

The City of
Vacaville



Established 1850

***OPERATING BUDGET
AND
CAPITAL IMPROVEMENT
PROGRAM
FY 2009/2010***

Adopted June 23, 2009



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City of Vacaville, California

Fiscal Year 2009-10

Operating Budget &
Capital Improvement Program

LEN AUGUSTINE, Mayor
CURTIS HUNT, Vice Mayor
PAULINE CLANCY, Councilmember
DILENNA HARRIS, Councilmember
RON ROWLETT, Councilmember

Garland Porter, City Treasurer
Michelle Thornbrugh, City Clerk

Laura Kuhn, City Manager
Gerald Hobrecht, City Attorney
Ken Campo, Interim Assistant City Manager/Director of Finance
Dawn Villarreal, Director of Human Resources
Maureen Carson, Interim Director of Community Development
Rod Moresco, Director of Public Works
Dave Tompkins, Director of Utilities
Cyndi Johnston, Director of Housing and Redevelopment
Richard Word, Police Chief
Brian Preciado, Fire Chief
Kerry Walker, Director of Community Services



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RESOLUTION NO. 2009-72

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VACAVILLE
ADOPTING THE CITY OF VACAVILLE
OPERATING BUDGET FOR FISCAL YEAR 2009/10**

WHEREAS, the City Manager has submitted to the City Council an Operating Budget for the City of Vacaville with net appropriations (excluding operations of the Redevelopment Agency) in the amount of \$130,430,590 for Fiscal Year 2009/10; and

WHEREAS, the approval and adoption of the Operating Budget is necessary and in the best interest of the efficient administration of the City of Vacaville.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Vacaville that the Operating Budget in the amount of \$130,430,590 for Fiscal Year 2009/10 is approved and ratified in all particulars, and is adopted as the official Operating Budget for the City of Vacaville.

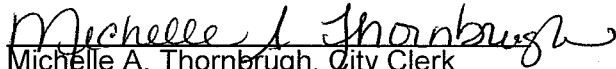
I HEREBY CERTIFY that the foregoing resolution was introduced and passed at a joint meeting of the City Council and Redevelopment Agency of the City of Vacaville, held on the 23rd day of June 2009, by the following vote:

AYES: Council members Clancy, Harris, Rowlett, Vice-Mayor Hunt,
and Mayor Augustine

NOES: None

ABSENT: None

ATTEST:


Michelle A. Thornbrugh, City Clerk

RESOLUTION NO. RD-2009- 3

**RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF VACAVILLE
ADOPTING THE VACAVILLE REDEVELOPMENT AGENCY OPERATING BUDGET FOR
FISCAL YEAR 2009/10**

WHEREAS, the Executive Director has submitted to the Redevelopment Agency an Operating Budget for the Vacaville Redevelopment Agency with net appropriations in the amount of \$35,575,909 for Fiscal Year 2009/10; and

WHEREAS, the approval and adoption of the Operating Budget is necessary and in the best interest of the efficient administration of the Vacaville Redevelopment Agency.

NOW, THEREFORE, BE IT RESOLVED, by the Vacaville Redevelopment Agency that the Operating Budget of \$35,575,909 for Fiscal Year 2009/10 is approved and ratified in all particulars, and is adopted as the official Operating Budget for the Vacaville Redevelopment Agency.

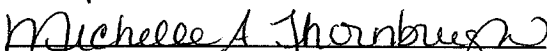
I HEREBY CERTIFY that the foregoing resolution was introduced and passed at a joint meeting of the City Council and Redevelopment Agency of the City of Vacaville, held on the 23rd day of June 2009, by the following vote:

AYES: Agency members Clancy, Harris, Rowlett, Vice-Chairman Harris,
and Chairman Augustine

NOES: None

ABSENT: None

ATTEST:


Michelle A. Thornbrugh, Recording Secretary

RESOLUTION NO. RD-2009-4

**RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF VACAVILLE
ADOPTING THE CAPITAL IMPROVEMENT PROGRAM BUDGET AND THE
CAPITAL IMPROVEMENT PROGRAM GENERAL PLAN CONSISTENCY
AND ENVIRONMENTAL CONSIDERATIONS REPORT
FOR FISCAL YEAR 2009/10**

WHEREAS, the Executive Director of the Redevelopment Agency of the City of Vacaville has submitted to the Redevelopment Agency of said City a final Redevelopment Agency Capital Improvement Program Budget for Fiscal Year 2009/10 in the amount of \$7,320,000; and

WHEREAS, the approval and adoption of the said Redevelopment Agency Capital Improvement Program Budget is necessary and in the best interest of the efficient administration of the City government of the City of Vacaville; and

WHEREAS, based upon the recommendation of the Planning Commission of the City of Vacaville at their June 2, 2009, meeting, the City Council/Redevelopment Agency has determined that the 2009/10 Capital Improvement Program is consistent with the Vacaville General Plan.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Vacaville that the final Redevelopment Agency Capital Improvement Program Budget of the City of Vacaville for the Fiscal Year 2009/10 in the sum of \$7,320,000, is approved and ratified in all particulars, and is adopted as the official Redevelopment Agency Capital Improvement Program Budget of the City of Vacaville for Fiscal Year 2009/10.

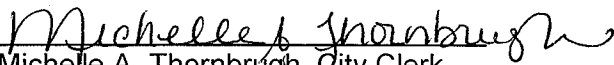
I HEREBY CERTIFY that the foregoing resolution was introduced and passed at a joint meeting of the City Council and the Redevelopment Agency of the City of Vacaville, held on the 23rd day of June 2009, by the following vote:

AYES: Redevelopment Agency members Clancy, Harris, Rowlett, Vice-Chairman Hunt, and Chairman Augustine

NOES: None

ABSENT: None

ATTEST:


Michelle A. Thornbrugh, City Clerk

RESOLUTION NO. 2009-74

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VACAVILLE
ADOPTING THE CAPITAL IMPROVEMENT PROGRAM BUDGET
AND THE CAPITAL IMPROVEMENT PROGRAM GENERAL PLAN CONSISTENCY
AND ENVIRONMENTAL CONSIDERATIONS REPORT
FOR FISCAL YEAR 2009/10**

WHEREAS, the City Manager of the City of Vacaville has submitted to the City Council of said City a final Capital Improvement Program Budget for Fiscal Year 2009/10 in the amount of \$16,911,094; and

WHEREAS, the approval and adoption of the said Capital Improvement Program Budget is necessary and in the best interest of the efficient administration of the City government of the City of Vacaville; and

WHEREAS, based upon the recommendation of the Planning Commission of the City of Vacaville at their June 2, 2009, meeting, the City Council has determined that the 2009/10 Capital Improvement Program is consistent with the Vacaville General Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vacaville that the final Capital Improvement Program Budget of the City of Vacaville for the Fiscal Year 2009/10 in the sum of \$16,911,094, is approved and ratified in all particulars, and is adopted as the official Capital Improvement Program Budget of the City of Vacaville for Fiscal Year 2009/10.


I HEREBY CERTIFY that the foregoing resolution was introduced and passed at a regular meeting of the City Council of the City of Vacaville, held on the 23rd day of June 2009, by the following vote:

AYES: Council members Clancy, Harris, Rowlett, Vice-Mayor Hunt,
and Mayor Augustine

NOES: None

ABSENT: None

ATTEST:


Michelle A. Thornbrugh, City Clerk

RESOLUTION NO. 2009-68

**RESOLUTION ADOPTING AN APPROPRIATION SPENDING LIMIT FOR 2009/2010
IN COMPLIANCE WITH ARTICLE XIII B OF THE STATE CONSTITUTION**

BE IT RESOLVED that the City Council of the City of Vacaville does hereby adopt the following Appropriation Spending Limit for 2009/2010 in compliance with Proposition 4, now Article XIII B of the State Constitution as modified by Proposition 111 and SB88.

Appropriation Limit 2008/2009	\$163,916,493
For 2009/2010: Additions due to increases in population of 1.24% (based on City growth rate) and inflation of 0.62% (based on growth in California per capita income) cumulates to 1.8677%	<u>3,061,468</u>
Appropriation Limit for 2009/2010	<u>\$166,977,961</u>

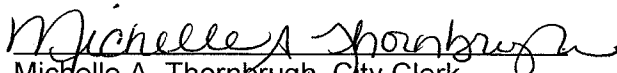
I HEREBY CERTIFY that the foregoing resolution was introduced and passed at a regular meeting of the City Council of the City of Vacaville, held on the 23rd day of June, 2009, by the following vote:

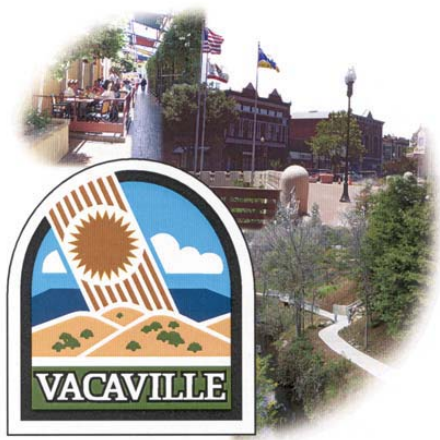
AYES: Council members, Clancy, Harris, Rowlett, Vice-Mayor Hunt, and Mayor Augustine

NOES: None

ABSENT: None

ATTEST:


Michelle A. Thornbrugh, City Clerk



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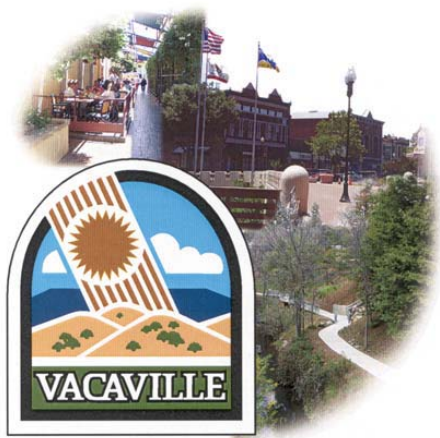
**City of Vacaville
Fiscal Year 2009-2010 Budget
TABLE OF CONTENTS**

	<u>Page</u>
BUDGET MESSAGE	1
BUDGET SUMMARY	7
Schedule of General Fund Revenue	19
Schedule of Special Operating Revenue	21
Summary of Expenditures By Department	23
Summary of Expenditures By Fund	25
Sources and Uses: General Fund Operations	27
General Fund Forecast	29
Allocation of Excise Tax Revenue	31
City Organization Chart	33
Summary of Full-Time Positions	34
 OPERATING BUDGETS	 41
City Council and Treasurer	43
City Attorney's Office	47
City Manager's Office	51
Finance Department	55
Human Resources Department	59
Department of Housing and Redevelopment	63
Community Development Department	73
Police Department	77
Fire Department	83
Community Services Department	89
Public Works Department	
Public Works	95
Parks Maintenance	105
Lighting & Landscaping Districts	107
Transit Operations	113
Engineering Services	115
Development Engineering	119
Utilities	121
Non-Departmental	127
 INTERNAL SERVICE FUNDS	 131
General Liability Self-Insurance Fund	135
Workers Compensation Self-Insurance Fund	137
Retiree Benefits Fund	139
Central Garage & Fuel Station Fund	143
Vehicle & Equipment Replacement Fund	147
Technology Replacement Fund	151
Capital Lease Obligations	155
 CAPITAL IMPROVEMENT PROGRAM	 157



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BUDGET MESSAGE



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July 1, 2009

MEMO TO: Honorable Mayor and City Council Members
FROM: Laura C. Kuhn, Interim City Manager
SUBJECT: **CITY OF VACAVILLE AND VACAVILLE REDEVELOPMENT AGENCY
OPERATING BUDGETS FOR FISCAL YEAR 2009/10**

OVERVIEW

Attached are the Operating and Capital Improvement Program (CIP) budgets for the City of Vacaville and the Vacaville Redevelopment Agency for Fiscal Year 2009/2010 as adopted by the City Council/Agency Board on June 23, 2009. In FY07/08, we returned to a two-year budget process; however, in view of the uncertainty of the economic times, a one year budget was presented. This memo includes a review of budget reduction measures implemented in FY08/09 as well as those in FY09/10 along with a discussion of the threat to revenue sources. The discussion will initially focus on the City's General Fund budget, and then move to a discussion of the Redevelopment and CIP budgets.

The FY09/10 budget as adopted, is to be viewed as provisional as the outcome of the State budget process and other revenue impacts may likely require future amendments. The Council and Agency Board will be reviewing the budget quarterly so that necessary adjustments can be made.

GENERAL FUND

The projected General Fund ending balance for FY 08/09 is approximately \$8.3 million, representing a reserve fund of 13%. The year began with 19 frozen positions. An additional 13 positions which became vacant during the year were also frozen, resulting in a savings of over \$2.5 million. Reductions to services and supplies budgets in the amount of \$500,000 were also made, and the transfer of \$750,000 in Gas Tax funds was authorized to fund Street Maintenance operations. Even with these savings, we will use \$1.77 million of General Fund reserves during FY 08/09.

We are anticipating further declines in the economy in FY 09/10 with little change in FY 10/11. In these unprecedented economic times, the focus is on balancing revenues and expenditures rather than reaching a targeted reserve level, though a reasonable reserve is necessary to maintain our core services in the face of continued uncertainty. Actions to offset the impacts of reduced revenues include salary and budget savings resulting from the negotiated agreements with the bargaining units as well as further reductions to the services and supplies budgets. With these measures, revenues are expected to exceed expenditures by a small amount in FY09/10. At this time, the reserve level is projected to again be 13% at the end of the fiscal year and drop to 10% by the end of FY 10/11. The budget status will be tracked closely and quarterly updates to the Council are planned in order to expediently address trends.

Our two largest sources of revenue are property tax and sales tax, accounting for over 50% of General Fund revenue. Property tax revenue in the current year dropped 1.26% over the prior year and is projected to decrease another 3% in FY 09/10. Based on

current projections, sales tax revenue is expected to be 5.5% less than in FY 07/08, followed by a 2.8% decrease next year. Overall, General Fund revenues are expected to remain static due to revenue enhancements and the less volatile nature of other revenues, such as franchise fees.

While the projections are conservative, serious threats to these revenue sources exist. With the failure of the recent slate of ballot propositions, State takeaways of local revenue have been proposed. A draft proposal to borrow 8% of local property tax under Proposition 1A would result in a reduction of \$1,851,935 in General Fund revenue. Further reductions are proposed to the allocated gas tax funds in the amount of up to \$1,591,507. Though not a General Fund revenue source, \$750,000 of this amount is proposed to fund Street Maintenance operations, which offsets General Fund costs. In addition, the Proposition 42 Local Street and Road Improvements funding in the amount of \$916,606 is threatened. The City's consultant has suggested further reductions of \$688,000 in the FY09/10 sales tax which would result in a projected 7.6% decrease over the prior year. Citizens Option for Public Safety (COPS), Booking Fee and other local public safety programs are currently being funded by the new 0.15 percent increase in the Vehicle License Fee adopted as part of the February Budget. The Legislative Analyst's Office (LAO) has proposed taking one half of these revenues.

Under the cloud of these threats, the budget must be viewed as a snapshot in time based on the best information we have and the assumptions we have made. A reasoned approach to the likely revenue reductions is in order so as to avoid reacting too hastily while still proactively preparing for such impacts. The budget will be closely monitored and regular reports will be brought to the Council on the status and recommended adjustments. The departments will begin immediately to develop contingency plans to mitigate revenue losses. With the level of budget cuts we've already made, further reductions will be difficult, but may be essential. As a comparison, the concessions recently negotiated with the various bargaining units resulted in a nearly \$4.5 million savings to the General Fund. The potential reductions outlined above could total over \$3.2 million.

We are continuing to apply for stimulus funds; however, the majority of such funds would have little or no impact on the General Fund. Should the City be successful in obtaining COPS and/or Justice Assistance Grant (JAG) funding for staff, there would be no additional savings to the General Fund though the additional staffing would offset frozen positions.

BUDGET MITIGATION MEASURES

Due to the economic conditions noted above, we are evaluating both the charges for our fee-based programs and services, as well as reducing operational expenses wherever possible without causing a major disruption in core services.

The authorized CPI for fee increases is less than 1%. A number of fees will be proposed for increases beyond the CPI. Fee increases in emergency medical services are necessary to keep pace with the cost of providing the service. A fee increase for all paid parking violations is necessary to offset the increase in the State surcharge. This will not generate any additional revenue for the City. Increases for facilities rentals will also be necessary to begin closing the gap between our fees, which are 48% lower on average, and those in neighboring cities.

As for the spending component of the budget equation, the following actions and budget reduction measures have been incorporated into the FY 09/10 General Fund budget:

- The continued freeze of 32 vacant positions with a projected savings of approximately \$2.6 million
- The implementation of furloughs and other bargaining unit concessions for an additional savings of nearly \$4.5 million
- Services and Supplies budget reduction of 2.5%.
- Use of \$750,000 in Gas Tax funding for street maintenance operations
- Use of fund balance for as-needed replacements
- Continued suspension of funding for General Fund Capital Improvement Projects
- Overtime levels will continue to be monitored
- Further vacancies to be evaluated on a case-by-case basis for filling

Further actions to increase operational cost-effectiveness in the upcoming fiscal year will include the following:

- Review of public counter hours and usage for potential reduction to reallocate staffing resources.
- Back to basics review of programs and services to focus resources on core services.
- Further reorganization measures will be evaluated for increased cost effectiveness.
- Public outreach and enforcement efforts towards compliance with animal licensing regulations.
- Operational audits for next year to include cell phone and vehicle usage

UTILITIES

Further evaluation of water and sewer rates will be necessary in light of state and federally mandated water and wastewater quality improvement projects and ongoing operations. Revenues under the current rate structure are insufficient to offset the costs related to the more stringent treatment levels required.

HOUSING AND REDEVELOPMENT

In appealing a court ruling, efforts are underway by the State to shift property tax from Redevelopment over the next three years. This would be a \$1.9M per year impact to Vacaville. Any takeaways of redevelopment funds would seriously impair our ability to initiate new renovation projects, affordable housing, and economic development projects.

CAPITAL IMPROVEMENT PROGRAM

As mentioned, funding for the General Fund Capital Improvement Program (CIP) has again been suspended for FY 09/10. Projects approved and funded previously that have not yet been completed will continue.

With the downturn in the local economy, residential development projects have been severely curtailed and few building permit applications are being submitted. The continued slowdown in collection of development impact fee (DIF) revenue has necessitated that existing funding be allocated to those projects with the highest priority. For FY 2009/10, those priority DIF projects include:

- Davis Street Widening project (design and construction)
- Intersection level of service improvements related to growth

The City's utility operations have numerous ongoing projects relating to the systematic replacement and upgrade of facilities. For sewer operations, the funding priorities continue to be the Easterly Expansion project and the Easterly Tertiary Treatment project. For water operations, funds are being accumulated for the development of a 2 MG water reservoir in the N. Orchard Avenue area and equipping Well #17.

The capital project funding priorities for the Redevelopment Agency include:

- Development of new facilities to house the Department of Housing and Redevelopment and community-based non-profit organizations
Affordable housing development assistance

BUDGET WRAP-UP

Given the unprecedented nature of these economic times, the continued uncertainty, and the real potential for further State takeaways, close tracking and monitoring of the budget is more critical than ever. The City Manager's Office and the Department Heads will work together to plan for contingencies and make operational adjustments as necessary. Reports to the Council will be made regularly. With the direction of the Council and the continued dedication of all City staff to maintaining excellence in providing our core services as we are forced to operate with fewer people and reduced resources, we will be able to weather this storm and meet the expectations of our residents.

I'd like to thank the following for their assistance in the preparation of this budget: Interim Assistant City Manager/Finance Director Ken Campo, Assistant to the City Manager Connie Donovan, and Budget Analyst Roxann Beck-Foley. Thanks also go to all departments and bargaining units for their contributions to this process.

BUDGET SUMMARY

BUDGET GUIDE

ABOUT THE CITY'S BUDGET

The City's budget is an important policy document. It serves as an annual financial plan, identifying the spending priorities for the organization. The budget is used to balance available resources with community needs, as determined by the City Council. It also serves as a tool for communicating the City's financial strategies and for ensuring accountability.

The City's operating budget is a plan for one specified fiscal year. The fiscal year for this budget begins on July 1, 2009 and ends on June 30, 2010.

The City keeps track of its finances in self-balancing sets of accounts called funds, which are the basic accounting and reporting components in governmental accounting. Funds segregate transactions related to certain government functions or activities. The budget is prepared by fund, and summarized into an operating budget and a capital improvement program (CIP) budget for the City and for the Redevelopment Agency.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The General Fund is the primary revenue source and operating fund for most of the services that cities typically provide, such as public safety (police and fire), street and park maintenance, and community services, as well as most administrative functions. The major funding sources for the General Fund are property taxes and sales tax.

The City sets aside a portion of its General Fund as an emergency reserve. Such a reserve is a prudent financial strategy because it provides options for the City to meet unexpected changes in its financial picture while continuing to provide fundamental municipal services. Examples of such changes might include a downturn in the local economy, state-imposed reductions in city revenues, unanticipated cost increases, catastrophic losses or natural disasters. The City Council has established a goal of maintaining an emergency reserve equal to 15% of General Fund annual expenditures. However, due to the economic climate, the reserve level has been reduced. Therefore, the City Council will review the revenues and expenditures on a more frequent basis and provide direction to the City Manager.

BUDGET DEVELOPMENT

The City Manager is responsible for development of a proposed budget for consideration by the City Council. The budget development process begins in January with a midyear update of the current year's budget and the General Fund revenue forecast, which establishes a general framework under which to develop budget guidelines for the upcoming fiscal year.

Establishing the base budget involves taking the final budget from the previous year, reducing it for any one-time expenditures, and adjusting for contractual obligations in accordance with established labor agreements and other long-term contracts. Adjustments are also made for other anticipated increases in specified line items that affect multiple departments, e.g. fuel costs. All programs funded through charges back to user operations (i.e., internal service funds, such as the central garage) are reviewed in order to establish rates for the coming fiscal year.

The base budget is then provided to each department. Departments review their base budget and prepare augmentation requests to fund current service levels and proposed goals consistent with the Council's adopted Strategic Plan for the coming year. Departmental budgets are submitted to the City Manager's Office for review.

Once the proposed budget is developed, it is presented to the City Council and copies are made available for public review at multiple locations and via the City's website. A public hearing is held to solicit input on the proposed budget.

BUDGET CALENDAR

FY 09-10 OPERATING BUDGET

- | | |
|-----------------|---|
| February | <ul style="list-style-type: none">• Mid-Year budget review• Personnel allocations due from departments |
| March | <ul style="list-style-type: none">• Update General Fund forecast and review• Develop budget worksheets and issued to departments |
| April | <ul style="list-style-type: none">• Budget submittals due from departments• Budget meetings with departments |
| May | <ul style="list-style-type: none">• Budget team and City Manager review issues• Updates to budget forecast• Prepare draft budget• Departments review budget• Proposed budget delivered to City Council• Budget Study Session with City Council |

June

- Budget Study Session with City Council
- Final revisions
- Public hearing(s) and adoption of budget

BUDGET CONTROL

Since the budget is an estimate, from time to time it is necessary to make adjustments to fine tune the line items within it. Various levels of budgetary control have been established to maintain the budget's integrity. The City Manager has the authority to make transfers between accounts usually based on recommendations from the various departments. Whether a transfer is within a fund or between funds, that authority must be exercised taking into consideration funding source compatibility. Where an appropriation requires an increase that cannot be supported by a transfer, City Council authorization is required.

BUDGET TERMINOLOGY

Some key terms include:

Augmentation: additional funding for a cost increase in an existing program or service; for the provision of a new or expanded program or service; or for one-time costs such as equipment.

Appropriation: An authorization made by the City Council which permits the City to incur obligations and to make expenditures.

Budget Adjustment: A revision to a budget appropriation. City staff, under the director of the City Manager, has the authority to move budget within or between department programs. Increases to the budget must be approved by the City Council.

Capital Improvement Program (CIP): A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a period of one or more years.

Cost Allocation Plan: The purpose of this cost allocation plan is to summarize, in writing, the methods and procedures that the organization will use to allocate costs to various programs, grants, contracts and agreements.

Cost Distributions: Payments made to the General Fund by other funds for the cost of providing administrative and support services, based on an established cost allocation plan.

Enterprise Fund: A governmental accounting fund in which services provided are financed and operated similarly to those of a private business. The rate or fee schedules for these services are established to ensure that the revenues are adequate to meet all necessary expenditures and obligations. Examples include the Water, Sewer, and Transit Funds.

Encumbrance: The commitment of appropriated funds to purchase goods or services. Funds are typically encumbered through use of a purchase order.

Expenditure Category: A basis for distinguishing types of expenditures. The major expenditure categories used by the City of Vacaville are salaries and benefits (includes full-time, part-time, overtime, benefits, and contributions toward internal service funds for workers compensation and retiree health care and leave payouts); services and supplies; major one-time expenditures, and indirect costs (overhead costs such as electricity and telephone, central garage charges, and insurances).

Fund: Separate, self-balancing sets of accounts that record all financial transactions for specified activities, revenue sources, or government functions. The commonly used funds in public accounting are: general fund, special revenue funds, enterprise funds, internal service funds, debt service funds, capital project funds, special assessment funds, and trust and agency funds.

Fund Balance: The excess of assets over liabilities and encumbrances at the end of the fiscal year; available funds.

Operating Budget: The portion of the budget pertaining to the operations that provide government services. It does not include Capital Improvement Program expenditures.

Performance Measurement: The process of regular and continuous data collection on important aspects of City services, in order to evaluate the effectiveness and efficiency of those services over time.

Prior Year Carryover: Departments with General Fund operations are able to request that all or a portion of budget remaining unexpended at year-end be carried over into the next fiscal year. The savings may then be used for one-time expenditures approved by the City Manager. This mechanism promotes prudent use of General Fund resources.

Reserve: An account used to indicate a portion of fund balance that is restricted or set-aside for a specific purpose, and is therefore not available for general appropriation.

Source of Funds: The type of revenues used to pay for the expenditures of each department. Some department budgets include revenues from one or more sources which legally may only be used for specified purposes. General Fund revenues are identified in the budget as “functional” (related to or derived from a department program, e.g. charges for services) or “discretionary” (funds from general sources such as property tax or sales tax, available for any purpose authorized by the City Council).

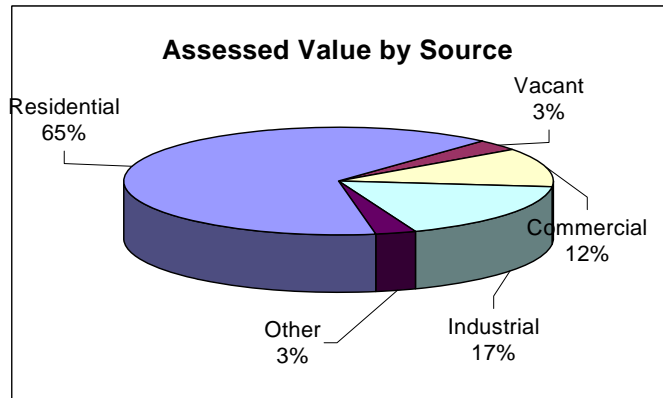


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DESCRIPTION OF GENERAL FUND REVENUE SOURCES

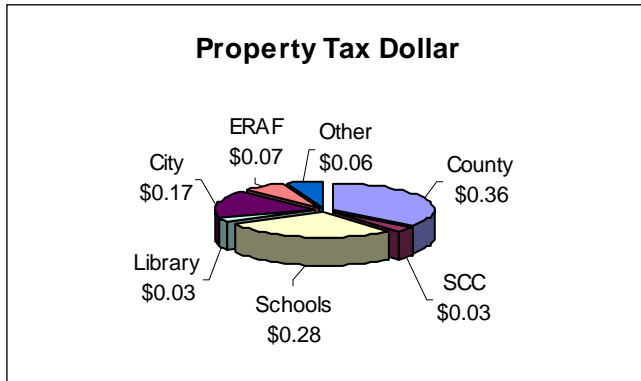
Property Tax

The State Constitution (Proposition 13) sets the base property tax rate at 1% of assessed value. The City currently receives only about 17 cents (\$0.1745) of every property tax dollar generated in Vacaville, with the majority of property tax revenue going to the State (schools) and County. Homes, businesses, and other taxable real and personal property are subject to this 1% property tax rate. Growth in assessed value is limited to 2% or CPI, whichever is lower. However, when property ownership is transferred, or when property is newly constructed, it is re-appraised at its current full market value. The gross assessed value of property in the City (including redevelopment project areas) stands at \$10.6 billion for the 2008/09 tax year; an increase of \$200 million, or 1.9% over the prior year. This growth is primarily influenced by continuing commercial and industrial development within the City's redevelopment project areas, which increased by \$373 million, or 13.85% over the previous year. The growth in commercial development, however, has been offset by declining residential values – both from reduced home prices and home value reductions initiated by the Solano County Assessor. Residential values declined by \$195 million, or -3.04% from 2007/08 values.



The City used to receive about 24 cents of every property tax dollar. However, starting in 1992/93 the Legislature shifted \$3.5 billion of property tax revenue statewide away from cities, counties and

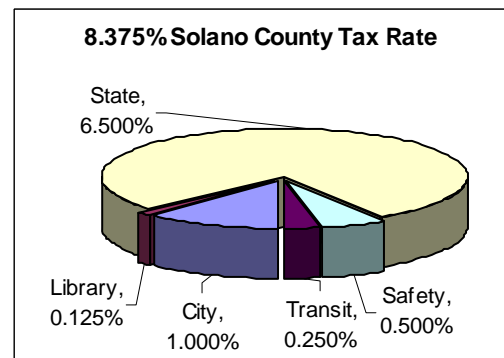
special districts to help meet the State's funding obligation to schools. This is referred to as the ERAF shift (Educational Revenue Augmentation Fund), and it reduced the City's share of the property tax dollar to about 17 cents. Vacaville now loses some \$3.8 million annually to the ERAF shift, which represents a 22% loss of property tax revenue. In fiscal year 2004/05, the majority of vehicle license fee ("VLF") revenue was converted to a like amount of property tax revenue; and now grows or declines at the same rate as "normal" property tax. For Vacaville, this shift means an



additional \$7.9 million of property tax revenue in 2009/10. (See discussion below under Intergovernmental revenue.) Adding the VLF supplemental tax to the \$12 million of normal property tax means property tax, at \$19.9 million in 2009/10, is once again the largest single ongoing funding source for general municipal operations. Property tax now comprises 31% of all General Fund revenues.

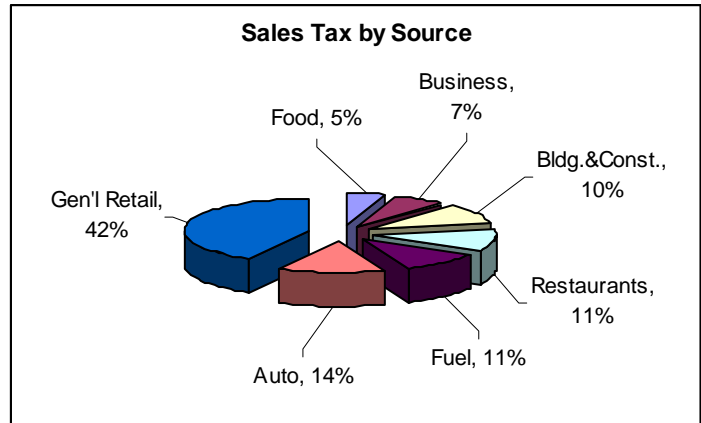
Sales and Use Tax

The sales tax revenue received by the City is equal to 1% of all taxable sales within City limits. The City also receives a pro-rata share of use taxes which are "pooled" at the State and county level. The total tax rate in Solano County is 8.375%, of which the State rate is 6.50%, the local rate is



1.00%, the Prop. 172 public safety sales tax rate is 0.50%, the Transportation Development Act rate is 0.25%, and the Solano County Library rate is 0.125%.

The sales and use tax is the General Fund's second largest revenue source at \$13.4 million for 2009/10 and comprises 21% of total General Fund revenues. Sales tax has grown substantially over the past decade, but has declined significantly during the current economic recession. The budget assumes sales tax revenue will decrease a further 3% in 2009/10. This puts the projected amount at \$2.7 million below the amount collected in 2006/07, which was high-water mark in terms of sales tax collection. Not surprisingly, new auto sales, along with building and construction related sales, lead the decline in sales tax revenue.

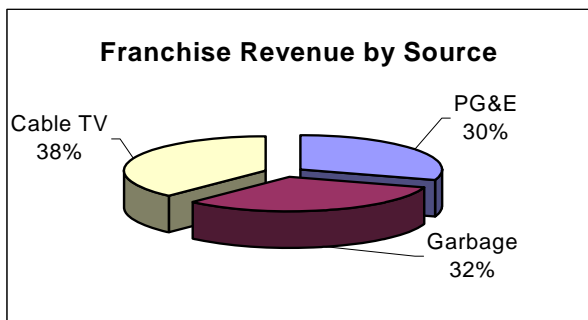


Beginning in 2004/05, 25% of the cities' sales tax revenue was diverted to the State to help pay off the State's deficit financing bonds. The city receives a like amount of property tax from the county ERAF fund as reimbursement for the loss in sales tax revenue. This swap, otherwise known as the "triple-flip," will continue until the State deficit bonds are fully retired.

Franchise Payments

The City has awarded franchise agreements to private companies for the right to do business in the City using public rights-of-way. Franchise payments are estimated to generate \$2.4 million in 2009/10 or 4% of General Fund revenues.

- Electric - PG&E pays 0.5% of gross receipts on utility income for use of public right-way for electric lines; \$481,000 is projected for 2009/10. PG&E sets utility rates subject to State PUC approval.



- Natural Gas - PG&E pays 1 % of gross receipts on utility income for use of public right-of-way for natural gas pipelines; \$238,000 is projected for 2009/10. PG&E sets utility rates subject to State PUC approval.

garbage pick-up accounts in Vacaville; \$771,000 for 2009/10. The collection rates are reviewed biannually under the franchise agreement. By ordinance, the City Council approves the rates for all refuse collection services.

- Garbage - Vacaville Sanitary Service pays 5% of gross income on residential and commercial
- Cable TV – The local cable provider pays a federally regulated 5% of gross receipts for installation of cable lines; \$944,000 projected for 2009/10. Rates are set by the company within FCC guidelines, which give only a limited oversight role to the City.

Paramedic Tax

The citizens of Vacaville initially approved this ad-valorem tax in 1976. The rate is \$0.03 per \$100 of assessed valuation on property within the City limits, and is collected by the County along with property taxes. The proceeds are used to pay for emergency medical and ambulance services. The paramedic tax is expected to yield \$3.3 million in 2009/10 and comprises 5% of projected revenues.

All proceeds are used to support paramedic and ambulance services within the city and cover roughly 38% of the expected cost of providing essential EMS services.

Excise Taxes

- Measure I -- This tax was approved by voters in 1989 to pay for construction of the Ulatis Cultural Center and provide an additional source of funding for services such as street maintenance, library services, cultural events and recreation activities. The excise tax rate is applied as follows: \$4.83 per month for residential property – collected on the bi-monthly utility bill; 2% of hotel room rates – collected along with the City transient occupancy tax; and varying amounts (per employee) for commercial establishments within the City limits – collected along with the annual business license. The Measure I tax revenue is projected to generate \$2.3 million in 2009/10, or about 4% of General Fund revenues. This revenue source is required by ordinance to sunset upon retirement of the debt used to fund construction of the Ulatis Cultural Center, which is expected to occur in 2013.
- Measure G -- This tax was approved by voters in 2005 to replace longstanding fees imposed upon the City’s water and sewer operations. The tax is comprised of a 1% “property” tax on the assets of the utility funds and a 5% “franchise” tax on utility operating revenues. The Measure G excise tax is expected to generate \$4.5 million in 2009/10, or about 7% of General Fund revenues.

Other General Fund Taxes

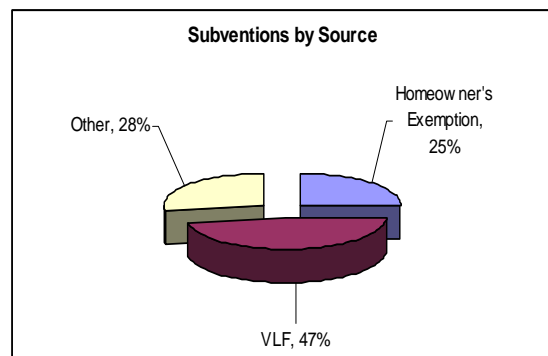
The City receives revenue from three lesser taxes, which together comprise about 3% of General Fund revenues:

- Transient Occupancy Tax-- Occupants of motel/hotel rooms pay 8% of rent for stays of 30 days or less. Revenue growth depends on the number of rooms, level of occupancy and average room rates. Revenue growth has been increasing over recent years due to the addition of several hotels along I-80. Growth in hotel room rates is expected to continue over the next year and revenues are estimated at just over \$1 million during the budget period.
- Real Property Transfer Tax - The sale/transfer of real property is subject to a tax of \$0.55 per \$500 of sales price less encumbrances. The City receives half of the tax and the County the other half. The transfer tax is expected to yield \$401,000 during the budget period. This is a relatively small but volatile revenue source as it is directly related to real estate transactions.
- Business License Tax - This is an annual tax on local businesses, based on a flat-fee schedule. Revenues have been growing at an annual average rate of 1.5% over the past several years. Business license taxes are projected at \$319,000 during the budget period. Vacaville’s business license tax is significantly lower than most California cities, generating only about one-third of the revenue for cities with similar sized budgets.

INTERGOVERNMENTAL

Intergovernmental revenues are funds received from State and federal sources, as well as other local agencies such as the county and school districts. The budget projection of \$837,000 for 2009/10 comprises around 1.5% of General Fund revenues, and consists of the following principal sources:

- Vehicle License Fee – This revenue source represents the City’s allocated share of state-wide vehicle registrations, apportioned throughout the County on a per capita basis (including the



State prison population). Prior to the 2004/05 budget year, this was one of the largest sources of General Fund revenue for the cities in California. However, due to the state-local budget compromise proposed by the Governor and approved by voters as Proposition 1A (see earlier property tax discussion) in 2004, vehicle license fees were significantly reduced. The loss in revenue to cities was permanently backfilled with an additional allocation of property tax revenue. The City's share of VLF revenue is projected at around \$391,000 for the budget period.

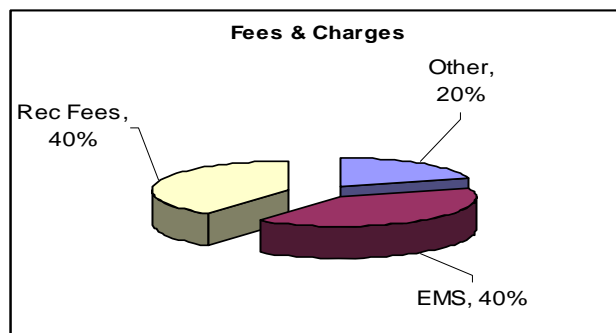
- Homeowner's Exemption – The State Constitution requires reimbursement of local revenue losses from the \$7,000 per home property tax exemption. The City expects to receive \$205,000 from this source during the budget period. Future growth is limited to increases in home ownership.
- Other - The city receives various amounts of reimbursements from the local school districts to offset costs associated school crossing guards and on-campus police services, as well as from the State in the form of mandated cost reimbursements. The city also receives minor amounts of grant revenue into the General Fund from the state and/or federal sources.

DEPARTMENTAL FEES AND CHARGES

Due to limitations on the City's ability to raise general fees and taxes, fee for service revenues represent a growing component of overall General Fund revenues. The projection of \$9.4 million for FY09/10 represents around 15% of overall General Fund revenues.

Principal sources of departmental fees and charges include:

- Recreation and Facility Fees: The City operates a variety of park, recreation and social service activities for youth, adults and seniors that are partially supported by user fees or rental charges. Overall, the Community Services Department recovers about 60% of its operating costs from user fees and Measure I support. Revenues are projected at \$3.8 million for the budget period.
- Emergency Medical Fees - These fees are charged for emergency medical services and are comprised primarily of charges for Basic Life Support (BLS) and Advanced Life Support (ALS) during ambulance transport. Because Vacaville residents pay the paramedic tax discussed previously, they are charged a lower rate for emergency medical services than non-residents. Transport fees are expected to generate \$3.8 million during the budget period and will cover about 43% of the expected cost of providing EMS services..
- Other Fees and Charges – Charges for other municipal services are expected to generate an additional \$1.8 million per year of revenue for the General Fund; principal among these are fire inspection fees (\$345,000), police charges and fees (\$200,000), and finance administration fees (\$490,000).



OTHER REVENUES

All other General Fund revenue sources are expected to yield \$3.3 million during the budget period, and account for 5% of revenues. Included in this amount are investment earnings projected at \$2.4 million. Also included are wireless site lease revenue, along with other miscellaneous revenues and reimbursements from other funds for General Fund support services.

OPERATING TRANSFERS

- Public Safety Districts - The City has established a number of Public Safety Districts which were formed pursuant to the Mello-Roos Community Facilities Act of 1982. The districts are overlaid on new residential development projects to help offset the cost of providing police, fire and emergency medical services. The special tax amounts range from around \$970 to \$1,570 per year per residential property, depending upon whether the residential unit is part of an infill development or major new subdivision. The source is expected to generate \$1.3 million in 2009/10.
- Traffic Safety Fines - Fines for moving traffic violations within the City are collected by the courts, remitted to the City and are deposited into a special revenue fund pursuant to state law. These funds are then transferred to the General Fund to support traffic enforcement activities carried out by the Police Department. The City expects to receive around \$372,000 in 2009/10.
- Redevelopment Agency- The Redevelopment Agency transfers money to the General Fund to offset the cost of public safety and maintenance services provided in conjunction with Creekwalk downtown promotion. The transfer for 2009/10 is projected to be \$200,000.



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**City of Vacaville
FY 2009-2010 Budget**

SCHEDULE OF GENERAL FUND REVENUE

<u>General Fund Revenue Account</u>	FY 2006/07 Actual	FY 2007/08 Actual	FY 2008/09 Adopted	FY 2009/10 Proposed
<u>Taxes</u>				
Property tax	\$11,609,202	\$12,185,504	\$12,591,306	\$11,053,632
Property tax in lieu of VLF	6,845,332	7,970,311	8,249,272	7,870,928
RDA Pass-Through	360,720	649,927	823,930	997,601
Sales tax *	16,125,752	14,633,999	15,634,930	13,459,169
Franchise tax	2,193,155	2,247,743	2,364,722	2,433,112
Paramedic tax	2,821,705	3,164,705	3,629,038	3,292,103
Transient lodging tax	1,047,886	1,005,432	1,111,702	1,066,663
Excise tax	6,032,220	6,050,443	6,565,163	6,823,012
Real property transfer tax	439,829	301,246	412,032	401,246
Business license tax	318,936	306,192	341,652	318,562
Public safety sales tax	347,785	349,572	369,220	372,912
	48,142,522	48,865,074	52,092,968	48,088,939
<u>Intergovernmental</u>				
Motor vehicle in-lieu	595,293	416,945	459,987	390,837
State Reimbursements	121,740	18,596	0	0
Homeowners subvention	194,888	201,432	197,551	205,862
Other state & federal grants	113,039	152,432	186,783	106,623
School reimbursements	73,698	171,393	133,393	133,392
	1,098,658	960,798	977,713	836,714
<u>Departmental fees and charges</u>				
Recreation and facilities	3,222,230	3,344,057	3,660,798	3,715,118
Emergency medical fees	3,003,493	3,263,869	3,713,312	3,755,916
In lieu DIF	854,619	354,014	450,000	500,000
Police and Fire Fees	558,816	534,673	749,514	561,741
Other departments	462,375	1,246,740	611,269	861,237
	8,101,533	8,743,353	9,184,895	9,394,012
<u>Other revenues</u>				
Interest and rents	2,320,602	2,208,112	2,341,708	2,394,086
Cell tower leases	372,782	377,440	373,064	408,239
Miscellaneous	691,823	335,039	597,984	491,787
	3,385,207	2,920,591	3,312,756	3,294,112
Subtotal:	\$60,727,920	\$61,489,816	65,568,331	61,613,777
Transfers In	952,614	1,510,438	1,747,955	2,409,379
Total revenue:	\$61,680,534	\$63,000,255	\$67,316,286	64,023,157

* Includes property tax in lieu of sales tax (State triple flip)



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City of Vacaville

SCHEDULE OF SPECIAL OPERATING REVENUE

<u>Revenue Sources</u>	<u>FY 2006/07 Actual</u>	<u>FY 2007/08 Actual</u>	<u>FY 2008/09 Adopted</u>	<u>FY 2009/10 Proposed</u>
Special Revenue Funds				
Building Related Fund:				
Charges and fees	\$2,352,323	\$2,494,239	\$2,075,000	\$1,680,000
Interest Income	247,267	217,336	150,000	15,000
<i>Total Building-Related Funds</i>	<u>2,599,590</u>	<u>2,711,575</u>	<u>2,225,000</u>	<u>1,695,000</u>
Development Engineering	177,651	152,507	324,000	151,656
Gas Tax Funds	1,291,840	772,151	760,824	1,570,578
Traffic Safety fines, forfeits, and penalties	352,018	333,746	367,319	374,665
Lighting & Landscape Act Assessments	2,086,093	2,511,444	2,341,428	2,353,031
Community Facilities Districts	412,441	590,452	955,267	1,637,380
CDBG Program Revenue	513,210	601,497	568,728	567,694
Housing Programs:				
HUD programs	46,321	10,602	50,000	56,620
HCD Program	0	0	0	3,115,500
Solano County (excluding HAP revenue)	2,158,523	2,134,816	2,310,105	2,041,711
Section 8 Housing Assistance	9,974,962	9,172,120	11,065,617	8,565,135
<i>Total Housing Programs</i>	<u>12,179,806</u>	<u>11,317,538</u>	<u>13,425,722</u>	<u>13,778,966</u>
TOTAL SPECIAL REVENUE	<u>\$19,612,649</u>	<u>\$18,990,910</u>	<u>\$20,968,288</u>	<u>\$22,128,970</u>
Enterprise Funds				
Sewer Utility	18,822,730	19,456,447	19,727,570	20,121,617
Water Utility	11,372,419	15,811,125	13,962,471	15,080,481
Transit	4,447,796	2,565,089	2,126,881	2,148,194
TOTAL ENTERPRISE FUNDS REVENUES	<u>\$34,642,945</u>	<u>\$37,832,661</u>	<u>\$35,816,922</u>	<u>\$37,350,292</u>
Redevelopment Agency (Combined)				
Property taxes	28,742,894	35,031,137	34,978,800	38,859,549
Interest and rent	2,673,162	2,264,854	248,136	331,008
Sale of property	345,543	0	0	0
Other	2,353,348	188,844	108,837	108,837
TOTAL REDEVELOPMENT AGENCY	<u>\$34,114,947</u>	<u>\$37,484,835</u>	<u>\$35,335,773</u>	<u>\$39,299,394</u>



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City of Vacaville
 FY 2009-2010 Budget

SUMMARY OF EXPENDITURES BY DEPARTMENT

Department/Function	FY 2006/07 Actual	FY 2007/08 Actual	FY 2008/09 Adopted Budget	FY 2009/10 Proposed Budget
City Council/Treasure	\$76,943	\$97,154	\$97,851	\$99,758
City Attorney	855,609	931,136	951,798	939,766
City Manager's Office/Finance/Human Resources				
City Manager's Office/City Clerk	1,093,384	1,177,089	1,279,545	1,329,926
Information Technology/Telecommunications	1,794,301	1,814,395	1,857,366	1,581,372
Finance	2,438,705	2,560,824	2,779,234	2,729,557
Human Resources/Risk Management	1,341,044	1,321,501	1,341,412	1,099,630
Subtotal, City Administration	6,667,434	6,873,809	7,257,557	6,740,485
Housing & Redevelopment Dept				
Housing Services	14,286,767	12,351,440	14,888,970	18,188,144
Redevelopment Agency	27,058,311	30,268,961	28,110,394	35,575,909
Subtotal, Housing & Redev	41,345,078	42,620,401	42,999,364	53,764,053
Community Development Department	3,624,629	3,432,339	4,157,211	2,734,009
Police Department	24,932,995	26,704,467	27,964,808	27,605,605
Fire Department	15,827,852	17,729,797	17,989,347	17,494,580
Public Works Department				
Public Works	5,588,994	6,645,938	6,508,911	6,904,699
Parks Division	2,225,233	2,473,007	2,540,633	2,415,491
Park Maintenance Districts	2,269,983	2,382,927	3,162,928	3,587,232
Engineering Services	1,616,881	2,022,157	3,532,048	3,325,913
Development Engineering	458,061	372,242	254,122	238,630
Transit	2,500,953	2,565,089	2,126,881	2,148,194
Subtotal, Public Works	14,660,105	16,461,360	18,125,523	18,620,159
Utilities				
Sewer Utility Systems	19,758,507	20,325,499	20,254,212	19,896,461
Water Utility Systems	13,117,532	13,333,545	14,392,314	14,782,688
Subtotal, Utilities	32,876,039	33,659,044	34,646,526	34,679,149
Community Services Department	5,983,483	6,207,827	6,619,691	6,093,115
Non-Departmental	1,628,255	2,056,646	2,441,270	2,267,945
Gross Operating Budget	148,478,422	156,773,980	163,250,946	171,038,624
Internal Cost Allocation	(\$4,452,463)	(\$4,675,325)	(\$4,918,917)	(\$5,032,126)
CITY GRAND TOTAL	\$144,025,959	\$152,098,655	\$158,332,031	\$166,006,499



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City of Vacaville
 FY 2009-2010 Budget

SUMMARY OF EXPENDITURES BY FUND

Department/Function	FY 2006/07 Actual	FY 2007/08 Actual	FY 2008/09 Adopted Budget	FY 2009/10 Proposed Budget
GENERAL FUND:				
City Council/Treasurer	\$76,943	\$97,154	\$97,851	\$99,758
City Attorney	855,609	931,136	951,798	939,766
City Manager's Office/Administration <i>(includes I.T.)</i>	2,887,685	2,991,484	3,136,910	2,911,297
Human Resources	1,341,044	1,321,501	1,341,412	1,099,630
Finance	2,438,705	2,560,824	2,779,234	2,729,557
Dept. of Housing & Redevelopment	445,931	353,083	369,276	386,717
Police Department	24,932,995	26,704,467	27,964,808	27,605,604
Fire Department	15,827,852	17,729,797	17,989,347	17,494,580
Public Works Department				
General	4,297,154	5,858,167	5,748,087	5,334,122
Park Maintenance & Custodial	2,225,233	2,473,007	2,540,634	2,415,491
Community Services Department	5,983,483	6,207,827	6,619,691	6,093,114
Non-Departmental	1,628,255	2,056,646	2,441,270	2,267,945
Subtotal General Fund	\$62,940,889	\$69,285,093	\$71,980,318	\$69,377,581
Internal Cost Allocation	(\$4,452,463)	(\$4,675,325)	(\$4,918,917)	(\$5,032,126)
TOTAL GENERAL FUND	\$58,488,426	\$64,609,768	\$67,061,402	\$64,345,457
SPECIAL REVENUE FUNDS:				
Housing Svcs (non General Fund)	\$13,840,836	\$11,998,357	\$14,519,694	\$17,801,426
Public Works, Gas Tax	1,291,840	787,771	760,824	1,570,578
Park Maintenance Districts	2,269,983	2,382,927	3,162,928	3,587,232
Engineering Services & TSM	1,616,881	2,022,157	3,532,048	3,325,913
Development Engineering	458,061	372,242	254,123	238,631
Building Related (Comm Development)	3,624,629	3,432,339	4,157,211	2,734,009
Total Special Revenue Funds	\$23,102,230	\$20,995,793	\$26,386,828	\$29,257,789
ENTERPRISE FUNDS:				
Sewer Utility Systems	\$19,758,507	\$20,325,499	\$20,254,212	\$19,896,461
Water Utility Systems	13,117,532	13,333,545	14,392,314	14,782,688
Transit	2,500,953	2,565,089	2,126,881	2,148,194
Total Enterprise Funds	\$35,376,992	\$36,224,133	\$36,773,407	\$36,827,343
TOTAL CITY OPERATING	\$116,967,648	\$121,829,694	\$130,221,637	\$130,430,590
REDEVELOPMENT AGENCY:				
Combined Housing Set Aside	\$2,338,331	\$2,732,598	\$6,592,358	\$5,975,891
Community Redevelopment Area	8,262,811	7,670,909	5,287,233	5,181,486
I-505/80 Redevelopment Area	16,457,169	19,865,454	16,230,803	24,418,532
TOTAL REDEVELOPMENT	\$27,058,311	\$30,268,961	\$28,110,394	\$35,575,909
CITY GRAND TOTAL	\$144,025,959	\$152,098,655	\$158,332,031	\$166,006,499



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**City of Vacaville
FY 2009-2010 Budget**

**SOURCES AND USES:
GENERAL FUND OPERATIONS**

	FY 2006/07 Actual	FY 2007/08 Actual	FY 2008/09 Adopted Budget	FY 2009/10 Proposed Budget
SOURCES OF FUNDS:				
General Fund Operating Revenue:	\$59,477,880	\$61,489,816	65,568,331	61,613,777
Operating Transfers In:				
Traffic Safety Fines and Forfeitures	352,018	354,075	369,839	372,000
Workers' Compensation Fund	0	500,000	500,000	500,000
Community Facilities Districts	400,636	456,363	555,266	1,337,380
Redevelopment Agency	200,000	200,000	322,850	200,000
Subtotal, Transfers In:	952,654	1,510,438	1,747,955	2,409,379
Use of One-Time Revenues/Transfers:	1,250,000	0	0	0
Use of (addition to) Fund Balance:	532,106	4,714,545	1,341,860	1,927,630
Total Sources, General Fund:	\$62,212,640	\$67,714,799	\$68,658,147	\$65,950,786

USES OF FUNDS:

General Fund Operating Expenditures (net of internal cost allocations)	\$59,418,814	\$64,697,643	\$67,061,402	\$64,345,456
Operating Transfers Out:				
General Fund support to Community Devlpt.	20,000	20,000	20,000	20,000
General Fund support to Engineering Services	40,000	40,000	40,000	40,000
General Fund support to Park Maintenance Dist.	448,683	459,900	471,398	441,983
General Fund Sewer in-lieu fee	0	171,884	0	0
General Fund Water in-lieu fee	0	82,703	0	0
Collapsing Transfers:				
General Fund to Vehicle Replacement	300,000	35,000	0	0
General Fund to Technology Projects	588,946	150,000	0	0
General Fund to CIP	285,000	600,000	(38,000)	0
General Fund to Admin Reserve	0	339,877	0	0
Subtotal, Transfers Out:	1,682,629	1,899,364	493,398	501,983
Measure I Debt Service	1,111,198	1,117,793	1,103,347	1,103,347
Total Uses, General Fund:	\$62,212,640	\$67,714,799	\$68,658,147	\$65,950,786

USES BY CATEGORY:

Salaries and Benefits	\$48,311,518	\$53,699,532	\$56,779,860	\$55,688,296
Overtime plus Offsets	\$2,433,719	\$2,515,651	\$1,572,973	\$1,118,959
Services and Supplies	7,065,812	6,959,241	7,438,307	\$7,013,070
Indirect Costs	8,093,995	8,073,536	6,596,672	6,318,311
One-time Costs	222,815	614,178	447,960	171,710
Technology Costs	537,245	527,987	741,293	672,566
Internal Cost Allocation	(4,452,463)	(4,675,325)	(4,918,917)	(5,032,126)
Total Uses by Category, General Fund:	\$62,212,640	\$67,714,799	\$68,658,147	\$65,950,786



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REVISED GENERAL FUND BUDGET FORECAST

	<u>Actual</u> <u>2006/07</u>	<u>Actual</u> <u>2007/08</u>	<u>Projected</u> <u>2008/09</u>	<u>Projected</u> <u>2009/10</u>	<u>Projected</u> <u>2010/11</u>	<u>Projected</u> <u>2011/12</u>
Operating revenue	\$ 61,227,880	\$ 62,668,692	\$ 61,604,911	\$ 61,613,778	\$ 62,571,103	\$ 64,975,279
Operating expenditures	(60,681,128)	(65,315,436)	(66,138,289)	(65,381,689)	(67,108,608)	(68,027,670)
Net operating	546,752	(2,646,744)	(4,533,378)	(3,767,911)	(4,537,505)	(3,052,391)
Transfers-In	952,654	1,510,438	2,358,620	2,409,379	2,409,379	2,409,379
Transfers-Out	(508,653)	(614,364)	(343,398)	(351,983)	(351,983)	(351,983)
Net transfers in(out)	444,001	896,074	2,015,222	2,057,396	2,057,396	2,057,396
One-time expenditures (CIP, Tech, & Equip)	(950,900)	(785,000)	0	0	0	0
One-time revenues & adjustments	500,000	0	750,000	1,775,000	750,000	750,000
Increase (decrease) for the year	539,853	(2,535,670)	(1,768,155)	64,486	(1,730,109)	(244,995)
Beginning emergency reserve	12,055,838	12,595,691	10,060,021	8,291,866	8,356,351	6,626,242
Ending emergency reserve	\$ 12,595,691	\$ 10,060,021	\$ 8,291,866	\$ 8,356,351	\$ 6,626,242	\$ 6,381,247
Balance as % of operating expenditures	21%	15%	13%	13%	10%	9%



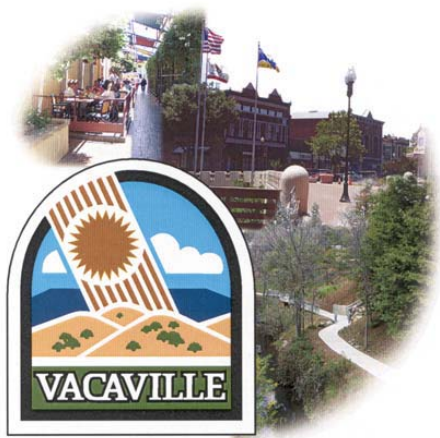
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**City of Vacaville
FY 2009-2010 Budget**

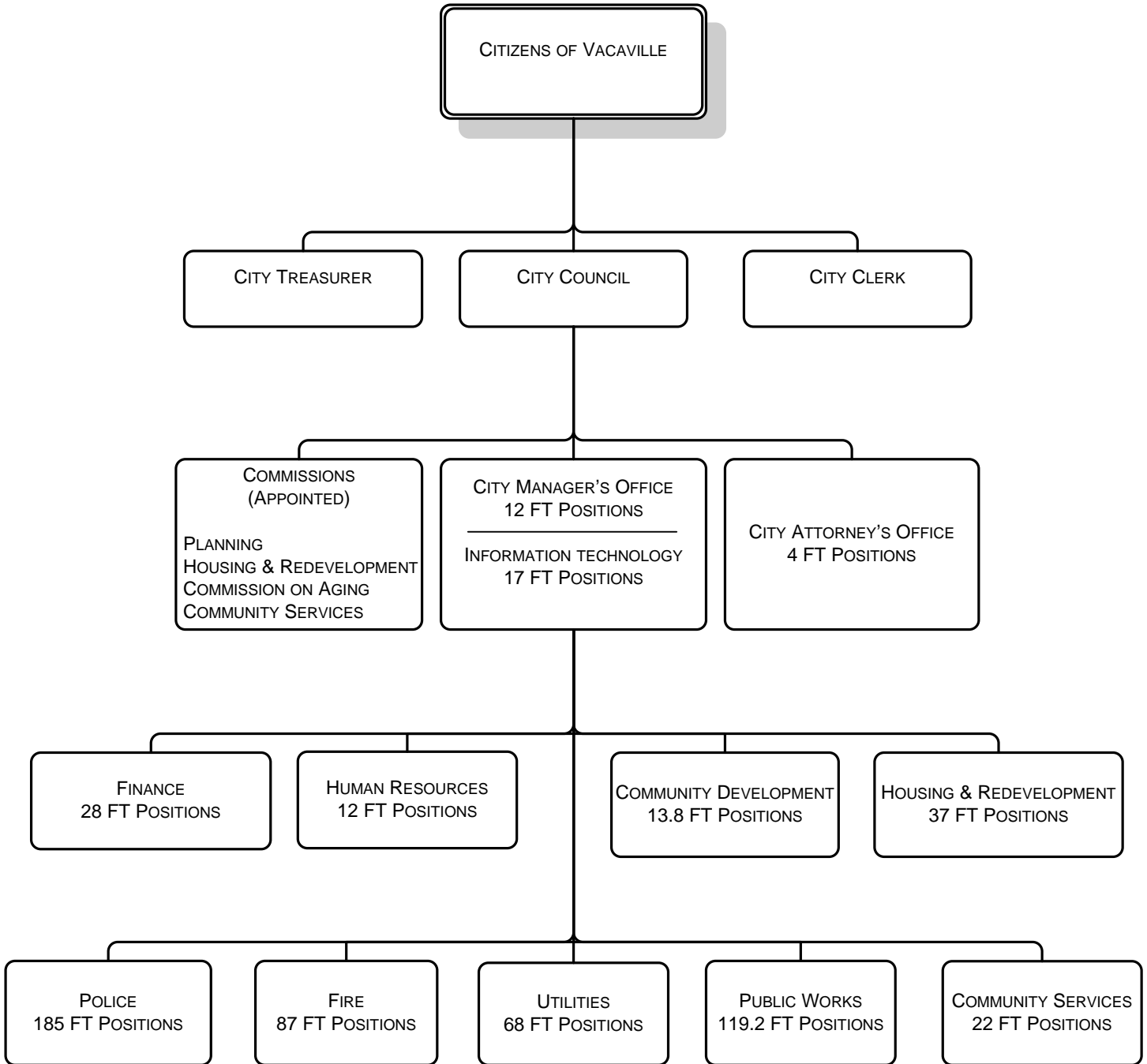
MEASURE I EXCISE TAX

	FY 2006/07 Actual	FY 2007/08 Actual	FY 2008/09 Adopted Budget	FY 2009/10 Proposed Budget
SOURCES OF FUNDS:				
Excise Tax Revenue (net)	\$2,277,273	\$2,234,024	\$2,549,383	2,370,765
Total Sources:	\$2,277,273	\$2,234,024	\$2,549,383	\$2,370,765

USES OF FUNDS:				
Debt Service	\$1,103,347	\$1,103,347	\$1,103,347	\$1,103,347
Library Subsidy	150,000	150,000	150,000	150,000
Vacaville Performing Arts Theater	298,645	321,043	334,330	334,014
Park Maintenance	298,645	321,043	334,330	334,014
Street Maintenance/Improvement	426,636	338,590	627,376	449,391
Total Uses:	\$2,277,273	\$2,234,024	\$2,549,383	\$2,370,765



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TOTAL FULL TIME POSITIONS 605

City of Vacaville
SUMMARY OF AUTHORIZED FULL TIME POSITIONS

	Adopted 2008/09 Budgeted Full-Time	Proposed 2009/10 Budgeted Full-Time
CITY ATTORNEY'S OFFICE		
City Attorney	1	1
Deputy/Assistant City Attorney	2	2
Legal Secretary	1	1
Total	4	4

CITY MANAGER'S OFFICE		
City Manager	1	1
Assistant City Manager	1	1
Administrative Assistant /Deputy City Clerk	1	1
Administrative Clerk	1	1
Assistant to the City Manager	1	1
Budget Analyst II	1	1
Economic Development Manager	1	1
Program Coordinator I/II*	1	1
Public Information Officer	1	1
Secretary I/II	1	1
Secretary to City Manager/ City Clerk	1	1
Sr. Program Coordinator (ADA)	1	1
Information Technology Division:		
IT Analyst	2	2
IT Applications/Operations Manager	1	1
IT Division Manager	1	1
IT Project Manager	2	2
IT Technician *	6	6
Network Administrator	1	1
Systems Administrator II	2	2
Sr. Network Administrator	1	1
Sr Administrative Clerk	1	1
Total	29	29

* In FY 09/10, the following positions are frozen:
 IT Technician - 4 positions
 Program Coord I/II - 1 position

FINANCE DEPARTMENT		
Director of Finance	1	1
Account Clerk I/II *	14	14
Accountant I/II	3	3
Accounting Manager	1	1
Accounting Supervisor	1	1
Accounting Technician	2	2
Buyer I/II	1	1
Financial Services Supervisor	1	1
Investment Officer	1	1
Water Service Rep I/II	1	1
Water Service Wkr II	1	1
Water Service Coordinator	1	1
Total	28	28

* In FY 09/10, the following positions are frozen:
 Account Clerk I/II - 1 position

	Adopted 2008/09 Budgeted Full-Time	Proposed 2009/10 Budgeted Full-Time
HUMAN RESOURCES DEPT		
Director of Human Resources	1	1
Human Resources Analyst I/II	3	3
Human Resources Manager	1	1
Human Resources Technician	3	3
Administrative Assistant	1	1
Management Analyst I/II *	1	1
Sr Secretary *	1	1
Supervising Human Resources Analyst	1	1
Total	12	12

* In FY 09/10, the following positions are frozen:

Sr. Secretary I - 1 position

Management Analyst I/II - 1 position

HOUSING & REDEVELOPMENT		
Director of Housing/Redevelopment	1	1
Administrative Clerk	1	1
Administrative Technician	2	2
Code Compliance Technician I/II	3	3
Housing/Redev Deputy Director	1	1
Housing/Redev Project Coordinator	5	5
Housing/Redev Program Administrator	2	1
Housing/Redev Manager	1	2
Housing/Redev Specialist I/II	5	5
Housing/Redev Technician I/II	8	8
Secretary I/II	3	3
Sr Code Compliance Tech	1	1
Sr Housing/Redev Specialist	4	4
Total	37	37

COMMUNITY DEVELOPMENT		
Administrative Assistant	1	1
Assistant Director of Community Dev *	2	0
Assistant/Associate Planner *	4	3
Building Inspector *	3	2
Building Plans Examiner *	1	0
Building Services Coordinator	1	1
Chief Building Official	1	1
City Planner	2	2
Compliance Specialist/Inspector *	1	0
Director of Community Development *	1	0
Director of Community Development-Interim	0	1
Engineering Technician *	1	0
Permit Technician	2	0
Planning Technician	1	0.8
Secretary I/II *	1.8	0
Sr Building Inspector	1	1
Sr Building Plans Examiner	1	0
Sr Planner *	3	1
Total	27.8	13.8

The positions listed below are not included in the total positions shown above.

* In FY 09/10, the following positions are frozen:

Assistant Director

Assistant Planner

Building Inspector

Building Plans Examiner

Compliance Specialist/Inspector

Director position filled as interim with City Planner

Engineering Tech

Sr Planner - 2 positions

Secretary I/II - 2 positions

Permit Tech - 2 positions

Frozen positions listed above are included in the total positions shown.

Adopted 2008/09 Budgeted Full-Time	Proposed 2009/10 Budgeted Full-Time
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POLICE DEPARTMENT

Chief of Police	1	1
Administrative Assistant	1	1
Administrative Clerk *	1	1
Communications Supervisor	2	2
Community Services Officer I/II/III *	15	15
Crime Analysis Assistant	1	1
Crime Analyst	1	1
Dispatcher/Lead Dispatcher *	19	19
Evidence Technician	2	2
Family Support Worker	3	3
Management Analyst I/II	2	2
Master Social Worker	6	6
Police Lieutenant	5	5
Police Officer *	94	94
Police Records Assistant *	6	6
Police Sergeant *	16	16
Police Special Services Supv	1	1
Property/Evidence Supervisor	1	1
Records Supervisor	1	1
Secretary I/II	2	2
Sr Crime Analysis Assistant	1	1
Sr Master Social Worker	1	1
Lead Police Records Assistant *	2	2
Sr Program Coordinator	1	1
Total	185	185

* In FY 09/10, the following positions are frozen:

- Admin Clerk - 1 position
- CSO - 1 position
- Police Officer - 4 positions
- Police Records Asst I/II - 1 position
- Public Safety Dispatcher - 2 position
- Lead Police Records Assistant - 1 position
- Police Sergeant - 2 positions

Adopted 2008/09 Budgeted Full-Time	Proposed 2009/10 Budgeted Full-Time
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FIRE DEPARTMENT

Fire Chief	1	1
Administrative Assistant	1	1
Assistant Fire Marshal *	1	1
Fire Battalion Chief	3	3
Fire Captain	13	13
Fire Division Chief	2	2
Fire Engineer / Fire Engineer Paramedic	18	18
Firefighter / Firefighter Paramedic	42	42
Fire Plans Examiner/Inspector	1	1
Fire Prevention Specialist *	2	2
Fire Safety Coordinator I/II	1	1
Management Analyst I/II	1	1
Sr. Admin Clerk	1	1
Total	<u>87</u>	<u>87</u>

* In FY 09/10, the following positions are frozen:
 Fire Prevention Specialist - 1 position
 Assistant Fire Marshal - 1 position

COMMUNITY SERVICES

Director of Community Services	1	1
Administrative Assistant *	1	1
Administrative Technician	2	2
Facilities Maintenance Coordinator	3	3
Management Analyst I/II	1	1
Recreation Coordinator *	6	6
Recreation Manager	1	1
Recreation Supervisor *	4	4
Sr Administrative Clerk *	3	3
Total	<u>22</u>	<u>22</u>

* In FY 09/10, the following positions are frozen:
 Admin Assistant - 1 position
 Recreation Coordinator - 2 positions
 Recreation Supervisor - 1 position
 Sr. Admin Clerk - 1 position

Adopted 2008/09 Budgeted Full-Time	Proposed 2009/10 Budgeted Full-Time
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PUBLIC WORKS/CITY ENGINEER

Director of Public Works/City Engineer	1	1
Engineering Specialist	1	1
Management Analyst I/II	1	1
Planning Technician	0.2	0.2
Secretary I/II	1	1
Sr Admin Asst	1	1
Sr Civil Engineer	1	1
<i>Subtotal:</i>	<u>6.2</u>	<u>6.2</u>

PUBLIC WORKS - TRAFFIC ENGINEERING/TRAFFIC DIVISION

Deputy Director - Transportation	1	1
Engineering Tech I *	1	1
Jr/Asst/Assoc Engineer	1	1
Program Coordinator I/II	1	1
Secretary I/II	1	1
Sr Civil Engineer	2	2
Transit Manager (<i>formerly Mgmt Analyst II</i>)	1	1
<i>Subtotal:</i>	<u>8</u>	<u>8</u>

* In FY 09/10, the following positions are frozen:
Eng Tech I/II - 1 position

PUBLIC WORKS - MAINTENANCE

Administrative Technician I	1	1
Administrative Technician II *	1	1
Deputy Director of Public Works (<i>formerly Asst Dir</i>)	1	1
Equipment Mechanic I/II	6	6
Fleet/Facility Manager	1	1
Maintenance Worker I/II (Utilities)	12	12
Maintenance Worker I/II (Facilities) *	5	5
Maintenance Worker I/II (Parks)	17	17
Maintenance Worker I/II (Streets)	8	8
Management Analyst I/II	1	1
MW Lead (Facilities)	1	1
MW Lead (Parks)	6	6
MW Lead (Streets)	3	3
MW Lead (Utilities)	4	4
Park Maintenance Superintendent	1	1
Program Coordinator I/II *	0	0
PW Maintenance Superintendent	1	1
PW Supervisor - Parks *	2	2
PW Supervisor-Equipment Maintenance	1	1
PW Supervisor-Facility Maintenance	1	1
PW Supervisor-Field Utilities	2	2
PW Supervisor-Street Maintenance	1	1
Secretary I/II	2	2
Sr Civil Engineer	0	0
Sr Traffic Signal Technician	1	1
Storekeeper	1	1
Traffic Signal Technician	1	1
<i>Subtotal:</i>	<u>81</u>	<u>81</u>

* In FY 09/10, the following positions are frozen:
Admin Tech II - 1 position
Maintenance Worker I/II - 1 position
Program Coordinator I/II - 1 position
PW Supervisor - Parks - 1 position
Management Analyst II - 1 position

Frozen positions listed above are included in the total positions shown.

	Adopted 2008/09 Budgeted Full-Time	Proposed 2009/10 Budgeted Full-Time
PUBLIC WORKS - ENGINEERING		
Assistant Director of PW Engineering Svcs	1	1
Environmental Project Mgr	1	1
Contract Compliance Specialist	1	1
Engineering Aide/Engineering Tech I/II/III	2	2
Sr. Engineering Designer	1	1
Jr./Assistant/Associate Engineer	7	7
Management Analyst I/II	2	2
PW Construction Inspector I/II	6	6
Sr Civil Engineer	2	2
Sr Secretary	1	1
<i>Subtotal:</i>	24	24
 Public Works Total	 119.2	 119.2

* In FY 09/10, the following positions are frozen:
Sr. Engineering Designer - 1 position

	Adopted 2008/09 Budgeted Full-Time	Proposed 2009/10 Budgeted Full-Time
UTILITIES		
Cross Connections Inspector/Specialist	1	1
Director of Utilities (<i>formerly Asst Dir</i>)	1	1
Engineering Specialist	1	1
Environmental Compliance Inspector	2	2
Jr./Assistant/Associate Engineer	3	3
Lab Analyst I/II	5	5
Lab Supervisor	1	1
Management Analyst I/II	1	1
Secretary I/II	2	2
Storekeeper	1	1
Sr Secretary	1	1
Sr Civil Engineer	1	1
Sr Lab Analyst	1	1
Sr Utility Plant Control Systems Tech	2	2
Sr Utility Plant Mechanic	3	3
Sr Wastewater Plant Operator	6	6
Sr Water Plant Operator	1	1
Utilities Administrative Manager (<i>formerly Utilities Analyst</i>)	1	1
Utility Maintenance Supervisor	2	2
Utility Operations Manager	1	1
Utility Plant Supervisor	2	2
Utility Plant Control Systems Tech I/II	3	3
Utility Plant Electrician I/II	3	3
Utility Plant Mechanic I/II	5	5
Utility Plant Worker	1	1
Wastewater Plant Operator II/III	8	8
Water Plant Operator II/III	5	5
Water Quality Coordinator	1	1
Water Quality Manager	1	1
Water Quality Permit Admin	1	1
Water Quality Supervisor	1	1
Total	68	68
 CITY TOTAL	 619	 605

Frozen positions listed above are included in the total positions shown.