

ADOPTED BUDGET AND RESOURCE ALLOCATION PLAN FISCAL YEAR 2011/2012 TWENTY-YEAR FINANCIAL PLAN

- City Manager's Letter of Transmittal
- Budget Summary
- Spending Limit
- Financial Plans
- Revenues
- Community Condition Indicators

VOLUME I: Summary

Photograph by Richard Chen

City of Sunnyvale
DIRECTORY OF CITY OFFICIALS
July 1, 2011

Melinda Hamilton
Mayor

Jim Griffith
Vice Mayor
Christopher R. Moylan
Councilmember
Otto Lee
Councilmember

Anthony (Tony) Spitaleri
Councilmember
David Whittum
Councilmember

Gary Luebbers
City Manager

David Kahn
City Attorney

Robert Walker
Assistant City Manager
Grace Leung
Director of Finance
Kris Stadelman
Director of NOVA Workforce Services
Lisa Rosenblum
Director of Library and Community Services
Hanson Hom
Director of Community Development

Dayton Pang
Director of Public Safety (Interim)
Cuong Nguyen
Director of Information Technology
Kent Steffens
Director of Public Works
Teri Silva
Director of Human Resources
John Stufflebean
Director of Utilities

Budget Summary

**CITY OF SUNNYVALE
FY 2011/2012 BUDGET SUMMARY**

Revenue Sources:

Property Tax	42,033,970	
Refuse Collection and Disposal Service Fees	35,431,204	
Water Supply and Distribution Fees	32,588,259	
Sales Tax	29,345,375	
Wastewater Management Service Fees	24,252,763	
Bond Proceeds	10,887,780	
Special Assessment	9,250,610	
Recreation Service Fees	7,140,465	
Utility Users Tax	6,947,373	
Transient Occupancy Tax	6,689,607	
Franchise Fees	6,398,220	
Permits and Licenses	5,643,631	
Rents and Concessions	4,021,645	
Other Fees and Services	3,713,626	
State Highway Users Tax (Gas Tax)	3,671,761	
Other Taxes	3,534,978	
Workforce Investment Act Grant	3,285,402	
Park Dedication Fee	2,646,270	
Miscellaneous Revenues	2,520,178	
Housing Mitigation Fee	1,648,020	
Interest Income	1,629,315	
Federal Grants	1,461,681	
SMaRT Station Revenues*	1,247,832	
Fines and Forfeitures	1,188,458	
Community Development Block Grant	1,118,139	
Traffic Impact Fee	1,011,098	
HOME Grant	670,399	
Motor Vehicle License Fees	519,400	
State Shared Revenues	385,088	
Other Agencies Contributions	316,955	
Sense of Place Fee	130,662	
Use of Reserves		\$13,487,985
Total Revenue Sources**		<u><u>\$264,818,150</u></u>

* SMaRT Station Operations Reimbursement includes the City of Mountain View and the City of Palo Alto's reimbursement for SMaRT Station operating expenditures.

** Excludes internal service fund revenues.

**CITY OF SUNNYVALE
FY 2011/2012 BUDGET SUMMARY**

EXPENDITURES:

Operating Budget:

Office of the City Attorney		\$1,852,184
Office of the City Manager		\$4,326,483
Community Development Department		
Building Safety	2,629,308	
Planning	2,272,896	
Housing and CDBG Program	1,216,064	
Community Development Department Management	394,976	
Total Community Development Department	394,976	\$6,513,244
NOVA Workforce Services Department		\$9,658,808
Finance Department		
Budget Management	736,179	
Purchasing	1,273,725	
Financial Management and Analysis	1,282,493	
Accounting and Financial Services	1,642,043	
Treasury Services	1,096,272	
Utility Billing	2,099,891	
Total Finance Department	2,099,891	\$8,130,603
Human Resources Department		\$3,419,907
Library and Community Services Department		
Youth, Family and Child Care Resources	1,018,118	
Community Services Department Management	478,467	
Library	7,525,169	
Arts and Recreation Programs and Operation of Recreation Facilities	8,275,612	
Total Library and Community Services Department:	8,275,612	\$17,297,367
Public Safety Department		
Police Services	24,664,714	
Fire Services	27,043,214	
Community Safety Services	3,424,169	
Personnel and Training Services	1,712,600	
Investigation Services	4,869,438	
Communication Services	2,963,021	
Public Safety Administrative Services	6,582,998	
Records Management and Property Services	1,917,242	
Total Public Safety Department	1,917,242	\$73,177,396

**CITY OF SUNNYVALE
FY 2011/2012 BUDGET SUMMARY**

Operating Budget: (Continued)

Public Works Department

Transportation and Traffic Services	2,106,581	
Pavement, Traffic Signs and Markings, Street Sweeping, and Roadside Easement	4,845,721	
Street Lights	968,231	
Street Tree Services	1,232,902	
Concrete Maintenance	886,077	
Downtown Parking Lot Maintenance	66,579	
Neighborhood Parks and Open Space Management	8,184,296	
Public Works Administration	748,974	
Capital Project Maintenance	133,734	
Land Development - Engineering Services	1,055,630	
Golf Course Operations	3,741,051	
Total Public Works Department	<u>3,741,051</u>	\$23,969,776

Utilities Department

Water Resources	25,854,396	
Storm Water Collection System	392,397	
Sanitary Sewer Collection System	1,754,222	
Solid Waste Management	29,692,767	
Wastewater Management	12,234,681	
Total Utilities Department	<u>12,234,681</u>	\$69,928,463

Project Operating Budget \$56,908

Total Operating Budget**

\$218,331,138

* Solid Waste Management includes the City's share of SMaRT Station operating expenditures.

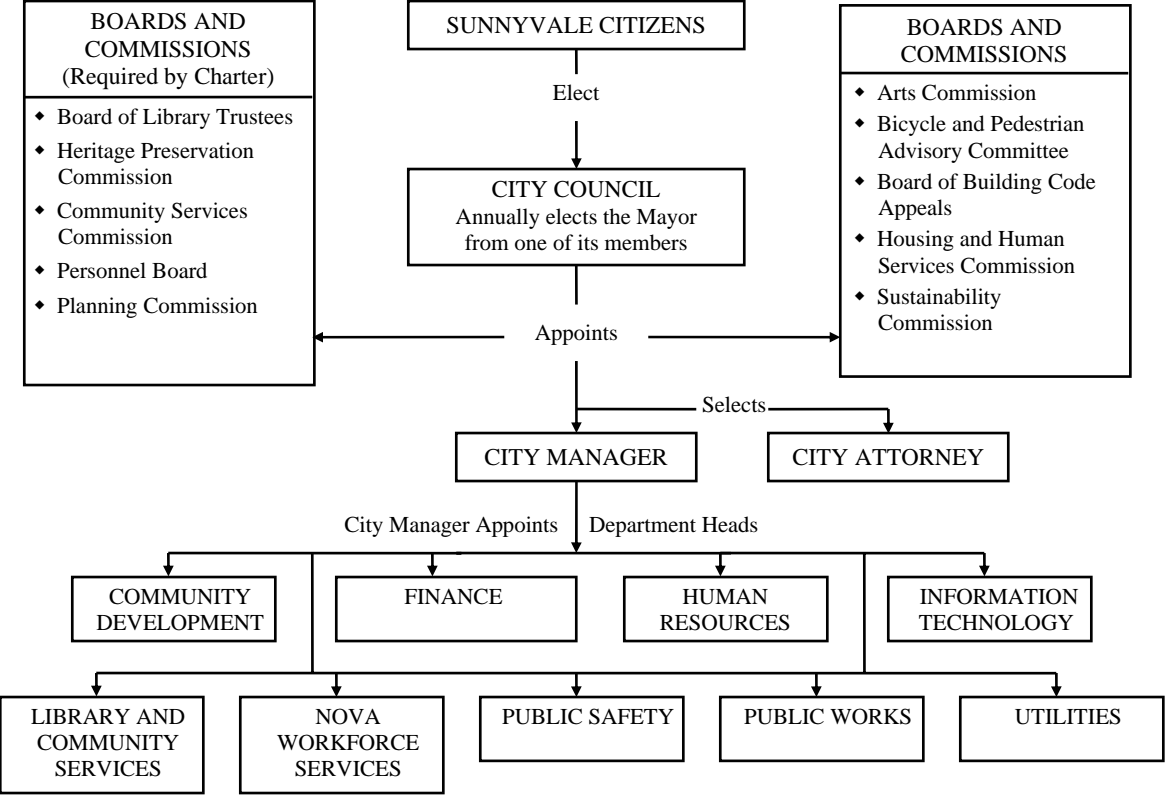
** Excludes internal service fund operating budget.

**CITY OF SUNNYVALE
FY 2011/2012 BUDGET SUMMARY**

Projects Budget:	
Capital Projects	\$8,339,203
Special Projects	\$2,169,074
Infrastructure Projects	\$20,770,574
Outside Group Funding	\$319,842
Lease Payments	\$4,168,809
Project Administration	\$1,886,446
Total Projects Budget	<u>\$37,653,948</u>
Other Expenditures:	
Debt Service	\$8,371,192
Equipment	\$461,872
Total Other Expenditures	<u>\$8,833,063</u>
Total Expenditures	<u>\$264,818,150</u>
Total Adopted Budget	<u><u>\$264,818,150</u></u>

**City
Organization Chart**

CITY OF SUNNYVALE ORGANIZATION CHART



Program List by Department

Community Development Department

- Program 233 Building Safety
- Program 234 Planning
- Program 235 Housing and CDBG Program
- Program 237 Community Development Department Management

Finance Department

- Program 703 Budget Management
- Program 704 Purchasing
- Program 705 Financial Management and Analysis
- Program 706 Accounting and Financial Services
- Program 707 Treasury Services
- Program 708 Utility Billing

Human Resources Department

- Program 754 Human Resources

General Services Operating Programs

- Program 781 Employee Leave Benefits - Leave Earned/Usage Information
- Program 784 Retirement, Insurances, and Taxes - Usage Information
- Program 785 Workers' Compensation Excess Insurance, Cost of Claims, and Leave Hours Taken - Usage Information
- Program 787 City Liability and Property Insurance and Claim Costs - Usage Information

Information Technology Department

General Services Operating Programs

- Program 746 Software Application Services and Support
- Program 747 IT Infrastructure Services and Support
- Program 749 ITD Administration

Library and Community Services Department

- Program 527 Youth and Family Services
- Program 602 Community Services Department Management
- Program 620 Library
- Program 648 Arts and Recreation Programs and Operation of Recreation Facilities

NOVA Workforce Services Department

- Program 510 Employment Development

Office of the City Attorney

Program 750 Office of the City Attorney

Office of the City Manager

Program 723 Office of the City Manager

General Services Operating Program

Program 748 Print, Copy, Bindery, and Mail Services and Support

Public Safety Department

Program 471 Police Services

Program 472 Fire Services

Program 473 Community Safety Services

Program 474 Personnel and Training Services

Program 475 Investigation Services

Program 476 Communication Services

Program 477 Public Safety Department Management and Support

Program 478 Records Management and Property Services

Public Works Department

Program 119 Transportation and Traffic Services

Program 120 Pavement, Traffic Signs and Markings, Street Sweeping, and Roadside Easement

Program 121 Street Lights

Program 219 Street Tree Services

Program 222 Concrete Maintenance

Program 256 Downtown Parking Lot Maintenance

Program 267 Neighborhood Parks and Open Space Management

Program 308 Public Works Administration

Program 309 Capital Project Maintenance and Environmental Sustainability

Program 310 Land Development - Engineering Services

Program 647 Golf Course Operations

Public Works Department (continued)

General Services Operating Programs

Program 709 Facility Services

Program 763 Provision of Vehicles and Motorized Equipment

Utilities

Program 360 Water Resources

Program 361 Storm Water Collection System

Program 362 Sanitary Sewer Collection System

Program 363 Solid Waste Management

Program 364 SMaRT Station

Program 365 Wastewater Management

**Community Condition
Indicators**

COMMUNITY CONDITION INDICATORS

The Community Condition Indicators (CCI) have been presented as an integral part of the City's budget for many years. The CCI is a measurement tool used to evaluate the General Plan by presenting the community conditions that require some form of direct or indirect service provided by the City. On May 8, 2007, the CCI report was modified to support and address the issue of growth and its potential effect on the economic vitality and quality of life in Sunnyvale. The underlying data was not modified, only how the data is presented.

Data is included as available for the 1990 census, the 2000 census, the 2010 census and each year following.

Balanced Growth Index

The Balanced Growth Index (BGI) was developed in 2007 to monitor the City's growth and measure if that growth is being achieved in a balanced manner. Currently, the BGI presents the first five years, or 25.0 percent, of the 20-year planning horizon. The index's profile will be extended each year by adding the annual incremental growth from the preceding year. The profile is based on the assumption that Sunnyvale was in a balanced state in 2005. This assumption is supported by the high level of satisfaction expressed in the 2005 Resident Satisfaction Survey. Data show responses indicating adequate functioning of utilities, a satisfactory level of service in traffic operations, and a lack of severe overcrowding in the schools.



HOW TO USE THE CITY OF SUNNYVALE'S BALANCED GROWTH PROFILE

The first two rows in the profile are the major drivers of growth, population and jobs. The population growth over 20 years is projected to be 18,000; the average annual population increase would be 5% of the 20 year total, or 900. Since the population between 2005 and 2006 grew by only 819, the population growth bar on the profile falls short of what would be expected in 2006 at an average annual growth rate. However, by 2009, the population had increased to 138,826, almost 35% of the projected population growth, exceeding the average annual growth rate. The opposite is true of jobs, where the average annual increase of is less than projected, which is to be expected during a period where the economy is in a recession.

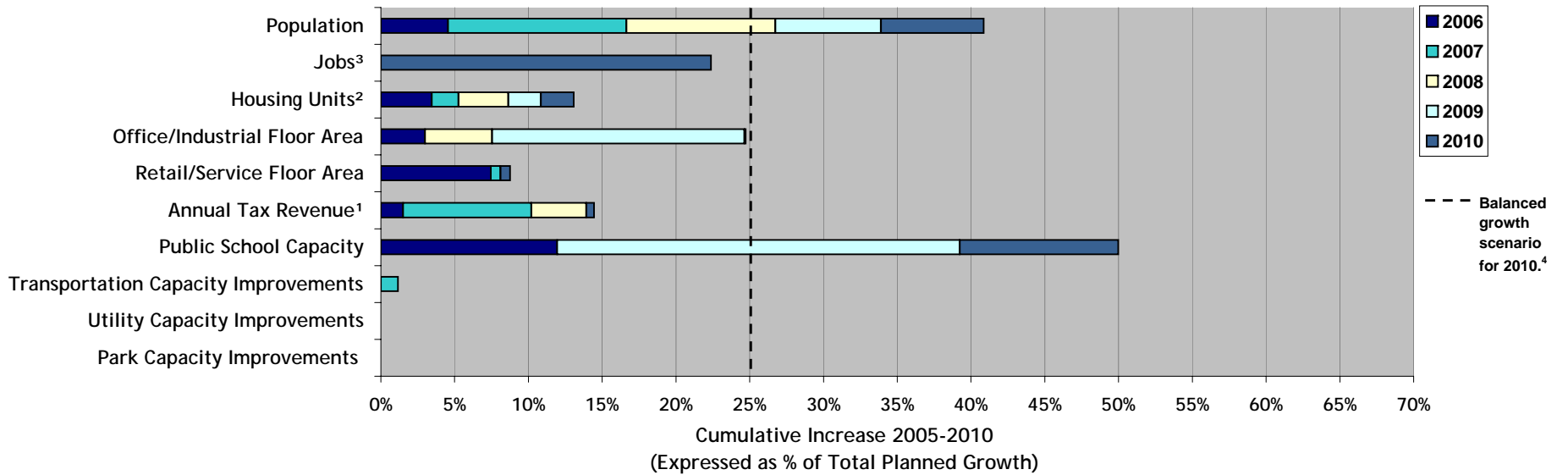
A similar process is used to create each of the bars in the profile. With regard to supporting infrastructure and facilities (the last three rows of the profile), capacity improvements necessary to support the expected growth will be determined based on several infrastructure plans. The Transportation Strategic Program is completed. The Water Utility Master Plan was adopted in 2010; however the companion Sanitary Sewer Master Plan is expected in 2012. The Parks and Open Space capacity improvements plan is currently being prepared and should be available for next year's profile. These infrastructure improvement plans include (or will include) the estimated cost for capacity improvements. The cost for each improvement will be compared to the total program to determine the proportion (%) of the total program that the improvement represents. As each improvement is constructed (and therefore capacity is realized), the bar on the chart will be extended by the appropriate percentage of that program.

It should be noted, particularly with regard to transportation capacity improvements, that many of the capacity improvements that will be made over the next 20 years will be initiated and funded by State, regional, and county agencies, not by the City of Sunnyvale. Even though the traffic model utilized by the Transportation Strategic Program takes into account these planned regional improvements, only improvements funded in whole or in part by the City of Sunnyvale are included in the Balanced Growth Profile. The Profile assumes that the other jurisdictions are proceeding with planned capacity improvements at a reasonable pace in accordance with their plans.

If all elements were growing in a balanced manner, all of the bars in the profile would be of equal length every year, extending exactly to the then current year. Obviously, this will not always be the case. An imbalance in a single year does not signify a problem. An imbalance over multiple years, however, should be of some concern to decision-makers, who may want to consider modifications of development policy to achieve a more balanced growth. As the Sunnyvale Community Vision is updated in the future, or as functional element updates result in different projected goals for 2025, the Balanced Growth Profile must be recalibrated to reflect revised projected increases.

Balanced Growth Indices

	Base Year 2005	GOAL FOR 2025	Total Planned Growth Net Increase 2005 to 2025	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2010 Increment Increase (actual since 2009)	2010 Increment (% of Total Planned Growth)
Park Capacity Improvements		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Utility Capacity Improvements		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Transportation Capacity Improvements		46,884,000	46,884,000	0	547,970	547,970	0	0	0	0%
Public School Capacity	5,373	6,729	1,356	5,535	5,535	5,535	5,905	6,051	146	11%
Annual Tax Revenue ¹	72,271,030	174,748,212	102,477,182	73,811,533	82,731,078	86,536,989	80,080,423	80,640,616	560,193	1%
Retail/Service Floor Area	5,784,000	7,500,000	2,200,000	5,947,776	5,962,662	5,962,662	5,962,662	5,976,840	14,178	1%
Office/Industrial Floor Area	30,100,000	37,700,000	7,600,000	30,327,927	30,327,927	30,673,881	31,973,881	31,979,928	6,047	0%
Housing Units ²	54,800	61,900	7,100	55,045	55,174	55,414	55,570	55,729	159	2%
Jobs ³	73,630	92,650	19,020	n/a	n/a	n/a	n/a	77,890	4,260	22%
Population	132,725	150,725	18,000	133,544	135,721	137,538	138,826	140,081	1,255	7%



Notes

¹FY 2004/2005 is the base year for the Balanced Growth Index. All revenues are converted to FY 2004/2005 dollars for comparison purposes.

²The number of housing units has been corrected for the base year of 2005 and the subsequent years.

³Data has been modified resulting in a decrease in base year, projections, and current year estimates. There is a significant challenge in finding reliable estimates of Sunnyvale jobs. This version of the Balanced Growth Profile provides Association of Bay Area Governments (ABAG) data from most recent publications while staff explores a more reliable annual estimate of jobs.

⁴In a "balanced growth scenario" each profiled item would increase 5% each year. Cumulative "balanced growth" to the end of 2010 would be 25%.

Community Condition Indicators

	Indicator	1990	2000	2005	2006	2007	2008	2009	2010	Source/Notes for 2010
	Population									
	Number									
1	• Total	117,229	131,760	132,725	133,544	135,721	136,352	138,826	140,081	2010 U.S. Census (Decennial Census used every 10 years, CA Dept of Finance used in the interim)
2	✓ Under 18 years (%)	19.2	20.4	22.6	16.5	21.1	22.1	23.6	n/a	Updated data for 2007-2009 using American Community Survey 1-Year Estimates for age breakdown and avg household size; Age breakdown translated into percentages %; 2010 U.S. Census results not yet available
3	✓ 19 – 64 years (%)	70.4	69.0	61.0	72.7	68.9	66.8	66.1	n/a	
4	✓ 65 years and older (%)	10.4	10.6	16.4	10.8	10.0	11.1	10.3	n/a	
5	• Average household size	2.42	2.49	2.42	2.43	2.63	2.54	2.72	n/a	
6	• Sunnyvale public school enrollment	n/a	n/a	n/a	12,128	12,725	12,320	13,404	13,700	
7	• Sunnyvale private school enrollment	n/a	n/a	n/a	4,079	4,025	3,811	3,802	3,726	Econ Dev (OCM)
	Ethnicity/Origin									
8	• Caucasian (%)	71.6	53.3	45.9	45.8	45.8	43.0	40.8	43.0	2010 U.S. Census – some results not yet available
9	• Asian / Pacific Islander (%)	19.3	32.6	40.1	36.5	39.9	39.1	42.0	41.4	
10	• African-American (%)	3.4	2.2	3.8	3.9	2.8	1.8	1.4	2.0	
11	• Other (%)	5.7	11.9	10.2	13.8	11.5	16.1	15.7	13.6	
12	• Foreign Born (%)	22.5	39.4	43.7	41.8	46.3	43.7	42.9	n/a	
13	• Hispanic Origin (%)	13.2	15.5	16.6	18.1	13.8	16.1	18.8	18.9	
	Education									(Updated data for 2007-2009 using American Community Survey 1-Year Estimates; Also corrected 2000 data)
14	• High school graduate (%)	87.1	89.4	90.2	90	90.7	90.4	89.5	n/a	
15	• Bachelor degree (%)	37.1	50.8	54.4	52.2	58.3	55.1	55.5	n/a	
16	• Graduate degree (%)	n/a	21.9	24.3	24.4	27.0	26.3	25.9	n/a	
	Income									
17	• Median household income (\$)	46,403	74,409	74,449	79,926	87,417	89,543	88,364	n/a	
18	✓ Population below poverty (%)	2.5	3.8	5.4	8.2	5.0	4.3	6.8	n/a	

Community Condition Indicators

	Indicator	1990	2000	2005	2006	2007	2008	2009	2010	Source/Notes for 2010
	Community									
19	• Active neighborhood/business associations	n/a	n/a	n/a	28	30	27	26	25	OCM
20	• Residents rating city good place to live (%)	n/a	92	94	n/a	93	92	87	n/a	National Citizen Survey; results not yet available
21	• Residents rating public services good to excellent (%)	n/a	92	89	n/a	82	85	83	n/a	
22	• Part I crimes/100,000 population	n/a	n/a	2,220	2,170	2,070	2,040	2,130	2,444	DPS; Calendar Year as reported to DOJ. All past data corrected to reflect actual methodology and actual format of statistic.
23	• Average emergency police response time (minutes)	n/a	n/a	04:19	04:06	04:17	04:38	04:41	04:35	DPS; Fiscal Year All past data corrected to reflect methodology change between 2006 and 2007. Also changed format of statistic from decimal to sexagesimal (min:sec).
	Economy									
	Jobs									
24	• Total number	n/a	99,290	73,630	n/a	n/a	n/a	n/a	77,890	There is a significant challenge in finding reliable estimates of Sunnyvale jobs. Data has been modified using Association of Bay Area Governments (ABAG) 2009 Projections data while staff explores a more reliable annual estimate of jobs.
	Employment									
25	• Labor Force	n/a	n/a	n/a	n/a	n/a	75,700	74,900	74,600	NOVA(annual averages; http://www.labormarketinfo.e dd.ca.gov/?PAGEID=164)
	• Employed Residents	n/a	n/a	n/a	n/a	n/a	71,800	67,800	67,400	
	• Unemployed (% of labor force)	2.6	4.3	4.1	3.9	4.3	5.1	9.4	9.6	
26	• Jobs/employed resident	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.2	#24 divided by #25 Employed Residents

Community Condition Indicators

	Indicator	1990	2000	2005	2006	2007	2008	2009	2010	Source/Notes for 2010
	Tax Base									
42	• Property tax revenue (\$ in millions)	15.8	18.7	29.5	32.0	35.8	39.95	42.26	43.7	FIN; FY 09/10
43	• Sales tax revenue (\$ in millions)	21.5	30.0	24.9	28.4	30.8	29.71	25.07	25.43	
44	• Transient occupancy tax revenue (\$ in millions)	3.6	9.8	5.1	5.6	6.4	7.35	5.69	5.58	
	Physical City									
	Land Use									
45	• Land area (sq. mi.)	22.81	22.82	22.86	22.86	22.86	22.86	22.86	22.86	CDD SunGIS; Data modified to incorporate “vacant land area” into breakdown of developable land area by percentage
46	• Developable land area (sq. mi.)	15.46	15.46	15.46	15.46	15.46	15.46	15.46	15.46	
47	• Vacant land area (%)	0.8	0.8	0.8	0.8	0.8	0.8	0.8	1.0	
48	• Residential area (%)	n/a	52.7	n/a	52.4	52.6	55.0	55.0	52.8	
49	• Office/industrial land area(%)	n/a	24.2	n/a	26.2	26.0	25.2	25.2	25.1	
50	• Retail/service land area (%)	n/a	7.5	n/a	6.8	6.8	6.5	6.5	6.5	
51	• City parks and open space (%)	n/a	7.4	n/a	7.4	7.4	7.4	7.4	7.4	Per Open Space Subelement 1.14 sq. mi.
52	• Other (%)	n/a	7.4	n/a	7.0	7.0	5.7	5.7	7.4	CDD SunGIS
	Transportation									
53	• Vehicle miles traveled in weekday (millions of miles)	n/a	2.31	2.23	2.25	2.28	2.21	1.83	1.97	DPW, Traffic
54	• Intersections not meeting LOS standards	1	1	0	0	n/a	0	n/a	0	The last CMP monitoring was conducted in 2010.
55	• Transit boardings/de-boardings per day	n/a	25,122	19,451	19,824	22,428	24,580	21,647	n/a	VTA and Caltrain; LR: 2,150 and Bus: 15,769. Caltrain data: Not available until 4/18/2011
56	• Utilization of transit capacity (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
57	• Miles of streets	300	300	300	300	300	300	300	300	
58	• Miles of bikeways	n/a	65	79	79	82.9	83.1	83.8	84.2	Borregas Avenue between the Ped/Bike bridges over-crossing US 101 and SR 237

Community Condition Indicators

	Indicator	1990	2000	2005	2006	2007	2008	2009	2010	Source/Notes for 2010
	Environment									
79	• Sunny days (average)	n/a	n/a	300	300	292	293	293	272	www.wunderground.com
80	• Average rainfall (in.)	n/a	13.12	13.06	8.15	6.42	9.42	10.25	11.12	DPW
81	• Days ozone standard exceeded	n/a	n/a	1	3	0	0	0	0	BAAQMD
82	• Recycled solid waste (%)	18	56	61	63	63	63	65	n/a	Calrecycle: data available in September of each year
	• Disposal per resident (lbs/day)	n/a	n/a	n/a	n/a	4	4	3.5	n/a	
	• Disposal per City employee (lbs/day)	n/a	n/a	n/a	n/a	6.3	6.5	6.5	n/a	
83	• Number of street trees	n/a	36,341	37,000	37,000	37,000	36,935	36,889	36,889	DPW
84	• Average daily water consumption/capita (gal.)	n/a	161	180	139	153.18	153.7	145.42	130.71	
85	• Average daily electric energy use/capita (kwh)	n/a	n/a	n/a	33.16	71.6	81.1	79.7	78.6	DPW/PG&E; Whole City
86	• Average daily gas use/capita (therms)	n/a	n/a	n/a	n/a	1.9	2.9	2.8	2.8	DPW/PG&E; Whole City
87	• Average daily landings at Moffett Federal Airfield	n/a	33	25	25	26	23	19	15	Moffett Airfield

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**Summary of Budgeted
Personnel Hours**

SUMMARY OF BUDGETED PERSONNEL HOURS

Overview

The City of Sunnyvale budgets by work hours, not by position. This enables staff to more accurately determine the amount of time required to provide a service. In order to manage the positions, staff develops a budgeted position allocation by Department after the adoption of the budget. The budgeted position allocation calculates full-time (FTE) and part-time (PTE) equivalents using the following standards:

- Management Staff 1,850 hours equals one FTE
- Non-management Staff 1,800 hours equals one FTE
- Public Safety Officers 1,900 hours equals one FTE
- Part-time Staff 1,090 hours equals one PTE

Staffing Trends

The tables on the following pages show the budgeted position allocation for full-time and part-time positions, by Department, and by employment status on a City-wide basis. Two years of actual data, as well as the current and budget years' data are presented.

The values reflected in the Actual FY 2008/09 and Actual FY 2009/10 columns are actual, filled positions in each department/job category as of the end of the fiscal year. The values in the Current FY 2010/11 and Budget FY 2011/12 columns are the budgeted positions in each department/job category. As of July 1st, 2011, the City had 841 active employees. The difference between the actual positions and the budgeted positions is predominantly due to City-wide vacancies. However, the reduction of 24 budgeted positions since FY 2010/11 reflects the impact of the recent recession on the City's headcount. The majority of these reductions are positions that were previously vacant. As conditions improve, some of these positions may be reinstated; however, we will continue to look for ways to operate more efficiently within existing resources.

A broad reorganization was implemented during FY 2010/11 to streamline the way the City conducts business and to adapt to its new fiscal reality. The most significant changes were the division of the Department of Public Works into two departments and the elimination of the Department of Community Services. The newly formed Department of Utilities is comprised of Water, Wastewater,

and Solid Waste programs. The Department of Public Works maintained all other non-utilities operations that it previously contained, and it added Golf, Parks, Fleet and Facility Services programs. In addition, Recreation and Youth and Family Services programs were merged with the Library, forming the new Library and Community Services Department.

BUDGETED PERSONNEL HOURS
FY 2008/2009 — FY 2011/2012
Total Personnel by Department

	Actual FY 2008/09	Actual FY 2009/10	Current FY 2010/11	Budget FY 2011/12
Community Development	43	37	37	37
NOVA	44	47	53	53
Finance	45	44	48	47
Human Resources	19	17	17	16
Information Technology	24	22	20	19
Libraries	62	60	61	103
Office of the City Attorney	6	6	6	6
Office of the City Manager	20	18	47	18
Community Services	128	125	125	0
Public Safety	295	290	288	278
Public Works	204	201	192	183
Utilities	0	0	0	113
Totals	890	867	897	873

BUDGETED PERSONNEL HOURS
FY 2008/2009 — FY 2011/2012
Total Personnel by Employment Status

	Actual FY 2008/09	Actual FY 2009/10	Current FY 2010/11	Budget FY 2011/12
Management	97	83	85	83
Non-Management	532	522	547	545
Part-Time Staff	51	48	53	50
Public Safety Officers	210	214	212	195
Totals	890	867	897	873

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**Financial
Graphs**

**City of Sunnyvale
FY 2011/2012 Budget
Financial Graphs**

TABLE OF CONTENTS

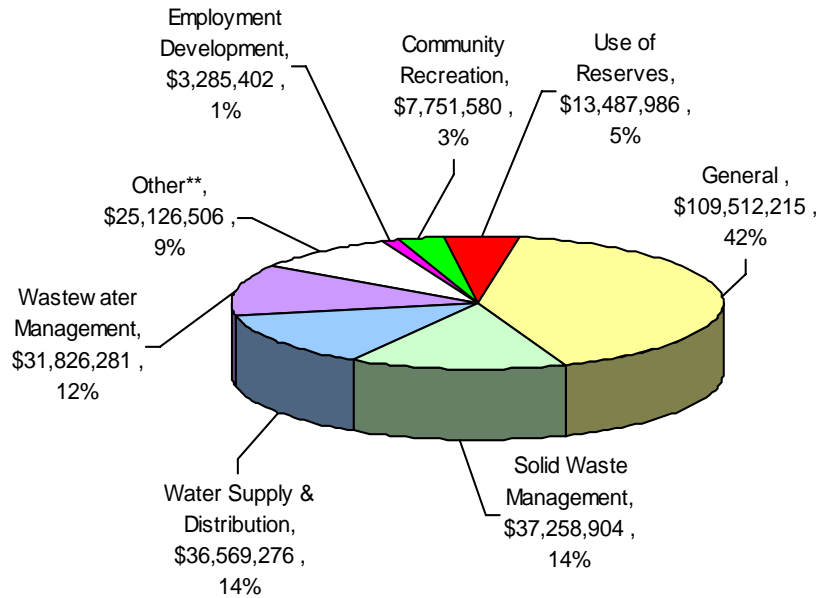
- Graph 1.1 Revenues by Fund, All Funds**
Total City-wide fiscal year 2011/2012 budgeted revenues by fund.
- Graph 1.2 Expenditures by Fund, All Funds**
Total City-wide fiscal year 2011/2012 budgeted expenditures by fund.
- Graph 1.3 Revenues by Source, All Funds**
Total City-wide fiscal year 2011/2012 budgeted revenues by source.
- Graph 1.4 Expenditures by Type, All Funds**
Total City-wide fiscal year 2011/2012 budgeted expenditures by source.
- Graph 1.5 Revenues by Source, Taxes by Category**
Total City-wide fiscal year 2011/2012 budgeted major revenues by revenue source.
This graph also provides a breakdown of tax revenues by category.
- Graph 1.6 Revenues by Source, Service Fees by Category**
Total City-wide fiscal year 2011/2012 budgeted major revenues by revenue source.
This graph also provides a breakdown of service fee revenue by category.
- Graph 1.7 Operating Expenditures by Department, All Funds**
Total City-wide fiscal year 2011/2012 budgeted expenditures by department.
- Graph 1.8 Operating Expenditures by Character, All Funds**
Total City-wide fiscal year 2011/2012 budgeted expenditures by character.
- Graph 2.1 Revenues by Source, General Fund**
Total fiscal year 2011/2012 budgeted revenues by source for the General Fund.
- Graph 2.2 Expenditures by Department and Type, General Fund**
Total fiscal year 2011/2012 budgeted expenditures by department and type for the General Fund.

Source of graph data is the City of Sunnyvale Department of Finance

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City of Sunnyvale FY 2011/2012 Budget Financial Graphs

Graph 1.1 Revenues by Fund - All Funds*

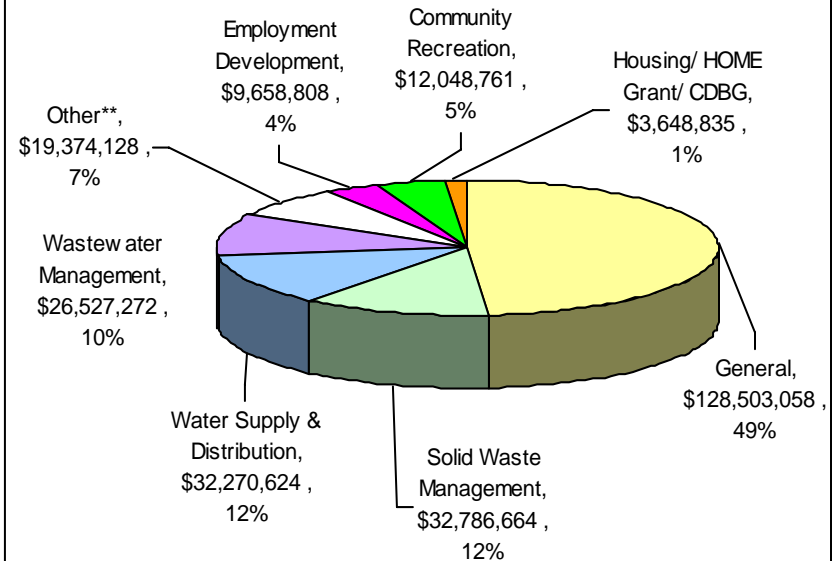


**Total Revenues
\$264,818,150**

*Excludes internal service fund charges and inter-fund transfers.

**Other includes CDBG, Housing, Gas Tax, Youth and Neighborhood Services, Park Dedication and Redevelopment Agency Funds.

Graph 1.2 Expenditures by Fund - All Funds*



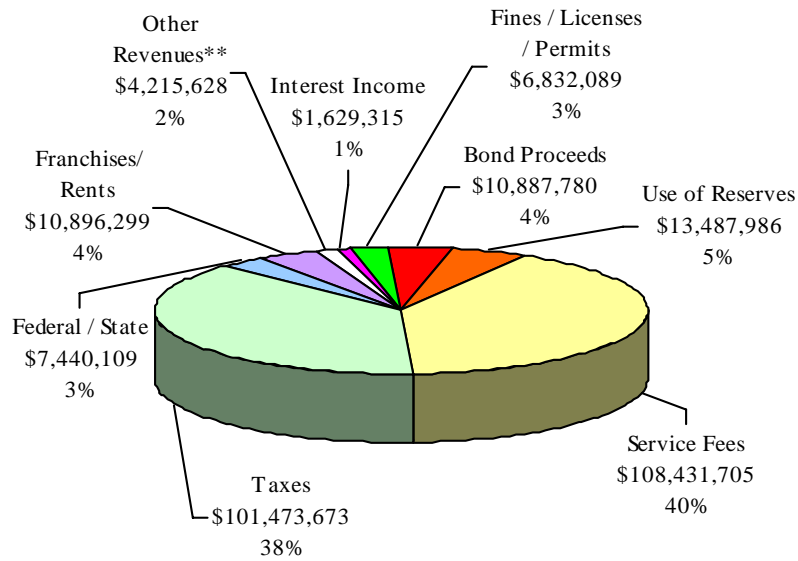
**Total Expenditures
\$264,818,150**

*Excludes internal service fund operating budgets and inter-fund transfers.

**Other includes Gas Tax, Youth and Neighborhood Services, Park Dedication and Redevelopment Agency Funds.

City of Sunnyvale FY 2011/2012 Budget Financial Graphs

Graph 1.3 Revenues By Source - All Funds*

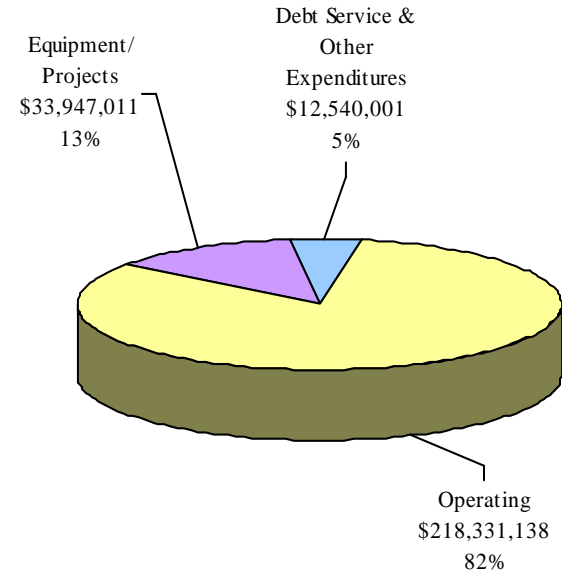


**Total Revenues
\$264,818,150**

*Excludes internal service fund charges and inter-fund transfers.

**Other Revenues includes Miscellaneous Revenues, SMaRT Station Reimbursement, and Other Agencies Contributions

Graph 1.4 Expenditures by Type - All Funds*

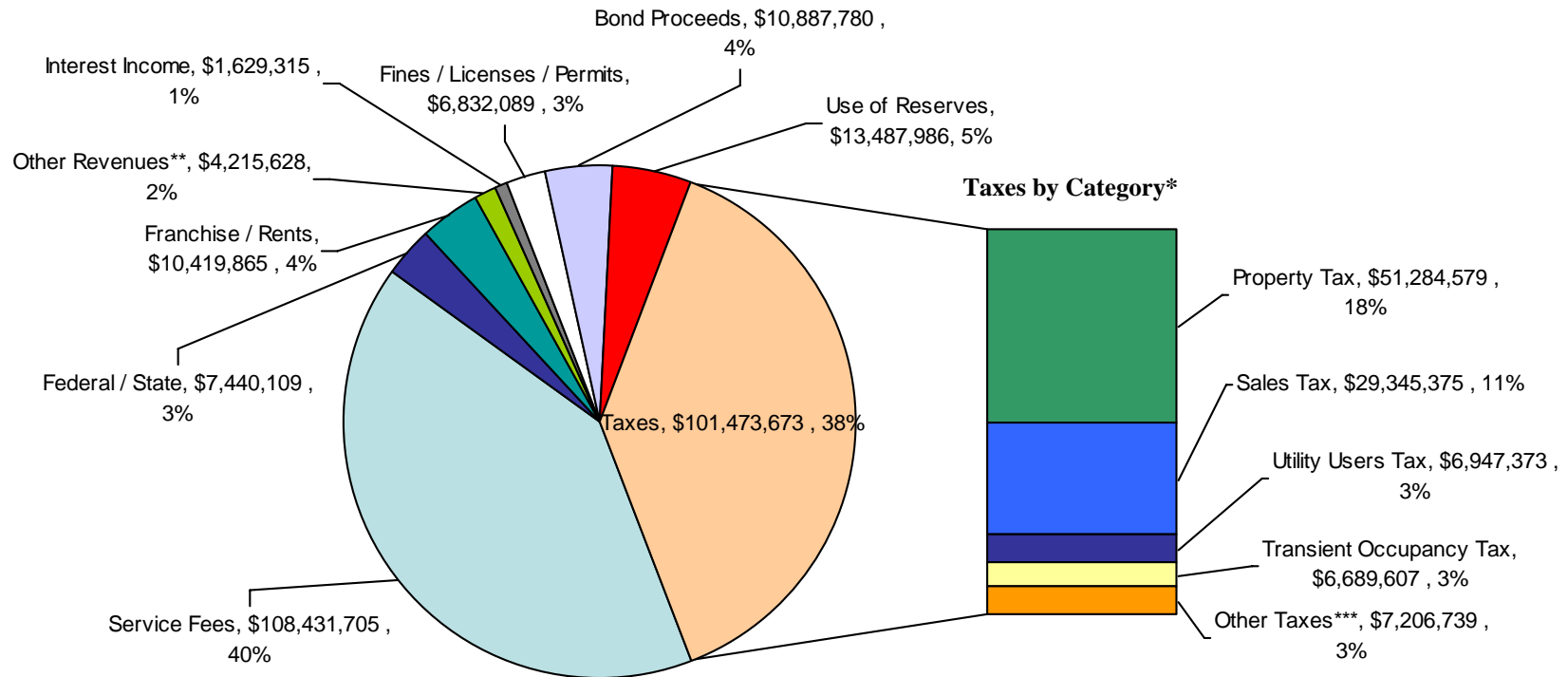


**Total Expenditures
\$264,818,150**

*Excludes internal service fund operating budgets and inter-fund transfers.

**City of Sunnyvale
FY 2011/2012 Budget
Financial Graphs**

Graph 1.5 Revenues by Source - Taxes by Category*



**Total Revenues
\$264,818,150**

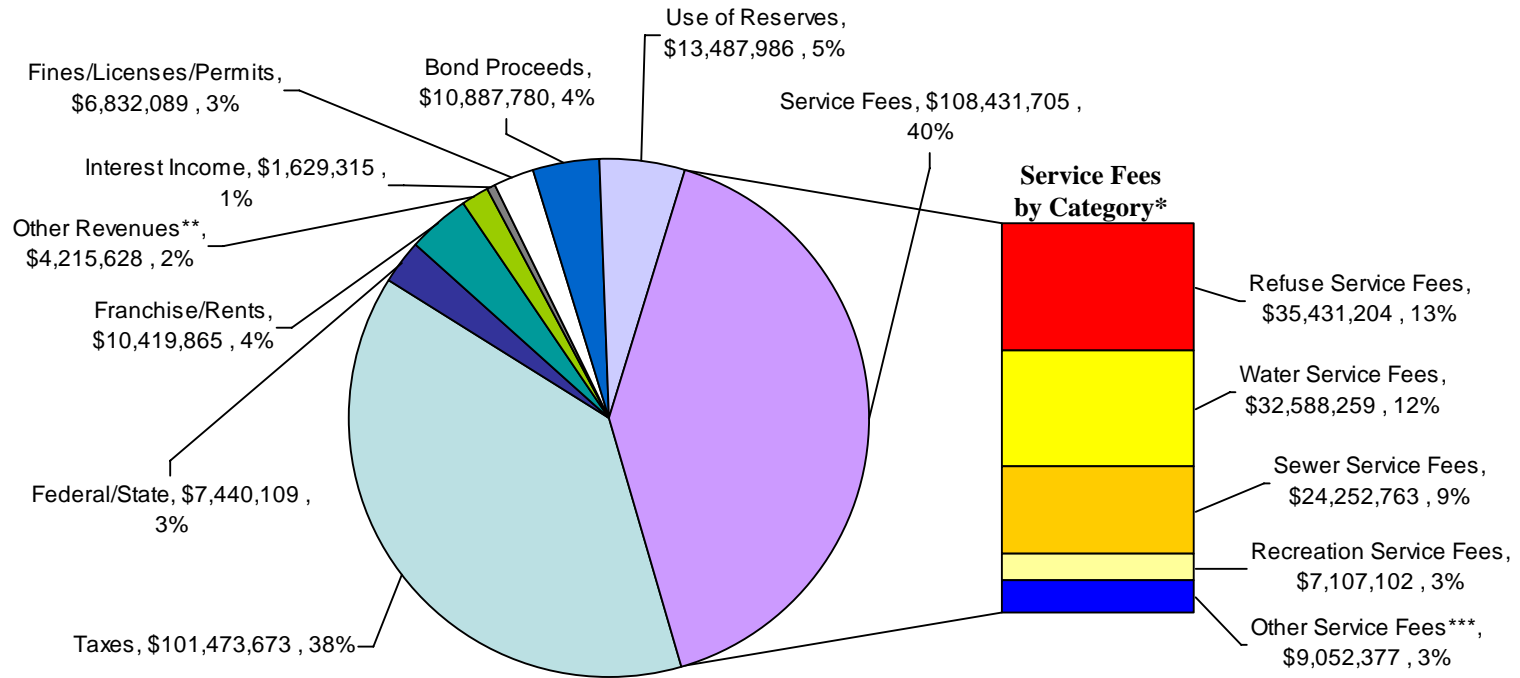
*Excludes internal service fund charges and inter-fund transfers.

**Other Revenues includes Miscellaneous Revenues, SMaRT Station Reimbursement, Other Agencies Contributions, and Budget Supplements.

***Other Taxes includes Highway Users Tax and Traffic Congestion Relief Fund.

**City of Sunnyvale
FY 2011/2012 Budget
Financial Graphs**

Graph 1.6 Revenues by Source - Service Fees by Category*



**Total Revenues
\$264,818,150**

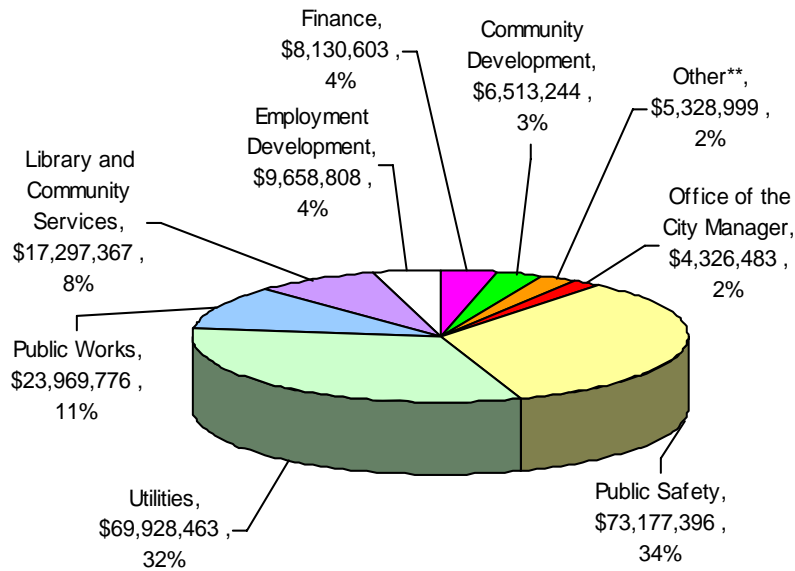
* Excludes internal service fund charges and inter-fund transfers.

** Other Revenues includes Miscellaneous Revenues, SMaRT Station Reimbursement, Other Agencies Contributions, and Budget Supplements.

*** Other Service Fees include Park Dedication Fee, Traffic Impact Fee, Sense of Place Fee, and Recreation Fees.

City of Sunnyvale FY 2011/2012 Budget Financial Graphs

**Graph 1.7 Operating Expenditures by Department
- All Funds***

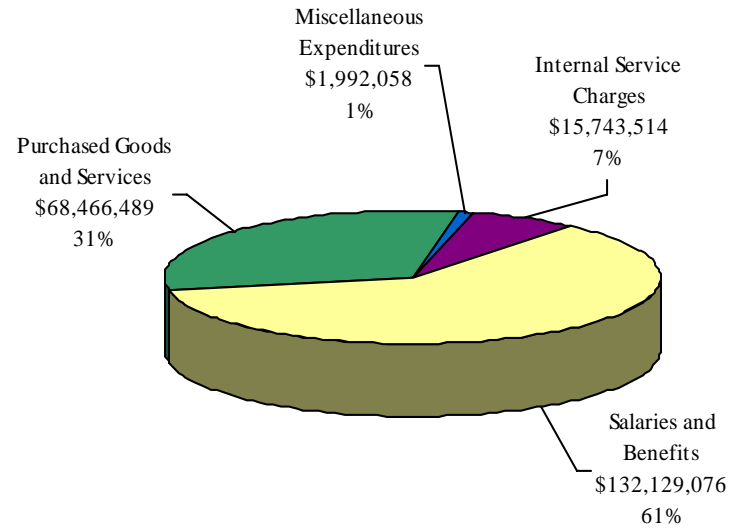


**Total Expenditures
\$218,331,138**

*Excludes internal service fund operating budgets and inter-fund transfers.

**Other include Office of the City Attorney, Human Resources, and project operating budgets.

**Graph 1.8 Operating Expenditures by Character
- All Funds***

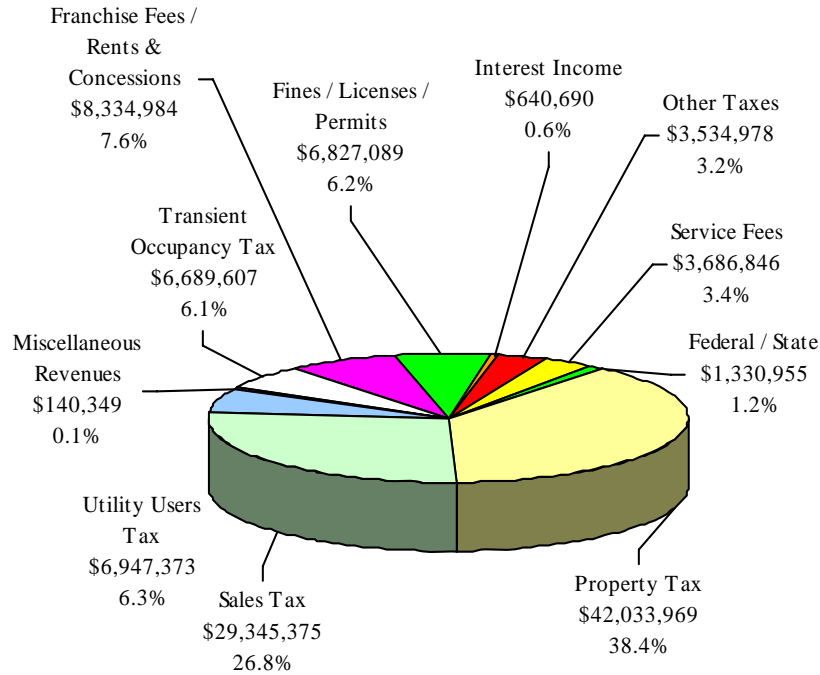


**Total Expenditures
\$218,331,138**

*Excludes internal service fund operating budgets and inter-fund transfers.

City of Sunnyvale FY 2011/2012 Budget Financial Graphs

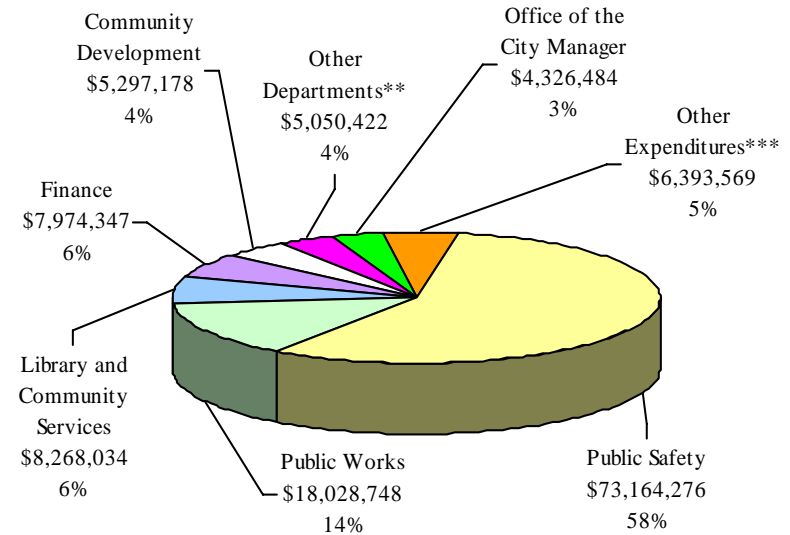
Graph 2.1 Revenues by Source - General Fund*



**Total Revenues
\$109,512,215**

*Excludes internal service fund charges and inter-fund transfers.

Graph 2.2 Expenditures by Department & Type - General Fund*



**Total Expenditures
\$128,503,058**

* Excludes internal service fund operating budgets and inter-fund transfers.

** Other Departments includes Office of the City Attorney and Human Resources.

***Other Expenditures includes Projects Budget, Debt Service, Equipment, and Lease Payments.

**Debt
Service**

DEBT SERVICE

Overview

The City of Sunnyvale uses debt financing as a tool to maintain its long-term financial stability by paying for certain expenditures over time. Debt financing also is a tool for managing cashflow when large, one-time outlays are required as in the case of constructing a new building or large-scale upgrades to infrastructure. This section provides a summary of the City's debt service for the twenty-year planning horizon. Included is the Computation of Legal Debt Margin which calculates the City's debt limit as defined by the City Charter. Also included is the debt service schedule which represents the current bond issues for both the City and the Redevelopment Agency. The City does not have any general obligation debt.

Debt Policies

Section 1308 of the City Charter limits the allowable bonded indebtedness of the City at 15% of the total assessed valuation of property within the City. However, the Fiscal Sub-Element of the General Plan limits use of debt even more through the following criteria:

1. Total City debt should not exceed 5% of assessed valuation.
2. Total City debt should not exceed \$350 per capita.
3. City and overlapping debt together should not exceed 8% of assessed valuation.
4. Annual debt service should not exceed 10% of the annual budget.
5. Average outstanding bond maturities should not exceed ten years.
6. Except in the case of assessment debt, debt reserves equal to the next principal and interest payment should be maintained.

Issuer Credit Rating

Each entity that is allowed to issue bonds is rated on its ability to repay the debt. This rating is known as the Issuer Credit Rating (ICR), which is an independent gauge of the credit risk of the issuer. Credit risk is based on the issuer's solvency or ability to pay the interest and principal. The greater the credit risk, the more interest the issuer has to pay to sell its bonds. Not only does the credit rating of the issuer

determine the initial yield of the bond, but it can also affect bond prices in the secondary market if the issuer's credit rating changes.

There are five major services that rate bonds: Standard & Poors (S&P), Moody's, Fitch, A.M. Best, and Dominion Bond Rating Service. Ratings range from AAA for the highest quality bonds to D, which are bonds in default. Standard & Poors completed a review of the City's overall credit worthiness in April 2009. This resulted in an upgrade in our "Issuer Credit Rating" to AAA, affording the City the highest possible underlying rating from S&P.

Summary of FY 2011/2012 Debt Service

The FY 2011/2012 Budget includes \$10,311,807 in debt service payments (including agent fees). The level of debt associated with these payments is significantly below the legal maximum allowable of \$3.9 billion and well below each of the six policy criteria outlined above. Each bond issuance is briefly described below. The twenty-year schedule for debt service payments are shown in the table on the following two pages. It should be noted that future debt issuances are reflected in the twenty-year financial plan for planning and funding purposes. The potential issuances are discussed in detail under the detailed fund reviews preceding the Financial Plans.

Revenue Bonds

Water Distribution System and Wastewater Infrastructure. Revenue bonds were originally issued in 1992 to improve the City's wastewater system and treatment plant. In 2001, the bonds were refunded to reduce debt service costs. At that time, additional funds of \$12.5 million were borrowed to pay for improving the City's water treatment facility and distribution system and wastewater infrastructure projects. Debt service payments are financed by water and wastewater revenues. In June 2010, the City issued \$59 million of new water and wastewater revenue bonds. The amount of \$41 million from the 2010 bond proceeds will be used to construct and acquire new water and wastewater infrastructure projects (including a new water pollution control plan). The remaining amount, \$18 million, has been used to refund the 2001 outstanding bonds, to pay issuance costs, and to provide a debt service reserve account for the 2010 bonds.

SMaRT Station. These bonds were issued for the original cost of the Sunnyvale Materials Recovery and Transfer (SMaRT) Station. This facility receives, sorts for recycling, and transports solid waste for the cities of Sunnyvale, Mountain View, and Palo Alto. The SMaRT Station's debt service is financed by the three cities in proportion to their original investment in the SMaRT station. The debt service payments are financed by solid waste revenues.

In 2003 the bonds were refinanced in the amount of \$20.6 million to reduce debt service costs. In 2007 the three cities approved a project to replace the Materials Recovery Facility equipment. This replacement project is funded by reserves of \$5.2 million in the Capital Equipment Replacement Fund, a cash contribution of \$2.2 million by Mountain View, and an issue of revenue bonds of \$8.1 million by Palo Alto and Sunnyvale.

Redevelopment Agency Tax Allocation Bonds and Certificates of Participation

Redevelopment District. The City's redevelopment district has two bond-financed projects: The Central Core Redevelopment Project, which was for developing the City's Downtown, and the Parking Facility Project, which was used to construct the Downtown's multi-level parking garage. Debt service on these two bond issuances is financed by tax increment revenues and lease revenue from the City.

Government Center Site Bond

Government Center Property. In 2001, variable rate certificates of participation (COPs) were issued to reimburse the City for the cost of acquiring the property located at 505 West Olive. The property, known as the Sunnyvale Office Center, is adjacent to the Civic Center and was purchased in anticipation of future space needs of the City. The 2001 COPs were insured by Ambac, a major bond insurer that has been significantly downgraded by the rating agencies. As a result, interest rates on the 2001 COPs increased multiple times.

In late FY 2008/2009, the City issued Variable Rate Demand Refunding Certificates of Participation, Series 2009 A, to refund the 2001 COPs. The 2009 COPs are backed by an irrevocable bank letter of credit. City lease payments will reimburse the bank for monthly letter of credit draws by the trustee to pay holders of the refunding COPS. The annual payments increase each year through the twenty-year financial plan to account for potential interest rate increases over the long term. Debt service on this bond is financed by the interest on the reserve fund of the COPs and rental revenue from outside tenants and City operations.

General Fund Bond

Modular Classrooms. In 1997, the City acted as the intermediary to issued bonds on behalf of the Sunnyvale School District. COPs were issued for \$1,935,000 in 1997 for additional modular classroom space to be used as a child care facility. The debt service was financed by lease payments from the School District. This debt was originally scheduled to be paid off in FY 2013/14.

In June 2010, the Sunnyvale School District exercised its prepayment option and forwarded all funds necessary to redeem all outstanding COPs. All remaining principal and applicable interest were paid off by August 2, 2010.

CITY OF SUNNYVALE
Computation of Legal Debt Margin
June 30, 2011
Unaudited
(dollars in thousands)

Assessed Value	\$ 25,620,038
Add back: exempt real property	303,969
Total assessed value	<u>\$ 25,924,007</u>
Debt Limit -- 15% of Total Assessed Value	3,888,601
Amount of Debt Applicable to Limit:	
Total bonded debt	110,045
Less:	
Water and Wastewater Revenue Bonds	(60,555)
Solid Waste Revenue Bonds	<u>(18,000)</u>
Total Amount Applicable to Debt Limit	<u>31,490</u>
Legal Debt Margin	<u><u>\$ 3,857,111</u></u>

Note: Section 1308 of the City Charter of the City of Sunnyvale, California, states:

"The bonded indebtedness of the City may not in the aggregate exceed the the sum of fifteen (15%) percent of the total assessed valuation of property within the City, exclusive of any indebtedness that has been or may hereafter be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject to provisions of the State Constitution and of this Charter."

Source: City of Sunnyvale

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**CITY OF SUNNYVALE
DEBT SERVICE
JULY 1, 2010 TO JUNE 30, 2021**

	ACTUAL	CURRENT	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
BOND ISSUE	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021		
REVENUE BONDS:														
Water and Wastewater Revenue 2001-A														
Principal	1,495,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	1,118,915	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Water and Wastewater Revenue Bond	2,613,915	0	0	0	0	0	0	0	0	0	0	0	0	0
Water Revenue Bonds 2010														
Principal	0	755,000	710,000	745,000	780,000	810,000	845,000	890,000	925,000	455,000	470,000	495,000	7,880,000	
Interest	0	902,964	1,164,900	1,136,500	1,099,250	1,069,800	1,033,300	991,050	951,550	914,550	896,350	872,850	11,033,064	
Subtotal - Water Revenue Bond	0	1,657,964	1,874,900	1,881,500	1,879,250	1,879,800	1,878,300	1,881,050	1,876,550	1,369,550	1,366,350	1,367,850	18,913,064	
Wastewater Revenue Bonds 2010														
Principal	0	1,600,000	1,190,000	1,210,000	1,255,000	1,305,000	1,375,000	1,440,000	1,515,000	1,010,000	1,060,000	1,115,000	14,075,000	
Interest	0	1,257,957	1,659,503	1,652,125	1,603,725	1,553,525	1,488,275	1,419,525	1,347,525	1,271,775	1,221,275	1,168,275	15,643,485	
Subtotal - Wastewater Revenue Bond	0	2,857,957	2,849,503	2,862,125	2,858,725	2,858,525	2,863,275	2,859,525	2,862,525	2,281,775	2,281,275	2,283,275	29,718,485	
Solid Waste Revenue Refunding 2003														
Principal	1,255,000	1,310,000	1,370,000	1,440,000	1,520,000	1,605,000	1,695,000	1,790,000	1,890,000	0	0	0	12,620,000	
Interest	690,063	635,350	572,850	505,300	425,700	339,763	249,013	153,175	51,975	0	0	0	2,933,125	
Subtotal - Solid Waste Revenue	1,945,063	1,945,350	1,942,850	1,945,300	1,945,700	1,944,763	1,944,013	1,943,175	1,941,975	0	0	0	15,553,125	
Solid Waste Revenue Refunding 2007														
Principal	460,000	480,000	495,000	520,000	540,000	560,000	585,000	610,000	635,000	660,000	685,000	715,000	6,485,000	
Interest	299,870	280,977	261,381	240,981	219,677	197,568	174,555	150,538	125,515	99,488	72,455	44,317	1,867,452	
Subtotal - Solid Waste Revenue	759,870	760,977	756,381	760,981	759,677	757,568	759,555	760,538	760,515	759,488	757,455	759,317	8,352,452	
TOTAL REVENUE BONDS	5,318,848	7,222,248	7,423,634	7,449,906	7,443,352	7,440,656	7,445,143	7,444,288	7,441,565	4,410,813	4,405,080	4,410,442	72,537,126	
REDEVELOPMENT AGENCY REVENUE BONDS:														
Central Core Project Refunding TABs 2003														
Principal	360,000	370,000	385,000	395,000	405,000	425,000	435,000	460,000	475,000	495,000	515,000	535,000	4,895,000	
Interest	246,536	236,486	224,776	211,704	197,451	181,876	164,942	147,042	128,045	107,729	86,138	63,296	1,749,485	
Agent Fee	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	2,950	32,450	
Subtotal - Central Core Project Refunding	609,486	609,436	612,726	609,654	605,401	609,826	602,892	609,992	605,995	605,679	604,088	601,246	6,676,935	
Parking Lease Refunding 1998														
Principal	620,000	645,000	675,000	710,000	745,000	780,000	820,000	860,000	905,000	950,000	1,035,000	1,095,000	9,220,000	
Interest	590,892	561,475	530,118	496,523	460,689	422,750	382,750	340,750	296,625	250,250	200,625	147,375	4,089,930	
Agent Fee	6,960	6,960	6,960	6,960	6,960	6,960	6,960	6,960	6,960	6,960	6,960	6,960	76,560	
Subtotal - Parking Lease Refunding 1998	1,217,852	1,213,435	1,212,078	1,213,483	1,212,649	1,209,710	1,209,710	1,207,710	1,208,585	1,207,210	1,242,585	1,249,335	13,386,490	
TOTAL REDEVELOPMENT AGENCY REVENUE BONDS	1,827,338	1,822,871	1,824,804	1,823,137	1,818,050	1,819,536	1,812,602	1,817,702	1,814,580	1,812,889	1,846,673	1,850,581	20,063,425	
GOVERNMENT CENTER SITE BOND:														
Government Center Site 2009-A														
Principal	510,000	470,000	490,000	510,000	535,000	555,000	575,000	605,000	630,000	655,000	680,000	710,000	6,415,000	
Interest	41,146	423,734	409,634	394,934	379,634	363,584	346,934	329,684	311,534	292,634	272,984	252,584	3,777,873	
Agent Fee and Letter of Credit	40,034	168,905	163,735	158,345	152,735	146,850	140,745	134,420	127,765	120,835	113,630	106,150	1,534,115	
TOTAL GOVERNMENT CENTER SITE BOND	591,180	1,062,639	1,063,369	1,063,279	1,067,369	1,065,434	1,062,679	1,069,104	1,069,299	1,068,469	1,066,614	1,068,734	11,726,988	
GENERAL FUND BOND:														
Modular Classroom 1997 (ABAG 39)														
Principal	655,000	0	0	0	0	0	0	0	0	0	0	0	0	
Interest	16,885	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL GENERAL FUND BOND	671,885	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL	8,409,251	10,107,758	10,311,807	10,336,322	10,328,771	10,325,625	10,320,423	10,331,094	10,325,444	7,292,171	7,318,367	7,329,757	104,327,540	

**CITY OF SUNNYVALE
DEBT SERVICE
JULY 1, 2021 TO JUNE 30, 2031**

BOND ISSUE	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031	FY 2010/2011 TO FY 2030/2031
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	TOTAL	TOTAL
REVENUE BONDS:												
Water and Wastewater Revenue 2001-A												
Principal	0	0	0	0	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Water and Wastewater Revenue Bond	0	0	0	0	0	0	0	0	0	0	0	0
Water Revenue Bonds 2010												
Principal	520,000	545,000	575,000	605,000	635,000	670,000	705,000	740,000	780,000	820,000	6,595,000	14,475,000
Interest	848,100	822,100	794,850	764,663	732,900	699,563	664,388	627,375	588,525	547,575	7,090,038	18,123,102
Subtotal - Water Revenue Bond	1,368,100	1,367,100	1,369,850	1,369,663	1,367,900	1,369,563	1,369,388	1,367,375	1,368,525	1,367,575	13,685,038	32,598,102
Wastewater Revenue Bonds 2010												
Principal	1,165,000	1,230,000	1,290,000	1,355,000	1,430,000	1,510,000	740,000	780,000	820,000	865,000	11,185,000	25,260,000
Interest	1,112,525	1,054,275	992,775	925,050	853,913	778,838	699,563	660,713	619,763	576,713	8,274,126	23,917,610
Subtotal - Wastewater Revenue Bond	2,277,525	2,284,275	2,282,775	2,280,050	2,283,913	2,288,838	1,439,563	1,440,713	1,439,763	1,441,713	19,459,126	49,177,610
Solid Waste Revenue Refunding 2003												
Principal	0	0	0	0	0	0	0	0	0	0	0	12,620,000
Interest	0	0	0	0	0	0	0	0	0	0	0	2,933,125
Subtotal - Solid Waste Revenue	0	0	0	0	0	0	0	0	0	0	0	15,553,125
Solid Waste Revenue Refunding 2007												
Principal	745,000	0	0	0	0	0	0	0	0	0	745,000	7,230,000
Interest	14,973	0	0	0	0	0	0	0	0	0	14,973	1,882,425
Subtotal - Solid Waste Revenue	759,973	0	0	0	0	0	0	0	0	0	759,973	9,112,425
TOTAL REVENUE BONDS	4,405,598	3,651,375	3,652,625	3,649,713	3,651,813	3,658,400	2,808,950	2,808,088	2,808,288	2,809,288	33,904,136	106,441,262
REDEVELOPMENT AGENCY REVENUE BONDS:												
Central Core Project Refunding TABs 2003												
Principal	560,000	585,000	0	0	0	0	0	0	0	0	1,145,000	6,040,000
Interest	38,926	13,163	0	0	0	0	0	0	0	0	52,089	1,801,574
Agent Fee	2,950	2,950	0	0	0	0	0	0	0	0	5,900	38,350
Subtotal - Central Core Project Refunding	601,876	601,113	0	0	0	0	0	0	0	0	1,202,989	7,879,924
Parking Lease Refunding 1998												
Principal	1,150,000	1,250,000	0	0	0	0	0	0	0	0	2,400,000	11,620,000
Interest	91,250	31,250	0	0	0	0	0	0	0	0	122,500	4,212,430
Agent Fee	6,960	6,960	0	0	0	0	0	0	0	0	13,920	90,480
Subtotal - Parking Lease Refunding 1998	1,248,210	1,288,210	0	0	0	0	0	0	0	0	2,536,420	15,922,910
TOTAL REDEVELOPMENT AGENCY REVENUE BONDS	1,850,086	1,889,323	0	0	0	0	0	0	0	0	3,739,409	23,802,834
GOVERNMENT CENTER SITE BOND:												
Government Center Site 2009-A												
Principal	740,000	770,000	800,000	835,000	870,000	905,000	945,000	985,000	1,025,000	1,065,000	8,940,000	15,355,000
Interest	231,284	209,084	185,984	161,984	136,934	110,834	83,684	55,334	25,784	0	1,200,905	4,978,778
Agent Fee and Letter of Credit	98,340	90,200	81,730	72,930	63,745	54,175	44,220	41,499	29,322	16,655	592,816	2,126,931
TOTAL GOVERNMENT CENTER SITE BOND	1,069,624	1,069,284	1,067,714	1,069,914	1,070,679	1,070,009	1,072,904	1,081,833	1,080,106	1,081,655	10,733,721	22,460,709
GENERAL FUND BOND:												
Modular Classroom 1997 (ABAG 39)												
Principal	0	0	0	0	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GENERAL FUND BOND	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	7,325,308	6,609,982	4,720,339	4,719,626	4,722,491	4,728,409	3,881,854	3,889,920	3,888,393	3,890,943	48,377,266	152,704,806

**City Budget and
Appropriations Limit
Resolutions**

CITY BUDGET RESOLUTION AND APPROPRIATIONS LIMIT RESOLUTION

The City Council annually adopts by resolution the budget for the upcoming fiscal year. The report to the Mayor and Council presents a summary of major expenditure and revenue categories. This report also details any changes to the recommended budget.

In conjunction with the adoption of the budget, the City is required to establish an appropriation limit and spending limitation in accordance with Article XIII-B of the California Constitution. The City Council annually adopts by resolution the appropriation limit and spending limitation.

THIS PAGE NOT USED

RESOLUTION NO. 487-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE ADOPTING THE BUDGET OF THE CITY OF SUNNYVALE FOR THE FISCAL YEAR JULY 1, 2011 TO JUNE 30, 2012

WHEREAS, the proposed budget of the City of Sunnyvale for the fiscal year 2011-2012 was prepared and submitted to the City Council by the City Manager on May 5, 2011, which date was at least thirty-five (35) days prior to the beginning of the 2011-2012 fiscal year as required by Section 1302 of the Charter; and

WHEREAS, the City Council reviewed the proposed budget, and thereafter caused a public hearing to be held concerning the proposed budget on June 14, 2011; and

WHEREAS, upon conclusion of the public hearing the City Council further considered the proposed budget as provided for in Section 1304 of the Charter;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. The budget of the City of Sunnyvale for the fiscal year beginning on July 1, 2011 and ending on June 30, 2012, as submitted to the City Council by the City Manager on May 5, 2011, and as amended by the City Council on June 28, 2011, is hereby approved and adopted as the budget of the City of Sunnyvale for the 2011-2012 fiscal year.

2. Expenditures of the City of Sunnyvale for the 2011-2012 fiscal year, appropriations to reserves and inter-fund transfers/loans shall be governed and controlled according to the amounts specified in this resolution for each of the classifications of the General Fund and Special Revenue Funds, and for the total thereof, it being intended that the expenditure of the total amount budgeted and appropriated by this resolution for each fund, reserve or department shall be limited only by the amount specified herein and in the budget for each of such classifications.

a. For reappropriations between programs where the annual program budget is equal to or greater than \$500,000, Council approval is required for reappropriations between programs that exceed \$100,000 or 5% of the annual program budget, whichever is greater, up to a maximum of \$250,000.

b. For reappropriations between programs where the annual program budget is less than \$500,000, the maximum reappropriation threshold is limited to \$50,000 or 50% of the annual program budget, whichever is less.

3. The specified sums of money set forth opposite the names of the funds, reserves, departments and programs set forth in Exhibits A, B, C, and D, attached and incorporated by reference, are hereby appropriated to the funds, reserves, departments and programs based upon the adopted budget.

4. If the expenditures for the Proprietary Funds and Internal Services Funds for the fiscal year exceed actual revenues plus the planned appropriation from the Rate Stabilization Reserve Account or the Resource Allocation Plan Reserve Account, as the case may be, on an annualized basis, Council approval shall be required.

5. The goals for the seven planning elements and the budget estimates for the twenty-year period shown in the 2011-2012 to 2030-2031 Resource Allocation Plan are approved for financial planning purposes.

6. If the appropriations for the General Fund and Special Revenue Funds for the 2011-2012 fiscal year exceed the expenditures from the funds for the fiscal year, the excess shall be allocated to the Budget Stabilization Fund Account for the General Fund and to the Resource Allocation Plan Reserve Account for the Special Revenue Funds. If the expenditures from the General Fund and Special Revenue Funds for the 2011-2012 fiscal year exceed the appropriations for the funds for the fiscal year then the difference shall be deducted from the Budget Stabilization Fund Account for the General Fund and from the Resource Allocation Plan Reserve Account for the Special Revenue Funds. If the appropriations for the Proprietary Funds and Internal Services Funds for the fiscal year exceed the expenditures from the funds for the fiscal year, or if the expenditures from the funds for the fiscal year exceed the appropriations for the funds, the excess shall be allocated to or deducted from the Resource Allocation Plan Reserve Account or the Rate Stabilization Reserve Account, as the case may be.

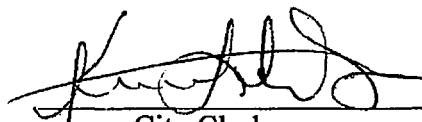
7. A copy of the budget hereby adopted, certified by the City Clerk, shall be filed with the City Manager or designated representative, and a further copy so certified shall be placed and shall remain on file in the Office of the City Clerk where it shall be available for inspection. Copies of the certified budget shall be made available for the use of departments, offices and agencies of the City.

Adopted by the City Council at a regular meeting held on June 28, 2011, by the following vote:


AYES: LEE, SPITALERI, GRIFFITH, HAMILTON, MOYLAN, WHITTUM
NOES: NONE
ABSTAIN: NONE
ABSENT: SWEGLES

ATTEST:

APPROVED:

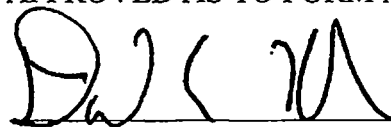


City Clerk
(SEAL)



Mayor

APPROVED AS TO FORM AND LEGALITY:



David Kahn, City Attorney

**CITY OF SUNNYVALE
APPROPRIATIONS
GENERAL FUND, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS
FY 2011/2012 BUDGET**

Program/Project Description	FUND/SUB-FUND									
	035. General	070. Housing	71 HOME	110. Community Development Block Grant	141. Park Dedication	175. Public Safety Forfeiture	190. Police Services Aug.	210. Employment Development	245. Parking District	280. Gas Tax
DEBT SERVICE										
Utility Revenue Bond - Water	0	0	0	0	0	0	0	0	0	0
Utility Revenue Bond - Sewer	0	0	0	0	0	0	0	0	0	0
Utility Revenue Bond - SMaRT*	0	0	0	0	0	0	0	0	0	0
Debt Service New MRF	0	0	0	0	0	0	0	0	0	0
Sunnyvale Office Center	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	0	0
* Sunnyvale's share of SMaRT Station Debt Service appears in both the Solid Waste Management Fund and the SMaRT Station Operations Fund due to the interrelated nature of these funds.										
OPERATING PROGRAMS										
City Attorney										
750 Comprehensive Legal Services	1,630,515	0	0	0	0	0	0	0	0	0
Total City Attorney	1,630,515	0	0	0	0	0	0	0	0	0
City Manager										
723 Office of the City Manager	4,326,483	0	0	0	0	0	0	0	0	0
Total City Manager	4,326,483	0	0	0	0	0	0	0	0	0
Human Resources										
754 Human Resources	3,419,907	0	0	0	0	0	0	0	0	0
Total Human Resources	3,419,907	0	0	0	0	0	0	0	0	0
Community Development										
233 Building Safety	2,629,308	0	0	0	0	0	0	0	0	0
234 Planning	2,272,896	0	0	0	0	0	0	0	0	0
235 Housing and CDBG Program	0	629,725	86,560	499,782	0	0	0	0	0	0

CITY OF SUNNYVALE
APPROPRIATIONS
GENERAL FUND, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND									
	035.	070.	71	110.	141.	175.	190.	210.	245.	280.
	General	Housing	HOME	Community Development Block Grant	Park Dedication	Public Safety Forfeiture	Police Services Aug.	Employment Development	Parking District	Gas Tax
474 Personnel and Training	1,712,600	0	0	0	0	0	0	0	0	0
475 Investigation Services	4,869,438	0	0	0	0	0	0	0	0	0
476 Communication Services	2,963,021	0	0	0	0	0	0	0	0	0
477 Public Safety Administrative Services	6,582,998	0	0	0	0	0	0	0	0	0
478 Records Management and Property Services	1,917,242	0	0	0	0	0	0	0	0	0
Total Public Safety	73,164,276	0	0	0	0	2,120	11,000	0	0	0
Public Works										
119 Transportation and Traffic Services	2,106,581	0	0	0	0	0	0	0	0	0
120 Pavement, Traffic Signs and Markings, Street Sweeping, and Roadside Easements	4,845,721 (2,050,000)	0	0	0	0	0	0	0	0	2,050,000
121 Street Lights	968,231	0	0	0	0	0	0	0	0	0
219 Street Tree Services	1,232,902	0	0	0	0	0	0	0	0	0
222 Concrete Maintenance	886,077	0	0	0	0	0	0	0	0	0
256 Downtown Parking Lot Maintenance	0	0	0	0	0	0	0	0	66,579	0
267 Neighborhood Parks and Open Space Management	8,104,925	0	0	0	0	0	0	0	79,370	0
308 Public Works Administration	748,974	0	0	0	0	0	0	0	0	0
309 General Engineering and Capital Project Management	133,734	0	0	0	0	0	0	0	0	0
310 Land Development - Engineering Services	1,051,603	0	0	0	0	0	0	0	4,027	0

CITY OF SUNNYVALE
APPROPRIATIONS
GENERAL FUND, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND									All Funds FY 2011/2012 Total
	295. Youth and Neighbor. Services	385. Capital Projects	460. Water Supply and Distribution	465. Wastewater Management	485. Solid Waste Management	490. SMaRT Station Operations	490/200. SMaRT Station Replacement	525. Community Recreation	610. Infrastructure Renov. and Replacement	
PROJECTS										
800852 YWCA Silicon Valley	0	0	0	0	0	0	0	0	0	17,195
801351 Sunnyvale Contribution to SMaRT Station Equipment Rep. Fund	0	0	0	0	110,560	0	0	0	0	110,560
802150 Utility Undergrounding Cost Sharing	0	0	0	0	0	0	0	0	0	10,000
803501 CDBG Housing Rehabilitation Revolving Loan Fund	0	0	0	0	0	0	0	0	0	150,000
803601 Sunnyvale Community Services	0	0	0	0	0	0	0	0	0	75,000
805253 Sewer Pipes, Manholes, and Laterals Emergency Replacement	0	0	0	20,000	0	0	0	0	0	20,000
806351 Water Meters and Flow Devices for New Developments	0	0	80,000	0	0	0	0	0	0	80,000
808352 Morse Avenue Neighborhood Park Development	0	4,169,000	0	0	0	0	0	0	0	4,169,000
811250 SMaRT Station Equipment Replacement	0	0	0	0	0	0	427,407	0	0	427,407
812701 Home Access, Paint and Emergency Repair Program	0	0	0	0	0	0	0	0	0	100,000
815203 Replacement of Water/Sewer Supervisory Control System	0	0	1,080,570	0	0	0	0	0	0	1,080,570
816050 Minor Repair of City Bridges and Culverts	0	0	0	0	0	0	0	0	0	10,000
818550 Park Buildings - Rehabilitation	0	0	0	0	0	0	0	0	554,185	554,185
818700 Corporation Yard Buildings - Rehabilitation	0	0	0	0	0	0	0	0	63,711	63,711
819840 Police Services Equipment Acquisition	0	0	0	0	0	0	0	0	0	89,000
820130 Routine Resurfacing of City Owned Parking Lots	0	0	0	0	0	0	0	0	316,500	316,500
820180 Traffic Signal Controller Replacement	0	0	0	0	0	0	0	0	109,555	109,555
820190 Traffic Signal Hardware & Wiring	0	0	0	0	0	0	0	0	350,000	350,000
820200 Traffic Signal LED Array Replacements	0	0	0	0	0	0	0	0	45,000	45,000

CITY OF SUNNYVALE
APPROPRIATIONS
GENERAL FUND, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND									All Funds FY 2011/2012 Total
	295. Youth and Neighbor. Services	385. Capital Projects	460. Water Supply and Distribution	465. Wastewater Management	485. Solid Waste Management	490. SMaRT Station Operations	490/200. SMaRT Station Replacement	525. Community Recreation	610. Infrastructure Renov. and Replacement	
820270 Playground Equipment Replacement	0	0	0	0	0	0	0	0	333,000	333,000
820280 Park Furniture and Fixtures Replacement	0	0	0	0	0	0	0	0	60,000	60,000
820570 Minor Building Modifications	0	0	0	0	0	0	0	0	0	10,000
820631 ADA Curb Retrofit	0	0	0	0	0	0	0	0	0	425,467
821001 City Owned Properties - Adjacent to Parks	0	0	0	0	0	0	0	0	0	15,000
821010 City Owned Properties - Downtown	0	0	0	0	0	0	0	0	0	12,000
821330 Park Buildings - Roof Repair and Replacement	0	0	0	0	0	0	0	0	131,835	131,835
822752 Storm Pump Station Number 1 Rehabilitation	0	0	0	50,000	0	0	0	0	0	50,000
822762 Storm Pump Station Number 2 Rehabilitation	0	0	0	500,000	0	0	0	0	0	500,000
822911 Columbia Neighborhood Center Facility Expansion	0	0	0	0	0	0	0	0	0	396,520
823750 BMR Compliance Enforcement	0	0	0	0	0	0	0	0	0	5,000
824301 Rehabilitation of Digesters and Replacement of Digester Lids	0	0	0	3,092,000	0	0	0	0	0	3,092,000
824341 Wastewater Cost of Service Study	0	0	0	48,000	0	0	0	0	0	48,000
824351 The Health Trust - Meals on Wheels	0	0	0	0	0	0	0	0	0	6,550
824700 Downtown Parking Maintenance Assessment	0	0	0	0	0	0	0	0	0	5,530
824771 Primary Sedimentation Basin Renovation Design	0	0	0	2,666,000	0	0	0	0	0	2,666,000

CITY OF SUNNYVALE
APPROPRIATIONS
GENERAL FUND, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND									
	035.	070.	71	110.	141.	175.	190.	210.	245.	280.
	General	Housing	HOME	Community Development Block Grant	Park Dedication	Public Safety Forfeiture	Police Services Aug.	Employment Development	Parking District	Gas Tax
825700 General Plan Updates	10,000	0	0	0	0	0	0	0	0	0
825730 Pedestrian Lighted Crosswalk Maintenance and Replacement	0	0	0	0	0	0	0	0	0	0
825740 Battery Backup System for Traffic Signals Maintenance	0	0	0	0	0	0	0	0	0	0
825751 Sewer Lift Stations Rebuild	0	0	0	0	0	0	0	0	0	0
825850 Swim Pools Infrastructure	0	0	0	0	0	0	0	0	0	0
825911 Landfill Gas Flare and Blowers Replacement	0	0	0	0	0	0	0	0	0	0
825920 Bill Wilson Center	0	0	0	21,289	0	0	0	0	0	0
825930 City Owned Properties - Downtown/388 Charles Street	0	5,725	0	0	0	0	0	0	0	0
825961 SCVURPPP Contracting and Fiscal Agent	0	0	0	0	0	0	0	0	0	0
825970 Downtown Underground Parking Insurance	5,000	0	0	0	0	0	0	0	0	0
827020 Emergency BypassPumping	0	0	0	0	0	0	0	0	0	0
827050 Sanitary Sewer Collection System Master Plan	0	0	0	0	0	0	0	0	0	0
827160 Tennis Center Court Rebuilding	0	0	0	0	0	0	0	0	0	0
827180 Automation of Water Meter Reading	0	0	0	0	0	0	0	0	0	0
827200 Outreach and Transportation Assistance for Seniors	0	0	0	0	0	0	0	0	0	0
827212 ECH Life Builders - Winter Shelter	0	0	0	28,659	0	0	0	0	0	0
827221 Family & Children's Services- Columbia Center	0	0	0	20,470	0	0	0	0	0	0
827222 Family & Children's Services- Columbia Center	924	0	0	18,728	0	0	0	0	0	0
827570 Downtown Parking District Major Maintenance	0	0	0	0	0	0	0	0	169,260	0

CITY OF SUNNYVALE
APPROPRIATIONS
GENERAL FUND, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND									
	035.	070.	71	110.	141.	175.	190.	210.	245.	280.
	General	Housing	HOME	Community Development Block Grant	Park Dedication	Public Safety Forfeiture	Police Services Aug.	Employment Development	Parking District	Gas Tax
Budget Supplements										
Supplement #4: Leadership Sunnyvale	6,000	0	0	0	0	0	0	0	0	0
Supplement #5: Community Event Grant Funding	10,000	0	0	0	0	0	0	0	0	0
Supplement #6: Neighborhood Grant Program	6,125	0	0	0	0	0	0	0	0	0
TOTAL PROJECTS	186,065	500,725	612,342	1,319,704	15,000	137,529	0	0	174,790	10,000
Project Administration	158,736	0	0	0	490,498	0	0	0	0	121,832
Payment to Town Center Developer	0	0	0	0	0	0	0	0	0	0
Equipment	278,379	0	0	0	0	0	0	0	0	0
Lease Payments	3,209,761	0	0	0	0	0	0	0	0	0
Infrastructure Investment	2,550,000	0	0	0	0	0	0	0	0	0
GRAND TOTAL	128,503,055	1,130,451	698,902	1,819,485	505,498	139,649	11,000	9,658,806	324,766	2,181,832

CITY OF SUNNYVALE
APPROPRIATIONS
GENERAL FUND, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND									All Funds FY 2011/2012 Total
	295. Youth and Neighbor. Services	385. Capital Projects	460. Water Supply and Distribution	465. Wastewater Management	485. Solid Waste Management	490. SMaRT Station Operations	490/200. SMaRT Station Replacement	525. Community Recreation	610. Infrastructure Renov. and Replacement	
Budget Supplements										
Supplement #4: Leadership Sunnyvale	0	0	0	0	0	0	0	0	0	6,000
Supplement #5: Community Event Grant Funding	0	0	0	0	0	0	0	0	0	10,000
Supplement #6: Neighborhood Grant Program	0	0	0	0	0	0	0	0	0	6,125
TOTAL PROJECTS	0	5,381,985	4,074,952	9,701,000	623,588	0	427,407	0	5,789,766	28,954,853
Project Administration	0	14,087	358,468	523,352	46,070	0	0	0	173,403	1,886,446
Payment to Town Center Developer	0	0	0	0	0	0	0	0	0	0
Equipment	0	0	0	151,393	0	0	0	32,099	0	461,871
Lease Payments	0	0	0	337,364	621,684	0	0	0	0	4,168,809
Future Projects	0	0	0	0	0	0	0	0	0	2,550,000
GRAND TOTAL	769,401	5,396,072	32,270,624	28,027,271	32,686,665	26,254,998	1,183,788	12,048,760	5,963,169	289,574,193

CITY OF SUNNYVALE
APPROPRIATIONS
INTERNAL SERVICE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND							All Funds FY 2011/2012 Total
	595/100. Fleet Services	595/200. Facilities Mgmt	595/210. Sunnyvale Office Center	595/350 Technology Services	595/800. Project Management Services	640. Employee Benefits	645. Property Liability & Insur. Fund	
DEBT SERVICE								
Sunnyvale Office Center	0	0	838,167	0	0	0	0	838,167
TOTAL DEBT SERVICE	0	0	838,167	0	0	0	0	838,167
EQUIPMENT								
Carpets and Blinds	0	53,108	0	0	0	0	0	53,108
Equipment	2,189,116	75,600	0	5,288,203	0	0	0	7,552,919
TOTAL EQUIPMENT	2,189,116	128,708	0	5,288,203	0	0	0	7,606,027
OPERATING PROGRAMS								
City Attorney								
750 Comprehensive Legal Services	0	0	0	0	0	0	52,530	52,530
Total City Attorney	0	0	0	0	0	0	52,530	52,530
Human Resources								
754 Human Resources	0	0	0	0	0	0	126,272	126,272
781 Employee Leave Benefits - Leave Earned / Usage Information	0	0	0	0	0	13,274,099	0	13,274,099
784 Retirement, Insurances, and Taxes - Usage Information	0	0	0	0	0	51,732,250	0	51,732,250
785 Workers' Compensation Excess Insurance, Cost of Claims, and Leave Hours Taken - Usage Information	0	0	0	0	0	3,393,243	0	3,393,243
787 City Liability and Property Insurance and Claim Costs - Usage Information	0	0	0	0	0	0	968,767	968,767
Total Human Resources	0	0	0	0	0	68,399,592	1,095,039	69,494,631
Information Technology								
746 Software Application Services and Support	0	0	0	2,357,771	0	0	0	2,357,771
747 IT Infrastructure Services and Support	0	0	0	2,278,882	0	0	0	2,278,882
749 ITD Administration	0	0	0	1,524,815	0	0	0	1,524,815
Total Information Technology	0	0	0	6,161,468	0	0	0	6,161,468

CITY OF SUNNYVALE
APPROPRIATIONS
INTERNAL SERVICE FUNDS
FY 2011/2012 BUDGET

Program/Project Description	FUND/SUB-FUND							All Funds FY 2011/2012 Total
	595/100. Fleet Services	595/200. Facilities Mgmt	595/210. Sunnyvale Office Center	595/350 Technology Services	595/800. Project Management Services	640. Employee Benefits	645. Property Liability & Insur. Fund	
Office of the City Manager								
748 Print, Copy, Bindery and Mail Services and Support	0	0	0	627,053	0	0	0	627,053
Total Office of the City Manager	0	0	0	627,053	0	0	0	627,053
Community Services								
709 Facility Services	0	3,691,902	221,405	0	0	0	0	3,913,307
Total Community Services	0	3,691,902	221,405	0	0	0	0	3,913,307
Public Works								
309 Capital Projects Administration	0	0	0	0	2,020,078	0	0	2,020,078
763 Provision of Vehicles and Motorized Equipment	2,853,509	0	0	0	0	0	0	2,853,509
Total Public Works	2,853,509	0	0	0	2,020,078	0	0	4,873,587
Finance								
706 Accounting and Financial Services	0	0	0	0	75,973	0	0	75,973
Total Finance	0	0	0	0	75,973	0	0	75,973
TOTAL OPERATING PROGRAMS	2,853,509	3,691,902	221,405	6,788,521	2,096,051	68,399,592	1,147,569	85,198,549
PROJECTS								
824780 SOC Rehabilitation	0	0	20,000	0	0	0	0	20,000
824780 Upgrading of Fuel Stations	40,000	0	0	0	0	0	0	40,000
825400 Update of Standard Specification	0	0	0	0	0	0	0	0
TOTAL PROJECTS	40,000	0	20,000	0	0	0	0	60,000
GRAND TOTAL	5,082,625	3,820,610	1,079,572	12,076,724	2,096,051	68,399,592	1,147,569	93,702,743

CITY OF SUNNYVALE
TRANSFERS TO/FROM
ALL FUNDS *
FY 2011/2012 BUDGET

		TRANSFERS TO FUND/SUB-FUND										
		035.	071.	295.	385.	485	525.	595.	595/210.	610.	645.	All Funds
TRANSFERS FROM FUND/SUB-FUND		General	HOME Grant	Youth and Neighborhood Services	Capital Projects	Solid Waste Management	Community Recreation	General Services	Sunnyvale Office Center	Infrastructure Renovation and Replacement	Liability and Property Insurance	FY 2011/2012 Total
TRANSFERS												
035.	General	0	0	524,641	0	0	4,642,544	27,073	0	0	654,935	5,849,193
070.	Housing	51,939	0	0	0	0	0	0	0	0	0	51,939
071.	HOME Grant	4,556	0	0	0	0	0	0	0	0	0	4,556
110.	CDBG	30,369	53,000	0	0	0	0	0	0	0	0	83,369
141.	Park Dedication	0	0	0	4,169,000	0	0	0	0	3,981,282	0	8,150,282
175.	Asset Forfeiture	93,450	0	0	0	0	0	0	0	0	0	93,450
210.	Employment Development	373,702	0	0	0	0	0	0	0	0	0	373,702
245.	Parking District	12,533	0	0	0	0	0	0	0	0	0	12,533
280.	Gas Tax	0	0	0	64,780	0	0	0	0	1,172,465	0	1,237,245
285.	Transportation Development Account	0	0	0	67,205	0	0	0	0	0	0	67,205
385.	Capital Projects	11,916	0	0	0	0	0	0	0	0	0	11,916
460.	Water Supply and Distribution	3,077,226	0	0	0	0	0	0	0	4,460	113,147	3,194,833
465.	Wastewater Management	4,619,777	0	0	0	2,000,000	0	140,000	0	1,911	270,012	7,031,700
485.	Solid Waste Management	3,878,438	0	0	0	0	0	0	0	0	7,825	3,886,263
525.	Community Recreation	269,149	0	0	0	0	0	40,000	0	0	4,081	313,230
595.	General Services	1,450,086	0	16,431	0	0	61,536	0	98,137	361,348	0	1,987,538
610.	Infrastructure Renovation and Replacement	0	0	0	123,991	0	0	0	0	0	0	123,991
727.	Fremont Pool	0	0	0	0	0	9,151	0	0	0	0	9,151
730.	Dorolou Swirsky Youth Opportunity Fund	0	0	0	0	0	5,520	0	0	0	0	5,520
TOTAL TRANSFERS		13,873,141	53,000	541,072	4,424,976	2,000,000	4,718,751	207,073	98,137	5,521,466	1,050,000	32,487,616

* FUNDS WITH NO TRANSFERS ARE NOT SHOWN.

This Schedule Includes In-Lieu Transfers but not Project Administration and Debt Service Transfers; Project Administration Charges and Debt Service are reflected in Exhibit A

CITY OF SUNNYVALE
APPROPRIATIONS TO/DEDUCTION FROM RESERVES
ALL FUNDS *
FY 2011/2012 BUDGET AS COMPARED TO FY 2010/2011 BUDGET

Reserve	FUND/SUB-FUND									
	035.	070.	071.	110.	141.	175.	210.	245.	280.	385.
	General	Housing	HOME Grant	Community Development Block Grant	Park Dedication	Asset Forfeiture	Employment Development	Parking District	Gas Tax	Capital Projects
20 Year RAP	0	0	0	(634,716)	(5,881,715)	0	(6,747,108)	(179,877)	288,021	0
Budget Stabilization Fund	(4,662,062)	0	0	0	0	0	0	0	0	0
BMR In-Lieu	0	(182,702)	0	0	0	0	0	0	0	0
Capital Replacement	0	0	0	0	0	0	0	0	0	0
Capital Reserve	0	0	0	0	0	0	0	0	0	1,241,870
Contingency	1,514,741	0	0	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0	0	0	0
Enhanced Retirement	0	0	0	0	0	0	0	0	0	0
Equipment Replacement	0	0	0	0	0	0	0	0	0	0
Equipment Replacement — KSUN (Restricted)	0	0	0	0	0	0	0	0	0	0
Federal Department of Justice	0	0	0	0	0	(12,333)	0	0	0	0
Federal Department of Treasury	0	0	0	0	0	(188,750)	0	0	0	0
Future Land Use & Transportation Projects	0	0	0	0	0	0	0	0	0	13,334
HOME Grant	0	0	19,941	0	0	0	0	0	0	0
Housing Mitigation	0	2,475,496	0	0	0	0	0	0	0	0
Infrastructure Reserve	0	0	0	0	0	0	0	0	0	0
Insurance Rate Uncertainty	0	0	0	0	0	0	0	0	0	0
Liability and Property Insurance	0	0	0	0	0	0	0	0	0	0
OPEB Trust	0	0	0	0	0	0	0	0	0	0
PERS Rate Uncertainty	0	0	0	0	0	0	0	0	0	0
Rate Stabilization	0	0	0	0	0	0	0	0	0	0
State Department of Justice	0	0	0	0	0	(23,521)	0	0	0	0
Tech Surcharge Reserve (Restricted)	0	0	0	0	0	0	0	0	0	0
Workers' Compensation	0	0	0	0	0	0	0	0	0	0
Total	(3,147,321)	2,292,794	19,941	(634,716)	(5,881,715)	(224,604)	(6,747,108)	(179,877)	288,021	1,255,204

(*) FUNDS/RESERVES WITH NO CHANGES ARE NOT SHOWN.

CITY OF SUNNYVALE
APPROPRIATIONS TO/DEDUCTION FROM RESERVES
ALL FUNDS *
FY 2011/2012 BUDGET AS COMPARED TO FY 2010/2011 BUDGET

Reserve	FUND/SUB-FUND										Total
	460	465	485	490/200.	525/100.	525/200.	595.	610.	640.	645.	
	Water Supply and Distribution	Wastewater Management	Solid Waste Management	SMaRT Station Replacement	Golf and Tennis Operations Fund	Recreation Operations Fund	General Services	Infrastructure Renovation and Replacement	Employee Benefits	Liability and Property Insurance	
20 Year RAP	0	0	860,790	0	(3,705,023)	3,813,363	(8,495)	0	0	0	(12,194,760)
Budget Stabilization Fund	0	0	0	0	0	0	0	0	0	0	(4,662,062)
BMR In-Lieu	0	0	0	0	0	0	0	0	0	0	(182,702)
Capital Replacement	0	0	0	(203,430)	0	0	(911,751)	0	0	0	(1,115,181)
Capital Reserve	87,893	2,524,350	0	0	0	0	0	0	0	0	3,854,113
Contingency	1,071,850	208,349	1,725,188	0	0	0	0	0	0	0	4,520,128
Debt Service	(56,326)	26,518	0	0	0	0	0	0	0	0	(29,808)
Enhanced Retirement	0	0	0	0	0	0	0	0	(308,057)	0	(308,057)
Equipment Replacement	0	0	0	0	0	0	(5,082,232)	0	0	0	(5,082,232)
Equipment Replacement — KSUN (Restricted)	0	0	0	0	0	0	131,772	0	0	0	131,772
Federal Department of Justice	0	0	0	0	0	0	0	0	0	0	(12,333)
Federal Department of Treasury	0	0	0	0	0	0	0	0	0	0	(188,750)
Future Land Use & Transportation Projects	0	0	0	0	0	0	0	0	0	0	13,334
HOME Grant	0	0	0	0	0	0	0	0	0	0	19,941
Housing Mitigation	0	0	0	0	0	0	0	0	0	0	2,475,496
Infrastructure Reserve	0	0	0	0	0	0	0	(461,721)	0	0	(461,721)
Insurance Rate Uncertainty	0	0	0	0	0	0	0	0	(1,808,579)	0	(1,808,579)
Liability and Property Insurance	0	0	0	0	0	0	0	0	0	(88,171)	(88,171)
OPEB Trust	0	0	0	0	0	0	0	0	0	0	0
PERS Rate Uncertainty	0	0	0	0	0	0	0	0	(996,893)	0	(996,893)
Rate Stabilization	402	(4,491,908)	0	0	0	0	0	0	0	0	(4,491,506)
State Department of Justice	0	0	0	0	0	0	0	0	0	0	(23,521)
Tech Surcharge Reserve (Restricted)	0	0	0	0	0	0	36,960	0	0	0	36,960
Workers' Compensation	0	0	0	0	0	0	0	0	241,582	0	241,582
Total	1,103,819	(1,732,691)	2,585,978	(203,430)	(3,705,023)	3,813,363	(5,833,746)	(461,721)	(2,871,947)	(88,171)	(20,352,950)

(*) FUNDS/RESERVES WITH NO CHANGES ARE NOT SHOWN.

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RESOLUTION NO. 488-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2011-2012 PURSUANT TO ARTICLE XIII-B OF THE CALIFORNIA CONSTITUTION

WHEREAS, Article XIII-B of the California Constitution provides that the State and each local government shall be subject to an appropriations limit, to govern the maximum amount of each entity's appropriations subject to limitation, in any fiscal year, as the same are defined in Article XIII-B; and

WHEREAS, California Government Code Section 7910 provides for the annual establishment by local jurisdictions of their appropriations limit for each fiscal year, and further provides that upon establishment of such appropriations limit any judicial action or proceeding to attack, review, set aside, void, or annul such action by the City Council must be commenced within forty-five (45) days of the effective date of the resolution establishing the appropriations limit; and

WHEREAS, pursuant to Government Code Section 7910, in Report to Council (RTC) No. 11-129, dated June 14, 2011, the Director of Finance has computed the appropriations limit applicable to the City of Sunnyvale for the fiscal year 2011-2012 and transmitted the same to the City Council in RTC 11-146, dated June 28, 2011; and

WHEREAS, documentation used in determining the appropriations limit has been made available to the public for a period of not less than fifteen (15) days prior to City Council consideration of this resolution;

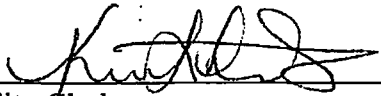
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. The appropriations limit established for the City of Sunnyvale pursuant to Article XIII-B of the Constitution for fiscal year 2011-2012 is \$163,792,212.
2. Pursuant to Government Code Section 7910, no judicial action or proceeding to attack, review, set aside, void, or annul the action of the City Council in establishing the appropriations limit for fiscal year 2011-2012 shall be brought unless such action or proceeding shall have been commenced within forty-five (45) days of the date of adoption of this resolution.

Adopted by the City Council at a regular meeting held on June 28, 2011, by the following vote:

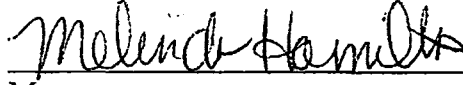
AYES: LEE, SPITALERI, GRIFFITH, HAMILTON, MOYLAN, WHITTUM
NOES: NONE
ABSTAIN: NONE
ABSENT: SWEGLES

ATTEST:



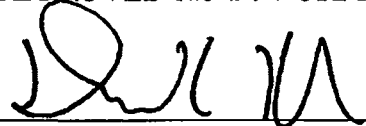
City Clerk
(SEAL)

APPROVED:



Mayor

APPROVED AS TO FORM AND LEGALITY:



David Kahn, City Attorney

**CITY OF SUNNYVALE
 APPROPRIATIONS LIMIT
 FY 2011/2012 Adopted Budget**

	<u>AMOUNT</u>	<u>SOURCE</u>
A. LAST YEAR'S LIMIT	\$ 158,372,179	Prior Year
 B. ADJUSTMENT FACTORS		
1. Population (0.89%)	1.0089	State Department of Finance
2. Inflation (2.51%)	1.0251	State Department of Finance
	1.0342	(B1*B2)
Total Adjustment %	0.0342	(B1*B2-1)
 C. ANNUAL ADJUSTMENT	 \$ 5,420,033	 (B*A)
 D. OTHER ADJUSTMENTS:		
Lost Responsibility (-)	0	
Transfer to private (-)	0	
Transfer to fees (-)	0	
Assumed Responsibility (+)	0	
Sub-total	<u>0</u>	
 E. TOTAL ADJUSTMENTS	 \$ 5,420,033	 (C+D)
 F. THIS YEAR'S LIMIT	 <u>\$ 163,792,212</u>	 (A+E)

**CITY OF SUNNYVALE
CALCULATION OF APPROPRIATIONS LIMIT
FY 2011/2012 Adopted Budget**

	FY 2010/2011	FY 2011/2012
Appropriations:		
035. General Fund	\$ 115,961,210	\$ 121,218,848
070. Housing Fund	7,509,746	1,182,386
071. Home Fund	767,886	650,458
110. Community Development Block Grant Fund	2,232,708	1,902,855
141. Park Dedication Fund	192,241	505,498
175. Public Safety Forfeiture Fund	172,100	233,099
190. Police Services Augmentation Fund	112,000	11,000
210. Employment Development Fund	11,349,800	10,032,510
245. Parking District Fund	162,948	337,299
280. Gas Tax Fund	2,154,897	2,181,832
285. Transportation Development Act Fund	80,000	67,205
295. Youth and Neighborhood Services Fund	741,650	752,969
385. Capital Projects Fund	6,649,067	5,340,783
610. Infrastructure Renovation and Replacement Fund	4,540,290	5,595,450
Total Appropriations	152,626,543	150,012,192
Appropriation Adjustments:		
Non-Tax Revenues	(59,544,776)	(47,780,113)
Debt Service Appropriation	(175,145)	-
Capital Outlay	(640,000)	-
Total Appropriation Adjustments	(60,359,921)	(47,780,113)
Adjusted Appropriations Subject to Limit	92,266,622	102,232,079
Growth Rate Factor	0.9869	1.0342
Total Allowable Appropriations Limit <i>(Prior Year Appropriations Limit x Growth Rate Factor)</i>	158,372,179	163,792,212
Amount Under (Over) Allowable Appropriations Limit	\$ 66,105,557	\$ 61,560,133

**CITY OF SUNNYVALE
CALCULATION OF APPROPRIATIONS LIMIT
FY 2011/2012 Adopted Budget**

	FY 2010/2011	FY 2011/2012
Revenues:		
Tax Revenues:		
Property Tax	\$ 42,513,743	\$ 42,033,968
Sales Tax	25,112,500	29,345,375
Other Taxes	14,820,506	17,171,958
Non-Restricted State Shared Revenues	693,000	744,400
Interest Income	1,242,943	720,392
	84,382,692	90,016,093
Non-Tax Revenues:		
Federal Grants	13,388,315	6,254,346
Restricted State Shared Revenues	3,723,031	3,705,094
State Grants/Reimbursements	8,733,675	126,755
Other Intergovernmental Contributions	357,021	450,738
Franchise Fees	6,110,996	6,398,220
Permits and Licenses	4,825,633	5,643,631
Service and Development Fees	7,144,755	9,330,840
Rents and Concessions	2,648,310	2,081,985
Fines and Forfeitures	1,150,030	1,183,458
Housing Loan Repayments	980,094	1,783,218
Miscellaneous	729,999	146,879
Inter-Fund Revenues	8,976,276	10,293,151
Interest Income	776,641	381,798
	59,544,776	47,780,113
	Total Revenues	Total Revenues
	\$ 143,927,468	\$ 137,796,206

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**Financial Plan –
General Fund**

GENERAL FUND

The General Fund is used by the City to account for all financial resources except those required by law or practice to be accounted for in another fund. It supports many of the most visible and essential City services, such as police, fire, road maintenance, libraries, and parks and open space maintenance. General government support functions are also included in this fund, and their costs are apportioned through the use of in lieu fees to other City funds. Because the General Fund receives the preponderance of its revenue from taxes, it has been the most affected by voter-approved initiatives and State legislative actions. As a result of such action over the past two decades, revenues to the General Fund are significantly less than they would have otherwise been. Additionally, the state of the regional economy has a direct effect on the General Fund.

The General Fund has a very close relationship with several other funds. Those funds are the Community Recreation Fund, the Youth and Neighborhood Services Fund, the Gas Tax Fund, the Internal Service Funds, the Capital Projects Fund, the Infrastructure Renovation and Replacement Fund, and the Redevelopment Agency Fund. In each case, the condition of these funds has a direct bearing on the General Fund due either to contractual relationships or because the General Fund is a primary or significant source of financial support. The relationship between these various funds, where appropriate, will be discussed as a part of the General Fund, as well as in the review of each of these individual funds.

• General Fund Revenues

Revenue Estimation Methodology

All revenue assumptions and projections are reviewed and revised each fiscal year. Further, considerable analysis is undertaken to identify the key elements that impact our major revenue sources so that the projection methodology is reliable over the long-term. Historical data underscores the fact that a significant swing in revenues can occur due to economic cycles, as these cycles have produced very different revenue yields to the City in a number of major categories. Projecting revenues based on the high point of the economic cycle could overstate the City's financial position significantly for future years and could result in spending patterns that cannot be sustained. Conversely, projecting revenues from the lowest point of the economic cycle could understate the long-term financial position of the City and cause unnecessary service reductions.

Each revenue source has its unique characteristics that have been used to make projections. In general, estimates of actual revenue and trend data for each major source are used to calculate projections for the next two years. For the balance of the financial plan, however, projections are based on the history of each revenue, modified for present circumstances. In making revenue estimates, staff has taken into consideration the fact that the recent "resetting" of the economy has had a major impact on certain of our revenue sources, creating a new, lower base going forward into the future. In general,

however, the revenue projections reflect the recovery that is currently underway, which for some revenue sources is accelerated in comparison to previous projections. Despite this accelerated recovery, the reset of revenue projections over the past two years to a lower base is still in effect. While it appears that revenues are returning to that new, lower base at a faster rate, there is nothing to indicate that material increases to the City's revenue base for its major revenue sources is warranted at this time.

Following the adoption of each Long-Term Financial Plan, the major revenue sources are monitored throughout the budget year to detect any change in patterns or circumstances.

General Fund Major Revenue Sources

Five key sources generate about 80% of the City's General Fund revenues. They are: Property Tax, Sales Tax, Transient Occupancy Tax, Utility Users Tax/Franchise Fees, and Construction-related taxes and fees. The FY 2010/2011 Adopted Budget projected that several of these major revenues would begin to see modest recovery from the drastic impacts of the Great Recession, which began in 2008. Since the beginning of the fiscal year, however, economic recovery, especially in the local area, has picked up significantly. This has resulted in revised projections upward for four of the five major revenue sources, with only Property Tax requiring a downward revision from its original projection.

Our projections for FY 2011/2012 and beyond reflect continued

recovery from the recession. Major revenue sources such as Sales Tax, Transient Occupancy Tax, UUT, and Construction-related taxes and fees are expected to grow at a greater pace than had previously been projected; however, this is expected to simply yield a more rapid return to the lower baseline that has been established over the last several years. While this accelerated recovery has added revenue over both the short- and long-term, these increases do not significantly change the City's overall revenue base. With respect to Property Tax, it was not until FY 2010/2011 that the City began to feel the impact of the recession, which is due to the one-to-two year lag in the assessment valuation process. So despite recovery in other areas, including the local real estate market, Property Tax revenues are expected to be down approximately \$1.8 million in FY 2010/2011.

The table on the next page reflects projected sources of General Fund revenues for FY 2011/2012 and compares those sources with the FY 2010/2011 revised projections. Actual revenues for FY 2009/2010 are also included. Overall, our FY 2011/2012 revenues are forecast to be 3.54% higher than estimated FY 2010/2011 revenues.

Recommended Revenues - General Fund

Revenue Character	2009/2010 Actual	2010/2011 Revised Projection	% Change 2010/2011 over 2009/2010	2011/2012 Proposed Projection	% Change 2011/2012 over 2010/2011
Property Tax	43,699,859	41,937,637	-4.03%	42,033,969	0.23%
Sales Tax	25,431,711	27,286,190	7.29%	28,144,466	3.15%
Utility Users Tax	6,797,768	6,801,741	0.06%	6,947,373	2.14%
Franchises	5,979,301	6,309,686	5.53%	6,398,220	1.40%
Transient Occupancy Tax	5,578,196	6,430,805	15.28%	6,689,607	4.02%
Permits and Licenses	4,666,794	5,544,598	18.81%	5,643,631	1.79%
Inter-Fund Revenues	8,599,600	9,330,898	8.50%	12,297,794	31.80%
Service Fees	3,264,614	3,716,979	13.86%	3,686,846	-0.81%
Rents and Concessions	2,496,072	1,954,014	-21.72%	1,936,764	-0.88%
Other Revenue	9,014,678	7,864,808	-12.76%	8,031,339	2.12%
SUBTOTAL	115,528,593	117,177,356	1.43%	121,810,009	3.95%
Transfers and In-Lieu Charges	10,957,877	9,362,127	-14.56%	9,205,089	-1.68%
TOTAL RESOURCES	126,486,470	126,539,483	0.04%	131,015,098	3.54%

In the following section are detailed discussions of the City's five major revenue sources, including explanations of the revenue forecasts for FY 2011/2012 and beyond. Discussions of several other revenue sources of particular note follow.

Property Tax

Property Tax represents the largest source of General Fund revenue, estimated to be about 35% of all General Fund revenues in FY 2011/2012. For each dollar of Property Tax

paid by property owners outside of the Redevelopment Agency (RDA) project area, approximately \$0.16 is now allocated to the City of Sunnyvale. This amount is up from the previous \$0.13 which the City received prior to the implementation of the VLF Swap discussed below. The allocation of RDA Property Tax is different and is discussed in more detail in the review of the Redevelopment Agency Fund.

The City's Property Tax revenue consists of several categories. Secured Tax, which represents the vast majority

of the overall Property Tax, is the tax on real property and the structures on that real property. Unsecured Tax represents the tax on appurtenances such as furniture, machinery, and equipment. Supplemental Tax is the result of reassessing the value of real property when there is a change of ownership or new construction is completed after the official lien date. Other sources of Property Tax revenue come from Unitary Tax, which is assessed by the State Board of Equalization on property such as utilities or railroad lines, and Tax Delinquencies.

Property Tax has also been the revenue most affected by voter initiatives and legislative actions. With approval of Proposition 13 in 1978, Property Tax revenues were reduced by two-thirds and thereafter limited to 2% annual increases or the Consumer Price Index (CPI), whichever is less. In the early 1990s, the State legislature permanently shifted a larger portion of the Property Tax to schools. This shift was made to the State's Educational Revenue Augmentation Fund (ERAF) to backfill a portion of the State's obligation for school funding. This original "ERAF shift" results in an annual loss to the City of Sunnyvale of approximately \$9 million.

In FY 2004/2005 and FY 2005/2006 the State shifted an additional \$4.1 million over those two years from Sunnyvale Property Tax to the ERAF as part of a solution to its ongoing budget crisis (ERAF III). Also included in the State Budget deal with local governments in FY 2004/2005 was a permanent redistribution of two of the City's revenue sources. Under this agreement, the Vehicle License Fee (VLF) rate for

cities was permanently reduced from 2% to .65%. For FY 2004/2005, the VLF that the City would have gotten at the 2% rate was calculated and this amount was added to our Property Tax base through transfers from the ERAF. In FY 2005/2006, the City began to receive our portion of VLF revenues at the now-permanent low rate. Meanwhile, our Property Tax base reflects the new, permanent base. This Property Tax base grows in the future according to current economic conditions.

It should be noted that the VLF/Property Tax shift results in a cash flow and earnings loss to the City because Property Tax is paid twice a year while VLF was paid monthly. However, it should also be noted that the Property Tax has been growing at a faster pace than that experienced by the VLF. With the swap now in place, Property Tax is the City's largest General Fund revenue source.

Overall FY 2011/2012 Property Tax revenues are expected to be up approximately 0.2% when compared to FY 2010/2011. However, as previously noted, FY 2010/2011 revenues are down 4%, or \$1.8 million, from FY 2009/2010.

Secured Tax, which accounts for approximately 90% of total Property Tax revenue, is expected to drop by approximately 1% in FY 2010/2011 and another 0.5% in FY 2011/2012 before growth resumes in FY 2012/2013. As was noted above, since the approval of Proposition 13, Secured Property Tax increases have been limited to 2% annual growth, or CPI, whichever is lower. In all but five cases prior to FY 2010/2011, the annual CPI built into assessed value growth was 2%. In

the other five cases, the actual CPI was less than 2% but was always above 0%. For the first time since the approval of Proposition 13, the FY 2010/2011 Property Tax Roll reflected a negative CPI factor (-0.25%). This, along with a reduction in assessed valuation for the City's non-residential properties, drove the 1% drop in Secured Tax revenue for FY 2010/2011. For FY 2011/2012, the CPI is back to being a positive amount (0.753%); however it is still not at the typical 2% factor. This, combined with the expected continued reduction in assessed valuation on non-residential properties, will drive the projected 0.5% reduction in Secured Tax revenues in FY 2011/2012. Recovery in this area is expected to begin in FY 2012/2013 and quickly return the City to its projected sustainable baseline by FY 2015/2016, with future growth set at the historical average.

Two other important elements of Property Tax revenue are the Unsecured Property Tax and Supplemental Property Tax rolls. Unsecured Property Tax grew significantly during the height of the economic boom and has slowly reduced to an average of approximately \$2.25 million annually, which is what is projected for both FY 2010/2011 and FY 2011/2012, with future growth tied to expected rates of inflation.

The Supplemental Property Tax roll reflects properties that are sold or transferred after the official lien date. Supplemental assessments pick up the higher or lower value on the property immediately by using a floating lien date, and the added or reduced assessed value is placed on a separate Property Tax bill. Revenue from the supplemental roll is dependent strictly

upon timing of sales and thus is difficult to forecast. Another factor that makes this revenue source difficult to forecast is the fact that it is a pooled revenue at the County level. Therefore, all Supplemental Property Tax collected by the County is allocated to the cities based on a formula and not on transactions within each jurisdiction. As such, the significant valuation declines and foreclosures in other parts of the county have impacted the City of Sunnyvale's Supplemental Property Tax revenues. Over the past several years, the City has seen a sharp drop in Supplemental revenues, with revenues going from \$1.3 million in FY 2007/2008 to a projected \$220,000 in FY 2010/2011. Going forward Supplemental Tax is projected to recover to its historical average between FY 2011/2012 and FY 2012/2013 and then increase modestly from there throughout the remainder of the long-term plan.

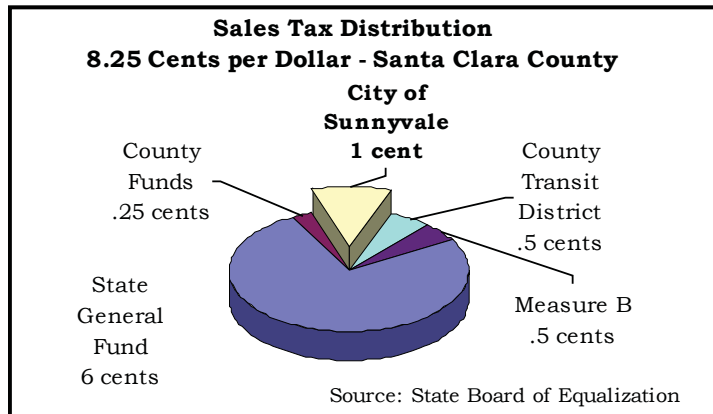
Sales and Use Tax

Sales and Use Tax represents the second largest source of revenue to the General Fund. Sales Tax is expected to make up 23% of budgeted revenues in FY 2011/2012.

Sales and Use Tax also represents one of the General Fund's most volatile revenue sources, with drastic swings over the past decade. In FY 2000/2001, Sales Tax was the General Fund's largest revenue source, constituting 32% of total revenue at \$36.3 million. Following the bust in the technology industry, Sales Tax revenue plummeted to \$22.8 million by FY 2002/2003. Over the next four fiscal years Sales Tax rebounded, hitting \$30.9 million in FY 2006/2007. Revenues then dropped 4% in FY 2007/2008 as the initial impact of

the Great Recession began to be felt, and then continued to slide in FY 2008/2009, finishing that fiscal year at \$25.1 million. Revenues began to rebound again in FY 2009/2010, finishing at \$25.4 million, and recovery has continued into FY 2010/2011 at an accelerated pace, as the City expects to receive Sales Tax revenues in the amount of \$27.3 million, a 7.4% increase over FY 2009/2010.

The graph below shows how Sales Tax dollars are distributed within Santa Clara County. The State receives the largest share of the eight and one quarter cents per dollar of sales, while cities receive only one cent of the rate. From July 1, 2009 to June 30, 2011, the Sales Tax rate was raised to nine and one quarter cents per dollar. This tax increase, which only benefited the State, expired at the end of FY 2010/2011.

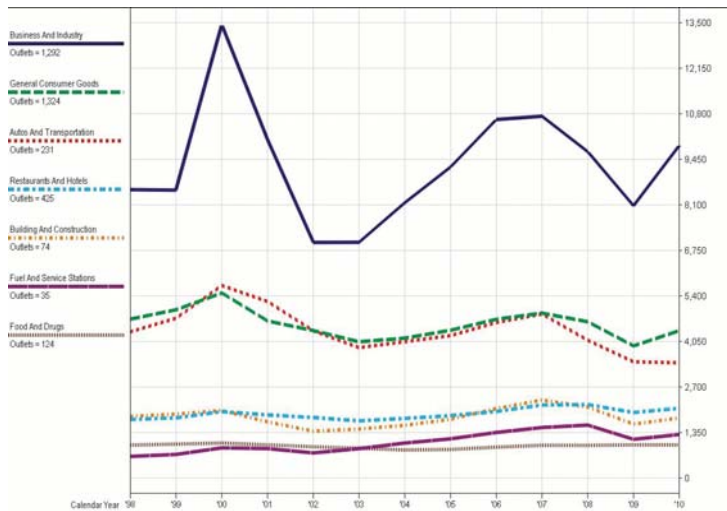


Sales and Use Tax is composed of two different types - general retail sales and business-to-business sales. In Sunnyvale, as well as some other Silicon Valley cities, an unusually high proportion of overall Sales Tax has traditionally been business-to-business in nature. This sector currently constitutes about 40% of our aggregate, as opposed to the statewide average of approximately 20%. This makes our Sales Tax much more complicated and difficult to predict because it is often one-time in nature.

As previously noted, our revised Sales Tax estimate for FY 2010/2011 is \$27.3 million. This is up approximately 7.4%, or \$1.9 million, compared to our actual receipts for FY 2009/2010. This growth has been fueled predominantly by business-to-business spending.

Specific year-over-year growth projections are developed by dividing Sales Tax receipts into four major categories that have similar economic characteristics: Business and Industry, General Consumer Goods, Autos and Transportation, and Other. The Other category includes Restaurants and Hotels, Building and Construction, Fuel and Service Stations, and Food and Drugs. As can be seen from the following graph listing Sunnyvale’s Sales Tax receipts by sector between 1996 and 2010, each category has a unique pattern:

**City of Sunnyvale
Sales Tax Receipts by Major Sector
(Calendar Year 1996 – 2010)**



While the majority of the sectors are relatively stable and experience swings within a narrow band, the business and industry sector, by its very nature, is highly volatile as can be seen above. This makes revenues in this area very unpredictable and forecasting future revenues very challenging.

Over the past several budget cycles, staff has spent significant time analyzing historical Sales Tax revenues and resetting the baseline for this revenue source. The initial reset was incorporated into the FY 2009/2010 Adopted Budget, as our

analysis and our understanding of the drivers of the economic meltdown that began in 2008 led staff to conclude that the City’s Sales Tax baseline required resetting to a lower annual revenue amount.

There were two main reasons as to why this conclusion was reached. First, a review of historical Sales Tax data over the past twenty years revealed there has been very little inflation-adjusted growth in taxable sales for the City. Previous forecasts projected growth that in some cases exceeded simple inflationary growth. Those forecasts were reset to consider predominantly inflationary growth over the long-term plan. Secondly, staff believed the baseline revenue amount that had been previously set was not the correct sustainable base. The primary reason for this is that much of the consumer spending that fueled the rebound after the dot-com bust was not based on income, but instead was based on credit and home equity. With the substantial decline of the housing market and the chaos in the credit markets that ensued, the days of this type of speculative spending are over. Another reason the sustainable base was adjusted was the loss of several of our large Sales Tax generators, most notably four automobile dealerships.

To reflect the factors mentioned above, the baseline Sales Tax revenue projections were brought down to a lower level starting with the FY 2009/2010 Adopted Budget. After revised projections turned out to still be too optimistic based on actual results, the baseline was reduced again for the FY 2010/2011 Adopted Budget. As projections were developed for the FY 2011/2012 Recommended Budget, staff considered

the accelerated recovery that the City is currently seeing and incorporated it into the long-term projection. Ultimately, it was concluded that the growth we are currently seeing is mostly the result of pent-up demand and not a sustainable increase that would lead to a material change in the Sales Tax base. With that said, the accelerated rate of recovery has had positive effects in both the short- and long-term, as revenues are projected to be above the projections made for the FY 2010/2011 Adopted Budget. However, long-term projections are still below the initial baseline reset that was incorporated into the FY 2009/2010 Adopted Budget and are well below the baseline that had been established prior to the Great Recession.

Following completion of the Town Center project, it is anticipated that the City will receive additional Sales Tax revenue of approximately \$1.5 million per year. We begin showing a portion of these funds starting in FY 2012/2013, with the full \$1.5 million being recognized in FY 2014/2015.

Utility Users Tax and Franchise Fees

Utility Users Tax (UUT) and Franchise Fees combined represent the third largest source of General Fund revenue, generating about 11% of the total for FY 2011/2012. Historically, these two revenue categories have been combined because one of the primary sources of revenue for both is sale of electricity and gas. The City's UUT rate is 2% on electricity, gas, and intrastate telephone providers, which is lower than the 3.7% average of those cities in Santa Clara County which have UUT. It is also lower than the UUT rate

for Santa Clara County weighted by population of 3.6% and significantly lower than the statewide average of 6%.

Approximately 63% of UUT revenue is derived from the sale of electricity, 27% is related to intrastate telephone usage, and 10% is derived from the sale of gas.

The single largest component of UUT revenues is the electric rates charged by Pacific Gas & Electric (PG&E). FY 2010/2011 revenues for this source are expected to be 4% above FY 2009/2010, and staff is projecting a 3% increase in FY 2011/2012. The vast majority of UUT related to PG&E electric is for commercial usage, and with commercial building occupancy on the rise, UUT revenues are seeing a corresponding increase. Future growth in UUT revenues for electric is based on a blended rate that considers general rate-based increases as well as increased usage.

The City also receives approximately \$1.9 million annually from UUT on intrastate telephone usage. Although the various providers have changed year over year, overall receipts had been relatively stable. While staff expects continued growth in the telecommunications industry, projections have been tempered to reflect 1% growth annually in the first 10 years and 2% annually in the last 10 years, as concerns linger about potential legislation impacting the City's ability to collect UUT revenues from telecommunications providers.

The City receives a one-time franchise payment from PG&E each year which represents approximately 40% of all

Franchise Fee revenue. The PG&E franchise rate is 1% of gross receipts; statewide, franchise rates range from .5% to 2%. The City's other main franchise agreements are with our cable television providers and Specialty Solid Waste. For FY 2011/2012 Franchise Fees are projected to increase by approximately 1.4% over the current FY 2010/2011 projection. This represents a slight increase in revenues from nearly all of the companies with which the City has a franchise agreement. Projections for future years include moderate year-over-year increases for this aggregate revenue source.

Transient Occupancy Tax

Transient Occupancy Tax (TOT) represents the fourth largest revenue source of the General Fund, constituting about 5.5% of the total for FY 2011/2012.

TOT revenue is expected to finish at approximately \$6.4 million in FY 2010/2011. This represents a 16% increase over FY 2009/2010 and mirrors the accelerated recovery we are seeing in Sales Tax revenues. This increase in TOT revenue is primarily the result of an increase in business-related travel, which is the core business of Sunnyvale's hotels. As the economic recovery has gotten underway, business travel is increasing, as demonstrated by increasing occupancy rates at the City's hotels.

Projections for future years consider steady increases in both room and occupancy rates, with growth in the 4% to 5.5% range annually over the next five years, including 4.2% growth projected for FY 2011/2012. After FY 2015/2016, projections

reflect steady, yet more modest growth predominantly driven by expected increases in room rates and flat occupancy rates.

Despite the expected growth that has been incorporated into future TOT projections, there are still areas of vulnerability with respect to this revenue source. One such threat is the age of the Sunnyvale hotel stock. Many of Sunnyvale's hotels and motels are older and in need of renovation to maintain competitiveness. Without such renovation, it is expected that the occupancy and room rates of these hotels and motels may decline over the years.

Construction-Related Revenue

Construction-related revenues are the fifth largest source of General Fund revenues, constituting approximately 5% of the total for FY 2011/2012. Included in this category are Construction Tax, Building Permits, and development-related fees and charges. For FY 2011/2012 construction-related revenues are expected to be approximately \$6.8 million, which is an increase of approximately 2% over expected FY 2010/2011 revenues. Development-related revenues have been highly volatile over the past several years, peaking at \$14 million in FY 2007/2008 as the result of the downtown redevelopment and then plunging to \$5.2 million in FY 2009/2010 as development ground to a halt after the global economic meltdown. Similar to Sales Tax and TOT, recovery in this area has been swift. Revenues in FY 2010/2011 are expected to \$6.7 million, which is a 29% increase over FY 2009/2010. This is the result of a general increase in activity as well as several large-scale projects. Going forward, FY

2011/2012 and FY 2012/2013 projections reflect activity above the standard baseline, as there are several significant projects in process, including continued work downtown, that are expected to bring in additional revenues. After FY 2012/2013, projections reflect a return to what is considered to be the sustainable baseline, which is based on historical revenues in this area.

Other Revenue Highlights

The recommended FY 2011/2012 Budget includes certain other revenue sources which warrant some discussion.

Interfund Revenues

Interfund Revenues include repayment to the General Fund of various loans made to other funds. Overall, Interfund Revenues in FY 2011/2012 are expected to be up nearly 32%, or approximately \$3 million, over FY 2010/2011. This is predominantly the result of increased loan repayments from the Solid Waste and Wastewater Funds, as well as an expected increase in the loan repayment from the Redevelopment Agency (RDA). Interfund Revenues continue to steadily increase over the next several years, reaching \$18.6 million in FY 2014/2015, and then fluctuate between \$16.6 million and \$19.2 million between FY 2015/2016 and FY 2022/2023. The increase is predominantly the result of increased repayments from the Solid Waste loan and the Redevelopment Agency loan. Revenues drop to \$13.5 million in FY 2023/2024 when the Solid Waste loan is fully paid off and then remain steady through FY 2027/2028. When the Redevelopment Agency

loan ends, revenues drop to \$2.8 million in FY 2028/2029.

Interest Income

This revenue source is calculated based upon assumptions of interest rates on allowable investments and on the projected cash balances for the fund. In recent years interest income has been down significantly. There are three major reasons for the reduction in interest income. First, interest rates have continued to decline over this period. The City is currently earning less than 1% on our investment portfolio because of the low yield on U.S. Treasury and other highly safe similar instruments.

Second is the effect of the Triple Flip and Motor Vehicle Fee/Property Tax Swap. Whereas Sales Tax and Motor Vehicle License Fee revenues were remitted to us on a monthly basis, Property Tax is paid only twice a year. The first installment of Property Tax is sent by the County toward the end of December and the second installment is sent toward the end of April. This schedule results in our major revenue source not earning interest for the bulk of the fiscal year. The final reason for the reduction in interest earnings is the continued drawdown of the Budget Stabilization Fund, which means that there are fewer funds on which to earn interest.

Interest rates on investments are assumed to be approximately 1% for FY 2011/2012, 2% for FY 2012/2013, 4% for the next eight years, and 5% in the last ten years of the 20-Year Financial Plan. This is a decrease from the estimated interest rates on investments from the FY 2010/2011 Adopted Budget,

which were slightly higher in the first several years of the long-term plan. The reduced rates for the recommended FY 2011/2012 Budget reflect the current rate environment and the expected continuation of lower rates for the foreseeable future.

▪ **General Fund Expenditures**

General Fund recommended expenditures and other requirements for FY 2011/2012, including budget supplements, projects, lease payments, equipment, and transfers total \$135.8 million. This is 0.8% above the revised FY 2010/2011 Budget.

General Fund operating expenditures for FY 2011/2012 are forecast to be \$123.8 million, an increase of 5.7% above the revised FY 2010/2011 Budget. The change is primarily due to escalating personnel costs. Personnel costs represent approximately 82% of the total General Fund operating expenditures, and to better represent this in the General Fund's 20-year plan, operating costs have been split into three categories: Public Safety Salaries and Benefits, Miscellaneous Employees Salaries and Benefits, and Other Operations. This adjustment will allow users of the document to better identify the drivers of change in the City's operating expenditures.

It is important to note that each year a portion of the Public Works Pavement Operations program, which is accounted for in the General Fund, is supported by the Gas Tax Fund. The amount that is used for this purpose varies depending upon

funds available and project requirements. In FY 2010/2011 the support amounted to \$2.1 million. For FY 2011/2012 the level of support has decreased slightly to \$2 million. These pavement operations costs are netted out from the General Fund operations budget and reflected in the Gas Tax Fund.

The recommended FY 2011/2012 Budget includes funding for three budget supplements in the General Fund. Details on each of the supplements are included in the *Budget Supplement* section of *Volume I* of the recommended FY 2011/2012 Budget document. Each of these budget supplements are for one-time expenditures and total \$22,125.

Projects and Project Administration and Project Operating Costs reflect General Fund expenditures related to capital and special projects. The content of these expenditures and the change in the budget from last fiscal year are discussed below in the General Fund Projects section.

Transfers to Other Funds reflects transfers from the General Fund to other funds for operating and capital project purposes. These include transfers to the Youth and Neighborhood Services Fund for support of Columbia Neighborhood Center and to the Community Recreation Fund for support of various recreational programs. Also included is a transfer to the Liability and Property Insurance Fund for the General Fund's share of claims and insurance, as well as transfers to the Capital and Infrastructure Project Funds to cover project expenditures. The significant reduction in expenses between FY 2010/2011 and FY 2011/2012 is the result of no transfers

to the project funds being budgeted in FY 2011/2012.

Lease Payments provides the annual rent payment to the Redevelopment Agency Fund associated with the Parking Facility bonds, as well as the payment from the Redevelopment Agency to the Town Center Developer related to certain obligations contained in the Amended and Restated Development Disposition and Owner Participation Agreement (ARDDOPA) for the Town Center project. The amount of the payment to the developer varies from year-to-year and because it is a pass through has no net impact to the General Fund.

Service Level Decreases represents the amount of savings that will need to be generated by the operating programs beyond any savings and/or efficiencies that were programmed into their FY 2011/2012 operating budget. These savings targets, which will be distributed on a pro-rata basis based on departmental General Fund operating expenditures, will not be incorporated into actual program budgets in FY 2011/2012 but will instead reflect the expectation that these savings are achieved during the fiscal year. This will provide the departments the flexibility to distribute their required savings amounts in the most optimal manner based on operational needs.

The *Infrastructure Investment* line item reflects the planned ongoing investment, starting in FY 2011/2012, in the City's infrastructure. The amount budgeted represents the estimated cost to the City to accelerate street repairs to return the

Pavement Condition Indicator to a level of 80 over the next five years and then maintain that level going forward. It has not been decided if those funds will be used for that purpose, as there are a number of infrastructure needs throughout the City; however, the amounts listed in this line item throughout the long-term plan reflect using the funds for additional street repairs.

The *Equipment* line item contains the appropriations for Public Safety equipment.

▪ **General Fund Projects**

The recommended FY 2011/2012 Budget for the General Fund includes \$163,940 for capital, special, and outside group funding projects. Capital projects in the amount of \$20,000 are proposed for FY 2011/2012. Included in this amount is \$10,000 for minor building modifications and \$10,000 for cost sharing for utility undergrounding.

Special Projects in the amount of \$43,940 have been proposed for FY 2011/2012. These projects include maintenance of City-owned properties in the downtown area (\$12,000) and on Commercial Street (\$5,000), updates to the General Plan (\$10,000), the downtown parking garage insurance premium (\$5,000), the history museum utility reimbursement (\$4,000), and the "Avoid the 13" enforcement campaign (\$7,940).

Although there are no special projects for the recruitment and training of sworn public safety officers in FY 2011/2012, this

category of projects represents the majority of General Fund project expenditures over the 20-year plan, with \$53 million budgeted for this purpose. Beginning in FY 2006/2007, the Public Safety Department began budgeting for the recruitment, selection, and training of new public safety officers in a series of recurring special projects rather than in the operating budget. This methodology allows expenditures to fluctuate each year based on the number of recruitments and allows for better monitoring and tracking of costs.

It should be noted that the fixed costs associated with this activity, which include management oversight and recruitment, continue to be part of the Public Safety Department operating budget.

The FY 2011/2012 Recommended Budget also contains \$100,000 for Outside Group Funding as per Council policy. In future years, an ongoing \$100,000 is reflected throughout the 20-Year Long-Term Financial Plan.

Project Administration costs in the amount of \$158,736 are included in the General Fund appropriations for FY 2011/2012. This reflects costs of Public Works staff for design and inspection of General Fund supported capital projects included here and in the Capital and Infrastructure Projects Funds.

Additionally, General Fund-related projects are found in several other places in the budget: the Gas Tax Fund, the Capital Projects Fund, and the Infrastructure Renovation and

Replacement Fund. These latter categories are considered to be related to the General Fund because it is the ultimate source of financial support through contributions or transfers. The recommended FY 2011/2012 Budget contains no transfers from the General Fund to the Capital Projects Fund or Infrastructure Fund for FY 2011/2012; however, it is expected that budgeted transfers for FY 2010/2011 will not be fully expended, so these transfers will be carried forward into next fiscal year.

▪ **General Fund Reserves**

One of the most powerful aspects of multi-year financial planning is its capability to recognize trends over time and begin at an early point to consider the necessary steps to alter the long-term forecasted position of a particular fund should that appear necessary. The reserves contained in the General Fund's Long-Term Financial Plan play a pivotal role in the City's multi-year planning strategy.

The City has established reserves in the General Fund that are restricted by prior policy or legal requirements to specific uses. Most of the City's reserves are established in accordance with policies adopted in the Fiscal Sub-element of the General Plan.

The General Fund currently has three reserves that are contained in the General Fund's Long-Term Financial Plan under the sub-heading, *Reserves*.

The first is the *Contingencies Reserve*. By Fiscal Policy, this reserve must be equal to 20% of the operating budget each year to cover emergency or disaster. It is not intended for normal unanticipated expenditures. This reserve changes each year as operations of the General Fund either increase or decrease.

A second reserve in the General Fund mandated by Fiscal Policy is entitled the *Budget Stabilization Fund*. The Budget Stabilization Fund functions to levelize service levels through economic cycles. In essence, the intent is for this fund to increase during periods of economic growth and to be drawn down during the low points of economic cycles to maintain stable service levels. Using the Budget Stabilization Fund prevents us from adding services at the top of the economic cycle that cannot be sustained while allowing us to maintain Council-approved services levels during economic downturns.

Consistently drawing the Budget Stabilization Fund down, which is what is projected over the long-term for the FY 2011/2012 Recommended Budget, indicates a structural deficit, as the General Fund's recurring requirements exceed its recurring resources. As a result, the Budget Stabilization Fund is projected to be drawn down from a projected \$35 million at the end of FY 2010/2011 to only \$1.6 million at the end of FY 2020/2021. At that point, significant service level reductions will be required in order to balance the budget. Exacerbating this issue in the final 10 years of the plan is the completion of loan payments to the General Fund from the Solid Waste Fund (FY 2022/2023) and the Redevelopment

Agency (FY 2027/2028).

Fortunately, however, Sunnyvale's long-term financial planning and its utilization of the Budget Stabilization Fund allows the City the time to address this structural deficit without making significant service cuts in the immediate future. With that said, the sooner the City begins to address its structural deficit, the less severe future reductions will need to be made. As such, absent significant changes to our revenue base over the next several years, critical decisions will need to be made to regarding reducing service levels and/or slowing the rate of growth in expenditures to better align with revenue growth.

The third reserve in the General Fund is the *Reserve for Capital Improvement Projects*. Originally entitled the Land Acquisition Reserve, it was established in FY 1994/1995 for the purpose of purchasing land or property in the downtown area with an emphasis on future income generation through economic development. In the past, it was used to purchase key parcels in the downtown area. In FY 2006/2007 the reserve name was changed to *Reserve for Capital Improvement Projects* to reflect its expanded purpose. At the end of FY 2010/2011, it is projected that the balance in this reserve will be \$5.6 million. This reflects a drawdown in the amount of \$2.6 million to fund several projects in the downtown area, including: Downtown Wayfinding and Gateways, Sunnyvale Avenue Median from Iowa to Washington, Downtown Murphy Streetscape, and Town Center Traffic Signal Modifications. The reserve stays at \$5.6 million for several

years and increases throughout the Long-Term Financial Plan as several of the City's land assets are sold.

Total Reserves in the General Fund increase or decrease depending upon the relationship between *Total Current Resources and Total Current Requirements* in the Long-Term Financial Plan. Put simply, when revenues and resources are greater than expenditures and transfers, money is put into the reserves, and when expenses are higher, money is taken out. The relationship between these can be seen at the bottom of the Plan in the rows marked *Total Current Resources, Total Current Requirements, and Difference*. It should be noted that Sunnyvale's Reserves are actual funds rather than estimated surpluses as is the case in the State Budget and some other local jurisdictions. The advantage of funded reserves includes the substantial interest earnings that are generated and added to annual revenues.

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CITY OF SUNNYVALE
035. GENERAL FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2010 TO JUNE 30, 2021

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
RESERVES/FUND BALANCE, JULY 1	77,795,636	72,245,587	64,069,023	60,925,967	62,075,803	64,758,029	64,313,329	63,660,581	63,890,886	75,459,296	75,844,956	75,968,224	72,245,587
CURRENT RESOURCES:													
Property Tax	43,699,859	41,937,637	42,033,969	43,709,279	45,586,327	47,547,724	49,597,393	51,588,624	53,661,602	55,819,728	58,066,547	60,405,752	549,954,583
Sales Tax	25,431,711	27,286,190	28,144,466	29,447,306	30,994,562	32,166,708	32,518,375	32,874,459	33,704,277	34,715,405	35,756,868	36,829,574	354,438,190
Public Safety Sales Tax	1,158,626	1,164,287	1,200,909	1,235,166	1,271,318	1,308,532	1,321,617	1,334,833	1,368,204	1,409,250	1,451,528	1,495,074	14,560,718
Business License Tax	1,363,638	1,450,000	1,479,000	1,508,580	1,538,752	1,569,527	1,600,917	1,632,936	1,665,594	1,698,906	1,732,884	1,767,542	17,644,637
Other Taxes	1,507,960	1,884,784	2,055,978	2,231,405	2,199,337	2,243,324	2,288,190	2,333,954	2,380,633	2,428,246	2,476,811	2,526,347	25,049,008
Transient Occupancy Tax	5,578,196	6,430,805	6,689,607	6,975,954	7,367,693	7,784,881	8,217,279	8,463,798	8,717,712	8,979,243	9,248,620	9,526,079	88,401,670
Utility Users Taxes	6,797,768	6,801,741	6,947,373	7,173,629	7,350,453	7,532,198	7,719,008	7,911,031	8,108,418	8,311,328	8,519,922	8,734,366	85,109,470
Franchises	5,979,301	6,309,686	6,398,220	6,582,354	6,762,329	6,950,610	7,141,043	7,339,991	7,541,438	7,751,823	7,964,915	8,163,179	78,905,589
Rents and Concessions	2,496,072	1,954,014	1,936,764	1,848,397	1,830,968	1,880,296	1,909,017	1,959,920	1,998,389	1,886,573	1,937,295	1,989,421	21,131,056
Federal, State & Intergovernmental Revenue	2,020,473	1,544,543	1,330,955	1,089,328	1,099,751	1,110,331	1,121,070	1,131,970	1,143,034	1,159,778	1,176,857	1,194,277	13,101,893
Permits and Licenses	4,666,794	5,544,598	5,643,631	5,770,343	5,627,260	5,739,807	5,854,298	5,971,385	6,090,814	6,212,632	6,336,886	6,463,625	65,255,277
Fines and Forfeitures	1,107,547	1,100,469	1,183,458	1,203,001	1,222,971	1,243,375	1,264,221	1,285,518	1,307,276	1,329,502	1,352,205	1,375,396	13,867,392
Service Fees	3,264,614	3,716,979	3,686,846	3,909,344	3,888,755	3,956,400	4,024,554	4,094,887	4,166,629	4,241,652	4,316,300	4,392,444	44,394,790
Interest Income	755,108	492,544	640,690	1,218,519	2,483,032	2,590,321	2,572,533	2,546,423	2,555,635	3,018,372	3,033,798	3,038,729	24,190,598
Inter-Fund Revenues	8,599,600	9,330,898	12,297,794	14,805,033	16,821,881	18,649,815	17,124,795	16,646,935	16,842,894	17,063,187	17,237,636	17,466,170	174,287,037
Miscellaneous Revenues	1,101,326	228,181	140,349	142,774	145,247	147,769	150,342	152,967	155,644	148,929	151,714	154,555	1,718,471
Sale of Property	0	0	0	0	2,130,818	0	0	0	11,474,036	0	0	0	13,604,854
In-Lieu Charges	8,899,467	9,101,032	8,747,197	9,075,101	9,374,737	9,660,363	9,917,077	10,169,611	10,368,990	10,623,654	10,885,211	11,379,425	109,302,398
Transfers From Other Funds	2,058,410	261,095	647,725	306,876	320,109	408,189	346,251	358,724	245,716	321,764	330,330	267,407	3,814,185
TOTAL CURRENT RESOURCES	126,486,470	126,539,482	131,204,931	138,232,388	148,016,302	152,490,170	154,687,981	157,797,966	173,496,935	167,119,972	171,976,326	177,169,362	1,698,731,816
TOTAL AVAILABLE RESOURCES	204,282,106	198,785,070	195,273,954	199,158,355	210,092,105	217,248,199	219,001,310	221,458,547	237,387,821	242,579,268	247,821,282	253,137,586	1,770,977,403
CURRENT REQUIREMENTS:													
Equipment	88,241	926,546	278,379	274,565	287,994	222,677	301,458	106,341	237,861	113,680	229,984	519,904	3,499,389
Operations - Safety Salaries/Benefits	52,148,780	53,561,783	55,065,826	57,232,164	61,012,842	64,267,353	66,583,996	68,829,865	71,129,223	73,491,684	75,934,155	78,446,521	725,555,412
Operations - Misc. Salaries/Benefits	44,174,817	44,182,847	47,050,316	47,569,597	48,343,024	49,735,107	50,957,144	52,133,121	53,288,203	54,460,593	55,669,474	56,942,201	560,331,628
Operations - Other	21,567,666	21,493,561	22,039,083	22,105,588	22,643,682	23,241,409	23,854,908	24,484,597	24,719,051	25,371,394	26,040,841	26,727,948	262,722,062
Operations Transfer To Gas Tax Fund	(2,009,484)	(2,119,653)	(2,050,000)	(2,050,000)	(2,050,000)	(2,050,000)	(2,050,000)	(2,050,000)	(2,050,000)	(2,050,000)	(2,050,000)	(2,050,000)	(22,619,653)
Public Safety Recruitment Projects	1,713,996	729,000	0	0	2,253,984	3,507,432	2,105,062	2,629,149	2,747,799	2,942,802	3,467,496	2,708,178	23,090,902
Projects and Project Administration	2,689,093	3,020,841	344,801	198,872	136,603	229,769	370,881	138,661	184,926	464,595	427,869	226,720	5,744,537
Project Operating Costs	0	0	10,628	10,841	24,582	25,074	30,987	31,608	37,870	42,571	45,258	46,164	305,583
Lease Payments	4,001,530	3,068,322	3,209,761	3,285,881	4,057,176	4,401,573	4,052,884	3,802,385	3,843,456	3,883,080	3,960,275	4,009,681	41,574,475
Service Level Reductions	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure Investment	0	0	2,550,000	2,550,000	2,550,000	2,550,000	2,550,000	800,000	821,094	844,893	869,435	894,601	16,980,022
TOTAL EXPENDITURES	124,374,639	124,863,246	128,498,794	131,177,507	139,259,888	146,130,395	148,757,321	150,905,727	154,959,483	159,565,291	164,594,787	168,471,917	1,617,184,357

CITY OF SUNNYVALE
035. GENERAL FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2010 TO JUNE 30, 2021

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
TRANSFERS TO OTHER FUNDS:													
Infrastructure Fund	678,830	1,386,355	0	0	0	0	0	0	0	0	0	0	1,386,355
Capital Projects Fund	789,757	2,790,152	0	0	0	106,121	108,243	0	112,616	114,869	0	119,509	3,351,510
Youth and Neighborhood Services Fund	550,497	532,100	524,641	563,082	562,975	579,909	594,865	610,079	625,159	639,919	655,613	671,613	6,559,956
Community Recreation Fund	4,641,720	4,471,833	4,642,544	4,632,945	4,777,520	4,934,733	5,089,234	5,238,855	5,389,969	5,547,696	5,710,124	5,880,820	56,316,271
General Services Fund	58,314	28,772	27,073	27,885	28,722	454,066	35,883	31,385	32,327	33,296	34,295	41,299	775,004
Liability and Property Insurance Fund	942,762	643,588	654,935	681,132	704,972	729,646	755,184	781,615	808,972	833,241	858,238	883,985	8,335,507
TOTAL TRANSFERS TO OTHER FUNDS	7,661,880	9,852,800	5,849,193	5,905,045	6,074,188	6,804,476	6,583,408	6,661,934	6,969,042	7,169,021	7,258,270	7,597,226	76,724,603
TOTAL CURRENT REQUIREMENTS	132,036,519	134,716,047	134,347,987	137,082,552	145,334,076	152,934,870	155,340,729	157,567,661	161,928,525	166,734,312	171,853,058	176,069,143	1,693,908,960
RESERVES:													
Contingencies (20%)	23,176,356	23,423,708	24,933,171	25,483,638	26,504,826	27,553,789	28,385,407	28,845,838	29,589,088	30,432,227	31,301,833	32,201,487	32,201,487
Capital Improvement Projects	8,222,181	5,617,963	5,617,963	5,617,963	7,748,781	7,748,781	7,748,781	7,748,781	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817
Budget Stabilization Fund	40,847,051	35,027,352	30,374,833	30,974,202	30,504,422	29,010,759	27,526,393	27,296,266	26,647,391	26,189,912	25,443,575	25,644,139	25,644,139
TOTAL RESERVES	72,245,587	64,069,023	60,925,967	62,075,803	64,758,029	64,313,329	63,660,581	63,890,886	75,459,296	75,844,956	75,968,224	77,068,443	77,068,443
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Current Resources	126,486,470	126,539,482	131,204,931	138,232,388	145,885,484	152,490,170	154,687,981	157,797,966	162,022,899	167,119,972	171,976,326	177,169,362	
Total Current Requirements	132,036,519	134,716,047	134,347,987	137,082,552	145,334,076	152,934,870	155,340,729	157,567,661	161,928,525	166,734,312	171,853,058	176,069,143	
DIFFERENCE	(5,550,049)	(8,176,564)	(3,143,056)	1,149,836	551,409	(444,701)	(652,748)	230,304	94,374	385,660	123,269	1,100,218	

CITY OF SUNNYVALE
035. GENERAL FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2021 TO JUNE 30, 2031

	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031		
RESERVES/FUND BALANCE, JULY 1	77,068,443	76,011,228	78,005,538	74,990,908	72,925,283	68,453,473	67,402,456	67,463,788	60,951,991	61,080,495	77,068,443	72,245,587
CURRENT RESOURCES:												
Property Tax	62,968,200	65,641,157	68,429,459	71,338,155	74,372,521	77,538,063	80,840,535	84,285,944	87,880,567	91,630,958	764,925,557	1,314,880,140
Sales Tax	38,331,225	39,894,447	41,521,779	43,215,866	44,979,462	46,815,433	48,726,768	50,716,577	52,788,100	54,944,713	461,934,370	816,372,560
Public Safety Sales Tax	1,556,091	1,619,614	1,685,745	1,754,592	1,826,267	1,900,888	1,978,576	2,059,457	2,143,664	2,231,335	18,756,229	33,316,947
Business License Tax	1,820,568	1,875,185	1,931,441	1,989,384	2,049,066	2,110,537	2,173,854	2,239,069	2,306,241	2,375,429	20,870,774	38,515,411
Other Taxes	2,602,137	2,680,201	2,760,607	2,843,426	2,928,728	3,016,590	3,107,088	3,200,301	3,296,310	3,395,199	29,830,587	54,879,594
Transient Occupancy Tax	9,907,122	10,303,407	10,715,543	11,144,165	11,589,931	12,053,529	12,535,670	13,037,097	13,558,581	14,100,924	118,945,968	207,347,638
Utility Users Taxes	8,975,615	9,223,685	9,478,773	9,741,082	10,010,819	10,288,198	10,573,439	10,866,770	11,168,423	11,478,638	101,805,442	186,914,911
Franchises	8,393,578	8,643,698	8,898,796	9,165,967	9,438,584	9,724,039	10,015,445	10,320,506	10,632,068	10,958,157	96,190,838	175,096,427
Rents and Concessions	2,054,774	2,125,522	2,198,757	2,274,567	2,353,046	2,434,289	2,518,395	2,605,467	2,695,613	2,788,941	24,049,371	45,180,427
Federal, State & Intergovernmental Revenue	1,225,079	1,246,389	1,268,218	1,290,580	1,280,156	1,303,626	1,327,671	1,352,305	1,377,544	1,403,403	13,074,971	26,176,864
Permits and Licenses	6,657,656	6,859,624	7,067,741	7,282,194	7,503,178	7,730,893	7,965,543	8,207,342	8,456,508	8,713,267	76,443,946	141,699,224
Fines and Forfeitures	1,411,464	1,448,658	1,487,010	1,526,555	1,567,328	1,609,366	1,652,705	1,697,385	1,743,446	1,790,928	15,934,847	29,802,238
Service Fees	4,508,756	4,633,520	4,762,092	4,894,189	5,030,720	5,171,008	5,315,993	5,464,983	5,618,950	5,777,622	51,177,833	95,572,623
Interest Income	3,853,422	3,800,561	3,900,277	3,749,545	3,646,264	3,422,674	3,370,123	3,373,189	3,047,600	3,054,025	35,217,680	59,408,278
Inter-Fund Revenues	17,262,827	19,172,402	13,477,547	13,633,619	13,848,327	14,041,111	14,239,022	2,796,285	2,874,303	2,955,442	114,300,884	288,587,921
Miscellaneous Revenues	158,902	163,378	167,989	172,739	170,270	175,309	180,498	185,844	191,350	197,021	1,763,300	3,481,771
Sale of Property	0	0	0	0	0	0	0	0	0	0	0	13,604,854
In-Lieu Charges	11,474,875	11,596,616	11,939,493	12,292,536	12,656,044	13,030,330	13,415,712	13,812,520	14,221,093	14,641,779	129,080,998	238,383,396
Transfers From Other Funds	278,941	377,324	298,545	308,870	319,560	330,627	342,088	444,850	459,865	378,903	3,539,572	7,353,757
TOTAL CURRENT RESOURCES	183,441,231	191,305,387	191,989,811	198,618,032	205,570,271	212,696,508	220,279,122	216,665,890	224,460,224	232,816,681	2,077,843,157	3,776,574,973
TOTAL AVAILABLE RESOURCES	260,509,673	267,316,615	269,995,349	273,608,939	278,495,554	281,149,980	287,681,578	284,129,679	285,412,215	293,897,176	2,154,911,600	3,848,820,560
CURRENT REQUIREMENTS:												
Equipment	377,645	278,640	241,422	278,317	550,481	221,898	346,128	100,016	351,497	519,991	3,266,035	6,765,425
Operations - Safety Salaries/Benefits	82,432,765	85,681,689	89,058,642	92,568,669	96,217,012	100,009,121	103,950,659	108,047,515	112,305,807	116,731,896	987,003,775	1,712,559,187
Operations - Misc. Salaries/Benefits	59,169,139	60,857,988	62,599,357	64,394,779	66,245,841	68,154,170	70,121,451	72,149,411	74,239,837	76,394,839	674,326,814	1,234,658,442
Operations - Other	27,496,740	28,287,671	29,101,379	29,938,520	30,799,770	31,685,825	32,597,398	33,535,227	34,500,068	35,492,701	313,435,300	576,157,362
Operations Transfer To Gas Tax Fund	(1,225,000)	(1,225,000)	(1,225,000)	(1,225,000)	(1,225,000)	(1,225,000)	(1,225,000)	(1,225,000)	(1,225,000)	(1,225,000)	(12,250,000)	(34,869,653)
Public Safety Recruitment Projects	2,944,633	1,781,766	2,597,810	1,762,633	3,905,048	3,316,505	3,416,000	3,920,995	3,913,798	3,182,255	30,741,443	53,832,345
Projects and Project Administration	162,466	226,957	138,131	139,965	295,268	141,783	144,318	523,914	536,810	243,623	2,553,236	8,297,774
Project Operating Costs	53,704	55,315	63,504	65,409	74,299	76,528	86,173	88,758	91,421	94,163	749,274	1,054,857
Lease Payments	4,023,315	4,136,444	2,900,461	2,933,520	2,967,241	0	0	0	0	0	16,960,981	58,535,457
Service Level Reductions	0	0	0	0	0	0	0	(5,135,959)	(11,851,007)	(11,977,183)	(28,964,149)	(28,964,149)
Infrastructure Investment	933,673	966,049	999,572	1,034,286	1,070,232	1,107,455	1,146,002	1,185,921	1,227,262	1,270,076	10,940,529	27,920,551
TOTAL EXPENDITURES	176,369,080	181,047,519	186,475,279	191,891,099	200,900,192	203,488,284	210,583,130	213,190,798	214,090,495	220,727,361	1,998,763,239	3,615,947,596

**CITY OF SUNNYVALE
035. GENERAL FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2021 TO JUNE 30, 2031**

	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031		
TRANSFERS TO OTHER FUNDS:												
Infrastructure Fund	294,803	303,647	312,756	322,138	401,757	1,255,039	352,009	416,132	373,446	409,533	4,441,260	5,827,615
Capital Projects Fund	123,095	0	0	0	0	0	0	0	0	0	123,095	3,474,605
Youth and Neighborhood Services Fund	692,656	715,140	738,280	761,237	785,764	811,070	836,168	863,016	890,624	918,155	8,012,110	14,572,066
Community Recreation Fund	6,062,730	6,250,446	6,444,029	6,643,665	6,849,545	7,061,867	7,280,835	7,506,659	7,739,556	7,979,752	69,819,084	126,135,355
General Services Fund	36,737	38,207	39,735	41,324	49,904	44,696	46,484	48,344	50,277	60,318	456,026	1,231,030
Liability and Property Insurance Fund	919,344	956,118	994,363	1,024,194	1,054,920	1,086,567	1,119,164	1,152,739	1,187,321	1,222,941	10,717,673	19,053,180
TOTAL TRANSFERS TO OTHER FUNDS	8,129,366	8,263,558	8,529,163	8,792,558	9,141,889	10,259,240	9,634,660	9,986,890	10,241,225	10,590,699	93,569,248	170,293,851
TOTAL CURRENT REQUIREMENTS	184,498,446	189,311,077	195,004,442	200,683,656	210,042,082	213,747,524	220,217,790	223,177,688	224,331,720	231,318,061	2,092,332,487	3,786,241,447
RESERVES:												
Contingencies (20%)	33,772,204	34,924,742	36,119,491	37,355,333	38,636,431	39,961,620	41,335,337	41,729,175	41,857,678	43,356,298	43,356,298	43,356,298
Capital Improvement Projects	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817	19,222,817
Budget Stabilization Fund	23,016,207	23,857,979	19,648,600	16,347,133	10,594,225	8,218,019	6,905,635	0	0	0	0	0
TOTAL RESERVES	76,011,228	78,005,538	74,990,908	72,925,283	68,453,473	67,402,456	67,463,788	60,951,991	61,080,495	62,579,115	62,579,115	62,579,115
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0
Total Current Resources	183,441,231	191,305,387	191,989,811	194,868,486	201,924,007	209,273,834	216,908,999	213,292,701	221,412,624	229,762,657		
Total Current Requirements	184,498,446	189,311,077	195,004,442	200,683,656	210,042,082	213,747,524	220,217,790	223,177,688	224,331,720	231,318,061		
DIFFERENCE	(1,057,215)	1,994,310	(3,014,630)	(5,815,170)	(8,118,075)	(4,473,690)	(3,308,791)	(9,884,987)	(2,919,096)	(1,555,404)		

**035. GENERAL FUND
REVENUES BY SOURCE**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
0150	Secured Tax	28,225,027	27,942,777	27,802,280	28,507,045	29,790,910	31,133,896	32,538,791	33,899,977	35,318,294	36,796,148	38,336,047	39,940,604	362,006,769
0152	Unitary Roll - AB454	380,882	380,450	388,059	395,820	403,737	411,811	420,048	428,448	437,017	445,758	454,673	463,766	4,629,588
0153	Property Tax in Lieu of VLF	10,995,983	10,887,357	10,832,615	11,107,213	11,607,446	12,130,714	12,678,104	13,208,464	13,761,083	14,336,900	14,936,892	15,562,076	141,048,865
0155	Tax Delinquencies	1,572,241	769,153	784,536	800,227	816,231	832,556	849,207	866,191	883,515	901,185	919,209	937,593	9,359,604
0156	Unsecured Tax	2,499,828	2,258,000	2,258,000	2,336,078	2,382,799	2,430,455	2,479,064	2,528,646	2,579,219	2,630,803	2,683,419	2,737,087	27,303,571
0157	Supplemental Roll	531,849	221,000	500,000	1,105,048	1,138,200	1,172,346	1,207,516	1,243,742	1,281,054	1,319,486	1,359,070	1,399,842	11,947,303
0159	Administrative Fees	(505,951)	(521,100)	(531,522)	(542,152)	(552,995)	(564,055)	(575,337)	(586,843)	(598,580)	(610,552)	(622,763)	(635,218)	(6,341,118)
TOTAL PROPERTY TAXES		43,699,859	41,937,637	42,033,969	43,709,279	45,586,327	47,547,724	49,597,393	51,588,624	53,661,602	55,819,728	58,066,547	60,405,752	549,954,583
0300	Sales and Use Tax	25,431,711	27,286,190	28,144,466	28,947,306	29,794,562	30,666,708	30,973,375	31,283,109	32,065,187	33,027,142	34,017,956	35,038,495	341,244,497
0300	Additional Sales Tax - Downtown	0	0	0	500,000	1,200,000	1,500,000	1,545,000	1,591,350	1,639,091	1,688,263	1,738,911	1,791,078	13,193,693
TOTAL SALES AND USE TAXES		25,431,711	27,286,190	28,144,466	29,447,306	30,994,562	32,166,708	32,518,375	32,874,459	33,704,277	34,715,405	35,756,868	36,829,574	354,438,190
0301	Sales and Use Tax - Public Safety	1,158,626	1,164,287	1,200,909	1,235,166	1,271,318	1,308,532	1,321,617	1,334,833	1,368,204	1,409,250	1,451,528	1,495,074	14,560,718
TOTAL SALES AND USE TAX - PUBLIC SAFETY		1,158,626	1,164,287	1,200,909	1,235,166	1,271,318	1,308,532	1,321,617	1,334,833	1,368,204	1,409,250	1,451,528	1,495,074	14,560,718
0450	Business License Tax	1,363,638	1,450,000	1,479,000	1,508,580	1,538,752	1,569,527	1,600,917	1,632,936	1,665,594	1,698,906	1,732,884	1,767,542	17,644,637
TOTAL BUSINESS LICENSE TAX		1,363,638	1,450,000	1,479,000	1,508,580	1,538,752	1,569,527	1,600,917	1,632,936	1,665,594	1,698,906	1,732,884	1,767,542	17,644,637
0451	Construction Tax	936,993	1,234,784	1,255,978	1,281,097	1,230,023	1,254,623	1,279,716	1,305,310	1,331,416	1,358,044	1,385,205	1,412,909	14,329,106
0452	Real Property Transfer Tax	570,967	650,000	800,000	950,308	969,314	988,700	1,008,474	1,028,644	1,049,217	1,070,201	1,091,605	1,113,437	10,719,901
TOTAL OTHER TAXES		1,507,960	1,884,784	2,055,978	2,231,405	2,199,337	2,243,324	2,288,190	2,333,954	2,380,633	2,428,246	2,476,811	2,526,347	25,049,008
0453-01	Transient Occupancy Tax	5,557,242	6,420,200	6,689,607	6,975,954	7,367,693	7,784,881	8,217,279	8,463,798	8,717,712	8,979,243	9,248,620	9,526,079	88,391,065
0453-02	Transient Occupancy Tax Penalties	4,540	1,171	0	0	0	0	0	0	0	0	0	0	1,171
0453-03	Transient Occupancy Tax - Audit	16,414	9,434	0	0	0	0	0	0	0	0	0	0	9,434
TOTAL TRANSIENT OCCUPANCY TAX		5,578,196	6,430,805	6,689,607	6,975,954	7,367,693	7,784,881	8,217,279	8,463,798	8,717,712	8,979,243	9,248,620	9,526,079	88,401,670

**035. GENERAL FUND
REVENUES BY SOURCE**

		PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031		
0150	Secured Tax	41,671,996	43,479,199	45,365,565	47,334,599	49,389,960	51,535,472	53,775,131	56,113,110	58,553,770	61,101,666	508,320,467	870,327,237
0152	Unitary Roll - AB454	473,042	482,503	492,153	501,996	512,036	522,276	532,722	543,376	554,244	565,329	5,179,675	9,809,263
0153	Property Tax in Lieu of VLF	16,236,679	16,940,820	17,675,806	18,443,002	19,243,833	20,079,790	20,952,429	21,863,377	22,814,332	23,807,070	198,057,138	339,106,003
0155	Tax Delinquencies	965,721	994,693	1,024,533	1,055,269	1,086,928	1,119,535	1,153,121	1,187,715	1,223,346	1,260,047	11,070,909	20,430,513
0156	Unsecured Tax	2,819,200	2,903,776	2,990,889	3,080,616	3,173,035	3,268,226	3,366,272	3,467,261	3,571,278	3,678,417	32,318,970	59,622,541
0157	Supplemental Roll	1,455,836	1,514,069	1,574,632	1,637,617	1,703,122	1,771,247	1,842,097	1,915,781	1,992,412	2,072,108	17,478,921	29,426,225
0159	Administrative Fees	(654,275)	(673,903)	(694,120)	(714,943)	(736,392)	(758,484)	(781,238)	(804,675)	(828,815)	(853,680)	(7,500,524)	(13,841,642)
TOTAL PROPERTY TAXES		62,968,200	65,641,157	68,429,459	71,338,155	74,372,521	77,538,063	80,840,535	84,285,944	87,880,567	91,630,958	764,925,557	1,314,880,140
0300	Sales and Use Tax	36,468,503	37,957,216	39,507,060	41,120,558	42,800,341	44,549,147	46,369,831	48,265,362	50,238,837	52,293,479	439,570,335	780,814,832
0300	Additional Sales Tax - Downtown	1,862,722	1,937,230	2,014,720	2,095,308	2,179,121	2,266,286	2,356,937	2,451,215	2,549,263	2,651,234	22,364,035	35,557,728
TOTAL SALES AND USE TAXES		38,331,225	39,894,447	41,521,779	43,215,866	44,979,462	46,815,433	48,726,768	50,716,577	52,788,100	54,944,713	461,934,370	816,372,560
0301	Sales and Use Tax - Public Safety	1,556,091	1,619,614	1,685,745	1,754,592	1,826,267	1,900,888	1,978,576	2,059,457	2,143,664	2,231,335	18,756,229	33,316,947
TOTAL SALES AND USE TAX - PUBLIC SAFETY		1,556,091	1,619,614	1,685,745	1,754,592	1,826,267	1,900,888	1,978,576	2,059,457	2,143,664	2,231,335	18,756,229	33,316,947
0450	Business License Tax	1,820,568	1,875,185	1,931,441	1,989,384	2,049,066	2,110,537	2,173,854	2,239,069	2,306,241	2,375,429	20,870,774	38,515,411
TOTAL BUSINESS LICENSE TAX		1,820,568	1,875,185	1,931,441	1,989,384	2,049,066	2,110,537	2,173,854	2,239,069	2,306,241	2,375,429	20,870,774	38,515,411
0451	Construction Tax	1,455,297	1,498,956	1,543,924	1,590,242	1,637,949	1,687,088	1,737,700	1,789,831	1,843,526	1,898,832	16,683,347	31,012,453
0452	Real Property Transfer Tax	1,146,840	1,181,246	1,216,683	1,253,183	1,290,779	1,329,502	1,369,387	1,410,469	1,452,783	1,496,367	13,147,240	23,867,141
TOTAL OTHER TAXES		2,602,137	2,680,201	2,760,607	2,843,426	2,928,728	3,016,590	3,107,088	3,200,301	3,296,310	3,395,199	29,830,587	54,879,594
0453-01	Transient Occupancy Tax	9,907,122	10,303,407	10,715,543	11,144,165	11,589,931	12,053,529	12,535,670	13,037,097	13,558,581	14,100,924	118,945,968	207,337,033
0453-02	Transient Occupancy Tax Penalties	0	0	0	0	0	0	0	0	0	0	0	1,171
0453-03	Transient Occupancy Tax - Audit	0	0	0	0	0	0	0	0	0	0	0	9,434
TOTAL TRANSIENT OCCUPANCY TAX		9,907,122	10,303,407	10,715,543	11,144,165	11,589,931	12,053,529	12,535,670	13,037,097	13,558,581	14,100,924	118,945,968	207,347,638

**035. GENERAL FUND
REVENUES BY SOURCE**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
0454-03	Utility User's Tax - NSC	1,722	1,775	1,828	1,883	1,940	1,998	2,058	2,119	2,183	2,249	2,316	2,385	22,734
0454-04	Utility User's Tax - Other Phone	311,018	310,661	313,767	316,905	320,074	323,275	326,507	329,772	333,070	336,401	339,765	343,163	3,593,359
0454-06	Utility User's Tax - Sprint	106,266	92,128	93,049	93,980	94,919	95,869	96,827	97,796	98,773	99,761	100,759	101,766	1,065,627
0454-07	Utility User's Tax - AT&T	1,286,997	1,167,464	1,179,139	1,190,930	1,202,839	1,214,868	1,227,016	1,239,287	1,251,679	1,264,196	1,276,838	1,289,607	13,503,863
0454-08	Utility User's Tax - Other Electric	101,826	133,695	137,706	141,837	146,093	150,475	154,990	159,639	164,428	169,361	174,442	179,675	1,712,343
0454-09	Utility User's Tax - PG&E Electric	3,947,960	4,091,797	4,214,551	4,340,988	4,471,217	4,605,354	4,743,514	4,885,820	5,032,394	5,183,366	5,338,867	5,499,033	52,406,901
0454-10	Utility User's Tax - PG&E Gas	597,015	585,995	585,995	651,919	671,477	691,621	712,370	733,741	755,753	778,426	801,778	825,832	7,794,906
0454-19	Utility User's Tax - Audit Findings	16,472	0	0	0	0	0	0	0	0	0	0	0	0
0454-21	Utility User's Tax - Verizon	303,822	311,163	314,275	317,417	320,592	323,798	327,036	330,306	333,609	336,945	340,314	343,718	3,599,172
0454-22	Utility User's Tax - Other Gas	124,670	107,063	107,063	117,770	121,303	124,942	128,690	132,551	136,527	140,623	144,842	149,187	1,410,563
TOTAL UTILITY USERS TAXES		6,797,768	6,801,741	6,947,373	7,173,629	7,350,453	7,532,198	7,719,008	7,911,031	8,108,418	8,311,328	8,519,922	8,734,366	85,109,470
0600-01	Franchise - Air Products	31,326	32,266	33,234	34,231	35,258	36,315	37,404	38,527	39,682	40,873	42,099	43,362	413,251
0600-02	Franchise - Cal Water Service	23,063	23,755	24,468	25,202	25,958	26,736	27,538	28,364	29,215	30,092	30,994	31,924	304,247
0600-03	Franchise - Taxicab Service	0	4,194	455	2,087	494	2,077	531	2,070	520	2,160	592	2,250	17,430
0602	Franchise - Comcast Cable	1,157,425	1,219,885	1,231,429	1,256,058	1,281,179	1,306,802	1,332,938	1,359,597	1,386,789	1,414,525	1,442,815	1,471,672	14,703,689
0603	Franchise - PG&E	2,368,464	2,495,564	2,570,431	2,647,544	2,726,970	2,808,779	2,893,043	2,979,834	3,069,229	3,161,306	3,256,145	3,353,829	31,962,674
0604	Franchise - Specialty Garbage	1,596,129	1,680,965	1,674,260	1,724,488	1,776,222	1,829,509	1,884,394	1,940,926	1,999,154	2,059,129	2,120,902	2,184,530	20,874,480
0606	Host Fees - Garbage	657,494	674,635	682,731	707,909	727,715	748,088	769,044	790,600	812,774	835,584	859,048	859,048	8,467,176
0607	Franchise - ATT	145,400	178,422	181,212	184,836	188,533	192,304	196,150	200,073	204,074	208,156	212,319	216,565	2,162,643
TOTAL FRANCHISE FEES		5,979,301	6,309,686	6,398,220	6,582,354	6,762,329	6,950,610	7,141,043	7,339,991	7,541,438	7,751,823	7,964,915	8,163,179	78,905,589
0751-04	Rental - American Medical Response	15,374	17,184	17,700	18,231	18,777	19,341	19,921	20,519	21,134	21,768	22,422	23,094	220,092
0751-05	Rental - Cal West Automotive	12,600	15,000	15,400	15,880	16,360	16,851	17,357	17,877	18,414	18,966	19,535	20,121	191,760

**035. GENERAL FUND
REVENUES BY SOURCE**

		PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031	FY 2010/2011 TO FY 2030/2031	
		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	TOTAL	TOTAL
0454-03	Utility User's Tax - NSC	2,457	2,531	2,607	2,685	2,765	2,848	2,934	3,022	3,112	3,206	28,167	50,901
0454-04	Utility User's Tax - Other Phone	350,026	357,026	364,167	371,450	378,879	386,457	394,186	402,070	410,111	418,313	3,832,685	7,426,044
0454-06	Utility User's Tax - Sprint	103,802	105,878	107,995	110,155	112,358	114,606	116,898	119,236	121,620	124,053	1,136,600	2,202,227
0454-07	Utility User's Tax - AT&T	1,315,399	1,341,707	1,368,541	1,395,912	1,423,830	1,452,306	1,481,353	1,510,980	1,541,199	1,572,023	14,403,249	27,907,113
0454-08	Utility User's Tax - Other Electric	185,066	190,618	196,336	202,226	208,293	214,542	220,978	227,607	234,436	241,469	2,121,571	3,833,914
0454-09	Utility User's Tax - PG&E Electric	5,664,004	5,833,924	6,008,942	6,189,210	6,374,887	6,566,133	6,763,117	6,966,011	7,174,991	7,390,241	64,931,460	117,338,361
0454-10	Utility User's Tax - PG&E Gas	850,607	876,125	902,409	929,481	957,365	986,086	1,015,669	1,046,139	1,077,523	1,109,849	9,751,253	17,546,159
0454-19	Utility User's Tax - Audit Findings	0	0	0	0	0	0	0	0	0	0	0	0
0454-21	Utility User's Tax - Verizon	350,592	357,604	364,756	372,051	379,492	387,082	394,824	402,720	410,774	418,990	3,838,885	7,438,057
0454-22	Utility User's Tax - Other Gas	153,663	158,273	163,021	167,912	172,949	178,137	183,482	188,986	194,656	200,495	1,761,573	3,172,136
TOTAL UTILITY USERS TAXES		8,975,615	9,223,685	9,478,773	9,741,082	10,010,819	10,288,198	10,573,439	10,866,770	11,168,423	11,478,638	101,805,442	186,914,911
0600-01	Franchise - Air Products	45,096	46,900	48,776	50,727	52,757	54,867	57,061	59,344	61,718	64,186	541,433	954,685
0600-02	Franchise - Cal Water Service	33,201	34,529	35,910	37,347	38,841	40,394	42,010	43,690	45,438	47,256	398,617	702,863
0600-03	Franchise - Taxicab Service	622	2,318	647	2,411	673	2,508	700	2,609	728	2,714	15,930	33,360
0602	Franchise - Comcast Cable	1,486,388	1,501,252	1,516,265	1,531,427	1,546,742	1,562,209	1,577,831	1,593,610	1,609,546	1,625,641	15,550,911	30,254,600
0603	Franchise - PG&E	3,454,444	3,558,078	3,664,820	3,774,764	3,888,007	4,004,648	4,124,787	4,248,531	4,375,987	4,507,266	39,601,332	71,564,005
0604	Franchise - Specialty Garbage	2,271,911	2,362,787	2,457,299	2,555,591	2,657,814	2,764,127	2,874,692	2,989,680	3,109,267	3,233,637	27,276,804	48,151,283
0606	Host Fees - Garbage	883,184	916,916	951,952	988,341	1,026,138	1,065,398	1,106,176	1,148,534	1,192,531	1,238,233	10,517,404	18,984,580
0607	Franchise - ATT	218,731	220,918	223,127	225,359	227,612	229,888	232,187	234,509	236,854	239,223	2,288,408	4,451,051
TOTAL FRANCHISE FEES		8,393,578	8,643,698	8,898,796	9,165,967	9,438,584	9,724,039	10,015,445	10,320,506	10,632,068	10,958,157	96,190,838	175,096,427
0751-04	Rental - American Medical Response	24,018	24,979	25,978	27,017	28,098	29,221	30,390	31,606	32,870	34,185	288,362	508,454
0751-05	Rental - Cal West Automotive	20,926	21,763	22,633	23,539	24,480	25,459	26,478	27,537	28,638	29,784	251,238	442,998

**035. GENERAL FUND
REVENUES BY SOURCE**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL	
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
0751-06	Rental - Excess City Land	2,341	0	0	0	0	0	0	0	0	0	0	0	
0751-08	Rental - 5th Matador	27,700	27,700	27,700	27,700	27,700	27,700	27,700	27,700	13,850	0	0	0	207,750
0751-13	Rental - Raynor Artists	37,683	24,184	24,184	0	0	0	0	0	0	0	0	0	48,368
0751-14	Rental - Raynor Child Care	108,588	111,846	113,712	0	0	0	0	0	0	0	0	0	225,558
0751-17	Rental - Downtown Properties	64,840	79,990	82,840	83,980	19,665	20,805	0	0	0	0	0	0	287,280
0751-21	Rental - 239 Commercial Street	117,660	117,188	122,022	127,082	130,894	134,821	138,866	143,032	147,323	0	0	0	1,061,227
0751-23	Rental - Courthouse Parking	37,440	37,440	38,563	39,720	40,912	42,139	43,403	44,705	46,046	47,428	48,851	50,316	479,523
0751-24	Rental - Dental	21,600	21,960	24,120	26,280	27,068	27,880	28,716	29,578	30,465	31,379	32,321	33,290	313,057
0752-03	Rental - Park Buildings	62,322	62,500	63,750	65,025	66,326	67,652	69,005	70,385	71,793	73,229	74,693	76,187	760,545
0752-04	Rental - Picnic Areas	94,628	95,000	96,900	98,838	100,815	102,831	104,888	106,985	109,125	111,308	113,534	115,804	1,156,028
0752-07	Rental - Athletic Fields	143,361	125,000	168,750	172,125	175,568	179,079	182,660	186,314	190,040	193,841	197,718	201,672	1,972,765
0752-16	Rental - Facilities Rent Non-Profits	33,153	35,000	35,700	36,414	37,142	37,885	38,643	39,416	40,204	41,008	41,828	42,665	425,905
0754-02	Tower/Antenna Rental - Nextel	21,056	21,688	21,901	22,339	22,786	23,242	23,706	24,180	24,664	25,157	25,661	26,174	261,498
0754-04	Tower/Antenna Rental - Sprint	7,397	7,453	7,470	7,619	7,772	7,927	8,086	8,247	8,412	8,581	8,752	8,927	89,247
0754-05	Tower/Antenna Rental - Cingular	49,223	49,351	49,411	50,399	51,407	52,435	53,484	54,554	55,645	56,758	57,893	59,051	590,388
0754-06	Tower/Antenna Rental - T-Mobile	30,890	56,457	60,637	61,850	63,087	64,348	65,635	66,948	68,287	69,653	71,046	72,467	720,415
0754-07	Tower/Antenna Rental - Metro PCS	6,837	6,956	6,956	7,095	7,237	7,382	7,529	7,680	7,834	7,990	8,150	8,313	83,122
0756-01	Fair Oaks Industrial Park - Base Rent	685,979	109,884	0	0	0	0	0	0	0	0	0	0	109,884
0756-03	Fair Oaks Industrial Park - Late Fees	4,749	1,119	0	0	0	0	0	0	0	0	0	0	1,119
3606-42	SMART Station Rent	364,536	371,826	382,981	394,470	406,305	418,494	431,049	443,980	457,299	471,018	485,149	499,703	4,762,275
3607-43	Water Pollution Control Plant Rent	321,116	327,538	337,364	347,485	357,910	368,647	379,707	391,098	402,831	414,916	427,363	440,184	4,195,042
3607-44	Landfill Rent	225,000	231,750	238,703	245,864	253,239	260,837	268,662	276,722	285,023	293,574	302,381	311,453	2,968,207
TOTAL RENTS AND CONCESSIONS		2,496,072	1,954,014	1,936,764	1,848,397	1,830,968	1,880,296	1,909,017	1,959,920	1,998,389	1,886,573	1,937,295	1,989,421	21,131,056

**035. GENERAL FUND
REVENUES BY SOURCE**

		PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031	FY 2010/2011 TO FY 2030/2031	
		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	TOTAL	TOTAL
0751-06	Rental - Excess City Land	0	0	0	0	0	0	0	0	0	0	0	0
0751-08	Rental - 5th Matador	0	0	0	0	0	0	0	0	0	0	0	207,750
0751-13	Rental - Raynor Artists	0	0	0	0	0	0	0	0	0	0	0	48,368
0751-14	Rental - Raynor Child Care	0	0	0	0	0	0	0	0	0	0	0	225,558
0751-17	Rental - Downtown Properties	0	0	0	0	0	0	0	0	0	0	0	287,280
0751-21	Rental - 239 Commercial Street	0	0	0	0	0	0	0	0	0	0	0	1,061,227
0751-23	Rental - Courthouse Parking	52,329	54,422	56,599	58,863	61,217	63,666	66,213	68,861	71,616	74,480	628,265	1,107,789
0751-24	Rental - Dental	34,622	36,007	37,447	38,945	40,503	42,123	43,808	45,560	47,382	49,278	415,673	728,730
0752-03	Rental - Park Buildings	78,473	80,827	83,252	85,749	88,322	90,971	93,701	96,512	99,407	102,389	899,602	1,660,147
0752-04	Rental - Picnic Areas	119,279	122,857	126,543	130,339	134,249	138,277	142,425	146,698	151,099	155,632	1,367,396	2,523,423
0752-07	Rental - Athletic Fields	207,722	213,954	220,372	226,983	233,793	240,807	248,031	255,472	263,136	271,030	2,381,300	4,354,066
0752-16	Rental - Facilities Rent Non-Profits	43,945	45,263	46,621	48,020	49,460	50,944	52,472	54,046	55,668	57,338	503,777	929,682
0754-02	Tower/Antenna Rental - Nextel	26,959	27,768	28,601	29,459	30,343	31,253	32,190	33,156	34,151	35,175	309,054	570,552
0754-04	Tower/Antenna Rental - Sprint	9,195	9,471	9,755	10,048	10,349	10,660	10,980	11,309	11,648	11,998	105,412	194,660
0754-05	Tower/Antenna Rental - Cingular	60,822	62,647	64,526	66,462	68,456	70,510	72,625	74,804	77,048	79,359	697,259	1,287,646
0754-06	Tower/Antenna Rental - T-Mobile	74,641	76,880	79,186	81,562	84,009	86,529	89,125	91,799	94,553	97,389	855,674	1,576,089
0754-07	Tower/Antenna Rental - Metro PCS	8,562	8,819	9,084	9,356	9,637	9,926	10,224	10,531	10,847	11,172	98,159	181,281
0756-01	Fair Oaks Industrial Park - Base Rent	0	0	0	0	0	0	0	0	0	0	0	109,884
0756-03	Fair Oaks Industrial Park - Late Fees	0	0	0	0	0	0	0	0	0	0	0	1,119
3606-42	SMART Station Rent	514,694	530,135	546,039	562,421	579,293	596,672	614,572	633,009	652,000	671,560	5,900,396	10,662,670
3607-43	Water Pollution Control Plant Rent	457,791	476,103	495,147	514,953	535,551	556,973	579,252	602,422	626,519	651,580	5,496,292	9,691,334
3607-44	Landfill Rent	320,796	333,628	346,973	360,852	375,286	390,298	405,910	422,146	439,032	456,593	3,851,514	6,819,720
TOTAL RENTS AND CONCESSIONS		2,054,774	2,125,522	2,198,757	2,274,567	2,353,046	2,434,289	2,518,395	2,605,467	2,695,613	2,788,941	24,049,371	45,180,427

**035. GENERAL FUND
REVENUES BY SOURCE**

													FY 2010/2011 TO	
													FY 2020/2021	
													TOTAL	
	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021		
1041	State Tire Enforcement Grant	38,558	50,000	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	375,000	
TOTAL STATE SHARED REVENUE		1,066,303	932,763	837,283	955,427	963,173	971,021	978,974	987,032	995,197	1,008,984	1,023,047	1,037,391	10,690,291
1349	Certified Unified Program Agency	181,198	169,286	170,000	173,400	176,868	180,405	184,013	187,694	191,448	195,277	199,182	203,166	2,030,739
1350	Bicycle Licenses	0	177	0	0	0	0	0	0	0	0	0	0	177
1351-01	Major Permit Application Fees	57,116	94,192	95,000	104,500	106,590	108,722	110,896	113,114	115,376	117,684	120,038	122,438	1,208,551
1352-01	Minor Permit Application Fees	47,932	78,444	78,000	85,800	87,516	89,266	91,052	92,873	94,730	96,625	98,557	100,528	993,391
1353	Permit - Bingo	400	250	0	0	0	0	0	0	0	0	0	0	250
1354	Permit - Building	1,537,860	1,963,426	1,997,126	2,037,069	1,955,855	1,994,972	2,034,872	2,075,569	2,117,081	2,159,422	2,202,611	2,246,663	22,784,666
1355	Permit - Electrical	354,506	448,333	456,029	465,149	446,605	455,537	464,648	473,941	483,419	493,088	502,950	513,008	5,202,707
1356	Permit - Fire Prevention	773,245	1,002,116	1,019,317	1,039,703	998,252	1,018,217	1,038,582	1,059,353	1,080,540	1,102,151	1,124,194	1,146,678	11,629,105
1358	Permit - Grading	8,535	4,036	4,105	4,187	4,020	4,101	4,183	4,266	4,352	4,439	4,527	4,618	46,833
1359	Permit - Hazardous Materials	808,952	746,908	800,000	816,000	832,320	848,966	865,946	883,265	900,930	918,949	937,328	956,074	9,506,685
1360	Permit - Mechanical	306,224	361,335	367,537	374,887	359,941	367,140	374,483	381,973	389,612	397,404	405,353	413,460	4,193,126
1361	Permit - Miscellaneous	0	1,525	1,556	1,587	1,618	1,651	1,684	1,717	1,752	1,787	1,823	1,859	18,557
1362	Permit - Fire Operations	174,525	205,300	180,000	183,600	187,272	191,017	194,838	198,735	202,709	206,763	210,899	215,117	2,176,250
1363	Permit - Plumbing and Gas	301,846	365,459	371,732	379,166	364,050	371,331	378,757	386,333	394,059	401,940	409,979	418,179	4,240,986
1364	Permit - Sign	17,070	14,208	14,452	14,741	14,153	14,436	14,725	15,019	15,320	15,626	15,938	16,257	164,874
1366	Permit - Temporary Building	1,110	2,682	2,728	2,783	2,672	2,725	2,780	2,835	2,892	2,950	3,009	3,069	31,123
1368	Permit - Transportation	18,516	17,227	18,900	19,278	19,664	20,057	20,458	20,867	21,284	21,710	22,144	22,587	224,177
1370	Permit - Taxi Driver and Vehicle	52,120	48,699	48,465	49,434	50,423	51,431	52,460	53,509	54,579	55,671	56,784	57,920	579,377
1371	Permit - Misc. Public Safety	8,154	6,476	4,162	4,245	4,330	4,417	4,505	4,595	4,687	4,781	4,876	4,974	52,049
1372	Permit - Liquidambar Street	250	0	0	0	0	0	0	0	0	0	0	0	0
1373	Adult Entertainment Permits	17,135	14,416	14,416	14,704	14,998	15,298	15,298	15,604	15,916	16,235	16,559	16,891	170,337
1374	OCM Special Event Permit Fee	100	103	106	109	113	116	119	123	127	130	134	138	1,319

**035. GENERAL FUND
REVENUES BY SOURCE**

		PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031	FY 2010/2011 TO FY 2030/2031	
		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	TOTAL	TOTAL
1041	State Tire Enforcement Grant	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	325,000	700,000
TOTAL STATE SHARED REVENUE		1,063,487	1,079,949	1,096,785	1,114,004	1,098,283	1,116,296	1,134,721	1,153,567	1,172,843	1,192,561	11,222,496	21,912,787
1349	Certified Unified Program Agency	209,261	215,539	222,005	228,665	235,525	242,591	249,868	257,364	265,085	273,038	2,398,940	4,429,678
1350	Bicycle Licenses	0	0	0	0	0	0	0	0	0	0	0	177
1351-01	Major Permit Application Fees	126,112	129,895	133,792	137,806	141,940	146,198	150,584	155,101	159,754	164,547	1,445,728	2,654,278
1352-01	Minor Permit Application Fees	101,514	104,559	107,696	110,927	114,255	117,682	121,213	124,849	128,595	132,453	1,163,744	2,157,135
1353	Permit - Bingo	0	0	0	0	0	0	0	0	0	0	0	250
1354	Permit - Building	2,314,063	2,383,485	2,454,989	2,528,639	2,604,498	2,682,633	2,763,112	2,846,005	2,931,385	3,019,327	26,528,136	49,312,802
1355	Permit - Electrical	528,399	544,251	560,578	577,396	594,717	612,559	630,936	649,864	669,360	689,441	6,057,499	11,260,206
1356	Permit - Fire Prevention	1,181,078	1,216,511	1,253,006	1,290,596	1,329,314	1,369,194	1,410,269	1,452,577	1,496,155	1,541,039	13,539,740	25,168,845
1358	Permit - Grading	4,756	4,899	5,046	5,197	5,353	5,514	5,679	5,850	6,025	6,206	54,527	101,360
1359	Permit - Hazardous Materials	984,756	1,014,299	1,044,728	1,076,070	1,108,352	1,141,602	1,175,850	1,211,126	1,247,460	1,284,884	11,289,127	20,795,812
1360	Permit - Mechanical	425,863	438,639	451,798	465,352	479,313	493,692	508,503	523,758	539,471	555,655	4,882,047	9,075,173
1361	Permit - Miscellaneous	1,915	1,972	2,031	2,092	2,155	2,220	2,286	2,355	2,426	2,498	21,950	40,508
1362	Permit - Fire Operations	223,721	232,670	241,977	251,656	261,722	272,191	283,079	294,402	306,178	318,425	2,686,022	4,862,272
1363	Permit - Plumbing and Gas	430,724	443,646	456,955	470,664	484,784	499,327	514,307	529,736	545,629	561,997	4,937,770	9,178,756
1364	Permit - Sign	16,745	17,247	17,765	18,298	18,847	19,412	19,994	20,594	21,212	21,848	191,962	356,837
1366	Permit - Temporary Building	3,161	3,256	3,353	3,454	3,558	3,664	3,774	3,888	4,004	4,124	36,237	67,360
1368	Permit - Transportation	23,265	23,963	24,682	25,422	26,185	26,970	27,779	28,613	29,471	30,355	266,706	490,882
1370	Permit - Taxi Driver and Vehicle	59,658	61,447	63,291	65,190	67,145	69,160	71,234	73,372	75,573	77,840	683,909	1,263,287
1371	Permit - Misc. Public Safety	5,123	5,277	5,435	5,598	5,766	5,939	6,117	6,301	6,490	6,685	58,732	110,780
1372	Permit - Liquidambar Street	0	0	0	0	0	0	0	0	0	0	0	0
1373	Adult Entertainment Permits	17,397	17,919	18,457	19,011	19,581	20,168	20,773	21,397	22,038	22,700	199,441	369,778
1374	OCM Special Event Permit Fee	144	150	156	162	168	175	182	189	197	205	1,728	3,048

**035. GENERAL FUND
REVENUES BY SOURCE**

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
TOTAL PERMITS AND LICENSES	4,666,794	5,544,598	5,643,631	5,770,343	5,627,260	5,739,807	5,854,298	5,971,385	6,090,814	6,212,632	6,336,886	6,463,625	65,255,277
1502-01 Fines - Library Overdue Material - Circulation Desk Payments	120,326	118,843	117,655	116,478	115,313	114,160	113,018	111,888	110,769	109,661	108,564	107,478	1,243,827
1502-02 Fines - Overdue/Lost & Damaged-Internet Payments	75,797	117,535	119,886	122,284	124,730	127,224	129,768	132,363	135,010	137,710	140,464	143,273	1,430,247
1503 Fines - Parking	440,514	444,785	470,000	479,400	488,988	498,768	508,743	518,918	529,296	539,882	550,680	561,694	5,591,154
1504 Fines - Traffic and Criminal	427,975	377,579	420,000	428,400	436,968	445,707	454,622	463,714	472,988	482,448	492,097	501,939	4,976,462
1505 Hazardous Material Recovery	411	0	0	0	0	0	0	0	0	0	0	0	0
1506 Juvenile Diversion	5,910	3,400	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	41,400
1507 Late Payment Penalties	18,444	20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902	24,380	243,374
1509 Returned Check Charge	5,920	5,605	5,717	5,831	5,948	6,067	6,188	6,312	6,438	6,567	6,698	6,832	68,206
1512 Neighborhood Preservation Code Violations	12,250	12,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	262,000
1514 CUPA Fines	0	722	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,722
TOTAL FINES AND FORFEITURES	1,107,547	1,100,469	1,183,458	1,203,001	1,222,971	1,243,375	1,264,221	1,285,518	1,307,276	1,329,502	1,352,205	1,375,396	13,867,392
1650 Administrative Request Fees	77,896	102,771	103,000	113,300	115,566	117,877	120,235	122,640	125,092	127,594	130,146	132,749	1,310,970
1652 Demolition Fees	15,169	19,768	20,107	20,509	19,692	20,085	20,487	20,897	21,315	21,741	22,176	22,619	229,397
1653 Energy Plan Check Fees	71,205	100,086	101,804	103,840	99,700	101,694	103,728	105,802	107,918	110,077	112,278	114,524	1,161,450
1654 Environmental Review Fees	18,040	53,268	53,000	58,300	59,466	60,655	61,868	63,106	64,368	65,655	66,968	68,308	674,963
1655 Legislative Actions	9,534	34,142	35,000	38,500	39,270	40,055	40,857	41,674	42,507	43,357	44,224	45,109	444,695
1667-01 Plan Maintenance Fees	86,759	217,970	125,598	128,110	123,002	125,462	127,972	130,531	133,142	135,804	138,521	141,291	1,527,402
1670 Plan Check Fees	861,202	1,183,768	1,204,087	1,228,168	1,179,204	1,202,788	1,226,844	1,251,381	1,276,408	1,301,936	1,327,975	1,354,535	13,737,094
1673-01 Subdivision Map Filing Fees - Planning	0	140,118	76,000	83,600	85,272	86,977	88,717	90,491	92,301	94,147	96,030	97,951	1,031,605
1676 Special Inspection Reimbursement	12,068	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	121,687
TOTAL COMMUNITY DEVELOPMENT FEES	1,151,873	1,861,891	1,728,796	1,784,731	1,731,784	1,766,419	1,801,748	1,837,783	1,874,538	1,912,029	1,950,270	1,989,275	20,239,263

**035. GENERAL FUND
REVENUES BY SOURCE**

	PLAN 2021/2022	PLAN 2022/2023	PLAN 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
TOTAL PERMITS AND LICENSES	6,657,656	6,859,624	7,067,741	7,282,194	7,503,178	7,730,893	7,965,543	8,207,342	8,456,508	8,713,267	76,443,946	141,699,224
1502-01 Fines - Library Overdue Material - Circulation Desk Payments	106,403	105,339	104,286	103,243	102,211	101,188	100,177	99,175	98,183	97,201	1,017,406	2,261,233
1502-02 Fines - Overdue/Lost & Damaged-Internet Payments	147,571	151,998	156,558	161,255	166,093	171,075	176,208	181,494	186,939	192,547	1,691,738	3,121,985
1503 Fines - Parking	578,544	595,901	613,778	632,191	651,157	670,691	690,812	711,537	732,883	754,869	6,632,362	12,223,516
1504 Fines - Traffic and Criminal	516,997	532,507	548,482	564,937	581,885	599,341	617,322	635,841	654,916	674,564	5,926,792	10,903,254
1505 Hazardous Material Recovery	0	0	0	0	0	0	0	0	0	0	0	0
1506 Juvenile Diversion	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	38,000	79,400
1507 Late Payment Penalties	25,111	25,865	26,641	27,440	28,263	29,111	29,984	30,884	31,810	32,765	287,873	531,247
1509 Returned Check Charge	7,037	7,249	7,466	7,690	7,921	8,158	8,403	8,655	8,915	9,182	80,676	148,882
1512 Neighborhood Preservation Code Violations	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	250,000	512,000
1514 CUPA Fines	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000	20,722
TOTAL FINES AND FORFEITURES	1,411,464	1,448,658	1,487,010	1,526,555	1,567,328	1,609,366	1,652,705	1,697,385	1,743,446	1,790,928	15,934,847	29,802,238
1650 Administrative Request Fees	134,050	138,072	142,214	146,481	150,875	155,401	160,063	164,865	169,811	174,905	1,536,738	2,847,709
1652 Demolition Fees	23,298	23,997	24,717	25,458	26,222	27,009	27,819	28,654	29,513	30,399	267,086	496,483
1653 Energy Plan Check Fees	117,959	121,498	125,143	128,898	132,764	136,747	140,850	145,075	149,428	153,910	1,352,273	2,513,723
1654 Environmental Review Fees	68,977	71,047	73,178	75,373	77,635	79,964	82,363	84,834	87,379	90,000	790,749	1,465,712
1655 Legislative Actions	45,551	46,918	48,325	49,775	51,268	52,806	54,390	56,022	57,703	59,434	522,193	966,888
1667-01 Plan Maintenance Fees	145,530	149,896	154,392	159,024	163,795	168,709	173,770	178,983	184,353	189,883	1,668,335	3,195,737
1670 Plan Check Fees	1,395,171	1,437,026	1,480,136	1,524,541	1,570,277	1,617,385	1,665,907	1,715,884	1,767,360	1,820,381	15,994,067	29,731,161
1673-01 Subdivision Map Filing Fees - Planning	100,889	103,916	107,033	110,244	113,552	116,958	120,467	124,081	127,803	131,638	1,156,582	2,188,187
1676 Special Inspection Reimbursement	12,556	12,932	13,320	13,320	13,720	13,720	14,131	14,131	14,555	14,992	137,379	259,066
TOTAL COMMUNITY DEVELOPMENT FEES	2,043,982	2,105,301	2,168,460	2,233,114	2,300,108	2,368,699	2,439,760	2,512,529	2,587,905	2,665,542	23,425,402	43,664,665

**035. GENERAL FUND
REVENUES BY SOURCE**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
1801-01	Business License Processing - New Application	114,998	133,000	135,660	138,373	141,141	143,963	146,843	149,780	152,775	155,831	158,947	162,126	1,618,439
1801-02	Business License Processing - Renewals	99,094	99,878	101,876	103,913	105,991	108,111	110,273	112,479	114,728	117,023	119,363	121,751	1,215,387
3100-05	Internet & Phone Credit Card Fee	9,671	0	0	0	0	0	0	0	0	0	0	0	0
3101	Notary Fee	40	20	0	0	0	0	0	0	0	0	0	0	20
TOTAL FINANCE FEES		223,803	232,898	237,536	242,286	247,132	252,075	257,116	262,258	267,504	272,854	278,311	283,877	2,833,846
2102	Library- Lost/Damaged Materials	11,071	13,701	13,564	13,428	13,294	13,161	13,029	12,899	12,770	12,642	12,515	12,390	143,393
2105	Miscellaneous Library Charges	3,126	2,752	2,780	2,808	2,836	2,864	2,893	2,922	2,951	2,981	3,011	3,041	31,839
TOTAL LIBRARY FEES		14,197	16,453	16,344	16,236	16,130	16,025	15,922	15,821	15,721	15,623	15,526	15,431	175,232
2355	Baylands Picnic Reservation	52,588	53,000	54,060	55,141	56,244	57,369	58,516	59,687	60,880	62,098	63,340	64,607	644,942
2356	Baylands Vehicle Entry Fee	88,428	88,500	88,500	90,270	90,270	90,270	92,075	92,075	92,075	93,917	93,917	93,917	1,005,787
TOTAL PARKS AND RECREATION FEES		141,016	141,500	142,560	145,411	146,514	147,639	150,592	151,762	152,956	156,015	157,257	158,524	1,650,729
2750	Abandoned Vehicles	199,678	185,000	185,000	185,000	185,000	185,000	185,000	185,000	185,000	185,000	185,000	185,000	2,035,000
2751	Animal Control Fees	88,836	85,000	85,000	86,700	88,434	90,203	92,007	93,847	95,724	97,638	99,591	101,583	1,015,726
2752	Court Ordered Reimbursement	377	0	0	0	0	0	0	0	0	0	0	0	0
2754	Emergency Response	34,622	20,000	30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853	348,492
2756	False Burglar Alarm Fees	184,600	137,944	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	1,887,944
2760	Police Contract Overtime	38,678	15,038	0	0	0	0	0	0	0	0	0	0	15,038
2763	Vehicle Release Fee	128,361	122,217	125,000	127,500	130,050	132,651	132,651	135,304	138,010	140,770	143,586	146,457	1,474,197
2765-01	Other DPS - Address Search	2,859	530	456	465	474	484	494	503	514	524	534	545	5,523
2765-02	Other DPS - Copy of Incident Report	14,490	4,000	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442	3,442	38,420
2765-03	Other DPS - Copy of Video Tape	58	216	186	190	194	197	201	205	209	214	218	222	2,253
2765-04	Other DPS- Violation Citation Correction	5,244	34,590	29,765	30,360	30,968	31,587	32,219	32,863	33,520	34,191	34,874	35,572	360,508

**035. GENERAL FUND
REVENUES BY SOURCE**

		PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031		
1801-01	Business License Processing - New Application	166,990	172,000	177,160	182,475	187,949	193,587	199,395	205,377	211,538	217,884	1,914,354	3,532,793
1801-02	Business License Processing - Renewals	125,403	129,165	133,040	137,032	141,142	145,377	149,738	154,230	158,857	163,623	1,437,608	2,652,995
3100-05	Internet & Phone Credit Card Fee	0	0	0	0	0	0	0	0	0	0	0	0
3101	Notary Fee	0	0	0	0	0	0	0	0	0	0	0	20
TOTAL FINANCE FEES		292,393	301,165	310,200	319,506	329,091	338,964	349,133	359,607	370,395	381,507	3,351,961	6,185,808
2102	Library- Lost/Damaged Materials	12,390	12,390	12,390	12,390	12,390	12,390	12,390	12,390	12,390	12,390	123,900	267,293
2105	Miscellaneous Library Charges	3,102	3,164	3,227	3,292	3,358	3,425	3,493	3,563	3,634	3,707	33,964	65,803
TOTAL LIBRARY FEES		15,492	15,554	15,617	15,682	15,748	15,815	15,883	15,953	16,024	16,097	157,864	333,096
2355	Baylands Picnic Reservation	67,191	69,879	72,674	75,581	78,604	81,748	85,018	88,419	91,955	95,634	806,702	1,451,644
2356	Baylands Vehicle Entry Fee	97,674	101,581	105,644	109,869	114,264	118,835	123,588	128,532	133,673	139,020	1,172,680	2,178,466
TOTAL PARKS AND RECREATION FEES		164,865	171,459	178,318	185,450	192,868	200,583	208,606	216,951	225,629	234,654	1,979,382	3,630,110
2750	Abandoned Vehicles	185,000	185,000	185,000	185,000	185,000	185,000	185,000	185,000	185,000	185,000	1,850,000	3,885,000
2751	Animal Control Fees	104,630	107,769	111,002	114,332	117,762	121,295	124,934	128,682	132,543	136,519	1,199,470	2,215,196
2752	Court Ordered Reimbursement	0	0	0	0	0	0	0	0	0	0	0	0
2754	Emergency Response	36,928	38,036	39,177	40,353	41,563	42,810	44,094	45,417	46,780	48,183	423,342	771,834
2756	False Burglar Alarm Fees	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	1,750,000	3,637,944
2760	Police Contract Overtime	0	0	0	0	0	0	0	0	0	0	0	15,038
2763	Vehicle Release Fee	150,851	155,377	160,038	164,839	169,784	174,878	180,124	185,528	191,094	196,827	1,729,339	3,203,536
2765-01	Other DPS - Address Search	561	578	595	613	632	651	670	690	711	732	6,435	11,958
2765-02	Other DPS - Copy of Incident Report	3,545	3,652	3,761	3,874	3,990	4,110	4,233	4,360	4,491	4,626	40,642	79,062
2765-03	Other DPS - Copy of Video Tape	229	236	243	250	258	265	273	282	290	299	2,625	4,877
2765-04	Other DPS- Violation Citation Correction	36,639	37,738	38,870	40,037	41,238	42,475	43,749	45,061	46,413	47,806	420,026	780,535

**035. GENERAL FUND
REVENUES BY SOURCE**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
3602-43	Sewer Loan Repayment	450,000	550,000	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	13,149,938
3601-	General Services Loan Repayment	500,000	500,000	500,000	189,789	0	0	0	0	0	0	0	0	1,189,789
3602	Refuse Loan Repayment (3602-42)	600,000	0	1,300,000	3,388,304	3,388,304	4,742,396	4,742,396	4,742,396	4,742,396	4,742,396	4,742,396	4,742,396	41,273,380
3604	Sunnyvale Office Center	238,810	245,975	253,354	260,955	268,784	276,847	285,152	293,707	302,518	311,594	320,942	330,570	3,150,398
3605	Power Generation Facility	798,521	814,492	838,927	864,095	890,017	916,718	944,219	972,546	1,001,722	1,031,774	1,062,727	1,094,609	10,431,847
TOTAL INTERFUND REVENUES		6,612,193	7,469,051	10,293,150	12,725,674	13,970,394	15,450,991	14,274,661	14,045,300	14,201,063	14,380,356	14,512,986	14,698,864	146,022,491
3601	Repayment to City - Town Center Developer	1,987,407	1,861,847	2,004,644	2,079,359	2,851,487	3,198,823	2,850,134	2,601,635	2,641,831	2,682,830	2,724,650	2,767,306	28,264,546
TOTAL REPAYMENT TO CITY - TOWN CENTER DEVELOPER		1,987,407	1,861,847	2,004,644	2,079,359	2,851,487	3,198,823	2,850,134	2,601,635	2,641,831	2,682,830	2,724,650	2,767,306	28,264,546
1208	Restricted Cash Donations	0	1,950	0	0	0	0	0	0	0	0	0	0	1,950
1216	Miscellaneous Grants - Other	15,000	9,500	0	0	0	0	0	0	0	0	0	0	9,500
4460-02	Repayments - Conway Property Owners	20,750	15,168	18,119	18,119	18,119	18,119	18,119	18,119	18,119	8,674	8,674	8,674	168,023
3801-01	Personal Property Sale	31,738	8,006	8,166	8,329	8,496	8,666	8,839	9,016	9,196	9,380	9,568	9,759	97,423
2764	Unclaimed Property	10,819	0	0	0	0	0	0	0	0	0	0	0	0
4100	Miscellaneous Revenues	17,547	7,300	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	62,049
4102	Damage to City Property	213,126	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869	117,166	119,509	121,899	1,216,872
4104	Jury Duty Reimbursement	236	70	0	0	0	0	0	0	0	0	0	0	70
4107-02	Misc Revenues - Public Safety	1,750	0	0	0	0	0	0	0	0	0	0	0	0
4114	Cash Overage & Shortage	(103)	0	0	0	0	0	0	0	0	0	0	0	0
4116-02	Photocopies - Public Safety	295	105	107	109	111	114	116	118	121	123	125	128	1,278
4116-04	Photocopies - Other Departments	1,307	2,200	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,200
4117-01	Printed Material Sales	1,570	200	204	208	212	216	221	225	230	234	239	244	2,434

**035. GENERAL FUND
REVENUES BY SOURCE**

		PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL	
		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031		
3602-43	Sewer Loan Repayment	845,829	845,829	845,829	845,829	845,829	845,829	845,829	845,829	845,829	845,829	8,458,290	21,608,228
3601-	General Services Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	1,189,789
3602	Refuse Loan Repayment (3602-42)	4,742,396	4,742,396	0	0	0	0	0	0	0	0	9,484,792	50,758,173
3604	Sunnyvale Office Center	343,793	357,544	371,846	386,720	402,189	418,276	435,007	452,408	470,504	489,324	4,127,611	7,278,009
3605	Power Generation Facility	1,138,394	1,183,929	1,231,286	1,280,538	1,331,759	1,385,030	1,440,431	1,498,048	1,557,970	1,620,289	13,667,674	24,099,521
TOTAL INTERFUND REVENUES		14,452,012	16,317,208	10,577,086	10,700,098	10,881,087	14,041,111	14,239,022	2,796,285	2,874,303	2,955,442	99,833,653	245,856,144
3601	Repayment to City - Town Center Developer	2,810,815	2,855,194	2,900,461	2,933,520	2,967,241	0	0	0	0	0	14,467,231	42,731,778
TOTAL REPAYMENT TO CITY - TOWN CENTER DEVELOPER		2,810,815	2,855,194	2,900,461	2,933,520	2,967,241	0	0	0	0	0	14,467,231	42,731,778
1208	Restricted Cash Donations	0	0	0	0	0	0	0	0	0	0	0	1,950
1216	Miscellaneous Grants - Other	0	0	0	0	0	0	0	0	0	0	0	9,500
4460-02	Repayments - Conway Property Owners	8,674	8,674	8,674	8,674	1,313	1,313	1,313	1,313	1,313	1,313	42,574	210,597
3801-01	Personal Property Sale	10,052	10,354	10,664	10,984	11,314	11,653	12,003	12,363	12,734	13,116	115,235	212,658
2764	Unclaimed Property	0	0	0	0	0	0	0	0	0	0	0	0
4100	Miscellaneous Revenues	6,155	6,339	6,530	6,725	6,927	7,135	7,349	7,570	7,797	8,031	70,557	132,606
4102	Damage to City Property	125,556	129,323	133,203	137,199	141,315	145,554	149,921	154,419	159,051	163,823	1,439,364	2,656,235
4104	Jury Duty Reimbursement	0	0	0	0	0	0	0	0	0	0	0	70
4107-02	Misc Revenues - Public Safety	0	0	0	0	0	0	0	0	0	0	0	0
4114	Cash Overage & Shortage	0	0	0	0	0	0	0	0	0	0	0	0
4116-02	Photocopies - Public Safety	132	136	140	144	148	153	157	162	167	172	1,511	2,789
4116-04	Photocopies - Other Departments	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000	22,200
4117-01	Printed Material Sales	251	259	266	274	283	291	300	309	318	328	2,879	5,312

**035. GENERAL FUND
REVENUES BY SOURCE**

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
4117-05 Printed Material Sale - Public Works/Plans & Specs	8,443	5,640	5,753	5,868	5,985	6,105	6,227	6,352	6,479	6,608	6,740	6,875	68,632
4118 Workers' Comp Recoveries	5,422	0	0	0	0	0	0	0	0	0	0	0	0
4120 Litigation Settlement Proceeds	4,539	0	0	0	0	0	0	0	0	0	0	0	0
4121 Miscellaneous Reimbursement	12,555	78,042	0	0	0	0	0	0	0	0	0	0	78,042
4123-03 Bankruptcy Recovery - Other	2	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MISCELLANEOUS	344,996	228,181	140,349	142,774	145,247	147,769	150,342	152,967	155,644	148,929	151,714	154,555	1,718,471
3204 Modular Classroom Lease	648,739	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MODULAR CLASSROOM LEASE	648,739	0	0	0	0	0	0	0	0	0	0	0	0
3800 Real Property Sale	0	0	0	0	2,130,818	0	0	0	11,474,036	0	0	0	13,604,854
TOTAL SALE OF PROPERTY	0	0	0	0	2,130,818	0	0	0	11,474,036	0	0	0	13,604,854
4400 Transfers In	10,957,877	9,362,127	9,394,922	9,381,977	9,694,846	10,068,552	10,263,328	10,528,335	10,614,706	10,945,418	11,215,541	11,646,832	113,116,583
TOTAL TRANSFERS IN	10,957,877	9,362,127	9,394,922	9,381,977	9,694,846	10,068,552	10,263,328	10,528,335	10,614,706	10,945,418	11,215,541	11,646,832	113,116,583
FUND TOTAL	126,378,879	126,539,482	131,204,931	138,232,388	148,016,302	152,490,170	154,687,981	157,797,966	173,496,935	167,119,972	171,976,326	177,169,362	1,698,731,816

**035. GENERAL FUND
REVENUES BY SOURCE**

	PLAN 2021/2022	PLAN 2022/2023	PLAN 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
4117-05 Printed Material Sale - Public Works/Plans & Specs	7,081	7,294	7,513	7,738	7,970	8,209	8,456	8,709	8,970	9,240	81,180	149,812
4118 Workers' Comp Recoveries	0	0	0	0	0	0	0	0	0	0	0	0
4120 Litigation Settlement Proceeds	0	0	0	0	0	0	0	0	0	0	0	0
4121 Miscellaneous Reimbursement	0	0	0	0	0	0	0	0	0	0	0	78,042
4123-03 Bankruptcy Recovery - Other	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MISCELLANEOUS	158,902	163,378	167,989	172,739	170,270	175,309	180,498	185,844	191,350	197,021	1,763,300	3,481,771
3204 Modular Classroom Lease	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MODULAR CLASSROOM LEASE	0	0	0	0	0	0	0	0	0	0	0	0
3800 Real Property Sale	0	0	0	0	0	0	0	0	0	0	0	13,604,854
TOTAL SALE OF PROPERTY	0	0	0	0	0	0	0	0	0	0	0	13,604,854
4400 Transfers In	11,753,815	11,973,940	12,238,038	12,601,405	12,975,604	13,360,957	13,757,800	14,257,370	14,680,958	15,020,682	132,620,570	245,737,153
TOTAL TRANSFERS IN	11,753,815	11,973,940	12,238,038	12,601,405	12,975,604	13,360,957	13,757,800	14,257,370	14,680,958	15,020,682	132,620,570	245,737,153
FUND TOTAL	183,441,232	191,305,388	191,989,812	198,618,033	205,570,272	212,696,509	220,279,123	216,665,891	224,460,225	232,816,682	2,077,843,167	3,776,574,983

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or earmarked for particular functions or activities of government. In many cases, a Special Revenue Fund has been set up in response to legal requirements established by a granting agency or another level of government.

▪ Housing Fund

The Housing Fund is comprised primarily of housing mitigation fees and Below-Market-Rate Housing (“BMR”) fees and fines. Expenditures are for operations related to developing affordable housing, managing the City’s below-market-rate housing program, and for capital and special projects that produce new affordable housing, and/or otherwise implement the City’s Housing and Community Revitalization Sub-Element of the General Plan. The Housing Fund contains two sub-funds, one for Housing Mitigation Fees and the other for BMR revenues.

Housing Mitigation Sub-Fund

Housing Mitigation fees are development impact fees paid by developers of large new employment-generating developments pursuant to S.M.C. 19.22.035, in order to maintain or improve the City’s jobs/housing balance. These fees are used to provide additional affordable housing in the City. Housing Mitigation fees and accrued interest are maintained in a separate sub-

fund of the Housing Fund.

During the first ten years of the Long-Term Financial Plan, Housing Mitigation Fees in the amount of \$14.8 million are projected to be received from anticipated industrial or office developments. During the second ten years, an additional \$18.2 million is projected. Revenue projections are based on a number of factors, including: current projects in the pipeline, total development square footage in the Moffett Park Specific Plan and in the General City-wide pool, amount of expected development from this pool (75% of the square footage in the Moffett Park development pool and 20% of the square footage in the City-wide development pool is projected to generate Mitigation Fee revenue over the next 20 years), and the current and projected per square foot Housing Mitigation Fee.

Over the past five years, this revenue stream has allowed the City to assist a number of important housing projects, most notably the provision of over \$4 million to assist the development of 123 affordable apartments for seniors and over \$2 million to acquire 20 rental apartments for lower-income households. Currently over \$8 million of the fund balance is held in reserve for potential development of permanent supportive rental housing for homeless families and individuals in conjunction with the Onizuka Air Force Station Local Redevelopment Plan. In addition, a small portion of the fund is allocated annually to provide down-payment assistance to moderate-income homebuyers.

Assistance to affordable housing developments is provided in

the form of a loan, with payments either amortized, deferred, or based on residual receipts of the project's projected operating cash flow. Interest rates vary and are set forth in each loan agreement. Down-payment assistance loans are deferred for thirty years or until sale or transfer of the home. Payments received on these loans are deposited into this Sub-Fund and re-used for additional housing activities.

During the first ten years of the planning period, staff projects the Housing Fund/Housing Mitigation Sub-Fund will receive a total of \$5.8 million in loan repayments, primarily from two large housing loans: approximately \$1 million from the loan on 662 Garland Avenue and \$4 million on the loan for the Fair Oaks Senior Housing property. Both of these rental properties are operated by Mid-Pen Housing. The remaining amount includes installment payments of \$149,025 from EHC Lifebuilders for the property at 183 Acalanes Avenue and payment in full of the \$450,000 loan on the Aster Park Apartments property.

Additional revenue is anticipated from the sale of the property located at 388 Charles Street in downtown Sunnyvale, which was paid for with Housing Mitigation Funds pursuant to Council action. Staff estimates proceeds of approximately \$650,000 from this sale will be received in FY 2012/2013. In keeping with Council policy, this property and the others owned by the General Fund in downtown will be sold following development of the Sunnyvale Town Center. Rental income from the property is projected in the Long-Term Financial Plan through the end of FY 2011/2012.

Interest income on the reserve balances in this sub-fund continues to accrue and is available for future housing projects.

Project expenditures totaling \$495,725 for FY 2011/2012 are for four special projects: maintenance of the City owned affordable housing unit at 388 Charles St. (\$5,725); first-time homebuyers assistance (\$250,000); Individual Development Account Matching Funds for first-time homebuyers (\$40,000); and the Phase IV Contribution to the Housing Trust Fund (\$200,000).

In FY 2009/2010, \$8.2 million was set aside in a reserve for homeless assistance as part of the Onizuka Base Relocation and Closure process. These funds are programmed for expenditure in FY 2012/2013.

By the end of FY 2011/2012 the Housing Mitigation Sub-Fund is projected to have a Housing Mitigation Reserve balance of approximately \$3.9 million. These funds are available for future affordable housing projects in the City when they are identified. A placeholder entitled Future Housing Projects is included in the Long-Term Financial Plan for projects that are not yet identified.

[Below Market Rate \(BMR\) Housing Sub-Fund](#)

The Housing Fund has a second sub-fund for Below Market Rate (BMR) housing revenues and expenditures.

The BMR Program does not generate funds for housing,

but rather generates affordable housing directly, through mandatory development requirements applied to most new housing developments. This is a land use/zoning tool used nationally to guarantee a minimum level of affordable housing even in higher cost areas, known as “inclusionary zoning.” The Municipal Code requires that developers sell 12.5% of all new homes in subdivision and condominium developments to lower and moderate income households at affordable prices established by the BMR program guidelines and SMC Chapter 19.66. The BMR Program has specific eligibility requirements and income limits for prospective buyers of BMR homes.

Revenues in the BMR Sub-Fund include BMR application fees, revenues from BMR compliance and enforcement actions, payments on loans originating from the Sub-Fund, and interest earnings. Expenditures include operating costs for administering and monitoring the BMR program, and a special project for BMR compliance enforcement (\$5,000).

The BMR Housing Sub-Fund has a BMR In-Lieu Fee Reserve for deposit of “BMR In-Lieu Fees” received from developers of smaller projects “in lieu of” providing actual BMR homes for sale. This option is currently available only to developments of 19 or fewer new homes, pursuant to the Municipal Code. The fees are intended to be used by the City to provide a comparable amount of affordable housing elsewhere in the City. This reserve is reduced in future years of the planning period as the in-lieu fees received from the prior projects are expended. Staff anticipates receiving additional in-lieu fees from future projects, however, such events occur infrequently.

The current BMR ordinance will likely be amended within the next two years per Council direction to improve certain aspects of the program. After these amendments have been adopted, staff will adjust the in-lieu fee revenue projections based on any changes to the ordinance.

• **HOME Grant Fund**

HOME Investment Partnership Program grants from the federal government may be used to provide housing affordable to lower-income households. Eligible uses of HOME grant funds include: acquisition, new construction, rehabilitation, tenant-based rental assistance, and down payment assistance. The activities must benefit low income households with incomes at or below 80% of area median income. According to federal statutes, HOME grants must be committed to a specific project within two years and fully expended within five years of the grant award.

The recommended Long-Term Financial Plan for the HOME Grant Fund includes an estimated grant allocation for FY 2011/2012 of \$645,000 and shows ongoing estimated HOME grant revenues of \$645,000 as a placeholder for future allocations. This is a decrease of 15% from the FY 2010/2011 allocation, as these grant funds are under scrutiny by the federal government.

Funds in FY 2011/2012 are being recommended for Operations (\$81,101) and three special projects. The projects are First Time Homebuyer Loans (\$150,000), Tenant Based

Rental Assistance (\$143,442), and Momentum for Mental Health Rehabilitation (\$318,900.) Included in the Long-Term Financial Plan is a line item for Future HOME/Housing Projects beginning in FY 2012/2013. As specific projects are identified, they will be brought to Council for approval.

Approximately \$3.2 million in loan payments are expected throughout the 20-year plan. Expenditures of these repayments will be for future HOME projects, to be identified and approved by Council.

▪ **Community Development Block Grant (CDBG) Fund**

The Community Development Block Grant (CDBG) program is a federal program which allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and needed public services, principally for low and moderate income persons. The City receives an annual appropriation from the U.S. Department of Housing and Urban Development (HUD) based on a formula derived by community need.

The Community Development Block Grant Fund consists of two sub-funds which account for revenues from Community Development Block Grants and the repayment of commercial and residential loans. Primary expenditures are for operations, housing opportunities, capital projects, and most of the City's outside group funding efforts.

Community Development Block Grant (CDBG) Sub-Fund

The CDBG Sub-Fund accounts for Community Development Block Grants from the federal government. The Housing division staff estimates that the FY 2011/2012 entitlement amount will be \$1,070,655. Since the City has received CDBG funds annually over a number of years, we are showing future grant receipts at the FY 2011/2012 entitlement level throughout the 20-Year Financial Plan. The estimated allocation is 20% less than the previous year's allocation. As the federal government grapples with a sizeable deficit under a contentious political environment, varying levels of cuts to CDBG funds have been proposed. Staff anticipates some reduction but believes the program will continue long term.

The CDBG and HOME grants must be spent in accordance with a five-year "Consolidated Plan," a strategic plan and budget for use of these grants, submitted to HUD for approval every five years. It identifies a jurisdiction's overall needs for affordable housing and other community development activities. HUD requires the City to submit annual updates during the intervening years of the Consolidated Plan, and this is generally done in May of each year.

CDBG funds may be used for acquisition, rehabilitation and preservation of existing affordable housing, certain types of public services and facilities, and elimination of blight. Capital and special projects funded with CDBG must implement the goals of the 2010-2015 Consolidated Plan. The City submits a performance report to HUD annually to report on its uses of the CDBG and HOME funds, and how these activities

contribute toward achieving the goals of the Consolidated Plan.

Additionally, by regulation, up to 15% of the annual CDBG allocation plus prior year program income may be used for public (human) services. The FY 2011/2012 Recommended Budget includes \$183,100 for granting to qualified human services providers or “sub-recipients”. This is the first year of a new two-year grant cycle for human services (also known as Outside Group Funding).

CDBG funds may also be used for projects that benefit groups with special needs such as senior or handicapped citizens or for targeted geographical areas that meet certain income requirements. In FY 2011/2012 a special project for Home Access, Paint and Emergency Repair, and Energy-Efficiency is proposed for \$100,000 and capital projects for ADA Curb Retrofits and the expansion of the Columbia Neighborhood Center are proposed for \$425,467 and \$396,520, respectively.

CDBG Revolving Loan Sub-Fund

The Revolving Loan Sub-Fund was established by Council action in 2001, pursuant to HUD regulations for uses of CDBG “Program Income” from City loans funded with CDBG grants in prior years, and was separated for accounting purposes in FY 2003/2004. This revolving fund allows the City to account for program income from housing loans made with CDBG funds and reuse those funds for the same purpose (housing rehabilitation), pursuant to HUD regulations.

The Revolving Loan Sub-Fund has one source of revenue: loan payments on prior CDBG housing loans. The current CDBG loan portfolio includes 200 loans with a total outstanding debt of \$10,603,489. Staff projects \$150,000 in revenue for FY 2011/2012 from the CDBG loan payments.

The recommended FY 2011/2012 Budget contains two special projects for the Revolving Loan Sub-Fund: one project to allow staff to provide up to \$150,000 in single family rehabilitation loans during the fiscal year, and \$50,000 for a rehabilitation project at Orchard Gardens Apartments. In addition, \$53,000 will be transferred to the HOME fund to provide support for a housing rehabilitation project headed by Momentum for Mental Health.

▪ Park Dedication Fund

State law allows local communities to require developers of housing units to offset the impact of those new housing units on the City’s ratio of open space per 1,000 population by providing additional open space or paying a comparable fee. The Park Dedication Fund was established to meet statutory requirements regarding the accounting for Park Dedication Fees paid by developers. In general, the City collects park in-lieu fees for housing projects that do not dedicate land for use as parks or open space. This fee is calculated on an average fair market value per square foot as determined by the Community Development Department annually. In prior years, the fee was based on a park facility standard of 1.25 acres per 1,000 population. In November 2009 Council

moved to raise the standard to 3.0 acres per 1,000 population over a three-year period. Due to current market conditions, the value per square foot is reduced this year to \$75, down from \$96 last year.

Park Dedication revenues are accounted for in the Park Dedication Fund as legally required, and then available resources are appropriated here or transferred to the Capital Projects Fund or the Infrastructure Fund for designated and approved park-related projects.

Authorizing language in the State Quimby Act indicates that fees may be used to pay for “developing new or rehabilitating existing neighborhood or community park or recreational facilities.” Certain legal cases have clarified that park in-lieu fees may be used for parks or recreational facilities that are adjacent to the subdivision or multi-family development from which they are collected but may also be used for larger community parks and regional facilities that are reasonably available for use by the residents of the subdivision or development. Park Dedication Fees may not be used for operating or routine maintenance. For the last several years, Park Dedication Fees were also used to pay for golf course rehabilitation projects. In April 2011, however, Council acted to cease that practice for projects that were not already programmed to be funded in this manner, determining instead that golf course revenues associated with the golf enterprise fund would pay for these improvements.

Park in-lieu fees must be committed within a five-year period,

and certain of these fees are subject to the Fee Mitigation Act, which requires specific review and findings every five years. The City conforms with both of these requirements.

It is estimated that approximately \$3.2 million in Park Dedication Fees will be received during FY 2010/2011. Based on current projects in process, revenues for FY 2011/2012 and FY 2012/2013 are expected to be \$2.6 million and \$3.0 million, respectively. These projections reflect the phase in of the new 3.0 acre standard recently implemented. For FY 2013/2014 and beyond, revenues are projected based on 200 dwelling units per year being added that are eligible to pay the fee at the full 3.0 acre standard. These projections yield approximately \$44 million in revenue over the first ten years and an additional \$58 million during the second ten years of the long-term plan.

The Park Dedication Fund also receives rental income from six houses that the City purchased in anticipation of expanding Murphy Park and Orchard Gardens Park. The Long-Term Financial Plan now projects that the houses associated with Murphy Park will be sold in FY 2012/2013, with proceeds being available to fund other park-related capital or infrastructure. Estimated revenue for rental income from the six houses is about \$106,000 per year. Once the Murphy Park houses are sold, rental income of \$57,000 per year will continue to be received until such time as Orchard Gardens Park is expanded.

The Park Dedication Fund is responsible for all parks-

related capital and infrastructure projects. A total of \$36 million in transfers to the Capital and Infrastructure Funds is programmed throughout the Long-Term Financial Plan to ensure that our park facilities are in good working condition to meet increased public use. Approximately \$8.2 million is programmed for transfer in FY 2011/2012, the majority of which is for two projects, Morse Avenue Neighborhood Development (\$4.2 million) and Community Center Comprehensive Infrastructure (\$2.5 million).

During an April 2011 study session, staff advised Council of its plans to develop for Council's consideration more detailed policies related to implementation of the Park Dedication Fund revenues. As of the delivery of the FY 2011/2012 Recommended Budget, those proposed policies are still being crafted. In the meantime, staff informed Council that this year's budget submittal would focus on and prioritize the rehabilitation of existing park and recreation infrastructure. A proposal for prioritizing new capital projects to be funded by Park Dedication Funds will be brought to Council with all other proposed policies for the Park Dedication Fund later in the calendar year. As such, the \$36 million programmed for transfer to the Capital and Infrastructure Funds over the 20-year plan only reflect the existing park and recreation infrastructure, with the exception of the Morse Park project. Another \$72 million has been programmed into the long-term plan as a placeholder for Future Park Dedication Funded Projects. These future projects will be determined based on the results of the prioritization discussed above.

Details of the special and capital rehabilitation projects to

be funded by the Park Dedication Fund are included in the Projects Budget section of the budget document.

▪ **Asset Forfeiture Fund**

The Asset Forfeiture Fund was established to account for monies received through drug and other law enforcement activities as allowed under Federal and State asset forfeiture guidelines. The purposes for which asset forfeiture can be used are limited, and funds are drawn down for new one-time expenses targeted for law enforcement services. As this is done, caution should be used to assure that these expenses are ones that fit into the City's priorities and that don't lead to unnecessary future liabilities.

It is expected that the Asset Forfeiture Fund will end FY 2010/2011 with about \$1.1 million in reserves. Future funds cannot be anticipated and are not programmed for the remaining years of the Long-Term Financial Plan. The Fund does earn interest revenue on its unexpended balance. For FY 2011/2012 this is projected to be about \$8,500.

The recommended FY 2011/2012 Budget includes a continuing transfer to the General Fund to support juvenile diversion activities within the Police Services program. The City currently has an agreement with the County of Santa Clara to pay for the direct salary, not including benefits, of one Deputy Probation Officer. For FY 2011/2012, this amount is \$93,450. This transfer is reflected through FY 2016/2017 when there are not enough available funds to fully support this

program. At that time, the Public Safety Department will need to evaluate the juvenile diversion activities in relationship to other departmental priorities to determine whether to continue funding the program within the City's General Fund.

The recommended FY 2011/2012 Budget includes \$137,529 for two projects to be funded from the Asset Forfeiture Fund. The first project, Police Services Equipment - Cell Phones, supports the cost of specialized cellular phones used for police services in the amount of \$48,529. When Asset Forfeiture Funds are projected to run out in FY 2018/2019, the department will need to evaluate the use of these phones. If additional asset forfeiture funds are received in the future, they will be applied toward the cost of these phones. The second capital project is for Police Services Equipment Acquisition. For FY 2011/2012 these funds are being proposed for two new automated license plate readers (\$54,000) and an ammunition storage locker (\$35,000).

▪ **Police Services Augmentation Fund**

The Police Services Augmentation Fund accounts for two grant programs that provide monies for law enforcement purposes. The first is the Supplemental Law Enforcement Services (SLES) program established by the State, and the second is a smaller federal Edward Byrne Memorial Justice Assistance Grant from the Bureau of Justice Administration (BJA).

The State SLES monies constitute the major portion of

this Fund. The City first received the SLES grant in FY 1996/1997. Over the years, the amounts of both grants have decreased or varied significantly. BJA decreased from a high of \$70,158 to a low of \$10,807 in FY 2007/2008. BJA funding for FY 2011/2012 is expected to be \$11,000. SLES funding has fluctuated over the years, with a high of nearly \$300,000 in FY 1996/1997 to a low of \$100,000 in FY 2008/2009 and again in FY 2010/2011.

Initially the Police Services Augmentation Fund monies were used to fund a full-time Domestic Violence Investigator, a Patrol Watch Commander, and participation in the State Bureau of Narcotic Enforcement's Bay Area Regional Narcotics Task Force. Beginning in FY 1999/2000 Council approved use of the SLES and BJA revenue to fund the Patrol Watch Commander and two Internal Affairs Investigators. Due to the continual decline of funding and increased personnel costs, by FY 2003/2004 the grants were no longer able to support the three positions and funds were allocated to support a Patrol Watch Commander position and a portion of an Internal Affairs Investigator. Beginning with the adopted FY 2004/2005 Budget only a Patrol Watch Commander position has been supported with SLES/BJA funds. The Internal Affairs Investigator hours were moved to the General Fund operations of the Department of Public Safety. In FY 2009/2010 the funds were appropriated to fund a Public Safety Officer position in Traffic Enforcement, with the Patrol Watch Commander returned to the General Fund.

In 2009, SLES funds were tied to temporary tax increases

approved by the State's voters, which are set to expire on June 30, 2011. With no special election scheduled for June 2011 to extend the increases, the recommended FY 2011/2012 Budget has no projected SLES revenues and \$11,000 in BJA revenues. If at some point during the fiscal year funding for SLES is appropriated to the cities, staff will return to Council with a budget modification to appropriate these funds. If the grant funds are in fact eliminated, it is important to note that this Public Safety Officer position would be vulnerable to reduction, as given the current circumstances, the Public Safety Department will be forced to absorb all but \$11,000 of the cost of this officer.

▪ **Employment Development Fund**

The City of Sunnyvale, as administrative entity for the North Valley (NOVA) Job Training Consortium, is required by legislation and regulations to account for the use of various federal and state funds and program revenues for the workforce development activities that are conducted for the consortium. The City has established the Employment Development Fund to fulfill this obligation.

NOVA, formed in 1983, serves the cities of Cupertino, Los Altos, Milpitas, Mountain View, Palo Alto, Santa Clara and Sunnyvale. The City of Sunnyvale, through its NOVA Workforce Services Department (known in previous years as the Department of Employment Development), administers NOVA's programs on behalf of the consortium cities. NOVA has a wide variety of programs funded through various

sources, with baseline funding originating from the federal government and passing through the State of California. A significant amount of additional grant money is received through competitive grants from federal and state sources. Since July 1, 2000, the primary funding source for the NOVA Workforce Services Department has been federal Workforce Investment Act (WIA) appropriations and competitive grants.

The WIA dictates funding formulas whereby the allocation of funds provided by Congress to support the Act are distributed to the states. A primary factor of these formulas is the unemployment rate. These funds come in three targeted categories: Youth, Adult, and Dislocated Worker. Each of these categories serves a defined population. The total funding for the WIA line item at the federal level declined by an aggregated 10.3% for FY 2011/2012, with an additional 0.2% reduction for all non-defense discretionary budget line items of which WIA is a part.

The federal allocations to the states for FY 2011/2012 have yet to be calculated. The Department of Labor projects that California will receive a decreased share of the available WIA funds for FY 2011/2012. The projected decreases to California by category are: Youth 3.58%, Adult 3.3%, and Dislocated Worker 1.47%, for a total weighted decline from the previous year of 2.62%.

The recommended FY 2011/2012 Budget is based on an estimate of grant resources for the year. In addition, NOVA's staffing level is based on an approach that budgets staffing

only for its most stable funding resources, which are NOVA's allocated funding and its longest-funded competitive WIA grant, titled Skills, Testing, Assessment, and Re-employment (STAR). NOVA has a long history of being very competitive for additional federal and state resources and intends to submit several grant applications during the year. Any additional revenues and expenditures as a result of new grants obtained, including the need to budget casual staff for those short-term projects, will be reflected in a budget modification during the fiscal year. For the purposes of the City's recommended FY 2011/2012 Budget, we have taken the total funding estimates as described and used these as the basis for NOVA's FY 2011/2012 program and service levels.

It is important to note that, as different grants come and go, various programs and activities operated by NOVA often have a short lifespan relative to programs operated by other City departments. Therefore, the current listings of programs that have been operated by NOVA during the last several years are not included in the budget document. Rather, a base funding level will be carried into the new fiscal year and the budget will be modified for planned activities, outcomes, and expenditures during the course of the year as new funding is secured and new contract goals and obligations are agreed upon.

In the past, the NOVA Workforce Services Department Long-Term Financial Plan reflected grant revenues only for the immediate planning period. To recognize NOVA's long tenure in the City, an average grant of \$6 million per year has been

projected throughout for the next two fiscal years and \$8 million per year for all subsequent years for the duration of the 20-year planning period. The federal government recently passed a budget, which cut large amounts from non-defense domestic discretionary spending. If future cuts continue to be focused on this limited portion of the federal budget, the status of the WIA and its funding will remain uncertain.

▪ **Parking District Fund**

The Parking District Fund is a small fund that provides for the ongoing landscape and maintenance of downtown parking lots through assessments on property owners within the district. The Downtown Parking District includes all public parking in the downtown area with the exception of the parking provided by the Sunnyvale Town Center.

The approval of Proposition 218 had a significant effect on the methodologies utilized to raise assessments to fund maintenance and operations within the Parking District. Proposition 218 not only deals with the approach and methodologies to be used for benefit assessments, but also the approval process. Essentially, after a method has been selected, a vote occurs by those who would be assessed, with votes weighted according to the amount of assessment. If this weighted majority does not approve the assessment, then it does not go forward.

For a number of years, the Parking District assessment was set by an election held every one or two years. In June 2009

the District property owners approved a long-term assessment methodology whereby the FY 2009/2010 assessment rate was set as the base rate which would be adjusted annually by the previous year's change in the Consumer Price Index going forward. The Long-Term Financial Plan for FY 2011/2012 reflects this methodology over the full 20-Year Plan. The special assessment for FY 2011/2012 is projected to be \$154,961. It is anticipated the Parking District and assessment methodology will be reviewed after the redevelopment of the adjacent Town Center and Town and Country sites.

The Parking District Fund reflects a capital project that has funding programmed over the next eight years to perform asphalt and concrete maintenance on the parking lots. Also included is a small continuing special project to pay for the costs of calculating and implementing the assessments.

▪ Gas Tax Fund

The Gas Tax Fund is required by State law to account for Gas Taxes collected and allocated by the State. The State Gasoline Tax is a flat rate per gallon levied on gasoline and other motor fuels. Gas Tax is distributed to the State, cities and counties on a formula primarily based on population.

The share of Gas Taxes that Sunnyvale is allocated has declined slightly as population growth in other areas of the state outpace our growth rate. Citizens in California also pay federal gasoline taxes, but we are a "net donor state" in that we receive less in transportation funding than we pay in

gasoline taxes.

As a result of its ongoing budget programs, the State has taken several actions which impact the City's Gas Tax funds. First, beginning in FY 2008/2009 legislation was passed which delayed local Gas Tax payments to cities in order to manage State cash flow troubles. In FY 2009/2010 the payment schedule was changed from monthly to twice annually, October and April. Legislation passed again in March 2010 that delayed Gas Tax payments to cities for FY 2010/2011. However, in November 2010 voters passed Proposition 22, which, among other things, prohibited the State from delaying payments to cities and counties from the Highway Users Tax Account. The delayed amounts for the first four months of the fiscal year were distributed in April of 2011, and the City expects no future delays going forward.

A second and more dramatic state action involves a Gas Tax/ Gas Sales Tax swap that was enacted as part of a special State budget session in March 2010. In essence, this bill repealed the current State Sales Tax on gasoline, which is the funding source for Proposition 42, and replaces it with an increased excise tax on gasoline. In effect, this increased the Gas Tax rate to 35.3 cents per gallon. The intention was to replace the revenues expected from Proposition 42. As such, it includes an annual index which ensures that it will keep pace with the Sales Tax revenue. It should be noted that only the State Sales Tax on gasoline is repealed; the local 1% rate remains intact. For the recommended FY 2011/12 Budget, revenues and expenditures that were formerly in the Traffic Congestion

Relief Fund (Proposition 42) have been incorporated into the Gas Tax Fund to reflect this legislation.

Combined Gas Tax revenues have been projected at approximately \$3.7 million each year throughout the 20-Year Plan. Because these revenues are based on the number of gallons sold and not on price, no growth in revenue is projected.

In accordance with state law, the Gas Tax Fund receives interest earnings on any unspent cash balances. Gas Tax funds must be spent on maintenance and capital related to public streets and highways. The Gas Tax Fund works in tandem with the General Fund, with a set amount of funding for operations and remaining funds used to cover Gas Tax-eligible capital projects.

Operating expenses programmed for Public Works Department street maintenance in this fund are \$2 million annually for FY 2011/2012 and the remainder of the first ten years of the long-term plan. Operating expenses covered by the Gas Tax Fund are \$1.2 million in the second ten years of the long-term plan.

One infrastructure project is programmed directly in the Gas Tax Fund for Minor Repair of City Bridges and Culverts (\$10,000).

The recommended FY 2011/2012 Budget for the Gas Tax Fund has transfers to the Capital and Infrastructure Funds of \$1,237,245. The eight projects to be funded by these transfers

are: Traffic Signal Controller Replacement (\$109,555); Traffic Signal Hardware and Wiring (\$350,000); Pavement Rehabilitation (\$491,310); Street Lights Conduit Replacement (\$50,000); Battery Backup System for Traffic Signals Maintenance (\$51,200); School Transportation Demand Management (\$64,780); Traffic Signal Lights LED Array Replacements (\$45,000); and Pedestrian Lighted Crosswalk Maintenance and Replacement (\$75,400).

The project administration expenditure in the Gas Tax Fund represents the in-lieu charges for Engineering Services that are expected to be utilized in supporting capital projects that are funded from the Gas Tax Fund.

▪ **Transportation Development Act (TDA) Fund**

In FY 2003/2004 a small special revenue fund was established to account for activities related to Transportation Development Act (TDA) funds. These funds were created by State legislation which annually returns to each region in the State ¼ of 1% of State Sales Tax revenues to be used for transportation projects. These funds are restricted for pedestrian and bicycle facilities and bicycle safety education programs and must be segregated for those purposes. The TDA, in accordance with Public Utilities Code Section 99245, must submit a report of a fiscal and compliance audit made by an independent auditor at the end of each fiscal year.

The recommended FY 2011/2012 Budget includes revenues of \$67,205 from TDA funds. These funds will be spent on the

Sunnyvale East Channel Trail project.

▪ **Youth and Neighborhood Services Fund**

The Youth and Neighborhood Services Fund accounts for the revenues and ongoing operating program expenditures associated with the management and maintenance of the Columbia Neighborhood Center (CNC). On May 10, 1994 Council approved development of a neighborhood service center at Columbia Middle School to meet the health, social, recreational, and educational needs of North Sunnyvale residents (with an emphasis on serving disadvantaged youth) through a coordinated network of services. Advanced Micro Devices contributed \$1 million to the Columbia Neighborhood Center project, one-half of which Council used to establish the Youth Opportunity Fund (now renamed the Youth and Neighborhood Services Fund) to generate interest to help offset ongoing operating program expenditures.

The operating program expenditures for Columbia Neighborhood Center and related projects are accounted for in this fund along with the associated program revenues. As outlined in the partnership agreement, the City is reimbursed by the Sunnyvale School District for a portion of the cost of services provided at the Columbia Neighborhood Center. For FY 2011/2012 this reimbursement is projected at \$169,463. Other revenues to the fund are recreation fees, rental fees for the facilities, interest earnings on the endowment, and an annual subsidy from the General Fund.

Expenses included in this fund are for the direct services provided at the CNC, including CNC operations, which are now overseen by the Library and Community Services Department. In FY 2009/2010 one staff position, which was formerly split between CNC and the Office of the City Manager, was moved to full time at CNC to accommodate an expanded workload. It should also be noted that expenses for Public Safety activities associated with CNC, which were formerly budgeted in the CNC program, were removed in FY 2010/2011 and are now reflected in the Public Safety Department budget.

For FY 2011/2012, the General Fund subsidy is forecast to be \$524,641.

Of note, although not included in the Youth and Neighborhood Services Fund, is a capital project to expand the Columbia Neighborhood Center in partnership with the Sunnyvale School District. The purpose of this project is to expand the amount of space available at the CNC for local agencies. The additional space will increase the number of hours of in-kind education, recreation, social, and health services provided at CNC. The project anticipates contributions of about \$1.5 million in Community Development Block Grant revenues to the construction, which will be managed by the Sunnyvale School District. Following completion of the project in FY 2011/2012, additional operating costs of about \$32,000 will be incurred, of which half will be reimbursed by the Sunnyvale School District.

▪ **Redevelopment Agency Fund**

The Sunnyvale Redevelopment Agency (RDA) is a separate governmental and legal entity from the City. However, the Agency is a component unit of the City for which the City is financially responsible. Further, due to certain agreements between the Redevelopment Agency and the City, the General Fund of the City is inextricably tied to the financial condition of the RDA.

At the close of FY 2009/2010 the Redevelopment Agency had two outstanding loans due to the City General Fund totaling approximately \$65 million. This is largely the result of the Redevelopment Agency's inability to raise sufficient tax increment revenue to repay the City for annual lease payments made by the City for the downtown parking structure during the years following the passage of Proposition 13.

The Agency entered into a First Amended Repayment Contract with the General Fund in 1977 to repay the debt associated with initial improvements to the Project Area and its inability to make payments on the parking structure. This Contract constitutes the "1977 loan." In 1986 certain State legislation imposed more stringent requirements on funds advanced by the General Fund to the Redevelopment Agency and a separate loan was created to account for costs subject to these restrictions. This loan is referred to as the "1986 loan."

Since the Sunnyvale RDA was formed, the State has enacted several laws that placed revenue restrictions on redevelopment

agencies. These include capping the time period for collection of tax increment for each redevelopment project area. The original termination date was November 2025. In FY 2004/2005, the plan was extended by one year per SB1045 in compensation for the RDA's payment to the Educational Revenue Augmentation Fund (ERAF) in FY 2003/2004. The plan was extended for another two years in FY 2005/2006 per SB1096 for compensation of the RDA's ERAF payments made in FY 2004/2005 and FY 2005/2006. For Sunnyvale's project area, the termination date is now November 2028.

More important was the establishment of revenue limits for redevelopment agencies, referred to as Property Tax increment caps. The revenue limit/increment cap for the Sunnyvale Redevelopment Agency as originally established was \$118 million. In FY 2005/2006 the Agency amended its Redevelopment Plan to increase the tax increment cap to \$600 million. Increasing the cap will allow the Agency to receive an estimated \$346 million by the end of its project life.

It should be noted that when Property Tax increment received by the Agency reaches the original \$118 million cap, certain pass through payments to other taxing entities will be required. These pass throughs, which are taken directly from the tax increment before we receive it, will begin in FY 2014/2015 and are shown in the Long-Term Financial Plan as Pass Through to Taxing Agencies.

An actual deposit to the RDA Low and Moderate Income Housing Fund will also be required when the 1977 General

Fund loan is paid off, which is estimated to be in FY 2015/2016. This is reflected in the Long-Term Financial Plan as a separate expenditure for housing projects entitled Low and Moderate Income Housing.

The recommended FY 2011/2012 Budget for the Redevelopment Agency also includes the redevelopment of the Sunnyvale Town Center restarting in FY 2011/2012. At the time of budget preparation, the Town Center development was in bankruptcy and negotiations for the sale of the project were underway with the bank, which had foreclosed on the property. A Modification Agreement to the Amended and Restated Disposition and Development and Owner Participation Agreement (ARDDOPA) was approved on May 14, 2010, which contains various changes to the underlying deal to develop the property. These changes were incorporated into the 2010 Amended Disposition and Development and Owner Participation Agreement (ADDOPA) and signed with the court-appointed receiver for the project on August 2, 2010. The changes are reflected in the Long-Term Financial Plan for the Redevelopment Agency Fund. As part of the ADDOPA, the Agency agreed to give the developer up to \$4.5 million per year of Tax Increment generated by the project plus 50% of any receipts above this amount, in return for construction by the developer of public streets and underground parking. This agreement reflects on the RDA Long-Term Financial Plan as Repayment to City – Town Center Developer, since the mechanism for making the payments will be repayment of the General Fund 1986 loan. The tax increment sharing agreement ends in FY 2025/2026.

The primary source of revenues to the Redevelopment Agency is Property Tax Increment, which is expected to total about \$8.8 million in FY 2010/2011. This amount consists of \$7.2 million of Property Tax increment, plus \$2.0 million generated from the Town Center project, minus an amount to be transferred by the State to the Supplemental Educational Revenue Augmentation Fund (SERAF). The adopted State budget for FY 2009/2010 mandated a statewide contribution from redevelopment agencies to the SERAF over a two-year period. Sunnyvale's Redevelopment Agency share of this take was \$2,024,110 in FY 2009/2010 and an additional \$416,322 for FY 2010/2011. The California Redevelopment Association (CRA) appealed this SERAF transfer as unconstitutional, but on May 4, 2010, the Sacramento Superior Court ruled to deny the CRA petitions. CRA filed an appeal to the ruling in the Third District Court of Appeal in order to block the transfer of redevelopment funds by the State. At the time of budget preparation, the appeal is pending.

Pending the outcome of the appeal, the Long-Term Financial Plan includes the FY 2009/2010 and FY 2010/2011 transfers to SERAF. It should be noted that since Proposition 22 was successful with the voters in November 2010, Redevelopment tax increment is constitutionally protected from future State takeaways.

\$9.1 million in tax increment revenue is anticipated in FY 2011/2012, which is slightly down from FY 2010/2011 due to expected valuation appeals. Tax increment is expected to

grow by 45% over the next six years, however, as the long-term plan assumes full development of the Town Center and Town and Country projects. A total of \$114 million in tax increment is projected in the first ten years of the long-term plan, and \$132 million is projected in the second ten years.

In February 2011, the State Department of Finance released anticipated legislation to address the Governor’s proposal to eliminate redevelopment agencies by July 1, 2011 (SB 77 and AB 101). It is likely that the bill language will undergo modification prior to consideration by the legislature, and if adopted, the legislation may be subject to legal challenge.

As proposed, the City is in a vulnerable position in regards to the interpretation of what debt obligations will be recognized for repayment in the proposed legislation. The bill language indicates that agreements between cities and agencies will not be recognized as enforceable contracts. The recommended budget anticipates approximately \$128 million in loan repayments to the General Fund through the term of the Redevelopment Plan ending in FY 2027/2028.

The other major revenue source for this fund is a lease payment from the General Fund for the Mathilda Avenue Parking Structure in the amount of \$1.2 million annually.

On the expenditure side, administration of the Redevelopment Agency, which includes activities in the Office of the City Attorney and the Department of Finance, is reflected in the RDA Fund in the amount of \$346,602 for FY 2011/2012.

Included in current requirements are debt service payments totaling \$1.8 million annually for the Central Core Redevelopment Project Tax Allocation Bonds (TABs) and the Parking Facility Certificates of Participation. This debt will be repaid in FY 2022/2023.

The Long-Term Financial Plan also includes a repayment to the City for its outstanding loans in the amount of \$8.5 million in FY 2011/2012. This is offset by a revenue line item entitled General Fund Loan – Addition to 1986 Loan in the amount of \$2.7 million in FY 2011/2012. The Plan includes a net total of \$70 million in repayment to the General Fund, not including the repayment related to the Town Center developer, over the first ten years and \$64 million in the second ten years. The RDA Long-Term Financial Plan assumes that funds available after paying debt service, projects and operating costs are used to pay the existing loan advanced by the City General Fund.

Even with all available funds, it is anticipated the RDA will not be able to fully repay the General Fund its principal and interest by 2028 when the tax increment revenues end. This is the case because all new expenditures by the General Fund on behalf of the RDA, including payments to the Town Center developer, are added to the 1986 loan balance in order to ensure that tax increment continues to flow to the City. The new loan amounts from the General Fund are shown in the Current Resources section of the Long Term Financial Plan as General Fund Loan – Addition to 1986 Loan. These additional loans provide about \$41 million over the 20-year period. At

the end of the redevelopment project life, it is estimated that the 1977 Loan will be paid off and the balance on the 1986 loan will be approximately \$42 million.

The RDA has three special projects funded for FY 2011/2012. These are Redevelopment Plan Project Area: Special Studies (\$125,000), Downtown Development Economic Analysis (\$66,247) and Outside Counsel Services for RDA (\$230,000). Both the Special Studies and Economic Analysis projects provide ongoing analysis through FY 2017/2018 and FY 2012/2013, respectively, as the redevelopment of the Town Center and other properties goes forward. The Outside Counsel Services project provides funds through FY 2013/2014 for legal work related to the Town Center as it progresses.

One final ongoing expenditure is programmed in the Redevelopment Agency Fund to pay the General Fund for the services of the Agency's related support costs. These services are not charged directly to the RDA Fund, but rather are included in the General Fund and are shown as General Fund In-Lieu payments.

The Redevelopment Agency Fund maintains one reserve that reflects Debt Service Reserve Funds held by the trustees for the two outstanding bond issues mentioned above.

Finally, it should be noted that the Redevelopment Agency is currently unable to make payments of 20% of its tax increment revenues to the Low and Moderate Income Housing Fund because of pre-existing debt obligations. Each year, the

Agency calculates the contribution that should have been made and books it as a liability in its financial statements. It is currently estimated that when the 1977 General Fund loan is paid off, the liability will total approximately \$23.5 million. State law allows the Agency to extend the duration of the Plan and/or the amount of Property Tax increment revenue that can be collected and direct the full amount towards eliminating any remaining housing liability. Repayments of the Housing liability are anticipated to begin in FY 2028/2029 and be completed in FY 2029/2030.

In FY 2030/2031, all Property Tax revenues associated with the RDA will be returned to the various taxing entities in Santa Clara County that normally receive a share of Property Tax. These entities include the school districts, the County, and of course the City. Assuming that Sunnyvale's share of the non-RDA Property Tax dollar is still about 16%, the General Fund would begin to receive about \$2.8 million in additional Property Tax revenue each year. Unfortunately, this is about \$8.7 million less than what had been received annually from the loan repayment. This revenue gap in the General Fund will have to be addressed as it comes closer in our long-term planning period.

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**Financial Plans –
Capital and Infrastructure
Funds**

CAPITAL AND INFRASTRUCTURE PROJECTS FUNDS

Capital and Infrastructure Projects Funds are used for major capital acquisition, construction activities, and renovation or replacement of General City fixed assets. The City currently accounts for these activities in two funds: the Capital Projects Fund and the Infrastructure Renovation and Replacement Fund.

Capital and Infrastructure projects related to the Utility Enterprise Funds are budgeted and accounted for within each individual utility fund. Projects that are funded by more than one utility fund or in combination with another non-utility fund are included in the Capital Projects Fund or Infrastructure Renovation and Replacement Fund.

• Capital Projects Fund

The Capital Projects Fund was established in FY 1997/1998 to account for financial resources to be used for new or substantially enhanced assets or major rehabilitation of capital facilities. These projects are funded by the General Fund, other governmental funds, or outside sources. Outside revenues into the Capital Projects Fund include federal and state grants, intergovernmental revenues, developer contributions, Traffic Impact and Mitigation Fees, and Sense of Place Fees.

The Capital Projects Fund is divided into distinct sub-funds

that receive direct transfers from the funds that are responsible for particular projects. Each sub-fund records revenues, interest earnings, transfers and expenses separately.

General Assets Sub-Fund

The General Assets Sub-Fund is the largest Capital Projects sub-fund. In FY 2011/2012 it accounts for \$5.3 million in appropriations to projects. \$4.1 million is for the Morse Avenue Neighborhood Park Development. This project is funded by a Park Dedication transfer, with additional funds in the amount of \$3.9 million programmed in FY 2012/2013 to complete the project. \$1 million is programmed in FY 2011/2012 for the repair of the Fair Oaks Avenue Bridge, which is the result of recommendations made in the biannual report by the California Department of Transportation (Caltrans). The majority of this amount will be covered by a federal Highway Bridge Program grant. There are also a significant number of projects currently funded that will not fully expend their appropriations in FY 2010/2011, and these unspent funds will be carried over into FY 2011/2012. Some of the major projects in this category include: Sunnyvale Golf Course Continuous Cart Paths, Hendy Avenue Complete Street Project, Downtown Streetscape Improvements, and Residential and School Area Sidewalks.

Gas Tax Sub-Fund

The Gas Tax Sub-Fund accounts for capital projects funded partially or fully by Gas Tax revenues. In FY 2011/2012, \$64,780 has been appropriated from the Gas Tax Sub-Fund

for the School Transportation Demand Management Project. This project is a partnership with the County Public Health Department Traffic Safe Communities Network (TSCN) to apply its successful model for school Transportation Demand Management (TDM) programs at a large number of schools in Sunnyvale. \$64,780 represents Sunnyvale's half of the local funding match requirement. The \$6.4 million programmed for FY 2012/2013 and FY 2013/2014 is for the Calabazas Creek Bridge at Old Mountain View-Alviso Road project, which will be predominantly grant funded, with the local match coming from Gas Tax funds. In addition, the Mathilda Avenue Railroad Overpass Improvements project, which is budgeted for \$30.3 million in FY 2010/2011, will have a significant amount of unspent funds at the end of the fiscal year that will carry over into FY 2011/2012.

Traffic Mitigation and Traffic Impact Fees Sub-Funds

The Cumulative Traffic Mitigation funds and Traffic Impact Fees are accounted for in individual sub-funds of the Capital Projects Fund.

The Traffic Mitigation Sub-Fund was created for the Cumulative Traffic Mitigation Fees to be used for capital projects that improve traffic capacity or alternative transportation facilities. Prior to the adoption of the Transportation Strategic Program in November 2003, an interim funding mechanism was implemented for transportation mitigation of major land development. This mechanism was known as Cumulative Traffic Mitigation Fees. Funds are allocated to projects of local or regional significance, depending upon the nature

of traffic impacts identified in association with the land development. The adoption of the Transportation Strategic Program in November 2003 replaced the interim Cumulative Traffic Mitigation Fees, and funds are projected to be drawn down through FY 2016/2017. It is estimated that the Traffic Mitigation Fund will have a balance of approximately \$1.3 million at the end of FY 2010/2011.

The Traffic Mitigation Sub-Fund contains one capital project, Future Traffic Signal Construction/Modification, which has been delayed until FY 2013/2014. Additional traffic signal projects have been budgeted in FY 2016/2017, at which time the Cumulative Traffic Mitigation Fees will be exhausted. Beginning in FY 2013/2014, a line item has been budgeted for three years for Future Grant Matching Funds to be used as a local match for traffic or transportation grants that may become available during the fiscal year. This fund also pays a 5% Project Administration In-Lieu charge, based on the budgeted cost of the Future Traffic Signal Construction/Modification project, for capital project administration. This charge is budgeted every three years to correspond with the timing of the project.

The Traffic Impact Sub-Fund was created to account for the Traffic Impact Fee that was adopted in November 2003 to be applied to traffic-generating development Citywide. As noted above, this Traffic Impact Fee replaced the interim Cumulative Traffic Mitigation Fee. The City began collecting Traffic Impact Fees on new developments in January 2004. Traffic Impact Fees are to be applied to a specific list of

roadway capacity improvement projects that were identified using a Citywide transportation model. The Transportation Strategic Program consists of 14 projects totaling \$172 million. These projects are largely unfunded and will move into the City's twenty-year Projects Budget as funds are received and improvements are needed. A comprehensive listing of these projects can be found under Traffic and Transportation in Volume II – Projects Budget of the FY 2011/2012 Recommended Budget.

As the economy recovers from the decline of the past few years, larger development projects are expected to start generating significant Traffic Impact Fee revenue. Approximately \$1 million of annual revenue, adjusted for inflation, is being projected starting in FY 2011/2012. This is expected to yield a total of \$11.8 million in Traffic Impact Fees revenues over the first ten years of the plan, with an estimated \$16.8 million being collected in the second ten years.

There are no new projects in the Traffic Impact Sub-Fund in FY 2011/2012. However, beginning in FY 2012/2013 funds have been set aside in a Future Transportation Strategic Plan Projects expenditure line item to reflect the fact that the purpose of these funds is to accumulate and be used for major roadway projects as identified in the Transportation Strategic Program. Additionally, a project to update the Computerized Transportation Model has been programmed in this Sub-Fund every five years beginning in FY 2015/2016.

Sense of Place Sub-Fund

A new Sub-Fund was established in the Capital Projects Fund in FY 2008/2009 to formally account for projects funded by Sense of Place Fees. Sense of Place Fees have been collected in the City for several years as conditions of approval in certain Industrial-to-Residential areas. So far, the City has two land use areas subject to Sense of Place Fees. These are the Tasman/Fair Oaks Area and the Duane/Lawrence Expressway Industrial-to-Residential area. Dwelling units constructed in these areas are each subject to a \$1,071 Sense of Place Fee as a condition of approval.

Collection of Sense of Place Fees in FY 2010/2011 has been above average and reflects the increase in fee-eligible residential construction. Sense of Place Fee revenues are expected to continue to be strong for the next two years, projected at \$131,000 and \$126,000 for FY 2011/2012 and FY 2012/2013, respectively, before leveling off at \$45,000 for the remainder of the front ten years. Approximately \$1.3 million is expected over the entire twenty-year planning period.

Staff believes that Sense of Place Fees could become more widespread in coming years. The fees would be required in areas where desired public improvements exceed the requirements of other areas of the City. Developers are normally responsible for frontage improvements, and Sense of Place Fees would help pay for other amenities that are not project specific and benefit the entire area (e.g. special signage, area entry treatments, aesthetic enhancements, etc.).

Sense of Place Fees could also be required in areas with special land use or public improvement plans (Specific Plans, Precise Plans, Pedestrian and Bicycle area plans, etc.).

Since specific projects for these monies have not yet been identified, future expenditures are shown as Future Sense of Place Projects in the long-term plan.

State Infrastructure Bond Sub-Fund

An additional revenue source reflected in a Sub-Fund of the Capital Projects Fund beginning in FY 2008/2009 is the State Infrastructure Bond (Proposition 1B) for Local Streets and Roads, which was passed by the voters in November 2006.

As of the end of FY 2010/2011, Sunnyvale expects to have spent its entire \$2.1 million initial allocation, which was first received in FY 2007/2008. These funds have been used for the Wolfe Road Caltrain Overcrossing project, a major sidewalk and curb reconstruction project, and on various slurry seal/street resurfacing projects. Initially, the entire first allocation was appropriated to the Wolfe Road project. However, funds from the American Recovery and Reinvestment Act were utilized to supplant Proposition 1B funding, which allowed the Proposition 1B funds to be reprogrammed elsewhere. The second allocation of Proposition 1B funds in the amount of \$2.1 million is fully programmed to projects underway in FY 2010/2011, although it is likely that these projects will not be completed that fiscal year and will carry over into FY 2011/2012. Similar to the first allocation, these funds will be used for slurry seal, pavement rehabilitation, and concrete

reconstruction.

▪ Infrastructure Renovation and Replacement Fund

The Infrastructure Renovation and Replacement Fund was introduced with the FY 1996/1997 budget. Its purpose was to account for revenues and expenditures associated with the Long-Range Infrastructure Plan, which was established to fully fund the rehabilitation of the City's extensive physical infrastructure. All infrastructure projects are accounted for in this fund except for utility assets, which are funded principally from outside grant sources.

Similar to the Capital Projects Fund, this fund is divided into distinct sub-funds that receive direct transfers from the funds that are responsible for the particular infrastructure projects. Each sub-fund records revenues, interest earnings, transfers and expenses separately. Currently, there are two sub-funds: General and Community Recreation. The General Sub-Fund accounts for the majority of City infrastructure projects. The Community Recreation Sub-Fund is specifically for golf and tennis projects with funding strictly from the Park Dedication Fund.

There are 33 projects in the General Sub-Fund recommended for funding in FY 2011/2012 in the amount of \$5.6 million. Approximately \$3.8 million in projects will be funded by a transfer from the Park Dedication Fund. A few notable projects in this category include: Community Center Comprehensive

Infrastructure (\$2.5 million), Playground Equipment Replacement (\$333,000), and Park Buildings Rehabilitation (\$550,000). \$1.2 million in projects is proposed for funding from the Gas Tax Fund, including: Pavement Rehabilitation (\$491,000), Traffic Signal Hardware and Wiring (\$350,000), and Traffic Signal Controller Replacement (\$110,000).

There is \$188,000 budgeted in FY 2011/2012 in the Community Recreation Sub-Fund for two projects. This represents Park Dedication monies that will fund the Tennis Center Court Rehabilitation and Golf Course Tree Trimming and Removal projects.

As was noted in last fiscal year's budget document, the City's lack of ongoing funding to address the City's infrastructure needs remains a particular area of concern. The City has a vast and wide array of infrastructure assets to maintain, including buildings, streets, parks, sidewalks, and utility-related infrastructure. These assets are an important part of the foundation of our service provision to the community. The City has long recognized the importance of maintaining these assets as evidenced by the City policy of prioritizing the repair and replacement of existing infrastructure before the provision of new or expanded facilities. In order to accomplish this, various strategic planning efforts have occurred and funding has been budgeted, beginning with the establishment of the Infrastructure Renovation and Replacement Fund, to provide a long-term funding mechanism for repair and replacement of the City's general infrastructure assets.

In more recent years, however, the financial challenges created from the "dot-com bust," the recent global recession, and rising operating expenditures have caused contributions to this Fund to be reduced. In FY 2004/2005, approximately \$65 million was planned to be transferred from the General Fund to the Infrastructure Fund over a period of twenty years to fund a total of \$70 million in infrastructure projects. These projects included rehabilitation and maintenance of current City facilities, including: corporation yard buildings, civic center buildings, public safety buildings, parks buildings, community center buildings, the senior center, aquatic facilities, parks facilities, and some street-related projects. The Infrastructure Fund also funded a portion of the pavement operations program budget (\$14.5 million over 20 years). The Infrastructure Fund factored in interest income and estimated a starting balance of \$12 million. Through the 20 years, this reserve was budgeted to be drawn down so only \$200,000 was left in the 20th year.

Since that time, the General Fund contributions have been reduced and supplanted by Park Dedication, Gas Tax, and other street-specific funds for parks and street-related infrastructure projects. In the FY 2009/2010 budget, \$2 million was budgeted to be transferred from the General Fund for infrastructure-related projects, with no other funding contemplated for the remainder of the first ten years of the Financial Plan. The FY 2010/2011 Budget added a total of \$30 million over the last six years of the 20-year Financial Plan, with the availability of these funds dependent upon all of the assumptions regarding revenue and expenditures in the

General Fund being met. Historically, General Fund personnel costs have risen in excess of inflation and beyond what had been projected. Therefore, the infrastructure funds identified in the latter part of the Plan were not programmed for specific projects and were instead programmed as a placeholder.

While parks infrastructure and some streets maintenance are addressed by the special funding mentioned above, reduced transfers from the General Fund have left the City's aging administrative buildings and much of the City's streets maintenance unfunded.

This year's budget begins to address the funding necessary to maintain the City's infrastructure needs by allocating a total of \$28 million over the 20-year plan for infrastructure, including nearly \$13 million over the first five years. However, this is not nearly enough to address all of the City's infrastructure needs, as projected increases in expenditures (particularly projected salary increases based on existing contract provisions) do not allow for full funding at this time. As a result of not being able to fully fund the infrastructure needs of the City, policy-makers are likely to have difficult decisions to make in future years regarding allocating resources between personnel costs and City infrastructure.

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**Financial Plans -
Enterprise Funds**

ENTERPRISE FUNDS

The Enterprise Funds of the City incorporate programs and activities that are either fully self-supporting by way of user charges and fees or partially self-supporting. Those that are partially self-supporting require some level of transfer from the City's General Fund.

The City has three utilities that are fully self-supporting: the Water Supply and Distribution Fund, the Solid Waste Management Fund, and the Wastewater Management Fund. Additionally, the SMaRT Station® Fund and the SMaRT Station Capital Equipment Replacement Fund have been established to account for operations and maintenance at the Sunnyvale Materials Recovery and Transfer Station, which is a partnership among the three cities of Sunnyvale, Mountain View and Palo Alto. The SMaRT Station Fund is used to account for SMaRT Station operations and the SMaRT Station Equipment Replacement Fund is used to account for equipment replacement needs.

There is one enterprise fund that requires an annual transfer from the General Fund for operations because it is not fully self-supporting. The Community Recreation Fund incorporates Leisure Services activities including golf, tennis, and recreation programs. FY 2011/2012 will be a transition year for this fund, as the Golf and Tennis operations will merge and form a self-supporting Golf and Tennis enterprise fund and Recreation operations will be incorporated into the General Fund. This transition will occur during FY 2011/2012

and will be fully reflected in the FY 2012/2013 Recommended Budget.

Utility Enterprise Funds and Utility Rate Process

The following across-the-board changes to current rates for the Water, Wastewater, and Solid Waste Utility enterprises are being recommended for Council approval for FY 2011/2012:

Utility	Rate Change
Water	18.0%
Wastewater	5.5%
Solid Waste	6.0%

Each increase and the factors contributing to the need for such increases are discussed in detail below. The major reasons for the required increases in rates are the continued and substantial rise in costs of purchased water, major wastewater infrastructure needs, particularly at the City's Water Pollution Control Plant, and declining solid waste revenues resulting from the economic downturn.

As a result of these increases, monthly costs associated with water and wastewater services for an average residential customer will increase by \$11.44 per month. It is important to note that even with these rate changes, Sunnyvale residents enjoy utility rates and services that are competitive with surrounding communities.

Sunnyvale continues to comply with the noticing provision

for utility rates as required by Proposition 218. The notice for utility rates which are being proposed for FY 2011/2012 went out in April 2011, with the public hearing on the rates set for June 14, 2011.

Water Supply and Distribution Fund

The Water Supply and Distribution Fund (Water Fund) accounts for all revenues and expenses related to the City-operated water utility. Expenses include costs for wholesale water, capital and infrastructure project-related costs, debt service, and other operating costs. Revenues consist of service fees for water and recycled water, water-related public works and construction fees, and interest income. Once expenditure levels are developed, then water rates must be set to collect enough revenue to maintain the fund in a sustainable financial position. The fact that Sunnyvale utilizes long-range financial planning and sets and projects 20 years of utility rates every year helps minimize rate swings.

In addition to the normal rate setting process, the third phase of significant adjustments to the way the City prices its water was completed in FY 2010/2011.

Water Rate Pricing Review

Since the early 1980s, the City's water rates have been designed to send pricing signals to customers to encourage prudent use of this very valuable resource. This is done through a rate structure called an "inclining block tier" structure. Under this

structure, the more water a customer uses, the more they pay per unit of usage. The cost of service basis for this type of structure is based on the theory that larger water users require the utility to install larger systems, acquire more supply, and use more energy. Therefore, those costs are allocated to those users through higher per unit costs at higher usage rates.

The issue with this structure is that if it is successful, and remains unchanged, the City's water revenue declines in two ways. First, the City simply sells less water as the pricing structure drives customers to conserve. Secondly, water is sold primarily at the lower tiers which in some cases do not cover the full cost of service.

This issue has had a significant impact on the water utility's financial health over the past several years as demand and revenues have decreased due to economic conditions, the drought, and then two years of high rainfall. The first step in addressing this issue was made two years ago when changes to the Service Fees charged to each customer were adopted. Service Fees are the fixed charges that represent a portion of the customer's fixed cost of the system. Subsequently staff reviewed the water system in an effort to understand how to best allocate costs among the various customer classes to sharpen the degree of equity that can be achieved in the water rates charged to customers for the use of water. As a result of this work, staff recommended an additional two phases of adjustments.

First, the FY 2010/2011 rates recommended changes to the

price difference between water rate tiers across all classes of residential customers. One of the primary purposes of an inclining block tier rate is to send price signals to customers to encourage the prudent use of water. The difference in the unit cost for water between each tier under the old rates was very small. To correct this issue, Council adopted rates that adjusted the difference between each tier to \$1.50 per unit of water.

The second phase of work was completed in FY 2010/2011 with changes proposed for the FY 2011/2012 rates. Staff performed a detailed, cost of service rate review of the water system and is proposing adjustments to where the actual tiers should break with regards to the use of water and an adjustment to what percentage of total water utility costs should be allocated to each class of customer (e.g. residential, commercial, etc).

A cost of service review of rates begins with much of the same work that is done yearly in setting overall rates, but the cost of service review is more comprehensive in that it considers the overall rate structure as well. As with the City's regular yearly rate review, the first step is to review expenses and develop the revenue requirement, that is, how much money the utility needs to operate.

Water Fund Expense Review

The first step in either a detailed cost of service rate review or a more routine yearly rate review for the Water Fund is

completion of a 20-Year Water Production Forecast. This analysis looks at the total amount of water that will be needed for the next 20 years, taking into account demand trends, water conservation, growth and projections of population. Staff then obtains projections from each of the City's water wholesalers for next year and future rates. Available future rates generally range from zero to nine additional years, depending upon the wholesaler.

Purchased Water Sources

Sunnyvale currently receives water from four different sources. For FY 2011/2012, approximately 46% is projected to come from the Hetch-Hetchy system operated by the San Francisco Public Utilities Commission (SFPUC), 46% from the Santa Clara Valley Water District (SCVWD), 5% from well water, and the remaining 3% from recycled water.

A significant portion of the Water Fund's total expenses is the cost of purchased water, which is currently 63% and is projected to reach 75% in the first ten years of the Long-Term Financial Plan. Over the twenty year plan purchased water expenses are expected to stabilize at about 70% of the total fund requirements.

SFPUC charges consist of two separate components, a meter charge and a charge for purchased water. Currently for FY 2010/2011 the City is paying the SFPUC \$836 per acre foot plus meter charges of \$275,268. The forecast anticipates costs for FY 2011/2012 of \$1,228 per acre foot plus meter charges for SFPUC water, for a total of \$1,256 per acre foot. This

represents a 45% increase in the cost over last year's cost. In addition to these charges, the recently adopted water supply contract with the SFPUC includes a new provision that allows the Bay Area Water Supply and Conservation Agency (BAWSCA), of which the City of Sunnyvale is a member, to collect a Water Management Charge. This charge is approximately \$87,000 annually.

Current charges for SCVWD purchased water are \$520 per acre foot plus a \$100 per acre foot treated water charge, for a total of \$620 per acre foot. The SCVWD has not increased rates for three years in a row and has identified its own set of significant infrastructure needs that must be addressed. The forecast for SCVWD is that rates will rise 9.4% to \$669 per acre foot.

The City also receives charges from the SCVWD for pumping ground water from City wells. The unit cost for well water is also influenced by the power costs associated with running the pumps. The projected well water total unit cost (tax plus power) for FY 2011/2012 is \$763 per acre foot, an increase of 7.4% over last year's unit cost of \$710.

This year, both SFPUC and the Santa Clara Valley Water District have provided staff with wholesale rate projections for the next ten years. These projections are reflected in the following table.

Projected Increases in Wholesale Rates		
Fiscal Year	SFPUC	SCVWD
2011/2012	47.4%	9.4%
2012/2013	6.6%	9.8%
2013/2014	8.1%	9.6%
2014/2015	7.1%	9.5%
2015/2016	14.1%	9.3%
2016/2017	6.5%	9.1%
2017/2018	6.5%	8.4%
2018/2019	0.0%	6.2%
2019/2020	1.7%	5.3%
2020/2021	1.2%	4.1%

This year, the SFPUC had originally projected a 41.2% increase in the cost for purchased water. The reason for this large increase over previous projections (last year the SFPUC projected that FY 2011/12 rates would rise 10.2%) is a decline in revenues due to reduced water sales creating two issues. First, the Balancing Account (similar to our Rate Stabilization Reserve) for the BAWSCA customers has grown substantially, meaning BAWSCA agencies owe the SFPUC money. Second, the SFPUC is concerned that revenue volatility will affect their bond ratings, resulting in higher than anticipated borrowing costs. A major factor in the rates charged by the SFPUC is the massive \$4 billion infrastructure renovation project needed on their regional water system. The SFPUC must issue debt to fund a project of this size, and therefore must maintain a revenue base sufficient to cover their considerable debt service. Additional borrowing costs would translate into higher wholesale rates for BAWSCA customers.

In order to address these issues, the SFPUC proposed a restructuring in their wholesale rate setting approach. They released a proposal to BAWSCA agencies that provided two options for wholesale rate setting. Both options received support from BAWSCA agencies in concept (i.e. BAWSCA agencies support taking action to correct the issues) but opposition to the specific approaches. Sunnyvale opposed the changes on the basis that the impacts had not been fully identified, and that the changes meant an even larger rate increase for the City.

In mid April, in response to the comments received by BAWSCA agencies, SFPUC staff retracted the proposed changes and instead proposed to continue the current methodology with the addition of a mid-year rate adjustment that is triggered if a certain water sales goal is not met. When they did this, they revised their rate projection to a 47.4% increase. The adjustment, should it be needed, would occur in January and add another five percentage points, bringing the total adjustment to 52.6% over the current rate.

Sunnyvale's proposed water rates reflect the SFPUC's initial proposed rate restructure, which resulted in a 46% increase for Sunnyvale. The rates do not include the additional mid-year adjustment, as the decision to add it came after the City's rate notices had been prepared. Should the adjustment be made, staff will review the fund financial condition and determine if Sunnyvale must also do a mid-year adjustment to compensate for the increase in water cost for the remainder of the year.

For the Long-Term Financial Plan, staff has adjusted the annual meter charges upwards by 20% every five years to reflect the SFPUC's historical practices. Beginning in FY 2020/2021, staff is recommending a very modest growth in SFPUC's base costs of about 0.8% per year, again with meter charges increased every five years. This slowing of the rates is based on the assumption that at that point all revenue bonds for repair of the system infrastructure will have been issued and SFPUC's expenses will then include the total debt service on these bonds. Therefore, the 0.8% represents the amount that their actual fixed operating costs are expected to rise over the long term.

The projected difference in cost from the City's suppliers is significant, with water from SFPUC costing almost twice that of our other sources. Staff attempts to purchase water at the lowest possible cost. Our system allows us to move water from one portion of the City to another to some extent, and staff monitors and adjusts our purchases based on our needs and our ability to utilize the most cost effective source. However, several years of declining sales due to weather and the economy have reduced the City's projected water purchases to contractual minimums, resulting in water from SFPUC becoming essentially another fixed cost for the water utility.

Considering all sources of potable water and an expected continued flattening in total sales, the City's total purchased water costs for FY 2011/2012 are projected to be 25.3% higher than FY 2010/2011.

Finally, the City's Water Pollution Control Plant provides recycled water, which is wastewater that has been treated to very high standards. Recycled water is currently sold at 90% of water rates to encourage its use and because of its limited landscape irrigation application. The projected recycled water use for FY 2011/2012 is approximately 798 acre feet. The City is currently engaged in updating its recycled water master plan, which will help to inform the future expansion of recycled water use within the City.

Operations and Capital Expenses

The direct operating costs of the Water Fund are related to City activities involved in operating and maintaining the water supply and distribution system. The recommended FY 2011/2012 Budget includes a 4.6% increase from FY 2010/2011 in budgeted expenditures for operations, largely reflecting increased personnel costs.

The Water Fund contains annual debt service of approximately \$1.95 million in FY 2011/2012. This consists of three components. First, \$1.9 million is appropriated for the payment of the City's 2010 Water Revenue Bonds. Debt Service for a new 2010 Water Bond issue pays for the refunding of the City's existing bonds as well as adding \$18 million in funding for various water infrastructure projects. Debt Service also includes the Water Fund's portion of the Certificates of Participation issued in 2001 for purchase of the 505 West Olive Avenue Government Center property. This latter debt service, in the amount of about \$77,000, continues through the 20-Year Financial Plan.

Over the past few years, Sunnyvale staff has been working to identify and scope projects to improve the City's water supply and distribution system. \$24 million in capital, special and infrastructure projects are included in the first ten years of the FY 2011/2012 Long-Term Financial Plan, and an additional \$18.5 million in fully-identified water infrastructure, special and capital projects are included in the second ten years of the plan. These projects include repair and replacement of water mains and facilities in the distribution system that are approaching the end of their useful life.

As mentioned above, the City issued approximately \$18 million in Water Revenue Bonds in order to supplement the funding of current projects as well as a portion of those proposed in the future. Due to the age of the system and the corresponding need for maintenance and replacement, the funding needs are front loaded in the Long-Term Financial Plan. The 2010 Water Revenue Bonds will act to moderate the impact of these projects on rates, and spread their costs over the useful life of the infrastructure.

The City received an excellent credit rating from both Standard and Poors and Moody's credit rating agencies on its 2010 Water Revenue Bonds, affirming the continued exemplary financial management of the City's utilities. In its report, Standard and Poors cited a "strong and diverse underlying economy" and "a demonstrated willingness to raise rates." The report also cited strong and stable debt service coverage levels historically and going forward.

The capital and infrastructure projects recommended for funding in FY 2011/2012 are included in *Volume II, Projects Budget*.

The Water Fund carries a loan that was advanced from the General Fund in FY 2002/2003 in the amount of \$1.6 million to purchase property located at 239 Commercial Street to provide additional space for the Public Works Corporation Yard. The recommended FY 2011/2012 Budget reflects repayment of the interfund loan through FY 2014/2015.

The Fiscal Sub-Element of the City's General Plan calls for the Water Fund to maintain a Contingency Reserve of 25% of operations. This Contingency Reserve is to be used only in the event of disasters or other emergencies. The Water Fund also maintains a Rate Stabilization Reserve to smooth utility rates from year to year, normalize economic cycles and plan for project-related expenditures.

Distribution of Expenses to Functions of the Water Utility

The second step in a cost of service rate review is to allocate the Water Fund's expenses to each function of the utility so that they can be further analyzed for cost recovery. Sunnyvale's water utility serves the following four essential functions:

- The utility is designed and incurs costs to provide water at an average rate of use year round, commonly called Base Costs.

- During warmer weather (called the peak period) the utility must be able to provide water in excess of average (commonly call extra-capacity costs)
- The utility incurs costs directly associated with serving customers (customer costs), for example meter reading and utility billing.
- The water utility must have the capacity to meet demands to fight fires (fire protection costs).

Through a detailed review of the City's demand demographics, infrastructure, planning documents, and interviews with operations staff, costs were allocated to each of these functions of service. The primary allocation methodology used to determine costs is Citywide water demand demographics. The analysis determined that 69.7% of water demand is associated with serving water at an average year round demand, 29.3% is associated with service water in excess of average, and 1% is associated with meeting fire protection needs. It should be noted that customer costs are not a function of demand. Additionally, fire demand is related not only to actual fire fighting demand but to the general capacity needed to fight fires as well as general system maintenance such as fire hydrant flushing, etc.

Applying the demand analysis to the water utility costs, and incorporating the other methodologies identified above as appropriate, staff determined the following distribution of water system costs to the functions of service provided by the

utility:

Distribution of Costs to Functions of Service	
Function	Percent of Cost
Base Costs	64.9%
Extra-Capacity Costs	27.7%
Customer Costs	6.2%
Fire Protection Costs	1.2%
Total	100%

Allocation of Costs for Functions of Service to Customer Classes

The water utility groups customers in six different rate classifications: multi-family, mobile home, single family, commercial (including institutional), landscape and fire. The next step in the cost of service rate review is to allocate the functions of service identified in the previous step to each class of customer based on the use of the system. Base and Extra Capacity costs are allocated based on each customer class' water demand. Customer costs are allocated based on number of customers, and Fire protection costs are allocated based on specified fire fighting duration and flow standards.

After allocating the costs of each function to the customer classes, the current distribution of revenues received from each customer class is compared to the cost of service findings to determine where adjustments need to be made. The following table is a comparison of the two revenue distributions.

Cost of Service Shifts by Customer Class		
Customer Class	Distribution of Revenues from Existing Rates	Distribution from Cost of Service Findings
Multi-Family	23.6%	21.4%
Mobile Home	2.8%	3.3%
Single Family	35.4%	44.2%
Commercial	27.9%	21.8%
Landscape	10.3%	9.1%
Fire	0.0%	0.3%
Total	100%	100%

Overall, considering the time that has elapsed since adjustments to the City's pricing structure have been made, the comparison of current cost recovery to the findings from the analysis show that the distribution is not significantly skewed towards any particular customer group. No one customer group is either subsidizing or receiving a significant subsidy from any other group. However, adjustments do need to be made, especially to Single Family residential rates, which are not fully recovering their cost.

Rate Design

The final step in the cost of service rate design is the design of the prices themselves. Through the FY 2011/2012 recommended rates, staff has proposed pricing changes to the tiers of all customer classes (except landscape, which is not tiered) to adjust for cost of service. The recommended rates maintain the current service charge structure (also commonly called the meter or fixed charge) as it is recovering customer costs appropriately. The recommended FY 2011/2012 utility rates recommend several adjustments to the rate structure.

Residential Rates

The recommended rates place all residential customers under the same price structure. This is a result of the demand analysis that shows residential customers as a whole, regardless of dwelling unit (multi-family, single family, mobile home), use water in a similar way. The proposed changes continue the current four-tier residential rate design and continue the \$1.50 differential between tiers. Water is billed per hundred cubic feet (ccf). One ccf equals 748 gallons of water. The new monthly rate tiers are set as follows:

- Tier 1 is set at 0-4 ccf, which is 50% of the winter average water use.
- Tier 2 is set at 5-15 ccf. The top end of this tier is the maximum monthly average.
- Tier 3 is set at 16-46 ccf. The top end of this tier is the peak hour use.
- Tier 4 is 46 ccf and above. Everything in excess of peak hour use.

The impact of this change will result in more revenue recovery from single family residential customers as they will see the greatest adjustments to their tiers. The average single family monthly water bill will rise approximately 20%.

Commercial Rates

The proposed commercial rates reduce the structure from seven tiers to three tiers, eliminating four largely meaningless pricing tiers. Also, the difference between tiers is increased to \$1.50, providing for clearer pricing signals between tiers. Due to the diversity of customers within the commercial class, using average demand demographics to set tiers as done with residential is not practical with the exception of the base tier. The new monthly rate tiers are set as follows:

- Tier 1 is set at 0-6 ccf, which is approximately 50% of the winter average water use.
- Tier 2 is set at 7-2500 ccf. The top end of this tier is the high end of small to medium size water users in the commercial classification. The majority of commercial consumption will fall in this tier.
- Tier 3 is set at 2501 ccf and above. The bottom end of this tier is the low end of large water users. Only users placing significant demands on the City's system, either peak or average, will fall into this category.

Overall, increases in commercial utility bills will vary widely but are projected to remain at 18% or less, reflecting a reduction in their overall cost burden. Finally, landscape rates will remain the same, rising by 18%.

The overall rate increase proposed for water utility services for

FY 2011/2012 is 18%, twice what was anticipated last year. The projected rate increases anticipated over the remainder of the 20 years are shown at the bottom of the Water Supply and Distribution Fund Long-Term Financial Plan.

▪ **Wastewater Management Fund**

The Wastewater Management Fund accounts for revenues and expenses related to the provision of the safe and reliable removal of wastewater from all residences and businesses in Sunnyvale. Wastewater rates also pay for half of the City's street sweeping services, plus storm water management, non-point source pollution prevention and other critical public services.

The City owns and operates an extensive system for management of wastewater within City limits and in a small area in the northern portion of Cupertino and San Jose. The system includes approximately 290 miles of sewer pipes, a storm drainage system consisting of 347 miles of storm drainage pipes, and a 29.5 million gallon per day (MGD design capacity) Grade V Water Pollution Control Plant (WPCP). Operations include the transport of sewage to the treatment plant, wastewater treatment, recycled water production, industrial discharge inspection and enforcement, storm water management, and many other services related to wastewater.

Operations and Capital Expenses

The proposed FY 2011/2012 operations expense in the

Wastewater Management Fund increased by approximately 6%, largely reflecting increases in personnel costs.

It should be noted that the City's street sweeping program is funded equally by the Wastewater and Solid Waste Fund to reflect the benefits that street sweeping provides in clearing litter and debris off the streets and preventing that debris from entering the storm drainage system.

Infrastructure maintenance and repair has been and remains the largest issue for the City's wastewater collection and treatment system. Capital projects included in the recommended FY 2011/2012 Budget include the continued refinement of plans and funding for a new Water Pollution Control Plant and additional projects needed to manage the gap between the old and new plants.

The FY 2007/2008 Long-Term Financial Plan identified the need for a new Water Pollution Control Plant. An Asset Condition Assessment of the Water Pollution Control Plant (WPCP) completed in August 2006 identified the aging and deteriorating condition of the plant and recommended that a master plan for the long-term needs of the plant be completed. In response, a project for a comprehensive Strategic Infrastructure Plan (SIP) study was funded in the FY 2007/2008 Project Budget. The purpose of this study, which is complete, was to determine the most cost-effective alternative, including re-build or mix of rehabilitation and replacement, in order to maintain current service levels and meet future needs at the plant. In FY 2010/2011, an additional

project was funded to conduct a Peer Review of the SIP to validate its findings. That project is also complete.

To plan for the recommendations anticipated from the SIP, a project was submitted in FY 2007/2008 as a “placeholder” to provide up to full replacement of the plant. As specific projects are identified, the financial impact will be netted out of the “placeholder” and reflected as a new project. The first example of this is the design work for the Primary Treatment facilities. The results of both the SIP and the subsequent Peer Review have determined that the first step in replacement of the WPCP is the construction of new Head-Works and Primary Treatment Facilities. The Recommended FY 2011/2012 Budget includes a project for \$7.7 million to design new primary treatment infrastructure. It is anticipated that construction on this phase of the project will cost approximately \$50 million.

Work also continues on certain critical projects which have been previously identified as being required in the short-term to address the most advanced areas of deterioration of the plant that are in increasing danger for failure. These projects fall primarily into two categories 1) projects in which technology has not changed significantly since they were originally built and will therefore become part of the new plant, and 2) projects that address infrastructure that may be replaced with different technology or processes, but that will not last the interim period and therefore must be repaired or replaced.

The City issued approximately \$22.5 million in Wastewater Revenue Bonds in order to supplement the funding of

current projects as well as a portion of those proposed in the future. The Wastewater Fund contains annual debt service of approximately \$2.9 million in FY 2011/2012. This consists of two components. First, \$2.85 million is appropriated for the payment of the City’s 2010 Wastewater Revenue Bonds. Debt Service for a new bond issue pays for the refunding of the City’s existing bonds as well as adding \$22.5 million in funding for the infrastructure projects discussed above. Debt Service also includes the Wastewater Fund’s portion of the Certificates of Participation issued in 2001 for purchase of the 505 West Olive Avenue Government Center property. This latter debt service, in the amount of about \$55,000, continues through the 20-Year Financial Plan.

The City received an excellent credit rating from both Standard and Poors and Moody’s credit rating agencies on its 2010 Wastewater Revenue Bonds, affirming the continued exemplary financial management of the City’s utilities. In its report, Standard and Poors cited a “strong and diverse underlying economy” and “a demonstrated willingness to raise rates.” The report also cited strong and stable debt service coverage levels historically and going forward.

The Wastewater Management Fund has two inter-fund loans that were advanced from the General Fund. The first loan was to finance the remodel of the primary facilities of the wastewater treatment plant, expanding the capacity from 22.5 million gallons per day to 29.5 million gallons per day. The loan was made by the General Fund in FY 1980/1981 for a total of \$10.7 million at 7% interest. The original term was

for 20 years. Payment of the loan began in FY 2004/2005. The second loan from the General Fund was made to assist the Wastewater Management Fund with cash flow issues by providing needed cash to stabilize rates. The loan was advanced in FY 1995/1996 for a total of \$2.4 million at 7% interest. The term was for 20 years with ongoing payments on the loan deferred until FY 2004/2005. No changes have been made to the loan payoff schedule as part of the recommended FY 2011/2012 Wastewater Management Fund Long-Term Financial Plan.

Additionally, in order to help the Solid Waste Management Fund with cash flow issues, the Wastewater Fund reflects a \$2 million loan to the Solid Waste Fund at 4.5% interest. Payment is deferred to FY 2015/2016 and then repaid over a six year period. This helps the Solid Waste Fund with cash it needs now, and then helps the Wastewater Management Fund in the future as its cash needs increase to fund the new WPCP.

In 1997 the City completed construction of the WPCP Power Generation Facility (PGF). The PGF was built to take advantage of existing waste gases from the decomposition of garbage from the City owned landfill and digestion of sewage from the Water Pollution Control Plant. The PGF burns methane from these processes along with purchased natural gas to produce energy to operate the WPCP. The PGF allows the WPCP to operate almost exclusively without having to purchase electricity from PG&E.

In order to build the facility, the General Fund loaned the Wastewater Management Fund the necessary capital. In

return, the Wastewater Management Fund makes a transfer to the General Fund each year as payment for a portion of the savings from the project. The transfer amount for FY 2011/2012 is \$838,926.

The Wastewater Management Fund also pays rent to the General Fund for use of the land that the Water Pollution Control Plant occupies. The payment for FY 2011/2012 is \$337,364.

The Wastewater Management Fund by policy maintains a Contingency Reserve of 25% of operations and a Rate Stabilization Reserve to normalize rates and provide for the effect of economic cycles.

The rate increase proposed for Wastewater services for FY 2011/2012 is 5.5%, which is two percent less than last year's projection. The recommended increase in wastewater rates is less than planned for two reasons. First, the FY 2010/2011 plan assumed a larger expenditure of pay-as-you-go funding of short-term projects. Due to the complex nature of wastewater systems, some of the projects originally planned for FY 2010/2011 won't be underway until FY 2011/2012, effectively spreading the rate impact of these projects over multiple years. Additionally, the issuance of revenue bonds allows the City to mitigate the impact of many of the budgeted projects on rates and spread the costs over the life of the projects.

Annual rate increases for the remainder of the planning period are shown at the bottom of the Long-Term Financial Plan.

▪ **Solid Waste Management Fund**

The Solid Waste Management Fund accounts for the revenues and expenses related to collection, recycling, and disposal of solid waste generated within the City of Sunnyvale. A private company, Bay Counties Waste Services, doing business in Sunnyvale as Specialty Solid Waste & Recycling (Specialty), has been issued an exclusive franchise for collection of solid waste and recyclable materials through 2021, and these contract costs are reflected here. Operations of the Sunnyvale Materials Recovery and Transfer (SMaRT®) Station and disposal of refuse at the Kirby Canyon Landfill are included in a separate fund, but the City's share of these activities is reflected in the Solid Waste Management Fund.

Solid Waste Management Fund revenues continue to be impacted by the recession. Approximately 62% of solid waste revenues come from commercial accounts who utilize larger garbage bins, subscribe to more frequent pick ups, and use construction debris removal services. With the increase in commercial vacancies over the last two years, and the corresponding drop in solid waste generation, revenues have come in below projections. This is particularly problematic because most of the expenditures are fixed. As a result, the Solid Waste Management Fund has drawn down on its rate stabilization reserve the past two years so that it will end FY 2010/2011 with minimal reserve remaining. With the recommended increase in rates, growth in the economy, and savings achieved through the extension of the solid waste collection contract, it is anticipated this reserve will be built

back up beginning in FY 2011/2012.

In 1992 the City of Sunnyvale entered into a Memorandum of Understanding (MOU) with the cities of Palo Alto and Mountain View for the operation of the SMaRT Station®. Sunnyvale and Mountain View are required to deliver all of their garbage and residential recyclables, including yard trimmings, to SMaRT. Palo Alto continues to operate its own landfill and facilities for yard trimmings and compost and recycling. Therefore Palo Alto is required to deliver only specific amounts of garbage that vary from year to year.

The three cities that participate in the SMaRT Station have individual agreements with Kirby Canyon for landfill services that require the payment for disposal of a minimum quantity of solid waste each year. This provision is commonly referred to as a "put or pay" requirement. In October 2011, the cities will be able to modify the level of put or pay required, and it is Sunnyvale's intention to lower its solid waste minimum quantity by the maximum allowable 10%. This modification is reflected in the tonnage projections beginning in FY 2012/2013.

As mentioned earlier, the City contracts with Specialty for the collection of solid waste and recyclables throughout the City. Specialty is paid on a monthly basis, but their payment is determined for a year based largely on formulas that take necessary and actual expenses in the last completed fiscal year and adjust them for inflation. Therefore, the contractor payment for the following fiscal year is driven primarily by

actual expenditures from the last full fiscal year, adjusted by various indexes as identified in the contract.

In FY 2010/2011, the City successfully negotiated a three-year extension of the contract with Specialty. The extension achieved a savings of approximately \$12 million over the first 10 years of the plan. In addition to approximately \$90,000 in savings in FY 2010/2011, the projected FY 2011/2012 contractor payment is \$16.3 million, a decrease of about \$321,000. These savings help to achieve recovery of reserves in the Solid Waste Management Fund.

An additional cost reflected in the Solid Waste Fund Long-Term Financial Plan is a charge for rent for use of the City land that the SMaRT Station and the landfill occupies. The payment is reflected for the full term of the plan, adjusted for inflation. The FY 2011/2012 rent payment is \$621,684.

The current Long-Term Financial Plan for the Solid Waste Management Fund includes the City's share of ongoing debt service for bonds issued to construct the SMaRT Station. These bonds will be paid off in 2018. The Plan also includes the City's share of the debt service for the new Materials Recovery Facility equipment project at the SMaRT Station.

The Solid Waste Management Fund Long-Term Financial Plan reflects two interfund loans that were advanced from the General Fund. The first loan provided \$3.68 million during 1985, 1988, and 1989 to construct a system to convert methane gas to a marketable form of energy. An additional

\$10.5 million was advanced to stabilize solid waste rates between FY 1994/1995 and FY 1998/1999. Both loans bear interest of 7%. The loans have since been combined. The recommended FY 2011/2012 Budget reflects an adjustment to the combined loan with the FY 2010/2011 and 2011/2012 payments deferred and the term extended two years. Payoff is now scheduled to occur in FY 2022/2023.

Additionally, in order to help with cash flow purposes, the Solid Waste Management Fund reflects a \$2 million loan from the Wastewater Management Fund at 4.5% interest. Payment is deferred to FY 2015/2016 and then repaid over a six-year period. This helps the Solid Waste Fund with cash it needs now, and then helps the Wastewater Management Fund in the future as its cash needs increase to fund the new WPCP.

By fiscal policy, the Solid Waste Fund maintains a Contingency Reserve of 10% of operations. This is less than the 25% required for the other two utility enterprises to reflect that fact that this operation has less City-owned infrastructure at risk for damage or disaster. The Fund also maintains a Rate Stabilization Reserve similar to the other utilities.

Due to the economic downturn and the corresponding slowdown of business activity, revenues are forecast to end the year approximately \$1.2 million less than originally projected. The recommended FY 2011/2012 Budget assumes that solid waste activity will remain flat in FY 2011/2012 and begin a moderate recovery starting in FY 2012/2013. This continuing business slowdown will require a 6.0% increase in the total

revenue required to operate the Solid Waste Management Fund for FY 2011/2012. This is one percentage point lower than the increase that was planned for FY 2011/2012 last year. The projected increases in revenue requirement for the remainder of the planning period are reflected at the bottom of the Solid Waste Management Fund Long-Term Financial Plan.

▪ **Sunnyvale Materials Recovery and Transfer (SMaRT) Station**

The Sunnyvale Materials Recovery and Transfer (SMaRT) Station began operations in October 1993. The costs of building and operating the SMaRT Station are shared by the cities of Sunnyvale, Mountain View and Palo Alto as specified by a Memorandum of Understanding (MOU) among the cities. At current garbage delivery rates, Sunnyvale is responsible for about half of the SMaRT Station operating expenditures and receives about half of the revenues earned by the cities from recyclables removed from the garbage. The capital cost of the SMaRT Station was financed by the sale of revenue bonds by Sunnyvale. The debt service on the bonds is shared among the three cities as specified in the MOU.

The SMaRT Station Operations Fund was established to account for operations at the facility. It receives its revenue from charges to the cities of Sunnyvale (Solid Waste Management Fund), Mountain View, and Palo Alto and from the sale of recyclables. Major operating cost components include the contract with the SMaRT Station operator and

disposal fees and taxes collected by the Kirby Canyon Landfill. The fund is designed so that annual revenues and expenditures are in balance and that no fund balance is carried forward to the next year. Operating costs and revenues from the sale of recyclables are charged to or distributed to the cities based on the numbers of tons of solid waste each community brings to the SMaRT Station for materials recovery, transfer, and disposal.

The SMaRT Station is operated by a private company under contract with the City. To date, the City has issued seven-year agreements. On February 13, 2007, the City Council awarded a seven-year contract for operation of the SMaRT Station to Bay Counties Waste Services, who began operations on January 1, 2008. Therefore the first full year of operations under the new contract was FY 2008/2009.

The substantial net financial impact of the new contract was incorporated into the FY 2007/2008 financial plan. Overall, the contract increased the net annual operating costs of the SMaRT Station materials recovery, transfer, and disposal system, after accounting for increased revenues from increased diversion of recyclables. Increases in costs from the new contract reflected the City's requirements for the wages to be paid to contractor personnel working at the SMaRT Station and the updated market pricing that resulted from the competitive procurement process used to select the new contractor.

The FY 2007/2008 Budget included the funding for a major

capital project to replace the SMaRT Station Materials Recovery Facility (MRF) equipment. After years of heavy usage, key components of the MRF equipment were showing excessive wear and were in need of replacement. Installation of the new MRF equipment was completed during FY 2009/2010 and the MRF is now providing increased mechanized separation, which reduces the number of personnel required to sort materials manually. These savings are reflected in the agreement with the new SMaRT operator. The new equipment also facilitates increased recovery of materials from the waste stream, which increases revenues from sale of recycled materials.

The recommended FY 2011/2012 Budget reflects the first full year of operation of the new MRF equipment. It should be noted that Sunnyvale's expenses related to the SMaRT Station are increasing by \$2.4 million over the first 10 years of the plan compared to the prior year budget. This reflects a combination of inflationary increases in the cost of SMaRT Station/landfill operations and the annual adjustment of the proportions of waste delivered to the SMaRT Station by the three cities (the "Operations Share"). Tonnages from all three cities have declined due to weak economic conditions.

The SMaRT Station Replacement Fund provides for the replacement of City-owned SMaRT Station equipment. The three participating cities contribute to these replacement efforts and to payment of debt service based on fixed percentages established by the SMaRT Station MOU among the cities.

The recommended FY 2011/2012 SMaRT Station Long-Term Financial Plan reflects debt service for the original cost of the facility through FY 2017/2018.

In order to provide funding for the MRF project, Solid Waste Revenue Bonds were issued for the Sunnyvale and Palo Alto portions of the project. Mountain View chose to fund their portion of the project on a cash basis. Debt service for the debt-funded portion of the MRF equipment is shown on the Long-Term Financial Plan through FY 2021/2022.

Staff projects that while most of this new MRF equipment and the overall SMaRT Station can be maintained in good working order through the term of the MOU, there will come a point when the facility and equipment will need replacement or rehabilitation. In order to allow for the cost impact of this eventuality, staff has projected funding for a new materials recovery system and any other improvements needed to the SMaRT Station Facility in FY 2023/2024, with annual debt service of \$1.9 million beginning that year. The size and goals of this project and thus, its technical nature, will be determined by inter-jurisdictional discussions to take place prior to the expiration of the MOU in FY 2020/2021. At the present time, it is assumed that the new SMaRT facility will be similar to the current equipment.

▪ **Community Recreation Fund**

With the structural deficit in the Community Recreation Fund, staff has been evaluating the appropriateness of the

enterprise fund model in the course of the overall review of the operations in this fund. As a result, in April 2011, Council dissolved the Community Recreation Fund due to concerns regarding its ability to support all of the services contained within the fund through user fees alone, and without support from tax dollars. Moving forward, golf and tennis operations will continue to operate as a true enterprise fund, with all activities self supporting. All other recreation activities of the City, including social services such as those provided by the Senior Center, will return to the General Fund. Because of the timing of this decision, the recommended budget still contains the Community Recreation Fund, but it is presented as two sub-funds: one containing the golf and tennis revenues and operations, and the other containing the recreation activities.

In previous budget documents, the long-term plans for the Golf and Recreation Sub-Funds have been presented as one combined fund with a combined fund balance. With the two sub-funds being split and presented separately, the issues with the enterprise model for these operations become evident. Ending reserves for golf operations at the end of FY 2010/2011 are expected to be \$3.8 million; however, ending reserves for recreation operations are expected to be negative \$3.8 million, leaving the combined fund with almost no ending fund reserve. The golf operation's ability to operate as an enterprise is, and has been, hampered by the ongoing financial support it has provided to recreation operations. This will continue into FY 2011/2012 as the City finalizes the dissolution of this fund. Based on current projections for FY 2011/2012, recreation's resources, including its annual

subsidy from the General Fund, are expected to be only slightly greater than its expected expenditure requirements, even when the \$210,000 of required cost savings measures are incorporated. This leaves that fund with a negative fund balance that must be addressed prior to transitioning the recreation operation into the General Fund. In order to do this without negatively impacting the General Fund further, the Golf and Tennis Sub-Fund will transfer enough funds into recreation during FY 2011/2012 to ensure the Recreation Sub-Fund balance is \$0 when it moves to the General Fund. This is expected to result in a \$3.6 million transfer from the Golf and Tennis Sub-Fund to the Recreation Sub-Fund, leaving the Golf and Tennis Sub-Fund reserve at approximately \$176,000 at the end of FY 2011/2012.

To compensate for this and the fact that the golf operation has spent a significant amount of its operational profits since the inception of the Community Recreation Fund to support recreation operations, existing golf and tennis capital projects that are programmed to be funded by Park Dedication Fee revenues will continue to have that funding support. Any new capital or infrastructure projects will require funding from golf and tennis revenues going forward.

One final item of note is the Golf and Tennis Operations Sub-Fund also shows a structural deficit beginning in FY 2012/2013. Through investment in the golf course and operational efficiencies, staff expects to resolve this deficit before it occurs. However, if there is a deficit, as a stand alone enterprise fund, it will be handled within this fund

through the generation of additional revenues or the reduction of expenditures.

**CITY OF SUNNYVALE
460. WATER SUPPLY AND DISTRIBUTION FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2010 TO JUNE 30, 2021**

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
RESERVE/FUND BALANCE, JULY 1	11,074,577	7,967,478	7,750,984	8,854,802	10,195,260	8,799,176	10,477,767	11,698,919	12,810,447	16,331,036	16,143,386	16,093,448	7,967,478
CURRENT RESOURCES:													
Service Fees	23,501,948	26,367,000	31,703,991	33,923,135	36,128,004	37,445,512	39,383,652	41,065,728	42,858,848	42,898,114	44,383,841	46,005,941	422,163,767
Public Works Fees	225,825	230,341	234,266	238,951	243,730	248,604	253,577	258,648	263,821	269,097	274,479	279,969	2,795,483
Recycled Water	795,260	717,873	650,002	872,256	947,859	1,327,048	1,417,098	1,498,644	1,584,428	1,583,990	1,658,368	1,735,305	13,992,872
Miscellaneous Revenues	250,320	197,104	211,758	219,956	228,171	234,222	241,879	248,953	256,361	259,444	266,202	273,362	2,637,410
Interest Income	75,327	75,955	89,307	100,943	87,121	103,740	115,831	126,836	161,693	159,836	159,341	157,828	1,338,431
Transfer From Other Funds	2,989	0	0	0	0	0	0	0	0	0	0	0	0
Bond Proceeds	1,019,667	9,262,642	3,679,952	4,036,702	0	0	0	0	0	0	0	0	16,979,296
TOTAL CURRENT RESOURCES	25,871,335	36,850,914	36,569,275	39,391,943	37,634,885	39,359,126	41,412,036	43,198,808	45,125,152	45,170,482	46,742,232	48,452,406	459,907,259
TOTAL AVAILABLE RESOURCES	36,945,912	44,818,393	44,320,259	48,246,745	47,830,145	48,158,303	51,889,804	54,897,727	57,935,599	61,501,518	62,885,618	64,545,854	467,874,737
CURRENT REQUIREMENTS:													
OPERATING REQUIREMENTS:													
Operations	4,624,588	5,615,754	5,874,813	5,905,756	6,001,749	6,367,699	6,498,243	6,631,490	6,767,497	6,793,341	6,932,683	7,063,412	70,452,436
Purchased Water	14,090,510	15,951,242	19,979,583	20,942,523	22,602,672	24,046,175	26,931,601	28,841,002	30,914,749	31,737,388	32,802,051	33,778,080	288,527,066
Project Operating Costs	0	30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853	36,928	365,420
In-Lieu Charges	3,153,807	3,064,580	3,197,141	3,479,732	3,524,067	3,396,294	3,396,184	3,576,591	1,007,337	3,823,628	3,979,002	4,044,160	36,488,716
TOTAL OPERATING REQUIREMENTS	21,868,905	24,661,576	29,082,137	30,359,223	32,160,324	33,842,641	36,859,150	39,082,868	38,724,043	42,389,507	43,749,589	44,922,581	395,833,639
NON-OPERATING REQUIREMENTS:													
Interfund Loan Repayment	351,700	351,700	351,700	351,700	351,700	351,700	0	0	0	0	0	0	1,758,500
Debt Service	1,149,022	1,735,218	1,952,208	1,958,802	1,956,854	1,957,261	1,955,557	1,958,783	1,954,297	1,447,236	1,443,899	1,445,556	19,765,671
Transfer to the General Services Fund	54,060	283,969	0	0	468,180	0	0	0	0	0	0	0	752,149
Transfer To Infrastructure Fund	1,750	1,760	4,460	4,549	13,256	4,733	4,827	4,924	5,022	5,123	5,225	5,330	59,209
TOTAL NON-OPERATING REQUIREMENTS	1,556,532	2,372,647	2,308,368	2,315,051	2,789,990	2,313,694	1,960,384	1,963,707	1,959,319	1,452,359	1,449,124	1,450,886	22,335,529
CAPITAL AND INFRASTRUCTURE REQ.:													
Projects - Debt Funded	1,019,674	9,262,642	3,679,952	4,036,702	0	0	0	0	0	0	0	0	16,979,296
Projects - Revenue Funded	4,533,322	770,543	395,000	1,340,509	4,080,654	1,524,200	1,371,350	1,040,706	921,201	1,516,266	1,593,457	2,231,730	16,785,617
TOTAL CAPITAL AND INFRASTRUCTURE REQ.	5,552,996	10,033,185	4,074,952	5,377,211	4,080,654	1,524,200	1,371,350	1,040,706	921,201	1,516,266	1,593,457	2,231,730	33,764,913
TOTAL CURRENT REQUIREMENTS	28,978,434	37,067,409	35,465,457	38,051,485	39,030,968	37,680,535	40,190,885	42,087,280	41,604,563	45,358,132	46,792,170	48,605,197	451,934,080
RESERVES:													
Debt Service	1,145,166	1,006,979	1,007,381	1,007,737	1,008,192	1,008,444	1,008,651	1,009,552	1,007,764	754,819	755,166	755,827	755,827
Contingencies	4,678,775	5,391,749	6,463,599	6,712,070	7,151,105	7,603,469	8,357,461	8,868,123	9,420,561	9,632,682	9,933,684	10,210,373	10,210,373
Capital and Infrastructure Reserve	163,574	165,210	253,103	255,634	258,190	352,291	427,298	493,335	595,390	601,344	708,402	758,909	758,909
Rate Stabilization Reserve	1,979,963	1,187,046	1,130,720	2,219,820	381,690	1,513,563	1,905,509	2,439,437	5,307,321	5,154,541	4,696,196	4,215,547	4,215,547
TOTAL RESERVES	7,967,478	7,750,984	8,854,802	10,195,260	8,799,176	10,477,767	11,698,919	12,810,447	16,331,036	16,143,386	16,093,448	15,940,657	15,940,657
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0
Recommended Water Rate Increase		7.5%	18.0%	7.0%	6.5%	5.0%	5.0%	4.0%	4.0%	4.0%	3.0%	3.0%	
Prior Year Water Rate Increase		7.5%	9.0%	10.0%	7.0%	6.5%	6.0%	5.0%	2.5%	2.0%	2.0%	1.0%	

**CITY OF SUNNYVALE
460. WATER SUPPLY AND DISTRIBUTION FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2021 TO JUNE 30, 2031**

	PLAN 2021/2022	PLAN 2022/2023	PLAN 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
RESERVE/FUND BALANCE, JULY 1	15,940,657	15,171,301	15,492,774	16,543,092	17,071,809	18,159,654	19,075,348	20,180,421	17,765,238	18,370,466	15,940,657	7,967,478
CURRENT RESOURCES:												
Service Fees	47,271,855	48,382,248	49,566,005	50,827,359	52,170,888	53,601,536	55,392,654	57,298,838	59,327,949	61,494,218	535,333,550	957,497,317
Public Works Fees	81,495	83,939	86,458	89,051	91,723	94,475	97,309	100,228	103,235	106,332	934,245	3,729,728
Recycled Water	1,798,000	1,853,510	1,910,274	1,968,317	2,027,664	2,088,343	2,160,821	2,235,353	2,311,994	2,390,797	20,745,073	34,737,944
Miscellaneous Revenues	281,277	288,946	296,945	305,290	313,995	323,079	333,229	343,837	354,927	366,541	3,208,065	5,845,475
Interest Income	150,211	153,394	163,793	169,028	179,799	188,865	199,806	175,893	181,886	168,157	1,730,832	3,069,263
Transfer From Other Funds	0	0	0	0	0	0	0	0	0	0	0	0
Bond Proceeds	0	0	0	0	0	0	0	0	0	0	0	16,979,296
TOTAL CURRENT RESOURCES	49,582,838	50,762,038	52,023,474	53,359,045	54,784,070	56,296,298	58,183,818	60,154,149	62,279,991	64,526,045	561,951,765	1,021,859,024
TOTAL AVAILABLE RESOURCES	65,523,495	65,933,339	67,516,248	69,902,137	71,855,878	74,455,952	77,259,167	80,334,570	80,045,229	82,896,511	577,892,422	1,029,826,502
CURRENT REQUIREMENTS:												
OPERATING REQUIREMENTS:												
Operations	7,369,870	7,566,662	7,769,099	7,977,349	8,191,581	8,411,974	8,638,707	8,871,969	9,111,952	9,358,855	83,268,019	153,720,455
Purchased Water	34,708,443	35,544,589	36,443,351	37,464,771	38,584,678	39,704,220	40,968,858	42,267,860	43,666,943	45,178,651	394,532,366	683,059,432
Project Operating Costs	38,036	39,177	40,353	41,563	42,810	44,094	45,417	46,780	48,183	49,629	436,043	801,463
In-Lieu Charges	4,326,900	4,358,760	4,254,969	4,527,927	4,326,364	4,662,088	4,887,084	8,318,162	5,444,468	5,892,248	50,998,970	87,487,686
TOTAL OPERATING REQUIREMENTS	46,443,249	47,509,188	48,507,772	50,011,610	51,145,434	52,822,377	54,540,067	59,504,771	58,271,547	60,479,383	529,235,397	925,069,036
NON-OPERATING REQUIREMENTS:												
Interfund Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	1,758,500
Debt Service	1,445,871	1,444,846	1,447,480	1,447,456	1,445,750	1,447,363	1,447,402	1,446,084	1,447,106	1,446,156	14,465,513	34,231,184
Transfer to the General Services Fund	0	0	0	0	7,135	0	0	0	0	0	7,135	759,284
Transfer To Infrastructure Fund	5,490	5,654	5,824	5,999	6,179	6,364	6,555	6,752	6,954	7,163	62,934	122,143
TOTAL NON-OPERATING REQUIREMENTS	1,451,361	1,450,500	1,453,304	1,453,455	1,459,064	1,453,727	1,453,957	1,452,836	1,454,060	1,453,319	14,535,582	36,871,111
CAPITAL AND INFRASTRUCTURE REQ.:												
Projects - Debt Funded	0	0	0	0	0	0	0	0	0	0	0	16,979,296
Projects - Revenue Funded	2,457,583	1,480,877	1,012,080	1,365,263	1,091,727	1,104,500	1,084,722	1,611,725	1,949,156	3,979,927	17,137,560	33,923,177
TOTAL CAPITAL AND INFRASTRUCTURE REQ.	2,457,583	1,480,877	1,012,080	1,365,263	1,091,727	1,104,500	1,084,722	1,611,725	1,949,156	3,979,927	17,137,560	50,902,473
TOTAL CURRENT REQUIREMENTS	50,352,193	50,440,565	50,973,157	52,830,328	53,696,224	55,380,603	57,078,746	62,569,332	61,674,763	65,912,629	560,908,539	1,012,842,619
RESERVES:												
Debt Service	756,418	756,940	757,394	758,055	758,679	759,274	760,070	761,033	761,634	761,159	761,159	761,159
Contingencies	10,519,578	10,777,813	11,053,113	11,360,530	11,694,065	12,029,049	12,401,891	12,784,957	13,194,724	13,634,376	13,634,376	13,634,376
Capital and Infrastructure Reserve	881,296	970,550	1,103,698	1,242,922	1,317,788	1,468,428	1,625,810	1,658,326	1,827,301	2,003,730	2,003,730	2,003,730
Rate Stabilization Reserve	3,014,009	2,987,471	3,628,887	3,710,302	4,389,122	4,818,598	5,392,650	2,560,922	2,586,808	584,618	584,618	584,618
TOTAL RESERVES	15,171,301	15,492,774	16,543,092	17,071,809	18,159,654	19,075,348	20,180,421	17,765,238	18,370,466	16,983,882	16,983,882	16,983,882
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0
Recommended Water Rate Increase	2.0%	1.5%	1.5%	1.5%	1.5%	1.5%	2.0%	2.0%	2.0%	2.0%		
Prior Year Water Rate Increase	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.5%	1.5%		

**460. WATER SUPPLY AND DISTRIBUTION FUND
REVENUES BY SOURCE**

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL	
1103	SCVWD Reclaimed Water Rebate	26,923	0	0	0	0	0	0	0	0	0	0	0	
1507	Late Payment Penalties	69,175	65,918	79,260	84,808	90,320	93,614	98,459	102,664	107,147	107,245	110,960	115,015	1,055,409
3050	Water Connection Fees	158,965	162,144	165,387	168,695	172,069	175,510	179,020	182,600	186,252	189,978	193,777	197,653	1,973,084
3052	Water Hydrant Fees	8,217	8,381	8,465	8,634	8,807	8,983	9,163	9,346	9,533	9,724	9,918	10,117	101,072
3054	Water Meter Sales	47,651	48,604	49,090	50,072	51,073	52,095	53,137	54,199	55,283	56,389	57,517	58,667	586,125
3055	Water Meter Use Fees	3,365,245	3,067,000	3,619,060	3,872,394	4,124,100	4,330,305	4,546,820	4,728,693	4,917,841	4,917,841	5,065,376	5,217,337	48,406,766
3056	Water Sales - Metered	20,136,703	23,300,000	28,084,931	30,050,741	32,003,905	33,115,207	34,836,832	36,337,035	37,941,008	37,980,274	39,318,465	40,788,604	373,757,001
3057	Water Tapping Fees	10,992	11,211	11,324	11,550	11,781	12,017	12,257	12,502	12,752	13,007	13,267	13,533	135,201
3058	Water Turn On Fees	132,020	131,186	132,498	135,148	137,851	140,608	143,420	146,288	149,214	152,198	155,242	158,347	1,582,001
3060	Water Recycled	795,260	717,873	650,002	872,256	947,859	1,327,048	1,417,098	1,498,644	1,584,428	1,583,990	1,658,368	1,735,305	13,992,872
3089	Hydrant Meter Deposits Forfeited	1,961	0	0	0	0	0	0	0	0	0	0	0	0
3355	Interest Income	75,327	75,955	89,307	100,943	87,121	103,740	115,831	126,836	161,693	159,836	159,341	157,828	1,338,431
4100	Miscellaneous Revenues	20,241	0	0	0	0	0	0	0	0	0	0	0	0
4490	Bond Proceeds	1,019,674	9,262,642	3,679,952	4,036,702	0	0	0	0	0	0	0	0	16,979,296
4400	Transfer From Other Funds	2,989	0	0	0	0	0	0	0	0	0	0	0	0
FUND TOTAL		25,871,342	36,850,914	36,569,275	39,391,943	37,634,885	39,359,126	41,412,036	43,198,808	45,125,152	45,170,482	46,742,232	48,452,406	459,907,259

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**CITY OF SUNNYVALE
465. WASTEWATER MANAGEMENT FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2010 TO JUNE 30, 2021**

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
RESERVE/FUND BALANCE, JULY 1	21,757,235	21,820,889	20,831,895	19,099,204	16,281,137	13,568,566	12,180,921	12,985,489	13,802,185	17,768,932	20,367,520	20,489,284	21,820,889
CURRENT RESOURCES:													
Service Fees	21,812,184	22,269,369	23,722,159	25,505,897	27,680,075	30,032,881	32,435,512	35,030,353	37,832,781	40,481,075	42,707,535	44,842,911	362,540,547
Connection and Development Fees	1,033,687	806,732	530,604	541,216	552,040	563,081	574,343	585,830	597,546	609,497	621,687	634,121	6,616,698
Other Revenues	151,622	131,561	173,944	181,220	189,670	198,681	207,881	217,682	228,131	238,179	247,052	255,708	2,269,711
Interest Income	164,354	206,142	191,745	319,238	521,868	468,497	499,442	530,853	683,420	783,366	788,049	888,790	5,881,410
Transfer From Solid Waste Management Fund	0	0	0	0	0	0	462,407	462,407	462,407	462,407	462,407	462,407	2,774,442
New WPCP Bond Proceeds	0	0	0	2,565,530	12,107,215	21,441,745	33,560,495	32,874,380	25,946,475	32,772,840	39,934,955	58,182,955	259,386,590
Bond Proceeds	757,038	6,042,225	7,207,828	9,103,056	0	0	0	0	0	0	0	0	22,353,109
TOTAL CURRENT RESOURCES	23,918,885	29,456,029	31,826,281	38,216,157	41,050,868	52,704,886	67,740,079	69,701,504	65,750,760	75,347,365	84,761,685	105,266,893	661,822,506
TOTAL AVAILABLE RESOURCES	45,676,120	51,276,918	52,658,176	57,315,361	57,332,006	66,273,451	79,921,000	82,686,993	79,552,945	93,116,297	105,129,205	125,756,177	683,643,395
CURRENT REQUIREMENTS:													
OPERATING REQUIREMENTS:													
Operations	12,449,319	13,578,193	14,411,588	14,680,131	14,925,754	15,811,306	16,153,397	16,502,993	16,860,260	17,225,370	17,598,496	17,965,821	175,713,309
In-Lieu Charges and Fund Transfers	3,277,123	3,737,012	3,456,132	4,155,398	4,296,398	4,601,522	4,205,692	3,700,899	3,729,735	3,843,471	4,441,188	3,787,097	43,954,544
TOTAL CURRENT OPERATING REQUIREMENTS	15,726,442	17,315,205	17,867,720	18,835,529	19,222,152	20,412,828	20,359,089	20,203,892	20,589,995	21,068,841	22,039,684	21,752,918	219,667,853
NON-OPERATING REQUIREMENTS:													
Interfund Loan Repayment	450,000	550,000	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	1,259,994	845,829	845,829	12,321,608
Debt Service	1,543,271	2,910,991	2,902,574	2,915,192	2,911,999	2,911,701	2,916,311	2,912,888	2,915,897	2,335,105	2,334,605	2,336,511	30,303,775
New WPCP Debt Service	0	0	0	2,360,500	2,363,250	2,364,500	8,443,250	8,446,250	8,444,000	16,678,000	16,679,750	16,675,750	82,455,250
Water Pollution Control Plant Rent	321,116	327,538	337,364	347,485	357,910	368,647	379,706	391,098	402,830	414,915	427,363	440,184	4,195,400
Transfer To Water Supply and Distribution Fund	1,281	0	0	0	0	0	0	0	0	0	0	0	0
Wastewater Equipment Replacement	97,828	226,966	151,393	445,572	267,159	203,252	136,562	143,928	117,265	177,505	166,543	145,421	2,181,567
Transfer To General Fund (Power Generation Facility)	798,521	814,492	838,926	864,094	890,017	916,718	944,219	972,546	1,001,722	1,031,774	1,062,727	1,094,609	10,431,844
Transfer To Solid Waste Management Fund	97,828	0	2,000,000	0	0	0	0	0	0	0	0	0	2,000,000
TOTAL NON-OPERATING REQUIREMENTS	3,212,017	4,829,987	7,490,252	8,192,837	8,050,328	8,024,812	14,080,042	14,126,703	14,141,708	21,897,293	21,516,817	21,538,304	143,889,085
CAPITAL AND INFRASTRUCTURE REQ.:													
Projects - Debt Funded	757,038	6,215,403	7,207,828	9,103,056	6,328,849	4,891,376	918,554	0	0	0	0	0	34,665,066
Projects - Revenue Funded	4,159,734	2,084,428	993,172	3,517,522	4,385,120	4,213,770	1,975,259	1,681,332	1,104,709	1,126,803	1,149,339	1,172,326	23,403,781
Replacement/ Rehabilitation of WPCP	0	0	0	1,385,280	5,776,991	16,549,744	29,602,566	32,872,880	25,947,600	28,655,840	39,934,080	58,184,080	238,909,061
TOTAL CAPITAL AND INFRASTRUCTURE REQ.	4,916,772	8,299,831	8,201,000	14,005,858	16,490,960	25,654,890	32,496,379	34,554,212	27,052,309	29,782,643	41,083,419	59,356,406	296,977,908
TOTAL REQUIREMENTS	23,855,231	30,445,023	33,558,972	41,034,223	43,763,440	54,092,531	66,935,511	68,884,808	61,784,013	72,748,777	84,639,921	102,647,628	660,534,846
RESERVES:													
Debt Service	1,565,023	1,485,670	1,512,188	2,692,438	2,693,813	2,694,438	5,733,813	5,735,313	5,734,188	9,851,188	9,852,063	9,850,063	9,850,063
Contingencies	3,112,330	3,394,548	3,602,897	3,670,033	3,731,439	3,952,826	4,038,349	4,125,748	4,215,065	4,306,342	4,399,624	4,491,455	4,491,455
Capital and Infrastructure Reserve	2,084,428	993,172	3,517,522	4,385,120	4,213,770	1,975,259	1,681,332	1,104,709	1,126,803	1,149,339	1,172,326	1,419,218	1,419,218
Rate Stabilization Reserve	15,059,109	14,958,505	10,466,597	5,533,547	2,929,543	3,558,397	1,531,994	2,836,415	6,692,877	5,060,651	5,065,271	7,347,813	7,347,813
TOTAL RESERVES	21,820,889	20,831,895	19,099,204	16,281,137	13,568,566	12,180,921	12,985,489	13,802,185	17,768,932	20,367,520	20,489,284	23,108,549	23,108,549
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0
STATISTICS:													
Sewer Rate Increase	7.5%	4.5%	5.5%	7.0%	8.0%	8.5%	8.0%	8.0%	8.0%	7.0%	5.5%	5.0%	
Prior Year Sewer Rate Increase	7.5%	4.5%	7.5%	8.5%	8.0%	8.0%	8.0%	7.5%	7.5%	7.5%	7.0%	6.0%	

**465. WASTEWATER MANAGEMENT FUND
REVENUES BY SOURCE**

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
1114 Other Agencies - Reimbursement	15,298	44,130	46,950	47,889	48,847	49,824	50,820	51,837	52,873	53,931	55,009	56,110	558,219
1367 Permit - Waste Discharge	13,700	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	121,687
1507 Late Payment Penalties	58,470	63,131	68,794	73,967	80,272	87,095	94,063	101,588	109,715	117,395	123,852	130,044	1,049,917
3066 Sewer Fees - City	21,156,051	21,609,000	23,025,470	24,760,439	26,874,981	29,159,354	31,492,102	34,011,470	36,732,388	39,303,655	41,465,356	43,538,624	351,972,840
3067 Sewer Fees - Non-City	640,562	660,369	696,689	745,458	805,094	873,527	943,409	1,018,882	1,100,393	1,177,420	1,242,178	1,304,287	10,567,707
3068 Sewer Connection Fees	1,033,687	806,732	530,604	541,216	552,040	563,081	574,343	585,830	597,546	609,497	621,687	634,121	6,616,698
3090 Sales from PGF Electricity	48,701	14,300	48,000	48,960	49,939	50,938	51,957	52,996	54,056	55,137	56,240	57,364	539,887
3355 Interest Income	164,354	206,142	191,745	319,238	521,868	468,497	499,442	530,853	683,420	783,366	788,049	888,790	5,881,410
4121 Miscellaneous Remib	15,453	0	0	0	0	0	0	0	0	0	0	0	0
4490 Bond Proceeds	757,038	6,042,225	7,207,828	11,668,586	12,107,215	21,441,745	33,560,495	32,874,380	25,946,475	32,772,840	39,934,955	58,182,955	281,739,699
Bad Debt Expense	15,571	0	0	0	0	0	0	0	0	0	0	0	0
FUND TOTAL	23,918,885	29,456,029	31,826,281	38,216,157	41,050,868	52,704,886	67,740,079	69,701,504	65,750,760	75,347,365	84,761,685	105,266,893	661,822,506

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**CITY OF SUNNYVALE
485. SOLID WASTE MANAGEMENT FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2021 TO JUNE 30, 2031**

	PLAN 2021/2022	PLAN 2022/2023	PLAN 2023/2024	PLAN 2024/2025	PLAN 2025/2026	PLAN 2026/2027	PLAN 2027/2028	PLAN 2028/2029	PLAN 2029/2030	PLAN 2030/2031	FY 2021/2022 TO FY 2030/2031 TOTAL	FY 2010/2011 TO FY 2030/2031 TOTAL
RESERVE/FUND BALANCE, JULY 1	7,019,975	8,813,754	6,961,518	9,520,574	11,482,237	12,839,963	13,744,662	13,786,994	13,452,385	12,403,370	7,019,975	2,944,621
CURRENT RESOURCES:												
Rental Income	220,280	226,889	233,695	240,706	247,927	255,365	263,026	270,917	279,044	287,416	2,525,266	4,555,813
Service Fees	47,339,116	44,527,806	45,199,047	45,880,439	46,572,137	47,274,297	47,987,080	48,710,646	49,688,713	50,934,900	474,114,181	921,092,961
Miscellaneous Revenues	253,532	246,337	249,974	253,676	257,444	261,278	265,182	269,155	273,949	279,606	2,610,132	5,147,167
SMaRT Station Revenues	1,397,660	1,415,435	1,433,467	1,451,760	1,470,318	1,489,146	1,508,248	1,527,629	1,547,292	1,567,244	14,808,200	30,470,952
County Wide AB939 Fee	111,351	112,417	113,494	114,582	115,680	116,789	117,909	119,040	120,182	121,336	1,162,779	2,346,027
Landfill Gas Revenue	22,685	21,891	21,125	20,385	19,672	18,983	18,319	17,678	17,059	16,462	194,260	505,231
Interest Income	419,703	331,501	453,361	546,773	611,427	654,508	656,524	640,590	590,637	528,785	5,433,809	7,518,685
Transfer From Wastewater Mgmt Fund	0	0	0	0	0	0	0	0	0	0	0	2,000,000
TOTAL CURRENT RESOURCES	49,764,327	46,882,276	47,704,163	48,508,321	49,294,605	50,070,367	50,816,288	51,555,654	52,516,877	53,735,749	500,848,628	973,636,837
TOTAL AVAILABLE RESOURCES	56,784,302	55,696,030	54,665,681	58,028,895	60,776,841	62,910,331	64,560,950	65,342,649	65,969,262	66,139,119	507,868,603	976,581,458
CURRENT REQUIREMENTS:												
Interfund Loan Repayment	4,742,396	4,742,396	0	0	0	0	0	0	0	0	9,484,792	53,532,616
Debt Service	78,966	79,033	79,007	78,889	79,054	79,112	79,062	79,279	79,985	79,855	792,242	1,658,656
SMaRT Station Debt Service	0	0	0	0	0	0	0	0	0	0	0	8,619,879
Estimated Future SMaRT Station Debt Service	0	0	1,050,320	1,050,320	1,050,320	1,050,320	1,050,320	1,050,320	1,050,320	1,050,320	8,402,560	8,402,560
New MRF Debt Service	548,777	0	0	0	0	0	0	0	0	0	548,777	6,580,082
Operations	3,068,962	3,160,303	3,254,366	3,351,233	3,450,986	3,553,712	3,659,500	3,768,441	3,880,629	3,996,162	35,144,295	64,013,037
Solid Waste Collection Contract	21,514,406	22,159,838	22,824,633	23,509,372	24,214,653	24,941,093	25,689,325	26,460,005	27,253,805	28,071,420	246,638,550	446,990,665
Capital Projects	0	0	0	0	0	0	0	0	0	0	0	300,000
Special Projects	43,083	57,054	0	51,773	48,490	0	244,979	0	114,595	0	559,974	1,361,926
Infrastructure Projects	0	0	0	0	0	50,832	0	0	0	0	50,832	852,332
Project Administration	0	0	0	0	0	11,592	0	0	0	0	11,592	70,923
SMaRT Capital Replacement	134,772	137,467	140,217	143,021	145,882	148,799	151,775	154,811	157,907	161,065	1,475,716	2,863,213
In-Lieu Charges	3,443,977	3,549,999	3,659,168	3,771,460	3,887,081	4,006,130	4,128,710	4,254,923	4,384,879	4,518,688	39,605,015	71,755,448
SMaRT Expense Share (Sunnyvale)	13,559,366	13,984,658	13,244,383	13,667,318	14,104,625	14,337,108	14,749,801	15,040,600	15,525,985	16,027,973	144,241,817	278,081,791
Long Term Rent - SMaRT and Landfill	835,491	863,764	893,013	923,273	954,580	986,970	1,020,482	1,055,156	1,091,032	1,128,153	9,751,917	17,482,404
Transfer To General Fund	0	0	0	0	0	0	0	0	0	0	0	39,416
Transfer To Infrastructure Fund	352	0	0	0	1,207	0	0	26,728	26,754	996	56,037	97,579
Transfer To SMaRT Station Fund	0	0	0	0	0	0	0	0	0	0	0	0
Transfer To Water Supply & Dist. Fund	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT REQUIREMENTS	47,970,548	48,734,512	45,145,107	46,546,659	47,936,878	49,165,669	50,773,956	51,890,264	53,565,892	55,034,632	496,764,116	965,476,971
RESERVES:												
Debt Service	62,914	62,914	62,914	62,914	62,914	62,914	62,914	62,914	62,914	62,914	62,914	62,914
Contingencies	3,814,273	3,930,480	3,932,338	4,052,792	4,177,026	4,283,191	4,409,863	4,526,905	4,666,042	4,809,555	4,809,555	4,809,555
20 Year Resource Allocation Plan	4,936,567	2,968,124	5,525,322	7,366,530	8,600,023	9,398,557	9,314,217	8,862,566	7,674,414	6,232,017	6,232,017	6,232,017
TOTAL RESERVES	8,813,754	6,961,518	9,520,574	11,482,237	12,839,963	13,744,662	13,786,994	13,452,385	12,403,370	11,104,487	11,104,487	11,104,487
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0
STATISTICS:												
Refuse Rate Increase	2.0%	2.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	2.0%	2.5%		
PRIOR YEAR STATISTICS:												
Refuse Rate Increase	1.0%	1.0%	1.0%	1.0%	1.0%	1.5%	1.5%	1.5%	1.5%	N/A		

**485. SOLID WASTE MANAGEMENT FUND
REVENUES BY SOURCE**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL	
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
0751-06	Long Term Rent	44,444	71,072	178,952	182,531	186,182	189,905	193,704	197,578	201,529	205,560	209,671	213,864	2,030,547
0955	0955 Alternative Fuel User Tax Credit	39,366	30,000	0	0	0	0	0	0	0	0	0	0	30,000
1004	County Wide AB939 Fee	132,131	116,000	102,259	103,185	104,171	105,167	106,172	107,188	108,213	109,249	110,295	111,351	1,183,248
1114	Other Agency Reimbursement	31,000	0	0	0	0	0	0	0	0	0	0	0	0
1507	Late Payment Penalties	91,528	101,888	109,020	114,471	119,050	122,621	126,300	130,089	133,341	136,675	140,091	142,893	1,376,438
2906	Battery/Oil/Paint Drop Off Fee	22,964	22,964	23,423	23,892	24,370	24,857	25,354	25,861	26,378	26,906	27,444	27,993	279,442
3061	Refuse Service Fees - City	30,935,412	32,867,000	35,167,690	36,926,075	38,403,117	39,555,211	40,741,867	41,964,123	43,013,226	44,088,557	45,190,771	46,094,586	444,012,225
3062	Refuse Service Fees - Specialty	171,096	216,000	231,120	242,676	252,383	262,478	272,977	283,897	293,833	293,833	304,117	313,241	2,966,555
3071	MRF Revenues - SMaRT	700,724	898,678	352,679	359,432	366,495	373,699	381,045	388,536	396,176	403,967	411,912	420,014	4,752,632
3080	Kirby Canyon SMaRT Operator	184,544	199,567	202,610	205,189	209,677	214,261	218,941	223,720	228,600	233,583	238,672	243,445	2,418,264
3083	Curbside	1,719,172	1,833,121	925,726	934,983	944,333	953,777	963,314	972,947	982,677	992,504	1,002,429	1,002,429	11,508,240
3084	Curbside Sales - General	106,236	61,352	61,966	62,585	63,211	63,843	64,482	65,126	65,778	66,435	67,100	67,771	709,648
3086	Yardwaste Sales - SMaRT	(434,503)	(443,917)	(233,183)	(237,846)	(242,603)	(247,455)	(252,405)	(257,453)	(262,602)	(273,211)	(278,675)	(287,035)	(3,016,384)
3091	Green Ticket Revenue	34,787	33,569	32,394	31,260	30,166	29,110	28,091	27,108	26,159	25,244	24,360	23,508	310,971
3355	Interest Income	39,436	51,622	93,748	197,710	236,872	233,641	204,994	186,065	169,540	202,438	238,247	269,999	2,084,876
3073-01	Sale of Garbage Tags - Retailer	11,542	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	110,000
3073-02	Sale of Garbage Tags - In House	708	500	500	500	500	500	500	500	500	500	500	500	5,500
4100	Miscellaneous Revenues	94,091	0	0	0	0	0	0	0	0	0	0	0	0
4105	Misc. Revenues - Special Events	2,602	0	0	0	0	0	0	0	0	0	0	0	0
4190	Third Party Compressed Natural Gas Sales	11,829	26,000	0	0	0	0	0	0	0	0	0	0	26,000
4400	Transfer From Wastewater Mgmt Fund	0	0	2,000,000	0	0	0	0	0	0	0	0	0	2,000,000
FUND TOTAL		33,939,107	36,095,416	39,258,904	39,156,642	40,707,924	41,891,614	43,085,337	44,325,286	45,393,349	46,522,239	47,696,933	48,654,559	472,788,203

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**525/100. GOLF AND TENNIS OPERATIONS FUND
REVENUES BY CATEGORY**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
0750-01	License Fee Tennis Center	79,728	81,325	81,325	81,325	82,952	82,952	82,952	84,611	84,611	84,611	86,303	86,303	919,267
0750-02	Concessions - Tennis Center	11,666	10,309	10,309	10,515	10,725	10,940	11,159	11,382	11,610	11,842	12,079	12,320	123,190
0750-04	Lookout Rental	68,472	66,780	66,780	66,780	66,780	66,780	66,780	66,780	66,780	66,780	66,780	66,780	734,580
0750-08	Tennis Center Garbage Fee	438	438	0	0	0	0	0	0	0	0	0	0	438
0750-05	Percent Over Gross Lookout	20,316	21,822	22,704	23,158	23,621	24,094	24,576	25,067	25,569	26,080	26,602	27,134	270,427
TOTAL RENTS AND CONCESSIONS		180,620	180,674	181,118	181,778	184,078	184,765	185,466	187,840	188,569	189,312	191,763	192,537	2,047,901
1950-11	Sunnyvale Weekday	535,640	515,774	515,774	519,167	522,561	540,981	544,471	547,961	566,770	570,357	573,944	593,140	6,010,900
1950-12	Sunnyvale Weekday Twilight	324,064	350,102	337,478	339,698	341,919	358,407	360,719	363,031	379,887	382,292	384,696	401,920	4,000,149
1950-13	Sunnyvale Weekend/Holiday	687,896	639,069	648,508	652,774	657,041	675,265	679,621	683,978	702,562	707,009	711,456	730,400	7,487,683
1950-14	Sunnyvale W/E Holiday Twilight	215,558	232,338	234,563	236,106	237,649	247,702	249,300	250,898	261,170	262,823	264,476	274,968	2,751,993
1950-15	Sunnyvale S.A.C.	34,400	39,989	41,239	41,510	41,782	43,327	43,607	43,886	45,465	45,753	46,040	47,652	480,250
1950-16	Sunnyvale Golf Discount	261,630	252,396	261,744	263,466	265,188	276,443	278,226	280,010	291,510	293,355	295,200	306,947	3,064,485
1950-17	Sunnyvale 10-Play Card	40,068	38,706	38,706	38,961	39,215	40,598	40,860	41,122	42,533	42,802	43,072	44,512	451,087
1950-18	Smart Card Fee Sunnyvale	2,320	1,367	1,367	1,376	1,385	1,673	1,684	1,694	1,989	2,002	2,014	2,317	18,868
1951	SM Gift Certificates	1,100	0	0	0	0	0	0	0	0	0	0	0	0
1952	School Group Play	1,350	2,000	2,000	2,000	2,000	2,000	2,000	2,200	2,200	2,200	2,200	2,200	23,000
1954-01	Tournament Fee - Sunnyvale	6,432	7,501	7,501	7,551	7,600	8,924	8,982	9,039	10,396	10,462	10,528	11,918	100,402
1954-02	Tournament Fee - Sunken Gardens	640	973	1,230	1,241	1,251	1,261	1,272	1,710	1,724	1,738	1,751	1,765	15,916
1963-11	Sunken Garden Weekday	332,479	328,922	324,884	327,637	330,390	333,143	335,897	361,226	364,163	367,100	370,037	372,974	3,816,373
1963-12	Sunken Garden Weekday Twilight	3,830	4,894	4,484	4,522	4,560	4,598	4,636	5,141	5,183	5,225	5,267	5,309	53,819
1963-13	Sunken Garden Weekend/Holiday	260,218	271,456	267,203	269,467	271,732	273,996	276,260	293,654	296,041	298,429	300,816	303,204	3,122,258
1963-14	Sunken Garden Weekend Twilight	6,573	7,106	6,610	6,667	6,723	6,779	6,835	7,499	7,560	7,621	7,682	7,743	78,825
1963-15	Sunken Garden 10 Play	15,634	30,139	29,769	30,021	30,273	30,526	30,778	33,099	33,368	33,637	33,906	34,175	349,691

**525/100. GOLF AND TENNIS OPERATIONS FUND
REVENUES BY CATEGORY**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
1963-16	Sunken Garden Golf Discount	86,735	91,429	102,129	102,995	103,860	104,726	105,591	114,925	115,859	116,794	117,728	118,662	1,194,698
1963-17	Sunken Garden Advantage Card	10,120	7,900	8,985	9,061	9,137	9,213	9,290	10,352	10,436	10,520	10,604	10,688	106,186
1963-18	Sunken Garden Smart Card Fee	1,270	1,119	1,179	1,189	1,199	1,451	1,463	1,475	1,734	1,748	1,762	2,030	16,349
1964	Sunken Gardens Gift Certificates	521	0	0	0	0	0	0	0	0	0	0	0	0
1950/1955	Additional Revenue-Project 827170	0	0	79,000	80,580	82,192	83,835	85,512	87,223	88,967	90,746	92,561	94,412	865,028
TOTAL GOLF FEES		2,828,478	2,823,180	2,914,353	2,935,989	2,957,657	3,044,848	3,067,004	3,140,123	3,229,517	3,252,613	3,275,740	3,366,936	34,007,960
1955	Golf Cart Rental	317,704	321,714	321,714	323,830	325,947	334,624	336,783	338,942	347,923	350,125	352,327	361,620	3,715,549
1956	Driving Range Fees	229,414	206,472	206,472	212,666	212,666	212,666	212,666	212,666	219,046	219,046	219,046	219,046	2,352,458
1957	Golf Miscellaneous Rentals	33,265	33,265	33,484	34,488	34,716	34,945	35,175	35,408	35,641	35,876	37,197	37,442	387,637
4114	Miscellaneous Golf Revenues	(48)	0	0	0	0	0	0	0	0	0	0	0	0
4175	Golf Merchandise Sales	212,290	212,116	216,358	220,685	225,099	229,601	234,193	238,877	243,655	248,528	248,528	253,498	2,571,139
4180	Golf Instruction	29,282	24,655	25,148	25,651	26,164	26,687	27,221	27,766	28,321	28,887	28,887	29,465	298,853
TOTAL GOLF SHOP REVENUE		821,907	798,222	803,176	817,321	824,592	838,524	846,038	853,659	874,585	882,462	885,985	901,071	9,325,635
3355	Interest Income	6,752	1,000	37,654	4,524	12,981	17,171	18,765	19,826	10,030	8,644	4,660	1,041	136,296
TOTAL INTEREST INCOME		6,752	1,000	37,654	4,524	12,981	17,171	18,765	19,826	10,030	8,644	4,660	1,041	136,296
FUND TOTAL		3,837,757	3,803,076	3,936,301	3,939,612	3,979,308	4,085,308	4,117,273	4,201,447	4,302,701	4,333,031	4,358,148	4,461,585	45,517,792

**525/200. RECREATION OPERATIONS FUND
REVENUES BY CATEGORY**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
2351	Vending	3,455	4,152	6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892	7,030	7,171	69,850
TOTAL VENDING		3,455	4,152	6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892	7,030	7,171	69,850
0752-01	Rental - Indoor Sports Ctr	60,198	63,240	63,240	64,505	64,505	65,795	65,795	67,111	67,111	68,453	68,453	69,822	728,029
0752-05	Rental - Performing Arts Ctr	130,418	113,000	113,000	115,260	115,260	117,565	117,565	119,917	119,917	122,315	122,315	124,761	1,300,874
0752-06	Rental - Recreation Ctr	90,023	85,620	95,000	105,000	107,100	109,242	111,427	113,655	115,928	118,247	120,612	123,024	1,204,856
0752-09	Rental - Equipment	14,185	16,800	17,136	17,479	17,828	18,185	18,549	18,920	19,298	19,684	20,078	20,479	204,434
0752-10	Rental - Senior Center	70,196	72,000	73,440	74,909	76,407	77,935	79,494	81,084	82,705	84,359	86,047	87,768	876,148
0752-14	Rental - Creative Arts Center	1,270	2,000	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	23,899
0752-15	Rental - Banner Installation	800	800	800	816	832	849	866	883	901	919	937	956	9,560
0752-16	Rental - Non-Profits	0	5,000	5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	59,749
0752-17	Rental - Non-Profits -Comm Ctr	660	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RENTS AND CONCESSIONS		367,750	358,460	369,616	385,108	389,215	396,999	401,272	409,298	413,743	422,018	426,643	435,176	4,407,549
1027	Miscellaneous State Grants	6,335	18,471	0	0	0	0	0	0	0	0	0	0	18,471
1120	Advertising	0	820	845	870	896	923	951	979	1,008	1,039	1,070	1,102	10,502
1122	Fremont Pool Cost Sharing	17,162	17,677	18,030	18,391	18,759	19,134	19,517	19,907	20,305	20,711	21,125	21,548	215,105
1123	Columbia Pool Cost Sharing	25,089	25,842	26,359	26,886	27,423	27,972	28,531	29,102	29,684	30,278	30,883	31,501	314,460
OTHER INTERGOVERNMENTAL REVENUES		48,586	62,810	45,234	46,147	47,078	48,029	48,999	49,988	50,998	52,028	53,079	54,151	558,538
1369	Art in Private Development	11,670	4,762	4,857	4,954	5,053	5,155	5,258	5,363	5,470	5,579	5,691	5,805	57,947
TOTAL ART IN PRIVATE DEVELOPMENT		11,670	4,762	4,857	4,954	5,053	5,155	5,258	5,363	5,470	5,579	5,691	5,805	57,947

**525/200. RECREATION OPERATIONS FUND
REVENUES BY CATEGORY**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
2309	Mobile Recreation Fee Based	266	0	0	0	0	0	0	0	0	0	0	0	0
2310/11	Recreation Credit (Net)	(2,515)	0	0	0	0	0	0	0	0	0	0	0	0
2347	Senior Adult Services	450	0	0	0	0	0	0	0	0	0	0	0	0
2357	Youth Basketball League	117,678	112,940	121,000	123,420	125,888	125,888	128,406	130,974	130,974	133,594	136,266	136,266	1,405,617
2358	Adult Leagues - Softball	32,150	0	0	0	0	0	0	0	0	0	0	0	0
2359	Physical Rec - Basketball	65,892	64,787	66,083	66,083	67,404	67,404	68,752	68,752	70,128	70,128	71,530	71,530	752,581
2360	Physical Rec - Volleyball	35,360	35,200	35,904	35,904	36,622	36,622	37,355	37,355	38,102	38,102	38,864	38,864	408,892
2361	Physical Rec- Open Gym	41,927	42,230	43,075	43,936	44,815	45,711	46,625	47,558	48,509	49,479	50,469	51,478	513,885
2364	Fitness/Sports Youth	214,337	252,000	257,040	262,181	262,181	267,424	272,773	272,773	278,228	283,793	283,793	289,469	2,981,655
2365	Fitness/Sports Adult	92,145	99,704	101,698	103,732	105,807	107,923	110,081	112,283	114,528	116,819	119,155	121,539	1,213,269
2367	Sports Camps Youth	109,475	141,750	144,585	147,477	150,426	153,435	156,503	159,634	162,826	166,083	169,404	172,792	1,724,915
2370	Special Events HOTS	11,744	11,000	11,000	11,220	11,220	11,220	11,444	11,444	11,444	11,673	11,673	11,673	125,013
2375	Gymnastics Youth	295,856	279,423	295,011	300,911	306,929	313,068	319,329	325,716	332,230	338,875	345,652	352,565	3,509,711
2377	Swim Classes Youth	161,674	170,529	173,940	177,418	180,967	184,586	188,278	192,043	195,884	199,802	203,798	207,874	2,075,119
2379	Rec Swim Youth - Drop In	14,194	13,268	13,533	13,804	14,080	14,361	14,649	14,942	15,240	15,545	15,856	16,173	161,451
2381	Pool Rental Youth	51,551	21,152	25,000	30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	24,461	328,102
2383	Aquatics Classes Adult	14,242	16,000	16,000	16,320	16,320	16,646	16,646	16,979	16,979	17,319	17,319	17,665	184,195
2385	Special Interest Child	67,333	65,500	66,810	68,146	69,509	70,899	72,317	73,764	75,239	76,744	78,279	79,844	797,051
2387	After School Recreation	26,241	0	0	0	0	0	0	0	0	0	0	0	0
2388	Visual Arts Child	57,143	56,590	57,725	58,880	60,057	61,258	62,483	63,733	65,008	66,308	67,634	68,987	688,663
2391	Visual Arts Adult	7,652	7,600	7,750	7,905	8,063	8,224	8,389	8,557	8,728	8,902	9,080	9,262	92,460
2392	Dance Classes Child	139,587	136,000	138,720	141,494	144,324	147,211	150,155	153,158	156,221	159,346	162,533	165,783	1,654,945
2393	Dance Classes Adult	99,692	98,000	99,960	101,959	103,998	106,078	108,200	110,364	112,571	114,823	117,119	119,461	1,192,534

**525/200. RECREATION OPERATIONS FUND
REVENUES BY CATEGORY**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
2394	Drama - Youth	46,963	40,000	40,800	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804	48,760	486,749
2396	Cultural Arts Theater Tickets	20,672	26,500	27,000	27,000	27,540	27,540	28,091	28,091	28,091	28,653	28,653	28,653	305,810
2397	Preschool Programs	187,496	222,600	227,052	231,593	236,225	240,949	245,768	250,684	255,697	260,811	266,028	271,348	2,708,756
2401	Neighborhood Recreation	235,928	272,635	278,088	283,650	289,323	295,109	301,011	307,032	313,172	319,436	325,824	332,341	3,317,621
2403	Summer Activities	2,140	2,915	2,916	3,240	3,240	3,564	3,564	3,888	3,888	4,212	4,212	4,536	40,175
2404	Non Academic Summer School	111,848	115,472	117,781	120,137	122,539	124,990	127,490	130,040	132,641	135,293	137,999	140,759	1,405,141
2406	Senior Adults Dances	3,256	3,350	3,417	3,485	3,555	3,626	3,699	3,773	3,848	3,925	4,004	4,084	40,765
2407	Senior Adult Programs	56,827	65,000	66,300	67,626	68,979	70,358	71,765	73,201	74,665	76,158	77,681	79,235	790,967
2408	Senior Adult Trips	162,394	150,000	153,000	156,060	159,181	162,365	165,612	168,924	172,303	175,749	179,264	182,849	1,825,307
2409	Senior Adult Special Events	12,220	12,300	12,546	12,797	13,053	13,314	13,580	13,852	14,129	14,411	14,700	14,994	149,675
2410	Therapeutic Services Programs	13,855	12,000	12,240	12,485	12,734	12,989	13,249	13,514	13,784	14,060	14,341	14,628	146,025
2411	Senior Center Membership	69,198	69,000	79,560	81,151	82,774	84,430	86,118	87,841	89,597	91,389	93,217	95,082	940,160
2412	Senior Adult Lunch Program	31,055	33,000	46,956	47,895	48,853	49,830	50,827	51,843	52,880	53,938	55,016	56,117	547,155
2413	Teen Programs Co-Op	39,458	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	451,000
2414	Teen Programs Summer	31,335	45,214	46,118	47,040	47,981	48,941	49,920	50,918	51,936	52,975	54,035	55,115	550,193
2415	Teen Programs Middle School	8,160	8,475	8,475	8,475	8,475	8,645	8,645	8,645	8,645	8,645	8,645	8,817	94,584
2416	Teen Programs High School	15,632	18,860	19,237	19,622	20,014	20,414	20,823	21,239	21,664	22,097	22,539	22,990	229,500
2417	Registration Service Fees	11,468	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	121,687
2421	Adult Sports Camps	2,750	0	0	0	0	0	0	0	0	0	0	0	0
2422	School-Year Rec. Enrichment Programs	43,386	61,242	61,242	62,467	62,467	62,467	63,716	63,716	63,716	64,991	64,991	64,991	696,005
2423	Pottery - Adult	84,364	86,000	179,793	183,389	187,057	190,798	194,614	198,506	202,476	206,526	210,656	214,869	2,054,683
2424	Music - Child	147,762	149,500	152,490	155,540	158,651	161,824	165,060	168,361	171,729	175,163	178,666	182,240	1,819,223
2425	Music - Adult	17,168	15,700	16,014	16,334	16,661	16,994	17,334	17,681	18,034	18,395	18,763	19,138	191,049

**525/200. RECREATION OPERATIONS FUND
REVENUES BY CATEGORY**

		ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
2455	SMS After-school Programs	9,543	9,742	33,218	33,882	34,560	35,251	35,956	36,675	37,409	38,157	38,920	39,699	373,470
2465	Columbia Co-Op Sports	34,886	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	34,800	382,800
4114	Miscellaneous Recreation Revenues	243	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RECREATION FEES		3,054,081	3,128,978	3,345,076	3,412,478	3,471,933	3,533,492	3,602,069	3,663,032	3,729,502	3,800,490	3,866,604	3,924,932	39,478,587
3801	Personal Property Sale	550	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERSONAL PROPERTY SALE		550	0	0	0	0	0	0	0	0	0	0	0	0
4400-70	Fremont Pool Endowment	9,334	6,810	9,151	18,302	36,603	36,603	36,603	36,603	36,603	36,603	36,603	36,603	327,087
2418	Fremont Pool User Fees	43,625	43,625	44,498	45,387	46,295	44,500	45,390	46,298	47,224	48,168	49,132	50,114	510,631
TOTAL FREMONT POOL REVENUES		52,959	50,435	53,649	63,689	82,898	81,103	81,993	82,901	83,827	84,771	85,735	86,717	837,718
4400-03	Transfer From General Fund	4,195,972	4,102,958	3,498,347	3,592,118	3,696,456	3,814,922	3,937,420	4,055,543	4,177,209	4,302,526	4,431,601	4,564,549	44,173,650
4400-03	Additional Subsidy From GF	196,850	194,289	197,642	62,797	67,713	68,860	70,024	71,206	72,404	73,257	74,101	74,936	1,027,230
4400-03	Expense Reimbursement	176,541	116,865	117,772	120,127	122,530	124,981	127,480	130,030	132,630	135,283	137,989	140,748	1,406,436
4400-14	Transfer From Golf and Tennis Ops	0	0	3,587,043	0	0	0	0	0	0	0	0	0	3,587,043
4400-36	Transfer From Dorolou Swirsky Fund	5,662	4,109	5,520	11,039	22,079	22,079	22,079	22,079	22,079	22,079	22,079	22,079	197,300
4400-03	Care Management (Transfer From GF)	72,357	64,586	68,358	69,725	71,120	72,542	73,993	75,473	76,982	78,522	80,092	81,694	813,087
4400-97	Transfer From General Services	0	0	61,536	0	0	0	0	0	0	0	0	0	61,536
4400-03	Additional Transfer from GF	0	0	760,425	788,247	821,603	855,266	882,084	908,299	932,357	959,458	987,408	1,016,069	8,911,215
TOTAL TRANSFERS IN		4,647,382	4,482,807	8,296,643	4,644,055	4,801,501	4,958,649	5,113,081	5,262,629	5,413,662	5,571,124	5,733,270	5,900,076	60,177,497
FUND TOTAL		8,186,433	8,092,403	12,121,075	8,562,551	8,803,922	9,029,795	9,259,166	9,479,834	9,703,958	9,942,903	10,178,052	10,414,027	105,587,686

**Financial Plans -
Internal Services, Fiduciary
Funds**

INTERNAL SERVICE FUNDS

The City utilizes internal service funds to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City. There are three such funds that operate on a cost reimbursement basis: the General Services Fund, the Employee Benefits and Insurance Fund, and the Liability and Property Insurance Fund. These funds play an important role in the overall ability of the City to conduct business. The General Services Fund includes the City's Fleet Services, Facilities Management, Technology and Communication Services, Sunnyvale Office Center, and Project Management Services. The Employee Benefits Fund serves to capture the costs associated with employer provided benefits including pension costs, employee insurance plans, workers' compensation, and leave time. The Property and Liability Insurance Fund accounts for the costs related to the City's liability and property insurance.

Sunnyvale's full cost accounting methodology results in all the costs of these funds being charged back to user activities on a rental rate basis for general services, an additive rate basis for employee benefits, and a usage basis for liability and property insurance. Therefore, the total expenditures of these funds are not added to the overall budget, as they are already captured within the City's programs and funds.

Two other funds are presented in this section: the Dorolou P. Swirsky Youth Opportunity Fund and the Fremont Pool Endowment (Trust) Fund. While these funds are fiduciary in

nature and not internal service funds, they are grouped with the internal service funds just for presentation purposes in the budget document. These are funds that separately account for assets that the City holds in a trustee or agency capacity and uses to benefit a specified purpose.

▪ General Services Fund

Fleet, Facilities, and Technology Services

The General Services Fund has three sub-funds that provide a wide range of important support services to programs within the City. These are: Fleet, Facilities, and Technology Services. Funding for these services is recovered through rental rates charged to benefiting program operating budgets. The rental rates include not only the cost of operations, but also the cost of replacement for depreciable equipment. This assures the availability of funds to replace equipment at the most cost-effective time.

Aggregate rental rate increases for these combined General Services Fund activities are slightly lower in the FY 2011/2012 recommended budget compared to the prior year. Total rental rate increases for the fund are projected at 2.6% for FY 2011/2012, a slight decrease from 2.7% projected last year for FY 2011/2012. Rental rate increases are projected to range from 2.6% to 2.9% over the remaining first ten years of the General Services Long-Term Financial Plan. This average of 2.8% represents a slight decrease from the average of 2.9% projected last year. Rental rate increases are projected to

average 2.6% in the second ten years of the plan, down from an average of 2.7% previously projected. It should be noted that while these rental rate percentage decreases appear very slight, it is the result of the City's overall effort of decreasing \$9.2 million in equipment and \$5.3 million in operating expenditures over twenty years compared to the prior year's budgeted expenditures.

Below is a discussion of each of the three sub-funds that make up the combined General Services Fund. Included in each section is a brief description of major items that affect the current resources, current requirements, or reserves of each plan.

Fleet Services Sub-Fund

The Fleet Services program reflects the cost of ownership of City vehicles and equipment. A primary objective of Fleet Services is to provide rental rates that are competitive with those offered in the private sector. Fleet Services was moved to the Office of the City Manager in FY 2009/2010 from the Public Works Department, but has been moved back to the Public Works Department in FY 2010/2011.

The main source of funding within this sub-fund is derived from Fleet Services rentals to other programs, which is primarily based on specific vehicle usage that also covers Fleet operational costs. Fleet Services rental rates are scheduled to increase by 2.9% for FY 2011/2012 and then remain at an average increase of 2.8% for the remainder of the first ten years of the Long-Term Financial Plan. Rate increases will

be slightly higher in the second ten years, amounting to 3.0% annually.

The Sale of Property line item of the Financial Plan represents the sale of surplus or replaced vehicles or pieces of equipment. The projection for FY 2011/2012 and beyond is based on historical averages for the surplus of vehicles and equipment. Due to the sale of larger items in FY 2009/2010 and FY 2010/2011, sales are nearly double historical averages for those years.

The Intrafund Loan Repayment represents scheduled payments from the Facilities Services Sub-Fund. This loan was initially made in FY 1999/2000 to alleviate cash flow issues experienced by the Facilities Services Sub-Fund. The initial terms of the loan were for a principal amount of \$1.6 million to be repaid over 10 years with final payment scheduled for FY 2015/2016. In FY 2005/2006 a large payment was made against the principal, and the FY 2011/2012 Long-Term Financial Plan calls for repayments beginning in FY 2012/2013 and continuing through FY 2016/2017.

The multiple transfer line items found within the *Current Resources* section of the financial plan through FY 2016/2017 represent the funding mechanisms for the Upgrading the City's Fuel Stations capital project, as well as for the purchase of new vehicles and equipment for the utilities operations.

The two major current requirements deal with equipment replacement and operation of the Fleet Services program.

The *Equipment Replacement* line item fluctuates each year, as various items of equipment reach the end of their useful life and must be replaced. Overall equipment replacement expenditures are projected to be down nearly \$5.3 million over the 20-year plan in comparison to last fiscal year's long-term plan. This is predominantly the result of planned deferrals of equipment replacement and the recalibration of replacement values. It also reflects the removal of small equipment from the replacement schedules, as this type of equipment will be replaced by the departments' operations on an as-needed basis going forward.

Operations expenditures in FY 2011/2012 are up 4.4% over FY 2010/2011. This is driven by personnel costs that have increased by 6.1% year-over-year due to increased retirement costs, projected salary increases, and an increase in workers' compensation costs. Purchased goods and services, which are approximately 50% of operational costs, increased by 2.9% year-over-year.

The *Equipment Replacement Reserve* represents the accumulation of annual rental rates received from City programs, net of replacements purchased during the current fiscal year, for future replacement of vehicles and equipment. This reserve works in tandem with the *Equipment Replacement* line item under the *Current Requirements* section of the Sub-Fund. For example, when a large value item is scheduled to be replaced such as a street sweeper or a fire apparatus, the equipment replacement reserve will be drawn down as the accumulated annual replacements fund within the reserve will

be used to purchase the vehicle or apparatus.

Facilities Management Services Sub-Fund

The Facilities Management Program reflects the cost of maintaining City facilities, including costs for electricity and water, carpets and blinds, modular furniture, and building equipment. Facilities Management was transferred from the Department of Community Services to the Office of the City Manager during FY 2009/2010, and in FY 2010/2011 it was moved to the Department of Public Works.

The Facilities Management Sub-Fund has two rental rate revenue items, one relating to space rental and the other relating to equipment. Space rental charges are based upon the total square footage of building space throughout the City. This square footage is then divided amongst the various City programs, and operating charges are allocated out based on a program's proportion of the total square footage. The equipment rental accounts for replacement costs associated with modular furniture, carpet and blinds, and building maintenance equipment.

The aggregate rental rate for Facilities Management is scheduled to increase 3.5% for FY 2011/2012, with annual increases declining to 2.4% by the eighth year of the long-term plan. It should be noted that in year seven of the plan, facility rental rates are expected to be reduced by 8%. At that time, Facilities Services will have paid off its loan to Fleet Services and funds will no longer need to be collected to cover that liability. This will result in a reduction in rental rates that

will lower the base rental rate charged for the remainder of the second ten years.

Utility reimbursement from the Raynor Center reflects payments made for electric, gas, water, and trash pickup by the tenants of the Center.

The major current requirements deal with operation of the Facilities Services Program. The Operations line item increased by 4% for FY 2011/2012. This is the result of personnel cost increases, as salaries and benefits are up 6.2% over FY 2010/2011 due to planned salary increases, additional retirement costs, and an increase in workers' compensation costs. Purchased goods and services, which are 61% of operational costs, increased by 2.7% year-over-year.

Equipment replacement costs have been established based on the asset depreciation schedules for carpets and blinds, large equipment, and modular furniture. In FY 2010/2011, the purchase of free standing furniture was removed from this program and incorporated into departmental operating budgets as needed. The FY 2011/2012 Recommended Budget reflects slight savings over the 20-year plan for facilities-related equipment in comparison to the long-term plan from FY 2010/2011 due to this change.

The *Transfer to Sunnyvale Office Center* line item in the Financial Plan represents a transfer of rental rate revenues received from City programs currently housed at the 505 W. Olive Sunnyvale Office Center. These funds are collected

in this sub-fund and then transferred to the Sunnyvale Office Center Sub-Fund to partially fund the facility management costs associated with that facility. Transfers are also made to the General Fund to cover the cost of management and administrative support services for the Facilities program, as well as to return funds collected for equipment replacement that has been deferred indefinitely. Lastly, transfers to the Infrastructure Fund have been programmed for the Facilities Services' contribution to various improvements at the Corporation Yard.

The *Interfund Loan Repayment* line item in the financial plan represents loan payments to the Fleet Services Sub-Fund, which are projected to be fully repaid in FY 2016/2017. As was mentioned in the Fleet Services section, this loan was made to alleviate cash flow constraints of the Facilities Services Sub-Fund in FY 1999/2000.

The *Equipment Reserve* represents the accumulation of annual equipment rental rates received from City programs, net of replacements purchased during the current fiscal year, for future replacement of modular furniture, carpets and blinds, and building maintenance equipment.

Technology and Communications Services Sub-Fund

The Technology and Communications Services Sub-Fund reflects the cost to operate and maintain the City's technology and communications program and infrastructure. This includes technology (hardware and software), communications, and office equipment. Information technology services, radio

communications, and satellite copiers are provided by the Information Technology Department, while Print Shop and Mail Services are located in the Office of the City Manager.

The aggregate rental rate for Technology and Communications Services is scheduled to increase by 2% for FY 2011/2012, and then average 2.8% annually for the first ten years of the plan. This is slightly higher than the 2.7% annual average projected last year for the first ten years of the plan, which is due to increased costs for expected equipment replacement. Increases average 2.4% annually in the second ten years of the plan, which is slightly lower than the 2.6% average increase each year of the second ten years in last year's long-term plan.

The *Cable PEG Channel Grant* line item reflects funds that are available for use for public or educational cable services. These funds are used to purchase equipment for the City's public access channel, KSUN. Funds that have not been programmed for use in purchasing equipment for KSUN are collected in a restricted reserve titled Restricted KSUN Equipment Reserve.

A new surcharge on development fees to pay for the costs of the technology needed to support the one-stop permit system was implemented in FY 2010/2011. This surcharge is expected to recover about \$78,000 annually, which will be placed in a *Restricted Technology Surcharge Reserve* in this sub-fund. It will be used to cover the cost of annual system maintenance, as well as to cover periodic major upgrades or replacement of the system.

The *Transfer from the General Fund* line item represents the General Fund support to cover the costs for the Information Technology Department to administer the City's cable television franchise agreements.

The major current requirements of the Technology and Communications Services Sub-Fund deal with equipment replacement and operation of the programs in the Information Technology Department and the Office of the City Manager. Equipment replacement for technology and communications and office assets reflect the depreciation schedules for each. Equipment replacement costs will fluctuate year-over-year based on the useful lives of the individual pieces of equipment on the replacement schedules. Overall, equipment replacement costs are down approximately \$3.5 million over the 20-year plan in comparison to last year's long-term plan. This is predominantly the result of extending the useful lives of existing equipment, as well as recalibrating the cost of replacement on our inventory.

Operating costs for the Technology and Communications programs are up 3.4% in FY 2011/2012, which is predominantly the result of increased personnel costs.

One-time transfers to the Community Recreation Fund, Youth and Neighborhood Services Fund, and General Fund have been programmed in FY 2011/2012 for funds collected for replacement of equipment that will no longer be replaced by the Technology and Communications Services Sub-Fund. Transfers are also made to the General Fund to cover the cost

of management and administrative support services for the Print Shop. Lastly, transfers to the Infrastructure Fund have been programmed for the Technology and Communications Services contribution to various improvements at the City Hall Annex throughout the Long-Term Financial Plan.

The *General Fund Loan Repayment* line item of the Financial Plan represents the repayment schedule of a \$2 million loan made to the former Technology Services Sub-Fund in FY 1999/2000. This loan was made to fund a number of information technology initiatives including the City's geographical information system (GIS). Loan repayments are scheduled to be complete in FY 2012/2013.

The *Equipment Replacement Reserve* represents the accumulation of annual rental rates received from City programs, net of replacements purchased during the current fiscal year, for future replacement and maintenance of network infrastructure, central and desktop computers, communication equipment, office equipment, and mail and print shop equipment.

The *Restricted KSUN Equipment Reserve* reflects PEG Grant revenues that have been collected but not appropriated for specific expenditures. PEG Grant funds can only be utilized for the purchase of KSUN equipment.

The *Restricted Tech Surcharge Reserve* reflects funds collected from the Technology Surcharge that is added to development fees that have not been appropriated for specific expenditures.

Funds are collected in this reserve to cover the cost of ongoing maintenance and eventual system replacement.

Sunnyvale Office Center Sub-Fund

This fund accounts for the activities of the Sunnyvale Office Center located at 505 W. Olive Avenue, across from the main City Hall. The Sunnyvale Office Center was purchased in April 2001 by the issuance of variable rate Certificates of Participation (COPs) to provide expansion opportunities for the Civic Center Complex. Activities included in this fund are maintenance and operations of the office facility, capital projects, and debt service. Revenues to this fund consist of rental from outside tenants and City operations, and interest on reserves.

When the fund was established, it was projected that the existing office buildings would be operated and leased through FY 2005/2006, when a long-term solution to the City's office space problem would be in place. Subsequently, plans for a new civic center complex were put on hold because of the City's financial situation. A study on the City's facilities is currently underway; however, there is no identified funding source for developing and implementing a long-term solution to the City's office space issues. As such, the FY 2011/2012 Long-Term Financial Plan continues to reflect the complex being operated for the entire twenty-year planning period. Increasing the length of operation causes the office complex to generate more net income than originally anticipated, and this allows the Sunnyvale Office Center Fund to give a rebate to the General Fund of about \$253,000, increasing with inflation,

annually over the entire planning period.

Because of the age and general condition of the office buildings, some capital improvements are programmed over the twenty-year planning period. These projects are necessary in order to keep the facility in working order.

The interest paid on our COPs is variable and based on market conditions, but since their issuance has averaged 2.82% annually. More recently, interest rates have been extremely low, resulting in lower than projected debt service payments. The assumption for FY 2011/2012 and beyond is that annual rates will be closer to the historical average. In the four year period since FY 2007/2008, average annual debt service costs have been approximately \$756,000, with FY 2009/2010 and FY 2010/2011 payments being lower than average due to very low interest rates. The remaining principle amount is \$14.8 million as of the end of FY 2010/2011, with the balance scheduled to be fully repaid by FY 2031/2032.

Project Management Sub-Fund

The Project Management Sub-Fund represents project management services provided by staff within the Department of Public Works Capital Project Management Program. These services are associated with the various capital and infrastructure projects currently incorporated within the City's Projects budget. The transfers into this fund represent the proportionate share based on the current schedule of projects budgeted for a given year.

The Project Administration Program is responsible for administrative oversight efforts on all City projects that involve the development of and management of construction contracts. Budgeting for project management administration is based upon the timing of projects by funding source over the 20-year long-term plan. Larger, grant-funded projects are excluded as to not skew a fund's proportionate share of project administration costs, and to take advantage of eligible grant reimbursement opportunities for project administration charges.

Operations for the Project Administration General Services Sub-Fund are projected to increase by the blended salary and benefits rates, reflecting the cost of hours for monitoring and managing the major capital projects.

▪ Employee Benefits and Insurance Fund

The Employee Benefits and Insurance Fund provides a mechanism to cover expenditures related to pension costs, employee insurance plans, workers' compensation costs and leave time while applying the principles of full cost accounting. This is accomplished by charging an additive rate to staff salaries wherever personnel hours are budgeted and expended. To better track and analyze expenditures, the Fund is separated into four sub-funds: Leaves, Retirement Benefits, Workers' Compensation, and Insurance and Other Benefits. Liability and Property Insurance, previously a part of the Employee Benefits and Insurance Fund, has been broken out into its own fund because these costs are not related to salary

expenditures, but instead are recovered on claims experience and City property valuations.

Employee benefits costs continue to be a fiscal challenge for the City, particularly with respect to sharply rising costs for retirement and medical premiums. For FY 2011/2012 medical premiums are expected to rise 10%, an additional 2% over the originally projected increase of 8%. Retirement costs are also projected to increase significantly in FY 2011/2012, up 15.6% over FY 2010/2011 expenditures. This is the result of the rate increases required due to the impact of the significant CalPERS investment losses in FY 2008/2009. The increases from these losses, as well as from the most recent experience study, will be phased in over the next three fiscal years, resulting in a significant increase to the City's cost of retirement benefits over that time. This will be discussed in more detail in the *Retirement Benefit Sub-Fund* section below.

Details of the changes in each of the Benefits Sub-Funds are discussed in the sections below.

Leaves Sub-Fund

The Leaves program accounts for all City employees' leave time, including accrual of leave benefits earned but not taken. The additive rate is calculated by determining the amount of leave benefits to be accrued, adjusted for estimated salary increases. The budget for leave benefits for FY 2011/2012 is up 2.6% as a result of the increase in employee salary rates. The interest income in this Sub-Fund is generated from the leave earned, which is expensed at the time it is earned and

held as a liability in our General Ledger until it is taken.

Retirement Benefits Sub-Fund

The Retirement Benefits Sub-Fund contains the costs for the City's retirement plans. Sunnyvale contributes to two California Public Employees Retirement System (CalPERS) plans for and on behalf of its employees: Safety (3% @ 50 Plan) and Miscellaneous (2.7% @ 55 Plan). For the Safety Plan, the City had paid the entire employee contribution of 11.25% up through FY 2009/2010. During FY 2010/2011, both the Public Safety Managers' Association (PSMA) and the Public Safety Officers' Association (PSOA) came to agreements with the City to pay 3% towards the employee contribution to CalPERS. PSMA's contribution began in FY 2010/2011 and is being phased in over a 12-month period, reaching the agreed upon 3% in July of 2011. PSOA's contribution will begin in July of 2011 and will increase to the agreed upon 3% in January of 2013. For the Miscellaneous Plan, the City currently pays the 7% of the 8% employee contribution, with the employees paying the other 1%. The Sunnyvale Managers Association (SMA) has agreed to pay an additional 2% beginning July 2012, and the recommended FY 2011/2012 Budget assumes the entire Miscellaneous group will do the same.

While the employee contribution rate is set by law, the employer contribution rate is adjusted annually by CalPERS through an actuarial analysis which takes into account demographic information and investment earnings on the asset portfolio. The contribution rates are applied against employee

salaries (PERSable earnings) in order to calculate the dollar amounts the City must contribute.

As mentioned previously, the extreme investment losses experienced during FY 2008/2009 resulted in CalPERS needing to substantially increase employer contribution rates beginning in FY 2011/2012. To reduce the impact to member agencies, a phased approach was adopted to incorporate these rate increases over a three-year period. This approach was intended to mitigate the severe increases to employer contribution rates; however, it assumes a level of investment return that may leave employers subject to volatile rates if those projections do not meet targets. Additionally, it also results in projections for higher rates in the long-term since the entire impact of the losses is not addressed immediately, and it does not fully amortize the unfunded liability created by these losses. To exacerbate the issues with the City’s pension contribution rates, the FY 2011/2012 rate also incorporates the latest CalPERS experience study results. This study found that retirees were living longer, retiring earlier, and earning higher salaries while working. These factors resulted in an additional increase to baseline employer contribution rates.

As a result, for the FY 2011/2012 through FY 2013/2014 rates, staff has been working with our consulting actuary to develop a contribution plan that will minimize volatility in rates over the long term and also amortizes our unfunded liability over a fixed period. We have reflected this methodology in the budgeted rates for FY 2011/2012 and throughout the long-term plan. Of course, it will be necessary to monitor conditions

at CalPERS on a continual basis and make adjustments as appropriate.

Below is a comparison of the City’s contribution rate, with the corresponding cost, to CalPERS contribution rates from FY 2009/2010 through FY 2013/2014. Actual contribution rates are shown for FY 2009/2010 and FY 2010/2011.

**Miscellaneous Employer Contribution Rates and Costs
CalPERS Vs. Sunnyvale**

	CalPERS Employer Rate	Cost of CalPERS Contribution	Sunnyvale Contribution Rate	Cost of Sunnyvale Contribution
FY 2009/10	15.3%	\$8.5M	15.3%	\$8.5M
FY 2010/11	16.6%	\$9.3M	16.6%	\$9.3M
FY 2011/12	19.5%	\$11.1M	20.2%	\$11.5M
FY 2012/13	20.5%	\$11.7M	23.8%	\$13.6M
FY 2013/14	23.1%	\$13.3M	24%	\$13.8M

**Safety Employer Contribution Rates and Costs
CalPERS Vs. Sunnyvale**

	CalPERS Employer Rate	Cost of CalPERS Contribution	Sunnyvale Contribution Rate	Cost of Sunnyvale Contribution
FY 2009/10	29.8%	\$9.3M	29.8%	\$9.3M
FY 2010/11	29.4%	\$9.6M	29.4%	\$9.6M
FY 2011/12	31.5%	\$10.3M	34.7%	\$11.4M
FY 2012/13	33.2%	\$11.3M	36.7%	\$12.5M
FY 2013/14	37.8%	\$13.4M	38.7%	\$13.7M

Workers' Compensation Sub-Fund

The Workers' Compensation Sub-Fund is funded through the use of an additive rate that is applied to all staff salaries. This additive rate is based upon actual usage of the City's Workers' Compensation program. For this reason, the City charges a variable additive rate depending upon the classification of the employee. In other words, more high risk positions, such as a Public Safety Officer, are charged a higher rate than administrative employees.

Significant reductions have occurred in workers' compensation claims since FY 2002/2003. This reduction reflects staff efforts to reduce the controllable factors related to workers' compensation costs. Staff has focused on injury prevention training and better management of and follow-up with employees out on workers' compensation. Claims in FY 2002/2003 totaled 215, while claims in FY 2009/2010 were 95. This reflects a 56% decrease over that time period. Total claims in FY 2010/2011 are expected to be below 100 as well.

The recommended FY 2011/2012 Budget projects the cost of claims will be approximately \$1.9 million in FY 2011/2012. This is a significant increase over the actual FY 2009/2010 amount; however, it is tracking with current FY 2010/2011 claim amounts. FY 2008/2009 – 2009/2010 experienced lower (and less expensive) claims than expected, and therefore claims expenses from those years were not used to set the ongoing baseline. Based on the information received in our latest actuarial report, we believe the number of claims will remain relatively flat but that the cost of claims will increase

at a rate of 2.5% annually.

Workers' compensation leave costs are projected throughout the Long-Term Financial Plan based on historical actual usage. Leave hours have been increasing steadily since FY 2007/2008 after several years of decline. FY 2010/2011 leave hours were well above projections and considered to be an aberration resulting from an unusual number of lengthy individual leaves. FY 2011/2012 leave hours were projected based on historical averages of workers' compensation leave, with the hours distributed amongst the different employee groups based on historical usage trends. These trends showed the heaviest use within the Department of Public Safety. The expense related to these leave hours increases with projected salary increases, weighted by employee group, throughout the 20-year plan.

Because Workers' Compensation Insurance is based on total salary, the costs for this expense over the long term are increased in accordance with the assumed increase in salaries throughout the planning period. The cost of claims administration, which is performed by a Third Party Administrator, is assumed to go up at the same rate as purchased goods and services.

The Worker's Compensation Sub-Fund reserve requirement is based on the most recent actuarial analysis, completed in December 2010, and has been set at \$11.47 million for FY 2011/2012. Actuarial valuations of the Workers' Compensation Program are conducted each year in order to

satisfy the City's financial reporting requirements, and future reserve amounts will be adjusted as identified.

Insurance and Other Benefits Sub-Fund

The Insurance and Other Benefits Program includes costs for all the employee insurance plans including medical, dental, vision and life insurance. As with the other sub-funds, any costs for administering these programs are contained in a Human Resources program in the General Fund and supported by in-lieu charges to the various funds.

The largest cost in this Program is medical insurance for our employees, provided by CalPERS. The overall increase for the 2011 CalPERS medical premiums is 10.5%, which is nearly twofold of the 2010 increase of 5.79%. This is primarily a result of the latest federal healthcare reforms. Another increase of 10% has been projected for FY 2011/2012, and as a result FY 2011/2012 medical insurance costs for active employees are expected to be up from FY 2010/2011. This increase will be partially offset by a slightly smaller employee base coupled with a slight increase in the amount of required employee contributions to medical insurance. Going forward, premium increases are expected to be 8% annually through FY 2015/2016, then moderating to 5% annually for the remainder of the 20-year plan.

In addition to the increase in healthcare premiums discussed above, the growing number of retirees is continuing to impact the City's long-term medical costs. The number of retirees is estimated to grow by 25 new retirees each year in the 20-

year plan. Staff has taken steps to contain medical costs in recent years for both active and retired employees. Caps on City contributions were placed on both active and retired management employees beginning in FY 2007/2008, and the medical premium increase was capped at 5% for SEA retirees as a part of their latest Memorandum of Understanding.

Managing retiree medical costs is particularly important with Governmental Accounting Standards Board (GASB) Statement No. 45, which requires the City to disclose our liability for other post-employment benefits (OPEB) such as retiree medical costs beginning with the year ended June 30, 2008. In preparation for this reporting requirement, actuarial valuations of our retiree medical liability was completed in 2003, updated in 2006, 2009, and recently again in 2011. To address the growing long-term medical costs seen in our valuations, the City began funding a retiree medical trust fund in FY 2010/2011 with an initial \$32.6 million contribution. By contributing to a retiree medical trust fund, the City will derive many benefits, including the reduction of future employer OPEB costs with the earnings generated from trust fund investments. Additionally, it will prevent OPEB obligations from being a significant liability on balance sheets. Based on current actuarial assumptions, the City estimates to have its OPEB liability satisfied by FY 2029/2030. At that point, the City's expected cost for retiree medical is anticipated to slow to a rate that is less than the City's current pay-as-you-go obligation. This is the result of the interest earnings from the initial contribution offsetting the total cost of retiree medical benefits, reducing the amount the City needs to contribute.

This Sub-Fund has a reserve, *Insurance Rate Uncertainty*, which provides funds for several uncertainties including unanticipated changes in premium costs, and adjustments in the City's contribution costs and assists in levelizing additive rates over the long term.

▪ **Liability and Property Insurance Fund**

This fund was established to separate out liability and property insurance costs from the Employee Benefits and Insurance Fund. Managing these costs in a separate fund provides better accountability of expenditures and allows the City to recover costs based on usage rather than on salary expenditures. Risk Management, which is responsible for the City's insurance program, was transitioned by the Office of the City Attorney to the Human Resources Department effective July 1, 2008.

The Liability and Property Insurance Fund is funded through transfers from its dependent funds rather than on an additive rate basis. The transfers are based on liability claims experience in recent years for liability costs and City property valuations for property insurance related costs. Insurance coverage is applied to the maintenance of the City's infrastructure and covers the City against claims such as Trip and Fall, Vehicle Damage, and damage caused by City trees. Currently, the City participates in a risk pool administered by the California Joint Powers Risk Management Authority (CJPRMA), which provides insurance over the City's Self Insured Retention (SIR) level of \$500,000 per claim. City staff also currently participates on the Board of Directors.

The total amount paid for liability claims under \$500,000 can vary significantly from year-to-year due to the small number of claims and has been higher than average over the past two years. Therefore, the ten-year average of total liability claims paid has been budgeted for long-term financial planning purposes. The reserve in this fund meets the recommended actuarially acceptable funding level as provided in an actuarial review of the program completed in January 2011.

Premiums for both liability and property insurance continue to reflect the lower rates established over the past several years. These lower rates are primarily the result of better than expected investment returns. However, another factor keeping premiums lower is increased competition in the market for these services, which is expected to keep rates at this lower baseline level for the foreseeable future. Rates for FY 2011/2012 have been set based on the FY 2010/2011 level plus an expected modest increase.

▪ **Dorolou P. Swirsky Youth Opportunity Fund**

In August 1993, City Council accepted Dorolou Swirsky's intent to donate her house upon her death to provide an endowment to specifically address sports, recreational, social, cultural, and educational activities for disadvantaged youth living in Sunnyvale.

The Dorolou Swirsky Trust Estate was donated to the City upon her death in March 2000. The estate consisted of a single family home located at 1133 Hollenbeck Road. Following the

donation, the City established the Swirsky Youth Opportunity Fund to account for the proceeds. Ms. Swirsky had taken a reverse mortgage on the property which the City paid upon her death using General Fund monies. The property was rented out until August 2003 with net proceeds used to help pay back the General Fund for the reverse mortgage.

In November 2003 Council approved a resolution authorizing the sale of 1133 Hollenbeck Road. The house was subsequently sold, the remainder of the General Fund advance was paid, and an endowment of \$526,595 was established.

For FY 2011/2012, it is recommended that the full amount of interest earned on the Swirsky Trust again be used to supplement the Mobile Recreation “Fun on the Run” Program operated by the Department of Library and Community Services.

▪ **Fremont Pool Endowment (Trust) Fund**

The Fremont Pool Trust Fund was established by the City in FY 2002/2003 to account for the receipt of monies raised by The Friends of Fremont Pool, a group of residents who lobbied City Council regarding the need for a new pool in Sunnyvale. The Fund currently has an Endowment Reserve balance of \$915,087. The basic premise of this fund is that the corpus, or principal, is never expended, but invested with the interest generated each year to help offset the City’s cost of operating the 50-meter pool constructed in partnership with the Fremont Union High School District at Fremont High School. The

City has a contract with California Sports Center to program and operate the Fremont Pool on our behalf.

The City’s cost is determined by adding 50% of the cost of maintaining the pool itself (performed by the School District, which subsequently bills the City), 100% of the City’s cost of maintaining the public shower/locker facility, and staff costs related to oversight of the contract. The City’s projected cost for Fremont Pool maintenance for FY 2011/2012 is \$189,205. Interest earnings on the Fremont Pool Trust Fund are projected to be \$9,151 and reflect the extremely low interest environment that we are currently experiencing. The Trust earnings pay approximately 4.8% of the City’s annual costs. Revenues from operation of the Fremont Pool are projected to be \$44,498 for FY 2011/2012, or 23.5% of total cost. The subsidy from the General Fund makes up the difference.

It should also be noted that while the corpus of this fund may grow a bit in future years (assuming continued contributions), it is not expected to increase markedly over time. As a result, it is not expected to keep up with inflation and the purchasing power of the interest it generates will likely erode over time. In this context, and the City’s current fiscal situation, it is critical to note the importance of allowing the California Sports Center (CSC) to charge market rates for use of the pool. It is also important to allow the operator to determine effective revenue-producing programming as well. The net revenue received by the City from CSC, and the interest generated by the Fremont Pool Trust Fund, are critical factors in allowing the pool to partially support itself financially.

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CITY OF SUNNYVALE
595. COMBINED GENERAL SERVICES FUND
FLEET/FACILITIES/TECHNOLOGY AND COMMUNICATIONS
LONG TERM FINANCIAL PLAN
JULY 1, 2010 TO JUNE 30, 2021

	ACTUAL 2009/2010	CURRENT 2010/2011	BUDGET 2011/2012	PLAN 2012/2013	PLAN 2013/2014	PLAN 2014/2015	PLAN 2015/2016	PLAN 2016/2017	PLAN 2017/2018	PLAN 2018/2019	PLAN 2019/2020	PLAN 2020/2021	FY 2010/2011 TO FY 2020/2021 TOTAL
RESERVES/FUND BALANCE, JULY 1	9,560,898	11,382,197	8,694,673	3,772,677	3,009,428	3,799,369	5,564,841	6,733,697	9,444,591	9,553,589	9,787,012	9,783,731	11,382,197
CURRENT RESOURCES:													
Equipment Rental	11,879,770	12,394,477	12,703,193	13,047,415	13,364,418	13,693,581	14,079,896	14,505,304	14,929,747	15,369,933	15,823,682	16,291,425	156,203,073
Facilities Rental	3,996,802	4,095,278	4,218,136	4,344,680	4,483,710	4,622,705	4,766,009	4,878,010	4,465,818	4,577,464	4,691,900	4,809,198	49,952,910
SUNGIS - Equipment and Maintenance	0	66,136	78,160	80,505	82,920	85,408	87,970	90,609	93,327	96,127	99,011	101,981	962,152
Utility Fees	36,425	34,008	34,688	35,382	36,090	36,812	37,548	38,299	39,065	39,846	40,643	41,456	413,837
Comcast PEG Channel Grant	140,759	135,343	134,568	137,259	140,005	142,805	145,661	148,574	151,545	154,576	157,668	160,821	1,608,825
Sale of Property	71,811	83,180	49,173	50,157	51,160	52,183	53,227	54,291	55,377	56,485	57,614	58,767	621,613
Miscellaneous Revenues	543	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income	108,693	89,525	45,156	74,700	144,886	203,108	268,534	361,005	396,213	404,605	399,889	414,811	2,802,432
Intrafund Loan Repayment	0	0	0	500,000	500,000	500,000	500,000	444,292	0	0	0	0	2,444,292
Transfer From Other Funds	174,536	302,741	207,073	27,885	496,902	454,066	517,565	252,201	32,327	33,296	34,295	35,324	2,393,676
TOTAL CURRENT RESOURCES	16,409,339	17,200,688	17,470,148	18,297,984	19,300,090	19,790,668	20,456,410	20,772,586	20,163,420	20,732,332	21,304,703	21,913,783	217,402,811
TOTAL AVAILABLE RESOURCES	25,970,237	28,582,885	26,164,821	22,070,660	22,309,518	23,590,037	26,021,251	27,506,282	29,608,011	30,285,921	31,091,715	31,697,514	228,785,008
CURRENT REQUIREMENTS:													
Equipment Replacement	1,540,743	5,918,619	7,564,827	4,190,586	3,030,188	2,227,568	3,027,571	1,750,005	4,034,127	4,080,513	4,489,127	4,345,826	44,658,957
SUNGIS - Equipment and Maintenance	0	0	41,200	42,436	43,709	45,020	46,821	48,694	50,642	52,667	54,774	56,965	482,929
Operations	12,132,783	13,111,011	13,333,933	13,654,772	13,919,043	14,310,034	14,681,584	15,050,536	15,421,812	15,799,458	16,186,968	16,582,708	162,051,860
Capital Projects	16,100	53,645	40,000	0	468,180	424,483	487,094	220,816	0	0	0	0	1,694,218
Special Projects	108,121	0	0	0	0	0	0	0	0	0	0	0	0
Transfer To SV Office Center Sub-Fund	116,522	101,623	98,137	101,081	104,316	107,550	110,884	113,490	103,900	106,497	109,160	111,889	1,168,527
Intrafund Loan Repayment	0	0	0	500,000	500,000	500,000	500,000	444,292	0	0	0	0	2,444,292
General Fund Loan Repayment	500,000	500,000	500,000	189,789	0	0	0	0	0	0	0	0	1,189,789
Transfer To Other Funds	173,771	203,314	814,047	382,568	444,712	410,540	433,599	433,859	443,943	459,774	467,956	484,901	4,979,213
TOTAL CURRENT REQUIREMENTS	14,588,040	19,888,212	22,392,144	19,061,232	18,510,149	18,025,194	19,287,554	18,061,692	20,054,423	20,498,910	21,307,985	21,582,288	218,669,785
RESERVES:													
Equipment Replacement	11,107,256	8,467,429	3,385,197	2,454,187	3,069,370	4,661,167	5,709,310	8,233,925	8,155,996	8,195,468	7,999,729	8,381,678	8,381,678
Restricted KSUN Equipment Reserve	221,448	129,477	261,249	392,677	529,829	664,601	745,539	891,174	1,036,590	1,188,169	1,337,395	1,242,856	1,242,856
Restricted Tech Surcharge Reserve	0	66,136	103,096	141,164	180,375	220,763	261,911	303,826	346,511	389,971	434,207	479,223	479,223
20 Year RAP	53,493	31,630	23,135	21,400	19,795	18,310	16,937	15,666	14,491	13,405	12,399	11,469	11,469
TOTAL RESERVES	11,382,197	8,694,673	3,772,677	3,009,428	3,799,369	5,564,841	6,733,697	9,444,591	9,553,589	9,787,012	9,783,731	10,115,227	10,115,227
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0
FY 2011/2012 Rental Rate Increase			2.6%	2.8%	2.6%	2.6%	2.9%	2.9%	0.1%	2.8%	2.8%	2.9%	

CITY OF SUNNYVALE
595/200. GENERAL SERVICES FUND/FACILITIES MANAGEMENT SERVICES SUB-FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2010 TO JUNE 30, 2021

	ACTUAL	CURRENT	BUDGET	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2010/2011 TO FY 2020/2021 TOTAL
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	TOTAL
RESERVES/FUND BALANCE, JULY 1	(263,821)	301,489	509,233	733,163	857,927	773,143	976,327	1,129,115	1,390,440	1,379,551	1,381,680	1,687,444	301,489
CURRENT RESOURCES:													
Facilities Rental	3,996,802	4,095,278	4,218,136	4,344,680	4,483,710	4,622,705	4,766,009	4,878,010	4,465,818	4,577,464	4,691,900	4,809,198	49,952,910
Equipment Rental	217,513	244,090	273,381	287,050	272,697	261,789	248,700	262,378	262,378	265,002	267,652	270,329	2,915,448
Utility Reimbursement Raynor	36,425	34,008	34,688	35,382	36,090	36,812	37,548	38,299	39,065	39,846	40,643	41,456	413,837
Interest Income	11,169	12,753	7,578	17,348	33,187	38,687	45,385	55,262	56,932	56,993	66,027	73,506	463,658
Miscellaneous Revenues	543	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT RESOURCES	4,262,452	4,386,129	4,533,783	4,684,460	4,825,685	4,959,994	5,097,642	5,233,950	4,824,194	4,939,305	5,066,223	5,194,489	53,745,853
TOTAL AVAILABLE RESOURCES	3,998,631	4,687,617	5,043,016	5,417,623	5,683,612	5,733,137	6,073,970	6,363,065	6,214,633	6,318,856	6,447,902	6,881,933	54,047,342
CURRENT REQUIREMENTS:													
Carpets and Blinds	53,111	285,914	53,108	61,716	91,341	35,489	123,069	47,869	394,368	3,832	101,022	16,053	1,213,780
Equipment Replacement	0	137,081	75,600	45,472	267,549	82,680	80,557	137,645	8,310	396,751	16,053	275,100	1,522,798
Modular Furniture	0	0	0	0	0	0	0	0	0	0	0	0	0
Operations	3,394,435	3,549,783	3,691,902	3,756,934	3,830,087	3,930,824	4,027,478	4,123,901	4,221,000	4,320,000	4,421,466	4,525,058	44,398,432
Intrafund Loan Repayment	0	0	0	500,000	500,000	500,000	500,000	444,292	0	0	0	0	2,444,292
Transfer To SV Office Ctr Sub-Fund	116,522	101,623	98,137	101,081	104,316	107,550	110,884	113,490	103,900	106,497	109,160	111,889	1,168,527
Transfer To General Fund (In-Lieu)	129,074	79,961	80,911	84,094	86,875	89,449	91,831	94,175	96,024	98,388	100,815	103,291	1,005,815
Transfer To General Fund	0	0	300,000	0	0	0	0	0	0	0	0	0	300,000
Transfer To Infrastructure Fund	4,000	24,023	10,194	10,398	30,300	10,818	11,035	11,255	11,480	11,709	11,944	12,183	155,339
TOTAL CURRENT REQUIREMENTS	3,697,142	4,178,385	4,309,853	4,559,696	4,910,468	4,756,810	4,944,855	4,972,625	4,835,083	4,937,176	4,760,459	5,043,573	52,208,982
RESERVES:													
Equipment Reserve	301,489	509,233	733,163	857,927	773,143	976,327	1,129,115	1,390,440	1,379,551	1,381,680	1,687,444	1,838,359	1,838,359
TOTAL RESERVES	301,489	509,233	733,163	857,927	773,143	976,327	1,129,115	1,390,440	1,379,551	1,381,680	1,687,444	1,838,359	1,838,359
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0	0
FY 2011/2012 Rental Rate Increase			3.5%	3.1%	2.7%	2.7%	2.7%	2.5%	-8.0%	2.4%	2.4%	2.4%	

CITY OF SUNNYVALE
595/200. GENERAL SERVICES FUND/FACILITIES MANAGEMENT SERVICES SUB-FUND
LONG TERM FINANCIAL PLAN
JULY 1, 2021 TO JUNE 30, 2031

	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	PLAN	FY 2021/2022 TO FY 2030/2031	FY 2010/2011 TO FY 2030/2031
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	TOTAL	TOTAL
RESERVES/FUND BALANCE, JULY 1	1,838,359	2,007,901	1,756,910	1,546,875	1,256,897	934,624	1,101,379	1,351,539	1,250,664	1,233,234	1,838,359	301,489
CURRENT RESOURCES:												
Facilities Rental	4,929,428	5,052,664	5,178,980	5,308,455	5,441,166	5,577,195	5,716,625	5,859,541	6,006,029	6,156,180	55,226,263	105,179,174
Equipment Rental	274,384	278,499	282,677	286,917	291,221	295,589	300,023	304,523	309,091	313,728	2,936,653	5,852,101
Utility Reimbursement Raynor	42,700	43,981	45,300	46,659	48,059	49,501	50,986	52,516	54,091	55,714	489,507	903,344
Interest Income	95,849	88,536	77,622	64,295	52,910	54,806	65,593	64,679	62,535	62,985	689,810	1,153,468
Miscellaneous Revenues	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT RESOURCES	5,342,361	5,463,680	5,584,579	5,706,326	5,833,356	5,977,091	6,133,227	6,281,259	6,431,747	6,588,607	59,342,233	113,088,086
TOTAL AVAILABLE RESOURCES	7,180,720	7,471,581	7,341,489	7,253,201	7,090,253	6,911,715	7,234,606	7,632,798	7,682,411	7,821,841	61,180,592	113,389,575
CURRENT REQUIREMENTS:												
Carpets and Blinds	0	395,965	328,676	330,512	25,873	47,601	19,222	22,916	312,446	15,507	1,498,719	2,712,499
Equipment Replacement	19,689	13,454	4,063	42,659	680,067	150,592	84,402	407,485	7,568	234,182	1,644,161	3,166,958
Modular Furniture	307,543	315,232	323,112	331,190	0	0	0	0	0	0	1,277,077	1,277,077
Operations	4,611,259	4,749,276	4,891,424	5,037,828	5,188,614	5,343,913	5,503,860	5,668,596	5,838,262	6,013,007	52,846,039	97,244,471
Intrafund Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	2,444,292
Transfer To SV Office Ctr Sub-Fund	114,686	117,553	120,492	123,504	126,592	129,757	133,000	136,326	139,734	143,227	1,284,870	2,453,397
Transfer To General Fund (In-Lieu)	107,095	110,267	113,534	116,898	120,361	123,928	127,599	131,380	135,272	139,280	1,225,614	2,231,428
Transfer To General Fund	0	0	0	0	0	0	0	0	0	0	0	300,000
Transfer To Infrastructure Fund	12,548	12,924	13,312	13,712	14,123	14,547	14,983	15,432	15,895	16,372	143,848	299,187
TOTAL CURRENT REQUIREMENTS	5,172,819	5,714,671	5,794,614	5,996,303	6,155,629	6,810,337	7,883,067	8,382,134	8,449,177	8,561,575	59,920,327	112,129,309
RESERVES:												
Equipment Reserve	2,007,901	1,756,910	1,546,875	1,256,897	934,624	1,101,379	1,351,539	1,250,664	1,233,234	1,260,265	1,260,265	1,260,265
TOTAL RESERVES	2,007,901	1,756,910	1,546,875	1,256,897	934,624	1,101,379	1,351,539	1,250,664	1,233,234	1,260,265	1,260,265	1,260,265
FUND BALANCE, JUNE 30	0	0	0	0	0	0	0	0	0	0	0	0
FY 2011/2012 Rental Rate Increase	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.5%	2.5%	2.5%		

**Glossary of
Budget Terms**

GLOSSARY OF BUDGET TERMS

<i>Activity</i>	Under the City's Performance Based Budget structure, an activity is the lowest level cost center within an operating program. It incorporates everything that goes into providing a specific service.
<i>Allocated Costs</i>	A method for allocating overhead time and other expenses to activities that provide direct services.
<i>Appropriations</i>	Expenditure authority created by City Council.
<i>Asset Forfeiture Fund</i>	This fund accounts for the proceeds from sale of assets seized primarily from illegal narcotics activities. Asset Forfeiture funds are used for law enforcement purposes.
<i>Basis of Budgeting</i>	Basis of budgeting refers to the method used for recognizing revenues and expenditures in the budget. The City uses the modified accrual basis of accounting for budgetary purposes, which is in compliance with Generally Accepted Accounting Principles.
<i>Budget</i>	A financial plan consisting of an estimate of proposed expenditures, the proposed means of financing those expenditures and the corresponding purposes for a given time period.
<i>Budget Issue</i>	A request to add a new service or increase/decrease an existing service level. Budget Issues referred for consideration by City Council to the City Manager become Budget Supplements.
<i>Budget Modification</i>	A change in expenditure levels and corresponding resources needed to accomplish an existing service level or unanticipated service. All budget modifications are reflected in the current year budget and have been approved by City Council.

GLOSSARY OF BUDGET TERMS

Budget Supplement

A proposal for an increase or decrease in an existing service level (over and above the base budget) or to add a new service. All Budget Supplements are considered with the City Manager's Recommended Budget.

Business License Tax

This two-year tax is based on the number of employees or rental units (for rental properties). Beginning in 2010, this tax was annually adjusted for inflation.

Capital Project

A capital improvement that usually requires a major initial investment, and results in a new asset for the City.

Capital Projects Fund

Funds that are used to account for financial resources to be used for the acquisition or construction of major capital projects (other than those financed by enterprise funds).

Community Condition Indicator

A statistical measure of existing conditions within the City. These provide tangible and quantitative expressions of the General Plan's goals, while some indicators directly impact City services.

Community Development Block Grant Fund (CDBG)

This fund accounts for use of community development block grant funds received from the federal government. Other revenues in this fund include repayments of commercial and residential loans and rental income from City property. Funds are used for programs or projects that increase affordable housing and benefit people with special needs such as senior and handicapped citizens.

Construction Tax

The City's construction tax is levied by City ordinance at a rate of \$0.0054 of the building permit valuation.

GLOSSARY OF BUDGET TERMS

Community Recreation Fund

This fund is used to account for all of the revenues and expenses related to the two city-operated golf courses and the tennis center.

Debt Service

Principal and interest requirements on outstanding debt.

Element (General Plan)

There are seven elements of the General Plan which assist the City in delivering high quality services to its constituency as well as in meeting State requirements of a charter city. These seven elements are Land Use & Transportation, Community Development, Environmental Management, Law Enforcement, Socio-Economic, Cultural, and Planning & Management.

Employment Development Fund

This fund accounts for various Federal funds and program revenues used for workforce development activities conducted by the North Valley Job Training Consortium.

Employee Benefits Fund

This fund accounts for charges to City salary expenditures for leave time, employee benefits, workers compensation benefits and retirement benefits on a cost reimbursement basis.

Enterprise Fund

These funds are used to account for operations that are financed and operated in a manner similar to private business where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be finance or recovered primarily through user charges. Activities such as water, wastewater, solid waste, and community recreation are established as enterprise funds.

GLOSSARY OF BUDGET TERMS

Expenditure

The actual outlay of funds from the City treasury.

Fiscal Year

A 12-month period of time, from July 1 through June 30.

Full Cost Accounting

A branch of managerial accounting concerned with accumulating both direct and indirect costs for financial reporting and decision making purposes. By using this accounting technique, the City is able to assess the true cost of providing a service and its associated benefits.

Fund

A fiscal and accounting entity that has a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. City resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Funding Sources

Identifies resources that will support City expenditures.

Gas Tax Fund

This fund is required by state law to account for gas tax revenues received from the state and expended for construction and maintenance of City streets.

General Fund

A fund that accounts for all financial resources necessary to carry out basic governmental activities of the City that are not accounted for in another fund. The General Fund supports essential City services such as police and fire protection, street maintenance, libraries, and parks and open space maintenance. Revenues to support the General Fund are derived from sources such as property tax, sales tax, franchise fees and service fees.

GLOSSARY OF BUDGET TERMS

General Plan

The General Plan is a long range planning document that provides the City a framework for action and the direction in which to focus that action. General Plan Elements are areas in which the City has elected to administer and manage the delivery of services to its community.

General Plan Goal

A long-term condition or end result that the City will work toward. Broad goals are set to maintain or affect community conditions.

General Services Fund

This fund accounts for charges to City Programs for use of fleet equipment, building space, office equipment, print shop services and computer services on a cost reimbursement basis.

Grant

A contribution by a government or other organization to support a particular function.

Housing Fund

This fund is used to account for housing mitigation revenue and Below Market Rate (BMR) program funds for the City's affordable housing needs. Funds are expended on special and capital projects designed to achieve the City's goal of affordable housing and community development.

In-Lieu Charges

Each fund's share of Citywide overhead costs for programs such as: Finance, Human Resources, Office of the City Attorney, and Office of the City Manager.

***Infrastructure Renovation
and Replacement Fund***

A fund used to account for resources used for the City's long-term infrastructure renovation and replacement program.

GLOSSARY OF BUDGET TERMS

<i>Infrastructure Project</i>	A project that is designed for the renovation and/or replacement of infrastructure assets.
<i>Interfund Transfer</i>	Amounts transferred from one fund to another.
<i>Internal Service Funds</i>	These are funds used to account for the financing of goods or services provided by one department or program to other departments or programs of the City on a cost-reimbursement basis.
<i>Liability and Property Insurance Fund</i>	This fund accounts for charges to City Funds for property and liability insurance on a cost reimbursement basis.
<i>Operating Budget</i>	A financial plan for the provision of direct services and support functions.
<i>Operating Program</i>	The City manages under a performance budget concept organized by programs, service delivery plans and activities. The program is the highest operational level and falls under a sub-element of the City's General Plan. There are two fundamental types of programs - direct services, which produce results directly affecting constituents or the environment; and support, which serve the direct services programs.
<i>Origination Year</i>	The origination year is the fiscal year a project and its related costs were put into the Resource Allocation Plan. This is not necessarily the year the project is started.
<i>Outside Group Funding Project</i>	A project that captures City contributions made to local community-based organizations. These projects are funded from Community Development Block Grant (CDBG) and General funds.

GLOSSARY OF BUDGET TERMS

Park Dedication Fund

This fund is used to account for funds that developers contribute towards the acquisition, construction, or renovation of neighborhood and community parks and park facilities.

Parking District Fund

This fund accounts for special assessments levied on the real property located in the City's downtown parking district. The revenues in this fund are used to maintain parking lots located within the district.

Performance Based Budget

A budget wherein expenditures are based primarily upon measurable performance of activities.

***Police Services
Augmentation Fund***

This fund accounts for monies received from the federal and state governments, which are expended to enhance law enforcement services.

Products

In the City's Performance Based Budget structure, products are the end results of activities that support program performance and workload indicators.

Program Manager

A supervisor or manager who plans and manages the execution of one or more of the City's operating programs.

Project Category

Projects are categorized into four areas: Capital, Special, Outside Group Funding, and Infrastructure.

Project Coordinator

A person who coordinates the project for the user department.

GLOSSARY OF BUDGET TERMS

<i>Project Costs</i>	All the costs associated with a project. These costs include prior year actual expenditures, current year budgeted expenditures and future year planned expenditures over a 20 year planning period.
<i>Project Description/Scope/ Purpose</i>	Provides a summary description of a project, including the results to be accomplished, timeframe and basis for project costs.
<i>Project Evaluation and Analysis</i>	Provides a discussion of the financial and operational justifications for the project. Addresses any cost savings or efficiency gains by completing this project and any other alternatives that were considered in the decision to fund the project.
<i>Project Manager</i>	A supervisor or manager who plans and manages the execution of one or more of the City's projects.
<i>Project Number/Name</i>	Existing number and title in the City's financial system that identifies a particular project.
<i>Project Operating Costs /Savings</i>	If applicable, estimated operating costs or savings associated with the completion of a project are budgeted into the resource allocation plan.
<i>Property Transfer Tax</i>	This tax is levied at a rate of \$0.55 per \$500 of equity value transferred. The County collects the tax and the City receives one-half. Revenues are dependent on how frequently the property is transferred and on the accrued value at the time of transfer.
<i>Redevelopment Agency Fund</i>	This fund accounts for the activities of the Redevelopment Agency of the City, which was created by the City Council to prepare and carry out redevelopment plans for designated areas of the City.

GLOSSARY OF BUDGET TERMS

<i>Reserve</i>	Reserve amounts in a fund represent fund balance amounts that are legally identified or set aside for specific purposes.
<i>Revenue</i>	Funds the City receives as income such as tax payments, fees for services, grants, fines, forfeitures and interest income.
<i>Sales Tax</i>	The City receives one percent of the County taxes on retail sales. The sales tax is one of the City's largest General Fund revenue sources.
<i>Service Delivery Plans</i>	Under the Performance Based Budget structure, these plans describe specific programming of targeted services to meet the program goals and measures.
<i>SMaRT® Station Fund</i>	This fund was established to account for the revenues and expenses of the Sunnyvale Materials and Recovery and Transfer (SMaRT®) Station operations. The SMaRT® Station is a three way partnership between the cities of Sunnyvale, Palo Alto and Mountain View.
<i>Solid Waste Management Fund</i>	This fund accounts for the revenues and expenses related to refuse collection and solid waste disposal services.
<i>Special Assessment Fund</i>	A fund used to account for the financing of public improvements or services deemed to benefit primarily the properties against which special assessments are levied.

GLOSSARY OF BUDGET TERMS

Special Revenue Funds

These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.

***Spending Limitation
(GANN LIMIT)***

Article XIII B of the California Constitution establishes a spending limitation on government agencies within California. The spending limit is a mandated calculation of how much the City is allowed to expend in one fiscal year. Annually, local governments may increase the appropriation limit by a factor comprised of the change in population combined with the California inflation rate and determined by the State finance department.

Sub-Element

Each element of the City's General Plan has a sub-element or series of sub-elements which make up the goals or standards desired for the future of the community. These sub-elements provide the avenue for which long-range policy making of the General Plan is developed and ultimately implemented.

Sub-Element Goal

Sub-element goals are established to further define policy areas. It is a statement describing a general community condition the City wants to achieve or maintain through its operating programs, projects or cooperation with other entities.

Sub-Fund Number

A three-digit number attached to a fund number that identifies a sub-division of the fund, thus capturing specific information as required.

Planned Completion Year

This is the fiscal year a project is planned to be finished. For projects that are continuous, "ongoing" is the designated planned completion year.

GLOSSARY OF BUDGET TERMS

Transient Occupancy Tax

A 9.5 percent tax is levied on charges for occupancy of hotel and motel rooms for stays. The City's lodging industry is largely dedicated to serving its industrial base.

20-Year Resource Allocation Plan

The 20-Year Resource Allocation Plan is the backbone of the City's financial planning process. This long-range planning gives the Council a tool with which it can project revenues, operating requirements and capital spending and identify trends. It allows the cost of any policy decision to be measured in terms of long-range expenditure requirements, thereby raising "red flags" in areas where financial conditions may be unacceptable in the future. The 20-Year Resource Allocation Plan has helped the City fund a pay-as-you-go philosophy, allowing money to be set aside in reserve funds for future service expansion or major projects.

User Department

The department that initiated the project.

User Fee

The payment of a fee for direct receipt of a service by the party benefiting from the service.

Utility Users Tax

A two-percent tax is levied on utility billings for gas and electric and intra-state telephone services.

Water Supply and Distribution Fund

This fund accounts for all revenues and expenses related to the City-operated water utility.

Wastewater Management Fund

This fund accounts for all the revenues and expenses related to the city-operated sewer collection and Water Pollution Control Plant systems.

GLOSSARY OF BUDGET TERMS

*Youth and Neighborhood
Services Fund*

This fund accounts for revenues and operating program expenditures of the Columbia Neighborhood Center, a partnership between the City of Sunnyvale, the Sunnyvale School District and a private corporation.

Community Resources Program Coordinator Activities List

Alternative 3 of the budget supplement provides Council with an option to approve the Pet Parade as a City event by reducing the amount of hours spent on other activities for which the Community Resources Program Coordinator is the staff lead. Below is a list of options to recover the number of staff hours needed for the Pet Parade:

1. **Eliminate** neighborhood association program and support (but keep Neighborhood Grant Program, if *Budget Supplement No: 6* is approved by Council). This item will eliminate the Neighborhood Association Registry, support for Neighborhood Association quarterly meetings; and miscellaneous staff support for neighborhood associations. This will not impact Department of Public Safety Neighborhood Resource Officer support.
2. **Eliminate** Advisory Committee on Accessibility (ACA), Human Relations and Cultural Diversity Advisory Committee (HRCDAC) and Community Liaison Service;
3. **Reduce** the State of The City event;
4. **Reduce** the current centralized Special Event Permitting process; or
5. **Reduce** staff support for the expected 2012 City Centennial Celebration.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sunnyvale
California**

For the Fiscal Year Beginning

July 1, 2010



President

Executive Director



Questions/comments please contact:

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650 West Olive Avenue
P.O. Box 3707
Sunnyvale, CA 94086
or
call (408) 730-7380

The Adopted FY 2011/2012 Budget in its entirety may be viewed on-line at:
<http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx>