

**CITY OF REDWOOD CITY
REDWOOD CITY, CALIFORNIA**

**ADOPTED
BUDGET AMENDMENTS
FY 2007/08**

CITY COUNCIL

Barbara Pierce, Mayor
Rosanne Foust, Vice Mayor
Alicia Aguirre, Council Member
Ian Bain, Council Member
Jim Hartnett, Council Member
Diane Howard, Council Member
Jeff Ira, Council Member

CITY MANAGER

Edward P. Everett

DIRECTOR OF FINANCE and FINANCIAL PLANNING

Brian J. Ponty

COMPILED BY

Alison Freeman, Financial Services Manager
Kyi Khin, Rajesh Sewak, Araceli Fierro, Senior Accountants
Sandy Jennings, Administrative Assistant

CITY OF REDWOOD CITY

DEPARTMENT DIRECTORS

| | |
|---|-------------------|
| City Manager..... | Edward Everett |
| Deputy City Manager | Magda Gonzalez |
| City Attorney..... | Stan Yamamoto |
| City Clerk..... | Patricia Howe |
| Community Development Services | Peter Ingram |
| Finance and Financial Planning | Brian Ponty |
| Fire..... | Gerry Kohlmann |
| Human Resources | Bob Bell |
| Library | David Genesy |
| Parks, Recreation and Community Services..... | Corinne Centeno |
| Police | Louis Cobarruviaz |
| Public Works Services..... | Larry Barwacz |

TABLE OF CONTENTS

ADOPTED BUDGET AMENDMENTS FY 2007/08

| | <u>Page</u> |
|---|-------------|
| Budget Message | i |
| Executive Team's Recommendations Regarding Budget Options | vii |
| Major Assumptions | ix |
| General Fund – Five Year Projection | x |

OVERVIEW

City Council Priorities

Budget Summary

| | |
|---|---------------------|
| Changes to 2007/08 Operating Budget..... | Budget Summary – 1 |
| Analysis of Budget by Fund | Budget Summary – 8 |
| Revenue Estimates | Budget Summary – 10 |
| Personnel Allocations by Department | Budget Summary – 16 |

Performance Measures

OPERATING PROGRAMS – Budget by Departments

Tab No.

| | |
|---|----|
| Council | 1 |
| City Manager | 2 |
| City Attorney | 3 |
| City Clerk | 4 |
| Community Development Services | 5 |
| Finance..... | 6 |
| Fire | 7 |
| Human Resources..... | 8 |
| Library | 9 |
| Parks, Recreation and Community Services..... | 10 |
| Police | 11 |
| Public Works Services..... | 12 |

INTERFUND TRANSFERS

CAPITAL IMPROVEMENTS PROJECTS

BUDGET OPTION MEMOS

PREFACE

During the budget study sessions, the City Council directed staff to make several changes to the recommended FY 2007/08 budget. These changes are described in the attached staff report that was presented to Council on July 9, 2007 along with the resolution required to adopt the FY 2007/08 budget.

Each of the schedules in the budget document has been revised to reflect the changes approved by Council. The only portion of the budget document that has not been changed is the City Manager's budget message (pg. i-viii).

REPORT

To the Honorable Mayor and City Council
From the City Manager

July 9, 2007

SUBJECT

Fiscal Year 2007/08 Budget

RECOMMENDATION

Approve a resolution adopting the FY 2007/08 budget.

BACKGROUND

On June 18 and 25, the City Council held budget study sessions at which times the Council reviewed and approved the recommended FY2007/08 budget as submitted by the City Manager. In addition to the recommended budget a list (see attached) of options pertaining to the general fund totaling \$1,072,438 was submitted to the Council for consideration. In accordance with the direction provided by Council at the conclusion of the June 18 budget study session that list of options is included as part of the budget that is submitted to you for adoption. At the June 18 budget study session Council also directed staff to include the following additional items in the FY2007/08 general fund budget:

- Additional funds for community building (\$20,000);
- Additional temporary staff for fire inspections (\$75,000); and
- Funds for video streaming of City Council meetings (\$15,000).
- We are still only adding 25% to the child care coordinator position. This position has been budgeted at 75% with 25% being contracted to the County. The original council option brings this position to 100% and the loss of the County contract will be a loss of revenue to the general fund of \$17,000 (see Attachment 1).

The foregoing changes, including the initial budget options, will:

- Increase the budgeted general fund expenditures in FY2007/08 by \$976,438 from \$75,274,907 in the recommended budget to \$76,251,345;
- Increase expenditures within the special gas tax street improvements fund by \$206,000 from \$1,797,297 to \$2,003,297 (the budget option to increase street maintenance staffing and materials).

Although not an "option," the general fund will need to contribute \$1.2 million to the parking fund in FY 2007/08 because expenses in the parking fund will exceed the revenues this fund generates (an operating deficit). Because this projected operating deficit in the parking fund is viewed as a short-term to medium-term situation, this transfer from the general fund was not included in FY 2007/08 estimates contained in the recommended budget so as not to distort the long-term financial picture. This transfer is now included in the budget to ensure that appropriate accounting and budgeting methods are adhered to.

Attached is a list of follow-up items requested by the Council.

A copy of the recommended budget is on file with the City Clerk for public review.


for Brian Ponty
Director of Finance and Financial Planning


Edward Everett
City Manager

ATTACHMENTS

1. Budget Options Summary
2. List of Council-Requested Follow-up Items

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

1. City of Redwood City FY 2007/08 Recommended Budget Amendments

Budget Options Summary

| Budget Option Title | Department | Amount |
|--|----------------------------|-----------------------|
| General Fund | | |
| <i>Expenditure Appropriation Increases</i> | | |
| Child Care Coordinator - Addition of 0.25 FTE | City Council Option | 24,881 |
| Climate Protection | City Manager | 32,000 |
| Community Building | City Manager | 45,000 |
| Council Chambers Repair and Maintenance | City Clerk | 2,000 |
| Downtown Operation and Maintenance ¹ | Comm. Develop. Svcs. | 105,420 |
| Economic Development Initiative | City Council Option | 50,000 |
| Engine 9 - Reinstatement to full staffing | City Council Option | 208,000 |
| Facility Aide - Addition of 0.50 FTE | Comm. Develop. Svcs. | 35,075 |
| Fire Inspections | Fire | 75,000 |
| Firefighter - Add .42 FTE in anticipation of employee retirement | Fire | 63,000 |
| Landscape Gardener - Addition of 0.60 FTE | Parks, Recr. & Comm. Svcs. | 52,320 |
| Laserfiche Software Support Contract | City Clerk | 12,710 |
| Maintenance Custodian - Addition of 0.40 FTE ¹ | Parks, Recr. & Comm. Svcs. | 31,032 |
| Planning Staff Funding Sources Realignment | Comm. Develop. Svcs. | 135,000 |
| Police Records Manager - Additional position | Police | 90,000 |
| Video Streaming for City Council Meetings | City Clerk | 15,000 |
| | | <u>976,438</u> |
| <i>Estimated Revenue Decreases</i> | | |
| Miscellaneous Revenues (childcare contract) | | (17,000) ² |
| <i>Transfers-out Increases</i> | | |
| From general fund | | (1,200,000) |
| Parking Fund | | |
| <i>Transfers-in Increases</i> | | |
| From general fund | | <u>1,200,000</u> |
| Special Gas Tax Street Improvement Fund | | |
| Street Maintenance Staffing and Materials | Public Works Svcs. | <u>206,000</u> |
| Internal Service Fund | | |
| Maintenance Custodian - Addition of 0.40 FTE ³ | Parks, Recr. & Comm. Svcs. | 31,032 |
| Downtown Operations & Maintenance - Addition of 1.0 Building Maintenance Worker ³ | Parks, Recr. & Comm. Svcs. | <u>105,420</u> |
| | | <u>136,452</u> |

¹ Since these positions were added to a program operated in an internal service fund, an appropriation for such amounts must be appropriated in the internal service fund and then will be charged to the general fund. This amount represents the amount charged to the general fund.

² In FY 2006/07 the City was able to "sell" 25% of the child care coordinator's time to the County Office of Education. The County Office of Education has advised us that they no longer desire to continue this arrangement, resulting in a decrease of general fund revenues by \$17,000.

³ Since these positions were added to a program operated by an internal service fund, an appropriation for such amounts must be appropriated in the internal service fund and then will be charged back to the general fund. This amount represents the amount appropriated in the internal service fund.

Council-Requested Follow-up Items from Budget Discussions

- Have Downtown Committee and/or Finance Committee review parking fund financial projections.
- Mid-year report from the Fire Department regarding fire inspection backlog.
- Provide organization charts for each department.
- Have each department on a rotational basis provide a brief report on “exciting things” happening within their department at the beginning of a Council meeting. The first report is to be from Community Development Services.
- A report on how the full-time child care coordinator will be used.
- Mid-year report on accomplishments of additional code enforcement officer and use of volunteers.
- Bring back to Council a scope of work for new economic development position. Work with Chamber of Commerce to develop this scope of work.
- Joint meeting with the community college board.
- Report regarding the process/timeline/plan for Bradford site as well as block 2.

ORIGINAL

RESOLUTION NO. 14793

A RESOLUTION OF THE CITY OF REDWOOD CITY ADOPTING THE FINAL BUDGET OF THE CITY OF REDWOOD CITY FOR FISCAL YEAR JULY 1, 2007 - JUNE 30, 2008; PROVIDING FOR THE APPROPRIATION AND EXPENDITURE OF ALL SUMS SET FORTH IN SAID BUDGET; PROVIDING FOR EMERGENCY EXPENDITURES, TRANSFERS, ADDITIONAL APPROPRIATIONS, CANCELLATIONS AND REAPPROPRIATIONS OF EXISTING APPROPRIATIONS; ADOPTING THE BUDGET FOR GENERAL IMPROVEMENT DISTRICT NO. 1-64 FOR FISCAL YEAR JULY 1, 2007 - JUNE 30, 2008; AND MAKING PROVISION FOR INTERIM EXPENDITURES AS OF JULY 1, 2007.

WHEREAS, in accordance with the Charter of the City of Redwood City, the City Manager has submitted to the Council of Redwood City a proposed annual budget for Fiscal Year July 1, 2007 - June 30, 2008; and

WHEREAS, pursuant to Section 51.5 of the Charter of the City of Redwood City, after duly noticed public hearing, the Council of Redwood City has approved said budget and said budget has been certified by the City Clerk and City Manager as the Final Budget of the City for Fiscal Year 2007/2008; and

WHEREAS, it is the intention of the Council of Redwood City to adopt the certified copy of the Budget, as amended, presently on file in the office of the City Clerk;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:

SECTION 1. Adoption of Budget. The Budget for the Fiscal Year July 1, 2007 - June 30, 2008, approved by the Council of Redwood City and certified by the City Clerk and City Manager, presently on file in the office of the City Clerk, included in that document entitled "City of Redwood City - Recommended Budget Amendments FY 2007/2008," is hereby referred to and incorporated herein as if fully set forth herein

verbatim, and that portion of said document relating to Fiscal Year 2007/08 is hereby adopted as the Annual Budget of the City of Redwood City for the Fiscal Year July 1, 2007 - June 30, 2008.

SECTION 2. Appropriations. From and after the operative date of this resolution, the several amounts stated in the Annual Budget referenced in Section 1 hereof as Resources Allocated for the Fiscal Year July 1, 2007 - June 30, 2008 shall become and thereafter be appropriated to the offices, departments (therein referred to as "programs" and "subprograms"), objects and purposes therein stated for said Fiscal Year, and said monies are hereby authorized to be expended for said offices, departments, objects and purposes by the offices and departments specified in the Budget. The Budget Transmittal Letter and Budget Message, Explanation of the Budget Process, the Program Summaries, notations, memoranda and information contained in the Operating Programs consisting of the portions thereof designated program financing, goals, subprogram goals, objectives, comments, subprogram changes, priorities, personnel, performance indicators and financing; the Capital Improvement Summary and project listings; the financial summaries, and personnel allocations are for informational purposes only and shall not be construed to limit or affect in any manner any appropriation item. To the extent otherwise permissible, actions affecting such information items may be taken from time to time without amendment hereto, or to the Budget adopted hereby. The annual budgets of the Redevelopment Agency, the Redwood City Public Financing Authority and special assessment districts, are likewise set forth in said document for informational purposes only.

SECTION 3. Transfers, Additional Appropriations, Cancellations. From time to time during the Fiscal Year, the Council may transfer sums from any appropriated

item to any other appropriated item by resolution. Additional appropriations may be made and authorized in accordance with the procedure referenced in Section 51.5 of the Charter of the City of Redwood City. No appropriation set forth in the Budget, or in any subsequent resolution, shall be cancelled in whole or in part except by resolution adopted by the affirmative vote of 5/7ths of all members of the Council; provided, however, that transfers of sums from one appropriated item to any other appropriated item may be accomplished by resolution.

SECTION 4. Expenditures. The City Manager and Director of Finance are hereby authorized to expend all sums set forth in the Budget for the purposes and objects specified therein.

Expenditures made, liabilities incurred, or warrants issued in excess of any of the budget appropriations as originally approved or as thereafter increased or decreased shall not constitute an obligation or liability of the City. Any official making or incurring such expenditures in an amount known to him or her to be in excess of the available balance of the appropriation against which it is drawn, shall be liable therefore upon his or her official bond. The City Manager and the City Council shall approve no claims and the Director of Finance shall issue no warrant or check for any expenditure in excess of existing appropriations except on an order of a Court of competent jurisdiction or for an emergency as herein provided.

SECTION 5. Emergency Expenditures. Upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, epidemic, riot or insurrection, or for the immediate preservation of public order, peace, health or safety, or for the restoration to a condition of usefulness of any public property, the usefulness of which has been destroyed by accident or Act of God, or for the relief of an area

stricken by calamity, or to meet monetary expenditure required by law, the Council may, upon 2/3rds vote of the members present at any regular, adjourned or special meeting, adopt a resolution stating the facts constituting the emergency, thereby making the expenditure necessary to meet such emergency. All emergency expenditures shall be paid by warrant or check from any fund properly chargeable therewith and the Director of Finance is hereby authorized and directed to pay such warrants.

SECTION 6. Budget for General Improvement District No. 1-64. The budget designated as the budget for General Improvement District No. 1-64, for the Fiscal Year July 1, 2007 - June 30, 2008, in the Annual Budget referenced in Section 1 hereof, is hereby adopted.

SECTION 7. Provision for Interim Expenditures as of July 1, 2007; Reappropriations. All unencumbered General Fund balances remaining at the close of the Fiscal Year June 30, 2007, except for those amounts otherwise legally disposed of, are hereby appropriated to the General Fund program "Resources Held in Reserve." The Director of Finance is hereby authorized to transfer monies hereby appropriated to the program resources held in reserve from said program to any other program or budget item established by Annual Budget referenced in Section 1 hereof, or by this 2007/08 Fiscal Year Budget resolution, for expenditure from such other program or budget item, without further Council approval for such transfer; provided, however, that the sum of all expenditures of General Fund monies during Fiscal Year July 1, 2007 - June 30, 2008, plus expenditures during the interim period between the close of Fiscal Year June 30, 2007, and the date of adoption of the 2007/08 Fiscal Year budget shall not exceed the total amount appropriated by this 2007/08 Fiscal Year Budget Resolution.

All unencumbered balances remaining in all funds other than the General Fund at the close of Fiscal Year June 30, 2007, are hereby appropriated to those same funds for purposes of expenditure during the interim period as previously specified in this section. Any fund(s) which has or have no unencumbered balances as of June 30, 2007, shall receive no additional appropriation during said interim period, and no expenditure of monies shall be authorized during said interim period except as transferred from the General Fund by the Finance Director.

All encumbered balances remaining in all funds at the close of Fiscal Year June 30, 2007, are hereby reappropriated to the same funds and for the same purposes and objects for Fiscal Year July 1, 2007 - June 30, 2008, and all unexpended appropriations for capital projects for Fiscal Year ending June 30, 2007, are hereby reappropriated for expenditure for the same purposes and objects during Fiscal Year July 1, 2007 - June 30, 2008, unless otherwise provided in this resolution or in the Annual Budget referenced in Section 1 hereof.

SECTION 8. Effective Date and Operative Date. In accordance with Section 51.5 of the Charter of the City of Redwood City, this resolution shall be effective immediately upon adoption.

* * *

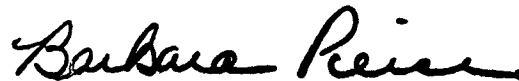
Passed and adopted by the Council of the City of Redwood City at a Joint City Council and Redevelopment Agency Board Meeting thereof held on the 9th day of July, 2007 by the following votes:

A YES, and in favor of the passage and adoption of the foregoing resolution,

Council members: Aguirre, Bain, Foust, Hartnett, Ira and Mayor Pierce

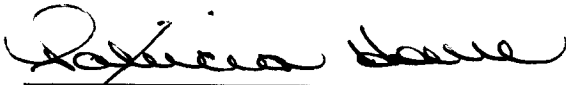
NOES: None

ABSENT: Howard



BARBARA PIERCE
Mayor of the City of Redwood City

Attest:



Patricia Howe
City Clerk of Redwood City

I hereby approve the foregoing resolution this 10th day of July, 2007.



BARBARA PIERCE
Mayor of the City of Redwood City



May 31, 2007

Honorable Mayor Pierce and Members of the City Council:

*Build a Great
Community
Together*

INTRODUCTION AND ECONOMIC OVERVIEW

Much has changed since I submitted my first budget as your city manager 15 years ago; much hasn't.

While parts of the community barely resemble what they looked like 15 years ago, the fundamental challenges of financing a municipal enterprise remain constant. Matching ongoing revenues with ongoing expenditures is as true today as it was when I arrived here and will likely be the gold standard of governmental financial management well into the foreseeable future.

The budget that the department head team and I are recommending to you matches ongoing revenues and expenditures. Our ability to match ongoing revenues with ongoing expenditures is due primarily to: 1) the Council's willingness and courage to make difficult decisions during the early portion of the decade when we were faced with operating deficits, and 2) a local economy that is now expanding and producing stronger revenues for us.

Evidence of an expanding local economy is confirmed by increased jobs and lower commercial office vacancy rates. Job growth in San Mateo County actually increased as measured by the March 2007 job count against the March 2006 job count. As of March 2007, the most recent data available showed an estimated 362,000 jobs in the county, an increase of 14,200 jobs from a year earlier. San Mateo County employment reached a high point in November 2000 at 401,600 jobs. Santa Clara County, an area to which our economic fortunes are closely linked, reached its peak of 1,006,500 jobs in December 2000. As of March 2007, 812,000 jobs were reported in Santa Clara County. This represents an increase of 37,500 jobs from one year earlier.

*Excellence:
Passion
to do our
Best in Each
Moment*

According to a report released by BT Commercial Real Estate for the first quarter of 2007, the Redwood City and Redwood Shores commercial office real estate markets had 1.3 million square feet of vacant office space with a vacancy factor of 13%. This is an improvement over the 21% vacancy factor (2.1 million vacant square feet) from the first quarter of 2006.

FY 2007/08 is the second year of the recommended two-year budget and contains modest programmatic changes from the budget the Council approved in July 2006.

GENERAL FUND

Revenues

General fund revenues (including transfers into the general fund) are expected to increase slightly to \$78.3 million (or 0.3%) in FY 2007/08 from \$78.0 million in FY 2006/07. This increase is primarily the result of several factors:

- Secured property tax revenues will increase about 6.3% from \$21.8 million to \$23.1 million in FY 2007/08.
- Transient occupancy tax revenues will increase 6% from \$2.9 million to \$3.1 million.
- Property tax in-lieu of vehicle license fees will increase \$400,000 from \$4.9 million to \$5.3 million.

*Build a Great
Community
Together*

The foregoing increases will be partially offset by the following decreases:

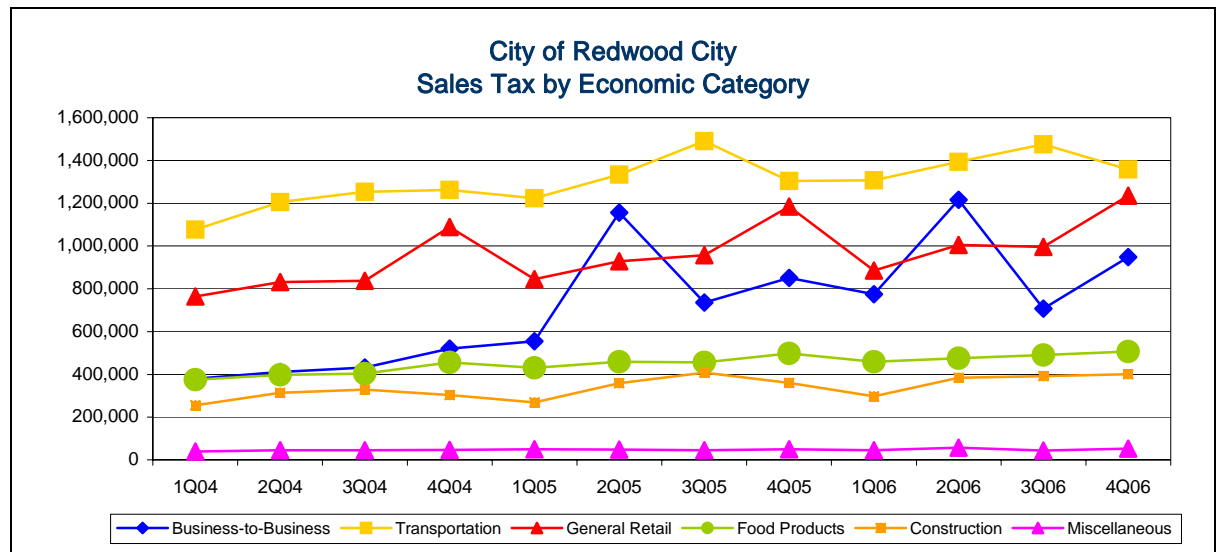
- Declines in several development-related revenues such as building permits, plan checking fees, reimbursable planning contracts, and the planning cost recovery program.
- An anticipated decline in Educational Revenue Augmentation Fund (ERAF) refunds (property taxes) due to the cessation of ERAF III – since less payments are flowing into the ERAF, less refunds will be coming from the ERAF.
- Flat sales tax growth as Costco is expected to be closed for six months while the new store is being constructed.

Our best predictions at this time are that we will see a rebound in our development-related revenues after FY 2007/08 as the pace of development activity quickens.

As of this date we still do not know the amount of additional property tax revenue, if any, that will be received in FY 2007/08 as a result of the sale and subsequent reassessment of the Pacific Shores complex due to its sale in October 2006. This is a complex real estate transaction that is requiring much time and effort from the county assessor's staff. The additional annual property tax to be generated for the City could be several hundred thousand dollars.

The recommended budget assumes we will receive \$1.7 million of ERAF refunds in FY 2007/08, but we continue to be concerned over the long-term prospects for the continued receipt of these funds due to the complexity and number of factors involved in determining these amounts along with the risk that the state could redirect these revenues elsewhere.

The following graph illustrates the performance of locally-generated sales tax revenues (which accounts for about 95% of our total sales tax revenues) for the past 12 quarters.



*Integrity:
Do the
Right Thing,
Not the Easy
Thing*

Clearly the City's sales tax is very dependent on the health of the transportation and general retail categories. The transportation category is comprised primarily (71%) of new vehicle sales while the largest single segment in the general retail category is department stores (Mervyn's, Target, K-Mart, and Costco), which comprise 42% of this category. Although not factored into this budget, we remain very concerned about future losses of sales tax revenue due to the electronic delivery of software by local businesses engaged in software sales. Should a significant sales tax decline become evident, staff will advise Council and provide options for dealing with this.

Expenditures

The proposed FY 2007/08 budget increases spending by \$2.5 million or 3.4% over the projected FY 2006/07 expenditures. The current terms of all employee labor agreements have been included in the recommended FY 2007/08 budget along with updated estimates of all benefits.

In September 2006 the Council approved a plan to finance the City's retiree medical benefits in accordance with new requirements adopted by the Governmental Accounting Standards Board. The

net additional costs are approximately \$105,000 in FY 2007/08 and will increase until FY 2012/13 at which time we expect to be fully funding the actuarially required contribution.

Transfers

Included are the "normal" transfers from the general fund to the traffic safety fund (\$941,000), the gas tax operations fund (\$342,000), and the water fund (\$151,000) in FY 2007/08.

A one-time-only transfer of \$466,000 from the general fund to the capital projects fund is recommended to support the construction of the new Redwood Shores Library. These funds were included in the FY 2007/08 budget presented to Council in July 2006 for the first year of the library's operations. Since the library will not open until FY 2008/09, these funds will be used to augment the financing of the construction costs.

Not shown in the recommended budget is a transfer of \$1.2 million from the general fund to the parking fund as we do not anticipate that the parking fund revenues will equal the projected expenses within the parking fund. Since we believe that the parking fund will ultimately generate sufficient revenues to cover expenses, we view the shortfall of parking fund revenues as a medium-term situation and, accordingly, an appropriate use of general fund reserves. We will include this transfer in the budget submitted to Council for approval on July 9.

General Fund Reserves

The Council's policy on general fund reserves is to have reserves of not less than 15% and not more than 20% of anticipated revenues. If our projections hold true and no changes are made to the recommended budget, the general fund reserves will be \$21.8 million as of June 30, 2008 or about \$6.3 million in excess of the upper range called for in the Council's reserve policy. If the Council elects to fund all of the budget options presented later in this budget, then the amount will drop to \$20.6 million (or 26.8% of anticipated revenues) as of June 30, 2008.

Given the uncertainty of how quickly the parking fund will be able to generate sufficient revenues to become self-supporting, I recommend that the Council exercise extreme caution in using these reserves.

Budget Options

Please see the memo following this letter that discusses budget options along with a corresponding list for an understanding of the options available to the Council, some of which were requested by Council at the February priority-setting session and the options brought forward by the executive team dealing with "staff concerns."

The recommended budget shows an operating surplus (revenues minus expenditures) of \$1.1 million. The budget options presented later in the budget document approximate this amount, but this match was coincidental.

Future Years

Current projections show general fund revenues and expenditures being roughly in balance for each of the next five years, excluding any of the previously mentioned issues.

CAPITAL PROJECTS

The proposed total for the FY 2007/08 Capital Improvement Program (CIP) budget for the capital project fund, gas tax construction fund, transportation fund, grants and fees fund, water improvement fund, sewer improvement fund, GID 1-64, and the Redevelopment Agency is \$16,662,331.

In FY 2007/08, major CIP projects and programs are listed below according to City Council's priorities:

Public Safety

| | |
|---|----------|
| Emergency Vehicle Traffic Signal Pre-emption System | \$95,000 |
|---|----------|

Transportation/Traffic

| | |
|-------------------------|----------|
| Traffic Calming Program | \$75,000 |
| Shuttle Bus Services | \$75,000 |

*Build a Great
Community
Together*

*Service:
We Care and
It Makes a
Difference*

*Build a Great
Community
Together*

Government Operations

| | |
|---|-------------|
| Sanitary Sewer Pump Station 12 Renovation | \$600,000 |
| Bridge Rehabilitation Program | \$250,000 |
| Redwood Shores Lagoon Dewatering Structure | \$200,000 |
| Belmont Slough Lagoon Pump Station | \$635,000 |
| Street Pavement and Roadway Management Program | \$1,200,000 |
| Tree Preservation and Sidewalk Repair Program | \$950,000 |
| Information Technology Servers Replacement Program | \$125,000 |
| Information Technology Voice over Internet Protocol | \$45,000 |
| Library Public Computer System | \$75,000 |

Community/Civic Support

Parks and Playfields:

| | |
|---|-----------|
| Playground Equipment Replacement | \$250,000 |
| Synthetic Play Field Conversion | \$200,000 |
| Red Morton Park Covered Picnic Area Replacement | \$125,000 |
| Hawes Park Bleachers | \$120,000 |

Buildings:

| | |
|-------------------------|-----------|
| Main Library Renovation | \$100,000 |
|-------------------------|-----------|

As the result of changes in technology and the legal landscape, about \$2 million per year of utility users' tax revenues from telecommunications (the primary source of financing our general governmental capital projects) is now at risk. Staff has been working closely with the Council Finance Committee and intends to present more details about these risks and possible solutions at the June 25 Council budget study session.

REDEVELOPMENT AGENCY

In September 2006 the community celebrated the completion of the new downtown Courthouse Square, Century Theatre and "On Broadway" retail and restaurants, the 590-space public parking facility, as well as the "Theatre Way" improvements between Winslow and Broadway.

The summer of 2007 will see the completion of the new directional signage and way-finding program, which will enhance the experience of Downtown as a distinct and unique place that is comfortable to everyone, whether in a car or on foot. In addition, the new and improved parking facilities and the innovative Downtown Parking Management Program will become fully operational, providing "just enough" parking at the right price and help create a "park once and walk" district. Pedestrian experience will be enhanced by improvements to Jefferson Ave. and the new Post Office Paseo, linking parking to Jefferson and the retail/cinema complex. "Theatre Way II" improvements to Middlefield between Veteran's and Broadway will attract visitors to both the free parking in the County garage and to the theatre district and key destinations such as Courthouse Square and Theatre Way – "The Place."

The public approval process for the long-awaited Downtown Precise Plan was concluded with Council's approval of the Plan on March 26, 2007. Staff anticipates that the first applications for new mixed-use developments will come in for review in the summer of 2007.

The budget for FY 2007/08 provides additional capital funding in the amount of \$500,000 for contingency purposes and \$500,000 for critical pioneering development. The money for "Contingency" should be viewed as a reserve fund to help fund projects and opportunities that have yet to surface or be identified. The FY 2007/08 budget also provides \$250,000 for planned improvements for the El Camino Real – Redwood City's pioneering work in concert with the regional "Grand Boulevard" initiative.

The proposed redevelopment housing budget for FY 2007/08 continues support for townhouse ownership units to be built by Habitat for Humanity pursuant to the disposition and development agreement with the Agency. Another \$1 million in set-aside funds is budgeted for general land assembly and gap financing purposes and most likely will be recommended for use on the Bradford site, assuming that project moves ahead.

*Creativity:
Freedom to
Imagine and
Courage to
Act*

*Build a Great
Community
Together*

The operational budget remains basically the same, with the exception of additional funding for citywide "Economic Development", the marketing and promotion of Downtown, and for "Storefront Improvements." The proposed budget options include a 1.0 FTE position reduction that is proposed to be shifted from the Agency to the City's general fund. Should Council approve this particular budget option, staff will then reduce the funding for this position from the Agency's budget. The savings that result from this shift will free up Agency funds to support the option for a new code enforcement officer position that will be dedicated to the Redevelopment Area.

Staff is considering revamping the Storefront Improvement Program and seeking Council approval of the new recommendation early in the fiscal year. Interest payments on the City loan to the Agency have also been included in the FY 2007/08 budget. This is the \$3 million loan that was part of the Downtown Funding Plan adopted by the Council in 2003.

The FY 2007/08 budget uses the same formula for deposits to the housing fund from the redevelopment general fund (made pursuant to the 1990 agreement with the Legal Aid Society of San Mateo) as was used in FY 2003/04, 2004/05, 2005/06, and 2006/07. The Legal Aid Society of San Mateo has agreed to the City plan about reinstating higher payments as of FY 2008/09 and extending payments for five years to insure that the total original amount agreed to is paid.

Traffic Congestion and Storm Water Pollution Funds (AB 1546)

On September 29, 2004 Governor Schwarzenegger signed into law AB 1546 which authorized the City/County Association of Governments (C/CAG) Board to impose an annual fee of \$4 on motor vehicles registered in San Mateo County for programs that address traffic congestion and storm water pollution within the county. The funding will continue annually through December 31, 2008. Collection of these funds began on July 1, 2005. Redwood City's share of the allocated funds for FY 2007/08 is \$121,492. Funds must be directed 50% for traffic congestion and 50% for storm water pollution prevention activities. The funds will be distributed to the City as a reimbursement by C/CAG based on documented expenditures made from existing budgets and compliance with identified AB 1546 performance measures.

The Public Works Services street cleaning and storm drains maintenance budgets include \$60,746, the City's reimbursement amount under AB 1546, which is above the status quo budgets for these sub-programs.

The CIP also includes a recommendation to spend an equal amount of funds (\$60,746) on downtown signage to reduce traffic congestion.

*Excellence:
Passion
to do our
Best in Each
Moment*

ENTERPRISE FUNDS

Water Fund

The water enterprise fund is in sound fiscal condition, with a \$2 million emergency operating reserve and an \$8.3 million rate stabilization reserve. On June 5, 2006 the City Council approved a 12% water rate increase, increasing the monthly service charge from \$12.00 to \$14.25. The increase was driven primarily by a 14% increase in the cost of wholesale water from San Francisco and increased debt service associated with financing the City's Recycled Water Project.

In July 2007 the City Council will consider a 10% rate increase recommendation from the Council's Utilities Committee and the staff.

Sewer Fund

On June 26, 2006, the City Council approved an increase in the basic sewer service charge from \$26.27 to \$33.00 per month. The increase was driven primarily by the need for replacement and refurbishment of South Bayside System Authority (SBSA) wastewater treatment facilities. As SBSA begins a multi-year repair and replacement program for critical facilities, the City is preparing a multi-year financial plan that allows the City to meet the revenue demands for system operation, maintenance, and replacement for both collection and treatment of the City's wastewater. Through the plan, the City anticipates modest sewer service rate increases of 8% to 10% per year in upcoming years.

*Build a Great
Community
Together*

Parking Fund

Parking revenues were initially expected to reach \$2.4 million in FY 2006/07. We are painfully aware that revenues will fall well short of this target and end up being closer to \$850,000 in FY 2006/07. The reasons for this variance are several, but the primary belief is that the continued operation of the Century 12 Theatres at the East Bayshore Boulevard location is crimping attendance at the downtown theater. Once the Century 12 Theatres are closed, we hope that our parking revenue projections will be closer to our initial estimates.

In FY 2007/08 we anticipate parking revenues of approximately \$1.1 million which will leave the parking fund with an operating deficit of \$1.2 million which will be financed by a transfer from the general fund. We hope that the use of general fund resources to support the parking fund will be required for only the next several years. If this situation appears to be of a long-term duration, then staff will provide the Council with alternatives to the current parking fund operations.

APPROPRIATIONS LIMITS

Article XIII B of the California Constitution defines and establishes the City's appropriations limit. No city in California may spend from its "proceeds of taxes" more than the amount of its "appropriations limit." The appropriations limit is determined by a formula contained within Article XIII B of the State Constitution. Redwood City's appropriations limit for FY 2007/08 is estimated to be \$288 million. The FY 2007/08 appropriations subject to limitations are \$59.2 million. We are well within our legal limit.

ACKNOWLEDGMENTS

This document is the result of tireless efforts of many throughout the organization, special thanks go to Magda Gonzalez, Deputy City Manager; Peter Ingram, Assistant City Manager/Director of Community Development Services; and Brian Ponty, Finance Director, for their support throughout this process.

My sincere appreciation and thanks to the very talented and capable Finance Department team: Alison Freeman, Financial Services Manager; Senior Accountants Irv Weinstock, Kyi Khin, Rajesh Sewak, and Araceli Fierro; Information Technology Manager Tony Gelpman, Senior Information Technology Analyst Debbie Matsuura; and Supervisor of Software Development Services Laure Hansen. Their consistent analysis and attention to details has made this budget document possible. My compliments to Sandy Jennings, Administrative Assistant to the Finance Director, who as always, has put forth the time and energy to publish an extremely well done budget document.

*Integrity:
Do the
Right Thing,
Not the Easy
Thing*

The department heads once again came together to agree on all of the budget recommendations including the budget option package. One couldn't ask for a brighter group of folks who are sensitive to the whole City's needs over just departmental needs.

Sincerely and on behalf of the department heads,



Ed Everett
City Manager



May 31, 2007

To: Honorable Mayor and Members of the City Council
From: Ed Everett, City Manager
Cc: Department Heads
Re: Executive Team's Recommendations Regarding Budget Options for City Council Consideration

Two years ago, I said the state of mind of the organization was cautiously optimistic. And now, while we are not quite ready to celebrate, it feels like we are finally turning the corner and are feeling more optimistic than we have in many years.

Reflecting on the last several years, we can be very proud that in spite of \$10 million in budget reductions, we continue to serve our community well, have taken on new projects and initiatives, and thanks to the foresight of this Council, have been able to maintain a healthy reserve during these difficult budgetary times.

In preparation for this year's budget, the executive team once again came together to consider what is best for our community. The department heads and I looked at the organization as a whole and developed recommended budget options for FY 2007/08 which were developed and agreed to by all the department heads. I am extremely proud of the executive team as this was a long and difficult process where each department head had to first consider what was best for the entire organization and community, while still being concerned about their department.

The executive team was charged with identifying potential budget options based on Council priorities, "staff concerns," and our organizational values. The department heads' work yielded a total of \$1,072,500 in budget options. The team's work was strategic, thoughtful, and intelligent, while keeping in mind the impacts these budget options have on the services we provide as well as their impact on future budgets.

The executive team met regarding the budget on at least seven occasions. We extended several of our weekly meetings, developed an ad hoc downtown group, and used a couple of full mornings to develop the attached recommendations.

We started with a total of 35 potential budget options equaling \$2.6 million. After many hours of deliberation, research, and soul searching, the executive team is recommending 15 budget options totaling just over \$1 million (see attached summary list). The team is comfortable recommending this amount in options given our recent and future work in the downtown, the budget reductions we have made over the last several years, and areas where an increase or restoration in service level is essential.

At the end of the budget document, you will find a tab "Budget Option Memos" which contains the budget option forms (in alphabetical order by title) that provide more detail for the budget options requested by Council as well as those that emerged through the executive team's budget process.

5/31/2007

Budget Options Summary

| <u>Budget Option Title</u> | <u>Department</u> | <u>Amount</u> |
|--|----------------------------|------------------|
| City Budget | | |
| Child Care Coordinator - Addition of 0.25 FTE ¹ | Parks, Recr. & Comm. Svcs. | 24,881 |
| Climate Protection | City Manager | 32,000 |
| Community Building | City Manager | 25,000 |
| Council Chambers Repair and Maintenance | City Clerk | 2,000 |
| Downtown Operation and Maintenance | Comm. Develop. Svcs. | 105,420 |
| Economic Development Initiative ¹ | Comm. Develop. Svcs. | 50,000 |
| Engine 9 - Reinstatement to full staffing ¹ | Fire | 208,000 |
| Facility Aide - Addition of 0.50 FTE | Parks, Recr. & Comm. Svcs. | 35,075 |
| Firefighter - Add .42 FTE in anticipation of employee retirement | Fire | 63,000 |
| Landscape Gardener - Addition of 0.60 FTE | Parks, Recr. & Comm. Svcs. | 52,320 |
| Laserfiche Software Support Contract | City Clerk | 12,710 |
| Maintenance Custodian - Addition of 0.40 FTE | Comm. Develop. Svcs. | 31,032 |
| Planning Staff Funding Sources Realignment | Comm. Develop. Svcs. | 135,000 |
| Police Records Manager - Additional position | Police | 90,000 |
| Street Maintenance Staffing and Materials | Public Works Svcs. | 206,000 |
| | | <u>1,072,438</u> |
| Redevelopment Agency Budget ² | | |
| Code Enforcement ¹ | Comm. Develop. Svcs. | 93,116 |
| Planning Staff Funding Sources Realignment | Comm. Develop. Svcs. | (135,000) |
| | | <u>(41,884)</u> |

General fund transfer to parking fund:

Although not an "option," the general fund will need to contribute \$1.2 million to the parking fund in FY 2007/08 because expenses in the parking fund will exceed the revenues this fund generates (an operating deficit). Because this projected operating deficit in the parking fund is viewed as a short-term to medium-term situation, this transfer from the general fund has not been included in FY 2007/08 estimates contained in this document so as not to distort the long-term financial picture. When the budget is presented to Council on July 9 for adoption, this transfer will then be included in the budget to ensure that appropriate accounting and budgeting methods are adhered to.

¹ These options were requested by Council.

² This topic is discussed in the Redevelopment Agency budget, to be considered June 25, 2007.

MAJOR ASSUMPTIONS

- Secured property taxes increase 6.3% in FY 2007/08 and 5% annually from FY 2008/09 through FY 2010/11.
- Sales taxes increase 5% in FY 2007/08, 4.5% in FY 2008/09, and 4% annually through FY 2010/11.
- Includes development fees for all reasonably anticipated future projects.
- No general fund support for capital projects other than transfers of utility users' taxes and the one-time transfer of \$466,000 in FY 2007/08 to partially finance the construction of the Redwood Shores library.
- Excess ERAF rebates will continue - \$1.7 million in FY 2007/08 and \$1.4 million per year through FY 2010/11.
- No further declines in sales tax due to electronically delivered software.

City of Redwood City
 FY 2007/08 Budget Amendments

General Fund – Five Year Projection 2007/08 Through 2010/11 (In \$000s)

| | 2001-02 ACTUAL | 2002-03 ACTUAL | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| REVENUES | | | | | |
| Property Taxes | 18,674 | 18,975 | 20,436 | 21,571 | 27,882 |
| Sales Tax | 14,938 | 15,090 | 15,745 | 16,476 | 17,903 |
| Other Taxes | 4,272 | 4,322 | 4,923 | 5,778 | 6,368 |
| Licenses and Permits | 1,107 | 871 | 960 | 1,126 | 1,168 |
| Fines and Forfeitures | 441 | 591 | 582 | 660 | 610 |
| Interest Earnings/Rentals | 2,860 | 2,021 | 1,466 | 1,096 | 1,823 |
| Revenue from Other Agencies | 7,394 | 7,329 | 6,406 | 7,721 | 4,973 |
| Charges for Services | 4,044 | 4,168 | 3,930 | 3,834 | 3,791 |
| Other Revenues | 4,722 | 5,461 | 5,588 | 6,447 | 6,691 |
| Library | 1,049 | 1,097 | 809 | 691 | 853 |
| Recreation Revenues | 1,185 | 1,373 | 1,583 | 1,565 | 1,686 |
| Total Revenues | 60,686 | 61,298 | 62,428 | 66,965 | 73,748 |
| Transfers-In: | | | | | |
| Interest from other funds | 731 | 936 | 652 | 466 | 870 |
| Others | 156 | 163 | 173 | 182 | 339 |
| GID 1-64 Maintenance District | 150 | 64 | 140 | 150 | 250 |
| Total revenues and transfers-in | 61,723 | 62,461 | 63,393 | 67,763 | 75,207 |
| EXPENDITURES | | | | | |
| City Council | 192 | 215 | 208 | 196 | 217 |
| City Manager | 945 | 960 | 975 | 866 | 955 |
| City Attorney | 504 | 654 | 626 | 566 | 609 |
| City Clerk | 428 | 465 | 477 | 490 | 532 |
| Human Resources | 1,289 | 1,330 | 1,344 | 1,274 | 1,364 |
| Finance & Administrative Support | 1,841 | 2,789 | 2,830 | 3,222 | 3,299 |
| Police | 17,260 | 19,187 | 20,567 | 23,706 | 25,227 |
| Fire | 10,319 | 11,808 | 12,420 | 14,072 | 15,017 |
| Community Development Services | 4,818 | 5,210 | 4,580 | 4,292 | 4,276 |
| Parks & Recreation | 10,333 | 11,240 | 10,743 | 10,772 | 11,274 |
| Library | 5,681 | 6,179 | 5,949 | 5,393 | 5,761 |
| Public Works Services | 1,206 | 1,228 | 1,178 | 1,158 | 1,173 |
| Budget Adjustments | | | | | |
| Total Expenditures | 54,816 | 61,265 | 61,897 | 66,007 | 69,704 |
| Transfers-Out | 14,678 | 2,069 | 1,166 | 1,172 | 1,793 |
| Total expenditures and transfers-out | 69,494 | 63,334 | 63,063 | 67,179 | 71,497 |
| Net surplus (deficit) | -7,771 | -873 | 330 | 584 | 3,710 |
| Net surplus (deficit) as a percentage of general fund revenues and transfers-in: | -12.59% | -1.40% | 0.52% | 0.86% | 4.93% |
| Detail of transfers-out: | | | | | |
| gas tax operations | | | | | |
| gas tax construction | 982 | | 21 | | 421 |
| traffic safety | 1,045 | 1,087 | 1,010 | 842 | 914 |
| capital projects | 10,775 | 851 | | 200 | |
| others | 1,876 | 131 | 135 | 130 | 458 |
| TOTAL | 14,678 | 2,069 | 1,166 | 1,172 | 1,793 |

City of Redwood City
 FY 2007/08 Budget Amendments

General Fund – Five Year Projection 2007/08 Through 2010/11 (In \$000s)

| 2006-07 ESTIMATE | 2007-08 ESTIMATE | 2008-09 ESTIMATE | 2009-10 ESTIMATE | 2010-11 ESTIMATE |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| 30,323 | 31,265 | 32,338 | 33,954 | 35,652 |
| 19,291 | 19,206 | 20,654 | 21,480 | 22,340 |
| 6,389 | 6,773 | 6,967 | 7,245 | 7,535 |
| 1,215 | 1,067 | 2,120 | 1,920 | 1,770 |
| 673 | 653 | 653 | 653 | 653 |
| 1,284 | 1,434 | 1,434 | 1,434 | 1,434 |
| 3,444 | 2,947 | 2,996 | 3,101 | 3,209 |
| 4,613 | 4,436 | 5,077 | 5,255 | 5,439 |
| 6,666 | 6,996 | 7,539 | 7,803 | 8,076 |
| 891 | 667 | 672 | 695 | 719 |
| 1,520 | 1,519 | 1,519 | 1,573 | 1,628 |
| 76,309 | 76,964 | 81,969 | 85,114 | 88,456 |
| 1,202 | 722 | 672 | 672 | 672 |
| 329 | 345 | 653 | 843 | 1,022 |
| 250 | 250 | 250 | 250 | 250 |
| 78,090 | 78,281 | 83,544 | 86,879 | 90,400 |
| 259 | 302 | 327 | 332 | 337 |
| 1,076 | 1,297 | 1,372 | 1,429 | 1,480 |
| 845 | 919 | 970 | 1,009 | 1,044 |
| 528 | 590 | 621 | 646 | 669 |
| 1,294 | 1,314 | 1,401 | 1,457 | 1,508 |
| 3,528 | 2,624 | 2,729 | 2,824 | 2,912 |
| 25,311 | 27,571 | 29,091 | 30,345 | 31,478 |
| 14,648 | 15,817 | 16,469 | 17,205 | 17,863 |
| 5,095 | 5,691 | 5,968 | 6,207 | 6,425 |
| 11,877 | 12,593 | 13,421 | 13,947 | 14,429 |
| 5,832 | 6,229 | 7,036 | 7,419 | 7,687 |
| 1,230 | 1,302 | 1,330 | 1,374 | 1,417 |
| 1,259 | | | | |
| 72,782 | 76,249 | 80,735 | 84,194 | 87,247 |
| 5,498 | 3,305 | 2,669 | 2,476 | 2,263 |
| 78,280 | 79,554 | 83,404 | 86,671 | 89,509 |
| -190 | -1,274 | 140 | 209 | 891 |
| -0.24% | -1.63% | 0.17% | 0.24% | 0.99% |
| 325 | 548 | 626 | 675 | 709 |
| 917 | 941 | 985 | 1,037 | 1,080 |
| 2,564 | 466 | | | |
| 1,692 | 1,350 | 1,058 | 765 | 474 |
| 5,498 | 3,305 | 2,669 | 2,476 | 2,263 |

This page left blank intentionally

City of Redwood City
FY 2007/08 Budget Amendments
City Council Priorities

The Redwood City Council sets annual City Council Priorities and most recently updated those priorities in February 2007. The City Council has five “Overarching Guidelines,” which are the guiding force in considering each specific project or program.

Overarching Guidelines

- I. **Community Building**
- II. **Communication**
- III. **Aesthetics**
- IV. **Creating Pedestrian-Friendly Public Places Citywide**
- V. **Quality of Life**
- VI. **Economic Vitality/Sustainability**

In addition, the City Council has identified five “Priority” areas which guide the work programs for all of the City departments.

Council Priorities

- **Economic Development**
 - Business retention, business promotion
 - Smart growth (green building / urban design)
 - Historic preservation/identity
 - Downtown redevelopment
 - Housing development
 - Child care
- **Public Safety**
 - Develop plan to restore Engine #9
 - Maintain adequate police and parking officers
 - Disaster preparedness (including Port)
 - Anti-gang activities
- **Transportation and Traffic**
 - Shuttle service
 - Neighborhood traffic liaison
 - Pedestrian/bike-friendly citywide
 - Maintain regional transportation representation
- **Government Operations**
 - Code enforcement
 - Environmental concerns – climate protection and conservation
 - Staff development and succession planning
- **Community/Civic Support**
 - Community building, community partnerships, civic engagement, public awareness, communications
 - Youth and education (after school programs)

This page left blank intentionally

City of Redwood City
 FY 2007/08 Budget Amendments
Budget Summary

CHANGES TO 2007/08 OPERATING BUDGET

| GENERAL FUNDS | Original 07/08 Budget | Updated 07/08 Budget | Programmatic Changes | Revised 07/08 Budget |
|---|----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Refer to 2006-2008 Adopted Budget as noted | | | | |
| CITY COUNCIL | | | | |
| City Council (61110) - p. City Council-2 | 276,017 | 301,803 | | 301,803 |
| Total | 276,017 | 301,803 | | 301,803 |
| CITY MANAGER | | | | |
| Management/Policy Execution (61210) - p. City Manager-8 | 831,891 | 919,174 | | 919,174 |
| Community Promotion (61220-222) - p. City Manager-9 | 279,356 | 286,615 | 92,000 | 378,615 |
| Total | 1,111,247 | 1,205,789 | 92,000 | 1,297,789 |
| CITY ATTORNEY | | | | |
| Legal Services (61510) - p. City Attorney-2 | 875,625 | 919,057 | | 919,057 |
| Total | 875,625 | 919,057 | | 919,057 |
| CITY CLERK | | | | |
| Legisl. Svcs./Records Mgmt. (61310) - p. City Clerk-9 | 486,939 | 499,357 | 12,710 | 512,067 |
| Elections (61320) - p. City Clerk-10 | 98,620 | 52,900 | | 52,900 |
| Council Support (61330) - p. City Clerk-11 | 7,985 | 8,185 | 17,000 | 25,185 |
| Total | 593,544 | 560,442 | 29,710 | 590,152 |
| COMMUNITY DEVELOPMENT SERVICES | | | | |
| Administration (63010) - p. CDS-12 | 212,108 | 219,927 | 50,000 | 269,927 |
| Courthouse Square Mtc. (63410-63411) - p. CDS-13 | 291,792 | 176,844 | 136,453 | 313,297 |
| Building Regulation (63110) - p. CDS-16 | 1,633,526 | 1,631,847 | 61,251 | 1,693,098 |
| Code Enforcement (63310) - p. CDS-17 | 845,381 | 850,979 | | 850,979 |
| General Engineering (65121) - p. CDS-20 | 952,773 | 957,802 | | 957,802 |
| Subdivision Engineering (65122) - p. CDS-21 | 248,764 | 258,621 | | 258,621 |
| Planning (63210) - p. CDS-25 | 966,196 | 987,128 | 134,999 | 1,122,127 |
| Strategic Planning (63220) - p. CDS-26 | 221,455 | 225,540 | | 225,540 |
| Redevelopment Agency - Housing Fund (66410) - p. CDS-30 | 1,426,408 | 1,005,000 | | 1,005,000 |
| Redevelopment Agency - General Fund (66410) - p. CDS-31 | 1,851,002 | 2,309,134 | (41,887) | 2,267,247 |
| Total | 8,649,405 | 8,622,822 | 340,816 | 8,963,638 |
| FINANCE | | | | |
| Financial Services (61430) - p. Finance-13 | 1,108,956 | 1,141,569 | 19,547 | 1,161,116 |
| Admin. Supp. Svcs. (61710) - p. Finance-14 | 2,821,720 | 1,375,843 | 87,697 | 1,463,540 |
| Public Financing Authority Lease Payments (61710) - p. Finance-14 | 2,322,000 | 2,322,000 | | 2,322,000 |
| Total | 6,252,676 | 4,839,412 | 107,244 | 4,946,656 |
| FIRE | | | | |
| Administration (62210) - p. Fire-11 | 1,157,042 | 1,182,184 | 22,000 | 1,204,184 |
| Operations (62220) - p. Fire-12 | 13,121,761 | 13,232,886 | 271,000 | 13,503,886 |
| Prevention (62230) - p. Fire-13 | 682,884 | 691,391 | 75,000 | 766,391 |
| Training (62240) - p. Fire-14 | 233,446 | 240,258 | | 240,258 |
| Emergency Medical Services (62245) - p. Fire-15 | 83,120 | 85,199 | | 85,199 |
| Emergency Operations (62260) - p. Fire-16 | 16,400 | 16,810 | | 16,810 |
| Total | 15,294,653 | 15,448,728 | 368,000 | 15,816,728 |
| HUMAN RESOURCES | | | | |
| Human Resources (61610) - p. Human Resources-11 | 1,334,462 | 1,313,606 | | 1,313,606 |
| Total | 1,334,462 | 1,313,606 | | 1,313,606 |

City of Redwood City
 FY 2007/08 Budget Amendments
Budget Summary

CHANGES TO 2007/08 OPERATING BUDGET

| | <u>Original 07/08 Budget</u> | <u>Updated 07/08 Budget</u> | <u>Programmatic Changes</u> | <u>Revised 07/08 Budget</u> |
|--|----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| GENERAL FUNDS (Cont'd) | | | | |
| Refer to 2006-2008 Adopted Budget as noted | | | | |
| LIBRARY | | | | |
| Administrative Svcs. Unit (66251) - p. Library-9 | 1,137,509 | 1,130,602 | | 1,130,602 |
| Resource Development Unit (66252) - p. Library-10 | 246,455 | 240,126 | | 240,126 |
| Collection Development Unit (66261) - p. Library-11 | 1,282,435 | 1,261,194 | | 1,261,194 |
| Collection Maintenance Unit (66262) - p. Library-12 | 734,246 | 686,687 | | 686,687 |
| Electronic Resources Unit (66271) - p. Library-13 | 433,688 | 425,289 | 19,000 | 444,289 |
| Information Services Unit (66272) - p. Library-14 | 520,997 | 495,658 | | 495,658 |
| Literacy Services Unit (66281) - p. Library-15 | 692,264 | 686,423 | | 686,423 |
| Youth Services Unit (66282) - p. Library-16 | 634,385 | 667,598 | | 667,598 |
| Community Libraries Unit (66290) - p. Library-17 | 823,743 | 616,500 | | 616,500 |
| Total | 6,505,722 | 6,210,077 | 19,000 | 6,229,077 |
| PARKS, RECREATION AND COMMUNITY SERVICES | | | | |
| Human Services Programs (64211) - p. PRCS-21 | 834,227 | 845,856 | | 845,856 |
| Information/Referral (64212) - p. PRCS-21 | 247,786 | 248,645 | | 248,645 |
| Human Svcs. Assistance (64213) - p. PRCS-12 | 238,200 | 244,155 | | 244,155 |
| Administration (66110) - p. PRCS-10 | 835,107 | 847,898 | | 847,898 |
| Civic Cultural Commission (66111) - p. PRCS-11 | 64,455 | 66,066 | | 66,066 |
| Landscape Maintenance-City (66121) - p. PRCS-15 | 2,549,114 | 2,614,915 | 52,321 | 2,667,236 |
| Landscape Mtc.-Redwood Shores (66122) - p. PRCS-15 | 1,344,752 | 1,372,380 | | 1,372,380 |
| Youth and Teen Services (66131) - p. PRCS-22 | 328,926 | 338,517 | 24,880 | 363,397 |
| Elementary Activities (66133) - p. PRCS-22 | 323,023 | 327,361 | | 327,361 |
| Teen Activities (66135) - p. PRCS-22 | 219,824 | 224,000 | | 224,000 |
| After School Program Grant (66137) - p. PRCS-22 | 747,865 | 749,262 | | 749,262 |
| After School Program Grant-21st Cent. (66138) - p. PRCS-22 | 412,913 | 413,090 | | 413,090 |
| Red Morton Community Center (66142) - p. PRCS-23 | 1,040,648 | 1,053,005 | 35,073 | 1,088,078 |
| Aquatics Program (66145) - p. PRCS-23 | 190,821 | 193,658 | | 193,658 |
| Adult Sports (66147) - p. PRCS-23 | 119,200 | 120,694 | | 120,694 |
| Middle School Sports (66148) - p. PRCS-23 | 135,913 | 137,509 | | 137,509 |
| Special Interest Classes (66161) - p. PRCS-24 | 847,652 | 867,013 | | 867,013 |
| Sandpiper Community Center (66162) - p. PRCS-24 | 354,664 | 360,602 | | 360,602 |
| Sandpiper Youth Club (66163) - p. PRCS-24 | 68,279 | 68,443 | | 68,443 |
| Community Services (66172) p. PRCS-25 | 1,049,436 | 1,070,361 | | 1,070,361 |
| Senior Nutrition (66173) - p. PRCS-25 | 304,547 | 317,477 | | 317,477 |
| Total | 12,257,352 | 12,480,907 | 112,274 | 12,593,181 |
| POLICE | | | | |
| Administration (62111) - p. Police-10 | 5,113,031 | 5,262,725 | (288,000) | 4,974,725 |
| Records (62112) - p. Police-11 | 1,053,672 | 1,069,513 | 90,000 | 1,159,513 |
| Training (62113) - p. Police-12 | 448,210 | 466,243 | | 466,243 |
| Property/Evidence (62114) - p. Police-13 | 264,490 | 271,274 | | 271,274 |
| Police Activities League (62115) - p. Police-14 | 50,000 | 48,997 | | 48,997 |
| Patrol Services (62131) - p. Police-15 | 15,540,505 | 16,503,791 | | 16,503,791 |
| Criminal Investigation (62134) - p. Police-16 | 3,901,088 | 4,147,034 | | 4,147,034 |
| Total | 26,370,996 | 27,769,577 | (198,000) | 27,571,577 |
| PUBLIC WORKS SERVICES | | | | |
| Street System Maintenance (65132) - p. PWS-14 | 192,194 | 199,138 | 15,000 | 214,138 |
| Street Cleaning (65133) - p. PWS-14 | 99,427 | 101,589 | | 101,589 |
| Sidewalk Maintenance/Replacement (65134) - p. PWS-15 | 13,432 | 13,737 | | 13,737 |
| Street Tree Maintenance (65135) - p. PWS-16 | 773,760 | 785,623 | | 785,623 |
| Downtown/Entry Feature Maintenance (65136) - p. PWS-17 | 30,500 | 31,263 | | 31,263 |
| Storm Water Collection/Disposal (65161) - p. PWS-24 | 150,144 | 155,976 | | 155,976 |
| Total | 1,259,457 | 1,287,326 | 15,000 | 1,302,326 |
| TOTAL GENERAL FUNDS | 80,781,156 | 80,959,546 | 886,044 | 81,845,590 |

Budget Summary

CHANGES TO 2007/08 OPERATING BUDGET

| | <u>Original 07/08 Budget</u> | <u>Updated 07/08 Budget</u> | <u>Programmatic Changes</u> | <u>Revised 07/08 Budget</u> |
|--|----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| SPECIAL REVENUE FUNDS | | | | |
| Refer to 2006-2008 Adopted Budget as noted | | | | |
| TRAFFIC SAFETY FUND | | | | |
| Public Works | | | | |
| Traffic Control Maint. (65131) - p. PWS-13 | 1,038,234 | 1,050,460 | | 1,050,460 |
| Paint and Sign Maint. (65137) - p. PWS-18 | 263,743 | 249,524 | | 249,524 |
| Fund Total | 1,301,977 | 1,299,984 | | 1,299,984 |
| SPECIAL GAS TAX STREET IMPROVEMENT FUND | | | | |
| Public Works | | | | |
| Street System Maint. (65132) - p. PWS-14 | 1,131,705 | 1,097,458 | 206,000 | 1,303,458 |
| Street Cleaning (65133) - p. PWS-21 | 155,031 | 154,466 | | 154,466 |
| Sidewalk Maint. & Replacement (65134) - p. PWS-15 | 212,592 | 218,664 | | 218,664 |
| Storm Water Coll. & Disposal (65161) - p. PWS-25 | 332,724 | 326,709 | | 326,709 |
| Fund Total | 1,832,052 | 1,797,297 | 206,000 | 2,003,297 |
| GID 1-64 MAINTENANCE & OPERATION | | | | |
| Public Works | | | | |
| Storm Water Coll. & Disposal (65161) - p. PWS-25 | 456,871 | 453,088 | | 453,088 |
| Fund Total | 456,871 | 453,088 | | 453,088 |
| SEAPORT CENTRE MAINTENANCE DISTRICT | | | | |
| Community Development Services | | | | |
| General Engineering (65121) | 3,392 | 3,341 | | 3,341 |
| Public Works | | | | |
| Water Supply & Distr. (65144) | 6,729 | 6,729 | | 6,729 |
| Sewer System Maint. (65152) | 27,437 | 27,207 | | 27,207 |
| Storm Water Coll. & Disposal (65161) | 32,433 | 31,713 | | 31,713 |
| Fund Total | 69,991 | 68,990 | | 68,990 |
| SEAPORT LANDSCAPING MAINTENANCE DISTRICT | | | | |
| Community Development Services | | | | |
| General Engineering (65121) | 3,392 | 3,341 | | 3,341 |
| Parks/Recreation | | | | |
| Seaport Blvd. Landscape Maint. (65184) | 151,004 | 150,005 | | 150,005 |
| Public Works | | | | |
| Storm Water Collection and Disposal (65161) | 15,955 | 15,753 | | 15,753 |
| Fund Total | 170,351 | 169,099 | | 169,099 |
| REDWOOD SHORES LANDSCAPE MAINTENANCE DISTRICT | | | | |
| Parks/Recreation | | | | |
| Lido Landscape Maint. (66123) | 263,463 | 261,824 | | 261,824 |
| Fund Total | 263,463 | 261,824 | | 261,824 |
| CATEGORICAL GRANTS FUND | | | | |
| Federal Grants Program | | | | |
| Community Development | | | | |
| Admin - Housing Employees (66310) | 683,417 | 630,609 | | 630,609 |
| Housing Rehabilitation (66320) | 72,437 | 113,642 | | 113,642 |
| HOME Administration (66354) | 383,895 | 415,769 | | 415,769 |
| | 1,139,749 | 1,160,020 | | 1,160,020 |
| Rental Income Program | | | | |
| Rental Rehabilitation Administration (66380) | 402,443 | 400,000 | | 400,000 |
| Categorical Grants Total | 1,542,192 | 1,560,020 | | 1,560,020 |

City of Redwood City
 FY 2007/08 Budget Amendments
Budget Summary

CHANGES TO 2007/08 OPERATING BUDGET

| | <u>Original 07/08 Budget</u> | <u>Updated 07/08 Budget</u> | <u>Programmatic Changes</u> | <u>Revised 07/08 Budget</u> |
|--|----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| SPECIAL REVENUE FUNDS (Cont'd) | | | | |
| REDEVELOPMENT AGENCY | | | | |
| Housing Fund | | | | |
| Administration (66410) | 1,426,408 | 1,005,000 | | 1,005,000 |
| Rehabilitation (66471) | 300,000 | 300,000 | | 300,000 |
| | <u>1,726,408</u> | <u>1,305,000</u> | | <u>1,305,000</u> |
| General Fund | | | | |
| Administration (66410) | 1,851,002 | 2,309,134 | (41,887) | 2,267,247 |
| Tax Revenue Apportionment (66411) | 1,106,000 | 1,106,000 | | 1,106,000 |
| RWC Sch. Dist. Prop. Exch. Loan (66418) | 42,321 | 42,321 | | 42,321 |
| Economic Development Plan (66429) | 326,240 | 326,672 | | 326,672 |
| Sequoia Station (66454) | 300,000 | 300,000 | | 300,000 |
| Store Front Improvements (66464) | 100,000 | 100,000 | | 100,000 |
| RDA Interest on City Loan | 123,600 | 123,600 | | 123,600 |
| | <u>3,849,163</u> | <u>4,307,727</u> | <u>(41,887)</u> | <u>4,265,840</u> |
| Redevelopment Agency Fund Total | 5,575,571 | 5,612,727 | (41,887) | 5,570,840 |
| TRANSPORTATION FUND | | | | |
| Finance | | | | |
| Admin. Supp. Svcs. (61710) | 197,886 | 266,683 | | 266,683 |
| Engineering (65121) | 133,853 | 132,176 | | 132,176 |
| Fund Total | 331,739 | 398,859 | | 398,859 |
| LAW ENFORCEMENT GRANTS | | | | |
| Police | | | | |
| Citizens' Option for Public Safety (COPS) (62131) | 69,542 | 73,245 | 74,755 | 148,000 |
| Fund Total | 69,542 | 73,245 | 74,755 | 148,000 |
| AB 1546 MOTOR VEHICLE LICENSE FEE TRAFF. CONGESTION & STORM WATER POLLUTION | | | | |
| Public Works | | | | |
| Street Cleaning (65133) - p. PWS-21 | 39,350 | 39,350 | | 39,350 |
| Storm Water Coll. & Disposal (65161) - p. PWS-25 | 21,396 | 21,396 | | 21,396 |
| Fund Total | 60,746 | 60,746 | | 60,746 |
| TOTAL SPECIAL REVENUE FUNDS | 11,674,495 | 11,755,879 | 238,868 | 11,994,747 |

Budget Summary

CHANGES TO 2007/08 OPERATING BUDGET

| | <u>Original 07/08 Budget</u> | <u>Updated 07/08 Budget</u> | <u>Programmatic Changes</u> | <u>Revised 07/08 Budget</u> |
|--|----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <u>DEBT SERVICE FUNDS</u> | | | | |
| GID 1-64 RECLAMATION & FACILITIES BOND DEBT SERVICES FUND | | | | |
| Finance | | | | |
| Reclamation - Debt Service (61422-423) | 129,063 | 97,223 | | 97,223 |
| Facilities - Debt Service (61422-423) | 607,105 | 575,223 | | 575,223 |
| Fund Total | 736,168 | 672,446 | | 672,446 |
| ASSESSMENT DISTRICTS | | | | |
| Finance | | | | |
| Seaport Consolidated Assessment District Debt Service Fund (61423) | 947,077 | 947,077 | | 947,077 |
| Redwood Shores Traffic Improvement District Bonds Administrative Expense Fund (61421) | 28,717 | 28,717 | | 28,717 |
| Redwood Shores Traffic Improvement District Bonds Debt Service Fund (61423) | 882,835 | 882,835 | | 882,835 |
| Pacific Shores Bonds Debt Service Fund (61423) | 2,045,160 | 2,045,160 | | 2,045,160 |
| Pacific Shores Bonds Administrative Expense Fund (61421) | 25,000 | 25,000 | | 25,000 |
| Fund Total | 3,928,789 | 3,928,789 | | 3,928,789 |
| PUBLIC FINANCING AUTHORITY | | | | |
| Finance | | | | |
| 1998 PFA Lease Revenue Bonds (61423) | 1,213,047 | 1,213,047 | | 1,213,047 |
| 2003 PFA Refunding Bonds (61423) | 1,071,074 | 1,071,074 | | 1,071,074 |
| Fund Total | 2,284,121 | 2,284,121 | | 2,284,121 |
| REDEVELOPMENT AGENCY | | | | |
| 1997 RDA Tax Allocation Bonds (61423) | 1,521,747 | 1,521,747 | | 1,521,747 |
| 2003 RDA Tax Allocation Bonds (61423) | 659,210 | 659,210 | | 659,210 |
| Fund Total | 2,180,957 | 2,180,957 | | 2,180,957 |
| CITY HALL BONDS DEBT SERVICE FUND | | | | |
| Debt Service (61423) | 878,726 | 878,726 | | 878,726 |
| Fund Total | 878,726 | 878,726 | | 878,726 |
| TOTAL DEBT SERVICE FUNDS | 10,008,761 | 9,945,039 | | 9,945,039 |

Budget Summary

CHANGES TO 2007/08 OPERATING BUDGET

| | <u>Original 07/08 Budget</u> | <u>Updated 07/08 Budget</u> | <u>Programmatic Changes</u> | <u>Revised 07/08 Budget</u> |
|--|----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| ENTERPRISE FUNDS | | | | |
| PARKING DISTRICT FUND | | | | |
| Community Development Services | | | | |
| Downtown Facilities Operations (65175) | 1,216,425 | 1,230,501 | | 1,230,501 |
| Finance | | | | |
| Revenue Services (61410) | 56,190 | 52,575 | | 52,575 |
| Debt Service (61423) | 40,000 | 40,000 | | 40,000 |
| Admin. Support Svcs. (61710) | 2,015 | 2,015 | | 2,015 |
| | <u>98,205</u> | <u>94,590</u> | | <u>94,590</u> |
| Police | | | | |
| Patrol Services (62131) | 614,289 | 638,052 | | 638,052 |
| Public Works | | | | |
| Street System Maint. (65132) | 381,881 | 369,312 | | 369,312 |
| Fund Total | <u>2,310,800</u> | <u>2,332,455</u> | | <u>2,332,455</u> |
| WATER FUND | | | | |
| Finance | | | | |
| Revenue Services (61410) | 1,403,622 | 1,458,368 | 10,000 | 1,468,368 |
| Admin. Support Svcs. (61710) | 178,381 | 19,381 | | 19,381 |
| | <u>1,582,003</u> | <u>1,477,749</u> | 10,000 | <u>1,487,749</u> |
| Public Works | | | | |
| Water Customer Services (65142) | 1,747,548 | 1,775,319 | | 1,775,319 |
| Water Supply & Distribution (65144) | 5,522,562 | 5,980,600 | 15,000 | 5,995,600 |
| SFWD Water Purchases (65145) | 6,894,585 | 6,894,585 | 543,119 | 7,437,704 |
| Water Resources Management (65146) | 1,029,111 | 1,065,685 | | 1,065,685 |
| Recycled Water (65147) | 4,052,942 | 4,058,874 | 834,313 | 4,893,187 |
| | <u>19,246,748</u> | <u>19,775,063</u> | <u>1,392,432</u> | <u>21,167,495</u> |
| Fund Total | <u>20,828,751</u> | <u>21,252,812</u> | <u>1,402,432</u> | <u>22,655,244</u> |
| SEWER FUND | | | | |
| Finance | | | | |
| Admin. Support Svcs. (61710) | 75,661 | 12,661 | | 12,661 |
| Public Works | | | | |
| Sewer System Maint. (65152) | 4,301,340 | 4,490,060 | | 4,490,060 |
| Waste Water Treat. & Disposal (65154) | 8,296,049 | 8,296,049 | | 8,296,049 |
| Storm Water Coll. & Disposal (65161) | 722,712 | 732,048 | | 732,048 |
| | <u>13,320,101</u> | <u>13,518,157</u> | | <u>13,518,157</u> |
| Fund Total | <u>13,395,762</u> | <u>13,530,818</u> | | <u>13,530,818</u> |
| TOTAL ENTERPRISE FUNDS | <u>36,535,313</u> | <u>37,116,085</u> | <u>1,402,432</u> | <u>38,518,517</u> |

Budget Summary

CHANGES TO 2007/08 OPERATING BUDGET

| INTERNAL SERVICE FUNDS | Original 07/08 Budget | Updated 07/08 Budget | Programmatic Changes | Revised 07/08 Budget |
|---|----------------------------------|---------------------------------|---------------------------------|---------------------------------|
| EQUIPMENT SERVICES FUND | | | | |
| Public Works | | | | |
| Equipment Services (67230) | 3,647,280 | 3,676,792 | | 3,676,792 |
| Fund Total | 3,647,280 | 3,676,792 | | 3,676,792 |
| INTERNAL SERVICES FUND | | | | |
| City Clerk | | | | |
| Warehouse Services (67222) | 187,427 | 191,914 | | 191,914 |
| Finance | | | | |
| Information Technology (67110) | 2,307,093 | 2,282,757 | | 2,282,757 |
| Telephone Services (67211) | 407,742 | 408,667 | | 408,667 |
| Total | 2,714,835 | 2,691,424 | | 2,691,424 |
| Fire | | | | |
| Fire Operations (62220) | 88,771 | 88,771 | | 88,771 |
| Police | | | | |
| Central Dispatching Svcs. (67310) | 2,301,978 | 2,303,873 | | 2,303,873 |
| Parks/Recreation | | | | |
| Custodial Services (67241) | 1,508,282 | 1,375,807 | 31,032 | 1,406,839 |
| Bldg. Maint. & Repair Svcs. (67242) | 1,323,342 | 1,319,689 | 105,421 | 1,425,110 |
| Total | 2,831,624 | 2,695,496 | 136,453 | 2,831,949 |
| Fund Total | 8,124,635 | 7,971,478 | 136,453 | 8,107,931 |
| EMPLOYEE BENEFITS FUND | | | | |
| Finance | | | | |
| Administrative Support (61710) | 1,597,000 | 1,597,000 | | 1,597,000 |
| Fund Total | 1,597,000 | 1,597,000 | | 1,597,000 |
| WORKERS' COMPENSATION FUND | | | | |
| Human Resources | | | | |
| Risk Mgmt. - Workers' Comp (67713) | 2,384,677 | 2,392,191 | | 2,392,191 |
| Fund Total | 2,384,677 | 2,392,191 | | 2,392,191 |
| GENERAL LIABILITY INSURANCE FUND | | | | |
| Finance | | | | |
| Risk Management (67711-715) | 1,375,448 | 1,378,188 | | 1,378,188 |
| Fund Total | 1,375,448 | 1,378,188 | | 1,378,188 |
| TOTAL INTERNAL SERVICE FUNDS | 15,532,040 | 17,015,649 | 136,453 | 17,152,102 |
| TOTAL ALL FUNDS | 154,531,765 | 156,792,198 | 2,663,797 | 159,455,995 |

Budget Summary

ANALYSIS of BUDGET BY FUND – 2007/08

| | BEGINNING BALANCE | ESTIMATED REVENUES | TRANSFER IN/(OUT) | TOTAL AVAILABLE |
|---|----------------------|-----------------------|----------------------|--------------------|
| GENERAL OPERATING FUNDS | | | | |
| General Fund | 20,643,973 | 74,777,319 | (7,806,484) | 87,614,808 |
| Library Fund | | 666,945 | 5,562,132 | 6,229,077 |
| Recreation Program Fund | | 1,519,440 | (89,672) | 1,429,768 |
| Sandpiper Park/Shores Child Care Reserves | | | | |
| Subtotal | 20,643,973 | 76,963,704 | (2,334,024) | 95,273,653 |
| SPECIAL REVENUE FUNDS | | | | |
| Traffic Safety Fund | | 358,900 | 941,084 | 1,299,984 |
| Special Gas Tax Fund | | 1,455,120 | 548,177 | 2,003,297 |
| GD 1-64 Maintenance District | 589,161 | 623,175 | (250,000) | 962,336 |
| Seaport Centre Maintenance | 784,317 | 187,000 | | 971,317 |
| Seaport Blvd. Landscape Maintenance | 190,412 | 221,466 | | 411,878 |
| Lido Maintenance District | 157,289 | 177,095 | | 334,384 |
| Grants | | 1,681,512 | | 1,681,512 |
| Redevelopment Agency | (663,203) | 10,435,235 | (2,085,957) | 7,686,075 |
| S.L.E.S.F. Grant | 443 | 148,000 | | 148,443 |
| Subtotal | 1,058,419 | 15,287,503 | (846,696) | 15,499,226 |
| CAPITAL IMPROVEMENT FUNDS | | | | |
| Utility Users' Tax | | 9,108,000 | (6,786,000) | 2,322,000 |
| Gas Tax Construction | | | 1,127,500 | 1,127,500 |
| Transportation Fund | 396,149 | 1,375,787 | | 1,771,936 |
| Capital Projects Fund | 2,093,834 | 1,249,068 | 5,450,900 | 8,793,802 |
| GD Facilities Fees Fund | 425,203 | 175,000 | | 600,203 |
| Water Capital Projects Fund | 1,299,283 | | 2,250,000 | 3,549,283 |
| Sewer Capital Projects Fund | 444,302 | | 1,200,000 | 1,644,302 |
| Grants and Bond Proceeds | 102,000 | 1,208,687 | | 1,310,687 |
| Traffic Impact Fees | 1,386,231 | 567,000 | | 1,953,231 |
| Traffic Mitigation Funds | 2,754,433 | 197,000 | | 2,951,433 |
| Subtotal | 8,901,435 | 13,880,542 | 3,242,400 | 26,024,377 |
| DEBT SERVICE FUNDS | | | | |
| General Improvement District 1-64 | 1,125,155 | 5,000 | | 1,130,155 |
| Assessment Districts | 7,566,048 | 4,083,671 | | 11,649,719 |
| City Hall Certificates of Participation | 9,973,805 | 398,726 | | 10,372,531 |
| Public Financing Authority | 4,187,069 | 2,502,551 | 2,085,957 | 8,775,577 |
| Subtotal | 22,852,077 | 6,989,948 | 2,085,957 | 31,927,982 |
| ENTERPRISE FUNDS | | | | |
| Parking Fund | | 1,140,000 | 1,200,000 | 2,340,000 |
| Water Fund | 11,238,535 | 23,992,120 | (1,650,287) | 33,580,368 |
| Sewer Fund | 748,925 | 15,671,149 | (1,649,350) | 14,770,725 |
| Subtotal | 11,987,460 | 40,803,269 | (2,099,637) | 50,691,092 |
| TOTAL ALL FUNDS | | | | |
| (excluding Internal Service) | 65,443,364 | 153,924,966 | 48,000 | 219,416,330 |
| INTERNAL SERVICE FUNDS | | | | |
| Equipment Services Fund | 4,137,010 | 3,557,563 | | 7,694,573 |
| Internal Services Fund | 140,591 | 8,141,270 | (48,000) | 8,233,861 |
| Workers' Compensation Insurance Fund | (537,228) | 2,430,000 | | 1,892,772 |
| General Liability Insurance Fund | 872,740 | 1,537,799 | | 2,410,539 |
| Employee Benefits Fund | | 2,160,892 | | 2,160,892 |
| Subtotal | 4,613,113 | 17,827,524 | (48,000) | 22,392,637 |
| TOTAL ALL FUNDS | | | | |
| | 70,056,476 | 171,752,491 | 0 | 241,808,967 |

(1) General expenditures are shown net of expenditures that are reimbursed by the Redevelopment Agency

Budget Summary

ANALYSIS of BUDGET BY FUND – 2007/08

| OPERATIONS DEBT SERVICE | CAPITAL IMPROVEMENTS | TOTAL EXPENDITURE | ENDING BALANCE |
|----------------------------|-------------------------|----------------------|-------------------|
| 68,592,498 (1) | | 68,592,497 | 19,022,311 |
| 6,229,077 | | 6,229,077 | |
| 1,429,768 | | 1,429,768 | |
| | | | 345,358 |
| 76,251,343 | | 76,251,343 | 19,367,669 |
| 1,299,984 | | 1,299,984 | |
| 2,003,297 | | 2,003,297 | |
| 453,088 | | 453,088 | 509,248 |
| 68,990 | 128,000 | 196,990 | 774,327 |
| 169,099 | 33,900 | 202,999 | 208,879 |
| 261,824 | | 261,824 | 72,560 |
| 1,620,766 | 60,746 | 1,681,512 | |
| 5,570,840 | 2,250,000 | 7,820,840 | (134,765) |
| 148,000 | | 148,000 | 443 |
| 11,595,888 | 2,472,646 | 14,068,534 | 1,430,692 |
| 2,322,000 | | 2,322,000 | |
| | 1,127,500 | 1,127,500 | |
| 398,859 | 1,000,000 | 1,398,859 | 373,077 |
| | 6,557,520 | 6,557,520 | 2,236,282 |
| | 495,978 | 495,978 | 104,225 |
| | 2,250,000 | 2,250,000 | 1,299,283 |
| | 1,200,000 | 1,200,000 | 444,302 |
| | 1,208,687 | 1,208,687 | 102,000 |
| | 350,000 | 350,000 | 1,603,231 |
| | | | 2,951,433 |
| 2,720,859 | 14,189,685 | 16,910,544 | 9,113,833 |
| 672,446 | | 672,446 | 457,709 |
| 3,928,789 | | 3,928,789 | 7,720,930 |
| 878,726 | | 878,726 | 9,493,805 |
| 4,465,078 | | 4,465,078 | 4,310,499 |
| 9,945,039 | | 9,945,039 | 21,982,943 |
| 2,332,455 | | 2,332,455 | 7,545 |
| 22,655,244 | | 22,655,244 | 10,925,124 |
| 13,530,818 | | 13,530,818 | 1,239,907 |
| 38,518,517 | | 38,518,517 | 12,172,575 |
| 139,031,646 | 16,662,331 | 155,693,977 | 64,067,712 |
| 3,676,792 | | 3,676,792 | 4,017,781 |
| 8,107,931 | | 8,107,931 | 125,930 |
| 2,392,191 | | 2,392,191 | (499,419) |
| 1,378,188 | | 1,378,188 | 1,032,351 |
| 1,597,000 | | 1,597,000 | 563,892 |
| 17,152,102 | | 17,152,102 | 5,240,535 |
| 156,183,748 | 16,662,331 | 172,846,079 | 69,308,247 |

City of Redwood City
 FY 2007/08 Budget Amendments
Budget Summary

REVENUE ESTIMATES

| | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL | 2006-07 BUDGET | 2006-07 ESTIMATE | 2007-08 BUDGET |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| GENERAL FUND | | | | | | |
| A PROPERTY TAXES | | | | | | |
| 1 Current Year Secured Taxes | 17,612,648 | 19,107,837 | 19,795,113 | 21,222,901 | 21,760,752 | 23,139,436 |
| 2 Current Year Unsecured Taxes | 1,642,891 | 1,350,789 | 1,237,116 | 1,227,668 | 1,026,346 | 1,154,618 |
| 3 Prior Year Taxes | 13,434 | 28,354 | 40,759 | 5,000 | 5,000 | 5,000 |
| 4 Teeter Plan/ERAF Return from County | 1,167,205 | 2,534,917 | 3,437,022 | 1,700,000 | 2,613,447 | 1,700,000 |
| 5 Property Tax In-Lieu of Vehicle License Fee | | | 4,823,530 | 4,888,775 | 4,917,828 | 5,265,723 |
| 6 State Take-Aways | | (1,451,374) | (1,451,374) | | | |
| Total Property Taxes | 20,436,178 | 21,570,523 | 27,882,166 | 29,044,344 | 30,323,373 | 31,264,777 |
| B OTHER TAXES & FEES | | | | | | |
| 1 Sales and Use Taxes | 15,745,034 | 16,476,894 | 17,902,816 | 17,484,285 | 19,291,136 | 19,206,307 |
| 2 Franchise Fees | 1,200,381 | 1,237,870 | 1,327,402 | 1,349,360 | 1,405,452 | 1,455,656 |
| 3 Transient Occupancy Taxes | 1,838,796 | 2,227,632 | 2,649,605 | 2,760,035 | 2,943,248 | 3,119,843 |
| 4 Property Transfer Taxes | 662,961 | 829,061 | 1,034,745 | 800,000 | 700,000 | 800,000 |
| 5 Business License Taxes | 1,221,568 | 1,483,598 | 1,355,933 | 1,232,000 | 1,340,000 | 1,397,372 |
| Total Other Taxes | 20,668,740 | 22,255,055 | 24,270,501 | 23,625,680 | 25,679,836 | 25,979,178 |
| C LICENSES AND PERMITS | | | | | | |
| 1 Building Permits | 824,865 | 970,661 | 1,053,978 | 810,000 | 1,100,000 | 950,000 |
| 2 Other Licenses and Permits | 18,400 | 14,644 | 18,021 | 12,010 | 14,730 | 12,040 |
| 3 Parking Permits | 21,150 | 40,370 | | | | |
| 4 Fire Permits | 95,157 | 101,179 | 95,782 | 100,000 | 100,000 | 105,000 |
| Total Licenses and Permits | 959,572 | 1,126,854 | 1,167,781 | 922,010 | 1,214,730 | 1,067,040 |
| D FINES AND FORFEITURES | | | | | | |
| 1 Parking Fines | 550,054 | 670,968 | 605,746 | 650,000 | 650,000 | 650,000 |
| 2 Administrative Citation Fines | 31,903 | (11,269) | 3,825 | 3,000 | 23,000 | 3,000 |
| Total Fines and Forfeitures | 581,957 | 659,699 | 609,571 | 653,000 | 673,000 | 653,000 |
| E USE OF MONEY AND PROPERTY | | | | | | |
| 1 Interest Income | 1,085,701 | 663,000 | 1,382,027 | 797,500 | 1,047,500 | 1,197,500 |
| 2 Rents and Concessions | 380,004 | 432,724 | 440,818 | 412,000 | 236,584 | 236,584 |
| Total Uses of Money and Property | 1,465,705 | 1,095,724 | 1,822,845 | 1,209,500 | 1,284,084 | 1,434,084 |
| F REVENUE FROM OTHER AGENCIES | | | | | | |
| 1.1 Motor Vehicle In-Lieu Fee | 3,435,771 | 4,591,959 | 468,955 | 536,000 | 536,000 | 557,960 |
| 1.2 Motor Vehicle In-Lieu Loan Repayment | | | 1,300,641 | | | |
| 1.3 Enhanced Motor Vehicle Collections | 68,350 | | | | | |
| 2 Proposition 172 Sales Tax | 585,168 | 597,648 | 607,278 | 658,906 | 610,000 | 628,300 |
| 3 Police Officer Training Reimbursement | 9,546 | 24,731 | 26,922 | 20,000 | 12,000 | 25,000 |
| 4 Police Athletic League | 72,103 | 80,026 | 69,558 | 50,000 | 123,000 | 107,500 |
| 5 Homeowner Property Tax Relief | 203,804 | 193,062 | 192,799 | 195,000 | 195,000 | 195,000 |
| 6 Off Highway License Fee | 2,230 | 2,637 | 2,884 | 2,600 | 2,800 | 2,600 |
| 7 State-Mandated Prog. Reimbursement | 42 | 88,451 | 160,859 | 88,000 | 390,780 | 90,000 |
| 8 Recreation Program Grants | 783,571 | 641,470 | 928,414 | 546,864 | 655,233 | 547,000 |
| 9 State Booking Fee Reimbursements | 284,417 | 284,417 | | | 106,912 | |
| 10 State Contribution for Streets | 27,831 | 34,615 | 36,300 | 29,830 | 36,300 | 37,500 |
| 11 County Contr. to Fair Oaks Info/Referral | 73,408 | 44,632 | 67,865 | 58,726 | 58,726 | 58,726 |
| 12 Fair Oaks Center Contribution/Grants | 302,847 | 324,929 | 257,791 | 278,999 | 270,881 | 270,881 |
| 13 Paramedic Program Contribution | 202,185 | 221,661 | 242,388 | 243,830 | 114,180 | 112,000 |
| 14 Contribution from Port of Redwood City | 354,732 | 590,557 | 610,152 | 380,000 | 332,000 | 315,000 |
| Total Revenue from Other Agencies | 6,406,005 | 7,720,795 | 4,972,806 | 3,088,755 | 3,443,812 | 2,947,467 |

City of Redwood City
 FY 2007/08 Budget Amendments
Budget Summary

REVENUE ESTIMATES

| | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL | 2006-07 BUDGET | 2006-07 ESTIMATE | 2007-08 BUDGET |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| G CHARGES FOR CURRENT SERVICES | | | | | | |
| 1 Planning Fees | 76,395 | 60,500 | 24,477 | 192,000 | 158,000 | 145,000 |
| 2 Sale of Maps and Publications | 5,423 | 12,361 | 7,382 | 1,000 | 4,000 | 4,000 |
| 3 Fire Services | 274,335 | 394,567 | 272,197 | 284,000 | 314,889 | 266,900 |
| 4 Fire Inspection Fees | 2,164 | 3,538 | 4,638 | 4,000 | 7,000 | 8,000 |
| 5 Police Services | 270,297 | 299,794 | 335,041 | 240,000 | 202,000 | 201,000 |
| 6 Plan Checking Fees | 334,048 | 382,091 | 444,442 | 409,300 | 679,000 | 424,000 |
| 7 Garbage Collection Franchise Fees | 1,531,001 | 1,507,069 | 1,545,802 | 1,605,150 | 1,698,732 | 1,937,483 |
| 8 Engineering Services | 319,739 | 369,391 | 211,249 | 512,000 | 180,000 | 240,000 |
| 9 Accounting Services | 82,475 | 83,205 | 84,845 | 75,486 | 75,486 | 65,505 |
| 10 Miscellaneous Fees and Charges | 35,988 | 42,712 | 23,250 | 10,200 | 10,200 | 10,200 |
| 11 Sr. Advisory Council Reimbursement | 224,879 | 202,300 | 212,020 | 268,135 | 268,135 | 286,591 |
| 12 Reimbursable Planning Contracts | 447,066 | 180,294 | 304,525 | 300,000 | 500,000 | 350,000 |
| 13 SBSA Landscape Maintenance Svcs. | 71,880 | 87,886 | 83,178 | 97,138 | 97,138 | 102,006 |
| 14 Shopping Cart Collection Fees | 79,084 | 81,955 | 66,294 | 85,000 | 65,000 | 65,000 |
| 15 Planning Cost Recovery | 175,483 | 126,759 | 171,464 | 174,000 | 225,000 | 175,000 |
| 16 Courthouse Square Rental Income | | | | 18,728 | 18,728 | 24,970 |
| 17 After School Program Fees | | | | 110,000 | 110,000 | 130,000 |
| Total Charges for Current Services | 3,930,257 | 3,834,422 | 3,790,804 | 4,386,137 | 4,613,308 | 4,435,655 |
| H OTHER REVENUE | | | | | | |
| 1 Sale of Property | 4,700 | 25,387 | 5,100 | | | |
| 2 Water Fund Right-of-Way Comp. | 1,264,292 | 1,570,950 | 1,739,160 | 1,925,550 | 1,925,550 | 2,118,105 |
| 3 Sewer Fund Right-of-Way Comp. | 920,833 | 1,054,457 | 1,122,008 | 1,178,334 | 1,178,334 | 1,236,900 |
| 4 Parking Fund Right-of-Way Comp. | 42,703 | 36,527 | 40,732 | 40,732 | 40,732 | 42,000 |
| 5 Interdepartmental Operating Transfers | 1,860,019 | 2,198,520 | 2,288,117 | 2,124,920 | 2,124,920 | 2,206,311 |
| 6 Other Revenues | 1,495,135 | 1,561,605 | 1,496,350 | 1,395,496 | 1,396,440 | 1,392,802 |
| Total Other Revenue | 5,587,682 | 6,447,446 | 6,691,467 | 6,665,032 | 6,665,976 | 6,996,118 |
| I LIBRARY REVENUE | | | | | | |
| 1 Library Grants | 444,701 | 357,541 | 542,531 | 200,000 | 447,000 | 200,000 |
| 2 County Contr. to Fair Oaks Library | 165,446 | 186,214 | 205,572 | 201,000 | 201,000 | 220,000 |
| 3 Library Services | 198,712 | 147,561 | 105,042 | 206,000 | 243,227 | 246,945 |
| Total Library Revenue | 808,859 | 691,316 | 853,145 | 607,000 | 891,227 | 666,945 |
| J RECREATION REVENUES | | | | | | |
| 1 Recreation Program Fees | 1,582,784 | 1,564,895 | 1,686,046 | 1,439,056 | 1,519,740 | 1,519,440 |
| Total General Fund Revenues | 62,427,739 | 66,966,729 | 73,747,132 | 71,640,514 | 76,309,086 | 76,963,704 |
| <u>SPECIAL REVENUE FUNDS</u> | | | | | | |
| A TRAFFIC SAFETY FUND | | | | | | |
| 1 Total Traffic Fines | 282,481 | 365,976 | 348,069 | 321,700 | 357,411 | 358,900 |
| B GAS TAX OPERATING FUNDS | | | | | | |
| 1 Gas Tax Section 2107 and 2017.5 | 641,482 | 641,283 | 631,531 | 631,310 | 624,814 | 631,060 |
| 2 Gas Tax Section 2105 | 475,617 | 477,040 | 467,895 | 475,140 | 468,743 | 473,430 |
| 3 Gas Tax Section 2106 | 357,474 | 356,421 | 347,692 | 353,090 | 347,161 | 350,630 |
| 4 Gas Tax Interest Income | (4,774) | 3,459 | (5,355) | | | |
| 5 Hauling Fees and Miscellaneous | 123,607 | 23,484 | 713 | | | |
| Total Gas Tax Funds | 1,593,406 | 1,501,687 | 1,442,476 | 1,459,540 | 1,440,718 | 1,455,120 |
| C MAINTENANCE DISTRICTS | | | | | | |
| 1 GID 1-64 | 563,621 | 600,289 | 619,955 | 592,484 | 605,948 | 623,175 |
| 2 Seaport Centre | 290,702 | 303,533 | 210,218 | 187,000 | 187,000 | 187,000 |
| 3 Seaport Boulevard | 159,788 | 167,084 | 217,029 | 216,314 | 221,384 | 221,466 |
| 4 Lido Area | 172,734 | 173,762 | 178,767 | 179,013 | 175,624 | 177,095 |
| Total Maint. District Funds | 1,186,845 | 1,244,668 | 1,225,969 | 1,174,811 | 1,189,956 | 1,208,736 |

City of Redwood City
 FY 2007/08 Budget Amendments
Budget Summary

REVENUE ESTIMATES

| | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL | 2006-07 BUDGET | 2006-07 ESTIMATE | 2007-08 BUDGET |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| D GRANTS | | | | | | |
| 1 Federal Law Enforcement Grants | 44,937 | 19,528 | 445 | | | |
| 2 Interest Income | 2,142 | 1,322 | 303 | | | |
| 3 Community Development Block Grant | | | | 1,130,783 | 1,130,783 | 1,160,020 |
| 4 Program Income | | | | 400,000 | 400,000 | 400,000 |
| 5 Other Grants | 3,755 | | | | | |
| 6 Vehicle License Fee Surcharge | | | 60,297 | 121,492 | 121,492 | 121,492 |
| Total Grants | 50,834 | 20,850 | 61,045 | 1,652,275 | 1,652,275 | 1,681,512 |
| E REDEVELOPMENT HOUSING FUND | | | | | | |
| 1 Property Tax Increment | 1,808,380 | 1,856,496 | 1,864,096 | 2,018,824 | 2,000,882 | 2,252,387 |
| 2 Interest Income | 137,270 | 145,359 | 110,980 | 98,886 | 157,107 | 146,624 |
| 3 Miscellaneous Revenue | 124,632 | 375,812 | 164,489 | | | |
| Total Redevelopment Housing Fund | 2,070,282 | 2,377,667 | 2,139,565 | 2,117,710 | 2,157,989 | 2,399,011 |
| F REDEVELOPMENT GENERAL FUND | | | | | | |
| 1 Property Tax Increment | 6,195,168 | 6,404,455 | 6,510,190 | 6,997,486 | 7,119,756 | 7,950,699 |
| 2 Interest Income | 615,873 | 435,571 | 278,938 | 178,733 | 325,474 | 85,525 |
| 3 Other Revenues | 34,973,967 | 6,038,043 | 205,867 | 551,490 | 781,490 | |
| Total Redevelopment General Fund | 41,785,008 | 12,878,069 | 6,994,995 | 7,727,709 | 8,226,720 | 8,036,224 |
| Subtotal Redevelopment Agency Fund | 43,855,290 | 15,255,736 | 9,134,560 | 9,845,419 | 10,384,709 | 10,435,235 |
| G SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND GRANT | | | | | | |
| 1 S.L.E.S.F. Grant | 113,212 | 110,267 | 109,639 | 85,000 | 148,000 | 148,000 |
| 2 Interest Income | 745 | 898 | 2,292 | | | |
| Total S.L.E.S.F Grant | 113,957 | 111,165 | 111,931 | 85,000 | 148,000 | 148,000 |
| Total Special Revenue Funds | 47,082,813 | 18,500,082 | 12,324,050 | 14,538,745 | 15,173,069 | 15,287,503 |
| CAPITAL PROJECT FUNDS | | | | | | |
| A CAPITAL PROJECTS FUND | | | | | | |
| 1 Utility Users Taxes | 7,497,057 | 7,665,519 | 8,684,378 | 7,975,206 | 8,800,000 | 9,108,000 |
| 2 Other Revenues | 14,166,076 | 3,283,142 | 416,771 | | 555,610 | 575,468 |
| 3 Interest Income | 429,094 | 441,431 | 837,458 | 528,000 | 1,163,966 | 673,600 |
| Total Capital Projects Fund | 22,092,227 | 11,390,092 | 9,938,607 | 8,503,206 | 10,519,576 | 10,357,068 |
| B TRANSPORTATION FUND | | | | | | |
| 1 Measure 'A' Funds | 1,051,894 | 1,121,857 | 1,278,604 | 1,352,898 | 1,307,243 | 1,359,533 |
| 2 C/CAG Reimbursement | | 223,700 | | | | |
| 3 Interest Income | 48,840 | 24,603 | 28,517 | 21,000 | 23,622 | 16,254 |
| Total Measure 'A' Funds | 1,100,734 | 1,370,160 | 1,307,121 | 1,373,898 | 1,330,865 | 1,375,787 |
| C PUBLIC FINANCING AUTHORITY CONSTRUCTION FUND | | | | | | |
| 1 Series -B- Interest Income | 1,394 | 3,092 | 6,477 | | | |
| D GID 1- 64 FACILITIES FEES FUND | | | | | | |
| 1 Interest Income | 316,742 | 280,352 | 307,823 | 259,000 | 287,900 | 175,000 |
| E CONSTRUCTION GRANTS FUND | | | | | | |
| 1 Transportation Grants | 1,955,329 | 3,808,289 | 2,666,583 | 900,000 | 900,000 | 1,208,687 |
| 2 Other Grants | 1,045,459 | 53,090 | | | | |
| 3 Interest Income | | 3,467 | 4,848 | | | |
| Total Construction Grants Fund | 3,000,788 | 3,864,846 | 2,671,431 | 900,000 | 900,000 | 1,208,687 |
| F TRAFFIC MITIGATION FEES FUND | | | | | | |
| 1 Interest Income | 128,390 | 117,185 | 137,870 | 152,000 | 172,000 | 197,000 |

Budget Summary

REVENUE ESTIMATES

| | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL | 2006-07 BUDGET | 2006-07 ESTIMATE | 2007-08 BUDGET |
|--|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| G TRAFFIC IMPACT FEES FUND | | | | | | |
| 1 Traffic Impact Fees | 188,126 | 97,454 | 149,513 | 900,000 | 50,000 | 330,000 |
| 2 Interest Income | 102,157 | 118,800 | 252,863 | 200,000 | 288,000 | 237,000 |
| Total Traffic Impact Fees Fund | 290,283 | 216,254 | 402,376 | 1,100,000 | 338,000 | 567,000 |
| H ASSESSMENT DISTRICT BOND PROCEEDS AND INTEREST INCOME | | | | | | |
| 1 Redwood Shores Traffic Improvement | 433,662 | 246,683 | 298,427 | | 45,000 | |
| 2 Pacific Shores Traffic Improvement | 6,695 | 20,571 | 47,315 | | 57,000 | |
| Total Assessment District Fund | 440,357 | 267,254 | 345,742 | | 102,000 | |
| I TAX ALLOCATION BONDS FUND | | | | | | |
| 1 RDA Tax Allocation Issuance | 46 | | | | | |
| Total Capital Project Funds | 27,370,961 | 17,509,235 | 15,117,447 | 12,288,104 | 13,650,341 | 13,880,542 |
| DEBT SERVICE FUNDS | | | | | | |
| A GID 1- 64 FACILITIES BONDS | | | | | | |
| 1 Assessments | 1,348,692 | 1,349,508 | 1,339,444 | 1,406,292 | 1,406,292 | |
| 2 Interest Income | 6466 | 5,563 | 6,246 | | | |
| Total GID 1-64 Facilities Fund | 1,355,158 | 1,355,071 | 1,345,690 | 1,406,292 | 1,406,292 | |
| B GID 1-64 RECLAMATION BONDS | | | | | | |
| 1 Assessments | 647,379 | 639,540 | 636,038 | | | |
| 2 Interest Income | 10,407 | 9,271 | 10,669 | 5,000 | 5,000 | 5,000 |
| Total GID 1-64 Reclamation Fund | 657,786 | 648,811 | 646,707 | 5,000 | 5,000 | 5,000 |
| F PUBLIC FINANCING AUTHORITY | | | | | | |
| 1 Rental Income | 1,947,203 | 2,215,381 | 2,224,641 | 2,293,479 | 2,293,479 | 2,284,121 |
| 2 Interest Income | 146,351 | 73,388 | 69,776 | 85,000 | 85,000 | 93,200 |
| Total Public Financing Authority | 2,093,554 | 2,288,769 | 2,294,417 | 2,378,479 | 2,378,479 | 2,377,321 |
| G 1997 TAX ALLOCATION BONDS | | | | | | |
| 1 Interest Income | 95,525 | 114,814 | 126,608 | 95,230 | 125,230 | 125,230 |
| H CITY HALL FINANCING | | | | | | |
| 1 Interest Income | 215,050 | 287,267 | 387,936 | 368,467 | 368,467 | 398,726 |
| I SEAPORT CONSOLIDATED ASSESSMENT DISTRICT | | | | | | |
| 1 Assessments | 1,307,481 | 1,297,924 | 973,049 | 967,320 | 970,937 | 831,302 |
| 2 Interest Income | 22,214 | 34,988 | 45,760 | 44,100 | 67,000 | 67,000 |
| Total Sprt. Cons. Assess. Dist. Fund | 1,329,695 | 1,332,912 | 1,018,809 | 1,011,420 | 1,037,937 | 898,302 |
| J PACIFIC SHORES ASSESSMENT DISTRICT | | | | | | |
| 1 Assessments | 2,083,383 | 2,059,263 | 2,058,460 | 2,098,360 | 2,009,460 | 2,219,675 |
| 2 Interest Income | 35,414 | 57,698 | 80,448 | 76,000 | 76,000 | 76,000 |
| Total Pac. Shores Assess. Distr. Fund | 2,118,797 | 2,116,961 | 2,138,908 | 2,174,360 | 2,085,460 | 2,295,675 |
| K REDWOOD SHORES TRANSPORTATION ASSESSMENT DISTRICT | | | | | | |
| 1 Assessments | 1,006,169 | 1,005,824 | 912,733 | 915,408 | 915,408 | 845,694 |
| 2 Interest Income | 16,962 | 28,657 | 43,425 | 44,000 | 44,000 | 44,000 |
| Total RW Shores Assess. Distr. Fund | 1,023,131 | 1,034,481 | 956,158 | 959,408 | 959,408 | 889,694 |
| Total Debt Service Funds | 8,888,696 | 9,179,086 | 8,915,233 | 8,398,656 | 8,366,273 | 6,989,948 |

City of Redwood City
 FY 2007/08 Budget Amendments
Budget Summary

REVENUE ESTIMATES

| | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL | 2006-07 BUDGET | 2006-07 ESTIMATE | 2007-08 BUDGET |
|--|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| ENTERPRISE FUNDS | | | | | | |
| A PARKING | | | | | | |
| 1 Property Taxes | 26,095 | 34,081 | 50,584 | 25,500 | 60,000 | 25,000 |
| 2 Parking Fees | 412,520 | 445,722 | 438,284 | 2,426,189 | 769,090 | 1,115,000 |
| 3 Interest Income | 23,714 | 25,278 | 34,391 | 40,026 | 22,000 | |
| Total Parking Fund | 462,329 | 505,081 | 523,259 | 2,491,715 | 851,090 | 1,140,000 |
| B WATER UTILITY | | | | | | |
| 1 Interest Income | 385,887 | 679,091 | 1,713,772 | 398,076 | 583,600 | 647,120 |
| 2 Facility Fees | 345,894 | 298,679 | 237,054 | 250,000 | 250,000 | 250,000 |
| 3 Connection Fees | 124,497 | 89,485 | 112,330 | 120,000 | 120,000 | 120,000 |
| 4 Basic Service Charges | 5,249,445 | 5,463,518 | 5,688,687 | 6,703,930 | 6,703,930 | 7,391,000 |
| 5 Water Sales | 10,509,202 | 10,379,822 | 12,576,993 | 14,623,674 | 14,280,000 | 15,539,000 |
| 6 Miscellaneous Revenues | 123,837 | 79,861 | 89,402 | 45,000 | 45,000 | 45,000 |
| Total Water Utility Fund | 16,738,762 | 16,990,456 | 20,418,238 | 22,140,680 | 21,982,530 | 23,992,120 |
| C SEWER UTILITY | | | | | | |
| 1 Interest Income | 111,292 | 70,033 | 33,622 | 167,765 | 65,466 | 110,784 |
| 2 Facility Fees | 38,594 | 134,642 | 218,075 | 52,000 | 160,000 | 52,000 |
| 3 Sewer Connection Fees | 14,550 | 20,350 | 45,378 | 35,000 | 35,000 | 48,000 |
| 4 Sewer Service Charges | 8,305,910 | 9,067,370 | 9,896,592 | 12,659,200 | 12,659,200 | 13,350,000 |
| 5 Fair Oaks District | 1,721,261 | 1,396,566 | 1,819,827 | 1,696,760 | 1,718,918 | 1,730,000 |
| 6 Emerald Lakes Area | 348,290 | 570,267 | 430,088 | 232,000 | 395,000 | 238,000 |
| 7 Oak Knoll Area | 47,611 | 76,775 | 27,040 | 36,000 | 46,865 | 48,650 |
| 8 Woodside Sewer Service | 20,224 | 25,621 | 26,167 | 28,500 | 33,236 | 35,715 |
| 9 Miscellaneous Revenues | 71,771 | 63,582 | 70,512 | 40,000 | 64,000 | 58,000 |
| Total Sewer Utility Fund | 10,679,503 | 11,425,206 | 12,567,301 | 14,947,225 | 15,177,685 | 15,671,149 |
| Total Enterprise Funds | 27,880,594 | 28,920,743 | 33,508,798 | 39,579,620 | 38,011,305 | 40,803,269 |
| INTERNAL SERVICE FUNDS | | | | | | |
| A EQUIPMENT SERVICES FUND | | | | | | |
| 1 Internal Service Charges | 2,491,414 | 2,480,518 | 2,465,099 | 2,994,724 | 2,994,724 | 3,210,494 |
| 2 Interest Income | 181,712 | 171,205 | 186,436 | 197,079 | 192,153 | 191,869 |
| 3 Miscellaneous | 106,622 | 173,744 | 210,584 | 100,740 | 100,740 | 155,200 |
| Total Equipment Services Fund | 2,779,748 | 2,825,467 | 2,862,119 | 3,292,543 | 3,287,617 | 3,557,563 |
| B INTERNAL SERVICES FUND | | | | | | |
| 1 Facility Maintenance Services | 1,400,266 | 1,219,528 | 1,213,655 | 1,233,384 | 1,233,384 | 1,427,091 |
| 2 Facility Custodial Services | 1,161,064 | 1,143,968 | 1,321,342 | 1,369,597 | 1,378,597 | 1,412,084 |
| 3 Central Services | 179,984 | 120,483 | 126,504 | 137,593 | 137,593 | 192,798 |
| 4 Information Technology (IT) Services | 1,088,271 | 1,089,020 | 1,192,675 | 1,604,629 | 1,604,629 | 1,612,389 |
| 5 IT Services - Other Agencies | 527,529 | 536,323 | 624,790 | 603,817 | 608,386 | 653,926 |
| 6 Telephone Services | 396,775 | 369,761 | 372,730 | 380,277 | 380,277 | 408,487 |
| 7 Communication Services | 1,858,593 | 2,032,084 | 2,119,066 | 2,218,004 | 2,218,004 | 2,297,724 |
| 8 Fire Equipment Replacement | 88,771 | 179,784 | 88,771 | 88,771 | 88,771 | 88,771 |
| 9 Miscellaneous | (29,883) | 47,501 | 9,235 | | | |
| 10 Interest Income | 59,626 | 25,134 | 32,515 | 38,000 | 38,000 | 48,000 |
| Total Internal Services Fund | 6,730,996 | 6,763,586 | 7,101,283 | 7,674,072 | 7,687,641 | 8,141,270 |

Budget Summary

REVENUE ESTIMATES

| | 2003-04 ACTUAL | 2004-05 ACTUAL | 2005-06 ACTUAL | 2006-07 BUDGET | 2006-07 ESTIMATE | 2007-08 BUDGET |
|---|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
| C WORKERS' COMPENSATION INSURANCE FUND | | | | | | |
| 1 Workers' Comp. Insurance Charges | 1,021,995 | 2,216,991 | 2,401,672 | 2,250,124 | 2,250,124 | 2,149,263 |
| 2 Charges to Port | 18,401 | 34,845 | 37,628 | 53,826 | 53,826 | 38,221 |
| 3 Interest Income | 125,045 | 131,850 | 167,167 | 176,553 | 176,553 | 242,516 |
| Total Workers' Comp. Ins. Fund | 1,165,441 | 2,383,686 | 2,606,467 | 2,480,503 | 2,480,503 | 2,430,000 |
| D GENERAL LIABILITY INSURANCE FUND | | | | | | |
| 1 General Liability Insurance Charges | 915,296 | 1,260,020 | 1,274,507 | 1,278,661 | 1,278,661 | 1,378,083 |
| 2 Insurance Pool Dividends | 5,310 | 170,171 | 2,643 | | | |
| 3 Interest Income | 55,506 | 54,411 | 67,875 | 137,216 | 137,216 | 159,716 |
| Total General Liability Insurance Fund | 976,112 | 1,484,602 | 1,345,025 | 1,415,877 | 1,415,877 | 1,537,799 |
| E EMPLOYEE BENEFITS FUND | | | | | | |
| 1 Charges and Interest | | | | | | 2,160,892 |
| Total Internal Services Funds | 11,652,297 | 13,457,341 | 13,914,894 | 14,862,995 | 14,871,638 | 17,827,524 |
| TOTAL REVENUES ALL FUNDS | 185,303,100 | 154,533,216 | 157,527,554 | 161,308,634 | 166,381,712 | 171,752,490 |

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

| Department/Title | Monthly Salary Ranges (\$) | Adopted 2006/07 | Adopted 2007/08 |
|---------------------------------------|----------------------------|-----------------|-----------------|
| City Council | | | |
| Mayor | 750 - 750 | 1.00 | 1.00 |
| Vice Mayor | 750 - 750 | 1.00 | 1.00 |
| City Council Member | 750 - 750 | 5.00 | 5.00 |
| Total | | 7.00 | 7.00 |
| City Manager | | | |
| Administrative Clerk III | 3,659 - 4,447 | 1.00 | 1.00 |
| Assistant City Manager | 7,799 - 9,359 | 0.25 | 0.25 |
| Asst. To City Manager | 7,438 - 10,638 | 1.00 | 0.00 |
| City Manager | 18,020 - 18,020 | 0.80 | 0.80 |
| Community Communications Specialist | 6,406 - 7,688 | 0.85 | 0.85 |
| Deputy City Manager | 12,665 - 14,059 | 0.00 | 1.00 |
| Executive Assistant | 5,053 - 6,066 | 0.75 | 0.75 |
| Office Clerical | 1,170 - 3,467 | 0.00 | 0.69 |
| Total | | 4.65 | 5.34 |
| City Attorney | | | |
| Administrative Assistant | 4,813 - 5,779 | 1.00 | 1.00 |
| Administrative Clerk III | 3,659 - 4,447 | 1.00 | 1.00 |
| Assistant City Attorney | 9,845 - 12,029 | 0.75 | 0.75 |
| City Attorney | 14,832 - 14,832 | 0.80 | 0.80 |
| Managerial / Professional Level I | 3,467 - 6,065 | 0.63 | 0.63 |
| Total | | 4.18 | 4.18 |
| City Clerk | | | |
| Administrative Clerk III | 3,659 - 4,447 | 0.50 | 0.50 |
| City Clerk | 9,734 - 9,734 | 1.00 | 1.00 |
| Del Driver Stock Clk | 3,496 - 4,249 | 1.00 | 1.00 |
| Deputy City Clerk | 4,813 - 5,779 | 1.00 | 1.00 |
| Secretary | 4,042 - 4,914 | 1.00 | 1.00 |
| Total | | 4.50 | 4.50 |
| Community Development Services | | | |
| Accounting Technician II | 4,177 - 5,077 | 0.10 | 0.10 |
| Administrative Clerk III | 3,659 - 4,447 | 1.00 | 1.00 |
| Administrative Secty | 4,601 - 5,521 | 0.30 | 0.30 |
| Assistant City Attorney | 9,845 - 12,029 | 0.25 | 0.25 |
| Assistant Engineer II | 5,869 - 7,134 | 8.00 | 6.00 |
| Assistant Plan Checker | 5,426 - 6,597 | 1.00 | 0.00 |
| Associate Engineer | 6,458 - 7,850 | 3.00 | 3.00 |
| Associate Planner | 5,802 - 7,053 | 3.00 | 3.00 |
| Bldg Maint Worker | 4,391 - 5,340 | 0.00 | 0.22 |
| Building Inspector | 5,427 - 6,597 | 5.80 | 5.80 |
| City Attorney | 14,832 - 14,832 | 0.20 | 0.20 |
| City Manager | 18,020 - 18,020 | 0.20 | 0.20 |
| Comm. Dev. Services Manager | 8,574 - 11,914 | 4.00 | 4.00 |
| Comm. Dev. Services Director | 11,890 - 14,480 | 1.00 | 1.00 |
| Comm. Dev. Services Supervisor | 7,463 - 8,956 | 4.00 | 4.00 |
| Community Service Officer | 4,104 - 4,991 | 2.00 | 3.00 |

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

| Department/Title | Monthly Salary Ranges (\$) | Adopted 2006/07 | Adopted 2007/08 |
|---|----------------------------|-----------------|-----------------|
| Community Development Services (Continued) | | | |
| Contract Fire Plan Checker | 5,547 - 5,547 | 0.00 | 0.60 |
| Engineering Tech II | 4,356 - 5,297 | 1.00 | 0.00 |
| Executive Assistant | 5,053 - 6,066 | 0.15 | 0.15 |
| Finance Director | 11,064 - 14,700 | 0.15 | 0.15 |
| Financial Services Manager | 8,181 - 10,156 | 0.05 | 0.05 |
| Housing & Econ. Develop. Spec. II | 5,427 - 6,597 | 2.00 | 2.00 |
| Landscape Gardener | 3,996 - 4,854 | 1.00 | 1.00 |
| Management Analyst II | 6,356 - 7,625 | 2.00 | 2.00 |
| Paraprofessional | 2,600 - 5,200 | 1.00 | 1.00 |
| Permits Technician | 4,519 - 5,493 | 3.00 | 3.00 |
| Plan Check Engineer | 7,463 - 8,956 | 1.00 | 1.00 |
| Plan Checker | 5,971 - 7,259 | 0.00 | 1.00 |
| Public Works Services Director | 12,137 - 14,915 | 0.30 | 0.30 |
| Public Works Supv | 6,465 - 7,757 | 0.80 | 0.80 |
| Redevelopment Project Manager | 6,528 - 7,833 | 2.00 | 2.00 |
| Secretary | 4,042 - 4,914 | 4.00 | 4.00 |
| Senior Accountant | 6,339 - 7,604 | 1.05 | 1.05 |
| Senior Building Coordinator | 5,971 - 7,259 | 1.00 | 1.00 |
| Senior Building Inspector | 6,352 - 7,723 | 2.60 | 2.46 |
| Senior Civil Engineer | 7,909 - 9,491 | 5.00 | 6.00 |
| Senior Engineering Technician | 5,427 - 6,597 | 3.00 | 4.00 |
| Senior Planner | 6,785 - 8,141 | 2.00 | 2.00 |
| Skilled Craft | 3,467 - 6,067 | 0.35 | 0.00 |
| Supv Civil Engineer | 8,306 - 9,965 | 2.00 | 2.00 |
| Technical Level I | 3,467 - 6,065 | 2.00 | 2.00 |
| Total | | 71.30 | 71.63 |
| Finance | | | |
| Account Clerk II | 3,634 - 4,417 | 7.77 | 7.77 |
| Accounting Technician II | 4,177 - 5,077 | 2.35 | 2.60 |
| Administrative Assistant | 4,813 - 5,779 | 1.00 | 1.00 |
| Administrative Clerk II | 3,329 - 4,044 | 0.15 | 0.00 |
| Administrative Clerk III | 3,659 - 4,447 | 1.00 | 1.15 |
| Executive Assistant | 5,053 - 6,066 | 0.10 | 0.10 |
| Finance Director | 11,064 - 14,700 | 0.85 | 0.85 |
| Financial Services Manager | 8,181 - 10,156 | 0.95 | 0.95 |
| Funded Executive Director C/cag | 12,281 - 12,281 | 1.00 | 1.00 |
| Information Tech Analyst I | 5,594 - 6,714 | 1.00 | 2.00 |
| Information Tech Analyst II | 6,156 - 7,387 | 3.00 | 1.00 |
| Information Technology Manager | 9,488 - 11,387 | 1.00 | 1.00 |
| Managerial / Professional Level I | 3,467 - 6,065 | 1.00 | 1.00 |
| Parking Meter Collector | 3,141 - 3,818 | 0.90 | 0.90 |
| Senior Accountant | 6,339 - 7,604 | 2.95 | 2.95 |
| Senior Information Technology Analyst | 6,770 - 8,124 | 6.00 | 7.00 |
| Supervising Information Tech Analyst | 7,906 - 9,488 | 2.00 | 2.00 |
| Webmaster | 6,770 - 8,124 | 1.00 | 1.00 |
| Total | | 34.02 | 34.27 |

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

| Department/Title | Monthly Salary Ranges (\$) | Adopted 2006/07 | Adopted 2007/08 |
|---|----------------------------|-----------------|-----------------|
| Fire | | | |
| Admin Chief / Fire Marshall | 8,840 - 10,746 | 1.00 | 1.00 |
| Administrative Assistant | 4,813 - 5,779 | 1.00 | 1.00 |
| Administrative Clerk II | 3,329 - 4,044 | 1.00 | 1.00 |
| Administrative Secty | 4,601 - 5,521 | 1.00 | 1.00 |
| Battalion Chief | 8,840 - 10,746 | 4.00 | 4.00 |
| Fire Captain | 7,189 - 8,736 | 18.00 | 18.00 |
| Fire Chief | 12,451 - 14,259 | 1.00 | 1.00 |
| Fire Fighter/engineer | 5,629 - 7,185 | 39.00 | 39.42 |
| Fire Prev Officer | 6,125 - 7,448 | 3.00 | 3.00 |
| Secretary | 4,042 - 4,914 | 1.00 | 1.00 |
| Total | | 70.00 | 70.42 |
| Human Resources | | | |
| Administrative Clerk II | 3,329 - 4,044 | 0.85 | 0.00 |
| Administrative Clerk III | 3,659 - 4,447 | 0.00 | 1.85 |
| Employee Benefits Coordinator | 4,813 - 5,779 | 1.00 | 1.00 |
| Employee Development Manager | 6,307 - 7,564 | 0.75 | 0.00 |
| Human Resources Director | 10,846 - 14,059 | 1.00 | 1.00 |
| Human Resources Representative | 5,276 - 6,335 | 2.00 | 2.00 |
| Management Analyst I | 5,778 - 6,932 | 0.00 | 1.00 |
| Management Analyst II | 6,356 - 7,625 | 1.00 | 1.00 |
| Sr. Human Resources Representative | 6,307 - 7,564 | 2.00 | 1.00 |
| Total | | 8.60 | 8.85 |
| Library | | | |
| Administrative Clerk II | 3,329 - 4,044 | 1.13 | 1.13 |
| Administrative Clerk III | 3,659 - 4,447 | 1.00 | 1.00 |
| Administrative Secty | 4,601 - 5,521 | 1.00 | 1.00 |
| Facility Aide | 3,028 - 3,679 | 1.00 | 1.00 |
| Librarian II | 4,673 - 5,683 | 8.90 | 8.90 |
| Library Asst II | 3,522 - 4,279 | 7.18 | 7.18 |
| Library Director | 10,846 - 14,059 | 1.00 | 1.00 |
| Library Division Manager | 6,867 - 8,239 | 2.00 | 2.00 |
| Library Services Supervisor | 6,066 - 7,278 | 5.00 | 5.00 |
| Literacy Tutor - Student Coord | 4,673 - 5,683 | 4.00 | 4.00 |
| Local History Specialist II | 4,673 - 5,683 | 0.53 | 0.53 |
| Managerial / Professional Level II | 6,067 - 8,667 | 0.00 | 1.00 |
| Senior Library Asst | 3,871 - 4,705 | 6.24 | 6.24 |
| Specialist Librarian | 4,908 - 5,967 | 1.00 | 1.00 |
| Total | | 39.98 | 40.98 |
| Parks, Recreation and Community Services | | | |
| Administrative Assistant | 4,813 - 5,779 | 1.00 | 1.00 |
| Administrative Clerk II | 3,329 - 4,044 | 2.00 | 1.00 |
| Administrative Clerk III | 3,659 - 4,447 | 2.00 | 3.00 |
| Bldg Maint Worker | 4,391 - 5,340 | 3.00 | 3.78 |
| Custodial Services Supervisor | 5,000 - 6,000 | 0.00 | 1.00 |
| Facility Aide | 3,028 - 3,679 | 3.00 | 3.50 |

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

| Department/Title | Monthly Salary Ranges (\$) | Adopted 2006/07 | Adopted 2007/08 |
|--|----------------------------|-----------------|-----------------|
| Parks, Recreation, and Community Services (Continued) | | | |
| Facility Leader | 3,495 - 4,247 | 4.00 | 4.00 |
| Food Service Assistant | 1,387 - 2,600 | 1.00 | 1.00 |
| Head Chef | 2,600 - 4,853 | 1.00 | 1.00 |
| Human Services Specialist II | 3,327 - 4,044 | 2.00 | 2.00 |
| Human Services Specialist III | 3,659 - 4,447 | 1.00 | 1.00 |
| Landscape Equipment Operator | 4,348 - 5,283 | 1.00 | 1.00 |
| Landscape Gardener | 3,996 - 4,854 | 19.40 | 20.00 |
| Lead Landscape Gardener | 4,391 - 5,340 | 5.00 | 5.00 |
| Lead Maintenance Custodian | 3,660 - 4,449 | 4.00 | 5.00 |
| Maintenance Custodian | 3,331 - 4,045 | 8.60 | 8.00 |
| Office Clerical | 1,170 - 3,467 | 3.00 | 3.00 |
| Paraprofessional | 2,600 - 5,200 | 8.00 | 8.00 |
| Parks, Rec. & Comm. Svcs. Manager | 6,470 - 7,763 | 9.00 | 8.00 |
| Parks, Rec. & Comm. Svcs. Supt. | 7,763 - 9,317 | 2.00 | 2.00 |
| Parks, Rec. & Comm. Svcs. Director | 10,846 - 14,059 | 1.00 | 1.00 |
| Rec. & Comm. Svcs. Prog. Coord. I | 4,252 - 5,167 | 1.00 | 1.00 |
| Rec. & Comm. Svcs. Prog. Coord. II | 4,676 - 5,684 | 1.25 | 1.50 |
| Recreation Supervisor | 5,610 - 6,731 | 3.00 | 3.00 |
| Secretary | 4,042 - 4,914 | 2.00 | 2.00 |
| Senior Building Maint Worker | 4,831 - 5,873 | 2.00 | 3.00 |
| Senior Crafts Specialist | 4,391 - 5,340 | 2.00 | 2.00 |
| Service Maintenance | 1,170 - 3,467 | 2.00 | 2.00 |
| Skilled Craft | 3,467 - 6,067 | 0.61 | 0.00 |
| Total | | 94.86 | 97.78 |
| Police | | | |
| Administrative Assistant | 4,813 - 5,779 | 0.00 | 1.00 |
| Administrative Secty | 4,601 - 5,521 | 2.00 | 2.00 |
| Administrative Services Manager | 7,469 - 8,963 | 1.00 | 1.00 |
| Communications Dispatcher | 5,252 - 6,385 | 11.00 | 11.00 |
| Community Service Officer | 4,104 - 4,991 | 9.00 | 9.00 |
| Juvenile Specialist | 4,500 - 5,400 | 1.00 | 1.00 |
| Lead Police Clerk | 4,127 - 5,015 | 2.00 | 2.00 |
| Lead Public Safety Dispatcher | 5,778 - 7,022 | 1.00 | 1.00 |
| Police Captain | 10,892 - 12,719 | 3.00 | 3.00 |
| Police Chief | 12,643 - 15,465 | 1.00 | 1.00 |
| Police Clerk | 3,755 - 4,560 | 9.00 | 8.00 |
| Police Officer | 6,695 - 8,138 | 80.00 | 80.00 |
| Police Sergeant | 7,910 - 9,612 | 15.00 | 15.00 |
| Records Supervisor | 5,557 - 6,746 | 0.00 | 1.00 |
| Total | | 135.00 | 136.00 |

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

| Department/Title | Monthly Salary Ranges (\$) | Adopted 2006/07 | Adopted 2007/08 |
|--|----------------------------|------------------------|------------------------|
| Public Works Services | | | |
| Administrative Assistant | 4,813 - 5,779 | 0.00 | 0.70 |
| Administrative Clerk I | 3,025 - 3,677 | 1.00 | 1.00 |
| Administrative Secty | 4,601 - 5,521 | 0.70 | 0.00 |
| Assistant Engineer II | 5,869 - 7,134 | 1.00 | 1.00 |
| Community Communications Specialist | 6,406 - 7,688 | 0.15 | 0.15 |
| Consumer Serv Tech | 4,138 - 5,029 | 8.00 | 8.00 |
| Customer Support Service Specialist | 5,270 - 6,406 | 2.00 | 2.00 |
| Equipment Mechanic II | 4,648 - 5,649 | 5.00 | 5.00 |
| Equipment Operations Leader | 5,116 - 6,216 | 1.00 | 0.00 |
| Equipment Service Worker | 3,675 - 4,467 | 1.00 | 1.00 |
| Fleet Manager | 6,310 - 7,913 | 0.00 | 1.00 |
| Fleet Supervisor | 5,628 - 6,838 | 0.00 | 1.00 |
| Lead Equipment Mechanic | 5,116 - 6,216 | 1.00 | 1.00 |
| Lead Maintenance Electrician | 5,620 - 6,834 | 1.00 | 1.00 |
| Lead Public Wks Maint Worker | 4,566 - 5,546 | 10.00 | 10.00 |
| Maint Electrician | 5,113 - 6,213 | 2.00 | 2.00 |
| Management Analyst II | 6,356 - 7,625 | 1.00 | 1.00 |
| Public Works Maint Worker I | 3,762 - 4,572 | 1.00 | 1.00 |
| Public Works Maint Worker II | 4,138 - 5,029 | 24.00 | 24.00 |
| Public Works Maint Wrkr III/Equip Oper | 4,348 - 5,283 | 3.00 | 5.00 |
| Public Works Services Director | 12,137 - 14,915 | 0.70 | 0.70 |
| Public Works Superintendent | 7,763 - 9,317 | 5.00 | 4.00 |
| Public Works Supv | 6,465 - 7,757 | 6.20 | 6.20 |
| Secretary | 4,042 - 4,914 | 4.00 | 4.00 |
| Tree Maint Leader | 4,599 - 5,590 | 0.00 | 1.00 |
| Tree Maint Worker II | 4,183 - 5,085 | 2.00 | 1.00 |
| Urban Forestry Specialist | 5,289 - 6,429 | 1.00 | 1.00 |
| Utilities Specialist | 5,270 - 6,406 | 3.00 | 3.00 |
| Utility Locator | 4,566 - 5,546 | 1.00 | 1.00 |
| | | 85.75 | 87.75 |
| RECAP | | Adopted 2006/07 | Adopted 2007/08 |
| City Clerk | | 4.50 | 4.50 |
| City Council | | 7.00 | 7.00 |
| City Manager | | 4.65 | 5.34 |
| City Attorney | | 4.18 | 4.18 |
| Community Development Services | | 71.30 | 71.63 |
| Finance | | 34.02 | 34.27 |
| Fire | | 70.00 | 70.42 |
| Human Resources | | 8.60 | 8.85 |
| Library | | 39.98 | 40.98 |
| Parks, Recreation and Community Services | | 94.86 | 97.78 |
| Police | | 135.00 | 136.00 |
| Public Works | | 85.75 | 87.75 |
| Grand Total | | 559.84 | 568.70 |

¹ Personnel under the management control of each department. Salary and benefits (in certain situations) may be distributed to other departments.

As a City Manager who actively supports performance measurement efforts, I am often asked what performance measurement is and why expend resources on it. In response to the former, one of the best definitions I have come across is one developed by the International City/County Manager Association's Center for Performance Measurement. It defines performance measurement as

A process of systematically collecting data about an organization's efficiency and effectiveness in delivering a program or service

As to why this is an important effort, I strongly believe in determining whether we are serving the public well by doing a "great job." Performance measures can help us define "great job" and tell us whether or not we are performing well. Even more importantly, it can help us know if we are improving, another goal I constantly strive for. In addition, I subscribe to the theory that "what gets measured, gets done" and believe that if you don't measure, you cannot see and therefore reward success. If you are not rewarding success, you might even be rewarding failure, and you certainly are not learning from and correcting those failures.

Performance measures are also an important management and communication tool. They become an instrument for planning and decision-making, a method to define and identify success and needed improvements, and a system to serve as an indicator of items for additional study. Some of the benefits include:

- Meeting demands for external accountability
- Instilling public confidence
- Demonstrating success
- Providing early detection of possible problems
- Helping prioritize and direct resources
- Benchmarking against other quality cities and learning from them

In addition, we believe that this program demonstrates that Redwood City is:

- Promoting continuous improvement and innovation
- Open to a review of our methods
- Willing to share with others
- Seeking best practices

While performance measures can help us evaluate our programs and services, it cannot tell us why something is or is not working well. Therefore, it is not a substitute for good management and analysis. The analytical abilities of our employees remains important and I greatly value the high caliber of the professionals involved in this process in Redwood City.

In summary, using performance measures can help us set goals, evaluate programs, make better budget decisions, respond better to citizen inquiries, and help us revise goals as necessary. It is an on-going, iterative process. For these reasons, every department except one has joined in this effort and included performance measures. Many of the measures are updated measures used previously to help them evaluate their most current work efforts.

This page left blank intentionally

**EXPLANATION OF FY 2007/08 REQUESTED
PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

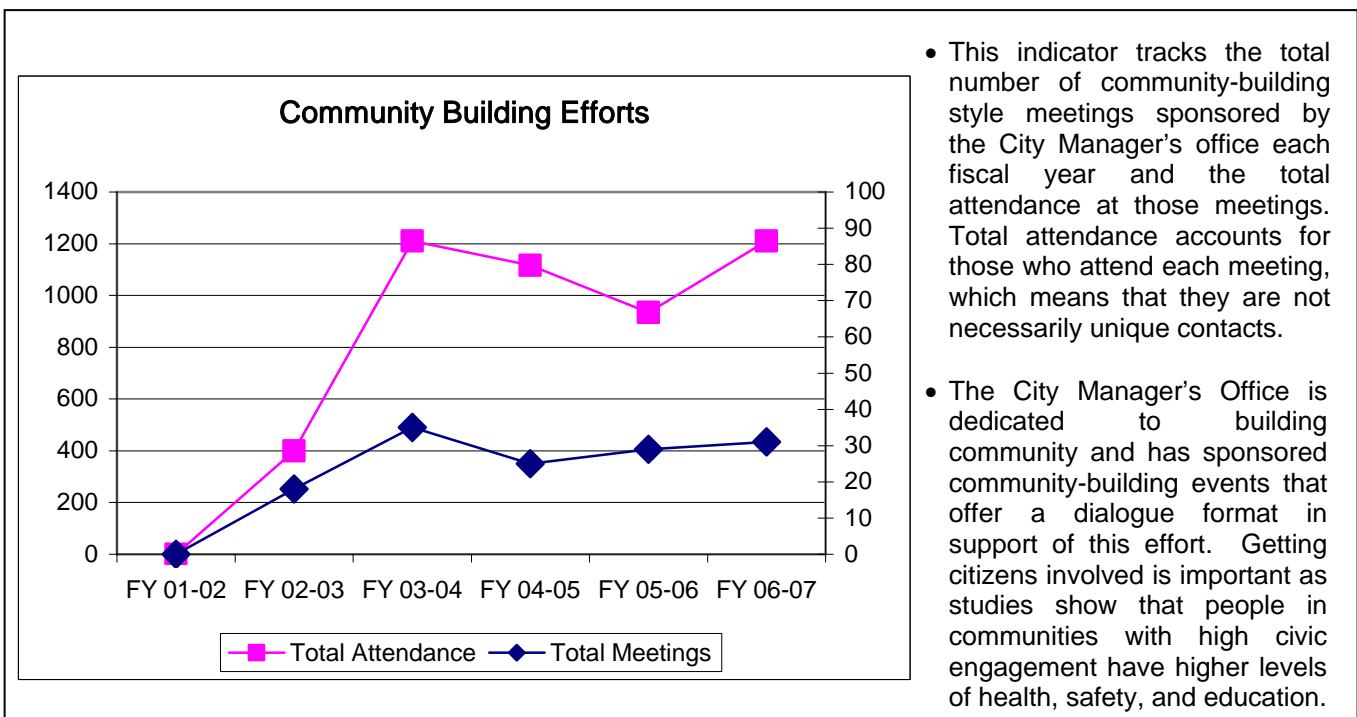
No adjustments for FY 2007/08.

This page left blank intentionally

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|-----------------------------|---------------|---|
| Community Promotion (61220) | 15,000 | Contribution to Redwood City community schools (formerly known as family centers) |
| Community Promotion (61220) | 32,000 | Climate protection |
| Community Promotion (61220) | 45,000 | Community building |
| General Funds Total | 92,000 | |

HISTORIC TRENDS



- This indicator tracks the total number of community-building style meetings sponsored by the City Manager's office each fiscal year and the total attendance at those meetings. Total attendance accounts for those who attend each meeting, which means that they are not necessarily unique contacts.
- The City Manager's Office is dedicated to building community and has sponsored community-building events that offer a dialogue format in support of this effort. Getting citizens involved is important as studies show that people in communities with high civic engagement have higher levels of health, safety, and education.

- The City Manager's department began offering community-building opportunities in FY 2002/03 by launching the Partnership Academy for Community Teamwork (PACT), which provides the community the opportunity to interact with various city departments and learn about the services provided to the community. Since FY 2002/03, a total of 9 PACT sessions were completed, and we held 80 meetings, which provided us with 2,019 citizen contacts.
- In FY 2003/04, we held a total of 35 community meetings providing the opportunity for 1,210 citizen contacts. In FY 2004/05, the PACT and Community Builders meetings totaled 25, and provided the opportunity for 1,062 citizen contacts. In FY 2005/06, we had 29 meetings which provided for 934 contacts. To date for FY 2006/07, we offered a total of 32 meetings, which provided for 1,311 contacts.
- Since FY 2002/03, the City Manager's Office has sponsored a total of 139 meetings attended by a total of 4,872 community members, whom are not unique contacts.
- One outcome of these programs was an increased recognition of the value of this type of format and the belief that many more community meetings should be in dialogue format. Therefore, the City Manager's office will continue to offer these types of participatory community participating opportunities, and increase participation through additional outreach efforts. In addition, we are working with other city departments on assisting them with their community meetings with the hope of using the Community Building model.

CITY COUNCIL PRIORITIES

Community/Civic Support

- The City Manager's office will continue to offer "community building" style opportunities for the community to participate and build a great community together. Each year, we will offer one PACT and at least four additional opportunities for participation, which may include council priority input sessions, budget input sessions, and another Community Builders series.

Status

Objective completed. To date, in FY 2006/07, the City Manager's office has offered one PACT program consisting of nine sessions and 22 other community building opportunities, such as the Neighborhood Liaison meetings, community meetings on climate protection, and PACT. In FY 2007/08, we expect to offer more "community building" style meetings, and continue to encourage departments to use the "community building" model for their meetings.

- Coordinate a third Community Builders series involving a minimum of 75 participants by April 2007.

Status

Objective completed. In FY 2006/07, the City Manager's office offered the Community Builders series in which 142 citizens participated.

- Facilitate the development of a community-based plan/program for "next steps" of community building by June 2007.

Status

The City Manager's office is currently working on this objective and expects to develop the plan by the end of FY 2007/08.

- Continually assist other departments in their outreach efforts to foster the most effective use of communications techniques, and incorporating the City's community building philosophy, principles, and tools.

Status

Objective completed. With the assistance of Peninsula Conflict Resolution Center we were able to complete this objective. For example, we assisted the Planning department with their traffic meetings, pedestrian/bike path meetings, and other high profile issues. We also assisted the Library with their outreach on The Big Read.

- Hold planning meeting with community members to kick off the Neighborhood Liaison program by the end of 2006.

Status

Objective completed. In the fall of 2006, the City Manager's office offered three meetings in which 116 community members attended and signed up to be neighborhood liaisons.

- Sign up 30 new subscribers each year for the City's monthly e-newsletter.

Status

Objective completed. In 2006/07, the City Manager's office started using a new automated system to be able to track how many new subscribers are added in each fiscal year. Unfortunately, since we started this mid-year, we were not able to efficiently track what was added in the current fiscal year, but we estimate that we added at least 50 new subscribers to the City's monthly e- newsletter.

PERFORMANCE MEASURES OBJECTIVES

- With PACT's success, we are committed to continuing the program and continually improving each session. We will strive to receive at least 95% of the ratings at excellent or good.

Status

100% of the participants in our last PACT class (Spring of 2006) rated the program as excellent.

- Continue to provide the PACT program for our citizens, along with other opportunities for involvement so that we are able to increase a sense of community in Redwood City.

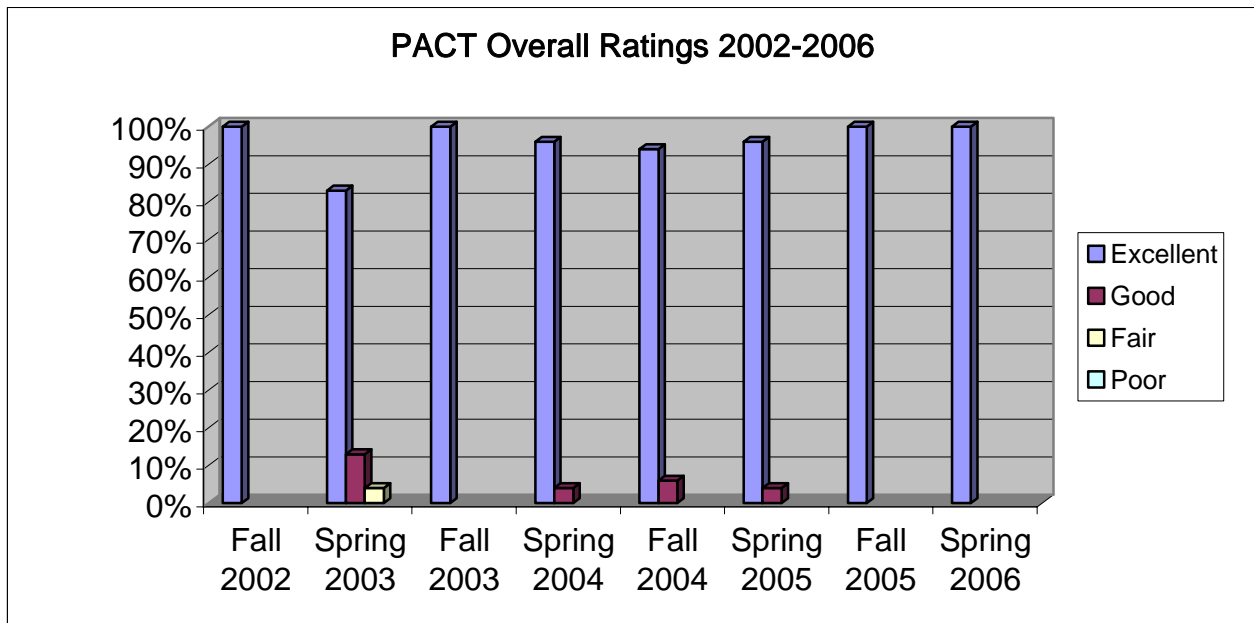
Status

Since 2005, 57% of the participants completing the pre-test (survey taken on first day of PACT) felt a very or somewhat strong sense of community. After going through the PACT program, the number of participants indicating they felt a very or somewhat strong sense of community increased to 78%.

- The City Manager's office is committed to providing superior customer service and will focus on maintaining a rating of excellent or good at 95% or above in 2006. Staff will continue to ask for feedback and welcomes comments from City employees.

Status

In the 2006 customer service survey, 97.3% of respondents rated the City Manager's office as "excellent" or "good".



Definition

The overall ratings for all departments for the Partnership Academy for Community Teamwork (PACT) program from inception in 2002. The above shows how participants rated the PACT program. Participants visit each department during the nine week program and are asked to fill out an evaluation form to rate the overall program at the final session.

Analysis

From 2002 to 2005, the PACT program was offered in both the spring and fall of each year. Starting in 2006, we offered the class only in the spring. By the end of FY 2006/07, we anticipate that a grand total of 290 community members will have graduated from PACT. In addition to weekly session evaluations, each class is asked to fill out an overall program evaluation, in which they rate PACT as a whole – “excellent,” “good,” “fair,” or “poor.” Since the program’s inception, participants’ rating of PACT has consistently been above 94% “excellent” or “good” (combined categories). In the spring of 2006, all 100% of the participants rated the program “excellent.”

Here are a few comments from various evaluations:

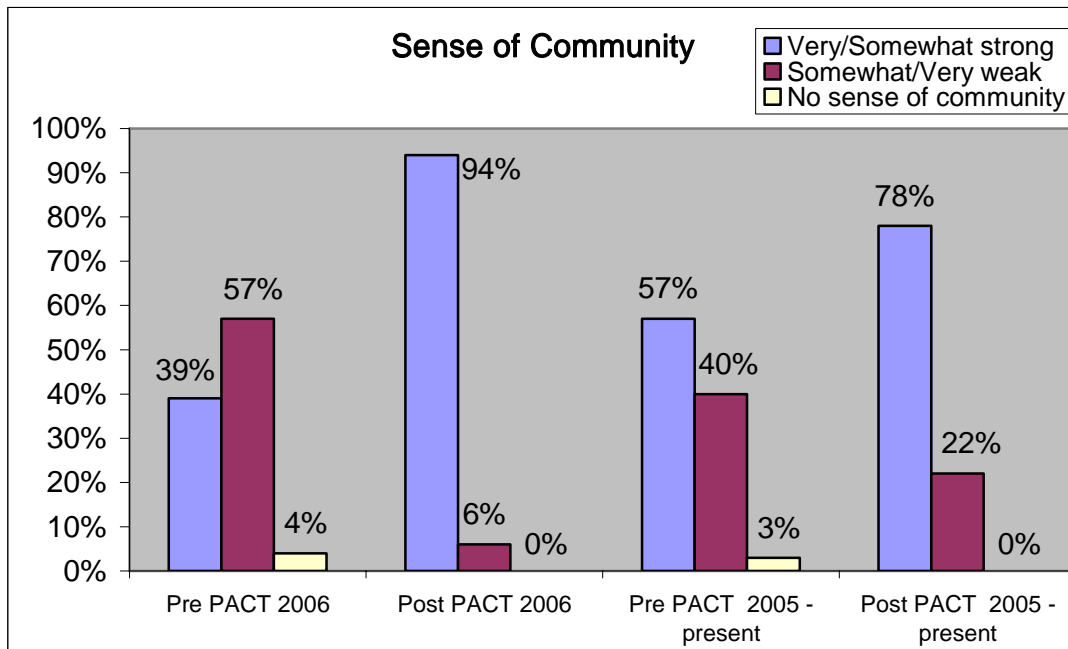
"I didn't realize what it takes to run the City's services – and how enthusiastic the employees are."

"I'm amazed at how much I took for granted, in what the City does."

"It made me proud to live here – I feel like it's not just a city, it's MY city."

Next Steps

The City Manager’s office will continue to offer PACT each spring to the community as it strives to engage people in understanding the concept of 'community' and offers avenues for getting involved in creating benefits to their blocks, neighborhoods, and community. With PACT’s success, we are committed to continuing the program and continually improving each session. We will strive to receive at least 95% of the ratings at excellent or good.



Definition

Beginning in spring 2005, Redwood City began conducting a “pre” and “post” survey of all Partnership Academy for Community Teamwork (PACT) participants. This survey was designed to gauge any changes in their perception of the City, its provision of services, its communication with the community, and the participants’ perception of their own “sense of community” as a result of going through PACT. The graph above illustrates the responses from one of the key questions asked: “How strong is your feeling of a sense of community in Redwood City - very strong, somewhat strong, somewhat weak, very weak, or no sense of community at all?” The graph illustrates the results for 2006 and the combined results since 2005.

Analysis

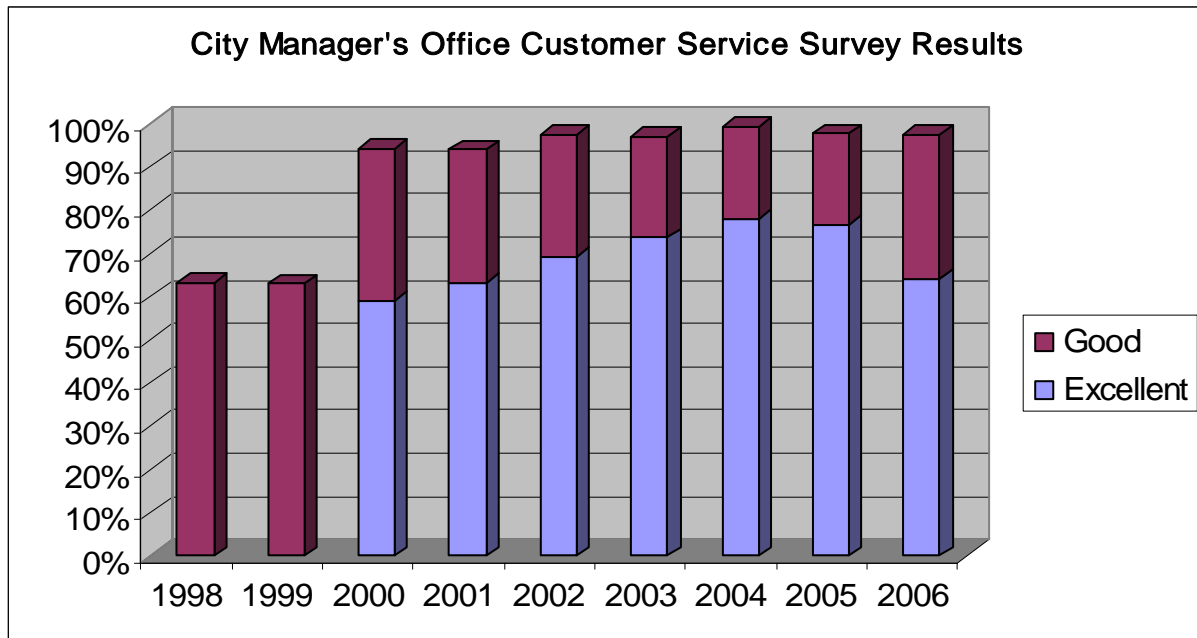
This question helps us to understand if going through the PACT program has an impact on participants’ general feeling of “connection” with the community. In 2006, 39% of PACT participants said that they had a “very strong” or “somewhat strong” sense of community prior to going through the course. After going through PACT, that number jumped to 94% having a feeling of connection with the community. The chart above also shows the combined results since 2005, where the combined “strong” and “somewhat strong” sense of community increased from 57% to 78% after going through the program.

Community/Civic Support is one of the Council’s priorities, and therefore one of the primary objectives of the City Manager’s office, so it is important to track community members’ sense of community as one way of determining how well we are addressing that priority. In the future, we will continue to display results from both the immediately prior year, as well as all years combined (starting with 2005) in order to gain a better understanding of the trend.

It’s interesting to point out that a number of participants in the current and recent PACT classes have gone through Community Builders, or participated in other City programs or activities that involved our community building efforts (especially as we continue to bring community building theory to virtually all of our outreach and public involvement processes). Given that, it may be speculated that PACT participants may come into the program with perhaps a higher existing sense of community than those who have not been involved in such City activities.

Next Steps

Continue to provide the PACT program for our residents on an annual basis as one method of increasing the sense of community in Redwood City. The City Manager’s office will continue community building activities such as Neighborhood Liaison meetings, climate protection events, and PACT, as well as strive to assist other departments in infusing the concepts of community building into their outreach and community involvement activities.



Definition

Customer Service Survey for the City Manager's office for the period of 1998 through 2006. The survey is sent annually to employees that our office works with most frequently.

Analysis

Respondents gave the department 97.3% "excellent" or "good" ratings, a slight decline from the department's highest rating ever of 99.2% in 2004. During 2006, the department was impacted by one full time employee who was out for five months, and in spite of that, the ratings did not suffer. The department is delighted with the rating of 97.3%, and is committed to providing the same high quality service in the coming years. The City Manager's office has transformed into a resource for departments, and with the current team strives to provide excellent service to all. It is clear that since the change in staff, technology, and the implementation of new customer service standards in 2000, the department has developed into a true "value added" team.

Next Steps

The City Manager's office feels that the current overall rating of 97.3% "excellent/good" continues to be an admirable rating. The office is committed to providing superior customer service and will strive to maintain the ratings at or above 95% ("excellent/good") in 2007. Staff will continue to ask for feedback and welcomes comments from City employees.

**EXPLANATION OF FY 2007/08 REQUESTED
PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

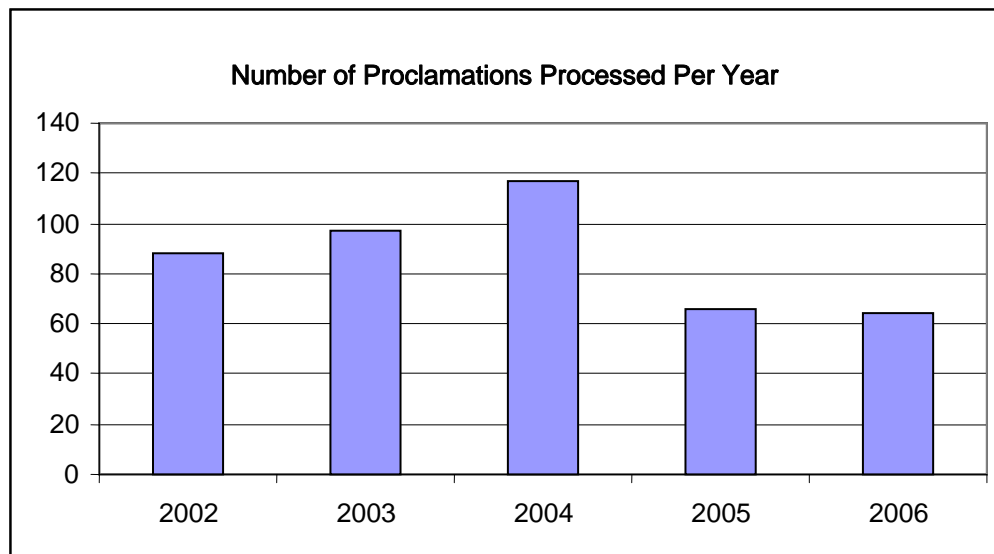
No adjustments for FY 2007/08.

This page left blank intentionally

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|---|---------------|---|
| Legislative Svcs./Records Mgmt. (61310) | 12,710 | Laserfiche software support contract |
| Council Support (61330) | 2,000 | Council chambers repair and maintenance |
| Council Support (61330) | 15,000 | Video streaming council meetings |
| General Funds Total | 29,710 | |

HISTORIC TRENDS



- The City Clerk department produces proclamations in response to all City Council requests and needs on an annual basis.
- Ceremonial proclamations are produced and presented to citizens and groups in recognition of benefits they have brought to the quality of life in Redwood City.
- Honorary proclamations are an important goodwill effort on behalf of Council.
- Work involved in processing requests includes generating research material on the honoree, writing the proclamation, and producing the ceremonial presentation copy.

CITY COUNCIL PRIORITIES

Community/Civic Support

- Polling sites at City Hall: Assist the County Election Office of San Mateo County with hosting two polling sites at City Hall.

Status

In 2006/2007, we assisted by hosting two polling sites for one gubernatorial election. In 2007/2008, we will host three (one municipal and two primary) elections and one presidential election in 2008.

- Passport acceptance services: Available three hours per day to process passports, the City Clerk department's objective is to process 160 passport applications each year in 2006/2007 and 2007/2008 for the community. The objective was surpassed by 46% with 235 applications processed in 2006.

Status

Currently for FY 2006/07, the City Clerk department has processed 129 applications year-to-date. For next FY 2007/08, our objective is to either maintain or increase our current rate of 200 applications in light of ever-changing requirements by the United States Department of State.

PERFORMANCE MEASURES

- Maintain service level of timely and quality processing of Council actions and administratively approved professional service agreements.

Status

Council met for 69.9 hours in 2006, a decrease from 88.75 hours in 2005, 90.75 hours in 2004, and 118.75 hours in 2003. Note: in 2004, the number of council meetings per month was reduced from three to two. The number of council-approved actions decreased to 313 in 2006, from 335 in 2005, 333 in 2004, and 458 in 2003, when administrative approval was initiated for professional services agreements under \$60,000.

- Maintain staffing level close to the median of surveyed cities while continuing to evaluate staffing arrangements in combination with the ever-changing City Clerk department service depth and breadth. Continuing to provide existing services levels to City Council and citizens.

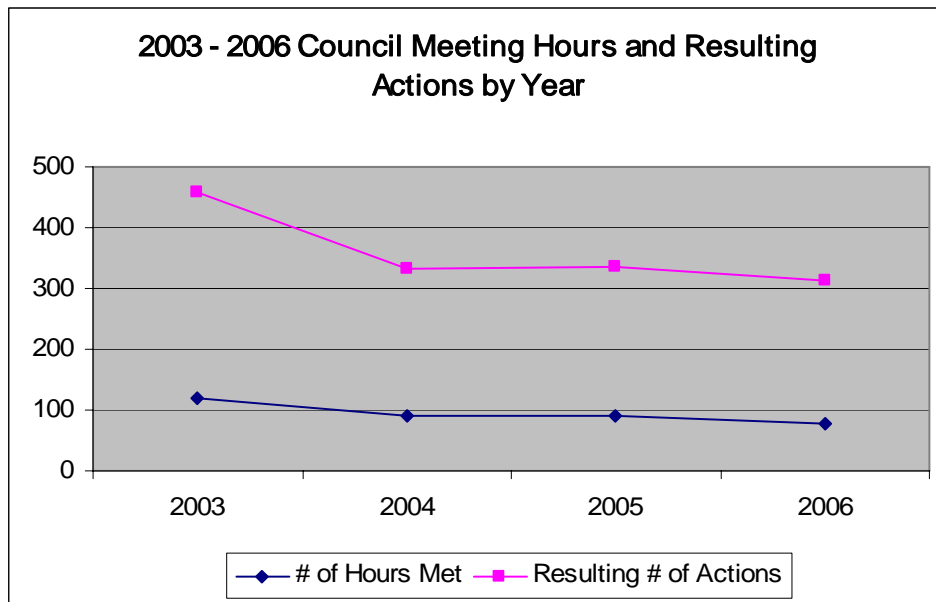
Status

With 6.32 staff members per 100,000 population, Redwood City is positioned above the median of 5.69 for bay area cities with similar populations.

- Increased the past two years' performance ratio of 3:1 applications to seat vacancies for the boards, committees, and commissions by 12% through increased community awareness and using less costly traditional, electronic, and new mediums within the budget.

Status

The ratio of applications to seat vacancies for 2006 was 3.35 versus 3.0 in both 2005 and 2004, respectively. Our objective for a 5% increase for 2006 was surpassed with a total 12% increase. Our objective for 2007 is to continue increasing our future ratios.



Definition

The total number of hours spent in Council meetings and the resulting number of actions taken by the Council by calendar year. Actions include approval of ordinances, resolutions, minute orders, and Council-approved agreements.

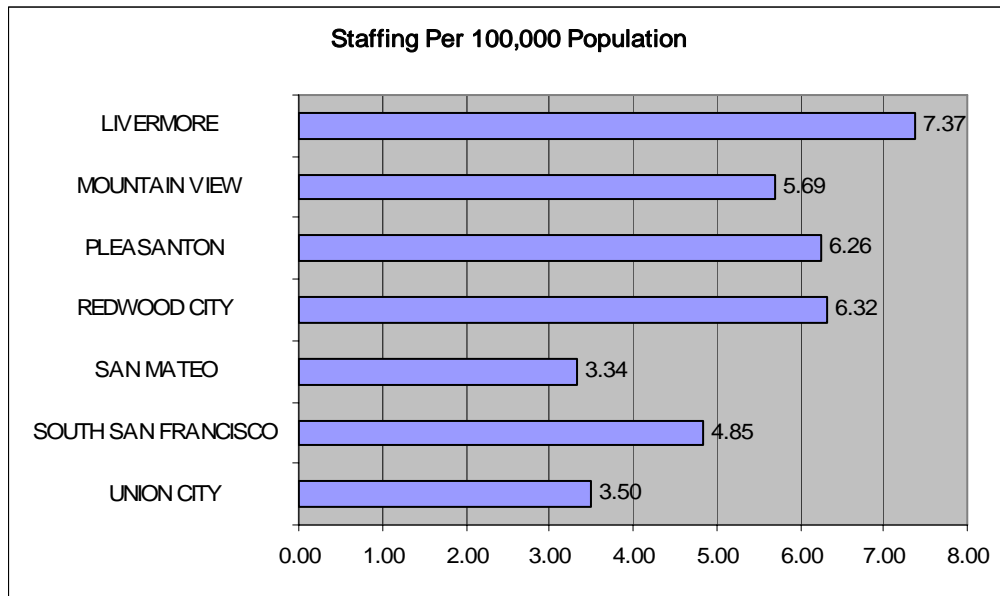
Analysis

The City Clerk department plays a significant role in the support and coordination of City Council meetings. The City Clerk department averaged 28.8 hours supporting each meeting including preparing and disseminating agendas, preparing official minutes, and staffing meetings. In 2006, the City Council met for a total of 69.9 hours, with an average regular meeting length of 2.8 hours. This is compared with 2005, when City Council met for a total of 88.6 hours, with an average meeting length of 3.060 hours. Beginning in 2004, the number of Council meetings per month was reduced from three to two.

The number of Council-approved actions decreased slightly from 2005 to 2006, with 335 actions in 2005 and 313 in 2006. Actions taken include the legislative approval of City ordinances, resolutions, and minute orders. Improved processing procedures implemented in 2003 for certain professional services agreements continued the reduced number of Council-approved actions from a 2003 level of 458 Council-approved actions; the City Council now allows administrative approval of professional services agreements under \$60,000. In 2006, the City Clerk's office processed 179 city manager-approved agreements, in 2005 a total of 125, and in 2004 a total of 61. The City Clerk department averaged 28.8 hours supporting each meeting including preparing and disseminating agendas, preparing official minutes, and staffing meetings. This corresponds to an average cost of \$2,489.15 per meeting, which is an increase from \$1,099 per meeting the preceding year, due in part to increased employee costs. Note: to more accurately reflect the true cost of supporting meetings, Information Technology staff time and contracted video technician services are included in this year's total (as they have not been included in the past).

Next Steps

Continue to serve the City Council in a timely and effective manner in processing both Council actions and administratively approved professional services agreements.



Definition

Number of staff members in the City Clerk department per 100,000 population.

Analysis

Surveyed were Bay Area cities with populations between 67,000 and 95,000, to as closely as possible resemble Redwood City's population of 76,087. With similar populations, the number of improvement projects and range of community services for the surveyed cities (and equalizing to 100,000 population) may be more comparable than including small towns (and equalizing to 100,000 population).

City Clerk departments vary widely in structure and services. This analysis takes into consideration the following to compare like services with like services within the department. Staffing includes full-time, part-time, and hourly/casual employees. Four (including Redwood City) of the seven surveyed City Clerk departments depend on hourly/casual staffing to fulfill the varied services offered by the department. Unlike the rest of the surveyed cities, Redwood City has had several consecutive unpaid interns that have rotated in and out throughout the year, but their time (approximately .67) was not included in the ratio. The interns' main task of scanning old public records documents into the electronic LaserFiche system is not considered an essential part of duties performed by regular City Clerk staff on a routine basis.

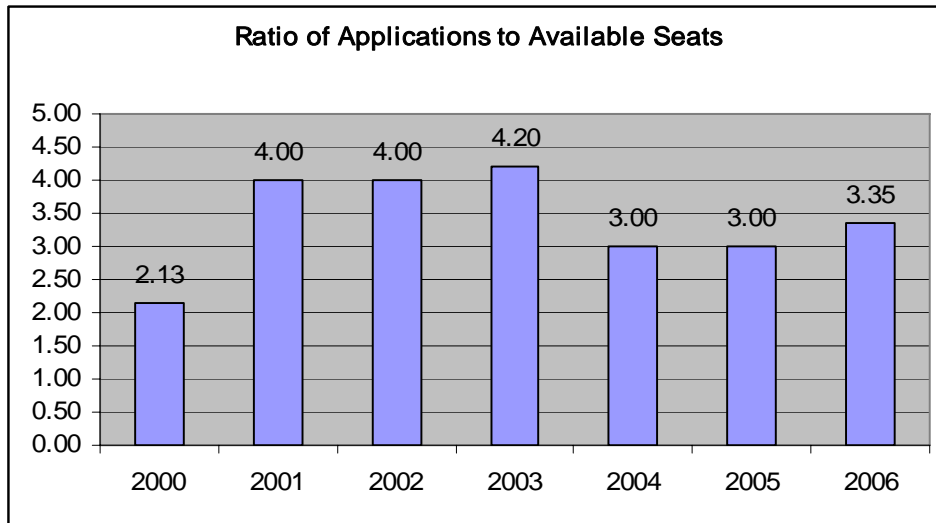
Three (including Redwood City) of the seven cities offer passport acceptance services and their staffing is included in the analysis. The remaining four cities do not have sufficient staffing to provide this service at this time.

Only three (including Redwood City) of the surveyed City Clerk departments support citywide mail services and the transport of offsite records (and thus, have higher staffing numbers). Redwood City estimates 5 hours/day to sort and deliver mail and transport offsite records; Livermore estimates 3.5 hours/day to sort mail and transport offsite records; and, Pleasanton estimates 4 hours/day to sort and deliver mail and transport offsite records. All other surveyed cities do not support citywide mail services and the transport of offsite records.

The City Clerk department of Redwood City is positioned above the median at 6.32 staffing per 100,000 population. The median for bay area cities with similar population is 5.69.

Next Steps

Continue to evaluate staffing arrangements in combination with the ever-changing City Clerk department service depth and breadth to stay within the median range of bay area cities with similar population, while continuing to provide existing service levels to City Council and citizens.



Definition

The ratio of the number of boards, committees, and commissions applications received compared to available seats on a calendar-year basis. The ratios are derived by taking the number of applications received divided by the total numbers of seats available. Note: If an applicant applies for two boards, the application is counted twice.

Analysis

In 2006, 104 applications were received for 31 seats. Odd-numbered years have fewer available seats than even-numbered years. In 2005, 51 applications were received for 17 available seats. In 2003, 42 applications were received for 10 available seats. In 2001, 16 applications were received for 4 available seats. There was a 12 percent increase in the past two years' performance ratio of 3:1 applications to seat vacancies for the boards, committees, and commissions through increased community awareness and using less costly traditional, electronic, and new mediums within the budget.

Significant attention has been given to raising the number of applications for City boards, committees, and commissions over the past few years. We attribute the continued increase in applications to several factors including residential utility bill ad inserts (began in 2002), the judicious use of newspaper advertising, City Clerk staff availability to answer questions/provide support to applicants, programs such as PACT and Community Builders, and press releases, direct mailings, targeted emails, and electronic newsletter articles from the public communications manager.

Service-level improvements continued in 2006, with the continued use of an online web-based fill-in application form. We have successfully provided an electronic form for three years, a PDF-format form for the past four years, and are pleased to report strong positive feedback from the applicants who have used the web-based fill-in form.

A survey conducted of the 2007 applicant pool (10 respondents to date) showed that 30% learned of the recruitment by seeing the utility bill insert, 20% from the City website, and the remaining 50% from "other" sources (such as: PACT, heard from a friend, picked up an application at public counters, neighborhood newsletter).

Next Steps

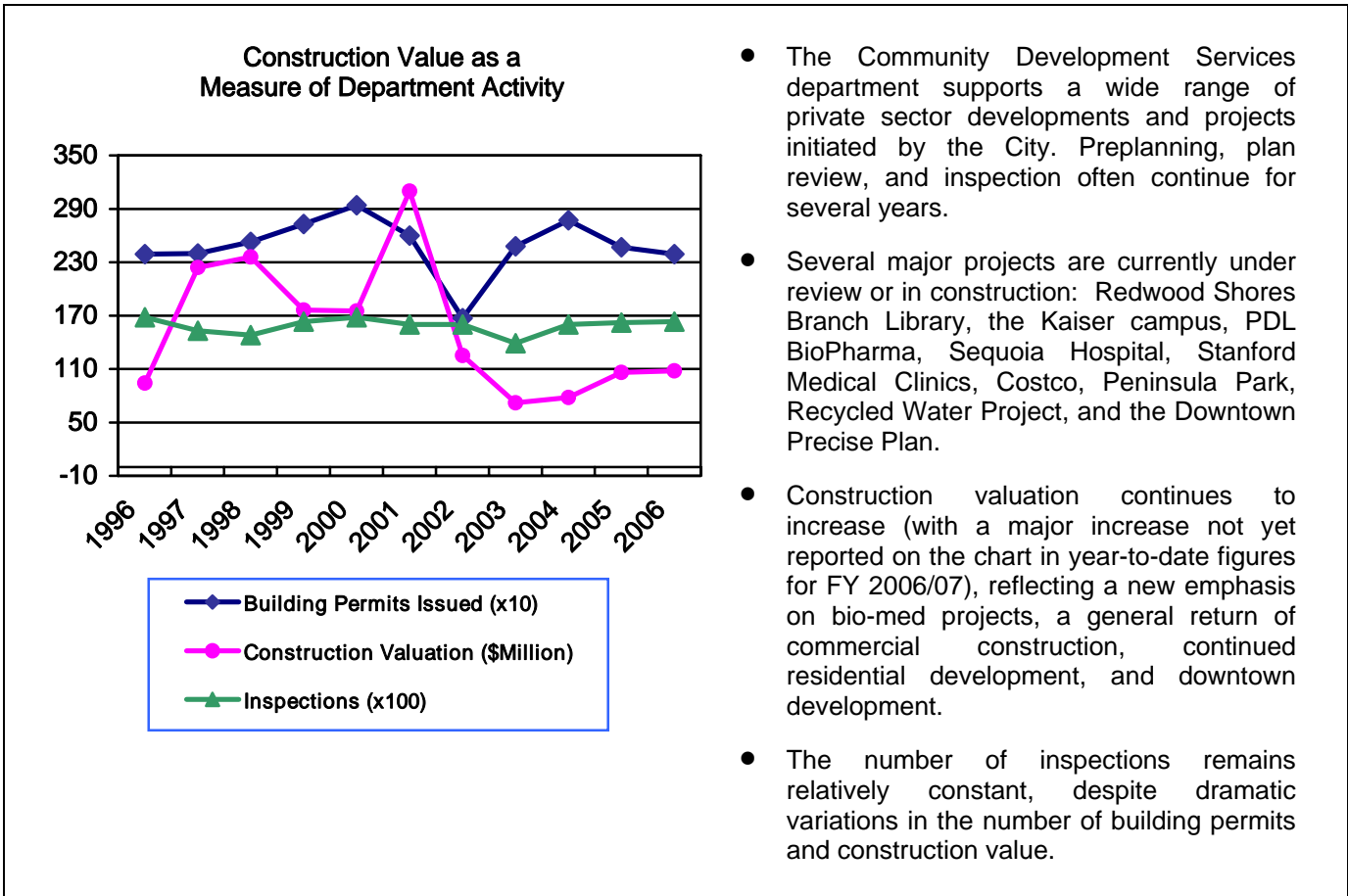
Continue increased notice through electronic means such as web-posting and mass email (to lists of established interest only).

This page left blank intentionally

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|------------------------------------|------------------|---|
| Administration (63010) | 50,000 | Economic development initiative |
| Building Regulation (63110) | 61,251 | Increased staff for increasing fire plan review workload – offset by revenues |
| Courthouse Square Mtc. (63410) | 105,421 | Downtown operating and maintenance |
| Courthouse Square Mtc. (63411) | 31,032 | Maintenance custodian – addition of 0.40 FTE |
| Planning (63210) | 134,999 | Planning staff funding sources realignment |
| Redevelopment Agency (66410) | <u>(41,887)</u> | Planning staff funding sources realignment |
| General Funds Total | 340,816 | |
| Special Revenue Funds | | |
| Redevelopment Agency – (66410) | 93,112 | Code enforcement |
| Redevelopment Agency – (66410) | <u>(134,999)</u> | Planning staff funding sources realignment |
| Special Revenue Funds Total | (41,887) | |

HISTORIC TRENDS



**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
REVENUES AND EXPENDITURES RECAP FOR FY 2007/08**

| SOURCES OF FUNDS | <u>2007/08</u> (\$) |
|---|--------------------------------------|
| Entitlement Grant | 744,251 |
| Estimated Housing Rehabilitation (Single Family) Income | 300,000 |
| Estimated RRP Program Income | 100,000 |
| HOME Investment Partnership Grant | <u>415,769</u> |
| Total Estimated Funds | <u>1,560,020</u> |
| USES OF FUNDS | |
| General Administration | 160,511 |
| Home Improvement Program Support | 75,000 |
| Funding to Subrecipients | 608,740 |
| HOME Investment Partnership Program Expenditures | <u>415,769</u> |
| Total (Including \$100,000 of Program Income) | 1,260,020 |
| Home Improvement Program Support | 50,000 |
| Amount available for loans | <u>250,000</u> |
| Total Use Of Funds | <u>1,560,020</u> |

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
 APPLICATIONS FOR FUNDING – COUNCIL APPROVED**

| | <u>Amount</u> (\$) |
|---|-----------------------|
| <u>Administration</u> | |
| General Administration | 160,511 |
| <u>Program Support</u> | |
| Home Improvement Loan Program Support | 75,000 |
| Total Administration Program Support | 235,511 |
| <u>Miscellaneous Funding for Non-Profit Organizations</u> | |
| Casa De Redwood - Building Repairs | 113,400 |
| City of Redwood City Minor Home Repair Program | 10,000 |
| Center for Independence of Disabled - Housing Accessibility Modification | 30,000 |
| Emergency Shelter for Domestic Violence Survivors (CORA) | 15,000 |
| Future Site Acquisition | 145,363 |
| Human Investment Project - Home Sharing Program | 24,638 |
| Interfaith Hospitality Network - Rotating Church Shelters | 15,000 |
| Clara-Mateo Alliance Adult Shelter and Family Shelter | 11,000 |
| Mental Health Association - Spring Street Shelter | 12,000 |
| Mid-Peninsula Citizens for Fair Housing - Fair Housing Services | 38,339 |
| Rebuilding Together - Rebuild Day for Very Low Income | 20,000 |
| Redwood Family House Rehab - Shelter Network of San Mateo County | 90,000 |
| Regional Occupational Program Job Training Support | 5,000 |
| Samaritan House Safe Harbor Shelter | 10,000 |
| Shelter Network - Maple Street Shelter | 24,000 |
| Shelter Network - Redwood Family House | 35,000 |
| Youth and Family Enrichment Services - Daybreak Homeless Youth Shelter | 10,000 |
| Total Miscellaneous Services | 608,740 |
| CDBG Program Income | |
| <u>257-66380 Program Support</u> | |
| Home Improvement Loan Program Support | 50,000 |
| Home Improvement Loans | 250,000 |
| Total Program Income | 300,000 |
| HOME Funds | |
| <u>258-66354 Administration</u> | |
| HOME Administration | 41,577 |
| Community Housing Development Organization Setaside | 62,365 |
| Peninsula Habitat for Humanity-Lincoln Townhomes 124-126 Lincoln, Redwood City | 311,827 |
| Total HOME | 415,769 |
| TOTAL ALL FUND SOURCES | 1,560,020 |

CITY COUNCIL PRIORITIES

Downtown Redevelopment

- Develop a downtown strategic marketing plan and establish a volunteer-based downtown ambassador program by November 2006.

Status

Timing and content of the marketing plan are in review and staff anticipates presenting recommendations by June 2007, to coincide with the opening of the first Courthouse Square pavilion. Due to the phasing of the openings of the retail-cinema complex and Courthouse Square, it was determined that a volunteer-based ambassador program was not necessary.

- Work with the downtown business group to continue the process for determining the feasibility of creating a downtown business improvement district by June 2007 (target date for Council consideration).

Status

The consulting firm New City America/Marco Li Mandri has been retained to guide the creation of a new local enabling ordinance for a "Community Benefit District" (CBD) that would include downtown residential properties as well as businesses. Initial meetings with stakeholders have occurred, and the next steps include analysis of options for district boundaries, operating structures, and management models. Target date for formation of a CBD is June 2008, assuming a successful consensus process followed by an affirmative 50%+ weighted vote of property owners.

- Complete construction of Courthouse Square and begin operation by the end of September 2006.

Status

Construction was completed and Council accepted the Square on February 26, 2007. The Square provided venues for several major community events beginning in October 2006. The Downtown Management Team, including staff from most City departments, is completing the guidelines for operations, maintenance, and event programming. This procedural work is anticipated to be complete in the summer of 2007. Process is underway to select the vendors to operate the four concession spaces in the pavilions.

- Working with the community working group on bicycle/pedestrian issues. Propose a Redwood City bicycle route concept and map for routes leading to downtown by March 2007 for implementation via the capital improvement program or grant funds.

Status

Completion of the concept map has been delayed. CDS has made new staffing assignments and will be working with the group on a new timeline and work plan for FY 2007/08. Following the re-stripping of Industrial Way in late 2006, the working group has been considering:

- *The need for more bike parking in and around the retail-cinema complex and Courthouse Square;*
- *Providing input into the General Plan, particularly the Circulation Element;*
- *Participating in the Woodside/Middlefield Road crossing study;*
- *Working with schools to improve safety and accessibility to encourage more children to walk and bike to school.*

- Finalize a development agreement for a downtown housing project on a site yet to be determined by June 2008.

Status

The Downtown Precise Plan goes into effect May 23, 2007. Community Development Services (CDS) staff expects to receive several applications for a variety of new housing projects by the end of 2007, based on a high level of interest and engagement by the development and housing advocate communities. Whether development agreements will be necessary is not currently known.

- Working with SamTrans, develop a land plan for the parcels adjacent to the Caltrain station, including site plan, building heights, and street layout by December 2007.

Status

Two concurrent planning processes will establish the basis for creating a land plan by the end of 2007: the City's Downtown Precise Plan and Caltrain's rail "footprint study." Staff expects a joint agency briefing for the City Council by May 2007.

- Complete the draft of the Downtown Precise Plan and the Environmental Impact Report for public comment by August 2006 targeting adoption for both documents by the end of 2006.

Status

The final Environmental Impact Report was certified by the Planning Commission on February 6, 2007. The City Council adopted the Downtown Precise Plan on March 26, 2007 and it goes into effect on May 23, 2007.

Transportation and Traffic

- Incorporate provisions for traffic and transportation improvements into the General Plan including alternate modes of transit as part of the public release of the draft Circulation Element scheduled for fall 2006.

Status

The update of the Land Use and Circulation Elements of the General Plan was put on hold while the Plan process was completed. Related planning work for the rail and El Camino transit corridor has progressed via the work of the Grand Boulevard Task Force, the Caltrain 2025 Plan, and the drafting of a "footprint study" for peninsula rail line expansion and grade separation. Staff anticipates a public review process for the Land Use and Circulation Elements to commence in the summer of 2007.

- Submit a grant application to C/CAG requesting funds to create a "Grand Boulevard" concept for El Camino Real within Redwood City, including lane configurations, street parking, landscaping, and adjacent uses by December 2006.

Status

The original objective of a grant application was superseded by the need to integrate the Grand Boulevard planning process into both the completion of the Downtown Precise Plan and the Caltrain transit study. Opportunities for funding specific design studies and improvements along El Camino Real are possible in FY 2007/08.

Government Operations

- Implement interactive voice response and web-based permitting systems by June 2007 to enable customers to request and verify permits and inspections via the Internet or interactive phone.

Status

This project is on track for operation beginning June 2007.

Community/Civic Support

- Present to the Planning Commission a review of current public review and public notice requirements for public and private projects with recommendations for possible changes by March 2007.

Status

Delayed. Staff is researching and compiling background information and concepts for changes. This effort will be coordinated with other research and recommendations related to design review of single-family homes. Staff expects to submit recommendations to the Planning Commission by October 2007.

- Update the City's CDS web pages to include information about the new downtown including parking (lots and meters) and Courthouse Square by September 2006.

Status

The website has been continually updated throughout development of the new parking program and final construction of Courthouse Square. When the new parking program is fully implemented (June 2007), final updates will be added to the website.

PERFORMANCE MEASURES

- Effectiveness in processing building permits as measured by percentage of plan reviews completed and permits issued within designated time periods.

Status

In FY 2005/06, 81.3% of plan reviews were completed in the designated time period. This increased to 83.6% in FY 2006/07 (year-to-date). In FY 2007/08 staff will continue implementing improvements and efficiencies to reach or exceed the 90% goal.

- Code enforcement cases brought into compliance within 30 days of initial report of a potential violation.

Status

In FY 2005/06, 81% of the cases were in compliance within 30 days of initial report. In FY 2007/08 staff will evaluate and modify current code enforcement procedures as needed to increase effectiveness and reach or exceed the 85% goal.

- Effectiveness of the City's capital improvement program to deliver projects within design expectations and budgets.

Status

In FY 2005/06, change orders totaled less than 10% of the overall project cost for 90% of the major projects. As of February 2007 for FY 2006/07, change orders totaled less than 10% of the overall project cost for 85% of major projects. In FY 2007/08 staff will evaluate best management practices to further streamline its engineering project management techniques to reach the goal of less than 10% in change orders for 100% of major projects.

- Effectiveness of the City's new parking program, as measured by parking occupancy in the downtown meter zone.

Status

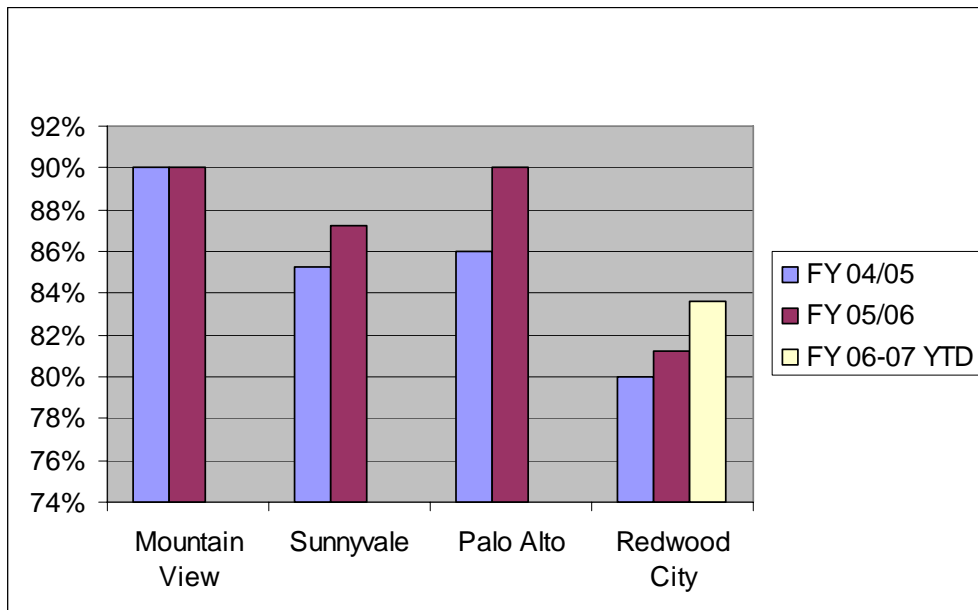
With the March 2007 introduction of the new pay-by-space downtown parking meters, the City embarked on its new parking program. The City's target parking occupancy rate is 85%. Historic parking data is available for baseline comparison. In FY 2007/08 current and ongoing parking data will be available. Staff will evaluate whether the 85% goal is being achieved, and if it is not, will recommend appropriate adjustments.

- Success of Redwood City's downtown revitalization investment as measured by downtown sales tax increases.

Status

Historic data both for the downtown core and citywide are provided this year to establish a baseline. In FY 2007/08, sales tax will be tracked for the downtown core and citywide, for both Redwood City and at least one comparison city for benchmarking purposes.

Effectiveness in processing building permits
 as measured by percentage of plan reviews completed and
 permits issued within designated time periods.



Definition

This performance measure tracks the elapsed time for plan review and permit issuance from submittal of the building permit application to completion of the citywide initial review by representatives from Fire, Planning, Engineering, and Building. CDS' goal is to complete 90% of the initial reviews within the designated time periods for all projects.

Analysis

Redwood City's plan review process includes several application categories, and time goals vary depending on the type of project under review. Specific project review goals are as follows:

1. New buildings 4 weeks
2. Additions 3 weeks
3. Tenant Improvements > \$250,000 3 weeks
4. Tenant Improvements < \$250,000 1 week

Comparison cities track similar, but not identical performance dimensions:

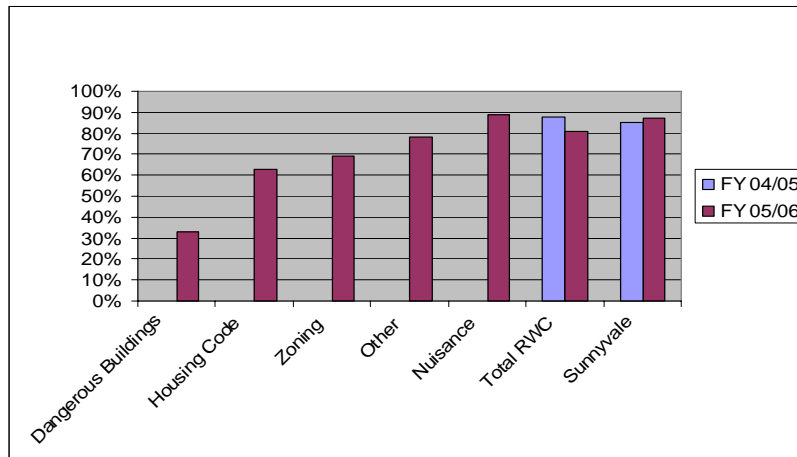
- Sunnyvale's target is to complete an initial review of regular building plan checks by all departments within 21 calendar days.
- Mountain View measures only "fast track" plan reviews (tenant improvements <50,000 square feet), against its goal of completing these reviews in one week. During FY 2005/06 Mountain View's performance was 90% to its goal. The "fast track" category accounts for 33% of Mountain View's plan reviews. A similar measure for Redwood City would include reviews processed by the One Stop Center, where the majority of projects encompass minor tenant improvements and account for 29% of all plan reviews. Redwood City's One Stop Center completed 97.3% of plan reviews within one week.
- Palo Alto tracks the percent of building plan reviews completed within a four-week target.

The Redwood City plan review team has steadily improved its performance over the past several years by reviewing and implementing best practices and providing additional technical training. Staff members were cross-trained to ensure one plan checker can cover multiple disciplines. The computerized permitting system and other automated processes continue to provide greater efficiencies. These staff efforts reduced plan review time and thus increased customer satisfaction, since "time is money" to permit applicants. Additionally, the City Council adopted a new fire/engineering/planning plan review fee which is intended to support additional staff in order to process permits more quickly.

Next Steps

Staff will work with the three comparison cities to reach agreement on data collection, thus ensuring meaningful benchmark data for all four cities. The City's reporting system will be reprogrammed to provide direct-comparison data for FY 2007/08. Staff will continue implementing improvements and efficiencies to reach or exceed the 90% goal, and will analyze those projects with plan reviews not completed in the designated time period to identify and implement improvements. Additionally, staff will continue to evaluate the best practices of other cities for potential use in Redwood City.

Code enforcement cases brought into compliance within 30 days of initial report of a potential violation.



Definition

This performance measure tracks the percentage of code enforcement cases that are in compliance within 30 days of initial report with a goal of achieving compliance within 30 days for 85% of the code enforcement cases. The initial report is generated either by citizens or by Redwood City employees. Code enforcement cases are categorized as dangerous buildings, housing code violations, nuisance violations (weeds, overgrown vegetation, garbage, junk, inoperable vehicles, etc.) zoning violations, or other violations (signs, fences, obstructions to vehicular and pedestrian visibility, etc.). This new measure was selected in order to compare with at least one other jurisdiction (Sunnyvale). Palo Alto is the only other comparison city that uses a similar measure with a goal of 120 days.

Analysis

This performance measure was developed as new procedures were being implemented. Staff focused on three goals: shorten the time period for compliance when appropriate; conduct follow up inspections sooner; and ensure that records are brought up to date and that all closed cases are coded as such. Upon initial review of FY 2005/06 records, several cases were discovered to be in compliance but not yet closed in the system.

During FY 2005/06, the 30-day compliance rate for violations by category was as follows:

| | | |
|---------------------|--------------|-----|
| Nuisance | 594 of 670 | 89% |
| Zoning | 40 of 58 | 69% |
| Housing code | 33 of 52 | 63% |
| Dangerous buildings | 14 of 43 | 33% |
| Other | 314 of 403 | 78% |
| Total | 995 of 1,226 | 81% |

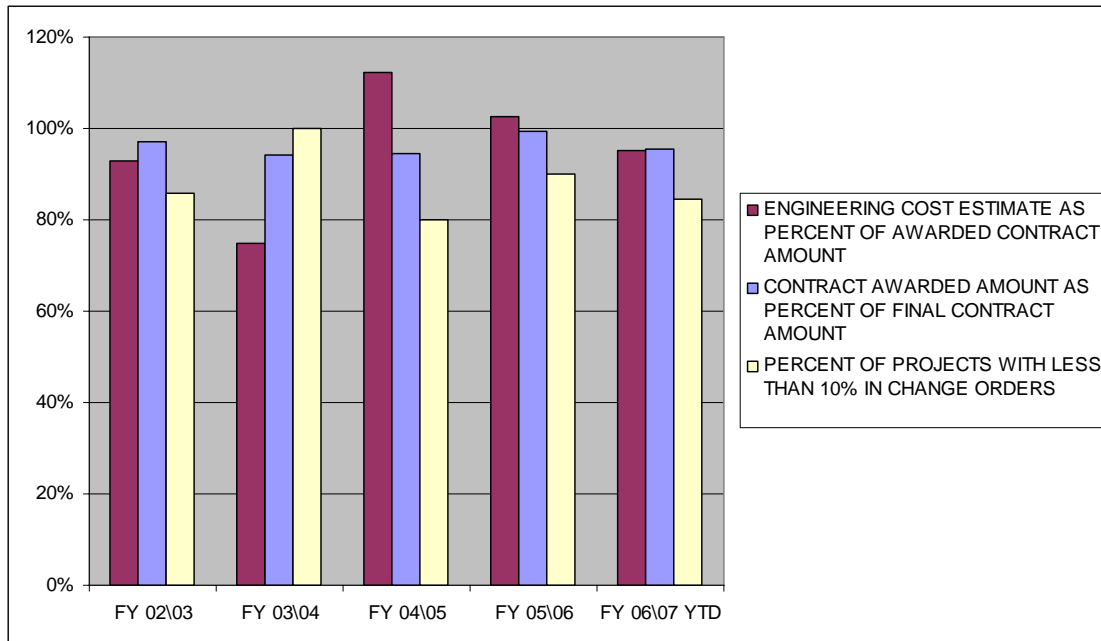
Dangerous building code violations, which account for 3.5% of all violations, are quite complex and typically take three months or longer to resolve, as they often involve architectural plans, demolition permits, and technical processes and evaluations. Less than 5% of dangerous building code violations pose an immediate danger to occupants; in such cases the buildings are “red-tagged” and immediately vacated. Conversely, nuisance and “other” violations are often straightforward and much easier to resolve, and the majority of these violations reach compliance within 10 days. Nuisance code violations account for 55% of all violations, and “other” violations account for 33%.

Palo Alto tracks the percent of code enforcement cases resolved within 120 days of date received, rather than the 30-day time period that Sunnyvale and Redwood City use. Palo Alto’s compliance rate was 96% in FY 2005/06. By comparison, Redwood City achieved compliance within 120 days for 88% of its FY 2005/06 code enforcement cases (1,075 of 1,226).

Next Steps

Review open cases to determine if data entry and/or follow up procedures require improvement. Meet with Sunnyvale, Palo Alto, and other jurisdictions to verify the types of cases being tracked and to evaluate best practices. Modify current code enforcement procedures as needed to increase efficiency and effectiveness. As a second benchmark, measure compliance within 120 days for comparison to Palo Alto.

**Effectiveness of the City's Capital Improvement Program
 to deliver major projects within design expectations and budgets.**



Definition

This performance measure tracks the department's ability to deliver major projects (\$100,000 and higher) within design expectations and budgets. Three metrics to track performance are: (1) percent of cost variance from the engineer's estimate to lowest bid awarded; (2) percent of cost variance from contract award to final contract amount; and (3) percent of projects with change orders valued at less than 10% of final project cost.

Analysis

The target is to deliver 100% of major projects within design expectations and budgets. Total engineering cost estimates from FY 2002/03 to FY 2005/06 varied from 75% to 111% of the awarded contract amount. The variation reflects the volatile bidding environment and construction cost acceleration of the past five years. The variance of awarded amount to the final contract amount ranged from 93% to 99% during the same time period.

Percent of major projects with less than 10% in change orders ranged from 86% to 100% from FY 2002/03 to FY 2005/06. It is reasonable to expect some degree of change orders with most projects; however the goal is to keep the changes within 10% of total cost for all projects. Variables that influence change orders include:

- Communication and coordination among city departments, which increases effectiveness of decision-making and reduces project scope changes;
- Levels of design experience and complexity, a thorough plan review process, and updated city standards, which all impact how comprehensive the bid documents will be, and thus the ability to anticipate field conditions once construction begins.

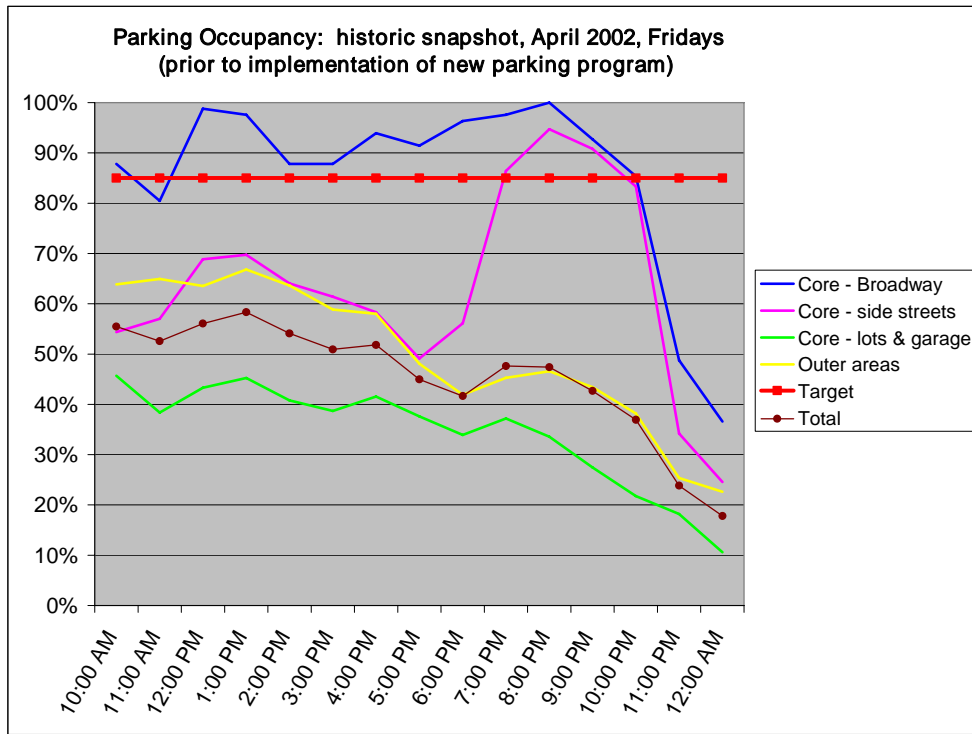
Change orders will be minimized to the extent that these variables are well managed.

With the increasing number of multimillion dollar projects, the total construction cost for major projects rose from \$5.3 million in FY 2002/03 to \$41.1 million in FY 2006/07 (through February 2007). Therefore, restricting change orders to 10% or less of total project cost is critically important.

Next Steps

Continue tracking and monitoring ongoing projects, and identifying opportunities for benchmarking change order levels with other agencies. Review other jurisdictions' capital improvement programs (those having comparable resources and types of projects) to learn best practices and new methods of engineering project management.

**Effectiveness of the City's new parking program,
 as measured by parking occupancy in the downtown meter zone.**



Definition

This performance measure tracks the City's ability to maintain a consistent 85% occupancy rate for on-street parking spaces and lots, and parking garages. Data shown in the graph above will be used as a baseline of comparison for performance data to be collected and reported in future years, beginning in FY 2007/08.

Analysis

The goal of Redwood City's parking program is to manage the supply of parking so that parking spaces are reasonably available when and where needed. To accomplish this, the City established a target parking occupancy rate of 85%, which provides approximately one available space for every eight (eight parallel spaces are roughly equivalent to one city block). Traffic engineers and parking experts believe this occupancy rate allows easy ingress and egress, minimizes "cruising" for parking spaces, and efficiently utilizes parking lots and spaces.

A key factor in achieving an 85% occupancy rate is to price the per-hour parking rates according to market demand. Redwood City established a downtown meter zone and introduced market-based pricing in its new parking program and ordinance. If pricing is correct, occupancies will not regularly exceed 85%, even at the busiest times on the busiest streets. However, if prices are too low, parking will become congested as people overcrowd themselves into inexpensive parking areas. Conversely, if prices are too high, parking will go underutilized as people search for better prices.

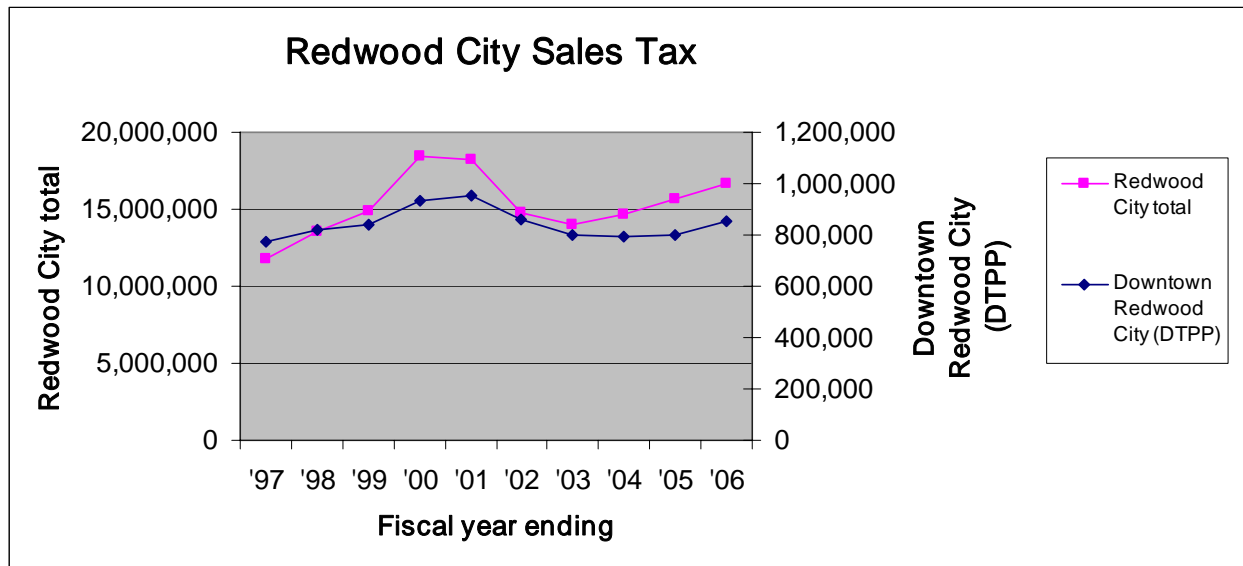
Occupancy surveys conducted prior to Redwood City's downtown revitalization construction clearly show that some parking areas were highly congested (100% parking occupancy rate), while others were underutilized. In fact, some downtown streets were not "parked" at all (0% occupancy). This historic occupancy data provides an excellent baseline for determining the impact of the new program. One such chart is shown above.

Next Steps

With the March, 2007 introduction of the new pay-by-space downtown parking meters, the City embarked on its market-based pricing program. In the downtown core, parking occupancy data is available electronically to staff via the new pay-by-space meters. Manual hand-counts will be taken in areas where the old-style meters are still

used. On a quarterly basis, staff will evaluate whether the 85% target is being met, and if it is not, price adjustments will be recommended per guidelines set by City Council. Additionally, in the first year (March to December 2007) staff will collect data more frequently, for the purpose of establishing a basis for comparison in subsequent years.

Success of Redwood City's downtown revitalization investment as measured by downtown sales tax increases.



Definition

This performance measure tracks the success of Redwood City's downtown revitalization efforts as reflected by growth in sales tax. Sales tax is one indicator of the level of activity in a defined retail area. This measure should be appropriate for the next five to ten years while downtown development (including housing) continues at a fast pace following adoption of the Downtown Precise Plan.

Analysis

Since 1998, the City Council has prioritized downtown revitalization. The City dedicated many resources to this effort, and several "catalyst" projects are now completed. These projects, including the retail-cinema and the new Courthouse Square, are intended to increase activity in the downtown core area and bring residents, visitors, merchants, and customers to downtown Redwood City.

Sales tax is one readily-available measure of activity level, and can be tracked historically for specific geographic areas. Additionally, it may be used to benchmark Redwood City to a similar city with a comparable downtown (i.e. one with a downtown cinema). The City of San Mateo, for example, recently opened a downtown cinema and tracks its sales tax data.

Because sales tax totals for individual merchant sites are proprietary, data will typically be aggregated for multi-site businesses. Therefore, it is important to establish a geographic boundary for tracking purposes, to ensure consistent and accurate analyses in future years. For this performance measure, Redwood City's Downtown Precise Plan area will be used.

A 10-year sales tax history of the Downtown Precise Plan area was compiled, both for baseline information and for comparison to overall (citywide) trends. This information is shown in the chart above. Nearly all economic charts show a steep increase in the late 1990s followed by a sharp decline concurrent with the dot-com crash at the turn of the millennium. The chart above shows that the Downtown Precise Plan area was less impacted by these general economic trends than was Redwood City overall. The City overall has a higher concentration of firms in the "business to businesses" category, compared to downtown Redwood City. This category was severely impacted by the dot-com bubble and experienced a dramatic rise and fall between 1999 and 2003. Additionally, many software firms in this category are now delivering more of their products electronically, thus avoiding payment of sales tax. Business-to-business firms currently account for 21.1% of Redwood City's overall sales tax, but only 3% of the downtown sales tax.

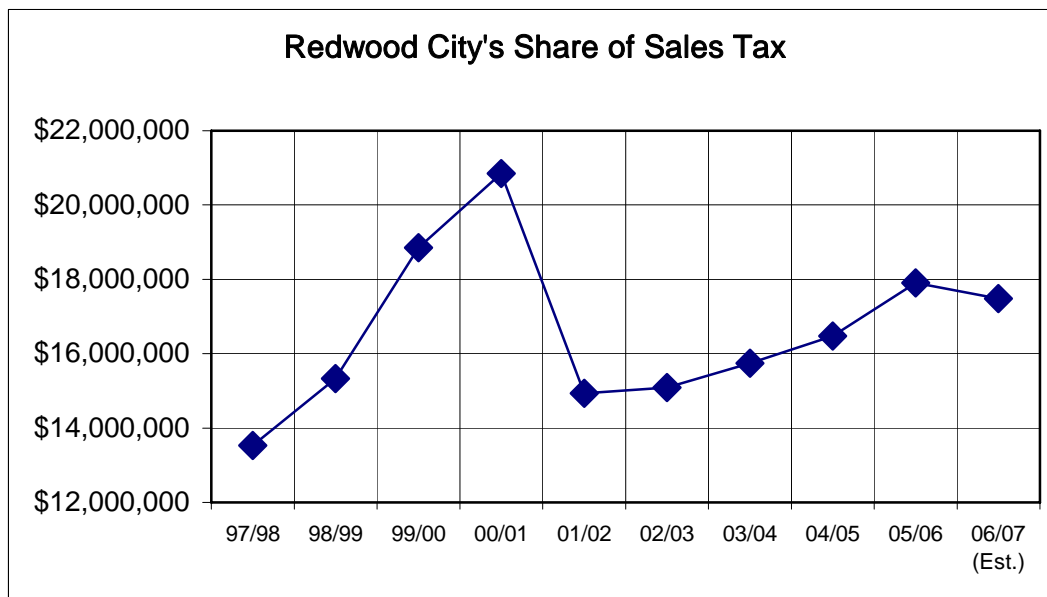
Next Steps

The retail-cinema project opened in July of 2006, so FY 2006/07 will be established as year one (the “ramp-up” year), and those results will be reported next year. In order to benchmark with a comparable city, staff members will work with their counterparts at the City of San Mateo, to create a basis for comparison of the two downtowns, including pre- and post-development sales tax.

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|---|----------------|---|
| Financial Services (61430) | 19,547 | Add back .25 accounting technician position – offset by revenues |
| Administrative Support Services (61710) | 87,697 | Increased county charges for property tax administration and animal control |
| General Funds Total | 107,244 | |
| Enterprise Funds | | |
| Water Fund | | |
| Revenue Services (61410) | 10,000 | Increase in postage rates |
| Enterprise Funds Total | 10,000 | |

HISTORIC TRENDS



Graph represents the amount of sales tax dollars that Redwood City has received from the State of California for each of the last 10 fiscal years.

- Through FY 2000/01, business-to-business sales tax revenue became the City's largest single category.
- The decline after FY 2000/01 was brought about by the preponderance of technology firms in the business-to-business category and the subsequent slowdown this sector of the economy experienced.
- The decline has also been exacerbated by changes in how software firms are delivering their products to avoid sales tax.
- These declines have been offset by increases in auto sales (due to consumer incentives) and an increase in service stations (due to the rising gasoline prices).

CITY COUNCIL PRIORITIES

Downtown Redevelopment

- Provide financial technical support to staff engaged in downtown redevelopment strategies by assisting with the development of financial projection models, providing historical financial information, and advising of the potential financial outcomes of various strategies being considered.

Status

The initial phase, supporting the financing of \$48 million of capital improvements, is complete. Continuing to provide support on an as-needed basis for ongoing downtown operations.

Public Safety

- Develop and implement a business resumption plan so that the Finance department may continue its operations at an offsite location in the event City Hall is inaccessible due to a natural disaster.

Status

A redundant financial system has been successfully set up in Burlingame. Payroll, accounts payable checks, as well as utility billing and cash receipting, have been successfully tested by Finance. The data is updated on the disaster recovery server nightly through an automated process across our fiber connection. Some processes still need to be flushed out, such as how to bill for water should the meter reads not be available, how to handle billing to areas unable to receive service, and how to return to "normal" post disaster. Some parameters, used to define special processing during disaster mode, need to be solidified.

Community/Civic Support

- Participate in community outreach sessions in which City financial information is presented and continue to identify methods to improve public access to City financial information.

Status

Continued support is being provided on an as-needed basis.

PERFORMANCE MEASURES

- Comparison of data center availability to industry standard – Achieve and maintain a 99.999% data center availability to meet industry recommended standards.

Status

Data center availability has been reaching levels of 99.99% availability with most outages being planned and executed during non-business hours. The inclusion of the data center located at the Police department into the Citywide infrastructure will allow the City to have a "hot" backup site available in the event of failure in the main data center located in City Hall. This will ultimately allow us to achieve or surpass industry standards for data center availability.

- Comparison of wide area network availability to industry standard - Achieve and maintain a 99.999% wide area network availability to meet industry recommended standards.

Status

The City has been relying more and more on fiber connectivity instead of leased telephone lines for its wide area operations. This has allowed us to maintain a 99% availability of our wide area network. The only down time was due to outages beyond our control at our internet service provider during the storms at the beginning of 2006.

- Citywide general liability losses - Maintain the City's general liability loss rate for each of the next two years (as measured by the total cost of losses per \$100 of payroll) lower than the average loss experience of the other 17 members of the City's general liability insurance pool, the Bay Cities Joint Powers Insurance Authority.

Status

For three of the past five years, Redwood City's losses are lower than the average loss experienced by the other members of the City's insurance pool. We will continue to monitor and compare the City's loss experience with that of the insurance authority. We will also examine the source or drivers of the City's loss experience and will recommend loss control measures, as appropriate, to the affected departments.

- Percentage of employees on auto deposit and employees receiving electronic pay stubs - Increase the percentage of Redwood City employees who receive their pay via auto deposit directly to their bank, and the percentage of Redwood City employees who receive their pay stubs electronically via the City's internal web network, the Intranet. Having employees receive their pay stubs electronically saves the Finance payroll staff labor involved in printing, inserting into envelopes, and distributing pay stubs to departments. Also, staff time in the operating departments is reduced by not delivering pay stubs to individual employees.

Status

The percentage of employees on auto deposit increased from 76.23% in 2003 to 89.38% in 2007 as more casual employees were enrolled in the auto deposit program. The percentage of employees receiving electronic pay stubs also increased from 39.17% in 2005 to 57.86% in 2007 as we continue to enroll more employees in the auto deposit program. 100% of the Redwood City Management Employee Association employees are on direct deposit in 2007.

- The number of purchase orders processed annually - Continue to process all purchase orders in a timely fashion regardless of the fluctuations brought about by various City projects.

Status

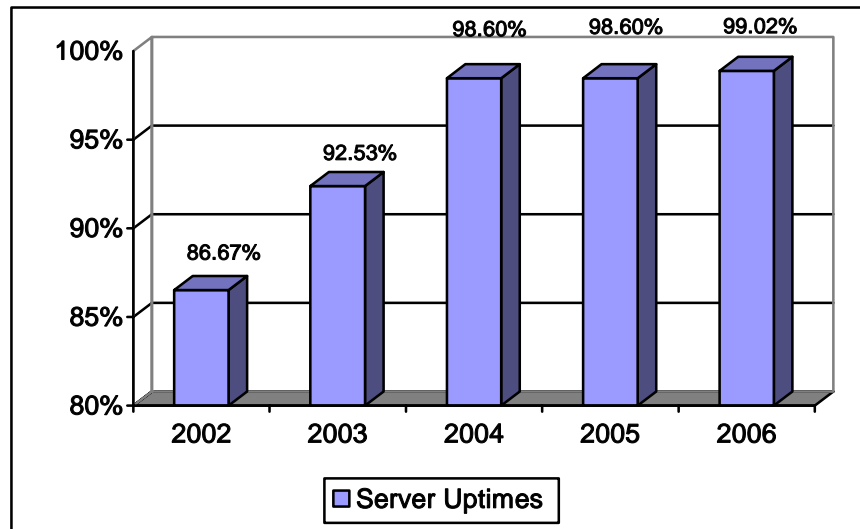
Regardless of the fluctuations in the number of purchase orders processed, the Finance department will continue to process purchase orders on a daily basis, with the goal to finalize each purchase order (to include printing, distribution, and posting) within two business days of receipt of the approved purchase requisition. In those instances in which proper authorization for a purchase has not been provided, Finance will continue to work with the departments to inform them of the required purchasing procedures.

- The number of accounts payable vouchers processed annually - Continue to process accounts payable vouchers on a regular basis at a high level of service regardless of the fluctuations brought about by economic factors and City projects.

Status

Finance will continue to provide a high level of service for accounts payable through processing two special runs per week (Mondays and Thursdays), as well as the regular weekly check runs for all items submitted by the due date and time.

Data Center Availability



Definition

Data center support provides technical computer support for City departments so they have access to mid-range computer systems. Data center support is measured by the percentage of time that the servers are available for staff applications. The industry standard is 99.999%¹.

Analysis

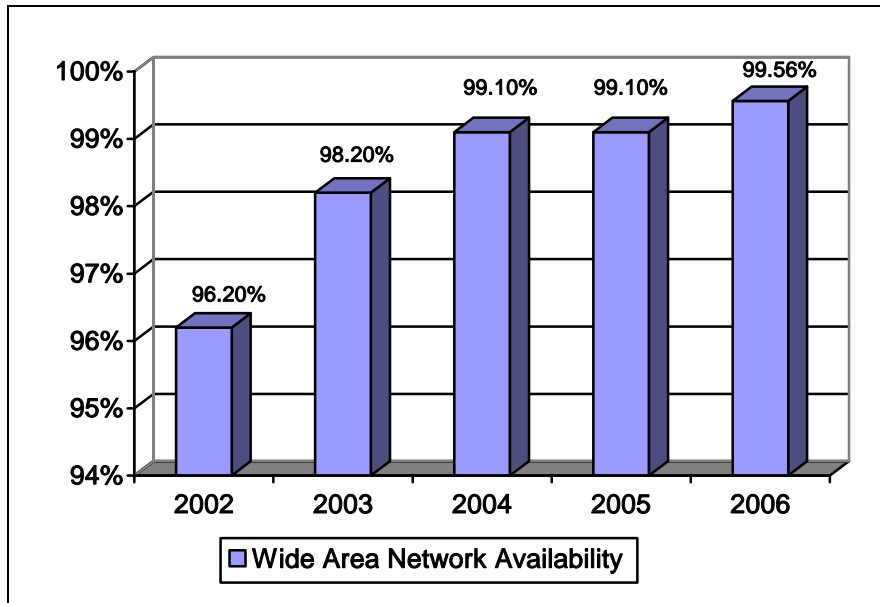
Data center availability has been steadily increasing at about 6.5% from 2003 to 2006. In 2006, data center was available to users at 99.02%. This increase is a result of planning a replacement strategy for old servers, critical applications being run on fault tolerance servers such as a clustered server, preventive maintenance, clean and reliable power source, better firewall protection from viruses, and knowledgeable staff monitoring the data center.

Next Step

IT plans to research and implement an automated response system that will detect failures more proactively and take the necessary corrective measures. This will help in trying to achieve the magical uptime number of 99.999% uptime.

¹ Data Center Availability: White paper titled, "Industry Standard Tier Classifications Define Site Infrastructure Performance." Authored by Pitt W. Turner and Kenneth G. Brill.

Wide Area Network (WAN) Availability



Definition

Wide Area Network (WAN) operations provide network, monitoring, and maintenance for City staff so they can use their computers and telephones to exchange information. The WAN operations are measured by the percentage of time WAN's are available. The industry standard is 99.999%.

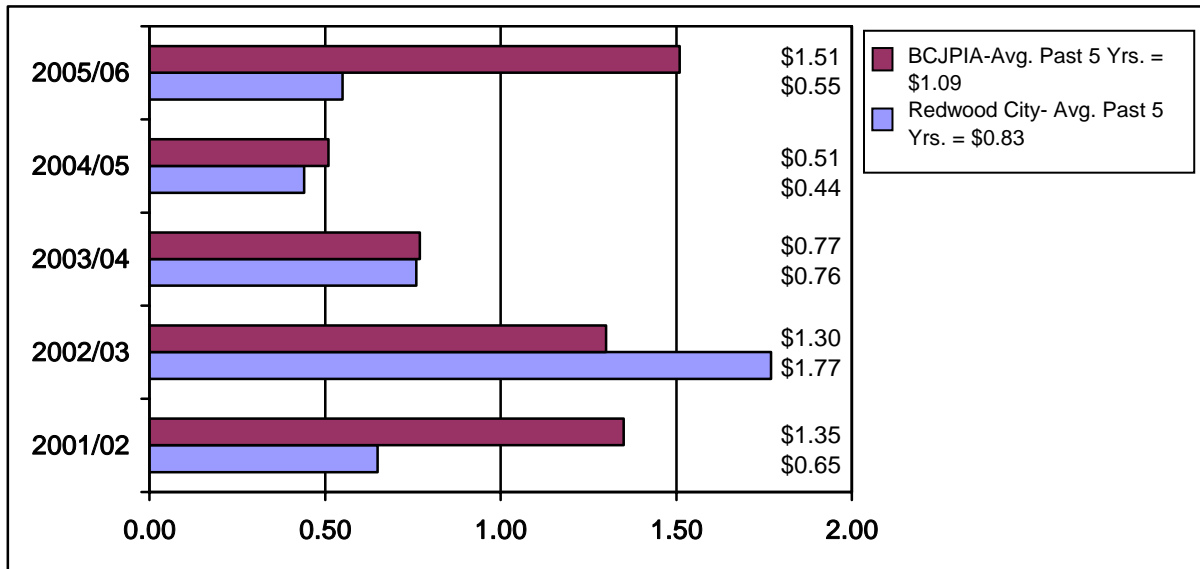
Analysis

Information Technology (IT) has increased the availability of the entire network to 99.56% in 2006. The increase has been attributed to better planning, monitoring, and deployment of standard networking equipment to various sites of the City. Most sites in the City are connected via fiber. The fiber connections have allowed IT to deploy automatic switchover technology using redundant paths. This allows the sites to remain up even if one fiber link is down.

Next Step

As part of the new institutional network (I-Net) being provided by Comcast, more City facilities will be connected via fiber. This will eliminate a lot of the older, slower, costlier T-1 lines to the sites and allow IT to deploy automatic switchover failsafe technology.

Total General Liability Loss Experience for Redwood City and the Average of the Bay Cities Joint Powers Insurance Authority (BCJPIA) For Each of the Past Five Years



Definition

Total general liability losses (including case reserves, payments to claimants, legal defense fees, and investigation costs) per \$100 of payroll for Redwood City and the average for the 17 public agencies belonging to the BCJPIA, the City's general liability insurance "pool." General liability losses are the result of injuries or property damages (or allegations thereof) incurred by members of the public due to conditions of City-controlled property or actions of City employees. It should be noted that the above loss rates are not static numbers and that as long as claims are open for a given plan year the losses for that year will likely change over time. The reason for this is that a component of the cost (or loss) of each claim is the case reserve. The case reserve is merely an estimate of the future costs of resolving the claim. Actual costs do vary from these estimates and accordingly the incurred cost of a claim will likely change until it is closed.

Analysis

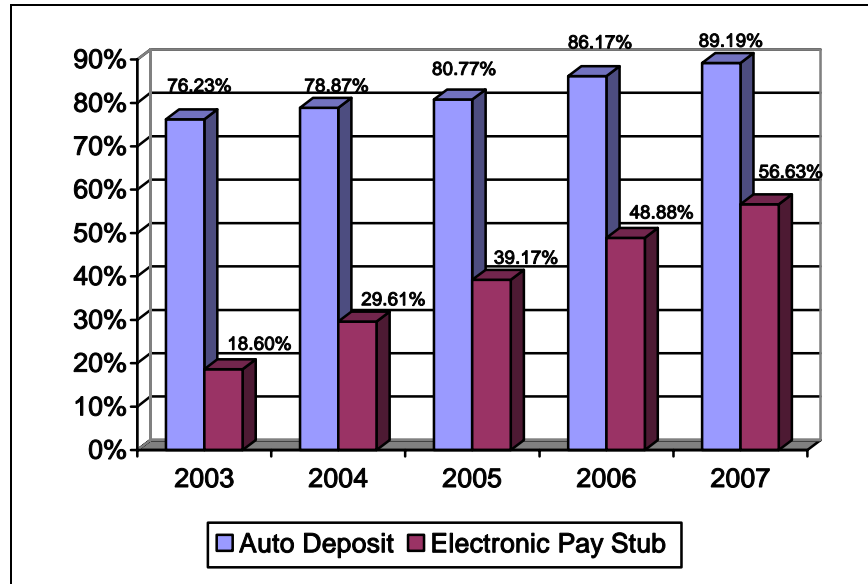
For four of the past five years, Redwood City's losses are lower than the average loss experienced by the other members of the City's insurance pool. The City's losses in FY2002/03 were much higher primarily due to two large claims that accounted for over half of that year's losses.

Certain events beyond the City's control may occur which influence the City's loss experience in a given year. Examples of events that are somewhat beyond the City's control are water main breaks that cause localized flooding, sewer system back-ups and overflows, and trees that fail during wind storms. Examples of events that the City is able to control include losses from motor vehicle accidents caused by a City employee's negligent operation of a vehicle and "slip/fall" claims on City sidewalks. Losses due to the former are mitigated by requiring employees who are found to be at fault to enroll in driver training classes while the latter is reduced by the City's sidewalk replacement program replacing sidewalks that contain tripping hazards. Over the long-term, this measure does provide some degree of insight into how well the City is managing its risks relative to the collective experience of the insurance pool to which the City belongs.

Next Steps

Continue mandatory driving training classes for certain employees and the City's sidewalk replacement program to minimize "slip/fall" claims on City sidewalks.

Percentage of Employees on Auto Deposit
And Percentage of Employees Receiving Electronic Pay Stubs



Definition

The percentage of Redwood City employees who receive their pay via auto deposit directly to their bank, and the percentage of Redwood City employees who receive their pay stubs electronically via the City's internal web network, the Intranet.

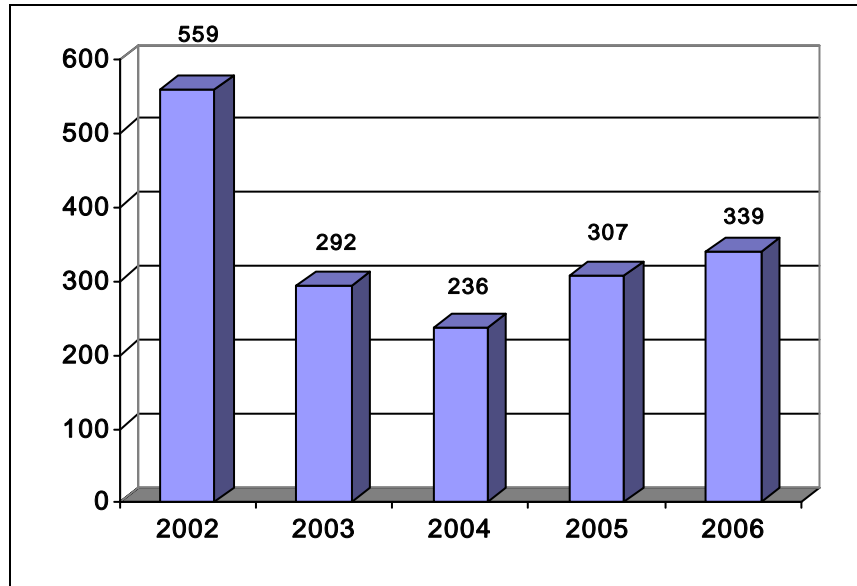
Analysis

The percentage of employees on auto deposit increased from 76.23% in 2003 to 89.19% in year 2007 as more casual employees were enrolled in the auto deposit program. The percentage of employees receiving electronic pay stubs also increased from 48.88% in 2006 to 56.63% in 2007 as we continue to enroll more employees in the auto deposit program. Having employees receive their pay stubs electronically saves the Finance payroll staff labor involved in printing, inserting into envelopes, and distributing pay stubs to departments. Also, staff time in the operating departments is reduced by not delivering pay stubs to individual employees.

Next Steps

In order to move the percentages closer to 100%, we will continue to work with the Library and Parks, Recreation and Community Services departments to enroll newly hired casual employees in the auto deposit and electronic pay stub programs, as casual employees have traditionally had low participation in these programs. We will also continue to work with the Human Resources Department to attempt to negotiate language in the memorandums of understanding with the City's labor organizations to require that all newly hired employees participate in the auto deposit program.

Number of Purchase Orders Processed Annually



Definition

Purchase orders are purchase requests made by departments within the City for external products and services. Once purchase orders are entered into the City's financial system by the departments, they are approved by respective supervisors and department heads, and subsequently approved by the Financial Services Manager.

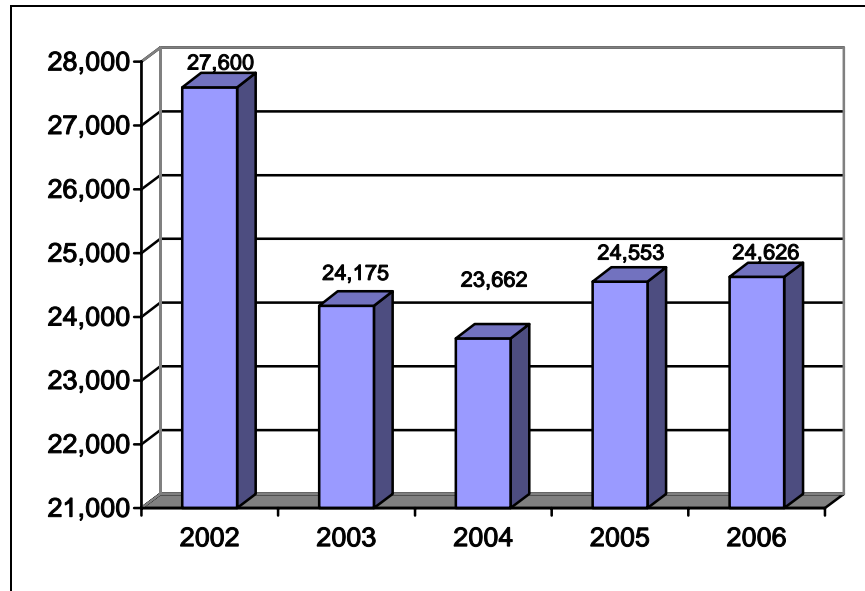
Analysis

The number of purchase orders processed annually declined significantly from calendar year 2002 through 2004 due to departments' tighter budgets. This initial decline allowed staff time to be freed up for new responsibilities such as the billing process associated with the commercial organics program that allows local restaurants to divert food waste from being disposed of at the landfill to instead be directed to a facility that recycles this waste as garden mulch. The number of purchase orders processed in 2005 and 2006 is higher than the number processed in 2004 due to increased activity related to the construction of the downtown public parking garage, the courthouse project, and related downtown improvements.

Next Steps

The Finance Department will continue to process all purchase orders regardless of the fluctuations brought about by various City projects.

Number of Accounts Payable Vouchers Processed Annually



Definition

Accounts payable is the money owed by the City of Redwood City to companies providing products and services. An accounts payable voucher is the item processed internally to create the check that is issued by the City for the money owed. One check may consist of multiple vouchers. This graph represents the number of accounts payable vouchers processed annually.

Analysis

The number of vouchers processed was higher in 2002 due to increased activity related to transportation projects. The decline in vouchers processed in 2003 through 2006 from the 2002 level has also resulted from budget reductions, which began in 2003 and are continuing into subsequent years. While fewer total vouchers means less staff time required for review of those vouchers, the amount of time required to prepare and assemble the report to City Council does not fluctuate with a change in the level of vouchers processed. A reduction in the number of vouchers processed allows staff to spend more time reviewing each voucher, thereby improving the quality of the review and providing greater assurance of the accuracy of the items paid. The number of vouchers processed in 2005 and 2006 is higher than the number processed in 2004 due to increased activity related to the construction of the downtown public parking garage, the courthouse project, and related downtown improvements.

Next Steps

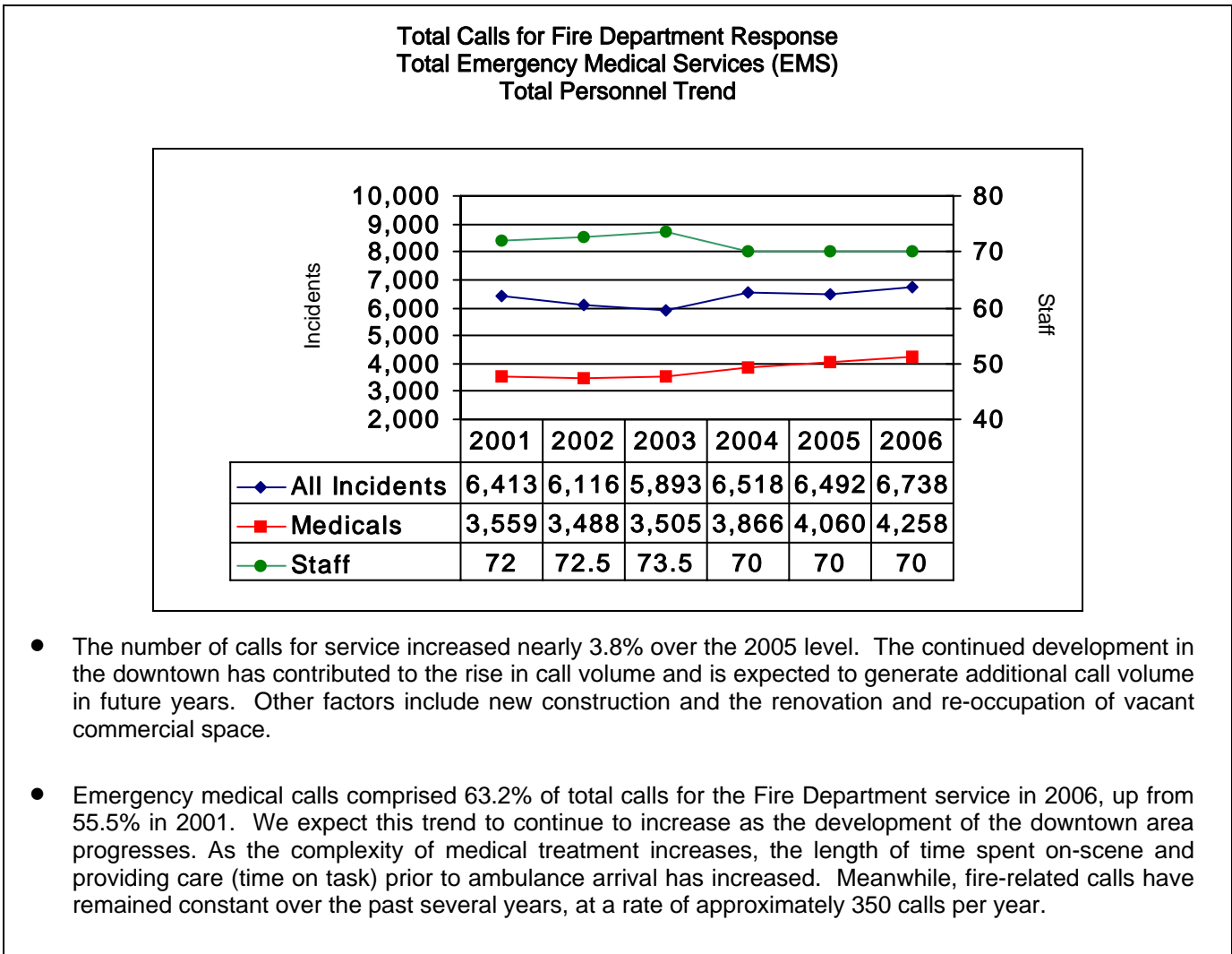
As budget reductions have been maintained, it is anticipated that the number of vouchers processed has stabilized as the organization approaches a base level of spending.

This page left blank intentionally

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|----------------------------|----------------|---|
| Administration (62210) | 22,000 | Increased charges for San Mateo County OES Disaster Protection Services |
| Operations (62220) | 208,000 | Engine 9 reinstatement to full staffing |
| Operations (62220) | 63,000 | Firefighter – Addition of 0.42 FTE in anticipation of employee retirement |
| Prevention (66230) | 75,000 | Fire permits catch-up backlog |
| General Funds Total | 368,000 | |

HISTORIC TRENDS



CITY COUNCIL PRIORITIES

Public Safety

- Track accomplishments associated with community education and community disaster preparedness.

Status

The Fire Department is tracking accomplishments associated with community education and community disaster preparedness during the current two year budget cycle. This is important information that we hope to report in the future. By June 2007, we expect to have sufficient data to convey and will develop a performance measure to track report this information accordingly.

- Reduce the severity of occupational risks encountered by Fire Department staff by 5% by the end of FY 2007/08.

Status

The department is in the process of developing a risk management program to establish a standard level of safety for all members. The primary objective is to reduce the severity of occupational risks encountered that could have a harmful effect and impact during service delivery by 5% by June 2008.

- Continue to maintain the Fire Prevention Volunteer Internship Program at a level of two interns per year, and expand scholastic outreach to encourage greater participation.

Status

In FY 2006/07, the Fire Department successfully implemented a Fire Prevention Volunteer Internship Program. The purpose of this program is to offer work experience to candidates interested in pursuing a career in fire prevention. The Fire Prevention Bureau has expanded its intern resource base in 2007 to include San Francisco City College, in addition to the intern resource base maintained at College of San Mateo. A second internship opportunity was created in 2007, bringing the program total to two interns per year for a two-semester duration.

PERFORMANCE MEASURES

- Reduce false alarm responses by 5% by the end of FY 2007/08, with the goal being 500 or fewer false alarm calls per year.

Status

The department successfully reduced false alarms by 14% in 2003. False alarms were further reduced by an additional 1% in 2004 and 8.8% in 2005. The department experienced a slight increase in false alarm calls in 2006, however a greater amount of repeat violators were identified and notified. Since the measure's inception in 2003, department responses to false alarms have been reduced by nearly 20%. The department will continue to focus on this issue and will work toward further reducing this amount with the goal of reporting approximately 500 or fewer false alarm calls by the end of FY 2007/08.

- Improve number of emergency response calls with response times of five minutes or less 85% of the time.

Status

Redwood City reported a response time performance of five minutes or less on 80% of the calls in 2006, which represents a decline of 2.4% over the 2005 average. The percentage of on-scene arrivals within five minutes of dispatch initially declined 3% from 85% in 2003 to an average of 82% in 2004, a rate that remained constant for two years.

- Maintain an average turn-out time below the San Mateo County standard of 90 seconds.

Status

With an average turn-out time of 71 seconds, the department already has one of the fastest turn-out times in the county. Employee performance and station design are both very good, but we will continue to look for opportunities for further reduction. Given that we have noticed that this measure appears to have stabilized, we will continue to monitor our performance in this area independently, but we will cease reporting on this measure following the conclusion of this budget period.

- Maintain Workers Compensation hours below 4,500 annually.

Status

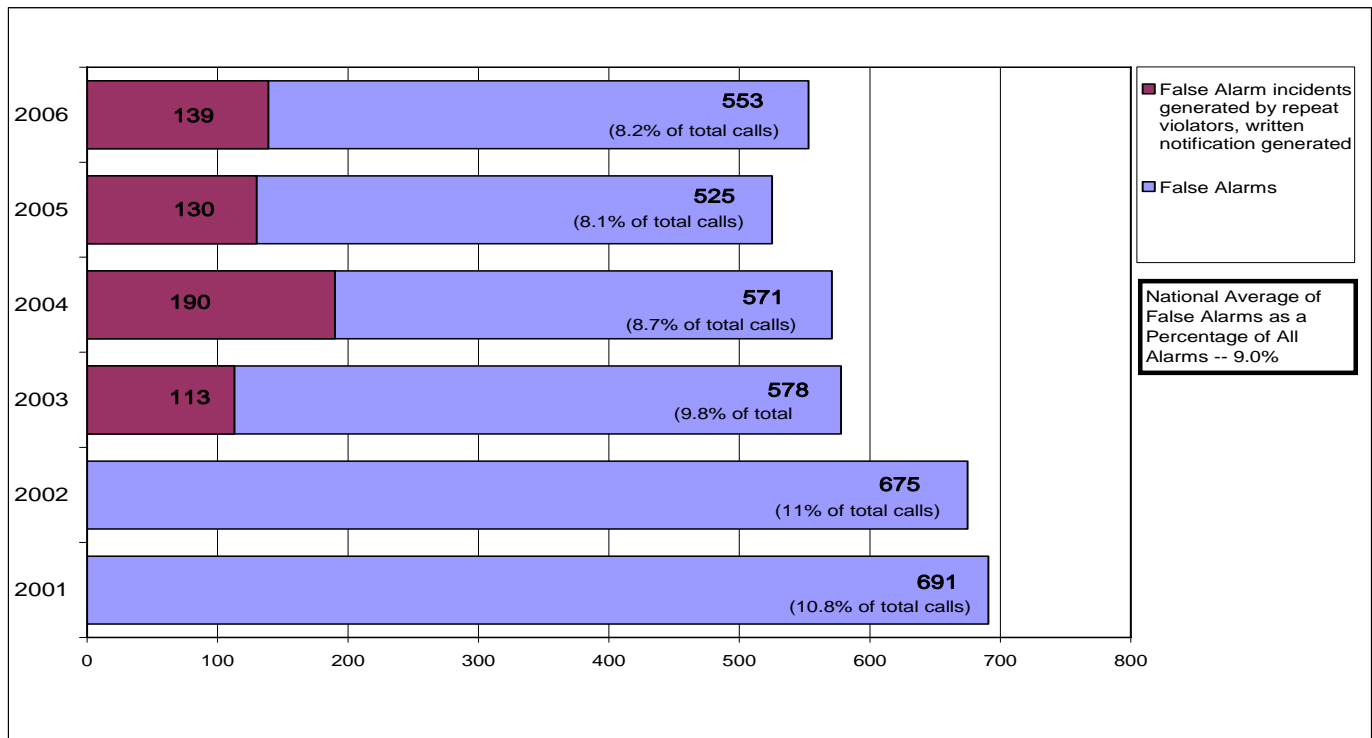
In calendar year 2006, total workers compensation (WC) hours used increased to 8,473, up 88% from 4,510 hours reported in calendar year 2005. Over the past five years, the department has averaged approximately 5,700 WC hours used. The department still believes that the established reference point of 4,500 hours is a fair standard of measurement for average hours used per year in a healthy workforce experiencing minimal levels of retirement and long-term disability.

- Monitor staffing ratio to determine the effectiveness of the use of overtime versus the hiring of additional full time employees.

Status

Redwood City Fire Department currently maintains a total budgeted staff to on-duty staff ratio of 3.0, signifying that, for every assigned on-duty position, we budget three full time employees (FTE). The average ratio for other departments with 56-hour work weeks is 3.4. In the coming months, staff will monitor and evaluate the effectiveness of the use of overtime versus the hiring of additional FTE's to determine the economy of overtime usage versus the impact of employee fatigue and mandated overtime.

False Alarms Responses



Definition

False Alarms are described as the total number of responses caused by unwarranted activation of fire alarm systems in all types of structures. The graph reflects the total number of false alarms for Redwood City from 2001 through 2006. Data for this measure was obtained from Redwood City's Fire RMS system. Redwood City Fire Department's goal is to reduce false alarm responses by 5% by the end of FY 2007/08, with the target being 500 or fewer false alarm calls per year.

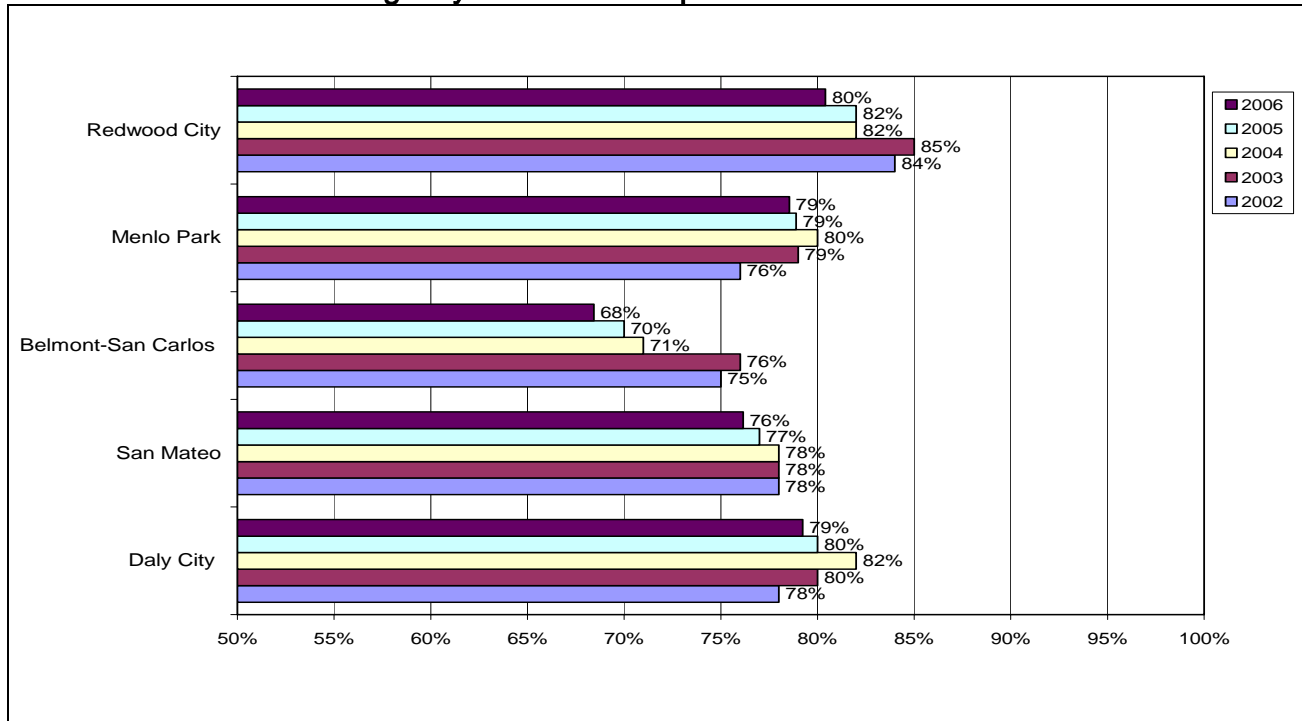
Analysis

False alarms on total call volume in 2006 over 2005 were an increase of 0.1%. The increase in false alarm activity is attributed primarily to increased construction activity and re-occupancy of vacant commercial spaces. The Fire Department continues to identify and notify repeat false alarm violators. In 2006, a greater effort was placed on educating repeat violators and correcting faulty systems. As a result, the number of repeat violators has begun to stabilize. This demonstrates that the department's efforts are delivering the desired results and we are seeing fewer false alarm responses to the same addresses. The reduction of the number of companies that respond to certain types of automatic fire alarms continues to be a useful strategy for lessening the impact on the Fire Department readiness to respond to other calls for service. False alarm responses in 2006 continued to be reported around 8% of the total number of emergency incidents that the department responded to in 2006. The national average reported by the National Fire Protection Association is 9%. The Redwood City Fire Department will continue in our efforts to decrease the occurrence and impact of false alarms to the emergency response system.

Next Steps

We will continue to educate business and property owners on the critical importance of maintaining properly functioning fire alarm systems at all times. We will use every opportunity to facilitate repairs and service of faulty systems, and will work with those responsible for repeat false alarms to encourage investment in preventative maintenance to avoid false activation and potential fines.

Percent of Emergency Calls with Response Times of 5 Minutes or Less



Definition

Response times start at receipt of alarm by the responding fire company and end when the first arriving fire company reports their arrival on scene. Data for this measure was obtained from the San Mateo County Public Safety Communications MIS system. Redwood City Fire Department’s goal is to respond to calls within five minutes or less 85% of the time.

Analysis

The Redwood City Fire Department arrived on scene within five minutes for 80% of emergency responses in calendar year 2006, which represents a 2.4% slippage from the 82% rate recorded for 2005. The percentage of calls responded to within five minutes experienced a 4.8% decrease over the average reported in 2003. A rapid response time is a crucial component in the successful intervention of fire and medical emergencies. This level of service reflects the importance that the City Council has placed on fire and emergency medical protection for this community.

This performance decrease is likely reflective of the service cuts incurred by the Fire Department over the last three fiscal years, as well as those of neighboring jurisdictions. It should be noted that each of our bench-marked departments experienced minor to significant declines in their response time averages over the previous calendar year, as well. In addition, the Fire Department continued to have the highest percentage of calls with a response time of five minutes or less. Redwood City, like some San Mateo County jurisdictions, had a fire engine company out of service for a specified number of shifts per year, and this decreased our ability to respond to calls in the affected service area in fewer than five minutes. In addition, our slight decline may also be attributed to an overall increase in emergency responses in 2006. The Fire Department responded to 6,738 calls in 2006, up 3.8% from the 2005 level of 6,492 emergency responses. Redwood City now reports the second-highest call volume in San Mateo County, and three Redwood City fire stations earned spots in the top 15 of the busiest station districts, per San Mateo County’s 2006 Dispatch Statistics.

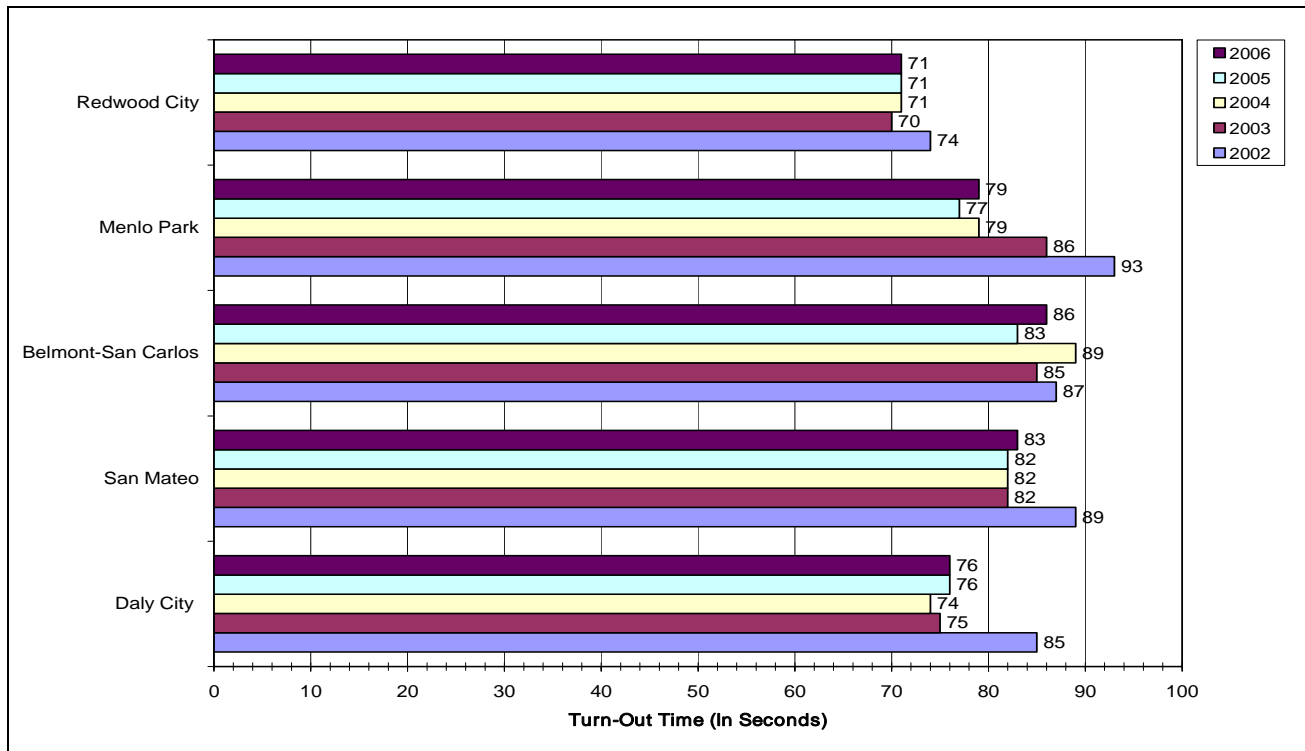
Department staff has been aggressive in evolving the fire response system in Redwood City. Examples of two strategies to better manage the commitment of fire resources has been adjusted to reduce the number of fire companies assigned to higher frequency calls and more companies assigned to lower frequency, but potentially more destructive incidents. The second strategy is to reduce the number of “move and cover” assignments through the use of data to analyze the effectiveness of the previous configurations.

Next Steps

We have continued to explore ways to make up the percentage lost since 2003 in order to increase our response time average. As noted in previous budget cycles, cuts to the fire department and to neighboring fire jurisdictions have had a negative impact to this performance measure due in large part to the reduced number of fire companies in the dispatch system.

We have identified an increase in downtown vehicular traffic, due in part to the effects of increased construction and business activity, as well as changes in lane configurations, which may have contributed in some way to our ability to rapidly traverse the downtown corridor. We are currently working with other city staff to evaluate these areas of concern.

Average Turn-Out Time (In Seconds)



Definition

Response times start at receipt of alarm by the responding fire company and end when the first arriving fire company reports their arrival on scene. The turn-out time is the portion of this timeline that reflects the span of time from call dispatch to unit en route to scene. Rapid turn-out time is an essential component of total response time, and the standard for San Mateo County is set at 90 seconds. Data for this measure was obtained from the San Mateo County Public Safety Communications MIS system. Redwood City Fire Department’s goal is to maintain an average turn-out time below the San Mateo County standard of 90 seconds.

Analysis

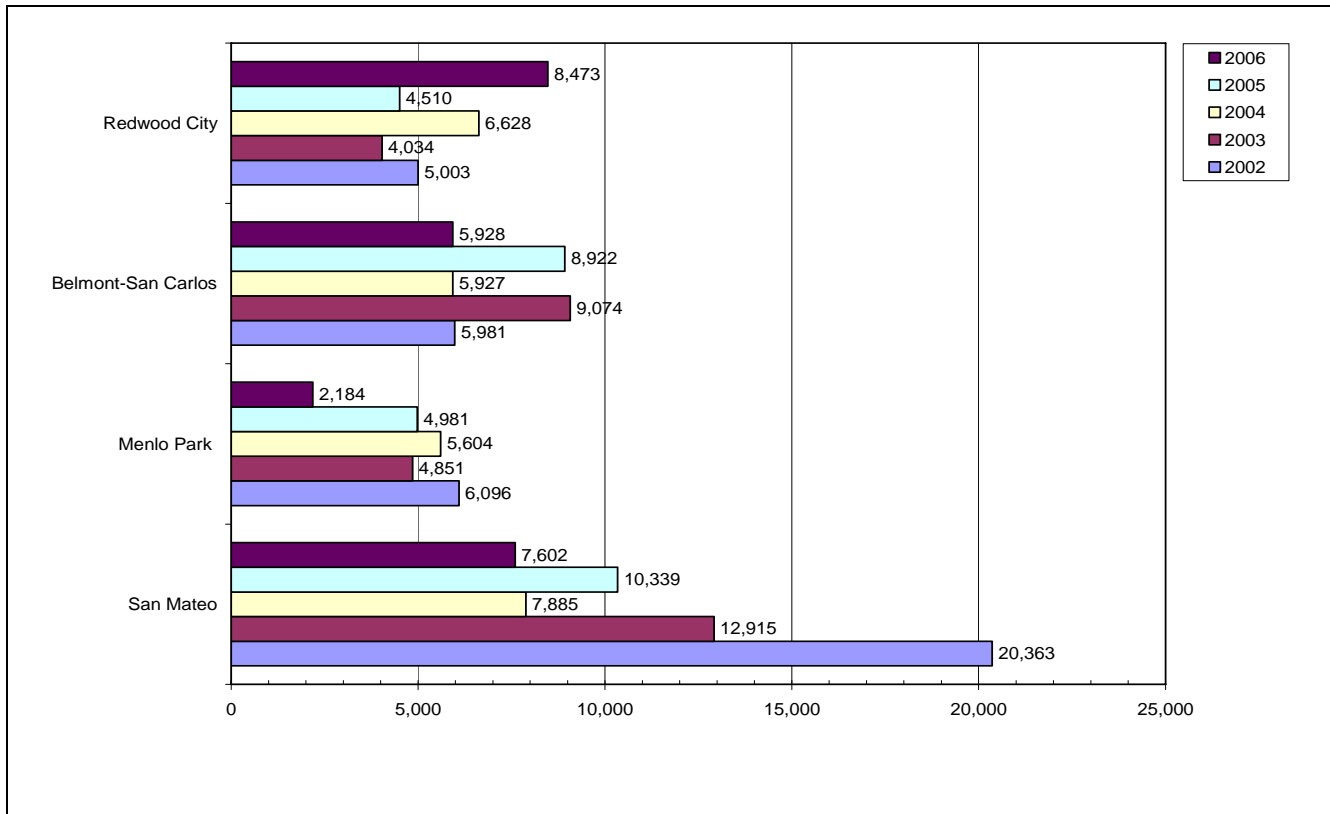
The Redwood City Fire Department has consistently reported one of the fastest turn-out times in San Mateo County. Maintaining a rapid response time is a key element in successfully intervening in fire and medical emergencies. The county-wide average turn-out time is 81 seconds, per San Mateo County’s Dispatch Statistics Report for 2006. In addition, four of Redwood City’s apparatus placed on the county’s “Best Turn-out Times” list.

When compared to the response time performance measure, it is clear that employee performance has not contributed to five minute response time decline because turn-out time has remained consistent throughout the same period. As cuts to the department, as well as to neighboring fire jurisdictions, adversely impact our ability to respond to calls within five minutes 85% of the time, working to maintain and/or improve upon our turn-out time can only serve to better our chances of meeting our response time goal in the future while working under reduced capacity.

Next Steps

With our turn-out time performance as consistent as it has been, we recognize that there is little to be gained by continuing this performance measure. It will be monitored in FY 2007/08 and will be eliminated beyond that.

Calendar Year Workers' Compensation Hours Used



Definition

Total productive hours lost due to on-the-job injuries. Data for workers' compensation usage was obtained from Redwood City's UniVerse system, the City of Belmont's Human Resources Department (for Belmont-San Carlos Fire), the Menlo Park Fire Protection District, and San Mateo Fire Department. Redwood City Fire Department's goal is to maintain workers' compensation hours below 4,500 annually.

Analysis

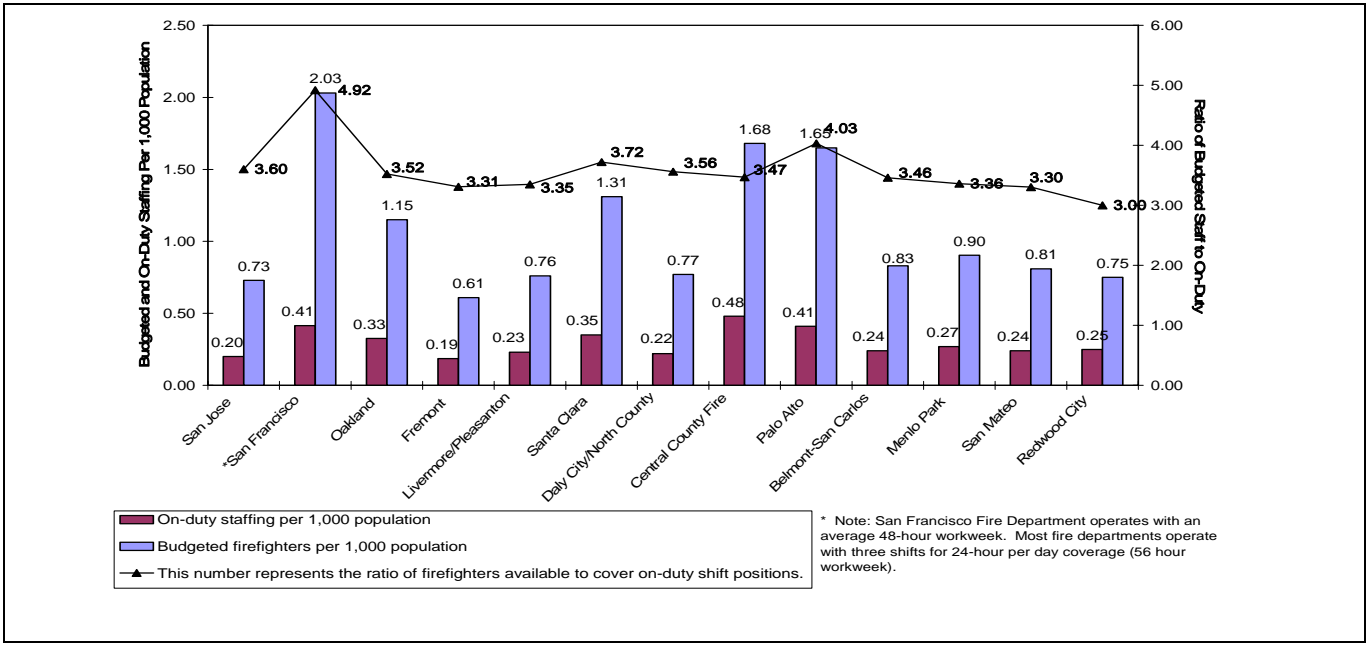
Contrary to our earlier predictions, the department posted an increase in overall workers' compensation usage for calendar year 2006. For calendar year 2006, the total number of workers' compensation hours used by the department increased to 8,473, an increase of nearly 88% over 2005. This increase is directly attributed to the compounded effect of several employees undergoing surgery throughout the course of the year to correct the effects of previously incurred or chronic injuries.

We anticipate an eventual stabilization in our workers' compensation usage over the next several years, resulting from a steady hiring schedule of replacement employees that will serve to shift over time the average age of the department. Hiring employees in smaller groups as a strategy will more evenly distribute employee seniority and reduce seniority clusters and the potential for multiple retirees in a given year. Our budgeted staff to on-duty staff ratio of 3.0 (see also Staffing Ratio Study performance measure) reflects a need for available relief staff to reduce the impact on the remaining workforce during times of increased employee absence. Experience with significant employee injuries and the causes of these injuries have led staff to evaluate the benefits of a relief staffing program.

Next Steps

Within the next two fiscal years, the department will be submitting a request to create firefighter relief staff. In addition, fire staff is involved in the development of a county-wide fire fighter physical evaluation program for implementation at incident scenes.

Staffing Ratio Study



Definition

This measure compares both the number of total budgeted firefighter positions to the population and number of on-duty firefighters for each shift to the population. It also provides a comparison of the number of budgeted positions to the number of on-duty positions. Data for this measure was obtained from a telephone survey of local jurisdictions, an analysis of departmental budgets available online, and population figures obtained from the California Department of Finance. The Redwood City Fire Department's goal is to monitor the staffing ratio to determine the effectiveness of the use of overtime versus the hiring of additional FTE's.

Analysis

The Redwood City Fire Department currently operates using three shifts averaging a total of 56 hours per shift each week. Fire departments typically employ more personnel than assigned on-duty positions in order to sufficiently cover all shifts, including anticipated staff vacation, sick leave, and potential disability leave. In Redwood City, the Fire Department currently maintains a total budgeted staff to on-duty staff ratio of 3.0. This means that for every assigned on-duty position, we have three budgeted FTE's, and when a position cannot be filled due to absence on any given shift, we must cover that position by hiring an off-duty member to fill in on overtime.

A yearly departmental survey of our average productive work time has provided us with a consistent average anticipated leave per staff member. Applying this metric to our current level of staffing has shown that we would require 3.54 FTE's to staff one budgeted seat over three shifts in order to fully account for all anticipated employee relief coverage needs resulting from vacation, sick leave, and disability usage throughout the year. Resulting from overtime costs being historically lower than the cost of a full time employee, as well as the loss of three firefighter positions due to budget cuts, daily absences have been filled exclusively with employees called back to work overtime. The cost of a full time employee is now closer to the cost of paying overtime, thereby making the hiring of a relief firefighter a smaller marginal cost. The greater advantage of hiring relief firefighters versus overtime is the reduction of mandatory call-back and employee fatigue.

Next Steps

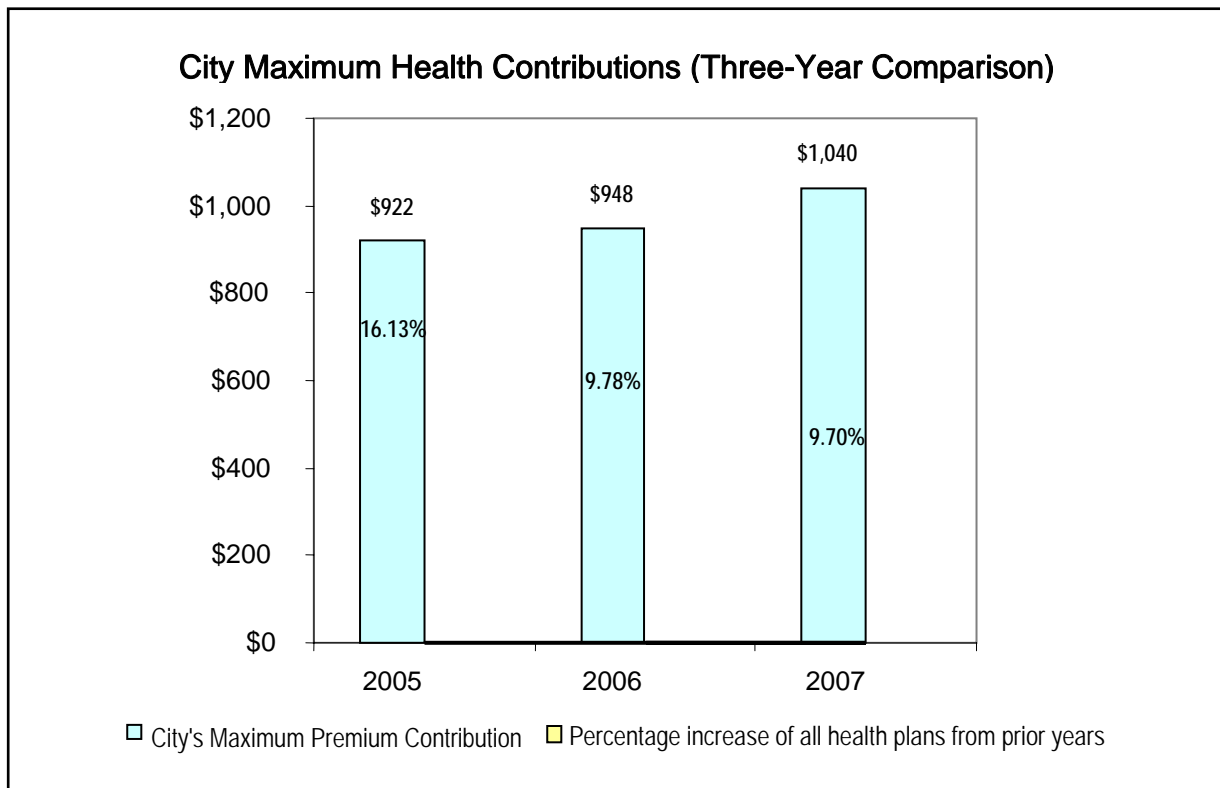
The Fire Department has been closely monitoring leave usage and the effects of mandatory overtime requirements on staff. As previously noted, the department will be submitting a request to create firefighter relief staff within the next two fiscal years to mitigate this situation now that employee attrition has stabilized. Staff has examined the impact of varying vacancies in the budgeted roster over the past five years, and has used this fluctuation to evaluate the ratio of budgeted staff to on-duty staff. While this has assisted us in evaluating the effectiveness of the use of overtime versus the hiring of additional FTE's, it is becoming difficult to maintain with respect to the potential for wear on staff due to the reliance on mandatory overtime to balance the daily roster.

This page left blank intentionally

**EXPLANATION OF FY 2007/08
PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

No adjustments for FY 2007/08.

HISTORIC TRENDS



Health care costs have continued to increase for the past three years: 16.13% in 2005, 9.78% in 2006, and 9.7% in 2007. The maximum premium contribution is the increase in the City's contribution towards CalPERS health plans. The average percentage increases from prior years are based on all CalPERS health plans.

The Human Resources department realized a savings of \$126,347 in 2006, by enlisting the services of a local broker and negotiating two-year contracts for ancillary benefits such as vision, dental, and the employee assistance program. The department will continue to gain similar savings in the health care area by:

- Re-negotiate two-year contracts for ancillary benefits by June 30, 2007.
- Evaluate alternative contribution methods such as health care savings account options.
- Monitor CalPERS health care strategies and support cost-containment initiatives.

CITY COUNCIL PRIORITIES

Government Operations

- Implement a dedicated Workers' Compensation and Safety Division at the beginning of FY 2006/07.

Status

In the first quarter of 2007, the Human Resources department has completed the implementation of a dedicated Workers' Compensation and Safety Division. The division will continue to coordinate preventative injury and illness and safety programs for the City's workforce. Over the course of the next three fiscal years, Human Resources' objective is to bring average claim costs to the market cities mean.

- Develop succession planning activities throughout the organization that will address the increase in "baby boomers" eligible for retirement in FY 2006/07 and 2007/08.

Status

As of April 1, 2007, the City experienced 28 retirements this fiscal year. Last year's turnover rate of 6.91% has increased to 9.84%. Human Resources has begun implementing a succession plan built around core organizational competencies. Key activities this year include the first employee assessment center and the release of a branding campaign to promote local government employment. The Human Resources department will be revising assessment and evaluation tools used in the recruitment process and developing an outreach program to better market public employment. Turnover, quality of training programs, and retention program data will be gathered to measure program success.

PERFORMANCE MEASURES

- Reduce the number of sick leave hours per 1,000 hours to the FY 2003/04 level of 26.1 hours in FY 2005/06.

Status

In FY 2005/06 the City's sick leave hours per 1,000 scheduled hours was at 23.80 hours per 1,000 hours. The Human Resources department is analyzing the usefulness of establishing sick leave utilization goals from a public policy and organizational perspective in FY 2007/08. Though tracking sick leave is important, in the event of a pandemic flu outbreak, establishing utilization goals may be counterproductive.

- In FY 2007 through 2009, Human Resources will work to reduce the loss rate per \$100 of payroll by 15% per year for the next three years. The goal is to reduce the loss rate per \$100 of payroll so that it is at the market mean by 2010.

Status

The division will continue to work closely with the third party administrator (TPA) to ensure that all cost containment strategies are utilized. In addition, the division will identify industrial health and medical network provider options, evaluate and bid the City's excess insurance carrier, and complete the automation of the claims reporting process.

- By 2009, reduce the average cost per workers' compensation claim to the market cities mean.

Status

The City is currently 38% above the market cities mean. Human Resources has completed a survey of other agencies with lower average costs to determine what best practices they have implemented to achieve lower costs. As such, staff is meeting more regularly with the TPA, doing case reviews, and analyzing claim data on a more frequent basis. Managing the TPA more closely will help to reduce the average cost per workers' compensation claim in the future.

- By the end of 2008, reduce the claims incident rate to below market cities mean and bring the average claim costs down to be within 50% of the market cities mean.

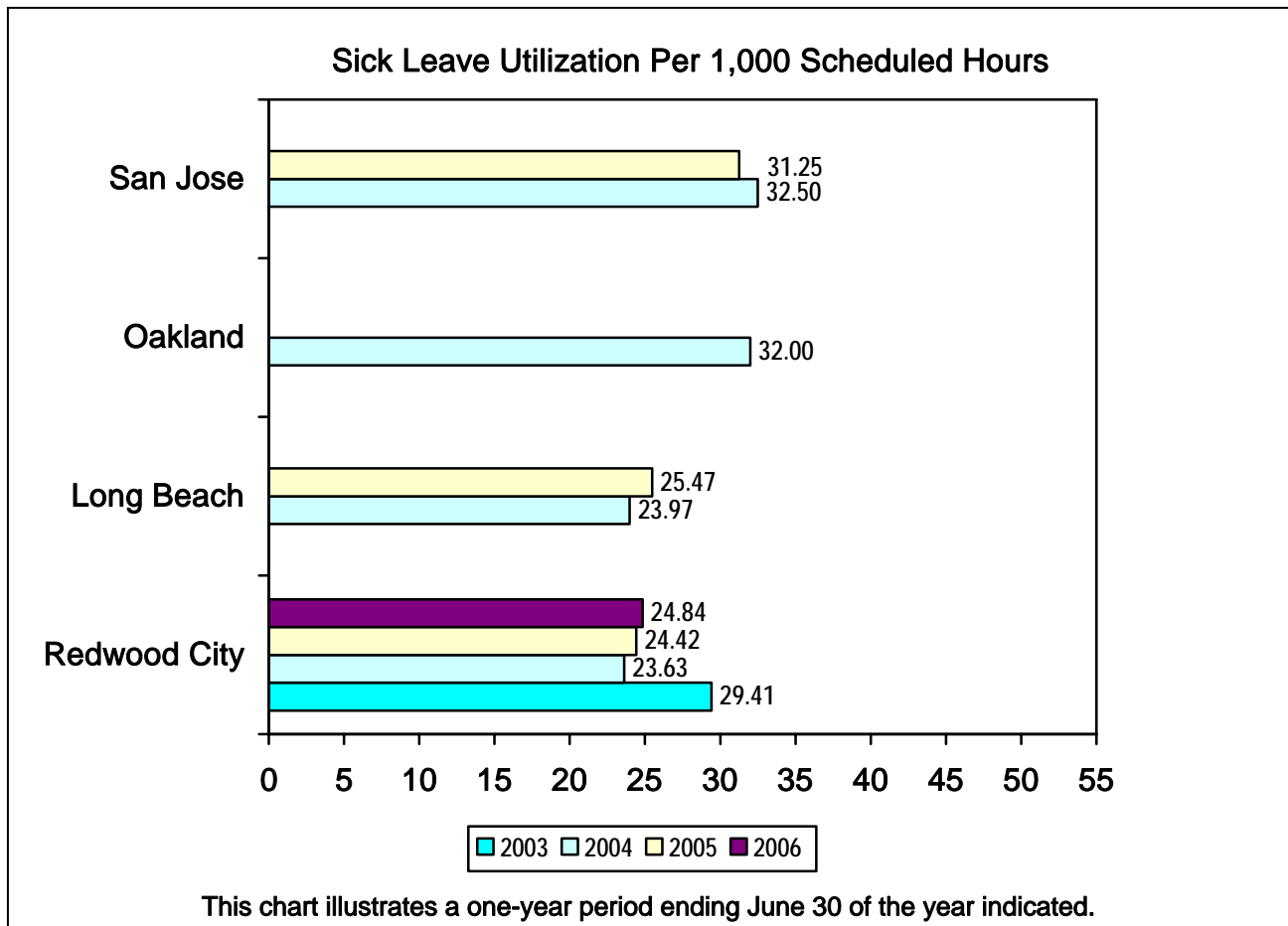
Status

The City's incident rate is currently 15% above the market cities mean. Human Resources will continue to offer preventative safety education programs throughout the workforce and work closely with departments to establish incentives/recognition activities for safe work practices. These activities should lower the incident rate and ultimately lower claims cost.

- By the end of 2008, reduce the number of strains by 5% or 29 claims, and reduce falls/slips by 5% or 21 claims.

Status

In 2007 and 2008, staff will continue to provide ergonomic evaluations for strains and implement workplace modifications if necessary. In 2006, the City's facilities staff applied a "no slip coating" on the floors in the City Hall building where several slips/falls have occurred. Staff will continue to identify the sources of the falls and slips and continue to work with the facilities staff to remedy those sources and provide safety training in this area. Human Resources will also be identifying safety training resources to develop preventative programs for firefighters, police officers, and other safety-sensitive functions.



Definition

Sick leave hours used per 1,000 scheduled hours. Includes hours taken by employee to care for self or family members due to illness. Source of data is from the International City Manager’s Association Comparative Performance Measurement Report for 2004. Data was not available for all years.

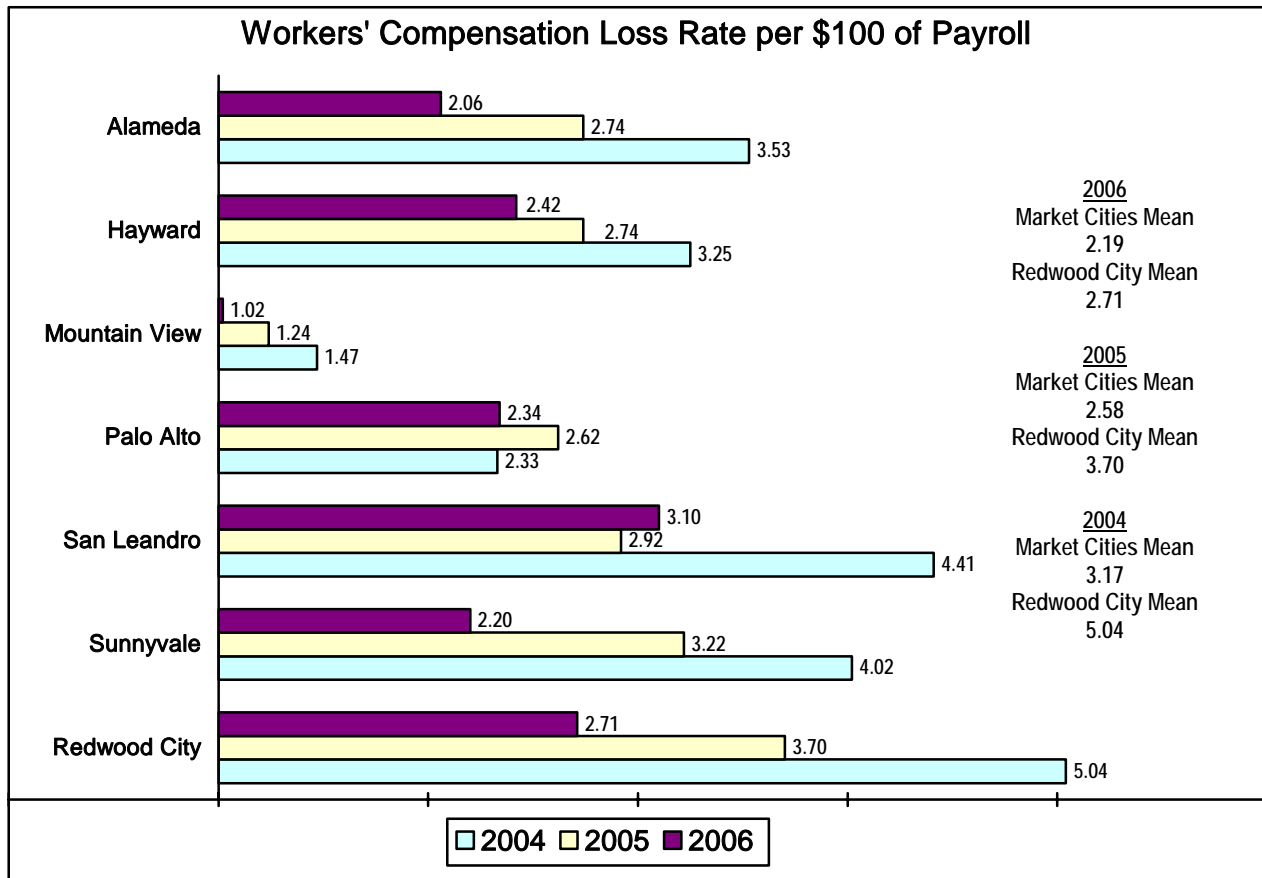
Analysis

In 2004, the City established a goal to reduce the number of sick leave hours per 1,000 scheduled hours to 26.1 hours in 2005. In 2006, the City’s sick leave hours per 1,000 hours were 24.82 hours.

The Human Resources department is analyzing the usefulness of establishing sick leave utilization goals from a public policy and organizational perspective. Though tracking sick leave is important, in the event of a pandemic flu outbreak, establishing utilization goals may be counterproductive. Additionally, there are family medical leaves and paid disability leaves where sick leave utilization is permitted. If the City is going to maintain its reputation of a family-friendly employer, it should reassess sick leave goals and its philosophy surrounding sick leave usage. The organizational focus should be on the appropriate use of sick leave and early prevention of patterns of sick leave abuse. Human Resources will be focusing on all of these areas in the next fiscal year.

Next Steps

Human Resources will continue to educate employees on health and wellness programs to improve the health profiles of the workforce as well as continue to support management in its effort to manage and control citywide sick leave usage. Human Resources staff is preparing policies to address sick leave usage during a pandemic outbreak. These policies will address telecommuting, employee leave, flexible work schedules, and return to work criteria.



Each year is a three-year aggregate ending June 30 of the year indicated.

Definition

The amount of workers' compensation claims costs per \$100 of payroll costs. The cost drivers include the number of claims filed, number of open claims, and the severity of injuries and illnesses. Data was obtained from the California Institute for Public Risk Analysis. The three-year aggregate claim costs can change over time. This is due to the fact that costs are incurred over the life of the claim and charged back to the year the injury was sustained.

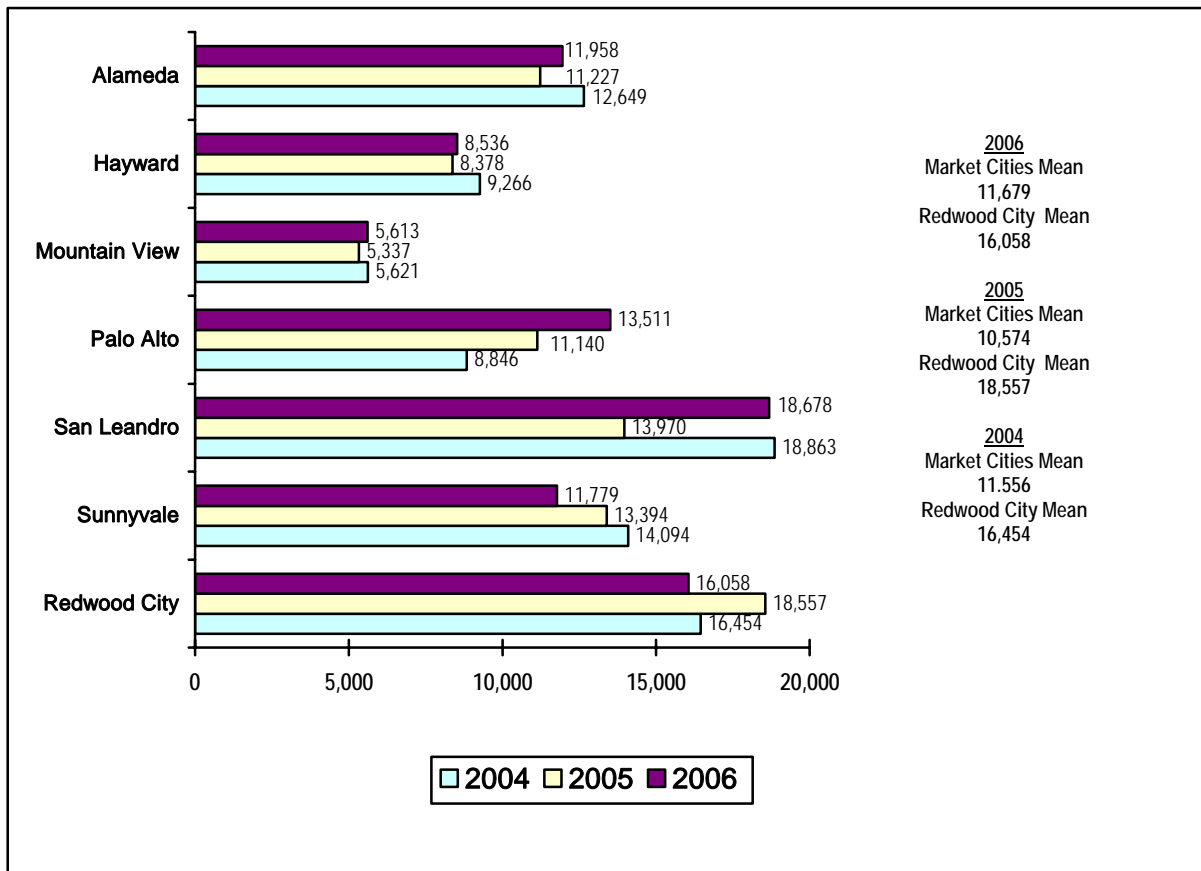
Analysis

In 2005 the City was 44% above the market mean and in 2006 the City was 24% above the market mean of the loss rate per \$100 of payroll. At the end of 2005, the total cost incurred for claims was valued at \$5,201,723 representing 285 claims. At the end of 2006, the total cost incurred for claims was valued at \$3,092,719 representing 255 claims. As those claims age, costs will increase but will not reach previous exposure levels. The valuation of these claims decreased in 2006 due to aggressively closing and settling older claims in previous years that had substantial exposure to the City.

Next Steps

In 2007 through 2009, Human Resources staff will work to reduce the loss rate per \$100 of payroll by 15% per year for the next three years. The goal is to reduce the loss rate per \$100 of payroll so that it is at the market mean by 2010. The department completed the implementation of the dedicated Workers' Compensation and Safety Division in the first quarter of 2007. The division will work closely with the third party administrator (TPA) to ensure that all cost containment strategies are utilized. Preventive measures and efforts will be examined and implemented with the assistance of the Citywide SHAPE team. In addition, the division will identify industrial health and medical network provider options, evaluate and bid the City's excess insurance carrier, and complete the automation of the claims reporting process.

Average Cost per Workers' Compensation Claim



Each year is a three-year aggregate ending June 30 of the year indicated.

Definition

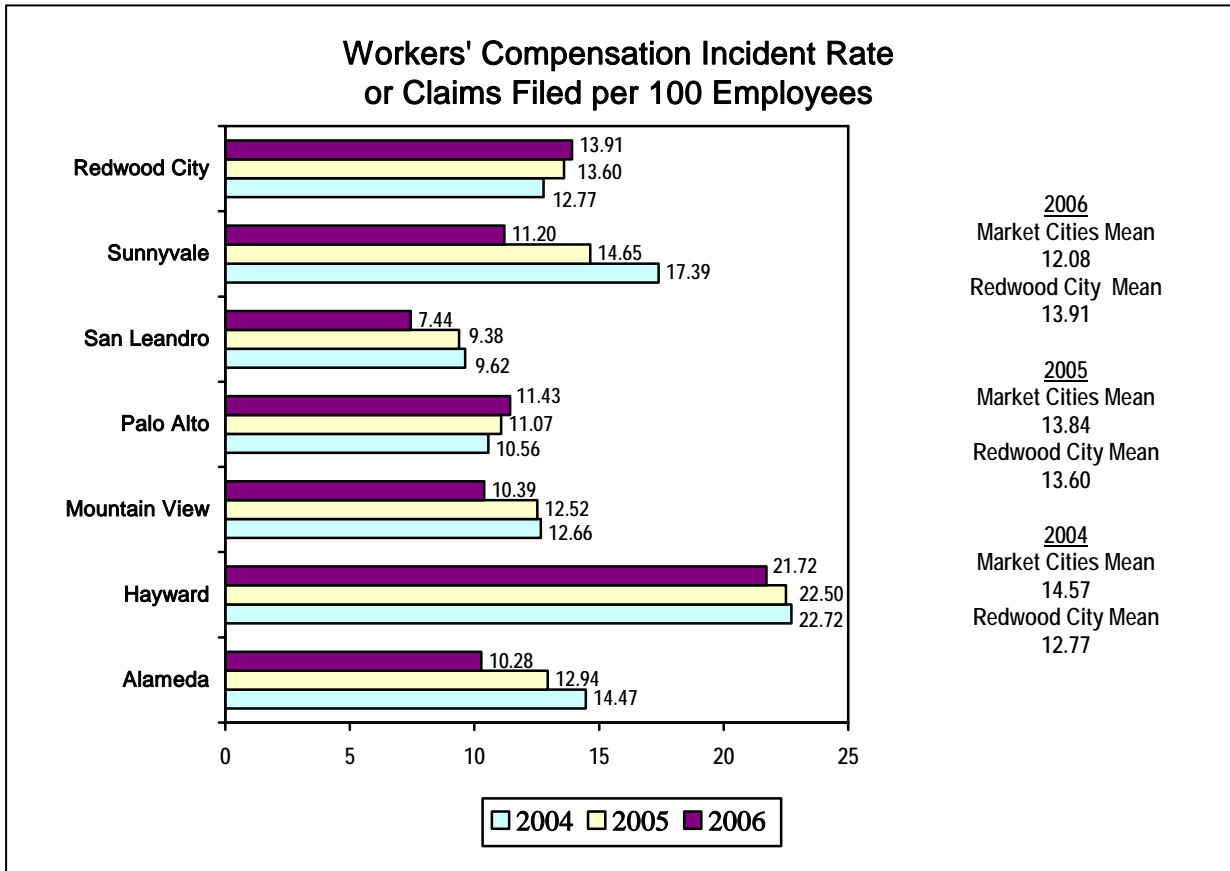
Average claims cost is equal to the total workers' compensation incurred cost divided by the number of claims over a three-year period. Data was obtained from the California Institute for Public Risk Analysis.

Analysis

In 2004, the City was 43% above the market cities mean - 76% in 2005 and 38% in 2006. The reduction in claims costs are a result of state-mandated reforms of the workers' compensation system. Human Resources completed a survey of other agencies with lower average costs to determine what best practices they have implemented to achieve lower costs. The most significant best practice from the survey indicated that it is critical that the TPA is managed in order to ensure that an aggressive case management approach is being practiced. As such, staff is meeting more regularly with the TPA, doing case reviews and analyzing claim data on a more frequent basis, and providing direction to the TPA on the more complex claims. Human Resources also has access to the TPA's on-line report system in order to review diaries for a specific claim and to obtain historical data in order to develop reports.

Next Steps

Human Resources will continue to develop a strong working relationship with the TPA in the next fiscal year, and by 2009, reduce the average cost per workers' compensation claim to the market mean.



Each year is a three-year aggregate ending June 30 of the year indicated.

Definition

Number of "incidents" or workers' compensation claims filed per 100 employees. Data was obtained from the California Institute for Public Risk Analysis.

Analysis

The City is 15% above the mean of the market cities reporting number of incidents per 100 employees. The departments reporting the highest number of incidents or claims filed in 2005 through 2006 were: Fire reporting 57, Police reporting 56, and Parks, Recreation and Community Services reporting 42. The total incidents or claims reported for this period were 155. Of the incidents or claims reported, 86 or 56% were for first aid only or for record only. The Human Resources department has implemented a new incident reporting process in the first quarter of 2007. This practice reports incidents without opening up a workers' compensation claim. This is an industry standard and a more accurate way to report such injuries. In some cases, first aid only or for record only claims may become compensable in the future and will have to be reported as workers' compensation claims.

In the first quarter of 2007, Human Resources arranged for hands-on ergonomics training for the City's landscape gardeners. This training addressed strains and lower back injuries and the safe operation of work tools/equipment. Safe work practices training will continue in 2007. Staff will continue to provide prevention and wellness training to departments in order to reduce the number of incidents and claims filed. A safety training specialist will be consulted to develop more preventative training programs for City employees.

Next Steps

By the end of 2008, reduce claims incident rate to below market cities mean and bring the average claim costs down to be within 50% of the market mean. Human Resources will continue to offer safety education programs throughout the workforce and work closely with departments to establish incentives/recognition activities for safe work practices. These activities should lower the incident rate.

**Workers' Compensation by Cause of Injury
 2006**

| Type of Injury | Total # Claims 2006 | % of Claims Filed 2006 | % of Total Cost 2006 |
|------------------------|---------------------|------------------------|----------------------|
| Strains | 79 | 30.0 | 24.0 |
| Falls/Slips | 22 | 8.0 | 23.0 |
| Repetitive Motion | 29 | 12.0 | 15.0 |
| Contamination/Exposure | 20 | 8.0 | 2.0 |
| Motor Vehicle | 12 | 5.0 | 4.0 |
| Struck by/Against | 29 | 12.0 | 4.0 |
| Person/Crime | 20 | 8.0 | 4.0 |
| All Other Causes | 44 | 17.0 | 24.0 |
| Grand Totals | 255 | 100.0 | 100.0 |

Definition

Comparison between the total number of claims by type of injury and their correlation to the percentage of the City's overall claims costs. The 2006 period is a three-year aggregate ending June 30, 2006.

Analysis

At the end of the three-year period, the total number of workers' compensation claims filed was 255. This number decreased from a total of 285 claims filed at the end of the three-year period ending in June 2005. The decrease in claims filed during this period is due to implementation of a newly developed incident reporting system, closed and/or settled claims, and less employee injuries. For the three-year period ending in June 2006, strains accounted for 24% of claims costs. All other causes such as cuts, scrapes, and abrasions accounted for 24% of claims costs followed by falls/slips representing 23%.

Next Steps

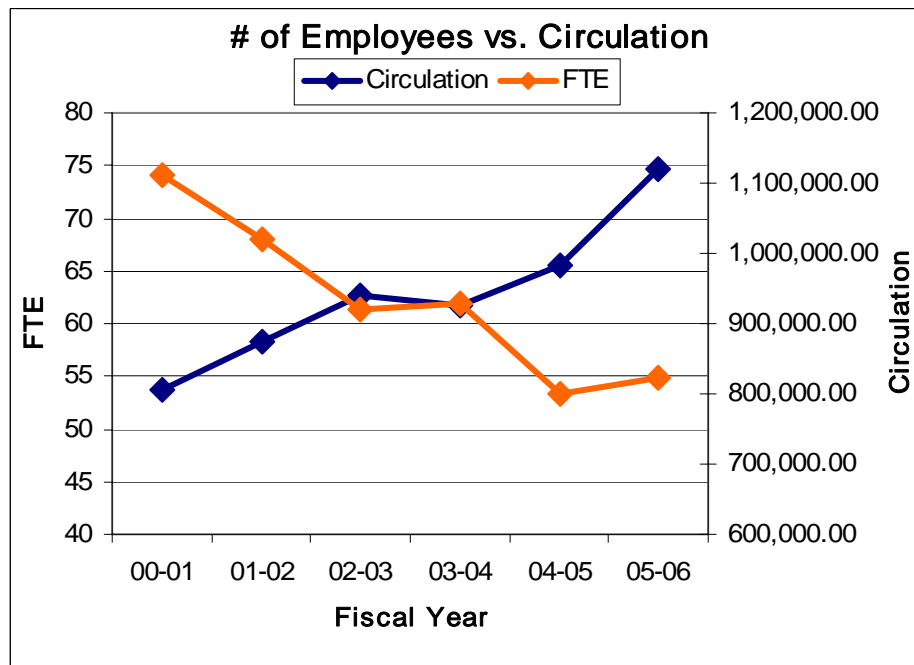
By the end of 2008, staff will work to continue to reduce the number of strains by 5% or 29 claims, and reduce falls/slips by 5% or 21 claims. In 2007 and 2008, staff will continue to provide ergonomic evaluations for strains and implement workplace modifications if necessary. In 2006 the City's facilities staff applied a "no slip coating" on the floors in the City Hall building where several slips/falls have occurred. Staff will continue to identify the sources of the falls and slips and continue to work with the facilities staff to remedy those sources and provide safety training in this area. Human Resources will also be identifying safety training resources to develop preventative programs for firefighters, police officers, and other safety-sensitive functions.

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|-----------------------------------|---------------|---|
| Electronic Resources Unit (66271) | 19,000 | Increased Peninsula Library System contract |
| General Funds Total | 19,000 | |

HISTORIC TRENDS

Usage Is Up Despite Budget Decreases and Less Staff



- From 2002-2005, the library’s budget decreased each year; this past year our budget remained flat though our usage continues to grow.
- While we were fortunate to avoid layoffs as staff retired or left, these vacancies were left unfilled to balance the budget.
- During this time, usage of the library increased, including programs for youth and library materials borrowed.
- In large part, this was accomplished by working “smarter.” 90% of material checked out at the library is now done by our customers helping themselves. This has allowed the library to free resources to:
 - keep the doors open;
 - purchase new books; and
 - increase reading programs for children.

CITY COUNCIL PRIORITIES

- **Downtown Redevelopment/Community Civic Support** – Continue to create a vibrant community-centered downtown library that will be used by 20% more Redwood City residents each fiscal year, thus adding to the economic health and vitality of downtown Redwood City.

Status

In October 2006 the library opened its redesigned and expanded Children's Room, which now includes a Family Place to support young children and School-Readiness. We have also continued our efforts to increase the bookstore-like look and feel of the library to make it more welcoming to customers. We are also working with other Redwood City departments and the community to create a welcoming library park and plaza; this project is currently in the design phase.

- **Youth and Education** – Help raise a literate and educated next generation by providing 25% more library story times and traveling story time visits each year, increasing the at-risk teen/elementary student tutoring program by 25% each year, and continue to collaborate with the school district through the sharing of library staff, expertise, and programs.

Status

These goals have all been met.

- **Government Operations** – Open the library in Redwood Shores by summer of 2008.

Status

Funding has been secured and the project is on target.

PERFORMANCE MEASURES

- Increase annual circulation at all libraries 20% by FY 2008.

Status

Annual circulation increased 11% in FY 2005/06. The strategies of allocating more resources to the children's collections, creating a more welcoming environment, and the re-modeling of the Schaberg Library have all contributed.

- Maintain and increase our services and programs while maintaining a flat per capita expenditure.

Status

We have increased our services and programs and will continue to seek new opportunities for collaboration. Programs for children and families, expanded literacy services in the schools, programs for adults and an increase in internet stations, and expanded homework centers have been implemented. We will continue to look for internal efficiencies, look for best practices in other communities, and evaluate what can be modified and implemented in Redwood City.

- Increase library visits 20% by FY 2008.

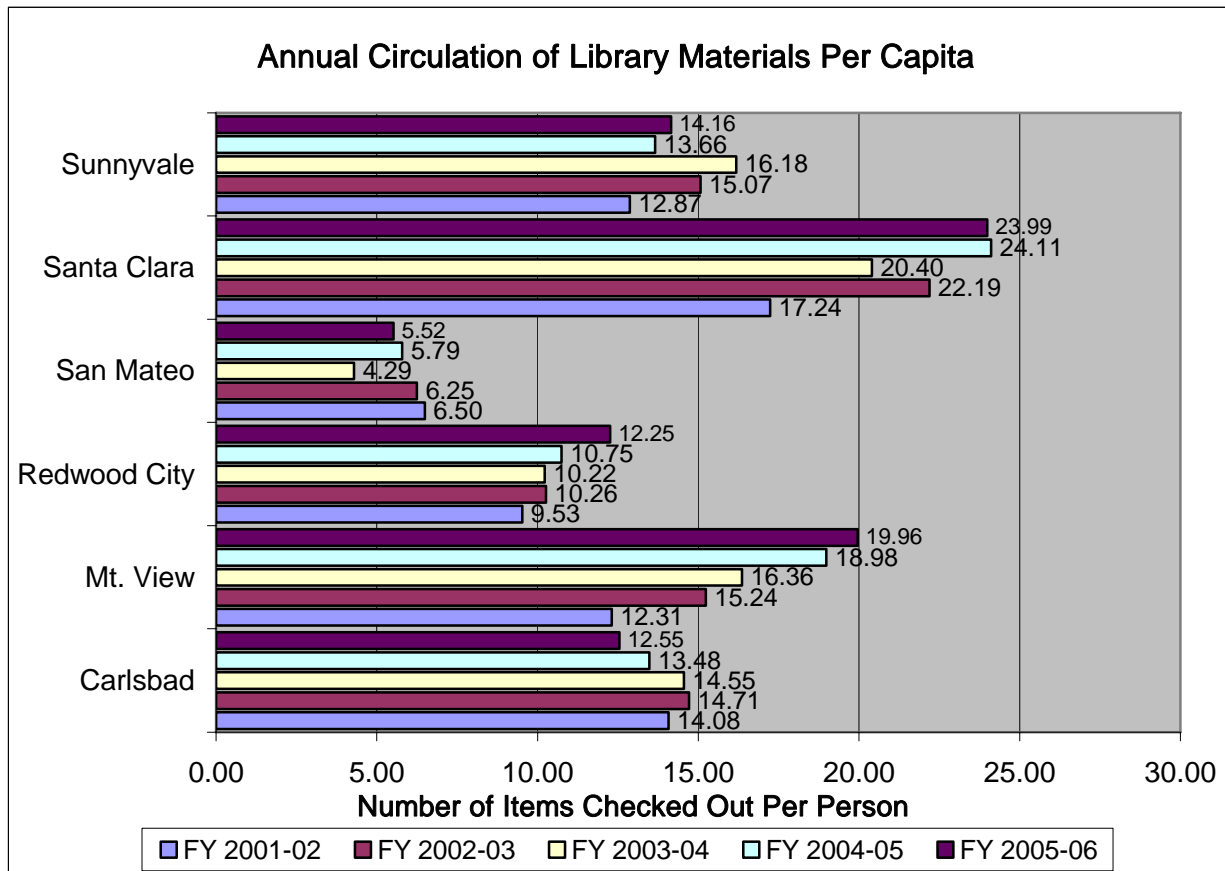
Status

Library visits increased by 70% in FY 2005/06. The re-opening and re-design of Schaberg, increasing library programs for adults, adding an outside café, and retooling the library operations towards a more contemporary and convenient space especially for children and families all contributed to this increase in visits. The downtown cinema, now open, is an opportunity for new visitors.

- Increase the percentage of active cardholders to the national norm of 75% by FY 2008.

Status

Our percentage increased to 63% from 53% in FY 2005/06. Strategies to increase marketing efforts and implement programs such as the KinderCard campaign and One Community, One Book; focusing on delivering increased services at the Fair Oaks branch; and a more welcoming downtown library have all been successful.



Definition

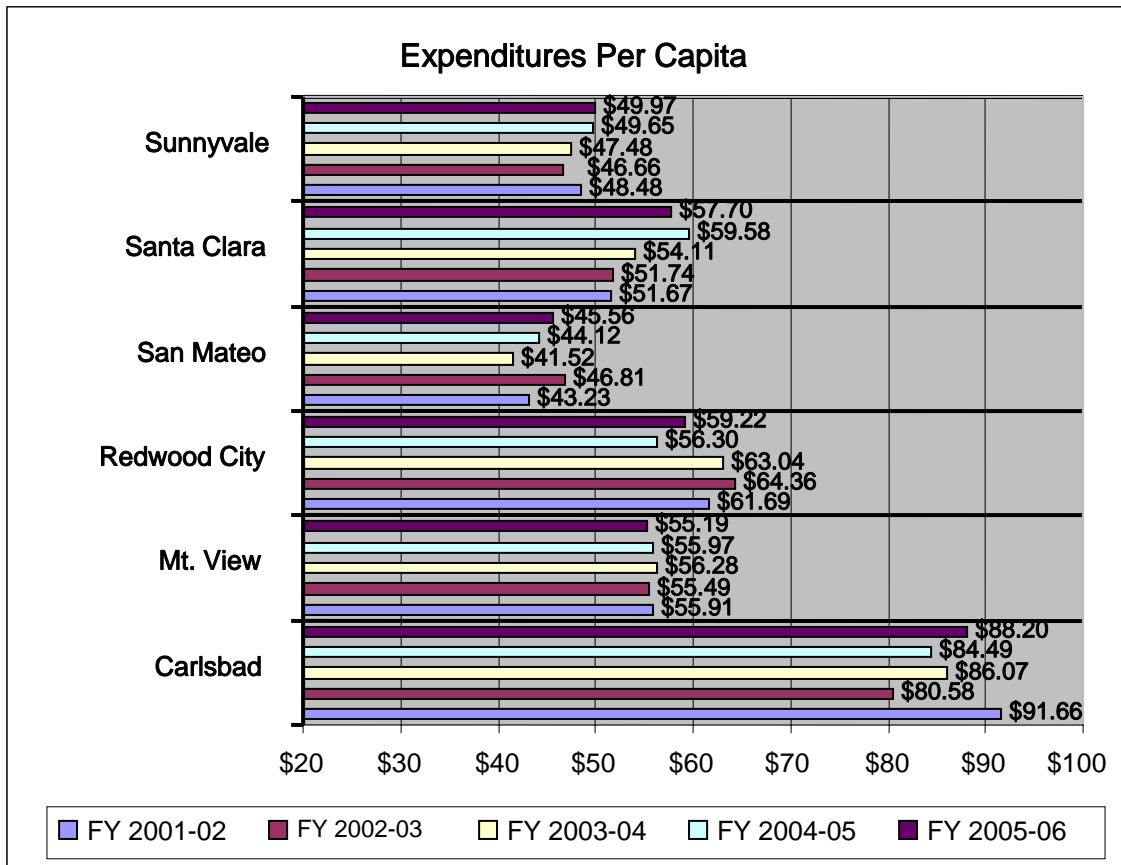
Total circulation of all materials (books, DVDs, CDs, magazines) divided by the population served. This measures the use activity of the library. While circulation statistics do not reflect all library services, borrowing materials is the program that most library resources are allocated to and the most popular program with library customers.

Analysis

With budgets decreasing, our rise in circulation is note-worthy. The reopening of the remodeled Schaberg library, the redesign of the downtown library, the KinderCard campaign, and the bookstore-like displaying of books and media contributed to the increase. Our collection policy that emphasizes youth and popular materials is also reflected in our increased figures. We feel that our usage is still too low and that there remains room to grow despite a climate that has seen three of our benchmarked libraries show decreased usage this past year.

Next Steps

Our goal is to continue to increase this performance measure by allocating more resources to collections and to increase the children’s books and materials. We have increased the space devoted to Children’s Services and this should translate into higher usage. We will continue to initiate strategies to increase the use of our library’s collections, such as bookstore-like arrangements, increased general library marketing, outreach to the community, and increased literary programming that supports use of the collection.



Definition

Total actual expenditures for salaries, benefits, supplies, materials acquisition, special programs, and contract services divided by the population served. This is how much money it costs to operate the library system. Funding has a direct impact on usage, staffing, number of programs, hours open, and visitors. However, more money does not necessarily mean more services and success; more money means the opportunity for more services and success. Therefore, expenditures per capita can also be a measure of organizational efficiency if compared to other measures such as operational statistics and customer satisfaction surveys.

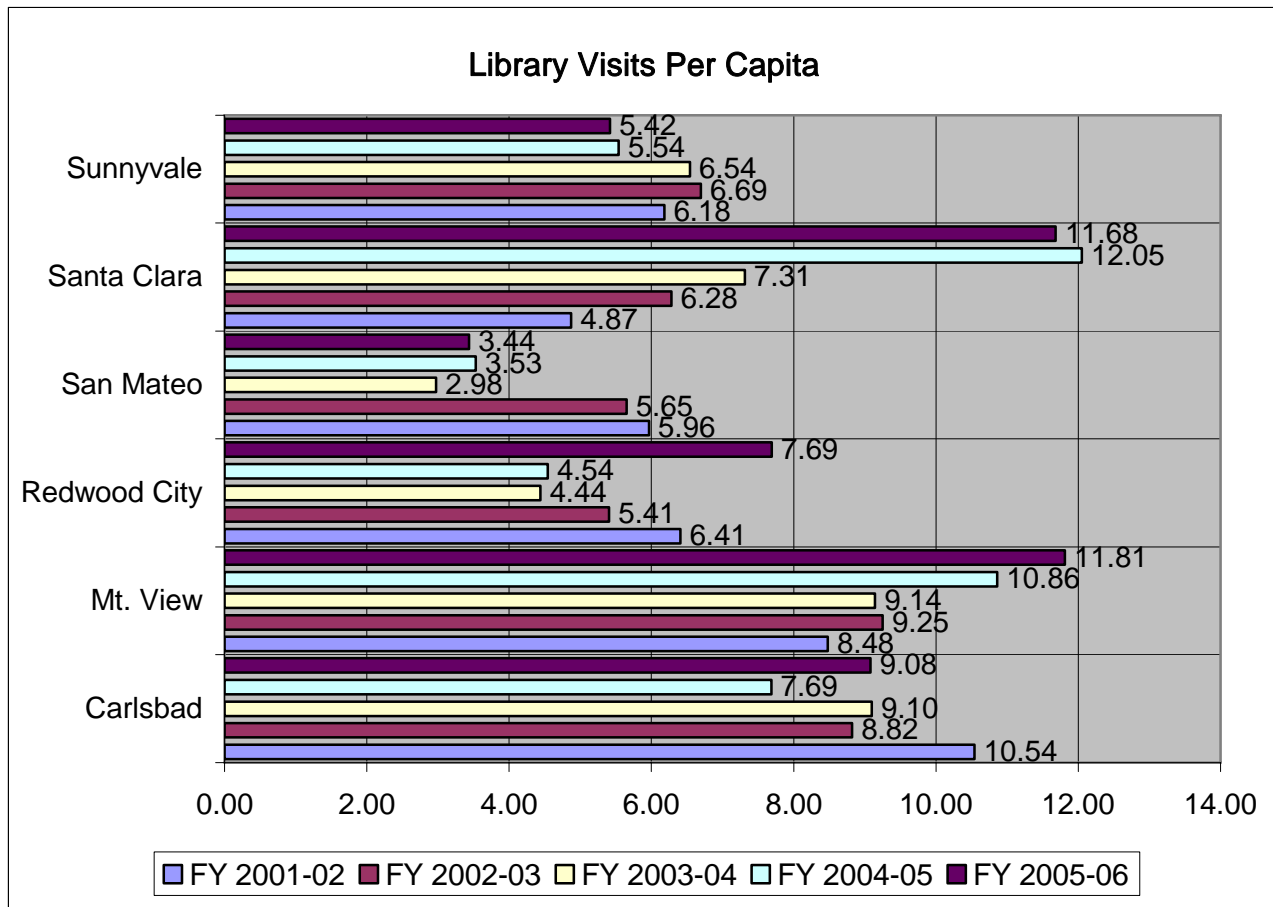
Analysis

The graph shows that our budget has been declining, though the current year has increased due to higher employee costs. The challenge is to increase existing service levels and still offer new services. Indeed, our per capita allocation, when benchmarked with other libraries, gives us the resources to deliver excellent library service to the Redwood City community.

The library will continue to retool and reprioritize to deliver effective and efficient services to the community within the constraints of a status quo budget. We are exploring creative and collaborative strategies to maintain our level of excellence and still build capacity in services for youth, education, and cultural programming. Our streamlining and efficiency strategies that we have implemented have allowed the library to continue its level of service and to actually increase our programs to youth.

Next Steps

We will continue to explore and experiment streamlining opportunities, staff allocation, and partnerships to allow us to increase programs and services. In addition to continuing to look for internal efficiencies, the library continues to look for best practices in other communities and evaluate what can be modified and implemented in Redwood City.



Definition

Library Visits per Capita is the total library visits divided by the population served. For example, a customer who visits the library three times a year is counted as three visits. The measure helps demonstrate library use as it counts those participating in library programming, internet use, information seekers, and homework help in addition to those who borrow library materials or enjoy the physical space. Therefore, it is a more inclusive measure of library use in comparison to one that simply looks at borrowing use, i.e., the number of materials checked out. This is an indicator of the success of a library as a real destination place, a “public place” for the community to meet, gather, and connect.

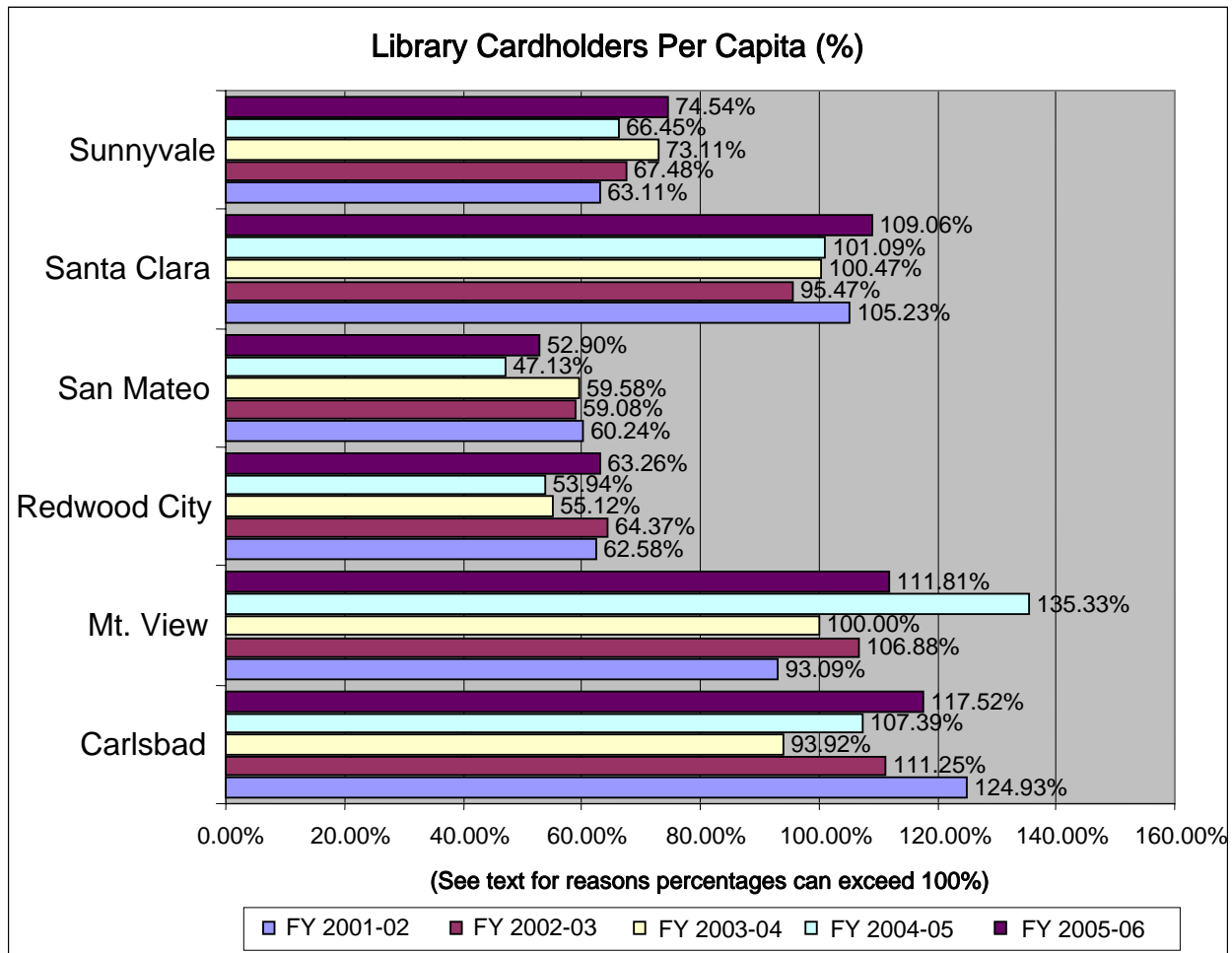
Analysis

Library visits increased due to the Schaberg branch library reopening and an increase in visits to the downtown library. The library’s strategy of a welcoming, contemporary community space for all ages is paying off. We believe some of the factors that contributed to our increased visits are our rich family programs, very popular meeting and community rooms, and the welcoming, bookstore-like atmosphere. Although our visits have increased, there is still room for improvement compared to three of our benchmarked libraries.

Next Steps

By increasing library programs for adults and retooling the library operations towards a more contemporary and convenient space especially for children and families, along with great customer service, we anticipate an increase in visitors. Now that the downtown cinema is opened, it is an opportunity for new visitors; we are positioning the library to be integral to Redwood City’s downtown.

The library will explore the feasibility of staying open later. We also expect that when the new Redwood Shores library comes online in 2008, Redwood Shores residents will visit the new facility much more often than they visit other libraries at present.



Definition

The percentage of active (used in one year) library cardholders divided by the population served. The national norm for this measure is 75% of residents have and use a library card. The number can exceed 100% because some customers come from outside the jurisdiction (e.g., they work in Mountain View) and libraries do not report them as separate. A higher percentage may also be attributed to a slow removal of inactive customers from the database.

Analysis

Redwood City's percentage of library cardholders is still lower than the national average of 75%, although our number of cardholders per capita increased by nearly 10%. This is one of the most problematic of statistics due to non-resident use and inconsistent purging. We now do a rigorous purging of cards which has not been done in the past few years. Our figure is accurate and relevant. Redwood City's figures have stayed relatively flat, although the downtown library has seen an increase and the Fair Oaks branch decrease. We need to constantly provide outreach, marketing, and non-traditional services to the very transient populations of North Fair Oaks and other city neighborhoods with a high immigrant population. This demographic, which is primarily Spanish speaking, traditionally has transportation limitations, does not see the value in using the public library, or is constantly moving from the area.

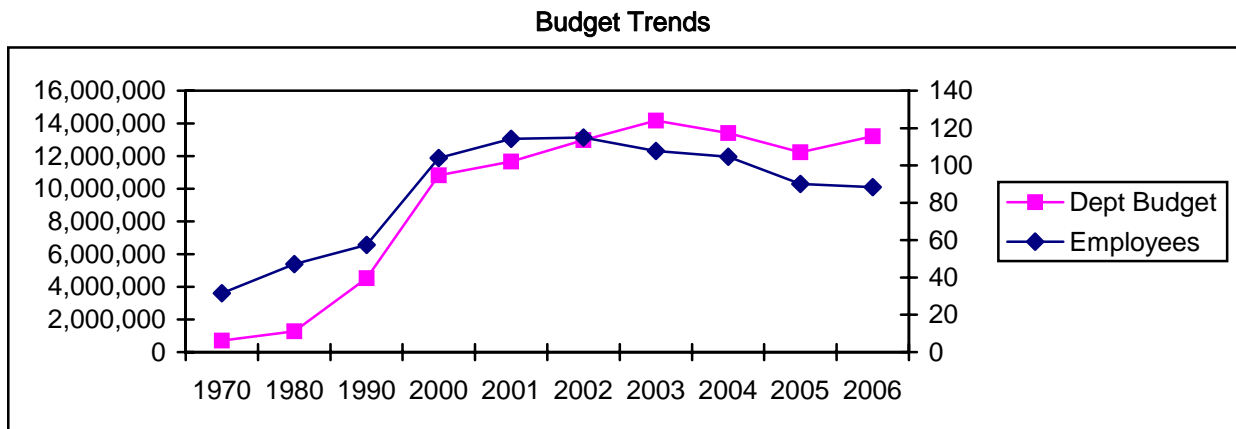
Next Steps

The library's goal is to have at least 75% active borrowers. We are continuing to implement strategies to increase marketing efforts and implement programs such as the KinderCard campaign to increase the number of active borrowers. A new library card campaign is planned for 2007/08. In addition, we will increase programming and services at the Fair Oaks branch, which may, in turn, increase the number of cardholders from the North Fair Oaks neighborhood.

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|---|----------------|---|
| Landscape Mtc. – Redwood Shores (66121) | 52,321 | Landscape gardener – addition of 0.60 FTE |
| Youth and Teen Services (66131) | 24,880 | Child care coordinator – addition of 0.25 FTE |
| Red Morton Comm. Ctr. (66142) | 35,073 | Facility aide – addition of 0.50 FTE |
| General Funds Total | 112,274 | |
| Internal Services Funds | | |
| Custodial Services (67241) | 31,032 | Maintenance custodian – addition of 0.40 FTE |
| Bldg. Mtc. & Repair Svcs. (67242) | 105,421 | Downtown operations and maintenance – addition of 1.0 building maintenance worker |
| Internal Services Funds Total | 136,453 | |

HISTORIC TRENDS



The above graph shows that while the number of department employees is trending down, the overall department budget continues to rise albeit at a relatively flat rate. These trends show that in spite of reductions in the number of employees the overall budget has increased to accommodate increases resulting from labor agreements as well as supplies and services increases particularly in the area of utilities.

- 1970's** – The Recreation and Park departments were consolidated into the Parks and Recreation department. (1972)
- 1980's** – Human Service became part of a renamed Parks, Recreation and Community Services department. (1986)
- 1990's** – Building and custodial maintenance were added when the street trees division was transferred to Public Works Services department. (1992); Red Morton Community Center (35,000 sq. ft.) was dedicated (1996); Sandpiper Community Center and Sandpiper Park were dedicated. (1998)
- 2000** – State and federal grant funding received to support after school program sites; landscaped areas added included the Lido Landscape Area, downtown planters, Jefferson underpass, and Taft School field.
- 2001** – Garfield School field and Upper Stulsaft Park renovated.
- 2002** – Maddux Park renovated.
- 2003** – Hoover School field renovated in artificial turf and Red Morton Park skate facility dedicated.
- 2004** – Department strategic plan and first annual report completed. Andrew Spinus Park renovated.
- 2006** – Fleishman Park renovated; artificial turf installed at Red Morton's Griffin/Bechet fields.

HUMAN SERVICES FINANCIAL ASSISTANCE

| HSFA Applications | City Council Approved | | HSFA Requested | | HHCC Recommended | | City Council Approved | |
|---|-----------------------|----------------|----------------|------------|------------------|----------------|-----------------------|------------|
| | FY 2005/06 | FY 2006/07 | FY 2006/07 | FY 2007/08 | FY 2006/07 | FY 2007/08 | FY 2006/07 | FY 2007/08 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Bay Area Legal Aid ** & *** | | | | 27,673 | | 5,000 | | |
| Casa de Redwood/Better Living for Seniors * | 5,000 | 5,000 | | | 5,000 | | 5,000 | |
| Center for Independence of the Disabled - Housing Advocate | 5,000 | 5,000 | 5,000 | | 5,000 | 5,000 | 5,000 | |
| Child Care Coordinating Council of San Mateo County * | 2,700 | 40,000 | | | | | | |
| Community Education Center ** & *** | | | | 10,000 | | | | |
| CORA/24 Hour Crisis Line and Support Services | 10,000 | 20,000 | 25,000 | | 12,000 | 13,000 | 12,000 | |
| El Centro de Libertad-SMART Program | 8,000 | 15,000 | 10,000 | | 5,000 | 5,000 | 5,000 | |
| Family Service Agency/Senior Dining and Supportive Services, Fair Oaks Intergenerational Center | 14,000 | 25,000 | 25,000 | | 16,000 | 16,000 | 16,000 | |
| Fresh Lifelines for Youth, Inc. (FLY) ** & *** | | | | 15,000 | | 9,000 | | |
| Friends for Youth/Mentoring Services for Redwood City Youth * | | 7,500 | 5,000 | | 2,700 | 3,000 | 2,700 | |
| International Institute of San Francisco/ San Mateo County Immigration and Citizenship Program | 10,000 | 30,000 | 30,000 | | 10,000 | 10,000 | 10,000 | |
| Kainos Home and Training Center - Disaster Preparedness for Adults with Developmental Disabilities ** | 8,000 | | 15,000 | | | 5,000 | | |
| Legal Aid Society/Legal Assistance for At-Risk Residents | 8,000 | 12,000 | 12,000 | | 10,000 | 10,000 | 10,000 | |
| Mills Peninsula Senior Focus (RSVP) * | 2,500 | 5,000 | | | 2,500 | | 2,500 | |
| Ombudsman Services of San Mateo County | 10,000 | 10,000 | 10,000 | | 10,000 | 10,000 | 10,000 | |
| Peninsula Volunteers/Meals on Wheels | 7,000 | 25,000 | 25,000 | | 8,000 | 10,155 | 8,000 | |
| Peninsula Volunteers/Rosener House Senior Day Care Center | 8,000 | 25,000 | 20,000 | | 7,000 | | 7,000 | |
| Planned Parenthood ** & *** | | | | 10,000 | | | | |
| Rape Trauma Services/Rape and Sexual Abuse Prevention Program | 8,000 | 10,000 | 10,000 | | 8,000 | 8,000 | 8,000 | |
| Rape Trauma Services/ Sexual Assault Services Program | 8,000 | 10,000 | 10,000 | | 8,000 | 8,000 | 8,000 | |
| Redwood City Police Activities League - PAL Community Center Afterschool Program * | 8,000 | 24,000 | | | 11,000 | | 11,000 | |
| The Salvation Army/Emergency Assistance Program | 10,000 | 14,000 | 14,000 | | 11,000 | 11,000 | 11,000 | |
| Samaritan House/Free Clinic of RWC | 18,000 | 20,000 | 20,000 | | 18,000 | 19,000 | 18,000 | |
| Second Harvest Food Bank/ Operation Brown Bag | 5,000 | 5,500 | 6,000 | | 5,000 | 6,000 | 5,000 | |
| Service League/Emergency Material Assistance | 12,000 | 18,000 | 20,000 | | 18,000 | 18,000 | 18,000 | |
| Service League/Hope House | 5,000 | 9,500 | 10,000 | | 7,000 | 7,000 | 7,000 | |
| Teen Pregnancy Coalition | 12,500 | 20,000 | 20,000 | | 13,000 | 13,000 | 13,000 | |
| YFES/Crisis Intervention and Suicide Prevention Center | 5,000 | 10,000 | 10,000 | | 6,000 | 8,000 | 6,000 | |
| Other agencies who did not apply for funding in FY 2006/07 or FY 2007/08 | 8,500 | | | | | | | |
| Total | 198,200 | 365,500 | 364,673 | | 198,200 | 199,155 | 198,200 | |

* Did not apply 2007/08

** Did not apply for funding in FY 2006/07

*** Did not apply for funding in FY 2005/06

CITY COUNCIL PRIORITIES

Downtown Redevelopment

- The department will produce a “Downtown Live” concert series at City Hall Plaza Friday evenings for 12 weeks from July through September 2006.

Status

Completed - 91% of survey respondents indicated they had visited a restaurant or business in connection with the concert series. “Downtown Live” will move to Courthouse Square on Friday evenings for 18 weeks from June through September of 2007.

- The Civic Cultural Commission has identified the downtown as a priority area and will encourage funding applications that support activities in the downtown such as the business group’s winter holiday program and Montalvo at the Fox Theater.

Status

Completed - 44% of total grant funding was provided to events in the downtown. In addition to those mentioned above, the first Latino film festival in Redwood City received support.

- Produce at least one festival in Courthouse Square by the fall of 2007.

Status

The department will relocate the annual pet parade to Theater Way in downtown Redwood City and will support efforts of the downtown management team to develop programming for the square.

- Child care coordinator will provide technical consultation to assist new residential developers in the Downtown.

Status

Technical assistance was provided to SamTrans as they consider residential development opportunities and will continue to be available to potential developers.

Public Safety

- Reduce the number of young people that turn to gang involvement by operating after school programs at eight Redwood City elementary school district sites serving up to 800 students. Work with Redwood City 2020 to explore ways to expand service to students currently on waiting lists by December 2007.

Status

Funding has been awarded from Proposition 49 funds to start up a new after school program at Garfield School (by April 2007). As of April 2007 we are operating after school programs at seven sites serving 724 children.

Transportation and Traffic

- The department will continue to operate two shuttle vans for visits to Veterans Memorial Senior Center and coordinate input from seniors on additional services as needed.

Status

Staff is participating on the Peninsula Traffic Congestion Relief Alliance/Redwood City Shuttle Stakeholder Committee as advocates for senior and youth transportation needs. The department continues to operate two shuttle buses to and from the Veterans Memorial Senior Center.

Governmental Operations

- Bring a recommendation for a general plan amendment to establish an active community parkland standard and in-lieu park development fee ordinance to the Planning Commission and City Council by September 2006.

Status

Not completed. We expect the standard and proposed in-lieu fee to be acted upon prior to the end of the FY 2006/07.

Community/Civic Support

- Manage a process that engages the neighborhood in the renovation of the Hoover School park play area and restrooms and the installation of a restroom in Jardin de Niños Park from the design of improvements through the rededication ceremony by fall of 2007.

Status

Not completed. Funding for both of these projects has been on hold within the capital projects budget.

- The department will work with organized youth and adult sports organizations to coordinate the conversion of six fields to artificial turf over the next two years (2006 – Griffin-Bechet, McGarvey, Mitchell and Marlin) (2007 – Hawes and Sandpiper)

Status

The projects were completed. Griffin-Bechet opened for play in January of 2007. McGarvey and Mitchell are scheduled to open in June 2007 when construction on the Sandpiper and Marlin Park fields in Redwood Shores is expected to start. Hawes Field will be converted in 2008. Youth and adult sports organizations have been extremely supportive of the synthetic turf field conversions. AYSO has pledged \$18,000 towards upgrading interior field striping on Mitchell Field so that two U10 games can be played at the same time (half fields).

- Offer at least one teen challenge day program for 100 teens to help break down social, physical, and racial barriers between youth based on the recommendation of teens from nine youth and teen clubs/boards in the City at our “One Voice” workshop by May 2007.

Status

A teen challenge day has been scheduled for Saturday, April 21, 2007, with invitations sent to 11 youth organizations in Redwood City (YELL, young Latino leaders, SPARK, youth and teen advisory boards, YFES, etc.).

- Bring new Redwood City school district superintendent and Cañada College president into the Redwood City 2020 Partnership and seek continued or new collaboration around sports fields and public facilities by January of 2007.

Status

Completed. A regular meeting schedule has been set up between the department and the school district to support after school programs and shared facility usage.

PERFORMANCE MEASURES

- Complete a cost recovery study and recommendations for Parks and Recreation Commission and Council; propose the development of a local group of cities willing to share comparative cost data to San Mateo County parks and recreation directors by December of 2006; and increase total revenues generated from fees, rentals, and grants by at least 5%.

Status

The department has not completed a cost recovery study with recommendations for the appropriate subsidy levels for all programming. The department overall revenue from fees, rentals, and grants increased by 9% from \$3,094,852 in FY 2004/05 to \$ 3,383,481, exceeding our goal of a 5% increase.

- Increase percentage of excellent and good internal customer service satisfaction ratings for custodial services from 84 to 85%.

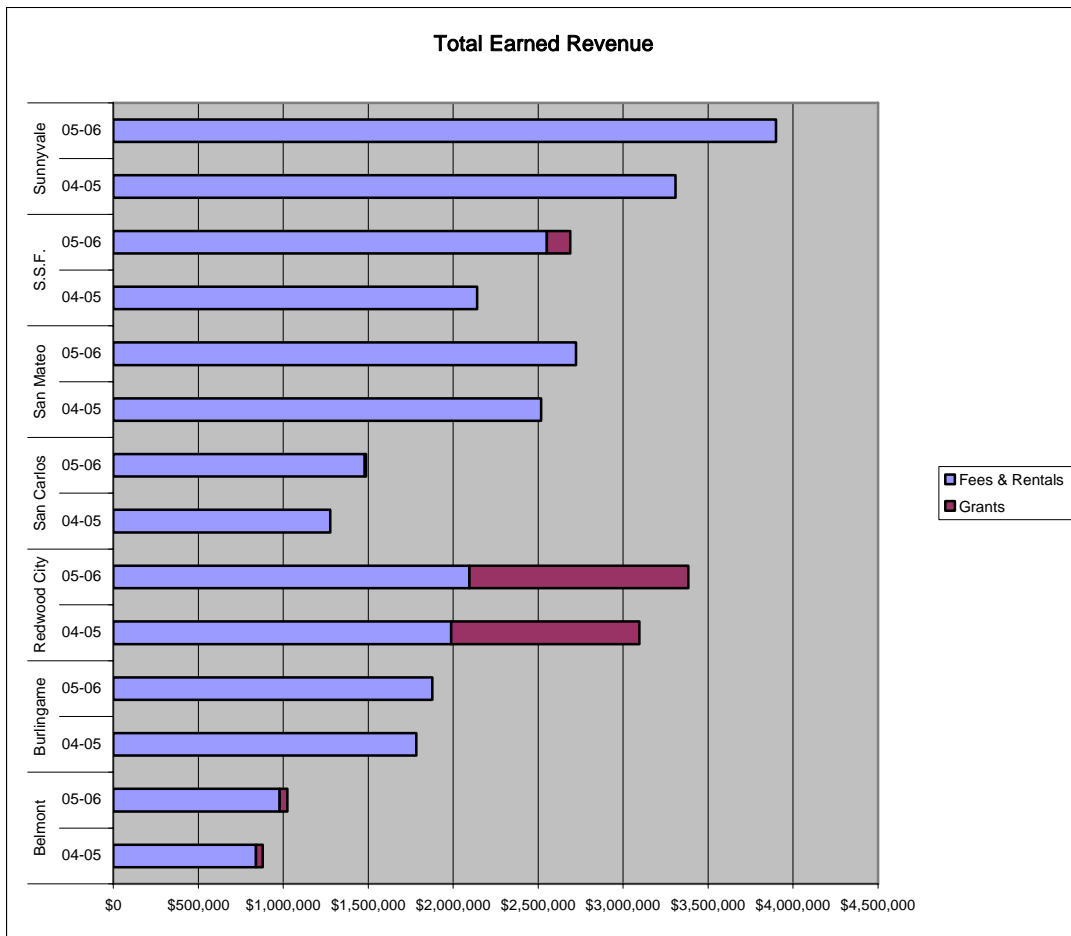
Status

March 2006 survey results showed the department customer service ratings remained flat at 83% with combined excellent and good ratings. We will continue to conduct an internal customer survey on an annual basis with a goal of reducing and ultimately eliminating poor evaluations of our services. Our goal for the next rating period is to find ways to increase the good and excellent rating to 85%.

- Propose the development of a local group of cities willing to share comparative cost data to San Mateo County parks and recreation directors by December of 2006 to collect data about landscape expenses that will facilitate the identification of best practices and cost saving practices and appropriateness of existing landscape costs per capita service levels.

Status

We were not successful in developing local group of cities willing to share and analyze comparative cost data to facilitate the identification of best practices and cost saving practices and appropriateness of existing landscape costs per capita service levels by December 2006. In FY 2007/08 we propose to focus our attention on review of operating practices and budgets for the cities of San Mateo and Sunnyvale, cities of similar size that show lower per capita costs for landscape to look for efficiencies.



Definition

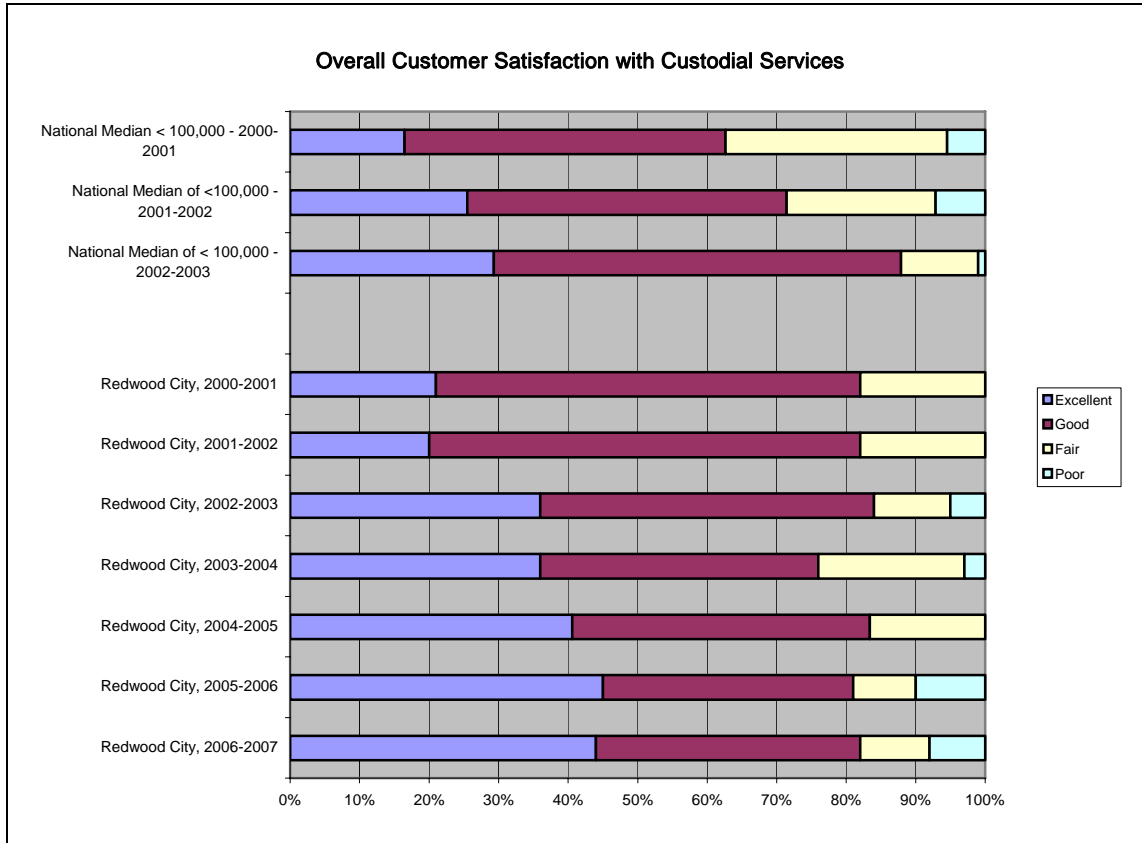
Revenue generated from program fees (excluding golf), facility or field rentals, and revenues from grants and foundations.

Analysis

The department's overall revenue from fees, rentals, and grants increased by 9% from \$3,094,852 in FY 2004/05 to \$3,383,481 in FY 2005/06. Revenues generated from grants are a significant piece of revenue only in Redwood City and this is attributable to the grants for after school and senior programs. The cities of Sunnyvale and San Mateo generate more revenue than Redwood City from program fees and rentals.

Next Steps

Program fees and rental charges ultimately reflect the amount that a community has decided to subsidize park and recreation spaces and activities. The department was successful in its goal to increase total revenues generated from fees, rentals, and grants by at least 5%. A cost recovery study was not completed.



Definition

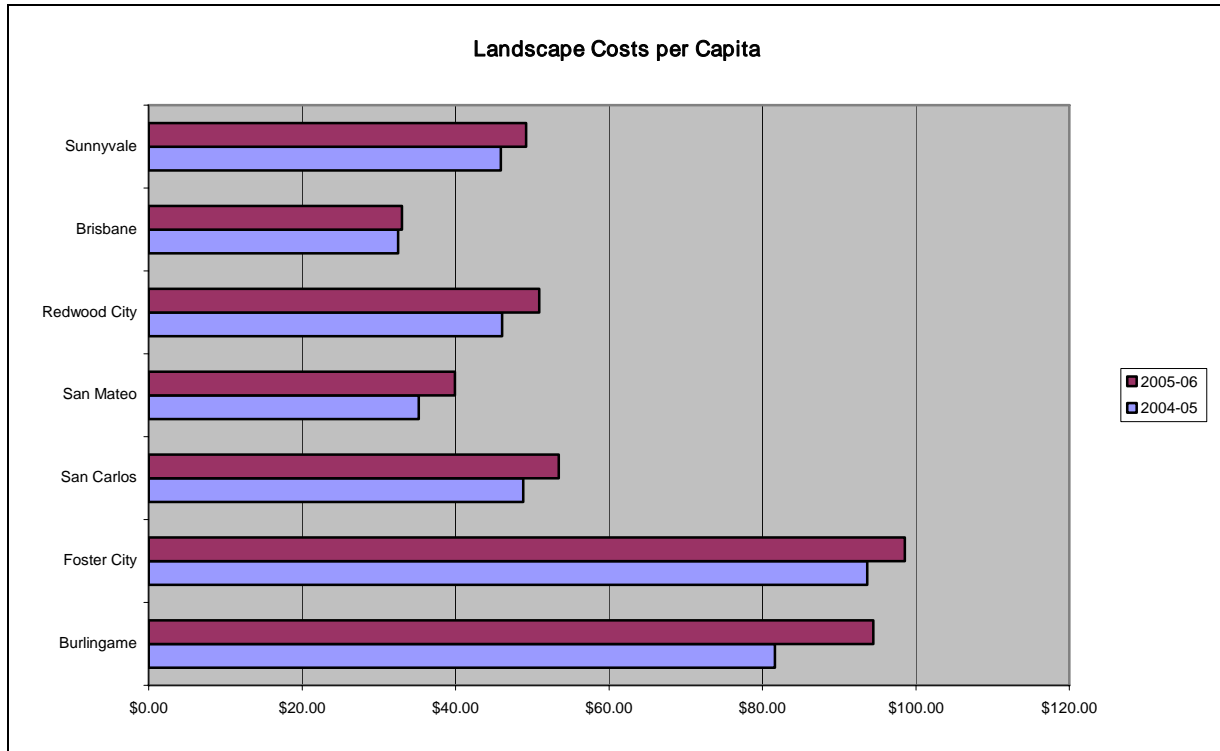
Survey results of overall customer satisfaction with custodial services. The department has conducted annual internal customer surveys since 1998 using a 1-4 scale with 1 meaning Poor, 2 Fair, 3 Good, and 4 Excellent.

Analysis

The March 2006 survey results show very little change from the March 2005 survey with only a slight reduction in excellent ratings and similarly small decrease in poor responses. There has been little change in staffing or overall square footage for FY 2004/05 to FY 2005/06.

Next Steps

We will continue to conduct an internal customer survey on an annual basis with a goal of reducing and ultimately eliminating poor evaluations of our services. Our goal for the next rating period is to find ways to increase the good and excellent rating to 85%.



Definition

Total cost of landscape services excluding tree services, divided by the population of the jurisdiction.

Analysis

The information collected from other San Mateo County departments shows that landscape costs per capita vary widely from a low of \$33.00 in Brisbane to a high of \$98.57 in Foster City with an average cost per capita of \$59.93. Redwood City is slightly below this per capita cost at \$50.89. Foster City maintains a park standard of five acres per 1,000 residents

Next Steps

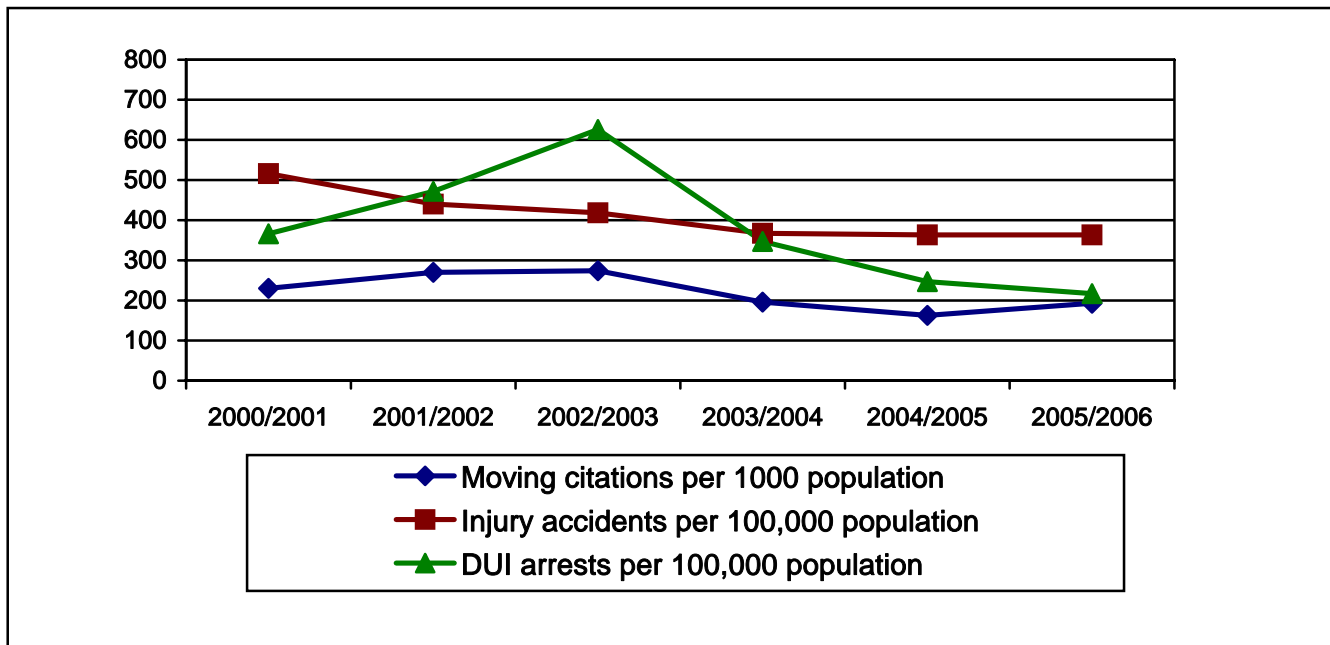
We were not successful in developing a local group of cities willing to share and analyze comparative cost data to facilitate the identification of best practices and cost saving practices and appropriateness of existing landscape costs per capita service levels by December 2006. In FY 2007/08 we propose to focus our attention on review of operating practices and budgets for the cities of San Mateo and Sunnyvale, cities of similar size that show lower per capita costs for landscape to look for efficiencies.

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|---|------------------|---|
| Administration (62111) | (288,000) | Reverse San Mateo County booking fees to no longer be charged to the City |
| Records (62112) | 90,000 | Police records manager – additional position |
| General Funds Total | (198,000) | |
| Special Revenue Funds | | |
| Citizens' Option for Public Safety (COPS) (62131) | 74,755 | Grant-funded supplies |
| Special Revenue Funds Total | 74,755 | |

HISTORIC TRENDS

Traffic Enforcement



- The number of injury producing traffic collisions remained unchanged at a rate of 363 per 100,000 population during FY 2005/2006. This rate is below the average of the five comparative cities.
- The number of impaired driver arrests continued on a downward trend due to our consistently high level of enforcement, participation in a county-wide traffic safety program, and our participation in local, state, and national anti-impaired driver programs and enforcement campaigns.
- Enforcement of moving violations traditionally leads to safer driving and fewer collisions. The number of citations issued increased 18% over the past year and our enforcement efforts were significantly higher than the comparative cities referenced in the following pages.

CITY COUNCIL PRIORITIES

Downtown Redevelopment

- The Police Department will hire sufficient personnel by the end of FY 2006/07 to implement the department's Downtown Policing Plan.

Status

The Police Department has hired additional non-sworn personnel to implement nighttime parking enforcement in the Downtown area. Sufficient sworn personnel are currently in place to allow for the implementation of the Downtown Policing Plan. The department has not, however, achieved full staffing levels in its sworn ranks.

- The Police Department will establish a volunteer group by the end of FY 2006/07 to supplement police staffing in Downtown.

Status

The Police Department met this object in FY 2005/06 by the formation of the Volunteers In Patrol program. Currently the department has six fully-trained volunteers participating in the program, with two additional participants expected to complete training by the end of FY 2006/07.

Public Safety

- The Police Department will maintain and enhance a countywide team approach to mitigate gang activity by the end of FY 2006/07.

Status

The Police Department met this objective in FY 2005/06 by its ongoing participation in the Countywide Gang Task Force. In FY 2006/07 the department plans to continue to participate in the Countywide Gang Task Force and remain focused on increased gang abatement and gang education for Redwood City residents and organizations

PERFORMANCE MEASURES

- Maintain the seat belt compliance rate for FY 2006/07 at 95% and maintain that level for FY 2007/08.

Status

The department met this objective in FY 2005/06 by achieving a seat belt compliance rate of 96%. This rate is greater than the statewide average of 93% and ranks Redwood City and one other city the highest of all other comparative cities.

- Achieve 17,000 moving violation citations issued per 100,000 population for FY 2006/07 and maintain that number for FY 2007/08.

Status

The department met this objective in FY 2005/06 by issuing 19,270 moving citations per 100,000 population, the highest amount of all other comparative cities. The department will strive to maintain this objective in FY 2007/08.

- Reduce injury-producing traffic collisions per 100,000 population to 360 for FY 2006/07 and reduce these collisions further in FY 2007/08 to 350.

Status

The department's rate of 363 injury-producing traffic collisions per 100,000 population in FY 2004/05 remained unchanged during FY 2005/06. The department will continue to take advantage of state and federal

grant opportunities, as well as regional traffic safety campaigns in an effort to meet our objective during FY 2006/07.

- Maintain the percentage of the Uniform Crime Reports Part I violent crimes cleared at 75% for FY 2006/07, and maintain that level for FY 2007/08.

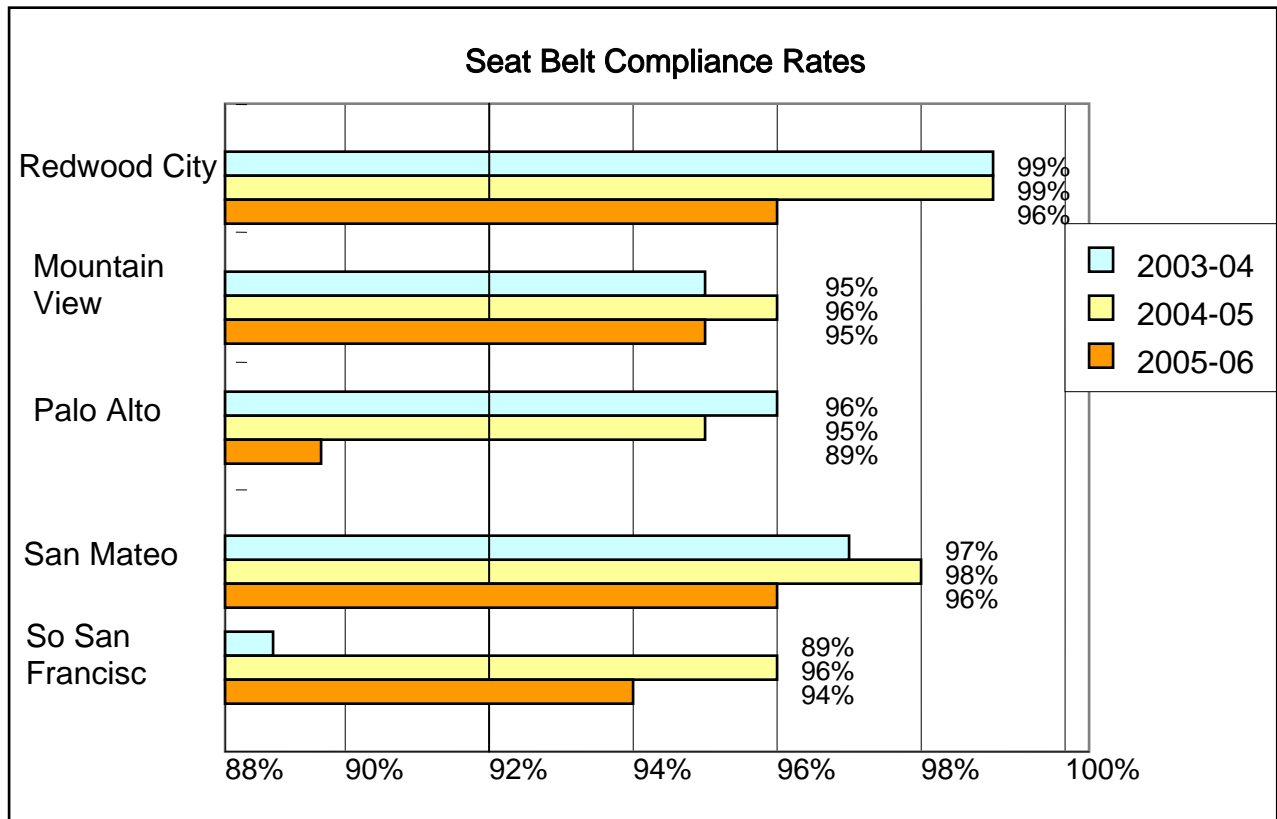
Status

The department's Part 1 crime clearance rate decreased during FY 2005/06 to a rate of 67%. Though this clearance rate is higher than all other comparative cities, the department will seek to re-establish a 75% clearance rate in FY 2006/07.

- Provide the highest quality police services to the citizens of Redwood City while optimizing personnel savings.

Status

The department provides quality police services to the community while adapting to significant expansion in the Downtown area. During FY 2005/06 the Redwood City Police Department employed 1.5 field services personnel per 1,000 population, which is equal to the median of comparative cities. The department has implemented a "Volunteers In Patrol" program and taken advantage of grant opportunities in an effort to optimize personnel costs.



Definition

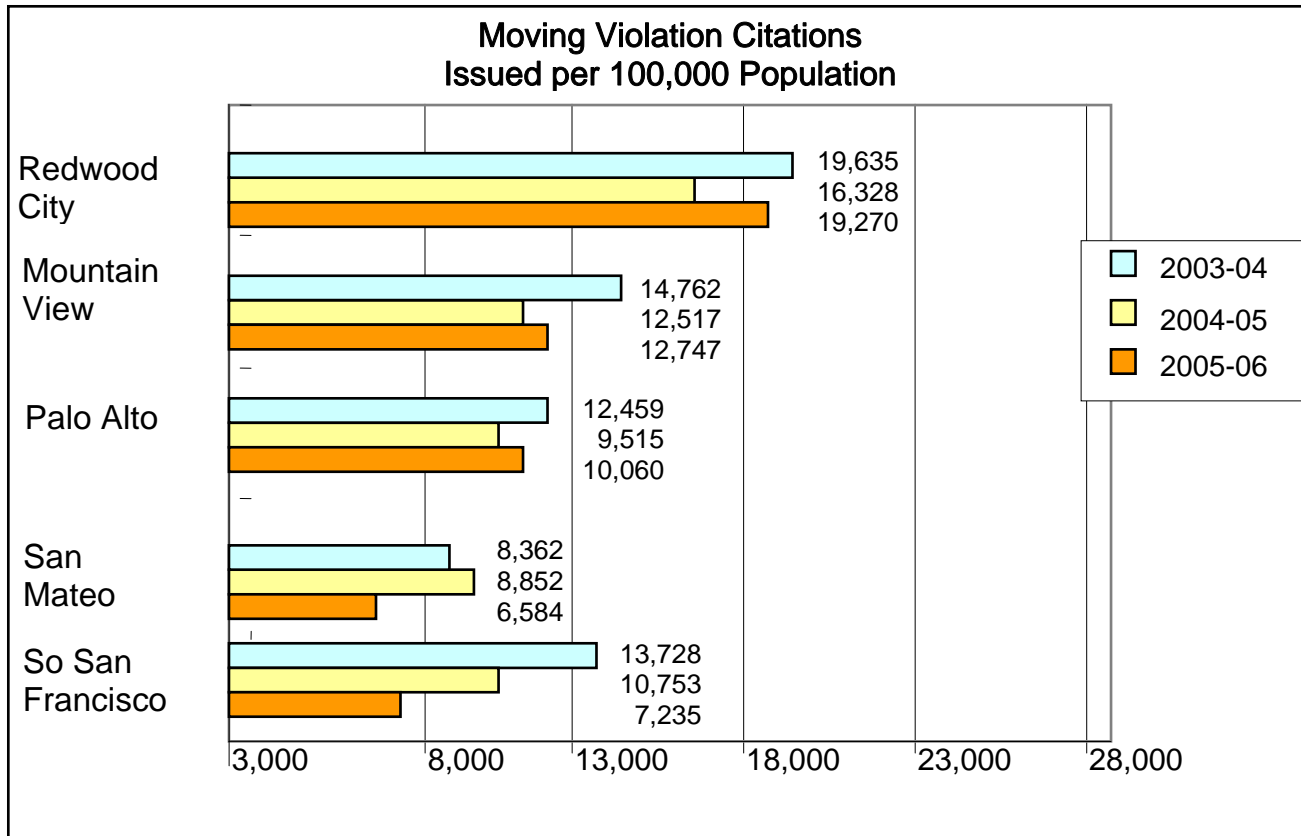
The California Seat Belt Compliance Campaign Survey is an observational study of drivers, which is conducted at the same day of the week during the same time period, and at the same location within the jurisdiction surveyed. This graph depicts the percentage of seatbelt usage by drivers.

Analysis

Redwood City's seat belt usage rate of 96% continues to remain above the statewide average of 93%. During FY 2005/06 our seat belt use compliance rate, and that of one other comparative city, ranked the highest among the other comparative cities. Seat belt use saves lives and reduces or prevents injuries sustained during a motor vehicle accident. The department places significant emphasis on enforcement of occupant safety violations using traffic and patrol personnel, participation in various regional traffic safety campaigns, and through the "Click It or Ticket" California Seat Belt Compliance Campaign.

Next Steps:

The Redwood City Police Department is superior in its seat belt enforcement and public education efforts. The department will endeavor to maintain the high seat belt use compliance rate and is scheduled to take part in the 2007 "Click It or Ticket" California Seat Belt Compliance Campaign.



Definition

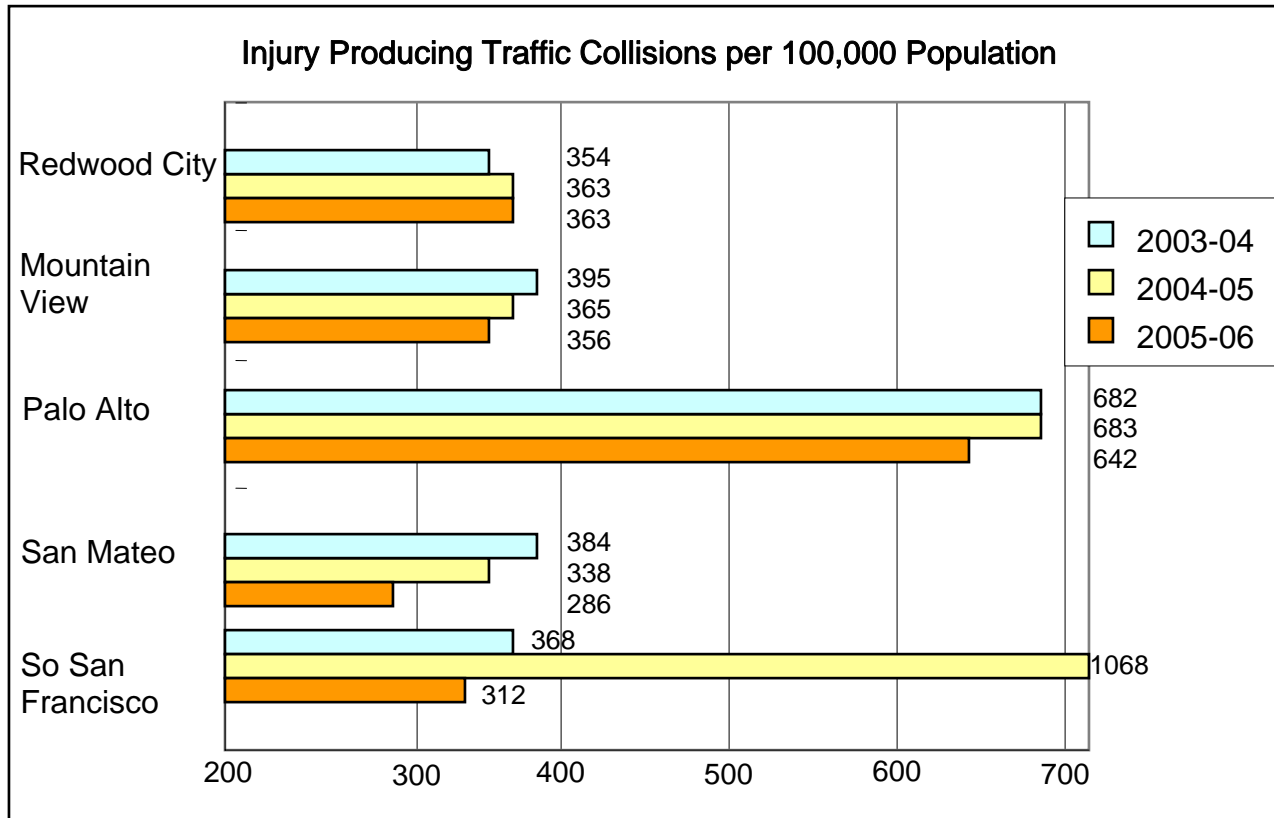
Moving violations are traffic offenses associated with driver operation. This graph depicts the number of moving violation citations issued per 100,000 population.

Analysis

The number of moving violation citations issued per 100,000 increased in Redwood City during FY 2005/06, and also in half of the comparative cities. Enforcement of moving violations traditionally leads to safer driving and fewer collisions. The Redwood City Police Department issued 19,270 citations per 100,000 population, which represents an 18% increase over the number of moving citations issued in FY 2004/05. This increase is likely due to the Traffic Unit returning to full strength, the hosting of various traffic enforcement details as part of the department's participation in the countywide traffic safety grant, and an increased emphasis on traffic enforcement. The Police Department led all comparative cities by a wide margin in this category while continuing to work toward its objective of 27,600 citations per 100,000 population.

Next Steps

The department will continue its emphasis on traffic enforcement and remain focused on high traffic complaint areas, occupant safety violations, and impaired drivers. The department will strive to maintain its leadership among comparative cities during this budget cycle.



Definition

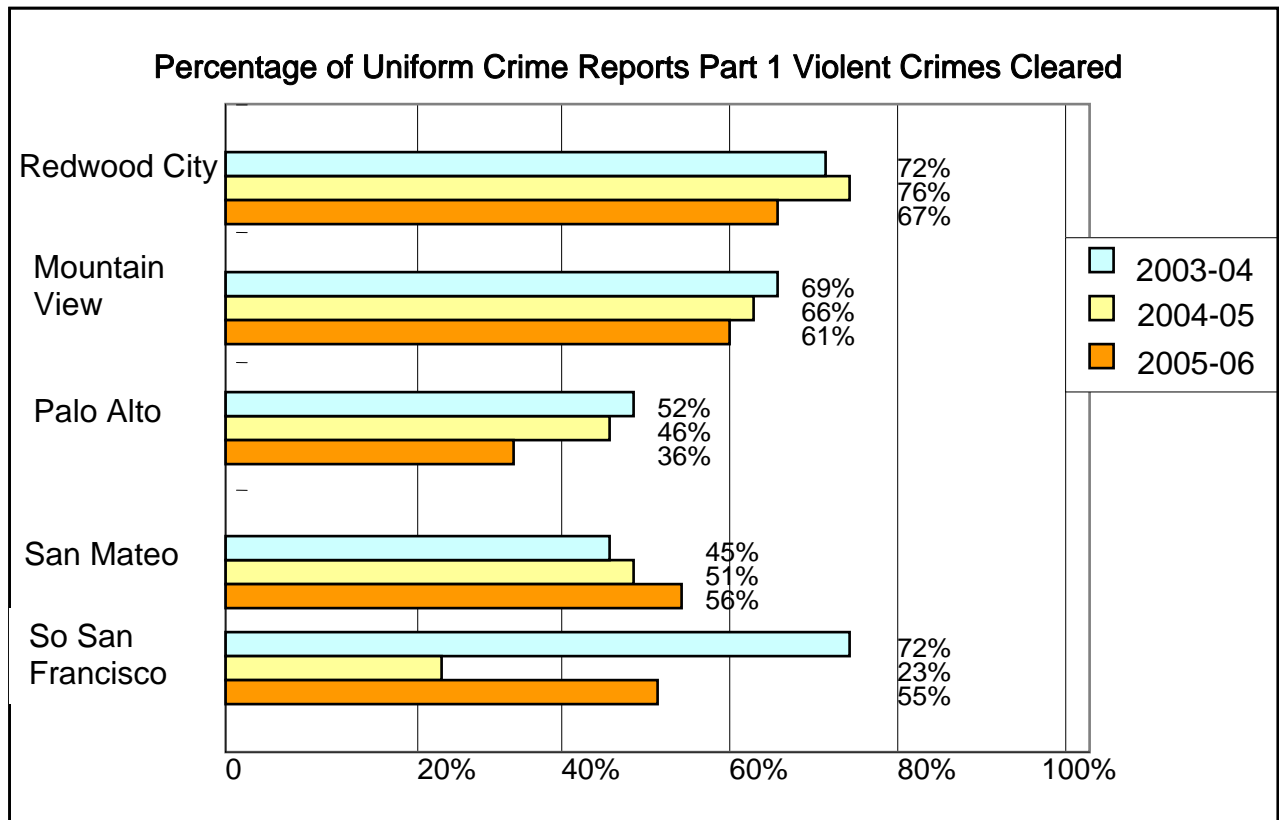
Injury-producing traffic collisions are collisions in which any party involved reports an injury, regardless of severity. This graph depicts injury-producing traffic collisions per 100,000 population.

Analysis

Injury-producing traffic collisions for FY 2005/06 remained unchanged at 363 per 100,000 population. Though this number is slightly higher than most of the comparison cities, it is below the average of all five comparative cities and the department continues to exceed its goal of keeping the number of injury-producing traffic collisions below 400 per 100,000 population.

Next Steps

The department's goal during this budget cycle is to continue to take advantage of state and federal grant opportunities in an effort to further reduce the number of injury-producing traffic collisions per 100,000 population. Public education and awareness coupled with ongoing participation in the countywide traffic safety committee, as well as participation in regional traffic safety enforcement campaigns such as the "Avoid the 23" campaign and the "Click It or Ticket" California Seat Belt Compliance Campaign", should prove beneficial in this endeavor.



Definition

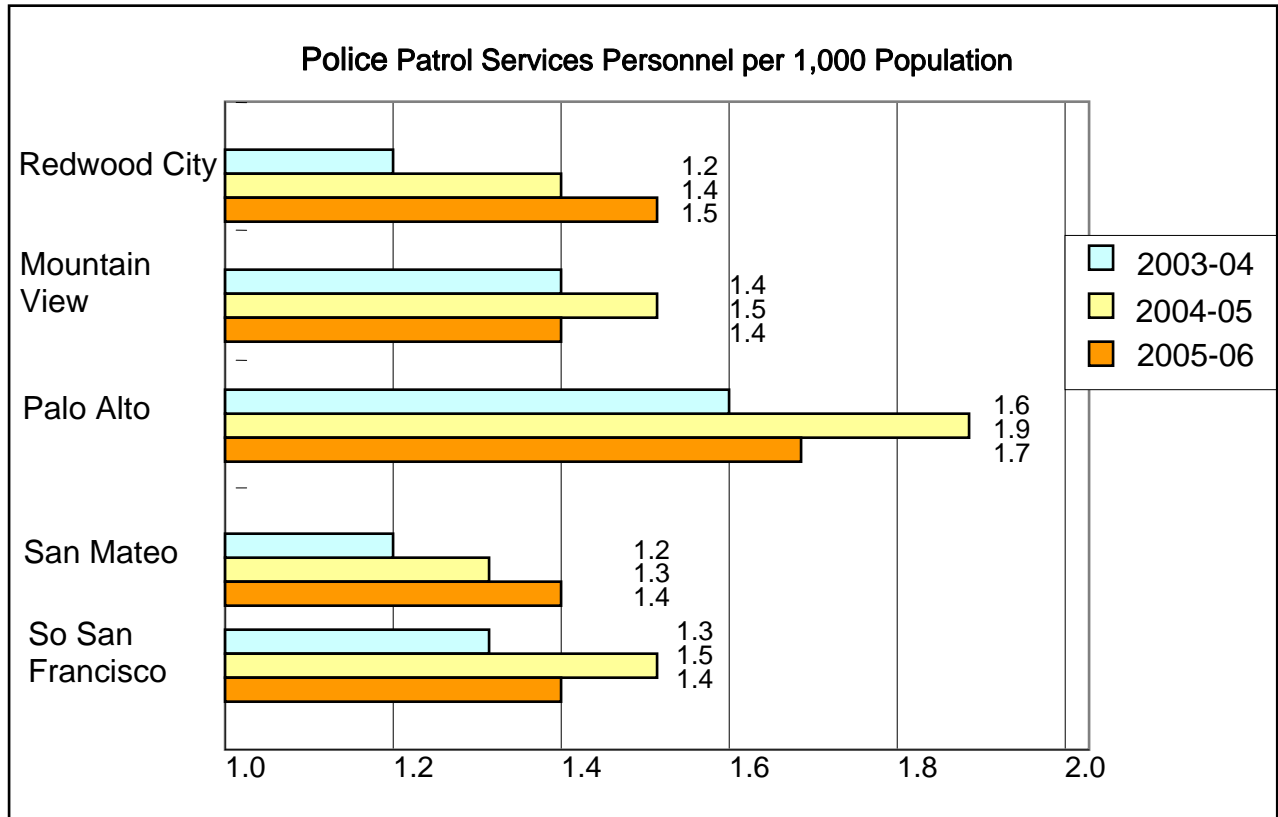
The Uniform Crime Reports Part I violent crimes are criminal homicide, rape, robbery, and aggravated assault. This comparison depicts the percentage of Uniform Crime Reports Part I violent crimes cleared. A crime is classified as “cleared” when at least one person is arrested, charged with the commission of the offense, and turned over to the court for prosecution. Some crimes may be “cleared” by exceptional means. Exceptional means are the death of the offender, the victim’s refusal to cooperate with the prosecution, and the denial of extradition. In cases cleared by exceptional means, the offender must be identified, sufficient evidence for the offender’s arrest must exist, and the offender’s location must be known.

Analysis

Redwood City’s clearance rate of 67% during FY 2005/06 marks a decrease from FY 2004/05 and the department did not maintain its goal of a 75% clearance rate. The decrease is likely attributed to an unusual spike in homicides (six in FY 2005/06) and an increase in reported robberies. However, despite this increase, the department’s clearance rate is still greater than all of our comparative cities and the national average. Nationwide in 2005, 45.5% of violent crimes were cleared by arrest or exceptional means.

Next Steps

The Redwood City Police Department remains focused on solving violent crimes and will seek to re-establish a clearance rate of 75% during FY 2007/08.



Definition

Provide the highest quality police services to the citizens of Redwood City while optimizing personnel efficiencies. Using the optimal combination of police officers and non-sworn field service personnel, the Redwood City Police Department provides the optimum level of service to the citizens of Redwood City while holding personnel costs to a minimal level. Non-sworn field services personnel are defined as full-time community service officers, police service technicians, non-sworn evidence technicians, code enforcement officers, and parking enforcement officers.

Analysis

The Redwood City Police Department is a full service organization that takes pride in delivering a high degree of customer service to the community it serves. During FY 2005/06 the Redwood City Police Department employed 1.5 field services personnel per 1,000 population, which is equal to the median of our comparative cities. The Police Department continues to address the needs of the community while constantly adapting to significant expansion in the Downtown area.

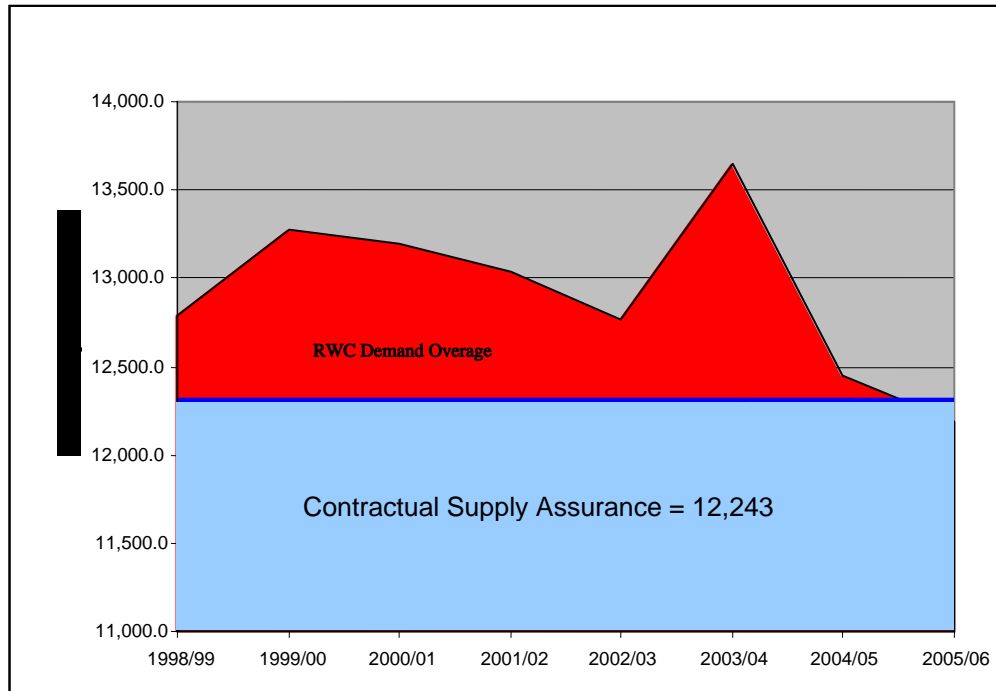
Next Steps

The department will endeavor to maintain staffing at current levels to continue to provide quality police services, while striving to hold overtime and other personnel costs to a minimum.

**EXPLANATION OF FY 2007/08
 PROGRAMMATIC OPERATING BUDGET ADJUSTMENTS**

| General Funds | Amount | Description |
|-------------------------------------|------------------|---|
| Street System Maintenance (65132) | 15,000 | Vehicle retrofit to meet 2007 emission requirements |
| General Funds Total | 15,000 | |
| Special Revenue Funds | | |
| Street System Mtc. (65132) | 206,000 | Street maintenance staffing and materials |
| Special Revenue Funds Total | 206,000 | |
| Enterprise Funds | | |
| Water Fund | | |
| Water Supply & Distribution (65144) | 15,000 | Vehicle retrofit to meet 2007 emission requirements |
| SFWD Water Purchases (65145) | 543,119 | Increase in water purchase cost |
| Recycled Water (65147) | 734,313 | Debt service on 2007 bonds |
| Recycled Water (65147) | 100,000 | Recycled water operation and maintenance |
| Enterprise Funds Total | 1,392,432 | |

HISTORIC TRENDS



- Water use in Redwood City for FY 2005/06 was 54.8 below the contractual supply assurance with the San Francisco Public Utilities Commission (SFPUC) for the first time since 1998 when the City began exceeding the contractual supply assurance. The reduced demand was primarily a result of the City's active conservation, which achieved water savings of 579 acre feet, and in part by an unusually wet spring season that reduced water use for landscape irrigation. A significant portion of Redwood City's water use originates from landscape irrigation. The spike in demand in FY 2003/04 was due to a two-week period of extremely hot weather in early spring, which triggered irrigation start-up almost a month earlier than normal.
- The City Council adopted the 2005 Urban Water Management Plan in December 2005, and the 2006 Water Financing Plan update in January 2006. These documents, in concert with the General Plan, guide the City's policy on water supply.
- The goal is to bring the demand on Hetch Hetchy back within the supply assurance by 2010, sustain it at that level via the continued "active" conservation program, and off-set the use of drinking water with recycled water for irrigation and industrial purposes. The City's water conservation program continues to exceed its annual goal and in combination with the start-up of the recycled water in spring of 2007, the future water purchases from SFPUC are projected to be under the supply assurance level.

CITY COUNCIL PRIORITIES

Public Safety

- Work with other City departments to increase emergency preparedness and improve response plans. By January 2007, implement re-formatted "Department Operating Center" at the Municipal Services Center, including the merging of emergency response resources with Parks, Recreation and Community Services.

Status

Completed.

- In collaboration with the SFPUC and the Bay Area Water Supply and Conservation Agency (BAWSCA), refine the water supply recovery plan and emergency response protocols by June 30, 2007.

Status

The water supply recovery plan and emergency response protocol in cooperation with SFPUC has been completed and in addition the City has adopted a San Mateo County regional potable water emergency procurement plan and has been working on a county-wide public works mutual-aid agreement.

Government Operations

- Begin to implement department succession plan developed in prior two-year budget period.

Status

Succession plan started in 2004 and will continue with the Human Resources Department.

- Implement additional professional certification incentive programs for the sanitary sewer system and the City fleet management staff by December 31, 2006.

Status

Incentive programs implemented; task completed.

Community / Civic Support

- Complete a comprehensive review of the water rate structure for commercial and residential customers, and by the end of 2006, design a community roundtable input process for evaluating alternative rate structures that would address equity and effectiveness issues in the community.

Status

Revenue-neutral water rate structure changes are to be implemented in July 2007.

- By June 2007, make recommendations to the City Council Utilities Committee, then the City Council regarding rate structures.

Status

The City Council Utilities Committee has reviewed and approved the recommended water rate structure changes and will be taken to City Council for adoption in June 2007.

- Incrementally implement new rate structures on July 1, 2007 and July 1, 2008.

Status

New water rate structure changes for residential and commercial customers are to be implemented July 2007.

- Evaluate “area-based” or “budget-based” rates for irrigation accounts.

Status

Evaluation has been completed and a new budget-based water rate structure is to be implemented in January 2008.

- Implement a new cooling tower controller rebate program in cooperation with the BAWSCA for commercial customers in the next fiscal year.

Status

A new cooling tower retrofit rebate program in cooperation with the Urban Water Conservation Council has been approved and funded partially through a Proposition 50 grant and will be initiated in April 2007.

PERFORMANCE MEASURES

- Pavement Condition Index (PCI) – Maintain Redwood City’s pavement condition index at or above the current PCI rating.

Status

Redwood City’s current overall citywide average PCI remains at 74, unchanged from the last two years, which is considered to be in “Very Good” condition as defined by the Metropolitan Transportation Commission’s (MTC) Roadway Management Program.

- Average bi-monthly residential water bills – Maintain Redwood City’s average bills below the average of other Peninsula water agencies.

Status

When comparing Redwood City’s average bi-monthly residential water bills at 15 units of water use, Redwood City is the fourth most cost-effective agency surveyed in June 2006. Redwood City’s bi-monthly water bill is 6.5% below the average and 6.7% below the median of other Peninsula water agencies.

- Average bi-monthly residential sewer bills – Maintain Redwood City’s average bills below the average of other Peninsula agencies.

Status

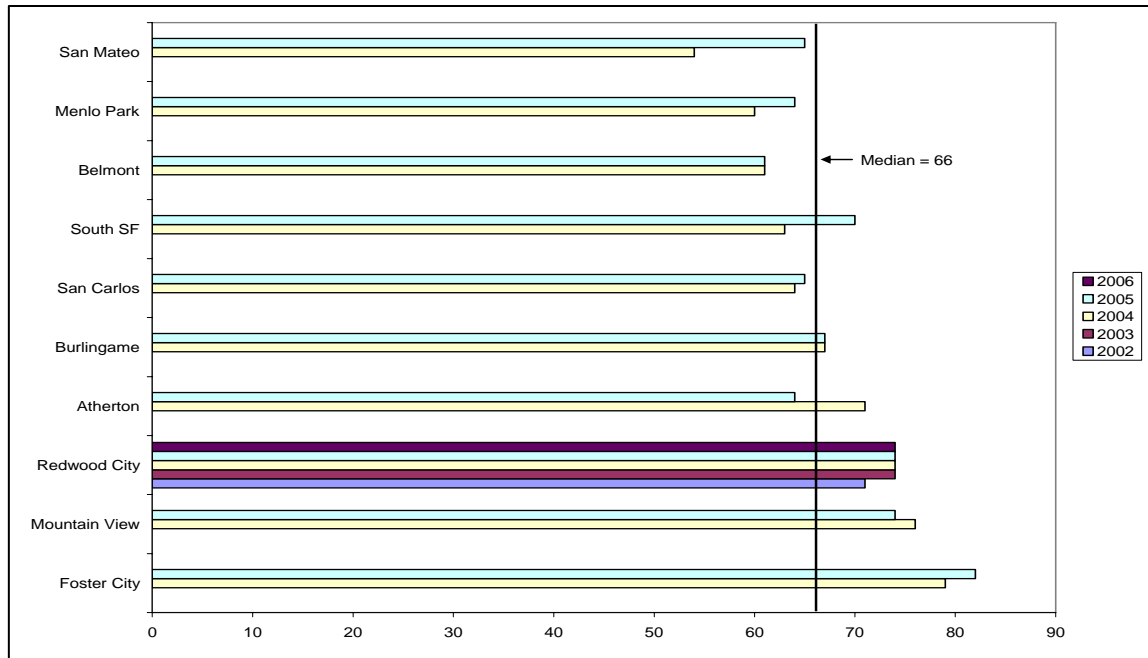
Redwood City is the fifth most cost-effective agency surveyed in the annual residential sewer bill survey for single-family residential sewer service charge at 15 units of water use per billing period. Redwood City’s bi-monthly sewer service charge represents the median among the agencies benchmarked and is 24.3% below the average for the 17 Peninsula agencies surveyed.

- Conservation Water Savings – Track accrued water demand reduction for SFPUC drinking water as a result of the implementation of the City Council’s “active” water conservation program. Compare the annual Urban Water Management Plan water conservation savings goal against actual water savings.

Status

Redwood City continues to implement an “active” water conservation program based on the California Urban Water Council’s “Best Management Practices” (BMP’s). For FY 2005/06, the cumulative water savings resulting from indoor and outdoor active water conservation programs totaled 579 acre feet or 196% of the annual 294 acre feet goal. The water savings for FY 2006/07 are projected to be 705 acre feet, exceeding the goal of 583 acre feet. Water purchases from SFPUC for FY 2005/06 were 54.8 acre feet below the supply assurance level for the first time since 1998 when the City began exceeding its water supply assurance.

2006/07 Comparative City PCI Ratings



Source: 2006 MTC Survey Data. 2006 Data will not be available until October 2007

Definition

As part of the City’s Roadway Management Program, the City’s street network is periodically surveyed and its pavement condition assessed. All residential streets are surveyed every three years with arterials and collectors surveyed every two or three years. The streets were last surveyed in 2004 and are scheduled to be surveyed in 2007. In between surveys, the roadway management system software calculates the pavement condition based on the types of maintenance, rehabilitation, and reconstruction work completed. The condition and ridability of the pavement is rated using the PCI, expressed in a numeric range between 1 (completely failed) and 100 (excellent).

Analysis

The current overall citywide average PCI remains at 74, which is considered to be in “Very Good” condition as defined by the MTC’s Roadway Management Program. This result is due to the collaboration between Engineering and Construction staff and the Public Works Services staff. Engineering and Construction manages the Capital Improvement Program (CIP) contracts for major street rehabilitation or reconstruction. Public Works Services has historically provided pavement preparation support for Engineering and Construction capital improvement projects, along with on-going maintenance and in-house paving between CIP contracts.

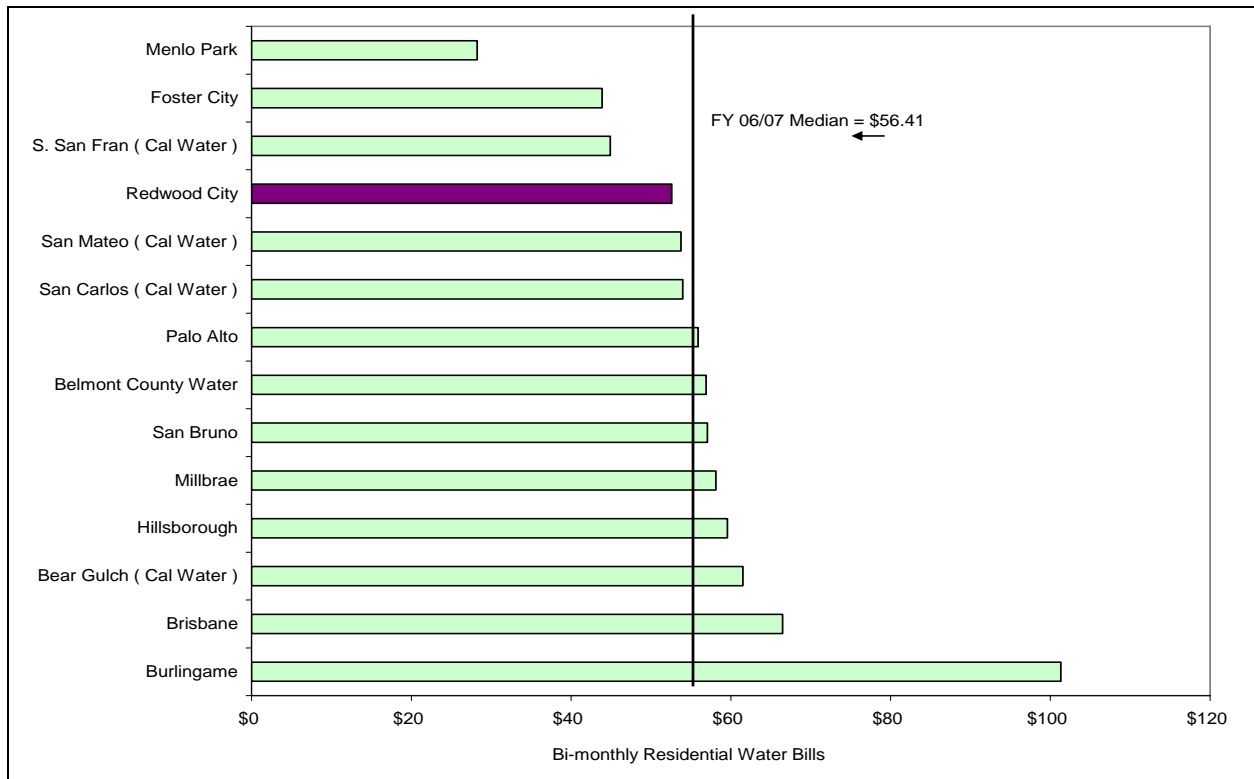
The budget reductions since 2004/05 have reduced the Public Works Services crew size and their ability to perform some of the needed pavement maintenance and preparation work for the CIP projects. Prior to the budget reductions, the City’s average PCI was increasing each year. Staff advised that the pavement condition could survive a short deferring of maintenance for up to three years before beginning to see pavement failures.

The City is experiencing the third year under the reduced budget circumstances. Staff expects the pavement conditions to begin to deteriorate to the point that pavement failures will be more common and the average PCI will begin to drop or require greater funding to sustain at the current level. The future average PCI will fluctuate based on the amount of future funding available for maintenance, rehabilitation, and reconstruction projects. The City has received the benefit of significant pavement grants that have provided the necessary funding to enhance the City’s reduced pavement maintenance funding over the past three years. The funding sources are: San Mateo County Measure A, Proposition 42, Assembly Bill 2928, state gas tax, City utility users’ tax, and City general fund.

Next Steps

Monitor PCI ratings to ensure that decision makers have accurate data to make future budget decisions.

2006/07 Residential Water Bills



Definition

Benchmark average residential water bills with 13 other water service agencies in the Hetch Hetchy regional system service area. Redwood City conducts its own annual residential water bill survey of other water agencies. Bi-monthly water bills at 15 units (1 unit equals 748 gallons) of residential water use are presented in the chart above.

Analysis

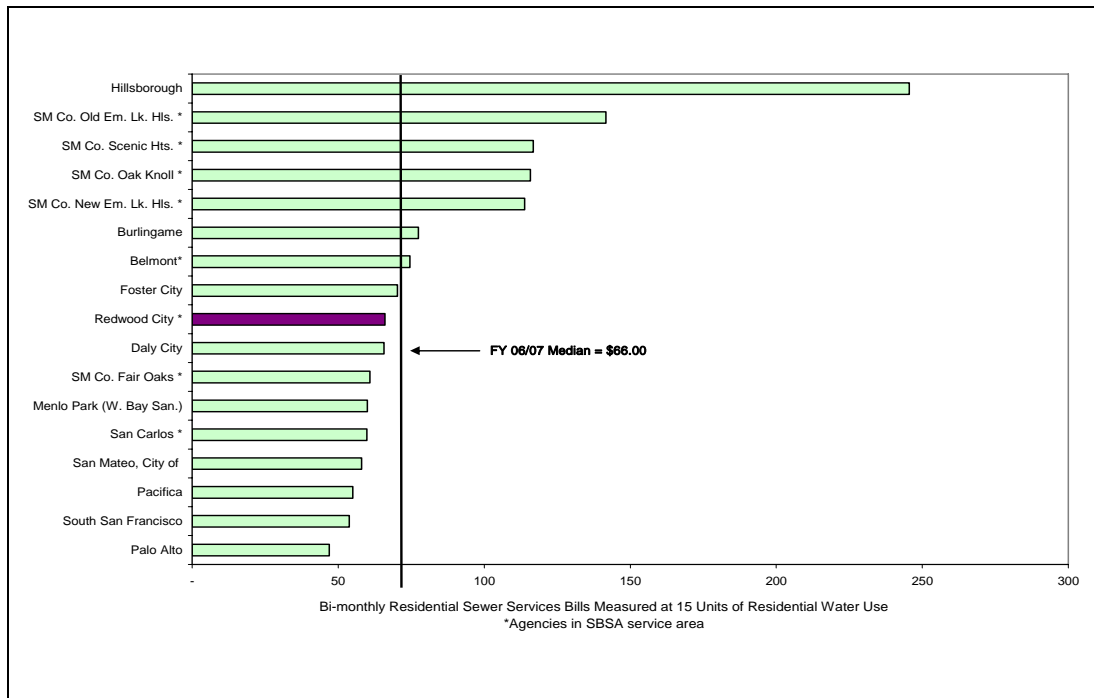
For Redwood City, the average bi-monthly residential water use is about 15 units. When comparing Redwood City's average bi-monthly residential water bills at 15 units with surrounding water agencies, Redwood City is the fourth most cost-effective agency surveyed in June 2006. At \$52.60 for 15 units of single-family residential water use per billing period, Redwood City's water bill is 6.5% below the average, and 6.7% below the median of other Peninsula water agencies. The complexity, age, and size of a water system drive the cost of operation for a water agency. Redwood City continues to be one of the lower cost water service providers despite its large distribution system, 12 storage facilities, and high number of hillside pressure zones – which require complex pumping schedules and a high degree of monitoring. Additionally, the City has been implementing an active conservation program and financing a large recycled water project, while sustaining an annual investment of \$2 million for system replacement.

The City recently updated various long-term water-related projections based on the 2005 Urban Water Management Plan and the Water Financing Plan 2006 update. On November 29, 2005, the SFPUC adopted a revised Water System Improvement Program with an estimated cost of \$4.3 billion over the next ten years. The projected effect for Redwood City - and other cities purchasing water from SFPUC - is a 300% wholesale cost increase by 2015. The SFPUC wholesale rate increase in turn will be the single most significant driver of water bill increases in the upcoming years for all Hetch Hetchy water customers.

Next Steps

Update benchmarking data annually. Continue to actively participate in national, state, and regional organizations, such as BAWSCA, the California Urban Water Conservation Council, American Water Works Association, and the WaterReuse Association and Foundation to promote and protect the City's water interests.

2006/07 Sewer Bills



Definition

Benchmark average residential sewer service bills with 16 other cities / wastewater agencies on the Peninsula. Redwood City conducts its own annual survey on residential sewer service bill. Bi-monthly sewer service charges at 15 units of residential water use are presented in the chart above based on data collected in June 2006.

Analysis

The agencies in the chart above marked with asterisks all collect and transmit wastewater to the South Bayside System Authority (SBSA) treatment plant, and all pay for treatment based on annual flows and other wastewater components. Redwood City’s sewer service charge includes costs for the following: (1) collection system, maintained and operated by Redwood City; (2) wastewater treatment plant, operated and maintained by SBSA; and (3) capital improvements and replacement of collection system infrastructure.

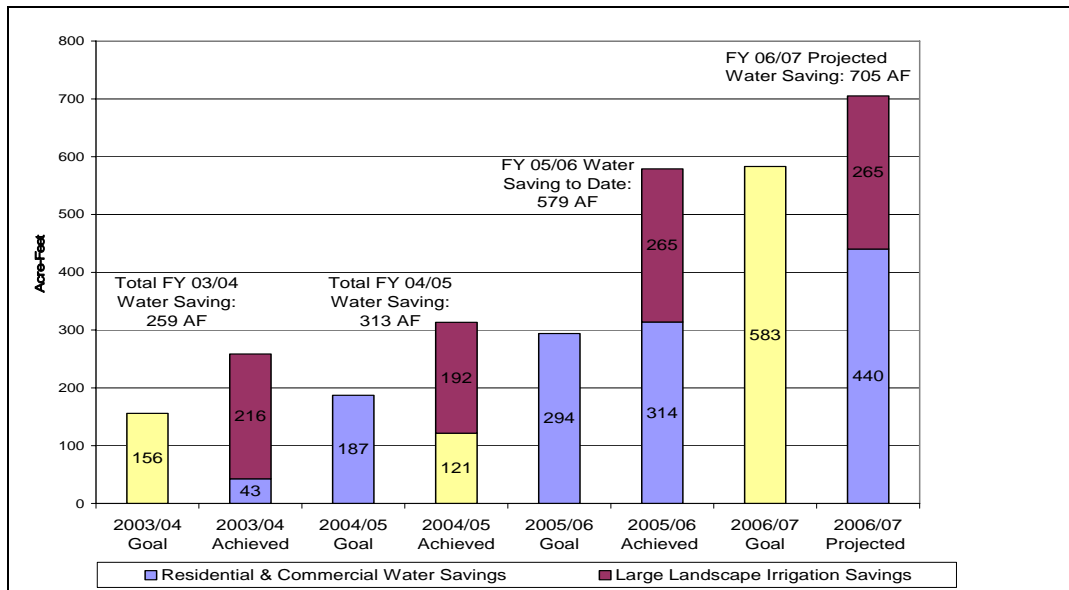
The primary variable influencing service charge differences among the benchmark agencies can be found in the methodology for calculating charges. Some cities set rates based on residential water consumption. For example, in the City of Pacifica, for single-family and multi-family residences, the rate is six (6) times each residence’s total water consumption during the bi-monthly water billing period of highest rainfall during the billing year, with a fixed yearly minimum charge of \$352.08 for all users. Other cities, such as City of San Mateo, the base sewer service charge rate is established by taking the total amount of revenue necessary to support services as shown in the annual sewer enterprise fund budget and prorating it among property owners based on winter water consumption.

Key cost drivers for Redwood City are the operation of 31 pump stations and providing lateral repair services and maintenance from the property line clean-out to the sewer main in the street. The City also invests \$1 million annually for system replacement. Despite these cost factors, Redwood City is the fifth most cost-effective agency surveyed in the annual residential sewer bill survey for single-family residential sewer service charge at 15 units of water use per billing period. Redwood City’s bi-monthly sewer service charge at 15 units of water used is \$66.00, which is the median cost among the 17 agencies contained in the comparison; however, Redwood City is also currently 24.3% below the average (\$87.18) among Peninsula agencies.

Next Steps

Continue to update benchmarking data annually as a measure of competitiveness as we continue to develop and implement a Sanitary Sewer Management Plan and plan for the increasing capital replacements costs for the treatment facilities (SBSA).

Conservation Program Water Savings



Definition

Water savings in acre feet due to the City’s “active” water conservation program. The graph shows the goal we must meet each year in order to meet the 2010 goal of bringing water demand within our existing contract of 12,243 acre feet per year. The City’s water conservation program water savings are shown in the graph and are separated into two major categories – residential and commercial and large landscape irrigation. The residential and commercial water savings are estimates based on average water savings resulting from program activities (i.e. number of washer rebates, pre-rinse spray nozzles replaced and number of water-saving fixtures installed). The large landscape irrigation program water savings are actual savings calculated based on comparison to the base year of 2002/03. For FY 2005/06, the residential and commercial water savings presented are actual water savings. For FY 2006/07, the residential and commercial savings are estimated projections based on projected conservation activities in the existing programs.

Analysis

Redwood City continues to implement an “active” water conservation program based on the California Urban Water Council’s “Best Management Practices.” The water conservation program savings resulting from residential, commercial, and large landscape irrigation programs exceeded the goal set for each of the past three years, and we expect to exceed our goal for FY 2006/07, as we had already met 99% of this year’s goal at the end of FY 2005/06. During FY 2006/07, the City has continued the implementation of the successful direct-install High Efficiency Toilet Replacement Program, projecting the total installation of a total 8,600 toilets. Water savings resulting from the toilet replacement programs account for 54% of the total residential and commercial estimated savings for FY 2006/07. Programs being offered include the “Smart Home” water-use house calls, residential plumbing retrofit, high efficiency clothes washer rebate program, and the large landscape irrigation efficiency programs. In addition, the City offers a variety of public information and educational programs. In FY 2006/07, we held the first annual water-wise gardening educational workshops for homeowners, and produced a water-wise gardening CD-ROM to teach residents about water conserving plants and efficient gardens. The successful implementation of the City’s water conservation program, in combination with an unusual wet spring season in 2006, resulted in water purchases for FY 2005/06 of 54.8 acre feet below the City’s contractual supply assurance for the first time since 1998, when the City began exceeding the supply amount. This achievement reflects the fact that the community of Redwood City is becoming a water-wise community.

Next Steps

Redwood City continues to look to the future for effective ways to engage the community with outreach and information on the value and necessity of water conservation. Projects in FY 2007/08 include: completion of toilet replacement program, implementation of cooling tower retrofit rebate program for commercial customers, implementation of smart-controller pilot program for large residential irrigation customers and the continuation of homeowners and school water conservation education programs.

City of Redwood City
 FY 2007/08 Budget Amendments
Interfund Transfers

| | Adopted FY 2007/08 | |
|--|--------------------|---------------------|
| | In | Out |
| GENERAL FUND | | |
| GID 1-64 Maintenance Fund | 250,000 | |
| Gas Tax Operations Fund | | (548,177) |
| Water Fund | | (150,363) |
| Capital Projects Fund | 673,600 | (466,000) |
| Internal Services Interest Income Fund | 48,000 | |
| Parking Fund | | (1,200,000) |
| Traffic Safety Fund | | (941,084) |
| | <u>971,600</u> | <u>(3,305,624)</u> |
| CAPITAL PROJECTS FUND | | |
| Utility Users Tax Fund | 6,786,000 | |
| Gas Tax Capital Fund | | (1,127,500) |
| Interest Income Fund | | (673,600) |
| General Fund | 466,000 | |
| | <u>7,252,000</u> | <u>(1,801,100)</u> |
| GAS TAX CAPITAL FUND | | |
| Capital Projects Fund | 1,127,500 | |
| GAS TAX OPERATIONS FUND | | |
| General Fund | 548,177 | |
| GID 1-64 FUND | | |
| General Fund | | (250,000) |
| INTERNAL SERVICE FUND | | |
| General Fund | | (48,000) |
| PARKING FUND | | |
| General Fund | 1,200,000 | |
| PUBLIC FINANCING AUTHORITY FUND | 2,085,957 | |
| REDEVELOPMENT AGENCY FUND | | (2,085,957) |
| SEWER FUND | | |
| Sewer Capital Fund | | (1,200,000) |
| Water Fund | | (449,350) |
| | | <u>(1,649,350)</u> |
| SEWER CAPITAL FUND | | |
| Sewer Operations Fund | 1,200,000 | |
| TRAFFIC SAFETY FUND | | |
| General Fund | 941,084 | |
| UTILITY USERS TAX FUND | | |
| Capital Projects Fund | | (6,786,000) |
| WATER FUND | | |
| General Fund | 150,363 | |
| Water Capital Fund | | (2,250,000) |
| Sewer Fund | 449,350 | |
| | <u>599,713</u> | <u>(2,250,000)</u> |
| WATER CAPITAL FUND | | |
| Water Operations Fund | <u>2,250,000</u> | |
| TOTAL | <u>18,176,031</u> | <u>(18,176,031)</u> |

This page left blank intentionally

Capital Improvement Projects by Funding Source

| Capital Projects Fund | Original 2007/08 | +/- 2007/08 | Amended 2007/08 |
|---|---------------------|------------------|--------------------|
| | \$ | \$ | \$ |
| On Going Programs | | | |
| 1. Carpet Replacement Program | 100,000 | | 100,000 |
| 2. City Parking Lots Resurfacing Program | 100,000 | | 100,000 |
| 3. Civic Facilities Miscellaneous Replacement Program | 25,000 | | 25,000 |
| 4. Civic Facilities Painting Program | 95,000 | | 95,000 |
| 5. Civic Facilities Re-Lamping Program | 35,000 | | 35,000 |
| 6. Communication and Technology Program | 25,000 | | 25,000 |
| 7. Islands and Medians Renovation Program | 100,000 | | 100,000 |
| 8. Information Technology Servers Replacement Program | 125,000 | | 125,000 |
| 9. GIS Development (1) | 45,000 | (10,000) | 35,000 |
| 10. Neighborhood/Community Builders Program | 15,000 | | 15,000 |
| 11. Park Playground Equipment Replacement Program | | 250,000 | 250,000 |
| 12. Parkway Fence Replacement (RWS) | 10,000 | | 10,000 |
| 13. Roof and HVAC Program | 115,000 | 92,000 | 207,000 |
| 14. Tree Planting and Establishment Program | 90,000 | | 90,000 |
| 15. Tree Preservation/Sidewalk Repair Program | 950,000 | | 950,000 |
| 16. Tenant Improvement Program | 20,000 | | 20,000 |
| Building/Facilities/Systems | | | |
| 1. Information Technology Voice over Internet Protocol | | 45,000 | 45,000 |
| 2. Fire Station 12 Landscaping | | 25,000 | 25,000 |
| 3. Library Public Computer System Upgrade | | 75,000 | 75,000 |
| 4. Council Chamber Audio/Video System (1) | | 414,000 | 414,000 |
| 5. Main Library 2006 renovation | | 100,000 | 100,000 |
| 6. Countywide Mutual Aid Radio System (Local Share) | 29,200 | | 29,200 |
| 7. Redwood Shores Library (1) | | 466,000 | 466,000 |
| 8. Facilities Electronic Key System | 64,000 | 18,000 | 82,000 |
| Parks, Play Fields and Public Spaces | | | |
| 1. Hawes Park Bleacher Project | 120,000 | | 120,000 |
| 2. Irrigation System Automation Project | 30,000 | | 30,000 |
| 3. Synthetic Play Fields Conversion (Misc.) | 800,000 | (600,000) | 200,000 |
| 4. Red Morton Park Covered Picnic Area Replacement | | 125,000 | 125,000 |
| 5. El Camino Real Grand Blvd. Improvement (Maple-Jackson) | | 200,000 | 200,000 |
| Storm Drainage System | | | |
| 1. Collection System Upgrade Program | 300,000 | | 300,000 |
| 2. Creeks/Lagoons Improvement Program | 200,000 | | 200,000 |
| 3. Pump Station Equipment Replacement Program | 50,000 | | 50,000 |
| 4. Citywide Benchmark Datum Survey | | 100,000 | 100,000 |
| 5. Veterans Ave. Pump Station Rehabilitation | | 100,000 | 100,000 |
| 6. Redwood Shores Lagoon Dredging | 250,000 | | 250,000 |
| 7. Redwood Shores Lagoon Dewatering Structure | 200,000 | | 200,000 |
| Subtotal Capital Projects Fund | 3,893,200 | 1,400,000 | 5,293,200 |
| Other Appropriations | | | |
| 1. Fund 357 Contingency (10% 357 subtotals) | 389,320 | 140,000 | 529,320 |
| 2. Capital Improvement Program Staff and Administration | 700,000 | 35,000 | 735,000 |
| Total Capital Projects Fund | 4,982,520 | 1,575,000 | 6,557,520 |

Capital Improvement Projects by Funding Source

| | Original 2007/08 | +/- 2007/08 | Amended 2007/08 |
|--|---------------------|------------------|--------------------|
| | \$ | \$ | \$ |
| Gas Tax Construction Fund | | | |
| 1. Neighborhood Traffic Calming Program | 25,000 | | 25,000 |
| 2. Pedestrian Crosswalk Warning Lights Program | 15,000 | | 15,000 |
| 3. Pedestrian Time-Display Signal Program | 25,000 | | 25,000 |
| 4. Roadway Management Program | 100,000 | 100,000 | 200,000 |
| 5. Street Light Installation Program | 100,000 | | 100,000 |
| 6. Thermoplastic Pavement Markings | 65,000 | | 65,000 |
| 7. Emergency Vehicle Traffic Signal Pre-Emption | 95,000 | | 95,000 |
| 8. Bridge Rehabilitation Program | | 250,000 | 250,000 |
| 9. Traffic Signal Replacement/Upgrade Program | | 200,000 | 200,000 |
| 10. Underground Overhead Utilities Program | 50,000 | | 50,000 |
| Subtotal | 475,000 | 550,000 | 1,025,000 |
| 1. Gas Tax Construction Fund Contingency (10% Subtotal) | 47,500 | 55,000 | 102,500 |
| Total Gas Tax Construction Fund | 522,500 | 605,000 | 1,127,500 |
| Transportation Fund - Measure A | | | |
| 1. Street Pavement Management Program | 1,100,000 | (100,000) | 1,000,000 |
| Total Transportation Fund - Measure A | 1,100,000 | (100,000) | 1,000,000 |
| Traffic Impact Fees | | | |
| 1. ADA Ramp Program | 50,000 | | 50,000 |
| 2. Transit Enhancements Program | 110,000 | | 110,000 |
| 3. Neighborhood Traffic Calming Program | 50,000 | | 50,000 |
| 4. Pedestrian Crosswalk Warning Lights Program | 15,000 | | 15,000 |
| 5. Shuttle Bus Services | 75,000 | | 75,000 |
| 6. Bicycle/Pedestrian Enhancement Program | | 50,000 | 50,000 |
| Total Traffic Impact Fees | 300,000 | 50,000 | 350,000 |
| Water Fund | | | |
| System Replacement | | | |
| 1. Water Pumps and Controls Replacement Program | 50,000 | | 50,000 |
| 2. Distribution System Replacement Program | 1,200,000 | (100,000) | 1,100,000 |
| 3. Water System Facility Replacement | 50,000 | | 50,000 |
| 4. Port of Redwood City System Review/ Rehab. | 25,000 | | 25,000 |
| System Upgrade Projects | | | |
| 1. Water System Seismic Upgrade - (SIP) | 50,000 | | 50,000 |
| 2. 2007 Water Tank Recoating Project | | 200,000 | 200,000 |
| 3. Cathodic Protection Program | 200,000 | (100,000) | 100,000 |
| 4. Master Meter/Backflow Preventer | 50,000 | | 50,000 |
| 5. New Water Meter Technology Pilot Program | 125,000 | | 125,000 |
| 6. Glenwood Pump House and Generator | 200,000 | | 200,000 |
| Support Facilities/Equipment | | | |
| 1. Water GIS Development/Update | 10,000 | | 10,000 |
| 2. Water Block Book Update | 10,000 | | 10,000 |
| 3. Water Quality Monitoring & System Modeling | 20,000 | | 20,000 |
| 4. Water Telemetry System | 10,000 | | 10,000 |
| Special Policy/Regulatory/Demand Management Initiatives | | | |
| 1. Water Conservation Program | 250,000 | | 250,000 |
| Total Water Fund | 2,250,000 | | 2,250,000 |

Capital Improvement Projects by Funding Source

| Sewer Fund | Original 2007/08 | +/- 2007/08 | Amended 2007/08 |
|---|---------------------|----------------|--------------------|
| | \$ | \$ | \$ |
| Sanitary Sewer System Replacement | | | |
| 1. Collection System Replacement Program | 300,000 | 150,000 | 450,000 |
| 2. Pump Station #12 Renovation | 600,000 | | 600,000 |
| 3. Pump Station and Control Replacement Program | | 50,000 | 50,000 |
| Sanitary Sewer System Upgrade Projects | | | |
| 1. Sewer Inflow and Infiltration Program | 20,000 | 10,000 | 30,000 |
| 2. Cathodic Protection Replacement Program | | 40,000 | 40,000 |
| Support Facilities/Equipment | | | |
| 1. GIS/CAD System Development Update | 20,000 | | 20,000 |
| 2. Capacity Assessment/Master Planning | 10,000 | | 10,000 |
| Special Policy/Regulatory/Capacity Initiatives | | | |
| 1. Sanitary Sewer Management Plan | 50,000 | (50,000) | |
| Total Sewer Fund | 1,000,000 | 200,000 | 1,200,000 |
| General Improvements District 1-64 | | | |
| Storm Drainage | | | |
| 1. Lagoon Intake Facility II - Phase II | | (3,056) | (3,056) |
| 2. Dredger Channel Circulation System | | (39,407) | (39,407) |
| 3. Belmont Slough Pump Station | | 635,000 | 635,000 |
| Levee System | | | |
| 1. Predator Management/Environmental Compliance | | 60,000 | 60,000 |
| Traffic Signals | | | |
| 1. Redwood Shores/Shoreline Dr. | | (25,559) | (25,559) |
| 2. Marine Parkway/Island Dr. | | (141,000) | (141,000) |
| Parks, Play Fields and Public Spaces | | | |
| 1. Shoreline Park | | (300,000) | (300,000) |
| 2. New School Playfield - Area H | | 300,000 | 300,000 |
| Buildings/General Administration | | | |
| 1. GID Redbook Update | | 10,000 | 10,000 |
| Total General Improvement District 1-64 | | 495,978 | 495,978 |
| Redevelopment Agency (RDA) | | | |
| RDA Housing: | | | |
| 1. Housing Project - General / Landbanking | | 1,000,000 | 1,000,000 |
| RDA General: | | | |
| 1. Contingency (Additional Funding) (803-76000) | 500,000 | | 500,000 |
| 2. Critical "Pioneering" Development | 876,400 | (376,400) | 500,000 |
| 3. El Camino Real Grand Blvd (Additional Funding) | | 200,000 | 200,000 |
| 4. El Camino Real Master Plan (outside DT) | | 50,000 | 50,000 |
| Total Redevelopment Agency | 1,376,400 | 873,600 | 2,250,000 |

Capital Improvement Projects by Funding Source

| | Original 2007/08 | +/- 2007/08 | Amended 2007/08 |
|---|---------------------|------------------|--------------------|
| Transportation Grants | | | |
| | \$ | \$ | \$ |
| 1. AB 1546 Misc DT Proj.-Gateways & Dir. Sign. | 60,746 | | 60,746 |
| 2. SB 286 Prop. 1 B - Roadway Management | | 1,208,687 | 1,208,687 |
| Total Transportation Grants | 60,746 | 1,208,687 | 1,269,433 |
| Assessment Districts | | | |
| Seaport Center Maintenance District | | | |
| 1. Water System Component Replacement | | 28,000 | 28,000 |
| 2. Capital Reserves | | 100,000 | 100,000 |
| Seaport Boulevard Landscape Maintenance District | | | |
| 1. Plant Replacement | | 5,000 | 5,000 |
| 2. Storm Water Retention System Component Replacement | | 10,000 | 10,000 |
| 3. Capital Reserves | | 18,900 | 18,900 |
| Total Assessment Districts | | 161,900 | 161,900 |
| TOTAL CIP FOR 2007/08 | 11,592,166 | 5,070,165 | 16,662,331 |

SUMMARY 2007/2008

| PROJECTS | Original 2007/08 | +/- 2007/08 | Amended 2007/08 |
|-----------------------------------|---------------------|------------------|--------------------|
| | \$ | \$ | \$ |
| Capital Projects Fund (1) | 4,982,520 | 1,575,000 | 6,557,520 |
| Gas Tax Construction Fund (1) | 522,500 | 605,000 | 1,127,500 |
| Transportation Fund - Measure A | 1,100,000 | (100,000) | 1,000,000 |
| Traffic Impact Fees | 300,000 | 50,000 | 350,000 |
| Water Fund | 2,250,000 | | 2,250,000 |
| Sewer Fund | 1,000,000 | 200,000 | 1,200,000 |
| General Improvement District 1-64 | | 495,978 | 495,978 |
| Redevelopment Agency | 1,376,400 | 873,600 | 2,250,000 |
| Transportation Grants | 60,746 | 1,208,687 | 1,269,433 |
| Assessment Districts | | 161,900 | 161,900 |
| TOTAL | 11,592,166 | 5,070,165 | 16,662,331 |

(1) Total Funding includes:

- \$466,000 General Fund Transfer (Redwood Shores Library)
- \$564,468 Franchise Agreement with Comcast
- \$11,000 GIS Building Permit Fees
- \$6,786,000 Utilities Users' Tax

For the purposes of transferring existing appropriations throughout the fiscal year all projects within a fund are considered to be a single sub-program.

**FY 2007/08
Budget Option Memo**

Department: Parks, Recreation and Community Services
Title of Budget Option: Child Care Coordinator - Addition of 0.25 FTE
Amount: \$24,881

Description of Option:

For FY 2006/07 the child care coordinator position was funded .50 from the general fund and .25 from an agreement with the County Office of Education. We expect that agreement to continue through the FY 2007/08. An additional .25 from the general fund would be required to re-establish a full time position.

Justification:

The City Council asked that this option be brought back for consideration during the budget process. Additional hours for this position would improve the availability of this staff to developers considering including child care in new housing developments in Redwood City.

**FY 2007/08
Budget Option Memo**

Department: City Manager's Office

Title of Budget Option: Climate Protection

Amount: \$32,000

Description of Option:

This funding will allow the City to take our climate protection efforts to the next level. The City has been aggressively seeking grants to help fund a position to oversee and coordinate the climate protection efforts of the City organization and the community as a whole.

Relying on our internal resources and community volunteers, we will make full use of allocated funding in the best manner possible, as follows:

- \$25,000 as matching funds to help us attract grants from various foundations to provide for a position that could oversee the area of community involvement in climate protection, and assist with best practices, coordination, monitoring, and reporting of City operations.

Alternatively, if we are not successful in obtaining grants to secure a position, we will use the \$25,000 to hire an intern that would work on a much more limited basis to help us with the community outreach and coordination.

- \$5,000 to hire a consultant (perhaps ICLEI) to help us with the carbon emissions inventory for City operations (will not include community-wide inventory).
- \$2,000 for marketing, outreach, supplies, and give-aways.

Justification:

For several years, the City of Redwood City has been examining how it conducts business and has searched for new technologies in providing our services in a manner that is friendly to the environment. Although climate change has received more attention in the last couple of years, for many years, Redwood City has been very conscious of the impact we have on the climate and has been a leader in providing services in a responsible manner. Although Redwood City has been doing this for some time, these activities and/or programs have not been labeled as such or done so under an umbrella of climate protection.

At Council's annual priority-setting session in February, Council listed climate protection as one of its priorities. On April 23, Council authorized the Mayor to sign the U.S. Mayor's Climate Protection agreement as a statement of intent to take significant and measurable action to reduce carbon emissions. Council also asked that we provide a budget option in this area.

This funding would allow the City to have a concerted and coordinated effort in the area of climate protection.

We consider this request Step 2 in our pursuit of reducing emissions in the Redwood City community. We currently do not have the capacity, especially human resource capacity, to manage much in the way of community outreach in this area without these funds. We do not have the capacity, at this time, to inventory, monitor, and report on community emissions, and so we feel this is a reasonable next step for Redwood City. We are committed to working with the community, and we will continue to play the role of convener, facilitator, and connector. We will also continue to provide awareness to the community in the area of climate protection, and provide tips on ways each one of us can do our part to reduce the emissions of our community.

**FY 2007/08
Budget Option Memo**

Department: City Manager's Office

Title of Budget Option: Community Building

Amount: \$25,000

Description of Option:

Engage the community and continue our community building efforts, which is both a Council overarching guideline and a priority.

This funding would allow us to provide several community building programs, including the Neighborhood Liaison Program (see memo dated 4/19/07 describing the program in more detail), training opportunities to the community (i.e. how to call and facilitate a meeting, "leadership" training, conflict resolution/mediation, self-organizing, and citizen effectiveness), movie nights, dialogue forums, issue-based neighborhood meetings (i.e. gang, traffic meetings), and World Café discussions.

Justification:

The City's community building activities have been very successful and very well received by the community. We now have over 450 "ambassadors" who are very familiar with our organization. We have been able to establish wonderful relationships with the community that have served us well in areas such as recruitment of boards, committees, and commissions, participation on task forces, working neighborhood issues, and input on a variety of City projects. Our community building efforts have been very positive in all respects. This request allows us to provide for a somewhat different level of community building than we had over the last two years.

In the past, we received a grant from the Peninsula Community Foundation and from several businesses to help support our efforts. We have not been able to maintain outside funding support.

Last year, Council provided us with a small budget option to enable us to bring on a Peninsula Conflict Resolution Center (PCRC) employee two days a week. She has spent a great deal of her time assisting with neighborhood traffic, planning, and major projects. She has been able to assist staff in their outreach efforts, agenda and meeting preparation, and in conducting business in a more "community building" manner, which have proven to be extremely beneficial. We have found, however, that we cannot put on programs for the community without some additional funding for supplies and services, which would include the cost of the meals, presenters, materials, and supplies.

We have made great strides in the area of community building, and there is beginning to be a real buzz about our programs. Community building needs to be sustained so that we do not lose the momentum the Council has achieved.

FY 2007/08
Budget Option Memo

Department: City Clerk
Title of Budget Option: Council Chambers Repair and Maintenance
Amount: \$2,000

Description of Option:

The audio-visual equipment within the City Council chambers is outdated, failing, and has increasingly needed more repairs and maintenance. Currently, there is no budget line item to provide for these needs beyond routine repair and maintenance that are covered by internal services (object code 70). In the last few years, all repair, maintenance, and tenant improvement costs have averaged \$3,300.00 and the City Clerk, Building Maintenance and IT departments have been forced to unduly stretch to cover them. For example, there is a current need to purchase a back up replacement light bulb for the projector, but it costs \$500.00.

Justification:

It is imperative that meetings held in the City Council chambers be conducted with a high level of professionalism and having a smoothly running, up-to-date audio-visual system is essential. This is particularly crucial to all City departments and staff who may need to make presentations to City Council requiring their input. The current situation with out-dated and failing equipment can lead to a perception of incompetence and has sometimes hindered public access to vital information.

**FY 2007/08
Budget Option Memo**

Department: Community Development Services
Parks, Recreation & Community Services
Public Works Services
Police Department

Title of Budget Option: Downtown Operation and Maintenance

Amount: \$105,420

Description of Option:

The multi-department Downtown Management Team (DMT) has been working on operations and maintenance standards, service levels, specifications, and ordinances for the Downtown Precise Plan area, with emphasis on Courthouse Square, the adjacent streets, and other new public improvements. This planning work is to be completed and staff is working toward utilizing interim contract services for maintenance of new facilities by July 2007. Concurrently, marketing, event programming, and coordination plans are underway, as well as the formation of a downtown business district. All of this implementation work has been consuming significant amounts of staff time from the front-line departments (Public Works Services (PWS); Parks, Recreation and Community Services (PRCS); Police; Fire; with Community Development Services (CDS) serving as the lead).

The DMT has recently identified and confirmed all operations and maintenance needs tied to a new service levels plan, and has compared current cost estimates to what is already in the City's two-year budget for FY 2007/08, based on staff estimates from 2006. Their findings are that while maintenance of some new facilities have not been specifically budgeted for, overall their refined estimates are approximately \$55,000 higher than the \$2.1 million allocated across the City's FY 2007/08 budget for downtown operations, security, and maintenance. Given that FY 2007/08 will be a trial period, staff considers this gap manageable. A summary of funding sources and the services covered is as follows:

Parking Fund

- Covers all maintenance of Jefferson and Marshall Street garages except elevator maintenance (budgeted in Building Maintenance service charges, internal service fund).
- Covers operation of parking functions / systems / facilities tied to City's agreement with Century Theatres, the Ampco contract, and all maintenance for on-street parking meters (old and new), associated sidewalks, and public areas.
- Covers downtown public safety/security, including three police officers, additional surveillance equipment, and a new security services contract for off-hours presence in the core areas/square.

General Fund

- Covers Courthouse Square maintenance, utilities, and sundry service contracts.
- Covers steam cleaning of parking spaces on Theatre Way (developer covers remaining areas).
- Placeholder coverage for Theatre Way II (first year covered within other budgets).
- Covers new public restrooms.
- Covers "Zone 1" – other streets – currently budgeted in PWS right-of-way subprograms. Includes tree pruning, festoon lighting, planter maintenance, power washing, bollard and paver maintenance/replacement, lighted arches, lanterns and clock tower, kiosk and banners, and holiday lighting. The DMT has prorated (previously reduced and/or low service-level) estimates to reflect the new, higher service levels map/plan.

- Covers maintenance of the under-construction Post Office Paseo, which will have some warranty period coverage by the installing contractor, but which will also require a very high level of service and cleaning. This was not reflected at all in the 2006 budget estimates, and there are no budgeted funds in the system for FY 2007/08.
- Covers the yet-to-be-completed Way Finding project. First year maintenance is expected to be negligible.

The DMT recommends additional general fund support for 1.0 full time equivalent of a senior building maintenance worker in PRCS. Adding this position will effectively shift the primary responsibility for day-to-day inspection, maintenance, and repair of Courthouse Square, Theatre Way, and Broadway to the PRCS Building Maintenance Division. The new senior building maintenance worker will take on oversight responsibilities with support and direction from the existing PRCS manager and superintendent. There will still need to be a high level of coordination, communication, DMT facilitation, and support from CDS. This will be accomplished by staffing re-assignments within existing department personnel. Staff concludes that this approach takes full advantage of the City's existing system for facilities inspection, requests for repairs, and management of maintenance contracts. PRCS and PWS already have a coordinated working relationship and standard operating procedures for dealing with emergencies, after-hour call-outs, and scheduled event set-up/support. This approach would also allow for the internal coordination of PRCS resources.

The one exception to the City's maintenance responsibilities is the Jefferson Garage dewatering pump system, which will remain the responsibility of the developer with oversight provided by CDS Engineering and Construction staff until such time as the system is brought up to acceptable standards and accepted formally by the City.

With respect to the commencement of operations and maintenance, it is important to note that the refined cost estimates are not based on actual experience. As such, the FY 2007/08 budget should be considered a trial year that will provide valuable information on the actual costs and level of effort to sustain downtown maintenance standards.

Finally, none of the activities described above deal with the activities and events programming aspects of downtown. The Redevelopment Agency has retained a consultant to develop a plan for programming, and PRCS is fully engaged in creating a vibrant and successful downtown events calendar. Staff will continue to work with the Council, Library Board and staff, the Cultural Commission, the Downtown Business Group, the San Mateo Historical Museum, and other community entities to fully utilize the Courthouse Square and downtown public spaces for the benefit of all of Redwood City.

Justification:

In the past five years the City has invested millions of dollars in construction of new, state-of-the-art facilities, and improvements in the downtown. To now fall short in the maintenance, security, and operation of these new community assets would be contrary to the policies and actions of the City Council to date, in their effort to create a truly revitalized downtown. Further, it would weaken the message to the private sector that the City wants and supports premier investments in new housing and commercial enterprises. Staff is committed to setting and sustaining high standards for the downtown core area, and the consensus is that we will not compromise the standards unless directed to do so by the City Council. Staff will monitor costs and effectiveness of maintaining standards, and will report back to Council at the end of the 2007 calendar year.

Now that construction of major downtown public facilities and improvements is nearing completion, and the Downtown Precise Plan has been approved and adopted, Redevelopment Agency funds cannot be used for on-going operations and maintenance. However, Agency monies may be used to support promotion and marketing of the downtown. Therefore, additional general fund resources are needed to support on-going maintenance needs.

**FY 2007/08
Budget Option Memo**

Department: Community Development Services
Housing and Economic Development

Title of Budget Option: Economic Development Initiative

Amount: \$50,000

Description of Option:

A partnership between the Redwood City-San Mateo County Chamber of Commerce and the City of Redwood City, to fund a contract position to support the development and implementation of an economic development strategy for Redwood City. The proposed funding is for one year and will likely require one additional year of funding in FY 2008/09.

Justification:

Over the past two years, the City and the Redwood City-San Mateo County Chamber of Commerce have collaborated in the development of an economic development strategy for Redwood City. The City and the Chamber both understand that economic vitality is a cornerstone to a sustainable city. This effort culminated in a presentation to the City Council in October 2006 including:

- The proposed Economic Development Element of the General Plan – *The Vision*
- The 2005 Economic Assessment – *Where We Are*
- A Proposed Implementation Strategy – *Steps to Achieve the Vision*

The Council received these documents and challenged the staff and the Chamber to develop a plan for the City's consideration.

At the Chamber's board retreat in December 2006 a considerable amount of time was spent generating ideas on how a collaborative effort between the City and the Chamber will further economic development citywide.

Several common themes underlie the ideas generated at the retreat, including:

- **Branding:** Promoting Redwood City as a great place for business, including providing current information on the City's location assets that is easy to obtain and utilize.
- **Information:** Researching, collecting, and maintaining current data on businesses in Redwood City. This information includes business, location, contact, type of business, size, type/market focus, number of employees, etc., and incorporating this data into the City's GIS system.
- **Communication:** Initiate and maintain a comprehensive dialogue with businesses on their issues and needs.
- **Business Toolbox:** Develop and maintain a "toolbox" of resources and strategies to assist business. Examples include: 1) develop separate business retention strategies for small and larger businesses, and 2) long-term strategies.

In the discussion following the presentation to the City Council, the Council recognized that these initiatives are vital to a healthy economic environment. While many of these initiatives are Chamber-led, many initiatives are in collaboration with the City. Recognizing that resources are limited for both organizations, it is recommended that the City and the Chamber develop a mutually-funded contract position at the Chamber to facilitate and lead several of these initiatives. This contract position at the Chamber will encompass all of Redwood City's business community interests in a proactive manner, rather than being limited to just the downtown and/or specific redevelopment areas.

**FY 2007/08
Budget Option Memo**

Department: Fire
Title of Budget Option: Engine 9 - Reinstatement to Full Staffing
Amount: \$208,000

Description of Option:

This option will restore Engine 9 to the level of service provided before the financial cutbacks of FY 2003/04. This is a recommendation subsequent to restoration of 52 shifts approved by Council in FY 2006/07.

Justification:

Engine 9 had been out of service for 104 shifts per year. Fifty-two 24-hour shifts were restored in FY 2006/07 and at this time, we are requesting the remaining 52 shifts be reinstated. Restoring Engine 9 back to full service will help the department address service issues such as increasing call volume, deteriorating response time performance, increasing traffic along response routes, and loss of administrative capacity. With the completion of the downtown and additional activity it becomes more important to attempt to get E-9 back to full staffing this coming fiscal year.

FY 2007/08
Budget Option Memo

Department: Parks, Recreation and Community Services Department

Title of Budget Option: Facility Aide - Addition of 0.50 FTE

Amount: \$35,075

Description of Option:

Adds .50 of facility aide to assist with coverage at Red Morton Community Center and the Community Activities Building.

Justification:

Over the past two budget cycles, the department has eliminated the equivalent of 2.25 facility aide positions, 1.75 in full time staff, and another .50 in casual building coverage. A major part of the department's service to the community involves providing space for a variety of non-profit and other community activities. Our facility aides are an essential part of providing this service as they help schedule facilities, set up rooms, answer calls, provide information, and perform light maintenance and custodial duties. The aides allow us to make buildings available to the public from early in the morning to late in the evening up to seven days per week. The aide position is similar to a public counter person in the sense that it is not something we can stop doing short of closing the building. As a result currently other much higher paid staff must take time away from their normal duties to get the job done.

FY 2007/08
Budget Option Memo

Department: Fire

Title of Budget Option: Firefighter – Add 0.42 FTE in Anticipation of Employee Retirement

Amount: \$63,000

Description of Option:

This option will allow the flexibility to hire one new firefighter in FY 2007/08 with an anticipated start date coinciding with an anticipated retirement.

Justification:

Hiring a new employee in advance of an anticipated retirement will allow the employee time to complete the requisite training academy and be ready for service at a time that will coincide with a planned retirement. This will ensure staffing continuity within the department and will reduce the impact on existing staff, and overtime, that the retirement vacancy creates.

FY 2007/08
Budget Option Memo

Department: Parks, Recreation and Community Services Department

Title of Budget Option: Landscape Gardener - Addition of 0.60 FTE

Amount: \$52,320

Description of Option:

This option would add back .60 of a landscape gardener

Justification:

The department eliminated four positions (from 35 to 31 positions) and cut an additional .60 in voluntary time off and greatly reduced casual support due to budget reductions over the past four years. It was hoped that because of the addition of artificial turf, installations reducing mowing, edging, and field preparation activities would temper these reductions. We have found that while those activities have been eliminated, the usage of those fields has substantially increased as have the visits to recently renovated parks. The elimination of the voluntary time off will help to offset the impact of this increased usage.

**FY 2007/08
Budget Option Memo**

Department: City Clerk

Title of Budget Option: Laserfiche Software Support Contract
FY 2008/09

Amount: \$12,710

Description of Option:

This software enables the public and staff to have almost “instant” access to all public records from City Council meetings (including the agenda packet, minutes, resolutions, ordinances, and so on).

The City Clerk, City Attorney, Building, and Finance departments use this software and the current two-year software support contract will expire at end of this FY 2006/07 (the renewal cost will need to be prorated accordingly amongst the four departments). In order to align the current two-year software renewal contract with the City’s budget cycle, we propose renewing just one year at this time.

Justification:

This software has successfully allowed these four departments to organize, retain, and search for important documents and records. It also allows the City Clerk department to efficiently and effectively to provide information and records to the general public, all City departments, City Council, and the boards, committees, or commissions upon request. Additionally, information indexed for public access is available via the City website. This software also helps the City Clerk department adhere to the legal mandate to be the custodian of all public records (such as the agenda packets, minutes, minute orders, resolutions, ordinances and so on).

FY 2007/08
Budget Option Memo

Department: Parks, Recreation and Community Services Department

Title of Budget Option: Maintenance Custodian - Addition of 0.40 FTE

Amount: \$31,032

Description of Option:

Adds back .4 of a FTE to the maintenance custodial crew.

Justification:

The department eliminated 1.0 full time equivalent maintenance custodian position and further reduced .40 of an FTE through voluntary time off taking us from a crew of 14 to 12.6. This reduction increased the square footage per custodian by 2,500 sq. ft. from 22,500 to 25,000 sq. ft. of building area.

We have noticed the difference in the overall cleanliness and appearance of our buildings particularly with respect to stripping and waxing floors and carpet cleaning. Additional staff time would be focused in these areas.

**FY 2007/08
Budget Option Memo**

Department: Community Development Services
Planning Services

Title of Budget Option: Planning Staff Funding Sources Realignment

Amount: \$135,000

Description of Option:

There are 10.5 full time equivalent (FTE) planning positions, of which 4.5 are currently funded by the general fund. The Redevelopment Agency (RDA) and the housing fund have been funding a significant portion of the other six positions. The rationale for this split was the overarching focus on the Downtown Precise Plan and the resulting allocation of staffing resources to this major project, and related private and public improvements in the downtown core area. However, with the adoption of the Precise Plan, staffing resources now should be shifted back toward the general fund. Staff proposes to accomplish this shift over the next three fiscal years, with estimated incremental cost increases of \$135,000 per year.

Planners charge their time to reimbursement and project accounts (current and/or strategic), and the relatively new cost recovery developer deposit system. As a result, Planning is becoming a more consistent general fund revenue source. It is anticipated that a steadily increasing stream of development applications will generate enough new general fund revenues to off-set the increased costs caused by the shift away from RDA and housing funds.

Justification:

In order to utilize RDA and housing funds as they are intended, the percentage of total Planning costs must be adjusted as the Precise Plan implementation begins, and major capital investments of RDA funds are completed. Staff recommends that Planning be about 80% funded by the general fund by FY 2009/10, from its current level of less than 50%. There will continue to be significant work directly associated with RDA and housing activities and responsibilities, which justify the proposed continued, but reduced level of funding from these sources. Staff does not believe that Planning will ever need to be fully funded by the general fund, in that continued support for Redevelopment and housing will be required.

FY 2007/08
Budget Option Memo

Department: Police

Title of Budget Option: Police Records Manager - Additional Position

Amount: \$90,000

Description of Option:

Presently, the Police Department is budgeted for a single manager to oversee both the Records and Communications Units. It is proposed each unit be supervised by a manager resulting in an additional FTE for the department.

Justification:

Several years ago the Redwood City Police Department eliminated the records supervisor position and began to utilize a single manager for both Records and Communications. This arrangement has proved to be problematic, as neither unit has been properly managed.

Both Records and Communications require a high degree of specialized knowledge that would be difficult for one manager to possess. In Communications, one must be fully aware of police officer safety issues as well as rapidly evolving technological issues associated with the position, while in Records, State Department of Justice rules, regulations and confidentiality requirements must be fully understood and adhered to. Towards the end of our single manager's employment it was necessary to assign him exclusively to Communications due to management problems and associated disciplinary issues in the unit. Since his departure, we have temporarily assigned a patrol sergeant to supervise Communications and a lead record clerk has been managing Records. This has required us to backfill a sergeant position with a police officer temporarily upgraded in rank. Such an upgrade on a permanent basis is untenable.

A separate non-sworn manager for both Records and Communications is the industry standard and essential for optimal service delivery. The department will soon be adding a new computer-aided dispatch and records management system previously approved by City Council. Without a strong manager in both Records and Communications, implementation of this comprehensive system will be much more difficult. Recognition of this fact has resulted in us delaying purchase of the system for a considerable period of time and our existing system is sorely in need of replacement.

**FY 2007/08
Budget Option Memo**

Department: Public Works Services

Title of Budget Option: Street Maintenance Staffing and Materials

Amount: \$206,000.00, an on-going expenditure

Description of Option:

The reinstatement of two Public Works maintenance workers in the Streets and Parking Lots Maintenance Section and the addition of \$22,000 for the purchase of materials. This option increases the crew size from four to six to improve the ability to perform core tasks and provides for the purchase of materials necessary to complete the core tasks.

Justification:

Prior to the budget reductions of 2003, the "lean and mean" Street Maintenance section operated with a crew of nine. The reduction from nine to four has left the crew crippled. Core tasks are not being completed. Roadway Management System (RMS) treatments are not being completed. The reduced treatment was OK for a short period of time but can be very costly over the long term. No street maintenance can be scheduled during the leaf vacuum months. Material purchases were also reduced when the crew size was reduced.

The addition of two crew members and materials:

- Improves the section's ability to perform scheduled preventative maintenance work.
- The crew will be able to safely and appropriately perform core tasks that currently cannot be performed.
- Allows the scheduling and completion of other important tasks (such as sidewalk maintenance or minor road repairs) during the leaf vacuum months without shutting down the leaf vacuum crews that support the street cleaning operation.
- This will increase the amount of preventative maintenance treatments we can do which are anywhere from two to 10 times less expensive than pavement restoration costs that occur if preventative maintenance is not done.
- Reduces the currently compromised scheduling of the RMS treatments.