City of Saratoga California

The community celebrates Saratoga's 60th anniversary as a city.

Fiscal Year 2016/17
Operating & Capital Budget

Cover photos courtesey of Maria Guldner

Saratoga City Council

Manny Cappello
Mayor

Emily Lo
Vice Mayor

Mary-Lynne Bernald
Council Member

Howard Miller
Council Member

Rishi Kumar
Council Member

Operating & Capital Summary Budget

for

Fiscal Year July 1, 2016 to June 30, 2017

Prepared under the direction of:

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INTRODUCTION SECTION

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May 18, 2016

Honorable Mayor and Council Members,

On behalf of our dedicated City staff, it is my privilege to present to you and the Saratoga community the Proposed Operating and Capital Budgets for Fiscal Year (FY) 2016/17. The Proposed Budget reflects the continued commitment of strong fiscal stewardship while, for the first time in many years, being able to pursue significant new Council priorities to further enhance quality of life for the Saratoga community.

ECONOMIC CLIMATE

The City's financial position at the close of FY 2015/16 is projected to be better than expected. General Fund revenues are anticipated to exceed the FY 2015/16 Adjusted Budget by $1.1 million or 5.8%. A portion of the increased revenue is comprised of one-time funding. Excess Educational Revenue Augmentation Fund funding brought in an additional $123,000 in property tax revenue, and the "True-Up" reconciliation performed at the end of the State's Triple Flip tax swap will result in a year-end distribution anticipated to be around $130,000 in additional sales tax revenue.

Property tax is the City's most significant form of revenue and property values in Saratoga grew by more than $861 million from the prior year as Saratoga continues to benefit from the high demand for housing within top performing school districts. Though property values have seen sharp increases, Saratoga receives only a small portion of property tax revenues generated in the City. Additionally, for the past 30 years, Saratoga and several other cities in the West Valley have been subject to Tax Equity Allocation (TEA) reduction legislation that locked Saratoga's property tax allocation below the minimum allocation for cities—passed 30 years ago. With the State's improved economic situation, the City's long-term effort to fully correct the property tax inequity—was successful. Senate Bill 107, passed in September 2015, provides a five-year phase-in period to bring Saratoga up to the full 7% minimum property tax allocation. Prior to passage of this bill, Saratoga and three other West Valley cities were the only cities in California receiving less than the minimum property tax allocation. Saratoga received its first allocation of approximately $130,000 in the 2015/16 fiscal year.

In addition to higher than expected revenues, operating expenditures in the General Fund are anticipated to be $506,000 or 2.7% less than the FY 2015/16 Adjusted Budget. Functions of local government are primarily service-oriented. As a result, employee salaries and benefits frequently account for a large portion of city budgets. Though Saratoga is run by a small and efficient workforce, the City is no exception and employee salaries and benefits still make up the largest portion of the General Fund budgeted expenditures. Approximately $7.6 million, or 39% of the Proposed FY 2016/17 General Fund Expenditure Budget of $19.7 million, represents salary and benefit costs. Rising medical insurance costs continue to be a significant component of salary and benefit costs. During the last round of labor negotiations, the City and employees agreed to share the cost increases of medical benefits. This important step will help stabilize the long-term costs of providing services to the community.

As in previous years, the City Council remains focused on addressing long-term liabilities. In 2014, the City began the process of paying down the California Public Employee's Retirement System's (CalPERS) Unfunded Accrued Liability (UAL) with an initial payment of $3.3 million. By making a large initial payment towards the UAL, Saratoga was able to save $3.6 million in future interest payments.

The latest actuarial report shows the City's June 30, 2016 UAL balance at $3.3 million. The original UAL balance was $7.7 million. The City will be making the planned annual $500,000 payment towards the remaining liability in July 2016. This payment exceeds the minimum required by CalPERS by $381,815, thereby reducing the outstanding liability further. Per Council policy, the intention is to pay down the UAL liability in 15 years (by June 30, 2030).

The City Council addressed another long-term liability through amendments made to the General Fund Balance Reserve Policies, which is being adopted as part of the FY 2016/17 budget. The year-end contribution to the Facility Replacement Reserve was raised from $300,000 to $500,000. This further demonstrates the Council's commitment to good financial stewardship by increasing the accumulation of funding for a future down payment on replacing facilities and thereby minimizing future bond funding needs.

FY 2016/17 PRIORITIES

With the strong economic climate and Saratoga's growing financial stability, the City is in a position to take steps now to invest in the City's financial future by paying down liabilities, such as the UAL, and plan for anticipated expenditures. At the same time, the current economic climate has also afforded the City with the flexibility to consider ways to enhance the quality of life of Saratoga residents. This is best illustrated by the following priorities of the FY 2016/17 Budget:

- **Improve Local Roads**
- **Restore Funding for Code Compliance Officer**
- **Creation of a Public Information Office**
- **Community Enrichment**

Improve Local Roads

The quality of Saratoga's roads continues to be a priority for the City Council. Streets are one of the most visible and fundamental services provided by the City of Saratoga, as they touch the lives of almost every Saratoga resident. Every day, residents travel City streets to get to work or school or to take care of everyday tasks. As a result, when road conditions are poor, it can have palpable impacts on residents.

One of the survival strategies many cities, including Saratoga, used during the recession was to defer maintenance of infrastructure, such as the paving of local roads. As a result, Saratoga saw a decline in roadway conditions. Last fiscal year, the City increased the dedicated funding for street resurfacing/restoration to $1.3 million to stabilize the overall condition of the City's roads and to steadily increase the overall Pavement Condition Index above 70 (Fair).

For FY 2016/17, the Council increased funding for resurfacing/restoration to $1.5 million and revised the minimum funding goal for local road improvements from $1 million to $2 million annually in anticipation of additional funding becoming available through County or State revenue measures. The continued funding priority to improve local roads will help ensure the integrity of the roads for a longer period of time, thereby saving the City on costly upgrades in the future. This falls in line with the Council's strategic goal of maintaining the City's infrastructure in a safe, sustainable, and cost-effective manner.

Code Compliance Officer

Code compliance is one of the tools used by the City for promoting the health, safety, and quality of life of Saratoga residents. Through Code compliance, the City is able to enforce minimum standards in these areas on a complaint basis. Since 2011, when the Code Compliance position was vacated, the City's Code compliance responsibilities have been distributed among staff within the Community Development Department. Distribution of the Code compliance duties allowed the City to realize significant savings during the past five years.

With improvements to the economy creating a greater demand for planning and building services, it became increasingly difficult for staff to respond to Code complaints. Furthermore, Saratoga has had a longstanding practice of seeking voluntary compliance in Code violation cases. With such limited staff time available to even respond to complaints, it was not always feasible to set aside the time needed to identify mutually agreeable solutions to violations and obtain voluntary compliance.

As a result, the City Council authorized an agreement for contract Code compliance services to conduct inspections, follow up on various complaints, and enforce temporary signage regulations. Oversight of general Code compliance

temporality transferred to the City Manager's Office where staff has been preparing and sending notices of violation and warning letters, responding to complaints, creating informational materials, reviewing City Code, and establishing internal procedures for the program.

After considerable review and discussion, the City Council authorized restoring funding of a full-time Code Compliance Officer in the FY 2016/17 budget, which will provide the necessary staff to fully implement the compliance program without impacting other City programs.

Public Information Office

Another Council strategic goal is to increase community engagement. A major part of that is providing Saratoga residents with access to timely, useful, and important information. Improving communications helps residents feel more integrated into the community and increases the opportunity for resident feedback on important City activities, such as the update to the Village Specific Plan.

With the continuing emphasis on enhancing communication and engagement with residents, a new program was created in the budget. All communication-related items are now contained within the Public Information Office budget and 90% of the Administrative Analyst I position in the City Manger's Department is allocated to the program.

The Public Information Office will oversee and maintain many of the City's lines of communication with residents, including the City's website, Median Banner Program, social media accounts, quarterly newsletter, email services, videos, event tabling, flyers, and press releases. These efforts will help build community pride and positive identification with the City among residents, while increasing interest and participation in City services, projects, and activities. Notable communication efforts planned in FY 2016/17 include a State of the City Address, expansion of the Video Program, and update to the City's website.

Community Enrichment

With a healthy and relatively robust budget, the City has the opportunity to tackle projects that will enhance Saratoga's resident and visitor experience. With an aging population, and the expectation that the Valley Transportation Authority will cut additional bus lines running through Saratoga, the City is taking on a citywide Transportation Needs Assessment. This study will look at transportation needs and destination patterns of Saratoga residents, including the senior population. With this information in hand, the City will be able to make educated decisions about future transportation activities and prioritize efforts to seek solutions to the transportation needs of Saratoga residents.

Along with transportation, increasing inclusiveness is a critical step towards creating a more cohesive and enriched community. To that end, the City is now working alongside the Magical Bridge Foundation, a Silicon Valley nonprofit that advocates for inclusive and innovative playgrounds, to construct an all-inclusive play structure that will give Saratoga's youth of all abilities the opportunity to exercise and socially interact. The project cost is estimated to be $4 million, paid mostly through the Magical Bridge Foundation's donation drive, with a City match of $160,000.

In addition to making the City more inclusive for its younger population, the City is also looking at ways to embrace Saratoga's older adults. One of the City Council FY 2016/17 priorities is to identify methods by which the City can further address the needs of Saratoga's aging population. The City, with the help of the Saratoga Area Senior Coordinating Council (SASCC), is embarking on an effort to be designated as an age-friendly city by the World Health Organization (WHO). Age-friendly cities are defined as "an inclusive and accessible urban environment that promotes active aging." The age-friendly movement is a fast-growing, interdisciplinary approach that strives to promote aging in place to ultimately make communities great places to grow up and grow old. Aging in place can help many older people preserve their independence, functionality, and even their health. In seeking the age-friendly designation, the City will not only be recognized for its efforts to address the needs of Saratoga's older population, the City in partnership with SASCC will also be able to identify ways in which to make Saratoga a better place for the older adults in the community.

CONCLUSION

The FY 2016/17 budget is significant in that it represents a focus on long-term financial planning with the attention to liabilities, like the UAL and facilities. The long-term perspective that Saratoga has taken to budgeting and its fiscal policies mean the budget allows for the restoration of pre-recessionary service levels, including roadway maintenance and the hiring of a Code Compliance Officer, as well as exploration of ways in which the City can refine Saratoga and make it an even better place for the people who live, work, and visit this community. While a full-scale recession is not imminent, the next downturn in employment and real estate values is inevitable. Saratoga's approach will help the City through the next economic recession with hopefully little impact to service levels. The City is careful and thoughtful in its budget development, and this practice will continue to ensure financial stability in present and future years.

Sincerely,

James Lindsay
City Manager

Notable Accomplishments in FY 2015/16

Saratoga Quarry Park

In October 2015, the City of Saratoga unveiled the 64-acre Saratoga Quarry Park to the public. The City acquired the property in 2011 from Santa Clara County and began developing the Quarry Park Master Plan in 2013 and completed it in June 2014. Phase 1 implementation of the Quarry Park Master Plan began in FY 2014/15 and included the construction of new trails, picnic area, and restrooms.

Quarry Park Grand Opening

Tax Equity Allocation

Due to special legislation 30 years ago, Saratoga and three other West Valley cities did not receive their full Property Tax allocation. Senate Bill 107, passed in September 2015, eliminated this discrepancy. The property tax takeaway will be returned to the City over a five-year phase-in period beginning in 2015.

Silicon Valley Clean Energy Authority

As of March 2016, twelve communities including Saratoga, agreed to join Silicon Valley Clean Energy (SVCE), a new nonprofit public agency that will offer a Community Choice Energy (CCE) program for Santa Clara County. The CCE will pool the electricity demand of residents and businesses and buy cleaner power at competitive prices.

2016 State of the City Address

In February 2016, the City of Saratoga held its first-ever State of the City Address. Approximately 200 community members came together to celebrate Saratoga's recent accomplishments, learn about the current state of the city, hear about upcoming projects, and honor the residents and organizations that make Saratoga a wonderful city to live, work, and play.

America in Bloom

Once a year, America in Bloom visits cities across the country seeking out communities that are great places to live and work. It is a distinct honor to be recognized by America in Bloom; and last fall, Saratoga won top honors in the City's population category (30,000 to 40,000). The City's participation in the program was inspired by the Saratoga Village Gardeners, a group of dedicated volunteers who work diligently to keep Saratoga's downtown flowers and landscaping in gorgeous condition.

Village Specific Plan Update Outreach

The City is updating its Village Specific Plan, a policy document adopted in 1988 that regulates and guides development and land-use in Saratoga's Downtown. A website was created for the update that houses relevant project information, along with meeting agendas and minutes. Between the online survey, public meetings, and a phone and email survey conducted by Godbe Research, the City received more than 1,000 responses from residents about their thoughts and wants for the Village.

2015 Food and Toy Drive

Food and Toy Drive

Saratoga's annual Food and Toy Drive was held between October and December 2015. The City collected 3,483 pounds of food—1,000 pounds more than the previous year—which provided 2,900 meals to needy families. More than 100 toys were also collected, which was more than the previous year as well. The City believes this was accomplished in part through promotions with the City's Median Banner Program and through the City's growing social media.

Crisis Communications Plan

A Crisis Communications Plan was completed in Fall 2015. The plan includes communication procedures during a crisis, coordination and planning with internal staff and external organizations, key messages, and media contacts. The plan is a living document, meaning that it will be regularly updated to reflect changes to information or communication strategies.

Constant Contact

Constant Contact is an email service that the City began using in November 2015 to send its quarterly newsletter *The Saratogan* to more than 3,000 subscribers. The City saw great success as the open rate was higher than the industry average. Since then, the City has added hundreds of new subscribers and used the email service to inform the public of the 2016 State of the City Address and its Saratoga Village Specific Plan Update project.

RecTrac and WebTrac Registration Software Upgrades

The Recreation and Facilities Department, with significant support from the IT Department, successfully upgraded the RecTrac and WebTrac registration software programs in April 2016. The new version has an upgraded graphical user interface, search improvements, and has helped improve staff efficiency. The program allows for a more efficient transaction process and gives staff the ability to quickly identify trends and analyze operations.

Emergency Operations Center

The City successful transitioned the Emergency Operations Center (EOC) from the Saratoga Fire Department to Saratoga City Hall. The EOC is the central command facility responsible for carrying out emergency management during a disaster. 0The transition will allow the continuity of City operations during a disaster.

New Initiatives for FY 2016/17

Prospect Road Median Beautification Project

This project will occur along a 1.9-mile section of Prospect Road between Saratoga-Sunnyvale Road and Lawrence Expressway. Upgrades include median landscaping, ADA-compliant ramps, sidewalks, bus shelters, and bicycle detector loops. About 88% of this $4.75 million project will be paid for through grant funding.

Prospect Road

Highway 9 Improvements – Phase IV

The Highway 9 Improvements Project is a multi-agency pedestrian improvement effort to enhance the safety of Highway 9, a thoroughfare that links the communities of Saratoga, Monte Sereno, and Los Gatos. Phase IV of this project will continue improvements along Highway 9 from Saratoga to Los Gatos.

Updated City Video Program

The Updated City's Video Program will be used as audiovisual presentations to inform and educate residents on important projects and activities within Saratoga. The Council-hosted videos will cover various topics, including Capital Improvement Plan projects and Public Service Announcements. Staff will also work with the Planning Commission to create informational videos for the benefit of residents.

Electric Vehicle Charging Stations

In an effort to keep up with demand, and the ever-changing technology of electric vehicles, the City is applying for various grants for Charge Fast! Electric Vehicle Charging Stations. Grant funding will help the City install these stations and expand the Bay Area region's network of plug-in electric vehicle charging stations.

Notable Operational Changes for FY 2016/17

Code Compliance Officer

Since 2011, the City's code compliance responsibilities have been distributed among planning and building staff. With improvements to the economy creating a greater demand for planning and building services, it became increasingly difficult for staff to respond to code complaints. The City Council directed staff at its February 2016 Retreat to assess the workload of the Code Compliance Program. Upon review of the assessment, the Council agreed to fund a full-time code compliance officer position.

Financial Overview

GENERAL FUND NET OPERATIONS

FY 2016/17 General Fund budgeted operations are consistent with the prior year in terms of service levels, with the welcome exception of an increase in code compliance functions. A full-time Code Compliance Officer position will be added to address long-term complaints, code ordinance revisions, and code enforcement duties. The addition of the position will allow other Development Department staff who have provided support for these functions over the past four years to fully focus on their own job specific duties, thereby improving planning and building service turnaround time.

The addition of the Code Compliance Officer position was possible due to significant revenue growth over the last couple of years. For example, FY 2015/16 revenues will end the year $2 million higher than FY 2013/14 revenues. This revenue growth is primarily from property tax ($1.6 million) but occurs in most other revenue categories as well.

GENERAL FUND	
Total Revenues	20,232,526
Use of Fund Balance	
From: Environmental Reserve	50,000
From: Capital Project Reserve	1,410,648
To: Fiscal Stabilization (repayment)	(250,000)
Total Funding Sources:	**21,443,174**
Total Expenditures	19,705,984
Transfers Out	
To: Capital Project Funds	1,410,648
Total Funding Uses:	**21,116,632**
NET OPERATIONS:	**326,542**

Overall, the Proposed FY 2016/17 General Fund budget provides Net Operations of $326,542. Revenue and expenditure amounts may be adjusted slightly with last minute additions or subtractions as allowed under the budget adoption, therefore the Net Operations result may adjust slightly. As shown in the above schedule, the Net Operations includes the use of $50,000 from the Environmental Reserve in support of environmental program services, the entire $1,410,648 Capital Reserve to be used for capital projects, and the final $250,000 loan repayment to the Fiscal Stabilization Fund. Without the loan repayment requirement, Net Operations would have been $576,542.

For a high-level perspective, the following graph depicts the historical General Fund Revenues versus Expenditures trend line – Net of both Transfers and Use of Fund Balance, to show the results of the City's operational sustainability.

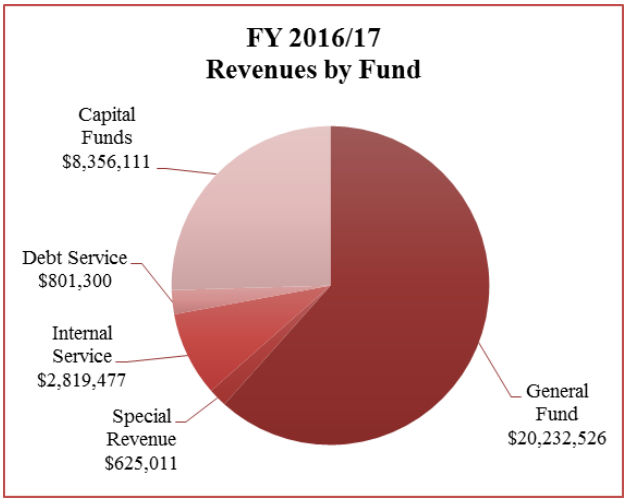
The graph begins in FY 2007/08, the first year of the TEA partial funding restoration, and then drops into the beginning of the recession the following year. The three -plus year recession shows that although operations were very, very, tight, the City managed its way through the downturn. FY 2011/12 shows the initial economic turn-around when property tax and development revenues started their climb out of the downturn. This economic climb has continued on through the proposed budget year of FY 2016/17, both with increasing revenues and increasing expenditures. The revenue growth has come mostly from higher property tax and development fees. The expenditure growth is from increasing salary costs, and from higher service levels and general operating costs.

The FY 2014/15 expenditure spike is an anomaly caused by a $3.3 million dollar payment to CalPERS to pay down almost 43% of the City's Unfunded Accrued Liability (UAL). To make this payment, $2.4 million of Fund Balance funding was used, meaning true operational expenditures were $17.4 million rather than almost $19.9 million. If the graph was adjusted for this anomaly, the trend line would appear as an almost straight line up to the estimated FY 2015/16 expenditures.

The narrowing of the gap in FY 2016/17 revenues and expenditures exemplifies the City's practice to budget revenues conservatively, and to provide generously for workplan expenditure costs. Budgeted revenues are almost flat in comparison to the FY 2015/16 estimated actuals, and expenditures show an increase at a steeper climb than historically experienced. As is typically the case, the actual Net Operations amount is expected to be higher than the $326,542 shown in the Proposed Budget.

REVENUES

General Fund Revenues are "general" in nature, and provide funding for a majority of the City's functions and services over a broad spectrum of activities. Because of this, the Financial Overview section focuses on the General Fund. Other fund types, by concept, are limited to specific purposes. For example, Special Revenue Funds– the Landscape and Lighting Districts – receive property assessment revenues that must be used for lighting and landscape maintenance services within the specific district's property. Internal Service Funds receive charge-back funding to provide a specified type of service, or to replace assets. The General Obligation Bond Debt Fund receives tax assessments to pay the 2001 Library Bond's debt obligations. Capital Improvement Program (CIP) Funds are comprised of projects with stated scopes of work and funding sources. Dedicated revenues such as Gas Tax, Road Impact Fees, and grants, as well as General Fund reserve transfers provide funding for the capital project work. The chart to the left displays total revenue by fund type to illustrate the magnitude of General Fund revenues for comparison purposes.



General Fund - In the General Fund, Property Tax is the largest General Fund revenue source, followed by 2) Franchise Fee taxes, 3) Charge for Services, 4) Fees, Licenses & Permits, and 5) Sales Tax. These top five revenue sources comprise 89% of the General Fund Revenue. Other revenue categories, such as rental income, transient occupancy tax, business license and construction tax, are also important, but fluctuations in these revenues do not individually impact the City's fiscal sustainability.

FY 2015/16 Property Tax revenue grew by more than $700,000. This growth was due in part to a one-time ERAF payment of $123,000 and the first 20% TEA allocation of approximately $130,000. However the primary contributor to the revenue increase came from ownership turnover and the rise in home prices, as verified by the healthy transfer tax receipts this fiscal year. Increases in Construction Tax revenues provide additional evidence of Saratoga's strong economic boom as homeowners continue a high level of home remodeling activity.

However, with signs of a slight cooling in the housing market, property tax revenue projections were tempered for FY 2016/17. A reduction in housing turnover and/or slower assessed valuation growth would impact both property tax revenue and transfer tax. It would also affect construction related permits and fees as homeowners become wary of economic changes. As a fiscal practice, Saratoga's property tax related revenues reflect conservative projections.

The remainder of the proposed FY 2016/17 Budget's General Fund revenues reflect modest increases. While budgeted hotel tax (TOT) revenue is flat, it is noteworthy to mention that TOT is expected to maintain this higher revenue level for the near future as premier entertainment events continue to be held at nearby venues, and the City's parks and trails continue to grow in popularity. These nearby attractions add to the desirability of lodging in the village. Unfortunately, with only two small inns, revenue growth is limited.

The schedule below provides a high-level summary of General Fund Revenues and Transfers into the General Fund. The FY 2016/17 Operating Budget revenues are displayed in the far right column. The FY 2015/16 current year Adjusted Budget and estimated revenues are the two columns to the immediate left, and then the actual revenues for the three prior fiscal years are in the first, second, and third columns of numbers.

General Fund Revenues and Transfers In

General Fund Revenues	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Estimated	FY 2016/17 Proposed
Property Tax	$ 8,966,396	$ 9,526,189	$ 10,436,621	$ 10,475,350	$ 11,149,501	$ 11,331,350
Sales Tax	1,051,121	941,350	1,224,427	1,060,000	1,255,000	1,125,000
Transient Occupancy Tax	228,199	257,010	309,618	310,000	315,000	315,000
Business & Other Taxes	541,158	565,261	556,654	575,000	620,000	605,000
Franchise Fee Tax	2,083,704	2,112,596	2,234,068	2,186,638	2,225,613	2,242,113
Intergovernmental	416,486	466,424	586,596	446,500	495,464	437,000
Fees, Licenses & Permits	1,591,517	1,524,041	1,409,199	1,465,900	1,475,950	1,486,680
Charge for Services	1,744,112	1,942,388	1,789,649	1,845,234	1,894,491	1,857,767
Interest	28,670	40,003	45,229	43,000	51,000	55,000
Rental Income	465,460	440,287	474,750	485,602	501,728	497,714
Other Sources	519,164	452,817	452,734	281,402	295,735	279,902
Total General Fund Revenues	**$17,635,987**	**$18,268,366**	**$19,519,545**	**$19,174,626**	**$20,279,482**	**$20,232,526**
Fund Transfers In	106,000	167,050	-	-	206,157	-
Total Revenues & Transfers	**$17,741,987**	**$18,435,416**	**$19,519,545**	**$19,174,626**	**$20,485,639**	**$20,232,526**

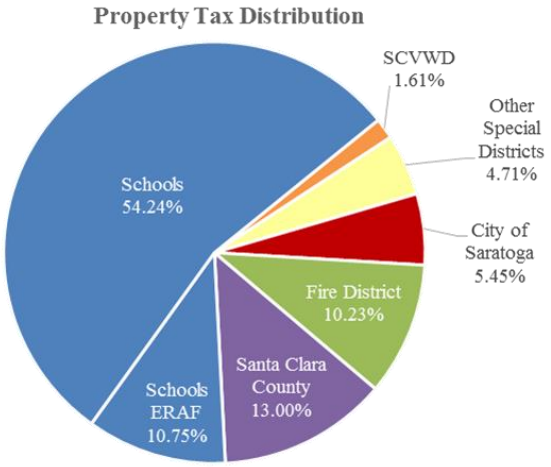
The end of the recession was signaled first and foremost by a rapid growth in Property Tax. Most of the other revenues increased at a moderate pace, while some revenues have continued to vacillate. Interest however, remains at a critically reduced level - $600,000 per year lower than pre-recession. The City has adjusted its budget assumptions to match the new trends that have developed since the recession, and remain cautious in future growth projections. These varying growth patterns are visible from the annual totals across the schedule.

In comparing next fiscal year's 'Proposed' budget column to the prior (current) year, it is useful to understand the "Estimated" column provides a recent projection for current year actuals, and that next fiscal year's proposed budget utilizes these estimates as a base for proposed amounts.

Revenue Drivers

Property Tax - Saratoga is a bedroom community with just over 30,000 residents. Saratoga residents enjoy their quiet neighborhoods nestled along the Santa Cruz Mountain foothills, and their nearby commute to the Silicon Valley companies where many are employed. The City is well known for its safety, thousands of beautiful and affluent high-end homes, quiet residential neighborhoods, richly landscaped roadways, finely manicured parks, and numerous hiking trails that lead to spectacular overlook vistas. The quaint, historic downtown Village provides fine dining establishments and wine-tasting shops, and is the gateway to the historic Hakone Japanese Garden, the Mountain Winery and the Montalvo Arts Center entertainment venues, and numerous open space trails within the Santa Cruz Mountains. The City is well known for its highly ranked schools and diverse culture. The bounty of activities and positive characteristics combine to make Saratoga a highly desirable place to live, and is reflected in Saratoga's housing prices, and subsequently, its Property Taxes.

Santa Clara County oversees the property tax collection and distribution process on behalf of the State of California. The County distributes the property taxes paid by Saratoga property owners to multiple agencies and funds. Due to special legislation passed 30+ years ago, Saratoga and three other small Santa Clara County cities (Los Altos Hills, Cupertino, and Monte Sereno) only received a portion of the minimum 7% tax allocation prescribed by State law.



When Proposition 13 was passed in 1978, the legislation held cities to the tax rates that were in place in the prior year, Saratoga, along with the cities of Cupertino, Los Altos Hills, and Monte Sereno, were among the cities in Santa Clara County that had no or very low property taxes. To mitigate this, legislation was passed in 1979 to bring no/low tax cities up to the minimum property tax rate of 7%. However, the legislation provided an exception that allowed Counties to retain the increase in property tax allocations if they choose to forego Trial Court funding. Because Santa Clara County would receive more funding by retaining Property Tax from the four no/low tax cities, than from Trial Court funding, they chose to retain the property tax, thereby limiting the amount of property taxes these four cities were to receive to 55% of the 7%.

Throughout the years, the cities launched collaborative lobbying efforts to introduce and pass legislation that would treat Saratoga, Cupertino, Los Altos Hills, and Monte Sereno like all the other no/low tax cities, and receive the minimum 7% of the property tax collected in the respective cities. Efforts were in part successful in late 2006 as the full 7% was restored, however the amount restored was burdened with the County's ERAF rate of 40+% rather than the City's much smaller ERAF rate of between approximately 9 and 17%. The County rate resulted in a significant shortfall, so the four cities continued to press for the full reinstatement of the 7% TEA funding. Fortunately, strong property tax revenue growth since the recession brought a financial momentum that helped to convince State legislators they could afford to reinstate the four cities' share of property tax revenue. Legislation was passed as part of the FY 2015/16 budget trailer bill that restored the funding back to the cities at an incremental 20% per year over the next five-year period. At today's assessment value, this is an additional $660,000 of property tax revenue to the City each year when fully restored.

Development Revenues- With housing turnover, many homeowners undertake remodeling projects and upgrades. This heightened level of activity has resulted in increased revenues through development applications, plan checks, and building inspections. On occasion, there are new houses and parcel divisions that require grading, geology, and subdivision review work. This high level of development activity increased both the Community Development and Public Works' development program revenues over the last four years that has now appeared to have leveled off. Hence, workload and revenues are expected to remain fairly steady into the near future.

New Funding Sources

Solid Waste Road Impact Fees - An updated road impact study was undertaken in FY 2014/15 by the West Valley Solid Waste Management Authority (WVSWMA). A previous study had initially recognized the solid waste trucks were causing roadway damage and assessed the hauler with annual impact fees which, for Saratoga, totaled approximately $62,989. This new study revealed a significant increase in the roadway damage caused by the solid waste vehicles during trash and recyclable collection. The Authority recommended the garbage rate assessment for road impacts be increased to reimburse cities for street resurfacing repairs. The Authority's Board of Directors voted to phase the increase in over two years. FY 2015/16 brought in a total of $218,645 to the CIP Street Resurfacing Project. FY 2016/17 will see the full road impact fee of $351,300.

A thorough review of major revenue categories is included in the Financial Summaries section on pages 123-132.

EXPENDITURES

The City's General Fund expenditure schedule below provides a high-level summary of General Fund Expenditures and Transfers-Out. The Proposed FY 2016/17 budget in the far right column, the FY 2015/16 current year budgeted and estimated expenditures are the two columns to the immediate left, and the actual expenditures for the three prior fiscal years are in the first three columns of numbers.

General Fund Expenditures and Transfers Out

General Fund Expenditures	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Estimated	FY 2016/17 Proposed
Salary & Benefits	$ 6,409,105	$ 6,408,421	$ 6,484,653	7,014,983	6,769,979	7,592,718
UAL Payment	-	-	3,294,619	500,000	500,000	500,000
Materials & Supplies	188,965	236,925	195,949	305,220	249,339	298,810
Fees & Charges	738,596	759,799	732,387	925,455	880,996	892,393
Consultant & Contract Services	1,883,085	2,054,371	1,966,367	2,293,729	2,187,890	2,317,922
Sheriff Services	4,153,654	4,225,024	4,611,024	4,973,080	4,973,080	5,176,173
Meetings, Events & Training	38,946	80,468	73,668	126,800	75,529	138,525
Community Grants & Events	122,007	169,725	162,516	229,185	220,171	243,971
Fixed Assets	-	-	35,343	-	5,700	10,000
Internal Services Charges	2,033,577	2,202,844	2,325,823	2,455,758	2,455,758	2,535,472
Total Expenditures	**$15,567,935**	**$16,137,576**	**$19,882,349**	**$18,824,210**	**$18,318,441**	**$19,705,984**
Streets CIP	195,000	150,000	662,753	1,099,000	1,099,000	1,095,000
Park & Trails CIP	580,000	45,880	443,445	295,000	295,000	75,000
Facilities CIP	224,500	-	339,900	233,896	233,896	190,648
Administrative & Technology CIP	85,000	85,000	120,000	225,000	225,000	50,000
CIP Reserve Transfers	$ 1,084,500	$ 280,880	$ 1,566,098	$ 1,852,896	$ 1,852,896	$ 1,410,648
Development Reserve Transfer	-	-	-	60,000	60,000	-
General Fund Transfers						
Annual Facilities CIP	100,000	100,000	100,000	-	-	-
Transfer to Street Resurfacing	-	-	-	64,760	64,760	-
Total General Fund Transfers	$ 100,000	$ 100,000	$ 100,000	$ 64,760	$ 64,760	$ -
Total Transfers Out	**1,184,500**	**380,880**	**1,666,098**	**1,977,656**	**1,977,656**	**1,410,648**
Total Expenditures & Transfers	**$16,752,435**	**$16,518,456**	**$21,548,447**	**$20,801,866**	**$20,296,097**	**$21,116,632**
Net Operations	**$ 2,516,697**	**$ 2,104,220**	**1,703,415**	**$ 187,216**	**$ 2,003,998**	**$ 326,542**

In the FY 2016/17 budget, salaries and benefits account for 38.5% of the budgeted expenditures. The Sheriff's contract follows with 26.3% of the budget. The internal service charges account for 12.9% of the budget and represent the City's reimbursement for support services and fixed asset and infrastructure replacement costs to itself. This ranges from Workers Compensation to Vehicle & Equipment replacement allocations, to Facility Maintenance charges. These expenditures are reflected as revenues in the Internal Service Funds. Consultant and Contract Services comprise 11.8%, and is the compilation of many separate contract services, from attorney to engineering, to janitorial services.

In comparing the adopted budget to prior years, it is useful to understand the budget, as originally proposed, is based on the best guess for the prior year's year-end actuals and estimated growth or decline into the next fiscal year. The prior year's adjusted budget (adopted budget plus Council approved changes) provides the expenditure plan – and in total, represents the spending authority. In certain areas, such as Salary & Benefits, the comparison is typically against the budget year as actual expenditures may differ significantly if vacancies occur during the year. Additionally, contingent funding is included in the budget for termination or vacation pay-out amounts, which may or may not be utilized. This contingency typically results in a higher budgeted salary and benefits than actuals, and adds to year end net operations.

Overall, General Fund adopted expenditures increased 4.68% from the prior year budget. Two components made up the majority of the $882,000 increase: Salary & Benefits ($578,000) and Sheriff Services ($203,000). Salary increases are explained in the following section. The Sheriff's annual increase represents the County's COLA and PERS cost increases for the deputies, and a portion for operational cost increases (rent, utilities, etc.). The level of service provided to Saratoga remains the same for FY 2016/17.

Salary & Benefits

For Salary and Benefits, the proposed budget amount typically provides a more accurate comparison than using the current year's estimates due to vacancy factors and the annual contingency budgeted to fund retirements, terminations, and paid-time-off payouts. The Proposed Salary & Benefit budget grew by $712,000 for FY 2016/17. Of this amount, salary costs increased by $308,000 due to the addition of a full-time benefitted position, cost-of-living-adjustments (COLA), step and longevity increases, and promotions. Insurance premium increases contributed another $270,000 of expenditure growth. The insurance growth is explained in more detail below. Increases in Temporary staff costs, PERS pension costs, and payroll taxes made up the remainder of the increase.

FTE Changes – For the last four years, Development staff have backfilled the defunded Code Compliance position. Duties were allocated amongst the staff, with only minimal code enforcement activity accomplished. Due to an increasing number of code related complaints, Council requested staff address the issue and subsequently provided funding for contract code enforcement services during FY 2015/16 while staff worked internally to develop a work program and assess the options. Options were brought to Council at the Budget Study Session, and Council recognized the desired level of service to respond to code matters required the hiring of a full-time Code Compliance Officer position. The FY 2016/17 budget includes salary & benefit funding for this purpose.

Fortunately, Saratoga is able to keep its salary expenditure growth low as its minimal services structure incorporates contracting out many of its services. While it does not work best for all situations (i.e. code compliance) contracting out allows the City to increase and decrease service levels as needed—either seasonally, during economic downturns, for special projects, or to backfill positions when necessary. While contracting for services creates savings in employee and equipment expenses, the price of contract services is directly tied to changes in fuel and consumer prices and therefore costs increase over time – which collectively can be significant. The City works diligently to manage costs and service levels, thereby controlling financial impacts.

Unfunded Accrued Liabilities - CalPERS' October 2014 Actuarial Report presented a modification in the way CalPERS assesses the employer's portion of the pension benefit contribution. CalPERS had separated the normal cost (the actual cost attributable to the pension cost under current assumptions) from the unfunded liability that had resulted from prior years' accumulated investment gains, losses, and assumption changes. CalPERS had identified and presented the employer's unfunded accrued liability portion as a separate dollar amount, and then continued to assess the normal cost as a percentage rate of salary. With this change, CalPERS presented a payment plan for employers to fund the liability: the UAL would have a 30 year refunding period. Flat dollar amount payments would increase for the first five years, stay level for twenty years, and then decrease in the final five years. In each subsequent year, the UAL is reassessed, and a new UAL base amount is added that reflects the difference between investment returns and the asset amounts required.

The UAL represents a debt the City owes to CalPERS. Under current actuarial assumptions, the unfunded liabilities increase by the 7.5% assumed discount rate, and decrease by the investment earnings and payments made. With the 7.5% discount rate assumption, the 30 year payment plan would more than double the cost of the liability. Therefore, the City Council decided to pay down the CalPERS Employers Unfunded Accrued Liability to reduce the amount of liability outstanding and the overall cost. This decision saved the City about $3.6 million in discount rate interest. In addition, the City Council replaced the 30 year payment schedule with a plan to pay $500,000 per year toward the outstanding UAL in addition to the employer's normal cost expense. This will reduce the liability faster, stabilize the annual payment amount, and possibly eliminate the unfunded liability in fourteen or fifteen years, thereby saving $4 to $5 million in interest costs over the long term.

Employee Memorandum of Understanding – The 2015 Memorandum of Understanding (MOU) agreements between the City and employee groups effective July 1, 2015 has modified the medical benefits for employees to create a standard benefit, regardless of employee group affiliation. This change increased the medical benefit provided for

newer employees, and limits or reduces the medical benefit for longer term employees. In the short term, there is a significant increase in FY 2016/17 premium cost ($270,000), however over the long term, the new benefit structure will help contain the City's insurance obligation.

Operational Expenditures
Budgeted FY 2016/17 operational expenditures are fairly status quo. Expenditure variations are explained in detail in the individual department and program sections in the Departmental Budgets section beginning on page 139.

Public Safety
Public safety continues to be a top priority for City Council members, residents, and the Santa Clara County Office of the Sheriff. The City has contracted with the Sheriff's Office for public safety services since Saratoga was incorporated in 1956. This partnership has been rewarding for the City in multiple ways.

The City saves millions of dollars a year by contracting with the Sheriff's Office instead of employing an in-house police department. Even with an 4.1% cost increase from the prior year, the Sheriff Contract accounts for just 26.3% of the City's General Fund budget. This compares favorably to other Santa Clara County municipalities that dedicated upwards of 40% or more of their General Fund budgets for police services. In addition, the cost for Sheriff Services per resident is the lowest, or near the lowest, of all the Santa Clara County cities each year.

While the Sheriff's Office contract cost is comparatively small, the City has received an immense return in services. The Sheriff's Office provides all the services that an internal police department would—patrol, traffic enforcement, and investigations—but with the added benefit of crime analysts, technology services, public outreach, and other valuable law enforcement services on an incremental, as-needed basis. In FY 2016/17, the Sheriff's Office contract will provide 20,060 general law enforcement service hours, 4,195 traffic enforcement hours, 2,400 investigative hours, 340 reserve activity hours, and a full-time School Resources Officer.

Not only does the City see considerable cost savings through its agreement with the Santa Clara County Office of the Sheriff, but crime rates also remain low compared with surrounding municipalities. This is due to being part of a broader law enforcement organization. Deputies are aware of criminal activity occurring throughout the county, not just Saratoga. This broader communication alerts deputies and crime analysts to targeted areas, criminal patterns, and crime activity connections and suspects. In fact, Saratoga was recognized for its low crime rate in November 2013 when SafeWise.com named Saratoga "The Safest City in California".

This honor was followed just a few months later with news that Saratoga had been named the 12th Safest City in the United States by NeighborhoodScout.com. The company released the results in February 2014. The company based its findings on the research of cities with 25,000 residents or more and the total number of property and violent crimes per 1,000 residents. Crimes included burglary, theft, motor vehicle theft, murder, rape, armed robbery, and aggravated assault.

Fixed Assets
There is only one fixed asset scheduled for purchase in the FY 2016/17 General Fund budget: a $10,000 storage shed for equipment at the new Quarry Park. Only new fixed assets are funded through a department's operating budget. Once purchased, annual replacement costs are charged to the "owners" over the assets lifetime to accumulate funding for the asset's future replacement. Replacements are purchased through Internal Service Funds.

Internal Service Funds
The City utilizes Internal Service Funds (ISF) to provide centralized cost centers for shared expenses and services in order to efficiently track costs and manage resources. Costs are then allocated back to the operational programs based on usage to more accurately determine cost of services. These charges are expenses in the General Fund programs, and revenues in the Internal Service Funds.

The ISF include the two Insurance funds: Risk Management and Workers Compensation, four Service/Support funds: Office Support, IT Services, Vehicle & Equipment Maintenance, and Facility Maintenance Funds, and three Asset Replacement funds: the Vehicle & Equipment Replacement Fund, the Office Technology Equipment Replacement Fund, and as of FY 2015/16, the Facility FF&E (Furniture, Fixture, & Equipment) Replacement Fund.

Some of the service/support ISF have staff assigned to the programs. Ongoing increases in salary & benefits, as well as all other operational costs contribute to increasing expenditures in the Funds each year. In addition, with the City's reserve policies calling for ISF reserves to be funded at a working capital level, several of the funds required an increase in the service charge-backs to right-size the fund balances. Future year increases are expected to be minimal as annual funding is adequate, and most fund balances are in line with reserve policies.

Throughout the years, new information, operational changes, and reviews of the ISF may identify needed funding changes. For instance, items that had been considered a capital project that the Council would fund at their option, could instead become an operational replacement cost that is captured and properly funded on an ongoing basis – such as tennis court upgrades in parks. Changes such as this occur over time, and the ISFs are modified as needed. This did not occur in the FY 2016/17 budget, but is expected to occur in future years. In the current proposed budget, funding increase changes were limited to operational costs increases.

General Fund Transfers Out

General Fund Transfers are generally limited to moving money from the General Fund into the Capital Improvement Program. Typically, this money comes from prior year General Fund net operations. In FY 2016/17, $1.4 million of Capital Improvement Project Reserve funds will move to the CIP. With the exception of moving prior year General Fund net operation funding to the CIP, the City has a practice of receiving dedicated revenues into the funds in which they are used. This practice provides better audit trails and transparency of City finances.

Capital Budget Highlights

STREETS PROGRAM

Annual Roadway Improvements
This $1.7 million project will fund ongoing street resurfacing and maintenance repair in order to maintain the City's pavement infrastructure. In prior years, the City allocated $1,000,000 annually towards the pavement management program. In Fiscal Year 2015/16, Council set a goal of increasing funding for this program from $1,000,000 to $2,000,000. All projects related to street repair and resurfacing were combined into this new project. This project will be continuously funded through gas tax revenues, heavy vehicle impact fees, grants, available CIP reserves, and any future transportation funding revenues.

Annual Infrastructure Maintenance and Repairs
This $200,000 project will fund infrastructure maintenance related to sidewalks, curbs and gutters, storm drains and bridges. In prior years, minor infrastructure repairs related to the aforementioned categories were funded through separate $50,000 annual allocations. Combining the funding for these four infrastructure categories provides more flexibility in addressing infrastructure needs throughout the City on a year-by-year basis. Per Budget Policy, this project will be continuously funded through an annual allocation from the CIP reserve.

PARKS AND TRAILS PROGRAM

El Quito Park "Magical Bridge" Playground
This estimated $4 million project will fund the design and construction of an all-inclusive playground at El Quito Park. An all-inclusive playground is a revolutionary concept to make playgrounds accessible to people of all ages and abilities. The City will partner with the Magical Bridge Foundation to research, design, construct and develop a fundraising campaign. Cost estimates are based upon the completion of a Magical Bridge playground in Palo Alto.

Hakone Gardens Koi Pond Improvements
This $66,000 project will fund improvements to the Koi Pond located at Hakone Gardens. The Koi Pond was analyzed during the development of the Hakone Gardens Master Plan and it was determined that the water filtration system needs replacement for the health of the Koi Pond ecosystem. In addition to the plumbing, mechanical and electrical upgrades needed for the filtration system, the project will also include the construction of a small structure to house all of the necessary equipment.

Quarry Park ADA Access to Upper Terrace Parking Lot and Pond
This $250,000 project will fund the design, environmental review and construction of the Upper Terrace Parking Lot to allow additional parking and ADA access to the parking lot and pond areas. In 2011, the City purchased the 64 acre Quarry property off of Highway 9. The park officially opened on October 31, 2015. Improvements will include widening of an access road to the upper parking lot, parking area improvements and ADA accessible trails to the upper terrace area.

FACILITY IMPROVEMENT PROGRAM

Facility Building Improvements
This $70,000 project will construct exterior, free-standing storage buildings for furnishings that are rented for use at the Saratoga Prospect Center and Warner Hutton House. There are currently limited accommodations inside each facility to maximize the use of tables and chairs. The design of each building will be consistent with the look of both Friendship Hall and Warner Hutton House.

Senior Center Restroom ADA Upgrade
This $153,000 project will fund ADA compliant upgrades to the restrooms located in the Senior Center. Improvements will include expansion of the existing bathrooms to meet accessibility standards, and complete remodel of the bathroom with new furnishings. Expansion may result in the construction of a sheer wall to maintain structural integrity. If funding constraints arise, the restroom improvements and sheer wall will be given priority. Additional improvements will be incorporated as funding allows.

ADMINISTRATIVE & TECHNOLOGY IMPROVEMENT PROGRAM

Citywide Transportation Needs Assessment
This $50,000 project will investigate transportation needs for the City based on a comprehensive look at all demographics including senior transportation needs. The study will look at destination patterns of Saratoga residents as well as opportunities and constraints connected to public transportation. Opportunities to expand the study with other West Valley cities will be explored.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

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City of Saratoga

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For the Fiscal Year Beginning

July 1, 2015

Executive Director

HISTORY AND CULTURE OF SARATOGA

Located in the foothills of the Santa Cruz Mountains, approximately 26 miles east of the Pacific Coast, 10 miles southwest of San Jose, and 50 miles south of San Francisco, the City of Saratoga runs along the western edge of Santa Clara County. The City of Saratoga is an attractive, affluent residential community with a small-town vibe in the midst of the world famous Silicon Valley. The Village, Saratoga's historic downtown district, is filled with unique shops and fine dining establishments. It is the gateway to several distinctive destinations:

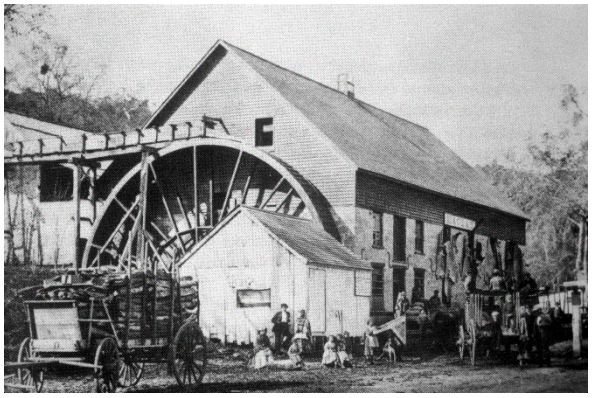
- Hakone Gardens, the oldest Japanese-style residential gardens in the Western Hemisphere.
- Villa Montalvo, former home of Senator James Duval Phelan is host to an art gallery, an artist-in-residence program, concert series, and 175 acres of park grounds and hiking trails.
- The Mountain Winery, a popular winery and event venue that is host to weddings, wine tastings, and world class concerts in the spring and summer.

It began with a sawmill

Although the incorporated City of Saratoga dates back only to 1956, the town had its beginning more than a century earlier when William Campbell began building a sawmill operation here in 1847 about two and one-half miles above the present downtown village, along what is now State Highway 9. Having spent the winter of 1846/47 in the abandoned adobe buildings of Mission Santa Clara, Campbell correctly surmised that the settlers who were beginning to come to the Santa Clara Valley would want to build sturdy wood houses, reminiscent of the homes they had left in the East. William Campbell saw opportunity in the Santa Cruz Mountain timber, and the settlement that would later become Saratoga owes its start and early development to that vision.

William Campbell's sawmill operation was delayed however after another millwright constructing a sawmill at the western base of the Sierra mountains, a hundred and fifty miles northeast, found gold flakes in the American River, touching off the 1849 California Gold Rush. In 1850, a young Irishman named Martin McCarty leased the sawmill Campbell had started, and set about to improve its access by building a road to the site. To recoup his investment, McCarty erected a tollgate near the present intersection of Third Street and Big Basin Way, and charged a fee for the use of the road.

It was common practice in those early days for roads to be built on a private-enterprise basis, then after a period of time, counties would take them over and maintain them as public thoroughfares. In McCarty's case, although the tollgate was only used for about a year, it was sufficient for the settlement to be known as Tollgate for some years afterward.



Due to the natural resources in the area, the town had a brief industrial era. With the settlement situated on a stream and an abundance of lumber products, a furniture factory, a tannery where harness and leather goods were manufactured, and paper mills were all built along the stream. And, with Santa Clara Valley's growing wheat production, several flour mills were also built. Due to the collection of mills, the settlement was known for a short time as Bank Mills.

During the 1850's local mineral springs with a chemical content similar to that of Congress Spring at Saratoga Springs, New York was discovered below where the sawmill was located, in a small canyon off what is now known as Saratoga Creek. The property was owned by a group of financiers headed by Darius Ogden Mills, and eventually a resort was built in the grand manner of the famous eastern spa.

The elaborate resort hotel Pacific Congress Springs flourished for almost forty years until it was destroyed by fire in 1903. The mountain setting and mild climate had made Saratoga a popular resort area, and the resort image lingered through succeeding years, even as agriculture became the dominant industry in Saratoga and the Santa Clara Valley. And while Campbell's Gap, Tollgate, McCartysville, and Bank Mills were at various times used as settlement names, the community eventually settled on 'Saratoga' in 1865.

In the latter part of the 1800's, the area's fertile soil and available land developed into another industry - agriculture. Apricots, cherries and French prunes were particularly well-suited to Saratoga's soil and climate. Starting in the late 1860's, the planting of deciduous fruit trees increased until it became the chief means of livelihood for the whole region.

During the late 1880's, the hillsides were found to be conducive to viticulture and many wineries were established. In 1890, Saratoga became the home of the world-renowned Paul Masson Winery. Convinced that the rich California soil could produce grapes for champagnes comparable to those of France, the French immigrant Masson brought grape cuttings from his native land to plant on the hillsides.

Over time, Saratoga had developed into a pleasant village and became the trading center for the surrounding vineyards and fruit-growing farms. During the early 1900's, Saratoga had an enviable reputation as a highly desirable place to live. The Interurban Rapid Transit of the day began service which connected Saratoga with the rest of the Santa Clara Valley and beyond. Saratoga soon became a haven for wealthy San Franciscans who came to build elegant hillside homes overlooking the lush valley. One of these was the palatial Mediterranean-style home of the United States Senator James Phelan. His Villa Montalvo is now a center for the cultural arts.

After World War II, the valley's rapid urbanization changed the character of Saratoga from agricultural to suburban. As space technology and the defense and electronics industries were established in nearby communities, Saratoga's open land soon became more valuable for homes for the rapidly growing population, than it was for vineyards and fruit orchards, although some vineyards and a few scattered orchards do remain as a reminder of the bygone era. The City of Saratoga strives to maintain these elements of its natural beauty and colorful past through careful zoning policies and historic preservation.

Public interest was stirred to new heights in the mid-1950s when, with orchards giving way to subdivisions, the annexation designs of the City of San Jose became obvious. As a result of this concern, Saratogans voted to incorporate in 1956 and to establish their own city government.

Saratoga Today

The City of Saratoga, as it exists today, is an attractive residential community of 30,219 (January 1, 2016) known for its excellent schools and prestigious neighborhoods. The community's historic downtown district, known as "The Village", has distinctive dining, unique shops, and numerous buildings dating back to the late 1800's and early 1900's. Saratoga residents place an emphasis on historical preservation, and on retaining the quality of the city's semi-rural ambiance.

The City also is home to Villa Montalvo, the beautiful and palatial former home of Senator James Duval Phelan which now hosts an art gallery, an artist in residence program, concert performances, park trails and grounds. It serves as a desirable wedding venue, and reservations must be made a year in advance. Another local gem is the former Paul Masson homestead and winery in the Saratoga foothills, now known as the "Mountain Winery". This high-end event venue features world-class concerts each spring and summer, and is known for its stunning open-air backdrop and both hillside and valley views. And Hakone Gardens, as shown in the picture, is the oldest Japanese-style residential garden in the Western Hemisphere. The garden is maintained and run by the Hakone Foundation, and lies just outside of the Village offering classes, festivals, Japanese culture, and peaceful, contemplative walks as one strolls through the finely manicured gardens.

City Government

The City of Saratoga was incorporated in 1956 and operates under a Council/Manager form of government. As a bedroom community, the City government receives most of its revenue from property tax, which was quite limiting as the City's share of property tax receipts has until recently, been only 5.45% of the 1% assessment Saratoga property owners pay. Over a five-year period beginning in FY 2015/16, Saratoga will receive incremental increases until reaching the full 7% "low tax" city share. This "low tax" status limits the services the City can provide to its residents. With these financial restraints, staffing is low for a city this size, with many services provided on contract.

In addition, with the relatively late incorporation of the city after the community had developed, many school districts and utility districts were already in place, meaning more than one pre-existing district may serve within City of Saratoga boundaries. For instance, Public Safety services are provided by the Santa Clara County Fire Department and the Santa Clara County Sheriff's Office, with animal control services provided by the City of San Jose.

City departments are structured by function, and include Public Works – which oversees infrastructure maintenance and projects, Community Development – which guides the physical growth of the City through planning, zoning, and building inspection, Recreation and Facilities – which provides recreation programs and maintains city facilities, Administrative Services – which provides oversight and support for the City's financial, administrative, and technology operations, and the City Manager's Department – which provides oversight and guidance for City functions, as well as legislative and administrative support for the City Council and Commissions.

Transportation

Saratoga is part of a comprehensive transportation network that links the City to other Silicon Valley cities and beyond through roadways, bikeways, and mass transit systems, including the bus and light rail systems, the CalTrain system, and to the Mineta International Airport in San Jose. Bus routes provide inter-city transportation needs with access to the Village, schools, the community college, and local office and shopping markets. Highway 85 runs through Saratoga, providing linkage to other area freeways and major cities. San Francisco is 47 miles north, and Santa Cruz is about 26 miles southwest. The tourist havens of Monterey and Carmel are approximately 65 and 73 miles south of Saratoga, respectively.

Schools

The City of Saratoga is served by 6 different schools districts, which include Saratoga Union School District, Cupertino Union School District, Campbell Union School District, Los Gatos-Saratoga High School District, Campbell Union High School District, and Fremont Union High School District.

The schools in these districts that serve Saratoga residents are among the best in the nation. Saratoga High School and Monte Vista High School have been ranked by U.S. News & World Report within the top 100 schools in the country.

City of Saratoga Statement of Values

The City of Saratoga strives to maintain a high quality of life for its residents through careful planning and infrastructure maintenance, through activities to build community, and by providing opportunities for extensive citizen participation in community issues. Succinctly, the statement of values for our City is that:

Saratoga is a Community

Where the common good prevails;

Where the natural beauty of the City and its hillsides is preserved;

Where historic assets are preserved and promoted;

Where local commerce provides a vibrant presence in the Village and the other commercial areas;

Where the orientation is toward the family;

Where homes and neighborhoods are safe and peaceful;

Where government is inclusive and values community involvement;

Where desirable recreational and leisure opportunities are provided;

Where quality education is provided and valued;

Where value is placed on an attractive, well maintained and well planned community;

Where government provides high quality, basic services in a cost effective manner;

Where a small town, picturesque, residential atmosphere is retained;

Where the arts and cultural activities which serve the community and the region are promoted;

Where neighbors work together for the common good;

Where leadership reflects community goals; and

Where, because of the forgoing, the citizens and the families of Saratoga can genuinely enjoy being a part of and proud of this special community.

CITY COMMISSIONS & COMMITTEES

Finance Committee
The Finance Committee (previously termed the Finance Advisory Committee and the Finance Commission) was originally formed in 1981 to advise the City Council on financial matters pertaining to the governing of the City, as well as on the use of fiscal resources and the development of technology for the City. In 2007, the Council reconstituted the Finance Commission as a Finance Committee to review financial matters with the City's Administrative Services Director in preparation for the City Council meetings. The Committee consists of two Council members who each serve one year terms of office, and will meet monthly or on as as-needed basis.

Heritage Preservation Commission
The Heritage Preservation Commission functions as a liaison working in conjunction with the Council, the Planning Commission, and the agencies and departments of the City to implement the City's Heritage Preservation Ordinance. The Commission's scope includes property surveys within the boundaries of the City of Saratoga for the purpose of establishing an official inventory of heritage resources and recommending to the City council specific proposals for designation as a historic landmark, heritage lane or historic district. One member is nominated by the Saratoga Historical Foundation and two members must be trained and experienced in the field of construction and structural rehabilitation, such as a licensed architect, engineer, contractor or urban planner.

Library Commission
The Library Commission provides counsel and recommendations on library policies, budgets, plans and procedures to the City Council, City staff, the Santa Clara County Library staff, and the Saratoga Library Supervisor. The Library Commission has no administrative authority over the library's operations but does participate in the general planning of the library operation and library-related programs and policies. One member is nominated by the City of Monte Sereno.

Parks and Recreation Commission
The Parks and Recreation Commission advises the Council on a variety of matters as they relate to parks and recreation. Principally, the commission serves as a conduit between the public and the Council, assesses public input, collects information, and makes recommendations to the Saratoga City Council. After being suspended for several years, the Parks and Recreation Commission was reinstated by the Council on May 16, 2007.

Pedestrian, Equestrian, and Bicycle Trails Advisory Committee
It is the mission of the Pedestrian, Equestrian, and Bicycle Trails Advisory Committee to advise the city regarding the planning, acquisition, and development of trails and sidewalks and to maintain the trails network to enhance the quality of life in Saratoga.

Planning Commission
The Planning Commission advises the City Council on land use matters such as the General Plan and specific plans, zoning and subdivisions. The Commission plans for the future orderly physical development of the City and informs and educates the public on current land use and urban planning issues. In many areas the Planning Commission also acts as a legislative body in making determinations within the framework of applicable State laws and City ordinances. Ultimate decisions on land use reside with the City Council. Members are required by State law to file an annual statement of economic interests.

Traffic Safety Commission
The Traffic Safety Commission investigates reviews and analyzes traffic safety issues raised by the Community members and Public Safety Agencies. It provides a venue for the public to express concerns regarding traffic safety issues. The Traffic Safety Commission makes recommendations to the City regarding traffic safety.

Youth Commission

The Youth Commission is comprised of middle and high school students appointed by the City Council for two-year terms. The rotating appointments ensure both first and second year members are on the commission. The Youth Commissioners participate in community activities and serve as a liaison between the teen community and the City Council.

STRATEGIC GOALS & OBJECTIVES

CITY OF SARATOGA

CITY COUNCIL'S STRATEGIC GOALS & OBJECTIVES

The Saratoga City Council's Strategic Goals and Objectives support the City's vision, and mission, and represent the foundation on which Council makes decisions. The below list of goals and objectives are considered overall long-term guidance upon which shorter-term departmental objectives and general direction is developed and implemented within the City's budget workplan.

I City Leadership: Provide a proactive, responsible, inclusive, respectful, transparent, and trustworthy government dedicated to delivering effective high quality leadership for the community.

A. Responsive and accountable to the community
B. Effective City Leadership
C. Organization Performance Management
D. Transparent Government
E. Civic Engagement
F. Community Partnerships

II Fiscal Stewardship: Ensure fiscal responsibility and transparency, proactively seeking opportunities for improvement.

A Strengthen the City's Fiscal Health and Stability
B. Preserve Essential Services
C. Effectively manage revenue streams
D. Expend and use fiscal resources responsibly
E. Maintain fund balance reserves
F. Nurture an environment which attracts, retains, and expands economic opportunities

III Public Safety: Provide for a safe and secure community.

A Preservation of life and property
B. Crime Prevention
C. Emergency Preparedness

IV Facility & Infrastructure: Maintain the City's facilities and public infrastructure in a safe, sustainable, and cost effective manner.

A Excellent Street System
B. Safe, well-functioning, and beautiful roadway Infrastructure
C. Well-maintained, safe parks
D. Useful and safe trails and open space
E. Clean, safe, and pleasant City facilities
F. Well-maintained vehicles and equipment
G. Support externally funded community infrastructure improvements

V Community Heritage: Honor Saratoga's heritage by preserving significant historic assets.

A. Enhance policies to maintain the City's historic heritage
B. Enhance standards to maintain architectural attractiveness
C. Protect Saratoga's natural beauty

VI Community Enrichment: Foster a community with an enriched and diverse culture and engaged community.

A Engaged and vibrant community
B. Enhance and promote quality of life in the community
C. Promote health as a community value
D. Cultivate organizational and leadership potential in the community
E. Foster a business-friendly environment

VII Environmental Sustainability: Proactively support environmental sustainability efforts.

A. Protect and optimize the City's natural resources and environment through sustainable practices
B. Establish and implement comprehensive, long-range environmental sustainability goals and policies
C. Embrace environmentally friendly practices
D. Educate the community on environmental issues

BUDGET & FINANCIAL POLICY INFORMATION

BUDGET PROCESS OVERVIEW

The City of Saratoga adopts an annual Operating and Capital Budget and an annual budget update of the five-year Capital Improvement Plan. The budgets are prepared with detail revenue and expenditure appropriations for the fiscal year beginning July 1st and ending June 30th, and is presented as a summary level budget document. Budget schedules are prepared on the same basis as the City's financial statements, and in accordance with generally accepted accounting principles (GAAP).

BUDGET PURPOSE

The Operating and Capital Summary Budget and the Capital Improvement Plan serve as the City's financial plan, as well as a policy document, a communications tool, and an operations guide. Developed with an emphasis on long term financial stewardship, sustainability, service delivery, and program management, a fundamental purpose of these documents is to provide a linkage between the services and projects the City intends to accomplish, and the resources committed to get the work done. The format of the budget facilitates this linkage by clearly identifying program purpose, key projects, and workplan goals, in relation to revenue and expenditures appropriations.

BASIS OF BUDGETING AND ACCOUNTING

Developed on a program basis with fund level authority, the operating budget represents services and functions provided by the City in alignment with the resources allocated during the fiscal year. The Capital Budget is funded and defined by its' approved projects, with ongoing or incomplete projects re-appropriated into the following fiscal year.

Basis of Accounting and Budget refers to the timing factor concept in recognizing transactions. This basis is a key component of the overall financial system because the budget determines the accounting system. For example, if the budget anticipates revenues on a cash basis, the accounting system must record only cash revenues as receipts. If the budget uses an accrual basis, accounting must do likewise. This consistency is also reflected in the City's Comprehensive Annual Financial Report (CAFR), the State Controller's Annual Cities Report, and all other report documents.

Government budgets and accounting uses a mix of accounting methods. A hybrid cash and accrual accounting system known as 'Modified Accrual Basis' recognizes revenues when measurable and available.

The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 45 days after fiscal year-end. Licenses, property taxes and taxpayer assessed tax revenues (e.g., franchise taxes, sales taxes, and transient occupancy tax) are all considered susceptible to accrual and so are recognized as revenues in the period earned/collected. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Expenditures are recorded when the liability is incurred. Claims, judgments, compensated absences, and principal and interest on general long-term debt are recognized as expenditures to the extent they have matured.

The Modified Accrual Basis is used for governmental types of funds, while the full accrual basis accounting method is used for proprietary funds. Governmental Funds consist of the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds. Under this basis, revenues are estimated for the period if they are susceptible to accrual, e.g. amounts can be determined and will be collected within the current period. Principal and interest on general long-term debt are budgeted as expenditures when due, whereas other expenditures are budgeted for liabilities expected to be incurred during the current period.

Proprietary fund budgets are adopted using the full accrual basis of accounting whereby revenue budget projections are developed recognizing revenues expected to be earned during the period, and expenditures are developed for expenses anticipated to be incurred in the fiscal year. The City maintains one type of proprietary fund: Internal Service Funds.

While not currently used in Saratoga, Fiduciary Funds are also budgeted using the modified accrual basis. This includes Trust Funds, which are subject to trust agreement guidelines, and Agency Funds, which are held in a custodial capacity involving only the receipt, temporary investment, and remittance of resources.

SUMMARY OF BUDGET DEVELOPMENT

The City develops it budgets with a team-based budgeting approach. The City Manager and Administrative Services Director guides the process

through budget development; however program budgets and workplans are developed with each department's director or program manager's oversight and expertise. This approach allows for hands-on planning and creates a clear understanding for both management and staff of a program's goals and functions to be accomplished in the next budget year.

THE DEVELOPMENT PROCESS

Typically both the Operating and Capital Budget and Capital Improvement Plan (CIP) annual development processes begin in early January as the City Manager works with the City Council to develop and refine initiatives and directives for the upcoming budget year. The Five-Year financial forecast is developed concurrently and brought to the annual Council Retreat for Council review. This forecast provides an overview of service level operations and helps to guide the discussion on upcoming budget direction. The CIP is also reviewed during this time to determine funding capabilities, project priorities, and to refine project workplans. Although the CIP Budget is a stand-alone body of work, CIP projects impact the City's ongoing operations and are therefore incorporated into the Operating and Capital Summary Budget document through the resulting financial appropriations and service level requirements.

In February, the budget preparation process begins in earnest. Budget assumptions, directives and initiatives are provided to set the City's overall objectives and goals. Over the next several months, staff identifies and analyzes program revenue and expenditure projections in coordination with Finance/Budget staff and City management. Capital improvement projects are assessed and refined, and CIP funding and appropriation requirements are finalized.

Through rounds of budget briefings and revisions, operational and capital workplans are reviewed and compiled, and staff finalizes the proposed program and capital budgets. Financial summary information is finalized, and the proposed budget document is produced for City Council review. Finally, a summary level Public Hearing presentation is prepared to highlight the notable budget impacts in the forthcoming year.

BUDGET ADOPTION

The City Council reviews the proposed Operating and Capital Summary Budget, and the Capital Improvement Plan for the five year period in a public hearing at the second Council meeting in May. Notice of the hearing is published in a local newspaper at least ten days prior to the Council's public hearing date. The public is invited to participate and copies of the proposed budgets are available for review on the City's website, in the City Manager's office and at the budget hearing.

Under requirements established in Section 65401 of the State Government Code, the City's Planning Commission also reviews the proposed Capital Improvement Plan and reports back to the City Council as to the conformity of the plan with the City's Adopted General Plan.

Final council-directed revisions to the proposed budget are made and the budget documents are resubmitted to the Council for adoption, again in a publicized public hearing prior to the beginning of the fiscal year.

Section 2-20.050(i) of Saratoga's City Code requires the City Manager to prepare and submit an annual budget to the City Council. This is accomplished in June, when the final proposed budget is formally submitted to the Council in the subsequent public hearing.

The approved resolutions to adopt the CIP and operating budgets and the appropriation limitation (Gann Limit) follow later in this section.

BUDGET AMENDMENTS

During the course of the fiscal year, economic and workplan changes or unanticipated needs may necessitate adjustments to the adopted budgets. The City Manager is authorized to transfer appropriations between categories, departments, projects, and programs within a fund in the adopted Operating Budget, whereas the City Council holds the authority for Operating Budget appropriation increases and decreases, and transfers between funds, and for both scope and funding changes to capital projects in the Capital Budget.

BUDGET CALENDAR

December

Budget Office to prepare worksheets, gather information, and begin development of financial forecast and budgets for following fiscal year, including:

- Draft operating budget revenue and expenditure projections
- Prior fiscal year-end fund balance available for CIP

January

Budget Office to prepare Mid-Year Budget Report and Five-Year Financial Forecast for Council review at annual retreat

For Operating Budget:

- Budget Office to provide budget information to staff on budget assumptions, directives, initiatives, and goals
- Budget Office and Program Managers to prepare Internal Service and Equipment Replacement Fund analyses and schedules, finalize internal service rates
- Budget Office to prepare operating budget worksheets for updates, including departmental/program narratives, staffing and financial worksheets, asset and staffing requests.

For Capital Budget:

- Budget Office to prepare updated five-year CIP project worksheets

February

Budget Office and departments to review current User Fee Schedule for appropriate changes in preparation of annual updates process

For Operating Budget:

- Budget Office to finalize Internal Service Fund program workplans
- Budget Office to prepare budget worksheets for departments, including staffing and internal service program costs
- Departments to prepare draft revenue expenditure workplans

For Capital Budget:

- Project Managers to prepare funding, scope of work, and cost estimates for new proposed projects

March

For Operating Budget:

- Departments to finalize budget work plans
- Review proposed budgets with City Manager
- Departments and Budget Office to finalize budget changes

For Capital Budget:

- Project Managers to determine year end CIP project estimates
- City Manager to finalize new proposed CIP projects

April

For Operating Budget:
- Departments to finalize program narratives and performance measures
- Budget Office to compile final program narratives, financial and supplemental schedules, and financial budget summaries and charts for City Council Budget Study Session

For Capital Budget:
- Project Managers to finalize new project information for CIP submittal
- Public Works Manager to bring new projects to Planning Commission meeting for General Plan conformance review

City Council to hold Public Hearing for Annual User Fee Update

City Council to hold Budget Study Session

May

For Operating & Capital Budgets:
- Final budget briefing with City Manager
- Budget Office to incorporate Council directed changes into proposed budgets and prepare final documents for Public Hearing presentation

City Council to hold Proposed Budget Hearing

June

For Operating & Capital Budgets:
- City Council revisions incorporated into budget documents
- City Council adoption of Operating and Capital Budget
- City Council adoption of Gann Appropriation Limit
- City Council adoption of Annual Investment Policy Update
- City Council adoption of GO Bond Tax Assessment Rate

July/ August/ September

Finance to:
- Finalize prior fiscal year revenue and expenditures
- Determine operating budget carryforwards
- Finalize capital project expenditures and roll-over amounts.

Budget Office to:
- Finalize detail budgets and distribute to internal users
- Prepare final financial and supplemental schedules, charts, and reference materials for budget documents
- Finalize the Adopted Operating & Capital Summary Budget documents
- Post Adopted Operating and Capital Budget document on website
- Submit budget award application to GFOA

FUND DESCRIPTIONS

The basic accounting and reporting entity for the City of Saratoga is a fund. A fund is a fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created. Funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Funds used in government are classified into three broad categories: governmental, proprietary and fiduciary. Governmental funds include activities usually associated with a typical state or local government's operations (public safety, general government activities, etc.) Proprietary funds are used in governments to account for activities often found in the private sector (utilities, stadiums and golf courses are prime examples). Trust and Agency funds are utilized in situations where the government is acting in a fiduciary capacity as a trustee or agent. The various funds are grouped in fund types and categories as follows:

GOVERNMENTAL FUNDS

Includes activities usually associated with governmental entity operations, including public safety, planning and building services, parks and public works, and general administrative functions.

General Fund

The General Fund serves as the City's chief operating fund. All general tax revenues and other receipts not allocated by law or some other contractual agreement to other funds are accounted for in the General Fund. Expenditures of this fund include the general operating expenses traditionally associated with governments such as city administration, development services, public works, and public safety.

Special Revenue Funds

Special Revenue Funds are used to account for revenues that are legally restricted to expenditures for specific purposes. The City of Saratoga has the following type of Special Revenue Funds:

- ***Landscape & Lighting District Funds*** – Saratoga currently has 26 special assessment districts which voted to have the City provide oversight and maintenance of trees, landscaping, irrigation systems, and lighting systems in neighborhood and commercial areas. Separate funds are established to account for each district.

Debt Service Funds

Debt Service Funds are used to account for the acquisition of resources and the payment of long-term debt on City obligations.

- ***2001 Series General Obligation Debt*** – established to account for the obligation incurred under the citizen approved 2001 General Obligation Bond debt for the Library remodel.

Capital Project Funds:

Capital Project Funds are used to account for the acquisition, construction, and improvement of capital infrastructure. The City budgets and accounts for capital projects in:

- ***Capital Project Funds*** – established to provide resources for capital projects funded from accumulated reserves and designated capital revenues.
- ***Development Impact Funds*** – accounts for revenues restricted for specific capital project uses.
- ***Grant Project Funds*** – budgets and accounts for projects funded in whole or in part by grant revenues.
- ***Gas Tax Fund*** – budgets and accounts for revenues and expenditures pertaining to the maintenance and construction of City Streets.

PROPRIETARY FUNDS

Proprietary funds are structured to impose fees or charges upon those who use their services. There are two classifications of proprietary funds: Enterprise Funds and Internal Service Funds:

- ***Enterprise Funds*** – are used to account for activities that are operated in a manner similar to a private business enterprise, where the cost of the goods are to be financed or recovered primarily through external user charges. The City of Saratoga does not currently provide services or activities (e.g. golf course or utility service) which would be accounted for through Enterprise Funds.
- ***Internal Service Funds*** – represent services provided to internal users and functions as a cost-reimbursement device. Internal Service Funds account for operational support activities for the purpose of recovering the cost from the user, and for the user to identify its full cost of operations.

Internal Service Funds

Used to account for services provided to departmental programs by City-wide administered programs and staff. The City has several of these types of funds:

- ***Liability/Risk Management Insurance Fund*** – Accounts for insurance premiums, self-insured portion of claims, and administrative costs associated with settling claims. Charges are allocated to programs based upon liability risk and claim occurrence history.
- ***Worker's Compensation Insurance Fund*** - Accounts for insurance premiums, self-insured portion of claims, and administrative costs associated with settling claims. Charges made to operating departments are based on liability risk and claim occurrence history.
- ***Office Support Services Fund*** – Photocopy equipment, postage and bulk mail meter expenses are controlled at one source point and expended to the departments as goods or services are utilized.

- ***IT Services Fund*** – Information Technology Services supports the delivery of technology based services and infrastructure, including desktop support, network systems, technology upgrades and initiatives, communication systems, and associated IT equipment.
- ***Vehicle & Equipment Maintenance Fund*** - Accounts for the cost of operating and maintaining vehicles and equipment used for service operations in various City departments.
- ***Building Maintenance Fund*** – Accounts for operational costs associated with building maintenance. Includes custodial supplies and services, maintenance and repair, utilities, and staffing costs.
- ***Vehicle & Equipment Replacement Fund*** – Established to accumulate funding for the replacement of vehicles and equipment. Replacement costs are charged to departments over the asset's life span, reflective of usage.
- ***IT Equipment Replacement Fund*** – Established to accumulate funding for the replacement of information technology equipment. Replacement costs are charged to departments over the assets lifespan, reflective of usage.
- ***Facility FFE Replacement Fund*** – Established to accumulate funding for the replacement of facility furniture, fixtures, and equipment. Replacement costs are charged to departments over the assets lifespan, reflective of usage.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the City acting in a fiduciary capacity for other entities and individuals. Such funds are operated to carry out the specific actions of trust agreements, ordinances and other governing regulations. There are two categories of fiduciary funds, Trust and Agency.

Trust Funds

Trust Funds account for assets held by the City in a trustee capacity where the City oversees the use of resources in accordance with formal trust agreements. The City does not currently administer this fund type.

Agency Funds

Agency funds account for assets held in the capacity of an agent for individuals, governmental entities, and non-public organizations. In past years, the City administered two of these fund types, however KSAR funds were returned to the non-profit, and Library Capital Project funds were used for capital projects as intended, so both agency funds are now closed.

CITY OF SARATOGA
BUDGETARY FUND STRUCTURE

GOVERNMENTAL FUNDS

General Fund	Special Revenue Funds	Debt Service Fund	Capital Improvement Plan Funds
Primary Operating Fund 1 General Fund	***Landscape & Lighting District Funds*** 28 Assessment District Funds	***Bond Repayment Fund*** 1 GO Bond Debt	***Capital Improvement Programs*** <u>Street Improvements</u> 1. City Funded CIP 2. Grant Funded CIP 3. Gas Tax Funded CIP <u>Park Improvements</u> 4. City Funded CIP 5. Grant Funded CIP 6. Tree Fine Funded CIP 7. Park In Lieu Fund CIP <u>Faciltiy Improvements</u> 8. City Funded CIP 9. Grant Funded CIP <u>Admin & Technology</u> 10. City Funded CIP 11. Grant Funded CIP

PROPRIETARY FUNDS

Internal Service Funds	Enterprise Funds
Operational and Asset Funding Programs <u>Insurance Funds</u> 1. Risk Management 2. Workers Compensation <u>Operation & Maintenance</u> 3. Office Support 4. IT Services 5. Vehicle & Equip Maint 6. Facility Maint <u>Asset Replacement Funds</u> 7. Veh & Equip Replacemt 8. IT Equip Replacemt 9. Facility FFE Replacemt	***None***

FIDUCIARY FUNDS

Trust Funds	Agency Funds
None	***None***

CITY OF SARATOGA
DEPARTMENT TO FUND RELATIONSHIP

	GOVERNMENTAL FUNDS				PROPRIETARY FUNDS	FIDUCIARY FUNDS
DEPARTMENTS	General Fund	Special Revenue	Capital Improvement	Debt Service	Internal Service Funds	Trust / Agency
Council & Commissions	✓					
City Manager	✓		✓			
Administrative Services	✓		✓		✓	
Community Development	✓		✓			
Public Works	✓	✓	✓		✓	
Recreation & Facilities	✓		✓		✓	
Public Safety	✓					
Non-Departmental	✓		✓	✓	✓	

LIST OF FUNDS

GENERAL FUND 111

SPECIAL REVENUE FUNDS
Landscape & Lighting Assessment District Funds (multiple) 2xx

INTERNAL SERVICE FUNDS
Risk Management / Liability Fund 611
Workers Compensation Fund 612
Office Support Services Fund 621
Information Technology Services Fund 622
Vehicle & Equipment Maintenance Fund 623
Facility Maintenance Fund 624
Vehicle & Equipment Replacement Fund 631
IT Equipment Replacement Fund 632
Facility FFE Replacement Fund 633

DEBT SERVICE FUNDS
2011 Series G.O. Bonds 311

TRUST AND AGENCY FUNDS
None currently .....

CAPITAL PROJECT FUNDS
Capital Improvement Fund – Streets Projects 411
Capital Improvement Fund – Park and Trail Projects 412
Capital Improvement Fund – Facility Improvement Projects 413
Capital Improvement Fund – Administrative & Tech Projects 414
Tree Fund 421
Park-in-Lieu Fund 422
Streets Grant Fund 431
Park & Trail Grant Fund 432
Facility Improvements Grant Fund 433
Administrative & Technology Grant Fund 434
Gas Tax Fund 481

LIST OF PROGRAMS

GENERAL FUND

Council & Commissions

City Council 1101
Commissions 1201

City Manager's Departments

City Manager's Office 2101
City Clerk 2201
Public Information Office 2401

Administrative Services Department

Finance 3101
Human Resources 3301
Administrative Services 3401

Community Development Department

Development Services 4101
Advanced Planning 4102
Code Compliance 4103
Building & Inspection Services 4201

Public Works Department

General Engineering 5101
Development Engineering 5102
Environmental Services 5103
Streets & Storm Drains 5201
Parks & Landscape Maintenance 5301

Recreation & Facilities Department

Recreation Services 6101
Teen Services 6102
Facility Rentals 6201

Public Safety

Public Safety Services 7101
Emergency Preparedness 7102

Non Departmental

General Administration 8101
Legal Services 8202
Community Grants 8301
Community Events 8302

INTERNAL SERVICE FUND PROGRAMS

Administrative Services Department

Office Support Fund 3102
Information Technology Services Fund 3201
IT Equipment Replacement Fund 3202

Public Works

Vehicle & Equipment Maintenance Fund 5202
Vehicle & Equipment Replacement Fund 5203

Recreation & Facilities Department

Facility Maintenance Fund 6202
Facility FFE Fund 6203

Non-Departmental

Risk Management / Liability Fund 8401
Workers Compensation Fund 8501

SPECIAL REVENUE FUNDS

Public Works

Landscape & Lighting Assessment District Funds 5302

FISCAL MANAGEMENT POLICY STATEMENTS

With both a general management philosophy and Council goal to practice fiscal responsibility, the City of Saratoga's conservative and cautious financial management is achieved through responsible, sustainable, and enforceable fiscal policies and internal controls to ensure prudent and efficient use of resources. These policies and controls represent long-standing accounting, budgeting, debt, investment, and reserve principles and practices, and are the foundation upon which the City maintains its fiscal stability.

Saratoga's general fiscal management policy statements provide a summary overview of financial, operational, and budgetary management, in one comprehensive centralized format to act as guidelines and to assist elected officials and staff with understanding the City's financial practices for fiscal operations. Detail level fiscal policies are administrative in nature and therefore not included in the budget document. However, fiscal policies that rise to Council review and approval standards at a more specific level are incorporated into the budget document for annual adoption by Council. Currently this includes the Fund Balance Reserve Policy and the Capital Project Process Policy which follows this section. Other Council defined policies will be added as directed/approved.

The Summary Fiscal Management Policy Statements in this document are organized into the following categories:

General Financial Principles
Appropriations and Budgetary Control
Auditing and Financial Reporting
Capital Improvement Plan
Development Related Financial Policies
Expenditures and Purchasing
Fixed Assets and Infrastructure
Internal Service Funds
Long-Term Debt
Revenues
Risk Management Policies
Treasury Management

General Financial Principles

- The City's fiscal policies are structured to ensure fiscal responsibility, accountability, transparency, and efficient use of resources. Fiscal policies are to be reviewed, updated, and refined as necessary, with general policy level decisions brought to City Council for review and approval, and administrative and operational level functions approved by the City Manager.
- Proposed revisions to the Fiscal Management Policy Statements and Council Policies are provided to Council at the annual Council Retreat. Council members are to provide comments and concerns regarding revisions to the Mayor or City Manager at least two weeks prior to the budget study session to clarify or include in agenda.
- The City's primary long-term financial goals are to maintain the City's fiscal health, preserve essential services, reduce financial risk, and support short and long-term administrative, financial, and operational goals in a financially judicious manner. Long-term financial and infrastructure planning and the annual adoption of a structurally balanced budget provides the foundation to these long-term financial goals. The City shall promote and implement strong internal financial controls to manage risks and monitor the reliability and integrity of financial transactions and operational activities.

- Financial information shall be provided in a relevant, thorough, and timely manner, to effectively communicate the City's financial status to the Council, citizens, employees, and all other interested parties.
- Financial stability goals and judicious responsiveness shall be the foundation upon which proactive and advantageous financial decisions are made, and which guide the City's response to local, regional, and broader economic changes through the years.
- The City shall undertake, adopt, and integrate new initiatives or programs in a cautious, well planned manner to support the City's long-term ability to maintain its essential services at the same level and quality required by its citizens.
- The City Council's financial and community goals, objectives, and policies are incorporated into and implemented with the development and adoption of the City's Operating and Capital Budgets.
- Efforts will be coordinated with other governmental agencies and joint power associations to achieve common policy objectives, create beneficial opportunities and services for the community, share the cost of providing governmental services, and support legislation favorable to cities at the state and federal level.
- The City will seek out, apply for, and effectively administer federal, state, local, foundation, business, and private grants which address the City's current priorities and policy objectives.

Appropriations and Budgetary Control

- The City Council shall adopt an annual balanced operating budget and the first year of an integrated five-year capital improvement plan budget by June 30th of each year, to be effective for the following fiscal year running from July 1st through June 30th. Balanced budgets present budgeted sources in excess of budgeted uses. Budgeted "Sources" include Revenues, Transfers In, and Appropriated Uses of Fund Balance. Budgeted "Uses" include Expenditures and Transfers Out. Operating and Capital Budgets are to align with the City's long-term financial goals.
- Each year the Finance & Administrative Services Department provides a short recap of the prior-year budget, a mid-year budget status report, and an updated five year financial forecast to the City Council at the Annual Council Retreat (scheduled in late January or early February) to assist Council with formulating direction for long-range fiscal planning, Operating Budget development, and capital funding appropriations.
- Budgets are prepared on the same basis of accounting used for financial reporting: governmental fund types (General, Special Revenue, and Debt Service) are budgeted according to the modified accrual basis of accounting; proprietary funds (Internal Service Funds) and fiduciary funds are budgeted under the accrual basis of accounting.
- The Operating Budget is primarily funded with current year revenues. Dedicated fund balance reserves, such as the Carryforward or Fiscal Stabilization Reserves represent prior year savings designated for specific uses, which may be used to fund current year operational expenses, in accordance with their purpose, upon Council approval. Council may also approve the use of long-term debt for operational liabilities if they deem it fiscally prudent.
- With funding for other committed reserves already in place, a minimal base amount of $500,000 is to remain in the Unassigned Fund Balance Reserve at year-end to provide a buffer for unanticipated operational shortfalls and unforeseen needs in the following fiscal year.
- The Capital Budget is funded with both prior year surplus funding and dedicated capital funding resources. Dedicated funding sources include Gas Tax (HUTA) revenues, road impact assessment revenues; project revenues and reimbursements; community benefit assessments; and federal, state, local, and private grants.
- In practice, budgeted revenues are conservatively stated and budgeted expenditures are comprehensive, allowing for the annual operational and capital improvement goals to be completed. With effectively managed revenue streams and efficient use of resources, fiscal year-end operational budget surpluses are available to fund future capital improvement projects and contribute to the City's fiscally responsible reserve accounts.

- The City Council maintains budgetary control at the fund level; any changes in total fund appropriations during the fiscal year must be submitted to the City Council for review and Council majority approval. Operating Budget appropriations lapse at the end of each fiscal year unless specifically carried forward by appropriation in the following fiscal year's budget. Capital Budget appropriations are structured as a multi-year workplan; therefore project expenditure balances are automatically carried forward to the following fiscal year as part of the annual budget adoption until funding is exhausted, modified, or the project is completed.
- The City budget shall comply with the annual determination of the City's appropriation limit calculated in accordance with Article XIIIB of the Constitution of the State of California and adopt an annual resolution to this effect.
- The City Manager is authorized to implement the City's workplan as approved in the adopted budget. Within a specific fund, the City Manager has the discretion to adjust appropriations between categories, departments, programs, and projects as needed to implement the adopted budget, provided no change is made to the total appropriation amount provided for any one fund. An example would be to backfill a vacant salaried position with a contract service, therefore shifting funds from wage and benefit appropriations to an operating expense expenditure within the General Fund appropriation. The City Manager also has the authority to withhold filling the position for a time if conditions warrant a delay.
- Generally, recurring expenditures are funded with recurring revenues or revenues specifically designated for operational use. One time expenditures may be funded with one-time revenues or fund balances reserves. Fund balance reserves are to be used for non-recurring one-time expenditures and capital projects.
- In compliance with Council's Fiscal Stewardship goal, fiscal stability and sustainability principles are incorporated into budget planning. Appropriating adequate funds on an annual basis for the replacement and maintenance of assets through Internal Service Funds, prioritizing infrastructure maintenance and repair in the capital budget, and institutionalizing prudent payment strategies for long-term liabilities are foundational strategies of fiscal stability and sustainability.
- In FY 2014/15 CalPERS notified the City that as of 6/30/2015, the City's Unfunded Accrued Liability obligation of $7.7 million was to repaid over a thirty (30) year payment plan. The City Council established an alternative repayment plan to lower the overall cost of the liability while maintaining fiscal stability. Approximately 43% of the outstanding liability was immediately paid through the use of current year net operations and expendable reserve funding. The remaining liability is to be paid off with an accelerated payment plan of $500,000 per year. This payment strategy reduces interest costs by approximately 65% and reduces the payment period to 15 years.
- The City Council appropriates $50,000 annually to a 'Council Discretionary account' so that Council has funding available for unplanned expenditures. Council direction and consensus approval is required to utilize these funds. Unexpended appropriations are carried forward into the following fiscal year. Parks and Recreation Services are essential elements in meeting the City's goal to enhance and promote quality of life in the community. The Recreation Department provides activities, programs, classes, and rental facilities to the entire Saratoga community, from infants to seniors, through various services. While these services innately benefit individuals, and would typically be 100% funded through user fees, Council recognizes the general community benefit and determined the Recreation Department activities would function under a minimum cost recovery goal of 65%. This calculation is comprised of total program revenues and expenditures for the General Fund's Recreation Services, Teen Services, and Facility Rentals programs, as all share the use of the building, equipment, staff, and purpose, and are therefore intrinsically connected in the analysis.
- The Community Development Department strives to attain full cost recovery plus a $100,000 annual stipend for advanced planning updates, in recognition that development and building services are provided primarily for individual and monetary benefit rather than for the community's benefit. Total department revenues in excess of total department expenses (net gain) are added to the reserve at year end, and up to one-third of the reserve fund balance may be used to offset a net loss at year end.

Auditing and Financial Reporting

- California State statutes require an annual financial audit of the City's financial records and transactions by independent Certified Public Accountants. The City shall comply with Generally Accepted Accounting Principles (GAAP) and produce annual financial reports pursuant to Governmental Accounting, Auditing, and Financial Reporting (GAAFR) guidelines. The independent auditor will issue an audit opinion to be included in the City's Comprehensive Annual Financial Report (CAFR) testifying to the financial reports conformance with accounting principles.
- Additional financial reports issued by the Auditor's may include: Singe Audit Report (annual report of federal grant expenditures if in excess of the federal single audit limit is expended in a fiscal year), a Transportation Development Act (TDA) report (annual report of TDA fund expenditures), an Appropriations Limit review report (to establish tax revenue appropriation limit), and a Management report on the City's Internal Controls.
- The City shall submit the CAFR to the Governmental Finance Officers Association (GFOA) Financial Reporting Program each year for review, and if in compliance with the program's requirements, to receive an award for meeting GFOA's financial reporting standards.
- Regularly scheduled external Financial Reports include the following:
  - State required Annual Cities Report and Annual Streets Report completed in conjunction with the year-end close.
  - Quarterly SMIP (Seismic Motion) fee reconciliation reports; CASp (ADA Accessibility) reconciliation reports: and California Building Standard Commission (green building standards) reconciliation reports
  - Quarterly Use Tax Reports to remit uncollected sales tax to the State Board of Equalization
  - SB90 Mandated Cost reports for claims to comply with State regulated legislation.
  - Annual UST Certification report to show fiscal responsibility for the City's underground storage tanks,
  - Annual Possessory Interest Report submitted to the County's Assessor's Office to report City owned leased property
- Regularly scheduled internal Financial Reports include the following:
  - Weekly check registers and monthly Cash and Investment Treasurer Reports are submitted for review and approval at City Council meetings.
  - Quarterly financial reports provide a status update on General Fund revenues and expenditures for the first, second, and third quarters.
  - A mid-year budget status report is presented to City Council in February each year to provide a comprehensive financial overview of the current year's budget and to propose recommended budget adjustments as appropriate.
  - A year-end financial recap is provided after the City's annual financial audit is completed.

Capital Improvement Plan

- A five year Capital Improvement Plan (CIP) is updated annually in conjunction with the operating budget. The CIP reflects the current and changing needs of the community as well as enhancements to improve the quality of the community. The first year of the CIP is adopted to authorize appropriations.
- The CIP is categorized into programs by project type. The four programs are: Street Improvements, Park & Trail Improvements, Facility Improvements, and Administrative & Technology Improvements.
- All projects within the CIP programs are appropriated, managed, and tracked separately, and each project's financial status is reported on a monthly basis in the Treasurers Report.
- Project updates are recorded in the annual Capital Budget, with narrative, timeline, and financial summary information updated with each published budget document.

- Capital improvements that specifically benefit a select group of users and/or are fee-for-service based are to be financed through user fees, service charges, special assessments and taxes, or development impact fees.
- The City shall identify and dedicate capital improvement related funding directly to the CIP and to maximize the use of grant funding for capital improvement projects.
- Grants, insurance, or other reimbursement funding is to be returned to the expenditure's funding source, unless otherwise directed by Council. For instance, Hillside Reserve funded projects that receive insurance reimbursement payments are to be returned to the Hillside Reserve, and grant reimbursements for projects funded through the CIP Reserve are to be returned to the CIP Reserve when payment is received.
- After completion of the prior year's audit and the General Fund's priority funding requirements are met, the remaining net operations are moved into the Capital Project Reserve at year end. Use of the Capital Project Reserve for the subsequent fiscal year is reviewed and preliminary direction given by consensus of the City Council at the Annual Council Retreat. Final CIP funding direction is provide through the budget adoption.
- Council has designated the following capital projects as fundamental to maintaining City infrastructure on an ongoing basis, and shall therefore have priority status for available Capital Improvement Reserve funding: The below funding guidelines shall be reviewed by Council for final CIP Budget direction each fiscal year:
    - $200,000 – Annual Infrastructure Maintenance & Repairs (for Sidewalk , Storm Drains, Curb & Gutter, and Bridge Maintenance)
    - $50,000 – Roadway Safety and Traffic Calming
    - $50,000 – Risk Management and Mitigation Projects
- The Annual Roadway Maintenance and Repair (ARM&R) CIP project is the primary CIP project funded in support of Council's goal to maintain Saratoga city streets at an average 70 PCI rating. On occasion, separate street specific resurfacing projects are established due to funding requirements; they also contribute toward this goal. The ARM&R project was originally established with a $1 million minimum annual funding goal from dedicated Gas Tax Revenue and Solid Waste Services contract assessed Vehicle Impact Fees. However, after decreases in the PCI, Council has established a new goal of $2 million annually with the FY 2016/17 budget. Council is to consider this goal in conjunction with funding requests during the CIP budget discussion each year. This project shall encompass roadway repairs, resurfacing, and rehabilitation projects, traffic light, curb and gutter, and other miscellaneous repairs, striping and signage, and assorted street materials and supplies.

Development Related Financial Policies

- The Development Reserve was established to provide stability for multi-year development related services. The reserve is funded by Community Development Department revenues in excess of expenses at fiscal year-end. The reserve is available for use in those years where a shortfall occurs; when development revenues fall below development expenses. Use of the reserve for operational support is limited to a maximum of 1/3 of the reserve balance in any given fiscal year; with any budgeted use of the reserve automatically rescinded up to the amount development revenues are sufficient to cover General Fund net operations. The reserve may also be utilized for other development related uses, such as funding development software upgrades or special projects, per Council direction. Additional information on this Development Reserve is located in the Fund Balance Reserve Policies section.
- The Williamson Act, also known as the California Land Conservation Act, was passed by the California Legislature in 1965 to encourage rural & agricultural land owners to keep their land undeveloped. When land owners enter into a contract under the act, they benefit from lower property taxes, which are based on the property's current use, rather than paying *market value based tax rates*. In exchange, the property is to remain undeveloped and continue to function in the same manner for the duration of the contract. Contracts run for 10 years and are automatically renewed unless the farmer or rancher cancels it. The City does not limit the number of Williamson Act contracts entered into each year.

- The Mills Act is State-sponsored legislation granting local governments the authority to enter into an agreement with property owners to allow reduced property tax payments in return for the restoration and continued maintenance of their historic property. Since the agreement reduces property tax assessment, the City receives a smaller share of property tax revenue in comparison to a property that is assessed at market value. The City will allow approval of up to three Mills Act Contracts per year.

Expenditures and Purchasing

- All expenditures shall be in accordance with the City's purchasing policy, travel policy, credit card policy, contract policy and public contract code, state or federal law, or any other applicable guidelines or regulations.
- Expenditures are managed at the program level. Program managers are to ensure expenditures do not exceed the budgeted workplan and must take immediate action if at any time during the fiscal year an operating deficit is projected at year-end. Corrective actions may include expenditure reductions, or with Council approval, budget adjustments, or service reductions.
- The City's current purchasing policy establishes purchasing authority levels, purchasing procedures, and procedural requirements, for the procurement of supplies, equipment, and services, in conformance with Federal and State codes and regulations, and City Ordinance No. 2-45.
- Public Work projects governed by the State's Public Contract Code are excluded from provisions of the City's purchasing policy.
- Guidelines established by the City's Purchasing Policy directs the City's departments to purchase the best value obtainable, securing the maximum benefit for funds expended, while providing all qualified vendors an equal opportunity to do business with the City.
- Services and supplies purchases that exceed $5,000 require written quotes, and must be approved by the Purchasing Officer or designee, typically through the Purchase Order process. Documentation is to be retained by the department in accordance with the records retention policy and schedule.
- Services, supplies, and fixed asset purchases exceeding $25,000 must be authorized by the City Council, unless purchase is specifically called out in the adopted budget or excluded under the Purchasing Policy.
- The City departments shall conduct quarterly program and capital project reviews to determine if projected operating revenues and expenditures meet budgeted expectations. If an operating deficit is projected at year-end, the departments shall evaluate and implement corrective actions as needed, and notify Council if services will be impacted.

Fixed Assets and Infrastructure

- Tangible assets with a cost equal to or greater than $10,000 and a useful life of more than one year are considered fixed assets and added to the capitalization schedules. Repairs and maintenance of infrastructure assets will generally not be subject to capitalization unless the repair extends the useful life of the asset.
- The City will sustain a long-range fiscal perspective through the use of a five-year Capital Improvement Plan designed to maintain the quality of City infrastructure, including streets, sidewalks, curbs and storm drains, lighting, building, parks, and trees, and through Internal Service Fund programs to both maintain and replace City building infrastructure, fixtures, and equipment, vehicles, and public works and technology equipment on an ongoing basis
- A Capital Asset system will be maintained to identify all City assets, their condition, historical and estimated replacement costs, and useful life. Asset information is retained to provide information for preparation of financial statements in accordance with GAAP, with emphasis placed on completion of GASB 34 requirements.
- Infrastructure management systems are to be developed and maintained to provide long range financial and operational planning. These shall include Roadway System management programs, Storm Drain System

management plans, Bridge replacements, Street Signal System replacements, and all other infrastructure categories that require significant financial resources to fund the eventual replacement needs.

- Information Technology software, hardware, and auxiliary equipment and systems are to be maintained through the Operating Budget's Internal Service Replacement Fund, whereas annual appropriations in the Information Technology Services operating budget or departmental program budgets are to fund ongoing license, maintenance, and security costs.

Internal Service Funds

- Internal Services Funds are established to both equitably allocate operating costs to departments for support and maintenance services, and to stabilize and spread the City's replacement and operational costs over fiscal years for the purpose of providing an accurate and balanced long-range fiscal perspective of the use of services and assets.
- Vehicles, Equipment, and Building asset replacement and maintenance types of Internal Service Funds are structured to provide a consistent level of funding for asset and equipment replacement, and to ensure sufficient funding is available for the regular maintenance, repair, and replacement of the City's vehicles, equipment, and building fixtures in an ongoing manner.
- Technology and Office Equipment replacement and maintenance Internal Service Funds are structured to provide a consistent level of funding for the replacement of assets and projects, and to appropriately distribute support and maintenance costs to departments.
- The Liability and Workers Compensation Insurance Internal Service Funds shall maintain adequate reserves to pay all valid self-insured claims and insurance deductibles, including those incurred but not reported, in order to keep the insurance funds actuarially sound.
- Each Internal Service Fund will set recovery charges at rates sufficient to meet all operating expenses, depreciation, and fund balance reserve policy objectives.

Long-Term Debt

- The City shall seek to maintain a high credit rating through sound financial practices as a foundational financial practice, and to maximize borrowing costs.
- The City does not incur debt for operations or capital improvements except under extraordinary circumstances and with citizen support. Under these circumstances the City will seek voter approval for General Obligation (GO) Bond Debt for major infrastructure rehabilitation.
- Long-term Financing Debt is typically incurred for capital improvements or special projects that cannot be financed from current or dedicated revenues, or for large liabilities resulting in significant financial impacts. In principal, long-term debt is to be used only if the debt service requirements do not negatively impact the City's ability to meet future operating, capital, and cash reserve policy requirements.
- Through City Council approval, the City may function as a bonding conduit for special assessment districts. This may occur when a neighborhood or area is seeking to improve private or cooperatively owned infrastructure, such as private roads or water system cooperatives. The City shall require full liability protection and cost recovery as necessary to protect the City and mitigate the cost associated with such actions.
- The term for repayment of long-term financing shall: not exceed the expected useful life of the project; include financing payment terms at a manageable level; and, does not extend beyond functionally appropriate payment terms.
- The City will monitor all forms of debt in conjunction with budget development throughout the year, and will report concerns and remedies if necessary to the City Council.

- The City will ensure compliance with bond covenants, providing financial information to reporting parties as necessary.
- The City will comply with Government Code Section 43605 limitations on debt, which limits general obligation indebtedness to an aggregate 15% of the assessed value of all real and personal property of the City.

Revenues

- The City will encourage a stable revenue system to offset short-run fluctuations in any one revenue source, in part through balancing revenue fluctuations to related operational fluctuations. This concept is applied in Community Development as net operational funding is held in reserve and utilized to fund operational expenses as needed.
- Designated and legally restricted tax and revenue funding sources will be accounted for in the appropriate funds. General taxes and revenues not allocated by law or some other contractual agreement to other funds are accounted for in the General Fund. Dedicated Capital Project revenues are to be directly accounted for in the appropriate capital project fund, within a designated project.
- A master schedule of User Fees is reviewed and presented to Council on an annual basis to adjust fees to an appropriate level. Operating departments shall review services and the existing fees to ensure discretionary services (not specifically waived or modified) reflect direct and reasonable indirect costs of providing such services.
- The City typically establishes user charges and fees at levels that recover the direct and indirect activity cost of providing a service or product. The City also considers market rates and charges levied by other municipalities of similar size for like services in establishing rates, fees, and charges. As some services have partial cost recovery objectives (such as Recreation classes and facility rentals), cost recovery ratios will vary in accordance with policy objectives.
- The City will follow an aggressive policy of collecting local taxes and revenues due to the City through persistent follow-up procedures, and external resources as necessary.
- Donations may be accepted in accordance with the City of Saratoga Donation Policy most recently approved by the City Council. Under the current policy, unrestricted donations of $5,000 or less may be accepted or declined by the City Manager. Restricted donations of $500 or less may be accepted or declined by the City Manager. Unrestricted donations of more than $5,000 and restricted donations of more than $500 must be brought to the City Council for consideration. The City Manager may choose to request City Council consideration of any donation, regardless of value.

Risk Management Policy

- The City is insured for up to $25 million of general liability, auto, and property damage claims through a Joint Powers Association insurance cooperative up to $5 million, and an excess insurance provider for claims in excess of this, up to $20 million. The City is self-insured for the first $25,000 for general liability and auto claims; property damage up to $5,000 and third party auto claims up to $10,000.
- Workers Compensation claims are insured for the first $250,000 of coverage through the City's participation in a Workers Compensation risk pool. After the $250,000 limit is met, an excess insurance coverage policy is activated. The excess coverage provides an employer liability limit of $5 million per occurrence, and workers' comp per occurrence limit of $100 million. Workers' Compensation claims are managed by a third party administrator.
- The City's role in managing both its risk management and workers comp programs is to be preventative in nature which is accomplished through careful monitoring of losses, working closely with the third party administrator, proactively addressing infrastructure maintenance and potential risks, and by designing and implementing safety programs to minimize risk and reduce losses.

Treasury Management

- The City's Investment Policy shall be brought to the Finance Committee and City Council for review, discussion, direction, and adoption on an annual basis. California Government Code Section 53600 and City of Saratoga Municipal Code Section 2-20.035 require the City Council to annually review and approve the City's Investment Policy.
- It is the policy of the City of Saratoga to invest public funds in a manner which will provide the maximum security with the highest investment return, while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of funds.
- Finance staff shall exercise due diligence to comply with the Investment Policy. The City currently practices conservative and cautious investment practices by limiting its investments to the State's Local Agency Investment Fund (LAIF). Certificates of Deposits and high grade investment vehicles may also be utilized under the Investment Policy, however the Finance Committee will provide oversight, review and direction on any decisions to move a portion of the City's available funds into these other permitted investments. Administrative Services Department's Finance Division shall prepare a monthly report to the City Council that has sufficient detail to present the financial condition of the City at month end, the cash and investments balance by fund, and fund balances by fund type.

FUND BALANCE RESERVE POLICY

Prudent financial management dictates that the City reserve a portion of its funds for future use to: maintain fiscal stability; ensure the continued orderly operation of government and provision of services to residents; and to mitigate current and future risks.

As a general budget precept, the City Council decides when and whether to appropriate available funds to and from a reserve account. Use of reserve funds must be authorized by either specific direction in the annual budget, or by a separate City Council action – unless specifically directed by policy. Responsible fiscal stewardship also requires adequate reserves be maintained for all known liabilities and established City Council and community directed initiatives.

In the following Fund Balance/Reserve Policy overviews, the descriptions include identification of the fund type and classification, the purpose of the reserve, minimum and maximum funding goals if appropriate, guidelines on utilization of the reserve and by what authority, and the procedure for funding the reserve initially; on an ongoing basis, or after utilization.

Fund Balance and Net Position

In 2009, Governmental Accounting Standards Board ("GASB") Statement No. 54 revised fund balance classifications for "Governmental Funds" into five specific classifications of fund balance with the intent to identify the extent to which a specific fund balance reserve is available for appropriation and therefore spendable, or whether the fund balance reserve is constrained by special restrictions. Government Funds for which these new rules apply include: the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.

For "Non-Governmental Funds", equity classifications are classified as "Net Position" with sub-classifications of Restricted or Unrestricted Net Position. A third component of a Non-Governmental Fund's equity is "Net Investment in Capital Assets," which for Saratoga refers to the non-monetary portion of equity such as vehicles and equipment, net of depreciation. Non-Governmental Fund types include Proprietary Funds (Enterprise and Internal Service Funds) and Fiduciary Funds (Trust Funds). Currently, the City's non-governmental fund types are limited to Internal Service Funds.

Governmental Fund Type Reserve Classifications

The Governmental Reserve classifications are defined as follows, which includes the applicable reserves that fall into the classification:

Non-Spendable Fund Balance
Represents resources that are inherently non-spendable from the vantage point of the current period. The City does not presently hold Non-Spendable Reserve funds.

Restricted Fund Balance
Represents fund balance that is subject to external enforceable legal restrictions. The City maintains the following restricted fund balances under this designation:

- General Fund: Environmental Services Fund Balance Reserve
- Special Revenue Funds: Landscape & Lighting Assessment Districts Fund Balance
- Debt Service Fund: Library General Obligation Bond Debt Service Fund
- Capital Project Funds: a) Park In Lieu Fund:
  b) Highway User Tax Allocation Fund (Gas Tax):
  c) Capital Project Grant Funds

Committed Fund Balance
Represents fund balance constrained by limitations the government imposes upon itself at its highest level of decision making and remains binding unless removed in the same manner. The City maintains the following fund balances under this designation:

- General Fund: Hillside Stability Reserve
- General Fund: Facility Replacement Reserve
- Capital Improvement Plan Funds: Capital Improvement Project Fund Balance Reserve

Assigned Fund Balance
Represents fund balance identified by Council for an intended use; however as no legal obligations exist, the funds may be re-designated and utilized for another purpose if Council chooses. The City maintains the following General Fund reserves under this designation:

- General Fund: Future Capital & Efficiency Project Reserve
- General Fund: Carryforward Reserve

Unassigned Fund Balance
Represents funding which may be held for specific types of uses or operational funding/stabilization purposes, but is not yet directed to a specific purpose. Only General Fund reserves can be designated under the "Unassigned" fund balance classification. Other fund types are by nature structured for specific purposes, hence the fund balances are therefore considered "assigned" for that purpose.

- General Fund: Working Capital Reserve
- General Fund: Fiscal Stabilization Reserve
- General Fund: Development Services Reserve
- General Fund: Other Unassigned Fund Balance Reserve

Fund Balance Ratios
To ensure the City maintains available working cash flow and emergency funding at all times, the collective total of the General Fund's Assigned and Unassigned Reserves shall be sustained at a minimum of 20% of General Fund expenditure appropriations, net of transfers out.

General Fund Year-End Allocations

After the City's financial records are finalized and audited, with legal obligations and liability reserves funded, revenues in excess of expenditures are closed out to the Other Unassigned Fund Balance Reserve. A base amount of funding, as set by budget policy, is to remain in the Other Unassigned Fund Balance Reserve, with the remainder distributed in the following order:

1. Repayment of Fund Balance Reserve loans - back to established levels *(e.g. borrowing from/usage of the Fiscal Stabilization or Hillside Stability Reserves)*.
    a. For the Hillside Stability Reserve, loan repayment shall be made in annual contributions of $100,000 until reserve balance reaches the $1 million reserve goal.
    b. Fiscal Stabilization loan repayments shall be made as directed by Council.
2. Annual contribution of $500,000 to Facilities Replacement Reserve.
3. Remaining funds are allocated to the Future Capital Improvement and Cost Efficiency Projects Reserve.

GENERAL FUND – FUND BALANCE RESERVE POLICIES

Environmental Services Reserve
Under the Restricted Fund Balance classification, the Environmental Services Reserve represents revenues collected under a prior funding structure for environmental purposes, and is therefore restricted for use in funding environmental program costs such as clean water programs, street sweeping, and storm drain cleaning services. Per policy, the Environmental Service Reserve is being utilized through annual budget appropriations of $50,000.

The Environmental Services Reserve originated from a one-time funding structural change and therefore will not be replenished when depleted.

Hillside Stability Reserve
Under the Committed Fund Balance classification, a Hillside Stability Reserve of $1 million is set aside to provide funding for unanticipated or unforeseen emergency or extraordinary costs related to hillside degradation, inclusive of slide prevention and mitigation, slide repair, and associated drainage and roadwork.

Use of the reserve requires an analysis be prepared and presented to Council for approval, or in the event of a landslide requiring immediate emergency work, the Public Works Director may direct use of up to 10% of the reserve to make emergency repairs and mitigate further damage until Council takes action. Reserve funding is to be used for emergency work which exceeds operational funding provided for in the Operations Budget. Upon use, refunding of the reserve shall be provided from year-end net operations in the amount of $100,000 each fiscal year until the $1,000,000 reserve cap is reached.

Facility Replacement Reserve
The Facility Replacement Reserve is established to accrue funding for the major rehabilitation or replacement of City Facilities (buildings/structures). Eligible uses of this reserve include both direct funding of public facility improvements, and the servicing of related debt. Small facility building replacements, major facility renovations, and down payment contributions toward a large facility replacement in conjunction with bond measure funding are examples of intended Facility Replacement Reserve uses.

An initial contribution of $300,000 was established in FY 2012/13 with Council's recommendation to continue funding at this level, as a priority use of year-end net operations funding. Effective FY 2016/17, Council's direction is to increase the annual year-end contribution amount to $500,000, as funding is available. Council has set a goal to fund the Facility Replacement Reserve to a level equal to 1/3 of the City's insured value over the next 20 years (by FY 2036/37) as a fiscally responsible practice to maintain city infrastructure In principle, Saratoga does not pursue bond money to fund capital improvements, however, replacing high cost facility infrastructure requires a long-term funding plan that may or may not be attainable through annual contributions. Therefore, the Facility Replacement Reserve demonstrates both the City's good faith funding effort and financial stewardship for future bond measures if needed, as well as accumulating funding for a down payment on replacement infrastructure to minimize bond funding needs.

A facility's insured value represents the initial cost of the facility decreased each year over the facility's estimated lifespan. Therefore, insured value represents the remaining life of the facility's purchase cost – it does not represent the current cost to replace a facility. The City recognizes insured value is not sufficient to fund facility replacements, therefore annual contributions will continue as an ongoing funding obligation even after the 1/3 reserve goal is met.

Changes in annual contributions and the reserve goal amount shall be determined by Council during the budget process, in line with changes in the City's economic situation. Utilization of the reserve shall be brought to Council for discussion and consideration as needed.

Future Capital & Efficiency Projects Reserve
Under the Assigned Fund Balance classification, the Reserve for Future Capital Improvement & Efficiency Projects shall reserve funding for as yet undefined capital and efficiency improvement projects. Reserve funding is derived

from General Fund accumulated net operations (as available) and is therefore considered a "one-time funding source". Funds are held in this reserve until Council reviews funding requests and approves a use or transfer to a capital project fund.

Use of the reserve funding is at the Council's discretion, but typically occurs in conjunction with the annual budget adoption after Council conducts a comprehensive review of capital and efficiency improvement needs. Reserve replenishment is dependent upon net operational savings in subsequent fiscal years.

Carryforward Reserve
Under the Assigned Fund Balance classification, the Reserve for Carryforwards represents funding held at the end of each fiscal year for critical unexpended operating budget appropriations to be purchased in the following fiscal year, and any remaining Council Contingency funding. The reserve is reconciled at the end of each fiscal year to both release prior year carryforward funding and reserve current year carryforward funding into the following budget year.

Staff determines the year-end reserve amount after all fiscal year payments are finalized; the reserve amount is conceptually appropriated by Council each year in the budget adoption resolution.

Working Capital Reserves
In accordance with the City's cautious and conservative fiscal philosophy, the City's general prevailing financial policy holds that the City should fund daily operations with current resources in order to avoid use of short-term borrowing for cash flow management.

To support this policy a Working Capital Reserve is maintained that meets cash flow requirements, and in turn, ensures the continuance of services to the public while also preserving the City's credit worthiness. To provide adequate working capital in the case of extreme circumstances, the City shall maintain, in combination with the Fiscal Stabilization Reserve, a minimum operational reserve of 60 days of the following year's General Fund budgeted expenditures (net of internal service charges and transfers out), up to a maximum operational reserve amount equal to 90 days of the following year's General Fund budgeted expenditures (again, net of internal service charges and transfers out). This reserve falls under the Unassigned Fund Balance classification.

Beginning with the FY 2016/17 budget, the Working Capital Reserve is maintained at $1 million (reduced from $2 million), and the Fiscal Stabilization Reserve in maintained at $2.5 million (increased from $1.5 million). At this time a Working Capital Reserve of $1 million is sufficient for cash flow needs, however, the funding level will be assessed on an annual basis to ensure $1 million is sufficient for cash flow needs. The $1 million funding shift to the Fiscal Stabilization Reserve reflects a more realistic reserve usage structure – the Working Capital Reserve's purpose is to ensure sufficient operating cash; the reserve has no defined fund uses, repayment terms, or authorization requirements. On the other hand, the Fiscal Stabilization Reserve's purpose is defined and may be called upon for critical uses in the future. The overall 60 day General Fund operational reserve minimum requirements shall continue to be met.

Fiscal Stabilization Reserve
Under the Unassigned Fund Balance classification, the Fiscal Stabilization Reserve represents a funding set-aside to provide temporary financing for budget stabilization caused by fiscal downturns, unanticipated extraordinary expenditures related to a natural disaster or calamity, or from an unexpected liability or funding decrease created by a legislative action. Effective July 1, 2016, the Fiscal Stabilization Reserve funding level increased by a $1 million transfer from the Working Capital Reserve, up to $2.5 million. This funding shift provides a more accurate reserve funding purpose and utilization structure.

Fiscal stabilization uses are defined and restricted to: 1) revenue declines lasting more than one year and equal to more than 5% of either property tax, the combined total of other taxes, or General Fund revenues in total; 2) an unanticipated extraordinary operational increases of more than 5% such as from a natural disaster; or 3) an unexpected Federal, State, County or CalPERS funding change.

Council may utilize funding at budget adoption, by adoption of a budget adjustment resolution during the course of the year, or after a Federal, State, or locally declared emergency. In the event a locally declared emergency takes place, the City Manager has the authority to spend funds until such time as the City Council takes action. Reserve appropriations are to be replenished from year-end net operations, as available, on a priority basis. The $2.5 million Fiscal Stabilization Reserve funding level will be assessed on an annual basis to ensure this funding level is sufficient in light of operational reserves and utilization needs.

Development Services Reserve
Under the Unassigned Fund Balance classification, the Development Services Reserve provides fiscal stability and funding accountability for the Community Development Department's planning and building programs. Development projects are often multi-year activities in which revenues may be collected in one year, while project expenditures may extend over several years.

In total, this reserve represents accumulated excess planning and building net operation funds from years when development revenues exceeded development expenditures. The reserve funds are utilized in years when planning and building program expenditures exceed revenues, thereby acting as an overall funding stabilizer for multi-year development activities.

Use of reserve funding for operational support is restricted to 1/3 or the reserve balance in any given fiscal year, with Council approval. Budgeted use of the Development Reserve is to be rescinded if and to the point where development revenues are sufficient to cover General Fund net operations at year-end. In addition, the Council may direct reserves be utilized for specific development related uses, such as for development software upgrades or special projects.

Compensated Absences Reserve
Under the Unassigned Fund Balance classification, the Compensated Absences Reserve is established to smooth expenditure fluctuations resulting from the payout of accrued leave to employees at service separation and distribution payouts. Reserve funding equal to one-third of the compensated absences liability is established at year-end. Reserve funding in excess of one-third of the liability is to be returned to the General Fund's Other Unassigned Reserve.

Use of the reserve occurs when total annual compensated absences payouts exceed budgeted salary funds. Large payouts decrease the compensated absences liability at year-end, thereby supporting the practice of utilizing the reserve as needed. Year-end reconciling allocations to and from the reserve are approved though Council's budget resolution adoption each fiscal year, with the liability and resulting reserve amounts determined as part of the year-end close process.

Council Discretionary Reserve
Under the Unassigned Fund Balance classification, the Council Discretionary Reserve represents unspent funds from the Council's annual appropriation. The reserve provides a mechanism to roll forward remaining Council Discretionary Funds as reserve funds are immediately re-appropriated into the following fiscal year. This allows Council the flexibility to take advantage of unforeseen opportunities or needs without the restriction of fiscal year boundaries. Use of the reserve funding requires Council majority approval. The reserve exists at year-end only when there are remaining unspent Council Discretionary funds at the end of the fiscal year.

Other Unassigned Reserve
The 'Other Unassigned Reserve' represents accumulated net operations not yet allocated to other fund balance reserves, and by definition, fall into the Unassigned Fund Balance classification.

Other fund's accumulated net operations are typically accounted for in an undefined reserve account in the fund – and typically titled 'Fund Balance Reserve'. As other funds are structured for specific uses or commitments, the fund balance, by its distinctiveness, already has a directed purpose, whereas the General Fund is used for multiple and general operational purposes thereby requiring a distinction of purpose for each reserve.

Council may utilize reserve funding at budget adoption or by adoption of a budget adjustment resolution during the course of the year. Reserve funding is replenished from year-end net operations, as available.

SPECIAL REVENUE FUND – FUND BALANCE RESERVE POLICIES

Landscape & Lighting Assessment District Funds
Assessment District Funds are Special Revenue Funds, which is a type of governmental fund. As a governmental fund, the Landscape and Lighting Assessment District Funds comply with GASB 54 fund balance classifications, and by nature of the fund's purpose, fund balance reserves are classified as restricted reserves.

Special Revenue Funds account for and report the proceeds of specific revenue sources that are restricted or committed to specified purposes (other than for debt service or capital projects.) For the City, Landscape & Lighting Assessment District Special Revenue Funds were established to account for each individual assessment district; thereby each fund has its own separate fund balance reserve.

Each district's fund balance reserve should be sufficient to provide working capital to cover operational expenses through the first half of assessment receipts in January, therefore equitable to approximately one-half of a district's annual expenditure budget. The second half of receipts are received in June. Some districts may include capital improvement projects in addition to ongoing regular maintenance resulting in fund balance increasing over the years to accumulate sufficient resources for the improvement projects. As each district's situation is different, a district's maximum fund balance shall be determined by the Public Works Director.

Requests for use of the reserve are approved by Council through budget adoption or by a Council approved budget adjustment resolution throughout the year. The reserve is replenished from the Fund's net operations in subsequent years.

DEBT SERVICE FUND – FUND BALANCE RESERVE POLICIES

Library General Obligation (GO) Bond Debt Fund
The Library General Obligation (GO) Bond Debt Fund is a Debt Service Fund established to account for the financial resources accumulated for principal, interest, and cost of issuance expenditures associated with the Library Bond Debt. As Debt Service Funds are a governmental fund type, the fund reserves fall under the GASB 54 fund balance classifications. Debt Service Fund reserves are classified as a Restricted Reserve with the funding only spent for specific purposes as stipulated by the bond covenants.

The Library GO Bond Debt Fund ensures receipts are tracked separately, and that funding is available for the GO Bond debt service requirements. At a minimum, the year-end fund balance reserve shall be sufficient to provide working capital to cover the semi-annual principal and interest debt payment due on August 1st as the GO Bond tax receipts are received after the 1st debt payment is due. December receipts provide for the February payment. In addition, as bond assessments are collected as a percentage of property values, reserves should provide sufficient funding to compensate for tax fluctuations. The fund's reserve maximum is set at no more than one-year of budgeted annual expenditures.

The reserve balance is increased (or reduced) through establishing assessment rates at more (or less) than the semi-annual payments and bond services require. Therefore, use or replenishment of the reserve is approved by Council through budget adoption, and implemented through an increased or reduced assessment rate as a result of the fund's net operations.

CAPITAL IMPROVEMENT PROJECT FUNDS – FUND BALANCE RESERVE POLICIES

Overview
Capital Improvement Project (CIP) Funds account for the acquisition and maintenance of major capital assets other than those financed through special assessments or enterprise funds. Capital Project Funds are a type of governmental fund and therefore comply with GASB 54 fund balance classifications. Because Council has directed the fund's appropriated funding be spent on specific capital improvement projects, the Capital Project Fund Balance Reserve is classified as Committed Fund Balance.

Budgeted capital improvement project funding is determined by the scope of work approved by Council, and remains assigned for that use until completed or reassigned by Council. Fund Balance amounts represent the total remaining funds in the individual projects at year-end. As Fund Balance amounts are determined by the amount of project completion at year-end, they cannot be standardized for minimum or maximum amounts. Fund Balance is re-appropriated to the capital projects in the following fiscal year for the work to be completed.

Street Improvement Projects Funds
Street Improvement Project Funds provide for a safe and functional roadway and pedestrian street system. Each Street Improvement Fund (CIP Street Fund, CIP Grant Fund, and Gas Tax Fund) has multiple projects which roll up into the overall fund balances, but remain designated for use by project.

The CIP Street Fund receives annual funding from designated fees, reimbursements, contributions, and transfers from other funds. The CIP Grant Fund receives federal, state, and local grants which vary in source and amount from year-to-year. On occasion, a private grant may be received. Typically, CIP Grant Funds have a negative fund balance as project work is conducted before reimbursement is received. Gas Tax Funds represent annual Highway User Tax and Transportation Congestion Relief revenue allocations that are to be accounted for separately and are subject to State audits.

Year end fund balance represents the remaining unexpended project funds (net of any negative CIP Grant Fund Balance) which are subsequently re-appropriated by Council into the following budget year through budget adoption.

Park & Trail Improvement Project Funds
Park & Trail Improvement Project Funds provide for capital improvements to the City's neighborhood and city parks and plaza, the sport fields, bike and pedestrian trails, and open space areas throughout the City. Each of the Park & Trail Improvement Funds (CIP Park & Trail Fund, CIP Tree Fund, and the CIP Park & Trail Grant Fund) have multiple projects which roll up into the overall fund balances, but remain designated for use by project.

The CIP Park & Trail Fund receives annual funding from Park-In-Lieu fees, occasional subventions, reimbursements and contributions, and transfers in from other funds. The Tree Fund receives revenue from tree fines and transfers from other funds upon Council direction. The CIP Grant Fund receives federal, state, local and occasional private grants which vary in source and amount from year-to-year. Typically, CIP Grant Funds have a negative fund balance as project work is conducted beforehand and then reimbursed from expenditure invoices.

Year end fund balance represents the remaining unexpended project funds (net of any negative CIP Grant Fund Balance) which are subsequently re-appropriated by Council into the following budget year through budget adoption.

Facility Improvement Project Funds
Facility Improvement Project Funds provide for capital maintenance and improvements of the City-owned buildings and structures throughout the City. Each of the Facility Improvement Funds (CIP Facilities Fund and the Facility Grant Fund) have multiple projects which roll up into the overall fund balances, but remain designated for use by project.

The CIP Facilities Fund receives annual funding from a General Fund transfer, from Theater Ticket Surcharge Fees, and from reimbursements and contributions. The Facility Grant Fund receives revenue from grants that vary in amount from year-to-year. Typically, CIP Grant Funds have a negative fund balance as project work is conducted beforehand and then reimbursed from expenditure invoices.

Year end fund balance represents the remaining unexpended project funds (net of any negative CIP Grant Fund Balance) which are subsequently re-appropriated by Council into the following budget year through budget adoption.

Administrative & Technology Improvement Funds
Administrative & Technology Improvement Project Funds provide for major capital expenditures to improve or enhance administrative, operational, or technology based systems, processes, or functions. Each of the Administrative & Technology Improvement Funds (CIP Admin & Tech Improvement Fund and the Admin & Tech Grant Fund) have multiple projects which roll up into the overall fund balances, but remain designated for use by individual project.

The CIP Administrative & Technology Improvement Fund typically receives funding from a General Fund transfer as administrative and technology improvement focused grants are limited. If grants are received, projects typically have a negative fund balance as project work is conducted beforehand and then reimbursed from expenditure invoices.

Year end fund balance represents the remaining unexpended project funds (net of any negative CIP Grant Fund Balance) which are subsequently re-appropriated by Council into the following budget year through budget adoption.

INTERNAL SERVICE FUNDS – FUND BALANCE RESERVE POLICIES

Overview
Internal Service Funds are established to provide centralized cost centers for shared expenses and services in order to efficiently track costs and manage resources. Costs are then allocated back to the operational programs based on usage to more accurately determine cost of services.

The City's Internal Service Funds include the two Insurance funds: Risk Management and Workers Compensation, four Service/Support funds: Office Support, IT Services, Vehicle & Equipment Maintenance, and Building Maintenance Funds, and three Equipment Replacement funds: the Vehicle & Equipment Replacement Fund, the Office Technology Equipment Replacement Fund, and the Building FF&E (Furniture, Fixture, & Equipment) Replacement Fund.

As each fund is accounted for as a separate entity, operational revenues less expenditures result in either a positive or negative fund balance at any given point in time – Internal Service Funds are similar to the separate checking and saving accounts a person may use for different purposes. At year end, each fund's net balance is represented as the "Fund Balance Reserve". The intent of the Internal Service Funds Reserves is to hold appropriate levels of reserves to support cash flow needs and minimize interfund loans, not to accumulate funds in excess of expected ongoing operational costs. Reserve levels are determined by the specific operational needs of the program, but typically will fall within 25 – 50% of annual budgeted expenditures.

Internal Service Funds are a type of Proprietary Fund; therefore GASB 54 fund balance classification (*for Governmental Fund types*) does not apply. Instead, Internal Service Fund's financial statement reports are presented similar to private-sector businesses and use "Restricted" and "Unrestricted Net Position" to define net operational balances (equity/fund balance reserves).

Unrestricted Net Position allows reserve funding to be used (with Council approval) within the general scope of the fund's purpose. Restricted Net Position reserves are limited to a specific use, narrower than the stated purpose of the fund. For example, grant funding provided for a defined use, as in remaining funds from a Risk Management Training Grant within the Liability/Risk Management Fund, must be used for qualified training purposes. Most Internal Service Funds reserves are held in the Unrestricted Net Position category.

Liability /Risk Management Reserve Fund
The Liability/Risk Management Fund's Unrestricted Net Position reserve supports cash flow needs and minimizes interfund loans. Appropriate levels are maintained through service chargebacks to the programs, based on operational risk factors. Most claims are covered under the insurance risk pool JPA. The City is self-insured for up to $25,000 per General Liability and City Vehicle Auto Liability occurrence, and up to $5,000 for Property Damage and 3rd Party Auto Liability. Non-covered claims are paid fully by the City.

The Liability/Risk Management program receives funding from allocations charged to covered departments, from grant funding, and from claim reimbursements. At year end, unspent funding flows into Unrestricted Net Position or Restricted Net Position for specific purposes. Requests for use of reserve balance are approved by Council through budget adoption or by a Council approved budget adjustment resolution during the year. The reserve is replenished from the Fund's net operations in subsequent years.

Workers Compensation Fund
The Workers Compensation Fund's Unrestricted Net Position reserve supports cash flow needs and minimizes interfund loans. Appropriate levels are maintained through service chargebacks to the programs, based on operational risk factors. The purpose of the Workers' Compensation program is to provide insurance benefit coverage for employee work-related illness and/or injuries through its membership in a shared risk pool. The risk pool provides coverage up to $250,000, and excess insurance provides coverage over this amount up to $10 million.

The Workers Compensation program receives funding from allocations charged to covered departments, from grant funding, and from claim reimbursements. At year end, unspent funding flows into Unrestricted Net Position, or Restricted Net Position for grant funding. Requests for use of the reserve balance are approved by Council through budget adoption or by a Council approved budget adjustment resolution during the year. The reserve is replenished from the Fund's net operations in subsequent years.

Office Support Fund
The Office Support program provides a centralized cost center for administrative office support expenses, including photocopy machine leases, postage machines, shared office machines, and the associated maintenance and repair services, postage, paper, and copier supplies. For efficiency, office support costs are managed collectively and charged back to departmental programs on a use-basis allocation. Accumulated net operations are held in the Office Support Fund for working capital cash flow.

The reserve is funded from the allocations charged to covered departments. At year end, unspent funding flows into Unrestricted Net Position. Requests for use of excess reserve balance are approved by Council through budget adoption or by a Council approved budget adjustment resolution during the year. The reserve is replenished from the Fund's net operations in subsequent years.

Information Technology Services Fund
Information Technology Services provide for the delivery of technology based services throughout the City's operations, including maintenance of the City's information systems and infrastructure, program implementation, streaming video, internet, landline, and wireless communications systems, cloud based technology, and support of all existing information technology as well as new technology initiatives. For technology oversight, security, and efficiency, information technology costs are managed collectively and charged back to departmental programs on a service-based allocation to fund the program.

Funding for the program comes from these allocations charged to covered departments. At year end, unspent funding flows into Unrestricted Net Position. Accumulated net operations are held in the Information Technology

Services Fund for working capital cash flow. Requests for use of the reserve are approved by Council through budget adoption or by a Council approved budget adjustment resolution during the year. The reserve is replenished from the Fund's net operations in subsequent years.

Vehicle & Equipment Maintenance Fund
The Vehicle & Equipment Maintenance program provides for the fuel, maintenance, and servicing of the City's fleet and major equipment to ensure all vehicles and equipment comply with manufacturer's recommendations and safety requirements.

To fund the program, vehicle & equipment replacement costs are charged back to the departmental programs based on assigned usage. Accumulated net operations are held in the Vehicle & Equipment Maintenance Fund for working capital cash flow. At year end, unspent funding flows into Unrestricted Net Position. Requests for use of the reserve are approved by Council through budget adoption or by a Council approved budget adjustment resolution during the year. The reserve is replenished from the Fund's net operations in subsequent years.

Building Maintenance Fund
The Building Maintenance program provides for the custodial, maintenance, and non-major repairs and building improvement services for all facilities at the Civic Center, Prospect Center, and Museum Park. Additionally, the program supports the maintenance and repair needs for the tenants of City leased buildings as defined in the lease agreements. To fund the program, total costs are allocated back to departmental programs primarily based on building space usage. General and public use is allocated to the Non-Departmental program.

Accumulated net operations are held in the Building Maintenance Fund for working capital cash flow. Funding comes from the allocations charged to covered departments. At year end, unspent funding flows into Unrestricted Net Position. Requests for use of the reserve are approved by Council through budget adoption or by establishing chargeback funding levels higher or lower than budgeted expenditures. The reserve is replenished from the Fund's net operations in subsequent years.

Vehicle & Equipment Replacement Reserve
The Vehicle and Equipment Replacement Fund Balance Reserve accounts for accumulated funding over an asset's lifespan, to be used for the replacement of the vehicle or equipment at the end of its useful life. Initial purchases are paid for through a department's operational budget. If the purchased item is for ongoing use, the Vehicle & Equipment Replacement program appropriates an annual allocation for the replacement of the vehicles and equipment based on the asset's cost and years of life. Final determination for replacement of the asset is determined through an analysis of whether the cost of maintenance equals or exceeds the cost of replacing the asset.

The reserve is funded from allocations charged to covered departments and represents accumulated funding, less amounts expended for asset replacement. At year end, unspent funding is held in Unrestricted Net Position. The reserve is to be maintained at a level sufficient to provide replacement funding of vehicles and equipment in accordance with replacement schedules.

Requests for use of the reserve are approved by Council through budget adoption or by a Council approved budget adjustment resolution throughout the year. The reserve is replenished from the Fund's net operations in subsequent years.

Office Technology Equipment Replacement Fund
The Office Technology Equipment Replacement Fund accounts for accumulated funding over an asset's lifespan to be used for the replacement of office technology based equipment such as desktop computers and monitors, laptops and tablets, network infrastructure, and various other related equipment. Replacement costs are charged back to the departments based on assigned equipment costs. Initial purchases are paid for through a department's operational budget. If the purchased item is for ongoing use, the Office Equipment Replacement program appropriates an annual allocation for the replacement of the equipment based on the asset's cost and years of life.

The reserve represents accumulated funding, less amounts expended for replacements. The reserve shall be funded to provide replacement funding in accordance with replacement schedules. Funding for the reserve comes from the allocations charged to covered departments. Requests for use of the reserve are approved by Council through budget adoption or by a Council approved budget adjustment resolution during the year. The reserve is replenished from the Fund's net operations in subsequent years.

Facility Furniture, Fixtures & Equipment (FFE) Replacement Fund
The Facility FF&E Fund accumulates funding over an asset's lifespan to be used for the replacement of furniture – such as tables, chairs, and cubicle partitions; for fixtures - such as kitchen appliances, sound equipment, lighting, for equipment - such as HVAC units, boilers, and generators; and for facility infrastructure – such as roof, door, window, and floor/carpeting replacement.

Initial purchases for new assets may be paid for through the Operating Budget or through the Capital Budget. Annual replacement charges are charged-back to the supported department programs with full replacement funding to be accumulated over the asset's estimated lifetime. Final determination for replacement of the asset is determined through an analysis of whether the cost of maintenance equals or exceeds the cost of replacing the asset. The reserve is intended to be maintained at a level sufficient to provide replacement funding in accordance with replacement schedules.

Requests for use of the accumulated reserve funding are approved by Council through budget adoption, or if an unplanned situation occurs, by a Council approved budget adjustment resolution during the fiscal year. The reserve is replenished by replacement charge allocations in subsequent years.

CIP PROJECT PROCESS POLICY

This procedural policy defines how a project moves through the CIP Budget Funding process: from the initial project idea, through project development, nomination, and project approval process, and if successful, into the Capital Budget as a funded project.

The CIP project development stage of the policy takes different tracks, depending upon whether the project idea is staff driven or Council nominated. These two paths are discussed separately below, until the tracks converge for CIP project assessment preparation.

STAFF PROJECT DEVELOPMENT

1. **CIP Project Initiation**
   As a function of staff's day-to-day work, infrastructure improvements and large-scale repairs and maintenance are identified as potential capital improvement projects. These are often highly-visible tangible public assets such as street repaving, or park and trail improvements. However, many CIP projects are less noticeable, including facility roof repairs, tree planting, or ADA enhancements. Projects may also be administrative or technology improvements, and hence invisible to the general public, such as code updates/revisions, process improvements, software implementations, or economic vitality programs.

   Staff is to discuss the CIP project idea with the appropriate staff or City Manager for feedback and refinement. Ultimately, projects need clearly defined boundaries to identify project requirements, specifications, and resources. While this is not always feasible in the initial stages of project development, the understanding that a project will eventually require a clear and specific scope will encourage better preparation for discussing the project idea and moving it through the nomination process. After receiving initial approval, staff moves into the idea development stage.

2. **Idea Development**
   To move the idea forward, staff will need to analyze and articulate the project's scope, political impacts, priority factors, resource requirements, and any other relevant considerations.

   a. **Project Scope** – Scope may include the description, project size and location parameters, project purpose, and goals or deliverables, such as products, services or results. Project justifications and assumptions should support the project's purpose and definition, and may include cost-benefit analysis, risk assessments, funding availability, or even community desirability factors.

      The scope should clearly state if a project is to be funded and/or completed in phases rather than as a singular body of work. If the project is ongoing infrastructure maintenance or a program project, this too should also be clearly noted. In some cases, project scope may be defined by exclusions – statements about what the project will not accomplish or produce. Additionally, constraints or restrictions may identify project limitations.

      Project Scope defines a commitment to produce a body of work or end-product with the resources provided under the stated assumptions. The written scope helps to manage expectations and provide clarity to the involved parties, reduce confusion and failure, prevent scope creep, and provide transparency to the community.

   b. **Political Considerations -** Knowledge of historical information, which attests to the necessity of Council/staff communication is of vital importance in project development. Determine whether this project has come up for consideration before, or why was it not completed previously. Are there lessons to be learned from a past project proposal?

Another consideration includes knowing whether a project might be controversial. Is there a segment of the community strongly opposed to, or strongly supportive of this specific project? Will this project prompt demand for further funding or resources? Have similar projects been completed in another part of the city? Determine why this project should be considered a priority over others, and whether the project's cost or benefits would be supported by the community.

c. **Priority Factors -** Project priority is an important consideration in the CIP approval decision factor. Council's role is to determine which projects are of higher priority than others since there will never be enough money or resources to do every project. Decision criteria may include factors such as:

- Health and Safety Issues
- Imminent failure of structure/system
- Short-term cost of repair vs. long-term cost of replacement
- Availability of external or dedicated funding
- Efficiencies
- Federal or State mandates
- Business or community support
- Impacts if project is not completed

A project's priority is also affected by the severity of the criteria. For instance, a project that falls under the "Imminent Failure of Structure/System" criteria may be an extremely dangerous situation in need of immediate repair, or low danger of minor importance and simply remedied by removal. Another example would occur with Federal or State mandated projects. There may be little impact as to whether the mandate is met, or there may be severe fines for lack of timely completion. As a result, project priority is based on the overall assessment of the circumstances; many factors contribute to priority decisions and Council cannot rely upon a clear hierarchical order upon which to base their decisions.

d. **Project Resources -** In the City's project development discussions, resources typically refer to financial funding. However, resources may also refer to staff time, equipment and materials, community/stakeholder participation or support, space requirements, information technology services, or some other type of support or contribution.

Funding plays a critical role in project development. In many cases, lower priority projects may be approved ahead of higher priority projects simply because there is designated funding available for the lower priority projects. The ability to bring designated funding (such as a grant award) with a project proposal greatly increases the likelihood that the proposed project is approved. Overall, projects that request undesignated Capital Project Reserve funding are more competitive due to funding limitations and the number of projects competing for the same pot of funds.

An additional component of project resource considerations are the unstated resources (identified above) required in project construction or implementation. For instance, staff time is limited and time spent working on one project prevents staff time being spent on another project. Project timing and staff time requirements are therefore an important component of the project that Council may wish to review.

e. **Other Considerations -** There are numerous other factors not mentioned above that are also taken into consideration when assessing a project idea. For example, can the City afford the ongoing operating budget increases to maintain or implement the project? Does the project contribute toward economic vitality? Are there environmental concerns? Does it enhance the community's art, education, or cultural resources? Does the project provide operational efficiencies or cost savings? Are there risk management or legal liability issues? Possibly the project requires development be staged in phases? Is there strong community interest in this project? Each project will differ, meaning analysis is specific to the circumstances, and diligent research and thought should be put into developing project scope and justification.

In summary, the overall goal of idea development is to identify, quantify, and assess the project comprehensively. This effort is intended to ensure that a proposed project is well-thought-out, developed, and articulated thereby enabling the City Manager and Council to make educated and rational decisions.

3. **City Manager Approval**
Staff is to propose the project idea to the City Manager for approval. If approved, the project is moved onto the CIP Project Candidate List. Staff is to notify the Administrative Services Director of the project's approval and provide pertinent project information.

Staff will prepare written narratives with project scope, justification, fiscal impacts, cost estimates, timelines, etc. as necessary for Council Retreat assessment package.

City Council Project Development

Council Members are often the recipients of residents' suggestions for capital project work. Depending on the topic, Council Members can take these opportunities to: 1) educate the residents on why a project may not be feasible; or 2) provide residents with information on how to contact City staff with their requests to determine feasibility; or 3) Council may support the project suggestion and decide to act as a proponent for the project by guiding it through the Capital Project Nomination process:

1. **Nomination** - To move a project idea onto the CIP Candidate List, a Council Member is to propose the idea to fellow Council Members at the end of a City Council Meeting during the *Council Items* session and request that it be put on the CIP Candidate List for review during the next upcoming CIP budget cycle.

2. **Idea Concurrence** - A second Council Member must concur with the request to move the project idea onto the Capital Project Candidate List.

3. **Follow-up -** A nomination to the Capital Project Candidate List is to be recorded in the City Council minutes, and acted upon as a follow-up item. City Manager will notify Council Member of project nomination (to clarify/verify understanding of project scope and of the assignment to a staff member. Staff member will complete Candidate List step requirements, including: preparation of project scope narrative and justification, fiscal impacts, cost estimates, timelines, etc. as required for Council Retreat assessment package.

CIP Project Assessment

1. **Assessment Package**
In preparation for the annual Capital Project Assessment, Finance will consolidate the CIP Project Candidates, along with proposed changes to current CIP projects, and the current year's CIP Unfunded Project List into an assessment package for Council's review. The Capital Project Assessment review provides a forum to assess all projects at one time. These assessment package will include:
   - A review of available funding
   - Existing projects in the current year's CIP
   - Proposed changes to existing projects
   - The current CIP Unfunded List
   - Proposed changes to projects on the CIP Unfunded List
   - New projects on the CIP Candidate List
   - Review of requests in conjunction with funding sources

2. Council Retreat

The Capital Project Assessment is to be held annually, prior to the start of the budget development cycle, typically at the Council Retreat Meeting that occurs in late January or early February. During the assessment review, Council will review available funding and all project requests.

In their review, Council may request revisions to a project's scope, funding, or other component. However, changes that redefine a proposed project must be Council's consensus direction. As projects are assessed, they are either:

- Rejected
- Accepted, or
- Modified and Accepted

At the conclusion of the assessment review, Council will prioritize accepted projects and designate project funding. Projects placed on the Funded List will be brought forward to the upcoming Budget Study Session. The remainder will be placed on the CIP Unfunded Project List.

NOTE: Rejected project ideas may be nominated for another attempt to become an approved project in the following year(s), but must again go through the project development and assessment process.

3. Budget Study Session

Updated CIP funding availability and project revisions will be reviewed a final time with Council. Council will conduct a final assessment and provide consensus direction to staff for inclusion in the upcoming Proposed Budget Hearing to be held in May.

CIP Project Funding

1. Proposed Budget Hearing

The final Proposed Capital Budget with the recommended project funding will be brought to the City Council Budget Public Hearing in May. Council is to provide any final comments or direction for budget adoption.

2. Budget Adoption

The Operating and Capital Budgets are brought to Council in June with all final direction incorporated into the final summaries. Council is to adopt the budget at this time, with budget funding effective on July 1st of that year.

Funding Process Follow-up

- Approved CIP projects that do not receive funding allocations will be assigned to the next budget year's CIP Unfunded List. The list will be included in the budget document, and assessed again during the following year's Capital Project Nomination and Assessment Process.
- The new CIP Unfunded List has a life span of one budget cycle.

GANN APPROPRIATION LIMIT
&
BUDGET RESOLUTIONS

GANN APPROPRIATION LIMIT

On November 6, 1979 California voters approved Proposition 4, commonly known as the Gann Spending Limitation Initiative, establishing Article XIIIB of the State Constitution. This proposition, which became effective in Fiscal Year 1980/81, mandated an appropriations (spending) limit on the amount of tax revenues that the State and most local government jurisdictions may appropriate within a fiscal year. This limit grows annually by a population and cost-of-living factor.

The State Appropriation Limit was modified by two subsequent initiatives – Proposition 98 in 1988 and Proposition 111 in 1990. Proposition 98 established that tax revenues exceeding appropriation limit levels would be returned to the State or citizens through a process of refunds, rebates, or other means. Proposition 111 allowed more flexibility in the appropriation calculation factors.

Only tax proceeds are subject to this limit. Charges for services, fees, grants, loans, donations and other non-tax proceeds are excluded. Exemptions are also made for voter-approved debt, debt which existed prior to January 1, 1979, and for the cost of compliance with court or Federal government mandates.

The City Council adopts an annual resolution establishing an appropriations limit for the following fiscal year using population and per capita personal income data provided by the State of California's Department of Finance. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in fiscal year 1978/79, with inflationary adjustments made annually to reflect increases in population and the cost of living. This State Appropriation Limit is therefore established as the amount of funds that can be appropriated from tax proceeds for that fiscal year.

APPROPRIATION LIMIT CALCULATION

With per capital income expected to increase next year coupled with a slight population increase, the appropriation factor is positive for FY 2016/17. The following schedule reflects historical appropriations for the prior nine fiscal years, and the calculation for the next budgeted fiscal year:

APPROPRIATION LIMIT FACTORS

For YE June 30	Beginning Appropriation Limit	County Population Factor	City Population Factor	California Per Capita Income Δ	Ending Appropriation Limit	% Limit Increase
2008	27,203,516	1.0152	1.0138	1.0442	28,837,681	6.01%
2009	28,837,681	1.0172	1.0077	1.0429	30,592,104	6.08%
2010	30,592,104	1.0156	1.0070	1.0062	31,261,971	2.19%
2011	31,261,971	1.0126	1.0100	0.9746	30,851,813	-1.31%
2012	30,851,813	1.0089	1.0091	1.0251	31,907,666	3.42%
2013	31,907,666	1.0124	1.0070	1.0377	33,521,156	5.06%
2014	33,521,156	1.0157	1.0129	1.0512	35,790,667	6.77%
2015	35,790,667	1.0150	1.0066	0.9977	36,243,974	1.27%
2016	36,243,974	1.0113	1.0000	1.0382	38,053,696	4.99%
2017	38,053,696	1.0126	1.0053	1.0537	40,602,404	6.70%

The City of Saratoga's appropriation limit for fiscal year 2016/17 is calculated as follows:

FY 2016/17 Calculation

% Increase in County Population		California Per Capita Income Δ		Appropriation Factor		2015/16 Appropriation Limit		2016/17 Appropriation Limit
1.0126	X	1.0537	=	1.0670	X	$ 38,053,696	=	$ 40,602,404

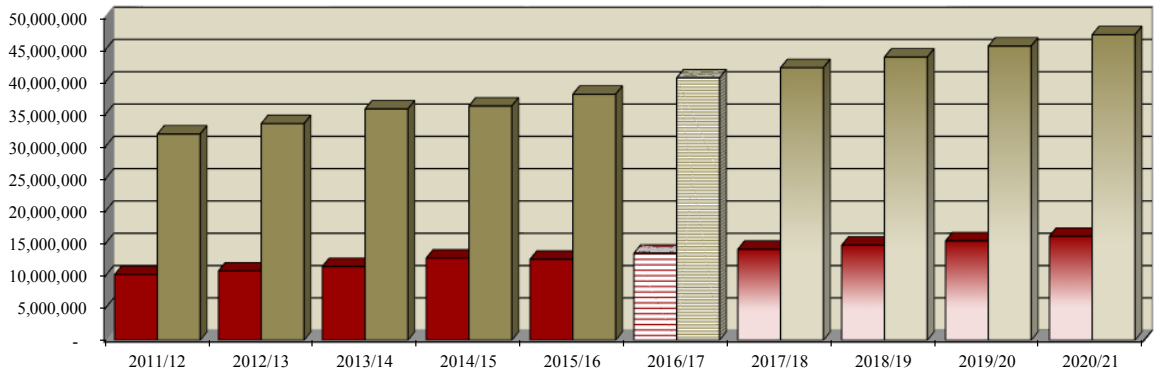
As illustrated above, the total amount of tax revenues appropriated to the City in FY 2016/17 is not to exceed $40,602,404. The FY 2016/17 budget anticipates $13,459,350 in Gann designated tax revenues which equates to $27,143,054 less than, or approximately 33% of the appropriation limit. Therefore, the City's tax revenues fall substantially below the appropriation limit.

APPROPRIATION TREND

The City of Saratoga is an affluent suburb community, known for its excellent schools, beautiful neighborhoods, and home to many Silicon Valley executives and professionals. As a very desirable place to live comprised of high-value homes, property values have grown significantly over the past few decades, and is now one of the most expensive places to live in the nation. However, as Saratoga was established as a low-tax city, the City's share of property tax dollar growth has increased at a slower pace than either population or the per capita personal income growth rate since the Gann calculation was established in 1979.

Both the low-tax status and limited growth contributed to a large margin between tax revenues received and the revenue limitation established under the Gann Proposition. Over the last 10 years, the tax growth rate has moved higher than in past historical trends due to the restoration of the City's full tax allocation during this time frame. However, even with a 5.2% long-term appropriation growth trend (based on a 38 year average), the significantly wide margin between tax revenues and the appropriations limit will continue to provide a safe buffer long into the future.

Tax Revenues to Appropriation Limit
10 Year Trend



	Actuals 2011/12	Actuals 2012/13	Actuals 2013/14	Actuals 2014/15	Estimated 2015/16	Budgeted 2016/17	Projected 2017/18	Projected 2018/19	Projected 2019/20	Projected 2020/21
Tax Revenues	10,163,343	10,716,987	11,408,601	12,705,396	12,530,350	13,459,350	14,071,769	14,712,053	15,381,471	16,081,349
Appropriation Limit	31,907,666	33,521,156	35,790,667	36,243,974	38,053,696	40,602,404	42,177,418	43,813,529	45,513,107	47,278,614
Revenue to Limit %	34%	32%	32%	35%	33%	33%	33%	34%	34%	34%

APPROPRIATION LIMIT ADOPTION

The resolution to revise the appropriation limit to $40,602,404 for FY 2016/17 was brought to Council for approval on June 1, 2016.

GANN APPROPRIATION LIMIT RESOLUTION

RESOLUTION 16-035

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SARATOGA ESTABLISHING THE FISCAL YEAR 2016/17 GANN LIMIT APPROPRIATION FOR THE CITY OF SARATOGA

WHEREAS, the City of Saratoga has established its Base Year Appropriation Limit as $5,961,747 in Fiscal Year 1978/79; and

WHEREAS, the cumulative changes to population and to the California per capita personal income since the Base Year established the revised Proposition 111 Fiscal Year 1996/97 Appropriation Limit as $16,153,314; and

WHEREAS, to the best of the City's knowledge and belief, the State Department of Finance figures provided to the City in response to Proposition 111 passed by the voters in June 1990, reflects the appropriate statistics relevant to the calculation of the Fiscal Year 2016/17 Appropriation Limit, which includes:

- County population adjustments for the year ended December 31, 2015 equal to 1.26%, and
- City population adjustment for the year ended December 31, 2015 equal to 0.53%, and
- Change in California per capita cost of living for Fiscal Year 2016/17 equal to 5.37%

NOW, THEREFORE, be it resolved that the City Council of the City of Saratoga hereby resolves that, based on the foregoing figures and the provisions of Article XIIIB of the Constitution of the State of California, the following figures accurately represent the Fiscal Year 2016/17 Appropriation Limit for the City of Saratoga at $40,602,404.

The above and foregoing resolution was passed and adopted at a regular meeting of the Saratoga City Council held on the 1st day of June 2016 by the following vote:

AYES: Mayor E. Manny Cappello, Vice Mayor Emily Lo, Council Member Mary-Lynne Bernald, Howard A. Miller, Rishi Kumar

NOES:

ABSENT:

ABSTAIN:

E. Manny Cappello, Mayor

ATTEST:

Debbie Bretschneider, Acting City Clerk

DATE: 6/2/2016

ANNUAL BUDGET RESOLUTION

RESOLUTION 16-038

**A RESOLUTION OF
THE CITY COUNCIL OF THE CITY OF SARATOGA
TO ADOPT THE FISCAL YEAR 2016/17 OPERATING & CAPITAL BUDGET**

WHEREAS, Section 2-20.050(i) of the Code of the City of Saratoga requires the City Manager to prepare and submit the proposed annual budget to the City Council for its approval; and

WHEREAS, the Planning Commission has conducted an annual review of proposed new capital projects for consistency with the City's general plan; and

WHEREAS, the City Manager has submitted a proposed Operating and Capital budget for FY 2016/17 to the City Council at a public hearing held on May 18, 2016; and

WHEREAS, the City Council has reviewed and considered the pr
budgets for FY 2016/17, and if budget modifications were requested, Co
direction for changes to the proposed budget during a public hearing; and

WHEREAS, staff will incorporate any noted modifications into
Operating and Capital budgets;

NOW THEREFORE, BE IT RESOLVED, that the City Council
adopts the Fiscal Year 2016/17 Operating & Capital Budget as shown in the
schedule in the budget adoption report;

AND BE IT FURTHER RESOLVED, that the final adopted bud
and revisions for carry-forward appropriations for prior year capital pr
specified expenditures, grants, and pass-through balances; and that there be
year within each fund an amount sufficient to cover approved outstanding
2016;

AND BE IT FURTHER RESOLVED, that the City Council
included in the FY 2016/17 Capital Improvement Plan Update will not h
environment and are Categorically Exempt from the California Enviro
projects involve maintenance, repair, or minor alterations or additions t
Class 1), replacement or reconstruction of existing structures or facilit
structures of small size and are identified by CEQA as not having a signifi
(§15303 - Class 3), minor alterations to land (§15304 - Class 4), and in
(§15306 - Class 6);

AND BE IT FURTHER RESOLVED, that the City Council hereby directs staff that any changes or impacts resulting from: Council approval of any meet and confer processes or management compensation plan; from classification adjustments or miscellaneous corrections; from changes due to more refined estimates, grant approvals, claim reimbursements, budget carryforwards, or added revenue and expenditures; from development fee based pass-through budget appropriations; or from further City Council consensus direction received on June 1, 2016 be incorporated within the final Fiscal Year 2016/17 Operating & Capital Budgets;

AND BE IT FURTHER RESOLVED, that the Administrative Services Director is directed to record these changes into the City's accounting records in accordance with appropriate accounting practices.

The above and foregoing resolution was passed and adopted at a regular meeting of the Saratoga City Council held on the 1st day of June, 2016, by the following vote:

AYES: Mayor E. Manny Cappello, Vice Mayor Emily Lo, Council Member Mary-Lynne Bernald, Howard A. Miller, Rishi Kumar

NOES:

ABSENT:

ABSTAIN:

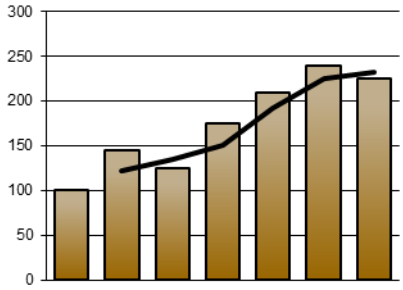
E. Manny Cappello, Mayor

ATTEST:

6/2/2016

Debbie Bretschneider, Acting City Clerk Date

FINANCIAL SUMMARIES
&
SUPPLEMENTAL INFORMATION



FINANCIAL SUMMARIES

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TRANSFERS

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

Schedule of Interfund Transfers 103

FUND BALANCE

Fund Balance schedules, one which summarizes activity and ending fund balances to provide a quick look at the ongoing status of the individual funds, and another which provides a 5 year trend.

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Summary level schedule of projected General Fund revenues and expenditures forecasted over the next five years – consistent with current assumptions and organizational structure.

General Fund Five Year Financial Projection 133

TOTAL FUND BUDGET ACTIVITY SUMMARY
FY 2016/17

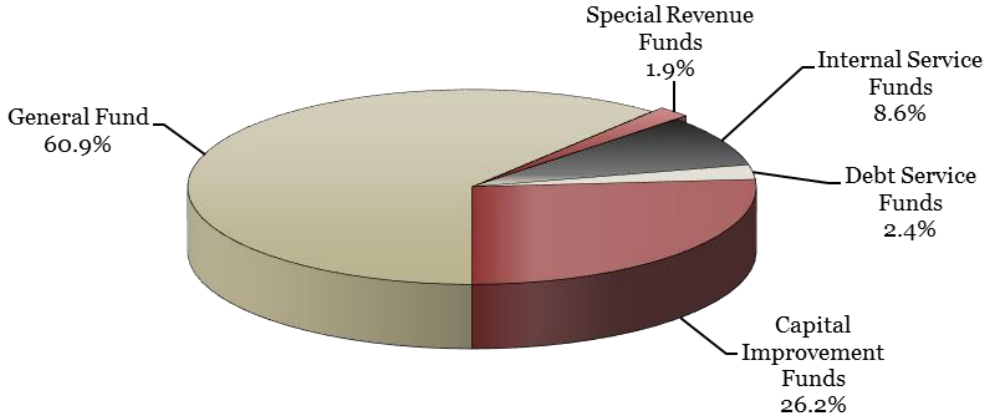
Fund Category	Fund Balance July 1, 2016	Revenues & Transfers In	Expenditures & Transfers Out	Source (Use) of Fund Balance	Estimated Fund Balance June 30, 2017
Operating Funds					
General Fund Reserves					
Environmental Services	$ 313,182	$ -	$ -	$ (50,000)	$ 263,182
Hillside Stability	1,000,000	-	-	-	1,000,000
Capital Projects	1,472,408	-	-	(1,410,648)	61,760
Facility Reserve	1,200,000	-	-	500,000	1,700,000
Working Capital	1,000,000	-	-	-	1,000,000
Fiscal Stabilization	2,250,000	-	-	250,000	2,500,000
Development Services	719,562	-	-	-	719,562
Compensated Absences	209,937	-	-	-	209,937
Other Unassigned	2,475,531	20,223,886	(21,120,042)	710,648	2,290,023
Total General Fund Reserves	**10,640,620**	**20,223,886**	**(21,120,042)**	**-**	**9,744,464**
Special Revenue Funds					
Landscape & Lighting Districts	1,005,796	625,011	(714,930)	-	915,877
Total Special Revenue Reserves	**1,005,796**	**625,011**	**(714,930)**	**-**	**915,877**
Internal Service Funds					
Liability/Risk Management	376,488	387,577	(436,050)	-	328,015
Workers Compensation	304,401	185,000	(216,856)	-	272,545
Office Support Services	96,172	62,000	(73,450)	-	84,722
IT Services	274,223	531,500	(602,565)	-	203,158
Vehicle & Equipment Maintenance	165,949	275,000	(259,033)	-	181,916
Facility Maintenance	370,717	929,000	(900,766)	-	398,951
Vehicle & Equipment Replacement	611,708	125,000	(266,700)	-	470,008
IT Equipment Replacement	274,339	125,000	(136,280)	-	263,059
Facility FFE Replacement	339,222	200,000	(246,544)	-	292,678
Total Internal Service Fund Reserves	**2,813,219**	**2,820,077**	**(3,138,243)**	**-**	**2,495,053**
Total Operating Funds	**$ 14,459,635**	**$ 23,668,974**	**$ (24,973,215)**	**$ -**	**$ 13,155,394**
Debt Service					
2001 Series GO Bonds	922,952	801,300	(847,960)	-	876,292
Total Debt Service Funds	**922,952**	**801,300**	**(847,960)**	**-**	**876,292**
Total Operating Funds	**$ 15,382,587**	**$ 24,470,274**	**$ (25,821,175)**	**$ -**	**$ 14,031,686**
Capital Funds					
Street Projects	2,720,317	9,026,794	(11,747,112)	-	-
Park & Trail Projects	1,082,410	555,765	(1,520,710)	-	117,466
Facility Projects	245,639	381,275	(591,913)	-	35,000
Administrative Projects	667,699	297,394	(965,093)	-	-
Total Capital Funds	**4,716,065**	**10,261,228**	**(14,824,827)**	**-**	**152,466**
Total All Funds	**$ 20,098,652**	**$ 34,731,502**	**(40,646,002)**	**$ -**	**$ 14,184,152**

Capital Funds – Unspent funds from the prior year are shown as beginning fund balance carryforward amounts in the first column. New revenue, grants to be received, and transfers-in are shown in the second column. Together these funds are available to be budgeted for capital projects expenditures (with a couple of exceptions). While only a portion of the funding will be expended during the fiscal year, all available funds are appropriated to allow for multi-year project work, project encumbrances that cross fiscal years, and project timing uncertainties and changes. At year-end, the remaining project balances will carry forward and be re-budgeted in the next fiscal year's budget.

TOTAL REVENUES & TRANSFERS IN BY FUND

Revenues By Fund	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted
General Fund						
General Fund	$ 17,635,987	$ 18,268,366	$ 19,519,545	$ 19,216,668	$ 20,782,596	$ 20,223,886
Total General Fund	**17,635,987**	**18,268,366**	**19,519,545**	**19,216,668**	**20,782,596**	**20,223,886**
Special Revenue Funds						
Landscape & Lighting Districts	483,087	521,307	566,483	585,867	599,827	625,011
Total Special Revenue Funds	**483,087**	**521,307**	**566,483**	**585,867**	**599,827**	**625,011**
Internal Service Funds						
Liability / Risk Management Ins	403,399	389,809	399,482	394,008	343,808	387,577
Workers Compensation Ins	244,453	217,433	217,567	185,000	185,000	185,000
Office Support Services	67,086	65,028	68,183	62,000	65,703	62,000
Information Technology Services	400,257	403,488	430,803	480,000	481,485	531,500
Vehicle & Equipment Maintenance	215,000	250,000	300,000	275,000	275,003	275,000
Facility Maintenance	755,857	832,474	882,299	900,000	906,440	929,000
Vehicle & Equipment Replacement	100,000	207,050	206,393	125,000	163,565	125,000
IT Equipment Replacement	46,236	55,000	65,000	125,000	125,000	125,000
Facility FFE Replacement	-	-	-	200,000	200,000	200,000
Total Internal Service Funds	**2,232,288**	**2,420,282**	**2,569,728**	**2,746,008**	**2,746,004**	**2,820,077**
Debt Service Funds						
2001 Series GO Bond	892,253	901,539	898,774	846,300	901,362	801,300
Total Debt Service Funds	**892,253**	**901,539**	**898,774**	**846,300**	**901,362**	**801,300**
Capital Improvement Program Funds						
Street Projects	2,558,053	1,489,006	1,771,339	8,129,073	1,206,299	7,931,794
Park & Trail Projects	(57,245)	967,061	311,143	482,535	493,047	456,015
Facility Projects	113,410	131,590	38,580	201,007	40,371	190,627
Administrative Projects	162,683	-	163,928	130,000	138,552	130,000
Total Capital Improvement Program	**2,776,901**	**2,587,657**	**2,284,991**	**8,942,615**	**1,878,270**	**8,708,436**
Total Revenues	**$ 24,020,516**	**$ 24,699,150**	**$ 25,839,521**	**$ 32,337,458**	**$ 26,908,058**	**$ 33,178,710**
Operating Transfers In						
General Fund	106,000	167,050	-	-	267,918	-
FFE Replacement Fund	-	-	-	-	180,000	-
Street Capital Project Funds	661,818	234,487	731,010	1,143,518	2,450,555	1,095,000
Park & Trail Capital Project Funds	593,852	119,877	443,445	360,818	378,380	99,750
Facility Capital Project Fund	324,500	100,000	472,653	333,896	153,896	190,648
Admin Capital Project Fund	85,000	163,673	120,000	325,000	329,462	167,394
Total Transfers In	**$ 1,771,170**	**$ 785,087**	**$ 1,767,108**	**$ 2,163,232**	**$ 3,760,211**	**$ 1,552,792**
Total Revenues & Transfers In	**$ 25,791,686**	**$ 25,484,237**	**$ 27,606,629**	**$ 34,500,690**	**$ 30,668,268**	**$ 34,731,502**

TOTAL REVENUES & TRANSFERS IN
BY FUND TYPE



FY 2016/17
TOTAL REVENUES BY FUND

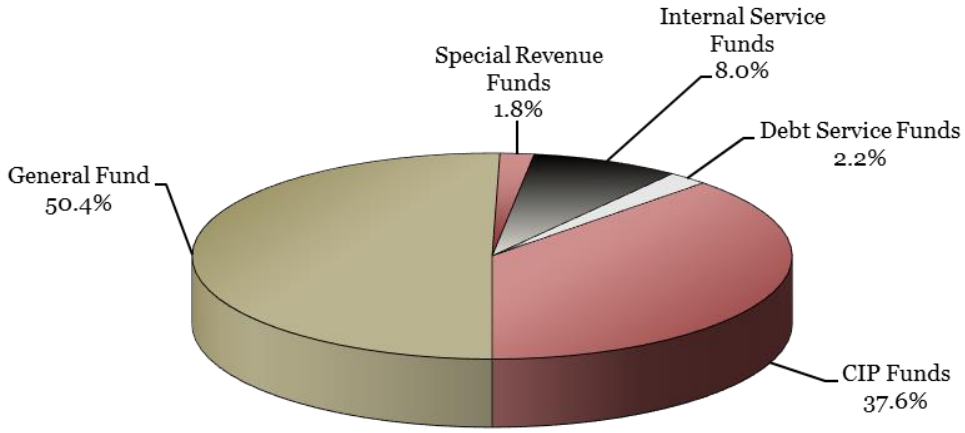
Revenues By Fund	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted	% of Total
General Fund	$ 17,635,987	$ 18,268,366	$ 19,519,545	$ 19,216,668	$ 20,782,596	$ 20,223,886	61.0%
Special Revenue Funds	483,087	521,307	566,483	585,867	599,827	625,011	1.9%
Internal Service Funds	2,232,288	2,420,282	2,569,728	2,746,008	2,746,004	2,820,077	8.5%
Debt Service Funds	892,253	901,539	898,774	846,300	901,362	801,300	2.4%
Capital Improvement Funds	2,776,901	2,587,657	2,284,992	8,942,615	1,878,270	8,708,436	26.2%
Total Revenues By Fund	**$ 24,020,516**	**$ 24,699,150**	**$ 25,839,522**	**$ 32,337,458**	**$ 26,908,058**	**$ 33,178,710**	**100.0%**
Operating Fund Transfers	106,000	167,050	-	-	447,918	-	
CIP Fund Transfers	1,665,170	618,037	1,767,108	2,163,232	3,312,293	1,552,792	
Total Revenues & Transfers Out	**$ 25,791,686**	**$ 25,484,237**	**$ 27,606,630**	**$ 34,500,690**	**$ 30,668,268**	**$ 34,731,502**	

Note: *Capital Project revenue and expenditure amounts in the current year budget reflect full appropriation for receipt and expense of capital funding to indicate the potential impact of capital projects. However, this high level of activity is not expected as most projects are completed over multiple years. Remaining project balances at year-end carryover to the following fiscal year, and are again reflected as revenue and expenditure funding.*

TOTAL EXPENDITURES & TRANSFERS OUT BY FUND

Expenditures By Fund	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted
General Fund						
General Fund	$ 15,567,935	$ 16,137,576	$ 19,882,349	$ 18,866,252	$ 18,198,969	$ 19,709,394
Total General Fund	**15,567,935**	**16,137,576**	**19,882,349**	**18,866,252**	**18,198,969**	**19,709,394**
Special Revenue Funds						
Landscape & Lighting Districts	423,644	409,418	432,671	650,800	461,679	714,930
Total Special Revenue Funds	**423,644**	**409,418**	**432,671**	**650,800**	**461,679**	**714,930**
Internal Service Funds						
Liability / Risk Management Ins	308,096	336,743	391,344	393,913	258,585	436,050
Workers Compensation Ins	182,700	229,510	184,683	214,555	195,124	216,856
Office Support Services	54,285	35,928	46,229	73,250	44,606	73,450
Information Technology Services	375,674	422,703	432,550	530,066	467,583	602,565
Vehicle & Equipment Maintenance	227,604	224,078	220,785	256,346	224,618	259,033
Facility Maintenance	771,882	817,506	813,842	879,629	804,049	900,766
Vehicle & Equipment Replacement	95,000	140,258	65,775	204,500	201,355	266,700
IT Equipment Replacement	46,678	58,530	23,687	108,400	44,762	136,280
Facility FFE Replacement	-	-	-	169,000	40,778	246,544
Total Internal Service Funds	**2,061,919**	**2,265,256**	**2,178,896**	**2,829,659**	**2,281,460**	**3,138,243**
Debt Service Funds						
2001 Series GO Bond	868,910	889,510	889,960	885,085	885,010	847,960
Total Debt Service Funds	**868,910**	**889,510**	**889,960**	**885,085**	**885,010**	**847,960**
Capital Project Funds						
Street Projects	2,832,190	1,853,714	2,322,630	11,097,130	1,397,415	11,747,112
Park & Trail Projects	290,278	886,168	544,470	1,910,912	787,389	1,495,960
Facility Projects	670,761	286,412	369,650	847,521	237,731	591,913
Administrative Projects	186,044	69,220	42,878	782,869	168,186	847,698
Total Capital Project Funds	**3,979,272**	**3,095,514**	**3,279,628**	**14,638,433**	**2,590,721**	**14,682,682**
Total Expenditures	**$ 22,901,680**	**$ 22,797,274**	**$ 26,663,504**	**$ 37,870,229**	**$ 24,417,839**	**$ 39,093,209**
Operating Transfers Out						
General Fund	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648
IT Equip Replacement to CIP	-	-	-	-	-	-
Street Capital Project Funds	572,818	225,698	-	79,758	1,443,419	-
Park & Trail Capital Project Funds	13,852	59,837	-	65,818	240,620	24,750
Facility Capital Projects Fund	-	-	-	-	58,516	-
Admin Capital Projects Fund	-	118,672	40,000	-	-	117,394
Total Operating Transfers Out	**$ 1,771,170**	**$ 785,087**	**$ 1,706,098**	**$ 2,163,232**	**$ 3,760,211**	**$ 1,552,792**
Total Expenditures & Transfers Out	**$ 24,672,850**	**$ 23,582,362**	**$ 28,274,848**	**$ 40,033,461**	**$ 28,178,050**	**$ 40,646,001**

TOTAL EXPENDITURES & TRANSFERS OUT
BY FUND TYPE

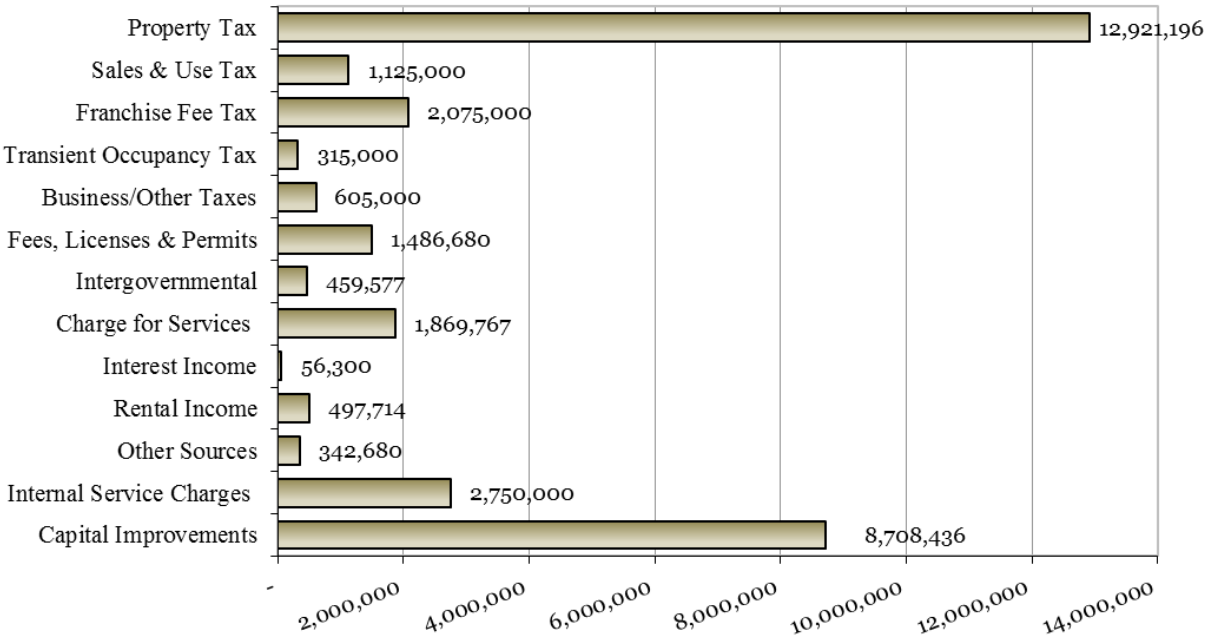


FY 2016/17
TOTAL EXPENDITURES BY FUND

Expenditures By Fund	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted	% of Total
General Fund	$ 15,567,935	$ 16,137,576	$ 19,882,349	$ 18,866,252	$ 18,198,969	$ 19,709,394	50.4%
Special Revenue Funds	423,644	409,418	432,671	650,800	461,679	714,930	1.8%
Internal Service Funds	2,061,919	2,265,256	2,084,142	2,829,659	2,281,460	3,138,243	8.0%
Debt Service Funds	868,910	889,510	889,960	885,085	885,010	847,960	2.2%
Capital Project Funds	3,979,272	3,095,514	3,279,628	14,638,433	2,590,721	14,682,682	37.6%
Total Expenditures By Fund	**$ 22,901,680**	**$ 22,797,274**	**$ 26,568,750**	**$ 37,870,229**	**$ 24,417,839**	**$ 39,093,209**	**100.0%**
Operating Fund Transfers	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648	
CIP Fund Transfers	586,670	404,207	40,000	145,576	1,742,555	142,144	
Total Expenditues & Transfers Out	**$ 24,672,850**	**$ 23,582,362**	**$ 28,274,848**	**$ 40,033,461**	**$ 28,178,050**	**$ 40,646,001**	

Note: *Capital Project revenue and expenditure amounts in the current year budget reflect full appropriation for receipt and expense of capital funding to indicate the potential impact of capital projects. However, this high level of activity is not expected as most projects are completed over multiple years. Remaining project balances at year-end carryover to the following fiscal year, and are again reflected as revenue and expenditure funding.*

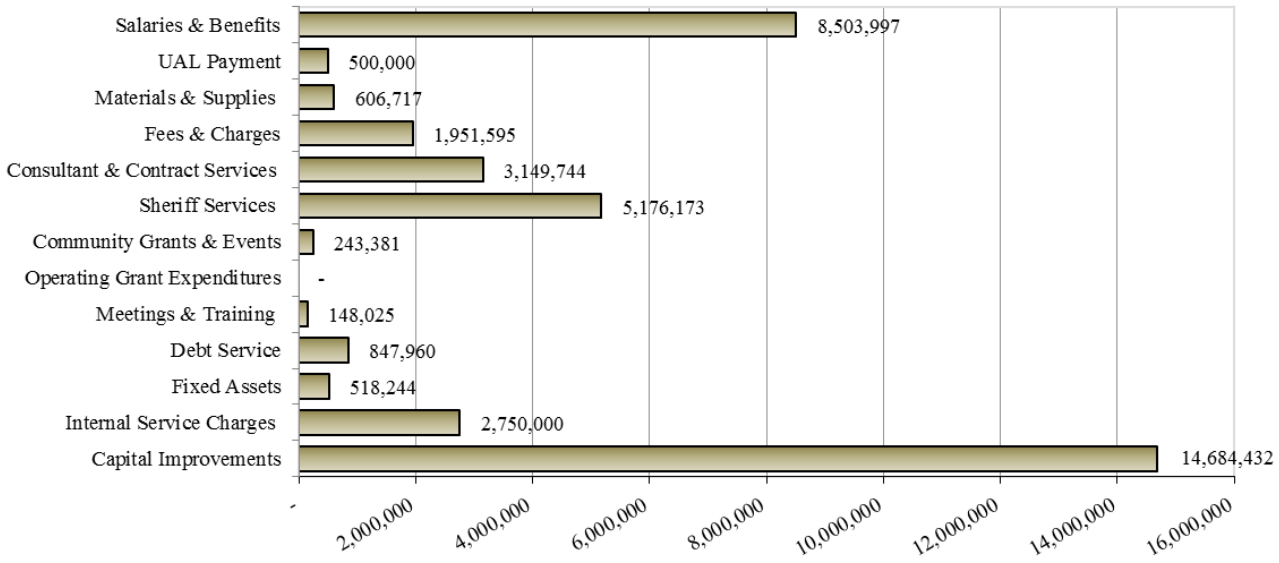
TOTAL REVENUES & TRANSFERS IN BY CATEGORY



FY 2016/17
TOTAL REVENUES BY CATEGORY

Revenues by Category	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted	% of Total
Property Tax	$ 10,501,874	$ 10,944,060	$ 11,889,552	$ 12,070,996	$ 12,937,839	$ 12,921,196	37.3%
Sales Tax	1,051,121	941,350	1,224,427	1,060,000	1,189,398	1,125,000	3.3%
Franchise Fee Tax	1,919,750	2,112,596	2,234,068	2,020,000	2,068,401	2,075,000	6.2%
Transient Occupancy Tax	228,199	257,010	309,618	310,000	319,109	315,000	1.0%
Business/Other Taxes	541,158	565,261	556,654	575,000	578,652	605,000	1.8%
Intergovernmental	447,502	466,424	586,596	517,550	567,624	459,577	1.6%
Fees, Licenses & Permits	1,591,517	1,524,041	1,409,199	1,465,900	1,544,844	1,486,680	4.5%
Charge for Services	1,756,198	1,942,388	1,789,649	1,857,234	2,090,642	1,861,127	5.7%
Interest Income	30,521	41,524	46,762	44,300	81,882	56,300	0.1%
Rental Income	465,460	442,207	474,750	485,602	527,596	497,714	1.5%
Other Sources	529,080	454,345	470,826	338,261	452,964	342,680	1.0%
Operating Revenues	**$ 19,062,380**	**$ 19,691,206**	**$ 20,992,101**	**$ 20,744,843**	**$ 22,358,952**	**$ 21,745,274**	**64.2%**
Internal Service Funds	2,181,235	2,360,000	2,495,000	2,650,000	2,670,836	2,725,000	8.2%
Capital Improvements	2,776,901	2,587,657	2,284,511	8,942,615	1,878,270	8,708,436	27.7%
Total Revenues	**$ 24,020,516**	**$ 24,638,863**	**$ 25,771,612**	**$ 32,337,458**	**$ 26,908,058**	**$ 33,178,710**	**100.0%**
Fund Transfers In	1,771,170	785,087	1,767,108	2,163,232	3,760,211	1,552,792	
Total Revenues & Transfers	**$ 25,791,686**	**$ 25,484,232**	**$ 27,606,149**	**$ 34,500,690**	**$ 30,668,268**	**$ 34,731,502**	

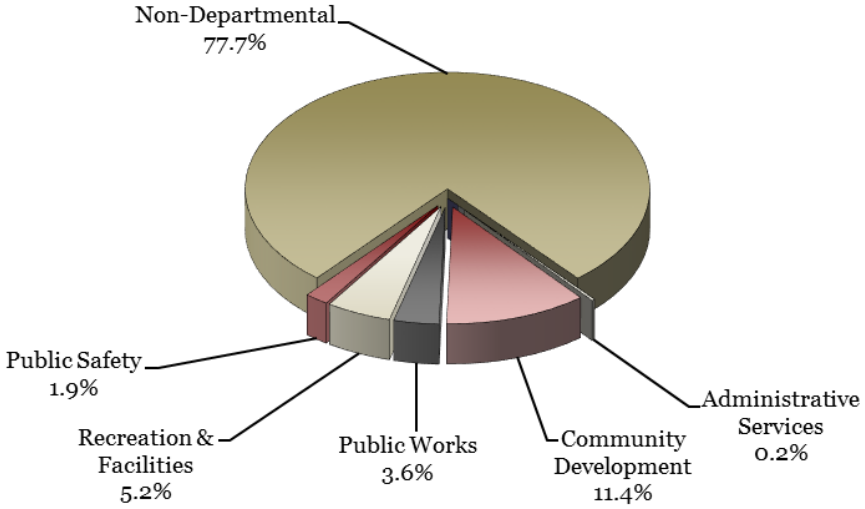
TOTAL EXPENDITURES & TRANSFERS OUT BY CATEGORY



FY 2016/17
TOTAL EXPENDITURES BY CATEGORY

Expenditure Category	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted	% of Total
Salaries & Benefits	7,217,090	7,295,206	7,377,313	7,870,167	7,669,503	8,503,997	20.8%
UAL Payments	-	-	3,294,619	500,000	500,000	500,000	1.3%
Materials & Supplies	396,595	447,068	357,664	587,628	378,414	606,717	1.6%
Fees & Charges	1,578,980	1,655,610	1,663,773	1,911,598	1,648,500	1,942,955	5.0%
Consultant & Contract Services	2,267,655	2,448,555	2,360,528	3,046,125	2,567,075	3,173,075	8.0%
Sheriff Services	4,153,654	4,225,024	4,611,024	4,973,080	4,973,080	5,176,173	13.1%
Meetings & Training	41,282	81,926	77,094	135,550	62,627	148,025	0.4%
Community Grants & Events	122,007	169,725	162,516	229,185	202,525	243,381	0.6%
Operating Grant Expenditures	-	-	-	42,042	34,762	-	0.1%
Debt Service	868,910	889,510	889,960	885,085	885,010	847,960	2.3%
Fixed Assets	95,000	129,138	94,386	380,500	234,787	518,244	1.0%
Operating Expenditures	**16,741,173**	**17,341,760**	**20,794,122**	**20,560,960**	**19,156,282**	**21,660,527**	**54.3%**
Internal Service Charges	2,181,235	2,360,000	2,495,000	2,670,836	2,670,836	2,750,000	7.1%
Capital Improvements	3,979,272	3,095,514	3,279,628	14,638,433	2,590,721	14,682,682	38.7%
Total Expenditures	**$ 22,901,680**	**$ 22,797,274**	**$ 26,568,750**	**$ 37,870,229**	**$ 24,417,839**	**$ 39,093,209**	**100.0%**
Operating Transfers Out	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648	
CIP Fund Transfers Out	586,670	404,207	40,000	145,576	1,742,555	142,144	
Total Expenditures & Transfers	**$ 1,771,170**	**$ 785,087**	**$ 1,706,098**	**$ 2,163,232**	**$ 3,760,211**	**$ 1,552,792**	
Bond Refunding Expenditure	-	-	-	-	-	-	
Total Funding Uses	**$ 24,672,850**	**$ 23,582,362**	**$ 28,274,848**	**$ 40,033,461**	**$ 28,178,050**	**$ 40,646,001**	

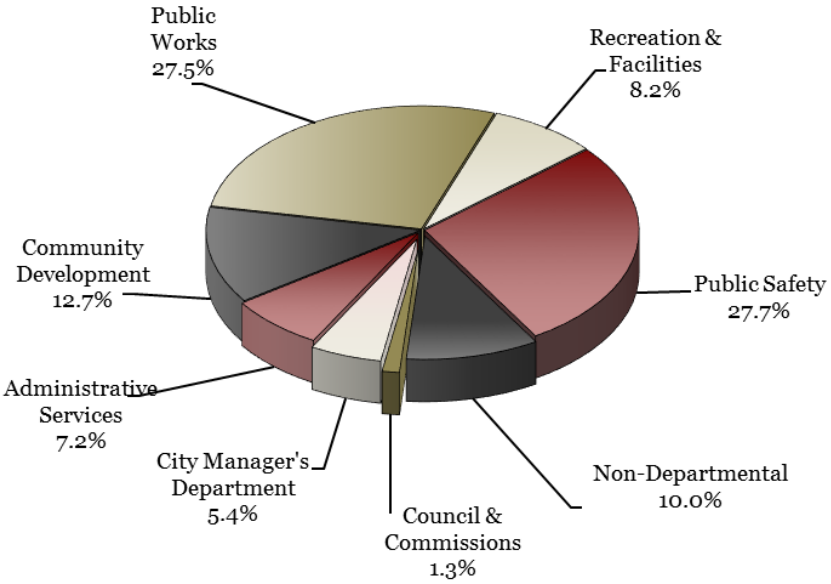
GENERAL FUND REVENUES BY DEPARTMENT



FY 2016/17
GENERAL FUND REVENUES BY DEPARTMENT

Departments	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Estimated	2016/17 Adopted	% of Total
Council & Commissions	$ 1,200	$ 1,200	$ 3,600	$ 600	$ 600	$ 600	0.0%
City Manager's Department	2,236	625	934	400	401	-	0.0%
Administrative Services	51,985	47,609	56,581	46,800	50,147	47,880	0.2%
Community Development	2,183,782	2,219,935	2,095,113	2,201,650	2,258,530	2,296,550	11.4%
Public Works	967,747	1,014,993	991,143	727,522	1,071,813	721,590	3.6%
Recreation & Facilities	875,765	910,597	905,638	1,105,900	1,069,399	1,048,512	5.2%
Public Safety	682,552	447,024	460,596	386,025	431,735	382,525	1.9%
Non-Departmental	12,870,720	13,626,382	15,005,940	14,747,771	15,899,970	15,726,229	77.8%
Total General Fund Revenues	**$ 17,635,987**	**$ 18,268,366**	**$ 19,519,545**	**$ 19,216,668**	**$ 20,782,596**	**$ 20,223,886**	**100.0%**
Fund Transfers In	106,000	167,050	-	-	267,918	-	
GF Revenues & Transfers In	**$ 17,741,987**	**$ 18,435,416**	**$ 19,519,545**	**$ 19,216,668**	**$ 21,050,514**	**$ 20,223,886**	
Use of Fund Balance Reserves:							
Carryforward Reserve	247,200	73,101	118,788	176,560	176,560	-	
Development Reserve	-	-	-	60,000	60,000	-	
Environmental Reserve	50,000	50,000	50,000	50,000	50,000	50,000	
CY CIP Reserve	1,504,944	280,880	1,633,345	1,777,896	1,777,896	1,410,648	
CY CIP Reserve (UAL Pymt)	-	-	500,000	-	-	-	
Compensated Absences	(75,000)	(216,721)	-	-	-	-	
Compensated Absences	(200,000)	-	-	-	-	-	
Fiscal Stability Reserve	-	-	1,000,000	-	-	-	
Fiscal Stability - Repayment	-	-	(500,000)	(250,000)	(250,000)	(250,000)	
Working Capital Reserve	-	-	930,184	-	-	-	
Total General Fund Sources	**$ 19,269,131**	**$ 18,622,676**	**$ 23,251,862**	**$ 21,031,124**	**$ 22,864,970**	**$ 21,434,534**	

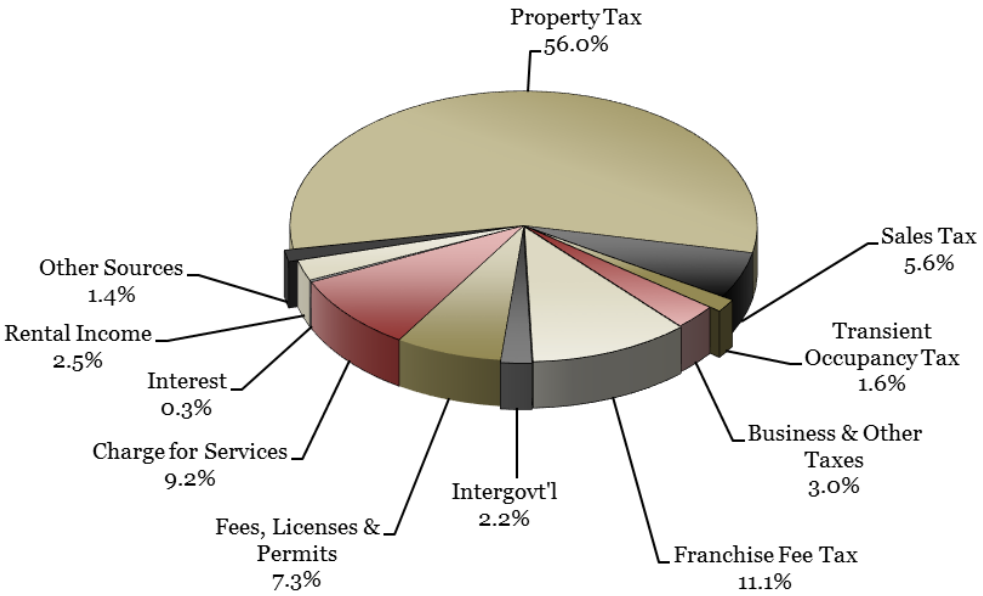
GENERAL FUND EXPENDITURES BY DEPARTMENT



FY 2016/17
GENERAL FUND EXPENDITURES BY DEPARTMENT

Departments	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Estimated	2016/17 Adopted	% of Total
Council & Commissions	$ 134,016	$ 154,129	$ 160,023	$ 352,464	$ 309,633	$ 255,895	1.3%
City Manager's Department	821,984	804,146	940,226	908,408	851,244	1,069,253	5.4%
Administrative Services	1,168,605	1,236,490	1,290,046	1,353,506	1,352,648	1,422,302	7.2%
Community Development	2,046,853	2,181,710	2,086,680	2,350,507	2,192,859	2,496,495	12.7%
Public Works	4,542,221	4,833,962	4,948,538	5,143,613	5,059,055	5,427,362	27.5%
Recreation & Facilities	1,318,493	1,383,277	1,363,426	1,586,948	1,474,777	1,609,451	8.2%
Public Safety	4,391,844	4,491,384	4,859,379	5,230,431	5,225,854	5,451,666	27.7%
Non-Departmental	1,143,919	1,052,480	4,234,030	1,940,375	1,732,899	1,976,971	10.0%
Total General Fund Exp	**$ 15,567,935**	**$ 16,137,576**	**$ 19,882,349**	**$ 18,866,252**	**$ 18,198,969**	**$ 19,709,394**	**100.0%**
Fund Transfers Out	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648	
GF Expenditures & Transfers	**$ 16,752,435**	**$ 16,518,456**	**$ 21,548,447**	**$ 20,883,908**	**$ 20,216,625**	**$ 21,120,042**	

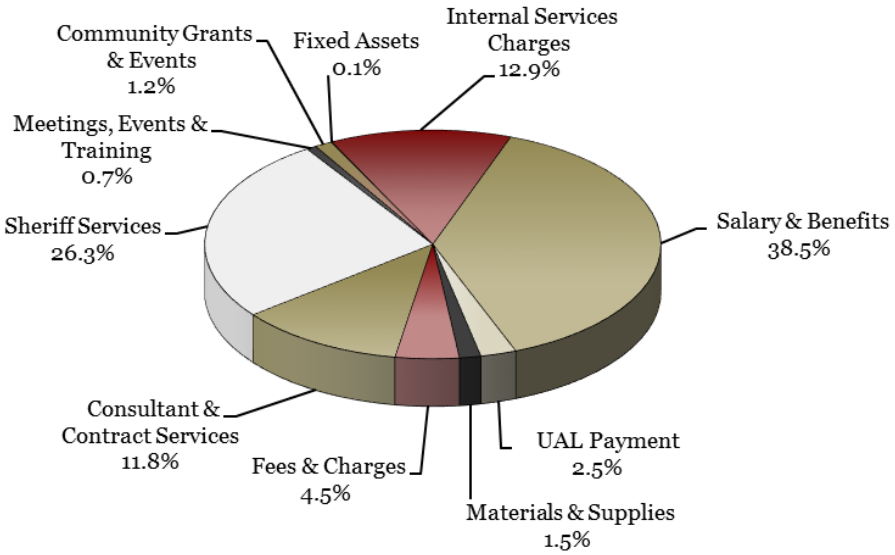
GENERAL FUND REVENUES BY CATEGORY



FY 2016/17
GENERAL FUND REVENUES BY CATEGORY

Revenue Category	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Estimated	FY 2016/17 Adopted	% of Total
Property Tax	$ 8,966,396	$ 9,526,189	$ 10,436,621	$ 10,475,350	$ 11,301,176	$ 11,331,350	56.0%
Sales Tax	1,051,121	941,350	1,224,427	1,060,000	1,189,398	1,125,000	5.6%
Transient Occupancy Tax	228,199	257,010	309,618	310,000	319,109	315,000	1.6%
Business & Other Taxes	541,158	565,261	556,654	575,000	578,652	605,000	3.0%
Franchise Fee Tax	2,083,704	2,112,596	2,234,068	2,186,638	2,235,514	2,242,113	11.1%
Intergovernmental	416,486	466,424	586,596	488,542	547,075	437,000	2.2%
Fees, Licenses & Permits	1,591,517	1,524,041	1,409,199	1,465,900	1,544,844	1,486,680	7.4%
Charge for Services	1,744,112	1,942,388	1,789,649	1,845,234	2,079,939	1,849,127	9.1%
Interest	28,670	40,003	45,229	43,000	79,341	55,000	0.3%
Rental Income	465,460	440,287	474,750	485,602	527,596	497,714	2.5%
Other Sources	519,164	452,817	452,734	281,402	379,952	279,902	1.4%
Total Revenues	**$ 17,635,987**	**$ 18,268,366**	**$ 19,519,545**	**$ 19,216,668**	**$ 20,782,596**	**$ 20,223,886**	100.0%
Fund Transfers In	106,000	167,050	-	-	267,918	-	
Total Revenues & Transfers	**$ 17,741,987**	**$ 18,435,416**	**$ 19,519,545**	**$ 19,216,668**	**$ 21,050,514**	**$ 20,223,886**	
Use of Fund Balance Reserves:							
Carryforward Reserve	247,200	73,101	118,788	176,560	176,560	-	
Development Reserve	-	-	-	60,000	60,000	-	
Environmental Reserve	50,000	50,000	50,000	50,000	50,000	50,000	
CIP Reserve	1,504,944	280,880	1,633,345	1,777,896	1,777,896	1,410,648	
CY CIP Reserve	-	-	500,000	-	-	-	
Hillside Reserve	(75,000)	-	-	-	-	-	
Compensated Absences	(200,000)	(216,721)	-	-	-	-	
Fiscal Stability Loan	-	-	1,000,000	-	-	-	
Fiscal Stability (Repayment)	-	-	(500,000)	(250,000)	(250,000)	(250,000)	
Working Capital	-	-	930,184	-	-	-	
Total Operating Sources	**19,269,131**	**18,622,676**	**23,251,862**	**21,031,124**	**22,864,970**	**21,434,534**	

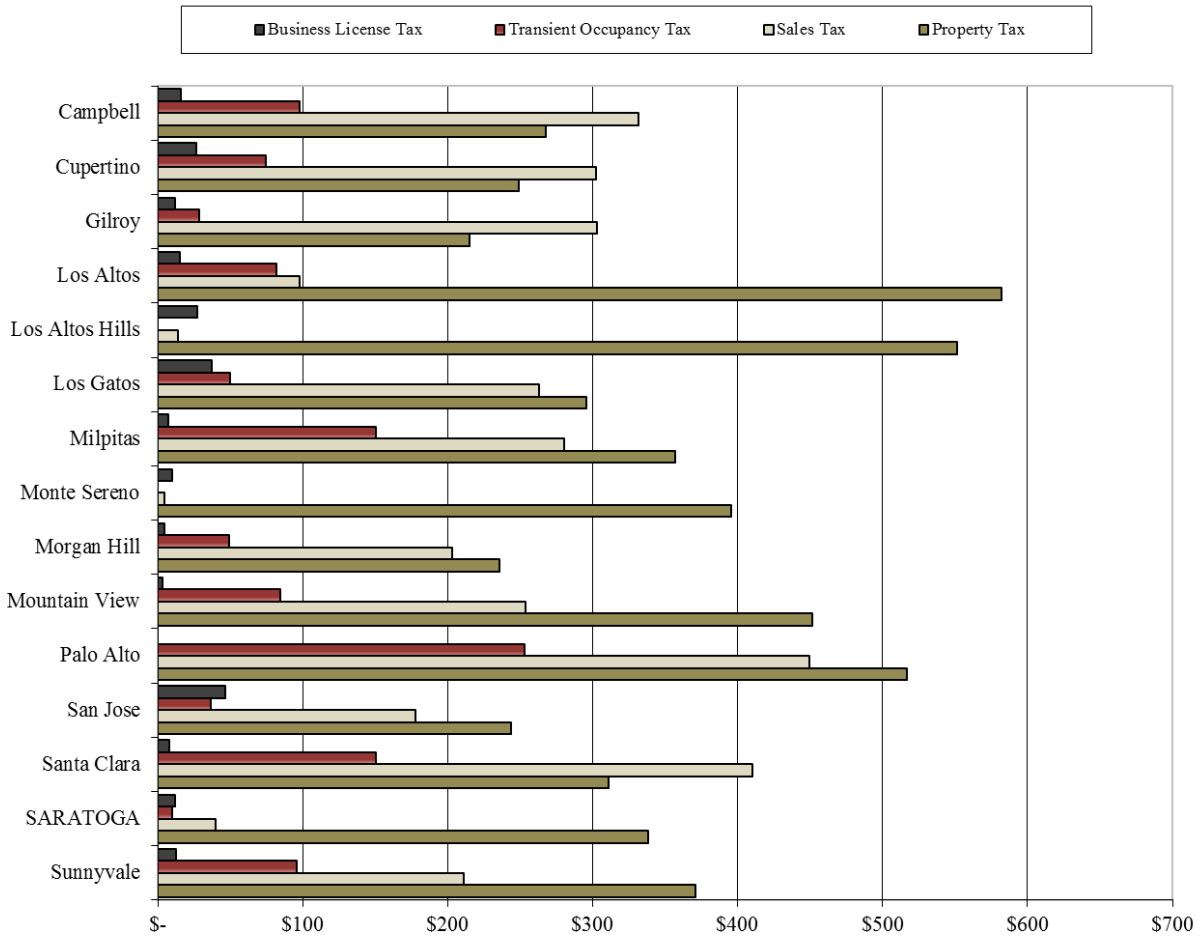
GENERAL FUND EXPENDITURES BY CATEGORY



FY 2016/17
GENERAL FUND EXPENDITURES BY CATEGORY

Expenditure Category	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Estimated	FY 2016/17 Adopted	% of Total
Salary & Benefits	$ 6,409,105	$ 6,408,421	$ 6,484,653	7,014,983	6,814,803	7,592,718	38.5%
CalPERS UAL Payment	-	-	3,294,619	500,000	500,000	500,000	2.5%
Materials & Supplies	188,965	236,925	195,949	305,220	207,649	298,810	1.5%
Fees & Charges	738,596	759,799	732,387	923,455	835,636	890,393	4.5%
Consultant & Contract Services	1,883,085	2,054,371	1,966,367	2,293,729	2,115,325	2,321,922	11.8%
Sheriff Services	4,153,654	4,225,024	4,611,024	4,973,080	4,973,080	5,176,173	26.3%
Meetings, Events & Training	38,946	80,468	73,668	128,800	59,431	140,525	0.7%
Community Grants & Events	122,007	169,725	162,516	229,185	202,525	243,381	1.2%
Operating Grant Expenditures	-	-	-	42,042	34,762	-	0.0%
Fixed Assets	-	-	35,343	-	-	10,000	0.1%
Internal Services Charges	2,033,577	2,202,844	2,325,823	2,455,758	2,455,758	2,535,472	12.9%
Total Expenditures	**$ 15,567,935**	**$ 16,137,576**	**$ 19,882,349**	**$ 18,866,252**	**$ 18,198,969**	**$ 19,709,394**	**100.0%**
Fund Transfers Out	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648	
Total Expenditures & Transfer	**$ 16,752,435**	**$ 16,518,456**	**$ 21,548,447**	**$ 20,883,908**	**$ 20,216,625**	**$ 21,120,042**	

GENERAL FUND TAX REVENUES
CITIES OF SANTA CLARA COUNTY – TAX REVENUES PER CAPITA



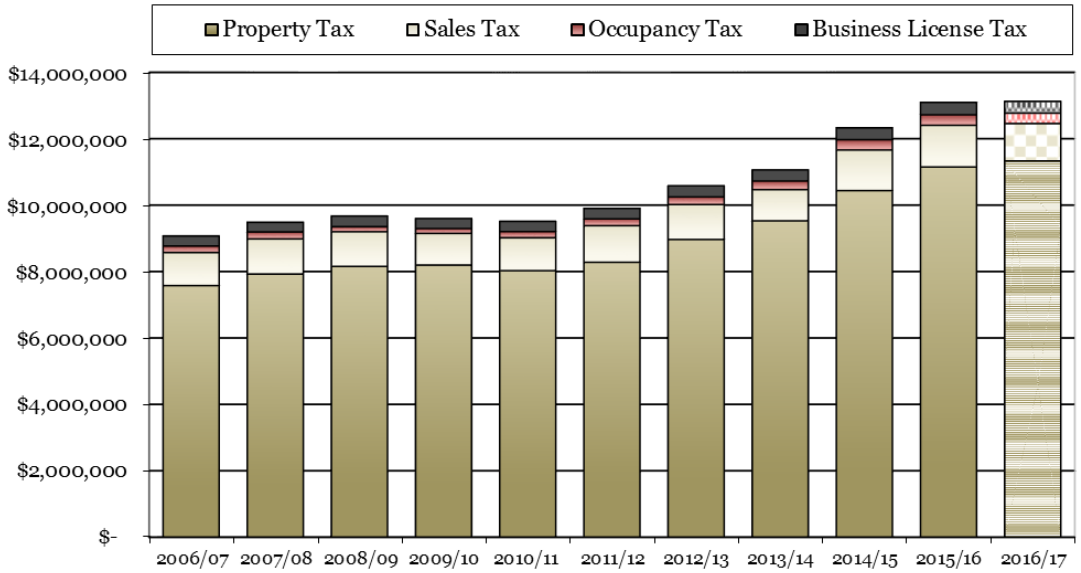
FY 20014/15* TAX REVENUES AND PER CAPITA

		Property Tax		Sales Tax		Transient Occupancy		Business License	
City	Population	Amount	Per capita	Amount	Per capita	Amount	Per capita	Amount	Per capita
Campbell	41,993	11,240,729	268	13,915,291	331	4,091,923	97	662,787	16
Cupertino	60,550	15,067,000	249	18,288,000	302	4,510,000	74	1,600,000	26
Gilroy	52,413	11,248,288	215	15,858,911	303	1,501,837	29	622,760	12
Los Altos	30,036	17,479,883	582	2,942,764	98	2,450,487	82	453,201	15
Los Altos Hills	8,354	4,606,184	551	113,333	14	-	-	223,369	27
Los Gatos	30,532	9,031,871	296	8,029,571	263	1,512,846	50	1,130,020	37
Milpitas	69,903	24,926,916	357	19,572,355	280	10,502,073	150	472,657	7
Monte Sereno	3,700	1,462,590	395	15,917	4	-	-	36,644	10
Morgan Hill	41,779	9,833,512	235	8,467,396	203	2,062,260	49	183,857	4
Mountain View	77,914	35,173,321	451	19,773,384	254	6,559,072	84	257,706	3
Palo Alto	66,029	34,117,000	517	29,675,000	449	16,699,000	253	-	-
San Jose	1,016,000	247,258,000	243	180,407,000	178	36,980,000	36	47,431,000	47
Santa Clara	120,973	37,574,373	311	49,649,079	410	18,185,857	150	931,423	8
SARATOGA	30,887	10,436,621	338	1,224,427	40	309,618	10	357,597	12
Sunnyvale	148,028	54,940,570	371	31,218,980	211	14,137,069	96	1,845,883	12
Average	119,939	34,959,791	291	26,610,094	222	7,966,803	66	3,747,260	31

**Most recent information available from neighboring cities*

GENERAL FUND REVENUES
10 YEAR HISTORY AND PROJECTED KEY TAX REVENUES

GENERAL FUND TAX REVENUE CHART



NOTES:

FY 2006/07 Property Tax Revenues *– Large increase reflects the ongoing permanent addition of Property Tax revenues resulting from an increased allocation share per the State passed Tax Equity Allocation (TEA) Legislation. (Approximately $760,000 in FY 2006/07).*

FY 2015/16 Property Tax Revenues *– 1st year of remaining Tax Equity Allocation (TEA) withholding to be returned to Saratoga. Over a five year span, 20% of the County's higher ERAF withholding formula difference is returned to the City – until the City's ERAF withholding formula is fully 100% assimilated. This results in an additional $130,000 of revenue in each of the five years, thereby increasing the growth trajectory above actual growth rates.*

GENERAL FUND TAX REVENUE HISTORY

Fiscal Year		Property Tax	Sales Tax	Occupancy Tax	Business License Tax	Summary of Tax Revenues	Change from Prior Year
2006/07	Actuals	$ 7,577,444	$ 994,680	$ 195,261	$ 303,787	9,071,172	18.9%
2007/08	Actuals	$ 7,922,815	$ 1,057,977	$ 211,532	$ 290,996	9,483,320	4.5%
2008/09	Actuals	$ 8,155,362	$ 1,043,034	$ 151,378	$ 321,347	9,671,121	2.0%
2009/10	Actuals	$ 8,194,364	$ 954,574	$ 144,151	$ 303,990	9,597,079	(0.8%)
2010/11	Actuals	$ 8,026,659	$ 990,579	$ 184,362	$ 310,273	9,511,873	(0.9%)
2011/12	Actuals	$ 8,279,947	$ 1,100,489	$ 205,421	$ 313,984	9,899,841	4.1%
2012/13	Actuals	$ 8,966,396	$ 1,051,121	$ 228,199	$ 336,298	10,582,014	6.9%
2013/14	Actuals	$ 9,526,189	$ 941,350	$ 257,010	$ 336,911	11,061,460	4.5%
2014/15	Actuals	$ 10,436,621	$ 1,224,427	$ 309,618	$ 357,597	12,328,263	11.5%
2015/16	Actuals	$ 11,301,176	$ 1,189,398	$ 319,109	$ 365,710	13,175,393	6.9%
2016/17	Budgeted	$ 11,331,350	$ 1,125,000	$ 315,000	$ 355,000	13,126,350	(0.4%)

GENERAL FUND
FUND BALANCE ACTIVITY

General Fund Reserves:	Estimated 7/1/2016 Balance	Revenues	Plus Transfers In	Expenditures	Less Transfers Out	Sources (Uses) of Fund Balance	Estimated 6/30/2017 Balance
Restricted							
Environmental Services	313,182	-	-	-	-	(50,000)	263,182
Committed							
Hillside Stability	1,000,000	-	-	-	-	-	1,000,000
Assigned							
Capital Reserve	1,472,408	-	-	-	-	(1,410,648)	61,760
Facility Reserve	1,200,000	-	-	-	-	500,000	1,700,000
Carryforwards	-	-	-	-	-	-	-
Unassigned							
Working Capital Reserve	1,000,000	-	-	-	-	-	1,000,000
Fiscal Stability Reserve	2,250,000	-	-	-	-	250,000	2,500,000
Development Services	719,562	-	-	-	-	-	719,562
Compensated Absences	209,937	-	-	-	-	-	209,937
Other Unassigned	2,475,531	20,223,886	-	(19,709,394)	(1,410,648)	710,648	2,290,023
Total Fund Balance Reserves	**$ 10,640,620**	**$ 20,223,886**	**$ -**	**$ (19,709,394)**	**$ (1,410,648)**	**$ -**	**$ 9,744,463**

GENERAL FUND Reserve Activity includes:

Fund Balance Reserves reflect the cumulative effect of revenues and other financing sources over expenditures and other financing uses.

Restricted Fund Balance *represents legal restrictions and obligations;*

Committed Fund Balance *represents Council directed funding for a specific and binding use;*

Assigned Fund Balance *represents resources that reflect the City's intended use of funds*

Unassigned Fund Balance *includes estimated year-end fund balance not previously identified for a specific purpose, and is therefore available to buffer unplanned financial situations during the fiscal year.*

As year-end fund balance reflects an estimate, sound finanical practices suggest retaining a sufficient amount of undesignated fund balance to offset unexpected revenue shortfalls and operational expenditures.

Environmental Reserve *accounts for funding obligated for use in the Environmental program originally collected under the City's former solid waste agreement.*

Hillside Stability Reserve *reflects funding set aside for emergency roadway and retaining wall support projects.*

Capital Reserve *reflects funding designated to fund capital and efficiency projects in the current or future fiscal years as of budget adoption.*

Facility Reserve *was established to accrue funding for the eventual replacement or major rehabilitation of City Buildings. Eligible uses of this reserve include direct funding of public facility improvements, and/or the servicing of related debt.*

Carryforward Reserves *reflects an estimate of prior year unspent budget appropriations to be re-appropriated for the same purpose and paid for in the next fiscal year.*

Working Capital Reserve *ensures sufficient cash flow funding for the General Fund. The reserve is adjusted at fiscal year end by interest earned on the reserve balance at LAIF rates. Council Policy caps the reserve at 20% of budgeted appropriations.*

Fiscal Stability Reserve *of $1,500,000 is to be used to maintain fiscal stability. Upon approval from the City Council, this reserve may provide funding relief for such matters as State takeaways, unanticipated revenue shortfalls, unexpected expenses or natural disasters. This reserve is not adjusted for interest earnings.*

Development Services Reserve *reflects accumulated funding to offset revenue and expense timing for multi-year development service obligations and for other development related expenses as directed by Council.*

Compensated Absences Reserve *accrues funding to fund employee termination payouts as needed. The reserve balance is equal to one-third of the actual liability at year-end.*

SCHEDULE OF INTERFUND TRANSFERS

Fund Description	Estimated 2015/16 Transfers In	Estimated 2015/16 Transfers Out	Budgeted 2016/17 Transfers In	Budgeted 2016/17 Transfers Out
General Funds				
General Fund	267,918	2,017,656	-	1,410,648
Special Revenue Funds				
Landscape & Lighting Districts	-	-	-	-
Internal Service Funds				
Facility Furniture & Equipment Replacement	180,000	-	-	-
Trust Funds				
Library Capital Projects	-	-	-	-
KSAR	-	-	-	-
Capital Project Funds				
Street Projects	2,450,555	1,443,419	1,095,000	-
Parks & Trail Projects	378,380	240,620	99,750	24,750
Facility Projects	153,896	58,516	190,648	-
Administrative Projects	329,462	-	167,394	117,394
Total Interfund Transfers	**$ 3,760,211**	**$ 3,760,211**	**$ 1,552,792**	**$ 1,552,792**

FY 2016/17 Interfund Transfers In

Transfer In of $1,552,792 is comprised of :

1. $1,552,792 to CIP projects:
$1,095,000 to Streets
$ 99,750 to Parks & Trails
$ 190,648 to Facility Projects
$ 167,394 to Admin & Tech Projects

FY 2016/17 Interfund Transfers Out

Transfers Out of $1,552,792 is comprised of:

1. $1,410,648 from GF to CIP projects
2. $142,144 from CIP to other CIP projects

FY 2015/16 Interfund Transfers In

Transfers In of $3,760,211 is comprised of :

1. $2,017,656 to CIP from GF CIP Reserve
2. $1,179,637 to CIP Projects from other CIP projects
3. $267,918 to GF from closed CIP projects
4. $180,000 to FFE ISF from CIP Facility projects
5. $25,000 to LLD from CIP Administrative & Technology projects

FY 2015/16 Interfund Transfers Out

Transfers Out of $3,760,211 is comprised of:

1. $2,017,656 from GF Reserve to CIP projects
2. $495,793 to other CIP projects
3. $216,085 to GF CIP Reserve
4. $180,000 to Internal Service funds
5. $25,000 to Special Revenue funds

TOTAL FUND BALANCE ACTIVITY
FY 2016/17

	7/1/2016 Balance	Plus Revenues & Carryfwds	Plus Transfers In	Less Exp & Carryfwds	Less Transfers Out	Sources (Uses) of Fund Bal	6/30/2017 Estimated Balance
General Fund							
Restricted							
Environmental Services	313,182	-	-	-	-	(50,000)	263,182
Committed							
Hillside Stability	1,000,000	-	-	-	-	-	1,000,000
Assigned							
Capital & Efficiency Reserve	1,472,408	-	-	-		(1,410,648)	61,760
Facility Reserve	1,200,000	-	-	-	-	500,000	1,700,000
Carryforwards	-	-	-	-	-	-	-
Unassigned							
Working Capital Reserve	1,000,000	-	-	-	-	-	1,000,000
Fiscal Stabilization Reserve	2,250,000	-	-	-	-	250,000	2,500,000
Development Services	719,562	-	-	-	-	-	719,562
Compensated Absences	209,937	-	-	-	-	-	209,937
Other Unassigned	2,475,531	20,223,886	-	(19,709,394)	(1,410,648)	710,648	2,290,023
Total General Fund	$ 10,640,620	$ 20,223,886	$ -	$ (19,709,394)	$ (1,410,648)	$ -	$ 9,744,464

Other Unassigned Fund Balance Reserves reflect the operating budget's ongoing revenues, expenditures, carryforwards, transfers in and out, and the use of fund balance reserves. Committed, Assigned, and the remaining Unassigned Reserves reflect funding held in compliance with specific fund balance policy and Council direction. The Restricted Reserve accounts for funding obligated for use in the Environmental program originally collected under the City's former solid waste agreement.

Special Revenue Funds							
Landscape & Lighting Districts	1,005,796	625,011	-	(714,930)	-	-	915,878
Total Special Revenue Funds	**$ 1,005,796**	**$ 625,011**	**$ -**	**$ (714,930)**	**$ -**	**$ -**	**$ 915,878**

Special Revenue Funds account for legally restricted revenues and obilgations. Landscape & Lighting Fund budgeted expenditures typically include all available funds to allow for use in unplanned repairs, if necessary, but are not anticipated to be used in full each year.

Internal Service Funds							
Liability / Risk Management	376,488	387,577	-	(436,050)	-	-	328,015
Workers Compensation	304,401	185,000	-	(216,856)	-	-	272,545
Office Support Fund	96,172	62,000	-	(73,450)	-	-	84,722
IT Services	274,223	531,500	-	(602,565)	-	-	203,158
Vehicle & Equip Maintenance	165,949	275,000	-	(259,033)	-	-	181,916
Facility Maintenance	370,717	929,000	-	(900,766)	-	-	398,951
Vehicle & Equip Replacement	611,708	125,000	-	(266,700)	-	-	470,008
IT Equipment Replacement	274,339	125,000	-	(136,280)	-	-	263,059
Facility FFE Replacement	339,222	200,000		(246,544)	-	-	292,678
Total Internal Service Funds	**$ 2,813,219**	**$ 2,820,077**	**$ -**	**$ (3,138,243)**	**$ -**	**$ -**	**$ 2,495,052**

Internal Service Funds accounts provide operational costing for citywide services. Two of these funds are equipment replacement funds which charge back to departments the cost of the assets over their lifespan, to ensure replacement funding is available when required, and to charge an appropriate annual cost for the asset. Replacement Fund balances reflect funding accumulated to date for asset replacement. The remaining Internal Service Funds provide for the cost of services and insurance in a fair, allocated manner.

Debt Service Funds							
GO Bond Debt Service	922,952	801,300	-	(847,960)	-	-	876,292
Total Debt Service Funds	**$ 922,952**	**$ 801,300**	**$ -**	**$ (847,960)**	**$ -**	**$ -**	**$ 876,292**

Debt Service Funds manage the repayment of City debt. The City issued a General Obligation Bond in 2001 for the library expansion project. The Fund reflects the property tax assessment receipts, and the debt principal & interest payments made during the fiscal year. Fund Balance reflects the City's reserve for this debt issuance. Currently, the assessment revenues are intentionally set less than expenditures to reduce the Fund Balance to an appropriate debt level.

TOTAL FUND BALANCE ACTIVITY
FY 2016/17

	7/1/2016 Balance	Plus Revenues & Carryforwards	Plus Transfers In	Less Expenditures & Carryforwards	Less Transfers Out	Source & (Use) of Fund Bal	6/30/2017 Estimated Balance
Capital Improvement Plan Funds							
Street Projects	2,720,317	7,931,794	1,095,000	(11,747,112)	-	-	-
Parks & Trails Projects	1,082,410	456,015	99,750	(1,495,960)	(24,751)	-	117,465
Facility Projects	245,639	190,627	190,648	(591,913)	-	-	35,000
Administrative Projects	667,699	130,000	167,394	(847,698)	(117,394)	-	-
Total Capital Improvement Funds	**$ 4,716,065**	**$ 8,708,436**	**$ 1,552,792**	**$ (14,682,682)**	**$ (142,145)**	**$ -**	**$ 152,465**

The above CIP funds are included at a summary level. Capital revenues include all outstanding funding sources identified as a source of funds for projects, however not all funding is expected to become available in the fiscal year. Similarly, appropriated expenditures are not expected to be expended as most are multi-year projects. Funds will be reduced to actuals at year-end and the remaining project balance will be rolled forward.

FUND BALANCE TOTALS	**$ 20,098,652**	**$ 33,178,710**	**$ 1,552,792**	**$ (39,093,209)**	**$ (1,552,793)**	**$ -**	**$ 14,184,151**

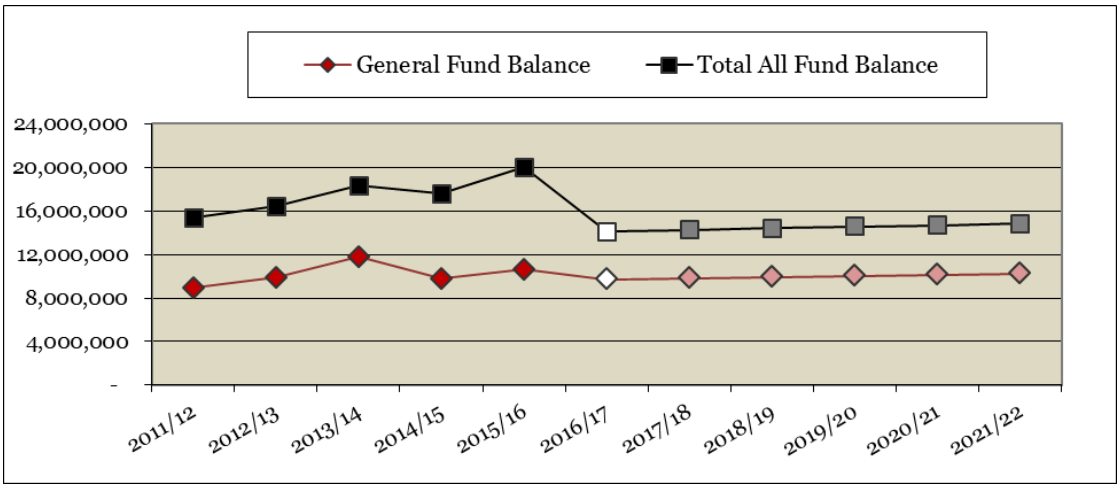
FUND BALANCE RESERVES
5 YEAR COMPARATIVE HISTORY

Fund Balance Reserves	6/30/2013 Actual YE Balance	6/30/2014 Actual YE Balance	6/30/2015 Actual YE Balance	6/30/2016 Estimated YE Balance	6/30/2017 Budgeted YE Balance
General Fund					
Restricted					
Environmental Services	463,182	413,182	363,182	313,182	263,182
Committed					
Hillside Stability	675,000	992,934	1,000,000	1,000,000	1,000,000
Assigned					
Capital & Efficiency Reserve	418,714	1,928,915	1,657,896	1,472,408	61,760
Facility Reserve	300,000	600,000	900,000	1,200,000	1,700,000
Carryforwards	73,101	118,788	176,560	-	-
Unassigned					
Working Capital Reserve	2,923,096	2,930,184	2,007,545	1,000,000	1,000,000
Fiscal Stabilization Reserve	1,500,000	1,500,000	1,000,000	2,250,000	2,500,000
Development Services	667,233	705,459	713,891	719,562	719,562
Compensated Absences	207,268	223,846	208,167	209,937	209,937
Uncollected Deposits	-	-	-	-	-
Other Unassigned	2,691,081	2,422,326	1,779,490	2,475,531	2,290,023
Total General Fund Reserves	**9,918,675**	**11,835,634**	**9,806,731**	**10,640,620**	**9,744,464**
Special Revenue Funds					
Landscape & Lighting Districts	621,947	733,831	867,643	1,005,796	915,878
Total Special Revenue Funds	**621,947**	**733,831**	**867,643**	**1,005,796**	**915,878**
Internal Service					
Liability / Risk Management	230,059	297,825	291,264	376,488	328,015
Workers Compensation	293,720	281,642	314,525	304,401	272,545
Office Support Services	24,021	53,121	75,075	96,172	84,722
IT Services	281,284	262,069	260,322	274,223	203,158
Vehicle & Equipment Maintenance	10,427	36,349	115,564	165,949	181,916
Facility Maintenance	184,901	199,869	268,326	370,717	398,951
Vehicle & Equipment Replacement	442,089	508,880	649,498	611,708	470,008
IT Equipment Replacement	156,318	152,788	194,101	274,339	263,059
Facility FFE Replacment	-	-	-	339,222	292,678
Total Internal Service Reserves	**1,622,818**	**1,792,543**	**2,168,675**	**2,813,219**	**2,495,052**
Debt Service					
2001 Series Library GO Bonds	885,757	897,786	906,600	922,952	876,292
Total Debt Service	**885,757**	**897,786**	**906,600**	**922,952**	**876,292**
OPERATING BUDGET RESERVES	**$ 13,049,197**	**$ 15,259,794**	**$ 13,749,649**	**$ 15,382,587**	**$ 14,031,686**

FUND BALANCE RESERVES
5 YEAR COMPARATIVE HISTORY

Fund Balance Reserves	6/30/2013 Actual YE Balance	6/30/2014 Actual YE Balance	6/30/2015 Actual YE Balance	6/30/2016 Estimated YE Balance	6/30/2017 Budgeted YE Balance
Capital Project Funds					
Street Project Funds	2,080,497	1,724,577	1,904,296	2,720,317	-
Park & Trail Project Funds	887,941	1,028,874	1,238,992	1,082,410	117,465
Facility Improvement Funds	260,858	206,036	347,619	245,639	35,000
Administrative Project Funds	191,039	166,820	367,870	667,699	-
Total Capital Projects Funds	**3,420,335**	**3,126,307**	**3,858,777**	**4,716,065**	**152,465**
TOTAL RESERVES	**$ 16,469,532**	**$ 18,386,101**	**$ 17,608,426**	**$ 20,098,652**	**$ 14,184,151**

GRAPHIC REPRESENTATION OF
GENERAL FUND AND TOTAL OF ALL FUNDS
5 YEAR FUND BALANCE HISTORY, BUDGET YEAR, AND 5 YEAR TREND PROJECTION



Note – *In the above graph, the FY 2016/17 fund balance (in white) and five years forward reflect full expenditure of the Capital Budget in the first budget year, thereby causing a steep drop and a continued zero balance from that point forward. The full appropriation of the capital project budget allows for full encumbrance and completion of the projects during the fiscal year, although full expenditure is not expected to occur, and project balances will carry forward into the following fiscal year. While actual total fund balance growth has averaged 2.5% over the last ten years, future year projections represent a conservative operating and capital budget with a 1% minimal growth in outlaying year's fund balances.*

DEPARTMENT REVENUES BY PROGRAM

	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted
Council & Commissions						
General Fund Programs:						
City Council	$ 1,200	$ 1,200	$ 3,600	$ 600	$ 600	$ 600
City Commissions	-	-	-	-	-	-
Total Council & Commissions	**$ 1,200**	**$ 1,200**	**$ 3,600**	**$ 600**	**$ 600**	**$ 600**
City Manager's Department						
General Fund Programs:						
City Manager's Office	200	600	800	400	400	-
City Clerk	2,036	25	134	-	1	-
Public Information Office	-	-	-	-	-	-
Total City Manager's Department	**$ 2,236**	**$ 625**	**$ 934**	**$ 400**	**$ 401**	**$ -**
Finance & Administrative Services Department						
General Fund Programs:						
Finance	51,985	47,609	56,581	46,800	50,147	47,880
Human Resources	-	-	-	-	-	-
Administrative Services	-	-	-	-	-	-
Internal Service Funds:						
Office Support Services	67,086	65,028	68,183	62,000	65,703	62,000
Information Technology Services	400,257	403,488	430,803	480,000	481,485	531,500
IT Equipment Replacement	46,236	55,000	65,000	125,000	125,000	125,000
Total Finance & Admin Services	**$ 565,564**	**$ 571,125**	**$ 620,567**	**$ 713,800**	**$ 722,334**	**$ 766,380**
Community Development						
General Fund Programs:						
Development Services	524,709	560,730	533,310	525,800	485,150	526,400
Advanced Planning	226,973	228,523	156,165	150,000	191,186	160,000
Code Compliance	6,155	7,650	10,725	5,750	9,875	7,500
Building & Inspection Services	1,425,946	1,423,032	1,394,913	1,520,100	1,572,319	1,602,650
Total Community Development	**$ 2,183,782**	**$ 2,219,935**	**$ 2,095,113**	**$ 2,201,650**	**$ 2,258,530**	**$ 2,296,550**
Public Works Department						
General Fund Programs:						
General Engineering	151,388	117,702	218,070	90,250	182,716	100,250
Development Engineering	144,232	169,014	139,654	74,000	311,073	72,000
Environmental Services	203,204	190,487	191,790	188,638	196,386	187,113
Streets & Storm Drains	170,231	245,811	186,633	200,000	194,781	187,000
Parks & Landscape Maintenance	298,692	291,980	254,995	174,634	186,857	175,227
Internal Service Funds:						
Vehicle & Equipment Maintenance	215,000	250,000	300,000	275,000	275,003	275,000
Vehicle & Equipment Replacement	100,000	207,050	206,393	125,000	163,565	125,000
Special Revenue Fund:						
Landscape & Lighting Districts	483,087	521,307	566,483	585,867	599,827	625,011
Total Public Works Department	**$ 1,765,834**	**$ 1,993,350**	**$ 2,064,018**	**$ 1,713,389**	**$ 2,110,208**	**$ 1,746,601**

DEPARTMENT REVENUES BY PROGRAM

	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted
Recreation & Facilities Department						
General Fund Programs:						
Recreation Services	$ 641,904	$ 662,212	$ 603,570	$ 700,100	$ 627,245	$ 630,400
Teen Services	1,626	782	1,500	3,200	2,066	5,000
Facility Rentals	232,236	247,604	300,567	402,600	440,088	413,112
Internal Service Funds:						
Facility Maintenance	755,857	832,474	882,299	900,000	906,440	929,000
Facility FFE Replacement	-	-	-	200,000	200,000	200,000
Total Recreation Department	**$ 1,631,622**	**$ 1,743,071**	**$ 1,787,937**	**$ 2,205,900**	**$ 2,175,839**	**$ 2,177,512**
Public Safety						
General Fund Programs:						
Public Safety Services	681,706	434,748	460,576	386,025	431,560	382,525
Emergency Preparedness	847	12,276	20	-	175	-
Total Public Safety	**$ 682,552**	**$ 447,024**	**$ 460,596**	**$ 386,025**	**$ 431,735**	**$ 382,525**
Non-Departmental						
General Fund Programs:						
General Administration	12,869,472	13,601,382	15,000,920	14,742,771	15,897,465	15,725,829
Legal Services	1,248	25,000	20	-	-	-
Community Grants	-	-	-	-	-	-
Community Events	-	-	5,000	5,000	2,506	400
Internal Service Funds:						
Risk Management/Liability Ins	403,399	389,809	*399,482*	394,008	343,808	387,577
Workers Compensation Ins	244,453	217,433	217,567	185,000	185,000	185,000
Debt Service Funds						
2001 Bond Debt Service Fund	892,253	901,539	898,774	846,300	901,362	801,300
Total Non-Departmental	**$ 14,410,824**	**$ 15,135,163**	**$ 16,521,764**	**$ 16,173,079**	**$ 17,330,140**	**$ 17,100,106**
Capital Improvement Funds						
Capital Improvement Programs:						
Street Projects	2,558,053	1,489,006	1,771,339	8,129,073	1,206,299	7,931,794
Park & Trail Projects	(57,245)	967,061	311,143	482,535	493,047	456,015
Facility Projects	113,410	131,590	38,580	201,007	40,371	190,627
Administrative & Technology	162,683	-	163,928	130,000	138,552	130,000
Total Capital Improvement Projects	**$ 2,776,901**	**$ 2,587,657**	**$ 2,284,991**	**$ 8,942,615**	**$ 1,878,270**	**$ 8,708,436**
Operating Transfers In						
General Fund	106,000	167,050	-	-	267,918	-
FFE Replacement Fund	-	-	-	-	180,000	-
Capital Projects - Streets	661,818	234,487	731,010	1,143,518	2,450,555	1,095,000
Capital Projects - Parks & Trails	593,852	119,877	443,445	360,818	378,380	99,750
Capital Projects - Facilities	324,500	100,000	472,653	333,896	153,896	190,648
Capital Projects - Administrative	85,000	163,673	120,000	325,000	329,462	167,394
Total Operating Transfers In	**$ 1,771,170**	**$ 785,087**	**$ 1,767,108**	**$ 2,163,232**	**$ 3,760,211**	**$ 1,552,792**
Total Revenues and Transfers In	**$ 25,791,686**	**$ 25,484,237**	**$ 27,606,629**	**$ 34,500,690**	**$ 30,668,268**	**$ 34,731,502**

DEPARTMENT EXPENDITURES BY PROGRAM

	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted
Council & Commissions						
General Fund Programs:						
City Council	$ 104,116	$ 124,780	$ 129,132	$ 307,458	$ 278,794	$ 210,983
City Commissions	29,900	29,349	30,891	45,006	30,840	44,913
Total Council & Commissions	**$ 134,016**	**$ 154,129**	**$ 160,023**	**$ 352,464**	**$ 309,633**	**$ 255,895**
City Manager's Department						
General Fund Programs:						
City Manager's Office	498,730	500,476	569,824	533,817	527,923	451,020
City Clerk	323,254	303,670	370,402	374,591	323,321	438,418
Public Information Office	-	-	-	-	-	179,815
Total City Manager's Department	**$ 821,984**	**$ 804,146**	**$ 940,226**	**$ 908,408**	**$ 851,244**	**$ 1,069,253**
Administrative Services Department						
General Fund Programs:						
Finance Services	839,510	899,080	778,447	791,676	797,281	827,378
Human Resources	329,095	337,410	325,218	338,075	332,482	343,037
Administrative Services	-	-	186,382	223,755	222,885	251,887
Internal Service Funds:						
Office Support Services	54,285	35,928	46,229	73,250	44,606	73,450
Information Technology Service	375,674	422,703	432,550	530,066	467,583	602,565
IT Equipment Replacement	46,678	58,530	23,687	108,400	44,762	136,280
Total Administrative Services	**$ 1,645,242**	**1,753,651**	**1,792,513**	**2,065,222**	**1,909,600**	**2,234,597**
Community Development						
General Fund Programs:						
Development Services	925,009	955,477	909,462	967,242	933,024	929,692
Advanced Planning	115,740	254,409	113,311	173,230	119,583	167,090
Code Compliance	104,799	52,643	127,653	187,906	161,859	222,530
Building & Inspection Services	901,305	919,181	936,255	1,022,129	978,393	1,177,182
Total Community Development	**$ 2,046,853**	**$ 2,181,710**	**$ 2,086,680**	**$ 2,350,507**	**$ 2,192,859**	**$ 2,496,495**
Public Works Department						
General Fund Programs:						
General Engineering	476,908	502,680	532,614	535,976	518,312	571,603
Development Engineering	205,693	213,150	194,320	229,280	227,645	233,692
Environmental Services	619,024	643,314	615,342	765,131	665,655	769,289
Streets & Storm Drains	1,284,436	1,381,240	1,454,269	1,430,236	1,447,110	1,593,030
Parks & Landscape Maintenance	1,956,160	2,093,578	2,151,993	2,182,990	2,200,334	2,259,748
Internal Service Funds:						
Vehicle & Equip Maintenance	227,604	224,078	220,785	256,346	224,618	259,033
Vehicle & Equip Replacement	95,000	140,258	65,775	204,500	201,355	266,700
Special Revenue Funds:						
Landscape & Lighting Districts	423,644	409,418	432,671	650,800	461,679	714,930
Total Public Works Department	**$ 5,288,469**	**$ 5,607,716**	**$ 5,667,769**	**$ 6,255,259**	**$ 5,946,707**	**$ 6,668,025**

DEPARTMENT EXPENDITURES BY PROGRAM

	FY 2012/13 Actuals	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Adjusted	FY 2015/16 Actuals	FY 2016/17 Adopted
Recreation & Facilities Department						
General Fund Programs:						
Recreation Services	$ 938,742	$ 961,244	$ 940,097	$ 1,071,231	$ 1,017,682	$ 1,075,400
Teen Services	67,955	57,836	47,073	52,915	53,228	52,803
Facility Rentals	311,796	364,197	376,256	462,802	403,867	481,248
Internal Service Funds:						
Facility Maintenance	771,882	817,506	813,842	879,629	804,049	900,766
Facility FFE Replacement	-	-	-	169,000	40,778	246,544
Total Recreation Department	**2,090,375**	**2,200,783**	**2,177,268**	**2,635,577**	**2,319,604**	**2,756,760**
Public Safety						
General Fund Programs:						
Public Safety Services	4,328,818	4,411,156	4,792,104	5,158,994	5,161,618	5,380,500
Emergency Preparedness	63,026	80,227	67,275	71,437	64,236	71,166
Total Public Safety	**4,391,844**	**4,491,384**	**4,859,379**	**5,230,431**	**5,225,854**	**5,451,666**
Non-Departmental						
General Fund Programs:						
General Administration	721,170	492,236	3,783,847	1,363,390	1,205,042	1,360,789
Legal Services	300,743	390,518	287,667	347,800	325,331	372,800
Community Grants	103,717	147,506	135,061	172,390	147,755	158,031
Community Events	18,290	22,219	27,455	56,795	54,770	85,350
Internal Service Funds:						
Liability / Risk Management	308,096	336,743	296,590	393,913	258,585	436,050
Workers Compensation	182,700	229,510	184,683	214,555	195,124	216,856
Debt Service Fund:						
2001 Bond Debt Service Fund	868,910	889,510	889,960	885,085	885,010	847,960
Total Non-Departmental	**2,503,626**	**2,508,243**	**5,605,263**	**3,433,928**	**3,071,617**	**3,477,837**
Capital Improvement Program						
Capital Improvement Funds:						
Street Projects	2,832,190	1,853,714		11,097,130	1,397,415	11,747,112
Park & Trail Projects	290,278	886,168	544,470	1,910,912	787,389	1,495,960
Facility Projects	670,761	286,412	369,650	847,521	237,731	591,913
Administrative Projects	186,044	69,220	42,878	782,869	168,186	847,698
Total Capital Improvement Projects	**3,979,272**	**3,095,514**	**3,279,628**	**14,638,433**	**2,590,721**	**14,682,682**
Operating Transfers Out						
General Fund	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648
Capital Projects - Streets	572,818	225,698	61,010	79,758	1,443,419	-
Capital Projects - Parks & Trails	13,852	59,837	-	65,818	240,620	24,750
Capital Projects - Facilities	-	-	-	-	58,516	-
Capital Projects - Administrative	-	118,672	40,000	-	-	117,394
Total Operating Transfers Out	**1,771,170**	**785,087**	**1,706,098**	**2,163,232**	**3,760,211**	**1,552,792**
Total Expenditures &Transfers Out	**24,672,850**	**23,582,362**	**28,274,848**	**40,033,461**	**28,178,050**	**40,646,001**

STAFFING INFORMATION

SUMMARY OF EMPLOYEE SALARY & BENEFITS

The City of Saratoga's total salary and benefit expenditures are budgeted at $8.5 million dollars in FY 2016/17, representing approximately 21.3% of total budgeted expenditures. Approximately $7.6 million or 89.4% of labor costs reside in the General Fund and represent 38.5% of the General Fund's budgeted expenditures. The addition of a full-time staff position and annual labor increases from cost-of-living-adjustments (COLA), employee step increases, pension cost increases, and insurance premium increases resulted in a large increase in labor costs. The increases were offset in part by turnover in 3 positions in the Development Department, and the subsequent lower wages and pension tiers for the new employees.

Organizational Changes

Another change for the Development Department will occur in FY 2016/17. For a number of years, both Planning and Building staff have shared various code compliance duties. This arrangement worked fine during the recession as planning and building activity had decreased and staff could take on additional duties. However, with development activity increasing over the last few years, the lower priority code compliance work was delayed or put off indefinitely. And with more construction, there was an added level of code related complaints. Council requested staff address the issue and provided funding for some contract code enforcement services during FY 2015/16 while staff worked internally to develop a work program and assess the options. Options were brought to Council at the Budget Study Session, and Council recognized the desired level of service to respond to code matters required the hiring of a full-time Code Compliance Officer position. The FY 2016/17 budget includes salary & benefit funding for this purpose.

The remaining staff positions remained stable. With ever-increasing labor costs, City services are expected to remain at current levels, with staff levels managed closely to ensure operations remain sustainable.

Budget Strategies

As a minimum-services contract city, Saratoga has long seen the benefit of minimal staffing enhanced through contract and temporary staffing on an as-needed basis. Periodic and ongoing staffing augmentation is typically utilized for landscape maintenance services, recreation and facility services, development services, and attorney services. The City finds that the contract services arrangement with the Santa Clara County Sheriff's Office provides a much higher level of police service, and with a cost-effective service structure, than could be attained in-house with City resources. Dedicated Sheriff Officers and staff are assigned to the City, although personnel and services easily adjust as circumstances warrant. This beneficial arrangement provides for a high level of expertise, equipment, and communication resources integrated into the smaller city service level on a day-to-day basis.

The City's personnel costs have remained manageable through long-term strategies. While neighboring cities raised employee benefits to an enhanced 2.5% or 2.7% @ 55 pension plan during the economic bubble, the City's employee benefit structure remained at a sustainable 2% @55 pension plan. This lower benefit plan has and will continue to provide significant labor costs savings to the City in future years. In other cities, the enhanced plan costs will increase in cost to almost double the City's standard plan. Additionally, the City does not provide retiree health benefits to employees, thereby eliminating another very costly liability that many cities are struggling under.

As a result of employee benefit restraint, the City managed to maintain core services and minimize impacts to residents and employees alike during the economic downturn. While there were a number of employee layoffs and furlough days, they were minimal in comparison to some other cities, and residents were provided a mostly consistent level of services throughout FYs 2009/10 – 2012/13. The added benefit of employee retention throughout these four difficult years added to institutional knowledge and efficient operations that continues today.

Employee Compensation and Benefits

The City's salary and benefit expenditure growth will continue to be constrained in the years to come by employee turnover and retirements. The 2011 MOU negotiations established reduced pension benefits for employees, and lower medical benefits for new employees. And subsequent State legislation known as PEPRA reduced retirement benefits for future employees not yet a member of the CalPERS pension plan system. New City employees fall under reduced pension plan benefits. 'Classic' CalPERS members hired on or after May 12, 2012, go into a second tier CalPERS retirement package of 2% @60. New CalPERS members (new CalPERS enrollees hired after January 1, 2013) fall into a 2% @62 pension plan third tier. The annual savings equals the difference between the pool-specific rates times the respective second and third tier payroll. Annual saving from implementing these new tiers will be small at first, although savings are expected to increase up to $300,000 per year in about 10 years.

The 2015 MOU negotiations focused on reducing long-term employee medical benefits and increasing new employee medical benefits, to come to a standardized level of medical benefits for all employees. Medical benefits now provide a cost sharing arrangement so that employees pay for 50% of the medical insurance premium growth into the future.

Salary and budget projections are prepared using known data on current employees, current MOU provisions, and California Public Employees' Retirement System (CalPERS), medical, dental, vision, long-term disability, and life insurance premiums. In some years, these projections are predictable, and in others there is fluctuation, such as when MOUs expire and new MOU provisions are scheduled to be put into place. The City does not use a vacancy factor for salary projections as typically there is very little turnover, and most positions require temporary backfill or a quick recruitment process due to the City's limited staffing. Most staff positions are at top step, and health insurance benefits are budgeted at the employee's current status (Single/Double/Family) under their chosen health insurance plan to provide more accuracy in the total salary and benefit costs. A payroll expense buffer is built into budgeted salary numbers to offset unknown cost impact which may occur during the fiscal year, and to fund terminations, turnover or disability backfill, PTO buyouts, excess overtime, and the Compensated Absences Reserve in compliance with policy, if needed at year-end.

Personnel costs are comprised of salaries for full and part-time personnel, inclusive of holidays and paid time off and benefits which includes health, life and disability insurances, and retirement contributions. Annual wage increases and benefit adjustments are negotiated under each bargaining unit's Memorandum of Understanding (MOU) contract.

Memorandums of Understanding

Effective in January 2016, the Saratoga Management Association, representing the four Department Directors, disbanded and are now classified as unrepresented, along with the City Clerk/Assistant to the City Manager, the Finance and HR Managers, the HR Technician, and the two Public Works Managers. The City Manager, also unrepresented, has a negotiated contract. The remainder of benefitted employees are represented by one of two bargaining units: 1) the Saratoga Employees Association (SEA) with 33 full and part-time employees, and 2) the United Brotherhood of Carpenters and Joiners of America Local Union No 2236 (UNION) for the thirteen Public Work's Corporation Yard staff. Hourly (un-benefited, temporary) staff are not represented by associations. The two bargaining units entered into a four year MOU agreement effective through June 30, 2019, and the Council provided a resolution to the unrepresented group approving compensation and terms of employment similar to the bargaining unit agreements.

Wages

Salaries are adjusted as defined by the MOUs or resolution, and typically provide cost of living adjustments based upon the annual average for the 12 month period of January 1 to December 31 of the U.S. Department of Labor, Bureau of Labor Statistics, "All Urban Consumers (CPI-U)" for the San Francisco-Oakland-San Jose region. Effective with the 2011 MOUs, employees pay the full 7% CalPERS employee contribution from their wages. Per State law, the City Manager's wage increase is based on the California Department of Industrial Relations (DIR) Cost of Living adjustments rather than the US Bureau of Labor Statistics.

Employee Benefits

The City provides limited benefit coverage for medical insurance, and full benefit coverage for dental, life, and long-term disability insurance to its benefitted employees. The City pays the Employers share of the CalPERS pension plan benefits on behalf of its eligible employees.

The City contracts for health insurance through CalPERS, offering employees a choice of all CalPERS offered medical plans. Although CalPERS has substantial negotiating powers, health insurance premiums continue to increase each year. The 2015 MOU negotiations changed the medical insurance benefits to provide an $800 base contribution for Single employees, $1600 for Employee + One plans, and $2,080 for Employee + 2 plans, beginning calendar year 2016. Per the MOU, the City's base will increase by 50% of the average medical premium increase in future years, and employees must pay the remainder of the insurance premium.

The City contracts with *Ameritas* for its dental insurance provider, and with *Principal* for Life and Disability (AD&D) Insurance. Dental insurance premiums and Life and AD&D premiums are paid 100% by the City. Employees may elect to enhance their AD&D coverage through the group plan.

Currently, the City self-funds short-term disability coverage for 75% of wages after an employee's paid time-off is exhausted, up until long-term coverage activates at six months. Employees have the option to enhance their long-term disability and life insurance plans, and to obtain vision care coverage through a group plan.

Pension Plans

The City of Saratoga provides a CalPERS administered cost-sharing, multiple employee pension plan benefit plan to employees. As the City has fewer than 100 employees, the City is part of a risk pool rather than a stand-alone plan. All city benefitted employees fall into the 'Miscellaneous Employees' pension pool. Public safety services are contracted through Santa Clara County Sheriff's Office and their personnel belong to the County. Council Members have the option to join the City's CalPERS pension plan, with three of the five currently electing to do so.

Risk Pools - Newly hired city employees were provided the "2% @55 Risk Pool" (Tier 1) pension plan benefit up until May 12, 2012, after which new employees were provided the "Miscellaneous 2% @60 Risk Pool" (Tier 2) pension benefit. Subsequently, the Public Employee Pension Reform Act of 2012 established new defined benefit plans to lower pension benefit costs for all future California government employees. Per State law, effective January 1, 2013, all 'new' miscellaneous employee members shall be placed into a "2% @62" defined benefit plan (Tier 3). A couple of different plan options were provided for new Public Safety members. 'New' member status applies to new hires that are not current CalPERS members, or those members with a break in service of 6 months or longer.

At the present time, the majority of City of Saratoga employees and Council Members fall into the Tier 1, 2% @55 risk pool plan. As of July 1st, 2016, the plan breakdown is: 43 in Tier 1 (74.1%), 10 in Tier 2 (17.2%), and 5 in Tier 3 (8.6%). This ratio will change each year with turnover and retirements, although Tier 1 employees will only decrease as time goes on.

Pension benefit costs - The City's payment of CalPERS Contribution Rates is comprised of employee and employer contributions. The Employee Contribution Rates under the 2% @55, and the 2% @60 benefit plans is constant at 7%. Under the new 2% @62 plan rate, the Employee Contribution Rates will be determined each year through an actuarial valuation, with the employee responsible for approximately 50% of the cost. While the employer portion of the PERS normal cost has increased slightly, the employee contribution has remained constant at 6.5%. A history of recent Saratoga's Employer Contribution Rates for the various risk pools are shown in the table below.

Fiscal Year	2% @55 Employer Contribution Rate	2% @60 Employer Contribution Rate	2% @62 Employer Contribution Rate
FY 2010/11	11.863%		
FY 2011/12	12.856%	8.438%	
FY 2012/13	13.031%	8.552%	
FY 2012/13 - Revised	11.040%	8.552%	6.70%
FY 2013/14	11.603%	8.768%	6.70%
FY 2014/15	12.330%	8.715%	6.70%
FY 2015/16	9.353%	7.510%	6.730%
FY 2016/17	9.558%	7.809%	6.93%
FY 2017/18 *(projected)*	9.6%	7.8%	6.9%

A couple of items of note:

1. FY 2012/13 shows two rates – the second rate line shows a decrease of approximately 2% due to the payoff of the side fund liability in mid-FY 2012/13.

2. FY 2015/16's 2% @55 rates reflect a significant decrease from the prior year as the Unfunded Accrued Liability (UAL) funding costs are now separate from the normal pension charges. Beginning in FY 2015/16, annual UAL payments are assessed as a flat dollar amount rather than a percentage of payroll.

Actuarial Assumptions - Employer rates are based on CalPERS' principle assumptions, including but not limited to an Investment Rate of Return and an Annual Payroll Growth Rate. Various agency-based factors such as number and age of employees, increases and decreases in employee FTEs and employee wages, and impacts from other agencies in the benefit plan pool are all contributing factors in the calculation.

Since 2003, the established CalPERS actuarial assumption held was the value of its stock, bonds and other holdings would increase by 7.75% a year on average. And in fact, CalPERS annualized Investment Rate of Return (IRR) had averaged slightly higher than the 7.75% target – until the economic downturn began in 2008. Since then, with returns heavily diminished, CalPERS staff has repeatedly requested the Investment Rate of Return be adjusted downward. In March 2012, the CalPERS Board agreed to a reduction in the IRR to 7.5%, to be phased in over two years. This IRR change impacted Miscellaneous Employer Contribution Rates by increases of around 1%, and up to 2%, while most Public Safety Plan's Employer Contribution Rate increased by 3%. In the first year (FY 2013/14) the rate increased by only .6%, and in the second year, by .73%. Saratoga's increases were minimal most due to having a lower benefit plan. Unfortunately, CalPERS staff believes this IRR rate decrease is insufficient, and continued to ask for a further decrease down to 7.25% In FY 2015/16, the CalPERS Board agreed to lower the rate again, but over a long term plan that allow very small decreases only in positive investment years.

Rate Smoothing Policies – The severity of the economic downturn negatively impacted the CalPERS portfolio's actuarial value of assets, which prompted actuarial staff to adjust their existing methodology. Initially, the result was a widening of the corridor for several years, with a smoothing policy that spread investment returns over a rolling 15 year period, and experience gains and losses paid over a rolling 30 year period. This methodology led to stabilized rates for the first few years, but CalPERS quickly came to understand this policy would understate risk as there was slow progress towards full funding. Additionally, the impact from rolling the smoothing and amortization periods would lead to unknown rate peaks and a lack of transparency.

With the issuance of a new accounting standard that required 1) the reporting of actual pension liability, not just pension funding, and 2) favored closed periods without smoothing, CalPERS approved a further change in their amortization and smoothing policy in April of 2013. CalPERS now employs a policy that pays for all gains and losses over a fixed 30 year period, with the increases or decreases in the direct rate spread over a 5 year period – meaning rates will ramp up for five years, plateau for twenty years, and ramp down over the final 5 years. This methodology will improve the funded status in the long term and significantly reduce the probability of employer contribution rates increasing by more than 5% of payroll in a single year. The adoption of the new method will impact employer contribution rates beginning in FY 2015/16. Along with this actuarial modification, CalPERS decided to separate pension costs for current year liabilities from costs related to actuarial assumption changes for prior year liabilities, known as the UAL. This change will provide better rate stability, and payment option for Cities.

Actuarial Assumptions – As part of CalPERS' ongoing actuarial analysis, the various demographic assumptions are reassessed on a rotating basis. The update review conducted in 2013 revealed mortality and retirement age factors changed considerably, with impacts possibly impacting payroll by as high as 2 – 4% of payroll. The impact to Saratoga is minimal due to the City's participation in the lower-cost 2% @55 pension plan. The recommended update changes were adopted by CalPERS in February 2014, and are reflected in the very small increase seen in the FY 2016/17 rates.

Even though the economic downturn and demographic update negatively impacted investment returns, the "Miscellaneous 2% at 55 Risk Pool" was impacted less because the plan design was based on actuarially sound principles and experience data. The other enhanced plans, such as (2.5@55, 2.7@55 for miscellaneous, 3%@50 or 55 for Public Safety) were built based on short-term assumptions, which were estimated – not realized, and ultimately proved to be fiscally unsustainable. Those plans are expected to experience much larger PERS rate increases in the coming years. Under PEPRA, the higher plan benefits will be phased out as employees leave the workforce.

Summary - With the new amortization and smoothing policies and ever-changing actuarial assumptions, Saratoga's pension costs will continue to increase in the upcoming years. Because the City has taken measures by paying down the Unfunded Liability and standardizing the annual UAL payment at an accelerated payment level, the UAL will be paid off sooner, and the susceptibility to rate volatility will be decreased in future years. This proactive fiscally responsible approach will allow the City to address economic impacts during inevitable future economic downturns, and has contributed toward the City's efforts to operate under a financially sustainable strategy.

PEMHCA

Section 22892 of the Public Employees' Medical and Hospital Care Act (PEMHCA), establishes contract agencies minimum monthly health premium contribution for their participating active membership. The employer contribution is adjusted annually by the board to reflect any changes in the medical care component of the CPI-U. The minimum employer contribution is $125 for calendar year 2016, and $128 for calendar year 2017. The City includes this amount in the budget as an ongoing retiree cost, which currently amounts to $27,324 per year for an estimated 18 participating retirees.

TOTAL FUNDED POSITIONS BY DEPARTMENT

Full Time Equivalents (FTE)	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
City Manager's Department					
City Manager	1.00	1.00	1.00	1.00	1.00
Exec Assistant to CM / Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
City Clerk/Assistant to the City Manager	1.00	1.00	1.00	1.00	1.00
Administrative Analyst I/II	1.00	1.00	1.00	1.00	1.00
TOTAL FTE's	**4.00**	**4.00**	**4.00**	**4.00**	**4.00**
Administrative Services Department					
Administrative Services Director	1.00	1.00	1.00	1.00	1.00
Finance Manager	-	1.00	1.00	1.00	1.00
Accountant I/II	0.90	0.90	0.90	0.90	0.90
Accounting Technician/Lead	3.00	3.00	3.00	3.00	3.00
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
Human Resources Technician	-	0.75	0.75	0.75	0.75
Information Technology Administrator	1.00	1.00	1.00	1.00	1.00
Information Technology Technician	-	1.00	1.00	1.00	1.00
TOTAL FTE's	**6.90**	**9.65**	**9.65**	**9.65**	**9.65**
Community Development Department					
Community Development Director	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	2.00
Planner I/II	2.00	2.00	2.00	2.00	1.00
Plan Check Engineer	1.00	1.00	1.00	1.00	1.00
Senior Arborist	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	-	-	-	-
Sr. Building Inspector/Plan Checker	-	1.00	1.00	1.00	1.00
Building Inspector	2.00	2.00	2.00	2.00	2.00
Permit Technician	-	1.00	1.00	1.00	1.00
Office Specialist III	2.00	2.00	2.00	2.00	2.00
Code Compliance Officer	-	-	-	-	1.00
TOTAL FTE's	**11.00**	**12.00**	**12.00**	**12.00**	**13.00**
Public Works Department					
Public Works Director	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00
Assistant/Associate Engineer	1.00	1.00	1.00	1.00	1.00
Administrative Analyst I/II	0.90	1.00	0.90	0.90	0.90
Office Specialist II/III	1.75	1.75	1.75	1.75	1.75
Parks Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Parks Maintenance Lead	1.00	1.00	1.00	2.00	2.00
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	6.00	6.00	6.00	5.00	5.00
Street Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Street Maintenance Lead	1.00	2.00	2.00	2.00	2.00
Street Maintenance Specialist	1.00	-	-	-	-
Street Maintenance Worker I/II/III	4.00	4.00	4.00	4.00	4.00
TOTAL FTE's	**20.65**	**20.75**	**20.65**	**20.65**	**20.65**

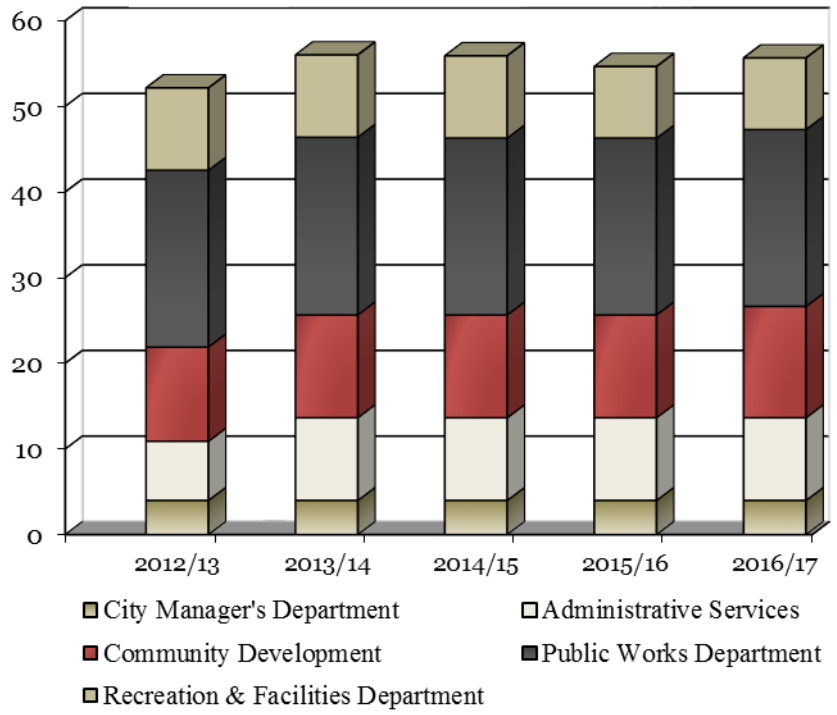
TOTAL FUNDED POSITIONS BY DEPARTMENT

	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Recreation & Facilities Department					
Recreation & Facilities Director	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor	1.00	1.00	1.00	0.90	1.90
Recreation Coordinator	2.00	2.00	2.00	1.85	0.85
Facility Coordinator	0.60	0.60	0.60	0.60	0.60
Office Specialist II/III	1.00	1.00	1.00	1.00	1.00
Facility Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Facility Maintenance Lead	1.00	1.00	1.00	1.00	1.00
Facility Maintenance Worker I/II/III	2.00	2.00	2.00	1.00	1.00
TOTAL FTE's	**9.60**	**9.60**	**9.60**	**8.35**	**8.35**
TOTAL STAFF FTEs	**52.15**	**56.00**	**55.90**	**54.65**	**55.65**

FUNDED HOURLY STAFFING BY DEPARTMENT

	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
City Manager's Department					
CMO Intern	-	320	320	-	-
Executive Assistant (backfill)	-	120	136	750	960
Temporary Pool Hours	-	940	-	-	-
Administrative Services Department					
Senior Accountant	1,200	200	-	-	-
IT Technician	2,000	-	-	-	-
HR Technician	1,568	-	-	-	-
HR Intern	-	320	320	-	-
Graphic Design Assistant	-	-	-	150	-
Community Development Department					
Office Specialist III	800	800	800	940	-
Planning Intern	940	-	320	480	320
Project Manager	-	-	-	-	1,335
Public Works Department					
Engineering Inspectors	2,760	2,760	2,760	2,760	2,760
Maintenance Worker	-	-	-	999	999
Engineering Intern	-	-	-	-	320
Recreation & Facilities Department					
Facility Attendents	1,500	1,500	1,750	1,900	1,900
Recreation Leaders	500	3,335	3,300	2,178	2,004
Graphic Design Assistant	-	-	-	850	-
Student Intern	-	-	-	480	320
Asst Recreation Coordinator	-	-	-	-	1,000
TOTAL ANNUAL HOURS	**11,268**	**10,295**	**9,706**	**11,487**	**11,918**
Temporary Hours converted to FTEs	5.42	4.95	4.67	5.52	5.73
TOTAL FTE's	**57.57**	**60.95**	**60.57**	**60.17**	**61.38**

STAFFING BY DEPARTMENT
FIVE YEAR HISTORY

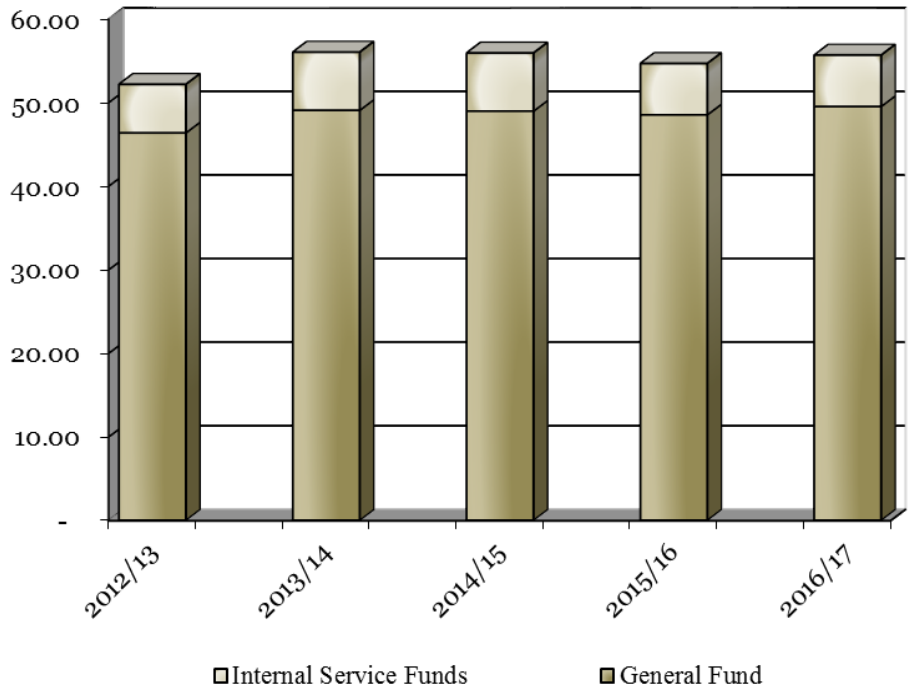


TOTAL STAFF BY DEPARTMENT

Full Time Equivalents (FTE)

	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
City Manager's Department	4.00	4.00	4.00	4.00	4.00
Administrative Services	6.90	9.65	9.65	9.65	9.65
Community Development	11.00	12.00	12.00	12.00	13.00
Public Works Department	20.65	20.75	20.65	20.65	20.65
Recreation & Facilities Department	9.60	9.60	9.60	8.35	8.35
TOTAL STAFF BY DEPARTMENT	**52.15**	**56.00**	**55.90**	**54.65**	**55.65**

STAFFING BY FUND
FIVE YEAR HISTORY



TOTAL DEPARTMENTAL STAFF BY FUND

Full Time Equivalents (FTE)

	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
General Fund					
City Manager's Department	4.00	4.00	4.00	4.00	4.00
Administrative Services	5.70	7.35	7.35	7.35	7.35
Community Development	11.00	12.00	12.00	12.00	13.00
Public Works	19.95	20.05	19.95	19.95	19.95
Recreation & Facilities Department	5.70	5.65	5.65	5.20	5.20
Total General Fund FTEs	**46.35**	**49.05**	**48.95**	**48.50**	**49.50**
Internal Service Funds					
City Manager's Department	-	-	-	-	-
Administrative Services	1.20	2.30	2.30	2.30	2.30
Public Works	0.70	0.70	0.70	0.70	0.70
Recreation Department	3.90	3.95	3.95	3.15	3.15
Total Internal Service Funds	**5.80**	**6.95**	**6.95**	**6.15**	**6.15**
TOTAL FTE's	**52.15**	**56.00**	**55.90**	**54.65**	**55.65**

MAJOR REVENUE INFORMATION

MAJOR REVENUE SOURCES
FIVE YEAR HISTORY

The City of Saratoga receives revenues from various funding sources that flow into operations and infrastructure improvements. Primary revenues include property tax, sales tax, building permits, business licenses, and service fees. Other types of revenues the City receives include facility rental fees, revenues from governmental agencies (known as intergovernmental revenues), special district assessment payments and assorted operating and capital grants. The City's revenues are used for the administration of the city, for community services, and for infrastructure maintenance and improvement. The amount of revenues therefore, determines the level and types of operational services that a government can provide to their community.

One of the analytical tools used in the revenue projection process is the City's five year financial forecast for the General Fund. This forecast is developed early in the budget process by analyzing key factors such as prior year receipts, trending, and historical correlation, as well as broad macro trends and local-specific economic data for housing prices, market turnover, unemployment reports, and other related local, state, and national reports and legislation. Emerging trends are identified by analyzing the City's financial data in conjunction with information received from the State, County, various agencies, municipal finance groups, and from staff's practical expertise and judgment. Together, these factors help to project budgeted revenues for the upcoming fiscal year, and are adjusted throughout the process as new information becomes available.

Overall, for FY 2016/17, the City of Saratoga's Operating Budget revenues are projected to total $24.5 million, of which the majority ($20.2 million) of this revenue flows into the General Fund. Capital Budget Revenues and Transfers-In total $10.2 million, bringing total budgeted revenues to $34.6 million for the fiscal year.

Outside of the General Fund, Operating Budget revenues consist primarily of Internal Service Funds service charges (approximately $2.8 million). As this revenue is derived from internal billings to the City's organization and established for cost recovery accounting purposes and therefore not true revenue, these chargebacks are not included as a revenue category in the following analysis. Other non-General Fund Operating Budget revenues include General Obligation Bond Debt Service assessments and Special Revenue property tax assessments from Landscape & Lighting Districts.

Capital Budget revenues include all outstanding grant reimbursements that are formally obligated to Saratoga for capital projects, and which may or may not be received in the current budget year but are included to validate budgeted project expenditures. The net effect of this project tracking method is to overstate both revenue and expenditure in the Capital Budget as many capital projects represent multi-year appropriations.

Major Revenues are categorized by fund type in the following discussion: General Fund Operating Revenues, Non-General Fund Operating Revenues, and Capital Project Revenues.

GENERAL FUND MAJOR REVENUES

Each of the following Major Revenue sources includes descriptions of the revenue, underlying assumptions that the revenue estimates are based on, and current revenue trends. The accompanying charts illustrate five years of receipts in the darker color bars starting on the left side, with the budgeted year amount in a speckled bar on the far right.

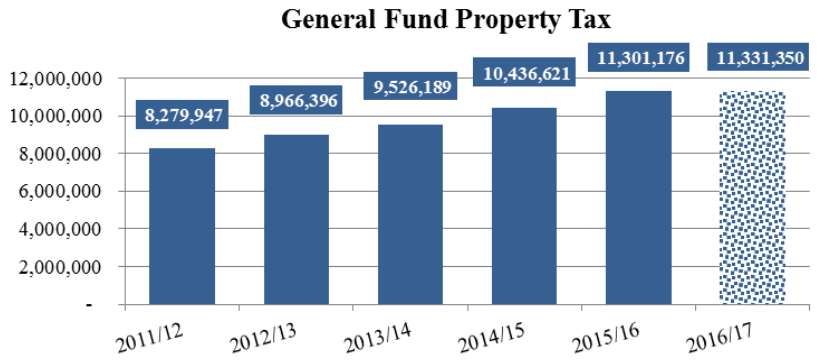
PROPERTY TAX

Property tax is imposed on real property (land and permanently attached improvements such as buildings) and tangible personal property located within the City. The 1% Ad Valorem tax assessed on Saratoga residents is allocated between the State, County, and local agencies that provide services based on residency. Saratoga, a minimum services city, has historically received less property tax than it was entitled to, due to a decision made by Santa Clara County to retain a portion of Saratoga's (as well as Monte Sereno, Cupertino, and Los Altos Hill's) Property Tax revenues for their own purpose.

Tax Equity Allocation - When Proposition 13 passed in 1978, property taxes were frozen at their current rate throughout the State. This action created significant problems for cities with low property tax rates. Subsequently, Section 98 of the California Revenue and Taxation Code was passed, establishing a minimum Tax Equity Allocation (TEA) of 7% of the 1.0% Ad Valorem tax as a condition for Counties to continue receiving trial court funding for their cities with low tax rates. Because Santa Clara County would receive less revenue from trial court funding than the additional property tax to be distributed to its four low tax cities (Saratoga, Cupertino, Los Altos Hills, and Monte Sereno), the County chose to retain the low tax rate and forgo the trial court funding. Subsequent State legislation was enacted which limited the four low property tax cities in Santa Clara County to just 55% of the 7% minimum allocation. In 2006, Assembly Bill 117 repealed the 55% limit legislation, however; in order for the legislation to have no effect on the State budget and therefore bypass the Appropriation Committee, the four cities were required to continue to remit the County's ERAF rate on these funds. Unfortunately, the ERAF rate the County remits to the State is much higher at 47.7%, than the four city's ERAF rates, which range from 7.53% to 17.37 %.

While AB 117 increased their share of the TEA payments, the higher ERAF rate meant the four cities continued to receive less and be treated differently than the State's other TEA cities. Efforts to pass a new Revenue and Taxation code that would assess the four cities at their own ERAF rates continued. In September 2015, the cities were finally successful. A FY 2015/16 budget trailer bill included a 5 year phase-in period that shifts the ERAF assessment from the County's 47.7% rate to each of the city's own ERAF rate at a pace of 20% per year so that by year 5, the cities will receive their full share of the allocation. For Saratoga, the decrease in ERAF rates to 17.14% equated to a total of approximately $650,000 in FY 2015/16, meaning revenue will increase by an additional $130,000+ each year.

Current Assumptions – During the economic recession, property values decreased. Valuation appeals streamed in, and the Assessor's Office reassessed properties and lowered assessed valuations as appropriate. As the valuation backlog was addressed, lower property values were established, which resulted in decreased property tax revenues in FY 2010/11. The decrease in property values led to both an increase in foreclosures and a decrease in property sales. This in turn caused a significant drop in property transfer tax and supplemental tax revenues. The County was still lowering property values in FY 2011/12 when the housing market began to pick up. As housing prices were low, sales picked up, meaning transfer and supplemental tax revenue increased, which in turn helped to stabilize total revenues.



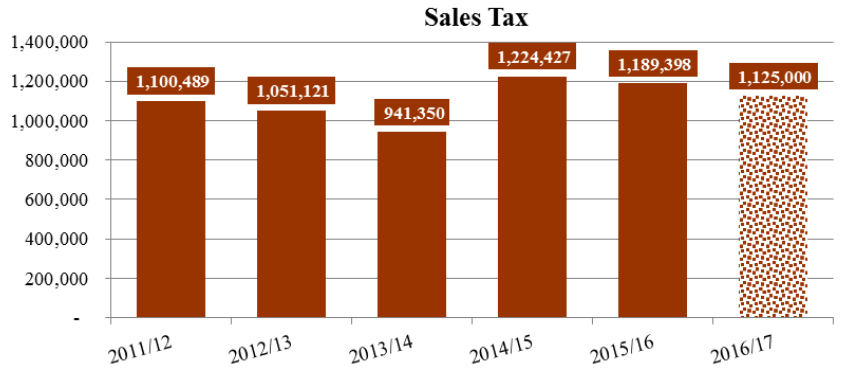
As shown in the chart, revenues have continued this upward trend at a significant pace. FY 2015/16 ended the year 8.28% higher than the prior year. This fast pace is expected to taper as the market slows with rapidly increasing prices, therefore the FY 2016/17 budgeted revenue is cautiously low, just slightly more than the prior year's revenue.

Overall, Saratoga was fortunate during the economic downturn as resident's property values fared better than many other cities throughout the bay area due to its excellent schools, beautiful neighborhoods, high-value homes, and stable residency. In addition, Saratoga saw a minimum number of foreclosures as most residents have above average incomes and were able to withstand the financial contraction.

SALES AND USE TAX

Sales Tax is imposed on retailers selling tangible personal property in California. Use Tax is imposed on the user of a product purchased out of state and delivered for use in California. The State receives 8.25 cents and the City receives 1 cent of the 8.75 cents paid on every dollar of taxable sales in the City.

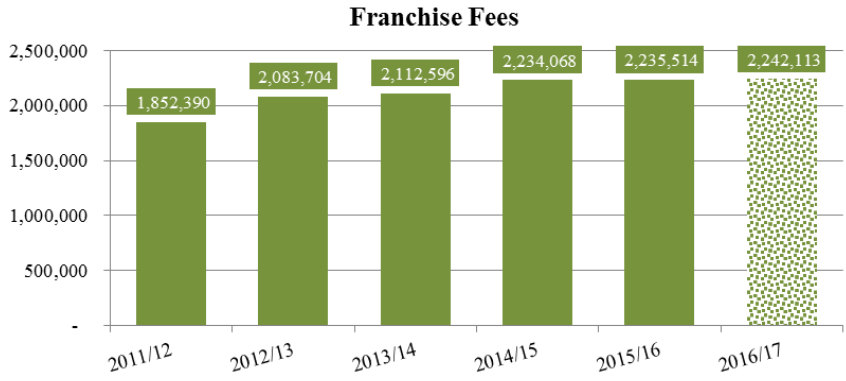
Under the Triple-Flip funding realignment of 2004, ¼ cent of the Sales Tax was pledged to pay for bonds, so the City's 1 cent share was restructured to be ¾ Sales Tax, and ¼ temporarily received as Property Tax. As the restructuring was temporary, the revenue continued to be classified as Sales Tax. With the bond paid off in FY 2015/16, the Triple Flip ended and an accounting true-up provided a small revenue increase. FY 2016/17 budget projection eliminates this true-up bump.



Saratoga is a largely residential community with limited retail sources, therefore Sales and Use Tax is small in comparison to other cities its size. The City's Sales Tax revenue is derived primarily from stable sources, such as restaurants, grocery and drug stores, and gas stations, and typically averages around $1.1 million per year. FY 2013/14 revenues is low as there was both a negative true up of prior year receipts and a late payment booked into the following fiscal year. In addition, FY 2014/15 reflects a positive correction of the overstated negative true-up, and a slight increase in Sales Tax receipts. FY 2015/16 reflects a slight bump from the Triple Flip closeout, and FY 2016/17 finally reflects what we expect to be a typical sales tax year. As the tax base mix is primarily restaurants with minimal retail, the City does not anticipate growth in this revenue stream in the future.

FRANCHISE FEES

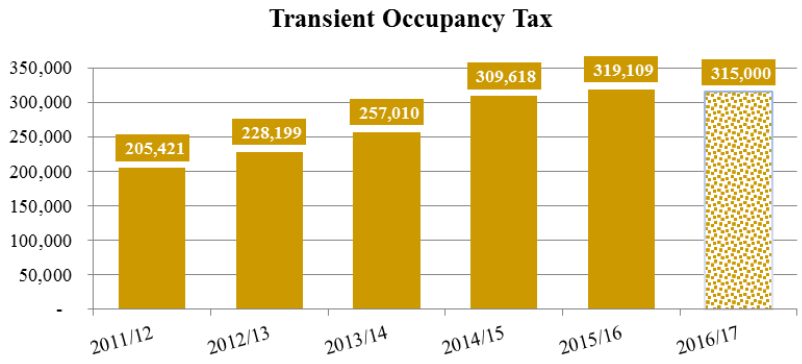
Franchise Fees are levied by the City on a variety of utilities. State agencies establish the franchise fee rates for utilities they regulate (i.e. 2% of gross revenues for gas and electricity), while other utility franchise fee rates are set by State law, such as a rate per linear feet of pipeline for water utilities. The State's cable service contract was adopted by the City, which set the contract at 5% of gross revenue, with an additional 1% set aside to fund capital expenditures for Public Education & Government (PEG) public television purposes. The City passes a portion of the PEG dedicated funding through to the Saratoga Community Access Television Foundation that provides services to both West Valley College and the City. The foundation has used the funds to update their studio equipment at both the college and the city.



With the exception of Solid Waste, franchise fee revenue is fairly stable from year to year, and is expected to grow in line with cost of living increases. Solid waste revenues are the exception. Rates have increased more rapidly over the years due to the quickly rising cost of environmental programs. The West Valley Solid Waste Joint Powers Authority, representing the cities of Saratoga, Campbell, Los Gatos, and Monte Sereno, provides for general fund franchise fees as well as dedicated funding revenues to fund the city's various state-mandated environmental programs, including the Household Hazardous Waste program, Santa Clara Valley/West Valley Non-Point Source program, street cleaning, storm drain cleaning, and environmental education programs.

TRANSIENT OCCUPANCY TAX

Transient Occupancy Tax (TOT) is levied on short term lodging rental guests who are occupying a rented room for 30 days or less. The City's TOT rate of 10% of the room rental rate is a tax charged to the occupant, not the hotel, motel, or inn. Rental operators are required to collect this tax and submit it to the City on a monthly or quarterly basis.

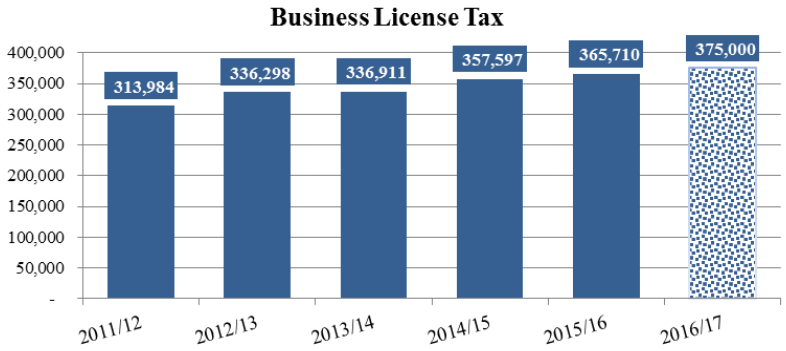


The City currently has two inns from which TOT revenue is collected. As the graph illustrates, this local revenue is closely aligned with and very reactive to the overall economy. The economic contraction which began back in FY 2008/09 resulted in a 30% downturn.

TOT began to uptick slightly with the economy in FY 2010/11. In FY 2011/12, revenues had climbed back to pre-downturn era levels, and subsequent years have since shown a steady climb in line with the booming economy. Although budgeted conservatively, FY 2016/17 is expected to remain consistent with current levels due to good economic times, the addition of the Levi Stadium and its mega-size entertainment venue, and the close proximity to the very popular Mountain Winery venue.

OTHER TAXES

Other Taxes are comprised of three taxes: Business License Tax; Supplemental Business License Tax (based on building permit valuations); and a Construction Tax of $1 dollar per square foot of new floor area as determined in the building permit process.



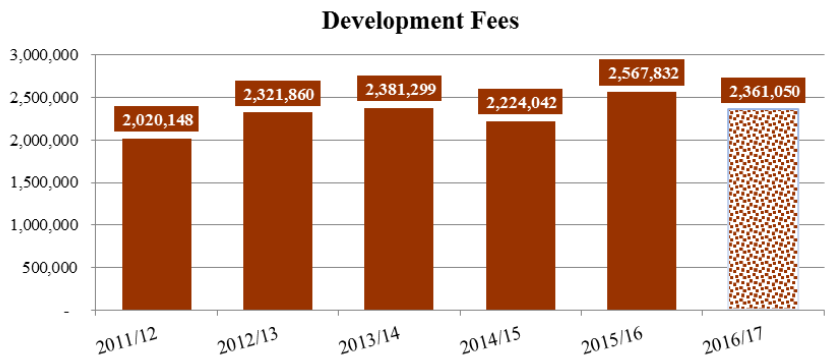
Business conducted in the City of Saratoga is subject to a municipal business license tax, unless excluded by code. The tax is not regulatory; however a business must be in compliance with City regulations in order to be issued a license to operate in the City.

The Supplemental Business License Tax is a development tax based on building permit value, thereby more fairly taxing a contractor's use of City's infrastructure based on the level of construction activity. The Construction Tax is based on additional living space, creating a tax nexus on the potential for increased residents.

In FY 2008/09, with the perception that there were many businesses operating in Saratoga without a business license, the City contracted with a business license audit firm to bring businesses into compliance. As a result, additional revenue was generated through assessments of two back years and the current year. This audit began just as the economic downturn was severely impacting development, therefore the additional revenue was offset by decreases in supplemental and Construction Tax. A sole subdivision project was responsible for slightly higher Construction Tax revenue in FY 2010/11, whereas an overall pick up in construction activity was responsible for growth in FY 2011/12. Continued growth in construction activity since then has steadily increased both Supplemental and Construction Tax revenues, and is expected to continue a slight increase into the near future.

DEVELOPMENT FEES

Development Fees are charged for services that primarily benefit the requestor, either as the homeowner or a builder. Development Fee services include planning reviews, planning applications, building plan reviews, engineering reviews, building inspections, and all permits, fees and costs associated with performing these services. These services are regulatory to ensure compliance with all applicable laws, and to ensure health and safety of the community.

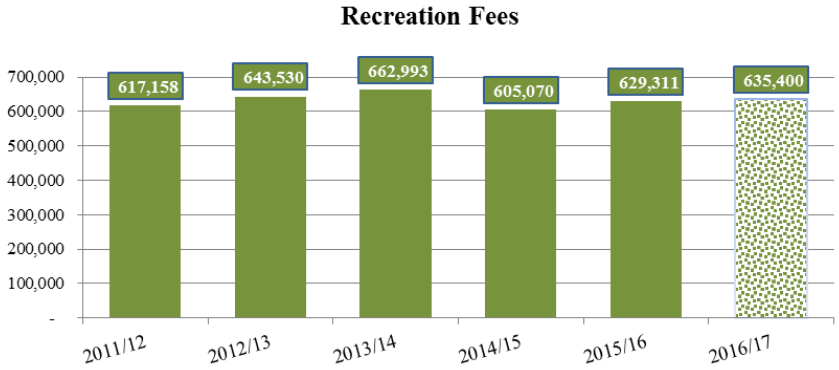


Although the entire community benefits from an enforced regulatory program, the service requestor initiates and benefits greatest from the development changes and should pay most, if not all of the costs. The City reviews development and other user fees each year to determine if the established fees are maintaining cost recovery objectives.

In the recession, development fee revenue dropped quickly and severely, going from $2.35 million in FY 2007/08 to $1.64 million in FY 2009/10. The return to 'normal' levels took more than four years, but has continued through FY 2015/16. A slightly lower revenue amount is budgeted for FY 2016/17 as a conservative projection, and as no large projects are expected. This base level of construction activity is expected to continue into the near future as the housing market remains very strong.

RECREATION FEES

City Council policy states Recreation Fees are subject to a 65% cost recovery objective as services rendered are primarily for the benefit of the requestor, but the classes, activities, and programs benefit the community as a whole. Recreation Fees come from sport camps, exercise classes, skill development, and various entertainment activities for all age groups and are available to both the Saratoga Community and non-residents.

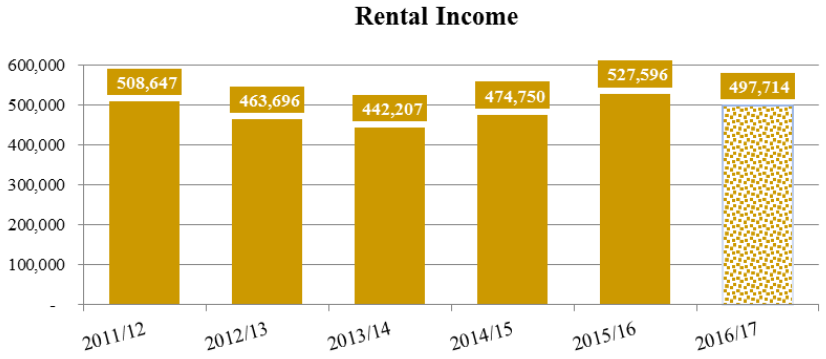


The City offers high-demand excursion trips throughout the year, and children's camps during the summer and winter holidays. Recreation services are primarily on a fee share basis with instructors, who either pay a fee to hold their classes on the premises, or are paid a portion of the fees received for the classes. Residents receive a discount fee for most class or camp categories.

Recreation Fee revenue is volatile, reacting both to economic conditions and external competition. Contrary to the economic downturn, FY 2010/11 revenues increased. This was due to added classes from the relocation of a popular dance school's program to the lower cost city facilities. In the following year, FY 2011/12 revenues saw a large decrease as a result of transitioning summer camps to a consultant contract structure. In FY 2012/13, revenues increased with the partial return of the camps to in-house staff. FY 2013/14 revenues increased further as more summer camp programs were brought back. Fierce summer camp competition has taken a toll on revenues over the last few years, however efforts are underway to grow recreation activity participation. FY 2016/17 revenue is expected to maintain the base level seen in the prior fiscal year.

RENTAL INCOME

The City maintains numerous indoor and outdoor facilities for use by the public. This includes the Community Center, the Theater Building, the Saratoga-Prospect Center buildings, the Historical Park buildings, the many parks and sport fields in Saratoga, as well as cell tower leases for wireless communication satellite antennas on City owned property. Facility staff oversees the upkeep of the various buildings and manages the facility rentals and hourly park rentals. While the Parks Division oversees the maintenance of parks and sport fields, Facilities manage the sport user group contracts and team use.

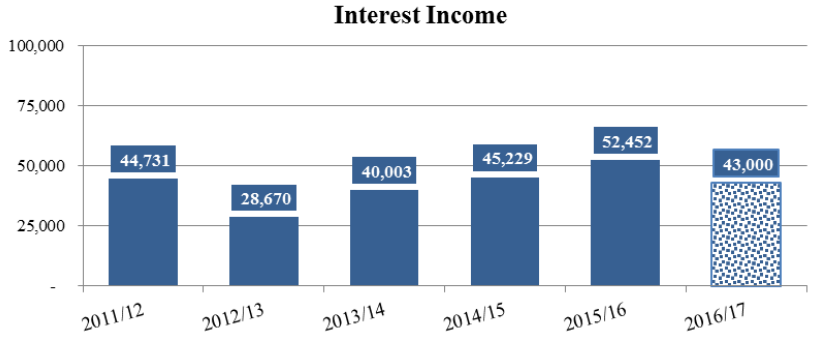


Unlike other revenue streams, Rental Income increased during the economic downturn, in part due to the low cost of the facilities, but also from the addition of the Saratoga Prospect Center facilities and a new sport user fields at Prospect High School and West Valley College.

A FY 2012/13 drop in revenue stems from the elimination of the West Valley Sport Field rentals. There were further decreases in FY 2013/14 with the loss of a cell tower lease. The consolidation of communication companies, and changes in technology are expected to continue in the future, which could further impact revenues. Sport user groups are also declining and leading to diminishing field rental fees. Room rentals are increasing slightly due to a couple of new rental arrangements.

INTEREST INCOME

The City earns interest on idle funds – meaning funds not immediately required for disbursement, such as funds accumulated for future use in operations and capital projects, and on funds held as reserves for specific purposes.



Saratoga's investment policy establishes a wide array of authorized and suitable investments in alignment with State government code; however the City's ongoing practice is to restrict investments to the Local Agency Investment Fund (LAIF), a conservative and prudently managed investment vehicle.

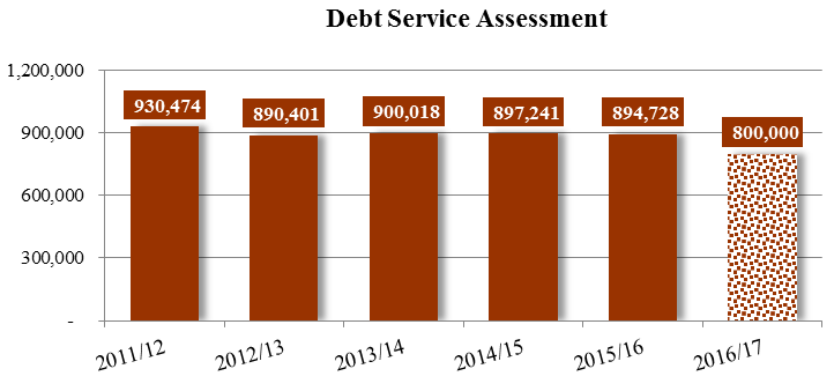
The City's Interest earning had been a significant income source in the past, with earnings approaching $700,000 per year. However, as the economy slipped into the Great Recession, interest rates dropped to below 1% at an astonishingly rapid pace, and idle cash was reduced due to lower revenues. As a result, the City's interest earnings fell quickly, and have remained at record lows ever since.

Average cash balance and interest rates are the key factors in projecting budgeted interest income. While revenues have improved and cash balances increased, the interest rates have continued at rock-bottom levels, thereby only minimal change is projected for FY 2016/17 interest income. Interest rates are expected to return to normal levels eventually, however the climb back up is expected to progress at a very slow pace, meaning the forecasted trend is fairly flat

NON-GENERAL FUND OPERATING REVENUES

G.O. BOND DEBT SERVICE ASSESSMENTS

In March 2000, the citizens of Saratoga approved the issuance of a General Obligation Bond to pay for improvements to the City's library building. With this bond approval, property owners are to be assessed a property tax levy over thirty years to fund the debt service (principal and interest payments) resulting from the bond issuance. The levy is assessed on property tax bills as a percentage of property tax valuation, in the same manner as schools or special district bonds.



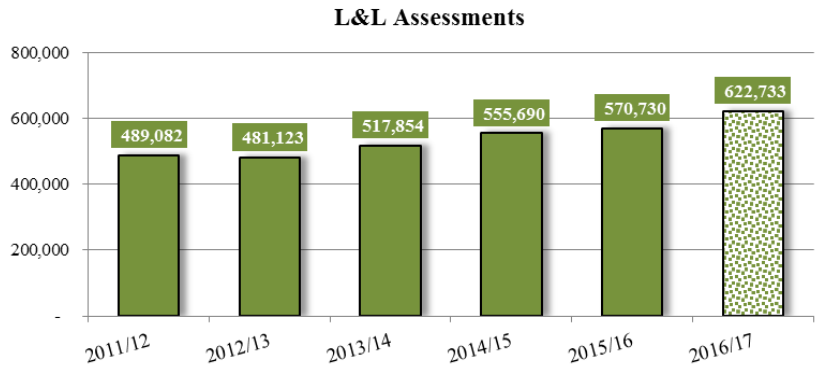
In prior years, the City's tax levy rate was structured to yield a total levy amount approximately equal to the fiscal year's debt service, however with rapidly rising property values, property tax receipts surpassed debt service payments each year, and the Debt Fund grew to exceed debt service payment requirements. Since FY 2009/10, the levy calculation was structured to assess slightly less than the debt service payment requirements to reduce property owner's levies at a consistent level and thereby bring the fund balance closer to annual funding requirements.

In early FY 2011/12, the G.O. Bond was refunded to take advantage of lower interest rates for the remaining twenty years of the bond term. This resulted in lower annual payments in the remaining years to come; with the annual levy continuing to decrease further based on both lower payments and a reduction in the fund balance.

LANDSCAPE & LIGHTING ASSESSMENTS

An Assessment District represents a defined group of properties which, by majority vote of the property owners, elected to authorize the City to assess levies on each parcel to pay for public improvements or services provided within a predetermined agreement for the benefit of the property owners.

The City currently has 28 Assessment Districts, and establishes more at residents request through a noticed community voting process. Some of the districts provide for street lighting services, others for landscaping services, and a few for both. Seven of the oldest districts are funded by property tax assessments as they were in effect prior to Proposition 13. The remainder of the districts, as well as some districts with property tax assessments, agreed to assess annual levies (known as benefit assessments) onto their tax bills to pay for city managed services. In FY 2013/14, a new type of assessment district was created to meet storm water runoff regulations. This new type of district provides swale maintenance for a hillside housing development for environmental purposes. This type of district is expected to increase with hillside property development as a result of environmental regulation requirements.



District expenses are generally consistent, requiring only minor adjustments each year for increasing utility and service costs. On occasion, improvement projects or repairs occur which require the district to have sufficient funds on hand to pay for these major expenses. The City strives to assess the parcels at a slightly higher level than expenditures for this purpose.

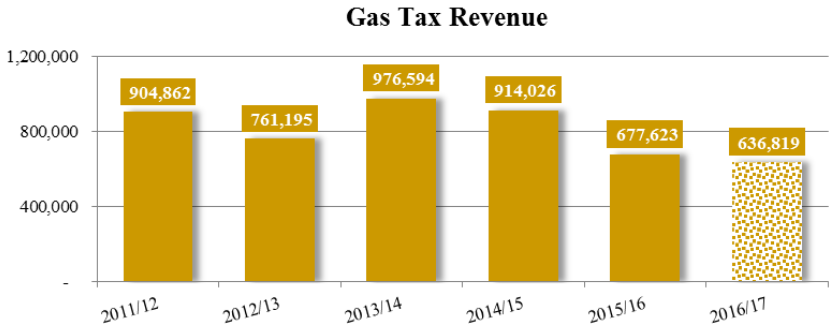
The growth in the graph above reflects both rising assessments and the addition of more L&L Districts over the last several years. The anomaly of the slight dip in FY 2012/13 was due to a reduction in assessment for a number of districts which were more than adequately funded.

In future years, revenues will continue to grow with utility and maintenance service increases and as districts are added. Council created a 50/50 Grant Match Program in FY 2014/15 to further entice neighborhoods to form assessment districts. This resulted in two new assessment districts so far.

CAPITAL PROJECT REVENUES

MOTOR VEHICLE FUEL TAX (GAS TAX) REVENUES

The State of California imposes excise taxes on transportations fuels, which in turn is allocated to Cities and Counties under various complex formulas. Gas Tax revenue is required to be recorded in its own account, and an annual "Streets Report" must be filed with the State each year to document how the funds were expended. State law requires all motor vehicle fuel tax funds allocated must be expended for the construction, improvements, and maintenance of public streets, which includes engineering and administrative costs incurred for the foregoing purposes.



Gas Tax Revenues are derived from the 18 cents per gallon tax on fuel purchased within city limits, as determined by the State's allocation formulas. For Saratoga, the key factors in projecting these revenues are historical revenues and the cost of gas – as well as the State's projections for the year. Typically, as gas prices rise, gas usage tends to go down. With the anticipation that gas prices will remain relatively low in the following years, coupled with the increasing number of electric and hybrid vehicles, as well as mileage increases in regular vehicles, gas tax revenues are expected to continue at a reduced level over the long term.

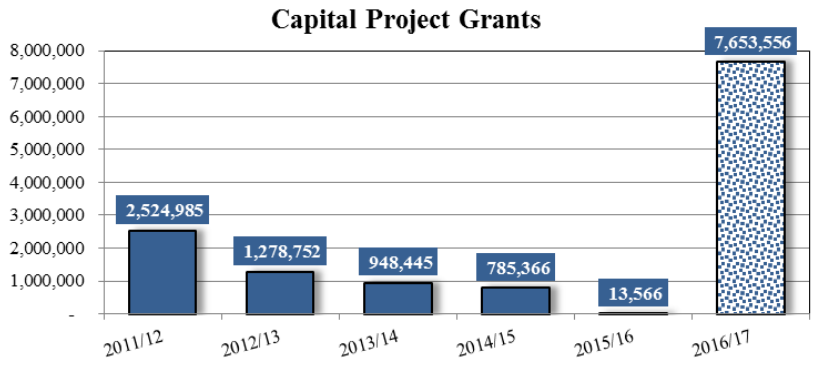
In FY 2010/11, Proposition 53 created a permanent restructuring of gasoline tax allocations to include a separate State transportation funding known as "Prop 42 Traffic Congestion Relief (TCR)" into the Gas Tax revenue structure. FY 2012/13 reflects a State take back for an error in the FY 2011/12 and 2012/13 allocations. FY 2013/14 returned to normal levels, however a shift in the State's allocation formula reduced the City's revenues in FY 2014/15. Due to significant gas price declines, the FY 2015/16 column reflects a sharp decrease in gas tax revenues, as does the budgeted 2016/17 fiscal year.

The severe drop in Gas Tax revenues has affected both State and local agency's ability to maintain streets. Coupled with the significantly reduced maintenance in recent years due to the economic downturn, declines in road conditions are widespread throughout the State. There is a great deal of concern and discussion around establishing a reliable and enhanced dedicated funding source for roadway maintenance. A number of state bills are in process that will either modify or revise the funding structure. As a result, at this point, the future revenue trend is unknown.

CAPITAL GRANT REVENUES

Grants are applied for and awarded from various Federal, State, and Local agencies, and occasionally, from a private donor. Grant awards are restricted for specific purposes and often require a percentage of matching funds. The City's capital grants are primarily obtained for street maintenance and improvements, bridge repairs, traffic safety improvements, and park improvements.

In the adjacent chart, the darker bars on the left reflect actual grant revenues received during each fiscal year, while the right side speckled bar represents budgeted revenues. As mentioned in the Capital Program budget, budgeted capital project revenues reflect all known and outstanding grant award appropriations at the time of budget adoption to validate appropriations for capital expenditures.



The net effect of this project tracking method is to overstate both revenues and expenditures in the Capital Budget as many capital projects are in reality, multi-year appropriations, not all received and . Hence, budgeted capital project grants far exceed the City's actual expectations.

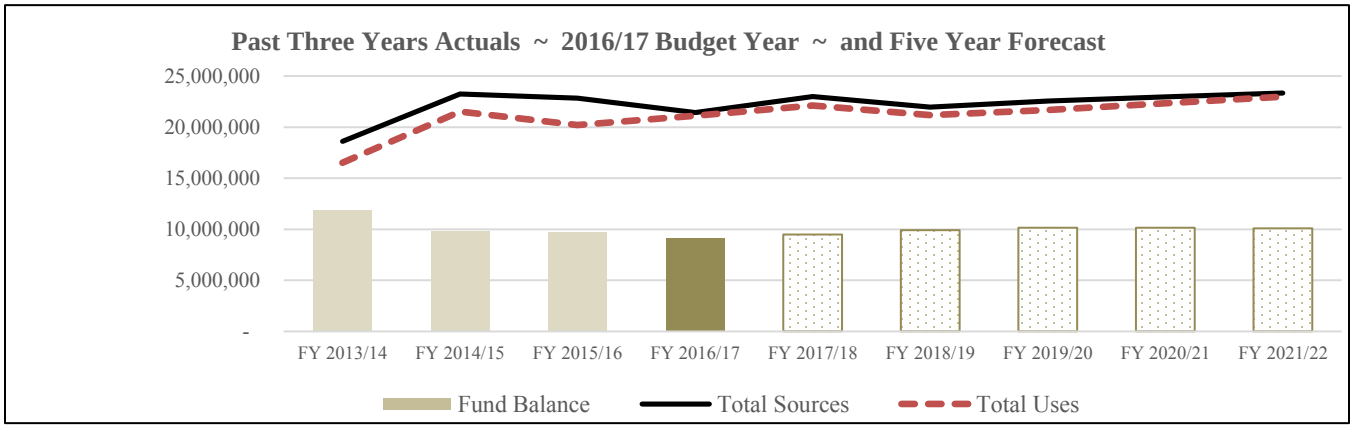
The City has been awarded a number of significant grants in the last few years. The most significant, a $4.8 million OBAG grant for roadway safety improvements along Prospect and Saratoga Avenues, will commence in FY 2016/17. Quito Road Bridge Replacement, Highway 9 Phase 4 project, and a number of other grant funded projects are still in the engineering stage, and are expected to be completed over the next several years.

LONG RANGE FINANCIAL FORECAST

CITY OF SARATOGA
GENERAL FUND FIVE YEAR FORECAST

	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Actuals	FY 2016/17 Budget	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
TOTAL SOURCES									
Property Tax	9,526,189	10,436,622	11,301,176	11,331,350	12,008,248	12,485,900	12,977,800	13,362,400	13,614,900
Sales Tax	941,350	1,224,427	1,189,398	1,125,000	1,111,000	1,122,100	1,133,300	1,144,600	1,156,000
Franchise Tax	2,112,596	2,234,068	2,235,514	2,242,113	2,266,949	2,292,300	2,318,200	2,344,700	2,371,700
Other Taxes	822,271	866,272	897,761	920,000	937,100	954,500	968,200	982,200	996,400
Total Tax Revenues	13,402,406	14,761,388	15,623,849	15,618,463	16,323,297	16,854,800	17,397,500	17,833,900	18,139,000
Fees & Services	3,466,510	3,198,848	3,624,783	3,344,447	3,416,000	3,478,300	3,516,500	3,526,400	3,534,800
Other Operating Revenues	1,399,451	16,320,698	17,157,813	1,269,616	1,173,160	1,193,380	1,214,520	1,236,660	1,260,100
Total Operational Revenues	4,865,960	19,519,546	20,782,596	4,614,063	4,589,160	4,671,680	4,731,020	4,763,060	4,794,900
Transfers In	167,050	-	267,918	-	-	-	-	-	-
TOTAL REVENUES	**18,435,416**	**19,519,546**	**21,050,514**	**20,232,526**	**20,912,457**	**21,526,480**	**22,128,520**	**22,596,960**	**22,933,900**
Plus Use of FB Reserves	187,260	3,732,317	1,814,456	1,210,648	2,087,083	461,682	429,139	364,761	406,004
TOTAL SOURCES	**18,622,676**	**23,251,863**	**22,864,970**	**21,443,174**	**22,999,539**	**21,988,162**	**22,557,659**	**22,961,721**	**23,339,904**
TOTAL USES									
Salary & Benefits	6,408,421	6,484,653	6,814,802	7,592,717	7,811,394	8,044,823	8,285,325	8,533,312	8,788,463
UAL Payments	-	3,294,619	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Operating Expenditures	7,526,311	7,777,256	8,428,407	9,081,204	9,171,672	9,552,586	9,806,411	10,211,388	10,478,629
Cost Allocation Charges	2,202,844	2,325,823	2,455,758	2,535,474	2,600,252	2,664,310	2,730,780	2,799,740	2,871,300
Total Operational Costs	16,137,576	19,882,351	18,198,967	19,709,395	20,083,318	20,761,719	21,322,516	22,044,440	22,638,392
Transfers Out	380,880	1,666,098	2,017,656	1,410,648	2,037,083	411,682	379,139	314,761	356,004
TOTAL EXPENDITURES	**16,518,456**	**21,548,449**	**20,216,623**	**21,120,043**	**22,120,401**	**21,173,401**	**21,701,655**	**22,359,201**	**22,994,396**
NET OPERATIONS	**2,104,220**	**1,703,414**	**2,648,347**	**323,131**	**879,139**	**814,761**	**856,004**	**602,520**	**345,508**

	FY 2013/14 Actuals	FY 2014/15 Actuals	FY 2015/16 Actuals	FY 2016/17 Budget	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
GENERAL FUND BALANCE RESERVES (at Year End)									
Other Unassigned	2,422,326	1,779,489	323,131	879,139	814,761	856,004	602,520	602,520	345,508
Operational Reserves	3,166,344	2,911,530	3,019,827	1,344,427	1,261,883	1,147,506	1,138,748	1,138,748	835,264
Economic Reserves	3,754,030	3,115,712	2,910,147	3,410,147	3,910,147	4,410,147	4,910,147	4,910,147	5,410,147
Emergency Reserves	2,492,934	2,000,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
TOTAL FUND BALANCE	**11,835,634**	**9,806,731**	**9,753,105**	**9,133,713**	**9,486,791**	**9,913,656**	**10,151,415**	**10,151,415**	**10,090,919**



LONG RANGE FINANCIAL FORECAST ANALYTICS

The Five Year General Fund Forecast schedule looks forward five years under static assumptions, using prior year actuals, trends, and the FY 2016/17 adopted budget as the base. The forecast does not project future operational changes as those are the prerogative of the City Council and management; therefore, the forecast provides revenues and expenditure data based on both conservative estimates, current direction and reasonable assumptions.

Operationally, funding allocation changes are made year by year to adjust to shifting information, resources, and circumstances. The objective of this forecast is to act as a bell-weather to identify anticipated impacts that should be addressed in the future. For instance, a negative net operation amount in an out-year does not reflect what will happen, but rather a warning that projected revenues is not keeping pace with projected expenditure growth, and that operational adjustments will be required.

The forecast is limited to the General Fund, as this is the City's primary operating fund. All general tax revenues and other receipts not allocated by law or contractual agreement to other funds are accounted for in the General Fund. Expenditures of this fund include most general operating expenses traditionally associated with governments such as city administration, development services, public works, and public safety. Overall, the General Fund accounts for and represents the main operational activities of the City, and is of primary importance for long-term planning. Other funds have focused, specific purposes, and are therefore not included in the forecast. Internal Service Funds are funded by charges to operational programs (primarily General Fund) for support functions, and are therefore an accounting tool. Capital Fund revenue comes from dedicated external funding and prior year General Fund net operations for administrative and infrastructure improvement projects. Special Revenue and Debt Service Funds are independent of the General Fund; revenues come from assessments or fees, which must be used for their specific purpose, and are therefore not available for general operations.

As stated above, the General Fund forecast is based upon reasonable assumptions, both for revenues and expenditures. These assumptions are conservative; revenues are at the low end of projections, and expenditures are fully budgeted to achieve the stated workplan, under that principle that it is better to expect less revenue and higher expenses and wind up with net operational savings that can be utilized for new initiatives and improvement projects, than to be caught short of funds and having to adjust in mid-stream. Summaries of the five year forecast assumptions follows.

General Fund Revenue Assumptions:

Property Tax –We continue to see significant growth in Secured Property Tax, in part due to receiving additional TEA money, but also due to ongoing assessed valuation increases from ownership changes, remodeling, and new construction. The rapid pace of increasing housing prices appeared to be near peak levels and showed signs of slowing down in 2015, which led to some uncertainty and economic jitters in the media, however 2016 housing sales reports show that nationwide, median prices continued to outpace inflation, up 5.7% from June 2015 to June 2016. With mortgage rates dipping to their lowest level in more than three years, home prices are expected to continue to increase another 5.3% by June 2017.

With this strong economic climate, it is surprising that for the third year in a row, the October to October Consumer Price Index (CCPI) was lower than the statutory 2% maximum increase allowed for property valuation increases under Prop 13. The FY 2014/15 CCPI rate increase was just .0454%. For FY 2015/16, CCPI grew to 1.991%, but for FY 2016/17, the assessed valuation increase dropped to only 1.525%. Clearly, the low CCPI is not reflective of Santa Clara County's economy; but the State of California's overall combined economic condition. Some economists claim the Bay Area is thriving in an economic technology bubble, and the rest of California reflects a truer view of the economy. With this in mind, and with Saratoga's high value home market that has a median home value at more than $2.3 million in Mid-2016, conservative projections in this fast-paced growth setting restrict property tax revenue to a slower, but still healthy pace of 3% for the first few years, and 2% in the years after.

Similarly, Property Tax In-Lieu-of-VLF is expected to increase about 5% this fiscal year. In-Lieu payments are estimates based on prior year information rather than current year growth. If the prior year's estimates were low, a positive true-up payment is paid with the following year's revenues – and a negative true-up if payments were too

high. As In-Lieu Property Tax Revenue growth trends typically mirrors Secured Property Tax revenue growth, (with some variation caused by the true-ups) the out-year projections follow the Secured Tax growth assumptions.

Property Transfer Tax and Supplemental Tax receipts contribute heavily to revenue fluctuations as housing sales generate Supplemental Tax revenue from mid-year assessed valuation increases, and Transfer Tax revenues from the preparation of document fees. Increases in these revenues also indicates growth in Secured Property Tax in the following year. Santa Clara County provides the City with updated assessment roll information on a monthly basis, which is used to further refine the estimate throughout the year. Current year revenue is budgeted conservatively, at lower than prior year receipts. Forecasted year revenues are aligned with the conservative Property Tax growth to be consistent. .

Strong property tax growth also resulted in ERAF distributions these last two years. Due to the unpredictability of this revenue, ERAF is not included in the forecast years.

Sales Tax – Similar to Property Tax In-Lieu, Sales Tax revenue distributions from the State are impacted by estimated payments, true-ups, and allocation corrections, making revenue projections difficult. And because the City's small revenue base can unexpectedly fluctuate by more than 10% year to year, the City depends on our Sales Tax Consultants to closely monitor receipts and provide us with reasonable estimates.

FY 2015/16 included a $160,000 final triple flip true-up payment, but the loss of Roku, one of the City's largest sales tax contributors offset the increase a bit. Factoring these two significant changes into the forecast, FY 2016/17 revenues were decreased to set a new lower tax base. Future year estimates from the consultant reflect a "most likely" revenue growth in the 2% range however, prior year receipts and conservative budgeting principles prompt a slight reduction in the projections to a safer 1.0% growth trend for years beyond FY 2016/17.

Transient Occupancy Tax – Saratoga's TOT reacts quickly to economic changes. This was illustrated clearly in the economic downturn, and again with the recovery. As the recession ended, revenues grew rapidly, and after four years, are what we expect to be a "peaking point" in FY 2015/16 due to the strong economy and multiple highly attended Levi Stadium events (Grateful Dead's Final Tour, Monster Jam, Taylor Swift, Super Bowl 50, etc.). FY 2016/17 is expected to also be strong, but less successful without the Super Bowl, hence a slight reduction and very slow growth in the out years. And because we do not have tell-tell signs of a looming economic downturn, TOT revenue budget projections after FY 2016/17 are held flat, with a 1% growth rate to reflect flat projections with slightly rising room costs.

Business License Tax – Business License Tax revenue is comprised of two revenue streams: 1) the actual license portion and 2) for contractors, a supplemental tax that is a percentage of any building permit's valuation they pull during the year.

The license portion of the Business License Tax can fluctuate by up to 10% year to year, but in the long view is creeping upward, therefore the forecast reflects a positive 1% growth rate in the out-years. The Supplemental Tax portion however has increased consistently since beginning the climb out of the recession in FY 2010/11. This revenue streams has a healthier 3% annual increase into the next two years, and 2% in later years. The larger increase is based on both building activity and assessed valuation increases that the tax is based on.

Construction Tax – Represents a City enacted tax charged on additional square footage as part of a building permit fee. As revenue growth follows close to the same trend line as Supplemental Business License Tax, the forecast years are also forecast at 3% in the out-years. At this point, the strength of the economy is expected to maintain a strong level of building activity throughout the five forecasted years, with some slowdown in the later years. Therefore, revenue projections reflect a strong upward trend, with year over year growth of approximately 3% for the first three years, and dropping down to 2% in the fourth and fifth years.

Franchise Fees –Franchise Fees function as an alternative to Business License Taxes for those businesses exempt from the tax. This includes utilities (PG&E and SJ Water), solid waste, and cable providers.

In FY 2012/13, the City began collecting about $160,000 in new Solid Waste Fees earmarked for the City's environmental program costs such as Saratoga's Solid Waste JPA dues and the Household Hazardous Waste program. Solid Waste revenue is expected to have limited growth as the program based fees should remain fairly flat, and refuse

fee increases are expected to be minimal. Overall, Solid Waste Franchise Fees are forecast to increase at a slow 1% pace.

On average, gas, electric, and water utility franchise fees have been fairly unpredictable from year to year. This is assumed to be due from reduced usage as citizens become more environmentally conscientious, and technology improvements reduce energy needs. On the other hand, demands continue to increase with a growing population and the ever increasing assortment of new gadgets. As a result, forecast years are based on the averages of the anticipated ups and downs over the years, which equates to a positive trend line of about 1.5% per year.

Cable Franchise Fees however, have shown a steady growth stream, primarily due to the escalating costs associated with higher level of services provided. Revenues therefore, reflect a conservatively strong 3% growth trend in the out-years.

Development Revenues – Planning & Building revenues have increased in line with the strengthening economy over the last few years. Now, after four years of recovery, development activity is considered steady. And, with interest rates holding at historic lows, we continue to see significant housing turnover – and with new owners, plans for construction activity. Taking a conservative approach, we are anticipating a couple of years of mild growth, and then a slowing of activity in year 3, to no growth in years 4, and 5. Each of the planning and building revenues are assessed individually, with the majority of the projections ranging from 0% to 2% annual growth.

Recreation Fees – Over the last four years, Recreation revenues have decreased as external class competition increases. In addition, the loss of the long-tenured and popular jazzercise instructor is expected to affect revenues negatively in FY 2016/17. Staff revises class offerings on a consistent basis, always working to keep up with recreation clientele's interests. Ongoing projections are reduced to current year revenue levels, with forecasted years increasing by minimal 0% to 1% changes.

Rental Income – With the consolidation of cell phone service providers over the last few years, cell tower leases are dwindling and lease revenue has fallen. Forecasted years include the remaining lease providers with minimal rate increases, however future cancellations may change the projections in the out-years. Park and Facility rental rates are projected to grow slowly, with increases in the 1% to 2% range.

Interest Income – With the economy showing signs of improvement, it appeared we were at the bottom of the interest rate slide in FY 2012/13. Surprisingly, interest rates continued to decrease into the first half of 2014 – down to a low of .22 of 1%. Since then, interest rates have begun a painfully slow climb back up. The daily yield is currently at .55 of 1% as of June 30, 2016. Reports indicate the Federal Reserve intends to maintain the very slow pace to offset the jittery economic fears that a recession is just around the corner. With this, forecasted interest finally reflects some minimal growth in the near term and future.

General Fund Expenditure Assumptions

Salary – Labor costs reflect the addition of a full-time Code Compliance Officer position as well as pay increases and performance adjustments. With a conservative and cautious approach, forecasted salary & benefit expenditures reflect the maximum MOU increase with pay step increases, and a zero vacancy factor. Open positions are typically backfilled with temporary staff until filled.

Benefits – CalPERS pension rates have stabilized due to the separation between the normal rate and the Unfunded Accrued Liability (UAL), and the City's policy to fund the UAL at a consistent (and higher than required) contribution level of $500,000 per year. Changes in employee makeup and actuarial assumptions impact normal rates slightly, but investment returns will affect the outstanding UAL and required payments to a larger degree. The result is that the rate stays fairly steady, and the City's flat $500,000 payment will absorb the majority of investment impacts and changes from CalPERS' actuarial methods and assumption factors. As a result, increases in forecast pension expenses are due to ongoing increases in salaries.

Under the City's new MOU agreements to share premium increases, health insurance costs will increase at a slower pace. In addition, only minimal growth is expected for the remaining benefits of disability and life insurance.

Together, reduced premium contributions, the increase in employees switching to lower-cost health care, or the increase in employees opting for in-lieu benefits are expected to result in a growth rate of 3.5% in the forecasted years.

Operating Expenditures – Expenses include materials and supplies, fees, contract services and consultants (excluding Public Safety contract services), and are generally regulated by service level and budget availability. Under normal circumstances, operating expenditures are generally held flat or at minimal increases. Accounts are reviewed and forecasted individually, taking into consideration trends, variances, changes in service levels, and one-time occurrences. With the economic recovery and resulting service cost increases, total operating expenditures have jumped approximately 15% from a couple of years ago, however a good part of the increase is attributable to the fluctuation in contract services to meet temporary staffing needs. Most other operational costs reflect moderate increases of around 1% to 2.5% increases. Forecasted operating expenditure increases average around 2.8% in the out years with the anticipation of maintaining this higher service level.

Public Safety – Under the Sherriff's service contract, annual increases are established at CPI plus 2%, with typical increases ranging from 3% to 6% each year. As a result of the County's new pension reform measures in FY 2011/12, and turnover due to retirements, we began to see lower annual increases of around 2% - 4% for Sheriff's department wages and benefit costs. With an agreement to increase traffic safety service hours in FY 2014/15, contract costs were scheduled to increase approximately $295,000. However, with the end of the recession came a new MOU between the County and Sheriff Employees, and retroactive wage increases led to a higher than expected increase of $386,000 higher than the prior year.

In FY 2015/16, a 6.5% wage increases raised contract costs by another $362,000, to a total of $4,973,000. Under the MOU, FY 2016/17through FY 2019/20 wages are scheduled to increase by 3% annually, with total contract costs expected to increase around 4% per year. Forecasted increases for FY 2020/21 will follow suit as a best guess.

Community Grants – Future year grants are projected at a slightly higher distribution amounts, to reflect Council's trend to gradually increase grants over time as costs to provide services increase and additional community grant funding requests are received.

Internal Service Funds (ISF) – With the wide variance in ISF functions, annual growth factors are adjusted on an individual fund basis. Insurance funds use a conservative but escalating projection to insure sufficient funding is available for premiums and claims. The Vehicle Maintenance, IT Services, and Building Maintenance ISF programs are expected to increase more rapidly due to ongoing labor and service level cost increases. The replacement ISF programs include a Vehicle & Equipment Replacement program, a Facility Furniture, Fixture, & Equipment (FFE) program, and a more comprehensive IT Replacement program. These funds have stable funding charges that are adequate to improve resource management funding, transparency, and management over a 20 year long term projection. These funds maintain a flat rate into the forecasted years.

Fiscal Sustainability

Overall, the City's forecast projection reflects a stable financial situation under steady times, with sufficient funding being made available for internal service funding and asset replacement costs on an ongoing basis. Positive Net Operations in the out years shows a diminishing projection as conservative revenue estimates do not fully keep up with expenditure projections however, the five year net operation projection is positive, and the rate of increase in expenditures remain sustainable at this point in time. Better than projected Net Operations will result in increased Capital Project funding, or in expanded operational services, or in increased reserves, depending upon Council direction.

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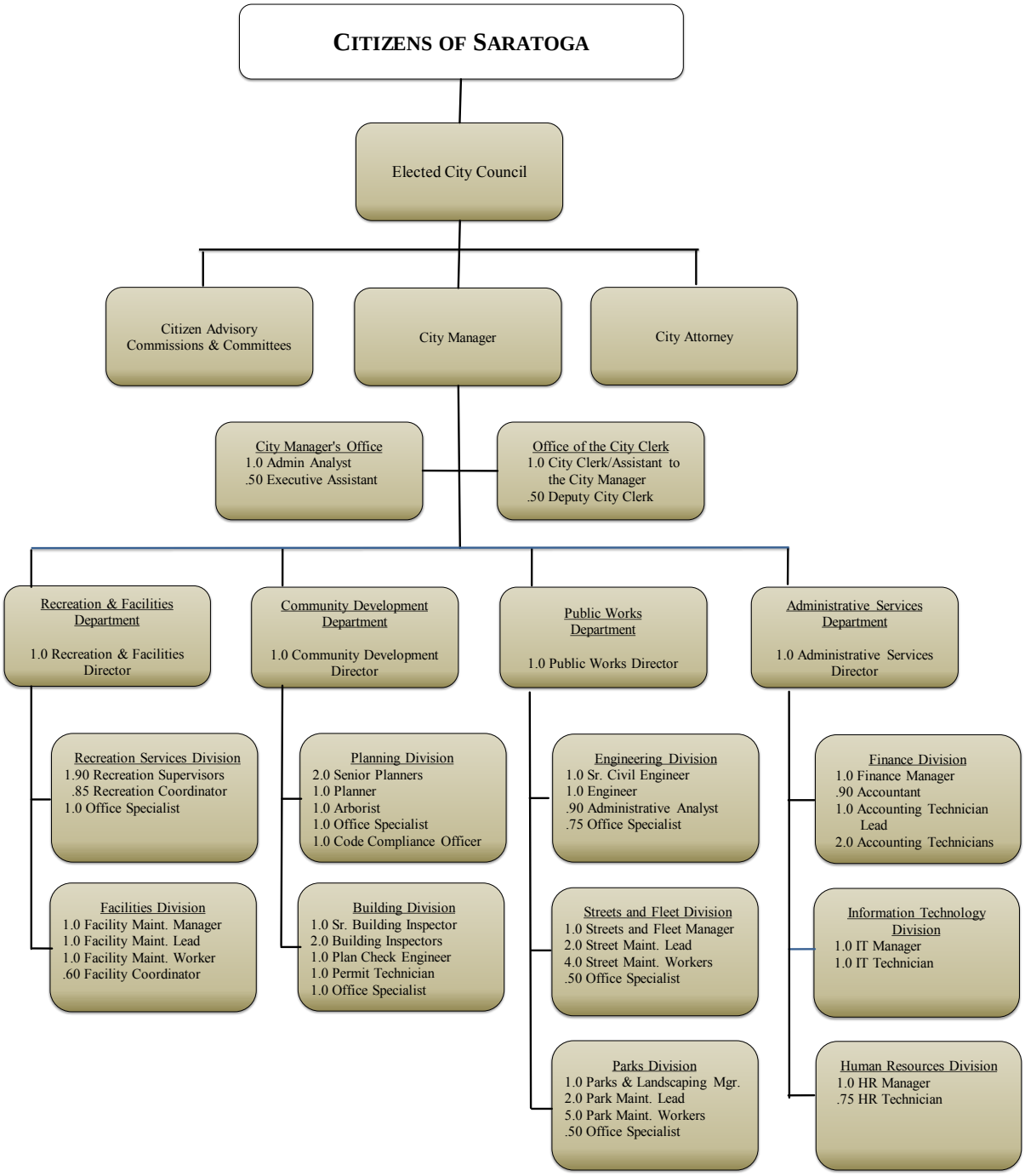
CITY OF SARATOGA ORGANIZATION CHART
FISCAL YEAR 2016/17



FY 2016/17 FTE = 55.65

COUNCIL & COMMISSIONS DEPARTMENT

The Council & Commissions Department, which represents the elected and appointed officials of Saratoga, consists of the City Council and City Commissions programs.

The City Council has five publicly elected members who act as the legislative body representing the residents and community of the City of Saratoga. Council Members serve four-year terms, with elections for either two or three of the seats every two years. Each December, the Mayor and Vice-Mayor are elected by their fellow Council Members to one-year terms. If a council seat is vacated during a Council term, a Council Member may be appointed to fill the vacant seat for the remainder of the term. Alternatively, the Council may choose to hold an election to fill the Council seat.

City Commissions are advisory bodies whose members are appointed by the Council. These Commissions are established to encourage residents to become involved in their community and to broaden the City's decision-making processes. City Committees are also included in this program and differ from Commissions in that a committee represents a smaller advisory body with more narrowly defined duties. Active Commissions and Committees, effective with the adoption of the FY 2016/17 budget are as follows:

- Heritage Preservation Commission
- Library Commission
- Parks & Recreation Commission
- Planning Commission
- Traffic Safety Commission
- Youth Commission
- Council Finance Committee
- Pedestrian, Equestrian, Bicycle, Trails Advisory Committee

DEPARTMENT OBJECTIVES

The City Council and City Commissions represent the Saratoga community. The City Council establishes City policy and serves as the decision making body, receiving recommendations from Commissions and staff and then providing direction to the City Manager for implementation. Both the City Council and City Commissions play a key role in the implementation of the Council's Strategic Goals.

Council Strategic Goal: City Leadership: Provide a proactive, responsible, inclusive, respectful, transparent, and trustworthy government dedicated to delivering effective high quality leadership for the community.

Department Objectives:

- Foster community partnerships through annual meetings between the City Council and stakeholder groups, including service organizations, cultural institutions, and other local government agencies serving Saratoga
- Maintain an understanding of community needs and desires by being available to the community
- Strengthen relationships with community members by attending community events
- Adopt policies that encourage civic engagement, transparency, and efficiency in government
- Encourage civic participation in government decisions through outreach, and public meetings
- Comply with open government and ethics laws, including the Brown Act and Political Reform Act

Council Strategic Goal: Fiscal Stewardship: Ensure fiscal responsibility and transparency, proactively seeking opportunities for improvement.

Department Objectives:

- Adopt policies that encourage conservative budgeting and protect taxpayer dollars from frivolous use
- Nurture a business friendly environment through policies and incentives
- Identify and protect core services as budgetary priorities

Council Strategic Goal: Public Safety: Provide a safe and secure community.

Department Objectives:

- Encourage residents to support community-oriented policing and prevent crime through safety awareness programs, such as Neighborhood Watch
- Reduce loss of life and property during a disaster by encouraging residents to participate in community-based emergency preparation, including the City's Community Emergency Response Team (CERT) and Personal Emergency Preparedness program (PEP)
- Facilitate neighborhood communications on safety related matters by hosting informational forums and providing residents with communication tools, such as Nextdoor.com, AlertSCC, TIS AM Radio and KSAR TV

Council Strategic Goal: Community Heritage: Honor Saratoga's heritage by preserving significant historic assets.

Department Objectives:

- Implement existing policies that maintain the City's historic heritage
- Protect the City's natural beauty by maintaining the City's 'Tree City USA' status, hillside preservation policies, and high standards of care for City parks
- Appoint commissioners to the Heritage Preservation Commission who honor Saratoga's heritage

Council Strategic Goal: Community Enrichment: Foster a community with an enriched and diverse culture and engaged citizenry.

Department Objectives:

- Build community through grant programs that promote events in Saratoga
- Provide leadership development opportunities for residents through appointments to civic boards and commissions and make appointments that reflect the multicultural nature and diverse interests of the City's residents
- Promote health as a community value through health-related programs and policies
- Strengthen partnerships with local cultural organizations and institutions
- Honor cultural diversity by participation in multicultural events

Council Strategic Goal: Environmental Sustainability: Proactively support environmental sustainability efforts.

Department Objectives:

- Adopt policies that manage and sustain the City's urban forest and support environmental programs
- Adoption of responsible environmental policies, including water conservation ordinances
- Reduce the City's carbon footprint and impact on the environment by adopting energy efficiency best practices and funding environmental sustainability projects, such as installation of solar panels at the City's Corporation Yard and Saratoga Library
- Purchase electric vehicles (EV) for city staff use and install EV charging stations throughout the City

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	1,200	1,200	3,600	600	600	600
Charge for Services	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ 1,200**	**$ 1,200**	**$ 3,600**	**$ 600**	**$ 600**	**$ 600**
EXPENDITURES						
Salaries and Benefits	27,119	32,419	29,517	29,916	29,917	29,917
Operating Expenditures						
Materials & Supplies	10,444	7,119	10,484	21,950	9,049	22,800
Fees & Charges	26,912	40,919	27,748	204,199	180,376	91,375
Consultant & Contract Services	10,700	7,320	9,359	6,141	6,141	7,000
Meetings, Events, & Training	13,861	18,879	23,582	27,500	21,392	38,950
Total Operating Expenditures	61,917	74,236	71,174	259,790	216,958	160,125
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	44,980	47,474	59,333	62,758	62,758	65,854
TOTAL EXPENDITURES	**$ 134,016**	**$ 154,129**	**$ 160,023**	**$ 352,464**	**$ 309,633**	**$ 255,895**

DEPARTMENTAL EXPENDITURES - by Division

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
City Council	$ 104,116	$ 124,780	$ 129,132	$ 307,458	$ 278,794	$ 210,983
City Commissions	29,900	29,349	30,891	45,006	30,840	44,913
TOTAL GENERAL FUND	**$ 134,016**	**$ 154,129**	**$ 160,023**	**$ 352,464**	**$ 309,633**	**$ 255,895**
TOTAL EXPENDITURES	**$ 134,016**	**$ 154,129**	**$ 160,023**	**$ 352,464**	**$ 309,633**	**$ 255,895**

CITY COUNCIL

The City Council is a five-member legislative body that represents the residents and community of Saratoga. The City Council operates under a Council/Manager form of government that combines the policy leadership of elected officials with the managerial expertise of an appointed City Manager.

Council meetings are held on the first and third Wednesday of the month where Council actively seeks input in its decision-making process from Saratoga residents. The Council establishes direction on policy, legislative, and community matters, which are then carried out by City staff under the guidance of the City Manager.

The City Council conducts meetings at least annually with all City Commissions, and community organizations that are closely affiliated with the City, including the Saratoga Chamber of Commerce, the Saratoga Area Senior Coordinating Council (SASCC), the Hakone Foundation, neighborhood associations, and the Saratoga Ministerial Association. These meetings serve to strengthen the Council's relationships with its partners in the community.

In addition, the Council forms Ad Hoc subcommittees to work on specific projects or issues as needed. For example, the City Council formed a Public Art Ad Hoc to engage the Montalvo Arts Center to identify a work of art to be temporarily located on City property. To further strengthen connections with the community, Council Members are appointed to serve as liaisons to community organizations as well as voting members on other governmental boards and Joint Power Authorities (JPAs), including the West Valley Solid Waste Management Authority and the West Valley Sanitation District.

Council Members also serve on regional organizations such as Cities Association of Santa Clara County and the Peninsula Division of the League of California Cities, and sub-regional associations such as the West Valley Mayors and Managers (WVMM) group. The WVMM's primary function is to select representation on the VTA Board and the Silicon Valley Regional Inter-Operability Authority, and acts as a forum for the discussion of issues common to the West Valley Cities of Saratoga, Cupertino, Campbell, and the Town of Los Gatos.

Some Council Members are also appointed by other organizations to serve on regional boards or committees, such as the Valley Transportation Authority Board of Directors.

BUDGET OVERVIEW

Notable Budget Changes:

- The large reduction in the Council's budget is primarily due to a $126,000 decrease in the Council Discretionary funds due to Council's use of the funds in FY 2015/16. Last year's budget allocation included almost three years of funding after two prior year-end amounts were carried forward into the current year's allocation, whereas this year's amount reflects the $50,000 current year allocation.
- Training budget funds were increased to align with the newly approved Council Expense Policy for training and travel expenditures.
- Funding has been added to the budget to cover the costs associated with a public art installation that will be conducted through a collaboration between the City and the Montalvo Arts Center.
- The FY 2016/17 budget includes consultant funding to facilitate the City Manager's evaluation process.

Revenues in the City Council Program are limited to City Council appeal fees—the City typically receives one or two per year. Expenditures include $250 monthly stipends for each of the five Council Members, funding for special events, meeting expenses, conferences, and operational supplies. Membership dues for Regional Agencies such as the Association of Bay Area Governments, the Santa Clara County Cities Association, and the West Valley Mayors and Managers Association are also included in this program budget.

CITY COUNCIL

Each year, $50,000 is budgeted for Council discretionary funds for unanticipated expenditures that may occur during the year. Per policy, any remaining Council Discretionary funds at year end is carried over to the following year, after the fiscal year is closed. This carryover is then an adjustment to the adopted budget. In February 2016, the City Council authorized participation in the Silicon Valley Clean Energy Authority to launch the Community Choice Energy Program in Saratoga. Joining the authority required an initial contribution of $100,000 that will be reimbursed by the Authority within four years. The contribution was paid for from the Council Discretionary funds. Additional distributions include $1,099 for America in Bloom registration, $7,000 for a 60th anniversary parade grant, $15,000 to Saratoga Adult Senior Council (SASCC) to fund an assessment of senior needs, and $40,000 was moved into the CIP to fund a transportation needs study. As a result, the City Council is not projected to have a carryover of discretionary funds leading into FY 2016/17.

For many years, the City contributed a pro-rata share toward a legislative consultant services contract with Cupertino, Monte Sereno, and Los Altos Hills to regain the City's full share of its Tax Equity Allocation (TEA). TEA is a special tax code passed by the California legislature to ensure that cities with low-or-no property tax rates prior to the passage of Proposition 13 in 1978 would receive at least 7% of the property taxes collected in their city. In FY 2014/15, the four cities decided to forego the services of a legislative consultant and attempt a different approach to pursue TEA funds. In the fall of 2015, the City, with the support of State Senator Jim Beall, Jr., was successful in convincing State law makers to restore Saratoga's full share of local property tax revenues. As a result, legislative consultant services are not budgeted.

Another notable change to the City Council Program is a modest increase to the City Council's meetings, events, and training budget. The additional funding comes after an update to the City Council Expense Policy and direction from the City Council on training and travel fund allocations. As a result, the budget for FY 2016/17 will allow each member of the City Council to attend at least one conference within the State of California, as well as other specialized or local training opportunities that may come up during the fiscal year.

Unique to the FY 2016/17 budget is the addition of funds for a public art installation. At the October 21, 2015 City Council Meeting, the Council established a Public Art Ad Hoc to work with Montalvo Arts Center to identify a work of art to display in a public location in the City. As a result of discussions with Montalvo Arts Center, the Public Art Ad Hoc recommended placement of a piece of artwork called *PLACE* by artist Steven Simon at Saratoga Library. *PLACE* is a steel plate bench comprised of 5 separate letters, spelling the word place. The bench is expected to be installed outside of the Library by September 1, 2016 for a period of 1 year.

Funds have also been added to allow the Council to use a facilitator for the annual City Manager's evaluation process. Hiring a consultant will help ensure that the consensus of the City Council and input of each Council Member is accounted for and communicated to the City Manager in a clear manner.

CITY COUNCIL

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	1,200	1,200	3,600	600	600	600
TOTAL REVENUES	**$ 1,200**	**$ 1,200**	**$ 3,600**	**$ 600**	**$ 600**	**$ 600**
EXPENDITURES						
Salaries and Benefits	13,554	18,854	16,599	16,352	16,353	16,353
Operating Expenditures						
Materials & Supplies	2,080	2,411	2,666	2,750	2,527	3,000
Fees & Charges	26,912	40,919	27,748	204,199	180,376	91,375
Consultant & Contract Services	10,700	7,320	9,359	6,141	6,141	7,000
Meetings,Events & Training	9,792	12,558	17,314	20,000	15,381	31,350
Total Operating Expenditures	49,484	63,207	57,088	233,090	204,425	132,725
Internal Service Charges	41,078	42,719	55,445	58,016	58,016	61,905
TOTAL EXPENDITURES	**$ 104,116**	**$ 124,780**	**$ 129,132**	**$ 307,458**	**$ 278,794**	**$ 210,983**

FY 2016/17 WORKPLAN PRIORITIES

Fiscal Responsibility – Monitor the economy to ensure that the City's operations are in sync with market trends, adjust City finances as needed, adopt financial policies that keep the City financially sound, and proactively seek opportunities to improve the strength of the City's finances.

Community Engagement – Encourage a greater sense of community among residents and increase civic engagement efforts by strengthening relationships between the City and residents, providing residents with opportunities for participation in local government, supporting community events, and proactively addressing topics of interest to the community.

Local Economy – Encourage the improvement and stability of the local economy and enhance business development by creating an environment that supports the City's business community.

Sustainability – Monitor water consumption and energy use to identify and realize opportunities to make Saratoga a more sustainable community.

City Ordinance Updates – Initiate the City's planning process to revise and update key City ordinances to ensure the City Code reflects Saratoga's regulatory needs and can be easily enforced.

Long Term Planning – Continue long term planning efforts to maintain Saratoga's excellent quality of life and guide the City's future development.

KEY SERVICES

- Represent the residents and community of Saratoga
- Provide community leadership as the legislative and policy-making body
- Effectively represent the City of Saratoga in coordination with other local, county, state, and federal agencies
- Oversee the City's Commissions and provide support to community organizations on emergent issues
- Work with the community to identify needs and issues in the City

CITY COMMISSIONS

City Commissions and City Committees are designated bodies that provide specialized advice or other assistance to the City Council and staff. Commissioners apply for and are appointed by the City Council to serve four-year terms. Youth Commission are appointed to two-year terms. At least one City staff member is assigned to each Commission to provide support and to ensure agenda preparation, posting, minutes, and other meeting elements are fulfilled as required under the Brown Act. Currently, there are six active Commissions and two Committees to advise the Council on Commission specific issues. These include:

Heritage Preservation Commission – The primary function of this seven-member Commission is to implement the City's Heritage Preservation Ordinance by working with the Council, the Planning Commission, and City staff. The Commission is responsible for considering proposed modifications to designated historic landmarks, historic lanes, and historic districts, advising the Community Development Department about projects that may affect heritage resources, conducting property surveys to establish an official inventory of heritage resources within the City of Saratoga, recommending names for new streets to the City's building official, and recommending designation proposals to the City Council for historic landmarks, historic lanes, historic districts, and heritage trees. The Commission meets the second Tuesday of each month.

Library Commission – A five-member Commission that serves as an advisory body on library policies, budgets, plans, and procedures to the City Council, City staff, and the Santa Clara County Library District (SCCLD) staff. The Library building is owned by the City but operated by the SCCLD (a special district). The Library Commission does not have administrative authority over Library operations, but does participate in the general operational planning and related programs and policies. The Commission meets the fourth Tuesday of every other month.

Parks & Recreation Commission – This five-member Commission advises the Council on a variety of matters as they relate to parks and recreation. Principally, the Commission serves as a conduit between the public and the Council by receiving public input, collecting information, and making recommendations to the City Council. The Commission meets the second Tuesday of every other month.

Planning Commission – A seven-member Commission that works to maintain the unique character of Saratoga by ensuring that the physical development of the City is consistent with the environmental, social, and economic goals set forth in the City's General Plan. The Planning Commission is also responsible for considering appeals of decisions made by the Community Development Department and acting on applications for use permits, design review, and other planning approvals. The Commission meets the second and fourth Wednesday of the month, and holds additional meetings as needed.

Traffic Safety Commission – The Traffic Safety Commission investigates, reviews, analyzes, and makes recommendations to the Council on traffic safety issues raised by the community and Public Safety Agencies. The seven-member Commission provides a venue for the public to express concerns regarding traffic safety issues. This Commission meets the second Thursday of every other month.

Youth Commission – This eleven-member Commission works to enhance the wellbeing of local youth, offer positive influences to teens, and provide opportunities for youth involvement in the community. Youth Commissioners serve as teen leaders, communicate with the City Council on current youth issues, and plan, promote, and participate in community events, fundraisers, social, and educational activities. The Commission is comprised of middle and high school students appointed by the City Council for two-year terms. The Commission meets the second Tuesday of each month during the school year.

Finance Committee – This standing Council Committee comprised of two Council members and meets monthly, or as needed, to review City financial reports and budgets and to provide feedback to both staff and Council on financial matters.

Pedestrian, Equestrian, Bicycle, Trails Advisory Committee (PEBTAC) – The PEBTAC's mission is to advise the City regarding the planning, acquisition, and development of trails and sidewalks and to maintain the trails network to enhance the quality of life in Saratoga. The PEBTAC serves as an advisory body to the Public Works Director. The Committee meets the third Tuesday of each month.

BUDGET OVERVIEW

Notable Budget Changes:

- Additional Funding was allocated for Parks and Recreation Commission event expenses.

With the exception of the Youth Commission, revenues are not generated by City Commissions as Commissioners do not provide a service function to the public. Commissions primarily act as advisory boards, and report back to the City Council. On occasion, Youth Commission activities generate a small amount of fees or donations to partially offset costs associated with an event, such as face painting or a dance.

Budgeted expenditures include funding for Planning Commissioner stipends. The seven Planning Commissioners are each awarded a stipend of $150 per month as a token of appreciation for the many hours they spend providing this community service. The remaining expenditures for this program are limited to training, meeting costs, and Commission specific expenditures, such as historical plaques the Heritage Preservation Commission provides for historical landmarks. Other expenses associated with the City Commissions budget may include memberships to Commissioner Associations that provide training or resources. Funding for the City's annual Commissioner Recognition Dinner, which the Council holds to honor the service of the City's Commissioners, is also included in this program. Staffing costs associated with supporting the various commissions are not included in the City Commissions budget, as activities are primarily limited to support functions.

There are no major changes to the Commission section of the FY 2016/17 budget. A small amount of funding was added for Parks and Recreation Commission expenses, which will be primarily used for event-related expenses, such as the annual Summer Movie Nights.

Notable FY 2016/17 budget funding includes the continuation of the Historic Preservation Commission (HPC) work plan items that were not completed in the prior fiscal year. The FY 2014/15 HPC budget included $2,000 for commissioner training, and $4,000 to obtain reconnaissance survey level Building, Structure and Object (BSO) records for properties already added to the Heritage Resource Inventory without a survey. An additional $6,000 was requested for Intensive level Department of Parks & Rec (DPR) surveys for five properties previously added to the City's Landmark List based on 1980s information. Intensive surveys use the National Register criteria and must be conducted or confirmed by an appropriately qualified professional. As the work was not completed in FY 2015/16, funding was again budgeted for FY 2016/17.

The Youth Commission budget was increased to $3,000 in FY 2015/16 to properly budget for costs associated with activities the Youth Commission is conducting, such as face painting and candy at the Witchy Walk-a-Bout, award prizes for the Walk One Week program, Hot Chocolate at the Tree Lighting Ceremony, and face painting and arts and craft stations at the Lunar New Year and St. Paddy's Day events. Funding to provide the Youth Commissioners with a t-shirt, vest, or sweatshirt for these events is also included, as well as meeting food and attendance at an annual YAC Attack conference.

CITY COMMISSIONS

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
EXPENDITURES						
Salaries and Benefits	13,564	13,564	12,918	13,564	13,564	13,564
Operating Expenditures						
Materials & Supplies	8,364	4,709	7,818	19,200	6,522	19,800
Meetings, Events & Training	4,069	6,321	6,268	7,500	6,012	7,600
Total Operating Expenditures	12,433	11,030	14,086	26,700	12,533	27,400
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	3,902	4,755	3,888	4,742	4,742	3,949
TOTAL EXPENDITURES	**$ 29,900**	**$ 29,349**	**$ 30,891**	**$ 45,006**	**$ 30,840**	**$ 44,913**

KEY SERVICES

- Provide specialized advice and assistance to Council
- Broaden policy and decision making by providing additional forums for the public to provide input and testify at public hearings
- Work with City staff in researching issues, collecting information, and providing recommendations to the Council

CITY MANAGER'S DEPARTMENT

The City Manager's Department is comprised of the offices of the City Manager and City Clerk. The City Manager's Department supports the Council's legislative and policy interests, provides management and leadership, and direction for the City organization. The City Manager's Office also supports Commissions, interacts with community groups, fosters community relationships and provides public awareness of municipal programs, services, and goals through effective community outreach, using avenues including the City website, media relations, and the *Saratogan*. In addition, the City Manager's Department liaises with other local agencies that provide services to the City of Saratoga through contract or other means, such as solid waste or recycling, public safety, and emergency preparedness.

The Department is responsible for presenting an annual balanced fiscal year budget to City Council that reflects the most accurate revenue estimates and economic conditions at the time, assuring that City services are performed in accordance with City Council priorities and within the capabilities of the City's resources, keeping the City Council advised of the City's financial condition and the future needs of the City on an ongoing basis, providing policy analysis, and overseeing numerous contract negotiations.

The Department values its relationships with the community and fosters its partnerships with the Chamber of Commerce, Saratoga Area Senior Coordinating Council, Hakone Foundation, community access television station KSAR, and the administrators of other agencies and service districts in the City, including Santa Clara County Fire, local school districts, and West Valley College.

DEPARTMENT OBJECTIVES

The City Manager's Office works to implement a number of the City Council's Strategic Goals. These goals are noted below and reflected in the Performance Measures.

Council Strategic Goal: City Leadership: Provide a proactive, responsible, inclusive, respectful, transparent, and trustworthy government dedicated to delivering effective high quality leadership for the community.

Department Objectives:

- Ensure the City Council is fully informed about City matters, provide support to City's elected leadership, and administer implementation of Council priorities
- Promote effectiveness of City operations through collaboration, open communications, efficient coordination, creative thinking, and professional development
- Respond to community interests and needs by being available to the public, making meetings accessible, and establishing relationships with community members
- Develop a highly effective workforce to promote good governance ethics and efficiency
- Support community building by coordinating City events, overseeing the event grant program, and facilitating special event permits
- Inform residents through proactive communications efforts, including media relations, social media, and other methods of communication
- Oversee open government efforts, including compliance with the Brown Act
- Represent the City interests and involvement in regional issues

Council Strategic Goal: Fiscal Stewardship: Ensure fiscal responsibility and transparency, proactively seeking opportunities for improvement.

Department Objectives:

- Promote a structurally balanced fiscal plan that is transparent and retains the City's fiscal health, preserves essential services, and implements Council goals
- Foster an environment where proactive, responsible, and transparent actions and decisions are encouraged and valued
- Encourage a conservative approach to budgeting

Council Strategic Goal: Public Safety: Provide a safe and secure community.

Department Objectives:

- Engage community members in crime prevention programs and educational efforts to promote community policing efforts and thereby decrease criminal activities
- Involve the community in emergency preparedness and disaster mitigation planning to reduce loss of life and property during a disaster
- Prepare for emergencies through employee training and exercises to ensure continued government operations during a crisis
- Manage the Sheriff's Office contract with the City of Saratoga

Council Strategic Goal: Community Enrichment: Foster a community with an enriched and diverse culture and engaged citizenry

Department Objectives:

- Encourage community building events in Saratoga through the community event grant program, facilitation of special event permits, and promoting local events
- Use a multitude of communication methods including the website, newsletter, radio, social media, and other traditional outreach methods, to reach a diverse range of residents
- Promote resident participation in leadership roles by overseeing recruitment for positions on City Commissions and Committees

Council Strategic Goal: Environmental Sustainability: Proactively support environmental sustainability efforts

Department Objectives:

- Partner with other local agencies to address the causes and effects of climate change through changes in City policies and practices
- Use City communication channels, including the website and newsletter, to inform residents of the importance of adopting more environmentally friendly practices
- Support and host environmental events, such as Arbor Day or ribbon cuttings that showcase recently completed sustainable projects
- Participate in regional efforts to increase sustainability of government operations

BUDGET OVERVIEW

Since the 2013/14 budget, funding for the City Manager's front desk backup has been included in the budget. In FY 2015/16, the funding for front desk backup and temporary contract staff was increased. The City Clerk participated in the Santa Clara County and San Mateo County Management Talent Exchange Program from September to December 2015. As a result, temporary staff was needed to backfill the Deputy City Clerk/Executive Assistant to the City Manager position as the Deputy City Clerk filled the City Clerk position. Funding for temporary staff also appears in the FY 2016/17 budget to backfill staff as needed and to assist with special projects as the workload of the City Manager's Office increases. As a result, staffing expenses contribute to an increase in City Manager's Office expenditures in FY 2016/17.

Starting this year, the City Manager's Department budget includes a new section for the Public Information Office. Communication and outreach related expenses previously dispersed throughout the budget have been consolidated into this new section. With the City Council continuing to prioritize public outreach, the amount of funding dedicated to communications has also slightly increased.

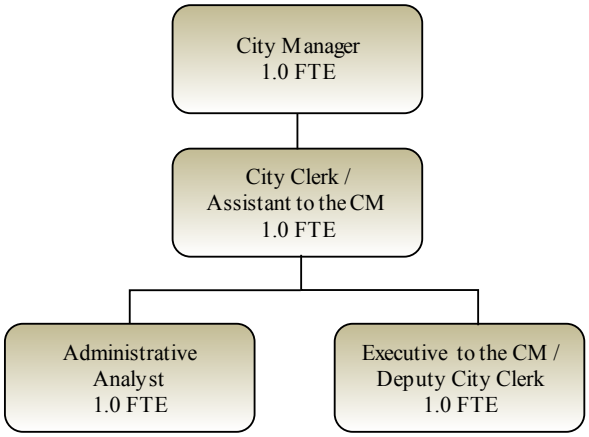
GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	736	625	934	400	401	-
Other Sources	1,499	-	-	-	-	-
TOTAL REVENUES	**$ 2,236**	**$ 625**	**$ 934**	**$ 400**	**$ 401**	**$ -**
EXPENDITURES						
Salaries and Benefits	632,409	643,182	699,518	675,538	674,348	731,809
Operating Expenditures						
Materials & Supplies	4,080	6,812	13,982	15,520	15,355	24,090
Fees & Charges	57,277	16,439	74,350	26,800	8,249	101,140
Consultant & Contract Services	26,720	30,266	31,711	49,820	24,750	57,800
Meetings, Events & Training	5,405	8,098	9,304	16,950	4,762	18,700
Total Operating Expenditures	93,481	61,615	129,348	109,090	53,116	201,730
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	96,094	99,349	111,361	123,780	123,780	135,714
TOTAL EXPENDITURES	**$ 821,984**	**$ 804,146**	**$ 940,226**	**$ 908,408**	**$ 851,244**	**$1,069,253**

DEPARTMENTAL EXPENDITURES - by Division

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
City Manager's Office	$ 498,730	$ 500,476	569,824	533,817	527,923	451,020
City Clerk	323,254	303,670	370,402	374,591	323,321	438,418
Public Information Office	-	-	-	-	-	179,815
TOTAL GENERAL FUND	**$ 821,984**	**$ 804,146**	**$ 940,226**	**$ 908,408**	**$ 851,244**	**$1,069,253**
TOTAL DEPT EXPENDITURES	**$ 821,984**	**$ 804,146**	**$ 940,226**	**$ 908,408**	**$ 851,244**	**$1,069,253**

DEPARTMENTAL ORGANIZATION CHART



CITY MANAGER'S DEPARTMENT STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
City Manager	1.00	1.00	1.00	1.00	1.00
City Clerk/Assistant to the City Manager	1.00	1.00	1.00	1.00	1.00
Exec Assistant to CM / Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Administrative Analyst I/II	1.00	1.00	1.00	1.00	1.00
TOTAL FTE's	**4.00**	**4.00**	**4.00**	**4.00**	**4.00**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
CMO Intern	-	320	320	-	-
Executive Assistant (backfill)	-	120	136	750	960
Temporary Pool Hours	-	940	-	-	-
TOTAL ANNUAL HOURS	**-**	**1,380**	**456**	**750**	**960**

CITY MANAGER'S DEPARTMENT STAFF - by Division

City Staff by Program	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
City Manager's Office	2.50	2.50	2.50	2.50	1.60
City Clerk	1.50	1.50	1.50	1.50	1.50
Public Information Office	-	-	-	-	0.90
TOTALS	**4.00**	**4.00**	**4.00**	**4.00**	**4.00**

CITY MANAGER'S OFFICE

The core services of the City Manager's Office are to:

- Provide leadership, oversight, and direction for City functions
- Provide comprehensive information, policy analysis, and support to the City Council
- Provide support and guidance to the City's Commissions
- Nurture community and intergovernmental relations
- Cultivate public awareness of municipal services, programs, and activities

The City Manager's Office has direct oversight responsibility for the City Clerk and coordinates with external agencies that provide Public Safety, Animal Control, Solid Waste/Recycling, Cable Television, and Emergency Preparedness services to the City.

BUDGET OVERVIEW

Notable Budget Changes:

- Reduction in budgeted salaries and benefits with the shift of .90 FTE of the Administrative Analyst from the City Manager's Office to the Public Information Office.
- Budgeted decrease in operating expenditures due to shift of communication duty services and supplies to the new Public Information Office program.

The City Manager's Office primarily provides a managerial oversight and coordination role for City operations and City Council support, hence revenue is minimal.

City Manager Department duties vary as new initiatives and needs arise. In FY 2013/14, the City Manager's Office added temporary staff funding for backup coverage of the front desk. This expenditure has remained in the City Manager's Office budget to assist with staff coverage and special projects. The increasing expectations of social media and communication demands have also stretched staff time and resources. To better capture and plan workload communication resources are being moved to the separate Public Information Office program within the City Manager's Department. This includes .90 FTE of the Administrative Analyst and some operational expenditures.

During the recession, significant cuts were to areas like office supplies and training during the recession. In recent years, the funds in these areas have been slowly and modestly increased. In FY 2016/17, expenditures on these items have mostly leveled out.

CITY MANAGER'S OFFICE

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	200	600	800	400	400	-
TOTAL REVENUES	**$ 200**	**$ 600**	**$ 800**	**$ 400**	**$ 400**	**$ -**
EXPENDITURES						
Salaries and Benefits	444,924	441,537	492,309	447,114	447,546	376,615
Operating Expenditures						
Materials & Supplies	3,510	4,434	11,055	11,800	12,659	7,250
Fees & Charges	3,559	3,909	4,025	9,195	5,735	5,900
Consultant & Contract Services	-	-	-	-	-	-
Meetings, Events & Training	3,494	3,800	8,422	7,500	3,776	10,700
Total Operating Expenditures	10,563	12,142	$ 23,502	$ 28,495	$ 22,169	$ 23,850
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	43,243	46,798	54,014	58,208	58,208	50,555
TOTAL EXPENDITURES	**$ 498,730**	**$ 500,476**	**$ 569,824**	**$ 533,817**	**$ 527,923**	**$ 451,020**

FY 2016/17 WORKPLAN PRIORITIES

Community Events –To bring people together and strengthen the City's identity, the City Council instituted a community event grant program to encourage local organizations to hold community events, and a median banner program to help promote community events. Both programs are administered by the City Manager's Office. Additionally, the City Manager's office will continue to support event promotion efforts by sharing information about local events on the City website, social media sites, AM radio station, and by other means.

Annual Budget – The City Manager's Office will continue to oversee the development of the City's annual Operating and Capital budgets for presentation to the City Council and the community, ensuring City finances, services, and projects are properly presented and budgeted.

Management and Council Retreats – Organize and facilitate an annual management retreat to address organizational development and administrative policies, and to prepare for the annual City Council retreat. Organize an annual City Council retreat to facilitate policy and issue development, resulting in the generation of the City's annual work plan and, subsequently, the operating and capital budgets.

Code Compliance – In 2016, the City Manager's Office took responsibility for the City's Code Compliance Program. Since then, City Manager's Office staff have been assessing the program and developing policies and procedures for code compliance with the goal of transitioning the program back to the Community Development Department after a full-time enforcement code compliance officer is hired in the first part of FY 2016/17.

Smoke-Free Environments – During the City Council Retreat in 2016, the City Council directed staff to bring forward a variety of City Code changes that would increase the number of smoke-free environments in Saratoga. These changes will be introduced and implemented in FY 2016/17 and funded through a grant of more than $20,000 from the Santa Clara County Public Health Department.

CITY MANAGER'S OFFICE

KEY SERVICES

- Provide comprehensive information, policy analysis, and support to the City Council
- Provide oversight, leadership, and direction to City functions
- Monitor state and federal legislation and effectively communicate the City's position on legislative proposals affecting Saratoga
- Facilitate strong community and intergovernmental relations
- Cultivate public awareness of municipal services, programs, and activities
- Present a balanced budget to City Council each fiscal year which reflects the most accurate revenue estimates and economic conditions at the time
- Assure that City services are performed in accordance with City Council priorities and within the capabilities of the City's resources
- Inform the City Council, in a timely manner, of the City's financial condition and the future needs of the City on an ongoing basis

CITY MANAGER'S OFFICE STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
City Manager	1.00	1.00	1.00	1.00	1.00
City Clerk/Assistant to the City Manager	-	-	-	-	-
Exec Assistant to CM / Deputy City Clerk	0.50	0.50	0.50	0.50	0.50
Administrative Analyst I/II	1.00	1.00	1.00	1.00	0.10
TOTAL	**2.50**	**2.50**	**2.50**	**2.50**	**1.60**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
CMO Intern	-	320	320	-	-
Executive Assistant (backfill)	-	120	136	375	480
Temporary Pool Hours	-	940	-	-	-
TOTAL ANNUAL HOURS	**-**	**1,380**	**456**	**375**	**480**

CITY MANAGER'S OFFICE

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Ensure the City Council is fully informed about City matters and provide support to City's elected leadership.*					
a. Meet with each member of the Council biweekly prior to City Council Meetings:	Yes	Yes	Yes	Yes	Yes
b. Prepare a weekly newsletter for the City Council:	92%	92%	92%	92%	92%
c. Provide Mayor and Council Members with presentation materials and talking points for special events, media inquiries, and presentations:	Yes	Yes	Yes	Yes	Yes
2. *Promote effectiveness of City operations through collaboration, open communications, efficient coordination, creative thinking, and professional*					
a. Hold weekly meetings with the City's Management team to discuss upcoming agenda items and share information:	98%	98%	98%	98%	98%
b. Make professional development and leadership training opportunities available to Directors and City staff:	Yes	Yes	Yes	Yes	Yes
c. Professional Association Memberships:	8	7	7	15	13
3. *Represent the City interests and stay apprised of local and regional issues.*					
a. West Valley Mayor's and Managers Meetings:	10	10	10	11	10
b. Santa Clara County City Manager's Association Meetings:	10	10	10	10	10

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of City Council Meetings Per Year:	30	30	33	30	28

CITY CLERK

The City Clerk is responsible for meeting the legal requirements related to maintaining City records and conducting City business, as set forth in the State of California Government Code and City Municipal Code. The City Clerk is responsible for the timely indexing of resolutions, ordinances, and agreements, preparing City Council agendas and minutes, and maintaining an accurate record of all Council proceedings. Additional duties include: maintaining custody of the City Seal; administering oaths and affirmations; preparing and publishing legal notices; maintaining the Saratoga Municipal Code; processing board and commission recruitment applications; working with the Santa Clara County Registrar of Voters to conduct local elections in a fair and impartial manner; and receiving petitions and subpoenas on behalf of the City.

BUDGET OVERVIEW

Notable Budget Changes:

- Additional funding provided for temporary staff to assist with special projects and backfill as needed
- Election budget increased as this is an election year
- Cost savings in video streaming services due to new agreement with Granicus

The City Clerk division functions to provide support to the City Council and City Manager, so does not typically generate notable operational revenues. In election years, the City Clerk will collect $25 Council Candidate Filing Fees from each of the candidates and pro rata costs for printing of Candidate's Statement of Qualifications, and on occasion, the public may requests copies of documents which generate a small amount of copy fees. Copy fees are unpredictable and minimal in amount, so are not budgeted.

Budgeted operating expenditures are limited to basic City Clerk functions: office and record keeping supplies, legal public notices, codification contract service charges, e-filing service fees, and agenda packet and video streaming service charges. Every two years, the City conducts a City Council election. In FY 2016/17, the budget for the City Clerk will increase as there will be an election for two positions on the City Council. During election years, the total expenditures in the City Clerk's Office increase to cover the costs associated with consolidation of the election with the County of Santa Clara.

CITY CLERK

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	536	25	134	-	1	-
Charge for Services	-	-	-	-	-	-
Other Sources	1,499	-	-	-	-	-
TOTAL REVENUES	**$ 2,036**	**$ 25**	**$ 134**	**$ -**	**$ 1**	**$ -**
EXPENDITURES						
Salaries and Benefits	187,485	201,645	207,209	228,424	226,802	234,586
Operating Expenditures						
Materials & Supplies	570	2,378	2,927	3,720	2,696	3,240
Fees & Charges	53,718	12,531	70,325	17,605	2,514	92,990
Consultant & Contract Services	26,720	30,266	31,711	49,820	24,750	31,600
Meetings, Events & Training	1,911	4,298	882	9,450	987	5,700
Total Operating Expenditures	82,918	49,473	105,846	80,595	30,947	133,530
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	52,851	52,551	57,347	65,572	65,572	70,302
TOTAL EXPENDITURES	**$ 323,254**	**$ 303,670**	**$ 370,402**	**$ 374,591**	**$ 323,321**	**$ 438,418**

FY 2016/17 WORKPLAN PRIORITIES

Records Management **–** The City Clerk's Office will continue to manage the City's records, including converting paper documents into electronic format, adding electronic documents to the City's document management system, identifying records for final disposition, and preparing documents to be archived.

Open Government – Continue implementing open government efforts, including the Brown Act, Political Reform Act, Public Records Act, and other laws or policies that promote transparent governance. Broaden the amount of public records accessible online to the public through the Laserfiche Weblink Repository.

City Contracts – Continue use of contract routing software and research of electronic signature options.

Agenda Workflow and Video Streaming – Identify opportunities to improve the new agenda workflow program that allows for review and approval of staff reports for City Council and Planning Commission meetings. Provide continued staff training on the agenda workflow program. Continue video streaming of City Council and Planning Commission meetings and archiving videos in high definition

CITY CLERK

KEY SERVICES

- Meet legal requirements as set forth in the State of California Government Code and City Municipal Code
- Maintain City records through timely indexing of resolutions, ordinances, and agreements
- Prepare City Council agendas and minutes
- Maintain an accurate record of Council proceedings
- Maintain custody of the City Seal
- Administer Oaths and Affirmations
- Prepare and publish legal notices
- Maintain the Saratoga Municipal Code
- Ensure Fair Political Practices Commission filings are made on a timely basis
- Ensure that all elected officials, appointed officials, and required staff meet mandatory AB 1234 biennial training requirements
- Administer recruitment process for Commission and Outside Agency Council appointments

CITY CLERK STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
City Manager	-	-	-	-	-
City Clerk/Assistant to the City Manager	1.00	1.00	1.00	1.00	1.00
Exec Assistant to CM / Deputy City Clerk	0.50	0.50	0.50	0.50	0.50
Administrative Analyst I/II	-	-	-	-	-
TOTAL FTE's	**1.50**	**1.50**	**1.50**	**1.50**	**1.50**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
CMO Intern	-	-	-	-	-
Executive Assistant (backfill)	-	-	-	375	480
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**375**	**480**

CITY CLERK

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Promote transparency of City operations with scheduled noticing, recording, and prompt reporting of City Council meetings and actions.*					
a. Percentage of time in compliance with Brown Act requirements for noticing City Council meetings:	100%	100%	100%	100%	100%
b. City Clerk or designee in attendance and recording actions at Regular City Council meetings:	100%	100%	100%	100%	100%
c. Percentage of Regular City Council Meeting Minutes prepared and submitted to City Manager in time to be scheduled for approval on next Council agenda:	100%	100%	100%	100%	100%
2. *Maintain City documents and records to promote open government efforts, and in accordance with State law and City ordinances.*					
a. Prepare boxes of records for digital scanning:	9	8	5	3	15
b. Provide efficient and effective Records Management by annually reviewing documents for retention and preparation for destruction:	100%	100%	100%	100%	100%
3. *Voluntarily comply with Public Records and Brown Act requirements.*					
a. Percentage of Form 700 filed on time:	*Information Not Available*	*Information Not Available*	70%	68%	70%
b. Percentage of Public Record Requests fulfilled within 10 days:	*Information Not Available*	*Information Not Available*	*Information Not Available*	90%	90%
4. *Promote resident participation in leadership roles by overseeing recruitment for positions on City Commissions and*					
a. Number of Commission recruitments and appointments processed:	15	18	13	21	12

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of City Council minutes prepared per year:	25	29	30	29	28
2. Number of boxes of City records processed for disposal:	34	62	52	49	47
3. Number of resolutions:	71	80	70	81	75
4. Number of ordinances:	14	10	12	12	10

PUBLIC INFORMATION OFFICE

The Public Information Office is responsible for community outreach to ensure that residents have access to timely, useful, and important information. The Public Information Office oversees and maintains many of the City's lines of communication with residents, including the City's website, Median Banner Program, social media accounts, quarterly newsletter, email services, videos, event tabling, flyers, and press releases. The Public Information Office also acts as a liaison between various City departments and the community when it comes to communicating information about projects and events.

BUDGET OVERVIEW

Notable Budget Changes:

- This is the first year the Public Information Office has appeared in the budget. Many communication-related items have been moved from the City Manager's Office and Non-Departmental budgets into the Public Information Office budget

Due to the nature of the Public Information Office, no revenue is received in the Public Information Office program.

The expenditure side is limited to staffing, and a small amount of operational supplies and services. Ninety-percent of the Administrative Analyst position in the City Manager's Department is allocated to the Public Information Office budget. Operating expenditure appropriations take into account major upcoming communication efforts. Those include the 2017 State of the City Address and public outreach for the Community Choice Energy program. The budget also consists of expenses related to ongoing City outreach efforts, such as *The Saratogan* newsletter, Constant Contact email service, and City promotions of events.

PUBLIC INFORMATION OFFICE

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	$ -	$ -	$ -	$ -	$ -	$ -
EXPENDITURES						
Salaries and Benefits	-	-	-	-	-	120,608
Operating Expenditures						
Materials & Supplies	-	-	-	-	-	13,600
Fees & Charges	-	-	-	-	-	2,250
Consultant & Contract Services	-	-	-	-	-	26,200
Meetings, Events & Training	-	-	-	-	-	2,300
Total Operating Expenditures	-	-	-	-	-	44,350
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	-	-	-	-	-	14,857
TOTAL EXPENDITURES	$ -	$ -	$ -	$ -	$ -	$ 179,815

FY 2016/17 WORKPLAN PRIORITIES

- ***Website Update*** – This project will update the City's website—the City's primary and predominant internet presence—and will incorporate advancements in technology and design since the current website was launched in 2009. An improved design, structure, and mobile-friendly access will make it easier for the public to navigate the City's website and access information. The project also includes development of an internal intranet site to improve the communication and use of internal information among staff.
- ***City Video Program*** – The Public Information Office will oversee the production of multiple Council- and Planning Commission-hosted videos, which will be used to inform and educate residents on important projects and activities within Saratoga. These videos will be posted to the City's website and social media accounts in order to make them available and easily attainable.
- ***Community Outreach*** – The Public Information Office will continue the City's efforts to improve communications through the use of traditional media (press releases, flyers), social media (Facebook, Nextdoor, Twitter), online services (Constant Contact, Peak Democracy), as well as through the City's website and tabling at events. This outreach will enhance the City's engagement with the community by informing the public of important City-related matters, such as meetings, events, and projects.
- ***Photo Library*** – Photographs and images have become increasingly important in community outreach. They help grab the attention of the public and enhance the City's messaging. In summer 2014, the City hired a photography intern who bolstered the City's photo library. However, the City has used many of these pictures multiple times and in two years parts of the City have changed. Updated photos of the City would be used in outreach efforts, especially through social media, flyers, videos, and on the City's updated website.
- **Communications Assessment** – City staff continues to implement the recommendations outlined in Tripepi Smith's 2015 Communications Assessment. Progress has been made on many of the recommendations, but additional action steps will be taken in Fiscal Year 2016/17 to strengthen the City's communication effort.

PUBLIC INFORMATION OFFICE

KEY SERVICES

- Serve as the communications link between the City and residents
- Ensure that the community has easy access to important information through various forms of media including print, online, and video
- Build community pride and positive identification with the City among residents
- Increase interest and participation in City services, projects, and activities
- Promote City Council and departmental goals, initiatives, programs, and services
- Assist in creating better internal and external communication
- Enhance the City's relationship with the news media

PUBLIC INFORMATION OFFICE STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
City Manager	-	-	-	-	-
City Clerk/Assistant to the City Manager	-	-	-	-	-
Exec Assistant to CM / Deputy City Clerk	-	-	-	-	-
Administrative Analyst I/II	-	-	-	-	0.90
TOTAL FTE's	**-**	**-**	**-**	**-**	**0.90**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
CMO Intern	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

PUBLIC INFORMATION OFFICE

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actual	2015/16 Actuals	2016/17 Budget
1. *Inform residents through proactive communications efforts, including media relations, social media, and other methods of communication.*					
a. Produce City Newsletter, Saratogan:	3	3	4	4	4
b. Provide information about City news and activities on the City website, Facebook page, and Nextdoor site:	Yes	Yes	Yes	Yes	Yes
c. Send e-mail notifications for Council agendas, Commission meeting agenda/minutes, publication of Saratogan, weekly Sheriff's Office updates and community events updates:	95%	95%	95%	95%	95%
d. Produce outreach materials, such as the Budget in Brief, that provide an overview on City operations:	Yes	Yes	Yes	Yes	Yes
e. Prepare and distribute press releases on important City	Yes	Yes	Yes	Yes	Yes
2. *Encourage community building events in Saratoga through the community event grant program, facilitation of special event permits, and promoting local events.*					
a. Facilitate and issue permits for special events:	11	12	8	12	10
b. Accept applications for Community Event Grant Program:	15	23	12	17	15

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actual	2015/16 Actuals	2016/17 Budget
1. City of Saratoga Facebook Page Fans:	115	381	650	1194	1250
2. Number of Median Banner Program reservations:	*Information Not Available*	*Information Not Available*	24	31	27
3. Number of Banners displayed through Median Banner Program:	*Information Not Available*	*Information Not Available*	115	122	120
4. Number Community Event Grant Programs funded:	15	19	11	16	14
5. Events hosted by City:	6	7	9	6	7

ADMINISTRATIVE SERVICES DEPARTMENT

The Administrative Services Department provides oversight and support for the City's financial, human resources, administrative, and technology operations. As the department's Finance, Human Resources and Administrative Services divisions are centralized functions providing citywide administrative, financial, and legally required comprehensive support, the programs are included within the General Fund. The Information Technology (IT) Services division primarily provides both centralized and user specific technology support at varying service levels as requested or required by City departments, and is therefore an Internal Service program along with the City's two equipment usage and replacement funds: Information Technology Equipment Replacement; and Office Support Services. These Internal Service Fund programs are proportionately allocated for specific usage of equipment and supplies, and identifiable support basis for services to departments.

DEPARTMENT OBJECTIVES

The Administrative Services Department directly supports several of the City Council's Strategic Goals through implementation of the department's objectives, as listed below. Performance Measures in support and service programs (programs with staffing) provide information on the Department's attainment of these objectives.

Council Strategic Goal: Fiscal Stewardship: Ensure fiscal responsibility and transparency, proactively seeking opportunities for improvement.

Department Objectives:

- Maintain responsible, sustainable, and enforceable fiscal policies and practices
- Establish and uphold effective internal controls
- Maintain excellent fiscal status with efficient use of assets and resources
- Utilizing long-range fiscal planning tools, prepare structurally balanced fiscal plans that retain the City's fiscal health, preserve essential services, and implement Council's goals
- Provide timely and accurate financial reporting in compliance with accounting standards and regulations

Council Strategic Goal: City Leadership: Provide a proactive, responsible, inclusive, respectful, transparent, and trustworthy government dedicated to delivering effective high quality leadership for the community.

Department Objectives:

- Provide fair and proper administrative and personnel decisions that foster a proactive, responsible, and transparent government
- Recruit, retain, and develop a highly effective workforce to promote good governance ethics
- Promote organizational effectiveness through streamlined internal processes, leadership, teamwork, and innovation
- Support transparent government initiatives

Council Strategic Goal: Facility and Infrastructure: Maintain the City's facilities and infrastructure in a safe, secure, sustainable, and cost effective manner.

Department Objectives

- Ensure technology infrastructure functions properly, is up-to-date, and secure
- Provide for well-maintained, cost-effective equipment and infrastructure
- Protect the City's technology related assets from unauthorized use

DEPARTMENT BUDGET SUMMARY

Over a significant number of years, staffing in the Administrative Services Department utilized temporary staff. With ever-increasing technology, information, and support demands, the department's workload expanded over time, and temporary staffing was needed on a constant basis. Due to the technical and confidential nature of the work, and the small size of the department resulting in broader workload scope, staff positions require long-term skill development and knowledge for optimal efficiency of mission-critical duties. Typically, temporary positions are more effective for assignments with limited scope and repetitive duties.

When CalPERS began its strict enforcement of rules for use of retirees as temporary staff in January 2012, the department took another look at its ongoing long-term use of temporary positions, and the need for high level support and financial management backup. Subsequently, an organizational study was conducted on the department's staffing structure. The study concluded a full-time regular Finance Manager level position was required to support the Finance Division (replacing two part-time Sr. Accountant retirees), and the HR and IT Technician positions filled by long-term temporary staff should be converted to regular benefited positions in each of the respective divisions to properly reflect the staffing support required.

With Council approval, the organizational changes to add a full-time Finance Manager position to the Finance Division, a part-time (.75 FTE) HR Technician position to Human Resources, and a full time (1.0 FTE) IT Technician position to Information Technology staffing became effective with the FY 2013/14 budget. This change provided the resources to refocus the Department Director's duties from direct fiscal oversight duties, to broader departmental administrative and technological improvements. With the hiring of a Finance Manager in mid-FY 2013/14, and a transference of duties over the remainder of the fiscal year, an Administrative Services Division was added to the FY 2014/15 budget. A portion of the Director's FTE was shifted from Finance into the Administrative Services program to reflect the position's broadening focus on policy and procedural development, additional long-range planning and financial communications, and the development of a city-wide administrative management tool.

Another structural department change in recent years is the shift of budgeted employment law attorney services out of the Human Resources program and into the Legal Services program in the Non-Departmental section. This move was predicated on the concept of assigning budget responsibility and oversight for legal services to the City Attorney, and aligning all legal services within the Legal Services program.

The remainder of the department's General Fund operating budget is relatively steady. Finance and Human Resources functions are administrative and support oriented, therefore daily operating expenses do not vary significantly from year-to-year. The budget shift from Finance to Administrative Services was reflected in a realignment of expenditures between divisions, with costs holding steady at the departmental level.

General Fund revenues are limited to Business License processing fees in the Finance program. The Human Resources and Administrative Services programs do not generate revenues. Internal Service Fund revenues are primarily comprised of service chargebacks to other city programs for allocated support of IT services, equipment, and office support expenses. On the expenditure side, General Fund expenditures reflect staffing costs, operational supplies and services, and internal service fund charges. Internal Service Fund expenses consist of staffing, supplies, equipment costs, leases, and annual support/license fees.

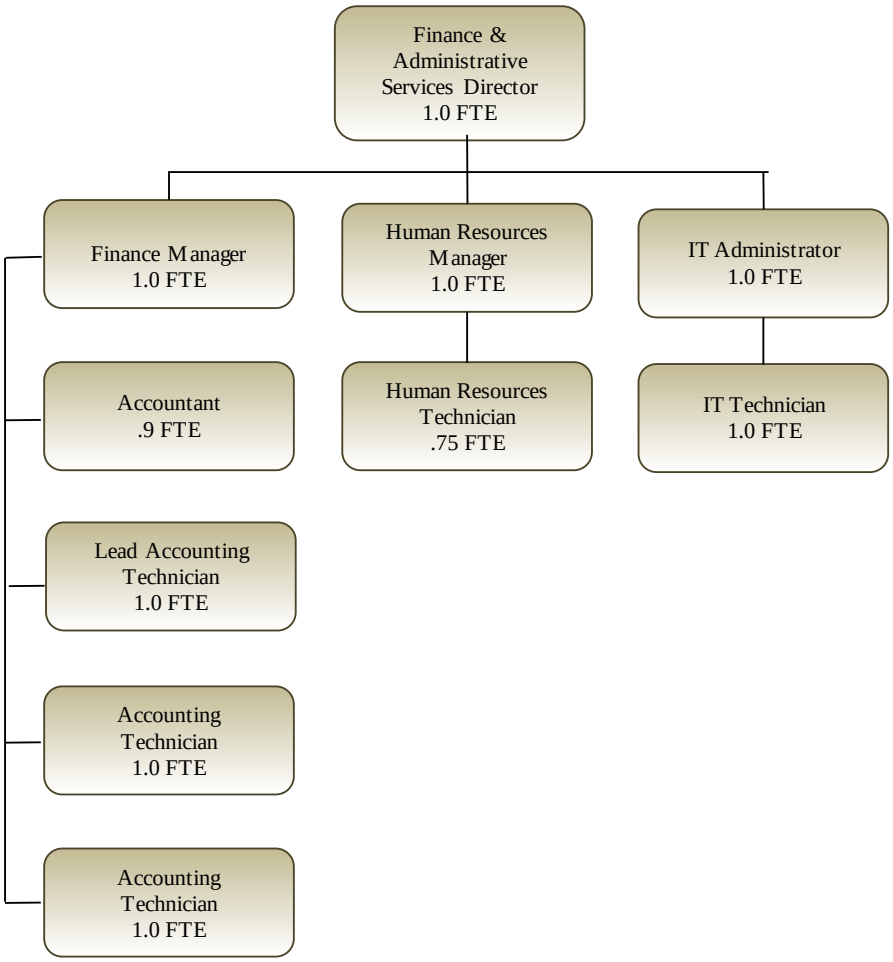
GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	41,810	41,618	45,085	41,800	44,850	42,880
Charge for Services	-	-	-	-	-	-
Other Sources	10,175	5,991	11,496	5,000	5,297	5,000
Internal Service Charges	-	-	-	-	-	-
TOTAL REVENUES	**$ 51,985**	**$ 47,609**	**$ 56,581**	**$ 46,800**	**$ 50,147**	**$ 47,880**
EXPENDITURES						
Salaries and Benefits	897,688	952,948	1,045,287	1,072,320	1,077,571	1,109,160
Operating Expenditures						
Materials & Supplies	10,631	12,610	9,132	14,450	7,515	11,950
Fees & Charges	20,449	21,704	17,842	22,120	18,162	21,415
Consultants & Contract Services	82,262	66,389	52,824	61,300	69,377	80,500
Meetings, Events & Training	11,987	35,678	14,665	17,900	14,608	22,225
Total Operating Expenditures	125,328	136,381	94,463	115,770	109,661	136,090
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	145,589	147,161	150,297	165,416	165,416	177,052
TOTAL EXPENDITURES	**$1,168,605**	**$1,236,490**	**$1,290,047**	**$1,353,506**	**$1,352,648**	**$1,422,302**

DEPARTMENTAL EXPENDITURES BY DIVISION / PROGRAM

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
Financial Services	839,510	899,080	778,447	791,676	797,281	827,378
Human Resources	329,095	337,410	325,218	338,075	332,482	343,037
Administrative Services	-	-	186,382	223,755	222,885	251,887
TOTAL GENERAL FUND	**$1,168,605**	**$1,236,490**	**$1,290,047**	**$1,353,506**	**$1,352,648**	**$1,422,302**
INTERNAL SERVICE FUNDS						
Office Support Services	54,285	35,928	46,229	73,250	44,606	73,450
Information Technology Services	375,674	422,703	432,550	530,066	467,583	602,565
IT Replacement Fund	46,678	58,530	23,687	108,400	44,762	136,280
TOTAL INTERNAL SERVICES	**$ 476,637**	**$ 517,161**	**$ 502,466**	**$ 711,716**	**$ 556,952**	**$ 812,295**
TOTAL DEPT EXPENDITURES	**$1,645,242**	**$1,753,651**	**$1,792,513**	**$2,065,222**	**$1,909,600**	**$2,234,597**

DEPARTMENTAL ORG CHART



ADMINISTRATIVE SERVICES DEPARTMENT STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Administrative Services Director	1.00	1.00	1.00	1.00	1.00
Finance Manager	-	1.00	1.00	1.00	1.00
Accountant I/II	0.90	0.90	0.90	0.90	0.90
Accounting Technician/Lead	3.00	3.00	3.00	3.00	3.00
Human Resources Manager	0.90	0.90	0.90	0.90	0.90
Human Resources Technician	-	0.65	0.65	0.65	0.65
Information Technology Administrator	1.00	1.00	1.00	1.00	1.00
Information Technology Technician	-	1.00	1.00	1.00	1.00
TOTAL FTE's	**6.80**	**9.45**	**9.45**	**9.45**	**9.45**

Temporary Staff Hours	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Sr. Accountant	1,200	200	-	-	-
IT Technician	2,000	-	-	-	-
HR Technician	1,568	-	-	-	-
Student Intern	-	320	320	-	-
Graphics Design Assistant	-	-	-	150	-
TOTAL ANNUAL HOURS	**4,768**	**520**	**320**	**150**	**-**

ADMINISTRATIVE SERVICES DEPARTMENT STAFF - by Division

City Staff by Program	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Finance	5.70	5.70	5.00	4.75	4.75
Human Resources	1.75	1.85	1.85	1.85	1.85
Administrative Services	-	-	0.70	0.95	0.95
Information Technology	2.10	2.10	2.10	2.10	2.10
TOTALS	**9.55**	**9.65**	**9.65**	**9.65**	**9.65**

The Adminstrative Services Departmental FTE schedule includes General Fund and Internal Service staffing assigned to this department. The .10 FTE of the HR Manager and .10 FTE of the HR Technician funded and assigned to the Workers Compensation program in the Non-Departmental section are not reflected in the Department's Division Total, but are reflected in the Total Staff Personnel schedule.

FINANCE DIVISION

The Finance Division program functions to assure both legal and fiscal accountability to the public through responsible, sustainable, and enforceable fiscal policies and practices. The program provides financial oversight and the administration of accounting functions for all the City's funds and accounts; monitors the Annual Operating and Capital Budgets for fiscal and operational accountability; coordinates the annual financial audit and preparation of the Comprehensive Annual Financial Report (CAFR) to verify proper fiscal reporting; ensures all Federal, State, and County fiscal reporting requirements are fulfilled; administers the City's Accounts Payable, Accounts Receivable, Payroll and Business License functions; oversees Treasury responsibilities, and provides general asset management and purchasing oversight and support functions, ensuring proper practices are in place, and that fiscal and operational responsibility is upheld.

BUDGET OVERVIEW

Notable Budget Changes:

- Budgeted salary and benefit increased due to cost of living and step increases.
- $3,000 of tuition reimbursement funding was added for two Finance staff members pursuing further education.

The FY 2016/17 Finance Division budget reflects anticipated revenues and expenditures associated with providing financial operations and services.

Revenues from the processing and service fees associated with processing Business License services in accounted for in the Finance Division, whereas the tax revenue collected under this licensing program flows to the General Administration program in the Non-Departmental Section. Late fees continue to be earned from the ongoing compliance audit. The amount has steadily decreased over the years as the auditors have identified the majority of unlicensed or delinquent businesses. Unlicensed businesses are assessed late fees to a maximum of the license amount itself, for up to a maximum three years in arrears. Processing fee revenue is expected to remain steady as a result of the ongoing business license compliance audit which began in January, 2009.

Division expenditures reflect continued streamlining of operational expenses, including the elimination of bank courier services and the reduction of the Accountant position from 1.0 FTE to .90 FTE. Funding for operating supplies, services, and training remain steady with prior year budgets, with the exception of an additional $3,000 for the tuition reimbursement program. Two Finance staff members plan to continue their educational pursuit in FY 2016/17. The Finance Division's largest operational expense is the annual financial audit, which is required by State law.

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	41,810	41,618	45,085	41,800	44,850	42,880
Charge for Services	-	-	-	-	-	-
Other Sources	10,175	5,991	11,496	5,000	5,297	5,000
TOTAL REVENUES	**$ 51,985**	**$ 47,609**	**$ 56,581**	**$ 46,800**	**$ 50,147**	**$ 47,880**
EXPENDITURES						
Salaries and Benefits	653,372	702,479	611,118	603,019	608,580	628,977
Operating Expenditures						
Materials & Supplies	6,722	11,221	7,679	12,000	6,270	10,500
Fees & Charges	9,741	9,413	8,685	11,325	8,301	9,585
Consultants & Contract Services	51,469	54,391	42,016	43,000	52,309	45,700
Meetings, Events & Training	2,200	4,595	2,445	5,500	4,990	8,350
Total Operating Expenditures	70,133	79,619	60,825	71,825	71,869	74,135
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	116,006	116,983	106,504	116,832	116,832	124,266
TOTAL EXPENDITURES	**$ 839,510**	**$ 899,080**	**$ 778,447**	**$ 791,676**	**$ 797,281**	**$ 827,378**

FY 2016/17 WORKPLAN PRIORITIES

Reporting Enhancements – Staff will continue to improve reporting preparation processes and publish the Comprehensive Annual Financial Report, Monthly Treasurers Reports, and Quarterly Budget Status Reports, with a focus on presentation, documentation, compliance requirements, and readability.

Financial System Upgrade – The Sungard financial system will be upgraded at the beginning of the fiscal year to maintain the technology requirements of the vendor and improve processes. After the system is implemented, the Report Net module upgrade will be implemented. Finance staff will train City staff users and utilize the system's new capabilities to enhance system information productivity.

Credit Card Processing – Staff will review credit card processing options to move away from a cost model to a true pass-through processing system, thereby eliminating credit card processing fee impacts.

Banking Services – Staff will research banking service options, determine desirable service tools, determine productivity of preparing a banking services RFP, and pursue if there are advantages.

KEY SERVICES

- Monitor the City's revenue and expenditures to ensure compliance with the annual operating and capital budget appropriations– in accordance with best practices and standards
- Coordinate the annual audit of the City's financial statements and preparation of the Comprehensive Annual Financial Report (CAFR)
- Maintain the City's financial information system for record-keeping and reporting of all financial transactions
- Provide Accounts Payable and Payroll disbursement and reporting services; Accounts Receivable invoicing, revenue collection, and cash reconcilement; and Business License Tax processing and auditing services
- Provide accounting, arbitrage reporting, and claim reimbursement services for bond issues
- Provide oversight of procurement functions including Purchase Order processing, financial tracking of contracts, vendor resolution issues, and proper accounting allocations

FINANCE STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Administrative Services Director	0.80	0.80	0.10	0.10	0.10
Finance Manager	-	1.00	1.00	1.00	1.00
Accountant I/II	0.90	0.90	0.90	0.90	0.90
Accounting Technician/Lead	3.00	3.00	3.00	2.75	2.75
Human Resources Manager	-	-	-	-	-
Human Resources Technician	-	-	-	-	-
Information Technology Administrator	-	-	-	-	-
Information Technology Technician	-	-	-	-	-
TOTAL FTE's	**4.70**	**5.70**	**5.00**	**4.75**	**4.75**

Temporary Staff Hours	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Sr. Accountant	1,200	200	-	-	-
TOTAL ANNUAL HOURS	**1,200**	**200**	**-**	**-**	**-**

FINANCE DIVISION

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Assure legal and fiscal accountability to the public, in compliance with established accounting standards.*					
a. Annual Financial Statements receive an 'Unmodified Opinion' from the City's independent auditor:	Yes	Yes	Yes	Yes	Yes
b. City's Comprehensive Annual Finance Report meets the Governmental Finance Officer Association (GFOA) 'Certificate of Achievement of Excellence in Financial Reporting' program standards and receives award:	Yes	Yes	Yes	Yes	Yes
2. *Provide timely and accurate financial reporting within specified deadlines.*					
a. Ratio of State and County regulatory and financial reports completed and filed by deadlines:	7 of 7	12 of 12	19 of 20	20 of 20	20 of 20
c. Percent of time department revenue and expenditure reports are completed within 30 days of month-end:	100%	100%	100%	100%	100%
3. *Provide financial oversight and administer accounting functions for City funds and accounts.*					
a. Percentage of Accounts Payable invoices processed accurately and on-time:	100%	99.00%	100%	99.00%	100%
b. Percentage of Payroll checks paid accurately and on-time:	100%	100%	100%	100%	100%
c. Percent of time bank statements are reconciled to general ledger within 45 days of month-end:	100%	100%	100%	100%	100%
4. *Proactively manage the City's finances to maintain excellent fiscal status.*					
a. Uphold (Moody's) highest bond credit rating of Aaa.	Yes	Yes	Yes	Yes	Yes
b. Amount contributed to pay down CalPERS Unfunded Accrued Liability under City's accelerated payment plan:	n/a	$ 3,294,619	$ 500,000	$ 500,000	$ 500,000
c. Meet and maintain Fund Balance Reserves fiscal policy requirements:	Yes	Yes	Yes	Yes	Yes

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of corrections resulting from annual financial audit:	0	0	0	0	0
2. Number of Cash Receipt batches processed annually:	1,242	1,230	1,260	1,261	1,260
3. Number of Business Licenses issued annually:	2,234	2,240	2,238	2,260	2,260
4. Number of invoices entered into Accounts Payable system:	7,494	7,320	7,106	7,273	7,200
5. Average number of Accounts Payable checks issued weekly:	53	50	51	53	53
6. Number of voided checks - due to processing errors	0	3	0	1	0
7. Number of voided checks - due to lost/destroyed checks, printer error, or incorrect invoice information	23	26	30	39	0
8. Number of payroll checks, paycheck vouchers, and stipends issued annually:	1,899	1,940	1,850	1,952	1,900

HUMAN RESOURCES

The Human Resources Division provides the full scope of professional, technical, and support services to attract, retain, and develop a professional and committed workforce that provides excellent internal and external customer service and promotes a safe workplace; supports the use of best practices to reduce workers' compensation claims; and ensures that the City complies with laws and regulations regarding employment and labor relations, including establishing and monitoring the City's personnel practices and policies consistent with employment law updates.

Human Resources core services include: recruitment and selection; employee and labor relations; classification and compensation; benefit design, negotiation and administration; performance management; records management; employee training (both legally mandated and discretionary); policies and procedures; employment and labor law compliance; special projects in support of City operations; and management of a variety of City programs including: Employee Recognition; "Volunteer Saratoga"; Emergency Volunteer Management; Workers Compensation, Safety and Wellness; Custodian of Records Department of Justice; and the Department of Motor Vehicles' Employee Pull Notice (EPN) program.

BUDGET OVERVIEW

Notable Budget Changes

- None

The Human Resources program focus is to support citywide personnel related functions. There are no direct service activities that generate revenues.

Staffing includes .90 FTE of the Human Resources Manager and .65 FTE of the Human Resources Technician (the remaining .10 FTE for each of these positions is included in the Workers Compensation program under the Non-Departmental Section). The Administrative Services Director allocates .10 FTE to this program for division administration oversight.

The Human Resources expenditure budget typically remain constant from year to year unless there are budgetary or organizational changes. With none expected, the ongoing operational expenditures include: membership in the Santa Clara County Bay Area Employee Relations Services (BAERS), membership with CalOpps, NEOGOV online performance appraisal system annual license and software support, and contract training services. Also included is operational funding for supplies, association dues, employee and organizational training, and the employee assistance program (EAP). BAERS (www.bayareaers.org) is a joint powers agency which provides online access to relevant classification, benefits and compensation data of Northern California agencies for survey analysis and classification studies. CalOpps (www.calopps.org) is a public sector job board for recruiting regular, temporary, and volunteer positions.

Employment law legal services were moved into the Non-Departmental Legal Services program during FY 2013/14 to assign budget responsibility and oversight for legal services to the City Attorney, and to align all attorney fees within the Legal Services program. This resulted in a $24,000 decrease, however this was offset by the City Manager recruitment fees in FY 2013/14, therefore the operational realignment reduction was not realized until FY 2014/15.

HUMAN RESOURCES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
EXPENDITURES						
Salaries and Benefits	244,316	250,470	262,838	269,507	270,085	272,881
Operating Expenditures						
Materials & Supplies	3,908	1,389	1,244	1,450	842	650
Fees & Charges	9,208	9,291	9,157	10,195	9,167	10,255
Consultants & Contract Services	30,793	11,999	10,808	13,000	10,669	13,100
Meetings, Events & Training	11,287	34,083	11,338	11,250	9,046	11,150
Total Operating Expenditures	55,196	56,762	$ 32,547	$ 35,895	$ 29,724	$ 35,155
Internal Service Charges	29,583	30,178	29,833	32,673	32,673	35,001
TOTAL EXPENDITURES	**$ 329,095**	**$ 337,410**	**$ 325,218**	**$ 338,075**	**$ 332,482**	**$ 343,037**

FY 2016/17 WORKPLAN PRIORITIES

Classification and Compensation – Conduct classification studies and compensation surveys, update job descriptions as needed, and respond to outside requests for City wage and benefit information.

HR Technology Improvements – Implement the NEOGOV on-line Performance Appraisal System upgrade of the Perform Dashboard and communicate the changes to and train users.

Performance Management - Evaluate the features and design of the NEOGOV on-line Performance Appraisal System evaluation templates to determine if changes may be made to support users more efficiently and effectively.

Recruitment and Selection – Conduct recruitment and selection processes in accordance with agreed upon scheduled target dates for regular, benefited and temporary at-will, not benefited positions.

Staff Training – Coordinate AB1825 mandatory harassment training (required every two years by law and required within six months of hire of supervisory positions), management and supervisory workshops through the LCW consortium, and other training including the 2016 Internship and Leadership Academy programs of Santa Clara County.

Volunteer Saratoga Program – Increase opportunities and promotion efforts of the City's "Volunteer Saratoga!" program.

KEY SERVICES

- Serve as Custodian of Records pursuant to Penal Code section 11102.2(b) requirements for the security, storage, administration, and destruction of employee criminal records furnished by the Department of Justice
- Manage the Department of Motor Vehicles' Employer Pull Notice Program (EPN) including promoting driver safety by monitoring the driving records of employees who are required to drive a City vehicle
- Develop, implement, and monitor compliance with human resources policies, monitor and maintain performance management and personnel recordkeeping systems, provide conflict resolution and performance management support services to managers and employees
- Negotiate and administer Memorandum of Understandings with the City's collective bargaining units
- Maintain the City's classification and compensation systems, administer benefits and benefit recordkeeping systems, provide customer service, and manage benefit contracts with third party administrators
- Provide recruitment and selection services, complying with state and federal non-discrimination laws in the hiring process, including Equal Employment Opportunity (EEO), the American's with Disability Act (ADA), and similar California statutes
- Oversee employee educational goals through training and professional development programs, including tuition reimbursement for eligible full-time employees and legally mandated training such as harassment in the workplace
- Manage the Employee Recognition Program, including special employee commendations, annual employee recognition luncheon, service awards, and individual and team awards
- Administer the "Volunteer Saratoga" program, promoting volunteerism as an important part of providing excellent services to City residents

HUMAN RESOURCES STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Administrative Services Director	0.10	0.10	0.10	0.10	0.10
Finance Manager	-	-	-	-	-
Accountant I/II	-	-	-	-	-
Accounting Technician/Lead	-	-	-	-	-
Human Resources Manager	0.90	0.90	0.90	0.90	0.90
Human Resources Technician	-	0.65	0.65	0.65	0.65
Information Technology Administrator	-	-	-	-	-
Information Technology Technician	-	-	-	-	-
TOTAL FTE's	**1.00**	**1.65**	**1.65**	**1.65**	**1.65**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
HR Technician	1,568	-	-	-	-
Student Intern	-	320	320	-	-
Total Annual Hours	**1,568**	**320**	**320**	**-**	**-**

* *This schedule reflects FTEs as funded in the Human Resources Program. Portions of FTEs assigned to Internal Service Funds or other programs, are reflected in the appropriate FTE schedules.*

HUMAN RESOURCES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Support transparency in government activites through providing timely reporting and/or responses to outside agencies.*					
a. Percent of time the Human Resources Division provides reports to outside agencies on or before the deadline:	100%	100%	100%	100%	100%
2. *Provide effective and efficient employee benefit contract administration.*					
a. Manage contracts to ensure compliance with current laws, memoranda of understanding, and City policies and procedures:	100%	100%	100%	100%	100%
b. Regularly review contracts to ensure cost-effective insurances and benefits that meet the needs of the organization are provided:	100%	100%	100%	100%	100%
3. *Provide fair and proper administrative and personnel decisions that foster a proactive, responsible, and transparent government.*					
a. Percent of time personnel policies are available on the City's website:	100%	100%	100%	100%	100%
b. City personnel policies are updated regularly:	Yes	Yes	Yes	Yes	Yes
4. *Recruit, retain and develop a highly effective workforce to promote good governmance ethics.*					
a. Percentage of recruitments averaging two months from the job posting to offer letter:	n/a	n/a	n/a	n/a	n/a
c. Staff turnover percentage:					

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of recruitments conducted for regular, benefited positions.	3	8	6	6	5
2. Number of employment applications received and processed:	1,085	2,500	314	716	600
3. Total number of employees (benefited, non-benefited, and temporary, part-time and full-time):	77	81	76	69	70
4. Number of participants in Volunteer Saratoga program:	167	191	150	235	235
5. Value of volunteer hours:	$58,503	$57,577	$50,000	$70,680	$72,000
6. Number of meet and confer process hours:	160	160	520	210	200
7. Number of training hours offered to employees:	36	36	52	36	36

ADMINISTRATIVE SERVICES

The Administrative Services program was established effective with the FY 2014/15 budget to reorganize departmental duties and separate administrative oversight functions from the other distinctly organized functions within the Administrative Services Department.

With the addition of the Finance Manager position to the department in mid-FY 2013/14, direct fiscal oversight duties transferred from the Director to the Finance Manager to allow the Director to focus on departmental leadership and strategic administrative matters, to improve both departmental and citywide efficiencies. Under the Administrative Services program, efforts will focus on policy and procedural development, long-range forecasting and financial communication, strategic and financial planning, coordination and development of the City's annual budgets, records management and documentation, development and implementation of administration management tools and technology related process improvements, and professional and technical assistance and support to other departments relative to financial and administrative matters.

Activities will vary year by year as projects and duties are completed, and with various assignments in support of Council and City Manager initiatives and direction.

BUDGET OVERVIEW

Notable Budge Changes:

- Additional expenditure funding was added to support additional Sungard upgrade training and to provide resources for the internal document management system implementation.

In the event of a disaster and cost recovery process, the City's administrative and financial policies would be subject to a highly critical and restrictive review, and would be the foundation upon which cost recovery decisions would be made. Workload priorities will include the development and revision of high priority policies to prepare for this rigorous process should it occur. As cost recovery planning and preparations are extensive, this activity will continue to be a high priority function for many years.

Additional efforts will focus on the management and tracking of financial documents and records, the development of budget and administrative management tools as well as the development of an asset database and reassessment of internal service fund allocations.

With the focus on high level staff driven analytical, financial, and administrative management, budget requirements are minimal. Revenues will not be generated by this program and operating expenditures are generally limited to staffing costs and a small amount of operational supplies, training, and internal service charges. However, this year is an exception. The FY 2016/17 budget includes $20,000 of additional funding for resources associated with the implementation of an intranet or similar administrative document management tool.

ADMINISTRATIVE SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	-	-	-	-	-	-
Charge for Services	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
EXPENDITURES						
Salaries and Benefits	-	-	171,331	199,794	198,906	207,302
Operating Expenditures						
Materials & Supplies	-	-	209	1,000	402	800
Fees & Charges	-	-	-	600	694	1,575
Consultants & Contract Services	-	-	-	5,300	6,400	21,700
Meetings, Events & Training	-	-	882	1,150	572	2,725
Total Operating Expenditures	-	-	1,091	8,050	8,068	26,800
Internal Service Charges	-	-	13,960	15,911	15,911	17,785
TOTAL EXPENDITURES	**$ -**	**$ -**	**$ 186,382**	**$ 223,755**	**$ 222,885**	**$ 251,887**

FY 2016/17 WORKPLAN PRIORITIES

Cost Recovery Planning –This large, long-term project is to prepare the City for financial tracking and reporting duties, both during, and after, an emergency. The focus will be on researching and preparing emergency policies and forms in conformance with claim reimbursement requirements.

Fiscal and Administrative Policies – Staff will research, document, and ultimately develop a comprehensive set of City-wide fiscal and administrative policies. This project is very large and will take several years to complete.

Financial Records Management – Finalize the conversion of historical and permanent paper financial records into digital format, and organize existing digital format files into a readily accessible directory library structure in the City's Laserfiche program.

Administrative Management Development – The City will implement an internal website data management tool to provide readily accessible administrative information and resources.

Asset Database Development – Staff will work on the development of a fixed asset management tool to better track resources and funding requirements for budget preparation and information tracking purposes.

Contract Management – Staff will work on the development of a contract database tool to track City-wide contract life cycles for comprehensive data collection and expiration dates.

KEY SERVICES

- Fiscal and administrative leadership
- Policy and procedural development
- Financial planning, long-range forecasting, and fiscal communication
- Coordination, development, and ongoing improvement of the City's annual budget process and document
- Professional and technical support to other departments relative to financial and administrative matters
- Implementation and improvements of administrative management functions and processes
- Departmental records management

ADMINISTRATIVE SERVICES STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Administrative Services Director	-	-	0.70	0.70	0.70
Finance Manager	-	-	-	-	-
Accountant I/II	-	-	-	-	-
Accounting Technician/Lead	-	-	-	0.25	0.25
Human Resources Manager	-	-	-	-	-
Human Resources Technician	-	-	-	-	-
Information Technology Administrator	-	-	-	-	-
Information Technology Technician	-	-	-	-	-
TOTAL FTE's	**-**	**-**	**0.70**	**0.95**	**0.95**

Temporary Staff Hours	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Graphics Assistant	-	-	-	150	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**150**	**-**

ADMINISTRATIVE SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Provide fiscal and administrative support to assist Council with understanding and keeping current on the City's financial and operational health, in the effort to preserve essential services, maintain City infrastructure, and achieve other Council goals.*					
a. Provide Council and City Management with long-range fiscal planning tools in preparation of annual budget preparation and review processes:	Yes	Yes	Yes	Yes	Yes
b. Keep abreast of fiscal and administrative impacts to the City and communicate pertinent information to City management.	Yes	Yes	Yes	Yes	Yes
c. Protect the City's assets from authorized use through establishing and updating policies and practices that regualate expenditures, review fiscal activities, and secure facilities, vehicles & equipment, and information systems.	Yes	Yes	Yes	Yes	Yes
2. *Prepare accurate budget workplans in compliance with standard budgeting practices.*					
a. Percent of time actual expenditures do not exceed a fund's approved budget appropriations:	100%	100%	100%	100%	100%
b. Governmental Finance Officer Association (GFOA) 'Certificate of Achievement of Excellence in Budgeting' awarded to the City:	Yes	Yes	Yes	Yes	Yes

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Present Mid-year Budget Review at annual Council Retreat:	*See Finance Perf Measure*	*See Finance Perf Measure*	Yes	Yes	Yes
2. Present Five Year forecast at annual Council Retreat:	*See Finance Perf Measure*	*See Finance Perf Measure*	Yes	Yes	Yes
3. Update fiscal and administrative policies:	*See Finance Perf Measure*	*See Finance Perf Measure*	Yes	Yes	Yes
4. Research and inform City Management of notable fiscal or administrative matters:	*See Finance Perf Measure*	*See Finance Perf Measure*	Yes	Yes	Yes

OFFICE SUPPORT SERVICES

The Office Support program accounts for the photocopy equipment leases, copy supplies, postage machine lease, and postage and related fees on a centralized basis. Usage expenses are allocated back to the appropriate department for services and supplies utilized, on a quarterly basis. As this program functions primarily as a funding mechanism, personnel are not assigned to this fund, therefore fiscal year objectives, a staffing schedule, and performance measures are not included in this program.

BUDGET OVERVIEW

The City's Multi-Functional Devices (MFD), consisting of photocopying, scanning, and printing functions, are typically leased rather than purchased by the City based on the cost effectiveness of service contracts versus the cost of purchasing equipment. Although leasing does include built-in financing costs, the heavy usage MFDs sustain on a daily basis coupled with rapidly advancing technology improvements and cost reductions seen with these types of machines, leasing provides the City with cost efficiency and better ongoing quality over the long term. Additionally, the potential for repeated breakdowns, the cost of service contracts and quality issues with older machines makes "*lease and replace*" a better option than "*purchase and retain*".

With the expiration of the MFD lease agreement in late 2013, the City entered into a new lease in February, 2014. As expected, the new machines are more advanced: they are higher quality, with increased functionality and reliability, and notably faster – while lease and service costs have decreased.

Conversely, the City's postage machine was purchased rather than leased under a different set of circumstances. Postage machines are primarily mechanical. The technology is simpler than MFDs and therefore less costly. Hence, they are typically stable and reliable pieces of equipment that do not require constant servicing. The postage machine was purchased in June, 2009, which included free maintenance service (repair services and postage rate upgrades) for the first year, and a service contract for subsequent years. The original five year maintenance agreement expired at the end of June 2014 but as the machine is operating satisfactorily, the postage machine will be retained and the maintenance agreement renewed on an annual basis for as long as practical. Staff does not expect to replace the postage machine next fiscal year, but has included replacement funding in the budget as a contingency. Replacement funding will be budgeted each year until a replacement machine is required.

The FY 2016/17 service chargeback remains at $50,000 as fund balance will be reduced over several years to be in line with the reserve policy. Operating expenditures are budgeted at last year's level, which includes the contingency funding for the possible postage equipment replacement.

OFFICE SUPPORT SERVICES

SOURCE & USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
Unassigned	11,220	24,021	53,121	75,075	75,075	96,171
Total Beginning Fund Balance	**$ 11,220**	**$ 24,021**	**$ 53,121**	**$ 75,075**	**$ 75,075**	**$ 96,171**
Revenues						
Charge for Services	12,086	10,028	13,183	12,000	10,703	12,000
Internal Service Charges	55,000	55,000	55,000	50,000	55,000	50,000
Total Revenues	**$ 67,086**	**$ 65,028**	**$ 68,183**	**$ 62,000**	**$ 65,703**	**$ 62,000**
TOTAL SOURCE OF FUNDS	**$ 78,306**	**$ 89,049**	**$ 121,304**	**$ 137,075**	**$ 140,777**	**$ 158,171**
USE OF FUNDS						
Expenditures						
Salaries and Benefits	-	-	-	-	-	-
Operating Expenditures						
Materials & Supplies	17,233	18,323	18,632	19,500	15,717	19,000
Fees & Charges	35,951	15,323	25,473	35,250	26,434	35,950
Consultants & Contract Services	1,101	2,282	2,124	3,500	2,456	3,500
Meetings, Events & Training	-	-	-	-	-	-
Total Operating Expenditures	**$ 54,285**	**$ 35,928**	**$ 46,229**	**$ 58,250**	**$ 44,606**	**$ 58,450**
Fixed Assets	-	-	-	15,000	-	15,000
Internal Service Charges	-	-	-	-	-	-
Total Expenditures	**$ 54,285**	**$ 35,928**	**$ 46,229**	**$ 73,250**	**$ 44,606**	**$ 73,450**
Operating Transfers						
Transfer Out	-	-	-	-	-	-
Total Operating Transfers	-	-	-	-	-	-
Ending Fund Balance						
Unassigned	24,021	53,121	75,075	63,825	96,171	84,721
Total Ending Fund Balance	**$ 24,021**	**$ 53,121**	**$ 75,075**	**$ 63,825**	**$ 96,171**	**$ 84,721**
TOTAL USE OF FUNDS	**$ 78,306**	**$ 89,049**	**$ 121,304**	**$ 137,075**	**$ 140,777**	**$ 158,171**

KEY SERVICES

- Provide postage and photocopy equipment, as wells as other small office equipment, supplies, and services for citywide use
- Monitor service levels and performance of copier and postage machines, maintaining and replacing equipment as needed

INFORMATION TECHNOLOGY SERVICES

Information Technology Services supports the delivery of technology based services throughout the City's operations. Core services include the maintenance and support for the City's information systems, including all aspects associated with desktop computers, network maintenance and support, infrastructure, and system implementation and upgrade support. Other core duties include maintaining the City's various communication systems, including support for the streaming video technology system, internet, landline and wireless communication systems, including voicemail, email, and the archiving of communication records. The IT Services program supports the upgrade of existing information technology, as well as overseeing new technology initiatives. In meeting the City's information technology needs, the IT Services program strives to continuously enhance and improve IT services, and to maintain and ensure a sound, secure, and reliable IT infrastructure.

BUDGET OVERVIEW

Notable Budget Changes:

- Service Chargebacks were increased by $50,000 to reflect growing technology services and costs.
- Additional funding was budgeted for EV Charging Station Network Services and IT support services. Multi-year license and support services fluctuate from year to year, so that increases in some support service contracts are offset with decreases in others.

The IT Services program is funded by service chargebacks for operational support to the City's programs. With the ever increasing advancement of technology services, systems, and security, IT costs continue to increase each year. Support fees to offset operational costs will rise by $50,000 in FY 2016/17, up to $525,000 in FY 2015/16.

Staff pursues operational savings wherever possible, however IT annual licenses and support expenditures increase most years, and additional technology services are added as the City's needs increase or change. With the consolidation of multiple small servers into a larger server with a virtual server environment, some software and maintenance duplication costs were eliminated, providing ongoing savings. The integration of cloud-based solutions has also reduced hardware costs while providing off-site capabilities and enhanced security. Staff strives to utilize multi-year service plans when savings are provided to reduce overall costs.

The expansion of the network to Saratoga Prospect Center, free Wi-Fi at Blaney Plaza, EV station software support, and multiple firewall and security systems added to program costs in the last couple of years. Beginning in FY 2014/15, additional costs appeared as a result of Microsoft's elimination of the 2003 operating system support. This change required purchasing new software systems, which brought increased annual support fees. And, in this new intense era of cybersecurity protection requirements, ongoing IT Security Audits will identify improvements to be made, which will likely require additional funding needs each year.

Contingent IT support funding grew from $25,000 to $40,000 in FY 2016/17 due to an ever-increasing demand driven by new technology and security needs. The breadth of knowledge and expertise necessary for IT support requires cutting-edge technology consultants who can provide high-level assistance for specialized and emerging technology projects, as well as for emergency operations backup. The City's IT consultant draws upon multiple staff in their firm who have specialized training with advanced skills to assist in the implementation of new or high-level technology. The consultants also support and train the City's IT staff on new technology as needed.

While there are variations in support and license fees from year to year, the overall operating budget remains fairly steady. Increases are primarily limited to staffing costs stemming from step increases and position realignment.

INFORMATION TECHNOLOGY SERVICES

SOURCE & USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
Unassigned	256,702	281,284	262,069	260,322	260,322	274,223
Total Beginning Fund Balance	**$ 256,702**	**$ 281,284**	**$ 262,069**	**$ 260,322**	**$ 260,322**	**$ 274,223**
Revenues						
Other Sources	257	3,488	5,803	5,000	6,485	6,500
Internal Service Charges	400,000	400,000	425,000	475,000	475,000	525,000
Total Revenues	**$ 400,257**	**$ 403,488**	**$ 430,803**	**$ 480,000**	**$ 481,485**	**$ 531,500**
TOTAL SOURCE OF FUNDS	**$ 656,959**	**$ 684,772**	**$ 692,872**	**$ 740,322**	**$ 741,807**	**$ 805,723**
USE OF FUNDS						
Expenditures						
Salaries and Benefits	201,378	237,911	248,221	242,904	244,289	293,394
Operating Expenditures						
Materials & Supplies	8,966	9,754	11,141	11,450	4,271	11,400
Fees & Charges	13,607	14,356	15,376	27,560	21,891	28,875
Consultants & Contract Services	116,045	123,217	115,672	179,070	130,605	198,730
Meetings, Events & Training	2,282	1,160	2,625	5,750	3,196	6,500
Total Operating Expenditures	140,900	148,486	144,813	223,830	159,962	245,505
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	33,395	36,305	39,516	63,332	63,332	63,666
Total Expenditures	**$ 375,674**	**$ 422,703**	**$ 432,550**	**$ 530,066**	**$ 467,583**	**$ 602,565**
Ending Fund Balance						
Unassigned	281,284	262,069	260,322	210,256	274,223	203,159
Total Ending Fund Balance	**$ 281,284**	**$ 262,069**	**$ 260,322**	**$ 210,256**	**$ 274,223**	**$ 203,159**
TOTAL USE OF FUNDS	**$ 656,958**	**$ 684,772**	**$ 692,872**	**$ 740,322**	**$ 741,807**	**$ 805,723**

FY 2016/17 WORKPLAN PRIORITIES

Network Security Assessment – Results from the network security assessment conducted in FY 2015/16 to discover potential security vulnerabilities on City's data network will be addressed.

Online Permit Payments – With the completion of the IVR Implementation, the City will begin to address the next phase of the TRAKiT upgrade: to allow public access to secure online payments for permits.

Website Upgrade – After selecting a website upgrade consultant in late FY 2015/16, IT will work with the consultant and website development team to develop an improved website design, structure, and implementation plan. IT will oversee the upgrade and back-end requirements for the new website design.

Intranet Implementation – Phase II of the Website Upgrade will focus on the development of an Intranet. This new system will provide internal users with a centralized information and form center to improve accessibility and efficiency.

Sungard Upgrade – Sungard, the Financial and Human Resources data management system will be upgraded to a higher version to keep compliant with the vendor's system requirements. IT will plan and oversee the implementation process.

GIS Software Integration/Upgrade – IT staff will research GIS software and integration options to develop an appropriate structure and implementation plan to improve development functionality and coordinate mapping information in both development and engineering software.

Technology & Equipment Management – IT staff will continue to keep abreast of emerging technology information to ensure the City is addressing concerns, issues, and opportunities, and maintaining equipment at appropriate levels to ensure the City's infrastructure is up-to-date, cost-effective, and secure from cyber threats.

KEY SERVICES

- Maintain and support the City's information software systems, including the Sungard financial system, Trak-IT permitting system, Rec-Trak, LaserFiche, Agenda Manager, Granicus, and others
- Maintain, support, repair, and upgrade the City's servers
- Maintain and support the City's video streaming, internet, voicemail, wireless and telecommunication systems
- Maintain, support, repair, upgrade, assist, and educate staff on system usage, desktop computers, printers, and technology accessories
- Provide ongoing network maintenance, security, and support
- Maintain and enhance the City's website and AM radio station to effectively provide public access to City information
- Oversee technology upgrades as well as lead new information technology initiatives

INFORMATION TECHNOLOGY STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Administrative Services Director	0.10	0.10	0.10	0.10	0.10
Finance Manager	-	-	-	-	-
Accountant I/II	-	-	-	-	-
Accounting Technician/Lead	-	-	-	-	-
Human Resources Manager	-	-	-	-	-
Human Resources Technician	-	-	-	-	-
Information Technology Administrator	1.00	1.00	1.00	1.00	1.00
Information Technology Technician	-	1.00	1.00	1.00	1.00
TOTAL FTE's	**1.10**	**2.10**	**2.10**	**2.10**	**2.10**

Temporary Staff Hours	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
IT Technician	2,000	-	-	-	-
TOTAL ANNUAL HOURS	**2,000**	**-**	**-**	**-**	**-**

INFORMATION TECHNOLOGY SERVICES

Performance Objectives and Measures	2012/13 Actual	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Support the delivery of technology services to citizens, residents, businesses, other governmental agencies, and internal City departments.*					
a. Percent of time online services are available to the public through the City's website and resource links:	99%	99%	99%	98%	99%
b. Percent of time network remains available during normal business hours:	98%	98%	99%	99%	99%
c. Percent of time IT responds/resolves support requests within one working day:	99%	99%	99%	99%	99%
d. Percent of time IT responds to technology system emergency events:	100%	100%	100%	100%	100%
2. *Provide technology solution oversight and project management support to improve citywide functions.*					
a. Number of system upgrades or modifications for which IT staff provided project management support:	5	4	6	8	6
b. Number of new technology sytems or equipment for which oversight and support was provided by IT staff:	6	9	7	6	5
3. *Protect the City's technology assets from unauthorized use.*					
a. Staff has current knowledge of cybersecurity alerts and product vulnerabilities:	Yes	Yes	Yes	Yes	Yes
b. Number of times per year firewall tested for security:	*Information not available*	*Information not available*	*Information not available*	2	3
c. Security standards meet PCI Compliance Requirements:	No	No	Yes	Yes	Yes

Activity and Workload Highlights	2012/13 Actual	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of system users supported:	86	88	109	106	105
2. Number of IT software applications monitored and maintained:	26	27	36	37	38
3. Number of network servers maintained:	22	20	24	24	23
4. Number of desktop systems maintained:	57	59	60	59	57
5. Number of laptop systems maintained:	17	17	14	25	25
6 Number of tablets maintained:	0	6	6	13	13
7. Number of network copiers, printers, plotters, scanners, fax machines, and postage machines maintained:	24	24	21	20	21
8. Number of landlines serviced and maintained:	78	77	75	76	76
9. Number of cell phones serviced and maintained:	25	23	22	23	23

INFORMATION TECHNOLOGY EQUIPMENT REPLACEMENT FUND

The Information Technology Equipment Replacement Fund program provides for a consistent level of funding for the replacement of desktop computers and monitors, servers, laptops, printers, and various other technology equipment on an ongoing basis. Staff maintains a replacement schedule for City IT equipment, with estimated life plans and calculated replacement costs to determine replacement needs each year. The schedule is used to calculate the annual funding contribution requirement to smooth operating expenses over the years, as well as provide a more accurate cost of operations on an ongoing basis.

Initially, IT equipment is purchased by the requesting department. If the equipment will be replaced on an ongoing basis, the new equipment is added to the department's replacement schedule list, and replacement charges would be adjusted for outgoing years. With rapid changes in technology, the cost of replacement equipment could vary considerably from the cost of the original equipment, or else the equipment became obsolete and replaced with different technology. In recent history however, IT equipment costs have remained fairly consistent in price, while the technology continues to advance. As a result, ongoing replacement costs are not expected to increase significantly in future years.

BUDGET OVERVIEW

The FY 2015/16 budget incorporated a more comprehensive replacement funding strategy. In past years, software systems were not included in the replacement schedules, in the expectation that due to the cost of most of the software systems, replacements would be managed through the Capital Improvement Plan process. Per Council's direction, the IT replacement fund will now incorporate system replacements into the annual budget allocations. This will more accurately account for all IT related operational costs of services.

As a result of this change, the service chargeback increased significantly – from $65,000 per year to $125,000 per year. Allocation charges to each program are calculated by tracking citywide equipment costs and lifespan, and a weighted average cost determines how much is to be set aside each year in order to have funding available for replacements at the time the equipment's lifespan is over. Chargebacks to the appropriate department "owner" is reflected in this fund as revenue, and the IT equipment scheduled for replacement for the current fiscal year is shown as a program expenditure. The following IT Equipment Replacement Schedule identifies the equipment to be replaced in FY 2016/17. It should be noted that program expenditures will vary year by year as they are based on software and equipment lifespan cycles, and are independent of the annual chargeback amount. Over the years, funding requirements may adjust as replacement needs are revised, projected costs are more firmly determined, or with delays in scheduled replacements due to continued equipment functionally.

Planned replacements for the budget year total $118,280 and include: $24,200 for desktops, laptops, and tablet computer replacements, $37,000 for network server replacements, $28,500 for network equipment and UPS battery backups, and $18,580 for MS Office Suite, Adobe, and Customer Relationship software.

INFORMATION TECHNOLOGY EQUIPMENT REPLACEMENT FUND

SOURCE & USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
Unassigned	144,670	156,318	152,788	194,101	194,101	274,339
Total Beginning Fund Balance	**$ 144,670**	**$ 156,318**	**$ 152,788**	**$ 194,101**	**$ 194,101**	**$ 274,339**
Revenues						
ISF Charges	46,236	55,000	65,000	125,000	125,000	125,000
Total Revenues	**$ 46,236**	**$ 55,000**	**$ 65,000**	**$ 125,000**	**$ 125,000**	**$ 125,000**
Operating Transfers						
Transfer In from General Fund	-	-	-	-	-	-
Total Operating Transfers In	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL SOURCE OF FUNDS	**$ 190,906**	**$ 211,318**	**$ 217,788**	**$ 319,101**	**$ 319,101**	**$ 399,339**
USE OF FUNDS						
Expenditures						
Operating Expenditures						
Materials & Supplies	46,678	58,530	23,687	108,400	44,762	136,280
Fees & Charges	-	-	-	-	-	-
Consultants & Contract Services	-	-	-	-	-	-
Meetings, Events & Training	-	-	-	-	-	-
Total Operating Expenditures	46,678	58,530	23,687	108,400	44,762	136,280
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	-	-	-	-	-	-
Total Expenditures	**$ 46,678**	**$ 58,530**	**$ 23,687**	**$ 108,400**	**$ 44,762**	**$ 136,280**
Operating Transfers						
Transfer Out to General Fund	-	-	-	-	-	-
Transfer Out to CIP	-	-	-	-	-	-
Total Operating Transfers	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Ending Fund Balance						
Unassigned	156,318	152,788	194,101	210,701	274,339	263,059
Total Ending Fund Balance	**$ 156,318**	**$ 152,788**	**$ 194,101**	**$ 210,701**	**$ 274,339**	**$ 263,059**
TOTAL USE OF FUNDS	**$ 202,996**	**$ 211,318**	**$ 217,788**	**$ 319,101**	**$ 319,101**	**$ 399,339**

KEY SERVICES

- Accumulate and provide annual funding for technology asset replacement
- Assess IT equipment for proper replacement timing
- Identify and procure best solution equipment

INFORMATION TECHNOLOGY EQUIPMENT REPLACEMENT FUND

IT EQUIPMENT REPLACEMENT SCHEDULE	
Computer Systems	**FY 2016/17**
Standard Desktops	13,700
Graphic Desktops	9,000
Monitors	-
Laptops	1,500
Tablets	-
Servers	
Small Server	5,000
Mid-Size Server	20,000
Large Server	20,000
Virtual Server	5,000
Data Storage	
Nimble Storage Array Server	-
Network	
Network switch	6,000
Firewalls	3,000
Network Cabling	-
Fiber Optic Cabling	-
Telephone System	-
Wireless (Wi-Fi)	25,000
Printers	
Check printer	-
Permits/Receipts printer	-
Plotter printer	5,000
UPS Battery Backups	
Desktop battery	2,000
Server battery	2,500
Security Equipment	
Park and Facility Security Cameras	-
Software	
Productivity Software (MS Office Suite, Adobe)	8,580
City Website/Intranet	-
Electronic Document software (Laserfiche)	-
Department Software	-
CMO Customer Relationship Management (CRM)	-
City Clerk Agenda Management software	-
Finance/HR software (SunGard)	-
Community Development software (TRAKiT)	10,000
CDD/PW GIS Enterprise Software	-
Recreation software (RecTrac)	-
TOTAL IT EQUIPMENT REPLACEMENTS:	**136,280**

COMMUNITY DEVELOPMENT DEPARTMENT

The Community Development Department guides the physical growth of the City and preserves the community's quality of life by administrating zoning regulations and providing building and inspection services, code enforcement, arborist services, and ongoing advanced planning activities that maintain the City's General Plan. The Department also supports the City's business environment through participation and funding of economic development activities.

The Saratoga community provides input to the Department through the Planning Commission and Heritage Preservation Commission, and by citizen involvement in Commission and Council reviews of the General Plan and various specific plans. The Department's staff supports community participation through development review services, commission meeting preparation and support, and public hearings.

DEPARTMENT OBJECTIVES

The Community Development Department directly supports two of the Council's Strategic Goals through implementation of the department's objectives, as listed below. Performance measures provide feedback on the Department's progress towards meeting these objectives.

Council Strategic Goal: City Leadership: Provide a proactive, responsible, inclusive, respectful, transparent, and trustworthy government dedicated to delivering effective high quality leadership for the community.

Department Objectives:

- Maintain staff's responsiveness and accountability to the community
- Enhance transparency in departmental processes
- Maintain community partnerships through support and engagement with business, residents, and all types of community groups
- Encourage civic engagement and participation through the Planning Commission and Heritage Preservation Commission processes

Council Strategic Goal: Community Heritage: Honor Saratoga's heritage by preserving significant historic assets.

Department Objectives:

- Administer and enforce development policies and standards to maintain a high quality of life for residents and the business community
- Protect Saratoga's natural beauty

DEPARTMENT BUDGET SUMMARY

The Bay Area economy continues to lead the nation in terms of activity and job creation, and in turn, Saratoga property owners are confident about investing in their properties with remodeling work and improvements. Given a stabilizing housing market cycle, FY 2016/17 revenue projections reflect only a slight change in the number of planning applications and building permits to be issued in the upcoming budget year. Development revenue remains healthy and is anticipated to remain at or above prior year levels.

Despite turnover in the department during FY 2015/16, staffing levels (12 FTE's) in the Community Development Department were maintained with the assistance of temporary contract services to backfill positions while the City recruited for the three vacant positions (Office Specialist III, Planner II, and Senior Planner). The budget also plans for the scheduled return of a Senior Planner who is currently fulfilling a military obligation, and the retention of temporary contract planning services as on-demand staffing to respond to increases in development activity and assist

with the department workplan assignments (such as updating the Saratoga Village plan). Funding is also included for a Summer CDD Intern to assist with an upgrade to the City's permitting software, geographic information system (GIS), and department website.

With Council approval, a Code Compliance Officer full-time staff position will be added to the department's staff in FY 2016/17. During the recession, the former Code Compliance Specialist position was de-funded and code compliance responsibilities were distributed to other staff members in the Community Development Department. As development activity has returned to pre-recession activity levels, staff does not have the capacity to complete their regular duties and also address code complaints. With the department not able to meet community expectations, residents began to request dedicated code compliance staffing from the Council. The addition of this position will address the policy and service priorities set by Council during its 2016 Budget Study Session, and also allow the other development staff to return their focus to their own primary duties. This resulted in a reallocation of staffing FTEs throughout the department. While the shifting of staff will impact budgets at the program level, the overall department expenditures remain stable with the exception of funding for the Code Compliance Officer addition.

With the recent addition of several new staff members, the department will continue training efforts to rebuild the department, implement administrative and process improvements, and upgrade existing permitting software. These efforts are intended to increase overall efficiency of the department and enhance customer service for City residents and businesses.

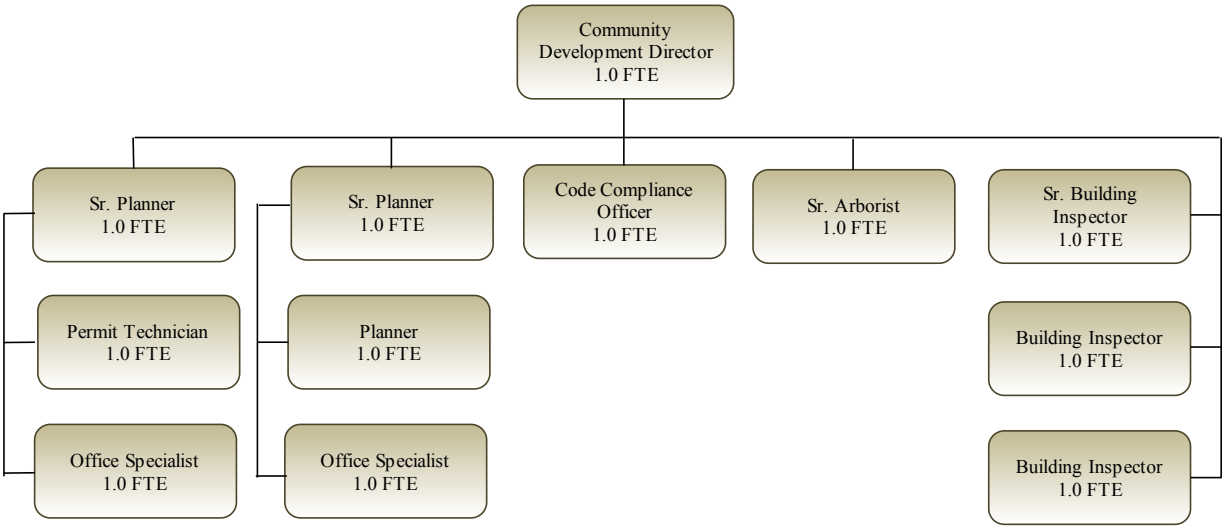
GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	1,408,832	1,344,008	1,227,554	1,322,250	1,305,524	1,333,650
Charge for Services	772,506	875,152	864,804	878,400	949,373	959,900
Other Sources	2,444	776	2,755	1,000	3,634	3,000
TOTAL REVENUES	**$2,183,782**	**$2,219,935**	**$ 2,095,113**	**$ 2,201,650**	**$ 2,258,530**	**$ 2,296,550**
EXPENDITURES						
Salaries and Benefits	1,551,471	1,638,097	1,523,194	1,754,373	1,624,144	1,958,794
Operating Expenditures						
Materials & Supplies	20,828	14,995	20,765	23,950	16,917	22,050
Fees & Charges	34,440	19,968	20,940	24,040	23,410	25,845
Consultant & Contract Services	104,081	155,458	140,169	160,300	153,107	83,700
Meetings, Events & Training	2,296	5,158	8,683	19,600	7,038	13,750
Total Operating Expenditures	161,644	195,579	190,557	227,890	200,471	145,345
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	333,738	348,034	372,929	368,244	368,244	392,356
TOTAL EXPENDITURES	**$2,046,853**	**$2,181,710**	**$ 2,086,680**	**$ 2,350,507**	**$ 2,192,859**	**$ 2,496,495**

TOTAL DEPARTMENTAL EXPENDITURES BY DIVISION / PROGRAM

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
Development Services	925,009	955,477	909,462	967,242	933,024	929,692
Advanced Planning	115,740	254,409	113,311	173,230	119,583	167,090
Code Compliance	104,799	52,643	127,653	187,906	161,859	222,530
Building Inspection Services	901,305	919,181	936,255	1,022,129	978,393	1,177,182
TOTAL EXPENDITURES	**$2,046,853**	**$2,181,710**	**$ 2,086,680**	**$ 2,350,507**	**$ 2,192,859**	**$ 2,496,495**

DEPARTMENT ORGANIZATION CHART



COMMUNITY DEVELOPMENT DEPARTMENT STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Community Development Director	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	2.00
Planner I/II	2.00	2.00	2.00	2.00	1.00
Senior Arborist	1.00	1.00	1.00	1.00	1.00
Plan Check Engineer	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	-	-	-	-
Sr. Building Inspector/Plan Checker	-	1.00	1.00	1.00	1.00
Building Inspector	2.00	2.00	2.00	2.00	2.00
Permit Technician	-	1.00	1.00	1.00	1.00
Office Specialist III	2.00	2.00	2.00	2.00	2.00
Code Compliance Officer	-	-	-	-	1.00
TOTAL FTE's	**11.00**	**12.00**	**12.00**	**12.00**	**13.00**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Planning Intern	940	-	320	480	320
Office Specialist III	800	800	800	940	-
Project Manager	-	-	-	-	1,335
TOTAL ANNUAL HOURS	**1,740**	**800**	**1,120**	**1,420**	**1,655**

COMMUNITY DEVELOPMENT DEPARTMENT STAFF - by Division

City Staff by Program	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Development Services	4.75	4.85	4.60	4.60	4.25
Advanced Planning	0.50	0.65	0.70	0.70	0.70
Code Compliance	0.60	0.70	0.75	0.75	1.35
Building & Inspections	5.15	5.80	5.95	5.95	6.70
TOTALS	**11.00**	**12.00**	**12.00**	**12.00**	**13.00**

DEVELOPMENT SERVICES

Applicants for building and other development permits are required to comply with City codes, plans, and policies, in order to obtain the Planning Department's approval of their projects. To help facilitate development projects, Development Services assists applicants by reviewing, analyzing, and processing their applications. The process involves an assessment of a project's consistency and compliance with the City's Municipal Code, General Plan, and regulations, followed by plan checks and inspections. Depending on the project, more extensive historical, arboricultural, environmental, or geological reviews and assessments may also be required.

BUDGET OVERVIEW

Notable Budget Changes

- A vacant Planner II position was upgraded to Senior Planner to better reflect the community's priorities
- Temporary staff funding was provided to support any further increased development activity and to assist with current department work plan assignments.
- New funding was provided for GIS annual license and support to upgrade development services functions.

With an expectation that the current high level of development activity will continue, Development Services revenues remain consistent with prior year estimates. Design review applications for large remodels, or the replacement of existing homes, make up the bulk of development activity. In addition, Tree Removal Permits have stabilized at a higher level consistent with development activity, and new conditional use permits have returned to the average of pre-recession activity.

Expenditures are consistent with last year's budget, with the exception of an upgrade of a Planner II position to a Sr. Planner position to better address departmental needs, and a budget appropriation shift from contract planner to temporary staff funding to reflect the hiring of retired planning staff rather than from a contract firm. While the other Sr. Planner staff member is scheduled to return from military deployment early in the fiscal year, the continued use of temporary staff will assist with increased development activity and the department's workplan.

Major assignments from the Department's Work Plan, include: a revision to the City's Wireless Ordinance to comply with State law, revisions to the solar permitting process, the Historical Preservation Committee's Historical Markers workplan item, the 2017 Building Code Update, Annual Code Update, and updating of the Saratoga Village development policies and regulations. The City's economic development programs will also continue to be administered through Development Services in FY 2016/17, along with the Village Façade Improvement program, assisting the efforts of the Chamber of Commerce, and Destination Saratoga and supporting the Planning and Heritage Preservation Commissions.

DEVELOPMENT SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	97,577	72,766	53,093	46,400	48,108	45,500
Charge for Services	425,188	487,187	477,962	478,400	435,508	479,900
Other Sources	1,944	776	2,255	1,000	1,534	1,000
TOTAL REVENUES	**$ 524,709**	**$ 560,730**	**$ 533,310**	**$ 525,800**	**$ 485,150**	**$ 526,400**
EXPENDITURES						
Salaries and Benefits	708,748	741,411	646,717	704,598	646,929	685,137
Operating Expenditures						
Materials & Supplies	14,543	10,454	13,256	11,750	12,184	12,350
Fees & Charges	12,710	8,081	5,811	9,700	8,982	11,035
Consultant & Contract Services	23,450	21,406	78,448	69,300	99,687	39,550
Meetings, Events & Training	2,096	3,425	5,876	10,600	3,948	5,750
Total Operating Expenditures	52,799	43,366	103,391	101,350	124,801	68,685
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	163,462	170,700	159,353	161,294	161,294	175,870
TOTAL EXPENDITURES	**$ 925,009**	**$ 955,477**	**$ 909,462**	**$ 967,242**	**$ 933,024**	**$ 929,692**

FY 2016/17 WORKPLAN PRIORITIES

Code Updates – Each year staff identifies sections of the City Code that need updating to remove inconsistencies, code which is difficult to interpret, or code requiring revisions to reflect changes in state law (e.g. zoning definitions). This year's updates will include the wireless ordinance, solar permitting, construction management ordinance, and the 2017 Uniform Building Code update.

Heritage Preservation Commission – Staff will work closely with the Heritage Preservation Commission to assist them in identifying and prioritizing properties to include on the City's list of Historic Landmarks and on a Historical Marker Program.

DEVELOPMENT SERVICES

KEY SERVICES

Planning Services

- Provide on-demand services at front counter, via telephone, and through email requests
- Provide support to the Planning Commission, Heritage Preservation Commission, and City Council
- Provide staff support to Public Works Department for City construction projects and CIP environmental assessments

Review and process the following types of applications:

- General Plan and Code Amendments
- Architecture and Site, Residential Development, and Subdivisions
- Environmental, Variances, Rezoning, and Planned Developments
- Certificates of Use and Occupancy
- Sign, Banner, and Conditional Use Permits
- Tree removal and "After the Fact" tree removal permits

Arborist Services

- Assist planners with review of project designs with respect to trees
- Provide specifications to residents and contractors so that trees are protected during construction
- Inspect projects prior to, during, and following construction to ensure adequate protection of trees
- Provide information to the public through phone and email for general information on tree pruning, selection, care, protection, and tree removal criteria

DEVELOPMENT SERVICES STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Community Development Director	0.50	0.50	0.50	0.50	0.50
Senior Planner	0.65	0.65	0.60	0.60	1.20
Planner I/II	1.80	1.80	1.60	1.60	0.85
Senior Arborist	0.90	0.90	0.90	0.90	0.90
Plan Check Engineer	-	-	-	-	-
Building Official	-	-	-	-	-
Sr. Building Inspector/Plan Checker	-	-	-	-	-
Building Inspector	-	-	-	-	-
Permit Technician	-	0.10	0.10	0.10	0.05
Office Specialist III	0.90	0.90	0.90	0.90	0.75
Code Compliance Officer	-	-	-	-	-
TOTAL FTE's	**4.75**	**4.85**	**4.60**	**4.60**	**4.25**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Planning Intern	940	-	320	480	160
Office Specialist III	800	800	800	940	-
Project Manager	-	-	-	-	960
TOTAL ANNUAL HOURS	**1,740**	**800**	**1,120**	**1,420**	**1,120**

DEVELOPMENT SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Facilitate the development of land and structures consistent with City codes, plans, and policies.*					
a. Review planning applications and provide written comments deeming them complete or incomplete, within 30 days:	100%	100%	100%	100%	100%
b. Review all zone clearances from the Building Division within 2 weeks:	95%	96%	98%	99%	100%
2. *Analyze and process development applications efficiently and effectively.*					
a. Process applications to Planning Commission within an average of 4 weeks of deeming the application complete:	92%	95%	98%	100%	100%
c. Percentage of applications continued at the request of the Planning Commission:	15%	15%	10%	0%	0%
c. Percentage of applications appealed to the Planning Commission or City Council:	3%	1%	2%	1%	0%
d. Percentage of applications upheld by the City Council:	100%	50%	100%	50%	100%
3. *Enhance community awareness of land use projects.*					
a. Percent of notices sent within 10 days of Planning Commission meetings:	100%	100%	100%	100%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of planning projects processed:	231	275	240	200	240
2. Number of tree removal permits processed:	385	370	360	509	400
3. Number of Arborist plan reviews:	66	80	70	82	80
4. Number of Planning Commission Hearings:	21	20	20	18	18
5. Number of Plannning Commission Study Sessions:	13	15	10	10	10
7. Number of public input meetings for citywide programs:	3	5	2	4	4
8. Number of complex projects (General Plan, amendments/ rezonings, planned developments, environmental review):	13	20	10	10	10

ADVANCED PLANNING

The Advanced Planning program focus is on guiding the physical development of the City by developing and updating the City's standards, regulations, Specific Plans, and General Plan. The City's General Plan is an adopted statement of policy for the physical development of the community. As such, it includes the following elements: Land Use, Housing, Circulation, Safety, Noise, Open Space, and Conservation. The City also establishes specific plans to provide additional guidance for future land use development in the plan area, with aspects such as detailed land use, design guidelines, and implementation strategies. As an example, the City of Saratoga has established a Specific Plan for the hillside areas. In order to keep the plans current, at a minimum, one element of the General Plan and/or a Specific Plan is to be updated each year.

BUDGET OVERVIEW

Notable Budget Changes:

- No notable changes

Advanced Planning program revenue provides funding for a combination of in-house staff work and consultant services. Revenues are loosely tied to program expenditures through current year staff activity in the operating budget, and longer term consultant project work through a capital project. A more concrete funding methodology was implemented in FY 2014/15 to ensure Advanced Planning Fee revenue remains dedicated for this purpose by redirecting the estimated $100,000 annual difference between General Plan Update Fees and in-house staff and operational expenses to the General Plan capital project. The capital project is used to fund consultant services for consultant driven work over multiple years, on an as needed basis. The reduced operating revenue is sufficient to cover annual operating expenses.

FY 2016/17's revenues and expenditure activities are expected to remain consistent with the prior year. The revenue is accumulated as an add-on surcharge on planning fees, and with an expectation that we will see steady planning activity, revenues should be similar. On the expenditure side, Advanced Planning work is primarily staff time for administrative work on the General Plan, code, and zoning updates, as well as ongoing and anticipated annexations, and updates to design guidelines. Typically, staff and/or consultants complete at least one of the City's General Plan Elements each fiscal year, however large project work often crosses over fiscal years. The remainder of the program's operational expenses are minimal, and expected to remain at prior year levels.

ADVANCED PLANNING

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	226,973	228,523	156,165	150,000	191,186	160,000
Charge for Services	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ 226,973**	**$ 228,523**	**$ 156,165**	**$ 150,000**	**$ 191,186**	**$ 160,000**
EXPENDITURES						
Salaries and Benefits	95,000	126,746	93,089	150,593	98,492	142,974
Operating Expenditures						
Materials & Supplies	22	-	-	500	-	600
Fees & Charges	2,224	1,624	1,439	1,860	1,314	1,860
Consultant & Contract Services	2,659	110,286	-	500	-	500
Meetings, Events & Training	-	-	-	-	-	-
Total Operating Expenditures	4,905	111,910	1,439	2,860	1,314	2,960
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	15,835	15,753	18,783	19,777	19,777	21,156
TOTAL EXPENDITURES	**$ 115,740**	**$ 254,409**	**$ 113,311**	**$ 173,230**	**$ 119,583**	**$ 167,090**

FY 2016/17 WORKPLAN PRIORITIES

Village Visioning – Staff will be working closely with the City Manager's Office on managing the City's efforts to document a community wide vision for Saratoga Village and the necessary follow-up actions related to updating land use policies/documents and or City Codes. This is anticipated to be a multi-year effort that could extend into FY2016/17.

Housing Element Implementation – Staff will begin work on implementing the updated Housing Element and to begin necessary implementation action for identified programs.

ADVANCED PLANNING

ADVANCED PLANNING STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Community Development Director	0.25	0.30	0.30	0.30	0.20
Senior Planner	0.25	0.25	0.30	0.30	0.40
Planner I/II	-	0.10	0.10	0.10	0.05
Senior Arborist	-	-	-	-	-
Plan Check Engineer	-	-	-	-	-
Building Official	-	-	-	-	-
Sr. Building Inspector/Plan Checker	-	-	-	-	-
Building Inspector	-	-	-	-	-
Permit Technician	-	-	-	-	-
Office Specialist III	-	-	-	-	0.05
Code Compliance Officer	-	-	-	-	-
TOTAL FTE's	**0.50**	**0.65**	**0.70**	**0.70**	**0.70**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Planning Intern	-	-	-	-	160
Project Manager	-	-	-	-	375
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**535**

KEY SERVICES

- Maintain and apply General Plan and Specific Plan updates to development processes
- Develop administrative policies, plans, and ordinances in coordination with Advance Planning updates
- Prepare Department of Housing and Community Development annual report on General Plan

ADVANCED PLANNING

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *General Plan complies with State of California*					
a. Five of seven General Plan were updated within last eight years:	Yes	Yes	Yes	Yes	Yes
b. Annual review of Housing Element submitted to State by deadline:	Yes	Yes	Yes	Yes	Yes
2. *General Plan elements are updated within the last eight years in order to administer and enforce development policies, and thereby maintain a high quality of life for the*					
a. Housing Element:	No	No	Yes	Yes	Yes
b. Land Use Element:	Yes	Yes	No	No	No
c. Circulation and Transportation Element:	Yes	Yes	Yes	Yes	Yes
d. Conservation Element:	Yes	Yes	No	No	No
e. Open Space Element:	Yes	Yes	No	No	No
f. Noise Element:	No	Yes	Yes	Yes	Yes
g. Safety Element:	Yes	Yes	Yes	Yes	Yes

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of ordinances completed (multiple section updates):	6	9	6	4	4
2. General Plan Elements updated:	2	3	1	0	0
3. Number of General Plan amendments requested:	1	1	1	0	0
4. Annexation applications in process:	1	0	1	0	0

CODE COMPLIANCE

The City's Code Compliance program supports community health, safety, and welfare through zoning, planning, business license, and other regulations as reflected in the City Code. Compliance is achieved through education, enforcement of laws and codes, and through maintaining the safety and livability of neighborhoods for the citizens and business community of Saratoga. Program staff works closely with other City departments and various public agencies, including the Santa Clara County Sheriff's Office, which handles law enforcement duties for the City.

BUDGET OVERVIEW

Notable Budget Changes:

- Addition of Code Compliance Officer (1 FTE)

Code Compliance revenues are mostly limited to fees from the administration of various special activity permits, such as Noise Exception Permits, Massage Permits, and Solicitor Permits. Only rarely does the City issue administrative citations to obtain compliance with City Code.

For those code compliance cases which are not resolved through staff efforts or mediation, and a fine or enforcement action is issued, the City may need to utilize the services of a Hearing Officer. The Hearing Officer is a contract attorney, paid by hours of service, who will conduct a hearing in the case an appeal is requested for a code enforcement action issued by the City. The attorney is an impartial judge and does not have any other connection or working relationship with the City. While the City has not had a need for a hearing officer for many years, two Code Enforcement cases required the services of an Administrative Hearing Officer in FY14/15. No cases were required in FY 2015/16, but funding levels for the Hearing Officer services is being maintained at $6,000 to reflect the anticipated Code Enforcement efforts related to the hiring of a Code Compliance Officer and the development of new program procedures.

The Code Compliance program will be managed and supervised by the Community Development Director with assistance from the City Arborist, Building staff and Planning staff. The cost of this staff time, comprised of salaries, benefits, and internal services charges make up the majority of the expenditures. Only a minimal amount is needed for materials, supplies, and postage.

CODE COMPLIANCE

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	5,655	7,650	10,225	5,750	7,775	5,500
Charge for Services	-	-	-	-	-	-
Other Sources	500	-	500	-	2,100	2,000
TOTAL REVENUES	**$ 6,155**	**$ 7,650**	**$ 10,725**	**$ 5,750**	**$ 9,875**	**$ 7,500**
EXPENDITURES						
Salaries and Benefits	95,022	44,234	93,944	105,442	103,753	184,954
Operating Expenditures						
Materials & Supplies	-	299	41	500	641	500
Fees & Charges	124	72	205	280	159	250
Consultant & Contract Services	-	-	6,943	56,000	31,623	10,000
Meetings, Events & Training	-	-	-	-	-	1,000
Total Operating Expenditures	124	371	7,188	56,780	32,422	11,750
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	9,653	8,038	26,520	25,684	25,684	25,826
TOTAL EXPENDITURES	**$ 104,799**	**$ 52,643**	**$ 127,653**	**$ 187,906**	**$ 161,859**	**$ 222,530**

FY 2016/17 WORKPLAN PRIORITIES

Abatement Priorities – Prioritize responses to code compliance cases based on the Council's adopted priorities and procedures.

Program Priorities – Development of new City Code Compliance Procedures

CODE COMPLIANCE

KEY SERVICES

- Issue Noise Exception Permits
- Administer masseuse and solicitor permit programs
- Enforce City regulations while educating and increasing the awareness of residents, businesses, and property owners about the City's regulations
- Receive and maintain status on all violation complaints; respond to, investigate, and abate legitimate complaints
- Resolve complex code and zoning violations; and administer citation appeals

CODE COMPLIANCE STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Community Development Director	0.10	0.05	0.05	0.05	0.05
Senior Planner	-	-	-	-	0.05
Planner I/II	0.10	-	0.10	0.10	-
Senior Arborist	0.05	0.05	0.05	0.05	-
Plan Check Engineer	-	-	-	-	-
Building Official	0.15	-	-	-	-
Sr. Building Inspector/Plan Checker	-	-	0.25	0.25	-
Building Inspector	0.10	0.50	0.20	0.20	0.10
Permit Technician	-	-	-	-	0.05
Office Specialist III	0.10	0.10	0.10	0.10	0.10
Code Compliance Officer	-	-	-	-	1.00
TOTAL FTE's	**0.60**	**0.70**	**0.75**	**0.75**	**1.35**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Planning Intern	-	-	-	-	-
Project Manager	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

CODE COMPLIANCE

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Ensure code compliance staff is responsive and accountable to the community.*					
a. Percentage of complaints receiving a response within 48 hours of receipt:	50%	60%	70%	90%	90%
b. Average open to close cycle time for formal complaints:	*Information Not Available*	*Information Not Available*	*Information Not Available*	*Information Not Available*	90 days
c. Percent of violations resolved through voluntary compliance:	*Information Not Available*	*Information Not Available*	*Information Not Available*	*Information Not Available*	100%
2. *Ensure compliance with City regulations for permitted activities.*					
a. Annual number of Solicitor Permits issued:	40	10	20	11	10
b. Annual number of Noise Exemption permits issued:	30	55	40	35	35

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Annual number of new code enforcement cases:	29	75	70	100	100
2. Total number of Administrative Citations:	5	0	5	0	5
3. Cases requiring City Attorney review:	2	5	5	2	2

BUILDING & INSPECTION SERVICES

The Building & Inspection Services program is a regulatory function that protects the community's safety, health, and property rights by ensuring minimum building and zoning standards are met. The City's development ordinances and standards regulate the design, construction, quality of materials, use and occupancy of buildings, as well as the location and maintenance of all buildings within the City of Saratoga. Staff assists applicants with information concerning building regulations, disability access regulations, and other State and local ordinances, and provides plan check services in compliance with Uniform Building Codes. Staff also maintains permit tracking and plan check systems, inspects commercial and residential buildings under construction, and reviews grading plans and performs grading inspections for construction projects with significant earthwork activity.

BUDGET OVERVIEW

Notable Budget Changes:

- Revenue is expected to be slightly higher than the prior year's budget, but in line with current year estimates.
- .75 FTE of staff time is being reallocated from Code Compliance back to Building & Inspection Services

Building & Inspection Services revenue comes from building permits and plan checking fees. Fees are calculated based on the construction valuation of the project. Budgeted amounts are derived from an expected level of activity based on recent activity, with adjustments for additional funding if large projects are in process. FY 2016/17 revenues are expected to increase slightly from last year's budgeted amounts, and in line with the expected actuals due to the steady construction market, the ongoing development approvals, and a slight increase in permit fees.

Staffing in the Building Division was reorganized in FY 2013/14; budget funding for the vacant Chief Building Official position was reallocated to help fund two positions - Senior Building Inspector/ Plans Examiner and Permit Technician. These positions continue to provide the Building Division more staffing flexibility during swings in the development cycle by being able to allocate staff resources where they are most needed: either in building inspections, code enforcement, or plan checking. The Department Director serves as the City's Chief Building Official with assistance from the Building Staff and Building Plan Check consultants.

To this end, in late FY 2015/16, the Sr. Building Inspector was reassigned from building inspection and counter duties to focus on engineering development. This change frees up the City engineers to complete two major Capital Improvement projects: the Prospect Road Median project and the Quito Road Bridges project. And with the hiring of a Code Compliance Officer in FY 2016/17, a total of .75 FTE of departmental staff will shift back to Building & Inspection Services, causing staffing costs to rise significantly. Additionally, ongoing training in current codes, policies and procedures is essential to maintaining quality building and code enforcement activities. Certified building and code enforcement inspectors attest to this higher level of training. The proposed budget includes budget to maintain current certifications as well as training for new certifications such as property maintenance, housing, and disaster response. This also supports upcoming changes from the International Code Council (ICC), which is in the process of increasing the amount of continuing education units required to maintain current certifications. The remaining proposed expenditure budget includes costs for meetings, code development hearings and annual business meetings for ICC and the California Association of Building Officials.

BUILDING & INSPECTION SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	1,078,628	1,035,068	1,008,071	1,120,100	1,058,454	1,122,650
Charge for Services	347,319	387,964	386,842	400,000	513,865	480,000
TOTAL REVENUES	**$1,425,946**	**$1,423,032**	**$1,394,913**	**$1,520,100**	**$1,572,319**	**$1,602,650**
EXPENDITURES						
Salaries and Benefits	652,702	725,706	689,443	793,740	774,970	945,729
Operating Expenditures						
Materials & Supplies	6,262	4,242	7,468	11,200	4,092	8,600
Fees & Charges	19,382	10,191	13,486	12,200	12,955	12,700
Consultant & Contract Services	77,971	23,766	54,777	34,500	21,798	33,650
Meetings, Events & Training	200	1,734	2,807	9,000	3,090	7,000
Total Operating Expenditures	103,815	39,932	78,539	66,900	41,934	61,950
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	144,788	153,543	168,273	161,489	161,489	169,503
TOTAL EXPENDITURES	**$ 901,305**	**$ 919,181**	**$ 936,255**	**$1,022,129**	**$ 978,393**	**$1,177,182**

FY 2016/17 WORKPLAN PRIORITIES

TRAKiT Building and Permit System – Continue training and efficiency building on the new TRAKiT system which links the Building program with Planning and Code Compliance functions. Complete a comprehensive update of the land track database with updated owner and land use information. Finalize implementation of the interactive voice response phone system for inspection scheduling.

Plan Check Response Times – Closely monitor the time it takes to provide the first round of plan comments on a building permit application. The target response time for most replacement single family homes is four weeks. Increase over-the-counter plan check services to reduce response times.

KEY SERVICES

Counter Services

- Provide construction and zoning code information to developers, contractors, architects, engineers, homeowners, and the general public
- Maintain permit tracking and building permit system information

Plan Check Services

- Perform residential and commercial building, structural, and site plan reviews under California Building Code guidelines, State regulations, and City ordinances
- Provide building code information to applicants

Inspection Services

- Perform on-site inspections of buildings and structures under construction
- Investigate housing code violations
- Coordinate building permit applications with other departments and agencies

BUILDING & INSPECTION SERVICES STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Community Development Director	0.15	0.15	0.15	0.15	0.25
Senior Planner	0.10	0.10	0.10	0.10	0.35
Planner I/II	0.10	0.10	0.20	0.20	0.10
Senior Arborist	0.05	0.05	0.05	0.05	0.10
Plan Check Engineer	1.00	1.00	1.00	1.00	1.00
Building Official	0.85	-	-	-	-
Sr. Building Inspector/Plan Checker	-	1.00	0.75	0.75	1.00
Building Inspector	1.90	1.50	1.80	1.80	1.90
Permit Technician	-	0.90	0.90	0.90	0.90
Office Specialist III	1.00	1.00	1.00	1.00	1.10
Code Compliance Officer	-	-	-	-	-
TOTAL FTE's	**5.15**	**5.80**	**5.95**	**5.95**	**6.70**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Planning Intern	-	-	-	-	-
Project Manager	-	-	-	-	-
TOTAL ANNUAL HOURS	-	-	-	-	-

BUILDING & INSPECTION SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Maintain staff's responsiveness and accountability to the community.*					
a. Percentage of inspections delivered within 2 business days of request:	96%	97%	98%	99%	100%
b. Percentage of initial plan checks completed within 45 days of receipt:	95%	96%	98%	99%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1 Number of Building Division permits issued:	1,817	1,800	1,700	2,039	2,000
2. Number of Over-the-Counter Plan Checks for Remodels:	417	475	450	475	450
3. Number of inspections requested:	4,330	5,500	5,000	6,711	6,000
4. Number of building plan checks completed:	262	390	350	400	400
5. Dollar value of construction permitted (in $Millions):	$79.0	$85.0	$90.0	$96.0	$100.0

PUBLIC WORKS DEPARTMENT

The Public Works Department oversees engineering and capital project functions; reviews the public's development plans for engineering and geological oversight; maintains the City's parks, trails, medians, right-of-ways, and landscape districts; repairs and maintains the roadway systems, including streets, traffic and pedestrian signals, lighting, and storm drains; provides vehicle maintenance oversight and minor maintenance; and ensures the City's environmental responsibilities are fulfilled. Public Works strives to both fulfill operational functions and fund Capital Projects with the assistance of grant funding when possible. Staff is diligent in their pursuit of grant funding on an ongoing basis. The Public Works Department also provides information and outreach to the City's residents, businesses, and the public regarding the department's activities and infrastructure projects that may affect them, and resources available to the community.

The Department provides these assorted services under five main operational programs: General Engineering, Development Engineering, Environmental Services, Streets and Storm Drains, and Parks and Landscape Maintenance. Additionally, the department oversees two internal support programs: Equipment Maintenance and Equipment Replacement; and 28 separate Landscape and Lighting Assessment Districts. Public Works is integral to many of the City's services that maintain the quality of life in neighborhoods and in the business community for which Saratoga is known.

DEPARTMENT OBJECTIVES

The Public Works Department directly supports the City Council's Strategic Goals through implementation of the department's objectives, as listed below. Performance Measures in the service programs provide feedback on the Department's attainment of these objectives.

Council Strategic Goal: Facility & Infrastructure: Maintain the City's facilities and public infrastructure in a safe, sustainable and cost effective manner.

Department Objectives:

- Maintain roadways, streetlights, and signals, and ensure safe, well-functioning roadway infrastructure (curbs, storm drains, sidewalk, medians, retraining walls)
- Enhance roadway landscaping and beautification
- Maintain safety standards in parks and playgrounds
- Develop and maintain trails and open space
- Increase public safety through traffic management
- Pursue grant funding for infrastructure improvements

Council Strategic Goal: Community Heritage: Honor Saratoga's heritage by preserving significant historic assets.

Department Objectives:

- Enhance standards to maintain a high quality of life through development review and adherence to the City's General Plan and Municipal Code
- Protect Saratoga's natural beauty by maintaining parks and open space
- Protect and optimize the City's natural resources and environment through sustainable practices
- Embrace environmentally friendly practices by supporting the Hazardous Household Waste and recycling programs
- Establish recycling and waste reduction practices

- Educate the community on environmental issues through collaboration with the West Valley Clean Water Program

Council Strategic Goal: Fiscal Stewardship: Ensure fiscal responsibility and transparency, proactively seeking opportunities for improvement.

Department Objectives:

- Ensure contract rates are competitive and current
- Ensure proper financial accounting on projects and contractors adhere to approved funding

Council Strategic Goal: City Leadership: Provide a proactive, responsible, inclusive, respectful, transparent, and trustworthy government dedicated to delivering effective high quality leadership for the community.

Department Objectives:

- Post Department and Commission information on the City's website
- Maintain records and Laserfiche Department archives
- Engage the public by working with the Traffic Safety Commission and community groups for large projects

DEPARTMENT BUDGET SUMMARY

The Public Works' FY 2016/17 budget holds most operational revenues and expenditures at prior year service levels. A notable revenue decrease in FY 2015/16 resulted from a administrative shift of the Sport User Group Rental contract oversight and $115,000 of revenues to the Recreation & Facilities Department, along with the $40,000 expenditure for Prospect High Schools Field Rental Fees. In FY 2016/17, a notable budget change is the $142,000 shift of the Public Works Inspectors from being paid for from Capital Budget to the Operating Budget

Expenditure increases are primarily attributable to staffing cost of living and step increase costs, Parks & Landscape Maintenance contract services and the addition of the Public Works Inspectors to the Street Program operating budget. Higher maintenance costs for the Prospect Road medians accounts for the majority of park maintenance increases.

Performance Measures for General Engineering, Development Engineering, Environmental Services, Streets and Storm Drains, Parks and Landscape Maintenance, and Vehicle and Equipment Maintenance are included in the operational programs.

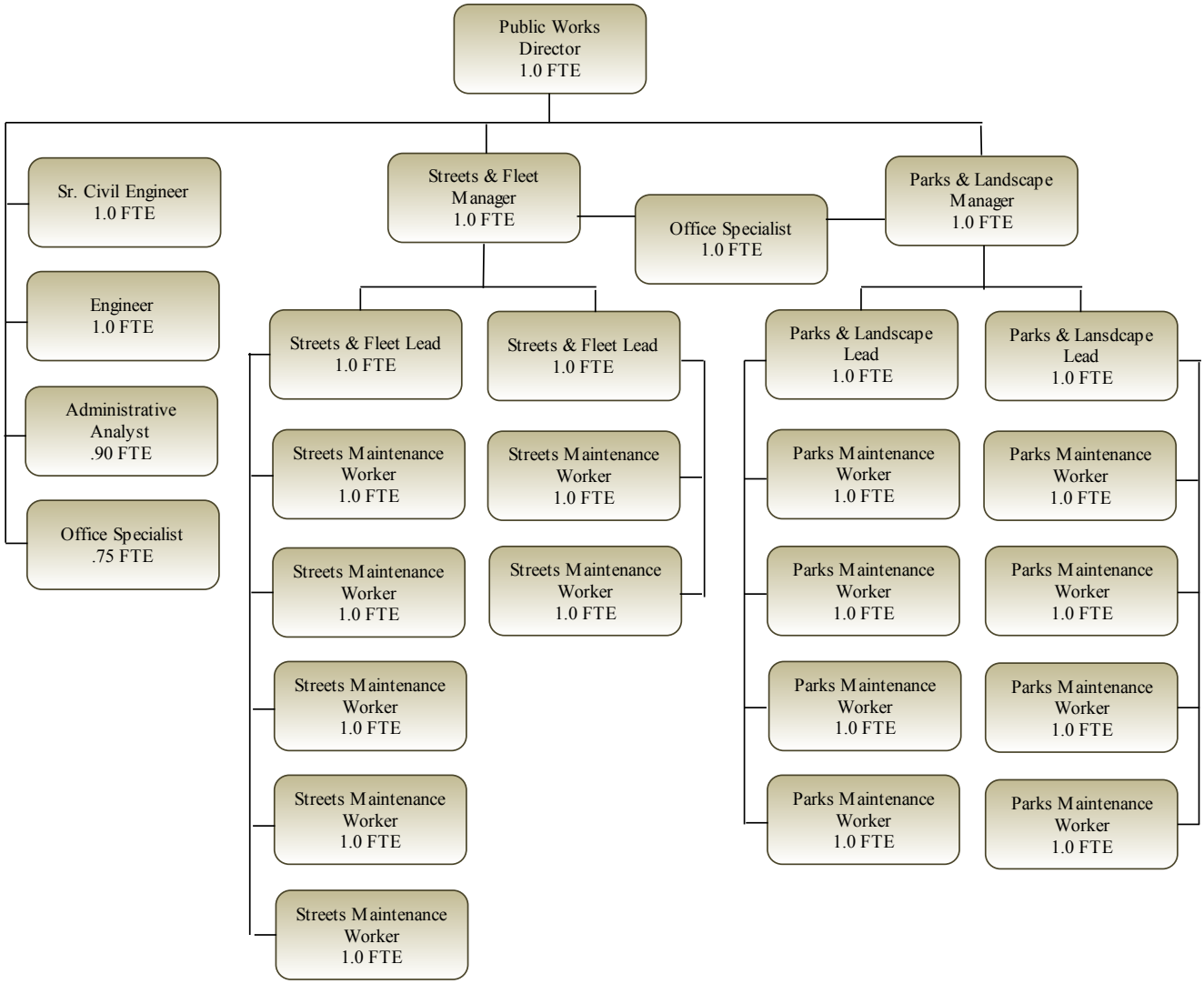
GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	163,954	163,954	164,589	166,638	167,113	167,113
Intergovernmental Revenues	208,682	203,908	212,594	212,000	216,105	207,000
Fees, Licenses and Permits	130,214	118,792	122,189	90,750	180,687	100,250
Charge for Services	313,553	400,072	308,605	253,634	494,426	242,727
Rental Income	128,447	121,078	79,791	2,000	3,000	2,000
Other Sources	22,896	7,190	103,375	2,500	10,483	2,500
TOTAL REVENUES	**$ 967,747**	**$1,014,993**	**$ 991,143**	**$ 727,522**	**$1,071,813**	**$ 721,590**
EXPENDITURES						
Salaries and Benefits	2,340,746	2,448,708	2,485,634	2,626,277	2,647,113	2,850,907
Operating Expenditures						
Materials & Supplies	76,516	95,011	87,668	104,600	99,956	95,650
Fees & Charges	522,736	565,785	509,374	523,277	531,908	531,984
Consultants & Contract Services	794,639	814,787	882,646	1,026,104	923,424	1,069,045
Meetings, Events & Training	4,878	8,467	8,749	9,800	3,099	10,100
Fixed Assets	-	-	35,343	-	-	10,000
Internal Service Charges	802,705	901,203	939,125	853,555	853,555	859,676
TOTAL EXPENDITURES	**$4,542,221**	**$4,833,962**	**$4,948,538**	**$5,143,613**	**$5,059,055**	**$5,427,362**

DEPARTMENTAL EXPENDITURES - by Fund/ Division

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
General Engineering	$ 476,908	$ 502,680	$ 532,614	$ 535,976	$ 518,312	$ 571,603
Development Engineering	205,693	213,150	194,320	229,280	227,645	233,692
Environmental Services	619,024	643,314	615,342	765,131	665,655	769,289
Streets & Storm Drains	1,284,436	1,381,240	1,454,269	1,430,236	1,447,110	1,593,030
Parks & Landscape Maint	1,956,160	2,093,578	2,151,993	2,182,990	2,200,334	2,259,748
TOTAL GENERAL FUND	**$4,542,221**	**$4,833,962**	**$4,948,538**	**$5,143,613**	**$5,059,055**	**$5,427,362**
INTERNAL SERVICE FUNDS						
Equipment Maintenance	227,604	224,078	220,785	256,346	224,618	259,033
Equipment Replacement	95,000	140,258	65,775	204,500	201,355	266,700
TOTAL INTERNAL SERVICES	**$ 322,604**	**$ 364,336**	**$ 286,560**	**$ 460,846**	**$ 425,973**	**$ 525,733**
SPECIAL REVENUE FUNDS						
Landscape & Lighting Districts	423,644	409,418	432,671	650,800	461,679	714,930
TOTAL SPECIAL REVENUE	**$ 423,644**	**$ 409,418**	**$ 432,671**	**$ 650,800**	**$ 461,679**	**$ 714,930**
TOTAL DEPT EXPENDITURES	**$5,288,469**	**$5,607,716**	**$5,667,769**	**$6,255,259**	**$5,946,707**	**$6,668,025**

DEPARTMENT ORGANIZATION CHART



PUBLIC WORKS DEPARTMENT STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Public Works Director	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00
Assistant/Associate Engineer	1.00	1.00	1.00	1.00	1.00
Administrative Analyst I/II	0.90	1.00	0.90	0.90	0.90
Office Specialist II/III	1.75	1.75	1.75	1.75	1.75
Parks Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Parks Maintenance Lead	1.00	1.00	1.00	2.00	2.00
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	6.00	6.00	6.00	5.00	5.00
Street Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Street Maintenance Lead	1.00	2.00	2.00	2.00	2.00
Street Maintenance Specialist	1.00	-	-	-	-
Street Maintenance Worker I/II/III	4.00	4.00	4.00	4.00	4.00
TOTAL FTE's	**20.65**	**20.75**	**20.65**	**20.65**	**20.65**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Engineering Inspectors	2,760	2,760	2,760	2,760	2,760
Maintenance Worker	-	-	-	999	999
Engineering Intern	-	-	200	200	320
TOTAL ANNUAL HOURS	**2,760**	**2,760**	**2,960**	**3,959**	**4,079**

PUBLIC WORKS DEPARTMENT STAFF - by Division

City Staff by Program	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
General Engineering	2.05	2.10	2.05	2.05	2.05
Development Engineering	0.95	0.95	0.95	0.95	0.95
Environmental Services	0.95	1.00	0.95	0.95	0.95
Streets & Storm Drains	7.60	7.60	7.60	7.60	7.60
Parks & Landscape	8.40	8.40	8.40	8.40	8.40
Vehicle Equipment Maintenance	0.70	0.70	0.70	0.70	0.70
TOTALS	**20.65**	**20.75**	**20.65**	**20.65**	**20.65**

GENERAL ENGINEERING

The General Engineering program provides oversight for the City's engineering activities not related to private development. This includes the design, management, and administration of the Capital Improvement Plan to improve the City's public infrastructure (e.g. streets, storm drains, sidewalks, signalized intersections, parks, and medians) with an emphasis on delivering capital projects within planned schedules and budgets and department staff applying for annual grant opportunities. General Engineering operations also include traffic management, the development of Geographic Information System (GIS) data to manage the City's infrastructure, and processing annexation requests, right-of-way, and property boundary issues.

BUDGET OVERVIEW

Notable Budget Changes

- Additional funding for the City's Traffic Consulting Engineer

Planned General Engineering operations for FY 2016/17 are consistent with the prior year's functions and service levels, which focus on providing support for the Capital Improvement Program's infrastructure maintenance and improvement objectives. Revenue in this program is limited to encroachment permits, and on occasion, reimbursements for engineering staff time spent on grant funded capital projects.

General Engineering anticipates approximately $100,000 will be received for encroachment permits in FY 2016/17. Potentially, another $223,000 of encroachment fee revenue may come in from PGE during FY 2016/17 as a result of PG&E's plan to put a new gas line in along Saratoga Avenue, however due to some uncertainty of the project's implementation and timeline, the revenue is not budgeted for FY 2016/17.

While most of General Engineering's budgeted operating expenditures remain the same, an additional $25,000 was budgeted for the City's Traffic Engineer. The Traffic Safety Commission provides a forum for citizens to bring traffic concerns to the Commissioner's attention and with the increase in patrol officer hours, the City Traffic Engineer consultant services will be utilized more to determine appropriate solutions. Other than staff costs and internal services, the program's remaining expenses are for operational office support, landscape assessment services, and VTA Congestion Management fees.

GENERAL ENGINEERING

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	131,417	117,702	120,470	90,250	180,687	100,250
Charge for Services	-	-	-	-	-	-
Other Sources	19,971	-	97,600	-	2,029	-
TOTAL REVENUES	**$ 151,388**	**$ 117,702**	**$ 218,070**	**$ 90,250**	**$ 182,716**	**$ 100,250**
EXPENDITURES						
Salaries and Benefits	309,708	326,784	369,338	341,749	342,848	354,487
Operating Expenditures						
Materials & Supplies	1,945	2,183	3,426	3,100	2,595	3,550
Fees & Charges	23,277	23,225	23,138	25,030	23,453	25,030
Consultants & Contract Services	52,145	58,103	55,986	81,000	67,092	104,125
Meetings, Events & Training	230	1,601	342	2,100	(672)	2,100
Total Operating Expenditures	77,597	85,111	82,892	111,230	92,467	134,805
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	89,603	90,784	80,384	82,997	82,997	82,311
TOTAL EXPENDITURES	**$ 476,908**	**$ 502,680**	**$ 532,614**	**$ 535,976**	**$ 518,312**	**$ 571,603**

FY 2016/17 WORKPLAN PRIORITIES

Capital Improvement Program Oversight – Provide plans, specifications, estimates and right-of-way plans, coordinate consultants, and administer contracts. FY 2016/17 CIP Project oversight includes Residential Street Reconstruction, El Camino Grande Storm Drain Pump, Long Term Trash Plan Storm Drain Capture Devices, Turf Reduction Renovation Program, Quarry Park Right-of-Way Acquisitions, Highway 9 Safety Project Phase IV, Guava Court Railroad Crossing, Quito Bridge Replacement Project, and Prospect Road Median Improvements.

Traffic Management – Receive resident traffic safety concerns and investigate; by means of the city's Traffic Engineer and Traffic Safety Commission as needed. The City increased the Sheriff's contract in FY 2014/15 and added approximately 1,800 deputy hours for traffic control services. The Sheriff has been working with the City's schools and the Traffic Safety Committee to improve traffic management, particularly around school activity. Examples of projects that will be implemented in FY2016/17 include more pedestrian warning lights nearby schools, speedbumps, and other traffic calming measures.

Laserfiche Document Management Project – Staff will continue to prepare the backlog of Public Works documents for scanning services, and when returned, will assess the quality of the files to ensure they are legible, complete, and correctly scanned and indexed.

KEY SERVICES

- Provide assistance and information to the public regarding engineering services
- Provide administrative and engineering support services for capital improvement projects including preparing bids and contracts
- Perform traffic engineering analyses and manage traffic concerns
- Maintain current statistics on traffic accidents, traffic volumes, speeds, and street mileage, and prepare annual reports to state and local agencies, as required
- Review requests and issue encroachment permits to residents and utility companies
- Review and issue oversize load permits
- Process document imaging of department documents

GENERAL ENGINEERING STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Public Works Director	0.35	0.35	0.35	0.35	0.35
Senior Civil Engineer	0.25	0.25	0.25	0.25	0.25
Assistant/Associate Engineer	0.75	0.75	0.75	0.75	0.75
Administrative Analyst I/II	0.45	0.50	0.45	0.45	0.45
Office Specialist II/III	0.25	0.25	0.25	0.25	0.25
Parks Maintenance Manager	-	-	-	-	-
Parks Maintenance Lead	-	-	-	-	-
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	-	-	-	-	-
Street Maintenance Manager	-	-	-	-	-
Street Maintenance Lead	-	-	-	-	-
Street Maintenance Specialist	-	-	-	-	-
Street Maintenance Worker I/II/III	-	-	-	-	-
TOTAL FTE's	**2.05**	**2.10**	**2.05**	**2.05**	**2.05**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Engineering Inspectors	2,668	2,668	2,668	2,668	2,668
Maintenance Worker	-	-	-	-	-
Engineering Intern	-	-	200	200	320
TOTAL ANNUAL HOURS	**2,668**	**2,668**	**2,868**	**2,868**	**2,988**

GENERAL ENGINEERING

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Increase roadways safety through effective traffic management practices.*					
a. Respond to traffic safety concerns from residents:	100%	100%	100%	100%	100%
b. Utilize traffic engineer experts to identify solutions to potential roadway hazards:	Yes	Yes	Yes	Yes	Yes
2. *Maintain safe, well-functioning roadway infrastructure.*					
a. Issue encroachment permits for residential projects within 3 weeks of receipt of application:	95%	100%	100%	100%	100%
b. Maintain average pavement condition index at a rating of 70 or above:	Yes	Yes	Yes	Yes	Yes
c. Estabilsh best practices roadway maintenance plans (i.e. resurfacing, pothole repairs, tree pruning, weed control, etc.)	Yes	Yes	Yes	Yes	Yes

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of traffic concerns investigated and completed:	18	18	18	18	18
2. Number of encroachment permits issued:	180	225	200	277	225
3. Number of bids issued:	8	5	5	1	1
4. Number of contracts executed:	15	12	10	23	10

DEVELOPMENT ENGINEERING

The Development Engineering Program, in coordination with the City's Community Development Department, provides services for private development projects to ensure they are constructed in accordance with City standards. Development Engineering Services includes reviewing engineering plans and specifications, subdivision maps, and lot line adjustments; issuing certificates of compliance; and, controlling encroachments in the public right-of-way connected to private developments. This program seeks to fully recover the costs associated with development services.

BUDGET OVERVIEW

Notable Budget Changes:

- None

The Development Engineering process requires applicants to provide a deposit of funds to be used for City managed engineering work on their development applications. The deposits pay for various types of outsourced engineering services, and for in-house engineering and review work. Budgeted program revenues and expenditures reflect the in-house portion of engineering work. The outsourced portion flows into and out of a deposit account as it is received and disbursed for contract engineering services, and is therefore not recognized in the Development Engineering budget as a City revenue or expense.

The strong housing market has brought a few small subdivisions to the City in the last few years. FY 2016/17 revenues are based on basic home remodeling, upgrade projects, and small development projects. As the City of Saratoga is mostly built-out, subdivisions are rare and unpredictable, and therefore not included in budgeted revenue.

FY 2016/2017 budgeted expenditures remain consistent with prior years, with minimal operational costs other than staff salary and internal service charges. Operational expenses are limited to a small amount of office supplies and civil engineering services.

DEVELOPMENT ENGINEERING

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	(1,203)	1,090	1,719	500	-	-
Charge for Services	145,435	167,924	137,936	73,500	311,073	72,000
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ 144,232**	**$ 169,014**	**$ 139,654**	**$ 74,000**	**$ 311,073**	**$ 72,000**
EXPENDITURES						
Salaries and Benefits	163,747	168,400	149,277	177,858	175,943	178,052
Operating Expenditures						
Materials & Supplies	752	50	499	300	262	300
Fees & Charges	288	288	240	250	288	-
Consultants & Contract Services	138	1,710	137	2,700	2,980	2,700
Meetings, Events & Training	-	-	-	-	-	-
Total Operating Expenditures	1,178	2,047	876	3,250	3,530	3,000
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	40,769	42,702	44,167	48,172	48,172	52,640
TOTAL EXPENDITURES	**$ 205,693**	**$ 213,150**	**$ 194,320**	**$ 229,280**	**$ 227,645**	**$ 233,692**

FY 2016/17 WORKPLAN PRIORITIES

Development Review - Review development applications for compliance with City, State and Federal laws for public improvements in the city's right-of-way. Process private development and subdivision development plans; reviewing for geotechnical compliance, traffic impacts and compliance with NPDES permit.

NPDES Compliance Review – Issue an RFQ for a consultant to review subdivision plans for compliance with the City's NPDES permit and storm water runoff improvement requirements.

KEY SERVICES

- Process all final map, lot line adjustments, and Certificates of Compliance applications
- Review and comment on Design Reviews and Tentative Map applications
- Review initial improvement plan submittals
- Process initial submittals for Geotechnical Clearance
- Perform daily inspections and reporting on all land development projects
- Review subdivision traffic impacts
- Review subdivision compliance with NPDES permit

DEVELOPMENT ENGINEERING STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Public Works Director	0.10	0.10	0.10	0.10	0.10
Senior Civil Engineer	0.60	0.60	0.60	0.60	0.60
Assistant/Associate Engineer	-	-	-	-	-
Administrative Analyst I/II	-	-	-	-	-
Office Specialist II/III	0.25	0.25	0.25	0.25	0.25
Parks Maintenance Manager	-	-	-	-	-
Parks Maintenance Lead	-	-	-	-	-
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	-	-	-	-	-
Street Maintenance Manager	-	-	-	-	-
Street Maintenance Lead	-	-	-	-	-
Street Maintenance Specialist	-	-	-	-	-
Street Maintenance Worker I/II/III	-	-	-	-	-
TOTAL FTE's	**0.95**	**0.95**	**0.95**	**0.95**	**0.95**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Engineering Inspectors	92	92	92	92	92
Maintenance Worker	-	-	-	-	-
Engineering Intern	-	-	-	-	-
TOTAL ANNUAL HOURS	**92**	**92**	**92**	**92**	**92**

DEVELOPMENT ENGINEERING

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Maintain a high quality of life through development review by adhering to City standards.*					
a. Percentage of development applications reviewed within 30 days:	90%	90%	90%	92%	90%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of development applications processed:	40	35	35	60	35
2. Development applications requiring geologic review:	26	12	12	30	15
3. Number of subdivision plancheck reviews processed:	*Information not available*	*Information not available*	*Information not available*	2	0

ENVIRONMENTAL SERVICES

Environmental Services accounts for revenue and expenditures related to administering the City's solid waste programs, promoting environmental services available to the City of Saratoga community, advocating Green Business practices, and ensuring the City complies with the State's environmental requirements.

Under Assembly Bill 939, part of the Integrated Waste Management Act enacted in 1989, local governments are required to prepare, adopt, implement, and maintain plans to reduce waste disposal in landfills. Integrated waste management plans are to include provisions for the proper disposal of household hazardous waste; materials such as pesticides, paints, pool cleaning chemicals, fluorescent lamps, and other toxic materials that are prohibited from being disposed of in landfills.

AB 939 allows jurisdictions to impose fees collected at landfills to pay for the costs associated with preparing, adopting, and implementing integrated waste management plans. In Santa Clara County, the current AB 939 fee is $4.10 per ton of garbage disposed of at landfills within Santa Clara County or taken to non-disposal facilities within the County then subsequently transported to landfills outside of Santa Clara County. Of the $4.10 per ton of waste, a total of $2.60 per ton is set aside to fund the countywide Household Hazardous Waste Collection Program. The remaining $1.50 per ton is allocated to the cities in Santa Clara County to implement AB 939 compliance activities.

The portion of the AB 939 fee set aside for Household Hazardous Waste (HHW) collection is intended to fund household hazardous waste collection services for a minimum of 4% of households from each of the jurisdictions in the County. Cities must pay for the additional services incurred when more than 4% of their population uses the Household Hazardous Waste Collection Program. In addition, an annual allocation of $50,000 is utilized from the Environmental Program Fund Balance Reserve to help offset other environmental programs within the function, such as non-point source water runoff/pollution administration costs, or emergency environmental clean-up,

BUDGET OVERVIEW

Notable Budget Changes:

- Additional funding was provided for environmental program increases.

The Environmental Services program receives several types of revenue related to solid waste programs for use in funding solid waste related expenses. The City expects to receive $20,000 from the AB 939 Refuse Surcharge program. Additional funding comes from the West Valley Solid Waste Joint Powers Agreement in the form of a franchise fee surcharge charged to customers on their waste management bill. This fee is designated to fund the West Valley Solid Waste Management Authority dues, the Household Hazardous Waste (HHW) augmentation, and increased street sweeping services. The HHW augmentation revenue offsets the HHW waste collection program services available to Saratoga residents. In FY 2016/17, revenue and expenditure funding were increased slightly due to higher levels of participation in the HHW Program by Saratoga residents. Current program augmentation provides for approximately 6% of Saratoga households to participate in the program.

The City also receives a vehicle impact fee charged to ratepayers for wear and damage to City roadways caused by hauler vehicles. This fee is applied towards street resurfacing in the Capital Budget. A recent study of the impact of WVC&R's new vehicles recommended a vehicle impact fee of $351,300.

Program expenses are comprised of staff time and costs associated with environmental programs and regulatory requirements. Estimated expenditures include $224,000 for the Santa Clara Valley Urban Runoff Pollution Prevention Program and West Valley Clean Water Program fees, $35,000 for West Valley Solid Waste Joint Powers Agreement dues, $52,000 for West Valley Sanitation District's storm drain cleaning, and $184,000 for Street Sweeping. The remaining costs reflect staff time and internal service charges.

ENVIRONMENTAL SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Franchise Fees	163,954	163,954	164,589	166,638	167,113	167,113
Intergovernmental Revenues	39,249	26,533	27,201	22,000	29,273	20,000
Fees, Licenses and Permits	-	-	-	-	-	-
Charge for Services	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ 203,204**	**$ 190,487**	**$ 191,790**	**$ 188,638**	**$ 196,386**	**$ 187,113**
EXPENDITURES						
Salaries and Benefits	127,964	139,583	116,245	139,638	138,509	141,304
Operating Expenditures						
Materials & Supplies	-	-	6	-	-	-
Fees & Charges	223,509	240,492	251,248	289,222	278,490	300,429
Consultants & Contract Services	243,899	239,263	220,412	307,184	219,569	299,500
Meetings, Events & Training	-	-	-	-	-	-
Total Operating Expenditures	467,408	479,754	471,667	596,406	498,059	599,929
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	23,651	23,977	27,431	29,087	29,087	28,056
TOTAL EXPENDITURES	**$ 619,024**	**$ 643,314**	**$ 615,342**	**$ 765,131**	**$ 665,655**	**$ 769,289**

FY 2016/17 WORKPLAN PRIORITIES

Clean Water Program **–** Collectively, the Cities of Saratoga, Campbell, Monte Sereno, and the Town of Los Gatos participate in the Clean Water Program for administrative guidance and implementation compliance of the Regional NPDES (National Pollution Discharge Elimination System) Stormwater Permit. The Program is paid for by the participating cities and includes permit administration, public outreach, code compliance, attendance at local storm water meetings, and preparation of the City's Annual Report submitted to the Regional Water Board.

Solid Waste Management **-** Garbage and recycling collection services in the City of Saratoga are managed by the West Valley Solid Waste Management Authority, which is comprised of 4 member agencies: Saratoga, Campbell, Los Gatos, and Monte Sereno. In December 2013, the Authority approved an agreement with West Valley Collection & Recycling for garbage and recycling services. The new agreement runs from March 1, 2014 to February 2024. The agreement increases the amount of materials that are accepted in the recycling, including some electronic waste, and includes provisions to convert the garbage company fleet to compressed natural gas within the first few years of the agreement.

KEY SERVICES

- Provide street sweeping services for the City's streets and parking lots – in 2012 sweeping increased to twice a month on residential streets
- Coordinate the West Valley Clean Water Program to fulfill the requirements of the NPDES permit
- Participate in the West Valley Solid Waste Joint Powers Authority to provide waste management collection services to the community
- Assist the community in resolving any issues or problems that arise with the City's contract waste hauler
- Participate in community "Greening" programs, such as e-waste recycling and household hazardous waste programs
- Provide storm drain cleaning

ENVIRONMENTAL ENGINEERING STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Public Works Director	0.10	0.10	0.10	0.10	0.10
Senior Civil Engineer	0.15	0.15	0.15	0.15	0.15
Assistant/Associate Engineer	-	-	-	-	-
Administrative Analyst I/II	0.45	0.50	0.45	0.45	0.45
Office Specialist II/III	0.25	0.25	0.25	0.25	0.25
Parks Maintenance Manager	-	-	-	-	-
Parks Maintenance Lead	-	-	-	-	-
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	-	-	-	-	-
Street Maintenance Manager	-	-	-	-	-
Street Maintenance Lead	-	-	-	-	-
Street Maintenance Specialist	-	-	-	-	-
Street Maintenance Worker I/II/III	-	-	-	-	-
TOTAL FTE's	**0.95**	**1.00**	**0.95**	**0.95**	**0.95**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Engineering Inspectors	-	-	-	-	-
Maintenance Worker	-	-	-	-	-
Engineering Intern	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

ENVIRONMENTAL SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Provide effective oversight of waste collection and recycling programs.*					
a. Tons of solid waste collected in Saratoga:	28,887	28,362	29,000	27,967	28,000
b. Tons of solid waste diverted from landfills:	16,992	16,344	16,900	15,200	15,000
c. Meet State requirements for garbage diversion:	Yes	Yes	Yes	Yes	Yes
2. *Meet requirements of the Non-Point Source Pollution Prevention Permit specified for City staff:*					
a. Percentage of regional meetings attended:	90%	100%	90%	100%	100%
b. Percentage of required reports completed and submitted by deadline:	100%	100%	100%	100%	100%
3 *Protect Saratoga's natural environment throught participation in the West Valley Clean Water Program.*					
a. Percentage of regional meetings attended:	90%	100%	90%	100%	100%
b. Respond to reports of illicit and illegal discharges:	100%	100%	100%	100%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1 Number of Saratoga residents participating in Countywide Household Hazardous Waste Program:	563	550	676	675	950
2 Miles of streets swept per month:	550	550	550	550	550
3 Number of bags of garbage collected at creek clean-up events:	16	15	15	15	15

STREETS & STORM DRAINS

The Streets and Storm Drains program provides for ongoing maintenance and minor repairs to the City's roadways, storm drains, curbs, gutters, and sidewalks to ensure the City's public infrastructure is maintained in a safe, sustainable, and cost effective manner. Program activities include small street repair projects, filling of potholes, maintenance of roadway signs, traffic markings (paint), signals, streetlights, and debris removal. Streets program staff coordinate program work with the General Engineering Division for traffic and roadway projects, and with the Parks program for weed control and storm drain work.

The Streets and Storm Drains program represents the consolidation of several programs in prior year budgets. With the realignment of capital project expenses to the Capital Improvement Plan, the focus of this program was limited to ongoing street and storm drain related activities effective with the FY 2007/08 budget. This resulted in combining the former Streets Maintenance program with the Flood Control and Storm Drain program and the Gas Tax program for maintenance services, and moving contract pavement management activity to the Capital Improvement Plan.

BUDGET OVERVIEW

Notable Budget Changes:

- Public Works Inspection temporary staff funding shifted from the Capital budget into the Streets Program Operating Budget

Approximately $1.538 million for street resurfacing is budgeted for FY 2016/17. While roadway resurfacing contracts and related expenses are funded in the Capital Improvement Plan, staffing costs for contract oversight and roadway maintenance services are funded through the General Fund's Street and Storm Drain Maintenance program. Temporary staff funding to provide street resurfacing assistance to the Streets crew is also funded through the CIP. The remainder of the program's operating budget provides for basic operational expenses such as traffic light repair services and electricity, street tree maintenance services, minor tools, supplies, equipment, training, and internal service charges.

In FY 2012/13, the City began to receive the voter approved $10 Vehicle Registration Fee surcharge revenue designated for use in maintaining streets. The City expects this will total approximately $187,000 in FY 2016/17.

The remainder of the expenditure budget is fairly consistent with past years. Overall, the Streets & Storm Drains Program budget provides lean and efficient support for the City's objective to provide safe, well-functioning beautiful infrastructure (curbs, storm drains, sidewalks, medians, hillside retaining walls).

STREETS & STORM DRAINS

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	169,433	177,375	185,393	190,000	186,832	187,000
Fees, Licenses and Permits	-	-	-	-	-	-
Charge for Services	798	68,436	1,240	10,000	3,685	-
Other Sources	-	-	-	-	4,264	-
TOTAL REVENUES	**$ 170,231**	**$ 245,811**	**$ 186,633**	**$ 200,000**	**$ 194,781**	**$ 187,000**
EXPENDITURES						
Salaries and Benefits	854,558	922,913	938,074	983,502	1,004,916	1,139,811
Operating Expenditures						
Materials & Supplies	8,479	10,700	10,144	14,900	11,751	12,300
Fees & Charges	27,771	29,952	31,721	22,200	32,962	22,200
Consultants & Contract Services	60,287	47,945	88,809	65,000	57,087	65,000
Meetings, Events & Training	4,568	4,852	6,556	6,200	1,960	6,500
Total Operating Expenditures	101,105	93,449	137,230	108,300	103,760	106,000
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	328,773	364,878	378,965	338,434	338,434	347,219
TOTAL EXPENDITURES	**$1,284,436**	**$1,381,240**	**$1,454,269**	**$1,430,236**	**$1,447,110**	**$1,593,030**

FY 2016/17 WORKPLAN PRIORITIES

Pavement Management – Street Program staff will manage various street capital projects and all maintenance work on City roadways (145 miles), storm drains (45 miles), sidewalks (15 miles), bridges (20), as well as maintaining approximately 15,000 signs and street restriping as needed. Council Policy effective FY 2016/17 sets a goal of $2 million of funding be designated for Street Resurfacing in the Capital Budget. While this goal is not yet attainable, the FY 2016/17 Capital Budget includes $1.538 million dollars of funding for resurfacing work. Street Division staff time and maintenance work is budgeted in the Operating Budget.

Infrastructure Maintenance & Repairs – Several annual $50,000 priority CIP projects for roadway infrastructure repairs were combined into one project effective in the FY 2016/17 budget. This replaces funding previously allocated separately for the sidewalks, curbs & gutters, storm drains, and bridge repairs. Combined, the new project budget of $200,000 can be utilized to address infrastructure repairs in a more cost effective manner.

KEY SERVICES

- Maintain roadway infrastructure with minor repairs, provide roadside weed control, and conduct litter pickup and bicycle lane sweeping along arterial streets and school sites
- Remove illegal signage from public right-of-ways
- Resolve sight distance, obstruction, and encroachment complaints
- Respond to graffiti removal requests
- Inspect open channel drainage facilities to ensure blockages do not impede drainage flows
- Respond to emergencies impacting roadways, drainage, and other City facilities
- Provide assistance with community events, such as the Chamber of Commerce's Village events, the Blossom Festival, the 4th of July event, and the Annual Village Tree Lighting
- Report PG&E owned street light outages to PG&E
- Repair City owned Street light outages

STREETS & STORM DRAINS STAFF

Full Time Equivalents (FTE)*

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Public Works Director	0.25	0.25	0.25	0.25	0.25
Senior Civil Engineer	-	-	-	-	-
Assistant/Associate Engineer	0.25	0.25	0.25	0.25	0.25
Administrative Analyst I/II	-	-	-	-	-
Office Specialist II/III	0.40	0.40	0.40	0.40	0.40
Parks Maintenance Manager	-	-	-	-	-
Parks Maintenance Lead	-	-	-	-	-
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	-	-	-	-	-
Street Maintenance Manager	0.95	0.95	0.95	0.95	0.95
Street Maintenance Lead	1.00	2.00	2.00	2.00	2.00
Street Maintenance Specialist	1.00	-	-	-	-
Street Maintenance Worker I/II/III	3.75	3.75	3.75	3.75	3.75
TOTAL FTE's	**7.60**	**7.60**	**7.60**	**7.60**	**7.60**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Engineering Inspectors	-	-	-	-	-
Maintenance Worker	-	-	-	-	-
Engineering Intern	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

STREETS & STORM DRAINS

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *To provide safe and functional roadway systems throughout the City.*					
a. Maintain Pavement Condition Index average above 70 (out of 100 total points):	76	76	69	69	70
b. Percentage of potholes repaired within 24 hours of notification:	100%	100%	100%	100%	100%
2. *Maintain safe, well functioning infrastructure.*					
a. Storm drains cleaned and maintained to function properly and avert damage from major storm events:	1,300	1,300	1,300	1,300	1,300

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of signs installed and replaced:	1,150	1,500	1,500	1,500	1,500
2. Amount of grant funding the City received for street resurfacing:	$466,800	$0	$0	$0	$0

PARKS & LANDSCAPE MAINTENANCE

The focus of the Parks & Landscape Maintenance program is to provide attractive, well maintained, water efficient landscaping and turf through the management and maintenance of the City's parks, trails, open spaces, as well as the landscaped medians and islands in the roadways. Facilities within the City's parks, trails, and open spaces such as bathrooms, pedestrian lighting, walkways, playground and other recreation facilities are safe, clean, and well-maintained for residents and visitors. The Parks & Landscape Maintenance Division is responsible for maintaining 87 acres of parkland in 14 parks, and 250 acres of trails and open space areas throughout the City. The City-owned Hakone Gardens Park Japanese Garden areas are tended by a separate non-profit foundation; however the City retains maintenance of the facility's infrastructure. Currently, the City is the lead agency for a master plan study jointly funded by Hakone and the City for preservation of the historic gardens and future improvements to include a retreat center tea room.

BUDGET OVERVIEW

Notable Budget Changes:

- Six months of additional funding for new Prospect Road Medians landscape services.
- Additional one-time funding to remove a hazardous deck at Wildwood Park, and put a new roof on a Kevin Moran Park shed
- Additional funding to increase park janitorial services on holidays and Mondays.
- Increased frequency of turf sanding treatments to improve sport fields.

Budgeted revenues for this program are comprised of the banner rental fees, tree/bench dedication fees, park attendant fees, and administrative fees from Landscape & Lighting Districts for staffing oversight, and for engineering, legal, and maintenance costs. In prior years, the Parks & Landscape Maintenance program also oversaw the Park's Sport Use Agreements and collected this revenue. Those duties were transferred to the Recreation Department in mid-FY 2014/15, and the revenues were shifted to Recreation effective with the FY 2015/16 budget year. The $40,000 field rental cost for Prospect High School fields also shifted to the Recreation Department's Facility Rentals budget.

The Park & Landscape Maintenance program expenditure budget includes funding for landscaping materials, supplies, equipment, and services. For FY 2016/17, maintenance costs will increase for median landscaping services to account for six months of median services with the completions of the Prospect Avenue median. Parks janitorial and maintenance services will also rise with an increase in service hours during the summer months. Holidays and Mondays will now be maintained by contract services. Funding to remove a hazardous shed and repair a roof will also receive budget funding. The remainder of the expenditure budget is for staffing and internal service charges.

PARKS & LANDSCAPE MAINTENANCE

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	-	-
Charge for Services	167,320	163,712	169,429	170,134	179,667	170,727
Rental Income	128,447	121,078	79,791	2,000	3,000	2,000
Other Sources	2,925	7,190	5,775	2,500	4,190	2,500
TOTAL REVENUES	**$ 298,692**	**$ 291,980**	**$ 254,995**	**$ 174,634**	**$ 186,857**	**$ 175,227**
EXPENDITURES						
Salaries and Benefits	884,769	891,029	912,701	983,530	984,897	1,037,253
Operating Expenditures						
Materials & Supplies	65,340	82,078	73,592	86,300	85,348	79,500
Fees & Charges	247,891	271,829	203,027	186,575	196,716	184,325
Consultants & Contract Services	438,170	467,766	517,302	570,220	576,697	597,720
Meetings, Events & Training	80	2,014	1,851	1,500	1,811	1,500
Total Operating Expenditures	751,481	823,687	795,771	844,595	860,572	863,045
Fixed Assets	-	-	35,343	-	-	10,000
Internal Service Charges	319,909	378,862	408,178	354,865	354,865	349,450
TOTAL EXPENDITURES	**$1,956,160**	**$2,093,578**	**$2,151,993**	**$2,182,990**	**$2,200,334**	**$2,259,748**

FY 2016/17 WORKPLAN PRIORITIES

Water Efficiency – The Parks and Landscape Maintenance Division will continue to monitor and upgrade the City's irrigation system as needed, to reduce water use through plant selection, soil management, and irrigation methods. Turf areas will continue to be investigated as potential conversion sites into native landscape, hardscape or mulched areas to reduce water usage. Calsense irrigation controllers have been installed at Beauchamps Park, Bonnet Way, and Fruitvale Avenue, to increase water efficiency. The City converted over 37,000 square feet of turf to drought tolerant landscaping at Beauchamps Park in FY 2014/15, and another 22,000 square feet at Kevin Moran Park and Saratoga Prospect Center in FY 2015/16. Another 16,000 square feet of turf reductions are planned for FY 2016/17.

Playground Safety Improvements – Staff continues to oversee the safety and structural integrity of playground equipment at all parks. Improvements include converting sand surfaces to engineered wood fiber material, as mandated by the "Fall Zone/Impact Attenuation Guidelines."

Playground Monitoring – Monitor playgrounds on an on-going basis with regards to a 15-25 year replacement program. Replacement criteria will be based on major equipment wear and tear and changes in safety regulations on outdated structures.

PARKS & LANDSCAPE MAINTENANCE

KEY SERVICES

- Maintain all parks, trails, and open space areas in a safe, useable, and attractive condition
- Foster community awareness and support of the City's parks and open space resources
- Coordinate and assist sport groups with use and care of recreational facilities
- Provide assistance with community events, such as the Chamber of Commerce's Art & Wine Festival, the Mustard Faire, the 4th of July event, and the Annual Village Tree Lighting
- Provide for attractive, well maintained landscaped areas with plant maintenance and functioning irrigation systems
- Maintain trash receptacles throughout the City
- Provide management and oversight of the City's Landscape & Lighting District contract maintenance work
- Conduct monthly playground inspections to maintain safety standards
- Maintain pedestrian lighting fixtures throughout City parks properties and Landscaping and Lighting Districts

PARKS & LANDSCAPING STAFF

Full Time Equivalents (FTE)*

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Public Works Director	0.20	0.20	0.20	0.20	0.20
Senior Civil Engineer	-	-	-	-	-
Assistant/Associate Engineer	-	-	-	-	-
Administrative Analyst I/II	-	-	-	-	-
Office Specialist II/III	0.50	0.50	0.50	0.50	0.50
Parks Maintenance Manager	0.95	0.95	0.95	0.95	0.95
Parks Maintenance Lead	1.00	1.00	1.00	1.75	1.75
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	5.75	5.75	5.75	5.00	5.00
Street Maintenance Manager	-	-	-	-	-
Street Maintenance Lead	-	-	-	-	-
Street Maintenance Specialist	-	-	-	-	-
Street Maintenance Worker I/II/III	-	-	-	-	-
TOTAL FTE's	**8.40**	**8.40**	**8.40**	**8.40**	**8.40**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Engineering Inspectors	-	-	-	-	-
Maintenance Worker	-	-	-	-	-
Engineering Intern	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

PARKS & LANDSCAPE MAINTENANCE

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Maintain safety standards in parks and playgrounds.*					
a. Percentage of parks with playground equipment inspected monthly:	100%	100%	100%	100%	100%
2. *Protect Saratoga's natural beauty by maintaining parks and open space.*					
a. Percentage of reports of needed park maintenance receiving response within 48 hours:	100%	100%	100%	100%	100%
b. Percentage of reports of needed trail maintenance receiving response within 48 hours:	100%	100%	100%	100%	100%
3. *Protect the environment through sustainable practices.*					
a. Staff Maintenance workers maintaining pesticide licenses:	100%	100%	100%	100%	100%
b. Improved irrigation controllers installed to increase water efficiency:	1	3	1	0	1
c. Turf removed and converted to landscape or hardscape for water conservation (in square feet):	10,250	7,000	37,087	22,174	16,096

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of sport user group agreements:	12	12	13	*Moved to Recreation*	*Moved to Recreation*
2. Total acres of City parks maintained:	125	125	125	189	189
3. Total number of new trees planted in City parks:	70	40	40	40	30
4. Parks and Recreation Commission Meetings:	7	7	6	6	6

VEHICLE & EQUIPMENT MAINTENANCE

The Vehicle & Equipment Maintenance Fund is operated as an Internal Service Fund to maintain all City vehicles and equipment in accordance with manufacturers' recommendations and requirements, and to ensure all vehicles and equipment are safe and function well. Staff provides preventative maintenance and repair services; maintains the repair, ownership, warranty, and maintenance records of vehicle and equipment inventory; provides for regular cleaning of all vehicles in accordance with the City's non-point source permit; maintains sufficient fuel supplies at all times; maintains records of fuel usage; and performs monthly operational tests of emergency generators. Mechanical and body work repairs are provided through auto and equipment shops and services.

BUDGET OVERVIEW

Notable Budget Changes:

- None

Revenues from this program reflect allocated charges to departments with assigned vehicles for the cost of providing maintenance and repair services, and fueling vehicles and equipment. The Internal Service Fund chargeback has remained steady at $275,000 for FY 2016/17.

Repair costs are mitigated due to consistent maintenance practices for vehicles and equipment, and from regular assessments to determine if vehicles or equipment should be replaced. Accidents, though infrequent, are costly when they occur, therefore a contingency is built into the repairs and maintenance budget. And fortunately, a reduction in the cost of fuel has provided some relief to the generally increasing expenditure trajectory. The chargeback is set slightly higher than operating expenditure to increase fund balance reserves in line with Council policy.

This budget supports Council's objective to maintain vehicles and equipment in a safe, secure, sustainable, and cost effective manner.

VEHICLE & EQUIPMENT MAINTENANCE

SOURCE AND USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Unassigned	23,031	10,427	36,350	115,565	134,219	184,604
Total Beginning Fund Balance	**$ 23,031**	**$ 10,427**	**$ 36,350**	**$ 115,565**	**$ 134,219**	**$ 184,604**
Revenues						
Internal Service Charges	215,000	250,000	300,000	275,000	275,003	275,000
TOTAL REVENUES	**$ 215,000**	**$ 250,000**	**$ 300,000**	**$ 275,000**	**$ 275,003**	**$ 275,000**
Operating Transfers In						
Transfer In	-	-	-	-	-	-
Total Operating Transfers	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL SOURCE OF FUNDS	**$ 238,031**	**$ 260,427**	**$ 336,350**	**$ 390,565**	**$ 409,222**	**$ 459,604**
USE OF FUNDS						
EXPENDITURES						
Salaries and Benefits	76,929	79,697	81,468	88,088	86,413	92,449
Operating Expenditures						
Materials & Supplies	63,308	58,215	43,384	61,500	41,888	61,500
Fees & Charges	5,055	5,249	5,265	6,000	6,384	6,000
Consultant & Contract Services	40,587	37,007	44,258	53,000	42,175	50,000
Meetings & Training	-	-	-	-	-	-
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	41,726	43,910	46,410	47,758	47,758	49,084
Total Expenditures	**$ 227,604**	**$ 224,078**	**$ 220,785**	**$ 256,346**	**$ 224,618**	**$ 259,033**
Operating Transfers						
Transfers Out	-	-	-	-	-	-
Total Operating Transfers	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Ending Fund Balance						
Unassigned	10,427	36,350	115,565	134,219	184,604	200,570
Total Ending Fund Balance	**$ 10,427**	**$ 36,350**	**$ 115,565**	**$ 134,219**	**$ 184,604**	**$ 200,570**
TOTAL USE OF FUNDS	**$ 238,031**	**$ 260,427**	**$ 336,350**	**$ 390,565**	**$ 409,222**	**$ 459,604**

FY 2016/17 WORKPLAN PRIORITIES

Fleet Maintenance – The Vehicle & Equipment Maintenance program tracks vehicle and equipment repair and maintenance history. Staff will continue to refine maintenance schedules and recordkeeping activities to ensure all City vehicles & equipment are included in replacement schedules.

VEHICLE & EQUIPMENT MAINTENANCE

KEY SERVICES

- Provide preventative maintenance and repairs for all City owned vehicles and equipment
- Comply with State and County air quality requirements
- Maintain the City's fueling system and equipment
- Perform routine safety inspections to ensure safe operation of fleet

VEHICLE EQUIPMENT MAINTENANCE STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Public Works Director	-	-	-	-	-
Senior Civil Engineer	-	-	-	-	-
Assistant/Associate Engineer	-	-	-	-	-
Administrative Analyst I/II	-	-	-	-	-
Office Specialist II/III	0.10	0.10	0.10	0.10	0.10
Parks Maintenance Manager	0.05	0.05	0.05	0.05	0.05
Parks Maintenance Lead	-	-	-	0.25	0.25
Parks Maintenance Specialist	-	-	-	-	-
Parks Maintenance Worker I/II/III	0.25	0.25	0.25	-	-
Street Maintenance Manager	0.05	0.05	0.05	0.05	0.05
Street Maintenance Lead	-	-	-	-	-
Street Maintenance Worker I/II/III	0.25	0.25	0.25	0.25	0.25
TOTAL FTE's	**0.70**	**0.70**	**0.70**	**0.70**	**0.70**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Engineering Inspectors	-	-	-	-	-
Maintenance Worker	-	-	-	-	-
Engineering Intern	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

VEHICLE & EQUIPMENT MAINTENANCE

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Provide safe and functional vehicles and equipment for City use*					
a. Percentage of fleet vehicles receiving annual safety	100%	100%	100%	100%	100%
b. Percentage of fleet vehicles receiving annual preventative maintenance:	100%	100%	100%	100%	100%
2. *Protect natural resources through sustainable practices.*					
a. Percentage of City vehicle fleet using alternate fuels (including hybrid vehicles):	17%	17%	17%	17%	17%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of vehicles maintained:	23	23	23	26	26
2. Number of oil changes performed per year:	46	50	46	52	52
3. Number of required smog checks performed per year:	13	11	13	16	16

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund provides a consistent level of funding for the replacement of vehicle and equipment assets at the end of their life span. A replacement schedule for the City's vehicles and equipment replacements over the next twenty years is maintained on an ongoing basis, with estimated life spans and calculated replacement costs to determine funding needs each year. An annual funding level expected to allow for the scheduled replacement of vehicle and equipment assets as they reach the end of their useful life is calculated to provide a smoothing of operating expenses over the years, and a more accurate reflection of the actual cost of operations through the life of the asset.

With the high level of care and maintenance staff puts into the City's vehicles, the replacement schedules reflect a longer than average life span than other agencies use. The City uses eight years for most vehicles and trucks, whereas other cities use five years for general purpose vehicles. In some cases a vehicle or equipment's life span could be shorter or longer than expected, but with a replacement fund, adjustments can be made without significantly impacting the ongoing operating budget.

BUDGET OVERVIEW

Notable Budget Changes:

- Replacement expenditures increased to reflect the scheduled replacement of vehicles and equipment.

After conducting a long term (35 year) funding requirement review of the replacement program, it was determined that the annual chargeback amount should be reduced from $200,000 down to $125,000 for FY 2015/16. To achieve an effective use of funds, replacement fund chargebacks are accumulated at a rate that will provide for current funding requirements, not grow to a full replacement funding reserve. While asset replacement funding may be adjusted over the years as vehicle and equipment costs increase at faster or slower rates than anticipated timeframes, the funding review shows that a $125,000 annual charge will be sufficient for the next seven or eight years under current assumptions. A $25,000 annual increase to the chargeback amount will be needed at the end of this period.

Replacement asset scheduled for FY 2016/17 are identified in a following schedule. Included in this list are two leased electric vehicles. New leases require an initial down and then monthly payments for the next three or so years. This change-over is responsible for the increased fees and charges expenditure in the budget schedule. Staffing is not assigned to this program as the Internal Service Fund operates purely as a funding set-aside for vehicle and equipment replacements.

EQUIPMENT REPLACEMENT FUND

SOURCE AND USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Unassigned	437,088	442,088	508,880	649,497	649,497	588,974
Total Beginning Fund Balance	**$ 437,088**	**$ 442,088**	**$ 508,880**	**$ 649,497**	**$ 649,497**	**$ 588,974**
Revenues						
Other Sources	-	7,050	6,393	-	-	-
Internal Service Charges	100,000	200,000	200,000	125,000	140,831	125,000
Total Revenues	**$ 100,000**	**$ 207,050**	**$ 206,393**	**$ 125,000**	**$ 140,831**	**$ 125,000**
TOTAL SOURCE OF FUNDS	**$ 537,088**	**$ 649,138**	**$ 715,273**	**$ 774,497**	**$ 790,328**	**$ 713,974**
USE OF FUNDS						
EXPENDITURES						
Operating Expenditures						
Materials & Supplies	-	-	-	-	-	-
Fees & Charges	-	11,121	6,733	8,000	7,345	20,000
Consultant & Contract Services	-	-	-	-	-	-
Meetings, Events & Training	-	-	-	-	-	-
Fixed Assets	95,000	129,138	59,043	196,500	194,010	246,700
Internal Service Charges	-	-	-	-	-	-
Total Expenditures	**$ 95,000**	**$ 140,258**	**$ 65,775**	**$ 204,500**	**$ 201,355**	**$ 266,700**
Operating Transfers						
Transfers Out	-	-	-	-	-	-
Total Operating Transfers	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Ending Fund Balance						
Unassigned	442,088	508,880	649,497	569,997	588,974	447,274
Total Ending Fund Balance	**$ 442,088**	**$ 508,880**	**$ 649,497**	**$ 569,997**	**$ 588,974**	**$ 447,274**
TOTAL USE OF FUNDS	**$ 537,088**	**$ 649,138**	**$ 715,273**	**$ 774,497**	**$ 790,328**	**$ 713,974**

FY 2016/17 WORKPLAN PRIORITIES

Vehicle Replacement – Purchase replacement vehicles and equipment in accordance with the replacement schedule.

Alternative Vehicle Assessment – Continue program assessment of available fuel alternative vehicles to determine usability, advantages, and cost-effectiveness in the city's fleet.

KEY SERVICES

- Accumulate and provide annual funding for asset replacement
- Assess vehicles and equipment for proper replacement timing
- Prepare cost effectiveness study for asset replacement program

2016/17 VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE

Program	Current Asset #	Yr Purch	Current Vehicle / Equipment	Asset Life	Purpose	Estimated Replacement Cost
Vehicles						
Parks	112	2006	Chevy 3500 Dump Truck	10	Parks 2 man crew truck	60,000
Parks	113	2006	Chevy 3500 Dump Truck	10	Parks 2 man crew truck	60,000
Facility Maint	118	2007	Silverado Long Bed	10	Facilities Lead truck	28,000
Development	127	2014	*Chevy Volt Hybrid	3	Arborist Automobile	10,000
Shared Allocation	128	2014	*Chevy Volt Hybrid	3	Pool Automobile	10,000
Equipment						
Streets	E001	1996	Paint Sprayer Graco 3500	20	Graffiti abatement	3,500
Streets	E006	2001	Graco Line Lazzar III 5900	15	Roadway Striper	8,500
Streets	E007	2001	Graco Line Driver	15	Motorized Attachment	7,500
Streets	E010	2004	Graco Line Lazzar IV 3900	12	Roadway Striper	7,500
Streets	E015	2001	SASE Scarifier (Grinder)	16	Concrete tool	13,200
Parks	E035	2006	Toro Turf Utility Vehicle	10	Parks vehicle	16,000
Parks	E047	2006	Aerator Spiker	10	Lawn maintenance	10,000
Parks	E023	2009	John Deere Gator	8	Parks vehicle	16,000
Parks	E046	2009	John Deere Bunker Rake	8	Sports field machine	16,500
TOTAL						**$ 266,700**

** Leased vehicles have an initial lease cost and subsequent monthly lease payments rather than an estimated replacement cost.*

LANDSCAPE & LIGHTING DISTRICTS

The City maintains 28 Landscape and Lighting Districts and one Storm Drain District throughout the City with the consent of property owners living along or within the boundaries of the Districts. The Districts are funded through property tax assessments or through property-owner approved benefit assessments.

Four of the City's Districts are funded solely by property taxes, and another three Districts are funded by both property tax and benefit assessments. The remaining twenty-one are funded solely by benefit assessments. Those districts funded with property tax existed prior to the passage of Proposition 13 in 1978, which froze district assessment formulas built into the tax rates at the time of passage. As property tax funding alone was not sufficient for several of the Landscape & Lighting Districts, three districts approved a benefit assessment also be levied to augment funding.

The benefit assessment-based Districts are exempt from Proposition 218 requirements requiring a 2/3 majority approval, unless an increase in the approved assessment rates are requested. Section 5 of Proposition 218 provides that the measure does not apply to assessments existing as of November 1996 if the assessments were "imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed". Consequently, the City is not required to conduct an election of the property owners unless the City is seeking to increase the annual assessment more than the amount provided for in the existing agreement.

Since the passage of Proposition 218, the City ensures annual increases are built into the assessment agreements to allow for up to 5% of assessment increases. With operational costs continuing to increase each year, an annual increase enables the City to continue to provide the same level of services. Only two of the Districts established prior to the passage of Prop 218 do not currently have this allowance for annual increases built into the agreement.

SUMMARY BUDGET OVERVIEW

Notable Budget Changes:

- No notable changes

The Landscape & Lighting District Fund budget schedule presented on the following page is a summary of 28 separate funds. Each of the individual fund budgets include electricity and/or monthly landscaping service costs, and a pro-rated administrative fee for staffing administration and oversight, legal fees, and engineering services. Some of the fund budgets include water, tree maintenance, and repair expenses. The Landscape & Lighting District administrative service fee expense is, in turn, a revenue to the Parks & Landscape Maintenance program.

The separate Fund assessments reflect the continued practice of building fund balance levels to provide sufficient cash flow balances, and/or for use in future year's repairs and projects. An adequate reserve balance creates a level of protection to both ensure the funds have working capital and to prevent the City from paying for unplanned costs up front, and waiting to be repaid in following years.

LANDSCAPE & LIGHTING DISTRICTS

SOURCE AND USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Unassigned	562,504	621,947	733,836	867,648	867,648	1,005,796
Total Beginning Fund Balance	**$ 562,504**	**$ 621,947**	**$ 733,836**	**$ 867,648**	**$ 867,648**	**$ 1,005,796**
Revenues						
Property Taxes	193,634	211,010	232,659	219,897	248,037	228,560
L&L Assessments	287,489	306,844	323,031	364,111	322,693	394,173
Other Sources	1,964	3,453	10,793	1,859	29,097	2,278
Total Revenues	**$ 483,087**	**$ 521,307**	**$ 566,483**	**$ 585,867**	**$ 599,827**	**$ 625,011**
Operating Transfers In						
Transfer in from CIP	-	-	-	$ -	-	$ -
Total Operating Transfers In	**$ -**	**$ -**	**$ -**	$ -	**$ -**	$ -
TOTAL SOURCE OF FUNDS	**$ 1,045,591**	**$ 1,143,254**	**$ 1,300,319**	**$ 1,453,515**	**$ 1,467,475**	**$ 1,630,808**
USE OF FUNDS						
Expenditures						
Operating Expenditures						
Materials & Supplies	-	-	-	-	-	-
Fees & Charges	286,701	265,892	283,353	294,574	285,034	285,107
Consultant & Contract Services	136,943	143,526	149,318	356,226	176,644	429,823
Total Operating Expenditures	423,644	409,418	432,671	650,800	461,679	714,930
Total Expenditures	**$ 423,644**	**$ 409,418**	**$ 432,671**	**$ 650,800**	**$ 461,679**	**$ 714,930**
Ending Fund Balance						
Unassigned	621,947	733,836	867,648	802,715	1,005,796	915,878
Total Ending Fund Balance	**$ 621,947**	**$ 733,831**	**$ 867,648**	**$ 802,715**	**$ 1,005,796**	**$ 915,878**
TOTAL USE OF FUNDS	**$ 1,045,591**	**$ 1,143,249**	**$ 1,300,319**	**$ 1,453,515**	**$ 1,467,475**	**$ 1,630,808**

FY 2016/17 WORKPLAN PRIORITIES

District Assessments – Staff will continue to closely monitor all Assessment District Zones for appropriate service and funding levels, and will make a determination of whether the City should proceed with a vote on assessment increases for several of the districts that currently have negative fund balances.

LANDSCAPE & LIGHTING DISTRICT

FY 2016/17
Annual District Assessments

Zone #	Assessment District	Number of Parcels	Parcel Assessment	Total Assessment	Total Property Tax
Lighting Districts					
231	Village Lighting District	781	$ -	$ -	$ 74,750
232	Azule Lighting District	120	$ -	$ -	$ 34,313
233	Sarahills Lighting District	64	$ 87.34	$ 5,590	$ -
Landscape Districts					
241	Arroyo de Saratoga Landscape District	250	$ 113.48	$ 28,370	$ -
242	Bonnet Way Landscape District	41	$ 127.24	$ 5,217	$ -
243	Carnelian Glen	20	$ 219.20	$ 4,384	$ -
244	Cunningham/Glasgow Landscape District	31	$ 311.84	$ 9,667	$ -
245	Fredericksburg Landscape District	85	$ 79.07	$ 6,721	$ 862
246	Greenbriar Landscape District	176	$ 130.88	$ 23,034	$ 6,333
247	Kerwin Ranch Landscape District	16	$ 845.38	$ 13,526	$ -
248	Leutar Court Landscape District	9	$ 476.00	$ 4,284	$ -
249	Manor Drive Landscape District	29	$ 79.45	$ 2,304	$ 4,487
251	McCartysville Landscape District	48	$ 323.54	$ 15,530	$ -
252	Prides Crossing Landscape District	864	$ 82.65	$ 71,410	$ -
253	Saratoga Legends Landscape District	15	$ 709.67	$ 10,645	$ -
254	Sunland Park Landscape District	200	$ 101.76	$ 20,352	$ -
255	Tricia Woods Landscape District	9	$ 287.22	$ 2,585	$ -
256	Allendale Landscape District	43	$ 91.02	$ 3,914	$ -
Landscape & Lighting Districts					
257	Covina Landscape & Lighting District	192	$ 197.00	$ 37,824	
271	Beauchamps Landscape District	55	$ 210.64	$ 11,585	$ -
272	Bellgrove Landscape & Lighting District	94	$ 785.13	$ 73,802	$ -
273	Gateway Landscape & Lighting District	22	$ 718.95	$ 15,817	$ -
274	Horseshoe Landscape & Lighting District	53	$ 254.87	$ 13,508	$ -
275	Quito Lighting District	698	$ -	$ -	$ 66,496
276	Tollgate Landscape & Lighting District	61	$ 103.64	$ 6,322	$ -
277	Village Commercial Landscape District	132	$ -	$ -	$ 41,319
278	Westbrook Landscape & Lighting Dist	92	$ 50.08	$ 4,607	$ -
Storm Drain District					
291	Hill Ave Storm Water District	5	$ 635.00	$ 3,175	$ -
28 Assessment Districts		**4,205**		**$ 394,173**	**$ 228,560**

RECREATION & FACILITIES DEPARTMENT

The Recreation & Facilities Department contributes to the quality of life in Saratoga through a wide variety of diverse activities, services, and programs for people of all ages through both the Recreation and Teen Services divisions. In addition, the Department administers the Facility Rental program for community groups and the public at the City's parks, Community Center, Warner Hutton House, and Prospect Center Buildings to provide the community with spaces to be active, spaces to create, spaces to imagine, and places to create community. , The Department also oversees building maintenance for the various City facilities (City Hall offices, Corporation Yard, Theater/Council Chambers, Community Center, Warner Hutton House, Prospect Center Buildings, Saratoga Museum, McWilliams House, Book-Go-Round, and the Saratoga Library) to ensure a clean, safe, and attractive environment for residents and visitors.

Recreational services provided by the department include classes, camps, trips, programs, and activities. The benefits of these programs include building self-esteem in children and providing them opportunities to build life skills for their future, adding more balance to the lives of residents, promoting physical fitness, providing opportunities for social interaction, helping to reduce stress, enhancing or learning new skills, helping to reduce loneliness, and promoting sensitivity to cultural diversity. By offering a variety of classes, camps, trips, pre-school programs, youth and teen activities, dance programs, and fee-based special events, the Department helps improve the quality of life, create a sense of community, and provides opportunities for residents to get to know their neighbors and live happier, healthier lives.

The Recreation & Facilities Department's goal is to provide safe, high quality recreation services at reasonable costs. The City continues to make strides toward reducing service costs in relation to revenues. Staff continues to assess program and activity costs in relation to the community's interests and needs. While some programs and activities are not cost effective, it may be determined that community need is of greater importance. This is often the case with teen, youth, and senior programs.

DEPARTMENT OBJECTIVES

The Recreation Department, through its variety of service divisions, directly supports a number of the City Council's Strategic Goals. Performance measures provide feedback on the Department attainment of these objectives.

Council Strategic Goal: Community Enrichment: Foster a community with an enriched and diverse culture and engaged community.

Department Objectives:

- Enhance and promote healthier living in the community through providing a variety of high quality and enjoyable activities that are convenient for residents and help create an engaged and vibrant community
- Develop and cultivate organizational and leadership potential in local teens through Youth Commission activities
- Provide safe, affordable, clean, and enjoyable facilities for meetings, parties, receptions, and gatherings to enhance and promote quality of life

Council Strategic Goal: City Leadership: Provide a proactive, responsible, inclusive, respectful, transparent, and trustworthy government dedicated to delivering effective high quality leadership for the community.

Department Objectives:

- Promote civic engagement in Saratoga youth through Youth Commission sponsored community events
- Develop community partnerships with positive interaction through recreation programs and services

Council Strategic Goal: Facility & Infrastructure: Maintain the City's facilities and public infrastructure in a safe, sustainable, and cost effective manner.

Department Objectives:

- Provide safe, clean, cost effective facilities for community meetings, parties, receptions, and gatherings
- Ensure City facilities are clean, safe, and maintained according to best practices
- Mitigate risk and liability issues in City facilities
- Follow environmentally friendly purchasing policies, sustainability and green building practices

DEPARTMENT BUDGET SUMMARY

The Department's FY 2016/17 General Fund budget revenue is expected to grow slightly from current year actual revenues, with some corresponding expenditure increases for instructor services. The overall cost recovery percentage is expected to remain approximately the same as previous years. An upgrade to the existing RecTrac and WebTrac registration software that was completed in April is expected to improve systems and increase efficiencies in the Department once complete implementation is finished.

An internal promotion of a Recreation Coordinator to a Recreation Supervisor has increased operational flexibility and oversight without increasing FTEs. The FY 2016/17 staffing levels will continue the prior year FTE reductions of one Recreation Supervisor to 90% and one Recreation Coordinator position to 85%, with the second Recreation Supervisor staffed at a full 1.0 FTE. The departmental staff reductions are offset by temporary staff support for facility and program oversight, thereby providing salary savings without significant loss of customer service support of any of the department's core functions, including the increasingly successful "in-house" youth camps and programs.

With the City's ongoing focus to implement citywide emergency event readiness, .05 FTE of the Director position will continue to be assigned to the Emergency Preparedness program for this endeavor. In addition, the Director, who also functions as the City's Risk Manager, has .30 FTE assigned to the Liability Program to oversee claims, insurance requirements, and maintain Risk Management best practices.

Both the Facility Maintenance and Facility Furniture, Fixtures, and Equipment (FFE) Replacement activities are broken out from the recreation and facility rental services and activities and accounted for as Internal Service Fund programs. Internal Service Funds recognize costs on an ongoing basis through stabilized annual charges, thereby charging programs overhead costs and maintaining fiscal sustainability.

The Facility Maintenance's total program costs to support janitorial, repair, and maintenance functions are allocated to programs based on the square footage percentages the program uses, with the common area usage charged to the Non-Departmental program. The FFE replacement charges are allocated based on the applicability of the assets usage. This results in approximately 70% of the cost funded in the Non-Departmental program as the City's facility infrastructure primarily serves the general public rather than staff. Departmental programs fund 15% of the Furniture, Fixture and Equipment replacement costs indirectly through the Facility Maintenance ISF program charges. The remaining 15% is allocated to the Facility Rental program in recognition of the facility rental program's direct link to rental income. The addition of the FFE replacement program stabilizes funding requirements by accumulating funds annually over an asset's lifespan to both ensure funding is available when needed, and to more fully recognize appropriate overhead costs. This practice allows the City to replace facility FFEs on a scheduled basis.

As Internal Service Funds are merely financing mechanisms and serve a separate purpose from the department's recreational and facility rental activities, they are not included in the cost recovery analysis.

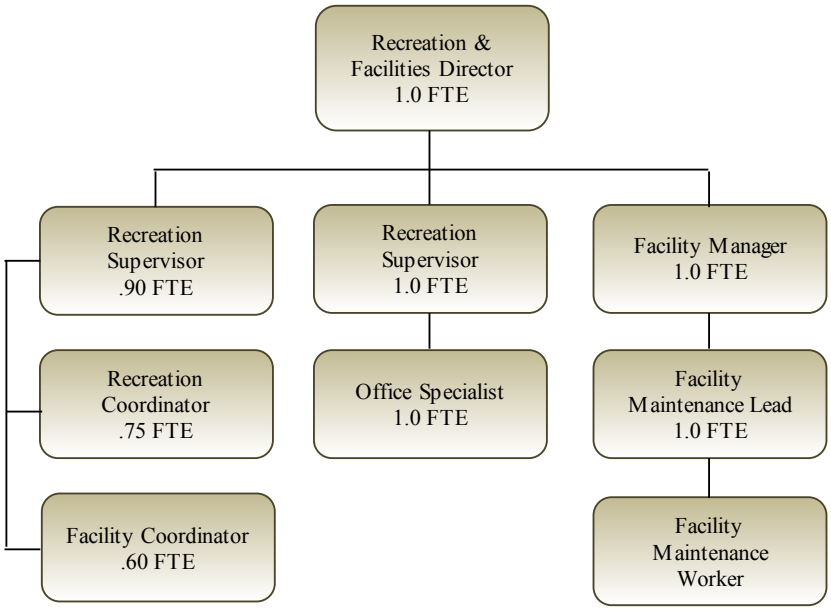
GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	8,725	17,799	9,837	10,100	12,008	8,900
Charge for Services	634,760	645,114	595,208	693,200	617,303	626,500
Rental Income	232,236	247,604	300,567	402,600	440,088	413,112
Other Sources	45	81	25	-	1	-
TOTAL REVENUES	**$ 875,765**	**$ 910,597**	**$ 905,638**	**$1,105,900**	**$1,069,399**	**$1,048,512**
EXPENDITURES						
Salaries and Benefits	647,904	667,895	662,642	714,793	677,759	733,880
Operating Expenditures						
Materials & Supplies	22,596	27,105	20,619	38,950	34,212	42,220
Fees & Charges	20,955	20,404	22,021	63,885	29,087	65,460
Consultant & Contract Serv	382,334	403,490	370,831	439,900	407,783	432,800
Meetings, Events & Training	379	1,428	2,119	5,850	2,366	2,550
Total Operating Expenditures	426,264	452,427	415,590	548,585	473,448	543,030
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	244,325	262,955	285,194	323,570	323,570	332,541
TOTAL EXPENDITURES	**$1,318,493**	**$1,383,277**	**$1,363,425**	**$1,586,948**	**$1,474,777**	**$1,609,451**

DEPARTMENTAL EXPENDITURES - by FUND / DIVISION

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
Recreation Services	938,742	961,244	940,097	1,071,231	1,017,682	1,075,400
Teen Services	67,955	57,836	47,073	52,915	53,228	52,803
Facility Rentals	311,796	364,197	376,256	462,802	403,867	481,248
TOTAL GENERAL FUNDS	**$1,318,493**	**$1,383,277**	**$1,363,425**	**$1,586,948**	**$1,474,777**	**$1,609,451**
INTERNAL SERVICES FUNDS						
Facility Maintenance	771,882	817,506	813,842	879,629	804,049	900,766
Facility FFE Replacement	-	-	-	169,000	40,778	246,544
TOTAL INTERNAL SERVICES	**$ 771,882**	**$ 817,506**	**$ 813,842**	**$1,048,629**	**$ 844,827**	**$1,147,310**
TOTAL EXPENDITURES	**$2,090,375**	**$2,200,783**	**$2,177,268**	**$2,635,577**	**$2,319,604**	**$2,756,760**

DEPARTMENT ORGANIZATION CHART



RECREATION & FACILITIES DEPARTMENT STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Recreation & Facilities Director	0.75	0.70	0.65	0.65	0.65
Senior Recreation Supervisor	-	-	-	-	-
Recreation Supervisor	1.00	1.00	1.00	0.90	1.90
Recreation Coordinator	2.00	2.00	2.00	1.85	0.85
Facility Coordinator	0.60	0.60	0.60	0.60	0.60
Office Specialist II/III	1.00	1.00	1.00	1.00	1.00
Facility Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Facility Maintenance Lead	1.00	1.00	1.00	1.00	1.00
Facility Maintenance Worker I/II/III	2.00	2.00	2.00	1.00	1.00
TOTAL FTE's	**9.35**	**9.30**	**9.25**	**8.00**	**8.00**

Temporary Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Facility Attendents	1,500	1,500	1,750	1,900	1,900
Recreation Leaders	500	3,335	3,300	2,004	2,004
Graphic Design Assistant	-	-	-	850	-
Recreation Intern	-	-	-	480	320
Asst Recreation Coordinator	-	-	-	-	1,000
TOTAL ANNUAL HOURS	**2,000**	**4,835**	**5,050**	**5,234**	**5,224**

RECREATION & FACILITIES STAFF - by Division

City Staff by Program	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Recreation Services	3.90	3.85	3.85	3.55	3.55
Teen Services	0.30	0.30	0.25	0.30	0.25
Facililty Rentals	1.50	1.50	1.50	1.30	1.35
Building Maintenance	3.65	3.65	3.65	2.85	2.85
Total Recreation Staff	**9.35**	**9.30**	**9.25**	**8.00**	**8.00**
Staff allocations in other Department Programs					
Non-Departmental: Risk Management	0.25	0.30	0.30	0.30	0.30
Public Safety: Emergency Preparedness	-	-	0.05	0.05	0.05
TOTALS	**9.60**	**9.60**	**9.60**	**8.35**	**8.35**

The Recreation Department Staff FTE schedule includes General Fund and Internal Fund programs assigned to this department. While 30% of the Recreation & Facilities Director's FTE assigned to the Risk Liability division in the Non-Departmental section, and 5% assigned to the Emergency Preparedness division in the Public Safety Department is not reflected in the Recreation & Facility Department total, it is reflected in the Total Staff schedule.

RECREATION SERVICES

Recreation Services plans, organizes, schedules, promotes, supervises, and evaluates over 1,200 classes and activities per year. This involves managing approximately 54 independent contractors, and offering over 9,000 hours of activities at 24 different parks and facilities, offering a City-run camp program, planning 22 excursions and trips per year, conducting monthly e-mail promotional campaigns, and publishing a quarterly (seasonal) full color recreation program Activity Guide that is mailed to all residents and non-resident users. A supplemental full color 16-page summer camp guide is also published and mailed to past participants. In addition, Recreation Services provides an independently contracted preschool program five days a week; works cooperatively with West Valley College, Redwood Middle School and Saratoga High School for use of their facilities for Department programs; and provides Health and Wellness and Arts and Enrichment programs with classes, workshops, demonstrations, and activities.

BUDGET OVERVIEW

Notable Budget Changes

- Revenues have decreased in recent years, proportionate with a decrease in participation in programs. Staff is actively pursuing additional partnerships and collaboration with other agencies such as the City of Campbell, the City of Cupertino, LGS Recreation, and private contract providers.
- Salaries & Benefits continue last year's budgeted reduction of .10 FTE Recreation Supervisor, and .15 FTE Recreation Coordinator. The positions are backfilled in part with temporary staffing.
- Excursion costs are expected to increase with a corresponding increase in expenses due to growing costs of new trips. The customer bases remains steady.

The Recreation Services program has four program revenue sources to support services: excursion fees, classes and special program fees, in-house camp programs (summer, winter, and spring), and advertisements in the Recreation Activity Guide. Staff is planning additional marketing to targeted populations for all programs. As noted above, class fees have seen a decline in recent years, however camps and excursions remain strong and continue to increase as staff strives to grow the customer base with expanded and popular offerings.

Ongoing expenditures in the Recreation Services budget include class instructors, excursion costs, materials and supplies for camps and operations, recreation brochure printing, mailing costs, credit card fees, off-site facility rentals, and annual license and support costs for the Recreation Department's RecTrac system. Class revenue is tied directly to the cost for instructors as each class contract identifies the proportion of class revenue the instructor receives. The remaining ongoing expenditures are minor operational expenses and internal service charges.

In FY 2012/13, the Department had an opportunity to restructure due to retirements, and consequently made a few organizational changes. These changes continue to be refined, and distributions of duties to increase efficiencies are ongoing. In FY 2014/15, the Department reinstated an in-house camp program, developed and led new excursions, oversaw production of an enhanced activity guide, provided additional evening coverage at the Community Center, increased marketing efforts through social media and partnerships, and increased visibility at special events. In FY 2015/16, a Recreation Coordinator was promoted to a Recreation Supervisor to recognize their increased workload and the addition of one Commission liaison assignment.

RECREATION SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	8,725	17,799	9,837	10,100	12,008	8,900
Charge for Services	633,179	644,413	593,733	690,000	615,237	621,500
Rental Income	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ 641,904**	**$ 662,212**	**$ 603,570**	**$ 700,100**	**$ 627,245**	**$ 630,400**
EXPENDITURES						
Salaries and Benefits	441,215	435,727	444,981	488,432	467,147	501,220
Operating Expenditures						
Materials & Supplies	19,607	20,419	16,160	29,700	26,679	28,100
Fees & Charges	20,535	19,803	21,752	23,485	28,922	25,185
Consultant & Contract Serv	381,219	403,490	370,354	437,250	405,629	430,000
Meetings, Events & Training	323	1,428	2,057	5,350	2,292	1,550
Total Operating Expenditures	421,684	445,140	410,322	495,785	463,521	484,835
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	75,842	80,378	84,794	87,014	87,014	89,345
TOTAL EXPENDITURES	**$ 938,742**	**$ 961,244**	**$ 940,097**	**$1,071,231**	**$1,017,682**	**$1,075,400**

FY 2016/17 WORKPLAN PRIORITIES

Recreation Services – Recreation Department staff will enhance and promote recreation in the City of Saratoga by providing a variety of high quality, safe, affordable, and enjoyable activities that are convenient for residents. Staff plans a continuing audit and assessment of activities in FY 2016/17 to determine the community's desire for class offerings and identify inadvertent class duplication and/or gaps in services with competing recreation providers.

Fiscal Stewardship **-** Recreation strives to contribute to the strength of the City's fiscal health and stability by creating a desirable environment in which independent contract instructors conduct entrepreneurial revenue-generating events, activities, and contract classes. Staff will continue to: 1) actively recruit contract service providers, solicit partnerships, and develop collaborations; and 2) conduct activities that serve the needs of the residents of Saratoga; and; 3) encourage economic development by providing facility space and marketing / promotional assistance to recreation service providers.

RECREATION SERVICES

KEY SERVICES

- Plan, organize, schedule, promote, supervise, and evaluate program classes, activities, and events for all ages
- Publish recreation activity guides, fliers, brochures, etc. to market and promote recreation classes, camps, and activities
- Provide approximately 1,600 classes, camps, etc. and offer 22 excursions per year
- Provide an independently operated community preschool program 5 days a week
- Provide Health and Fitness and Arts and Enrichment programs with age appropriate activities that build developmental assets for youth and adults that will give them life skills for the future
- Collaborate with local schools and community based organizations to provide activities

RECREATION SERVICES STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Recreation & Facilities Director	0.35	0.30	0.30	0.30	0.30
Senior Recreation Supervisor	-	-	-	-	-
Recreation Supervisor	0.90	0.90	0.90	0.85	1.65
Recreation Coordinator	1.90	1.90	1.90	1.65	0.85
Facility Coordinator	-	-	-	-	-
Office Specialist II/III	0.75	0.75	0.75	0.75	0.75
Facility Maintenance Manager	-	-	-	-	-
Facility Maintenance Lead	-	-	-	-	-
Facility Maintenance Worker I/II/III	-	-	-	-	-
TOTAL FTE's	**3.90**	**3.85**	**3.85**	**3.55**	**3.55**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Facility Attendents	-	-	-	-	-
Recreation Leaders	500	3,335	3,300	2,004	2,004
Graphic Design Assistant	-	-	-	850	-
Recreation Intern	-	-	-	480	320
Asst Recreation Coordinator	-	-	-	-	1,000
TOTAL ANNUAL HOURS	**500**	**3,335**	**3,300**	**3,334**	**3,324**

RECREATION SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Promote healthy lifestyles and personal growth through organized recreation activities.*					
a. Offer a variety of new and ongoing recreation activities:	993	1190	1089	1214	1200
b. Percentage of recreation class participants which agreed recreation activities contribute to healthy lifestyle and personal growth:	100%	100%	100%	100%	100%
c. Number of Recreation Activity Guides published each year which include "Healthy Lifestyle" educational information:	3	4	4	4	4
2. *Partner with the community to improve the quality of life for children, teens, adults, and families.*					
a. Number of independent instructors providing quality recreation activities:	60	55	60	56	70
b. Percentage of Saratoga "households" using online registration software to register for recreation activites:	19%	22%	33%	54%	50%
c. Percentage of recreation class participants which agreed activities met or exceeded expectations:	100%	100%	89%	89%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of recreation activity hours offered:	6,561	7,107	8,900	8,959	6,000
2. Number of participant registrations:	5,121	5,675	7,000	7,445	7,500
3. Number of online regestrations:	950	896	1,250	1,518	1,500

TEEN SERVICES

Staff assigned to Teen Services manages teen programs and activities as well as the Youth Commission program. The City Council re-established the Youth Commission in 1988 to play a key role in City-sponsored programs for Teens in Saratoga. The Youth Commission is an 11 member commission with a focus to enhance the well-being of local youth, offer positive influences to teens, and provide opportunities for youth involvement in the community. The Commission is comprised of middle and high school students appointed by the City Council for two-year terms, with the commissioners serving as teen leaders, communicating with the City Council on current youth issues, and planning, promoting, and participating in community events, fundraisers, social, and educational activities. Staff members oversee and guide all these activities.

Teen Services staff and the Youth Commission work together to: sponsor teen-oriented activities; administer the Youth Commission training; and sponsor three to four special events (e.g. Teen Dances) each year. Teen Services also provides supervision and oversight of teen volunteer opportunities and the Leadership in Training program to help develop citizenship skills for youth. The goal of the Teen Services program is to provide education, community involvement, and recreation opportunities for all teens in Saratoga, regardless of school or district. The connection with the Youth Commission helps to provide an opportunity and training ground for teens to serve as positive role models in the community: to encourage teens throughout the City to become active, contributing citizens; and, to function as a training camp for future community leaders by developing the youth's leadership skills.

BUDGET OVERVIEW

Notable Budget Changes

- $3,500 of additional funding is provided for the Teen's program supplies for fund raising events.

Revenue from for the Teen Services program is minimal, coming from fees and charges and a few Youth Commission generated programs and activities.

The Teen Services program is primarily limited to overseeing the Youth Commission and providing leadership training to the commissioners. Operating expenditures are minimal, however with Council's request that Youth Commission members attend community events, funding for materials, supplies, and printing increased for FY 2016/17. In addition to these program's expenditures, another $6,000 for the Commission's activities related to community events is funded through the Youth Commission's budget.

TEEN SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	-	-
Charge for Services	1,581	701	1,475	3,200	2,066	5,000
Rental Income	-	-	-	-	-	-
Other Sources	45	81	25	-	1	-
TOTAL REVENUES	**$ 1,626**	**$ 782**	**$ 1,500**	**$ 3,200**	**$ 2,066**	**$ 5,000**
EXPENDITURES						
Salaries and Benefits	57,261	45,437	33,939	37,072	37,733	32,615
Operating Expenditures						
Materials & Supplies	306	1,078	1,893	3,700	3,602	6,870
Fees & Charges	78	78	104	100	-	100
Consultant & Contract Serv	-	-	-	150	-	300
Meetings, Events & Training	-	-	-	-	-	400
Total Operating Expenditures	384	1,156	$ 1,997	$ 3,950	$ 3,602	$ 7,670
Internal Service Charges	10,310	11,243	11,137	11,893	11,893	12,518
TOTAL EXPENDITURES	**$ 67,955**	**$ 57,836**	**$ 47,073**	**$ 52,915**	**$ 53,228**	**$ 52,803**

FY 2016/17 WORKPLAN PRIORITIES

Leadership Training – Teen Services will oversee the Youth Commission's participation in the annual CPRS District IV YAC Attack (Youth Advisory Conference) and collaborate with our neighboring cities of Cupertino, Monte Sereno, Los Gatos, and Campbell's Youth Commissions during FY 2016/17 to sponsor special events for local teens, build developmental assets, and provide leadership training and opportunities for teens and youth in Saratoga.

Community Outreach – Teen Services will increase efforts to reach out to young Saratogans; to bring a wider representation of schools to Youth Commission sponsored events (e.g. Walk One Week), provide information about the Commission while participating in downtown events such as St. Paddy's Day, Tree Lighting Ceremony, Witchy Walk-a-Bout, and to partner with the community to provide opportunities for teens and youth to become more involved and connected with their hometown.

TEEN SERVICES

KEY SERVICES

- Provide activities and special events for pre-teens and teens in the community
- Provide opportunities and a "training ground" for teens to learn leadership skills and become contributing citizens to the community
- Liaison with Youth Commission to communicate the interests of the youth population to the City
- Build the developmental assets of the youth of Saratoga through ongoing evaluations and assessments of the needs of local teens to determine new programming
- Provide supervision and oversight of teen volunteer opportunities

TEEN SERVICES STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Recreation & Facilities Director	0.10	0.10	0.05	0.05	0.05
Senior Recreation Supervisor	-	-	-	-	-
Recreation Supervisor	0.10	0.10	0.10	0.05	0.20
Recreation Coordinator	0.10	0.10	0.10	0.20	-
Facility Coordinator	-	-	-	-	-
Office Specialist II/III	-	-	-	-	-
Facility Maintenance Manager	-	-	-	-	-
Facility Maintenance Lead	-	-	-	-	-
Facility Maintenance Worker I/II/III	-	-	-	-	-
TOTAL FTE's	**0.30**	**0.30**	**0.25**	**0.30**	**0.25**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Facility Attendents	-	-	-	-	-
Recreation Leaders	-	-	-	-	-
Graphic Design Assistant	-	-	-	-	-
Recreation Intern	-	-	-	-	-
Asst Recreation Coordinator	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

TEEN SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Partner with the community to improve the quality of life for teens.*					
a. Percentage of time Recreation staff member attends Youth Commission meetings:	100%	100%	100%	100%	100%
b. Percentage of teens in satisfaction survey which agree recreation activities met or exceeded expectations in improving quality of life:	100%	100%	100%	100%	100%
c. Provide teen volunteer opportunity hours:	700	1,000	2,760	2,869	3,000
2. *Promote healthy lifestyles and personal growth through organized recreation activities.*					
a. Percentage of teens participating in satisfaction survey which agreed recreational activities contributed to healthy lifestyle and personal growth:	100%	100%	100%	100%	100%
b. Practice and contribute to "Developmental Assets" for teens as measured by survey:	100%	100%	100%	100%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of teen-age volunteer service hours offered:	700	1,100	3,000	3,000	3,500
2. Number of teen-age volunteers supervised:	11	19	27	40	45

FACILITY RENTALS

The Facility Rentals program manages the City's Facility Rental program for private individuals, non-profit, or for-profit-based groups to use for receptions, parties, events, meetings, workshops, or other community activities. Rental facilities include rooms of various sizes and uses in the Community Center and accessory buildings, the Warner Hutton House, the Saratoga Prospect Center complex, the Civic Theater, and numerous City parks. While striving for cost recovery, the focus is to provide clean, safe, and affordable space to the community for social, religious, educational, family and community groups. Rental discounts are provided to residents and non-profit groups in the effort to encourage community events. In FY 2015/16, the program expanded to include managing reservations of Saratoga sports fields. Sports groups such as AYSO soccer and Little League baseball now reserve field space for their activities at Congress Springs Park, Kevin Moran Park, and El Quito Park through the Facility Coordinator.

BUDGET OVERVIEW

Notable Budget Changes:

- A small increase in facility rental revenue is expected due to hourly rate increases. Rental rates continue to be at or under comparable rentals, with discounts given to residents and non-profit groups.
- A $3,000 expenditure is planned to build a number of standing garden beds at the community garden.

Facility Rental Program revenues are expected to bring in about $110,000 for Community Center rentals, another $3,900 for Senior Center rentals, and $6,700 for the Warner Hutton House. The Civic Center Theater will bring in approximately $57,000 and the Saratoga Prospect Center buildings another $96,000. Revenue projections for the Saratoga Prospect Center have increased in recent years as the Friendship Hall building is becoming increasingly more recognized for its rental potential, particularly for dances. Plot rentals at the Community Garden at El Quito Park, now exclusively reserved for Saratoga residents, are expected to bring in $3,600, and day-use rentals from the City's parks (exclusive of sport user agreements) will bring in around $18,050 over the year. In fiscal 2016/17, rental fees for the use of the Sports Fields are expected to total $113,000 for the year.

Expenditures for this program reflect salary and benefit costs for the Facility Coordinator to market and rent the facilities, and portions of other Recreation & Facilities Department staff time to assist with oversight and facility duties. Temporary Facility Attendant staff are utilized for supervising the City's facilities during evening and weekend events. The temporary Facility Attendant staffing expenses have increased as rental activities at the Saratoga Prospect Center have increased.

Direct costs for this program are minimal, with $10,500 budgeted for operational supplies. The program's largest expense is for internal service charges as Facility Rentals accounts for a large percentage of building maintenance and facility furniture, fixture, and equipment replacement expenses. This continues to grow as building maintenance costs are increase each year. The remainder of ongoing facility expenditures are typically held steady each year, however the FY 2016/17 budget includes an additional $3,000 to fund the conversion of some garden plots to standing garden beds to better serve the gardening community.

FACILITY RENTALS

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	-	-
Fees, Licenses and Permits	-	-	-	-	-	-
Charge for Services	-	-	-	-	-	-
Rental Income	232,236	247,604	300,567	402,600	440,088	413,112
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ 232,236**	**$ 247,604**	**$ 300,567**	**$ 402,600**	**$ 440,088**	**$ 413,112**
EXPENDITURES						
Salaries and Benefits	149,427	186,732	183,722	189,289	172,879	200,045
Operating Expenditures						
Materials & Supplies	2,684	5,609	2,566	5,550	3,931	7,250
Fees & Charges	342	523	165	40,300	165	40,175
Consultant & Contract Serv	1,115	-	477	2,500	2,154	2,500
Meetings, Events & Training	55	-	63	500	74	600
Total Operating Expenditures	4,196	6,132	3,271	48,850	6,325	50,525
Internal Service Charges	158,173	171,334	189,263	224,663	224,663	230,678
TOTAL EXPENDITURES	**$ 311,796**	**$ 364,197**	**$ 376,256**	**$ 462,802**	**$ 403,867**	**$ 481,248**

FY 2016/17 WORKPLAN PRIORITIES

Environmental Sustainability – The Facility Rental division will continue implementing environmental best practices to promote sustainability, educating and encouraging all users to follow existing green building practices for facility and park rentals.

Facility Rentals **-** Recreation & Facilities Department staff will provide high quality, safe, affordable, clean, and enjoyable facilities that are convenient to residents for meetings, parties, receptions, and gatherings in a safe, sustainable, and cost effective manner.

FACILITY RENTALS

KEY SERVICES

- Provide safe, pleasant, and clean facilities for use by the general public and key City services (e.g. meetings)
- Support tenant needs in the leased buildings
- Enforce environmentally friendly purchasing and sustainability policies
- Provide safe and affordable venues for community use at the Saratoga Community Center, Civic Theater, Senior Center, and Prospect Center facilities

FACILITY RENTALS STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Recreation & Facilities Director	0.05	0.05	0.05	0.05	0.05
Senior Recreation Supervisor	-	-	-	-	-
Recreation Supervisor	-	-	-	-	0.05
Recreation Coordinator	-	-	-	-	-
Facility Coordinator	0.60	0.60	0.60	0.60	0.60
Office Specialist II/III	0.25	0.25	0.25	0.25	0.25
Facility Maintenance Manager	0.10	0.10	0.10	0.10	0.10
Facility Maintenance Lead	0.10	0.10	0.10	0.10	0.10
Facility Maintenance Worker I/II/III	0.40	0.40	0.40	0.20	0.20
TOTAL FTE's	**1.50**	**1.50**	**1.50**	**1.30**	**1.35**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Facility Attendents	1,500	1,500	1,750	1,900	1,900
Recreation Leaders	-	-	-	-	-
Graphic Design Assistant	-	-	-	-	-
Recreation Intern	-	-	-	-	-
Asst Recreation Coordinator	-	-	-	-	-
TOTAL ANNUAL HOURS	**1,500**	**1,500**	**1,750**	**1,900**	**1,900**

FACILITY RENTALS

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Provide safe, functional, and attractive City buildings for community use and enjoyment of the public.*					
a. According to facility rental survey, the percentage of visitors who felt their visit to the facility was clean, comfortable, and safe:	100%	100%	100%	100%	100%
b. Percentage of customers which agreed facilities met or exceeded expectations:	100%	100%	100%	100%	100%
2. *Provide safe, functional, and attractive City buildings for the provision of City services.*					
a. Percentage of surveyed visitors which agreed the facility was clean, comfortable, and safe:	100%	100%	100%	100%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of facility rental applications processed:	572	725	800	950	950
2. Number of fee-based and no-charge (for City meetings, events, etc.) facility rental hours for public use:	13,250	16,900	18,000	18,110	18,200
3. Average dollars per receipt:	$198	$197	$200	$215	$215

FACILITY MAINTENANCE FUND

Facility Maintenance provides services to ensure City facilities are clean, safe and functional for the general public and employee use. This program is a citywide support function for custodial, maintenance, repair services, and building improvements for all facilities at the Civic Center, Prospect Center, and Museum Park, and supports the needs of the tenants of City leased buildings as defined in lease agreements (e.g. Senior Center). Facility Maintenance staff plans, schedules, and manages minor and major building facility maintenance, repair, and improvement projects.

The Facility Maintenance staff ensures the City's facilities are in a clean, safe, and usable condition at all times for employees and the general public. Custodial services such as vacuuming, trash removal, window washing, restroom cleaning, carpet cleaning, and floor stripping and sealing, are all on a regular schedule. Regular preventative maintenance services are also on a schedule, which include items such as painting, roof maintenance, pest control, emergency generator testing and upkeep, HVAC, and alarm servicing. Other maintenance repair services such as electrical and plumbing repairs are contractually provided on an as needed basis. The Facility Maintenance program monitors citywide facility expenses such as water, sewer, electricity and natural gas utilities, maintenance, and janitorial supplies. City departments are charged an allocated amount to recognize the cost associated with the custodial and building maintenance to more fully account for operational expenses associated with providing these services.

BUDGET OVERVIEW

Notable Budget Changes:

- Contract services were increased with the budgeted addition of $6,000 for EV Station maintenance.
- Internal Service Fund chargebacks increased by $25,000 to offset operational increases.

With the implementation of Internal Service Funds in the FY 2007/08 budget, the Facility Maintenance program incorporated staffing and expenses associated with facility custodial and maintenance services, and the revenues earned from charging back to the departments into one cost center program. With nine years of history-based data on actual expenses, minor revisions are included in the FY 2016/17 budget to better reflect actual amounts.

The Internal Service Fund charge-backs were increased this fiscal year due to ongoing facility maintenance increases from aging facilities, increases in usage, and service cost increases. Program expenditures include ongoing facility supplies, utility and janitorial expenses, and contract services for maintenance and repairs. Continued efforts to "go green" are also reflected in the costs of maintenance supplies and equipment, as biodegradable supplies often are more expensive. A recent green effort that installed eight EV Stations in the City has necessitated the addition of a $6,000 budget for anticipated maintenance costs. After four years of use, the older technology is failing and replacement components, and possibly new station heads, are necessary.

Another notable contributor to expenditure increases over the last couple of years is the new State legislation requiring Department of Industrial Relations (DIR) registration for all contracts over $1,000, as well as prevailing wage and certified payroll requirements on some projects. These costly and cumbersome paperwork requirements have in effect eliminated many small, lower cost firms from providing services to the City, and increased costs for those firms who do comply with the new requirements.

FACILITY MAINTENANCE FUND

SOURCE & USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Unassigned	200,926	184,901	199,869	268,326	288,697	391,087
Total Beginning Fund Balance	**$ 200,926**	**$ 184,901**	**$ 199,869**	**$ 268,326**	**$ 288,697**	**$ 391,087**
Revenues						
Other Sources	5,858	7,474	7,299	-	6,439	4,000
Internal Service Charges	749,999	825,000	875,000	900,000	900,001	925,000
Total Revenues	**$ 755,857**	**$ 832,474**	**$ 882,299**	**$ 900,000**	**$ 906,440**	**$ 929,000**
Operating Transfers In						
Transfer In from General Fund	-	-	-	-	-	-
Total Operating Transfers In	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL SOURCE OF FUNDS	**$ 956,782**	**$1,017,375**	**$1,082,168**	**$1,168,326**	**$1,195,136**	**$1,320,087**
USE OF FUNDS						
Expenditures						
Salaries and Benefits	450,377	481,910	458,354	417,699	415,894	416,955
Operating Expenditures						
Materials & Supplies	37,040	40,244	44,803	52,550	43,515	57,050
Fees & Charges	123,050	130,680	144,549	145,000	141,390	156,300
Consultant & Contract Serv	89,274	87,809	82,790	160,000	99,870	168,500
Meetings, Events & Training	54	298	800	1,000	-	1,000
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	72,087	76,565	82,546	103,380	103,380	100,961
Total Expenditures	**$ 771,882**	**$ 817,506**	**$ 813,842**	**$ 879,629**	**$ 804,049**	**$ 900,766**
Ending Fund Balance						
Unassigned	184,901	199,869	268,326	288,697	391,087	419,322
Total Ending Fund Balance	**$ 184,901**	**$ 199,869**	**$ 268,326**	**$ 288,697**	**$ 391,087**	**$ 419,322**
TOTAL USE OF FUNDS	**$ 956,782**	**$1,017,375**	**$1,082,168**	**$1,168,326**	**$1,195,136**	**$1,320,087**

FY 2016/17 WORKPLAN PRIORITIES

Facility and Infrastructure Project Management – Facility staff will oversee services to undertake planned facility improvement projects to ensure City facilities are clean, safe, and maintained according to best practices. Planned projects include new flooring and partitions in the Finance area, new appliances in the Community and Prospect centers, an HD sound and projection center at the Grace Building, and improved lighting and access stairs to the KSAR control booth in the Civic Theater, according to the approved schedules.

Environmental Sustainability **-** Staff will continue ongoing energy savings projects such as installing an energy saving furnace in the Public Works area, energy efficient appliances at the Community Center (oven and dishwasher) and Prospect Center (dishwasher), and maintain the EV charging stations in the City.

KEY SERVICES

- Provide buildings that are clean, safe, and usable for the general public and City employees
- Follow environmentally friendly purchasing policies, sustainability, and green building practices
- Maintain facilities on a regular schedule to provide efficient and cost effective maintenance

FACILITY MAINTENANCE STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Recreation & Facilities Director	0.25	0.25	0.25	0.25	0.25
Senior Recreation Supervisor	-	-	-	-	-
Recreation Supervisor	-	-	-	-	-
Recreation Coordinator	-	-	-	-	-
Facility Coordinator	-	-	-	-	-
Office Specialist II/III	-	-	-	-	-
Facility Maintenance Manager	0.90	0.90	0.90	0.90	0.90
Facility Maintenance Lead	0.90	0.90	0.90	0.90	0.90
Facility Maintenance Worker I/II/III	1.60	1.60	1.60	0.80	0.80
TOTAL FTE's	**3.65**	**3.65**	**3.65**	**2.85**	**2.85**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Facility Attendents	-	-	-	-	-
Recreation Leaders	-	-	-	-	-
Graphic Design Assistant	-	-	-	-	-
Recreation Intern	-	-	-	-	-
Asst Recreation Coordinator	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

FACILITY MAINTENANCE FUND

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Provide safe, functional, and attractive City buildings for the enjoyment of the public and to house the provision of City*					
a. Percentage of surveyed visitors who agreed the facilities are clean, comfortable, and safe:	100%	100%	100%	100%	100%
2. *Provide safe and functional, City buildings using environmentally sensitive and cost-effective practices.*					
a. Quarterly preventative maintenance of all City HVAC	100%	100%	100%	100%	100%
b. Six-days per week cleaning of all City facilities including emptying trash, vacuuming, mopping, and cleaning windows, etc.:	100%	100%	100%	100%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of work orders completed	3,586	3,400	3,400	3,560	3,600
2 Maintain AED units on a monthly basis	6	10	10	10	10
3 Refinish wood floors annually	3	4	4	4	4
4 Setup and takedown of Council Chamber dias	48	48	48	48	48

FACILITY FURNITURE, FIXTURES & EQUIPMENT REPLACEMENT FUND

The Facility FFE Replacement Internal Service Fund (ISF) was added in FY 2015/16 in recognition that the replacement of facility components is ongoing, and should be treated similarly to how the City plans for Technology Equipment or Vehicle replacements, or even how private businesses depreciate furniture or equipment over the years or pay Triple Net charges in a commercial property rental. The use of a steady annual charge helps to smooth the irregular cost and timing of large facility equipment purchases over the years, as well as provide a more accurate cost of operations on an ongoing basis.

The replacement fund requires an annual charge to the appropriate operational programs based on a program's share of asset use, the asset's estimated life span, and the estimated replacement cost. These costs are allocated out to the General Fund's Facility Rental and Non-Departmental Programs, and to the Internal Service Fund's Facility Maintenance Program. The two direct General Fund allocations are in recognition of the program's functions – Facility Rental charges are related to rent producing assets, and Non-Departmental charges are for general city-wide use that is not specific to City services. The ISF Facility Maintenance program receives an allocation that is subsequently reallocated out to the General Fund operational programs through the Building Maintenance allocation.

Initially, furniture, fixtures, and equipment are purchased through a requesting department's budget, or as part of a capital project for general citywide assets. If the Facility asset will be replaced on an ongoing basis, the new equipment is added to the department's replacement schedule list, and replacement charges would be adjusted for outgoing years. The Replacement Fund's annual charges accumulate over time to fund the replacement of items at the end of their life cycle. Facility replacements include building equipment such as heating and cooling units, furniture, or facility equipment like audio/visual systems. Replacements are those attachable or installed assets that make a building useful to its occupants, such as carpeting, windows, plumbing and electrical fixtures.

BUDGET OVERVIEW

Notable Budget Changes:

- Chargebacks are set at $200,000 per year, and budgeted scheduled replacement costs are $247,544. Additional funding in excess of the current year's contributions come from prior year fund balance savings.

The City's long term replacement plan allows funding to be accumulated on an ongoing basis – meaning replacement costs are not fully funded at any point in time. Instead, the rolling funding schedule allows scheduled assets to be purchased as needed, with annual funding again being accumulated and held for the next round of replacement assets. Careful timing is required to ensure asset replacement costs are fully assessed, and purchases timed as funding becomes available. The annual funding charge-backs were initially set at $200,000 as this level of funding is expected to provide adequate resources to purchase and replace identified facility assets for many years. The long term replacement plan is reassessed each year to include re-assessed replacement cost values, delays or expedited replacements, or to include newly identified and added assets.

Replacement funding programmed to be utilized in FY 2016/17 includes: a new oven and dishwasher in the Community Center kitchen, furniture and flooring replacement in the Administrative Services area, a new gas furnace in the Public Works engineering office, lighting and stairway replacements in the Civic Theater, an HD projection system in the Grace Building at Saratoga Prospect Center, and several EV charging stations replacements.

FACILITY FFE REPLACEMENT FUND

SOURCE & USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Designated	-	-	-	-	-	-
Unassigned	-	-	-	-	-	339,222
Total Beginning Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 339,222**
Revenues						
Other Sources	-	-	-	-	-	-
Internal Service Charges	-	-	-	200,000	200,000	200,000
Total Revenues	**$ -**	**$ -**	**$ -**	**$ 200,000**	**$ 200,000**	**$ 200,000**
Operating Transfers In						
Transfer In from CIP	-	-	-	-	180,000	-
Total Operating Transfers In	**$ -**	**$ -**	**$ -**	**$ -**	**$ 180,000**	**$ -**
TOTAL SOURCE OF FUNDS	**$ -**	**$ -**	**$ -**	**$ 200,000**	**$ 380,000**	**$ 539,222**
USE OF FUNDS						
Expenditures						
Operating Expenditures						
Fixed Assets	-	-	-	169,000	40,778	246,544
Internal Service Charges	-	-	-	-	-	-
Total Expenditures	**$ -**	**$ -**	**$ -**	**$ 169,000**	**$ 40,778**	**$ 246,544**
Operating Transfers						
Transfer Out to General Fund	-	-	-	-	-	-
Total Operating Transfers	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Ending Fund Balance						
Unassigned	-	-	-	31,000	339,222	292,678
Total Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ 31,000**	**$ 339,222**	**$ 292,678**
TOTAL USE OF FUNDS	**$ -**	**$ -**	**$ -**	**$ 200,000**	**$ 380,000**	**$ 539,222**

KEY SERVICES

- Accumulate and provide annual funding for asset replacements
- Assess furniture, fixtures, and equipment for proper replacement timing
- Identify and procure best solution equipment

FACILITY FFE REPLACEMENT FUND

FURNITURE, FIXTURES & EQUIPMENT REPLACEMENT SCHEUDLE			
Location	**Asset**	**Lifespan**	**Est. Cost**
City Hall			
Admin Services	Carpeting	15	$ 25,000
Public Works	Gas Furnace	20	$ 18,000
Civic Theater			
Theater Interior	Lighting	10	$ 10,000
Community Center			
Patio Room	Flooring	15	$ 14,000
Arts & Craft Room	Flooring	15	$ 16,000
Warner Hutton House			
Grounds	Storage Building	20	$ 35,000
House	Tables & Chairs	10	$ 20,000
Village Library			
Building	Flooring	15	$ 12,000
Prospect Center			
Friendship Hall	Storage Center	20	$ 35,648
Friendship Hall	Tables & Chairs	10	$ 22,896
Friendship Hall	HD Projection System	10	$ 13,000
Citywide EV Stations			
Bank Building	Single Low Charge	4	$ 5,000
3rd Street	Single Low Charge	4	$ 5,000
City Hall	Dual Low Charge (2)	4	$ 10,000
Saratoga Library	Dual Low Charge	4	$ 5,000
TOTAL FFE REPLACEMENTS:			**$ 246,544**

PUBLIC SAFETY DEPARTMENT

The Public Safety Department is comprised of two safety-oriented programs: the Public Safety Services Program, which focuses on providing day-to-day law enforcement services; and the Emergency Preparedness Program, which prepares the City for infrequent large-scale disaster and emergency occurrences.

The Public Safety Department represents multiple external agencies that protect the community and provide emergency response as needed. The City of Saratoga contracts for law enforcement services with the Santa Clara County Sheriff's Office. This includes managerial and administrative support and the Cal-ID program services located in the West Valley sub-station, and assigned deputies dedicated to the cities of Saratoga, Cupertino, and the Town of Los Altos Hills. The West Valley Division's captain represents the Chief of Police for all three cities. Animal control services are provided on contract by the City of San Jose Animal Care and Services Division (SJACS). Fire protection services are provided to Saratoga residents by Santa Clara County Fire District (SCCFD) as a separate tax-funded district. As part of their emergency services oversight function, SCCFD also provides the cities with dedicated staff for coordinating city-based emergency response services.

Saratoga is a member of the Silicon Valley Regional Interoperability Authority. This task force has undertaken the mission to design and implement a comprehensive countywide public safety radio communications system, to improve countywide communication systems. As in past years, the funding formula calls for Saratoga to be billed directly in FY 2016/17. In subsequent fiscal years it is anticipated that the City will be charged through the Sheriff's Office contract as operational services migrate from a jurisdiction basis to a user fee basis.

The Emergency Preparedness Program provides funding for operational costs associated with preparing city and community emergency response efforts in the event of a significant earthquake, fire, or other natural or man-made disasters and coordinates with emergency services agencies and utilities to prepare residents for self-sufficiency and proper response to emergency events. To this end, the City plans and trains for various situations in the effort to employ best practices; determine outstanding needs; create awareness; and educate City staff about their emergency response duties. The Emergency Preparedness Program is supported by SCCFD personnel who: develop the City's Emergency Operations Plan and checklists; assist with the formation of an Emergency Operations Center (EOC); and train City staff and the community in Emergency Preparedness via the planning and supervision of drills and exercises.

The City Council has identified the maintenance of basic Public Safety as their number one service priority. This includes traffic, patrol, and general law enforcement, as well as auxiliary programs to educate the community on crime prevention, traffic safety, and emergency response. The Public Safety Services Program supports the Council's priorities through the Sheriff's Office contract, and for Emergency Preparedness through programs in coordination with the Santa Clara County Fire Department and Office of Emergency Services.

As external agencies provide the operational and managerial staffing for these Public Safety programs, city staff assignments are limited to emergency preparation and cost recovery planning efforts.

DEPARTMENT OBJECTIVES

Council Strategic Goal: Public Safety: Provide for a safe and secure community.

Department Objectives:

- Preservation of life and property: Ensure effective enforcement of regulations, codes and law in order to maintain a safe and secure community
- Crime Prevention: Build relationships and engage community participation in crime prevention awareness, and implement crime prevention programs

- Emergency Preparedness: Prepare and maintain Emergency Operations Plans; develop staff and community's emergency awareness and readiness; and ensure inter-agency/multi-agency coordination and preparedness

DEPARTMENT BUDGET SUMMARY

The Public Safety Services and Emergency Preparedness operations are primarily staffed by external agencies under a contract service arrangement. In past years, City staff was not assigned to this department. However, with the need to prepare for cost recovery efforts, .05 FTE of the Risk Manager is now allocated to the Emergency Preparedness program.

Departmental revenues are primarily related to Sheriff Service activities. This includes funding from Public Safety Tax, the annual SLESF/COPS Grant, Vehicle Abatement Fees, Vehicle Code Bail & Fines, Parking Citations, and False Alarm Fines. The Sheriff's contract is structured to bill the City monthly based on an annual estimate. At year end, service costs are reconciled to determine actual costs and the Sheriff's Office issues the City a reimbursement if expenditures are less than the estimated annual fee. As this refund amount is undeterminable, the City does not include a revenue projection in the budget.

Additional Public Safety revenue is received from the San Jose Animal Control Services for fees collected from Saratoga residents for licensing, impound, quarantine, and boarding fees. Emergency Preparedness program revenues are limited to grant reimbursements, which in recent years was limited to FEMA's 50 percent reimbursable EMPG grants. As of FY 2014/15, the County decided to retain the grant for County directed uses, meaning the City's Emergency Preparedness program is now 100 percent General Fund supported.

Public Safety Service expenditures consist mainly of administrative fees and contract service charges for Sheriff Services, Cal-ID, and the San Jose Animal Services contract. The Sheriff Services expenditure is the only area of significant budget growth from year to year.

Emergency Preparedness expenditures are typically stable from year to year however over the last few years the reinstatement of the EPMG grant in FY 2012/13, and then the elimination two years later caused some fluctuation. In FY 2014/15, a small amount of staff support was added to address Cost Recovery preparations. FY 2016/17 expenses are anticipated to remain close to the prior year's level.

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Intergovernmental Revenues	186,507	244,766	252,077	230,000	243,478	225,000
Charge for Services	23,270	22,051	21,011	20,000	18,838	20,000
Other Sources	472,776	180,207	187,508	136,025	169,418	137,525
TOTAL REVENUES	**$ 682,552**	**$ 447,024**	**$ 460,596**	**$ 386,025**	**$ 431,735**	**$ 382,525**
EXPENDITURES						
Salaries and Benefits	-	-	12,853	12,966	13,137	13,201
Operating Expenditures						
Materials & Supplies	16,262	31,150	12,144	14,500	8,414	12,000
Fees & Charges	39,422	42,534	39,523	43,334	40,896	42,874
Consultants & Contract Services	4,325,820	4,407,188	4,789,188	5,153,244	5,157,244	5,374,750
Meetings, Events & Training	140	111	90	300	76	2,250
Total Operating Expenditures	4,381,644	4,480,983	4,840,946	5,211,378	5,206,630	5,431,874
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	10,200	10,401	5,580	6,087	6,087	6,591
TOTAL EXPENDITURES	**$4,391,844**	**$4,491,384**	**$4,859,379**	**$5,230,431**	**$5,225,854**	**$5,451,666**

DEPARTMENTAL EXPENDITURES BY DIVISION / PROGRAM

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
Public Safety Services	$ 4,328,818	$ 4,411,156	$ 4,792,104	$ 5,158,994	$ 5,161,618	$ 5,380,500
Emergency Preparedness	63,026	80,227	67,275	71,437	64,236	71,166
GENERAL FUND PROGRAMS	**$4,391,844**	**$4,491,384**	**$4,859,379**	**$5,230,431**	**$5,225,854**	**$5,451,666**

PUBLIC SAFETY DEPARTMENT STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Risk Manager	-	-	0.05	0.05	0.05
TOTAL FTE's	**-**	**-**	**0.05**	**0.05**	**0.05**

PUBLIC SAFETY STAFF - by Division

City Staff by Program	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Public Safety	-	-	-	-	-
Emergency Preparedness	-	-	0.05	0.05	0.05
TOTALS	**-**	**-**	**0.05**	**0.05**	**0.05**

NOTE
The Risk Manager FTE in FY 2014/15 shown in the schedule above is staffed by the Recreation & Facilities Director, and accounted for in the Recreation & Facilities Department in the Total FTE summary as the Public Safety Department is primarily an external services department.

PUBLIC SAFETY SERVICES

Since the City's incorporation in 1956, the City has contracted for public safety services with the Santa Clara County Sheriff's Office rather than employ in-house police services. The City has found this option very satisfactory as the Sheriff's department provides services and competencies associated with a large police department without the full large-city expense. This is evidenced by the City being lauded as "the safest city in California" in 2013, and the "12th safest city in the nation" in 2014.

The current contract with the Sheriff's Office provides basic patrol, traffic, and law enforcement services. Over the years, services have increased and decreased, based on need and funding availability. After a slowing of the economy in 2004, and the State's borrowing of City Property Taxes, traffic enforcement hours had to be reduced in FY 2005/06. The passage of AB 117 in late 2006 allowed a return of slightly more than 1% of the City's property tax revenues to the City, thereby alleviating some of the fiscal cutbacks. Council augmented the Sheriff's contract by adding a school resource officer and increasing patrol service hours. Subsequently, another 200 hours of Investigative hours were added in FY 2009/10. However, in FY 2011/12, due to the severe economic limitations from the recession, traffic enforcement was reduced by 1,492 patrol hours. After several years of economic growth, Council added 1,800 hours of traffic enforcement beginning with the FY 2014/15 budget. These additional hours will focus on heavy traffic times and locations, during morning drop-off and afternoon pick-up at school locations. As a result of the additional traffic enforcement deputy, the number of moving violation citations increased in the school zones. The deputy also held several meetings with both school and city staff to promote traffic safety awareness that led to a significant decrease in property and injury collisions.

The City also contracts with San Jose Animal Care and Services Division (SJACS) for animal related services, including: the pick-up of stray, injured, or dead animals; complaint investigations; shelter for abandoned, impounded, lost, or stray animals; quarantine and testing of animals; medical services; and licensing of animals.

BUDGET OVERVIEW

Notable Budget Changes

- The FY 2016/17 budgeted amount for the Sheriff contract reflects a $203,000 increase from Cost of Living and operational increases.

While General Fund revenue is the primary funding source for Public Safety, designated revenue is received from several operational activities and two statewide funding sources. The Supplemental Law Enforcement Services Fund (SLESF) provides the City with a $100,000 grant to be used for the enhancement of public safety services. Under the Governor's FY 2011/12 State Budget, SLESF funding was initially eliminated, and then under a political agreements, was "permanently" reinstated through a swap in which the State took the City's VLF revenues in exchange. The SLESF grant funding is specifically targeted to fund the School Resource Officer position.

Another $110,000 is expected from an allocated share of the State's Public Safety Sales Tax (Proposition 172). Budgeted revenues for False Alarm Fines, Vehicle Code Bails and Fines, and Parking Citations are expected to bring in approximately $137,500 for the year. San Jose Animal Control Agency's charges to Saratoga residents for boarding, licenses, and fines will result in $20,000 of revenue to Saratoga. In recent years, the Vehicle Code Bail & Fines Revenue has declined due to higher admin fees and reductions in citations. An increase in the number of property crimes has redirected patrol deputies to focus more on burglary suppression and apprehension of suspects, which has impacted the overall number of parking and moving violation citations.

The City's contract for Public Safety services with the Santa Clara County Sheriff's Office calls for annual increases based on the lesser of either compensation increases, or CPI plus 2% for each individual year, with the increase in

CalPERS rates added on to this wage increase. In FY 2014/15, the cost of law enforcement services increased by $498,000 due to both added patrol hours and a retroactive and current year wage increases under a new Deputy Sheriff negotiated agreement. Sheriff services increased another $362,000 in FY 2015/16 due to negotiated wage realignments and cost of living increases. With the realignment completed, FY 2016/17's increase was limited to the cost of living factor, so the annual increase of $203,000 was lower than prior years.

The remaining budgeted Public Safety expenditures include minor operational costs for data ticket forms and supplies, and administrative fees for parking tickets. The Cal-ID program, run by the Santa Clara County's Sheriff's Office, provides fingerprint identification services as part of the contracted services.

Additional budget appropriations in the Public Safety Program support animal related services through a contract with the City of San Jose. The Animal Control Services contract became effective on July 1, 2004 with an initial annual fee of $155,000 for the first three years. The contract states the fee is to increase every third year based on a formula using the lesser of either 1) the total of the Urban Wages and Clerical Workers for the San Francisco-Oakland-San Jose CPI increases for each of the prior three years plus 1.5% per year, *or* 2) the total of the rise in San Jose Animal Control Officers for the prior three years. The contract's fourth three year rate increase is effective July 1, 2016. The new annual rate effective for fiscal years 2016/17, 2017/18 and 2018/19 is set at $194,577.

City staffing costs are not included in this program as all operational and managerial duties are performed either by Santa Clara County Sheriff's Office, City of San Jose Police, or Animal Care & Services Division staff. The City of Saratoga is limited to oversight and coordination functions only.

PUBLIC SAFETY SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	-	-	-	-	-	-
Intergovernmental Revenues	185,660	232,490	252,057	230,000	243,478	225,000
Charge for Services	23,270	22,051	21,011	20,000	18,838	20,000
Other Sources	472,776	180,207	187,508	136,025	169,243	137,525
TOTAL REVENUES	**$ 681,706**	**$ 434,748**	**$ 460,576**	**$ 386,025**	**$ 431,560**	**$ 382,525**
EXPENDITURES						
Salaries and Benefits	-	-	-	-	-	-
Operating Expenditures						
Materials & Supplies	-	-	-	-	-	-
Fees & Charges	2,998	3,968	2,915	5,750	4,373	5,750
Consultants & Contract Services	4,325,820	4,407,188	4,789,188	5,153,244	5,157,244	5,374,750
Meetings, Events & Training	-	-	-	-	-	-
Total Operating Expenditures	4,328,818	4,411,156	4,792,104	5,158,994	5,161,618	5,380,500
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	**$4,328,818**	**$4,411,156**	**$4,792,104**	**$5,158,994**	**$5,161,618**	**$5,380,500**

FY 2016/17 WORKPLAN PRIORITIES

Crime Prevention/Neighborhood Watch - The Sheriff's burglary suppression efforts include identifying crime hot spots and engaging in saturation patrols in high frequency areas. The crime analyst's crime mapping and predictive policing techniques, and the detective's investigations and follow-up efforts have resulted in identifying and arresting suspects committing burglaries, and preventing further burglaries. Community outreach and relationship building, along with public safety presentations to educate the community on safety awareness and crime prevention will also continue. The Sheriff's Office promotes and supports the facilitation of neighborhood watch groups, with the goal of encouraging citizens to report any suspicious activity immediately, ultimately bettering the quality of life for all residents.

Traffic Enforcement/Collision Reduction Efforts – Patrol hours added in FY 2014/15 continue to ease congestion and promote traffic calming near Saratoga schools during the school year. The 1,492 extra hours make deputy resources available to respond to and investigate vehicle accidents on both public and private property including "off street parking facilities" when requested by a driver or when injuries are involved, and to report street hazards that would impact the safe passage of motorists.

School Resource Officer – School Resource Officers will remain busy and active throughout the schools, acting as mentors to students, and conducting numerous presentations and drills with students, faculty and parents on topics including active shooter protocol, stranger danger, internet and digital media safety, bullying and suicide awareness, among others.

Community Academies – The annual teen academy provides high school students with a new perspective of law enforcement, raising their awareness of issues that may impact them currently and in their future. A newly formed adult academy will also be facilitated with both programs calling upon several members of the Sheriff's Office to facilitate instruction in the areas of basic crime, criminal investigations, narcotics, and traffic investigations.

KEY SERVICES

- Law enforcement services including: traffic management; patrol and code enforcement; and response to calls for service and traffic incidents
- Public education and participation in community, school, and neighborhood groups
- Crime prevention, deputy response, investigation, resolution of criminal cases, and subsequent participation in the prosecution of offenders
- Records management functions including processing deputy reports and citations, criminal and traffic warrants, and fingerprinting services
- Coordination of Emergency Response activities with the SCC Fire District and City staff

PUBLIC SAFETY SERVICES STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Risk Manager	-	-	-	-	-
TOTAL FTE's	-	-	-	-	-

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
	-	-	-	-	-
	-	-	-	-	-
TOTAL ANNUAL HOURS	-	-	-	-	-

PUBLIC SAFETY SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *For effective protection of life and property, ensure a safe and secure community through diligent enforcement of regulations, codes and law.*					
a. Priority I calls (serious emergency and public hazard):	40	48	31	40	40
b. Priority II calls (immediate response, but non-emergency):	2,718	2,505	4,374	3,199	3,199
c. Priority III calls (non-emergency):	1,826	2,234	3,385	2,482	2,482
2. *Provide Public Safety service response in a timely, professional manner. Meet or exceed service goals.*					
a. Average response to Priority I calls for service:	5.41 min	5.71 min	4.21 min	5.11 min	5.11 min
b. Average response to Priority II calls for service:	6.90 min	6.83 min	7.27 min	7.00 min	7.00 min
c. Average response to Priority III calls for service:	10.82 min	11.97 min	11.9 min	11.56 min	11.56 min
3. *Promote Crime Prevention awareness and educate community in the protection of their neighborhood and property.*					
a. Prepare and provide city staff with weekly reports of crime	100%	100%	100%	100%	100%
b. Provide community with crime prevention tips and weekly	100%	100%	100%	100%	100%
c. Educate residents through participation in community events	18	18	20	20	20
4. *Ensure Sheriff's Office responsiveness to community needs by documenting and providing response turnaround time to responsible parties.*					
a. Processing of criminal reports:	3 days	3 days	3 days	3 days	3 days
b. Processing of collision reports for involved parties:	7 days	7 days	7 days	7 days	7 days
c. Processing of collision reports for insurance companies:	7 days	7 days	7 days	7 days	7 days
5. *Develop Sheriff's Office Emergency Preparedness to provide public safety leadership in the event of emergency situations.*					
a. Number of Emergency Operation Plan trainings, drills, or activies to enhance Emergency Preparedness skills:	1	2	1	1	1

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Radio calls for service received in the city:	10,804	10,006	10,150	10,320	10,320
2. Total number of crime reports taken:	1,106	1,018	1,023	1,052	1,052
3. Total number of collision reports taken:	230	191	212	211	211
5. Total number of cases assigned to Detectives:	2,175	2,050	2,110	2,112	2,112

EMERGENCY PREPAREDNESS

The City of Saratoga is responsible for coordinating emergency response efforts in the event of a significant earthquake, fire, or other natural or man-made disaster. To prepare for this responsibility, City staff work in conjunction with the Sheriff's Office and Santa Clara County Fire Department (SCCFD) to plan and prepare for emergency situations. The SCCFD provides Emergency Services Coordinators to the West Valley Region (Cupertino, Campbell, Los Gatos, Monte Sereno, and Saratoga) to develop emergency plans and train City staff and community members. This includes the City's Emergency Operations Plan (EOP), maintenance of the City's Emergency Operations Center (EOC), acquisition and maintenance of supplies and equipment, and development of City's emergency volunteer programs (Saratoga Community Emergency Response Team, Saratoga Medical Reserve Corps, and the Saratoga Amateur Radio Association).

The City Emergency Operations Plan is reviewed annually and updated as needed. An annual exercise is held to train staff in the activities associated with the Emergency Operations Center. Community Emergency Response Team (CERT) classes are offered through the Recreation Department with instructors from SCCFD.

BUDGET OVERVIEW

Notable Budget Changes

- Operating expenditures were reduced with the completion of the EOC transition back to the City Administration Building in FY 2015/16.
- $2,000 of funding for Emergency Operations training was added to the FY 2016/17 budget.

The Emergency Preparedness program's operational expenses are funded by the General Fund. In FY 2012/13 and 2013/14 the program was supplemented with a 50% reimbursable FEMA grant administrated by the County through the State's Emergency Management Agency. Since FY 2014/15 the County has utilized the federal grant funding for County-wide purposes rather than distribute the funds to individual cities.

Most of the program's other expenditures have remained limited and fairly stable. The County of Santa Clara provides Saratoga with an assigned Emergency Preparedness Coordinator to train community members under the Community Emergency Response Team (CERT) program, however with the enormity of emergency preparation duties, the City of Saratoga now allocates 5% of the Risk Manager's time for development and implementation of cost recovery documentation practices. In the event of a destructive disaster, this effort will prove to be an invaluable foundation for the City's emergency response cost recovery.

Additional operational costs for emergency preparedness support include funding for EOC telephone lines to be restored on a priority basis in the event of a disaster or emergency situation, and a satellite telephone communication service to sustain external communications if phone or cable lines or cell services are inoperable. Additional funding is provided to obtain needed emergency preparedness supplies, Records Emergency Action Plan supplies, and meeting costs associated with the Community Emergency Response Team (CERT) volunteer training program.

The City will also contribute about $34,000 to the Silicon Valley Regional Interoperability Authority (SVRIA). SVRIA is comprised of eighteen Santa Clara County jurisdictions, representing some thirty law enforcement, fire and emergency medical services agencies that formed a partnership to enhance inter-agency coordination and communication between the public safety agencies. To participate in the emergency communications organization, agencies are required to pay an allocated share of the funding. At a later date, when the authority is implemented, the organization will be incorporated into the SCC Sheriff's Office service billing.

EMERGENCY PREPAREDNESS

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	-	-	-	-	-	-
Intergovernmental Revenues	847	12,276	20	-	-	-
Fees, Licenses and Permits	-	-	-	-	-	-
Charge for Services	-	-	-	-	-	-
Other Sources	-	-	-	-	175	-
Pass-Through Accounts	-	-	-	-	-	-
TOTAL REVENUES	**$ 847**	**$ 12,276**	**$ 20**	**$ -**	**$ 175**	**$ -**
EXPENDITURES						
Salaries and Benefits	-	-	12,853	12,966	13,137	13,201
Operating Expenditures						
Materials & Supplies	16,262	31,150	12,144	14,500	8,414	12,000
Fees & Charges	36,424	38,566	36,608	37,584	36,522	37,124
Consultants & Contract Services	-	-	-	-	-	-
Meetings, Events & Training	140	111	90	300	76	2,250
Total Operating Expenditures	52,826	69,826	48,842	52,384	45,012	51,374
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	10,200	10,401	5,580	6,087	6,087	6,591
TOTAL EXPENDITURES	**$ 63,026**	**$ 80,227**	**$ 67,275**	**$ 71,437**	**$ 64,236**	**$ 71,166**

FY 2016/17 WORKPLAN PRIORITIES

Emergency Operations Center – Emergency Operations planning in the City continues to evolve and improve. The primary Emergency Operation Center (EOC) has been relocated from the Saratoga Fire Department building in the Village to the City Hall Administrative Conference Room. In the event of a declared emergency, staff will now report to the "new" site and use the Fire Station as a backup EOC.

Emergency Operations Plan – The Emergency Operations Plan is comprised of general procedures for disaster and emergency response. Also included are individual topic specific plan annexes. Annexes to be developed or updated include a Mass Care/Shelter Operations Plan, a Spontaneous Volunteer Plan, and a Donations Management Plan, as additions to a revised City Emergency Operations Plan.

Emergency Operation Training – Training will focus on enhancing EOC staff capabilities as identified by need based on the outcome of the After Action Report (AAR) and Improvement Plan (IP) by the Santa Clara County Office of Emergency Services. Training will include Disaster Recovery, EOC Operations, Situations Analysis, and the Common Operating Procedure. A tabletop exercise, followed by a full scale drill will be conducted at the "new' EOC next year.

Cost Recovery Preparedness – Staff will continue to prepare photo-documentation and fixed asset inventories for each City facility and their amenities to help ensure accurate cost recovery in the event of a disaster. Buildings and facilities are assessed annually to maintain current insurance value. Emergency policies, practices, and operational services are in development to better prepare the city for reimbursable operational activities.

KEY SERVICES

- Prepare and update Emergency Operations Plan for the City
- Train City staff and community members on emergency preparedness
- Maintain EOC, equipment, and technology to ensure Saratoga is in compliance with Federal, State, and County standards and requirements
- Plan and supervise emergency drills and exercises
- Oversee Emergency Management Planning and Community Emergency Response Team grants for the City
- Develop and implement disaster event preparation practices for proper cost recovery documentation purposes

EMERGENCY PREPAREDNESS STAFF

Full Time Equivalents (FTE)

City Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
Risk Manager	-	-	0.05	0.05	0.05
TOTAL FTE's	**-**	**-**	**0.05**	**0.05**	**0.05**

Temporary Staff	**2012/13 Funded**	**2013/14 Funded**	**2014/15 Funded**	**2015/16 Funded**	**2016/17 Funded**
	-	-	-	-	-
	-	-	-	-	-
TOTAL ANNUAL HOURS	**-**	**-**	**-**	**-**	**-**

The Risk Manager's FTE shown above is located in the Recreation and Facilities Department FTE schedule.

EMERGENCY PREPAREDNESS

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Develop emergency readiness of City staff and community members through disaster training and exercise programs.*					
a. CERT Training Courses available to community members:	Yes	Yes	Yes	Yes	Yes
b. Coordinate community outreach to heighten awareness of emergency preparedness programs and needs:	Yes	Yes	Yes	Yes	Yes
c. Prepare emergency preparedness and public education materials:	Yes	Yes	Yes	Yes	Yes
d. Coordinate training of City Staff in personal preparedness and EOC functions:	Yes	Yes	Yes	Yes	Yes
2. *Maintain the City's Emergency Operations Center in a state of readiness.*					
a. EOC radios, emergency telephones, and computers available and periodically tested to ensure emergency communication needs:	Yes	Yes	Yes	Yes	Yes
b. Prepare, test, and revise emergency response and recovery policies, plans, and procedures:	Yes	Yes	Yes	Yes	Yes
3. *Maintain effective liaisons with local, state, and national emergency management organizations.*					
a. Participates in and/or maintains communication with local, state, or national emergency preparedness organizations:	Yes	Yes	Yes	Yes	Yes
b. Remain current on technology and emergency management trends:	Yes	Yes	Yes	Yes	Yes
4. *Ensure inter-agency/multi-agency coordination and communication for disaster planning and responses.*					
a. Inter-agency technology and emergency equipment tested and maintained:	Yes	Yes	Yes	Yes	Yes
b. Staff attends emergency management meetings and training programs:	Yes	Yes	Yes	Yes	Yes

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of annual community disaster training exercises:	3	3	3	2	3
2. Number of annual disaster training exercises for City staff:	1	2	1	1	2
3. Number of CERT training courses offered per year:	4	4	4	4	4

NON-DEPARTMENTAL

The Non-Departmental Section is a collection of programs which are independent of City service and support functions. This collection includes the General Administration program, Legal Services, Community Grants and Events funding programs, the Risk Management/Liability and Workers Compensation Insurance programs, and the General Obligation (GO) Bond Debt Service Fund.

The Non-Departmental General Administration program section accounts for non-operational receipts (such as tax revenues, interest), and non-program specific charges, (such as retiree and unemployment expenses, assessment taxes, and audit recovery fees). There are some general citywide expenses (insurance, contractual legal services, grant funding to outside agencies, and debt service funding) that are grouped into their own specific programs within the Non-Departmental section.

DEPARTMENTAL BUDGET SUMMARY

The Non-Departmental Section's General Administration program accounts for the majority of the City's revenues. Property Tax, Sales Tax, Transient Occupancy Tax, Business License Tax, Franchise Fees, Vehicle License Fees, and other city-based General Fund revenues are accounted for within the General Administration Program as these receipts represent allocations to the City which are not based on departmental functions. Similarly, expenses in this program are general city expenses which are not based on or provided by departmental services, including retiree insurance premiums, unemployment fees, business license and sales tax audit recovery fees, and non-exempt assessment taxes. The Legal Services program represents attorney time and expenses from external firms for citywide and general services. Community Grants and Community Events are funding programs for city allocations to external agencies and non-profit groups.

Non-Departmental programs are not directly related to a specific department's operational oversight, hence staffing is non-existent or very limited. Only the insurance programs: Risk Management and Workers Compensation include City staffing allocations due to the in-house processing requirements associated with insurance management and claims. These programs are structured as Internal Service Funds which charge back centralized expenses to departments based on usage and risk allocations. Staffing for these programs are represented in the insurance programs for funding purposes, but are included in the staff's home department in the FTE summary to represent total departmental staffing rather than departmental funding.

Lastly, the GO Bond Debt Service Fund accounts for receipts and payments associated with the City's 2001 voter approved bond debt for the remodel and enlargement of the City's Library Building. Due to historically low interest rates, it became financially advantageous to refund (refinance) the bond in FY 2011/12. The bond's terms remains the same – debt payments will finish in twenty years, however the refunding allowed Saratoga taxpayers to buy down a portion of the principal while taking advantage of lower interest rates, thereby lowering annual payments and saving almost $2.7 million dollars over the next twenty years. With this refunding, the 2001 bond was retired, and a 2011 bond was established in its place.

As the Non-Departmental Section represents a collection of unrelated programs, notable budget impacts will be discussed in separate sections. The following schedule shows total revenues and expenditures.

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes	12,706,624	13,238,451	14,596,799	14,440,350	15,456,736	15,451,350
Intergovernmental Revenues	21,297	17,750	121,925	46,542	87,492	5,000
Fees, Licenses and Permits	-	-	-	-	775	400
Charge for Services	22	-	20	-	-	-
Interest Income	28,670	40,003	45,229	43,000	79,341	55,000
Rental Income	104,778	73,526	94,392	81,002	84,508	82,602
Other Sources	9,329	256,652	147,576	136,877	191,119	131,877
TOTAL REVENUES	**$12,870,720**	**$13,626,382**	**$15,005,940**	**$14,747,771**	**$15,899,970**	**$15,726,229**
Operating Transfers In	106,000	167,050	-	-	267,918	-
TOTAL REVENUE & TRANSFERS	**$12,976,720**	**$13,793,432**	**$15,005,940**	**$14,747,771**	**$16,167,888**	**$15,726,229**
EXPENDITURES						
Salaries and Benefits	311,768	25,171	3,320,628	628,800	570,813	665,050
Operating Expenditures						
Materials & Supplies	27,609	42,122	21,155	71,300	16,233	68,050
Fees & Charges	16,406	32,046	20,588	15,800	3,550	10,300
Consultant & Contract Servic	310,183	394,497	300,663	370,000	346,578	392,500
Meetings, Events & Training	-	2,650	6,476	30,900	6,090	32,000
Community Grants & Events	122,007	169,725	162,516	229,185	202,525	243,381
Operating Grant Expenditures	-	-	-	42,042	34,762	-
Total Operating Expenditures	476,205	641,040	511,398	759,227	609,738	746,231
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	355,946	386,268	402,004	552,348	552,348	565,689
TOTAL EXPENDITURES	**$ 1,143,919**	**$ 1,052,480**	**$ 4,234,030**	**$ 1,940,375**	**$ 1,732,899**	**$ 1,976,971**
Operating Transfers Out	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648
TOTAL EXP & TRANSFERS OUT	**$ 2,328,419**	**$ 1,433,360**	**$ 5,900,128**	**$ 3,958,031**	**$ 3,750,555**	**$ 3,387,619**

TOTAL NON-DEPARTMENTAL EXPENDITURES BY PROGRAM

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
GENERAL FUND						
General Administration	721,170	492,236	3,783,847	1,363,390	1,205,042	1,360,789
Legal Services	300,743	390,518	287,667	347,800	325,331	372,800
Community Grants	103,717	147,506	135,061	172,390	147,755	158,031
Community Events	18,290	22,219	27,455	56,795	54,770	85,350
TOTAL GENERAL FUND	**$ 1,143,919**	**$ 1,052,480**	**$ 4,234,030**	**$ 1,940,375**	**$ 1,732,899**	**$ 1,976,971**
INTERNAL SERVICES FUNDS						
Risk Management	308,096	336,743	391,344	393,913	258,585	436,050
Workers Compensation	182,700	229,510	184,683	214,555	195,124	216,856
TOTAL INTERNAL SERVICES	**$ 490,796**	**$ 566,253**	**$ 576,027**	**$ 608,468**	**$ 453,708**	**$ 652,906**
DEBT SERVICE FUNDS						
General Obligation Bond	868,910	889,510	889,960	885,085	885,010	847,960
TOTAL TRUST FUNDS	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL DEPT EXPENDITURES	**$ 2,503,626**	**$ 2,508,243**	**$ 5,700,017**	**$ 3,433,928**	**$ 3,071,617**	**$ 3,477,837**
TRANSFERS OUT						
General Fund	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648
TOTAL TRANSFERS OUT	**$ 1,184,500**	**$ 380,880**	**$ 1,666,098**	**$ 2,017,656**	**$ 2,017,656**	**$ 1,410,648**
TOTAL EXP & TRANSFERS OUT	**$ 3,688,126**	**$ 2,889,123**	**$ 7,366,115**	**$ 5,451,584**	**$ 5,089,273**	**$ 4,888,485**

NON-DEPARTMENTAL STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Recreation & Facilities Director	0.25	0.30	0.30	0.30	0.30
Human Resources Manager	0.10	0.10	0.10	0.10	0.10
Human Resources Technician	-	0.10	0.10	0.10	0.10
TOTAL FTE's	**0.35**	**0.50**	**0.50**	**0.50**	**0.50**

GENERAL ADMINISTRATION

The General Administration program represents revenues and expenditures that are generated as a result of being a governmental entity rather than from departmental operations. Tax Revenues, Intergovernmental Revenues, Interest, and Rental Income are the primary non-service based revenue sources for the City, and account for approximately 70% of the City's Total General Fund Operating Revenues each year. General Administration expenditures are minimal in comparison, as program expenditures are limited to funding citywide general expenses and internal service charges for general use areas or non-departmental functions.

BUDGET OVERVIEW

The General Administration's Property Tax revenue continues to define the economic rebound which began in the spring of 2012. Over the last four years, annual revenue increases have ranged between 6 and 9.5%, increasing property tax revenues by almost $2.2 million. Homeowners that waited out the downturn in the housing market rather than sell at bargain prices have been selling their houses at steadily rising prices. This has resulted in assessed valuation increases and substantial transfer tax revenues. And, as property turnover continues to be strong, home sales are expected to hold steady, and property tax revenues are projected to continue rising for the next couple of years, although at a slowing pace.

Sales Tax Revenue hit a new high in FY 2015/16, however this was due in part to a true-up reconciliation bump with the end of the Triple Flip. As FY 2016/17 will only have current year sales tax receipts, revenues are projected to be lower. In addition, it is believed (statewide) that local tax revenue is decreasing overall due to increases in online sales. With limited retail business in Saratoga to begin with, and consumers continued migration to online purchasing, future expectations are for a decreasing revenues stream into the future.

Business License Tax revenues associated with licensing a business are also expected to remain fairly flat, whereas the supplemental license tax that is based on building construction permits is showing steady gains. The home remodeling renaissance in conjunction with housing turnover is driving the modest revenue incline and is expected to continue into the near future.

Transient Occupancy Tax receipts, considered a leading indicator of economic strength, began to show improvement in late FY 2011/12, and has held steady since. Both the thriving economy and top tier events at the new Levi Stadium in Santa Clara are drawing more and more people to this area, pushing room demand up. TOT revenues receipts are expected to remain steady in FY 2016/17.

Franchise Fee Taxes however, continue to send mixed messages. Gas Franchise Fees increased slightly, while the Electric and Water Fees decreased slightly. Solid Waste and Cable Fees are growing at a slow steady pace year over year as user charges continue to rise. On a somewhat optimistic note, interest income is rising, however the climb is very, very, slow, and as the rates are at historic lows, interest income gains will be minimal. The City currently limits investments to LAIF, which for the last eight years has wallowed in the lowest rates of their 35 year history. With a steady pace below 1% since July of 2009, interest income will remain low during FY 2016/17.

In March 2014, the City's representative Solid Waste Authority and West Valley Collection & Recycling (WVC&R) signed a new 10 year agreement effective through February 2024. As part of the new agreement, WVC&R will make annual payments of $450,000 to the Authority for the right to hold the exclusive franchise agreement. The annual fee is dispersed to member cities based on population, with Saratoga receiving just over $130,000 per year. This funding is allocated to the General Administration program for general purpose use, and is not designated for solid waste support.

GENERAL ADMINISTRATION

As the General Administration program represents non-service functions, staffing is not assigned to the program and hence does not include workplan priorities or key services. Budgeted appropriations represent general expenses, such as retiree medical insurance administration fees, unemployment insurance charges, funding for employee termination and leave payouts, Sales Tax and Business License audit finder's fees, and several Internal Services charges which account for general public usage of the building maintenance expenses, most notably an allocation for the Civic Theater/Council Chambers and the Civic Center buildings. The General Administration program also contains all Transfers In and Transfers Out for the General Fund.

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Taxes						
Property Tax	8,966,396	9,526,189	10,436,621	10,475,350	11,301,176	11,331,350
Sales Tax	1,051,121	941,350	1,224,427	1,060,000	1,189,398	1,125,000
Transient Occupancy Tax	228,199	257,010	309,618	310,000	319,109	315,000
Business License Tax	336,298	336,911	357,597	355,000	365,710	375,000
Other Taxes	204,859	228,350	199,056	220,000	212,942	230,000
Franchise Tax	1,919,750	1,948,642	2,069,479	2,020,000	2,068,401	2,075,000
Intergovernmental Revenues	21,297	17,750	121,925	46,542	87,492	5,000
Fees, Licenses and Permits	-	-	-	-	775	-
Charge for Services	-	-	-	-	-	-
Interest Income	28,670	40,003	45,229	43,000	79,341	55,000
Rental Income	103,278	73,526	94,392	81,002	84,508	82,602
Other Sources	9,603	231,652	142,576	131,877	188,613	131,877
TOTAL REVENUES	**$12,869,472**	**$13,601,382**	**$15,000,920**	**$14,742,771**	**$15,897,465**	**$15,725,829**
Operating Transfers In	106,000	167,050	-	-	267,918	-
TOTAL REV & TRANSFERS IN	**$12,975,472**	**$13,768,432**	**$15,000,920**	**$14,742,771**	**$16,165,382**	**$15,725,829**
EXPENDITURES						
Salaries and Benefits	311,768	25,171	3,320,628	628,800	570,813	665,050
Operating Expenditures						
Materials & Supplies	26,401	40,280	20,936	71,000	16,051	67,750
Fees & Charges	16,406	32,046	20,534	15,800	3,550	10,300
Consultant & Contract Services	12,526	7,882	15,233	22,500	21,429	20,000
Meetings & Training	-	2,650	5,420	30,900	6,090	32,000
Operating Grant Expenditures	-	-	-	42,042	34,762	-
Total Operating Expenditures	55,334	82,858	62,123	182,242	81,881	130,050
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	354,068	384,207	401,095	552,348	552,348	565,689
TOTAL EXPENDITURES	**$ 721,170**	**$ 492,236**	**$ 3,783,847**	**$ 1,363,390**	**$ 1,205,042**	**$ 1,360,789**
Operating Transfers Out	1,184,500	380,880	1,666,098	2,017,656	2,017,656	1,410,648
TOTAL EXP & TRANSFERS OUT	**$ 1,905,670**	**$ 873,116**	**$ 5,449,945**	**$ 3,381,046**	**$ 3,222,698**	**$ 2,771,437**

LEGAL SERVICES

The City of Saratoga contracts with the firm Shute, Mihaly & Weinberger LLP (Shute Mihaly) to provide City Attorney services, advice, and representation on legal matters to ensure City actions and activities are legally sound. Shute Mihaly in turn, utilizes Wittwer & Parkins LLP firm for land use/development attorney services on an as-needed basis. The City Attorney also oversees the use of Mouser Law Firm legal services for employment law, and occasionally other legal firms for specialized services.

The City Attorney manages the City's pursuit or defense in litigation matters as directed by the City Council, supervises litigation costs, and provides the City with a monthly status report of all outstanding litigation, case updates, and potential lawsuits. In addition, the City Attorney: reviews all proposed ordinances and resolutions requiring City Council action to ensure proper format and content; reviews staff reports for reasoned and sound commentary; identifies policy options and alternatives; and provides direction, recommendations, and appropriate summaries consistent with Council requirements. Additional contract city attorney services include: review and recommendations on legislative issues; recommendations on environmental review requirements and preparation of environmental review documents; review of bid requests, vendor contract documents, purchase and sale agreements, code enforcement matters, and the preparation and/or review of contractual agreements with other agencies. Employment Law services include policy development, human resources oversight, and negotiation services as needed. The City Attorney attends the bi-monthly City Council meetings, and special City Council sessions as needed.

Overall, Legal Services provides support to the City Council's Strategic Goals for a transparent and ethical City government, in conformance with and abiding by the rule of law.

BUDGET OVERVIEW

Notable Budget Changes:

- No notable changes

The legal program does not typically include budgeted revenues; however services reimbursements may occur during the course of the year if the City provides legal representation, such as in development lawsuits. Additionally, applicants who have development applications in process under the deposit fee development process are required to reimburse the City for billed legal services if the project utilizes attorney time for appeals in the Planning Commission or City Council meetings. Reimbursements would also result from applicants requesting research and information from the City, or from legal services related to environmental reviews. As these occurrences are not common, revenues are not anticipated nor budgeted.

Budgeted expenditures are primarily comprised of regular on-going City Attorney services, with some contingency funding based on the City Attorney's estimate of outstanding and future litigation. In recent years, a steady base of $300,000 was budgeted for general legal expenditures and another $20,000 to $25,000 for employment related legal services as the 'normal' year budget amount. The practice is that a request would be brought to Council if unusual circumstances prompt expenditures to exceed these amounts. For FY 2016/17, with expectations that a current lawsuit may require additional funding, $50,000 was added to the legal services litigation budget amount.

Employment law services were moved into the Legal Service program in FY 2013/14 to better assign budget responsibility and oversight for legal services to the City Attorney, and to align all attorney fees within the Legal Services program.

LEGAL SERVICES

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Charge for Services	22	-	20	-	-	-
Other Sources	1,226	25,000	-	-	-	-
TOTAL REVENUES	**$ 1,248**	**$ 25,000**	20	-	-	-
EXPENDITURES						
Operating Expenditures						
Materials & Supplies	1,208	1,842	219	300	182	300
Fees & Charges	-	-	54	-	-	-
Consultant & Contract Services	297,658	386,615	285,430	347,500	325,149	372,500
Total Operating Expenditures	298,865	388,457	286,758	347,800	325,331	372,800
Internal Service Charges	1,878	2,061	909	-	-	-
TOTAL EXPENDITURES	**$ 300,743**	**$ 390,518**	**$ 287,667**	**$ 347,800**	**$ 325,331**	**$ 372,800**

FY 2016/17 WORKPLAN PRIORITIES

Risk Management – Work with staff to improve and implement Best Practices to mitigate risk in City operations and administer claims.

City Codes and Ordinances – Research and prepare ordinances as necessary to implement City Council priorities. Work with staff on the annual code update to reflect changes in State law and lessons learned in ordinance implementation.

Community Development – Work with Community Development Department staff on reviews of complex projects.

Public Works – Work with Public Works department staff on environmental review, regulatory compliance, contracts and real property matters for major public works projects such as the Prospect Road Improvements and the Saratoga to the Sea Trail.

Code Enforcement – Work with Code Enforcement staff to develop systems and procedures to minimize the need for City Attorney involvement in day-to-day code enforcement proceedings. Advise the City in connection with complex code enforcement matters and continue to manage prosecution of citations issued by the Sheriff's office for violations of the City Code.

LEGAL SERVICES

KEY SERVICES

- Provides sound legal advice for the City and represents the City regarding litigation matters
- Attends City Council meetings to provide legal guidance
- Drafts and/or reviews staff reports, resolutions, and proposed ordinances
- Prepares and/or reviews contractual agreements with other agencies
- Reviews and makes recommendations on legislative issues
- Reviews bid requests, vendor contract documents, and purchase and sale agreements
- Provides legal advice on code enforcement matters
- Provides legal advice on employment law matters
- Makes recommendations on environmental review requirements and preparation of environmental review documents

LEGAL SERVICES

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Review staff reports, resolutions, and proposed ordinances to ensure City is in compliance with legal requirements and applicable laws, and performing in a transparent and ethical manner.*					
a. Number of staff reports and resolutions drafted or reviewed:	22	25	35	39	35
b. Number of ordinances drafted or reviewed:	14	9	15	12	10
2. *Ensure legal documents protect the City's interests and are in compliance with Federal, State, and City requirements.*					
a. Number of agreements/contracts using standard forms reviewed:	75	75	75	63	75
b. Number of agreements/contracts using non-standard forms prepared or reviewed:	18	20	15	14	10

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. Number of City Council meetings or study sessions attended:	24	22	23	17	20
2. Number of multi-agency agreements prepared:	5	4	5	8	5

COMMUNITY GRANTS

The Community Grants program was established to consolidate the City's grant support to outside agencies into one program, thereby retaining historical funding reference. The City allocates grant funding to local organizations to support the services these groups provide to the Saratoga community, including the Saratoga Chamber of Commerce for business support, the public access television station KSAR 15 for public information broadcasts of council and commission meetings, and the Saratoga Area Senior Coordinating Council (SASCC) for operational support of the Senior Center. The Senior Center provides an assortment of services – such as Blood Pressure Checks, Podiatric Checks, Tax Assistance, Vision Screening, Hearing Tests, Senior Nutrition Programs, Fifty-Five Alive Driving Program, Flu Shots, and other non-cost-recovery services that the senior population finds valuable.

Grant amounts listed reflect City funding provided to service groups and non-profit organizations. The City also contributes in-kind services, such as building space and utilities to the Saratoga Area Senior program, as well as staff support, rental and permit waivers, sheriff services, or street sweeping.

BUDGET OVERVIEW

Notable Budget Changes:

- America In Bloom funding was added to Community Grant program.

Non-Profit community support organizations are vital to the City of Saratoga's senior community and a welcome support to businesses and citizens in general. The City provides funding to assist a number of these non-profit and volunteer based groups in Saratoga.

This includes providing community center facilities and annual support to SASCC to run a senior center for social groups and class instructions. Without sufficient fee based services, the SASCC program is heavily dependent on City and CDBG funding support. The City Council awards a public service grant allocation to SASCC to help support senior center activities ($40,669) and the adult day care program ($22,000). Additional service grant funding is split between two non-profit group programs that deliver essential support to members of the Saratoga community who are most in need: West Valley Community Services ($8,000) for food and housing assistance, and the Catholic Charities Ombudsmen ($5,000), to act as advocates for residents in long-term care facilities.

The City also provides ongoing annual funding to support the KSAR community access channel, the Saratoga Chamber of Commerce, and United Way's 211 Call Center. The Saratoga Chamber of Commerce FY 2016/17 grant included additional funds for economic development and tourism activities. The FY 2016/17 grant allocation is less as the amount is for annual support only. The KSAR grant award provides operational funding for the community television non-profit through a service contract to record and broadcast Saratoga's City Council and the Planning Commission meetings.

Grant funding also includes a $25,000 annual grant to the SCC FireSafe Council to provide fuel reduction services for Saratoga residents. This five year program began in FY 2013/14, and is considered a crucial service to the City's hillside residents during these times of extremely high fire danger caused by the drought.

The distribution of grant funding for FY 2016/17 and the four prior years is illustrated in the Grant Schedule on the following page.

COMMUNITY GRANTS

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
EXPENDITURES						
Operating Expenditures						
Materials & Supplies	-	-	-	-	-	-
Fees & Charges	-	-	-	-	-	-
Consultant & Contract Services	-	-	-	-	-	-
Meetings & Training	-	-	-	-	-	-
Community Grants	103,717	147,506	135,061	172,390	147,755	158,031
Total Operating Expenditures	103,717	147,506	135,061	172,390	147,755	158,031
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	**$ 103,717**	**$ 147,506**	**$ 135,061**	**$ 172,390**	**$ 147,755**	**$ 158,031**

5 YEAR BUDGET AWARD HISTORY

	2012/13 Grants	2013/14 Grants	2014/15 Grants	2015/16 Grants	2016/17 Grants
Community Services Support					
SASCC Service Support	21,000	21,000	21,000	21,000	21,000
SASCC Supplemental Support	18,000	18,000	18,540	19,096	19,669
Adult Daycare Support	20,000	22,000	22,000	22,000	22,000
KSAR Community Access Grant	26,650	26,000	29,200	31,500	35,000
Chamber of Commerce Annual Support	9,567	20,506	16,821	22,144	14,362
SCC FireSafe Council - Fuel Reduction Services	-	25,000	12,500	37,500	25,000
America In Bloom Funding	-	-	-	-	6,000
West Valley Community Services	3,250	8,000	8,000	8,000	8,000
United Way 211 Funding	2,000	2,000	2,000	2,000	2,000
Catholic Charities Ombudsmen Funding	3,250	5,000	5,000	5,000	5,000
Total Community Services Support Grants	**103,717**	**147,506**	**135,061**	**168,240**	**158,031**

COMMUNITY EVENTS

The City Council established the Community Event Program to build a stronger sense of community. The Community Event program budget consolidates the funding allocated for both the City's sponsored events and event grants provided to various community organizations. While the community events are supported and promoted by the City, it is the external community organizations and volunteers who are primarily responsible for staffing and organizing most of these events.

Support funding occurs at many different levels including small events to celebrate days of recognition; such as Memorial Day and the Fourth of July; and Arbor Day to support the City's tree heritage. More festive celebrations include the Blossom Festival to celebrate Saratoga's orchard heritage, the Village's Holiday Tree Lighting Ceremony to celebrate the start of the holiday season; and the Chamber's annual festival to celebrate the historic Saratoga Village. The City also sponsors celebrations in honor of cultures, such as the Bollywood Dance and Sister City events, as well as events for facility openings or groundbreakings to increase awareness of a new or improved community facility, and to publicly thank supporters and contributors.

BUDGET OVERVIEW

Notable Budget Changes:

- Street Closure Grant funding was increased by $20,000.
- City-Sponsored Celebrations were increased by $13,000.

The City of Saratoga recognizes the value of community events and their role in bringing residents together, building community, and establishing an identity for the City. To that end, the City Council established a Community Event Grant Program by which event organizers can seek funding to support community events in Saratoga.

For Fiscal Year 2016/17, the Council allocated $35,000 for Saratoga events through the City's Community Events Grant Program. The grants will help pay for numerous expenses associated with coordinating events, including City-related fees (i.e., permits, park attendants, renting parks or facilities), security, entertainment, signage, and food, along with others.

Some of the events to be funded include the ever-popular Blossom Festival and Independence Day Celebration. The grants will also help fund a variety of other community events, such as the Saratoga Area Senior Coordinating Council's Health and Wellness Expo; arts and entertainment events like Montalvo Arts Center's annual Arts Splash; and cultural events including Hakone Garden's Matsuri.

The Street Closure Grant Funding was also increased by $20,000 to a total of $30,000. Of that, $20,000 will help pay for a full-day closure of Big Basin Way for the Saratoga Chamber of Commerce's Classic Car Show. The other $10,000 will help pay for a partial-day closure for the City's 60th Anniversary Parade.

Additional funding has been set aside for City-sponsored events, such as Arbor Day, Outdoor Movie Nights, and the Holiday Tree Lighting. Overall, city-sponsored celebrations were increased by $13,000 to pay for the 2017 State of the City Address and to help with out-of-pocket expenses by the community volunteers organizing the 60th Anniversary Parade.

COMMUNITY EVENTS

GENERAL FUND REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
REVENUES						
Fees, Licenses and Permits	-	-	-	-	-	400
Other Sources	-	-	5,000	5,000	2,506	-
TOTAL REVENUES	**$ -**	**$ -**	**$ 5,000**	**$ 5,000**	**$ 2,506**	**$ 400**
EXPENDITURES						
Salaries and Benefits	-	-	-	-	-	-
Operating Expenditures						
Community Grants & Events	18,290	22,219	27,455	56,795	54,770	85,350
Total Operating Expenditures	18,290	22,219	27,455	56,795	54,770	85,350
Internal Service Charges	-	-	-	-	-	-
TOTAL EXPENDITURES	**$ 18,290**	**$ 22,219**	**$ 27,455**	**$ 56,795**	**$ 54,770**	**$ 85,350**

COMMUNITY EVENTS

COMMUNITY EVENT GRANT SCHEDULE

	2012/13 Grants	2013/14 Grants	2014/15 Grants	2015/16 Grants	2016/17 Grants
Chamber of Commerce Events					
Annual Village Festival	4,684	-	-	-	-
Holiday Wine Stroll	2,173	2,501	3,100	3,998	4,168
Classic Car Show	-	-	-	3,929	-
Community Celebrations					
City Neighberhood Celebrations	-	-	-	3,000	-
Montalvo Celebrations	-	747	2,000	2,995	3,704
Saratoga Pet Parade	-	-	-	-	820
Blossom Festival	3,924	4,204	4,500	4,600	4,600
Sister City Events	-	618	-	-	-
Saatoga Community Band	-	325	600	725	750
Opera in the Park	1,896	1,320	800	1,750	2,778
Bollywood	1,000	1,242	1,200	1,500	-
Food & Wine Events	835	1,230	-	-	-
Saratoga Grammar School Reunion	-	118	-	389	-
Library Events (various)	2,000	-	2,800	-	-
Cultural-Chinese Autumn Festival	-	-	-	350	350
Cultural - Hakone Matsuri	-	-	-	-	4,630
Healthy City Events					
SASCC Health Fair	-	2,380	3,600	3,970	4,770
Relay for Life Saratoga	-	-	-	-	4,630
Holiday Celebrations					
Memorial Day Event (Banner)	750	250	900	1,000	1,000
Odd Fellows Easter Event	-	-	-	600	600
Fourth of July Event	-	1,831	1,900	2,460	2,200
St. Paddy's Day	-	-	-	500	-
Total Community Event Grants	16,513	16,766	21,400	31,765	35,000
City Sponsored Events					
Roadway Improvement Events	-	-	250	219	500
Parks, Trails, Open Space Events	33	-	250	4,706	500
Facility Events	17	17	-	-	-
State of the City Event	-	-	-	-	5,000
City Anniversary	-	-	-	-	7,000
Village Tree Lighting Event	-	2,480	2,000	986	2,000
Village Street Closure Event	-	-	10,000	8,331	30,000
Outdoor Movie Nights	927	2,756	3,600	5,000	5,000
Arbor Day Celebration	51	201	350	350	350
Total Annual Sponsored Events	1,027	5,453	16,450	19,593	50,350
Total Community Event Funding	**17,540**	**22,219**	**37,850**	**51,358**	**85,350**

RISK MANAGEMENT / LIABILITY FUND

The City is a member of the Association of Bay Area Government (ABAG) insurance pool (PLAN), a self-insurance program pool established in 1986 which provides general liability, auto, property insurance, and risk management services to 28 cities within the Bay Area. Each member chooses a self-insured retention ranging from $25,000 to $250,000, which is reflected in premium rates. The insurance pool pays claims up to a limit of $5 million. To extend this protection, the association purchases another $15 million of excess insurance coverage for a total of $20 million per occurrence limit. Coverage provides protection for Bodily Injury, Property Damage, Personal Injury, and Public Officials Errors and Omissions claims, and minimizes the City's exposure to losses as a result of City policy or actions. The City's annual premium allows for a self-coverage retention level of $25,000 per occurrence.

In 2014, ABAG converted their Risk Management insurance claim administration from in-house staff to a contracted insurance administrator as a means to reduce administrative overhead. The City now submits claim information to this third party administrator (TPA) York Insurance Services Group. York's staff follow up with other parties and insurance firms, acting as the City's insurance agent. In addition to insurance, ABAG provides risk management services, including policy guidance, to effectively identify, analyze, and minimize risks, guidance on best practices, trainings, and grant incentives for safety programs.

BUDGET OVERVIEW

Notable Budget Changes:

- None

The Risk Management/Liability Fund is an Internal Service Fund program for which the cost of the program is primarily funded with service charge-backs to the departments. Charge-backs in turn, allocate the cost of the program to the departments to more fully recognize operational costs. Other revenues in the Risk Liability Fund programs include ABAG grant reimbursements and claim reimbursements.

Program expenditures consist primarily of the Risk Manager's staff time, insurance premiums, ABAG grant expenses, and the city-paid portion of non-reimbursable claim expenses. A minimum of $50,000 is budgeted each year, and if claim losses in excess of this amount should occur, a budget adjustment would be brought to Council. If not used, the funding rolls back into fund balance. For FY 2016/17, $75,000 was budgeted due to a number of expected claim settlements. A pass-through liability program, solely for reimbursable claim expenses, is included in a separate program that rolls up into this fund.

As a cost saving measure, ABAG PLAN reduced the amount of grant funding in recent years, and now requires a 50% match for non-goal related Program Grant expenses. Program Grant funds are used for safety improvements and hazard mitigation. Training Grants are used for costs associated with the Risk Manager (Public Administration Risk Management Association [PARMA] conference, the Public Risk Management Association [PRIMA] conferences, or Playground Safety (NPSI) training.

Insurance premiums vary from year to year, as premiums are dependent on and reactive to both the City's and the entire JPA's claim loss activity. This irregularity was seen with a 16% increase in FY 2013/14 that was followed by a 27% decrease in FY 2014/15, and then an 8% increase in 2015/16. Final insurance premium costs are not available until after the budget presentation, therefore estimated premium expenditure costs are in the proposed budget and subsequently adjusted with the final budget adoption. A conservative 12% increase was used for the estimate.

RISK MANAGEMENT / LIABILITY

SUMMARY OF REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Unassigned	134,757	230,059	283,125	291,264	291,264	376,487
Total Beginning Fund Balance	**$ 134,757**	**$ 230,059**	**$ 283,125**	**$ 291,264**	**$ 291,264**	**$ 376,487**
Revenues						
Intergovernmental Revenues	26,562	9,907	2,500	19,008	10,549	12,577
Fees, Licenses and Permits	-	128	-	-	-	-
Other Sources	1,837	4,774	21,982	50,000	8,258	50,000
Internal Service Charges	375,000	375,000	375,000	325,000	325,001	350,000
Total Revenues	**$ 403,399**	**$ 389,809**	**$ 399,482**	**$ 394,008**	**$ 343,808**	**$ 412,577**
TOTAL SOURCE OF FUNDS	**$ 538,156**	**$ 619,868**	**$ 682,607**	**$ 685,272**	**$ 635,072**	**$ 789,064**
USE OF FUNDS						
Expenditures						
Salaries and Benefits	58,864	61,513	77,558	77,793	78,817	77,806
Operating Expenditures						
Materials & Supplies	26,540	9,907	2,500	19,008	10,563	12,577
Fees & Charges	8,192	15,234	128,319	100,300	(7,608)	150,250
Consultant & Contract Services	-	-	-	-	-	-
Meetings & Training	-	-	-	-	-	-
Insurance Premiums	214,130	249,780	182,465	196,379	176,380	195,000
Internal Service Charges	371	309	502	433	433	417
Total Expenditures	**$ 308,096**	**$ 336,743**	**$ 391,344**	**$ 393,913**	**$ 258,585**	**$ 436,050**
Ending Fund Balance						
Unassigned	230,059	283,125	291,264	291,359	376,487	353,014
Total Ending Fund Balance	**$ 230,059**	**$ 283,125**	**$ 291,264**	**$ 291,359**	**$ 376,487**	**$ 353,014**
TOTAL USE OF FUNDS	**$ 538,156**	**$ 619,868**	**$ 682,607**	**$ 685,272**	**$ 635,072**	**$ 789,064**

RISK MANAGEMENT / LIABILITY

FY 2016/17 WORKPLAN PRIORITIES

Risk Management – Employ the Risk Management Committee to identify and mitigate hazards throughout City to reduce loss exposures. Conduct quarterly Safety Meetings to identify safety issues and increase safety awareness.

ABAG Grant Management – Utilize ABAG program grant to attend public agency risk management training and implement best practice safety standards to improve citywide safety.

KEY SERVICES

- Facilitate implementation of risk management best practices to increase public and staff's safety, and reduce the City's liabilities
- Facilitate claim processing and reimbursements for the City, in coordination with the staff, the City Manager, and the City Attorney

RISK MANAGEMENT STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Recreation & Facilities Director	0.25	0.30	0.30	0.30	0.30
Human Resources Manager	-	-	-	-	-
Human Resources Technician	-	-	-	-	-
TOTAL FTE's	**0.25**	**0.30**	**0.30**	**0.30**	**0.30**

RISK MANAGEMENT / LIABILITY

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Provide timely, comprehensive Risk Management services to the City to reduce liability and claims costs.*					
a. Contracts reviewed for compliance with Liability Insurance requirements within 48 hours of receipt:	100%	100%	100%	100%	100%
b. Liability Claims processed within 48 hours of receipt:	100%	100%	100%	100%	100%
c. Conduct City-owned facility inspections on a quarterly basis:	100%	100%	100%	100%	100%

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actual	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1 Number of ABAG risk management annual goals established and maintained:	6	9	10	9	10
2 Number of monthly inspections and reporting -- streets, sidewalks, urban forest, parks, buildings, and equipment:	12	12	12	12	12
3 Number of Liability Claims received:	8	6	15	7	10

WORKERS COMPENSATION FUND

The City's Workers Compensation Program provides insurance benefit coverage for employee work-related illnesses and/or injuries. The City has been a member of the Association of Bay Area Government's (ABAG) Shared Risk Pool (SHARP) Joint Powers Association since January 1, 1989. SHARP is a self-funded public agency insurance pool providing workers compensation coverage for five public entities that are too small to self-insure independently (Cities of Saratoga and American Canyon, ABAG, and the Towns of Ross and Los Altos Hills). SHARP is liable for City of Saratoga claims up to a per occurrence self-insurance retention (SIR) of $250,000. SHARP members jointly purchase excess insurance to cover claims exceeding the SIR through the Local Agency Workers' Compensation Excess (LAWCX) Joint Powers Authority.

The Human Resources Division manages the workers compensation processes according to the California State Department of Industrial Relations (DIR) regulations, serves as the liaison between the City and SHARP's third party administrator (TPA) York Insurance Services Group, monitors the TPA's performance, periodically meets with the TPA to provide guidance and direction on behalf of the City, and works with the injured worker in developing a return to work plan to hold down the workers' compensation costs.

There are three major categories of workers compensation claims: 1) Medical only claims are claims that involve little or no time lost from work (3 days or less) and no disability payments; 2) Indemnity claims, which tend to be more serious injuries, and thus provide payments for lost wages for three or more days lost from work until full recovery after an injury; and 3) Indemnity claims which involve permanent disabilities. Permanent disability benefits (either permanent total disability or permanent partial disability) are paid to workers who never recover their full functions after an injury.

The TPA investigates, accepts, or denies claims. If the TPA accepts medical only claims, the City pays for any lost time (3 days or less). If the TPA accepts indemnity claims, the TPA uses the California Labor Code to decide the type of disability, the percentage of disability, the payment amount, and the period of payment. The TPA issued payments are funded through SHARP.

BUDGET OVERVIEW

Notable Budget Changes

- None.

The annual revenue appropriation for this fund is comprised of internal service chargeback fees and ABAG grants. Departmental chargeback fees are based on department experience factors, worker category, staffing levels, and operational costs. ABAG grants promote worker health and safety. In FY 2016/17, a $10,000 Wellness and Safety Grant from ABAG will be used for wellness promotion and training, and for safety training specifically related to the Illness and Injury Prevention Program (IIPP) such as the development of safety standards and compliance audit programs.

Program costs covered in the internal service rates include program staff time, insurance premiums, and the expenditure side of the wellness and safety grants. Staff time of .10 FTE of the Human Resource Manager position and .10 FTE of the Human Resources Technician position is utilized to manage various program functions, including workers compensation, safety, wellness, ergonomics, and contracts. The reimbursable ABAG SHARP Wellness and Safety Grant expenditures are budgeted for ergonomic evaluations as required during the year. As premium information is not available until after the proposed budget is prepared, expense amount reflects a conservative estimate that is updated with the final budget.

WORKERS COMPENSATION

SUMMARY OF REVENUES AND EXPENDITURES

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCE OF FUNDS						
Beginning Fund Balance						
Unassigned	231,966	293,719	281,642	314,525	314,525	304,402
Total Beginning Fund Balance	**$ 231,966**	**$ 293,719**	**$ 281,642**	**$ 314,525**	**$ 314,525**	**$ 304,402**
Revenues						
Intergovernmental Revenues	4,453	17,433	17,567	10,000	10,000	10,000
Internal Service Charges	240,000	200,000	200,000	175,000	175,000	175,000
Total Revenues	**$ 244,453**	**$ 217,433**	**$ 217,567**	**$ 185,000**	**$ 185,000**	**$ 185,000**
TOTAL SOURCE OF FUNDS	**$ 476,419**	**$ 511,152**	**$ 499,209**	**$ 499,525**	**$ 499,525**	**$ 489,402**
USE OF FUNDS						
Expenditures						
Salaries and Benefits	20,437	25,753	27,059	28,700	29,287	30,675
Operating Expenditures						
Materials & Supplies	7,865	14,381	17,567	10,000	10,048	10,100
Fees & Charges	78	78	78	80	78	80
Consultant & Contract Services	620	343	-	600	-	600
Meetings & Training	-	-	-	-	-	-
Insurance Premiums	153,620	188,889	139,776	175,000	155,536	175,000
Operating Expenditures	162,184	203,691	157,421	185,680	165,662	185,780
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	79	66	203	175	175	401
Total Expenditures	**$ 182,700**	**$ 229,510**	**$ 184,683**	**$ 214,555**	**$ 195,124**	**$ 216,856**
Ending Fund Balance						
Unassigned	293,719	281,642	314,525	284,970	304,402	272,546
Total Ending Fund Balance	**$ 293,719**	**$ 281,642**	**$ 314,525**	**$ 284,970**	**$ 304,402**	**$ 272,546**
TOTAL USE OF FUNDS	**$ 476,419**	**$ 511,152**	**$ 499,209**	**$ 499,525**	**$ 499,525**	**$ 489,402**

FY 2016/17 WORKPLAN PRIORITIES

Wellness Program Initiative **-** Continue Wellness Program Initiative (funded by ABAG Grant) to successfully minimize the exposure to incidents which may cause loss to the City or injury to its employees.

Return to Work, Modified Duty Program – To the extent possible and as needed, HR, department directors, managers, and line supervisors will proactively identify light duty assignments for injured employees to ensure the proposed work is compatible with restrictions that are expected to be imposed by an injured employee's physician.

Injury and Illness Prevention Program (IIPP) **–** Coordinate training in support of the IIPP.

WORKERS COMPENSATION

KEY SERVICES

- Minimize the City's exposure to losses through employee work safety, wellness, and ergonomic training programs
- Manage the workers compensation processes according to the California State Department of Industrial Relations (DIR) regulations
- Serve on Association of Bay Area Government's (ABAG) Shared Risk Pool (SHARP) Board and provide oversight of third party administrator (TPA)
- Review injury and illness trends
- Mandatory reporting of injury and illness records (OSHA log 300) and recordkeeping
- Review injury and illness trends
- Communicate workplace safety and health practices and ensure workplace incidences (injuries, exposures, or illnesses) are reported, investigated, and that corrective actions are taken promptly

WORKERS COMPENSATION STAFF

Full Time Equivalents (FTE)

City Staff	2012/13 Funded	2013/14 Funded	2014/15 Funded	2015/16 Funded	2016/17 Funded
Recreation & Facilities Director	-	-	-	-	-
Human Resources Manager	0.10	0.10	0.10	0.10	0.10
Human Resources Technician	-	0.10	0.10	0.10	0.10
TOTAL FTE's	**0.10**	**0.20**	**0.20**	**0.20**	**0.20**

WORKERS COMPENSATION

Performance Objectives and Measures	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. *Provide effective, efficient, and timely claims administration, working closely with supervisors, injured workers and workers compensation insurance carrier.*					
a. Managing workers compensation claims process and reporting requirements to ensure compliance with current workers compensation laws and City policies and procedures:	100%	100%	100%	100%	100%
b. Regularly inspect injury claim files to insure they are up to date and all applicable information is in the file:	100%	100%	100%	100%	100%
c. Keep procedures up to date and ensure employees have been trained and are well-versed in the claims process:	100%	100%	100%	100%	100%
2. *Establish and uphold effective internal controls with Workers Comp third party administrators contracts.*					
a. Manage contract with third party administrator to ensure compliance with current laws, memoranda of understanding, and City policies and procedures:	Yes	Yes	Yes	Yes	Yes
3. *Provide safety training and internal controls to promote a safe working environment.*					
a. Provide and promote a safety and wellness program to encourage employees to maintain safe and healthy habits.	Yes	Yes	Yes	Yes	Yes
b. Provide safety trasining as required by the City's Injury and Illness Prevention Program.	Yes	Yes	Yes	Yes	Yes

Activity and Workload Highlights	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Actuals	2016/17 Budget
1. New claims (based on date of claim):	2	1	2	1	1
2. Closed claims (based on date closed):	2	0	1	0	2
3. Number of open claims to date (since FY 1998/99):	251	251	253	254	255
4. Number of closed claims to date (since FY 1998/99):	248	248	252	252	255
5. Lost time in full work days:	14	0	0	0	0

LIBRARY GENERAL OBLIGATION BOND DEBT SERVICE FUND

More than two-thirds of the electors of the City voting at a general municipal election held on March 7, 2000 approved the issuance of $15 million dollars of General Obligation Bonds to improve, renovate, and expand the Saratoga Community Library. The Series 2001 General Obligation Bonds were subsequently issued by the City of Saratoga pursuant to Chapter 4 of Division 4 of Title 4 of the California Government Code, and a resolution of the Saratoga City Council authorizing the issuance of the Bonds.

Bonds constitute general obligations of the City, and the vote to approve the bond authorized the establishment of a property tax levy to fund debt service payments. The property tax levy is added to Saratoga property owner's annual property tax bill, collected by the County Assessor, and subsequently remitted to the City. The 2001 GO Bond's principal and interest on the bonds was established to be payable on February 1 and August 1 of each year, commencing February 1, 2002, and ending August 1, 2031. However, with interest rates falling to historic lows in the fall of 2010, Council requested the 2001 GO Bonds be refunded. The refunding was completed with the refunding effective date held until the ten year anniversary date, August 1, 2011 to eliminate the premium penalty. As with the 2001 GO Bonds, principal and interest for the new 2011 GO Bonds are payable on February 1 and August 1 of each year, commencing February 1, 2012 and ending August 1, 2031. The refunding will save Saratoga taxpayers approximately $2.7 million over twenty years.

In 2011, as part of the refunding process, the City obtained an updated credit rating. The City of Saratoga was awarded an AAA issuer credit rating by Standard and Poor's, one of the nation's top-ranked independent credit rating agencies. Saratoga's solid tax base and low debt burden, high property values and personal income levels, and the expectation of continued strong financial operations by the City supported this high rating and resulted in lower debt costs and savings to the Saratoga community. Subsequent reviews have continued to award the City an AAA rating.

The Bank of New York Western Trust Company acts as Saratoga's fiscal agent to administer the debt servicing of the bonds. To ensure compliance with IRS Code and US Treasury Obligations, NBS Government Services provides services related to arbitrage rebate calculations and consulting services. NBS will also assist in compliance with the annual disclosure regulations of the SEC continuing disclosure Rule 15c.2-12.

BUDGET OVERVIEW

The Library Bond is the City's only bonded debt, and as a General Obligation debt is paid for by the residents through a parcel assessment. This debt is not a financial cash flow or burden to the City, and budget appropriations are restricted to revenues and expenditures solely related to the servicing of the General Obligation Bond. The City does not assume an administrative fee, or assign staff for the management of the bond's debt service.

The FY 2016/17 revenue budget reflects total levy assessments at less than the annual scheduled debt service. This underfunding is designed to reduce the fund balance reserve over time to approximately $700,000; representing the cash needed for the August principal and interest bond payment. The levy rate is set annually to allow a slow, steady reduction in assessment receipts. With property values increasing, rates must be lowered each year to offset the increase in valuations. Budgeted expenditures reflect principal and interest payments, and fees for continuing disclosure services.

LIBRARY GO BOND DEBT SERVICE

SOURCE & USE OF FUNDS

	2012/13 Actuals	2013/14 Actuals	2014/15 Actuals	2015/16 Adjusted	2015/16 Actuals	2016/17 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
Unassigned	862,414	885,756	897,785	906,600	906,600	922,951
Total Beginning Fund Balance	**$ 862,414**	**$ 885,756**	**$ 897,785**	**$ 906,600**	**$ 906,600**	**$ 922,951**
Revenues						
Tax Assessments	890,401	900,018	897,241	845,000	898,820	800,000
Interest	1,852	1,521	1,533	1,300	2,541	1,300
Total Revenues	**$ 892,253**	**$ 901,539**	**$ 898,774**	**$ 846,300**	**$ 901,362**	**$ 801,300**
TOTAL SOURCE OF FUNDS	**$ 1,754,666**	**$ 1,787,295**	**$ 1,796,560**	**$ 1,752,900**	**$ 1,807,961**	**$ 1,724,251**
USE OF FUNDS						
Expenditures						
Operating Expenditures	-	-	-	-	-	-
Debt Service	868,910	889,510	889,960	885,085	885,010	847,960
Total Expenditures	**$ 868,910**	**$ 889,510**	**$ 889,960**	**$ 885,085**	**$ 885,010**	**$ 847,960**
Operating Transfers						
Transfer Out	-	-	-	-	-	-
Total Operating Transfers	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Ending Fund Balance						
Unassigned	885,756	897,785	906,600	867,815	922,951	876,291
Total Ending Fund Balance	**$ 885,756**	**$ 897,785**	**$ 906,600**	**$ 867,815**	**$ 922,951**	**$ 876,291**
TOTAL USE OF FUNDS	**$ 1,754,666**	**$ 1,787,295**	**$ 1,796,560**	**$ 1,752,900**	**$ 1,807,961**	**$ 1,724,251**

LIBRARY GO BOND DEBT SERVICE

City of Saratoga
2011 Series General Obligation Bonds
Debt Schedule

Fiscal Year	Interest Rate	August Annual Principal	August Interest Payment	February Interest Payment	Annual Interest	Fiscal Year Debt Service	Bond Principal Balance @ YE
Bond Refunding Date - August 1, 2011				-	-		***11,995,000***
2011/12	2.000%	-	-	228,211	228,211	228,211	11,995,000
2012/13	2.000%	455,000	208,518	203,968	412,485	867,485	11,540,000
2013/14	2.000%	485,000	203,968	199,118	403,085	888,085	11,055,000
2014/15	2.000%	495,000	199,118	194,168	393,285	888,285	10,560,000
2015/16	2.000%	500,000	194,168	189,168	383,335	883,335	10,060,000
2016/17	3.000%	475,000	189,168	182,043	371,210	846,210	9,585,000
2017/18	3.000%	485,000	182,043	174,768	356,810	841,810	9,100,000
2018/19	4.000%	500,000	174,768	164,768	339,535	839,535	8,600,000
2019/20	4.000%	525,000	164,768	154,268	319,035	844,035	8,075,000
2020/21	4.000%	545,000	154,268	143,368	297,635	842,635	7,530,000
2021/22	3.000%	565,000	143,368	134,893	278,260	843,260	6,965,000
2022/23	4.000%	580,000	134,893	123,293	258,185	838,185	6,385,000
2023/24	4.000%	610,000	123,293	111,093	234,385	844,385	5,775,000
2024/25	4.000%	630,000	111,093	98,493	209,585	839,585	5,145,000
2025/26	3.500%	655,000	98,493	87,030	185,523	840,523	4,490,000
2026/27	3.500%	685,000	87,030	75,043	162,073	847,073	3,805,000
2027/28	3.700%	705,000	75,043	62,000	137,043	842,043	3,100,000
2028/29	4.000%	730,000	62,000	47,400	109,400	839,400	2,370,000
2029/30	4.000%	760,000	47,400	32,200	79,600	839,600	1,610,000
2030/31	4.000%	790,000	32,200	16,400	48,600	838,600	820,000
2031/32	4.000%	820,000	16,400	-	16,400	836,400	-
TOTALS		**11,995,000**	**2,601,993**	**2,621,686**	**5,223,678**	**17,218,678**	
Total Bond Principal							11,995,000
Total Bond Interest							5,223,678
Total Cost of Bond							**17,218,678**

LEGAL DEBT MARGIN

The California Government Code Section 43605 states:

> *A city shall not incur an indebtedness for public improvements which exceeds in the aggregate 15 percent of the assessed value of all real and personal property of the city. Within the meaning of this section, "indebtedness" means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the city.*

This schedule calculates the City of Saratoga's legal debt margin by determining the 15% debt limit and comparing this limit to the City's outstanding debt at the end of the fiscal year so as to determine the difference between the two. Only certain types of debt are subject to the legal debt limit, most prominently General Obligation Bond debt. Therefore while this schedule recognizes all types of long-term debt, the total debt is reduced by that debt not subject to the legal debt limit, as well as amounts held in sinking funds for debt repayment.

The City's debt structure is comprised of one General Obligation Bond.

LEGAL DEBT MARGIN COMPUTATION
FY 2016/17

Assessed Secured Property Valuation for FY 2015/16		$ 13,736,141,698
Debt Limitation (15% of assessed value)		15%
Bonded Debt Limit		$ 2,060,421,255
Outstanding Bonded Debt at 6/30/16		
2011 Series General Obligation Bond	10,060,000	
TOTAL Outstanding Debt	$ 10,060,000	
LESS Debt not subject to limit:		
Special Assessment Bonds	-	
Special Revenue Bonds	-	
Certificate of Participation Debt	-	
Amounts held in Sinking Funds	-	
TOTAL Debt not subject to limit:	$ -	
Amount of Debt Subject to Limit:		$ 10,060,000
LEGAL DEBT MARGIN		$ 2,050,361,255

CAPITAL IMPROVEMENT PLAN
BUDGET

CAPITAL IMPROVEMENT PLAN

CIP OVERVIEW

The City of Saratoga's FY 2016/17 – 2019/21 Capital Improvement Plan (CIP) represents an ongoing process through which the City identifies, prioritizes, and develops a multi-year plan for major capital expenditures and their associated funding sources, to improve and maintain the City of Saratoga's roadways, parks, facilities, and other infrastructure. Generally CIP improvements are major expenditures that have a multi-year life, and result in becoming City assets.

As a city is comprised of diverse infrastructure, the CIP is structured under four separate program areas in which projects are categorized by infrastructure type. This includes: Streets Program; Parks & Trails Program; Facilities Program; and an Administrative & Technology Improvement Program. The discrete program areas allow for further sub-classifications of projects the City is undertaking, and the tracking of resources expended for these purposes. The four programs are structured as follows:

- ***Streets Program*** **–** includes projects which develop and maintain the City's roadway system to provide safe and efficient traffic flows while minimizing traffic movement and noise through residential neighborhoods; street lighting for traffic safety at intersections and throughout public streets; infrastructure development and maintenance of street surfaces, storm drain systems, curbs, gutters and sidewalks; bridges and retaining walls; and roadway landscaping to maintain the quality streetscapes of the Saratoga community.

  Gas Tax revenues, including the reclassified Prop 142/TCR allocations and Refuse Impact Fees are dedicated funding sources for the Streets Program, with total revenues of approximately $1 million per year. Funding for projects may also come from prior year General Fund savings, from development projects requiring mitigation of impacts, from partnerships with other jurisdictions, or from federal, state, and local grants as either part of statewide initiatives or through grant applications based on specific City projects.

- ***Parks & Trails Program*** - includes projects to develop and improve parks and sport fields, park structures, trails, the city plaza park, and various citywide tree planting and maintenance. Dedicated funding for the Parks Program includes a Park Development Fee collected when a development project subdivides property, and from Tree Fines collected from un-permitted tree removals. Funding may also come from prior year General Fund savings, from grants and park bond funds, and from donations. Park projects may, on occasion, include community volunteer services for minor construction and clean-up projects.

- ***Facility Program*** - includes projects for purchasing, constructing or making capital repairs to City buildings, structures, and equipment. City buildings include the Civic Center and Chamber/Theater Building, the Senior/Community Center and auxiliary structures, the Corporation Yard and structures, the North Campus, the Historical Buildings including the Saratoga Museum, the McWilliams House, the Book-Go-Round. Funding is not specifically designated for this capital program; allocations generally come from General Fund prior year savings or grant funds applied to qualified improvements, such as Community Development Block Grant funds for ADA improvements.

- ***Administrative & Technology Improvements Program*** – includes projects which provide operational efficiencies and improvements in the administration of City services. Administrative & Technology Improvement Projects typically include major expenditures for new systems or system upgrades, new technology equipment or services, and one-time and/or multi-year administrative projects such as converting a decades-long accumulation of microfiches, building plans, and legal documents; the development of business and community incentives; the implementation of risk management programs; and for non-recurring operational

improvement projects. Revenues for administrative projects may come from the City's Internal Service Replacement Funds, from grants, or from prior year General Fund savings.

CAPITAL PROGRAM GUIDELINES

The standard definition of a Capital Improvement Plan (CIP) project is for construction, acquisition, rehabilitation, or non-routine maintenance work that generally costs $25,000 or more with a minimum useful life of 5 years at a fixed location. The City also includes projects under $25,000 in the CIP if they qualify as staged or ongoing improvement projects, or if they are significant multi-year projects. Additionally, non-infrastructure projects may be included in the CIP under the Administrative & Technology programs if they are one-time, operational efficiency, technology, or multi-faceted administrative projects.

The CIP endeavours to identify all funded capital improvements planned for completion within the next five years, with cost estimates based on current year dollars. Project estimates are updated each year based upon current design specifications and bid prices. Equipment, operation, and maintenance costs incurred as an outcome of CIP projects are to be identified and included in the operating budget.

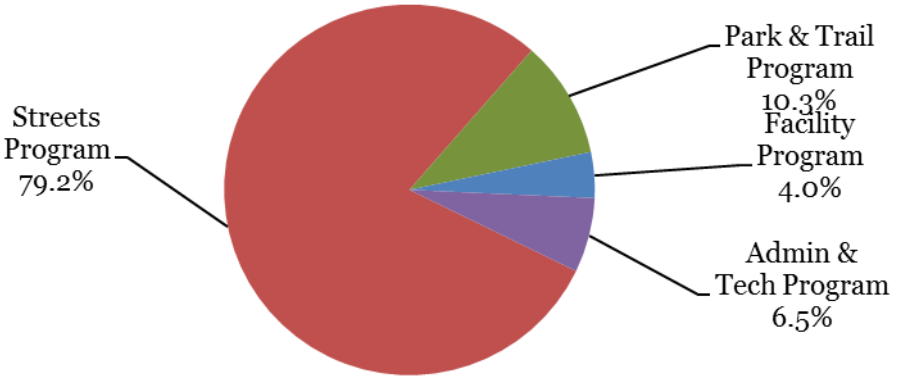
Under direction from the City Manager, the Public Works Department takes the lead in the preparation of most street and park projects for consideration in the current Capital Improvement Plan, and the Recreation and Facilities Department takes the lead in most Facility Program projects. Capital Administrative & Technology projects typically are recommended by the City Manager, Administrative Services, or Community Development departments as they represent non-infrastructure projects. The CIP Procedure Process Policy guides proposed projects through a proposal preparation and review process, including a review by the Planning Commission; to ensure projects are consistent with the City's General Plan prior to Council's final budget review. The entire Capital Budget is presented to the City Council for final review at the Budget Hearing in May, with budget approval scheduled in June.

This summary overview of the CIP budget reflects the City's capital projects plan and estimated project status as of the year end. The CIP schedules reflect estimated unexpended fund balance at the beginning of the fiscal year, the estimated funding to be received during the fiscal year (by category), and the full appropriation of all available funds to allow for either completion of projects or large encumbrances for multi-year projects .

The Capital Improvement Plan also includes a number of unfunded capital projects which were brought to the Planning Commission and approved for conformance with General Plan guidelines. These planned projects will be brought to Council for budget approval at a later time, when resources becomes available.

The following pages contain summary schedules and graphs illustrating the program budgets by project category and by fund for the four CIP Programs, and a list of unfunded projects.

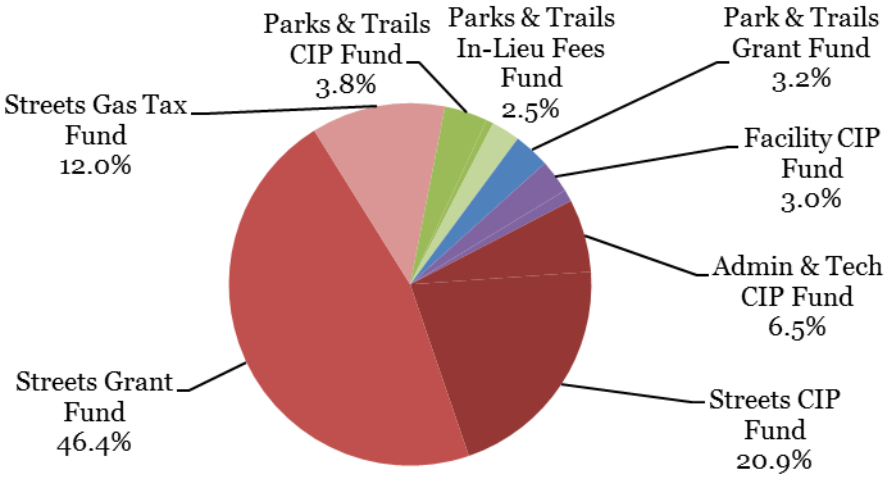
CAPITAL PROGRAM BUDGET BY PROJECT CATEGORY



CAPITAL PROGRAM BUDGET BY PROJECT CATEGORY

	Adopted FY 2016/17	Category %
Streets		
Street Repair & Resurfacing	$ 2,743,666	18.5%
Roadway Safety Projects	6,334,057	42.7%
Street Landscaping & Beautification	42,036	0.3%
Sidewalk, Curbs & Storm Drains	1,114,681	7.5%
Bridge & Retaining Walls	1,413,927	9.5%
Utility Undergrounding Projects	98,744	0.7%
Total Streets	**11,747,112**	**79.2%**
Parks & Trails		
Citywide Projects	337,026	2.3%
Park Projects	634,983	4.3%
Trail Projects	548,701	3.7%
Total Parks & Trails	**1,520,710**	**10.3%**
Facility Improvements		
Citywide Projects	94,023	0.6%
Civic Center Improvements	92,897	0.6%
Community Center Improvements	270,627	1.8%
Library Building Improvements	120,470	0.8%
Total Facility Improvements	**591,913**	**4.0%**
Administrative & Technology Improvements		
Information Technology Projects	245,226	1.7%
Community Enhancement Programs	99,000	0.7%
Development Programs	415,750	2.8%
Administrative Enhancement Programs	205,115	1.4%
Total Administrative & Technology Improvements	**965,092**	**6.5%**
TOTAL CIP BUDGET BY PROJECT CATEGORY	**$ 14,824,827**	**100%**

CAPITAL IMPROVEMENT PLAN BUDGET BY FUND



CAPITAL IMPROVEMENT PLAN BUDGET BY FUND

		Adopted FY 2016/17	Category %
Streets			
411	Streets CIP Fund	3,093,891	20.9%
431	Streets Grant Fund	6,878,424	46.4%
481	Streets Gas Tax Fund	1,774,796	12.0%
Total Streets		**11,747,112**	**79.2%**
Park & Trails			
412	Parks & Trails CIP Fund	569,639	3.8%
421	Parks & Trails Tree Fund	95,850	0.6%
422	Parks & Trails In-Lieu Fees Fund	378,000	2.5%
432	Parks & Trails Grant Fund	477,221	3.2%
Total Park & Trails		**1,520,710**	**10.3%**
Facility Improvements			
413	Facility CIP Fund	441,286	3.0%
433	Facility Grant Fund	150,627	1.1%
Total Facility Improvements		**591,913**	**4.0%**
Administrative & Technology Improvements			
414	Admin & Tech CIP Fund	965,092	6.5%
Total Administrative & Technololgy		**965,092**	**6.5%**
TOTAL CIP BUDGET BY FUND		**14,824,827**	**100%**

UNFUNDED PROJECTS

UNFUNDED CIP PROJECT LIST
FY 2016/17

	Project Title	Project Description	Project Cost
STREET IMPROVEMENT PROJECTS			
1	Quito Road Sidewalk Improvements	This project would fund sidewalk improvements along Quito Road between Highway 85 and Allendale Avenue.	150,000
2	Big Basin Way Turn Around	This project would fund the design and construction of a turn around on Big Basin Way to improve traffic circulation through Saratoga Village.	500,000
TOTAL STREETS UNFUNDED PROJECTS			**$ 650,000**
PARK & TRAIL IMPROVEMENT PROJECTS			
3	Village to Quarry Park Trail	This project would fund the design and construction of a trail along Big Basin Way from Saratoga Village to Quarry Park.	3,000,000
4	Congress Springs Park North Side Entrance	This project would fund the construction of a trail connecting the residential neighborhood around Cox Avenue east of Highway 85 to the northside of Congress Springs Park.	100,000
5	Via Regina Trail	This project would fund the construction of a pedestrian-equestrian trail connecting Via Regina and Villa Oaks Lane.	60,000
6	Norton/Villa Montalvo Emergency Route	This project would fund the construction of an emergency access road connecting the Montalvo Arts Center parking lot with Norton Road.	1,000,000
7	Joe's Trail at Saratoga de Anza - Phase II	This project would fund the design and construction of a trail from Saratoga-Sunnyvale Rd. to Arroyo de Arguello.	600,000
8	Quarry Park Trail Improvements	This project will fund the design, environmental review, and construction of additional trail improvements at Quarry Park	250,000
9	Quarry Park Pond Improvements	This project will fund the design, environmental review, and construction of improvements to the pond at Quarry Park	150,000
10	Saratoga Village Creek Trail - Construction	This project would fund the construction of a trail connecting Saratoga Village to Quarry Park through Hakone Gardens along Big Basin Way	100,000
11	Saratoga-to-the-Sea Trail	This project would fund the design, environmental review and construction of trail connecting Quarry Park to Santa Clara County Sanborn Park	100,000
12	ADA All-inclusive Playground	This project will fund the installation of an all-inclusive playground at a city park.	160,000
TOTAL PARKS AND TRAILS UNFUNDED PROJECTS			**$ 5,520,000**
FACILITY IMPROVEMENT PROJECTS			
13	Theater Improvements	This project would fund the design and construction of improvements identified in the Civic Theater Master Plan. Improvements include, but are not limted to, the backstage dressing room, restroom annex, and relocation of control booths	7,000,000
14	Solar Panels at City Hall	This project would fund the Installation of Solar Panels on the roof of the City Hall Administration Building in order to provide increased efficiency and energy savings.	120,000
15	Renovate Existing Stage at Community Center	This project would fund ADA accessibility and storage and safety improvements to the Community Center Multi-Purpose Room Stage. Partial funding may be provided through a $10k grant from the Rotary Club.	70,000
16	Community Development One Stop Permit Center Remodel	This project would fund the remodel of the Community Development lobby area to allow customers to remain at a single location while appropriate staff members respond to the customer's location during the planning and building customer process, resulting in improved efficiencies and customer service.	100,000
17	Senior Center Cool Roof	This project would completed the installation of a cool roof on the Senior Center section of the Community Center	65,000
TOTAL FACILITY UNFUNDED PROJECTS			**$ 7,355,000**
TOTALS			**$13,525,000**

STREET IMPROVEMENT PROGRAM

STREETS PROGRAM

PROGRAM DIRECTORY

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STREET PROGRAM SUMMARY

The Capital Improvement Plan's Streets Program provides for a safe and functional roadway and pedestrian street system. Projects within the Street Program are classified by their primary scope of work into six project categories:

- Street Resurfacing, Repair & Maintenance Projects
- Roadway Safety Improvements
- Street Landscape & Beautification Improvements
- Sidewalks, Curbs & Storm Drain Improvements
- Bridge & Hillside Support Projects
- Utility Undergrounding Projects

Street Resurfacing, Repair & Maintenance Projects – consist of projects that primarily repave and improve roadway surfaces. Projects include resurfacing for neighborhood, collector, and arterial streets on a priority basis. Funding is added to the ongoing street resurfacing project each year as available. Individual Street Repair & Resurfacing projects may be established when grants are provided for specifically identified sections of roadway.

Roadway Safety Improvements – consists of projects that improve roadway safety factors. Roadway safety improvement projects include small site-specific improvement items that include signs, striping, and curbs as directed by the Traffic Safety Commission; ADA projects for accessibility enhancements, such as curb ramps and audible signals; refuge lanes for traffic merging; railroad crossing improvements; radar feedback signs; and larger safety projects, such as the bicycle and pedestrian safety improvements made to Highway 9.

Street Landscape & Beautification Improvements – consist of projects that improve the visual component of streets. This includes median landscape improvements, city entrance signs, tree lighting, sidewalk furniture, and accessories such as trash receptacles and news rack stands.

Sidewalk, Curbs, Gutters & Storm Drains – consist of sidewalk improvement and repair projects; curb, gutter, and storm drain improvements; and pedestrian safety improvement projects. These projects are both general and specific, depending on funding sources.

Bridge & Hillside Support Projects – consist of projects that repair, replace, or rehabilitate deficient bridge structures or provide support for hillside roadways. Bridge structures fall under the guidance of federal and state regulations, and are often funded by these regulatory agencies, such as Caltrans or the Federal Highway Bridge Replacement and Rehabilitation Program (HBBR). Hillside Support projects are generally funded through transfers from the General Fund.

Utility Undergrounding Projects – consist of projects that move aboveground utilities underground, such as electric, cable, and telephone lines. Funding for these projects varies, but a significant funding source is Pacific Gas, & Electric's Rule 20A Program.

The following pages include a list of the Street Program's capital projects, summary funding by account classification, and individual project pages for each of the funded projects in this capital program.

PROJECT LIST SUMMARY

STREETS PROJECT EXPENDITURE SUMMARY	PY Expended To Date	FY 2015/16 Estimated	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expenditures
Street Repair & Resurfacing Projects									
9111-001 Annual Street Resurfacing	8,561,736	1,102,975	9,664,711	*closed*	-	-	-	-	9,664,711
9111-003 Annual Roadway Improvements	-	-	-	2,743,666					
9113-001 Residential Street Construction	56,388	543,612	600,000	*closed*	-	-	-	-	600,000
9113-002 Roadway Maintenance and Repairs	-	375,000	375,000	*closed*	-	-	-	-	375,000
Roadway Safety Improvements									
9121-001 Roadway Safety & Traffic Calming	465,091	25,540	490,631	101,574	50,000	50,000	50,000	50,000	792,205
9121-003 CDBG - ADA Signal Lights	188,286	-	188,286	71,337	-	-	-	-	259,623
9122-005 Highway 9 Safety Improvements - Phase IV	27,378	869	28,247	1,031,149	-	-	-	-	1,059,396
9122-006 Prospect/Saratoga Median Improvements	-	149,622	149,622	4,601,203	-	-	-	-	4,750,825
9122-007 Citywide Signal Upgrade Project Phase II	1,155	52	1,207	498,793	-	-	-	-	500,000
9122-009 Beaumont Traffic Circle	-	-		30,000	-	-	-	-	30,000
Street Landscape & Beautification Projects									
9138-001 Village LED Streetlights	405,727	1,500	407,227	42,036	-	-	-	-	449,263
Sidewalks, Curbs & Gutters									
9141-001 Annual Sidewalk Repairs	435,984	96,702	532,686	*closed*	-	-	-	-	532,686
9141-002 Annual Storm Drain Repairs	364,160	59,352	423,512	*closed*	-	-	-	-	423,512
9141-004 Curb and Gutter Maint & Repairs	-	50,000	50,000	*closed*	-	-	-	-	50,000
9141-005 Infrastructure Maintenance and Repairs	-	-	-	288,517	200,000	200,000	200,000	200,000	1,088,517
9142-004 Village S/W & Pedestrian Enhancemts	1,128,735	25,059	1,153,793	89,816	-	-	-	-	1,243,610
9142-005 Saratoga Avenue Sidewalk	204,626	5,655	210,281	50,261	-	-	-	-	260,542
9142-011 Village Sidewalk & Pedestrian Improvements	757,399	219,707	977,106	144,109	-	-	-	-	1,121,215
9142-012 Arroyo de Arguello Outfall Repair	36,122	33,878	70,000	*closed*	-	-	-	-	70,000
9142-013 Quito Road /Paseo Olivos Curb & Gutter	-	-	-	40,000	-	-	-	-	40,000
9142-014 Big Basin Way Sidewalk Repairs	-	-	-	183,990	-	-	-	-	183,990
9142-015 El Camino Grande Storm Drain Pump	-	7,013	7,013	247,988	-	-	-	-	255,000
9142-016 Saratoga Hills Storm Drain Improvements	-	44,000	44,000	*closed*	-	-	-	-	44,000
9142-017 Long Term Trash Plan Capture Devices	-	-	-	30,000	-	-	-	-	30,000
9142-018 Wildcat Creek Outfall Repair	-	-	-	40,000	-	-	-	-	40,000
Bridges & Retaining Walls									
9152-001 4th Street Bridge Widening	1,078	-	1,078	585,922	-	-	-	-	587,000
9152-002 Quito Road Bridges	948,804	45,880	994,684	242,425	-	-	-	-	1,237,109
9152-003 Bridge Maintenance and Repairs	-	50,000	50,000	*closed*	-	-	-	-	50,000
9152-004 Quito Road Bridges - ROW	-	4,420	4,420	395,580	-	-	-	-	400,000
9153-003 Damon Lane Retaining Wall	-	-	-	190,000	-	-	-	-	190,000
Utility Undergrounding Project									
9171-001 Rule 20A Fund Project	-	-	-	-	-	-	-	-	-
9171-002 Quito Road Undergrounding Project	-	-	-	98,744	-	-	-	-	98,744
Total Project Expenditures	16,840,902	2,840,835	19,681,736	11,747,112	250,000	250,000	250,000	250,000	29,685,182

With the addition of the following three new projects, there are a total of twenty two funded projects for FY 2016/17:

- Annual Roadway Improvements
- Annual Infrastructure Maintenance and Repairs
- Damon Lane Retaining Wall

The following eleven projects were finalized or discontinued in FY 2015/16:

- Annual Street Resurfacing
- Residential Street Reconstruction
- Roadway Maintenance and Repairs
- Annual Sidewalk Repairs
- Annual Storm Drain Repairs
- Curb & Gutter Maintenance and Repairs
- Bridge Maintenance and Repairs
- Village Pedestrian Improvements – Phase II
- Arroyo de Arguello Outfall Repair
- Saratoga Hills Storm Drain

STREET IMPROVEMENT PROGRAM FUNDING SUMMARY

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREETS FUND									
State Roadway Allocations	580,665	-	580,665	-	-	-	-	-	580,665
Road/Refuse Impact Fees	2,116,613	218,645	2,335,258	351,300	-	-	-	-	2,686,558
CIP Project Reimbursements	234,354	129,188	363,541	88,510	-	-	-	-	452,052
Contributions/Assessments	951,402	-	951,402	-	-	-	-	-	951,402
Transfer In - General Fund	2,427,464	1,063,760	3,491,224	1,095,000	250,000	250,000	250,000	250,000	5,586,224
Transfer In - Other CIP	750,160	780,068	1,530,227	-	-	-	-	-	1,530,227
Transfer In - Gas Tax	90,000	-	90,000	-	-	-	-	-	90,000
Transfer In - L&L	213,178	-	213,178	-	-	-	-	-	213,178
GRANT FUND									
Federal Grants	3,505,048	158,090	3,663,138	1,970,353	-	-	-	-	5,633,491
State Grants	1,055,203	22,753	1,077,956	4,482,761	-	-	-	-	5,560,717
Local Grants	8,494	-	8,494	400,000	-	-	-	-	408,494
Transfer In - Other CIP	466,818	-	466,818	-	-	-	-	-	466,818
GAS TAX FUND									
Gas Tax Revenue	5,865,124	677,623	6,542,748	638,869	-	-	-	-	7,181,617
Transfer In - Other CIP	480,676	606,728	1,087,404	-	-	-	-	-	1,087,404
TOTAL REVENUES	**18,745,199**	**3,656,854**	**22,402,053**	**9,026,794**	**250,000**	**250,000**	**250,000**	**250,000**	**32,428,848**

EXPENDITURES	Prior Year Funded	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREETS FUND									
Salary & Benefits	533,118	133,702	666,820	-	-	-	-	-	666,820
Site Acquisition & Prep	19,356	274	19,630	-	-	-	-	-	19,630
Materials & Supplies	253,579	81,340	334,919	250,000	-	-	-	-	584,919
Fees & Expenses	40,379	-	40,379	-	-	-	-	-	40,379
Consultant/Contract Svs	611,493	43,639	655,132	-	-	-	-	-	655,132
Project Equip & Fixtures	-	769	769	-	-	-	-	-	769
Construction Expenses	4,227,237	577,319	4,804,556	2,843,891	250,000	250,000	250,000	250,000	8,648,448
Reimbursable Expenses	1,858	233	2,091	-	-	-	-	-	2,091
Transfers Out	635,427	836,692	1,472,119	-	-	-	-	-	1,472,119
GRANT FUND									
Salary & Benefits	47,312	-	47,312	-	-	-	-	-	47,312
Site Acquisition & Prep	104,513	2,116	106,629	-	-	-	-	-	106,629
Materials & Supplies	150,936	-	150,936	-	-	-	-	-	150,936
Fees & Expenses	19,704	40	19,744	-	-	-	-	-	19,744
Consultant/Contract Svs	857,015	2,224	859,239	-	-	-	-	-	859,239
Construction Expenses	3,342,723	157,650	3,500,373	6,878,424	-	-	-	-	10,378,798
Reimbursable Expenses	38,248	1,796	40,045	-	-	-	-	-	40,045
Transfers Out	466,818	-	466,818	-	-	-	-	-	466,818
GAS TAX FUND									
Site Acquisition & Prep	11,375	-	11,375						11,375
Materials & Supplies	142,985	15,075	158,060	-	-	-	-	-	158,060
Fees & Expenses	3,507	2,136	5,643	-	-	-	-	-	5,643
Consultant/Contract Svs	122,600	131,005	253,606	-	-	-	-	-	253,606
Project Equip & Fixtures	46,425	9,716	56,141	-	-	-	-	-	56,141
Construction Expenses	4,422,293	238,378	4,660,671	1,774,796	-	-	-	-	6,435,467
Transfers Out	742,000	606,728	1,348,728	-	-	-	-	-	1,348,728
TOTAL EXPENDITURES	**16,840,902**	**2,840,834**	**19,681,736**	**11,747,112**	**250,000**	**250,000**	**250,000**	**250,000**	**32,428,847**

TOTAL ALL FUND SUMMARY		FY 2015/16 Actuals	Estimated Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
BEGINNING BALANCE		1,904,297		2,720,318	-	-	-	-	
Revenues & Transfers In	18,745,199	3,656,854	**22,402,053**	9,026,794	250,000	250,000	250,000	250,000	**32,428,848**
Expenditures & Transfers Out	16,840,902	2,840,834	**19,681,736**	11,747,112	250,000	250,000	250,000	250,000	**32,428,848**
ENDING BALANCE	**1,904,297**	**2,720,318**	**2,720,318**	-	-	-	-	-	**-**

STREET REPAIR & RESURFACING PROJECTS

STREET REPAIR & RESURFACING PROJECTS

Project Name	Annual Street Resurfacing	**Project Number**	9111-001
Department	Public Works	**Project Manager**	John Cherbone

Description

This project funds ongoing street resurfacing and maintenance in order to maintain the City's pavement infrastructure.

Location

This is a Citywide project that is conducted throughout the fiscal year.

Project Background

Every two to three years, an engineering consultant conducts an assessment of City roads using the Paving Condition Index (PCI). The PCI is based on a scale of 0 to 100, with the overall score used to indicate the average of the City's road conditions. The scale ranges from 0 for roads which have failed, to 100 for roads in excellent condition. Scores are classified into five categories:

Category	Score
"Very Poor"	0-25
"Poor"	25-49
"Good"	50-69
"Very Good"	70-89
"Excellent"	90-100

The City uses this assessment to prioritize and schedule streets and arterial roads in the worst condition for resurfacing.

With a total of 135 miles of roadway in Saratoga, most street resurfacing work is performed by contractors; staff conducts minor repairs to roadways when practical. Resurfacing streets on a regular basis extends the lifetime of the roadways and minimizes the need for larger and more costly projects in the future. Keeping the streets in good condition also reduces liability risks and staff time for minor repairs. In-house project management and oversight is funded through the General Fund under the Engineering and Street Program staff time in the Operating Budget.

In Fiscal Year 2015/16 this project was closed. The remaining funds were moved into the Annual Roadway Improvements Capital Project.

Operating Budget Impacts

Engineering, administrative, and maintenance staff costs for oversight and implementation of the various projects are incorporated into the operating budget.

STREET REPAIR & RESURFACING PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Invite contractors to bid on the project
Contract Award	Ongoing	Award contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	June 2016	Specified project work is completed

ROADWAY MAINTENANCE 9111-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
State DOT Prop 42 (TCR)	580,665	-	580,665	-	-	-	-	-	**580,665**
Road/Refuse Impact Fees	2,116,613	218,645	2,335,258	-	-	-	-	-	**2,335,258**
Project Reimbursements	70,649	-	70,649	-	-	-	-	-	**70,649**
Transfers In - General Fund	-	64,760	64,760	-	-	-	-	-	**64,760**
Transfers In - Other CIP	44,073	-	44,073	-	-	-	-	-	**44,073**
TOTAL	**2,811,999.99**	**283,405**	**3,095,405**	**-**	**-**	**-**	**-**	**-**	**3,095,405**
GRANT FUNDS									
State - Prop 1B	466,818	-	466,818	-	-	-	-	-	**466,818**
TOTAL	**466,818**	**-**	**466,818**	**-**	**-**	**-**	**-**	**-**	**466,818**
GAS TAX FUND									
Gas Tax - HUTA	3,992,596	519,410	4,512,006	-	-	-	-	-	**4,512,006**
Gas Tax - 7360 (TCR swap)	1,722,538	158,213	1,880,752	-	-	-	-	-	**1,880,752**
Transfers In	(324,149)	33,878	(290,271)	-	-	-	-	-	**(290,271)**
TOTAL	**5,390,985**	**711,501**	**6,102,487**	**-**	**-**	**-**	**-**	**-**	**6,102,487**
TOTAL REVENUES	**8,669,803**	**994,906**	**9,664,710**	**-**	**-**	**-**	**-**	**-**	**9,664,709**

EXPENDITURES	Prior Year Funded	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND EXP									
Salary & Benefits	523,349	23,720	547,069	-	-	-	-	-	**547,069**
Materials & Supplies	123,422	-	123,422	-	-	-	-	-	**123,422**
Fees & Expenses	14,619	-	14,619	-	-	-	-	-	**14,619**
Consultant/Contract Svs	118,035	400	118,435	-	-	-	-	-	**118,435**
Construction Expenses	1,794,175	-	1,794,175	-	-	-	-	-	**1,794,175**
Transfers Out	238,400	259,286	497,686	-	-	-	-	-	**497,686**
TOTAL	**2,812,000**	**283,406**	**3,095,406**	**-**	**-**	**-**	**-**	**-**	**3,095,406**
GRANT FUND EXP									
Transfers Out	466,818	-	466,818	-	-	-	-	-	**466,818**
TOTAL	**466,818**	**-**	**466,818**	**-**	**-**	**-**	**-**	**-**	**466,818**
GAS TAX EXP									
Materials & Supplies	135,808	15,075	150,884	-	-	-	-	-	**150,884**
Fees & Expenses	3,094	1,452	4,546	-	-	-	-	-	**4,546**
Consultant/Contract Svs	12,330	2,500	14,830	-	-	-	-	-	**14,830**
Project Equip & Fixtures	25,297	9,716	35,013	-	-	-	-	-	**35,013**
Construction Expenses	4,364,388	217,976	4,582,364	-	-	-	-	-	**4,582,364**
Transfers Out	742,000	572,850	1,314,850	-	-	-	-	-	**1,314,850**
TOTAL	**5,282,918**	**819,569**	**6,102,487**	**-**	**-**	**-**	**-**	**-**	**6,102,487**
TOTAL EXPENDITURES	**8,561,736**	**1,102,975**	**9,664,710**	**-**	**-**	**-**	**-**	**-**	**9,664,711**

STREET REPAIR & RESURFACING PROJECTS

ROADWAY MAINTENANCE – CONTINUED 9111-001

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Project Activity
CIP STREET FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	2,812,000	283,405	3,095,406	-	-	-	-	-	**3,095,406**
Expenditures & T/O	2,812,000	283,406	3,095,406	-	-	-	-	-	**3,095,406**
Ending Balance	-	-	-	-	-	-	-	-	-
GRANT FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	466,818	-	466,818	-	-	-	-	-	**466,818**
Expenditures & T/O	466,818	-	466,818	-	-	-	-	-	**466,818**
Ending Balance	-	-	-	-	-	-	-	-	-
GAS TAX FUND									
Beginning Balance		108,068		-	-	-	-	-	-
Revenues & T/I	5,390,985	711,501	6,102,487	-	-	-	-	-	**6,102,487**
Expenditures & T/O	5,282,918	819,569	6,102,487	-	-	-	-	-	**6,102,487**
Ending Balance	**108,068**	-	-	-	-	-	-	-	-
TOTAL BALANCE	**108,068**	-	-	-	-	-	-	-	-

STREET REPAIR & RESURFACING PROJECTS

Project Name	Annual Roadway Improvements	**Project Number**	9111-003
Department	Public Works	**Project Manager**	John Cherbone

Description

This project funds ongoing street resurfacing and maintenance in order to maintain the City's pavement infrastructure.

Location

This is a Citywide project that is conducted throughout the fiscal year.

Project Background

Every two to three years, an engineering consultant conducts an assessment of City roads using the Paving Condition Index (PCI). The PCI is based on a scale of 0 to 100, with the overall score used to indicate the average of the City's road conditions. The scale ranges from 0 for roads which have failed, to 100 for roads in excellent condition. Scores are classified into five categories:

Category	Score
"Very Poor"	0-25
"Poor"	25-49
"Good"	50-69
"Very Good"	70-89
"Excellent"	90-100

The City uses this assessment to prioritize and schedule streets and arterial roads in the worst condition for resurfacing.

With a total of 135 miles of roadway in Saratoga, most street resurfacing work is performed by contractors; staff conducts minor repairs to roadways when practical. Resurfacing streets on a regular basis extends the lifetime of the roadways and minimizes the need for larger and more costly projects in the future. Keeping the streets in good condition also reduces liability risks and staff time for minor repairs. In-house project management and oversight is funded through the General Fund under the Engineering and Street Program staff time in the Operating Budget.

Operating Budget Impacts

Engineering, administrative, and maintenance staff costs for oversight and implementation of the various projects are incorporated into the operating budget.

STREET REPAIR & RESURFACING PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Invite contractors to bid on the project
Contract Award	Ongoing	Award contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Ongoing	Specified project work is completed

ANNUAL ROADWAY IMPROVEMENTS 9111-003

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Road/Refuse Impact Fees	-	-	-	351,300	-	-	-	-	**351,300**
Transfers In - General Fund	-	-	-	550,000	-	-	-	-	**550,000**
Transfers In - Other CIP	-	630,648	630,648	-	-	-	-	-	**630,648**
TOTAL	**-**	**630,648**	**630,648**	**901,300**	**-**	**-**	**-**	**-**	**1,531,948**
GAS TAX FUND									
Gas Tax - HUTA	-	-	-	564,176	-	-	-	-	**564,176**
Gas Tax - 7360 (TCR swap)	-	-	-	74,693	-	-	-	-	**74,693**
Transfers In	-	572,850	572,850	-	-	-	-	-	**572,850**
TOTAL	**-**	**572,850**	**572,850**	**638,869**	**-**	**-**	**-**	**-**	**1,211,719**
TOTAL REVENUES	**-**	**1,203,497**	**1,203,497**	**1,540,169**	**-**	**-**	**-**	**-**	**2,743,666**

EXPENDITURES	Prior Year Funded	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND EXP									
Materials & Supplies	-	-	-	250,000	-	-	-	-	**250,000**
Construction Expenses	-	-	-	1,281,948	-	-	-	-	**1,281,948**
TOTAL	**-**	**-**	**-**	**1,531,948**	**-**	**-**	**-**	**-**	**1,531,948**
GAS TAX EXP									
Construction Expenses	-	-	-	1,211,719	-	-	-	-	**1,211,719**
TOTAL	**-**	**-**	**-**	**1,211,719**	**-**	**-**	**-**	**-**	**1,211,719**
TOTAL EXPENDITURES	**-**	**-**	**-**	**2,743,666**	**-**	**-**	**-**	**-**	**2,743,666**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Project Activity
CIP STREET FUND									
Beginning Balance		-		630,648	-	-	-	-	-
Revenues & T/I	-	630,648	630,648	901,300	-	-	-	-	**1,531,948**
Expenditures & T/O	-	-	-	1,531,948	-	-	-	-	**1,531,948**
Ending Balance	**-**	**630,648**	**630,648**	**-**	**-**	**-**	**-**	**-**	**-**
GAS TAX FUND									
Beginning Balance		-		572,850	-	-	-	-	-
Revenues & T/I	-	572,850	572,850	638,869	-	-	-	-	**1,211,719**
Expenditures & T/O	-	-	-	1,211,719	-	-	-	-	**1,211,719**
Ending Balance	**-**	**572,850**	**572,850**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL BALANCE	**-**	**1,203,498**	**1,203,497**	**-**	**-**	**-**	**-**	**-**	**-**

STREET REPAIR & RESURFACING PROJECTS

Project Name	Residential Street Reconstruction	**Project Number**	9113-001
Department	Public Works	**Project Manager**	John Cherbone

Description This project will fund the reconstruction of streets that have deteriorated beyond the scope of annual resurfacing maintenance methods.

Location Residential streets identified for reconstruction include Harper Avenue, Palmtag Drive, Brookview Drive, McFarland Avenue, and Devon Avenue. Other streets will be added to the list depending on construction costs and available funding.

Project Background This project represents a $300,000 commitment of City funds that will repair severely damaged streets which cannot be maintained by resurfacing methods. Over the years, curbs and gutters are damaged by impacts and large tree roots and the asphalt covered roadways deteriorate from water runoff, weather, and everyday vehicle use. If streets are not maintained in a timely manner, or if circumstances deteriorate streets rapidly, severe damage may occur.

Costs to repair streets vary depending on the type of repair and the dimensions of the specific street. Street reconstruction requires removing and replacing curbs and gutters, constructing a new roadway to allow for proper drainage, and repaving the asphalt roadway. The City plans to repair one major street each year.

For Fiscal Year 2016/17 this project will be closed out with any balance remaining transferred to the Annual Roadway Maintenance and Repairs project.

Operating Budget Impacts Engineering, administrative, and maintenance staff costs for oversight and implementation of the various projects are incorporated into the operating budget.

STREET REPAIR & RESURFACING PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Phase	N/A	Begin Design
Prepare Agreements	March 2015	Prepare Agreement
Estimated Construction Start	May 2015	Begin Construction
Estimated Completion Date	June 2016	Project is Complete

RESIDENTIAL STREET CONSTRUCTION 9113-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	300,000	300,000	600,000	-	-	-	-	-	**600,000**
TOTAL REVENUES	**300,000**	**300,000**	**600,000**	-	-	-	-	-	**600,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Salary & Benefits	4,935	-	4,935	-	-	-	-	-	**4,935**
Materials & Supplies	1,503	-	1,503	-	-	-	-	-	**1,503**
Fees & Expenses	1,329	-	1,329	-	-	-	-	-	**1,329**
Consultant/Contract Svs	-	4,130	4,130	-	-	-	-	-	**4,130**
Construction Expenses	48,621	325,218	373,839	-	-	-	-	-	**373,839**
Transfers Out	-	214,264	214,264	-					
TOTAL EXPENDITURES	**56,388**	**543,612**	**600,000**	-	-	-	-	-	**385,736**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		243,612		-	-	-	-	-	-
Revenues & T/I	300,000	300,000	600,000	-	-	-	-	-	**600,000**
Expenditures & T/O	56,388	543,612	600,000	-	-	-	-	-	**385,736**
ENDING BALANCE	**243,612**	-	-	-	-	-	-	-	**214,264**

STREET REPAIR & RESURFACING PROJECTS

Project Name	Roadway Maintenance and Repairs	**Project Number**	9113-002
Department	Public Works	**Project Manager**	John Cherbone

Description This project includes traffic light repair, striping and signage, curb and gutter repairs, street materials and miscellaneous roadway repairs.

Location Roadways to be repaired are located throughout the City

Project Background As a result of the downturn in the economy, funds normally used for Annual Street Resurfacing projects were used for traffic light repairs, striping and signage, curb & gutter repairs, street materials, and miscellaneous roadway repairs. With these funds being used for other street purposes, the surface areas of the City's roads have deteriorated over the past five years. The City has utilized grant awards to address maintenance and repairs along the City's arterial roadways with great effectiveness, however, maintenance on collectors and residential streets have backlogged.

This project represents an initial $375,000 commitment to address maintenance issues on the City's collector and residential streets. Streets that are not maintained on a regular basis may suffer severe damage resulting in costly road reconstruction.

This project is funded by a transfer from the General Fund CIP Reserve.

This project was closed at the end of FY 2015/16, with the remaining funds transferred to the Annual Roadway Maintenance and Repairs project.

Operating Budget Impacts Engineering, administrative, and maintenance staff costs for oversight and implementation of the various projects are incorporated into the operating budget.

STREET REPAIR & RESURFACING PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Phase	To Be Determined	
Prepare Agreements	To Be Determined	
Estimated Construction Start	To Be Determined	
Estimated Completion Date	June 2016	

ROADWAY MAINTENANCE & REPAIRS 9113-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	-	375,000	375,000	-	-	-	-	-	**375,000**
TOTAL REVENUES	**-**	**375,000**	**375,000**	**-**	**-**	**-**	**-**	**-**	**375,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Salary & Benefits	-	109,982	109,982	-	-	-	-	-	**109,982**
Materials & Supplies	-	68,039	68,039	-	-	-	-	-	**68,039**
Consultant/Contract Svs	-	13,598	13,598	-	-	-	-	-	**13,598**
Project Equip & Fixtures	-	769	769	-	-	-	-	-	**769**
Construction Expenses	-	180,365	180,365	-	-	-	-	-	**180,365**
Transfers Out	-	2,247	2,247	-	-	-	-	-	**2,247**
TOTAL EXPENDITURES	**-**	**375,000**	**375,000**	**-**	**-**	**-**	**-**	**-**	**375,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		-		-	-	-	-	-	-
Revenues & T/I	-	375,000	375,000	-	-	-	-	-	**375,000**
Expenditures & T/O	-	375,000	375,000	-	-	-	-	-	**375,000**
ENDING BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ROADWAY SAFETY PROJECTS

ROADWAY SAFETY PROJECTS

Project Name	Roadway Safety & Traffic Calming	**Project Number**	9121-001
Department	Public Works	**Project Manager**	Mainini Cabute

Description

In conjunction with the Traffic Safety Commission (TSC), this project funds traffic calming improvements that include the installation of roadway devices which enhance pedestrian and roadway safety.

Location

This is a Citywide project; locations vary depending on prioritized projects for the year.

Project Background

This project represents an annual transfer of $50,000 of City funds in order to make roads safer. Projects are primarily focused on decreasing driver speed and making pedestrians more visible, resulting in the reduction of the number of accidents in the City.

The Traffic Safety Commission (TSC) and staff meet on a bi-monthly basis to review and assess traffic concerns throughout the City. Concerned residents may also attend these meetings to provide input and request improvements. Most TSC recommended improvements are small and fall within the scope of the operating budget. Occasionally, more costly remediation is warranted and roadway safety and traffic calming funds are used. The most common uses of these funds are for traffic calming improvements such as speed bumps, radar signs, median chokers, and bulb-outs that slow traffic and increase pedestrian safety. Unfunded traffic projects on the CIP list are reviewed each year by the TSC and prioritized according to safety and proximity to schools.

Locations identified for Fiscal Year 2016/17 include Arroyo De Arguello and others as they are determined by the Traffic Safety Commission and the City Traffic Engineer. Improvements include striping, signage, education and direct enforcement.

Operating Budget Impacts

Engineering, administrative, and maintenance staff costs for oversight and implementation of the various projects are incorporated into the operating budget.

ROADWAY SAFETY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Invite contractors to bid on the project
Contract Award	Ongoing	Award contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Ongoing	Project is completed

ROADWAY SAFETY & TRAFFIC CALMING 9121-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Project Reimbursement	850	-	850	-	-	-	-	-	**850**
Transfers In - General Fund	491,355	50,000	541,355	50,000	50,000	50,000	50,000	50,000	**791,355**
TOTAL REVENUES	**492,205**	**50,000**	**542,205**	**50,000**	**50,000**	**50,000**	**50,000**	**50,000**	**792,205**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Materials & Supplies	63,727	-	63,727	-	-	-	-	-	**63,727**
Fees & Expenses	310	-	310	-	-	-	-	-	**310**
Consultant/Contract Svs	126,526	17,456	143,983	-	-	-	-	-	**143,983**
Construction Expenses	274,527	8,084	282,611	101,574	50,000	50,000	50,000	50,000	**584,185**
TOTAL EXPENDITURES	**465,091**	**25,540**	**490,631**	**101,574**	**50,000**	**50,000**	**50,000**	**50,000**	**792,205**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		27,114		51,574	-	-	-	-	-
Revenues & T/I	492,205	50,000	542,205	50,000	50,000	50,000	50,000	50,000	**792,205**
Expenditures & T/O	465,091	25,540	490,631	101,574	50,000	50,000	50,000	50,000	**792,205**
ENDING BALANCE	**27,114**	**51,574**	**51,574**	-	-	-	-	-	-

ROADWAY SAFETY PROJECTS

Project Name	ADA Signal Lights & Curb Cut-outs	**Project Number**	9121-003
Department	Public Works	**Project Manager**	Macedonio Nunez

Description

This project will complete ADA improvements to existing signalized intersections throughout Saratoga.

Location

This project will upgrade the 15 signalized intersections with traffic signals throughout the City.

Project Background

Pushbuttons at the City's 15 signalized intersections will be replaced with "vibrotactile" buttons for the visually impaired. A vibrotactile type of pedestrian signal has pushbuttons that vibrate when the "WALK" signal is on, indicating to visually impaired pedestrians when to cross the street.

This project will also improve the intersection's ramps, curbs, and crosswalks to comply with ADA requirements. Crosswalks will be added or repainted where needed; and ramps and curbs will be rebuilt to meet accessibility standards. These improvements will reduce City liability associated with pedestrian accidents.

Improvements and upgrades will be performed by contractors. As Community Development Block Grant (CDBG) funding becomes available, more intersections will be upgraded until all City signalized intersections have been completed.

The City has completed installations at the following three sections; Saratoga-Sunnyvale Road and Reid Lane, Saratoga-Sunnyvale Road and Herriman Avenue, and Saratoga-Sunnyvale Road and Blauer Drive.

Sections to be completed in FY 2016/17 include Saratoga-Sunnyvale Road and Cox Avenue and Saratoga- Sunnyvale Road and Sea Gull Way.

Future projects that have been funded through the One Bay Area Grant include Prospect Road and Miller Avenue, Saratoga Avenue and Cox Avenue, and Saratoga Avenue and Vineyard Lane.

Operating Budget Impacts

Engineering staff time for project design and oversight will be incorporated into the operating budget.

ROADWAY SAFETY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Invite contractors to bid on the project
Contract Award	Ongoing	Award contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Ongoing	Project is completed

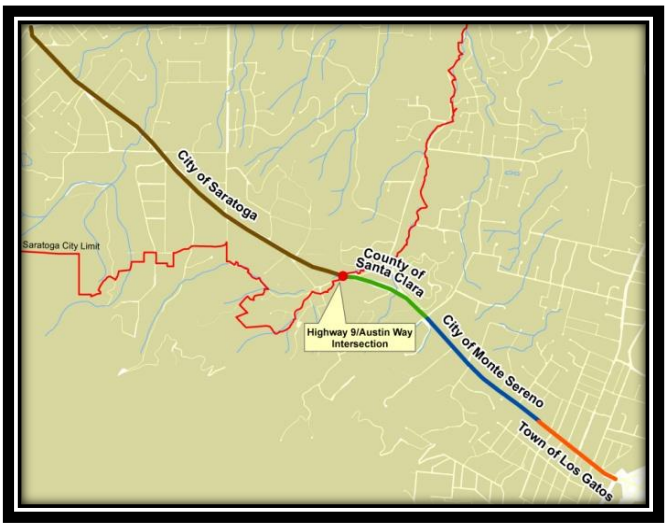
ADA SIGNAL LIGHTS & CURB CUT-OUTS 9121-003

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfer In - From General Fund	188,286	-	**188,286**	-	-	-	-	-	**188,286**
TOTAL	**188,286**	-	**188,286**	-	-	-	-	-	**188,286**
GRANT FUNDS									
CDBG - ADA Grant	-	-	-	71,337	-	-	-	-	**71,337**
TOTAL	-	-	-	**71,337**	-	-	-	-	**71,337**
TOTAL REVENUES	**188,286**	-	**188,286**	**71,337**	-	-	-	-	**259,623**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Fees & Expenses	1,023	-	**1,023**	-	-	-	-	-	**1,023**
Consultant/Contract Svs	83,816	-	**83,816**	-	-	-	-	-	**83,816**
Construction Expenses	103,447	-	**103,447**	-	-	-	-	-	**103,447**
TOTAL	**188,286**	-	**188,286**	-	-	-	-	-	**188,286**
GRANT FUNDS									
Construction Expenses	-	-	-	71,337	-	-	-	-	**71,337**
TOTAL	-	-	-	**71,337**	-	-	-	-	**71,337**
TOTAL EXPENDITURES	**188,286**	-	**188,286**	**71,337**	-	-	-	-	**259,623**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING FUND BAL				-	-	-	-	-	-
Revenues & T/I	188,286	-	**188,286**	-	-	-	-	-	**188,286**
Expenditures & T/O	188,286	-	**188,286**	-	-	-	-	-	**188,286**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-
GRANT FUNDS									
BEGINNING BALANCE		-		-	-	-	-	-	-
Revenues & T/I	-	-	-	71,337	-	-	-	-	**71,337**
Expenditures & T/O	-	-	-	71,337	-	-	-	-	**71,337**
ENDING BALANCE	-	-	-	-	-	-	-	-	-

ROADWAY SAFETY PROJECTS



Project Name	Highway 9 Safety Improvements – Phase IV	**Project Number**	9122-005
Department	Public Works	**Project Manager**	Iveta Harvancik

Description

A multi-agency pedestrian improvement project to enhance the safety of the Highway 9 corridor, which links the communities of Saratoga, Monte Sereno, and Los Gatos.

Location

This project will complete the improvements to pedestrian pathways started in Phase II. The interior section of the project is expected to span a 1.5 mile stretch of Highway 9 between Fruitvale Avenue in Saratoga and Greenwood Road in Monte Sereno.

Project Background

Phase IV of this project will continue bicycle and pedestrian safety improvements to the Highway 9 corridor from Saratoga to Los Gatos. The improvements were initiated following several serious accidents on Highway 9.

In Phase IV, pedestrian pathways, retaining walls, and pedestrian safety improvements will be constructed on Highway 9 from Fruitvale Avenue in Saratoga to El Camino Grande in Saratoga and from Daves Avenue to Greenwood Road in Monte Sereno. The Phase IV improvements were designed during Phase II, which included installation of pedestrian pathways, curbs, retaining walls, driveway modifications, crosswalks, signage, and striping between Saratoga and Los Gatos on Highway 9 in addition to the design work. A significant portion of funding for this project will be coming from a federal Highway Safety Improvement Grant (HSIP) administered by the California Department of Transportation (Caltrans). As with Phase II of the Highway 9 safety improvements project, the City of Saratoga will be the lead agency of Phase IV. The improvement work will be contracted out.

This project is funded through grants, reimbursements from other agencies and a transfer of surplus funds ($58,396) remaining in Phase II ($45,079) and Phase III ($13,317) in Fiscal Year 2014/15.

Operating Budget Impacts

Project management, engineering oversight, and grant reporting staff costs for this project are incorporated into the operating budget. Once completed, there will be a minimal increase in maintenance costs associated with the City of Saratoga's portion of this project. However, the improvements will increase safety on Highway 9 for pedestrians, bicyclists and commuters, reduce accidents, and, therefore, reduce liability risk.

ROADWAY SAFETY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Bid Process	April 2016	Council approves plans and authorizes bidding the project
Contract Award	June 2016	Council awards contract
Estimated Construction Start	July 2016	Construction project begins
Estimated Completion Date	December 2016	Project is completed

HIGHWAY 9 SAFETY IMPROVEMENTS PHASE IV 9122-005

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Project Reimbursements	-	-	-	11,000	-	-	-	-	**11,000**
Transfers In - Other CIP	58,396	-	58,396	-	-	-	-	-	**58,396**
Transfers In - Gas Tax	90,000	-	90,000	-	-	-	-	-	**90,000**
TOTAL	**148,396**	**-**	**148,396**	**11,000**	**-**	**-**	**-**	**-**	**159,396**
GRANT FUND									
Federal - HSIP Grant	-	-	-	900,000	-	-	-	-	**900,000**
TOTAL	**-**	**-**	**-**	**900,000**	**-**	**-**	**-**	**-**	**900,000**
TOTAL REVENUES	**148,396**	**-**	**148,396**	**911,000**	**-**	**-**	**-**	**-**	**1,059,396**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Fees & Expenses	1,000	-	1,000	-	-	-	-	-	**1,000**
Consultant/Contract Svs	26,378	869	27,247	-	-	-	-	-	**27,247**
Construction Expenses	-	-	-	131,149	-	-	-	-	**131,149**
TOTAL	**27,378**	**869**	**28,247**	**131,149**	**-**	**-**	**-**	**-**	**159,396**
GRANT FUND									
Construction Expenses	-	-	-	900,000	-	-	-	-	**900,000**
TOTAL	**-**	**-**	**-**	**900,000**	**-**	**-**	**-**	**-**	**900,000**
TOTAL EXPENDITURES	**27,378**	**869**	**28,247**	**1,031,149**	**-**	**-**	**-**	**-**	**1,059,396**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING FUND BAL		121,019		120,149	-	-	-	-	-
Revenues & T/I	148,396	-	**148,396**	11,000	-	-	-	-	**159,396**
Expenditures & T/O	27,378	869	**28,247**	131,149	-	-	-	-	**159,396**
ENDING FUND BALANCE	**121,019**	**120,149**	**120,149**	**-**	**-**	**-**	**-**	**-**	**-**
GRANT FUND									
BEGINNING BALANCE		-		-	-	-	-	-	-
Revenues & T/I	-	-	-	900,000	-	-	-	-	**900,000**
Expenditures & T/O	-	-	-	900,000	-	-	-	-	**900,000**
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ENDING BALANCE	**121,019**	**120,149**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ROADWAY SAFETY PROJECTS

Project Name	Prospect/Saratoga Median Improvements	**Project Number**	9122-006
Department	Public Works	**Project Manager**	John Cherbone

Description

Improve Prospect/Saratoga Avenue (PSA) corridor through the addition of roadway medians, sidewalks, ADA ramps, bicycle loops at intersections, and increase pedestrian and bicycle access.

Location

Project work will occur along a 1.9 mile section of Prospect Road between Saratoga/Sunnyvale Rd and Lawrence Expressway, and along a 1.3 mile section of Saratoga Ave between Highway 85 to the City Limits to the north.

Project Background

This project will improve safety of the road by physically reducing the width of the road, channeling vehicles into defined turn lanes, reducing the threat of vehicles crossing the center lane, and creating safer pedestrian crossings. Improvements will also be made to existing pedestrian, bicycle and VTA bus stop facilities, thereby enhancing pedestrian accessibility and providing a safe and convenient walking and bicycling experience. The scope of the project includes the following:

- Installment of sidewalk at several identified gaps, and several ADA compliant ramps at several crosswalks.
- Upgrades to existing signalized intersections with audible signals for the visually impaired, and repairs and ADA upgrades to existing curb ramps.
- Installment of bicycle detector loops at all the signalized intersections within the project limits, and "Green" bike lanes at the heavy congested intersections at Prospect Rd/Saratoga Sunnyvale Rd and Prospect Rd/Lawrence Expressway.
- Installment of new bus shelters at all the VTA bus stops within the project limits total of (14) bus stops, and bus pads at all the bus stops.
- A new median with landscaping will be installed between Lawrence Expressway and Saratoga Ave.
- A continuous Class II bike lane is provided along the entire length of the segment.

This project is funded by a $4.2 million OBAG grant and City matching funds in the amount of $544,825 from the Gas Tax fund.

Operating Budget Impacts

Project management, engineering oversight, and grant reporting staff costs for this project are incorporated into the operating budget. Once completed, there will be a minimal increase in maintenance costs. However, the improvements will increase safety for pedestrians, bicyclists and commuters, reduce accidents, and, therefore, reduce liability risk.

ROADWAY SAFETY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	April 2015	Prepare plans and specifications
Begin Bid Process	February 2016	Council authorizes bidding the project
Contract Awarded	April 2016	Council approved vendor
Estimated Construction Start	May 2016	Construction project begins
Estimated Completion Date	December 2016	Project is completed

PROSPECT/SARATOGA MEDIAN IMPROVEMENTS 9122-006

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP GRANT FUND									
State - BEP Grant	-	-	-	4,206,000	-	-	-	-	**4,206,000**
TOTAL	-	-	-	**4,206,000**	-	-	-	-	**4,206,000**
GAS TAX FUND									
Transfer In - Gas Tax Fund	544,825	-	**544,825**	-	-	-	-	-	**544,825**
TOTAL	**544,825**	-	**544,825**	-	-	-	-	-	**544,825**
TOTAL REVENUES	**544,825**	-	**544,825**	**4,206,000**	-	-	-	-	**4,750,825**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP GRANT FUND									
Fees & Expenses	-	40	40	-	-	-	-	-	**40**
Construction Expenses	-	-	-	4,205,960	-	-	-	-	**4,205,960**
TOTAL	-	**40**	**40**	**4,205,960**	-	-	-	-	**4,206,000**
GAS TAX FUND									
Fees & Expenses	-	684	684	-	-	-	-	-	**684**
Consultant/Contract Svs	-	128,495	128,495	-	-	-	-	-	**128,495**
Construction Expenses	-	20,402	20,402	395,244					**415,646**
TOTAL	-	**149,581**	**149,581**	**395,244**	-	-	-	-	**544,825**
TOTAL EXPENDITURES	-	**149,622**	**149,622**	**4,601,203**	-	-	-	-	**4,750,825**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP GRANT FUND									
BEGINNING FUND BAL		-		(40)	-	-	-	-	-
Revenues & T/I	-	-	-	4,206,000	-	-	-	-	**4,206,000**
Expenditures & T/O	-	40	**40**	4,205,960	-	-	-	-	**4,206,000**
ENDING FUND BALANCE	-	**40**	**(40)**	-	-	-	-	-	-
GAS TAX FUND									
BEGINNING BALANCE		544,825		395,244	-	-	-	-	-
Revenues & T/I	544,825	-	**544,825**	-	-	-	-	-	**544,825**
Expenditures & T/O	-	149,581	**149,581**	395,244	-	-	-	-	**544,825**
ENDING FUND BALANCE	**544,825**	**395,244**	**395,244**	-	-	-	-	-	-
ENDING BALANCE	**544,825**	**395,284**	**544,825**	-	-	-	-	-	**544,825**

ROADWAY SAFETY PROJECTS

Project Name	Citywide Signal Upgrade Project - Phase II	**Project Number**	9122-007
Department	Public Works	**Project Manager**	Macedonio Nunez

Description

This project continues the development of a citywide master signal system to standardize and coordinate the City's traffic signals and allow real-time monitoring and control along Saratoga's major traffic corridors. The project also allows for future regional integration.

Location

This is a Citywide project which will incorporate all City owned signals in Saratoga.

Project Background

The City's intersection signal timing settings were last coordinated in approximately 2001. Subsequently, the City of Saratoga received a Regional Signal Timing Program (RSTP) grant from VTA in 2006 to conduct a citywide signal timing study. Phase I of the project included developing updated signal coordination plans during the morning, afternoon, and evening periods for the signalized intersections in the City of Saratoga.

Phase I: Upgrade hardware and software at all City signals, and provide inter-connect hardware with wire and wireless technology. **This phase is complete.**

Phase II: Install Traffic Management System, at City Hall, and communication equipment in all upgraded signals. Inter-connect signals along Coordination Corridors and coordinate with the Management System. Through the use of the Traffic Management System, City engineers will be able to manage signal coordination.

This project is funded by a $400,000 grant from the VTA and a $100,000 transfer from other CIP funds.

Operating Budget Impacts

Project management, engineering, administrative oversight and grant reporting staff costs for this project are incorporated into the operating budget. The new system will reduce call-out expenses for traffic signal repairs as signal timing changes will now be handled in-house by staff.

ROADWAY SAFETY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	April 2016	Prepare plans and specification
Begin Bid Process	April 2016	Council authorizes bidding the project
Contract Awarded	June 2016	Council approves vendor
Estimated Construction Start	July 2016	Construction project begins
Estimated Completion Date	November 2016	Project is completed

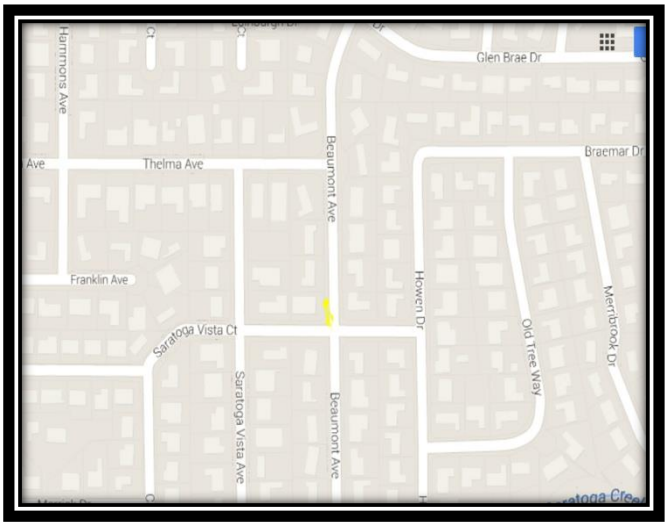
CITYWIDE SIGNAL UPGRADE PROJECT PHASE II 9122-007

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GRANT FUNDS									
Local - VTA Grant	-	-	-	400,000	-	-	-	-	**400,000**
TOTAL	**-**	**-**	**-**	**400,000**	**-**	**-**	**-**	**-**	**400,000**
GAS TAX FUND									
Transfer In - Gas Tax	100,000	-	**100,000**	-	-	-	-	-	**100,000**
TOTAL	**100,000**	**-**	**100,000**	**-**	**-**	**-**	**-**	**-**	**100,000**
TOTAL REVENUES	**100,000**	**-**	**100,000**	**400,000**	**-**	**-**	**-**	**-**	**500,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GRANT FUNDS									
Consultant/Contract Svs	924	41	965	-	-	-	-	-	**965**
Construction Expenses	-	-	-	399,035	-	-	-	-	**399,035**
TOTAL	**924**	**41**	**965**	**399,035**	**-**	**-**	**-**	**-**	**400,000**
GAS TAX FUND									
Consultant/Contract Svs	231	10	241	-	-	-	-	-	**241**
Construction Expenses	-	-	-	99,759	-	-	-	-	**99,759**
TOTAL	**231**	**10**	**241**	**99,759**	**-**	**-**	**-**	**-**	**100,000**
TOTAL EXPENDITURES	**1,155**	**52**	**1,207**	**498,793**	**-**	**-**	**-**	**-**	**500,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
GRANT FUNDS									
BEGINNING BALANCE		(924)		(965)	-	-	-	-	**-**
Revenues & T/I	-	-	**-**	400,000	-	-	-	-	**400,000**
Expenditures & T/O	924	41	**965**	399,035	-	-	-	-	**400,000**
ENDING BALANCE	**(924)**	**(965)**	**(965)**	**-**	**-**	**-**	**-**	**-**	**-**
GAS TAX FUND									
BEGINNING FUND BAL	-	99,769		99,759	-	-	-	-	**-**
Revenues & T/I	100,000	-	**100,000**	-	-	-	-	-	**100,000**
Expenditures & T/O	231	10	**241**	99,759	-	-	-	-	**100,000**
ENDING FUND BALANCE	**99,769**	**99,759**	**99,759**	**-**	**-**	**-**	**-**	**-**	**-**
ENDING FUND BALANCE	**98,845**	**98,794**	**100,000**	**-**	**-**	**-**	**-**	**-**	**100,000**

ROADWAY SAFETY PROJECTS



Project Name	Beaumont Avenue Traffic Circle	**Project Number**	9122-009
Department	Public Works	**Project Manager**	John Cherbone

Description This project will fund the installation of a traffic circle on Beaumont Avenue.

Location The traffic circle would be located at the intersection of Beaumont Avenue and Saratoga Vista Court.

Project Background Beaumont Avenue is a two-lane collector street that extends north-south between Herriman Avenue and Glasgow Drive. The posted speed limit on Beaumont Avenue is 25 mph. Over the past decade, there have been a handful of residents living on Beaumont Avenue or near Beaumont Avenue who have spoken at the Traffic Safety Commission (TSC) expressing their concerns about traffic safety and speeding vehicles in that area. In the last 2 years, the issue of speeding at Beaumont has been discussed by the TSC at four separate meetings.

Residents have requested speed bumps, traffic signals and stops signs for that area. The City's traffic engineer has stated that there are not enough warrants to justify these specific traffic calming methods at this location. In 2013, the City conducted its regularly scheduled speed survey and the 85th percentile speeds were observed to be approximately 35 miles per hour on Beaumont Avenue between Herriman Avenue and Glasgow Drive.

The observed speeds would indicate that the speed limit should be posted at 35 mph. The observed speeds have increased by 2-3 miles per hour since the last speed survey was conducted in 2006. In order for traffic deputies to enforce the speed in that area, the speed limits posted would have to be increased to reflect the 85th percentile speeds. At this time, the City has not made any decisions to increase posted speed limits at various residential collector streets. City staff recommends placing a traffic circle in that location to reduce vehicle speeds.

This project is funded by a transfer from the General Fund.

Operating Budget Impacts Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget.

ROADWAY SAFETY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	December 2015	Prepare plans and specification
Begin Bid Process	May 2016	Council authorizes bidding the project
Contract Awarded	June 2016	Council approves vendor
Estimated Construction Start	July 2016	Construction project begins
Estimated Completion Date	August 2016	Project is completed

BEAUMONT AVENUE TRAFFIC CIRCLE 9122-009

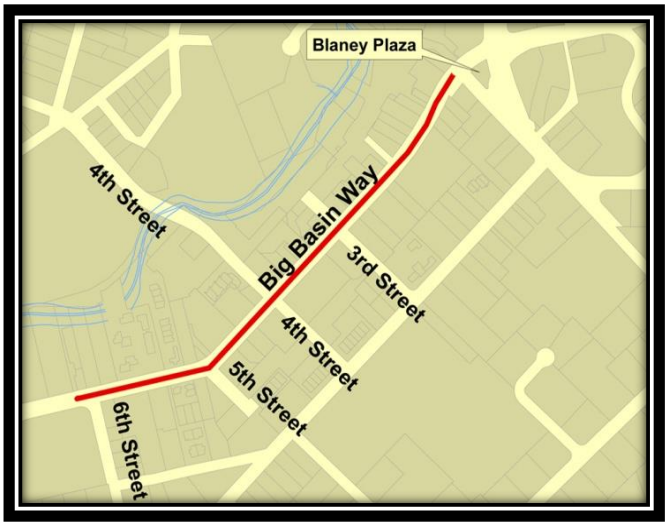
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	-	30,000	30,000	-	-	-	-	-	**30,000**
TOTAL REVENUES	**-**	**30,000**	**30,000**	**-**	**-**	**-**	**-**	**-**	**30,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	-	-	30,000	-	-	-	-	**30,000**
TOTAL EXPENDITURES	**-**	**-**	**-**	**30,000**	**-**	**-**	**-**	**-**	**30,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		-		30,000	-	-	-	-	-
Revenues & T/I	-	30,000	30,000	-	-	-	-	-	**30,000**
Expenditures & T/O	-	-	-	30,000	-	-	-	-	**30,000**
ENDING BALANCE	**-**	**30,000**	**30,000**	**-**	**-**	**-**	**-**	**-**	**-**

STREET LANDSCAPE & BEAUTIFICATION IMPROVEMENTS

STREET LANDSCAPE & BEAUTIFICATION IMPROVEMENTS



Project Name	Village LED Street Lights	**Project Number**	9138-001
Department	Public Works	**Project Manager**	Macedonio Nunez

Description Replacement of existing High Pressure Sodium (HPS) street lights with LED lights in the Village.

Location This project is located in Saratoga Village.

Project Background The Federal Energy Independence and Security Act of 2007 established the Energy Efficiency Community Block Grant (EECBG) program. The purpose of this program is to reduce fossil fuel emissions in an environmentally sustainable manner, reduce energy consumption, and improve energy efficiency in the building, transportation, and other appropriate sectors. The program received funding as a result of the passage of the American Recovery and Reinvestment Act of 2009.

Large municipalities, Indian tribes, and states received a direct allocation of EECBG funds for energy efficiency projects. Each state also received money to be allocated to small cities and counties. The California Energy Commission is responsible for distributing monies to small California municipalities.

Saratoga was eligible to receive just over $169,000 for cost effective energy efficiency projects. In December 2009, Council adopted a resolution authorizing use of these funds to replace the current High Pressure Sodium street lights in the Village with light-emitting diode (LED) street lights.

In addition, $250,900 of the CMAQ grant awarded for Village Pedestrian Enhancements projects has been designated for this phase of the project. The required local match for this grant is funded from the City's CIP funds.

Operating Budget Impacts This project will reduce City expenses for electricity and staff time spent maintaining the street lights in the Village. Previously, the City spent $5,000 per year to maintain the High Pressure Sodium lights in the Village area. The LED lights have a much longer lifespan than High Pressure Sodium lights, so both regular maintenance and replacement expenses decreased. Additionally, the City will use 50% less energy to power the street lights in the Village and switch to a lower PG&E billing rate. The City may also qualify for a small project rebate from PG&E for upgrading the Village street lights. Staff time for project oversight is included in the operating budget.

STREET LANDSCAPE & BEAUTIFICATION IMPROVEMENTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Submit Grant	January 2010	City submits EECBG grant application
Contract Award	April 2012	Award construction contract
Estimated Construction Start	May 2012	Construction project begins
Estimated Completion Date	July 2012	Final reports submitted to the CEC
Project Completion	July 2015	Project completed. Final administrative tasks nearly complete

VILLAGE LED STREET LIGHTS 9138-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - Other CIP	32,500	-	32,500	-	-	-	-	-	**32,500**
TOTAL STREET FUND	**32,500**	**-**	**32,500**	**-**	**-**	**-**	**-**	**-**	**32,500**
STREET GRANT FUND									
Federal - Energy Comm PT	378,234	1,328	**379,561**	37,201	-	-	-	-	**416,762**
TOTAL GRANT FUND	**378,234**	**1,328**	**379,561**	**37,201**	**-**	**-**	**-**	**-**	**416,762**
TOTAL REVENUES	**410,734**	**1,328**	**412,061**	**37,201**	**-**	**-**	**-**	**-**	**449,262**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Fees & Expenses	534	-	534	-	-	-	-	-	**534**
Consultant/Contract Svs	172	172	345	-	-	-	-	-	**345**
Construction Expenses	26,786	-	26,786	4,835	-	-	-	-	**31,621**
TOTAL STREET FUND	**27,493**	**172**	**27,665**	**4,835**	**-**	**-**	**-**	**-**	**32,500**
GRANT FUND									
Materials & Supplies	143,439	-	143,439	-	-	-	-	-	**143,439**
Fees & Expenses	1,749	-	1,749	-	-	-	-	-	**1,749**
Consultant/Contract Svs	6,953	1,328	8,280	-	-	-	-	-	**8,280**
Construction Expenses	206,483	-	206,483	37,201	-	-	-	-	**243,684**
Reimbursable Expenses	19,611	-	19,611	-	-	-	-	-	**19,611**
TOTAL GRANT FUND	**378,234**	**1,328**	**379,561**	**37,201**	**-**	**-**	**-**	**-**	**416,763**
TOTAL EXPENDITURES	**405,727**	**1,500**	**407,227**	**42,036**	**-**	**-**	**-**	**-**	**449,263**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
BEGINNING BALANCE		5,007		4,835	-	-	-	-	-
Revenues & T/I	32,500	-	**32,500**	-	-	-	-	-	**32,500**
Expenditures & T/O	27,493	172	**27,665**	4,835	-	-	-	-	**32,500**
ENDING BALANCE	**5,007**	**4,835**	**4,835**	**-**	**-**	**-**	**-**	**-**	**-**
GRANT FUND									
BEGINNING BALANCE		-		-	-	-	-	-	-
Revenues & T/I	378,234	1,328	**379,561**	37,201	-	-	-	-	**416,762**
Expenditures & T/O	378,234	1,328	**379,561**	37,201	-	-	-	-	**416,763**
ENDING BALANCE	-	-	-	-	-	-	-	-	-

SIDEWALKS, CURBS & STORM DRAINS

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Annual Sidewalk Repairs	**Project Number**	9141-001
Department	Public Works	**Project Manager**	Rick Torres

Description This project provides annual funding to maintain the City's sidewalks.

Location This project is conducted at various locations throughout the City.

Project Background Each year, staff conducts assessments of the City's sidewalks to identify areas of sidewalk in need of repair. Priority repair is established for damaged areas or those that present a tripping hazard.

Work is conducted continuously throughout the year. Most work is performed by contractors; however, staff will address smaller projects or those that require immediate attention. Approximately 35,000 square feet of sidewalk is repaired each year. There are approximately 17 linear miles of sidewalk in Saratoga.

Sidewalk repairs ensure that the City's sidewalks are maintained in good condition, minimizing the need for larger and more costly improvement projects in the future. Additionally, repairs to City sidewalks minimize tripping hazards and reduce liability risk.

This project is funded by an annual transfer of $50,000 from the General Fund.

In FY15/16 this project will be closed out and any balance remaining will be transferred into the Infrastructure Maintenance project.

Operating Budget Impacts Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Invite contractors to bid on the project
Contract Awarded	Ongoing	Vendor selected
Estimated Construction Start	Ongoing	Annual construction project begins
Estimated Completion Date	June 2016	Annual repairs completed

ANNUAL SIDEWALK REPAIRS 9141-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - GF	481,105	50,000	531,105	-	-	-	-	-	**531,105**
Transfers In - Other CIP	1,581	-	1,581	-	-	-	-	-	**1,581**
TOTAL REVENUES	**482,686**	**50,000**	**532,686**	**-**	**-**	**-**	**-**	**-**	**532,686**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Fees & Expenses	312	-	312	-	-	-	-	-	**312**
Consultant/Contract Svs	675	-	675	-	-	-	-	-	**675**
Construction Expenses	434,997	56,152	491,149	-	-	-	-	-	**491,149**
Transfers Out	-	40,550	40,550	-	-	-	-	-	**40,550**
TOTAL EXPENDITURES	**435,984**	**96,702**	**532,686**	**-**	**-**	**-**	**-**	**-**	**532,686**

		FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING FUND BAL		46,702		-	-	-	-	-	-
Revenues & T/I	482,686	50,000	**532,686**	-	-	-	-	-	**532,686**
Expenditures & T/O	435,984	96,702	**532,686**	-	-	-	-	-	**532,686**
ENDING BALANCE	**46,702**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Annual Storm Drain Upgrades	**Project Number**	9141-002
Department	Public Works	**Project Manager**	Rick Torres

Description This project funds repairs and upgrades to the City's storm drains.

Location This project encompasses storm drains located throughout the City.

Project Background The City's storm drain system is approximately 45 miles long with 2,600 storm drains located throughout the City. Maintenance work is conducted by contractors.

Storm drains are inspected by the City of Saratoga Public Works Department and West Valley Sanitation District to identify failures, or potential failures. Sections of storm drains that have failed, which often results in flooding, are either replaced or repaired to prevent future failure. Frequently, corrugated metal pipe corrodes and is replaced with plastic or plastic lined pipes that are protected from rust and, therefore, have a longer lifespan.

Annual upgrades and repairs to the City's storm drains helps to keep them functioning properly, thereby reducing expenses associated with failed storm drains. Failed storm drains often result in floods that can cause significant damage, including sink holes in roadways, and damage to private property. Maintaining storm drains in good operating condition protects the City from additional repair and liability costs.

This project is funded by an annual transfer of $50,000 from the General Fund.

In FY15/16 this project will be closed out and any balance remaining will be transferred into the Infrastructure Maintenance project.

Operating Budget Impacts Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Invite contractors to bid on the project
Contract Awarded	Ongoing	Vendor selected
Estimated Construction Start	Ongoing	Annual construction project begins
Estimated Completion Date	June 2016	Annual repairs completed

ANNUAL STORM DRAIN UPGRADES 9141-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Project Reimbursement	1,413	-	1,413	-	-	-	-	-	**1,413**
Transfers In - Other CIP	10,786	-	10,786	-	-	-	-	-	**10,786**
Transfers In - General Fund	361,313	50,000	411,313	-	-	-	-	-	**411,313**
TOTAL REVENUES	**373,512**	**50,000**	**423,512**	**-**	**-**	**-**	**-**	**-**	**423,512**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2011/12	2012/13	2013/14	2014/15	Total Project Expended
CIP STREET FUND									
Materials & Supplies	3,510	4,067	7,577	-	-	-	-	-	**7,577**
Fees & Expenses	1,977	-	1,977	-	-	-	-	-	**1,977**
Consultant/Contract Svs	416	-	416	-	-	-	-	-	**416**
Construction Expenses	358,257	50,370	408,627	-	-	-	-	-	**408,627**
Transfers Out	-	4,915	4,915	-	-	-	-	-	**4,915**
TOTAL EXPENDITURES	**364,160**	**59,352**	**423,512**	**-**	**-**	**-**	**-**	**-**	**423,512**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2011/12	2012/13	2013/14	2014/15	Total Project Activity
CIP STREET FUND									
BEGINNING FUND BAL		9,352		-	-	-	-	-	-
Revenues & T/I	373,512	50,000	423,512	-	-	-	-	-	**423,512**
Expenditures & T/O	364,160	59,352	423,512	-	-	-	-	-	**423,512**
ENDING FUND BALANCE	**9,352**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Curb and Gutter Maintenance and Repairs	**Project Number**	9141-004
Department	Public Works	**Project Manager**	Rick Torres

Description This project funds the repair and replacement of curbs and gutters.

Location This project is located citywide.

Project Background This project represents an initial commitment of $50,000 to fund the repair and replacement of curbs and gutters. Specific locations that require curb and gutter improvements have been identified throughout the City. Repairs and replacement are prioritized in coordination with the Annual Street Resurfacing program.

Curbs and gutters need to be maintained on a regular basis. Ongoing repairs prevent flooding through improved water runoff. Additionally, well maintained curbs and gutters improve pedestrian and bicycle safety by reducing tripping hazards. Damage to curbs and gutters is most frequently caused by tree roots or impact from a heavy vehicle.

This project is funded by a transfer of $50,000 from the General Fund.

In FY15/16 this project will be closed out and any balance remaining will be transferred into the Infrastructure Maintenance project.

Operating Budget Impacts Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	To Be Determined	Prepare plans and specifications
Begin Bid Process	To Be Determined	Invite contractors to bid on projects
Contract Awarded	To Be Determined	Vendor selected
Estimated Construction Start	To Be Determined	Construction project begins
Estimated Completion Date	June 2016	Repairs completed

CURB AND GUTTER MAINTENANCE AND REPAIRS 9141-004

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	-	50,000	50,000	-	-	-	-	-	**50,000**
Transfers In - Other CIP	-	-	-	-	-	-	-	-	**-**
TOTAL REVENUES	**-**	**50,000**	**50,000**	**-**	**-**	**-**	**-**	**-**	**50,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2011/12	2012/13	2013/14	2014/15	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	38,100	38,100	-	-	-	-	-	**38,100**
Transfers Out	-	11,900	11,900	-	-	-	-	-	**11,900**
TOTAL EXPENDITURES	**-**	**50,000**	**50,000**	**-**	**-**	**-**	**-**	**-**	**50,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2011/12	2012/13	2013/14	2014/15	Total Project Activity
CIP STREET FUND									
BEGINNING FUND BAL		-		-	-	-	-	-	**-**
Revenues & T/I	-	50,000	50,000	-	-	-	-	-	**50,000**
Expenditures & T/O	-	50,000	50,000	-	-	-	-	-	**50,000**
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Annual Infrastructure Maintenance and Repairs	**Project Number**	9141-005
Department	Public Works	**Project Manager**	Rick Torres

Description

This project funds infrastructure maintenance related to sidewalks, curbs and gutters, storm drains and bridges.

Location

This is a citywide project.

Project Background

Storm drains: Storm drains are inspected by the City of Saratoga Public Works Department and West Valley Sanitation District to identify failures, or potential failures. Sections of storm drains that have failed, which often results in flooding, are either replaced or repaired to prevent future failures.

Curbs and Gutters: Curbs and gutters need to be maintained on a regular basis. Ongoing repairs prevent flooding through improved water runoff. Additionally, well maintained curbs and gutters improve pedestrian and bicycle safety by reducing tripping hazards. Damage to curbs and gutters is most frequently caused by tree roots or impact from a heavy vehicle.

Sidewalks: Sidewalk repairs ensure that the City's sidewalks are maintained in good condition, minimizing the need for larger and more costly improvement projects in the future. Additionally, repairs to City sidewalks minimize tripping hazards and reduce liability risk. Approximately 35,000 square feet of sidewalk is repaired each year. There are approximately 17 linear miles of sidewalk in Saratoga.

Bridges: Each year Caltrans inspects all bridges in the state, including 12,200 bridges owned by local government agencies. Caltrans provides repair recommendations, determines the safe load capacity of all bridges, and assists in specifications and estimates for bridge maintenance projects.

Annual upgrades and repairs to the City's various infrastructure helps to keep them functioning properly, thereby reducing expenses associated with failure to those systems.

Operating Budget Impacts

Project management, engineering oversight, and grant reporting staff costs for this project are incorporated into the operating budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	Ongoing	
Begin Bid Process	Ongoing	
Contract award	Ongoing	
Estimated Construction Start	Ongoing	
Estimated Completion Date	Ongoing	

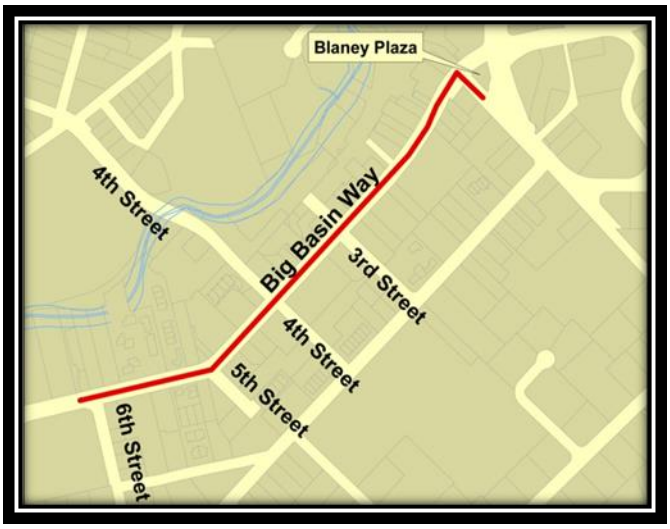
ANNUAL INFRASTRUCTURE MAINTENANCE AND REPAIRS 9141-005

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	-	-	-	200,000	200,000	200,000	200,000	200,000	**1,000,000**
Transfers In - Other CIP	-	88,517	88,517	-	-	-	-	-	**88,517**
TOTAL REVENUES	**-**	**88,517**	**88,517**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**1,088,517**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2011/12	2012/13	2013/14	2014/15	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	-	-	288,517	200,000	200,000	200,000	200,000	**1,088,517**
Transfers Out	-	-	-	-	-	-	-	-	**-**
TOTAL EXPENDITURES	**-**	**-**	**-**	**288,517**	**200,000**	**200,000**	**200,000**	**200,000**	**1,088,517**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2011/12	2012/13	2013/14	2014/15	Total Project Activity
CIP STREET FUND									
BEGINNING FUND BAL		-		88,517	-	-	-	-	**-**
Revenues & T/I	-	88,517	88,517	200,000	200,000	200,000	200,000	200,000	**1,088,517**
Expenditures & T/O	-	-	-	288,517	200,000	200,000	200,000	200,000	**1,088,517**
ENDING FUND BALANCE	**-**	**88,517**	**88,517**	**-**	**-**	**-**	**-**	**-**	**-**

SIDEWALKS, CURBS & STORM DRAINS



Project Name	Village Sidewalk & Pedestrian Enhancements Phase I - Design	**Project Number**	9142-004
Department	Public Works	**Project Manager**	Macedonio Nunez

Description This project funds sidewalk and pedestrian safety improvements in the Village.

Location This project is located in Saratoga Village at Big Basin Way and Highway 9, Big Basin Way and Blaney Plaza, Big Basin Way and 3rd Street, and Big Basin Way and 4th Street.

Project Background In 2008, the City entered into a contract with Gates and Associates for design improvements to the Village that would increase pedestrian safety and the beauty of the City's downtown area. The design included pedestrian bulb-outs and enhanced crosswalks that will make pedestrians more visible to drivers. Plans also included additional landscaping, benches, and bike racks.

Following the award of the contract to Gates and Associations for design work, the City held two community meetings to explain the purpose of the project and to seek public input on the design of the sidewalk and pedestrian improvements. A conceptual design was presented to Council in April 2009 and the detailed design was completed during fiscal year 2009/10. Construction began in the same fiscal year.

Once completed, the project will enhance the appearance of Saratoga Village and, as a result of significant improvements to pedestrian safety, may make it a more popular retail and dining destination.

Operating Budget Impacts Project management, engineering oversight, and grant reporting staff costs for this project are incorporated into the operating budget. The project will result in increased maintenance costs as the City will be responsible for caring for additional landscaping, bulb outs, crosswalks, and other features. However, the project will also make significant improvements to pedestrian safety in the Village by increasing visibility of pedestrians.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	October, 2008	Prepare plans and specifications
Begin Bid Process	April, 2010	Council approves plans and authorizes bidding the project
Contract award	May, 2010	Council awards contract
Estimated Construction Start	June, 2010	Construction project begins
Estimated Completion Date	July, 2015	Project is complete. Final administrative tasks nearly complete

VILLAGE SIDEWALK & PEDESTRIAN IMPROVEMENTS 9142-004

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Contributions / Donations	737,846	-	737,846	-	-	-	-	-	**737,846**
Transfers In - Other CIP	80,764	-	80,764	-	-	-	-	-	**80,764**
TOTAL STREET FUND	**818,610**	**-**	**818,610**	**-**	**-**	**-**	**-**	**-**	**818,610**
GRANT FUND									
State MTC (TDA)	335,184	-	335,184	89,816	-	-	-	-	**425,000**
TOTAL GRANT FUND	**335,184**	**-**	**335,184**	**89,816**	**-**	**-**	**-**	**-**	**425,000**
TOTAL REVENUES	**1,153,793**	**-**	**1,153,793**	**89,816**	**-**	**-**	**-**	**-**	**1,243,610**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Materials & Supplies	33,072	-	33,072	-	-	-	-	-	**33,072**
Fees & Expenses	6,200	-	6,200	-	-	-	-	-	**6,200**
Consultant/Contract Svs	46,523	-	46,523	-	-	-	-	-	**46,523**
Construction Expenses	449,249	-	449,249	-	-	-	-	-	**449,249**
Reimbursable Expenses	1,143	-	1,143	-					**1,143**
Transfers Out	257,363	25,059	282,421	-	-	-	-	-	**282,421**
TOTAL STREET FUND	**793,551**	**25,059**	**818,610**	**-**	**-**	**-**	**-**	**-**	**818,610**
GRANT FUND									
Consultant/Contract Svs	12,202	-	**12,202**	-	-	-	-	-	**12,202**
Construction Expenses	321,808	-	**321,808**	89,816	-	-	-	-	**411,624**
Reimbursable Expenses	1,174	-	**1,174**	-	-	-	-	-	**1,174**
TOTAL GRANT FUND	**335,184**	**-**	**335,184**	**89,816**	**-**	**-**	**-**	**-**	**425,000**
TOTAL EXPENDITURES	**1,128,735**	**25,059**	**1,153,793**	**89,816**	**-**	**-**	**-**	**-**	**1,243,610**

	Prior Year Activity	FY 2015/16 Actuals	Estimated Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
Beginning Balance		25,059		-	-	-	-	-	-
Revenues & T/I	818,610	-	818,610	-	-	-	-	-	**818,610**
Expenditures & T/O	793,551	25,059	818,610	-	-	-	-	-	**818,610**
ENDING FUND BALANCE	**25,059**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
GRANT FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	335,184	-	335,184	89,816	-	-	-	-	**425,000**
Expenditures & T/O	335,184	-	335,184	89,816	-	-	-	-	**425,000**
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ENDING BALANCE	**25,059**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Saratoga Avenue Sidewalk	**Project Number**	9142-005
Department	Public Works	**Project Manager**	Macedonio Nunez

Description This project will install new sections of sidewalk on Saratoga Avenue.

Location New sidewalk sections will be located along Saratoga Avenue between Heritage Oak and Orchard Road.

Project Background Since 1992, the City has been adding new sections of sidewalk along Saratoga Avenue, using Transit Development Act (TDA) funds to create a continuous sidewalk between the Village and Quito Road. Each year, approximately $25,000 of TDA grant funding is awarded. After several years, when sufficient amount of funds have accumulated, the City identifies the pathway sections to complete along Saratoga Avenue and uses the funding to fill these gaps.

Sidewalks offer a number of benefits. They provide a safe path for pedestrians, away from the roadway. The sidewalk also allows residents in wheelchairs or other wheeled devices to travel in the City. Furthermore, extension of the City's sidewalk system increases the City's walk-ability and adds to the recreational opportunities available to residents.

This project has been ongoing since 1992 and will continue until all sidewalk gaps are closed. Additional funding needs to be identified and secured in order to close the final sidewalk gaps located on Saratoga Avenue near La Paloma and Lutheria Way.

Work for this project is conducted by a contractor and managed by City staff.

Operating Budget Impacts Project management, engineering oversight, and grant reporting staff costs for this project are incorporated into the operating budget. The project will make significant improvements to pedestrian safety on Saratoga Avenue. Maintenance costs will increase with the extension of the sidewalk.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	Ongoing	Prepare plans and specifications
Contract Awarded	Ongoing	Vendor selected
Estimated Construction Start	Ongoing	Construction project phase begins
Estimated Completion Date	October 2018	Project is completed

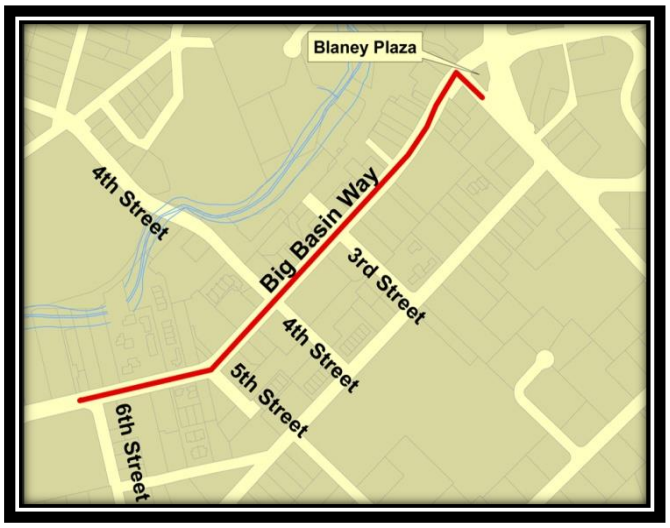
SARATOGA AVENUE SIDEWALK 9142-005

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GRANT FUND									
State MTC (TDA)	213,844	22,753	236,597	23,945	-	-	-	-	**260,542**
TOTAL REVENUES	**213,844**	**22,753**	**236,597**	**23,945**	-	-	-	-	**260,542**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GRANT FUND									
Consultant/Contract Svs	6,745	855	7,600	-	-	-	-	-	**7,600**
Construction Expenses	197,155	4,800	201,955	50,261	-	-	-	-	**252,215**
Reimbursable Expenses	727	-	727	-	-	-	-	-	**727**
TOTAL EXPENDITURES	**204,626**	**5,655**	**210,281**	**50,261**	-	-	-	-	**260,542**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
GRANT FUND									
BEGINNING BALANCE		9,218		26,316	-	-	-	-	-
Revenues & T/I	213,844	22,753	236,597	23,945	-	-	-	-	**260,542**
Expenditures & T/O	204,626	5,655	210,281	50,261	-	-	-	-	**260,542**
ENDING BALANCE	**9,218**	**26,316**	**26,316**	-	-	-	-	-	-

SIDEWALKS, CURBS & STORM DRAINS



Project Name	Village Sidewalk & Pedestrian Enhancements Phase II – Construction	**Project Number**	9142-011
Department	Public Works	**Project Manager**	Macedonio Nunez

Description This project funds the second phase of sidewalk and pedestrian safety improvement construction in the Village.

Location This project is located in Saratoga Village at Big Basin Way and Highway 9 at Blaney Plaza; Big Basin Way and 5th Street; Big Basin Way and 6th Street; and Big Basin Way just past Highway 9.

Project Background The Village is the historical downtown center of Saratoga and is the main corridor for local retail and professional offices. Businesses found along this road include fine restaurants, salons, galleries, home furniture show rooms, bakeries, coffee shops, banks, and delicatessens. As a shopping and dining destination, there is a good deal of pedestrian traffic as shoppers and diners enjoy the Village's ambiance

In 2008, the City entered into a contract with Gates and Associates to design improvements to the Village that would increase pedestrian safety and the beauty of the City's downtown area. The design included pedestrian bulb-outs and enhanced crosswalks that will make pedestrians more visible to drivers. Plans also included additional landscaping, benches, and bike racks.

Following the award of contract with Gates and Associates for design work, the City held two community meetings to explain the purpose of the project and seek public input on the design of the sidewalk and pedestrian improvements. A conceptual design was presented to the City Council in April 2009.

Phase I of construction began in June, 2010. Phase II will continue improvements along Big Basin Way. The project will add more pedestrian bulb-outs, enhanced crosswalks, and other safety improvements in the Village. The improved enhancements to pedestrian safety and appearance of the Saratoga Village may make it a more popular retail and dining destination.

Funding for this project comes from a Federal Congestion Mitigation and Air Quality (CMAQ) grant, and the City's grant match.

Operating Budget Impacts Project management, engineering oversight, and grant reporting staff costs for this project were incorporated into the operating budget. The project will result in increased maintenance costs as the City will be responsible for caring for additional landscaping, bulb outs, crosswalks, and other features.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	May 2011	Prepare plans and specifications
Design Approval	February 2012	Council approves plans
Begin Bid Process	April 2013	Council authorizes bidding the project
Contract Award	August 2013	Council awards contract
Estimated Construction Start	May 2014	Construction project begins
Estimated Completion Date	July 2015	Project is completed

VILLAGE SIDEWALK & PEDESTRIAN ENHANCEMENTS PHASE II – CONSTRUCTION 9142-011

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - Other CIP	345,115	-	345,115	-	-	-	-	-	**345,115**
TOTAL STREET FUND	**345,115**	**-**	**345,115**	**-**	**-**	**-**	**-**	**-**	**345,115**
GRANT FUND									
Federal - CMAQ PT	497,564	152,850	**650,415**	125,685	-	-	-	-	**776,100**
TOTAL GRANT FUND	**497,564**	**152,850**	**650,415**	**125,685**	**-**	**-**	**-**	**-**	**776,100**
TOTAL REVENUES	**842,680**	**152,850**	**995,530**	**125,685**	**-**	**-**	**-**	**-**	**1,121,215**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Materials & Supplies	3,505	-	3,505	-	-	-	-	-	**3,505**
Fees & Expenses	2,484	-	2,484	-	-	-	-	-	**2,484**
Consultant/Contract Svs	5,824	-	5,824	-	-	-	-	-	**5,824**
Construction Expenses	215,522	66,857	282,379	18,424	-	-	-	-	**300,803**
Transfers Out	32,500	-	32,500	-	-	-	-	-	**32,500**
TOTAL STREET FUND	**259,835**	**66,857**	**326,691**	**18,424**	**-**	**-**	**-**	**-**	**345,115**
GRANT FUND									
Materials & Supplies	6,837	-	**6,837**	-	-	-	-	-	**6,837**
Fees & Expenses	610	-	**610**	-	-	-	-	-	**610**
Consultant/Contract Svs	13,261	-	**13,261**	-	-	-	-	-	**13,261**
Construction Expenses	476,857	152,850	**629,707**	125,685	-	-	-	-	**755,392**
TOTAL GRANT FUND	**497,564**	**152,850**	**650,415**	**125,685**	**-**	**-**	**-**	**-**	**776,100**
TOTAL EXPENDITURES	**757,399**	**219,707**	**977,106**	**144,109**	**-**	**-**	**-**	**-**	**1,121,215**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
Beginning Balance		85,281		18,424	-	-	-	-	-
Revenues & T/I	345,115	-	345,115	-	-	-	-	-	**345,115**
Expenditures & T/O	259,835	66,857	326,691	18,424	-	-	-	-	**345,115**
ENDING FUND BALANCE	**85,281**	**18,424**	**18,424**	**-**	**-**	**-**	**-**	**-**	**-**
GRANT FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	497,564	152,850	650,415	125,685	-	-	-	-	**776,100**
Expenditures & T/O	497,564	152,850	650,415	125,685	-	-	-	-	**776,100**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-
ENDING BALANCE	**85,281**	**18,424**	**18,424**	**-**	**-**	**-**	**-**	**-**	**-**

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Arroyo de Arguello Outfall Repair	**Project Number**	9142-012
Department	Public Works	**Project Manager**	Rick Torres

Description This project will replace a 36-inch rusted corrugated metal storm drain outfall pipe at Calabazas Creek.

Location This project is located in Calabazas Creek, approximately 350 feet downstream (north) of Wardell Road along the western bank.

Project Background A site assessment by Santa Clara Valley Water District (SCVWD) staff in 2011 revealed the outfall pipe was corroded and recommended replacement to prevent failure and erosion of creek banks due to flooding.

SCVWD recommends using the Stream Maintenance Program (SMP) permit procedure to fix the outfall, and committed to providing the planning, design, and construction services similar to the Padero Court project. The new outlet pipe will extend the useful life of the storm drain structure.

Although the outfall pipe and storm drain system is owned by the City of Saratoga, SCVWD offered to pay for half of the cost of repairs, as this repair would prevent the failure of the outflow pipe and subsequent stream bank erosion, which would result in an even more costly repair project. The Water District also agreed to manage the project.

This project was completed in Fiscal Year 2014/15. The remaining balance was returned to the Gas Tax fund.

Operating Budget Impacts As the planning, design, and construction services will be managed by SCVWD, the City's engineering staff time will be minimal and, therefore, will not impact the City's operating budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Phase	July 2012	Prepare plans and specifications – completed
Estimated Construction Start	August 2014	Construction Begins
Estimated Completion Date	August 2015	Project is complete.

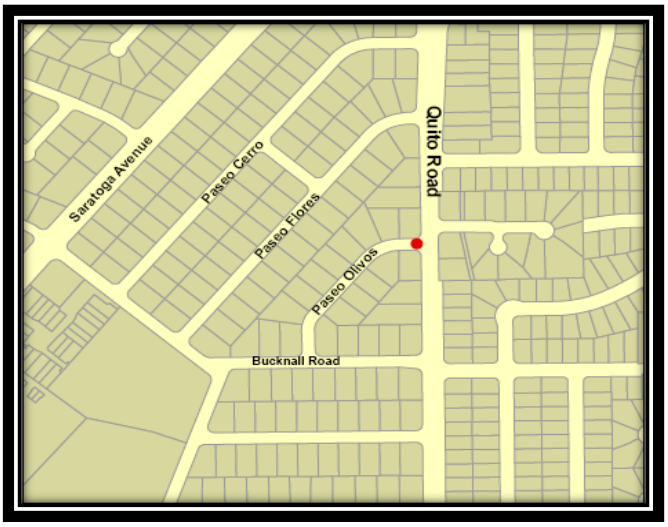
ARROYO DE ARGUELLO OUTFALL REPAIR 9142-012

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GAS TAX FUND									
Transfers In - Gas Tax	70,000	-	**70,000**	-	-	-	-	-	**70,000**
TOTAL GAS TAX FUND	**70,000**	-	**70,000**	-	-	-	-	-	**70,000**
TOTAL REVENUES	**70,000**	-	**70,000**	-	-	-	-	-	**70,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GAS TAX FUND									
Construction Expenses	36,122	-	**36,122**	-	-	-	-	-	**36,122**
Transfers Out	-	33,878	**33,878**	-	-	-	-	-	**33,878**
TOTAL GAS TAX FUND	**36,122**	**33,878**	**70,000**	-	-	-	-	-	**70,000**
TOTAL EXPENDITURES	**36,122**	**33,878**	**70,000**	-	-	-	-	-	**70,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
GAS TAX FUND									
Beginning Balance		33,878		-	-	-	-	-	-
Revenues & T/I	70,000	-	70,000	-	-	-	-	-	**70,000**
Expenditures & T/O	36,122	33,878	70,000	-	-	-	-	-	**70,000**
ENDING BALANCE	**33,878**	-	-	-	-	-	-	-	-

SIDEWALKS, CURBS & STORM DRAINS



Project Name	Quito Road Paseo Olivos Curb and Gutter	**Project Number**	9142-013
Department	Public Works	**Project Manager**	Rick Torres

Description

This project will install new curb and gutter and replace ruined asphalt at Quito Road and Paseo Olivos.

Location

This project is located on the southwest and northwest corners of Quito Road and Paseo Olivos.

Project Background

There are currently no storm drains installed on the corner of Quito Road and Paseo Olivos. As a result, water collects at the corner, creating potential traffic hazards, and undermines the roadway. This project will install two new storm drains and connect them to the City of San Jose's existing storm water system.

The City of Saratoga must obtain an encroachment permit from the City of San Jose before it can begin the project. Previous estimates to the timeline have been revised due to delays in obtaining the necessary permits from the City of San Jose.

For Fiscal Year 2016/17, the scope of this project is being changed from a storm drain project to a curb and gutter project. In order to obtain an encroachment permit from the City of San Jose, the city would have to install a new manhole cover providing access to the new storm drain pipes. This installation would have increased the cost of the project exceeding the amount authorized. The revised project will install a gutter through the intersection of Paseo Olivos and Quito Road allowing the water to runoff into an existing City storm drain located north of this intersection.

This project has been funded with Gas Tax revenues.

Operating Budget Impacts

Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget. The installation of the two storm drains will diminish the need for continuous repair of ruined asphalt and reduce City liability risk.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	July 2013	Prepare Plans & Specifications
Obtain Permits	September 2015	Apply for Encroachment Permit from City of San Jose
Contract Award	June 2015	Vendor selected
Estimated Construction Start	August 2016	Construction project begins
Estimated Completion Date	September 2016	Project is complete

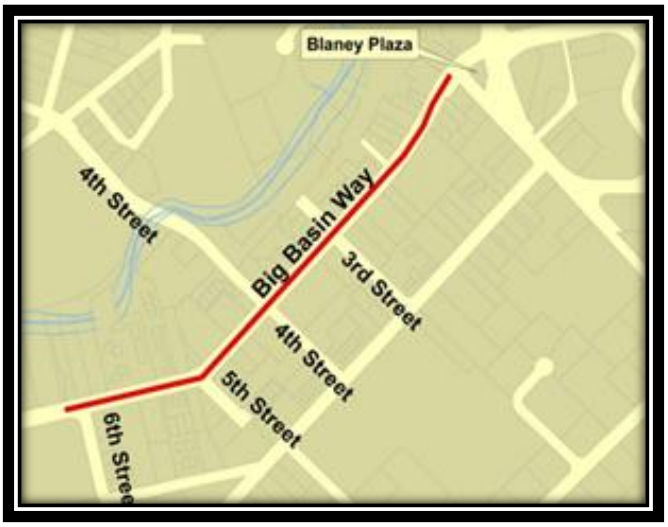
QUITO ROAD PASEO OLIVOS STORM DRAIN 9142-013

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GAS TAX FUND									
Transfers In Gas Tax	40,000	-	**40,000**	-	-	-	-	-	**40,000**
TOTAL GAS TAX FUND	**40,000**	-	**40,000**	-	-	-	-	-	**40,000**
TOTAL REVENUES	**40,000**	-	**40,000**	-	-	-	-	-	**40,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GAS TAX FUND									
Construction Expenses	-	-	-	40,000	-	-	-	-	**40,000**
TOTAL GAS TAX FUND	-	-	-	**40,000**	-	-	-	-	**40,000**
TOTAL EXPENDITURES	-	-	-	**40,000**	-	-	-	-	**40,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
GAS TAX FUND									
Beginning Balance		40,000		40,000	-	-	-	-	-
Revenues & T/I	40,000	-	40,000	-	-	-	-	-	**40,000**
Expenditures & T/O	-	-	-	40,000	-	-	-	-	**40,000**
Ending Balance	**40,000**	**40,000**	**40,000**	-	-	-	-	-	-
ENDING BALANCE	**40,000**	**40,000**	**40,000**	-	-	-	-	-	-

SIDEWALKS, CURBS & STORM DRAINS



Project Name	Big Basin Way Sidewalk Repairs	**Project Number**	9142-014
Department	Public Works	**Project Manager**	John Cherbone

Description

This project will repair and replace sidewalk, curb, and gutter along Big Basin Way, on an as needed basis, to reduce tripping hazards and beautify the village.

Location

This project is located on Big Basin Way between 6th street and Hwy 9.

Project Background

The Village is the historical downtown center of Saratoga and is the main corridor for local retail and professional offices. Businesses found along this thoroughfare road include fine restaurants, salons, galleries, home furniture show rooms, wine tasting rooms, bakeries, banks, and delis. As a shopping and dining destination, there is a good deal of pedestrian traffic as shoppers and diners enjoy the Village's ambiance.

This project is intended to improve patron safety along this major active corridor and enhance Saratoga's pedestrian-friendly environment through ensuring a safe and convenient walking experience. This project provides funding for removal and replacement of any sidewalk, curb, and gutter along the Saratoga Village that is deteriorating, or considered a potential tripping hazard.

This project is funded through a $163,000 STP OBAG grant and gas tax revenues of $20,990.

Operating Budget Impacts

Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget. Staff time and material costs for minor repairs will be eliminated, and liability risks will be reduced with the infrastructure in new condition and in compliance with current standards.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Phase	September 2015	Prepare plans and specifications
Contract Award	May 2016	Council awards contract
Estimated Construction Start	June 2016	Construction Begins
Estimated Completion Date	September 2016	Project is completed

BIG BASIN WAY SIDEWALK REPAIRS 9142-014

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GRANT FUND									
State - STP OBAG Grant	-	-	-	163,000	-	-	-	-	**163,000**
TOTAL GRANT FUND	-	-	-	**163,000**	-	-	-	-	**163,000**
GAS TAX FUND									
Gas Tax	20,990	-	**20,990**	-	-	-	-	-	**20,990**
TOTAL GAS TAX FUND	**20,990**	-	**20,990**	-	-	-	-	-	**20,990**
TOTAL REVENUES	**20,990**	-	**20,990**	**163,000**	-	-	-	-	**183,990**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GRANT FUND									
Construction Expenses	-	-	-	163,000	-	-	-	-	**163,000**
TOTAL GRANT FUND	-		-	**163,000**	-	-	-	-	**163,000**
GAS TAX FUND									
Construction Expenses	-	-	-	20,990	-	-	-	-	**20,990**
TOTAL GAS TAX FUND	-	-	-	**20,990**	-	-	-	-	**20,990**
TOTAL EXPENDITURES	-	-	-	**183,990**	-	-	-	-	**183,990**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP GRANT FUND									
Beginning Balance		-	-	-	-	-	-	-	-
Revenues & T/I	-	-	-	163,000	-	-	-	-	**163,000**
Expenditures & T/O	-	-	-	163,000	-	-	-	-	**163,000**
Ending Balance	-	-	-	-	-	-	-	-	-
GAS TAX FUND									
Beginning Balance		-		20,990	-	-	-	-	-
Revenues & T/I	-	-	**20,990**	-	-	-	-	-	**20,990**
Expenditures & T/O	-	-	-	20,990	-	-	-	-	**20,990**
Ending Balance	-	-	**20,990**	-	-	-	-	-	-
ENDING BALANCE	-	-	**20,990**	-	-	-	-	-	-

SIDEWALKS, CURBS & STORM DRAINS

Project Name	El Camino Grande Storm Drain Pump	**Project Number**	9142-015
Department	Public Works	**Project Manager**	John Cherbone

Description This project will install a storm drain system at El Camino Grande.

Location This project is located on El Camino Grande, Saratoga-Los Gatos Road, Austin Way and Bountiful Acres Way.

Project Background This is the second part of the Monte Vista Drive/El Camino Grande area storm drain improvements. This section of the roadway receives a large amount of storm water runoff from Monte Vista Drive. There is no storm drain system and without a proper storm drain system, flooding could occur resulting in erosion and possible street failure. A revised estimate due to an increase in scope increased the cost of the project from an estimated $150,000 to $361,000.

This project is funded by a $255,000 transfer from the General Fund. A request for additional funding will be made next fiscal year.

Operating Budget Impacts Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Phase	February 2016	Prepare plans and specifications
Prepare Agreements	April 2016	Prepare Agreements
Estimated Construction Start	August 2016	Begin Construction
Estimated Completion Date	October 2016	Project Complete

EL CAMINO GRANDE STORM DRAIN PUMP 9142-015

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	150,000	-	150,000	105,000	-	-	-	-	**255,000**
TOTAL REVENUES	**150,000**	**-**	**150,000**	**105,000**	**-**	**-**	**-**	**-**	**255,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Consultant/Contract Svs	-	7,013	7,013	-	-	-	-	-	**7,013**
Construction Expenses	-	-	-	247,988	-	-	-	-	**247,988**
TOTAL EXPENDITURES	**-**	**7,013**	**7,013**	**247,988**	**-**	**-**	**-**	**-**	**255,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		150,000		142,988	-	-	-	-	-
Revenues & T/I	150,000	-	150,000	105,000	-	-	-	-	**255,000**
Expenditures & T/O	-	7,013	7,013	247,988	-	-	-	-	**255,000**
ENDING BALANCE	**150,000**	**142,988**	**142,988**	**-**	**-**	**-**	**-**	**-**	**-**

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Saratoga Hills Storm Drain Improvements	**Project Number**	9142-016
Department	Public Works	**Project Manager**	Iveta Harvancik

Description This project will improve the existing storm drain system at the corner of Saratoga Hills Road and Pontiac Avenue.

Location This project is located on Saratoga Hills Road near Pontiac Avenue.

Project Background This area receives a large amount of storm water runoff from Saratoga Hills Road and the existing drain inlet's capacity is inadequate to accommodate the high amount of runoff. Without a proper storm drain system, flooding could occur resulting in erosion and possible street failure.

This project is funded by a $44,000 transfer from the General Fund.

Operating Budget Impacts Costs associated with engineering, administrative and staff time for oversight and implementation of the project are incorporated into the operating budget. Ongoing maintenance costs are included in the West Valley Sanitation District contract.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Phase	July 2015	Prepare plans and specifications
Prepare Agreements	September 2015	Prepare agreements
Estimated Construction Start	January 2016	Begin construction
Estimated Completion Date	March 2016	Project Complete

SARATOGA HILLS STORM DRAIN IMPROVEMENTS 9142-016

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	-	44,000	44,000	-	-	-	-	-	**44,000**
TOTAL REVENUES	**-**	**44,000**	**44,000**	**-**	**-**	**-**	**-**	**-**	**44,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	12,435	12,435	-	-	-	-	-	**12,435**
Transfers Out	-	31,565	31,565	-	-	-	-	-	**31,565**
TOTAL EXPENDITURES	**-**	**44,000**	**44,000**	**-**	**-**	**-**	**-**	**-**	**44,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		-		-	-	-	-	-	-
Revenues & T/I	-	44,000	44,000	-	-	-	-	-	**44,000**
Expenditures & T/O	-	44,000	44,000	-	-	-	-	-	**44,000**
ENDING BALANCE	-	-	-	-	-	-	-	-	-

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Long-Term Trash Plan Storm Drain Capture Devices	**Project Number**	9142-017
Department	Public Works	**Project Manager**	Mainini Cabute

Description

This project will install 15 storm drain full capture devices in areas that have the highest density of trash to implement the City's Long Term Trash Plan (LTTP).

Location

Identified locations include Prospect Road, sections of Saratoga-Sunnyvale near Saratoga High School, Sea Gull and Prospect Road, Congress Springs Park and Saratoga Village.

Project Background

The Municipal Regional Stormwater National Pollutant Discharge Elimination System (NPDES) Permit for Phase I communities in the San Francisco Bay (Order R2-2009-0074), also known as the Municipal Regional Permit (MRP), became effective on December 1, 2009. Provision C.10.c of the MRP requires Permittees to submit a *Long-Term Trash Load Reduction Plan* (Long-Term Plan) by February 1, 2014. Long-Term Plans must describe control measures that are currently being implemented, including the level of implementation, and additional control measures that will be implemented and/or require an increased level of implementation designed to attain a 70% trash load reduction by July 1, 2017, and 100% by July 1, 2022.

The City of Saratoga submitted a Long-Term Trash Plan (LTTP) in compliance with MRP provision C.10.c. The goal of the Long-Term Trash Plan is to solve trash problems in receiving waters by reducing the impacts associated with trash in discharges from the City of Saratoga's municipal separate storm sewer system that are regulated by NPDES Permit requirements. The City believes that purchasing and installing 15 storm drain full capture devices will effectively reduce the instances of trash entering the storm drains and flowing into the Bay.

The City developed the LTTP using a regionally consistent outline and guidance developed by the Bay Area Stormwater Management Agencies Association (BASMAA) and reviewed by San Francisco Bay Regional Water Quality Control Board staff.

This project is funded by a $30,000 transfer from the General Fund.

Operating Budget Impacts

This project will require a minimal amount of Street Crew time to inspect full capture devices after each storm to empty out trash from the capture devices. Staff time is funded in the Operating Budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Purchase	December 2015	Purchase full capture devices
Estimated Completion Date	December 2016	Complete installation of capture devices

LONG-TERM TRASH PLAN STORM DRAIN CAPTURE DEVICES 9142-017

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	30,000	-	30,000	-	-	-	-	-	**30,000**
TOTAL REVENUES	**30,000**	-	**30,000**	-	-	-	-	-	**30,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	-	-	30,000	-	-	-	-	**30,000**
TOTAL EXPENDITURES	-	-	-	**30,000**	-	-	-	-	**30,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		30,000		30,000	-	-	-	-	-
Revenues & T/I	30,000	-	30,000	-	-	-	-	-	**30,000**
Expenditures & T/O	-	-	-	30,000	-	-	-	-	**30,000**
ENDING BALANCE	**30,000**	**30,000**	**30,000**	-	-	-	-	-	-

SIDEWALKS, CURBS & STORM DRAINS

Project Name	Wildcat Creek Outfall Repair	**Project Number**	9142-018
Department	Public Works	**Project Manager**	Iveta Harvancik

Description This project will replace a 36-inch rusted corrugated metal storm drain outfall pipe.

Location This project is located at Gardiner Park.

Project Background The City of Saratoga owns the outfall pipe and storm drain structure.

A recent site assessment by Santa Clara Valley Water District (SCVWD) staff revealed the outfall pipe located at Gardiner Park was corroded, and subsequently recommended the outflow pipe be replaced to prevent failure and erosion of creek banks due to flooding.

SCVWD recommends using the Stream Maintenance Program (SMP) permit procedure to fix the outfall, and committed to providing the planning, design, and construction services similar to the Padero Court project. The new outlet pipe will extend the useful life of the storm drain structure.

Although the outfall pipe and storm drain system is owned by the City of Saratoga, SCVWD offered to pay for half of the cost of repairs, as this repair will prevent a failure which would cause stream bank erosion, which would result in an even more costly repair project. The Water District also agreed to manage the project. The Water District will manage the repair project.

The City will reimburse SCVWD for the City's share of the project cost when completed. This project is funded with a transfer from the General Fund.

Operating Budget Impacts As the planning, design, and construction services will be managed by SCVWD, the City's engineering staff time will be minimal and therefore will not impact the City's operating budget.

SIDEWALKS, CURBS & STORM DRAINS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Phase	To Be Determined	SCVWD will design.
Estimated Construction Start	To Be Determined	Construction Begins
Estimated Completion Date	To Be Determined	Project is complete.

WILDCAT CREEK OUTFALL REPAIRS 9142-018

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	40,000	-	40,000	-	-	-	-	-	**40,000**
TOTAL REVENUES	**40,000**	**-**	**40,000**	**-**	**-**	**-**	**-**	**-**	**40,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	-	-	40,000	-	-	-	-	**40,000**
TOTAL EXPENDITURES	**-**	**-**	**-**	**40,000**	**-**	**-**	**-**	**-**	**40,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING BALANCE		40,000		40,000	-	-	-	-	-
Revenues & T/I	40,000	-	40,000	-	-	-	-	-	**40,000**
Expenditures & T/O	-	-	-	40,000	-	-	-	-	**40,000**
ENDING BALANCE	**40,000**	**40,000**	**40,000**	**-**	**-**	**-**	**-**	**-**	**-**

BRIDGE & RETAINING WALL PROJECTS

BRIDGE & RETAINING WALL PROJECTS

Project Name	Fourth Street Bridge Widening	**Project Number**	9152-001
Department	Public Works	**Project Manager**	John Cherbone

Description This project will widen the bridge at 4th Street in Saratoga.

Location This project is located on 4th Street near Wildwood Park in the Saratoga Village.

Project Background The 4th Street Bridge was constructed in 1939 and crosses Saratoga Creek near the entrance to Wildwood Park. This project will widen the bridge to accommodate a sidewalk for pedestrian traffic. Additionally, this project will make structural improvements to bring the bridge in compliance with current standards.

A California Department of Transportation review of Saratoga bridges in 2004 listed the 4th Street Bridge as being in "generally good condition". There are 20 bridges located in the City. Nine of the bridges pass over Saratoga Creek.

Funding for the project comes primarily from the Federal Highway Bridge Replacement and Rehabilitation (HBRR) program. HBRR monies account for 80% of total project costs. The remaining 20% is funded by the City.

Operating Budget Impacts Project management costs are included in the operating budget as staff time in the Engineering and Streets programs. This project will increase safety for pedestrians walking across the 4th Street Bridge and subsequently reduce City liability exposure.

BRIDGE & RETAINING WALL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	May 2013	Prepare plans and specifications
Begin Bid Process	February 2017	Council approves plans and authorizes bidding the project
Contract Award	April 2017	Council awards contract
Estimated Construction Start	April 2017	Construction project begins
Estimated Completion Date	October 2017	Project is completed

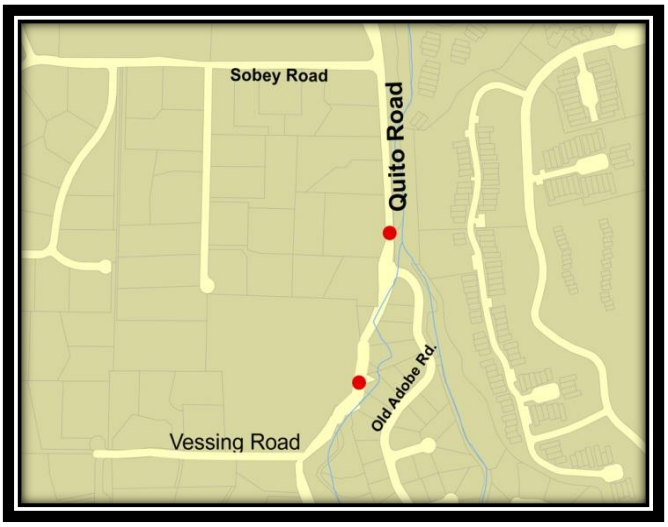
FOURTH STREET BRIDGE WIDENING 9152-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	100,000	-	100,000	-	-	-	-	-	**100,000**
TOTAL STREET FUND	**100,000**	**-**	**100,000**	**-**	**-**	**-**	**-**	**-**	**100,000**
GRANT FUND									
Federal - HBRR	1,078	-	**1,078**	485,922	-	-	-	-	**487,000**
TOTAL GRANT FUND	**1,078**	**-**	**1,078**	**485,922**	**-**	**-**	**-**	**-**	**487,000**
TOTAL REVENUES	**101,078**	**-**	**101,078**	**485,922**	**-**	**-**	**-**	**-**	**587,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	-	-	100,000	-	-	-	-	**100,000**
TOTAL STREET FUND	**-**	**-**	**-**	**100,000**	**-**	**-**	**-**	**-**	**100,000**
GRANT FUND									
Construction Expenses	1,078	-	**1,078**	485,922	-	-	-	-	**487,000**
TOTAL GRANT FUND	**1,078**	**-**	**1,078**	**485,922**	**-**	**-**	**-**	**-**	**487,000**
TOTAL EXPENDITURES	**1,078**	**-**	**1,078**	**585,922**	**-**	**-**	**-**	**-**	**587,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
Beginning Balance		100,000		100,000	-	-	-	-	-
Revenues & T/I	100,000	-	100,000	-	-	-	-	-	**100,000**
Expenditures & T/O	-	-	-	100,000	-	-	-	-	**100,000**
ENDING FUND BALANCE	**100,000**	**100,000**	**100,000**	**-**	**-**	**-**	**-**	**-**	**-**
GRANT FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	1,078	-	1,078	485,922	-	-	-	-	**487,000**
Expenditures & T/O	1,078	-	1,078	485,922	-	-	-	-	**487,000**
ENDING FUND BALANCE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ENDING BALANCE	**100,000**	**100,000**	**100,000**	**-**	**-**	**-**	**-**	**-**	**-**

BRIDGE & RETAINING WALL PROJECTS



Project Name	Quito Road Bridges – Project Engineering	**Project Number**	9152-002
Department	Public Works	**Project Manager**	Macedonio Nunez

Description

This project funds removal and replacement of two bridges on Quito Road.

Location

This project is located on two sections of Quito Road along the border of Saratoga and Los Gatos.

Project Background

The California Department of Transportation (Caltrans) conducted a structural assessment of the two bridges on Quito Road and rated them in need of replacement. Additionally, the bridges are not wide enough to meet current Caltrans standards for roadway size.

This project will rebuild the bridges, bringing the width of the Quito Road bridges in compliance with State roadway standards, which will ultimately increase safety for people using Quito Road.

Both bridges pass over San Tomas Creek, which flows through Saratoga, Campbell, Los Gatos, Monte Sereno, San Jose, and Santa Clara. As these two bridges fall along the city limit lines of Saratoga and Los Gatos and along the San Tomas Creek, Los Gatos, Saratoga, and the Santa Clara Valley Water District all share in the boundaries and responsibilities.

As Saratoga holds the primary share of allocated responsibility, the City agreed to manage this bridge replacement project. There are a total of 20 bridges in Saratoga. Four of these bridges pass over San Tomas Creek.

The total cost of this project is approximately $5.01 million over three phases. Funding to remove and replace the existing bridges comes primarily from a $4.12 million Federal Highway Bridge Replacement and Rehabilitation (HBRR) Program Grant, and allocated grant match contributions of approximately $300,000 apiece from the Water District, Los Gatos, and Saratoga through a co-operative agreement.

Operating Budget Impacts

Project management, engineering oversight, and grant reporting staff costs for this project are incorporated into the operating budget.

BRIDGE & RETAINING WALL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	January 1996	Prepare plans and specifications
Begin Bid Process	December 2012	Council approves plans and authorizes bidding the project
Contract Award	March 2016	Council awards contract
Estimated Construction Start	April 2016	Construction project begins
Estimated Completion Date	April 2017	Project is completed

QUITO ROAD BRIDGES – PROJECT ENGINEERING 9152-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Project Reimbursements	59,130	129,188	**188,318**	77,510	-	-	-	-	**265,828**
Transfers In - Other CIP	-	15,023	**15,023**	-	-	-	-	-	**15,023**
Transfers In - General Fund	155,659	-	**155,659**	-	-	-	-	-	**155,659**
TOTAL	**214,789**	**144,210**	**358,999**	**77,510**	-	-	-	-	**436,510**
GRANT FUND									
Federal - HBRR	671,600	-	**671,600**	-	-	-	-	-	**671,600**
TOTAL	**671,600**	-	**671,600**	-	-	-	-	-	**671,600**
GAS TAX FUND									
Gas Tax Revenues	129,000	-	**129,000**	-	-	-	-	-	**129,000**
TOTAL	**129,000**	-	**129,000**	-	-	-	-	-	**129,000**
TOTAL REVENUES	**1,015,389**	**144,210**	**1,159,599**	**77,510**	-	-	-	-	**1,237,109**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Site Acquisition & Prep	19,356	-	**19,356**	-	-	-	-	-	**19,356**
Materials & Supplies	165	-	**165**	-	-	-	-	-	**165**
Fees & Expenses	485	-	**485**	-	-	-	-	-	**485**
Consultant/Contract Svs	45,237	-	**45,237**	-	-	-	-	-	**45,237**
Construction Expenses	89,333	-	**89,333**	235,340	-	-	-	-	**324,673**
Reimbursable Expenses	714	-	**714**	-	-	-	-	-	**714**
Transfers Out	-	45,880	**45,880**	-	-	-	-	-	**45,880**
TOTAL	**155,289**	**45,880**	**201,169**	**235,340**	-	-	-	-	**436,510**
GRANT FUND									
Site Acquisition & Prep	104,513	-	**104,513**	-	-	-	-	-	**104,513**
Materials & Supplies	660	-	**660**	-	-	-	-	-	**660**
Fees & Expenses	207	-	**207**	-	-	-	-	-	**207**
Consultant/Contract Svs	182,798	-	**182,798**	-	-	-	-	-	**182,798**
Construction Expenses	366,685	-	**366,685**	-	-	-	-	-	**366,685**
Reimbursable Expenses	16,736	-	**16,736**	-	-	-	-	-	**16,736**
TOTAL	**671,600**	-	**671,600**	-	-	-	-	-	**671,600**
GAS TAX FUND									
Salary & Benefits	-	-	-	-	-	-	-	-	-
Site Acquisition & Prep	11,375	-	**11,375**	-	-	-	-	-	**11,375**
Materials & Supplies	87	-	**87**	-	-	-	-	-	**87**
Fees & Expenses	413	-	**413**	-	-	-	-	-	**413**
Consultant/Contract Svs	110,039	-	**110,039**	-	-	-	-	-	**110,039**
Construction Expenses	-	-	-	7,085	-	-	-	-	**7,085**
TOTAL	**121,915**	-	**121,915**	**7,085**	-	-	-	-	**129,000**
TOTAL EXPENDITURES	**948,804**	**45,880**	**994,684**	**242,425**	-	-	-	-	**1,237,109**

BRIDGE & RETAINING WALL PROJECTS

QUITO ROAD BRIDGES – PROJECT ENGINEERING 9152-002

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
Beginning Balance		59,500		157,830	-	-	-	-	-
Revenues & T/I	214,789	144,210	**358,999**	77,510	-	-	-	-	**436,510**
Expenditures & T/O	155,289	45,880	**201,169**	235,340	-	-	-	-	**436,510**
ENDING FUND BALANCE	**59,500**	**157,830**	**157,830**	-	-	-	-	-	-
GRANT FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	671,600	-	671,600	-	-	-	-	-	**671,600**
Expenditures & T/O	671,600	-	671,600	-	-	-	-	-	**671,600**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-
GAS TAX FUND									
Beginning Balance		7,085		7,085	-	-	-	-	-
Revenues & T/I	129,000	-	129,000	-	-	-	-	-	**129,000**
Expenditures & T/O	121,915	-	121,915	7,085	-	-	-	-	**129,000**
ENDING FUND BALANCE	**7,085**	**7,085**	**7,085**	-	-	-	-	-	-
ENDING BALANCE	**59,500**	**157,830**	**157,830**	-	-	-	-	-	-

BRIDGE & RETAINING WALL PROJECTS

Project Name	Bridge Maintenance and Repairs	**Project Number**	9152-003
Department	Public Works	**Project Manager**	John Cherbone

Description This project will ensure that existing bridges in Saratoga are adequately maintained and that repairs are done in a timely matter.

Location This project is located citywide.

Project Background This project represents an initial $50,000 commitment towards maintenance and repairs of the City's 20 bridges. Each year Caltrans inspects all bridges in the state, including 12,200 bridges owned by local government agencies. Caltrans provides repair recommendations, determines the safe load capacity of all bridges, and assists in specifications and estimates for bridge maintenance projects.

In FY15/16 this project will be closed out and any balance remaining will be transferred into the Infrastructure Maintenance project.

Operating Budget Impacts Engineering and administrative staff time for project management and oversight is incorporated into the operating budget.

BRIDGE & RETAINING WALL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase		Prepare plans and specifications
Begin Bid Process		Select contractor
Contract Award		Award contract
Estimated Construction Start		Begin construction
Estimated Completion Date	June 2016	Project complete

BRIDGE MAINTENANCE AND REPAIRS 9152-003

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	-	50,000	**50,000**	-	-	-	-	-	**50,000**
TOTAL	-	**50,000**	**50,000**	-	-	-	-	-	**50,000**
TOTAL REVENUES	-	**50,000**	**50,000**	-	-	-	-	-	**50,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	3,825	**3,825**	-	-	-	-	-	**3,825**
Transfers Out	-	46,175	**46,175**	-	-	-	-	-	**46,175**
TOTAL	-	**50,000**	**50,000**	-	-	-	-	-	**50,000**
TOTAL EXPENDITURES	-	**50,000**	**50,000**	-	-	-	-	-	**50,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	-	50,000	**50,000**	-	-	-	-	-	**50,000**
Expenditures & T/O	-	50,000	**50,000**	-	-	-	-	-	**50,000**
Ending Balance	-	-	-	-	-	-	-	-	-
ENDING BALANCE	-	-	-	-	-	-	-	-	-

BRIDGE & RETAINING WALL PROJECTS

Project Name	Quito Road Bridges – ROW Acquisition	**Project Number**	9152-004
Department	Public Works	**Project Manager**	John Cherbone

Description This project funds the fair market value acquisition of a minimal amount of right of way easements.

Location This project is located on two sections of Quito Road along the border of Saratoga with Los Gatos.

Project Background The California Department of Transportation (CalTrans) conducted a structural assessment of the two bridges on Quito Road and rated them in need of replacement. Additionally, the bridges are not wide enough to meet current CalTrans standards for roadway use.

This project will rebuild the bridges, bringing the bridge width into compliance with State roadway standards, and ultimately increasing safety for people using Quito Road.

Both bridges pass over San Tomas Aquinas Creek, which flows from the San Francisco Bay in Santa Clara, through San Jose, Campbell, Los Gatos, Monte Sereno, and heads in Saratoga. The two bridges cross the San Tomas Aquinas creek along the city limits of Saratoga and Los Gatos, therefore the cities of Saratoga and Los Gatos, along with the Santa Clara Valley Water District all share in the boundaries and responsibilities of bridge maintenance. A cooperative agreement between the three agencies has been executed with Saratoga named as the lead agency.

The Project Engineering phase of this project has been ongoing and is nearing completion. This phase will fund the acquisition of 4,532 square feet of easements from three privately owned parcels adjoining the existing right of way, in order to meet applicable bridge standards.

The second phase of the project is estimated to cost $400,000 with funding coming from local match contributions from the three cooperating agencies totaling $45,880 and a Federal Highway Bridge Replacement and Rehabilitation (HBBR) Program Grant in the amount of $354,120.

Operating Budget Impacts Engineering and administrative staff time for project management and oversight is incorporated into the operating budget.

BRIDGE & RETAINING WALL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase		Prepare plans and specifications
Begin Bid Process		Select contractor
Contract Award		Award contract
Estimated Construction Start		Begin construction
Estimated Completion Date	June 2016	Project complete

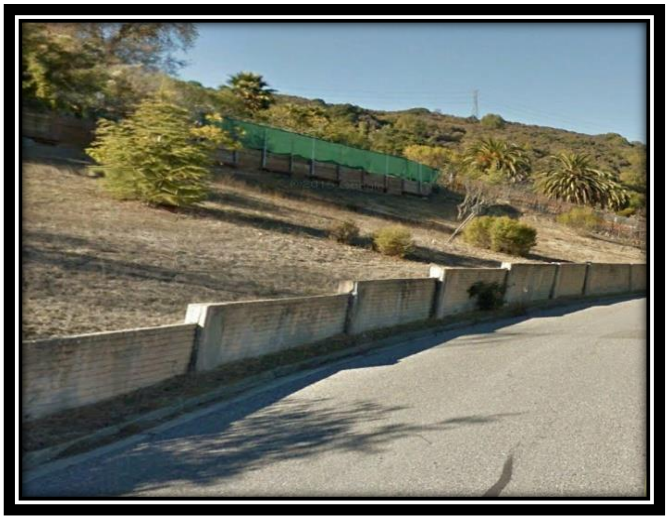
QUITO ROAD BRIDGES – ROW ACQUISITION 9152-004

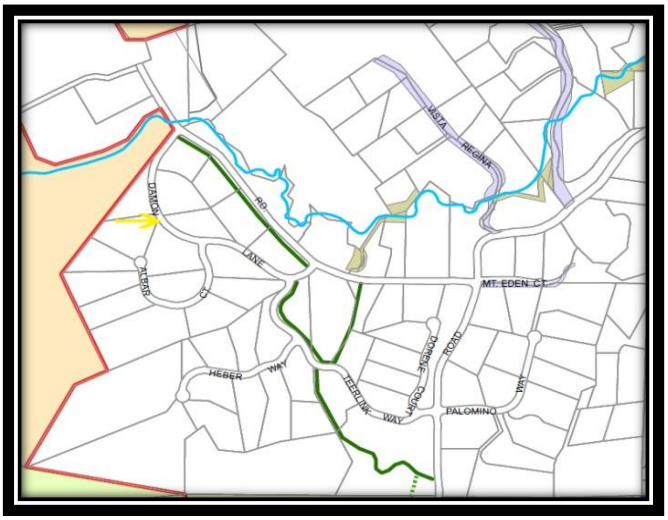
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Project Reimbursements	-	-	-	-	-	-	-	-	-
Transfers In - Other CIP	-	45,880	**45,880**	-	-	-	-	-	**45,880**
TOTAL	-	**45,880**	**45,880**	-	-	-	-	-	**45,880**
GRANT FUND									
Federal - HBRR	-	3,912	**3,912**	350,208	-	-	-	-	**354,120**
TOTAL	-	**3,912**	**3,912**	**350,208**	-	-	-	-	**354,120**
TOTAL REVENUES	-	**49,792**	**49,792**	**350,208**	-	-	-	-	**400,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Site Acquisition & Prep	-	274	**274**	-	-	-	-	-	**274**
Construction Expenses	-	-	-	45,373	-	-	-	-	**45,373**
Reimbursable Expenses	-	233	**233**	-	-	-	-	-	**233**
TOTAL	-	**507**	**507**	**45,373**	-	-	-	-	**45,880**
GRANT FUND									
Site Acquisition & Prep	-	2,116	**2,116**	-	-	-	-	-	**2,116**
Construction Expenses	-	-	-	350,208	-	-	-	-	**350,208**
Reimbursable Expenses	-	1,796	**1,796**	-	-	-	-	-	**1,796**
TOTAL	-	**3,912**	**3,912**	**350,208**	-	-	-	-	**354,120**
TOTAL EXPENDITURES	-	**4,420**	**4,420**	**395,580**	-	-	-	-	**400,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
Beginning Balance		-		45,373	-	-	-	-	-
Revenues & T/I	-	45,880	**45,880**	-	-	-	-	-	**45,880**
Expenditures & T/O	-	507	**507**	45,373	-	-	-	-	**45,880**
ENDING FUND BALANCE	-	**45,373**	**45,373**	-	-	-	-	-	-
GRANT FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	-	3,912	3,912	350,208	-	-	-	-	**354,120**
Expenditures & T/O	-	3,912	3,912	350,208	-	-	-	-	**354,120**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-
ENDING BALANCE	-	**45,373**	**45,373**	-	-	-	-	-	-

BRIDGE & RETAINING WALL PROJECTS





Project Name	Damon Lane Retaining Wall	**Project Number**	9153-003
Department	Public Works	**Project Manager**	John Cherbone

Description	This project will fund the replacement of a retaining wall.
Location	This project is located on Damon Lane in the Mt. Eden Road area.
Project Background	The City Geologist recommends that the wall be replaced as soon as possible due to the high likelihood of failure as the result of it being compromised by a landslide.
Operating Budget Impacts	Engineering and administrative staff time for project management and oversight is incorporated into the operating budget.

BRIDGE & RETAINING WALL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	July 2016	Prepare plans and specifications
Begin Bid Process	September 2016	Select contractor
Contract Award	October 2016	Award contract
Estimated Construction Start	October 2016	Begin construction
Estimated Completion Date	December 2016	Project complete

BRIDGE MAINTENANCE AND REPAIRS 9153-003

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Transfers In - General Fund	-	-	-	190,000	-	-	-	-	**190,000**
TOTAL	-	-	-	**190,000**	-	-	-	-	**190,000**
TOTAL REVENUES	-	-	-	**190,000**	-	-	-	-	**190,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	-	-	190,000	-	-	-	-	**190,000**
TOTAL	-	-	-	**190,000**	-	-	-	-	**190,000**
TOTAL EXPENDITURES	-	-	-	**190,000**	-	-	-	-	**190,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
Beginning Balance		-		-	-	-	-	-	-
Revenues & T/I	-	-	-	190,000	-	-	-	-	**190,000**
Expenditures & T/O	-	-	-	190,000	-	-	-	-	**190,000**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-
ENDING BALANCE	-	-	-	-	-	-	-	-	-

UTILITY UNDERGROUNDING PROJECTS

UTILITY UNDERGROUNDING PROJECTS

Project Name	Rule 20A Undergrounding Project	**Project Number**	9171-001
Department	Public Works	**Project Manager**	Macedonio Nunez

Description

This project will fund undergrounding of utilities in Saratoga.

Location

One or more locations for this project are to be determined.

Project Background

Each year, Pacific Gas & Electric (PG&E) allocates undergrounding work credits to Saratoga and other municipalities to provide funding for undergrounding utilities. The credits for these allocations are provided through PG&E's Rule 20A program, which is an electric tariff filed with the California Public Utilities Commission. As a result of the Rule 20A program, PG&E is able to annually fund relocation of approximately 30 miles of overhead utilities underground. Rule 20A funding comes from electricity rate payers.

Before Rule20A work credits can be used, proposed undergrounding projects must be approved by PG&E. Projects must reduce an unusually heavy concentration of overhead power lines, be conducted on arterial streets with high pedestrian or vehicular traffic, or be done on roads that are in a civic, recreational, or scenic area.

Due to the very high cost of undergrounding, Saratoga has been collecting Rule 20A credits over the past few years to allow for a more substantial undergrounding project in the City.

Operating Budget Impacts

Moving overhead utilities underground will make the City more attractive and will reduce safety risks associated with down power lines. As fallen power lines can be especially problematic during winter storms, undergrounding the lines would reduce emergency staff costs and liability. Project management costs for this project will be included in the operating budget when it becomes active.

UTILITY UNDERGROUNDING PROJECTS

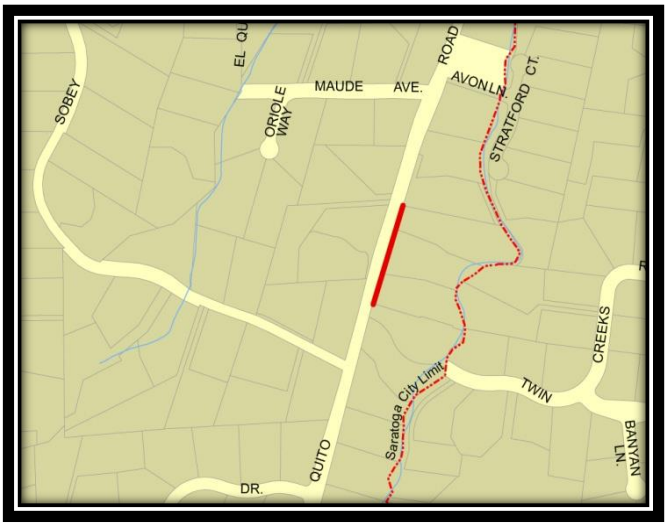
PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	To be determined	Prepare plans and specifications in conjunction with PG&E
Estimated Construction Start	To be determined	PG&E begins construction
Estimated Completion Date	To be determined	PG&E completes construction

RULE 20A ELECTRIC UNDERGROUND CONVERSION PROJECTS

As of May 31, 2015, $4,055,204 of work credit funding is available from PG&E for utility undergrounding work funded and completed by PG&E. Additional funds accumulate each year. The City does not receive cash funds for this work; therefore the work credit amount is not included in the CIP financial schedules.

UTILITY UNDERGROUNDING PROJECTS



Project Name	Quito Road Undergrounding Project	**Project Number**	9171-002
Department	Public Works	**Project Manager**	Macedonio Nunez

Description This project will fund undergrounding of utilities on Quito Road in Saratoga.

Location Undergrounding work would take place on Quito Road near Twin Creeks Road.

Project Background Several years ago, as a result of fees collected for a subdivision, the City received funds to underground utilities on Quito Road near Twin Creeks Road. In recent years, municipalities and Pacific Gas & Electric (PG&E) have started moving overhead utility lines underground.

Due to the high costs of undergrounding, transferring the overhead utilities at this location will have to be incorporated into a larger undergrounding project.

Moving overhead utilities underground will make the City more attractive and will reduce safety risks associated with down power lines. Fallen power lines can be especially problematic during winter storms.

Operating Budget Impacts Staff time associated with project management is included in the operating budget.

UTILITY UNDERGROUNDING PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	To be determined	Prepare plans and specifications
Begin Bid Process	To be determined	Council approves plans and authorizes bidding the project
Contract Award	To be determined	Council awards contract
Estimated Construction Start	To be determined	Construction project begins
Estimated Completion Date	To be determined	Project is completed

QUITO ROAD UNDERGROUNDING PROJECT 9171-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP STREET FUND									
Community Benefit Assess	98,744	-	**98,744**	-	-	-	-	-	**98,744**
TOTAL REVENUES	**98,744**	**-**	**98,744**	**-**	**-**	**-**	**-**	**-**	**98,744**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP STREET FUND									
Construction Expenses	-	-	-	98,744	-	-	-	-	**98,744**
TOTAL EXPENDITURES	**-**	**-**	**-**	**98,744**	**-**	**-**	**-**	**-**	**98,744**

		FY 2015/16 Actuals	Estimated Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP STREET FUND									
BEGINNING FUND BAL		98,744		98,744	-	-	-	-	-
Revenues & T/I	98,744	-	**98,744**	-	-	-	-	-	**98,744**
Expenditures & T/O	-	-	-	98,744	-	-	-	-	**98,744**
ENDING BALANCE	**98,744**	**98,744**	**98,744**	**-**	**-**	**-**	**-**	**-**	**-**

PARKS & TRAILS PROGRAM

PARKS & TRAILS PROGRAM

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PARKS & TRAILS PROGRAM SUMMARY

The Parks & Trails Program provides for capital improvements to the City of Saratoga's neighborhood and city parks and plaza, sports fields, bike and pedestrian trails, and open space areas throughout the city. Projects within the Parks & Trails Program are classified as General/Citywide Park Improvements, City Park Projects, Neighborhood Park Projects, Sport Park Projects, or Trail and Open Space Projects. Within the project classification, the projects are sub-classified by site. This structure allows for the tracking of resources by individual park, trail, or open space area, and by specific project work completed.

General Repairs & Maintenance **–** include general and citywide park and trail repair projects to provide for minor projects that are not specified bodies of work to an individual site, and for citywide projects that apply to multiple sites. Projects could include fence repairs or improvements, tree removals, park furniture and equipment, lighting or irrigation enhancements, structure repairs, or various minor projects that arise to improve the infrastructure. This category also includes the Citywide Tree Replanting project which is primarily funded through tree fines and used for tree planting and irrigation throughout the City. A third subcategory is funding projects for open space contributions.

City Parks **–** include projects which improve the larger parks which draw the entire community. These include Wildwood Park, Hakone Gardens, Heritage Orchard Park, Blaney Plaza and the Village Historical Park. City Parks generally have features and attractions in addition to playground equipment, picnic areas, and ball courts.

Neighborhood Parks **–** are comprised of projects for the City's smaller parks located within neighborhoods. These include Azule Park, Beauchamps Park, Bellgrove Park, Brookglen Park, Foothill Park, Gardiner Park, Kevin Moran Park, and Ravenswood Park.

Sport Parks & Facilities Projects **-** include improvement projects at the City's sport field type parks. These sites include Congress Springs Park, El Quito Park, and West Valley Soccer Fields.

Trails & Open Space Projects **–**include Joe's Trail at Saratoga De Anza, Saratoga Village Creek Trail and Saratoga to Sea Quarry.

The schedule on the following page summarizes the City's Parks & Trails Program capital projects and their currently funded status.

PROJECT LIST SUMMARY

PARKS PROJECT EXPENDITURE SUMMARY		Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
City Wide Projects										
9211-001	Annual Park & Trail Repairs	290,452	67,623	358,074	618	-	-	-	-	358,693
9211-002	CityWide Tree Replanting	236,955	33,248	270,203	70,850	-	-	-	-	341,053
9211-007	Park Pathway Repairs	-	50,000	50,000	*closed*	-	-	-	-	50,000
9211-008	Sustainable Landscaping Project	-	57,858	57,858	72,160	-	-	-	-	130,018
9211-009	El Quito Park "Magical Bridge" Playground	-	-	-	160,000	-	-	-	-	160,000
9212-001	Tree Dedication Program	7,500	-	7,500	23,250	-	-	-	-	30,750
9212-002	SMSCF Tree Donation Fund	-	-	-	1,750	-	-	-	-	1,750
9213-001	AB 8939 Beverage Container Grant	25,752	4,618	30,370	8,397	-	-	-	-	38,767
Park Projects										
9222-001	Hakone Gardens Misc Improvements	206,009	97,443	303,452	96,548	-	-	-	-	400,000
9222-004	Hakone Gardens Infra Improvements	-	2,565	2,565	122,435	-	-	-	-	125,000
9222-007	Hakone Gardens Koi Pond Imprvmnts	-	-	-	66,000	-	-	-	-	66,000
9226-001	Quarry Park Master Plan Implementation	129,420	534,344	663,764	*closed*	-	-	-	-	663,764
9226-002	Saratoga to Sea Trail - Construction	-	-	-	100,000	-	-	-	-	100,000
9226-003	Quarry Park ADA Access to UT Parking	-	-	-	250,000	-	-	-	-	250,000
Trail Projects										
9274-001	Joe's Trail at Saratoga De Anza	2,011,163	-	2,011,163	202,821	-	-	-	-	2,213,985
9274-002	Guava Ct/Fredericksburg Entrance	-	-	-	345,880	-	-	-	-	345,880
9277-001	Village Creek Trail - Design & Environ	39,000	80,000	119,000	*closed*	-	-	-	-	119,000
9277-002	Village Creek Overlook	480	-	480	*closed*	-	-	-	-	480
9277-003	Village Creek Trail - Construction	-	100,000	100,000	*closed*	-	-	-	-	100,000
Total Projects		4,046,810	1,027,697	5,074,507	1,520,710	-	-	-	-	6,595,217
Interfund Transfers		-	-	-						-
Total Project Expenditures		4,046,810	1,027,697	5,074,507	1,520,710	-	-	-	-	6,595,217

Three new park projects are funded in FY 2016/17. These include:

- El Quito Park “Magical Bridge” all-inclusive Playground
- Hakone Gardens Koi Pond Improvements
- Quarry Park ADA Access to Upper Terrace Parking Lot

The following five projects were completed or closed in FY 2015/16, leaving a total of fourteen active projects for FY 2016/17:

- Park Pathway Repairs
- Quarry Park Master Plan Implementation
- Saratoga Village Creek Trail – Design and Environmental
- Saratoga Village Creek Overlook
- Saratoga Village Creek Trail - Construction

PARK & TRAILS PROGRAM FUNDING SUMMARY

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funded To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
AB 8939 Beverage Container	22,059	-	22,059	-	-	-	-	-	22,059
CIP Project Reimbursement	64,068	40,950	105,018	-	-	-	-	-	105,018
Park In Lieu Fees	432,589	-	432,589	-	-	-	-	-	432,589
Donations/Contributions	150,000	-	150,000	-	-	-	-	-	150,000
Transfers In - General Fund	1,424,078	264,000	1,688,078	75,000	-	-	-	-	1,763,078
Transfers In - Hillside Reserve	280,000	-	280,000	-	-	-	-	-	280,000
Transfers In - Other CIP	89,986	64,380	154,365	23,000	-	-	-	-	177,365
Transfers In - ABAG	25,000	-	25,000	-	-	-	-	-	25,000
TREE FUND									
Fines & Forfeitures	87,195	70,850	158,045	-	-	-	-	-	158,045
Donations/Contributions	5,500	250	5,750	-	-	-	-	-	5,750
Transfers In	208,007	-	208,007	1,750	-	-	-	-	209,757
PARK IN-LIEU FEES FUND									
Park In Lieu Fees	433,231	372,600	805,831	-	-	-	-	-	805,831
Transfers In - Other CIP	(29,735)	50,000	20,265	-	-	-	-	-	20,265
GRANT FUND									
AB 8939 Beverage Container	16,749	8,397	25,146	-	-	-	-	-	25,146
Federal - CMAQ to VTA	1,363,343	-	1,363,343	36,657	-	-	-	-	1,400,000
Local - BAAQMD TFCA Grant			-	300,000	-	-	-	-	300,000
Local - VTA DeAnza Trail Grai	379,988	-	379,988	-	-	-	-	-	379,988
Local - SCVWD Grant	39,480	-	39,480	-	-	-	-	-	39,480
Private - DeAnza Trail Grant	280,641	-	280,641	119,359	-	-	-	-	400,000
Transfers In	13,621	-	13,621	-	-	-	-	-	13,621
TOTAL REVENUES	**5,285,802**	**871,427**	**6,157,229**	**555,765**	**-**	**-**	**-**	**-**	**6,712,994**

CIP PARK EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Site Acquisition & Prep	8,657	-	8,657	-	-	-	-	-	8,657
Supplies & Expenses	48,627	53,772	102,399	-	-	-	-	-	102,399
Fees & Expenses	4,048	3,059	7,107	-	-	-	-	-	7,107
Consultant/Contract Svs	540,199	113,890	654,090	-	-	-	-	-	654,090
Project Equip & Fixtures	3,760	73,622	77,382	-	-	-	-	-	77,382
Construction Expenses	895,849	336,291	1,232,140	546,639	-	-	-	-	1,778,779
Reimbursable Expenses	-	15,001	15,001	-	-	-	-	-	15,001
Transfers Out	98,075	190,620	288,695	23,000	-	-	-	-	311,695
TREE FUND									
Tree Supplies/Services	19,285	201	19,486	-	-	-	-	-	19,486
Consultant/Contract Svs	12,596	-	12,596	-	-	-	-	-	12,596
Construction Expenses	212,575	33,047	245,621	94,100	-	-	-	-	339,721
Transfers Out	-	-	-	1,750	-	-	-	-	1,750
PARK IN-LIEU FEES FUND									
Supplies & Expenses	10,157	23,684	33,841	-	-	-	-	-	33,841
Fees & Expenses	23,098	196	23,293	-	-	-	-	-	23,293
Consultant/Contract Svs	93,489	6,455	99,944	-	-	-	-	-	99,944
Project Equip & Fixtures	-	31,330	31,330	-	-	-	-	-	31,330
Construction Expenses	-	92,223	92,223	378,000	-	-	-	-	470,223
Transfers Out	-	50,000	50,000	-	-	-	-	-	50,000
GRANT FUND									
Salary & Benefits	81,364	-	81,364	-	-	-	-	-	81,364
Site Acquisition & Prep	612,066	-	612,066	-	-	-	-	-	612,066
Supplies & Expenses	21,980	-	21,980	-	-	-	-	-	21,980
Fees & Expenses	25,679	-	25,679	-	-	-	-	-	25,679
Consultant/Contract Svs	170,258	-	170,258	-	-	-	-	-	170,258
Construction Expenses	1,165,049	4,618	1,169,667	477,221	-	-	-	-	1,646,888
TOTAL EXPENDITURES	**4,046,811**	**1,028,009**	**5,074,820**	**1,520,710**	**-**	**-**	**-**	**-**	**6,595,530**

TOTAL ALL FUND SUMMARY	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
BEGINNING BALANCE		1,238,992		1,082,409	-	-	-	-	**-**
Revenues & Transfers In	5,285,802	871,427	6,157,229	555,765	-	-	-	-	**6,712,994**
Expenditures & Transfers Out	4,046,811	1,028,009	5,074,820	1,520,710	-	-	-	-	**6,595,530**
ENDING BALANCE	**1,238,992**	**1,082,409**	**1,082,409**	**117,466**	**-**	**-**	**-**	**-**	**117,466**

CITYWIDE PROJECTS

CITYWIDE PROJECTS

Project Name	Annual Park & Trail Repairs	**Project Number**	9211-001
Department	Public Works	**Project Manager**	Shawn Gardner

Description This project provides funding for minor projects and repairs to City parks, trails, and open spaces.

Location Projects and repairs vary throughout the year and may be located at any of the 14 City parks containing 67 acres of developed parkland, within the 13 miles of walking and hiking trails, or in the nearly 50 acres of undeveloped open space in the City.

Project Background To address unplanned minor projects and repairs in a timely manner, the City provides capital funding for infrastructure maintenance. The work is limited to projects that do not exceed $5,000 and address safety matters or projects that are of an urgent nature to prevent further damage.

Past repairs have included installation of handrails along trails, placement of fibar material in playground fall areas, fence repairs, park bench replacement or repairs, improvements to retaining walls, repair or installation of park and trail signs, and other unanticipated projects.

Because this funding is reserved for unexpected issues that are above and beyond regular maintenance of parks and trails, upcoming projects are not known at this time. Most projects and repair work are contracted out, with park staff providing project oversight.

Funding for this project comes from General Fund transfers and minor residual Park & Trail project balance transfers.

Operating Budget Impacts This project helps to reduce Operating Budget expenses by addressing necessary repairs and maintenance promptly. These repairs help to ensure the City's parks, trails, and open spaces are well-maintained, liability issues are reduced, and maintenance issues are mitigated. Ultimately, this prevents small problems from growing into larger and more costly repairs.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare project plans and request bids for work contracted out
Contract Award	Ongoing	Award contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Ongoing	Project is completed

ANNUAL PARK & TRAIL REPAIRS 9211-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
AB 8939 Beverage Container	22,059	-	22,059	-	-	-	-	-	**22,059**
CIP Project Reimbursement	64,068	-	64,068	-	-	-	-	-	**64,068**
Transfers In - General Fund	255,000	-	255,000	-	-	-	-	-	**255,000**
Transfers In - Other CIP	17,254	312	17,566	-	-	-	-	-	**17,566**
TOTAL REVENUES	**358,381**	**312**	**358,693**	**-**	**-**	**-**	**-**	**-**	**358,693**

EXPENDITURES		FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Site Acquisition & Prep	2,094	-	2,094	-	-	-	-	-	**2,094**
Materials & Supplies	16,001	-	16,001	-	-	-	-	-	**16,001**
Fees & Expenses	50	-	50	-	-	-	-	-	**50**
Construction Expenses	254,068	3,555	257,623	618	-	-	-	-	**258,241**
Transfers Out	18,238	64,068	82,306	-	-	-	-	-	**82,306**
TOTAL EXPENDITURES	**290,452**	**67,623**	**358,074**	**618**	**-**	**-**	**-**	**-**	**358,693**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
BEGINNING BALANCE	-	67,929		618	-	-	-	-	**-**
Revenues & Transfers In	358,381	312	358,693	-	-	-	-	-	**358,693**
Expenditures & Transfers Out	290,452	67,623	358,074	618	-	-	-	-	**358,693**
ENDING BALANCE	**67,929**	**618**	**618**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS

Project Name	City-wide Tree Replanting Program	**Project Number**	9211-002
Department	Public Works	**Project Manager**	Kevin Meek

Description This ongoing project provides for the upkeep of the City's urban forest through the planting of City trees and shrubbery, installation of irrigation for new plantings, tree maintenance, and removal of damaged trees on City property.

Location The Tree Replanting Program is a Citywide project, primarily directed toward reforesting areas within City parks and medians.

Project Background To mitigate the loss of the urban forest, the City assesses fines for unpermitted tree removal and related violations, and then uses these funds to reforest the City. Fines provide the funding for the cost to plant new trees and shrubbery and if needed, to install irrigation to sustain the new plantings on public property. Citywide tree replanting work is sometimes completed by staff; however, larger-scale projects may be contracted out to tree and landscape contractors.

Operating Budget Impacts The Citywide Tree Replanting Program offsets tree planting and related maintenance expenses that would otherwise be funded through the City's operating budget. Additionally, maintaining the City's urban tree canopy adds to Saratoga's attractiveness and increases its desirability. To some degree, this helps to generate higher property values and consequently higher property tax revenues received by the City. Staff time for project oversight is funded through the Operating Budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare project plans and request bids if work is contracted out
Contract Award	Ongoing	Award contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Ongoing	Project is completed

CITYWIDE TREE REPLANTING PROGRAM 9211-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
TREE FINE FUND									
Fines & Forfeitures	87,195	70,850	158,045	-	-	-	-	-	**158,045**
Transfers In - General Fund	183,007	-	183,007	-	-	-	-	-	**183,007**
TOTAL REVENUES	**270,203**	**70,850**	**341,052.87**	**-**	**-**	**-**	**-**	**-**	**341,053**

EXPENDITURES		FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
TREE FINE FUND									
Materials & Supplies	19,285	201	19,486	-	-	-	-	-	**19,486**
Consultant/Contract Svs	12,596	-	12,596	-	-	-	-	-	**12,596**
Construction Expenses	205,075	33,047	238,121	70,850	-	-	-	-	**308,971**
TOTAL EXPENDITURES	**236,955**	**33,248**	**270,202.87**	**70,850**	**-**	**-**	**-**	**-**	**341,053**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
TREE FINE FUND									
BEGINNING BALANCE		33,248		70,850	-	-	-	-	
Revenues & T/I	270,203	70,850	341,053	-	-	-	-	-	**341,053**
Expenditures & T/O	236,955	33,248	270,203	70,850	-	-	-	-	**341,053**
ENDING BALANCE	**33,248**	**70,850**	**70,850**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS

Project Name	Park Pathway Maintenance and Repairs	**Project Number**	9211-007
Department	Public Works	**Project Manager**	Kevin Meek

Description	This project provides funding for minor projects and repairs to park pathways
Location	Projects and repairs may be located at any of the 14 City parks with pathways
Project Background	The asphalt concrete pathways located within City parks need regular maintenance and repairs to ensure safety liability issues are reduced and maintenance issues are mitigated to increase longevity of these resources. This project is funded by a transfer from the General Fund.
Operating Budget Impacts	Staff time associated with project management and maintenance of this project are included in the operating budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Contract Award	Ongoing	
Estimated Construction Start	Ongoing	
Estimated Completion Date	June 2016	Project is completed

PARK PATHWAY MAINTENANCE AND REPAIRS 9211-007

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - General Fund	-	50,000	50,000	-	-	-	-	-	**50,000**
TOTAL REVENUES	**-**	**50,000**	**50,000**	**-**	**-**	**-**	**-**	**-**	**50,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Construction Expenses	-	50,000	50,000	-					**50,000**
TOTAL EXPENDITURES	**-**	**50,000**	**50,000**	**-**	**-**	**-**	**-**	**-**	**50,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE		-		-	-	-	-	-	-
Revenues & T/I	-	50,000	50,000	-	-	-	-	-	**50,000**
Expenditures & T/O	-	50,000	50,000	-	-	-	-	-	**50,000**
ENDING BALANCE	-	-	-	-	-	-	-	-	-

CITYWIDE PROJECTS

Project Name	Sustainable Landscaping Project	**Project Number**	9211-008
Department	Public Works	**Project Manager**	Kevin Meek

Description This project will reduce the amount of turf at City parks in order to decrease irrigation and maintenance costs.

Location This project will be located at City parks and medians throughout the City where water conservation is appropriate.

Project Background The City considers pursuing water conservation methods throughout the City a priority and has already converted turf areas at Kevin Moran and Beauchamps Parks into native and drought tolerant landscape.

Staff anticipates significant costs savings each year as a result of this project.

This project is funded by a $25,000 transfer from the General Fund and rebates received from the Santa Clara Valley Water District.

Operating Budget Impacts Water and maintenance costs will be reduced. Staff time associated with project management and maintenance of this project are included in the operating budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Contract Award	Ongoing	
Estimated Construction Start	Ongoing	
Estimated Completion Date	Ongoing	

SUSTAINABLE LANDSCAPING PROJECT 9211-008

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
CIP Project Reimbursement	-	40,950	40,950	-	-	-	-	-	**40,950**
Transfers In - General Fund	-	25,000	25,000	-	-	-	-	-	**25,000**
Transfers In - Other CIP	-	64,068	64,068	-	-	-	-	-	**64,068**
TOTAL REVENUES	**-**	**130,018**	**130,018**	**-**	**-**	**-**	**-**	**-**	**130,018**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Materials & Supplies	-	146	146	-					**146**
Construction Expenses	-	57,712	57,712	72,160					**129,872**
TOTAL EXPENDITURES	**-**	**57,858**	**57,858**	**72,160**	**-**	**-**	**-**	**-**	**130,018**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE		-		72,160	-	-	-	-	**-**
Revenues & T/I	-	130,018	130,018	-	-	-	-	-	**130,018**
Expenditures & T/O	-	57,858	57,858	72,160	-	-	-	-	**130,018**
ENDING BALANCE	**-**	**72,160**	**72,160**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS

Project Name	El Quito Park "Magical Bridge" Playground	**Project Number**	9211-009
Department	Public Works	**Project Manager**	Kevin Meek

Description This project will fund the construction of an all-inclusive playground structure.

Location The location is located at El Quito Park.

Project Background An all-inclusive play structure is a revolutionary concept to make playgrounds accessible to children of all-abilities. Since a playground is a social space, it is important to give children with all ability levels similar experiences and the opportunity to play side by side.

The Magical Bridge Foundation is a Silicon Valley non-profit with a mission that advocates for truly inclusive and innovative playgrounds. The foundation began in 2008 and opened their first playground in Palo Alto in April 2015. Partnering with the Magical Bridge Foundation will give the City access to years of research, fundraising development, design, and construction strategies.

Based on the already existing playground in Palo Alto, the estimated cost for this project is $4,000,000 with a City match initially set at $160,000 coming from a $32,000 transfer from CIP Reserve and $128,000 from unallocated Park In-lieu fees. Once an agreement has been reached with the Magical Bridge Foundation, the estimated cost and project timeline will be updated. Additional funding will come from a community fundraising effort.

Operating Budget Impacts Staff time associated with project management and maintenance of this project will be incorporated into the operating budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	TBD	
Project Development	TBD	
Estimated Construction Start	TBD	
Estimated Completion Date	TBD	

EL QUITO PARK "MAGICAL BRIDGE" PLAYGROUND 9211-009

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Donations/Contribution	-	-	-	-	-	-	-	-	-
Transfers In - General Fund	-	-	-	32,000					**32,000**
TOTAL	-	-	-	**32,000**	-	-	-	-	**32,000**
PARK IN-LIEU FEES FUND									
Transfers In - Other CIP	-	-	-	128,000	-	-	-	-	**128,000**
TOTAL	-	-	-	**128,000**	-	-	-	-	**128,000**
TOTAL REVENUES	-	-	-	**160,000**	-	-	-	-	**160,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Construction Expenses	-	-	-	32,000	-	-	-	-	**32,000**
TOTAL	-	-	-	**32,000**	-	-	-	-	**32,000**
PARK IN-LIEU FEES FUND									
Construction Expenses	-	-	-	128,000					**128,000**
TOTAL	-	-	-	**128,000**	-	-	-	-	**128,000**
TOTAL EXPENDITURES	-	-	-	**160,000**	-	-	-	-	**160,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
Beginning CIP Parks Balance	-	-		-	-	-	-	-	
Revenues & T/I	-	-	-	32,000	-	-	-	-	**32,000**
Expenditures & T/O	-	-	-	32,000	-	-	-	-	**32,000**
Ending CIP Parks Balance	-	-	-	-	-	-	-	-	-
PARK IN-LIEU FEES FUND									
Beginning Park In-Lieu Fees Bal	-	-		-	-	-	-	-	
Revenues & T/I	-	-	-	128,000					**128,000**
Expenditures & T/O	-	-	-	128,000					**128,000**
Ending Park In-Lieu Fees Balanc	-	-	-	-	-	-	-	-	-
ENDING BALANCE	-	-	-	-	-	-	-	-	-

CITYWIDE PROJECTS

Project Name	Tree Dedication Program	**Project Number**	9212-001
Department	Public Works	**Project Manager**	Kevin Meek

Description

This program provides a 50% matching grant for the cost of trees purchased through the Tree and Bench Dedication Program.

Location

The Tree Dedication Program is a Citywide project.

Project Background

The City of Saratoga's Tree and Bench Dedication program allows members of the public to purchase trees or benches for dedication purposes. Trees dedicated through this program are planted on City property, either in City parks, along Saratoga trails, or on City medians. The cost to purchase a 15 gallon tree through the dedication program is $500.

In July 2010, the City Council set aside $25,000 for tree dedications to encourage the public to participate in the program. The funding reduces the cost to dedicate trees by 50% and is expected to help fund the planting of 100 trees. Reducing the cost of dedicating a tree is intended to help maintain and expand the City's urban forest.

Management of the program is performed by City staff and planting is typically contracted out.

Operating Budget Impacts

Trees planted through the Tree Dedication Program will slightly increase maintenance and water expenses, but the increase will be absorbed in the operating budget without impacting services. The cost of managing the program is incorporated in the Operating Budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Application Phase	Ongoing	Member of the public submits an Tree Dedication Program application
Tree Planting Coordination	Ongoing	Staff works with the applicant to determine type of tree to be planted and where it will be placed; tree dedication invoice is processed
Tree Planting	Ongoing	Tree is planted and project is complete

TREE DEDICATION PROGRAM 9212-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
TREE FINE FUND									
Tree Dedication Payments	3,750	250	4,000	-	-	-	-	-	**4,000**
Transfers In - Other CIP Fund	25,000	-	25,000	1,750	-	-	-	-	**26,750**
TOTAL REVENUES	**28,750**	**250**	**29,000**	**1,750**	**-**	**-**	**-**	**-**	**30,750**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
TREE FINE FUND									
Construction Expenses	7,500	-	7,500	23,250	-	-	-	-	**30,750**
TOTAL EXPENDITURES	**7,500**	**-**	**7,500**	**23,250**	**-**	**-**	**-**	**-**	**30,750**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
TREE FINE FUND									
BEGINNING BALANCE		21,250		21,500	-	-	-	-	-
Revenues & T/I	28,750	250	29,000	1,750	-	-	-	-	**30,750**
Expenditures & T/O	7,500	-	7,500	23,250	-	-	-	-	**30,750**
ENDING BALANCE	**21,250**	**21,500**	**21,500**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS

Project Name	SMSCF Tree Dedication Grant Program	**Project Number**	9212-002
Department	Public Works	**Project Manager**	Kevin Meek

Description

This grant program provides an additional 25% subsidy for participants toward the cost of trees purchased through the Tree and Bench Dedication Program.

Location

The Saratoga-Monte Sereno Community Fund (SMSCF) Tree Dedication Grant Program is a Citywide project.

Project Background

The City of Saratoga's Tree and Bench Dedication program allows members of the public to purchase trees or benches for dedication purposes. Trees dedicated through this program are planted on City property, either in City parks, along Saratoga trails, or on City medians. The cost to purchase a 15 gallon tree through the dedication program is $500.

As noted in the Tree Dedication Program, the City Council set aside $25,000 for tree dedications to encourage the public to participate in the program. The funding reduces the cost to dedicate trees by 50% and is expected to help fund the planting of 100 trees. Reducing the cost of dedicating a tree is intended to help maintain and expand the City's urban forest.

In August, 2011, the SMSCF gave the City a $2,500 matching grant to further encourage participation in the Tree and Bench Dedication Program. This additional funding will provide a 50% match for the remainder of the tree or bench dedication fee, meaning the cost is, in effect, lowered to 25% of the normal fee. For example, the SMSCF grant will be used to further reduce the cost of dedication trees from $250 per tree to $125 per tree for up to 20 trees. To date, $750 has been used from this grant to offset the costs related to the Tree and Bench Dedication Program.

Operating Budget Impacts

Trees planted through the Tree Dedication Program will slightly increase maintenance and water expenses, but the increase will be absorbed in the operating budget without impacting services. The cost of managing the program is incorporated in the Operating Budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Application Phase	Ongoing	Member of the public submit a Tree Dedication Program application
Tree Planting Coordination	Ongoing	Staff works with the applicant to determine the type of tree to be planted and where it will be placed; tree dedication invoice is processed
Tree Planting	Ongoing	Tree is planted and project is complete

SMSCF TREE DONATION PROGRAM 9212-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
TREE FINE FUND									
Contributions & Donations	1,750	-	1,750	-	-	-	-	-	**1,750**
TOTAL REVENUES	**1,750**	**-**	**1,750**	**-**	**-**	**-**	**-**	**-**	**1,750**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
TREE FINE FUND									
Transfers Out	-	-	-	1,750	-	-	-	-	**1,750**
TOTAL EXPENDITURES	**-**	**-**	**-**	**1,750**	**-**	**-**	**-**	**-**	**1,750**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
TREE FINE FUND									
BEGINNING BALANCE		1,750		1,750	-	-	-	-	**-**
Revenues & T/I	1,750	-	1,750	-	-	-	-	-	**1,750**
Expenditures & T/O	-	-	-	1,750	-	-	-	-	**1,750**
ENDING BALANCE	**1,750**	**1,750**	**1,750**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS

Project Name	Beverage Container Grant Project	**Project Number**	9213-001
Department	Public Works	**Project Manager**	Kevin Meek

Description This project utilizes Beverage Container Rebate grant funding for the purchase and installation of recycled plastic products, such as picnic tables and benches, in city parks.

Location Park furniture and fixtures made from recycled materials are installed at various locations throughout the City.

Project Background As part of the State's larger Integrated Waste Management Program efforts, the Department of Resources Recycling and Recovery (CalRecycle) provides California cities, counties, schools, and other types of local government entities grant funding through the Beverage Container Recycling Grant Program.

CalRecycle funding is to be used for projects that either implement new or enhance existing programs to provide convenient beverage container recycling opportunities. Annual grant awards range from the minimal funding of $5,000, up to a maximum grant award of $250,000.

The City typically receives $5,000 per year from the beverage container recycling grant program, which is used to purchase and install recycled plastic park furniture and fixtures. Funding may be accumulated for several years until replacement furniture and fixtures are needed.

Operating Budget Impacts Staff time utilized to purchase and install AB 939 recycled park furniture is incorporated into the Operating Budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Ongoing	Prepare project workplan and request bids if work is contracted out
Contract Award	Ongoing	Award purchase order or contract
Estimated Construction Start	Ongoing	Construction begins
Estimated Completion Date	Ongoing	Project is completed

AB8939 BEVERAGE CONTAINER GRANT 9213-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
TREE FINE FUND									
AB 8939 Grant	16,749	8,397	25,146	-	-	-	-	-	**25,146**
Transfers In - Other CIP	13,621	-	13,621	-	-	-	-	-	**13,621**
TOTAL REVENUES	**30,370**	**8,397**	**38,767**	-	-	-	-	-	**38,767**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
TREE FINE FUND									
Materials & Supplies	20,945	-	20,945	-	-	-	-	-	**20,945**
Construction Expenses	4,808	4,618	9,425	8,397	-	-	-	-	**17,822**
TOTAL EXPENDITURES	**25,752**	**4,618**	**30,370**	**8,397**	-	-	-	-	**38,767**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
TREE FINE FUND									
BEGINNING BALANCE		4,618		8,397	-	-	-	-	
Revenues & T/I	30,370	8,397	38,767	-	-	-	-	-	**38,767**
Expenditures & T/O	25,752	4,618	30,370	8,397	-	-	-	-	**38,767**
ENDING BALANCE	**4,618**	**8,397**	**8,397**	-	-	-	-	-	-

PARK PROJECTS

PARK PROJECTS

Project Name	Hakone Gardens Miscellaneous Improvements	**Project Number**	9222-001
Department	Public Works	**Project Manager**	John Cherbone

Description This project funds various maintenance improvements identified through the development of the Hakone Gardens Master Plan

Location Projects will be located at various locations throughout Hakone Gardens.

Project Background In November 2014, the City Council approved the selection of The Portico Group to develop the Master Plan and environmental review documents. As part of the development of the Plan, community workshops were held in February and April 2015 to seek input from Foundation members, staff and community stakeholders. The Master Plan is scheduled to be approved in May 2016.

During the development of the Master Plan, a number of improvement and maintenance projects were identified. Some examples include;

- CEC Sound Mitigation Wall
- New arrival road, parking lot, service drives
- New entry courtyard and garden including accessible paths
- New garden maintenance and operations yard

$250,000 in Park-in-Lieu Fees and a $150,000 contribution from the Hakone Foundation are the two funding sources for this project.

Operating Budget Impacts Staff time for project management and oversight is incorporated into the Operating Budget.

PARK PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Master Plan Development	November 2014	Council selects The Portico Group to develop the Master Plan.
Master Plan Adopted	May 2016	Council adopts Hakone Gardens Master Plan
Estimated Construction Start	TBD	
Estimated Completion Date	TBD	

HAKONE GARDENS MISCELLANEOUS IMPROVEMENTS 9222-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Park-in-Lieu	250,000	-	250,000	-	-	-	-	-	**250,000**
Donations/Contribution	150,000	-	150,000	-	-	-	-	-	**-**
TOTAL REVENUES	**400,000**	**-**	**400,000**	**-**	**-**	**-**	**-**	**-**	**250,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Fees & Expenses	1,521	2,481	4,002	-	-	-	-	-	**4,002**
Consultant/Contract Svs	204,488	94,962	299,450	-	-	-	-	-	**299,450**
Construction Expenses	-	-	-	73,548	-	-	-	-	**73,548**
Transfers Out	-	-	-	23,000	-	-	-	-	**23,000**
TOTAL EXPENDITURES	**206,009**	**97,443**	**303,452**	**96,548**	**-**	**-**	**-**	**-**	**400,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE		193,991		96,548	-	-	-	-	**-**
Revenues & T/I	400,000	-	400,000	-	-	-	-	-	**400,000**
Expenditures & T/O	206,009	97,443	303,452	96,548	-	-	-	-	**400,000**
ENDING BALANCE	**193,991**	**96,548**	**96,548**	**-**	**-**	**-**	**-**	**-**	**-**

PARK PROJECTS

Project Name	Hakone Gardens Infrastructure Improvements	**Project Number**	9222-004
Department	Public Works	**Project Manager**	Iveta Harvancik

Description This project will fund infrastructure improvements at Hakone Gardens.

Location Projects will take place at various locations throughout Hakone Gardens

Project Background Hakone Gardens is a city-owned 18 acre park nestled in the foothills just outside of Saratoga Village that is maintained and operated by the Hakone Foundation, a non-profit that seeks to promote a deeper understanding of Japanese and general Asian culture through the preservation of the oldest Japanese-style residential garden in the Western Hemisphere. The park was constructed between 1917 and 1929 and features carefully manicured gardens that seamlessly blend nature and art with authentic tea rooms and moon-viewing retreat houses. The historic buildings are authentic Japanese-style architecture constructed in the traditional manner without nails.

The Hakone Garden Master Plan is scheduled to be approved in May 2016. During the development of the Master Plan, staff identified a number of maintenance projects to complete. These projects are;

- Well pump
- Wood damage mitigation
- Pest control
- Garden, electrical and lighting improvements

Funding for this project came from a $125,000 General Fund contribution.

Operating Budget Impacts Making improvements to the Upper Moon House at Hakone will increase the safety of the building, extend its lifetime, and protect it from serious damage that may result from natural disasters. Costs resulting from management of this project are included as staff time in the Operating Budget.

PARK PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Contract Award	TBD	
Estimated Construction Start	TBD	
Estimated Completion Date	TBD	

HAKONE GARDENS INFRASTRUCTURE IMPROVEMENTS 9222-004

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - General Fund	125,000	-	125,000	-	-	-	-	-	**125,000**
TOTAL REVENUES	**125,000**	**-**	**125,000**	**-**	**-**	**-**	**-**	**-**	**125,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Construction Expenses	-	2,565	**2,565**	122,435	-	-	-	-	**125,000**
TOTAL EXPENDITURES	**-**	**2,565**	**2,565**	**122,435**	**-**	**-**	**-**	**-**	**125,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE		125,000		122,435	-	-	-	-	**-**
Revenues & T/I	125,000	-	125,000	-	-	-	-	-	**125,000**
Expenditures & T/O	-	2,565	2,565	122,435	-	-	-	-	**125,000**
ENDING BALANCE	**125,000**	**122,435**	**122,435**	**-**	**-**	**-**	**-**	**-**	**-**

PARK PROJECTS

Project Name	Hakone Gardens Koi Pond Improvements	**Project Number**	9222-007
Department	Public Works	**Project Manager**	John Cherbone

Description This project funds improvements to the Koi Pond at Hakone Gardens.

Location This project is located at Hakone Gardens.

Project Background The Koi Pond was analyzed as part of the Master Plan. The study determined that the water filtration system needs replacement for the health of the Koi Pond ecosystem. In addition to the plumbing, mechanical, and electrical upgrades for the filtration system, the project will also include a structure to house all of the necessary equipment.

This project is funded by transfers from the CIP Reserve of $43,000 and from the Hakone Gardens Miscellaneous Improvements project of $23,000.

Operating Budget Impacts Costs associated with project management and maintenance staff time for this project are incorporated into the Operating Budget.

PARK PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Contract Award	TBD	
Estimated Construction Start	TBD	
Estimated Completion Date	TBD	

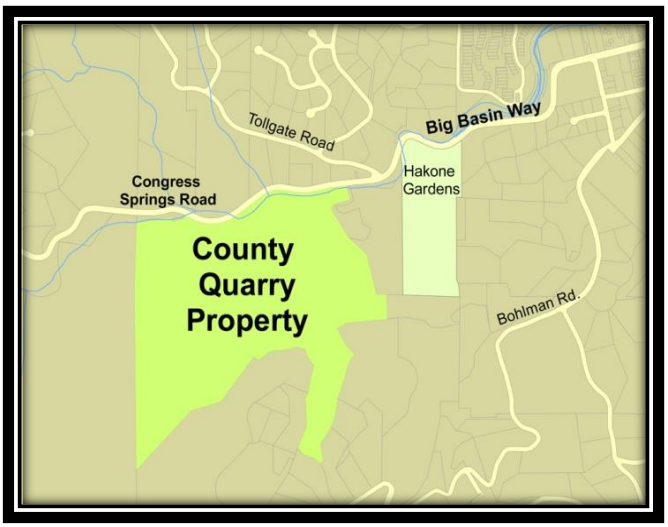
HAKONE GARDENS KOI POND IMPROVEMENTS 9222-007

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - General Fund	-	-	-	43,000	-	-	-	-	-
Transfers In - Other CIP	-	-	-	23,000	-	-	-	-	-
TOTAL REVENUES	-	-	-	**66,000**	-	-	-	-	-

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Construction Expenses	-	-	-	66,000	-	-	-	-	**66,000**
TOTAL EXPENDITURES	-	-	-	**66,000**	-	-	-	-	**66,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE		-		-	-	-	-	-	-
Revenues & T/I	-	-	-	66,000	-	-	-	-	**66,000**
Expenditures & T/O	-	-	-	66,000	-	-	-	-	**66,000**
ENDING BALANCE	-	-	-	-	-	-	-	-	-

PARK PROJECTS



Project Name	Quarry Park Master Plan Implementation – Phase 1	**Project Number**	9226-001
Department	Public Works	**Project Manager**	Iveta Harvancik

Description

This project will make initial improvements to the Quarry, including a gravel parking lot, clearing trail paths to connect with mid-level picnic areas, a loading structure, restrooms, gates, an informational kiosk and signage.

Location

This project is located at the Saratoga Quarry south of Highway 9 (Congress Springs Road) and west of Hakone Gardens.

Project Background

In 2011, the City of Saratoga purchased the 64 acre Quarry Property located on Highway 9 near the Historic Saratoga Village and Hakone Gardens. The Quarry Park Master Plan was completed and approved by Council in June 2014. The scope of improvements described in the Master Plan will be completed in a phased approach. Phase I projects are summarized above. Future phases are summarized in the following;

Phase II projects will include construction of the Upper Terrace, including a parking lot, welcome station, connecting road, pond restoration and overlook platform, and a grassy meadow with a natural play structure.

Phase III includes the following separate projects; 1) the Saratoga to the Sea Trail connection, 2) implementing the Upper Loop Trail, 3) Renovating the loading structure and construction of the welcome station, restrooms and connections to the mid-level event space, 4) opening East Quarry Park Road and existing bridge for public access, 5) adding diagonal parking spaces and designating space for equestrian trailer parking, if feasible and 6) constructing trail connections to planned Hakone Gardens and Saratoga Village trails.

This project was completed in Fiscal Year 2015/16 and was funded by Park-in-Lieu fees and a General Fund transfer. Additional funding will need to be identified and secured in order to fully implement the Quarry Park Master Plan.

Operating Budget Impacts

Costs associated with engineering, administrative oversight and maintenance staff time are incorporated in the Operating Budget. Upon completion, expansion of maintenance duties will lead to an increase in maintenance expenditures in the Operating Budget.

PARK PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Design Award	September 2014	Select consultant
Design Phase Start	October 2014	Phase I
Estimated Completion Date	July 2015	Phase I design complete
Estimated Construction Start	August 2015	Select contractor
Estimated Construction End	October 2015	Project complete

QUARRY PARK MASTER PLAN IMPLEMENTATION – PHASE 1 9226-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - General Fund	293,445	90,000	383,445	-	-	-	-	-	**383,445**
TOTAL CIP FUND	**293,445**	**90,000**	**383,445**	**-**	**-**	**-**	**-**	**-**	**383,445**
PARK IN-LIEU FEES FUND									
Transfers In - Other CIP	280,631	-	280,631	-	-	-	-	-	**280,631**
TOTAL PARK IN-LIEU FEES FU	**280,631**	**-**	**280,631**	**-**	**-**	**-**	**-**	**-**	**280,631**
TOTAL REVENUES	**574,076**	**90,000**	**664,076**	**-**	**-**	**-**	**-**	**-**	**664,076**

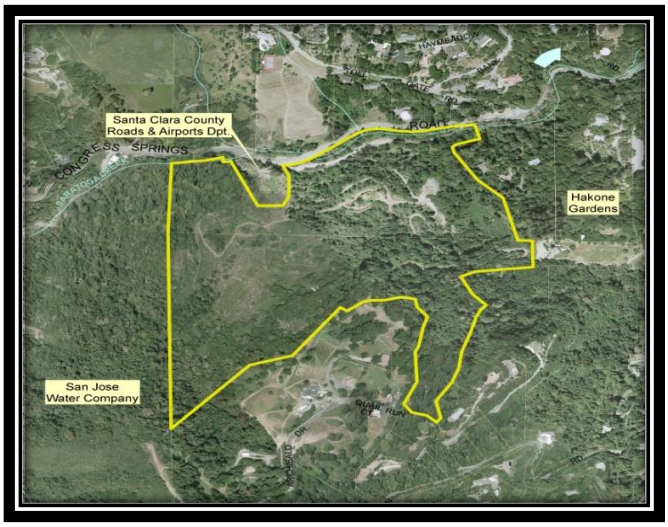
EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Materials & Supplies	-	53,627	**53,627**	-	-	-	-	-	**53,627**
Fees & Expenses	-	579	**579**	-	-	-	-	-	**579**
Consultant/Contract Svs	-	15,169	**15,169**	-	-	-	-	-	**15,169**
Project Equip & Fixtures	-	73,622	**73,622**	-	-	-	-	-	**73,622**
Construction Expenses	2,677	222,459	**225,136**	-	-	-	-	-	**225,136**
Reimbursable Expenses	-	15,001	**15,001**	-	-	-	-	-	**15,001**
Transfers Out - Other CIP	-	312	**312**	-	-	-	-	-	**312**
TOTAL CIP FUND	**2,677**	**380,768**	**383,445**	**-**	**-**	**-**	**-**	**-**	**383,445**
PARK IN-LIEU FEES FUND									
Materials & Supplies	10,157	23,684	**33,841**	-	-	-	-	-	**33,841**
Fees & Expenses	23,098	196	**23,293**	-	-	-	-	-	**23,293**
Consultant/Contract Svs	93,489	6,455	**99,944**	-	-	-	-	-	**99,944**
Project Equip & Fixtures	-	31,330	**31,330**	-	-	-	-	-	**31,330**
Construction Expenses	-	92,223	**92,223**	-	-	-	-	-	**92,223**
TOTAL PARK IN-LIEU FESS FU	**126,743**	**153,888**	**280,631**	**-**	**-**	**-**	**-**	**-**	**280,631**
TOTAL EXPENDITURES	**129,420**	**534,656**	**664,076**	**-**	**-**	**-**	**-**	**-**	**664,076**

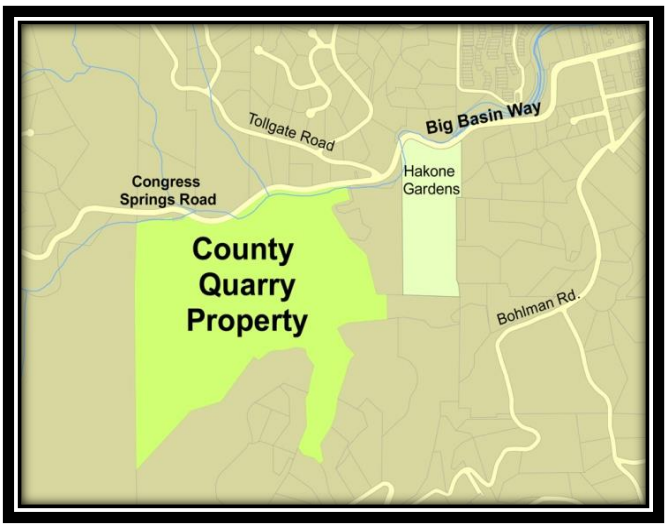
PARK PROJECTS

QUARRY PARK MASTER PLAN IMPLEMENTATION – PHASE 1 (CONT.) 9226-001

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE	-	290,768		-	-	-	-	-	
Revenues & T/I	293,445	90,000	**383,445**	-	-	-	-	-	**383,445**
Expenditures & T/O	2,677	380,768	**383,445**	-	-	-	-	-	**383,445**
ENDING BALANCE	**290,768**	-	-	-	-	-	-	-	-
PARK IN-LIEU FEES FUND									
BEGINNING BALANCE		153,888		-	-	-	-	-	
Revenues & T/I	280,631	-	**280,631**	-	-	-	-	-	**280,631**
Expenditures & T/O	126,743	153,888	**280,631**	-	-	-	-	-	**280,631**
ENDING BALANCE	**153,888**	-	-	-	-	-	-	-	-
ENDING FUND BALANCE	**444,656**	-	-	-	-	-	-	-	-

PARK PROJECTS





Project Name	Saratoga-to-the-Sea Trail - Construction	**Project Number**	9226-002
Department	Public Works	**Project Manager**	John Cherbone

Description Initial funding for this project will go toward the acquisition of additional properties or trail easements to complete the Saratoga-to-Sea Trail construction.

Location This project is located at the Saratoga Quarry south of Highway 9 (Congress Springs Road) and west of Hakone Gardens.

Project Background In order to expand the Quarry Park and create additional trails, especially the Saratoga-to-Sea Trail, additional parcels or easements adjacent to the Quarry Park must be purchased. The property is bordered by two private parcels on its east side, private developed parcels on its south side and a large open space parcel owned by San Jose Water Company on its west side. Saratoga Creek runs along portions of the north property line.

This project is funded by a General Fund transfer and Park In-Lieu fees.

Operating Budget Impacts Staff time for project management is incorporated into the Operating Budget.

PARK PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Discussions with SJWC	In Progress	Trail alignment discussions with San Jose Water Company
Estimated Trail Easement	Dec 2016	Right-of-Way acquisition complete

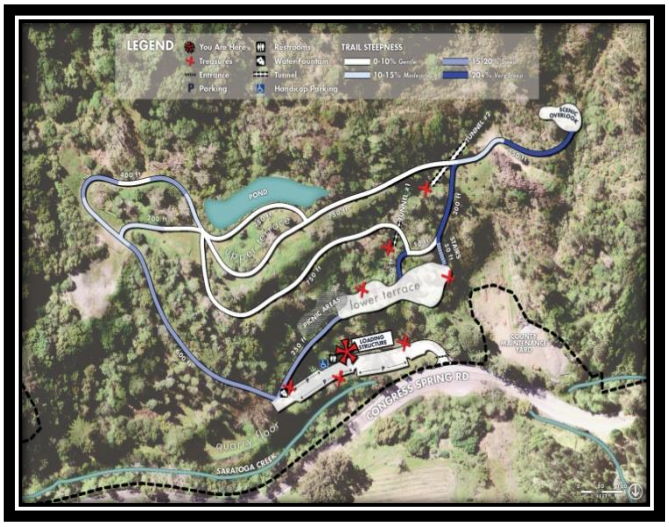
SARATOGA TO SEA TRAIL 9226-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - General Fund	100,000	-	100,000	-	-	-	-	-	**100,000**
TOTAL REVENUES	**100,000**	**-**	**100,000**	**-**	**-**	**-**	**-**	**-**	**100,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Construction Expenses	-	-	-	100,000	-	-	-	-	**100,000**
TOTAL EXPENDITURES	**-**	**-**	**-**	**100,000**	**-**	**-**	**-**	**-**	**100,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE	-	100,000		100,000	-	-	-	-	
Revenues & T/I	100,000	-	**100,000**	-	-	-	-	-	**100,000**
Expenditures & T/O	-	-	-	100,000	-	-	-	-	**100,000**
ENDING BALANCE	**100,000**	**100,000**	**100,000**	**-**	**-**	**-**	**-**	**-**	**-**

PARK PROJECTS



Project Name	Quarry Park ADA Access to Upper Terrace Parking Lot and Pond	**Project Number**	9226-003
Department	Public Works	**Project Manager**	John Cherbone

Description This project will fund the design, construction and environmental review of ADA improvements and access to the upper terrace parking lot.

Location This project is located at Quarry Park.

Project Background Quarry Park officially opened on October 31,2015 and included all of phase 1 and portions of phase II and phase III of the Quarry Park Master Plan. The construction of the Upper Terrace Parking Lot will allow additional parking as well as ADA access to the parking lot and pond areas. Improvements to include widening of the access road to the upper parking lot, improvements to the parking area, and ADA accessible trails to the upper areas.

This project is funded by $250,000 in Park In-lieu fees.

Operating Budget Impacts Staff time for project management is incorporated into the Operating Budget.

PARK PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Park Opens	October 2015	Park officially opened
Contract Award	TBD	
Estimated Construction Start	TBD	
Estimated Completion Date	TBD	

QUARRY PARK ADA ACCESS TO UPPER PARKING LOT AND POND 9226-003

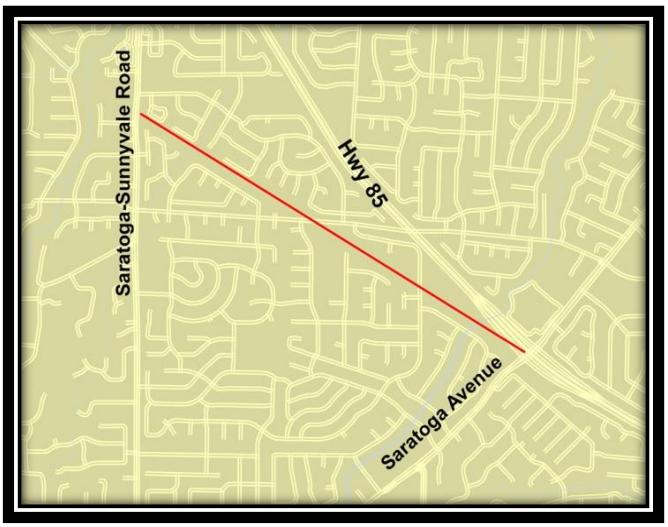
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
PARK IN-LIEU FEES FUND									
Transfers In - Other CIP	-	-	-	250,000	-	-	-	-	**250,000**
TOTAL	-	-	-	**250,000**	-	-	-	-	**250,000**
TOTAL REVENUES	-	-	-	**250,000**	-	-	-	-	**250,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
PARK IN-LIEU FEES FUND									
Construction Expenses	-	-	-	250,000					**250,000**
TOTAL	-	-	-	**250,000**	-	-	-	-	**250,000**
TOTAL EXPENDITURES	-	-	-	**250,000**	-	-	-	-	**250,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
PARK IN-LIEU FEES FUND									
Beginning Park In-Lieu Fees Bal	-	-		-	-	-	-	-	
Revenues & T/I	-	-	-	250,000					**250,000**
Expenditures & T/O	-	-	-	250,000					**250,000**
Ending Park In-Lieu Fees Balanc	-	-	-	-	-	-	-	-	-
ENDING BALANCE	-	-	-	-	-	-	-	-	-

TRAIL PROJECTS

TRAIL PROJECTS



Project Name	Joe's Trail at Saratoga De Anza	**Project Number**	9274-001
Department	Public Works	**Project Manager**	Macedonio Nunez

Description

This project develops an existing dirt pathway adjacent to the Union Pacific Railroad line into a 1.3 mile paved bicycle and walking trail.

Location

The 1.3 mile trail is located along an existing PG&E right-of-way corridor positioned parallel and adjacent to the Union Pacific Railroad line between Saratoga-Sunnyvale Road and Saratoga Avenue. The trail crosses two creeks (Rodeo Creek and Saratoga Creek) and two roadways (Cox Avenue and Glen Brae Drive).

Project Background

This project will develop the trail currently used informally by local residents for walking and bicycle riding. The trail will be surfaced with decomposed granite, creating a smoother and safer surface by removing rocks and weeds in the pathway. Joe's trail is the City's first bicycle trail.

The project also includes trail corridor improvements, such as a small parking area with approximately 5 parking spaces and a trail staging site with access from Saratoga-Sunnyvale Road, re-vegetation along the trail corridor, and construction of pedestrian bridges over Rodeo Creek and Saratoga Creek. The trail will connect to existing bike lanes along Saratoga-Sunnyvale Road, Cox Avenue, and Saratoga Avenue. Funding comes from several sources:

- Design of the trail was paid for by a Valley Transportation Authority grant and a private donation, which included a stipulation that the trail include the first name of the donor's spouse. Formally known as the "De Anza Trail", the City Council adopted the new name "Joe's Trail at Saratoga De Anza" in 2007.
- Construction of Joe's Trail is funded by a Federal Congestion Management and Air Quality (CMAQ) matching grant, with the remainder of the donation covering the City's matching fund requirement.

Operating Budget Impacts

This project will increase operating expenses through additional and ongoing trail maintenance requirements for weed abatement, occasional re-compacting or resurfacing of the trail and parking area, and pedestrian bridge maintenance. Project oversight costs are incorporated into the Operating Budget.

TRAIL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	June 2004	Prepare plans and specifications
Begin Bid Process	February 2010	Council approves plans and authorizes bidding the project
Contract Award	February 2010	Council awards contract
Estimated Construction Start	June 2010	Construction project begins
Estimated Completion Date	TBD	Project is completed and the City is awaiting final reimbursements

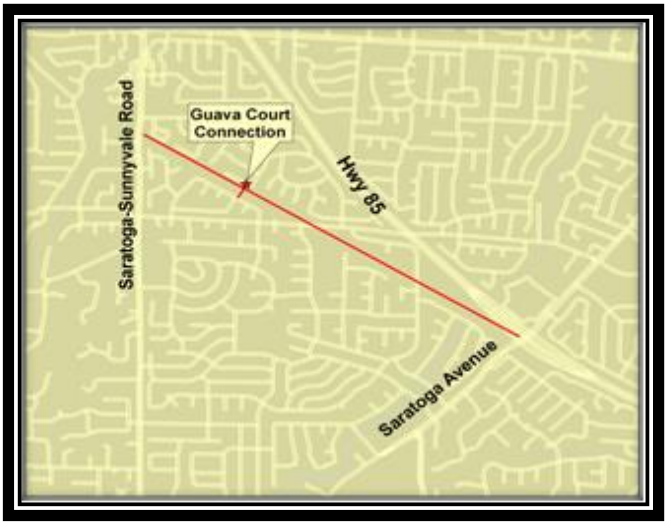
JOE'S TRAIL AT SARATOGA DE ANZA 9274-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - Other CIP	33,997	-	**33,997**	-	-	-	-	-	**33,997**
TOTAL	**33,997**	-	**33,997**	-	-	-	-	-	**33,997**
GRANT FUND									
Federal - CMAQ to VTA	1,363,343	-	**1,363,343**	36,657	-	-	-	-	**1,400,000**
Local - VTA Measure B	379,988	-	**379,988**	-	-	-	-	-	**379,988**
Private - SV Foundation	280,641	-	**280,641**	119,359	-	-	-	-	**400,000**
TOTAL REVENUES	**2,023,973**	-	**2,023,973**	**156,015**	-	-	-	-	**2,179,988**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Construction Expenses	-	-	-	33,997	-	-	-	-	**33,997**
TOTAL STREET FUND	-	-	-	**33,997**	-	-	-	-	**33,997**
GRANT FUND									
Salary & Benefits	81,364	-	81,364	-	-	-	-	-	**81,364**
Site Acquisition & Prep	612,066	-	612,066	-	-	-	-	-	**612,066**
Materials & Supplies	1,035	-	1,035	-	-	-	-	-	**1,035**
Fees & Expenses	20,679	-	20,679	-	-	-	-	-	**20,679**
Consultant/Contract Svs	135,778	-	135,778	-	-	-	-	-	**135,778**
Construction Expenses	1,160,241	-	1,160,241	168,824	-	-	-	-	**1,329,065**
TOTAL GRANT FUND	**2,011,163**	-	**2,011,163**	**168,824**	-	-	-	-	**2,179,988**
TOTAL EXPENDITURES	**2,011,163**	-	**2,011,163**	**202,821**	-	-	-	-	**2,213,985**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING BALANCE	-	33,997		33,997	-	-	-	-	
Revenues & T/I	33,997	-	**33,997**	-	-	-	-	-	**33,997**
Expenditures & T/O	-	-	-	33,997	-	-	-	-	**33,997**
ENDING FUND BALANCE	**33,997**	**33,997**	**33,997**	-	-	-	-	-	-
GRANT FUND									
BEGINNING BALANCE	-	12,809		12,809	-	-	-	-	
Revenues & Transfers In	2,023,973	-	2,023,973	156,015	-	-	-	-	**2,179,988**
Expenditures & Transfers Out	2,011,163	-	2,011,163	168,824	-	-	-	-	**2,179,988**
ENDING BALANCE	**12,809**	**12,809**	**12,809**	-	-	-	-	-	-

TRAIL PROJECTS



Project Name	Guava Ct/Fredericksburg Entrance	**Project Number**	9274-002
Department	Public Works	**Project Manager**	John Cherbone

Description

This project funds the removal of the Guava Court barrier allowing access from Guava Court to Fredericksburg Drive (Access) near Joe's Trail.

Location

This project is located at Guava Court near Fredericksburg Access at Joe's Trail.

Project Background

In 2007, the pedestrian crossings connecting Fredericksburg Drive and Guava Court were declared unsafe by the California Public Utilities Commission (CPUC) and were consequently closed. Since that time, the City of Saratoga has developed Joe's Trail at Saratoga De Anza.

In September 2012, residents living near the Fredericksburg and Guava Court access points expressed interest in having the crossing reopened. After making improvements to resolve safety issues cited by the CPUC, the City reopened the Fredericksburg entrance to connect up to Joe's Trail. The Guava Court entrance on the other side of the railroad tracks was not reopened as it requires an easement as well as pathway and safety improvements.

Residents believe that reopening the access point at Guava Court would allow children and adults living in the area to travel more safely on foot and by bike between the two neighborhoods by eliminating the need to travel along an arterial street. Opening the Guava Court entrance would provide a pathway to connect the Fredericksburg Drive neighborhood with Blue Hills Elementary School and also allow for more community engagement with families in the area. Extensive discussion will need to take place between the City and the California Public Utilities Commission (CPUC) for this to be accomplished.

If the easement purchase is allowed, and the CPUC gives permission to start the process of reopening the Guava Court access, the City must also make improvements to the ramp at the opening so that it becomes ADA compliant.

This project is funded by a Transportation Fund for Clean Air (TFCA) grant totaling $300,000 and the City is providing matching funds in the amount of $45,880.

Operating Budget Impacts

Staff time associated with project management and maintenance for this project are incorporated in the Operating Budget. City staff estimates the added trail entrance would require $3,000 per year for maintenance.

TRAIL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Apply for Grant Funding	Complete	Grant Awarded March 2014.
Permission from CPUC	December 2015	Obtain permission from CPUC to proceed
PRC Easement	March 2016	Negotiate Right-of-Way with Pacific Railroad Company
Design & Environmental	April – Oct 2016	Plans, specifications, environmental clearance
Estimated Construction Start	January 2017	Construction project begins
Estimated Completion Date	June 2017	Project is completed

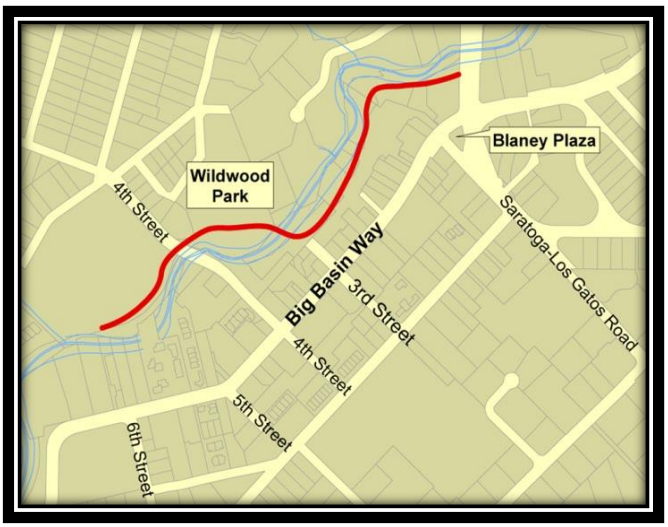
GUAVA COURT/FREDERICKSBURG ENTRANCE 9274-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - General Fund	45,880	-	**45,880**	-	-	-	-	-	**45,880**
TOTAL CIP FUND	**45,880**	-	**45,880**	-	-	-	-	-	**45,880**
GRANT FUND									
TFCA Grant	-	-	-	300,000	-	-	-	-	**300,000**
TOTAL GRANT FUND	-	-	-	**300,000**	-	-	-	-	**300,000**
TOTAL REVENUES	-	-	**45,880**	**300,000**	-	-	-	-	**345,880**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Construction Expenses	-	-	-	45,880	-	-	-	-	**45,880**
TOTAL STREET FUND	-	-	-	**45,880**	-	-	-	-	**45,880**
GRANT FUND									
Construction Expenses	-	-	-	300,000					**300,000**
TOTAL GRANT FUND	-	-	-	**300,000**	-	-	-	-	**300,000**
TOTAL EXPENDITURES	-	-	-	**345,880**	-	-	-	-	**345,880**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
BEGINNING FUND BAL	-	45,880		45,880	-	-	-	-	**45,880**
Revenues & T/I	45,880	-	**45,880**	-	-	-	-	-	**45,880**
Expenditures & T/O	-	-	-	45,880	-	-	-	-	**45,880**
ENDING FUND BALANCE	**45,880**	**45,880**	**45,880**	-	-	-	-	-	**45,880**
GRANT FUND									
BEGINNING BALANCE	-	-		-	-	-	-	-	-
Revenues & Transfers In	-	-	-	300,000	-	-	-	-	**300,000**
Expenditures & Transfers Out	-	-	-	300,000	-	-	-	-	**300,000**
ENDING BALANCE	-	-	-	-	-	-	-	-	-

TRAIL PROJECTS



Project Name	Saratoga Village Creek Trail - Design	**Project Number**	9277-001
Department	Public Works	**Project Manager**	Iveta Harvancik

Description This project funds design of a trail along Saratoga Creek.

Location This project is located along the portion of Saratoga Creek running the length of Saratoga Village.

Project Background The Saratoga Village Creek Trail will be approximately .25 miles long, passing through Saratoga Village parallel to Big Basin Way along Saratoga Creek to Wildwood Park. The trail is part of the City's General Plan and has received widespread support from the community. Trail supporters believe it will enhance and enliven Saratoga Village as the proposed trail would help to bring foot traffic to the Village, create recreational opportunities for residents and visitors alike, and restore the riparian habitat and protect native fauna and flora in the Saratoga Creek area.

In addition to being part of the City's General Plan, the Saratoga Village Creek Trail will serve as a critical starting point for the Saratoga-to-Sea Trail that is part of the Santa Clara County Trail Master Plan. The Saratoga-to-Sea Trail is to begin in Saratoga Village, travel up to Hakone Gardens through the Sanborn-Skyline trail system, and over to the Pacific Ocean.

The Design and Environmental review includes replacement of non-native invasive plant species with native plants and other environmental mitigations. Phase II design will include a new pedestrian bridge to Wildwood Park.

The Village Creek Trail project is funded by the Santa Clara Valley Water District Watershed Stewardship grant program and City matching funds. Additional funding will need to be identified and secured in order to fully implement the planned project.

During Fiscal Year 2015/16 this project was closed and the remaining balances were returned to the CIP Reserve and unallocated Park In-lieu fees.

Operating Budget Impacts Staff time costs associated with developing joint use agreements, grant oversight, community outreach, and project management are included in the Operating Budget.

TRAIL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Environmental Review Begins	January 2015	Environmental review and documentation begins
Environmental Review Ends	July 2015	Environmental review and documents filed with County
Estimated Design Start	January 2015	Design for the Village Creek Trail begins
Estimated Design Completion	July 2015	Design for the Village Creek Trail is completed
Council Approval	August 2015	Final conceptual design presented to the Saratoga City Council and Water District Board of Directors for approval
Project Closed	February 2016	Project closed

VILLAGE CREEK TRAIL DESIGN 9277-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - Other Fund	31,000	18,000	**49,000**	-					**49,000**
TOTAL	**31,000**	**18,000**	**49,000**	-	-	-	-	-	**49,000**
PARK IN-LIEU FEES FUND									
Transfers In - Other CIP	-	31,000	**31,000**	-	-	-	-	-	**31,000**
TOTAL	-	**31,000**	**31,000**	-	-	-	-	-	**31,000**
GRANT FUND									
Local - SCVWD Grant	39,000	-	**39,000**	-	-	-	-	-	**39,000**
TOTAL	**39,000**	-	**39,000**	-	-	-	-	-	**39,000**
TOTAL REVENUES	**70,000**	**49,000**	**119,000**	-	-	-	-	-	**119,000**

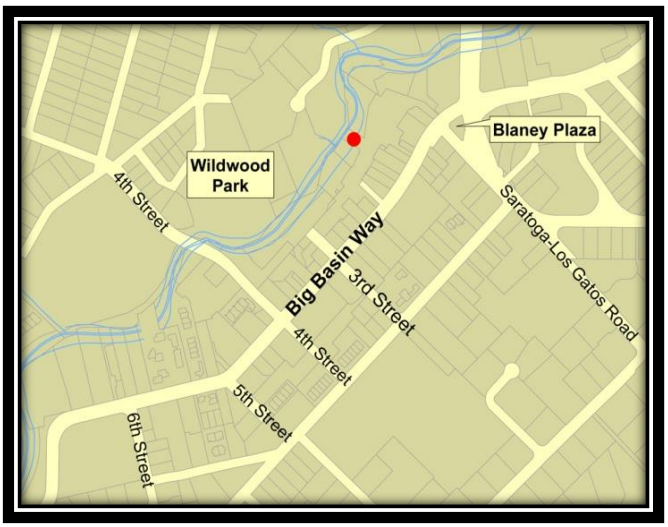
EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Consultant/Contract Svs	-	3,760	**3,760**	-	-	-	-	-	**3,760**
Transfers Out	-	45,241	**45,241**	-	-	-	-	-	**45,241**
TOTAL	-	**49,000**	**49,000**	-	-	-	-	-	**49,000**
PARK IN-LIEU FEES FUND									
Transfers Out	-	31,000	**31,000**	-					**31,000**
TOTAL	-	**31,000**	**31,000**	-	-	-	-	-	**31,000**
GRANT FUND									
Fees & Expenses	5,000	-	**5,000**	-	-	-	-	-	**5,000**
Consultant/Contract Svs	34,000	-	**34,000**	-	-	-	-	-	**34,000**
TOTAL	**39,000**	-	**39,000**	-	-	-	-	-	**39,000**
TOTAL EXPENDITURES	**39,000**	**80,000**	**119,000**	-	-	-	-	-	**119,000**

TRAIL PROJECTS

VILLAGE CREEK TRAIL DESIGN (CONT.) 9277-001

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
Beginning CIP Parks Balance	-	31,000		-	-	-	-	-	
Revenues & T/I	31,000	18,000	**49,000**	-	-	-	-	-	**49,000**
Expenditures & T/O	-	49,000	**49,000**	-	-	-	-	-	**49,000**
Ending CIP Parks Balance	**31,000**	-	-	-	-	-	-	-	-
PARK IN-LIEU FEES FUND									
Beginning Park In-Lieu Fees Bal	-	-		-	-	-	-	-	
Revenues & T/I	-	31,000	31,000	-	-	-	-	-	**31,000**
Expenditures & T/O	-	31,000	31,000	-	-	-	-	-	**31,000**
Ending CIP Parks Balance	-	-	-	-	-	-	-	-	-
GRANT FUND									
Beginning Grant Balance	-	-		-	-	-	-	-	
Revenues & T/I	39,000	-	**39,000**	-	-	-	-	-	**39,000**
Expenditures & T/O	39,000	-	**39,000**	-	-	-	-	-	**39,000**
Ending Grant Balance	-	-	-	-	-	-	-	-	-
ENDING BALANCE	**31,000**	-	-	-	-	-	-	-	-

TRAIL PROJECTS



Project Name	Saratoga Village Creek Overlook - Construction	**Project Number**	9277-002
Department	Public Works	**Project Manager**	Iveta Harvancik

Description This project funds the construction of a short trail and Saratoga Creek overlook.

Location The proposed trail and overlook is located behind the property at 14435 Big Basin Way on the eastern bank of Saratoga Creek in Saratoga Village.

Project Background The trail will begin at a City owned parking lot in the Village and end at a 60 square foot seating area overlooking Saratoga Creek. It will be approximately 150 feet long and 4 feet wide with one switchback. The trail surface will be comprised of compacted dirt and educational signage about the Saratoga Creek ecosystem will be placed near the trail and seating area. Additionally, non-native invasive plant species in the project area will be removed and replaced with native plant species.

The overlook and short trail segment are part of the initial trail plan conducted for the Saratoga Village Creek Trail. This trail is part of the City's General Plan and is expected to be .25 miles long, traveling along Saratoga Creek from Saratoga-Sunnyvale Road to Wildwood Park.

This project is partially funded by Santa Clara Valley Water District Trails and Open Space grant and City matching funds.

During Fiscal Year 2015/16 this project was closed and grant monies received were returned to the Santa Clara Valley Water District.

Operating Budget Impacts Staff time associated with grant oversight, community outreach, and project management are included in the Operating Budget.

TRAIL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Environmental Review Begins	January 2015	Environmental review and documentation begins
Environmental Review Ends	July 2015	Environmental review and documents filed with County
Estimated Design Start	January 2015	Design for the Outlook begins
Estimated Design Completion	July 2015	Design completed
Council Approval	August 2015	Final conceptual design presented to the Saratoga City Council and Water District Board of Directors for approval
Estimated Construction Start	October 2015	Award Contract
Estimated Construction End	December 2015	Project completed

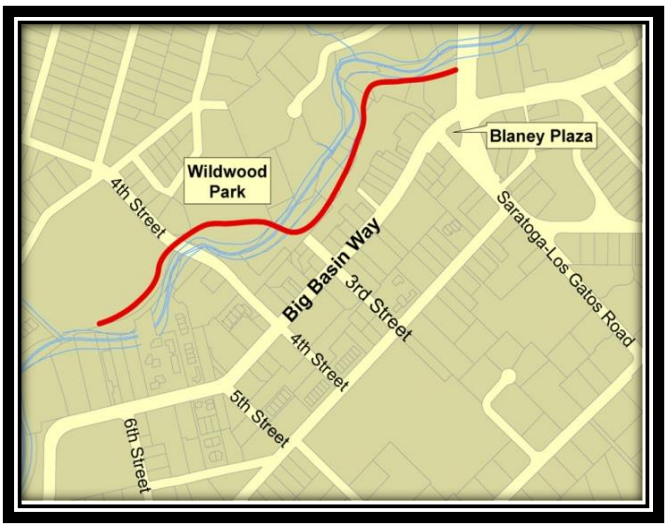
SARATOGA VILLAGE CREEK OVERLOOK 9277-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GRANT FUND									
Local - SCVWD Grant	480	(480)	-	-	-	-	-	-	-
TOTAL	**480**	**(480)**	-	-	-	-	-	-	-
TOTAL REVENUES	**480**	**(480)**	-	-	-	-	-	-	-

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GRANT FUND									
Consultant/Contract Svs	480	(480)	-	-	-	-	-	-	-
Construction Expenses	-	-	-	-	-	-	-	-	-
TOTAL	**480**	**(480)**	-	-	-	-	-	-	-
TOTAL EXPENDITURES	**480**	**(480)**	-	-	-	-	-	-	-

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
GRANT FUND									
Beginning Grant Balance		-		-	-	-	-	-	
Revenues & T/I	480	(480)	-	-	-	-	-	-	-
Expenditures & T/O	480	(480)	-	-	-	-	-	-	-
ENDING BALANCE	-	-	-	-	-	-	-	-	-

TRAIL PROJECTS



Project Name	Saratoga Village Creek Trail – Construction	**Project Number**	9277-003
Department	Public Works	**Project Manager**	Iveta Harvancik

Description

This project will fund construction of a pedestrian trail starting at Saratoga-Sunnyvale Rd. along Saratoga Creek to Wildwood Park.

Location

The proposed trail would be constructed along the portion of Saratoga Creek running the length of Saratoga Village.

Project Background

The Saratoga Village Creek Trail will pass through Saratoga Village parallel to Big Basin Way. The trail is part of the City's General Plan and has received widespread support from the community. Trail supporters believe it will enhance and enliven Saratoga Village as the proposed trail would help to bring foot traffic to the Village, create recreational opportunities for residents and visitors alike, and restore the riparian habitat and protect native fauna and flora in the Saratoga Creek area.

In addition to being part of the City's General Plan, the Saratoga Village Creek Trail will serve as a critical starting point for the Saratoga-to-Sea Trail that is part of the Santa Clara County Trail Master Plan. The Saratoga-to-Sea Trail is to begin in Saratoga Village, travel up to Hakone Gardens through the Sanborn-Skyline trail system, and over to the Pacific Ocean.

This project is still in its initial phase and no formal conceptual plan has been developed. The creek trail is expected to be 4 to 5 feet wide and .25 miles long with a pedestrian bridge, include replacement of non-native invasive plant species with native plants and the removal of creek blockages that interfere with the natural migration of fish in the creek.

Funding for this project will come from Park-in-Lieu Fees and a transfer from the General Fund. The City expects to receive additional grant funding from the SCVWD for the construction of the trail.

During Fiscal Year 2015/16 this project was closed and the remaining balances were returned to CIP Reserve and unallocated Park In-lieu fees.

Operating Budget Impacts

Staff time for project oversight and engineering development is included in the Operating Budget. Upon completion of the Village Creek Trail, occasional maintenance and repair will impact the operating budget, however this cost has not yet been determined as there may be shared costs with the Water District.

TRAIL PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Grant Application	TBD	Awaiting grant opportunities
Estimated Construction Award	TBD	
Estimated Construction Start	TBD	
Estimated Construction Finish	TBD	
Project Closed	February 2016	Project closed

VILLAGE CREEK TRAIL - CONSTRUCTION 9277-003

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP PARK FUND									
Transfers In - General Fund	-	81,000	**81,000**	-	-	-	-	-	**81,000**
TOTAL	**-**	**81,000**	**81,000**	**-**	**-**	**-**	**-**	**-**	**81,000**
PARK IN-LIEU FEES FUND									
Transfers In - Other CIP	19,000	-	**19,000**	-					**19,000**
TOTAL	**19,000**	**-**	**19,000**	**-**	**-**	**-**	**-**	**-**	**19,000**
TOTAL REVENUES	**19,000**	**81,000**	**100,000**	**-**	**-**	**-**	**-**	**-**	**100,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP PARK FUND									
Transfers Out	-	81,000	**81,000**	-	-	-	-	-	**81,000**
TOTAL	**-**	**81,000**	**81,000**	**-**	**-**	**-**	**-**	**-**	**81,000**
PARK IN-LIEU FEES FUND									
Transfers Out	-	19,000	**19,000**	-	-	-	-	-	**19,000**
TOTAL	**-**	**19,000**	**19,000**	**-**	**-**	**-**	**-**	**-**	**19,000**
TOTAL EXPENDITURES	**-**	**100,000**	**81,000**	**-**	**-**	**-**	**-**	**-**	**100,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP PARK FUND									
Beginning CIP Parks Balance	-			-	-	-	-	-	
Revenues & T/I	-	81,000	**81,000**	-	-	-	-	-	**81,000**
Expenditures & T/O	-	81,000	**81,000**	-	-	-	-	-	**81,000**
Ending CIP Parks Balance	-		**-**	-	-	-	-	-	**-**
PARK IN-LIEU FEES FUND									
Beginning CIP Parks Balance		19,000		-	-	-	-	-	
Revenues & T/I	19,000	-	**19,000**	-	-	-	-	-	**19,000**
Expenditures & T/O	-	19,000	**19,000**	-	-	-	-	-	**19,000**
Ending Park In-Lieu Fees Balanc	**19,000**	-	**-**	-	-	-	-	-	**-**
ENDING BALANCE	**19,000**	-	**-**	-	-	-	-	-	**-**

FACILITY IMPROVEMENTS

FACILITY IMPROVEMENT PROGRAM

PROGRAM DIRECTORY

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FACILITY IMPROVEMENT PROGRAM SUMMARY

The Capital Improvement Plan's Facility Improvement Program provides for capital maintenance and improvements of the City of Saratoga's buildings and structures. Projects in the Facility Program are classified by site, to capture both funding resources and site improvement information. There are further sub-classifications by building within these sites. In summary, the Facility Improvement Program categories are:

- Citywide Projects
- Civic Center
- Community Center
- Corporation Yard
- Saratoga-Prospect Center
- Village Historical Buildings
- Library Building

Civic Center – located at 13777 Fruitvale Avenue, this site classification includes the Administration Building, Development /Engineering Building, Theater/Chamber Building, and the Warner Hutton House.

Community Center – located at 19655 Allendale Avenue, includes the Senior Center, the Adult Care Center, the Recreation Center, and the associated portables.

Corporation Yard – located at 19700 Allendale Avenue, includes the Corporation Yard Offices, the associated open bays, and the entire fenced in parking lot complex.

Saratoga Prospect Center – located at 19848 Prospect Avenue, is comprised of the Grace Building and the Friendship Hall. This sub-classification also includes grounds work associated with the site.

Village Historical Park – located at 20450 Saratoga- Los Gatos Road, represents the collection of City owned historical buildings located downtown in the village. This includes the Saratoga Historical Museum, the Book-Go-Round, and the McWilliams House. All three buildings are occupied under long-term leases by community based organizations; however, the City bears some external building maintenance responsibilities.

Library Building – located at 13650 Saratoga Avenue, near the corner of Saratoga Avenue and Fruitvale Avenue, and adjacent to the Heritage Orchard Park. The building is leased to the Santa Clara County Library Joint Powers Authority on a 30 year lease (effective July 2003) for use as a branch library. Capital improvements are funded with remaining bond funds from the 2001 Capital Improvement GO Bond. Exterior maintenance upkeep is funded through a $5,000 annual payment from Santa Clara County.

The two schedules on the following pages list the Facility Program's capital projects and the Facility Program's summary funding by account classification. Following the summary schedules are individual project pages for each of the funded projects in this capital program.

PROJECT LIST SUMMARY

FACILITY PROJECT EXPENDITURE SUMMARY		Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expenditures
City Wide Projects										
9311-001	Annual Facility Improvements	135,732	43,500	179,232	*closed*	-	-	-	-	179,232
9312-002	Electronic Door Lock System - Phase II	95,116	29,633	124,749	23,375	-	-	-	-	148,123
9314-002	Emergency Power Backup - Phase II	121,105	325	121,430	*closed*	-	-	-	-	121,430
9314-005	ADA Auto Doors/Ramps/Handrails	66,695	-	66,695	*closed*	-	-	-	-	66,695
9314-007	Facility Building Improvements	-	-	-	70,648					
Civic Center Improvements										
9321-014	Master Switch Gear - Electrical Panel	66,502	73,498	140,000	*closed*	-	-	-	-	140,000
9321-015	CDD/Engineering Window Replacement	-	37,763	-	2,237	-	-	-	-	2,237
9322-001	Theater Improvements	205,832	30,547	236,379	90,660	35,000	35,000	35,000	35,000	467,039
9322-010	Civic Theater Master Plan Improvement	-	64,900	64,900	*closed*	-	-	-	-	64,900
9322-011	Civic Theater Boiler Replacement	-	90,000	90,000	*closed*	-	-	-	-	90,000
9322-012	Civic Theater Roof Top Duct Work	-	90,000	90,000	*closed*	-	-	-	-	90,000
Warner Hutton House										
9323-002	Furniture and Equipment	1,942	-	1,942	*closed*	-	-	-	-	1,942
Community Center										
9331-008	Electrical Panel Upgrade	-	-	-	120,000	-	-	-	-	120,000
9333-006	ADA Restroom Upgrade	-	2,045	2,045	150,627	-	-	-	-	152,672
9334-003	Preschool Play Structure	29,542	10,458	40,000	*closed*	-	-	-	-	40,000
Saratoga-Prospect Center										
9351-004	Saratoga Prospect Center Furniture	-	-	-	13,896	-	-	-	-	13,896
Village Historical Buildings				-						-
9364-001	McWilliams House Improvements	6,422	3,578	10,000	*closed*	-	-	-	-	10,000
Library Buildings										
9372-001	Library Exterior Maintenance Projects	29,530	-	29,530	20,470	5,000	5,000	5,000	5,000	70,000
9373-001	Library EV Fast Charging Station	-	-	-	100,000	-	-	-	-	100,000
Total Project Expenditures		1,026,815	476,247	1,465,299	591,913	40,000	40,000	40,000	40,000	2,217,212

There are three new facility projects added for FY 2016/17. They are:

- Facility Building Improvements
- Community/Senior Center Electrical Panel Upgrade
- Senior Center Restroom ADA Upgrade

A total of 10 projects were either completed or closed during Fiscal Year 2015/16. They are:

- Annual Facility Improvements
- Emergency Power Backup – Phase II
- ADA Auto Doors/Ramps/Handrails
- Master Switch Gear – Electrical Panel
- Civic Theater Master Plan Improvements
- Civic Theater Boiler Replacement
- Civic Theater Roof Top Duct Work
- Preschool Play Structure
- Saratoga Prospect Center Furniture
- McWilliams House Improvements

There are seven active projects remaining for FY 2016/17.

FACILITY IMPROVEMENTS FUNDING SUMMARY

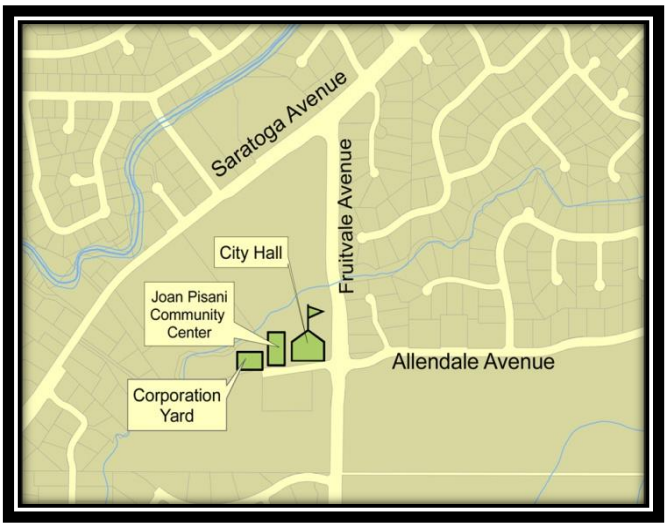
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Program Funding
CIP FACILITIES FUND									
Theater Ticket Surcharge	293,713	33,326	327,039	35,000	35,000	35,000	35,000	35,000	502,039
SCC Maintenance Reimb	40,000	5,000	45,000	5,000	5,000	5,000	5,000	5,000	70,000
Transfers In - General Fund	749,132	333,896	1,083,028	190,648	-	-	-	-	1,273,676
Transfers In - Annual Facilities	48,136	-	48,136	-	-	-	-	-	48,136
Transfer In - Admin Projects	76,430	-	76,430	-	-	-	-	-	76,430
Transfer In - Other CIP	28,123	-	28,123	-	-	-	-	-	28,123
CIP GRANT FUND									
CDBG Grant	138,898	2,045	140,943	150,627	-	-	-	-	291,569
TOTAL REVENUES	**1,374,433**	**374,267**	**1,748,700**	**381,275**	**40,000**	**40,000**	**40,000**	**40,000**	**2,289,975**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Program Expended
CIP FACILITIES FUND									
Materials & Supplies	27,620	16,700	44,321	-	-	-	-	-	44,321
Consultant/Contract Svs	170,057	325	170,382	-	-	-	-	-	170,382
Construction Expenses	690,240	218,661	908,901	441,286	40,000	40,000	40,000	40,000	1,510,187
Transfers Out	-	238,516	238,516	-	-	-	-	-	238,516
TOTAL CIP FUND EXP	**887,917**	**474,202**	**1,362,119**	**441,286**	**40,000**	**40,000**	**40,000**	**40,000**	**1,963,405**
CIP GRANT FUND									
Materials & Supplies	160	-	160	-	-	-	-	-	160
Consultant/Contract Svs	8,180	-	8,180	-	-	-	-	-	8,180
Construction Expenses	130,558	2,045	132,603	150,627	-	-	-	-	283,229
TOTAL GRANT FUND EXP	**138,898**	**2,045**	**140,943**	**150,627**	**-**	**-**	**-**	**-**	**291,569**
TOTAL EXPENDITURES	**1,026,815**	**476,247**	**1,503,062**	**591,913**	**40,000**	**40,000**	**40,000**	**40,000**	**2,254,975**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Program Activity
CIP FACILITIES FUND									
Beginning Balance		347,618		245,638	35,000	35,000	35,000	35,000	
Revenues & T/I	1,235,535	372,222	1,607,757	230,648	40,000	40,000	40,000	40,000	**1,998,405**
Expenditures & T/O	887,917	474,202	1,362,119	441,286	40,000	40,000	40,000	40,000	**1,963,405**
Ending Balance	**347,618**	**245,638**	**245,638**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**
GRANT FUND									
Beginning Balance		-		-					
Revenues & T/I	138,898	2,045	140,943	150,627	-	-	-	-	**291,569**
Expenditures & T/O	138,898	2,045	140,943	150,627	-	-	-	-	**291,569**
Ending Balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ENDING BALANCE	**347,618**	**245,638**	**245,638**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**

CITYWIDE PROJECTS

CITYWIDE PROJECTS



Project Name	Annual Facility Improvement Funding	**Project Number**	9311-001
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project represents the annual funding provided for City-owned minor facility improvement and repair projects. Funding is reallocated from this central project to assigned facility projects throughout the year.

Location

Facility projects may be located at any of the City buildings which include: the City Hall campus, Joan Pisani Community Center, Corporation Yard, Historic Park, and Saratoga Prospect Center.

Project Background

Each year, a $100,000 transfer from the General Fund to this CIP project provides funding for various maintenance projects at City facilities. Minor project repairs, improvements, and maintenance that improve safety are given the highest priority. Past projects have included:

- Installing new site and building signs for the Prospect Center
- Administration lobby remodel
- Theater and City Hall alarm system replacement
- Carpet replacement for Adult Daycare Center, Portable, Community Development Hallway
- Replacement of 12 windows on the east side of the City Hall Administrative Building
- City Hall HVAC system replacements
- Corporation Yard restrooms remodeled
- ADA compliant ramp for preschool portable
- Copy and Break Room flooring replacement
- Repair of damaged HVAC duct work

Operating Budget Impacts

In Fiscal Year 2015/16, this project closed and was replaced with the Facilities Furniture, Fixtures and Equipment Internal Service Fund.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Council approves plans and authorizes bidding the project
Contract Award	Ongoing	Council awards contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Oct 2015	Project complete

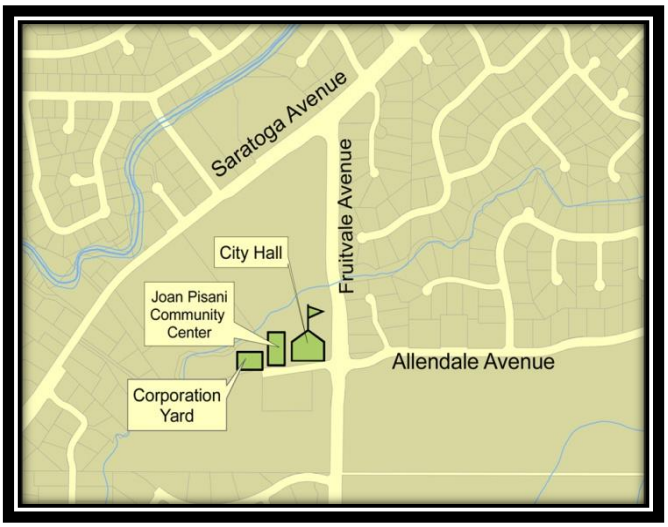
ANNUAL FACILITY IMPROVEMENTS 9311-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	179,232	-	**179,232**	-	-	-	-	-	**179,232**
TOTAL REVENUES	**179,232**	**-**	**179,232**	**-**	**-**	**-**	**-**	**-**	**179,232**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Materials & Supplies	1,211	-	**1,211**	-	-	-	-	-	**1,211**
Construction Expenses	134,520	43,500	**178,020**	-	-	-	-	-	**178,020**
TOTAL EXPENDITURES	**135,732**	**43,500**	**179,232**	**-**	**-**	**-**	**-**	**-**	**179,232**

	Prior Year Activity	FY 2015/16 Actuals	Totals	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL		43,500		-	-	-	-	-	-
Revenues & T/I	179,232	-	179,232	-	-	-	-	-	**179,232**
Expenditures & T/O	135,732	43,500	179,232	-	-	-	-	-	**179,232**
ENDING FUND BALANCE	**43,500**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS



Project Name	Electronic Door Locking System	**Project Number**	9312-002
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project funds installation of a Stanley wireless security system to the Prospect Center's exterior doors and to update the master key system used at the Corp Yard.

Location

This project will be located at both buildings at the Prospect Center, the Corp Yard, and a number of Park buildings and locations used by the Streets Department.

Project Background

Currently, over half the doors at City Hall must be manually locked or unlocked. The City plans to increase security of the Prospect Center campus by investing in an electronic locking security system that would eliminate the possibility of doors being left unlocked during non-working hours. Doors would be set to automatically unlock and lock based on requirements of the buildings at the Prospect Center. Subsequently, the threat of loss or damage to City property during off hours would be reduced.

The Corp Yard portion of the project will update the Master key system used at the Corp Yard, and most Parks buildings at field locations around the City used by the Streets department. This Master key system has been due for a complete update of all existing keys for the Corp Yard system to improve security and eliminate the concern over legacy lost keys.

Operating Budget Impacts

This project will reduce the possibility of loss of, or damage to, City property that could result from doors being left unlocked after hours. Upon completion, improvements may increase maintenance expenses. Project management has already been incorporated in the City's operating budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	July 2012	Prepare plans and specifications
Begin Bid Process	June 2013	Council approves plans and authorizes bidding the project
Contract Award	June 2013	Council awards contract
Estimated Construction Start	July 2013	Construction project begins
Estimated Completion Date	December 2016	Project complete

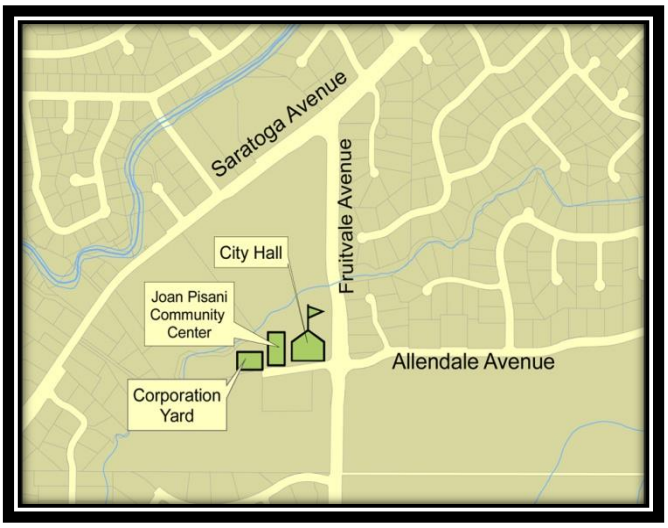
ELECTRONIC DOOR LOCKING SYSTEM 9312-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - Other CIP	3,123	-	**3,123**	-	-	-	-	-	**3,123**
Transfers In - General Fund	145,000	-	**145,000**	-	-	-	-	-	**145,000**
TOTAL REVENUES	**148,123**	**-**	**148,123**	**-**	**-**	**-**	**-**	**-**	**148,123**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	95,116	29,633	**124,749**	23,375	-	-	-	-	**148,123**
TOTAL EXPENDITURES	**95,116**	**29,633**	**124,749**	**23,375**	**-**	**-**	**-**	**-**	**148,123**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	53,007		23,375	-	-	-	-	-
Revenues & T/I	148,123	-	148,123	-	-	-	-	-	148,123
Expenditures & T/O	95,116	29,633	124,749	23,375	-	-	-	-	148,123
ENDING FUND BALANCE	**53,007**	**23,375**	**23,375**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS



Project Name	Emergency Power Backup System	**Project Number**	9314-002
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project provides for the purchase and installation of an emergency power generator for the City's information technology server room and some City Hall buildings during PG&E power outages.

Location

The emergency power generator will be installed outside on a cement pad behind the Engineering Division section of City Hall.

Project Background

During power outages, a 15 kilowatt portable generator is used to supply power to the main City Hall campus. There is a time delay before power from the portable generator is available – after an outage occurs the portable generator must be brought over from the corporation yard and plugged into the City's power supply. This portable generator does not automatically turn on to provide power to the servers when electricity goes out. While individual computers and network servers have battery backups to prevent abrupt power loss and spikes, the batteries run out of power within 10 to 30 minutes. If a network server loses power before staff shuts it down, or the portable generator is installed to keep power running, data loss may occur.

Additionally, the City's portable generator is not of sufficient kilowatt size to provide enough amperage to fully power the office buildings. The portable generator's capacity is limited to restoring only half of the electrical panel, providing emergency power for the computer server room and limited use of lights, copy machines, and other electrical equipment in the Administration Building; while the Planning and Engineering offices remain without power.

Installing a permanent alternative power supply that starts automatically during power outages will provide added protection for the City's computers and network servers, while also ensuring that City operations remain active during power outages. This is especially critical during emergency situations.

Installation of an emergency power supply will be performed by a contractor and supervised by staff.

Operating Budget Impacts

Upon installation, generator maintenance is expected to be minimal and will be conducted by staff. Staff time required to oversee this project is accounted for in the operating budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	April 2012	Prepare plans and specifications
Begin Bid Process	January 2013	Plans approved and distributed
Contract Award	June 2013	Contractor selected
Estimated Construction Start	July 2013	Construction project begins
Estimated Completion Date	December 2015	Project complete

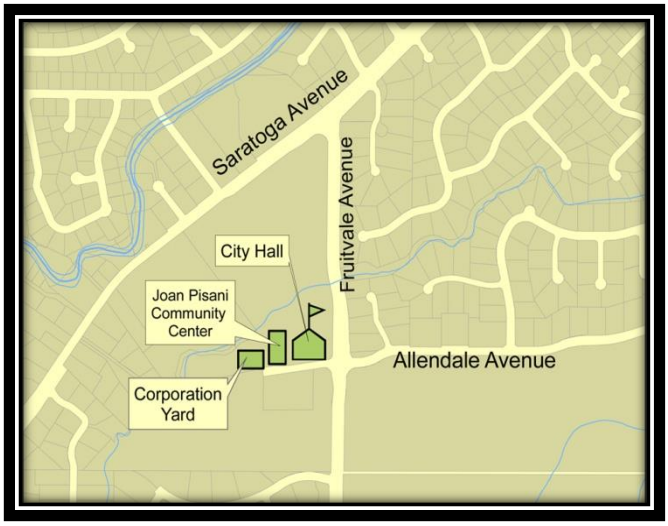
EMERGENCY POWER BACKUP SYSTEM 9314-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	60,000	-	**60,000**	-	-	-	-	-	**60,000**
Transfers In - Other CIP	25,000	-	**25,000**	-	-	-	-	-	**25,000**
Transfers In - Admin Projects	36,430	-	**36,430**	-	-	-	-	-	**36,430**
TOTAL REVENUES	**121,430**	**-**	**121,430**	**-**	**-**	**-**	**-**	**-**	**121,430**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Consultant/Contract Svs	13,203	325	**13,528**	-	-	-	-	-	**13,528**
Construction Expenses	107,903	-	**107,903**	-	-	-	-	-	**107,903**
TOTAL EXPENDITURES	**121,105**	**325**	**121,430**	**-**	**-**	**-**	**-**	**-**	**121,430**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL		325	-	-	-	-	-	-	-
Revenues & T/I	121,430	-	121,430	-	-	-	-	-	**121,430**
Expenditures & T/O	121,105	325	121,430	-	-	-	-	-	**121,430**
ENDING FUND BALANCE	**325**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

CITYWIDE PROJECTS



Project Name	ADA Auto Doors/Ramps/Handrails	**Project Number**	9314-005
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project continues the process of making City facilities ADA compliant by installing eight (8) automatic doors at the Community Center, the Senior Center, the Prospect Center Friendship Hall and the Grace Building.

Location

Improvements will be made at the Community Center, the Senior Center, the Prospect Center Friendship Hall and Grace Building.

Project Background

In July, 2009, the Association of Bay Area Governments (ABAG) conducted an accessibility assessment of Saratoga facilities. The ABAG consultant who performed the assessment visited each of the City's facilities to determine if they are compliant with Americans with Disabilities Act (ADA) accessibility guidelines. The consultant provided a list of recommended improvements to increase accessibility.

The recommended improvements included automatic opening doors for all City facilities.

This project will be funded with Community Development Block Grant (CDBG) monies. The CDBG program was started in 1974 by the U.S. Department of Housing and Urban Development to ensure access to affordable housing, provide services to people with special needs, and create jobs. In Santa Clara County, CDBG money for cities in the valley is administered by the Santa Clara County Office of Affordable Housing.

Work will be performed by an outside contractor and managed by staff. This project was completed and closed in Fiscal Year 2015/16.

Operating Budget Impacts

Automatic doors will make City Hall more accessible and thereby more welcoming to disabled citizens conducting business at City Hall. Furthermore, the improvements will help protect the City from potential lawsuits. Staff time required to oversee this project and grant requirements is accounted for in the operating budget.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	December 2012	Prepare plans and specifications
Begin Bid Process	June 2013	Plans approved and distributed
Contract Award	August 2013	Contract awarded
Estimated Construction Start	September 2013	Construction project begins
Estimated Completion Date	December 2016	Project completed

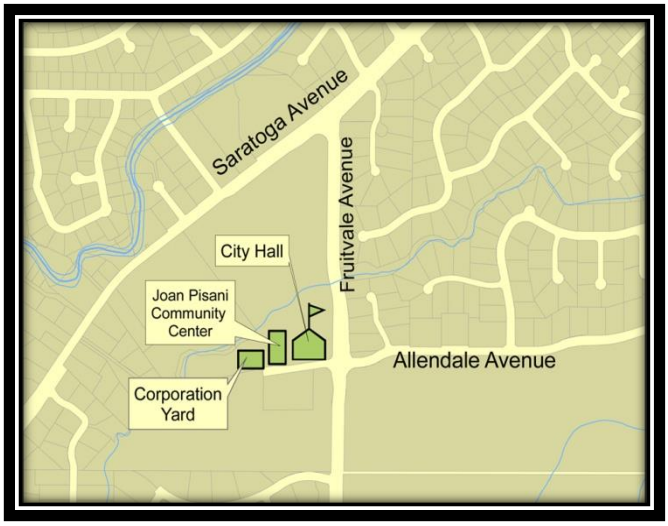
ADA AUTO DOORS/RAMPS/HANDRAILS 9314-005

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GRANT FUND									
CDBG Grant	66,695	-	**66,695**	-	-	-	-	-	**66,695**
TOTAL REVENUES	**66,695**	-	**66,695**	-	-	-	-	-	**66,695**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GRANT FUND									
Construction Expenses	66,695	-	**66,695**	-	-	-	-	-	**66,695**
TOTAL EXPENDITURES	**66,695**	-	**66,695**	-	-	-	-	-	**66,695**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
GRANT FUND									
BEGINNING FUND BAL	-	-	-	-	-	-	-	-	-
Revenues & T/I	66,695	-	66,695	-	-	-	-	-	**66,695**
Expenditures & T/O	66,695	-	66,695	-	-	-	-	-	**66,695**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-

CITYWIDE PROJECTS



Project Name	Facility Building Improvements	**Project Number**	9314-007
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description This project funds the design and construction of exterior, free standing storage buildings for furnishings that are rented for use at city facilities

Location The buildings will be located on the north side of Warner Hutton House and the south side of Friendship Hall located at the Saratoga Prospect Center.

Project Background In order to provide more reasonable facility rental opportunities and increase storage space for new furnishings, exterior storage buildings will need to be constructed at Saratoga Prospect Center and Warner Hutton House. There are currently limited accommodations inside each facility to maximize the use of tables and chairs. The design of each storage building will match the look of both Warner Hutton House and Friendship Hall. The Heritage Preservation Commission has approved the design for the building that would be constructed at Warner Hutton House

The estimated cost of the project is $70,648 and is funded by a transfer from the CIP reserve.

Operating Budget Impacts Staff time required for oversight of this project is incorporated into the operating budget. Increased use of each facility should also increase rental income.

CITYWIDE PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	March 2016	Prepare plans and specifications
Begin Bid Process	July 2016	Council approves plans and authorizes, bidding the project
Contract Award	August 2016	Contract awarded
Estimated Construction Start	September 2016	Construction project begins
Estimated Completion Date	December 2016	Project completed

FACILITY BUILDING IMPROVEMENTS 9314-007

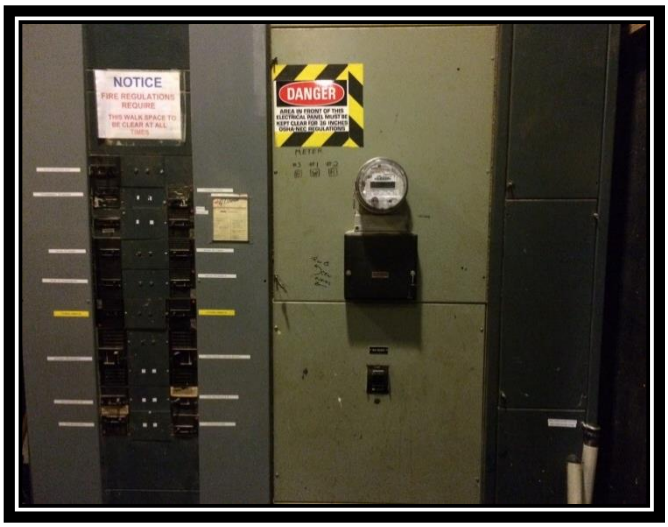
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	-	-	-	70,648	-	-	-	-	**70,648**
TOTAL REVENUES	-	-	-	**70,648**	-	-	-	-	**70,648**

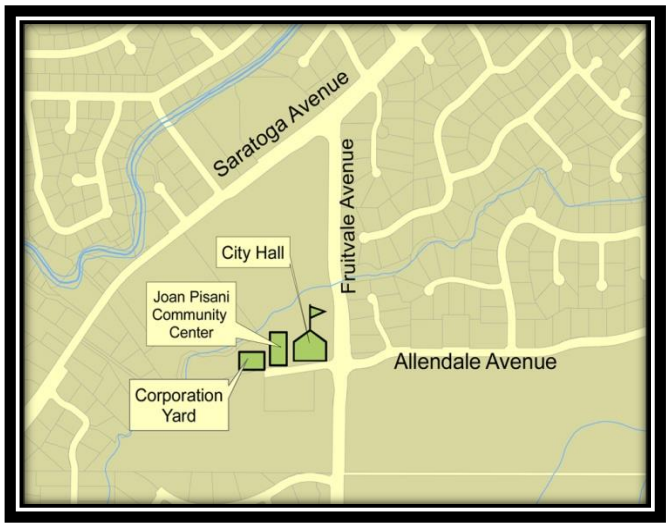
EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	-	-	-	70,648	-	-	-	-	**70,648**
TOTAL EXPENDITURES	-	-	-	**70,648**	-	-	-	-	**70,648**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL		-	-	-	-	-	-	-	-
Revenues & T/I	-	-	-	70,648	-	-	-	-	**70,648**
Expenditures & T/O	-	-	-	70,648	-	-	-	-	**70,648**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-

CIVIC CENTER IMPROVEMENT PROJECTS

CIVIC CENTER IMPROVEMENTS





Project Name	Master Switch Gear – Electrical Panel	**Project Number**	9321-014
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project will replace the main electrical switchgear in the back of the Civic Center.

Location

This project is located at the Civic Theater at Saratoga City Hall campus.

Project Background

The original 500-amp switchgear (master electrical panel) was installed when the Civic Theater was built in 1964. In 1969, the City constructed more office space and the main breaker was changed from 500 amps to 1,000 amps in an attempt to accommodate more power usage. Although the breaker was upgraded, the switchgear remained at a 500-amp capacity.

The issue was discovered in 2013 while other work was being completed as part of the City's Emergency Power Back Up Generator project. The City was informed that the switchgear was non-certifiable and unusable due to its age.

This development put a halt to the Emergency Power Backup project as the generator project requires the Theater and Civic Center Administration Buildings (including the City Manager's Office, Public Works, and Community Development Department) be connected to one master electrical panel, thereby allowing a generator to supply power to all connections on the main switchgear.

With funding from this project, a new 1,000-amp switchgear and breaker will be installed, simultaneously upgrading the electrical system and allowing the City to move forward with its Emergency Power Back Up Generator project.

Operating Budget Impacts

Staff time required for oversight of this project is incorporated into the operating budget.

CIVIC CENTER IMPROVEMENTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	April 2013	Prepare plans and specifications
Begin Bid Process	July 2014	Council approves plan and authorizes bidding the project
Contract Award	July 2014	Council awards contract
Estimated Construction Start	September 2014	Construction project begins
Estimated Completion Date	December 2015	Project complete

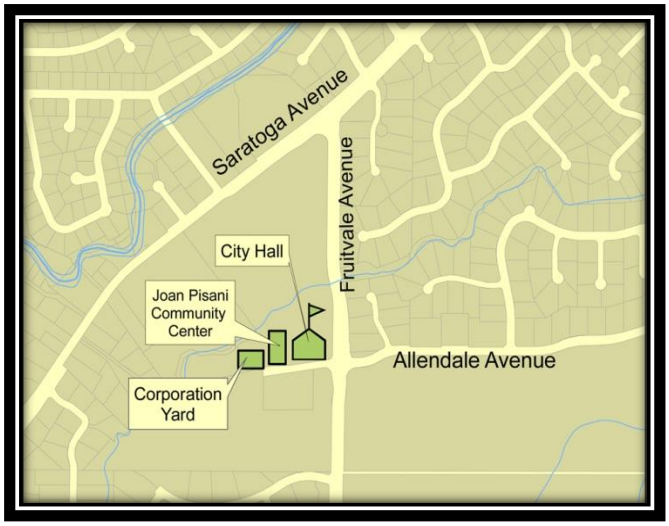
MASTER SWITCH GEAR – ELECTRICAL BOARD 9321-014

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	140,000	-	**140,000**	-	-	-	-	-	**140,000**
TOTAL REVENUES	**140,000**	-	**140,000**	-	-	-	-	-	**140,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	66,502	73,038	**139,540**	-	-	-	-	-	**139,540**
Transfers Out	-	460	**460**	-	-	-	-	-	**460**
TOTAL EXPENDITURES	**66,502**	**73,498**	**140,000**	-	-	-	-	-	**140,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL		73,498		-	-	-	-	-	-
Revenues & T/I	140,000	-	140,000	-	-	-	-	-	**140,000**
Expenditures & T/O	66,502	73,498	140,000	-	-	-	-	-	**140,000**
ENDING FUND BALANCE	**73,498**	-	-	-	-	-	-	-	-

CIVIC CENTER IMPROVEMENTS



Project Name	Community Development / Engineering Single Pane Window Replacement	**Project Number**	9321-015
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project replaces 28 single pane windows in the Community Development/Engineering office building with energy efficient double pane windows.

Location

This project is located along the back (west) wall of the Engineering and Building Division offices and the back (north) wall of the Planning Division offices at City Hall located at 13777 Fruitvale Avenue.

Project Background

The windows being replaced were donated to the City at the time the offices were being remodeled in the 1980's. They are single pane windows that were discarded from a local school building renovation project. The window glass and frames are very old, not energy efficient and some are no longer operable.

Replacing these windows with more energy efficient double paned windows has several key benefits. Among these are better insulation properties which improve environmental controls by reducing heat and sound transfer, provide better security as the glass is not easily broken, afford greater ease of cleaning and provide operable windows which would reduce the use of heating and air conditioning. The glazing, or UV coating, would also protect the interior from sun damage.

This project is funded by a transfer from the General Fund.

Operating Budget Impacts

This project will reduce maintenance costs and enhance energy efficiency savings through lower utility costs, thereby lowering operating costs. Staff time spent overseeing this project is incorporated in the operating budget.

CIVIC CENTER IMPROVEMENTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	May 2015	Prepare plans and specifications
Begin Bid Process	July 2016	Council approves plan and authorizes bidding the project
Contract Award	September 2016	Council awards contract
Estimated Construction Start	November 2016	Construction project begins
Estimated Completion Date	November 2016	Project completed

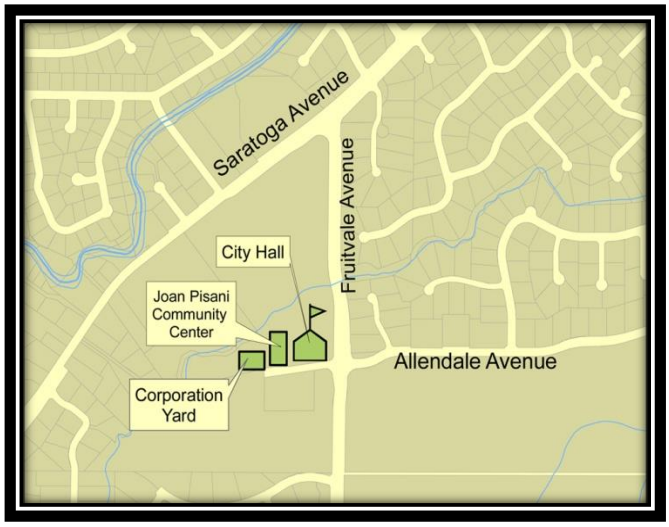
COMMUNITY DEVELOPMENT/ENGINEERING SINGLE PANE WINDOW REPLACEMENT 9321-015

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	-	40,000	**40,000**	-	-	-	-	-	**40,000**
TOTAL REVENUES	**-**	**40,000**	**40,000**	**-**	**-**	**-**	**-**	**-**	**40,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	-	37,763	**37,763**	2,237	-	-	-	-	**40,000**
TOTAL EXPENDITURES	**-**	**37,763**	**37,763**	**2,237**	**-**	**-**	**-**	**-**	**40,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	-		2,237	-	-	-	-	-
Revenues & T/I	-	40,000	40,000	-	-	-	-	-	**40,000**
Expenditures & T/O	-	37,763	37,763	2,237	-	-	-	-	**40,000**
ENDING FUND BALANCE	**-**	**2,237**	**2,237**	**-**	**-**	**-**	**-**	**-**	**-**

CIVIC CENTER IMPROVEMENTS



Project Name	Civic Theater Annual Improvements	**Project Number**	9322-001
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description This project funds various improvements to the Civic Theater.

Location Projects are located within the Civic Theater at the Saratoga City Hall campus.

Project Background Two theater groups and several school groups lease the Civic Theater for rehearsals and performances. The theater groups have three productions per year that show for approximately six weeks each and the school use varies.

To keep the theater in optimal operating condition and offset maintenance expenses resulting from use of the theater for shows, a $2.00 per ticket surcharge is collected on each ticket sold and is then subsequently remitted to the City to fund improvements. The surcharge totals approximately $30,000 to $40,000 per year.

Each year, the two groups that primarily use the Civic Theater work with staff to identify improvement priorities. Improvements are made on an ongoing basis and in the past have included installation of a movie screen, fully accessible seating, new doors and stage flooring. Theater improvements for the 2014/15 fiscal year will include:

- New concession area in Lobby
- Electrical and lighting system upgrades
- Counter weight pulley track repair
- Stage floor repainting
- Scaffold platform parts

Regular improvements to the Civic Theater ensure that it remains an attractive venue for audiences and theater groups. The productions of the theater groups draw visitors to Saratoga, which helps to support the local economy, as audience members often visit Saratoga restaurants and shops before or after attending shows. Most theater improvements are performed by contractors and supervised by staff.

Operating Budget Impacts Ongoing improvements prevent high costs associated with deferred maintenance. Costs associated with staff time to oversee improvements to the theater are included in the operating budget.

CIVIC CENTER IMPROVEMENTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	Ongoing	Prepare plans and specifications
Begin Bid Process	Ongoing	Council approves plans and authorizes bidding the project
Contract Award	Ongoing	Council awards contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Ongoing	Project is completed

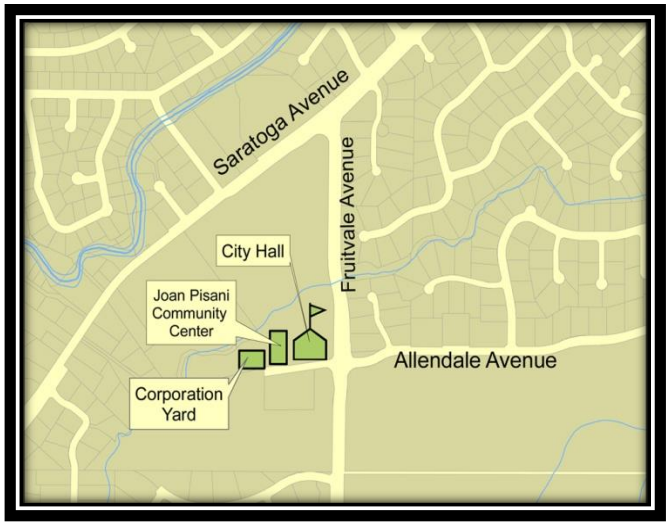
THEATER IMPROVEMENTS 9322-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Theater Ticket Surcharge	293,713	33,326	**327,039**	35,000	35,000	35,000	35,000	35,000	**502,039**
TOTAL REVENUES	**293,713**	**33,326**	**327,039**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**	**502,039**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Materials & Supplies	19,987	16,700	**36,688**	-	-	-	-	-	**36,688**
Construction Expenses	185,845	13,847	**199,692**	90,660	35,000	35,000	35,000	35,000	**430,352**
TOTAL EXPENDITURES	**205,832**	**30,547**	**236,379**	**90,660**	**35,000**	**35,000**	**35,000**	**35,000**	**467,039**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	87,882		90,660	35,000	35,000	35,000	35,000	-
Revenues & T/I	293,713	33,326	327,039	35,000	35,000	35,000	35,000	35,000	502,039
Expenditures & T/O	205,832	30,547	236,379	90,660	35,000	35,000	35,000	35,000	467,039
ENDING FUND BALANCE	**87,882**	**90,660**	**90,660**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**	**35,000**

CIVIC CENTER IMPROVEMENTS



Project Name	Civic Theater Master Plan Improvements	**Project Number**	9322-010
Department	Recreation & Facilities	**Project Manager**	Michael Taylor

Description

This project improves, updates, and increases efficiencies in the Civic Theater. The project includes renovations to the existing restrooms increasing the number of facilities and complying with current codes. The existing KSAR control booth would be moved to an ADA-accessible location. An extension to the rear of the building would incorporate ADA restrooms and dressing rooms, allowing for the removal of the modular building. The enhancements will improve access to, and within, the facility.

Location

This project is located in the Civic Theater at the Saratoga City Hall campus.

Project Background

The Civic Theater was built in 1964 at a cost of $168,000. The 7,436-square-foot building seats 299 people and is used on alternating Wednesdays for City Council and Planning Commission meetings. The primary users of the facility are the South Bay Musical Theater Company and West Valley Light Opera, two theater performance groups that rent the facility approximately 160 days per year for rehearsals and weekend performances.

The Theater has received numerous upgrades and improvements over the years, including a new assisted-listening loop system, doors, counter-weight systems on the stage, sound system, lighting system, electrical upgrades, renovated seating, and stage flooring.

The City contracted with Anderson Brule Architects to complete a Master Plan for the Civic Theater. They prepared three different options for upgrades. Council directed staff to come back with a modified five-year improvement plan. At the December 18, 2013 City Council meeting, the Council chose a few smaller projects to complete using the Annual Facilities Fund. These projects included the new high-definition projector and screen, an orchestra area expansion, and the construction of an awning between the portable dressing room and the main building.

In Fiscal Year 2015/16, this project was closed and moved to the Unfunded list. Remaining balance was returned to the CIP reserve and grant funding was repurposed for the Senior Center Restroom ADA Upgrade project.

Operating Budget Impacts

Staff time required for oversight of this project is incorporated into the operating budget.

CIVIC CENTER IMPROVEMENTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Council Approval	January 2015	Prepare plans and specifications
Bid Process	May 2015	Council approves plans and authorizes bidding
Contract Award	August 2015	Council awards contract
Estimated Project Start Date	December 2015	Design project begins
Estimated Completion Date	December 2015	Project completed

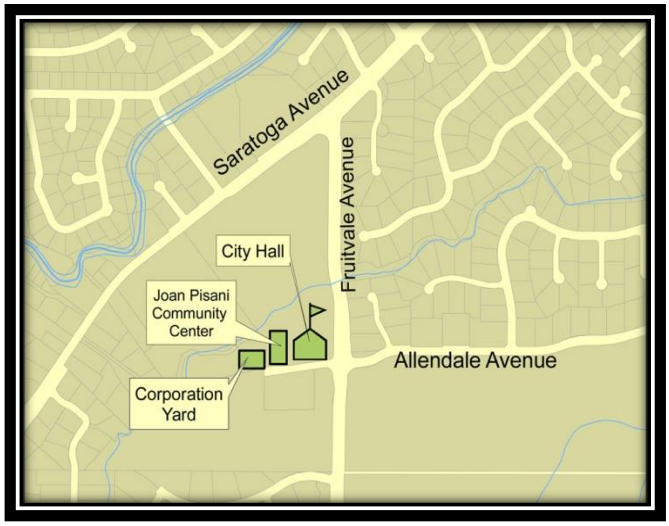
THEATER MASTER PLAN IMPROVEMENTS 9322-010

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	64,900	-	**64,900**	-	-	-	-	-	**64,900**
TOTAL CIP FUND REVENUES	**64,900**	**-**	**64,900**	**-**	**-**	**-**	**-**	**-**	**64,900**
TOTAL REVENUES	**64,900**	**-**	**64,900**	**-**	**-**	**-**	**-**	**-**	**64,900**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	-	14,885	**14,885**	-	-	-	-	-	**14,885**
Transfers Out	-	50,015	**50,015**	-	-	-	-	-	**50,015**
TOTAL CIP FUND EXPENDITU	**-**	**64,900**	**64,900**	**-**	**-**	**-**	**-**	**-**	**64,900**
TOTAL EXPENDITURES	**-**	**64,900**	**64,900**	**-**	**-**	**-**	**-**	**-**	**64,900**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	64,900		-	-	-	-	-	-
Revenues & T/I	64,900	-	64,900	-	-	-	-	-	**64,900**
Expenditures & T/O	-	64,900	64,900	-	-	-	-	-	**64,900**
ENDING FUND BALANCE	**64,900**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ENDING FUND BALANCE	**64,900**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

CIVIC CENTER IMPROVEMENTS



Project Name	Civic Theater Boiler Replacement	**Project Number**	9322-011
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description This project replaces the boiler in the Civic Theater.

Location This project is located in the Civic Theater at City Hall located at 13777 Fruitvale Avenue.

Project Background The Civic Theater's current boiler was installed sometime in the 1980's, and is now approximately 30 years old. With the boiler approaching the end of its life cycle, repairs are needed on an increasing basis. Due to the advanced age of the boiler, replacements parts are becoming more difficult to obtain and when obtained, coming with an increase in cost.

Should the boiler catastrophically fail, staff estimates a 3-4 week lead time to obtain a replacement boiler that would meet the required building specifications and desired efficiencies. Without air temperature controls, the Civic Theater building would not be usable during this time. Staff recommends replacing the boiler before a catastrophic failure occurs.

The project will replace the existing boiler with two energy efficient boilers. This service redundancy will allow for continual operation should one fail and need extended repair. Copper piping will be installed with larger diameters to allow for more steam capacity. Radiators will be resized and inserted in the new duct work that is being installed concurrently with the replacement of the boiler.

This project is funded by a transfer from the General Fund.

In Fiscal Year 2015/16, this project was closed due to bids submitted exceeding the funded amount. The increase in cost was related to Department of Industrial Relations enactment of "prevailing wage" on all public works projects exceeding $1,000. This project and funding will be moved to the Facilities, Fixtures and Equipment Internal Service fund.

Operating Budget Impacts Maintenance costs for repairs and air conditioning/heating costs are expected to decrease with the installation of the new boilers. Staff time for project oversight is incorporated into the operating budget.

CIVIC CENTER IMPROVEMENTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Council Approval	July 2015	Prepare plans and specifications
Bid Process	July 2015	Council approves plans and authorizes bidding
Contract Award	November 2015	Council awards contract
Estimated Project Start Date	January 2016	Construction project begins
Estimated Completion Date	February 2016	Project completed

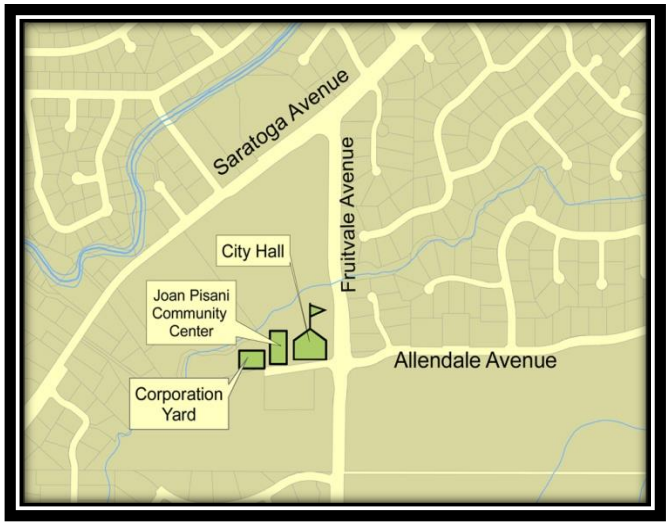
CIVIC THEATER BOILER REPLACEMENT 9322-011

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	-	90,000	**90,000**	-	-	-	-	-	**90,000**
TOTAL REVENUES	**-**	**90,000**	**90,000**	**-**	**-**	**-**	**-**	**-**	**-**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Transfers Out	-	90,000	**90,000**	-	-	-	-	-	**90,000**
TOTAL EXPENDITURES	**-**	**90,000**	**90,000**	**-**	**-**	**-**	**-**	**-**	**90,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	-		-	-	-	-	-	-
Revenues & T/I	-	90,000	90,000	-	-	-	-	-	**90,000**
Expenditures & T/O	-	90,000	90,000	-	-	-	-	-	**90,000**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-

CIVIC CENTER IMPROVEMENTS



Project Name	Civic Theater Roof Top Duct Work	**Project Number**	9322-012
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description This project replaces the aging, exposed duct work on the roof of the Civic Theater building.

Location This project is located on the roof of the Civic Theater at City Hall located at 13777 Fruitvale Avenue.

Project Background The Civic Theater was built in 1964. The duct work installed at the time of construction is now 50 years old and needs to be replaced as it is at the end of its life cycle. Replacement is recommended due to leaks and gaps in the metal that require increased service, connection fittings. Exit points are failing, leading to roof leaks and air loss throughout the air cooling and heating system.

Deficiencies noted in the duct work can lead to temperature control failures, water damage and excessive dust. The heating coil units, which are mounted inside the ductwork, will also need to be resized and replaced as a result of this project. In addition to eliminating excessive maintenance and repair impacts, advancements in technology in equipment of this type over the years have significantly increased air temperature control practices, creating greater energy efficiencies and reducing operating costs.

This project is funded by a transfer from the General Fund.

In Fiscal Year 2015/16, this project was closed due to bids submitted exceeding the funded amount. The increase in cost was related to Department of Industrial Relations enactment of "prevailing wage" on all public works projects exceeding $1,000. This project and funding will be moved to the Facilities, Fixtures and Equipment Internal Service fund.

Operating Budget Impacts Maintenance costs for repairs and air conditioning/heating costs are expected to decrease with the installation of new duct work. Staff time required for oversight of this project is incorporated into the operating budget.

CIVIC CENTER IMPROVEMENTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Council Approval	July 2015	Prepare plans and specifications
Bid Process	July 2015	Council approves plans and authorizes bidding
Contract Award	November 2015	Council awards contract
Estimated Project Start Date	January 2016	Construction project begins
Estimated Completion Date	February 2016	Project completed

THEATER MASTER PLAN IMPROVEMENTS 9322-010

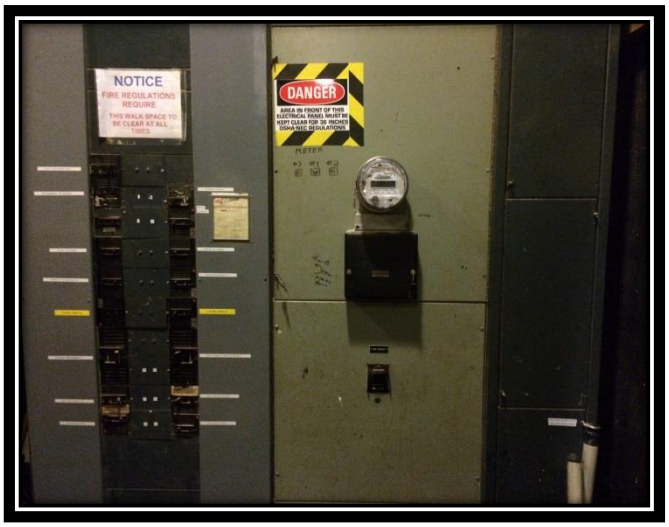
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	-	90,000	**90,000**	-	-	-	-	-	**90,000**
TOTAL REVENUES	**-**	**90,000**	**90,000**	**-**	**-**	**-**	**-**	**-**	**-**

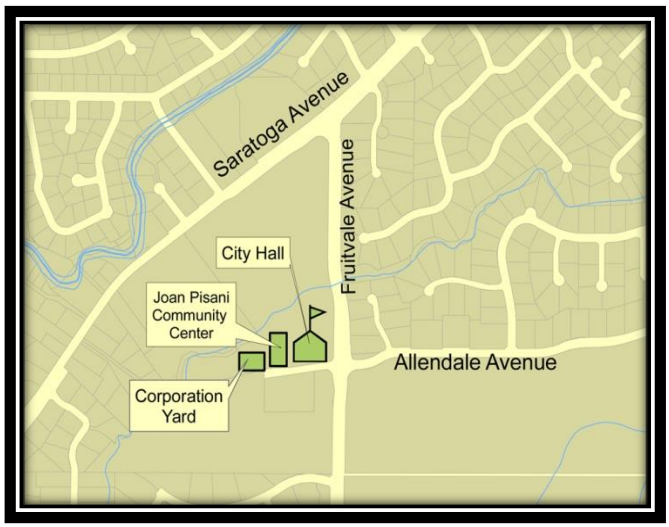
EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Transfers Out	-	90,000	**90,000**	-	-	-	-	-	**90,000**
TOTAL EXPENDITURES	**-**	**90,000**	**90,000**	**-**	**-**	**-**	**-**	**-**	**90,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	-		-	-	-	-	-	-
Revenues & T/I	-	90,000	90,000	-	-	-	-	-	**90,000**
Expenditures & T/O	-	90,000	90,000	-	-	-	-	-	**90,000**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-

COMMUNITY CENTER

COMMUNITY CENTER





Project Name	Community Center/Senior Center Electrical Panel Upgrade	**Project Number**	9331-008
Department	Facilities	**Project Manager**	Thomas Scott

Description

This project funds the installation of a new, code-compliant main electrical panel with transfer switches to service the Community Center/Senior Center building.

Location

This project is located in the Senior Center maintenance closet.

Project Background

The existing General electric main switchboard (MSB) located in the Senior Center side of the Community Center building is dated and not compatible with the use of an emergency generator or any future installation of solar panels. The new panel would bring the system up to code and allow for the possibility of emergency generator and/or photovoltaic panel connections.

When completed, the new electrical panel will provide code-compliant electrical power and will allow for the use of the portable emergency generator in the event of a power outage. It would also allow for the potential installation of roof-mounted solar panels for future electrical power.

The estimated cost of this project is $120,000 with funding coming from the CIP reserve.

Operating Budget Impacts

Staff time required for oversight of this project is incorporated into the operating budget.

COMMUNITY CENTER

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	September 2016	Prepare plans and specification
Contract Award	October 2016	Council awards contract
Estimated Construction Start	December 2016	Construction project begins
Estimated Completion Date	January 2017	Project completed

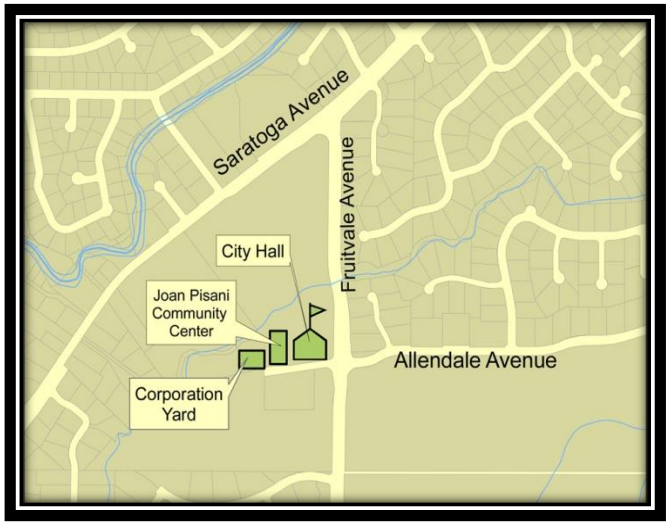
COMMUNITY CENTER/SENIOR CENTER ELECTRICAL PANEL UPGRADE 9331-008

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	-	-	-	120,000	-	-	-	-	**120,000**
TOTAL REVENUES	**-**	**-**	**-**	**120,000**	**-**	**-**	**-**	**-**	**120,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	-	-	-	120,000	-	-	-	-	**120,000**
TOTAL EXPENDITURES	**-**	**-**	**-**	**120,000**	**-**	**-**	**-**	**-**	**120,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	-		-	-	-	-	-	-
Revenues & T/I	-	-	-	120,000	-	-	-	-	**120,000**
Expenditures & T/O	-	-	-	120,000	-	-	-	-	**120,000**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-

COMMUNITY CENTER



Project Name	Senior Center Restroom ADA Upgrades	**Project Number**	9333-006
Department	Facilities	**Project Manager**	Thomas Scott

Description

This project funds the design and construction of ADA compliant upgrades to the restroom for the Saratoga Area Senior Coordinating Council (SASCC).

Location

This project is located in the Saratoga Senior Center.

Project Background

Improvements will include expanding the size of the restrooms to meet accessibility standards, a complete remodel of the restroom and new furnishings; accessibility improvements to the hallway and entryway to the Senior Center, possibly including access to a planned new computer room. Expansion of the restroom may require construction of a sheer wall to maintain the structural integrity of the building. If funding constraints arise, the restroom improvements and sheer wall will be given priority. Other accessibility improvements will be incorporated as funding allows.

The estimated cost of this project is approximately $153,000 and is funded by a Community Development Block Grant (CDBG).

Operating Budget Impacts

Staff time required for oversight of this project is incorporated into the operating budget.

COMMUNITY CENTER

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	July 2016	Prepare plans and specifications
Contract Award	September 2016	Council awards contract
Estimated Project Start Date	December 2016	Construction project begins
Estimated Completion Date	January 2017	Project completed

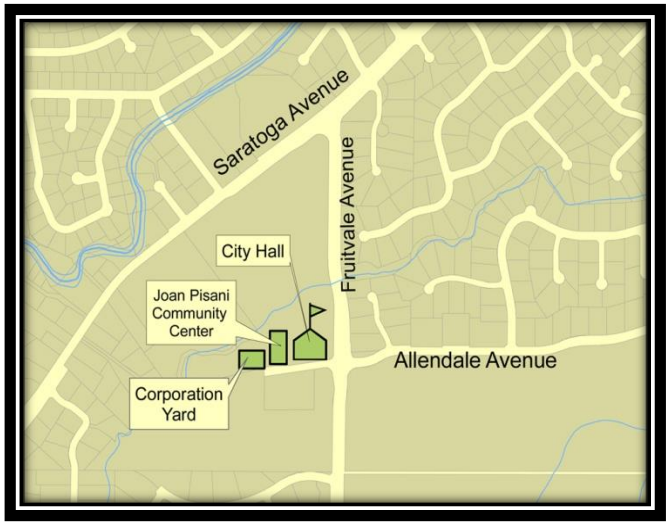
SENIOR CENTER RESTROOM ADA UPGRADE 9333-006

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
GRANT FUND									
CDBG Grant	-	2,045	-	150,627	-	-	-	-	**150,627**
TOTAL REVENUES	**-**	**2,045**	**-**	**150,627**	**-**	**-**	**-**	**-**	**150,627**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
GRANT FUND									
Construction Expenses	-	2,045	**2,045**	150,627	-	-	-	-	**152,672**
TOTAL EXPENDITURES	**-**	**2,045**	**2,045**	**150,627**	**-**	**-**	**-**	**-**	**152,672**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
GRANT FUND									
BEGINNING FUND BAL	-	-		-	-	-	-	-	-
Revenues & T/I	-	2,045	2,045	150,627	-	-	-	-	**152,672**
Expenditures & T/O	-	2,045	2,045	150,627	-	-	-	-	**152,672**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-

COMMUNITY CENTER



Project Name	Preschool Play Structure	**Project Number**	9334-003
Department	Public Works	**Project Manager**	Kevin Meek

Description This project removes the preschool's aging, wooden play structure and replaces it with a powder coated steel structure.

Location This project is located on the Preschool grounds at the Saratoga Civic Center.

Project Background This would be the last of the wooden play structures—originally constructed in the City's parks—to be replaced with powder coated steel structures. The new play structure will provide a safer environment for users and be compliant with modern playground safety standards.

A new powder coated steel structure should last 15 to 20 years with relatively little deterioration, compared with the weathering and splintering of wooden materials.

Operating Budget Impacts Staff time required for oversight of this project is incorporated into the operating budget.

COMMUNITY CENTER

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Council Approval	July 1, 2014	Have designer and pre-school representative meet and discuss options for ideal design.
Contract Award	September 2014	Finalize paperwork to give installer ample time to accrue all materials for construction
Estimated Project Start Date	September 2014	Construction begins
Estimated Completion Date	June 2016	Project complete

PRE-SCHOOL PLAY STRUCTURE 9334-003

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - Admin Projects	40,000	-	**40,000**	-	-	-	-	-	**40,000**
TOTAL REVENUES	**40,000**	**-**	**40,000**	**-**	**-**	**-**	**-**	**-**	**40,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	29,542	5,996	**35,538**	-	-	-	-	-	**35,538**
Transfers Out	-	4,462	**4,462**	-	-	-	-	-	**4,462**
TOTAL EXPENDITURES	**29,542**	**10,458**	**40,000**	**-**	**-**	**-**	**-**	**-**	**40,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	10,458		-	-	-	-	-	-
Revenues & T/I	40,000	-	40,000	-	-	-	-	-	**40,000**
Expenditures & T/O	29,542	10,458	40,000	-	-	-	-	-	**40,000**
ENDING FUND BALANCE	**10,458**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

SARATOGA PROSPECT CENTER PROJECTS

SARATOGA PROSPECT CENTER PROJECTS

Project Name	Saratoga Prospect Center Furniture and Equipment	**Project Number**	9351-004
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project funds the purchase of classroom style tables and carts for facility rental use at the Saratoga Prospect Center's Friendship and Grace buildings.

Location

The Friendship and Grace buildings are located at the Saratoga Prospect Center on Prospect Avenue.

Project Background

The Saratoga Prospect Center buildings and grounds were renovated and re-opened for facility rental use in 2009. While the buildings offer an attractive site for meetings, weddings receptions, parties, and even religious services, their use for business meetings and classes has been hampered due to a lack of on-site classroom style rectangular tables and modern projector equipment.

Additional meeting furniture will enhance the utilization and attractiveness in using the facilities, and is expected to generate more classroom/seminar type of uses, and higher rental fees.

This project is funded by a transfer from the General Fund.

Operating Budget Impacts

The furnishings and equipment will be added to the Facility Furniture Fixtures & Equipment Internal Service Fund program to accumulate replacement funding on an ongoing basis in future years. Staff time spent for project oversight is incorporated into the operating budget.

SARATOGA PROSPECT CENTER PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Funding Allocated	July 1, 2015	Council approves funding
Purchase of Equipment	December 2015	Furniture ordered
Installation of Equipment	February 2016	Furniture delivered
Project Completed	February 2016	Project complete

SARATOGA PROSPECT CENTER FURNITURE AND EQUIPMENT 9351-004

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	-	13,896	**13,896**	-	-	-	-	-	**13,896**
TOTAL REVENUES	**-**	**13,896**	**13,896**	**-**	**-**	**-**	**-**	**-**	**13,896**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	-	-	-	13,896	-	-	-	-	**13,896**
TOTAL EXPENDITURES	**-**	**-**	**-**	**13,896**	**-**	**-**	**-**	**-**	**13,896**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	-		13,896	-	-	-	-	-
Revenues & T/I	-	13,896	13,896	-	-	-	-	-	**13,896**
Expenditures & T/O	-	-	-	13,896	-	-	-	-	**13,896**
ENDING FUND BALANCE	**-**	**13,896**	**13,896**	**-**	**-**	**-**	**-**	**-**	**-**

VILLAGE HISTORICAL BUILDINGS PROJECTS

VILLAGE HISTORICAL BUILDINGS PROJECTS

Project Name	McWilliams House Improvements	**Project Number**	9364-001
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description

This project funds various small infrastructure improvements to the McWilliams House that will make the museum more historically accurate.

Location

Improvements will be made to the McWilliams House, which is leased by the Saratoga Historical Foundation as part of the Saratoga Historical Park, located at 20450 Saratoga-Los Gatos Road.

Project Background

The McWilliams House is a restored, City-owned, pioneer home built in the 1850's, and utilized as part of the Saratoga Historical Foundation museum complex located in the downtown Historic Park. The Saratoga Historical Foundation's current 10 year lease (effective 2007) provides for the use of the McWilliams House and the Museum Building for the operation of a museum. The McWilliams House provides a hands-on experience of family life in Saratoga in the late 1800's.

The City has allocated $10,000 for period appropriate improvements to enhance the aesthetics and increase the historical accuracy of the McWilliams House and items in the museum. Building improvements are to include:

- Exterior shutters for front windows
- High tank toilet, sink, and required plumbing
- Period wallpaper for parlor and bedrooms
- Pantry restoration: bead board, flooring, shelving, hardware, paint
- Bathroom restoration: bead board, flooring, hardware, paint
- Period interior trim

The funding will pay for the cost of the materials only. The Saratoga Historical Foundation will bear the cost of installation for these improvements.

Operating Budget Impacts

This project will not impact the operating budget. Interior maintenance of the McWilliams house is provided by the Saratoga Historical Foundation. Oversight of purchases is already accounted for in the operating budget.

VILLAGE HISTORICAL BUILDINGS PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Funding Allocated	July 2009	Council approved allocation of funds
Approval of Improvements	March 2010	Saratoga Historical Foundation presents list of proposed improvements for approval
Improvements Begin	May 2010	Saratoga Historical Foundation begins improvements
Improvements Completed	December 2015	Saratoga Historical Foundation completes improvements.

MCWILLIAMS HOUSE IMPROVEMENTS 9364-001

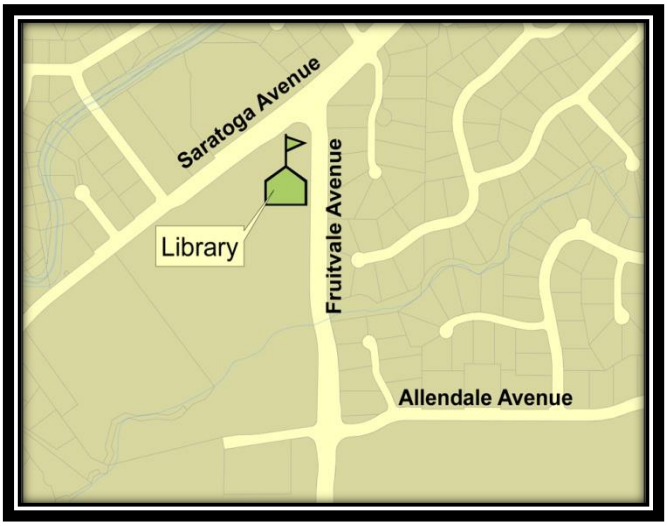
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfers In - General Fund	10,000	-	**10,000**	-	-	-	-	-	**10,000**
TOTAL REVENUES	**10,000**	**-**	**10,000**	**-**	**-**	**-**	**-**	**-**	**10,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Materials & Supplies	6,422	-	**6,422**	-	-	-	-	-	**6,422**
Transfers Out	-	3,578	**3,578**	-	-	-	-	-	**3,578**
TOTAL EXPENDITURES	**6,422**	**3,578**	**10,000**	**-**	**-**	**-**	**-**	**-**	**10,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	3,578		-	-	-	-	-	-
Revenues & T/I	10,000	-	10,000	-	-	-	-	-	**10,000**
Expenditures & T/O	6,422	3,578	10,000	-	-	-	-	-	**10,000**
ENDING FUND BALANCE	**3,578**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

LIBRARY BUILDING PROJECTS

LIBRARY BUILDING PROJECTS



Project Name	Library Building Exterior Maintenance	**Project Number**	9372-001
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description This project funds improvements to the exterior of the Saratoga Library.

Location The Saratoga Library is located at 13650 Saratoga Avenue.

Project Background The Saratoga Library is a City owned property leased by the Santa Clara County Library Joint Powers Authority. Under the current 30 year lease (effective 2003), the County is responsible for maintaining the interior and exterior of the building. However, the County agreed to pay the City $5,000 on an annual basis to oversee and perform certain maintenance work to ensure the building's exterior is maintained in accordance with City standards. Typically, several years of payments are accumulated before proceeding with a maintenance project. Unexpended funds are capped at $25,000.

Exterior maintenance projects range from roof repairs to painting. In fiscal year 2010/11, the southern exposure of the library was re-stained, and in fiscal year 2012/13, the entire exterior was re-stained. The exterior maintenance work is primarily performed by contractors and managed by staff. The City has not budgeted for maintenance work in fiscal year 2015/16.

Operating Budget Impacts Performing on-going maintenance to the exterior of the Saratoga Library keeps the building in good operating condition and prevents higher costs associated with deferred maintenance. Staff time spent managing the project is incorporated in the operating budget.

LIBRARY BUILDING PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	Ongoing	Prepare plan and specifications
Begin Bid Process	Ongoing	Council approves plans and authorizes bidding for the project
Contract Award	Ongoing	Council awards contract
Estimated Construction Start	Ongoing	Construction project begins
Estimated Completion Date	Ongoing	Project is completed

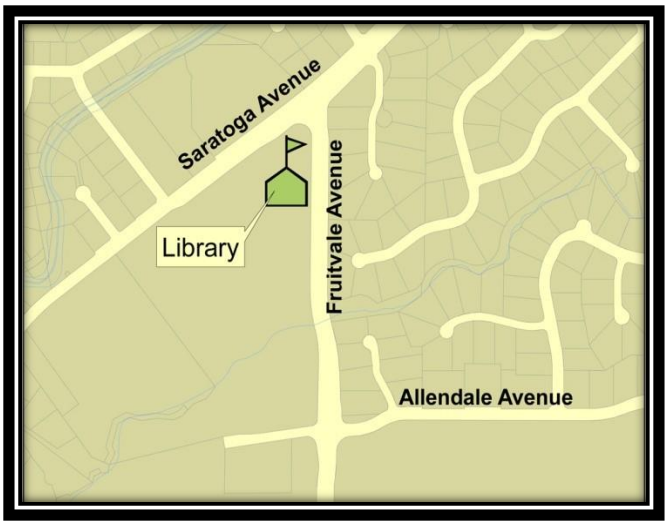
LIBRARY BUILDING EXTERIOR MAINTENANCE 9372-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
SCC Maintenance Reimb	40,000	5,000	**45,000**	5,000	5,000	5,000	5,000	5,000	**70,000**
TOTAL REVENUES	**40,000**	**5,000**	**45,000**	**5,000**	**5,000**	**5,000**	**5,000**	**5,000**	**70,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	29,530	-	**29,530**	20,470	5,000	5,000	5,000	5,000	**70,000**
Transfers Out	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	**29,530**	**-**	**29,530**	**20,470**	**5,000**	**5,000**	**5,000**	**5,000**	**70,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	10,470	-	15,470	-	-	-	-	-
Revenues & T/I	40,000	5,000	45,000	5,000	5,000	5,000	5,000	5,000	**70,000**
Expenditures & T/O	29,530	-	29,530	20,470	5,000	5,000	5,000	5,000	**70,000**
ENDING FUND BALANCE	**10,470**	**15,470**	**15,470**	-	-	-	-	-	-

LIBRARY BUILDING PROJECTS



Project Name	EV Fast-Charging Stations	**Project Number**	9373-001
Department	Recreation & Facilities	**Project Manager**	Thomas Scott

Description This project will provide matching funds for grants that will fund the installation of an Electronic Vehicle (EV) fast-charging station

Location Stations to be installed at the Library

Project Background This $100,000 project represents matching funds for a grant related to the installation of a fast charging EV station. The City desires to install an EV fast-charging stations with emphasis on other locations within Saratoga Village and the Library. The City currently has 4 electronic vehicle charging stations with two locations in Saratoga Village, and one location at the Saratoga Library and City Hall, respectively. In FY 2016/17 the City anticipates to install one fast charging station at the Saratoga Library.

This project is funded by a transfer from the General Fund

Operating Budget Impacts Engineering, administrative, and maintenance staff costs for oversight and implementation of the various projects are incorporated into the operating budget.

LIBRARY BUILDING PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Grant Application	December 2015	Application submitted
Notice of Grant Award	October 2016	Official notification provided to City
Contract Awarded	November 2016	Project out to bid, vendors selected, contract signed
Estimated Construction Start	December 2016	Construction project begins
Estimated Completion Date	February 2017	Project is completed

ELECTRONIC VEHICLE CHARGING STATIONS 9373-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP FACILITIES FUND									
Transfer In	-	100,000	**100,000**	-	-	-	-	-	**100,000**
TOTAL REVENUES	**-**	**100,000**	**100,000**	**-**	**-**	**-**	**-**	**-**	**100,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP FACILITIES FUND									
Construction Expenses	-	-	-	100,000	-	-	-	-	**100,000**
TOTAL EXPENDITURES	**-**	**-**	**-**	**100,000**	**-**	**-**	**-**	**-**	**100,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP FACILITIES FUND									
BEGINNING FUND BAL	-	-	-	100,000	-	-	-	-	-
Revenues & T/I	-	100,000	100,000	-	-	-	-	-	**100,000**
Expenditures & T/O	-	-	-	100,000	-	-	-	-	**100,000**
ENDING FUND BALANCE	**-**	**100,000**	**100,000**	**-**	**-**	**-**	**-**	**-**	**-**

ADMINISTRATIVE & TECHNOLOGY PROJECTS

ADMINISTRATIVE & TECHNOLOGY IMPROVEMENTS

PROGRAM DIRECTORY

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9415-002	TrakiT Sofware System Upgrade	554
COMMUNITY ENHANCEMENT PROJECTS		
9442-001	Citywide Landscape Lighting District Initiation Match Program	558
9442-002	Horseshoe Landscape Lighting District Beautification	560
9443-001	Citywide Transportation Needs Assessment	562
DEVELOPMENT IMPROVEMENT PROJECTS		
9451-002	General Plan Update CIP	566
9452-001	Village Façade Program	568
9452-003	Village Specific Plan Update	570
SAFETY IMPROVEMENT PROJECTS		
9461-001	Community Wildfire Protection Plan	574
9491-001	Risk Management ADA Mitigation	576

ADMINISTRATIVE & TECHNOLOGY IMPROVEMENTS PROGRAM SUMMARY

The Capital Improvement Plan's Administrative & Technology Improvements Program provides for major capital expenditures to improve or enhance administrative, technological, and operational systems, processes, or functions. At this point, with few projects active at one time, the Administrative & Technology Improvement Program is limited to four categories:

- Information Technology Projects
- Community Enhancement Programs
- City Development Projects & Programs
- Administrative Projects

In the future, Administrative & Technology Improvements projects may also include projects for operational assessments, community surveys, or emergency operations projects. Currently, all projects and programs fall within the following category descriptions:

Information Technology Projects – are comprised of projects that increase operational efficiencies through software or hardware improvements. Currently, projects in this category include the Financial System Upgrade and several document imaging projects.

Communication System Projects – include projects which acquire or upgrade communication infrastructure. No projects are planned currently.

Community Enhancement Programs – consist of projects that fund infrastructure or policy updates that have long-term impacts. This category includes the Secondhand Smoke Prevention Program.

City Development Projects & Programs – include projects and programs which provide funding for quality of life enhancements, business incentives, and beautification efforts.

Administrative Projects & Programs – include projects and programs which improve administrative operations or act as a funding placeholder and are not appropriately placed in a different category.

The schedules on the following two pages list the Administrative & Technology Improvements Program's capital projects and summary funding by account classification. Following the summary schedules are individual project pages for each of the funded projects in this capital program.

PROJECT LIST SUMMARY

ADMINISTRATIVE & TECHNOLOLGY IMPROVEMENT PROJECTS	Prior Year Expended	FY 2015/16 Estimate	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expenditures
Information Technology Projects									
9411-001 Financial System Upgrade	67,200	3,534	70,734	*closed*	-	-	-	-	70,734
9412-004 Document Imaging - Combined	20,778	13,922	34,700	43,972	-	-	-	-	78,673
9413-002 City Website/Intranet Redesign	-	5,591	5,591	84,409	-	-	-	-	
9415-001 CDD Technology Management	16,000	17,368	33,368	74,112	-	-	-	-	107,480
9415-002 Trak-iT Software System Upgrade	-	17,267	17,267	42,733	-	-	-	-	60,000
Community Enhancement Programs									
9442-001 LLD Initiation Match	1,000	25,000	26,000	24,000	-	-	-	-	50,000
9442-002 Horseshoe Beautification	-	-	-	25,000	-	-	-	-	25,000
9443-001 Citywide Transportation Needs Asses	-	-	-	50,000					
Development Projects & Programs									
9451-002 General Plan Update CIP	-	-	-	300,000	-	-	-	-	300,000
9452-001 Village Façade Program	20,657	4,570	25,227	15,751	-	-	-	-	40,978
9452-003 Village Specific Plan Update	-	52,394	52,394	100,000	-	-	-	-	
Administrative Projects & Programs									-
9461-001 Community Wildfire Protection Plan	-	-	-	25,000	-	-	-	-	25,000
9491-001 Risk Management Mitigation Project	85,808	28,539	114,347	140,115	-	-	-	-	254,462
Total Project Expenditures	596,560	168,186	764,746	925,092	-	-	-	-	1,397,443
Interfund Transfers	-		-	40,000	-	-	-	-	40,000
Total Expenditures & Transfers	596,560	168,186	764,746	965,092	-	-	-	-	1,729,837

In FY 2015/16, one project was closed.

- Financial System Upgrade

For FY 2016/17, one project was added.

- Citywide Transportation Needs Assessment

The remaining twelve projects continue to be active and ongoing.

ADMINISTRATIVE & TECHNOLOGY IMPROVEMENT PROGRAM FUNDING SUMMARY

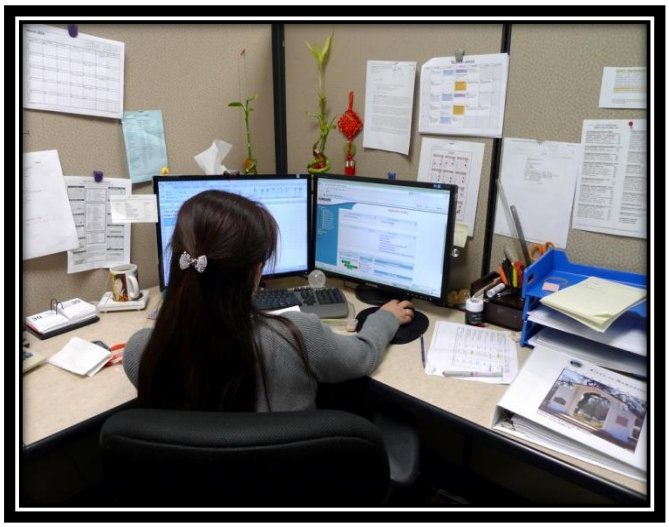
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Program Funding
CIP ADMINISTRATIVE FUND									
Technology Fee	38,928	38,552	77,480	30,000	-	-	-	-	107,480
General Plan Update	100,000	100,000	200,000	100,000	-	-	-	-	300,000
CIP Project Contribution	25,000	-	25,000	-	-	-	-	-	25,000
Transfers In - General Fund	529,280	325,000	854,280	50,000	-	-	-	-	904,280
Transfers In - Other Projects	108,538	4,462	113,000	117,394	-	-	-	-	230,394
TOTAL CIP REVENUES	**801,746**	**468,015**	**1,269,760**	**297,394**	**-**	**-**	**-**	**-**	**1,567,154**
CIP GRANT FUND									
Grant Revenues	162,683	-	162,683	-	-	-	-	-	162,683
TOTAL GRANT REVENUES	**162,683**	**-**	**162,683**	**-**	**-**	**-**	**-**	**-**	**162,683**
TOTAL ADMIN REVENUES	**964,428**	**468,015**	**1,432,443**	**297,394**	**-**	**-**	**-**	**-**	**1,729,838**

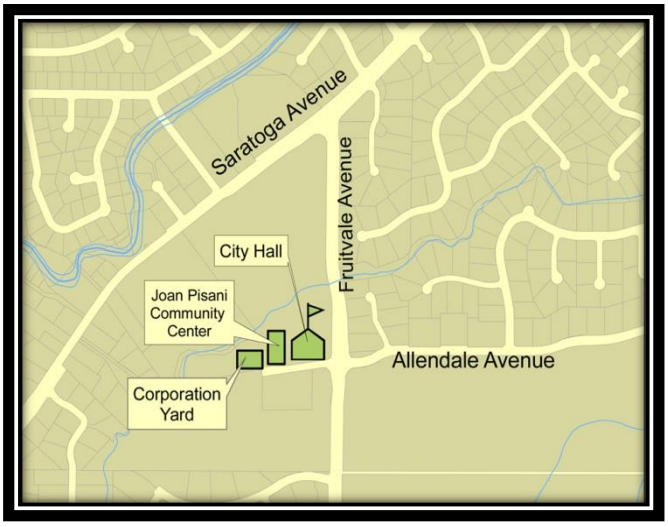
EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Program Expended
CIP ADMINISTRATIVE FUND									
Salary & Benefits	20,031	9,825	29,856	-	-	-	-	-	29,856
Materials & Supplies	4,308	4,825	9,133	-	-	-	-	-	9,133
Fees & Expenses	25,000	-	25,000	-	-	-	-	-	25,000
Consultant/Contract Svs	204,208	99,945	304,153	732,947	-	-	-	-	1,037,100
Construction Expenses	20,657	28,590	49,248	114,751	-	-	-	-	163,998
Transfers Out	159,673	25,000	184,673	117,394	-	-	-	-	302,067
TOTAL CIP FUND EXP	**433,877**	**168,186**	**602,063**	**965,092**	**-**	**-**	**-**	**-**	**1,567,155**
CIP GRANT FUND									
Consultant/Contract Srvcs	162,683	-	162,683	-	-	-	-	-	162,683
TOTAL GRANT FUND EXP	**162,683**	**-**	**162,683**	**-**	**-**	**-**	**-**	**-**	**162,683**
TOTAL ADMIN EXPENSES	**596,560**	**168,186**	**764,746**	**965,092**	**-**	**-**	**-**	**-**	**1,729,837**

	Prior Year Activity	FY 2015/16 Actuals	Totals To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Program Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	367,869		667,697	-	-	-	-	-
Revenues & T/I	801,746	468,015	1,269,760	297,394	-	-	-	-	**1,567,154**
Expenditures & T/O	433,877	168,186	602,063	965,092	-	-	-	-	**1,567,155**
ENDING FUND BALANCE	**367,869**	**667,697**	**667,697**	**-**	**-**	**-**	**-**	**-**	**-**
CIP GRANT FUND									
BEGINNING FUND BAL		-		-	-	-	-	-	-
Revenues & T/I	162,683	-	162,683	-	-	-	-	-	**162,683**
Expenditures & T/O	162,683	-	162,683	-	-	-	-	-	**162,683**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-
TOTAL ENDING BALANCE	**367,869**	**667,697**	**667,697**	**-**	**-**	**-**	**-**	**-**	**-**

INFORMATION TECHNOLOGY PROJECTS

INFORMATION TECHNOLOGY PROJECTS





Project Name	Financial System Upgrade	**Project Number**	9411-001
Department	Administrative Services	**Project Manager**	Leo Salindong

Description

This project provides for the upgrade to the City's financial system.

Location

The financial system upgrade is implemented at Saratoga City Hall.

Project Background

In 2005, concerns that the City's financial software system was outdated, limited in function, and ineffective for managing the City's finances, prompted staff to begin working with SunGard HTE, Inc., the City's financial software solution provider, to conduct a needs assessment.

Staff developed several objectives for upgrading the financial system including: ease of use; reduced maintenance expenses; compatibility with Generally Accepted Accounting Principles; audit and reporting requirements; and functionality with other software systems used by the City.

SunGard HTE subsequently proposed an upgrade to the "Finance Plus" program, which is a web-based solution. After Council approval, the City's Finance and IT staff worked with SunGard to launch the system. In July 2008, the Fund Accounting and Purchasing modules of the program went live. The Payroll module was implemented and went live in October 2008. Further training for the Personnel Budgeting module was completed in late 2012. A system update for further enhancements is currently under consideration, which will utilize the remainder of the project funds. The upgraded financial software has many features and benefits:

- Complies with current accounting, reporting, and audit standards
- Incorporates an appropriate chart of accounts which is tailored to the City's functions
- Improves financial data and provides appropriate reports for analysis
- Creates staff time efficiencies through simplified functions, improved processes, and ease of use

Funding for this project comes from a General Fund transfer. This project was closed in Fiscal Year 2015/16.

Operating Budget Impacts

SunGard Pentamation is an ASP solution, which means the system is hosted and maintained by SunGard, for which the City remits a monthly service fee. This arrangement decreases server expense and staff time requirements for in-house maintenance and upgrades, provides greater backup security through immediate system attention, and generates backup redundancy to protect the integrity of the Cities financial data.

INFORMATION TECHNOLOGY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Begin Design Phase	Completed 2006	Prepare plans and specifications
Begin Bid Process	Completed 2006	Council approves plans and authorizes bidding the project
Contract Award	November 2006	Vendor selected, contract is finalized and approved by Council
Implementation Kickoff	January 2008	SunGard Pentamation upgrade implementation begins
Phase 1	July 2008	Fund Accounting and Community Plus systems go live
Phase 2	October 2008	Payroll and HR Modules go live
Phase 3	October 2012	Personnel Budgeting modules implemented
Phase 4	December 2016	Pentamation eFinancePLUS 5.0 Version Update

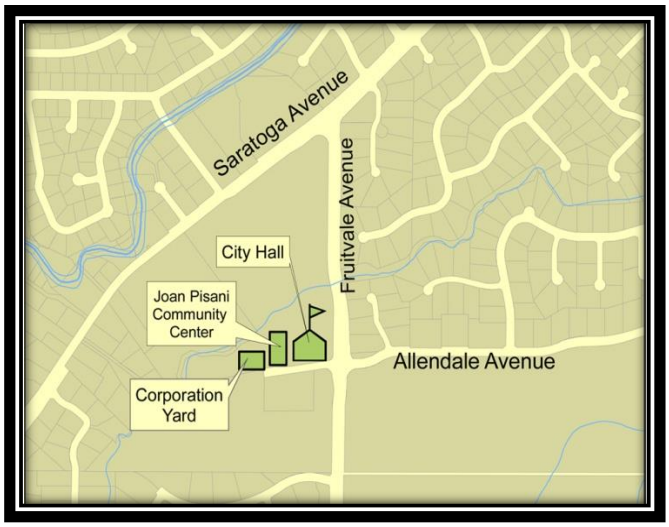
FINANCIAL SYSTEM UPGRADE 9411-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - General Fund	70,734	-	70,734	-	-	-	-	-	**70,734**
TOTAL REVENUES	**70,734**	**-**	**70,734**	**-**	**-**	**-**	**-**	**-**	**70,734**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Consultant/Contract Svs	67,200	3,534	70,734	-	-	-	-	-	**70,734**
TOTAL EXPENDITURES	**67,200**	**3,534**	**70,734**	**-**	**-**	**-**	**-**	**-**	**70,734**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	3,534		-	-	-	-	-	-
Revenues & T/I	70,734	-	70,734	-	-	-	-	-	**70,734**
Expenditures & T/O	67,200	3,534	70,734	-	-	-	-	-	**70,734**
ENDING FUND BALANCE	**3,534**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

INFORMATION TECHNOLOGY PROJECTS



Project Name	Document Imaging Project	**Project Number**	9412-004
Department	City Manager's, Community Development, Public Works	**Project Managers**	Debbie Bretschneider, Shaheen Sarwari

Description This project converts paper documents into an electronic document archiving system.

Location This project is implemented at City Hall, with conversion work at offsite vendor offices.

Project Background In 1999, the City implemented a program to convert paper and microfiche documents into digitized format and subsequently purchased Laserfiche, an electronic document management system. Creating electronically indexed copies of City documents helps to ensure records are maintained permanently, allows for more efficient and effective document searches, and enables staff to more promptly reply to public records requests.

Since 1999, current documents are scanned or saved into Laserfiche. However, with almost 50 years of paper documents and microfilm history to be converted to digital format, staff utilizes an outside vendor for scanning. In 2005, the City Council approved funding for Public Works documents that date back to the 1950's, including a large quantity of oversized records, maps, and blueprints. In 2008, the City Council approved additional funding to convert older Community Development records and microfilm records to electronic format. This included approximately 30 years of building permit records and 40 years of planning application records on microfilm that required conversion. The City Manager's Office received funding on a year-to-year basis or scanned records in-house.

As a significant amount of staff time is required to prepare the assortment of documents for scanning, conduct quality assessments of the scanned records, and then input them into the City's document management system, funding is used only as staff time permits. Quality control is an essential component of this project; hence the project proceeds at a slow pace and is expected to encompass numerous years to complete. Therefore, as each department is performing the same function, has the same goal, and uses the same contract vendor, the three separately funded document imaging projects were combined into one project in FY 2014/15 to allow the available funding to be shared and thereby increase processing flexibility between the three departments. Additional project funding will be requested as needed, after the current combined funding is exhausted.

Operating Budget Impacts Staff time for implementation of this project is included in the operating budget. Upon implementation of this project there will be significant staff time savings and increased transparency as documents will be permanently preserved, categorized, and readily accessible.

INFORMATION TECHNOLOGY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Complete	Document Imaging project scope defined
RFP & Bid Process	Complete	Contract RFP prepared and sent out to bid
Contract Award	Complete	Vendor selected and contract is finalized and approved
Estimated Project Start	Various dates	Vendor document imaging process begins
Estimated Project Completion	June 2018	Vendor document imaging process completed

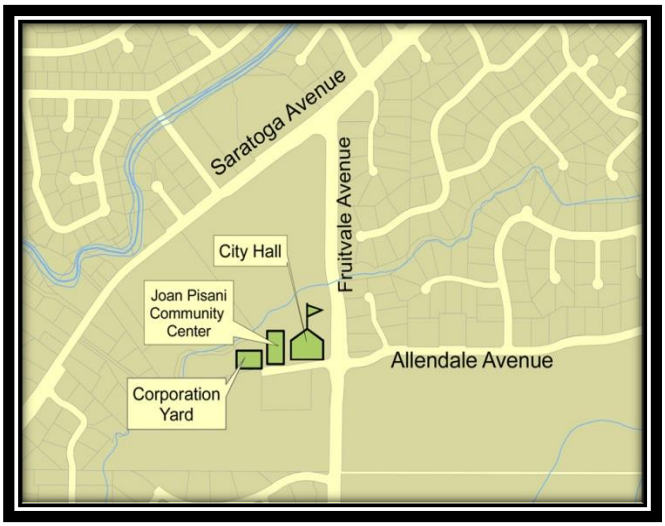
DOCUMENT IMAGING PROJECT 9412-004

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - Other CIP	78,673	-	**78,673**	-	-	-	-	-	**78,673**
TOTAL REVENUES	**78,673**	**-**	**78,673**	**-**	**-**	**-**	**-**	**-**	**78,673**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Consultant/Contract Svs	20,778	13,922	**34,700**	43,972	-	-	-	-	**78,673**
TOTAL EXPENDITURES	**20,778**	**13,922**	**34,700**	**43,972**	**-**	**-**	**-**	**-**	**78,673**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	57,894	-	43,972	-	-	-	-	-
Revenues & T/I	78,673	-	78,673	-	-	-	-	-	**78,673**
Expenditures & T/O	20,778	13,922	34,700	43,972	-	-	-	-	**78,673**
ENDING FUND BALANCE	**57,894**	**43,972**	**43,972**	**-**	**-**	**-**	**-**	**-**	**-**

INFORMATION TECHNOLOGY PROJECTS



Project Name	City Website & Intranet Project	**Project Number**	9413-002
Department	City Manager's / Administrative Services	**Project Manager**	Brian Babcock/Mary Furey

Description

This project would redesign and upgrade the current City website and develop an intranet to improve internal functions and communications.

Location

The project is implemented at City Hall with the assistance of a website design firm.

Project Background

In 2008, the City contracted with Civica Software to redesign the City's website. The redesigned website was launched in 2009. Since that time, technology and design have evolved, and the City needs to make improvements for a more functional and up-to-date online presentation.

The project includes improvements to the structure and navigation of the website, a new website appearance and department homepages, the option to translate website content to different languages, and introduction of a mobile-friendly design that allows the website to adapt to any device. This improved design, structure, and mobile access will make it easier for the public to navigate the City's website and access important information.

In addition to improving the public-facing website, the project will include development of an internal intranet site. Currently, important documents, policies, and basic information such as Finance forms, council packets, budgets, and telephone numbers are placed on an internally shared drive for staff use. However, these documents are sometimes duplicated with different versions, outdated, or buried by the magnitude of departmental specific information in the internally shared drive. Along with a structural change to implement separate departmental drives for file sharing, the intranet would improve visibility and access to these vital, internal citywide documents through a formally administered and maintained platform.

An intranet would function as a centralized portal to a wide range of information, for city code, policies, and forms, and as a linkage to web-based software such as the Pentamation financial software or the NeoGov employee performance software. As more and more software becomes web-based and pdf fillable forms are utilized, the intranet becomes essential to staff, providing a one-stop access point to log-on to web-based software, to embedded training courses, to access directories of city photos and videos, for submitting payroll and HR information updates, for internal surveys, newsletters, and citywide staff communication, and possibly internal databases. An internal platform will help to ensure current information is available and utilized on forms and documents, and that information is both logically accessible and current, and disseminated in a consistent manner.

Operating Budget Impacts

Staff time for implementation of this project is included in the operating budget.

INFORMATION TECHNOLOGY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	September 2015	Define the scope of the website redesign and intranet development with the contractor
Contract Award	October 2015	Request City Council authorization to execute contract
Estimated Project Start	October 2015	Hold kick-off meeting with contractor to review current design, view site examples, discuss desired outcomes and collect information about navigational structure and design of the website and intranet site
Website Design & Development	March 2016	Seek input on website design and structure. Review and finalize design concept and website architecture. Deploy and test developmental version of new City website and intranet site. Relocate and migrate content to new site
Project Completion	August 2016	Complete project and launch updated City website and new intranet

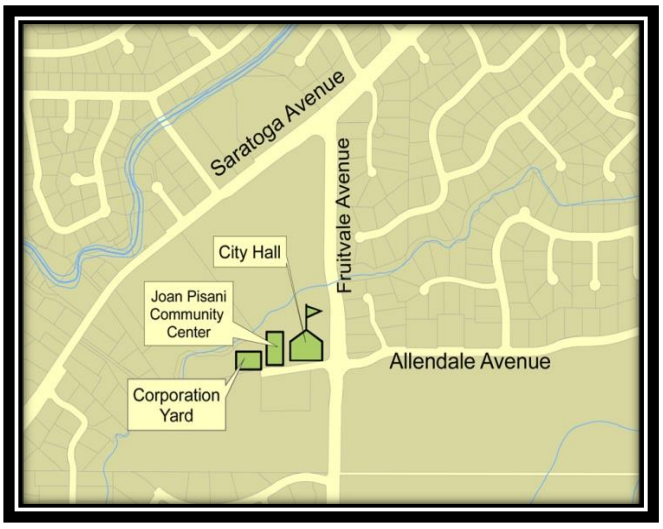
CITY WEBSITE & INTRANET PROJECT 9413-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - General Fund	-	75,000	**75,000**	-	-	-	-	-	**75,000**
Transfers In - Other CIP	-	-	-	15,000	-	-	-	-	**15,000**
TOTAL REVENUES	**-**	**75,000**	**75,000**	**15,000**	**-**	**-**	**-**	**-**	**90,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Consultant/Contract Svs	-	5,591	**5,591**	84,409	-	-	-	-	**90,000**
TOTAL EXPENDITURES	**-**	**5,591**	**5,591**	**84,409**	**-**	**-**	**-**	**-**	**90,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	-	-	69,409	-	-	-	-	-
Revenues & T/I	-	75,000	75,000	15,000	-	-	-	-	**90,000**
Expenditures & T/O	-	5,591	5,591	84,409	-	-	-	-	**90,000**
ENDING FUND BALANCE	**-**	**69,409**	**69,409**	**-**	**-**	**-**	**-**	**-**	**-**

INFORMATION TECHNOLOGY PROJECTS



Project Name	Development Technology Management	**Project Number**	9415-001
Department	Community Development	**Project Manager**	Erwin Ordoñez

Description This project accounts for technology fee revenues and expenditures in support of converting, managing, and maintaining development documents.

Location The project is implemented primarily at City Hall. Some technology services are performed offsite at contract service locations.

Project Background In 2008, the Community Development Department initiated a Document Scanning Fee to offset costs associated with converting development documents into a digitized format and maintaining them in perpetuity, with the assistance of software and document management systems. As this effort developed over time, it became clear that technology fees and expenses should be more clearly identified and tracked to ensure proper funding is assessed.

For that purpose, the current fee and expenditure structure shifted from the operating budget to the capital budget to isolate the functions, clarify the nexus, and track dedicated revenues for multi-year operational expenses. Revenues include the current Document Technology Fee, while expenditures include vendor provided document conversion costs, geographic information system support services, annual TrakiT development software license fees, and software training and support services. After further study, additional related expenditures may also be accounted for in this project.

Operating Budget Impacts Revenues collected to support project expenditures are accounted for directly in this project, as are hard costs associated with the technology project. Staff time for support and oversight of project work is incorporated within the operating budget.

INFORMATION TECHNOLOGY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	Complete	Identified scanning, software, and GIS service functions
RFP & Bid Process	Complete	Council approved contract services
Contract Award	Complete	Council awarded contract services contracts
Estimated Project Start	July 2008	Technology fee structure implemented
Estimated Project Completion	Ongoing	Development technology services provided in perpetuity

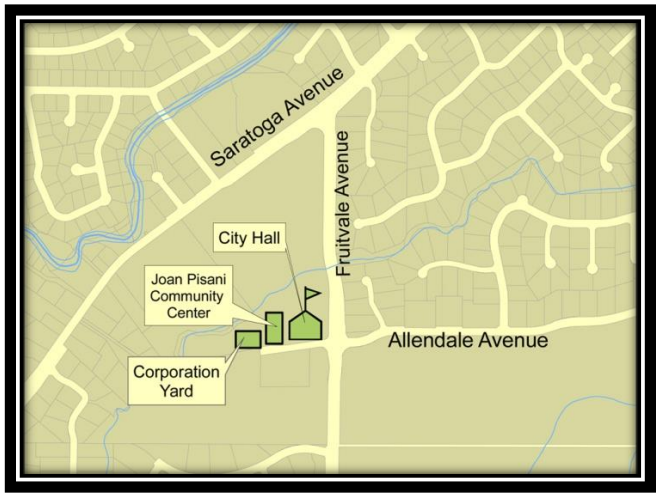
DEVELOPMENT TECHNOLOGY MANAGEMENT 9415-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Technology Fee	38,928	38,552	**77,480**	30,000	-	-	-	-	**107,480**
TOTAL REVENUES	**38,928**	**38,552**	**77,480**	**30,000**	**-**	**-**	**-**	**-**	**107,480**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Consultant/Contract Svs	16,000	17,368	**33,368**	74,112	-	-	-	-	**107,480**
TOTAL EXPENDITURES	**16,000**	**17,368**	**33,368**	**74,112**	**-**	**-**	**-**	**-**	**107,480**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	22,928	-	44,112	-	-	-	-	-
Revenues & T/I	38,928	38,552	77,480	30,000	-	-	-	-	**107,480**
Expenditures & T/O	16,000	17,368	33,368	74,112	-	-	-	-	**107,480**
ENDING FUND BALANCE	**22,928**	**44,112**	**44,112**	**-**	**-**	**-**	**-**	**-**	**-**

INFORMATION TECHNOLOGY PROJECTS



Project Name	TrakiT Software and LandTRAK Database Update	**Project Number**	9415-002
Department	Administrative Services	**Project Manager**	Leo Salindong

Description

This project updates the Community Development department's software system and database information to increase functionality, promote transparency, and maintain up-to-date land information.

Location

The updates to TRAKiT software, LandTRAK database, and accompanying Interactive Voice Response (IVR) system will be implemented for use in the Community Development Department at City Hall with additional offsite assistance from the TRAKiT software firm.

Project Background

The City of Saratoga has utilized TRAKiT Software to administer planning applications, building permits, land use entitlements, business licenses, encroachment permits and code enforcement violations since 2007. With the rise in web-based applications and ongoing changes in property ownership, the current software system and database are out of date.

Updating the TRAKiT software and LandTRAK database to eTRAKiT 3 would bring added functionality to customers, and improve system information. eTRAKiT 3 would allow community members to view building permits and project status, limited business license information, and code violations on either their own or other's property.

The IVR module will allow residents and contractors to schedule inspection appointments with an automated system at any time of the day.

The LandTRAK database upgrade will allow for a connection between the City's database system and the County Assessor's office database to maintain property updates on a continuous basis. The software also supports the addition of a payment plugin. This will offer residents the option to pay fees online for certain permits. And lastly, additional functionality will be available with the implementation and coordination of GIS Enterprise software with the upgraded eTRAKiT 3 software, assisting both Community Development and Engineering.

This project is funded by a transfer from the Community Development Reserve in the General Fund.

Operating Budget Impacts

Staff time spent on scheduling appointments will be reduced; however the software license fees are expected to increase with the additional IVR module. Staff time for the implementation of this software upgrade project is included in the operating budget.

INFORMATION TECHNOLOGY PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	May 2015	Prepare plans and specifications
Contract Award	October 2015	Vendor is selected
Estimated Project Start	January 2016	TRAKit upgrade project starts
Estimated Phase I Completion	March 2016	IVR and eTRAKiT completion
Estimated Phase II Completion	December 2016	LandTRAK update completion
Estimated Project Completion	December 2016	Project Completed

TRAK-IT SOFTWARE AND LANDTRAK DATABASE UPDATE 9415-002

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - General Fund	-	60,000	**60,000**	-	-	-	-	-	**60,000**
TOTAL REVENUES	**-**	**60,000**	**60,000**	**-**	**-**	**-**	**-**	**-**	**60,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Consultant/Contract Svs	-	17,267	**17,267**	42,733	-	-	-	-	**60,000**
TOTAL EXPENDITURES	**-**	**17,267**	**17,267**	**42,733**	**-**	**-**	**-**	**-**	**60,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	-	-	42,733	-	-	-	-	-
Revenues & T/I	-	60,000	60,000	-	-	-	-	-	**60,000**
Expenditures & T/O	-	17,267	17,267	42,733	-	-	-	-	**60,000**
ENDING FUND BALANCE	**-**	**42,733**	**42,733**	**-**	**-**	**-**	**-**	**-**	**-**

COMMUNITY PROGRAMS

COMMUNITY PROGRAMS

Project Name	Citywide LLD Initiation Match Program	**Project Number**	9442-001
Department	Public Works	**Project Manager**	John Cherbone

Description

This project provides matching funds for initial landscaping improvements to encourage neighborhood associations to enter into a Landscape and Lighting District arrangement with the City.

Location

The LLD Initiation Match Program is available for new districts formed within the City of Saratoga.

Project Background

This project represents a $50,000 contribution of City funds to be provided to new Landscape and Lighting Districts (LLD) on a 50 percent match basis, up to $25,000, toward initial improvements to be completed at the onset of the new LLD. The program is intended to encourage residents to form a neighborhood assessment district by matching the district's initial assessment with funds from the City, thereby enabling the quick implementation of landscape and/or lighting improvements within a newly formed district.

Improvements are typically made along City arterials leading into a neighborhood, thereby providing a beautiful gateway entrance. District assessments will fund the subsequent upkeep of the improvements, including water, lighting, and landscape maintenance costs.

Grant funding matches of up to a maximum of $25,000 per district initiation will be transferred to a new LLD upon district agreement and receipt of initial assessments. LLD expenditures will not be accounted for directly in this project.

Operating Budget Impacts

Staff time associated with the support and management of this project is incorporated within the operating budget.

COMMUNITY PROGRAMS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	July 2014	Program parameters established and funded
Estimated Project Start	July, 2014	Capital budget funding available for new districts
District Formation	Various	New Districts formed with award of grant funding
Project Implementation	Various	Funding distributions utilized for district improvements
Estimated Project Completion	June, 2017	Program funding fully disbursed

CITYWIDE LLD INITIATION MATCH PROGRAM 9442-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfer In - General Fund	50,000	-	**50,000**	-	-	-	-	-	**50,000**
TOTAL REVENUES	**50,000**	**-**	**50,000**	**-**	**-**	**-**	**-**	**-**	**50,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Construction Expenses	-	-	**-**	24,000	-	-	-	-	**24,000**
Transfers Out	1,000	25,000	**26,000**	-	-	-	-	-	**26,000**
TOTAL EXPENDITURES	**1,000**	**25,000**	**26,000**	**24,000**	**-**	**-**	**-**	**-**	**50,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	49,000	**-**	24,000	-	-	-	-	**-**
Revenues & T/I	50,000	-	50,000	-	-	-	-	-	**50,000**
Expenditures & T/O	1,000	25,000	26,000	24,000	-	-	-	-	**50,000**
ENDING FUND BALANCE	**49,000**	**24,000**	**24,000**	**-**	**-**	**-**	**-**	**-**	**-**

COMMUNITY PROGRAMS

Project Name	Horseshoe LLD Beautification Project	**Project Number**	9442-002
Department	Public Works	**Project Manager**	John Cherbone

Description This project provides funds for minor beautification projects.

Location The minor beautification projects will be performed within the Horseshoe Lighting and Landscaping District.

Project Background During Fiscal Year 2014/15, the City received payment from a cellular service provider as a result of the installation of a cell phone tower within the Horseshoe Landscaping and Lighting District. Instead of the company completing the required landscaping and tree planting projects themselves, they agreed to pay the City for landscaping projects and planting trees to screen the cellular site equipment.

This project is funded by a contribution from a cellular service provider in the amount of $25,000.

Operating Budget Impacts Staff time associated with the support and management of this project is incorporated within the operating budget.

COMMUNITY PROGRAMS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	To Be Determined	Prepare plans and specifications
Estimated Project Start	To Be Determined	Project begins
Estimated Project Completion	To Be Determined	Project complete

CITYWIDE LLD INITIATION MATCH PROGRAM 9442-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
CIP Project Contribution	25,000	-	**25,000**	-	-	-	-	-	**25,000**
TOTAL REVENUES	**25,000**	-	**25,000**	-	-	-	-	-	**25,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Construction Expenses	-	-	-	25,000	-	-	-	-	**25,000**
TOTAL EXPENDITURES	-	-	-	**25,000**	-	-	-	-	**25,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	25,000		25,000	-	-	-	-	-
Revenues & T/I	25,000	-	25,000	-	-	-	-	-	**25,000**
Expenditures & T/O	-	-	-	25,000	-	-	-	-	**25,000**
ENDING FUND BALANCE	**25,000**	**25,000**	**25,000**	-	-	-	-	-	-

COMMUNITY PROGRAMS

Project Name	Citywide Transportation Needs Assessment	**Project Number**	9443-001
Department	Public Works	**Project Manager**	John Cherbone

Description This project provides funding for a Citywide transportation needs assessment.

Location This assessment will include the entire City.

Project Background This project will investigate transportation needs for the City based on a comprehensive look at all demographics including senior transportation needs. The study will look at destination patterns of Saratoga residents as well as opportunities and constraints connected to public transportation.

Opportunities to expand the study with other West Valley cities will be explored.

This project is funded by a $40,000 transfer from Council discretionary funds and $10,000 from the closed Community Wildfire Protection Plan CIP

Operating Budget Impacts Staff time associated with the support and management of this project is incorporated within the operating budget.

COMMUNITY PROGRAMS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	TBD	Program parameters established and funded
RFP & Bid Process	TBD	Council approved contract services
Contract Award	TBD	Council awarded contract services
Estimated Project Start	TBD	
Estimated Project Completion	TBD	

CITYWIDE TRANSPORTATION NEEDS ASSESSMENT 9443-001

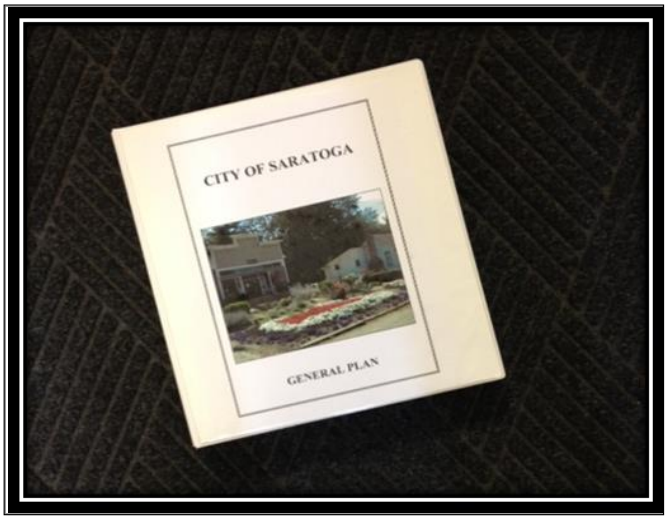
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfer In - General Fund	-	-	-	40,000	-	-	-	-	**40,000**
Transfers In - Other CIP	-	-	-	10,000	-	-	-	-	**10,000**
TOTAL REVENUES	**-**	**-**	**-**	**50,000**	**-**	**-**	**-**	**-**	**50,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Construction Expenses	-	-	-	50,000	-	-	-	-	**50,000**
TOTAL EXPENDITURES	**-**	**-**	**-**	**50,000**	**-**	**-**	**-**	**-**	**50,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	-	-	-	-	-	-	-	-
Revenues & T/I	-	-	-	50,000	-	-	-	-	**50,000**
Expenditures & T/O	-	-	-	50,000	-	-	-	-	**50,000**
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	-

DEVELOPMENT IMPROVEMENT PROJECTS

DEVELOPMENT IMPROVEMENT PROJECTS



Project Name	General Plan and Advance Planning Update	**Project Number**	9451-002
Department	Community Development	**Project Manager**	Erwin Ordoñez

Description

This project collects funding to hire consultants for updates to the City's General Plan and Advanced Planning policy documents over multi-year contract periods.

Location

The General Plan and Advanced Planning policy document update work will primarily be performed offsite at consultant locations, but will have citywide impact with its implementation.

Project Background

The General Plan and Advanced Planning policy document contains approved long range policies of acceptable land uses for the city. Each city adopts and periodically updates its General Plan and Advanced Planning policy documents to guide the long term growth and land development of the community. The General Plan and Advance Planning policy documents are the foundation for establishing goals, purpose, zoning and activities to ensure compatibility and continuity throughout the city. These documents provide the blueprint for development, and are the vehicles which balance competing interests and needs.

As the legislature requires a city's zoning and subdivision approvals be consistent with their adopted General Plan, updates to the General Plan must be made in conjunction with development related code changes. Development fees are collected to provide the funding needed to meet this requirement as a result of changing land uses in the community. Fees are initially collected in the operating budget and then transferred from the General Fund to the General Plan Update CIP on an annual basis.

Government code dictates that the General Plan contain seven mandatory elements: land use, circulation, housing, conservation, open space, noise, and safety. As each of these elements require technical expertise, consultants and attorneys are retained to assist with the updates. This project is intended to retain funding to update the general plan elements on a rotating basis, as directed by Council, and update funding as available. Additionally, the State Planning Law also allows for Specific Plans to serve as "mini-General Plans" for predesignated and defined planning areas such as the City's Hillsides or The Village. Most communities update their Specific Plans overtime in conjunction with periodic updates of their General Plan and sub-elements.

Operating Budget Impacts

Staff time for General Plan Update functions and oversight of consultants is accounted for in the Operating Budget. This project represents funding for consultant services only.

DEVELOPMENT IMPROVEMENT PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	TBD	Allocate funding to update General Plan Elements, code, and policy documents as needed: Prior updates/amendments completed: May 1983 – Introduction with Land Use Element Aug 1988 – Noise Element Aug 1988 – Area Plans Jun 1994 – Hillside Specific Plan (amendment) Jun 2007 – Open Space and Conservation Element Apr 2010 – Saratoga Village Specific Plan (amendment) Nov 2010 – Circulation and Scenic Highway Element Feb 2013 – Safety Element Nov 2014 – Housing Element

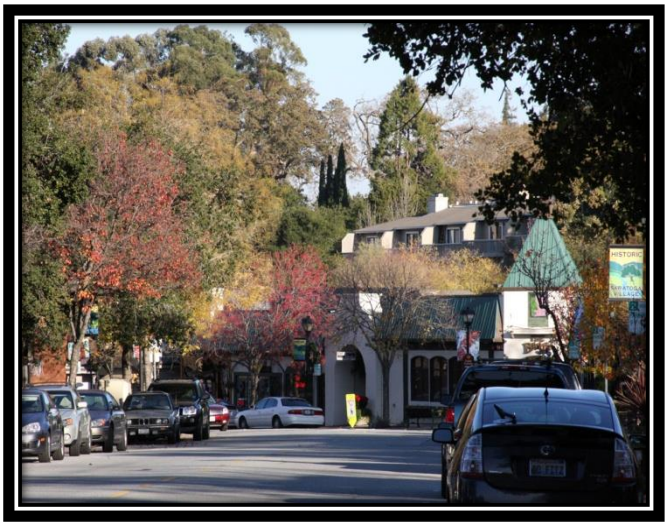
GENERAL PLAN UPDATE CIP 9451-002

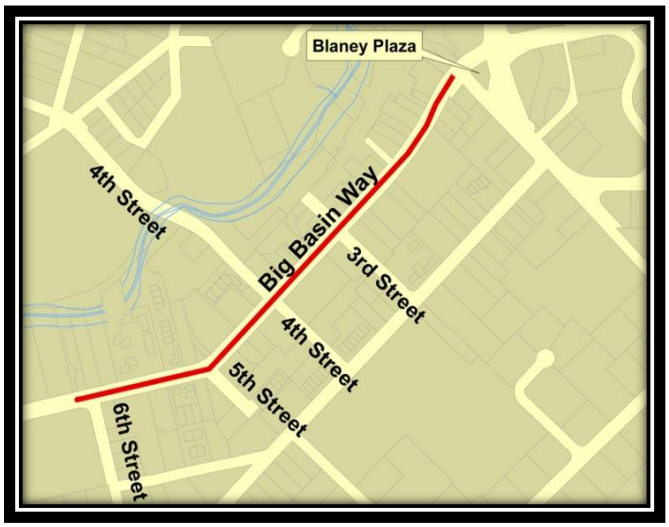
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
General Plan Update	100,000	100,000	**200,000**	100,000	-	-	-	-	**300,000**
TOTAL REVENUES	**100,000**	**100,000**	**200,000**	**100,000**	-	-	-	-	**300,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Consultant/Contract Svs	-	-	-	247,606	-	-	-	-	**247,606**
Transfers Out	-	-	-	52,394	-	-	-	-	**52,394**
TOTAL EXPENDITURES	-	-	-	**300,000**	-	-	-	-	**300,000**

	Prior Year Activity	FY 2015/16 Actuals	Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	100,000	-	200,000	-	-	-	-	-
Revenues & T/I	100,000	100,000	200,000	100,000	-	-	-	-	**300,000**
Expenditures & T/O	-	-	-	300,000	-	-	-	-	**300,000**
ENDING FUND BALANCE	**100,000**	**200,000**	**200,000**	-	-	-	-	-	-

DEVELOPMENT IMPROVEMENT PROJECTS





Project Name	Village Façade Program	**Project Number**	9452-001
Department	Community Development	**Project Manager**	Erwin Ordoñez

Description

This program is intended to enhance the beauty of Saratoga Village by offering an incentive to business and property owners to make façade improvements that maintain the historic character and charm of the Village.

Location

This program serves properties located within Saratoga Village either on, or visible from, Big Basin Way.

Project Background

In 2004, the City of Saratoga initiated the Village Façade Improvement Program to revitalize the downtown area and encourage private investment in the Saratoga Village Commercial District that runs along Big Basin Way in the City's downtown area. Property owners or business owners can receive up to a 50% reimbursement, maximum award of $5,000, for the cost of making improvements to the façade of their buildings.

Only properties located either on, or visible from, Big Basin Way qualify for Village Façade Improvement Program funding. Eligible projects range from exterior paint, installation of awnings, improvements to sidewalk seating areas, signage, enhancement to doors and windows, and installation of exterior planter boxes.

Initial funding for the program lasted one year and resulted in over $600,000 in private investment in the Village. Funding was then restored in 2007 when Council allocated $20,000 to the program. Since then, the City has awarded six Village Façade Improvement grants that have generated more than $80,000 in improvements to the Village's appearance. An additional $20,000 was allocated to the program in 2011, and again in 2014.

Operating Budget Impacts

This project enhances the beauty of Saratoga Village, the City's downtown area, and consequently increases retail, restaurant, and hotel business activity thereby resulting in higher sales tax and TOT revenues for the City. Staff time spent overseeing the program is incorporated in the operating budget

DEVELOPMENT IMPROVEMENT PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Program Funding	Ongoing	Council approved funding for Village Façade Improvement Program
Funding Application	Ongoing	Applicants apply for funding
Application Review	Ongoing	Village Ad Hoc reviews applications for funding
Funding Approval	Ongoing	Village Ad Hoc approves applications for funding
Funding Award	Ongoing	Successful applicants receive funding

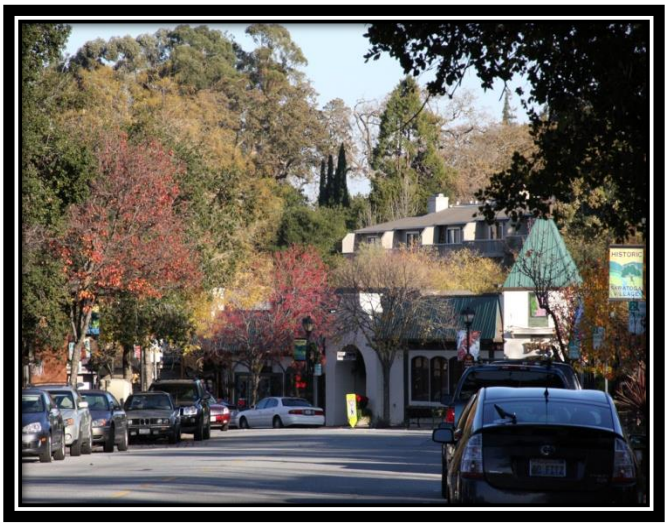
VILLAGE FAÇADE PROGRAM 9452-001

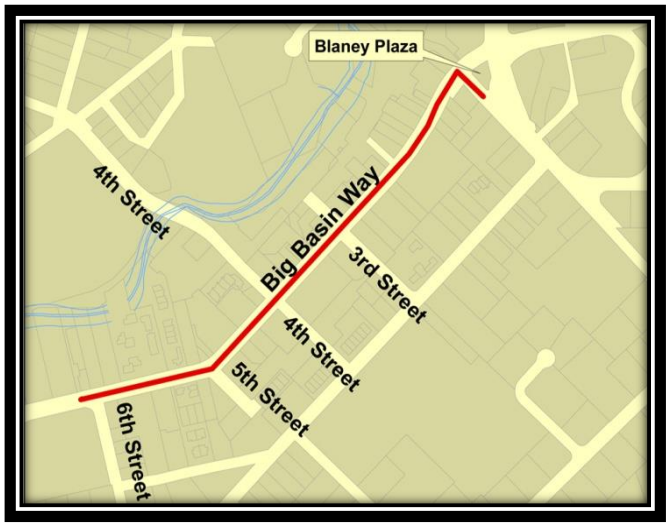
REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - General Fund	20,000	-	**20,000**	-	-	-	-	-	**20,000**
Transfers In - Other CIP	20,978	-	**20,978**	-	-	-	-	-	**20,978**
TOTAL REVENUES	**40,978**	**-**	**40,978**	**-**	**-**	**-**	**-**	**-**	**40,978**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Construction Expenses	20,657	4,570	25,227	15,751	-	-	-	-	**40,978**
TOTAL EXPENDITURES	**20,657**	**4,570**	**25,227**	**15,751**	**-**	**-**	**-**	**-**	**40,978**

	Prior Year Activity	FY 2015/16 Actuals	Estimated Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	20,321	-	15,751	-	-	-	-	-
Revenues & T/I	40,978	-	40,978	-	-	-	-	-	**40,978**
Expenditures & T/O	20,657	4,570	25,227	15,751	-	-	-	-	**40,978**
ENDING FUND BALANCE	**20,321**	**15,751**	**15,751**	**-**	**-**	**-**	**-**	**-**	**-**

DEVELOPMENT IMPROVEMENT PROJECTS





Project Name	Village Specific Plan Update	**Project Number**	9452-003
Department	Community Development	**Project Manager**	Erwin Ordoñez

Description

This project funds an update to the Village Specific Plan and related documents including design guidelines and parking districts.

Location

This project will focus efforts on Saratoga Village either on, or visible from, Big Basin Way.

Project Background

The Village Specific Plan, adopted in 1988, was developed to recognize and preserve the special assets and potential of the City's downtown core business district. Twenty-seven years has passed since the community helped develop the policy program that served as the foundation for the Specific Plan. The process to update the Specific Plan and supporting documents is expected to follow three phases; (1) Stakeholder and community outreach to re-affirm or establish a vision and guiding principles, (2) Update the Specific Plan based on the input from the outreach effort, (3) Update supporting documents such as the design guidelines and parking districts based on the goals and polices in the updated Specific Plan.

The current goals of the Saratoga Village Specific Plan are:

1. Preserving and enhancing the small-scale, pedestrian character of the Village to make the area more inviting to potential shoppers and diners;
2. Preserving and enhancing the architectural and landscape character of the area;
3. Improving parking and circulation;
4. Encouraging a traditional town center mix of specialty shops, restaurants, convenience shops, services and residences; and
5. Conserving historic structures.

Goals to be considered in the update process could include, but are not limited to: "Establishing gathering places for people to dine and socialize to help build a sense of community" and "Encouraging alternative modes of transportation such as walking and biking to promote a healthier lifestyle."

This Project is funded by a transfer from the General Fund.

Operating Budget Impacts

Staff time spent overseeing the program is incorporated into the operating budget.

DEVELOPMENT IMPROVEMENT PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Project Development	To be determined	Specific plan updates determined by Council
Contract Award	To be determined	City Council awards contract
Planning Commission Review	To be determined	Draft update reviewed by Planning Commission
City Council Review	To be determined	Revised draft update reviewed by Council
Final Acceptance of Work	To be determined	Consultant work complete
Project complete	To be determined	Finalize Specific Plan Update

VILLAGE SPECIFIC PLAN UPDATE 9452-003

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - Other CIP	-	-	-	52,394	-	-	-	-	**52,394**
Transfers In - General Fund	-	100,000	**100,000**	-	-	-	-	-	**100,000**
TOTAL REVENUES	**-**	**100,000**	**100,000**	**52,394**	**-**	**-**	**-**	**-**	**152,394**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Salary & Benefits	-	9,825	9,825	-	-	-	-	-	**9,825**
Materials & Supplies	-	306	306	-	-	-	-	-	**306**
Consultant/Contract Svs	-	42,263	42,263	100,000	-	-	-	-	**142,262**
TOTAL EXPENDITURES	**-**	**52,394**	**52,394**	**100,000**	**-**	**-**	**-**	**-**	**152,394**

	Prior Year Activity	FY 2015/16 Actuals	Estimated Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	-	-	47,606	-	-	-	-	-
Revenues & T/I	-	100,000	100,000	52,394	-	-	-	-	**152,394**
Expenditures & T/O	-	52,394	52,394	100,000	-	-	-	-	**152,394**
ENDING FUND BALANCE	**-**	**47,606**	**47,606**	**-**	**-**	**-**	**-**	**-**	**-**

SAFETY IMPROVEMENT PROJECTS

SAFETY IMPROVEMENT PROJECTS

Project Name	Community Wildfire Protection Plan	**Project Number**	9461-001
Department	City Manager's	**Project Manager**	Crystal Bothelio

Description

This project develops a Wildfire Protection Plan to identify wildfire risks in the Wildland-Urban Interface areas and includes recommendations to prevent and reduce the threat of wildfire.

Location

This project is located in any Wildland-Urban areas, located along the City's borders.

Project Background

Portions of Saratoga lie along the foothills of the Santa Cruz Mountains. These more rural areas are characterized by large lots and acreage on hillsides containing open expanses of grassland, brush, and forestry vegetation. This zone of transition between unoccupied land and human development is known as the Wildland-Urban Interface, and is prone to wildfire.

In collaboration with SCC FireSafe Council, SCC Fire Department, and other interested agencies, this project will fund a scientific analysis of wildfire related hazards and risks in Saratoga's Wildland-Urban Interface areas and establish recommended action to mitigate these threats.

The SCC FireSafe Council received a grant from the Bureau of Land Management in 2006 to develop Community Wildfire Protection Plans and has since prepared plans for the East Foothills, Croy Fire Area, and Lexington Hills communities. Creation of a Community Wildfire Protection Plan would satisfy Implementation Measure SAF-4.2a of the General Plan Safety Element.

It is anticipated that the SCC FireSafe Council will oversee the development of this plan in coordination with neighboring cities, with Saratoga funding an allocated portion expected to cost $25,000. Additional components of the plan, including evacuation planning, evacuation signage, and public education would result in additional costs; each of the 3 additional components is expected to cost roughly $25,000.

In Fiscal Year 2015/16, the SCC FireSafe Council received additional grant funding to complete the Protection Plan for the City. This project will be closed and the remaining balance will be distributed to other projects.

Operating Budget Impacts

Staff time associated with the support of this project is incorporated in the operating budget. Future updates would be required and would consequently have minimal operating budget impacts as a result of staff time spent on updates.

SAFETY IMPROVEMENT PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Program Initiation	July 2013	Council approved funding for Wildfire Protection Plan – Phase 1
Plan Development	June 2015	Countywide development of plan's 1st phase
Implementation and completion	June 2017	Completion and implementation of plan's 1st phase

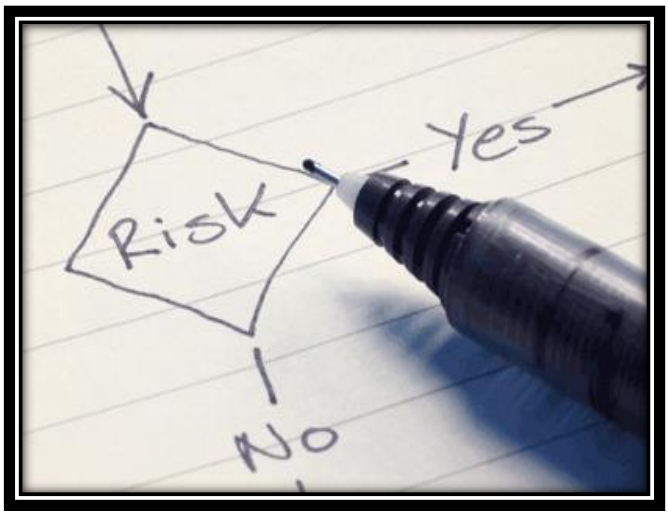
COMMUNITY WILDFIRE PROTECTION PLAN 9461-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - General Fund	25,000	-	**25,000**	-	-	-	-	-	**25,000**
TOTAL REVENUES	**25,000**	-	**25,000**	-	-	-	-	-	**25,000**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Transfers Out	-	-	-	25,000	-	-	-	-	**25,000**
TOTAL EXPENDITURES	-	-	-	**25,000**	-	-	-	-	**25,000**

	Prior Year Activity	FY 2015/16 Actuals	Estimated Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	-	-	25,000	-	-	-	-	-
Revenues & T/I	25,000	-	25,000	-	-	-	-	-	**25,000**
Expenditures & T/O	-	-	-	25,000	-	-	-	-	**25,000**
ENDING FUND BALANCE	**25,000**	-	**25,000**	-	-	-	-	-	-

SAFETY IMPROVEMENT PROJECTS



Project Name	Risk Management/ADA Project Funding	**Project Number**	9491-001
Department	Recreation & Facilities/ND	**Project Manager**	Michael Taylor

Description

This program is intended to address ADA compliance, hazard mitigation, and liability issues and projects on a priority basis.

Location

While many ADA mitigation and potential liability projects are located on the City Hall Campus, projects may be addressed as citywide general plans or specific projects throughout the City.

Project Background

To comply with the American Disability Act (ADA) recommendations and to mitigate risk identified issues, the City will allocate $50,000 toward addressing loss exposures related to the lack of compliance with ADA requirements and other potential liabilities. Funding will be used to address issues identified in the July 2009 and May 2014 Update ABAG ADA Survey and Priority List not covered by CDBG funds. Per Council budget policy, this funding is anticipated to be an annual allocation, demonstrating the City's intent to comply with ADA regulations and liability issues within a reasonable amount of time.

Projects City-wide include all customer service counter heights, alignments and counts of Citywide owned parking lots, parking lot striping, sizes, ramps, slopes, and signs, interior and exterior signage, visual and audible alarms, lighting, ramps, handrails, curb-cuts, paths of travel, walkways, automatic doors, etc. City facilities requiring updates include the Civic Center buildings, restrooms, Civic Theater, Book-Go-Round, Saratoga-Prospect Center buildings, Corp Yard building and restrooms, play structures, and various cross walks.

Operating Budget Impacts

This project will reduce the potential for ADA compliance and liability lawsuits by demonstrating the City's intent to comply with ADA regulations and potential liabilities within a reasonable amount of time, as funding is available. Staff time associated with oversight of this project is incorporated into the operating budget.

SAFETY IMPROVEMENT PROJECTS

PROJECT TIMELINE

PROJECT COMPONENT	TIMELINE	DESCRIPTION
Program Initiation	July 2012	Council approved Annual ADA Mitigation program
Project Development	Ongoing	Identify and assess ADA Mitigation issues and projects
Risk Management Projects	Ongoing	Projects, training, installations, repairs addressed and completed

RISK MANAGEMENT PROJECT FUNDING 9491-001

REVENUES	Prior Year Funded	FY 2015/16 Actuals	Funding To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Funding
CIP ADMINISTRATIVE FUND									
Transfers In - General Fund	150,000	50,000							
Transfers In - Other CIP	-	4,462	**4,462**	50,000	-	-	-	-	**54,462**
TOTAL REVENUES	**150,000**	**54,462**	**4,462**	**50,000**	**-**	**-**	**-**	**-**	**54,462**

EXPENDITURES	Prior Year Expended	FY 2015/16 Actuals	Expended To Date	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Expended
CIP ADMINISTRATIVE FUND									
Materials & Supplies	4,308	4,519	8,827	-	-	-	-	-	**8,827**
Consultant/Contract Svs	1,500	-	1,500	140,115	-	-	-	-	**141,615**
Project Equip & Fixtures	-	-	-	-	-	-	-	-	**-**
Construction Expenses	-	24,020	24,020	-	-	-	-	-	**24,020**
Transfers Out	80,000	-	80,000	-	-	-	-	-	**80,000**
TOTAL EXPENDITURES	**85,808**	**28,539**	**114,347**	**140,115**	**-**	**-**	**-**	**-**	**254,462**

	Prior Year Activity	FY 2015/16 Actuals	Estimated Total	Budgeted for Fiscal Year 2016/17	2017/18	2018/19	2019/20	2020/21	Total Project Activity
CIP ADMINISTRATIVE FUND									
BEGINNING FUND BAL	-	64,192	-	90,115	-	-	-	-	**-**
Revenues & T/I	150,000	54,462	204,462	50,000	-	-	-	-	**254,462**
Expenditures & T/O	85,808	28,539	114,347	140,115	-	-	-	-	**254,462**
ENDING FUND BALANCE	**64,192**	**90,115**	**90,115**	**-**	**-**	**-**	**-**	**-**	**-**

REFERENCE SECTION

STATISTICAL CATEGORIES

City Demographics

Community Facilities

Climate

Population Factors
- City Population
- Population by Age Groups
- Population Ethnicity
- Population Occupations
- Annual Income
- Population Education

Housing Factors

Economic Factors
- Net Taxable Assessed Value History
- Property Tax Assessments by Category
- Top Property Taxpayers
- Property Tax Allocations

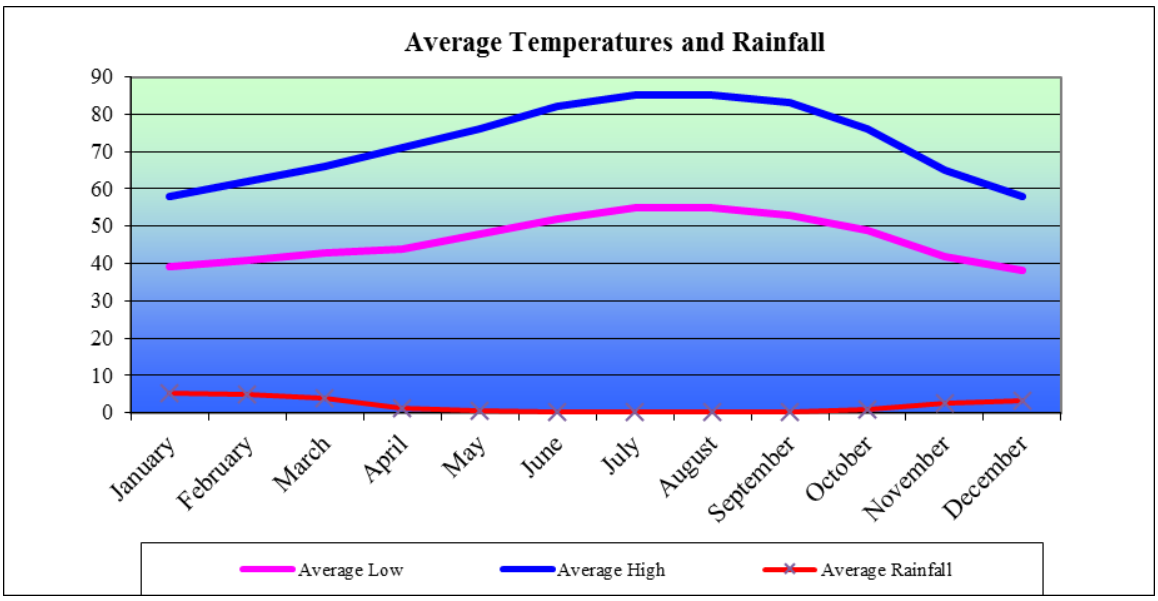
CITY DEMOGRAPHICS

Current City Area:	12.1 square miles
Current Population	30,219 (January 1, 2016)
Incorporated:	1956
Elevation:	410 feet
Miles of Streets:	135.2 miles
Number of Traffic Signals:	25
Number of Registered Voters:	19,440
Form of Government:	Council/Manager
City Employee/Citizen Ratio:	1: 564

COMMUNITY FACILITIES

87 acres of parklands
14 neighborhood and specialty parks
317 acres of designated open space
Joan Pisani Community Center
Saratoga Community Theater
Saratoga Prospect Center
Saratoga Public Library
Friends of the Library Book-Go-Round
Saratoga Historical Museum and Pioneer McWilliams House

CLIMATE	SARATOGA	US
Average Rainfall:	24.7 inches	36.6 inches
Average Days of Precipitation	58 days	101 days



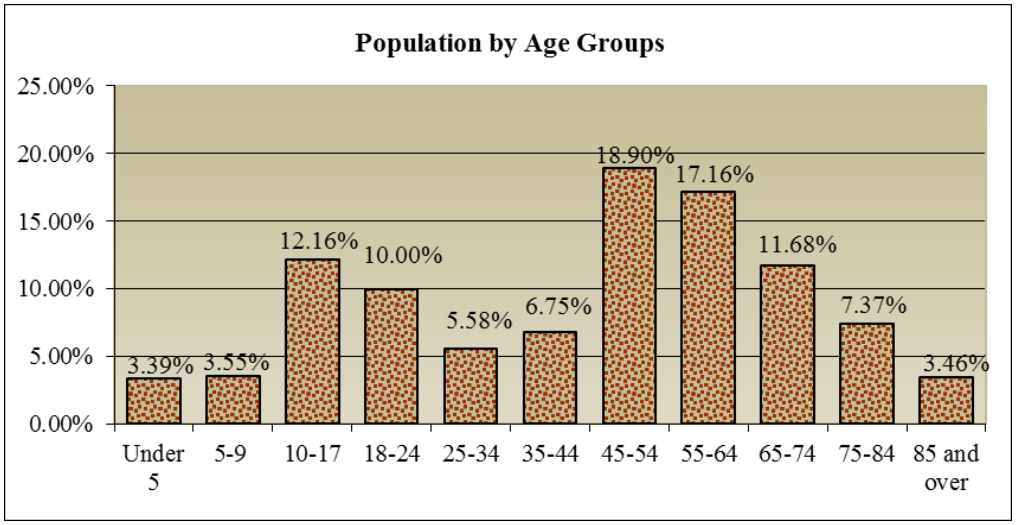
Average temperature from May to October	48 – 85 degrees Fahrenheit
Average temperature from November to April	39 – 71 degrees Fahrenheit

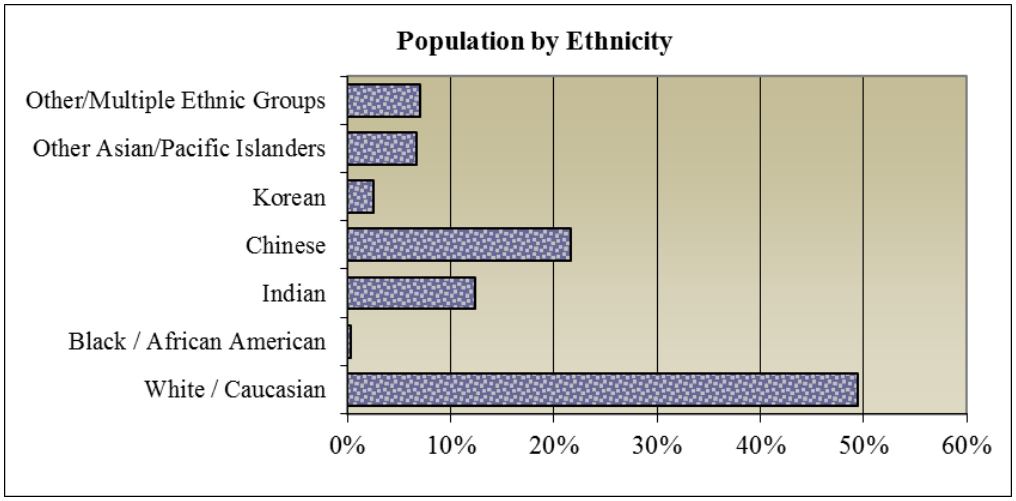
Source: Intellicast

POPULATION FACTORS
Data from CA Department of Finance

1970 Census:	26,810
1980 Census:	29,261
1990 Census:	28,061
2000 Census:	29,849
2010 Census:	29,926
January 1, 2016 estimate	30,219
State ranking in population:	234 of 482 cities

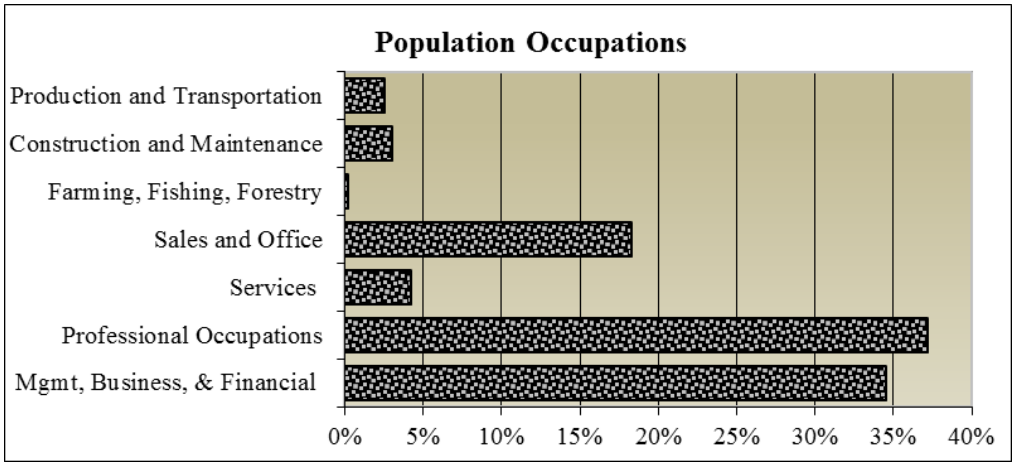
POPULATION DEMOGRAPHICS
Data from Nielsen Reports

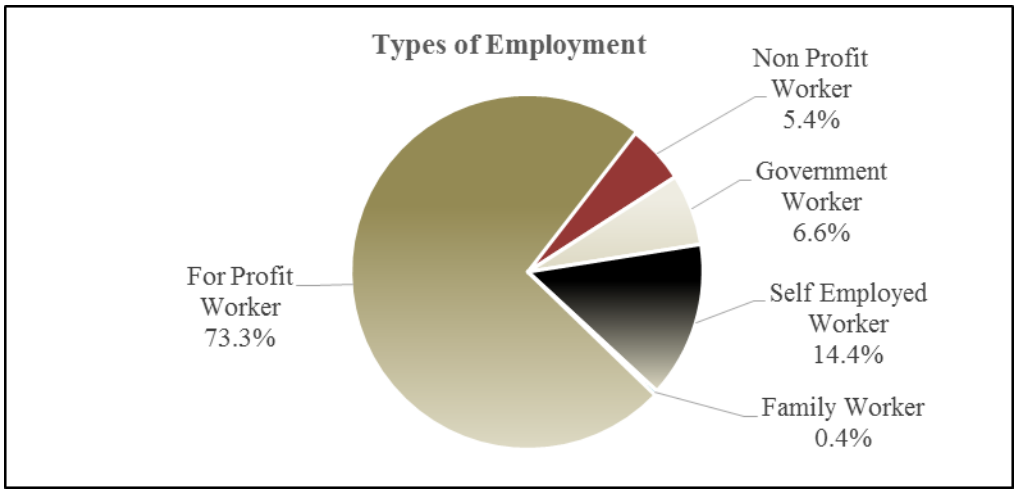


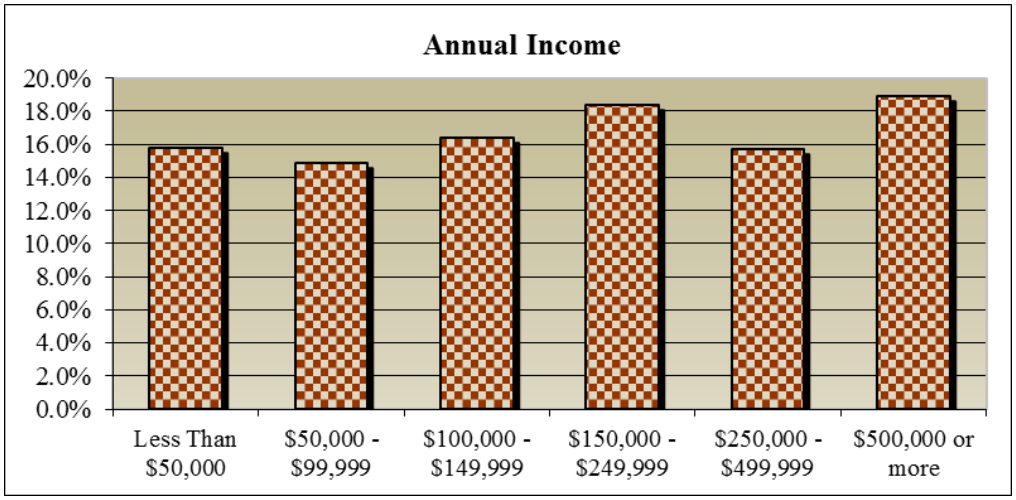


POPULATION DEMOGRAPHICS

Data from Nielsen Reports

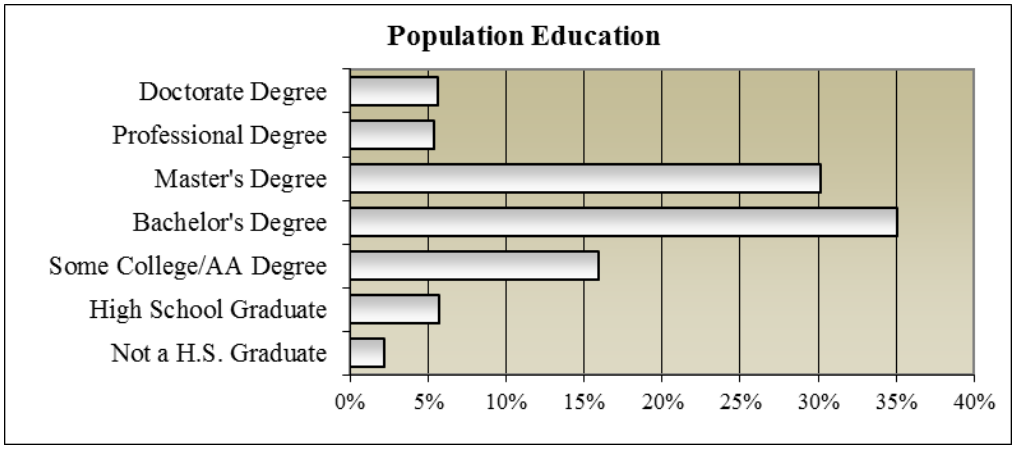


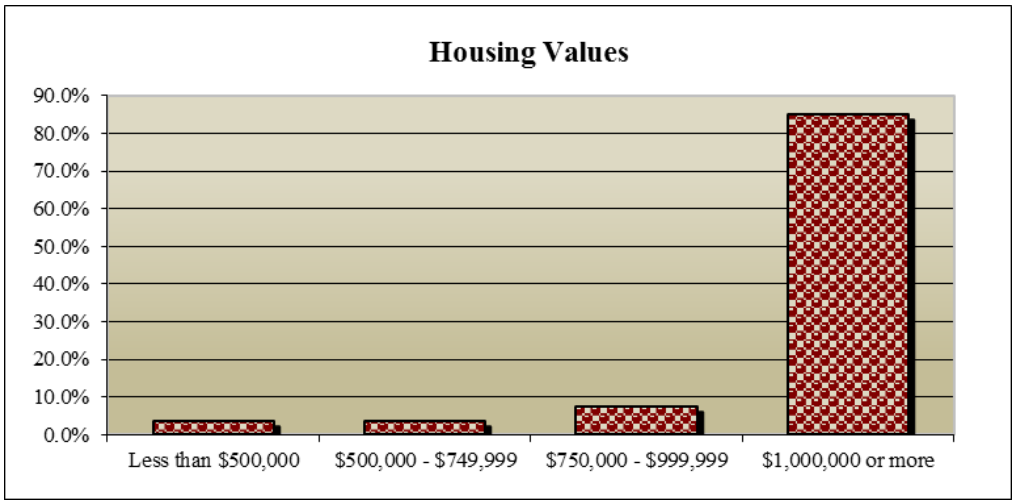


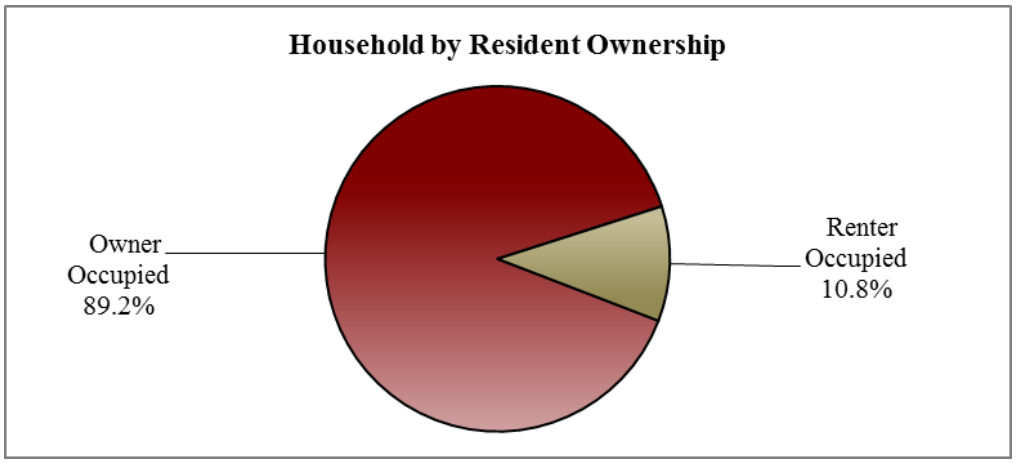


POPULATION & HOUSING DEMOGRAPHICS

Data from Nielsen Reports

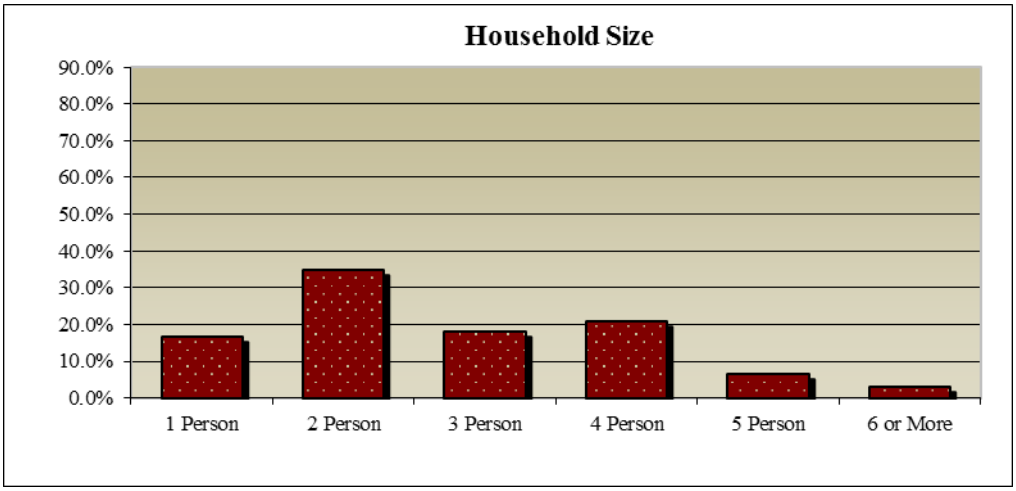


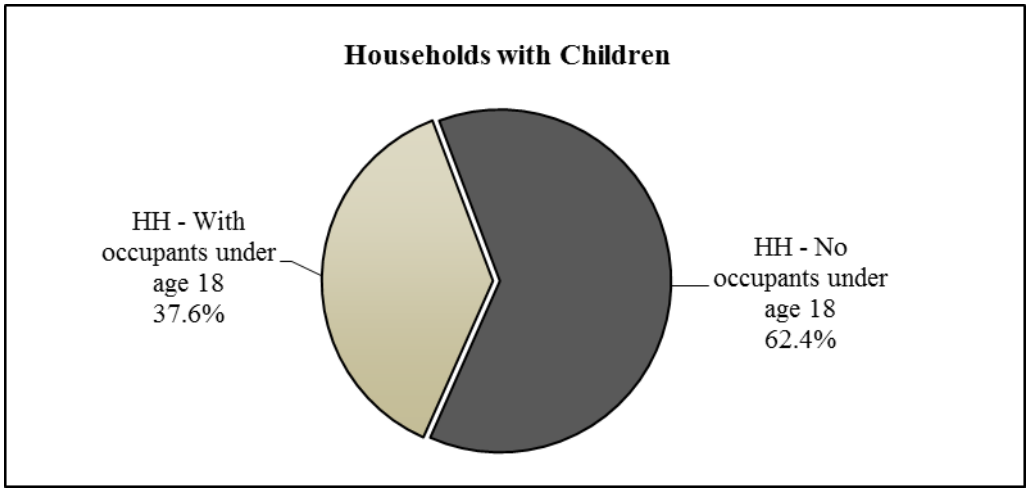




POPULATION & HOUSING DEMOGRAPHICS

Data from Nielsen Reports



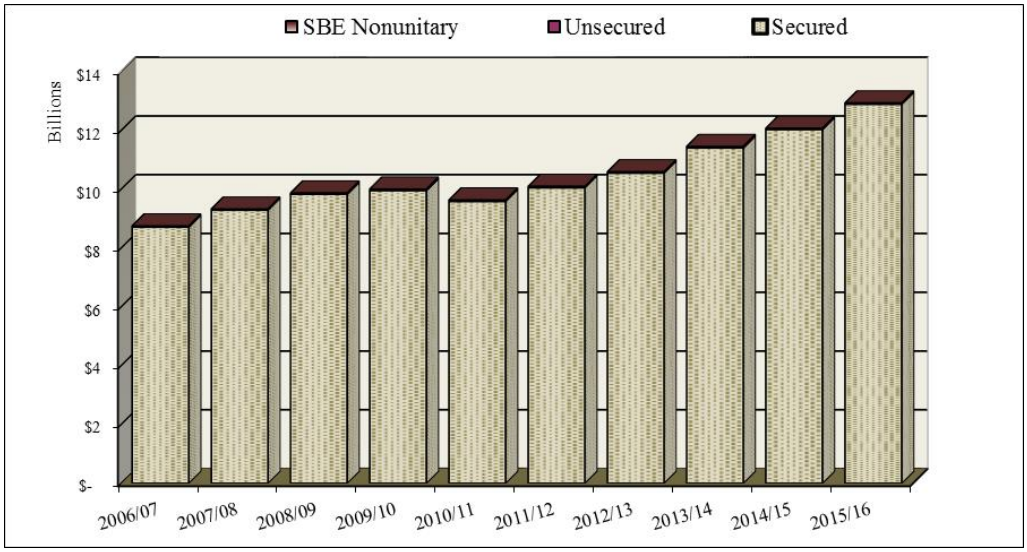


ECONOMIC FACTORS

Sources: Santa Clara County Tax Rates & Information and MuniServices Reports

Net Taxable Assessed Value History
2006/07 - 2015/16 Taxable Property Values

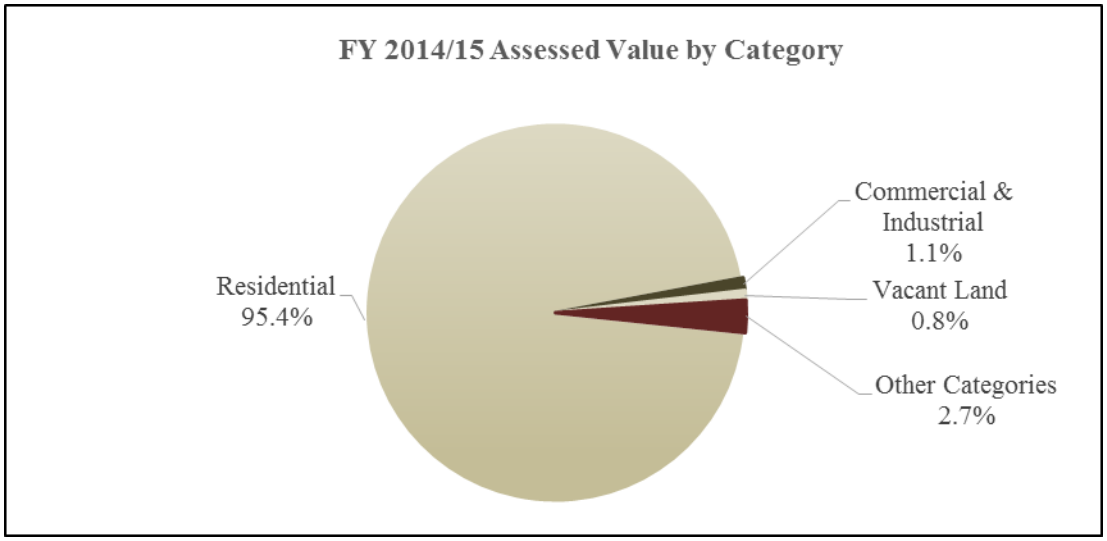
Lien Year	Secured	Unsecured	Non Unitary	Net Total AV	% Change
2006/07	8,660,695,237	38,112,166	134,221	8,698,941,624	6.81%
2007/08	9,238,663,265	34,102,900	-	9,272,766,165	6.60%
2008/09	9,836,487,936	40,892,307	-	9,877,380,243	6.52%
2009/10	9,956,550,298	54,542,896	-	10,067,591,594	1.93%
2010/11	9,588,363,440	51,896,057	-	9,640,259,497	-4.24%
2011/12	10,052,304,933	51,032,996	-	10,103,337,929	4.80%
2012/13	10,552,562,183	48,612,721	-	10,601,174,904	4.93%
2013/14	11,411,742,545	46,463,171	-	11,458,205,716	8.08%
2014/15	12,035,551,497	44,456,585	-	12,080,008,082	13.95%
2015/16	12,895,395,173	46,348,648	-	12,941,743,821	12.95%



ASSESSED VALUES

Data from MuniServices Report

Assessed Values by Category	
Agriculture	16,571,011
Commercial	113,914,667
Forestry	16,730,776
Industrial	11,684,252
Institutional	29,608,651
Public	2,773,447
Professional	119,096,502
Recreational	19,415,623
Residential	11,158,775,419
Social	35,784,647
Vacant	94,159,844
Transportation	18,689,575
Unsecured	59,684,420
Less: Exemptions	(238,683,118)
Gross Secured Value	11,458,205,716



**Most recent information available*

ASSESSED VALUES

Data from MuniServices Report

Top Property Taxpayers

FY 2014/15

(amounts expressed in thousands)

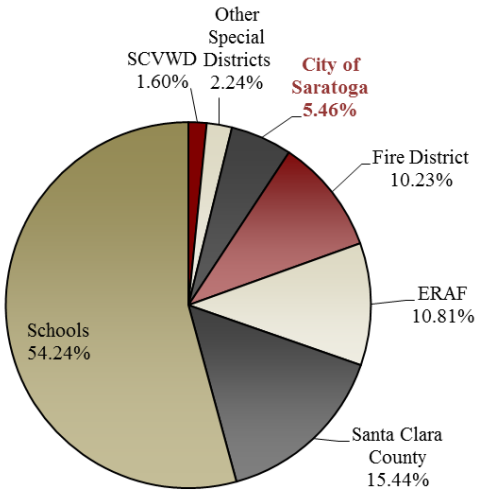
Owner	Assessed Valuation	% of Total Taxable AV
SHP Saratoga II LLC	57,554	0.48%
San Jose Water Works	20,573	0.17%
Keller Trustee	14,541	0.12%
HJJ LLC	13,267	0.11%
Stormin Norman LLC	12,657	0.10%
Argonaut Associates LLC	11,041	0.09%
Public Storage Inc	9,893	0.08%
Krishnamurthi Trustee	9,454	0.08%
David J & Terri E Morrison	9,184	0.08%
Jain Trustee	8,223	0.07%
Total of Top 10 Taxable AV		**1.38%**

**Most recent information available*

PROPERTY TAX DISTRIBUTION

Source: Santa Clara County and HdL, Coren & Cone Reports

FY 2014/15



Agency	Allocation %	Allocation $
Santa Clara Valley Water District	1.60%	1,629,400
Other Special Districts	2.24%	2,271,500
City of Saratoga	5.44%	5,526,300
SCC Fire / Saratoga Fire District	10.23%	10,392,300
Educational Relief Augmentation Fund	10.81%	10,981,500
Santa Clara County	15.44%	15,684,900
Schools	54.24%	55,100,400
	100.00%	101,586,236

Note - Property Tax distributions vary slightly by tax assessment district

LIST OF ACRONYMS

Following is a list of acronyms common to local government terminology:

AB	Assembly Bill
ABAG	Association of Bay Area Governments
ADA	American Disabilities Act
ARS	Automated Reporting System
BMP	Below Market Price (Housing)
CAFR	Comprehensive Annual Financial Report
CDBG	Community Development Block Grant
CEQA	California Environmental Quality Act
CERT	Community Emergency Response Team
CLEEP	California Law Enforcement Equipment Program
CIP	Capital Improvement Program
COP	Certificates of Participation
CSMFO	California Society of Municipal Finance Officers
CSO	Community Services Officer
CY	Current Year
DART	Disaster Aid Response Team
DOJ	Department of Justice
EOC	Emergency Operations Center
ERAF	Educational Revenue Augmentation Fund
FEMA	Federal Emergency Management Agency
FTE	Full-Time Equivalent (2080 annual work hours)
FY	Fiscal Year
GAAP	General Accepted Accounting Principals
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographical Information System
GO	General Obligation (Bond)
HCD	Housing and Community Development
HHW	Household Hazardous Waste
HUD	Housing & Urban Development
HVAC	Heating / Ventilation & Air Conditioning
IT	Information Technology
JPA	Joint Powers Authority
LAIF	Local Agency Investment Fund
LLD	Landscaping & Lighting District
LT	Long-Term (as in Long-Term Notes Receivable)

LIST OF ACRONYMS

MIS	Management Information Systems
MOU	Memorandum of Understanding
MVLF	Motor Vehicle in Lieu Fee (see also VLF)
NPDES	National Pollutant Discharge Elimination System
OCJP	Office of Criminal Justice Planning
OES	Office of Emergency Services
PCI	Pavement Condition Index
PERS	Public Employees Retirement System
POA	Police Officers Association
PW	Public Works Department
PSAP	Public Safety Answering Point
PY	Prior Year
RDA	Redevelopment Agency
SB	Senate Bill
SCC	Santa Clara County
SLESF	Supplemental Law Enforcement Services Fund Grant
TDA	Transportation Development Act
TEA	Tax Equity Allocation
TFCA	Transportation Fund for Clean Air
TOT	Transient Occupancy Tax
VLF	Motor Vehicles In Lieu Fee (see also MVLF)
VTA	Valley Transportation Agency
WVSD	West Valley Sanitation District

GLOSSARY

Accounting System - The set of records and procedures that are used to record, classify, and report information on the financial status and operations of the City.

Accrual Basis Accounting - Under this accounting method, transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements.

Ad Valorem - Latin for "in proportion to the value". This refers to property taxes levied on value and includes the General Obligation (G.O.) Bond rates added to the 1% rate allowed by Prop. 13. These rates are applied to the secured, unsecured, supplemental, and other miscellaneous tax rolls.

Adoption - Formal action by the City Council, which sets the spending limits for the fiscal year. The City's budget is adopted by Council resolution.

Agency Fund – A fund used to account for assets held by the City in the capacity of an agent for individuals, organizations, or other governmental entities.

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

Appropriation - An authorization made by the City Council, which permits officials to incur obligations against and to make expenditures of government resources. Appropriations are typically granted for a one-year period.

Assessed Valuation - A value established for real property for use as a basis in levying property taxes. For all agencies in the State of California, the County for the secured and unsecured property tax rolls establishes assessed value; the utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. Proposition 13 also modified the value of real taxable property for fiscal 1979 by rolling back values to fiscal 1976 levels. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change of ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Assessment Fund –A fund used to account for special levies made against certain properties to defray part or all of the costs of a specific improvement or service deemed to primarily benefit those parties.

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. In conjunction with their performance of an audit, it is customary for an independent auditor to issue a Management Letter stating the adequacy of the City's internal controls as well as recommending improvements to the City's financial management practices.

Bonds - A bond is a written promise to pay a specified sum of money (called the face value or principle amount) at a specified date or dates in the future (called the maturity date) together with period interest at a specified rate. Bonds are typically used to finance capital facilities.

GLOSSARY

Budget - As the City's financial operating plan for the fiscal year, the budget displays the estimated expenditures (costs) for providing services and the estimated sources of revenue (income) to pay for them. Once the City Council adopts the budget, the total becomes the maximum spending limit. Saratoga's budget encompasses fiscal year (July 1 through June 30).

Budget Amendment - The Council has the sole responsibility for adopting the City budget, and may amend or supplement the budget at any time after adoption. The City Manager has the authority to approve administrative adjustments to the budget as outlined in the Financial and Administrative Policies set by Council.

Budget Calendar - The schedule of key dates which the City follows in the preparation and adoption of the budget.

Budget Document - The official financial spending and resource plan submitted by the City Manager and adopted by the City Council explaining the approved budget to the public and City Council.

Budget Message - Included in the opening section of the budget, the Budget Message provides the Council and the Public with a general summary of the most important aspects of the budget, comparative data from previous fiscal years, goals and objectives, and the views and recommendations of the City Manager.

Budget Overview - This section provides an overview of the changes adopted in the budget. Additionally, the significant impacts of budgetary changes are outlined along with dollar amounts (increase/decrease).

Budget Policies - General and specific guidelines adopted by the Council that govern the financial plan's preparation and administration.

Building Permit - Fee required for new construction or for any alteration or addition to a residence or commercial building. The fee is based on square footage and valuation. Electrical or plumbing/mechanical work will require a similar permit.

Business License Tax – A tax imposed on those conducting business within the City limits. Business License Tax is a non-regulatory tax implemented for the purpose of raising revenue to support General Fund activities.

Capital Acquisitions/Assets - Assets exceeding $10,000 and having a useful life of several years. Capital assets are also called 'Fixed Assets' and include land, buildings, machinery, and equipment.

Capital Expenditures – Funds spent for the construction, improvement, or rehabilitation of City infrastructure.

Capital Improvement Plan (CIP) - The plan or schedule of expenditures for major construction of roads, sidewalks, City facilities and/or park improvements and for the purchase of equipment. The City of Saratoga's CIP follows a five-year schedule. Although the City adopts the CIP budget in a process that is separate from the adoption of the budget, the budget incorporates the first-year of the five-year CIP.

Capital Projects - Expenditures that have a value of $25,000 or more which result in the acquisition of, construction of, rehabilitation of or additions to, infrastructure and fixed assets with a useful life of at least 5 years at a fixed location.

GLOSSARY

Capital Projects Fund - In governmental accounting, a fund that accounts for financial resources to be used for the acquisition or construction of capital facilities. The total cost of a capital project is accumulated in a single expenditure account which accumulates until the project is completed, at which time the fund ceases to exist.

Cash Basis Accounting - A basis of accounting under which transactions are recognized only when cash is received or disbursed.

City Code – The City's listing of City Council approved ordinances currently in effect. The code defines City policy with respect to areas such as planning and land use regulations, business regulations, etc.

Community Development Block Grant (CDBG) - Federal grant funds distributed from the U.S. Department of Housing and Urban Development that are passed through to the City. The City primarily uses these funds for housing rehabilitation, public improvements and local social programs.

Comprehensive Annual Financial Report (CAFR) - The official financial report of the City. The CAFR includes an audit opinion as well as basic financial statements and supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions.

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

Contingent Liabilities - Items which may become liabilities of the City but are undetermined at a given date, such as pending lawsuits, unsettled disputed claims, unfilled purchase orders and uncompleted contracts.

Contract Services - Services provided to the City from the private sector or other public agencies.

Debt Service - Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes, or Certificates of Participation (COPs).

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

Deficit - The excess of liabilities over assets.

Department - A major organizational unit of the City, which has been assigned overall management responsibility for an operation, or a group of related operations within a functional area. In Saratoga, Department Heads are the chief administrators within a department.

Encumbrances - Commitments against an approved budget for unperformed (executory) contracts for goods or services. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Enterprise Funds - Established to account for the financing of self-supporting activities of governmental units, which render services on a user charge basis to the general public.

Equipment Replacement Fund – This fund is used to account for the replacement of existing fixed assets as equipment, machinery or building improvements become unserviceable or obsolete.

GLOSSARY

Expenditure -The outflow of funds paid or to be paid for an asset obtained or goods and services obtained. Note: An encumbrance is not expenditure; an encumbrance reserves funds to be expended. (See encumbrances.)

Fiduciary Funds – Used to account for assets held by the City acting in a fiduciary capacity for other entities and individuals. Such funds are operated to carry out the specific actions of trust agreements, ordinances and other governing regulations. There are two categories of fiduciary funds: Trust and Agency.

Fiscal Year - A 12-month period to which the annual operating budget applies and at the end of which the City determines its financial position and results of its operations. The City's fiscal year runs from July 1st to June 30th.

Fixed Assets - Non-consumable assets of long-term nature such as land, buildings, machinery, furniture, and other equipment. The City has defined such assets as those with an expected life in excess of one year and value in excess of $10,000.

Franchise Fees - Imposed on utility companies for the privilege of doing business in the City. Fees are usually based upon a percentage of gross revenue derived from business conducted in the City.

Full-time Equivalents (FTE) - The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. Full-time employees are paid for 2,080 hours in a year equating 1.0 FTE. Correspondingly, a part-time employee who worked 1,040 hours would equate to 0.5 FTE.

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts in which cities record financial transactions relating to revenues, expenditures, assets and liabilities. Each fund type typically has a unique funding source and purpose. Establishing funds enables the City to account for the use of restricted revenue sources and carry on specific activities or pursue specific objectives.

Fund Accounting - System used by non-profit organizations, particularly governments. Since there is no profit motive, accountability is measured instead of profitability. The main purpose is stewardship of financial resources received and expended in compliance with legal requirements.

Fund Balance - Also known as the net financial position in a governmental fund, fund balance is the excess of current assets over current liabilities, and represents the cumulative effect of revenues and other financing sources over expenditure and other financing uses.

Fund Equity – represents the net financial position in a non-governmental fund. See Fund Balance definition above.

GAAP (Generally Accepted Accounting Principles) - Uniform minimum standards for financial accounting and reporting. They govern the form and content of the basic financial statements of the City.

Gann Appropriation Limit – This is the common name of Proposition 4, approved by voters on November 6, 1979 which mandated an appropriation limit on the amount of tax revenues that government jurisdictions may appropriate within a fiscal year. This bill was named after Paul Gann, who was a co-sponsor of the famous Proposition 13 initiative enacted by the voters of California on June 6, 1978 which resulted in a cap on property taxes in the state, and a prominent author and advocate of this subsequent spending limitation bill.

GLOSSARY

Gas Fund Tax **-** The Gas Fund Tax is used to account for revenues and expenditures apportioned under the Streets and Highways Code of the State of California. Expenditures may be made for any street related purpose in the City's system of streets.

General Fund **-** In governmental accounting, fund used to account for all assets and liabilities of a non-profit entity, except those particularly assigned for other purposes in another more specialized fund. It is the primary operating fund of the City.

General Government – City Council, City Manager, City Clerk, City Attorney, Human Resources, Finance, Community Development, Public Works, Recreation, and Public Safety.

General Liability Self Insurance Fund **-** The General Liability Self Insurance Fund is used to provide the City with liability and property insurance. Coverage is provided through participation in a joint powers agreement through (ABAG) Associations of Bay Area Governments.

General Obligation Bond **–** A municipal bond backed by the credit and "taxing power" of the issuing jurisdiction rather than the revenue from a given project. General obligation bonds are issued with the belief that a municipality will be able to repay its debt obligation through taxation or revenue from projects. No assets are used as collateral.

Government Finance Officers Association (GFOA) **–** GFOA is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. Approximately 16,000 GFOA members are dedicated to the sound management of government financial resources.

Governmental Funds **–** the fund used to account for all assets and liabilities of a government agency, except those particularly assigned for other purposes in another more specialized fund. There are five different types of governmental funds: the general fund (which is the primary operating fund), special revenue funds, debt service funds, capital project funds, and permanent funds.

Grant **-** External contributions, and/or gifts of cash, or other assets typically from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is Community Development Block grant funding from the Federal Government.

Infrastructure **–** The basic facilities, services, and installations needed for the functioning of a community or society, such as streets and roads, sidewalks, bridges, communications systems, water and power lines, and public institutions including schools, police stations, libraries, and post offices.

Interest Income – The prudent investment of idle funds. The types of investments that can be made are limited by the Government Code to protect the safety of taxpayers' money.

Intergovernmental Revenue – Revenue received from other governmental agencies and municipalities, such as grants from the State or Federal government.

Internal Services Fund –The Internal Service Funds are used to finance and account for special activities and services performed by a designated City department for other departments on a cost reimbursement basis.

GLOSSARY

Inter-Fund Transfers – When the City moves money between its various funds, it makes an inter-fund transfer, referred to as transfers-in and transfers-out. In aggregate, transfers in and out offset each other for the fiscal year.

Landscape and Lighting Fund – The City has formed landscape and lighting district funds established by majority consent of the property owners owning all of the property within the boundaries of the district.

Levy – To impose taxes, special assessments or service charges for the support of governmental activities. The total amount of taxes, special assessments or service charges imposed by Santa Clara County levying property taxes.

Licenses and Permits – Revenues earned by the issuance of licenses or permits levied in accordance with the benefits conferred by the license or permit.

Limited Obligation Bond - A bond sold by a municipality to finance projects which are secured by the revenue generated by those projects.

Line-Item Budget – A budget that lists detailed expenditure categories (salaries & benefits, office supplies, travel, dues, rents, etc.) separately, along with the amount budgeted for each specified category. The Summary Budget reflects the program rather than line item budgets. The Detail Budget reflects the line-item detail.

Management Information Services Fund – The Information Technology Services Fund is used to account for costs associated with the City's centralized computer system and to distribute these costs to departments using the system on a pro rata basis. Included are costs for hardware and software maintenance and development, computer training and staff support.

Modified Accrual Basis – Under this accounting method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures for the most part are recognized when the related fund liability is incurred except for prepayments, accumulated employee leave and long-term debt. All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

Motor Vehicle in Lieu Fee – A State fee charged for the privilege of operating a vehicle on public streets. A VLF is levied annually against the market value of a motor vehicle and is imposed by the State "in lieu" of local property taxes.

Non-Departmental – This program has the sole purpose of accounting for all expenditures that the City cannot specifically designate to any operating department within the General Fund.

Objective - A statement of specific direction, purpose, or intent based on the needs of the community and the goals established for a specific program or service level.

Ordinance - A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An Ordinance has a higher legal standing than a Resolution and is typically codified in a City's municipal code.

Operating Budget - The operating budget is the primary means by which most of the financing of acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is required by law.

GLOSSARY

Other Revenues - Revenues from sources other than those specifically identified that are too immaterial in amount to justify the creation of new revenue account line items

Performance Measure - Sets forth a performance objective and a goal for achieving the objective.

Personnel Benefits - Those benefits paid by the City as conditions of employment.

Personnel - City employees.

Present Value - The amount that a future sum of money is worth today given a specified rate of return.

Proposition 218 - A statewide initiative passed by the voters of California on November 5, 1996. The initiative provided voters with the right to vote on new taxes.

Program - As subdivisions of departments, programs are budgetary or organizational units of government with limited sets of work responsibilities within their respective departments. Programs also serve to increase budgetary accountability. Saratoga's budget is compiled on a program basis.

Property Tax - Imposed on real property (land and permanently attached improvements). The tax is based upon the assessed value of such property. The tax rate may not exceed 1% of assessed value.

Proprietary Funds – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Public Employee's Retirement System (PERS) - Provided for the City's employees, by the State of California.

Reserve - An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

Resolution - A special order of the City Council which has a lower legal standing than an ordinance.

Resources - Total amounts available for appropriation including estimated revenues, inter-fund transfers, and beginning fund balances.

Revenue - Sources of income, which the City receives during a fiscal year. Examples of revenue include taxes, intergovernmental grants, service charges and fees, permits, rental and lease income, interest income, and other financing sources such as the proceeds derived from the sale of fixed assets.

Sales Tax - 1% is returned to the City by the State Board of Equalization on a monthly direct deposit basis.

Special Assessment Bonds - Bonds payable from the proceeds of special assessment.

Special Revenue Fund - In governmental accounting, fund used to account for the proceeds of special revenue sources (other than special assessments, expandable trusts, or for major capital projects) that are legally restricted to expenditure for a specified purpose.

GLOSSARY

Service Charge - Charges for specific services rendered.

Services and Supplies - Expenditures for services and supplies which are directly related to a department's primary service activities.

Supplies - An expenditure classification for articles and commodities purchased for consumption or resale.

Tax Equity Allocation (TEA) – State of California property tax law requires the auditor of each county with qualifying cities to make property tax revenue allocations as defined in Section 98 of the Revenue and Taxation Code. TEA typically refers to the minimum 7% allocation established by legislation in Proposition 13 clean-up bills.

Taxes - Compulsory charges levied by the City, County and State for the purpose of financing services performed for the common benefit.

Transient Occupancy Tax - Imposed on hotels, motels, inns or other lodging facilities. The rate in Saratoga is 10%.

Transfers In/Out - Money transferred from one City fund to another. Differs from revenues and expenses - see definition of these terms.

VLF – See MVLF.

Worker's Compensation Fund - The Worker's Compensation Fund accounts for the cost to provide worker's compensation insurance coverage to all Town employees in compliance with State of California requirements