



FISCAL YEAR 2019-2020  
ADOPTED BUDGET

# Table of Contents

- City Organizational Chart..... 1**
- Directory of City Officials..... 3**
- Commissions and Committees..... 4**
- GFOA Distinguished Budget Award..... 5**
- CSMFO Operating Budget Excellence Award..... 6**
- Resolutions..... 7**
  
- Budget Message..... 15**
  - Budget Message ..... 15
  - Notable Accomplishments and New Initiatives..... 21
  - Adopted Budget Overview ..... 31
  
- Budget Guide..... 43**
  - Our Mission ..... 43
  - Elements of the Budget Document..... 44
  - Glossary of Budget Terminology ..... 46
  - Commonly Used Acronyms..... 49
  - Revenues, Expenditures, and Fund Balance Table ..... 51
  
- Community Profile ..... 53**
  - History ..... 53
  - 2019 Community Economic Profile..... 54
  - 2019 City Profile ..... 56
  - Education ..... 58
  - Programs and Applications..... 59
  - Community Statistics..... 61
  - Community and Recreation Services ..... 63
  - Things to Do and See..... 64
  
- Financial Policies and Schedules ..... 67**
  - Annual Budget Process ..... 67
  - Structure of City Finances..... 69
  - Fund Structure..... 71
  - Fiscal Policies ..... 75
  - Appropriations & Legal Debt Margin..... 88
  - Financial Overview by Fund..... 90

|  |            |
|--|------------|
| Flow of Funds Chart (Sankey).....                        | 91         |
| General Fund Contribution Schedule .....                 | 92         |
| Fund Balance Report .....                                | 96         |
| General Fund Summary .....                               | 97         |
| General Fund Classification of Fund Balance .....        | 116        |
| All Funds Summary.....                                   | 117        |
| 5-Year and 20-Year General Fund Forecast.....            | 125        |
| 5-Year Forecast Schedules.....                           | 143        |
| <b>Department Operating Budgets .....</b>                |            |
| <b>COUNCIL AND COMMISSIONS .....</b>                     | <b>161</b> |
| <b>Department Overview .....</b>                         | <b>162</b> |
| <b>City Council</b>                                      |            |
| City Council .....                                       | 166        |
| Community Funding.....                                   | 168        |
| Sister Cities.....                                       | 171        |
| <b>Commissions</b>                                       |            |
| Technology, Information & Communications Commission..... | 173        |
| Library Commission .....                                 | 175        |
| Fine Arts Commission.....                                | 177        |
| Public Safety Commission .....                           | 179        |
| Bicycle and Pedestrian Commission .....                  | 181        |
| Parks and Recreation Commission.....                     | 183        |
| Teen Commission.....                                     | 185        |
| Planning Commission .....                                | 187        |
| Housing Commission.....                                  | 189        |
| Sustainability Commission.....                           | 191        |
| <b>ADMINISTRATION.....</b>                               | <b>193</b> |
| <b>Department Overview .....</b>                         | <b>194</b> |
| <b>City Manager</b>                                      |            |
| City Manager .....                                       | 201        |
| Sustainability .....                                     | 203        |
| Office of Communications.....                            | 205        |
| Community Outreach and Neighborhood Watch .....          | 208        |
| Disaster Preparedness .....                              | 211        |
| Economic Development .....                               | 213        |

|  |            |
|--|------------|
| <b>City Clerk</b>                            |            |
| City Clerk .....                             | 215        |
| Duplicating and Mail Services .....          | 217        |
| Elections .....                              | 219        |
| <b>City Manager Discretionary</b>            |            |
| City Manager Contingency.....                | 221        |
| <b>City Attorney</b>                         |            |
| City Attorney .....                          | 223        |
| <b>LAW ENFORCEMENT .....</b>                 | <b>225</b> |
| <b>Department Overview .....</b>             | <b>226</b> |
| <b>Law Enforcement</b>                       |            |
| Law Enforcement .....                        | 230        |
| Interoperability Project.....                | 232        |
| Code Enforcement .....                       | 234        |
| <b>INNOVATION AND TECHNOLOGY.....</b>        | <b>237</b> |
| <b>Department Overview .....</b>             | <b>238</b> |
| <b>I&amp;T Administration</b>                |            |
| Innovation & Technology Administration ..... | 247        |
| Innovation & Technology Administration ..... | 249        |
| Cupertino Scene .....                        | 251        |
| <b>Video</b>                                 |            |
| Video .....                                  | 253        |
| Public Access Support .....                  | 255        |
| <b>Applications</b>                          |            |
| Applications .....                           | 257        |
| <b>Infrastructure</b>                        |            |
| Infrastructure .....                         | 260        |
| <b>GIS</b>                                   |            |
| GIS.....                                     | 263        |
| <b>Citywide – Non Departmental</b>           |            |
| Network Upgrade.....                         | 265        |
| <b>ADMINISTRATIVE SERVICES.....</b>          | <b>267</b> |
| <b>Department Overview .....</b>             | <b>268</b> |
| <b>Administration</b>                        |            |
| Administration .....                         | 274        |

|   |            |
|---|------------|
| <b>Finance</b>                                  |            |
| Accounting.....                                 | 276        |
| Business Licenses .....                         | 278        |
| <b>Human Resources</b>                          |            |
| Human Resources .....                           | 280        |
| Retiree Benefits .....                          | 282        |
| Insurance Administration.....                   | 284        |
| Workers Compensation Insurance .....            | 286        |
| Short Term and Long Term Disability .....       | 288        |
| Compensated Absences .....                      | 290        |
| <b>PARKS AND RECREATION.....</b>                | <b>293</b> |
| <b>Department Overview .....</b>                | <b>294</b> |
| <b>Parks and Recreation</b>                     |            |
| Recreation Administration .....                 | 299        |
| Park Planning and Restoration .....             | 301        |
| Library Services.....                           | 303        |
| <b>Business and Community Services</b>          |            |
| Administration .....                            | 305        |
| Cultural Events.....                            | 307        |
| Facilities .....                                | 309        |
| Community Outreach and Neighborhood Watch ..... | 311        |
| <b>Recreation and Education</b>                 |            |
| Administration .....                            | 313        |
| Youth Teen Recreation .....                     | 315        |
| Senior Center .....                             | 317        |
| Teen Programs .....                             | 319        |
| Neighborhood Events .....                       | 321        |
| <b>Sports, Safety and Outdoor Recreation</b>    |            |
| Park Facilities .....                           | 323        |
| Administration .....                            | 326        |
| Blackberry Farm Golf Course .....               | 328        |
| Outdoor Recreation .....                        | 330        |
| Sports Center Operations .....                  | 333        |
| Disaster Preparedness .....                     | 335        |

**PLANNING AND COMMUNITY DEVELOPMENT ..... 337**

**Department Overview ..... 338**

**Administration**

    Community Development Administration..... 343

**Planning and Economic Development**

    Current Planning ..... 345

    Mid and Long Term Planning ..... 347

    Annexations ..... 349

    Economic Development ..... 351

**Housing Services**

    CDBG General Admin ..... 353

    CDBG Capital/Housing Projects ..... 355

    CDBG Public Service Grants ..... 357

    BMR Affordable Housing Fund ..... 359

    Human Services Grants ..... 361

**Building**

    General Building ..... 363

    Building Plan Review ..... 365

    Building Code Enforcement ..... 367

    Muni Code Enforcement ..... 369

**Code Enforcement**

    Code Enforcement ..... 371

**PUBLIC WORKS ..... 373**

**Department Overview ..... 375**

**Administration**

    Public Works Administration ..... 384

**Environmental Programs**

    Resource Recovery ..... 386

    Non-Point Source ..... 389

**Development Services**

    Plan Review ..... 391

    CIP Administration..... 393

**Service Center**

    Administration ..... 395

**Grounds**

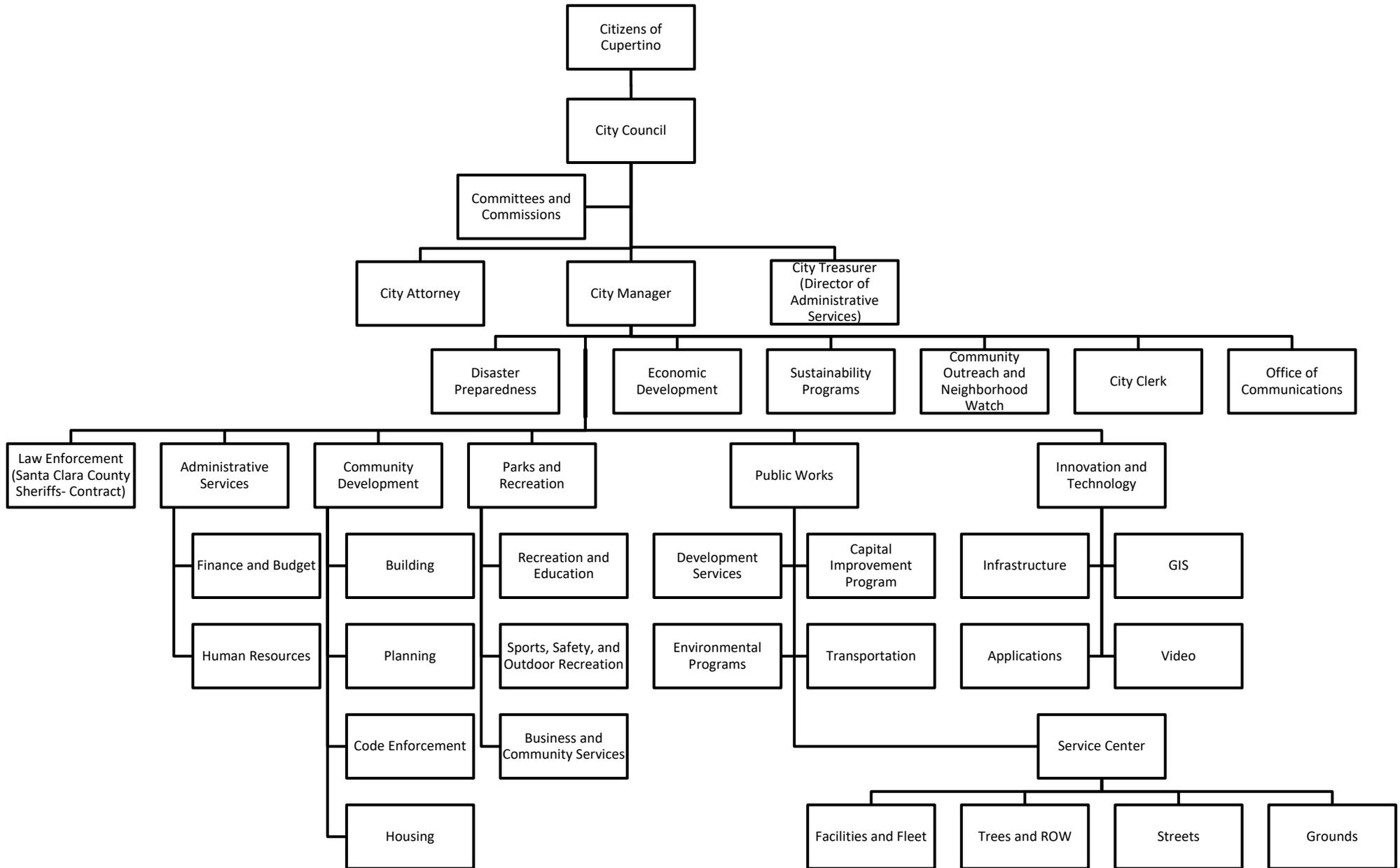
    McClellan Ranch Park ..... 398

    Memorial Park ..... 400

|  |     |
|--|-----|
| School Site Maintenance .....                  | 402 |
| Neighborhood Parks.....                        | 404 |
| Sports Field Jollyman, Creekside .....         | 407 |
| Civic Center Maintenance .....                 | 409 |
| <b>Streets</b>                                 |     |
| Storm Drain Maintenance.....                   | 411 |
| Sidewalk Curb and Gutter .....                 | 413 |
| Street Pavement Maintenance .....              | 415 |
| Street Sign Marking .....                      | 418 |
| Street Lighting .....                          | 420 |
| Equipment Maintenance .....                    | 422 |
| Environmental Materials .....                  | 424 |
| <b>Trees and Right of Way</b>                  |     |
| Overpasses and Medians .....                   | 426 |
| Street Tree Maintenance .....                  | 428 |
| Weekend Work Program .....                     | 430 |
| <b>Facilities and Fleet</b>                    |     |
| City Hall Maintenance .....                    | 432 |
| Library Maintenance .....                      | 434 |
| Service Center Maintenance .....               | 436 |
| Quinlan Community Center Maintenance .....     | 438 |
| Senior Center Maintenance .....                | 440 |
| McClellan Ranch Maintenance .....              | 442 |
| Monta Vista Community Center Maintenance ..... | 444 |
| Wilson Park Maintenance .....                  | 446 |
| Portal Park Maintenance .....                  | 448 |
| Sports Center Maintenance .....                | 450 |
| Creekside Park Maintenance .....               | 452 |
| Community Hall Maintenance .....               | 454 |
| Teen Center Maintenance .....                  | 456 |
| Park Bathrooms Maintenance .....               | 458 |
| Blackberry Farm Maintenance .....              | 460 |
| <b>Transportation</b>                          |     |
| Franco Traffic Operations Center .....         | 462 |
| Traffic Engineering .....                      | 464 |
| Traffic Signal Maintenance .....               | 467 |
| Safe Routes 2 School .....                     | 469 |

|  |                        |
|--|------------------------|
| <b>Citywide – Non Departmental</b>               |                        |
| Minor Storm Drain Improvement .....              | 471                    |
| Fixed Assets Acquisition.....                    | 473                    |
| <b>NON-DEPARTMENTAL .....</b>                    | <b>475</b>             |
| <b>Department Overview .....</b>                 | <b>476</b>             |
| <b>Transfers Out</b>                             |                        |
| General Fund Transfers Out.....                  | 479                    |
| Tree Fund Transfers Out.....                     | 481                    |
| Capital Reserve Transfers Out .....              | 483                    |
| Facility Lease Debt Service .....                | 485                    |
| Employee Housing Assistance.....                 | 488                    |
| <b>PERSONNEL SUMMARY .....</b>                   | <b>491</b>             |
| <b>CAPITAL IMPROVEMENT PROGRAM SUMMARY .....</b> | <b>493</b>             |
| <b>CAPITAL IMPROVEMENT PROGRAM .....</b>         | <b>See CIP FY 2020</b> |

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**CITY OF CUPERTINO, CALIFORNIA**

**Fiscal Year 2019-20**

**CITY COUNCIL**



Steven Scharf  
*Mayor*



Liang Chao  
*Vice Mayor*



Darcy Paul  
*Council member*



Rod Sinks  
*Council member*



Jon Willey  
*Council member*

**DIRECTORY OF CITY OFFICIALS**

- Deborah L. Feng – City Manager
- Timm Borden – Assistant City Manager
- Heather Minner – City Attorney (Contract)
- Bill Mitchell – Chief Technology Officer
- Kristina Alfaro – Director of Administrative Services
- Ben Fu – Director of Community Development
- Roger Lee – Director of Public Works
- Jeff Milkes – Director of Parks and Recreation

**CITY OF CUPERTINO, CALIFORNIA**  
**Fiscal Year 2019-20**  
**COMMISSIONS AND COMMITTEES**

**BICYCLE PEDESTRIAN  
COMMISSION**

Erik Lindskog  
 Gerhard Eschelbeck  
 Jennifer Shearin  
 Muni Madhhipatla  
 Pete Heller

**FINE ARTS COMMISSION**

Diana Matley  
 Janki Chokshi  
 Rajeswari Mahalingam  
 Sonia Dhama  
 Sudha Kasamsetty

**HOUSING COMMISSION**

Connie Cunningham  
 John Zhao  
 Nina Daruwalla  
 Sue Bose  
 Vacant

**LIBRARY COMMISSION**

Amando Wo  
 Christie Wang  
 Liana Crabtree  
 Qin Pan  
 Rahul Vasanth

**PARKS AND RECREATION  
COMMISSION**

Gopal Kumarappan  
 Helene Davis  
 Judy Wilson  
 Neesha Tambe  
 Xiangchen Xu

**PLANNING COMMISSION**

Alan Takahashi  
 David Fung  
 Kitty Moore  
 R "Ray" Wang  
 Vikram Saxena

**PUBLIC SAFETY COMMISSION**

Andy Huang  
 Hymanand Nellore  
 Neha Sahai  
 Robert McCoy  
 Yvonne Chao

**SUSTAINABILITY  
COMMISSION**

Angela Chen  
 Anna Weber  
 Gary Latshaw  
 Meera Ramanathan  
 Vignesh Swaminathan

**TEEN COMMISSION**

Emily Chan  
 Juliet Shearin  
 Kelly Tung  
 Krithika Venkatasubramanian  
 Madhavan Krishnan  
 Sarah Tan  
 Tanvi Khot  
 Varsha Subramanyam  
 Vanitha Vemula

**TECHNOLOGY, INFORMATION  
& COMMUNICATIONS  
COMMISSION**

Arnold de Leon  
 Ilango Ganga  
 Naidu Bollineni  
 Prabir Mohanty  
 Rajaram Soundararajam

**AUDIT COMMITTEE**

Darcy Paul  
 Eno Schmidt  
 Jim Luther  
 Mingming (Daisy) Liang  
 Steven Scharf

**DESIGN REVIEW COMMITTEE**

David Fung  
 Vikram Saxena

**ENVIRONMENTAL REVIEW  
COMMITTEE**

Benjamin Fu  
 Darcy Paul  
 Kitty Moore  
 Roger Lee  
 Deb Feng

**LEGISLATIVE REVIEW  
COMMITTEE**

Liang Chao  
 Steven Scharf



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Cupertino  
California**

For the Fiscal Year Beginning

**July 1, 2018**

*Christopher P. Morill*

Executive Director

# California Society of Municipal Finance Officers

*Certificate of Award*

## ***Excellence Award for Fiscal Year 2018-2019 Operating Budget***

*Presented to the*

***City of Cupertino***

For meeting the criteria established to achieve the CSMFO Excellence Award for Budgeting.

***December 19, 2018***



*Margaret Moggia*

***Margaret Moggia  
CSMFO President***

*Sara J. Roush*

***Sara Roush, Chair  
Recognition Committee***

***Dedicated Excellence in Municipal Financial Reporting***

RESOLUTION NO. 19-066

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO  
ADOPTING AN OPERATING BUDGET FOR  
FISCAL YEAR 2019-20 BY RATIFYING THE ADEQUACY OF ESTIMATED  
REVENUES AND FUND BALANCES IN EACH FUND TO COVER  
APPROPRIATED MONIES, APPROPRIATING MONIES THEREFROM FOR  
SPECIFIED ACTIVITIES AND ACCOUNTS, AND SETTING FORTH  
CONDITIONS OF ADMINISTERING SAID BUDGET

WHEREAS, the orderly administration of municipal government is dependent on the establishment of a sound fiscal policy of maintaining a proper ratio of expenditures within anticipated revenues and available monies; and

WHEREAS, the extent of any project or program and the degree of its accomplishment, as well as the efficiency of performing assigned duties and responsibilities, is likewise dependent on the monies made available for that purpose; and

WHEREAS, the City Manager has submitted his estimates of anticipated revenues and fund balances, has determined that estimated revenues and fund balances are adequate to cover appropriations, and has recommended the allocation of monies for specified program activities;

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby adopt the following sections as a part of its fiscal policy:

Section 1: The estimates of available fund balances and anticipated resources to be received in each of the several funds during Fiscal Year 2019-20, as submitted by the City Manager in his proposed budget and amended during the budget study sessions, are sufficient to cover appropriations.

Section 2. There is appropriated from each of the several funds the sum of money set forth as expenditures for the funds named in the Fiscal Year 2019-20 Proposed Budget Financial Overview by Fund (Exhibit A), as amended during the budget sessions, and stated for the purposes as expressed and estimated for each department.

Section 3. The City Manager is hereby authorized to administer and transfer appropriations between Budget Accounts within the Operating Budget when in his opinion such transfers become necessary for administrative purposes.

Section 4. The Director of Administrative Services shall prepare and submit to City Council quarterly a revised estimate of Operating Revenues.

Section 5. The Director of Administrative Services is hereby authorized to continue appropriations for operating expenditures that are encumbered or scheduled to be encumbered at year end.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 18<sup>th</sup> day of June, 2019, by the following vote:

Vote                      Members of the City Council

AYES:                      Scharf, Chao, Paul, Sinks, Willey

NOES:                      None

ABSENT:                      None

ABSTAIN:                      None

|  |          |
|--|----------|
| SIGNED:<br> | 7/7/2019 |
| Steven Scharf, Mayor<br>City of Cupertino  | Date     |
| ATTEST:<br> | 7-8-19   |
| Grace Schmidt, City Clerk  | Date     |

FISCAL YEAR 2019-20 ADOPTED BUDGET  
FINANCIAL OVERVIEW BY FUND

| Revenue Categories                | General Fund         | Special Revenue Fund | Debt Service Fund   | Capital Project Funds | Enterprise Funds    | Internal Service Funds | 2019-20 Adopted Budget Total |
|-----------------------------------|----------------------|----------------------|---------------------|-----------------------|---------------------|------------------------|------------------------------|
| Sales Tax                         | \$ 25,637,093        | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 25,637,093                |
| Property Tax                      | \$ 24,703,218        | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 24,703,218                |
| Transient Occupancy               | \$ 9,666,056         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 9,666,056                 |
| Utility Tax                       | \$ 3,198,644         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 3,198,644                 |
| Franchise Fees                    | \$ 3,162,457         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 3,162,457                 |
| Other Taxes                       | \$ 1,181,050         | \$ 453,404           | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 1,634,454                 |
| Licenses & Permits                | \$ 2,524,000         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 2,524,000                 |
| Use of Money & Property           | \$ 1,330,579         | \$ 15,700            | \$ -                | \$ -                  | \$ 28,000           | \$ -                   | \$ 1,374,279                 |
| Intergovernmental                 | \$ 354,547           | \$ 7,554,533         | \$ -                | \$ -                  | \$ 15,000           | \$ -                   | \$ 7,924,080                 |
| Charges for Services              | \$ 13,233,225        | \$ 391,045           | \$ -                | \$ -                  | \$ 5,859,827        | \$ 4,083,901           | \$ 23,567,998                |
| Fines & Forfeitures               | \$ 615,000           | \$ 10,000            | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 625,000                   |
| Miscellaneous                     | \$ 882,283           | \$ 2,198,521         | \$ -                | \$ 7,757,418          | \$ 66,000           | \$ -                   | \$ 10,904,222                |
| Transfers In/Other Financing Uses | \$ 612,000           | \$ 1,318,000         | \$ 3,172,838        | \$ 14,657,719         | \$ 3,523,000        | \$ 4,045,652           | \$ 27,329,209                |
| <b>TOTAL REVENUE</b>              | <b>\$ 87,100,152</b> | <b>\$ 11,941,203</b> | <b>\$ 3,172,838</b> | <b>\$ 22,415,137</b>  | <b>\$ 9,491,827</b> | <b>\$ 8,129,553</b>    | <b>\$ 142,250,710</b>        |

| Appropriation Categories  | General Fund         | Special Revenue Fund | Debt Service Fund   | Capital Project Funds | Enterprise Funds     | Internal Service Funds | 2019-20 Adopted Budget Total |
|---------------------------|----------------------|----------------------|---------------------|-----------------------|----------------------|------------------------|------------------------------|
| Employee Compensation     | \$ 19,030,922        | \$ 1,025,568         | \$ -                | \$ -                  | \$ 1,942,661         | \$ 1,336,390           | \$ 23,335,541                |
| Employee Benefits         | \$ 7,924,552         | \$ 504,775           | \$ -                | \$ -                  | \$ 564,863           | \$ 1,596,993           | \$ 10,591,183                |
| Materials                 | \$ 5,666,631         | \$ 728,939           | \$ -                | \$ -                  | \$ 463,844           | \$ 916,106             | \$ 7,775,520                 |
| Contract Services         | \$ 21,573,686        | \$ 727,897           | \$ -                | \$ 175,000            | \$ 4,644,862         | \$ 1,538,116           | \$ 28,659,561                |
| Cost Allocation           | \$ 9,786,477         | \$ 486,532           | \$ -                | \$ -                  | \$ 1,651,322         | \$ 847,459             | \$ 12,771,790                |
| Capital Outlays           | \$ 37,050            | \$ 3,035,000         | \$ -                | \$ 22,062,418         | \$ 1,400,000         | \$ -                   | \$ 26,534,468                |
| Special Projects          | \$ 3,692,335         | \$ 3,280,000         | \$ -                | \$ -                  | \$ 321,500           | \$ 704,600             | \$ 7,998,435                 |
| Contingencies             | \$ 1,070,049         | \$ 36,666            | \$ -                | \$ 2,500              | \$ 254,184           | \$ 164,925             | \$ 1,528,324                 |
| Transfers Out             | \$ 10,539,557        | \$ 12,000            | \$ -                | \$ 15,705,000         | \$ -                 | \$ -                   | \$ 26,256,557                |
| Debt Service/Other Uses   | \$ 783,209           | \$ -                 | \$ 3,172,838        | \$ -                  | \$ 280,953           | \$ 843,772             | \$ 5,080,772                 |
| <b>TOTAL EXPENDITURES</b> | <b>\$ 80,104,468</b> | <b>\$ 9,837,377</b>  | <b>\$ 3,172,838</b> | <b>\$ 37,944,918</b>  | <b>\$ 11,524,189</b> | <b>\$ 7,948,361</b>    | <b>\$ 150,532,151</b>        |

Net Increase (Decrease) in Fund Balance/Retained Earnings \$ 6,995,684 \$ 2,103,826 \$ - \$ (15,529,781) \$ (2,032,362) \$ 181,192 \$ (8,281,441)

RESOLUTION NO. 19-067

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO  
ADOPTING A CAPITAL IMPROVEMENT BUDGET FOR  
FISCAL YEAR 2019-20 BY RATIFYING THE ADEQUACY OF ESTIMATED  
REVENUES AND FUND BALANCES IN EACH FUND TO COVER  
APPROPRIATED MONIES, APPROPRIATING MONIES THEREFROM FOR  
SPECIFIED ACTIVITIES AND ACCOUNTS, AND SETTING FORTH  
CONDITIONS OF ADMINISTERING SAID BUDGET

WHEREAS, the orderly administration of municipal government is dependent on the establishment of a sound fiscal policy of maintaining a proper ratio of expenditures within anticipated revenues and available monies; and

WHEREAS, the extent of any project or program and the degree of its accomplishment, as well as the efficiency of performing assigned duties and responsibilities, is likewise dependent on the monies made available for that purpose; and

WHEREAS, the City has independently studied the proposed Capital Improvements Program (CIP) and has determined that the CIP is exempt from environmental review pursuant to the exemption in 14 Cal. Code Regs. §15601(b)(3) in that it can be seen with certainty that there is no possibility that this action will have a significant effect on the environment because approval of the CIP is a budgeting action, and does not involve approval of any specific project that may have a significant effect on the environment;

WHEREAS, the City Council, using its independent judgment, before taking action on this Resolution, determines that the CIP is exempt from CEQA as stated above;

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby adopt the following sections as a part of its fiscal policy:

Section 1: The estimates of available fund balances and anticipated resources to be received in each of the several funds during Fiscal Year 2019-20, as submitted by the City Manager in the proposed budget and amended during the budget study sessions, are sufficient to cover appropriations.

Section 2. The Director of Administrative Services shall prepare and submit to City Council quarterly a revised estimate of Capital Improvement projects.

Section 3. The Director of Administrative Services is hereby authorized to carry over, from the prior fiscal year, unexpended appropriations for Capital Improvement projects.

Section 4. The Director of Administrative Services is hereby authorized to continue appropriations for operating expenditures that are encumbered or scheduled to be encumbered at year end.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 18<sup>th</sup> day of June, 2019, by the following vote:

Vote                      Members of the City Council

AYES:                      Scharf, Chao, Paul, Sinks, Willey  
NOES:                      None  
ABSENT:                   None  
ABSTAIN:                   None

|  |   |
|--|---|
| SIGNED:<br><br>_____<br>Steven Scharf, Mayor<br>City of Cupertino | <br><br>_____<br>Date |
| ATTEST:<br><br>_____<br>Grace Schmidt, City Clerk                 | <br><br>_____<br>Date |

FISCAL YEAR 2019-20 ADOPTED BUDGET  
FINANCIAL OVERVIEW BY FUND

| Revenue Categories                | General Fund         | Special Revenue Fund | Debt Service Fund   | Capital Project Funds | Enterprise Funds    | Internal Service Funds | 2019-20 Adopted Budget Total |
|-----------------------------------|----------------------|----------------------|---------------------|-----------------------|---------------------|------------------------|------------------------------|
| Sales Tax                         | \$ 25,637,093        | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 25,637,093                |
| Property Tax                      | \$ 24,703,218        | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 24,703,218                |
| Transient Occupancy               | \$ 9,666,056         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 9,666,056                 |
| Utility Tax                       | \$ 3,198,644         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 3,198,644                 |
| Franchise Fees                    | \$ 3,162,457         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 3,162,457                 |
| Other Taxes                       | \$ 1,181,050         | \$ 453,404           | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 1,634,454                 |
| Licenses & Permits                | \$ 2,524,000         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 2,524,000                 |
| Use of Money & Property           | \$ 1,330,579         | \$ 15,700            | \$ -                | \$ -                  | \$ 28,000           | \$ -                   | \$ 1,374,279                 |
| Intergovernmental                 | \$ 354,547           | \$ 7,554,533         | \$ -                | \$ -                  | \$ 15,000           | \$ -                   | \$ 7,924,080                 |
| Charges for Services              | \$ 13,233,225        | \$ 391,045           | \$ -                | \$ -                  | \$ 5,859,827        | \$ 4,083,901           | \$ 23,567,998                |
| Fines & Forfeitures               | \$ 615,000           | \$ 10,000            | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 625,000                   |
| Miscellaneous                     | \$ 882,283           | \$ 2,198,521         | \$ -                | \$ 7,757,418          | \$ 66,000           | \$ -                   | \$ 10,904,222                |
| Transfers In/Other Financing Uses | \$ 612,000           | \$ 1,318,000         | \$ 3,172,838        | \$ 14,657,719         | \$ 3,523,000        | \$ 4,045,652           | \$ 27,329,209                |
| <b>TOTAL REVENUE</b>              | <b>\$ 87,100,152</b> | <b>\$ 11,941,203</b> | <b>\$ 3,172,838</b> | <b>\$ 22,415,137</b>  | <b>\$ 9,491,827</b> | <b>\$ 8,129,553</b>    | <b>\$ 142,250,710</b>        |

| Appropriation Categories   | General Fund         | Special Revenue Fund | Debt Service Fund   | Capital Project Funds  | Enterprise Funds      | Internal Service Funds | 2019-20 Adopted Budget Total |
|--|----------------------|----------------------|---------------------|------------------------|-----------------------|------------------------|------------------------------|
| Employee Compensation  | \$ 19,030,922        | \$ 1,025,568         | \$ -                | \$ -                   | \$ 1,942,661          | \$ 1,336,390           | \$ 23,335,541                |
| Employee Benefits  | \$ 7,924,552         | \$ 504,775           | \$ -                | \$ -                   | \$ 564,863            | \$ 1,596,993           | \$ 10,591,183                |
| Materials  | \$ 5,666,631         | \$ 728,939           | \$ -                | \$ -                   | \$ 463,844            | \$ 916,106             | \$ 7,775,520                 |
| Contract Services  | \$ 21,573,686        | \$ 727,897           | \$ -                | \$ 175,000             | \$ 4,644,862          | \$ 1,538,116           | \$ 28,659,561                |
| Cost Allocation  | \$ 9,786,477         | \$ 486,532           | \$ -                | \$ -                   | \$ 1,651,322          | \$ 847,459             | \$ 12,771,790                |
| Capital Outlays  | \$ 37,050            | \$ 3,035,000         | \$ -                | \$ 22,062,418          | \$ 1,400,000          | \$ -                   | \$ 26,534,468                |
| Special Projects   | \$ 3,692,335         | \$ 3,280,000         | \$ -                | \$ -                   | \$ 321,500            | \$ 704,600             | \$ 7,998,435                 |
| Contingencies  | \$ 1,070,049         | \$ 36,666            | \$ -                | \$ 2,500               | \$ 254,184            | \$ 164,925             | \$ 1,528,324                 |
| Transfers Out  | \$ 10,539,557        | \$ 12,000            | \$ -                | \$ 15,705,000          | \$ -                  | \$ -                   | \$ 26,256,557                |
| Debt Service/Other Uses  | \$ 783,209           | \$ -                 | \$ 3,172,838        | \$ -                   | \$ 280,953            | \$ 843,772             | \$ 5,080,772                 |
| <b>TOTAL EXPENDITURES</b>  | <b>\$ 80,104,468</b> | <b>\$ 9,837,377</b>  | <b>\$ 3,172,838</b> | <b>\$ 37,944,918</b>   | <b>\$ 11,524,189</b>  | <b>\$ 7,948,361</b>    | <b>\$ 150,532,151</b>        |
| <b>Net Increase (Decrease) in Fund Balance/Retained Earnings</b> | <b>\$ 6,995,684</b>  | <b>\$ 2,103,826</b>  | <b>\$ -</b>         | <b>\$ (15,529,781)</b> | <b>\$ (2,032,362)</b> | <b>\$ 181,192</b>      | <b>\$ (8,281,441)</b>        |

RESOLUTION NO. 19-068

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO  
ESTABLISHING AND ADOPTING THE APPROPRIATION  
LIMIT IN THE AMOUNT OF \$104,753,580 FOR FISCAL YEAR 2019-20**

WHEREAS, the State of California has adopted legislation requiring local jurisdictions to calculate their appropriation limits in complying with Article XIII B of the State Constitution; and

WHEREAS, pursuant to Proposition 111, passed by the voters of California on June 5, 1990, said limits are determined by an adjustment formula based upon change in population, (either city or county), combined with either the change in inflation (California per capita income) or the change in the local assessment roll due to local nonresidential construction; and

WHEREAS, the local governing body is required to set an appropriation limit each year by adoption of a resolution; and

WHEREAS, the city/county population percentage change over the prior year is -.18% /.33% respectively, and the California per capita personal income change is 3.85%; and

WHEREAS, In computing the 2019-20 limit based upon the adjustment factors provided pursuant to Proposition 111, the City Council has elected to use the county population percentage change along with the California per capita income change, but the Council expressly reserves the right to use the non-residential assessed valuation percentage change when the figure is available.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cupertino hereby approves a 2019-20 fiscal appropriation limit of \$104,753,580, based on Proposition 111 guidelines allowing for use of the county population percentage change along with the California Per Capita Personal Income change to adjust base year appropriations.

BE IT FURTHER RESOLVED that the City Council of the City of Cupertino hereby reserves the right to use the non-residential assessed valuation percentage change when the figure is available.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 18<sup>th</sup> day of June, 2019, by the following vote:

Vote                      Members of the City Council

AYES:                      Scharf, Chao, Paul, Sinks, Willey

NOES:                      None

ABSENT:                      None

ABSTAIN:                      None

|  |                           |
|--|---------------------------|
| SIGNED:<br><br>_____<br>Steven Scharf, Mayor<br>City of Cupertino | _____<br>2019/7/7<br>Date |
| ATTEST:<br><br>_____<br>Grace Schmidt, City Clerk                 | _____<br>7-8-19<br>Date   |



June 18, 2019

To the Residents of Cupertino, Honorable Mayor, and Members of the City Council:

I am pleased to inform the community that the City of Cupertino's healthy financial position of years past will continue into Fiscal Year 2019-2020. With revenues continuing to outpace expenditures in the short term, coupled with the City's conservative budgeting approach, the City is able to maintain excellent service, high-quality programs and initiatives, and healthy reserves. The City prides itself on being a financially stable organization, so it is a pleasure to submit a balanced budget for Fiscal Year 2019-2020.

The City's top three sources of revenue continue to be sales, property, and transient occupancy taxes. All three revenue streams are expected to grow, although the pace of that growth will slow. The last five years were a boon to the City's coffers due to major development projects, such as Main Street and Apple Park. However, these were one-off projects that have been completed. As large-scale development begins to decline in Cupertino, the City will see the effects of that in reduced short-term revenue.

This year, the City conducted a zero-base budget in which all expenses were justified for Fiscal Year 2019-2020. The process starts from a "zero base" and every function of the City is analyzed for its needs and costs. The budget is then built around what is needed for the upcoming period, regardless of whether each budget is higher or lower than the previous fiscal year. In addition to increased transparency and more accurate forecasts, this best practice resulted in total City base budget savings of approximately \$3.6 million over the previous fiscal year's budget.

City staff continued to include a medium-term (5 year) and a long-term (20 year) budget projection. While long-term projections are inherently less reliable than short-term projections, they can help detect structural budget issues that can be mitigated if identified early. In the next 10 years, our projections show healthy operating surpluses despite consistent, yet modest, declines year-over-year due to expenditure growth outpacing revenue growth.

Expenditure growth is being driven by pension liability costs that are projected to increase by more than 36% in the next five years of the forecast. Although pension costs are projected to level off in future years, the City's contract with the Santa Clara County Sheriff's Office is expected to continue increasing at a much faster rate of approximately 5.9% per year.

## **Executive Highlights**

The City, through focus and effort, was able to accomplish a lot together in the past year.

### *Parks and Recreation System Master Plan*

The citywide Parks and Recreation System Master Plan is nearing completion and will be a blueprint for future development of our parks. Our parks offer green space, respite, and protected natural resources, as well as facilities, programs and events that support community celebrations, health, and lifelong learning. The Master Plan integrates the community's vision and aspiration into a cohesive strategy to guide development, management, and renovation of our City's parks and recreation facilities.

### *Transportation*

The City also continued to move forward with alternative transportation projects that will give residents a choice when it comes to traveling for work or pleasure. Cupertino kicked off the McClellan Road Separated Bike Lanes project in May 2019. The City's first leg of a new network of separated bike lanes was built on McClellan Road from Imperial Avenue to Stelling Road. Cupertino's separated bike lanes will physically separate cyclists from motor vehicles using posts and curbs, bringing an extra level of safety to Cupertino's roadways. In addition, the City will be pursuing an on-demand community shuttle pilot program, which was endorsed by Council in April 2019.

### *Policy and Software Applications to Ensure Financial Safety*

In the fall of 2018, the Parks and Recreation Department implemented a new management software suite which significantly improved service to the public and increased efficiency in processing and administering activities for the community. In addition to the enhanced software system, City staff implemented a new cash handling policy for the purpose of establishing and maintaining an internal control system designed to ensure financial safety and high-level customer service.

Furthermore, City staff implemented a Debt Management Policy to establish guidelines for the effective issuance and management of the City's debt as well as to support the City's strategic and capital plan objectives through the most cost-effective means of debt issuance in accordance with guidelines prescribed by the Government Finance Officers Association (GFOA) and California Government Code.

### *Community Engagement on Budget Process*

The City Council requested that staff work to create a community budget event to educate and inform our residents about the budget, budget process, and how they might get involved. The City's Budget Team took this opportunity to showcase important aspects of the budget like major funding sources and expenditures on social media through fun, yet informative posts and videos. The posts also served to market the City's first community budget workshop. The event titled "Budget & Bites" as well as the social media take over leading up to the event were both great successes. Social media hits including views, reactions and comments far exceeded anything the City had ever seen. This really provided the City a new platform to engage our residents. The event itself had over forty participants and highlighted the City's financial transparency portal and utilized Open City Hall for a practical in person exercise.

### *Increased Efforts to Work on Cupertino's Interest*

In order to support Cupertino's interest, the City is working to contract with a lobbying firm to support the City's priorities at the State level. The lobbying firm will support the City by providing the following services:

- Legislative tracking, updates, and analysis
- Legislative strategy development
- Legislative advocacy and lobbying

During the selection process, special consideration will be given to firms with experience with housing and transportation legislation. Staff plans to engage the City's Legislative Review Committee and the City Council to discuss proposed legislation as well as recommend positions on bills affecting the City.

### *Capital Investment Needs*

Over the last five years, the City's budget has mainly focused on operational needs such as staffing, software systems and prudent investments in long term unfunded liabilities associated with retiree health and retirement benefits. In regard to capital needs, some dollars went toward major capital initiatives such as improving the City's pavement condition index (PCI) and other smaller projects throughout the City.

### *Maintaining Existing Talent*

The Bay Area provides the City of Cupertino with many benefits such as a large talent pool of highly skilled candidates. However, there are multiple challenges that the City faces in recruiting and retaining top talent. For example, the Bay Area's housing costs are among the most expensive in the country, making housing options difficult for employees. Additionally, Cupertino is in direct competition with other government agencies and private sector companies such as Apple Inc, Google, and Facebook. Furthermore, with PEPRA (Public Employees' Pension Reform Act) that took effect for all new employees hired after December

31, 2012, retirement benefits which historically attracted people to government have been reduced. In anticipation of PEPRA going into effect, the City decided to adopt a new retirement tier. What seemed like a prudent move at the time has further impacted the City's ability to recruit and retain top talent. Experienced personnel coming to the City of Cupertino will in most cases have a significantly reduced retirement benefit coming to Cupertino unless they've been employed with Cupertino in the past in tier 1.

When we look to retention of employees a few issues are at play. First, other cities in the area do have the ability to hire and place classic employees into tier 1. Second, Cupertino is a transit desert with no easy access to high-speed transit such as BART or Caltrain, making the commute to Cupertino difficult, with little to no alternatives. Lastly, instability at top leadership levels over the past year creates a level of uncertainty within the organization.

### **Pension Liability Funding**

Cupertino, like most California cities, provides retirement benefits for its employees through the California Public Employee's Retirement System (CalPERS), which administers benefits for its more than 1.5 million members. The CalPERS retirement plan is structured as a defined benefit plan. This means the plan provides benefits that are calculated using a formula, rather than accounting for individual member's contributions and earnings in a savings plan, which occurs with a 401k.

During the recession, CalPERS investment assets decreased substantially and actuarial methods and economic and demographic assumptions were adjusted, significantly decreasing asset valuations. Together, the investment decline and actuarial changes created a gap between pension assets and liabilities. This gap is known as an "Unfunded Accrued Liability" (UAL).

Prior to 2014, CalPERS agencies received their retirement rate as a percentage of payroll that included both the normal and UAL costs. In 2014, CalPERS separated the UAL from the normal annual service cost in the annual valuation report, in addition to moving from a percent of pay to a flat amount for UAL, normal cost rates remained unchanged as a percent of pay calculation.

Two years later, in December 2016, the CalPERS Board voted to decrease the rate of return on investments, also known as the discount rate, from 7.5% to 7.0%. Since then, cities across the state have been faced with an unprecedented escalation in employee pension costs. Each city has chosen to confront the challenge in its own way. The City of Cupertino decided last fiscal year to increase our CalPERS retirement reserve from \$4.8 million to \$8 million. This approach, based on a 20-year projection, should allow the City to weather the significant projected increases to employer retirement rates while minimizing its impact on City operations. In addition, should rates exceed those currently forecasted by CalPERS due to investment returns

or assumption changes, the City will be able to utilize these dollars to offset any unexpected cost. If rates stabilize, these dollars could be used as a direct payment to offset UAL costs and result in the City reaching an 80% funded status in a shorter time frame.

In Fiscal Year 2018-2019, the City formally established a Section 115 Pension Trust (Pension Rate Stabilization Program) and used the PERS reserve to fund the trust with an initial investment of \$8,000,000. The purpose of this trust is to mitigate potential impacts of pension rate volatility on the General Fund's operating budget. Despite these efforts to improve the City's posture in the face of the pension issue, these costs will become increasingly unaffordable without growing revenues through sales, property, and other taxes that have yet to be approved by the electorate.

### **Efficiencies Gained Through Technology**

Along with its investments in physical infrastructure, the City recently focused on four key initiatives:

1. Implementing business applications that provide enhanced accessibility and transparency to its residents
2. Strengthening the City's cybersecurity posture
3. Enhancing citizen engagement
4. Solidifying business continuity and disaster recovery plans

Over the past few years, the City acquired and implemented new applications to improve operational efficiencies and customer service, including an enterprise resource planning software for budget, payroll, and human resources processes, land management application, a Recreation software, an Asset Management module; along with transparency platforms like OpenGov.

Citizen engagement, always a priority with Cupertino staff, will continue to be enhanced through the Open City Hall application. This application is utilized to inform and involve citizens by sharing information more effectively and collecting broader resident feedback. Community engagement is also improved through the use of social media platforms and provides community members with a view into City projects and processes while also providing an opportunity for feedback.

### **Conclusion**

The FY 2019-20 Adopted Budget is a balanced and fiscally responsible spending plan. Although the growth of the City's expenditures is forecasted to outpace the growth of its revenues,

through fiscally responsible initiatives in recent years, the City is well-positioned to make decisions that ensure continued financial stability in the future. Lastly, I would like to thank the hard work and collaboration from City employees and the leadership and direction of the City Council that made this operating budget possible.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Deborah L. Feng", with a long horizontal flourish extending to the right.

Deborah L. Feng  
City Manager

# Notable Accomplishments and New Initiatives

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## NOTABLE ACCOMPLISHMENTS IN FISCAL YEAR 2018-19

### *Recruitment Software Implementation*

NeoGov, an online system for recruitment and applicant tracking, as well as onboarding, is being implemented to streamline the recruitment and hiring process for all departments. Implementation includes staff training, and inputting recruitment, salary, and job specifications into the test module. The system will be more user-friendly for job candidates and hiring managers. Staff will complete implementation of the recruitment and application tracking model by the end of the fiscal year.

### *Tree City USA Growth Award Designation*

The City of Cupertino celebrated its 7th straight year as being designated a Tree City USA, and its 5th year of obtaining a Growth Award. The Growth Award recognizes higher levels of tree care by participating Tree City USA communities. The Growth Award highlights innovative programs and projects as well as increased commitment of resources for urban forestry. It also provides an opportunity to share new ideas and successes across the country.

### *DeAnza Boulevard Medians*

The Public Works Department completed work on a project to renovate the De Anza median islands between Bollinger Road and Rodrigues Ave. The project consisted of replacing the existing arbors, reducing the height of the berm and installing water efficient irrigation facilities in order to reduce water use, and replacing the ground level planting with drought tolerant, California native plants.

### *McClellan Road Sidewalk Infill*

The Public Works Department completed a sidewalk infill project on McClellan Road, between Byrne Ave and Homestead Rd. The project involved filling in unimproved frontage gaps in order to provide a more continuous sidewalk to enhance pedestrian safety for residents in the area and students walking to Monta Vista High School, Lincoln Elementary and Kennedy Middle School. The project involved extensive neighborhood outreach and coordination, and in some cases relied upon the donation of land from adjacent property owners in order to complete the project.

### *Various Landscaping Renovation projects*

The Public Works Trees and Right of Way division undertook numerous projects to enhance and renovate landscaping with the public right of way. The medians along Vicksburg Dr and the southwest corner of Lazaneo Dr and Vista Dr were both renovated by removing cobbles and other hardscape features and replacing them with drought tolerant plants, thus enhancing stormwater quality and beautifying the areas. The existing landscaping on E. Homestead Road, between DeAnza Blvd and Bluejay Dr was replaced with drought tolerant plants, and the irrigation systems were updated with drip irrigation to enhance water conservation efforts.

### *McClellan Road Class IV (separated) Bike Lanes Phase 1*

The Public Works Capital Improvement Program will begin construction of the McClellan Road Bicycle Boulevard Phase 1. This project consists of constructing separated bike lanes along McClellan Road, from Imperial Ave to just east of Stelling Road. Modifications and enhancements to the Bubb Rd/McClellan Ave and Stelling Rd/ McClellan Ave traffic signals will also occur. The project will begin construction in earnest at the end of the school season and will continue through the summer. In order to minimize impacts to residents and school commuters, the project is anticipated to be complete prior to the start of school next year.

### *18-month Bicycle Share Pilot Program*

An 18-month bike share pilot program has been approved and allows bike sharing vendors to operate within Cupertino. City will be accepting applications from qualified vendors and will be monitoring the public e-assist bicycle fleet through FY19-20.

### *City Receives "Volunteer of the Year" Award*

On December 3, 2018, the City received one of the Santa Clara Valley Water District's "Volunteer of the Year" awards for showing outstanding performance in taking on a leadership role in coordinated creek cleanups in Santa Clara County. The award recognized the City of Cupertino for removing trash and recyclables from our creeks as well as regularly drawing in over 90 community volunteers of all ages. Cupertino's Volunteer Creek Cleanup events are held on the third Saturday of May and September from 9am to noon.

### *Recognition of the Safe Routes 2 School (SR2S) Program*

As part of the City of Cupertino's Volunteer Fair, Cupertino Safe Routes to School was recognized by Assembly member Marc Berman, and Senator Jim Beall, for Safe Routes to School's commitment and dedication to serving the community. Specifically, Assembly member Berman thanked the Cupertino Safe Routes to School team for the opportunities they have created and the time and services that the program has dedicated to bettering the community. Senator Beall recognized Cupertino Safe Routes to School for the program's commitment to going above and beyond to serve Cupertino.

### *Comprehensive Annual Financial Report (CAFR) Builder Module*

During FY 2018-19, the City's Finance staff began implementation of its CAFR Builder module. This module will assist in the compilation of the City's Comprehensive Annual Financial Report. While system implementations require significant staff resources, this reporting module will provide opportunities for efficiency as well as cost-savings in the production of the report.

### *Investment Management Services*

Through a formal Request for Proposal (RFP) process, the Finance Division engaged Chandler Asset Management for investment management services in FY 2018-19. Under the City's Treasurer's direction, Chandler Asset Management will be managing the City's investment portfolio with three key principles in mind: safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program. The performance objective for the City's portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index. In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the City's investment policy and California Government Code.

### *Budget Community Workshop*

The City's Budget Team held a Community Workshop in the spring of FY 2018-19 to provide an overview on the City's budget process. Promoted through social media outreach and engagement, this event also included an interactive exercise where participants were provided the opportunity to balance their own version of the City's budget. This workshop was also available to attendees through Facebook live streaming and Open City Hall.

### *Emergency Operations Plan*

An Emergency Services Coordinator was hired in 2017 to prepare the City for any natural disaster or emergency. In FY 2018-19, the Coordinator completed a new, updated Emergency Operations Plan and a Continuity of Government Plan while focusing on volunteer and employee support and development and greater communication processes.

### *Audio/Visual Environments*

The Innovation and Technology Department completed a two-year total rebuild of the City's compute and audio visual (AV) environments. Areas of attention included cybersecurity, server/storage environments, wired and wireless networks, phone system, City Hall A/V Control Room, Community Hall AV elements and conference room within City Hall. Additionally, business continuity and disaster recovery technologies were significantly enhanced. Projects include:

- Hyperconverged solution for the City's server and storage environment

- Replacement of all wired switches and wireless access points. Extended the network to include Monta Vista Preschool and the Teen Center
- Cybersecurity – total replacement of all security components from endpoints, firewalls, and virtual LANs. Started a citywide mandatory cybersecurity training and added staff photos to all internal mail as an additional security step
- Replaced twenty-year old phone system with a Voice over IP phone system
- Replaced all large scale multi-function printers throughout City facilities
- Complete rebuild to the City’s Teen Center computer environment

#### *Application Upgrades*

The Innovation and Technology Department replaced, enhanced, or modified a majority of the City’s software applications including:

- ActiveNet – Parks and Recreation application for class registration and facilities rental
- Accela – Land Management System that includes urban planning, permitting and building inspections. Accela is the main application for the Community Development Department
- Trafficware ATMS – Utilized by the Traffic Engineering team for traffic control and monitoring
- Bid Management – This application was developed by City staff and utilized by Public Works Department for major CIP projects
- ZoneIQ – three dimensional planning tool to envision changes to the Zoning Code
- BossDesk – Helpdesk application utilized by Innovation and Technology staff

#### *Ongoing Software Modifications*

- Cityworks – City’s Asset Management Application
- Addition of storeroom module
- Update to Aerial mapping and impervious surface imagery
- Update to Storm Drain data
- City wide tree inventory collection (25,084 trees)
- Cupertino Awarded the Cityworks Excellence in Departmental Practice Award.
- New World – City’s Financial System
  - Integration to ActiveNet, Accela and ProjectDox
  - Annual Upgrade

### *Department Name Change*

The realignment of Code Enforcement, Emergency Management, Block Leaders/Neighborhood Watch and Leadership Training from the Recreation and Community Services Department last fall has allowed staff to focus on a more traditional Parks & Recreation mission. As a result, effective May 1, 2019, the name of the department will revert to the Cupertino Parks and Recreation Department. It is our hope that this will clear up confusion in the community over the name as well as maintain alignment with the Parks & Recreation Commission's name.

### *New Recreation Software*

On October 2, 2018, the Recreation Department went "Live" with a new Recreation Management Software Suite. Support for the current management software, "CLASS," is soon to be discontinued, necessitating the change. The new system will significantly improve service to the public and create ease on the staff side. All activity registration, membership management, facility reservations, and Point of Sale transactions are now integrated into one system. In addition to increased functionality, staff will benefit from improved reporting capabilities.

One of the greater improvements for the department and customers is that all of our facilities are now on the same system and in real time. Previously, we had been working out of four different systems. On the public side, community members can now enroll in memberships, reserve picnic spaces, and register for classes online without staff assistance. Staff expects this will result in a greater online presence for registration.

Implementation of any major recreation software system requires a phased approach, and staff will continue to implement new and different parts of the system over the next year. This project had many champions and was a seamless transition for our community due to the tremendous efforts of staff from the Parks and Recreation Department and the Innovation and Technology Department.

### *Neighborhood Events*

The "mobile" Neighborhood Events program was introduced as a pilot program with the goal of offering events at neighborhood parks throughout the city. The program operated from June-September 2018 and offered activities at 11 different sites, including two partner sites. The program included themed activities, 9 Movies, 15 Concerts, 12 Free Fitness in the Parks classes (Zumba, Qi Gong and Yoga), 4 Music/Art in the park Parent/Child classes. It also included dance lessons, music lessons, art classes and recreational activities for all ages. Attendance was slightly under 6,000. We also offered events highlighting celebrity guests, non-profits, and local partnerships. This program fulfilled our mission to enhance the quality of people's lives through recreational, educational, and cultural experiences.

### *Teen Offerings*

Teen programs were enhanced to address the teen stress levels in Cupertino through innovative, collaborative and educational approaches while addressing community livability amongst the teens.

- *Bobatino* - the Teen Commission and the Mayor's Office organized Bobatino, a youth and teen event which provided Cupertino students ages 12-18 a platform to socialize with friends and enjoy a day out with various activities while drinking free milk tea provided by the City. Bobatino was presented as a way for teens to have a respite from daily stresses and discover mental health resources. Event partners included Main Street, TP Tea, Café LaTTea, Kaiser Permanente, San Jose Sharks, Adolescent Counseling Services, the LGBTQ Youth Space, DeAnza College, McClellan Ranch Preserve, and YES! For Schools Bay Area. Activities for teens included a Chill on the Hill space, Caffeinated Letters, a Slime Station, Sharks Slapshot Booth, and free Boba milk tea. The event saw 700 youth and teens coming from various Cupertino High Schools.
- *Lawson Middle School-Satellite Teen Program* - From October 15<sup>th</sup> – November 8<sup>th</sup>, the Parks and Recreation Department and Lawson Middle School partnered in a mobile recreational pilot program to bring the Cupertino Teen Center to teens in a space that is easily accessible and familiar. Recreation staff brought various activities and games to Lawson Middle School with the goal of introducing youth to recreational activities that are stress-reducing, engaging, and fun. The space is also meant to provide a haven for teens who may not have the ability to participate in afterschool programs.
- *Youth Activity Board* - The YAB was formally created in September 2018 with the purpose of creating activities for youth and teens and encouraging them to de-stress and socialize. To achieve their vision, the YAB will work with Recreation staff to develop ideas, implement youth and teen programs, and encourage youth and teen involvement in their community.

### *Volunteers, Wellness, and Collaboration*

The Senior Center strives to create a culture of collaboration and engages the community at all levels—this can be noted in the diverse program offerings at the facility. The Cupertino Senior Center celebrated the commitment of its 230 volunteers who have devoted 24,750 hours to serving the community through various volunteer opportunities at the Senior Center. *The Smart Living and Wellness Health Fair* provided valuable information and services to the 50+ community on how best to maintain a healthy and independent lifestyle, coordinated by our own Case Management team. Lastly, connections were made as local youth performed musical classics from the past and present. These innovative services for the 50+ population continue to respond to our changing community needs.

### *Economic Development Strategic Plan*

As part of the Economic Development Strategic Plan (EDSP) adopted by Council in October 2016, the EDSP is framed around eleven core strategies to strengthen existing businesses, foster a healthy economy, and maintain a healthy fiscal position. In early 2018, three specific project initiatives were started to implement the identified strategies:

- Mobile Vendors Regulations (Strategy 9 Action 9.4 & 9.5). Develop new regulations and policies to allow mobile vendors to provide their services in designated areas of the City.
- Incubator and Co-working Space Use (Strategy 4 Action 4.1). Allow for and encourage creation of space for smaller-sized start-up businesses with shared on-site resources and amenities.
- Innovation District Vision Plan (Strategy 3 and 3.4). Develop a long-term vision for transforming the Bubb Road Special Area into a vibrant district that expands opportunities for emerging and small businesses and supports significant pedestrian activity and associated amenities.

With public outreach and further direction from Council, City staff will be completing the Plan's core strategies which is anticipated by Winter 2020.

### **NEW INITIATIVES FOR FISCAL YEAR 2019-20**

#### *Internal Audit Function*

The Finance Division will be conducting a formal Request for Proposal (RFP) for an internal audit function. This function will assist the City in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

#### *Workforce Planning*

Administration and Human Resource Divisions staff are implementing a Workforce Planning program to use data in the City's enterprise resource planning system and several City documents such as the budget, Capital Improvement Program, and City Work Program to identify key positions needed and how to attract, retain, and train staff to ensure the availability of those positions when needed.

#### *Parks and Recreation Marketing Plan and Program Review*

Parks and Recreation staff will be implementing a plan to place a greater emphasis on business functions within the Parks and Recreation Department to include completion of a program review of programs and activities offered as well as a marketing plan. A contract for service was awarded in 2018 and is slated for completion in the winter of 2019.

### *Recreation Activities and Events*

*Kids Challenge*, an obstacle course/parkour team challenge that will emphasize fitness for children; *Corridor Stroll*—community members will stroll along the Stevens Creek Corridor for an evening of leisurely activities, entertainment and wine/food pairings; *Winter Ball*, a family friendly dance for youth including meal, crafts, and of course music and dancing; *Cultures of the World*—a youth and family event that will showcase the diversity of the world we live in by encouraging community participation and inclusion. The Senior Center will offer a *Classics Concert Series*, *Asian film series* and a *50+ Art show*.

### *Blacksmith Shop at McClellan Ranch*

Our newly renovated replica of Charlie Baers Blacksmith Shop will begin offering demonstrations, workshops, classes and new opportunities for volunteering.

### *Emergency Services Continuity of Operations Plan (COOP)*

In FY 2018-19, an Emergency Operations Plan (EOP) was completed and served as a precursor to the COOP. Staff will be retaining a contractor to provide service to establish and complete the COOP for purposes of resuming and continuing operations of the City after a major emergency. The project is anticipated to be completed in the summer of 2020.

### *Public Safety Surveillance Support*

Innovation and Technology and City Manager's Office will be working with Santa Clara County Sheriff's Office to update and replace the City's currently antiquated closed-circuit television (CCTV) system. Staff will be implementing surveillance cameras for safety and anti-crime practices for the benefit of both community members and City staff.

### *Enterprise Content Management (ECM)*

The Innovation and Technology Department began a major planning exercise for Enterprise Content Management in FY 2018-19 that will be carried out during FY 2019-20. The City prides itself on its paperless initiative and this is one more step in ensuring data is captured in an efficient and effective manner. Innovation and Technology will continue to enhance the City's access to information over the web providing access to more services and information. Data transparency, along with data analytics will be improved to allow for data driven decision making.

### *Lawn Buster Drought Tolerant Planting Pilot*

The City's Manager's Office has begun the process to develop a program that allows residents to easily elect water-wise turf conversion, including pre-set landscape plans, pre-approved contractors, and fixed prices. Staff are working on a Request for Quotation (RFQ) to identify suitable partners, program design and firms prior to formally launching the program in the summer or fall of 2019.

### *Shuttle Bus Pilot Program*

Pursuant to City Council direction, staff will be pursuing a shuttle bus pilot program in FY 2019-20. Upon authorization of funding and completion of the Request for Proposal (RFP) process, City staff will begin work on system planning, which includes details such as fares, fare programs, system area, operations, etc. Staff anticipates that after an agreement is negotiated, service would begin within a three-month period, with service as early as summer 2019. Staff will monitor the effectiveness of the program and will provide Council updates on the shuttle with information including overall ridership at the midpoint of the pilot, and again several months prior to the end of the pilot to discuss ongoing shuttle service.

### *Bike Implementation Plan Projects*

The Public Works Department will undertake various bicycle related infrastructure projects in this fiscal year:

- Stevens Creek Boulevard Bike Lanes – Begin construction of Phase 1
- McClellan Separated Bikelane Projects – Continue to work with property owners on land acquisitions for phases 2 & 3.
- Bicycle Boulevard Phase 1 & 2 - If authorized by Council, complete design and construction.
- Regnart Creek Trail – If authorized by Council, proceed with design and construction.
- Junipero Serra Trail (I-280 Trail) – If authorized by Council, proceed with design and work with stakeholders and the community.
- UPRR Trail Feasibility Study – Develop alternatives in coordination with UPRR.

### *City Hall*

Implement Council decision on City Hall project and initiate design and construction of interim City Hall.

### *Regnart Road Rehabilitation*

Design and begin construction on Priority #1 and #2 as defined in the Regnart Road Investigation Report.

### *Byrne Avenue Sidewalk Infill Project*

Begin construction of the infill project to create continuous pedestrian access for residents and students.

### *Lawrence-Mitty Property Purchase*

If authorized by Council, Staff will negotiate the purchase of the Lawrence-Mitty property and begin the process of annexing the property into Cupertino's jurisdiction.

*School Walk Audit*

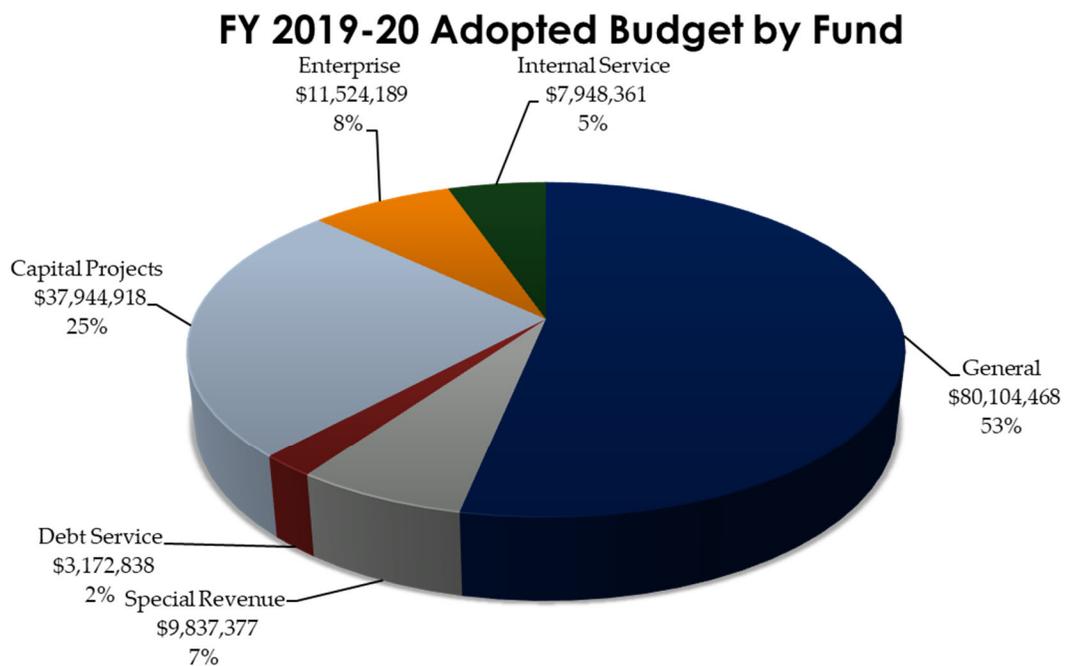
If authorized by Council, design and construct recommended improvements in coordination with the schools throughout the City.

## Adopted Budget Overview

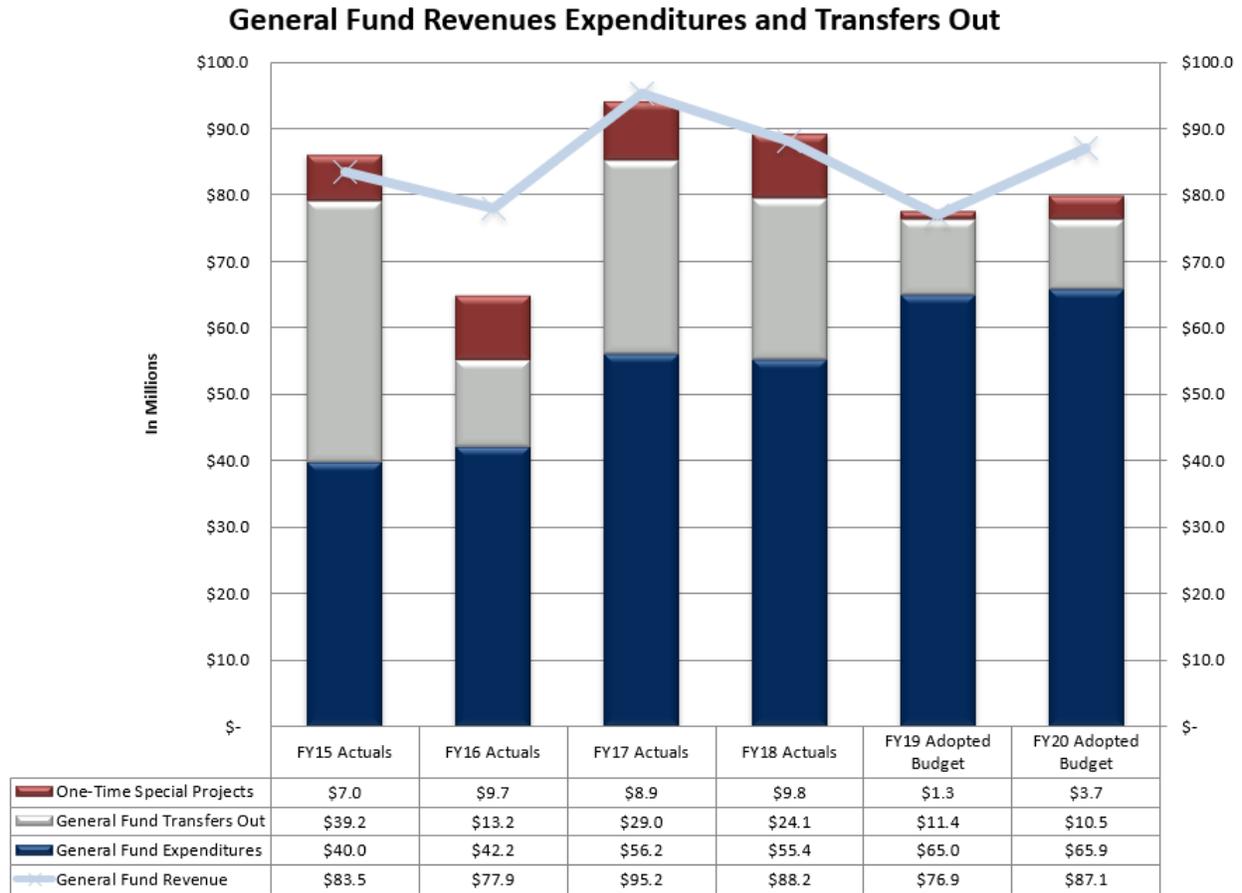
The Adopted Budget reflects a total City budget of \$150.5 million, an increase of \$18.8 million, or 14.3%, when compared to the FY 2019 Adopted Budget. The City's General Fund is budgeted at \$80.1 million, representing an increase of \$2.5 million, or 3%, when compared to the FY 2019 Adopted Budget. The General Fund is balanced through the use of General Fund revenue of \$87.1 million and is projected to end FY 2020 with approximately \$12.8 million in unassigned fund balance that may be transferred to the Capital Reserve per the Reserve and One Time Use Policy as part of the City's FY19-20 Mid-Year Financial Report. The transfer is not reflected in the Adopted Budget.

| Fund Type        | Total Adopted Expenditures | Total Adopted Revenue | Change in Fund Balance/Net Position |
|------------------|----------------------------|-----------------------|-------------------------------------|
| General          | \$ 80,104,468              | \$ 87,100,152         | \$ 6,995,684                        |
| Special Revenue  | \$ 9,837,377               | \$ 11,941,203         | \$ 2,103,826                        |
| Debt Service     | \$ 3,172,838               | \$ 3,172,838          | \$ -                                |
| Capital Projects | \$ 37,944,918              | \$ 22,415,137         | \$ (15,529,781)                     |
| Enterprise       | \$ 11,524,189              | \$ 9,491,827          | \$ (2,032,362)                      |
| Internal Service | \$ 7,948,361               | \$ 8,129,553          | \$ 181,192                          |
| <b>Total</b>     | <b>\$ 150,532,151</b>      | <b>\$ 142,250,710</b> | <b>\$ (8,281,441)</b>               |

As shown in the chart below, the Adopted Budget's largest fund is the General fund at 53%.



The graph below summarizes the changes in the City’s General Fund for a five-year period:



A total of 202.75 positions are budgeted in FY 2019-20 with four new positions. These new positions will: (1) ensure segregation of duties and internal control activities exist and are performed appropriately and timely; (2) achieve staff continuity and administrative efficiencies through a conversion of two part-time staff to one full-time staff; (3) provide sufficient resources for tree maintenance; and (4) assist with engineering and project management over Bicycle and Pedestrian Plan projects.

|  |               |
|--|---------------|
| <b>FY 2018-19 Adopted Budget</b>                         | <b>201.75</b> |
| Limited Term Public Works Project Manager (Council Item) | 1.00          |
| Senior Office Assistant (1st Quarter)                    | 1.00          |
| City Attorney Office Outsourcing                         | -4.00         |
| Building Inspector (Term Ended)                          | -1.00         |
| <b>FY 2019-20 Adopted Budget</b>                         |               |
| Accounting Technician                                    | 1.00          |
| Senior Office Assistant                                  | 1.00          |
| Maintenance Worker I/II                                  | 1.00          |
| Assistant Engineer                                       | 1.00          |
| <b>FY 2019-20 Benefitted Positions</b>                   | <b>202.75</b> |

In the past, staff recommended adding positions only on a limited term basis unless staff was confident that the needed level of service would be permanent, or ongoing revenues could support the position long term, or staff could not recruit and/or retain the staff resource on a limited term basis. Staff believes that the need for both positions will be on a permanent basis.

### **Changes to the Budget and Policies**

City staff performed a zero-base budget for the FY 2020 budget document in which all expenses were justified and every function within the City was analyzed for its needs and costs. Below are a few highlights from the budget and process:

### **Revised Fees and Cost Allocation Plan (CAP)**

While the Cost Allocation Plan remained relatively consistent over the previous fiscal year, a change in methodology was implemented in the FY 2019-20 model. Costs attributable to grounds and facilities are now being charged out for more equitable and reasonable cost sharing among service providers in the City.

Additionally, City Council approved the fee schedules effective for FY 2019-20 on April 16, 2019. The increases to the various fee schedules are estimated to result in increased revenues of approximately \$215,000 over the previous fiscal year.

### **Investment Policy**

The City Council annually updates and adopts a City Investment Policy that is in compliance with State statutes on allowable investments. By policy, the Audit Committee reviews the policy and acts as an oversight committee on investments. The policy directs that an external auditor perform agreed-upon procedures to review City compliance with the policy. The full policy will be available on the City website as part of the May 14, 2019 City Council agenda packet.

### **GANN Appropriations Limit**

The City's appropriations limit for FY 2019-20 is \$104,753,580, \$4,215,275, or 4.2% higher than the FY 2018-19 limit of \$100,538,305. If a city exceeds the legal limit, excess tax revenue must be returned to the State or citizens through a process of refunds, rebates, or other means that may be determined at that time. For FY 2019-20, the City's estimated appropriations of proceeds from taxes, less statutory exclusions, do not appear to exceed the limit and are not expected to present a constraint on current or future budget deliberations.

### **Revised Community Funding Policy**

The first Community Funding policy was adopted by City Council in FY 2012-13, and the most recent policy was adopted as part of the FY 2015-16 Adopted Budget. At the Budget Adoption hearing in June 2018, City Council requested that the Community Funding Program be updated in order to assure that all applications received due consideration and that City Council is provided with all information necessary to make final funding decisions. At that meeting, City Council requested that the Parks and Recreation Commission evaluate all grant applications, and provide funding recommendations to Council for consideration. All grant applications are

first reviewed by the Administrative Services Department for compliance with eligibility criteria. As a result of these changes, the Parks and Recreation Commission, along with staff, have made further revisions to the Policy for Council consideration as part of the FY 2019-20 budget process.

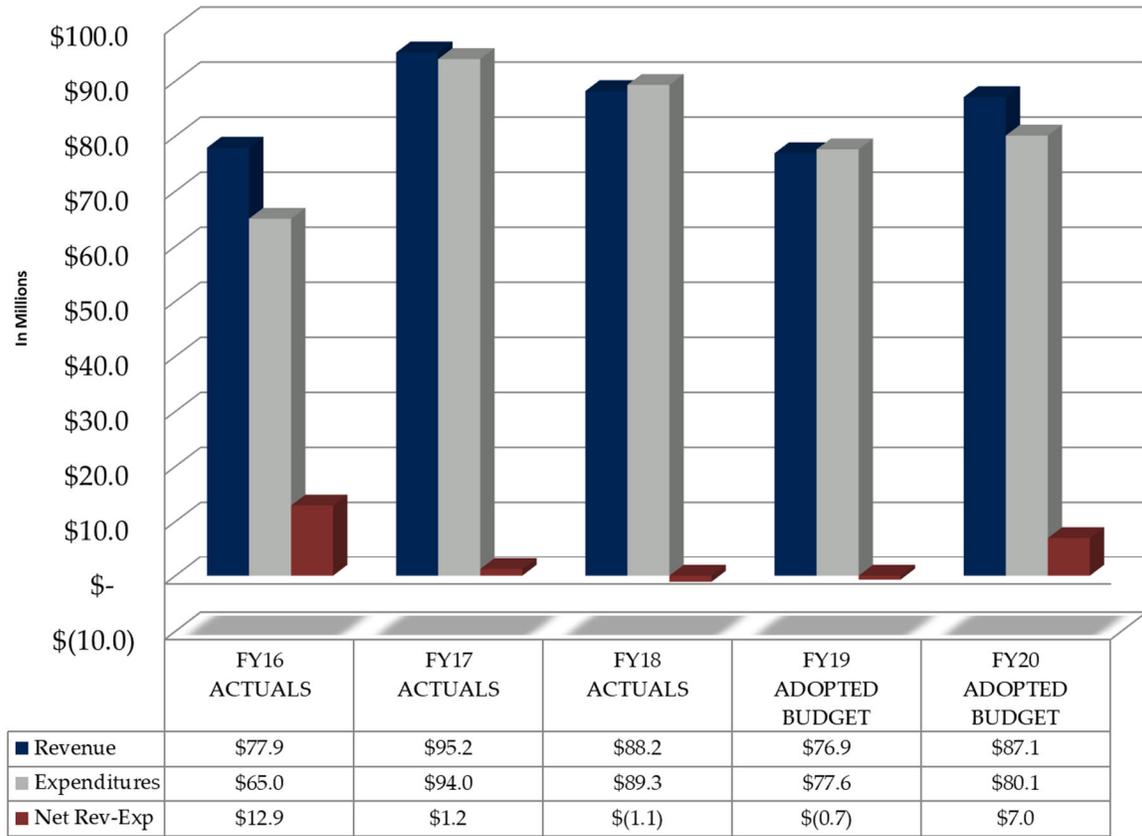
## **Budget by Fund**

### ***General Fund***

The General Fund pays for core services such as public safety, recreation and community services, planning and community development, streets and trees, and a host of other vital services. The revenue used to pay for these services comes primarily from local taxes such as property tax and sales tax, transient occupancy tax, charges for service, and a variety of other discretionary sources.

General Fund revenue is estimated at \$87.1 million in the FY 2020 Adopted Budget. This is an overall increase of \$10.2 million (13.3%) when compared to the FY 2019 Adopted Budget. In recent years, the City has experienced local economic boom that had driven strong gains in sales tax, property tax, and transient occupancy tax revenues, which were partially offset by decreases in development-related fees. While the General Fund's revenues and expenditures continue to return to a trend of normalcy, FY 2020 is projected to experience growth in its primary revenue generators. Sales tax, property tax, transient occupancy tax are projected to increase \$2.0 million (8%), \$1.9 million (9%), and \$1.4 million, (17%), respectively. Moderate local economic growth, continued assessed property value growth, new hotels opening within the City, as well as short-term rental collections are the primary factors causing the increase. A change in methodology for allocating internal charges for facilities and grounds is also contributing \$3.8 million to the increase. The following chart shows four years of total revenue, expenditures and changes to fund balance for the General Fund:

General Fund Revenue, Expenditures and Changes in Fund Balance

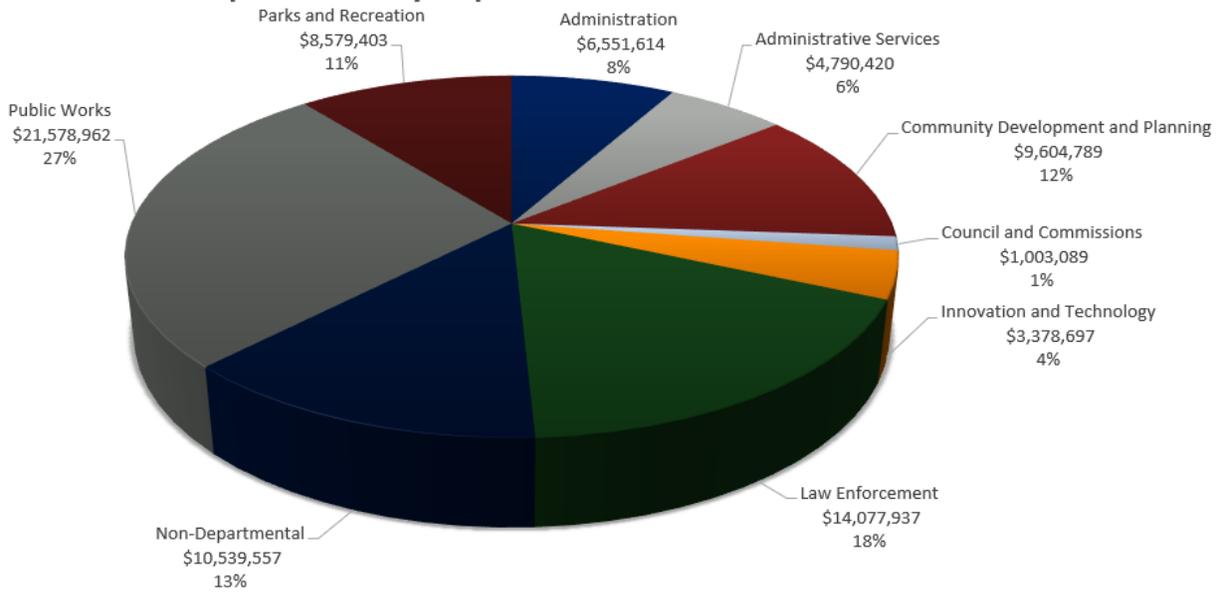


The General Fund unassigned fund balance is projected to increase from the current year estimate of \$5.8 million to \$12.8 million in FY 2020. As shown in the chart below, the FY 2020 ending fund balance is estimated to be \$46.6 million, or 18% higher than the FY 2019 year-end estimate. This is primarily attributable to significant appropriation carryovers from FY 2018 that are projected to be spent in FY 2019.

| GENERAL FUND FUND BALANCE |                     |                     |                     |                     |            |
|---------------------------|---------------------|---------------------|---------------------|---------------------|------------|
|                           | FY 16-17            | FY 17-18            | FY 18-19            | FY 19-20            | Percent    |
| Classification            | Actual              | Actual              | Estimated           | Adopted             | Change     |
| Unassigned                | \$28,057,799        | \$21,704,922        | \$ 5,799,633        | \$12,801,317        | 121%       |
| All Other Classification  | 25,531,891          | 30,805,535          | 33,832,157          | 33,826,157          | 0%         |
| <b>Total Fund Balance</b> | <b>\$53,589,690</b> | <b>\$52,510,457</b> | <b>\$39,631,790</b> | <b>\$46,627,474</b> | <b>18%</b> |

As shown in the graph below, the majority of city resources are used to support Public Works (25%), Non-Departmental expenditures (13%), Law Enforcement (18%), Parks and Recreation (11%), and Community Development and Planning (13%).

### Expenditures by Department - General Fund



#### ***Special Revenue Funds***

Special Revenue Funds are a fund type used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special Revenue Funds account for 7% of the citywide expenditure budget. The largest Special Revenue Fund accounts for streets, roads, and transportation. Other funds account for storm drain management, affordable housing programs, and park development. The Adopted Budget for Special Revenue Funds for FY 2020 is \$9.8 million, which is a \$3.9 million decrease from FY 2019 Adopted Budget primarily due to a shift from a capital improvement to capital maintenance approach for the City’s streets.

Budgets within the Special Revenue Funds are funded by \$10.6 million in restricted department revenue, and \$1.3 million in transfers, bringing total funding sources for the fund to \$11.9 million. This will result in a projected increase to fund balance of \$2.1 million. The Special Revenue Funds are projected to end the year with fund balances of \$13.7 million.

#### ***Capital Projects Funds***

The Capital Improvement Project Fund, Stevens Creek Corridor Park Fund, and Capital Reserve Fund are currently in the Capital Projects Fund type category. This fund type is typically used to account for financial resources that are used for the acquisition or construction of major capital facilities or to provide facilities for City departments, and are identified in the five-year Capital Improvement Program (CIP).

The Adopted Budget for the Capital Projects Funds for FY 2020 is \$37.9 million. The FY 2020 budget is \$20.0 million higher than FY 2019 Adopted Budget appropriations due to new capital projects, namely the Library Expansion Room, All Inclusive Play Area, and others detailed in the FY 2020 Capital Improvement Program Budget.

### ***Enterprise Funds***

Enterprise Funds are set up for specific services that are funded directly by fees charged for goods or services. Enterprise Funds consist of Resource Recovery for the solid waste collection franchise, Blackberry Farm for the City-owned golf course, the Cupertino Sports Center, and Recreation Programs for cultural, youth, teen, sports, and physical recreation programs.

The Adopted Budget for Enterprise Funds for FY 2020 is \$11.5 million, an increase of \$0.6 million from the FY 2019 Adopted Budget. Budgets within the Enterprise Funds are funded by \$6.0 million in program revenue and \$3.5 million in transfers from the General Fund. The Enterprise Funds also rely on \$7.1 million of prior year fund balance, bringing total funding sources for the funds to \$16.6 million. The Enterprise Funds are projected to begin the fiscal year with \$7.1 million in retained earnings and are projected to end the year with retained earnings of \$5.1 million.

### ***Internal Service Funds***

Internal Service Funds are used for areas where goods or services are provided to other City departments or governments on a cost-reimbursement basis. Internal Service Funds include funds and programs for information technology, workers' compensation, equipment, compensated absence, long-term disability, and retiree medical insurance.

The Adopted Budget for the Internal Service Funds is \$7.9 million, which is \$0.6 million lower than the FY 2019 Adopted Budget. Budgets within Internal Service Funds are funded by \$4.1 million in department revenue, \$3.5 million from the General Fund, and \$473,000 from a combination of depreciation reserves and retained earnings. The Internal Service Funds are projected to begin the fiscal year with \$4.7 million in retained earnings and are projected to end the year with retained earnings of \$4.9 million.

### ***Special Projects***

The FY 2020 Adopted Budget includes funding for several one-time Special Projects. These projects are identified as part of the Special Project section within each program and are summarized in the table on the next page. This list excludes one-time capital outlays and ongoing pavement management costs.

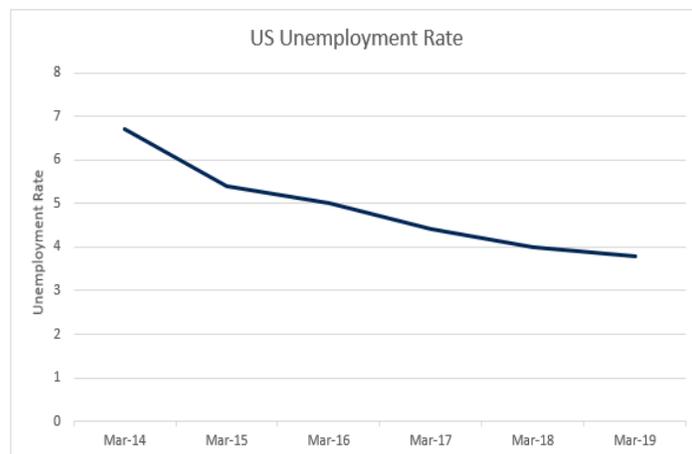
| FY 2019-20 Special Projects                 |   |                     |                       |              |
|---|---|---------------------|-----------------------|--------------|
| Program Budget                              | Project Name                                      | Expenditure         | Funding Source        | Work Program |
| 126 Public Affairs                          | Public Relations                                  | \$ 50,000           | General Fund          | Yes          |
| 305 Video                                   | Cupertino Room Audio/Video Upgrade                | \$ 155,000          | General Fund          |              |
| 308 Applications                            | Laserfiche Server Upgrade                         | \$ 20,000           | General Fund          |              |
| 308 Applications                            | PDOX Upgrade                                      | \$ 55,000           | General Fund          |              |
| 308 Applications                            | Legistar and Vision Integration                   | \$ 5,000            | General Fund          |              |
| 310 Infrastructure                          | City Facility Security and Video                  | \$ 49,500           | Internal Service Fund | Yes          |
| 310 Infrastructure                          | Laserfiche Data WORM Replication                  | \$ 50,000           | Internal Service Fund |              |
| 310 Infrastructure                          | Plotter and Scanner Replacement                   | \$ 11,000           | Internal Service Fund |              |
| 620 Outdoor Recreation                      | Sports & Outdoor Field Use Analysis               | \$ 30,500           | Enterprise Fund       | Yes          |
| 621 Sports Center Operations                | Health & Safety Equipment                         | \$ 27,000           | Enterprise Fund       |              |
| 632 Community Outreach & Neighborhood Watch | Neighborhood Engagement                           | \$ 2,000            | General Fund          | Yes          |
| 633 Disaster Preparedness                   | Continuity of Operations Contract                 | \$ 75,000           | General Fund          | Yes          |
| 701 Current Planning                        | Short Term Rentals Outreach                       | \$ 8,500            | General Fund          | Yes          |
| 702 Mid and Long Term Planning              | Urban Village                                     | \$ 250,000          | General Fund          | Yes          |
| 702 Mid and Long Term Planning              | Municipal Code Updates                            | \$ 25,000           | General Fund          | Yes          |
| 702 Mid and Long Term Planning              | Dark Sky  | \$ 5,000            | General Fund          | Yes          |
| 702 Mid and Long Term Planning              | General Plan Amendment Authorization Applications | \$ 1,000,000        | General Fund          | Yes          |
| 711 BMR Affordable Housing Fund             | Housing Strategies                                | \$ 20,000           | Housing Fund          | Yes          |
| 711 BMR Affordable Housing Fund             | Homelessness                                      | \$ 10,000           | Housing Fund          | Yes          |
| 711 BMR Affordable Housing Fund             | Habitat for Humanity                              | \$ 150,000          | Housing Fund          | Yes          |
| 714 Construction Plan Check                 | Green Building Code Standards                     | \$ 35,000           | General Fund          | Yes          |
| 801 Resources Recovery                      | Solid Waste Hauler Franchise Agreement            | \$ 250,000          | Enterprise Fund       | Yes          |
| 807 Service Center Administration           | Office Reconfigurations                           | \$ 75,000           | Enterprise Fund       |              |
| 812 School Site Maintenance                 | Kennedy Middle School Field Maintenance           | \$ 19,500           | General Fund          |              |
| 812 School Site Maintenance                 | BBF Windmill & Fence Refinishing                  | \$ 12,610           | General Fund          |              |
| 820 Sidwalk Curb and Gutter                 | Annual Sidewalk Curb & Gutter Project             | \$ 1,100,000        | Transportation Fund   |              |
| 821 Street Pavement Maintenance             | Pavement Maintenance                              | \$ 2,000,000        | Transportation Fund   |              |
| 824 Overpasses and Medians                  | Tree Risk Assessment Lawrence Trail               | \$ 19,725           | General Fund          |              |
| 825 Street Tree Maintenance                 | Street Tree Maintenance                           | \$ 12,000           | General Fund          |              |
| 830 Building Maintenance Quinlan            | Quinlan Community Center Reception Remodel        | \$ 40,000           | General Fund          |              |
| 831 Building Maintenance Senior Center      | Senior Center Exterior Deck Resealing             | \$ 12,000           | General Fund          |              |
| 836 Sports Center Maintenance               | Sports Center Water Bottle Filler/Fountains       | \$ 14,000           | Enterprise Fund       |              |
| 839 Teen Center Maintenance                 | Infinity Room Glass Door Installation             | \$ 17,000           | General Fund          |              |
| 844 Transportation                          | Shuttle Bus Pilot Program                         | \$ 1,750,000        | General Fund          |              |
| 848 Street Lighting                         | Torre Ave Streetlight LED Upgrade                 | \$ 11,500           | General Fund          |              |
| 852 Franco Traffic Operations Center        | Traffic Box Art Coating                           | \$ 7,500            | General Fund          |              |
| 985 Fixed Assets Acquisition                | Vehicle Replacement                               | \$ 594,100          | Internal Service Fund |              |
| <b>TOTAL</b>                                |   | <b>\$ 7,968,435</b> |                       |              |

## Current Economic Update

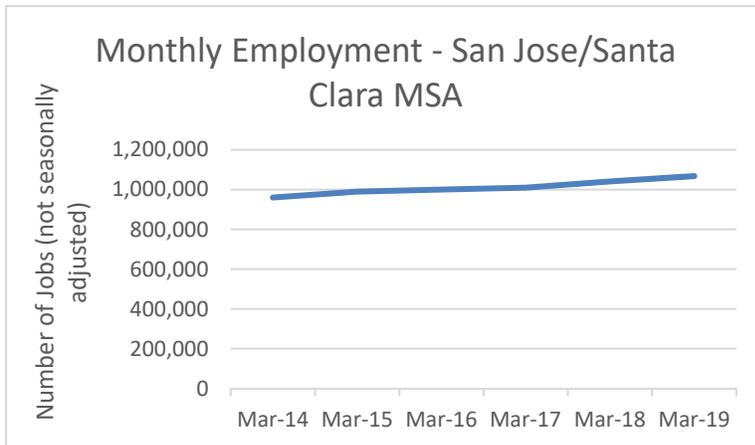
### National and State Economic Conditions

The U.S. economy is continuing to show steady growth. U.S. Gross Domestic Product (GDP) increased by 2.2% in 2018 according to the Bureau of Economic Analysis, compared with an increase of 2.9% in 2017. The increase in real GDP in 2018 primarily reflected positive contributions from personal consumption, local and federal government spending, and exports that were partially offset by contractions in residential gross private domestic investment as well as non-residential structures.

Unemployment is continuing to hit record lows while over two and a half million jobs were created in 2018. The U.S. unemployment rate stood at 3.8% in March 2019 representing a 0.3% percentage point drop compared to the March 2018 unemployment rate of 4.1%, according to the Bureau of Labor Statistics. The unemployment rate has improved significantly from a high of 9.6% in 2010 and is at the full employment level.



Consumer confidence, as reflected by the Conference Board Consumer Confidence Index, decreased over the previous year and stands at 124.1 as of March 2019, including a 7.3 point decrease over the previous month. The year-over-year decrease is the result of consumers having to weather volatility in the financial markets, a partial government shutdown and a volatile jobs report. Despite these dynamics, consumers remain confident that the economy will continue expanding in the near term; however, the overall trend in confidence has been softening since last summer, pointing to a moderation in economic growth.



California’s unemployment rate fell to 4.2% in March 2019, an improvement compared to last year’s unemployment rate of 4.3%. Per capita personal income increased 4.3% in 2018 over 2017, mostly due to faster growth in wages. Growth in the housing market slowed over the prior year with the prices of single family homes up 2.2% and sales down 5.6% compared to February of last

year according to the California Association of Realtors (CAR). Recognizing that the state has a chronic housing shortage and understanding that inadequate housing has the potential to impede economic growth, state legislators have succeeded in passing a legislative housing package that has the potential to make a difference.

***Cupertino Economic Conditions***

Strong economic performance continues in Silicon Valley and Cupertino. Data from the State of California Employment Development Department paints a similar picture. Employment in the San José/Sunnyvale/Santa Clara Metropolitan Statistical Area (MSA) continues to increase. The preliminary estimate of the March 2019 employment level in the MSA was 1.06 million, virtually unchanged from the March 2018 level. The March 2019 preliminary unemployment rate of 3.0% has increased slightly from the 2.8% rate experienced a year ago. Our local unemployment rate is lower than the national unemployment rate of 3.8%.

Housing prices remain strong compared to the same period in 2019. In March 2019, single family homes sold for a median home price of \$1.92 million, a notable decrease over the past year. Despite the decrease in the median home price, property tax revenue is expected to increase slightly compared to last year due to reassessments of development projects, and additional TEA property tax share. Construction activity, although strong in previous years, will continue to flatten out as development projects, particularly Apple Park, are completed.

## **Key Budget Assumptions**

### ***Revenue Assumptions***

The FY 2020 Adopted Budget assumes moderate economic growth. Revenue projections for each category were based upon a careful examination of the collection history and patterns as they relate to such factors as seasonality and performance in the economic environment that the City is most likely to encounter in the coming year. Revenue assumptions are discussed in detail in the Fund Summary section under Financial Policies and Schedules.

### ***Personnel Assumptions***

The City is currently in negotiations with its bargaining groups, CEA and OE3. The only increases in compensation in the FY 2020 Adopted Budget include step increases as well as benefit increases in retirement and health.

In addition, budgeted personnel expenditures factor in salary step increases for approximately 54% of employees who have yet to reach the top step in their classification's salary range. Typically, a step increase is equivalent to a five percent increase in salary with a range of five salary steps. These projections do not include any cost of living (COLA) or equity adjustments.

### ***Non-Personnel Assumptions***

Non-Personnel budgets were developed based on actual expenditures in prior years, and then adjusted for FY 2020 funding needs. In addition, one-time projects have been separated out in FY 2020 to ensure that expenditure trends reflect ongoing expenditure needs. Contingency budgets are remaining consistent with the prior year at 5% of the total General Fund budget for contractual services and supplies and materials for operating programs. Consistent with past budgets, an additional 5% is allocated to the City Manager's discretionary budget to cover unanticipated program expenses.

## **Ongoing Challenges**

### ***Retirement Benefits***

Cupertino provides retirement benefits for its employees through the California Public Employee's Retirement System (CalPERS). Poor investment returns during the Great Recession and actuarial assumption changes have increased the gap between the pension system's assets and liabilities, resulting in the overall funded status of the system falling significantly. The funded status as of June 30, 2018 is estimated at 71%, up from 68% over the prior year due to lower than expected investment returns.

As a result, the CalPERS Board has adopted revised actuarial policies to improve the financial sustainability of the system. In February 2018, the CalPERS board voted to decrease the amortization period for new pension liabilities from 30 years to 20 years, effective July 1, 2019. In addition, in December 2016, the CalPERS Board voted to reduce the discount rate, also known as the assumed rate of return for investments, by 0.5 percentage points to 7.0%. The result of this change is significant and will result in considerable increases in retirement costs well above what the City had previously forecasted for retirement expenses as noted in the table below. The FY 2020 Adopted Budget includes these additional expenses. As part of the FY 2019 Adopted Budget, City Council approved the creation of a Pension Rate Stabilization

Program (PRSP), a Section 115 Trust that will act to stabilize pension rate volatility and minimize the impact on the General Fund’s operating budget from year to year. During FY 2019, the City contributed an initial investment of \$8.0 million to the trust. The FY 2020 Adopted Budget includes this \$8.0 million as restricted fund balance to provide stabilization through the following ramp-up period as necessary:

|                        | FY19-20       | FY20-21       | FY21-22       | FY22-23       | FY23-24       | FY24-25       |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Projected Payroll      | \$ 17,811,423 | \$ 18,256,790 | \$ 18,758,851 | \$ 19,274,720 | \$ 19,804,775 | \$ 20,349,407 |
| Normal Cost (%)        | 10.7%         | 11.4%         | 11.4%         | 11.4%         | 11.4%         | 11.4%         |
| Normal Cost            | \$ 1,897,095  | \$ 2,081,274  | \$ 2,138,509  | \$ 2,197,318  | \$ 2,257,744  | \$ 2,319,832  |
| UAL Payment            | \$ 3,192,065  | \$ 3,557,000  | \$ 3,952,000  | \$ 4,288,000  | \$ 4,505,000  | \$ 4,720,000  |
| Total Contribution     | \$ 5,089,160  | \$ 5,638,274  | \$ 6,090,509  | \$ 6,485,318  | \$ 6,762,744  | \$ 7,039,832  |
| Total Contribution (%) | 28.6%         | 30.9%         | 32.5%         | 33.6%         | 34.1%         | 34.6%         |

***Revenue Volatility***

The City’s revenue mix is heavily reliant on volatile business-to-business sales tax, which makes up a large portion of the City’s annual General Fund revenues. Business-to-business sales taxes are very sensitive to economic fluctuations as evidenced by Cupertino’s experience during the dotcom bust from 2000-2004. Our heavy reliance on the volatile high tech industry also makes us vulnerable. The loss of one of our top three sales tax producers in FY 2013-14 only made the City more reliant on a single tax producer, making us more vulnerable to its business volatility.

***Health Benefits***

There is uncertainty around potential repeal and replacement of the Affordable Care Act (ACA) and how it would affect health care costs. Rate increases have stabilized with the implementation of the ACA.

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## OUR MISSION

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*The mission of the City of Cupertino is to provide exceptional service, encourage all members of the community to take responsibility for one another, and support the values of education, innovation, and collaboration.*

# Elements of the Budget Document

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The budget is the City's fundamental policy document. It describes the City's goals and details how resources are allocated to achieve these goals. In addition, the budget serves as the annual financial plan, an operations guide and a communications tool.

The budget guide provides an overview of the elements of the budget document. It includes a glossary of budget terminology. The budget document includes the following key elements:

1. **Budget Message:** This section includes the City Manager's transmittal letter submitting the budget to the City Council. The Budget Message also summarizes the City's current and long-term financial position, highlights new programs and organizational changes addressed in the budget and outlines both short and long-term goals of our city government.
2. **Fiscal Strategic Plan:** The Fiscal Strategic Plan Committee was formed to analyze current funding gaps and present a more accurate financial picture. The committee identifies one-time, non-recurring revenue.
3. **Budget Guide:** This section includes the City's Mission and other tools to assist the reader in identifying key terminology in the budget document.
4. **Community Profile:** This section describes Cupertino's history, the economic and city profiles, community statistics, recreation and community services, education, and additional areas of interest in the city.
5. **Financial Policies and Schedules:** This section provides financial information on projected revenues, expenditures, fund balances and reserves. It includes the Budget Summary of Funds as well as detailed fund descriptions and information on all revenue sources and expenditure projections.

This section also includes fund balance trends and detailed revenue and expenditure projections for the next five years.

Additionally, this section includes an analysis of all City revenues by category. Our major revenue projections are based on trends, current economic indicators and other agency input. Sales tax projections are based on input from our sales tax consultants, industry trends and major company forecasts. Property tax revenues are projected by the county and adjusted by staff based on known trends. Park dedication fees are estimated based on current development projects and other taxes are reviewed quarterly and budgets are based on this trend analysis.

- 6. Departmental Operating Budgets:** This section details historical and proposed expenditures by operating department. The City is organized into seven key operating functions, including Administration, Law Enforcement, Innovation and Technology, Administrative Services, Parks and Recreation, Community Development, and Public Works. Each department budget includes a summary narrative, financial information regarding the department and each of its major divisions and personnel information.

Expenditures for employee compensation and benefits are based on negotiated contracts. The materials categories of expenditures are based on trends. Contract services and capital outlay are justified each year by the departments. Special Projects include any one time projects or costs.

Departmental expenditures are divided into the following categories:

Employee Compensation represents permanent full-time and part-time salary costs and overtime.

Employee Benefits represents PERS retirement, health insurance costs, and other benefits.

Materials represents items purchased for repair and maintenance, operational activities such as books, uniforms and recreation supplies, and office supplies.

Contract Services represents legal, consulting and other professional services, contract repair and maintenance, utility charges, training and memberships, equipment rentals, insurance and employment services.

Cost Allocation represents Cost Allocation and Internal Service charges to user departments

Appropriations for Contingency represent 5% of total budgeted materials and contract costs and is designed for unexpected expenditures and/or emergencies.

Capital Outlay represents expenditures for tangible fixed assets including land, buildings, furniture, equipment and City vehicles.

Special Projects represent any one time projects or costs.

Debt Service/Other represents principal and interest payments on outstanding debt and interfund transfers.

- 7. Non-Departmental Operating Budgets:** This section details historical and proposed expenditures for the functions of interfund transfers and debt service.

8. **Capital Improvements:** The Capital Improvements section is in a separate document called Capital Improvement Program that details the proposed capital projects for the next five fiscal years. These projects are organized into five categories: Parks, Buildings, Streets, Traffic Facilities, and Storm Drainage. The five-year budget denotes funding sources and a description of each project. The City Council approves funding of Capital Improvements on a total project basis. The project may expend the funds over multiple years.

## Glossary of Budget Terminology

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The City's budget contains specialized and technical terminology that is unique to public finance and budgeting. To help the reader understand the terms, a glossary of budgetary terminology is found below.

**Accrual** – A basis of accounting in which revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period in which they are incurred.

**Adopted Budget** – Revenues and appropriations approved by the City Council in June for the following fiscal year.

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

**Appropriation** – An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources.

**Balanced Budget** – A balanced budget requires that the amount of budgeted expenditures be equal to or less than the amount of projected revenues for the budget year.

**Budget** – A financial plan for a specific period of time (fiscal year) that matches all planned revenues and expenditures with various municipal services.

**Budget Amendment** – A legal procedure utilized by the City Manager to revise a budget appropriation. Adjustments to expenditures within or between departmental budgets may be accomplished administratively. City Council approval is required for additional appropriations from fund balances or from new revenue sources.

**Capital Improvement Program** – A plan for capital expenditures to provide for the acquisition, expansion or rehabilitation of an element of the City's physical plant to be incurred over a fixed period of several future years.

**Capital Outlay** – Expenditures relating to the purchase of equipment, land and other fixed assets.

**Cost Allocation Plan** – A plan that details how indirect costs are calculated and allocated to user departments.

**Cost Recovery** – The establishment of user fees that is equal to the full cost of providing services.

**Department** – A major administrative segment of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area.

**Division** – A unit of organization that reports to a department.

**Enterprise Fund** – A fund established to account for activities that are financed and operated in a manner similar to private business enterprises, in which costs of providing services are primarily recovered through user fees.

**Estimated Budget** – The status of appropriations between July 1 and June 30 includes the adopted budget, budget amendments, prior year encumbrances, approved carryovers, and transfers between objects, divisions and departments.

**Expenditure** – Utilization of fund resources. Expenditures include operating expenses, debt service and capital outlays.

**Expenditure Category** – A basis for distinguishing types of expenditures. The major expenditure categories used by the City are: employee compensation, employee benefits, materials, contract services, appropriations for contingency, special projects, capital outlay and debt service.

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

**Full-Time Equivalent (FTE)** – The ratio of a position in comparison to the amount of time a regular, full-time employee normally works in a year. A full-time employee (1.00 FTE) is paid for 2,080 hours a year. Positions budgeted to work less than full-time are expressed as a percent of full-time.

**Fund** – A fiscal and accounting entity for which the recording of financial transactions is made for the purpose of carrying on specific activities in accordance with the requirements placed upon the use of financial resources.

**Fund Balance** – The net effect of assets less liabilities at any given point in time.

**General Fund** – The fund used to account for the major operating revenues and expenditures of the City, except for those financial resources that are required to be accounted for in another fund category. General Fund revenues are derived primarily from property and other taxes.

**Goal** – Broad mission statements that define the purpose of a department.

**Governmental Fund** – Account for activities that are primarily tax-supported operations or other mandatory payments. Reported using the current financial resources measurement focus and the modified accrual basis of accounting.

**Infrastructure** – Long lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples include roadways, bridges, and drainage systems.

**Internal Service Fund** – A fund used to account for the services provided by one department to other departments on a cost-reimbursement basis.

**Modified Accrual** – Under the modified accrual basis of accounting, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

**Operating Budget** – A financial plan for the provision of direct service and support functions that provide basic governmental services. The operating budget contains appropriations for such expenditures as employee compensation, materials, contract services, capital outlay and debt service. It does not include Capital Improvement Project expenditures.

**Reserve** – An account used to designate a portion of the fund balance for a specific future use and is, therefore, not available for general appropriation.

**Revenue** – Increases in fund resources. Revenues include income from user fees, taxes, permits, and other sources.

**Section** – A unit or organization that reports to a division.

**Self-Supporting Activity** – An enterprise activity where all service costs (including principal and interest debt payments) are primarily covered solely from the earnings of the enterprise.

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

**Transfer Out** – Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

**User Fees** – Fees charged to users of a particular service provided by the City.

# Commonly Used Acronyms

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|               |  |
|---------------|--|
| <b>ABAG</b>   | Association of Bay Area Governments                |
| <b>AYSO</b>   | American Youth Soccer Organization                 |
| <b>B/PAC</b>  | Bicycle/Pedestrian Advisory Committee              |
| <b>BAAQMD</b> | Bay Area Air Quality Management District           |
| <b>BMR</b>    | Below Market Rate                                  |
| <b>CAFR</b>   | Comprehensive Annual Financial Report              |
| <b>CAP</b>    | Cost Allocation Plan                               |
| <b>CMTA</b>   | California Municipal Treasures Association         |
| <b>CPI</b>    | Consumer Price Index                               |
| <b>CPUC</b>   | California Public Utilities Commission             |
| <b>CSMFO</b>  | California Society of Municipal Finance            |
| <b>CYSA</b>   | California Youth Soccer Association                |
| <b>EAP</b>    | Employee Assistance Program                        |
| <b>EIR</b>    | Environmental Impact Statement                     |
| <b>EOC</b>    | Emergency Operations Center                        |
| <b>ERAF</b>   | Education Revenue Augmentation Fund                |
| <b>FEMA</b>   | Federal Emergency Management Agency                |
| <b>FLSA</b>   | Fair Labor Standards Act                           |
| <b>FPPC</b>   | Fair Political Practices Commission                |
| <b>FSA</b>    | Flexible Spending Account                          |
| <b>GASB</b>   | Governmental Accounting Standards Board            |
| <b>GFOA</b>   | Governmental Finance Officers Association          |
| <b>HVAC</b>   | Heating Ventilation and Air Conditioning           |
| <b>IPM</b>    | Integrated Pest Management                         |
| <b>JPA</b>    | Joint Powers Authority                             |
| <b>LTD</b>    | Long Term Disability                               |
| <b>MOU</b>    | Memorandum of Understanding                        |
| <b>MTC</b>    | Metropolitan Transportation Commission             |
| <b>OES</b>    | Office of Emergency Services                       |
| <b>OPEB</b>   | Other-Post Employment Benefits                     |
| <b>PC</b>     | Planning Commission                                |
| <b>PEMHCA</b> | Public Employees' Medical and Hospital Care Act    |
| <b>PERS</b>   | (aka CalPERS) Public Employees' Retirement Systems |
| <b>PIO</b>    | Public Information Officer                         |
| <b>PTA</b>    | Parent Teacher Association                         |
| <b>RDA</b>    | Redevelopment Agency                               |
| <b>RFP</b>    | Request for Proposals                              |
| <b>RFQ</b>    | Requests for Qualifications                        |
| <b>RHNA</b>   | Regional Housing Needs Allocation                  |
| <b>RMS</b>    | Records Management System                          |

**RWQCB** Regional Water Quality Control Board  
**UBC** Uniform Building Code  
**YAC** Youth Advisory Commission  
**VSP** Vision Service Plan

# Revenues, Expenditures, and Fund Balance Table

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## Example

| Category                         | 2017<br>Actual | 2018<br>Actual | 2019 Adopted<br>Budget | 2020 Adopted<br>Budget |
|----------------------------------|----------------|----------------|------------------------|------------------------|
| <b>Revenues</b>                  |                |                |                        |                        |
| Taxes                            | -              | -              | -                      | -                      |
| Licenses and Permits             | -              | -              | -                      | -                      |
| Use of Money and Property        | -              | -              | -                      | -                      |
| Intergovernmental Revenue        | -              | -              | -                      | -                      |
| Charges for Services             | -              | -              | -                      | -                      |
| Fines and Forfeitures            | -              | -              | -                      | -                      |
| Miscellaneous Revenue            | -              | -              | -                      | -                      |
| Interdepartmental Revenue        | -              | -              | -                      | -                      |
| <b>Total Revenues</b>            | -              | -              | -                      | -                      |
| <b>Expenditures</b>              |                |                |                        |                        |
| Employee Compensation            | -              | -              | -                      | -                      |
| Employee Benefits                | -              | -              | -                      | -                      |
| Materials                        | -              | -              | -                      | -                      |
| Contract Services                | -              | -              | -                      | -                      |
| Cost Allocation                  | -              | -              | -                      | -                      |
| Capital Outlay                   | -              | -              | -                      | -                      |
| Special Projects                 | -              | -              | -                      | -                      |
| Contingencies                    | -              | -              | -                      | -                      |
| <b>Total Expenditures</b>        | -              | -              | -                      | -                      |
| <b>Fund Balance</b>              | -              | -              | -                      | -                      |
| <b>General Fund Contribution</b> | -              | -              | -                      | -                      |

## Glossary

**Taxes** – Money received from tax revenue

**Licenses and Permits** – Money received from license and permit fees

**Use of Money and Property** – Interest earnings, facility and concession rents

**Intergovernmental Revenue** – Funds received from Federal, State or Local government such as grants

**Charges for Services** – Fees collected for services provided by the department

**Fines and Forfeitures** – Money received from fines and penalties

**Miscellaneous Revenue** – Money received from various sources such as donations, salvage and legal settlement

**Interdepartmental Revenue** – Interdepartmental service charges and transfers

**Total Revenues** – Total of all revenue categories

**Employee Compensation** – Full-time and part-time salaries

**Employee Benefits** – Employee benefits including health insurance and retirement

**Materials** – All material, conference and training costs

**Contract Services** – All contracted goods and services

**Cost Allocation** – Cost of services from other City departments and depreciation expenses

**Capital Outlay** – Land, buildings, vehicles, infrastructure and assets used in operation beyond one year

**Special Projects** – One-time projects or costs

**Contingencies** – Fund for unexpected expenses and emergencies

**Total Expenditures** – Total of all expenditure categories

**Fund Balance** – The net effect of assets less liabilities at any given point in time

**General Fund Contribution** – Total Expenditures minus Total Revenues minus Fund Balance

# History

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*“This place of San Joseph Cupertino has good water and much firewood, but nothing suitable for a settlement because it is among the hills very near to the range of cedars which I mentioned yesterday, and lacks level lands.”*

When Spanish explorer San Juan Bautista De Anza traveled through California in 1776, he and his party documented these words about the land surrounding Stevens Creek, named back then as Arroyo San Joseph Cupertino. However, first impressions can often be misleading. Underneath the spiny, overgrown bush was a completely different land waiting to be uncovered. During this time, the area was populated by Native Americans who hunted and gathered, prospering from the abundant resources the land had to offer.

It wasn't until 1848 when the first American settler, Elijah Stephens, a blacksmith from South Carolina, moved to the area—at this time, named simply 'West Side' and primarily owned by the government. After crossing over the Sierra Nevada in wagons, he discovered the true value of the land underneath the bush, and proceeded to purchase over 300 acres of farmland to grow grapes and blackberries. Stephens pioneered the way for farmers, which established West Side as an agricultural hot spot. The land Stephens owned eventually became Blackberry Farm, and the road, creek, and reservoir were all named after him, although misspelled.

In early West Side, many of the newest advances in agriculture were being developed. Settlers were drawn to the land because of its rich earth, where they were able to grow products that competed on the world market. Once the bush had been cleared, they grew grapes, which covered the West Valley area with vineyards by the late 1800s. By the 1900s, a plant louse called Phylloxera spread throughout the vineyards, attacking the roots of the grape vines, killing the grapes and putting a halt to wine production. As a solution, nearly everything was replanted with fruit orchards. When the fruit trees blossomed, visitors would come to the orchards for “The Valley of Heart's Delight” festivals, which celebrated the prosperous agriculture of the West Valley area.

Apart from the farmland, West Side was primarily known as a crossroads, an intersection between Saratoga-Sunnyvale Road and Stevens Creek. This served as a way station for travelers to pass through while going from town to town. As more people came to West Side to take advantage of the rich farm land, more family holdings gathered around the cross-roads. Starting off as just a post office and home union store, West Side's humble cross-roads brought many diverse communities, all attracted by the preferable climate and profitable market for crops.

As more people were drawn to the area around the cross-roads, the orchards were gradually replaced with modern houses for workers. The population steadily grew, and the face of West Side changed, progressing to a more modern town. The community wanted to rename the city, as to not confuse it with other cities, as well as establish a unique identity. John T. Doyle, a

lawyer from San Francisco, and writer of historical anthologies on the area, chose the name “Cupertino” after the original name of the creek.

After the post-World War II population boom, the growing community petitioned for Cupertino to become an incorporated town. Members of the community were worried that the alternative to incorporation was to have parts of Cupertino annexed by surrounding cities, splitting up the community and erasing the local culture. To preserve the rural atmosphere, lower taxes for farmers, start a local government, and prepare for growth, Cupertino voted for incorporation. In 1955, Cupertino officially became the 13th city in Santa Clara County.

By the 1970s, Cupertino once again began to undergo dramatic changes. The growing community attracted several large technology corporations. Lockheed Martin, HP, Intel, and many other big names established themselves in the Silicon Valley. Apple Inc. was founded in Cupertino in 1976 and quickly grew into the tech giant it’s known for today.

In the late 20th century, Cupertino and the surrounding areas experienced another surge in population growth, this time due to the immigration of people from Asian countries. Immigration laws at the time were in the favor of families looking to move to the Silicon Valley. People immigrated here for a variety of reasons—whether they were aspiring for career prospects with major tech companies, or striving for a quality education for their children, everyone who immigrated here had a common goal: to find opportunities to work hard for a better life for themselves and their families.

## 2019 Community Economic Profile

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Cupertino, with a population of 64,344 and City limits stretching across 13 square miles, is considered one of the most prestigious cities to live and work in the Bay Area.

Economic health is an essential component to maintaining a balanced city, which provides high-level opportunities and services that create and help sustain a sense of community and quality of life. Public and private interests must be mutual so that success as a partnership is a direct reflection of success as a community. The cornerstone of this partnership is a cooperative and responsive government that fosters residential and business prosperity and strengthens working relationships among all sectors of the community.

Because Cupertino is a mature, 93% built-out city, the City of Cupertino focuses on business retention and revitalization. Cupertino is world renowned as the home of high-tech giants, such as Apple, Inc. and Seagate Technologies, and as a community with stellar public schools. De Anza College, one of the largest single-campus community colleges in the country, is another major employer and a magnet for attracting local and international students. The City’s proactive economic development efforts have resulted in an innovative environment for start-ups and growing companies to thrive. The City strives to retain and attract local companies through active outreach and a responsive and customer-oriented entitlement process.

Cupertino is excited to have a number of new mixed-use development projects offering more retail and dining options, as well as provide additional housing opportunities to meet the needs of the growing community.



The Main Street and Nineteen800 mixed-use developments have created a vibrant downtown area for Cupertino, offering a large selection of restaurants and retailers, including Alexander's Steakhouse, Eureka!, Rootstock Wine Bar, Oren's Hummus, Lazy Dog, Chef Hung, HaiDiLao Hot Pot Restaurant, Pressed Juicery, Orangetheory, 85 Degree Bakery, Target Express, Steins Beer Garden, Kura Sushi, Vitality Bowls, Doppio Zero, Koja Kitchen, Bishops Cuts & Colors, Capezio, Howard's Shoes, and Meet Fresh. Housing, office, and a new Residence Inn by Marriott are available to support the thriving area. Benihana, Bowlmore, and Ice Center Cupertino also serve as anchors.

The construction of new retail and commercial development strengthens existing popular venues in Cupertino, including The Marketplace. The Marketplace has a variety of stores and restaurants popular with students, families, and working professionals. They include Daiso, Marukai Groceries, Super Cue, La Patisserie Bakery, Beard Papa's, Legend's Pizza, Aloha Fresh, Merlion Restaurant, Icicles, Kumino, Garlic Mediterranean Grill, Rori Rice, and Erik's DeliCafé.

Cupertino Village is undergoing renovations to upgrade existing buildings, construct new buildings, parking, and open-courtyard space. The shopping center is home to 99 Ranch Market, Starbucks, Gogigo Korean BBQ, Creamistry, MOD Pizza, Ten Ren Tea, Fantasia Coffee & Tea, Happy Lemon, Joy Luck Palace, Kee Wah Bakery, and many other Asian restaurants, bakeries, and shops.

Cupertino features many other retail opportunities, including TJ Maxx and Home Goods, Whole Foods, Target, and over 180 restaurants to serve residents and the local workforce. There are now seven hotels providing over 1,000 rooms, to serve the area: The Aloft Cupertino, Cupertino Hotel, Hilton Garden Inn, Juniper Hotel operated by Curio, Marriott Courtyard, the Residence Inn by Marriott, and the newest addition is the Hyatt House.

The redevelopment of the Homestead Square Shopping Center, located at Homestead Road and De Anza Boulevard, includes a 24-hour Safeway, Ulta Beauty, Ross Stores, Stein Mart, Pet Club, Michael's, Rite Aid, FedEx Kinko's and numerous restaurants, such as Fish's Wild, 1000 Degrees Neapolitan Pizzeria, Yayoi Teishoku Japanese Restaurant, Starbucks, and Chipotle.

Apple completed construction of its new corporate campus, Apple Park, which includes approximately 2.8 million square feet of office and R&D space north of Highway 280 between Wolfe Road and Tantau Avenue. A state of the art Visitors Center, Observation Deck, flagship retail store and café are open to the public seven days a week.



# 2019 City Profile

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The City of Cupertino operates as a general law city with a City Council-City Manager form of government. Five council members serve four year, overlapping terms, with elections held every two years. The Council meets twice a month on the first and third Tuesday at 6:45 p.m. in Cupertino Community Hall. The meetings can be viewed on the City website.

The City has 201.25 authorized full-time benefited employee positions. City departments include Administration (City Council, Commissions, City Manager, City Attorney, City Clerk, Economic Development, Sustainability, Public Affairs); Administrative Services (Finance, Human Resources); Community Development (Planning, Building, Housing Services, Code Enforcement); Parks and Recreation; Public Works (Engineering, Maintenance, Transportation, Solid Waste, Environmental Programs, Storm Drain Management); and Innovation & Technology (IT, GIS, Website and Applications, Video). Public safety services are provided by the Santa Clara County Sheriff's Department and the Santa Clara County Fire District.

Assisting the City Council are several citizen advisory commissions/committee including:

- Audit Committee
- Fine Arts Commission
- Housing Commission
- Library Commission
- Parks and Recreation Commission
- Planning Commission
- Public Safety Commission
- Sustainability Commission
- Teen Commission
- Technology, Information and Communication Commission

Members of the volunteer commissions are appointed by the City Council and vacancies are announced so that interested residents can apply for the positions. For more information, visit [cupertino.org/commissions](http://cupertino.org/commissions).

## **Housing**

The median sales price for an existing single-family home was \$2,130,000 in January 2019. For housing programs in Cupertino, please see "Programs & Applications."

## **Community Health Care Facilities**

Cupertino is served by the Cupertino Medical Clinic, NovaCare Occupational Health Services. Nearby hospitals include Kaiser Permanente Medical Center in Santa Clara, El Camino Hospital in Mountain View, O'Connor Hospital in San Jose, Community Hospital of Los Gatos, Stanford Hospital in Palo Alto, and the Saratoga Walk-in Clinic in Saratoga.

## **Utilities**

*Gas & Electric*

Pacific Gas and Electric, 800-743-5000

*Phone*

AT&T residential service, 800-894-2355

AT&T business service, 800-750-2355

*Cable*

Comcast, 800- 945-2288

*Solid Waste & Recycling*

Recology, 408-588-7200

*Water*

San Jose Water Company, 408-279-7900

California Water Service, 650-917-0152

*Sewer Service*

Cupertino Sanitary District, 408-253-7071

## **Tax Rates and Government Services**

Residential, commercial, and industrial property is appraised at full market value as it existed on March 1, 1975, with increases limited to a maximum of 2% annually. Property created or sold since March 1, 1975 bears full cash value as of the time created or sold, plus the 2% annual increase. The basic tax rate is \$1.00 per \$100 (full cash value) plus any tax levied to cover bonded indebtedness for county, city, school, and other taxing agencies. Assessed valuations and tax rates are published annually after July 1.

*Assessed Valuation* (Secured and Unsecured)

Cupertino: \$22,531,311,774 (7/18)

County: \$483,246,439,238 (7/18)

*Retail Sales Tax*

Grand Total = 9.00%.

Breakdown = Cupertino 1.00%, State 6%, County Transportation 0.25%, County General .125%, Local District (Valley Transportation Authority) 1.625%.

## **Transportation**

*Rail:* The CalTrain station is four miles north of city. The Amtrak station is 10 miles south.

*Air:* The San Francisco International Airport is located roughly 30 miles north, and the Mineta San Jose International Airport is located approximately 11 miles south.

*Bus:* Cupertino is served by the Santa Clara Valley Transportation Authority. The routes listed below pass through the City. For Cupertino-specific schedules and maps visit their online website:

Route 23 San Jose – Mountain View/Palo Alto

Route 25 San Jose – De Anza College

Route 26 Eastridge – Lockheed

Route 36 East San Jose – Vallco

Route 51 Vallco – Moffett/Ames

Route 53 Westgate – Sunnyvale

Route 55 De Anza – Great America  
Route 81 East San Jose – Vallco  
Express 101 Camden/Branham – Palo Alto  
Express 501 Palo Alto – I.B.M Bailey

*Car:* The City of Cupertino is in the heart of the world-renowned Silicon Valley. The major highway transportation facilities are Interstate Route 280 and State Route 85 freeways. The City is linked internally by several principal arterials and Santa Clara County expressways. Principal arterials are De Anza Boulevard, Stevens Creek Boulevard, and Wolfe Road. Nearby expressways are Lawrence Expressway and Foothill Expressway.

### **Sister Cities**

City of Cupertino recognizes the value of developing people-to-people contacts by strengthening the partnerships between the city and its four sister cities of Copertino, Italy; Hsinchu, Taiwan; Toyokawa, Japan, and Bhubaneswar, India. Cupertino's Sister City partnerships have proven successful in fostering educational, technical, economic, and cultural exchanges. Over the years, there have been many delegations visiting both the cities as well as many local students participating in annual student exchange programs.

## **Education**

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Winners of numerous state and national awards for excellence, Cupertino's schools are widely acknowledged as models of quality instruction.

Cupertino Union School District serves over 18,000 students in a 26 square mile area that includes Cupertino and portions of five other cities. The district has 20 elementary schools and five middle schools, including several choice programs. Eighteen schools have received state and/or national awards for educational excellence.



Student achievement is exceptionally high. Historically, district test scores place Cupertino among the premier public school districts in California. The district is a leader in the development of standards-based system of education and is nationally recognized for leadership in the use of technology as an effective tool for learning. Quality teaching and parent involvement are the keys to the district's success.

The Fremont Union High School District serves 10,000 students in a 42 square mile area covering all of Cupertino, most of Sunnyvale, and portions of San Jose, Los Altos, Saratoga, and Santa Clara. The five high schools of the district have garnered many awards and recognition based on both the achievement of students and the programs designed to support student achievements. Many high schools in the district exceed their established achievement targets for the State Academic Performance Index. District students are encouraged to volunteer and

provide service to organizations within the community. During their senior year, if students complete 80 hours of service to a non-profit community organization, they are recognized with a "Community Service Award" medal that may be worn at their graduation ceremonies.

Building on its tradition of excellence and innovation, De Anza College challenges students of every background to develop their intellect, character, and abilities; to achieve their educational goals; and to serve their community in a diverse and changing world.



De Anza College offers a wide range of quality programs and services to meet the work force development needs of our region. The college prepares current and future employees of Silicon Valley in traditional classroom settings and customized training arranged by employers. Several De Anza programs encourage economic development through college credit courses, short-term programs, services for manufacturers, technical assistance, and/or recruitment

and retention services.

## Programs & Applications

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### **Community Outreach Programs**

#### *Leadership 95014*

Leadership 95014 is a program designed by the City of Cupertino, Wilfred Jarvis Institute, and other local sponsors to offer an exciting adult program that is guaranteed to enhance the participants' leadership skills. The ten full-day sessions feature inside looks at local governments, the social sector, local non-profit organizations, and educational institutions. This 9-month program is offered annually, September to May, and applications can be found online.

#### *Neighborhood Block Leader Program*



Good neighborhoods are those where neighbors work together on common issues and look out for each other. Block leaders take extra steps to connect neighbors and build community, making our neighborhoods safer and more harmonious. The Block Leader Program teaches residents how to get to know their neighbors and how to organize activities so neighbors can more easily communicate with each other. Block leaders are vital links between City Hall and the neighborhoods, and leaders gain the inside track on neighborhood development activities.

#### *Neighborhood Watch*

Neighborhood Watch is a crime prevention program that enlists the active participation of citizens in cooperation with law enforcement to reduce crime in our communities. It involves: neighbors getting to know each other and working together in a program of mutual assistance; citizens being trained to recognize and report suspicious activities in their neighborhoods; and implementation of crime prevention techniques such as home security and operation

identification. To organize a Neighborhood Watch program in your neighborhood, please contact the Neighborhood Watch Coordinator at 408.777.3177.

#### *eCAP*

Email Community Alert Program (eCAP) was created by the Santa Clara County Sheriff's Office to prevent and reduce crime by raising community awareness, minimizing opportunities for crime, and increasing the possibility of solving crimes with the public's help. Cupertino residents may voluntarily register their email addresses with the Sheriff's Office for community alert messages. Citizens can sign-up at a Neighborhood Watch meeting or log-on to the City of Cupertino's eCAP online registration.

#### **Affordable Housing: BMR (Below Market Rate) Program**

The City of Cupertino requires 15% of all new construction be affordable to households below 120% of the County median income. Rental units are affordable to very low and low-income households while ownership units are affordable to median and moderate-income households.

The City of Cupertino contracts with West Valley Community Services (WVCS) to screen and place qualified households in most of the city's BMR units. WVCS maintains a waiting list of interested persons for these BMR units. If interested, please call 408.255.8033. More information can be found online.

#### **Smart Phone Applications**



#### *Mobile 95014*

City of Cupertino's Mobile 95014 app offers latest listing of Cupertino news and events as well as local parks, schools, and recreation offerings in the city. This app showcases environmental services and community services such as Block Leaders and Neighborhood Watch programs. Users can learn about public safety and contact City Council members and City officials. The app also offers links to Cupertino's social media sites.

#### *Trees 95014*

Trees 95014 is an iPhone/iPad and Android app which provides details about the city-planted trees in Cupertino. Users can search for trees by street name or by current location. The search results show the picture of the tree and details such as location, height, diameter, and species. Cupertino residents can also sign up their tree, name their tree, and request tree service through this app.

#### *Eats 95014*

Eats 95014 is the local restaurant app that showcases Cupertino's dining options such as restaurants, grocery stores, farmers' markets, and vineyards. The app provides information on the services offered at such eating places including store hours, parking information, noise level, directions, and website link.



### Ready 95014

Ready 95014 is an app that puts safety information into the hands of Cupertino residents. Steps to prepare and respond to emergencies including earthquakes, floods, fires, and pandemics are outlined in an easy-to-understand format. The app also streams Cupertino’s own AM radio station (1670 AM) and has a map of the City’s Area Resource Centers, satellite locations opened after disasters to provide public assistance.

### Website Applications

[Cupertino.org/ShopAndDine](http://Cupertino.org/ShopAndDine)

This interactive website app offers users mapping features of current Cupertino businesses and restaurants.

## Community Statistics

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### Facts and Figures<sup>1</sup>

|                               |           |
|-------------------------------|-----------|
| Population in City Limits     | 64,344    |
| Average Household Income      | \$228,515 |
| Average Age                   | 40        |
| Registered Voters             | 28539     |
| Democrats                     | 11,113    |
| Republicans                   | 4648      |
| American Independent          | 402       |
| Other                         | 218       |
| No Political Party Designated | 12,158    |

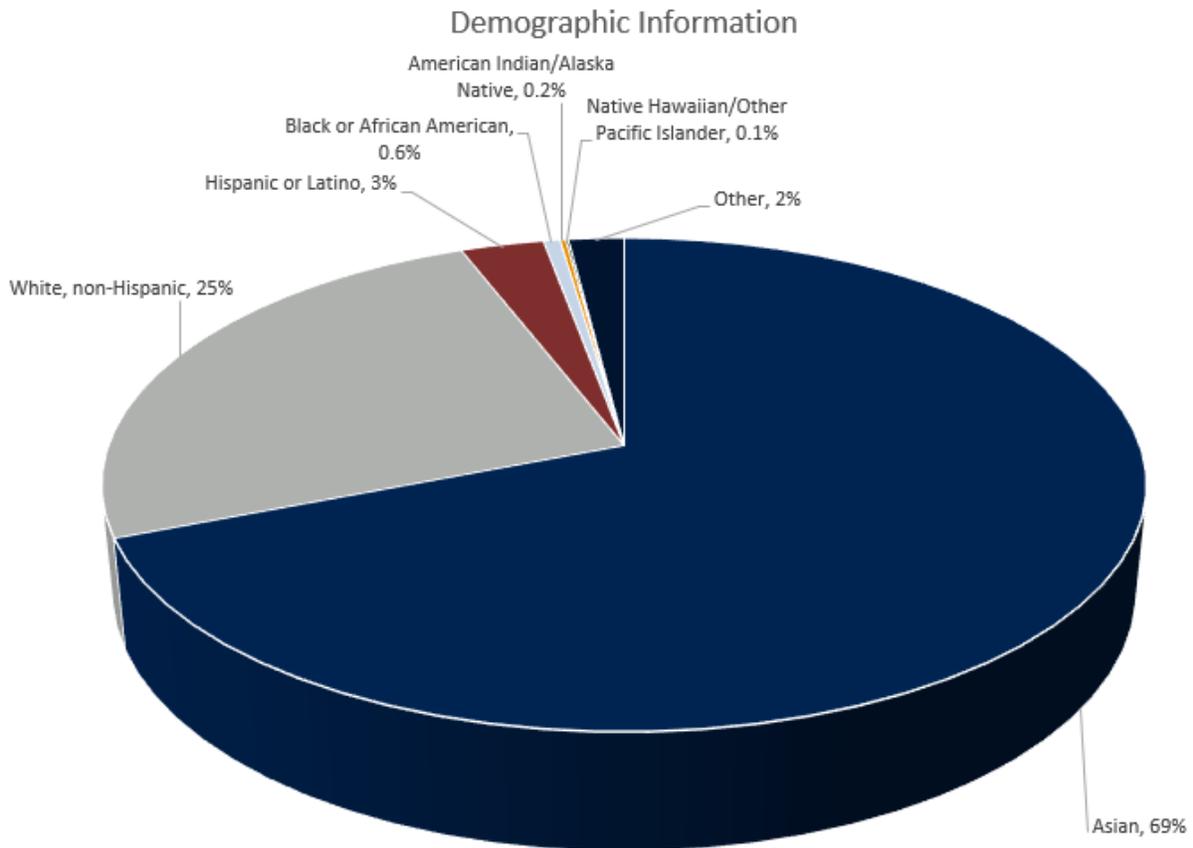
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<sup>1</sup> Claritas 2019 Estimates and California Statewide Direct Primary Election June 5, 2018

### Top 40 Sales Tax Producers

Third Quarter 2018, in Alphabetical Order

|                            |                             |                      |                             |
|----------------------------|-----------------------------|----------------------|-----------------------------|
| Apple                      | Cloud Trekkers Technologies | Lazy Dog Cafe        | Shane Company               |
| 7 Eleven                   | Dental Arts of California   | Marina Food          | Shell Station               |
| 76 Station                 | Dynasty Seafood Restaurant  | Marukai Supermarket  | Sherry Precision Dental Art |
| 99 Ranch Market            | Estel Group                 | Mirapath             | Target                      |
| Alexander's Steak House    | Galpao Gaucho               | Pro Installations    | TJ Maxx                     |
| Alliance                   | Haidilao Hot Pot            | Ross                 | Ulta Beauty                 |
| Aqui Cal Mex               | Huawei Technologies         | Rotten Robbie        | Valero                      |
| Argonaut Window & Door     | Insight Direct              | Safeway              | Vardys Jewelers             |
| Benihana                   | Insight Public Sector       | Scandinavian Designs | Vikhar Inc.                 |
| BJs Restaurant & Brewhouse | Kura Revolving Sushi Bar    | Seagate Technology   | Whole Foods Market          |



# Community and Recreation Services

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## ***Blackberry Farm***

Blackberry Farm has been upgraded and restored to improve the natural habitat for native trees, animals, and fish. Improvements to the park include construction of a new ticket kiosk, replastered pools, a new water slide, bocce ball, horseshoe courts, and numerous upgrades to the west bank picnic area. The park is located at 21979 San Fernando Avenue. Telephone: 408-777-3140.

***The Blackberry Farm Golf Course*** is located at 22100 Stevens Creek Boulevard. Telephone: 408-253-9200.

## ***The Quinlan Community Center***

The City of Cupertino's Quinlan Community Center is a 27,000 square foot facility that provides a variety of recreational opportunities.

Most prominent is the Cupertino Room - a multi-purpose room that can accommodate 300 people in a banquet format.

Telephone: 408-777-3120.

## ***Cupertino Sports Center***

The Sports Center is a great place to meet friends. The facility features 17 tennis courts, complete locker room facilities, and a fully-equipped fitness center featuring free weights, Cybex, and cardio equipment. A teen center and a child-watch center are also included. The center is located at the corner of Stevens Creek Boulevard and Stelling Road. Telephone: 408-777-3160.

## ***Cupertino Senior Center***

The Senior Center provides a welcome and friendly environment for adults over age 50. There is a full calendar of opportunities for learning, volunteering, and enjoying life. There are exercise classes, computer lab classes, and English as a second language classes, and cultural and special interest classes. The center also coordinates trips and socials.

The Senior Center is located at 21251 Stevens Creek Boulevard and is open Monday through Friday, 8 a.m. to 5 p.m. Telephone: 408-777-3150.

## ***Civic Center and Library***

The complex has a 6,000 square foot Community Hall, plaza with fountain, trees, and seating areas. City Council meetings, Planning Commission sessions, and Parks and Recreation Commission sessions are held in the Community Hall.

The 54,000 square foot library continues to be one of the busiest libraries in the Santa Clara County Library system. For more information, call 408-446-1677.

### ***McClellan Ranch Park***

A horse ranch during the 1930's and 40's, this 18-acre park has the appearance of a working ranch. Preserved on the property are the original ranch house, milk barn, livestock barn, and two historic buildings: Baer's Blacksmith Shop, originally located at DeAnza and Stevens Creek, and the old water tower from the Parish Ranch, now the site of Memorial Park. Rolling Hills 4-H Club members raise rabbits, chickens, sheep, swine, and cattle. The Junior Nature Museum, which features small live animal exhibits and dispenses information about bird, animal, and plant species of the area, is also located at the ranch. The newly opened Environmental Education Center has Open House hours on Friday, Saturday, and Sunday. McClellan Ranch is located at 22221 McClellan Road. Telephone: 408-777-3120.

## **Things to Do and See**

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### ***Euphrat Museum of Art***

The highly regarded Euphrat Museum of Art, at its new location next to the new Visual Arts and Performance Center at De Anza College, presents one-of-a-kind exhibitions, publications, and events reflecting the rich diverse heritage of our area. The Museum prides itself on its changing exhibitions of national and international stature emphasizing Bay Area artists. Museum hours are 10 a.m. – 3 p.m. Monday through Thursday. Telephone: 408-864-5464

### ***Fujitsu Planetarium***

The Fujitsu Planetarium on the De Anza College campus is a must-visit Cupertino facility for stargazers. It hosts a variety of planetarium shows and events, including educational programs for school groups and family astronomy evenings. For more information, visit the website at <http://planetarium.deanza.edu> or call 408-864-8814.

### ***Flint Center***

The cultural life of the Peninsula and South Bay is enhanced by programs presented at the Flint Center for Performing Arts located at 21250 Stevens Creek Boulevard in the De Anza College campus. The center opened in 1971 and was named in honor of Calvin C. Flint, the first chancellor of the Foothill-De Anza Community College District. The box office is open 10 a.m. – 4 p.m. Tuesday through Friday and 1.5 hours prior to any performance. Box office: 408-864-8816; administrative office: 408-864-8820.

### ***Cupertino Historical Society***

The Cupertino Historical Society was founded in 1966 by a group of 177 longtime residents and is dedicated to the preservation and exhibition of the city's history. Their museum, located at the Quinlan Community Center, develops and expands the learning opportunities that it offers to the ethnically diverse community of the City of Cupertino. Telephone: 408-973-1495.



### *Farmers' Markets*

There are two farmers' markets located in the City of Cupertino. One is held on Fridays from 9:00 a.m. to 1:00 p.m. at Creekside Park, and the other is held every Sunday from 9:00 a.m. to 1:00 p.m. at The Oaks Shopping Center, 21275 Stevens Creek Blvd.

### *California History Center*

The California History Center and Foundation is located on the De Anza College campus. The center has published 37 volumes on California history and has a changing exhibit program. The center's Stockmeir Library Archives boast a large collection of books, pamphlet files, oral history tapes, videotapes, and a couple thousand student research papers. The library's collection is for reference only. Heritage events focusing on California's cultural and/or natural history are offered by the center each quarter. For more information, call 408-864-8987. The center is open September through June, Tuesday through Thursday, from 9:30 a.m. to noon and 1:00 p.m. to 4:00 p.m.

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# The Annual Budget Process

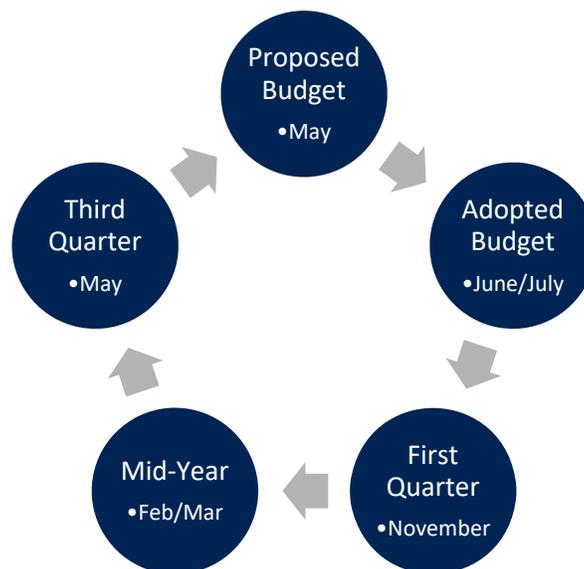
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The City’s annual budget is prepared on a July 1 to June 30 fiscal year basis. However, the budget process is an ongoing process that occurs throughout the year and includes the phases of development, proposal, adoption, monitoring, and amendment.

The budget development phase begins in December with the preparation of budget instructions and work program development by the City Council and City Manager. During March, departments prepare the budgets for which they are responsible. These proposed department budgets are reviewed by the Finance Division using current and prior year trends data. The City Manager then reviews the proposals with the Director of Administrative Services and departmental staff and makes final decisions which form the basis of the City Manager’s Proposed Budget. The proposed budget is then submitted to the City Council in May.

During the months of May and June, the City Council considers the budget proposals at a study session and public hearing. At these times, the Council hears from Boards, Commissions, community groups, and the public regarding budget requests and recommendations. The adopted budget is adopted by resolution in June and takes effect on July 1.

The following chart illustrates the City’s budget reporting cycle. Staff reports to Council on a quarterly basis in addition to the annual proposed and adopted budget. Should amendments to the budget be required outside of this cycle, staff will bring budget amendments as separate Council staff reports.



**Budget Amendment Process**

After the budget is adopted, the City enters the budget monitoring phase. Throughout the year, expenditures are monitored by the Finance Division staff and department managers to ensure that funds are used in an approved manner. Adjustments to expenditures within or between departmental budgets are accomplished on an as-needed basis administratively throughout the year. The City Manager and Department Heads can transfer funds between their line items and/or divisions as needed.

City Council approval is required for additional appropriations from fund balances or from new revenue sources.

# Structure of City Finances

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## **Cost Accounting**

The City of Cupertino has five internal service funds that account for innovation & technology, equipment replacement, workers compensation, long-term disability and compensated absence, and retiree health costs experienced by City departments. Fund costs are allocated to user departments or operating funds based on salaries, equipment and software purchase price, actuarial studies and actual and projected service level. Please view the Cost Allocation Plan and Changes to the Internal Service Fund section of this document for details.

Other employee fringe benefits such as medical, dental, life insurance, and pensions are directly added to department costs as a percentage of salaries. Staff salary and benefit costs are split among departments and related funds based on the anticipated percentage of time spent working in various departments.

## **Overhead Cost Allocation**

All overhead costs are allocated to the appropriate program within the limits of local, State and federal laws. The City utilizes a two-step method (double step down method) where costs are first allocated among the central service department support programs to arrive at the total costs of central service programs. Beginning in FY 2014 overhead/indirect costs associated with service departments in the General Fund were allocated based on a Cost Allocation Plan (CAP).

These total costs are then allocated to the departments and funds that are benefiting from these expenses. The corresponding revenue is collected by the General Fund for indirect/overhead costs associated with the Cost Allocation Plan (CAP) and Internal Service Funds and allocated directly to the department providing the service.

## **Basis of Budgeting**

Basis of Budgeting refers to the method used to recognize revenues and expenditures in the budget. For the City of Cupertino, the basis of budgeting is the same basis used for accounting. The modified accrual basis is followed in the Governmental Funds, including the General, Capital, Debt Service, and Special Revenue funds. Under this basis, revenues are recognized when they become “susceptible to accrual”, which means they are both measurable and available. Measurable means the transaction can be determined.

The budget is split into nine Departments: City Council and Commissions, Administration, Law Enforcement, Innovation and Technology, Administrative Services, Parks and Recreation,

Planning and Community Development, Public Works, Non Departmental (includes budget that are not attributable to any specific division) and Capital Projects. These departments are further split into divisions then programs. The programs within the divisions are balanced at the department level within a given fund.

### **Comprehensive Annual Financial Report (CAFR)**

The Comprehensive Annual Financial Report (CAFR) is prepared by Crowe and Horwath, the City's Auditors and according to "Generally Accepted Accounting Principles" (GAAP).

### **Citizen Participation**

Every two years the City of Cupertino has a Community Survey completed by Godbe Research to measure resident's satisfaction with living in the City, City Services and to identify issues facing the City. In addition, the budget study session and budget hearings are public meetings where citizens are given the opportunity to comment on the budget. The public can also provide feedback to two Council sub-committees, the Fiscal Strategic Planning and Audit Committees.

# Fund Structure

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For accounting purposes, a state or local government is not treated as a single, integrated entity. Rather, a government is viewed as a collection of smaller separate businesses known as 'funds'. Fund accounting is an accounting system emphasizing accountability rather than profitability. In this system, a fund is a self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations.

The City's finances are structured in a variety of funds that are the basic accounting and reporting entities in governmental accounting. The funds that comprise the FY 2019-20 budget are grouped into two major categories, Governmental Funds and Proprietary Funds. The purpose of each of the various funds within these two categories is described below:

## **Governmental Funds**

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. Governmental funds include Tax Supported Funds, Special Revenue Funds and Federal Grant Funds. They are accounted for under the modified accrual basis of accounting.

## **Tax Supported Funds**

Tax Supported Funds include the General and Capital Improvement Funds. The General Fund is the primary operating fund for governmental services. The Capital Improvement Fund is utilized for the acquisition or construction of major capital facilities.

| <b>Tax Supported Funds</b>                   | <b>Purpose</b>   |
|--|--|
| General                                      | The General Fund is used to pay for core services such as public safety, parks and recreation, planning and community development, public works, and a host of other vital services. The revenue used to pay for these services comes primarily from local taxes such as property tax and sales tax, franchise fees, charges for services, and a variety of other discretionary sources. |
| Capital Improvement                          |  |
| Capital Improvement Projects                 | This fund pays for the acquisition and/or construction of major capital facilities.  |
| Stevens Creek Corridor Park Capital Projects | This fund pays for the design and construction of the Stevens Creek Corridor Park projects.  |

**Special Revenue Funds**

Special Revenue Funds is a fund type used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special Revenue Funds include the Park Dedication, Transportation, Storm Drain, Environmental Management/ Clean Creeks funds and Housing and Community Development.

| <b>Special Revenue Funds</b>                     | <b>Purpose</b>   |
|--|--|
| Storm Drain Improvement                          | This fund pays for the construction and maintenance of storm drain facilities, including drainage and sanitary sewer facilities.   |
| Park Dedication                                  | This fund pays for the activity granted by the business and professions code of the State of California in accordance with the open space and conservation element of the City’s General Plan.           |
| Environmental Management/Clean Creek/Storm Drain | This fund pays for all activities related to operating the Non-Point Source pollution program.   |
| Transportation                                   | This fund pays for expenditures related to the maintenance and construction of City streets.   |
| Housing & Community Development                  | This fund pays for the Federal Housing and Community Development Grant Program activities administered by the City. This fund also pays for activities related to the Below Market Rate Housing Program. |

### **Federal Grant Funds**

Federal Grant Funds include the Community Development Block Grant program. The Community Development Block Grant is a federally funded program for housing assistance and public improvements.

| <b>Federal Grant Funds</b>        | <b>Purpose</b>  |
|-----------------------------------|---|
| Community Development Block Grant | This fund pay for activities related to the Community Development Block Grant (CDBG). |

### **Proprietary Funds**

Proprietary Funds are used to account for “business-type” activities. Proprietary Funds include Enterprise Funds and Internal Service funds. They are accounted for under the full accrual basis of accounting.

### **Enterprise Funds**

Enterprise Funds are set up for specific services that are funded directly by fees charged for goods or services. Enterprise Funds include the Resource Recovery, Sports Center, Blackberry Farm Golf Course and Recreation funds.

| <b>Enterprise Fund</b>      | <b>Purpose</b>  |
|-----------------------------|---|
| Resource Recovery           | This fund pays for operating costs related to the collection, disposal, and recycling of solid waste performed under a franchise agreement with Recology. |
| Blackberry Farm Golf Course | This fund pays for operating costs related to the Blackberry Farm Golf Course.  |
| Sports Center               | This fund pays for operating costs related to the Sports Center.  |
| Recreation Programs         | This fund pays for operating costs related to the City's community centers and park facilities.   |

### Internal Service Funds

Internal Service Funds are used for areas where goods or services are provided to other departments or governments on a cost-reimbursement basis. Internal Service Funds include the Innovation & Technology, Equipment, Workers Compensation, Long-Term Disability/Compensated Absence, and Retiree Medical funds.

| Internal Service Funds                            | Purpose   |
|---|---|
| Innovation & Technology                           | This fund pays for all technology related expenses for the citywide management of information services. This fund pays for the replacement of existing hardware and software and the funding of new hardware and software needs city-wide. Equipment is depreciated based on the acquisition or historical costs for the useful life of the asset using the straight line method. |
| Workers' Compensation                             | This fund pays for claims and insurance premiums related to workers' compensation.  |
| Equipment Maintenance and Fixed Asset Acquisition | This fund pays for the purchase and maintenance of fleet and general equipment having a value greater than \$5,000 and expected life of more than one year. Assets are depreciated based on the acquisition or historical costs for the useful life of the asset and using the straight line method.  |
| Compensated Absences & Long Term Disability       | This fund pays for liabilities associated with employees retiring or leaving service and claims and premiums associated with long term disability.  |
| Retiree Medical                                   | This fund pays for Retiree Medical costs.   |

# Fiscal Policies – Revenue Policies

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## PURPOSE

To establish revenue policies that assist the City in striving for and maintaining a diversified and stable revenue system to prevent undue or unbalanced reliance on any one source of funds. This revenue diversity will shelter the City from short-run fluctuations in any one revenue source.

## SCOPE

All revenue sources across all funds.

## POLICY

To the extent possible, maximize investment yield while maintaining a high level of liquidity for the City's anticipated capital costs.

Identify and recommend sources of revenue necessary to maintain the services desired by the community and to maintain the City's quality of life.

Perform ongoing evaluations of existing sources of revenue to maximize the City's revenue base.

Recover costs of special services through user fees.

Pursue full cost recovery and reduce the General Fund fee subsidy to the degree feasible.

Allocate all internal service and Cost Allocation Plan charges to appropriate user departments and

Ensure that Enterprise activities remain self-supporting in the long term.

# Fiscal Policies – Expenditure Policies

---

## PURPOSE

To establish expenditure control policies through the appropriate internal controls and procedures. Management must ensure expenditures comply with the legally adopted or amended budget.

## SCOPE

All expenditure categories across all funds.

## POLICY

Each Department or Division Manager will be responsible for the administration of their department/division budget. This includes accomplishing the goals and objectives incorporated into the budget and monitoring each department/division budget for compliance with spending limits.

Accurately charge expenditures to the appropriate chart of accounts;

Maintain operating activities at levels which are offset by revenues;

The City will make every effort to control expenditures to ensure City services and programs provided to its citizens and tax payers are cost effective and efficient;

Evaluate expenditures at the department and project levels to ensure control;

Before the City purchases any major asset or undertakes any operating or capital arrangements that create fixed assets or ongoing operational expenses, the implications of such purchases or arrangements will be fully determined for current and future years;

All compensation planning and collective bargaining will include analysis of total cost of compensation which includes analysis of salary increases, health benefits, pension contributions, fringe benefits and other personnel costs. The City will only propose operating personnel costs which can be sustained by on-going operating revenues;

Reduce costs and improve productivity through the use of efficiency and effective measures. -

Structure debt financing to provide the necessary capital while minimizing future debt service costs.

# Fiscal Policies – Capital Improvement Policy

---

## PURPOSE

To establish a Capital Improvement Policy to assist in future planning.

## SCOPE

All anticipated Capital Improvement Projects for the current fiscal year plus four additional fiscal years.

## POLICY

The City will prepare and update a five year Capital Improvement Plan (CIP) encompassing all City facilities.

Projects included in the CIP will have complete information on the need for the project (project justification), description and scope of work, total cost estimates, future cost estimates, future operating and maintenance costs and how the project will be funded.

An objective process for evaluating CIP projects with respect to the overall needs of the City will be established through a priority ranking of CIP projects. The ranking of projects will be used to allocate resources to ensure priority projects are completed effectively and efficiently.

Changes to the CIP such as addition of new projects, changes in scope and costs of a project or reprioritization of projects will require City Manager and City Council approval.

The City will maintain its physical assets at a level adequate to protect the City's capital investment and to minimize future operating maintenance and replacement costs. The City recognizes that deferred maintenance increases future capital costs, thus placing a burden on future residents. Therefore, the budget will provide for adequate maintenance and the orderly replacement of capital plant and equipment from current revenues when possible.

The City will determine the least costly funding method for its capital projects and will obtain grants, contributions and low cost state or federal loans whenever possible.

The City will utilize "pay-as-you-go" funding for capital improvement expenditures considered recurring, operating or maintenance in nature. The City may also utilize "pay-as-you-go" funding for capital improvements when current revenues and adequate fund balances are available or when issuing debt would adversely affect the City's credit rating.

The City will consider the use of debt financing for capital projects under the following circumstances:

- When the project's useful life will exceed the terms of the financing
- When resources are deemed sufficient and reliable to service the long-term debt
- When market conditions present favorable interest rates for City financing
- When the issuance of debt will not adversely affect the City's credit rating and debt coverage ratios.

# Fiscal Policies – Information Technology Replacement and Capitalization Policy

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## PURPOSE

The purpose of this policy is to establish guidelines for replacing and capitalizing technology equipment and systems. Replacement is indicated when a product has run its useful life and updating/upgrading is no longer an option. Capitalization of equipment requires the set aside of funding for future replacement.

Generally, technology equipment with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized. Software with an expected life of at least 7 years or a cost of over \$10,000 shall also be capitalized. Software-as-a-Service (SaaS) contracts are not capitalizable and are expensed as incurred.

Technology upgrades are determined by the Innovation Technology Department and user departments based on functionality, vendor support, and industry standards.

## SCOPE

This policy covers the City of Cupertino: network infrastructure (routers, switches, firewalls, security appliances); server infrastructure (files servers, database servers, mail servers, web servers, etc); user laptops and workstations; mission-critical systems, telephone system (telephone equipment not already listed previously); desktop software; enterprise software; workgroup software; and broadcast video and audiovisual equipment.

Cell phones, printers, and tablet devices are not covered by this policy as these items do not meet the minimum criteria for capitalization. Replacement of these items are at the discretion of the Innovation Technology Department in concert with the user Department.

## POLICY

All technology shall be replaced according to the following:

**Network infrastructure** (routers, switches, firewalls) shall be replaced when no longer functional, as determined by the Innovation Technology Department Division (IT), or when parts or support are no longer available from the manufacturer. Replacement needs will be determined by IT annually as part of the operating budget process. Network infrastructure with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized.

**Server infrastructure** shall be replaced when it is no longer functional (defined as not being able to meet its intended purpose), or when parts or support are no longer available from the manufacturer. These needs are evaluated annually by IT and user departments as part of the operating budget process. Servers are evaluated as they approach 3 years in service, and placed on the schedule accordingly. Server lifetime may be extended by the purchase of additional memory or disk. Server infrastructure with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized.

**User workstations** shall be replaced, on average, after 4 years as is industry standard. Zero Client work stations shall be replaced, on average, every 8 years. IT will determine the need for specific replacements. User workstations shall not be capitalized as they do not meet the minimum criteria for capitalization.

**Interoperable systems** are defined as a group of interdependent and/or interoperable components that together form a single functional unit. These components may be interconnected by their structural relationships, their common functional behavior, or by both. Generally, for a system to be eligible for capitalization, the cumulative value of its components should be at least \$5,000 and have a life expectancy of five years or more. A common example of such system would be a telephone system or network. Individual component or replacement costs are not capitalizable unless they are greater than \$5,000 and increase the value of the asset.

**Enterprise Software** replacement shall be determined individually by IT and the end users. Only those large enterprise systems (on-site or on premise) with an expected life of at least 7 years or a cost of over \$10,000 shall be capitalized. SaaS contracts are not capitalizable and are to be expenses as incurred.

**Desktop Software** is replaced/updated according to Microsoft's releases of Windows and Office. Software shall not be more than one version out of date to ensure functionality and vendor support. IT will generally wait at least 90 days after a new release to roll out new versions. Only software with an expected life of at least 7 years or a cost of over \$10,000 shall be capitalized. Desktop software generally does not meet this criterion.

**Broadcast Video and Audiovisual Equipment/Systems** shall be repaired or replaced when determined no longer functional. Replacement will occur on average after 10 years. Broadcast video and audiovisual equipment/systems with a life expectancy of at least 5 years and a total cost of over \$5,000 shall be capitalized. Equipment that does not meet these criteria may still be capitalized if the item is a component of interoperable systems.

# Fiscal Policies – Pension and Retirement Funding Policy

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## PURPOSE

To establish a policy for the funding of Retirement and Retiree health.

## SCOPE

Retirement and Retiree Health costs citywide, across all funds.

## POLICY

Fund all current pension liabilities on an annual basis.

Monitor certain health and dental care benefits for retired employees. Funding the liability for future retiree benefits will be determined by City Council action.

# Fiscal Policies – Long Term Financial Stability Policies

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## PURPOSE

To establish a policy for Long Term Financial Stability

## SCOPE

All programs across all funds

## POLICY

Ensure ongoing productivity through employee training and retention programs.

Pursue consolidation of resources and activities with other agencies and jurisdictions where beneficial.

Ensure financial planning flexibility by maintaining adequate fund balances and reserves.

Provide for major maintenance and repair of City buildings and facilities on a timely basis.

Provide for infrastructure asset preservation that maximizes the performance of these assets at minimum life-cycle costs.

Continually evaluate and implement long-term financial planning including technology automation, multiple year capital improvement programs, revenue and expenditure forecasting, automating and streamlining service delivery, stabilizing and repositioning revenue sources, and decreasing expenditures and risk exposure.

# Fiscal Policies – Committed, Unassigned Fund Balance, and Use of One Time Funds Policy

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## PURPOSE

To establish assigned and unassigned fund balance and one time use policies.

## SCOPE

The General Fund and Capital Funds.

## POLICY

To maintain sufficient committed and unassigned fund balance (general fund only) in each fund for the ability to meet following economic uncertainties:

**Economic Uncertainty** – \$19,000,000 and represents two months of General Fund (GF) operating expenditures excluding transfers out plus a two year drop in total general fund revenue of 13% or approximately 1.5 months, excluding the use of reserves. Transfers out are primarily used to fund Capital Projects and do not represent on-going expenditures. This assignment will change from year to year based on budgeted general fund expenditures and revenues.

- Mitigate short-term economic downturns and volatility in revenues (2 years or less)
- Sustain city services in the event of an emergency
- Meet requirements for debt reserves
- Meet operating cash flow requirements as a result of delay in the receipt of taxes, grant proceeds and other operating revenues

**Section 115 Pension Trust** – \$8,000,000 and represents the initial investment into the City's Pension Rate Stabilization Program (PRSP). As a result of the significant increase in retirement costs based on the most recent actuarial forecast, the City elects to establish and fund a secondary pension trust to assist in stabilizing the potential impact of pension cost volatility on the City's operating budget. Annual contributions subsequent to the initial funding are determined by calculating the difference between CalPERS' current discount rate and a more conservative rate determined by the City. This difference is to be transferred to the pension trust and to be used solely for the benefit of members in the plan.

**Sustainability Reserve** – Cupertino’s Sustainability Division oversees the City’s Climate Action Plan (CAP), which defines strategies to reduce greenhouse gas emissions, and provides residents, businesses and schools with programs and services focused on energy efficiency, renewable energy, water conservation, alternative transportation and other sustainable actions. The City receives rebates for projects that successfully meet the eligibility requirements such as energy or water efficiency. If the rebates were not initially budgeted, they are categorized as committed fund balance in the General Fund. The purpose of this reserve is to help support future sustainability projects/programs.

**Unassigned** – \$500,000 and represents 1% of the total general fund operating budget. This assignment may change from year to year based on budgeted general fund expenditures.

- Absorb unanticipated operating needs that arise during the fiscal year that were not anticipated during the budget process
- Absorb unexpected claims or litigation settlements

**Capital Improvement** – \$5,000,000 and represents average dollars spent for capital projects in the last three fiscal years. This assignment may change from year to year based on actuals dollars spent on capital projects and anticipated future capital project needs.

- Meet future capital project needs so as to minimize future debt obligations

The City shall not use fund balances/reserves in lieu of revenues to pay for ongoing expenses except as specifically provided in the City’s reserve policy.

The chart below summarizes reserve policy levels as described above:

| Funding Priority    | Reserve                   | Reserve Level | Escalator <sup>1</sup>  | Description                                       |
|---------------------|---------------------------|---------------|---|---|
| <b>GENERAL FUND</b> |                           |               |   |   |
| 1                   | Economic Uncertainty      | \$19,000,000  | GF Budgeted Operating Expenditures <sup>2</sup><br>GF Budget Revenue <sup>3</sup> | For economic downturns and major revenue changes. |
| 2                   | Section 115 Pension Trust | \$8,000,000   | Budgeted Citywide Retirement Costs  | For pension cost increases.                       |
| 3                   | Sustainability Reserve    | \$122,754     | GF Budget Revenue <sup>3</sup>  | For future sustainability projects/programs.      |

|                               |                     |             |   |   |
|-------------------------------|---------------------|-------------|---|---|
| 4                             | Unassigned          | \$500,000   | Budgeted GF Operating Expenditures <sup>2</sup> | For mid-year budget adjustments and redeployment into the five year budget. |
| <b>CAPITAL PROJECTS FUNDS</b> |                     |             |   |   |
| 5                             | Capital Improvement | \$5,000,000 | None  | Reserves set aside for future capital projects.                             |

<sup>1</sup> Rounded to the nearest hundred thousand

<sup>2</sup> Excludes Transfers Out

<sup>3</sup> Excludes the use of reserves

**Changes to Committed Fund Balance** – All reserves listed in this policy are classified as Committed Fund Balance under Government Accounting Standards Board (GASB) Statement 54. Committed fund balance is comprised of amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. Changes to committed fund balances must be approved by City Council. This policy will be reviewed annually as part of the budget process.

**Replenishment process** – Should the City need to utilize any of the committed fund balances listed in this policy, recommendation will be brought to City Council for approval and a plan to replenish the committed balance will be developed in conjunction with its use.

**Excess** – Funding of these reserves will come generally from one-time revenues, annual net income, and transfers from other reserves that exceed policy levels. They will be funded in the following priority order with any remaining funds to be placed in the Capital Reserve:

- 1) Economic Uncertainty
- 2) Section 115 Pension Trust
- 3) Sustainability Reserve
- 4) Unassigned

## **Fiscal Policies – Investment Policy**

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The City Council annually updates and adopts a City Investment Policy that is in compliance with State statutes on allowable investments. By policy, the Audit Committee reviews the policy and acts as an oversight committee on investments. The policy directs that an external auditor perform agreed-upon procedures to review City compliance with the policy. The full policy is available on the City website as part of the May 14, 2019 City Council agenda packet.

# Fiscal Policies – Community Funding Policy

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## PURPOSE

The City of Cupertino currently provides funding to local non-profit organizations in the areas of social services, fine arts and other programs for the general public. This policy establishes a standard application process whereby funding decisions of non-profit requests can be addressed on a fair and consistent basis by establishing a set of criteria for evaluating requests, ensuring that all entities follow a formal application process and pre-approving a dollar limit for those requests.

## SCOPE

All requests for funding must comply with this policy.

## POLICY

The applicant should identify the services provided, purpose for the funds, how the expenditure aligns to City priorities and how the funds will be used to benefit the Cupertino community.

A recurring organization should state how prior year funds, if any, were used.

The applicant should include information about the organization, its budget and its purpose.

Non-profit organizations which serve multi-jurisdictions should state what they have requested from other cities/organizations they service in regards to this program request.

Cupertino does not fund ongoing operational costs. Requests should be for one-time, project specific needs.

The organization must show that their staff has the experience to implement and manage the project. More than 75% of the budget must go to direct service costs versus administrative costs.

Staff should include all requests and funding recommendations for Council consideration.

Non-profits will be notified of our process in advance and no proposals will be entertained after **March 1 of each year.**

City Council will make the final decision as part of the budget process.

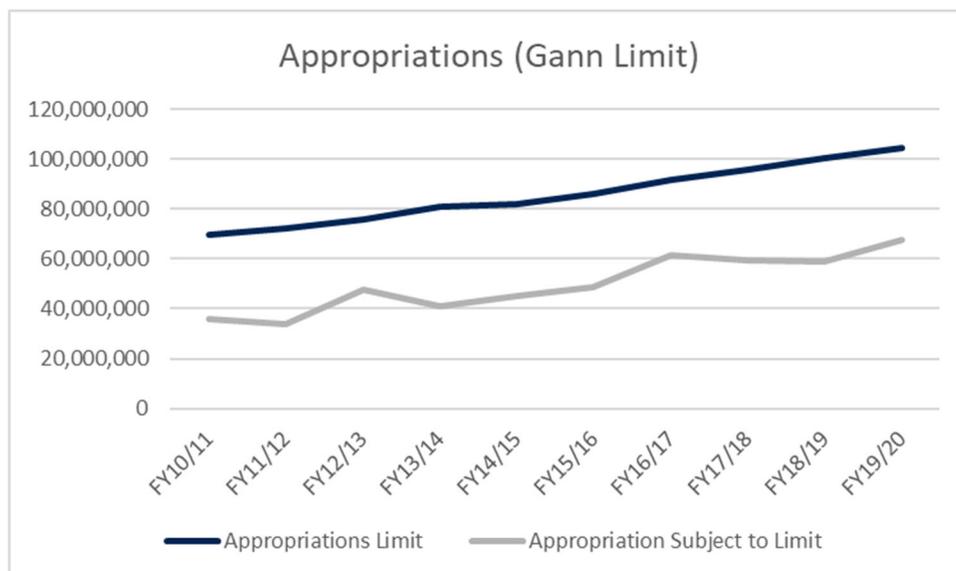
# Appropriations & Legal Debt Limit Margin

## Gann Appropriations Limit

Fiscal Year 2019-20

Article XIII B of the California State Constitution as enacted by Proposition 4, the Gann initiative of 1979, mandates a limit on the amount of proceeds of taxes that state and local governments can receive and appropriate (authorize to spend) each year. The purpose of this law is to limit government spending by putting a cap on the total proceeds of taxes that may be appropriated each year. The original Article XIII B was further modified by Proposition 111 and SB 88 approved by California voters in June of 1990. Proposition 111 allows cities more flexibility in choosing certain inflation and population factors to calculate the limit.

## Appropriations Subject to Limit



The limit is different for each agency and the limit changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in fiscal year 1978-79 in each agency, modified for changes in inflation and population in each subsequent year. Proposition 111 has modified those factors to allow cities to choose either the growth in California Per Capita Income or the growth in non-residential assessed valuation due to new construction in the city. Alternatively, the city could select a population growth factor represented by the population growth in Santa Clara County. Each year the city establishes its appropriations limit for the following fiscal year.

The City's appropriations limit for FY 2019-20 is \$104,753,580, \$4,215,275 or 4.2% higher than the FY 2018-19 limit of \$100,538,305. The City's estimated appropriations of proceeds from taxes, less statutory exclusions, do not appear to exceed the appropriations limit and does not present a constraint on current or future budget deliberations.

**Legal Debt Margin**

Fiscal Year 2019-20

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computation shown below reflects a conversion of assessed valuation data for fiscal year 2018-19 from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

| Description   | Amount           | Formula   |
|---|------------------|-----------|
| Secured Property Assessed Value, Net of Exempt Real Property (1)  | \$22,531,311,774 |           |
| Adjusted Valuation - 25% of Assessed Valuation (2)                | \$ 5,632,827,944 | (1) * 25% |
| Debt Limit - 15% of Adjusted Valuation                            | \$ 844,924,192   | (2) * 15% |
| Total City Bonded Debt (3)  | \$ 29,300,000    |           |
| Less: Certificates of Participation Not Subject to Debt Limit (4) | \$ (29,300,000)  |           |
| Amount of Debt Subject to Limit                                   | -                | (3) - (4) |
| Legal Debt Margin   | \$ 844,924,192   |           |

# Fiscal Year 2019-20 Adopted Budget Financial Overview by Fund

| Revenue Categories                | General Fund         | Special Revenue Fund | Debt Service Fund   | Capital Project Funds | Enterprise Funds    | Internal Service Funds | 2019-20 Adopted Budget Total |
|-----------------------------------|----------------------|----------------------|---------------------|-----------------------|---------------------|------------------------|------------------------------|
| Sales Tax                         | \$ 25,637,093        | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 25,637,093                |
| Property Tax                      | \$ 24,703,218        | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 24,703,218                |
| Transient Occupancy               | \$ 9,666,056         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 9,666,056                 |
| Utility Tax                       | \$ 3,198,644         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 3,198,644                 |
| Franchise Fees                    | \$ 3,162,457         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 3,162,457                 |
| Other Taxes                       | \$ 1,181,050         | \$ 453,404           | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 1,634,454                 |
| Licenses & Permits                | \$ 2,524,000         | \$ -                 | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 2,524,000                 |
| Use of Money & Property           | \$ 1,330,579         | \$ 15,700            | \$ -                | \$ -                  | \$ 28,000           | \$ -                   | \$ 1,374,279                 |
| Intergovernmental                 | \$ 354,547           | \$ 7,554,533         | \$ -                | \$ -                  | \$ 15,000           | \$ -                   | \$ 7,924,080                 |
| Charges for Services              | \$ 13,233,225        | \$ 391,045           | \$ -                | \$ -                  | \$ 5,859,827        | \$ 4,083,901           | \$ 23,567,998                |
| Fines & Forfeitures               | \$ 615,000           | \$ 10,000            | \$ -                | \$ -                  | \$ -                | \$ -                   | \$ 625,000                   |
| Miscellaneous                     | \$ 882,283           | \$ 2,198,521         | \$ -                | \$ 7,757,418          | \$ 66,000           | \$ -                   | \$ 10,904,222                |
| Transfers In/Other Financing Uses | \$ 612,000           | \$ 1,318,000         | \$ 3,172,838        | \$ 14,657,719         | \$ 3,523,000        | \$ 4,045,652           | \$ 27,329,209                |
| <b>TOTAL REVENUE</b>              | <b>\$ 87,100,152</b> | <b>\$ 11,941,203</b> | <b>\$ 3,172,838</b> | <b>\$ 22,415,137</b>  | <b>\$ 9,491,827</b> | <b>\$ 8,129,553</b>    | <b>\$ 142,250,710</b>        |

| Appropriation Categories  | General Fund         | Special Revenue Fund | Debt Service Fund   | Capital Project Funds | Enterprise Funds     | Internal Service Funds | 2019-20 Adopted Budget Total |
|---------------------------|----------------------|----------------------|---------------------|-----------------------|----------------------|------------------------|------------------------------|
| Employee Compensation     | \$ 19,030,922        | \$ 1,025,568         | \$ -                | \$ -                  | \$ 1,942,661         | \$ 1,336,390           | \$ 23,335,541                |
| Employee Benefits         | \$ 7,924,552         | \$ 504,775           | \$ -                | \$ -                  | \$ 564,863           | \$ 1,596,993           | \$ 10,591,183                |
| Materials                 | \$ 5,666,631         | \$ 728,939           | \$ -                | \$ -                  | \$ 463,844           | \$ 916,106             | \$ 7,775,520                 |
| Contract Services         | \$ 21,573,686        | \$ 727,897           | \$ -                | \$ 175,000            | \$ 4,644,862         | \$ 1,538,116           | \$ 28,659,561                |
| Cost Allocation           | \$ 9,786,477         | \$ 486,532           | \$ -                | \$ -                  | \$ 1,651,322         | \$ 847,459             | \$ 12,771,790                |
| Capital Outlays           | \$ 37,050            | \$ 3,035,000         | \$ -                | \$ 22,062,418         | \$ 1,400,000         | \$ -                   | \$ 26,534,468                |
| Special Projects          | \$ 3,692,335         | \$ 3,280,000         | \$ -                | \$ -                  | \$ 321,500           | \$ 704,600             | \$ 7,998,435                 |
| Contingencies             | \$ 1,070,049         | \$ 36,666            | \$ -                | \$ 2,500              | \$ 254,184           | \$ 164,925             | \$ 1,528,324                 |
| Transfers Out             | \$ 10,539,557        | \$ 12,000            | \$ -                | \$ 15,705,000         | \$ -                 | \$ -                   | \$ 26,256,557                |
| Debt Service/Other Uses   | \$ 783,209           | \$ -                 | \$ 3,172,838        | \$ -                  | \$ 280,953           | \$ 843,772             | \$ 5,080,772                 |
| <b>TOTAL EXPENDITURES</b> | <b>\$ 80,104,468</b> | <b>\$ 9,837,377</b>  | <b>\$ 3,172,838</b> | <b>\$ 37,944,918</b>  | <b>\$ 11,524,189</b> | <b>\$ 7,948,361</b>    | <b>\$ 150,532,151</b>        |

**Net Increase (Decrease) in Fund Balance/Retained Earnings**    \$ 6,995,684    \$ 2,103,826    \$ -    \$ (15,529,781)    \$ (2,032,362)    \$ 181,192    \$ (8,281,441)

# Fiscal Year 2019-20 Adopted Budget

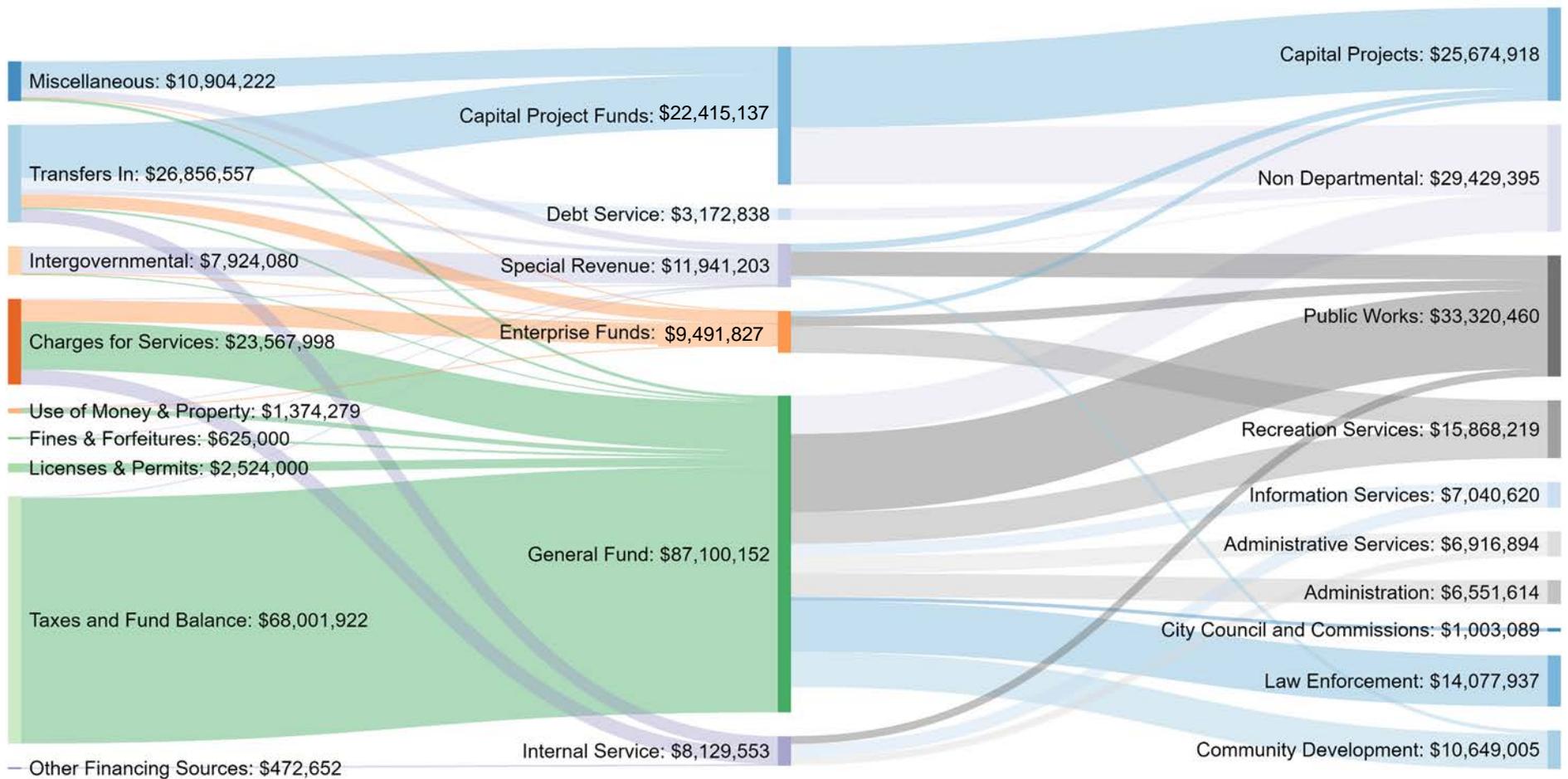
## Flow of Funds Chart

### SOURCE OF FUNDS

Revenue by Object  
↓

Revenues by Fund  
↓

Appropriations by Department  
↓



# Fiscal Year 2019-20 Adopted Budget General Fund Contribution Schedule

| Fund Type                                    | Adopted<br>Budget<br>Expenditures | Adopted Program<br>Revenues | Adopted Budget Fund<br>Balance/ Retained<br>Earnings (Usage) | Adopted<br>General Fund<br>Contribution |
|--|-----------------------------------|-----------------------------|--|---|
| <b>General Fund</b>                          |                                   |                             |  |   |
| <b>10 City Council</b>                       |                                   |                             |  |   |
| 100 City Council                             | 423,311                           | 586,473                     | -  | (163,162)                               |
| 101 Community Funding                        | 110,587                           | -                           | -  | 110,587                                 |
| 110 Sister Cities                            | 58,843                            | -                           | -  | 58,843                                  |
| <b>11 Commissions</b>                        |                                   |                             |  |   |
| 131 Telecommunication Commission             | 7,028                             | -                           | -  | 7,028                                   |
| 140 Library Commission                       | 23,346                            | -                           | -  | 23,346                                  |
| 142 Fine Arts Commission                     | 54,541                            | -                           | -  | 54,541                                  |
| 150 Public Safety Commission                 | 22,738                            | -                           | -  | 22,738                                  |
| 155 Bike/Ped Safety Commission               | 1,244                             | -                           | -  | 1,244                                   |
| 160 Recreation Commission                    | 51,443                            | -                           | -  | 51,443                                  |
| 165 Teen Commission                          | 64,019                            | -                           | -  | 64,019                                  |
| 170 Planning Commission                      | 109,787                           | -                           | -  | 109,787                                 |
| 175 Housing Commission                       | 38,251                            | -                           | -  | 38,251                                  |
| 180 Sustainability Commission                | 37,951                            | -                           | -  | 37,951                                  |
| <b>12 City Manager</b>                       |                                   |                             |  |   |
| 120 City Manager                             | 1,261,257                         | 429,117                     | -  | 832,140                                 |
| 122 Sustainability Division                  | 555,663                           | 13,000                      | -  | 542,663                                 |
| 126 Public Affairs                           | 696,310                           | 268,373                     | -  | 427,937                                 |
| 632 Comm Outreach & Neigh Watch              | 174,885                           | -                           | -  | 174,885                                 |
| 633 Disaster Preparedness                    | 395,391                           | -                           | -  | 395,391                                 |
| 705 Economic Development                     | 340,334                           | -                           | -  | 340,334                                 |
| <b>13 City Clerk</b>                         |                                   |                             |  |   |
| 130 City Clerk                               | 503,685                           | 65,544                      | -  | 438,141                                 |
| 132 Duplicating/Mail Services                | 42,945                            | -                           | -  | 42,945                                  |
| 133 Elections                                | 257                               | -                           | -  | 257                                     |
| <b>14 City Manager Discretion</b>            |                                   |                             |  |   |
| 123 City Manager Contingency                 | 486,353                           | -                           | -  | 486,353                                 |
| <b>15 City Attorney</b>                      |                                   |                             |  |   |
| 141 City Attorney                            | 2,094,534                         | 399,766                     | -  | 1,694,768                               |
| <b>20 Law Enforcement</b>                    |                                   |                             |  |   |
| 200 Law Enforcement SC Sheriff               | 14,026,201                        | 1,070,979                   | -  | 12,955,222                              |
| 201 Interoperability Project                 | 51,736                            | -                           | -  | 51,736                                  |
| <b>31 I&amp;T Video</b>                      |                                   |                             |  |   |
| 305 Video                                    | 1,358,099                         | 9,600                       | -  | 1,348,499                               |
| 307 Public Access Support                    | 76,947                            | -                           | -  | 76,947                                  |
| <b>32 I&amp;T Applications</b>               |                                   |                             |  |   |
| 308 Applications                             | 1,943,651                         | -                           | -  | 1,943,651                               |
| <b>40 Administrative Services</b>            |                                   |                             |  |   |
| 400 Admin Services Administration            | 861,586                           | 71,556                      | -  | 790,030                                 |
| <b>41 Finance</b>                            |                                   |                             |  |   |
| 405 Accounting                               | 1,478,365                         | 1,673,028                   | -  | (194,663)                               |
| 406 Business Licenses                        | 217,481                           | -                           | -  | 217,481                                 |
| <b>44 Human Resources</b>                    |                                   |                             |  |   |
| 412 Human Resources                          | 1,340,837                         | 959,351                     | -  | 381,486                                 |
| 417 Insurance Administration                 | 892,151                           | 959,351                     | -  | (67,200)                                |
| <b>60 Recreation &amp; Community Service</b> |                                   |                             |  |   |
| 601 Rec & Comm Svcs Administration           | 1,230,112                         | -                           | -  | 1,230,112                               |
| 634 Park Planning and Restoration            | -                                 | -                           | -  | -                                       |
| 636 Library Services                         | 798,040                           | -                           | -  | 798,040                                 |

# Fiscal Year 2019-20 Adopted Budget General Fund Contribution Schedule

| Fund Type                                      | Adopted<br>Budget<br>Expenditures | Adopted Program<br>Revenues | Adopted Budget Fund<br>Balance/ Retained<br>Earnings (Usage) | Adopted<br>General Fund<br>Contribution |
|--|-----------------------------------|-----------------------------|--|---|
| <b>61 Business and Community Services</b>      |                                   |                             |  |   |
| 602 Administration                             | 742,506                           | -                           | -  | 742,506                                 |
| 605 Cultural Events                            | 302,859                           | -                           | -  | 302,859                                 |
| 630 Facilities                                 | 480,243                           | 539,282                     | -  | (59,039)                                |
| <b>62 Recreation and Education</b>             |                                   |                             |  |   |
| 608 Administration                             | 813,804                           | 25,000                      | -  | 788,804                                 |
| 623 Youth, Teen and Senior Adult Rec           | 1,416,331                         | 430,150                     | -  | 986,181                                 |
| 639 Youth and Teen Programs                    | 258,870                           | 7,500                       | -  | 251,370                                 |
| 640 Neighborhood Events                        | 169,568                           | 5,000                       | -  | 164,568                                 |
| <b>63 Sports, Safety &amp; Outdoor Rec</b>     |                                   |                             |  |   |
| 612 Park Facilities                            | 2,252,892                         | 384,000                     | -  | 1,868,892                               |
| 615 Administration                             | 114,178                           | -                           | -  | 114,178                                 |
| <b>70 Planning &amp; Community Development</b> |                                   |                             |  |   |
| 700 Community Development Admin                | 724,623                           | -                           | -  | 724,623                                 |
| <b>71 Planning</b>                             |                                   |                             |  |   |
| 701 Current Planning                           | 2,482,756                         | 1,175,000                   | -  | 1,307,756                               |
| 702 Mid Long Term Planning                     | 1,880,744                         | 225,000                     | -  | 1,655,744                               |
| 704 Annexations                                | -                                 | -                           | -  | -                                       |
| <b>72 Housing Services</b>                     |                                   |                             |  |   |
| 712 Gen Fund Human Services Grants             | 107,840                           | -                           | -  | 107,840                                 |
| <b>73 Building</b>                             |                                   |                             |  |   |
| 713 General Building                           | 791,261                           | 300,000                     | -  | 491,261                                 |
| 714 Construction Plan Check                    | 1,457,036                         | 1,049,539                   | -  | 407,497                                 |
| 715 Building Inspection                        | 1,175,096                         | 1,200,000                   | -  | (24,904)                                |
| 718 Muni-Bldg Code Enforcement                 | 97,781                            | -                           | -  | 97,781                                  |
| <b>74 Code Enforcement</b>                     |                                   |                             |  |   |
| 202 Code Enforcement                           | 887,652                           | 265,000                     | -  | 622,652                                 |
| <b>80 PW Admin</b>                             |                                   |                             |  |   |
| 800 Public Works Admin                         | 935,441                           | -                           | -  | 935,441                                 |
| <b>82 Developmental Services</b>               |                                   |                             |  |   |
| 804 Plan Review                                | 1,316,596                         | 1,661,242                   | -  | (344,646)                               |
| 806 CIP Administration                         | 1,383,694                         | -                           | -  | 1,383,694                               |
| <b>83 Service Center</b>                       |                                   |                             |  |   |
| 807 Service Center Administration              | 1,251,830                         | 85,000                      | -  | 1,166,830                               |
| <b>84 Grounds</b>                              |                                   |                             |  |   |
| 808 McClellan Ranch Park                       | 91,617                            | -                           | -  | 91,617                                  |
| 809 Memorial Park                              | 783,072                           | -                           | -  | 783,072                                 |
| 812 School Site Maintenance                    | 1,161,318                         | 135,000                     | -  | 1,026,318                               |
| 813 Neighborhood Parks                         | 1,837,003                         | -                           | -  | 1,837,003                               |
| 814 Sport Fields Jollyman CRK                  | 721,573                           | -                           | -  | 721,573                                 |
| 815 Civic Center Ground Maint                  | 248,980                           | 204,590                     | -  | 44,390                                  |
| <b>85 Streets</b>                              |                                   |                             |  |   |
| 818 Storm Drain Maintenance                    | 434,095                           | -                           | -  | 434,095                                 |
| 848 Street Lighting                            | 497,044                           | -                           | -  | 497,044                                 |
| 850 Environmental Materials                    | 166,103                           | -                           | -  | 166,103                                 |
| <b>86 Trees and Right of Way</b>               |                                   |                             |  |   |
| 824 Overpasses and Medians                     | 1,251,590                         | -                           | -  | 1,251,590                               |
| 825 Street Tree Maintenance                    | 1,338,934                         | 22,577                      | -  | 1,316,357                               |
| 826 Weekend Work Program                       | 449,792                           | -                           | -  | 449,792                                 |

# Fiscal Year 2019-20 Adopted Budget General Fund Contribution Schedule

| Fund Type                                | Adopted<br>Budget<br>Expenditures | Adopted Program<br>Revenues | Adopted Budget Fund<br>Balance/ Retained<br>Earnings (Usage) | Adopted<br>General Fund<br>Contribution |
|--|-----------------------------------|-----------------------------|--|---|
| <b>87 Facilities and Fleet</b>           |                                   |                             |  |   |
| 827 Bldg Maint City Hall                 | 642,985                           | 459,503                     | -  | 183,482                                 |
| 828 Bldg Maint Library                   | 595,393                           | 1,072,854                   | -  | (477,461)                               |
| 829 Bldg Maint Service Center            | 289,389                           | 262,382                     | -  | 27,007                                  |
| 830 Bldg Maint Quinlan Center            | 512,732                           | 385,272                     | -  | 127,460                                 |
| 831 Bldg Maint Senior Center             | 321,242                           | 264,330                     | -  | 56,912                                  |
| 832 Bldg Maint McClellan Ranch           | 179,024                           | 98,885                      | -  | 80,139                                  |
| 833 Bldg Maint Monta Vista Ct            | 158,634                           | 118,070                     | -  | 40,564                                  |
| 834 Bldg Maint Wilson                    | 97,162                            | 77,225                      | -  | 19,937                                  |
| 835 Bldg Maint Portal                    | 39,323                            | 41,483                      | -  | (2,160)                                 |
| 837 Bldg Maint Creekside                 | 87,022                            | 47,545                      | -  | 39,477                                  |
| 838 Comm Hall Bldg Maint                 | 301,343                           | 233,028                     | -  | 68,315                                  |
| 839 Teen Center Bldg Maint               | 55,445                            | 21,469                      | -  | 33,976                                  |
| 840 Park Bathrooms                       | 143,869                           | 85,967                      | -  | 57,902                                  |
| 841 BBF Facilities Maintenance           | 450,915                           | 322,155                     | -  | 128,760                                 |
| 852 Franco Traffic Operations Center     | 52,243                            | -                           | -  | 52,243                                  |
| <b>88 Transportation</b>                 |                                   |                             |  |   |
| 844 Traffic Engineering                  | 2,675,023                         | 966,184                     | -  | 1,708,839                               |
| 845 Traffic Signal Maintenance           | 554,759                           | -                           | -  | 554,759                                 |
| 846 Safe Routes 2 School                 | 553,777                           | -                           | -  | 553,777                                 |
| <b>90 Citywide - Non Departmental</b>    |                                   |                             |  |   |
| 001 No Department                        | 10,539,557                        | -                           | -  | 10,539,557                              |
| 502 EE Housing Loan                      | -                                 | -                           | -  | -                                       |
| <b>GENERAL FUND SUBTOTAL I</b>           | <b>\$ 80,104,468</b>              | <b>\$ 18,676,370</b>        | <b>\$ -</b>  | <b>\$ 61,428,098</b>                    |
| <b>General Fund Revenue/Fund Balance</b> |                                   |                             |  |   |
| General Fund Revenue                     | -                                 | 68,423,782                  | -  | (68,423,782)                            |
| Unassigned Fund Balance                  | -                                 | -                           | 6,995,684  | 6,995,684                               |
| <b>GENERAL FUND SUBTOTAL II</b>          | <b>\$ -</b>                       | <b>\$ 68,423,782</b>        | <b>\$ 6,995,684</b>  | <b>\$ (61,428,098)</b>                  |
| <b>TOTAL GENERAL FUND</b>                | <b>\$ 80,104,468</b>              | <b>\$ 87,100,152</b>        | <b>\$ 6,995,684</b>  | <b>\$ -</b>                             |
| <b>Special Revenue Fund</b>              |                                   |                             |  |   |
| Non Point Source                         | 743,278                           | 380,000                     | 296,722  | 660,000                                 |
| HCD General Administration               | 69,277                            | 72,319                      | 3,042  | -                                       |
| CDBG- Capital Grants                     | 240,202                           | 238,338                     | (1,864)  | -                                       |
| Public Service Grants                    | 50,000                            | 54,240                      | 4,240  | -                                       |
| Below Market Rate Housing                | 684,737                           | 3,000                       | (681,737)  | -                                       |
| Sidewalk, Curb and Gutter Maint          | 1,377,406                         | -                           | (1,156,406)  | 221,000                                 |
| Street Pavement Maintenance              | 3,906,202                         | 6,068,826                   | 2,162,624  | -                                       |
| Street Signs/Markings                    | 719,275                           | -                           | (719,275)  | -                                       |
| Tree Fund                                | 12,000                            | -                           | (12,000)   | -                                       |
| CIP - Storm Drain MP Implementation      | -                                 | -                           | 437,000  | 437,000                                 |
| CIP - McClellan Sidewalk Improvements    | 2,035,000                         | -                           | (2,035,000)  | -                                       |
| Non-Departmental                         | -                                 | 3,806,480                   | 3,806,480  | -                                       |
| <b>TOTAL SPECIAL REVENUE FUNDS</b>       | <b>\$ 9,837,377</b>               | <b>\$ 10,623,203</b>        | <b>\$ 2,103,826</b>  | <b>\$ 1,318,000</b>                     |
| <b>Debt Service</b>                      |                                   |                             |  |   |
| Public Facilities Corporation            | 3,172,838                         | -                           | -  | 3,172,838                               |
| <b>TOTAL DEBT SERVICE</b>                | <b>\$ 3,172,838</b>               | <b>\$ -</b>                 | <b>\$ -</b>  | <b>\$ 3,172,838</b>                     |

# Fiscal Year 2019-20 Adopted Budget General Fund Contribution Schedule

| Fund Type  | Adopted<br>Budget<br>Expenditures | Adopted Program<br>Revenues | Adopted Budget Fund<br>Balance/ Retained<br>Earnings (Usage) | Adopted<br>General Fund<br>Contribution |
|--|-----------------------------------|-----------------------------|--|---|
| <b>Capital Projects Funds</b>                    |                                   |                             |  |   |
| CIP - Preliminary Planning and Design            | 125,000                           | -                           | (125,000)  | -                                       |
| CIP - Capital Project Support                    | 52,500                            | -                           | (52,500)   | -                                       |
| CIP - McClellan Ranch Community Garden           | 1,200,000                         | 1,200,000                   | -  | -                                       |
| CIP - Citywide Community Garden                  | 300,000                           | 300,000                     | -  | -                                       |
| CIP - ADA Improvements                           | 80,000                            | 80,000                      | -  | -                                       |
| CIP - Bike Plan Implementation                   | 4,390,000                         | 4,390,000                   | -  | -                                       |
| CIP - Inclusive Play Area                        | 5,500,000                         | 5,500,000                   | -  | -                                       |
| CIP - Street Light Install Annual Infill         | 75,000                            | 75,000                      | -  | -                                       |
| CIP - Regnart Road Improvements                  | 1,150,000                         | 1,150,000                   | -  | -                                       |
| CIP - School Walk Audit Implementation           | 1,221,863                         | 1,221,863                   | -  | -                                       |
| CIP - Library Expansion                          | 5,000,000                         | 5,000,000                   | -  | -                                       |
| CIP - Civic Center Parking Analysis              | 1,000,000                         | 1,000,000                   | -  | -                                       |
| CIP - Mary Ave Protected Bikeway *               | 165,000                           | 165,000                     | -  | -                                       |
| CIP - Bubb Road Separated Bikeway Improvements * | 1,980,555                         | 1,980,555                   | -  | -                                       |
| Transfer In                                      | -                                 | -                           | 352,719  | 352,719                                 |
| Transfer Out                                     | 15,705,000                        | -                           | (15,705,000)   | -                                       |
| <b>TOTAL CAPITAL PROJECTS FUNDS</b>              | <b>\$ 37,944,918</b>              | <b>\$ 22,062,418</b>        | <b>\$ (15,529,781)</b>                                       | <b>\$ 352,719</b>                       |
| <b>Enterprise Funds</b>                          |                                   |                             |  |   |
| Resources Recovery                               | 2,365,018                         | 1,351,000                   | (1,014,018)  | -                                       |
| Golf Course                                      | 692,151                           | 327,000                     | 244,849  | 610,000                                 |
| Sports Center                                    | 2,545,563                         | 2,051,500                   | 453,937  | 948,000                                 |
| Sports Center Maintenance                        | 470,355                           | -                           | (470,355)  | -                                       |
| Youth Teen Recreation                            | 2,463,342                         | 1,037,390                   | (860,952)  | 565,000                                 |
| Outdoor Recreation                               | 1,587,760                         | 1,201,937                   | (385,823)  | -                                       |
| CIP - Sports Center Seismic Retrofit             | 1,275,000                         | 1,275,000                   | -  | -                                       |
| CIP - Quinlan Preschool Shade Structure          | 125,000                           | 125,000                     | -  | -                                       |
| <b>TOTAL ENTERPRISE FUNDS</b>                    | <b>\$ 11,524,189</b>              | <b>\$ 7,368,827</b>         | <b>\$ (2,032,362)</b>  | <b>\$ 2,123,000</b>                     |
| <b>Internal Service Funds</b>                    |                                   |                             |  |   |
| Information Services Admin                       | 297,998                           | 235,631                     | (62,367)   | -                                       |
| Information Technology                           | 2,267,832                         | 1,629,376                   | (566,456)  | 72,000                                  |
| GIS  | 1,096,093                         | 866,694                     | (229,399)  | -                                       |
| Equipment Maintenance                            | 1,565,864                         | 1,352,200                   | (213,664)  | -                                       |
| Equipment Fixed Asset Acquisition                | 594,100                           | -                           | (594,100)  | -                                       |
| Workers' Compensation Claims                     | 257,389                           | 472,652                     | 215,263  | -                                       |
| Disability Claims                                | 159,134                           | -                           | (159,134)  | -                                       |
| Leave Payouts                                    | 632,689                           | -                           | 476,311  | 1,109,000                               |
| Retiree Medical Insurance                        | 1,077,262                         | -                           | 1,314,738  | 2,392,000                               |
| <b>TOTAL INTERNAL SERVICE FUNDS</b>              | <b>\$ 7,948,361</b>               | <b>\$ 4,556,553</b>         | <b>\$ 181,192</b>  | <b>\$ 3,573,000</b>                     |
| <b>TOTAL ALL FUNDS</b>                           | <b>\$ 150,532,151</b>             | <b>\$ 131,711,153</b>       | <b>\$ (8,281,441)</b>  | <b>\$ 10,539,557</b>                    |

\* During printing production of the FY 2019-20 Adopted Budget, a transposition error occurred between the Mary Ave Protected Bikeway and Bubb Rd Separated Bikeway Improvements projects. This error has been corrected and is accurately reflected in this electronic version.

# Fiscal Year 2019-20 Adopted Budget Fund Balance Report

| Fund  | Fund                  |                                    | Adopted Budget<br>Revenue | Adopted Budget<br>Expenditures | Adopted Fund<br>Balance 7/1/2020 |
|---|-----------------------|------------------------------------|---------------------------|--------------------------------|----------------------------------|
|   | Balance<br>7/1/2018   | Projected Fund<br>Balance 7/1/2019 |                           |                                |                                  |
| 100 <b>GENERAL FUND</b>                                 | \$ 52,510,457         | \$ 39,631,790                      | \$ 87,100,152             | \$ 80,104,468                  | \$ 46,627,474                    |
| <b>SPECIAL REVENUE FUNDS</b>                            |                       |                                    |                           |                                |                                  |
| 210, Storm Drain Improvement                            | \$ 1,808,822          | \$ 638,587                         | \$ 511,741                | \$ -                           | \$ 1,150,328                     |
| 215   |                       |                                    |                           |                                |                                  |
| 230 Environmental Management/ Clean Creek / Storm Drain | 239,529               | 269,528                            | 1,040,900                 | 743,278                        | 567,150                          |
| 260, Housing & Community Development                    | 8,519,770             | 7,777,696                          | 379,397                   | 1,044,216                      | 7,112,877                        |
| 265   |                       |                                    |                           |                                |                                  |
| 270 Transportation                                      | 8,803,725             | 2,269,713                          | 9,612,457                 | 8,037,883                      | 3,844,287                        |
| 280, Park Dedication                                    | 9,859,784             | 602,496                            | 396,708                   | 12,000                         | 987,204                          |
| 281   |                       |                                    |                           |                                |                                  |
| <b>TOTAL SPECIAL REVENUE FUNDS</b>                      | <b>\$ 29,231,630</b>  | <b>\$ 11,558,020</b>               | <b>\$ 11,941,203</b>      | <b>\$ 9,837,377</b>            | <b>\$ 13,661,846</b>             |
| <b>DEBT SERVICE FUND</b>                                |                       |                                    |                           |                                |                                  |
| 365 Public Facilities Corporation                       | \$ 1,586,987          | \$ 1,586,987                       | \$ 3,172,838              | \$ 3,172,838                   | \$ 1,586,987                     |
| <b>TOTAL DEBT SERVICE FUND</b>                          | <b>\$ 1,586,987</b>   | <b>\$ 1,586,987</b>                | <b>\$ 3,172,838</b>       | <b>\$ 3,172,838</b>            | <b>\$ 1,586,987</b>              |
| <b>CAPITAL PROJECTS FUNDS</b>                           |                       |                                    |                           |                                |                                  |
| 420 Capital Improvement Fund                            | 14,947,914            | 7,433,359                          | 22,062,418                | 22,239,918                     | 7,255,859                        |
| 427 Stevens Creek Corridor Park                         | 226,593               | 138,879                            | -                         | -                              | 138,879                          |
| 429 Capital Reserve                                     | 13,955,109            | 13,504,359                         | 352,719                   | 15,705,000                     | (1,847,922)                      |
| <b>TOTAL CAPITAL PROJECTS FUNDS</b>                     | <b>\$ 29,129,616</b>  | <b>\$ 21,076,597</b>               | <b>\$ 22,415,137</b>      | <b>\$ 37,944,918</b>           | <b>\$ 5,546,816</b>              |
| <b>ENTERPRISE FUNDS</b>                                 |                       |                                    |                           |                                |                                  |
| 520 Resource Recovery                                   | \$ 5,314,631          | \$ 3,939,084                       | \$ 1,351,000              | \$ 2,365,018                   | \$ 2,925,066                     |
| 560 Blackberry Farm                                     | 229,684               | (111,043)                          | 937,000                   | 692,151                        | 133,806                          |
| 570 Sports Center                                       | 1,396,706             | 978,616                            | 4,274,500                 | 4,290,918                      | 962,198                          |
| 580 Recreation Programs                                 | 2,707,688             | 2,312,054                          | 2,929,327                 | 4,176,102                      | 1,065,279                        |
| <b>TOTAL ENTERPRISE FUNDS</b>                           | <b>\$ 9,648,709</b>   | <b>\$ 7,118,711</b>                | <b>\$ 9,491,827</b>       | <b>\$ 11,524,189</b>           | <b>\$ 5,086,349</b>              |
| <b>INTERNAL SERVICE FUNDS</b>                           |                       |                                    |                           |                                |                                  |
| 610 Information Technology                              | \$ 2,150,973          | \$ 1,343,908                       | \$ 2,803,701              | \$ 3,661,923                   | \$ 485,686                       |
| 620 Workers' Compensation                               | 1,910,468             | 1,910,468                          | 472,652                   | 257,389                        | 2,125,731                        |
| 630 Equipment   | 2,115,506             | 1,058,718                          | 1,352,200                 | 2,159,964                      | 250,954                          |
| 641 Compensated Absence & LTD                           | 386,351               | 410,579                            | 1,109,000                 | 791,823                        | 727,756                          |
| 642 Retiree Medical                                     | (25,280)              | (21,811)                           | 2,392,000                 | 1,077,262                      | 1,292,927                        |
| <b>TOTAL INTERNAL SERVICE FUNDS</b>                     | <b>\$ 6,538,018</b>   | <b>\$ 4,701,861</b>                | <b>\$ 8,129,553</b>       | <b>\$ 7,948,361</b>            | <b>\$ 4,883,053</b>              |
| <b>TOTAL ALL FUNDS</b>                                  | <b>\$ 128,645,417</b> | <b>\$ 85,673,965</b>               | <b>\$ 142,250,710</b>     | <b>\$ 150,532,151</b>          | <b>\$ 77,392,524</b>             |

## General Fund Summary

The General Fund is the City's primary operating fund. It accounts for basic services such as public safety, public works, planning and development, park maintenance, code enforcement, and the administrative services required to support them. The fund generates revenue from the City's discretionary funding sources (e.g., property tax, sales tax, transient occupancy tax and utility tax). As a rule, general fund resources are used only to fund operations that do not have other dedicated (restricted) funding sources. Operations that rely heavily upon non-general fund resources, such as street maintenance, solid waste collection, and recreation are accounted for in other funds. Information on these funds may be found in the Other Funds section of this document.

For FY 2019-20, General Fund revenue estimates (excluding fund balance) total \$87.1 million, representing a \$10.2 million, or 13.3% increase from the FY 2018-19 Adopted Budget, mostly due to an increase in sales tax, property tax, transient occupancy tax, and our cost allocation to our City's facilities division. When fund balance carryover is included, General Fund resources total \$46.6 million, which is slightly higher than the FY 2018-19 Adopted Budget of \$45.2 million.

General Fund expenditure estimates total \$80.1 million, which is slightly higher than the FY 2018-19 Adopted Budget and due to salary and benefit increases as well as additional special projects. The General Fund's ending fund balance is projected to increase by 18% from FY 2018-19 estimated ending fund balance. This is due to significant carryover appropriations from FY 2017-18 that are anticipated to be spent in FY 2018-19, thereby having a larger impact on the estimated ending fund balance in FY 2018-19.

| <b>GENERAL FUND OPERATING SUMMARY</b> |                 |                 |                  |                 |                |
|---------------------------------------|-----------------|-----------------|------------------|-----------------|----------------|
|                                       | <b>FY 16-17</b> | <b>FY 17-18</b> | <b>FY 18-19</b>  | <b>FY 19-20</b> | <b>Percent</b> |
|                                       | <b>Actual</b>   | <b>Actual</b>   | <b>Estimated</b> | <b>Adopted</b>  | <b>Change</b>  |
| Beginning Fund Balance                | 52,194,840      | 53,589,690      | 52,510,457       | 39,631,790      | -25%           |
| Operating Revenue                     | 95,163,736      | 88,226,833      | 84,404,277       | 87,100,152      | 3%             |
| Operating Expenditures                | (94,040,212)    | (89,309,589)    | (97,282,944)     | (80,104,468)    | -18%           |
| Net Revenue/Expenditures              | 1,123,524       | (1,082,756)     | (12,878,667)     | 6,995,684       | -154%          |
| Committed/Other                       | 25,531,891      | 30,805,535      | 33,437,754       | 33,826,157      | 1%             |
| Unassigned                            | 28,057,799      | 21,704,922      | 6,194,036        | 12,801,317      | 107%           |
| Total Ending Fund Balance             | 53,589,690      | 52,510,457      | 39,631,790       | 46,627,474      | 18%            |

This section provides information on the FY 2019-20 General Fund budget including expenditure and revenue highlights, transfers to other funds, reserve funds and the financial forecast.

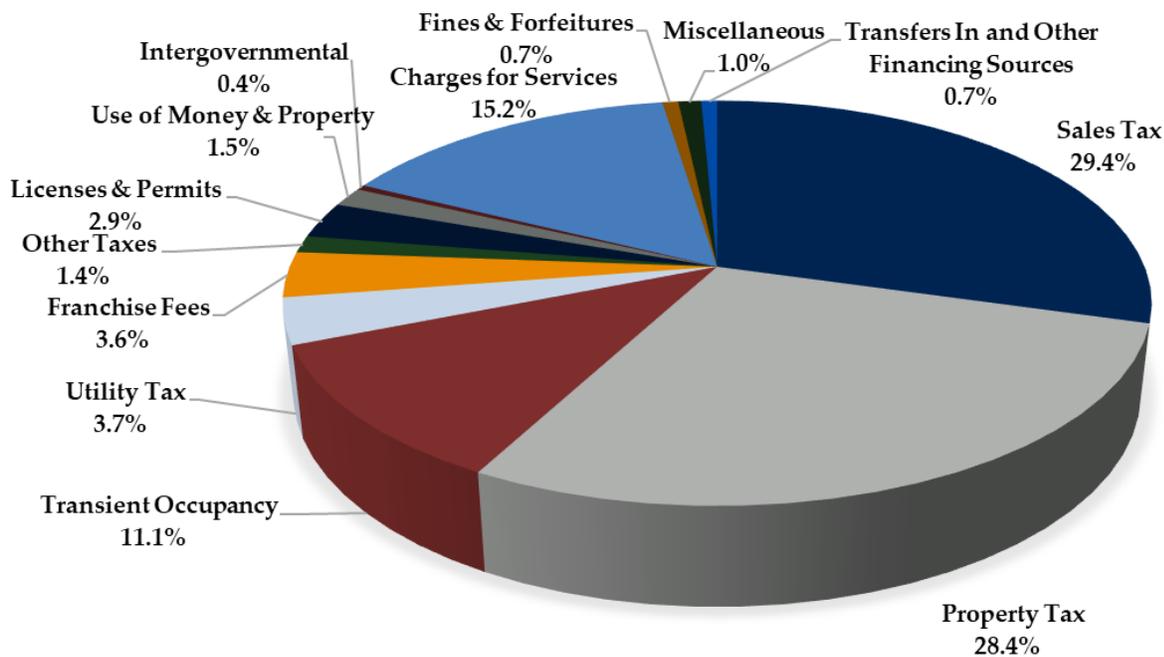
## General Fund Revenue

Estimates for the FY 2019-20 beginning fund balance and General Fund revenue sources are based upon a careful examination of collection history and patterns as they relate to such factors as seasonality and performance in the economic environment that the City is most likely to encounter in the coming year. FY 2019-20 revenue estimates are based on the anticipated increase or decrease in activity and receipts over the current year. Each source of revenue can be influenced by external (outside of the City's control) and/or internal factors. The FY 2019-20 revenue estimates are built on the assumption of moderate economic growth that continues to positively impact on the City's tax revenues, while uncertainty surrounding development activities reduces development-related fees and charges.

As shown in the chart below, FY 2019-20 revenues are estimated at \$87.1 million, a 13.3% increase over the FY 2018-19 Adopted Budget.

| <b>GENERAL FUND REVENUE SUMMARY</b> |                             |                             |                             |                             |                           |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|
| <b>REVENUES</b>                     | <b>FY 16-17<br/>Actuals</b> | <b>FY 17-18<br/>Actuals</b> | <b>FY 18-19<br/>Adopted</b> | <b>FY 19-20<br/>Adopted</b> | <b>Percent<br/>Change</b> |
| Sales Tax                           | 26,932,012                  | 26,164,531                  | 23,637,000                  | 25,637,093                  | 8.5%                      |
| Property Tax                        | 20,219,077                  | 22,433,806                  | 22,766,000                  | 24,703,218                  | 8.5%                      |
| Transient Occupancy                 | 6,023,681                   | 6,810,718                   | 8,252,000                   | 9,666,056                   | 17.1%                     |
| Utility Tax                         | 3,082,408                   | 3,146,398                   | 3,200,000                   | 3,198,644                   | 0.0%                      |
| Franchise Fees                      | 3,409,572                   | 3,563,820                   | 3,042,000                   | 3,162,457                   | 4.0%                      |
| Other Taxes                         | 2,981,883                   | 1,339,860                   | 1,150,000                   | 1,181,050                   | 2.7%                      |
| Licenses & Permits                  | 2,536,924                   | 2,757,929                   | 2,685,000                   | 2,524,000                   | -6.0%                     |
| Use of Money & Property             | 1,210,231                   | 1,342,626                   | 692,000                     | 1,330,579                   | 92.3%                     |
| Intergovernmental                   | 330,107                     | 1,000,777                   | 326,000                     | 354,547                     | 8.8%                      |
| Charges for Services                | 17,913,165                  | 10,548,179                  | 9,419,276                   | 13,233,225                  | 40.5%                     |
| Fines & Forfeitures                 | 593,122                     | 575,032                     | 615,000                     | 615,000                     | 0.0%                      |
| Miscellaneous                       | 9,931,554                   | 8,559,972                   | 1,104,200                   | 1,494,283                   | 35.3%                     |
| <b>TOTAL REVENUES</b>               | <b>95,163,735</b>           | <b>88,243,646</b>           | <b>76,888,476</b>           | <b>87,100,152</b>           | <b>13.3%</b>              |

The majority of Cupertino's General Fund operating revenues are generated by sales taxes (29%) and property taxes (28%), followed by charges for services (15%) and the transient occupancy tax (11%). The chart on the next page illustrates the sources of General Fund revenue by category.



The FY 2019-20 General Fund revenue estimates are discussed by category in the material that follows.

| SALES & USE TAX                |            |
|--------------------------------|------------|
| FY 17-18 Actual                | 26,164,531 |
| FY 18-19 Adopted               | 23,637,000 |
| FY 18-19 Estimate              | 24,537,000 |
| FY 19-20 Adopted               | 25,637,093 |
| % of General Fund              | 29.43%     |
| % Change from FY 18-19 Adopted | 8.46%      |

Sales and Use Tax commonly referred to as just the “sales tax” has two components: (1) an excise tax imposed on retailers for the privilege of selling tangible personal property, and (2) an excise tax imposed on a person and applies to purchases from out-of-state vendors that are not required to collect tax on their sales. The proceeds of sales and use taxes imposed within the boundaries of Cupertino are distributed by the State to various agencies, with the City of Cupertino receiving one percent, as shown in the chart to the right. Staff will continue to monitor the impact of the CASA Compact and the initiative’s ¼ cent sales tax

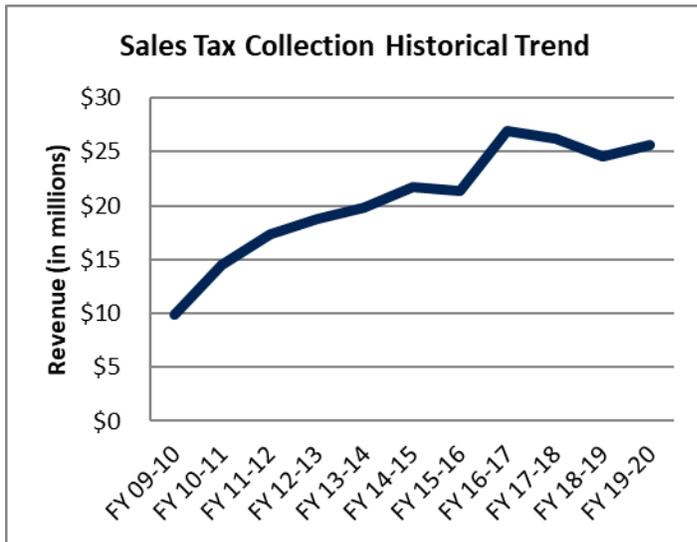
| Agency                          | Sales Tax Distribution |
|---------------------------------|------------------------|
| State                           | 6.250%                 |
| Valley Transportation Authority | 1.125%                 |
| City of Cupertino               | 1.000%                 |
| County Transportation           | 0.500%                 |
| County General Purpose          | 0.125%                 |
| <b>Total:</b>                   | <b>9.000%</b>          |

imposed on local governments as a potential new source of revenue for affordable housing. Should the City decide to include a similar measure on the ballot in November 2020, and subject to voter approval, the City has an opportunity to retain local control over the additional sales tax proceeds.

The City’s sales tax revenues are generated from five principal economic categories: business-to-business 67.0% (includes electronic equipment and software manufacturers and distributors), state and county pools 17%, restaurants and hotels 6%, general retail 4%, and fuel and service stations 3%.

Our two largest sales tax payers in the business-to-business category represent a large part of that sector and therefore can significantly affect sales tax trends. The top tax payer’s corporate and business technology spending has driven growth in this sector. Sales tax activity has increased across most sectors with a decrease primarily in construction. This decrease is attributed to the winding down of construction projects in the City, particularly, the Apple Park campus development. Given these trends, the City’s FY 2019-20 sales tax revenue is projected to show a more modest increase going forward.

Sales tax receipts increased by 26.1% in FY 2016-17 due to a onetime \$3.5 million payment related

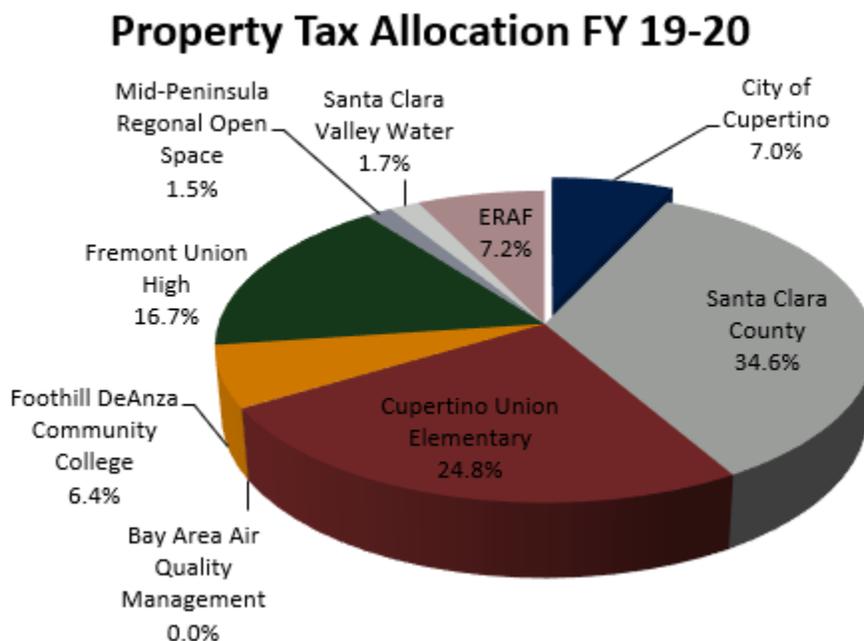


to the close out of the triple flip and took a slight dip of 2.8% in FY 2017-18. Sales tax revenue is expected to drop 6.2% in FY 2018-19 which is primarily due to double payments received in FY 2017-18. Sales tax revenues are estimated to generate \$25.6 million in FY 2019-20, which is up 8.5% from the FY 2018-19 Adopted Budget.

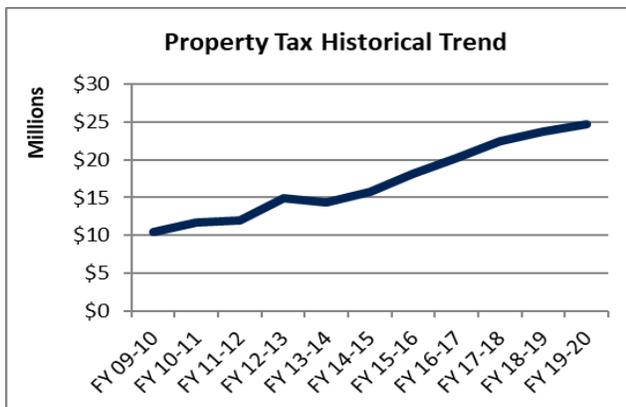
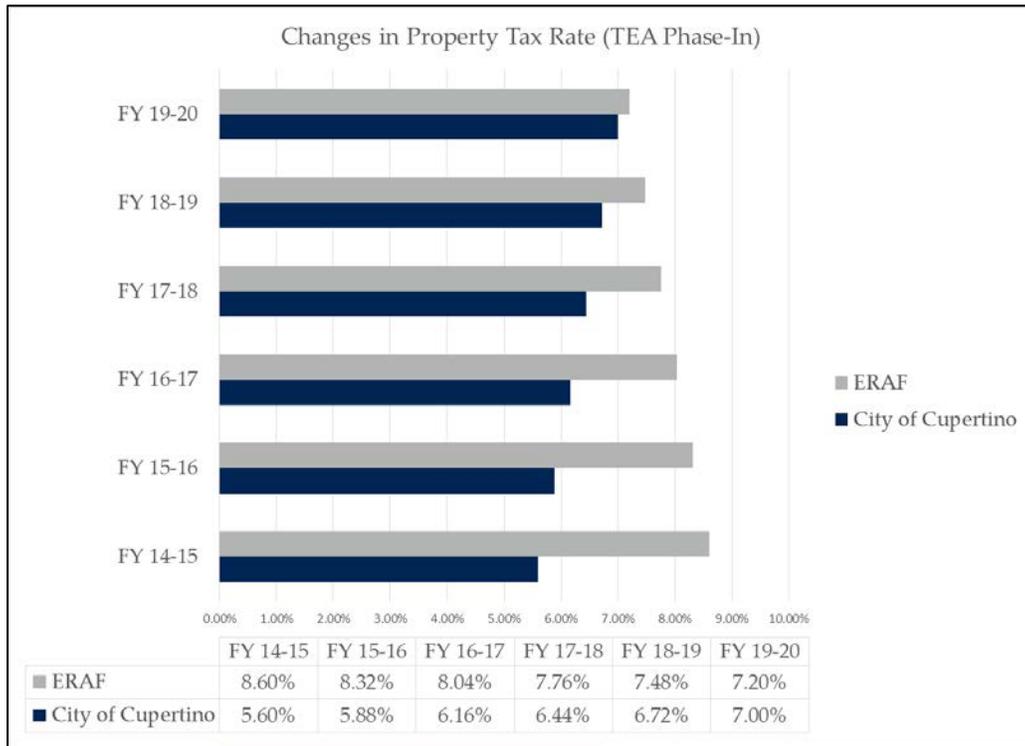
| PROPERTY TAX                   |            |
|--------------------------------|------------|
| FY 17-18 Actual                | 22,433,806 |
| FY 18-19 Adopted               | 22,766,000 |
| FY 18-19 Estimate              | 23,766,000 |
| FY 19-20 Adopted               | 24,703,218 |
| % of General Fund              | 28.36%     |
| % Change from FY 18-19 Adopted | 8.51%      |

Under current law, property is assessed at actual full cash value with the maximum levy being 1% of the assessed valuation. The assessed value of real property that has not changed ownership can be adjusted by the change in the California Consumer Price Index (CCPI) up to a maximum of 2% per year. Property which changes ownership, property which is substantially altered, newly-constructed property, State-assessed property, and personal property are assessed at the full market value in the first year and subject to the two percent cap, thereafter.

In 1978, voters approved the passage of Proposition 13, which froze property tax rates and limited the amount that rates could increase each year. Cupertino had one of the lowest property tax rates in Santa Clara County receiving only \$0.02 for every \$1.00 paid. Subsequent legislation required Counties to provide “no/low tax” cities with a Tax Equity Allocation (TEA) equal to 7% of the property tax share, however, the property tax distribution for the no/low tax cities in Santa Clara County was limited to 55% of what other TEA cities in the state received.



In FY 2006-07 West Valley cities won the passage of State legislation which restored a portion of TEA property tax revenue. This TEA change provided an additional \$1.35 million in property tax annually and increased the City's share of property taxes to 5.6%. Cupertino, in conjunction with three other West Valley cities, continued legislative efforts to gain parity with other no/low property tax cities in the state. In FY 2015-16, Governor Brown agreed to restore TEA revenues over a five-year period. As shown in the graph above, TEA will be fully restored and Cupertino will keep 7.0% of property tax revenues in FY 2019-20 compared to 6.72% in FY 2018-19. Additionally, Educational Revenue Augmentation Fund (ERAF), a mechanism, enacted in July of 1992 by the State Legislature to shift local tax revenues from cities, counties, and special districts to a State control ERAF, absorbs the shift-back of the TEA as illustrated in the chart below.



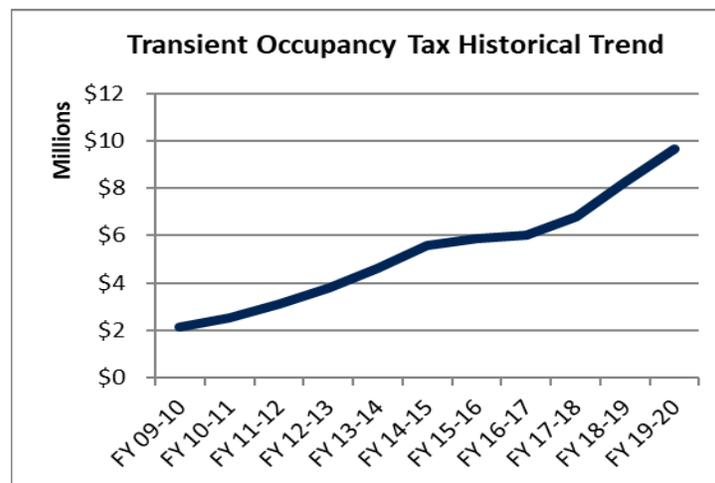
The City experienced a net taxable value increase of 8.83% for the 2018-2019 tax roll, which resulted in an increase of \$1.6 million in property taxes received. The bulk of the increase was due to increases in residential properties by \$527,000, or 5.5%. This category makes up 59% of property tax revenues. Unsecured property tax increased by \$448,000, or 60%. This category makes up 7.4% of property tax revenues. Lastly increases in commercial property values

increased by \$327,000, or 7%. This category makes up 30% of property tax revenues. The

remaining \$300,000 is made up of changes in a variety of other property tax categories and an increase to the City's property tax share, up from 6.44% in FY 2017-18 to 6.72% in FY 2018-19.

| <b>TRANSIENT OCCUPANCY TAX</b> |           |
|--------------------------------|-----------|
| FY 17-18 Actual                | 6,810,718 |
| FY 18-19 Adopted               | 8,252,000 |
| FY 18-19 Estimate              | 8,252,000 |
| FY 19-20 Adopted               | 9,666,056 |
| % of General Fund              | 11.10%    |
| % Change from FY 18-19 Adopted | 17.14%    |

Transient occupancy taxes (TOT) are levied on hotels and short-term room rentals located in the City at the rate of 12% of room revenues. In November 2011, 83% of voters approved increasing the rate from 10% to 12%. This rate increase contributed to the upward trend shown in the TOT Historical Trend graph to the right. TOT is expected to increase by 17.1% in FY 2019-20 mostly due to the opening of Hyatt House and collection of short-term rental TOT which commenced first quarter of FY 2018-19.

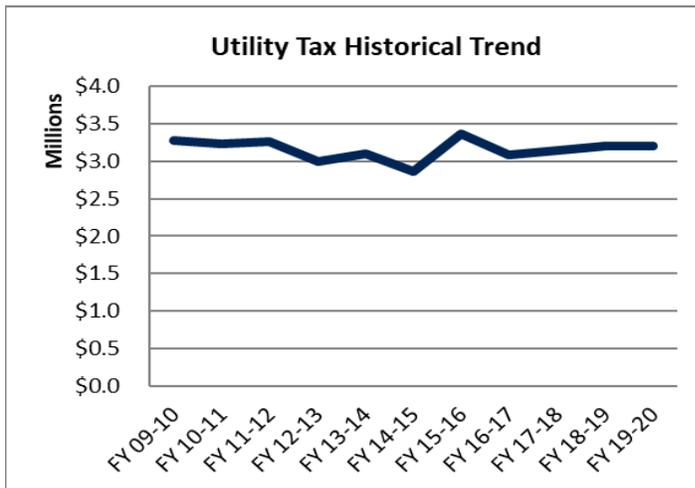


| <b>UTILITY TAX</b>             |           |
|--------------------------------|-----------|
| FY 17-18 Actual                | 3,146,398 |
| FY 18-19 Adopted               | 3,200,000 |
| FY 18-19 Estimate              | 3,200,000 |
| FY 19-20 Adopted               | 3,198,644 |
| % of General Fund              | 3.67%     |
| % Change from FY 18-19 Adopted | -0.04%    |

The utility user tax (UUT), approved by voters in 1990, is assessed on gas, electricity and telecommunication services provided within the City’s jurisdiction at a rate of 2.4% of billed charges. Revenues generated from this tax can be used for general City purposes.

| Utility User Tax Comparison |              |       |       |         |
|-----------------------------|--------------|-------|-------|---------|
|                             | Gas/Electric | Cable | Water | Telecom |
| Sunnyvale                   | 2.0%         | -     | -     | 2.0%    |
| Cupertino                   | 2.4%         | -     | -     | 2.4%    |
| Mountain View               | 3.0%         | -     | -     | 3.0%    |
| Los Altos                   | 3.5%         | 3.2%  | 3.5%  | 3.2%    |
| Palo Alto                   | 5.0%         | -     | 5.0%  | 5.0%    |
| Gilroy                      | 5.0%         | 4.5%  | -     | 4.5%    |
| San Jose                    | 5.0%         | -     | 5.0%  | 4.5%    |

The City’s tax rate is generally lower than that of other cities within Santa Clara County, as shown in the chart above. In March 2002, voters approved extending the utility tax’s sunset date from 2015 to 2030. This extension corresponded with the extended debt maturity date resulting from the refinancing of debt for capital improvement projects. To maintain tax revenues currently received from telecom services, voters passed a measure in 2009 to update the ordinance to the changing technology in this area.

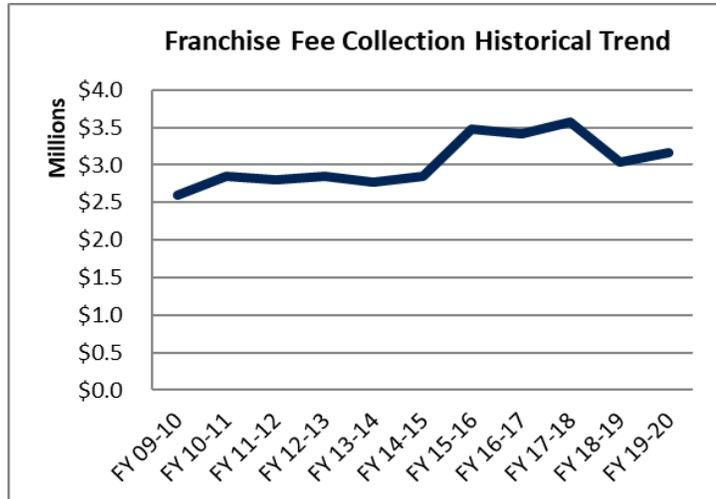


In FY 2017-18, UUT revenues increased by 2.1% compared to FY 2016-17 and are estimated to increase 1.7% in FY 2018-19. Budgeted revenues are expected to remain at \$3.2 million for FY 2019-20 and beyond. This revenue source will be monitored closely as the fiscal year progresses.

| FRANCHISE FEES                 |           |
|--------------------------------|-----------|
| FY 17-18 Actual                | 3,563,820 |
| FY 18-19 Adopted               | 3,042,000 |
| FY 18-19 Estimate              | 3,042,000 |
| FY 19-20 Adopted               | 3,162,457 |
| % of General Fund              | 3.63%     |
| % Change from FY 18-19 Adopted | 3.96%     |

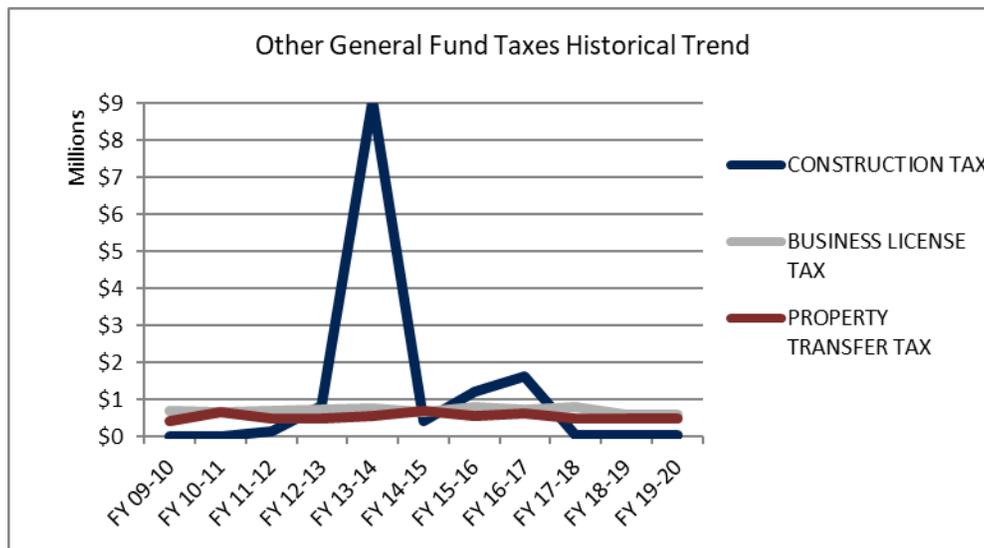
Franchise fees are received from cable, solid waste, water, gas and electricity franchisees that operate in the City. The fees range from 1% to 12% of the franchisee’s gross revenues depending on each particular agreement. As shown in the graph below, these revenues are relatively steady and not sensitive to economic fluctuations.

Franchise fee revenues increased by 4.5% in FY 2017-18 from the prior year. In FY 2018-19, franchise fee revenues are trending down 14.6% partially due to the winding down of development resulting in lower solid waste revenues. Budgeted revenues are expected to remain at approximately \$3 million for FY 2019-20. This revenue source will be monitored closely as the fiscal year progresses.



| OTHER TAXES                    |           |
|--------------------------------|-----------|
| FY 17-18 Actual                | 1,339,860 |
| FY 18-19 Adopted               | 1,150,000 |
| FY 18-19 Estimate              | 1,150,000 |
| FY 19-20 Adopted               | 1,181,050 |
| % of General Fund              | 1.36%     |
| % Change from FY 18-19 Adopted | 2.70%     |

Other taxes are comprised mainly of business license taxes, construction taxes, and property transfer taxes. As shown in the graph, business license and property transfer taxes are relatively steady while construction taxes are extremely volatile and sensitive to economic fluctuations.



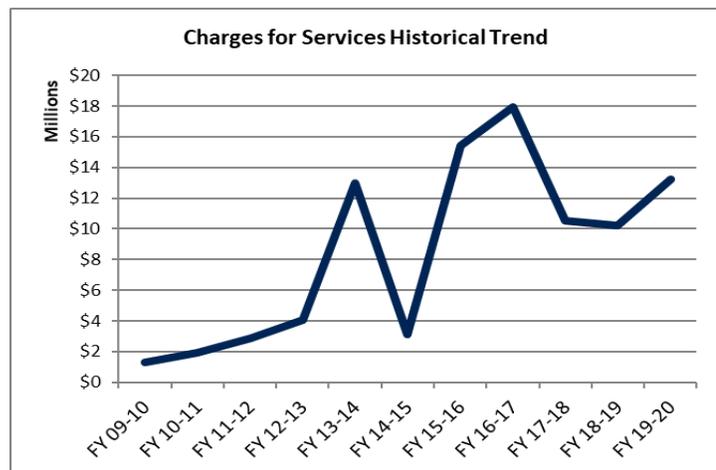
With the influx of several major construction projects beginning in 2012, revenues began increasing. The largest of the projects included the Apple Park and Main Street developments. These projects coupled with a strong housing recovery created a record year for revenues in FY

2013-14. These revenues have since returned to historic levels. In FY 2019-20, these revenues are expected to be \$1.2 million.

| <b>CHARGES FOR SERVICE</b>     |            |
|--------------------------------|------------|
| FY 17-18 Actual                | 10,548,179 |
| FY 18-19 Adopted               | 9,419,276  |
| FY 18-19 Estimate              | 10,234,276 |
| FY 19-20 Adopted               | 13,233,225 |
| % of General Fund              | 15.19%     |
| % Change from FY 18-19 Adopted | 40.49%     |

This category accounts for charges to users of City services funded by the General Fund as well as internal City-wide overhead. The City attempts to recover the cost of the services, including planning, zoning, and engineering permit processing for new property development as well as some recreation-related fees. As such, this revenue source is sensitive to economic fluctuations, as shown in the graph below. Apple Park and other large developments generated large one-time revenues in FY 2013-14 as well as FY 2015-16 and FY 2016-17.

In addition, beginning in FY 2013-14, enterprise funds, internal service funds, and special funds began charging for overhead services previously subsidized by the General Fund. Some internal strategic support services (HR, Finance, City Clerk, etc.) also began charging internal departments for their services to accurately capture the true cost of providing various programs and services within City operations. After a comprehensive cost allocation plan



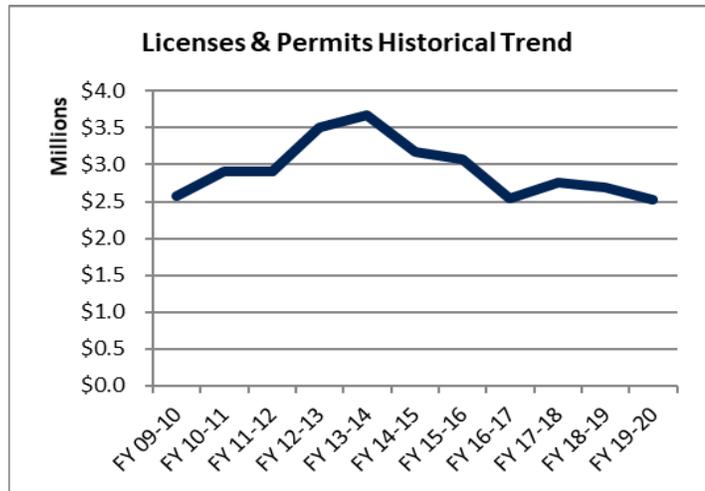
(CAP) was approved by Council in April 2016, new CAP charges were included to capture internal strategic support services that were previously excluded (City Council, Facilities, Maintenance, etc.). In FY 2015-16, the City's administration changed its methodology for tracking developer deposits driven by increased developer activity and, as a result, both budgets for revenues and expenses were increased by anticipated deposit amounts leading to another large increase in revenue.

For FY 2019-20, Charges for Services will increase to \$13.2 million largely due to an increase in CAP charges allocated to Facilities. In addition, updated fee schedules for FY 2019-20 have been approved by council and are estimated to increase approximately \$215,000 over the previous fiscal year.

| <b>LICENCES AND PERMITS</b>    |           |
|--------------------------------|-----------|
| FY 17-18 Actual                | 2,757,929 |
| FY 18-19 Adopted               | 2,685,000 |
| FY 18-19 Estimate              | 2,685,000 |
| FY 19-20 Adopted               | 2,524,000 |
| % of General Fund              | 2.90%     |
| % Change from FY 18-19 Adopted | -6.00%    |

Licenses and permits include fees for reviewing building plans, building inspections, construction, tenant improvements, and commercial/residential installations for compliance with state and municipal building codes.

The Apple Park project and large residential projects (Rosebowl, Biltmore expansion, Main Street) generated significant permitting revenues in FY 2013-14. Since then, activity has slowed. FY 2017-18 revenues came in 8.7% higher and another 2.6% drop was projected as part of the FY 2018-19 Adopted Budget due to the winding down of construction projects in the City. Revenue estimates for FY 2019-20 are down 6%.



| <b>USE OF MONEY AND PROPERTY</b> |           |
|----------------------------------|-----------|
| FY 17-18 Actual                  | 1,342,626 |
| FY 18-19 Adopted                 | 692,000   |
| FY 18-19 Estimate                | 692,000   |
| FY 19-20 Adopted                 | 1,330,579 |
| % of General Fund                | 1.53%     |
| % Change from FY 18-19 Adopted   | 92.28%    |

The use of money and property category is comprised of General Fund interest earnings as well as facility and concession rental income of City-owned property. The City's portfolio is approximately \$138.0 million. Fluctuations in this revenue category are a result of investment earnings, as rental income is fairly steady.

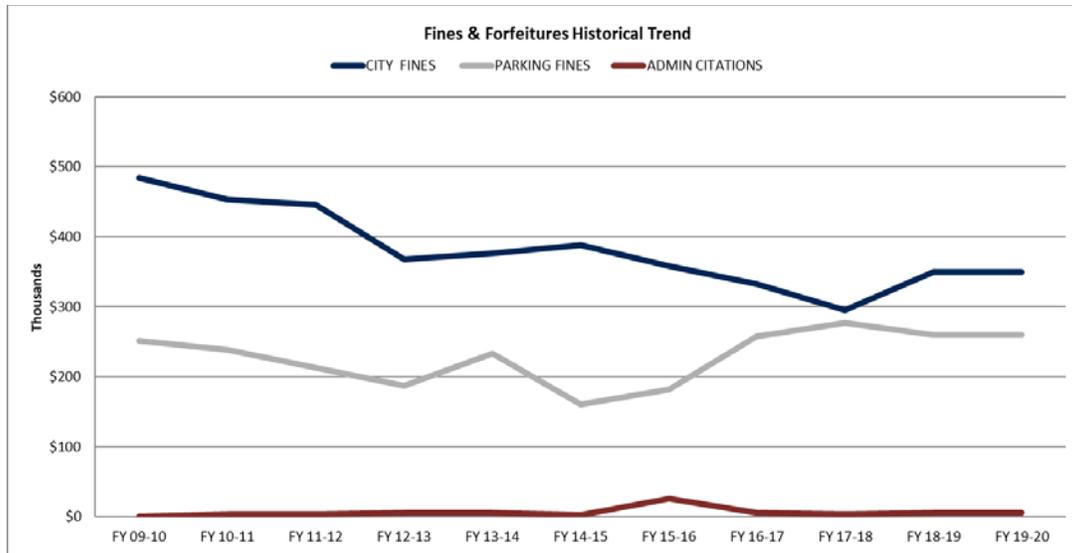


Investment earnings are a function of the amount of excess cash available for investment, current interest rates, and composition of investments. The City's investment policy requires investments to be made in this order of priority: safety, liquidity, and yield. The unprecedented turmoil in the financial markets and state cash flow problems necessitated a weighting of the portfolio toward safety and lower average yields. In March 2019, the Federal Reserve left short-term interest rates at 2.5%, the same as the previous quarter and 1% higher than the previous year.

Economists predict interest rates will remain relatively consistent over the near term with slight chances of additional minor rate hikes. Due to the increases in rates over the previous fiscal year as well as the outsourcing of the City's investment management function, the City estimates a \$639,000, or 92%, increase over the previously conservative budgeted amount. Given the high levels of uncertainty, City staff will continue to monitor interest rates as well as economic factors in both the local as well as the national economy.

| FINES AND FORFEITURES          |         |
|--------------------------------|---------|
| FY 17-18 Actual                | 575,032 |
| FY 18-19 Adopted               | 615,000 |
| FY 18-19 Estimate              | 615,000 |
| FY 19-20 Adopted               | 616,678 |
| % of General Fund              | 0.71%   |
| % Change from FY 18-19 Adopted | 0.27%   |

Fines and forfeitures account for revenues generated from vehicle, parking, and miscellaneous code violations issued by the County Sheriff and the City's Code Enforcement officers. Parking fine revenues have increased with the addition of a part-time Code Enforcement Officer. Fines and forfeiture revenue is projected to remain relatively flat in FY 2018-19. In FY 2019-20 revenues are expected to remain at this level.



| <b>INTERGOVERNMENTAL</b>       |           |
|--------------------------------|-----------|
| FY 17-18 Actual                | 1,000,777 |
| FY 18-19 Adopted               | 326,000   |
| FY 18-19 Estimate              | 326,000   |
| FY 19-20 Adopted               | 354,547   |
| % of General Fund              | 0.41%     |
| % Change from FY 18-19 Adopted | 8.76%     |

Intergovernmental revenues are made up of federal, state, and regional grants, including miscellaneous intergovernmental revenue. Current year actuals may come in higher compared to budgeted levels due to anticipated State mandate reimbursements. In FY 2019-20, revenues of \$354,547 are anticipated.

| <b>MISCELLANEOUS REVENUE</b>   |           |
|--------------------------------|-----------|
| FY 17-18 Actual                | 8,559,972 |
| FY 18-19 Adopted               | 1,104,200 |
| FY 18-19 Estimate              | 5,905,001 |
| FY 19-20 Adopted               | 1,494,283 |
| % of General Fund              | 1.72%     |
| % Change from FY 18-19 Adopted | 35.33%    |

Miscellaneous revenues account for the sale of land and other miscellaneous revenues such as administrative fees. FY 2018-19 miscellaneous revenue is estimated to come in about \$4.8 million higher than budgeted due to refundable deposit revenue associated with development projects and a donation from Apple for Law Enforcement Services in the amount of \$558,000. Miscellaneous revenue is expected to decline and is projected to be \$1.5 million for FY 2019-20.

## General Fund Expenditures

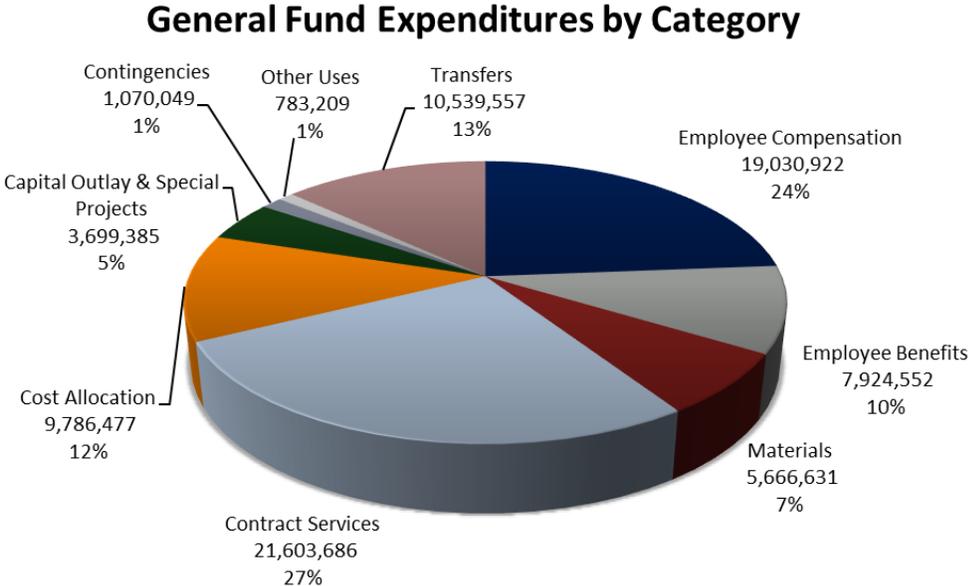
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Estimates for the FY 2019-20 General Fund expenditures are based upon anticipated personnel and non-personnel cost increases. This year, department budgets reflect a zero-base budget in which all expenses were justified, removing any one-time costs, and accounting for changes in personnel costs and any other anticipated/known increased costs in FY 2019-20. In the zero-base process, every function of the City is analyzed for its needs and costs. The budget is then built around what is needed for the upcoming period, regardless of whether each budget is higher or lower than the previous fiscal year.

In addition, most budgets were given additional funds for any unexpected expenditures that are accounted for in the contingency account. Lastly, per the City's Reserve policy, an unassigned General Fund balance above the \$500,000 maximum balance will be transferred to the Capital Fund for future capital and infrastructure projects, after year-end close and as part of the mid-year budget. As shown in the chart on the next page, FY 2019-20 expenditures are estimated at \$80.1 million, which represents a 3% increase compared to the adopted budget from the prior year. This budget reflects a decrease in Employee Compensation and Benefits due to a more accurate reflection of part-time staff charges and a decrease in four full-time positions in the City Attorney's Office due to that function being provided through a contract with an outside law firm. There is also a slight decrease in Materials primarily due to the zero-base budget process which provides a more accurate reflection of actual expenditures. Additionally, there is an increase in Contract Services primarily attributed to an increase in General Service Agreements for outsourcing City Attorney functions as well as an increase in Law Enforcement Services for Apple Park and annual increases to the City's Law Enforcement contract with Santa Clara County Sheriff as per the agreement. Lastly, we see an increase in capital outlay and special projects which are mostly attributable to the Shuttle Bus Pilot Program.

| GENERAL FUND EXPENDITURE SUMMARY  |                   |                   |                   |                   |            |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|------------|
|                                   | 2016-2017         | 2017-2018         | 2018-2019         | 2019-2020         | %          |
| EXPENDITURES                      | Actuals           | Actuals           | Adopted           | Adopted           | Change     |
| Employee Compensation             | 15,019,952        | 16,974,470        | 19,349,144        | 19,030,922        | -2%        |
| Employee Benefits                 | 6,522,993         | 7,109,183         | 8,059,818         | 7,924,552         | -2%        |
| <b>Total Personnel Costs</b>      | <b>21,542,944</b> | <b>24,083,653</b> | <b>27,408,962</b> | <b>26,955,474</b> | <b>-2%</b> |
| <b>Non-Personnel Costs</b>        |                   |                   |                   |                   |            |
| Materials                         | 3,637,591         | 4,985,037         | 5,772,556         | 5,666,631         | -2%        |
| Contract Services                 | 17,366,277        | 17,853,413        | 19,461,836        | 21,603,686        | 11%        |
| Cost Allocation                   | 13,459,891        | 8,101,838         | 9,368,223         | 9,786,477         | 4%         |
| Capital Outlay & Special Projects | 8,919,870         | 9,847,615         | 2,161,298         | 3,699,385         | 71%        |
| Contingencies                     | 1,186             | 911               | 1,197,933         | 1,070,049         | -11%       |
| Other Uses                        | 146,722           | 307,751           | 910,000           | 783,209           | -14%       |
| <b>Total Non-Personnel</b>        | <b>43,531,537</b> | <b>41,096,565</b> | <b>38,871,846</b> | <b>42,609,437</b> | <b>10%</b> |
| <b>Transfers</b>                  | <b>28,965,731</b> | <b>24,129,372</b> | <b>11,358,912</b> | <b>10,539,557</b> | <b>-7%</b> |
| <b>TOTAL EXPENDITURES</b>         | <b>94,040,212</b> | <b>89,309,589</b> | <b>77,639,720</b> | <b>80,104,468</b> | <b>3%</b>  |

The largest General Fund operating expenditure categories include Employee Compensation and Benefits (34%), Contract Services (28%), Cost Allocation (13%), and Transfers Out (13%) as illustrated in the FY 2019-20 General Fund Expenditures by Category chart.



**Personnel Costs**

Personnel costs total \$26.96 million in FY 2019-20, comprising 34% of General Fund expenditures. These costs are made up of salaries and compensation for benefitted and part-time staff (71%), retirement benefits (17%), and other fringe benefits (12%), including health coverage.

Costs were calculated by taking an extract of payroll system information. This individual position-level information was then reviewed, corrected, and updated by each department to include current vacancies and filled positions, accurate salary step status, as well as any position reallocations. Also, all categories of benefit costs in the coming year were projected. The most recent retirement plan and health plan information for each position was also updated from the payroll system. Not included in personnel costs, is the ongoing contribution for retiree healthcare which is included in the transfers category. Costs in salary and benefits are down primarily due to the zero-base process which provides a more accurate reflection of part-time staff charges, a decrease in four full-time positions in the City Attorney’s Office due to outsourcing City Attorney functions, and no cost of living increase or equity negotiated as part of the labor agreements.

CalPERS retirement rates are projected to increase 6.3%, as per the most recent actuarial valuation report from CalPERS. In addition, the CalPERS discount rate is projected to remain at 7% as the CalPERS board has not made any additional changes since December 2017. Future actuarial assumptions project changes to the discount rate and these projections are reflected in the General Fund forecast section of the budget.

A total of 202.75 FTEs are budgeted in FY 2019-20, up from 201.75 in FY 2018-19. This increase of 1.0 FTEs represents a 0.5% increase in staffing. The change in positions is summarized below:

|  |               |
|--|---------------|
| <b>FY 2018-19 Adopted Budget</b>                         | <b>201.75</b> |
| Limited Term Public Works Project Manager (Council Item) | 1.00          |
| Senior Office Assistant (1st Quarter)                    | 1.00          |
| City Attorney Office Outsourcing                         | -4.00         |
| Building Inspector (Term Ended)                          | -1.00         |
| <b>FY 2019-20 Adopted Budget</b>                         |               |
| Accounting Technician                                    | 1.00          |
| Senior Office Assistant                                  | 1.00          |
| Maintenance Worker I/II                                  | 1.00          |
| Assistant Engineer                                       | 1.00          |
| <b>FY 2019-20 Benefitted Positions</b>                   | <b>202.75</b> |

Positions requested as part of the Adopted Budget are summarized below:

| Department(s)                               | Classification          | Salaries         | Benefits         | Total<br>Costs   | Funding Source/Purpose  |
|---|-------------------------|------------------|------------------|------------------|---|
| Public Works                                | Senior Office Assistant | \$64,725         | \$37,772         | \$102,497        | General Fund<br>Replace 2 Part-time Staff Currently<br>Working on Administrative Duties                           |
| Public Works                                | Maintenance Worker I/II | \$60,267         | \$36,796         | \$97,063         | General Fund<br>Street Tree Maintenance Program   |
| Public Works                                | Assistant Engineer      | \$121,124        | \$53,876         | \$175,000        | General Fund<br>Implementation of Bike/Ped Donation<br>funded projects  |
| Administrative Services                     | Accounting Technician   | \$87,975         | \$44,720         | \$132,695        | General Fund<br>Intradivisional re-org and segregation<br>of duties to implement internal control<br>enhancements |
| <b>POSITIONS FUNDED BY THE GENERAL FUND</b> |                         | <b>\$334,091</b> | <b>\$173,164</b> | <b>\$507,255</b> |   |

### Non-Personnel

Non-personnel costs total \$42.6 million in FY 2019-20, comprising 53% of General Fund budgeted appropriations. These costs are primarily made up of Contract Services (27%), Cost Allocation charges (12%), Materials (7%), Capital Outlays and Special Projects (5%) and Contingencies (1%). Costs were developed based on the new zero-base budget process with adjustments for FY 2019-20 funding needs. One-time projects were moved to a separate category in FY 2013-14 to ensure that expenditure trends reflect ongoing expenditure needs. In FY 2017-18, a concerted effort was made to differentiate costs related to special projects and capital outlays that are required to be depreciated. A special projects series was created in the contracts section of accounts for any new special projects going forward.

Contingencies totaling 5% of the total General Fund's materials and contract services base budgets have been established. This contingency level is within the recommended range by the Government Finance Officers Association. Contingencies have been allocated proportionately amongst operating programs based on each program's share of General Fund budget for contractual services and supplies and materials. The remaining is allocated to the City Manager's Discretionary Program. Program contingency budgets may be used to cover unanticipated program expenses at the department's discretion, while the use of the City Manager's Discretionary Program will require City Manager approval. The 5% is consistent with best practices adopted by the Governmental Accounting Standards Board (GASB) which recommends a 5-15% contingency. The Sheriff's and City Attorney services contracts are excluded from the contingency calculation.

## General Fund Transfers

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Transfers out represent transfers of monies out of the General Fund to various other funds. These transfers provide resources to the receiving fund to support operating and capital project costs. For Fiscal Year 2019-20, budgets have been established for the following transfers.

| <b>Transfer Out from General Fund</b> | <b>Description</b>   | <b>Amount</b>        |
|---------------------------------------|--|----------------------|
| Special Revenue Funds                 | Storm Drain, Non-Point Source, Sidewalk, Curb and Gutter Maintenance     | \$ 1,318,000         |
| Debt Service Funds                    | Annual Debt Service Payment  | \$ 3,172,838         |
| Capital Projects Funds                | Library Expansion Room   | \$ 352,719           |
| Enterprise Funds                      | Blackberry Farm Golf Course, Sports Center Operation, Outdoor Recreation | \$ 2,123,000         |
| Internal Service Funds                | IT Infrastructure, Subsidy of Compensated Absences and Retiree Medical   | \$ 3,573,000         |
|                                       | <b>TOTAL GENERAL FUND TRANSFERS OUT</b>                                  | <b>\$ 10,539,557</b> |

## General Fund Fund Balance

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As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for governmental funds are made up of the following:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: prepaid items, property held for resale and long-term notes receivable.

Restricted Fund Balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action (resolution) that imposed the constraint originally.

Assigned Fund Balance – comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by the City Council or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. Through the adopted budget, the City Council establishes assigned fund balance policy levels and also sets the means and priority for the City Manager to fund these levels.

Unassigned Fund Balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure may be made for which amounts are available in multiple fund balance classifications, the fund balance in General Fund will generally be used in the order of restricted, unassigned, and then assigned reserves. In other governmental funds, the order will generally be restricted and then assigned.

## Fiscal Year 2019-20 Adopted Budget

### General Fund Classification of Fund Balance

| CLASSIFICATION             | Actuals<br>2016-17 | Actuals<br>2017-18 | Adopted<br>Budget<br>2018-19 | Year End<br>Projection<br>2018-19 | Adopted<br>2019-20 |
|----------------------------|--------------------|--------------------|------------------------------|-----------------------------------|--------------------|
| <u>Non Spendable</u>       |                    |                    |                              |                                   |                    |
| Loans Receivable           | 851,714            | 458,893            | 460,047                      | 455,000                           | 455,000            |
| Prepaid Items              | 25,225             | 6,000              | 6,000                        | 6,000                             | -                  |
| <b>Total Non Spendable</b> | <b>876,939</b>     | <b>464,893</b>     | <b>466,047</b>               | <b>461,000</b>                    | <b>455,000</b>     |
| <u>Restricted</u>          |                    |                    |                              |                                   |                    |
| Public Access Television   | 1,016,771          | 1,254,578          | 843,000                      | 1,237,403                         | 1,237,403          |
| Section 115 Pension Trust  | -                  | -                  | -                            | 8,000,000                         | 8,000,000          |
| <b>Total Restricted</b>    | <b>1,016,771</b>   | <b>1,254,578</b>   | <b>843,000</b>               | <b>9,237,403</b>                  | <b>9,237,403</b>   |
| <u>Committed</u>           |                    |                    |                              |                                   |                    |
| Economic Uncertainty       | 19,000,000         | 19,000,000         | 19,000,000                   | 19,000,000                        | 19,000,000         |
| Sustainability Reserve     | -                  | 122,754            | 75,499                       | 122,754                           | 122,754            |
| PERS                       | -                  | 4,793,000          | 8,000,000                    | -                                 | -                  |
| <b>Total Committed</b>     | <b>19,000,000</b>  | <b>23,915,754</b>  | <b>27,075,499</b>            | <b>19,122,754</b>                 | <b>19,122,754</b>  |
| <u>Assigned</u>            |                    |                    |                              |                                   |                    |
| PERS                       | 100,000            | -                  | -                            | -                                 | -                  |
| Reserve for Encumbrances   | 4,538,181          | 5,170,310          | 7,932,000                    | 5,011,000                         | 5,011,000          |
| <b>Total Assigned</b>      | <b>4,638,181</b>   | <b>5,170,310</b>   | <b>7,932,000</b>             | <b>5,011,000</b>                  | <b>5,011,000</b>   |
| <b>Total Unassigned</b>    | <b>28,057,799</b>  | <b>21,704,922</b>  | <b>8,893,982</b>             | <b>5,799,633</b>                  | <b>12,801,317</b>  |
| <b>TOTAL FUND BALANCE</b>  | <b>53,589,690</b>  | <b>52,510,457</b>  | <b>45,210,528</b>            | <b>39,631,790</b>                 | <b>46,627,474</b>  |

## All Funds Summary

This section provides information on the FY 2019-20 Special Revenue, Debt Service, Capital Project, Enterprise and Internal Service Funds budgets including, expenditure and revenue highlights, transfers to other funds, reserve funds and the financial forecast.

### Revenue Estimates

Estimates for FY 2019-20 fund balance and individual revenue accounts are based upon a careful examination of the collection history and patterns as they relate to such factors as seasonality and performance in the economic environment that the City is most likely to encounter in the coming year. Each source of revenue can be influenced by external (outside of the City's control) and/or internal factors. The FY 2019-20 revenue estimates are built on the assumption that the economy will continue to experience modest growth.

### Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special Revenue Funds include the Park Dedication, Transportation, Storm Drain, and Environmental Management/Clean Creeks funds.

### Revenue

Revenue sources for special revenue funds are summarized in the table below and discussed in greater detail following the table:

| REVENUE SOURCES              | 2017-18             | 2018-19             | 2019-20             |
|------------------------------|---------------------|---------------------|---------------------|
|                              | Actuals             | Projected           | Adopted Budget      |
| Other Taxes                  | 603,792             | 3,000               | 453,404             |
| Use of Money & Property      | 198,968             | 89,310              | 15,700              |
| Intergovernmental            | 2,321,520           | 3,822,881           | 7,554,533           |
| Charges for Services         | 416,777             | 370,000             | 391,045             |
| Miscellaneous Revenue        | 819,265             | 185,000             | 2,198,521           |
| Fines and Forfeitures        | 27,902              | 9,000               | 10,000              |
| Transfers In                 | 12,804,291          | 8,086,000           | 1,318,000           |
| <b>Total Revenue Sources</b> | <b>\$17,192,514</b> | <b>\$12,565,191</b> | <b>\$11,941,203</b> |

Revenues are projected to decrease by approximately \$624,000 dollars, largely due to a reduction in one-time transfers in from the General Fund that is offset with an increase in SB1 funding.

## Expenditures

Expenditure uses for special revenue funds are summarized in the table below and discussed in greater detail following the table:

| EXPENDITURE USES               | 2017-18             | 2018-19             | 2019-20            |
|--------------------------------|---------------------|---------------------|--------------------|
|                                | Actuals             | Projected           | Adopted Budget     |
| Employee Compensation          | 985,135             | 1,008,539           | 1,025,568          |
| Employee Benefits              | 482,739             | 506,041             | 504,775            |
| Materials                      | 616,759             | 1,188,992           | 728,939            |
| Contract Services              | 515,546             | 1,150,817           | 727,897            |
| Cost Allocation                | 550,748             | 425,454             | 486,532            |
| Capital Outlays                | 2,632,816           | 16,604,531          | 3,035,000          |
| Special Projects               | 13,447,889          | 9,190,048           | 3,280,000          |
| Contingencies                  | -                   | 35,702              | 36,666             |
| Transfers Out                  | 2,505,604           | 135,000             | 12,000             |
| <b>Total Expenditures Uses</b> | <b>\$21,737,235</b> | <b>\$30,245,124</b> | <b>\$9,837,377</b> |

Expenditures are projected to decrease by \$20.4 million dollars primarily due to a shift from improving City roads to maintaining City roads.

## Fund Balance

Fund balance represents fund savings and is calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending fund balance.

| CHANGES TO FUND BALANCE                 | 2017-18             | 2018-19             | 2019-20             |
|---|---------------------|---------------------|---------------------|
|   | Actuals             | Projected           | Adopted Budget      |
| Beginning Balance                       | 33,776,352          | 29,231,630          | 11,551,698          |
| Net Increase (Decrease) in Fund Balance | (4,544,722)         | (17,679,933)        | 2,103,826           |
| <b>Ending Balance</b>                   | <b>\$29,231,630</b> | <b>\$11,551,698</b> | <b>\$13,655,524</b> |

## Debt Service Fund

The Debt Service Fund provides for the payment of principal, interest, and associated administrative costs incurred with the issuance of debt instruments for the City's Public Facilities Corporation. The budget funds the Corporation's annual payment of principal and interest on the City Hall/Community Hall/Library Certificates of Participation (COP) that will be paid off by July 1, 2030.

## Revenue

Revenue sources for the Debt Service Funds are summarized in the table below and discussed in greater detail following the table:

| REVENUE SOURCES              | 2017-18            | 2018-19            | 2019-20            |
|------------------------------|--------------------|--------------------|--------------------|
|                              | Actuals            | Projected          | Adopted Budget     |
| Use of Money & Property      | 19,037             | -                  | -                  |
| Transfers In                 | 3,167,544          | 3,169,438          | 3,172,838          |
| <b>Total Revenue Sources</b> | <b>\$3,186,581</b> | <b>\$3,169,438</b> | <b>\$3,172,838</b> |

Revenues are expected to remain relatively unchanged.

## Expenditures

Expenditure uses for Debt Service Funds are summarized in the table below and discussed in greater detail following the table:

| EXPENDITURE USES               | 2017-18            | 2018-19            | 2019-20            |
|--------------------------------|--------------------|--------------------|--------------------|
|                                | Actuals            | Projected          | Adopted Budget     |
| Debt Service                   | 3,196,828          | 3,169,438          | 3,172,838          |
| <b>Total Expenditures Uses</b> | <b>\$3,196,828</b> | <b>\$3,169,438</b> | <b>\$3,172,838</b> |

Expenditures are expected to remain relatively unchanged. This represents a repayment of debt and payments which are fixed for the life of the loan.

## Fund Balance

Fund balance represents fund savings and is calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending fund balance.

| CHANGES TO FUND BALANCE                 | 2017-18            | 2018-19            | 2019-20            |
|---|--------------------|--------------------|--------------------|
|   | Actuals            | Projected          | Adopted Budget     |
| Beginning Balance                       | 1,597,234          | 1,586,987          | 1,586,987          |
| Net Increase (Decrease) in Fund Balance | (10,247)           | -                  | -                  |
| <b>Ending Balance</b>                   | <b>\$1,586,987</b> | <b>\$1,586,987</b> | <b>\$1,586,987</b> |

### Capital Project Funds

This fund pays for the acquisition of major capital facilities and/or construction of major capital projects.

### Revenue

Revenue sources for Capital Project Funds are summarized in the table below and discussed in greater detail following the table:

| REVENUE SOURCES              | 2017-18              | 2018-19              | 2019-20              |
|------------------------------|----------------------|----------------------|----------------------|
|                              | Actuals              | Projected            | Adopted Budget       |
| Miscellaneous                | 1,800,000            | -                    | 7,757,418            |
| Charges for Services         | 216,668              | -                    | -                    |
| Transfers In                 | 22,234,400           | 23,619,426           | 14,657,719           |
| <b>Total Revenue Sources</b> | <b>\$ 24,251,069</b> | <b>\$ 23,619,426</b> | <b>\$ 22,415,137</b> |

Revenue is projected to decrease by \$1.2 million. This decrease is due to a reduction in transfers in from the General Fund and Capital Reserve to fund various Capital Improvement Program projects in FY 2019-20.

### Expenditures

Expenditure uses for Capital Project Funds are summarized in the table below and discussed in greater detail following the table:

| EXPENDITURE USES               | 2017-18             | 2018-19             | 2019-20             |
|--------------------------------|---------------------|---------------------|---------------------|
|                                | Actuals             | Projected           | Adopted Budget      |
| Employee Compensation          | 41,450              | -                   | -                   |
| Employee Benefits              | 16,700              | -                   | -                   |
| Materials                      | 100,247             | -                   | -                   |
| Contract Services              | 62,977              | 4,246,602           | 175,000             |
| Capital Outlays                | 3,092,103           | 10,381,417          | 22,062,418          |
| Contingencies                  | -                   | -                   | 2,500               |
| Transfers Out                  | 17,113,949          | 17,027,250          | 15,705,000          |
| <b>Total Expenditures Uses</b> | <b>\$20,427,427</b> | <b>\$31,655,269</b> | <b>\$37,944,918</b> |

Expenditures are projected to increase by \$6.3 million dollars due to various Capital Improvement Program projects such as the All-Inclusive Playground and the Library Expansion Room.

### Fund Balance

Fund balance represents fund savings and is calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending fund balance.

| CHANGES TO FUND BALANCE                 | 2017-18             | 2018-19             | 2019-20            |
|---|---------------------|---------------------|--------------------|
|   | Actuals             | Projected           | Adopted Budget     |
| Beginning Balance                       | 25,305,974          | 29,129,616          | 21,093,773         |
| Net Increase (Decrease) in Fund Balance | 3,823,642           | (8,035,843)         | (15,529,781)       |
| <b>Ending Balance</b>                   | <b>\$29,129,616</b> | <b>\$21,093,773</b> | <b>\$5,563,992</b> |

### Enterprise Funds

Enterprise Funds are set up for the provision of specific services that are funded directly by fees charged for those goods or services. Enterprise Funds include the Resource Recovery, Sports Center, Blackberry Farm Golf Course and Recreation funds.

### Revenue

Revenue sources for Enterprise Funds are summarized in the table below and discussed in greater detail following the table:

| REVENUE SOURCES              | 2017-18            | 2018-19            | 2019-20            |
|------------------------------|--------------------|--------------------|--------------------|
|                              | Actuals            | Projected          | Adopted Budget     |
| Use of Money & Property      | 271,414            | 317,000            | 28,000             |
| Intergovernmental            | 14,781             | 15,000             | 15,000             |
| Charges for Services         | 7,546,219          | 7,226,398          | 5,859,827          |
| Miscellaneous Revenue        | 69,114             | 66,000             | 66,000             |
| Transfers In                 | 799,996            | 75,000             | 3,523,000          |
| <b>Total Revenue Sources</b> | <b>\$8,701,523</b> | <b>\$7,699,398</b> | <b>\$9,491,827</b> |

Revenue is projected to increase by \$1.8 million and is primarily driven by anticipated decreases in charges for services due to amendments to the City’s contract with Recology and the use of dump boxes. Additionally, an increase in transfers due to the department using unassigned fund balance to cover operational shortages. As part of the budget process each fund is evaluated. Funds that are bringing in less revenue than they are expending require the use of fund balance or a subsidy from the General Fund.

## Expenditures

Expenditure uses for Enterprise Funds are summarized in the table below and discussed in greater detail following the table:

| EXPENSE USES              | 2017-18             | 2018-19             | 2019-20             |
|---------------------------|---------------------|---------------------|---------------------|
|                           | Actuals             | Projected           | Adopted Budget      |
| Employee Compensation     | 1,865,184           | 1,902,484           | 1,942,661           |
| Employee Benefits         | 709,060             | 566,178             | 564,863             |
| Materials                 | 487,364             | 568,109             | 463,844             |
| Contract Services         | 4,881,152           | 5,447,996           | 4,644,862           |
| Contingencies             | -                   | 207,732             | 254,184             |
| Cost Allocation           | 759,543             | 906,362             | 1,651,322           |
| Special Projects          | 21,192              | 310,026             | 1,721,500           |
| Transfers Out             | 1,300,494           | 320,509             | 280,953             |
| <b>Total Expense Uses</b> | <b>\$10,023,989</b> | <b>\$10,229,396</b> | <b>\$11,524,189</b> |

Expenditures are projected to increase by approximately \$1.3 million, largely due to an increase in capital outlay needs at the City's Sports Center.

## Retained Earnings

Enterprise funds carry retained earning instead of fund balance. Retained earnings are calculated by taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending retained earnings. However, some of these resources are not liquid and represent capital assets. These monies are generally accumulated to support capital replacement and/or expansion needs.

| CHANGES TO RETAINED EARNINGS                 | 2017-18            | 2018-19            | 2019-20            |
|--|--------------------|--------------------|--------------------|
|  | Actuals            | Projected          | Adopted Budget     |
| Beginning Balance                            | 10,971,174         | 9,648,709          | 7,118,711          |
| Net Increase (Decrease) in Retained Earnings | (1,322,465)        | (2,529,998)        | (2,032,362)        |
| <b>Ending Balance</b>                        | <b>\$9,648,709</b> | <b>\$7,118,711</b> | <b>\$5,086,349</b> |

### Internal Service Funds

Internal Service Funds are used for areas where goods or services are provided to other departments or governments on a cost-reimbursement basis. Internal Service Funds include the Information Technology, City Channel and Website, Equipment, Workers Compensation, Long-Term Disability/Compensated Absence, and Retiree Medical funds.

### Revenue

Revenue sources for Internal Service Funds are summarized in the table below and discussed in greater detail following the table:

| REVENUE SOURCES              | 2017-18            | 2018-19            | 2019-20            |
|------------------------------|--------------------|--------------------|--------------------|
|                              | Actuals            | Projected          | Adopted Budget     |
| Use of Money & Property      | 41,844             | -                  | -                  |
| Intergovernmental            | -                  | -                  | -                  |
| Charges for Services         | 4,037,046          | 4,973,162          | 4,083,901          |
| Miscellaneous Revenue        | 8,026              | -                  | -                  |
| Transfers In                 | 3,427,712          | 1,578,474          | 3,573,000          |
| Other Financing Uses         | 667,467            | 472,652            | 472,652            |
| <b>Total Revenue Sources</b> | <b>\$8,182,095</b> | <b>\$7,024,288</b> | <b>\$8,129,553</b> |

Revenues are projected to increase by \$1.1 million due to increased transfers from the General Fund for compensated absence and retiree medical payments for FY 2019-20.

### Expenditures

Expenditure uses for Internal Service Funds are summarized in the table below and discussed in greater detail following the table:

| EXPENSE USES              | 2017-18            | 2018-19            | 2019-20            |
|---------------------------|--------------------|--------------------|--------------------|
|                           | Actuals            | Projected          | Adopted Budget     |
| Employee Compensation     | 1,259,151          | 1,366,347          | 1,336,390          |
| Employee Benefits         | 1,697,584          | 1,696,384          | 1,596,993          |
| Materials                 | 893,036            | 1,091,797          | 916,106            |
| Contract Services         | 1,182,750          | 1,944,783          | 1,538,116          |
| Contingencies             | -                  | 147,882            | 164,925            |
| Cost Allocation           | 1,244,493          | 727,082            | 847,459            |
| Special Projects          | 19,560             | 1,186,819          | 704,600            |
| Transfers Out             | -                  | 699,351            | 843,772            |
| <b>Total Expense Uses</b> | <b>\$6,296,574</b> | <b>\$8,860,445</b> | <b>\$7,948,361</b> |

Total expenditures is projected to decrease approximately \$912,000 as a result of a reduction in the acquisition of fixed assets over the previous fiscal year.

**Retained Earnings**

Internal Service Funds carry retained earning instead of fund balance. Retained earnings are calculated in the same manner as fund balance, taking the beginning balance and then adding the difference between revenue and expenditures to arrive at the ending retained earnings. However, some of the resources are not liquid and represent capital assets. These monies are generally accumulated to support capital replacement and/or expansion needs.

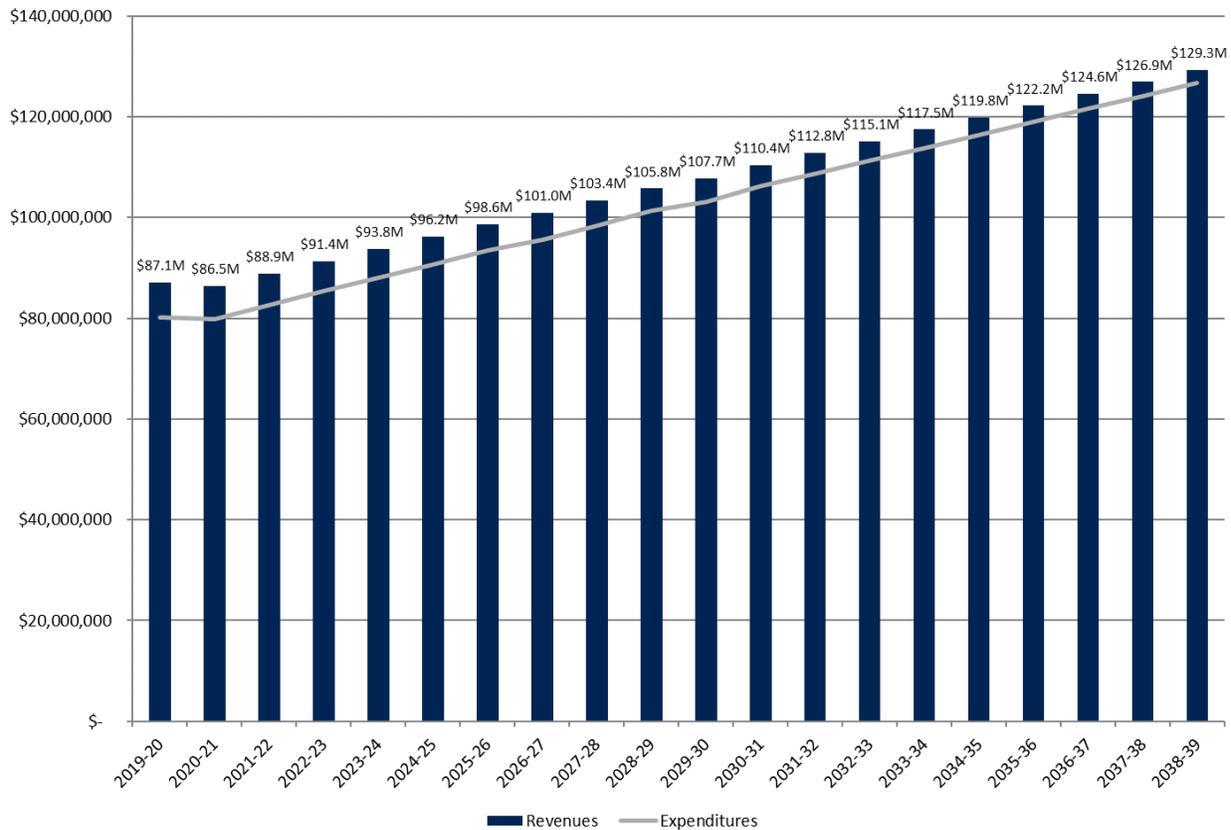
| <b>CHANGES TO RETAINED EARNINGS</b>          | <b>2017-18</b>     | <b>2018-19</b>     | <b>2019-20</b>        |
|--|--------------------|--------------------|-----------------------|
|  | <b>Actuals</b>     | <b>Projected</b>   | <b>Adopted Budget</b> |
| Beginning Balance                            | 4,652,496          | 6,538,018          | 4,701,861             |
| Net Increase (Decrease) in Retained Earnings | 1,885,522          | (1,836,157)        | 181,192               |
| <b>Ending Balance</b>                        | <b>\$6,538,018</b> | <b>\$4,701,861</b> | <b>\$4,883,053</b>    |

# 5-Year and 20-Year General Fund Forecast

## Overview

City staff has continued to develop medium-term (5-year) and long-term (20-year) forecasts as part of the budget process. While long-term projections are inherently less reliable than short-term projections, they can help detect structural budget issues that can be mitigated if identified early. As shown in the following chart, in the next 20 years, our projections show healthy operating surpluses despite consistent, yet modest, declines year-over-year due to revenues growing at a slower rate than expenditures.

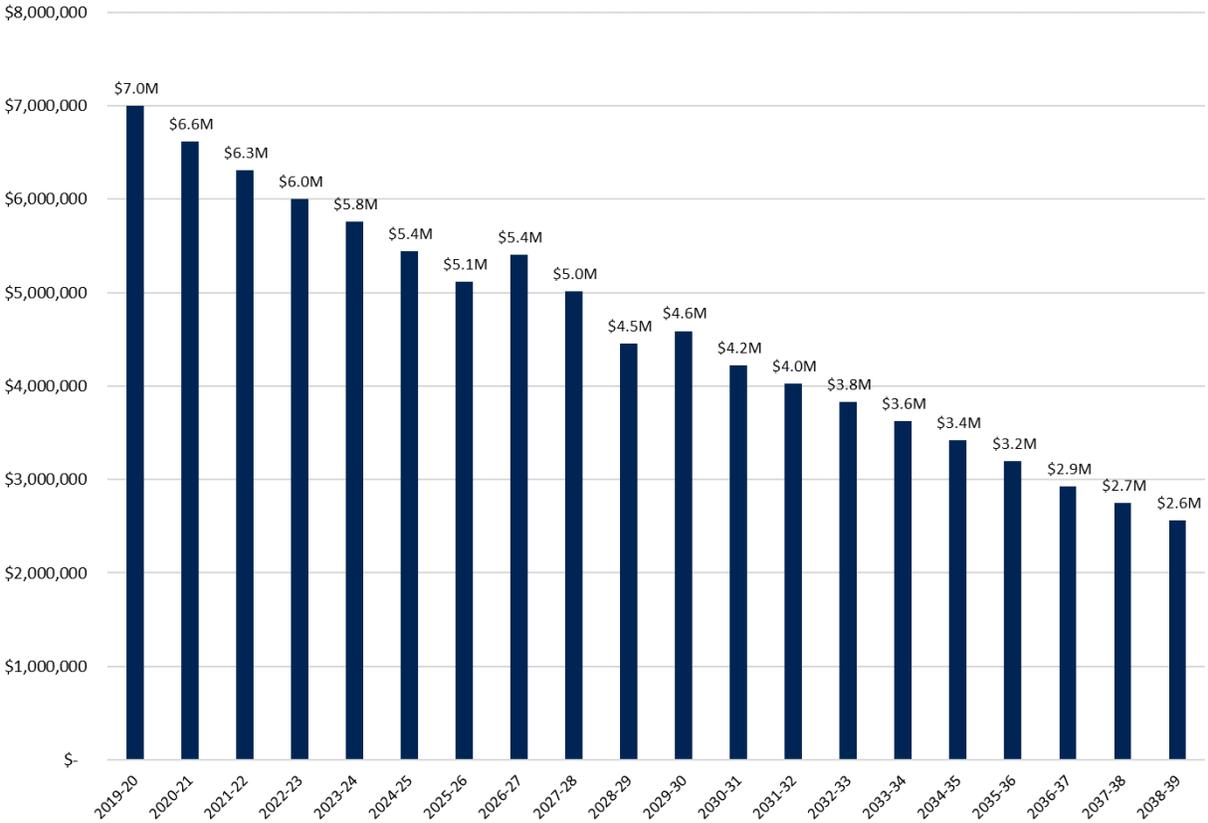
**20-Year General Fund Financial Forecast**



In the forecast, revenue growth is primarily driven by sales, property, and transient occupancy taxes. Revenue growth will be slower than in the past due to the completion of large-scale development projects, such as Main Street and Apple Park, in the City. Expenditure growth is primarily driven by increases in pension liability costs and the City’s Law Enforcement contract with the Santa Clara County Sheriff’s Office.

Operating surpluses are projected to decrease from \$7.0 million in FY 2019-20 to \$2.6 M in FY 2038-39 as revenues grow at a slower pace than expenditures, as shown in the following chart.

## 20-Year General Fund Operating Surpluses



### Forecast Methodology

The financial forecast is a planning tool that helps staff identify important trends and anticipate the longer term consequences of budget decisions. The forecast is instrumental in modeling the effects of retirement costs, employee compensation, and revenues on the City's budget.

The forecast is not a plan, but a model based on cost and revenue assumptions that are updated regularly as new information becomes available. Of these components, cost projections, which are based on known costs, are relatively reliable. Revenue forecasts, on the other hand, are based on assumptions related to future economic conditions, which are fraught with uncertainty. Economic forecasts in the financial markets and the media change frequently and demonstrate the difficulties of committing to a particular prediction of the future. For this reason, the forecast is updated regularly.

While economic conditions are the primary drivers for economically-sensitive revenues such as sales tax and property tax, performance is primarily driven by other factors for non-economically sensitive categories such as the utility user tax and franchise fees. These revenue categories are more heavily impacted by utility rate changes, energy prices, and consumption levels. Collections from local, State, and federal agencies are primarily driven by grant and reimbursement funding available from these agencies. As a result, these revenues experience no significant net gain or

loss during economic expansions or slowdowns. All revenue projections are based upon a careful examination of the collection history and patterns as they relate to seasonality and the economic environment the City is most likely to encounter in the future.

A discussion of both the national and local economic outlooks used to develop the revenue estimates for the FY 2018-19 forecast is included below. To develop the revenue forecasts, the City reviewed national, State, and regional economic forecasts from multiple sources including the Congressional Budget Office, California's Legislative Analyst's Office (LAO), and economist Steven Levy of the Center for Continuing Study of the California Economy (CCSCE). To develop the sales tax, property tax, and transient occupancy tax (TOT) revenue projections, the City worked with HdL Companies, a tax consultant. In 2019, the City began working with UFI (Urban Futures, Inc.), a financial advisory and consulting firm, to:

- review, update, and enhance the City's baseline financial forecast;
- evaluate fiscal strategies including potential local revenue measures;
- develop capital financing options, structures and estimates for identified projects; and
- prepare analysis of city charter costs/benefits related to fiscal activities.

This forecast includes the updates and enhancements that UFI has made to the City's baseline financial forecast.

## **National Economic Outlook**

Both locally and nationally, uncertainty is the main theme among forecasts. Although the risk of a downturn is rising, most forecasts still project slower but stable growth. It's important to note that the national economy has been expanding since June 2009, as defined by the National Bureau of Economic Research (NBER). As of July, the current economic expansion is the longest on record. According to the non-partisan Congressional Budget Office (CBO), annual economic growth is expected to slow after 2019 and average 1.8 percent per year from 2024 to 2029 due to slower labor force growth. Similarly, the Federal Open Market Committee (FOMC) forecasts GDP growth of 2.1 percent in 2019, 1.9 percent in 2020, and 1.8 percent in 2021. The broad consensus among economists is modest expansion until 2020, after which growth is expected to decrease.

## **Cupertino Economic Outlook**

The outlook for Cupertino and Silicon Valley overall is positive, with steady growth in this forecast. Sales taxes continue to be very strong, driven by business-to-business (B2B) sales in the City's technology sector. Property taxes have also performed well over the last several years, but are expected to stabilize as interest rates begin to rise during the forecast period. The limited supply of housing may eventually dampen growth as well.

In recent years, large construction projects, such as Main Street and Apple Park, have generated strong development-related revenue for the City's coffers. However, large-scale development-related activity has started to decrease. No other major development projects are forecasted at this time. Development projects that have yet to be approved and permitted are not included in this forecast out of prudence. It would be risky to rely on such one-time revenues given their uncertainty.

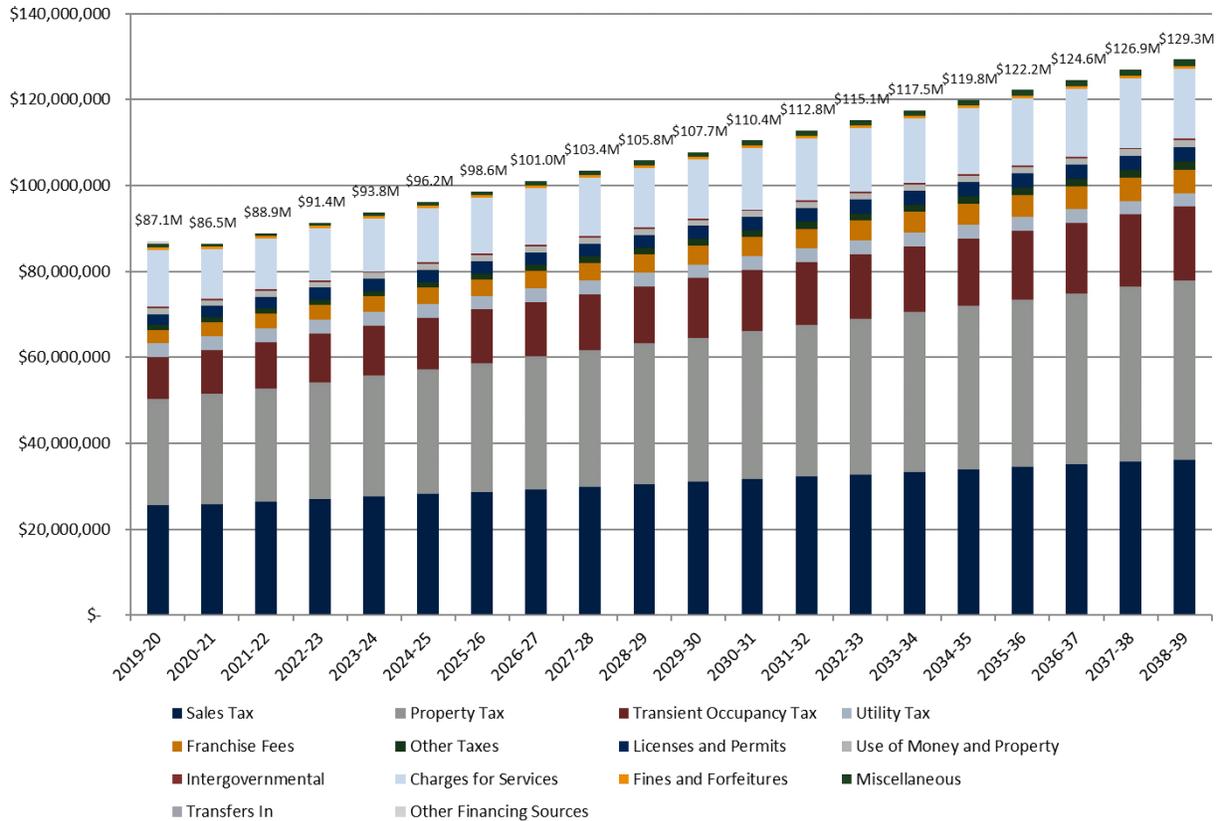
In summary, the steady recovery from the great recession is expected to continue impacting the City's revenue performance. Economically sensitive revenues, such as sales tax and property tax receipts, are expected to experience moderate growth over the forecast period. Development-related revenue such as licenses and permits, construction tax, and charges for services have declined from the peak experienced in FY 2013-14 due to the completion of large-scale one-time projects but will increase slightly throughout the forecast.

Per the City's One Time Use and Reserve Policy, any additional unassigned fund balance above the \$500,000 threshold will be transferred to the Capital Reserve at the end of the year. In FY 2018-19, the City established a Section 115 Trust as part of a long-term strategy to improve the financial sustainability of the City's pension system and reduce the effect of pension rate volatility on the City's operating budget.

## Revenues

The City's top three revenue sources continue to be property tax, sales tax, and transient occupancy tax (TOT). All three revenue sources are expected to grow, although that pace of growth is projected to slow. In the last five years, major development projects, such as Main Street and Apple Park, were a large source of revenue. As large-scale development begins to decline in Cupertino, the City will see the effects of that in reduced revenue growth.

### 20-Year General Fund Revenue Forecast by Revenue Category



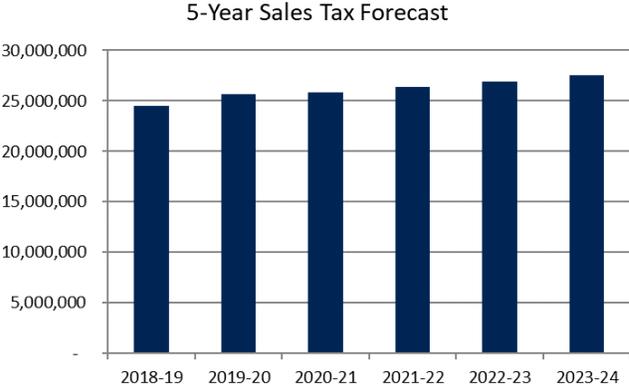
| FIVE-YEAR GENERAL FUND REVENUES FORECAST |                   |                   |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | 2018-19           | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|  | Estimate          | Adopted           | Forecast          | Forecast          | Forecast          | Forecast          |
| <b>REVENUES</b>                          |                   |                   |                   |                   |                   |                   |
| Sales Tax                                | 24,537,000        | 25,637,093        | 25,866,206        | 26,394,889        | 26,956,022        | 27,539,055        |
| Property Tax                             | 23,766,000        | 24,703,218        | 25,575,683        | 26,445,523        | 27,303,761        | 28,170,040        |
| Transient Occupancy Tax                  | 8,252,000         | 9,666,056         | 10,204,000        | 10,732,653        | 11,218,092        | 11,660,650        |
| Utility Tax                              | 3,200,000         | 3,198,644         | 3,197,286         | 3,195,927         | 3,194,567         | 3,193,206         |
| Franchise Fees                           | 3,042,000         | 3,162,457         | 3,282,914         | 3,403,370         | 3,523,827         | 3,644,283         |
| Other Taxes                              | 1,150,000         | 1,181,050         | 1,225,339         | 1,265,776         | 1,305,015         | 1,344,165         |
| Licenses and Permits                     | 2,685,000         | 2,524,000         | 2,604,329         | 2,641,328         | 2,691,862         | 2,733,542         |
| Use of Money and Property                | 692,000           | 1,330,579         | 1,337,232         | 1,343,918         | 1,350,638         | 1,357,391         |
| Intergovernmental                        | 326,000           | 354,547           | 356,320           | 358,101           | 359,892           | 361,691           |
| Charges for Services                     | 10,234,276        | 13,233,225        | 11,500,933        | 11,774,523        | 12,061,203        | 12,350,036        |
| Fines and Forfeitures                    | 615,000           | 615,000           | 615,000           | 615,000           | 615,000           | 615,000           |
| Miscellaneous                            | 1,356,457         | 882,283           | 696,736           | 735,754           | 776,220           | 818,136           |
| Transfers In                             | 10,000            | 12,000            | -                 | -                 | -                 | -                 |
| Other Financing Sources                  | 4,538,544         | 600,000           | -                 | -                 | -                 | -                 |
| <b>TOTAL REVENUES</b>                    | <b>84,404,277</b> | <b>87,100,152</b> | <b>86,461,978</b> | <b>88,906,763</b> | <b>91,356,099</b> | <b>93,787,195</b> |

**Sales Tax**

| FIVE-YEAR SALES TAX FORECAST |            |            |            |            |            |            |
|------------------------------|------------|------------|------------|------------|------------|------------|
|                              | 2018-19    | 2019-20    | 2020-21    | 2021-22    | 2022-23    | 2023-24    |
|                              | Estimate   | Adopted    | Forecast   | Forecast   | Forecast   | Forecast   |
| Sales Tax                    | 24,537,000 | 25,637,093 | 25,866,206 | 26,394,889 | 26,956,022 | 27,539,055 |

Currently, Sales tax is the City’s largest revenue source. Sales taxes are collected at the point of sale and remitted to the California Department of Tax and Fee Administration (formerly the Board of Equalization), which distributes tax revenue owed to the City in monthly payments.

Sales tax is projected to be lower in FY 2018-19 compared to FY 2017-18 due to the completion of Apple Park, then increase modestly in subsequent years. Sales tax is projected to grow by an



average annual growth rate of 1.7% in the long-term forecast. Moderate forecasts were used for general consumer goods, restaurants and hotels, and state and county pools; conservative forecasts were used for business and industry and other categories. Business-to-business (B2B) revenue is the largest portion of the City’s sales tax base, so the City’s sales tax revenue is sensitive to economic forces. In particular, the City’s two largest sales tax sources—both technology companies—

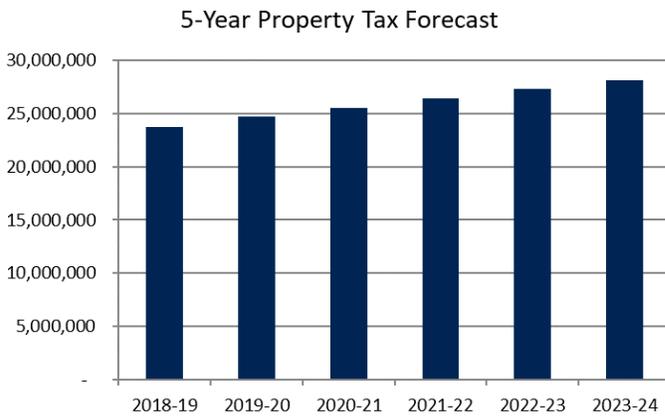
account for a large portion of the City’s total sales tax base. Sales tax revenue is reported two quarters in arrears thus providing the City with about six months to react if this revenue source starts to decline.

Given the volatility of B2B revenue, which accounts for the majority of the City’s sales tax revenue, a key goal of the City’s long-term fiscal strategic plan is to diversify its sales tax base by promoting the general retail and food product sectors. Recently completed development projects such as Nineteen800 and Main Street are expected to boost retail sales and reduce the City’s reliance on B2B revenue.

### Property Tax

| FIVE-YEAR PROPERTY TAX FORECAST |            |            |            |            |            |            |
|---------------------------------|------------|------------|------------|------------|------------|------------|
|                                 | 2018-19    | 2019-20    | 2020-21    | 2021-22    | 2022-23    | 2023-24    |
|                                 | Estimate   | Adopted    | Forecast   | Forecast   | Forecast   | Forecast   |
| Property Tax                    | 23,766,000 | 24,703,218 | 25,575,683 | 26,445,523 | 27,303,761 | 28,170,040 |

Property tax revenues are projected to increase by an average annual growth rate of 3.3% in our



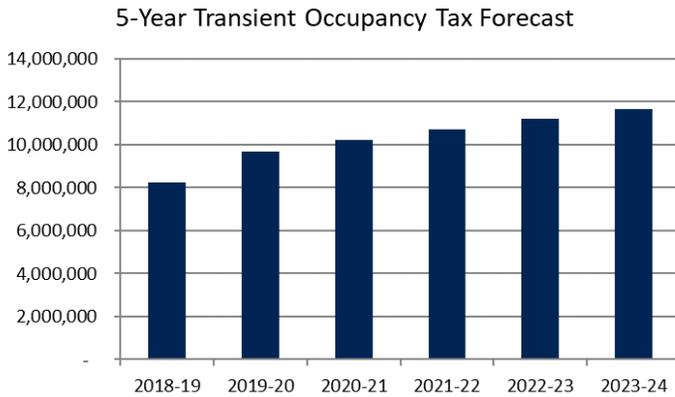
forecast. This moderate forecast is based on a combination of factors including historical trends for the City and forecasts for the region. Historically, property tax has increased at an average annual growth rate of 11.6%. However, this moderate forecast projects a much lower growth rate to account for the fact that no major development projects are expected in the City. The reduction in development activity will reduce the City’s property tax growth in the future.

Major development projects, such as Main Street and Apple Park, were a significant contributor to the historical growth in property tax revenues.

### Transient Occupancy Tax

| FIVE-YEAR TRANSIENT OCCUPANCY TAX FORECAST |           |           |            |            |            |            |
|--|-----------|-----------|------------|------------|------------|------------|
|  | 2018-19   | 2019-20   | 2020-21    | 2021-22    | 2022-23    | 2023-24    |
|  | Estimate  | Adopted   | Forecast   | Forecast   | Forecast   | Forecast   |
| Transient Occupancy Tax                    | 8,252,000 | 9,666,056 | 10,204,000 | 10,732,653 | 11,218,092 | 11,660,650 |

Transient occupancy tax (TOT) revenues for FY 2018-19 are projected to be higher than the prior



year primarily due to the opening of the 180-room Residence Inn by Marriott hotel at Main Street. The forecast also assumes the opening of the 148-room Hyatt House hotel in northeast Cupertino in spring 2019. In the forecast, TOT is projected to increase at an average annual growth rate of 5.0%. The City used a moderate forecast based on historical tax collections. This moderate forecast assumes slower growth compared to

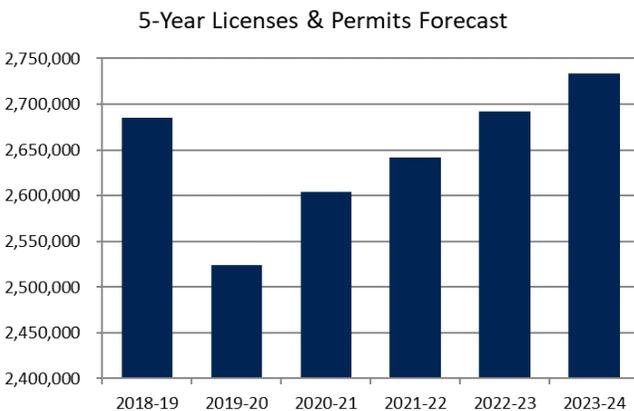
historical trends given that no additional hotels are expected to open after 2019.

TOT revenues are impacted by the tax rate charged on hotels in the City, the occupancy rate of the hotels, and the average daily room rates (ADR) of the hotels. TOT revenues are highly correlated with B2B revenue, as TOT revenues in Cupertino are primarily driven by business travel. Occupancy rates are currently at record levels given our strong local economy. However, given the large amount of business travel in the City, a decline in the economy could have a significant impact on this revenue source.

### Licenses and Permits

|                      | FIVE-YEAR LICENSES & PERMITS FORECAST |                    |                     |                     |                     |                     |
|----------------------|---------------------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
|                      | 2018-19<br>Estimate                   | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
| Licenses and Permits | 2,685,000                             | 2,524,000          | 2,604,329           | 2,641,328           | 2,691,862           | 2,733,542           |

Licenses and permits are forecasted to decrease in FY 2019-20 due to reduced development activity but increase in the out-years.



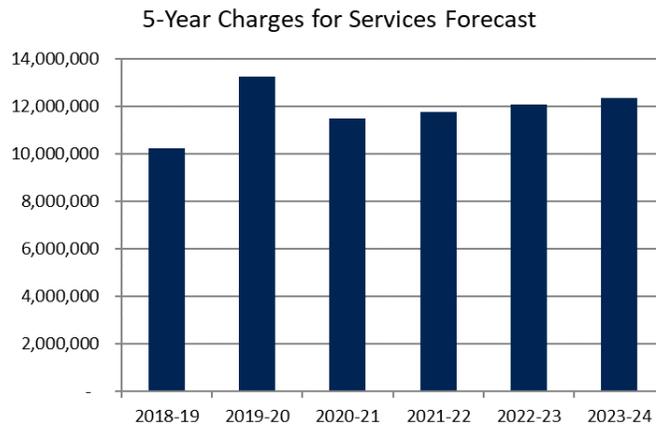
Revenue is projected to increase by an average annual growth rate of 1.0%. The forecasts were based on forecasts of California residential building permits, non-residential building permits, and construction payrolls from the UCLA Anderson Forecasts for the Nation and California. Out of prudence, this forecast does not reflect any major development projects that are awaiting approval. If new development projects are approved, this

forecast will be updated accordingly.

## Charges for Services

|                      | FIVE-YEAR CHARGES FOR SERVICES FORECAST |            |            |            |            |            |
|----------------------|---|------------|------------|------------|------------|------------|
|                      | 2018-19                                 | 2019-20    | 2020-21    | 2021-22    | 2022-23    | 2023-24    |
|                      | Estimate                                | Adopted    | Forecast   | Forecast   | Forecast   | Forecast   |
| Charges for Services | 10,234,276                              | 13,233,225 | 11,500,933 | 11,774,523 | 12,061,203 | 12,350,036 |

Revenues from charges for services have decreased from their levels in FY 2016-17, primarily due



to a decrease in development activity. Starting in FY 2020-21, revenue is projected to increase at an average annual growth rate of 5.1%. Other Service Fees, General Service Fees, and Enterprise Service Fees are projected to increase by 2.5% based on full-time salary growth. Planning Fees and Engineering Fees are based on construction and development factors including California residential building permits, non-residential building permits, and construction payrolls from

the UCLA Anderson Forecasts for the Nation and California. This forecast does not assume any major development projects that are awaiting approval.

## Other Revenue

|                           | FIVE-YEAR FORECAST - OTHER REVENUE |                   |                   |                   |                   |                   |
|---------------------------|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                           | 2018-19                            | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|                           | Estimate                           | Adopted           | Forecast          | Forecast          | Forecast          | Forecast          |
| Utility Tax               | 3,200,000                          | 3,198,644         | 3,197,286         | 3,195,927         | 3,194,567         | 3,193,206         |
| Franchise Fees            | 3,042,000                          | 3,162,457         | 3,282,914         | 3,403,370         | 3,523,827         | 3,644,283         |
| Other Taxes               | 1,150,000                          | 1,181,050         | 1,225,339         | 1,265,776         | 1,305,015         | 1,344,165         |
| Use of Money and Property | 692,000                            | 1,330,579         | 1,337,232         | 1,343,918         | 1,350,638         | 1,357,391         |
| Intergovernmental         | 326,000                            | 354,547           | 356,320           | 358,101           | 359,892           | 361,691           |
| Fines & Forfeitures       | 615,000                            | 615,000           | 615,000           | 615,000           | 615,000           | 615,000           |
| Miscellaneous             | 1,356,457                          | 882,283           | 696,736           | 735,754           | 776,220           | 818,136           |
| Transfers In              | 10,000                             | 12,000            | -                 | -                 | -                 | -                 |
| Other Financing Sources   | 4,538,544                          | 600,000           | -                 | -                 | -                 | -                 |
| <b>TOTAL</b>              | <b>14,930,001</b>                  | <b>11,336,560</b> | <b>10,710,827</b> | <b>10,917,846</b> | <b>11,125,158</b> | <b>11,333,873</b> |

*Utility taxes* are forecasted to decrease by -0.4% each year based on historical trends. In recent years, increases in rates have been offset by decreases in consumption.

*Franchise fees* are projected to increase by an average annual growth rate of 3.4% based on a trend of historical data.

*Other taxes* are made up of construction, property transfer, and business license tax revenue. Revenue is projected to increase by an average of State and County CPI at an average annual growth rate of 3.0%.

*Use of money and property* is expected to grow at a rate of 0.5% each year based on the City's current conservative investment strategy and low interest rates.

*Intergovernmental revenues* are projected to grow at a rate of 0.5% each year.

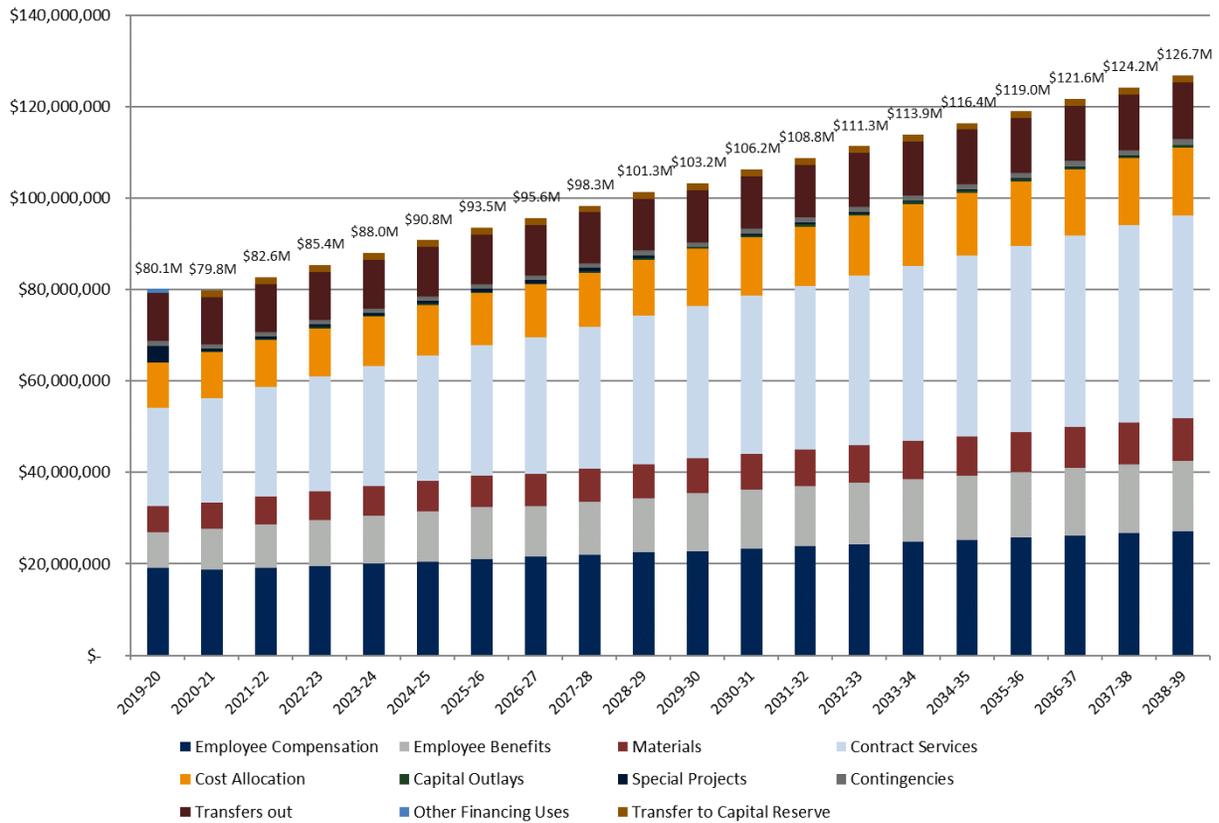
*Fines and Forfeitures* are forecasted to remain constant in the forecast.

*Miscellaneous revenues* are forecasted to increase by CPI.

*Non-operational revenues (Transfers and Other Financing Sources)* are not assumed in the forecast.

## Expenditures

**20-Year General Fund Expenditure Forecast by Expenditure Category**



For FY 2019-20, the City developed a zero-base budget in which all expenses were justified. The process started from a “zero base” and every function of the City was analyzed for its needs and costs. The budget was then built around what was needed for the upcoming period, regardless of whether each budget was higher or lower than the previous fiscal year. This best practice resulted in base budget savings from the prior year.

The forecast was developed based on actual expenditures in prior years, and then adjusted for FY 2019-20 funding needs. The forecast also included the following factors: State and County CPI, construction and development activity, and CalPERS Normal Cost and Unfunded Liability projections. The forecast was adjusted to account for one-time changes and budget amendments.

As displayed in the chart above, General Fund expenditures are projected to decrease from \$102.3 million in FY 2018-19 to \$80.1 million in FY 2019-20 and \$79.8 million in FY 2020-21 and increase each year in the forecast thereafter. The main drivers of expenditure growth are employee benefits and contract services due to rising retirement rates and Law Enforcement costs. The following discussion focuses on the assumptions used for estimating each of the expenditure categories in the General Fund Forecast.

| <b>FIVE-YEAR GENERAL FUND EXPENDITURES FORECAST</b> |                    |                   |                   |                   |                   |                   |
|---|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | <b>2018-19</b>     | <b>2019-20</b>    | <b>2020-21</b>    | <b>2021-22</b>    | <b>2022-23</b>    | <b>2023-24</b>    |
|   | <b>Estimate</b>    | <b>Adopted</b>    | <b>Forecast</b>   | <b>Forecast</b>   | <b>Forecast</b>   | <b>Forecast</b>   |
| <b>EXPENDITURES</b>                                 |                    |                   |                   |                   |                   |                   |
| Employee Compensation                               | 19,054,505         | 19,030,922        | 18,664,618        | 19,110,017        | 19,566,183        | 20,033,422        |
| Employee Benefits                                   | 7,939,817          | 7,924,552         | 8,927,008         | 9,548,758         | 10,112,858        | 10,563,751        |
| <b>Personnel Costs</b>                              | <b>26,994,322</b>  | <b>26,955,474</b> | <b>27,591,626</b> | <b>28,658,775</b> | <b>29,679,041</b> | <b>30,597,173</b> |
| Materials   | 6,667,809          | 5,666,631         | 5,881,205         | 6,075,284         | 6,263,618         | 6,451,527         |
| Contract Services                                   | 23,766,531         | 21,603,686        | 22,821,233        | 23,911,505        | 25,024,294        | 26,166,991        |
| Cost Allocation                                     | 9,368,223          | 9,786,477         | 10,031,139        | 10,281,917        | 10,538,965        | 10,802,439        |
| Capital Outlay                                      | 1,804,192          | 37,050            | 266,378           | 275,169           | 283,699           | 292,210           |
| Special Projects                                    | 12,225,436         | 3,662,335         | 532,756           | 550,337           | 567,398           | 584,420           |
| Contingencies                                       | 1,070,453          | 1,070,049         | 852,410           | 880,540           | 907,836           | 935,071           |
| Other Uses  | 1,122,937          | 783,209           | -                 | -                 | -                 | -                 |
| <b>Non-Personnel Costs</b>                          | <b>56,025,581</b>  | <b>42,609,437</b> | <b>40,385,121</b> | <b>41,974,752</b> | <b>43,585,811</b> | <b>45,232,658</b> |
| <b>Transfers</b>                                    | <b>19,376,088</b>  | <b>10,539,557</b> | <b>10,368,976</b> | <b>10,465,615</b> | <b>10,592,570</b> | <b>10,699,604</b> |
| <b>Transfers to Capital Reserve</b>                 | <b>-</b>           | <b>-</b>          | <b>1,500,000</b>  | <b>1,500,000</b>  | <b>1,500,000</b>  | <b>1,500,000</b>  |
| <b>TOTAL EXPENDITURES</b>                           | <b>102,395,991</b> | <b>80,104,468</b> | <b>79,845,724</b> | <b>82,599,142</b> | <b>85,357,422</b> | <b>88,029,435</b> |

## Personnel Expenditures

### Salaries

The City is currently in negotiations with its bargaining groups, CEA and OE3. The only increases in compensation in these forecasts include step increases as well as known benefit increases in retirement and health.

Increases in salaries are primarily due to employees below Step 5 progressing to higher salary steps. Full-time salaries are projected to grow at a rate of 2.5% per year, which is based on historical trends in step increases. It is slightly lower than the presumed rate of growth by CalPERS. Part-time salaries are forecasted to grow at a rate of 1.5% as they generally grow at a slower pace than full-time salaries. These projections do not include any cost of living (COLA) or equity adjustments.

Four limited-term positions are forecasted to end in FY 2020-21 and one in FY 2022-23, which will result in up to \$1 million in ongoing salary savings.

### **Health Benefits**

Health benefits account for about 9% of all personnel costs in the General Fund, mostly due to health insurance costs. The City pays employees a fixed amount for health and dental insurance costs, as opposed to covering a percentage of premiums. In October 2016, City Council approved labor contracts that resulted in significant increases to the City's health insurance contributions. For the duration of a contract, cost increases in health and dental premiums above the negotiated amounts are fully absorbed by employees. The City is currently in negotiations with its bargaining groups, CEA and OE3.

While not factored into the forecast, there is uncertainty about the fate of the Affordable Care Act (ACA). Rate increases have stabilized with the implementation of the ACA. Still looming is the so-called "Cadillac Tax" which, beginning in 2022, will impose an excise tax for any employer-sponsored health coverage whose value exceeds \$10,200 per year for individuals and \$27,500 for families. A 40% excise tax will be imposed on the amount that exceeds the predetermined thresholds. Most of the City's current health plans would fall under the definition of a Cadillac plan, which could increase the City's cost of providing health benefits to employees. The City's health care administrator, CalPERS, has given assurances that coverage plans will fall below the Cadillac Tax threshold.

### **Retirement Benefits**

Rising retirement costs are driving the increase in employee benefits. Cupertino provides retirement benefits for its employees through the California Public Employee's Retirement System (CalPERS). Poor investment returns during the Great Recession and actuarial assumption changes have increased the gap between the pension system's assets and liabilities, resulting in the overall funded status of the system falling significantly. As of the June 30, 2017 valuation, which was issued in July 2018, the funded status of the CalPERS Public Employees Retirement Fund (PERF) is 71%, an increase from 68% the prior year.

The City's pension plan has an Unfunded Accrued Liability (UAL) of \$40.5 million and a funded ratio of 68.1%, according to the latest CalPERS actuarial valuation report as of June 30, 2017.<sup>1</sup>

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<sup>1</sup> CalPERS City of Cupertino Annual Valuation Report as of June 30, 2017

| CalPERS Plan Status                 |                |                |
|-------------------------------------|----------------|----------------|
|                                     | 6/30/2016      | 6/30/2017      |
| Present Value of Projected Benefits | \$ 138,600,233 | \$ 150,083,854 |
| Entry Age Normal Accrued Liability  | \$ 118,489,119 | \$ 127,138,300 |
| Market Value of Assets              | \$ 77,919,876  | \$ 86,617,172  |
| Unfunded Accrued Liability          | \$ 40,569,243  | \$ 40,521,128  |
| Funded Ratio                        | 65.8%          | 68.1%          |

A defined-benefit plan is considered adequately funded if its assets equal or exceed the value of its future liabilities. The funded ratio is the ratio of assets to liabilities. When the funded ratio is lower than 100%, the plan has insufficient assets to pay all future liabilities. After a thorough analysis, CalPERS actuaries determined that the retirement system was at significant risk of falling to dangerously low funded status levels under existing actuarial policies.

In December 2016, the CalPERS Board of Administration lowered the discount rate from 7.5% to 7.0% with a three year phase-in beginning in FY 2018-19. This change will result in significant increases in retirement costs but was implemented to improve the financial stability of the pension system. As a result of the discount rate reduction, the City's CalPERS costs are projected to increase by over 38% from FY 2019-20 to FY 2024-25 as shown in the table below.<sup>2</sup>

|                               | Projected CalPERS Contributions |                     |                     |                     |                     |                     |
|-------------------------------|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                               | FY 2019-20                      | FY 2020-21          | FY 2021-22          | FY 2022-23          | FY 2023-24          | FY 2024-25          |
| <b>Projected Payroll</b>      | \$ 17,811,423                   | \$ 18,256,790       | \$ 18,758,851       | \$ 19,274,720       | \$ 19,804,775       | \$ 20,349,407       |
| <b>Normal Cost (%)</b>        | 10.651%                         | 11.400%             | 11.400%             | 11.400%             | 11.400%             | 11.400%             |
| <b>Normal Cost</b>            | \$ 1,897,095                    | \$ 2,081,274        | \$ 2,138,509        | \$ 2,197,318        | \$ 2,257,744        | \$ 2,319,832        |
| <b>UAL Payment</b>            | \$ 3,192,065                    | \$ 3,557,000        | \$ 3,952,000        | \$ 4,288,000        | \$ 4,505,000        | \$ 4,720,000        |
| <b>Total Contribution (%)</b> | <b>28.600%</b>                  | <b>30.900%</b>      | <b>32.500%</b>      | <b>33.600%</b>      | <b>34.100%</b>      | <b>34.600%</b>      |
| <b>Total Contribution</b>     | <b>\$ 5,089,160</b>             | <b>\$ 5,638,274</b> | <b>\$ 6,090,509</b> | <b>\$ 6,485,318</b> | <b>\$ 6,762,744</b> | <b>\$ 7,039,832</b> |

In addition, it is unclear if CalPERS investment returns will be able to meet this new rate of return and many experts speculate that CalPERS will need to lower the discount rate again in the future. As part of a budget-balancing strategy, the City adopted a Pension Rate Stabilization Program (PRSP), also known as a Section 115 Trust, in FY 2018-19. The Section 115 Trust would help the City to offset the costs of any further discount rate changes, address the UAL earlier than required by CalPERS, and attain a funded status of at least 80% within 20 years. During FY 2018-19, the City contributed an initial investment of \$8.0 million to the trust. The FY 2019-20 Adopted Budget includes this \$8.0 million as restricted fund balance.

The City's retirement rates are based on a blend of all three tiers (2.7% @ 55, 2% @ 60, and 2% @ 62). Although employees pay a different rate depending on their tier, the City's costs are the same for all 3 tiers. The table below shows the current breakdown of City employees amongst the three retirement tiers. Since FY 2018-2019, the number of employees in Tier 1 has decreased while the number of employees in Tier 3 has increased. The majority of employees in the City are currently

<sup>2</sup> CalPERS City of Cupertino Annual Valuation Report as of June 30, 2017

covered under Tier 3. Savings from the lower-cost Tier 2 and Tier 3 plans are not expected to be substantial for several years.

| CalPERS Plan Breakdown by Tier |           |                 |                        |                |                |            |
|--------------------------------|-----------|-----------------|------------------------|----------------|----------------|------------|
| Tier #                         | Employees | Benefit Formula | Compensation Period    | Employer Share | Employee Share | Total Rate |
| I                              | 90        | 2.7% @ 55       | Highest Year           | 28.57%         | 8.00%          | 36.57%     |
| II                             | 15        | 2% @ 60         | Highest 3 Year Average | 28.57%         | 7.00%          | 35.57%     |
| III                            | 93        | 2% @ 62         | Highest 3 Year Average | 28.57%         | 6.25%          | 34.82%     |

### Other Benefits

The forecast assumes an annual 2% cost escalator for life insurance, long-term disability insurance, and the employee assistance program. Workers' compensation costs vary widely depending on the number and type of claims, which makes these costs very hard to predict. The forecast assumes a 2% annual increase. No increases were forecasted for the following benefits: car allowance, internet allowance, standby pay and wellness credit.

### Non-Personnel Expenditures

Non-Personnel budgets were developed based on actual expenditures in prior years, and then adjusted for FY 2019-20 funding needs. In addition, one-time projects have been excluded in FY 2019-20 to ensure that expenditure trends reflect ongoing expenditure needs.

For the out-years of the forecast, a growth rate based on an average of State and County CPI is assumed from the baseline. The average growth rate for State and County CPI is 3.00%. The CPI estimates are based on the following forecasts:

- UCLA Anderson Forecast for the Nation and California and
- California Department of Transportation's California County-Level Economic Forecast.

*Materials* costs are forecasted to increase by CPI in the out-years of the forecast.

*Contract Services* costs are projected to grow by CPI in the out-years of the forecast with the exception of the Law Enforcement contract with the Santa Clara County Sheriff's Office. Increases to the City's Law Enforcement costs are a primary driver in the City's expenditure growth. Law Enforcement costs are projected to grow by CPI plus 2%, at an average annual growth rate of 5.9%. The major increase in contracts is driven by increases in CalPERS costs at the Santa Clara County Sheriff's Office that will be passed on to the City per the contract's terms.

*Cost Allocation* is projected to grow by 2.5% in the out-years. This estimate is conservative as savings may materialize in department budgets that may drive these costs down.

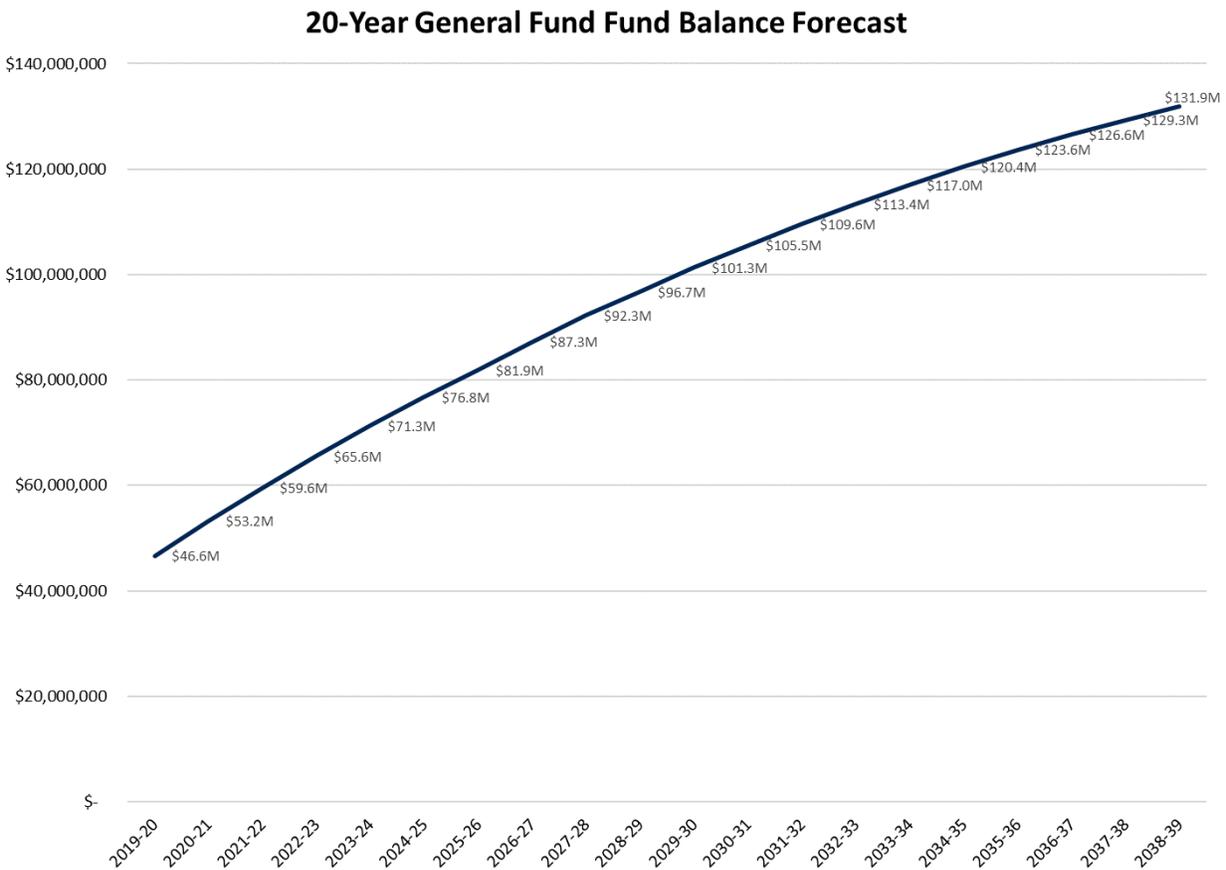
*Capital Outlays* are projected to increase by CPI from a baseline of \$250,000 while *Special Projects* are projected to increase by CPI from a baseline of \$500,000. In the last five years, the City has spent about \$2 million per year in capital outlay and special project costs excluding development projects that include pass thru revenue.

*Appropriations for Contingency* are projected to be \$800,000 and increase by CPI in the forecast. The City has historically underspent in this category and use of these funds would require pre-approval by the City Manager or his/her designee should departments want to utilize these funds.

*Transfers* represent the General Fund’s contributions to other City funds to support debt payments, pay retiree health costs, finance capital projects, replenish capital project reserves, acquire new equipment, and subsidize enterprises and operations. With the implementation of the full cost allocation plan in FY 2015-16, General Fund expenses will be shifted to other City funds causing some of those funds’ revenues to fall short of expenses and necessitating the use of fund balances to cover expenses. The General Fund benefits in the near term with the cost shift, however, after fund balances in those other funds are drawn down to minimum levels, and absent aggressive revenue or cost actions in those other funds, General Fund subsidies are projected to kick in and remain flat in the forecast in order to maintain those fund balance minimums.

## Fund Balance

The General Fund’s fund balance is projected to increase each year in the forecast period due to modest operating surpluses. This is driven by the City’s strong revenues and the City’s conservative approach to expenditure growth.



Throughout the forecast, fund balance starts to grow at a slower rate as the size of the operating surpluses decrease.

| FIVE-YEAR GENERAL FUND FUND BALANCE FORECAST |                     |                   |                   |                   |                   |                   |
|--|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | 2018-19             | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|  | Estimate            | Adopted           | Forecast          | Forecast          | Forecast          | Forecast          |
| <b>Beginning Fund Balance</b>                | 52,510,457          | 39,631,790        | 46,627,474        | 53,243,728        | 59,551,349        | 65,550,027        |
| Operating Revenue                            | 84,404,277          | 87,100,152        | 86,461,978        | 88,906,763        | 91,356,099        | 93,787,195        |
| Operating Expenditures                       | 102,395,991         | 80,104,468        | 79,845,724        | 82,599,142        | 85,357,422        | 88,029,435        |
| <b>Net Revenues - Expenditures</b>           | <b>(17,991,714)</b> | <b>6,995,684</b>  | <b>6,616,254</b>  | <b>6,307,621</b>  | <b>5,998,678</b>  | <b>5,757,760</b>  |
| Unassigned                                   | 5,799,633           | 12,801,317        | 19,417,571        | 25,725,192        | 31,723,870        | 37,481,630        |
| All Other Classifications                    | 33,832,157          | 33,826,157        | 33,826,157        | 33,826,157        | 33,826,157        | 33,826,157        |
| <b>TOTAL FUND BALANCE</b>                    | <b>39,631,790</b>   | <b>46,627,474</b> | <b>53,243,728</b> | <b>59,551,349</b> | <b>65,550,027</b> | <b>71,307,787</b> |

| FIVE-YEAR GENERAL FUND FUND BALANCE FORECAST |                   |                   |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | 2018-19           | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|  | Estimate          | Adopted           | Forecast          | Forecast          | Forecast          | Forecast          |
| <b>Non-Spendable</b>                         |                   |                   |                   |                   |                   |                   |
| Loans Receivable                             | 455,000           | 455,000           | 455,000           | 455,000           | 455,000           | 455,000           |
| Prepaid Items                                | 6,000             | -                 | -                 | -                 | -                 | -                 |
| <b>Total Non-Spendable</b>                   | <b>461,000</b>    | <b>455,000</b>    | <b>455,000</b>    | <b>455,000</b>    | <b>455,000</b>    | <b>455,000</b>    |
| <b>Restricted</b>                            |                   |                   |                   |                   |                   |                   |
| Public Access Television                     | 1,237,403         | 1,237,403         | 1,237,403         | 1,237,403         | 1,237,403         | 1,237,403         |
| Section 115 Pension Trust                    | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         |
| <b>Total Restricted</b>                      | <b>9,237,403</b>  | <b>9,237,403</b>  | <b>9,237,403</b>  | <b>9,237,403</b>  | <b>9,237,403</b>  | <b>9,237,403</b>  |
| <b>Committed</b>                             |                   |                   |                   |                   |                   |                   |
| Economic Uncertainty                         | 19,000,000        | 19,000,000        | 19,000,000        | 19,000,000        | 19,000,000        | 19,000,000        |
| Sustainability Reserve                       | 122,754           | 122,754           | 122,754           | 122,754           | 122,754           | 122,754           |
| PERS   | -                 | -                 | -                 | -                 | -                 | -                 |
| <b>Total Committed</b>                       | <b>19,122,754</b> | <b>19,122,754</b> | <b>19,122,754</b> | <b>19,122,754</b> | <b>19,122,754</b> | <b>19,122,754</b> |
| <b>Assigned</b>                              |                   |                   |                   |                   |                   |                   |
| Reserve for Encumbrances                     | 5,011,000         | 5,011,000         | 5,011,000         | 5,011,000         | 5,011,000         | 5,011,000         |
| <b>Total Assigned</b>                        | <b>5,011,000</b>  | <b>5,011,000</b>  | <b>5,011,000</b>  | <b>5,011,000</b>  | <b>5,011,000</b>  | <b>5,011,000</b>  |
| <b>Total Unassigned</b>                      | <b>5,799,633</b>  | <b>12,801,317</b> | <b>19,417,571</b> | <b>25,725,192</b> | <b>31,723,870</b> | <b>37,481,630</b> |
| <b>TOTAL FUND BALANCE</b>                    | <b>39,631,790</b> | <b>46,627,474</b> | <b>53,243,728</b> | <b>59,551,349</b> | <b>65,550,027</b> | <b>71,307,787</b> |

It is anticipated that any unassigned fund balance over the \$500,000 threshold will be transferred to the Capital Reserve, the CalPERS Reserve, or the Section 115 Trust. In FY 2018-19, the City adopted a Section 115 Trust to stabilize the potential impact of pension cost volatility on the City's operating budget. The City will be able to use funds from the Section 115 Trust to offset unexpected increases in retirement contributions. Funds in the Section 115 Trust are restricted and can only be used to pay CalPERS or reimburse the City for pension contributions.

## Budget-Balancing Strategies

Historically, the City’s budget has been structurally sound with revenues exceeding expenditures in most years. When revenues have exceeded expenditures, excess fund balance was transferred to the Capital Reserve per the City’s One Time Use and Reserve Policy. The current 5-year and 20-year forecasts anticipate operating surpluses each year. However, the size of the operating surpluses are projected to decrease each year as revenues grow at a slower pace than expenditures. As a result, the following strategies may be used to assist in balancing the budget over the next 20 years.

| Strategy                            | Description  | Potential Impact   |
|-------------------------------------|--|--|
| <b>Revenues</b>                     |  |  |
| Employer-Based business license tax | Introduced as part of City Council Work Plan   | Unknown at this time                                       |
| Storm Water Fee Increase            | Introduced as part of the City Council Work Plan. Rates have not increased in many years and would be brought to cost recovery levels, thereby eliminating a General Fund subsidy. | \$1.1 million  |
| <b>Expenditures</b>                 |  |  |
| Section 115 Trust                   | Smoothing mechanism for years when CalPERS does not meet discount rate projections or assumption changes   | Varies based on investment returns and investment strategy |

### Additional Potential Strategies

The following potential strategies, although not recommended at this time, may be considered in future years if sharp declines in revenues or increases in expenditures cause a large structural deficit.

| Potential Strategy                            | Description  | Potential Impact                                |
|---|--|---|
| Employee cost-sharing of increases to CalPERS | Negotiate to share costs of increases to CalPERS employer rates with employees   | \$250,000 approximate based on 5% rate increase |
| Furloughs                                     | Employees would take up to 20 hours or the equivalent of a 1% decrease in pay in exchange for 2.5 unpaid furlough days | \$300,000 approximate based on 1% decrease      |
| Salary and benefit savings through attrition  | Keep non-essential positions unfilled as they become vacant.   | Up to \$2 million from 10 positions             |

|   |   |                                    |
|---|---|------------------------------------|
| No extension of limited term positions            | Eliminates potential ongoing salary and benefit costs associated limited term positions   | Up to \$1,000,000 from 5 positions |
| No new positions                                  | Cost containment strategy   | \$0                                |
| Reduction in force                                | The City would identify what positions could be reduced (laid off) based on provisions in the MOUs where applicable and service level needs in the City | Varies                             |
| Reduction in capital outlays and special projects | Cost containment strategy   | Up to \$1.5 million                |
| Reduction in contingencies                        | Cost containment strategy   | Up to \$400,000                    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - General Fund Revenues

| Classification            | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---------------------------|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| Sales Tax                 | 26,164,531        | 23,637,000         | 24,537,000          | 25,637,093         | 25,866,206          | 26,394,889          | 26,956,022          | 27,539,055          |
| Property Tax              | 22,433,806        | 22,766,000         | 23,766,000          | 24,703,218         | 25,575,683          | 26,445,523          | 27,303,761          | 28,170,040          |
| Transient Occupancy Tax   | 6,810,718         | 8,252,000          | 8,252,000           | 9,666,056          | 10,204,000          | 10,732,653          | 11,218,092          | 11,660,650          |
| Utility Tax               | 3,146,398         | 3,200,000          | 3,200,000           | 3,198,644          | 3,197,286           | 3,195,927           | 3,194,567           | 3,193,206           |
| Franchise Fees            | 3,563,820         | 3,042,000          | 3,042,000           | 3,162,457          | 3,282,914           | 3,403,370           | 3,523,827           | 3,644,283           |
| Other Taxes               | 1,339,860         | 1,150,000          | 1,150,000           | 1,181,050          | 1,225,339           | 1,265,776           | 1,305,015           | 1,344,165           |
| Licenses and Permits      | 2,757,929         | 2,685,000          | 2,685,000           | 2,524,000          | 2,604,329           | 2,641,328           | 2,691,862           | 2,733,542           |
| Use of Money and Property | 1,342,626         | 692,000            | 692,000             | 1,330,579          | 1,337,232           | 1,343,918           | 1,350,638           | 1,357,391           |
| Intergovernmental         | 1,000,777         | 326,000            | 326,000             | 354,547            | 356,320             | 358,101             | 359,892             | 361,691             |
| Charges for Services      | 10,548,179        | 9,419,276          | 10,234,276          | 13,233,225         | 11,500,933          | 11,774,523          | 12,061,203          | 12,350,036          |
| Fines and Forfeitures     | 575,032           | 615,000            | 615,000             | 615,000            | 615,000             | 615,000             | 615,000             | 615,000             |
| Miscellaneous             | 1,009,090         | 244,200            | 1,356,457           | 882,283            | 696,736             | 735,754             | 776,220             | 818,136             |
| Other Financing Sources   | 7,550,882         | 860,000            | 4,548,544           | 612,000            | -                   | -                   | -                   | -                   |
| <b>TOTAL REVENUES</b>     | <b>88,243,646</b> | <b>76,888,476</b>  | <b>84,404,277</b>   | <b>87,100,152</b>  | <b>86,461,978</b>   | <b>88,906,763</b>   | <b>91,356,099</b>   | <b>93,787,195</b>   |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - General Fund Expenditures

| Classification                      | 2017-18           | 2018-19           | 2018-19            | 2019-20           | 2020-21           | 2021-22           | 2022-23           | 2023-24           |
|-------------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                     | Actual            | Adopted           | Estimate           | Adopted           | Forecast          | Forecast          | Forecast          | Forecast          |
| Employee Compensation               | 16,974,470        | 19,349,144        | 19,054,505         | 19,030,922        | 18,664,618        | 19,110,017        | 19,566,183        | 20,033,422        |
| Employee Benefits                   | 7,109,183         | 8,059,818         | 7,939,817          | 7,924,552         | 8,927,008         | 9,548,758         | 10,112,858        | 10,563,751        |
| <b>Personnel Costs</b>              | <b>24,083,653</b> | <b>27,408,962</b> | <b>26,994,322</b>  | <b>26,955,474</b> | <b>27,591,626</b> | <b>28,658,775</b> | <b>29,679,041</b> | <b>30,597,173</b> |
| Materials                           | 4,985,037         | 5,772,556         | 6,667,809          | 5,666,631         | 5,881,205         | 6,075,284         | 6,263,618         | 6,451,527         |
| Contract Services                   | 17,853,413        | 19,461,836        | 23,766,531         | 21,603,686        | 22,821,233        | 23,911,505        | 25,024,294        | 26,166,991        |
| Cost Allocation                     | 8,101,838         | 9,368,223         | 9,368,223          | 9,786,477         | 10,031,139        | 10,281,917        | 10,538,965        | 10,802,439        |
| Capital Outlays                     | 3,307,912         | 793,000           | 1,804,192          | 37,050            | 266,378           | 275,169           | 283,699           | 292,210           |
| Special Projects                    | 6,539,703         | 1,368,298         | 12,225,436         | 3,662,335         | 532,756           | 550,337           | 567,398           | 584,420           |
| Contingencies                       | 911               | 1,197,933         | 1,070,453          | 1,070,049         | 852,410           | 880,540           | 907,836           | 935,071           |
| Other Uses                          | 307,751           | 910,000           | 1,122,937          | 783,209           | -                 | -                 | -                 | -                 |
| <b>Non-Personnel Costs</b>          | <b>41,096,565</b> | <b>38,871,846</b> | <b>56,025,581</b>  | <b>42,609,437</b> | <b>40,385,121</b> | <b>41,974,752</b> | <b>43,585,811</b> | <b>45,232,658</b> |
| <b>Transfers</b>                    | <b>24,129,372</b> | <b>11,358,912</b> | <b>19,376,088</b>  | <b>10,539,557</b> | <b>10,368,976</b> | <b>10,465,615</b> | <b>10,592,570</b> | <b>10,699,604</b> |
| <b>Transfers to Capital Reserve</b> | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>-</b>          | <b>1,500,000</b>  | <b>1,500,000</b>  | <b>1,500,000</b>  | <b>1,500,000</b>  |
| <b>TOTAL EXPENDITURES</b>           | <b>89,309,589</b> | <b>77,639,720</b> | <b>102,395,991</b> | <b>80,104,468</b> | <b>79,845,724</b> | <b>82,599,142</b> | <b>85,357,422</b> | <b>88,029,435</b> |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - General Fund Fund Balance

| Classification            | 2017-18    | 2018-19    | 2018-19    | 2019-20    | 2020-21    | 2021-22    | 2022-23    | 2023-24    |
|---------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                           | Actual     | Adopted    | Estimate   | Adopted    | Forecast   | Forecast   | Forecast   | Forecast   |
| <b>Beginning Balance</b>  | 53,589,690 | 45,961,772 | 52,510,457 | 39,631,790 | 46,627,474 | 53,243,728 | 59,551,349 | 65,550,027 |
| Unassigned                | 21,704,922 | 8,893,982  | 5,799,633  | 12,801,317 | 19,417,571 | 25,725,192 | 31,723,870 | 37,481,630 |
| All Other Classifications | 30,805,535 | 36,316,546 | 33,832,157 | 33,826,157 | 33,826,157 | 33,826,157 | 33,826,157 | 33,826,157 |
| <b>Ending Balance</b>     | 52,510,457 | 45,210,528 | 39,631,790 | 46,627,474 | 53,243,728 | 59,551,349 | 65,550,027 | 71,307,787 |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Special Revenue Fund Revenues

| Classification   | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>STORM DRAIN IMPROVEMENT (FUNDS 210, 215)</b>                  |                   |                    |                     |                    |                     |                     |                     |                     |
| 406-Taxes  | 74,718            | -                  | -                   | 74,741             | 74,741              | 74,741              | 74,741              | 74,741              |
| 420-Use of Money   | 29,002            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In  | 1,700,004         | 1,100,000          | 1,100,000           | 437,000            | -                   | -                   | -                   | -                   |
| 480-Miscellaneous Revenue  | 39,490            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>   | <b>1,843,214</b>  | <b>1,100,000</b>   | <b>1,100,000</b>    | <b>511,741</b>     | <b>74,741</b>       | <b>74,741</b>       | <b>74,741</b>       | <b>74,741</b>       |
| <b>ENVIRON. MGMT./CLEAN CREEKS/STORM DRAIN (FUND 230)</b>        |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money   | 988               | 900                | 900                 | 900                | -                   | -                   | -                   | -                   |
| 421-Transfer In  | 84,120            | 436,000            | 436,000             | 660,000            | -                   | -                   | -                   | -                   |
| 430-Fines and Forfeitures  | 27,902            | 9,000              | 9,000               | 10,000             | 10,000              | 10,000              | 10,000              | 10,000              |
| 450-Charges for Services   | 369,443           | 370,000            | 370,000             | 370,000            | 370,000             | 370,000             | 370,000             | 370,000             |
| <b>TOTAL</b>   | <b>482,453</b>    | <b>815,900</b>     | <b>815,900</b>      | <b>1,040,900</b>   | <b>380,000</b>      | <b>380,000</b>      | <b>380,000</b>      | <b>380,000</b>      |
| <b>HOUSING &amp; COMMUNITY DEVELOPMENT (FUNDS 260, 261, 265)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 406-Taxes  | 165,324           | 3,000              | 3,000               | 3,000              | 3,000               | 3,000               | 3,000               | 3,000               |
| 420-Use of Money   | 56,551            | 10,910             | 10,910              | 14,800             | 14,800              | 14,800              | 14,800              | 14,800              |
| 421-Transfer In  | -                 | 175,000            | 175,000             | -                  | -                   | -                   | -                   | -                   |
| 440-Intergovernmental  | 316,687           | 311,942            | 311,942             | 361,597            | 361,597             | 361,597             | 361,597             | 361,597             |
| 450-Charges for Services   | 1,960             | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 460-Refundable Deposit Revenue                                   | 32,175            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 480-Miscellaneous Revenue  | 4,754             | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>   | <b>577,451</b>    | <b>500,852</b>     | <b>500,852</b>      | <b>379,397</b>     | <b>379,397</b>      | <b>379,397</b>      | <b>379,397</b>      | <b>379,397</b>      |
| <b>TRANSPORTATION (FUND 270)</b>                                 |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money   | 49,184            | 77,500             | 77,500              | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In  | 10,987,992        | 5,800,000          | 5,800,000           | 221,000            | 5,800,000           | 5,800,000           | 221,000             | 221,000             |
| 440-Intergovernmental  | 2,004,832         | 3,510,939          | 3,510,939           | 7,192,936          | 3,165,000           | 3,165,000           | 3,165,000           | 3,165,000           |
| 450-Charges for Services   | 24,942            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 480-Miscellaneous Revenue  | 775,021           | 185,000            | 185,000             | 2,198,521          | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>   | <b>13,841,971</b> | <b>9,573,439</b>   | <b>9,573,439</b>    | <b>9,612,457</b>   | <b>8,965,000</b>    | <b>8,965,000</b>    | <b>3,386,000</b>    | <b>3,386,000</b>    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Special Revenue Fund Revenues

| Classification                     | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|------------------------------------|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>PARK DEDICATION (FUND 280)</b>  |                   |                    |                     |                    |                     |                     |                     |                     |
| 406-Taxes                          | 363,750           | -                  | -                   | 375,663            | 375,663             | 375,663             | 375,663             | 375,663             |
| 420-Use of Money                   | 62,271            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In                    | -                 | 575,000            | 575,000             | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                       | <b>426,021</b>    | <b>575,000</b>     | <b>575,000</b>      | <b>375,663</b>     | <b>375,663</b>      | <b>375,663</b>      | <b>375,663</b>      | <b>375,663</b>      |
| <b>TREE (FUND 281)</b>             |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money                   | 971               | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 450-Charges for Services           | 20,432            | -                  | -                   | 21,045             | 21,045              | 21,045              | 21,045              | 21,045              |
| <b>TOTAL</b>                       | <b>21,403</b>     | <b>-</b>           | <b>-</b>            | <b>21,045</b>      | <b>21,045</b>       | <b>21,045</b>       | <b>21,045</b>       | <b>21,045</b>       |
| <b>TOTAL SPECIAL REVENUE FUNDS</b> | <b>17,192,513</b> | <b>12,565,191</b>  | <b>12,565,191</b>   | <b>11,941,203</b>  | <b>10,195,846</b>   | <b>10,195,846</b>   | <b>4,616,846</b>    | <b>4,616,846</b>    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Debt Service Fund Revenues

| Classification                                  | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>PUBLIC FACILITIES CORPORATION (FUND 365)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money                                | 19,037            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In                                 | 3,167,544         | 3,169,438          | 3,169,438           | 3,172,838          | 3,169,138           | 3,168,488           | 3,170,738           | 3,170,738           |
| <b>TOTAL</b>                                    | <b>3,186,581</b>  | <b>3,169,438</b>   | <b>3,169,438</b>    | <b>3,172,838</b>   | <b>3,169,138</b>    | <b>3,168,488</b>    | <b>3,170,738</b>    | <b>3,170,738</b>    |
| <b>TOTAL DEBT SERVICE FUNDS</b>                 |                   |                    |                     |                    |                     |                     |                     |                     |
|   | <b>3,186,581</b>  | <b>3,169,438</b>   | <b>3,169,438</b>    | <b>3,172,838</b>   | <b>3,169,138</b>    | <b>3,168,488</b>    | <b>3,170,738</b>    | <b>3,170,738</b>    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Capital Project Fund Revenues

| Classification                                 | 2017-18           | 2018-19          | 2018-19           | 2019-20           | 2020-21          | 2021-22          | 2022-23          | 2023-24          |
|--|-------------------|------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|
|  | Actual            | Adopted          | Estimate          | Adopted           | Forecast         | Forecast         | Forecast         | Forecast         |
| <b>CAPITAL IMPROVEMENT PROJECTS (FUND 420)</b> |                   |                  |                   |                   |                  |                  |                  |                  |
| 420-Use of Money                               | (78,761)          | -                | -                 | -                 | -                | -                | -                | -                |
| 421-Transfer In                                | 8,795,756         | 9,051,500        | 11,268,676        | 14,305,000        | -                | -                | -                | -                |
| 450-Charges for Services                       | 144,687           | -                | -                 | -                 | -                | -                | -                | -                |
| 480-Miscellaneous Revenue                      | 1,800,000         | -                | -                 | 7,757,418         | -                | -                | -                | -                |
| <b>TOTAL</b>                                   | <b>10,661,682</b> | <b>9,051,500</b> | <b>11,268,676</b> | <b>22,062,418</b> | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>CAPITAL RESERVE (FUND 429)</b>              |                   |                  |                   |                   |                  |                  |                  |                  |
| 420-Use of Money                               | (20,678)          | -                | -                 | -                 | -                | -                | -                | -                |
| 421-Transfer In                                | 13,438,644        | -                | 12,350,750        | 352,719           | 1,500,000        | 1,500,000        | 1,500,000        | 1,500,000        |
| <b>TOTAL</b>                                   | <b>13,438,644</b> | <b>-</b>         | <b>12,350,750</b> | <b>352,719</b>    | <b>1,500,000</b> | <b>1,500,000</b> | <b>1,500,000</b> | <b>1,500,000</b> |
| <b>TOTAL CAPITAL PROJECT FUNDS</b>             | <b>24,100,326</b> | <b>9,051,500</b> | <b>23,619,426</b> | <b>22,415,137</b> | <b>1,500,000</b> | <b>1,500,000</b> | <b>1,500,000</b> | <b>1,500,000</b> |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Enterprise Fund Revenues

| Classification                                | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>RESOURCE RECOVERY (FUND 520)</b>           |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money                              | 40,662            | 30,000             | 30,000              | -                  | -                   | -                   | -                   | -                   |
| 440-Intergovernmental                         | 14,781            | 15,000             | 15,000              | 15,000             | -                   | -                   | -                   | -                   |
| 450-Charges for Services                      | 2,475,967         | 2,157,000          | 2,157,000           | 1,270,000          | 1,270,000           | 1,270,000           | 1,270,000           | 1,270,000           |
| 480-Miscellaneous Revenue                     | 69,114            | 66,000             | 66,000              | 66,000             | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                                  | <b>2,600,524</b>  | <b>2,268,000</b>   | <b>2,268,000</b>    | <b>1,351,000</b>   | <b>1,270,000</b>    | <b>1,270,000</b>    | <b>1,270,000</b>    | <b>1,270,000</b>    |
| <b>BLACKBERRY FARM GOLF COURSE (FUND 560)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money                              | 38,157            | -                  | -                   | 27,000             | 27,000              | 27,000              | 27,000              | 27,000              |
| 421-Transfer In                               | 300,000           | 75,000             | 75,000              | 610,000            | 610,000             | 610,000             | 610,000             | 610,000             |
| 450-Charges for Services                      | 314,754           | 335,000            | 335,000             | 300,000            | 300,000             | 300,000             | 300,000             | 300,000             |
| <b>TOTAL</b>                                  | <b>652,911</b>    | <b>410,000</b>     | <b>410,000</b>      | <b>937,000</b>     | <b>937,000</b>      | <b>937,000</b>      | <b>937,000</b>      | <b>937,000</b>      |
| <b>SPORTS CENTER (FUND 570)</b>               |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money                              | 13,147            | -                  | -                   | 1,000              | 1,000               | 1,000               | 1,000               | 1,000               |
| 421-Transfer In                               | 99,996            | -                  | -                   | 2,223,000          | 2,223,000           | 2,223,000           | 2,223,000           | 2,223,000           |
| 450-Charges for Services                      | 2,402,491         | 2,100,500          | 2,455,498           | 2,050,500          | 2,050,500           | 2,050,500           | 2,050,500           | 2,050,500           |
| <b>TOTAL</b>                                  | <b>2,515,634</b>  | <b>2,100,500</b>   | <b>2,455,498</b>    | <b>4,274,500</b>   | <b>4,274,500</b>    | <b>4,274,500</b>    | <b>4,274,500</b>    | <b>4,274,500</b>    |
| <b>RECREATION PROGRAMS (FUND 580)</b>         |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money                              | 179,447           | 287,000            | 287,000             | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In                               | 400,000           | -                  | -                   | 690,000            | 2,796,992           | 2,796,992           | 2,796,992           | 2,796,992           |
| 450-Charges for Services                      | 2,353,008         | 2,278,900          | 2,278,900           | 2,239,327          | 2,239,327           | 2,239,327           | 2,239,327           | 2,239,327           |
| <b>TOTAL</b>                                  | <b>2,932,455</b>  | <b>2,565,900</b>   | <b>2,565,900</b>    | <b>2,929,327</b>   | <b>5,036,319</b>    | <b>5,036,319</b>    | <b>5,036,319</b>    | <b>5,036,319</b>    |
| <b>TOTAL ENTERPRISE FUNDS</b>                 | <b>8,701,524</b>  | <b>7,344,400</b>   | <b>7,699,398</b>    | <b>9,491,827</b>   | <b>11,517,819</b>   | <b>11,517,819</b>   | <b>11,517,819</b>   | <b>11,517,819</b>   |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Internal Service Fund Revenues

| Classification   | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>INFORMATION TECHNOLOGY (FUND 610)</b>                         |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money   | 19,524            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In  | 549,708           | -                  | -                   | 72,000             | -                   | -                   | -                   | -                   |
| 450-Charges for Services   | 2,356,724         | 3,753,928          | 3,753,928           | 2,731,701          | 2,731,701           | 2,731,701           | 2,731,701           | 2,731,701           |
| 480-Miscellaneous Revenue  | 901               | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>   | <b>2,926,857</b>  | <b>3,753,928</b>   | <b>3,753,928</b>    | <b>2,803,701</b>   | <b>2,731,701</b>    | <b>2,731,701</b>    | <b>2,731,701</b>    | <b>2,731,701</b>    |
| <b>WORKERS' COMPENSATION (FUND 620)</b>                          |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money   | 20,278            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 450-Charges for Services   | 313,486           | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 490-Other Sources  | 607,752           | 472,652            | 472,652             | 472,652            | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>   | <b>941,516</b>    | <b>472,652</b>     | <b>472,652</b>      | <b>472,652</b>     | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>VEHICLE/EQUIPMENT REPLACEMENT (FUND 630)</b>                  |                   |                    |                     |                    |                     |                     |                     |                     |
| 450-Charges for Services   | 1,211,860         | 1,056,968          | 1,056,968           | 1,352,200          | 1,352,200           | 1,352,200           | 1,352,200           | 1,352,200           |
| 480-Miscellaneous Revenue  | 7,125             | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 490-Other Sources  | 59,715            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>   | <b>1,278,700</b>  | <b>1,056,968</b>   | <b>1,056,968</b>    | <b>1,352,200</b>   | <b>1,352,200</b>    | <b>1,352,200</b>    | <b>1,352,200</b>    | <b>1,352,200</b>    |
| <b>COMPENSATED ABSENCE &amp; LONG-TERM DISABILITY (FUND 641)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money   | 1,808             | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In  | 509,520           | 447,000            | 447,000             | 1,109,000          | 150,000             | 150,000             | 150,000             | 150,000             |
| 450-Charges for Services   | 154,976           | 162,266            | 162,266             | -                  | 83,875              | 83,875              | 83,875              | 83,875              |
| <b>TOTAL</b>   | <b>666,304</b>    | <b>609,266</b>     | <b>609,266</b>      | <b>1,109,000</b>   | <b>233,875</b>      | <b>233,875</b>      | <b>233,875</b>      | <b>233,875</b>      |
| <b>RETIREE MEDICAL (FUND 642)</b>                                |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-Use of Money   | 234               | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 421-Transfer In  | 2,368,484         | 1,131,474          | 1,131,474           | 2,392,000          | 2,392,000           | 2,392,000           | 2,392,000           | 2,392,000           |
| <b>TOTAL</b>   | <b>2,368,718</b>  | <b>1,131,474</b>   | <b>1,131,474</b>    | <b>2,392,000</b>   | <b>2,392,000</b>    | <b>2,392,000</b>    | <b>2,392,000</b>    | <b>2,392,000</b>    |
| <b>TOTAL INTERNAL SERVICE FUNDS</b>                              | <b>8,182,095</b>  | <b>7,024,288</b>   | <b>7,024,288</b>    | <b>8,129,553</b>   | <b>6,709,776</b>    | <b>6,709,776</b>    | <b>6,709,776</b>    | <b>6,709,776</b>    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Special Revenue Fund Expenditures

| Program   | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>STORM DRAIN IMPROVEMENT (FUND 210, 215)</b>                  |                   |                    |                     |                    |                     |                     |                     |                     |
| 210-90-978 Minor Storm Drain Impv                               | 9,000             | -                  | 92,828              | -                  | -                   | -                   | -                   | -                   |
| 210-90-980 SD Master Plan Update                                | 103,933           | -                  | 36,067              | -                  | -                   | -                   | -                   | -                   |
| 210-90-981 Calabazas Creek Outfall Repair                       | 135,000           | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 210-99-042 Strm Drn Improv-Fthill & Cup Rd                      | 1,210,663         | -                  | 641,340             | -                  | -                   | -                   | -                   | -                   |
| 210-99-060 Storm Drain Improv-Byrne & SCB                       | 1,500,000         | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 210-99-071 Storm Drain MP Implementation                        | -                 | 1,500,000          | 1,500,000           | -                  | -                   | -                   | -                   | -                   |
| 215-90-982 Bubb Rd Elm Ct Sd Improv                             | 178,255           | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>  | <b>3,136,851</b>  | <b>1,500,000</b>   | <b>2,270,235</b>    | <b>-</b>           | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>ENVIRON. MGMT./CLEAN CREEKS/STORM DRAIN (FUND 230)</b>       |                   |                    |                     |                    |                     |                     |                     |                     |
| 230-81-802 Non Point Source                                     | 640,161           | 720,785            | 861,018             | 743,278            | 743,278             | 743,278             | 743,278             | 743,278             |
| <b>TOTAL</b>  | <b>640,161</b>    | <b>720,785</b>     | <b>861,018</b>      | <b>743,278</b>     | <b>743,278</b>      | <b>743,278</b>      | <b>743,278</b>      | <b>743,278</b>      |
| <b>HOUSING &amp; COMMUNITY DEVELOPMENT (FUND 260, 261, 265)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 260-72-707 CDBG General Admin                                   | 60,128            | 65,871             | 65,871              | 69,277             | 69,277              | 69,277              | 69,277              | 69,277              |
| 260-72-709 CDBG Capital/Housing Projects                        | 224,461           | 210,892            | 451,094             | 240,202            | 240,202             | 240,202             | 240,202             | 240,202             |
| 260-72-710 CDBG Public Service Grants                           | 47,983            | 47,983             | 103,414             | 50,000             | 50,000              | 50,000              | 50,000              | 50,000              |
| 265-72-711 BMR Affordable Housing Fund                          | 4,209,280         | 818,427            | 874,647             | 684,737            | 475,000             | 475,000             | 475,000             | 475,000             |
| <b>TOTAL</b>  | <b>4,541,852</b>  | <b>1,143,173</b>   | <b>1,495,026</b>    | <b>1,044,216</b>   | <b>834,479</b>      | <b>834,479</b>      | <b>834,479</b>      | <b>834,479</b>      |
| <b>TRANSPORTATION (FUND 270)</b>                                |                   |                    |                     |                    |                     |                     |                     |                     |
| 270-85-820 Sidewalk Curb and Gutter                             | 1,139,478         | 1,195,876          | 1,210,757           | 1,377,406          | 1,377,406           | 1,377,406           | 1,377,406           | 1,377,406           |
| 270-85-821 Street Pavement Maintenance                          | 9,860,821         | 6,832,574          | 10,360,096          | 3,906,202          | 3,906,202           | 3,906,202           | 3,906,202           | 3,906,202           |
| 270-85-822 Street Sign Marking                                  | 867,363           | 661,889            | 682,310             | 719,275            | 719,275             | 719,275             | 719,275             | 719,275             |
| 270-90-954 Monument Gateway Sign                                | -                 | -                  | 25,859              | -                  | -                   | -                   | -                   | -                   |
| 270-90-958 Orange and Byrne Sidewalk Impv                       | 248,706           | -                  | 3,582,855           | -                  | -                   | -                   | -                   | -                   |
| 270-90-960 Bridge Rehab Minor                                   | 11,999            | -                  | 681,745             | -                  | -                   | -                   | -                   | -                   |
| 270-90-961 St Median Irrg Plant Repl                            | 348,911           | -                  | 1,014,439           | -                  | -                   | -                   | -                   | -                   |
| 270-90-962 Bicycle Ped Facility Impr                            | 779,760           | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 270-90-976 Ph 2 Mcl Sidewalk Improv                             | 89,559            | -                  | 1,499,266           | 2,035,000          | -                   | -                   | -                   | -                   |
| 270-99-044 Traffic Calm Rodrigues/Pacifica                      | 24,000            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 270-99-046 Sidewalk Renovation-SCB                              | 47,589            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>  | <b>13,418,186</b> | <b>8,690,339</b>   | <b>19,057,327</b>   | <b>8,037,883</b>   | <b>6,002,883</b>    | <b>6,002,883</b>    | <b>6,002,883</b>    | <b>6,002,883</b>    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Special Revenue Fund Expenditures

| Program                                    | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>PARK DEDICATION (FUND 280)</b>          |                   |                    |                     |                    |                     |                     |                     |                     |
| 280-99-009 Lawrence-Mitty Park             | 188               | -                  | 8,227,099           | -                  | -                   | -                   | -                   | -                   |
| 280-99-066 MRP Community Grdn Improv-Const | -                 | 1,500,000          | 1,500,000           | -                  | -                   | -                   | -                   | -                   |
| 280-99-067 MRP EEC Aquatic Habitat         | -                 | 125,000            | 125,000             | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                               | <b>188</b>        | <b>1,625,000</b>   | <b>9,852,099</b>    | <b>-</b>           | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>TREE FUND (FUND 281)</b>                |                   |                    |                     |                    |                     |                     |                     |                     |
| 281-90-001 No Department                   | -                 | 10,000             | 10,000              | 12,000             | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                               | <b>-</b>          | <b>10,000</b>      | <b>10,000</b>       | <b>12,000</b>      | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>TOTAL SPECIAL REVENUE FUNDS</b>         | <b>21,737,238</b> | <b>13,689,297</b>  | <b>33,545,705</b>   | <b>9,837,377</b>   | <b>7,580,640</b>    | <b>7,580,640</b>    | <b>7,580,640</b>    | <b>7,580,640</b>    |

**Fiscal Year 2019-20 Adopted Budget  
Five-Year Forecast - Debt Service Fund Expenditures**

| Program   | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>PUBLIC FACILITIES CORPORATION (FUND 365)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 365-90-001 No Department                        | 23,790            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 365-90-500 Facility Lease                       | 3,173,038         | 3,169,438          | 3,169,438           | 3,172,838          | 3,169,138           | 3,168,488           | 3,170,738           | 3,170,738           |
| <b>TOTAL</b>                                    | <b>3,196,828</b>  | <b>3,169,438</b>   | <b>3,169,438</b>    | <b>3,172,838</b>   | <b>3,169,138</b>    | <b>3,168,488</b>    | <b>3,170,738</b>    | <b>3,170,738</b>    |
| <b>TOTAL DEBT SERVICE FUNDS</b>                 |                   |                    |                     |                    |                     |                     |                     |                     |
|   | <b>3,196,828</b>  | <b>3,169,438</b>   | <b>3,169,438</b>    | <b>3,172,838</b>   | <b>3,169,138</b>    | <b>3,168,488</b>    | <b>3,170,738</b>    | <b>3,170,738</b>    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Capital Project Fund Expenditures

| Program  | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>CAPITAL IMPROVEMENT PROJECTS (FUND 420)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 420-90-880 Env Edu Facility                    | 1,435             | -                  | 3,365               | -                  |                     |                     |                     |                     |
| 420-90-897 Spt Ctr Tennis Court Ret Wall       | 50,000            | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-90-898 SCCP Chain MP-MCLN TO SCB           | -                 | 75,000             | 203,727             | -                  |                     |                     |                     |                     |
| 420-90-904 Spt Ctr Resurf Tennis Cts           | -                 | -                  | 2,000               | -                  |                     |                     |                     |                     |
| 420-90-938 Pub Bldg Solar Service Center       | 3,268             | -                  | 25,355              | -                  |                     |                     |                     |                     |
| 420-90-969 DeAnza/McClellan Signal Maint       | -                 | -                  | 145,700             | -                  |                     |                     |                     |                     |
| 420-90-971 STLG/280 Ped Bridge Lighting        | -                 | -                  | 46,450              | -                  |                     |                     |                     |                     |
| 420-90-999 Green Bike Lanes                    | -                 | -                  | 95,000              | -                  |                     |                     |                     |                     |
| 420-99-002 BBF Splash Pad                      | 70,000            | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-003 MR Construct Trash Enclosure        | 13,418            | -                  | 139,972             | -                  |                     |                     |                     |                     |
| 420-99-004 MR Community Garden Improvements    | 62,233            | -                  | 42,574              | 1,500,000          |                     |                     |                     |                     |
| 420-99-005 Memorial Park MP and Parking        | 150,000           | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-007 ADA Improvements                    | 176,984           | 75,000             | 143,015             | 80,000             | 85,000              | 90,000              | 95,000              | 100,000             |
| 420-99-014 Stevens Crk Bank Repair Concept     | -                 | -                  | 100,000             | -                  |                     |                     |                     |                     |
| 420-99-015 Tennis Court Resurfacing Parks      | 802,125           | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-017 Sports Center Exterior Upgrades     | 339,209           | 830,000            | 1,230,300           | -                  |                     | 1,548,700           |                     |                     |
| 420-99-018 Sports Center Interior Upgrades     | -                 | -                  | 20,000              | -                  |                     |                     |                     |                     |
| 420-99-023 QCC Fire Alarm Control Panel Upg    | 59,872            | -                  | 49,831              | -                  |                     |                     |                     |                     |
| 420-99-027 Pasadena Ave Pub Imp Granada        | 1,236             | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-028 Traffic Signal Foothill-I280 SB     | 100,000           | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-030 MCClellan West-Parking Lot Impro    | 94,917            | -                  | 867,956             | -                  |                     |                     |                     |                     |
| 420-99-031 Rec Facilities Monument Signs       | -                 | -                  | 385,000             | -                  |                     |                     |                     |                     |
| 420-99-033 City Hall - Turf Reduction          | 103,642           | -                  | 42,574              | -                  |                     |                     |                     |                     |
| 420-99-034 Svc Ctr - Shed No. 3 Improvement    | 90,642            | 600,000            | 992,257             | -                  |                     |                     |                     |                     |
| 420-99-035 Stockmeir Hse-New Sewer Lateral     | 50,000            | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-036 2016 Bike Plan Implementation       | 723,141           | 1,800,000          | 8,087,191           | 4,390,000          |                     |                     |                     |                     |
| 420-99-037 Bikeway Enhncmnts & Brnding Stdy    | 49,973            | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-038 Fiber Network Ext to Svc Ctr        | 325,857           | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-039 Pedestrian Master Plan              | 52,547            | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-040 Retaining Wall Repair-Cordova Rd    | 1,074             | -                  | 298,343             | -                  |                     |                     |                     |                     |
| 420-99-041 Retaining Wall Repl - Regnart Rd    | 468,726           | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-043 Svc Ctr-New Admin Bldg Feas Stdy    | 32,385            | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-045 Citywide Park & Recreation MP       | 103,576           | 100,000            | 284,747             | -                  |                     |                     |                     |                     |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Capital Project Fund Expenditures

| Program                                       | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| 420-99-047 CIP Prelim Planning & Design       | 62,977            | 125,000            | 125,000             | 125,000            |                     |                     |                     |                     |
| 420-99-048 Capital Project Support            | 2,217             | 50,000             | 50,000              | 52,500             |                     |                     |                     |                     |
| 420-99-049 Int'l Cricket Ground-Feasibility   | 20,000            | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-051 Inclusive Play Area - Planning     | 15,953            | -                  | 14,047              | 5,500,000          |                     |                     |                     |                     |
| 420-99-054 Senior Ctr Walkway Replacement     | 47,966            | -                  | 16,033              | -                  |                     |                     |                     |                     |
| 420-99-055 Outfall Rpr/Slope Stblz-Regnart    | 400,000           | -                  | -                   | -                  |                     |                     |                     |                     |
| 420-99-056 St Light Install - Annual Infill   | -                 | 30,000             | 60,000              | 75,000             | 75,000              | 75,000              | 75,000              | 75,000              |
| 420-99-057 McClellan Sdwlk-RB to Hwy85 Over   | -                 | -                  | 430,000             | -                  |                     |                     |                     |                     |
| 420-99-058 St Light Install-Randy & Larry     | 7,050             | -                  | 359,950             | -                  |                     |                     |                     |                     |
| 420-99-059 Senior Center Repairs              | 10,446            | -                  | 189,553             | -                  |                     |                     |                     |                     |
| 420-99-063 CW Bldg Condition Assess Impl      | -                 | 1,000,000          | 1,000,000           | -                  | 1,500,000           |                     |                     |                     |
| 420-99-064 Creek Infall/Outfall Restoration   | -                 | 160,000            | 160,000             | -                  |                     |                     |                     |                     |
| 420-99-065 DeAnza Med Islnd Landscaping Ph2   | -                 | 1,546,500          | 1,546,500           | -                  |                     |                     |                     |                     |
| 420-99-068 Regnart Road Improvements          | -                 | 150,000            | 150,000             | 1,150,000          |                     |                     |                     |                     |
| 420-99-069 School Walk Audit Implementation   | -                 | 250,000            | 250,000             | 1,221,863          |                     |                     |                     |                     |
| 420-99-070 SCB/Bandley Signal & Median Imps   | -                 | 150,000            | 150,000             | -                  |                     |                     |                     |                     |
| 420-99-072 St Light Replacement CW (labor)    | -                 | 200,000            | 200,000             | -                  |                     |                     |                     |                     |
| 420-99-074 Interim City Hall                  | -                 | -                  | 500,000             | -                  |                     |                     |                     |                     |
| 420-99-075 New City Hall                      | -                 | -                  | 3,500,000           | -                  |                     |                     |                     |                     |
| 420-99-077 Library Expansion                  | -                 | -                  | -                   | 5,000,000          |                     |                     |                     |                     |
| 420-99-078 Civic Center Parking Analysis      | -                 | -                  | -                   | 1,000,000          |                     |                     |                     |                     |
| 420-99-079 Mary Ave Protected Bikeway *       | -                 | -                  | -                   | 165,000            |                     |                     |                     |                     |
| 420-99-080 Bubb Rd Separated Bikeway Improv * | -                 | -                  | -                   | 1,980,555          |                     |                     |                     |                     |
| 420-99-885 Golf Irrigation Upgrades           | 493,000           | -                  | -                   | -                  |                     |                     |                     |                     |
| <b>TOTAL</b>                                  | <b>4,985,869</b>  | <b>7,141,500</b>   | <b>21,906,440</b>   | <b>22,239,918</b>  | <b>1,660,000</b>    | <b>1,713,700</b>    | <b>170,000</b>      | <b>175,000</b>      |

\* During printing production of the FY 2019-20 Adopted Budget, a transposition error occurred between the Mary Ave Protected Bikeway and Bubb Rd Separated Bikeway Improvements projects. This error has been corrected and is accurately reflected in this electronic version.

| CAPITAL RESERVE (FUND 429) |                   |                   |                   |                   |                  |                  |                |                |
|----------------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|----------------|----------------|
| 429-90-001 No Department   | 15,259,920        | 10,726,500        | 12,801,500        | 15,705,000        | 1,660,000        | 1,713,700        | 170,000        | 175,000        |
| <b>TOTAL</b>               | <b>15,259,920</b> | <b>10,726,500</b> | <b>12,801,500</b> | <b>15,705,000</b> | <b>1,660,000</b> | <b>1,713,700</b> | <b>170,000</b> | <b>175,000</b> |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Capital Project Fund Expenditures

| Program                                       | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>STEVENS CREEK CORRIDOR PARK (FUND 427)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 427-90-870 SC Corridor Park Ph 1              | -                 | -                  | 38,115              | -                  | -                   | -                   | -                   | -                   |
| 427-90-881 Phs II SC Corridor Park            | 81,394            | -                  | 70,099              | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                                  | <b>81,394</b>     | <b>-</b>           | <b>108,214</b>      | <b>-</b>           | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |
| <b>TOTAL CAPITAL PROJECT FUNDS</b>            |                   |                    |                     |                    |                     |                     |                     |                     |
|   | <b>20,327,183</b> | <b>17,868,000</b>  | <b>34,816,154</b>   | <b>37,944,918</b>  | <b>3,320,000</b>    | <b>3,427,400</b>    | <b>340,000</b>      | <b>350,000</b>      |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Enterprise Fund Expenditures

| Program                                       | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>RESOURCE RECOVERY (FUND 520)</b>           |                   |                    |                     |                    |                     |                     |                     |                     |
| 520-81-801 Resources Recovery                 | 2,594,511         | 3,501,101          | 3,694,972           | 2,365,018          | 2,365,018           | 2,365,018           | 2,365,018           | 2,365,018           |
| <b>TOTAL</b>                                  | <b>2,594,511</b>  | <b>3,501,101</b>   | <b>3,694,972</b>    | <b>2,365,018</b>   | <b>2,365,018</b>    | <b>2,365,018</b>    | <b>2,365,018</b>    | <b>2,365,018</b>    |
| <b>BLACKBERRY FARM GOLF COURSE (FUND 560)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 560-63-616 BBF Golf Course                    | 675,109           | 687,939            | 722,827             | 692,151            | 692,151             | 692,151             | 692,151             | 692,151             |
| 560-90-885 Golf Irrigation Upgrades           | 381,002           | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 560-99-061 BBF Entrnc Rd Improv-Feasibility   | -                 | 75,000             | 75,000              | -                  | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                                  | <b>1,056,111</b>  | <b>762,939</b>     | <b>797,827</b>      | <b>692,151</b>     | <b>692,151</b>      | <b>692,151</b>      | <b>692,151</b>      | <b>692,151</b>      |
| <b>SPORTS CENTER (FUND 570)</b>               |                   |                    |                     |                    |                     |                     |                     |                     |
| 570-63-621 Sports Center Operation            | 2,196,215         | 2,460,735          | 2,866,798           | 2,545,563          | 2,545,563           | 2,545,563           | 2,545,563           | 2,545,563           |
| 570-87-836 Bldg Maint Sports Center           | 437,533           | 490,076            | 570,741             | 470,355            | 470,355             | 470,355             | 470,355             | 470,355             |
| 570-99-032 Spt Ctr - Children's Play Area     | 470,000           | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 570-99-081 Sports Center Seismic Retrofit     | -                 | -                  | -                   | 1,275,000          | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                                  | <b>3,103,748</b>  | <b>2,950,811</b>   | <b>3,437,539</b>    | <b>4,290,918</b>   | <b>3,015,918</b>    | <b>3,015,918</b>    | <b>3,015,918</b>    | <b>3,015,918</b>    |
| <b>RECREATION PROGRAMS (FUND 580)</b>         |                   |                    |                     |                    |                     |                     |                     |                     |
| 580-62-613 Youth Teen Recreation              | 1,959,948         | 2,040,825          | 2,068,689           | 2,463,342          | 2,463,342           | 2,463,342           | 2,463,342           | 2,463,342           |
| 580-63-620 Outdoor Recreation                 | 1,272,466         | 1,598,350          | 1,598,350           | 1,587,760          | 1,587,760           | 1,587,760           | 1,587,760           | 1,587,760           |
| 580-99-019 Blacksmith Forge Restoration Des   | 37,206            | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
| 580-99-082 Quinlan Preschool Shade Structur   | -                 | -                  | -                   | 125,000            | -                   | -                   | -                   | -                   |
| <b>TOTAL</b>                                  | <b>3,269,620</b>  | <b>3,639,175</b>   | <b>3,667,039</b>    | <b>4,176,102</b>   | <b>4,051,102</b>    | <b>4,051,102</b>    | <b>4,051,102</b>    | <b>4,051,102</b>    |
| <b>TOTAL ENTERPRISE FUNDS</b>                 | <b>10,023,990</b> | <b>10,854,026</b>  | <b>11,597,377</b>   | <b>11,524,189</b>  | <b>10,124,189</b>   | <b>10,124,189</b>   | <b>10,124,189</b>   | <b>10,124,189</b>   |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - Internal Service Fund Expenditures

| Program  | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>INFORMATION TECHNOLOGY (FUND 610)</b>                         |                   |                    |                     |                    |                     |                     |                     |                     |
| 610-30-300 Administration  | 246,981           | 405,034            | 405,034             | 297,998            | 297,998             | 297,998             | 297,998             | 297,998             |
| 610-34-310 Infrastructure  | 1,848,120         | 2,668,918          | 3,190,692           | 2,267,832          | 2,267,832           | 2,267,832           | 2,267,832           | 2,267,832           |
| 610-35-986 GIS   | 836,032           | 1,107,071          | 1,140,298           | 1,096,093          | 1,096,093           | 1,096,093           | 1,096,093           | 1,096,093           |
| <b>TOTAL</b>   | <b>2,931,133</b>  | <b>4,181,023</b>   | <b>4,736,024</b>    | <b>3,661,923</b>   | <b>3,661,923</b>    | <b>3,661,923</b>    | <b>3,661,923</b>    | <b>3,661,923</b>    |
| <b>WORKERS' COMPENSATION (FUND 620)</b>                          |                   |                    |                     |                    |                     |                     |                     |                     |
| 620-44-418 Workers Compensation Insurance                        | 355,830           | 472,652            | 472,652             | 257,389            | 257,389             | 257,389             | 257,389             | 257,389             |
| <b>TOTAL</b>   | <b>355,830</b>    | <b>472,652</b>     | <b>472,652</b>      | <b>257,389</b>     | <b>257,389</b>      | <b>257,389</b>      | <b>257,389</b>      | <b>257,389</b>      |
| <b>VEHICLE/EQUIPMENT REPLACEMENT (FUND 630)</b>                  |                   |                    |                     |                    |                     |                     |                     |                     |
| 630-85-849 Equipment Maintenance                                 | 1,571,185         | 1,593,660          | 1,593,660           | 1,565,864          | 1,565,864           | 1,565,864           | 1,565,864           | 1,565,864           |
| 630-90-985 Fixed Assets Acquisition                              | (57,290)          | 538,000            | 760,221             | 594,100            | 594,100             | 594,100             | 594,100             | 594,100             |
| <b>TOTAL</b>   | <b>1,513,895</b>  | <b>2,131,660</b>   | <b>2,353,881</b>    | <b>2,159,964</b>   | <b>2,159,964</b>    | <b>2,159,964</b>    | <b>2,159,964</b>    | <b>2,159,964</b>    |
| <b>COMPENSATED ABSENCE &amp; LONG-TERM DISABILITY (FUND 641)</b> |                   |                    |                     |                    |                     |                     |                     |                     |
| 641-44-419 Long Term Disability                                  | 152,508           | 162,266            | 162,266             | 159,134            | 159,134             | 159,134             | 159,134             | 159,134             |
| 641-44-420 Compensated Absence                                   | 278,434           | 422,772            | 422,772             | 632,689            | 632,689             | 632,689             | 632,689             | 632,689             |
| <b>TOTAL</b>   | <b>430,942</b>    | <b>585,038</b>     | <b>585,038</b>      | <b>791,823</b>     | <b>791,823</b>      | <b>791,823</b>      | <b>791,823</b>      | <b>791,823</b>      |
| <b>RETIREE MEDICAL (FUND 642)</b>                                |                   |                    |                     |                    |                     |                     |                     |                     |
| 642-44-414 HR Retiree Benefits                                   | 1,064,773         | 1,128,005          | 1,128,005           | 1,077,262          | 1,077,262           | 1,077,262           | 1,077,262           | 1,077,262           |
| <b>TOTAL</b>   | <b>1,064,773</b>  | <b>1,128,005</b>   | <b>1,128,005</b>    | <b>1,077,262</b>   | <b>1,077,262</b>    | <b>1,077,262</b>    | <b>1,077,262</b>    | <b>1,077,262</b>    |
| <b>TOTAL INTERNAL SERVICE FUNDS</b>                              | <b>6,296,573</b>  | <b>8,498,378</b>   | <b>9,275,600</b>    | <b>7,948,361</b>   | <b>7,948,361</b>    | <b>7,948,361</b>    | <b>7,948,361</b>    | <b>7,948,361</b>    |

## Fiscal Year 2019-20 Adopted Budget Five-Year Forecast - All Funds Fund Balance/Retained Earnings

| Fund Type               |                          | 2017-18<br>Actual | 2018-19<br>Adopted | 2018-19<br>Estimate | 2019-20<br>Adopted | 2020-21<br>Forecast | 2021-22<br>Forecast | 2022-23<br>Forecast | 2023-24<br>Forecast |
|-------------------------|--------------------------|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>SPECIAL REVENUE</b>  |                          |                   |                    |                     |                    |                     |                     |                     |                     |
|                         | <b>Beginning Balance</b> | 33,776,352        | 4,219,674          | 29,231,630          | 11,591,698         | 13,655,524          | 16,270,730          | 18,885,936          | 15,922,142          |
| Assigned                |                          | 29,231,630        | 3,095,568          | 11,551,698          | 13,655,524         | 16,270,730          | 18,885,936          | 15,922,142          | 12,958,348          |
| Unassigned              |                          | -                 | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
|                         | <b>Ending Balance</b>    | 29,231,630        | 3,095,568          | 11,551,698          | 13,655,524         | 16,270,730          | 18,885,936          | 15,922,142          | 12,958,348          |
| <b>DEBT SERVICE</b>     |                          |                   |                    |                     |                    |                     |                     |                     |                     |
|                         | <b>Beginning Balance</b> | 1,597,234         | 1,597,234          | 1,586,987           | 1,586,987          | 1,586,987           | 1,586,987           | 1,586,987           | 1,586,987           |
| Assigned                |                          | 1,586,987         | 1,586,987          | 1,586,987           | 1,586,987          | 1,586,987           | 1,586,987           | 1,586,987           | 1,586,987           |
| Unassigned              |                          | -                 | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
|                         | <b>Ending Balance</b>    | 1,586,987         | 1,586,987          | 1,586,987           | 1,586,987          | 1,586,987           | 1,586,987           | 1,586,987           | 1,586,987           |
| <b>CAPITAL PROJECT</b>  |                          |                   |                    |                     |                    |                     |                     |                     |                     |
|                         | <b>Beginning Balance</b> | 25,305,974        | 13,588,436         | 29,129,616          | 21,093,773         | 5,563,992           | 3,743,992           | 1,816,592           | 2,976,592           |
| Assigned                |                          | 29,129,616        | 4,771,936          | 21,093,773          | 5,563,992          | 3,743,992           | 1,816,592           | 2,976,592           | 4,126,592           |
| Unassigned              |                          | -                 | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
|                         | <b>Ending Balance</b>    | 29,129,616        | 4,771,936          | 21,093,773          | 5,563,992          | 3,743,992           | 1,816,592           | 2,976,592           | 4,126,592           |
| <b>ENTERPRISE</b>       |                          |                   |                    |                     |                    |                     |                     |                     |                     |
|                         | <b>Beginning Balance</b> | 10,971,174        | 8,174,527          | 9,648,709           | 7,118,711          | 5,086,349           | 6,479,979           | 7,873,609           | 9,267,239           |
| Assigned                |                          | 9,648,709         | 4,664,901          | 7,118,711           | 5,086,349          | 6,479,979           | 7,873,609           | 9,267,239           | 10,660,869          |
| Unassigned              |                          | -                 | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
|                         | <b>Ending Balance</b>    | 9,648,709         | 4,664,901          | 7,118,711           | 5,086,349          | 6,479,979           | 7,873,609           | 9,267,239           | 10,660,869          |
| <b>INTERNAL SERVICE</b> |                          |                   |                    |                     |                    |                     |                     |                     |                     |
|                         | <b>Beginning Balance</b> | 4,652,496         | 13,767,907         | 6,538,018           | 4,701,861          | 4,883,053           | 3,644,468           | 2,405,883           | 1,167,298           |
| Assigned                |                          | 6,538,018         | 12,293,817         | 4,701,861           | 4,883,053          | 3,644,468           | 2,405,883           | 1,167,298           | (71,287)            |
| Unassigned              |                          | -                 | -                  | -                   | -                  | -                   | -                   | -                   | -                   |
|                         | <b>Ending Balance</b>    | 6,538,018         | 12,293,817         | 4,701,861           | 4,883,053          | 3,644,468           | 2,405,883           | 1,167,298           | (71,287)            |

# Council and Commissions

| Budget Unit         | Program   | 2020 Adopted Budget |
|---------------------|---|---------------------|
| <b>City Council</b> |   | <b>\$ 592,741</b>   |
| 100-10-100          | City Council  | \$ 423,311          |
| 100-10-101          | Community Funding                                   | \$ 110,587          |
| 100-10-110          | Sister Cities                                       | \$ 58,843           |
| <b>Commissions</b>  |   | <b>\$ 410,348</b>   |
| 100-11-131          | Technology, Information & Communications Commission | \$ 7,028            |
| 100-11-140          | Library Commission                                  | \$ 23,346           |
| 100-11-142          | Fine Arts Commission                                | \$ 54,541           |
| 100-11-150          | Public Safety Commission                            | \$ 22,738           |
| 100-11-155          | Bicycle and Pedestrian Commission                   | \$ 1,244            |
| 100-11-160          | Parks and Recreation Commission                     | \$ 51,443           |
| 100-11-165          | Teen Commission                                     | \$ 64,019           |
| 100-11-170          | Planning Commission                                 | \$ 109,787          |
| 100-11-175          | Housing Commission                                  | \$ 38,251           |
| 100-11-180          | Sustainability Commission                           | \$ 37,951           |
| <b>Total</b>        |   | <b>\$ 1,003,089</b> |

# Department Overview

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 586,473          |
| Total Expenditures       | \$ 1,003,089        |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 416,616          |
| % Funded by General Fund | 41.5%               |
| Total Staffing           | 7.21 FTE            |

## Organization

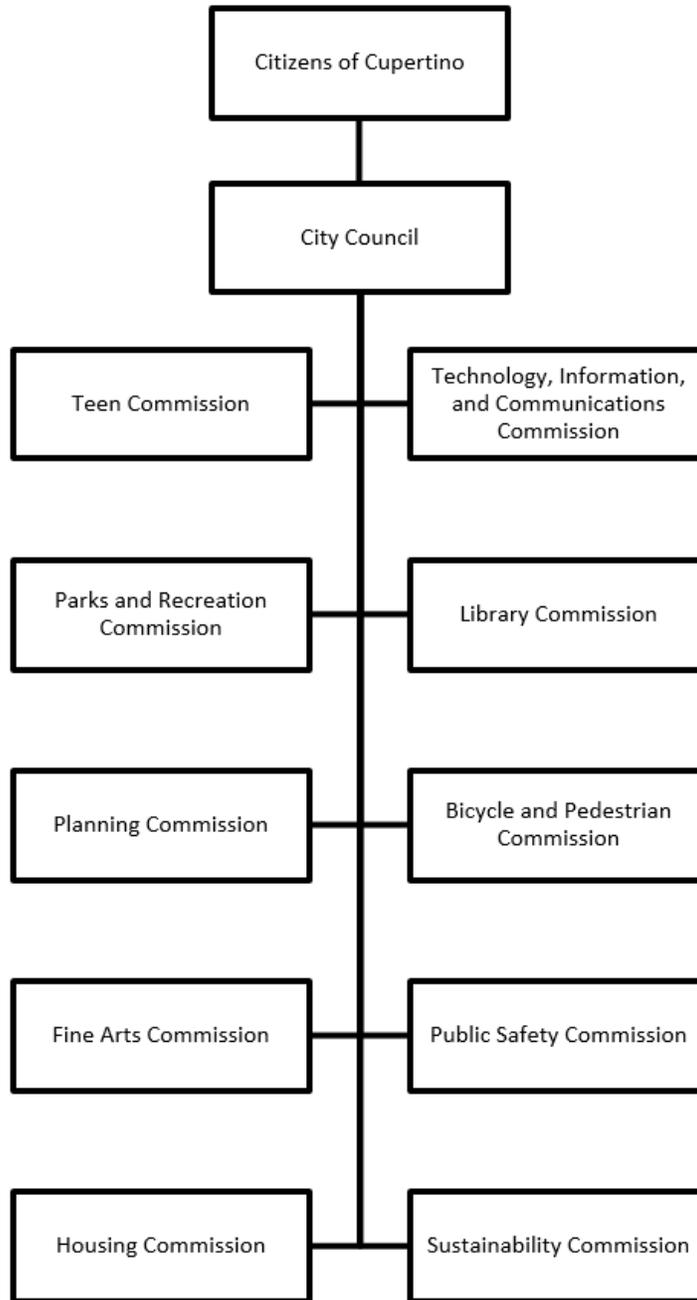
**Steven Scharf**, Mayor

**Liang Chao**, Vice Mayor

**Darcy Paul**, Council Member

**Rod Sinks**, Council Member

**Jon Willey**, Council Member

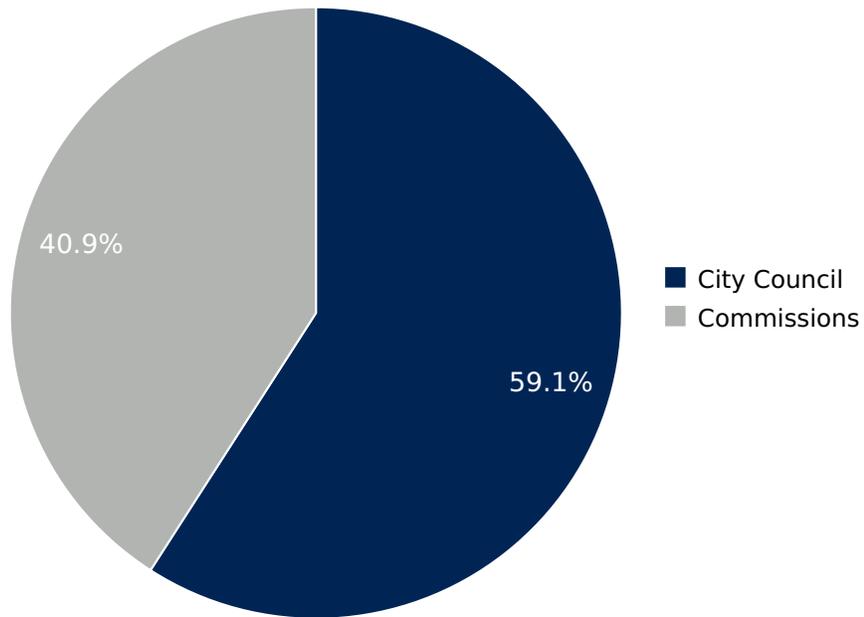


**Adopted Budget**

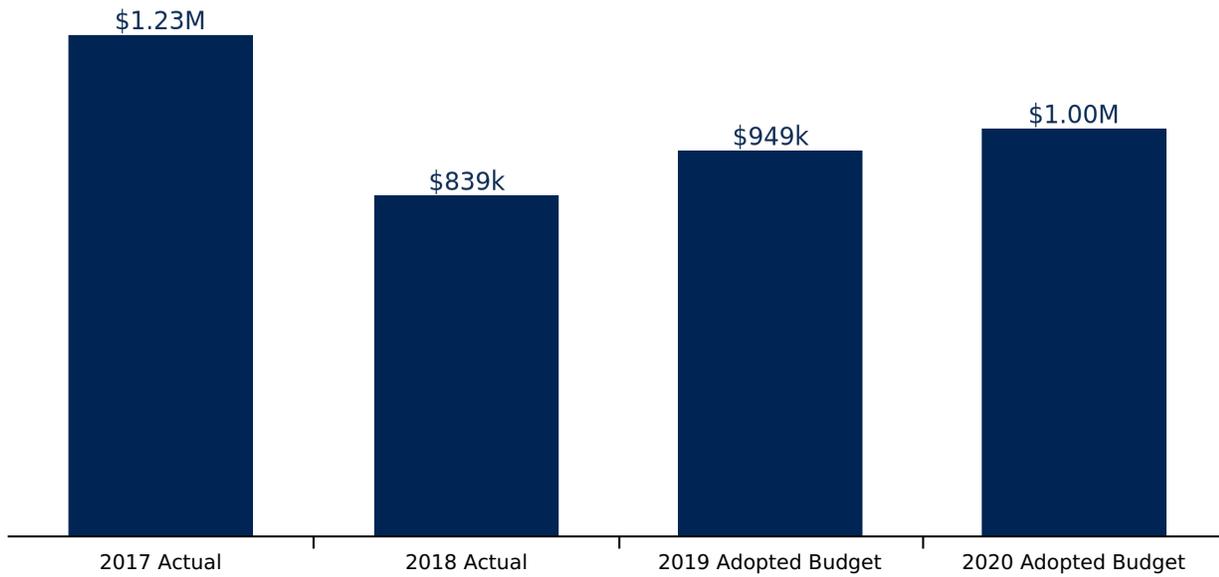
On June 18, 2019, City Council approved a budget of \$1,003,089 for the Council and Commissions department. This represents an increase of \$54,437 (5.7%) from the FY 2018-19 Adopted Budget.

This increase is primarily due to the base budgeting process and the proper allocation of Council material expenditures in the correct accounts. In addition, contract services show an increase due to additional proposed Community Funding Grants to support non-profit organizations.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| Charges for Services      | \$ 749,064          | \$ 535,636        | \$ 406,858          | \$ 586,473          |
| Miscellaneous Revenue     | \$ 586              | \$ -              | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 749,650</b>   | <b>\$ 535,636</b> | <b>\$ 406,858</b>   | <b>\$ 586,473</b>   |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Employee Compensation     | \$ 193,987          | \$ 268,117        | \$ 297,392          | \$ 301,103          |
| Employee Benefits         | \$ 136,199          | \$ 176,246        | \$ 203,020          | \$ 169,942          |
| Materials                 | \$ 132,055          | \$ 130,106        | \$ 174,163          | \$ 210,864          |
| Contract Services         | \$ 87,032           | \$ 82,544         | \$ 107,287          | \$ 158,050          |
| Cost Allocation           | \$ 683,989          | \$ 176,865        | \$ 157,166          | \$ 150,923          |
| Special Projects          | \$ -                | \$ 4,857          | \$ -                | \$ -                |
| Contingencies             | \$ -                | \$ -              | \$ 9,624            | \$ 12,207           |
| <b>Total Expenditures</b> | <b>\$ 1,233,262</b> | <b>\$ 838,735</b> | <b>\$ 948,652</b>   | <b>\$ 1,003,089</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 483,614</b>   | <b>\$ 303,099</b> | <b>\$ 541,794</b>   | <b>\$ 416,616</b>   |

## Staffing

Total current authorized positions - 7.35 FTE

Total recommended positions - 7.21 FTE

# City Council

Budget Unit 100-10-100

General Fund - City Council - City Council

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 586,473          |
| Total Expenditures       | \$ 423,311          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ (163,162)        |
| % Funded by General Fund | -38.5%              |
| Total Staffing           | 5.85 FTE            |

## Program Overview

The Mayor and councilmembers, acting as the elected representatives of the residents of Cupertino, establish public policies to meet the community needs of the City.

## Service Objectives

- The City Council objectives are carried out by City staff under the sole direction of the City Manager.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$423,311 for the City Council program. This represents an increase of \$5,399 (1.3%) from the FY 2018-19 Adopted Budget.

Increases in material and contract costs are due to the base budgeting process and the proper allocation of expenditures in the correct accounts. In addition, \$5,000 was added to the Mayor's discretionary fund to accommodate the level of events that mayors have been holding in the last few years. This increase will also serve as an escalator as the Mayor's Fund has typically defaulted to \$10,000 since it began in 2007. These are offset by a reduction in employee benefits due to the waiving of health care coverage by three employees in this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                     |                     |                     |
| Charges for Services      | \$ 749,064        | \$ 535,636          | \$ 406,858          | \$ 586,473          |
| Miscellaneous Revenue     | \$ 86             | \$ -                | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 749,150</b> | <b>\$ 535,636</b>   | <b>\$ 406,858</b>   | <b>\$ 586,473</b>   |
| <b>Expenditures</b>       |                   |                     |                     |                     |
| Employee Compensation     | \$ 73,084         | \$ 126,516          | \$ 135,690          | \$ 132,309          |
| Employee Benefits         | \$ 87,719         | \$ 112,616          | \$ 136,846          | \$ 97,804           |
| Materials                 | \$ 98,854         | \$ 94,066           | \$ 86,500           | \$ 140,310          |
| Contract Services         | \$ 6,490          | \$ 227              | \$ 387              | \$ 6,250            |
| Cost Allocation           | \$ 520,918        | \$ 94,665           | \$ 54,145           | \$ 39,560           |
| Contingencies             | \$ -              | \$ -                | \$ 4,344            | \$ 7,078            |
| <b>Total Expenditures</b> | <b>\$ 787,065</b> | <b>\$ 428,090</b>   | <b>\$ 417,912</b>   | <b>\$ 423,311</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 37,915</b>  | <b>\$ (107,546)</b> | <b>\$ 11,054</b>    | <b>\$ (163,162)</b> |

## Staffing

Total current authorized positions - 6.05 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 5.85 FTE

# Community Funding

Budget Unit 100-10-101

General Fund - City Council - Community Funding

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 110,587          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 110,587          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The Community Funding program provides funding for various community activities and community-based organizations throughout the fiscal year.

## Service Objectives

- Provide funding to local non-profit organizations in the areas of social services, fine arts and other programs for the general public.
- Grant funding requests in a fair and equitable manner.
- Grant funding requests per the Community Funding Policy adopted by City Council on April 2, 2013.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$110,587 for the Community Funding program. This represents an increase of \$57,156 (107.0%) from the FY 2018-19 Adopted Budget.

The increase is due to increased community funding to support non-profit organizations. This budget includes \$109,800 for Community Funding Grants. As part of last year's Final Budget Hearing and Adoption, City Council directed Staff to revise the existing process for the Community Funding Program along with a more robust outreach effort. The Parks & Recreation Commission, with assistance from Budget staff, reviewed proposals and recommended funding non-profit organizations as shown below.

The Parks & Recreation Commission recommended that City Council guarantee funding to Cupertino Historical Society each fiscal year. On June 18, 2019, City Council approved an annual amount of \$20,000 for the Cupertino Historical Society.

| <b>Non-Profit Organization</b>                       | <b>FY 2019 Funding</b> | <b>FY 2020 Funding</b> |
|--|------------------------|------------------------|
| Friends of Deer Hollow Farm                          | \$15,000               | \$15,000               |
| Rotary - Cupertino Fall Festival                     | \$12,000               | \$12,000               |
| Euphrat Museum of Art - Museum                       | \$10,000               | \$10,000               |
| Bay Area Chrysanthemum - Show                        | N/A <sup>1</sup>       | \$1,300                |
| Cupertino Symphonic Band - Equipment                 | N/A <sup>1</sup>       | \$2,000                |
| Santa Clara Audubon Society - Wildlife & Harvest Day | N/A <sup>1</sup>       | \$10,000               |
| Cupertino De Anza Lion's Charities - Ride4Diabetes   | N/A <sup>1</sup>       | \$10,000               |
| Heart of the Valley - Reaching Hearts                | N/A <sup>1</sup>       | \$7,000                |
| West Valley Community Services - Pantry Overhang     | N/A <sup>1</sup>       | \$20,000               |
| Breathe CA - Seniors Breath                          | N/A <sup>1</sup>       | \$2,500                |
| Cupertino Historical Society                         | \$15,000               | \$20,000 <sup>2</sup>  |
| Iranian Federated Women's Club                       | \$400                  | N/A <sup>3</sup>       |
| <b>Total</b>   | <b>\$52,400</b>        | <b>\$109,800</b>       |

<sup>1</sup> Organization did not apply for Community Grant Funding in FY19.

<sup>2</sup> Parks & Recreation Commission recommends guaranteed funding to the Cupertino Historical Society each Fiscal Year.

<sup>3</sup> Organization did not apply for Community Grant Funding in FY20.

## **Revenues and Expenditures**

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Contract Services         | \$ 40,750        | \$ 52,400        | \$ 52,400           | \$ 109,800          |
| Cost Allocation           | \$ 403           | \$ 411           | \$ 1,031            | \$ 787              |
| <b>Total Expenditures</b> | <b>\$ 41,153</b> | <b>\$ 52,811</b> | <b>\$ 53,431</b>    | <b>\$ 110,587</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 41,153</b> | <b>\$ 52,811</b> | <b>\$ 53,431</b>    | <b>\$ 110,587</b>   |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Sister Cities

Budget Unit 100-10-110

General Fund - City Council - Sister Cities

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 58,843           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 58,843           |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 0.10 FTE            |

## Program Overview

Cupertino has four active sister cities registered with Sister Cities International; Toyokawa, Japan; Hsinchu, Taiwan; Cupertino, Italy; and Bhubaneswar, India.

## Service Objectives

- To further international communication and understanding through the Sister City Program
- To foster educational, technical, economic and cultural exchanges
- To encourage student exchange programs to promote communication and understanding among people of different cultures

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$58,843 for the Sister Cities program. This represents an increase of \$1,491 (2.6%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged from last fiscal year. There is a decrease in contract costs due to the City funding the adult delegation visit once every five years. This funding was allocated as part of the FY 2018-19 Final Budget.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 3,540         | \$ 8,727         | \$ 13,702           | \$ 14,582           |
| Employee Benefits         | \$ 1,588         | \$ 3,591         | \$ 5,456            | \$ 5,978            |
| Materials                 | \$ 962           | \$ 397           | \$ 4,100            | \$ 5,605            |
| Contract Services         | \$ 9,320         | \$ 11,573        | \$ 25,000           | \$ 20,000           |
| Cost Allocation           | \$ 2,342         | \$ 2,936         | \$ 9,094            | \$ 11,398           |
| Special Projects          | \$ -             | \$ 4,857         | \$ -                | \$ -                |
| Contingencies             | \$ -             | \$ -             | \$ -                | \$ 1,280            |
| <b>Total Expenditures</b> | <b>\$ 17,752</b> | <b>\$ 32,081</b> | <b>\$ 57,352</b>    | <b>\$ 58,843</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 17,753</b> | <b>\$ 32,080</b> | <b>\$ 57,352</b>    | <b>\$ 58,843</b>    |

## Staffing

Total current authorized positions - 0.10 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.10 FTE

# Technology, Information & Communications Commission

Budget Unit 100-11-131

General Fund - Commissions - Technology, Information & Communications Commission

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 7,028            |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 7,028            |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.05 FTE            |

## Program Overview

The Technology, Information & Communications Commission (TICC) advises the City Council and informs the community about issues relating to the rapidly changing fields of communication and technology. Commissioners also serve as a resource for the Planning Commission in offering technical guidance for antenna sightings. The Chief Technology Officer serves as staff liaison. The commission also supports public and educational access to cable services.

## Service Objectives

- Continue to work with appropriate companies in bringing advanced services to interested residents.
- Monitor AT&T and Comcast services and revenue.
- Negotiate and manage public access provider KMVT to ensure maximum programming value for Cupertino residents.
- Work with Community Development and Public Works regarding antenna placement and negotiate agreements for communication services that serve Cupertino.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$7,028 for the Technology, Information & Communications Commission program. This represents an increase of \$388 (5.8%) from the FY 2018-19 Adopted Budget.

The increase is primarily due to staff time being allocated to this budget to better reflect actual time spent on this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual     | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|-----------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                 |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -            | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                 |                     |                     |
| Employee Compensation     | \$ 3,230         | \$ -            | \$ -                | \$ 3,972            |
| Employee Benefits         | \$ 1,518         | \$ -            | \$ -                | \$ 1,849            |
| Materials                 | \$ 88            | \$ 13           | \$ 750              | \$ -                |
| Contract Services         | \$ 10,000        | \$ -            | \$ -                | \$ -                |
| Cost Allocation           | \$ 9,538         | \$ 8,159        | \$ 5,852            | \$ 1,207            |
| Contingencies             | \$ -             | \$ -            | \$ 38               | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 24,374</b> | <b>\$ 8,172</b> | <b>\$ 6,640</b>     | <b>\$ 7,028</b>     |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>     | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 24,374</b> | <b>\$ 8,172</b> | <b>\$ 6,640</b>     | <b>\$ 7,028</b>     |

## Staffing

Total current authorized positions - 0.00 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 0.05 FTE

# Library Commission

Budget Unit 100-11-140

General Fund - Commissions - Library Commission

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 23,346                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 23,346                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.03 FTE                   |

## Program Overview

The Library Commission is a five-member commission appointed by the City Council to review and make recommendations related to the operations and services of the Cupertino Library. The Cupertino Library is operated by Santa Clara County Library Services. The building is provided by the City of Cupertino. County Library management serve as Commission staff and Recreation and Community Services personnel serve as City liaison.

## Service Objectives

- Monitor the various service activities of the library and make recommendations for improvements to appropriate bodies.
- Support library advocacy groups, including Friends of the Cupertino Library and Cupertino Library Foundation.
- Advocate library funding and service levels at the City, County, and state levels.
- Represent the Cupertino library in the local community.
- Participate in state and local library workshops and conferences.
- Participate in the long-range planning of quality library services for the City.
- Develop potential resources to expand volunteer efforts in the library.
- Investigate ways to expand access to non-traditional media.
- Continue library advocacy in Cupertino activities and with other organizations.
- Initiate and coordinate the Cupertino Poet Laureate program.
- Continue emphasis on integrating additional technology into library services.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$23,346 for the Library Commission program. This represents a decrease of \$4,004 (-14.6%) from the FY 2018-19 Adopted Budget.

The decrease is primarily due to reallocation of staff time and changes in materials and contract services expenses to more accurately reflect projected costs, based on past actual expenditures.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 7,272         | \$ 7,876         | \$ 8,145            | \$ 6,706            |
| Employee Benefits         | \$ 3,087         | \$ 3,377         | \$ 3,665            | \$ 2,672            |
| Materials                 | \$ 215           | \$ 1,260         | \$ 700              | \$ 370              |
| Contract Services         | \$ 211           | \$ 525           | \$ 4,700            | \$ 2,000            |
| Cost Allocation           | \$ 9,794         | \$ 7,253         | \$ 9,870            | \$ 11,479           |
| Contingencies             | \$ -             | \$ -             | \$ 270              | \$ 119              |
| <b>Total Expenditures</b> | <b>\$ 20,579</b> | <b>\$ 20,291</b> | <b>\$ 27,350</b>    | <b>\$ 23,346</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 20,579</b> | <b>\$ 20,291</b> | <b>\$ 27,350</b>    | <b>\$ 23,346</b>    |

## Staffing

Total current authorized positions - 0.05 FTE

Staff time is being reallocated to better reflect actual time spent on this program.

Total recommended positions - 0.03 FTE

# Fine Arts Commission

Budget Unit 100-11-142

General Fund - Commissions - Fine Arts Commission

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 54,541                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 54,541                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.15 FTE                   |

## Program Overview

The Fine Arts Commission advances the arts in the City through a number of activities and programs. These include overseeing the "Quarter Percent for Art" requirement for developments over 50,000 square feet; promoting art in public places; making recommendations to City Council regarding arts opportunities; awarding grants to individuals and organizations; selecting winners for the "Energized by Art" Utility Box Contest to transform gray utility boxes into student eco-art canvasses; and selecting the "Distinguished Artist of the Year," the "Emerging Artist of the Year" and the "Young Artists of the Year."

## Service Objectives

- Foster, encourage and assist the realization, preservation, advancement, and development of fine arts for the benefit of the citizens of Cupertino.
- Act as a catalyst for the promotion of fine arts activities and provide liaison and coordination between fine arts activities, groups, and facilities.
- Enhance the interaction between arts, local schools, private property owners and businesses through personal outreach.
- Review and approve public art proposals.
- Encourage and facilitate "art in unexpected places" through the donation of underutilized spaces, such as blank walls or utility screens, for private installation of art.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$54,541 for the Fine Arts Commission program. This represents an increase of \$10,192 (23.0%) from the FY 2018-19 Adopted Budget.

The increase is due to the installation of murals on City owned properties at Blackberry Farm and Cupertino Sports Center.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 15,362        | \$ 16,469        | \$ 16,906           | \$ 17,247           |
| Employee Benefits         | \$ 6,334         | \$ 6,739         | \$ 7,075            | \$ 7,125            |
| Materials                 | \$ 2,320         | \$ 2,109         | \$ 7,200            | \$ 7,125            |
| Contract Services         | \$ 327           | \$ 770           | \$ 950              | \$ 10,000           |
| Cost Allocation           | \$ 21,650        | \$ 11,492        | \$ 11,810           | \$ 12,688           |
| Contingencies             | \$ -             | \$ -             | \$ 408              | \$ 356              |
| <b>Total Expenditures</b> | <b>\$ 45,993</b> | <b>\$ 37,579</b> | <b>\$ 44,349</b>    | <b>\$ 54,541</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 45,993</b> | <b>\$ 37,579</b> | <b>\$ 44,349</b>    | <b>\$ 54,541</b>    |

## Staffing

Total current authorized positions - 0.15 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.15 FTE

# Public Safety Commission

Budget Unit 100-11-150

General Fund - Commissions - Public Safety Commission

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 22,738                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 22,738                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.05 FTE                   |

## Program Overview

The Public Safety Commission (PSC), a five-member board appointed by the City Council, assists the Council by reviewing and recommending public safety services associated with police, fire, emergency planning, and traffic. The Sheriff's West Valley Patrol Division Commander, who is the City's Chief of Police, serves as staff liaison.

## Service Objectives

- Review safety issues and concerns and make recommendations to the City Council.
- Promote public education programs concerning safety issues.
- Provide assistance in implementing public safety programs approved by the City Council.
- Work with various city departments to resolve issues and concerns related to public safety.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$22,738 for the Public Safety Commission program. This represents a decrease of \$6,207 (-21.4%) from the FY 2018-19 Adopted Budget.

This decrease is primarily due to salary savings associated with the liaison for the Commission changing from the Deputy City Manager to the Emergency Services Coordinator.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ -             | \$ -             | \$ 8,157            | \$ 4,654            |
| Employee Benefits         | \$ -             | \$ -             | \$ 3,097            | \$ 2,055            |
| Materials                 | \$ 690           | \$ 1,982         | \$ 5,000            | \$ 4,320            |
| Contract Services         | \$ 15,059        | \$ 10,000        | \$ 10,000           | \$ 10,000           |
| Cost Allocation           | \$ 4,962         | \$ 1,148         | \$ 1,941            | \$ 993              |
| Contingencies             | \$ -             | \$ -             | \$ 750              | \$ 716              |
| <b>Total Expenditures</b> | <b>\$ 20,711</b> | <b>\$ 13,130</b> | <b>\$ 28,945</b>    | <b>\$ 22,738</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 20,711</b> | <b>\$ 13,130</b> | <b>\$ 28,945</b>    | <b>\$ 22,738</b>    |

## Staffing

Total current authorized positions - 0.05 FTE

Public Safety Commission is now being managed by the Emergency Services Coordinator.

Total recommended positions - 0.05 FTE

# Bicycle and Pedestrian Commission

Budget Unit 100-11-155

General Fund - Commissions - Bicycle and Pedestrian Commission

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 1,244            |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 1,244            |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The Bicycle and Pedestrian Commission (BPC) is a five-member board appointed by the City Council, which assists the Council by reviewing, monitoring, and making recommendations on City transportation matters pertaining to bicycle and pedestrian traffic, parking, education, and recreation within Cupertino. The City's Transportation Manager serves as staff liaison.

## Service Objectives

- Review and make recommendations on City transportation infrastructure, development standards, public and private development projects, and citizen outreach and education efforts as they affect bicycle and pedestrian traffic in the City of Cupertino.
- Promote safe, efficient, and enjoyable travel for bicycle and pedestrian traffic within Cupertino.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,244 for the Bicycle and Pedestrian Commission program. This represents a decrease of \$5,034 (-80.2%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to a reallocation of funds related to the Bike Rodeo event to other the Safe Routes to Schools Program budget in Public Works.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual     | 2018 Actual   | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------|---------------|---------------------|---------------------|
| <b>Revenues</b>           |                 |               |                     |                     |
| <b>Total Revenues</b>     | \$ -            | \$ -          | \$ -                | \$ -                |
| <b>Expenditures</b>       |                 |               |                     |                     |
| Materials                 | \$ -            | \$ 396        | \$ 300              | \$ 416              |
| Contract Services         | \$ -            | \$ -          | \$ 4,000            | \$ -                |
| Cost Allocation           | \$ 1,623        | \$ 292        | \$ 1,763            | \$ 807              |
| Contingencies             | \$ -            | \$ -          | \$ 215              | \$ 21               |
| <b>Total Expenditures</b> | <b>\$ 1,623</b> | <b>\$ 688</b> | <b>\$ 6,278</b>     | <b>\$ 1,244</b>     |
| <b>Fund Balance</b>       | <b>\$ -</b>     | <b>\$ -</b>   | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,623</b> | <b>\$ 688</b> | <b>\$ 6,278</b>     | <b>\$ 1,244</b>     |

## Staffing

Total current authorized positions - 0.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.00 FTE

# Parks and Recreation Commission

Budget Unit 100-11-160

General Fund - Commissions - Parks and Recreation Commission

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 51,443                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 51,443                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.12 FTE                   |

## Program Overview

The Parks and Recreation Commission is a five-member commission appointed by the City Council to make recommendations pertaining to parks, recreation, and community services. The Director of Recreation and Community Services serves as staff liaison.

## Service Objectives

- Engage the public in dialog regarding the design of new programs and facilities.
- Make recommendations regarding these projects to the City Council.
- Work with staff and the public to draft and/or revise policies for use of Recreation and Community Services facilities.
- Consider public input regarding the operation of Recreation and Community Services facilities and make recommendations for their improvement.
- Participate in special committees dealing with Recreation and Community Services.
- Serve as ambassadors for the Recreation and Community Services Department.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$51,443 for the Parks and Recreation Commission program. This represents an increase of \$10,753 (26.4%) from the FY 2018-19 Adopted Budget.

The increase is primarily due to changes in staff allocation to better reflect actual time spent.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 6,922         | \$ 13,323        | \$ 14,283           | \$ 19,836           |
| Employee Benefits         | \$ 2,836         | \$ 5,504         | \$ 6,120            | \$ 8,154            |
| Materials                 | \$ 326           | \$ 2,032         | \$ 9,981            | \$ 10,750           |
| Contract Services         | \$ -             | \$ -             | \$ 500              | \$ -                |
| Cost Allocation           | \$ 15,956        | \$ 9,670         | \$ 9,282            | \$ 12,165           |
| Contingencies             | \$ -             | \$ -             | \$ 524              | \$ 538              |
| <b>Total Expenditures</b> | <b>\$ 26,040</b> | <b>\$ 30,529</b> | <b>\$ 40,690</b>    | <b>\$ 51,443</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 26,041</b> | <b>\$ 30,529</b> | <b>\$ 40,690</b>    | <b>\$ 51,443</b>    |

## Staffing

Total current authorized positions - 0.10 FTE

Increase allocation of Director of Parks and Recreation by .02 to this program to better reflect actual time spent.

Total recommended positions - 0.12 FTE

# Teen Commission

Budget Unit 100-11-165

General Fund - Commissions - Teen Commission

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 64,019                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 64,019                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.30 FTE                   |

## Program Overview

The Teen Commission is comprised of nine teens representing grades 8-11. The Teen Commission advises the City Council and staff on teen issues. A Recreation and Community Services Department Recreation Coordinator serves as the staff liaison.

## Service Objectives

- Engage the public in dialogue regarding the design of new programs, and make recommendations regarding these projects to City staff.
- Assist staff with the programming and promotion of the Teen Center.
- Assist staff with the evaluation of teen programming.
- Work with staff and the public to create new avenues to interact with teens.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$64,019 for the Teen Commission program. This represents a decrease of \$7,552 (-10.6%) from the FY 2018-19 Adopted Budget.

The decrease is primarily due to one time purchases that were needed last year, but not this year. Also, historically, new teen events may be unknown at the time budget is prepared and new requests for teen programs will need to be reviewed at mid-year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| Miscellaneous Revenue     | \$ 500           | \$ -             | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 500</b>    | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 21,916        | \$ 25,293        | \$ 25,377           | \$ 25,880           |
| Employee Benefits         | \$ 9,226         | \$ 11,133        | \$ 11,751           | \$ 11,732           |
| Materials                 | \$ 5,181         | \$ 8,571         | \$ 15,897           | \$ 9,218            |
| Contract Services         | \$ -             | \$ -             | \$ 1,100            | \$ -                |
| Cost Allocation           | \$ 26,324        | \$ 7,666         | \$ 16,596           | \$ 16,728           |
| Contingencies             | \$ -             | \$ -             | \$ 850              | \$ 461              |
| <b>Total Expenditures</b> | <b>\$ 62,647</b> | <b>\$ 52,663</b> | <b>\$ 71,571</b>    | <b>\$ 64,019</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 62,147</b> | <b>\$ 52,663</b> | <b>\$ 71,571</b>    | <b>\$ 64,019</b>    |

## Staffing

Total current authorized positions - 0.30 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.30 FTE

# Planning Commission

Budget Unit 100-11-170

General Fund - Commissions - Planning Commission

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 109,787          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 109,787          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.31 FTE            |

## Program Overview

The Planning Commission is a five-member citizen board appointed by the City Council. The functions of the Planning Commission are as follows:

- Advise the City Council on land use and development policy related to the General Plan;
- Implement the General Plan through review and administration of specific plans and related ordinances;
- Review land use applications for conformance with the General Plan and ordinances; and
- Promote the coordination of local plans and programs with regional and other agencies.

## Service Objectives

- Conduct periodic reviews of the General Plan. These reviews test the fundamental goals and measure the performance of short-term objectives.
- Conduct public hearings for approximately 80 land development applications every year. Ensure that decisions are made fairly and expeditiously in accordance with adopted General Plan policies, zoning ordinances, development plans, and design guidelines.
- Review specific plans, zoning ordinance amendments, and amendments to the General Plan and make recommendations to Council.
- Serve on the Planning Commission Design Review Committee, the Environmental Review Committee, and in an advisory role to the Housing Commission and Economic Development Committee.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$109,787 for the Planning Commission program. This represents a decrease of \$17,691 (-13.9%) from the FY 2018-19 Adopted Budget.

The decrease is to better reflect prior year actuals in the materials expense category.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 37,169         | \$ 40,799         | \$ 46,650           | \$ 45,735           |
| Employee Benefits         | \$ 13,627         | \$ 14,807         | \$ 15,901           | \$ 17,918           |
| Materials                 | \$ 22,112         | \$ 19,001         | \$ 35,260           | \$ 26,200           |
| Contract Services         | \$ 4,875          | \$ 7,049          | \$ 8,250            | \$ -                |
| Cost Allocation           | \$ 52,626         | \$ 20,717         | \$ 19,241           | \$ 18,624           |
| Contingencies             | \$ -              | \$ -              | \$ 2,176            | \$ 1,310            |
| <b>Total Expenditures</b> | <b>\$ 130,409</b> | <b>\$ 102,373</b> | <b>\$ 127,478</b>   | <b>\$ 109,787</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 130,409</b> | <b>\$ 102,374</b> | <b>\$ 127,478</b>   | <b>\$ 109,787</b>   |

## Staffing

Total current authorized positions - 0.30 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 0.31 FTE

# Housing Commission

Budget Unit 100-11-175

General Fund - Commissions - Housing Commission

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 38,251                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 38,251                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.15 FTE                   |

## Program Overview

The Cupertino Housing Commission (CHC) is a five-member board appointed by the City Council to assist the Planning Commission and the City Council in developing housing policies and strategies for implementation of General Plan Housing Element goals. The Commission also oversees the Community Development Block Grant (CDBG) program.

## Service Objectives

- Develop housing policies and strategies for implementation of General Plan Housing Element goals.
- Develop affordable housing proposals, innovative approaches to affordable housing development and number and type of affordable units and the target groups to be served.
- Identify sources of funds to develop and build affordable housing.
- Evaluate funding requests from CDBG and the Affordable Housing funds, possible fee waivers or other incentives.
- Propose CDBG Action Plan.
- Review Cupertino's Housing Element.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$38,251 for the Housing Commission program. This represents an increase of \$1,686 (4.6%) from the FY 2018-19 Adopted Budget.

This budget remains relatively unchanged from last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 12,116        | \$ 13,127        | \$ 15,705           | \$ 16,618           |
| Employee Benefits         | \$ 5,717         | \$ 7,040         | \$ 7,899            | \$ 8,125            |
| Materials                 | \$ 243           | \$ 76            | \$ 975              | \$ 950              |
| Cost Allocation           | \$ 17,853        | \$ 10,544        | \$ 11,937           | \$ 12,510           |
| Contingencies             | \$ -             | \$ -             | \$ 49               | \$ 48               |
| <b>Total Expenditures</b> | <b>\$ 35,929</b> | <b>\$ 30,787</b> | <b>\$ 36,565</b>    | <b>\$ 38,251</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 35,929</b> | <b>\$ 30,787</b> | <b>\$ 36,565</b>    | <b>\$ 38,251</b>    |

## Staffing

Total current authorized positions - 0.15 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.15 FTE

# Sustainability Commission

Budget Unit 100-11-180

General Fund - Commissions - Sustainability Commission

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 37,951           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 37,951           |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 0.10 FTE            |

## Program Overview

The Sustainability Commission is a five-member board appointed by the City Council to serve in an advisory capacity by providing expertise and guidance on major policy and programmatic areas related to the environmental, economic and societal goals noted within Cupertino's Climate Action Plan and General Plan Environmental Resources/Sustainability Element.

## Service Objectives

- Monitor and update the CAP based upon quantified metrics to measure and evaluate mitigated impacts and community benefits.
- Suggest recommendations, review, and monitor the City's General Plan Environmental Resources/Sustainability Element and its intersections with the CAP.
- Advise the City Council how to strategically accelerate Cupertino's progress towards sustainability and recommend priorities to promote continued regional leadership in sustainability.
- Periodically review policies governing specific practices and programs, such as greenhouse gas emissions reduction, water conservation, renewable energy, energy efficiency, materials management, and urban forestry. Illustrative examples include the creation of infrastructure for low emissions vehicles, installation of renewable energy or energy efficiency technologies, drafting of water conservation or waste reduction policies, delivery of habitat restoration and conservation programs, design and roll-out of pollution prevention campaigns, etc.
- Make recommendations regarding the allocation of funds for infrastructure and technology improvements to elevate the operational performance of City facilities, businesses, educational institutions, and homes by reducing costs, improving public health, and serving community needs.
- Accept public input on the subject areas noted above and advise the City Council on ways to drive community awareness, behavior change, education and participation in City programs modeled upon the field's best practices.
- Review and make recommendations to the City Council on Federal, State and regional policies related to sustainability that have the potential to impact City Council's goals and policies.
- Pursue any other activity or scope that may be deemed appropriate and necessary by the City Council.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$37,951 for the Sustainability Commission program. This represents an increase of \$7,860 (26.1%) from the FY 2018-19 Adopted Budget.

This increase is due to an increased use of services provided by Finance.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 13,376        | \$ 15,987        | \$ 12,777           | \$ 13,564           |
| Employee Benefits         | \$ 4,547         | \$ 11,439        | \$ 5,210            | \$ 6,530            |
| Materials                 | \$ 1,064         | \$ 203           | \$ 7,500            | \$ 5,600            |
| Cost Allocation           | \$ -             | \$ 1,912         | \$ 4,604            | \$ 11,977           |
| Contingencies             | \$ -             | \$ -             | \$ -                | \$ 280              |
| <b>Total Expenditures</b> | <b>\$ 18,987</b> | <b>\$ 29,541</b> | <b>\$ 30,091</b>    | <b>\$ 37,951</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 18,987</b> | <b>\$ 29,541</b> | <b>\$ 30,091</b>    | <b>\$ 37,951</b>    |

## Staffing

Total current authorized positions - 0.10 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.10 FTE

# Administration

| Budget Unit                       | Program                                   | 2020 Adopted Budget |
|-----------------------------------|---|---------------------|
| <b>City Manager</b>               |   | <b>\$ 3,423,840</b> |
| 100-12-120                        | City Manager                              | \$ 1,261,257        |
| 100-12-122                        | Sustainability                            | \$ 555,663          |
| 100-12-126                        | Office of Communications                  | \$ 696,310          |
| 100-12-632                        | Community Outreach and Neighborhood Watch | \$ 174,885          |
| 100-12-633                        | Disaster Preparedness                     | \$ 395,391          |
| 100-12-705                        | Economic Development                      | \$ 340,334          |
| <b>City Clerk</b>                 |   | <b>\$ 546,887</b>   |
| 100-13-130                        | City Clerk                                | \$ 503,685          |
| 100-13-132                        | Duplicating and Mail Services             | \$ 42,945           |
| 100-13-133                        | Elections                                 | \$ 257              |
| <b>City Manager Discretionary</b> |   | <b>\$ 486,353</b>   |
| 100-14-123                        | City Manager Contingency                  | \$ 486,353          |
| <b>City Attorney</b>              |   | <b>\$ 2,094,534</b> |
| 100-15-141                        | City Attorney                             | \$ 2,094,534        |
| <b>Total</b>                      |   | <b>\$ 6,551,614</b> |

# Department Overview

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,175,800        |
| Total Expenditures       | \$ 6,551,614        |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 5,375,814        |
| % Funded by General Fund | 82.1%               |
| Total Staffing           | 14.45 FTE           |

## Organization

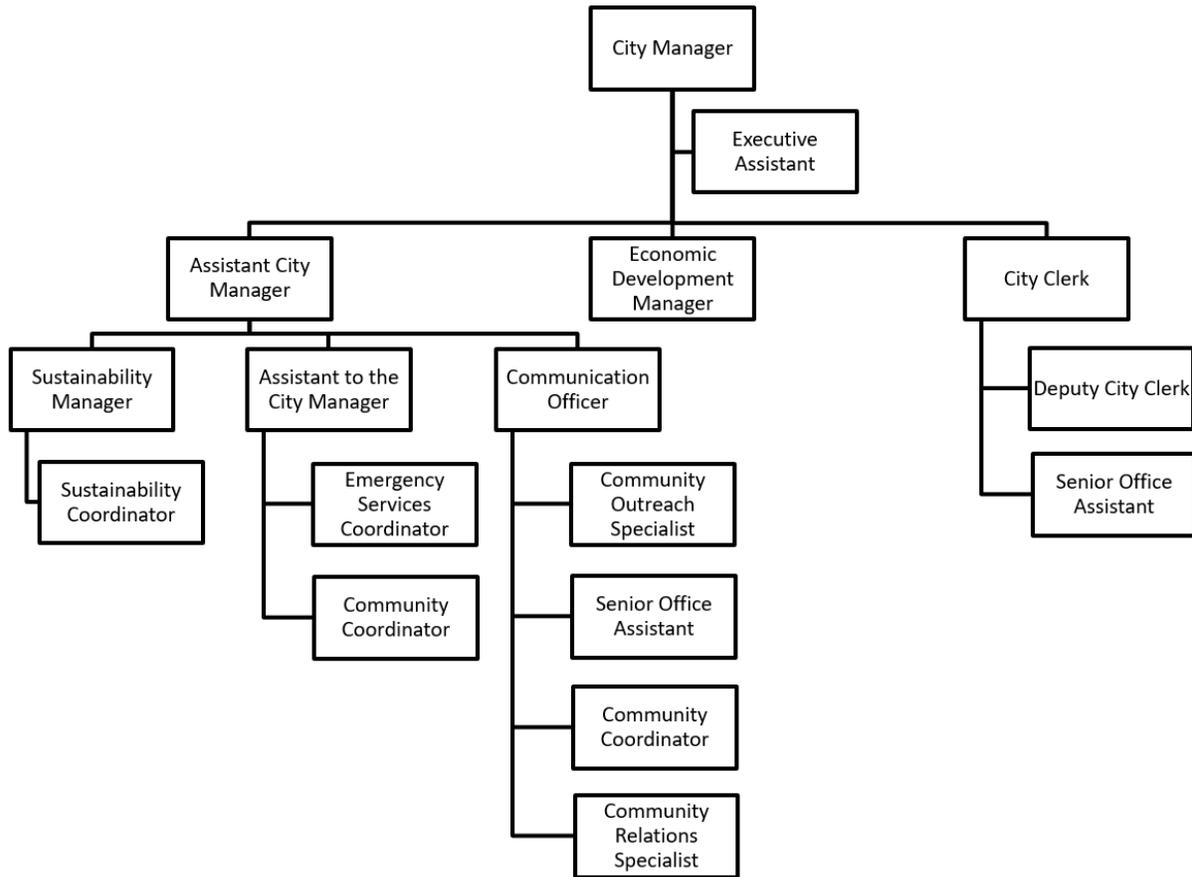
**Deborah L. Feng**, City Manager

**Timm Borden**, Assistant City Manager

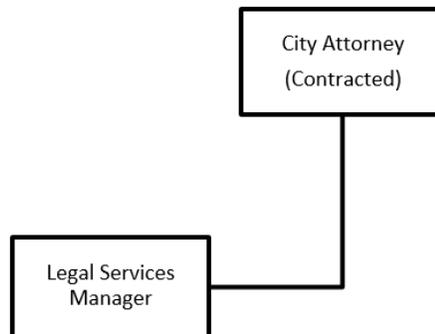
**Heather Minner**, City Attorney (Contract)

**Grace Schmidt**, City Clerk

## City Manager's Office



## City Attorney's Office



## Performance Measures

### City Clerk Division

Goal: Streamline information processing for Council, staff and community members for compliance with State requirements and facilitate independent and transparent access to public information.

Benefit: All can fully participate in local government to achieve the community & organizational goals.

| Performance Measure   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec | Ongoing<br>Target |
|---|----------------------|----------------------|---------------------|-------------------|
| City Council minutes for regular meetings presented for Council approval by the following regular meeting   | 100%                 | 100%                 | 100%                | 100%              |
| Adopted City Council resolutions and ordinances processed and scanned to Laserfiche within a week of Clerk's office receipt of final, signed document | 100%                 | 100%                 | 100%                | 100%              |
| Public Record Act requests responded to by the Statutory deadline date  | 100%                 | 100%                 | 95%                 | 100%              |

### Office of Communications

Goal: Promote and increase interest and participation in City services, programs, initiatives, and projects while building community pride and positive identification with the City among its residents.

Benefit: Residents have access to timely, engaging, and important information.

| Performance Measure   | FY 2017<br>July-June | FY 2018<br>July-June              | FY 2019<br>July-Dec               | Ongoing<br>Target               |
|---|----------------------|-----------------------------------|-----------------------------------|---------------------------------|
| Social media engagement: total number of followers including City Hall Nextdoor, Facebook, Twitter, and Instagram accounts                            | 19,250               | 23,655                            | 25,233                            | 10% annual increase             |
| Social media engagement: average number of engagements (reactions, comments, shares, and clicks <sup>1</sup> ) per post on City Hall Facebook account | 39.6                 | 87.9                              | 53.6                              | 10% annual increase             |
| Cupertino 311: Average response time to customers organization-wide (in days) <sup>2</sup> :  | N/A                  | Average Close<br>Time<br>7.3 days | Average Close<br>Time<br>4.6 days | Average Close<br>Time<br>5 days |

<sup>1</sup> Clicks have now been added to the engagement metric, which will bump up the average number.

<sup>2</sup> The performance measure for Access Cupertino: Average response time to customers organization-wide was revised as Access Cupertino was replaced by Cupertino 311 in September 2017. The Cupertino 311 Application is administered through the IT Department, but each individual department is responsible for

responding to its own requests. Response times are organized by request category.

## Sustainability Division

Goal: Implement Cupertino's Climate Action Plan and General Plan Sustainability Element to achieve quantifiable emissions reductions, conserve finite resources, and achieve utility cost avoidance and savings across municipal operations and community partners.

Benefit: Cupertino is a healthy, resilient, environmentally-vibrant city for current and future residents to live, work, learn and play.

| Performance Measure   | FY 2017<br>July-June   | FY 2018<br>July-June | FY 2019<br>July-Dec | Ongoing<br>Target                          |
|---|--|----------------------|---------------------|--|
| % community-wide emissions reduced from baseline of 307,288 MT CO2e/yr <sup>1</sup> | 2015 inventory: 13.1% decrease in emissions from baseline (294,281 MT CO2e/yr) |                      |                     | 15% reduction by 2020 (261,195 MT CO2e/yr) |
| Initiate and implement all Climate Action Plan near-term measures:                  |  |                      |                     |  |
| x% initiated  | 100%   | 100%                 | 100%                | 100%                                       |
| x% complete or ongoing  | 45%  | 55%                  | 70%                 | 100%                                       |
| % municipal operations emissions reduced from baseline of 1,865 MT CO2e/yr          | 2015 inventory: 22.8% reduction in emissions from baseline: 1,440 MTCO2e       |                      |                     | 15% reduction by 2020                      |

<sup>1</sup> Cupertino's GHG inventories are conducted roughly every 3-5 years. The next one is scheduled for Spring 2019.

## Workload Indicators

### City Clerk Division

| Workload Indicator  | FY 2017<br>July-June         | FY 2018<br>July-June         | FY 2019<br>July-Dec      |
|---|------------------------------|------------------------------|--------------------------|
| City Council minutes for regular meetings presented for Council approval by the following regular meeting   | 20/20                        | 21/21                        | 9/9                      |
| Adopted City Council resolutions and ordinances processed and scanned to Laserfiche within a week of Clerk's office receipt of final, signed document | 131/131 resos;<br>10/10 rods | 125/125 resos;<br>10/10 ords | 52/52 resos;<br>8/8 ords |
| Public Record Act requests responded to by the Statutory deadline date  | 59/59                        | 92/92                        | 64/67                    |

## Sustainability Division

| Workload Indicator  | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of local businesses visited / reached out to as part of GreenBiz program outreach (est)                      | 40                   | 60                   | 42                  |
| Events related to increasing awareness of reducing greenhouse gas emissions (staff organized or staff tabled) (est) | 12                   | 14                   | 7                   |
| Sustainability related metrics tracked and / or analyzed (est)  | 85                   | 90                   | 40                  |
| Climate Action Plan action steps initiated or implemented (est)   | 55                   | 55                   | 55                  |

## Economic Development Division

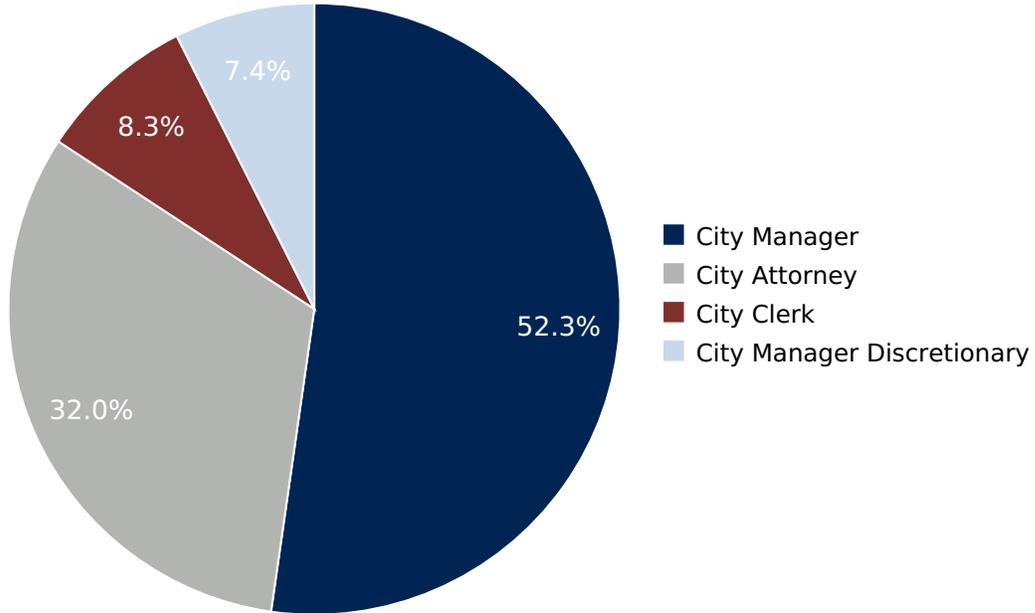
| Workload Indicator  | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Meetings with large groups/organizations; appointments with brokers, prospective business owners, business owners and operators, City staff, etc.                         | N/A                  | 240                  | 360                 |
| Special events, including small business workshops and seminars, ICSC conferences and events, ribbon cuttings and grand openings, and Small Business Saturday Celebration | N/A                  | 9                    | 15                  |
| Presentations to local organizations and visiting delegations   | 20                   | 15                   | 6                   |
| Respond to call and email inquires  | N/A                  | 80                   | 130                 |

## Adopted Budget

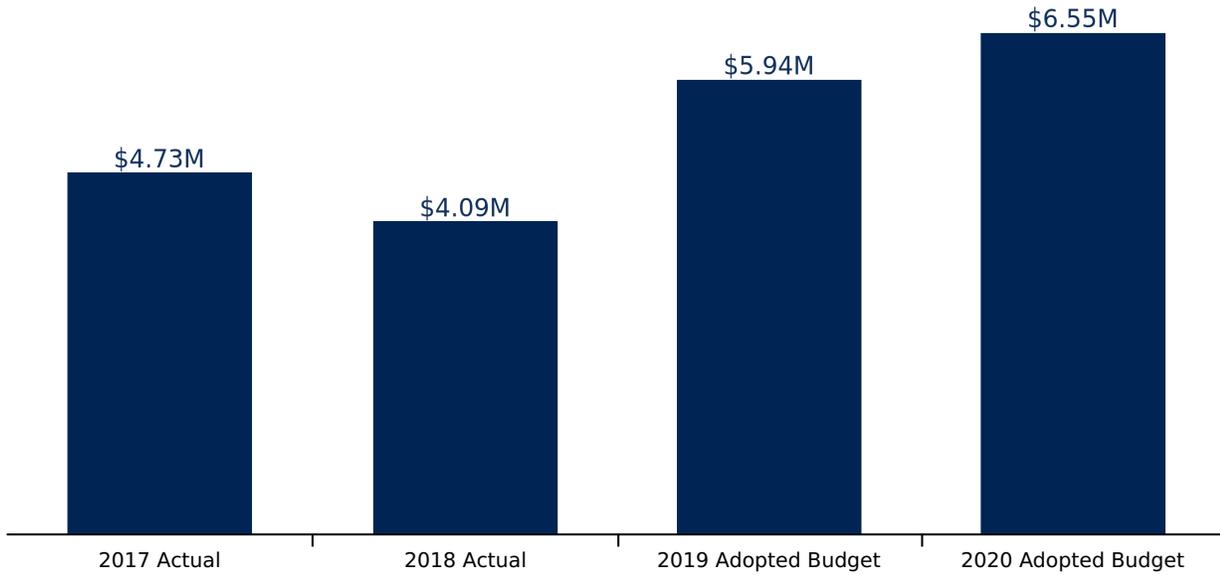
On June 18, 2019, City Council approved a budget of \$6,551,614 for the Administration department. This represents an increase of \$611,826 (10.3%) from the FY 2018-19 Adopted Budget.

The increase is primarily due to an increase in contract cost due to the City outsourcing the City Attorney function in FY 2018-19. This increase is offset by decreases in full time salary and benefit costs due to the elimination of four attorney positions.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Intergovernmental Revenue | \$ -                | \$ -                | \$ -                | \$ 27,592           |
| Charges for Services      | \$ 3,367,273        | \$ 813,509          | \$ 712,070          | \$ 1,127,708        |
| Miscellaneous Revenue     | \$ 53,958           | \$ 40,418           | \$ 500              | \$ 20,500           |
| <b>Total Revenues</b>     | <b>\$ 3,421,231</b> | <b>\$ 853,927</b>   | <b>\$ 712,570</b>   | <b>\$ 1,175,800</b> |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 1,712,430        | \$ 1,944,122        | \$ 2,301,666        | \$ 1,894,891        |
| Employee Benefits         | \$ 614,505          | \$ 780,889          | \$ 940,051          | \$ 748,207          |
| Materials                 | \$ 273,459          | \$ 280,122          | \$ 327,766          | \$ 403,089          |
| Contract Services         | \$ 1,121,823        | \$ 642,397          | \$ 1,021,775        | \$ 2,385,409        |
| Cost Allocation           | \$ 979,665          | \$ 376,097          | \$ 422,346          | \$ 469,747          |
| Special Projects          | \$ 25,242           | \$ 65,510           | \$ 264,470          | \$ 127,000          |
| Contingencies             | \$ 1,186            | \$ 911              | \$ 661,714          | \$ 523,271          |
| <b>Total Expenditures</b> | <b>\$ 4,728,310</b> | <b>\$ 4,090,048</b> | <b>\$ 5,939,788</b> | <b>\$ 6,551,614</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,307,081</b> | <b>\$ 3,236,119</b> | <b>\$ 5,227,218</b> | <b>\$ 5,375,814</b> |

## Staffing

Total current authorized positions - 14.47 FTE

Total recommended positions - 14.45 FTE

# City Manager

Budget Unit 100-12-120

General Fund - City Manager - City Manager

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 429,117                 |
| Total Expenditures       | \$ 1,261,257               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 832,140                 |
| % Funded by General Fund | 66.0%                      |
| Total Staffing           | 3.90 FTE                   |

## Program Overview

The City Manager is responsible to the City Council for the effective and efficient operation of the City. Under the direction of the City Council as a whole, the City Manager carries out the City's goals and objectives. The City Manager oversees Sustainability and Public Affairs.

## Service Objectives

- Accomplish the City Council's work program.
- Manage City operations.
- Ensure all laws and ordinances of the City are duly enforced and that all franchises, permits, licenses, and privileges granted by the City are faithfully performed and observed.
- Advise the City Council on policy, and the financial conditions and needs of the City.
- Investigate all complaints concerning the operation of the City.
- Prepare reports and initiate recommendations as may be desirable or as requested by the City Council.
- Ensure that the City's policies and procedures provide a foundation for a secure financial position.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,261,257 for the City Manager program. This represents an increase of \$268,139 (27.0%) from the FY 2018-19 Adopted Budget.

This increase is primarily due to changes in staff responsibilities that have resulted in a reallocation of City Manager's Office staff that were previously spread across various programs to be fully allocated in this City Manager program. This budget also proposes funding for City Work Program approved items on tobacco related policies that will be entirely offset by grant funding from Santa Clara County and funding for a contract lobbyist to assist in ensuring the City's interests are heard at the State.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| Intergovernmental Revenue | \$ -                | \$ -              | \$ -                | \$ 27,592           |
| Charges for Services      | \$ 1,027,154        | \$ 319,144        | \$ 332,342          | \$ 401,525          |
| Miscellaneous Revenue     | \$ -                | \$ 770            | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 1,027,154</b> | <b>\$ 319,914</b> | <b>\$ 332,342</b>   | <b>\$ 429,117</b>   |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Employee Compensation     | \$ 590,452          | \$ 620,086        | \$ 626,760          | \$ 758,600          |
| Employee Benefits         | \$ 209,668          | \$ 234,891        | \$ 247,959          | \$ 286,460          |
| Materials                 | \$ 44,281           | \$ 42,119         | \$ 45,580           | \$ 77,045           |
| Contract Services         | \$ 32,772           | \$ 15,569         | \$ 14,540           | \$ 95,792           |
| Cost Allocation           | \$ 397,676          | \$ 31,937         | \$ 55,273           | \$ 40,423           |
| Contingencies             | \$ 868              | \$ 911            | \$ 3,006            | \$ 2,937            |
| <b>Total Expenditures</b> | <b>\$ 1,275,717</b> | <b>\$ 945,513</b> | <b>\$ 993,118</b>   | <b>\$ 1,261,257</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 248,564</b>   | <b>\$ 625,599</b> | <b>\$ 660,776</b>   | <b>\$ 832,140</b>   |

## Staffing

Total current authorized positions - 3.72 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 3.90 FTE

# Sustainability

Budget Unit 100-12-122

General Fund - City Manager - Sustainability

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 13,000                  |
| Total Expenditures       | \$ 555,663                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 542,663                 |
| % Funded by General Fund | 97.7%                      |
| <hr/>                    |                            |
| Total Staffing           | 1.40 FTE                   |

## Program Overview

The Sustainability Division works to bring environmental awareness across departments and engage staff, students, residents, and businesses in building public good through activities that reduce greenhouse gas emissions, help to mitigate financial and regulatory risk, provide utility cost assurances, conserve scarce resources, prioritize public health and prepare for the impacts of climate change. In this capacity, the program teams with regional partners and adjacent jurisdictions to develop collective approaches to implement the City's ambitious Climate Action Plan.

## Service Objectives

- Collect and analyze relevant data to demonstrate municipal compliance with current and burgeoning state and federal regulations.
- Serve as a technical resource on sustainability initiatives by preparing staff reports, developing local policies and ordinances, coordinating educational events, and making presentations to Council, City departments, and applicable outside organizations.
- Coordinate municipal and community-wide greenhouse gas emissions inventories, develop emissions targets, execute a community-wide climate action plan, and track progress to achieve emissions reductions over time.
- Expand existing compliance-focused environmental services to offer innovative energy, water, and resource conservation programs that effectively engage employees and community members.
- Evaluate existing departmental programs and benchmark environmental achievements on an ongoing basis.
- Research tools and best practices for efficient utility management and conservation and adapt these to the City's organizational culture, operations, and budgets.
- Manage or perform resource audits, identify energy conservation and renewable energy generation opportunities, calculate feasibility and develop projects that are cost-effective and conserve resources.
- Work with schools to expand successful municipal programs into educational institutions through effective partnerships that empower students as environmental leaders.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$555,663 for the Sustainability program. This represents a decrease of \$332,603 (-37.4%) from the FY 2018-19 Adopted Budget.

This decrease is primarily due to a reallocation of staff and a reduction in Special Projects. Staff is not proposing any new special projects this fiscal year, as they focus on implementation of last year's special projects including the City's Climate Action Plan (CAP).

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 103,442        | \$ -              | \$ -                | \$ -                |
| Miscellaneous Revenue     | \$ 53,658         | \$ 39,648         | \$ -                | \$ 13,000           |
| <b>Total Revenues</b>     | <b>\$ 157,100</b> | <b>\$ 39,648</b>  | <b>\$ -</b>         | <b>\$ 13,000</b>    |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 151,981        | \$ 163,835        | \$ 210,120          | \$ 172,185          |
| Employee Benefits         | \$ 66,474         | \$ 80,863         | \$ 89,005           | \$ 82,848           |
| Materials                 | \$ 27,475         | \$ 28,837         | \$ 36,225           | \$ 36,182           |
| Contract Services         | \$ 77,637         | \$ 161,313        | \$ 147,000          | \$ 138,850          |
| Cost Allocation           | \$ 125,220        | \$ 191,006        | \$ 155,255          | \$ 116,846          |
| Special Projects          | \$ 25,242         | \$ 65,510         | \$ 241,500          | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 9,161            | \$ 8,752            |
| <b>Total Expenditures</b> | <b>\$ 474,029</b> | <b>\$ 691,364</b> | <b>\$ 888,266</b>   | <b>\$ 555,663</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 316,929</b> | <b>\$ 651,715</b> | <b>\$ 888,266</b>   | <b>\$ 542,663</b>   |

## Staffing

Total current authorized positions - 1.45 FTE

Staff time is being reallocated to better reflect actual time spent in other City programs.

Total recommended positions - 1.40 FTE

# Office of Communications

Budget Unit 100-12-126

General Fund - City Manager - Office of Communications

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 268,373                 |
| Total Expenditures       | \$ 696,310                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 427,937                 |
| % Funded by General Fund | 61.5%                      |
| <hr/>                    |                            |
| Total Staffing           | 2.95 FTE                   |

## Program Overview

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

## Service Objectives

- Serve as the communications link between the City of Cupertino and residents
- Ensure that the community has easy access to important, useful, and timely 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

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$696,310 for the Office of Communications program. This represents an increase of \$146,408 (26.6%) from the FY 2018-19 Adopted Budget.

The increase is primarily the addition of one full-time front desk staff that was added to the Office of Communications at First Quarter and special projects that were approved as part of the City Work Program. These special projects are described in the following section.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project          | Appropriation   | Revenue         | Funding Source | Description  |
|--------------------------|-----------------|-----------------|----------------|--|
| Public Relations Project | \$50,000        | \$50,000        | General Fund   | Contract with an outside firm to create public relations materials and campaigns to address misinformation concerning Cupertino and enhance its reputation. The campaigns would include, but not be limited to, the City's efforts in entitling affordable housing in Cupertino. |
| <b>Total</b>             | <b>\$50,000</b> | <b>\$50,000</b> |                |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 97,618         | \$ 150,385        | \$ 121,818          | \$ 260,873          |
| Miscellaneous Revenue     | \$ -              | \$ -              | \$ 500              | \$ 7,500            |
| <b>Total Revenues</b>     | <b>\$ 97,618</b>  | <b>\$ 150,385</b> | <b>\$ 122,318</b>   | <b>\$ 268,373</b>   |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 164,032        | \$ 196,961        | \$ 226,234          | \$ 274,827          |
| Employee Benefits         | \$ 64,581         | \$ 83,865         | \$ 96,034           | \$ 119,767          |
| Materials                 | \$ 92,562         | \$ 100,954        | \$ 122,874          | \$ 118,790          |
| Contract Services         | \$ 68,566         | \$ 26,983         | \$ 26,000           | \$ 96,710           |
| Cost Allocation           | \$ 56,787         | \$ 60,307         | \$ 70,741           | \$ 28,441           |
| Special Projects          | \$ -              | \$ -              | \$ -                | \$ 50,000           |
| Contingencies             | \$ -              | \$ -              | \$ 8,019            | \$ 7,775            |
| <b>Total Expenditures</b> | <b>\$ 446,528</b> | <b>\$ 469,070</b> | <b>\$ 549,902</b>   | <b>\$ 696,310</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 348,910</b> | <b>\$ 318,685</b> | <b>\$ 427,584</b>   | <b>\$ 427,937</b>   |

## **Staffing**

Total current authorized positions - 3.15 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 2.95 FTE

# Community Outreach and Neighborhood Watch

Budget Unit 100-12-632

General Fund - City Manager - Community Outreach and Neighborhood Watch

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 174,885          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 174,885          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.75 FTE            |

## Program Overview

Community Outreach programs facilitate communication and enhance cultural understanding in Cupertino neighborhoods. Block Leaders are instrumental in building connected communities, delivering timely and pertinent information to neighbors, and providing input to the City. Neighborhood Watch enhances public safety by providing crime prevention information to local businesses and residents. The program promotes an active relationship between the community and the Sheriff's Office.

## Service Objectives

- Aid in the development, implementation, and coordination of City programs and community-building activities designed to bring Cupertino neighborhoods together.
- Coordinate and disseminate useful and important information to Cupertino residents through regular meetings and communications that build relationships and strengthen neighborhoods.
- Facilitate collaboration with Emergency Preparedness and Neighborhood Watch programs.
- Train residents to connect and organize neighbors and neighborhoods.
- Get Block Leaders involved in the Parks and Recreation System Master Plan.
- Create and implement Neighborhood Watch meetings and groups.
- Disseminate important City news and safety information.
- Organize and conduct annual National Night Out initiative.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$174,885 for the Community Outreach and Neighborhood Watch program.

Due to a reorganization, the Community Outreach and Neighborhood Watch program has been moved into the City Manager's Office. This restructuring will ensure a stronger working relationship with other divisions within the City Manager's Office, particularly Public Affairs.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project         | Appropriation  | Revenue        | Funding Source | Description  |
|-------------------------|----------------|----------------|----------------|--|
| Neighborhood Engagement | \$2,000        | \$2,000        | General Fund   | Increase membership in, and engagement with, neighborhood groups and members. Provide support for Council members who want to conduct town hall/office hour meetings with residents. |
| <b>Total</b>            | <b>\$2,000</b> | <b>\$2,000</b> |                |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>           |             |             |                     |                     |
| <b>Total Revenues</b>     | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b>       |             |             |                     |                     |
| Employee Compensation     | \$ -        | \$ -        | \$ -                | \$ 89,316           |
| Employee Benefits         | \$ -        | \$ -        | \$ -                | \$ 29,200           |
| Materials                 | \$ -        | \$ -        | \$ -                | \$ 8,943            |
| Contract Services         | \$ -        | \$ -        | \$ -                | \$ 1,789            |
| Cost Allocation           | \$ -        | \$ -        | \$ -                | \$ 43,100           |
| Special Projects          | \$ -        | \$ -        | \$ -                | \$ 2,000            |
| Contingencies             | \$ -        | \$ -        | \$ -                | \$ 537              |
| <b>Total Expenditures</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 174,885</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 174,885</b>   |

## Staffing

Total current authorized positions - 0.75 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.75 FTE

# Disaster Preparedness

Budget Unit 100-12-633

General Fund - City Manager - Disaster Preparedness

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 395,391                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 395,391                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.95 FTE                   |

## Program Overview

The mission of the Office of Emergency Services is to lead and direct the City in prevention, preparation, mitigation, response, and recovery from all emergencies, hazards, incidents, and events.

## Service Objectives

- Develop and implement the goals and objectives of Cupertino's Office of Emergency Services.
- Maintain the City's Emergency Operations Center (EOC) in a perpetual state of operational readiness.
- Support Citizen Corps, Cupertino Amateur Radio Emergency Service (CARES), Medical Reserve Corps (MRC), and Community Emergency Response Team (CERT).
- Prepare, test and revise emergency response and recovery policies, plans, and procedures in compliance with the California Emergency Services Act, the Standardized Emergency Management System (SEMS), and the National Incident Management System (NIMS).
- Coordinate training of City staff in personal preparedness, SEMS/NIMS, and EOC functions.
- Maintain effective liaison with local, state, and national emergency management organizations and/or allied disaster preparedness and response agencies.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$395,391 for the Disaster Preparedness program.

This budget includes funding for disaster preparedness training's and exercises as well as the maintenance of emergency equipment such as fire extinguishers and AEDs. There is an increase in employee compensation due to part time employee costs that were inadvertently missed as part of last years budget and an increase in contract services as the Disaster Preparedness program is planning on contracting out the creation of the City's Continuity of Operations Plan at a cost of \$75,000.

## Special Projects

The following table shows the special projects for the fiscal year.

| <b>Special Project</b>            | <b>Appropriation</b> | <b>Revenue</b>  | <b>Funding Source</b> | <b>Description</b>                |
|-----------------------------------|----------------------|-----------------|-----------------------|-----------------------------------|
| Continuity of Operations Contract | \$75,000             | \$75,000        | General Fund          | Continuity of Operations Contract |
| <b>Total</b>                      | <b>\$75,000</b>      | <b>\$75,000</b> |                       |                                   |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b> | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                    |                    |                            |                            |
| <b>Total Revenues</b>     | \$ -               | \$ -               | \$ -                       | \$ -                       |
| <b>Expenditures</b>       |                    |                    |                            |                            |
| Employee Compensation     | \$ -               | \$ -               | \$ -                       | \$ 127,596                 |
| Employee Benefits         | \$ -               | \$ -               | \$ -                       | \$ 39,525                  |
| Materials                 | \$ -               | \$ -               | \$ -                       | \$ 38,835                  |
| Contract Services         | \$ -               | \$ -               | \$ -                       | \$ 6,000                   |
| Cost Allocation           | \$ -               | \$ -               | \$ -                       | \$ 106,193                 |
| Special Projects          | \$ -               | \$ -               | \$ -                       | \$ 75,000                  |
| Contingencies             | \$ -               | \$ -               | \$ -                       | \$ 2,242                   |
| <b>Total Expenditures</b> | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ 395,391</b>          |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ 395,391</b>          |

## Staffing

Total current authorized positions - 1.00 FTE

Public Safety Commission is now being managed by the Emergency Services Coordinator and 0.05 of their time is allocated in the Public Safety Commission budget.

Total recommended positions - 0.95 FTE

# Economic Development

Budget Unit 100-12-705

General Fund - City Manager - Economic Development

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 340,334                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 340,334                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 1.00 FTE                   |

## Program Overview

The Economic Development program specifically targets business retention, expansion, and attraction with a focus on small business development, in order to support the City's financial stability.

## Service Objectives

Provide assistance and support to businesses to enable job creation, new business formation, private investment, and industry evolution.

- Conduct outreach to existing small businesses to create strong working relationships.
- Collaborate with internal city team members to keep the needs of businesses in the forefront when reviewing applications and projects.
- Partner with local business associations, agencies, and organizations to create a strong and cohesive network offering business support and assistance.
- Provide the public with current data and information easily accessible online or in printed format.
- Assist with policy formation to align with business and community goals.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$340,334 for the Economic Development program.

The increase in the Economic Development budget is due to the addition of a \$50,000 annual contract with Buxton (a customer analytics vendor), which will provide essential data and targeted reports to assist with business recruitment and retention. Deliverables would include, but not limited to, the following:

- Develop profile of residents, daytime population and visitors, leveraging mobile analytics and transactional (purchasing) data.
- Understand current retail and restaurant economic conditions.
- Profile new mover population and provide predictive projections.
- Develop and qualify a list of potential retailers and restaurants matching Cupertino's community profile.

- Assemble individualized marketing packages for up to 20 targeted retailers.
- Up to 100 monthly subscriptions for use of Buxton's Local Store Marketing (LSM) program which allows individual small business owners and franchisees to execute marketing campaigns via mobile devices free of charge.

An increase in membership dues and subscription services (e.g., SVEDA dues and CoStar subscription), an increase in meeting expenses (special event/luncheon ticket costs), and an increase in budget to accommodate higher attendance at business meetings, events, and workshops are also contributing to the increase in the Economic Development budget.

Added to Council's FY 2019-20 work program is exploring the viability of establishing a small business development center and Cupertino Visitors Center. These will likely entail research and development of operations and a marketing strategy.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>           |             |             |                     |                     |
| <b>Total Revenues</b>     | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b>       |             |             |                     |                     |
| Employee Compensation     | \$ -        | \$ -        | \$ -                | \$ 79,716           |
| Employee Benefits         | \$ -        | \$ -        | \$ -                | \$ 23,632           |
| Materials                 | \$ -        | \$ -        | \$ -                | \$ 53,085           |
| Contract Services         | \$ -        | \$ -        | \$ -                | \$ 141,988          |
| Cost Allocation           | \$ -        | \$ -        | \$ -                | \$ 32,159           |
| Contingencies             | \$ -        | \$ -        | \$ -                | \$ 9,754            |
| <b>Total Expenditures</b> | \$ -        | \$ -        | \$ -                | \$ 340,334          |
| <b>Fund Balance</b>       | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>General Fund Costs</b> | \$ -        | \$ -        | \$ -                | \$ 340,334          |

## Staffing

Total current authorized positions - 1.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.00 FTE

# City Clerk

Budget Unit 100-13-130

General Fund - City Clerk - City Clerk

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 65,544                  |
| Total Expenditures       | \$ 503,685                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 438,141                 |
| % Funded by General Fund | 87.0%                      |
| <hr/>                    |                            |
| Total Staffing           | 2.50 FTE                   |

## Program Overview

The City Clerk's office responsibilities include administrative duties associated with the City Council's agenda and actions; publishing legal notices; posting notice of all commission vacancies; processing codification of City's Municipal Code; records management; compliance with Public Records Act requests; and provides partial mail service for all City Departments.

## Service Objectives

- Ensure compliance with the Brown Act open meetings requirements, Maddy Act Commission vacancy requirements and the Public Records Act, to accurately process documents and maintain a records management system that facilitates timely access to information, including digital access to City records.
- Provide complete, accurate and timely information to the public, staff and City Council.
- Respond to internal routing requests within two working days; respond to internal requests requiring archival research within five working days.
- Respond to Public Record Act requests within the time specified by State law.
- Provide a digital City Council packet to members of the City Council and staff for use on mobile devices.
- Process and sort routine incoming and outgoing mail and packages daily for each department.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$503,685 for the City Clerk program. This represents a decrease of \$99,513 (-16.5%) from the FY 2018-19 Adopted Budget.

The decrease is primarily due to the reduction of part time staff costs.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 453,952        | \$ 80,948         | \$ 63,559           | \$ 65,544           |
| Miscellaneous Revenue     | \$ 300            | \$ -              | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 454,252</b> | <b>\$ 80,948</b>  | <b>\$ 63,559</b>    | <b>\$ 65,544</b>    |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 312,309        | \$ 316,102        | \$ 342,977          | \$ 292,467          |
| Employee Benefits         | \$ 121,263        | \$ 125,429        | \$ 125,997          | \$ 116,739          |
| Materials                 | \$ 30,527         | \$ 25,342         | \$ 25,441           | \$ 23,894           |
| Contract Services         | \$ 34,434         | \$ 37,394         | \$ 57,531           | \$ 33,380           |
| Cost Allocation           | \$ 237,115        | \$ 53,590         | \$ 47,103           | \$ 34,341           |
| Contingencies             | \$ -              | \$ -              | \$ 4,149            | \$ 2,864            |
| <b>Total Expenditures</b> | <b>\$ 735,648</b> | <b>\$ 557,857</b> | <b>\$ 603,198</b>   | <b>\$ 503,685</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 281,396</b> | <b>\$ 476,909</b> | <b>\$ 539,639</b>   | <b>\$ 438,141</b>   |

## Staffing

Total current authorized positions - 2.40 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 2.50 FTE

# Duplicating and Mail Services

Budget Unit 100-13-132

General Fund - City Clerk - Duplicating and Mail Services

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 42,945                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 42,945                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

The Duplicating and Mail budget provides paper, envelope, and postage supplies Citywide, and is responsible for the maintenance costs of the postage and folder-inserter machines.

## Service Objectives

- Supply paper, envelope, and postage Citywide and maintain postage and folder-inserter machines.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$42,945 for the Duplicating and Mail Services program. This represents a decrease of \$55,966 (-56.6%) from the FY 2018-19 Adopted Budget.

This decrease is primarily due to centralizing mail services for satellite facilities and reallocation of mail service responsibilities to the City Clerk program. In addition, the purchase of a postage and folder-inserter machine brought down maintenance of equipment cost.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 16,156        | \$ 19,907        | \$ 22,941           | \$ -                |
| Employee Benefits         | \$ 442           | \$ 7,219         | \$ 12,417           | \$ -                |
| Materials                 | \$ 38,930        | \$ 37,376        | \$ 33,000           | \$ 35,000           |
| Contract Services         | \$ 13,866        | \$ 13,781        | \$ 5,630            | \$ 5,900            |
| Cost Allocation           | \$ -             | \$ -             | \$ 21               | \$ -                |
| Special Projects          | \$ -             | \$ -             | \$ 22,970           | \$ -                |
| Contingencies             | \$ -             | \$ -             | \$ 1,932            | \$ 2,045            |
| <b>Total Expenditures</b> | <b>\$ 69,394</b> | <b>\$ 78,283</b> | <b>\$ 98,911</b>    | <b>\$ 42,945</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 69,394</b> | <b>\$ 78,282</b> | <b>\$ 98,911</b>    | <b>\$ 42,945</b>    |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Elections

Budget Unit 100-13-133

General Fund - City Clerk - Elections

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 257                     |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 257                     |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

The City Clerk's office administers the legislative process including management of local elections and filings of Fair Political Practices Commission documents.

## Service Objectives

- Administer elections and Fair Political Practices Commission filings in compliance with State law.
- Conduct a local election in even-numbered years and ballot measure elections as necessary, in compliance with the California Elections Code.
- Facilitate timely filing of required and voluntary documentation from candidates and election committees, including Nomination Papers, Candidate Statements of Qualification, Campaign Financial Disclosure Statements, and Statements of Economic Interest, as well as candidate biographies and photographs.
- Make election-related information available to the public and news media in a timely manner.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$257 for the Elections program. This represents a decrease of \$82,483 (-99.7%) from the FY 2018-19 Adopted Budget.

This decrease is primarily due to there being no regular election for Council seats as that occurs in even-numbered years.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual   | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |               |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -          | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |               |                     |                     |
| Materials                 | \$ 6,484          | \$ 254        | \$ 5,100            | \$ 245              |
| Contract Services         | \$ 307,736        | \$ -          | \$ 73,700           | \$ -                |
| Cost Allocation           | \$ -              | \$ 188        | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -          | \$ 3,940            | \$ 12               |
| <b>Total Expenditures</b> | <b>\$ 314,220</b> | <b>\$ 442</b> | <b>\$ 82,740</b>    | <b>\$ 257</b>       |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>   | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 314,220</b> | <b>\$ 442</b> | <b>\$ 82,740</b>    | <b>\$ 257</b>       |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# City Manager Contingency

Budget Unit 100-14-123

General Fund - City Manager Discretionary - City Manager Contingency

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 486,353          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 486,353          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The City Manager Contingency fund was established to meet citywide unexpected expenses that may occur during the year. In FY 2013-14, an Appropriations for Contingency expenditure category was added to each General Fund department to serve as a contingency for any unexpected expenditures that might occur. This category is 5% of each program's budgeted materials and contract services. A second level of contingency was also established for unexpected expenditures that may occur over the 5% contingency. For all programs within the General Fund, 5% of the total budgeted materials and contract services were placed in this program. This brings total Appropriations for Contingencies for the General Fund to 10% of total budgeted materials and contract services. This percentage is consistent with best practices adopted by the Governmental Accounting Standards Board (GASB) which recommended 5-15% contingency. Any unspent contingency funds will go to fund balance at the end of the year.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$486,353 for the City Manager Contingency program. This represents a decrease of \$107,308 (-18.1%) from the FY 2018-19 Adopted Budget.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>           |             |             |                     |                     |
| <b>Total Revenues</b>     | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b>       |             |             |                     |                     |
| Cost Allocation           | \$ -        | \$ 821      | \$ -                | \$ -                |
| Contingencies             | \$ -        | \$ -        | \$ 593,661          | \$ 486,353          |
| <b>Total Expenditures</b> | \$ -        | \$ 821      | \$ 593,661          | \$ 486,353          |
| <b>Fund Balance</b>       | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>General Fund Costs</b> | \$ -        | \$ 821      | \$ 593,661          | \$ 486,353          |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# City Attorney

Budget Unit 100-15-141

General Fund - City Attorney - City Attorney

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 399,766                 |
| Total Expenditures       | \$ 2,094,534               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,694,768               |
| % Funded by General Fund | 80.9%                      |
| <hr/>                    |                            |
| Total Staffing           | 1.00 FTE                   |

## Program Overview

The City Attorney is appointed by the City Council to manage the legal affairs of the City, including the operation of the City Attorney's Office. The City Attorney's Office provides all legal services that are needed to support the City Council, City Commissions, City Manager, department directors, and City staff.

## Service Objectives

The mission of the City Attorney's Office is to protect and defend the City by all legal and ethical means and to provide the municipal corporation with high-quality legal service and advice. These legal services include the following:

- Prosecute and defend the City in any legal action such as civil matters involving personal injury or property damage, employment practices, code enforcement, or any administrative action arising out of City business.
- Manage all liability claims filed against the City including investigation and disposition.
- Attend City Council, Planning Commission, and other public meetings as requested.
- Prepare and review proposed legislation including ordinances and resolutions.
- Draft and/or review contracts, agreements, and other legal documents.
- Conduct legal research and analysis, and prepare legal memoranda.
- Provide legal support for special projects, among other things.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,094,534 for the City Attorney program. This represents a decrease of \$35,458 (-1.7%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged from last fiscal year. The outsourcing of City Attorney services resulted in reduced costs in employee salaries and benefits due to the elimination of all but one position. This is offset by an increase in contract City Attorney services and anticipated demand for legal services in FY 2019-20.

The following table shows contract attorney services for the fiscal year.

| <b>Legal Service</b>            | <b>Appropriation</b> |
|---------------------------------|----------------------|
| General City Attorney Services  | \$1,200,000          |
| Specialized Attorney Services   | \$165,000            |
| Litigation and Related Services | \$500,000            |
| <b>Total</b>                    | <b>\$1,865,000</b>   |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b>  | <b>2018 Actual</b>  | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|---------------------|---------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                     |                     |                            |                            |
| Charges for Services      | \$ 1,685,107        | \$ 263,032          | \$ 194,351                 | \$ 399,766                 |
| <b>Total Revenues</b>     | <b>\$ 1,685,107</b> | <b>\$ 263,032</b>   | <b>\$ 194,351</b>          | <b>\$ 399,766</b>          |
| <b>Expenditures</b>       |                     |                     |                            |                            |
| Employee Compensation     | \$ 477,500          | \$ 627,231          | \$ 872,634                 | \$ 100,184                 |
| Employee Benefits         | \$ 152,077          | \$ 248,622          | \$ 368,639                 | \$ 50,036                  |
| Materials                 | \$ 33,200           | \$ 45,240           | \$ 59,546                  | \$ 11,070                  |
| Contract Services         | \$ 586,812          | \$ 387,357          | \$ 697,374                 | \$ 1,865,000               |
| Cost Allocation           | \$ 162,867          | \$ 38,248           | \$ 93,953                  | \$ 68,244                  |
| Contingencies             | \$ 318              | \$ -                | \$ 37,846                  | \$ -                       |
| <b>Total Expenditures</b> | <b>\$ 1,412,774</b> | <b>\$ 1,346,698</b> | <b>\$ 2,129,992</b>        | <b>\$ 2,094,534</b>        |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ (272,332)</b> | <b>\$ 1,083,666</b> | <b>\$ 1,935,641</b>        | <b>\$ 1,694,768</b>        |

## Staffing

Total current authorized positions - 1.00 FTE

In FY 2018-19, outsourcing City Attorney services resulted in the elimination of 4 FTE positions.

Total recommended positions - 1.00 FTE

# Law Enforcement

| Budget Unit            | Program                  | 2020 Adopted Budget  |
|------------------------|--------------------------|----------------------|
| <b>Law Enforcement</b> |                          | <b>\$ 14,077,937</b> |
| 100-20-200             | Law Enforcement          | \$ 14,026,201        |
| 100-20-201             | Interoperability Project | \$ 51,736            |
| 100-20-202             | Code Enforcement         | \$ -                 |
| <b>Total</b>           |                          | <b>\$ 14,077,937</b> |

# Department Overview

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,070,979        |
| Total Expenditures       | \$ 14,077,937       |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 13,006,958       |
| % Funded by General Fund | 92.4%               |
| Total Staffing           | 0.00 FTE            |

## Organization

Captain Rich Urena, Office of the Sheriff

Law Enforcement  
(Contracted)

## Performance Measures

Goal: Maintain a safe environment to live, work, learn and play.

Benefit: All members of the community are safe, informed, empowered and supported.

| Performance Measure                       | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec | Ongoing<br>Target |
|---|----------------------|----------------------|---------------------|-------------------|
| Response time for emergency calls         |                      |                      |                     |                   |
| Priority 1                                | 5.07                 | 4.14                 | 3.95                | 5 minutes         |
| Priority 2                                | 8.00                 | 7.14                 | 6.33                | 9 minutes         |
| Priority 3                                | 15.79                | 14.36                | 13.23               | 20 minutes        |
| % programs maintaining minimum attendance |                      |                      |                     |                   |
| Teen Academy                              | 85%                  | 100%                 | 100%                | 80%               |
| Citizen Academy                           | 55%                  | 100%                 | N/A                 | 80%               |

## Workload Indicators

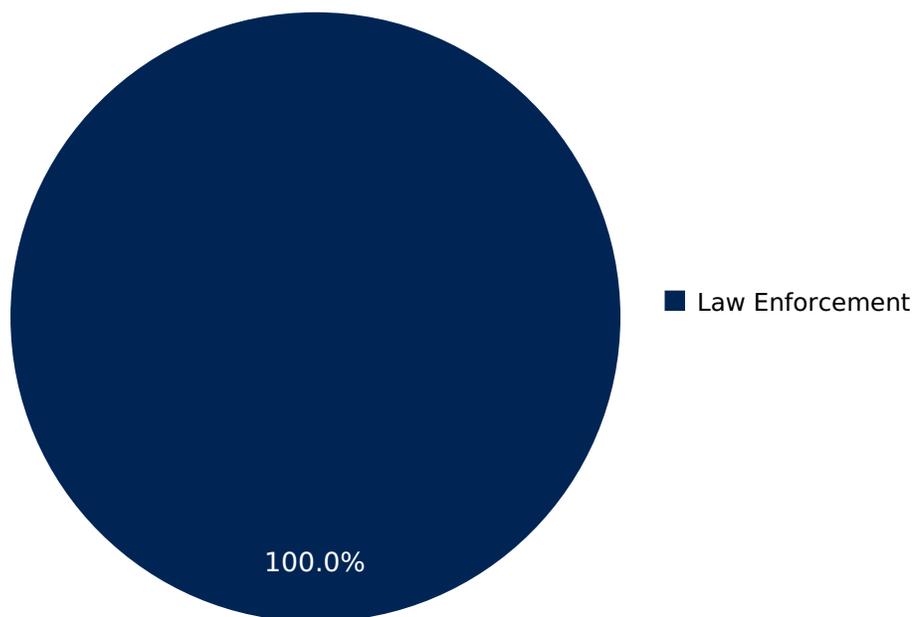
| Workload Indicator                        | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Total Priority 1 Calls                    | 74                   | 61                   | 26                  |
| Total Priority 2 Calls                    | 4,857                | 4,990                | 2,116               |
| Total Priority 3 Calls                    | 5,156                | 5,570                | 2,602               |
| Total Teen/Community Academy Participants | 47                   | 74                   | None                |

## Adopted Budget

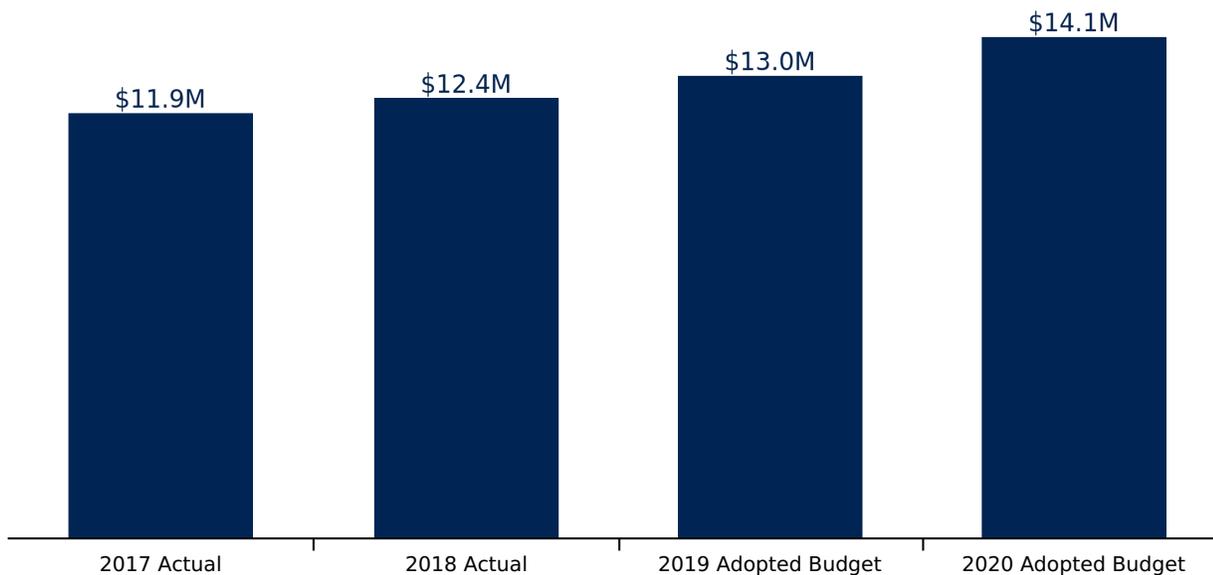
On June 18, 2019, City Council approved a budget of \$14,077,937 for the Law Enforcement department. This represents an increase of \$1,089,584 (8.4%) from the FY 2018-19 Adopted Budget.

The increase is primarily due to increases in the City's Law Enforcement contract with the Santa Clara County Sheriff's Office.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual          | 2018 Actual          | 2019 Adopted Budget  | 2020 Adopted Budget  |
|---------------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues</b>           |                      |                      |                      |                      |
| Intergovernmental Revenue | \$ 129,324           | \$ 139,416           | \$ 100,000           | \$ 100,500           |
| Charges for Services      | \$ 292               | \$ 131,842           | \$ 60,000            | \$ 61,500            |
| Fines and Forfeitures     | \$ 593,122           | \$ 575,032           | \$ 615,000           | \$ 350,000           |
| Miscellaneous Revenue     | \$ 85,795            | \$ -                 | \$ -                 | \$ 558,979           |
| <b>Total Revenues</b>     | <b>\$ 808,533</b>    | <b>\$ 846,290</b>    | <b>\$ 775,000</b>    | <b>\$ 1,070,979</b>  |
| <b>Expenditures</b>       |                      |                      |                      |                      |
| Employee Compensation     | \$ 226,592           | \$ 236,925           | \$ 243,838           | \$ -                 |
| Employee Benefits         | \$ 86,879            | \$ 97,924            | \$ 101,379           | \$ -                 |
| Materials                 | \$ 61,638            | \$ 92,046            | \$ 68,578            | \$ 51,803            |
| Contract Services         | \$ 11,390,393        | \$ 11,772,706        | \$ 12,482,024        | \$ 13,965,319        |
| Cost Allocation           | \$ 173,593           | \$ 163,020           | \$ 72,847            | \$ 58,388            |
| Special Projects          | \$ -                 | \$ -                 | \$ 7,328             | \$ -                 |
| Contingencies             | \$ -                 | \$ -                 | \$ 12,359            | \$ 2,427             |
| <b>Total Expenditures</b> | <b>\$ 11,939,095</b> | <b>\$ 12,362,621</b> | <b>\$ 12,988,353</b> | <b>\$ 14,077,937</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          |
| <b>General Fund Costs</b> | <b>\$ 11,130,560</b> | <b>\$ 11,516,331</b> | <b>\$ 12,213,353</b> | <b>\$ 13,006,958</b> |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Law Enforcement

Budget Unit 100-20-200

General Fund - Law Enforcement - Law Enforcement

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 1,070,979               |
| Total Expenditures       | \$ 14,026,201              |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 12,955,222              |
| % Funded by General Fund | 92.4%                      |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

The Law Enforcement program provides law enforcement, emergency communications, School Resource Officers, and the Youth Probation Program. Law enforcement services are provided by the Santa Clara County Sheriff's Office, while communications services are provided by the Santa Clara County General Services Administration. The County's Youth Probation Program, also managed by the Sheriff's Office, is funded through a partnership with the Cupertino Union School District and the City of Cupertino. Other services include general law enforcement (patrol), traffic enforcement and investigation, detective services, and additional resources from specialized units.

The State allocates the Citizens Option for Public Safety (COPS) grant to cities and counties for front-line law enforcement purposes. Funding is allocated proportionately based on population size with a minimum allocation of \$100,000 per jurisdiction. This grant will be used to partially offset the cost of a second School Resource Officer that was added in the FY 2017 school year.

## Service Objectives

- Protect life and property through innovative and progressive policing methods.
- Respond to Priority 1 emergency situations within an average of fewer than five minutes.
- Enforce the vehicle code with the goal of increasing traffic safety.
- Divert first time/minor youth offenders from the juvenile justice system.
- Provide daily on-site interaction with our youth.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$14,026,201 for the Law Enforcement program. This represents an increase of \$1,722,172 (14.0%) from the FY 2018-19 Adopted Budget.

This increase is related to increases in the City's Law Enforcement contract with the Santa Clara County Sheriff's Office and increased service levels due to the addition of a traffic deputy that is funded by a donation from Apple Inc.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual          | 2018 Actual          | 2019 Adopted Budget  | 2020 Adopted Budget  |
|---------------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues</b>           |                      |                      |                      |                      |
| Intergovernmental Revenue | \$ 129,324           | \$ 139,416           | \$ 100,000           | \$ 100,500           |
| Charges for Services      | \$ -                 | \$ 129,610           | \$ 60,000            | \$ 61,500            |
| Fines and Forfeitures     | \$ 332,383           | \$ 295,283           | \$ 350,000           | \$ 350,000           |
| Miscellaneous Revenue     | \$ 85,795            | \$ -                 | \$ -                 | \$ 558,979           |
| <b>Total Revenues</b>     | <b>\$ 547,502</b>    | <b>\$ 564,309</b>    | <b>\$ 510,000</b>    | <b>\$ 1,070,979</b>  |
| <b>Expenditures</b>       |                      |                      |                      |                      |
| Materials                 | \$ 51,709            | \$ 51,483            | \$ 51,803            | \$ 51,803            |
| Contract Services         | \$ 11,124,953        | \$ 11,505,817        | \$ 12,203,080        | \$ 13,916,780        |
| Cost Allocation           | \$ 68,322            | \$ 70,655            | \$ 41,818            | \$ 57,618            |
| Special Projects          | \$ -                 | \$ -                 | \$ 7,328             | \$ -                 |
| <b>Total Expenditures</b> | <b>\$ 11,244,984</b> | <b>\$ 11,627,955</b> | <b>\$ 12,304,029</b> | <b>\$ 14,026,201</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>          |
| <b>General Fund Costs</b> | <b>\$ 10,697,482</b> | <b>\$ 11,063,646</b> | <b>\$ 11,794,029</b> | <b>\$ 12,955,222</b> |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Interoperability Project

Budget Unit 100-20-201

General Fund - Law Enforcement - Interoperability Project

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 51,736           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 51,736           |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The Silicon Valley Regional Interoperability Authority (SVRIA) was formed under the Joint Exercise of Powers Act (JPA) to provide interoperable communications solutions to its members. The SVRIA represents the interests of all public safety agencies in Santa Clara County through its members. It services the Santa Clara Operational Area which includes the County of Santa Clara, its fifteen cities and towns, and all special districts.

## Service Objectives

- SVRIA exists to identify, coordinate, and implement communications interoperability solutions to its member agencies. The purpose of these projects is to seamlessly integrate voice and data communications between law enforcement, the fire and rescue service, emergency medical services, and emergency management for routine operations, critical incidents, and disaster response and recovery.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$51,736 for the Interoperability Project program. This represents an increase of \$2,138 (4.3%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Contract Services         | \$ 48,359        | \$ 48,359        | \$ 48,539           | \$ 48,539           |
| Cost Allocation           | \$ 268           | \$ 274           | \$ 1,059            | \$ 770              |
| Contingencies             | \$ -             | \$ -             | \$ -                | \$ 2,427            |
| <b>Total Expenditures</b> | <b>\$ 48,627</b> | <b>\$ 48,633</b> | <b>\$ 49,598</b>    | <b>\$ 51,736</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 48,627</b> | <b>\$ 48,633</b> | <b>\$ 49,598</b>    | <b>\$ 51,736</b>    |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Code Enforcement

Budget Unit 100-20-202

General Fund - Law Enforcement - Code Enforcement

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

In FY 2018-19, this program was transferred to a new Code Enforcement division in Planning and Community Development as part of a department reorganization. A complete discussion of this program can be found under Budget Unit 100-74-202. This program will remain in order to maintain historical data. Once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 292            | \$ 2,232          | \$ -                | \$ -                |
| Fines and Forfeitures     | \$ 260,739        | \$ 279,749        | \$ 265,000          | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 261,031</b> | <b>\$ 281,981</b> | <b>\$ 265,000</b>   | <b>\$ -</b>         |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 226,592        | \$ 236,925        | \$ 243,838          | \$ -                |
| Employee Benefits         | \$ 86,879         | \$ 97,924         | \$ 101,379          | \$ -                |
| Materials                 | \$ 9,929          | \$ 40,563         | \$ 16,775           | \$ -                |
| Contract Services         | \$ 217,081        | \$ 218,530        | \$ 230,405          | \$ -                |
| Cost Allocation           | \$ 105,003        | \$ 92,091         | \$ 29,970           | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 12,359           | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 645,484</b> | <b>\$ 686,033</b> | <b>\$ 634,726</b>   | <b>\$ -</b>         |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 384,451</b> | <b>\$ 404,052</b> | <b>\$ 369,726</b>   | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

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# Innovation and Technology

| Budget Unit                   | Program                                | 2020 Adopted Budget |
|-------------------------------|--|---------------------|
| <b>I&amp;T Administration</b> |  | <b>\$ 297,998</b>   |
| 100-30-300                    | Innovation & Technology Administration | \$ -                |
| 610-30-300                    | Innovation & Technology Administration | \$ 297,998          |
| 100-30-304                    | Cupertino Scene                        | \$ -                |
| <b>Video</b>                  |  | <b>\$ 1,435,046</b> |
| 100-31-305                    | Video                                  | \$ 1,358,099        |
| 100-31-307                    | Public Access Support                  | \$ 76,947           |
| <b>Applications</b>           |  | <b>\$ 1,943,651</b> |
| 100-32-308                    | Applications                           | \$ 1,943,651        |
| <b>Infrastructure</b>         |  | <b>\$ 2,267,832</b> |
| 610-34-310                    | Infrastructure                         | \$ 2,267,832        |
| <b>GIS</b>                    |  | <b>\$ 1,096,093</b> |
| 610-35-986                    | GIS                                    | \$ 1,096,093        |
| <b>Non-Departmental</b>       |  | <b>\$ -</b>         |
| 610-90-989                    | Network Upgrade                        | \$ -                |
| <b>Total</b>                  |  | <b>\$ 7,040,620</b> |

# Department Overview

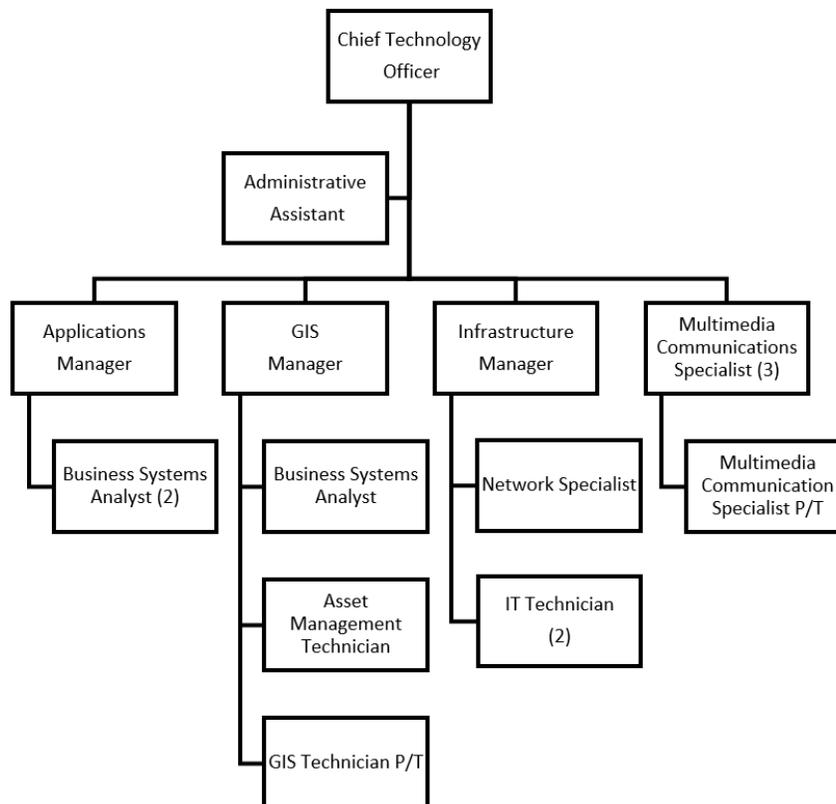
## Budget at a Glance

### 2020 Adopted Budget

|                          |              |
|--------------------------|--------------|
| Total Revenues           | \$ 2,741,301 |
| Total Expenditures       | \$ 7,040,620 |
| Fund Balance             | \$ (858,222) |
| General Fund Costs       | \$ 3,441,097 |
| % Funded by General Fund | 48.9%        |
| Total Staffing           | 14.95 FTE    |

## Organization

Bill Mitchell, Chief Technology Officer



## **Performance Measures**

Goal: Provide superior delivery of information and technology services to city employees and constituents while continually enhancing levels of engagement.

Benefit: Integrated information services enable customer access to the tools and information they need, when and where they need it.

| <b>Performance Measure</b>  | <b>FY 2017<br/>July-June</b> | <b>FY 2018<br/>July-June</b> | <b>FY 2019<br/>July-Dec</b> | <b>Ongoing<br/>Target</b> |
|---|------------------------------|------------------------------|-----------------------------|---------------------------|
| GIS: Open Data site visits per month  | 170                          | 200                          | 202                         | 140                       |
| GIS: Hours Spent Developing Applications  | Not tracked                  | Not tracked                  | Not tracked                 | 600                       |
| GIS: Number of annual requests (map, data, Web applications, Cityworks, schema, other) completed        | 325                          | 360                          | 175                         | 400                       |
| GIS: Property Information site visits per month   | 190                          | 369/No Data                  | 349/No Data                 | 200                       |
| GIS: Cityworks utilization - number of assets maintained / number of active users in the system         | 30/23                        | 36/32                        | 40/36                       | 30/30                     |
| Video: Percentage of total video productions performed vs scheduled productions <sup>1</sup>            | 235%<br>40/17                | 455%<br>50/11                | 148%<br>34/23               | 100%                      |
| Video: Percentage of total engineering projects vs scheduled projects <sup>1</sup>                      | 129%<br>9/7                  | 143%<br>10/7                 | 117%<br>7/6                 | 100%                      |
| Video: Total video views on Youtube and Granicus platforms combined <sup>1</sup>                        | 135,836                      | 138,723                      | 79,144                      | 5% annual increase        |
| Infrastructure: Percentage based upon number of scheduled projects/Number of projects completed on time | 84%                          | 160%<br>8/5                  | 100%<br>6/6                 | 100%                      |
| Infrastructure: Percentage based upon number of HelpDesk KACE tickets/SLA measurements                  | 94%                          | 99%                          | 99%                         | 90%                       |
| Infrastructure: % Customer satisfaction based upon Satisfaction Rate from KACE tickets                  | 100%                         | 100%                         | 99.30%                      | 85%                       |
| Infrastructure: % of network uptime (not including planned maintenance)                                 | 99.99%                       | 99.99%                       | 99.80%                      | 99.99%                    |
| Applications: % of citywide-enterprise application project management performed on time and on budget   | 95%                          | 96%                          | 95%                         | 95%                       |
| Applications: Number of website visits/hits <sup>2</sup>  | 1,001,398                    | 1,573,821                    | 802,899                     | 5% annual increase        |

<sup>1</sup> Tracking started in FY 2016-17 Q2

<sup>2</sup> Corrected to include total number of visits/hits

## Workload Indicators

### Applications Division

| Workload Indicator   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|--|----------------------|----------------------|---------------------|
| Application Support & Maintenance <sup>1</sup>   | Not tracked          | Not tracked          | Not tracked         |
| Application Development <sup>2</sup>   | Not tracked          | Not tracked          | 1,700 hours         |
| Percentage of Project Management Performed on Time and Budget for Citywide Applications <sup>3</sup> | 95%                  | 96%                  | 95%                 |

<sup>1</sup>The Applications division is responsible for supporting enterprise applications like ERP, Land Management System, Recreation System, Laserfiche and many e-services custom applications like bid management, permit parking etc. business license as well as city's mobile apps. All these applications require constant support and maintenance. The related tasks may range from providing user access updates to issues that may require intensive programming to resolve. Troubleshooting existing or building new application configuration rules and parameters based on the current business process or new requirements. Creating custom application workflows in back office applications like Accela, and New World. Configure fee schedules in enterprise applications. Some issues require working and coordinating with software vendors to identify and resolve business workflows and other operational related problems. Coordinating the scheduling of corrective patches and upgrades between vendors and staff.

<sup>2</sup>The Applications division creates custom applications like Community Hall Speaker Card app and Bid Management app. The application development goes through all stages of Software Development Life Cycle (SDLC) of Requirement-gathering, Analysis, Designing, Coding, Testing and Deployment of these applications. The Application team works with various staff members and other key stakeholders during various phases of SDLC. Application staff gather business requirements, participate in a variety of system user and work groups to identify user needs and operational, programmatic, and or regulatory changes affecting application requirements and other related issues. Perform software application coding, building system integration and interfaces between applications. Perform end user application tests for functionality and usability. Writing test scripts based on business processes. Perform system tests, integration test and performance (volume) tests.

<sup>3</sup>This measure involves the task of project research and communications, project charter creation, creating or reviewing statement of work, contractor research and selection process, activity and resource planning, creation of work breakdown structure, team building, time management, deliverable management, customer satisfaction, risk management, communication management, project closeout process and documentation.

## Video Division

| Workload Indicator  | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Video Productions Completed vs. Those Scheduled <sup>1</sup>        | 235%<br>40/17        | 455%<br>50/11        | 148%<br>34/23       |
| Engineering Projects Completed vs. Those Scheduled <sup>2</sup>     | 129%<br>9/7          | 143%<br>10/7         | 117%<br>7/6         |
| Total Viewership on the YouTube and Granicus Platforms <sup>3</sup> | 135,836              | 138,723              | 79,144              |

<sup>1</sup>The Video Division is responsible for producing videos for both city staff as well as the general Cupertino public. Typically, dozens of video productions are completed every year. Video productions range in scope from relatively simple 30-second public service announcements to major projects like CREST that require more than two months of on-going field production, post-production editing, and a live awards program telecast. This specific Workload Indicator clearly indicates that a large percentage of annual video projects are unscheduled or unanticipated. The main reason is that video productions are oftentimes evaluated and prioritized on the basis of their immediate organizational value, impact and/or newsworthiness. Oftentimes, these unanticipated projects are identified and assigned with only a few days or weeks of advanced notice.

As such, there is an on-going need within the division for workflow and work schedule adaptability when it comes to evaluating video productions and completing them on time and on budget. The measurements here are tracked in the "milestones" document located in our City Channel documentation folder. The milestones document is a comprehensive dataset of all the video division projects--both large and small--and is maintained by the entire video staff. City meeting telecasts are not included in this particular dataset.

<sup>2</sup>Video staff is responsible for designing, managing, and maintaining the many audiovisual and broadcast systems located within the organization. These include systems within the conference and multipurpose rooms, office and huddle spaces, as well as the complex broadcast systems within the video control room at Community Hall. Engineering projects differ from simple repairs, tasks, and modifications in that projects, as defined, require a phased-in approach with advanced planning, design, budgeting, resource acquisition, and implementation. Most engineering projects are scheduled well in advance; occasionally, however, video staff may need to implement unanticipated projects if staff or council priorities require as such. The Workload Indicator here measures the number of projects completed vs. the number of scheduled projects. These measurements are tracked in the "engineering milestones" document located in our City Channel documentation folder. This document is maintained by Pete Coglianese, who is the broadcast engineer for the division.

<sup>3</sup>Video staff historically tracks viewership data within our primary online video platforms--YouTube and Granicus. We continue to see an upward trend in viewership of our videos which are used to promote city meetings, city programs, and city services. Our target is to increase viewership by 5% annually. Both YouTube and Granicus provide advanced reporting modules that allow us to accurately track the number of views over a given date range. The numbers here indicate total views rather than total unique views. Other online platforms were considered as part of this dataset; however, because we do not consistently post videos to our other social media sites such as Facebook, Twitter, Instagram, and Nextdoor, those statistics were not included as part of this specific performance measure. Similarly, we do have accurate viewership data for the City Channel, our government access television channel, so that platform was excluded as well.

## Infrastructure Division

| Workload Indicator  | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Percentage of helpdesk requests completed 48 hours or less <sup>1</sup> | 94%                  | 99%                  | 99%                 |
| % of network uptime <sup>2</sup>  | 100%                 | 99.9%                | 99.8%               |
| Number of IT Projects Completed <sup>3</sup>                            | 84%                  | 160%<br>8/5          | 100%<br>6/6         |

<sup>1</sup>Infrastructure is responsible for computer and technology support to all City staff. Prompt customer service and attention is a critical customer service measurement to ensure staff is able to perform and excel with their daily duties. This core responsibility is performed by two IT Technicians serving 200-250 staff depending on the time of year. Users may electronically submit or call-in support requests which is logged in Quest Software's KACE Service Desk Management software. Infrastructure's goal is to provide a service level where 90% of all helpdesk service requests are completed in 48 hours or less.

<sup>2</sup>Maintain availability and accessibility of the City's network infrastructure during business hours of operation. The City's local and wide area networks require high reliability to ensure various applications (ERP, GIS, Land management, etc.) and services (Internet, e-mail, shared files, City web services, etc). are available for staff and members of the public. Monitoring of equipment, service links, and responsiveness through tools such as Solarwinds Orion and Aruba Airwave allow the Infrastructure team to ensure quick response time for any issues as well as document/log network performance.

<sup>3</sup>Project research and communications, project charter creation, SOW creation, contractor research and selection process, activity & resource planning/work breakdown structure, team building and motivation, time management, deliverable management, ensuring customer satisfaction, risk management, communication management, project closeout process, documentation

## GIS Division

| Workload Indicator   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|--|----------------------|----------------------|---------------------|
| Hours Spent Web Application Development <sup>1</sup>   | Not tracked          | Not tracked          | Not tracked         |
| Map, Data, Analysis, Report, Application Configuration Requests, Workflow Enhancements Completed Requests <sup>2</sup> | 325                  | 360                  | 175                 |
| Number of I&T workplan projects completed <sup>3</sup>   | Not tracked          | Not tracked          | 100%<br>8/8         |

<sup>1</sup>The GIS Division builds web applications for staff to use as a tool in their daily workflows. The web application Property Info is a great example of this. Staff use it to review properties for development - select a property see all the associated layers of data, and access any related laserfiche documents. Property info is the main web mapping application staff use so we are constantly making improvements based on requests or new advancements in web development, or available widgets. We also create a number of web applications for the

public <https://www.cupertino.org/online-services/open-government-data/city-maps/web-maps-and-applications> everything from the service finder that give residents a one stop shop of all City services to the CIP story map that give the public a visually appealing way to quickly interpret what capitol improvement projects are scheduled this year, where the project is located, what the project entails, and current status.

2GIS receives requests from staff and sometimes Commissioners, Sheriffs office, City Council members...These requests range from hard copy maps (ex. Update a zoning designation and print all new zoning maps) to interactive web maps (ex. PW had a consultant evaluate a section of regnart rd and Chad asked us to create a web map with the data point locations and associate photos), data request (ex. how many Trees were trimmed this year), Data changes (ex. can I see this layer symbolized by status and added to property info application), crystal report requests (ex. fleet wants a report that shows how many times each vehicle has a repair work order based on a dynamic timeframe), to application modifications (ex. the Tree Division is tasked with mediating a tree virus issue and they would like a new work order type so they can track the problem over time or Planning had us create a layer for private trees and then add it to the Property info application.) Evaluating staff use of an application and implementing ways to streamline that workflow. Reduce the number of steps to performing a task by configuring/coding an application in a way that eliminates redundancies. We are also asked to configure GIS for enterprise applications such as Accela and ActiveNet.

3Project research and communications, project charter creation, SOW creation, contractor research and selection process, activity & resource planning/work breakdown structure, team building and motivation, time management, deliverable management, ensuring customer satisfaction, risk management, communication management, project closeout process, documentation

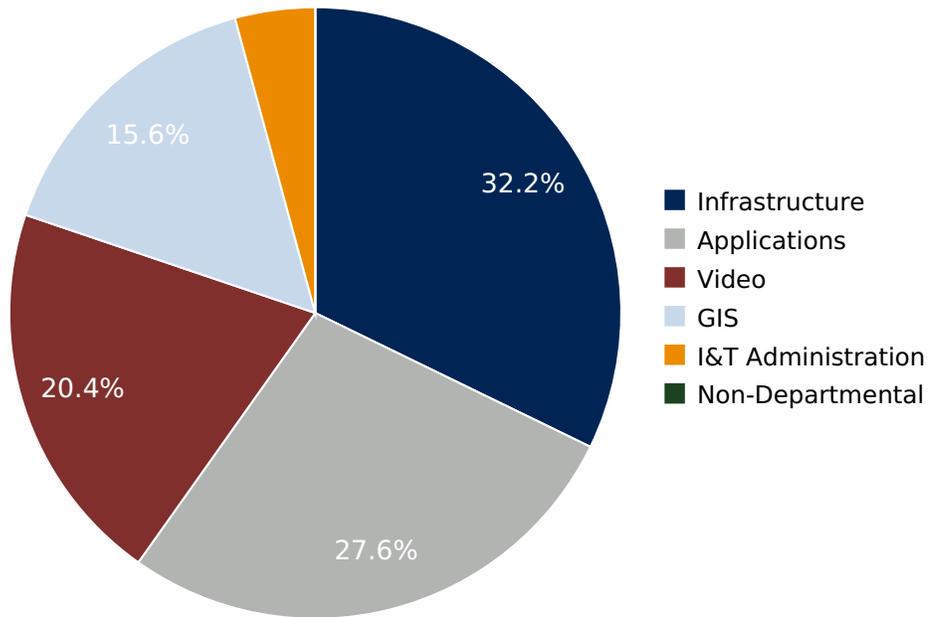
## **Adopted Budget**

On June 18, 2019, City Council approved a budget of \$7,040,620 for the Innovation and Technology department. This represents a decrease of \$854,666 (-10.8%) from the FY 2018-19 Adopted Budget.

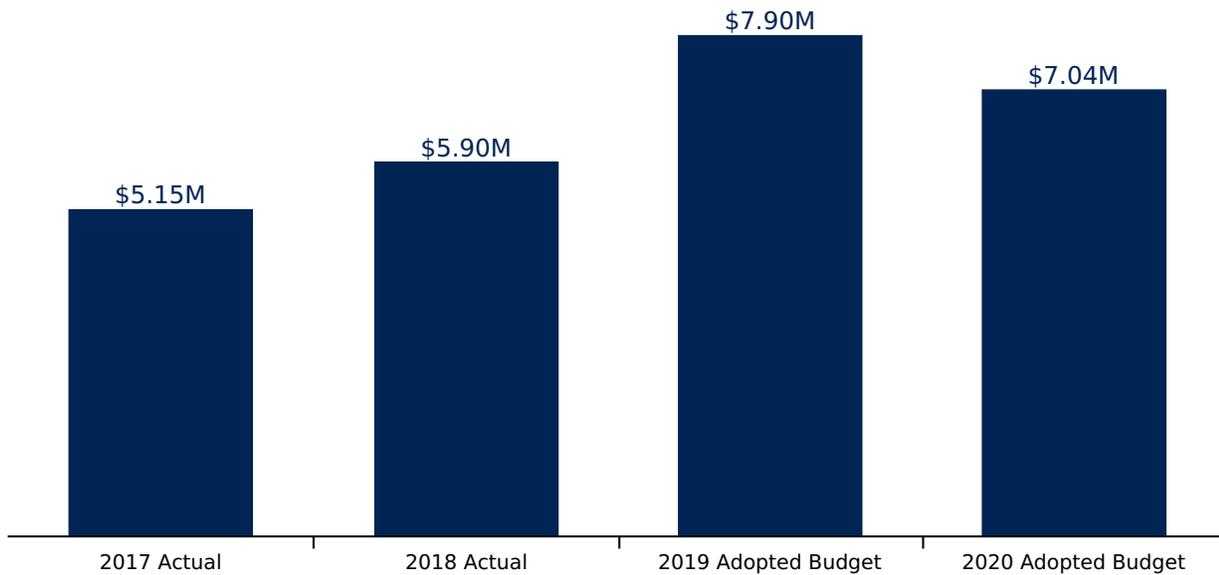
For the past two years, the Innovation Technology (IT) Department has totally re-engineered the compute and applications infrastructure for the City. Improvements include the total rebuild of the City's wired/wireless network, server, audio/visual, telephone, and storage environments. Additionally, solid cyber-security and disaster recovery solutions were implemented. Finally, the replacement or enhancements to all the City's main applications were also achieved. These include implementing a new Parks & Recreation application (ACTIVENet), a new Land Management System (Accela), and additional modules for both our Financial ERP (New World) and Asset and Work Order Management System (Cityworks). IT, as a Department has evolved from a reactive help desk posture to an integrated business partner.

For FY 2019-20, IT will move from building to enhancing and managing the environment we have spent the last two years building. IT staff will learn to master the intricacies of the various applications and hardware elements with an eye to providing even better service and support to City residents, customers and staff. The decrease in budget requests aligns with moving from a build to maintain/support function.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual           | 2018 Actual           | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------------|-----------------------|---------------------|---------------------|
| <b>Revenues</b>           |                       |                       |                     |                     |
| Charges for Services      | \$ 113,150            | \$ 10,491             | \$ 3,753,928        | \$ 2,741,301        |
| <b>Total Revenues</b>     | <b>\$ 113,150</b>     | <b>\$ 10,491</b>      | <b>\$ 3,753,928</b> | <b>\$ 2,741,301</b> |
| <b>Expenditures</b>       |                       |                       |                     |                     |
| Employee Compensation     | \$ 1,565,084          | \$ 1,875,708          | \$ 2,048,366        | \$ 2,075,295        |
| Employee Benefits         | \$ 658,485            | \$ 800,653            | \$ 833,134          | \$ 818,509          |
| Materials                 | \$ 144,653            | \$ 1,509,073          | \$ 1,552,252        | \$ 1,497,068        |
| Contract Services         | \$ 1,136,355          | \$ 741,129            | \$ 1,433,822        | \$ 860,743          |
| Cost Allocation           | \$ 945,462            | \$ 781,281            | \$ 1,195,485        | \$ 1,340,726        |
| Capital Outlays           | \$ -                  | \$ 19,565             | \$ -                | \$ -                |
| Special Projects          | \$ 698,479            | \$ 172,360            | \$ 686,500          | \$ 345,500          |
| Contingencies             | \$ -                  | \$ -                  | \$ 145,727          | \$ 102,779          |
| <b>Total Expenditures</b> | <b>\$ 5,148,518</b>   | <b>\$ 5,899,769</b>   | <b>\$ 7,895,286</b> | <b>\$ 7,040,620</b> |
| <b>Fund Balance</b>       | <b>\$ (2,241,076)</b> | <b>\$ (2,381,425)</b> | <b>\$ (427,095)</b> | <b>\$ (858,222)</b> |
| <b>General Fund Costs</b> | <b>\$ 5,150,664</b>   | <b>\$ 3,507,850</b>   | <b>\$ 3,714,263</b> | <b>\$ 3,441,097</b> |

## Staffing

Total current authorized positions - 15.05 FTE

Total recommended positions - 14.95 FTE

# Innovation & Technology Administration

Budget Unit 100-30-300

General Fund - I&T Administration - Innovation & Technology Administration

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 0.00 FTE            |

## Program Overview

In FY 2016-17, this program was largely split between Innovation & Technology Administration and the Public Affairs Program within the City Manager's Office as part of a department reorganization. A discussion of the Innovation & Technology Administration program can be found under Budget Unit 610-30-300. This program will remain in order to maintain historical data however, once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category            | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>     |             |             |                     |                     |
| Total Revenues      | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b> |             |             |                     |                     |
| Cost Allocation     | \$ 3,880    | \$ -        | \$ -                | \$ -                |
| Total Expenditures  | \$ 3,880    | \$ -        | \$ -                | \$ -                |
| Fund Balance        | \$ -        | \$ -        | \$ -                | \$ -                |
| General Fund Costs  | \$ 3,880    | \$ -        | \$ -                | \$ -                |

## **Staffing**

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Innovation & Technology Administration

Budget Unit 610-30-300

Information Technology - I&T Administration - Innovation & Technology Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 235,631                 |
| Total Expenditures       | \$ 297,998                 |
| Fund Balance             | \$ (62,367)                |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 0.55 FTE                   |

## Program Overview

The Innovation & Technology Department Administration Division is responsible for the management, strategic planning, governance, policy setting and leadership in the use of computer, video, radio, GIS, and telecommunications technologies to support the delivery of cost-effective services to the City of Cupertino. Additionally, Administration is responsible for budget development, procurement, and administrative services.

## Service Objectives

- Develop a roadmap to effectively leverage existing technology and adopt emerging technology to meet business needs.
- Create and sustain a workplace atmosphere that promotes a balance between employee innovation, accountability and business needs.
- Ensure two-way communication between and among the City organization and stakeholders.
- Improve user experience including ease of use, availability, and accessibility within the context of compliance with industry standards.
- Ensure transparent and easy access to City information and services via multiple technologies, e.g. social media, TV, web, and radio.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$297,998 for the Innovation & Technology Administration program. This represents a decrease of \$107,036 (-26.4%) from the FY 2018-19 Adopted Budget.

For the past two years, the Innovation Technology (IT) Department has totally re-engineered the compute and applications infrastructure for the City. This monumental task aligns with the the City's 2016 strategic plan. The majority (93%) of the elements are now complete. The reduction in budget reflects moving from a build to maintain/support function.

## Special Projects

The following table shows the special projects for the fiscal year.

The City's current IT Strategic Plan is 93% complete. The IT Administration Division will create a new three-year strategic plan for FY 2020-23.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual        | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|--------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                    |                     |                     |                     |
| Charges for Services      | \$ 111,225         | \$ -                | \$ 359,741          | \$ 235,631          |
| <b>Total Revenues</b>     | <b>\$ 111,225</b>  | <b>\$ -</b>         | <b>\$ 359,741</b>   | <b>\$ 235,631</b>   |
| <b>Expenditures</b>       |                    |                     |                     |                     |
| Employee Compensation     | \$ 114,473         | \$ 143,639          | \$ 94,970           | \$ 81,057           |
| Employee Benefits         | \$ 51,036          | \$ 66,242           | \$ 45,504           | \$ 33,737           |
| Materials                 | \$ 16,716          | \$ 14,004           | \$ 17,901           | \$ 17,223           |
| Contract Services         | \$ 12,435          | \$ 3,017            | \$ 152,200          | \$ 75,223           |
| Cost Allocation           | \$ 100,818         | \$ 20,080           | \$ 85,954           | \$ 89,236           |
| Contingencies             | \$ -               | \$ -                | \$ 8,505            | \$ 1,522            |
| <b>Total Expenditures</b> | <b>\$ 295,478</b>  | <b>\$ 246,982</b>   | <b>\$ 405,034</b>   | <b>\$ 297,998</b>   |
| <b>Fund Balance</b>       | <b>\$ (43,523)</b> | <b>\$ (246,981)</b> | <b>\$ (45,293)</b>  | <b>\$ (62,367)</b>  |
| <b>General Fund Costs</b> | <b>\$ 140,730</b>  | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.70 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 0.55 FTE

# Cupertino Scene

Budget Unit 100-30-304

General Fund - I&T Administration - Cupertino Scene

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 0.00 FTE            |

## Program Overview

In FY 2016-17, the Cupertino Scene program was moved into Administration - Public Affairs as part of a department reorganization. A complete discussion of this program can be found under Budget Unit 100-12-126. This program will remain in order to maintain historical data, however once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category            | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>     |             |             |                     |                     |
| Total Revenues      | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b> |             |             |                     |                     |
| Cost Allocation     | \$ 479      | \$ -        | \$ -                | \$ -                |
| Total Expenditures  | \$ 479      | \$ -        | \$ -                | \$ -                |
| Fund Balance        | \$ -        | \$ -        | \$ -                | \$ -                |
| General Fund Costs  | \$ 479      | \$ -        | \$ -                | \$ -                |

## **Staffing**

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Video

Budget Unit 100-31-305

General Fund - Video - Video

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 9,600                   |
| Total Expenditures       | \$ 1,358,099               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,348,499               |
| % Funded by General Fund | 99.3%                      |
| <hr/>                    |                            |
| Total Staffing           | 3.25 FTE                   |

## Program Overview

The primary goal of the Video Division is to increase public awareness, interest, understanding, and participation in the issues, programs, and services presented by the city of Cupertino. The staff promotes city services and programs through its 24/7 government access channel, radio station, digital signage network, city website, and numerous online video platforms. In addition, the video staff provides multimedia production services and technical support for all city departments. Video staff also oversees the design, maintenance, and engineering of the City's broadcast and audiovisual systems.

## Service Objectives

Video staff works together to manage and maintain the following city services:

- City Channel, the government access television channel which provides 24/7 information to Cupertino residents, includes full coverage of city meetings, community events, town hall forums, press conferences, election coverage, and local speaker series, as well as educational programming and state government affairs programming
- Webcasting and video on demand services for live streaming city meetings, events and other programs of interest
- Radio Cupertino for emergency and community information for public service announcements, traffic alerts, and weather forecasts
- Digital signage to promote city programs and events via electronic displays in city facilities
- Multimedia production services and maintenance of city video equipment

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,358,099 for the Video program. This represents a decrease of \$199,473 (-12.8%) from the FY 2018-19 Adopted Budget.

For the past two years, the Video Division has totally re-engineered the audio visual (A/V) infrastructure for the City. Improvements include the City's video control room, Community Hall AV environment, as well as implementing new AV solution for several conference rooms.

For FY 2019-20, the Video Division will move from building to enhancing and managing the environment we have spent the last two years building.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project                          | Appropriation    | Revenue          | Funding Source | Description   |
|--|------------------|------------------|----------------|---|
| Cupertino Room<br>Audio/Video<br>Upgrade | \$155,000        | \$155,000        | General Fund   | Audio/Video<br>Upgrade at Quinlan<br>Community Center |
| <b>Total</b>                             | <b>\$155,000</b> | <b>\$155,000</b> |                |   |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Charges for Services      | \$ 1,925            | \$ 10,491           | \$ -                | \$ 9,600            |
| <b>Total Revenues</b>     | <b>\$ 1,925</b>     | <b>\$ 10,491</b>    | <b>\$ -</b>         | <b>\$ 9,600</b>     |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 431,236          | \$ 501,030          | \$ 493,990          | \$ 505,959          |
| Employee Benefits         | \$ 164,099          | \$ 184,147          | \$ 187,251          | \$ 189,897          |
| Materials                 | \$ 32,127           | \$ 37,688           | \$ 78,050           | \$ 107,040          |
| Contract Services         | \$ 58,543           | \$ 86,141           | \$ 121,900          | \$ 110,468          |
| Cost Allocation           | \$ 253,380          | \$ 204,749          | \$ 344,883          | \$ 280,610          |
| Special Projects          | \$ 348,273          | \$ 126,281          | \$ 321,500          | \$ 155,000          |
| Contingencies             | \$ -                | \$ -                | \$ 9,998            | \$ 9,125            |
| <b>Total Expenditures</b> | <b>\$ 1,287,658</b> | <b>\$ 1,140,036</b> | <b>\$ 1,557,572</b> | <b>\$ 1,358,099</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 3,161,304</b> | <b>\$ 1,129,545</b> | <b>\$ 1,557,572</b> | <b>\$ 1,348,499</b> |

## Staffing

Total current authorized positions - 3.20 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 3.25 FTE

# Public Access Support

Budget Unit 100-31-307

General Fund - Video - Public Access Support

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 76,947                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 76,947                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

The City assists in the funding of the KMVT Community Access Television Program.

## Service Objectives

- Encourage Cupertino-based individuals and groups to use the community television production facilities for the purpose of expressing their interests, concerns, and ideas in a socially responsible manner.
- Provide professional training in hands-on video production by providing access to television equipment, computers, and software that would be otherwise out of reach of the average person.
- Provide workshops on all aspects of television production--including how to run a video camera, photography, editing, visual effects, social media, podcasting, and video blogging.
- Assist individuals and community groups to develop and produce programs for broadcast on the community access channel.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$76,947 for the Public Access Support program. This represents an increase of \$3,444 (4.7%) from the FY 2018-19 Adopted Budget.

This budget reflects the City's partnership with KMVT.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Contract Services         | \$ 65,586        | \$ 68,121        | \$ 71,542           | \$ 71,542           |
| Cost Allocation           | \$ 842           | \$ 893           | \$ 1,961            | \$ 1,828            |
| Contingencies             | \$ -             | \$ -             | \$ -                | \$ 3,577            |
| <b>Total Expenditures</b> | <b>\$ 66,428</b> | <b>\$ 69,014</b> | <b>\$ 73,503</b>    | <b>\$ 76,947</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 66,428</b> | <b>\$ 69,014</b> | <b>\$ 73,503</b>    | <b>\$ 76,947</b>    |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Applications

Budget Unit 100-32-308

General Fund - Applications - Applications

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 1,943,651               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,943,651               |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 3.45 FTE                   |

## Program Overview

The Applications Division is responsible for the development, procurement, project management, implementation and ongoing maintenance of all enterprise level applications, e.g., Financial Enterprise Resource Planning (ERP), Land Based Management System, and Recreation Software. Additionally, the Applications Division is responsible for the City's website, Intranet, mobile apps and e-services applications like permit, contract management and bid management applications.

## Service Objectives

- Deliver business solutions that meet customer requirements and integrate within the City's application framework.
- Assist departments in developing streamlined and effective business processes that are easy to understand and translate into existing and new enterprise applications.
- Work closely with City staff and members of the community to ensure that the City's enterprise applications are relevant and provide value to all the stakeholders.
- Collaborate with various city departments to determine that the City's enterprise applications meet the functional requirements and long-term application implementation strategy of the organization.
- Create and maintain effective online and mobile user access to municipal information and services.
- Enable and facilitate the use of communication and technical resources by nontechnical staff and customers.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,943,651 for the Applications program. This represents a decrease of \$139,537 (-6.7%) from the FY 2018-19 Adopted Budget.

During the last fiscal year, the Application division implemented large enterprise applications as well as various other applications. This fiscal year, the Application team will support and maintain these applications by doing application integrations and building custom reporting to help run city's business processes more

smoothly and seamlessly. The Application staff will focus on using Business Intelligence tools to perform data analysis and building custom dashboards thus developing the data analysis functionality layer on top of citywide applications.

| Description                             | FY 2020 One Time | FY 2020 Ongoing |
|---|------------------|-----------------|
| <b>Materials</b>                        |                  |                 |
| Smarsh                                  | \$60,000         | \$40,000        |
| GovDelivery - Solve Notification Errors | \$11,500         | \$7,500         |
| <b>Total</b>                            | <b>\$71,500</b>  | <b>\$47,500</b> |
| <b>Contract Services</b>                |                  |                 |
| GovDelivery - Vision - eNotification    | \$11,500         | \$7,500         |
| <b>Total</b>                            | <b>\$11,500</b>  | <b>\$7,500</b>  |

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project               | Appropriation   | Revenue         | Funding Source | Description   |
|-------------------------------|-----------------|-----------------|----------------|---|
| Laserfiche Server Upgrade     | \$20,000        | \$20,000        | General Fund   | Laserfiche Server Upgrade<br>Public Port to Laserfiche Server. Mitigates licensing constraints<br>\$3,000 ongoing cost  |
| PDOX Upgrade                  | \$55,000        | \$55,000        | General Fund   | Current version support ends Dec 2019, Project Flow, Accela Integration. Needs to be done by Q2<br>\$8,250 ongoing cost |
| Legistar & Vision Integration | \$5,000         | \$5,000         | General Fund   | Legistar & Vision Integration - Calendar  |
| <b>Total</b>                  | <b>\$80,000</b> | <b>\$80,000</b> |                |   |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                     |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -                | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                     |                     |                     |
| Employee Compensation     | \$ 253,732        | \$ 425,079          | \$ 495,445          | \$ 506,539          |
| Employee Benefits         | \$ 76,533         | \$ 152,025          | \$ 203,014          | \$ 172,493          |
| Materials                 | \$ 27,593         | \$ 872,533          | \$ 824,604          | \$ 776,401          |
| Contract Services         | \$ 77,544         | \$ 214,457          | \$ 357,800          | \$ 187,502          |
| Cost Allocation           | \$ 57,569         | \$ 84,240           | \$ 143,205          | \$ 178,096          |
| Special Projects          | \$ 13,330         | \$ 11,250           | \$ -                | \$ 80,000           |
| Contingencies             | \$ -              | \$ -                | \$ 59,120           | \$ 42,620           |
| <b>Total Expenditures</b> | <b>\$ 506,301</b> | <b>\$ 1,759,584</b> | <b>\$ 2,083,188</b> | <b>\$ 1,943,651</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 987,103</b> | <b>\$ 1,759,583</b> | <b>\$ 2,083,188</b> | <b>\$ 1,943,651</b> |

## Staffing

Total current authorized positions - 3.45 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.45 FTE

# Infrastructure

Budget Unit 610-34-310

Information Technology - Infrastructure - Infrastructure

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 1,629,376               |
| Total Expenditures       | \$ 2,267,832               |
| Fund Balance             | \$ (566,456)               |
| General Fund Costs       | \$ 72,000                  |
| % Funded by General Fund | 3.2%                       |
| <hr/>                    |                            |
| Total Staffing           | 4.50 FTE                   |

## Program Overview

The IT Infrastructure Division is responsible for technology-related expenses for the citywide management of information technology services. The Infrastructure Manager and staff are responsible for computer helpdesk, network availability, and performance, security and compliance, incident response, disaster recovery and business continuity, project management of implementations and upgrades, purchasing and inventory control, technical training, and maintenance of systems. Infrastructure is also tasked with ensuring that the City continues to follow best practices in technology adoption and security practices.

## Service Objectives

- Provide and continuously improve helpdesk support as this function is often the face of IT that staff interacts with on a daily basis.
- Maintain standards and procedures for the replacement, support, and maintenance of all City-owned computing devices, printers, networks, peripherals and systems defined by City policy.
- Continue innovation and outreach to ensure the City follows best IT practices relating to equipment, policy, and security practices.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,267,832 for the Infrastructure program. This represents a decrease of \$401,086 (-15.0%) from the FY 2018-19 Adopted Budget.

Over the past two years the Infrastructure Division has totally re-engineered the compute and applications infrastructure for the City. Improvements include the total rebuild of the City's wired/wireless network, server, telephone, and storage environments. Additionally, solid cyber security and disaster recovery solutions were implemented.

For FY 2019-20, IT will move from build to enhance/manage the environment we have spent the last two years building. Infrastructure staff will learn to master the intricacies of the various applications and hardware elements with an eye to provide even better service and support to City residents, customers and staff. The decrease in budget request aligns with moving from a build to maintain/support posture. While the overall

budget is reduced significantly, addition funds are requested in the areas of additional conferences. IT Conferences provide formal training, expert/peer networking, best practices as well as proposed road maps for future direction. The opportunity to achieve all of these within one setting is invaluable.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project  | Appropriation    | Revenue          | Funding Source        | Description                            |
|--|------------------|------------------|-----------------------|--|
| Laserfiche Data WORM Replication                       | \$50,000         | \$50,000         | Internal Service Fund | Maintenance and storage solution       |
| Plotter and Scanner (Large Format Printer) Replacement | \$11,000         | \$11,000         | Internal Service Fund | Replace 7 year old plotter             |
| Building Security and Video                            | \$49,500         | \$49,500         | Internal Service Fund | Security and surveillance enhancements |
| <b>Total</b>   | <b>\$110,500</b> | <b>\$110,500</b> |                       |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual           | 2018 Actual           | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------------|-----------------------|---------------------|---------------------|
| <b>Revenues</b>           |                       |                       |                     |                     |
| Charges for Services      | \$ -                  | \$ -                  | \$ 2,284,031        | \$ 1,629,376        |
| <b>Total Revenues</b>     | <b>\$ -</b>           | <b>\$ -</b>           | <b>\$ 2,284,031</b> | <b>\$ 1,629,376</b> |
| <b>Expenditures</b>       |                       |                       |                     |                     |
| Employee Compensation     | \$ 502,547            | \$ 445,632            | \$ 536,002          | \$ 527,859          |
| Employee Benefits         | \$ 240,731            | \$ 235,859            | \$ 228,253          | \$ 251,652          |
| Materials                 | \$ 57,253             | \$ 503,552            | \$ 455,037          | \$ 431,601          |
| Contract Services         | \$ 698,090            | \$ 254,464            | \$ 579,600          | \$ 306,254          |
| Cost Allocation           | \$ 446,391            | \$ 373,784            | \$ 453,294          | \$ 605,404          |
| Special Projects          | \$ -                  | \$ 34,829             | \$ 365,000          | \$ 110,500          |
| Contingencies             | \$ -                  | \$ -                  | \$ 51,732           | \$ 34,562           |
| <b>Total Expenditures</b> | <b>\$ 1,945,012</b>   | <b>\$ 1,848,120</b>   | <b>\$ 2,668,918</b> | <b>\$ 2,267,832</b> |
| <b>Fund Balance</b>       | <b>\$ (1,910,446)</b> | <b>\$ (1,298,412)</b> | <b>\$ (384,887)</b> | <b>\$ (566,456)</b> |
| <b>General Fund Costs</b> | <b>\$ 34,567</b>      | <b>\$ 549,708</b>     | <b>\$ -</b>         | <b>\$ 72,000</b>    |

## **Staffing**

Total current authorized positions - 4.50 FTE

There are no changes to the current level of staffing.

Total recommended positions - 4.50 FTE

# GIS

Budget Unit 610-35-986

Information Technology - GIS - GIS

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 866,694                 |
| Total Expenditures       | \$ 1,096,093               |
| Fund Balance             | \$ (229,399)               |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 3.20 FTE                   |

## Program Overview

The Geographic Information Systems (GIS) program captures, manages, analyzes, and displays all forms of geographically referenced information for the City of Cupertino. Through maps, globes, reports, and charts we provide ways to view, understand, question, interpret, and visualize, our City in ways that reveal relationships, patterns, and trends. The GIS Program works to help our staff, citizens, business, and development communities answer questions and solve problems by looking at our data in a way that is quickly understood and easily shared – on a map!

## Service Objectives

- Cupertino GIS works to provide and support state-of-the-art GIS mapping services and applications in the rapidly evolving and expanding field of geospatial technology.
- Create, collect, maintain, and distribute high quality, up-to-date, and complete geospatial data.
- Ensure that the City’s GIS systems and data are available for day-to-day City and regional purposes.
- Share the City’s GIS data and services as widely as possible.
- Raise the awareness of GIS.
- Integrate spatial technology into Cupertino’s business processes and applications.
- Support emergency planning, response, and recovery.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,096,093 for the GIS program. This represents a decrease of \$10,978 (-1.0%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                     |                     |                     |
| Charges for Services      | \$ -              | \$ -                | \$ 1,110,156        | \$ 866,694          |
| <b>Total Revenues</b>     | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ 1,110,156</b> | <b>\$ 866,694</b>   |
| <b>Expenditures</b>       |                   |                     |                     |                     |
| Employee Compensation     | \$ 263,096        | \$ 360,328          | \$ 427,959          | \$ 453,881          |
| Employee Benefits         | \$ 126,086        | \$ 162,380          | \$ 169,112          | \$ 170,730          |
| Materials                 | \$ 10,964         | \$ 81,296           | \$ 176,660          | \$ 164,803          |
| Contract Services         | \$ 224,157        | \$ 114,929          | \$ 150,780          | \$ 109,754          |
| Cost Allocation           | \$ 82,103         | \$ 97,535           | \$ 166,188          | \$ 185,552          |
| Capital Outlays           | \$ -              | \$ 19,565           | \$ -                | \$ -                |
| Special Projects          | \$ 7,725          | \$ -                | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -                | \$ 16,372           | \$ 11,373           |
| <b>Total Expenditures</b> | <b>\$ 714,131</b> | <b>\$ 836,033</b>   | <b>\$ 1,107,071</b> | <b>\$ 1,096,093</b> |
| <b>Fund Balance</b>       | <b>\$ 42,044</b>  | <b>\$ (836,032)</b> | <b>\$ 3,085</b>     | <b>\$ (229,399)</b> |
| <b>General Fund Costs</b> | <b>\$ 756,173</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 3.20 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.20 FTE

# Network Upgrade

Budget Unit 610-90-989

Information Technology - Non-Departmental - Network Upgrade

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 0.00 FTE            |

## Program Overview

In FY 2017-18, this program was transferred into Infrastructure as part of a department reorganization. A complete discussion of this program can be found under Budget Unit 610-34-310. This program will remain in order to maintain historical data however, once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category            | 2017 Actual  | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------|--------------|-------------|---------------------|---------------------|
| <b>Revenues</b>     |              |             |                     |                     |
| Total Revenues      | \$ -         | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b> |              |             |                     |                     |
| Special Projects    | \$ 329,151   | \$ -        | \$ -                | \$ -                |
| Total Expenditures  | \$ 329,151   | \$ -        | \$ -                | \$ -                |
| Fund Balance        | \$ (329,151) | \$ -        | \$ -                | \$ -                |
| General Fund Costs  | \$ -         | \$ -        | \$ -                | \$ -                |

## **Staffing**

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Administrative Services

| Budget Unit                    | Program                                | 2020 Adopted Budget |
|--------------------------------|--|---------------------|
| <b>Administrative Services</b> |  | <b>\$ 861,586</b>   |
| 100-40-400                     | Administrative Services Administration | \$ 861,586          |
| <b>Finance</b>                 |  | <b>\$ 1,695,846</b> |
| 100-41-405                     | Accounting                             | \$ 1,478,365        |
| 100-41-406                     | Business Licenses                      | \$ 217,481          |
| <b>Human Resources</b>         |  | <b>\$ 4,359,462</b> |
| 100-44-412                     | Human Resources                        | \$ 1,340,837        |
| 642-44-414                     | Retiree Benefits                       | \$ 1,077,262        |
| 100-44-417                     | Insurance Administration               | \$ 892,151          |
| 620-44-418                     | Workers Compensation Insurance         | \$ 257,389          |
| 641-44-419                     | Short Term and Long Term Disability    | \$ 159,134          |
| 641-44-420                     | Compensated Absences                   | \$ 632,689          |
| <b>Total</b>                   |  | <b>\$ 6,916,894</b> |

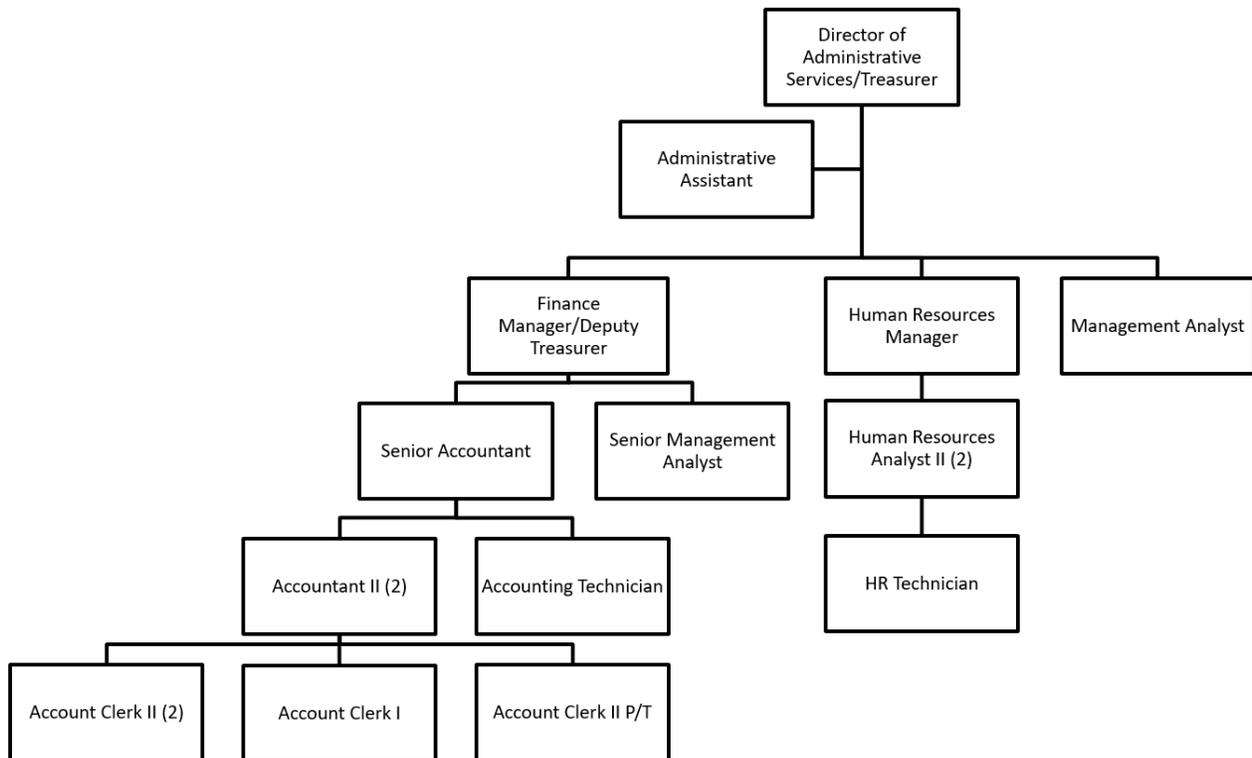
# Department Overview

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 4,135,938        |
| Total Expenditures       | \$ 6,916,894        |
| Fund Balance             | \$ 1,847,178        |
| General Fund Costs       | \$ 4,628,134        |
| % Funded by General Fund | 66.9%               |
| <b>Total Staffing</b>    | <b>16.00 FTE</b>    |

## Organization

Kristina Alfaro, Director of Administrative Services



## Performance Measures

### Finance Division

Goal: Financial Stability - Provide a sustainable level of core services that are funded from ongoing and stable revenue sources.

Benefit: Citizens can enjoy high quality of services that meet community priorities.

| Performance Measure  | FY 2017<br>July-Jun | FY 2018<br>July-Jun | FY 2019<br>July-Dec | Ongoing<br>Target |
|--|---------------------|---------------------|---------------------|-------------------|
| General fund balance as a % of budgeted appropriations   | 53%                 | 55%                 | 45%                 | 35%               |
| Credit Rating  | AA+                 | AA+                 | AA+                 | AA+               |
| Funding allocated to high priority services (Public Works, Community Development, Law Enforcement) | 49%                 | 45%                 | 55%                 | 63%               |
| Actual revenue vs. budget (within x% budget)   | 24%                 | 4%                  | 43%                 | 10%               |
| Actual expenditures (% below budget)   | 14%                 | 13%                 | 60%                 | 5%                |

### Human Resources Division

Goal: To create a thriving organization with meaningful careers in public service.

Benefit: The agency supports a professional and engaged workforce offering diverse and quality community services.

| <b>Performance Measure</b>  | <b>FY 2017<br/>July-June</b> | <b>FY 2018<br/>July-June</b> | <b>FY 2019<br/>July-Dec</b> | <b>Ongoing<br/>Target</b> |
|---|------------------------------|------------------------------|-----------------------------|---------------------------|
| # of Worker's Compensation Cases                                  | 12                           | 16                           | 4                           | 0                         |
| Total Recordable Injury Rate YTD                                  | 5.2%                         | 6.4%                         | 1.6%                        | 0%                        |
| % absenteeism (% of total annual work hours)                      | 2.3%                         | 4%                           | 2%                          | 2%                        |
| % turnover rate   | 9.06%                        | 6%                           | 4%                          | 1%                        |
| % employee satisfaction   | N/A                          | N/A                          | N/A                         | 100%                      |
| % employee participation in wellness activities                   | 63%                          | 63%                          | 53%                         | 75%                       |
| Average # of applications received per recruitment                | 76                           | 40                           | 54                          | 50                        |
| Recruitment timeline - # days from hiring request to offer letter | 81                           | 82                           | 70                          | 60                        |
| # of employees using the Telework program                         | 17                           | 15                           | 14                          | 17                        |
| % utilization of full-service employee portal                     | 100%                         | 100%                         | 100%                        | 100%                      |

## **Workload Indicators**

### **Finance Division**

| <b>Workload Indicator</b>          | <b>FY 2017<br/>July-June</b> | <b>FY 2018<br/>July-June</b> | <b>FY 2019<br/>July-Dec</b> |
|------------------------------------|------------------------------|------------------------------|-----------------------------|
| # of vendor checks processed       | 8,257                        | 6,793                        | 3,521                       |
| # of payroll checks processed      | 10,145                       | 10,387                       | 5,277                       |
| # of business license applications | 4,380                        | 1,294                        | 593                         |
| # of business license renewals     | 3,500                        | 3,034                        | 1,136                       |
| # of journal entries posted        | 2,300                        | 2,830                        | 2,134                       |
| # of purchase orders approved      | 562                          | 597                          | 365                         |
| # of receipts processed            | 10,136                       | 9,766                        | 4,357                       |

## Human Resources Division

| <b>Workload Indicator</b>                            | <b>FY 2017<br/>July-June</b> | <b>FY 2018<br/>July-June</b> | <b>FY 2019<br/>July-Dec</b> |
|--|------------------------------|------------------------------|-----------------------------|
| # of regular recruitments                            | 22                           | 21                           | 8                           |
| # of regular new hires                               | 28                           | 26                           | 8                           |
| # of temporary new hires                             | 79                           | 101                          | 32                          |
| # of personnel payroll changes                       | 876                          | 702                          | 388                         |
| # of full-time employee exits processed              | 24                           | 21                           | 11                          |
| # of mandated training classes offered*              | 8                            | 7                            | 5                           |
| # of employees participating in the wellness program | 109                          | 111                          | 88                          |

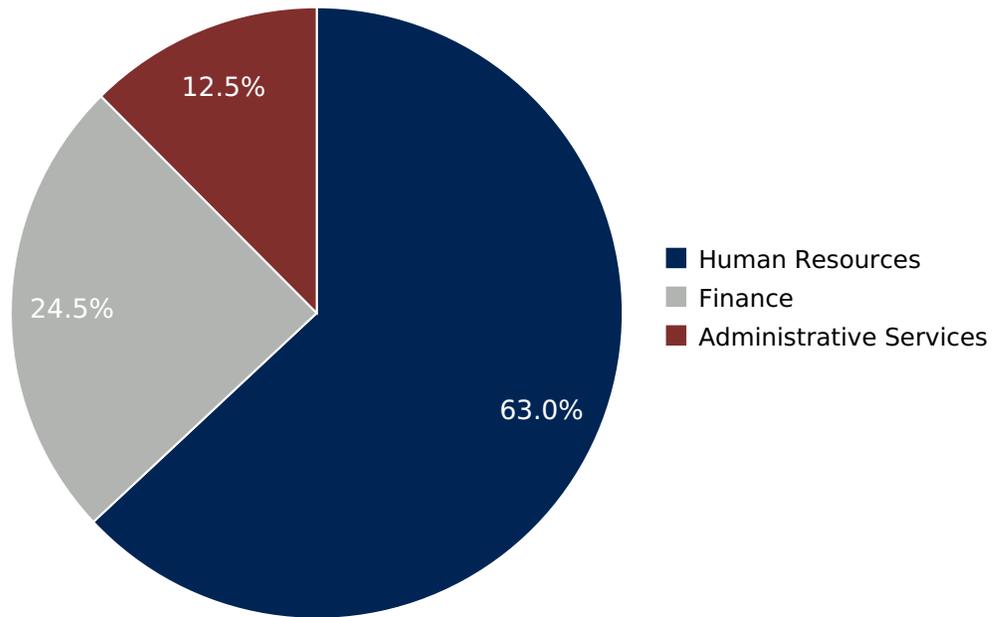
\* some trainings mandated every other year, however not on the same annual schedule

## Adopted Budget

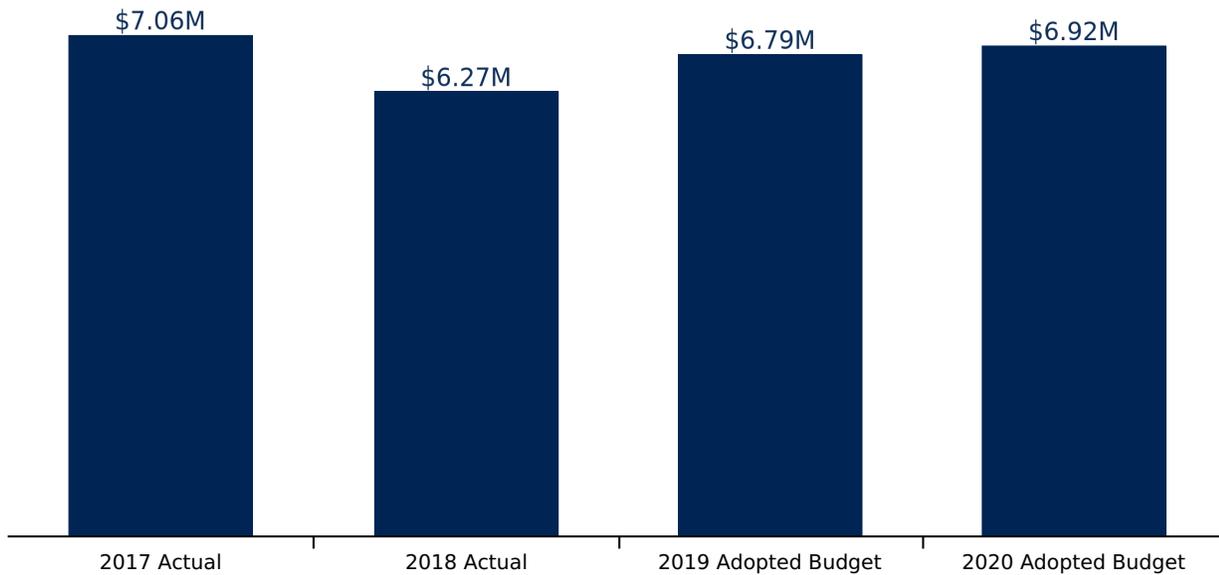
On June 18, 2019, City Council approved a budget of \$6,916,894 for the Administrative Services department. This represents an increase of \$124,638 (1.8%) from the FY 2018-19 Adopted Budget.

The increase is due to the addition of one full-time Accounting Technician position and an increase in contract services as a result of a new internal audit function and the outsourcing of the City's investment management. This is offset by a reduction of class and compensation study and expenses for chief negotiator, decrease in claims costs for Workers' Compensation trending lower in most recent years.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual           | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                       |                     |                     |                     |
| Charges for Services      | \$ 3,563,702          | \$ 3,322,468        | \$ 3,295,912        | \$ 4,133,645        |
| Miscellaneous Revenue     | \$ 3,488              | \$ 22,178           | \$ 9,000            | \$ 2,293            |
| <b>Total Revenues</b>     | <b>\$ 3,567,190</b>   | <b>\$ 3,344,646</b> | <b>\$ 3,304,912</b> | <b>\$ 4,135,938</b> |
| <b>Expenditures</b>       |                       |                     |                     |                     |
| Employee Compensation     | \$ 1,336,351          | \$ 1,480,663        | \$ 1,758,713        | \$ 1,984,355        |
| Employee Benefits         | \$ 1,734,874          | \$ 1,738,589        | \$ 1,951,996        | \$ 1,857,420        |
| Materials                 | \$ 148,459            | \$ 155,416          | \$ 130,274          | \$ 290,702          |
| Contract Services         | \$ 2,139,135          | \$ 2,620,686        | \$ 2,519,543        | \$ 2,340,001        |
| Cost Allocation           | \$ 1,689,699          | \$ 277,742          | \$ 299,513          | \$ 266,331          |
| Capital Outlays           | \$ 8,783              | \$ -                | \$ -                | \$ -                |
| Special Projects          | \$ 7,505              | \$ -                | \$ -                | \$ -                |
| Contingencies             | \$ -                  | \$ -                | \$ 132,217          | \$ 178,085          |
| <b>Total Expenditures</b> | <b>\$ 7,064,806</b>   | <b>\$ 6,273,096</b> | <b>\$ 6,792,256</b> | <b>\$ 6,916,894</b> |
| <b>Fund Balance</b>       | <b>\$ (1,842,791)</b> | <b>\$ 1,947,697</b> | <b>\$ (134,569)</b> | <b>\$ 1,847,178</b> |
| <b>General Fund Costs</b> | <b>\$ 1,654,826</b>   | <b>\$ 4,876,147</b> | <b>\$ 3,352,775</b> | <b>\$ 4,628,134</b> |

## Staffing

Total current authorized positions - 15.00 FTE

Total recommended positions - 16.00 FTE

# Administrative Services Administration

Budget Unit 100-40-400

General Fund - Administrative Services - Administrative Services Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 71,556                  |
| Total Expenditures       | \$ 861,586                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 790,030                 |
| % Funded by General Fund | 91.7%                      |
| <hr/>                    |                            |
| Total Staffing           | 3.80 FTE                   |

## Program Overview

The Administrative Services Administration program oversees and coordinates the Human Resources/Risk Management, Finance, Budget, and Treasury divisions. Staff support is provided to the Fiscal Strategic and Audit Committees, as well as the Santa Clara County Leadership Academy.

## Service Objectives

- Manage the City's investment portfolio to obtain safety of funds, liquidity and a reasonable rate of return.
- Provide short and long-term fiscal planning including the implementation of the Fiscal Strategic Plan.
- Perform special projects for the City Manager.
- Manage the City's Contract for Law Enforcement Services with the Santa Clara County Sheriff's Office.
- Manage the City's budget process.
- Provide staff support to the Santa Clara County Leadership Academy

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$861,586 for the Administrative Services Administration program. This represents a decrease of \$104,549 (-10.8%) from the FY 2018-19 Adopted Budget.

The decrease is due to a more accurate reflection of prior year actuals in contract services, as well as reallocation of staff time to better reflect time spent. Additionally, the Santa Clara County Leadership Academy has been moved from the Parks & Recreation Department to the Administrative Services Department.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b> | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                    |                    |                            |                            |
| Charges for Services      | \$ 266,505         | \$ 67,900          | \$ 49,347                  | \$ 69,263                  |
| Miscellaneous Revenue     | \$ -               | \$ -               | \$ -                       | \$ 2,293                   |
| <b>Total Revenues</b>     | <b>\$ 266,505</b>  | <b>\$ 67,900</b>   | <b>\$ 49,347</b>           | <b>\$ 71,556</b>           |
| <b>Expenditures</b>       |                    |                    |                            |                            |
| Employee Compensation     | \$ 336,640         | \$ 417,410         | \$ 547,116                 | \$ 503,097                 |
| Employee Benefits         | \$ 139,709         | \$ 179,213         | \$ 251,438                 | \$ 221,239                 |
| Materials                 | \$ 50,196          | \$ 67,560          | \$ 31,924                  | \$ 93,817                  |
| Contract Services         | \$ 42,252          | \$ 50,855          | \$ 81,977                  | \$ 3,500                   |
| Cost Allocation           | \$ 327,462         | \$ 55,459          | \$ 47,985                  | \$ 35,067                  |
| Capital Outlays           | \$ 8,783           | \$ -               | \$ -                       | \$ -                       |
| Contingencies             | \$ -               | \$ -               | \$ 5,695                   | \$ 4,866                   |
| <b>Total Expenditures</b> | <b>\$ 905,042</b>  | <b>\$ 770,497</b>  | <b>\$ 966,135</b>          | <b>\$ 861,586</b>          |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ 638,536</b>  | <b>\$ 702,597</b>  | <b>\$ 916,788</b>          | <b>\$ 790,030</b>          |

## Staffing

Total current authorized positions - 4.80 FTE

Staff time has been reallocated to another division to better reflect actual time spent in these programs.

Total recommended positions - 3.80 FTE

# Accounting

Budget Unit 100-41-405

General Fund - Finance - Accounting

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,673,028        |
| Total Expenditures       | \$ 1,478,365        |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ (194,663)        |
| % Funded by General Fund | -13.2%              |
| Total Staffing           | 6.90 FTE            |

## Program Overview

The Finance Division oversees all financial accounting and treasury functions for the City. Accurate and timely maintenance of all City financial records, including financial reporting, revenue collection, banking and investments, disbursement of all funds, and payroll processing are handled by the Finance Division. All required Federal, State and other regulatory reporting with respect to the City's financial condition are prepared in the Accounting program of Finance. In addition, Finance monitors the City's two investment policies, manages budget-to-actual activities for both operational and capital budgets, performs all financial analyses, conducts research, and prepares reports on all fiscal matters of the City for internal and external customers.

## Service Objectives

- Process all financial transactions of the City of Cupertino, including general ledger accounting, cash management and investment of City funds, payroll, accounts payable, revenue collections, banking, and miscellaneous billing.
- Record all City financial transactions prudently and within all regulatory requirements.
- Produce timely and accurate financial reports.
- Maintain a high level of professionalism when fulfilling the City's financial policies, processing its financial transactions, and representing the City to its residents.
- Respond promptly to inquiries from the public and other City departments.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,478,365 for the Accounting program. This represents an increase of \$183,434 (14.2%) from the FY 2018-19 Adopted Budget.

Employee compensation and benefits are increasing due to the addition of one full-time Accounting Technician position. The Accounting Technician position will ensure segregation of duties and internal control activities exist and are performed appropriately and timely. Contract services is increasing as a result of a new internal audit function as well as the outsourcing of the City's investment management.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Charges for Services      | \$ 1,156,570        | \$ 906,996          | \$ 1,197,427        | \$ 1,673,028        |
| Miscellaneous Revenue     | \$ -                | \$ 7,977            | \$ 9,000            | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 1,156,570</b> | <b>\$ 914,973</b>   | <b>\$ 1,206,427</b> | <b>\$ 1,673,028</b> |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 541,522          | \$ 564,178          | \$ 667,528          | \$ 742,506          |
| Employee Benefits         | \$ 231,570          | \$ 232,070          | \$ 293,358          | \$ 312,458          |
| Materials                 | \$ 23,839           | \$ 29,587           | \$ 36,171           | \$ 37,322           |
| Contract Services         | \$ 324,623          | \$ 833,287          | \$ 205,104          | \$ 312,220          |
| Cost Allocation           | \$ 569,026          | \$ 80,321           | \$ 80,706           | \$ 58,882           |
| Special Projects          | \$ 7,505            | \$ -                | \$ -                | \$ -                |
| Contingencies             | \$ -                | \$ -                | \$ 12,064           | \$ 14,977           |
| <b>Total Expenditures</b> | <b>\$ 1,698,085</b> | <b>\$ 1,739,443</b> | <b>\$ 1,294,931</b> | <b>\$ 1,478,365</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 541,515</b>   | <b>\$ 824,469</b>   | <b>\$ 88,504</b>    | <b>\$ (194,663)</b> |

## Staffing

Total current authorized positions - 5.90 FTE

The increase in staffing is due to the addition of one full-time Accounting Technician position.

Total recommended positions - 6.90 FTE

# Business Licenses

Budget Unit 100-41-406

General Fund - Finance - Business Licenses

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 217,481          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 217,481          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 1.10 FTE            |

## Program Overview

The Business Licenses program monitors business licensing activity for compliance with the City Municipal Code and applicable state law.

## Service Objectives

- Issue business licenses to entities conducting business within the city limits of Cupertino.
- Collect appropriate business license fees.
- Monitor compliance with the Business License Tax Code and provide useful information related to business activity to City departments.
- Identify non-compliant business activity.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$217,481 for the Business Licenses program. This represents an increase of \$28,297 (15.0%) from the FY 2018-19 Adopted Budget.

Salary and benefits have increased due to a re-organization of 0.5 FTE positions from Finance to Business Licenses for purposes of more accurately reflecting staff resources.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 41,361         | \$ 54,515         | \$ 48,757           | \$ 80,383           |
| Employee Benefits         | \$ 20,451         | \$ 24,387         | \$ 22,941           | \$ 42,069           |
| Materials                 | \$ 1,026          | \$ 905            | \$ 6,022            | \$ -                |
| Contract Services         | \$ 87,866         | \$ 6,271          | \$ 34,196           | \$ -                |
| Cost Allocation           | \$ 106,815        | \$ 99,764         | \$ 75,257           | \$ 95,029           |
| Contingencies             | \$ -              | \$ -              | \$ 2,011            | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 257,519</b> | <b>\$ 185,842</b> | <b>\$ 189,184</b>   | <b>\$ 217,481</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 257,519</b> | <b>\$ 185,842</b> | <b>\$ 189,184</b>   | <b>\$ 217,481</b>   |

## Staffing

Total current authorized positions - 1.10 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.10 FTE

# Human Resources

Budget Unit 100-44-412

General Fund - Human Resources - Human Resources

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 959,351                 |
| Total Expenditures       | \$ 1,340,837               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 381,486                 |
| % Funded by General Fund | 28.5%                      |
| <hr/>                    |                            |
| Total Staffing           | 3.85 FTE                   |

## Program Overview

The Human Resources Division is responsible for the administration of human resource, employee benefits, and labor relation programs including personnel selection, classification, compensation, equal employment opportunity, labor negotiations, employee relations, employee training and development, benefits, and retirement. In addition, Human Resources administers risk management, safety and wellness programs, and a self-insured workers' compensation program. Funding for retiree medical insurance is also covered in the Human Resources budget.

## Service Objectives

- Provide a working environment where respect for the individual is encouraged and safeguarded.
- Provide timely personnel services to departments and divisions in a fair, objective, and equitable manner.
- Enter into agreements with employee groups concerning terms and conditions of employment.
- Provide an employee development program addressing immediate and long-term training needs.
- Provide departments a listing of qualified persons for employment consideration within sixty days of an authorized vacant position.
- Ensure equal employment opportunities.
- Administer classification plan.
- Administer employee benefits.
- Provide personnel services consistent with the operational needs of the user department.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,340,837 for the Human Resources program. This represents an increase of \$139,412 (11.6%) from the FY 2018-19 Adopted Budget.

The increase is due to a reallocation of staff and the double fill of the City's Human Resources Manager position. As part of the FY 2018-19 First Quarter Financial Report the City Council approved double filling the HR Manager position for six months. After an unsuccessful recruitment in early 2019, the department will

relaunch the recruitment mid fiscal year. Also included in this budget is the launch of the City's "BEST" (Building Employee Skills through Training) program, which includes succession development, assessment and development of home-grown talent, and training and professional development opportunities for staff. Additionally, Human Resources will be responsible for administering citywide employee events such as Years of Service Awards and Holiday event. These events were previously administered by the City Manager's Office.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| Charges for Services      | \$ 2,140,627        | \$ 708,224        | \$ 788,243          | \$ 959,351          |
| Miscellaneous Revenue     | \$ 500              | \$ 14,201         | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 2,141,127</b> | <b>\$ 722,425</b> | <b>\$ 788,243</b>   | <b>\$ 959,351</b>   |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Employee Compensation     | \$ 376,686          | \$ 398,729        | \$ 453,609          | \$ 616,234          |
| Employee Benefits         | \$ 181,240          | \$ 222,405        | \$ 249,068          | \$ 262,695          |
| Materials                 | \$ 73,377           | \$ 57,355         | \$ 56,153           | \$ 159,563          |
| Contract Services         | \$ 234,705          | \$ 286,428        | \$ 363,761          | \$ 240,962          |
| Cost Allocation           | \$ 657,056          | \$ 18,646         | \$ 57,838           | \$ 42,307           |
| Contingencies             | \$ -                | \$ -              | \$ 20,996           | \$ 19,076           |
| <b>Total Expenditures</b> | <b>\$ 1,523,064</b> | <b>\$ 983,563</b> | <b>\$ 1,201,425</b> | <b>\$ 1,340,837</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (618,062)</b> | <b>\$ 261,139</b> | <b>\$ 413,182</b>   | <b>\$ 381,486</b>   |

## Staffing

Total current authorized positions - 2.95 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 3.85 FTE

# Retiree Benefits

Budget Unit 642-44-414

Retiree Medical - Human Resources - Retiree Benefits

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 1,077,262        |
| Fund Balance             | \$ 1,314,738        |
| General Fund Costs       | \$ 2,392,000        |
| % Funded by General Fund | 222.0%              |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The Retiree Benefits program administers the City's Other Post Employment Benefits (OPEB).

## Service Objectives

- Provide investment oversight and appropriate funding for the City's retiree medical liability. The City established a trust account with Public Agency Retirement Services (PARS) that will fund the future liability. Annual contributions from the City are deposited into the trust and invested in a portfolio of equity, bond, and money market funds.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,077,262 for the Retiree Benefits program. This represents a decrease of \$50,743 (-4.5%) from the FY 2018-19 Adopted Budget.

This budget remains relatively unchanged from last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual           | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                       |                     |                     |                     |
| <b>Total Revenues</b>     | \$ -                  | \$ -                | \$ -                | \$ -                |
| <b>Expenditures</b>       |                       |                     |                     |                     |
| Employee Benefits         | \$ 1,104,232          | \$ 1,059,248        | \$ 1,116,765        | \$ 1,000,000        |
| Contract Services         | \$ -                  | \$ -                | \$ 5,495            | \$ 20,000           |
| Cost Allocation           | \$ 5,840              | \$ 5,525            | \$ 5,745            | \$ 6,262            |
| Contingencies             | \$ -                  | \$ -                | \$ -                | \$ 51,000           |
| <b>Total Expenditures</b> | <b>\$ 1,110,072</b>   | <b>\$ 1,064,773</b> | <b>\$ 1,128,005</b> | <b>\$ 1,077,262</b> |
| <b>Fund Balance</b>       | <b>\$ (1,110,072)</b> | <b>\$ 1,303,711</b> | <b>\$ 3,469</b>     | <b>\$ 1,314,738</b> |
| <b>General Fund Costs</b> | <b>\$ -</b>           | <b>\$ 2,368,484</b> | <b>\$ 1,131,474</b> | <b>\$ 2,392,000</b> |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Insurance Administration

Budget Unit 100-44-417

General Fund - Human Resources - Insurance Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 959,351                 |
| Total Expenditures       | \$ 892,151                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ (67,200)                |
| % Funded by General Fund | -7.5%                      |
| <hr/>                    |                            |
| Total Staffing           | 0.15 FTE                   |

## Program Overview

The Insurance Administration program manages Risk Management safety programs and self-insured Workers' Compensation and General Liability programs.

## Service Objectives

- Satisfy statutory regulations regarding Workers' Compensation and employee safety.
- Promote work environment that emphasizes safe work practices.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$892,151 for the Insurance Administration program. This represents a decrease of \$62,735 (-6.6%) from the FY 2018-19 Adopted Budget.

This budget remains relatively unchanged from last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b> | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                    |                    |                            |                            |
| Charges for Services      | \$ -               | \$ 718,110         | \$ 788,243                 | \$ 959,351                 |
| Miscellaneous Revenue     | \$ 2,988           | \$ -               | \$ -                       | \$ -                       |
| <b>Total Revenues</b>     | <b>\$ 2,988</b>    | <b>\$ 718,110</b>  | <b>\$ 788,243</b>          | <b>\$ 959,351</b>          |
| <b>Expenditures</b>       |                    |                    |                            |                            |
| Employee Compensation     | \$ 16,575          | \$ 17,488          | \$ 17,133                  | \$ 17,310                  |
| Employee Benefits         | \$ 7,629           | \$ 7,759           | \$ 8,059                   | \$ 8,327                   |
| Materials                 | \$ 8               | \$ 9               | \$ 4                       | \$ -                       |
| Contract Services         | \$ 660,798         | \$ 715,994         | \$ 875,230                 | \$ 817,833                 |
| Cost Allocation           | \$ 2,103           | \$ 956             | \$ 10,698                  | \$ 7,789                   |
| Contingencies             | \$ -               | \$ -               | \$ 43,762                  | \$ 40,892                  |
| <b>Total Expenditures</b> | <b>\$ 687,113</b>  | <b>\$ 742,206</b>  | <b>\$ 954,886</b>          | <b>\$ 892,151</b>          |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ 684,126</b>  | <b>\$ 24,096</b>   | <b>\$ 166,643</b>          | <b>\$ (67,200)</b>         |

## Staffing

Total current authorized positions - 0.10 FTE

Staff time is being reallocated to reflect actual time spent in this program.

Total recommended positions - 0.15 FTE

# Workers Compensation Insurance

Budget Unit 620-44-418

Workers' Compensation - Human Resources - Workers Compensation Insurance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 472,652          |
| Total Expenditures       | \$ 257,389          |
| Fund Balance             | \$ 215,263          |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 0.20 FTE            |

## Program Overview

This program provides oversight of the Workers' Compensation program, including claims, proactive Risk Management, return to work accommodations and excess workers compensation insurance.

## Service Objectives

- Manage employee personal injuries and illnesses and provide proactive risk management for disability avoidance.
- Monitor costs associated with claims.
- Analyze and implement proactive measures to curtail costs.
- Implement a return to work policy.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$257,389 for the Workers Compensation Insurance program. This represents a decrease of \$215,263 (-45.5%) from the FY 2018-19 Adopted Budget.

This decrease is due to better reflect prior year actual costs.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| Charges for Services      | \$ -                | \$ 921,238        | \$ 472,652          | \$ 472,652          |
| <b>Total Revenues</b>     | <b>\$ -</b>         | <b>\$ 921,238</b> | <b>\$ 472,652</b>   | <b>\$ 472,652</b>   |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Employee Compensation     | \$ 23,567           | \$ 28,343         | \$ 24,570           | \$ 24,825           |
| Employee Benefits         | \$ 50,043           | \$ 13,507         | \$ 10,367           | \$ 10,632           |
| Materials                 | \$ 13               | \$ -              | \$ -                | \$ -                |
| Contract Services         | \$ 388,768          | \$ 300,538        | \$ 400,780          | \$ 195,486          |
| Cost Allocation           | \$ 18,117           | \$ 13,442         | \$ 16,896           | \$ 16,672           |
| Contingencies             | \$ -                | \$ -              | \$ 20,039           | \$ 9,774            |
| <b>Total Expenditures</b> | <b>\$ 480,508</b>   | <b>\$ 355,830</b> | <b>\$ 472,652</b>   | <b>\$ 257,389</b>   |
| <b>Fund Balance</b>       | <b>\$ (479,316)</b> | <b>\$ 565,408</b> | <b>\$ -</b>         | <b>\$ 215,263</b>   |
| <b>General Fund Costs</b> | <b>\$ 1,192</b>     | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.15 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 0.20 FTE

# Short Term and Long Term Disability

Budget Unit 641-44-419

Compensated Absence/LTD - Human Resources - Short Term and Long Term Disability

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 159,134                 |
| Fund Balance             | \$ (159,134)               |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

This program oversees claims and premiums associated with Long and Short Term Disability.

## Service Objectives

- Obtain and manage insurance policies
- Negotiate rates
- Coordination of claims

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$159,134 for the Short Term and Long Term Disability program. This represents a decrease of \$3,132 (-1.9%) from the FY 2018-19 Adopted Budget.

This budget remains relatively unchanged from last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| <b>Total Revenues</b>     | \$ -                | \$ -                | \$ -                | \$ -                |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Contract Services         | \$ 128,812          | \$ 151,893          | \$ 153,000          | \$ 150,000          |
| Cost Allocation           | \$ 607              | \$ 615              | \$ 1,616            | \$ 1,634            |
| Contingencies             | \$ -                | \$ -                | \$ 7,650            | \$ 7,500            |
| <b>Total Expenditures</b> | <b>\$ 129,419</b>   | <b>\$ 152,508</b>   | <b>\$ 162,266</b>   | <b>\$ 159,134</b>   |
| <b>Fund Balance</b>       | <b>\$ (129,419)</b> | <b>\$ (152,508)</b> | <b>\$ (162,266)</b> | <b>\$ (159,134)</b> |
| <b>General Fund Costs</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Compensated Absences

Budget Unit 641-44-420

Compensated Absence/LTD - Human Resources - Compensated Absences

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 632,689          |
| Fund Balance             | \$ 476,311          |
| General Fund Costs       | \$ 1,109,000        |
| % Funded by General Fund | 175.3%              |
| Total Staffing           | 0.00 FTE            |

## Program Overview

This program provides for payment of liabilities associated with employees retiring or leaving service.

## Service Objectives

- Properly account and disburse benefits as set forth in the employee contracts.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$632,689 for the Compensated Absences program. This represents an increase of \$209,917 (49.7%) from the FY 2018-19 Adopted Budget.

This budget is set on an annual basis by taking total leave hours with a cash value and assuming half of those costs.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -                | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Contract Services         | \$ 271,311          | \$ 275,420        | \$ 400,000          | \$ 600,000          |
| Cost Allocation           | \$ 2,673            | \$ 3,014          | \$ 2,772            | \$ 2,689            |
| Contingencies             | \$ -                | \$ -              | \$ 20,000           | \$ 30,000           |
| <b>Total Expenditures</b> | <b>\$ 273,984</b>   | <b>\$ 278,434</b> | <b>\$ 422,772</b>   | <b>\$ 632,689</b>   |
| <b>Fund Balance</b>       | <b>\$ (123,984)</b> | <b>\$ 231,086</b> | <b>\$ 24,228</b>    | <b>\$ 476,311</b>   |
| <b>General Fund Costs</b> | <b>\$ 150,000</b>   | <b>\$ 509,520</b> | <b>\$ 447,000</b>   | <b>\$ 1,109,000</b> |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

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# Parks and Recreation

| Budget Unit                                  | Program                                   | 2020 Adopted Budget  |
|--|---|----------------------|
| <b>Parks and Recreation</b>                  |   | <b>\$ 2,028,152</b>  |
| 100-60-601                                   | Recreation Administration                 | \$ 1,230,112         |
| 100-60-634                                   | Park Planning and Restoration             | \$ -                 |
| 100-60-636                                   | Library Services                          | \$ 798,040           |
| <b>Business and Community Services</b>       |   | <b>\$ 1,525,608</b>  |
| 100-61-602                                   | Administration                            | \$ 742,506           |
| 100-61-605                                   | Cultural Events                           | \$ 302,859           |
| 100-61-630                                   | Facilities                                | \$ 480,243           |
| 100-61-632                                   | Community Outreach and Neighborhood Watch | \$ -                 |
| <b>Recreation and Education</b>              |   | <b>\$ 5,121,915</b>  |
| 100-62-608                                   | Administration                            | \$ 813,804           |
| 580-62-613                                   | Youth Teen Recreation                     | \$ 2,463,342         |
| 100-62-623                                   | Senior Center                             | \$ 1,416,331         |
| 100-62-639                                   | Teen Programs                             | \$ 258,870           |
| 100-62-640                                   | Neighborhood Events                       | \$ 169,568           |
| <b>Sports, Safety and Outdoor Recreation</b> |   | <b>\$ 7,192,544</b>  |
| 100-63-612                                   | Park Facilities                           | \$ 2,252,892         |
| 100-63-615                                   | Administration                            | \$ 114,178           |
| 560-63-616                                   | Blackberry Farm Golf Course               | \$ 692,151           |
| 580-63-620                                   | Outdoor Recreation                        | \$ 1,587,760         |
| 570-63-621                                   | Sports Center Operations                  | \$ 2,545,563         |
| 100-63-633                                   | Disaster Preparedness                     | \$ -                 |
| <b>Total</b>                                 |   | <b>\$ 15,868,219</b> |

# Department Overview

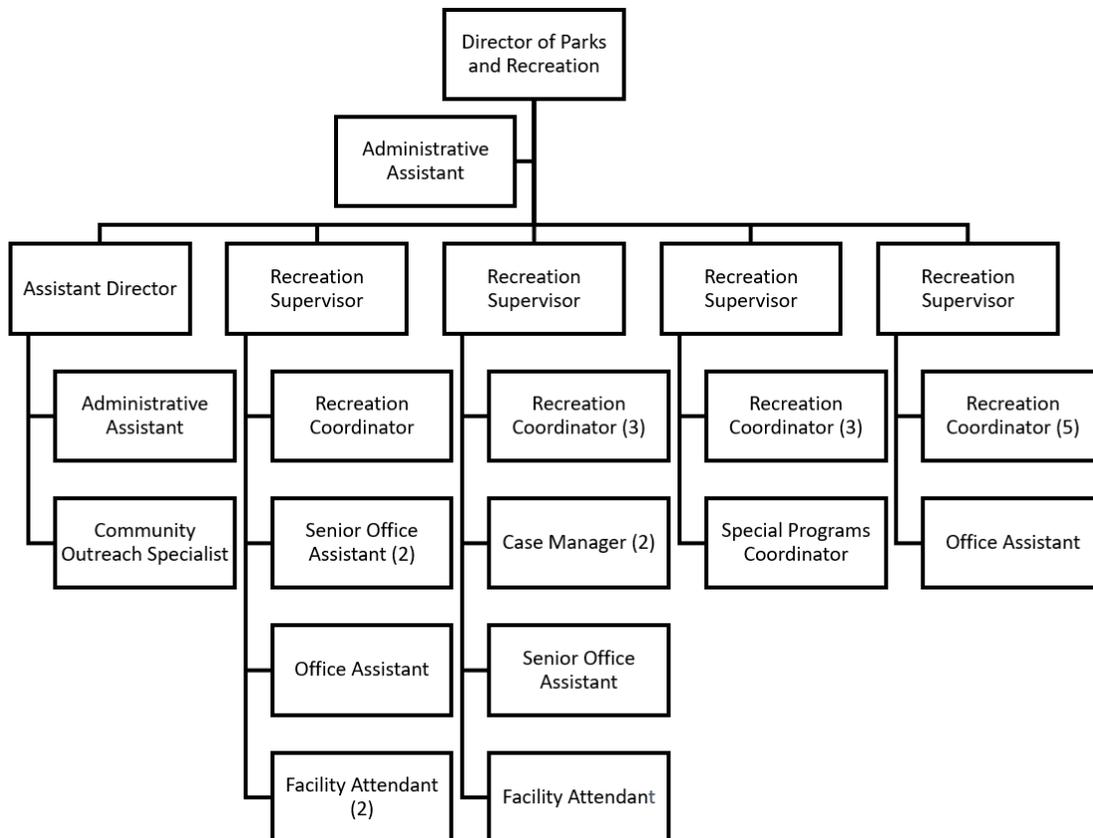
## Budget at a Glance

### 2020 Adopted Budget

|                          |               |
|--------------------------|---------------|
| Total Revenues           | \$ 6,008,759  |
| Total Expenditures       | \$ 15,868,219 |
| Fund Balance             | \$ (547,989)  |
| General Fund Costs       | \$ 9,311,471  |
| % Funded by General Fund | 58.7%         |
| Total Staffing           | 32.10 FTE     |

## Organization

Jeff Milkes, Director of Parks and Recreation



## Performance Measures

Goal: Create a positive, healthy and connected community.

Benefit: Cupertino has an exceptional system of parks & services that align with community values.

| Performance Measure   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec | Ongoing<br>Target |
|---|----------------------|----------------------|---------------------|-------------------|
| % of Recreation and Community Services Department customers surveyed who rate services as good or excellent | 95%                  | 97% <sup>1</sup>     | 97%                 | 85%               |
| % of programs maintaining minimum registration  | 71%                  | 70% <sup>1</sup>     | 59%                 | 80%               |
| % Department's total cost recovery for all (direct and indirect) costs                                      | 49%                  | 63% <sup>1</sup>     | 41.5%               | 40%               |
| # of new programs or events offered   | 132                  | 119 <sup>1</sup>     | 76                  | 50                |
| % change in participants  | -6%                  | 22% <sup>1</sup>     | 67%                 | +1%               |

<sup>1</sup> Due to a server crash in FY 2017-18, activity, facility, and customer information is estimated for the period January – June 2018.

## Workload Indicators

### Business and Community Services Division

| Workload Indicator                       | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|--|----------------------|----------------------|---------------------|
| Number of reservations at Quinlan Center | 792                  | 560                  | 734                 |
| Number of festival applications received | 14                   | 10                   | 7                   |

### Recreation and Education Division

| Workload Indicator                      | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of registrations                 | 5,976                | 2,455                | 3,159               |
| Number of survey respondents            | 102                  | 110                  | N/A                 |
| Number of Senior Center classes offered | 248                  | 246                  | 158                 |
| Number of Senior Center trips offered   | 44                   | 44                   | 21                  |

## Sports, Safety, and Outdoor Recreation Division

| Workload Indicator                          | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of programs offered                  | 984                  | 835                  | 722                 |
| Number of picnic reservations at BBF        | 253                  | 154                  | 138                 |
| Number of rounds of golf at BBF Golf Course | 25,587               | 28,193               | 13,099              |
| Number of Sports Center Memberships         | 1,922                | 1,885                | 1,971               |

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$15,868,219 for the Parks and Recreation department. This represents a decrease of \$1,574,213 (-9.0%) from the FY 2018-19 Adopted Budget.

The budget primarily decreased as a result of a city reorganization, reallocating Disaster Preparedness to the City Manager's Office (100-12-633), Community Outreach and Neighborhood Watch to the City Manager's Office (100-12-632), and Park Planning and Restoration to Public Works (100-82-806).

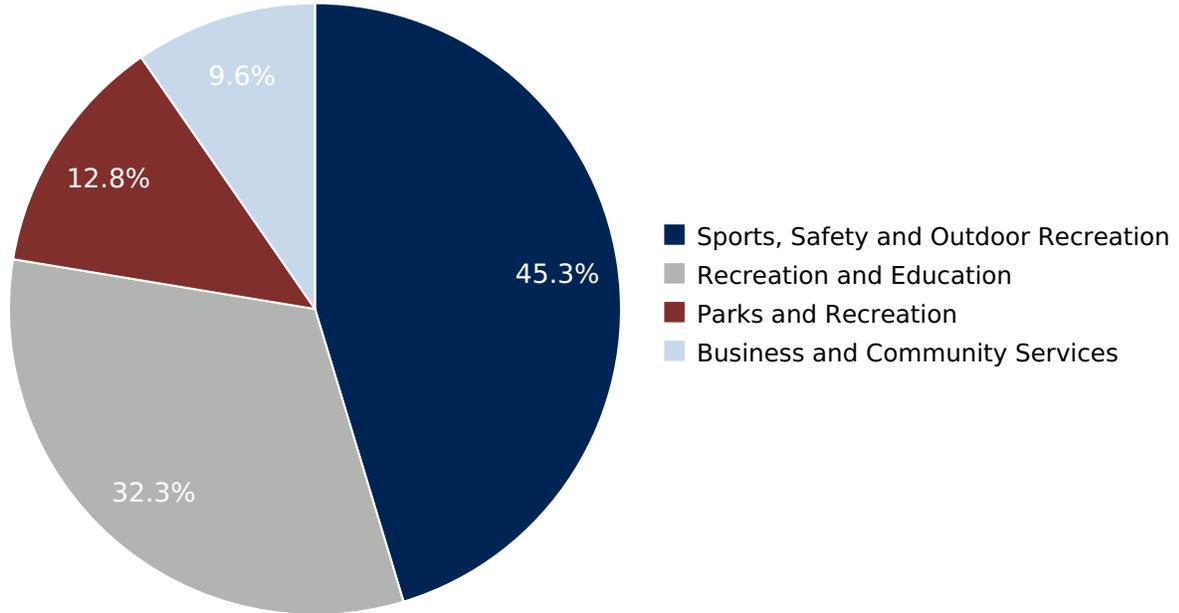
The department budget represents a zero based budget approach which resulted in a more accurate description of actual proposed expenditures. The budget was "trued up", primarily accounting for the remaining reduction in the budget, including a large reduction in part time salary costs. Overall, compared to actual expenditures in 2018, the budget remained relatively unchanged.

The budget for Parks and Recreation proposes funding to support initiatives in the FY 2019-20 Council Work Plan that includes \$30,500 to update the athletic fields policy and programs to better engage with and meet the needs of Cupertino teens through formation of a Youth Activity Board (\$13,000). This budget also proposes funding to further partnerships with the Cupertino Union School District to provide a satellite teen program at Lawson Middle School (\$74,310) and weekly open gym opportunities at two schools (\$61,780).

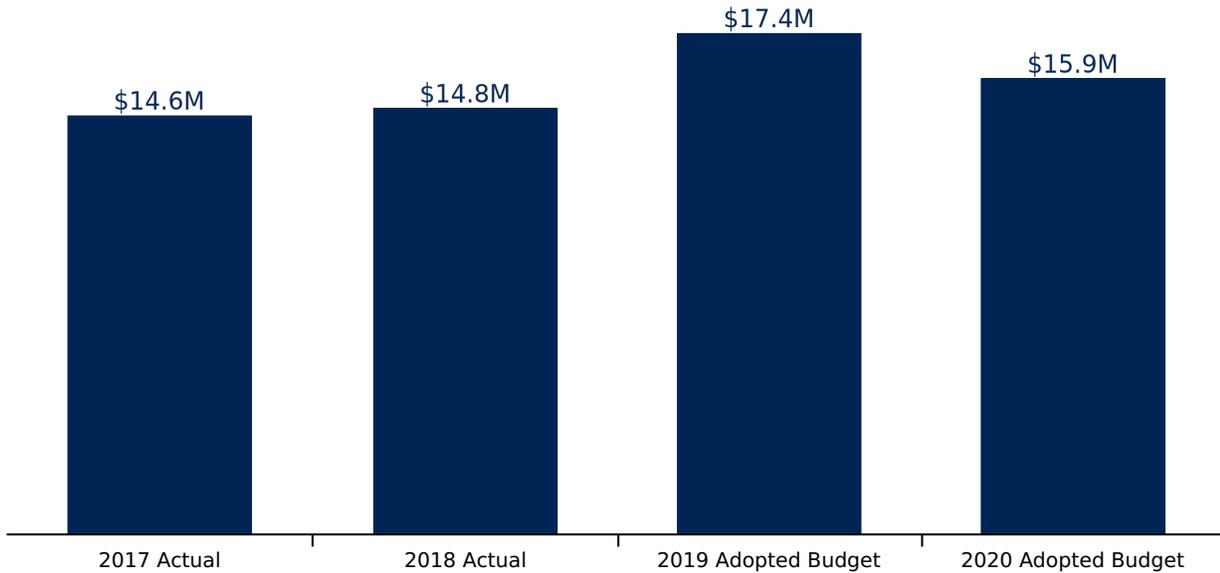
This budget proposes funding to complete needed repairs and removal of declining trees on the Blackberry Farm Golf Course (\$27,360) and funding to open and operate the Blacksmith Shop at McClellan Ranch Preserve (\$8,492).

While this budget does not propose new staffing for the department, it does propose funding the reclassification of a facility attendant to a facility coordinator, pending appropriate classification.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual          | 2018 Actual          | 2019 Adopted Budget   | 2020 Adopted Budget  |
|---------------------------|----------------------|----------------------|-----------------------|----------------------|
| <b>Revenues</b>           |                      |                      |                       |                      |
| Use of Money and Property | \$ 676,453           | \$ 538,585           | \$ 754,500            | \$ 400,000           |
| Charges for Services      | \$ 6,185,731         | \$ 6,189,628         | \$ 5,925,832          | \$ 5,608,759         |
| Miscellaneous Revenue     | \$ 49,575            | \$ 43,850            | \$ 56,000             | \$ -                 |
| <b>Total Revenues</b>     | <b>\$ 6,911,759</b>  | <b>\$ 6,772,063</b>  | <b>\$ 6,736,332</b>   | <b>\$ 6,008,759</b>  |
| <b>Expenditures</b>       |                      |                      |                       |                      |
| Employee Compensation     | \$ 3,770,679         | \$ 4,559,850         | \$ 5,185,708          | \$ 4,673,165         |
| Employee Benefits         | \$ 1,185,468         | \$ 1,544,745         | \$ 1,583,600          | \$ 1,423,806         |
| Materials                 | \$ 869,264           | \$ 780,270           | \$ 1,062,056          | \$ 775,552           |
| Contract Services         | \$ 3,659,176         | \$ 4,151,481         | \$ 4,756,614          | \$ 4,181,011         |
| Cost Allocation           | \$ 4,998,615         | \$ 3,652,570         | \$ 4,461,823          | \$ 4,539,528         |
| Capital Outlays           | \$ 313               | \$ -                 | \$ -                  | \$ -                 |
| Special Projects          | \$ 91,082            | \$ 146,362           | \$ 133,000            | \$ 57,500            |
| Contingencies             | \$ -                 | \$ -                 | \$ 259,631            | \$ 217,657           |
| <b>Total Expenditures</b> | <b>\$ 14,574,597</b> | <b>\$ 14,835,278</b> | <b>\$ 17,442,432</b>  | <b>\$ 15,868,219</b> |
| <b>Fund Balance</b>       | <b>\$ 678,906</b>    | <b>\$ (476,286)</b>  | <b>\$ (1,786,449)</b> | <b>\$ (547,989)</b>  |
| <b>General Fund Costs</b> | <b>\$ 8,341,742</b>  | <b>\$ 7,586,928</b>  | <b>\$ 8,919,651</b>   | <b>\$ 9,311,471</b>  |

## Staffing

Total current authorized positions - 32.05 FTE

Total recommended positions - 32.10 FTE

# Recreation Administration

Budget Unit 100-60-601

General Fund - Parks and Recreation - Recreation Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 1,230,112               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,230,112               |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 4.55 FTE                   |

## Program Overview

The Recreation Administration program provides overall department administration, project management, community outreach, and support to the Parks and Recreation and Library Commissions.

## Service Objectives

- Provide overall department administration, budget control, policy development, and employee development and evaluation.
- Support the Planning and Public Works Departments in the development, renovation, and improvements of parks and open spaces.
- Complete long-term and strategic plans for the Department including the Parks and Recreation System Master Plan and 3 Year Strategic Plan.
- Monitor and facilitate partnerships in regards to Library and other community organizations.
- Outreach to the community in conjunction with programs and the Parks and Recreation System Master Plan.
- Promote partnerships with Cupertino Union School District, Fremont Union High School District, and De Anza College with quarterly meetings and joint projects.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,230,112 for the Recreation Administration program. This represents an increase of \$425,974 (53.0%) from the FY 2018-19 Adopted Budget.

Revenues were reduced by \$42,000 due to the realignment of the Leadership Academy Program to the Administrative Services Department, in program 100-40-400. The increase in Materials was primarily due to the reallocation of printing and distribution of expenses for the Department's recreation brochure from 100-61-630, 580-62-613, and 580-63-620 and consolidation of the department's training budget. The increase in Contract Services was primarily due to the requirement to purchase Sexual Abuse and Molestation Insurance. Employee compensation and benefits were increased due to the reallocation of 70% of a Community Outreach Specialist from 100-61-602.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Miscellaneous Revenue     | \$ 43,200         | \$ 39,600         | \$ 42,000           | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 43,200</b>  | <b>\$ 39,600</b>  | <b>\$ 42,000</b>    | <b>\$ -</b>         |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 145,714        | \$ 301,717        | \$ 462,975          | \$ 658,554          |
| Employee Benefits         | \$ 78,966         | \$ 107,447        | \$ 186,440          | \$ 278,883          |
| Materials                 | \$ 72,451         | \$ 50,180         | \$ 74,521           | \$ 181,301          |
| Contract Services         | \$ 27,960         | \$ 27,050         | \$ 40,500           | \$ 72,912           |
| Cost Allocation           | \$ 658,797        | \$ 36,814         | \$ 35,426           | \$ 27,563           |
| Special Projects          | \$ 2,468          | \$ -              | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 4,276            | \$ 10,899           |
| <b>Total Expenditures</b> | <b>\$ 986,356</b> | <b>\$ 523,208</b> | <b>\$ 804,138</b>   | <b>\$ 1,230,112</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 943,156</b> | <b>\$ 483,608</b> | <b>\$ 762,138</b>   | <b>\$ 1,230,112</b> |

## Staffing

Total current authorized positions - 3.85 FTE

Due to a reorganization within the Department, the increase in staffing is primarily due to the reallocation of 70% of a Community Outreach Specialist from 100-61-602 to this program budget.

Total recommended positions - 4.55 FTE

# Park Planning and Restoration

Budget Unit 100-60-634

General Fund - Parks and Recreation - Park Planning and Restoration

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

In FY 2018-19, this program was transferred to Public Works. A complete discussion of this program can be found under Budget Unit 100-82-806. This program will remain in order to maintain historical data, however once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 143,496        | \$ 151,063        | \$ 153,090          | \$ -                |
| Employee Benefits         | \$ 57,721         | \$ 63,248         | \$ 65,777           | \$ -                |
| Materials                 | \$ 2,461          | \$ 2,354          | \$ 11,500           | \$ -                |
| Contract Services         | \$ -              | \$ 1,050          | \$ 10,000           | \$ -                |
| Cost Allocation           | \$ 34,794         | \$ 16,662         | \$ 27,182           | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 238,472</b> | <b>\$ 234,377</b> | <b>\$ 267,549</b>   | <b>\$ -</b>         |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 238,472</b> | <b>\$ 234,377</b> | <b>\$ 267,549</b>   | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Library Services

Budget Unit 100-60-636

General Fund - Parks and Recreation - Library Services

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 798,040          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 798,040          |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

This budget augments the existing hours of library service currently provided to our community through the Santa Clara County (SCC) Library Joint Powers Authority.

## Service Objectives

- Provide 12 extra hours per week of library service for our constituents.
- Explore partnerships with the SCC Library for recreation and community programs.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$798,040 for the Library Services program. This represents a decrease of \$171,465 (-17.7%) from the FY 2018-19 Adopted Budget.

The decrease in Contract Services is primarily due to year one of a two year decrease in the City's funding of 12 additional operating hours for the Library. This was a result of an increase in the Santa Clara County's staffing budget for the Library. The remaining costs in this budget fund an expansion to the Go Biblio program. The City will also be setting aside \$352,719 in savings to help fund a library room expansion as part of the City's assigned fund balance classification.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -                | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Contract Services         | \$ 443,106          | \$ 449,295        | \$ 468,023          | \$ 117,000          |
| Cost Allocation           | \$ 715,712          | \$ 334,021        | \$ 501,482          | \$ 681,040          |
| <b>Total Expenditures</b> | <b>\$ 1,158,818</b> | <b>\$ 783,316</b> | <b>\$ 969,505</b>   | <b>\$ 798,040</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,158,818</b> | <b>\$ 783,316</b> | <b>\$ 969,505</b>   | <b>\$ 798,040</b>   |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# Administration

Budget Unit 100-61-602

General Fund - Business and Community Services - Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 742,506                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 742,506                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 5.00 FTE                   |

## Program Overview

The Business Division supports department programs and services through the provision of customer service and analytical support, development, and administration of policies, and administration of recreation management software. The division is also responsible for the department's community outreach programs, including community festivals and City events at Memorial Park. This division also manages Quinlan Community Center (QCC) and Community Hall, as well as facility and park picnic rentals.

## Service Objectives

- Provide first-rate customer service through the implementation of consistent policies, procedures, and performance standards.
- Administer and manage recreation software system for customer registration, memberships, point-of-sale, and facility rentals.
- Collect and analyze data from customer satisfaction surveys and program and revenue reports to improve programs and services.
- Increase participation at City events including 4th of July, Summer Concerts, Cinema at Sundown, Shakespeare in the Park, and the Tree Lighting Ceremony.
- Issue parks and facilities permits for individual customers as well as community festivals and events that promote our diverse culture and connected community.
- Maintain a positive relationship with neighborhoods adjacent to our facilities and parks.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$742,506 for the Administration program. This represents a decrease of \$181,487 (-19.6%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to a reorganization within the Parks and Recreation Department and the City. The Recreation Manager and Community Outreach Specialist positions were reallocated to the Recreation Administration program, 100-60-601. This has resulted in decreased costs of \$155,925 per year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 363,454        | \$ 432,066        | \$ 495,491          | \$ 391,823          |
| Employee Benefits         | \$ 178,886        | \$ 221,792        | \$ 252,608          | \$ 200,351          |
| Materials                 | \$ 14,163         | \$ 8,687          | \$ 30,170           | \$ 2,321            |
| Contract Services         | \$ 1,063          | \$ 3,811          | \$ 8,500            | \$ -                |
| Cost Allocation           | \$ 166,746        | \$ 130,188        | \$ 135,290          | \$ 147,895          |
| Special Projects          | \$ -              | \$ 5,313          | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 1,934            | \$ 116              |
| <b>Total Expenditures</b> | <b>\$ 724,312</b> | <b>\$ 801,857</b> | <b>\$ 923,993</b>   | <b>\$ 742,506</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 724,312</b> | <b>\$ 801,857</b> | <b>\$ 923,993</b>   | <b>\$ 742,506</b>   |

## Staffing

Total current authorized positions - 5.45 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 5.00 FTE

# Cultural Events

Budget Unit 100-61-605

General Fund - Business and Community Services - Cultural Events

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 302,859                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 302,859                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.50 FTE                   |

## Program Overview

The Business and Community Service Division's events program produces the City's special events including 4th of July festivities and those hosted at Memorial Park and Quinlan Community Center including the Summer Concert Series, Cinema at Sundown, Shakespeare in the Park, and Tree Lighting. This staff also serves as liaison and issues permits for community and cultural events at Memorial Park including the Cherry Blossom Festival, World Journal Festival, Kids 'N Fun Festival, Fall Festival, Veteran's Day Memorial Ceremony, Diwali Festival, and more.

## Service Objectives

- Provide a summer concert series at Memorial Park.
- Produce a summer movie series at Memorial Park.
- Partner with the San Francisco Shakespeare Company to produce Free Shakespeare in the Park in Cupertino.
- Organize and facilitate the 4th of July Independence Day celebration and fireworks show.
- Bring the community together with the annual Tree Lighting celebration.
- Serve as liaison and issue special event permits to nonprofit organization event producers to ensure successful community and cultural festivals in Memorial Park.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$302,859 for the Cultural Events program. This represents a decrease of \$343,759 (-53.2%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the neighborhood events program being moved to 100-62-640. The decrease is primarily due to a decrease in part time salaries, materials and contracts to align the budget with prior year historical expenditures. Special projects were decreased due to one time purchases (\$40,000) in 2018.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 90,421         | \$ 103,939        | \$ 264,053          | \$ 64,735           |
| Employee Benefits         | \$ 33,619         | \$ 40,295         | \$ 45,493           | \$ 26,264           |
| Materials                 | \$ 3,717          | \$ 12,872         | \$ 23,850           | \$ 7,798            |
| Contract Services         | \$ 85,402         | \$ 144,543        | \$ 217,496          | \$ 153,207          |
| Cost Allocation           | \$ 37,289         | \$ 42,685         | \$ 45,209           | \$ 43,037           |
| Special Projects          | \$ 1,582          | \$ -              | \$ 40,000           | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 10,517           | \$ 7,818            |
| <b>Total Expenditures</b> | <b>\$ 252,030</b> | <b>\$ 344,334</b> | <b>\$ 646,618</b>   | <b>\$ 302,859</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 252,030</b> | <b>\$ 344,334</b> | <b>\$ 646,618</b>   | <b>\$ 302,859</b>   |

## Staffing

Total current authorized positions - 0.57 FTE

Staff time is being reallocated to better reflect actual time spent in this program in addition to the Community Outreach Specialist being reallocated to the Administration account, 100-60-601.

Total recommended positions - 0.50 FTE

# Facilities

Budget Unit 100-61-630

General Fund - Business and Community Services - Facilities

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 539,282                 |
| Total Expenditures       | \$ 480,243                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ (59,039)                |
| % Funded by General Fund | -12.3%                     |
| <hr/>                    |                            |
| Total Staffing           | 2.50 FTE                   |

## Program Overview

Community Hall provides space for City Council meetings and various Commission meetings, as well as facility rental space available for a variety of activities including business meetings, community events, and Cupertino Library programs. The Quinlan Community Center houses the administrative office of the Parks and Recreation Department and serves as facility space for rentals and a variety of recreational, social, and community activities.

## Service Objectives

- Provide a rental facility for community meetings, business functions, social events, and other similar activities.
- Provide a facility for City Channel programming, and City Council, Planning Commission, Parks & Recreation Commission and other City meetings.
- Offer in-person and online registration for recreation programs.
- Schedule facility space for contractual and staff-run classes and camps.
- House the Cupertino Historical Society.
- Serve as an Emergency Operations Shelter in case of disasters.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$480,243 for the Facilities program. This represents a decrease of \$204,119 (-29.8%) from the FY 2018-19 Adopted Budget.

The decrease was primarily due to reductions in employee compensation and benefits, materials, and contracts to better project actual expenses.

This budget proposes funding to support the 30th anniversary celebration of the Quinlan Community Center (\$4,500).

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual        | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                    |                     |                     |
| Use of Money and Property | \$ 289,115          | \$ 116,757         | \$ 245,000          | \$ 138,000          |
| Charges for Services      | \$ 825,501          | \$ 489,372         | \$ 458,382          | \$ 401,282          |
| <b>Total Revenues</b>     | <b>\$ 1,114,616</b> | <b>\$ 606,129</b>  | <b>\$ 703,382</b>   | <b>\$ 539,282</b>   |
| <b>Expenditures</b>       |                     |                    |                     |                     |
| Employee Compensation     | \$ 290,439          | \$ 306,411         | \$ 330,663          | \$ 285,429          |
| Employee Benefits         | \$ 102,430          | \$ 106,126         | \$ 102,437          | \$ 99,285           |
| Materials                 | \$ 51,386           | \$ 56,656          | \$ 68,465           | \$ 30,110           |
| Contract Services         | \$ 15,028           | \$ 8,210           | \$ 17,000           | \$ 5,220            |
| Cost Allocation           | \$ 546,269          | \$ 85,157          | \$ 151,524          | \$ 58,657           |
| Capital Outlays           | \$ 313              | \$ -               | \$ -                | \$ -                |
| Special Projects          | \$ 5,694            | \$ -               | \$ 10,000           | \$ -                |
| Contingencies             | \$ -                | \$ -               | \$ 4,273            | \$ 1,542            |
| <b>Total Expenditures</b> | <b>\$ 1,011,559</b> | <b>\$ 562,560</b>  | <b>\$ 684,362</b>   | <b>\$ 480,243</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (103,057)</b> | <b>\$ (43,569)</b> | <b>\$ (19,020)</b>  | <b>\$ (59,039)</b>  |

## Staffing

Total current authorized positions - 2.63 FTE

Staff time is being reallocated to better reflect the actual time spent in this program. The Community Outreach Specialist was moved to the Recreation Administration account, 100-60-601.

Total recommended positions - 2.50 FTE

# Community Outreach and Neighborhood Watch

Budget Unit 100-61-632

General Fund - Business and Community Services - Community Outreach and Neighborhood Watch

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

In FY 2018-19, this program was transferred to the City Manager's Office. A complete discussion of this program can be found under Budget Unit 100-12-632. This program will remain in order to maintain historical data, however once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 127,900        | \$ 116,904        | \$ 99,003           | \$ -                |
| Employee Benefits         | \$ 43,967         | \$ 42,824         | \$ 32,968           | \$ -                |
| Materials                 | \$ 9,588          | \$ 8,166          | \$ 19,250           | \$ -                |
| Contract Services         | \$ 3,181          | \$ 1,769          | \$ 9,500            | \$ -                |
| Cost Allocation           | \$ 51,725         | \$ 42,400         | \$ 39,142           | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 1,388            | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 236,361</b> | <b>\$ 212,063</b> | <b>\$ 201,251</b>   | <b>\$ -</b>         |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 236,361</b> | <b>\$ 212,063</b> | <b>\$ 201,251</b>   | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Administration

Budget Unit 100-62-608

General Fund - Recreation and Education - Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 25,000                  |
| Total Expenditures       | \$ 813,804                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 788,804                 |
| % Funded by General Fund | 96.9%                      |
| <hr/>                    |                            |
| Total Staffing           | 3.35 FTE                   |

## Program Overview

This program includes administrative support of senior programs offered at the senior center. Administrative duties support the facility and senior programs that focus on enhancing a healthy lifestyle through quality education, recreation, travel, socials, case management services, volunteer opportunities, and facility rentals.

## Service Objectives

- Provide management and supervision of all programs, activities, personnel, and facilities within the senior services division .
- Establish program goals and priorities.
- Ensure operational hours accommodate community desires.
- Provide first-rate customer service and manage customer registration, memberships, point-of-sale, and facility rentals at the Senior Center.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$813,804 for the Administration program. This represents a decrease of \$467,212 (-36.5%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to reductions in cost allocations charges related to building maintenance.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b>  | <b>2018 Actual</b>  | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|---------------------|---------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                     |                     |                            |                            |
| Use of Money and Property | \$ 5,017            | \$ 22,455           | \$ 20,000                  | \$ 25,000                  |
| Miscellaneous Revenue     | \$ 6,375            | \$ 4,250            | \$ 14,000                  | \$ -                       |
| <b>Total Revenues</b>     | <b>\$ 11,392</b>    | <b>\$ 26,705</b>    | <b>\$ 34,000</b>           | <b>\$ 25,000</b>           |
| <b>Expenditures</b>       |                     |                     |                            |                            |
| Employee Compensation     | \$ 430,150          | \$ 425,324          | \$ 358,084                 | \$ 357,732                 |
| Employee Benefits         | \$ 197,044          | \$ 168,223          | \$ 144,312                 | \$ 127,224                 |
| Materials                 | \$ 20,666           | \$ 40,374           | \$ 53,851                  | \$ 13,310                  |
| Contract Services         | \$ 10,216           | \$ 20,840           | \$ 30,750                  | \$ 2,800                   |
| Cost Allocation           | \$ 494,790          | \$ 452,107          | \$ 690,664                 | \$ 311,932                 |
| Special Projects          | \$ -                | \$ 45,506           | \$ -                       | \$ -                       |
| Contingencies             | \$ -                | \$ -                | \$ 3,355                   | \$ 806                     |
| <b>Total Expenditures</b> | <b>\$ 1,152,866</b> | <b>\$ 1,152,374</b> | <b>\$ 1,281,016</b>        | <b>\$ 813,804</b>          |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ 1,141,474</b> | <b>\$ 1,125,669</b> | <b>\$ 1,247,016</b>        | <b>\$ 788,804</b>          |

## Staffing

Total current authorized positions - 3.20 FTE

Staff time is being reallocated to better reflect the actual time spent in this program.

Total recommended positions - 3.35 FTE

# Youth Teen Recreation

Budget Unit 580-62-613

Recreation Program - Recreation and Education - Youth Teen Recreation

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,037,390        |
| Total Expenditures       | \$ 2,463,342        |
| Fund Balance             | \$ (1,425,952)      |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 1.60 FTE            |

## Program Overview

This program encompasses fee-based youth and teen programs such as academic and enrichment classes, STEAM programming, recreational camps, preschool, and special events, enrichment classes for adults, and special interest programming.

## Service Objectives

- Provide a preschool program, summer camps, and an extensive variety of contract classes for youth, teens, and adults, while collaborating with the Cupertino Union School District and Fremont Union High School District on select program offerings.
- Promote programs through social media to increase community awareness and interest in programs.
- Increase the number of youth and teen Science Technology Engineering Art, and Math (STEAM) programs offered.
- Expand all-day summer camp offerings to meet daycare needs of working families.
- Provide family-oriented programs designed to increase community engagement.
- Provide safe, fun, life-long learning activities that promote the foundations of self-confidence, skill development, and personal growth.
- Provide programs that enhance cultural awareness to youth and teens.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,463,342 for the Youth Teen Recreation program. This represents an increase of \$422,517 (20.7%) from the FY 2018-19 Adopted Budget.

This increase is primarily due to increases in cost allocation. However, the increase was offset by a decrease in materials and contract expenses, primarily due to the loss of the after school enrichment programs which included the loss of three contractors.

The budget proposes funding to increase outreach in support of hiring part time staff (\$2,800) in a difficult labor market.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget   |
|---------------------------|---------------------|---------------------|---------------------|-----------------------|
| <b>Revenues</b>           |                     |                     |                     |                       |
| Charges for Services      | \$ 1,441,395        | \$ 1,468,822        | \$ 1,444,500        | \$ 1,037,390          |
| <b>Total Revenues</b>     | <b>\$ 1,441,395</b> | <b>\$ 1,468,822</b> | <b>\$ 1,444,500</b> | <b>\$ 1,037,390</b>   |
| <b>Expenditures</b>       |                     |                     |                     |                       |
| Employee Compensation     | \$ 397,589          | \$ 495,400          | \$ 432,339          | \$ 461,639            |
| Employee Benefits         | \$ (1,545)          | \$ 134,393          | \$ 71,556           | \$ 73,364             |
| Materials                 | \$ 71,123           | \$ 72,296           | \$ 79,988           | \$ 23,627             |
| Contract Services         | \$ 859,700          | \$ 900,752          | \$ 1,049,500        | \$ 797,672            |
| Cost Allocation           | \$ 305,794          | \$ 357,107          | \$ 351,973          | \$ 1,070,264          |
| Contingencies             | \$ -                | \$ -                | \$ 55,469           | \$ 36,776             |
| <b>Total Expenditures</b> | <b>\$ 1,632,661</b> | <b>\$ 1,959,948</b> | <b>\$ 2,040,825</b> | <b>\$ 2,463,342</b>   |
| <b>Fund Balance</b>       | <b>\$ 257,692</b>   | <b>\$ (491,126)</b> | <b>\$ (596,325)</b> | <b>\$ (1,425,952)</b> |
| <b>General Fund Costs</b> | <b>\$ 448,957</b>   | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>           |

## Staffing

Total current authorized positions - 1.60 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.60 FTE

# Senior Center

Budget Unit 100-62-623

General Fund - Recreation and Education - Senior Center

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 430,150          |
| Total Expenditures       | \$ 1,416,331        |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 986,181          |
| % Funded by General Fund | 69.6%               |
| Total Staffing           | 4.65 FTE            |

## Program Overview

This program includes the coordination and delivery of program services for seniors at the Senior Center. Staff coordinates a well-maintained Senior Center for adults age 50+; and senior adult recreation programs such as enrichment classes, educational presentations, group trips and tours, and social events. In addition, the Senior Center team leverages members to support programs and services through over 24,000 hours of volunteer service annually and coordinates Case Management services to assist seniors in remaining independent and safe in their own homes.

The Youth and Teen programs have been removed from this budget and reallocated to other accounts, showing a reduction of almost \$1 million.

## Service Objectives

- Enhance partnerships with Fremont Union High School District Adult Education, the Santa Clara County Library District, De Anza College, and other local nonprofit agencies.
- Provide appreciation events for senior volunteers who support the Parks and Recreation Department throughout the year.
- Provide multi-lingual senior case management services.
- Offer fitness and enrichment courses, educational presentations, group trips and tours, and socialization opportunities to adults age 50+.
- Provide volunteer service opportunities for adults age 50+.
- Provide a senior focused annual health fair.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,416,331 for the Senior Center program. This represents a decrease of \$619,778 (-30.4%) from the FY 2018-19 Adopted Budget.

In FY 2018-19, the Youth and Teen programs were transferred to 100-62-639 as part of a department reorganization. A complete discussion of this program can be found under Budget Unit 100-62-639. The 50+ Scene will be updated to be more consistent with the branding guidelines of the city (\$7,194). The Cupertino

Scene was revitalized in 2017. In order to make the 50+ Scene look more similar to the Cupertino Scene and stay consistent with branding, the proposal for an update in layout which would increase in pages and to allow color print. The proposed changes would amount to \$7,194 which covers 6 bi-monthly newsletters for the year. This cost would be on-going. Part time salary costs, materials and contracted expenses were decreased to more accurately reflect prior year actual expenditures.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Use of Money and Property | \$ 4,788            | \$ 1,833            | \$ 3,500            | \$ -                |
| Charges for Services      | \$ 572,307          | \$ 470,818          | \$ 578,050          | \$ 430,150          |
| <b>Total Revenues</b>     | <b>\$ 577,095</b>   | <b>\$ 472,651</b>   | <b>\$ 581,550</b>   | <b>\$ 430,150</b>   |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 449,507          | \$ 581,360          | \$ 818,614          | \$ 535,164          |
| Employee Benefits         | \$ 142,146          | \$ 186,248          | \$ 238,292          | \$ 194,081          |
| Materials                 | \$ 341,397          | \$ 127,725          | \$ 220,985          | \$ 122,694          |
| Contract Services         | \$ 98,398           | \$ 256,676          | \$ 317,220          | \$ 191,875          |
| Cost Allocation           | \$ 588,869          | \$ 552,901          | \$ 415,210          | \$ 357,244          |
| Contingencies             | \$ -                | \$ -                | \$ 25,788           | \$ 15,273           |
| <b>Total Expenditures</b> | <b>\$ 1,620,317</b> | <b>\$ 1,704,910</b> | <b>\$ 2,036,109</b> | <b>\$ 1,416,331</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,043,222</b> | <b>\$ 1,232,258</b> | <b>\$ 1,454,559</b> | <b>\$ 986,181</b>   |

## Staffing

Total current authorized positions - 4.85 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 4.65 FTE

# Teen Programs

Budget Unit 100-62-639

General Fund - Recreation and Education - Teen Programs

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 7,500                   |
| Total Expenditures       | \$ 258,870                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 251,370                 |
| % Funded by General Fund | 97.1%                      |
| <hr/>                    |                            |
| Total Staffing           | 0.35 FTE                   |

## Program Overview

This program supports teen programs and services for the Recreation and Education Division. It provides for the supervision and operation of the Cupertino Teen Center, the satellite Teen Center at Lawson Middle School, the Youth Activity Board, the Cupertino Teen Leadership Academy, and the teen summer volunteer program.

## Service Objectives

- Empower youth by creating enriching and stress-free programs that foster physical, mental, and social development.
- Provide an exclusive space for Cupertino Teens to de-stress, create, study, and to socially develop.
- Create opportunities for youth and teens to build their leadership abilities by creating activities, events, and programs by teens for teens.
- Create reciprocal engagement and outreach efforts between the City of Cupertino and Cupertino teens.
- Develop teen leadership skills and career growth opportunities by providing an interactive teen leadership program.
- Provide the opportunity for teens to gain applied skills and develop leadership abilities by volunteering in a summer camp and/or an Aquatic Learn -to Swim program.
- Establish a partnership with Lawson Middle School to bring the Cupertino Teen Center to a local school community.
- Create programs which support mental health and wellness in youth and teens.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$258,870 for the Teen Programs program.

This budget primarily provides support for the Cupertino Teen Center facility, including the Teen Center at Lawson (\$74,310), and a variety of teen programs such as the Cupertino Teen Leadership Academy, the Summer Volunteer Program (Leaders in Training, Swim Instructor training), and the Youth Activity Board

(\$13,400). The budget proposes increasing cultural programs at the Quinlan Community Center (\$6,200). This program was reallocated from 100-62-623 to 100-62-639 in FY 2018-19. This is a new program budget added to better capture revenues and expenses for Teen Programs.

These initiatives are intended to meet the needs of Cupertino Teens as directed in the FY 2019-20 City Council approved work plan.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>           |             |             |                     |                     |
| Use of Money and Property | \$ -        | \$ -        | \$ -                | \$ 5,000            |
| Charges for Services      | \$ -        | \$ -        | \$ -                | \$ 2,500            |
| <b>Total Revenues</b>     | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 7,500</b>     |
| <b>Expenditures</b>       |             |             |                     |                     |
| Employee Compensation     | \$ -        | \$ -        | \$ -                | \$ 197,431          |
| Employee Benefits         | \$ -        | \$ -        | \$ -                | \$ 16,352           |
| Materials                 | \$ -        | \$ -        | \$ -                | \$ 37,205           |
| Contract Services         | \$ -        | \$ -        | \$ -                | \$ 7,882            |
| <b>Total Expenditures</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 258,870</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 251,370</b>   |

## Staffing

Total current authorized positions - 0.35 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.35 FTE

# Neighborhood Events

Budget Unit 100-62-640

General Fund - Recreation and Education - Neighborhood Events

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 5,000                   |
| Total Expenditures       | \$ 169,568                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 164,568                 |
| % Funded by General Fund | 97.1%                      |
| <hr/>                    |                            |
| Total Staffing           | 0.10 FTE                   |

## Program Overview

The Neighborhood Programs provide a varied schedule of summer events in neighborhood parks. Events include outdoor concerts, outdoor movies, performances, and free arts and fitness programs in the parks. These programs are designed to engage new customers and to promote current programs. This program will continue to develop partnerships with local agencies, businesses, and non-profits to better engage our community.

## Service Objectives

- To provide outdoor summer concerts in neighborhood parks.
- To provide outdoor summer movies in neighborhood parks.
- To provide outdoor summer fitness opportunities in neighborhood parks.
- To provide outdoor summer arts opportunities in neighborhood parks.
- To provide an array of outdoor cultural special events in neighborhood parks.
- To provide activities for kids and families of all ages.
- To build community through partnerships with local agencies, businesses and non-profits.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$169,568 for the Neighborhood Events program.

This is a new program to better capture revenues and expenses for the Neighborhood Programs. This budget includes expenditures of \$90,514 in employee compensation and benefits, \$20,033 for supplies and equipment and \$58,847 for contracted services, primarily bands and entertainment.

The Neighborhood Events program will provide support for the Cupertino Campout at Creekside Park, which is targeted to bring \$5,000 in revenues (\$7,913 in expenditures).

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>           |             |             |                     |                     |
| Charges for Services      | \$ -        | \$ -        | \$ -                | \$ 5,000            |
| <b>Total Revenues</b>     | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 5,000</b>     |
| <b>Expenditures</b>       |             |             |                     |                     |
| Employee Compensation     | \$ -        | \$ -        | \$ -                | \$ 84,022           |
| Employee Benefits         | \$ -        | \$ -        | \$ -                | \$ 6,666            |
| Materials                 | \$ -        | \$ -        | \$ -                | \$ 20,033           |
| Contract Services         | \$ -        | \$ -        | \$ -                | \$ 58,847           |
| <b>Total Expenditures</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 169,568</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 164,568</b>   |

## Staffing

Total current authorized positions - 0.10 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.10 FTE

# Park Facilities

Budget Unit 100-63-612

General Fund - Sports, Safety and Outdoor Recreation - Park Facilities

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 384,000                 |
| Total Expenditures       | \$ 2,252,892               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,868,892               |
| % Funded by General Fund | 83.0%                      |
| <hr/>                    |                            |
| Total Staffing           | 3.28 FTE                   |

## Program Overview

Blackberry Farm provides the community with recreational space to swim, picnic, enjoy ranger-led activities, and the Stevens Creek Trail. McClellan Ranch Preserve offers environmental education classes/creek tours to school groups, nature programs, and is the location of the Community Garden program and non-profit operations such as Grassroots Ecology, Santa Clara Valley Audubon Society, UCCE Master Gardeners, and Rolling Hills 4-H Club. The Creekside Park building provides community members with facility space which can be used for a variety of activities. The Monta Vista Recreation Center is home to a diverse array of recreational activities including gymnastics classes and preschool.

## Service Objectives

Blackberry Farm Picnic Grounds and Pools:

- Provide the community with two recreational pools for drop-in use.
- Offer a Junior Lifeguard course for teens, ages 13 -15.
- Engage and provide the community with annual 4th of July and Pooch Plunge events.
- Partner with the Audubon Society to provide Wildlife & Harvest Day at Blackberry Farm.
- Increase residential usage of the facility.
- Continue to offer Park Ranger-led activities such as interpretive walks, star-gazing events, and implement a Stevens Creek Corridor volunteer program.

McClellan Ranch Preserve:

- Continue to offer drop-in visitor hours at the Environmental Education Center and Blacksmith Shop on Saturdays, Sundays, and some school holidays.
- Develop park management internship opportunities in partnership with the West Valley Community College Park Management Program.
- Partner with SCVAS, Grassroots Ecology, Watershed Stewardship Program Members, Santa Clara Valley Audubon Society, Rolling Hills 4H and UCCE Master Gardeners in providing public education programs.
- Expand programming opportunities for teens.

- Increase volunteer/docent opportunities at McClellan Ranch.
- Develop and increase community garden programming.

Creekside Park Building:

- Rent facility for nonprofit board meetings, birthday parties, school group picnics, and other similar activities.
- Provide contract and staff-run classes and camps.
- Provide space for year-round farmers' market

Monta Vista Recreation Center:

- Provide gymnastics classes via a certified gymnastics business.
- Offer department run preschool program.
- Provide contract and staff-run classes and camps.
- Make space available for co-sponsored clubs and rentals.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,252,892 for the Park Facilities program. This represents a decrease of \$129,502 (-5.4%) from the FY 2018-19 Adopted Budget.

The decrease in materials and supplies is primarily due to the transfer of telephone charges to Innovation and Technology and decreased data charges, coupled with a smaller office supply budget and general supply budget based on prior year actuals.

The increase in Contract Services is a result of an increase in bank charges, and several new programs and events added to this division. July 4th is the 10th Anniversary of the re-opening of Blackberry Farm. Event-themed staff t-shirts, decorate-your-own canvas tote giveaways, and a steel drum band would be added to the current event offerings. With the popularity of the recently implemented park ranger programs along the corridor, the new Corridor Stroll, would take place along the whole corridor from McClellan Ranch to the Stockmier property. For young and old alike, the corridor comes alive with blacksmith demonstrations, nature crafts, magicians, acoustic performers, snacks and wine tastings, to name a few. Signing with Santa is an event like no other in the bay area. This event features cocoa and cookies with a Santa who only communicates via sign language. This is the first event offered in an ongoing effort to add more adaptive needs programs to our department. Costs for this event would be offset by the registration fee of \$10 per person, which we anticipate to offset the event cost by \$500. Merchandise for sale will be added to the Blackberry Farm Cafe. The cost to purchase items will be offset by the profit made from sales. We anticipate sales to generate an additional \$2,200 in revenue.

The increase in Contract Services is due to the Blacksmith contract and a \$75,000 transfer of funding from a one-time, limited special project for habitat restoration at McClellan Ranch Preserve to the ongoing watering and maintenance of the meadow restoration project.

This budget proposes funding to support the 10th anniversary celebration of Blackberry Farm (\$2,850), Stevens Creek Corridor Stroll activities (\$3,448), and to operate the Blacksmith Shop at the McClellan Ranch Preserve (\$6,997).

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Use of Money and Property | \$ 69,631           | \$ 201,787          | \$ 199,000          | \$ 204,000          |
| Charges for Services      | \$ 152,130          | \$ 197,733          | \$ 175,000          | \$ 180,000          |
| <b>Total Revenues</b>     | <b>\$ 221,761</b>   | <b>\$ 399,520</b>   | <b>\$ 374,000</b>   | <b>\$ 384,000</b>   |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 586,441          | \$ 585,928          | \$ 730,520          | \$ 709,998          |
| Employee Benefits         | \$ 112,901          | \$ 114,806          | \$ 130,493          | \$ 147,805          |
| Materials                 | \$ 96,656           | \$ 110,726          | \$ 136,073          | \$ 94,435           |
| Contract Services         | \$ 10,427           | \$ 48,532           | \$ 31,700           | \$ 89,251           |
| Cost Allocation           | \$ 815,707          | \$ 954,759          | \$ 1,277,319        | \$ 1,202,972        |
| Special Projects          | \$ 55,071           | \$ 62,643           | \$ 68,000           | \$ -                |
| Contingencies             | \$ -                | \$ -                | \$ 8,289            | \$ 8,431            |
| <b>Total Expenditures</b> | <b>\$ 1,677,203</b> | <b>\$ 1,877,394</b> | <b>\$ 2,382,394</b> | <b>\$ 2,252,892</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,455,442</b> | <b>\$ 1,477,874</b> | <b>\$ 2,008,394</b> | <b>\$ 1,868,892</b> |

## Staffing

Total current authorized positions - 3.43 FTE

Staff time has been reallocated to better reflect actual time spent in this program.

Total recommended positions - 3.28 FTE

# Administration

Budget Unit 100-63-615

General Fund - Sports, Safety and Outdoor Recreation - Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 114,178                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 114,178                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.40 FTE                   |

## Program Overview

This program supports all facets of the Sports, Safety, and Outdoor Recreation Division. It provides for the supervision and operation of the Cupertino Sports Center, Blackberry Farm Golf Course, Blackberry Farm picnic area and swimming pools, McClellan Ranch Preserve, Monta Vista Recreation Center and Creekside Park building. The Sports, Safety, and Outdoor Recreation Division includes a diverse offering of recreation programs for all ages including sports leagues, camps/classes, nature programs, volunteer opportunities, drop-in activities, special events, aquatics, golf, and specialty classes.

## Service Objectives

- Efficiently manage the Cupertino Sports Center, Blackberry Farm Golf Course, Blackberry Farm picnic sites and swimming pools, McClellan Ranch Preserve, Monta Vista Recreation Center, Creekside Park building, nine school sites and various City fields.
- Continue to improve coordination among staff within the Stevens Creek Corridor in order to enhance customer service and the experience for park visitors.
- Oversee marketing, budget development, and program plans for all locations.
- Continue to expand the aquatics program.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$114,178 for the Administration program. This represents a decrease of \$76,556 (-40.1%) from the FY 2018-19 Adopted Budget.

The decrease in this budget is primarily due to reduced cost allocation expenses and the movement of several line items to other accounts. The conference and training funds have moved to the department administration account, 100-60-601 and supplies and materials have moved to the accounts where the two supervisors are geographically located.

This budget proposes replacement of two failing lifeguard stands (\$6,000) for the Blackberry Farm pool deck.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 88,077         | \$ 186,622        | \$ 54,513           | \$ 46,034           |
| Employee Benefits         | \$ 39,767         | \$ 69,295         | \$ 20,550           | \$ 16,279           |
| Materials                 | \$ 4,620          | \$ 6,228          | \$ 6,755            | \$ 8,465            |
| Contract Services         | \$ 388            | \$ 3,889          | \$ -                | \$ -                |
| Cost Allocation           | \$ 105,013        | \$ 87,147         | \$ 108,578          | \$ 43,392           |
| Contingencies             | \$ -              | \$ -              | \$ 338              | \$ 8                |
| <b>Total Expenditures</b> | <b>\$ 237,865</b> | <b>\$ 353,181</b> | <b>\$ 190,734</b>   | <b>\$ 114,178</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 237,865</b> | <b>\$ 353,181</b> | <b>\$ 190,734</b>   | <b>\$ 114,178</b>   |

## Staffing

Total current authorized positions - 0.40 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.40 FTE

# Blackberry Farm Golf Course

Budget Unit 560-63-616

Blackberry Farm - Sports, Safety and Outdoor Recreation - Blackberry Farm Golf Course

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 327,000          |
| Total Expenditures       | \$ 692,151          |
| Fund Balance             | \$ 244,849          |
| General Fund Costs       | \$ 610,000          |
| % Funded by General Fund | 88.1%               |
| Total Staffing           | 1.05 FTE            |

## Program Overview

Blackberry Farm Golf Course provides a nine-hole golf facility to the community that serves all ages.

## Service Objectives

- Increase the golfer base through private golf instruction, family events, and high school golf team partnerships.
- Operate a golf course concession where customers may purchase golfing accessories and golf instruction.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$692,151 for the Blackberry Farm Golf Course program. This represents an increase of \$4,212 (0.6%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

The increase in Contract Services is primarily due to necessary improvements to rebuild the tee area on hole #1 and hole #9 (\$6,180 per tee). The additional funds (\$15,000) would also allow us to add five days of tree work on the course each year, to help address the maintenance of over 100 trees located on the course. The decrease in Materials and Supplies is due to conference and meeting costs being removed from this account to account 100-60-601 and a more accurate reflection of the cost of maintaining merchandise after a full year of responsibility for this operation, and the completion of one-time purchases, including tables and umbrellas, a new counter, and merchandise display in the pro shop.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b> | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                    |                    |                            |                            |
| Use of Money and Property | \$ 19,791          | \$ 30,910          | \$ -                       | \$ 27,000                  |
| Charges for Services      | \$ 305,435         | \$ 314,754         | \$ 335,000                 | \$ 300,000                 |
| <b>Total Revenues</b>     | <b>\$ 325,226</b>  | <b>\$ 345,664</b>  | <b>\$ 335,000</b>          | <b>\$ 327,000</b>          |
| <b>Expenditures</b>       |                    |                    |                            |                            |
| Employee Compensation     | \$ 147,505         | \$ 136,361         | \$ 150,811                 | \$ 168,337                 |
| Employee Benefits         | \$ 47,658          | \$ 50,556          | \$ 37,632                  | \$ 42,698                  |
| Materials                 | \$ 24,148          | \$ 98,956          | \$ 124,693                 | \$ 106,249                 |
| Contract Services         | \$ 267,036         | \$ 258,776         | \$ 244,200                 | \$ 267,345                 |
| Cost Allocation           | \$ 88,300          | \$ 97,561          | \$ 102,158                 | \$ 91,074                  |
| Special Projects          | \$ 22,758          | \$ 32,900          | \$ 10,000                  | \$ -                       |
| Contingencies             | \$ -               | \$ -               | \$ 18,445                  | \$ 16,448                  |
| <b>Total Expenditures</b> | <b>\$ 597,405</b>  | <b>\$ 675,110</b>  | <b>\$ 687,939</b>          | <b>\$ 692,151</b>          |
| <b>Fund Balance</b>       | <b>\$ 60,753</b>   | <b>\$ (29,446)</b> | <b>\$ (352,939)</b>        | <b>\$ 244,849</b>          |
| <b>General Fund Costs</b> | <b>\$ 332,931</b>  | <b>\$ 300,000</b>  | <b>\$ -</b>                | <b>\$ 610,000</b>          |

## **Staffing**

Total current authorized positions - 0.90 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 1.05 FTE

# Outdoor Recreation

Budget Unit 580-63-620

Recreation Program - Sports, Safety and Outdoor Recreation - Outdoor Recreation

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,201,937        |
| Total Expenditures       | \$ 1,587,760        |
| Fund Balance             | \$ 179,177          |
| General Fund Costs       | \$ 565,000          |
| % Funded by General Fund | 35.6%               |
| Total Staffing           | 2.52 FTE            |

## Program Overview

This program encompasses the coordination and delivery of a wide range of sports, fitness, and outdoor activities for youth and adults.

## Service Objectives

- Operate a summer learn-to-swim program for infants, children, teens, and adults.
- Coordinate spring, summer, and fall adult softball leagues.
- Provide sports, dance, fitness, and wellness classes for youth, teens, and adults.
- Offer a 5k, community walk, and kids' fun run in the spring.
- Manage user group field rentals under the Cupertino Union School District/City Joint Use Agreement.
- Increase nature, blacksmithing, and environmental classes for parent/child, teen, and adult demographics.
- Increase youth and teen activities to better accommodate working parents.
- Provide an afternoon summer nature program to provide all-day camp options for families.
- Offer fee-based gardening programs for youth and adults.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,587,760 for the Outdoor Recreation program. This represents a decrease of \$10,590 (-0.7%) from the FY 2018-19 Adopted Budget.

The decrease is primarily due to reductions in cost allocation.

The increase in Contract Services can be attributed to several new programs. The aquatics program has moved from Cupertino High School to Monta Vista High School, to provide a longer day of lessons. This includes 2 more group lessons each session, 48 additional private lessons, and a new lap swim program at lunch. While this move involves an increase in rent expenses of \$16,000, we anticipate generating an additional \$20,000 in revenue. A new Drop-In Basketball program at two CUSD schools would also involve renting gym space at a cost of \$51,000. Participants would be charged a fee of \$10 each to play, resulting in an approximate off-setting revenue of \$19,200. The addition of these programs as well as a new Kid's Challenge event, also results

in a slight increase in materials and supplies. The above mentioned revenue will help to offset those events mentioned. 200 children participate in the kid's run at the Big Bunny 5k each year. Looking to add another fitness-oriented event for kids, the Kid's Challenge will offer a ninja warrior, parkour type challenge to be held in September (\$8,545). A registration fee of \$20 per participant will be charged, with a goal of \$2,000 in off-setting revenue.

This budget proposes adding PT pool staff to ensure a safe aquatics experience (\$20,328), and also proposes an update to the athletic field use policy (\$30,500). The latter initiative is included in the FY 2019-20 City Council approved work plan.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project                     | Appropriation   | Revenue         | Funding Source  | Description                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------------------|
| Sports & Outdoor Field Use Analysis | \$30,500        | \$30,500        | Enterprise Fund | Cost of consulting services |
| <b>Total</b>                        | <b>\$30,500</b> | <b>\$30,500</b> |                 |                             |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Use of Money and Property | \$ 287,318          | \$ 163,670          | \$ 287,000          | \$ -                |
| Charges for Services      | \$ 756,005          | \$ 845,638          | \$ 834,400          | \$ 1,201,937        |
| <b>Total Revenues</b>     | <b>\$ 1,043,323</b> | <b>\$ 1,009,308</b> | <b>\$ 1,121,400</b> | <b>\$ 1,201,937</b> |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 168,563          | \$ 335,428          | \$ 401,676          | \$ 364,143          |
| Employee Benefits         | \$ 64,633           | \$ 101,340          | \$ 113,131          | \$ 103,062          |
| Materials                 | \$ 102,762          | \$ 112,440          | \$ 90,367           | \$ 68,194           |
| Contract Services         | \$ 498,388          | \$ 464,655          | \$ 701,125          | \$ 720,311          |
| Cost Allocation           | \$ 205,271          | \$ 258,603          | \$ 253,026          | \$ 265,476          |
| Special Projects          | \$ 595              | \$ -                | \$ -                | \$ 30,500           |
| Contingencies             | \$ -                | \$ -                | \$ 39,025           | \$ 36,074           |
| <b>Total Expenditures</b> | <b>\$ 1,040,212</b> | <b>\$ 1,272,466</b> | <b>\$ 1,598,350</b> | <b>\$ 1,587,760</b> |
| <b>Fund Balance</b>       | <b>\$ 11,467</b>    | <b>\$ (263,159)</b> | <b>\$ (476,950)</b> | <b>\$ 179,177</b>   |
| <b>General Fund Costs</b> | <b>\$ 8,355</b>     | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 565,000</b>   |

## **Staffing**

Total current authorized positions - 2.45 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 2.52 FTE

# Sports Center Operations

Budget Unit 570-63-621

Sports Center - Sports, Safety and Outdoor Recreation - Sports Center Operations

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 2,051,500        |
| Total Expenditures       | \$ 2,545,563        |
| Fund Balance             | \$ 453,937          |
| General Fund Costs       | \$ 948,000          |
| % Funded by General Fund | 37.2%               |
| Total Staffing           | 2.25 FTE            |

## Program Overview

The Cupertino Sports Center offers a variety of health and wellness activities including a full fitness center, child care, and a wide assortment of fitness classes, youth sports classes, and a variety of racquet sports, including tennis, table tennis, pickle ball, and badminton classes, camps, and programs.

## Service Objectives

- Increase memberships, participation in fitness classes, and enrollment in contract camps and classes.
- Market programs through social media, the recreation schedule, a new electronic sign on Stevens Creek Blvd., and the City website.
- Collaborate with Public Works to ensure successful implementation of Capital Improvement Projects.
- Explore new program offerings each quarter.
- Offer special classes for International Yoga Day and the annual Open House.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,545,563 for the Sports Center Operations program. This represents an increase of \$84,828 (3.4%) from the FY 2018-19 Adopted Budget.

This budget remains relatively unchanged from last year and supports the operations at the Cupertino Sports Center. This includes staffing, fitness programs, exercise classes, tennis, child care, racquetball, and a variety of camps and classes for all ages. The decrease in some operating costs is a direct result of conference and training expenses being moved to the department administration account, 100-60-601, the discontinuation of a summer camp program, and a one-time special piece of equipment purchase in the last fiscal year. The annual equipment replacement of two treadmills is proposed at a cost of \$13,000.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Use of Money and Property | \$ 793              | \$ 1,173            | \$ -                | \$ 1,000            |
| Charges for Services      | \$ 2,132,958        | \$ 2,402,491        | \$ 2,100,500        | \$ 2,050,500        |
| <b>Total Revenues</b>     | <b>\$ 2,133,751</b> | <b>\$ 2,403,664</b> | <b>\$ 2,100,500</b> | <b>\$ 2,051,500</b> |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 305,387          | \$ 308,350          | \$ 340,112          | \$ 348,124          |
| Employee Benefits         | \$ 86,232           | \$ 103,327          | \$ 91,817           | \$ 91,492           |
| Materials                 | \$ 39,705           | \$ 39,774           | \$ 86,600           | \$ 59,810           |
| Contract Services         | \$ 1,338,511        | \$ 1,561,619        | \$ 1,606,100        | \$ 1,696,689        |
| Cost Allocation           | \$ 170,485          | \$ 183,146          | \$ 246,571          | \$ 238,982          |
| Special Projects          | \$ 481              | \$ -                | \$ 5,000            | \$ 27,000           |
| Contingencies             | \$ -                | \$ -                | \$ 84,535           | \$ 83,466           |
| <b>Total Expenditures</b> | <b>\$ 1,940,801</b> | <b>\$ 2,196,216</b> | <b>\$ 2,460,735</b> | <b>\$ 2,545,563</b> |
| <b>Fund Balance</b>       | <b>\$ 348,994</b>   | <b>\$ 307,445</b>   | <b>\$ (360,235)</b> | <b>\$ 453,937</b>   |
| <b>General Fund Costs</b> | <b>\$ 156,045</b>   | <b>\$ 99,996</b>    | <b>\$ -</b>         | <b>\$ 948,000</b>   |

## Staffing

Total current authorized positions - 2.27 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 2.25 FTE

# Disaster Preparedness

Budget Unit 100-63-633

General Fund - Sports, Safety and Outdoor Recreation - Disaster Preparedness

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ -                       |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

In FY 2018-19, this program was transferred to the City Manager's Office. A complete discussion of this program can be found under Budget Unit 100-12-633. This program will remain in order to maintain historical data, however once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                   |                     |                     |
| Employee Compensation     | \$ 36,036        | \$ 92,977         | \$ 93,764           | \$ -                |
| Employee Benefits         | \$ 1,043         | \$ 34,825         | \$ 50,094           | \$ -                |
| Materials                 | \$ 14,421        | \$ 32,836         | \$ 34,988           | \$ -                |
| Contract Services         | \$ 372           | \$ 14             | \$ 5,000            | \$ -                |
| Cost Allocation           | \$ 13,054        | \$ 21,312         | \$ 81,069           | \$ -                |
| Special Projects          | \$ 2,433         | \$ -              | \$ -                | \$ -                |
| Contingencies             | \$ -             | \$ -              | \$ 1,999            | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 67,359</b> | <b>\$ 181,964</b> | <b>\$ 266,914</b>   | <b>\$ -</b>         |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 67,359</b> | <b>\$ 181,964</b> | <b>\$ 266,914</b>   | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Planning and Community Development

| Budget Unit                                 | Program                              | 2020 Adopted Budget  |
|---|--------------------------------------|----------------------|
| <b>Planning &amp; Community Development</b> |                                      | <b>\$ 724,623</b>    |
| 100-70-700                                  | Community Development Administration | \$ 724,623           |
| <b>Planning</b>                             |                                      | <b>\$ 4,363,500</b>  |
| 100-71-701                                  | Current Planning                     | \$ 2,482,756         |
| 100-71-702                                  | Mid and Long Term Planning           | \$ 1,880,744         |
| 100-71-704                                  | Annexations                          | \$ -                 |
| 100-71-705                                  | Economic Development                 | \$ -                 |
| <b>Housing Services</b>                     |                                      | <b>\$ 1,152,056</b>  |
| 260-72-707                                  | CDBG General Admin                   | \$ 69,277            |
| 260-72-709                                  | CDBG Capital/Housing Projects        | \$ 240,202           |
| 260-72-710                                  | CDBG Public Service Grants           | \$ 50,000            |
| 265-72-711                                  | BMR Affordable Housing Fund          | \$ 684,737           |
| 100-72-712                                  | Human Service Grants                 | \$ 107,840           |
| <b>Building</b>                             |                                      | <b>\$ 3,521,174</b>  |
| 100-73-713                                  | General Building                     | \$ 791,261           |
| 100-73-714                                  | Building Plan Review                 | \$ 1,457,036         |
| 100-73-715                                  | Building Code Enforcement            | \$ 1,175,096         |
| 100-73-718                                  | Muni Code Enforcement                | \$ 97,781            |
| <b>Code Enforcement</b>                     |                                      | <b>\$ 887,652</b>    |
| 100-74-202                                  | Code Enforcement                     | \$ 887,652           |
| <b>Total</b>                                |                                      | <b>\$ 10,649,005</b> |

# Department Overview

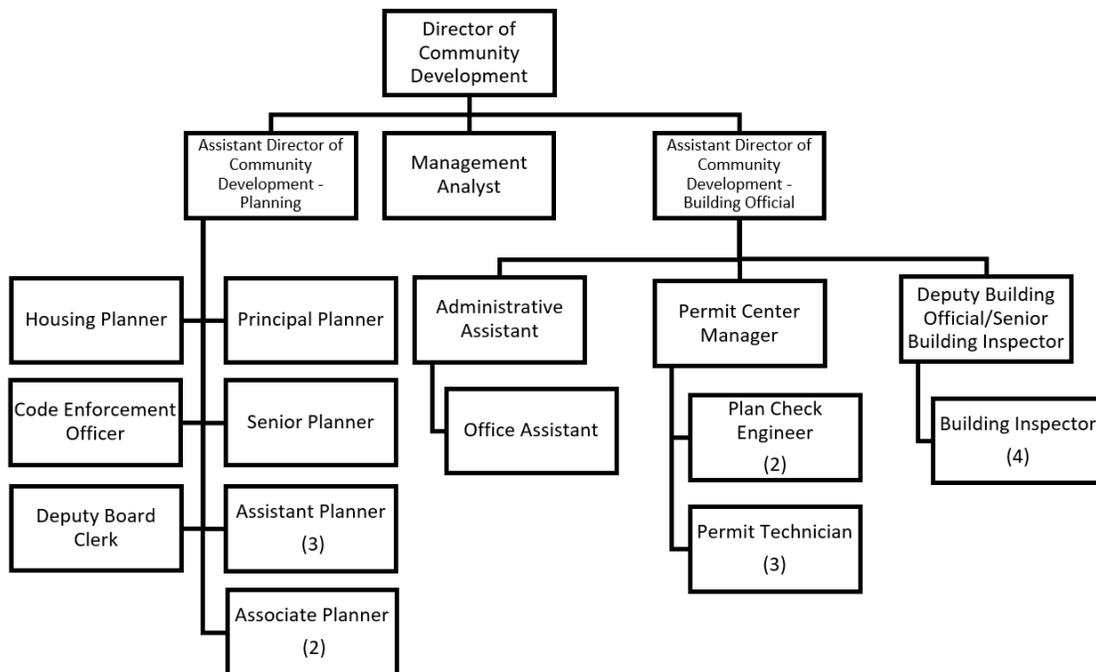
## Budget at a Glance

### 2020 Adopted Budget

|                          |               |
|--------------------------|---------------|
| Total Revenues           | \$ 4,582,436  |
| Total Expenditures       | \$ 10,649,005 |
| Fund Balance             | \$ (676,319)  |
| General Fund Costs       | \$ 5,390,250  |
| % Funded by General Fund | 50.6%         |
| Total Staffing           | 28.29 FTE     |

## Organization

Benjamin Fu, Director of Community Development



## Performance Measures

Goal: Review and guide development activity to ensure compliance with relevant codes and policies, and alignment with community values to promote and enhance Cupertino's community-wide quality of life.

Benefit: Cupertino is a thriving city to live, work, learn and play.

| Performance Measure  | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec | Ongoing<br>Target |
|--|----------------------|----------------------|---------------------|-------------------|
| Building permit applications plan reviewed within 15 business days <sup>1</sup>              | 93.18%               | 95%                  | 90%                 | 96%               |
| Customer/Applicants visiting the Building Permit Counter shall be assisted within 15 minutes | N/A                  | 100%                 | 100%                | 80%               |
| Planning application reviews completed by 30-day deadline                                    | 65%                  | 91%                  | 84%                 | 50%               |
| Building permit applications reviewed over-the-counter (OTC)                                 | 76.55%               | 65%                  | 58%                 | 80%               |
| Average number of days to initiate investigation of code complaints                          | 0.97                 | 1.96                 | 1.6                 | <7                |
| Code enforcement cases resolved without issuance of citations                                | 98.30%               | 92.98%               | 90%                 | 80%               |
| Landlord-tenant counseling and dispute resolution cases provided                             | 115                  | 70                   | 23                  | 100 per year      |
| Below market rate rental and purchase vacancies filled                                       | 22                   | 30                   | 16                  | 15 per year       |
| Housing resources and referrals provided   | 600                  | 1040                 | 520                 | 400 per year      |
| Complimentary/courtesy prelim app reviews completed within 3 weeks <sup>2</sup>              | Not tracked          | Not tracked          | Not tracked         | 80%               |
| Public Outreach Events <sup>2</sup>  | Not tracked          | Not tracked          | Not tracked         | 12 per year       |

<sup>1</sup> We will be able to report the percentage of building plan reviews completed within 15 business days and the percentage of building inspections requested online when the new land use and permitting software goes live.

<sup>2</sup> Will start tracking this Performance Measure in FY 2019-20

## Workload Indicators

### Planning Division

| Workload Indicator  | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of preliminary reviews                                     | N/A                  | N/A                  | 12                  |
| Number of planning applications received and completed in 30 days | N/A                  | N/A                  | N/A                 |
| Number of planning counter inquiries                              | N/A                  | N/A                  | N/A                 |

### Housing Services Division

| Workload Indicator   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|--|----------------------|----------------------|---------------------|
| Number of housing resources and referrals                                      | 600                  | 1040                 | 520                 |
| Number of BMR rental units and ownership                                       | 22                   | 30                   | 16                  |
| Number of landlord tenant counseling and dispute cases received                | 115                  | 70                   | 23                  |
| Number of annual HUD reports (CAPER, Action Plan, Consolidated Plan) completed | 2                    | 2                    | 3                   |
| Number of Housing Human Services Grant Funds inquiries                         | 30                   | 30                   | 21                  |

### Building Division

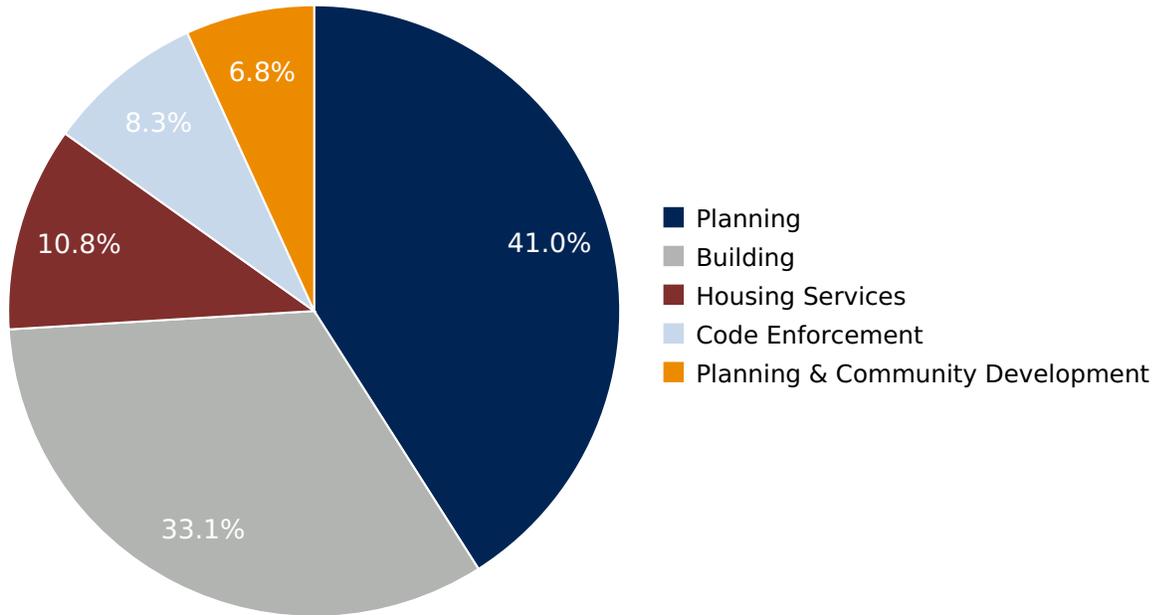
| Workload Indicator                   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|--------------------------------------|----------------------|----------------------|---------------------|
| Number of permits received           | 2,190                | 2,322                | 1,115               |
| Number of inspections requested      | 14,875               | 16,026               | 12,397              |
| Number of building counter inquiries | N/A                  | N/A                  | N/A                 |

## Adopted Budget

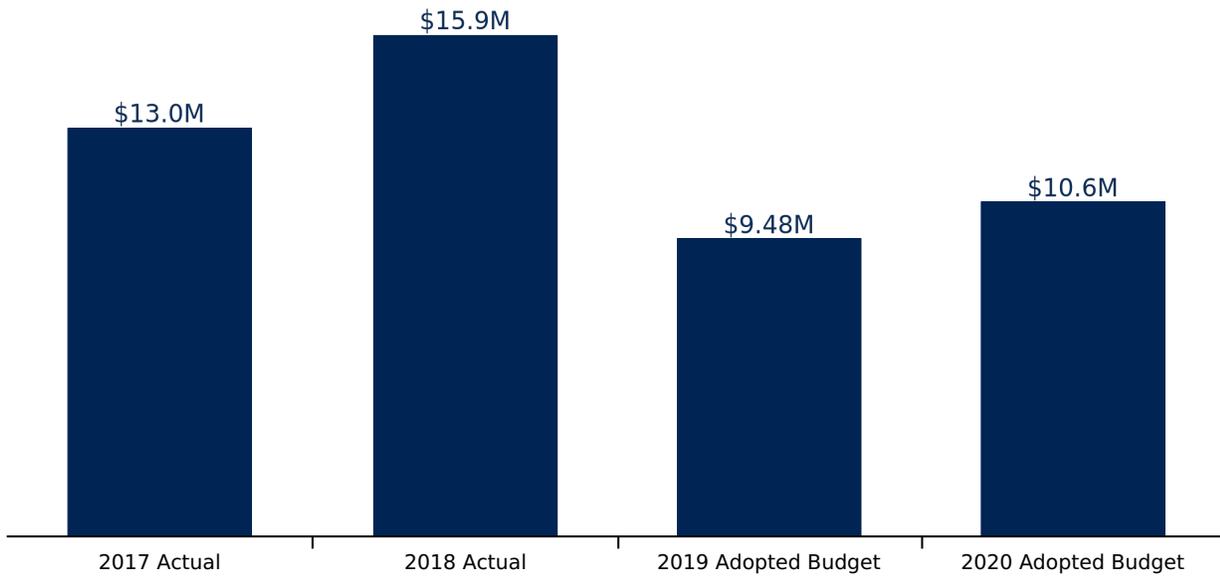
On June 18, 2019, City Council approved a budget of \$10,649,005 for the Planning and Community Development department. This represents an increase of \$1,172,949 (12.4%) from the FY 2018-19 Adopted Budget.

This increase is primarily due to increases in special projects costs for the General Plan Update.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual          | 2018 Actual           | 2019 Adopted Budget | 2020 Adopted Budget  |
|---------------------------|----------------------|-----------------------|---------------------|----------------------|
| <b>Revenues</b>           |                      |                       |                     |                      |
| Taxes                     | \$ 3,000             | \$ 165,324            | \$ 3,000            | \$ 3,000             |
| Licenses and Permits      | \$ 2,513,489         | \$ 2,728,492          | \$ 2,661,000        | \$ 2,500,000         |
| Use of Money and Property | \$ -                 | \$ 3,265              | \$ 2,966            | \$ 3,300             |
| Intergovernmental Revenue | \$ -                 | \$ 316,688            | \$ 311,942          | \$ 361,597           |
| Charges for Services      | \$ 8,181,779         | \$ 5,830,945          | \$ 1,550,000        | \$ 1,310,000         |
| Fines and Forfeitures     | \$ -                 | \$ -                  | \$ -                | \$ 265,000           |
| Miscellaneous Revenue     | \$ 866,473           | \$ 683,494            | \$ 127,500          | \$ 139,539           |
| <b>Total Revenues</b>     | <b>\$ 11,564,741</b> | <b>\$ 9,728,208</b>   | <b>\$ 4,656,408</b> | <b>\$ 4,582,436</b>  |
| <b>Expenditures</b>       |                      |                       |                     |                      |
| Employee Compensation     | \$ 2,816,088         | \$ 3,051,272          | \$ 3,444,529        | \$ 3,448,362         |
| Employee Benefits         | \$ 1,157,412         | \$ 1,254,973          | \$ 1,383,973        | \$ 1,441,002         |
| Materials                 | \$ 578,574           | \$ 595,759            | \$ 955,765          | \$ 753,792           |
| Contract Services         | \$ 922,986           | \$ 316,008            | \$ 550,450          | \$ 563,170           |
| Cost Allocation           | \$ 1,841,670         | \$ 2,069,309          | \$ 3,022,110        | \$ 2,923,486         |
| Special Projects          | \$ 5,673,286         | \$ 8,659,121          | \$ 100,000          | \$ 1,503,500         |
| Contingencies             | \$ -                 | \$ -                  | \$ 19,229           | \$ 15,693            |
| <b>Total Expenditures</b> | <b>\$ 12,990,016</b> | <b>\$ 15,946,442</b>  | <b>\$ 9,476,056</b> | <b>\$ 10,649,005</b> |
| <b>Fund Balance</b>       | <b>\$ (991,255)</b>  | <b>\$ (4,017,687)</b> | <b>\$ (825,265)</b> | <b>\$ (676,319)</b>  |
| <b>General Fund Costs</b> | <b>\$ 434,020</b>    | <b>\$ 2,200,550</b>   | <b>\$ 3,994,383</b> | <b>\$ 5,390,250</b>  |

## Staffing

Total current authorized positions - 28.13 FTE

Total recommended positions - 28.29 FTE

# Community Development Administration

Budget Unit 100-70-700

General Fund - Planning & Community Development - Community Development Administration

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 724,623          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 724,623          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.60 FTE            |

## Program Overview

The Community Development Administration program manages general office and oversight functions for the Community Development Department.

## Service Objectives

- Coordinate and direct general office affairs related to community development functions.
- Manage professional and administrative staff.
- Prepare and implement the department budget.
- Coordinate as necessary with other departments in the City.
- Review and evaluate City and department goals and objectives.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$724,623 for the Community Development Administration program. This represents a decrease of \$62,132 (-7.9%) from the FY 2018-19 Adopted Budget.

The decrease is due to decreased costs allocation charges related to room usage at Quinlan Community Center and Community Hall.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 89,927         | \$ 101,233        | \$ 103,703          | \$ 100,414          |
| Employee Benefits         | \$ 48,437         | \$ 38,455         | \$ 40,676           | \$ 39,127           |
| Materials                 | \$ 14,222         | \$ 14,886         | \$ 30,450           | \$ 23,955           |
| Contract Services         | \$ 2,215          | \$ 3,727          | \$ 107,000          | \$ 100,000          |
| Cost Allocation           | \$ 65,577         | \$ 146,586        | \$ 498,053          | \$ 454,929          |
| Contingencies             | \$ -              | \$ -              | \$ 6,873            | \$ 6,198            |
| <b>Total Expenditures</b> | <b>\$ 220,378</b> | <b>\$ 304,887</b> | <b>\$ 786,755</b>   | <b>\$ 724,623</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 220,378</b> | <b>\$ 304,887</b> | <b>\$ 786,755</b>   | <b>\$ 724,623</b>   |

## Staffing

Total current authorized positions - 0.55 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 0.60 FTE

# Current Planning

Budget Unit 100-71-701

General Fund - Planning - Current Planning

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 1,175,000               |
| Total Expenditures       | \$ 2,482,756               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,307,756               |
| % Funded by General Fund | 52.7%                      |
| Total Staffing           | 7.48 FTE                   |

## Program Overview

The Current Planning program serves to review projects and implement City ordinances and the General Plan goals and objectives through the permitting process.

## Service Objectives

- Maintain a high level of customer service.
- Provide assistance at the public counter, over the telephone, or via email.
- Implement the City's General Plan and Zoning Ordinance.
- Evaluate Planning applications for consistency with City ordinance, General Plan goals, and applicable State and Federal regulations.
- Coordinate internal review of Planning applications with other City departments.
- Conduct an environmental review of projects in compliance with California Environmental Quality Act (CEQA) and applicable regional, State and Federal regulations.
- Provide technical analysis and recommendations to the Council, Planning Commission and Design Review Committee.
- Administer the review of projects including finalizing building permits related to Planning requirements.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,482,756 for the Current Planning program. This represents a decrease of \$371,494 (-13.0%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to a reduction in part time salary costs and reduced contract services that align the budget more closely with prior year actuals.

## Special Projects

The following table shows the special projects for the fiscal year.

| <b>Special Project</b>      | <b>Appropriation</b> | <b>Revenue</b> | <b>Funding Source</b> | <b>Description</b>          |
|-----------------------------|----------------------|----------------|-----------------------|-----------------------------|
| Short-term Rentals Outreach | \$8,500              | \$8,500        | General Fund          | Short-term Rentals Outreach |
| <b>Total</b>                | <b>\$8,500</b>       | <b>\$8,500</b> |                       |                             |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b>  | <b>2018 Actual</b>  | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|---------------------|---------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                     |                     |                            |                            |
| Charges for Services      | \$ 2,696,004        | \$ 1,400,389        | \$ 1,350,000               | \$ 1,100,000               |
| Miscellaneous Revenue     | \$ 44,856           | \$ 88,813           | \$ 112,500                 | \$ 75,000                  |
| <b>Total Revenues</b>     | <b>\$ 2,740,860</b> | <b>\$ 1,489,202</b> | <b>\$ 1,462,500</b>        | <b>\$ 1,175,000</b>        |
| <b>Expenditures</b>       |                     |                     |                            |                            |
| Employee Compensation     | \$ 770,528          | \$ 856,419          | \$ 1,082,667               | \$ 957,430                 |
| Employee Benefits         | \$ 306,148          | \$ 330,183          | \$ 391,998                 | \$ 357,547                 |
| Materials                 | \$ 24,665           | \$ 19,957           | \$ 42,330                  | \$ 31,430                  |
| Contract Services         | \$ 100,953          | \$ 22,705           | \$ 20,750                  | \$ -                       |
| Cost Allocation           | \$ 801,190          | \$ 725,723          | \$ 1,313,601               | \$ 1,126,277               |
| Special Projects          | \$ 104,618          | \$ 282,993          | \$ -                       | \$ 8,500                   |
| Contingencies             | \$ -                | \$ -                | \$ 2,904                   | \$ 1,572                   |
| <b>Total Expenditures</b> | <b>\$ 2,108,102</b> | <b>\$ 2,237,980</b> | <b>\$ 2,854,250</b>        | <b>\$ 2,482,756</b>        |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ (632,759)</b> | <b>\$ 748,778</b>   | <b>\$ 1,391,750</b>        | <b>\$ 1,307,756</b>        |

## Staffing

Total current authorized positions - 7.43 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 7.48 FTE

# Mid and Long Term Planning

Budget Unit 100-71-702

General Fund - Planning - Mid and Long Term Planning

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 225,000                 |
| Total Expenditures       | \$ 1,880,744               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,655,744               |
| % Funded by General Fund | 88.0%                      |
| <hr/>                    |                            |
| Total Staffing           | 2.19 FTE                   |

## Program Overview

The Mid- and Long-Term Planning program assists the community in preparing, reviewing and amending documents including the General Plan, Specific Plans, Conceptual Plans, and the Municipal Code, including the Zoning Ordinance. Additionally, the program anticipates and evaluates trends, and develops strategies and plans to help the City address change.

## Service Objectives

- Review and amend the City's General Plan, Housing Element, and Municipal Code, including the Zoning Ordinance, Specific, Conceptual and Master Plans.
- Ensure City processes and regulations are in compliance with State and Federal regulations.
- Review and implement policies in the General Plan, Housing Element, Zoning Ordinance, Specific, Conceptual and Master Plans.
- Coordinate with various regional, State and Federal agencies on projects.
- Facilitate the planning and implementation of the City Council's annual community development goals and objectives.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,880,744 for the Mid and Long Term Planning program. This represents an increase of \$1,141,266 (154.3%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to the General Plan update. This has resulted in ongoing increased costs of \$1,017,449 for FY 2019-20.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects       | Appropriations     | Revenue            | Funding Source | Description            |
|------------------------|--------------------|--------------------|----------------|------------------------|
| General Plan Update    | \$1,000,000        | \$1,000,000        | General Fund   | General Plan Update    |
| Urban Village          | \$250,000          | \$250,000          | General Fund   | Urban Village          |
| Municipal Code Updates | \$25,000           | \$25,000           | General Fund   | Municipal Code Updates |
| Dark Sky               | \$5,000            | \$5,000            | General Fund   | Dark Sky               |
| <b>Total</b>           | <b>\$1,280,000</b> | <b>\$1,280,000</b> |                |                        |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                     |                     |                     |
| Charges for Services      | \$ 26,350         | \$ 1,467,516        | \$ 200,000          | \$ 210,000          |
| Miscellaneous Revenue     | \$ 2,904          | \$ 150,591          | \$ 15,000           | \$ 15,000           |
| <b>Total Revenues</b>     | <b>\$ 29,254</b>  | <b>\$ 1,618,107</b> | <b>\$ 215,000</b>   | <b>\$ 225,000</b>   |
| <b>Expenditures</b>       |                   |                     |                     |                     |
| Employee Compensation     | \$ 244,400        | \$ 289,923          | \$ 340,279          | \$ 309,606          |
| Employee Benefits         | \$ 96,177         | \$ 111,372          | \$ 133,587          | \$ 116,272          |
| Materials                 | \$ 4,359          | \$ 4,659            | \$ 5,210            | \$ 4,100            |
| Contract Services         | \$ 140,821        | \$ 2,550            | \$ 2,350            | \$ -                |
| Cost Allocation           | \$ 194,605        | \$ 151,267          | \$ 157,674          | \$ 170,561          |
| Special Projects          | \$ 62,988         | \$ 1,496,955        | \$ 100,000          | \$ 1,280,000        |
| Contingencies             | \$ -              | \$ -                | \$ 378              | \$ 205              |
| <b>Total Expenditures</b> | <b>\$ 743,350</b> | <b>\$ 2,056,726</b> | <b>\$ 739,478</b>   | <b>\$ 1,880,744</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 714,097</b> | <b>\$ 438,619</b>   | <b>\$ 524,478</b>   | <b>\$ 1,655,744</b> |

## Staffing

Total current authorized positions - 2.15 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 2.19 FTE

# Annexations

Budget Unit 100-71-704

General Fund - Planning - Annexations

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The Annexations program was created in FY 2014-15 to account for annexations of property from outside city limits.

## Service Objectives

- Identify and process annexations

## Adopted Budget

There is no budget requested for this program.

The decrease is mainly due to the pending Lawrence Mitty Annexation which is in the Public Works work program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual   | 2018 Actual   | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------|---------------|---------------------|---------------------|
| <b>Revenues</b>           |               |               |                     |                     |
| <b>Total Revenues</b>     | \$ -          | \$ -          | \$ -                | \$ -                |
| <b>Expenditures</b>       |               |               |                     |                     |
| Cost Allocation           | \$ 837        | \$ 141        | \$ 903              | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 837</b> | <b>\$ 141</b> | <b>\$ 903</b>       | <b>\$ -</b>         |
| <b>Fund Balance</b>       | <b>\$ -</b>   | <b>\$ -</b>   | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 837</b> | <b>\$ 141</b> | <b>\$ 903</b>       | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Economic Development

Budget Unit 100-71-705

General Fund - Planning - Economic Development

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

In FY 2018-19, this program was transferred to Administration as part of a department reorganization. A complete discussion of this program can be found under Budget Unit 100-12-705. This program will remain in order to maintain historical data. Once all prior year data as listed in the table below is \$0, this program will be removed.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 87,571         | \$ 95,026         | \$ 79,390           | \$ -                |
| Employee Benefits         | \$ 26,680         | \$ 29,480         | \$ 24,903           | \$ -                |
| Materials                 | \$ 32,981         | \$ 16,576         | \$ 40,570           | \$ -                |
| Contract Services         | \$ 403            | \$ 44,893         | \$ 49,000           | \$ -                |
| Cost Allocation           | \$ 2,345          | \$ 28,270         | \$ 33,676           | \$ -                |
| Special Projects          | \$ -              | \$ 75,083         | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 4,093            | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 149,980</b> | <b>\$ 289,328</b> | <b>\$ 231,632</b>   | <b>\$ -</b>         |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 149,980</b> | <b>\$ 289,328</b> | <b>\$ 231,632</b>   | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# CDBG General Admin

Budget Unit 260-72-707

CDBG - Housing Services - CDBG General Admin

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 72,319           |
| Total Expenditures       | \$ 69,277           |
| Fund Balance             | \$ 3,042            |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 0.39 FTE            |

## Program Overview

The General Administration of the Community Development Block Grant (CDBG) federal entitlement program consists of the overall program administration costs, including staff time and employee benefits. The CDBG program is a federal entitlement program which serves low and very-low income Cupertino residents.

## Service Objectives

- Prepare and submit an Annual Plan yearly to the Department of Housing and Urban Development (HUD).
- Prepare and submit CAPER on annual basis to HUD.
- Prepare and submit to HUD a Consolidated Plan every 5-7 years.
- Meet quarterly with Santa Clara County CDBG Coordinators.
- Conduct two public hearings per year to allocate CDBG funding.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$69,277 for the CDBG General Admin program. This represents an increase of \$3,406 (5.2%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year. CDBG Administration funds represent 20% of the entitlement amount plus program income.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual        | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|--------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                    |                  |                     |                     |
| Intergovernmental Revenue | \$ -               | \$ 60,128        | \$ 62,388           | \$ 72,319           |
| <b>Total Revenues</b>     | <b>\$ -</b>        | <b>\$ 60,128</b> | <b>\$ 62,388</b>    | <b>\$ 72,319</b>    |
| <b>Expenditures</b>       |                    |                  |                     |                     |
| Employee Compensation     | \$ 42,151          | \$ 37,917        | \$ 43,007           | \$ 45,758           |
| Employee Benefits         | \$ 21,457          | \$ 22,211        | \$ 22,864           | \$ 23,519           |
| Contract Services         | \$ 283             | \$ -             | \$ -                | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 63,891</b>   | <b>\$ 60,128</b> | <b>\$ 65,871</b>    | <b>\$ 69,277</b>    |
| <b>Fund Balance</b>       | <b>\$ (61,948)</b> | <b>\$ -</b>      | <b>\$ (3,483)</b>   | <b>\$ 3,042</b>     |
| <b>General Fund Costs</b> | <b>\$ 1,942</b>    | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.39 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.39 FTE

# CDBG Capital/Housing Projects

Budget Unit 260-72-709

CDBG - Housing Services - CDBG Capital/Housing Projects

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 238,338                 |
| Total Expenditures       | \$ 240,202                 |
| Fund Balance             | \$ (1,864)                 |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

This portion of the CDBG program encompasses grants and loans to non-profit developers and agencies to purchase land and units for affordable housing.

## Service Objectives

- Issue RFPs on an annual basis for affordable housing development projects.
- Make funding recommendations to Housing Commission and City Council.
- Coordinate entitlement process with the Planning Division for affordable development projects.
- Monitor project progress of grantees through the construction phase.
- Coordinate CEQA/NEPA process for all affordable developments.
- Review quarterly reports from developers and enter data into HUD IDIS program.
- Coordinate preparation of all grant and loan agreements, Deeds of Trust, Promissory Notes, and Regulatory Agreements.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$240,202 for the CDBG Capital/Housing Projects program. This represents an increase of \$29,310 (13.9%) from the FY 2018-19 Adopted Budget.

The increase is mainly due to the HUD CDBG entitlement change each year. CDBG Capital Housing Project funds represent 65% of the entitlement amount plus program income.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b>  | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|---------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                     |                    |                            |                            |
| Use of Money and Property | \$ -                | \$ 3,265           | \$ 2,966                   | \$ 3,300                   |
| Intergovernmental Revenue | \$ -                | \$ 208,577         | \$ 202,763                 | \$ 235,038                 |
| <b>Total Revenues</b>     | <b>\$ -</b>         | <b>\$ 211,842</b>  | <b>\$ 205,729</b>          | <b>\$ 238,338</b>          |
| <b>Expenditures</b>       |                     |                    |                            |                            |
| Materials                 | \$ 284,484          | \$ 224,461         | \$ 210,892                 | \$ 240,202                 |
| <b>Total Expenditures</b> | <b>\$ 284,484</b>   | <b>\$ 224,461</b>  | <b>\$ 210,892</b>          | <b>\$ 240,202</b>          |
| <b>Fund Balance</b>       | <b>\$ (284,484)</b> | <b>\$ (12,620)</b> | <b>\$ (5,163)</b>          | <b>\$ (1,864)</b>          |
| <b>General Fund Costs</b> | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ -</b>                |

## **Staffing**

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# CDBG Public Service Grants

Budget Unit 260-72-710

CDBG - Housing Services - CDBG Public Service Grants

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 54,240                  |
| Total Expenditures       | \$ 50,000                  |
| Fund Balance             | \$ 4,240                   |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

This portion of the City of Cupertino's CDBG entitlement is reserved for grants to nonprofit agencies serving low and moderate income Cupertino residents. The agencies provide services such as food assistance, job training, emergency housing, legal assistance, etc.

## Service Objectives

- On a quarterly basis, monitor grants, disburse funding, and collect demographic information from each sub-recipient awarded funding through this program.
- On a bi-annual basis, issue RFP for grants, review grant applications, and make funding recommendations.
- Make funding recommendations to Housing Commission and City Council.
- On an annual basis, prepare grant agreements or amend grant agreements for each grantee.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$50,000 for the CDBG Public Service Grants program. This represents an increase of \$2,017 (4.2%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year. CDBG Public Service funds represent 15% of the entitlement amount plus program income.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual        | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|--------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                    |                  |                     |                     |
| Intergovernmental Revenue | \$ -               | \$ 47,983        | \$ 46,791           | \$ 54,240           |
| <b>Total Revenues</b>     | <b>\$ -</b>        | <b>\$ 47,983</b> | <b>\$ 46,791</b>    | <b>\$ 54,240</b>    |
| <b>Expenditures</b>       |                    |                  |                     |                     |
| Materials                 | \$ 47,187          | \$ 47,983        | \$ 47,983           | \$ 50,000           |
| <b>Total Expenditures</b> | <b>\$ 47,187</b>   | <b>\$ 47,983</b> | <b>\$ 47,983</b>    | <b>\$ 50,000</b>    |
| <b>Fund Balance</b>       | <b>\$ (47,187)</b> | <b>\$ -</b>      | <b>\$ (1,192)</b>   | <b>\$ 4,240</b>     |
| <b>General Fund Costs</b> | <b>\$ -</b>        | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# BMR Affordable Housing Fund

Budget Unit 265-72-711

BMR Housing - Housing Services - BMR Affordable Housing Fund

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 3,000                   |
| Total Expenditures       | \$ 684,737                 |
| Fund Balance             | \$ (681,737)               |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 0.41 FTE                   |

## Program Overview

This program covers administration of the Below Market Rate (BMR) Housing program.

## Service Objectives

- Contract with BMR Program administrator on an annual basis for services relating to rental and ownership units.
- Prepare and monitor agreement for services between the City of Cupertino and administrator.
- Process monthly reimbursement requests from the administrator.
- Provide technical assistance to the administrator.
- Review and maintain "Policy and Procedures Manual for Administering Deed Restricted Affordable Housing Units."
- Review and maintain Housing Mitigation Manual.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$684,737 for the BMR Affordable Housing Fund program. This represents a decrease of \$133,690 (-16.3%) from the FY 2018-19 Adopted Budget.

The decrease is mainly due to the completion of special projects.

## Special Projects

The following table shows the special projects for the fiscal year.

| <b>Special Project</b> | <b>Appropriation</b> | <b>Revenue</b>   | <b>Funding Source</b> | <b>Description</b>   |
|------------------------|----------------------|------------------|-----------------------|----------------------|
| Housing Strategies     | \$20,000             | \$20,000         | General Fund          | Housing Strategies   |
| Homelessness           | \$10,000             | \$10,000         | General Fund          | Homelessness         |
| Habitat for Humanity   | \$150,000            | \$150,000        | General Fund          | Habitat for Humanity |
| <b>Total</b>           | <b>\$180,000</b>     | <b>\$180,000</b> |                       |                      |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b>  | <b>2018 Actual</b>    | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|---------------------|-----------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                     |                       |                            |                            |
| Taxes                     | \$ 3,000            | \$ 165,324            | \$ 3,000                   | \$ 3,000                   |
| Charges for Services      | \$ -                | \$ 34,135             | \$ -                       | \$ -                       |
| Miscellaneous Revenue     | \$ -                | \$ 4,754              | \$ -                       | \$ -                       |
| <b>Total Revenues</b>     | <b>\$ 3,000</b>     | <b>\$ 204,213</b>     | <b>\$ 3,000</b>            | <b>\$ 3,000</b>            |
| <b>Expenditures</b>       |                     |                       |                            |                            |
| Employee Compensation     | \$ 21,473           | \$ 32,733             | \$ 44,817                  | \$ 47,152                  |
| Employee Benefits         | \$ 10,950           | \$ 18,681             | \$ 23,530                  | \$ 24,237                  |
| Materials                 | \$ 130,808          | \$ 183,393            | \$ 413,180                 | \$ 232,150                 |
| Contract Services         | \$ 439,077          | \$ 177,626            | \$ 336,900                 | \$ 201,170                 |
| Cost Allocation           | \$ -                | \$ 2,582              | \$ -                       | \$ 28                      |
| Special Projects          | \$ -                | \$ 3,794,265          | \$ -                       | \$ 180,000                 |
| <b>Total Expenditures</b> | <b>\$ 602,308</b>   | <b>\$ 4,209,280</b>   | <b>\$ 818,427</b>          | <b>\$ 684,737</b>          |
| <b>Fund Balance</b>       | <b>\$ (597,636)</b> | <b>\$ (4,005,067)</b> | <b>\$ (815,427)</b>        | <b>\$ (681,737)</b>        |
| <b>General Fund Costs</b> | <b>\$ 1,672</b>     | <b>\$ -</b>           | <b>\$ -</b>                | <b>\$ -</b>                |

## Staffing

Total current authorized positions - 0.41 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.41 FTE

# Human Service Grants

Budget Unit 100-72-712

General Fund - Housing Services - Human Service Grants

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 107,840                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 107,840                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

The City of Cupertino sets aside \$100,000 from its General Fund for non-profit agencies providing services to low and moderate income Cupertino residents.

## Service Objectives

- On a quarterly basis, monitor grants, disburse funding, and collect demographic information from each sub-recipient of this program.
- On a bi-annual basis, issue RFP for grants, review grant applications, and make funding recommendations.
- Make funding recommendations to Housing Commission and City Council.
- On an annual basis, prepare or amend grant agreements for each grantee.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$107,840 for the Human Service Grants program. This represents an increase of \$4,830 (4.7%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Materials                 | \$ -             | \$ 40,000        | \$ 100,000          | \$ 100,000          |
| Contract Services         | \$ 39,999        | \$ -             | \$ -                | \$ -                |
| Cost Allocation           | \$ 1,910         | \$ 1,836         | \$ 3,010            | \$ 2,840            |
| Contingencies             | \$ -             | \$ -             | \$ -                | \$ 5,000            |
| <b>Total Expenditures</b> | <b>\$ 41,909</b> | <b>\$ 41,836</b> | <b>\$ 103,010</b>   | <b>\$ 107,840</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 41,909</b> | <b>\$ 41,836</b> | <b>\$ 103,010</b>   | <b>\$ 107,840</b>   |

## Staffing

Total current authorized positions - 0.00 FTE

There is no staffing associated with this program.

Total recommended positions - 0.00 FTE

# General Building

Budget Unit 100-73-713

General Fund - Building - General Building

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 300,000          |
| Total Expenditures       | \$ 791,261          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 491,261          |
| % Funded by General Fund | 62.1%               |
| Total Staffing           | 2.92 FTE            |

## Program Overview

The General Building program establishes the minimum requirements to safeguard the public health, safety and general welfare through structural strength, means of egress facilities, stability, accessibility, sanitation, adequate lighting and ventilation and energy conservation; safety to life and property from fire and other hazards attributed to the built environment; and to provide safety to fire fighters and emergency responders during emergency operations.

## Service Objectives

- Provide efficient and friendly service that will assist customers with their building permit goals and objectives.
- Continue to streamline the workflow process to provide efficient and friendly customer service.
- Work proactively to enhance the public interface and information systems.
- Continue efforts to create a more effective records management system and land use data system using Geographic Information System (GIS).
- Increase staff knowledge through in-house training, meetings, and seminars

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$791,261 for the General Building program. This represents a decrease of \$62,944 (-7.4%) from the FY 2018-19 Adopted Budget.

The decrease is mainly due to decreased part time staff costs and reduced charges for IT services.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| Licenses and Permits      | \$ 827,887          | \$ 305,951        | \$ 460,000          | \$ 300,000          |
| Charges for Services      | \$ 599,583          | \$ 350            | \$ -                | \$ -                |
| Miscellaneous Revenue     | \$ 89,737           | \$ 53             | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 1,517,207</b> | <b>\$ 306,354</b> | <b>\$ 460,000</b>   | <b>\$ 300,000</b>   |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Employee Compensation     | \$ 329,712          | \$ 332,847        | \$ 394,220          | \$ 359,785          |
| Employee Benefits         | \$ 132,365          | \$ 136,400        | \$ 156,152          | \$ 152,528          |
| Materials                 | \$ 20,740           | \$ 18,852         | \$ 23,900           | \$ 19,240           |
| Contract Services         | \$ 7,200            | \$ 3,650          | \$ 7,850            | \$ -                |
| Cost Allocation           | \$ 193,138          | \$ 236,112        | \$ 270,495          | \$ 258,746          |
| Special Projects          | \$ 27,020           | \$ 13,053         | \$ -                | \$ -                |
| Contingencies             | \$ -                | \$ -              | \$ 1,588            | \$ 962              |
| <b>Total Expenditures</b> | <b>\$ 710,175</b>   | <b>\$ 740,914</b> | <b>\$ 854,205</b>   | <b>\$ 791,261</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (807,031)</b> | <b>\$ 434,561</b> | <b>\$ 394,205</b>   | <b>\$ 491,261</b>   |

## Staffing

Total current authorized positions - 2.90 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 2.92 FTE

# Building Plan Review

Budget Unit 100-73-714

General Fund - Building - Building Plan Review

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 1,049,539               |
| Total Expenditures       | \$ 1,457,036               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 407,497                 |
| % Funded by General Fund | 28.0%                      |
| <hr/>                    |                            |
| Total Staffing           | 5.90 FTE                   |

## Program Overview

The Building Plan Review program is responsible for the timely and accurate review and approval of construction drawings for all residential, commercial and industrial permit applications for buildings and structures to ensure the proposed design meets or exceeds the minimum life safety, plumbing, mechanical, electrical, accessibility, energy and structural safety standards of the California Building Code and all governing local amendments.

## Service Objectives

- Provide a streamlined building plan review system that will ensure plans comply with all applicable state and local codes and ordinances.
- Continue to streamline the internal application processing system and permit review process.
- Confer with design professionals on project application and pre-application meetings.
- Provide general code information for property owners, design professionals, developers, contractors and the general public.
- Assist building inspectors in difficult or unusual code interpretation as it applies to various buildings and structures.
- Assist in training of building inspectors and permit technicians in conducting residential and minor commercial plan review.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,457,036 for the Building Plan Review program. This represents an increase of \$115,450 (8.6%) from the FY 2018-19 Adopted Budget.

The increase is mainly due to increased salary and benefit costs as employees progress through the City's five step salary schedule. Increases in contract services and on call contracts make up the remainder of the increase.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project               | Appropriation   | Revenue         | Funding Source | Description  |
|-------------------------------|-----------------|-----------------|----------------|--|
| Green Building Code standards | \$35,000        | \$35,000        | General Fund   | Consultant to generate Green Building Code standards |
| <b>Total</b>                  | <b>\$35,000</b> | <b>\$35,000</b> |                |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Licenses and Permits      | \$ 535,637          | \$ 927,741          | \$ 751,000          | \$ 1,000,000        |
| Charges for Services      | \$ 847,914          | \$ 463,108          | \$ -                | \$ -                |
| Miscellaneous Revenue     | \$ 127,187          | \$ 69,466           | \$ -                | \$ 49,539           |
| <b>Total Revenues</b>     | <b>\$ 1,510,738</b> | <b>\$ 1,460,315</b> | <b>\$ 751,000</b>   | <b>\$ 1,049,539</b> |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 538,905          | \$ 596,332          | \$ 641,202          | \$ 658,969          |
| Employee Benefits         | \$ 218,927          | \$ 271,670          | \$ 301,147          | \$ 302,174          |
| Materials                 | \$ 7,333            | \$ 6,437            | \$ 10,600           | \$ 6,865            |
| Contract Services         | \$ 97,678           | \$ 6,802            | \$ 9,400            | \$ -                |
| Cost Allocation           | \$ 231,492          | \$ 349,802          | \$ 378,237          | \$ 453,685          |
| Special Projects          | \$ 1,042,907        | \$ 459,558          | \$ -                | \$ 35,000           |
| Contingencies             | \$ -                | \$ -                | \$ 1,000            | \$ 343              |
| <b>Total Expenditures</b> | <b>\$ 2,137,242</b> | <b>\$ 1,690,601</b> | <b>\$ 1,341,586</b> | <b>\$ 1,457,036</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 626,504</b>   | <b>\$ 230,287</b>   | <b>\$ 590,586</b>   | <b>\$ 407,497</b>   |

## Staffing

Total current authorized positions - 5.90 FTE

There are no changes to the current level of staffing.

Total recommended positions - 5.90 FTE

# Building Code Enforcement

Budget Unit 100-73-715

General Fund - Building - Building Code Enforcement

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,200,000        |
| Total Expenditures       | \$ 1,175,096        |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ (24,904)         |
| % Funded by General Fund | -2.1%               |
| Total Staffing           | 5.15 FTE            |

## Program Overview

The Building Inspection program is established to enforce certain minimum standards pursuant to the California Building Code and all local amendments for all new and existing buildings and structures within the City of Cupertino jurisdiction. These minimum standards include public safety, health and general welfare through structural strength, stability, sanitation, adequate light and ventilation, and safety to life and property from fire, hurricane, and other hazards attributed to the built environment. These include alteration, repair, removal, demolition, use, and occupancy of buildings, structures or premises. The Building Inspections Division also regulates the installation and maintenance of all electrical, gas, mechanical and plumbing systems, which may be referred to as service systems. The program also responds to stormwater pollution protection, emergency situations and complaints of unsafe structures, work without permits, and prepares Notices of Violation as necessary. Unabated cases are referred to the Code Enforcement Division for further action.

## Service Objectives

- Build and maintain a positive working relationship with co-workers, other city employees and the general public using principles of quality customer service.
- Build and maintain a partnership with property owners, developers, and contractors to help our customers meet their building occupancy goals.
- Perform building inspections within 48 hours of receiving the request.
- Consistently and accurately document non-complying code issues to ensure proper and safe installation of routine and complex building systems.
- Ensure that minimum building code safety requirements are met in all phases of construction for structural, electrical, plumbing, mechanical and accessibility installations.
- Educate community members about life and safety inspection issues as they occur before and during the construction process.
- Work with owners, developers, and contractors to implement principles of green building as required in the CALGreen Building Code and Cupertino green building requirements.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,175,096 for the Building Code Enforcement program. This represents an increase of \$16,256 (1.4%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Licenses and Permits      | \$ 1,149,965        | \$ 1,494,800        | \$ 1,450,000        | \$ 1,200,000        |
| Charges for Services      | \$ 4,011,928        | \$ 2,465,447        | \$ -                | \$ -                |
| Miscellaneous Revenue     | \$ 601,789          | \$ 369,817          | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 5,763,682</b> | <b>\$ 4,330,064</b> | <b>\$ 1,450,000</b> | <b>\$ 1,200,000</b> |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 575,808          | \$ 582,740          | \$ 587,187          | \$ 582,979          |
| Employee Benefits         | \$ 248,290          | \$ 242,557          | \$ 233,592          | \$ 267,646          |
| Materials                 | \$ 9,423            | \$ 15,776           | \$ 24,700           | \$ 28,250           |
| Contract Services         | \$ 80,926           | \$ 52,726           | \$ 9,400            | \$ -                |
| Cost Allocation           | \$ 262,655          | \$ 317,989          | \$ 302,256          | \$ 294,808          |
| Special Projects          | \$ 4,435,753        | \$ 2,537,214        | \$ -                | \$ -                |
| Contingencies             | \$ -                | \$ -                | \$ 1,705            | \$ 1,413            |
| <b>Total Expenditures</b> | <b>\$ 5,612,855</b> | <b>\$ 3,749,002</b> | <b>\$ 1,158,840</b> | <b>\$ 1,175,096</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (150,827)</b> | <b>\$ (581,061)</b> | <b>\$ (291,160)</b> | <b>\$ (24,904)</b>  |

## Staffing

Total current authorized positions - 5.15 FTE

There are no changes to the current level of staffing.

Total recommended positions - 5.15 FTE

# Muni Code Enforcement

Budget Unit 100-73-718

General Fund - Building - Muni Code Enforcement

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 97,781                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 97,781                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.25 FTE                   |

## Program Overview

The Community Development Code Enforcement program provides enforcement of various provisions of the municipal code relating to nonconforming land use and building code compliance. These activities include building without permits, unpermitted removal of protected trees, nonconforming accessory structures, various use permit violations, private residential fence height/setback violations, and nonconforming signs. Assistance is provided to Planning and Building Division staff in the resolution of different code violations and land use concerns, which are contrary to the municipal code.

## Service Objectives

- Respond to citizen, City department, or outside agency referrals within 48 hours.
- Provide services with an emphasis on community education and customer service.
- Enforce the codes in a fair, equitable, and objective manner.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$97,781 for the Muni Code Enforcement program. This represents a decrease of \$164,443 (-62.7%) from the FY 2018-19 Adopted Budget.

In FY 2018-19, a new program was created to combine Building Code Enforcement and Law Enforcement Code Enforcement. The decrease is mainly due to the transfer of 1 full-time Code Enforcement position to the new program Code Enforcement.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 115,613        | \$ 126,102        | \$ 128,057          | \$ 28,636           |
| Employee Benefits         | \$ 47,981         | \$ 53,964         | \$ 55,524           | \$ 13,028           |
| Materials                 | \$ 2,372          | \$ 2,779          | \$ 5,950            | \$ -                |
| Contract Services         | \$ 13,431         | \$ 1,329          | \$ 7,800            | \$ -                |
| Cost Allocation           | \$ 87,921         | \$ 109,001        | \$ 64,205           | \$ 56,117           |
| Contingencies             | \$ -              | \$ -              | \$ 688              | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 267,318</b> | <b>\$ 293,175</b> | <b>\$ 262,224</b>   | <b>\$ 97,781</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 267,318</b> | <b>\$ 293,174</b> | <b>\$ 262,224</b>   | <b>\$ 97,781</b>    |

## Staffing

Total current authorized positions - 0.25 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.25 FTE

# Code Enforcement

Budget Unit 100-74-202

General Fund - Code Enforcement - Code Enforcement

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 265,000          |
| Total Expenditures       | \$ 887,652          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 622,652          |
| % Funded by General Fund | 70.1%               |
| Total Staffing           | 3.00 FTE            |

## Program Overview

The Code Enforcement program provides enforcement of various provisions of the municipal code relating to parking citations, noise, animal control, zoning and building, and other compliance areas. Assistance is provided to the Sheriff Department in the areas of traffic control and other complaint responses.

## Service Objectives

- Respond to resident, City department, or outside agency referrals within 48 hours.
- Provide services with an emphasis on community education and customer service.
- Enforce the codes in a fair, equitable, and objective manner.
- Manage the animal control services contract with the City of San José.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$887,652 for the Code Enforcement program.

In FY 2018-19, Law Enforcement Code Enforcement was transferred to Community Development. This program was created to combine Building Code Enforcement and Law Enforcement Code Enforcement as division of Community Development.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>           |             |             |                     |                     |
| Fines and Forfeitures     | \$ -        | \$ -        | \$ -                | \$ 265,000          |
| <b>Total Revenues</b>     | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 265,000</b>   |
| <b>Expenditures</b>       |             |             |                     |                     |
| Employee Compensation     | \$ -        | \$ -        | \$ -                | \$ 357,633          |
| Employee Benefits         | \$ -        | \$ -        | \$ -                | \$ 144,924          |
| Materials                 | \$ -        | \$ -        | \$ -                | \$ 17,600           |
| Contract Services         | \$ -        | \$ -        | \$ -                | \$ 262,000          |
| Cost Allocation           | \$ -        | \$ -        | \$ -                | \$ 105,495          |
| <b>Total Expenditures</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 887,652</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b>         | <b>\$ 622,652</b>   |

## Staffing

Total current authorized positions - 3.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.00 FTE

# Public Works

| Budget Unit                        | Program                          | 2020 Adopted Budget  |
|------------------------------------|----------------------------------|----------------------|
| <b>Public Works Administration</b> |                                  | <b>\$ 935,441</b>    |
| 100-80-800                         | Public Works Administration      | \$ 935,441           |
| <b>Environmental Programs</b>      |                                  | <b>\$ 3,108,296</b>  |
| 520-81-801                         | Resource Recovery                | \$ 2,365,018         |
| 230-81-802                         | Non-Point Source                 | \$ 743,278           |
| <b>Developmental Services</b>      |                                  | <b>\$ 2,700,290</b>  |
| 100-82-804                         | Plan Review                      | \$ 1,316,596         |
| 100-82-806                         | CIP Administration               | \$ 1,383,694         |
| <b>Service Center</b>              |                                  | <b>\$ 1,251,830</b>  |
| 100-83-807                         | Service Center Administration    | \$ 1,251,830         |
| <b>Grounds</b>                     |                                  | <b>\$ 4,843,563</b>  |
| 100-84-808                         | McClellan Ranch Park             | \$ 91,617            |
| 100-84-809                         | Memorial Park                    | \$ 783,072           |
| 100-84-812                         | School Site Maintenance          | \$ 1,161,318         |
| 100-84-813                         | Neighborhood Parks               | \$ 1,837,003         |
| 100-84-814                         | Sport Fields Jollyman, Creekside | \$ 721,573           |
| 100-84-815                         | Civic Center Maintenance         | \$ 248,980           |
| <b>Streets</b>                     |                                  | <b>\$ 8,665,989</b>  |
| 100-85-818                         | Storm Drain Maintenance          | \$ 434,095           |
| 270-85-820                         | Sidewalk Curb and Gutter         | \$ 1,377,406         |
| 270-85-821                         | Street Pavement Maintenance      | \$ 3,906,202         |
| 270-85-822                         | Street Sign Marking              | \$ 719,275           |
| 100-85-848                         | Street Lighting                  | \$ 497,044           |
| 630-85-849                         | Equipment Maintenance            | \$ 1,565,864         |
| 100-85-850                         | Environmental Materials          | \$ 166,103           |
| <b>Trees and Right of Way</b>      |                                  | <b>\$ 3,040,316</b>  |
| 100-86-824                         | Overpasses and Medians           | \$ 1,251,590         |
| 100-86-825                         | Street Tree Maintenance          | \$ 1,338,934         |
| <b>Total</b>                       |                                  | <b>\$ 33,320,460</b> |

| <b>Budget Unit</b>          | <b>Program</b>                           | <b>2020 Adopted Budget</b> |
|-----------------------------|--|----------------------------|
| 100-86-826                  | Weekend Work Program                     | \$ 449,792                 |
| <b>Facilities and Fleet</b> |  | <b>\$ 4,397,076</b>        |
| 100-87-827                  | City Hall Maintenance                    | \$ 642,985                 |
| 100-87-828                  | Library Maintenance                      | \$ 595,393                 |
| 100-87-829                  | Service Center Maintenance               | \$ 289,389                 |
| 100-87-830                  | Quinlan Community Center Maintenance     | \$ 512,732                 |
| 100-87-831                  | Senior Center Maintenance                | \$ 321,242                 |
| 100-87-832                  | McClellan Ranch Maintenance              | \$ 179,024                 |
| 100-87-833                  | Monta Vista Community Center Maintenance | \$ 158,634                 |
| 100-87-834                  | Wilson Park Maintenance                  | \$ 97,162                  |
| 100-87-835                  | Portal Park Maintenance                  | \$ 39,323                  |
| 570-87-836                  | Sports Center Maintenance                | \$ 470,355                 |
| 100-87-837                  | Creekside Park Maintenance               | \$ 87,022                  |
| 100-87-838                  | Community Hall Maintenance               | \$ 301,343                 |
| 100-87-839                  | Teen Center Maintenance                  | \$ 55,445                  |
| 100-87-840                  | Park Bathrooms Maintenance               | \$ 143,869                 |
| 100-87-841                  | Blackberry Farm Maintenance              | \$ 450,915                 |
| 100-87-852                  | Franco Traffic Operations Center         | \$ 52,243                  |
| <b>Transportation</b>       |  | <b>\$ 3,783,559</b>        |
| 100-88-844                  | Traffic Engineering                      | \$ 2,675,023               |
| 100-88-845                  | Traffic Signal Maintenance               | \$ 554,759                 |
| 100-88-846                  | Safe Routes 2 School                     | \$ 553,777                 |
| <b>Non-Departmental</b>     |  | <b>\$ 594,100</b>          |
| 210-90-978                  | Minor Storm Drain Improvement            | \$ -                       |
| 630-90-985                  | Fixed Assets Acquisition                 | \$ 594,100                 |
| <b>Total</b>                |  | <b>\$ 33,320,460</b>       |

# Department Overview

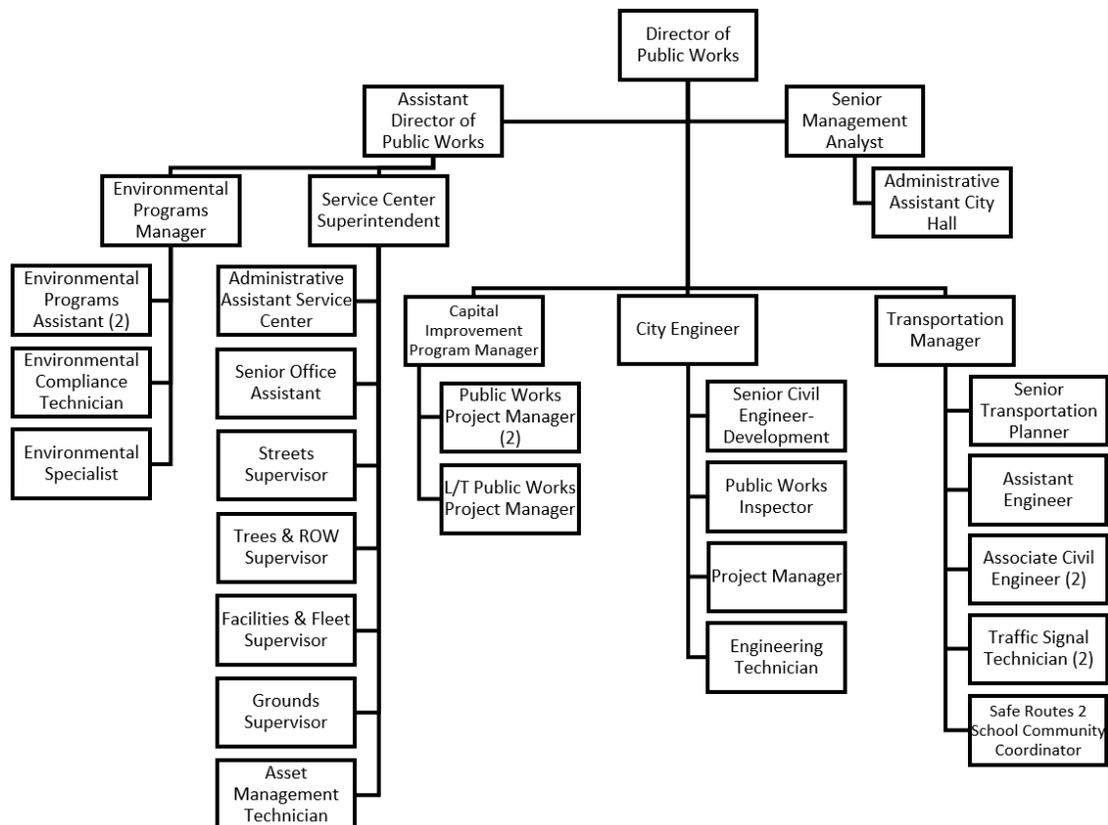
## Budget at a Glance

### 2020 Adopted Budget

|                          |                |
|--------------------------|----------------|
| Total Revenues           | \$ 15,716,787  |
| Total Expenditures       | \$ 33,320,460  |
| Fund Balance             | \$ (1,708,472) |
| General Fund Costs       | \$ 15,895,201  |
| % Funded by General Fund | 47.7%          |
| Total Staffing           | 89.75 FTE      |

## Organization

Roger Lee, Director of Public Works



## Performance Measures

### Capital Project Delivery

Goal: Deliver capital projects on time and within budget.

Benefit: Residents and businesses are assured their community is being improved by efficient use of taxes and fees.

| Performance Measure    | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec | Ongoing<br>Target |
|------------------------|----------------------|----------------------|---------------------|-------------------|
| Projects are on budget | 100% (5)             | 100% (7)             | 100% (4)            | 80%               |
| Projects are on time   | 80% (4)              | 100% (7)             | 75% (3 of 4)        | 80%               |

### Development Services

Goal: Provide timely review and permitting of privately completed improvements within the public right of way.

Benefit: Customers receive quality reviews and permitting on a defined schedule.

| Performance Measure   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec | Ongoing<br>Target |
|---|----------------------|----------------------|---------------------|-------------------|
| Respond to complete plan submittals or applications within two (2) weeks                | 98%                  | 99%                  | 94%                 | 100%              |
| Respond to complete encroachment permit applications within (2) weeks                   | Not tracked          | Not tracked          | New                 | 90%               |
| Respond to public inquiries at the Public Works counter in City Hall within 15 minutes. | 100%                 | 100%                 | 97%                 | 95%               |

### Dependable Infrastructure

Goal: Maintain timely levels of service to meet community and environment requirements at optimal life-cycle costs.

Benefit: Cupertino has well maintained infrastructure and programs that meets the needs of the community.

| <b>Performance Measure</b>  | <b>FY 2017<br/>July-June</b> | <b>FY 2018<br/>July-June</b> | <b>FY 2019<br/>July-Dec</b> | <b>Ongoing<br/>Target</b> |
|---|------------------------------|------------------------------|-----------------------------|---------------------------|
| Pavement condition index (PCI) > or equal to 82   | 78                           | 81                           | 83                          | 90                        |
| Respond to reported issues within one (1) business day:   |                              |                              |                             |                           |
| Storm drain system  | 100%                         | 100%                         | 95%                         | 100%                      |
| Street markings & signs   | 100%                         | 100%                         | 95%                         | 95%                       |
| Sidewalk and pathway  | 100%                         | 100%                         | 95%                         | 100%                      |
| Playground equipment  | 100%                         | 100%                         | 95%                         | 100%                      |
| Respond to reported issues within two (2) business days: Streetlight outages caused by mechanical failures (Investigated/Resolved)  | 100%                         | 100%                         | 95%                         | 95%                       |
| Number of regionally-significant intersections within Cupertino that meet Cupertino Level of Service goals for vehicle delay as state in the General Plan, Policy M-1.2, reported every other year. | Not tracked                  | Not tracked                  | New                         | 100%                      |
| Percent reduction of bicycle- and pedestrian-related injuries over previous reporting year.   | Not tracked                  | Not tracked                  | New                         | 10%                       |
| Annual mileage increase of separated bicycle and pedestrian paths.  | Not tracked                  | Not tracked                  | New                         | 1 mile                    |

## **Environment**

Goal: Protect our natural environment for current and future generations.

Benefit: Current and future residents enjoy a healthy, sustainable environment.

| <b>Performance Measure</b>  | <b>FY 2017<br/>July-June</b>        | <b>FY 2018<br/>July-June</b>      | <b>FY 2019<br/>July-Dec</b>         | <b>Ongoing<br/>Target</b> |
|---|-------------------------------------|-----------------------------------|-------------------------------------|---------------------------|
| Respond to reports of actual or potential discharge the same business day                                     | 97%                                 | 95%                               | 92%                                 | 80%                       |
| Percent of businesses in compliance during annual proactive inspections                                       | 87%                                 | N/A <sup>5</sup>                  | N/A <sup>1</sup>                    | 75%                       |
| Tons of waste entering landfill (does not include self-haul or material to landfills other than Newby Island) | 30,140                              | 14,917                            | 7251 <sup>2</sup>                   | <= 27,000                 |
| Diversion Rates rate  |                                     |                                   |                                     |                           |
| By employment <sup>1</sup> :  | 72%                                 | N/A                               | TBD                                 | 75%                       |
| By population <sup>1</sup> :  | 56%                                 | 21% <sup>3</sup>                  | TBD                                 | 75%                       |
| Commercial only <sup>2</sup> :  | 47%                                 | 55% <sup>3</sup>                  | 58% <sup>5</sup>                    | 60%                       |
| Number of all business and multifamily accounts separating organics out of 496                                | 28%<br>(135/488)                    | 30%<br>(144/483)                  | 56% <sup>6</sup><br>264/472         | 50%                       |
| Number of outreach site visits, workshops, events and activities to inform residents and businesses           | 198                                 | 65                                | 48 <sup>7</sup>                     | 150                       |
| % of street, median, and park trees maintained according to the Urban Forest Workplan <sup>4</sup>            | 164%                                | 68%                               | 57.3%                               | 100%                      |
| Number of trees planted compared to number of trees removed   | Removed: 68<br>Planted: 118<br>173% | Removed: 67<br>Planted: 53<br>79% | Removed: 85<br>Planted: 105<br>123% | 110%                      |
| All new vehicle purchases are to be hybrid and/or electric only models  | 90%                                 | 100%                              | 55%                                 | 90%                       |

<sup>1</sup> CalRecycle has a 12 month lag in reporting. Data is for calendar year 2016.

<sup>2</sup> Does not include business donations, back haul, or other source reduction, etc.

<sup>3</sup> For FY 2017-18, Recology began breaking out multi-family from commercial tonnage. Our data for FY 2017-18 July-Dec displays the diversion rates for the multi-family and commercial sector respectively.

<sup>4</sup> Urban Forest Workplan Updated November 2016

<sup>5</sup> Proactive inspections are primarily conducted during Q3 and Q4 each year

<sup>6</sup>As of the end of October 2018

<sup>7</sup>An additional 786 site visits were conducted at single-family homes to determine cart contents for a pilot project to increase organics collection of food scraps in the organics cart.

## Workload Indicators

### Environmental Programs Division

| Workload Indicator   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec            |
|--|----------------------|----------------------|--------------------------------|
| Number of industrial commercial inspections  | 119                  | 126                  | 0 (all in latter half of year) |
| Tons of waste entering landfill  | 30,140               | 27,493               | 10,569                         |
| Number of data metrics analyzed and reported   | 29                   | 29                   | 30                             |
| Number of building and demolition permits reviewed   | 33                   | 37                   | 35                             |
| Number of outreach site visits, workshops, events, and activities to inform residents and businesses | 198                  | 65                   | 48                             |

### Developmental Services Division

| Workload Indicator                          | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of encroachment permits received     | N/A                  | N/A                  | 250                 |
| Number of building reviews received         | N/A                  | N/A                  | 75                  |
| Number of customers serviced at the counter | N/A                  | N/A                  | 818                 |

### Grounds Division

| Workload Indicator            | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|-------------------------------|----------------------|----------------------|---------------------|
| Playground safety inspections | 7,968                | 8,000                | N/A                 |
| Park inspections              | 8,466                | 8,467                | N/A                 |
| Backflow Inspect/Test/Repair  | 174                  | 174                  | N/A                 |

### Streets Division

| Workload Indicator                        | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Storm Drain Inlets Inspected/Cleaned      | 1,029                | 1,139 *              | N/A                 |
| Roadway Signs Repaired/Replaced           | 409                  | 700                  | N/A                 |
| Sidewalk/Pathway Assets Repaired          | 1,036                | 468                  | N/A                 |
| Streetlight Outages/Investigated/Resolved | 160                  | 169                  | N/A                 |

\* Estimate based on work in progress

### Trees and Right of Way Division

| Workload Indicator   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec       |
|--|----------------------|----------------------|---------------------------|
| Total square feet of landscape converted or installed to water efficient landscaping     | Not tracked          | Not tracked          | 10,655 through 12/31/2018 |
| Number of trees maintained vs number of active trees within FY 2019-20 maintenance zones | Not tracked          | 2,988                | 3,265 through 6/1/2019    |
| Number of trees planted/number of trees removed  | 118/68               | 53/67                | 105/85                    |

### Facilities and Fleet Division

| Workload Indicator   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|--|----------------------|----------------------|---------------------|
| Fleet vehicles replaced with hybrid and/or electric models | 13                   | 16                   | 20                  |

### Transportation Division

| Workload Indicator   | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|--|----------------------|----------------------|---------------------|
| Number of intersections that met GP Level of Service goals for vehicle delay               | Not tracked          | Not tracked          | Not tracked - new   |
| Percent reduction of bicycle- and pedestrian-related injuries over previous reporting year | Not tracked          | Not tracked          | Not tracked - new   |
| Annual mileage increase of separated bicycle and pedestrian paths                          | Not tracked          | Not tracked          | Not tracked - new   |

## Capital Improvement Program

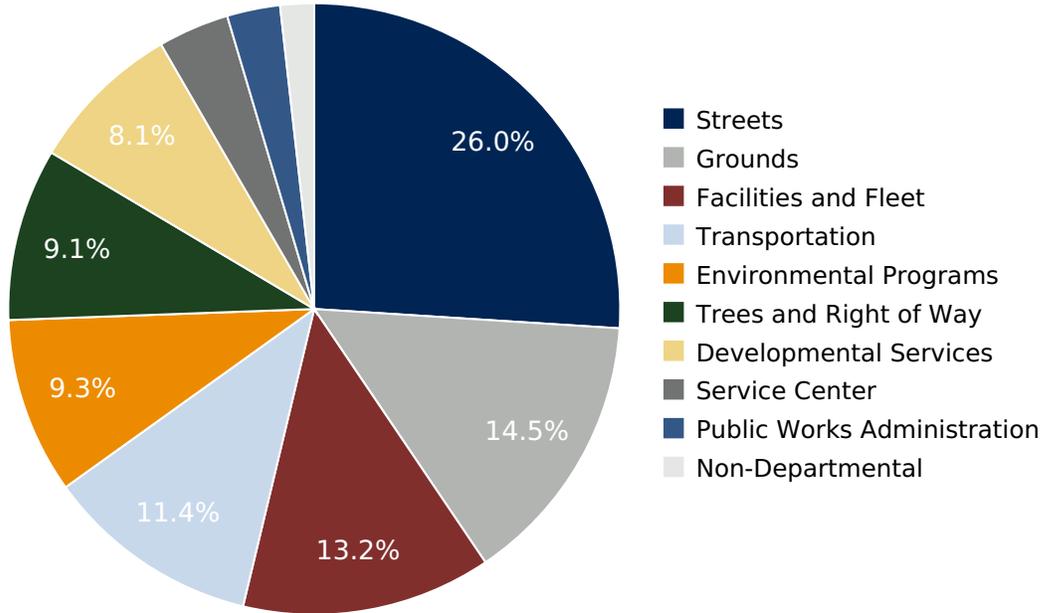
| Workload Indicator                                    | FY 2017<br>July-June | FY 2018<br>July-June | FY 2019<br>July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of projects started in the first year funded   | 12/20                | 8/13                 | 10/16               |
| Number of Active Projects vs Total number of projects | 16/24                | 29/40                | 34/49               |

## Adopted Budget

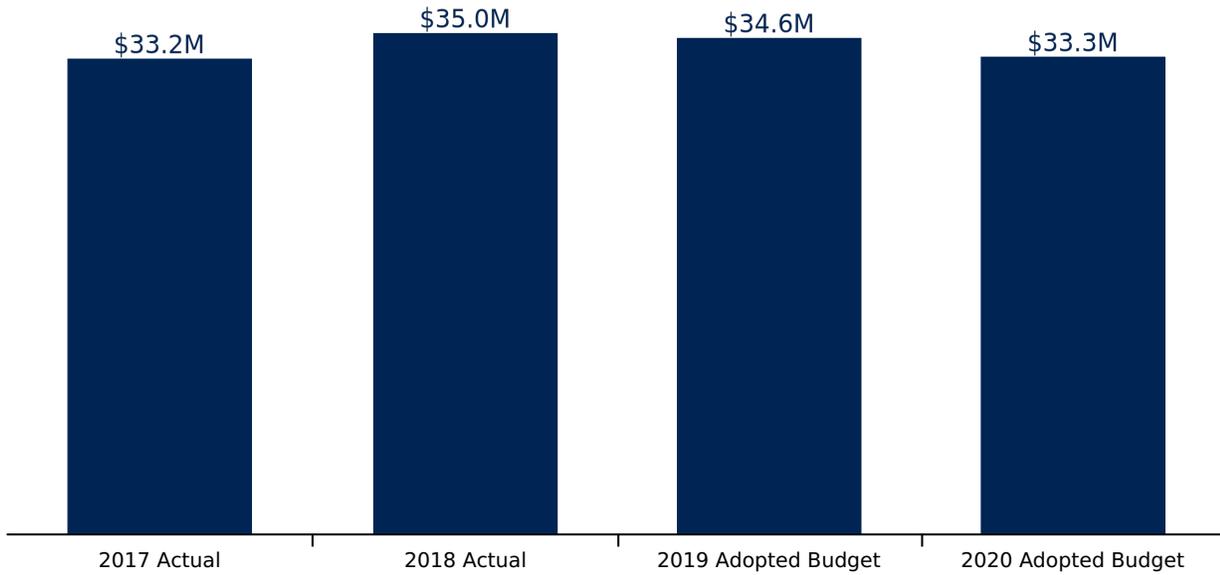
On June 18, 2019, City Council approved a budget of \$33,320,460 for the Public Works department. This represents a decrease of \$1,309,226 (-3.8%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to a decrease in funding for the annual pavement maintenance project as a result of achieving a high PCI rating and a decrease in expenditures due to the restructuring of debris box fee collections.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual           | 2018 Actual           | 2019 Adopted Budget   | 2020 Adopted Budget   |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Revenues</b>           |                       |                       |                       |                       |
| Use of Money and Property | \$ 201,564            | \$ 275,069            | \$ 196,500            | \$ 210,770            |
| Intergovernmental Revenue | \$ 245,288            | \$ 955,327            | \$ 2,547,439          | \$ 6,055,305          |
| Charges for Services      | \$ 8,921,042          | \$ 6,838,460          | \$ 7,089,624          | \$ 9,050,219          |
| Fines and Forfeitures     | \$ 10,071             | \$ 27,902             | \$ 9,000              | \$ 10,000             |
| Miscellaneous Revenue     | \$ 778,328            | \$ 964,867            | \$ 302,200            | \$ 390,493            |
| <b>Total Revenues</b>     | <b>\$ 10,156,293</b>  | <b>\$ 9,061,625</b>   | <b>\$ 10,144,763</b>  | <b>\$ 15,716,787</b>  |
| <b>Expenditures</b>       |                       |                       |                       |                       |
| Employee Compensation     | \$ 6,909,700          | \$ 7,617,713          | \$ 8,323,673          | \$ 8,958,370          |
| Employee Benefits         | \$ 3,981,717          | \$ 3,589,800          | \$ 3,826,260          | \$ 4,132,297          |
| Materials                 | \$ 2,793,262          | \$ 3,433,779          | \$ 3,906,934          | \$ 3,792,650          |
| Contract Services         | \$ 4,720,718          | \$ 4,104,863          | \$ 5,507,001          | \$ 4,060,858          |
| Cost Allocation           | \$ 4,465,674          | \$ 3,860,953          | \$ 3,725,691          | \$ 4,930,595          |
| Capital Outlays           | \$ 930,147            | \$ 1,411,552          | \$ 1,771,379          | \$ 1,037,050          |
| Special Projects          | \$ 9,384,260          | \$ 10,949,821         | \$ 7,220,000          | \$ 5,934,935          |
| Contingencies             | \$ -                  | \$ -                  | \$ 348,748            | \$ 473,705            |
| <b>Total Expenditures</b> | <b>\$ 33,185,478</b>  | <b>\$ 34,968,481</b>  | <b>\$ 34,629,686</b>  | <b>\$ 33,320,460</b>  |
| <b>Fund Balance</b>       | <b>\$ (4,599,335)</b> | <b>\$ (5,551,988)</b> | <b>\$ (3,011,554)</b> | <b>\$ (1,708,472)</b> |
| <b>General Fund Costs</b> | <b>\$ 18,429,849</b>  | <b>\$ 20,354,869</b>  | <b>\$ 21,483,369</b>  | <b>\$ 15,895,201</b>  |

## Staffing

Total current authorized positions - 86.70 FTE

Total recommended positions - 89.75 FTE

# Public Works Administration

Budget Unit 100-80-800

General Fund - Public Works Administration - Public Works Administration

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 935,441          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 935,441          |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 3.05 FTE            |

## Program Overview

The Public Works Department is comprised of the following eight divisions:

- Development Services (including inspection services)
- Capital Improvement Program Administration
- Environmental Programs
- Transportation
- Facilities and Fleet
- Trees and Right-of-Way
- Grounds
- Streets

## Service Objectives

- Provide capital project delivery, development plan check, permitting and inspection, solid waste and recycling services, stormwater quality compliance, and public works maintenance services in a responsive and efficient manner by continuously adapting programs and resources to meet the community's expectations.
- Provide a response within 24 hours to the community on complaints and requests for services. Plan and program maintenance of the City's public facilities and infrastructure.
- Program and deliver Capital Improvement Projects in a timely and cost-efficient manner. Work with operating departments and the community to ensure projects meet expectations.
- Collaborate with Community Development to efficiently deliver predictable, responsive and efficient development services.
- Represent the City on county and regional issues such as congestion management, and mobility and transit planning.
- Manage and adapt traffic operations to efficiently move traffic and protect neighborhoods.
- Oversee and manage stormwater, solid waste and recycling programs.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$935,441 for the Public Works Administration program. This represents a decrease of \$153,142 (-14.1%) from the FY 2018-19 Adopted Budget.

The decrease in contract services is primarily attributable to a grant administrator contract position requested in the previous fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| Charges for Services      | \$ 209,628          | \$ 13,843         | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 209,628</b>   | <b>\$ 13,843</b>  | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Employee Compensation     | \$ 443,380          | \$ 492,767        | \$ 548,195          | \$ 546,007          |
| Employee Benefits         | \$ 199,386          | \$ 173,702        | \$ 181,962          | \$ 191,458          |
| Materials                 | \$ 15,171           | \$ 23,015         | \$ 24,339           | \$ 32,600           |
| Contract Services         | \$ 2,073            | \$ 844            | \$ 254,800          | \$ 105,525          |
| Cost Allocation           | \$ 801,902          | \$ 69,802         | \$ 72,830           | \$ 52,945           |
| Capital Outlays           | \$ 18,077           | \$ 23,803         | \$ -                | \$ -                |
| Contingencies             | \$ -                | \$ -              | \$ 6,457            | \$ 6,906            |
| <b>Total Expenditures</b> | <b>\$ 1,479,989</b> | <b>\$ 783,933</b> | <b>\$ 1,088,583</b> | <b>\$ 935,441</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,270,359</b> | <b>\$ 770,090</b> | <b>\$ 1,088,583</b> | <b>\$ 935,441</b>   |

## Staffing

Total current authorized positions - 3.05 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.05 FTE

# Resource Recovery

Budget Unit 520-81-801

Resource Recovery - Environmental Programs - Resource Recovery

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,351,000        |
| Total Expenditures       | \$ 2,365,018        |
| Fund Balance             | \$ (1,014,018)      |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 4.20 FTE            |

## Program Overview

The Resource Recovery program manages the City's garbage and recycling franchised hauler contract and provides garbage and recycling customer service for residents and business owners; develops and implements programs and policy to comply with AB 939 source reduction and recycling mandates; manages the City's state-permitted residential household hazardous waste (HHW) door-to-door collection and disposal service; oversees the free compost giveaway at Stevens Creek Quarry and the associated property lease and trucking agreement for the compost site; and represents the City on countywide committees. The public education and outreach programs led by this division include visits to businesses and apartment complexes to provide recycling instruction, kitchen containers, and visual materials; presentations at events and schools and employee training for businesses on-site as needed. The program coordinates many complimentary activities with the Sustainability program in the Office of the City Manager.

## Service Objectives

- Meet State AB 939 requirements to divert a minimum of 50% of Citywide waste from landfill and achieve the State (AB 341) goal of 75% diversion by 2020. Help businesses implement the City's Mandatory Organics Recycling ordinance (6.24.037) which ensures compliance with AB 1826. Assist businesses and multi-family properties with preparations to recycle organics. Provide landlords and property owners with support and educational materials for their tenants. Visit the management of each multi-family complex via a knock and talk campaign to distribute free kitchen pails and guidance to help residents sort kitchen waste for their central garbage and recycling area. Conduct waste characterization studies to determine future services.
- Provide contract oversight and customer service for garbage and recycling collection, yard waste processing, composting and household hazardous waste collection. Manage community events such as the citywide Garage Sale and the spring and summer free compost giveaway for residents. Assist CUSD and high school teachers and students with student recycling and composting projects related to teachers' curriculum and the City's environmental initiatives.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,365,018 for the Resource Recovery program. This represents a decrease of \$1,136,083 (-32.4%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the restructuring of debris box fee collections.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project                    | Appropriation    | Revenue          | Funding Source    | Description                        |
|------------------------------------|------------------|------------------|-------------------|------------------------------------|
| Solid Waste Hauler RFP Development | \$250,000        | \$250,000        | Resource Recovery | Solid Waste Hauler RFP Development |
| <b>Total</b>                       | <b>\$250,000</b> | <b>\$250,000</b> |                   |                                    |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget   | 2020 Adopted Budget   |
|---------------------------|---------------------|---------------------|-----------------------|-----------------------|
| <b>Revenues</b>           |                     |                     |                       |                       |
| Use of Money and Property | \$ -                | \$ 71,114           | \$ 30,000             | \$ -                  |
| Intergovernmental Revenue | \$ -                | \$ 14,781           | \$ 15,000             | \$ 15,000             |
| Charges for Services      | \$ 2,650,895        | \$ 2,475,967        | \$ 2,157,000          | \$ 1,270,000          |
| Miscellaneous Revenue     | \$ -                | \$ 69,114           | \$ 66,000             | \$ 66,000             |
| <b>Total Revenues</b>     | <b>\$ 2,650,895</b> | <b>\$ 2,630,976</b> | <b>\$ 2,268,000</b>   | <b>\$ 1,351,000</b>   |
| <b>Expenditures</b>       |                     |                     |                       |                       |
| Employee Compensation     | \$ 436,602          | \$ 514,086          | \$ 512,003            | \$ 534,397            |
| Employee Benefits         | \$ 287,981          | \$ 276,031          | \$ 218,021            | \$ 220,152            |
| Materials                 | \$ 22,872           | \$ 32,959           | \$ 28,410             | \$ 75,796             |
| Contract Services         | \$ 2,087,822        | \$ 1,604,941        | \$ 2,406,000          | \$ 1,045,724          |
| Cost Allocation           | \$ 155,904          | \$ 166,494          | \$ 186,667            | \$ 182,873            |
| Special Projects          | \$ -                | \$ -                | \$ 150,000            | \$ 250,000            |
| Contingencies             | \$ -                | \$ -                | \$ -                  | \$ 56,076             |
| <b>Total Expenditures</b> | <b>\$ 2,991,181</b> | <b>\$ 2,594,511</b> | <b>\$ 3,501,101</b>   | <b>\$ 2,365,018</b>   |
| <b>Fund Balance</b>       | <b>\$ (287,072)</b> | <b>\$ 36,464</b>    | <b>\$ (1,233,101)</b> | <b>\$ (1,014,018)</b> |
| <b>General Fund Costs</b> | <b>\$ 53,215</b>    | <b>\$ -</b>         | <b>\$ -</b>           | <b>\$ -</b>           |

## **Staffing**

Total current authorized positions - 4.30 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Total recommended positions - 4.20 FTE

# Non-Point Source

Budget Unit 230-81-802

Env Mgmt Cln Creek Storm Drain - Environmental Programs - Non-Point Source

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 380,000          |
| Total Expenditures       | \$ 743,278          |
| Fund Balance             | \$ 296,722          |
| General Fund Costs       | \$ 660,000          |
| % Funded by General Fund | 88.8%               |
| Total Staffing           | 1.90 FTE            |

## Program Overview

The Non-Point Source program manages the City's compliance with its State-mandated Municipal Regional Stormwater NPDES Permit; provides program and policy development and implementation of state-mandated activities including complaint response and enforcement programs; conducts annual interdepartmental staff training, scheduled business and construction site inspections and review of private development plans to ensure compliance with low impact development (LID); and new Green Infrastructure Plan development requirements. The program is responsible for calculating storm drain fees annually to submit to the County for collection on property tax bills, writing an annual report to the Regional Water Quality Control Board to verify and document the City's compliance with Clean Water Act mandates; and engaging and educating the public via articles in the Cupertino Scene, webpage development, visits to businesses and presentations at local schools, De Anza College and community events. Public participation events include two or more annual volunteer creek cleanup days, a water quality monitoring day at Blackberry Farm, Earth Day and various countywide collaborative events. Implementation and annual progress assessment of the City's eight-year litter reduction plan are among the requirements of the City's Non-Point Source program.

## Service Objectives

- Oversee the City's compliance with the Municipal Regional Stormwater Permit (MRP 2.0) with regard to water pollution prevention, erosion control, conserving water as a resource (e.g. infiltration rather than runoff), and low impact development (LID) via the City's permit application process and conditions of approval.
- Coordinate urban runoff pollution and erosion prevention activities with other departments divisions and private businesses. Mandated activities include: catch basin cleaning; postconstruction oversight of permanent stormwater treatment measures installed at private new and redeveloped sites; implementation of, and annual progress assessments for the eight-year litter reduction plan; oversight of construction best management practices during private and public construction; inspection of grease-generating and wet-waste food facilities and other businesses to prevent water polluting discharges; complaint response and investigation to protect water quality; and education of staff and local businesses on best management practices for outdoor storage and activities.

- Represent the City on county and regional committees to prevent creek and San Francisco Bay pollution, erosion and illegal dumping.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$743,278 for the Non-Point Source program. This represents an increase of \$22,493 (3.1%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Use of Money and Property | \$ -                | \$ 255              | \$ -                | \$ -                |
| Charges for Services      | \$ 159,743          | \$ 369,443          | \$ 370,000          | \$ 370,000          |
| Fines and Forfeitures     | \$ 10,071           | \$ 27,902           | \$ 9,000            | \$ 10,000           |
| <b>Total Revenues</b>     | <b>\$ 169,814</b>   | <b>\$ 397,600</b>   | <b>\$ 379,000</b>   | <b>\$ 380,000</b>   |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 193,261          | \$ 210,662          | \$ 216,320          | \$ 221,319          |
| Employee Benefits         | \$ 93,366           | \$ 96,863           | \$ 100,686          | \$ 101,711          |
| Materials                 | \$ 2,717            | \$ 3,169            | \$ 8,027            | \$ 32,848           |
| Contract Services         | \$ 236,357          | \$ 263,079          | \$ 307,000          | \$ 299,841          |
| Cost Allocation           | \$ 68,655           | \$ 66,387           | \$ 73,001           | \$ 70,925           |
| Contingencies             | \$ -                | \$ -                | \$ 15,751           | \$ 16,634           |
| <b>Total Expenditures</b> | <b>\$ 594,356</b>   | <b>\$ 640,160</b>   | <b>\$ 720,785</b>   | <b>\$ 743,278</b>   |
| <b>Fund Balance</b>       | <b>\$ (267,708)</b> | <b>\$ (158,441)</b> | <b>\$ 94,215</b>    | <b>\$ 296,722</b>   |
| <b>General Fund Costs</b> | <b>\$ 156,834</b>   | <b>\$ 84,120</b>    | <b>\$ 436,000</b>   | <b>\$ 660,000</b>   |

## Staffing

Total current authorized positions - 1.90 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.90 FTE

# Plan Review

Budget Unit 100-82-804

General Fund - Developmental Services - Plan Review

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 1,661,242               |
| Total Expenditures       | \$ 1,316,596               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ (344,646)               |
| % Funded by General Fund | -26.2%                     |
| <hr/>                    |                            |
| Total Staffing           | 5.50 FTE                   |

## Program Overview

The Development Services Division is comprised of two areas:

- Development Services - reviews plans for private developments and utility encroachments to ensure conformance with City standards and policies.
- Inspection Services - ensures compliance with City standards and approved plans on all public and private developments and utility projects.

## Service Objectives

- Ensure that private development projects provide necessary supporting infrastructure and potential impacts on the community are mitigated.
- Place safety of the general public, City employees and construction workers as the highest priority on construction sites.
- Inspect utility encroachment permits for work within the City right-of-way and return streets and sidewalks to City standards.
- Ensure compliance with stormwater permits and prevent runoff from polluting nearby watersheds. Work closely with the Environmental Programs Division to continue inspecting job sites before, during and after each rain event and conduct annual inspections of all Post Construction Treatments and Stormwater Pollution Prevention Plan (SWPPP) compliance.
- Respond to public inquiries or complaints in a timely manner.
- Provide aid and information to other City Divisions and Departments, including Community Development, Building, Capital Improvements, City Attorney's Office, Service Center and Recreation and Community Services, as needed to facilitate private developments and public infrastructure projects.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,316,596 for the Plan Review program. This represents an increase of \$19,523 (1.5%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Use of Money and Property | \$ -                | \$ -                | \$ -                | \$ 9,270            |
| Charges for Services      | \$ 1,372,398        | \$ 1,011,940        | \$ 531,500          | \$ 1,521,160        |
| Miscellaneous Revenue     | \$ 158,167          | \$ 93,509           | \$ 24,500           | \$ 130,812          |
| <b>Total Revenues</b>     | <b>\$ 1,530,565</b> | <b>\$ 1,105,449</b> | <b>\$ 556,000</b>   | <b>\$ 1,661,242</b> |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 499,174          | \$ 572,352          | \$ 703,106          | \$ 724,006          |
| Employee Benefits         | \$ 240,399          | \$ 241,255          | \$ 321,042          | \$ 309,231          |
| Materials                 | \$ 14,163           | \$ 19,851           | \$ 18,868           | \$ 10,585           |
| Contract Services         | \$ 148,639          | \$ 118,379          | \$ 58,400           | \$ 90,388           |
| Cost Allocation           | \$ 162,021          | \$ 179,733          | \$ 171,369          | \$ 177,337          |
| Special Projects          | \$ 1,024,916        | \$ 563,781          | \$ 20,500           | \$ -                |
| Contingencies             | \$ -                | \$ -                | \$ 3,788            | \$ 5,049            |
| <b>Total Expenditures</b> | <b>\$ 2,089,312</b> | <b>\$ 1,695,351</b> | <b>\$ 1,297,073</b> | <b>\$ 1,316,596</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 558,746</b>   | <b>\$ 589,902</b>   | <b>\$ 741,073</b>   | <b>\$ (344,646)</b> |

## Staffing

Total current authorized positions - 5.50 FTE

There are no changes to the current level of staffing.

Total recommended positions - 5.50 FTE

# CIP Administration

Budget Unit 100-82-806

General Fund - Developmental Services - CIP Administration

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 1,383,694               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,383,694               |
| % Funded by General Fund | 100.0%                     |
| Total Staffing           | 6.00 FTE                   |

## Program Overview

The Capital Improvement Program (CIP) provides design and construction administration for all capital improvement projects including streets, sidewalks, storm drainage, buildings, parks, bicycle and pedestrian improvements and other public facilities.

## Service Objectives

- Ensure that all public improvements are designed and constructed in accordance with community expectations and City standards.
- Provide quarterly CIP status reports to Council and the community.
- Place safety of the general public, City employees and workers as the highest priority in the delivery of capital projects.
- Respond to public inquiries or complaints in a timely manner.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,383,694 for the CIP Administration program. This represents an increase of \$643,755 (87.0%) from the FY 2018-19 Adopted Budget.

The increase is primarily due to the re-assignment of the Park Restoration and Improvement Manager position from Recreation and Community Services to the Capital Improvement Program and the addition of one two-year limited term Assistant Engineer position.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 374,231        | \$ 374,747        | \$ 499,204          | \$ 898,365          |
| Employee Benefits         | \$ 112,010        | \$ 127,546        | \$ 169,383          | \$ 380,534          |
| Materials                 | \$ 7,185          | \$ 9,675          | \$ 13,300           | \$ 15,102           |
| Contract Services         | \$ 99,025         | \$ 26,010         | \$ 3,000            | \$ 15,904           |
| Cost Allocation           | \$ 306,973        | \$ 87,944         | \$ 54,237           | \$ 72,239           |
| Capital Outlays           | \$ 5,000          | \$ -              | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 815              | \$ 1,550            |
| <b>Total Expenditures</b> | <b>\$ 904,424</b> | <b>\$ 625,922</b> | <b>\$ 739,939</b>   | <b>\$ 1,383,694</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 904,424</b> | <b>\$ 625,922</b> | <b>\$ 739,939</b>   | <b>\$ 1,383,694</b> |

## Staffing

Total current authorized positions - 5.00 FTE

The increase in staffing is due to the addition of one two-year limited term Assistant Engineer position.

Total recommended positions - 6.00 FTE

# Service Center Administration

Budget Unit 100-83-807

General Fund - Service Center - Service Center Administration

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 85,000           |
| Total Expenditures       | \$ 1,251,830        |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 1,166,830        |
| % Funded by General Fund | 93.2%               |
| Total Staffing           | 3.65 FTE            |

## Program Overview

The Service Center Administration program manages Public Works maintenance operations that include the major divisions of streets, grounds, trees, medians, facilities, and fleet, as well as the minor divisions of signs/markings, storm drain, sidewalk, curb and gutter, overpasses and storm water; provides administrative support for personnel timesheets, general training prioritization and assignment of service calls; provides oversight of various contracted services including street sweeping, janitorial and crossing guard in addition to the weekend work furlough program; and collaborates with Public Works Engineering for asset improvements beyond routine maintenance.

## Service Objectives

- Create a positive environment that fosters efficiency and innovation for service center employees.
- Ensure proper documentation and inventory of trees, sidewalk repair, striping and legends, street signs, vehicle and equipment, streetlights and stormwater pollution.
- Maintain records of all complaints and requests for services by tracking responses through computer programs and written service request forms.
- Maintain productivity units of measure for key tasks performed.
- Support Public Works Engineering in the collection of field data, review of improvement drawings and development of capital improvement projects.
- Timely manage completion of employee performance reviews, as well as provide timely progressive discipline per City policy when necessary.
- Maintain, lead and implement all elements of the Injury and Illness Prevention Program.
- Maintain positive, accountable relations with employee bargaining groups.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,251,830 for the Service Center Administration program. This represents an increase of \$16,884 (1.4%) from the FY 2018-19 Adopted Budget.

The decrease in contract services is primarily attributable to an insurance settlement in the previous fiscal year.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project   | Appropriation   | Revenue         | Funding Source | Description   |
|---|-----------------|-----------------|----------------|---|
| Facilities Office<br>Reconfiguration -<br>Various Sites | \$75,000        | \$75,000        | General Fund   | Facilities Office<br>Reconfiguration -<br>Various Sites |
| <b>Total</b>  | <b>\$75,000</b> | <b>\$75,000</b> |                |   |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Use of Money and Property | \$ 58,706           | \$ 59,867           | \$ 25,000           | \$ 60,000           |
| Miscellaneous Revenue     | \$ 410,000          | \$ 12,517           | \$ 25,000           | \$ 25,000           |
| <b>Total Revenues</b>     | <b>\$ 468,706</b>   | <b>\$ 72,384</b>    | <b>\$ 50,000</b>    | <b>\$ 85,000</b>    |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 319,515          | \$ 398,819          | \$ 369,310          | \$ 421,033          |
| Employee Benefits         | \$ 171,300          | \$ 153,860          | \$ 135,667          | \$ 184,434          |
| Materials                 | \$ 61,268           | \$ 107,892          | \$ 84,045           | \$ 76,162           |
| Contract Services         | \$ 239,519          | \$ 262,909          | \$ 121,000          | \$ 8,557            |
| Cost Allocation           | \$ 554,100          | \$ 644,091          | \$ 339,672          | \$ 482,408          |
| Capital Outlays           | \$ 239,087          | \$ 39,438           | \$ 175,000          | \$ -                |
| Special Projects          | \$ -                | \$ 103,147          | \$ -                | \$ 75,000           |
| Contingencies             | \$ -                | \$ -                | \$ 10,252           | \$ 4,236            |
| <b>Total Expenditures</b> | <b>\$ 1,584,789</b> | <b>\$ 1,710,156</b> | <b>\$ 1,234,946</b> | <b>\$ 1,251,830</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,116,084</b> | <b>\$ 1,637,772</b> | <b>\$ 1,184,946</b> | <b>\$ 1,166,830</b> |

## Staffing

Total current authorized positions - 2.50 FTE

Staff time is being reallocated to better reflect actual time spent in this program.

Staff requests to convert two (2) part-time office assistant positions one (1) FTE Senior Office Assistant position in the Service Center Administration division.

Total recommended positions - 3.65 FTE

# McClellan Ranch Park

Budget Unit 100-84-808

General Fund - Grounds - McClellan Ranch Park

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 91,617                  |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 91,617                  |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.30 FTE                   |

## Program Overview

McClellan Ranch Park is one of 19 parks and open space areas managed by the Grounds Division of the Public Works Department.

## Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, and graffiti removal.
- Provide twice annually the mowing of fire breaks per Fire Marshal request in a manner in which wildlife is least impacted.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup programs of garden plots.
- Provide logistical support to the Recreation and Community Services Department for all of the City's special events.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$91,617 for the McClellan Ranch Park program. This represents an increase of \$7,608 (9.1%) from the FY 2018-19 Adopted Budget.

This increase is primarily due to a change in cost allocation methodology.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| <b>Total Revenues</b>     | \$ -             | \$ -             | \$ -                | \$ -                |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 26,137        | \$ 29,393        | \$ 29,587           | \$ 30,356           |
| Employee Benefits         | \$ 14,777        | \$ 13,758        | \$ 14,587           | \$ 14,665           |
| Materials                 | \$ 13,072        | \$ 15,354        | \$ 18,713           | \$ 16,635           |
| Contract Services         | \$ 18,750        | \$ 10,750        | \$ 8,000            | \$ 10,080           |
| Cost Allocation           | \$ 4,228         | \$ 956           | \$ 11,786           | \$ 18,545           |
| Contingencies             | \$ -             | \$ -             | \$ 1,336            | \$ 1,336            |
| <b>Total Expenditures</b> | <b>\$ 76,964</b> | <b>\$ 70,211</b> | <b>\$ 84,009</b>    | <b>\$ 91,617</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 76,964</b> | <b>\$ 70,210</b> | <b>\$ 84,009</b>    | <b>\$ 91,617</b>    |

## Staffing

Total current authorized positions - 0.30 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.30 FTE

# Memorial Park

Budget Unit 100-84-809

General Fund - Grounds - Memorial Park

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 783,072          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 783,072          |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 3.00 FTE            |

## Program Overview

Memorial Park is one of 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Memorial Park is the largest and most utilized park in Cupertino.

## Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and basic play structure inspections and maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas, tennis court cleaning and general maintenance, basketball court maintenance and programmed play structure inspections and maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications, playground woodchip replenishing and preparation of athletic fields for seasonal use.
- Maintain all playgrounds in accordance with California playground safety requirements.
- Minimize the negative effects of waterfowl to park patrons.
- Reduce water consumption wherever practicable.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Recreation and Community Development Department for all the City's special events.
- Oversight of contracted tree trimming and fence repairs.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$783,072 for the Memorial Park program. This represents an increase of \$22,727 (3.0%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Miscellaneous Revenue     | \$ -              | \$ 14,000         | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ -</b>       | <b>\$ 14,000</b>  | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 213,740        | \$ 233,435        | \$ 265,139          | \$ 279,167          |
| Employee Benefits         | \$ 126,841        | \$ 122,804        | \$ 126,643          | \$ 128,531          |
| Materials                 | \$ 113,597        | \$ 172,237        | \$ 233,774          | \$ 186,484          |
| Contract Services         | \$ 67,602         | \$ 26,216         | \$ 37,550           | \$ 24,652           |
| Cost Allocation           | \$ 42,976         | \$ 29,474         | \$ 83,673           | \$ 153,681          |
| Capital Outlays           | \$ 6,829          | \$ 57,801         | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 13,566           | \$ 10,557           |
| <b>Total Expenditures</b> | <b>\$ 571,585</b> | <b>\$ 641,967</b> | <b>\$ 760,345</b>   | <b>\$ 783,072</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 571,584</b> | <b>\$ 627,966</b> | <b>\$ 760,345</b>   | <b>\$ 783,072</b>   |

## Staffing

Total current authorized positions - 3.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.00 FTE

# School Site Maintenance

Budget Unit 100-84-812

General Fund - Grounds - School Site Maintenance

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 135,000                 |
| Total Expenditures       | \$ 1,161,318               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,026,318               |
| % Funded by General Fund | 88.4%                      |
| <hr/>                    |                            |
| Total Staffing           | 4.30 FTE                   |

## Program Overview

Under a joint use agreement with Cupertino Union School District, nine athletic fields and landscape areas, constituting approximately 52 acres, are managed by the Grounds Division of the Public Works Department. These sites include Hyde and Kennedy Middle Schools, Collins, Eaton, Lincoln, Regnart, Faria, Stevens Creek and Garden Gate Elementary Schools.

## Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas / athletic fields in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and other maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas and other maintenance.
- Provide quarterly maintenance that may include fertilization, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications and preparing athletic fields for seasonal use.
- Maintain school sites for recreational activities including soccer, baseball, cricket, track and field, softball and a variety of other sports.
- Reduce water consumption wherever practicable.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Park and Recreation Department for all the City's special events.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,161,318 for the School Site Maintenance program. This represents an increase of \$32,432 (2.9%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project              | Appropriation   | Revenue         | Funding Source | Description                              |
|------------------------------|-----------------|-----------------|----------------|--|
| Kennedy School Field Upgrade | \$19,500        | \$19,500        | General Fund   | Six (6) dugout fence & roof replacements |
| <b>Total</b>                 | <b>\$19,500</b> | <b>\$19,500</b> |                |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                     |                     |                     |
| Intergovernmental Revenue | \$ -              | \$ 135,000          | \$ 135,000          | \$ 135,000          |
| <b>Total Revenues</b>     | <b>\$ -</b>       | <b>\$ 135,000</b>   | <b>\$ 135,000</b>   | <b>\$ 135,000</b>   |
| <b>Expenditures</b>       |                   |                     |                     |                     |
| Employee Compensation     | \$ 269,451        | \$ 310,059          | \$ 321,950          | \$ 335,106          |
| Employee Benefits         | \$ 160,860        | \$ 160,866          | \$ 170,579          | \$ 177,090          |
| Materials                 | \$ 250,176        | \$ 357,372          | \$ 437,660          | \$ 386,127          |
| Contract Services         | \$ 12,000         | \$ 16,556           | \$ 33,500           | \$ 17,217           |
| Cost Allocation           | \$ 60,537         | \$ 85,733           | \$ 106,639          | \$ 206,111          |
| Capital Outlays           | \$ -              | \$ 143,717          | \$ 35,000           | \$ -                |
| Special Projects          | \$ -              | \$ -                | \$ -                | \$ 19,500           |
| Contingencies             | \$ -              | \$ -                | \$ 23,558           | \$ 20,167           |
| <b>Total Expenditures</b> | <b>\$ 753,024</b> | <b>\$ 1,074,303</b> | <b>\$ 1,128,886</b> | <b>\$ 1,161,318</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 753,023</b> | <b>\$ 939,303</b>   | <b>\$ 993,886</b>   | <b>\$ 1,026,318</b> |

## Staffing

Total current authorized positions - 4.30 FTE

There are no changes to the current level of staffing.

Total recommended positions - 4.30 FTE

# Neighborhood Parks

Budget Unit 100-84-813

General Fund - Grounds - Neighborhood Parks

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 1,837,003               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,837,003               |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 8.30 FTE                   |

## Program Overview

Neighborhood Parks include 14 of the 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Neighborhood park sites include Linda Vista, Mary Ave. Dog Park, Monta Vista, Portal, Somerset, Varian, Wilson, Three Oaks, Hoover, Canyon Oak (Little Rancho), Franco Park, Sterling/Barnhart, Oak Valley and Blackberry Farms.

## Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and basic play structure inspections and maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas, tennis court cleaning and general maintenance, basketball court maintenance and programmed play structure inspections and maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications, playground woodchip replenishing and prepare athletic fields for seasonal use.
- Maintain all playgrounds in accordance with California playground safety requirements.
- Reduce water consumption wherever practicable.
- Utilize Weekend Work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Recreation and Community Services Department for all the City's special events.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,837,003 for the Neighborhood Parks program. This represents an increase of \$207,501 (12.7%) from the FY 2018-19 Adopted Budget.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects   | Appropriation   | Revenue         | Funding Source | Description  |
|--|-----------------|-----------------|----------------|--|
| Blackberry Farm<br>Windmill & Fence<br>Refinishing (Special<br>Project)        | \$12,610        | \$12,610        | General Fund   | Preventative<br>maintenance for<br>windmill & fence at<br>Blackberry Farm  |
| Monta Vista<br>Community Center<br>Sidewalk<br>Replacement<br>(Capital Outlay) | \$25,000        | \$25,000        | General Fund   | Sidewalk repair for<br>ADA compliance &<br>risk mitigation   |
| Wilson Park and<br>Monta Vista Park<br>Field Upgrades<br>(Capital Outlay)      | \$12,050        | \$12,050        | General Fund   | Six (6) dugout fence<br>& roof replacements<br>at Wilson Park<br>Two (2) dugout<br>fence & roof<br>replacements at<br>Monta Vista Park |
| <b>Total</b>   | <b>\$49,660</b> | <b>\$49,660</b> |                |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Miscellaneous Revenue     | \$ 2,548            | \$ -                | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 2,548</b>     | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 508,284          | \$ 548,016          | \$ 596,485          | \$ 601,627          |
| Employee Benefits         | \$ 307,028          | \$ 277,329          | \$ 303,765          | \$ 318,627          |
| Materials                 | \$ 288,310          | \$ 380,745          | \$ 400,798          | \$ 407,429          |
| Contract Services         | \$ 152,412          | \$ 78,994           | \$ 72,000           | \$ 72,428           |
| Cost Allocation           | \$ 115,540          | \$ 105,213          | \$ 165,814          | \$ 363,239          |
| Capital Outlays           | \$ 32,861           | \$ 112,474          | \$ 47,000           | \$ 37,050           |
| Special Projects          | \$ -                | \$ -                | \$ 20,000           | \$ 12,610           |
| Contingencies             | \$ -                | \$ -                | \$ 23,640           | \$ 23,993           |
| <b>Total Expenditures</b> | <b>\$ 1,404,435</b> | <b>\$ 1,502,771</b> | <b>\$ 1,629,502</b> | <b>\$ 1,837,003</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,401,887</b> | <b>\$ 1,502,772</b> | <b>\$ 1,629,502</b> | <b>\$ 1,837,003</b> |

## Staffing

Total current authorized positions - 8.30 FTE

There are no changes to the current level of staffing.

Total recommended positions - 8.30 FTE

# Sport Fields Jollyman, Creekside

Budget Unit 100-84-814

General Fund - Grounds - Sport Fields Jollyman, Creekside

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 721,573          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 721,573          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 3.10 FTE            |

## Program Overview

The sports fields at Jollyman and Creekside parks are among the 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Sports fields at these two parks are heavily used and enjoyed by the community.

## Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas and sports fields in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and other maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas, programmed play structure inspections, and other maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material, pre-emergent applications and preparing sports fields for seasonal use.
- Maintain sports fields for recreational activities including soccer, baseball, cricket, track and field, softball and a variety of other sports.
- Maintain all playgrounds in accordance with California playground safety requirements.
- Reduce water consumption wherever practicable.
- Utilize weekend work furlough program as needed to assist in weekend and weekday cleanup.
- Provide logistical support to the Recreation and Community Services Department for all the City's special events.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$721,573 for the Sport Fields Jollyman, Creekside program. This represents an increase of \$56,032 (8.4%) from the FY 2018-19 Adopted Budget.

The increase is primarily due to increases in cost allocation plan charges due to increased equipment reimbursement costs and allocation of charges that were not previously charged to this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 174,057        | \$ 198,514        | \$ 221,793          | \$ 222,133          |
| Employee Benefits         | \$ 101,740        | \$ 97,168         | \$ 108,479          | \$ 115,509          |
| Materials                 | \$ 151,535        | \$ 206,416        | \$ 223,972          | \$ 223,001          |
| Contract Services         | \$ 38,038         | \$ 300            | \$ 22,000           | \$ 315              |
| Cost Allocation           | \$ 40,885         | \$ 42,072         | \$ 66,998           | \$ 149,449          |
| Capital Outlays           | \$ -              | \$ 12,600         | \$ 10,000           | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 12,299           | \$ 11,166           |
| <b>Total Expenditures</b> | <b>\$ 506,255</b> | <b>\$ 557,070</b> | <b>\$ 665,541</b>   | <b>\$ 721,573</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 506,255</b> | <b>\$ 557,069</b> | <b>\$ 665,541</b>   | <b>\$ 721,573</b>   |

## Staffing

Total current authorized positions - 3.10 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.10 FTE

# Civic Center Maintenance

Budget Unit 100-84-815

General Fund - Grounds - Civic Center Maintenance

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 204,590                 |
| Total Expenditures       | \$ 248,980                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 44,390                  |
| % Funded by General Fund | 17.8%                      |
| <hr/>                    |                            |
| Total Staffing           | 1.00 FTE                   |

## Program Overview

The Civic Center grounds are one of 19 parks and open space areas managed by the Grounds Division of the Public Works Department. Due to the close proximity to City Hall, Community Hall, and the Library, the Civic Center grounds are well utilized. Civic Center maintenance includes the adjacent Library Field.

## Service Objectives

- The main objective of the Grounds Division is to provide the citizens of Cupertino with the cleanest and safest recreational areas to enjoy in the Bay Area.
- Provide daily general clean up, trash removal, graffiti removal, irrigation adjustments and repairs and other maintenance.
- Provide weekly maintenance that may include mowing and edging of turf areas and general maintenance.
- Provide quarterly maintenance that may include fertilization applications, aerating, over-seeding, top dressing, and pruning of trees and shrubs.
- Provide semi-annual maintenance that may include replacement of planting material and pre-emergent applications.
- Maintain Library Field for recreational activities including soccer, cricket and a variety of other sports.
- Reduce water consumption wherever practicable.
- Provide logistical support to all City Departments for special events.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$248,980 for the Civic Center Maintenance program. This represents a decrease of \$12,887 (-4.9%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 180,929        | \$ 175,468        | \$ 193,990          | \$ 204,590          |
| <b>Total Revenues</b>     | <b>\$ 180,929</b> | <b>\$ 175,468</b> | <b>\$ 193,990</b>   | <b>\$ 204,590</b>   |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 72,628         | \$ 82,372         | \$ 82,722           | \$ 84,111           |
| Employee Benefits         | \$ 44,116         | \$ 44,406         | \$ 46,435           | \$ 46,391           |
| Materials                 | \$ 40,891         | \$ 66,936         | \$ 102,364          | \$ 70,934           |
| Contract Services         | \$ 5,800          | \$ -              | \$ 3,000            | \$ -                |
| Cost Allocation           | \$ 368,947        | \$ 7,006          | \$ 22,078           | \$ 43,997           |
| Contingencies             | \$ -              | \$ -              | \$ 5,268            | \$ 3,547            |
| <b>Total Expenditures</b> | <b>\$ 532,382</b> | <b>\$ 200,720</b> | <b>\$ 261,867</b>   | <b>\$ 248,980</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 351,454</b> | <b>\$ 25,252</b>  | <b>\$ 67,877</b>    | <b>\$ 44,390</b>    |

## Staffing

Total current authorized positions - 1.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.00 FTE

# Storm Drain Maintenance

Budget Unit 100-85-818

General Fund - Streets - Storm Drain Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 434,095          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 434,095          |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 1.20 FTE            |

## Program Overview

Maintenance of storm drain system to provide the efficient flow of stormwater and to comply with stormwater pollution prevention requirements.

## Service Objectives

- Provide effective and timely inspection and maintenance of the storm drain system including inlet and outfall structures, 2,216 storm drain inlets and collection system.
- Provide annual cleaning and inspection of all inlets.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$434,095 for the Storm Drain Maintenance program. This represents a decrease of \$42,408 (-8.9%) from the FY 2018-19 Adopted Budget.

The decrease is primarily related to decreased contract costs to better align the budget with prior year actual expenditures.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 1,259          | \$ -              | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 1,259</b>   | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 131,084        | \$ 117,112        | \$ 127,538          | \$ 129,294          |
| Employee Benefits         | \$ 62,203         | \$ 52,053         | \$ 51,389           | \$ 52,724           |
| Materials                 | \$ 7,408          | \$ 8,162          | \$ 16,720           | \$ 9,776            |
| Contract Services         | \$ 176,410        | \$ 176,175        | \$ 225,000          | \$ 185,436          |
| Cost Allocation           | \$ 31,359         | \$ 33,530         | \$ 43,770           | \$ 47,104           |
| Contingencies             | \$ -              | \$ -              | \$ 12,086           | \$ 9,761            |
| <b>Total Expenditures</b> | <b>\$ 408,464</b> | <b>\$ 387,032</b> | <b>\$ 476,503</b>   | <b>\$ 434,095</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 407,206</b> | <b>\$ 387,031</b> | <b>\$ 476,503</b>   | <b>\$ 434,095</b>   |

## Staffing

Total current authorized positions - 1.20 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.20 FTE

# Sidewalk Curb and Gutter

Budget Unit 270-85-820

Transportation Fund - Streets - Sidewalk Curb and Gutter

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 1,377,406               |
| Fund Balance             | \$ (1,156,406)             |
| General Fund Costs       | \$ 221,000                 |
| % Funded by General Fund | 16.0%                      |
| <hr/>                    |                            |
| Total Staffing           | 1.30 FTE                   |

## Program Overview

Maintain sidewalks, curb and gutter to a standard that is functional and improves accessibility and minimizes liability. Optimize the use of available funds by coordinating with other improvement projects.

## Service Objectives

- Timely maintain concrete improvements in response to citizen complaints and coordinate with programmed asphalt improvements.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,377,406 for the Sidewalk Curb and Gutter program. This represents an increase of \$181,530 (15.2%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to an additional \$150,000 allocation for the annual sidewalk, curb and gutter maintenance work.

## Special Projects

The following table shows the special projects for the fiscal year.

| <b>Special Project</b>                | <b>Appropriation</b> | <b>Revenue</b>     | <b>Funding Source</b> | <b>Description</b>                    |
|---------------------------------------|----------------------|--------------------|-----------------------|---------------------------------------|
| Annual Sidewalk Curb & Gutter Project | \$1,100,000          | \$1,100,000        | Transportation Fund   | Annual Sidewalk Curb & Gutter Project |
| <b>Total</b>                          | <b>\$1,100,000</b>   | <b>\$1,100,000</b> |                       |                                       |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget   |
|---------------------------|---------------------|---------------------|---------------------|-----------------------|
| <b>Revenues</b>           |                     |                     |                     |                       |
| Intergovernmental Revenue | \$ 21,104           | \$ -                | \$ 1,057,060        | \$ -                  |
| Charges for Services      | \$ 19,183           | \$ -                | \$ -                | \$ -                  |
| <b>Total Revenues</b>     | <b>\$ 40,287</b>    | <b>\$ -</b>         | <b>\$ 1,057,060</b> | <b>\$ -</b>           |
| <b>Expenditures</b>       |                     |                     |                     |                       |
| Employee Compensation     | \$ 71,599           | \$ 102,099          | \$ 129,339          | \$ 134,552            |
| Employee Benefits         | \$ 39,037           | \$ 50,970           | \$ 67,319           | \$ 67,722             |
| Materials                 | \$ 142              | \$ 3,833            | \$ 3,729            | \$ 5,195              |
| Contract Services         | \$ -                | \$ 80               | \$ 31,000           | \$ -                  |
| Cost Allocation           | \$ 44,435           | \$ 68,111           | \$ 62,753           | \$ 69,677             |
| Capital Outlays           | \$ -                | \$ 35,000           | \$ -                | \$ -                  |
| Special Projects          | \$ 825,140          | \$ 879,385          | \$ 900,000          | \$ 1,100,000          |
| Contingencies             | \$ -                | \$ -                | \$ 1,736            | \$ 260                |
| <b>Total Expenditures</b> | <b>\$ 980,353</b>   | <b>\$ 1,139,478</b> | <b>\$ 1,195,876</b> | <b>\$ 1,377,406</b>   |
| <b>Fund Balance</b>       | <b>\$ (133,087)</b> | <b>\$ (289,482)</b> | <b>\$ 661,184</b>   | <b>\$ (1,156,406)</b> |
| <b>General Fund Costs</b> | <b>\$ 806,977</b>   | <b>\$ 849,996</b>   | <b>\$ 800,000</b>   | <b>\$ 221,000</b>     |

## Staffing

Total current authorized positions - 1.30 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.30 FTE

# Street Pavement Maintenance

Budget Unit 270-85-821

Transportation Fund - Streets - Street Pavement Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 6,068,826        |
| Total Expenditures       | \$ 3,906,202        |
| Fund Balance             | \$ 2,162,624        |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 3.35 FTE            |

## Program Overview

This program maintains streets to a standard that balances preventative maintenance with stop-gap measures while minimizing liability.

## Service Objectives

- Perform preventative maintenance activities of fog seal and crack fill.
- Perform stop-gap maintenance of arterial, collector and residential streets.
- Oversee and manage contracted pavement maintenance projects.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$3,906,202 for the Street Pavement Maintenance program. This represents a decrease of \$2,926,372 (-42.8%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to a \$3,000,000 decrease in funding for the annual pavement maintenance project as a result of achieving a high PCI rating.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project                        | Appropriation      | Revenue            | Funding Source      | Description            |
|--|--------------------|--------------------|---------------------|------------------------|
| Pavement Maintenance (Special Project) | \$2,000,000        | \$2,000,000        | Transportation Fund | Annual Asphalt Project |
| Pavement Maintenance (Capital Outlay)  | \$1,000,000        | \$1,000,000        | SB1 Grant Funding   | Annual Asphalt Project |
| <b>Total</b>                           | <b>\$3,000,000</b> | <b>\$3,000,000</b> |                     |                        |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual           | 2018 Actual           | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------------|-----------------------|---------------------|---------------------|
| <b>Revenues</b>           |                       |                       |                     |                     |
| Intergovernmental Revenue | \$ 224,184            | \$ 750,546            | \$ 1,340,379        | \$ 5,905,305        |
| Charges for Services      | \$ 3,096              | \$ 22,261             | \$ -                | \$ -                |
| Miscellaneous Revenue     | \$ 148,639            | \$ 772,596            | \$ 185,000          | \$ 163,521          |
| <b>Total Revenues</b>     | <b>\$ 375,919</b>     | <b>\$ 1,545,403</b>   | <b>\$ 1,525,379</b> | <b>\$ 6,068,826</b> |
| <b>Expenditures</b>       |                       |                       |                     |                     |
| Employee Compensation     | \$ 254,147            | \$ 275,484            | \$ 289,040          | \$ 297,698          |
| Employee Benefits         | \$ 138,331            | \$ 135,934            | \$ 141,026          | \$ 141,722          |
| Materials                 | \$ 37,675             | \$ 33,406             | \$ 62,080           | \$ 38,761           |
| Contract Services         | \$ 137,388            | \$ 35,426             | \$ 176,000          | \$ 192,570          |
| Cost Allocation           | \$ 149,849            | \$ 145,640            | \$ 174,145          | \$ 223,884          |
| Capital Outlays           | \$ 51,830             | \$ 479,999            | \$ 978,379          | \$ 1,000,000        |
| Special Projects          | \$ 6,625,393          | \$ 8,754,931          | \$ 5,000,000        | \$ 2,000,000        |
| Contingencies             | \$ -                  | \$ -                  | \$ 11,904           | \$ 11,567           |
| <b>Total Expenditures</b> | <b>\$ 7,394,613</b>   | <b>\$ 9,860,820</b>   | <b>\$ 6,832,574</b> | <b>\$ 3,906,202</b> |
| <b>Fund Balance</b>       | <b>\$ (1,999,208)</b> | <b>\$ (2,315,418)</b> | <b>\$ (307,195)</b> | <b>\$ 2,162,624</b> |
| <b>General Fund Costs</b> | <b>\$ 5,019,487</b>   | <b>\$ 6,000,000</b>   | <b>\$ 5,000,000</b> | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 3.35 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.35 FTE

# Street Sign Marking

Budget Unit 270-85-822

Transportation Fund - Streets - Street Sign Marking

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 719,275                 |
| Fund Balance             | \$ (719,275)               |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 3.50 FTE                   |

## Program Overview

This program maintains street regulatory and informational signs, street striping, markings, and legends, as well as removes graffiti within street right-of-way in a timely manner.

## Service Objectives

- Respond to regulatory and informational sign issues in a timely manner.
- Coordinate and respond to work orders from the Traffic Engineer.
- Maintain street sign and traffic marking assets in compliance with the Manual of Uniform Traffic Control Devices.
- Remove graffiti in a timely manner.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$719,275 for the Street Sign Marking program. This represents an increase of \$57,386 (8.7%) from the FY 2018-19 Adopted Budget.

This increase is primarily due to increases in materials and contract services to better align the budget with prior year actual expenditures.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Charges for Services      | \$ -                | \$ 2,680            | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ -</b>         | <b>\$ 2,680</b>     | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 272,138          | \$ 276,727          | \$ 268,072          | \$ 279,089          |
| Employee Benefits         | \$ 149,858          | \$ 143,452          | \$ 145,723          | \$ 145,864          |
| Materials                 | \$ 98,676           | \$ 120,513          | \$ 109,228          | \$ 129,783          |
| Contract Services         | \$ 8,596            | \$ 39,335           | \$ 17,000           | \$ 34,316           |
| Cost Allocation           | \$ 116,492          | \$ 268,028          | \$ 115,555          | \$ 122,018          |
| Special Projects          | \$ -                | \$ 19,308           | \$ -                | \$ -                |
| Contingencies             | \$ -                | \$ -                | \$ 6,311            | \$ 8,205            |
| <b>Total Expenditures</b> | <b>\$ 645,760</b>   | <b>\$ 867,363</b>   | <b>\$ 661,889</b>   | <b>\$ 719,275</b>   |
| <b>Fund Balance</b>       | <b>\$ (622,243)</b> | <b>\$ (864,683)</b> | <b>\$ (661,889)</b> | <b>\$ (719,275)</b> |
| <b>General Fund Costs</b> | <b>\$ 23,518</b>    | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 3.50 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.50 FTE

# Street Lighting

Budget Unit 100-85-848

General Fund - Streets - Street Lighting

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 497,044          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 497,044          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.95 FTE            |

## Program Overview

Maintain city-owned streetlights (2,950), parking lot lights and park lighting.

## Service Objectives

- Respond to outages in a timely manner.
- Conserve electricity through the conversion of older less efficient light technology to current and tested technologies.
- Replace direct buried wiring with wiring in conduits as failures occur.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$497,044 for the Street Lighting program. This represents a decrease of \$91,197 (-15.5%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the completion of one-time special projects.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project                        | Appropriation   | Revenue         | Funding Source | Description                            |
|--|-----------------|-----------------|----------------|--|
| Torre Ave Street Light LED Replacement | \$11,500        | \$11,500        | General Fund   | Torre Ave Street Light LED Replacement |
| <b>Total</b>                           | <b>\$11,500</b> | <b>\$11,500</b> |                |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Miscellaneous Revenue     | \$ 14,385         | \$ -              | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 14,385</b>  | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 32,362         | \$ 66,064         | \$ 90,688           | \$ 105,751          |
| Employee Benefits         | \$ 16,544         | \$ 31,914         | \$ 44,497           | \$ 44,216           |
| Materials                 | \$ 237,323        | \$ 256,096        | \$ 277,769          | \$ 269,806          |
| Contract Services         | \$ 3,367          | \$ 2,588          | \$ 24,000           | \$ 2,429            |
| Cost Allocation           | \$ 19,259         | \$ 22,437         | \$ 39,199           | \$ 49,730           |
| Capital Outlays           | \$ 35,260         | \$ 46,129         | \$ 97,000           | \$ -                |
| Special Projects          | \$ -              | \$ -              | \$ -                | \$ 11,500           |
| Contingencies             | \$ -              | \$ -              | \$ 15,088           | \$ 13,612           |
| <b>Total Expenditures</b> | <b>\$ 344,115</b> | <b>\$ 425,228</b> | <b>\$ 588,241</b>   | <b>\$ 497,044</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 329,730</b> | <b>\$ 425,228</b> | <b>\$ 588,241</b>   | <b>\$ 497,044</b>   |

## Staffing

Total current authorized positions - 0.95 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.95 FTE

# Equipment Maintenance

Budget Unit 630-85-849

Vehicle/Equip Replacement - Streets - Equipment Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,352,200        |
| Total Expenditures       | \$ 1,565,864        |
| Fund Balance             | \$ (213,664)        |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 3.00 FTE            |

## Program Overview

The Fleet Division maintains all fleet equipment, including small power equipment. Equipment includes vehicles (103), rolling stock (55), trailers (19), riding mowers (12), and all power equipment (234). The division also manages above ground fuel storage tank at Service Center.

## Service Objectives

- Maintain all city vehicles and equipment to reduce operating costs and increase safety.
- Fabricate, weld and repair equipment that includes vehicles, apparatus, structures, facilities for function and safety.
- Develop specifications and bid per City policy the purchases of trucks, tractors and other significant equipment.
- Maintain surplus vehicles and other equipment per City policy.
- Ensure all vehicles conform to State of California emission regulations.
- Maintain/inspect above ground fuel tanks as required.
- Maintain accurate inventory of fleet/equipment assets.
- Maintain a safe and clean working environment be approved for the equipment mechanics and welding.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,565,864 for the Equipment Maintenance program. This represents a decrease of \$27,796 (-1.7%) from the FY 2018-19 Adopted Budget.

This decrease is due to newer fleet vehicles and equipment that require less maintenance and repair.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual           | 2018 Actual           | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------------|-----------------------|---------------------|---------------------|
| <b>Revenues</b>           |                       |                       |                     |                     |
| Charges for Services      | \$ -                  | \$ -                  | \$ 1,056,968        | \$ 1,352,200        |
| <b>Total Revenues</b>     | <b>\$ -</b>           | <b>\$ -</b>           | <b>\$ 1,056,968</b> | <b>\$ 1,352,200</b> |
| <b>Expenditures</b>       |                       |                       |                     |                     |
| Employee Compensation     | \$ 230,249            | \$ 281,210            | \$ 278,161          | \$ 248,768          |
| Employee Benefits         | \$ 492,022            | \$ 160,348            | \$ 126,268          | \$ 130,242          |
| Materials                 | \$ 460,611            | \$ 294,185            | \$ 331,679          | \$ 302,479          |
| Contract Services         | \$ 147,496            | \$ 82,489             | \$ 140,000          | \$ 81,399           |
| Cost Allocation           | \$ 141,965            | \$ 730,497            | \$ 693,968          | \$ 783,782          |
| Capital Outlays           | \$ 10,486             | \$ 22,456             | \$ -                | \$ -                |
| Contingencies             | \$ -                  | \$ -                  | \$ 23,584           | \$ 19,194           |
| <b>Total Expenditures</b> | <b>\$ 1,482,829</b>   | <b>\$ 1,571,185</b>   | <b>\$ 1,593,660</b> | <b>\$ 1,565,864</b> |
| <b>Fund Balance</b>       | <b>\$ (1,473,362)</b> | <b>\$ (1,571,185)</b> | <b>\$ (536,692)</b> | <b>\$ (213,664)</b> |
| <b>General Fund Costs</b> | <b>\$ 9,468</b>       | <b>\$ -</b>           | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 3.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 3.00 FTE

# Environmental Materials

Budget Unit 100-85-850

General Fund - Streets - Environmental Materials

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 166,103                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 166,103                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 0.65 FTE                   |

## Program Overview

This program manages Service Center solid waste disposal, Service Center safety inspections, handling/disposal/reporting of City generated hazardous waste and materials – including waste that may be illegally deposited upon the right-of-way. Provide street cleaning for unforeseen events such as debris from trucks or other sources.

## Service Objectives

- Coordinate disposal of solid waste.
- Adhere to the requirements of hazardous waste/materials storage, handling and reporting.
- Comply with Fire Marshal safety inspection requirements for Service Center facilities.
- Inspect and maintain below ground fuel tanks as required.
- Clean up traffic debris that may become deposited on streets while reducing traffic hazards.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$166,103 for the Environmental Materials program. This represents a decrease of \$28,905 (-14.8%) from the FY 2018-19 Adopted Budget.

The decrease is primarily related to decreased materials and contract services costs to better align the budget with prior year actual expenditures.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 46,095         | \$ 54,331         | \$ 56,542           | \$ 57,735           |
| Employee Benefits         | \$ 21,334         | \$ 25,434         | \$ 28,383           | \$ 28,261           |
| Materials                 | \$ 29,460         | \$ 18,445         | \$ 44,480           | \$ 24,620           |
| Contract Services         | \$ 5,354          | \$ 9,125          | \$ 5,000            | \$ -                |
| Cost Allocation           | \$ 21,986         | \$ 52,137         | \$ 58,129           | \$ 54,256           |
| Contingencies             | \$ -              | \$ -              | \$ 2,474            | \$ 1,231            |
| <b>Total Expenditures</b> | <b>\$ 124,229</b> | <b>\$ 159,472</b> | <b>\$ 195,008</b>   | <b>\$ 166,103</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 124,230</b> | <b>\$ 159,471</b> | <b>\$ 195,008</b>   | <b>\$ 166,103</b>   |

## Staffing

Total current authorized positions - 0.65 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.65 FTE

# Overpasses and Medians

Budget Unit 100-86-824

General Fund - Trees and Right of Way - Overpasses and Medians

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 1,251,590               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,251,590               |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 6.30 FTE                   |

## Program Overview

The Overpasses and Medians program maintains 31.54 developed acres of median island hardscapes and softscapes as well as 21.69 undeveloped acres of city right-of-way, the landscaped area of the Lawrence trail, and the landscaped area of the Don Burnett Bridge.

## Service Objectives

- Maintain and improve median islands, landscape strips, trails, landscaped roadsides and public right-of-ways.
- Maintain and improve water efficient programming of irrigation systems.
- Meet all Department of Pesticide Regulation requirements for weed and pest control.
- Timely pruning of plant material to promote plant health, maximize aesthetics and to reduce future maintenance requirements.
- Plant and care for new plant stock to help ensure future plant health and reduce future maintenance requirements.
- Conserve water through the planting of appropriate plant stock.
- Undertake a special project to safely evaluate all public trees adjacent to the pathway along the Lawrence trail.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,251,590 for the Overpasses and Medians program. This represents an increase of \$316 (0.0%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project  | Appropriation   | Revenue         | Funding Source | Description  |
|--|-----------------|-----------------|----------------|--|
| Tree Risk Assessment and Mitigation for Lawrence trail | \$19,725        | \$19,725        | General Fund   | Tree risk assessment and resulting mitigation for Lawrence trail |
| <b>Total</b>   | <b>\$19,725</b> | <b>\$19,725</b> |                |  |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Miscellaneous Revenue     | \$ 25,900           | \$ 791              | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 25,900</b>    | <b>\$ 791</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 433,708          | \$ 443,892          | \$ 474,434          | \$ 471,560          |
| Employee Benefits         | \$ 240,466          | \$ 236,388          | \$ 250,023          | \$ 244,647          |
| Materials                 | \$ 149,526          | \$ 195,719          | \$ 201,920          | \$ 230,260          |
| Contract Services         | \$ 67,654           | \$ 64,134           | \$ 83,000           | \$ -                |
| Cost Allocation           | \$ 298,283          | \$ 248,423          | \$ 227,651          | \$ 273,248          |
| Capital Outlays           | \$ 288              | \$ -                | \$ -                | \$ -                |
| Special Projects          | \$ -                | \$ -                | \$ -                | \$ 19,725           |
| Contingencies             | \$ -                | \$ -                | \$ 14,246           | \$ 12,150           |
| <b>Total Expenditures</b> | <b>\$ 1,189,925</b> | <b>\$ 1,188,556</b> | <b>\$ 1,251,274</b> | <b>\$ 1,251,590</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 1,164,025</b> | <b>\$ 1,187,766</b> | <b>\$ 1,251,274</b> | <b>\$ 1,251,590</b> |

## Staffing

Total current authorized positions - 6.30 FTE

There are no changes to the current level of staffing.

Total recommended positions - 6.30 FTE

# Street Tree Maintenance

Budget Unit 100-86-825

General Fund - Trees and Right of Way - Street Tree Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 22,577           |
| Total Expenditures       | \$ 1,338,934        |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 1,316,357        |
| % Funded by General Fund | 98.3%               |
| Total Staffing           | 8.40 FTE            |

## Program Overview

The Trees Division maintains the safety, health and appearance of approximately 23,300 Street and Right-of-Way trees, as well as promotes disease-free trees to enhance the City's urban forest.

## Service Objectives

- Proactively perform the activities of trimming, spraying, staking, pest management and other tree health-related functions.
- Respond to citizen requests to perform the trimming or other tree health-related services in a timely manner.
- Remove diseased and damaged trees as needed.
- Plant replacement trees for trees removed due to disease and damage.
- Continue activities to maintain standing as a Tree City USA program.
- Update the annual forestry work plan to document our urban forest and to establish goals and objectives be approved for the care and planting of trees.
- Affix and maintain tree identification badges on all City-owned and maintained street trees.
- Provide educational flyers to all residents with street trees adjacent to their property.
- Oversees stump grinding contracts.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$1,338,934 for the Street Tree Maintenance program. This represents an increase of \$143,947 (12.0%) from the FY 2018-19 Adopted Budget.

This increase is due primarily to the request to add one (1) FTE Maintenance Worker I/II Position to the Street Tree Maintenance program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                     |                     |                     |
| Charges for Services      | \$ 14,616         | \$ 12,382           | \$ 12,000           | \$ 22,577           |
| <b>Total Revenues</b>     | <b>\$ 14,616</b>  | <b>\$ 12,382</b>    | <b>\$ 12,000</b>    | <b>\$ 22,577</b>    |
| <b>Expenditures</b>       |                   |                     |                     |                     |
| Employee Compensation     | \$ 442,495        | \$ 485,290          | \$ 503,748          | \$ 589,848          |
| Employee Benefits         | \$ 247,231        | \$ 261,940          | \$ 296,273          | \$ 317,417          |
| Materials                 | \$ 110,534        | \$ 116,910          | \$ 118,000          | \$ 127,065          |
| Contract Services         | \$ 18,241         | \$ 11,850           | \$ 27,400           | \$ 11,130           |
| Cost Allocation           | \$ 104,808        | \$ 253,459          | \$ 232,296          | \$ 274,584          |
| Capital Outlays           | \$ 8,107          | \$ -                | \$ -                | \$ -                |
| Special Projects          | \$ 5,315          | \$ 6,751            | \$ 10,000           | \$ 12,000           |
| Contingencies             | \$ -              | \$ -                | \$ 7,270            | \$ 6,890            |
| <b>Total Expenditures</b> | <b>\$ 936,731</b> | <b>\$ 1,136,200</b> | <b>\$ 1,194,987</b> | <b>\$ 1,338,934</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 922,114</b> | <b>\$ 1,123,818</b> | <b>\$ 1,192,987</b> | <b>\$ 1,316,357</b> |

## Staffing

Total current authorized positions - 7.40 FTE

Staff requests to add one (1) FTE Maintenance Worker I/II Position to the Street Tree Maintenance program.

Total recommended positions - 8.40 FTE

# Weekend Work Program

Budget Unit 100-86-826

General Fund - Trees and Right of Way - Weekend Work Program

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 449,792          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 449,792          |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 2.30 FTE            |

## Program Overview

The Weekend Work Program supplements existing Service Center staffing with individuals in a sentencing alternative program. Participants of the program perform manual labor type duties. The work performed by this program reduces the number of full-time maintenance workers required.

## Service Objectives

- Efficiently administer and schedule the Weekend Work Program for a variety of nonskilled activities, including trash pick-up, weed control, right-of-way maintenance and sandbag filling.
- Offset manual work currently performed by skilled labor so as to increase overall productivity at the Service Center.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$449,792 for the Weekend Work Program program. This represents a decrease of \$19,684 (-4.2%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -              | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 233,914        | \$ 243,924        | \$ 266,225          | \$ 233,423          |
| Employee Benefits         | \$ 115,487        | \$ 98,122         | \$ 96,495           | \$ 85,910           |
| Materials                 | \$ 4,225          | \$ 6,350          | \$ 10,600           | \$ 10,276           |
| Contract Services         | \$ 45             | \$ -              | \$ 2,300            | \$ -                |
| Cost Allocation           | \$ 74,860         | \$ 76,840         | \$ 93,211           | \$ 119,669          |
| Contingencies             | \$ -              | \$ -              | \$ 645              | \$ 514              |
| <b>Total Expenditures</b> | <b>\$ 428,531</b> | <b>\$ 425,236</b> | <b>\$ 469,476</b>   | <b>\$ 449,792</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 428,531</b> | <b>\$ 425,236</b> | <b>\$ 469,476</b>   | <b>\$ 449,792</b>   |

## Staffing

Total current authorized positions - 2.30 FTE

There are no changes to the current level of staffing.

Total recommended positions - 2.30 FTE

# City Hall Maintenance

Budget Unit 100-87-827

General Fund - Facilities and Fleet - City Hall Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 459,503          |
| Total Expenditures       | \$ 642,985          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 183,482          |
| % Funded by General Fund | 28.5%               |
| Total Staffing           | 1.00 FTE            |

## Program Overview

Maintain City Hall building to ensure efficient operations, employee satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and city employees.
- Respond to requests made by City Hall staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$642,985 for the City Hall Maintenance program. This represents an increase of \$23,235 (3.7%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                   |                     |                     |
| Charges for Services      | \$ 718,539          | \$ 355,380        | \$ 303,250          | \$ 459,503          |
| <b>Total Revenues</b>     | <b>\$ 718,539</b>   | <b>\$ 355,380</b> | <b>\$ 303,250</b>   | <b>\$ 459,503</b>   |
| <b>Expenditures</b>       |                     |                   |                     |                     |
| Employee Compensation     | \$ 92,865           | \$ 92,817         | \$ 99,201           | \$ 102,628          |
| Employee Benefits         | \$ 49,491           | \$ 44,258         | \$ 46,712           | \$ 46,496           |
| Materials                 | \$ 172,426          | \$ 181,854        | \$ 229,935          | \$ 157,101          |
| Contract Services         | \$ 114,738          | \$ 139,195        | \$ 157,000          | \$ 235,389          |
| Cost Allocation           | \$ 58,577           | \$ 34,135         | \$ 52,555           | \$ 81,746           |
| Capital Outlays           | \$ 4,300            | \$ 27,341         | \$ 15,000           | \$ -                |
| Contingencies             | \$ -                | \$ -              | \$ 19,347           | \$ 19,625           |
| <b>Total Expenditures</b> | <b>\$ 492,397</b>   | <b>\$ 519,600</b> | <b>\$ 619,750</b>   | <b>\$ 642,985</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (226,142)</b> | <b>\$ 164,220</b> | <b>\$ 316,500</b>   | <b>\$ 183,482</b>   |

## Staffing

Total current authorized positions - 1.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.00 FTE

# Library Maintenance

Budget Unit 100-87-828

General Fund - Facilities and Fleet - Library Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 1,072,854        |
| Total Expenditures       | \$ 595,393          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ (477,461)        |
| % Funded by General Fund | -80.2%              |
| Total Staffing           | 0.80 FTE            |

## Program Overview

Maintain Library building to ensure public and employee satisfaction and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and County employees.
- Respond to requests made by County staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$595,393 for the Library Maintenance program. This represents an increase of \$256,559 (75.7%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to additional budget allocation for janitorial services for expanded library hours and an increase in the minimum wage.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual        | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                    |                     |                     |
| Use of Money and Property | \$ 142,858          | \$ 143,833         | \$ 141,500          | \$ 141,500          |
| Charges for Services      | \$ 586,459          | \$ 375,124         | \$ 409,300          | \$ 931,354          |
| <b>Total Revenues</b>     | <b>\$ 729,317</b>   | <b>\$ 518,957</b>  | <b>\$ 550,800</b>   | <b>\$ 1,072,854</b> |
| <b>Expenditures</b>       |                     |                    |                     |                     |
| Employee Compensation     | \$ 60,200           | \$ 61,052          | \$ 65,911           | \$ 67,075           |
| Employee Benefits         | \$ 35,744           | \$ 33,476          | \$ 34,540           | \$ 34,928           |
| Materials                 | \$ 3,406            | \$ 11,452          | \$ 14,356           | \$ 30,143           |
| Contract Services         | \$ 47,863           | \$ 308,529         | \$ 175,000          | \$ 376,614          |
| Cost Allocation           | \$ 263,432          | \$ 11,541          | \$ 23,259           | \$ 45,986           |
| Capital Outlays           | \$ 113,890          | \$ 20,259          | \$ 10,000           | \$ -                |
| Special Projects          | \$ -                | \$ -               | \$ 6,000            | \$ -                |
| Contingencies             | \$ -                | \$ -               | \$ 9,768            | \$ 40,647           |
| <b>Total Expenditures</b> | <b>\$ 524,535</b>   | <b>\$ 446,309</b>  | <b>\$ 338,834</b>   | <b>\$ 595,393</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (204,781)</b> | <b>\$ (72,649)</b> | <b>\$ (211,966)</b> | <b>\$ (477,461)</b> |

## Staffing

Total current authorized positions - 0.80 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.80 FTE

# Service Center Maintenance

Budget Unit 100-87-829

General Fund - Facilities and Fleet - Service Center Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 262,382          |
| Total Expenditures       | \$ 289,389          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 27,007           |
| % Funded by General Fund | 9.3%                |
| Total Staffing           | 0.70 FTE            |

## Program Overview

This program maintains the Service Center buildings to ensure employee satisfaction and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Service Center staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$289,389 for the Service Center Maintenance program. This represents an increase of \$27,257 (10.4%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Charges for Services      | \$ 511,696          | \$ 429,316          | \$ 323,466          | \$ 262,382          |
| <b>Total Revenues</b>     | <b>\$ 511,696</b>   | <b>\$ 429,316</b>   | <b>\$ 323,466</b>   | <b>\$ 262,382</b>   |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 58,659           | \$ 56,660           | \$ 59,410           | \$ 61,583           |
| Employee Benefits         | \$ 33,395           | \$ 29,160           | \$ 30,638           | \$ 30,664           |
| Materials                 | \$ 59,199           | \$ 71,207           | \$ 103,269          | \$ 95,620           |
| Contract Services         | \$ 35,366           | \$ 42,010           | \$ 40,000           | \$ 46,505           |
| Cost Allocation           | \$ 65,008           | \$ 63,292           | \$ 21,652           | \$ 40,518           |
| Capital Outlays           | \$ 3,149            | \$ 34,369           | \$ -                | \$ -                |
| Contingencies             | \$ -                | \$ -                | \$ 7,163            | \$ 14,499           |
| <b>Total Expenditures</b> | <b>\$ 254,776</b>   | <b>\$ 296,698</b>   | <b>\$ 262,132</b>   | <b>\$ 289,389</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (256,921)</b> | <b>\$ (132,617)</b> | <b>\$ (61,334)</b>  | <b>\$ 27,007</b>    |

## Staffing

Total current authorized positions - 0.70 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.70 FTE

# Quinlan Community Center Maintenance

Budget Unit 100-87-830

General Fund - Facilities and Fleet - Quinlan Community Center Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 385,272          |
| Total Expenditures       | \$ 512,732          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 127,460          |
| % Funded by General Fund | 24.9%               |
| Total Staffing           | 0.80 FTE            |

## Program Overview

This program maintains Quinlan Community Center building to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$512,732 for the Quinlan Community Center Maintenance program. This represents an increase of \$46,316 (9.9%) from the FY 2018-19 Adopted Budget.

This increase is primarily attributable to additional budget allocation for janitorial services due to an increase in the minimum wage and increased contract costs to better align the budget with prior year actual expenditures.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project        | Appropriation   | Revenue         | Funding Source | Description            |
|------------------------|-----------------|-----------------|----------------|------------------------|
| Reception Area Remodel | \$40,000        | \$40,000        | General Fund   | Reception Area Remodel |
| <b>Total</b>           | <b>\$40,000</b> | <b>\$40,000</b> |                |                        |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 251,129        | \$ -              | \$ 181,950          | \$ 385,272          |
| <b>Total Revenues</b>     | <b>\$ 251,129</b> | <b>\$ -</b>       | <b>\$ 181,950</b>   | <b>\$ 385,272</b>   |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 65,784         | \$ 64,935         | \$ 67,958           | \$ 70,702           |
| Employee Benefits         | \$ 32,024         | \$ 29,986         | \$ 30,721           | \$ 30,531           |
| Materials                 | \$ 123,144        | \$ 139,419        | \$ 153,700          | \$ 127,597          |
| Contract Services         | \$ 107,885        | \$ 126,426        | \$ 100,000          | \$ 160,513          |
| Cost Allocation           | \$ 19,502         | \$ 8,793          | \$ 32,352           | \$ 55,406           |
| Capital Outlays           | \$ 64,729         | \$ 66,102         | \$ 69,000           | \$ -                |
| Special Projects          | \$ -              | \$ -              | \$ -                | \$ 40,000           |
| Contingencies             | \$ -              | \$ -              | \$ 12,685           | \$ 27,983           |
| <b>Total Expenditures</b> | <b>\$ 413,068</b> | <b>\$ 435,661</b> | <b>\$ 466,416</b>   | <b>\$ 512,732</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 161,938</b> | <b>\$ 435,660</b> | <b>\$ 284,466</b>   | <b>\$ 127,460</b>   |

## Staffing

Total current authorized positions - 0.80 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.80 FTE

# Senior Center Maintenance

Budget Unit 100-87-831

General Fund - Facilities and Fleet - Senior Center Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 264,330          |
| Total Expenditures       | \$ 321,242          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 56,912           |
| % Funded by General Fund | 17.7%               |
| Total Staffing           | 0.80 FTE            |

## Program Overview

Maintain Senior Center building to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$321,242 for the Senior Center Maintenance program. This represents an increase of \$79,556 (32.9%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to additional budget allocation for janitorial services due to an increase in the minimum wage, an increase in contingency for unforeseen maintenance and a change in cost allocation methodology.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project         | Appropriation   | Revenue         | Funding Source | Description             |
|-------------------------|-----------------|-----------------|----------------|-------------------------|
| Exterior Deck Resealing | \$12,000        | \$12,000        | General Fund   | Exterior Deck Resealing |
| <b>Total</b>            | <b>\$12,000</b> | <b>\$12,000</b> |                |                         |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 270,705        | \$ 241,640        | \$ 181,950          | \$ 262,630          |
| Miscellaneous Revenue     | \$ 18,689         | \$ -              | \$ -                | \$ 1,700            |
| <b>Total Revenues</b>     | <b>\$ 289,394</b> | <b>\$ 241,640</b> | <b>\$ 181,950</b>   | <b>\$ 264,330</b>   |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 48,692         | \$ 51,115         | \$ 56,694           | \$ 61,994           |
| Employee Benefits         | \$ 26,807         | \$ 28,660         | \$ 30,975           | \$ 31,625           |
| Materials                 | \$ 59,700         | \$ 74,913         | \$ 67,916           | \$ 69,717           |
| Contract Services         | \$ 78,520         | \$ 104,793        | \$ 66,000           | \$ 94,301           |
| Cost Allocation           | \$ 39,661         | \$ 1,912          | \$ 13,387           | \$ 35,231           |
| Capital Outlays           | \$ 87,214         | \$ 35,586         | \$ -                | \$ -                |
| Special Projects          | \$ -              | \$ -              | \$ -                | \$ 12,000           |
| Contingencies             | \$ -              | \$ -              | \$ 6,714            | \$ 16,374           |
| <b>Total Expenditures</b> | <b>\$ 340,594</b> | <b>\$ 296,979</b> | <b>\$ 241,686</b>   | <b>\$ 321,242</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 51,202</b>  | <b>\$ 55,339</b>  | <b>\$ 59,736</b>    | <b>\$ 56,912</b>    |

## Staffing

Total current authorized positions - 0.80 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.80 FTE

# McClellan Ranch Maintenance

Budget Unit 100-87-832

General Fund - Facilities and Fleet - McClellan Ranch Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 98,885           |
| Total Expenditures       | \$ 179,024          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 80,139           |
| % Funded by General Fund | 44.8%               |
| <hr/>                    |                     |
| Total Staffing           | 0.60 FTE            |

## Program Overview

This program maintains McClellan Ranch buildings to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$179,024 for the McClellan Ranch Maintenance program. This represents an increase of \$31 (0.0%) from the FY 2018-19 Adopted Budget.

The increase in contract services is primarily attributable to better align the budget with prior year actual expenditures.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b> | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                    |                    |                            |                            |
| Charges for Services      | \$ -               | \$ -               | \$ -                       | \$ 95,425                  |
| Miscellaneous Revenue     | \$ -               | \$ 840             | \$ 1,700                   | \$ 3,460                   |
| <b>Total Revenues</b>     | <b>\$ -</b>        | <b>\$ 840</b>      | <b>\$ 1,700</b>            | <b>\$ 98,885</b>           |
| <b>Expenditures</b>       |                    |                    |                            |                            |
| Employee Compensation     | \$ 45,976          | \$ 46,139          | \$ 47,885                  | \$ 53,002                  |
| Employee Benefits         | \$ 23,585          | \$ 23,658          | \$ 23,964                  | \$ 24,255                  |
| Materials                 | \$ 11,378          | \$ 15,407          | \$ 22,392                  | \$ 16,263                  |
| Contract Services         | \$ 35,456          | \$ 15,129          | \$ 26,000                  | \$ 52,007                  |
| Cost Allocation           | \$ 8,432           | \$ 5,736           | \$ 12,832                  | \$ 26,690                  |
| Capital Outlays           | \$ 10,942          | \$ 1,837           | \$ 12,000                  | \$ -                       |
| Special Projects          | \$ -               | \$ -               | \$ 30,000                  | \$ -                       |
| Contingencies             | \$ -               | \$ -               | \$ 3,920                   | \$ 6,807                   |
| <b>Total Expenditures</b> | <b>\$ 135,769</b>  | <b>\$ 107,906</b>  | <b>\$ 178,993</b>          | <b>\$ 179,024</b>          |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ 135,770</b>  | <b>\$ 107,065</b>  | <b>\$ 177,293</b>          | <b>\$ 80,139</b>           |

## Staffing

Total current authorized positions - 0.60 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.60 FTE

# Monta Vista Community Center Maintenance

Budget Unit 100-87-833

General Fund - Facilities and Fleet - Monta Vista Community Center Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 118,070          |
| Total Expenditures       | \$ 158,634          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 40,564           |
| % Funded by General Fund | 25.6%               |
| Total Staffing           | 0.40 FTE            |

## Program Overview

This program maintains Monta Vista Community Center and adjacent buildings to ensure efficient operations, employee satisfaction, user satisfaction and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$158,634 for the Monta Vista Community Center Maintenance program. This represents a decrease of \$69,256 (-30.4%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the completion of special projects.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual        | 2018 Actual        | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|--------------------|--------------------|---------------------|---------------------|
| <b>Revenues</b>           |                    |                    |                     |                     |
| Charges for Services      | \$ 166,597         | \$ 148,708         | \$ 121,300          | \$ 118,070          |
| <b>Total Revenues</b>     | <b>\$ 166,597</b>  | <b>\$ 148,708</b>  | <b>\$ 121,300</b>   | <b>\$ 118,070</b>   |
| <b>Expenditures</b>       |                    |                    |                     |                     |
| Employee Compensation     | \$ 33,138          | \$ 32,743          | \$ 35,911           | \$ 36,912           |
| Employee Benefits         | \$ 18,101          | \$ 15,945          | \$ 16,993           | \$ 16,916           |
| Materials                 | \$ 23,784          | \$ 27,023          | \$ 33,573           | \$ 27,979           |
| Contract Services         | \$ 31,084          | \$ 35,244          | \$ 35,000           | \$ 47,217           |
| Cost Allocation           | \$ 23,099          | \$ 2,868           | \$ 9,984            | \$ 22,103           |
| Capital Outlays           | \$ 11,849          | \$ 19,688          | \$ 93,000           | \$ -                |
| Contingencies             | \$ -               | \$ -               | \$ 3,429            | \$ 7,507            |
| <b>Total Expenditures</b> | <b>\$ 141,055</b>  | <b>\$ 133,511</b>  | <b>\$ 227,890</b>   | <b>\$ 158,634</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (25,542)</b> | <b>\$ (15,197)</b> | <b>\$ 106,590</b>   | <b>\$ 40,564</b>    |

## Staffing

Total current authorized positions - 0.40 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.40 FTE

# Wilson Park Maintenance

Budget Unit 100-87-834

General Fund - Facilities and Fleet - Wilson Park Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 77,225           |
| Total Expenditures       | \$ 97,162           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 19,937           |
| % Funded by General Fund | 20.5%               |
| <hr/>                    |                     |
| Total Staffing           | 0.20 FTE            |

## Program Overview

This program maintains Wilson Park pottery building to ensure efficient operations, user satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$97,162 for the Wilson Park Maintenance program. This represents an increase of \$33,998 (53.8%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to additional budget allocation for janitorial services for the increase in the minimum wage.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| Charges for Services      | \$ -             | \$ -             | \$ -                | \$ 77,225           |
| <b>Total Revenues</b>     | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ 77,225</b>    |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 17,999        | \$ 19,031        | \$ 18,167           | \$ 18,565           |
| Employee Benefits         | \$ 9,890         | \$ 10,089        | \$ 10,361           | \$ 10,338           |
| Materials                 | \$ 12,594        | \$ 14,070        | \$ 15,217           | \$ 16,156           |
| Contract Services         | \$ 12,506        | \$ 13,952        | \$ 10,000           | \$ 37,013           |
| Cost Allocation           | \$ 2,814         | \$ 5,737         | \$ 8,158            | \$ 12,432           |
| Capital Outlays           | \$ 1,200         | \$ 24,446        | \$ -                | \$ -                |
| Contingencies             | \$ -             | \$ -             | \$ 1,261            | \$ 2,658            |
| <b>Total Expenditures</b> | <b>\$ 57,003</b> | <b>\$ 87,325</b> | <b>\$ 63,164</b>    | <b>\$ 97,162</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 57,002</b> | <b>\$ 87,325</b> | <b>\$ 63,164</b>    | <b>\$ 19,937</b>    |

## Staffing

Total current authorized positions - 0.20 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.20 FTE

# Portal Park Maintenance

Budget Unit 100-87-835

General Fund - Facilities and Fleet - Portal Park Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 41,483           |
| Total Expenditures       | \$ 39,323           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ (2,160)          |
| % Funded by General Fund | -5.5%               |
| Total Staffing           | 0.10 FTE            |

## Program Overview

This program maintains Portal Park building to ensure user efficient operations, satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$39,323 for the Portal Park Maintenance program. This represents an increase of \$2,116 (5.7%) from the FY 2018-19 Adopted Budget.

This budget is relatively unchanged since last fiscal year.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| Charges for Services      | \$ -             | \$ -             | \$ -                | \$ 41,483           |
| <b>Total Revenues</b>     | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ 41,483</b>    |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 8,939         | \$ 9,250         | \$ 8,909            | \$ 9,002            |
| Employee Benefits         | \$ 4,930         | \$ 4,981         | \$ 5,182            | \$ 5,169            |
| Materials                 | \$ 3,789         | \$ 5,790         | \$ 8,606            | \$ 6,268            |
| Contract Services         | \$ 3,123         | \$ 5,218         | \$ 8,251            | \$ 9,623            |
| Cost Allocation           | \$ 1,420         | \$ 2,869         | \$ 5,416            | \$ 8,466            |
| Capital Outlays           | \$ 2,200         | \$ 18,800        | \$ -                | \$ -                |
| Contingencies             | \$ -             | \$ -             | \$ 843              | \$ 795              |
| <b>Total Expenditures</b> | <b>\$ 24,401</b> | <b>\$ 46,908</b> | <b>\$ 37,207</b>    | <b>\$ 39,323</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 24,401</b> | <b>\$ 46,908</b> | <b>\$ 37,207</b>    | <b>\$ (2,160)</b>   |

## Staffing

Total current authorized positions - 0.10 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.10 FTE

# Sports Center Maintenance

Budget Unit 570-87-836

Sports Center - Facilities and Fleet - Sports Center Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 470,355          |
| Fund Balance             | \$ (470,355)        |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 0.70 FTE            |

## Program Overview

This program maintains Sport Center facilities to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$470,355 for the Sports Center Maintenance program. This represents a decrease of \$19,721 (-4.0%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the completion of special projects.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project               | Appropriation   | Revenue         | Funding Source | Description                   |
|-------------------------------|-----------------|-----------------|----------------|-------------------------------|
| Water Bottle Filler/Fountains | \$14,000        | \$14,000        | General Fund   | Water Bottle Filler/Fountains |
| <b>Total</b>                  | <b>\$14,000</b> | <b>\$14,000</b> |                |                               |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                     |                     |                     |
| <b>Total Revenues</b>     | \$ -              | \$ -                | \$ -                | \$ -                |
| <b>Expenditures</b>       |                   |                     |                     |                     |
| Employee Compensation     | \$ 66,612         | \$ 75,499           | \$ 65,543           | \$ 66,021           |
| Employee Benefits         | \$ 30,439         | \$ 43,295           | \$ 34,021           | \$ 34,095           |
| Materials                 | \$ (36,612)       | \$ 130,940          | \$ 158,778          | \$ 130,168          |
| Contract Services         | \$ 67,112         | \$ 90,409           | \$ 60,000           | \$ 117,121          |
| Cost Allocation           | \$ 68,055         | \$ 90,098           | \$ 86,476           | \$ 83,606           |
| Capital Outlays           | \$ 16,450         | \$ 7,292            | \$ -                | \$ -                |
| Special Projects          | \$ -              | \$ -                | \$ 75,000           | \$ 14,000           |
| Contingencies             | \$ -              | \$ -                | \$ 10,258           | \$ 25,344           |
| <b>Total Expenditures</b> | <b>\$ 212,056</b> | <b>\$ 437,533</b>   | <b>\$ 490,076</b>   | <b>\$ 470,355</b>   |
| <b>Fund Balance</b>       | <b>\$ 192,562</b> | <b>\$ (437,533)</b> | <b>\$ (490,076)</b> | <b>\$ (470,355)</b> |
| <b>General Fund Costs</b> | <b>\$ 404,617</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.70 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.70 FTE

# Creekside Park Maintenance

Budget Unit 100-87-837

General Fund - Facilities and Fleet - Creekside Park Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 47,545           |
| Total Expenditures       | \$ 87,022           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 39,477           |
| % Funded by General Fund | 45.4%               |
| Total Staffing           | 0.20 FTE            |

## Program Overview

This program maintains Creekside Park building to ensure efficient operations, user satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$87,022 for the Creekside Park Maintenance program. This represents an increase of \$21,232 (32.3%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to additional budget allocation for janitorial services for the increase in the minimum wage and a change in cost allocation methodology.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual        | 2018 Actual        | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|--------------------|--------------------|---------------------|---------------------|
| <b>Revenues</b>           |                    |                    |                     |                     |
| Charges for Services      | \$ 89,958          | \$ 80,300          | \$ 60,650           | \$ 47,545           |
| <b>Total Revenues</b>     | <b>\$ 89,958</b>   | <b>\$ 80,300</b>   | <b>\$ 60,650</b>    | <b>\$ 47,545</b>    |
| <b>Expenditures</b>       |                    |                    |                     |                     |
| Employee Compensation     | \$ 18,722          | \$ 16,642          | \$ 20,025           | \$ 20,391           |
| Employee Benefits         | \$ 9,813           | \$ 8,664           | \$ 9,616            | \$ 9,656            |
| Materials                 | \$ 8,889           | \$ 10,218          | \$ 16,324           | \$ 10,345           |
| Contract Services         | \$ 13,168          | \$ 15,372          | \$ 10,000           | \$ 26,546           |
| Cost Allocation           | \$ 12,290          | \$ 2,868           | \$ 8,509            | \$ 17,199           |
| Capital Outlays           | \$ 192             | \$ -               | \$ -                | \$ -                |
| Contingencies             | \$ -               | \$ -               | \$ 1,316            | \$ 2,885            |
| <b>Total Expenditures</b> | <b>\$ 63,074</b>   | <b>\$ 53,764</b>   | <b>\$ 65,790</b>    | <b>\$ 87,022</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (26,884)</b> | <b>\$ (26,536)</b> | <b>\$ 5,140</b>     | <b>\$ 39,477</b>    |

## Staffing

Total current authorized positions - 0.20 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.20 FTE

# Community Hall Maintenance

Budget Unit 100-87-838

General Fund - Facilities and Fleet - Community Hall Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 233,028          |
| Total Expenditures       | \$ 301,343          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 68,315           |
| % Funded by General Fund | 22.7%               |
| Total Staffing           | 0.50 FTE            |

## Program Overview

This program maintains Community Hall and interactive fountain to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by City Hall staff.
- Manage and responsibly coordinate work completed by contractors.
- Ensure water quality and functionality of interactive fountain.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$301,343 for the Community Hall Maintenance program. This represents an increase of \$50,015 (19.9%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to additional budget allocation for janitorial services for the increase in the minimum wage and a change in cost allocation methodology.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual        | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|--------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                    |                   |                     |                     |
| Charges for Services      | \$ 275,140         | \$ 27,280         | \$ 202,167          | \$ 233,028          |
| <b>Total Revenues</b>     | <b>\$ 275,140</b>  | <b>\$ 27,280</b>  | <b>\$ 202,167</b>   | <b>\$ 233,028</b>   |
| <b>Expenditures</b>       |                    |                   |                     |                     |
| Employee Compensation     | \$ 32,122          | \$ 33,952         | \$ 36,262           | \$ 38,039           |
| Employee Benefits         | \$ 19,386          | \$ 19,540         | \$ 20,686           | \$ 20,927           |
| Materials                 | \$ 44,090          | \$ 45,005         | \$ 66,425           | \$ 71,214           |
| Contract Services         | \$ 33,471          | \$ 66,422         | \$ 105,000          | \$ 132,750          |
| Cost Allocation           | \$ 7,020           | \$ 3,825          | \$ 14,384           | \$ 28,215           |
| Capital Outlays           | \$ 54,296          | \$ 94,760         | \$ -                | \$ -                |
| Contingencies             | \$ -               | \$ -              | \$ 8,571            | \$ 10,198           |
| <b>Total Expenditures</b> | <b>\$ 190,385</b>  | <b>\$ 263,504</b> | <b>\$ 251,328</b>   | <b>\$ 301,343</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (84,755)</b> | <b>\$ 236,225</b> | <b>\$ 49,161</b>    | <b>\$ 68,315</b>    |

## Staffing

Total current authorized positions - 0.50 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.50 FTE

# Teen Center Maintenance

Budget Unit 100-87-839

General Fund - Facilities and Fleet - Teen Center Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 21,469           |
| Total Expenditures       | \$ 55,445           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 33,976           |
| % Funded by General Fund | 61.3%               |
| Total Staffing           | 0.10 FTE            |

## Program Overview

This program maintains the Teen Center area below the Sports Center to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Respond to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$55,445 for the Teen Center Maintenance program. This represents a decrease of \$40,579 (-42.3%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the completion of special projects.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project              | Appropriation   | Revenue         | Funding Source | Description                  |
|------------------------------|-----------------|-----------------|----------------|------------------------------|
| Storefront Door Installation | \$17,000        | \$17,000        | General Fund   | Storefront Door Installation |
| <b>Total</b>                 | <b>\$17,000</b> | <b>\$17,000</b> |                |                              |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual        | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|--------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                    |                     |                     |
| Charges for Services      | \$ 44,312        | \$ 97,868          | \$ 80,867           | \$ 21,469           |
| <b>Total Revenues</b>     | <b>\$ 44,312</b> | <b>\$ 97,868</b>   | <b>\$ 80,867</b>    | <b>\$ 21,469</b>    |
| <b>Expenditures</b>       |                  |                    |                     |                     |
| Employee Compensation     | \$ 9,270         | \$ 9,957           | \$ 9,009            | \$ 9,746            |
| Employee Benefits         | \$ 4,981         | \$ 5,037           | \$ 5,182            | \$ 5,169            |
| Materials                 | \$ 11,581        | \$ 6,413           | \$ 10,173           | \$ 40               |
| Contract Services         | \$ 19,411        | \$ -               | \$ 14,000           | \$ 17,049           |
| Cost Allocation           | \$ 6,082         | \$ 2,869           | \$ 3,951            | \$ 5,587            |
| Special Projects          | \$ -             | \$ -               | \$ 50,000           | \$ 17,000           |
| Contingencies             | \$ -             | \$ -               | \$ 3,709            | \$ 854              |
| <b>Total Expenditures</b> | <b>\$ 51,325</b> | <b>\$ 24,276</b>   | <b>\$ 96,024</b>    | <b>\$ 55,445</b>    |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 7,012</b>  | <b>\$ (73,592)</b> | <b>\$ 15,157</b>    | <b>\$ 33,976</b>    |

## Staffing

Total current authorized positions - 0.10 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.10 FTE

# Park Bathrooms Maintenance

Budget Unit 100-87-840

General Fund - Facilities and Fleet - Park Bathrooms Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 85,967           |
| Total Expenditures       | \$ 143,869          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 57,902           |
| % Funded by General Fund | 40.2%               |
| Total Staffing           | 0.20 FTE            |

## Program Overview

This program maintains park restrooms to ensure efficient operations, user satisfaction, and community pride.

## Service Objectives

- Provide clean and functioning restrooms at various park locations.
- Respond to requests made by the users of the park.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$143,869 for the Park Bathrooms Maintenance program. This represents a decrease of \$24,991 (-14.8%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the completion of special projects.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual      | 2018 Actual      | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| <b>Revenues</b>           |                  |                  |                     |                     |
| Charges for Services      | \$ -             | \$ -             | \$ -                | \$ 85,967           |
| <b>Total Revenues</b>     | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ 85,967</b>    |
| <b>Expenditures</b>       |                  |                  |                     |                     |
| Employee Compensation     | \$ 15,689        | \$ 16,726        | \$ 16,897           | \$ 17,697           |
| Employee Benefits         | \$ 7,346         | \$ 8,511         | \$ 8,477            | \$ 8,448            |
| Materials                 | \$ 26,196        | \$ 12,451        | \$ 25,080           | \$ 13,279           |
| Contract Services         | \$ 28,604        | \$ 29,459        | \$ 75,000           | \$ 84,961           |
| Cost Allocation           | \$ 2,932         | \$ 1,912         | \$ 8,402            | \$ 14,572           |
| Capital Outlays           | \$ 3,305         | \$ 28,152        | \$ 30,000           | \$ -                |
| Contingencies             | \$ -             | \$ -             | \$ 5,004            | \$ 4,912            |
| <b>Total Expenditures</b> | <b>\$ 84,072</b> | <b>\$ 97,211</b> | <b>\$ 168,860</b>   | <b>\$ 143,869</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 84,071</b> | <b>\$ 97,211</b> | <b>\$ 168,860</b>   | <b>\$ 57,902</b>    |

## Staffing

Total current authorized positions - 0.20 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.20 FTE

# Blackberry Farm Maintenance

Budget Unit 100-87-841

General Fund - Facilities and Fleet - Blackberry Farm Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 322,155          |
| Total Expenditures       | \$ 450,915          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 128,760          |
| % Funded by General Fund | 28.6%               |
| Total Staffing           | 0.90 FTE            |

## Program Overview

This program maintains Blackberry Farm buildings and facilities to ensure efficient operations, employee satisfaction, user satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for the public and employees.
- Timely response to requests made by Recreation and Community Services Department staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$450,915 for the Blackberry Farm Maintenance program. This represents a decrease of \$105,199 (-18.9%) from the FY 2018-19 Adopted Budget.

This decrease is mainly due to the completion of special projects.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual        | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|--------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                    |                   |                     |                     |
| Charges for Services      | \$ 380,515         | \$ 339,664        | \$ 444,766          | \$ 322,155          |
| <b>Total Revenues</b>     | <b>\$ 380,515</b>  | <b>\$ 339,664</b> | <b>\$ 444,766</b>   | <b>\$ 322,155</b>   |
| <b>Expenditures</b>       |                    |                   |                     |                     |
| Employee Compensation     | \$ 55,440          | \$ 59,840         | \$ 66,363           | \$ 71,727           |
| Employee Benefits         | \$ 33,282          | \$ 39,467         | \$ 38,538           | \$ 40,026           |
| Materials                 | \$ 97,435          | \$ 105,132        | \$ 104,601          | \$ 110,107          |
| Contract Services         | \$ 54,148          | \$ 76,745         | \$ 55,000           | \$ 86,582           |
| Cost Allocation           | \$ 52,724          | \$ 8,606          | \$ 83,822           | \$ 122,841          |
| Capital Outlays           | \$ 16,288          | \$ 74,498         | \$ 200,000          | \$ -                |
| Contingencies             | \$ -               | \$ -              | \$ 7,790            | \$ 19,632           |
| <b>Total Expenditures</b> | <b>\$ 309,317</b>  | <b>\$ 364,288</b> | <b>\$ 556,114</b>   | <b>\$ 450,915</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>        | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ (71,198)</b> | <b>\$ 24,624</b>  | <b>\$ 111,348</b>   | <b>\$ 128,760</b>   |

## Staffing

Total current authorized positions - 0.90 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.90 FTE

# Franco Traffic Operations Center

Budget Unit 100-87-852

General Fund - Facilities and Fleet - Franco Traffic Operations Center

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 52,243           |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 52,243           |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 0.00 FTE            |

## Program Overview

This program maintains the Traffic Operations Center on Franco Court to ensure efficient operations, user satisfaction, and community pride.

## Service Objectives

- Provide a safe, clean and productive working environment for city employees.
- Respond to requests made by Traffic Operations Center staff.
- Manage and responsibly coordinate work completed by contractors.
- Perform improvements that responsibly conserve the resources of water, electricity, and gas.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$52,243 for the Franco Traffic Operations Center program. This represents an increase of \$16,610 (46.6%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to special project requests and a change in cost allocation methodology.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project         | Appropriation  | Revenue        | Funding Source | Description             |
|-------------------------|----------------|----------------|----------------|-------------------------|
| Traffic Box Art Coating | \$7,500        | \$7,500        | General Fund   | Traffic Box Art Coating |
| <b>Total</b>            | <b>\$7,500</b> | <b>\$7,500</b> |                |                         |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>           |             |             |                     |                     |
| <b>Total Revenues</b>     | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b>       |             |             |                     |                     |
| Materials                 | \$ -        | \$ -        | \$ -                | \$ 137              |
| Cost Allocation           | \$ -        | \$ -        | \$ 35,633           | \$ 44,599           |
| Special Projects          | \$ -        | \$ -        | \$ -                | \$ 7,500            |
| Contingencies             | \$ -        | \$ -        | \$ -                | \$ 7                |
| <b>Total Expenditures</b> | \$ -        | \$ -        | \$ 35,633           | \$ 52,243           |
| <b>Fund Balance</b>       | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>General Fund Costs</b> | \$ -        | \$ -        | \$ 35,633           | \$ 52,243           |

## Staffing

Total current authorized positions - 0.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 0.00 FTE

# Traffic Engineering

Budget Unit 100-88-844

General Fund - Transportation - Traffic Engineering

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 966,184                 |
| Total Expenditures       | \$ 2,675,023               |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 1,708,839               |
| % Funded by General Fund | 63.9%                      |
| <hr/>                    |                            |
| Total Staffing           | 3.50 FTE                   |

## Program Overview

The Transportation Division oversees traffic operations, traffic studies, transportation planning, and transportation capital improvements to safely and efficiently manage all modes of travel within the City's street and trail network. This includes responding to citizen requests and concerns regarding traffic issues, developing plans for the installation of traffic signals, traffic signs, and pavement markings, and developing design standards. The Division assists in the preparation of the General Plan, street plan lines and the capital improvement program related to street improvements. Division staff are active on Santa Clara Valley Transportation Authority (VTA) subcommittees and working groups and keeps abreast regarding current developments in the field as well as grant funding opportunities for large projects.

The Transportation Division also participates in the review of private development proposals to identify potential traffic impacts and to require necessary mitigations to maintain levels of service and safe and efficient traffic operations.

## Service Objectives

- Ensure the efficiency and safety of the street system for all modes of travel through continual observation of traffic patterns, traffic signals and other traffic control devices.
- Review traffic collision reports, traffic flow patterns, and neighborhood traffic issues and respond as needed.
- Cooperate with neighboring jurisdictions on regional issues that affect both traffic safety and traffic efficiency at City boundaries.
- Continue training personnel in traffic engineering by encouraging attendance at classes and seminars.
- Encourage the use of alternate modes of transportation to the single occupancy vehicle through the implementation of recommendations from the Bicycle and Pedestrian Transportation Plans.
- Supports transit initiatives, ride-share programs, carpool programs, and transportation planning work for all modes of transportation.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$2,675,023 for the Traffic Engineering program. This represents an increase of \$1,228,328 (84.9%) from the FY 2018-19 Adopted Budget.

The increase is mainly due to the addition of the Community Shuttle Bus Pilot Program.

## Special Projects

The following table shows the special projects for the fiscal year.

| Special Project                     | Appropriation      | Revenue            | Funding Source | Description                         |
|-------------------------------------|--------------------|--------------------|----------------|-------------------------------------|
| Community Shuttle Bus Pilot Program | \$1,750,000        | \$1,750,000        | General Fund   | Community Shuttle Bus Pilot Program |
| <b>Total</b>                        | <b>\$1,750,000</b> | <b>\$1,750,000</b> |                |                                     |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>           |                     |                     |                     |                     |
| Intergovernmental Revenue | \$ -                | \$ 55,000           | \$ -                | \$ -                |
| Charges for Services      | \$ 924,468          | \$ 659,196          | \$ 458,500          | \$ 966,184          |
| <b>Total Revenues</b>     | <b>\$ 924,468</b>   | <b>\$ 714,196</b>   | <b>\$ 458,500</b>   | <b>\$ 966,184</b>   |
| <b>Expenditures</b>       |                     |                     |                     |                     |
| Employee Compensation     | \$ 395,224          | \$ 376,704          | \$ 466,791          | \$ 474,818          |
| Employee Benefits         | \$ 165,368          | \$ 149,555          | \$ 193,270          | \$ 198,781          |
| Materials                 | \$ 8,492            | \$ 14,422           | \$ 11,555           | \$ 105,292          |
| Contract Services         | \$ 271,058          | \$ 147,477          | \$ 236,800          | \$ 13,546           |
| Cost Allocation           | \$ 82,633           | \$ 92,467           | \$ 106,461          | \$ 126,644          |
| Special Projects          | \$ 898,279          | \$ 679,808          | \$ 420,500          | \$ 1,750,000        |
| Contingencies             | \$ -                | \$ -                | \$ 11,318           | \$ 5,942            |
| <b>Total Expenditures</b> | <b>\$ 1,821,054</b> | <b>\$ 1,460,433</b> | <b>\$ 1,446,695</b> | <b>\$ 2,675,023</b> |
| <b>Fund Balance</b>       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 896,587</b>   | <b>\$ 746,237</b>   | <b>\$ 988,195</b>   | <b>\$ 1,708,839</b> |

## Staffing

Total current authorized positions - 3.50 FTE

There are no changes to the level of staffing.

Total recommended positions - 3.50 FTE

# Traffic Signal Maintenance

Budget Unit 100-88-845

General Fund - Transportation - Traffic Signal Maintenance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 554,759          |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 554,759          |
| % Funded by General Fund | 100.0%              |
| Total Staffing           | 2.00 FTE            |

## Program Overview

The Traffic Signal Maintenance Division oversees the operation and maintenance of the City's 60 traffic signals, including eight traffic signals owned by the State of California. The Division also maintains the traffic signal communication infrastructure, such as the fiber optic network and the traffic operation center hub.

## Service Objectives

- Ensure the continuous and safe operation of the City's traffic signal system on a continuous 24-hour basis with full-time and on-call staff, which is accomplished by regularly performing preventative maintenance, diagnosing malfunctions and repairs, investigating citizen complaints, replacing or upgrading obsolete hardware, inspecting the work of contractors, responding to knockdowns and power outages, and adjusting signal timing parameters.
- Continue training, maintaining proficiency of traffic signal technicians and on-call staff by encouraging attendance at classes and seminars.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$554,759 for the Traffic Signal Maintenance program. This represents an increase of \$28,229 (5.4%) from the FY 2018-19 Adopted Budget.

The increase in materials is primarily attributable to better align the budget with prior year actual expenditures.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual       | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |                   |                   |                     |                     |
| Charges for Services      | \$ 89,777         | \$ -              | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ 89,777</b>  | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |                   |                   |                     |                     |
| Employee Compensation     | \$ 206,118        | \$ 184,997        | \$ 227,033          | \$ 222,997          |
| Employee Benefits         | \$ 94,818         | \$ 78,508         | \$ 100,910          | \$ 95,775           |
| Materials                 | \$ 47,234         | \$ 97,897         | \$ 61,984           | \$ 103,612          |
| Contract Services         | \$ 94,617         | \$ 41,657         | \$ 42,000           | \$ 43,377           |
| Cost Allocation           | \$ 66,029         | \$ 127,856        | \$ 84,404           | \$ 81,649           |
| Capital Outlays           | \$ 128,318        | \$ (23,995)       | \$ -                | \$ -                |
| Contingencies             | \$ -              | \$ -              | \$ 10,199           | \$ 7,349            |
| <b>Total Expenditures</b> | <b>\$ 637,134</b> | <b>\$ 506,920</b> | <b>\$ 526,530</b>   | <b>\$ 554,759</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 547,357</b> | <b>\$ 506,921</b> | <b>\$ 526,530</b>   | <b>\$ 554,759</b>   |

## Staffing

Total current authorized positions - 2.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 2.00 FTE

# Safe Routes 2 School

Budget Unit 100-88-846

General Fund - Transportation - Safe Routes 2 School

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ -                       |
| Total Expenditures       | \$ 553,777                 |
| Fund Balance             | \$ -                       |
| General Fund Costs       | \$ 553,777                 |
| % Funded by General Fund | 100.0%                     |
| <hr/>                    |                            |
| Total Staffing           | 1.00 FTE                   |

## Program Overview

Safe Routes 2 School seeks to engage local schools, school districts, parent organizations, community groups, and the Santa Clara County Sheriff's Office in the mission of reducing Singular Occupancy Vehicle (SOV) travel to and from school in order to reduce carbon emission and car traffic and increase student safety. The program seeks to achieve these objectives through education, encouragement, enforcement, and engineering infrastructure changes in and around Cupertino schools.

## Service Objectives

- Help to improve the health and well-being of children by increasing the number of students who walk or bike to school.
- Develop partnerships with school administrators, staff, parents, and children.
- Encourage and empower more students and families to walk, bike, carpool, and take alternative transit to school.
- Adjust signage and infrastructure surrounding Cupertino schools to facilitate a safer environment for bicycle and pedestrian travel.
- Educate students and families about the benefits of walking and bicycling to school; health, environmental protection, academic improvements, community building and more.
- Minimize gaps in communication between City, School Districts, and Schools and collaborate on efforts to increase student safety.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$553,777 for the Safe Routes 2 School program. This represents an increase of \$107,278 (24.0%) from the FY 2018-19 Adopted Budget.

This increase is mainly due to additional budget allocation for crossing guard services, including the increase in the minimum wage and and a change in cost allocation methodology.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual | 2018 Actual       | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-------------|-------------------|---------------------|---------------------|
| <b>Revenues</b>           |             |                   |                     |                     |
| Miscellaneous Revenue     | \$ -        | \$ 1,500          | \$ -                | \$ -                |
| <b>Total Revenues</b>     | <b>\$ -</b> | <b>\$ 1,500</b>   | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Expenditures</b>       |             |                   |                     |                     |
| Employee Compensation     | \$ -        | \$ 98,299         | \$ 106,103          | \$ 110,126          |
| Employee Benefits         | \$ -        | \$ 34,867         | \$ 40,829           | \$ 41,440           |
| Materials                 | \$ -        | \$ 20,926         | \$ 32,575           | \$ 19,888           |
| Contract Services         | \$ -        | \$ 16,646         | \$ 235,000          | \$ 281,833          |
| Cost Allocation           | \$ -        | \$ 9,562          | \$ 18,613           | \$ 85,404           |
| Contingencies             | \$ -        | \$ -              | \$ 13,379           | \$ 15,086           |
| <b>Total Expenditures</b> | <b>\$ -</b> | <b>\$ 180,300</b> | <b>\$ 446,499</b>   | <b>\$ 553,777</b>   |
| <b>Fund Balance</b>       | <b>\$ -</b> | <b>\$ -</b>       | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ -</b> | <b>\$ 178,801</b> | <b>\$ 446,499</b>   | <b>\$ 553,777</b>   |

## Staffing

Total current authorized positions - 1.00 FTE

There are no changes to the current level of staffing.

Total recommended positions - 1.00 FTE

# Minor Storm Drain Improvement

Budget Unit 210-90-978

Storm Drain Improvement - Non-Departmental - Minor Storm Drain Improvement

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| Total Staffing           | 0.00 FTE            |

## Program Overview

This program provides funding for drainage repairs as needed in various locations.

## Service Objectives

- Provide storm drain repairs throughout the City on an annual basis.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category            | 2017 Actual | 2018 Actual | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------|-------------|-------------|---------------------|---------------------|
| <b>Revenues</b>     |             |             |                     |                     |
| Total Revenues      | \$ -        | \$ -        | \$ -                | \$ -                |
| <b>Expenditures</b> |             |             |                     |                     |
| Capital Outlays     | \$ 4,000    | \$ 9,000    | \$ -                | \$ -                |
| Total Expenditures  | \$ 4,000    | \$ 9,000    | \$ -                | \$ -                |
| Fund Balance        | \$ (4,000)  | \$ (9,000)  | \$ -                | \$ -                |
| General Fund Costs  | \$ -        | \$ -        | \$ -                | \$ -                |

## **Staffing**

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Fixed Assets Acquisition

Budget Unit 630-90-985

Vehicle/Equip Replacement - Non-Departmental - Fixed Assets Acquisition

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 594,100          |
| Fund Balance             | \$ (594,100)        |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

This program purchases equipment having a value greater than \$5,000 and expected life of more than one year. Equipment users are charged for the use of these assets through a depreciation schedule. Equipment used by Special Revenue and Enterprise funds are charged to the respective funds.

## Service Objectives

- Obtain quality equipment through competitive bidding.
- Purchase energy efficient vehicles whenever practical.
- Purchase quiet, ergonomic and environmentally friendly equipment whenever practical.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$594,100 for the Fixed Assets Acquisition program. This represents an increase of \$56,100 (10.4%) from the FY 2018-19 Adopted Budget.

## Special Projects

The following table shows the special projects for the fiscal year.

| <b>Replacement Vehicles</b>        | <b>Cost</b>      |
|------------------------------------|------------------|
| Replace #92 Crown Victoria         | \$40,000         |
| Replace #3 Ranger                  | \$55,000         |
| Replace #77 Ranger                 | \$55,000         |
| Replace #45 F250                   | \$55,000         |
| Replace #27 F350                   | \$70,000         |
| <b>Total Replacement Vehicles</b>  | <b>\$275,000</b> |
| <b>Replacement Equipment</b>       |                  |
| Replace #117 loader                | \$159,100        |
| Replace #122 Bandit                | \$90,000         |
| Replace #191 Club Car              | \$15,000         |
| Replace #147 message board         | \$22,000         |
| Replace #177 Walker                | \$18,000         |
| Replace #187 Club Car              | \$15,000         |
| <b>Total Replacement Equipment</b> | <b>\$319,100</b> |
| <b>Grand Total</b>                 | <b>\$594,100</b> |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b> | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                    |                    |                            |                            |
| <b>Total Revenues</b>     | \$ -               | \$ -               | \$ -                       | \$ -                       |
| <b>Expenditures</b>       |                    |                    |                            |                            |
| Special Projects          | \$ 5,217           | \$ (57,290)        | \$ 538,000                 | \$ 594,100                 |
| <b>Total Expenditures</b> | <b>\$ 5,217</b>    | <b>\$ (57,290)</b> | <b>\$ 538,000</b>          | <b>\$ 594,100</b>          |
| <b>Fund Balance</b>       | <b>\$ (5,217)</b>  | <b>\$ 57,290</b>   | <b>\$ (538,000)</b>        | <b>\$ (594,100)</b>        |
| <b>General Fund Costs</b> | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ -</b>                |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Non-Departmental

| <b>Budget Unit</b>      | <b>Program</b>                | <b>2020 Adopted Budget</b> |
|-------------------------|-------------------------------|----------------------------|
| <b>Non-Departmental</b> |                               | <b>\$ 29,429,395</b>       |
| 100-90-001              | General Fund Transfers Out    | \$ 10,539,557              |
| 281-90-001              | Tree Fund Transfers Out       | \$ 12,000                  |
| 429-90-001              | Capital Reserve Transfers Out | \$ 15,705,000              |
| 365-90-500              | Facility Lease Debt Service   | \$ 3,172,838               |
| 100-90-502              | Employee Housing Assistance   | \$ -                       |
| <b>Total</b>            |                               | <b>\$ 29,429,395</b>       |

# Department Overview

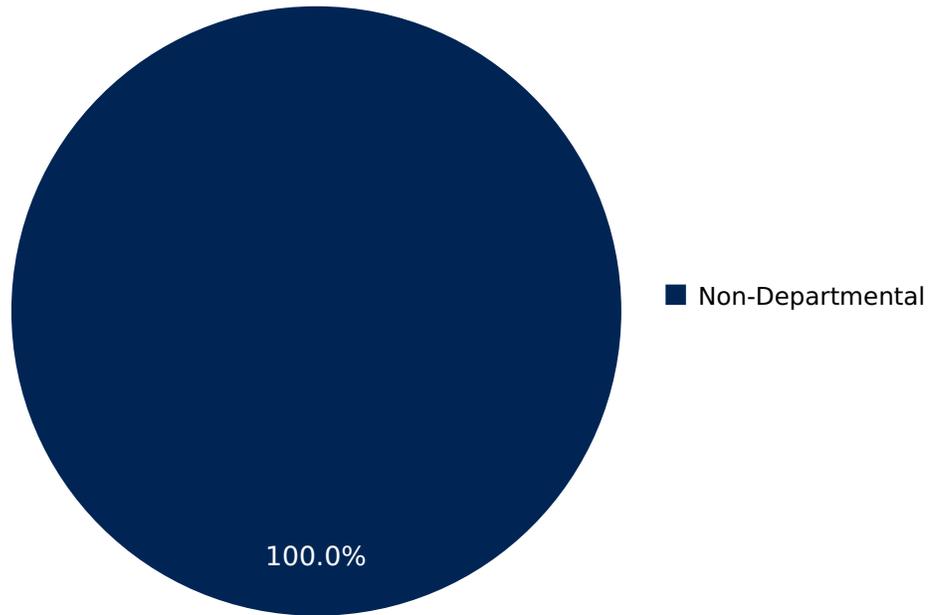
## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ 21,045           |
| Total Expenditures       | \$ 29,429,395       |
| Fund Balance             | \$ (18,516,074)     |
| General Fund Costs       | \$ 10,892,276       |
| % Funded by General Fund | 37.0%               |
| Total Staffing           | 0.00 FTE            |

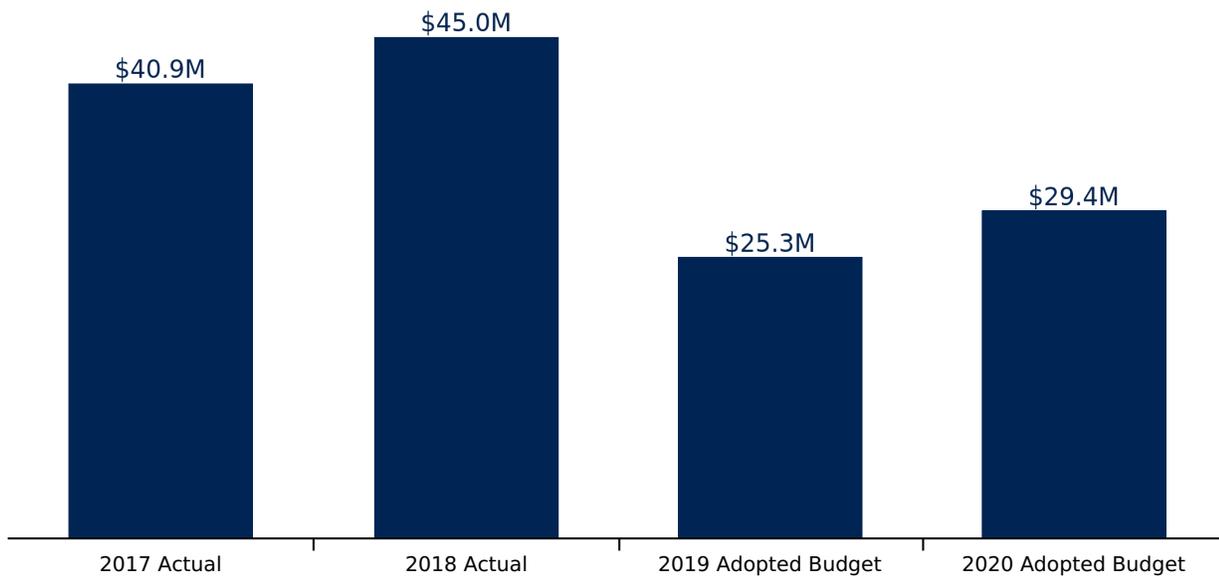
## Adopted Budget

On June 18, 2019, City Council approved a budget of \$29,429,395 for the Non-Departmental department. This represents an increase of \$4,164,545 (16.5%) from the FY 2018-19 Adopted Budget.

## Adopted Expenditures by Division



## Department Expenditure History



## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual          | 2018 Actual           | 2019 Adopted Budget    | 2020 Adopted Budget    |
|---------------------------|----------------------|-----------------------|------------------------|------------------------|
| <b>Revenues</b>           |                      |                       |                        |                        |
| Use of Money and Property | \$ (43,531)          | \$ (19,707)           | \$ -                   | \$ -                   |
| Charges for Services      | \$ 2,700             | \$ 20,432             | \$ -                   | \$ 21,045              |
| <b>Total Revenues</b>     | <b>\$ (40,831)</b>   | <b>\$ 725</b>         | <b>\$ -</b>            | <b>\$ 21,045</b>       |
| <b>Expenditures</b>       |                      |                       |                        |                        |
| Materials                 | \$ 7,471             | \$ 5,625              | \$ -                   | \$ -                   |
| Contract Services         | \$ -                 | \$ 1,050              | \$ -                   | \$ -                   |
| Cost Allocation           | \$ 40,842,577        | \$ 42,562,330         | \$ 25,264,850          | \$ 29,429,395          |
| Capital Outlays           | \$ -                 | \$ 2,450,108          | \$ -                   | \$ -                   |
| <b>Total Expenditures</b> | <b>\$ 40,850,048</b> | <b>\$ 45,019,113</b>  | <b>\$ 25,264,850</b>   | <b>\$ 29,429,395</b>   |
| <b>Fund Balance</b>       | <b>\$ 6,249,861</b>  | <b>\$ (1,826,044)</b> | <b>\$ (10,736,500)</b> | <b>\$ (18,516,074)</b> |
| <b>General Fund Costs</b> | <b>\$ 47,140,740</b> | <b>\$ 43,192,343</b>  | <b>\$ 14,528,350</b>   | <b>\$ 10,892,276</b>   |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# General Fund Transfers Out

Budget Unit 100-90-001

General Fund - Non-Departmental - General Fund Transfers Out

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 10,539,557       |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ 10,539,557       |
| % Funded by General Fund | 100.0%              |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources and to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

## Service Objectives

Transfers out are evaluated each year to ensure funds outside of the General Fund remain with a minimum fund balance of 15% of budgeted operating expenses. These transfers are normally for Special Revenue and Enterprise funds requiring a subsidy due to revenues falling short of full program costs. In addition, the City has reoccurring transfers to fund the total budget costs associated with Annual Debt Payment, Compensated Absences, and Retiree Health.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$10,539,557 for the General Fund Transfers Out program. This represents a decrease of \$819,355 (-7.2%) from the FY 2018-19 Adopted Budget.

The General Fund transfers out for FY 2019-20 are as follows:

| <b>Transfer Out from the General Fund</b> | <b>Description</b>   | <b>Amount</b>       |
|---|--|---------------------|
| Special Revenue Funds                     | Storm Drain, Non-Point Source, Sidewalk, Curb and Gutter Maintenance     | \$1,318,000         |
| Debt Service Funds                        | Annual Debt Service Payment  | \$3,172,838         |
| Capital Project Funds                     | Library Expansion Room   | \$352,719           |
| Enterprise Funds                          | Blackberry Farm Golf Course, Sports Center Operation, Outdoor Recreation | \$2,123,000         |
| Internal Service Funds                    | IT Infrastructure, Subsidy of Compensated Absences and Retiree Medical   | \$3,573,000         |
| <b>Total General Fund Transfers Out</b>   |  | <b>\$10,539,557</b> |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b>   | <b>2018 Actual</b>   | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|----------------------|----------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                      |                      |                            |                            |
| <b>Total Revenues</b>     | \$ -                 | \$ -                 | \$ -                       | \$ -                       |
| <b>Expenditures</b>       |                      |                      |                            |                            |
| Materials                 | \$ -                 | \$ (2,071)           | \$ -                       | \$ -                       |
| Cost Allocation           | \$ 28,965,731        | \$ 24,129,372        | \$ 11,358,912              | \$ 10,539,557              |
| Capital Outlays           | \$ -                 | \$ 2,450,108         | \$ -                       | \$ -                       |
| <b>Total Expenditures</b> | <b>\$ 28,965,731</b> | <b>\$ 26,577,409</b> | <b>\$ 11,358,912</b>       | <b>\$ 10,539,557</b>       |
| <b>Fund Balance</b>       | <b>\$ -</b>          | <b>\$ -</b>          | <b>\$ -</b>                | <b>\$ -</b>                |
| <b>General Fund Costs</b> | <b>\$ 28,965,731</b> | <b>\$ 26,577,409</b> | <b>\$ 11,358,912</b>       | <b>\$ 10,539,557</b>       |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Tree Fund Transfers Out

Budget Unit 281-90-001

Tree Fund - Non-Departmental - Tree Fund Transfers Out

## Budget at a Glance

|                          | <b>2020 Adopted Budget</b> |
|--------------------------|----------------------------|
| Total Revenues           | \$ 21,045                  |
| Total Expenditures       | \$ 12,000                  |
| Fund Balance             | \$ 9,045                   |
| General Fund Costs       | \$ -                       |
| % Funded by General Fund | 0.0%                       |
| <hr/>                    |                            |
| Total Staffing           | 0.00 FTE                   |

## Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources and to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$12,000 for the Tree Fund Transfers Out program. This represents an increase of \$2,000 (20.0%) from the FY 2018-19 Adopted Budget.

Funds are to be used for the planting and replacement cost of trees within the Right of Way and other areas throughout the City where Public Works is responsible for planting and maintaining trees.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| <b>Category</b>           | <b>2017 Actual</b> | <b>2018 Actual</b> | <b>2019 Adopted Budget</b> | <b>2020 Adopted Budget</b> |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| <b>Revenues</b>           |                    |                    |                            |                            |
| Use of Money and Property | \$ 857             | \$ 971             | \$ -                       | \$ -                       |
| Charges for Services      | \$ 2,700           | \$ 20,432          | \$ -                       | \$ 21,045                  |
| <b>Total Revenues</b>     | <b>\$ 3,557</b>    | <b>\$ 21,403</b>   | <b>\$ -</b>                | <b>\$ 21,045</b>           |
| <b>Expenditures</b>       |                    |                    |                            |                            |
| Cost Allocation           | \$ -               | \$ -               | \$ 10,000                  | \$ 12,000                  |
| <b>Total Expenditures</b> | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ 10,000</b>           | <b>\$ 12,000</b>           |
| <b>Fund Balance</b>       | <b>\$ 3,557</b>    | <b>\$ 21,403</b>   | <b>\$ (10,000)</b>         | <b>\$ 9,045</b>            |
| <b>General Fund Costs</b> | <b>\$ -</b>        | <b>\$ -</b>        | <b>\$ -</b>                | <b>\$ -</b>                |

## **Staffing**

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Capital Reserve Transfers Out

Budget Unit 429-90-001

Capital Reserve - Non-Departmental - Capital Reserve Transfers Out

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 15,705,000       |
| Fund Balance             | \$ (15,352,281)     |
| General Fund Costs       | \$ 352,719          |
| % Funded by General Fund | 2.2%                |
| Total Staffing           | 0.00 FTE            |

## Program Overview

Transfers represent transfers of monies between various funds. These transfers provide subsidies and resources and to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies to other funds and funding of capital projects are included in transfers.

## Service Objectives

Transfers out from the Capital Reserve vary from year to year depending on the projects selected in the Capital Improvement Plan. In addition, funding sources for each project are reviewed and then allocated appropriately. After this review, the remaining balance of the project left to fund is then transferred from the Capital Reserve Fund.

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$15,705,000 for the Capital Reserve Transfers Out program. This represents an increase of \$4,978,500 (46.4%) from the FY 2018-19 Adopted Budget.

The Capital Reserve transfers out for FY 2019-20 are as follows:

| Transfer Out from the Capital Reserve      | Description   | Amount              |
|--|---|---------------------|
| Capital Project Funds                      | Fund Capital Improvement Program  | \$14,305,000        |
| Enterprise Funds                           | Fund Sports Center (Seismic Retrofit), Recreation Program (Quinlan Preschool Shade Structure) | \$1,400,000         |
| <b>Total Capital Reserve Transfers Out</b> |   | <b>\$15,705,000</b> |

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual          | 2018 Actual           | 2019 Adopted Budget    | 2020 Adopted Budget    |
|---------------------------|----------------------|-----------------------|------------------------|------------------------|
| <b>Revenues</b>           |                      |                       |                        |                        |
| Use of Money and Property | \$ (44,388)          | \$ (20,678)           | \$ -                   | \$ -                   |
| <b>Total Revenues</b>     | <b>\$ (44,388)</b>   | <b>\$ (20,678)</b>    | <b>\$ -</b>            | <b>\$ -</b>            |
| <b>Expenditures</b>       |                      |                       |                        |                        |
| Cost Allocation           | \$ 8,704,608         | \$ 15,259,920         | \$ 10,726,500          | \$ 15,705,000          |
| <b>Total Expenditures</b> | <b>\$ 8,704,608</b>  | <b>\$ 15,259,920</b>  | <b>\$ 10,726,500</b>   | <b>\$ 15,705,000</b>   |
| <b>Fund Balance</b>       | <b>\$ 6,251,004</b>  | <b>\$ (1,841,953)</b> | <b>\$ (10,726,500)</b> | <b>\$ (15,352,281)</b> |
| <b>General Fund Costs</b> | <b>\$ 15,000,000</b> | <b>\$ 13,438,644</b>  | <b>\$ -</b>            | <b>\$ 352,719</b>      |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Facility Lease Debt Service

Budget Unit 365-90-500

Public Facilities Corp - Non-Departmental - Facility Lease Debt Service

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ 3,172,838        |
| Fund Balance             | \$ (3,172,838)      |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The Debt Service Program provides for the payment of principal and interest and associated administrative costs incurred with the issuance of debt instruments for the City's Public Facilities Corporation. The budget funds the Corporation's annual payment of principal and interest on the City Hall/Library, Wilson/Memorial Open Space and Library Certificates of Participation (COP) that will be paid off by the year 2030.

## Service Objectives

The majority of the borrowings occurred in early 1990 to acquire additional park real estate and expand community facilities. A breakdown of the capital acquisitions follows:

- Increased 90 acres of park real estate to 190 acres, a 111% increase
- Increased 26,031 sq ft of recreation building space to 84,460 sq ft, a 224% increase

Specific purchases included:

- Blackberry Farm - \$18 million, voter-approved debt;
- Creekside Park - \$12 million voter-approved debt;
- Sports Center - \$8 million;
- Quinlan Community Center, including park real estate - \$6.1 million;
- Wilson Park and improvements - \$5.6 million;
- Jollyman Park development - \$1 million;
- City Hall renovation/improvements - \$1.7 million;
- Library renovation/improvements - \$1.7 million;
- New library/community center - \$10 million.

In May 2012, the Corporation refinanced its \$44 million in outstanding debt to lower the interest rate and save approximately \$350,000 per year in debt payments.

## Schedule of Lease Payments

| Payment Date | Principal Component | Interest Component | Total Lease Payment | Annual Lease Payment |
|--------------|---------------------|--------------------|---------------------|----------------------|
| 12/15/12     |                     | 687,643.15         | 687,643.15          |                      |
| 6/15/13      | 1,920,000.00        | 567,778.75         | 2,487,778.75        | 3,175,421.90         |
| 12/15/13     |                     | 564,418.75         | 564,418.75          |                      |
| 6/15/14      | 2,040,000.00        | 564,418.75         | 2,604,418.75        | 3,168,837.50         |
| 12/15/14     |                     | 559,318.75         | 559,318.75          |                      |
| 6/15/15      | 2,055,000.00        | 559,318.75         | 2,614,318.75        | 3,173,637.50         |
| 12/15/15     |                     | 538,768.75         | 538,768.75          |                      |
| 6/15/16      | 2,090,000.00        | 538,768.75         | 2,628,768.75        | 3,167,537.50         |
| 12/15/16     |                     | 517,868.75         | 517,868.75          |                      |
| 6/15/17      | 2,135,000.00        | 517,868.75         | 2,652,868.75        | 3,170,737.50         |
| 12/15/17     |                     | 496,518.75         | 496,518.75          |                      |
| 6/15/18      | 2,180,000.00        | 496,518.75         | 2,676,518.75        | 3,173,037.50         |
| 12/15/18     |                     | 474,718.75         | 474,718.75          |                      |
| 6/15/19      | 2,220,000.00        | 474,718.75         | 2,694,718.75        | 3,169,437.50         |
| 12/15/19     |                     | 441,418.75         | 441,418.75          |                      |
| 6/15/20      | 2,290,000.00        | 441,418.75         | 2,731,418.75        | 3,172,837.50         |
| 12/15/20     |                     | 407,068.75         | 407,068.75          |                      |
| 6/15/21      | 2,355,000.00        | 407,068.75         | 2,762,068.75        | 3,169,137.50         |
| 12/15/21     |                     | 371,743.75         | 371,743.75          |                      |
| 6/15/22      | 2,425,000.00        | 371,743.75         | 2,796,743.75        | 3,168,487.50         |
| 12/15/22     |                     | 335,368.75         | 335,368.75          |                      |
| 6/15/23      | 2,500,000.00        | 335,368.75         | 2,835,368.75        | 3,170,737.50         |
| 12/15/23     |                     | 297,868.75         | 297,868.75          |                      |
| 6/15/24      | 2,575,000.00        | 297,868.75         | 2,872,868.75        | 3,170,737.50         |
| 12/15/24     |                     | 259,243.75         | 259,243.75          |                      |
| 6/15/25      | 2,655,000.00        | 259,243.75         | 2,914,243.75        | 3,173,487.50         |
| 12/15/25     |                     | 219,418.75         | 219,418.75          |                      |
| 6/15/26      | 2,730,000.00        | 219,418.75         | 2,949,418.75        | 3,168,837.50         |
| 12/15/26     |                     | 178,468.75         | 178,468.75          |                      |
| 6/15/27      | 2,815,000.00        | 178,468.75         | 2,993,468.75        | 3,171,937.50         |
| 12/15/27     |                     | 136,243.75         | 136,243.75          |                      |

| Payment Date | Principal Component  | Interest Component   | Total Lease Payment  | Annual Lease Payment |
|--------------|----------------------|----------------------|----------------------|----------------------|
| 6/15/28      | 2,900,000.00         | 136,243.75           | 3,036,243.75         | 3,172,487.50         |
| 12/15/28     |                      | 92,743.75            | 92,743.75            |                      |
| 6/15/29      | 2,985,000.00         | 92,743.75            | 3,077,743.75         | 3,170,487.50         |
| 12/15/29     |                      | 47,968.75            | 47,968.75            |                      |
| 6/15/30      | 3,070,000.00         | 47,968.75            | 3,117,968.75         | 3,165,937.50         |
| <b>Total</b> | <b>43,940,000.00</b> | <b>13,133,759.40</b> | <b>57,073,759.40</b> | <b>57,073,759.40</b> |

## Adopted Budget

On June 18, 2019, City Council approved a budget of \$3,172,838 for the Facility Lease Debt Service program. This represents an increase of \$3,400 (0.1%) from the FY 2018-19 Adopted Budget.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual         | 2018 Actual         | 2019 Adopted Budget | 2020 Adopted Budget   |
|---------------------------|---------------------|---------------------|---------------------|-----------------------|
| <b>Revenues</b>           |                     |                     |                     |                       |
| <b>Total Revenues</b>     | \$ -                | \$ -                | \$ -                | \$ -                  |
| <b>Expenditures</b>       |                     |                     |                     |                       |
| Cost Allocation           | \$ 3,172,238        | \$ 3,173,038        | \$ 3,169,438        | \$ 3,172,838          |
| <b>Total Expenditures</b> | <b>\$ 3,172,238</b> | <b>\$ 3,173,038</b> | <b>\$ 3,169,438</b> | <b>\$ 3,172,838</b>   |
| <b>Fund Balance</b>       | <b>\$ (4,700)</b>   | <b>\$ (5,494)</b>   | <b>\$ -</b>         | <b>\$ (3,172,838)</b> |
| <b>General Fund Costs</b> | <b>\$ 3,167,538</b> | <b>\$ 3,167,544</b> | <b>\$ 3,169,438</b> | <b>\$ -</b>           |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

# Employee Housing Assistance

Budget Unit 100-90-502

General Fund - Non-Departmental - Employee Housing Assistance

## Budget at a Glance

|                          | 2020 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues           | \$ -                |
| Total Expenditures       | \$ -                |
| Fund Balance             | \$ -                |
| General Fund Costs       | \$ -                |
| % Funded by General Fund | 0.0%                |
| <hr/>                    |                     |
| Total Staffing           | 0.00 FTE            |

## Program Overview

The recruitment and hiring of top quality department heads are essential to the efficient operation of the City. Housing costs in Silicon Valley tend to act as a disincentive to persons relocating to the area, and therefore, as an obstacle to the recruitment, hiring, and retention of such top quality personnel. To assist in this end, the Council adopted the housing assistance program for department heads.

## Service Objectives

The housing assistance program for department heads provides housing loans for their primary residence at interest rates indexed with the 11th District cost of funds with an optional deferred interest feature for the first five years. There is assistance with half of the closing costs. The City may assist in the purchase by acquiring up to thirty percent of the equity share in the residence.

## Adopted Budget

There is no budget requested for this program.

## Revenues and Expenditures

The following table details revenues, expenditures, changes in fund balance and General Fund costs by category for two prior fiscal years, the Adopted Budget for the prior fiscal year, and the Adopted Budget for the current fiscal year:

| Category                  | 2017 Actual     | 2018 Actual     | 2019 Adopted Budget | 2020 Adopted Budget |
|---------------------------|-----------------|-----------------|---------------------|---------------------|
| <b>Revenues</b>           |                 |                 |                     |                     |
| <b>Total Revenues</b>     | \$ -            | \$ -            | \$ -                | \$ -                |
| <b>Expenditures</b>       |                 |                 |                     |                     |
| Materials                 | \$ 7,471        | \$ 7,696        | \$ -                | \$ -                |
| Contract Services         | \$ -            | \$ 1,050        | \$ -                | \$ -                |
| <b>Total Expenditures</b> | <b>\$ 7,471</b> | <b>\$ 8,746</b> | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>Fund Balance</b>       | <b>\$ -</b>     | <b>\$ -</b>     | <b>\$ -</b>         | <b>\$ -</b>         |
| <b>General Fund Costs</b> | <b>\$ 7,471</b> | <b>\$ 8,746</b> | <b>\$ -</b>         | <b>\$ -</b>         |

## Staffing

Total current authorized positions - 0.00 FTE

Total recommended positions - 0.00 FTE

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## Fiscal Year 2019-20 Adopted Budget Personnel Summary

|   | FY 13-14     | FY 14-15     | FY 15-16     | FY 16-17     | FY 17-18     | FY 18-19     | Change       | FY 19-20     |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>CITY COUNCIL/COMMISSIONS</b>                     |              |              |              |              |              |              |              |              |
| City Council  | 0.50         | 0.50         | 0.45         | 0.30         | 1.15         | 1.05         | -0.20        | 0.85         |
| Sister Cities                                       | 0.00         | 0.00         | 0.05         | 0.05         | 0.10         | 0.10         | 0.30         | 0.40         |
| Fine Arts Commission                                | 0.10         | 0.15         | 0.15         | 0.15         | 0.15         | 0.15         | 0.00         | 0.15         |
| Technology, Information & Communications Commission | 0.10         | 0.10         | 0.10         | 0.10         | 0.00         | 0.00         | 0.05         | 0.05         |
| Parks and Recreation Commission                     | 0.10         | 0.05         | 0.10         | 0.10         | 0.10         | 0.10         | 0.02         | 0.12         |
| Teen Commission                                     | 0.25         | 0.25         | 0.25         | 0.30         | 0.30         | 0.30         | 0.00         | 0.30         |
| Housing Commission                                  | 0.05         | 0.15         | 0.15         | 0.15         | 0.15         | 0.15         | 0.00         | 0.15         |
| Library Commission                                  | 0.05         | 0.05         | 0.05         | 0.05         | 0.05         | 0.05         | -0.02        | 0.03         |
| Sustainability Commission                           | 0.00         | 0.00         | 0.00         | 0.10         | 0.10         | 0.10         | 0.00         | 0.10         |
| Public Safety Commission                            | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.05         | 0.00         | 0.05         |
| Planning Commission                                 | 0.42         | 0.30         | 0.30         | 0.25         | 0.25         | 0.30         | 0.01         | 0.31         |
|   | <b>1.57</b>  | <b>1.55</b>  | <b>1.60</b>  | <b>1.55</b>  | <b>2.35</b>  | <b>2.35</b>  | <b>0.16</b>  | <b>2.51</b>  |
| <b>ADMINISTRATION</b>                               |              |              |              |              |              |              |              |              |
| City Clerk  | 3.60         | 3.60         | 3.00         | 3.00         | 3.10         | 2.90         | -0.40        | 2.50         |
| City Manager  | 2.55         | 2.55         | 3.30         | 3.02         | 3.37         | 3.62         | 1.28         | 4.90         |
| Community Outreach                                  | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.75         | 0.75         |
| Disaster Prep                                       | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.95         | 0.95         |
| Economic Development                                | 1.00         | 1.00         | 0.00         | 0.00         | 0.00         | 0.00         | 1.00         | 1.00         |
| Public Affairs                                      | 0.00         | 0.00         | 0.00         | 0.00         | 1.85         | 2.15         | 0.50         | 2.65         |
| Sustainability                                      | 0.60         | 0.60         | 1.55         | 1.55         | 1.80         | 1.80         | -0.40        | 1.40         |
| Legal Services                                      | 3.00         | 3.00         | 3.00         | 3.00         | 4.00         | 5.00         | -4.00        | 1.00         |
|   | <b>10.75</b> | <b>10.75</b> | <b>10.85</b> | <b>10.57</b> | <b>14.12</b> | <b>15.47</b> | <b>-0.32</b> | <b>15.15</b> |
| <b>INNOVATION &amp; TECHNOLOGY</b>                  |              |              |              |              |              |              |              |              |
| Administration                                      | 1.80         | 1.80         | 1.15         | 2.45         | 0.85         | 0.70         | -0.15        | 0.55         |
| Cupertino Scene                                     | 0.35         | 0.35         | 0.35         | 0.30         | 0.00         | 0.00         | 0.00         | 0.00         |
| Video (formerly Government Channel)                 | 3.15         | 3.15         | 2.95         | 3.40         | 3.25         | 3.20         | 0.05         | 3.25         |
| Applications (formerly City Website)                | 0.95         | 0.95         | 0.95         | 0.80         | 3.20         | 3.45         | 0.00         | 3.45         |
| GIS   | 0.00         | 0.00         | 2.00         | 2.30         | 2.65         | 3.20         | 0.00         | 3.20         |
| Infrastructure (formerly Information Technology)    | 4.00         | 4.00         | 4.00         | 4.70         | 4.60         | 4.50         | 0.00         | 4.50         |
| Community Outreach                                  | 0.75         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         |
|   | <b>11.00</b> | <b>10.25</b> | <b>11.40</b> | <b>13.95</b> | <b>14.55</b> | <b>15.05</b> | <b>-0.10</b> | <b>14.95</b> |
| <b>ADMINISTRATIVE SERVICES</b>                      |              |              |              |              |              |              |              |              |
| Administration                                      | 2.70         | 1.80         | 2.50         | 2.50         | 2.80         | 3.80         | 0.00         | 3.80         |
| Accounting  | 4.50         | 5.60         | 5.20         | 5.75         | 5.40         | 6.40         | 0.50         | 6.90         |
| Business Licensing                                  | 0.50         | 0.50         | 1.10         | 0.55         | 0.60         | 0.60         | 0.50         | 1.10         |
| Human Resources                                     | 2.95         | 3.75         | 3.15         | 3.15         | 2.85         | 2.85         | 1.00         | 3.85         |
| Insurance Administration                            | 0.35         | 0.35         | 0.35         | 0.35         | 0.35         | 0.35         | 0.00         | 0.35         |
|   | <b>11.00</b> | <b>12.00</b> | <b>12.30</b> | <b>12.30</b> | <b>12.00</b> | <b>14.00</b> | <b>2.00</b>  | <b>16.00</b> |
| <b>PARKS AND RECREATION</b>                         |              |              |              |              |              |              |              |              |
| Administration                                      | 2.05         | 3.05         | 2.95         | 2.85         | 2.90         | 3.85         | 0.70         | 4.55         |
| Business and Community Services                     | 9.80         | 9.85         | 8.85         | 9.55         | 10.60        | 10.30        | -2.30        | 8.00         |
| Recreation and Education                            | 4.58         | 4.53         | 5.58         | 11.85        | 10.70        | 10.00        | 0.05         | 10.05        |
| Sports, Safety and Outdoor Recreation               | 6.05         | 6.00         | 6.00         | 8.83         | 10.93        | 10.65        | -1.15        | 9.50         |
| Senior Center/Stevens Creek Trail/Blue Pheasant     | 7.00         | 7.10         | 8.10         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         |
| Community Outreach                                  | 0.00         | 0.75         | 0.70         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         |
|   | <b>29.48</b> | <b>31.28</b> | <b>32.18</b> | <b>33.08</b> | <b>35.13</b> | <b>34.80</b> | <b>-2.70</b> | <b>32.10</b> |
| <b>COMMUNITY DEVELOPMENT AND PLANNING</b>           |              |              |              |              |              |              |              |              |
| Administration                                      | 1.41         | 0.90         | 0.90         | 0.55         | 0.55         | 0.55         | 0.05         | 0.60         |
| Planning  | 8.84         | 9.10         | 8.60         | 10.63        | 10.63        | 10.58        | -0.91        | 9.67         |
| Housing Services                                    | 0.68         | 0.80         | 0.80         | 0.80         | 0.80         | 0.80         | 0.00         | 0.80         |
| Building  | 12.25        | 12.25        | 13.30        | 13.95        | 13.85        | 13.95        | 0.02         | 13.97        |
| Economic Development/RDA Successor Agency           | 0.00         | 0.00         | 1.00         | 1.00         | 1.00         | 1.00         | -1.00        | 0.00         |
| Muni/Building Code Enforcement                      | 1.65         | 1.75         | 2.70         | 1.25         | 1.25         | 1.25         | -1.00        | 0.25         |
| Code Enforcement                                    | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00         | 3.00         | 3.00         |
|   | <b>24.83</b> | <b>24.80</b> | <b>27.30</b> | <b>28.18</b> | <b>28.08</b> | <b>28.13</b> | <b>0.16</b>  | <b>28.29</b> |

## Fiscal Year 2019-20 Adopted Budget Personnel Summary

|  | FY 13-14      | FY 14-15      | FY 15-16      | FY 16-17      | FY 17-18      | FY 18-19      | Change       | FY 19-20      |
|--|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|
| <b>PUBLIC WORKS</b>  |               |               |               |               |               |               |              |               |
| Administration   | 10.15         | 3.25          | 3.25          | 3.25          | 3.25          | 3.25          | -1.20        | 2.05          |
| Environmental Programs                                       | 3.67          | 4.17          | 6.22          | 6.22          | 6.27          | 6.20          | -0.10        | 6.10          |
| Development Services   | 0.00          | 7.40          | 7.40          | 7.40          | 7.50          | 8.50          | 3.00         | 11.50         |
| Service Center   | 2.00          | 2.30          | 2.70          | 3.70          | 3.05          | 2.55          | 1.10         | 3.65          |
| Grounds  | 18.75         | 19.75         | 19.75         | 19.75         | 19.60         | 20.00         | 0.00         | 20.00         |
| Streets  | 13.15         | 13.10         | 13.65         | 13.65         | 13.95         | 13.95         | 0.00         | 13.95         |
| Trees and Right of Way                                       | 15.40         | 16.40         | 16.40         | 16.40         | 16.40         | 16.00         | 1.00         | 17.00         |
| Facilities and Fleet   | 7.15          | 7.15          | 8.15          | 8.15          | 8.00          | 8.00          | 0.00         | 8.00          |
| Transportation   | 3.85          | 3.60          | 4.60          | 5.60          | 6.50          | 6.50          | 0.00         | 6.50          |
|  | <b>74.12</b>  | <b>77.12</b>  | <b>82.12</b>  | <b>84.12</b>  | <b>84.52</b>  | <b>84.95</b>  | <b>3.80</b>  | <b>88.75</b>  |
| <b>LAW ENFORCEMENT</b>                                       |               |               |               |               |               |               |              |               |
| Code Enforcement   | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | -2.00        | 0.00          |
|  | <b>2.00</b>   | <b>2.00</b>   | <b>2.00</b>   | <b>2.00</b>   | <b>2.00</b>   | <b>2.00</b>   | <b>-2.00</b> | <b>0.00</b>   |
| <b>Total Benefitted Positions</b>                            |               |               |               |               |               |               |              |               |
|  | <b>164.75</b> | <b>169.75</b> | <b>179.75</b> | <b>185.75</b> | <b>192.75</b> | <b>196.75</b> | <b>1.00</b>  | <b>197.75</b> |
| <b>Total Benefitted Positions (including Councilmembers)</b> |               |               |               |               |               |               |              |               |
|  | <b>169.75</b> | <b>174.75</b> | <b>184.75</b> | <b>190.75</b> | <b>197.75</b> | <b>201.75</b> | <b>6.00</b>  | <b>202.75</b> |

## Fiscal Year 2019-20 Adopted Budget Capital Improvement Program Summary

| Budget Unit  | Project  | 2019-20 Adopted Budget |
|--------------|--|------------------------|
| 270-90-976   | McClellan Road Sidewalk Improvements - Phase 2         | 2,035,000              |
| 420-99-004   | McClellan Ranch Preserve Community Garden Improvements | 1,200,000              |
| 420-99-007   | ADA Improvements                                       | 80,000                 |
| 420-99-036   | 2016 Bicycle Plan Implementation                       | 4,390,000              |
| 420-99-047   | CIP Preliminary Planning and Design                    | 125,000                |
| 420-99-048   | Capital Project Support                                | 52,500                 |
| 420-99-051   | All Inclusive Playground                               | 5,500,000              |
| 420-99-056   | Street Light Installation - Annual Infill              | 75,000                 |
| 420-99-068   | Regnard Road Improvements                              | 1,150,000              |
| 420-99-069   | School Walk Audit Implementation                       | 1,221,863              |
| 420-99-077   | Library Expansion                                      | 5,000,000              |
| 420-99-078   | Civic Center Parking Analysis                          | 1,000,000              |
| 420-99-079   | Mary Ave Protected Bikeway *                           | 165,000                |
| 420-99-080   | Bubb Rd Separated Bikeway Improvements *               | 1,980,555              |
| 420-99-083   | Citywide Community Garden                              | 300,000                |
| 570-99-081   | Sports Center Seismic Retrofit                         | 1,275,000              |
| 580-99-082   | Quinlan Preschool Shade Structure                      | 125,000                |
| <b>Total</b> |  | <b>25,674,918</b>      |

\* During printing production of the FY 2019-20 Adopted Budget, a transposition error occurred between the Mary Ave Protected Bikeway and Bubb Rd Separated Bikeway Improvements projects. This error has been corrected and is accurately reflected in this electronic version.