



CITY BUDGETING 101:

Understanding the City of
Santa Cruz Budget

Agenda

- Welcome
- Funds Overview and Fund Uses
- Revenue Overview
- Expenditures – City Services
- Budget Focus – Past and Present
- Balancing the Budget
- Budget Process
- Questions

Funds Overview

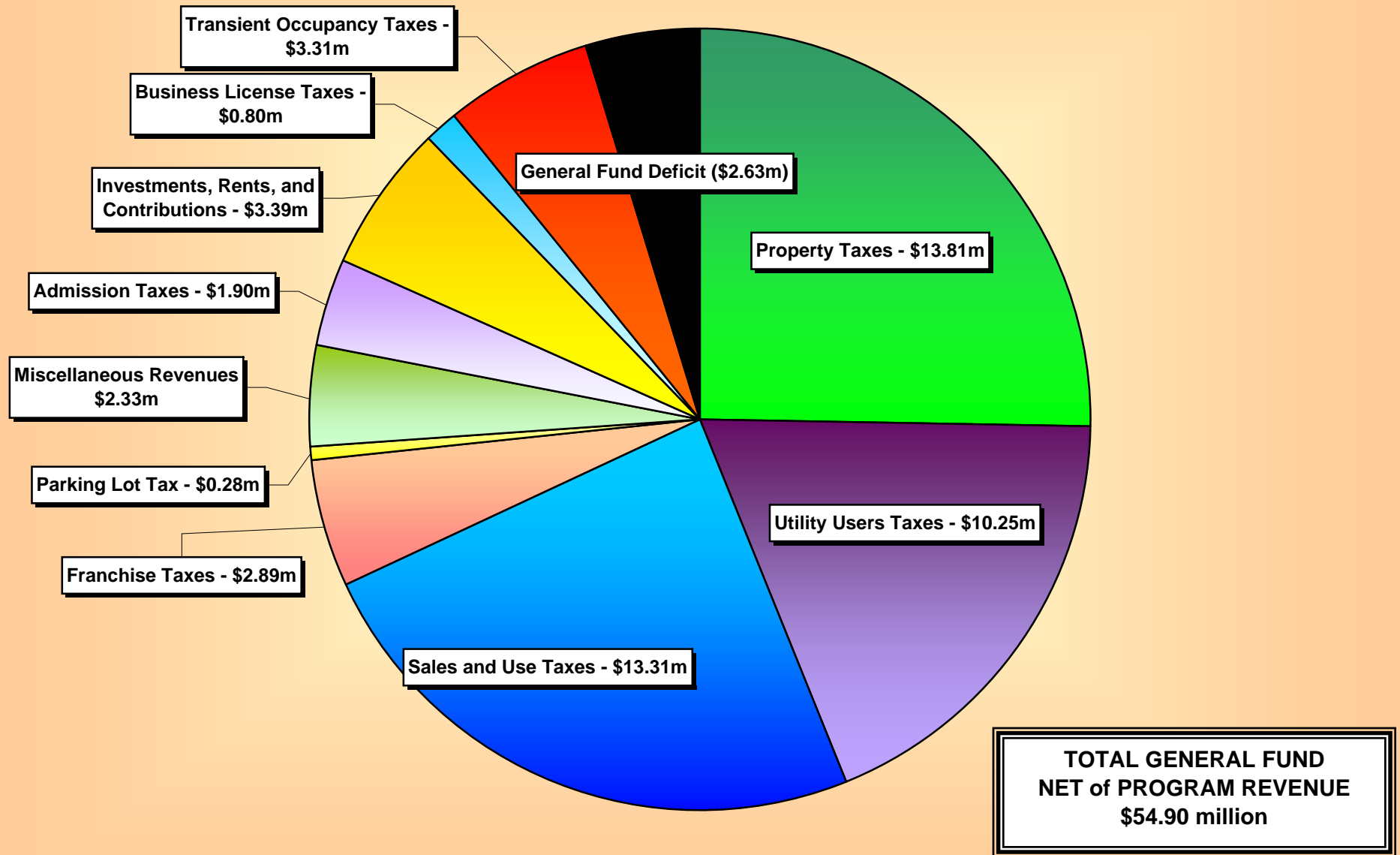
Funds Overview and Uses

- General Fund
- Water Fund
- Wastewater Fund
- Refuse Fund
- Stormwater Fund
- Golf Course
- Redevelopment

Revenue Overview

DISCRETIONARY GENERAL REVENUES

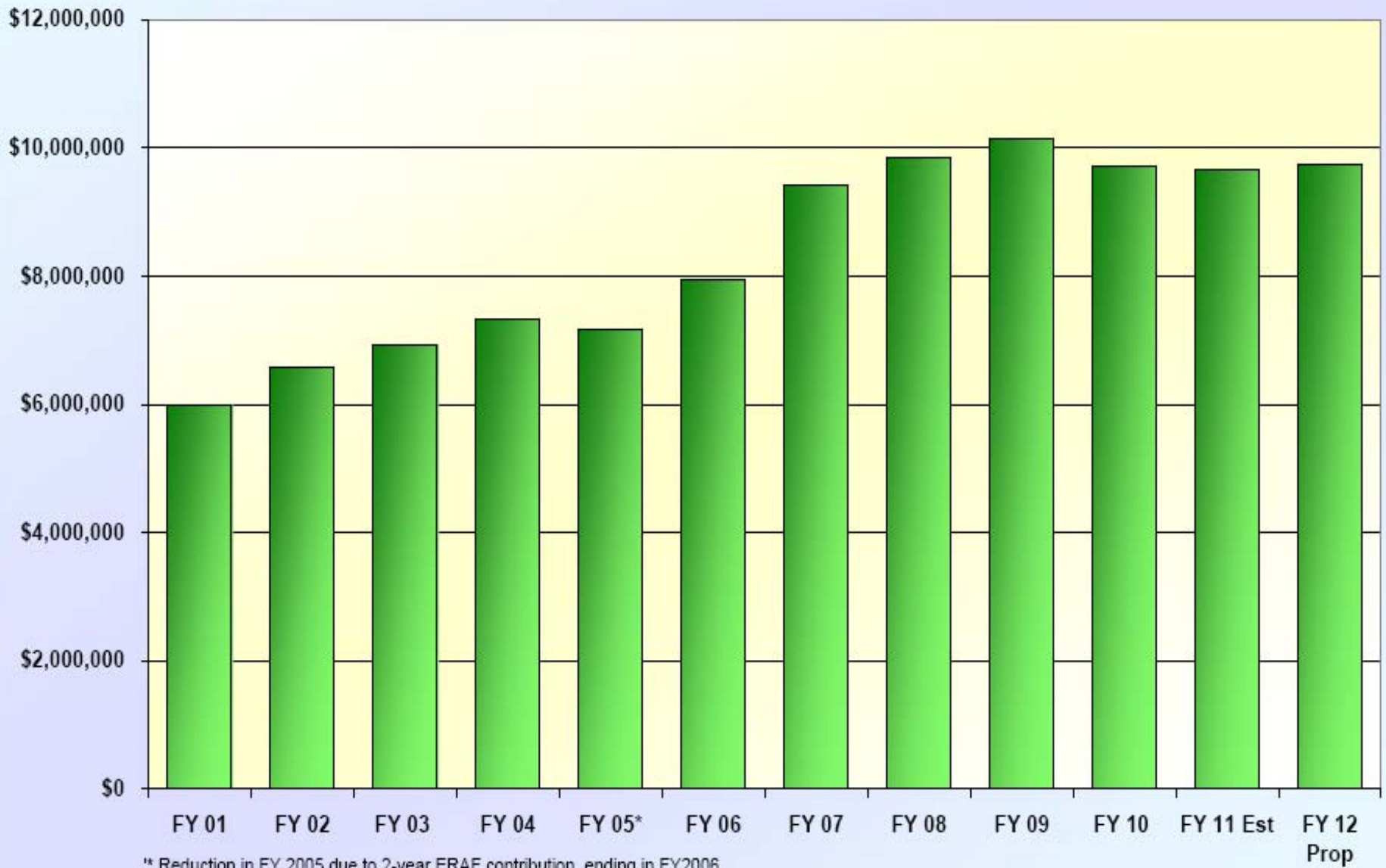
Fiscal Year 2012 Proposed Budget



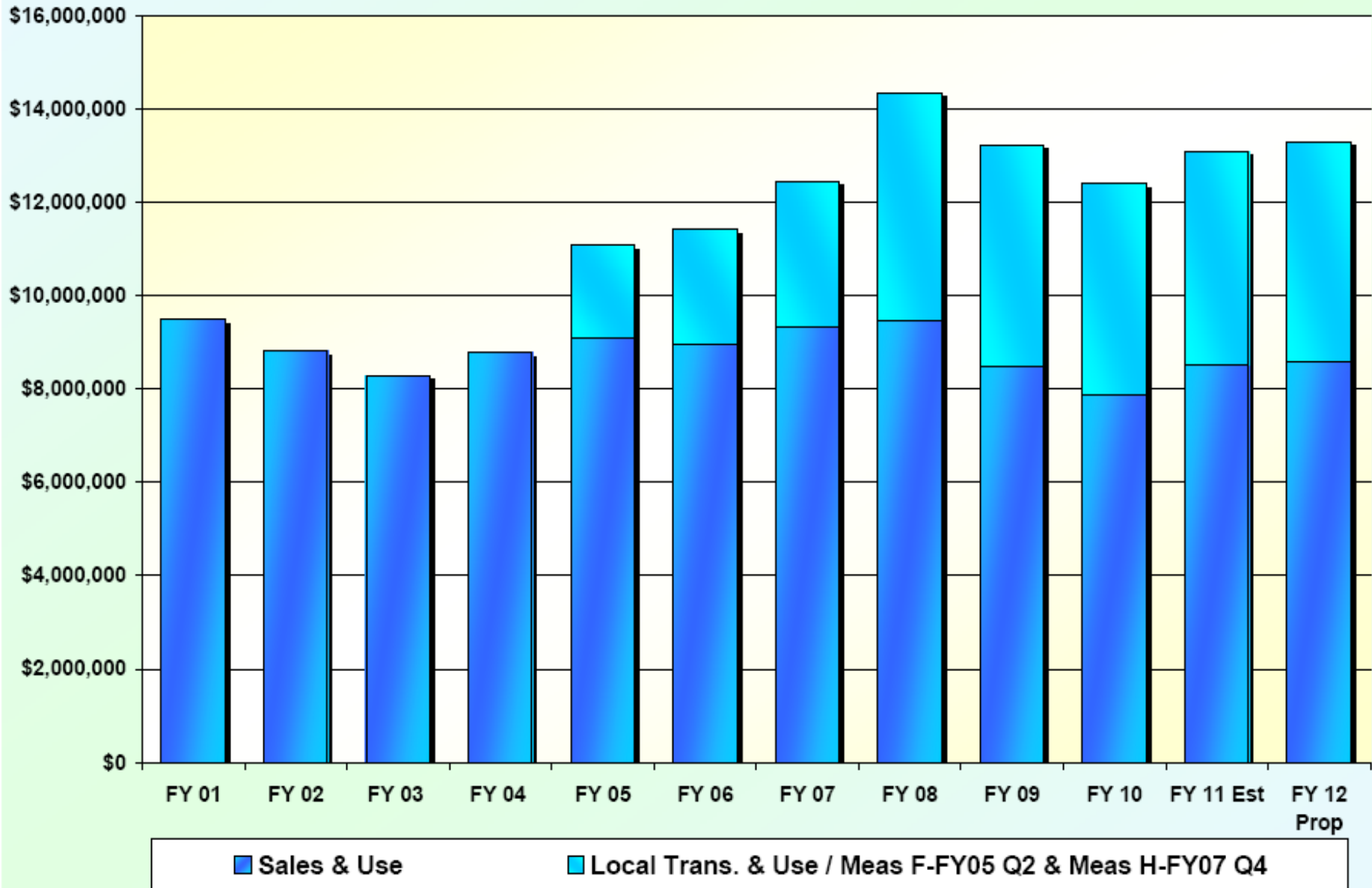
General Fund Revenues

- Property Tax
- Sales Tax
- Utility Tax
- Parking Tax
- Hotel Bed Tax
- Admission Tax
- Business License Tax
- Grants from other government funds

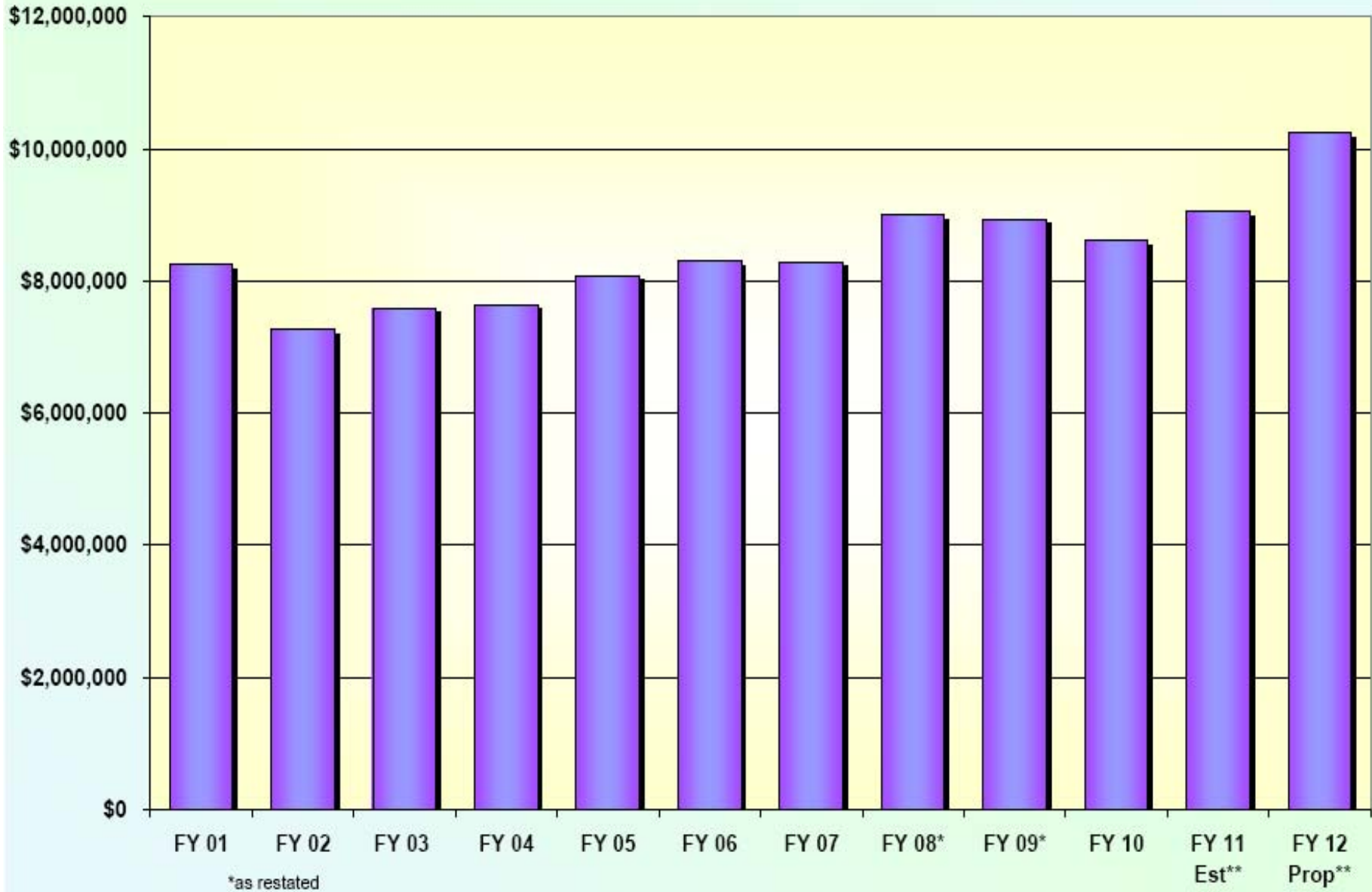
City of Santa Cruz Property Tax Trend



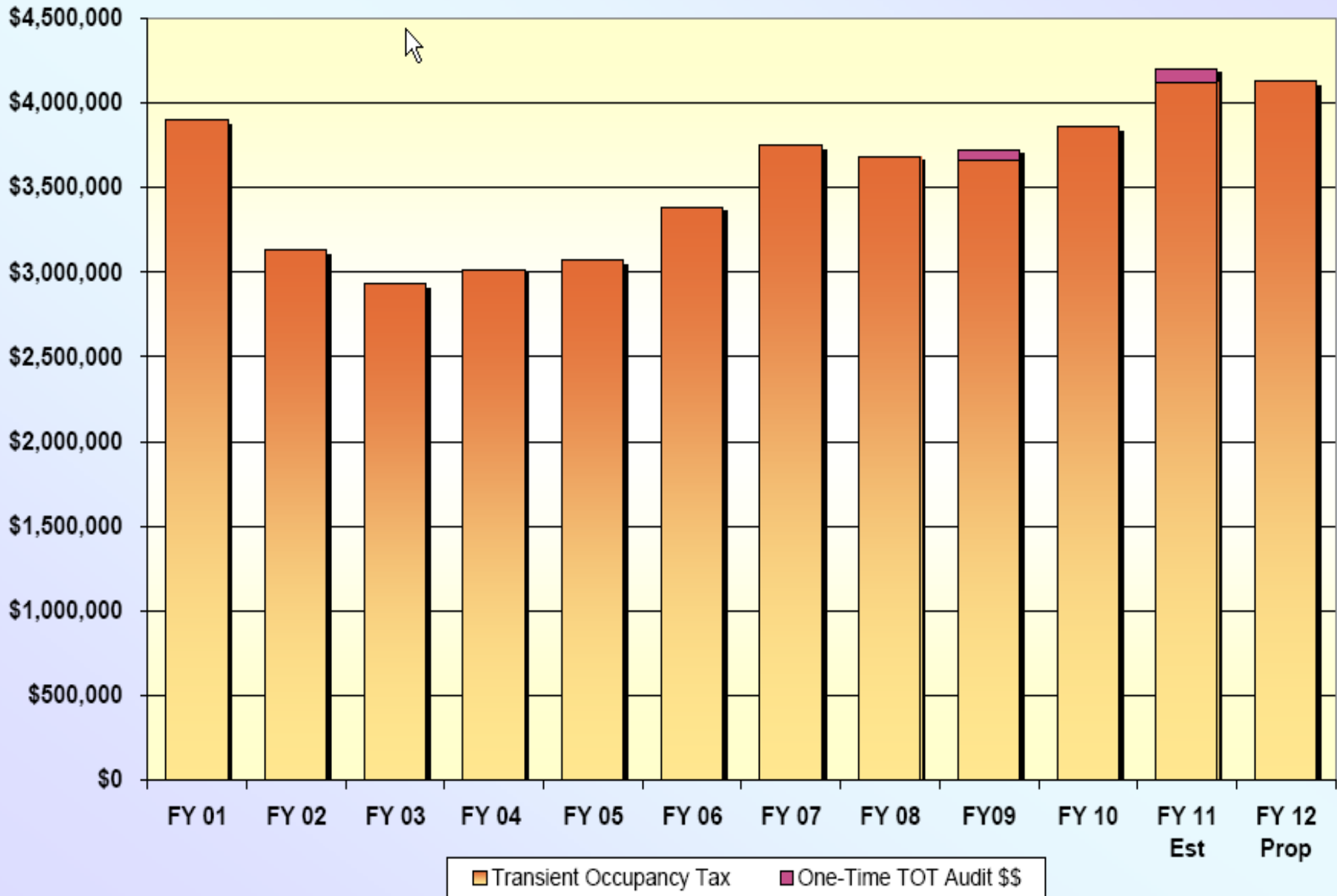
City of Santa Cruz Sales Tax Trend



City of Santa Cruz Utility Users Tax Trend



City of Santa Cruz Transient Occupancy Tax Trend



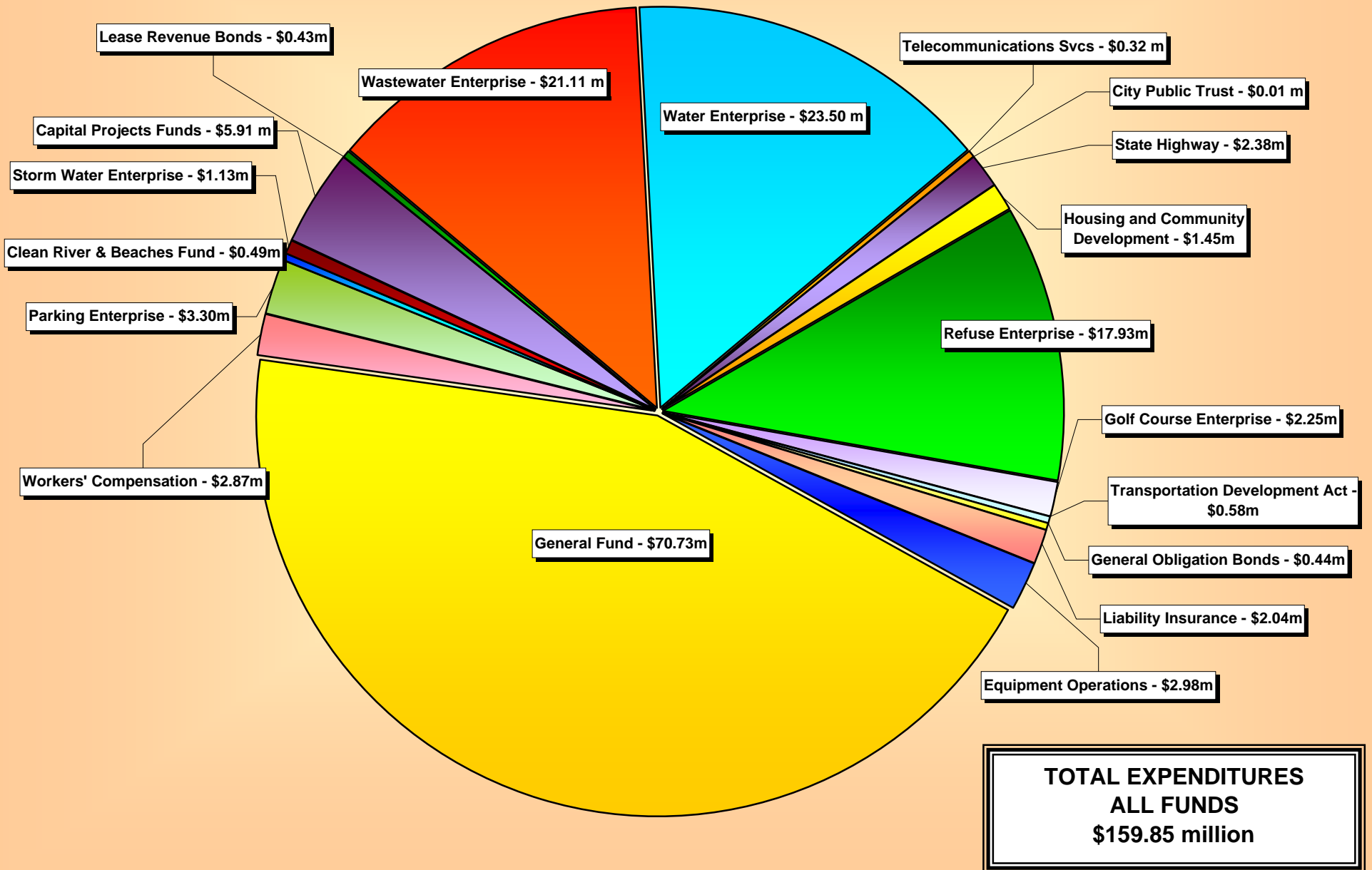
Other Revenues

- Fees
- Utility Payments (Enterprise Funds)
- Redevelopment

Expenditures – City Services

TOTAL EXPENDITURES BY FUND

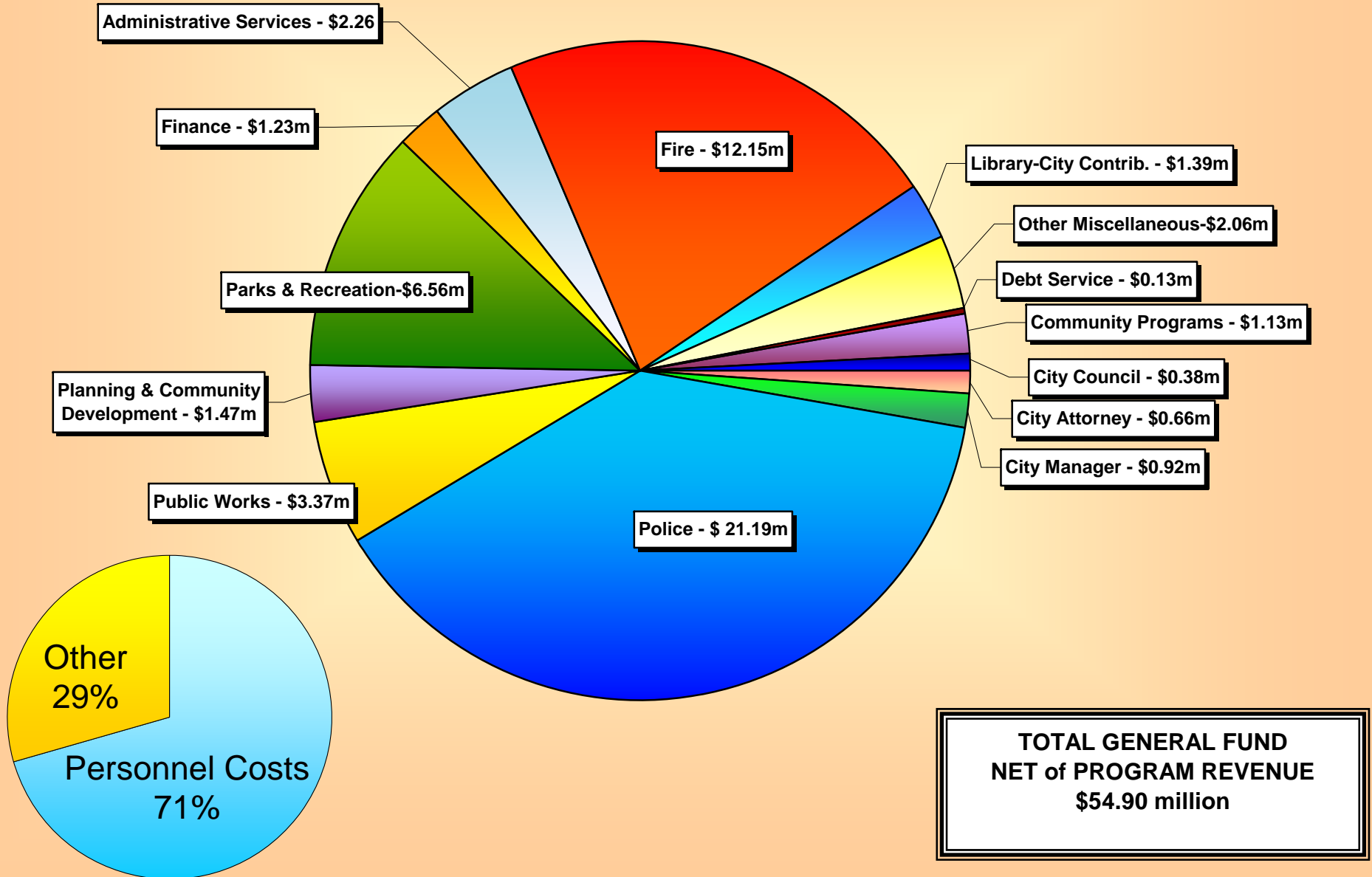
Fiscal Year 2012 Proposed Budget



NET GENERAL FUND OPERATING BUDGET

OPERATING DEPARTMENTS AND PROGRAMS

Fiscal Year 2012 Proposed Budget



Public Safety Services: Police



Public Safety Services: Fire



Emergency 911 Services



911

This number can get you police, fire or medical help.

Call 9-1-1 if:

- Someone is hurt and needs a doctor or ambulance,
- You see a fire, or
- You see a crime like someone stealing or hurting someone else.



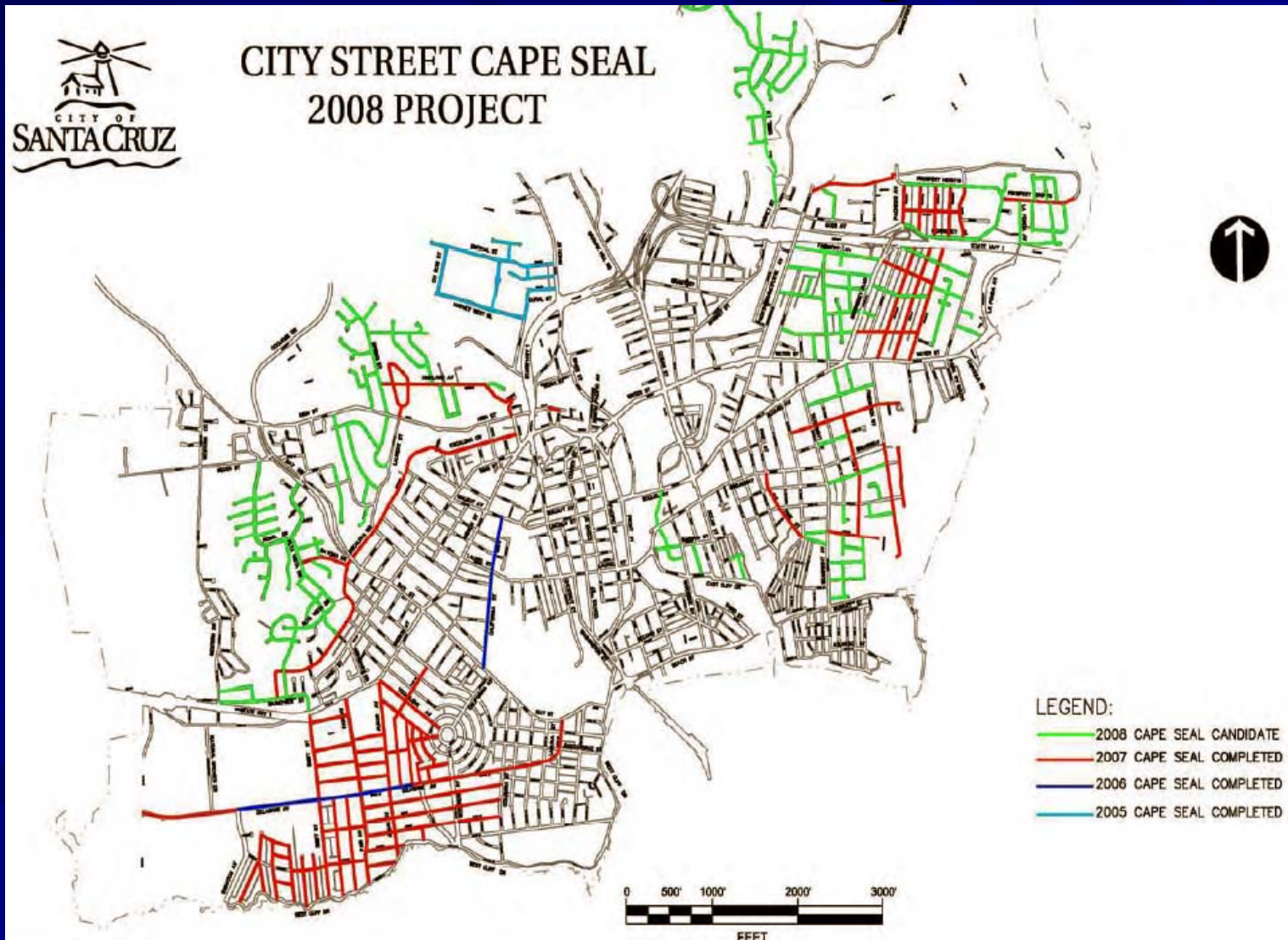
Street Maintenance



- Patching
- Paving
- Filling Potholes



Street Paving



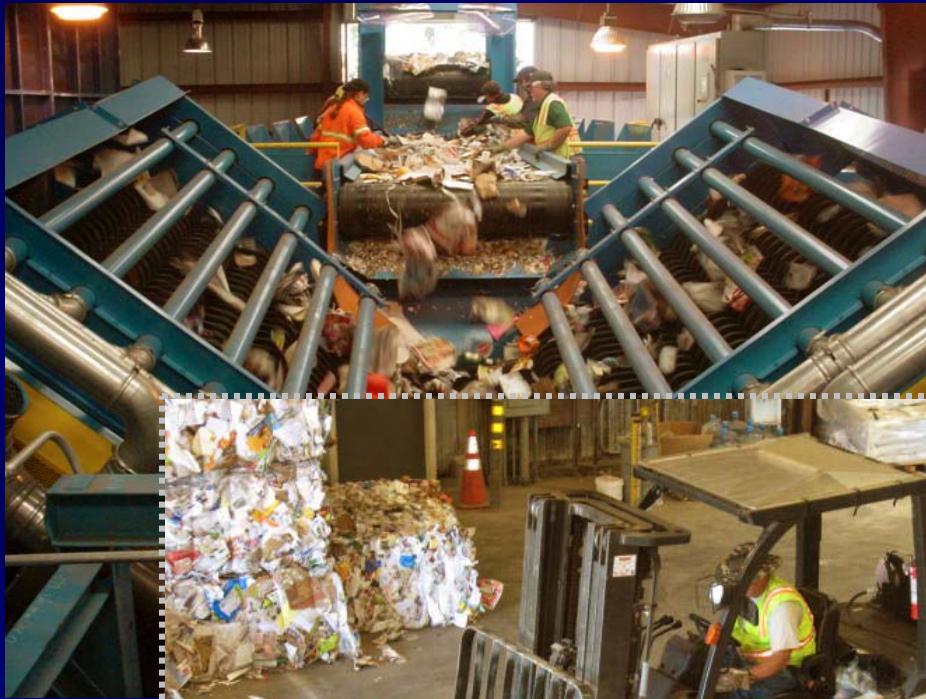
Street Improvements



Citywide Refuse Collection



Comprehensive Recycling Services

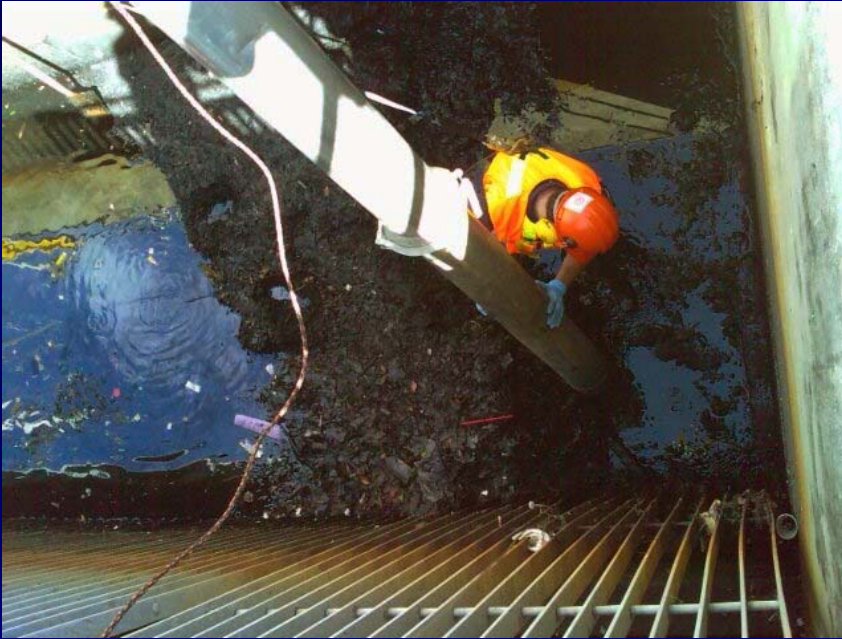


City-operated Landfill:

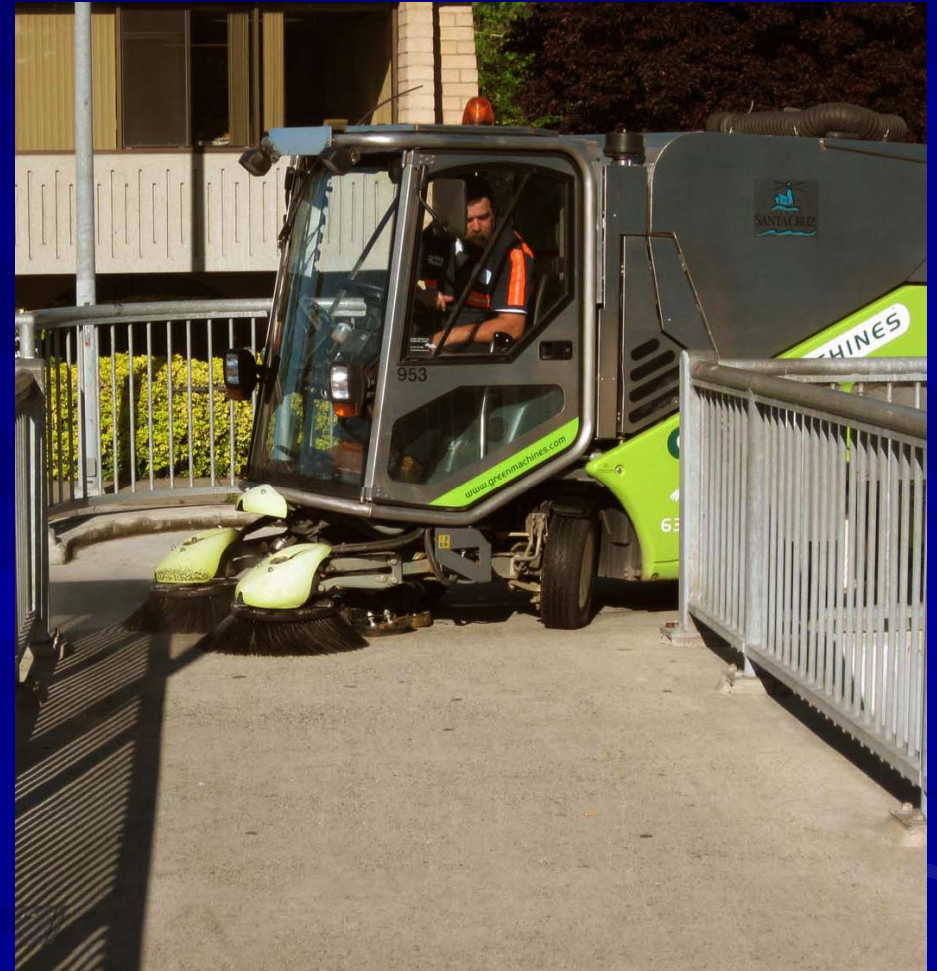
Diversion/recycling has extended life to 2058



Stormwater Drain System (maintenance and operation)



Street / Sidewalk Sweeping



Parking

- Garages
- Lots
- Park Cards
- Park Mobile



03/09/2011

Wastewater Treatment Facility



Wastewater Mains Maintenance



Flood Control Projects



Traffic Engineering



Traffic Lights and Signs



Comprehensive City Park System

- Regional Parks
- Neighborhood Parks
- Open Space Parks
- Picnic Areas
- Beaches
- Sports Parks
- Off Leash Dog Areas
- Community Facilities



PARKS

- 1 Moore Creek Preserve
- 2 University Terrace
- 3 Westlake
- 4 Trescony
- 5 Derby Skate Park
- 6 Garfield
- 7 Bethany
- 8 Neary Lagoon Wildlife Refuge
- 9 Depot Park and Freight Building
- 10 Raymond Street
- 11 Poet's Park
- 12 Town Clock
- 13 Mission Plaza
- 14 Harvey West
- 15 Pogonip
- 16 Grant Street
- 17 San Lorenzo
- 18 Central
- 19 Ken Wormhoudt Skate Park/
Roller Hockey Practice Area
- 20 Jessie Street Marsh
- 21 Ocean View
- 22 Tyrell
- 23 Arana Gulch
- 24 Frederick Street
- 25 Star of the Sea
- 26 Laurel
- 27 DeLaveaga
- 28 DeLaveaga Golf Course
- 29 DiscGolf Course
- 30 John Franks
- 31 Lighthouse Neighborhood
- 32 Bicycle Trip Bike Park
(temporary)

☞ greenbelt property

FACILITIES

- A Surfing Museum
- B Municipal Wharf and
Lifeguard Headquarters
- C Beach Flats Community Center
- D Louden Nelson Center
- E Pacific Avenue
- F Civic Auditorium
- G City Hall
- H Harvey West Pool,
Clubhouse and Scout House
- I Museum of Natural History
- J Stroke Center
- K Archery Range



CITY OF SANTA CRUZ
Parks & Facilities

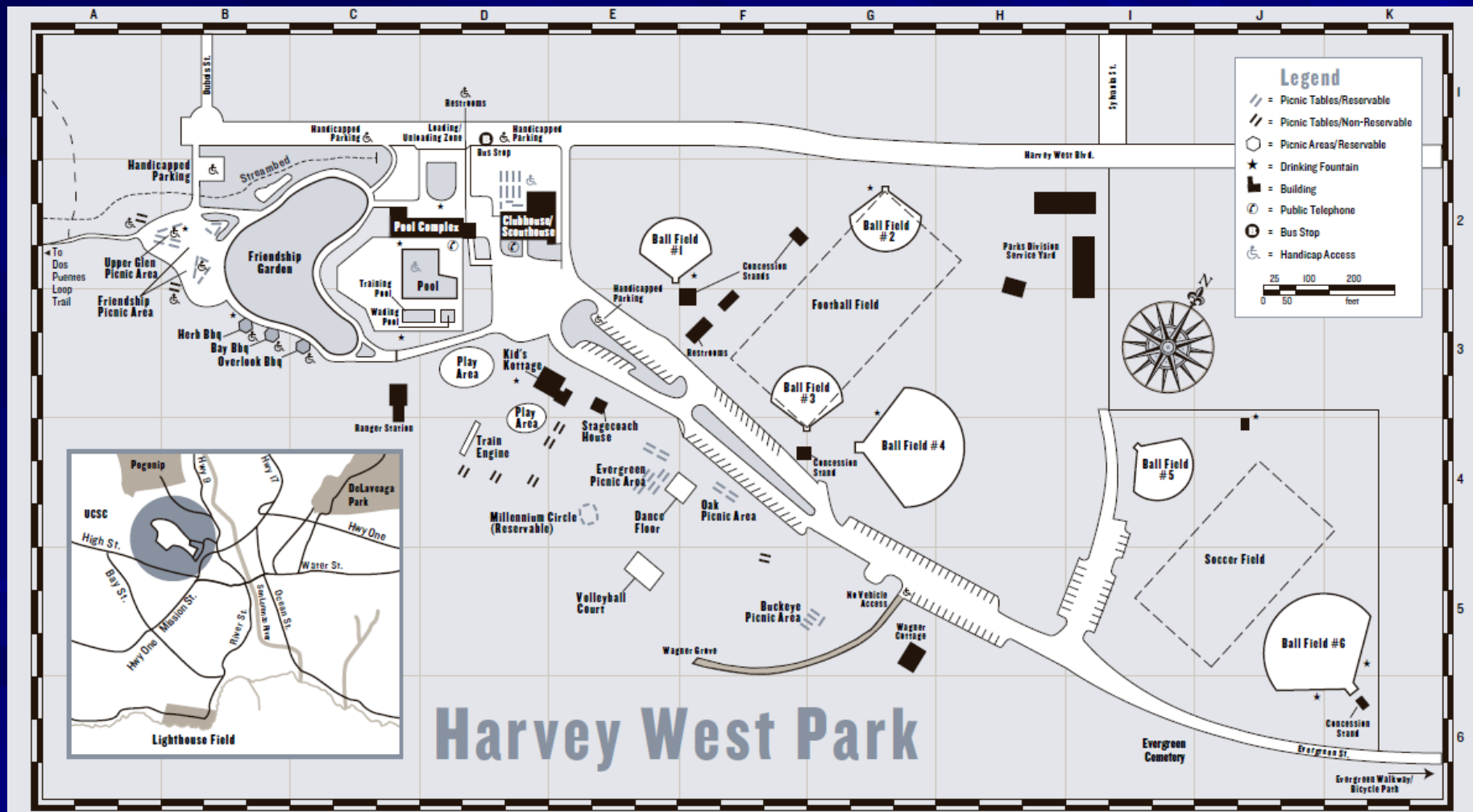
San Lorenzo Park



DeLaveaga Park



Harvey West Park



Garfield Park



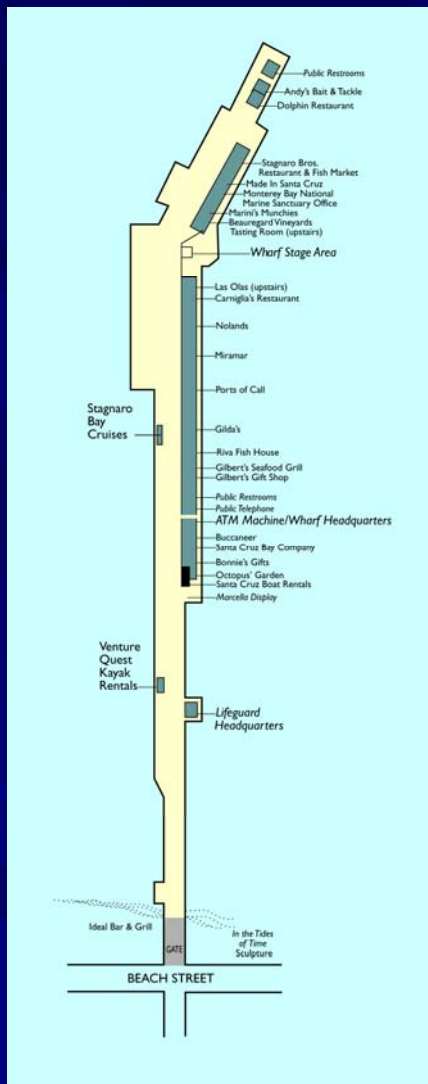
Pogonip



Civic Auditorium



Santa Cruz Wharf



DeLaveaga Golf Course



 DeLaveaga Golf and Lodge



City Recreation Programs



City Council



Park Card

Park your car or your bike by using a *Santa Cruz* ParkCard!

Santa Cruz
ParkCard for Meters

Santa Cruz
ParkCard for Bicycle Lockers



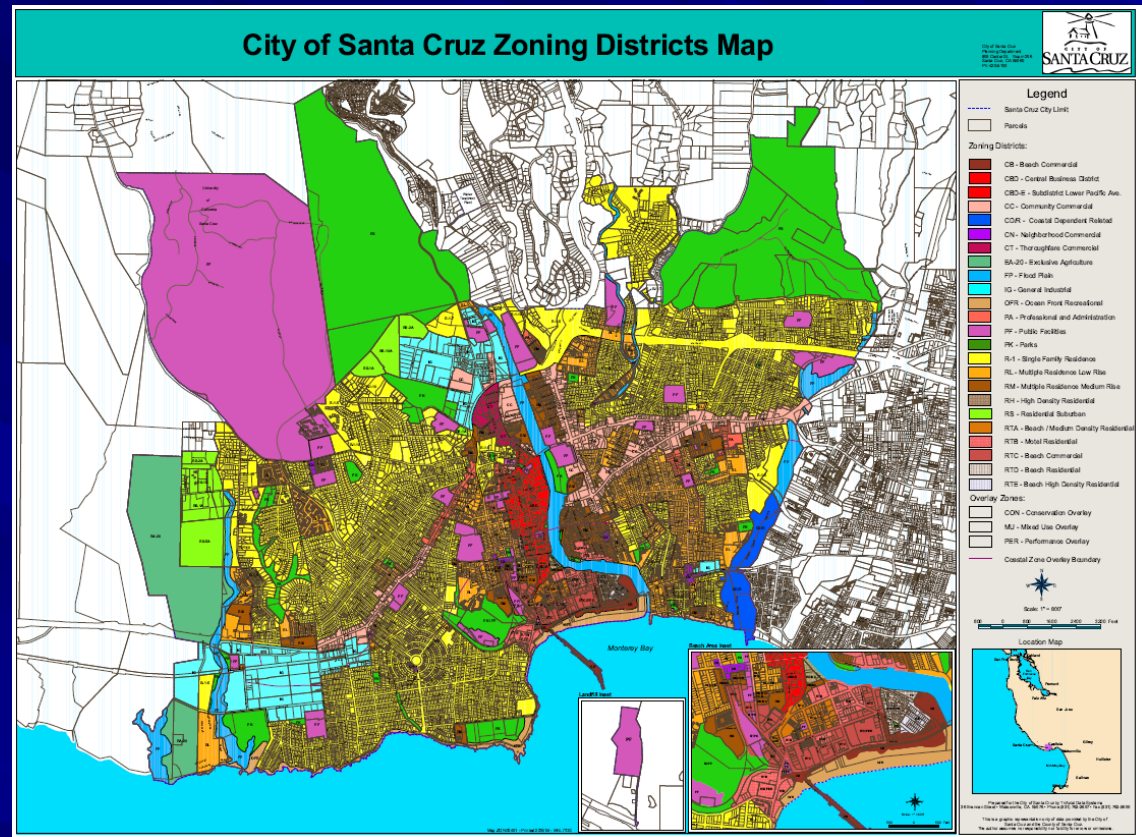
**One
Two** Card Uses

City Administrative Functions

- City Attorney & Legal Services
- Human Resources to support 770 employees
- Information Technology to support 770 employees
- Maintain public records
- Budget management for \$160 million annual budget

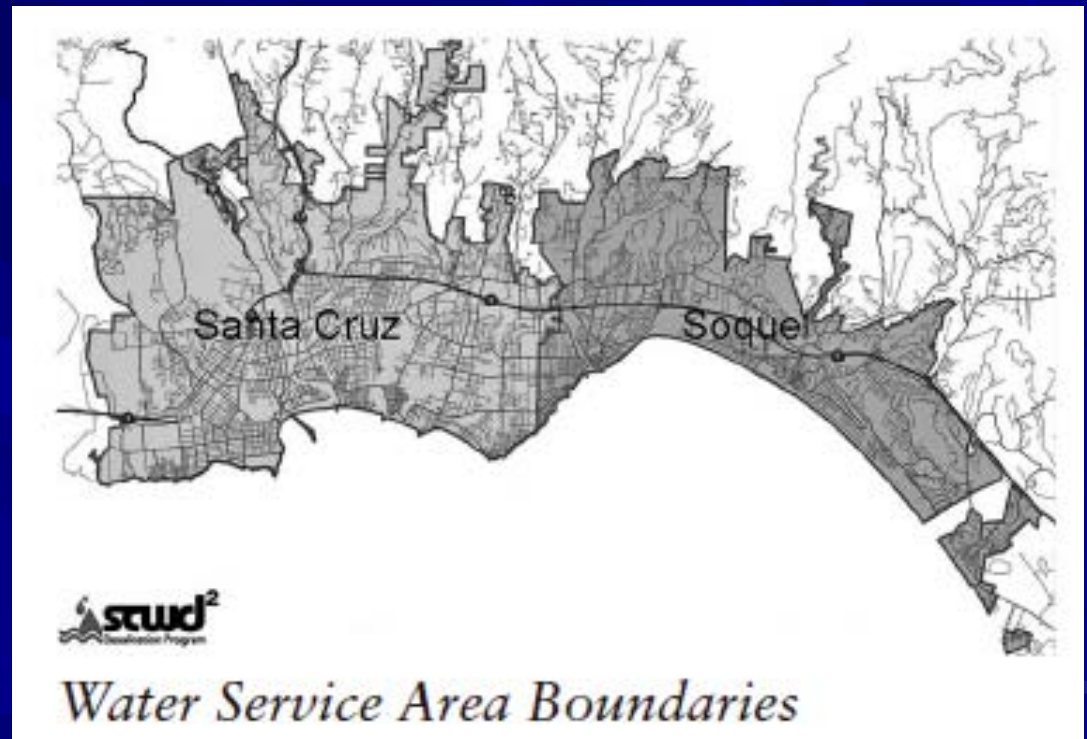
Planning Functions

- Zoning
- Code Compliance
- General Fund
- Plan Review
- Building Inspection
- Green Building Program

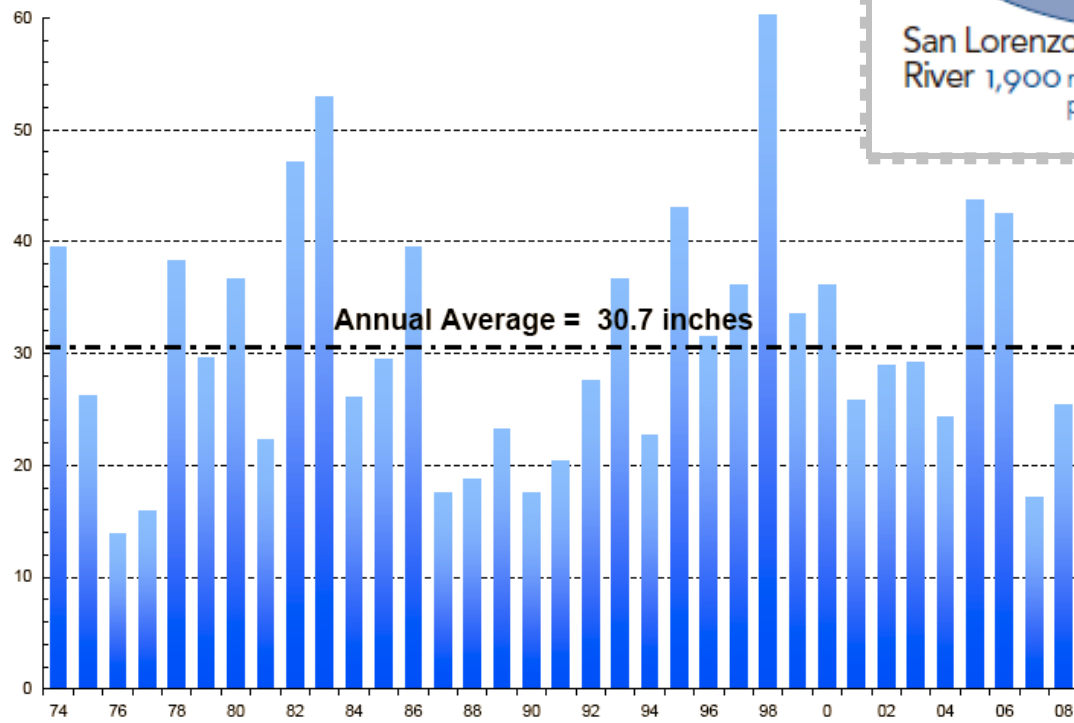
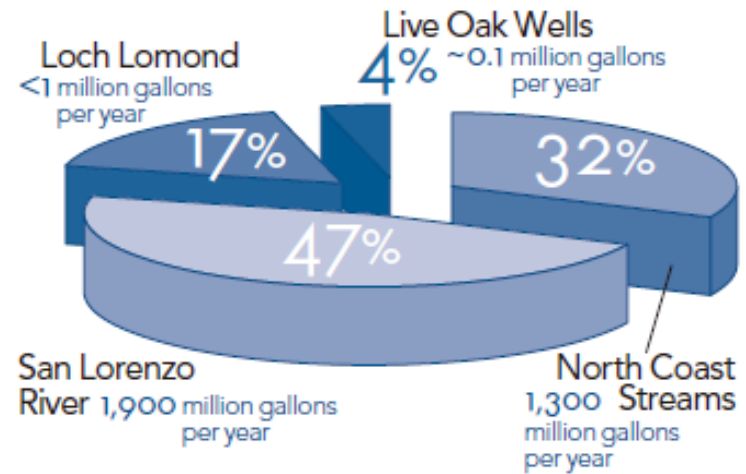


Water Supply Management

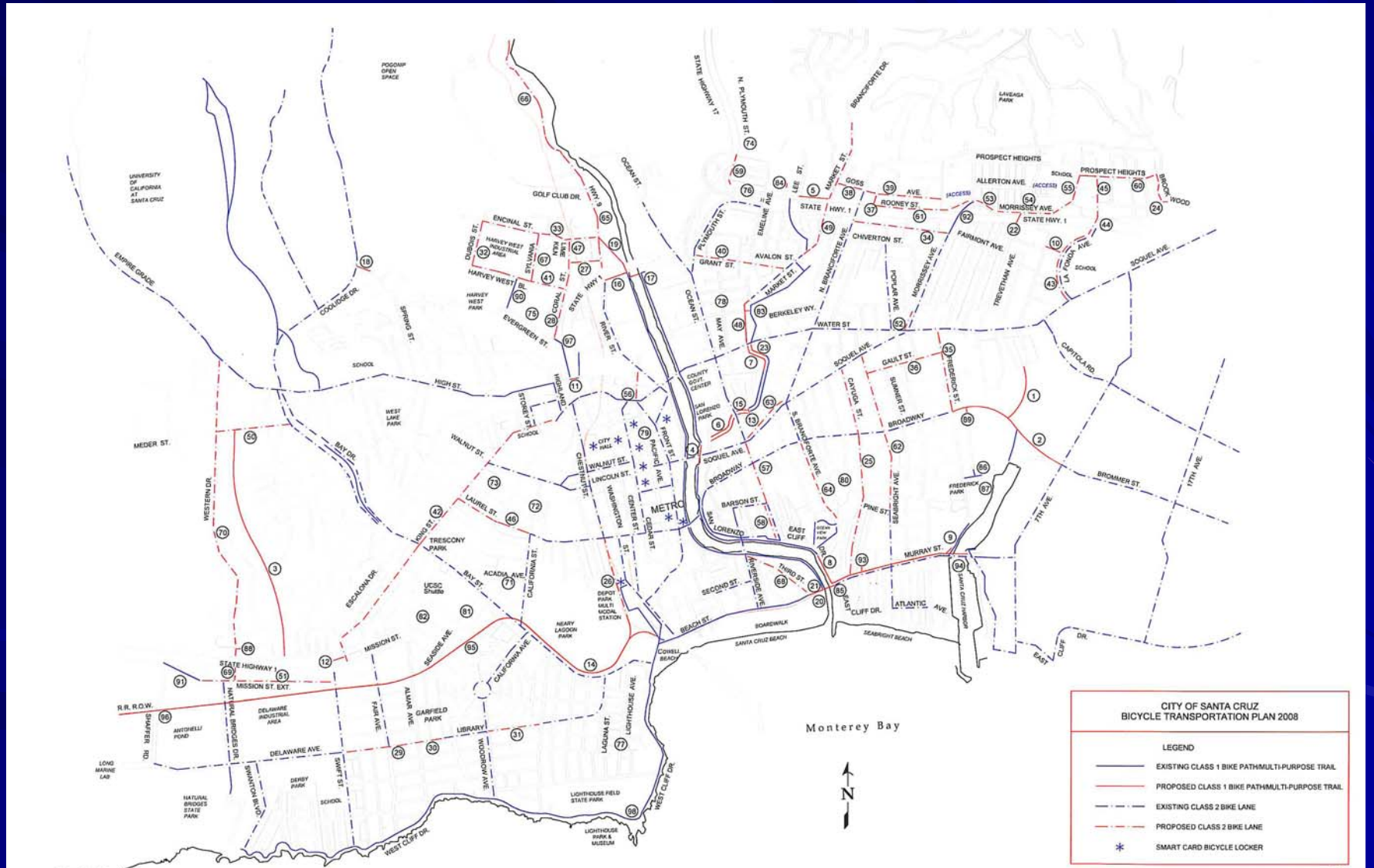
- Conservation
- Production
- Quality
- Treatment
- Distribution
- Engineering



Water Supply



Citywide Bicycle Path System



Santa Cruz Public Libraries



Photo by Jim Bourne



Photo by Jim Bourne



Photo by Jim Bourne



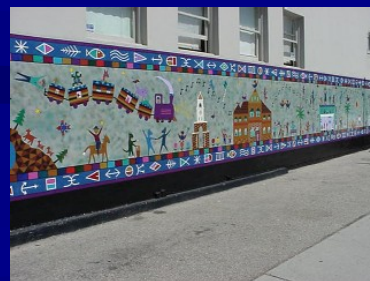
Photo by Jim Bourne



Photo by Jim Bourne

Economic Development

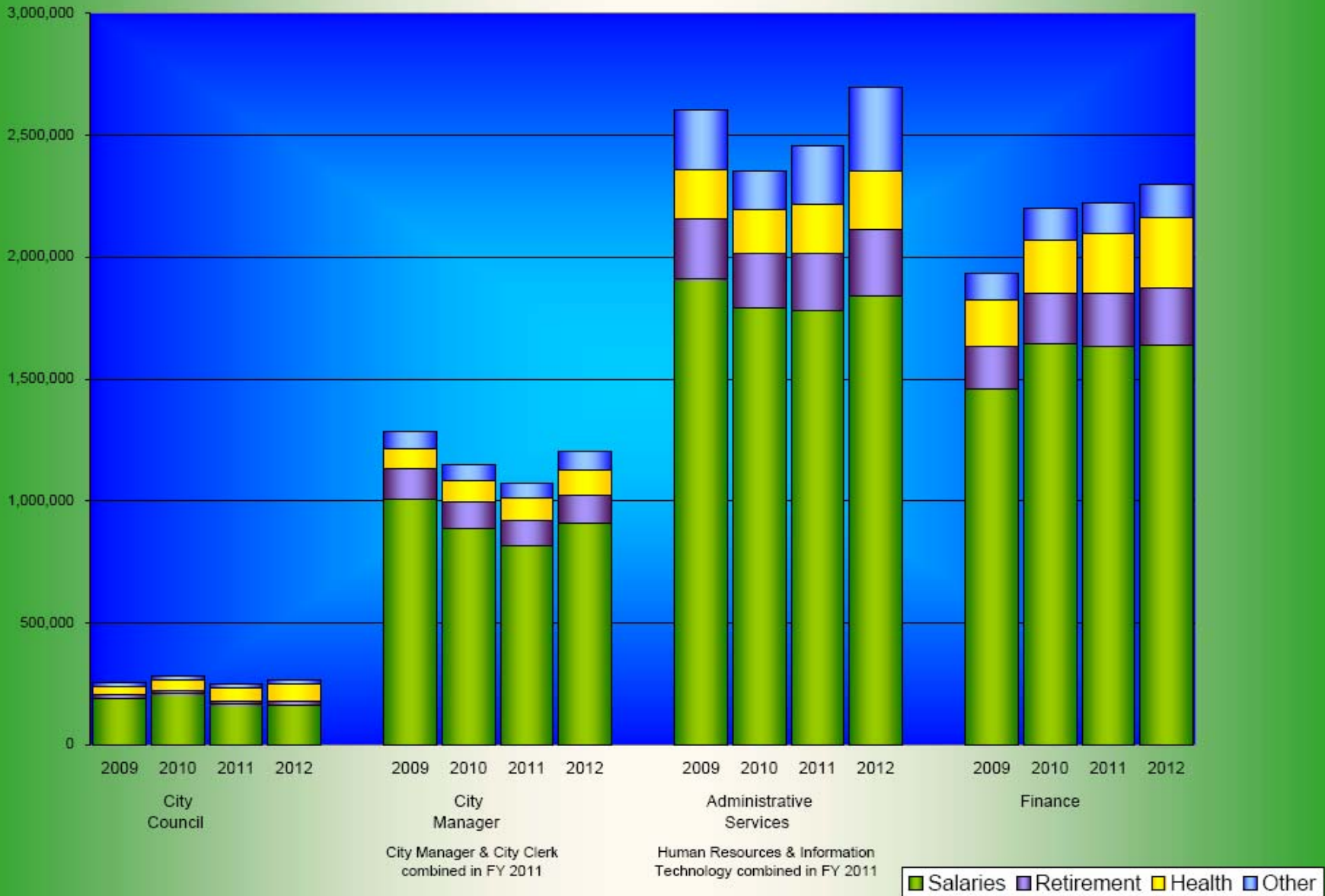
- National Marine Sanctuary Exploration Center
- Tannery Arts Center
- Westside Business Incubator
- Public Art & Mural Program
- Housing Assistance
- Small Business Support



Personnel Costs by Department

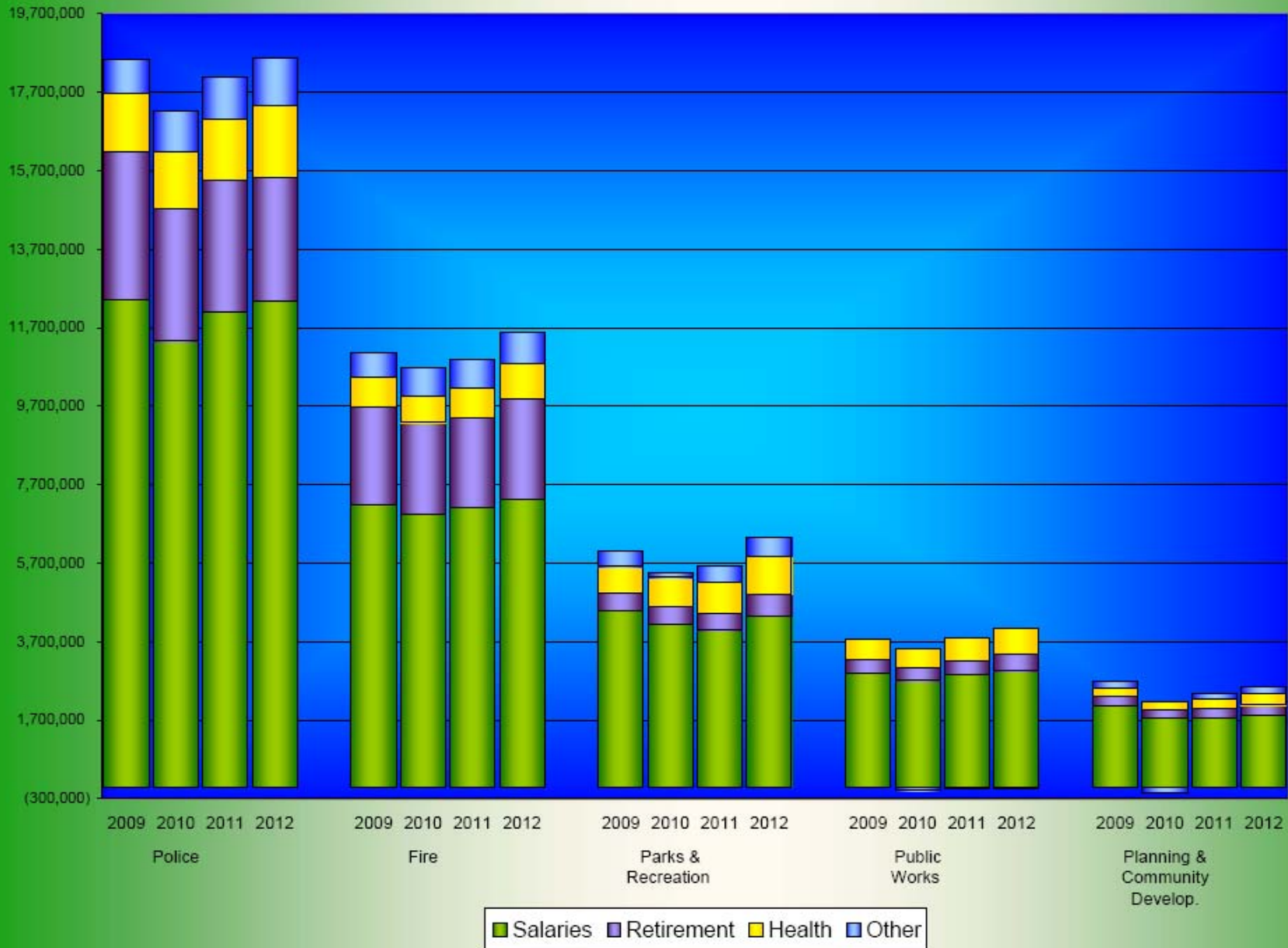
Administrative Departments

FY 2009-FY 2010 Actuals, FY 2011 Year-End Estimate, FY 2012 Proposed



Personnel Costs by Department

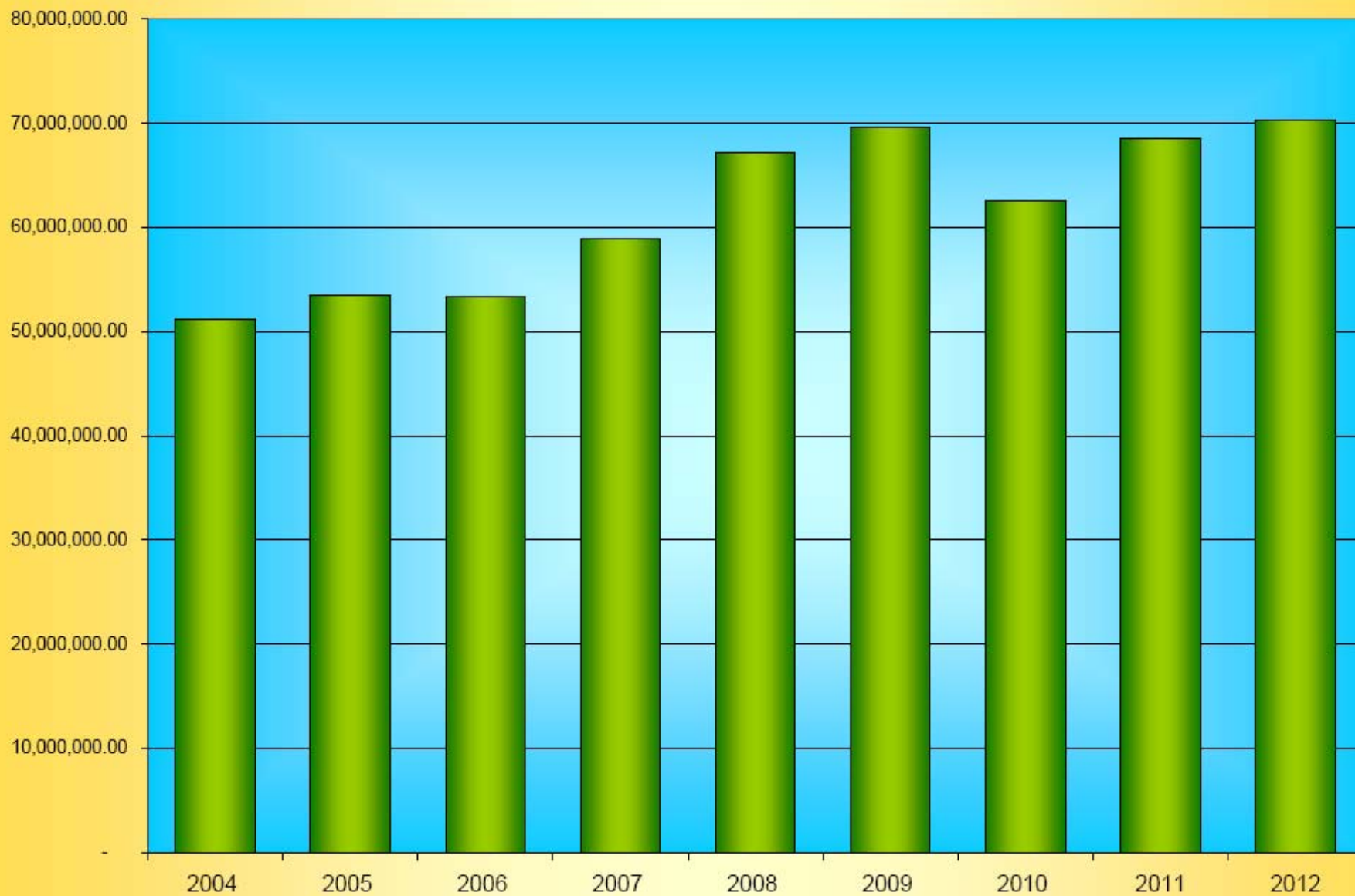
Police, Fire, Parks & Rec., Public Works, Planning/Comm. Dev.
 FY 2009-FY 2010 Actuals, FY 2011 Year-End Estimate, FY 2012 Proposed



Budget Focus – Past and Present

General Fund Expenditures

FY 2004-2010 Actual / FY 2011 Yr-End Est. / FY 2012 Proposed



Does not include Library, ED-RDA personnel. Adjusted for one-time bond proceeds/payments & intrafund transfers.

Major Factors for Budget Contractions

- State Actions
- Economic Downturns
- Increasing Health Care Costs
- Increasing Retirement Costs

State Actions

- Began with Proposition 13 (\$30 Million Impact, \$2 Million a year)
- Sales Tax and Property Tax Shifts
- Redevelopment Revenue Shifts
- Response was Passage of Propositions to Protect Local Revenues

Economic Downturns

- Affects Tax Revenues (Sales Tax, Hotel Tax, Property Tax, Utility User Tax)
- Affects Interest and Investment Earnings
- Affects PERS Retirement Rates for Employer

Other Factors

- PERS Retirement System Rates
- Health Care Costs

City's Response

- Twelve Sets of Budget Reductions Since 2001
- Over 100 Positions Eliminated
- Employee Concessions
- Tax Increases

Balancing the Budget

Sound Fiscal Policies

- Adequate Reserves
- Adequate Cash Flow
- Have Always Balanced our Budgets
- Maintained a AA Bond Rating

Strategic Approach

- Our structural deficit requires structural solutions
- Balanced approach that looks at both expenditure and revenue options
- Takes into consideration goals and priorities

On the Revenue Side

- Reduce/eliminate General Fund subsidies
- Leverage grant opportunities
- Economic Development
- Utility User Tax Measure

On the Expenditure Side

- Increase efficiencies through technology; elimination of duplication; reorganization and the use of different service delivery models
- Service level reductions (direct services and capital equipment/infrastructure)
- Employee Compensation Reductions

The Budget Process

Recommended Budget

- City Manager and Departments prepare Recommended Budget for Council consideration
- Integrates Capital Improvement Plan (CIP) projects with Recommended Budget
 - Includes TOT and General Fund dollars

City Council Meetings

- Budget Hearings – June 7th
- Budget Adoption – July 11th

Questions/Comments