ELECTED OFFICIALS

George Luna, MAYOR

Mike Brennler, MAYOR PRO TEMPORE
Ellen Béraud, COUNCIL MEMBER

Tom O’Malley, COUNCIL MEMBER
Jerry L. Clay, Sr., COUNCIL MEMBER

Marcia McClure Torgerson, CITY CLERK

Joseph Modica, Jr., CITY TREASURER

PRINCIPAL ADMINISTRATIVE OFFICERS

Wade G. McKinney, CITY MANAGER

Jim Lewis, ASSISTANT CITY MANAGER
John G. Couch, POLICE CHIEF

Kurt W. Stone, FIRE CHIEF
Steve B. Kahn, PUBLIC WORKS DIRECTOR

Rachelle Rickard, ADMINISTRATIVE SERVICES DIRECTOR
Brady Cherry, COMMUNITY SERVICES DIRECTOR

Warren Frace, COMMUNITY DEVELOPMENT DIRECTOR

Patrick L. Enright, CITY ATTORNEY
The California Society of Municipal Finance Officers (CSMFO) recognizes with two levels of certificates those entities with highly professional budget documents. The first level is the “Meritorious Budget Award”, which requires the entity to meet a very specific list of criteria defined by CSMFO. The second level is the “Excellence in Operational Budgeting Award”, which requires that the organization meet even higher criteria which effectively enhances the usability of the document.

The City’s adopted budget for fiscal years 2005-2007 received the “Excellence in Operational Budgeting” Award. In preparing the fiscal years 2007-2009 budget, the staff has once again followed CSMFO’s criteria. This document will be submitted to the CSMFO for the fiscal years 2007-2009 budget award.
This document represents a proposal for the City’s budget for the two fiscal years ending June 30, 2008 and June 30, 2009.

Data has been revised and reclassified, whenever possible, in order to provide information that is consistent for each of the years that is presented in this document. This means that data in individual line accounts or departments will not necessarily tie to other City documents produced in previous years, however, the bottom line or net effect has not been changed.

This 2007-2009 Proposed Budget document serves four primary roles:

- Financial Plan
- Policy Document
- Operations Guide
- Information Tool

The budget document is organized into the following sections:

**Section A: Budget Message**

The budget message from the City Manager provides an overview of the 2007-2009 financial plan, a summary of the major operating program changes and policy issues requiring Council determination. This section also includes an explanation of budget authority limits, copies of budget resolutions, the City’s annual Gann limit calculation and a copy of the Gann limit resolution.

**Section B: Graphs and Budget Summary Schedules**

This section includes simple pie charts and tables which highlight key financial relationships and summarize the overall budget document.

**Section C: Fund Analysis**

The Fund Analysis section provides a reconciliation of the sources, uses and remaining reserve of available resources for each fund. This section is a good place to look at the “bottom line” for each fund.
Section D: Revenue Summaries

This section provides a list of all expected City revenues and a brief description of several of the major revenue sources. The detailed list of revenues is broken out by funds and then within each fund by major category.

Section E: Proposed Department Budgets

This section presents the proposed budget for each major department or division. For purposes of the budget, a division is defined as a major program or activity. This would include activity for the General Fund, Wastewater Fund, Transit Fund, Building Maintenance Fund, Technology Services & Replacement Fund and Vehicle & Equipment Replacement Fund. For each department budget, the following information is presented:

Description
This section provides a general description of the purpose and activities of the department, program or division.

Goals and Objectives
The Goals and Objectives section includes specific activities and objectives to be accomplished during the budget period. Department goals which further Council’s January 2007 Strategic Planning objectives are shown in bold italics.

Summary of Service Programs
Total appropriations for each sub-activity of the division are presented in this section.

Summary of Positions
This section is a summary of authorized full-time positions allocated to the department, program or division.

Performance/Workload Measures
Selected historical and projected performance and workload indicators are presented in this section. This information is presented in order to better measure the achievement of each program’s goals and objectives, as well as to provide Council and the public with a better picture of the department’s or division’s scope of work and effectiveness.
Section E: Proposed Department Budgets (continued)

Activity Detail
This section includes expenditure detail by individual accounts. The accounts are categorized into the following five categories:

- **Employee Services** — All costs associated with City personnel, including salaries for all full-time, part-time and temporary (limited service) employees, as well as related costs for benefits, workers’ compensation, taxes and overtime.

- **Operations** — All expenditures related to the regular ongoing operation of the department including supplies, tools, utilities, insurance, contract services and similar operating expenditures.

- **Capital Outlay** — New capital equipment with a life in excess of one year and costing over $2,500 and capital improvement projects. Major capital improvement projects are described in detail in the Capital Projects section.

- **Debt Service** — Payments of principal and interest on leases, bonds and other debt instruments according to a pre-determined schedule.

- **Reserves** — These items represent amounts set-aside as a reserve for future expenditures.

Detail Backup
This section provides a brief description of each account and the basis for the budgeted amount.

Section F: Capital Projects
This section of the budget presents the City's Capital Projects Budget. It includes a project narrative, a summary schedule of budgeted projects for fiscal years 2007-2009 and their respective funding sources, a five year capital improvement plan and expenditure details for each fund.

Section G: Other Funds
This section includes activities for all other special revenue funds. It includes descriptions, activity details, and detail backup sections.

Section H: Debt Redemption Schedules
This section summarizes all of the City's debt obligations and outlines the repayment periods. Also included in this section are Activity Detail and Detail Backup schedules for each of the debt service funds.
Section I: City Information

This section provides general information about the City including the method of government, history, economy, demographics, culture, education, organization charts, and staffing history.

Section J: Glossary

This section provides a glossary of commonly used terms and abbreviations.