -	\$ -
CA Energy Commission Loan 024-03-ECB (033)	15,351	15,351	15,351	15,351	15,370
CA Energy Commission Loan 003-09-ECD (034)	4,234	4,233	4,234	4,234	4,230
Total Expenditures	\$ 1,440,258	\$ 19,584	\$ 19,585	\$ 19,585	\$ 19,600

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in (032)	\$ 1,420,673	\$ -	\$ -	\$ -	\$ -
Transfers in (033)	15,351	15,351	15,351	15,351	15,370
Transfers in (034)	2,115	6,351	4,234	4,234	4,230
Transfers (out) (032)	-	-	-	-	-
Transfers (out) (033)	-	-	-	-	-
Transfers (out) (034)	-	-	-	-	-
Total Financing Sources (Uses)	\$ 1,438,139	\$ 21,702	\$ 19,585	\$ 19,585	\$ 19,600

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Balance (032)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balance (033)	-	-	-	-	-
Net Change in Fund Balance (034)	(2,119)	2,118	-	-	-
Beginning Fund Balance (032)	-	-	-	-	-
Beginning Fund Balance (033)	-	-	-	-	-
Beginning Fund Balance (034)	-	(2,119)	-	(1)	-
Ending Fund Balance (032)	-	-	-	-	-
Ending Fund Balance (033)	-	-	-	-	-
Ending Fund Balance (034)	(2,119)	(1)	-	-	-
Total Debt Service Funds Balance	\$ (2,119)	\$ (1)	\$ -	\$ -	\$ -

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

SEWER OPERATIONS (051)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Use of money and property	\$ 10,361	\$ (2,920)	\$ 9,000	\$ 2,000	\$ 2,000
Charges for services	1,524,434	1,484,520	1,518,000	1,528,700	1,529,000
General Services	-	-	-	-	-
Miscellaneous	2,188	-	-	-	-
Total Revenues	\$ 1,536,983	\$ 1,481,600	\$ 1,527,000	\$ 1,530,700	\$ 1,531,000

Expenses	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Salaries and benefits	\$ 84,571	\$ 52,970	\$ 110,906	\$ 110,906	\$ 165,391
Contractual services	973,949	955,134	1,174,700	1,116,700	1,348,650
Operations	64,299	28,039	30,500	30,500	31,470
Internal allocations	52,729	47,525	195,259	195,259	309,313
Depreciation	\$ 153,307	\$ 159,217	\$ 170,200	\$ 170,200	\$ 170,200
Total Operating Expense	\$ 1,328,855	\$ 1,242,885	\$ 1,681,565	\$ 1,623,565	\$ 2,025,024

Income / (Loss)	208,128	238,715	(154,565)	(92,865)	(494,024)
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (out)	(69,243)	(71,000)	-	-	-
Total net transfers	\$ (69,243)	\$ (71,000)	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Net Change in Fund Equity	\$ 138,885	\$ 167,715	\$ (154,565)	\$ (92,865)	\$ (494,024)
Beginning Total Fund Equity	5,071,284	5,210,169	5,377,884	5,377,884	5,285,019
Ending Total Fund Equity	\$ 5,210,169	\$ 5,377,884	\$ 5,223,319	\$ 5,285,019	\$ 4,790,995

**FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES**

SEWER CAPITAL (048)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Use of money and property	\$ 3,640	\$ 3,640	\$ 2,900	\$ -	\$ 2,900
Miscellaneous	-	-	-	-	-
Total Revenues	\$ 3,640	\$ 3,640	\$ 2,900	\$ -	\$ 2,900

Expenses	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Capital expenses		\$ -	\$ 505,000	\$ 507,000	\$ 515,000
Total Capital Expense	\$ -	\$ -	\$ 505,000	\$ 507,000	\$ 515,000

Income / (Loss)	3,640	3,640	(502,100)	(507,000)	(512,100)
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Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (out)	-	-	-	-	-
Total net transfers	\$ -	\$ -	\$ -	\$ -	\$ -

Fund Balance	2011-12 Actual	2012-13 Actual	2013-14 Budget	2012-13 Est. Actual	2014-15 Adopted
Change in Fund Equity	\$ 3,640	\$ 3,640	\$ (502,100)	\$ (507,000)	\$ (512,100)
Beginning Total Fund Equity	2,154,148	2,157,788	2,161,428	2,161,428	1,654,428
Ending Total Fund Equity	\$ 2,157,788	\$ 2,161,428	\$ 1,659,328	\$ 1,654,428	\$ 1,142,328

FISCAL YEAR ENDING JUNE 30, 2015
 BUDGET SUMMARIES

SEWER FUNDS SUMMARY (051, 048)

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Sewer operations (051)	\$ 1,536,983	\$ 1,481,600	\$ 1,527,000	\$ 1,530,700	\$ 1,531,000
Sewer capital (048)	3,640	3,640	2,900	-	2,900
Total Revenues	\$ 1,540,623	\$ 1,485,240	\$ 1,529,900	\$ 1,530,700	\$ 1,533,900

Expenses	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Sewer operations (051)	\$ 1,328,855	\$ 1,242,885	\$ 1,681,565	\$ 1,623,565	\$ 2,025,024
Sewer capital (048)	-	-	505,000	507,000	515,000
Total Expenses	\$ 1,328,855	\$ 1,242,885	\$ 2,186,565	\$ 2,130,565	\$ 2,540,024

Other Financing Sources (Uses)	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Transfers in (051)	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in (048)	-	-	-	-	-
Transfers out (051)	(69,243)	(71,000)	-	-	-
Transfers out (048)	-	-	-	-	-
Total net transfers	\$ (69,243)	\$ (71,000)	\$ -	\$ -	\$ -

Total Net Assets	2011-12 Actual	2012-13 Actual	2013-14 Revised	2013-14 Est. Actual	2014-15 Adopted
Change in Fund Equity (051)	\$ 138,885	\$ 167,715	\$ (154,565)	\$ (92,865)	\$ (494,024)
Change in Fund Equity (048)	3,640	3,640	(502,100)	(507,000)	(512,100)
Beginning Total Fund Equity (051)	5,071,284	5,210,169	5,377,884	5,377,884	5,285,019
Beginning Total Fund Equity (048)	2,154,148	2,157,788	2,161,428	2,161,428	1,654,428
Ending Total Fund Equity (051)	5,210,169	5,377,884	5,223,319	5,285,019	4,790,995
Ending Total Fund Equity (048)	2,157,788	2,161,428	1,659,328	1,654,428	1,142,328
Less: Invested in Fixed Assets	(4,452,208)	(4,312,151)	(4,312,151)	(4,312,151)	(4,312,151)
Sewer Fund Unrestricted Fund Equity	\$ 2,915,749	\$ 3,227,161	\$ 2,570,496	\$ 2,627,296	\$ 1,621,172

**Town of Los Altos Hills
 FY 2014-15 Adopted Budget
 Overhead and Internal Allocation Summary**

Donors

Fund	Org	Description	CAP Allocations In	ISF Allocations In	Total Allocations In
011	1100	City Council	\$ 123,450	\$ -	\$ 123,450
011	1200	City Manager	326,222	-	326,222
011	1300	City Clerk	189,488	-	189,488
011	1400	Administrative Services	662,050	-	662,050
011	1500	City Attorney	231,420	-	231,420
011	1510	Insurance	160,520	-	160,520
011	1700	Committees and Commissions	174,810	-	174,810
061	1480	Town Center Operations	-	525,500	525,500
061	4300	Corporation Yard Allocations	-	122,000	122,000
061	4400	Vehicles and Equipment Maintenance	-	107,200	107,200
Total Allocations In - Note 1			\$ 1,867,960	\$ 754,700	\$ 2,622,660

Recipients

Fund	Org	Description	CAP Allocations Out	ISF Allocations Out	Total Allocations Out
011	2100	Public Safety	\$ 149,891	\$ 15,200	\$ 165,091
011	2150	Animal Control	6,074	900	6,974
011	3100	Planning Administration	358,266	165,900	524,166
011	3110	Planning Commission	2,098	500	2,598
011	3200	Building Administration	436,736	151,500	588,236
011	3210	Permit Review and Inspection	15,154	1,400	16,554
011	3300	Engineering Administration	106,576	44,500	151,076
012	4500	Storm Drain Operations	112,544	78,600	191,144
013	4740	Pathway Operations	154,778	90,800	245,578
011	1000	P&R Administration	46,249	32,100	78,349
011	4100	Equestrian Programs <i>(Note 2)</i>	-	-	-
011	4110	P&R Fee Programs	17,454	1,800	19,254
011	4120	P&R Special Events	16,000	700	16,700
011	5100	Playing Fields	14,512	1,100	15,612
011	5110	Town Riding Ring <i>(Note 2)</i>	-	-	-
011	5200	Westwind Barn Operations <i>(Note 2)</i>	-	-	-
011	5300	Westwind Barn Facility	72,613	11,700	84,313
017	4600	Street Operations	106,192	79,600	185,792
021	6100	COPS Programs	20,210	1,700	21,910
051	4800	Sewer Operations	232,613	76,700	309,313
061	1470	Fringe Benefits Allocation	-	-	-
061	1480	Town Center Operations	-	-	-
061	4300	Corp Yard Operations	-	-	-
061	4400	Vehicle / Equipment Operations	-	-	-
Total Allocations Out			\$ 1,867,960	\$ 754,700	\$ 2,622,660

Note 1: FY2014-15 Adopted Budget includes fringe benefits for FTEs assigned to these departments.

Note 2: In FY2014-15 Adopted Budget, these programs are consolidated with Org 5300 - Westwind Barn facility.

Revenues

REVENUE BUDGET ASSUMPTIONS

The Administrative Services Department prepares the revenue projections and reviews these projections with the City Manager. To make those projections as close as possible to actual, the following techniques are used depending on the revenue source's unique characteristics. In practice, most revenue source projections combine several of the methodologies:

Informed Expert Judgment: The Administrative Services Department meets with the Department Heads to discuss trends in revenues in their respective areas. In addition, the staff meets with an outside consultant who reviews the property tax data on a quarterly basis to discuss potential increases or decreases to those revenue streams.

Trending: The Administrative Services Department estimates current year and projects future year revenues based on a combination of current trends and historical performance.

Economic Models: The Administrative Services Department relies on anticipated changes to local, regional and national economic conditions and their resulting affects on individual revenue sources.

Estimates from the State of California and Santa Clara County: The Finance Division reviews the information received from the State and County regarding property tax assessed value, and transfer payments.

Non-recurring revenues that are anticipated are forecasted separately and scheduled only for the year or years in which they are anticipated. Certain revenue sources are limited in use by law or local policy, such as: gasoline taxes, development charges, assessment district charges, and grants.

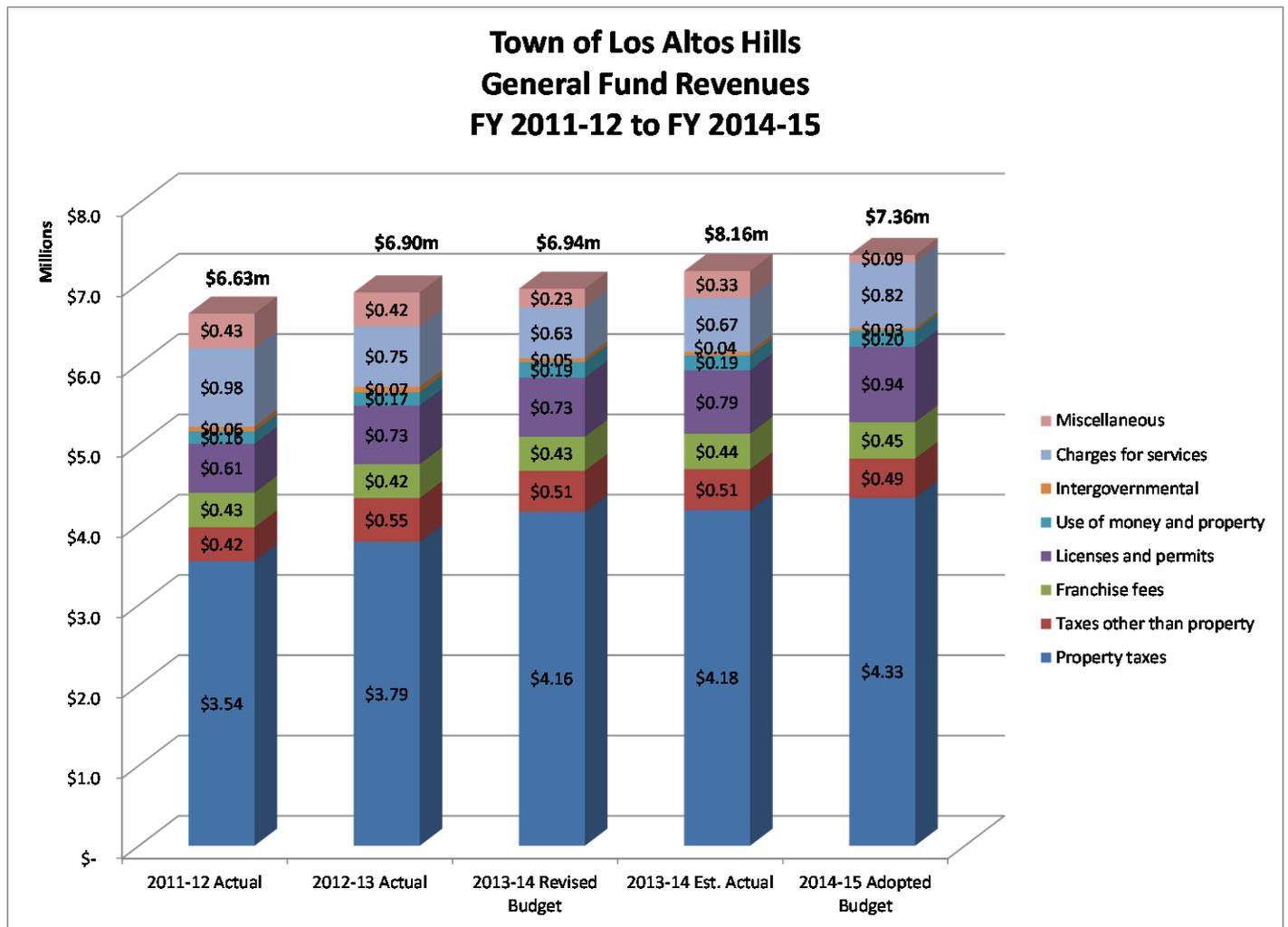
Unlike appropriations that can be established at the direction of the Town, many key revenues are controlled by external forces to the Town. For instance, property tax revenues vary with real estate values, and development related revenue is affected by the volume and type of building permits and plan check requests.

DESCRIPTION OF MAJOR GENERAL FUND REVENUE SOURCES

The majority of the Town’s General Fund revenue is produced from a small number of sources, e.g.: property tax, taxes other than property, franchise fees, licenses and permits, use of money and property, business registration, charges for services, and other miscellaneous revenue.

The budget includes a slight increase of approximately \$628,107 or 9.3% over total FY 2013-14 Revised revenue. Approximately \$394,150 of this increase is in License and Permits and Charges for Services categories resulting from revision of Town’s User Fee Schedule. Another large component of this increase, \$175,000 is projected in property taxes where an overall increase of 4.2% based largely on increase in general assessment rolls and recommendations from the Town’s property tax consultant (HdL Companies). While positive news in property taxes are lifting the FY 2014-15 budget, the Town continues to experience lower interest earnings due to a prevailing low investment rate environment per Federal Reserve monetary policy.

The table below outlines the General Fund revenue estimates for the FY 2014-2015 budget.



**Town of Los Altos Hills
 FY2014-15 Adopted Budget
 GENERAL FUND REVENUES BY SOURCE**

Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Property taxes	3,543,231	3,785,652	4,157,700	4,179,519	4,332,700
Taxes other than property	423,353	545,227	511,400	511,400	489,200
Franchise fees	430,149	421,634	425,200	441,631	453,400
Licenses and permits	609,108	729,106	734,900	787,941	939,150
Use of money and property	155,587	166,735	193,600	186,500	199,100
Intergovernmental	58,370	66,355	49,100	44,836	33,100
Charges for services	976,834	753,608	631,091	674,877	821,000
Miscellaneous	431,788	423,310	234,577	331,508	90,000
Subtotal - Revenues	6,628,420	6,891,627	6,937,568	7,158,211	7,357,650
Internal Allocations	-	-	1,196,750	1,129,986	1,867,960
Total Revenues	6,628,420	6,891,627	8,134,318	8,288,197	9,225,610

Property Taxes

Property tax revenue is collected and distributed by the County of Santa Clara based on applying the constitutionally limited tax rate of 1% to the assessed value of certain secured and unsecured properties as determined by the County Assessor. The Town’s share of this property tax revenue is approximately 0.59% or about 6 cents per dollar of tax collected.

Where Do Property Taxes Go?



Based on the Town’s largest Tax Rate Area (TRA 14-001)

Property taxes generate 59% 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.

The Town considers the historical rate of changes and economic conditions when forecasting future revenue. For FY 2014-2015, security property tax is budgeted to increase by four percent (4.2%) over the FY 2013-2014 projections based on the increase in general assessment rolls and information provided by the Town's third party consultant (HDL). 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. This projection used for this budget might be slightly conservative as compared to the projection of 5.4% provided by the County Assessor's Office.

Taxes Other than Property

This category includes revenues from business license tax, property transfer tax, sales tax and public safety sales tax. Other Taxes generate 6% of the Town's total general fund revenues and include 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 FY 2013-14. The budget assumes continued strength in Los Altos Hills' real estate market and subsequently steady property transfer taxes in FY 2014-15. Additionally, the Town's business license tax revenues projected to continue to grow based on the current economic conditions.

The FY 2014-15 Budget in this category decreased by 4.3% over the Revised FY 2013-14, primarily due to property transfer tax projected to decline from recent elevated level to more customary in FY 2014-15.

Licenses and Permits

This revenue category reflects fees collected from building permit issuance activity to offset the Town's cost of doing business. The FY Adopted 2014-15 Budget demonstrates an increase of 27.8% as a result of adjustments to the Town's Cost of Services Schedule (User Fees) coupled with using an average of FY 2012-13 Actual and FY 2013-14 Estimated Actual building permit activity level assumptions.

Intergovernmental Revenues

This category reports revenue received from the State of California and Federal Government for both operational and capital expenditures. These revenues decrease by \$16,000 or 32.6% for FY 2014-15 Adopted budget over current year projected actual, due to decrease in distribution of vehicle code violation fines based on current activity level.

Use of Money and Property

This category reports investment income earnings and rents charged to outside parties for exclusive use of Town owned land or facilities. The most notable rental income is generated by the cellular telephone antenna towers located on Town lands. The FY 2014-15 Budget shows an increase of 16.1% over the Estimated Actual FY 2013-14 and is based on current investment performance data and an increase in

rental income resulting from COLA adjustment per cell tower contracts, as well as transfer of revenues received from the Little League, due to consolidation of Parks & Recreation programs into General Fund.

Over the past several years the Town experienced dramatic decrease in the yield earned on investments. This is mainly due to action taken by Federal Reserve to keep short-term interest at historical low levels to boost economic and job growth. 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 0.45% in FY 2014-15. The Town's investments are governed by California Government Code and the Town Council adopted Investment Policy. Consequently, allowable investments are significantly limited and weighted more toward low risk bonds. Unfortunately, yields have dropped dramatically over the past two years as higher yielding bonds have matured and the impact of this reduction is clearly visible in the Town's investment earnings.

Charges for Current Services

This category reports revenue received from fees charged for direct and indirect services provided by the Town. Cost of services fees are revised on an annual basis based on a comprehensive review of actual costs. This revenue source is approximately 11.1% of general fund revenues.

The Town completed the Comprehensive User Fee Study prepared by an independent outside consultant, Willdan Financial Services. The study revised the method of calculating user-based fees to move closer to full-cost recovery, and resulted in adjustments to the Town's Schedule of Fees, Deposits, Charges for Services and Other Assessments. On April 17, 2014 the Council adopted a resolution authorizing adjustments to the Town's user fees with all Town fees set at 100% of the full cost, except for the building permit fees in Section II – Building Process: Plan Review Permits, and Inspections, which were adopted at 90% recovery level. The adopted fee schedule went into effect on June 16, 2014.

For FY 2014-2015, charges for services are expected to increase by 30.1% over the Revised FY 2013-2014 Budget, primarily due to adjustments to the User Fee Schedule for planning permit services, and using an average of FY 2012-13 Actual and Estimated Actual FY 2013-14 activity level assumptions.

Internal Allocations

In FY 2013-14, Town implemented a consultant-prepared Cost Allocation Plan (CAP) designed to allocate cost of administrative-type departments (donor departments) to operating departments (recipient departments). In FY 2014-15, a significant accounting change was made to include cost of fringe benefits for donor departments to be allocated as part of CAP. In addition, all FTEs from administrative departments were allocated to their home departments instead of operating departments prior to CAP allocations. As a result of these changes, total CAP internal allocations increased from \$1.3 million in FY 2013-14 to \$1.9 million in FY 2014-15.

Miscellaneous Revenues

This category reports fines and forfeitures, donations, and other miscellaneous receipts. The FY 2014-15 increase of \$38,448 or 74.6% over the Revised FY 2013-14 Budget is due to a transfer of Parks & Recreation program revenues of \$67,100 into General Fund per proposed consolidation of these activities, but decreased by \$5,700 or 6% over the Estimated Actual FY 2013-14 and based on a reduction in available risk management grants (ABAG) for FY 2014-15 Budget in comparison to the current fiscal year.

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**Town of Los Altos Hills
 Revenues by Major Category & Source**

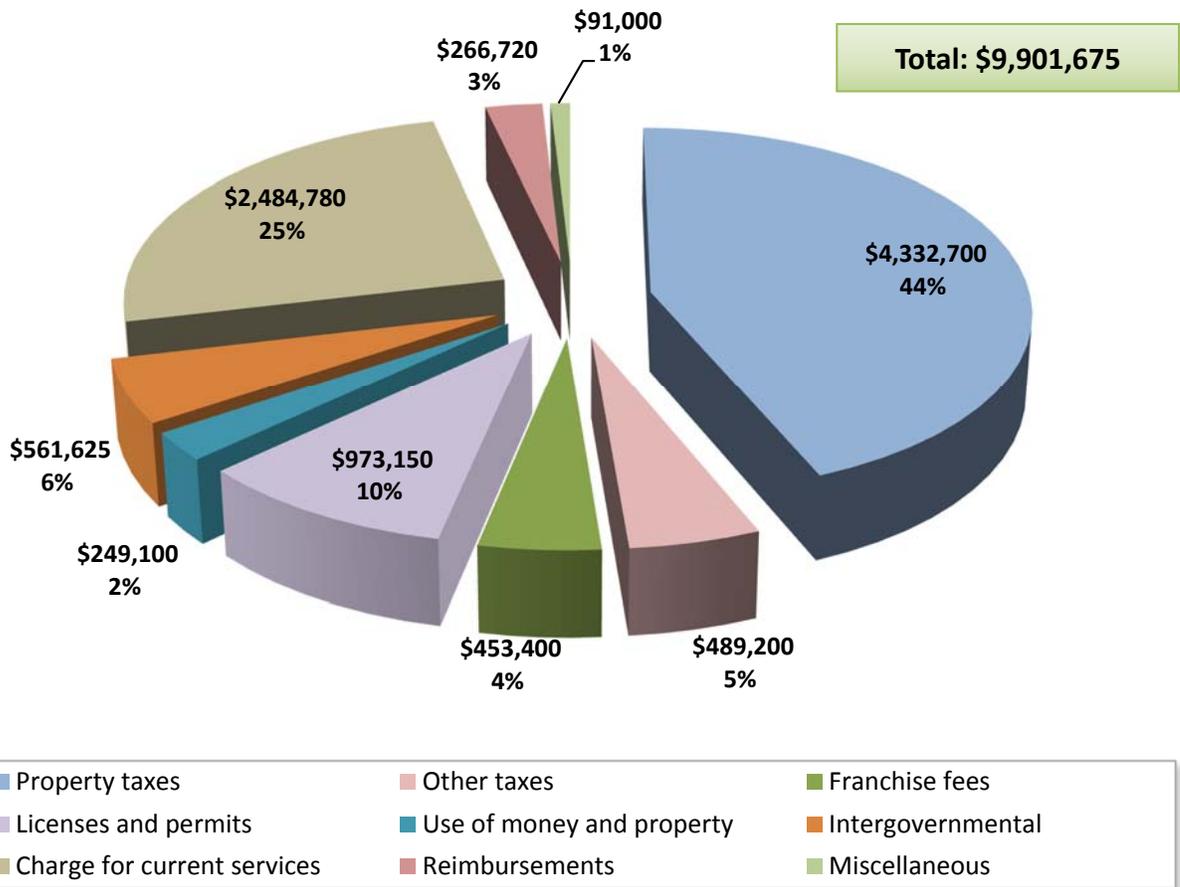
General Fund Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Property taxes	\$ 3,543,231	\$ 3,785,652	\$ 4,157,700	\$ 4,179,519	\$ 4,332,700
Taxes other than property	423,353	545,227	511,400	511,400	489,200
Franchise fees	430,149	421,634	425,200	441,631	453,400
Licenses and permits	609,108	729,106	734,900	787,941	939,150
Use of money and property	154,887	142,786	168,600	171,500	199,100
Intergovernmental	58,370	66,355	49,100	44,836	33,100
Charges for services	976,834	753,608	631,091	674,877	821,000
Miscellaneous	30,905	70,369	51,552	95,708	90,000
Internal Allocations	-	-	1,196,750	1,129,986	1,867,960
Total General Fund Revenues	\$ 6,226,837	\$ 6,514,737	\$ 7,926,293	\$ 8,037,397	\$ 9,225,610

Parks & Recreation Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Parks & recreation programs	\$ 135,630	\$ 126,789	\$ 36,800	\$ 45,800	\$ -
Parks & recreation facilities	265,953	250,101	171,225	205,000	-
Total Parks & Recreation Revenues	\$ 401,583	\$ 376,890	\$ 208,025	\$ 250,800	\$ -

Other Revenues	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Storm Drain In-Lieu	\$ 128,581	\$ 136,674	\$ 138,800	\$ 138,800	\$ 132,500
Pathway In-Lieu / Intergovernmental Grants	270,645	1,047,147	157,400	219,121	198,000
Parks & Recreation In-Lieu	75,106	56,894	40,000	40,000	42,000
Gas Taxes	378,304	310,536	361,800	348,917	396,100
COPS Grant	100,138	103,240	100,100	100,100	100,100
Intergovernmental Grants	-	42,260	172,100	86,500	98,425
Verizon Cell Tower Lease	39,448	34,057	42,000	42,000	43,000
Sewer	1,540,623	1,491,080	1,529,900	1,530,700	1,533,900
Total Revenues	\$ 2,532,845	\$ 3,221,887	\$ 2,542,100	\$ 2,506,138	\$ 2,544,025

GRAND TOTAL	\$ 9,161,265	\$ 10,113,514	\$ 10,676,418	\$ 10,794,335	\$ 11,769,635
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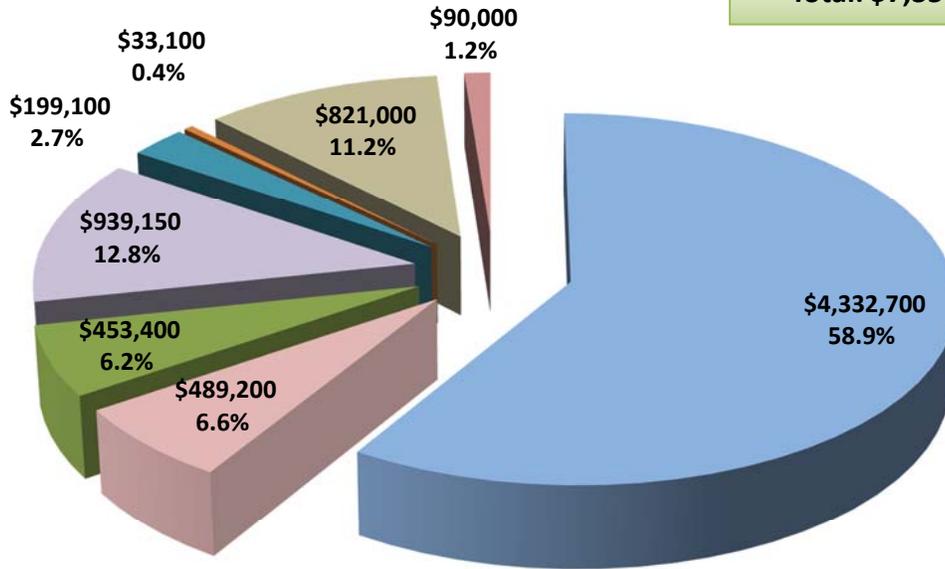
Town of Los Altos Hills FY 2014-15 Town-wide Revenues



Note: Excludes overhead allocation of \$1,867,960.

Town of Los Altos Hills FY 2014-15 General Fund Revenues

Total: \$7,357,650



- Property taxes
- Taxes other than property
- Franchise fees
- Licenses and permits
- Use of money and property
- Intergovernmental
- Charges for services
- Miscellaneous

Note: Excludes Internal allocation of \$1,867,960.

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Expenditures

Town of Los Altos Hills
Expenditures by Major Category & Type

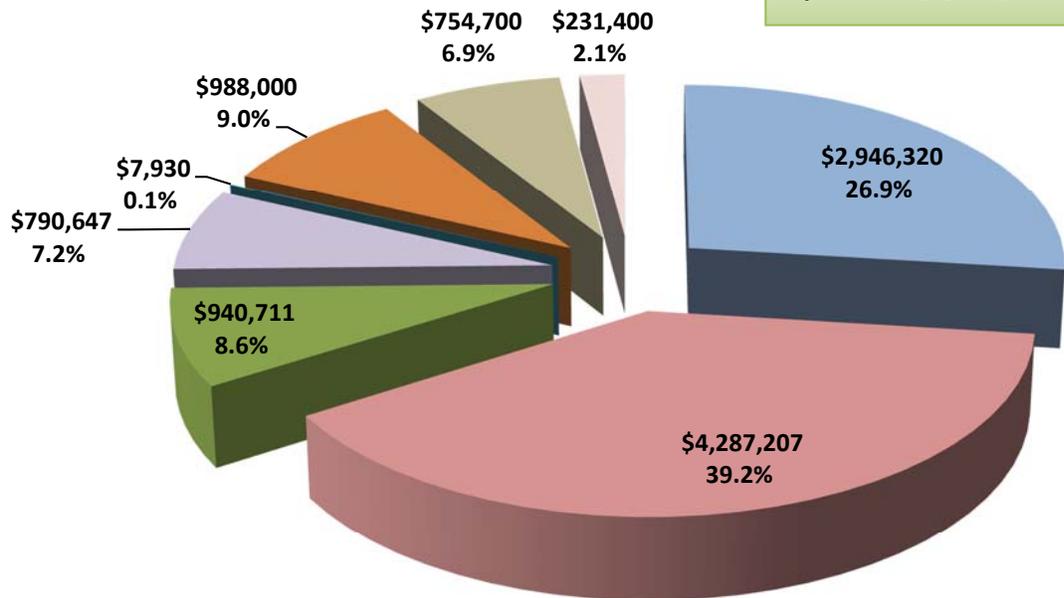
General Government	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
City Council	\$ 140,220	\$ 89,272	\$ 118,550	\$ 110,850	\$ 123,450
City Manager	357,670	313,664	253,000	256,000	387,500
City Clerk	177,083	138,196	84,500	79,300	189,500
Administrative Services	475,287	338,762	318,900	277,200	690,350
City Attorney	197,964	219,970	170,400	191,308	231,420
General Liability / Insurance	75,345	90,636	148,200	148,153	160,520
Community Service Grants	65,600	65,600	60,000	51,500	30,000
Committees / Commissions	91,473	107,040	104,300	104,600	174,810
Total General Government Expenditures	\$ 1,580,642	\$ 1,363,141	\$ 1,257,850	\$ 1,218,911	\$ 1,987,550
Public Safety	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Public Safety	\$ 905,956	\$ 988,405	\$ 1,138,067	\$ 1,138,067	\$ 1,188,411
Animal Control	59,096	59,096	82,917	77,917	57,574
Total Public Safety	\$ 965,052	\$ 1,047,501	\$ 1,220,984	\$ 1,215,984	\$ 1,245,985
Community Development	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Planning Administration	\$ 1,057,819	\$ 928,226	\$ 1,305,320	\$ 1,246,120	\$ 1,352,926
Planning Commission	10,452	10,053	12,480	11,480	13,005
Building Administration	504,421	658,492	1,044,570	1,046,370	1,038,760
Plan Review and Inspection	77,046	86,014	129,873	147,573	139,737
Engineering Administration	346,844	235,624	377,376	379,276	373,540
Total Community Development Exp.	\$ 1,996,582	\$ 1,918,409	\$ 2,869,619	\$ 2,830,819	\$ 2,917,968
Non-Departmental	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Non-Departmental	\$ 1,250,260	\$ -	\$ -	\$ -	\$ -
Total Non-Departmental Expenditures	\$ 1,250,260	\$ -	\$ -	\$ -	\$ -
Parks & Recreation	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Parks & Recreation Administration	\$ 113,518	\$ 134,923	\$ 182,071	\$ 174,656	\$ 201,209
Equestrian Programs	88,400	85,528	12,297	13,622	-
Fee Programs	22,578	23,731	85,080	80,671	36,754
Special Events	57,429	59,301	80,284	81,488	76,700
Playing Fields	62,519	71,808	88,721	99,821	97,312
Riding Ring	3,350	1,584	7,610	7,610	-
Westwind Barn	384,356	385,621	343,713	375,963	216,513
Total Parks & Recreation Expenditures	\$ 732,150	\$ 762,496	\$ 799,776	\$ 833,830	\$ 628,488
Total General Fund Expenditures	\$ 6,524,686	\$ 5,091,547	\$ 6,148,229	\$ 6,099,544	\$ 6,779,991
Special Revenue Funds	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Storm Drain Operations	\$ 290,524	\$ 241,918	\$ 427,203	\$ 442,203	\$ 381,351
Pathway Operations	313,421	270,743	440,139	455,139	488,081
Street Operations	259,259	250,972	413,265	392,265	436,924
COPS Programs	92,280	84,271	119,801	92,601	149,504
Total Special Rev. Funds Expenditures	\$ 955,484	\$ 847,903	\$ 1,400,408	\$ 1,382,208	\$ 1,455,860

Town of Los Altos Hills
 Expenditures by Major Category & Type

Debt Service Funds	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
CEC Loan 024--03-ECB	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,351	\$ 15,370
CEC Loan 003-09-ECD	4,234	4,233	4,234	4,234	4,230
Total Debt Service Funds	\$ 19,585	\$ 19,584	\$ 19,585	\$ 19,585	\$ 19,600
Capital Funds	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
General CIP	\$ 212,602	\$ 54,943	\$ 286,400	\$ 286,400	\$ 342,500
Pathways CIP	367,297	1,255,232	103,300	115,300	156,700
WWB CIP	46,674	24,781	-	-	40,700
Storm Drain CIP	68,578	495,889	138,800	138,800	138,800
Street CIP	889,219	888,599	550,000	550,000	1,340,700
Total Capital Funds Expenditures	\$ 1,584,370	\$ 2,719,444	\$ 1,078,500	\$ 1,090,500	\$ 2,019,400
Subtotal - Governmental Funds	\$ 9,084,125	\$ 8,678,479	\$ 8,646,722	\$ 8,591,837	\$ 10,274,851
Proprietary Funds	2011-12 Actual	2012-13 Actual	2013-14 Revised Budget	2013-14 Est. Actual	2014-15 Adopted Budget
Sewer CIP	\$ -	\$ -	\$ 505,000	\$ 507,000	\$ 515,000
Sewer Operations	1,381,919	1,245,570	1,681,565	1,623,565	2,025,024
Subtotal - Proprietary Funds	\$ 1,381,919	\$ 1,245,570	\$ 2,186,565	\$ 2,130,565	\$ 2,540,024
GRAND TOTAL	\$ 10,466,044	\$ 9,924,049	\$ 10,833,287	\$ 10,722,402	\$ 12,814,875

Town of Los Altos Hills FY 2014-15 Town-wide Expenditures

Total: \$10,946,915
(Includes \$2,307,411 in Sewer Fund)

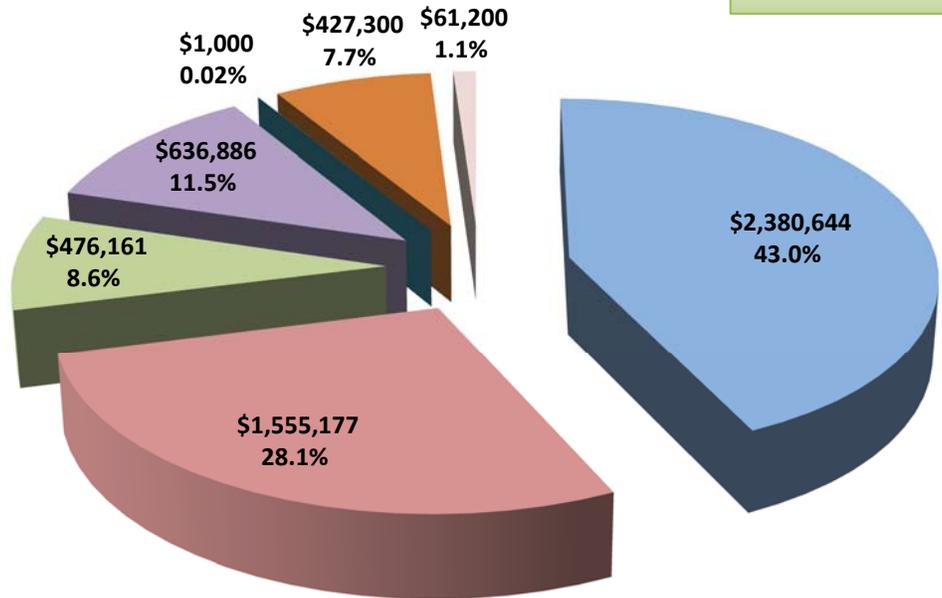


- Personnel
- Contract services
- Professional services
- Operations
- Rent & Leases
- Capital Improvements
- Vehicle & Town Center Allocation
- Other

Note: Excludes overhead allocation of \$1,867,960.

Town of Los Altos Hills FY 2014-15 General Fund Expenditures

Total: \$5,538,368



- Personnel
- Contract services
- Professional services
- Operations
- Rent & Leases
- Internal Allocations
- Other
- Transfers

Note: Excludes overhead allocation of \$1,241,623 and operating transfers to capital funds of \$2,479,631.

Work Programs & Departmental Budgets

GENERAL FUND DEPARTMENT SUMMARIES

CITY COUNCIL	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	-	-	-
ALLOCATIONS IN	-	-	118,550	118,550	123,450
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	47,943	38,642	37,250	37,250	39,350
OPERATING EXPENSES	92,277	50,630	81,300	73,600	84,100
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	140,220	89,272	-	(7,700)	-

CITY MANAGER	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	-	-	-
ALLOCATIONS IN	-	-	253,000	253,000	326,222
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	328,256	270,954	184,400	184,400	318,600
OPERATING EXPENSES	7,278	8,550	68,600	71,600	68,900
ALLOCATIONS OUT	22,136	34,159	-	-	-
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	357,670	313,664	-	3,000	61,278

CITY ATTORNEY/LEGAL SERVICES	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	20,403	22,052	41,308	21,420
ALLOCATIONS IN	-	-	220,400	150,000	231,420
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	-	-	-	-	-
OPERATING EXPENSES	197,964	219,970	170,400	191,308	231,420
ALLOCATIONS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	197,964	199,567	(72,052)	-	(21,420)

CITY CLERK	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	-	-	-
ALLOCATIONS IN	-	-	84,500	84,500	189,500
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	152,100	104,553	70,400	70,400	142,500
OPERATING EXPENSES	2,847	13,566	14,100	8,900	47,000
ALLOCATIONS OUT	22,136	20,077	-	-	-
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	177,083	138,196	-	(5,200)	-

COMMITTEES/COMMISSIONS	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	-	154	-
ALLOCATIONS IN	-	-	104,300	106,446	174,810
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	41,882	47,313	31,400	31,400	99,400
OPERATING EXPENSES	49,591	59,727	72,900	73,200	75,410
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	91,473	107,040	-	(2,000)	-

GENERAL FUND DEPARTMENT SUMMARIES

COMMUNITY SERVICES GRANTS	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	-	-	-
ALLOCATIONS IN	-	-	-	-	-
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	-	-	-	-	-
OPERATING EXPENSES	65,600	65,600	60,000	51,500	30,000
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	65,600	65,600	60,000	51,500	30,000

INSURANCE	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	36,000	22,063	10,000
ALLOCATIONS IN	-	-	124,600	126,090	160,520
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	-	-	-	-	-
OPERATING EXPENSES	75,345	90,636	148,200	148,153	160,520
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	75,345	90,636	(12,400)	-	(10,000)

ADMINISTRATIVE SERVICES (includes: Admin, Finance, HR, & IT)	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	10,000	1,000	-
ALLOCATIONS IN	-	-	291,400	291,400	662,050
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	284,780	167,455	167,700	167,700	532,550
OPERATING EXPENSES	161,730	135,168	151,200	109,500	157,800
ALLOCATIONS OUT	28,777	36,139	-	-	-
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	475,287	338,762	17,500	(15,200)	28,300

GENERAL FUND (not specific to any Department or Division)	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	5,002,423	5,312,246	5,367,300	5,478,730	5,545,720
ALLOCATIONS IN	-	-	-	-	-
TRANSFERS IN	69,243	71,000	168,786	168,786	-
SALARIES & BENEFITS	-	-	-	-	-
OPERATING EXPENSES	1,250,260	-	-	-	-
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT	2,831,158	2,410,238	1,963,187	1,963,187	2,479,631
NET GENERAL FUND EXPENSE (REVENUE)	(990,248)	(2,973,008)	(3,572,899)	(3,684,329)	(3,066,089)

COMMUNITY DEVELOPMENT (includes: Admin, Building & Planning)	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	1,158,028	1,162,376	1,246,991	1,317,178	1,639,310
ALLOCATIONS IN	-	-	-	-	-
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	1,026,448	1,111,996	1,315,757	1,284,557	1,017,025
OPERATING EXPENSES	437,330	326,339	334,450	324,950	395,849
ALLOCATIONS OUT	185,960	244,450	842,036	842,036	1,131,554
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	491,710	520,409	1,245,252	1,134,365	905,118

GENERAL FUND DEPARTMENT SUMMARIES

PARKS & RECREATION (incl: Admin, Recreation, Equestrian, Special Events)	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	401,583	376,890	208,025	250,800	92,600
ALLOCATIONS IN	-	-	-	-	-
TRANSFERS IN	-	695,876	604,506	604,506	-
SALARIES & BENEFITS	159,609	211,772	121,424	110,241	110,460
OPERATING EXPENSES	528,269	525,677	475,668	516,863	303,800
ALLOCATIONS OUT	44,272	25,047	202,684	206,727	214,228
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	330,567	(310,270)	(12,755)	(21,476)	535,888
PUBLIC SAFETY (includes: Police Services and Animal Control)	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	-	-	-	-	-
ALLOCATIONS IN	-	-	-	-	-
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	-	-	26,794	26,794	-
OPERATING EXPENSES	965,052	1,047,501	1,079,500	1,074,500	1,073,920
ALLOCATIONS OUT	-	-	114,690	114,690	172,065
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	965,052	1,047,501	1,220,984	1,215,984	1,245,985
PUBLIC WORKS (includes: Admin, Engineering)	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
REVENUES	66,386	19,712	47,200	46,979	48,600
ALLOCATIONS IN	-	-	-	-	-
TRANSFERS IN	-	-	-	-	-
SALARIES & BENEFITS	178,160	139,691	141,422	141,422	120,759
OPERATING EXPENSES	136,941	70,886	138,500	140,400	101,705
ALLOCATIONS OUT	27,748	25,047	97,454	97,454	151,076
TRANSFERS OUT	-	-	-	-	-
NET GENERAL FUND EXPENSE (REVENUE)	276,463	215,912	330,176	332,298	324,940
TOTAL GENERAL FUND	2,654,186	(156,718)	(796,194)	(998,758)	34,012

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Work Program

General Government

GENERAL GOVERNMENT - CITY COUNCIL
<p>MISSION: The mission of the Town of Los Altos Hills is to provide high quality public services and facilities in a fiscally sustainable, responsive, and friendly manner and to foster a safe and healthy community in a semi-rural residential setting.</p>
<p>ORGANIZATION: The Council is composed of five members who are elected at-large on a non-partisan basis for 4-year staggered terms. The Mayor is appointed annually from among the elected Council members.</p>
CITY COUNCIL
<p>ORG CODE: 011-1100 DESCRIPTION: The City Council is the governing board of the Town. It provides community leadership, enacts laws, adopts resolutions, ordinances and establishes policies for the Town government. The City Council also adopts an annual budget. The Council meets the third Thursday of each month in formal, public session and occasionally in additional special meetings and study sessions. All City Council meetings are open to the public and are streamed live on the Town’s website at http://www.losaltoshills.ca.gov. City Council agendas, reports, packets, minutes and video archives of the meetings are posted on the Town’s website. The Mayor and City Council represent the Town on various local, regional, and State policy committees and commissions. The Council also reviews proposed State of California legislation and provides formal input into the legislative process.</p>
<p>PROGRAM SUMMARY & MAJOR SERVICES:</p> <ul style="list-style-type: none"> • Legislation • Policy • Budget
<p>2013-2014 ACCOMPLISHMENTS:</p> <ol style="list-style-type: none"> 1. The adoption of a balanced Town Budget 2. Completion of the Lower Arena project 3. Completion of the Arastradero trail 4. Completion of the Westwind Community Barn concessionaire agreement 5. Adopted an updated User Fee schedule 6. Collaboration and Councilmember participation on the Los Altos Hills County Fire District 7. Appointed Councilmembers to committees and liaison appointments in January 2014 8. Continued improvement in the CERT program with over 200 trained members with assistance from Fire District 9. Creation of a program to provide for accepting private roads into the public street system 10. Policy support for environmentally responsible operation of Lehigh Quarry 11. Conducted a joint meeting with the Los Altos City Council
<p>2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS: None</p>
<p>2014-2015 OBJECTIVES:</p> <ol style="list-style-type: none"> 1. Provide effective and sustainable public safety 2. Ensure adequate funding for critical infrastructure, sewers and streets 3. Budget and plan for long-term fiscal sustainability 4. Maintain emergency preparedness programs 5. Enhance communications and outreach with Town residents
<p>2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET: None</p>

**CITY COUNCIL (011-1100)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	47,943	38,642	37,250	37,250	39,350
PERSONNEL TOTAL	47,943	38,642	37,250	37,250	39,350
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	11,276	12,993	14,000	14,000	14,500
OPERATIONS	81,001	37,637	67,300	59,600	69,600
OPERATING EXPENSE TOTAL	92,277	50,630	81,300	73,600	84,100
EXPENDITURES TOTAL	140,220	89,272	118,550	110,850	123,450
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	-	-	-
EXPENDITURES & TRANSFERS TOTAL	140,220	89,272	118,550	110,850	123,450
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	118,550	118,550	123,450
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	118,550	118,550	123,450
REVENUE & TRANSFERS TOTAL	-	-	118,550	118,550	123,450
GENERAL FUND NET EXPENSE (REVENUE)	140,220	89,272	-	(7,700)	-

Note: Allocations Out will be adjusted during fiscal year-end close to match actual department expenses.

GENERAL GOVERNMENT - CITY MANAGER
<p>MISSION: Provide overall management of the Town, execute Council policy, and insure that residents of Los Altos Hills receive excellent customer service and fair value for their tax dollars.</p>
<p>ORGANIZATION: City Manager Office consists of one budget unit. City Manager provides an oversight of all Town Departments and manages contracts for Law Enforcement services with the County of Santa Clara Sheriff's Office and IT Services with the City of Redwood City.</p>
CITY MANAGER
<p>ORG CODE: 011-1200 DESCRIPTION: The City Manager is responsible for carrying out the policies and directives of the City Council and for the overall management of the Town operations. The City Manager is responsible for preparing and submitting the proposed annual Budget and salary plan to the Council. The City Manager hires and supervises the Executive Management Team that includes the Department Heads of each Town Department.</p>
<p>PROGRAM SUMMARY & MAJOR SERVICES:</p> <ul style="list-style-type: none"> • Direct and organize Town services and departments • Supervise all public property and assets under jurisdiction of the Council • Recommend the adoption of policies and ordinances as necessary • Purchase materials and supplies necessary for the conduct of the public's business • Enforce contracts, agreements and permits authorized by the Council • Oversee public information, customer service and community engagement
<p>2013-2014 ACCOMPLISHMENTS:</p> <ol style="list-style-type: none"> 1. Solicited proposals from two highly qualified concessionaire candidates for Westwind Barn 2. Implemented transition of Westwind Barn management to Concessionaire 3. Completed User Fee Study 4. Kicked off Purissima Creek restoration project in O'Keefe Preserve using SCVWD matching grant 5. Conducted joint CERT and staff training exercise to test readiness communications 6. Recruited a Senior Planner 7. Organized eleven successful community events and one crime prevention forum
<p>2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS:</p> <ol style="list-style-type: none"> 1. Reduced the operating subsidy for Westwind Barn 2. Increased Year Round Riding Program Revenues 3. Renegotiated Little League Contract to include 1:1 cost sharing on water utility
<p>2014-2015 OBJECTIVES:</p> <ol style="list-style-type: none"> 1. Complete annual street rehabilitation program maintaining a pavement condition index (PCI) of 77 2. Complete annual Sanitary Sewer Capital Program 3. Finish design work for Page Mill Road/Matadero Creek erosion control project phase 2 4. Institute more effective communications and outreach to Town residents 5. Successfully recruit Senior Engineer and Finance Manager 6. Substantially complete 2014-2021 Housing Element Update 7. Complete comprehensive analysis of staff salary and benefits
<p>2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET: The FY 2014-15 Budget reflects the overhead Cost Allocation Plan implemented in the prior year with one significant change: fringe benefits internal service fund (ISF) cost is allocated to all administrative (Donor) departments to show their full salary and benefit cost before their allocation to operating departments.</p>

**CITY MANAGER (011-1200)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	328,256	270,954	184,400	184,400	318,600
PERSONNEL TOTAL	328,256	270,954	184,400	184,400	318,600
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	7,278	8,550	68,600	71,600	68,900
OPERATING EXPENSE TOTAL	7,278	8,550	68,600	71,600	68,900
EXPENDITURES TOTAL	335,534	279,504	253,000	256,000	387,500
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	22,136	34,159	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	22,136	34,159	-	-	-
EXPENDITURES & TRANSFERS TOTAL	357,670	313,664	253,000	256,000	387,500
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	253,000	253,000	326,222
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	253,000	253,000	326,222
REVENUE & TRANSFERS TOTAL	-	-	253,000	253,000	326,222
GENERAL FUND NET EXPENSE (REVENUE)	357,670	313,664	-	3,000	61,278

Note: Allocations Out will be adjusted during fiscal year-end close to match actual department expenses.

GENERAL GOVERNMENT - CITY ATTORNEY
<p>MISSION: The mission of the City Attorney is to provide the residents of the Town, City Council and Staff with high quality, legal advice and counsel.</p>
<p>ORGANIZATION: The Department is comprised of the City Attorney under contract of the law firm of Meyers, Nave Riback, Silver & Wilson and includes all office costs including paralegal, secretarial, clerical, etc.</p>
CITY ATTORNEY
<p>ORG CODE: 011-1500 DESCRIPTION: The City Attorney reports directly to the City Council and is charged with the task of serving as the legal counsel to the City Council, Planning Commission, City Manager and staff on all legal aspects of municipal operations.</p>
<p>PROGRAM SUMMARY & MAJOR SERVICES: Legal services include legal advice and analysis, preparation of legislation including ordinances and resolutions, drafting or review of contracts and agreements, conducting research and supporting the Town in litigation, civil and criminal actions, and code enforcement. The City Attorney attends all regular and special City Council meetings. Other services include meetings 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.</p>
<p>2013-2014 ACCOMPLISHMENTS:</p> <ol style="list-style-type: none"> 1. Attend City Council meetings 2. Provided prompt legal advice to the City Council, City Manager and staff 3. Defended the Town in several specific legal matters
<p>2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS:</p> <ol style="list-style-type: none"> 1. Cost recovery of attorney's fees in code enforcement applications 2. Reduce litigation expenses through early and appropriate intervention and/or dispute resolution 3. Implementation of the monthly retainer for basic legal services
<p>2014-2015 OBJECTIVES:</p> <ol style="list-style-type: none"> 1. Continue to provide competent legal advice at fair and reasonable rates to the Town. 2. Continue to monitor legal developments that affect the Town and report to staff and City Council 3. Update the municipal code as required in the area of public contracts, appointments and zoning
<p>2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET: None</p>

**CITY ATTORNEY/LEGAL SERVICES (011-1500)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	-	-	-
PERSONNEL TOTAL	-	-	-	-	-
CONTRACTUAL SERVICES	27,286	9,293	20,400	41,308	21,420
PROFESSIONAL SERVICES	170,678	210,677	150,000	150,000	210,000
OPERATIONS	-	-	-	-	-
OPERATING EXPENSE TOTAL	197,964	219,970	170,400	191,308	231,420
EXPENDITURES TOTAL	197,964	219,970	170,400	191,308	231,420
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	-	-	-
EXPENDITURES & TRANSFERS TOTAL	197,964	219,970	170,400	191,308	231,420
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	20,403	22,052	41,308	21,420
REVENUE TOTAL	-	20,403	22,052	41,308	21,420
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	220,400	150,000	231,420
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	220,400	150,000	231,420
REVENUE & TRANSFERS TOTAL	-	20,403	242,452	191,308	252,840
GENERAL FUND NET EXPENSE (REVENUE)	197,964	199,567	(72,052)	-	(21,420)

Note: Allocations Out will be adjusted during fiscal year-end close to match actual department expenses.

GENERAL GOVERNMENT - CITY CLERK

MISSION:

The mission of the City Clerk program is to provide the residents of the Town, City Council and Staff with access to public records and to ensure all facets of agenda preparation, public meetings and municipal elections are conducted according to state law. The City Clerk is the liaison and public information officer between the public and the City Council. The Clerk also provides logistical support to Town Committees. The City Clerk’s most important function is to promote openness in government by serving the people's needs promptly and efficiently.

ORGANIZATION:

The Town of Los Altos Hills City Clerk program consists of one budget unit, staffed by a City Clerk and a part-time Office Specialist.

CITY CLERK

ORG CODE: 011-1300

DESCRIPTION:

The basic function of the City Clerk office is to provide administrative support for City Council meetings by preparing agendas, minutes, resolutions and ordinances, coordinate municipal elections, oversee and manage the vital records program, receive Fair Political Practices Commission filings, oversee updating and codification of the Municipal Code and assist the public, maintaining the permanent, non-permanent and historical records and respond to requests for public information in accordance with the Town’s records retention schedule and State Law. Additional duties include completing assignments designated by the City Manager.

PROGRAM SUMMARY & MAJOR SERVICES:

- **Council and City Manager Support** – To facilitate the Council agenda process for the City Manager and Council in compliance with legal requirements
- **Elections Management** – Oversee election contract with County in accordance with State law
- **Permanent Records Management** – Coordinate and monitor Town permanent and non-permanent records and respond to requests for public information in accordance with state law
- **Public Information Officer** – In coordination with the City Manager, the Clerk issues press releases and utilizes Rapid Notify to disseminate information to residents

2013-2014 ACCOMPLISHMENTS:

1. Attended 17 City Council Regular and Special meetings and created legislative record and ancillary documents
2. Produced 17 electronic City Council packets, recorded and streamed meetings; updated web content
3. Purged 7 boxes of vital records and identified boxes for destruction in 2014-15
4. Responded to 32 requests for public records
5. Facilitated requests for articles for the Town’s newsletter and provided follow-up assistance as required by the editor
6. Administrative support to the Town’s 15 Standing Committees including agenda posting, reminders, attendance records and attended various meetings throughout the year
7. Monitored and updated the Town’s website, including implementing an opt-in electronic communications portal
8. Coordinated a Brown Act Training for committees
9. Coordinated the third annual Crime Prevention Forum
10. Completed a City Council Chambers Audio/Video Upgrade
11. Volunteered to act as Program Chair for the Northern California City Clerks Association
12. Issued a Request for Qualifications for an Electronic Document Management Program
13. Coordinated the 2013 volunteer dinner as well as two ribbon cuttings

2013-2014 ACCOMPLISHMENTS (Cont):

14. Participated in Emergency Preparedness drills and initiated Rapid Notify alerts to CERT members and Town residents as needed
15. Assist in internal office management requests, including administrative office management
16. Served as an Ex-Officio Board Member of the Los Altos Chamber of Commerce

2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS:

None

2014-2015 OBJECTIVES:

1. Continue administrative support of City Council meetings
2. Facilitate the 2014 General Municipal Election
2. Continue production of accurate legislative history of the Town
3. Continue administrative support of the Town's Standing Committees
4. Coordinate the 2014 volunteer dinner
5. Implementation of electronically scanning Town documents utilizing Laserfiche
6. Explore the possibility of televising City Council meetings on local television
7. Continue support of the City Council, Town Staff and Committee Members

2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET:

The FY 2014-15 Budget reflects the overhead Cost Allocation Plan implemented in the prior year with one minor change: fringe benefits internal service fund (ISF) cost is allocated to all administrative (Donor) departments to show their full salary and benefit cost before their allocation to operating departments.

**CITY CLERK (011-1300)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	152,100	104,553	70,400	70,400	142,500
PERSONNEL TOTAL	152,100	104,553	70,400	70,400	142,500
CONTRACTUAL SERVICES	-	3,286	-	-	-
PROFESSIONAL SERVICES	1,078	7,344	10,200	5,000	10,500
OPERATIONS	1,769	2,937	3,900	3,900	36,500
OPERATING EXPENSE TOTAL	2,847	13,566	14,100	8,900	47,000
EXPENDITURES TOTAL	154,947	118,119	84,500	79,300	189,500
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	22,136	20,077	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	22,136	20,077	-	-	-
EXPENDITURES & TRANSFERS TOTAL	177,083	138,196	84,500	79,300	189,500
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	84,500	84,500	189,500
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	84,500	84,500	189,500
REVENUE & TRANSFERS TOTAL	-	-	84,500	84,500	189,500
GENERAL FUND NET EXPENSE (REVENUE)	177,083	138,196	-	(5,200)	-

Note: Allocations Out will be adjusted during fiscal year-end close to match actual department expenses.

GENERAL GOVERNMENT – COMMITTEES & COMMISSIONS
<p>MISSION: Building community consensus for proposals or projects, reviewing written material, facilitating study of issues, guiding implementation of new or regulating established programs, assessing the alternatives regarding issues of community concern and ultimately forwarding recommendations to the City Council for consideration.</p>
<p>ORGANIZATION: The City Council has established 16 committees/commissions to review Town programs, projects and community issues. The Town of Los Altos Hills standing committees have been established by resolution with the exception of the Planning Commission and Senior Commission, which were established by ordinance.</p>
COMMITTEES & COMMISSIONS
<p>ORG CODE: 011-1700 DESCRIPTION: All standing committees consist of Town residents who are willing to share their expertise and enthusiasm to contribute to the Town’s direction and vision to make it a better place to live in.</p>
<p>PROGRAM SUMMARY & MAJOR SERVICES: The Town has the following standing committees/commissions:</p> <ul style="list-style-type: none"> • Planning Commission • Community Relations • Education • Emergency Communications • Environmental Design and Protection • Environmental Initiatives • Finance and Investment • History • Senior Commission • Open Space • Parks & Recreation • Pathways • Traffic Safety • Water Conservation • Joint Community Volunteer Service Awards • Youth Commission
<p>2013-2014 ACCOMPLISHMENTS:</p> <ol style="list-style-type: none"> 1. Organization and execution of the 2014 Town Picnic 2. Provided a public forum regarding living with coyotes 3. Provided seminars and information on Sudden Oak Death 4. Completed work on the heritage tree ordinance and assisted in preserving farm equipment. 5. Sponsored an “Old-Timers” gathering inviting individuals who have resided in Town 35 years or more 6. Co-sponsored an event with the Los Altos History Museum regarding Lost Orchards 7. Improved communications with the CERT organization, including documenting key infrastructure items/priorities to be checked in the event of an emergency 8. Completion of events: Hoedown, Hoppin Hounds and Pathways Run 9. Expanded recreation programming serving the residents of Los Altos Hills and members of the wider community, offering the largest Activity Guide to date 10. Helped with the Santa Clara Valley Water District Grant for O’Keefe Preserve Restoration. 11. Wrote articles on water conservation for the <i>Our Town</i> Newsletter 12. Studied elementary school attendance and performance and presented to the City Council. 13. Offered suggestions and advised in FY’ 14-15 budget development 14. Reviewed and advised on Investment Plans, CalPERS’ pension performance report; valuation and made OPEB contribution recommendation

2013-2014 ACCOMPLISHMENTS (Cont):

- 15. Finance and Investment Committee (FIC) worked with Town’s staff to complete the Cost Allocation Plan and User Fee Update, and FY 2013-14 Midyear Budget Analysis, and FY 2014-15 Budget. Members of the Committee also assisted in the evaluation and award of WWB Concessionaire and Sewer Fund operational and financial review
- 16. All committees participated in Brown Act and Ethics Training

2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS:

None

2014-2015 OBJECTIVES:

All standing committees will continue to work as outlined in their individual charters to make recommendations to the City Council for the betterment of the Town.

2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET:

The FY 2014-15 Budget reflects the overhead Cost Allocation Plan implemented in the prior year with one significant change: fringe benefits internal service fund (ISF) cost is allocated to all administrative (Donor) departments to show their full salary and benefit cost before their allocation to operating departments.

**COMMITTEES/COMMISSIONS (011-1700)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	41,882	47,313	31,400	31,400	99,400
PERSONNEL TOTAL	41,882	47,313	31,400	31,400	99,400
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	2,193	7,072	5,000	5,000	5,160
OPERATIONS	47,398	52,656	67,900	68,200	70,250
OPERATING EXPENSE TOTAL	49,591	59,727	72,900	73,200	75,410
EXPENDITURES TOTAL	91,473	107,040	104,300	104,600	174,810
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	-	-	-
EXPENDITURES & TRANSFERS TOTAL	91,473	107,040	104,300	104,600	174,810
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	154	-
REVENUE TOTAL	-	-	-	154	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	104,300	106,446	174,810
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	104,300	106,446	174,810
REVENUE & TRANSFERS TOTAL	-	-	104,300	106,600	174,810
GENERAL FUND NET EXPENSE (REVENUE)	91,473	107,040	-	(2,000)	-

Note: Allocations Out will be adjusted during fiscal year-end close to match actual department expenses.

GENERAL GOVERNMENT – COMMUNITY SERVICES GRANTS			
MISSION: To provide financial incentive to certain community service non-profit organizations.			
COMMUNITY SERVICES GRANTS			
ORG CODE: 011-1700			
DESCRIPTION: Annual budgetary appropriation of grant funding to be awarded to qualified community non-profit organizations. Both the number of applicants and the total funding requested has more than doubled over the past five years.			
PROGRAM SUMMARY & MAJOR SERVICES: Every year, the City Council receives requests from community service agencies for grant monies to support programs that directly benefit the residents of the Town based on these major categories: <ul style="list-style-type: none"> • Non-Profit Partners are those agencies that provide services to Town residents that would otherwise be cost prohibitive for the Town to organize and manage on its own. • Non-Profit Associations are those agencies that provide services that are outside the scope of a traditional full-service municipality. This category also includes fundraising campaigns such as the Town Crier Holiday Fund which in turn provides grants to other non-profit associations. 			
2013-2014 ACCOMPLISHMENTS: The following agencies received the Community Services Grants from the Town: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> • American Red Cross Silicon Valley Chapter • Center for Age-Friendly Cities (CAFÉ) • Community Health Awareness Council (CHAC) • Community Services Agency • Day Worker Center of Mountain View • Friends of Deer Hollow Farm • Hidden Villa </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> • Joint Venture Silicon Valley • Los Altos Chamber of Commerce • Los Altos Mediation Program • Next Door Solutions • Peninsula Humane Society & SPCA • Rotary Club of Los Altos Art Show • United Way Silicon Valley </td> </tr> </table>		<ul style="list-style-type: none"> • American Red Cross Silicon Valley Chapter • Center for Age-Friendly Cities (CAFÉ) • Community Health Awareness Council (CHAC) • Community Services Agency • Day Worker Center of Mountain View • Friends of Deer Hollow Farm • Hidden Villa 	<ul style="list-style-type: none"> • Joint Venture Silicon Valley • Los Altos Chamber of Commerce • Los Altos Mediation Program • Next Door Solutions • Peninsula Humane Society & SPCA • Rotary Club of Los Altos Art Show • United Way Silicon Valley
<ul style="list-style-type: none"> • American Red Cross Silicon Valley Chapter • Center for Age-Friendly Cities (CAFÉ) • Community Health Awareness Council (CHAC) • Community Services Agency • Day Worker Center of Mountain View • Friends of Deer Hollow Farm • Hidden Villa 	<ul style="list-style-type: none"> • Joint Venture Silicon Valley • Los Altos Chamber of Commerce • Los Altos Mediation Program • Next Door Solutions • Peninsula Humane Society & SPCA • Rotary Club of Los Altos Art Show • United Way Silicon Valley 		
2014-2015 COST SAVINGS AND REVENUE GENERATING PROJECTS: None			
2014-2015 OBJECTIVES: Review and revise program funding options and eligibility criteria per Council directions.			
2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET: None.			

**COMMUNITY SERVICES GRANTS (011-1600)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	-	-	-
PERSONNEL TOTAL	-	-	-	-	-
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	65,600	65,600	60,000	51,500	30,000
OPERATING EXPENSE TOTAL	65,600	65,600	60,000	51,500	30,000
EXPENDITURES TOTAL	65,600	65,600	60,000	51,500	30,000
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	-	-	-
EXPENDITURES & TRANSFERS TOTAL	65,600	65,600	60,000	51,500	30,000
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	-	-	-	-	-
GENERAL FUND NET EXPENSE (REVENUE)	65,600	65,600	60,000	51,500	30,000

GENERAL GOVERNMENT – GENERAL LIABILITY INSURANCE

MISSION:

To develop Town risk management and safety programs, policies and procedures and insure the Town’s assets in order to minimize risk and costs.

ORGANIZATION:

The Administrative Services Director is the Town’s official Risk Manager, a member of the PLAN’s Board of Directors and is assisted by the City Clerk in the daily operation of the program and claims administration.

GENERAL LIABILITY INSURANCE

ORG CODE: 011-1500

DESCRIPTION:

The Town of Los Altos Hills is a member of ABAG PLAN (Pooled Liability Annuity Network), a public agency insurance pool sponsored by ABAG (Association of Bay Area Governments) which is comprised of 30 greater bay area municipalities, including the Town’s benchmark agencies Woodside, Portola Valley, Atherton, and Hillsborough. As a member, the Town purchases General Liability coverage of \$5 million with an excess coverage of \$10 million and SIR (Self Insured Retention or deductible) of \$25,000 on liability claims. Claims, and incidents that might develop into claims, are referred to ABAG PLAN for review and disposition. The Town also participates in PLAN’s property insurance program to provide property insurance of \$25 million with a \$25,000 deductible for all Town owned facilities and capital equipment (vehicle, etc.). In addition, the Town carries a Public Officials Bond through the PLAN for key Town officials who are entrusted with Town funds.

PROGRAM SUMMARY & MAJOR SERVICES:

The program includes managing liability, property and auto claims, insurance programs, as well as developing risk reduction policies and procedures. The budget provides for the premiums as well as any settlements resulting from claims against the Town.

2013-2014 ACCOMPLISHMENTS:

1. The number of claims remains low with only three filed in FY 2013-14
2. Cost of claims also is low due to the Town’s efforts implementing Risk Management Framework and Operational Best Practices program
3. In partnership with ABAG PLAN, the Town received \$16,670 in risk management grants last year
4. All Town’s managers and supervisors received training on the Town’s workers compensation and risk management procedures
5. Town is in compliance with the State-mandated and other safety trainings

2013-2014 SAVINGS AND REVENUE GENERATING PROJECTS:

1. Implemented Risk Management Program policies and procedures
2. Served on the ABAG PLAN Board of Directors to ensure that the Town continues to receive the most cost effective General Liability, Property and other liability insurance assessments
3. Recovered Town expenses through activities in the damaged property, subrogation and liability recovery programs
4. Conduct Risk Management training for employees to help reduce claims and minimize negative impact on the public

2014-2015 OBJECTIVES:

1. Continue to identify and reduce risks to the Town
2. Process and handle liability claims in a timely manner, so that the claim expenses and legal costs can be minimized
3. Continue to seek recovery of costs when actions of the third party cause damages to Town property (“subrogation” cases)
4. Implement new Risk Management and Safety policies and procedures
5. Work closely with ABAG PLAN on updating Risk Management Framework and Operational Best Practices

2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET:

The FY 2014-15 General Liability and Workers compensation premiums are budgeted 10% and 20% higher over the Adopted FY 2013-14 Budget based on the past trends. This increase might be overrated due to expected favorable adjustments in experience modification from the prior losses. Once, the actual premium cost becomes available any unused portion of the premium will be reallocated to a claim settlement budget.

**GENERAL LIABILITY / INSURANCE (011-1510)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	-	-	-
PERSONNEL TOTAL	-	-	-	-	-
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	75,345	90,636	148,200	148,153	160,520
OPERATING EXPENSE TOTAL	75,345	90,636	148,200	148,153	160,520
EXPENDITURES TOTAL	75,345	90,636	148,200	148,153	160,520
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	-	-	-
EXPENDITURES & TRANSFERS TOTAL	75,345	90,636	148,200	148,153	160,520
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	36,000	22,063	10,000
REVENUE TOTAL	-	-	36,000	22,063	10,000
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	124,600	126,090	160,520
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	124,600	126,090	160,520
REVENUE & TRANSFERS TOTAL	-	-	160,600	148,153	170,520
GENERAL FUND NET EXPENSE (REVENUE)	75,345	90,636	(12,400)	-	(10,000)

GENERAL GOVERNMENT – FINANCE & ADMINISTRATIVE SERVICES	
MISSION: Provide overall management of the Town’s Administrative Services, execution of the Town’s administrative policies, and ensure the Town organization; including officials, management and staff receive high quality effective and efficient administrative support services.	
ORGANIZATION: The department is comprised of Administration, Finance, Debt Service, Human Resources, Information Technology, Town Center Management, and Risk Management (Worker’s Compensation & General Liability) functions.	
FINANCE & ADMINISTRATION	
ORG CODE: 011-1400; 011-1510; 011-1600; 031-0100; 033-0000; 034-0000	
DESCRIPTION: The Administrative Services Department consists of three full-time employees including Administrative Services Director, Finance Manager, and Office Specialist, as well as contract positions of Sr. IT Analyst (City of Redwood City) and General Foremen (Impec Group). The Administrative Services Department goals are to provide oversight and support of the Town’s organization including: timely and accurate financial services that effectively protect and maximize the use of Town resources for the good of the community; support workforce best practices and policies consistent with Federal, State and local mandates and regulations; provide quality accessible technology infrastructure and IT support, and ensure implementation of safety policies and risk management best practices & procedures to mitigate the Town’s risk exposure.	
PROGRAM SUMMARY & MAJOR SERVICES:	
<ul style="list-style-type: none"> • Project Management • Contract Management • Special Services • Financial Planning/ Budgeting • Accountability and Financial Reporting • Disbursements • Debt Service Administration • Payroll • Banking/cashiering/revenue/investment mgt • Business Registration • Recruitment 	<ul style="list-style-type: none"> • Town Center Operations • Community Service Grant program • Benefit Administration • Employee Relations • Network infrastructure • Phone Support • Cell phone Support • Hardware support • Technology Replacement • On-line services & Resources • Risk Management
2013-2014 ACCOMPLISHMENTS:	
<ol style="list-style-type: none"> 1. Processed 112 journal entries; 1705 vendor checks; 575 payroll checks; 4,088 invoices; and 2123 business license applications 2. Prepared and delivered the Town’s Operating and Capital Budget in a new format that included the implementation of a new zero-based budgeting process and redesigned and improved presentation of the budget document 3. Prepared and completed the process of the Roadway Impact Refund notices for fiscal years 2010, 2011, 2012, and processed 195 refunds to legally entitled residents 4. Prepared the Town’s Financial Statement for the FY 2012-13 within a six month period from the end of the fiscal year, or three months earlier than in the previous year 5. Completed the Comprehensive Rate and Fee Study/ Overhead Cost Allocation 6. Completed and presented the Town’s first Mid-year Budget analysis 	

2013-2014 ACCOMPLISHMENTS (Cont):

7. Engaged in a contract and worked closely with Bartel & Associates, LLC to complete the GASB-45 – Other Post Employment Benefits (OPEB) Actuarial Valuation Study for the 2011/12 and 2012/13 fiscal years
8. Prepared and implemented checklist and written policies and procedures for the Year-End Financial Closure and Audit
9. Completed Audit of the Town’s personnel records to comply with records management requirements and regulations
10. Implemented new practice of Quarterly status reports to the Finance & Investment Committee
11. Served 30 full and part-time employees and processed 9 recruitments
12. Revised job classifications specifications addressing changes in essential duties, minimum qualifications, exemption status, developed methodology and conducted salary and benefit surveys for Recreation Supervisor, Finance Manager and Sr. Planner positions
13. Processed recruitment and hiring for Sr. Engineer, Sr. Planner, Town Interns, and Finance Manager positions
14. Created an interactive system for tracking employee anniversary dates, annual performance evaluation and merit increases and bringing it in compliance with the Town policies and budget
15. Managed bid process and completed implementation of the Town’s Flexible Spending Account (FSA) benefit program
16. Coordinated employee relations such as workplace investigations, leaves of absences and disability accommodations as needed
17. Provided support for 27 phone lines and all cellular/data equipment and services, as well as managed a contract with the City of Redwood City IT Department to support 25 email accounts, 4 physical servers; 11 network printers; 1 personal printers; 21 PC, 3 laptops; EOC hardware and telecommunications system
18. Started replacement of users Windows XP systems with Windows 7
19. Replaced LAHSTORE (data server) with the new one, and repurposed an old Exchange server as LAHVPN for remote access by users
20. Added recording capabilities to the CHAMBERS PC for Council Meetings and Planning Commission Meetings archiving
21. Worked closely with the Town’s Workers compensation provider to ensure injured employees receive quality care and the Town’s possession of required policies and injury and illness prevention program, and they are properly enforced
22. Enrolled all Town employees in DMV pull notice program to comply with vehicle operations best practices and the State Law requirements for employees with commercial driver licenses
23. Developed worker’s compensation and risk management policies and procedures and provided on-going training session for managers and supervisors
24. Completed a benchmarking analysis of law enforcement services in Santa Clara County including developing objective metrics measuring the law enforcement performance and providing comparisons of functions and cost of operation of similar-sized town’s enforcement services and implemented a ten-year extension to the Town’s law enforcement services contract with Santa Clara County Sheriff’s Office

2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS:

1. Re-negotiated lease terms for the ground lease and co-location of the cell phone tower at Purissima Park for a five-year lease to a total increase in revenues of \$12,212 or 32% from the FY13-14 adopted budget
2. Ensured compliance with ABAG PLAN's Risk Management Best Practices Framework Program, and received \$16,670 in Risk Management grant funds
3. Received \$6,245 in Emergency Management Performance Grant from Santa Clara County
4. Completed the Overhead Cost Allocation and Comprehensive Rate and Fee Study (User Fee) resulted in 30% increase in General Fund charges for services revenues

2014-2015 OBJECTIVES:

1. Finish implementation of the HR and Time & Attendance software modules with ADP Payroll Services to efficiently manage workforce time & attendance; improve wage and hour compliance; and enable to streamline the payroll process
2. Preparation of the comprehensive analysis of all Town's job classifications and specifications including minimum qualifications, benefits and compensation
3. Continue to provide a high level of customer service
4. Implement new Risk Management and Safety Policies and procedures and ensure the Town's compliance with Risk Management Best Practices Framework and eligibility for Risk Management grants
5. Develop the Five Year Capital Improvement Program Budget

2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET:

The FY 2014-15 Budget reflects the overhead Cost Allocation Plan implemented in the prior year with one minor change: fringe benefits internal service fund (ISF) cost is allocated to all administrative (Donor) departments to show their full salary and benefit cost before their allocation to operating departments.

**ADMINISTRATIVE SERVICES DEPARTMENT (011-1400)
 BUDGET SUMMARY (General Fund only)**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	284,780	167,455	167,700	167,700	532,550
PERSONNEL TOTAL	284,780	167,455	167,700	167,700	532,550
CONTRACTUAL SERVICES	44,105	42,675	59,000	15,000	61,850
PROFESSIONAL SERVICES	70,525	33,950	50,000	50,100	52,500
OPERATIONS	47,100	58,543	42,200	44,400	43,450
OPERATING EXPENSE TOTAL	161,730	135,168	151,200	109,500	157,800
EXPENDITURES TOTAL	446,510	302,623	318,900	277,200	690,350
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	28,777	36,139	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	28,777	36,139	-	-	-
EXPENDITURES & TRANSFERS TOTAL	475,287	338,762	318,900	277,200	690,350
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	10,000	1,000	-
REVENUE TOTAL	-	-	10,000	1,000	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	291,400	291,400	662,050
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	291,400	291,400	662,050
REVENUE & TRANSFERS TOTAL	-	-	301,400	292,400	662,050
GENERAL FUND NET EXPENSE (REVENUE)	475,287	338,762	17,500	(15,200)	28,300

**GENERAL FUND/ NON DEPARTMENTAL (011-0000)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	-	-	-
PERSONNEL TOTAL	-	-	-	-	-
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	1,250,260	-	-	-	-
OPERATING EXPENSE TOTAL	1,250,260	-	-	-	-
EXPENDITURES TOTAL	1,250,260	-	-	-	-
TRANSFERS OUT	2,831,158	2,410,238	1,358,681	1,358,681	2,479,631
ALLOCATIONS OUT	-	-	-	-	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	2,831,158	2,410,238	1,358,681	1,358,681	2,479,631
EXPENDITURES & TRANSFERS TOTAL	4,081,418	2,410,238	1,358,681	1,358,681	2,479,631
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	3,543,231	3,785,652	4,157,700	4,179,519	4,332,700
TAXES OTHER THAN PROPERTY	423,353	545,227	511,400	511,400	489,200
FRANCHISE FEES	430,149	421,634	425,200	441,631	453,400
LICENSES & PERMITS	14,650	28,015	19,500	23,854	22,000
USE OF MONEY & PROPERTY	154,887	142,786	168,600	171,500	173,600
INTERGOVERNMENTAL	58,370	66,355	49,100	44,836	33,100
CHARGES FOR CURRENT SERVICES	242,645	242,307	13,900	24,299	19,620
MISCELLANEOUS	135,138	80,270	21,900	81,692	22,100
REVENUE TOTAL	5,002,423	5,312,246	5,367,300	5,478,730	5,545,720
OPERATING TRANSFERS IN	69,243	71,000	168,786	168,786	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	69,243	71,000	168,786	168,786	-
REVENUE & TRANSFERS TOTAL	5,071,666	5,383,246	5,536,086	5,647,516	5,545,720
GENERAL FUND NET EXPENSE (REVENUE)	(990,248)	(2,973,008)	(4,177,405)	(4,288,835)	(3,066,089)

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Work Program

Public Safety

PUBLIC SAFETY DEPARTMENT
<p>MISSION: To work in partnership with Town departments and the community to protect life and property and improve the quality of life of all residents.</p>
<p>ORGANIZATION:</p> <ul style="list-style-type: none"> • Santa Clara County Sheriff’s Office (Law Enforcement Contract) • City of Palo Alto (Animal Control Contract)
PUBLIC SAFETY
<p>ORG CODE: 011-2100; 011-2150; 021-6100 DESCRIPTION: The Town contracts with the County of Santa Clara Sheriff’s Office for law enforcement services including regular patrols, responses to emergency and 911 calls, investigative services and specialized law enforcement services as needed. Animal control services are provided through the City of Palo Alto.</p>
<p>PROGRAM SUMMARY: The Santa Clara County Sheriff’s Office is dedicated to the preservation of public safety by providing innovative and progressive service in partnership with the Los Altos Hills community.</p>
<p>2013-2014 ACCOMPLISHMENTS:</p> <ol style="list-style-type: none"> 1. Responded to emergency situations and priority 1 calls in less than 10 minutes 2. Provided education and outreach to bicyclists with regard to applicable traffic regulations 3. Conducted a Crime Prevention Forum tailored to the unique Los Altos Hills environment 4. Maintained the lowest Part 1 crime rate (defined as “violent crimes” and “property crime”) of the surveyed agencies 5. Executed a ten-year extension to the Law Enforcement Services agreement with the Santa Clara County Sheriff’s Office 6. Executed a five-year extension to the Animal Control and Sheltering Services contract with the City of Palo Alto through June 30, 2019
<p>2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS: The Town has one of the lowest law enforcement apportioned share of General Fund appropriations among comparable municipalities, and maintains the lowest per capita costs of law enforcement services of \$122.</p>
<p>2014-2015 OBJECTIVES:</p> <ol style="list-style-type: none"> 1. Maintain or increase current law enforcement service levels 2. Continue to educate the cycling community with regard to safe cycling practices 3. Conduct a crime prevention seminar in 2015 4. Continue to utilize COPS funding to provide supplemental law enforcement services
<p>2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET: None</p>

**POLICE ADMINISTRATION (011-2100)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	25,295	25,295	-
PERSONNEL TOTAL	-	-	25,295	25,295	-
CONTRACTUAL SERVICES	905,956	988,405	1,004,500	1,004,500	1,023,320
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	-	-	-	-	-
OPERATING EXPENSE TOTAL	905,956	988,405	1,004,500	1,004,500	1,023,320
EXPENDITURES TOTAL	905,956	988,405	1,029,795	1,029,795	1,023,320
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	108,272	108,272	165,091
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	108,272	108,272	165,091
EXPENDITURES & TRANSFERS TOTAL	905,956	988,405	1,138,067	1,138,067	1,188,411
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	-	-	-	-	-
GENERAL FUND NET EXPENSE (REVENUE)	905,956	988,405	1,138,067	1,138,067	1,188,411

**ANIMAL CONTROL (011-2150)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2010-11	Actual 2011-12	Revised 2013-14	Est. Actual 2012-13	Adopted 2013-14
PERSONNEL	-	-	1,499	1,499	-
PERSONNEL TOTAL	-	-	1,499	1,499	-
CONTRACTUAL SERVICES	59,096	59,096	75,000	70,000	50,600
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	-	-	-	-	-
OPERATING EXPENSE TOTAL	59,096	59,096	75,000	70,000	50,600
EXPENDITURES TOTAL	59,096	59,096	76,499	71,499	50,600
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	6,418	6,418	6,974
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	6,418	6,418	6,974
EXPENDITURES & TRANSFERS TOTAL	59,096	59,096	82,917	77,917	57,574
REVENUE SUMMARY	Actual 2010-11	Actual 2011-12	Revised 2013-14	Est. Actual 2012-13	Adopted 2013-14
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	-	-	-	-	-
GENERAL FUND NET EXPENSE (REVENUE)	59,096	59,096	82,917	77,917	57,574

**COPS PROGRAMS (021-6100)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	41,231	-	2,879	2,879	20,400
PERSONNEL TOTAL	41,231	-	2,879	2,879	20,400
CONTRACTUAL SERVICES	26,882	44,456	87,700	52,800	85,000
PROFESSIONAL SERVICES	15,863	1,170	-	-	11,000
OPERATIONS	8,304	22,583	16,900	24,600	11,194
OPERATING EXPENSE TOTAL	51,049	68,209	104,600	77,400	107,194
EXPENDITURES TOTAL	92,280	68,209	107,479	80,279	127,594
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	16,062	12,322	12,322	21,910
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	16,062	12,322	12,322	21,910
EXPENDITURES & TRANSFERS TOTAL	92,280	84,271	119,801	92,601	149,504
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	138	40	100	100	100
INTERGOVERNMENTAL	100,000	100,000	100,000	100,000	100,000
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	3,200	-	-	-
REVENUE TOTAL	100,138	103,240	100,100	100,100	100,100
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	100,138	103,240	100,100	100,100	100,100
GENERAL FUND NET EXPENSE (REVENUE)	(7,858)	(18,969)	19,701	(7,499)	49,404

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Work Program

Community Development

COMMUNITY DEVELOPMENT DEPARTMENT

MISSION:

The mission of the Community Development Department is to provide professional, courteous, and efficient services to the public, ensure that new development complies with local, state, and federal land use and environmental regulations, and guide the physical development of the Town in a manner that is consistent with the goals and values of the community.

ORGANIZATION:

The Department is comprised of Planning, Building and Code Enforcement Divisions.

COMMUNITY DEVELOPMENT DEPARTMENT

ORG CODE: 011-3100; 011-3110; 011-3200; 011-3210

DESCRIPTION:

Under the Direction of the Community Development Director, the Department consists of 5 full-time regular employees.

Division

Position

Planning & Code Enforcement

Community Development Director (FTE)

Senior Planner (FTE)

Assistant Planner (FTE)

Building

Building Official (FTE)

Building/Planning Technician (FTE)

PROGRAM SUMMARY & MAJOR SERVICES:

The Planning Division is responsible for long range planning regarding growth and development of the Town. Long range planning involves the preparation, maintenance and implementation of the Town's General Plan and Municipal Code. The Department is also responsible for the administration of the Town's Zoning and Site Development codes which involves the review and processing of all site development and zoning applications, use permits, CEQA studies, Environmental Impact Reviews, and code enforcement. The Building Division has the responsibility of providing life-safety, plan checking, inspection and permitting, as well as quality control on building activity within the Town.

Major Services:

- Site development permit review
- Building permit review and inspections
- Municipal Code updates
- General Plan updates
- Code enforcement
- Town Hall public information/permit counter
- Records retention and file management
- Committee liaison: Environmental Design and Protection, Environmental Initiatives, History, Open Space, Pathways, Traffic Safety, and Water Conservation.
- Planning Commission and City Council support on development and land use matters
- Intergovernmental relations: ABAG, LAFCO, SCVWD, BAAQMD, SCCAPO
- Grant applications
- Emergency planning-EOC planning function

2013-2014 ACCOMPLISHMENTS:

1. Awarded a competitive grant in the amount of \$98,425.00 from Santa Clara Valley Water District for the Purissima Creek at O’Keefe Preserve restoration project
2. Completed the Traffic Calming Guide project
3. Undertook a cost of services study to update fees
4. **Planning Permit Processing**-During the calendar year 2013, the Planning Division processed 171 permits including the major categories of 29 new residences, 19 landscape, 28 additions, 39 fences, and 4 Use Permits
5. **Building Permit Processing**-In calendar year 2013, the Building Division issued 635 and conducted 2,206 inspections compared to 493 permits and conducted 2,062 inspections in 2012
6. **Code Enforcement**-During the calendar year 2013, a total of 78 code enforcement cases were handled including building without permits, excessive noise, signs, dead trees and dogs off leash

2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS:

The User Fee schedule update would result in an average increase in fees of 20.4% totaling a net increase to General Fund revenue of approximately \$661,500 over FY2013-14 Adopted Budget.

2014-2015 OBJECTIVES:

1. Complete the General Plan Housing Element 2014-2022 update project
2. Complete the General Plan Circulation Element update project
3. Complete the 2013 Building Code Update project
4. Complete Construction Time Limit Ordinance project
5. Develop a code enforcement procedure manual to more efficiently address complaints of public nuisance
6. Develop and implement State mandated laws and programs, such as preparation/adoption of ordinances to comply with changes in State law, review of CIP projects for CEQA compliance, and review of land development projects
7. Explore new technologies to help improve our service delivery model

2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET:

The FY 2014-15 Budget provides \$25,000 for “as needed” consultant planning support services to work on special projects to accommodate periods of peak development activity.

**PLANNING ADMINISTRATION (011-3100)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	636,630	580,285	694,777	663,577	581,700
PERSONNEL TOTAL	636,630	580,285	694,777	663,577	581,700
CONTRACTUAL SERVICES	252,066	110,225	50,300	80,300	52,815
PROFESSIONAL SERVICES	47,358	90,135	125,000	68,000	141,850
OPERATIONS	9,416	17,856	14,400	13,400	52,395
OPERATING EXPENSE TOTAL	308,840	218,216	189,700	161,700	247,060
EXPENDITURES TOTAL	945,470	798,501	884,477	825,277	828,760
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	112,349	129,725	420,843	420,843	524,166
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	112,349	129,725	420,843	420,843	524,166
EXPENDITURES & TRANSFERS TOTAL	1,057,819	928,226	1,305,320	1,246,120	1,352,926
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	331,808	346,339	444,491	425,091	534,660
MISCELLANEOUS	232,712	115,246	87,500	128,000	187,900
REVENUE TOTAL	564,520	461,585	531,991	553,091	722,560
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	564,520	461,585	531,991	553,091	722,560
GENERAL FUND NET EXPENSE (REVENUE)	493,299	466,642	773,329	693,029	630,366

**PLANNING COMMISSION (011-3110)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	6,474	6,865	6,923	6,923	6,000
PERSONNEL TOTAL	6,474	6,865	6,923	6,923	6,000
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	685	913	800	800	802
OPERATIONS	3,293	2,275	3,500	2,500	3,605
OPERATING EXPENSE TOTAL	3,978	3,188	4,300	3,300	4,407
EXPENDITURES TOTAL	10,452	10,053	11,223	10,223	10,407
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	1,257	1,257	2,598
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	1,257	1,257	2,598
EXPENDITURES & TRANSFERS TOTAL	10,452	10,053	12,480	11,480	13,005
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	-	-	-	-	-
GENERAL FUND NET EXPENSE (REVENUE)	10,452	10,053	12,480	11,480	13,005

**BUILDING ADMINISTRATION (011-3200)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	383,344	524,846	611,676	611,676	429,325
PERSONNEL TOTAL	383,344	524,846	611,676	611,676	429,325
CONTRACTUAL SERVICES	34,924	6,704	10,000	5,000	2,354
PROFESSIONAL SERVICES	8,951	8,336	8,000	13,000	12,040
OPERATIONS	3,591	3,881	5,150	6,950	6,805
OPERATING EXPENSE TOTAL	47,466	18,921	23,150	24,950	21,199
EXPENDITURES TOTAL	430,810	543,767	634,826	636,626	450,524
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	73,611	114,725	409,744	409,744	588,236
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	73,611	114,725	409,744	409,744	588,236
EXPENDITURES & TRANSFERS TOTAL	504,421	658,492	1,044,570	1,046,370	1,038,760
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	593,508	700,791	715,000	764,087	916,750
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	593,508	700,791	715,000	764,087	916,750
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	593,508	700,791	715,000	764,087	916,750
GENERAL FUND NET EXPENSE (REVENUE)	(89,087)	(42,299)	329,570	282,283	122,010

**PERMIT REVIEW & INSPECTION (011-3210)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	2,381	2,381	-
PERSONNEL TOTAL	-	-	2,381	2,381	-
CONTRACTUAL SERVICES	77,046	86,014	117,300	135,000	123,183
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	-	-	-	-	-
OPERATING EXPENSE TOTAL	77,046	86,014	117,300	135,000	123,183
EXPENDITURES TOTAL	77,046	86,014	119,681	137,381	123,183
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	10,192	10,192	16,554
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	10,192	10,192	16,554
EXPENDITURES & TRANSFERS TOTAL	77,046	86,014	129,873	147,573	139,737
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	-	-	-	-	-
GENERAL FUND NET EXPENSE (REVENUE)	77,046	86,014	129,873	147,573	139,737

**COMMUNITY DEVELOPMENT DEPARTMENT
 BUDGET SUMMARY (General Fund only)**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	1,026,448	1,111,996	1,315,757	1,284,557	1,017,025
PERSONNEL TOTAL	1,026,448	1,111,996	1,315,757	1,284,557	1,017,025
CONTRACTUAL SERVICES	364,036	202,943	177,600	220,300	178,352
PROFESSIONAL SERVICES	56,994	99,384	133,800	81,800	154,692
OPERATIONS	16,300	24,012	23,050	22,850	62,805
OPERATING EXPENSE TOTAL	437,330	326,339	334,450	324,950	395,849
EXPENDITURES TOTAL	1,463,778	1,438,335	1,650,207	1,609,507	1,412,874
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	185,960	244,450	842,036	842,036	1,131,554
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	185,960	244,450	842,036	842,036	1,131,554
EXPENDITURES & TRANSFERS TOTAL	1,649,738	1,682,785	2,492,243	2,451,543	2,544,428
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	593,508	700,791	715,000	764,087	916,750
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	331,808	346,339	444,491	425,091	534,660
MISCELLANEOUS	232,712	115,246	87,500	128,000	187,900
REVENUE TOTAL	1,158,028	1,162,376	1,246,991	1,317,178	1,639,310
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	1,158,028	1,162,376	1,246,991	1,317,178	1,639,310
GENERAL FUND NET EXPENSE (REVENUE)	491,710	520,409	1,245,252	1,134,365	905,118

Work Program

Parks & Recreation

PARKS & RECREATION DEPARTMENT	
MISSION:	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 Community Barn.
ORGANIZATION:	The Department is under the direction of the Community Development Director and comprises of one full time employee.
PARKS & RECREATION DEPARTMENT	
ORG CODE:	011-4110; 011-4120; 011-4130; 011-4140; 011-4100; 011-5100; 011-5110; 011-5200; 011-5300; 043-6900
DESCRIPTION:	Under the direction of the Community Development Director, the Department is comprised of one full-time Community Services Supervisor.
PROGRAM SUMMARY & MAJOR SERVICES:	The Community Services Supervisor performs a variety of assignments including the development, promotion, and management of Town community events and recreation programs.
Major services include:	<ul style="list-style-type: none"> • Town community and recreation events • Activity guide • Vendor contracts • Social media for P&R programs and events • Town facility schedule and reservations • Liaison to community relations, parks & recreation committees, youth and senior commissions • Emergency planning-EOC function
2013-2014 ACCOMPLISHMENTS:	<ol style="list-style-type: none"> 1. Organized eleven community events including Town picnic, pathways run, hoe down, July 4th parade 2. Served over 400 youths, adults, and seniors in approximately 50 parks and recreation programs 3. Completed the Westwind Barn Concessionaire RFP and awarded contract for professional management and operation of Westwind Barn to a private vendor to reduce operating deficit 4. Updated the Los Altos/Los Altos Hills Little League User Agreement to include 50% cost share of water services to reduce operating cost
2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS:	<ol style="list-style-type: none"> 1. Implementation of concessionaire model at Westwind Community Barn to reduce operating deficit 2. Little League User Agreement will be amended to include a 50% cost share of water services at a projected savings of approximately \$13,000
2014-2015 OBJECTIVES:	<ol style="list-style-type: none"> 1. Continue to provide safe, clean, and attractive parks facilities throughout the community 2. Continue to work with Parks & Rec. and Community Relations committees on Town events and activity guide 3. Research and evaluate alternative to program registration system for potential cost savings 4. Work with the Parks & Rec. Committee on the Community Dog Park project at Purissima Road
2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET:	Parks & Recreation revenues are reported in General Fund (011) and budgeted at \$92,600, reflecting a decrease of \$114,425 or 55.3% over Revised FY 2013-14 Budget primarily due to implementation of Concessionaire model at Westwind Barn. This decrease in revenues is counterbalanced by a corresponding decrease in expenditures as the pass-through payments to YRRP instructors are eliminated under the concessionaire model.

**PARKS & RECREATION ADMINISTRATION (011-1000)*
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	69,373	88,636	91,848	84,100	98,860
PERSONNEL TOTAL	69,373	88,636	91,848	84,100	98,860
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	2,782	2,430	2,500	2,575	2,500
OPERATIONS	23,654	18,809	20,850	21,476	21,500
OPERATING EXPENSE TOTAL	26,436	21,239	23,350	24,051	24,000
EXPENDITURES TOTAL	95,809	109,876	115,198	108,151	122,860
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	17,709	25,047	66,873	66,505	78,349
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	17,709	25,047	66,873	66,505	78,349
EXPENDITURES & TRANSFERS TOTAL	113,518	134,923	182,071	174,656	201,209
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	-	-	-	-	-
GENERAL FUND NET EXPENSE (REVENUE)	113,518	134,923	182,071	174,656	201,209

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Programs Fund (014).

**EQUESTRIAN PROGRAMS (011-4100)*
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	2,297	2,297	-
PERSONNEL TOTAL	-	-	2,297	2,297	-
CONTRACTUAL SERVICES	87,939	85,528	168	168	-
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	461	-	-	1,030	-
OPERATING EXPENSE TOTAL	88,400	85,528	168	1,198	-
EXPENDITURES TOTAL	88,400	85,528	2,465	3,495	-
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	9,832	10,127	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	9,832	10,127	-
EXPENDITURES & TRANSFERS TOTAL	88,400	85,528	12,297	13,622	-
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	94,430	81,467	8,800	8,800	-
REVENUE TOTAL	94,430	81,467	8,800	8,800	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	94,430	81,467	8,800	8,800	-
GENERAL FUND NET EXPENSE (REVENUE)	(6,030)	4,062	3,497	4,822	-

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Programs Fund (014).

**PARKS & RECREATION PROGRAMS AND OPERATIONS (011-4110)*
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	3,083	-	-
PERSONNEL TOTAL	-	-	3,083	-	-
CONTRACTUAL SERVICES	22,139	23,731	68,800	65,714	17,500
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	439	-	-	-	-
OPERATING EXPENSE TOTAL	22,578	23,731	68,800	65,714	17,500
EXPENDITURES TOTAL	22,578	23,731	71,883	65,714	17,500
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	13,197	14,957	19,254
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	13,197	14,957	19,254
EXPENDITURES & TRANSFERS TOTAL	22,578	23,731	85,080	80,671	36,754
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	29,393	30,109	16,000	25,000	25,000
REVENUE TOTAL	29,393	30,109	16,000	25,000	25,000
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	29,393	30,109	16,000	25,000	25,000
GENERAL FUND NET EXPENSE (REVENUE)	(6,815)	(6,378)	69,080	55,671	11,754

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Programs Fund (014).

**PARKS & RECREATION SPECIAL EVENTS (011-4120; 011-4130)*
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	1,152	-	-
PERSONNEL TOTAL	-	-	1,152	-	-
CONTRACTUAL SERVICES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	57,429	59,301	74,200	74,200	60,000
OPERATING EXPENSE TOTAL	57,429	59,301	74,200	74,200	60,000
EXPENDITURES TOTAL	57,429	59,301	75,352	74,200	60,000
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	4,932	7,288	16,700
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	4,932	7,288	16,700
EXPENDITURES & TRANSFERS TOTAL	57,429	59,301	80,284	81,488	76,700
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	11,717	15,214	12,000	12,000	12,000
REVENUE TOTAL	11,717	15,214	12,000	12,000	12,000
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	11,717	15,214	12,000	12,000	12,000
GENERAL FUND NET EXPENSE (REVENUE)	45,712	44,088	68,284	69,488	64,700

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Programs Fund (014).

**PLAYING FIELDS (011-5100)*
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	1,822	1,822	-
PERSONNEL TOTAL	-	-	1,822	1,822	-
CONTRACTUAL SERVICES	39,664	47,440	42,100	42,200	58,200
PROFESSIONAL SERVICES	-	-	-	-	-
OPERATIONS	22,629	24,368	37,000	48,000	23,500
OPERATING EXPENSE TOTAL	62,293	71,808	79,100	90,200	81,700
EXPENDITURES TOTAL	62,293	71,808	80,922	92,022	81,700
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	7,799	7,799	15,612
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	7,799	7,799	15,612
EXPENDITURES & TRANSFERS TOTAL	62,293	71,808	88,721	99,821	97,312
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	23,374	25,000	15,000	25,500
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	15,500	-	-	-	-
REVENUE TOTAL	15,500	23,374	25,000	15,000	25,500
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	15,500	23,374	25,000	15,000	25,500
GENERAL FUND NET EXPENSE (REVENUE)	46,793	48,434	63,721	84,821	71,812

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Programs Fund (014).

**TOWN RIDING ARENA (011-5110)*
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	-	-	400	400	-
PERSONNEL TOTAL	-	-	400	400	-
CONTRACTUAL SERVICES	75	1,078	1,000	1,000	-
PROFESSIONAL SERVICES	188	-	-	-	-
OPERATIONS	3,087	506	4,500	4,500	-
OPERATING EXPENSE TOTAL	3,350	1,584	5,500	5,500	-
EXPENDITURES TOTAL	3,350	1,584	5,900	5,900	-
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	-	-	1,710	1,710	-
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	-	-	1,710	1,710	-
EXPENDITURES & TRANSFERS TOTAL	3,350	1,584	7,610	7,610	-
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	-	-	-	-	-
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	-	-	-	-	-
GENERAL FUND NET EXPENSE (REVENUE)	3,350	1,584	7,610	7,610	-

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Facilities Fund (014).

**WESTWIND BARN (011-5200; 011-5300)*
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	90,236	123,136	20,822	21,622	11,600
PERSONNEL TOTAL	90,236	123,136	20,822	21,622	11,600
CONTRACTUAL SERVICES	151,208	149,230	150,550	164,400	77,500
PROFESSIONAL SERVICES	144	719	1,100	1,100	5,000
OPERATIONS	116,205	112,537	72,900	90,500	38,100
OPERATING EXPENSE TOTAL	267,557	262,485	224,550	256,000	120,600
EXPENDITURES TOTAL	357,793	385,621	245,372	277,622	132,200
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	26,563	-	98,341	98,341	84,313
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	26,563	-	98,341	98,341	84,313
EXPENDITURES & TRANSFERS TOTAL	384,356	385,621	343,713	375,963	216,513
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	248,593	226,152	146,225	190,000	30,100
REVENUE TOTAL	248,593	226,152	146,225	190,000	30,100
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	248,593	226,152	146,225	190,000	30,100
GENERAL FUND NET EXPENSE (REVENUE)	135,763	159,469	197,488	185,963	186,413

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Facilities Fund (015).

PARKS & RECREATION DEPARTMENT*
BUDGET SUMMARY (General Fund only)

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	159,609	211,772	121,424	110,241	110,460
PERSONNEL TOTAL	159,609	211,772	121,424	110,241	110,460
CONTRACTUAL SERVICES	301,025	307,007	262,618	273,482	153,200
PROFESSIONAL SERVICES	3,114	3,149	3,600	3,675	7,500
OPERATIONS	223,904	215,522	209,450	239,706	143,100
OPERATING EXPENSE TOTAL	528,043	525,677	475,668	516,863	303,800
EXPENDITURES TOTAL	687,652	737,449	597,092	627,104	414,260
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	44,272	25,047	202,684	206,727	214,228
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	44,272	-	202,684	206,727	214,228
EXPENDITURES & TRANSFERS TOTAL	731,924	737,449	799,776	833,830	628,488
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	23,374	25,000	15,000	25,500
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	399,633	352,941	183,025	235,800	67,100
REVENUE TOTAL	399,633	376,315	208,025	250,800	92,600
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	399,633	376,315	208,025	250,800	92,600
TOTAL PARKS & RECREATION NET EXPENSE (REVENUE)	332,291	361,134	591,751	583,030	535,888

*Note: The FY 2014-15 Budget consolidates the Parks & Recreation Programs Fund (014) and Parks & Recreation Facilities Fund (015) into General Fund (011). Prior to FY 2014-15 Budget this program was reported in Parks & Recreation Facilities Fund (015).

Work Program

Public Works

PUBLIC WORKS DEPARTMENT
<p>MISSION: To effectively manage the Town’s public infrastructure for the benefit of all users and to provide support to other Town departments.</p>
<p>ORGANIZATION: The Public Works Department is comprised of Engineering and Public Works staff providing support to other departments and overseeing the Town’s public roads, storm drain system, and sewer system.</p>
PUBLIC WORKS DEPARTMENT
<p>ORG CODE: 011-3300; 045-6900; 012-4500; 042-6900; 013-4740; 046-6900; 017-4600; 048-6900; 051-4800</p>
<p>DESCRIPTION: The Public Works department consists of a director, senior/associate engineer, assistant engineer, maintenance supervisor, and two maintenance workers.</p>
<p>PROGRAM SUMMARY & MAJOR SERVICES: The department provides support for private development projects, code enforcement issues, Town events, investigate resident’s issues, manages the Town’s capital improvement projects, and oversees the Town’s infrastructure.</p>
<p>2013-2014 ACCOMPLISHMENTS:</p> <ol style="list-style-type: none"> 1. Completed the 2013 Road Rehabilitation Project 2. Completed the research of over 100 private roads 3. Completed the Arastradero Pathway Project 4. Completed the renovation of the Westwind Community Barn Lower Arena 5. Completed the installation of the Taaffe Road Guardrail 6. Completed drainage improvements on Elena Road near Vinedo 7. Completed drainage improvements at Purissima Park 8. Executed agreement with Acterra for Town Open Space Stewardship services 9. Identified over 100 potential liability issues and performed corrective actions 10. Completed Sudden Oak Death spraying of over 130 trees in Byrne Preserve 11. Successfully worked with CalTrans to obtain the maximum reimbursement of \$800,000 in Safe-Route-To-School grant funds 12. Completed drainage improvements on Fremont Road 13. Completed RFP for Sewer Operations & Maintenance 14. Completed RFP for Purissima Park Landscape and Irrigation Maintenance 15. Completed bid documents and awarded 2013 Sanitary Sewer Root Foaming Project 16. Completed Town-wide tree inspection of over 400 trees to reduce risk of falling trees 17. Successfully submitted and obtained approval of approximately \$15,000 in P-TAP grant funds 18. Successfully submitted and obtained approval of approximately \$186,000 in OBAG grant funds 19. Successfully submitted and obtained approval of approximately \$23,000 in TDA Article 3 grant funds
<p>2013-2014 COST SAVINGS AND REVENUE GENERATING PROJECTS: None</p>
<p>2014-2015 OBJECTIVES:</p> <ol style="list-style-type: none"> 1. Hire new senior/associate engineer 2. Complete design for 2014 Road Rehabilitation project 3. Complete construction for 2014 Road Rehabilitation project 4. Complete design for sewer rehabilitation project 5. Complete construction for 2013 Sanitary Sewer Root Foaming Project

2014-2015 OBJECTIVES (Cont):

6. Begin design for Page Mill/Matadero Creek erosion repair
7. Continue to work with Anacapa and La Cresta neighbors on utility undergrounding project
8. Complete the native Bob Stutz Path
9. Continue to work with Acterra and Open Space Committee on Town open space stewardship
10. Complete Town-wide tree inspection on highly used roadways and pathways
11. Complete sanitary sewer rate study
12. Complete the Pavement Management Program Update Project
13. Continue to work with SVBC to improve behavior of bicycles and drivers to share the road

2014-2015 SIGNIFICANT CHANGES FROM CURRENT BUDGET:

An increase to the sewer fund has been requested to obtain additional video data and to increase cleaning frequency in an effort to reduce the number of sewer overflows. A sewer rate study is also proposed for the upcoming fiscal year.

**PUBLIC WORKS ENGINEERING ADMINISTRATION (011-3300)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Budget 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	178,160	139,691	141,422	141,422	120,759
PERSONNEL TOTAL	178,160	139,691	141,422	141,422	120,759
CONTRACTUAL SERVICES	86,695	36,798	64,500	64,500	66,435
PROFESSIONAL SERVICES	38,071	26,035	20,300	20,300	21,309
OPERATIONS	12,175	8,053	53,700	55,600	13,961
OPERATING EXPENSE TOTAL	136,941	70,886	138,500	140,400	101,705
EXPENDITURES TOTAL	315,101	210,577	279,922	281,822	222,464
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	27,748	25,047	97,454	97,454	151,076
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	27,748	25,047	97,454	97,454	151,076
EXPENDITURES & TRANSFERS TOTAL	342,849	235,624	377,376	379,276	373,540
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	950	300	400	-	400
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	-	-	-	179	-
MISCELLANEOUS	65,436	19,412	46,800	46,800	48,200
REVENUE TOTAL	66,386	19,712	47,200	46,979	48,600
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	66,386	19,712	47,200	46,979	48,600
GENERAL FUND NET EXPENSE (REVENUE)	276,463	215,912	330,176	332,298	324,940

**SEWER OPERATIONS (051-0000;051-4800)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Budget 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	84,571	52,970	110,906	110,906	165,391
PERSONNEL TOTAL	84,571	52,970	110,906	110,906	165,391
CITY OF LOS ALTOS - SEWER FLOW & MAINT.	380,965	234,360	390,000	390,000	401,700
CITY OF PALO ALTO - SEWER FLOW & MAINT.	377,457	381,130	388,200	330,200	416,000
CONTRACTUAL SEWER MAINTENANCE	99,698	202,976	250,000	250,000	425,000
OTHER CONTRACTUAL SERVICES	8,331	7,467	5,300	5,300	5,450
CONTRACTUAL SERVICES SUBTOTAL	866,451	825,933	1,033,500	975,500	1,248,150
PROFESSIONAL SERVICES	107,499	129,408	141,200	141,200	100,500
OPERATIONS (Includes Depreciation)	217,606	187,049	200,700	200,700	201,670
OPERATING EXPENSE TOTAL	1,191,556	1,142,390	1,375,400	1,317,400	1,550,320
EXPENDITURES TOTAL	1,276,127	1,195,360	1,486,306	1,428,306	1,715,711
TRANSFERS OUT	69,243	71,000	-	-	-
ALLOCATIONS OUT	52,729	47,525	195,259	195,259	309,313
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	121,972	118,525	195,259	195,259	309,313
EXPENDITURES & TRANSFERS TOTAL	1,398,099	1,313,885	1,681,565	1,623,565	2,025,024
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	14,001	720	9,000	2,000	2,000
INTERGOVERNMENTAL	-	-	-	-	-
SEWER ASSESSMENT CHARGES	1,353,479	1,359,338	1,374,800	1,374,800	1,385,800
SEWER CONNECT FEES	170,955	125,183	143,200	153,900	143,200
CHARGES FOR CURRENT SERVICES SUBTOTAL	1,524,434	1,484,520	1,518,000	1,528,700	1,529,000
MISCELLANEOUS	2,188	-	-	-	-
REVENUE TOTAL	1,540,623	1,485,240	1,527,000	1,530,700	1,531,000
OPERATING TRANSFERS IN	-	-	-	-	-
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	-	-	-	-	-
REVENUE & TRANSFERS TOTAL	1,540,623	1,485,240	1,527,000	1,530,700	1,531,000
SEWER FUND NET EXPENSE (REVENUE)	(142,524)	(171,355)	154,565	92,865	494,024

**STORMDRAIN OPERATIONS (012-4500)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Budget 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	141,854	128,758	161,017	161,017	86,985
PERSONNEL TOTAL	141,854	128,758	161,017	161,017	86,985
CONTRACTUAL SERVICES	16,181	21,640	5,000	20,000	5,150
PROFESSIONAL SERVICES	29,308	15,123	65,100	65,100	67,100
OPERATIONS	26,813	9,072	30,000	30,000	30,972
OPERATING EXPENSE TOTAL	72,302	45,834	100,100	115,100	103,222
EXPENDITURES TOTAL	214,156	174,592	261,117	276,117	190,207
TRANSFERS OUT	-	-	125,800	125,800	138,800
ALLOCATIONS OUT	76,368	67,325	166,086	166,086	191,144
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	76,368	67,325	291,886	291,886	329,944
EXPENDITURES & TRANSFERS TOTAL	290,524	241,918	553,003	568,003	520,151
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	-	-	-	-	-
INTERGOVERNMENTAL	-	-	-	-	-
CHARGES FOR CURRENT SERVICES	128,581	136,086	125,800	125,800	132,500
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	128,581	136,086	125,800	125,800	132,500
OPERATING TRANSFERS IN	331,325	241,917	433,297	433,297	387,651
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	331,325	241,917	433,297	433,297	387,651
REVENUE & TRANSFERS TOTAL	459,906	378,003	559,097	559,097	520,151
STORM DRAIN FUND NET EXPENSE (REVENUE)	(169,382)	(136,086)	(6,094)	8,906	-

**STREET OPERATIONS (017-4600)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Budget 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	91,115	88,329	127,762	117,762	120,900
PERSONNEL TOTAL	91,115	88,329	127,762	117,762	120,900
CONTRACTUAL SERVICES	55,590	56,242	56,900	56,900	58,880
PROFESSIONAL SERVICES	24,699	15,295	25,000	10,000	26,250
OPERATIONS	19,692	30,494	43,600	47,600	45,102
OPERATING EXPENSE TOTAL	99,981	102,031	125,500	114,500	130,232
EXPENDITURES TOTAL	191,096	190,359	253,262	232,262	251,132
TRANSFERS OUT	-	-	-	-	-
ALLOCATIONS OUT	68,163	60,612	160,003	160,003	185,792
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	68,163	60,612	160,003	160,003	185,792
EXPENDITURES & TRANSFERS TOTAL	259,259	250,972	413,265	392,265	436,924
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	42,368	25,353	40,000	15,000	34,000
USE OF MONEY & PROPERTY	463	385	600	1,000	1,000
INTERGOVERNMENTAL	151,384	140,272	139,900	153,900	144,100
CHARGES FOR CURRENT SERVICES	-	-	-	-	-
MISCELLANEOUS	344	7,500	500	4,000	1,000
REVENUE TOTAL	194,559	173,510	181,000	173,900	180,100
OPERATING TRANSFERS IN	70,129	-	113,023	113,023	256,824
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	70,129	-	113,023	113,023	256,824
REVENUE & TRANSFERS TOTAL	264,688	173,510	294,023	286,923	436,924
STREET FUND NET EXPENSE (REVENUE)	(5,429)	77,462	119,242	105,342	-

**PATHWAY OPERATIONS (013-4740)
 BUDGET SUMMARY**

EXPENDITURES SUMMARY	Actual 2011-12	Actual 2012-13	Budget 2013-14	Est. Actual 2013-14	Adopted 2014-15
PERSONNEL	163,281	145,138	185,788	185,788	172,000
PERSONNEL TOTAL	163,281	145,138	185,788	185,788	172,000
CONTRACTUAL SERVICES	19,350	23,833	31,600	46,600	37,350
PROFESSIONAL SERVICES	18,115	12,300	12,700	12,700	13,100
OPERATIONS	27,246	16,029	19,500	19,500	20,053
OPERATING EXPENSE TOTAL	64,711	52,162	63,800	78,800	70,503
EXPENDITURES TOTAL	227,992	197,300	249,588	264,588	242,503
TRANSFERS OUT	-	-	146,700	146,700	146,700
ALLOCATIONS OUT	85,429	73,443	190,551	190,551	245,578
TRANSFERS OUT / ALLOCATIONS OUT TOTAL	85,429	73,443	337,251	337,251	392,278
EXPENDITURES & TRANSFERS TOTAL	313,421	270,743	586,839	601,839	634,781
REVENUE SUMMARY	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
PROPERTY TAX	-	-	-	-	-
TAXES OTHER THAN PROPERTY	-	-	-	-	-
FRANCHISE FEES	-	-	-	-	-
LICENSES & PERMITS	-	-	-	-	-
USE OF MONEY & PROPERTY	1,255	200	700	10,000	1,000
INTERGOVERNMENTAL	8,300	-	-	-	-
CHARGES FOR CURRENT SERVICES	172,848	202,763	146,700	146,700	187,000
MISCELLANEOUS	-	-	-	-	-
REVENUE TOTAL	182,403	202,963	147,400	156,700	188,000
OPERATING TRANSFERS IN	326,565	270,743	334,276	334,276	446,781
INTERNAL ALLOCATIONS IN	-	-	-	-	-
TRANSFER AND ALLOCATIONS IN TOTAL	326,565	270,743	334,276	334,276	446,781
REVENUE & TRANSFERS TOTAL	508,968	473,706	481,676	490,976	634,781
PATHWAY FUND NET EXPENSE (REVENUE)	(195,547)	(202,963)	105,163	110,863	-

Cost Recovery Analysis

GENERAL FUND COST RECOVERY:

The charts presented in this section summarize the cost recovery ratio for major program budgetary functions in the Planning & Building. A significant drop in cost recovery ratio for each program category shown in prior years is primarily due to implementation of the new cost allocation plan in FY 2013-14 which captures general and administrative overhead cost. The new cost allocation approach ensured that general government costs are fairly and equitably allocated to appropriate programs and funds based upon tailored and well thought-out allocation factors. These efforts ensure that each program bears its fair share of the general governmental expenses.

Municipal best practice states that staff should review the costs of providing fee-related services in conjunction with development of the annual operating budget. A user fee and cost allocation model should be used as a basis to ensure that the Town of Los Altos Hills is utilizing comprehensive overhead rates and accurately accounting for the true cost of providing various programs and services within Town operations. The Town entered in a contract with Willdan Financial Services (Willdan) to develop an Overhead Cost Allocation Plan and Comprehensive Fee and Rate Study in FY 2013-14.

The first part of this project, the overhead cost allocation plan (CAP) model was developed by Willdan in May 2013 and was incorporated into the FY 2013-14 Budget, which was adopted by the Council on June 20, 2013. The purpose of the CAP implementation was to ensure that the Town was to accurately account for the true cost of providing various programs and services within the Town operations and maximize recovery of General Fund indirect costs from operating departments, as well as from enterprise and other chargeable funds and projects.

The CAP model served as the backbone for the overall cost of services analysis, as it was the Town's goal to identify the overhead rates of billable hourly rates for grants, fees, federal reimbursements, and other billings. The cost allocation of indirect costs was translated into the fully-burdened hourly rates that served as a foundation for the fee and rate study to ensure that recoverable fee calculated for each service are complete, clearly defined and identified.

The FY 2014-15 Budget assumes the full year effect of implementation of the new Cost of Services Schedule that was adopted by Council on May 15, 2014 and went into effect on June 16, 2014. This schedule will allow the Town to move closer to a full-cost recovery.

In addition to planning application fees, the “charges for services” category 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. As part of the user fee study, Willdan established fee levels for planning and permit activities, presented direct and indirect costs, and indicated where and to what degree the activities were subsidized. The FY 2014-15 Budget assumptions for revenues are reflective of the revised user fee schedule coupled with a two-year average increase in building permit activity level.

This year, the FTEs from administrative departments (e.g. City Manager) are no longer directly charged to operating departments (e.g. Planning and Building), and are now allocated as part of CAP methodology. In addition, the Cost Recovery Ratio presented on the schedules below reflects the administrative cost of the Community Development Department, which cannot be recovered from planning and building permit fees. This draws the overall Planning and Building cost recovery below the 90% goal that was set by the Council.

The Town will continue utilizing a comprehensive user fee schedule that accurately accounts for the true cost of providing services within Town operations. While the goal is a full cost recovery for services funded by user fees, the Town realizes that this may not always be possible given specific economic and political conditions and other policy constraints.

**TOWN OF LOS ALTOS HILLS
COST RECOVERY ANALYSIS**

Planning

REVENUES	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
Fees	34,160	45,653	182,491	190,091	190,060
In-house charge backs	297,648	300,686	262,000	235,000	344,600
Pass through billing	232,712	115,246	87,500	128,000	187,900
Total Revenues	564,520	461,585	531,991	553,091	722,560

EXPENDITURES	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
Personnel	643,104	587,150	701,700	670,500	587,700
Contractual services	252,066	110,225	50,300	80,300	52,815
Professional services	48,043	91,048	125,800	68,800	142,652
Operations	12,709	20,131	17,900	15,900	56,000
Transfers/Allocations Out	112,349	129,725	422,100	422,100	526,764
Less: Est. Costs not Eligible for Recovery	(286,777)	(242,566)	(268,710)	(250,650)	(251,750)
Total Expenditures	781,494	695,713	1,049,090	1,006,950	1,114,181

Surplus / (Deficit)	(216,974)	(234,128)	(517,099)	(453,859)	(391,621)
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Cost Recovery Ratio	72%	66%	51%	55%	65%
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Building

REVENUES	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
Fees	593,508	700,791	715,000	764,087	916,750
In-house charge backs	-	-	-	-	-
Pass through billing	-	-	-	-	-
Total Revenues	593,508	700,791	715,000	764,087	916,750

EXPENDITURES	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
Personnel	383,344	524,846	614,057	614,057	429,325
Contractual services	111,970	92,718	127,300	140,000	125,537
Professional services	8,951	8,336	8,000	13,000	12,040
Operations	3,591	3,881	5,150	6,950	6,805
Transfers/Allocations Out	73,611	114,725	419,936	419,936	604,790
Less: Est. Costs not Eligible for Recovery	(57,502)	(78,727)	(92,109)	(92,109)	(64,399)
Total Expenditures	523,965	665,779	1,082,334	1,101,834	1,114,098

Surplus / (Deficit)	69,543	35,012	(367,334)	(337,747)	(197,348)
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Cost Recovery Ratio	113%	105%	66%	69%	82%
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Planning & Building

REVENUES	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
Fees	627,668	746,444	897,491	954,178	1,106,810
In-house charge backs	297,648	300,686	262,000	235,000	344,600
Pass through billing	232,712	115,246	87,500	128,000	187,900
Total Revenues	1,158,028	1,162,376	1,246,991	1,317,178	1,639,310

EXPENDITURES	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
Personnel	1,026,448	1,111,996	1,315,757	1,284,557	1,017,025
Contractual services	364,036	202,943	177,600	220,300	178,352
Professional services	56,994	99,384	133,800	81,800	154,692
Operations	16,300	24,012	23,050	22,850	62,805
Transfers/Allocations Out	185,960	244,450	842,036	842,036	1,131,554
Less: Est. Cost not Eligible for Recovery	(344,278)	(321,293)	(360,819)	(342,759)	(316,149)
Total Expenditures	1,305,460	1,361,492	2,131,424	2,108,784	2,228,279

Surplus / (Deficit)	(147,432)	(199,116)	(884,433)	(791,606)	(588,969)
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Cost Recovery Ratio	89%	85%	59%	62%	74%
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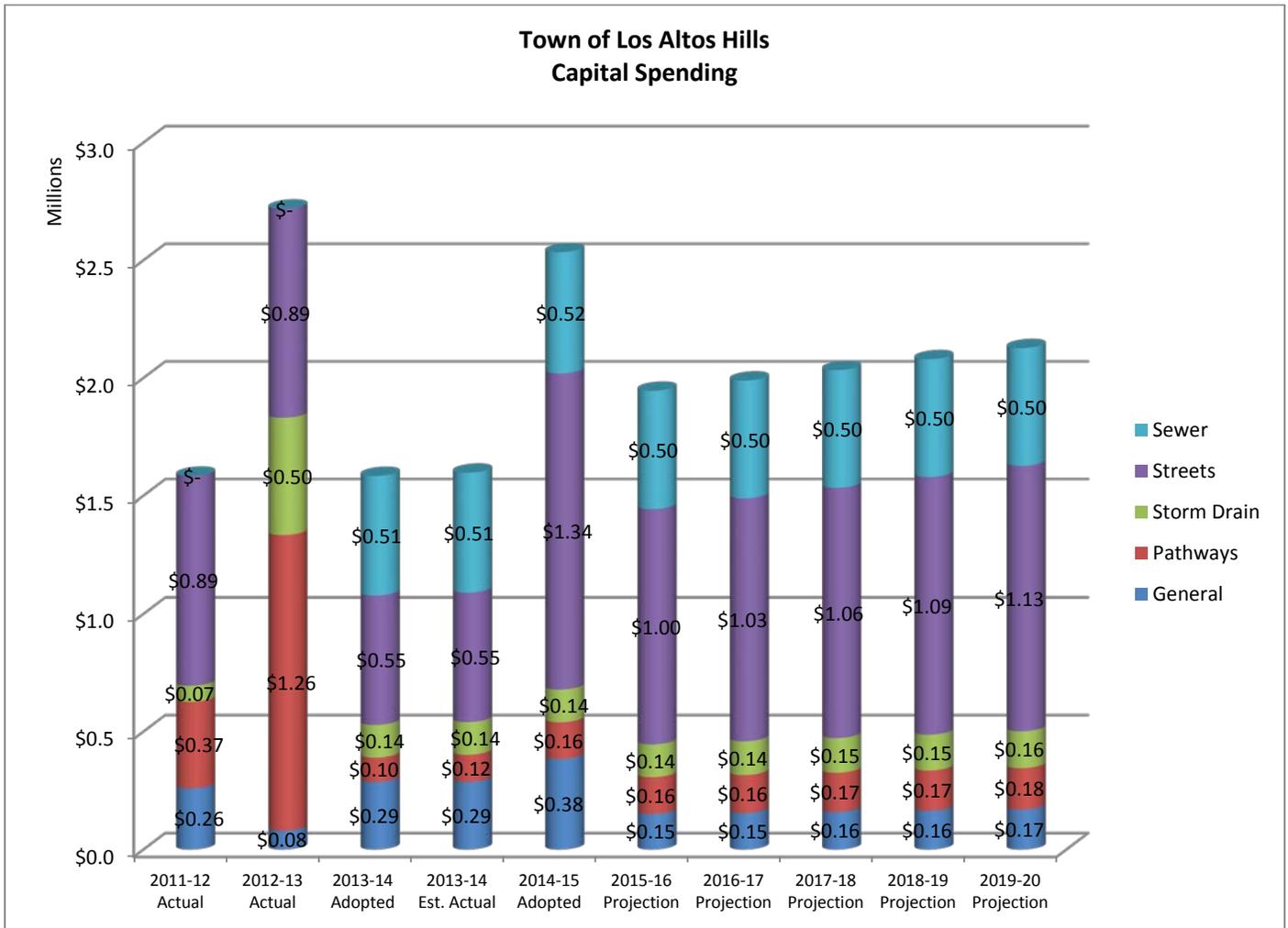
Note: The cost recovery ratio above is inclusive of the Overhead Allocation per Comprehensive Cost and Allocation Plan (CAP) and Fee and Rate Study completed and implemented in FY2013-14.

Capital Expenditures

CAPITAL EXPENDITURES

The Town defined capital expenditures which results in the acquisition and/or construction of fixed assets. In FY 2013-14, the Town completed the Arastradero Pathway Project, the renovation of the Westwind Community Barn Lower Arena, the annual road rehabilitation project, and the design in-house for the 2013 sewer root foaming project. The Town also completed the reimbursement process to secure \$800,000 for the Fremont Road Safe Route to School project.

In FY 2014-15, the Town has appropriated \$2.5 million in total capital expenditures. Of this amount, about \$1.3 million are related to street capital expenditures including the 2014 pavement rehabilitation projects. Other projects include work on Town’s Open Space stewardship, Pavement Management Program update, Creek Restoration at O’Keefe Preserve, Design for Page Mill Road & Matadero Creek erosion problem, El Monte Road Rehabilitation Project, and upgrades at Westwind Community Barn. The FY 2014-15 Budget does not appropriate any one-time significant non-recurring capital expenditures, except for Sewer projects. The Town will spend about \$0.5 million on 2014 Sewer CIP projects, including O&M and Asset Management and Sewer CIP Project Management Services.



**Town of Los Altos Hills
 Capital Expenditures**

Capital Program	2011-12 Actual	2012-13 Actual	2013-14 Est. Actual	2014-15 Adopted	2015-16 Projection	2016-17 Projection	2017-18 Projection	2018-19 Projection	2019-20 Projection
General	\$ 259,276	\$ 79,724	\$ 286,400	\$ 383,200	\$150,000	\$154,500	\$159,100	\$163,900	\$168,800
Pathways	367,297	1,255,232	115,300	156,700	156,700	161,400	166,200	171,200	176,300
Storm Drain	68,578	495,889	138,800	138,800	138,800	143,000	147,300	151,700	156,300
Streets	889,219	888,599	550,000	1,340,700	1,000,000	\$1,030,000	\$1,060,900	\$1,092,700	\$1,125,500
Sewer	-	-	507,000	515,000	500,000	\$500,000	\$500,000	\$500,000	\$500,000
Total Capital	\$1,584,370	\$2,719,444	\$1,597,500	\$2,534,400	\$1,945,500	\$1,988,900	\$2,033,500	\$2,079,500	\$2,126,900

Scope of FY 2014-15 Street and Sewer Rehabilitation Program

The City Council has authorized the expenditure of \$1.15 million for street repairs and \$465,000 for sewer repair projects. The table below lists streets that are scheduled for pavement work in FY 2014-15.

FY2014-15 Pavement Rehabilitation Project Work Plan			
Street	From	To	Type of Work
Adonna Court	Elena Rd.	end	Digouts and Microsurfacing
Altadena Drive	Manuella Rd	end	Microsurfacing
Black Mountain Rd	Altamont Rd	Natoma Rd	Microsurfacing
Burke Road	Chapin Rd	100' North of Old Altos Rd	Digouts and Microsurfacing
Chapin Road	Burke Rd	Robleda Rd	Digouts and Microsurfacing
Francemont Drive	Moody Rd	end	Digouts and Microsurfacing
Golden Hill Court	La Paloma Rd	end	Digouts and Microsurfacing
Greenhills Court	Elena Rd	end	2" Overlay
Hidden Springs Court	Altamont Rd	end	Digouts and Microsurfacing
Kate Drive	Laura Ct	end	Microsurfacing
Laura Court	All		Microsurfacing
Leander Drive	Purissima Rd	end	Digouts and Microsurfacing
Magdalena Road	Camino Hermosa	Eastbrook Ave	Digouts and Microsurfacing
Maple Leaf Court	Elena Rd	end	Microsurfacing
New Bridge Drive	La Paloma	both ends	Digouts and Microsurfacing
Nina Place	La Cresta Dr	end	Microsurfacing
Old Ranch Road	Ravensbury Rd	end	Digouts and Microsurfacing
Padre Court	Altamont Rd	end	Microsurfacing
Saltamontes Way	Estacada Dr	end	Digouts and Microsurfacing
Samuel Lane	Purissima Rd	end	4" Full Grind and Replacement
St. Francis Drive	La Cresta Dr	Fremont Rd	4" Full Grind and Replacement
Stirrup Way	Arastradero Rd	end	Microsurfacing
Taaffe Road	Elena Rd	Altamont Rd	Microsurfacing
Three Forks Lane	Country Way	Middle Fork Ln	Digouts and Microsurfacing
Todd Lane	La Paloma Rd	End	4" Full Grind and Replacement
Twin Oaks Court	Arastradero Rd	end	Microsurfacing
Viscaino Road	Purissima Rd	Concepcion Rd	Digouts and 2" Overlay
Yale Court	Liddicoat Cr	end	Microsurfacing

The table below shows the preliminary list of street locations of major sewer repair projects planned for FY 2014-15. This list is going to be finalized during the design and bid document preparation phase later this year. Pipe reaming is a method of replacing underground pipelines without the need to dig a continuous trench.

FY 2014-15 Sanitary Sewer Repair Project Work Plan		
Location	Method of Repair	Quantity in Linear Feet
Ascension Drive	Pipe Reaming	310
Ascension Drive	Open Trench - Point Repair	15
Corbetta Lane	Pipe Reaming	260
Corbetta Lane	Open Trench - Point Repair	10
La Paloma Rd	Pipe Reaming	180
Newbridge Dr	Pipe Reaming	500
Basset Lane	Open Trench - Point Repair	20
Leander Drive	Open Trench - Point Repair	20
Manuela Road	Open Trench - Point Repair	25
Newbridge Dr	Open Trench - Point Repair	15
Page Mill Road	Open Trench - Point Repair	10
Wildflower Lane	Open Trench - Point Repair	10
Winding Way	Open Trench - Point Repair	50

Impact of Capital Expenditures on Operating Costs

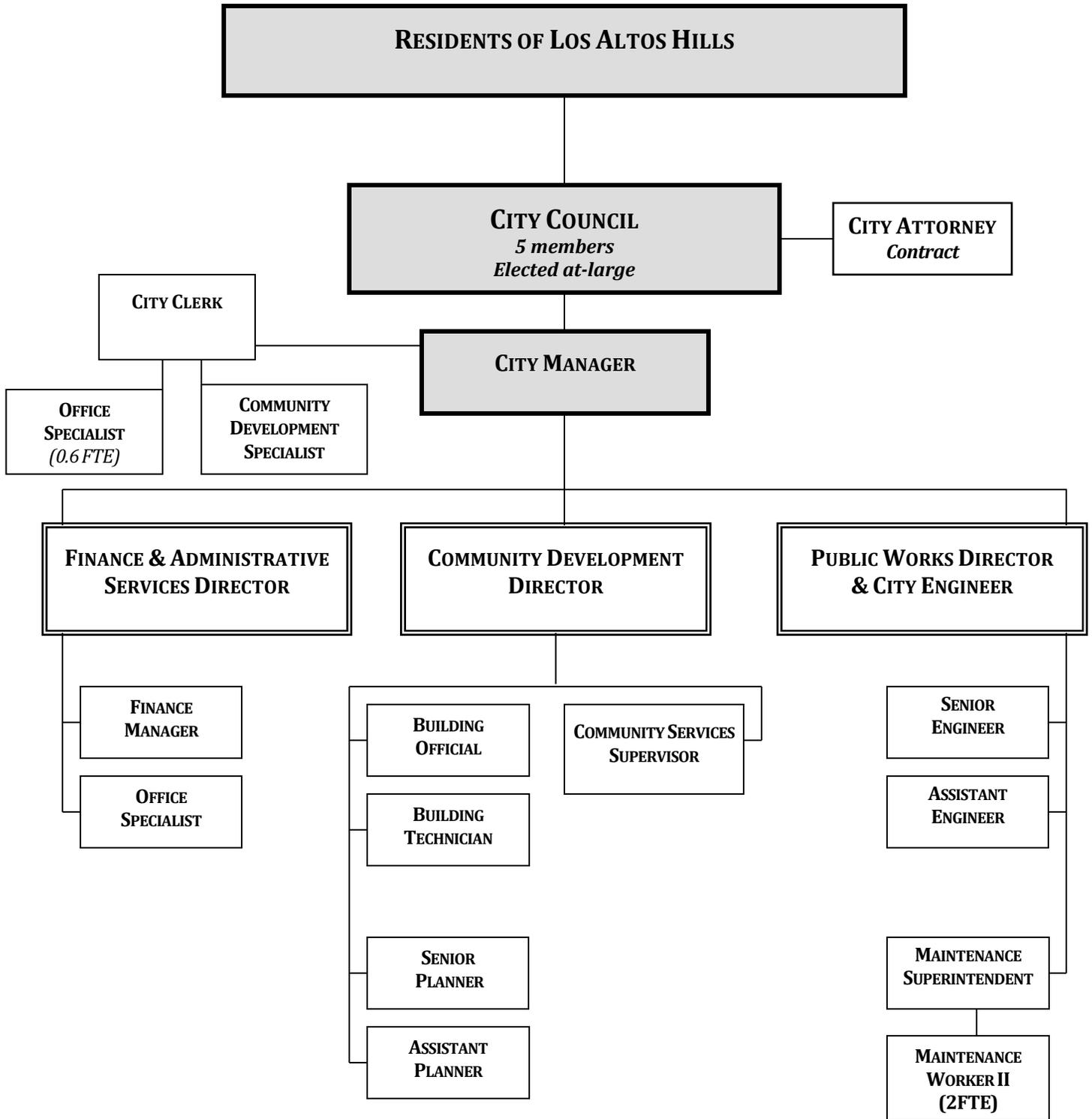
Most of the capital projects appropriated in FY 2014-15 are related to rehabilitation and maintenance of the Town’s capital and sanitary sewer system infrastructure that is projected to reduce the Town’s future ongoing maintenance cost. However, it would be difficult to quantify the cost saving at this time.

Capital Expenditures and Town Debt Policy

The Town’s capital expenditures are funded on a pay-as-go basis. With City Council’s approval, a debt issuance may be used to fund non-recurring capital expenditures. The Town has rarely used a debt service method of financing capital projects. Currently, the Town has two loans with the California Energy Commission for improvements to the Town Hall building. Total principal and interest payments for the two energy loans are budgeted at \$19,600.

The Town also acts as a collecting and paying agent for a sewer assessment district debt. West Loyola Sewer Assessment District was established to provide improvements to properties in the West Loyola District. The cost of the improvements is the responsibility of the property owners and are payable over the term of the issuance. In FY 2014-15, the Town does not intend to issue new debt to finance any capital projects.

Personnel Summary



**Town of Los Altos Hills
 2014-15 Compensation Plan
 Proposed June 19, 2014**

	Annual Range		Hourly Range	
	Bottom	Top	Bottom	Top
City Manager' s Office				
City Manager	Set by contract		<i>salary</i>	
City Clerk	\$ 67,656	\$ 109,308	<i>salary</i>	
Office Specialist (0.6 FTE)	\$ 42,516	\$ 58,392	\$ 20.4396	\$ 28.0720
Administrative Services				
Director - Administrative Services	\$ 120,528	\$ 162,780	<i>salary</i>	
Finance Manager	\$ 78,012	\$ 120,396	<i>salary</i>	
Office Specialist	\$ 42,516	\$ 58,392	\$ 20.4396	\$ 28.0720
Planning, Building, Parks & Recreation				
Director - Community Development	\$ 120,528	\$ 162,780	<i>salary</i>	
Senior Planner	\$ 89,172	\$ 111,768	\$ 42.8695	\$ 53.7325
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 Supervisor	\$ 55,656	\$ 78,972	\$ 26.7567	\$ 37.9658
Public Works				
Director - Public Works & City Engineering	\$ 120,528	\$ 162,780	<i>salary</i>	
Senior Civil Engineer	\$ 78,012	\$ 109,308	<i>salary</i>	
Assistant Engineer	\$ 64,968	\$ 78,972	\$ 31.2334	\$ 37.9658
Maintenance Superintendent	\$ 72,336	\$ 109,308	\$ 34.7756	\$ 52.5499
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

Town of Los Altos Hills
Fiscal year ending June 30, 2015
PERSONNEL SUMMARY

Full-Time Equivalent	Actual 2011-12	Actual 2012-13	Revised 2013-14	Est. Actual 2013-14	Adopted 2014-15
City Manager	1.0	1.0	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0	1.0	1.0
Public Safety Officer	1.0	1.0	0.0	0.0	0.0
Administrative Services Director	1.0	1.0	1.0	1.0	1.0
Finance Manager	1.0	1.0	1.0	1.0	1.0
Office Specialist	1.0	1.0	1.6	1.6	1.6
Public Works Director/City Engineer	1.0	1.0	1.0	1.0	1.0
Senior Engineer	0.0	1.0	1.0	1.0	1.0
Assistant Engineer	1.0	1.0	1.0	1.0	1.0
Engineering Technician	1.0	0.0	0.0	0.0	0.0
Maintenance Superintendent	1.0	1.0	1.0	1.0	1.0
Maintenance Worker II	0.0	1.0	1.0	2.0	2.0
Maintenance Worker I	2.0	1.0	1.0	0.0	0.0
Planning Director	1.0	1.0	0.0	0.0	0.0
Community Development Director	0.0	0.0	1.0	1.0	1.0
Associate Planner	1.0	1.0	1.0	0.0	0.0
Senior Planner	0.0	0.0	0.0	1.0	1.0
Assistant Planner	1.0	1.0	1.0	1.0	1.0
Community Development Specialist	1.0	1.0	1.0	1.0	1.0
Building Official	1.0	1.0	1.0	1.0	1.0
Building Technician	1.0	1.0	1.0	1.0	1.0
Community Services Coordinator	1.0	1.0	0.0	0.0	0.0
Community Services Supervisor	0.0	0.0	1.0	1.0	1.0
Barn Manager	1.0	1.0	1.0	0.0	0.0
Parks & Rec Facility Aide	1.0	1.0	0.0	0.0	0.0
Parks & Rec Supervisor	1.0	1.0	0.0	0.0	0.0
Planning Technician	0.0	0.0	0.2	0.2	0.2
Temporary Maintenance Worker	0.0	0.0	0.4	0.4	0.4
Total Regular Fulltime Employee	22.0	22.0	20.2	19.2	19.2

Supplemental Section

TOWN OF LOS ALTOS HILLS PROFILE

The Town of Los Altos Hills encompasses 9 square miles, making it one of the smallest incorporated towns in Santa Clara County. There is an additional 5.2 square miles of unincorporated land adjacent to the town's boundaries that is designated within the Town's "sphere of influence" and may be subject to the Town's guidelines or annexation.

Incorporated on January 27, 1956, Los Altos Hills had an original population of 2,500; today, a little over 8,000 residents call Los Altos Hills home. Many are drawn to this town because of the beauty of the area—rolling hills, picturesque valleys, and mild climate, much of the same reasons which drew the first inhabitants. One of the most distinctive features of the town is the singular dedication to the preservation of a "residential-agricultural" lifestyle, which is manifested in gracious homes, vast open lands rolling hills, spectacular views of the South and East Bay communities, and a uniquely rural atmosphere—a rarity in the one of most densely populated counties in California. Another significant feature of the town is absence of commercial activity which the founding fathers foresaw, and present residents have long upheld as necessary to preserve the kind of lifestyle they desire by choosing to live within the Town limits. However, there are permitted uses such as schools, religious, and recreational clubs. Combined with the natural beauty, physical assets and the determination of the residents to maintain their rural lifestyles, the Town remains one of the most beautiful, unspoiled, and desirable residential communities in Northern California.

One of the most unique features of the Town of Los Altos Hills, and of which the town is justifiably proud, is its Pathway System. This system of pathways, which comprises about 85 miles of beautiful trails and off-road paths meanders around and connects most of the community, a sort of a town's sidewalk. With the cooperation of the residents, through easements and donations, this unique system is designed to allow users to appreciate the natural beauty of the town at their own leisure, whether by walking, running, bicycling or even on horseback, and in the process get acquainted with other residents. Once a year, the immensely popular Pathways Run is held by the Parks and Recreation Department, and residents of all ages participate in various runs.

The first Town Hall was built at no cost to its residents. The land was donated by the Town's first Mayor, Arthur E. Fowle, construction funds were donated by Mr. and Mrs. Dawson, and William Simrell, Jr. provided the architectural services. While it was envisioned to be sufficient space for a very small staff and city council meetings, the space in Town Hall was quickly outgrown. In 1975, the first major remodelling was carried out, with the addition of a dedicated Council Chambers building on the west side.



In June 2005, the Town Hall had another facelift when it moved into a state-of-the-art building which encompasses the latest in solar technology, energy and eco-efficiency, yet retaining the rural characteristic that so defines this town, largely due to the active inputs of the Town's residents. A solar monitor indicates at any time, the amount of energy generated by the solar panels. The Town is proud to be on the forefront of energy self-sufficiency and its design and technology is an example

that other city halls and public buildings aspire to emulate. Town Hall also hosts periodic exhibits of works by local artists, and many of these works of art adorn the walls of Town Hall and City Council Chambers. The community donor wall just at the entrance of the building showplaces the residents' and neighbors' creative tile designs, and is especially popular with the younger residents.

While embracing the latest in technology, similar efforts are also made to preserve the Town's heritage and historical links, including the design of the present Town Hall to showcase the heritage oak tree. Another defining characteristic of the town's history, the fruit trees, is not forgotten. Twenty five apricots and prune trees are planted in the area behind the solar panels attest to that, along with historical farm equipment on display.

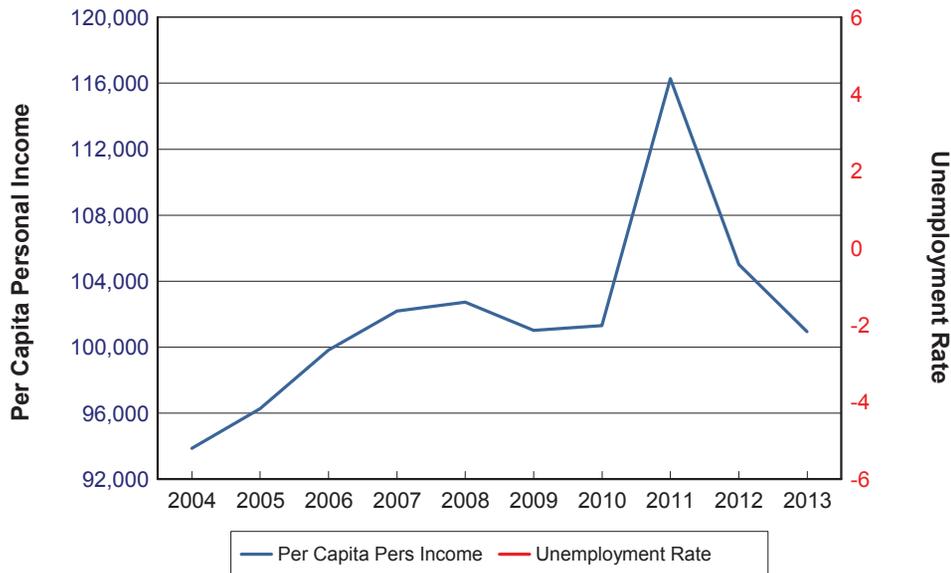
Adjacent to the Town Hall is the Heritage House, a unique building reminiscent of an old school house. Formerly the Eschenbruecher House in Los Altos, it was donated to the Town in 1984. Today it functions as the Emergency Operations Center and a substation for the Santa Clara County Sheriff Office, as well as office space for staff.

THE TOWN OF LOS ALTOS HILLS

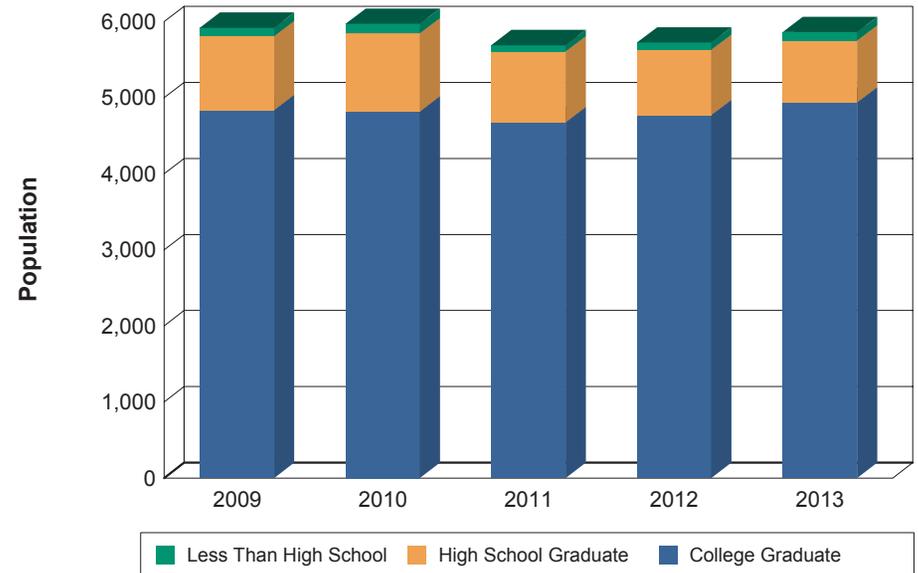
DEMOGRAPHIC AND ECONOMIC STATISTICS

Calendar Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Unemployment Rate	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2004	8,387	\$787,262	\$93,867				
2005	8,420	\$810,511	\$96,260				
2006	8,475	\$845,942	\$99,816				
2007	8,556	\$874,247	\$102,179				
2008	8,799	\$903,883	\$102,726				
2009	8,890	\$898,010	\$101,014		48.6	98.1%	81.7%
2010	9,042	\$915,964	\$101,301		48.3	97.9%	80.7%
2011	8,027	\$933,355	\$116,277		48.8	98.6%	82.2%
2012	8,264	\$867,894	\$105,021		48.5	98.3%	83.3%
2013	8,354	\$843,253	\$100,940		48.9	98.1%	84.2%

Personal Income and Unemployment



Education Level Attained for Population 25 and Over



Notes and Data Sources:

Population: California State Department of Finance. Unemployment Data: California Employment Development Department
 2000-2009 Income, Age, and Education Data: ESRI - *Demographic Estimates are based on the last available Census.* Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries
 2010 and later - Income, Age and Education Data - US Census Bureau, most recent American Community Survey

Financial Policies

TOWN OF LOS ALTOS HILLS INVESTMENT POLICY

1.0 Philosophy

It is the policy of the Town of Los Altos Hills to invest public funds in a manner that will provide a reasonable rate of investment return while minimizing exposure to loss of capital and thereby maintaining a consistent source of revenues for the Town. Although a passive investment strategy is required due to staffing limitations, effective cash flow management and cash investment practices can provide adequate fiscal management and control. This policy establishes the parameters for the Town's investment strategies given varying economic and political conditions.

2.0 Delegation of Authority

Authority to manage the Town of Los Altos Hills' investment program is derived from the California Government Code Section 53600 et seq. The City Council shall approve all modifications to the investment strategy and the selection or dismissal of an investment advisor. Administration of the Council-approved investment strategy is hereby delegated to the City Manager, who shall be responsible for supervising all treasury activities of the Town's Finance Director and who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include reference to: safekeeping, delivery vs. payment, investment accounting, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegations of authority to persons responsible for investment transactions. No person may engage in any investment transactions except as provided under the terms of this policy and the procedures established by the City Manager or her/his designee. The City Manager or her/his designee shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

3.0 Scope

This investment policy applies to all financial assets of the Town of Los Altos Hills. These funds are accounted for in the Town of Los Altos Hills' Comprehensive Annual Financial Report and include:

3.1 Funds

General Fund	Enterprise Funds
Special Revenue Funds	Debt Service Funds
Capital Projects Funds	Trust and Agency Funds
Any new fund, unless specifically exempted	

3.2 *The following financial assets are excluded:*

Deferred Compensation Plans – Investments are directed by the individual plan participants.

Debt Service Funds Held by Trustees – Investments are placed in accordance with bond indenture provisions.

Notes and Loans – Investments are authorized by separate agreements approved by City Council.

Except as noted, the Town of Los Altos Hills will consolidate cash balances from all funds to maximize investment earning. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

4.0 Prudence

Investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investments, considering the probable safety of their capital as well as the probable income to be derived.

- 4.1 Standard of prudence:** The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

5.0 Objective

The primary objective, in priority order, of the Town of Los Altos Hills’ investment activities shall be:

- 5.1 Safety:** Safety of principal is the foremost objective of the investment program. Investments of the Town of Los Altos Hills shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective is to minimize (1) credit risk, through diversifying the portfolio among the authorized investment types with pre-qualifying financial institutions and broker dealers, and (2) interest rate risk, by structuring portfolio maturities to match cash requirements and investing operating funds in shorter-term securities.
- 5.2 Liquidity:** The Town of Los Altos Hills’ investment portfolio will remain sufficiently liquid to enable the Town of Los Altos Hills to meet all operating requirements which might be reasonably anticipated. In addition to structuring the portfolio so that securities mature concurrent with cash needs, suitable investments (Section 6.0) consist largely of securities with active secondary or resale markets.
- 5.3 Return on Investments:** The Town of Los Altos Hills’ investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the Town of Los Altos Hills’ investment risk constraints and the cash flow characteristics of the portfolio.

6.0 Authorized and Suitable Investments

The Town of Los Altos Hills is empowered by Government Code Section 53601, and further limited by this investment policy, to invest in the following types of securities:

1. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or

operated by the state or any local agency or by a department, Commission, agency or authority of the state or any local agency; provided that the obligations are rated in one of the two highest categories by a nationally recognized statistical rating organization (NRSRO). Purchases of municipal obligations may not exceed 30 percent of the Town's investment portfolio.

4. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California, including U.S. branches of foreign banks licensed to do business in California. All time deposits must be collateralized in accordance with California Government Code section 53561, either at 150% by promissory notes secured by first mortgages and first trust deeds upon improved residential property in California eligible under section (m) or at 110% by eligible marketable securities listed in subsections (a) through (l) and (n) and (o). The Town, at its discretion and by majority vote of the City Council, on a quarterly basis, may waive the collateralization requirements for any portion of the deposit that is covered by federal insurance. Purchase of FDIC insured or fully collateralized time certificates of deposit may not exceed 50 percent of the Town's investment portfolio.
5. State of California's Local Agency Investment Fund: Investment in LAIF may not exceed \$40 million and should be reviewed periodically.
6. Insured savings account or bank money market account. In accordance with California Government Code Section 53635.2 to be eligible to receive local agency deposits a financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation.
7. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Town under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally recognized rating services or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Town with not less than five years experience managing money market mutual funds and with assets under management in excess of \$500,000,000. The purchase price of shares shall not exceed 15 percent of the investment portfolio of the Town.
8. Any Federal Agency issued mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-back certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Eligible securities must be rated, by a nationally recognized rating service, as "AAA" or higher, and the issuer of the security must have an "AAA" or higher rating for its debt as provided by a nationally recognized rating service. No more than 20 percent of the agency's surplus funds may be invested in this type of security.
9. California Asset Management Program.
10. Comerica Securities' Certificate of Deposit Placement Program.

11. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "AA" or better by a nationally recognized rating service. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 20 percent of the agency's money that may be invested pursuant to this section.

7.0 Authorized Financial Dealers and Institutions

To provide for the optimum yield in the Town's portfolio, the Town's procedures shall be designed to encourage competitive bidding on transactions from an approved list of broker/dealers.

The City Manager, or the Town's investment advisor, shall maintain a list of authorized broker/dealers and financial institutions that are approved for investment purposes. This list will be developed after a comprehensive credit and capitalization analysis indicates the firm is adequately financed to conduct business with public entities. It shall be the policy of the Town to purchase securities only from those authorized institutions or firms.

8.0 Safekeeping and Custody

All security transactions entered into by the Town of Los Altos Hills shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian, in the Town of Los Altos Hills' name and control, designated by the City Manager or her/his designee and evidenced by safekeeping receipts. Securities purchased through the Certificate of Deposit Placement Program shall be custodied with Comerica Institutional Trust.

9.0 Collateralization

Collateralization will be required on certificates of deposit as specified under Government Code Section 63630 et seq in order to anticipate market changes and provide a level of security for all funds.

The Town of Los Altos Hills chooses to limit collateral to the following:

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the Town of Los Altos Hills and retained.

The right of collateral substitution is granted.

10.0 Internal Control

The Town of Los Altos Hills is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuses. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by the City Manager and staff.

Accordingly, the Town shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting a recordkeeping

- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

11.0 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. These officers and employees involved in the investment process shall disclose to the City Manager any material financial interest in financial institutions that conduct business with this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Town of Los Altos Hills, particularly with regard to the time of purchases and sales. Employees and investment officials shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Town of Los Altos Hills.

12.0 Diversification

The Town of Los Altos Hills will diversify its investments by security type and institution. Limits are provided for in Section 6.0. With the exception of U.S. Treasury and Federal Agency securities and authorized pools such as LAIF, no more than 30% of the Town of Los Altos Hills' total investment portfolio will be invested in a single security type (per Section 6.0) or with a single financial institution.

13.0 Maximum Maturities

To the extent possible, the Town of Los Altos Hills will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Town of Los Altos Hills will not directly invest in securities maturing more than five (5) years from the date of purchase.

Debt reserve funds may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

The Town of Los Altos Hills will retain operating reserves as adopted by the City Council. The amount of active deposits and inactive investments with a maturity of one year or less shall always be equal to greater than any draw on these reserves required by the annual operating budget.

Securities may be sold prior to maturity to accommodate the Town's cash flow requirements or to take advantage of market opportunities to increase the Town's rate of return.

14.0 Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

- 14.1 Market Yield (Benchmark):** Suitability should be the standard for evaluating the success of the Town's investment portfolio. Given this strategy and the passive investment management utilized by the Town, the basis used to determine whether market yields are adequate shall be a market index.

15.0 Reporting

The City Manager is charged with the responsibility of including a market report on investment activity and returns in the Town of Los Altos Hills' Cash and Investment Report. The Report will be in compliance with California Government Code Section 53646.

16.0 Investment Policy Adoption

The Town of Los Altos Hill's investment policy shall be adopted by the City Council. The policy shall be reviewed annually by the Finance and Investment Committee and any modifications made thereto must be approved by the City Council.

17.0 Investment Terms

Benchmark: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk the average duration of the portfolio's investments.

Broker: Someone who brings buyers and sellers together and is compensated for her/his service.

Certificates of Deposit: Commonly called time deposits certificates or time deposit open accounts. These are non-negotiable.

Collateral: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Collateralization: Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security. Also refers to securities pledged by a bank to secure deposits of public moneys.

Dealer: Someone who acts as a principal in all transactions, including buying and selling from her/his own account.

Delivery v. payment: The preferred method of delivering securities, with an exchange of money for the securities.

Demand deposits: A deposit of monies which are payable by the bank upon demand of the depositor.

Derivative: Securities that are based on, or derived from, some underlying asset, reference date, or index.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Federal Depository Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

Federal Home Loan Bank (FHLB): A federal agency that provides credit and liquidity in the housing market. FHLB issues discount notes and semi-annual pay coupon securities.

Federal Home Loan Mortgage Corporation (FHLMC): A federal agency that provides credit and liquidity in the housing market. FHLMC, also called “Freddie Mac,” issues discount notes, semi-annual pay coupon securities and mortgage-backed securities.

Federal National Mortgage Association (FNMA): A federal agency that provides credit and liquidity in the housing market. FHLMC, also called “Fannie Mae,” issues discount notes, semi-annual pay coupon securities and mortgage-backed securities.

Federal Savings and Loans Insurance Corporation (FSLIC): A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

Liquidity: An asset that can easily and rapidly be converted into cash without significant loss of value.

Local Agency Investment Fund (LAIF): The LAIF was established by the State of California to enable treasurers to place funds in a pool for investments. There is a limitation of \$40 million per agency subject to a maximum of fifteen total transactions per month. The Town uses this fund when market interest rates are declining as well as for short-term investments and liquidity.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Portfolio: Combined holding of more than one stock, bond, commodity, cash equivalent or other asset. The purpose of a portfolio is to reduce risk by diversification.

Safekeeping: Offers storage and protection of assets provided by an institution serving as an agent.

U.S. Treasury Bills: Commonly referred to as T-Bills, these are short-term marketable securities sold as obligations of the U.S. Government. They are offered in three-month, six-month and one year maturities. T-Bills do not accrue interest but are sold at a discount to pay face value at maturity.

U.S. Treasury Notes: These are marketable, medium-term interest-bearing securities sold as obligations of the U.S. Government with original maturities of one to ten years. Interest is paid semi-annually.

U.S. Government Agency Issues: Issues which are unconditionally backed by the full faith and credit of the United States.

Yield: The rate of annual income return on an investment, expressed as a percentage. **Income yield** is obtained by dividing the current dollar income by the current market price for the security. **Net yield** or **yield to maturity** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

TOWN OF LOS ALTOS HILLS EXPENSE AND USE OF PUBLIC RESOURCES POLICY

POLICY STATEMENT

The Town of Los Altos Hills takes its stewardship over the use of its limited public resources seriously. Public resources should only be used when there is a substantial benefit to the Town, such as:

- The opportunity to discuss the community's concerns with state and federal officials
- Participating in regional, state and national organizations whose activities affect the Town
- Attending educational seminars designed to improve officials' skill and information levels
- Promoting public service and morale by recognizing such service

This policy provides guidance to elected and appointed officials on the use and expenditure of Town resources, as well as the standards against which those expenditures will be measured. This policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources and also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws. This policy also applies to any charges made to a Town credit card or cash advances.

AUTHORIZED EXPENSES

Town funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized Town business. The following types of expenses generally constitute authorized expenses, as long as the other requirements of this policy are met:

- Communicating with representatives of regional, state and national government on Town-adopted policy positions
- Attending educational seminars designed to improve officials' skill and information levels
- Participating in regional, state and national organizations whose activities affect the Town's interests
- Recognizing services to the Town, for example thanking a volunteer, retiring elected official or long-time employee with a gift or celebration of nominal value and cost
- Refreshments served at a working lunch authorized by a member of the City Council or the City Manager.
- Attending Town events

All other expenses require approval by the City Council.

Examples of personal expenses that the Town will not reimburse include, but are not limited to:

- The personal portion of any trip
- Political or charitable contributions or events
- Family (partner, children, pets) expenses when accompanying official on Town-related business
- Entertainment expenses, including theater, movies (either in-room or at a theater), sporting events (including gym, massage and/or golf-related events)
- Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline
- Alcoholic beverages except as specifically authorized in advance by a member of the City Council for Town sponsored public events at public facilities.
- Personal losses incurred while on Town business

Any questions regarding the propriety of a particular type of expense should be resolved by the City Manager before the expense is incurred.

STIPENDS

The stipend for City Councilmembers will be \$250 per month. The stipend for Planning Commissioners will be \$100 per month. Such stipends will be in addition to any reimbursement for meals, lodging, travel and expenses consistent with this policy.

COST CONTROL

To conserve Town resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines while travelling on official Town business.

TRANSPORTATION

The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. In the event that a more expensive form or route is used, the cost borne by the Town will be limited to the cost of the most economical, direct, efficient and reasonable transportation form.

Automobile mileage is reimbursable at the Internal Revenue Service rates presently in effect. These rates are designed to compensate the driver for gasoline, insurance, maintenance and other expenses associated with operating the vehicle. The amount does not include bridge and road tolls, which are also reimbursable.

LODGING

Lodging costs will be reimbursed or paid for when travel on official Town business reasonably requires an overnight stay. If such lodging is in connection with a conference, lodging costs should not exceed the group rate published by the conference sponsor for the meeting in question. For overnight stays in other contexts, lodging costs will be reimbursements or payments will be limited to the per diem rate for lodging published by the Internal Revenue Service.

MEALS

Meal expenses and associated gratuities should be moderate, taking into account community standards and the prevailing restaurant costs of the area.

TELEPHONE/FAX/CELLULAR PHONES

Officials will be reimbursed for actual telephone and fax expenses incurred on Town business.

AIRPORT PARKING

Long-term parking should be used for travel exceeding 24 hours.

CASH ADVANCE POLICY

From time to time, it may be necessary for an official to request a cash advance to cover anticipated expenses while traveling or doing business on the Town's behalf. Such request for an advance should be submitted to the Administrative Services Director seven days prior to the need for the advance and should include a description of the purpose, anticipated amount and date of the expenditure. Any unused advance must be returned to the Accountant/Office Manager within two business days of the official's return, along with an expense report and receipts documenting how the advance was used in compliance with this expense policy.

CREDIT CARD USE POLICY

The ability to pay for the purchase of some goods or services such as conference registrations or lodging with a credit card provides an efficient means of payment. The City Council has approved the application for and use of a corporate credit card, to be administered by the City Manager with a total credit line not to exceed the City Manager's expense authority. Purchases by credit card are subject to the same advance and subsequent approval processes as purchases made by check. The Town's credit card may not be used for personal expenses, even if the official subsequently reimburses the Town.

EXPENSE REPORT CONTENT AND SUBMISSION DEADLINE

Expense reports must document that the expense in question met the requirements of this policy. Officials must submit their expense reports within thirty days of an expense being incurred, accompanied by receipts documenting each expense. Restaurant receipts, in addition to any credit card receipts, are also part of the necessary documentation. Receipts for gratuities and tolls under \$5.00 are not required. Inability to provide such documentation in a timely fashion may result in the expense being borne by the official.

AUDITS OF EXPENSE REPORTS

All expenses are subject to verification of compliance with this policy.

COMPLIANCE WITH LAWS

Town officials should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act.

VIOLATION OF THIS POLICY

Use of public resources or falsifying expense reports in violation of this policy may result in any or all of the following:

- Loss of reimbursement privileges
- A demand for restitution to the Town
- The Town's reporting the expenses as income to the elected official to state and federal tax authorities
- Prosecution for misuse of public resources

Glossary

GLOSSARY OF TERMS

Accounting System: The methods and records established to identify, assemble, analyze, classify, record and report a government's transactions and to maintain accountability for the related assets and liabilities.

Adopted Budget: The official budget as approved by the City Council at the start of each fiscal year.

Agency Fund: A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or other funds.

Amended Budget: The official budget as adopted and as amended by the City Council through the course of a fiscal year.

Annual Budget: A budget applicable to a single fiscal year.

Annual Financial Report: A financial report applicable to a single fiscal year.

Appropriated Budget: The expenditure authority created by the appropriation bills or ordinances, which are signed into law, and the related estimated revenues. The appropriated budget would include all reserves, transfers, allocations, supplemental appropriations and other legally authorized legislative and executive changes.

Appropriation: A legal authorization granted by a legislative body for a given period to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

Assessed Valuation: The estimated value placed upon real and personal property by the County Assessor as the basis for levying property taxes.

Audit: Prepared by an independent Certified Public Accountant (CPA), the primary objective of an audit is to determine if the City's financial statements present fairly the City's financial position and results of operations in conformity with generally accepted accounting principles.

Authority: A government or public agency created to perform a single function or restricted group of related activities.

Balanced Budget: A balanced budget exists when total revenues are equal to, or greater than, total expenses.

Bond Covenant: A legally enforceable promise made by an issuer of bonds to the bondholders, normally contained in the bond resolution or indenture.

Budget: A plan of financial operation embodying an estimate of the proposed expenditures for a given period and the proposed means of financing them.

Capital Budget: A plan or proposed capital outlays and the means of financing them.

Capital Improvement Program: A plan for capital improvements to be implemented each year over a fixed period of years to meet capital needs arising from the assessment of long-term needs. It sets forth each project in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capitalized Expenditures: Expenditures resulting in the acquisition and/or construction of fixed assets.

Capital Investment Program: A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or other capital needs. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the resources estimated to be available to finance the projected expenditures.

Contracted Services: Services rendered in support of City operations and activities by external parties. These may be based upon either formal contracts or ad hoc charges.

Contingency: A budgetary reserve set-aside for emergencies or unforeseen expenditures not otherwise budgeted.

Cost Accounting: The method of accounting that provides for assembling and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operation, or to complete a unit of work or a specific job.

Cost Allocation Plan (CAP): A comprehensive analysis of the appropriate distribution of overhead costs from the Town's General Government Departments to the various service departments – Public Works, Community Development and Parks & Recreation.

Cost of Services: Payments made by customers for publicly provided services that benefit specific individuals and exhibit "public good" characteristics. They include such fees as recreational fees, building permit fees, etc.

Debt Service Fund: A fund established for the payment of interest and principal on all debt other than payable exclusively from special assessments.

Department: A major organizational group of the City with overall management responsibility for an operation or a group of related operations within a functional area.

Depreciation: (1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset which is charged as an expense during a particular period.

Division: An organizational subgroup of a department.

Employee Services: Salaries plus fringe benefits earned by employees of the organization for work performed.

Encumbrance: The commitment of appropriated funds to purchase goods that have not yet been received, or services that have yet to be rendered.

Enterprise Fund: A fund established to account for operations financed and operated in a manner similar to private business enterprises. In this case, the governing body intends that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Entitlement: The amount of payment to which a state or local government is entitled pursuant to an allocation formula contained in applicable statutes.

Educational Revenue Augmentation Fund (ERAF): A shift of property tax revenue from local agencies to State.

Expenditure: Decreases in net financial resources. Expenditures include current operating expenses, which require the current or future use of net current assets, debt service, and capital outlays.

Fiscal Year: A 12-month period (usually July 1st through June 30th) to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

Fixed Assets: Equipment costing \$5,000 or more, including tax, and not qualifying as a capital improvement project.

Full-Time Equivalent (FTE): The conversion of full-time and part-time employee hours to an equivalent of a fulltime position. For example: one person working half-time would count as 0.5 FTE.

Fund: A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance: The difference between fund assets and fund liabilities of governmental and similar trust funds.

GASB 34: The Government Accounting Standards Board (GASB), which defines the criteria that auditors use to judge the adequacy of local and state government financial statements, has changed long-standing practices by requiring that government entities include reporting of their capital assets in their annual balance sheet and income statement. GASB Statement No. 34, adopted in June, 1999, for the first time highlights the costs of acquiring, owning, operating, and maintaining public works infrastructure for government-bond holders and the public at large.

GASB 45: GASB Statement No. 45, new accounting standards for Other Post Employment Benefits (OPEB) addresses how state and local governments account for and report post-employment healthcare and other non-pension benefits. The statement generally requires that the state and local governments account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions.

General Fund: The fund used to account for all financial resources, except those required to be accounted for in another fund.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards of/and guidelines for financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

Grants: Contributions of cash or other assets from another governmental agency (usually) to be expended or used for a specified purpose, activity or facility.

Infrastructure: All City owned facilities supporting the operation of the governmental unit. It includes: streets, roads, bridges, curbs and gutters, parks, water and sewer lines, storm drains, water pump stations and reservoirs, water wells, sewer lift stations, all government buildings and related facilities.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

Investment: Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.

Long Term Debt: Debt with a maturity of more than one year after the date of the issues.

Materials & Services: Expenses which are charged directly as a part of the cost of a service.

Modified Accrual Basis: The accrual basis of accounting where revenues are recognized when they become both “measurable” and “available” to finance expenditures of the current period. All governmental funds and agency funds are accounted for using the modified accrual basis of accounting.

Net Income (Loss): Proprietary fund excess (deficit) of operating revenues and operating transfers- in over operating expenses, non-operating expenses and operating transfers-out.

Non-Operating Expenses: Proprietary fund expenses not directly related to the fund’s primary activities (e.g. interest).

Non-Operating Revenues: Proprietary fund revenues incidental to, or by-products of, the fund’s primary activities.

Operating Expenses: Proprietary fund expenses related directly to the fund’s primary activities.

Operating Income: The excess of proprietary fund operating revenues over operating expenses.

Operating Revenues: Proprietary funds revenues directly related to the fund’s primary activities. They consist primarily of user charges for goods and services.

Operating Transfers: Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended, such as transfers from the General Fund to a Special Revenue or Capital Projects Fund.

Ordinance: A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the City.

Preliminary Budget: A budget in its preliminary preparation stage prior to review and formulation by the City Council. In the preliminary stage, a budget forecasts current costs into the future and new or modified spending proposals for the future.

Program: Group activities, operations, or organization units directed to attaining specific purposes or objectives.

Program Purpose: A general statement explaining the reason a particular program or division exists.

Proprietary Fund: The classification used to account for a government’s ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds). All assets, liabilities, equities, revenues, expenses and transfers relating to the government’s business and quasi-business activities are accounted for through proprietary funds.

Reserved Fund Balance: Those portions of fund balance that have not been appropriated for expenditure or that are legally segregated for a specific future use.

Resolution: A special or temporary order of the City Council requiring less formality than an ordinance.

Retained Earnings: An equity account reflecting the accumulated earning of an enterprise or internal service fund.

Revenues: (1) Increases in net current assets of a governmental fund type from other than expenditure refunds and residual equity transfer. (2) Increases in the net total assets of a proprietary fund type from other than expense refunds, capital contributions and residual equity transfers.

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

Self-Insurance: A term often used to describe the retention by an entity of a risk of loss arising out of the ownership of property or from some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy. It is sometimes accompanied by the setting aside of assets to fund any related losses. Because no insurance is involved, the term self-insurance is a misnomer.

Service Reimbursements: Transactions that constitute reimbursements to a department/division for expenditures or expenses initially made from it but that properly apply to another department/division.

Service Level Measure: A statement describing an activity conducted or performed by the program/division. A program will usually have many Service Level Measures. Service Level Measures provide quantifiable and qualifiable information as to the level of service to be provided in relation to the level of fund indicated in the budget.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Specific Program Objectives: An “action” statement indicating the new or special activities proposed for a program.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, user charges.

Transfers: Payments from one fund to another ideally for work or services provided, or to cover operating expense shortfalls.

Triple Flip: Backfill of the confiscated local sales tax reimbursed through a series of revenue swapping procedures to guarantee repayment for the California Economic Recovery Bond.

Trust Fund: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or funds.