

City of
Santa Barbara

Adopted Operating and Capital Budget
Fiscal Year 2005

CITY OF SANTA BARBARA

**ADOPTED OPERATING
AND CAPITAL BUDGET**

FISCAL YEAR 2005

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

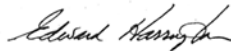
*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Santa Barbara
California**

For the Fiscal Year Beginning

July 1, 2003


President


Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to City of Santa Barbara for its one-year financial plan and annual budget for the fiscal year beginning July 1, 2003.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year. We believe our current budget continues to conform to program requirements, and we have submitted it to GFOA to determine its eligibility for another award.



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EXECUTIVE SUMMARY

The Road to Recovery is Slow, But Steady



The City of Santa Barbara is slowly working its way out of one of the most difficult fiscal environments in the past thirty years. This situation has been caused by an uncertain national and state economy, rising costs, and the worst California state budget crisis since the Great Depression. Due to these factors, the Council adopted only a one-year financial plan in fiscal year 2004, and we are proposing a one-year budget for fiscal year 2005. This is in lieu of the customary two-year plan proposed for Council consideration.

However, the national and local economies are now showing signs of a moderate recovery. Key revenues tied to local economic conditions, such as sales taxes and transient occupancy taxes, posted moderate gains in fiscal year 2004 and are expected to increase moderately in fiscal year 2005. The table below summarizes the growth rates from fiscal year 2001 through fiscal year 2005.

Both sales tax and transient occupancy tax revenues were dramatically impacted by the events of September 11, 2001, and the ensuing economic downturn. As shown in the table on the right, this led to declines in fiscal year 2002 and only nominal growth in fiscal year 2003. For fiscal year 2005, these revenues are estimated to grow 4%. Overall, the outlook is favorable as economic conditions continue to improve.

Growth Rates of Key Revenues

<u>Fiscal Year</u>	<u>Sales & Use</u>	<u>Transient Occupancy</u>
2001	5.4%	8.3%
2002	-4.1%	-3.3%
2003	2.2%	0.3%
2004	2.8%	5.1%
2005 *	4.0%	4.0%

* Projected

Rising Costs Still a Challenge

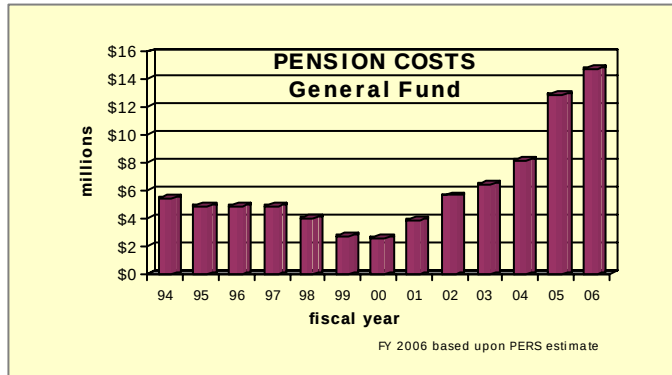
Rising costs still present the biggest challenge to the City. Over the last several years, the City has been plagued with cost increases in virtually all categories of benefits provided to City employees, including health insurance, retirement, and workers' compensation. The City avoided significant increases in fiscal year 2004 by changing health insurance providers. In addition, after three years of sharp increases, workers' compensation costs seem to have stabilized. However, increased benefits levels and investment losses incurred by the Public Employees Retirement System (PERS) have led to substantial increases to required contributions by the City on behalf of City employees. In fiscal year 2004, required contributions by the General Fund increased \$1.9 million. In fiscal year 2005, required



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contributions will increase by \$4.8 million, for a total projected annual cost of \$12.9 million (see chart below).



In the General Fund, salaries and benefits total 76% of the operating budget. As of June 30, 2004, existing contracts with most of the City's bargaining units expired, and the remaining contracts expire early in fiscal year 2005. Due to the increased PERS costs noted above and its impact on overall City spending, the adopted budget contains no provision for employee salary increases next year.

Agreement Reached Between Governor and Local Governments

After considerable debate and much consternation, the Governor and legislature reached an agreement on the State budget on July 27, 2004. One of the significant issues delaying a budget agreement was the level of protection of local revenues proposed and sought by the Governor and local government officials. Many democratic legislators favored an alternative proposal that only protected local revenues in the aggregate while still allowing State to re-allocate revenue among cities, counties, schools and special districts. The legislature, in the end, accepted the Governor's proposal, with minor changes. The agreement calls for a Constitutional amendment to be placed on the November 2004 ballot protecting local government revenues from future State raids. Only a declaration of a fiscal emergency by the Governor and a 2/3 vote of the legislature would allow the State from impacting local revenues in the future, but would require repayment with interest. The Governor has agreed to actively campaign for passage of the ballot measure. If passed, the measure would secure the remaining vehicle license fee (VLF), property taxes and sales taxes from future take-away or reallocation. The agreement also guarantees repayment of the local VLF revenues taken by the State in fiscal year 2004 and payment for all unpaid State mandated reimbursements.

In return, local governments will contribute \$1.3 billion in both fiscal year 2005 and 2006 to help balance the State's budget. For the City of Santa Barbara, this would result in a \$1,251,763 loss of revenue in each of the next two years; and the City's Redevelopment Agency would lose \$1,303,704 in each of the next two years.

As of the printing of this document, the State budget has not been officially approved. It still requires approval by the legislature, signature of the Governor, and approval of all



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implementing legislation, including the official language of the proposed Constitutional amendment. In addition, the measure still must be approved by voters in November. Nonetheless, Local governments were very leashed with the agreement and see this a major victory in a long battle over local control of revenues.

Long-Term Budget Strategies Proving Effective

In the wake of the September 11, 2001 terrorist attacks, our City began planning for the long-term impacts of declining revenues and increasing health, property, liability and workers' compensation costs. The attendant economic downturn and stock market decline led to unprecedented increases to retirement contributions. On top of these challenges, the state began grappling with its largest deficit in history.



Santa Barbara's "soft-landing strategy" calls for the orderly transition to a smaller organization, the reduction of overall costs, and the prudent use of reserves. This approach has allowed us to evaluate City

services and make the necessary adjustments, while minimizing the impact on our staffing and community services. We have also evaluated fees and charges to ensure they are in line with the costs of providing the related services.

In fiscal years 2003 and 2004, the City implemented \$4 million in budget adjustments by reducing expenditures, adjusting revenues, and eliminating more than 30 full-time equivalent positions. An additional \$2 million in budget adjustments has been incorporated in the fiscal year 2005 adopted budget. Approximately \$1.5 million of these adjustments represents reduced departmental spending, which includes the elimination of an additional 11.9 full-time equivalent positions.

The City's long-term strategy is proving effective in reducing costs, minimizing impacts to our community and staff, and preserving cash reserves. Additional adjustments and use of reserves are anticipated through fiscal year 2008 to address the remaining structural imbalance.



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And the Beat Goes On



Despite this difficult fiscal environment, the City continues to provide all essential community services in accordance with the City of Santa Barbara's trademark standard of excellence. The impacts of budget and staff reductions have meant only minimal reductions in services, many of which have been transparent to the community.

Santa Barbara in the meantime continues moving forward with key initiatives and projects. Major improvements totaling \$18.5 million are planned to begin next year at the El Estero Wastewater Treatment Facility. These improvements are in addition to major work begun this year at the Cater Water Treatment Facility, and the replacement of the open Sheffield Reservoir with two 6.5 million-gallon underground tanks.

The City has recently implemented a *Neighborhood Improvement Program* that involves several departments, addressing quality-of-life issues in our community. As an example, a recent and extensive neighborhood clean-up effort involved equipment and personnel from Public Works, Parks and Recreation, Police, Fire, Community Development, Caltrans, and the City Administrator's Office. In addition to towing away a number of abandoned vehicles, the City removed garbage, debris, human waste, trees, and brush totaling about 85 tons. There is much more to be done, including working with property owners to correct a number of zoning and building code violations. The *Neighborhood Improvement Program* is a work-in-progress effort to resolve unsatisfactory conditions that have been in place for several years.

The Redevelopment Agency recently sold \$34.8 million in tax allocation bonds to fund several major projects, including downtown sidewalk improvements, restoration of the Carrillo Recreation Center, rehabilitation of the Fire Headquarters building, construction of downtown and waterfront restrooms, and supplemental funding for the construction of Granada Garage.

The Water Quality Improvement and Creeks Restoration Program –now in its third year – is funded by 2% additional in transient occupancy taxes, which was approved by City of Santa Barbara voters in November 2000. Restoration of Old Mission Creek at Bohnett Park was recently completed, the restoration of the Arroyo Burro Estuary begins early next fiscal year, and an aggressive public outreach educational program is being implemented.

Even in the face of financial challenges, Santa Barbara is making tremendous progress on many fronts: upgrading the City's infrastructure, improving our environment, supporting new cultural facilities, addressing housing and transportation issues, updating our long-term planning documents and implementing strategies to improve our neighborhoods. Additionally,



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City staff is committed to improving the high-quality services our residents and businesses enjoy. The next fiscal year promises to bring both challenges and opportunities.

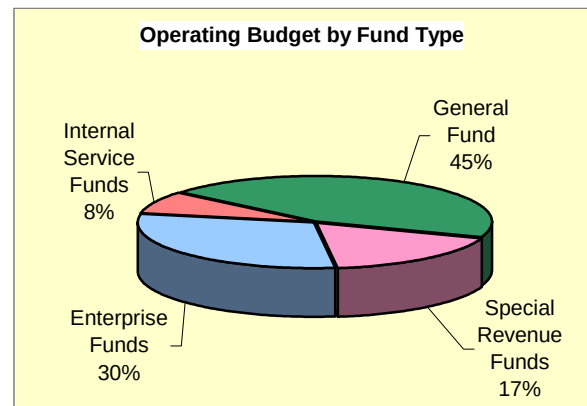
BUDGET HIGHLIGHTS

Wide Range of Services Provided

The City of Santa Barbara provides a full range of services to the community, including police and fire protection, parks and recreation, library, planning, streets maintenance, parking, water, wastewater and refuse, a regional airport, a harbor and waterfront.

The fiscal year 2005 adopted budget includes a total operating budget of \$196.6 million and a citywide capital program of \$28 million. The General Fund, which includes traditional local government services, is composed of an \$87.2 million operating budget and a \$1.3 million capital program.

In addition to the General Fund, the City has a number of other funds used to account for various activities. Special revenue funds, totaling \$34.4 million (17%), are used to account for revenues legally restricted for a specific purpose. Enterprise funds, totaling \$59.3 million (30%), are used to account for the activities of the City operates in a manner similar to the private sector, including water, wastewater, airport, golf, downtown parking, and waterfront operations. Finally, internal service funds, totaling \$15.7 million (8%) are used to account for services provided internally to City departments and programs, such as Information Systems and Risk Management services.



General Fund Revenues Show Signs of Recovery

Total General Fund revenues are estimated at \$83.4 million, up \$3.9 million (4.9%) over fiscal year 2004 adopted revenues of \$79.5 million. Of this total growth, \$2.4 million is attributable to projected growth in tax revenues.



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As a destination point for tourists and visitors, the City's General Fund receives a substantial portion of its revenues from sales and transient occupancy taxes (TOT). Combined, these two revenues make up 35% of total General Fund revenues. For fiscal year 2005, after three years of sluggish growth, both sales tax and TOT revenues are estimated to grow 4%, generating almost \$1.4 million in revenues above the fiscal year 2004 adopted budget.

CITY OF SANTA BARBARA Summary of Tax Revenues General Fund

	Fiscal Year				
	2002 Actual	2003 Actual	2004 Adopted	2004 Projected	2005 Adopted
Sales and Use	\$17,511,104	\$ 17,903,527	\$18,042,000	18,264,267	\$ 18,994,900
Utility Users	4,997,803 ⁽¹⁾	5,443,005 ⁽¹⁾	5,607,700	5,480,200	5,837,700
Property	9,513,754	10,373,212	10,992,200	11,099,337	11,299,100
Transient Occupancy	9,837,862	9,864,403	10,273,900	10,273,900	10,684,900
Business License	1,769,599	1,831,973	1,876,300	1,915,000	1,982,500
Real Prop. Transfer	307,319	874,582	408,000	600,000	618,000
TOTALS	\$43,937,441	\$ 46,290,702	\$47,200,100	\$47,632,704	\$ 49,417,100

⁽¹⁾ Adjusted to reflect change in accounting whereby, beginning in fiscal year 2004, the restricted portion (50%) of utility users tax is now received directly in the Streets Fund.

Despite the sluggish economy, property tax revenues continue to be strong. Between fiscal year 1999 and 2003, property tax revenues grew an average of 8.5% per year. In fiscal year 2004, we project a 7% growth and an additional 7% growth in fiscal year 2005. Note the fiscal year 2005 property tax estimate of \$11,876,332 was been reduced by \$577,232 to \$11,299,100 to account for the property tax shift included in the Governor's State budget proposal released in January 2004, resulting in budgeted growth in the adopted 2005 budget of only 1.8%. The adopted budget does not reflect the impact of the subsequent agreement between the Governor and local governments reached in July 2004.

General Fund Fees and Charges Designed to Keep Pace with Costs

Next year, revenues from fees and charges are estimated at \$8.7 million. With an estimated operating budget of \$87.2 million, only approximately 10% of operating costs are recovered

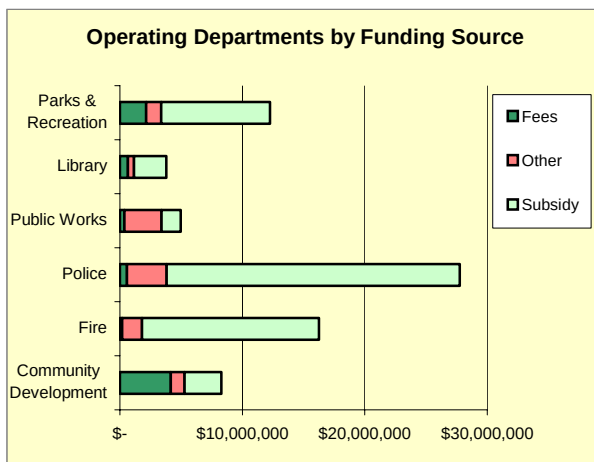


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from fees and charges. The vast majority (70%) of operating costs are subsidized from taxes and other non-departmental revenues.

The chart below shows the fiscal year adopted budgets of General Fund operating departments by funding source. As can be seen from the chart, the Police Department receives the largest share of the overall subsidy, and recovers only 2% of its costs from fees. In contrast, Community Development, which includes planning, building & safety and housing, recovers



over 50% of its costs from fees. Historically, growth in tax revenues outpaced growth in costs and fees were not closely evaluated. However, with costs sharply increasing over the last several years, and with the impacts of the economic downturn on key revenues, fees have become a more important funding source.

In fiscal year 2004, the City completed a fee study that determined the full cost of each program and activity and the level of recovery from fees and charges. General Fund departments used the information from

this study in developing fiscal year 2005 fees and service charges. In general, the fees have been adjusted to ensure they keep pace with costs and to move closer to an appropriate level of cost recovery from fees based on community needs, public policy and program priorities.

Multi-Year Plan Includes Additional Use of General Fund Reserves

In 1996, the City Council established minimum reserve levels for all operating funds, including the General Fund. Pursuant to the adopted resolution, the General Fund currently maintains three separate reserves:

- Emergency Reserve – Set at 15% of the adopted operating budget, established to respond to natural disasters, such as floods, earthquakes, etc.
- Economic Contingency Reserve – Set at 10% of the adopted operating budget, established to provide for unique one-time costs and maintenance of City services, and to permit orderly adjustments during periods of reductions.
- Capital Reserve – Set at \$1 million, established to fund unexpected and unforeseen capital expenditures.



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In addition to the required reserves defined above, the General Fund has historically accumulated reserves above policy requirements as a result of favorable budget variances. These reserves have enabled the City to fund the annual General Fund capital program and other one-time costs.

The table below shows a summarized version of the City's General Fund multi-year forecast. It includes the actual results of fiscal year 2003, projected results for the fiscal year 2004, and the adopted fiscal year 2005 estimates. Fiscal years 2006 through 2008 are based on revenue and expenditure growth assumptions.

City of Santa Barbara Multi-Year Forecast General Fund						
	FY 2003 Actual	FY 2004 Projected	FY 2005 Adopted	FY 2006 Estimated	FY 2007 Estimated	FY 2008 Estimated
Total Revenues	\$ 84,065,940	\$ 80,048,022	\$ 82,758,682	\$ 86,069,029	\$ 92,463,553	\$ 94,394,096
Total Expenditures	82,869,262	81,615,040	87,179,436	90,728,759	93,464,788	96,288,858
Revenues Over (Under) Expend	1,196,678	(1,567,018)	(4,420,754)	(4,659,730)	(1,001,235)	(1,894,762)
Anticipated Year-End Variance	-	1,000,000	2,179,486	2,268,219	2,336,620	2,407,221
Operating Surplus (Deficit)	1,196,678	(567,018)	(2,241,268)	(2,391,511)	1,335,385	512,459
Cumulative Future Budget Adj.	-	-	-	500,000	500,000	500,000
Expected Oper. Surplus (Deficit)	1,196,678	(567,018)	(2,241,268)	(1,891,511)	1,835,385	1,012,459
Capital Program	(2,233,730)	(1,015,150)	(427,400)	(750,000)	(750,000)	(750,000)
Net Addition to (Use of)						
Reserves	(1,037,052)	(1,582,168)	(2,668,668)	(2,641,511)	1,085,385	262,459
Beginning Reserves Balance	30,441,123	29,404,071	27,821,903	25,153,235	22,511,724	23,597,109
Ending Reserves Balance	\$ 29,404,071	\$ 27,821,903	\$ 25,153,235	\$ 22,511,724	\$ 23,597,109	\$ 23,859,568
Required Reserves	\$ 21,218,950	\$ 22,794,859	\$ 23,682,190	\$ 24,303,697	\$ 25,009,715	\$ 25,731,880
Reserves Over (Under) Policy	8,185,121	5,027,044	1,471,045	(1,791,973)	(1,412,606)	(1,872,312)
Total Reserves	\$ 29,404,071	\$ 27,821,903	\$ 25,153,235	\$ 22,511,724	\$ 23,597,109	\$ 23,859,568

In November 2003, when budget decisions were being made for fiscal year 2005, the City's multi-year forecast showed a General Fund structural deficit of approximately \$3.5 million, with the deficit growing to \$4 million in fiscal year 2006. Without corrective action, the structural deficit would fully consume reserves above policy as well as the economic contingency reserve by fiscal year 2008.

In order to address the structural deficit, the fiscal year 2005 adopted budget includes \$2 million in adjustments (primarily expenditure reductions) and includes the use of \$1.6 million of reserves. Through fiscal year 2008, an additional \$500,000 in adjustments is planned. In



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In addition, the capital program has been scaled down beginning in fiscal year 2005. Using this approach, the General Fund would be balanced by fiscal year 2007, which means that revenues will be sufficient to cover operating and capital expenses.

Although not evident in the table on the preceding page, General Fund departments already implemented a total of approximately \$4 million in budget adjustments in fiscal years 2003 and 2004. Therefore, between fiscal year 2003 and 2008, a total of \$6.5 million in budget adjustments will have been made, and a total of \$6.8 million in reserves will have been consumed for both operations and capital. This is consistent with our plan to balance the impacts to programs and services with the prudent use of reserves as the City transitions out of the difficult fiscal period.

The multi-year forecast contains three key assumptions:

- (1) No salary increases will be provided to employees in fiscal year 2005. The forecast does assume modest salary increases during the remainder of the planning period.
- (2) The fiscal year 2005 adopted budget column in the forecast has been adjusted for the State budget deal between the Governor and State legislators announced in late July. The impact to the City is the loss of \$1.3 million in both fiscal year 2005 and 2006.
- (3) The local economy will continue to recover and local tax revenues will grow at moderate rates.

Funding Improvements to Water and Wastewater Facilities

Many of the City's water and wastewater facilities are in need of major rehabilitation due to aging and new State and Federal requirements. Beginning in fiscal year 2004 and over the next 5-10 years, major capital improvements are planned to improve our facilities as well as to comply with the stricter water quality standards.

In the Water Fund, major improvements to the William B. Cater Water Treatment Plant (see aerial photo) began this year and will continue over the next several years, at a total cost of approximately \$20 million. The plant, which was built in 1964, supplies water to the City of Santa Barbara, Montecito Water District and Carpinteria Valley Water District. The improvements involve the replacement of aging equipment, changes needed to meet upcoming drinking water standards mandated by the Federal Safe Drinking Water Act,





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and increasing the reliability, efficiency and security of the entire water treatment operation. The improvements are being funded from a State Department of Water Resources loan, repayable over 20 years.

In the Wastewater Fund, a strategic plan for the rehabilitation of the El Estero Wastewater Treatment Plant was completed in January 2003. Nine projects costing \$18.5 million were identified as having the highest priority, and are scheduled to begin in fiscal year 2005. These projects will be funded from the planned issuance of long-term debt in June 2004, which will be repaid over 25 years. The issuance of long-term debt will enable the Wastewater Fund to maintain required reserve balances and spread the cost of the improvements over the estimated useful life of the projects.

As a result of these major investments in upgrading the City's water and wastewater systems, Council adopted increases to both water and wastewater rates to ensure the viability of the operations, as recommended by the City's Water Commission.

Santa Barbara Airline Terminal Expansion Project Taking Flight

The Airport is moving forward with the expansion of the airline terminal. The growth in passenger volumes over the last ten years and the additional security need have resulted in severe overcrowding and lack of space for airline and airport operations.



The Airline Terminal Expansion Project will be funded from a combination of federal grants, bond financing and airport revenues. A financial feasibility study determined that these funding sources would enable the Airport to finance a \$55 million project, which includes the terminal expansion, roadway improvements, increased parking facilities, and an aircraft-parking ramp.

The next phase of work will be development of the Program Criteria Document. This is the detailed road map the design team will follow in designing the project. This document will set forth the project budget, the building size, all technical information on square footage, space for the various uses in the terminal, and parking gate layout.



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MAJOR PRIORITIES AND WORK EFFORTS

Major Planning Efforts Underway

Next year staff will begin work to update the City's General Plan, which contains many important goals and policies for growth management and land use planning in our community. Measure E, which in 1989 amended the City's Charter that provides the basis for the City's Growth Management Strategies, has a 2010 expiration date. This effort will require considerable time and resources over the next six years. When complete we will have the framework for land use decisions through 2030. The City is committed to the foundation policy of "living within our resources" and will seek active participation from the community in what we expect to be a meaningful process.



City Turns Its Attention to Improving Local Neighborhoods

In response to a growing awareness that the delivery of City services needed to be restructured to improve the quality of life in our inner-city neighborhoods, the City recently implemented a Neighborhood Improvement Program, as discussed earlier. This program is a high priority for the City. The goals of the Program include increasing the effectiveness and efficiency of services provided by City departments, creating more positive impacts in higher-density neighborhoods, engaging neighborhood residents and community groups to improve the quality of life in their neighborhoods, and increasing building and zoning enforcement efforts.

Preserving the Environment a Top Priority

Three years ago, Santa Barbara voters approved Measure B, which increased the transient occupancy tax rate from 10% to 12%, to fund water quality improvements and creeks restoration programs. This was a significant milestone as it provided a dedicated and ongoing funding source to address water quality issues in the community.



In January 2004, the City celebrated the completion of the Old Mission Creek Restoration Project at Bohnett Park, funded in part by Measure B funds. The goal of the project was to restore native habitat and improve water quality, while providing a safe and healthy place for residents to enjoy their local creek. The project leveraged Measure B funds, with more than half of the \$788,000 cost



INTRODUCTION

City Administrator's Budget Message

funded through State grants. Next year, the restoration of the Arroyo Burro Estuary is planned. The project, estimated at \$1.2 million, is expected to be funded from State grants.

Measure B funds are also helping to pay for expanded residential street sweeping efforts to both the east and west sides. Next year, staff proposes to look at the feasibility of continued expansion of street sweeping to other City neighborhoods. The street sweeping program not only improves the cleanliness of neighborhood streets, but it also helps reduce the amount of debris and contaminants that find their way into creeks and ultimately local beaches.

Another effort helping to preserve the environment is the Solid Waste Recycling Program. Implemented in September 2002, the program's main objective is to have the City of Santa Barbara become the recycling leader in the State of California. Council's goal includes reaching diversion rates of 60% by the year 2005 and 70% by the year 2010.

City Looks to Further Increase Affordable Housing Stock

The City and Redevelopment Agency, in partnership with the Santa Barbara Housing Authority and other non-profit housing developers, have achieved many successes in increasing the number of affordable units in the City. Currently, 12% of the City's housing stock has an affordability component. Examples of projects recently completed and underway include the following:



- The City's Housing Authority recently completed construction of Casa De Las Fuentes (see photo), an award-winning housing complex on 355 West Carrillo Street, which includes 42 studio and one-bedroom apartments for downtown workers (see photo above). The Redevelopment Agency provided \$1.9 million in grant and loan funds for acquisition and construction plus \$600,000 in HELP funds for short-term financing.
- The City and the Redevelopment Agency are proceeding with the most significant affordable housing development to be built on the South Coast. Mercy Housing California and St. Vincent's Institution are developing 75 low-income family apartments and 95 low-income senior apartments on the 19-acre St. Vincent's School campus at Highway 154 and Calle Real. The development will be financially supported by the City and County of Santa Barbara as a regional response to affordable housing needs. Project construction will begin in the latter months of 2004.
- The City Council and Redevelopment Agency Board took two significant actions in fiscal year 2004 to move forward the review of a proposed project at 617 Garden Street for a Mental Health Association (MHA) administrative and program center with 50 units of



INTRODUCTION

City Administrator's Budget Message

affordable housing. Twenty-five of the units would be for very-low-income MHA clients, and 25 for low-income, downtown workers.

- With City and Housing Authority assistance, Habitat for Humanity is developing three "sweat-equity," low-income, first time homeowner units at 3965 Via Lucero. The buyers will join community volunteers using donated materials to build the units, which will be preserved as affordable units for subsequent buyers.

In addition to the projects noted above, Council recently approved a draft Inclusionary Housing Program, that will require all new residential ownership projects of 10 or more units to set aside 15% of the units for affordable- to middle-income households.

In February 2004, the City Council approved the new Housing Element of the General Plan. The Housing Element is an important component of the General Plan as it establishes strategies for new housing programs and planning efforts for the next five years. The Housing Element contains more than 100 implementation strategies to meet the goals included in the plan.



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COMMUNITY PROFILE

Directory of City Officials

Marty Blum
Mayor

Dan B. Secord, M.D.
Councilmember

Helene Schneider
Councilmember

Brian B. Barnwell
Councilmember

Roger L. Horton
Councilmember

Iya G. Falcone
Councilmember

Das Williams
Councilmember

James L. Armstrong
City Administrator, City Clerk,
and City Treasurer

Stephen P. Wiley
City Attorney

Joan Kent
Assistant City Administrator

Robert D. Peirson
Finance Director

Karen S. Ramsdell
Airport Director

Richard C. Johns
Parks and Recreation Director

Carol L. Keator
Library Director

Camerino Sanchez
Police Chief

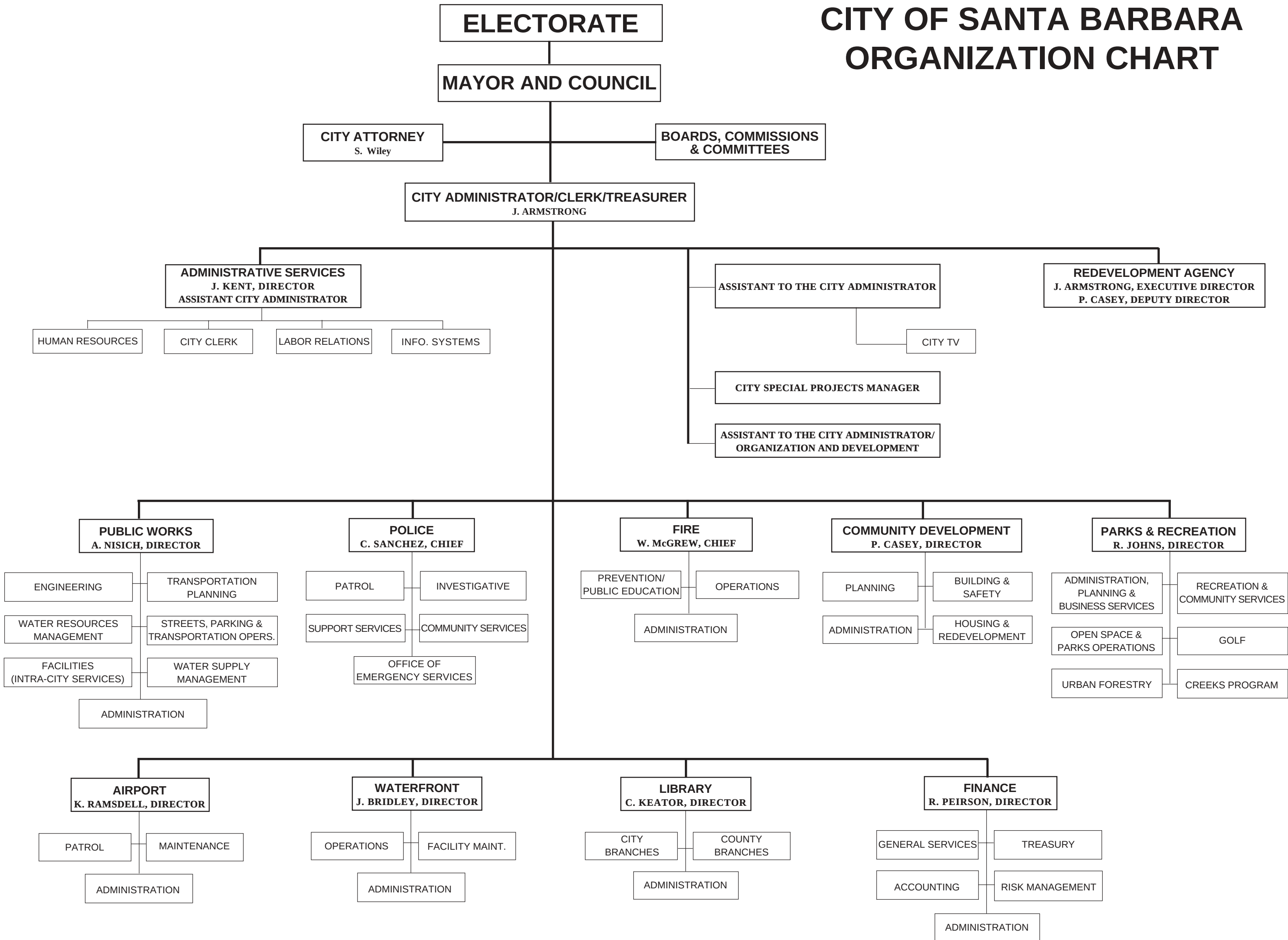
Warner R. McGrew
Fire Chief

Paul A. Casey
Community Development Director

Anthony J. Nisich
Public Works Director

John N. Bridley
Waterfront Director

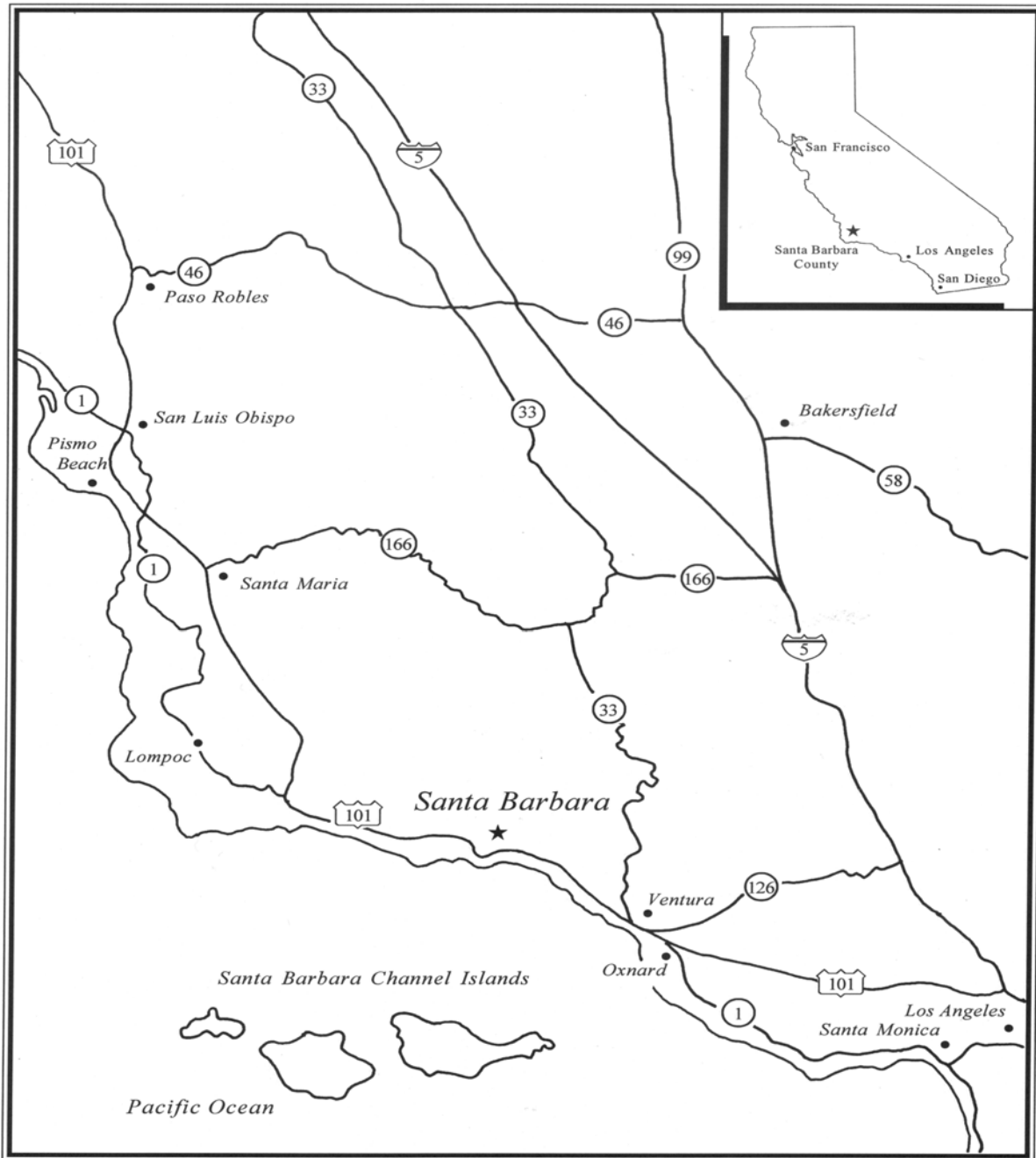
CITY OF SANTA BARBARA ORGANIZATION CHART





COMMUNITY PROFILE

Santa Barbara Area Map





COMMUNITY PROFILE

About the City of Santa Barbara

The City of Santa Barbara is located approximately 90 miles north of Los Angeles off of U.S. Highway 101, and is geographically sheltered by mountains on the north and the Pacific Ocean on the south. The City of Goleta and the unincorporated area of Montecito border the City on the west and east, respectively.

Until the late 1700's, the area currently known as "Santa Barbara" was occupied by the Chumash Indians. The Chumash lived in small villages along the coast and on the Channel Islands, living comfortably for thousands of years thanks to the abundance of wildlife and natural resources.

In 1542, Portuguese explorer Juan Cabrillo entered the Channel and claimed the land for Spain. In 1602, three frigates under the command of Sebastian Vizcaino entered the Santa Barbara Channel. One of the Carmelite friars on board named the bay and nearby shore after Saint Barbara.

In 1782, a group led by Father Junipero Serra, Captain Jose Ortigas, and Governor Felipe de Neve established a military presidio and, three years later, a mission. Spain governed the area until 1822, when California became a Mexican territory. Just 24 years later, in 1846, Colonel John Fremont and his soldiers took Santa Barbara for the United States.

The City of Santa Barbara (the primary government) was incorporated on August 26, 1850. The City is a charter city under the laws of the State of California and operates under a Council-Administrator form of government. The Council consists of six council members and a mayor, all of whom are elected at-large. The current City Charter was adopted on May 2, 1967 and provides for the following services: public safety (police and fire), construction and maintenance of highways and streets, sanitation, culture and recreation, public improvements, planning, zoning and general administration. Enterprise funds, operated in a manner similar to a private business, include water, wastewater, airport, parking, golf and waterfront.

The Redevelopment Agency of the City of Santa Barbara, a blended component unit of the City, was established in 1968 and is a separate governmental entity as prescribed in the State of California's Community Redevelopment Law as set forth in the State's Health and Safety Code.

The City Council of the City of Santa Barbara and the Board of Directors of the Agency are legally separate boards; however, they share common membership. The City also provides all support staff and performs all administrative functions for the Agency under the terms of a written agreement between the two entities.



COMMUNITY PROFILE

Miscellaneous Statistics

General City Information:

Date of incorporation	August 25, 1850
Form of government	Council-Administrator
Land area in square miles	21.1
Miles of streets	280
Number of traffic intersections	104

Community Forest, Beaches and Gardens:

Number of park and open space trees	12,000
Number of street trees	23,500
Linear miles of city-owned beaches	3.4
Community gardens	4

Airport:

Number of terminals	1
Number of commercial carriers	4
Number of ticketed passengers annually	781,995
Number of runways	3
Total airport acreage	950
Commercial / industrial acreage	95
Number of leased buildings	76
Goleta Slough Ecological Reserve wetlands acreage	400

Hospitals:

Number of hospitals	1
Number of patient beds	366

Libraries:

Number of city libraries	2
Number of bookmobiles	1
Number of county libraries	6
Total volumes	431,800

Municipal Water Department:

Gallons of potable water treated and distributed annually	4.21 billion
Gallons of reclaimed water treated and distributed annually	240 million
Number of reservoirs	13
Number of pump stations	11
Number of treatment plants	4
Number of wells	10
Number of water reclamation facilities	1



COMMUNITY PROFILE

Miscellaneous Statistics

Municipal Wastewater Department:

Number of treatment plants	1
Number of lift stations	11
Gallons of water treated annually	3.01 billion

Parks and Recreation:

Park acreage	1,764
Number of developed parks	38
Number of undeveloped parks	21
Number of park playgrounds	22
Number of swimming and wading pools	4
Number of community centers	14
Number of sports facilities	11
Number of municipal golf courses (18 holes)	1

Public Safety:

Number of police stations	1
Number of police officers and other sworn personnel	143
Number of law violations	
Physical arrests	15,751
Traffic violations (citations and warnings)	10,996
Parking violations	81,059
Number of fire stations	8
Number of firefighters and officers	98

Public Schools:

Elementary schools	14
Annual enrollment	6,024
Secondary schools	9
Annual enrollment	10,598
Colleges	1
Enrollment per semester	17,014

Waterfront:

Acreage of city-managed tidelands and submerged lands	252
Wharf length in feet	1,978
Acreage of wharf decking	3.8
Number of marinas	4
Number of commercial and pleasure vessel slips	1,133
Number of waterfront property leases	60



COMMUNITY PROFILE

Demographics

Population 90,473

Land Area 21.1 square miles

Population Demographics: ⁽¹⁾

	<u>Number</u>	<u>%</u>
Households	35,605	100.0
Family households	18,954	53.2
Married couples	14,163	39.8
Male householder	1,415	3.9
Female householder	3,376	9.5
Non-family households	16,651	46.8
Households with individuals under 18 years	9,578	26.9
Households with individuals 65 years and over	8,871	24.9
Average household size	2.47	(X)
Average family size	3.17	(X)

Housing Occupancy:

Total housing units	37,076	100.0
Occupied housing units	35,605	96.0
Vacant housing units	1,471	4.0
For seasonal, recreational, or occasional use	525	1.4
Homeowner vacancy rate	(X)	0.7
Rental vacancy rate	(X)	2.3

Housing Tenure:

Occupied housing units	35,605	100.0
Owner-occupied units	14,957	42.0
Renter-occupied units	20,648	58.0
Average household size of owner- occupied units	2.51	(X)
Average household size of renter- occupied units	2.43	(X)

Gender:	<u>Number</u>	<u>%</u>
Male	44,599	49.3
Female	45,865	50.7

Age:

Under 5 years	5,066	5.6
5 to 9 years	5,428	6.0
10 to 14 years	4,704	5.2
15 to 19 years	6,513	7.2
20 to 24 years	8,594	9.5
25 to 34 years	15,469	17.1
35 to 44 years	13,751	15.2
45 to 54 years	11,851	13.1
55 to 64 years	6,604	7.3
65 to 74 years	5,247	5.8
75 to 84 years	4,795	5.3
85 years and over	2,443	2.7
Median age (in years)	33.4	(X)

Race:

White	66,943	74.0
Black or African American	1,628	1.5
American Indian/Alaska Native ...	995	1.1
Asian- Pacific Islander	2,533	2.8
Some other race	14,836	16.4
Two or more races	3,438	3.8

Hispanic or Latino and Race:

Total population	90,464	100.0
Hispanic or Latino (of any race) ..	31,662	35.0
Not Hispanic or Latino	58,802	65.0
White alone	52,741	58.3



COMMUNITY PROFILE

Demographics

Economic Demographics: ⁽²⁾

<u>Service Industry (private & non-profit)</u>	<u>Number of Businesses</u>	<u>Number of Employees</u>
Retail trade	655	7,589
Professional, scientific, and technical services	520	2,950
Healthcare and social assistance	416	3,277
Foodservice and accommodation	386	7,570
Real estate and rental & leasing	256	1,277
Other services (except public administration)	205	1,130
Administrative and support, waste management, and remediation services	162	3,331
Wholesale trade	157	1,145
Manufacturing	155	2,204
Arts, entertainment, and recreation	43	395
Educational services	26	165

Employment: ⁽³⁾

Work population (16 yrs and older)	82.1%
City family median annual income (1999) ..	\$47,498
Residents by major profession:	
Management, professional and related ..	40.9%
Sales and office occupation.....	25.3%
Service	18.7%
Construction, maintenance, production and Transportation.....	14.6%

Leading Area Employers, Public and Private (with industry): ⁽³⁾

University of California, Santa Barbara (public administration-education)	9,528
County of Santa Barbara (public administration)	4,141
Raytheon Electronic Systems (manufacturing)	1,939
Santa Barbara Cottage Hospital (healthcare)	1,927
Santa Barbara High School District (public administration-education)	1,708
Santa Barbara City College (public administration-education)	1,700
U.S. Postal Service (postal service)	1,183
Sansum-Santa Barbara Medical Clinic (healthcare)	1,150
Santa Barbara Elementary School District (public administration-education)	1,132
City of Santa Barbara (public administration)	1,066

Education: ⁽⁴⁾

High school graduate	81.2%
College Graduates (2 year)	8.9%
College Graduates (4 year)	24.1%
Ph.D. Graduates	14.1%

(1) Source: U.S. Bureau of the Census, 2000 Census

(2) Source: U.S. Bureau of the Census, 1997 Economic Census

(3) Source: Santa Barbara Chamber of Commerce as of June 30, 2002

(4) Source: www.bestplaces.net as of March 31, 2003

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S U M M A R Y O F S O U R C E S

FY 2005 ADOPTED BUDGET

	S O U R C E S		
	Use of Reserves	Estimated Revenues	Total Sources
General Fund			
Operating	\$ 3,746,223	\$ 83,433,213	\$ 87,179,436
Capital Outlay	427,400	871,003	1,298,403
Special Revenue Funds			
Community Dev. Block Grant	-	1,969,000	1,969,000
County Library	197,752	1,434,537	1,632,289
Creeks Restoration and Water Quality	-	2,187,970	2,187,970
Gas Tax	-	1,725,000	1,725,000
HOME Grant	-	910,000	910,000
Miscellaneous Grants	-	140,000	140,000
Redevelopment Agency	58,500	11,199,000	11,257,500
Redevelopment Agency Housing	-	3,300,000	3,300,000
Solid Waste	-	1,245,400	1,245,400
Street Sweeping	-	1,113,597	1,113,597
Streets	-	8,055,231	8,055,231
Supplemental Law Enforcement	-	135,232	135,232
Traffic Safety	-	505,000	505,000
Transportation Development Act	-	55,000	55,000
Transportation Sales Tax	-	5,340,000	5,340,000
Enterprise Funds			
Airport	1,747,815	10,948,274	12,696,089
Airport Capital Grants (FAA/PFC)	-	10,059,500	10,059,500
Downtown Parking	829,397	4,510,000	5,339,397
Golf	-	2,154,110	2,154,110
Wastewater	-	11,903,000	11,903,000
Water	-	27,370,000	27,370,000
Waterfront	718,088	9,626,018	10,344,106
Internal Service Funds			
Duplications	-	365,478	365,478
Information Systems	-	2,271,082	2,271,082
Intra-City Service	140,800	8,720,560	8,861,360
Self-Insurance	-	6,559,460	6,559,460
Citywide Subtotal	7,865,975	218,106,665	225,972,640
Less: Interfund Transactions	-	32,135,091	32,135,091
Citywide Total	\$ 7,865,975	\$ 185,971,574	\$ 193,837,549

AND USES OF FUNDS

U S E S			
Operating Budget	Capital Program	Total Uses	Surplus
\$ 87,179,436	\$ -	\$ 87,179,436	\$ -
-	1,298,403	1,298,403	-
1,969,000	-	1,969,000	-
1,632,289	-	1,632,289	-
1,687,970	500,000	2,187,970	-
1,725,000	-	1,725,000	-
910,000	-	910,000	-
140,000	-	140,000	-
11,257,500	-	11,257,500	-
3,300,000	-	3,300,000	-
1,245,400	-	1,245,400	-
1,113,597	-	1,113,597	-
5,758,816	2,296,415	8,055,231	-
135,232	-	135,232	-
505,000	-	505,000	-
-	55,000	55,000	-
3,021,263	2,318,737	5,340,000	-
10,346,532	2,349,557	12,696,089	-
-	8,694,500	8,694,500	1,365,000
4,694,395	645,002	5,339,397	-
1,901,888	252,222	2,154,110	-
10,383,000	1,520,000	11,903,000	-
22,817,000	4,553,000	27,370,000	-
9,129,106	1,215,000	10,344,106	-
365,478	-	365,478	-
1,949,062	322,020	2,271,082	-
6,871,945	1,989,415	8,861,360	-
6,559,460	-	6,559,460	-
196,598,369	28,009,271	224,607,640	1,365,000
32,135,091	-	32,135,091	-
\$ 164,463,278	\$ 28,009,271	\$ 192,472,549	\$ 1,365,000



SUMMARY SCHEDULES

Summary of Revenues

GENERAL FUND	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2005 Adopted
Taxes				
Sales and Use	\$ 17,903,527	\$ 18,042,000	\$ 18,042,000	\$ 18,994,900
Utility Users	10,886,010	5,607,700	5,607,700	5,837,700
Property	10,373,212	10,992,200	10,992,200	11,299,100
Transient Occupancy	9,864,403	10,273,900	10,273,900	10,684,900
Business License	1,831,973	1,876,300	1,876,300	1,982,500
Real Property Transfer	874,582	408,000	408,000	618,000
Total Taxes	51,733,707	47,200,100	47,200,100	49,417,100
Fines and Forfeitures				
Library	133,180	120,000	120,000	133,000
Municipal Court Fines	250,277	175,000	175,000	225,000
Parking Violations	1,832,306	2,277,245	2,277,245	2,277,245
Total Fines and Forfeitures	2,215,763	2,572,245	2,572,245	2,635,245
Use of Money and Property				
Investment Income	1,815,931	1,130,000	1,130,000	1,150,000
Rents and Concessions	392,575	430,000	430,000	479,810
Total Use of Money and Property	2,208,506	1,560,000	1,560,000	1,629,810
Intergovernmental				
Library Grants	154,524	150,161	150,161	92,609
Miscellaneous Grants	-	-	55,000	871,003
Motor Vehicle License Fee	5,385,147	5,797,300	5,797,300	5,815,500
SB 90 Reimbursements	-	-	-	-
Other	561,994	217,000	592,781	257,900
Total Intergovernmental	6,101,665	6,164,461	6,595,242	7,037,012
Service Charges				
City Attorney	10,088	-	-	-
Administrative Services	-	-	-	-
Finance	680,958	652,500	652,500	677,500
Community Development	3,225,910	3,161,746	3,186,746	4,145,951
Fire	50,128	130,200	130,200	187,379
Police	545,117	510,951	510,951	570,190
Public Works	288,069	270,375	270,375	360,327
Library	582,910	603,036	603,036	648,241
Parks and Recreation	2,165,931	2,396,050	2,283,320	2,129,856
Miscellaneous	-	-	-	-
Total Service Charges	7,549,111	7,724,858	7,637,128	8,719,444
Interfund Charges and Reimbursements	9,526,853	11,158,356	11,158,356	11,522,914



SUMMARY SCHEDULES

Summary of Revenues (continued)

GENERAL FUND	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2005 Adopted
Interfund Transfers				
Transfer In - Gas Tax	\$ 1,698,393	\$ -	\$ -	\$ -
Transfer In - Traffic Safety	482,180	500,000	500,000	475,000
Transfer In - Miscellaneous	157,423	-	-	-
	2,337,996	500,000	500,000	475,000
Other Revenues				
Donations	66,675	65,500	65,500	63,000
Franchise Fees	1,769,584	1,982,600	1,982,600	2,106,600
Library Gift Funds	183,492	205,785	430,785	250,000
Miscellaneous	372,600	334,489	440,756	448,091
Total Other Revenue	2,392,351	2,588,374	2,919,641	2,867,691
TOTAL GENERAL FUND	\$ 84,065,952	\$ 79,468,394	\$ 80,142,712	\$ 84,304,216
CAPITAL AND SPECIAL REVENUE FUNDS				
Community Dev. Block Grant	1,898,806	1,814,000	1,814,000	1,969,000
County Library	1,334,044	1,228,193	1,518,673	1,434,537
Creeks Restoration/Water Quality	2,066,112	2,104,780	2,104,780	2,187,970
Gas Tax	1,698,393	1,700,000	1,700,000	1,725,000
Home Administration	647,192	840,940	840,940	910,000
Miscellaneous Grants	931,565	470,621	1,575,866	140,000
Redevelopment Agency (RDA)	10,670,837	10,709,000	10,709,000	11,199,000
RDA Housing	3,181,251	3,170,000	3,170,000	3,300,000
Solid Waste	351,445	824,210	1,000,918	1,245,400
Street Sweeping	N/A	N/A	N/A	1,113,597
Streets	4,867,878	8,367,363	11,284,305	8,055,231
Supplemental Law Enforcement	180,888	188,398	188,398	135,232
Traffic Safety	511,685	525,000	525,000	505,000
Transportation Development	61,296	55,000	55,000	55,000
Transportation Sales Tax	4,332,899	5,025,000	5,025,000	5,340,000
TOTAL SPECIAL REVENUE	\$ 32,734,291	\$ 37,022,505	\$ 41,511,880	\$ 39,314,967
ENTERPRISE FUNDS				
Airport Fund				
Leases - Commercial	3,797,820	3,433,496	3,433,496	3,568,441
Leases - Non-Commercial	1,199,998	1,164,000	1,164,000	1,205,467
Leases - Terminal	3,425,083	3,133,481	3,133,481	3,842,750
Leases - Commerical Aviation	1,395,601	1,586,300	1,586,300	1,784,150
Interest Income	393,324	376,000	376,000	301,553
Miscellaneous	500,333	223,500	223,500	245,913
Subtotal	10,712,159	9,916,777	9,916,777	10,948,274



SUMMARY SCHEDULES

Summary of Revenues (continued)

ENTERPRISE FUNDS (cont.)	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2005 Adopted
Airport Capital Grants Fund	3,196,806	3,721,164	22,964,396	10,059,500
Downtown Parking Fund				
PBIA Assessment	\$ 696,828	\$ 675,000	\$ 675,000	\$ 675,000
Hourly Parking	3,119,814	3,100,000	3,100,000	2,850,000
Other Parking Fees	336,580	475,000	475,000	465,000
Lobero Garage	88,568	100,000	100,000	120,000
Commuter Lots	163,743	175,000	175,000	175,000
Interest Income	266,317	275,000	275,000	200,000
Miscellaneous	13,759	50,000	50,000	25,000
Subtotal	4,685,609	4,850,000	4,850,000	4,510,000
Duplications Fund				
Service Charges	249,789	250,000	250,000	233,950
Allocation Receipts	91,386	125,978	125,978	131,528
Subtotal	341,175	375,978	375,978	365,478
Golf Fund				
Greens Fees	1,702,437	1,759,500	1,759,500	1,852,213
Food Concession	248,369	250,000	250,000	275,000
Interest Income	49,509	55,000	55,000	26,897
Miscellaneous	1,097	-	-	-
Subtotal	2,001,412	2,064,500	2,064,500	2,154,110
Information Systems ICS Fund				
Service Charges	N/A	1,909,387	1,909,387	2,271,082
Subtotal	-	1,909,387	1,909,387	2,271,082
Intra-City Services Fund				
Rents - Equipment	1,348,064	1,414,836	1,414,836	1,957,296
Maintenance - Equipment	2,769,972	2,772,626	2,772,626	2,792,815
Maintenance - Facilities	3,184,048	2,637,931	2,737,931	2,341,582
ICS Communications	N/A	508,025	508,025	644,774
Custodial Services	N/A	801,018	801,018	934,093
Miscellaneous	180,721	75,000	75,000	50,000
Subtotal	7,482,805	8,209,436	8,309,436	8,720,560
Self-Insurance Fund				
Workers' Compensation Premiums	3,364,642	3,236,152	3,236,152	3,370,716
Property/Liability Insurance Premiums	2,322,481	2,776,564	2,776,564	2,650,000
ACCEL Premium Rebate	200,000	-	-	190,000
Occupational Safety and Health Charges	187,875	217,076	217,076	228,744
Interest Income	2,856	120,000	120,000	120,000
Miscellaneous	135,841	-	-	-
Subtotal	6,213,695	6,349,792	6,349,792	6,559,460



SUMMARY SCHEDULES

Summary of Revenues (continued)

ENTERPRISE FUNDS (cont.)	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2005 Adopted
Wastewater Fund				
Service Charges	\$ 9,080,606	\$ 9,600,000	\$ 9,600,000	11,040,000
Connection Fees	152,865	150,000	150,000	193,000
Mission Canyon Charges	238,746	200,000	200,000	275,000
Interest Income	499,163	525,000	525,000	375,000
Miscellaneous	23,080	100,000	100,000	20,000
Subtotal	9,994,460	10,575,000	10,575,000	11,903,000
Water Fund				
Metered Sales	20,822,545	22,300,000	22,300,000	25,125,000
New Service	197,600	165,000	165,000	120,000
Water Turn On Fees	83,659	85,000	85,000	100,000
Water Tap Fees	156,401	50,000	50,000	135,000
Utility Users Tax	-	-	-	-
J.P.A. Reimbursement	1,212,328	1,200,000	1,200,000	1,358,000
Creeks Reimbursement	-	41,937	41,937	42,000
Interest Income	817,634	700,000	700,000	450,000
Miscellaneous	848,230	100,000	115,000	40,000
Subtotal	24,138,397	24,641,937	24,656,937	27,370,000
Waterfront Fund				
Leases - Commercial	1,165,432	1,158,285	1,158,285	1,134,285
Leases - Food Service	2,051,498	2,085,000	2,085,000	2,167,000
Leases - Other	237,375	240,424	240,424	254,524
Interest Income	310,778	220,000	220,000	160,000
Parking Fees	1,050,052	1,252,100	1,252,100	1,311,000
Parking Permits	239,495	245,000	245,000	255,000
Slip Rentals	3,050,251	3,127,821	3,127,821	3,127,821
Visitor Fees	348,705	365,000	365,000	370,000
Slip Transfer Fees	300,542	345,000	345,000	390,000
Liveaboard Fees	104,324	135,600	135,600	190,000
Miscellaneous fees	88,904	44,500	44,500	150,388
Miscellaneous	64,584	82,500	82,500	116,000
Subtotal	9,011,940	9,301,230	9,301,230	9,626,018
TOTAL ENTERPRISE FUNDS	\$ 77,778,458	\$ 81,915,201	\$ 101,273,433	\$ 94,487,482
TOTAL CITYWIDE REVENUE	194,578,701	198,406,100	222,928,025	218,106,665
Less: All Interfund Transactions	23,156,189	30,497,949	30,497,949	32,135,091
CITYWIDE REVENUE (NET)	\$ 171,422,512	\$ 167,908,151	\$ 192,430,076	\$ 185,971,574



SUMMARY SCHEDULES

Summary of Appropriations

	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2004 Projected	FY 2005 Adopted
GENERAL FUND					
Administrative Services					
City Clerk	\$ 594,066	\$ 766,963	\$ 743,453	\$ 852,963	\$ 478,638
Human Resources	771,876	938,324	1,018,404	930,398	1,032,932
Desktop Information Systems	955,386	-	-	-	-
Financial Information Systems	398,558	-	-	-	-
Subtotal	2,719,886	1,705,287	1,761,857	\$1,783,361	1,511,570
City Administrator's Office					
Administration	1,160,394	1,207,305	1,225,016	1,157,016	1,222,184
Employee Relations	149,432	197,888	272,252	272,252	206,255
City TV	318,748	337,802	351,648	335,802	358,686
Subtotal	1,628,574	1,742,995	1,848,916	1,765,070	1,787,125
City Attorney's Office	1,452,184	1,681,641	1,789,693	1,324,244	1,800,391
Community Development					
Administration	424,296	386,395	409,881	415,290	414,844
Economic Development	69,489	63,189	78,189	81,967	70,060
CDBG and Human Services	664,083	651,528	651,528	1,323,037	666,729
Redevelopment Agency	521,702	552,610	552,610	13,684,467	600,621
Housing Development and Preservation	276,962	369,000	369,000	839,250	403,867
Long Range Planning & Special Studies	592,183	625,813	652,513	613,309	663,385
Development / Environmental Review	1,601,684	1,185,270	1,321,965	1,065,223	1,227,846
Zoning: Ordinance, Info and Enforcement	655,197	767,159	772,660	749,776	907,701
Design Review and Historic Preservation	-	677,764	762,764	676,718	794,287
Building Inspection and Code Enforcement	787,981	875,238	875,238	829,975	942,663
Records, Archives and Clerical Services	418,219	485,927	511,321	508,493	551,957
Building, Counter and Plan Review	734,552	859,523	935,175	866,281	1,031,757
Subtotal	6,746,347	7,499,416	7,892,843	21,653,786	8,275,717
Finance					
Administration	874,749	604,194	813,555	737,032	588,377
Revenue and Cash Management	251,688	317,538	322,538	295,880	337,983
Cashiering and Collections	292,077	356,538	356,538	315,125	270,919
Licenses and Permits	196,767	333,408	333,408	278,230	372,714
Budget Management	-	367,582	367,582	366,025	382,161
Accounting Services	217,014	310,050	311,605	248,094	371,736
Payroll	183,564	313,193	313,273	305,909	370,824
Accounts Payable	123,409	185,555	185,555	186,182	191,438
City Billing and Customer Service	373,851	534,819	534,819	546,633	551,685
Purchasing	309,914	381,173	383,152	333,202	506,738
Central Warehouse	226,699	219,360	219,385	211,489	136,177
Meter Reading	381,132	383,090	385,090	382,366	407,580
Subtotal	3,430,864	4,306,500	4,526,500	4,206,167	4,488,332



SUMMARY SCHEDULES

Summary of Appropriations (continued)

	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2004 Projected	FY 2005 Adopted
GENERAL FUND (continued)					
Fire					
Administration	621,439	557,028	557,028	577,930	846,316
Prevention	895,147	1,098,674	1,169,236	1,138,525	1,164,468
Public Education	86,930	105,800	107,751	105,800	117,311
Operations	10,585,525	11,310,930	11,696,505	11,823,546	12,856,949
Aircraft Rescue and Firefighting (ARFF)	937,894	965,226	965,226	998,226	1,272,255
Subtotal	13,126,935	14,037,658	14,495,746	14,644,027	16,257,299
Library					
Administration	261,923	278,447	278,447	278,447	296,010
Public Services	1,910,542	2,031,710	2,249,607	2,031,710	2,176,998
Support Services	1,170,821	1,377,185	1,392,437	1,392,637	1,433,434
Subtotal	3,343,286	3,687,342	3,920,491	3,702,794	3,906,442
Mayor and City Council	431,135	556,099	592,084	581,027	529,158
Nondepartmental					
Community Promotion	2,252,495	2,433,273	2,229,119	2,200,000	2,473,449
General Government	2,745,839	1,448,274	1,373,338	1,588,899	1,084,345
Subtotal	4,998,334	3,881,547	3,602,457	3,788,899	3,557,794
Parks and Recreation					
Parks and Recreation Administration	297,172	334,829	334,989	333,376	361,041
Business Services	311,401	463,657	467,949	447,393	453,126
PARKS					
Park Operations Management	743,248	1,006,735	1,072,148	1,424,838	1,071,788
Grounds and Facilities Maintenance	2,166,535	3,378,136	3,378,347	3,348,798	3,240,865
Forestry	906,064	965,489	967,161	970,040	1,037,725
Beach Maintenance	95,149	102,290	102,290	104,966	101,512
Chase Palm Park	410,312	587,357	588,370	598,104	549,725
RECREATION					
Recreation Program Management	290,751	371,727	370,727	371,238	396,674
Registration and Reservation Services	368,105	344,531	341,850	329,831	349,119
Cultural Arts	380,166	511,609	514,327	483,827	538,108
Youth and Teen Programs	891,014	954,627	944,593	1,044,683	921,297
Adapted	234,689	248,277	249,160	267,892	220,537
Senior Recreation	343,964	668,865	662,265	650,870	687,779
Aquatics	991,489	1,185,952	1,104,210	1,120,600	1,064,236
Sports	388,700	358,638	359,362	405,196	251,583
Tennis	215,497	287,956	286,956	276,701	270,627
Community Services	410,121	818,691	819,826	808,024	834,434
Subtotal	9,444,377	12,589,366	12,564,530	12,986,377	12,350,176



SUMMARY SCHEDULES

Summary of Appropriations (continued)

	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2004 Projected	FY 2005 Adopted
GENERAL FUND (continued)					
Police					
Chief's Staff	2,811,691	821,801	873,426	873,426	750,892
Support Services	-	600,338	622,618	622,618	667,243
Records Bureau	-	1,263,425	1,303,520	1,303,520	1,375,428
Community Services Division	1,513,957	837,741	853,174	853,174	913,021
Crime Analysis	82,222	77,431	81,287	81,287	20,427
Property Room	122,563	139,867	145,210	145,210	159,398
Training and Recruitment	408,913	296,573	309,726	309,726	351,443
Shooting Range	-	954,284	956,695	956,695	987,180
Beat Coordinators / D.A.R.E.	967,001	921,855	952,442	952,442	1,037,359
Information Technology	676,070	734,838	748,628	748,628	792,099
Investigative Division	3,396,303	3,120,647	3,230,049	3,390,049	3,808,316
Crime Lab	-	169,391	174,822	174,822	188,030
Patrol Division	10,543,895	9,385,978	9,690,920	9,460,194	10,873,096
Traffic	-	912,680	943,368	943,368	1,146,945
Special Events	378,673	216,281	432,956	432,956	236,175
Tactical Patrol Force	414,434	425,518	440,330	440,330	501,177
Nightlife Enforcement	316,942	398,702	412,264	412,264	463,448
Parking Enforcement	687,316	957,302	1,055,771	1,055,770	1,085,317
Combined Communications Center	1,398,366	1,770,615	1,868,318	1,852,711	1,899,693
Animal Control	366,488	435,390	447,020	447,020	472,939
Emergency Services	154,929	160,981	165,374	165,374	31,803
Subtotal	24,239,763	24,601,638	25,707,917	25,621,584	27,761,429
Public Works					
Administration	585,967	580,330	602,639	557,728	618,482
Engineering Services	2,446,308	2,901,912	2,902,054	3,350,630	3,156,346
Land Development	774,911	880,834	925,043	925,043	982,234
Environmental Programs	199,853	223,236	275,316	267,751	196,941
Traffic Operations	332,524	-	-	-	-
Transportation Planning	525,091	-	-	-	-
Alternative Transportation	322,224	-	-	-	-
Transportation and Drainage Systems	1,665,636	-	-	-	-
Communications Systems	462,554	-	-	-	-
Traffic Signals	911,050	-	-	-	-
Custodial Services	801,501	-	-	-	-
Subtotal	9,027,619	4,586,312	4,705,052	5,101,152	4,954,003
TOTAL GENERAL FUND	\$ 80,589,304	\$ 80,875,801	\$ 83,408,088	\$97,158,488	\$ 87,179,436



SUMMARY SCHEDULES

Summary of Appropriations (continued)

	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2004 Projected	FY 2005 Adopted
SPECIAL REVENUE FUNDS					
Community Development Block Grant	1,898,810	1,814,000	1,814,000	1,814,000	1,969,000
County Library	1,401,019	1,657,428	2,079,108	1,657,828	1,632,289
Creeks Restoration & Water Quality	905,033	1,653,511	1,803,090	1,509,670	1,687,970
Gas Tax	1,698,393	1,700,000	1,700,000	1,715,000	1,725,000
HOME Grant	647,191	840,940	840,940	900,000	910,000
Miscellaneous Grants	1,084,255	286,621	470,621	500,000	140,000
Redevelopment Agency	12,047,408	10,709,000	11,893,863	10,069,388	11,257,500
Redevelopment Agency Housing	5,143,900	3,170,000	7,481,905	1,558,044	3,300,000
Solid Waste	222,730	824,210	1,083,608	935,073	1,245,400
Street Sweeping	-	-	-	-	1,113,597
Streets	-	6,207,327	6,289,417	5,395,147	5,758,816
Supplemental Law Enforcement	179,750	188,398	188,398	200,500	135,232
Traffic Safety	482,180	525,000	525,000	550,000	505,000
Transportation Sales Tax	2,223,946	2,892,630	3,662,908	3,557,141	3,021,263
TOTAL SPECIAL REVENUE FUNDS	\$ 27,934,615	\$ 32,469,065	\$ 39,832,858	\$ 30,361,791	\$ 34,401,067
ENTERPRISE FUNDS					
Airport					
Administration	1,537,866	1,632,969	1,688,567	1,452,461	1,687,431
Business and Property Management	998,529	1,008,822	1,026,614	1,102,000	1,236,726
Marketing and Communications	290,079	281,319	323,432	288,761	406,948
Facilities Maintenance	2,101,996	2,261,243	2,391,021	3,165,781	2,648,573
Air Operations Area Maintenance	706,176	609,998	727,856	668,615	645,054
Airport Security	1,142,115	1,511,115	1,489,430	1,155,914	1,301,514
Airport Certification and Operations	1,346,688	1,480,703	1,509,145	1,564,757	1,821,076
Facility Planning and Development	496,227	545,608	592,076	536,978	599,210
Subtotal	8,619,676	9,331,777	9,748,141	9,935,267	10,346,532
Downtown Parking	4,621,132	4,294,747	4,471,096	4,834,262	4,694,395
Municipal Golf Course	1,927,017	1,764,500	1,871,571	2,078,860	1,901,888
Wastewater					
Water Resources Management	1,199,004	1,762,774	1,789,739	2,677,993	2,979,010
Water Reclamation	105,987	111,349	111,349	44,527	-
Wastewater Collection	2,031,761	2,354,940	2,362,423	2,137,910	2,458,961
Water Resources Laboratories	303,712	461,815	472,210	363,225	512,647
Wastewater Treatment	3,988,252	4,377,128	4,442,563	3,899,318	4,432,382
Subtotal	7,628,716	9,068,006	9,178,284	9,122,973	10,383,000
Water					
Water Resources Management	4,699,120	5,293,074	5,419,866	5,229,414	5,423,042
Water Reclamation	568,927	728,181	728,295	501,577	792,291
Water Distribution	4,143,171	4,682,960	4,757,957	4,562,431	5,083,538
Water Treatment	2,088,564	2,710,460	2,718,267	2,012,652	2,821,737
Water Supply Management	6,724,811	7,991,974	8,013,356	7,517,234	8,118,846
Water Resources Laboratories	483,109	516,822	525,717	428,792	577,546
Subtotal	18,707,702	21,923,471	22,163,458	20,252,099	22,817,000



SUMMARY SCHEDULES

Summary of Appropriations (continued)

	FY 2003 Actual	FY 2004 Adopted	FY 2004 Amended	FY 2004 Projected	FY 2005 Adopted
ENTERPRISE FUNDS (continued)					
Waterfront					
Admin. Support and Comm. Relations	2,647,217	2,999,880	3,003,868	3,003,868	3,098,607
Property Management	191,259	214,257	248,839	248,839	221,242
Financial Management	124,941	136,578	136,578	139,850	150,729
Parking Services	746,766	862,477	903,953	903,954	783,269
Harbor Patrol	1,187,519	1,282,510	1,298,817	1,298,818	1,406,768
Marina Management	234,097	250,400	255,097	255,097	266,460
Facilities Maintenance	2,129,756	2,895,909	2,944,160	2,944,161	2,992,555
Facilities Design and Capital Program	147,731	194,334	200,884	200,884	209,476
Subtotal	7,409,286	8,836,345	8,992,196	8,995,471	9,129,106
TOTAL ENTERPRISE FUNDS	\$ 48,913,529	\$ 55,218,846	\$ 56,424,746	\$ 55,384,209	\$ 59,271,921
INTERNAL SERVICE FUNDS					
Duplications					
Duplicating	270,506	339,345	339,380	342,645	298,608
Mail Courier Services	44,927	59,846	59,846	55,193	66,870
Subtotal	315,433	399,191	399,226	397,838	365,478
Information Systems					
Desktop Information Systems	-	1,481,995	1,495,951	1,226,393	1,496,793
Financial Information Systems	-	427,392	444,828	439,190	452,269
Subtotal	-	1,909,387	1,940,779	1,665,583	1,949,062
Intra-City Services					
Building Maintenance	3,246,015	2,568,172	3,007,307	3,266,566	2,792,815
Motorpool	2,193,313	2,946,801	3,235,199	4,960,282	2,500,263
Communications Systems	-	614,816	620,850	604,912	644,774
Custodial Services	-	885,577	886,028	871,830	934,093
Subtotal	5,439,328	7,015,366	7,749,384	9,703,590	6,871,945
Self Insurance					
Workers' Compensation	5,835,896	3,236,152	3,151,615	2,991,842	3,432,070
Liability	1,239,961	782,032	798,316	630,154	1,224,163
Occupational Safety and Health	139,923	217,076	230,077	136,201	228,744
Administrative Operations	1,576,564	2,114,532	2,204,080	1,986,007	1,674,483
Subtotal	8,792,344	6,349,792	6,384,088	5,744,204	6,559,460
TOTAL INTERNAL SERVICE FUNDS	\$ 14,547,105	\$ 15,673,736	\$ 16,473,477	\$ 17,511,215	\$ 15,745,945
CITYWIDE APPROPRIATIONS	171,984,554	184,237,448	196,139,169	200,415,703	196,598,369
Less: All Interfund Transactions	(24,376,136)	(30,497,949)	(25,221,597)	-	(32,135,091)
CITY OPERATING BUDGET (NET)	147,608,418	153,739,499	170,917,572	200,415,703	164,463,278
Add: Capital Program - All Funds	39,146,716	24,619,346	96,425,051	96,425,051	28,009,271
CITYWIDE TOTAL (NET)	\$ 186,755,134	\$ 178,358,845	\$ 267,342,622	\$ 296,840,754	\$ 192,472,549



SUMMARY OF POSITIONS

Positions by Department

Department	Actual FY 2003	Adopted FY 2004	Amended FY 2004	Position Changes for FY 2005	Adopted FY 2005
Administrative Services	28.90	29.30	28.30	(1.00)	27.30
Airport	50.00	50.00	50.00	-	50.00
City Administrator's Office	11.40	11.40	11.40	(0.20)	11.20
City Attorney's Office	12.00	12.00	12.00	-	12.00
Community Development	86.10	82.10	83.80	1.00	84.80
Finance	47.00	47.00	47.00	(1.00)	46.00
Fire	124.00	113.00	113.00	(1.00)	112.00
Library	50.50	49.25	49.25	(1.00)	48.25
Mayor and City Council	9.00	9.00	9.00	-	9.00
Parks and Recreation	97.30	97.80	97.80	(5.70)	92.10
Police	239.50	230.00	223.00	(3.00)	220.00
Public Works	278.60	278.60	278.60	-	278.60
Waterfront	46.00	45.00	45.00	-	45.00
CITY TOTAL (FTEs)	1,080.30	1,054.45	1,048.15	(11.90)	1,036.25

Positions by Fund

Fund	Adopted FY 2005	Fund	Adopted FY 2005
General Fund		Creeks Restoration & Water Quality	5.00
Administrative Services	14.50	Downtown Parking	20.50
City Administrator	11.20	Duplications	3.10
City Attorney	12.00	Golf	12.90
Community Development	78.20	HOME Grant	1.10
Finance	37.70	Information Systems	12.80
Fire	112.00	Intra-City Services	50.70
Library	35.45	Self-Insurance	5.20
Mayor and Council	9.00	Solid Waste	3.00
Parks and Recreation	74.20	Street Sweeping	3.25
Police	217.00	Streets	32.24
Public Works	44.05	Supplemental Law Enforcement	3.00
GENERAL FUND SUBTOTAL	645.30	Transportation Sales Tax	11.75
Airport	50.00	Wastewater	50.65
Community Dev. Block Grant	5.50	Water	62.46
County Library	12.80	Waterfront	45.00
CITY TOTAL (FTEs)			1,036.25

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FUND OVERVIEWS

General Fund

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Operating Budget:					
Revenue	\$ 84,065,952	\$ 79,468,394	\$ 80,142,712	\$ 80,142,712	\$ 83,433,213
Expenditures	(80,547,164)	(80,875,801)	(83,446,913)	(80,615,040)	(87,179,436)
Operating surplus	3,518,788	(1,407,407)	(3,304,201)	(472,328)	(3,746,223)
Capital budget:					
Capital Grants	-	-	-	-	871,003
Capital budget	(4,543,676)	(1,015,150)	(1,015,150)	(1,015,150)	(1,298,403)
Net addition to (use of) reserves	<u>\$ (1,024,888)</u>	<u>\$ (2,422,557)</u>	<u>\$ (4,319,351)</u>	<u>\$ (1,487,478)</u>	<u>\$ (4,173,623)</u>

BACKGROUND

The adopted fiscal year 2005 General Fund budget is a continuation of the process and approach begun in the middle of fiscal year 2002. The budget includes a combination of expenditure reductions, revenue enhancements, and the use of reserves in excess of policy requirements to balance the budget. The budget is also consistent with the City's multi-year General Fund financial plan to return to a balanced operating budget by fiscal year 2007. Although total expenditures are projected to increase (as discussed below), the fiscal year 2005 budget includes a reduction over fiscal year 2004 adopted amounts in discretionary supplies and services of 4.4% and a net reduction of almost 12 permanent, full-time equivalent positions.

After several years of historically strong revenue growth, a number of the City's key General Fund revenues began to reflect a weakening economy in the spring of 2001. Growth rates in these key revenues began to moderate significantly. The terrorist attacks of September 11th compounded this trend. In the wake of September 11th, revenues such as sales tax and transient occupancy tax (TOT) declined for the first time in more than four years. Although the City's key tax revenues are now growing once again, in some cases they have just returned to 2001 levels. During this same time, some of the City's costs have grown significantly, most of which were partially or completely beyond the City's control. In particular, insurance costs, including workers' compensation, property insurance and employee health insurance, have increased substantially in the last three years. In addition, due to the poor performance of financial markets over the last three years, the City's retirement contributions to the California Public Employees Retirement System (PERS) are increasing dramatically. These concurrent trends have combined to present the City with both significant budget challenges and opportunities.

In some ways, the current budget environment has been similar to the recession of the early 1990s. However, there are also fundamental and important differences. Like the previous recession, key General Fund revenues have been impacted. For example, in fiscal year 2002, two of the General Fund's most important and economically sensitive revenues declined. Sales tax declined 4.1% and transient occupancy tax declined 3.3% from fiscal year 2001 levels. Sales and transient occupancy taxes are two key revenue sources that are just now returning to the levels



FUND OVERVIEWS

General Fund

prior to September 11, 2001. Unlike the recession of the early 1990s, the current budget challenges are due more to increasing costs than declining or stagnant revenues. In fact, even had revenues continued to grow at historical levels, the City would still be facing budget challenges. The cost increases mentioned above (and discussed in further detail later in this overview) are a significant dimension that was not present in the recession of the 1990s.

Another similarity between the recession of the early 1990s and the current situation is the State's budget situation. In 1991, the State faced a sizeable budget deficit, which it solved in large part by taking funds from local governments. Through the use of the Educational Revenue Augmentation Fund (ERAF), the State shifted local property tax dollars to schools, thus enabling it to reduce its own obligation to school funding by an equal amount. The ERAF shift, which continues to grow each year, is now costing the Santa Barbara's General Fund over \$2.5 million of property tax revenue annually. In fact, much of the state's budget surplus during the late 1990s was the result of the continuing ERAF shift that was never returned to local governments once the economy recovered.

In fiscal year 2004, the State once again raided local government revenue. This time, the State failed to honor a previous commitment when it diverted \$1.3 billion of vehicle license fee (VLF) backfill revenue from cities and counties, using the funds instead to address a portion of its multi-billion dollar deficit. This \$1.3 billion state budget action resulted in a loss to the City's General Fund of \$1.7 million, representing over 2% of total revenue. The State considered this action a temporary loan from local governments to the State, promising that this "loan" will be repaid in 3 years. Since this action was taken after the adoption of the City's budget, the VLF revenue included in the City's adopted fiscal year 2004 budget did not reflect the \$1.7 million estimated reduction in VLF payments from the State.

The State is facing another substantial budget deficit for fiscal year 2005. In May 2004, the Governor announced his proposed plan in connection with the "May Revise". Among other things, the proposed plan called for a \$1.3 billion property tax shift from local governments in fiscal years 2005 and 2006. In return, the Governor agreed to support a ballot measure that would provide Constitutional protection of local revenues.

The proposal, supported by local government officials, was opposed by many democratic legislators who favored an alternative proposal that gave the State more flexibility to affect the allocation of revenues among local governments. However, on July 21, the Governor and State legislators finally reached an agreement, which preserved the protection of local revenues sought by the Governor and local governments. In addition, the agreement provides for the repayment of the \$1.3 billion VLF loan in fiscal year 2007 as noted above.

The impact to the City will be a loss of property tax revenues through another ERAF shift of almost \$1.3 million in each of the next two years. Although the loss of revenues is significant, the protection of local revenues is a major victory for cities, counties, and special districts across the State.



FUND OVERVIEWS

General Fund

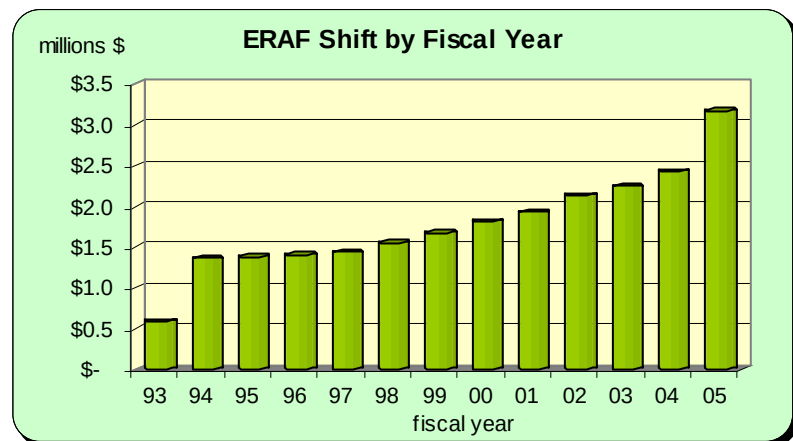
As mentioned on the previous page, the City's General Fund is already losing over \$2.5 million per year to the ERAF. The chart below displays the City's property tax loss to the ERAF since it was created in fiscal year 1993. Estimated property tax revenue in the fiscal year 2005 adopted budget has been adjusted to reflect the Governor's January proposal only, since the recent agreement between the Governor and the State legislature was reached only after adoption of this budget.

Although revenues - including the impacts from the State budget - remain a concern, the current General Fund budget challenges are primarily expenditure-driven. Because there is no expectation that these cost pressures will abate in the short term, the City is not in a position to simply wait for an improved economic climate to grow revenues back to a balanced budget. For example, insurance costs including workers'

compensation, and especially retirement costs, are all expected to grow in excess of the rate of inflation over the next two years. Therefore, to address the budget challenges, adjustments to both expenditures and revenues were required in developing the fiscal year 2005 budget.

The City's goal has been, and continues to be, to combine expenditure reductions, adjustments to the City's fees and service charges, and the judicious use of the General Fund's accumulated reserves to permit a gradual and orderly transition to a smaller, more efficient organization. Often referred to as a "soft landing," the concept is to manage the return to a balanced budget while avoiding layoffs or other unnecessary disruptions to the organization. This is exactly the scenario for which the General Fund has accumulated reserves. For example, the adopted fiscal year 2003 General Fund budget contained approximately \$2 million in expenditure reductions combined with the budgeted use of an equivalent amount of reserves. Although vacant positions were eliminated, the \$2 million of reductions were accomplished without layoffs. The adopted fiscal year 2004 budget continued this approach. The adopted 2004 budget contained 27 fewer positions citywide than were authorized in the amended fiscal year 2003 budget.

Because of the City's conservative budgeting practices, invariably the use of reserves at fiscal year-end is considerably less than originally budgeted. For example, the adopted fiscal year 2003 budget included the use of \$2.1 million of reserves to balance the operating budget. However, at the end of fiscal year 2003, not only was the General Fund balanced, the fund had generated an operating surplus of just over \$1 million. This was the result of favorable budget variances of over \$3 million. Similar results are expected for fiscal year 2004. It is this experience combined with





FUND OVERVIEWS

General Fund

the continued use of conservative budget assumptions that permits the City to maintain General Fund reserves at levels consistent with adopted policies, despite budgeting their use. Therefore, although the adopted budget for fiscal year 2005 shows the use of \$3.75 million of reserves to balance the operating budget, the City's multi-year financial model projects a year-end use of reserves of only \$2.2 million for operations.

SUMMARY OF ADOPTED FY 2005 BUDGET

As shown in the table at the top of the page D-1, the adopted fiscal year 2005 General Fund operating budget projects total revenue of \$83.4 million combined with the use of almost \$3.8 million of reserves to fund an operating budget of \$87.2 million. The use of an additional \$427,400 of reserves, plus grant revenue of \$871,003, will fund a capital program of \$1.3 million. Total use of reserves in the adopted budget for operating and capital is just under \$4.2 million. The use of reserves for capital is in keeping with both past practice and the City Council policy, established in 1995, of using non-recurring revenue (reserves) to fund non-recurring costs (capital). It deserves a second mention that the final use of reserves for fiscal year 2004, based on past experience, will be at least \$2 million less than the budgeted amount. This is due to conservative budgeting practices resulting in favorable year-end variances for both revenue and expenditures.

General Fund operating expenditures in the adopted budget are \$87.2 million, an increase of \$6 million (7.5%) over the adopted fiscal year 2004 budget. The entire increase is attributable to higher salary and benefit costs. Overall, salaries and benefits in the adopted budget are \$6.6 million (11%) higher than the adopted fiscal year 2004 budget. What makes this increase remarkable is that the adopted budget does not contain any provision for future salary increases - despite the fact that all of the City's labor agreements expire between June 30 and December 31, 2004. The growth in personnel costs is a result of the dramatic increase in retirement costs. The General Fund's contribution to the California Public Employees' Retirement System (PERS) will increase by almost \$4.8 million (59%), from \$8.1 million to \$12.9 million. This follows a 31% increase in fiscal year 2004. The following table details the City PERS rates by "contribution group."

PERS Contribution Rates by Contribution Group				
Contribution Group	FY 2003	FY 2004	FY 2005	FY 2006*
Miscellaneous	7.000%	10.161%	17.352%	18.700%
Police	27.793%	32.665%	43.418%	46.100%
Fire	19.899%	30.549%	45.878%	49.600%
<i>Rates stated as a percent of payroll</i>			<i>* - CalPERS estimate</i>	

The rates, stated as a percent of covered payroll, include both the employer rate and the City-paid employee rate. The fiscal year 2006 rate is a preliminary estimate provided by PERS.



FUND OVERVIEWS

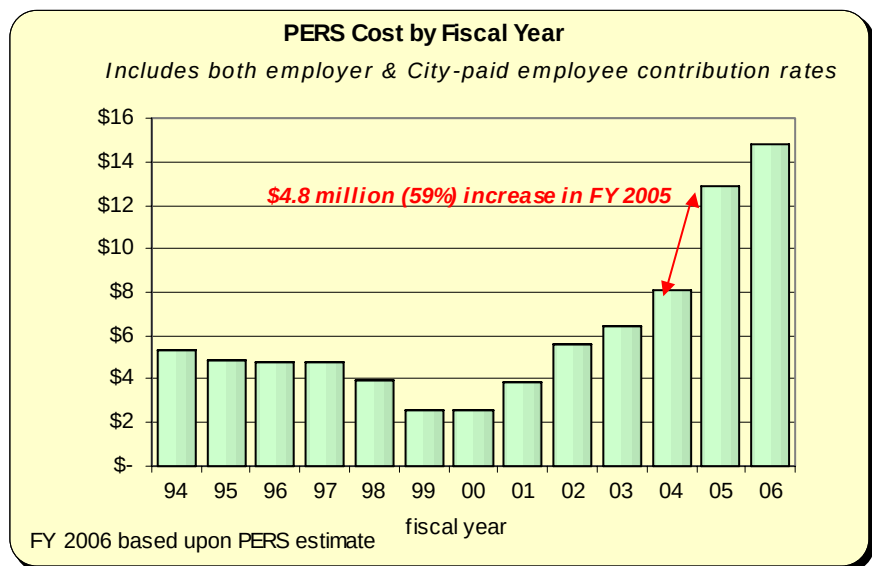
General Fund

Although the 50% increase in police and fire retirement benefits that took effect in 2001 has certainly been a factor in the rate increases for those groups, the dramatic increase in retirement costs is primarily attributable to the investment losses suffered by PERS over the last several years. Whatever the cause, the increase in retirement costs is greater than the total budgeted use of reserves in the adopted budget. Therefore, all other things being equal, if fiscal year 2005 PERS costs had remained at fiscal year 2004 levels, the General Fund operating budget would have been balanced without the use of reserves.

The chart to the right displays the General Fund PERS costs by fiscal year since 1994. As the chart indicates, the fiscal year 2005 increase, although the largest, is just the latest increase since the General Fund's retirement costs hit a historical low in fiscal year 2000. The fact that the City's PERS costs hit an historical low in 2000 is further evidence of the impact of PERS' investment returns on the

City's contribution rates. Contribution rates reached all-time lows on the strength of the "dot-com"-driven investment gains of the late 1990's.

Property and workers' compensation insurance costs have also increased over the last several years. The City is partially self-insured for workers' compensation. Since fiscal year 2001 the General Fund's workers' compensation costs have increased almost \$1.2 million (102%). In addition, the City's self-insured retention (deductible) for workers' compensation has increased from \$300,000 to \$750,000 per occurrence. The City purchases commercial property insurance, including coverage for earthquake and flood. In fiscal year 2000, the City paid \$461,000 for property insurance, including earthquake and flood coverage, with a basic deductible of \$100,000 per occurrence. In fiscal year 2003, the City paid over \$1.5 million for coverage with a \$2 million deductible per occurrence. This represents a 225% increase in cost with a 20-fold increase in the deductible. The General Fund has absorbed a proportionate share of this increase. The City's property insurance premium for fiscal year 2005 is projected to be the same as in fiscal year 2004, just under \$1.5 million with the same deductible limits.





FUND OVERVIEWS

General Fund

LONG-RANGE FINANCIAL PLANNING

For many years now, the City staff has used a multi-year forecasting model to project General Fund budgets several years into the future and assess the long-term impacts of current budget decisions and options. The model allows staff to perform “what-if” projections using different sets of assumptions for both revenues and expenditures. At least annually, a series of these projections are reviewed with the City Council Finance Committee. Particularly in unsettled budgetary times such as now, the model is an extremely useful tool in making decisions and projecting the impacts of those decisions up to four years into the future. The table below is a summary of the current version of the multi-year model. The table contains data for the prior year’s actual year-end balances, year-end projections for fiscal year 2004, the adopted fiscal year 2005 budget adjusted for the impact of the recent agreement reached between the Governor and State legislators, and projections for three additional fiscal years.

City of Santa Barbara Multi-Year Forecast General Fund						
	FY 2003 Actual	FY 2004 Projected	FY 2005 Adopted	FY 2006 Estimated	FY 2007 Estimated	FY 2008 Estimated
Total Revenues	\$ 84,065,940	\$ 80,048,022	\$ 82,758,682	\$ 86,069,029	\$ 92,463,553	\$ 94,394,096
Total Expenditures	82,869,262	81,615,040	87,179,436	90,728,759	93,464,788	96,288,858
Revenues Over (Under) Expend	1,196,678	(1,567,018)	(4,420,754)	(4,659,730)	(1,001,235)	(1,894,762)
Anticipated Year-End Variance	-	1,000,000	2,179,486	2,268,219	2,336,620	2,407,221
Operating Surplus (Deficit)	1,196,678	(567,018)	(2,241,268)	(2,391,511)	1,335,385	512,459
Cumulative Future Budget Adj.	-	-	-	500,000	500,000	500,000
Expected Oper. Surplus (Deficit)	1,196,678	(567,018)	(2,241,268)	(1,891,511)	1,835,385	1,012,459
Capital Program	(2,233,730)	(1,015,150)	(427,400)	(750,000)	(750,000)	(750,000)
Net Addition to (Use of)						
Reserves	(1,037,052)	(1,582,168)	(2,668,668)	(2,641,511)	1,085,385	262,459
Beginning Reserves Balance	30,441,123	29,404,071	27,821,903	25,153,235	22,511,724	23,597,109
Ending Reserves Balance	<u>\$ 29,404,071</u>	<u>\$ 27,821,903</u>	<u>\$ 25,153,235</u>	<u>\$ 22,511,724</u>	<u>\$ 23,597,109</u>	<u>\$ 23,859,568</u>
Required Reserves	\$ 21,218,950	\$ 22,794,859	\$ 23,682,190	\$ 24,303,697	\$ 25,009,715	\$ 25,731,880
Reserves Over (Under) Policy	8,185,121	5,027,044	1,471,045	(1,791,973)	(1,412,606)	(1,872,312)
Total Reserves	<u>\$ 29,404,071</u>	<u>\$ 27,821,903</u>	<u>\$ 25,153,235</u>	<u>\$ 22,511,724</u>	<u>\$ 23,597,109</u>	<u>\$ 23,859,568</u>

The projections of fiscal years 2006, 2007 and 2008 are based upon the assumptions in the table to the right. In each case, the percentage represents the annual growth assumed for that

	FY 2006	FY 2007	FY 2008
Revenue growth	4%	4%	4%
Expenditures:			
Salaries	3%	3%	3%
Health insurance	5%	5%	5%
PERS	PERS estimate	3.5%	3.5%
Workers' Comp.	5%	5%	5%
Supplies & services	2%	2%	2%



FUND OVERVIEWS

General Fund

particular item. For example, the model assumes 4% annual revenue growth and 3% annual growth in salaries.

Using these assumptions, the model projects that, with another \$500,000 of adjustments in fiscal year 2006, the General Fund will return to a balanced operating budget in fiscal year 2007 ("Expected Operating Surplus/(Deficit)").

As mentioned above, because of conservative budgeting assumptions, the City invariably ends the year with a favorable variance (revenue over budget and expenditures under budget). The model reflects this experience by incorporating an "Anticipated Year-End Variance." The model assumes that the favorable year-end variance will be 2% of the operating budget.

The balance of the table projects the impact of both the operating results and the capital program on the General Fund's reserve balances. Based upon all of the assumptions listed and described above, the model projects that from fiscal year 2004 to the end of fiscal year 2008, the General Fund will use \$5.5 million of reserves, of which \$1.8 million will be to balance the operating budgets and the balance (\$3.7 million) will be used for capital. As displayed on the very bottom line of the model above ("Reserves Over (Under) Policy"), at the end of fiscal year 2008 General Fund reserves will be approximately \$1.9 million below the policy guideline established by City Council resolution. However, the policy reserves to be used will come from the "Budget Reserve," which was established specifically to be available during difficult budget and economic times. We strongly believe that the current situation qualifies as such.

Most importantly, despite the projected use of reserves, at the end of the planning horizon, the General Fund would still have \$23.9 million of reserves, including a remaining balance in the "Budget Reserve" for economic contingencies of \$8.1 million, a "Disaster Reserve" of over \$14.8 million and a Capital Reserve of \$1 million.

Clearly, the results projected by this version – or any version – of the model are only as good as the assumptions. Staff believes that the basic assumptions used in this version are reasonable based upon the current situation. The model is updated regularly as the situation changes and this allows staff to focus on the longer-term implications of both external impacts and potential policy decisions. It is an extremely useful tool; so much so, that virtually all of the City's Enterprise Funds now prepare and maintain a similar model for their own long-range planning.

The balance of this General Fund overview will focus on specific revenue and expenditure issues. Details on operating expenditures by department and program can be found in the department summaries and program narratives later in this document.

REVENUE

In total, fiscal year 2005 General Fund revenues are projected at \$83.4 million. This represents an increase of almost \$4 million (4.9%) from the adopted fiscal year 2004 budget.



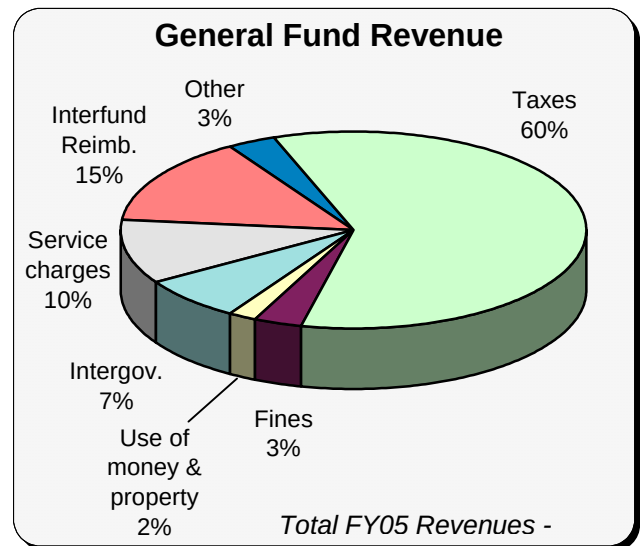
FUND OVERVIEWS

General Fund

The chart below displays the General Fund's major revenue sources. As the chart indicates, taxes, at 60%, still constitute the largest source of General Fund revenue. Interfund Reimbursements, which represent payments to the General Fund from other City funds for various services provided to those funds, is the second largest category at 15%. Fees and service charges represent 10%, followed by intergovernmental (7%), fines (3%) and use of money and property (2%).

Overall, staff is projecting moderate growth in the General Fund's major tax revenues. Additional detail is presented below, but growth rates are projected to be between 2% and 7%, depending on the particular revenue.

The other factor affecting overall revenue projections are fee increases proposed by the various General Fund departments. Through a combination of anticipated growth in activity levels and the projected impact of fee increases contained in the adopted budget, total service charge revenue is expected to be approximately 10% in fiscal year 2005.



In summary, the revenue growth rate projections used to develop the adopted budget are consistent with recent experience and staff believes they are reasonable. However, if the City experiences a renewed economic slowdown with a corresponding impact on revenues, additional adjustments to the budget will be required. Additional detail on specific revenue sources is presented below.

Taxes

Overall, the adopted fiscal year 2005 tax revenue estimate is 3.7% above the estimated fiscal year-end amounts for fiscal year 2004. The table on the following page details the City's tax revenues with amounts presented for the adopted budget and projected fiscal year 2004 year-end actual amounts, and the fiscal year 2005 adopted budget. The "percentage growth" amounts compare the fiscal year 2004 estimated year-end amounts to the adopted fiscal year 2005 budget. This comparison presents a clearer picture of the growth rates staff is projecting for fiscal year 2005 and is consistent with the way staff develops the revenue estimates. Staff begins by evaluating fiscal year 2004 year-to-date amounts and projects estimated year-end balances. Then projections for the budget year are developed based upon the prior year, year-end estimates, less any adjustments for any structural changes.



FUND OVERVIEWS

General Fund

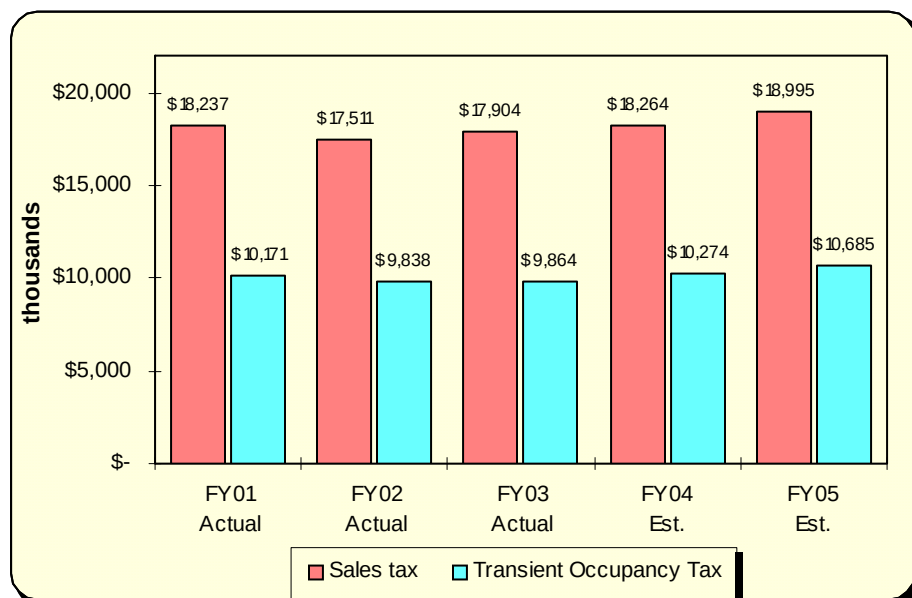
As the table below indicates, the City is projecting 4% growth in sales tax revenue. As the City's largest and most economically sensitive revenue source, staff tends to be somewhat conservative with sales tax projections. A negative variance of only 1% in the sales tax projection translates into a revenue loss of almost \$190,000. In addition, sales tax is more difficult to project because of the significant delay in the state's reporting of actual results. In projecting sales tax growth rates, staff also considers projections developed by the State Franchise Tax Board and the City's sales tax auditor.

	Fiscal 2004 Budget	Fiscal 2004 Y/E Estimate	Fiscal 2005 Adopted	Percent Growth
Sales and use	\$ 18,042,000	\$ 18,264,267	\$ 18,994,900	4.0%
Utility users	5,607,700	5,480,200	5,837,700	6.5%
Property	10,992,200	11,099,337	11,299,100	1.8%
Transient occupancy	10,273,900	10,273,900	10,684,900	4.0%
Business license	1,876,300	1,915,000	1,982,500	3.5%
Real property transfer	408,000	600,000	618,000	3.0%
Total taxes	<u>\$ 47,200,100</u>	<u>\$ 47,632,704</u>	<u>\$ 49,417,100</u>	3.7%

As the chart below indicates, both sales tax and transient occupancy tax declined in fiscal year 2002, but were up very modestly in fiscal year 2003. Both are expected to finally return to fiscal year 1991 levels in fiscal year 2004 and both are budgeted to grow 4% next fiscal year. Unlike sales tax, the City receives TOT on a monthly basis and therefore it is somewhat more predictable.

Property tax continues to show strong growth. Staff is projecting 7% growth for next fiscal year. However, after adjusting for the Governor's proposed ERAF property tax shift (\$577,232) in January, the projected growth rate is lowered to 1.8%.

Revenue from the City's 6% utility users tax (UUT) is split between the General





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General Fund

Fund and the Streets Fund. Pursuant to the municipal code, 50% of the City's UUT is restricted to use for streets and roads and is budgeted in the Streets Fund. The other 50% is unrestricted and is budgeted in the General Fund. UUT is projected to increase 3% next year. However, adjusting for the impact of potential utility rate increases on UUT, the growth rate increases to 6.5%. The City's utility users tax revenue has been unusually volatile over the last two years as commodity prices for energy skyrocketed and then returned back to close to previous levels. However, staff feels that the revenue estimate is realistic for fiscal year 2005.

And finally, business license tax is projected to grow 3.5% over fiscal year 2004 and real property transfer tax is projected to grow 3%, as shown in the chart.

Fines and Forfeitures

This revenue category is projected to provide approximately \$2.6 million in General Fund revenue (3%). This is approximately 2.4% (\$63,000) higher than the amount budgeted in fiscal year 2004. The largest item in this group is parking fines, which is anticipated to generate \$2.3 million of the \$2.6 million total.

Use of Money and Property

This category, totaling \$1.6 million (2% of General Fund revenue) is comprised of two items. The first, and smaller, is the rents and leases earned on General Fund properties, primarily the three Community Centers in the City. This provides approximately \$480,000.

The more significant revenue in this category is investment income. The fiscal year 2005 budget for investment income is \$1.15 million. This is up only very slightly from the fiscal year 2004 budget of \$1.13 million. Even if interest rates increase over the next year, staff believes that investment income will remain at current levels because it will take time for the lower yielding investments in the City's portfolio to mature or be sold and replaced with higher yielding investments.

Intergovernmental

Intergovernmental revenues are projected to contribute approximately \$6.2 million (7%) to the General Fund budget. This is virtually identical to the amount budgeted in fiscal year 2004. By far the most significant individual revenue in this category, budgeted at \$5.8 million, is the vehicle license fee (VLF). This revenue is paid to the City by the State and, as mentioned earlier, the State retained 3 months of the fiscal year 2004 VLF backfill payments to cities to help balance its own budget. This action cost the City \$1.7 million of its fiscal year 2004 VLF revenue. The adopted fiscal year 2005 budget assumes that the State will honor its commitment to continue the full VLF backfill during fiscal year 2005.



FUND OVERVIEWS

General Fund

Service Charges

After taxes and Interfund charges, this is the third largest revenue category in the General Fund. In total, service charges are projected to provide just over \$8.7 million (10%) of General Fund revenue. As the table below indicates, the adopted fiscal year 2005 amount is approximately \$1 million (13%) above the adopted fiscal year 2004 amount. In a number of cases, the total projected growth in revenue is due to a combination of increases in fees and anticipated activity levels.

	Fiscal 2003 Actual	Fiscal 2004 Adopted	Fiscal 2005 Adopted	Percent Change
Community Development	\$ 3,225,910	\$ 3,161,746	\$ 4,145,951	31.13%
Finance	680,958	652,500	677,500	3.83%
Fire	50,128	130,200	187,379	43.92%
Library	582,910	603,036	648,241	7.50%
Parks and Recreation	2,165,931	2,396,050	2,129,856	-11.11%
Police	545,117	510,951	570,190	11.59%
Public Works	288,069	270,375	360,327	33.27%
Total	<u>\$ 7,539,023</u>	<u>\$ 7,724,858</u>	<u>\$ 8,719,444</u>	12.88%

While there is always sensitivity to increased fees for government services, staff believes it is important that the City establish fee levels to recover a reasonable portion of the costs of providing those services. Service costs not recovered through program fees must be subsidized with tax revenue. While this may be appropriate in some cases, as a rule, staff believes that the users of the services ought to bear the costs of providing them. As has been discussed earlier in this document, the City will continue to work towards the goal of becoming a smaller and more efficient organization. Over time, this will lower the costs of providing services to the public. However, in many cases, the City's current fee levels still recover only a small fraction of the cost of providing the services. In conjunction with development of the adopted budget, the City conducted a General Fund fee study. The study defined the fully allocated costs of providing General Fund services as well as the percent of those costs recovered through the corresponding fees. The fee study will facilitate discussion of both the costs of providing services and the appropriate fee levels.

Interfund Charges and Reimbursements

This category of revenue represents reimbursements to the General Fund for services provided to the City's Enterprise and Special Revenue funds. The adopted fiscal year 2005 budget contains almost \$12 million from this revenue source, representing 14% of total General Fund revenue. Four items account for over \$10.1 million of the total.



FUND OVERVIEWS

General Fund

The General Fund's overhead allocation represents just less than \$4.9 million. These are charges to the City's Enterprise and Special Revenue funds for administrative costs provided by the General Fund. Examples of the services provided include most of the payroll, accounts payable, accounting, human resources, legal, City Clerk and City Administrator support. Each administrative service is individually allocated based upon usage. For example, payroll costs are allocated based upon the number of paychecks issued for each fund.

The Airport pays approximately \$1.35 million to the General Fund for Fire Department staffing of the Airport Rescue and Firefighting (ARFF). This is the fire station at the Airport that provides FAA-mandated fire and rescue services. The Airport pays for the direct costs of the firefighters as well as all associated costs of maintaining the station and equipment and an allocated overhead.

Public Works generates \$2.65 million from engineering charges to City projects. Virtually all of these charges are incurred from engineering support of capital projects. When the General Fund-paid engineering staff works on a capital project, the cost of their time is charged to that project.

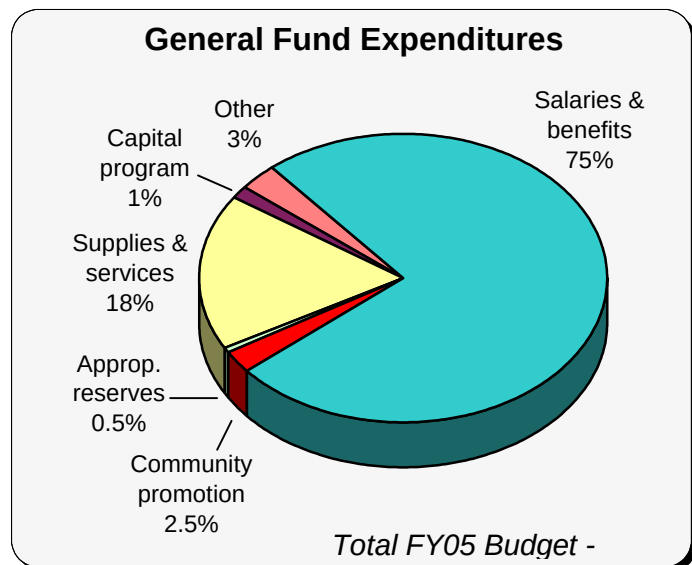
The final notable item in this revenue category is payment from the City's Redevelopment Agency (RDA) for staffing of the Agency. The RDA has no staff. Under a contract between the City and the RDA, the City commits to providing staffing to the Agency, including legal services. This reimbursement totals approximately \$1.1 million.

EXPENDITURES

As mentioned at the beginning of this section, overall General Fund operating expenditures in the adopted fiscal year 2005 budget are \$87.2 million. Including capital, the total adopted General Fund budget is \$88.6 million.

The adopted operating budget is \$6 million (7.5%) greater than the adopted fiscal year 2004 budget. The budget also contains the elimination of just under 12 permanent full-time equivalent positions. In addition, as was described earlier, the operating budget has absorbed a significant increase in retirement costs. The adopted budget contains no provision for any salary increases for any bargaining unit beyond what is contained in existing labor agreements.

The chart to the right displays the adopted budget, including capital, by object of expenditure. As is always the case, salaries and benefits (75%)





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General Fund

represent the largest portion of the General Fund budget.

Capital expenditures represent 1% of the General Fund budget. As indicated in the chart, the Community Promotion budget comprises approximately 2.5% of the budget. The Community Promotion program accounts for City contributions to various civic events such as the 4th of July celebration, Old Spanish Days and Summer Solstice, as well as to organizations such as the Chamber of Commerce and the Conference and Visitors Bureau.

The table below summarizes General Fund operating expenditures by department for the adopted fiscal year 2004 budget, the fiscal 2004 amended budget, and the adopted fiscal year 2005 budget. The percentage change column is based on the change from fiscal year 2004 amended budget to the adopted fiscal year 2005 budget.

<i>General Fund Departments</i>	Fiscal 2004		Fiscal 2005 Adopted	FY04 Amended to FY2005
	Adopted	Amended		
Administrative Services	\$ 1,705,287	\$ 1,761,857	\$ 1,511,570	-14.2%
City Administrator	1,742,995	1,848,916	1,787,126	-3.3%
City Attorney	1,681,641	1,789,693	1,800,391	0.6%
Community Development	7,499,416	7,892,843	8,275,717	4.9%
Finance	4,306,500	4,526,500	4,488,332	-0.8%
Fire	14,037,658	14,495,746	16,257,299	12.2%
Library	3,687,342	3,920,491	3,906,441	-0.4%
Mayor and Council	556,099	592,084	529,158	-10.6%
Non-Departmental	3,881,547	3,602,457	3,557,793	-1.2%
Parks and Recreation	12,589,366	12,564,530	12,350,177	-1.7%
Police	24,601,638	25,746,742	27,761,429	7.8%
Public Works	4,586,312	4,705,052	4,954,003	5.3%
Total expenditures	<u>\$ 80,875,801</u>	<u>\$ 83,446,911</u>	<u>\$ 87,179,436</u>	<u>4.5%</u>

As the table indicates, a number of the departmental budgets are below fiscal year 2004 levels, despite absorbing substantial increases in costs such as retirement. In large part due to the retirement cost increases, public safety is up a combined \$3.8 million (9%) from the fiscal year 2004 amended budget and \$5.4 million (14%) from the fiscal year 2004 budget as originally adopted. Public safety now represents 51% of the total General Fund operating budget.

SUMMARY

Overall, the City's General Fund remains in a strong financial position. With the support of the City Council and through prudent planning, the General Fund has accumulated considerable reserves. As planned, these reserves are now available to assist the General Fund as it transitions to a smaller and more efficient operation through attrition. Through long-range



FUND OVERVIEWS

General Fund

planning, a financial plan has been established to guide the City back to a balanced budget while maintaining the integrity of the reserves upon which the City relies. The adopted fiscal year 2005 operating budget is another step in a process that was begun during fiscal year 2002. The number of General Fund positions is being reduced over time while significant cost increases beyond the City's control have been absorbed. While the reductions and adjustments begun in fiscal year 2002, and continued through the budgets for fiscal years 2003, 2004 and now the adopted fiscal year 2005 budget, it is clear that substantial uncertainty remains. Depending on the impacts of the State's budget solutions and the performance of the local economy, additional adjustments may well be necessary over the next year or two.



FUND OVERVIEWS

Special Revenue Funds

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue					
CDBG revenue	\$ 1,236,190	\$ 1,364,000	\$ 1,364,000	\$ 1,364,000	\$ 1,319,000
Program income	662,620	450,000	450,000	750,000	650,000
Total revenue	1,898,810	1,814,000	1,814,000	2,114,000	1,969,000
Operating expenditures	1,898,810	1,814,000	1,814,000	1,814,000	1,969,000
Net addition to (use of) reserves	\$ -	\$ -	\$ -	\$ 300,000	\$ -

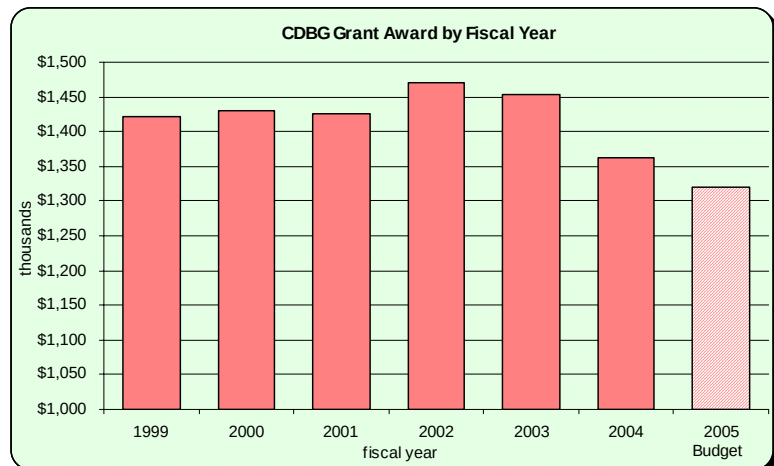
The City's Community Development Block Grant (CDBG) Fund is used to account for the annual federal block grant received by the City from the U.S. Department of Housing and Urban Development. This annual grant supports programs including the City's Rental Housing Mediation Task Force, human service and community capital grants and a low and moderate-income housing rehabilitation loan program.

Over the last several years, federal budget actions have adversely impacted the City's annual CDBG award. The chart below indicates that since fiscal year 2002 the City's grant award has declined over \$152,000 (10%) to a projected grant amount of just over \$1.3 million for fiscal year 2005. Although the City's grant award has declined since the peak in fiscal year 2002, the City is still enjoying substantially greater CDBG funding than in the early 1990s when grant amounts were approximately \$800,000. The City remains concerned that federal budget actions may continue to adversely affect the programs supported by the CDBG grant program.

Besides the annual federal grant award, the other major source of revenue in this fund comes from repayments of the housing loans issued under the housing rehabilitation program.

As of June 30, 2003, the City had almost \$7.5 million in outstanding CDBG funded housing rehabilitation loans. The City

maintains a "revolving" loan fund so that as loan repayments are received the funds are re-appropriated and loaned again. As in past years, the adopted fiscal year 2005 budget includes an





FUND OVERVIEWS

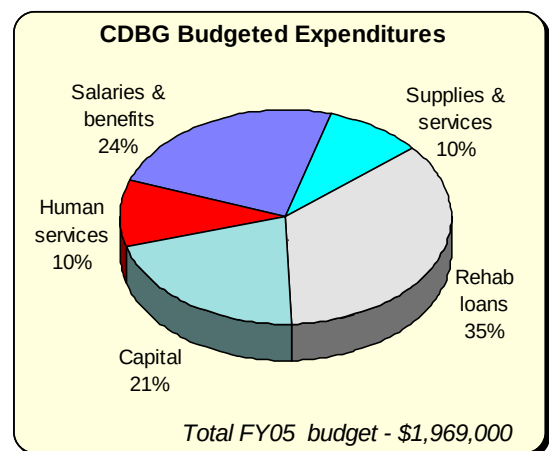
Special Revenue Funds

estimated amount for loan repayments (also known as “program income”). The estimate is based upon an analysis of the scheduled monthly payments for all outstanding loans. Because the routine repayments are quite predictable, they are included in the budget. As indicated in the table at the top of the previous page, loan repayments for fiscal year 2005 are projected to be \$650,000. In some years, loan repayments significantly exceed expectations. For example, in fiscal year 2004 loan repayments are projected to be approximately \$750,000, \$350,000 ahead of budget. The additional amounts represent unscheduled pre-payments of loan balances due to property sales or re-financings. Due to the indeterminate nature of these prepayments, no attempt is made to include them in the budget. In the event significant prepayments are received during the year, a supplemental appropriation will be requested.

The chart below displays the CDBG budget by category of expense. Human service grants (Including capital grants) and housing rehabilitation loans represent 66% of the budget.

The CDBG human services grants are allocated, along with the General Fund human services funding, based upon recommendations submitted to the City Council by the City’s Community Development and Human Services Committee. The Committee’s recommendations for fiscal year 2005 grant awards, to be funded from the adopted fiscal year 2005 budget, were recently submitted to and approved by the City Council.

All requests for housing rehabilitation loans are evaluated by program staff and are submitted to the City’s Loan Committee for approval. The Loan Committee is comprised of the Assistant City Administrator, the Community Development Director and the Finance Director. The Loan Committee can approve loans up to \$60,000. Loans of more than \$60,000 require approval of City Council.





FUND OVERVIEWS

Special Revenue Funds

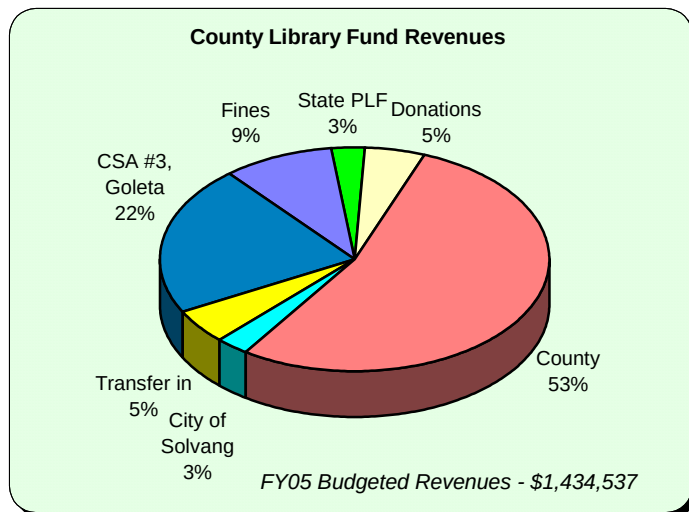
COUNTY LIBRARY FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 1,334,044	\$ 1,228,193	\$1,518,673	\$1,405,000	\$ 1,434,537
Operating expenditures	\$ 1,401,019	\$ 1,657,428	\$2,079,108	\$1,657,828	\$ 1,632,289
Net addition to (use of) reserves	\$ (66,975)	\$ (429,235)	\$ (560,435)	\$ (252,828)	\$ (197,752)

The County Library Fund accounts for the costs of providing a full range of library services to the residents of Solvang, Santa Ynez, Los Olivos, Carpinteria, Montecito, Goleta, under contract with the County of Santa Barbara. The chart below indicates that revenue to support these services comes from a variety of sources including the County, State Public Library Fund (PLF) Grant, the cities of Solvang and Carpinteria, fines, fees and donations. Additional funds for the Goleta library are provided by a special assessment (CSA #3). Although additional contributions from various "Friends of the Library" community groups are received occasionally, they are generally not budgeted because of the unpredictable nature of the donations. The budget does, however, include gifts from the Friends of Montecito and Carpinteria libraries used to support some program staffing at those libraries. No City of Santa Barbara funds are included in the County Library Fund budget.

Under the terms of the agreement between the City and the County, the City is compensated for managing these County library services. The City's General Fund receives an administration fee amounting to 9% of the annual County appropriation for County (non-City) resident library services.

The adopted fiscal year 2005 budget is based upon staff's best estimates of next year's funding levels from both the County and the State. Changes in the level of either of these revenue sources will require corresponding program and expenditure adjustments. Given the grim budget outlook for both the State and counties, it is likely that the budget for these programs may have to be revised late in the fiscal year. Since neither the state nor the County generally adopt a budget prior to July 1st start of the fiscal year, such adjustments are usually brought before the Council in the autumn.

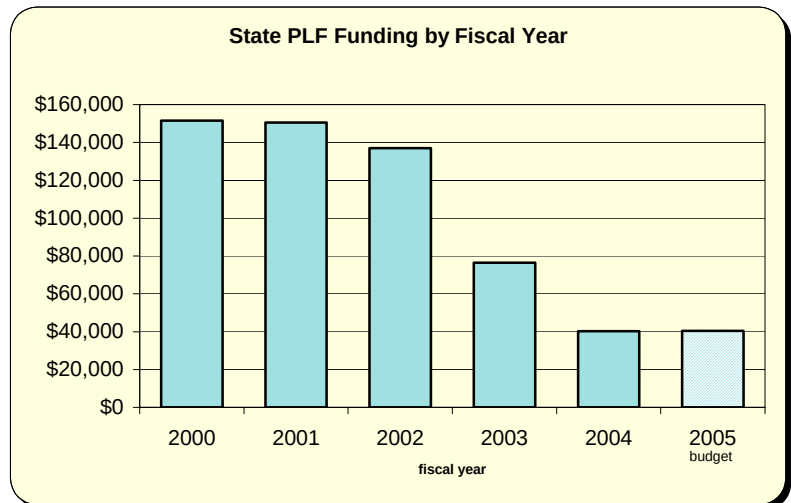




FUND OVERVIEWS

Special Revenue Funds

As with the City library system, the County Library Fund is under increasing fiscal pressure as the State continues to reduce funding to libraries statewide. State Public Library Fund (PLF) has been reduced several times in recent years. As the chart to the right indicates, the State PLF funding for the County Library System has declined over \$110,000 (73%) from \$150,000 as recently as fiscal year 2001 to a projected \$40,000 in fiscal year 2005. Although the Governor's "May Revise" proposed fiscal year 2005 State budget does contain continued minimal PLF funding, there has been some discussion of a complete elimination of the PLF funding.



The adopted budget contains the use of approximately \$198,000 in accumulated reserves to offset the impacts of other budget reductions. Most of the reserves will be used to fund \$139,000 for the acquisition of collections materials. The balance of the reserves will be used to support various programs and activities.



FUND OVERVIEWS

Special Revenue Funds

CREEKS RESTORATION & WATER QUALITY IMPROVEMENT (MEASURE B) FUND

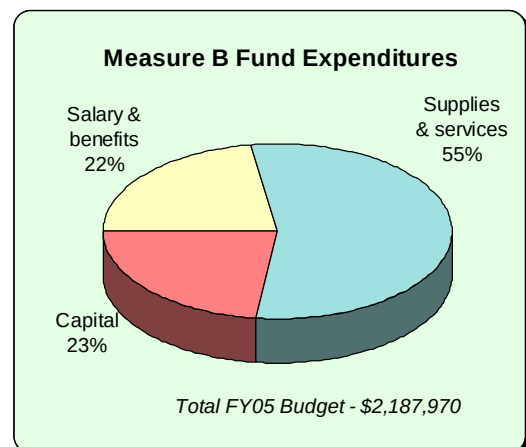
	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 2,066,112	\$ 2,104,780	\$ 2,104,780	\$ 2,145,880	\$ 2,187,970
Operating expenses	905,033	1,653,511	1,803,090	1,509,670	1,687,970
Operating surplus	1,161,079	451,269	301,690	636,210	500,000
Capital budget	520,000	525,000	525,000	525,000	500,000
Net addition to (use of) reserves	\$ 641,079	\$ (73,731)	\$ (223,310)	\$ 111,210	\$ -

In November 2000, the City's voters overwhelmingly approved Measure B, a two-percent increase in the City's transient occupancy tax effective January 1, 2001. Under the terms of the measure, all proceeds from the tax increase are restricted for use in the City's Creeks Restoration and Water Quality Improvement Program. In order to meet the intent of the measure, the City opened a Special Revenue Fund to account solely for all revenues and expenditures associated with this program.

The Creeks Restoration and Water Quality Improvement Program is managed by the City's Parks and Recreation Department. Under the direction of the Parks and Recreation Director, the Creeks Restoration and Water Quality Improvement Manager manages the program.

The adopted budget for fiscal year 2005 is approximately \$2.2 million. \$50,000 of the budgeted revenue is projected to come from investment income. The balance, just over \$2.1 million, is projected to come from the two-percent transient occupancy tax (TOT). The \$2.1 million TOT estimate for fiscal year 2005 is consistent with the assumptions used to budget the General Fund's TOT.

The chart on the right displays the expenditure budget by object of expenditure. As the chart indicates, 23% of the budget is dedicated to capital (\$500,000). Projects include the beginning phases for the restoration of a city-owned six-acre parcel adjacent to Arroyo Burro Creek (\$125,000); the enhancement of Old Mission Creek in the West Figueroa area (\$125,000) and \$200,000 for the restoration of the Arroyo Burro estuary. Although not included in the adopted budget, an ultra violet light water treatment facility will also be installed to improve water quality in Mission Creek pending receipt of \$900,000 in State grant funds.



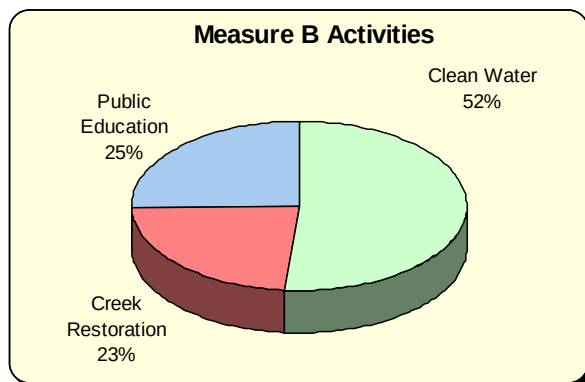


FUND OVERVIEWS

Special Revenue Funds

With salary and benefit costs representing only 22% of the budget, the Measure B Fund more closely resembles one of the City's Enterprise Funds rather than the General Fund. In addition to the five full-time positions, there is funding in the operating budget for program and technical support from the City's Public Works Department. These services include the in-school youth watershed education program, catch basin filter maintenance, and water quality capital project management. These funds (approximately \$72,000) are budgeted in the supplies and services category (non-contractual services), but costs will only be charged based upon actual hours provided.

The chart below displays the adopted budget (operating and capital) by activity. Clean Water activities comprise approximately \$1.1 million or 52% of the budget with specific focus on creek clean-ups (\$150,000), water quality testing (\$80,000), DNA microbial source tracking research (\$50,000), and residential street sweeping (\$153,000). A full-time Water Resources Specialist position provides storm water code enforcement, technical business assistance and storm drain monitoring.



Creek Restoration activities comprise 23% of the budget and include a full-time Restoration Planner position, maintenance of a native plant nursery and the restoration of Old Mission Creek at Bohnett Park (\$30,000), neighborhood creek re-vegetation projects (\$25,000) and management of three creek restoration and water quality capital projects, including the Arroyo Burro Estuary, Old Mission Creek restoration at West Figueroa and the restoration of the Las Positas Valley six-acre parcel.

Public Education activities comprise approximately \$553,000 (25%) of the budget and include a full-time Outreach Coordinator position, youth education programs (\$75,000), clean water business and neighborhood creek steward programs, as well as \$100,000 for production and airing of bilingual radio and television educational campaigns. The adopted budget also includes public outreach activities through the monthly meetings of the Creeks Advisory Committee, community creek restoration and water quality events, collaborative projects with community organizations and other public agencies, and the development of educational materials.

In summary, the adopted fiscal year 2005 budget is balanced and includes a \$500,000 capital program.



FUND OVERVIEWS

Special Revenue Funds

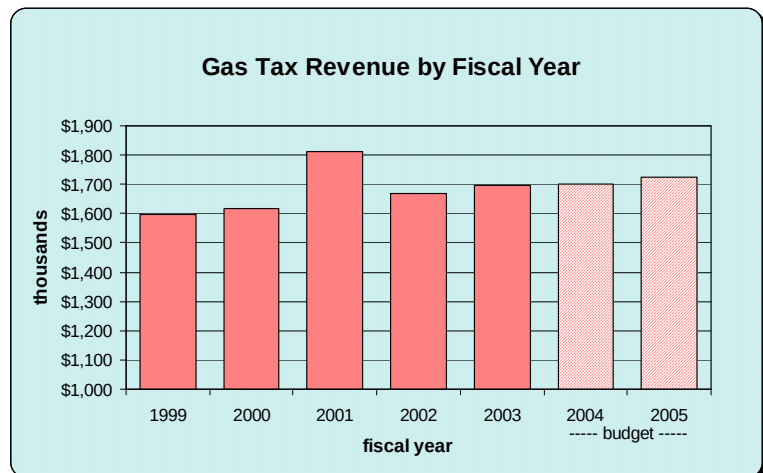
GAS TAX

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 1,698,393	\$ 1,700,000	\$ 1,700,000	\$ 1,715,000	\$ 1,725,000
Operating expenditures	1,698,393	1,700,000	1,700,000	1,715,000	1,725,000
Net addition to (use of) reserves	\$ -	\$ -	\$ -	\$ -	\$ -

The Gas Tax revenue received by the City is a portion of the state's 18 cents per gallon tax on fuel used to propel a motor vehicle or aircraft. Article XIX of the California Constitution restricts the use of gas tax revenue to research, planning, construction, improvement, maintenance and operation of public streets and highways or public mass transit. The funds are distributed by the state on a per capita basis.

Paid to the City by the State, gas tax revenue is initially accounted for in the City's Gas Tax Special Revenue Fund. After receipt, all gas tax revenues are transferred to the City's Streets Fund for use in the City's street operations and maintenance activities. Each year, the City is audited by the State Controller's Office to ensure that the funds are used in accordance with state law.

The City anticipates receiving approximately \$1.725 million in gas tax revenue in fiscal year 2005, which is approximately the same as the amount to be received in fiscal year 2004.





FUND OVERVIEWS

Special Revenue Funds

REDEVELOPMENT AGENCY (GENERAL) FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Total revenue	\$ 10,670,837	\$ 10,709,000	\$ 10,709,000	\$ 12,479,477	\$ 11,199,000
Operating expenditures	12,047,408	10,709,000	11,893,863	10,069,388	11,257,500
Net addition to (use of) reserves	\$ (1,376,571)	\$ -	\$ (1,184,863)	\$ 2,410,089	\$ (58,500)

The adopted fiscal year 2005 Redevelopment Agency (RDA) General Fund budget includes \$11.2 million budgeted revenue, \$11 million (98%) of which is from the incremental property tax ("tax increment") generated from within the Agency's one project area. Under State law, all redevelopment agencies are required to dedicate a minimum of twenty percent of total tax increment revenue to low and moderate housing programs. The remaining 80% of the tax increment may be used for any legally qualifying redevelopment activity, and represents the \$11 million of tax increment budgeted in the RDA General Fund. The twenty percent of tax increment restricted to low and moderate housing programs is budgeted separately in the RDA Housing Fund. The balance of the RDA General Fund's budgeted revenue is from interest income (\$175,000) and rental income on an Agency-owned property (\$24,000).

With over 98% of its revenue coming from property taxes, the RDA is vulnerable to anything that impacts that revenue source. Over the last several years, the biggest threat to the Agency's revenue has come from the State's continual shifting of redevelopment agency property taxes to help address its own budget shortfall. Through the Educational Revenue Augmentation Fund (ERAF), the State has shifted property taxes from redevelopment agencies to schools, thus reducing its own obligation for school funding. The table on the right displays the amount of property tax lost to the State's ERAF shift. The fiscal year 2005 amount contained in the adopted budget is based upon the Governor's proposed budget (January 2004) and represents almost 6.5% of the Agency's total (non-housing) tax increment. However, the Governor's "May Revise" budget, if adopted, includes an additional ERAF shift, beyond what was proposed by the Governor in January, that would result in a total loss of over \$1.3 million to the City's RDA. Unlike previous RDA ERAF shifts, which have been one-time, the Governor's proposed ERAF shift for fiscal year 2005 would be permanent and ongoing.

Fiscal Year	ERAF Shift
2003	\$ 424,948
2004	704,140
2005	704,140

Like the revenues, the RDA expenditure budget is also straightforward. The RDA has no staff. Under a contract between the two legally separate entities, the City provides staffing for the Agency and bills the Agency for the costs. These costs are budgeted by the Agency as contractual services within the "supplies and services" category. The total supplies and services budget is approximately \$1.4 million (13%). Of that amount, reimbursement to the City for direct

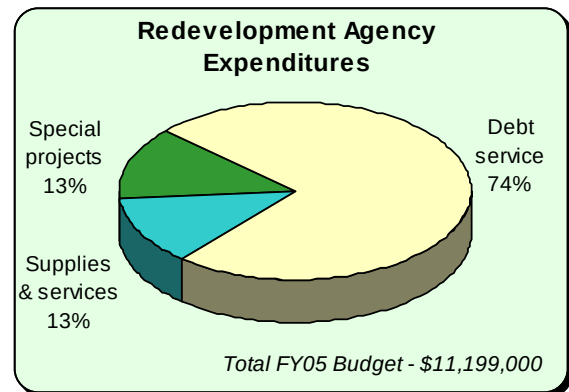


FUND OVERVIEWS

Special Revenue Funds

administrative and legal services totals approximately \$745,000. In addition, pursuant to the results of a recently completed City cost allocation plan, the Agency reimburses the General Fund approximately \$447,000 for administrative and management services provided by General Fund personnel (purchasing, accounting, auditing, etc.).

As displayed by the chart on the right, debt service consumes \$8.3 million (74%) of the budget. The RDA has three outstanding tax allocation bonds. The table at the bottom of the page summarizes the three debt issues. In December 2003, the Agency issued what is likely to be its final (non-housing) bond issue. The Agency's only project area, the Central City Redevelopment Project Area, expires in 2012 and the Agency has already bonded against its projected future tax increment receipts.



The only other expenditure category, special projects, represents approximately \$1.5 million (13%) of the budget. Specific expenditures include a contribution to the operation of the Downtown and Commuter Lot electric shuttles (\$300,000). The contribution is a mitigation measure for the impacts of the downtown improvements financed by the Agency. The largest component of the special projects category is an unallocated \$1.1 million. Normally, these funds would be available to fund Agency projects. However, because of the ERAF threat, the adopted budget preserves these funds as unallocated. As mentioned above, the ERAF shift contained in the Governor's proposed budget would cost the Agency approximately \$704,000 of the unallocated \$1.1 million.

Because a real possibility exists that the final ERAF amount could be even larger than the Governor's proposal, the Agency's adopted budget preserves the entire \$1.1 million as unallocated until such time as the State adopts its budget.

Redevelopment Agency Debt				
Issue	Original Amount	Outstanding at 1-Jan-04	FY 2005 Debt Service	Final Maturity
1995 Tax Allocation Bonds	\$ 35,015,000	\$ 14,130,000	\$ 3,110,300	3/1/2008
2001 Tax Allocation Bonds	38,855,000	38,305,000	1,764,854	3/1/2019
2003 Tax Allocation Bonds	34,810,000	34,810,000	3,359,830	3/1/2019
Totals	\$ 108,680,000	\$ 87,245,000	\$ 8,234,984	



FUND OVERVIEWS

Special Revenue Funds

REDEVELOPMENT AGENCY HOUSING FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Total revenue	\$ 3,181,251	\$ 3,170,000	\$ 3,170,000	\$ 3,530,382	\$ 3,300,000
Operating expenditures	5,143,900	3,170,000	7,481,905	1,558,044	3,300,000
Net addition to (use of) reserves	\$ (1,962,649)	\$ -	\$ (4,311,905)	\$ 1,972,338	\$ -

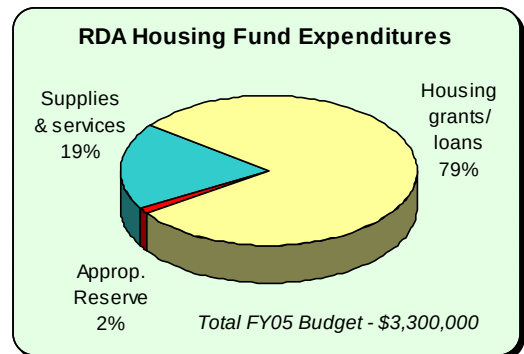
The adopted fiscal year 2005 Redevelopment Agency (RDA) Housing Fund budget is balanced at \$3.3 million.

Of the \$3.3 million budgeted revenue, \$2.75 million (83%) is from the incremental property tax ("tax increment") generated from within the Agency's one project area. Under State law, all redevelopment agencies are required to dedicate a minimum of twenty percent of total tax increment revenue to low and moderate housing programs. The remaining 80% of the tax increment may be used for any legally qualifying redevelopment activity. The \$2.75 million of tax increment budgeted in the RDA Housing Fund meets the twenty percent state requirement.

The balance of the RDA Housing Fund's budgeted revenue is interest income on investments (\$150,000) and on housing loans (\$400,000). As of June 30, 2003, the Housing Fund had approximately \$24 million of outstanding low and moderate-income housing loans.

The Agency's 20% tax increment that is restricted to low and moderate-income housing is not affected by the State's Educational Revenue Augmentation Fund (ERAF) property tax shift. In the past, the State has always prohibited redevelopment agencies from using any of their 20% housing set-aside funds to meet their ERAF obligation. That is unlikely to change in the future.

The chart on the right summarizes the Housing Fund's expenditures. The Housing Fund has no staff. Under a contract between the two legally separate entities, the City provides staffing for the Agency's Housing Fund and bills the Agency for the costs. These costs are budgeted in the Housing Fund as contractual services within the "supplies and services" category. The total supplies and services budget is approximately \$611,000 (19%). Of that amount, reimbursement to the City for direct administrative and legal services totals approximately \$400,000. In addition, pursuant to the results of a recently completed City cost allocation plan, the Agency Housing Fund reimburses the





FUND OVERVIEWS

Special Revenue Funds

General Fund approximately \$60,000 for administrative and management services provided by General Fund personnel (purchasing, accounting, auditing, etc.).

As displayed by the chart on the previous page, funds for housing grants and loans comprise over \$2.6 million (79%) of the budget. These housing funds are available to be loaned or granted by the Redevelopment Agency to meet the housing goals established by the Agency Board (City Council). A \$50,000 appropriated reserve is also included in the adopted budget.

At over \$3 million per year, the Redevelopment Agency's Housing Fund is able to direct significant resources towards what many consider to be the most pressing need facing the Santa Barbara area - developing and maintaining affordable housing.



FUND OVERVIEWS

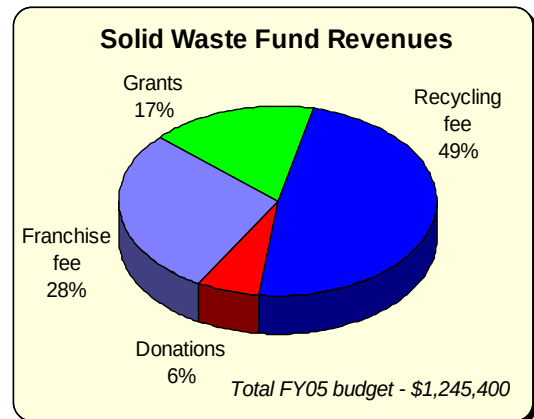
Special Revenue Funds

SOLID WASTE FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Total revenue	351,445	824,210	1,000,918	968,415	1,245,400
Operating expenditures	222,730	824,210	1,083,608	935,073	1,245,400
Net addition to (use of) reserves	\$ 128,715	\$ -	\$ (82,690)	\$ 33,342	\$ -

The City's Solid Waste Fund was first established in fiscal year 2003. Prior to that time, solid waste activities were accounted for within the General Fund. Given the importance of the City's solid waste activities and the increasing and dedicated revenue sources supporting the solid waste activities, a separate special revenue fund was created with the adoption of the fiscal year 2003 budget.

Funding for solid waste activities comes from several sources. The chart below details the projected solid waste revenue for fiscal year 2005. The largest source of revenue is a recycling fee (\$600,900), which is generated from a 4% fee included in the trash collection rates. The franchise fee revenue (\$352,500) is from a 2% franchise fee paid by the City's two contracted trash haulers. The balance of the revenue is from grants (\$212,000) and donations from the City's two franchised haulers (\$40,000 each). The donations are used for the Looking Good Santa Barbara program, dedicated to assisting the City with recycling outreach, beautification and graffiti abatement activities. Of the total grant revenue, \$140,000 is from the State of California to support the City-run Antifreeze, Batteries, Oil and Paint (ABOP) recycling center, while \$46,000 is to support the development of a public information campaign on refuse strategies.



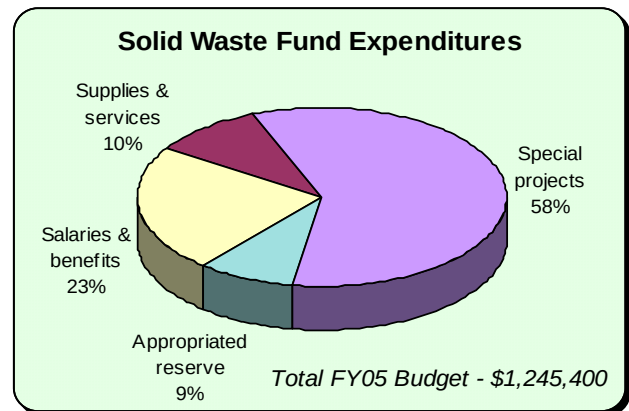
The City has already made significant progress in meeting its recycling goals. The state-mandated goal of 50% diversion has been met. However, the City has established a goal to be the recycling leader in the state and achieve 70% diversion by 2010. The adopted fiscal year 2005 budget will further that goal by working towards higher recycling levels in the commercial and food-waste areas.



FUND OVERVIEWS

Special Revenue Funds

The chart on the right summarizes the adopted budget by object of expenditure. As the chart indicates, 58% of the total adopted budget will be used for special projects to further enhance the City's solid waste diversion. Only 33% of the budget is used for staffing and supplies and services. The only other component of the budget is an appropriated reserve (\$107,703).





FUND OVERVIEWS

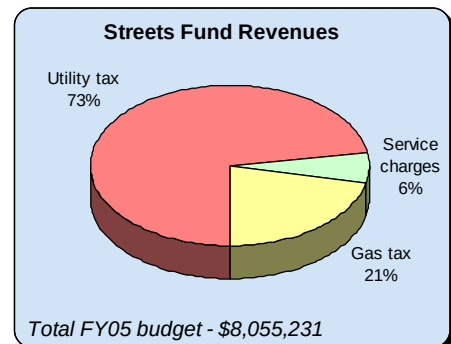
Special Revenue Funds

STREETS FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 4,867,878	\$ 8,367,363	\$ 11,284,305	\$ 9,083,900	\$ 8,055,231
Expenses:					
Operating	-	6,207,327	6,289,417	5,395,147	5,758,816
Capital	5,763,399	2,160,036	10,422,419	7,150,000	2,296,415
Total expenses	5,763,399	8,367,363	16,711,836	12,545,147	8,055,231
Net addition to (use of) reserves	\$ (895,521)	\$ -	\$ (5,427,531)	\$ (3,461,247)	\$ -

The Streets Fund accounts for all City-funded streets operations, maintenance and capital. Until fiscal year 2004, the Streets Fund was strictly a capital fund used to budget and account for streets capital projects. Prior to that time, all City-funded streets operations and maintenance activities were budgeted in the General Fund. However, because the streets operations and maintenance activities are funded almost entirely from restricted revenue, beginning with fiscal year 2004 they were moved out of the General Fund and into the Streets Fund. As a result of this budgeting and accounting change, the Streets Fund is now a special revenue fund and the budget has increased significantly. As the table above indicates, the Streets Fund budget has increased from approximately \$5.8 million in fiscal year 2003, when it was capital only, to an adopted budget of approximately \$8.1 million in fiscal year 2005.

The chart to the right summarizes the Streets Fund revenue sources. The single largest revenue source is utility users tax (\$5.8 million). As required by City ordinance, fifty percent of the City's 6% utility users tax revenue is restricted to use for streets operations, maintenance and capital. Gas tax (\$1.725 million) is the other significant revenue source. Paid to the City by the State, the City's gas tax revenue is first credited to a dedicated Gas Tax Fund. The total amount of gas tax revenue is then transferred into the Streets Fund for funding of qualifying streets expenditures. The final Streets Fund revenue source is service charges. Revenue associated with the City's downtown shuttles, which are operated for the City by the Metropolitan Transit District (MTD), include the fare revenue from the City's Downtown/Waterfront Shuttle (\$125,000) and reimbursement from the City's Redevelopment Agency (RDA) for support of the commuter lot and Downtown/Waterfront shuttles (\$300,000). The RDA's support of the shuttles is a mitigation obligation of the RDA as a result of the downtown projects funded by the Agency. Both of these revenues are used entirely and solely to pay for the costs of the shuttle operations.

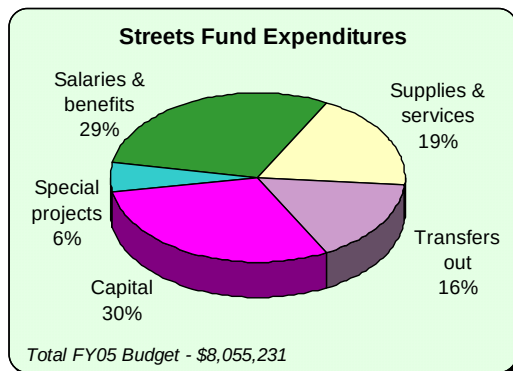




FUND OVERVIEWS

Special Revenue Funds

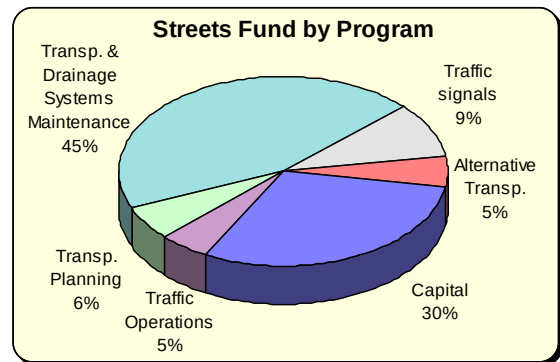
The chart below summarizes the Street Fund expenditures by object. The capital program (\$2.4 million) constitutes 30% of the budget. For fiscal year 2005, the capital program includes the annual programs such as slurry seals and overlays (\$851,661); street light installation and maintenance (\$202,754) and the continuing replacement of the City's underground 6.6KVA power lines (\$240,000). In addition, \$677,000 is included as the City's share of the cost to replace and widen the bridge on Haley Street over Mission Creek. The balance of the project cost will be funded from a federal grant, estimated at \$2.4 million.



Virtually the entire special projects category goes to the downtown and commuter lot shuttles (\$425,000).

As mentioned above, this entire amount is generated from fare revenue from the Downtown/Waterfront Shuttle (\$125,000) and a contribution from the City's Redevelopment Agency (\$300,000). The balance of the fund's budget supports streets operations and maintenance activities.

The chart on the right summarizes the Streets Fund expenditure budget by program activity. By far the largest activity is the Transportation and Drainage Systems Maintenance (\$3.6 million). This activity includes maintenance and repair of streets, sidewalks, storm drains, traffic signage and markings and other infrastructure within the public right-of-way. The Alternative Transportation program is the shuttle bus activity discussed above.



In summary, the Streets Fund now accounts for all City-funded street operating, maintenance and capital activities, providing better accountability of the City's restricted street revenues.



FUND OVERVIEWS

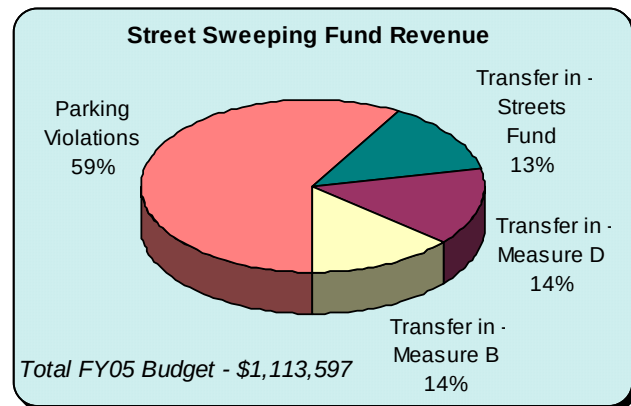
Special Revenue Funds

STREET SWEEPING FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	-	-	-	-	1,113,597
Operating expenditures	-	-	-	-	1,113,597
Net addition to (use of) reserves	\$ -	\$ -	\$ -	\$ -	\$ -

The Street Sweeping Fund is a new fund established in fiscal year 2005. It consolidates all of the City's street sweeping operations into one dedicated fund.

As displayed in the chart below, there are two sources of street sweeping revenue. The largest revenue source is parking violations (\$650,000). The parking tickets are issued to vehicles that are not moved off the streets during posted street sweeping times. The police department's parking enforcement officers have been issuing an average of 600 parking citation each week in support of the program. All revenue generated from these parking citations is returned to the Street Sweeping Fund. The balance of street sweeping revenue is transferred from other City funds. The transfers are from the Streets Fund (\$150,000), the Transportation Sales Tax ("Measure D") Fund (\$160,597) and the Creek Restoration/Water Quality ("Measure B") Fund (\$153,000). The Measure B contribution is used to fund a portion of the expanded residential street sweeping program.



As recently as fiscal year 2000, the City's regular street sweeping was limited to the downtown commercial area. The residential street sweeping program was started as a pilot program on the Westside in October 2001 and was expanded to the Eastside on October 2003. The goal of the program is to improve the appearance of the City by reducing the amount of litter and contaminants from automobiles that flow into the storm drains and creeks. The City sweeps the residential areas on a weekly basis and removes approximately 53 cubic yards of debris each week. The goal is to eventually expand street sweeping coverage over time to the entire city.

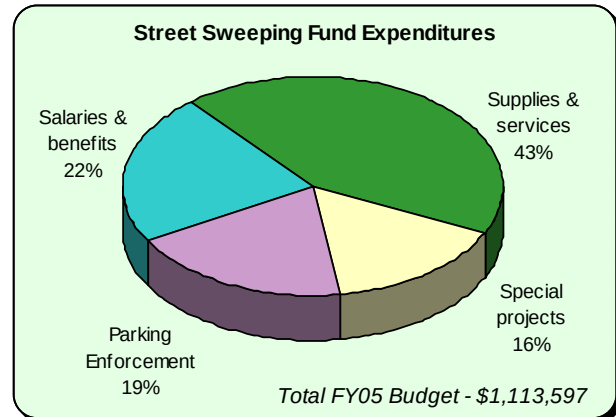
The chart on the following page summarizes the fund's expenditures. Salaries and benefits constitute 22% of the fund's total budget. Currently, the street sweeping is handled through a combination of contract and in-house resources. The supplies and services category includes funds for the contract portion of the program (\$359,000). The "special projects" category contains



FUND OVERVIEWS

Special Revenue Funds

approximately \$179,000 that will be used for tree trimming and signage when street sweeping is expanded to additional areas of the City. The other expenditure category is for parking enforcement. Approximately \$210,000 is reimbursed to the City's Police Department (General Fund) for the costs of enforcing the street sweeping-related parking restrictions. With anticipated parking citation revenue of \$650,000 (see above), the net revenue to the Street Sweeping Fund from citations will be approximately \$440,000.





FUND OVERVIEWS

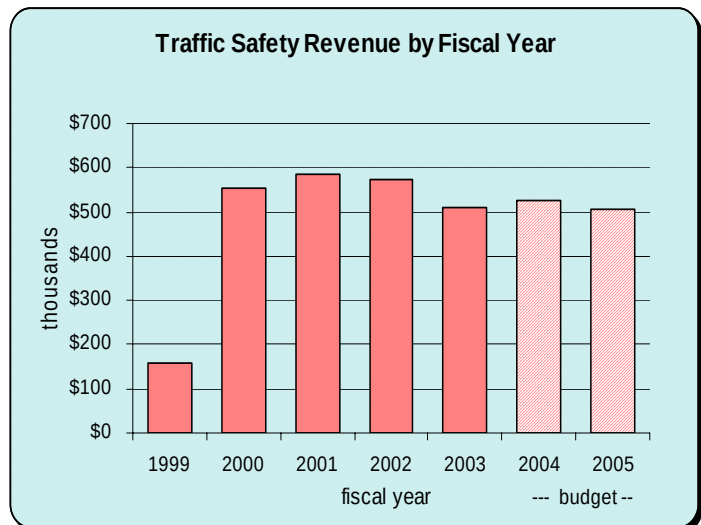
Special Revenue Funds

TRAFFIC SAFETY FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 511,685	\$ 525,000	\$ 525,000	\$ 550,000	\$ 505,000
Expenditures					
Operating	-	25,000	25,000	25,000	30,000
Transfers out	482,180	500,000	500,000	525,000	475,000
Total expenditures	482,180	525,000	525,000	550,000	505,000
Net addition to (use of) reserves	\$ 29,505	\$ -	\$ -	\$ -	\$ -

Pursuant to state law, the City must deposit all fines and forfeitures received as a result of citations issued by City police officers for Vehicle Code violations into a special "Traffic Safety Fund." These funds may be used solely for traffic control devices, maintenance of equipment and supplies for traffic law enforcement, traffic accident prevention, the maintenance, improvement or construction of public streets, bridges or culverts and the compensation of school crossing guards who are not regular, full-time employees of the City's Police Department. The County pays these funds to the City. After being recorded in the City's Traffic Safety Fund as required by law, virtually the entire amount received is transferred to the General Fund and is expended by the Police Department for traffic law enforcement and school crossing guards. The small amount of operating expenditures recorded within the Traffic Safety Fund (\$30,000) is payment for blood testing on individuals suspected of driving while intoxicated.

As the chart indicates, there was a substantial increase in the City's Traffic Safety revenue in fiscal year 2000. Effective with fiscal year 1999, State legislation changed the Vehicle Code to allocate to cities fees paid for "court supervised programs" (i.e., traffic schools) in lieu of base fines. The City began receiving this additional revenue in fiscal year 2000. Since this change in State law, the amounts received by the City have been fairly stable at around \$500,000 or more. Based upon the actual amounts received in fiscal year 2003, budgeted revenue for fiscal year 2005 has been reduced to \$505,000.





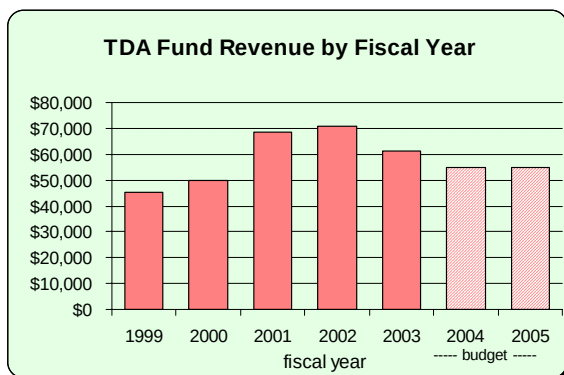
FUND OVERVIEWS

Special Revenue Funds

TRANSPORTATION DEVELOPMENT FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 61,296	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
Capital expenditures	158,862	55,000	55,000	55,000	55,000
Net addition to (use of) reserves	\$ (97,566)	\$ -	\$ -	\$ -	\$ -

Transportation Development Act (TDA) funds are restricted for use in support of alternative transportation including sidewalks and bikeways. Each year, the City receives approximately \$50,000 of TDA funds from the County. This revenue along with approximately \$5,000 of annual interest income earned on accumulated balances is appropriated each year to the Street Capital Program. Because of the relatively small amount of TDA revenue received annually, the proceeds are often accumulated over multiple years in order to fund specific projects. For example, in fiscal year 2003, TDA fund expenditures included the use of over \$97,000 of accumulated prior year balances for the Sidewalk In-Fill Program. Total expenditures of approximately \$159,000 represented almost two years of accumulated TDA revenues. This accumulation of prior year amounts also generates additional revenue in the form of interest income.



As the chart on the left indicates, the City's annual TDA revenue has increased somewhat since 1999. Based upon this increase, the budget for TDA revenue was increased in fiscal year 1999 from \$25,000 to \$50,000 annually, with the balance of revenue budgeted each year attributable to interest income.

A summary list of the Streets Capital Program, which is funded in small part by TDA revenue, can be found in the next section of this document,

Capital Program. Additional detail of the Streets Capital Program can be found within the Public Works section of the document. For fiscal year 2005, the TDA revenue will be used to continue the Sidewalk In-Fill Program.



FUND OVERVIEWS

Special Revenue Funds

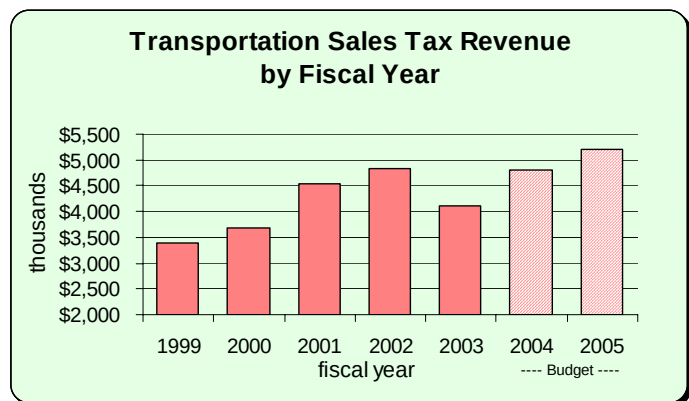
TRANSPORTATION SALES TAX (MEASURE D) FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenues					
Transportation sales tax	\$ 4,120,382	\$ 4,800,000	\$ 4,800,000	\$ 4,900,000	\$ 5,200,000
Interest income	212,517	225,000	225,000	160,000	140,000
Total revenue	4,332,899	5,025,000	5,025,000	5,060,000	5,340,000
Operating expenditures	2,223,946	2,892,630	3,662,908	3,557,141	3,021,263
Operating surplus	2,108,953	2,132,370	1,362,092	1,502,859	2,318,737
Capital budget	2,373,143	2,609,020	6,029,769	4,500,000	2,318,737
Net addition to (use of) reserves	\$ (264,190)	\$ (476,650)	\$ (4,667,677)	\$ (2,997,141)	\$ -

The Transportation Sales Tax fund is also known as the "Measure D" Fund after the designation of the ballot proposition approved by Santa Barbara County voters in November 1989. The ballot measure enacted a twenty-year, one-half cent sales tax, the proceeds of which are restricted for use in the City's streets and transportation programs. The revenue generated by this tax is subject to an annual "maintenance of effort" requirement to ensure that the proceeds of the sales tax will be used to supplement - not supplant - the City's existing streets programs. For any year in which the City fails to maintain its discretionary Streets program (operating and capital) at or above the base year (fiscal 1987) level of \$2.7 million, the City is not entitled to the Measure D revenues. The City is audited each year to verify that the maintenance of effort has been met.

The adopted fiscal year 2005 Measure D budget is balanced at \$5.34 million, including a capital program of just over \$2.3 million. As indicated in the chart below, the City's Measure D sales tax revenue grew steadily through fiscal year 2002, but came in lower in fiscal year 2003 because of lower sales tax receipts and allocation adjustments.

As in the past, the revenue estimate, and therefore the budget, is based upon an estimate provided by the Santa Barbara County Association of Governments (SBCAG). SBCAG is the agency that oversees the Measure D program on a countywide basis. Traditionally, the revenue estimate provided by SBCAG has been conservative. This has resulted in actual revenue exceeding budget, often leaving a fiscal year-end budget surplus.



Although there was a decline in the sales tax revenue in fiscal year 2003 of almost \$750,000 (15%) to \$4.1 million, current fiscal year receipts are expected to meet the \$4.8 million budgeted amount. The \$5.2 million projection for fiscal year 2005 Measure D sales tax represents an 8%



FUND OVERVIEWS

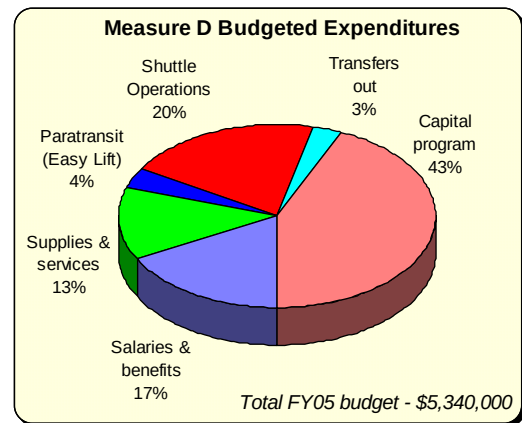
Special Revenue Funds

increase over the current year and, if achieved, will be the first time this revenue source will surpass \$5 million.

The Measure D Fund budget is developed based upon annual and five-year program of projects that is prepared by the City and submitted to SBCAG for approval. The adopted fiscal year 2005 budget is consistent with those plans.

As mentioned above, just over \$2.3 million or 43% of the adopted fiscal year 2005 budget is dedicated to the Street Capital Program, including \$1.2 million for the slurry seal program and \$633,000 for sidewalk repairs and infill. The budget also includes almost \$1.1 million (20%) for the Downtown and Cross-town Shuttle programs and \$190,000 (4%) represents a transit grant to Easy Lift for para-transit services. The balance of the budget, approximately \$1.75 million supports street maintenance activities.

With an adopted fiscal year 2005 budget totaling just over \$5.3 million, Measure D has been, and continues to be, a critical component of the City's street operations and capital programs.





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AIRPORT FUND

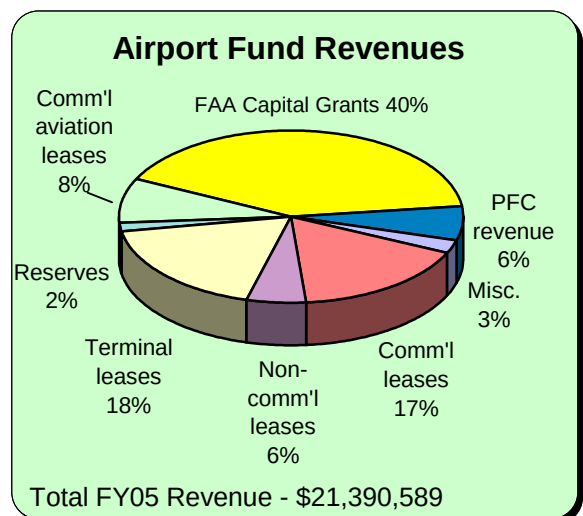
	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Operating budget					
Revenue	\$ 10,712,159	\$ 9,916,777	\$ 9,916,777	\$ 11,262,285	\$ 10,948,274
Expenses	8,619,676	9,331,777	9,748,141	9,123,061	10,346,532
Operating surplus	\$ 2,092,483	\$ 585,000	\$ 168,636	\$ 2,139,224	\$ 601,742
Capital budget					
FAA & capital grants	\$ 1,596,184	\$ 2,621,164	\$ 21,864,396	\$ 8,694,500	\$ 8,694,500
PFC revenue	1,013,573	1,100,000	1,100,000	1,155,075	1,365,000
Capital expenses	3,076,145	3,206,164	24,694,963	3,100,000	11,044,057
Net addition to (use of) reserves	\$ 1,626,095	\$ 1,100,000	\$ (1,561,931)	\$ 8,888,799	\$ (382,815)

The adopted fiscal year 2005 Airport Fund budget reflects an operating budget of \$10.3 million and a capital program of just over \$11 million.

The chart below displays total fiscal 2005 operating and capital revenues as contained in the adopted budget. As the chart indicates, virtually all of the Airport's operating revenue is derived from leases. Overall, fiscal year 2005 operating revenue is projected to be approximately \$1 million (10%) higher than the revenue contained in the adopted fiscal 2004 budget. Over two thirds of the increase is projected to come from airline terminal operations. Commercial industrial leases are projected to grow approximately \$436,000 (38%) and commercial aviation airline terminal facility leases are projected to grow approximately \$198,000 (12%). Given the operating revenues realized in fiscal year 2003, staff feels that the revenues estimates for fiscal year 2005 are conservative and that actual revenue in fiscal year 2004 will likely exceed budget.

The most significant component of the adopted budget is the capital program. At \$11 million, it is more than three times as large as the adopted fiscal year 2004 capital program because it contains a number of large projects from the Airport Facilities Master Plan. The implementation of this plan continues to be a top priority for the City.

Funding for the Airport's capital program comes from three sources. FAA capital grants continue to fund the largest portion of the Airport's capital program, including a significant portion of the work associated with the Airport Facilities Master Plan. As the table on the preceding page





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indicates, the Airport's FAA grants are estimated at almost \$8.7 million for fiscal year 2005. In most cases, FAA grants fund 90% of approved project costs, with the Airport required to provide 10% matching funds. However, with the adoption of new FAA legislation, the Airport's matching share has been reduced to 5% effective with the 2004 federal grant. The City may use Passenger Facility Charge revenue to meet the matching funds requirement.

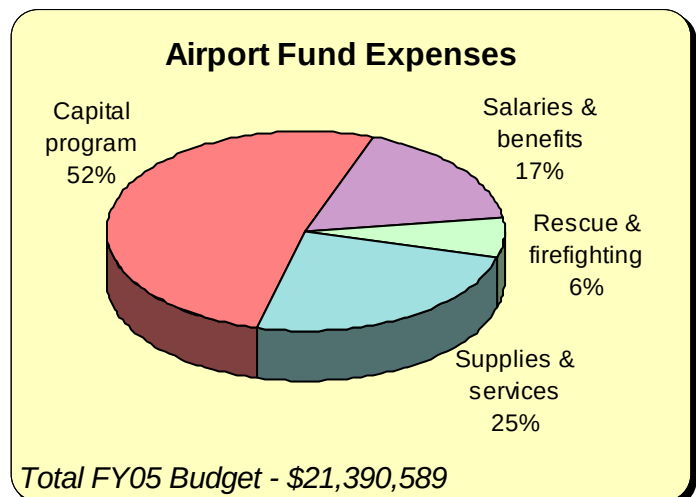
The Airport's second source for capital funding is the Passenger Facility Charge (PFC). With the approval of the FAA, on January 1, 1998, the Airport began to levy and collect a \$3 PFC. Again with FAA approval, on November 1, 2003, the Airport's PFC was raised to \$4.50. The PFC is a fee per airline passenger ticket with the proceeds restricted by federal law to approved capital improvements. It is estimated that the PFC will generate approximately \$1.365 million in fiscal year 2005, all of which will be accumulated for future projects.

The third source for capital funding comes from Airport Fund operating revenue in excess of operating expenses. For fiscal year 2005, operating revenue is projected to contribute just over \$600,000 to the capital program. In addition, approximately \$1.7 million of accumulated Airport reserves will be used for capital. The table on the right summarizes the funding for the adopted capital budget.

FY 2005 Capital Budget	
<u>Funding Source</u>	<u>Amount</u>
Operating Revenue	\$ 601,742
Airport Fund Reserves	1,747,815
FAA Capital Grants	8,694,500
Total	<u>\$11,044,057</u>

The chart below displays expenses in the adopted fiscal year 2005 Airport Fund budget by category. As discussed above, the capital program represents over half of the total budget (52%). The largest projects in the adopted capital budget include Phase 3 of the Runway 7-25 Safety Area Extension project (\$6 million), the construction of new Taxiway M (\$2.4 million) and Phase 2 of the North Taxiway B Relocation (\$313,000). Additional details on the Airport's complete capital program may be found in the Capital Program section of this document.

In the operating budget, supplies and services (25%) represent a significant portion of the budget. The cost of Airport Rescue and Firefighting (ARFF) services represents 6% of the budget. ARFF services are provided to the Airport by the City's Fire Department with the Airport Fund reimbursing the City's General Fund for personnel costs. For fiscal year 2005, the Airport Fund budget contains almost \$1.3 million for this required service. Over the last three years, the Airport Fund's operating costs have increased substantially. The





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largest portion of these cost increases is related to increased security requirements in the wake of the September 11, 2001 terrorist attacks. Five full-time security positions were added in February 2002 at a cost of almost \$275,000. In addition, the adopted budget contains more than \$250,000 for additional contract security services now required under federal regulations. The federal government has entered into a Memorandum of Agreement with the City to reimburse the Airport Fund for some or all of these costs.



FUND OVERVIEWS

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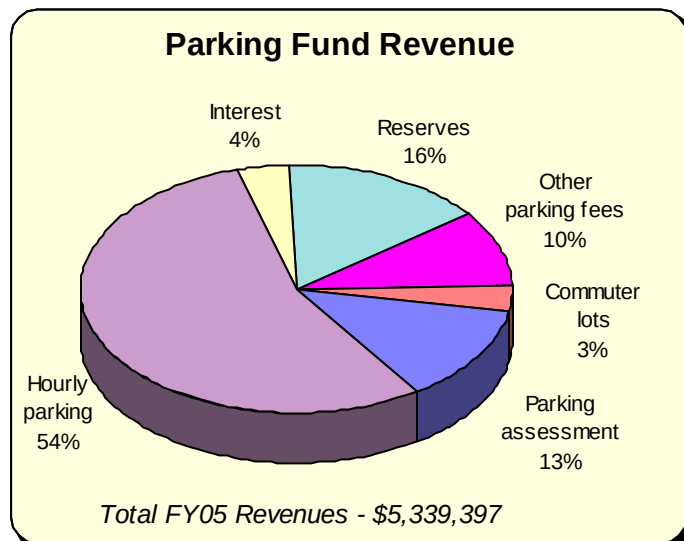
DOWNTOWN PARKING FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 4,685,609	\$ 4,850,000	\$ 4,850,000	\$ 4,845,000	\$ 4,510,000
Operating expenses	4,621,132	4,294,747	4,471,096	4,294,153	4,694,395
Operating surplus	64,477	555,253	378,904	550,847	(184,395)
Capital budget	-	530,000	2,582,277	2,500,000	645,002
Net addition to (use of) reserves	\$ 64,477	\$ 25,253	\$(2,203,373)	\$(1,949,153)	\$ (829,397)

The adopted fiscal year 2005 Parking Fund operating budget is \$4.7 million with a capital program of \$645,002. The budget relies on \$184,395 of reserves to balance the operating budget and an additional \$645,002 to fund the capital program. The use of reserves by an enterprise fund to balance the operating budget is generally contrary to City policy. However, as discussed below, the reserves will be used to backfill for the temporary loss of substantial parking fee revenue during construction of the Granada Garage. Because of the discrete, one-time nature of this revenue loss, the use of reserves is still within established city policy.

As the chart below indicates, the various parking user fees provide the bulk of the Parking Fund revenue. Combined, these fees represent 67% of total revenue. The commercial parking assessment (PBIA) that supports a portion of the seventy-five minute free parking period in the City's downtown lots is budgeted to provide \$675,000 (13%) of total revenues. The only other Parking Fund revenue is interest income, budgeted at \$200,000 (4%). As mentioned above, the revenue estimates for hourly parking have been reduced approximately \$375,000 to reflect the anticipated loss of parking capacity during construction of the Granada Garage. Construction is expected to begin during the first half of fiscal year 2005. Given the unique and one-time nature of this revenue loss, the use of reserves to balance the operating budget is still within the City's established reserve policy.

The Granada Garage project is still the





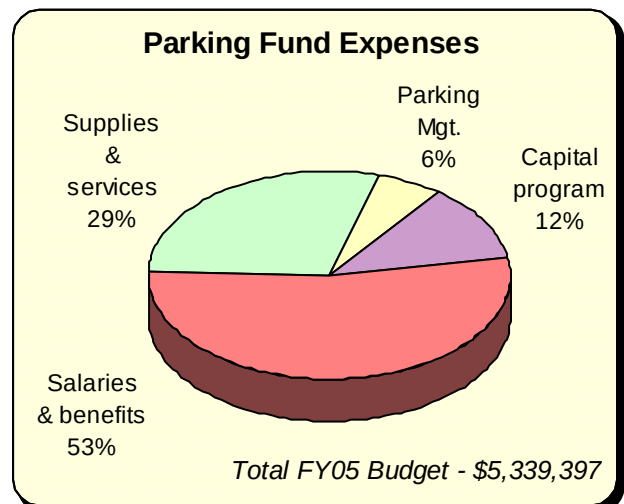
FUND OVERVIEWS

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most significant issue facing the Parking Fund at this time. As one of the largest capital projects ever undertaken by the City, the Granada Garage project will continue to be the top priority of the Parking Fund and the Public Works Department. Once construction does begin, Parking Fund staff will be responsible for implementing plans to mitigate the associated impacts on both the parking inventory and the neighboring businesses.

As the chart below indicates, the largest segment of the Parking Fund's expense budget is salaries and benefits (53%). Just less than half (\$1.3 million) of the \$2.9 million in salaries and benefits is temporary wages for staffing the City's various lots.

Several years ago, a new program, Parking Management, was added to the Parking Fund. The Parking Management Program is intended to reduce the demand for commuter parking in the downtown area by encouraging the use of alternative transportation. The program funds educational efforts and incentives to encourage commuters to choose alternative means of transportation. It also supports downtown transit services. The programs provide particular incentives to downtown workers to make use of alternative transportation. The adopted budget provides over \$460,000 for the Parking Management Program activities, including alternative transportation programs and incentives, including \$100,000 for the "My-Ride" free bus pass program.



The adopted capital program includes capital maintenance on the City's downtown lots (\$295,000) and the set up and furnishing of parking staff offices, including installation of a high-speed communications link, in the soon-to-be constructed Granada Garage (\$350,000).

The Parking Fund is in good financial condition with reserve balances well in excess of levels required by City policy. However, one of the issues facing the Parking Fund over the next several years will be increasing capital maintenance needs on the downtown parking facilities, especially the garages, as they begin to age. Staff expects that the annual capital program may need to double over the next several years in order to maintain the City's investments in these expensive assets. The extent and costs of the required capital maintenance will determine if and when future rate increases are necessary.



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GOLF FUND

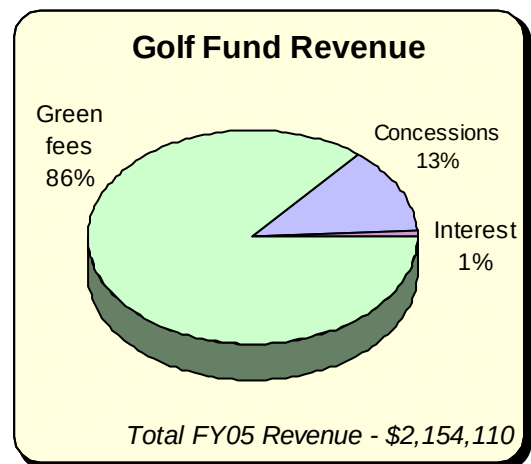
	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 2,001,412	\$ 2,064,500	\$ 2,064,500	\$ 2,044,494	\$ 2,154,110
Operating expenses	1,927,017	1,764,500	1,871,571	1,866,086	1,901,888
Operating surplus	74,395	300,000	192,929	178,408	252,222
Capital budget	365,065	300,000	379,917	379,917	252,222
Net addition to (use of) reserves	\$ (290,670)	\$ -	\$ (186,988)	\$ (201,509)	\$ -

The Golf Fund adopted fiscal year 2005 budget contains operating revenue sufficient to support a \$1.9 million operating budget and a capital program of \$252,222. Operating revenue in the adopted budget reflects a modest 4% growth over the fiscal year 2004 adopted budget. The revenue estimate reflects the impact of modest increases to most of the Golf Fund's fees. Most of the green fees will increase by only \$1.

Greens fees of various types comprise 86% (\$1.85 million) of the revenue budget. The Golf Fund's fee structure currently offers discounts to residents of Santa Barbara County. Residents may purchase a resident card for a nominal \$15 annual fee. The card entitles the holder to discounts of from \$7 per round (weekday play) to \$13 per round (weekend play). Additional discount programs are available for both weekday-only and full-week play. Staff is recommending an increase in the weekday-only discount from \$50 to \$75 and in the full-week discount from \$75 to \$100. The adopted budget also includes a proposal to expand the definition of "resident" to include Ventura County.

With the exception of a small amount of investment income, the balance of the Golf Fund revenue is from concession agreements with the golf professional and the clubhouse restaurant. Revenue from these agreements is budgeted at \$275,000. Golf Fund staff perform all course maintenance but the golf professional provides management of course play, golf lessons and operation of the pro shop, under a concession agreement with the City. Food services are provided by a separate concession agreement.

Expenses in the adopted budget, including capital, total approximately \$2.2 million. The chart on the following page summarizes the distribution of expenses. Salaries and benefits comprise 45% of the budget. Other than personnel costs, water is the Fund's single largest cost (\$159,000). In terms of acre-feet consumed, the golf course is





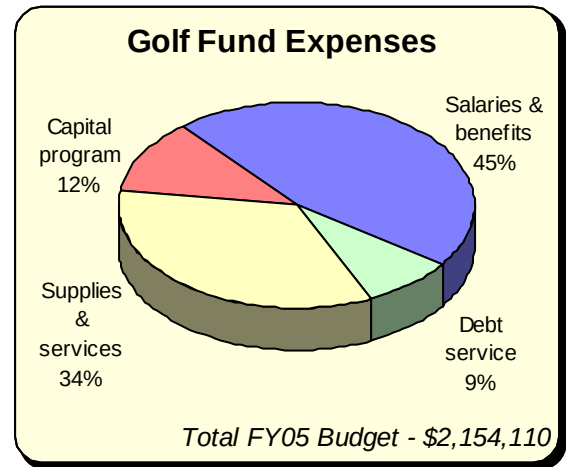
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one of the largest water customers in the City's municipal water system. The adopted capital program (\$252,222) includes the purchase of replacement power turf equipment (\$90,000) and various improvements to tees, greens and cart paths (\$162,222).

The fund's debt service, at just over \$184,000, is principal and interest on the Golf Fund's share of the 2002 Municipal Refunding Certificates of Participation (COP). The 2002 certificates were issued to refund certificates originally sold in 1986 and previously refunded in 1993. The original proceeds were used to expand and renovate the clubhouse and to install a new irrigation system for the entire course. The 2002 refunding lowered the Fund's annual debt service by approximately \$15,000. The principal balance currently outstanding is approximately \$2 million. Final maturity of the certificates is in 2018.

Overall, the Golf Fund is in good financial condition. Operating revenues more than meet operating expenses and the Fund maintains reserve balances in accordance with the City's policy requirements.





FUND OVERVIEWS

Enterprise Funds

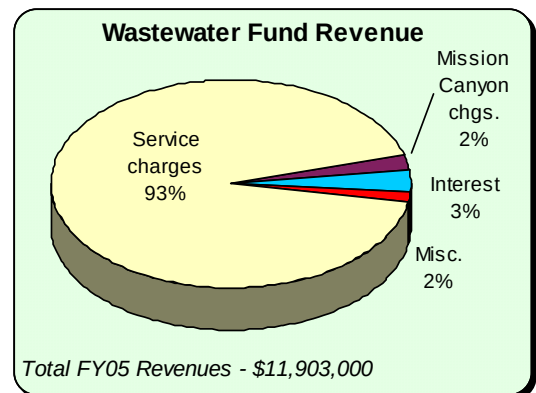
WASTEWATER FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 9,994,460	\$ 10,575,000	\$ 10,575,000	\$ 10,540,000	\$ 11,903,000
Operating expenses	7,628,716	9,068,006	9,178,284	9,178,284	10,383,000
Operating surplus	2,365,744	1,506,994	1,396,716	1,361,716	1,520,000
Capital budget	2,629,814	3,954,000	3,954,000	3,954,000	1,520,000
Net addition to (use of) reserves	\$ (264,070)	\$ (2,447,006)	\$ (2,557,284)	\$ (2,592,284)	\$ -

The adopted fiscal year 2005 Wastewater Fund budget projects enough revenue to fund all operating costs and a \$1.5 million capital program.

The budget reflects a 16% wastewater service rate increase, effective July 1, 2004, as recommended by the City's Water Commission and adopted by City Council. It is estimated that the 16% across-the-board rate increase will generate an equal increase in overall service charge revenue to the Wastewater Fund. A portion of the rate increase will fund increasing operating costs, but it is current and future capital costs that are by far the largest reason for the significant rate increase. This increase is the third consecutive annual increase after almost a decade of no changes in wastewater rates. Despite the financial pressures of increasing capital needs, the fund continues to maintain a solid financial position. However, as discussed below, the increasing capital needs dictate the rate adjustment and may require additional, albeit much more modest, rate increases over the next several years.

Wastewater Fund revenue is much more stable than revenue in the Water Fund. Wastewater revenues are comprised almost entirely of the regular, monthly service charges. Because these are based upon the customer's water usage in the lower rate blocks, they are more stable and less susceptible to variations than metered water sales. Service charges are projected to provide \$11 million (93%) of the \$11.9 million revenue total. Investment income, the second largest source of revenue for the fund, is budgeted at \$375,000. This is a reduction of \$150,000 from the current year budget due to the continuing low interest rate environment. The only other revenue of note is the \$275,000 representing charges to Mission Canyon (non-city) residents.



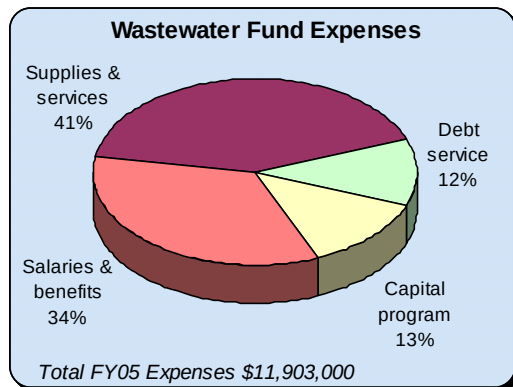


FUND OVERVIEWS

Enterprise Funds

Wastewater Fund operating expenses are budgeted at just under \$10.4 million and the adopted capital program is \$1.5 million. As the chart below indicates, capital represents 13% the overall budget.

Debt service, at \$1.4 million, represents 12% of the budget. At the time of adoption of this budget, the Wastewater Fund had no debt. However, in July 2004, only two weeks after the start of the fiscal year, the Wastewater Fund issued 25-year bonds for \$20.41 million. The bond proceeds will generate \$18.5 million of project funds of which \$16.5 million will be used for major renovations at the El Estero Treatment Plant. The plant is now 25 years old and in need of significant rehabilitation. A recent independent evaluation of the facility identified a ten-year capital improvement program necessary to protect the City's massive investment and maintain compliance with the more stringent federal and state treatment standards. A total of \$26.5 million in adopted capital improvements was identified over the ten-year horizon of the study. The proceeds of the debt issuance will allow those improvements to begin this year.



The remaining \$2 million from the debt issue will be used to resolve some specific wet-weather capacity problems in the wastewater collection system. Because the bonds were issued in July, the adopted budget contains a full year of debt service.

Although the adopted capital program (\$1.5 million) is less than prior years, when combined with the \$18.5 million of capital debt proceeds discussed above the total capital program over the next two or three years will easily approach \$25 million. Managing the projects, especially those at the El Estero Treatment Plant, will be a major focus of the Wastewater Fund (Public Works) staff. In addition, the capital budget contains almost 750,000 for lift station improvements, including the elimination or reconstruction of the San Marcos lift station (\$650,000).

In large measure it is the necessary capital improvements that are driving the adopted rate increase. Although adopted rate increases will be kept to the minimum level necessary, maintenance of the El Estero Treatment Facility and the wastewater collection system is absolutely essential.

In summary, the Wastewater Fund operating budget is balanced and a substantial capital program is planned for fiscal year 2005.



FUND OVERVIEWS

Enterprise Funds

WATER FUND

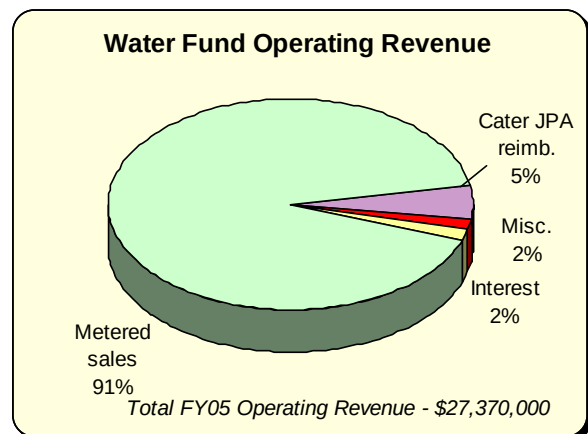
	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 24,138,397	\$ 24,641,937	\$ 24,656,937	\$ 24,788,946	\$ 27,370,000
Operating expenses	18,707,702	21,923,471	22,258,244	21,973,400	22,817,000
Operating surplus	\$ 5,430,695	\$ 2,718,466	\$ 2,398,693	\$ 2,815,546	\$ 4,553,000
Capital budget	6,089,980	6,412,497	6,412,497	4,931,000	4,553,000
Net addition to (use of) reserves	\$ (659,285)	\$ (3,694,031)	\$ (4,013,804)	\$ (2,115,454)	\$ -

The adopted fiscal year 2005 Water Fund budget contains operating revenues sufficient to fund a \$22.8 million operating budget and a \$4.6 million capital program.

The adopted budget reflects a 4% rate increase for metered water sales, effective July 1, 2004, as recommended by the City's Water Commission and adopted by Council. It is estimated that, overall, the rate increase will generate an approximate 10% increase in metered sales revenue. A small portion of the rate increase will fund increasing operating costs, but it is current and future capital costs that are by far the largest reason for the increase.

As the chart below indicates, the vast majority of estimated Water Fund revenue is provided by metered water sales (\$25.1 million or 91%). Interest income, budgeted at \$450,000, is derived from the investment of the Water Fund's capital and operating reserves. The estimate for investment income is approximately \$250,000 below the amount budgeted in the current fiscal year due to the continued low interest rate environment as well as lower Water Fund reserve balances.

The other notable Water Fund revenue is a reimbursement from the Carpinteria and Montecito water districts. Under a joint powers authority agreement (JPA), the City treats all water for both districts at the City's Cater water treatment plant. Under the terms of the JPA, the districts pay their pro-rata share of the operating and capital costs of the Cater treatment facility. The districts' approximate 40% share (combined) is based upon an allocation of the Cater treatment capacity and is projected to result in \$1.3 million of revenue in fiscal year 2005.

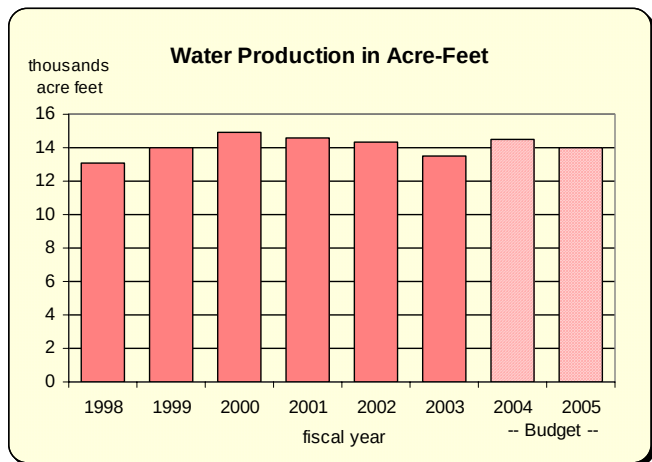




FUND OVERVIEWS

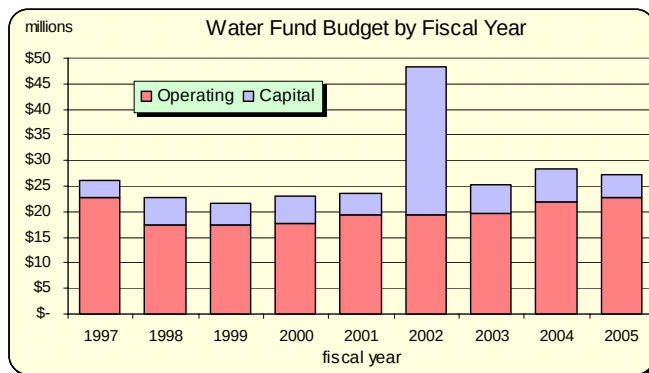
Enterprise Funds

With 91% of Water Fund revenue generated by metered water sales, the most important component of the revenue projection is the water sales estimate in acre-feet. As the chart to the right indicates, water sales have been essentially flat since 1999. In fact, since the most recent peak in fiscal year 2000, each year has reflected a year over year decline. Metered sales revenue for the adopted 2005 budget is based upon an estimate of 14,000 acre-feet, or five hundred acre-feet less than the budgeted estimate for fiscal year 2004. Because a large portion of the Water Fund's costs are fixed, declining or stagnant sales levels can have a significant impact on the overall financial health of the fund. City staff believes the fiscal year 2005 estimate is reasonably conservative. However, even if actual production and sales fall somewhat below the budgeted target, the Water Fund expenditure budget will be controlled to ensure that a balance is maintained.



The operating budget has been growing since fiscal year 2002 as a result of increasing costs for water purchases, energy and treatment supplies. Over that time the operating budget has grown just over \$5 million (29%). The increasing trend in operating costs combined with significant capital needs and stagnant sales has led to the rate increase.

The adopted capital program is approximately \$4.6 million. This is a \$1.9 million (29%) decrease from the current fiscal year. Budgeted at \$2.5 million, more than half of the capital program is for improvements to the City's groundwater facilities, including rehabilitation of the Ortega Groundwater Treatment Facility.



Also included is almost \$600,000 for pump station rehabilitation, including an upgrade to the Campanil pump station.

The chart on the left presents a ten-year history of the adopted Water Fund operating and capital budgets. The most noteworthy element of the entire ten-year period is the size of the fiscal year 2002 capital budget. At \$29.1 million, it exceeded the total of the

previous seven years' capital budgets combined. This is still relevant because the two major projects contained in that capital budget will continue to have significant workload impacts during fiscal year 2005. The Sheffield Reservoir Project (\$22 million) will replace the existing open



FUND OVERVIEWS

Enterprise Funds

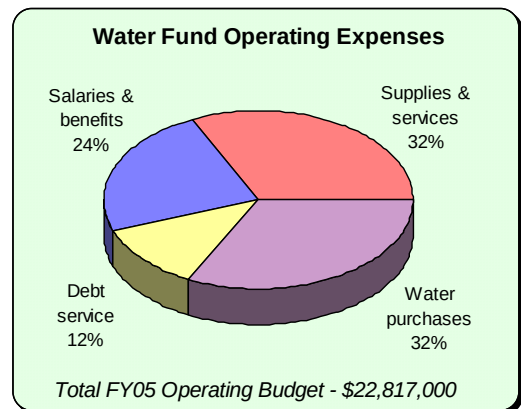
reservoir with underground reservoir tanks. The Cater Strategic Plan Implementation Project (\$19.5 million) will renovate a number of major components at the Cater Treatment Plant, protecting the City's investment in that facility and enabling the plant to continue to meet more stringent water quality standards. Both projects are being funded with very low interest loans from the State Department of Water Resources. The cost of the Cater project is being shared with the Montecito and Carpinteria water districts. Under the joint powers agreement discussed above, the two water districts are responsible for their pro-rata share of the project. Each district will pay its share of the debt service on the 20-year low interest state loan.

The adopted operating budget is \$22.8 million, an increase of approximately \$900,000 (4%) over the adopted 2004 budget. As always, the largest individual cost item in the operating budget is water purchases (32%). Water is purchased from both the federal Cachuma Project (\$3.2 million) and the State Water Project (\$4.2 million).

As the chart below indicates, fixed costs, including water purchases and debt service, comprise 44% of Water Fund operating expenses. Because of the magnitude of these fixed costs, unlike most other City funds, salaries and benefits comprise only 24% of the Water Fund budget. Of the \$7.3 million of supplies and services, \$860,000 is for electricity, approximately \$1.1 million is for facilities maintenance, \$600,000 is for treatment chemicals, and an additional \$1.5 million is paid to the General Fund for overhead allocation. Other significant items include over \$443,000 for vehicle and equipment rents, and maintenance and fuel (paid to the City's Motorpool program) and \$227,000 for insurance. These items combined amount to just over \$4.7 million or 64% of the supplies and services budget.

The Water Fund has five outstanding debt obligations. As of June 30, 2003, the combined principal outstanding on these five debt issues totaled approximately \$30.1 million. The debt issues include a 1994 revenue bond (\$6.7 million), a 2002 Refunding Certificate of Participation (\$15 million) and three loans from the State (\$8.5 million). This does not include approximately \$34.1 million in new debt for the additional state loans referenced above for the Cater and Sheffield projects. As of the end of fiscal year 2003, only \$5.1 million of the total \$19.2 million for the Cater loan had been drawn; and, to date, no amounts have been drawn on the \$20 million Sheffield loan.

In summary, while the Water Fund continues to maintain a solid financial position, increasing operating costs and significant near term capital needs have resulted in an adopted rate increase for fiscal year 2005. The operational focus during the next fiscal year will be on completing the significant capital program, including the Cater and Sheffield projects.





FUND OVERVIEWS

Enterprise Funds

WATERFRONT FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 9,011,940	\$ 9,301,230	\$ 9,301,230	\$ 9,615,930	\$ 9,626,018
Operating expenses	7,409,286	8,836,345	8,834,345	8,812,352	9,129,106
Operating surplus	1,602,654	464,885	466,885	803,578	496,912
Capital budget	1,135,102	1,935,000	1,935,000	1,935,000	1,215,000
Net addition to (use of) reserves	\$ 467,552	\$(1,470,115)	\$(1,468,115)	\$(1,131,422)	\$ (718,088)

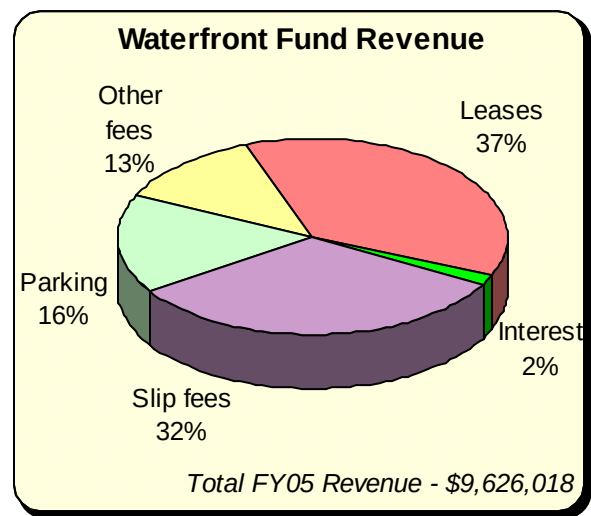
The adopted Waterfront Fund budget for fiscal year 2005 contains sufficient operating revenue to fund all operating expenses and \$496,912 of a \$1.2 million capital program. The balance of the capital program (\$718,088) will be funded from reserves.

The adopted \$1.2 million capital program includes annual capital maintenance of Stearns Wharf (\$300,000) and the Marina (\$250,000). Also included is funding for breakwater repairs (\$370,000).

As the chart below indicates, Waterfront revenues fall into three main categories. Leases of waterfront property provide approximately \$3.6 million or 37% of total revenue. Most of the Waterfront leases are long-term agreements on a "percent of gross basis" under which the Waterfront receives a minimum base rent, or up to 11% of the tenant's gross receipts, whichever is greater. The specific percent of gross receipts paid by the tenant varies from lease to lease. The Waterfront has a lease audit program to ensure that the City is receiving the percentage rent to which it is entitled. The Waterfront has realized substantial additional revenues as a result of this lease audit program. Because virtually all of the significant leases are long-term in nature, the Waterfront has little control over lease revenue in the short run.

The second category of Waterfront revenue is from parking. Parking in nine waterfront lots plus Stearns Wharf generates approximately \$1.6 million, or 16% of total revenue. In addition, annual parking permits generate approximately \$255,000. The adopted budget contains no increase in waterfront parking rates.

The third significant category of revenue is harbor fees, including slip fees. Slip fees are estimated to generate just over \$3.1 million (32%) of total revenue in fiscal year 2005. Other fees include visitor fees (\$370,000), slip transfer fees





FUND OVERVIEWS

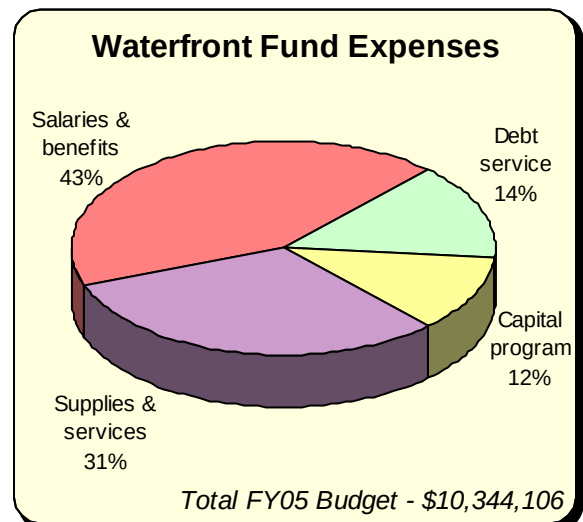
Enterprise Funds

(\$390,000) and live-aboard fees (\$190,000). The adopted budget includes increases in both the live-aboard fee (from \$100 to \$140 per month) and the slip transfer fee (from \$100 to \$125 per foot). The slip transfer and live-aboard fee increases are projected to generate an additional \$54,400 and \$45,000, respectively. The adopted budget contains no in slip fees.

Because the lease revenues are generally fixed in the short-term, the only revenue sources over which management can exercise near-term control are the parking and harbor-related fees.

The chart to the right displays the Waterfront Fund's expenses by category for fiscal 2005. The capital program (12%) and debt service (14%) combined represent 26% of the total budget.

The Waterfront Fund currently has two outstanding debt obligations. As of June 30, 2003, the total principal due on these two obligations totaled \$20.5 million. The 2002 Refunding Waterfront Certificates of Participation (\$19.4 million) represent a refinancing of debt originally issued in 1984 to fund repairs and capital improvements to Stearns Wharf and the harbor. The other obligation is a loan from the City General Fund (\$1.8 million), the proceeds of which were used in the 1980s to make major repairs to Stearns Wharf. The Waterfront Fund is repaying the General Fund, without interest, at the rate of \$100,000 per year. The loan will be fully repaid in 18 years. Although not yet executed, an additional \$1.7 million General Fund loan has already been authorized to help pay for the Chandlery Remodel/Administrative Offices project.



Total operating expenses in the adopted budget are approximately \$300,000 (3%) more than in the adopted fiscal year 2004 budget. The majority of the increase is in the salary and benefit category as a result of higher retirement costs.

In summary, the Waterfront Fund remains strong operationally with revenues exceeding operating expenses. Although it continues to be necessary to spend a portion of the fund's accumulated reserves for capital, including a portion of the Harbor Preservation Fund, the Waterfront Fund remains in solid financial condition.



FUND OVERVIEWS

Internal Service Funds

DUPLICATIONS FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 341,175	\$ 375,978	\$ 375,978	\$ 330,978	\$ 365,478
Operating expenses	315,433	399,191	399,226	397,838	365,478
Net addition to (use of) reserves	\$ 25,742	\$ (23,213)	\$ (23,248)	\$ (66,860)	\$ -

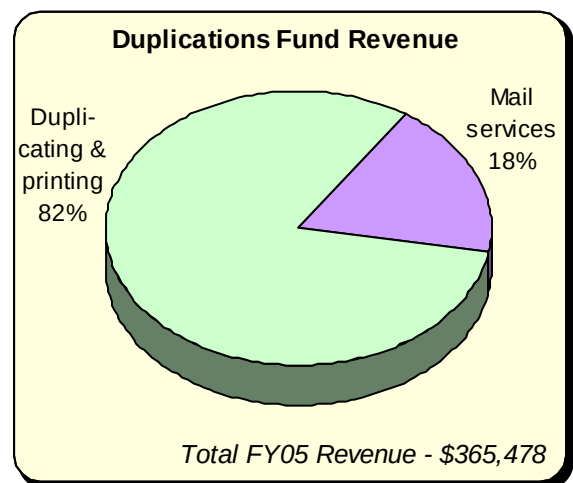
The adopted fiscal year 2005 Duplications Fund budget is balanced at \$365,478.

As an internal service fund (and part of the Finance Department), the fund's revenue is comprised of charges for services rendered to other City funds and departments. The revenues are derived from printing and copying (82%) as well as interoffice and external mail services (18%). The Duplications staff also processes and mails over 30,000 utility and accounts receivable billings monthly.

The entire budget is comprised of personnel costs (53%) and supplies and services (47%). The adopted budget is approximately \$50,000 (16%) above the actual fiscal year 2003 expenditures. The increase is almost evenly split between salary and benefit costs and supplies and services. The salary and benefit increase is primarily due to the increase in retirement costs. The supplies and services increase is the result of higher allocated charges from the General Fund.

For the last several years the Duplications Fund has enjoyed a small operating surplus. This followed a number of years of small operating losses. While the use of reserves during that period was relatively small, staff was committed to making changes to improve the situation. Since that time, staff reduced some costs and implemented some nominal revenue enhancements. As a result of these changes and some significant billable projects the fund's situation has stabilized over the last two years.

The General Fund has provided an operating subsidy in each of the last several years. The adopted fiscal year 2005 budget continues this General Fund operating subsidy (\$65,000). The intent of the subsidy, in part, is to allow the fund to accumulate enough resources to fund the replacement of required capital equipment.





FUND OVERVIEWS

Internal Service Funds

Sustaining a balanced budget will continue to be a challenge. Essentially, the Duplications Fund is, at best, a break-even operation. In the long run, the fund is unlikely to generate sufficient surplus to provide for capital replacement; thus, the rationale for the General Fund operating subsidy discussed above.

While virtually all of the services provided by the Duplications Fund can be obtained from the private sector, staff believes that, for the present, there is a significant value to having this capability in-house. In addition to cost considerations, issues such as timeliness, responsiveness and confidentiality are important factors.



FUND OVERVIEWS

Internal Service Funds

INFORMATION SYSTEMS FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ -	\$ 1,909,387	\$ 1,909,387	\$ 1,909,387	\$ 2,271,082
Operating expenses	-	1,909,387	1,940,779	1,665,583	1,949,062
Operating surplus	-	-	(31,392)	243,804	322,020
Capital budget	-	-	-	-	322,020
Net addition to (use of) reserves	\$ -	\$ -	\$ (31,392)	\$ 243,804	\$ -

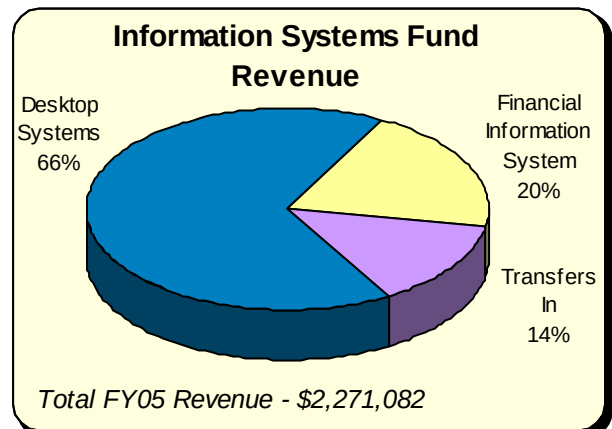
Information Systems was first established as an internal service fund in fiscal year 2004. Prior to that time, it was part of the General Fund. The adopted fiscal year 2005 budget is balanced at \$2.3 million, including a capital program of \$322,020. As an internal service fund, all of the revenue is from allocated charges to other City funds and departments.

Information Systems is comprised of two programs. The Desktop Information Systems program provides technical leadership, maintenance and user training and support for the City's 11 local area networks and over 630 desktop computers. The Financial Information Systems program provides programming, support and training for the City's 17 applications comprising the City's custom-developed financial management system.

The Desktop Systems program budget is approximately \$1.5 million (66%) and the Financial Information Systems program budget is approximately 450,000 (20%). The balance of the fund's revenue is from a \$315,000 transfer in from various other City funds to fund the Information Systems capital program.

The capital program includes funds for the implementation of a wireless technology foundation (\$204,020) that will allow use of applications such as remote training at various fire stations as well as remote access to city data by field personnel. Also in the capital program is funding to begin implementation of an online payment system to allow City customers to make electronic Internet payments.

Overall, the Information Systems Fund generates sufficient revenue to fund all operating expenses and a modest capital program.





FUND OVERVIEWS

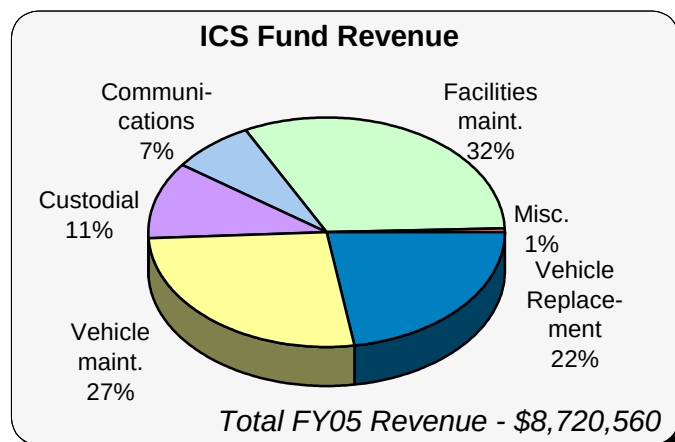
Internal Service Funds

INTRA-CITY SERVICE FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 7,482,805	\$ 8,209,436	\$ 8,309,436	\$ 8,377,505	\$ 8,720,560
Operating expenses	5,439,328	7,015,366	7,749,384	7,463,590	6,871,945
Operating surplus	2,043,477	1,194,070	560,052	913,915	1,848,615
Capital budget	1,725,912	1,733,479	1,854,496	1,800,000	1,989,415
Net addition to (use of) reserves	\$ 317,565	\$ (539,409)	\$ (1,294,444)	\$ (886,085)	\$ (140,800)

Part of the City's Public Works Department, the Intra-City Service (ICS) Fund is an internal service fund providing services to other City funds and departments. Revenue in the adopted fiscal year 2005 budget is sufficient to fund all operations and all but \$140,800 of \$2 million capital program. Beginning in fiscal year 2004, two operational areas that were previously part of the City's General Fund were moved into the ICS Fund. These two areas, Custodial Services and Communications Systems, were added to the Motor Pool and Facilities Maintenance functions that are already budgeted in the ICS Fund. Like the Motor Pool and Building Maintenance functions, both the Custodial Services and Communications Systems operations provide services exclusively to other City departments. Including these two operations in the ICS Fund ensures that the costs of providing the related services are properly borne by the other City operations benefiting from the services.

The Facilities Maintenance function provides on-call response for repairs and maintenance of facilities throughout the City, as well as managing the General Fund's annual planned maintenance program. The facilities maintenance program also provides management of small and medium-sized improvements to various City facilities. The Motor Pool program provides vehicle and equipment maintenance as well as managing the City's vehicle replacement program. The Communications Systems function provides management and maintenance of the City's radio, telephone and related communications systems. Custodial Services function provides custodial services to various City facilities.





FUND OVERVIEWS

Internal Service Funds

Virtually the entire \$2 million capital program is for the citywide vehicle replacement program (\$1.95 million). The balance of the capital program (\$50,000) is minor office and computer upgrades for the Building Maintenance operation.

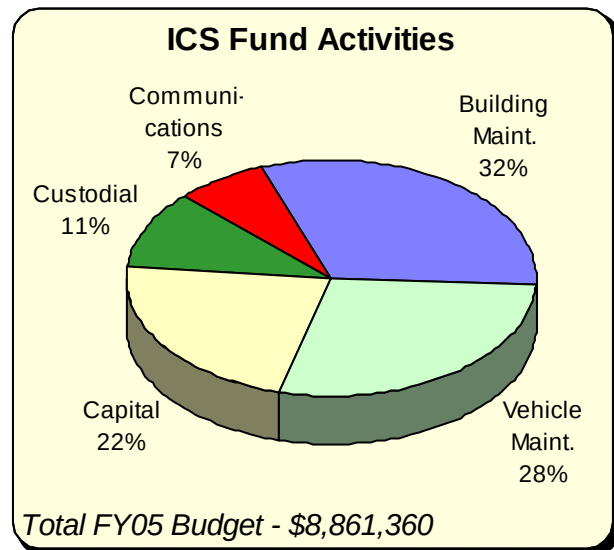
The chart on the previous page displays the various ICS Fund revenues for fiscal year 2005. Even with the addition of the Custodial Services and Communications Systems operations, the majority of the revenue is still generated from the Motor Pool and Facility Maintenance operations.

The building maintenance function operates on a work order system. Each job is tracked and billed to the customer department. Facilities maintenance staff handles repairs and call-out response. The planned maintenance program is handled almost exclusively by contract.

The Motor Pool charges an annual rental for each City vehicle in service. These rental payments are accumulated in a separate capital fund and used to replace vehicles in accordance with the City's vehicle replacement schedule. Each vehicle is also charged an annual maintenance fee, which covers all required maintenance and all repairs as needed. Since the maintenance charge is a flat annual fee, the ICS Fund can end up spending more on maintenance and repairs for individual vehicles than is recovered through the maintenance charge. On the whole however, sufficient funds are raised to keep the City's vehicles and equipment operating.

The chart on the right displays the ICS Fund expenses by program.

Overall, the ICS Fund continues to generate sufficient revenue to fund all operating expenses and a substantial vehicle replacement program.





FUND OVERVIEWS

Internal Service Funds

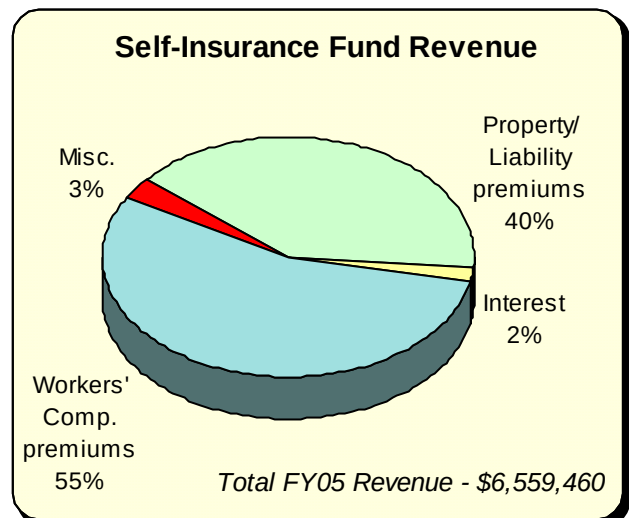
SELF-INSURANCE FUND

	Fiscal Year				
	2003 Actual	2004 Adopted Budget	2004 Amended Budget	2004 Projected Actual	2005 Adopted Budget
Revenue	\$ 6,213,695	\$ 6,349,792	\$ 6,349,792	\$ 6,349,792	\$ 6,559,460
Operating expenses	8,792,344	6,349,792	6,384,088	6,150,000	6,559,460
Net addition to (use of) reserves	<u>\$(2,578,649)</u>	<u>\$ -</u>	<u>\$ (34,296)</u>	<u>\$ 199,792</u>	<u>\$ -</u>

The City is partially self-insured for both workers' compensation and liability. The City's self-insured retention (deductible) for workers' compensation is \$750,000 per occurrence. A commercial excess workers' compensation policy provides additional coverage above the City's self-insured retention. For liability, the City is a member of the Authority of California Cities Excess Liability (ACCEL), a joint powers authority created to pool common municipal liability exposures such as general, automobile and public officials errors and omissions liability. There are currently a total of 11 California cities in ACCEL. Member entities share the cost of losses over an individual self-insured retention, and the City's self-insured retention is \$1 million per occurrence. Shared losses are capped at \$22 million. Because ACCEL is effectively a mutual insurance company, if the premiums the City pays are not needed to pay claims, they are returned to the City with interest, instead of becoming insurance company profits. Since the City has been in ACCEL, over \$6 million in premium rebates have been returned to the City. This is an excellent indication that, to date, ACCEL has been a major success.

Insurable property is covered for all risks by commercial policies with a pooled aggregate limit of \$750 million. Deductibles vary depending on peril and apply on a per occurrence basis. The City has separate limits of \$50 million per occurrence for both flood and earthquake. The City's property insurance is purchased through a consortium of over 4,000 public entities that pool their purchasing power in order to better manage costs. The City currently has declared insured property values totaling \$236 million.

The Self Insurance Fund acts as the City's own insurance company. As displayed in the chart on the right, the \$6.6 million of total revenue contained in the adopted fiscal year 2005 budget is divided between workers' compensation premiums (55%), property and liability premiums (40%), and interest income





FUND OVERVIEWS

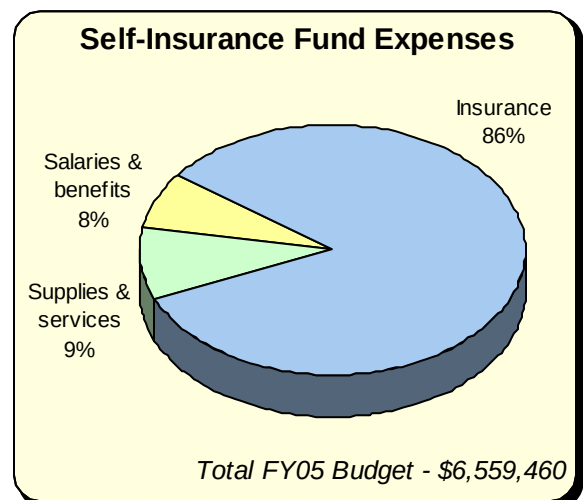
Internal Service Funds

(2%). As an internal service fund, the fund's revenue comes entirely from "premiums" charged to the City's other funds and departments for the coverage provided.

Like many entities, both public and private, the City has experienced dramatic increases in the cost for all lines of insurance over the last several years. In particular, both workers' compensation and property insurance costs have grown rapidly. As the table below indicates, as recently as fiscal year 2001, the total Self Insurance Fund "premiums" paid by the other City funds and departments totaled approximately \$2.9 million. This has grown to \$6.2 million in the adopted fiscal year 2005 budget. This is an increase of almost \$3.4 million, or 118%, in just the last four years. This represents over \$3 million that has been diverted from the actual programs and services provided by the City's departments to pay for increased insurance costs. And the premium increase only tells half the story. Over the same period, the City has had to accept significantly higher deductibles or premium increases would have been much larger. In the last four years, the City's deductible for workers' compensation has increased from \$300,000 to \$750,000 per occurrence and the property insurance deductible has increased from \$100,000 to \$2 million.

	Fiscal Year		FY 2005 Increase Over FY 2001	
	2001	2005		
	Actual	Recommended	Dollars	Percent
Workers' Compensation	\$ 1,724,316	\$ 3,599,460	\$ 1,875,144	109%
Property / Liability	1,136,795	2,650,000	\$ 1,513,205	133%
Total premiums	\$ 2,861,111	\$ 6,249,460	\$ 3,388,349	118%

Every two years, in conjunction with the budget development process, the City contracts for an actuarial study on its self-insurance programs. The actuarial study recommends both how much the City should have in its self-insurance reserves and how much the City should budget for claims expense for each of the next two years. The actuarial study is based upon a combination of the City's specific loss history and certain industry standards. It has been the City's experience over the years that the actuarial study, because of its conservative assumptions, generally over-estimates the amount needed by the City for annual claims expense. This is due to the generally conservative nature of the study and the fact that the City's loss experience continues to be better than public agency industry standards. Based upon this experience, the City has traditionally set the premiums charged to the City's various funds significantly lower than the actuarial study recommends. Despite an increase in the cost of workers' compensation claims over the last several years,





FUND OVERVIEWS

Internal Service Funds

this is once again true with the most recent actuarial study and the adopted fiscal year 2005 budget.

The chart on the preceding page displays the Self-Insurance Fund's expense budget by category. Insurance costs represent a full 86% of the budget. Insurance costs include premiums paid for commercial insurance (property insurance, for example), as well as the claims budget for the City's self-insured exposures such as liability and workers' compensation.

In addition to managing the City's insurance portfolio, staff from the Self-Insurance Fund also provides occupational safety services to the City's various departments. This includes a significant training program, as well as accident investigation and working with departments to minimize the City's exposure to liability. The fact that the City's claims experience consistently runs below the actuarial projections is a testament to the effectiveness of the City's risk management program.

In summary, the costs of insurance have risen dramatically in the last several years and staff does not anticipate any significant change in this trend in the immediate future. At best, a stabilization of the premium increases can be expected.

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CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

GENERAL FUND CAPITAL PROGRAM Project Title	
Leadbetter Beach Renovation <i>Parks and Recreation Department</i> <i>Install utility improvements for water, gas and electrical, replace irrigation system, re-grade the turf, improve the beach walk and parking lot drainage, and replace picnic pads, tables, barbeques and trash cans.</i> <i>FUNDING: Proposition 40 Grant</i>	\$436,603
Leaking Underground Fuel Tank Remediation <i>Public Works Department</i> <i>Remediation of leaking underground fuel tanks by finalizing the monitoring and abatement requirements at various city facilities.</i> <i>FUNDING: State grant</i>	226,400
Police Facility Carpet Replacement <i>Public Works Department</i> <i>Replace aging and worn carpet at the Police Department facility.</i> <i>FUNDING: General Fund reserves</i>	200,000
Police Lobby Expansion and Improvements Preliminary Design <i>Police Department</i> <i>Preliminary design work for the expansion and improvements to the Police Department facility public lobby area to improve employee safety, public access and the overall functionality of the space.</i> <i>FUNDING: General Fund reserves</i>	88,500
Sports Fence and Bleacher Replacement <i>Parks and Recreation Department</i> <i>Replace deteriorating fences at: Shoreline, Dwight Murphy, East Beach, Willowglen and Los Banos.</i> <i>FUNDING: Proposition 40 Grant</i>	65,000
Los Banos Pool Leak and Basement Wall Repairs <i>Parks and Recreation Department</i> <i>Investigate cause of pool leak and evaluate structural integrity of basement wall. Funding will be used to either make necessary repairs or provide construction design and cost estimate for repairs needed.</i> <i>FUNDING: Proposition 40 Grant</i>	60,000



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Park Maintenance Equipment Replacement <i>Parks and Recreation Department</i> <i>Replace worn out, heavily used park maintenance equipment.</i> <i>FUNDING: General Fund reserves</i>	58,000
Beach Lifeguard Tower Replacement <i>Parks and Recreation Department</i> <i>Replace aging wood towers with new cost-effective fiberglass towers that have a 20-year lifespan.</i> <i>FUNDING: Proposition 40 Grant</i>	\$58,000
ADA Accessibility Improvements <i>Public Works Department</i> <i>Evaluate and improve accessibility to City facilities, including installation of Braille signs, a portable ramp, an automated door and locks.</i> <i>FUNDING: General Fund reserves</i>	50,000
Sports Field and Tennis Lighting System <i>Parks and Recreation Department</i> <i>Design computerized lighting for 7 sports field complexes and 3 tennis facilities.</i> <i>FUNDING: General Fund reserves</i>	30,900
Los Banos Pool Discharge Connection <i>Parks and Recreation Department</i> <i>Connect wastewater lines from Los Banos and West Beach wading pool drains and filtration systems to the sewer system.</i> <i>FUNDING: Proposition 40 Grant</i>	25,000
Total General Fund Capital	\$1,298,403
INFORMATION SYSTEMS FUND	
Project Title	
Citywide Wireless Network <i>Install a wireless network in a variety of city facilities to increase efficiency of city operations and communications within the city.</i>	\$204,020
Business Improvement and Automation System <i>A technology tool that will allow staff to automate existing business procedures, including online payments and requests options, throughout the city to improve efficiency of city operations and reduce costs.</i>	65,000



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Web Streaming and On-Demand Video Technology <i>Install technology for live streaming and on-demand video and audio capability for meetings, presentations, trainings, and other information on city workstations via the city's data network.</i>	53,000
Total Information Systems Fund	\$322,020
STREETS CAPITAL PROGRAM	
Project Title	
Slurry Seal Program <i>Replace isolated sections of failed asphalt concrete and apply waterproof surface treatment on existing pavement with chips or slurry seals. This annual program is funded jointly with Streets Utility Users' Tax revenue and Measure D funds.</i> <i>FUNDING: Utility Users' Tax (\$551,927) and Transportation Sales Tax (\$1,198,864)</i>	\$1,750,791
Haley Bridge Construction at Mission Creek <i>Replace and widen bridge at Haley Street over Mission Creek.</i> <i>FUNDING: Utility Users' Tax (Streets Fund)</i>	677,000
Drainage System Improvements <i>Maintain, improve and construct drainage facilities as needed in various locations within the City. Fiscal year 2005 funding includes clearing Laguna Channel and tide gates.</i> <i>FUNDING: Transportation Sales Tax (Measure D)</i>	402,334
Sidewalk Infill Program <i>Allows for approximately 3,000 linear feet of sidewalks to be installed.</i> <i>FUNDING: Transportation Sales Tax (Measure D)</i>	337,666
Street Overlay Program <i>Perform pavement overlay and resurfacing as part of the city's annual Pavement Maintenance Program.</i> <i>FUNDING: Utility Users' Tax (Streets Fund)</i>	299,734
Sidewalk Maintenance and Access Ramps Program <i>Replace existing uplifted or depressed sidewalks due to tree root damage.</i> <i>FUNDING: Transportation Sales Tax (Measure D)</i>	295,457
Citywide Power Lines Replacement <i>Ongoing program to replace underground 6.6 KVA power lines.</i> <i>FUNDING: Utility Users' Tax (Streets Fund)</i>	240,000



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Streetlight Installation Program <i>Install and maintain streetlights and poles under the city's annual Streetlight Installation Program.</i> <i>FUNDING: Utility Users' Tax (Streets Fund)</i>	202,754
Streets Division Office Remodel <i>Provide required adequate space and consolidate Streets Division staff.</i> <i>FUNDING: Utility Users' Tax (Streets Fund)</i>	150,000
Goleta Transportation Improvement Plan <i>Five year financial support to Santa Barbara County for traffic improvements around Hollister Avenue and State Highways 17 and 101.</i> <i>FUNDING: Utility Users' Tax (Streets Fund)</i>	\$100,000
Traffic Safety and Capacity Improvement <i>Annual replacement program for traffic signals, intersections and signage at specific locations in the City.</i> <i>FUNDING: Transportation Sales Tax (Measure D)</i>	84,416
Streets Engineering <i>Provide ongoing engineering support to all Streets capital programs and projects, including surveying, R/W transactions, automated mapping updates.</i> <i>FUNDING: Utility Users' Tax (Streets Fund)</i>	75,000
Safe Routes to School <i>Install traffic calming devices Santa Barbara High and Santa Barbara Jr. High Schools.</i> <i>FUNDING: Transportation Development Funds</i>	55,000
Total Streets Capital Program	\$4,670,152
CREEKS RESTORATION AND WATER QUALITY IMPROVEMENT	
Arroyo Burro Estuary Restoration Project <i>Remove non-native species within the estuary and creek corridor and re-vegetate all disturbed areas.</i>	\$200,000
Las Positas Valley Restoration <i>Technical studies, preliminary design and environmental review for the restoration of the six-acre parcel adjacent to Arroyo Burro.</i>	125,000
Old Mission Creek – West Figueroa Wetland <i>Technical studies, preliminary design and environmental review to restore and enhance the wetland function of Old Mission Creek in the West Figueroa area.</i>	125,000



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Catch Basin Filters for Lower Westside Neighborhood <i>Design and install catch basin filters in the lower Westside neighborhood to reduce trash and other debris from being discharged into the harbor and ocean.</i>	50,000
Total Creeks Restoration & Water Quality Improvement	\$500,000
AIRPORT CAPITAL PROGRAM	
Project Title	
Airline Terminal Interim Space <i>Construct a modular 2,100 square foot building, with full infrastructure, site improvements, and landscaping, and convert an existing commuter ticket lobby into passenger holding rooms/gates.</i>	\$590,314
Construct 20 T-Hangars <i>Construct 20 T-hangars, including taxi lanes, sewer, water, electrical, storm drainage, lighting and markings.</i>	380,000
FBO (Fixed Base Operator) Relocation <i>Construct asphalt concrete and Portland cement concrete aircraft parking ramp. Construct new entrance roads and other infrastructure to support the relocation of Mercury Aviation.</i>	276,937
Building 255 West Wing Remodel <i>Install new carpet in main hall and entranceways, remodel men, women's and Patrol Division's locker rooms, replace HVAC for West Wing and office, and install new fixtures and electrical circuit for the break room.</i>	267,796
Door Replacement for Hangars <i>Retrofit the structural support systems and replace the main hangar doors for one hangar.</i>	160,000
Six Trash Enclosures <i>Construct six trash enclosures, including minor site work, paving and landscaping at various Airport buildings.</i>	139,220
Leased Building Maintenance for Lease Properties <i>Perform annual maintenance and improvements of leased facilities.</i>	125,000
Airline Terminal Long-Term Parking Lot Landscaping <i>Includes clearing and grubbing, landscaping, flat work and a small memorial monument to WWII Veterans.</i>	110,290
AOA Pavement Maintenance <i>Annual maintenance program for pavement to include crack sealing, slurry seal, overlay, and reconstruction.</i>	100,000
Street Resurfacing Program <i>Overlay and repair various Airport streets and parking lots.</i>	100,000



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Hazardous Materials Program <i>Perform follow-up monitoring and reporting on hazardous materials sites, as required, to ensure sites are clean and in compliance with County and State regulations.</i>	50,000
Airport Infrastructure <i>Annual maintenance program for Airport infrastructure to include water, sewer, and wastewater facilities repair and replacement.</i>	\$50,000
Total Airport Operating Fund Capital	\$2,349,557
AIRPORT GRANTS CAPITAL PROGRAM	
Project Title	
Runway 7-25 Safety Area Improvements (Phase III) <i>Continue Runway 7-25 Safety Area improvements, including extension and surface improvements to Runway 7-25, construction of safety shoulders, drainage for safety areas, relocations of approach lighting and markings, construction of new taxiway Q, relocation of Carneros and Tecolotito Creeks, and creation of 46.7 acres of wetland habitat.</i> <i>FUNDING: FAA Grant Capital</i>	\$6,000,000
Taxiway M and Associated Taxiway Improvements (Phase I) <i>Design and construct a new north-south taxiway extending from the westerly portion of Taxiway E to the approach end of runway 15R-33L to correct runway incursion incidents.</i> <i>FUNDING: FAA Grant Capital</i>	2,381,001
North Taxiway B Relocation (Phase II) <i>Relocate northern portion of Taxiway B, from Taxiway A north to Taxiway C, to correct runway incursion incidents and eliminate non-standard taxiway access, and make associated taxiway improvements.</i> <i>FUNDING: FAA Grant Capital</i>	313,499
Total Airport Grants Capital Program	\$8,694,500
DOWNTOWN PARKING FUND	
Project Title	
Downtown Parking Staff Office <i>Install Communications Link to Parking Lot 6 and office equipment for new work spaces.</i>	\$350,000
Downtown Parking Lot Maintenance <i>Perform ongoing maintenance in the Downtown Parking Lots, including paint, slurry seals, and landscaping.</i>	295,002



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Total Downtown Parking Fund Capital	\$645,002
GOLF FUND Project Title	
Golf Course Improvement Projects <i>Re-build tees and greens, repair and add cart paths, and make other course improvements under the multi-year Golf Course Improvement Plan.</i>	\$162,222
Power Turf Equipment <i>Purchase power turf equipment to replace existing equipment.</i>	90,000
Total Golf Fund Capital	\$252,222
INTRA-CITY SERVICES FUND Project Title	
General Fund Replacement Program <i>Annual replacement of Fleet Vehicles scheduled for replacement based upon completion of their assigned life cycle.</i>	\$1,114,782
Enterprise Fund Vehicle Replacement Program <i>Annual replacement of Fleet Vehicles scheduled for replacement based upon completion of their assigned life cycle.</i>	824,633
Building Maintenance Office Expansion <i>Complete construction of an addition to the Building Maintenance Administration building.</i>	25,000
Building Maintenance Work Order Program <i>Complete upgrade to Building Maintenance Work Order program and add Asset Management Module.</i>	25,000
Total Intra-City Services Fund Capital	\$1,989,415
WASTEWATER FUND Project Title	
El Estero Treatment Plant Maintenance Program <i>Rehabilitate or replace major equipment, electrical systems, wiring and SCADA equipment at the El Estero Treatment facility.</i>	\$715,000
San Marcos Lift Station Rehabilitation and Replacement Project <i>Eliminate or replace San Marcos Lift Station and construct infrastructure, if appropriate, to connect to the Goleta Sanitary District system.</i>	650,000



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Lift Station Maintenance Program <i>Annual program of capital maintenance projects to keep the City's wastewater lift stations fully operational.</i>	80,000
Wetlands Restoration <i>Ongoing project to restore and enhance drain habitat adjacent to wastewater treatment plant.</i>	75,000
Total Wastewater Fund Capital	\$1,520,000
WATER FUND	
Project Title	
Groundwater Supply Program <i>Projects include baseline well system component maintenance, pilot testing and design for the rehabilitation of the Ortega Groundwater Treatment Plant, installation of a new well at Santa Barbara High School, and rehabilitation of the City Hall well.</i>	\$2,503,000
Pump Station Rehabilitation <i>Baseline annual facility and equipment maintenance and repair funding. This funding includes the Campanil Pump Station upgrade project.</i>	589,000
Distribution Reservoir Program <i>Annual program developed to fund maintenance, rehabilitation and replacement of major equipments and facilities at the City's fourteen reservoirs and Gibraltar Dam.</i>	419,000
Water Treatment Plant Equipment Rehabilitation <i>Baseline annual facility and equipment maintenance and repair at Cater Water Treatment facility.</i>	342,000
City Facilities Retrofit <i>Water conservation retrofits of City facilities, recycled water baseline maintenance, and recycled water filtration facility maintenance.</i>	250,000
Metron Meter Installation Program <i>Continuation of high efficiency Metron water meter installation program.</i>	250,000
Escondido Reservoir Replacement <i>Design funding for roof replacement project.</i>	200,000
Total Water Fund Capital	\$4,553,000
WATERFRONT FUND	
Project Title	
Breakwater Repairs <i>Repair failing sections of the breakwater cement sidewalk and parapet.</i>	\$370,000



CAPITAL PROGRAM

Capital Budget for Fiscal Year 2005

Stearns Wharf – Annual Repair Program <i>Annual Stearns Wharf pile driving and timber replacement program.</i>	300,000
Marina Maintenance Annual Repair Program <i>Annual maintenance activities focused on Waterfront equipment.</i>	250,000
Waterfront Office Construction <i>Construction costs for the Waterfront Administration Offices project.</i>	175,000
Parking Improvements <i>Perform preventative maintenance on the Waterfront parking lots to preserve wearing surfaces.</i>	50,000
Fish Float 2 – Structure and Repair <i>Remove and repair Fish Float 2 structure and gangway.</i>	35,000
Upgrade Electrical Marina 1 Transformers/Conduit <i>Replace existing conduit with continuous conduit in Marina 1.</i>	25,000
West Beach Dredging <i>Re-dredge West Beach under the mandate of the Harbor Master Plan.</i>	10,000
Total Waterfront Fund Capital	\$1,215,000
Total Capital	\$28,009,271

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DEPARTMENT SUMMARY

Administrative Services

Provide effective support services that encompass preparing the official city record, conducting elections, and providing human resources and information system services.

About Administrative Services

The Administrative Services Department consists of four programs: City Clerk, Human Resources, Desktop Information Systems and Financial Information Systems. The Department provides important services to over 1,000 city employees and the community.

The City Clerk provides answers to questions from the public regarding city services and maintains the official city council meeting minutes and records.

Human Resources recruits employees, develops policies and administers benefit programs.

Information Systems programs provide technical, maintenance and user support for over 650 desktop computers and a financial management system.



Fiscal Year 2005 Budget Highlights

Information Systems will improve internal access to the City's Financial Management System by providing web based reporting and inquiry via the City's Intranet.

Information Systems will implement a redesigned Internet website with the primary emphasis on ease of use for locating information and services from the City.

Human Resources will publish a new Benefits Policy Manual.



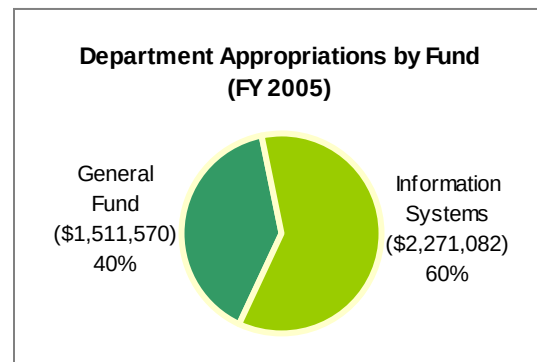
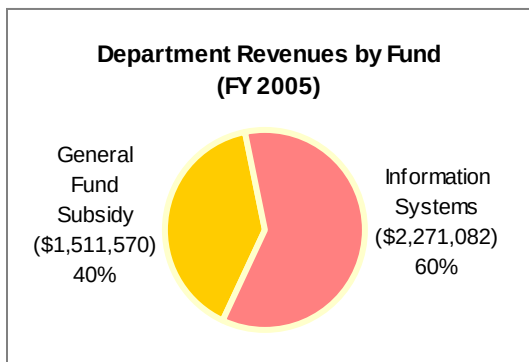
DEPARTMENT SUMMARY

Administrative Services

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	28.90	28.30	28.30	27.30
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	-	1,759,387	1,759,387	1,956,353
Interfund Reimbursements	40,000	150,000	150,000	314,729
Other	20,440	-	-	-
General Fund Subsidy	2,659,446	1,761,857	1,783,361	1,511,570
Total Department Revenue	\$ 2,719,886	\$ 3,671,244	\$ 3,692,748	\$ 3,782,652
Expenditures				
Salaries and Benefits	2,058,013	2,190,273	2,231,404	2,312,009
Supplies and Services	614,768	912,066	894,066	842,731
Special Projects	45,711	315,339	300,000	45,000
Non-Capital Equipment	1,394	273,164	23,474	206,698
Equipment Capital	-	-	-	322,020
Appropriated Reserve	-	11,795	-	54,194
Total Department Expenditures	\$ 2,719,886	\$ 3,702,636	\$ 3,448,944	\$ 3,782,652

Department Fund Composition

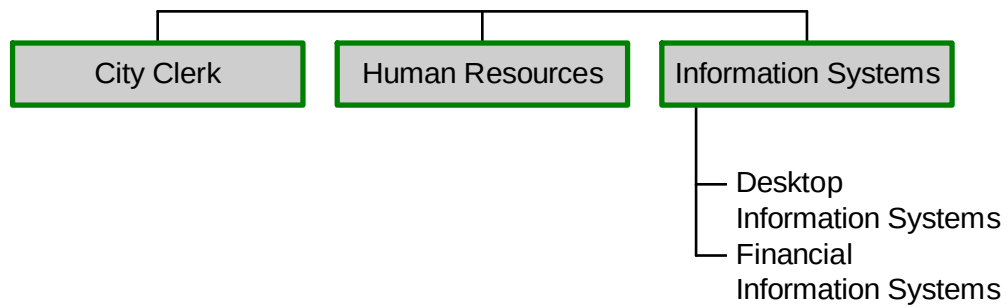




DEPARTMENT SUMMARY

Administrative Services

Organizational Program Chart



PROGRAMS & SERVICES

ADMINISTRATIVE SERVICES PROGRAMS

➤ City Clerk

Human Resources

Desktop Information
Systems

Financial Information
Systems



RECENT PROGRAM ACHIEVEMENTS

City Clerk's Office implemented an electronic agenda management system making Council/Redevelopment Agency agenda packets available on the Internet/Intranet.

City Clerk's Office

(Program No. 1521)

Mission Statement

Ensure the integrity and preservation of the City Council's record, coordinate citywide records management policies and procedures, and connect residents with their government by providing information in a courteous and timely manner.

Program Activities

- Prepare agendas and minutes for all regular weekly City Council and Redevelopment Agency meetings and periodic adjourned and special meetings.
- Process City Council approved ordinances, resolutions, agreements, contracts, and deeds and certify the administrative record of Council actions.
- Publish Municipal Code updates.
- Coordinate the Records Management Program.
- Administer municipal elections.
- Oversee compliance with the Political Reform Act as it relates to filing of Campaign Statements and Statements of Economic Interests.
- Coordinate the recruitment and appointment process for City advisory groups.
- Provide public information services.

Objectives for Fiscal Year 2005

- Complete 100% of customer service requests within 2 working days or by the requested deadline.
- Maintain 90% timely filing rate for Statements of Economic Interests.
- Publish agendas and minutes for all Council and Redevelopment Agency regular, special and adjourned meetings, as legally required.
- Process City Council approved ordinances, resolutions, agreements, contracts and deeds as legally and administratively required. Certify the administrative record of Council actions as requested.
- Coordinate the recruitment and appointment process for City advisory groups, including an orientation and training session.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	8.00	6.00	6.00	5.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	573,926	743,453	852,963	478,638
Other	20,140	-	-	-
Total Revenue	\$ 594,066	\$ 743,453	\$ 852,963	\$ 478,638
Expenditures				
Salaries and Benefits	470,269	407,975	452,824	382,018
Supplies and Services	78,086	100,139	100,139	96,620
Special Projects	45,711	235,339	300,000	-
Total Expenditures	\$ 594,066	\$ 743,453	\$ 852,963	\$ 478,638

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of customer service requests completed within 2 working days or by the requested deadline	100%	100%	100%
Customer service requests completed	800	600	600
Percent of timely filings of Statements of Economic Interests	90%	90%	90%
Filings of Statements of Economic Interests	400	400	400
Council agenda items and related documents processed	1050	900	900
Pages of Council/RDA minutes accurately prepared within 5 working days and presented for Council/RDA approval	800	600	600
Staff hours spent in support of 29 City advisory groups composed of 202 members	300	300	300

PROGRAMS & SERVICES

ADMINISTRATIVE SERVICES PROGRAMS

City Clerk

➤ Human Resources

Desktop Information
Systems

Financial Information
Systems



RECENT PROGRAM ACHIEVEMENTS

City offered Care Council, a new employee advocacy service related to health issues, and an online benefits enrollments system, which made the Open Enrollment process easier for employees.

Human Resources

(Program No. 1531, 1533)

Mission Statement

Develop effective policies and assist departments in the recruitment, development, and retention of quality employees in order for the City to provide a high standard of service to the community.

Program Activities

- Provide a centralized program of personnel administration for over 1,000 permanent employees.
- Provide guidance and personnel related information to employees and departments.
- Establish job descriptions and compensation levels for 360 classifications.
- Recruit, test, and certify applicants for City positions.
- Coordinate and assist departments on disciplinary actions, performance issues, and complaints.
- Administer employee benefit programs including health insurance, life insurance, long and short-term disability, deferred compensation and retirement.
- Administer leave programs and track employees who are on a leave of absence.
- Conduct monthly new employee orientation program.
- Coordinate City-sponsored training programs.
- Provide staff support to the Civil Service Commission.

Objectives for Fiscal Year 2005

- Ensure that City supervisors and managers complete 90% of employee performance evaluations on time.
- Provide 95% of classification recommendations to the requesting department within 45 working days of receiving the completed Position Description Form from the department.
- Complete 100% of benefit enrollment processing for new employees within 30 calendar days of employee's hiring date.
- Complete internal (promotional) recruitments within an average of 44 working days.
- Complete external (open) recruitments within an average of 59 working days.

Objectives for Fiscal Year 2005(continued)

- Hold quarterly training updates with department representatives on pertinent issues related to Human Resources, such as Family Medical Leave Act, Catastrophic Leave, Personal Action Forms (PAFs) etc.
- Update Benefits Policies Manual by December 31, 2004.
- Select a life insurance carrier and make a recommendation to Council by December 31, 2004.
- Complete processing of the Open Enrollment changes for calendar year 2005, by January 31, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	8.60	9.50	9.50	9.50
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	771,576	1,018,404	930,398	1,032,932
Other	300	-	-	-
Total Revenue	\$ 771,876	\$ 1,018,404	\$ 930,398	\$ 1,032,932
Expenditures				
Salaries and Benefits	617,566	694,906	694,900	753,565
Supplies and Services	154,310	243,498	235,498	234,367
Special Projects	-	80,000	-	45,000
Total Expenditures	\$ 771,876	\$ 1,018,404	\$ 930,398	\$ 1,032,932

PROGRAMS & SERVICES

Human Resources

Continued

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Applications processed	1,500	1,200	1,200
Recruitments conducted	60	65	60
Total employees (regular & temporary) hired	300	350	350
Regular employee turnover	6%	6%	6%
Average number of working days to complete external recruitment	59	59	59
Average number of working days to complete promotional recruitment	44	44	44
Personnel actions, such as new hires, promotions, resignations, merit increases, etc., processed by HR staff	3,000	3,000	3,000
Percent of evaluations completed on time	90%	90%	90%
Percent of new employees' benefit paperwork completed on time/total number of new employees hired	n/a	100%	99%
Classification recommendations completed	15	15	15
Open Enrollment benefit changes processed	2,000	2,000	2,000

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PROGRAMS & SERVICES

ADMINISTRATIVE SERVICES PROGRAMS

City Clerk

Human Resources

➤ **Desktop Information
Systems**

Financial Information
Systems



RECENT PROGRAM ACHIEVEMENTS

Upgraded and consolidated the City email application. Implemented Microsoft Active Directory services for all City workstations. Converted to a managed switched network.

Desktop Information Systems

(Program No. 1541)

Mission Statement

Provide technical leadership, maintenance, and user support for computing and networking services to City staff to enhance the quality and effectiveness of City operations.

Program Activities

- Operate and maintain the City's 11 Local Area Networks.
- Provide maintenance and support to over 650 desktop computers.
- Establish and maintain standards for hardware and software.
- Coordinate the City's computer training program.
- Establish standards and provide oversight of the City's Web page.
- Operate, maintain and insure the reliable operation of the citywide Intranet.
- Maintain a plan of future goals and projects.
- Perform systems analysis, system integration, and system implementation.

Objectives for Fiscal Year 2005

- Resolve 87% of Help Desk phone call requests at time of call and 92% within 1 business day.
- Resolve 98% of Out of Service requests, rated as Critical, within 1 business day.
- Maintain an uptime of 99.8% on the City's Wide Area Network and critical file and application servers.
- Ensure 92% of employees report the training provided will result in improvements in their ability to use desktop applications.
- Install and implement Microsoft Office 2003 suite on all desktop workstations by December 2004.
- Implement managed and automated software and anti-virus distribution to all desktop workstations by December 2004.
- Implement a network demilitarized zone (DMZ), also known as an isolated network segment for providing services to untrusted systems, and a fail-over firewall for improved network security by June 2005.
- Investigate and implement secure wireless networking at a selected City facility to provide "proof of concept" and technology improvements.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	8.80	9.30	9.30	9.30
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	-	1,354,132	1,354,132	1,504,084
Interfund Reimbursements	23,500	150,000	150,000	314,729
General Fund Subsidy	931,886	-	-	-
Total Revenue	\$ 955,386	\$ 1,504,132	\$ 1,504,132	\$ 1,818,813
Expenditures				
Salaries and Benefits	667,281	768,283	765,209	836,797
Supplies and Services	288,105	442,710	437,710	417,006
Non-Capital Equipment	-	273,164	23,474	205,948
Capital Program	-	-	-	322,020
Appropriated Reserve	-	11,795	-	37,042
Total Expenditures	\$ 955,386	\$ 1,495,951	\$ 1,226,393	\$ 1,818,813

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Help Desk phone call requests resolved:			
At time of call	85%	89%	87%
Within one business day	90%	94%	92%
Percent of Critical Out of Service requests resolved in 1business day.	95%	100%	98%
Percent of uptime of the City's network and critical servers	99.8%	99.8%	99.8%
Percent of employees reporting the training provided will result in improvements in their ability to use desktop applications	85%	97%	92%
Help Desk calls taken	8,208	8,600	8,600
Out of Service requests received	336	280	300
Non-Help Desk requests for assistance received	294	210	210
Training enrollments (City workshops and vendor provided)	880	526	526
Workstations supported per Information Systems FTE	68.3	69	70

PROGRAMS & SERVICES

ADMINISTRATIVE SERVICES PROGRAMS

City Clerk

Human Resources

Desktop Information
Systems

➤ **Financial Information
Systems**



RECENT PROGRAM ACHIEVEMENTS

Automated the employee benefit enrollment process and began a project to extend the life of the City's Financial Management System (FMS).

Financial Information Systems

(Program No. 1542)

Mission Statement

Provide financial management systems and related services to City staff and their customers, to maintain data integrity and enable financial accountability and compliance with financial standards.

Program Activities

- Support 17 applications on the Financial Management System (FMS).
- Provide a secure environment for information and computer systems.
- Provide maintenance and support to the FMS and its customers.
- Provide systems analysis, software development, and training services.
- Perform reporting services and data exportation to support the analysis and inquiry needs of City staff.
- Provide consulting services to all departments from researching business problems to implementing solutions.
- Maintain a plan of future goals and projects.

Objectives for Fiscal Year 2005

- Maintain an uptime of 99.8% on the central computer system supporting the FMS.
- Maintain a 90% customer satisfaction rating on service requests.
- Complete 98% of urgent requests to export data or generate special reports within 1 business day.
- Create an Information Technology Plan in support of citywide technology projects proposed for fiscal year 2006.
- Implement a Decision Support System that will initially provide access to 3 financial management system modules and applications.
- Implement a centralized Maintenance Management System that will provide service request and work order management.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.50	3.50	3.50	3.50
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	-	405,255	405,255	452,269
Interfund Reimbursements	16,500	-	-	-
General Fund Subsidy	382,058	-	-	-
Total Revenue	\$ 398,558	\$ 405,255	\$ 405,255	\$ 452,269
Expenditures				
Salaries and Benefits	302,898	319,109	318,471	339,629
Supplies and Services	94,267	125,719	120,719	94,738
Non-Capital Equipment	1,394	-	-	750
Appropriated Reserve	-	-	-	17,152
Total Expenditures	\$ 398,558	\$ 444,828	\$ 439,190	\$ 452,269

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent uptime on the central computer system supporting the Financial Management System	99.8%	99.8%	99.8%
Percent of customers surveyed reporting a satisfactory rating on services received	85%	90%	90%
Percent of urgent requests to export data or generate special reports completed within 1 business day.	95%	100%	98%
Application program errors fixed, number of requests for general assistance, and data changes completed	153	153	153
Major application improvement requests completed	15	15	15
Total application improvement requests completed	72	108	108
Requests for reports and data exports completed	159	112	112
Financial Management System users supported per program FTE	n/a	n/a	107

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DEPARTMENT SUMMARY

Airport

Provide the region with a safe, modern, convenient gateway to the national air transportation system, offering a full complement of airside and landside services. Use our diverse pool of resources wisely, ensuring the airport's financial viability, and showcasing the airport as a good neighbor, a vital, integral, responsive part of the community and a steward for the environment.

About Airport

Santa Barbara Municipal Airport is the busiest commercial service airport on the California coast between San Jose and Los Angeles and has been owned and operated by the City since 1941. The mission of the Airport Department is to provide the community with facilities necessary for access to the National Air Transportation System, to provide property management and maintenance services for the leased business/industrial facilities on the Airport, and to provide fiscal management of airport funding sources to sustain the Airport as a self-sufficient entity and a vital economic contributor to the community.

The Airport is composed of 950 acres: 400 acres are wetlands (Goleta Slough Ecological Reserve) and 95 acres have been established as the Airport's commercial/industrial area. The Airport is located approximately 10 miles from downtown Santa Barbara and neighbors the City of Goleta and the University of California. The primary market area for the Airport encompasses Santa Barbara County.

The Airport is self-supporting and receives no local tax dollars for its operations. The revenues generated by the Airport are from tenant rents and user fees. These revenues are spent on Airport operations, maintenance, and capital/major construction projects as required by federal law. The Federal Aviation Administration (FAA) provides grant funding for capital improvements.

Fiscal Year 2005 Budget Highlights

The Airport Department will:

- Finalize design of the airfield safety projects.
- Complete the program criteria document for the Airline Terminal project.
- Maintain Airport economic self-sufficiency.



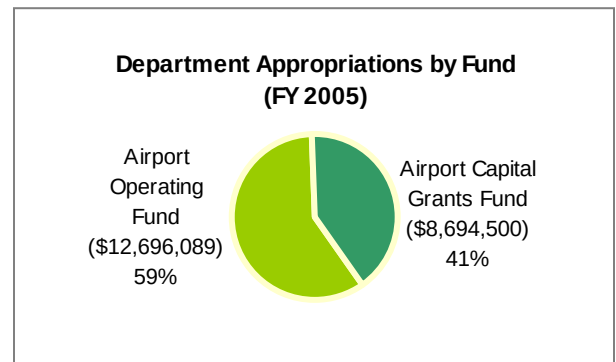
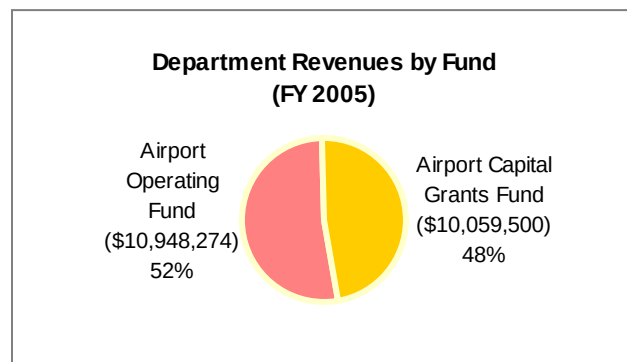
DEPARTMENT SUMMARY

Airport

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	50.00	50.00	50.00	50.00
Non-Permanent Employee Hours	n/a	n/a	na	3,164
Revenues				
Fees and Service Charges	11,664	10,000	4,600	5,000
Lease Income	9,818,504	9,317,277	10,609,371	10,400,808
Interest Income	474,716	451,000	424,980	366,553
Intergovernmental (Grants)	607,746	11,233,127	11,248,891	8,885,413
Passenger Facility Charges	1,763,289	2,034,391	2,034,000	1,300,000
Other	182,614	44,000	32,872	50,000
Total Department Revenue	\$ 12,858,532	\$ 23,089,795	\$ 24,354,714	\$ 21,007,774
Expenditures				
Salaries and Benefits	3,190,633	3,439,366	3,321,166	3,679,075
Supplies and Services	5,043,403	5,751,837	5,086,770	5,945,615
Special Projects	205,727	159,731	45,523	330,755
Non-Capital Equipment	90,442	63,150	56,500	140,560
Capital Equipment	89,471	30,496	8,102	35,000
Transfer Out	-	-	-	30,823
Appropriated Reserve	-	303,561	20,000	184,704
Total Operating Expenditures	\$ 8,619,676	\$ 9,748,141	\$ 8,538,061	\$ 10,346,532
Capital Program	1,186,216	11,696,174	1,397,206	11,044,057
Total Department Expenditures	\$ 9,805,892	\$ 21,444,315	\$ 9,935,267	\$ 21,390,589
Addition to (Use of) Reserves	\$ 3,052,640	\$ 1,645,480	\$ 14,419,447	\$ (382,815)

Department Fund Composition

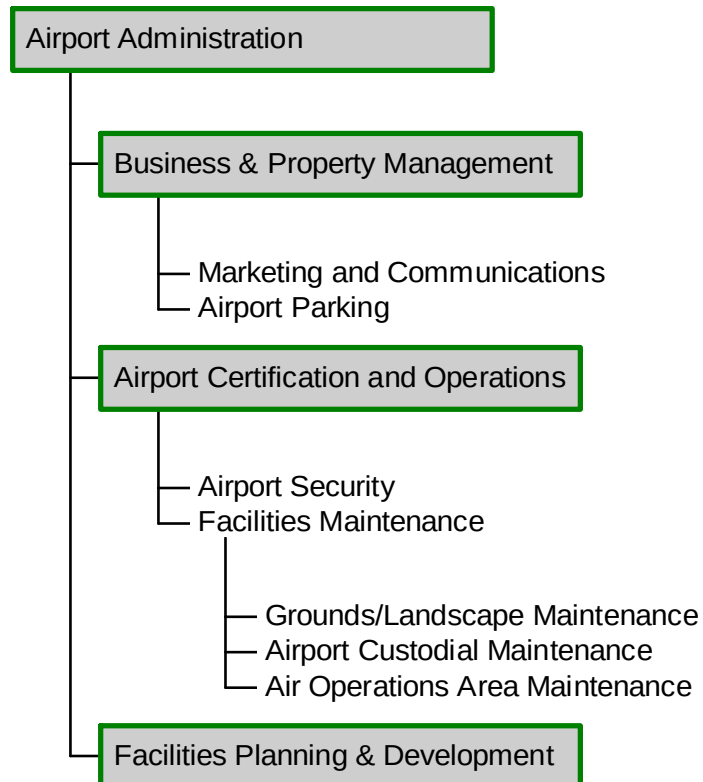




DEPARTMENT SUMMARY

Airport

Program Organizational Chart



PROGRAMS & SERVICES

AIRPORT PROGRAMS

➤ Administration

Business and Property
Management

Marketing and
Communications

Facilities Maintenance

Air Operations Area
Maintenance

Airport Security

Airport Certification and
Operations

Facility Planning and
Development



RECENT PROGRAM ACHIEVEMENTS

Airport received all discretionary approvals for construction of the Aviation Facilities Plan – Airfield Safety Project.

Passengers using Santa Barbara Airport increased by 3.4% in 2003, to 752,762.

Administration

(Program No. 7411)

Mission Statement

Provide vision and leadership to Airport Department programs to provide the region with a safe, modern, and convenient gateway to the national air transportation system.

Program Activities

- Oversee management of all operating divisions within the Department.
- Implement City policies established by City Administrator and City Council.
- Develop procedures, rules, and regulations for Airport operations.
- Provide primary staff support to Airport Commission.

Objectives for Fiscal Year 2005

- Accomplish 90% of the department program objectives.
- Begin final design of the Terminal Project.
- Begin construction of the Airfield Safety Projects.
- Begin construction of the T-Hanger project.
- Begin construction of the Commuter Facility.
- Complete construction for the Tidal Circulation Experiment.
- Complete construction for the Security Access Control System Upgrade.
- Establish Airline Terminal project advisory committees.
- Develop objectives and guiding principles for the Airline Terminal financing program governing documents.
- Conduct a passenger survey to identify important service and facility features to include in the Airline Terminal design.
- Produce an annual Integrated Pest Management report that demonstrates the Airport's least toxic pest control efforts and summarizes pesticide use.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.25	3.25	3.25	3.25
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Interest Income	474,716	451,000	424,980	366,553
Passenger Facility Charges	1,763,289	2,034,391	2,034,000	1,300,000
Intergovernmental (Grants)	301,691	11,063,627	11,063,000	8,694,500
Other	131,071	-	-	-
Total Revenue	\$ 2,670,767	\$ 13,549,018	\$ 13,521,980	\$ 10,361,053
Expenditures				
Salaries and Benefits	323,600	335,990	326,000	363,620
Supplies and Services	1,154,974	1,044,016	934,733	1,075,584
Non-Capital Equipment	59,292	5,000	5,000	32,700
Transfer Out	-	-	-	30,823
Appropriated Reserve	-	303,561	20,000	184,704
Total Operating Expenditures	1,537,866	1,688,567	1,285,733	1,687,431
Capital Program	293,886	11,111,174	166,728	8,694,500
Total Expenditures	\$ 1,831,752	\$ 12,799,741	\$ 1,452,461	\$ 10,381,931
Addition to (Use of) Reserves	\$ 839,015	\$ 749,277	\$ 12,069,519	\$ (20,878)

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of department objectives achieved	90%	90%	90%
Total annual passengers	735,500	750,000	765,000
Annual aircraft operations for airlines and general aviation	n/a	152,500	155,000
Annual tons of airfreight	2,825	3,000	3,200
OSHA lost work hours	90	500	< 200
Average hours of training per employee	n/a	n/a	48

PROGRAMS & SERVICES

AIRPORT PROGRAMS

- Administration
- **Business and Property Management**
- Marketing and Communications
- Facilities Maintenance
- Air Operations Area Maintenance
- Airport Security
- Airport Certification and Operations
- Facility Planning and Development



RECENT PROGRAM ACHIEVEMENTS

Food and beverage services expanded at the airline terminal on January 1, 2004 when Creative Host Inc. opened new restaurant "Creative Croissants/Freshens Smoothies" in the Airline Terminal lobby.

Business and Property Management

(Program Nos. 7412, 7414)

Mission Statement

Manage fixed assets to insure the Airport's economic self-sufficiency, and maintain a strong financial position through prudent fiscal management practices.

Program Activities

- Manage the Airport's commercial and industrial properties and aviation uses and activities.
- Insure the Airport's economic self-sufficiency through full use and occupancy of Airport facilities.
- Monitor Airport property leases for compliance.
- Supervise the accounting and financial management functions of the Department.
- Administer the management contract for the public parking facilities at the Airline Terminal.

Objectives for Fiscal Year 2005

- Maintain airline cost per enplaned passenger with the maximum not to exceed the median rate of the 6 benchmark airports.
- Deposit a minimum of 5% of operating expenses into capital account.
- Maintain annual lease revenue at \$3,800,000 through effective management of commercial and industrial lease assets.
- Collect 97% of base rents by due date in lease.
- Audit 10 percentage rent leases to ensure percentage rentals received are in compliance with lease terms.
- Implement a comprehensive Tenant Utility User Fee to more fully recover Airport costs associated with providing utilities for tenants.
- Update the long-term financial plan for implementation of Aviation Facilities Plan projects by October 1, 2004.
- Ensure fair market rental rates by reviewing 100% of rates annually.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.75	3.75	3.75	3.75
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Lease Income	8,422,903	7,730,977	8,954,015	8,616,658
Fees and Service Charges	11,664	10,000	4,600	5,000
Other	51,543	44,000	32,872	50,000
Total Revenue	\$ 8,486,109	\$ 7,784,977	\$ 8,991,487	\$ 8,671,658
Expenditures				
Salaries and Benefits	245,465	267,051	259,000	296,078
Supplies and Services	751,328	756,563	840,000	613,393
Special Projects	-	-	-	311,755
Non-Capital Equipment	634	3,000	3,000	15,500
Equipment Capital	1,102	-	-	-
Total Expenditures	\$ 998,529	\$ 1,026,614	\$ 1,102,000	\$ 1,236,726
Addition to (Use of) Reserves	\$ 7,487,580	\$ 6,758,363	\$ 7,889,487	\$ 7,434,932

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Airline airport facility lease and landing fees per enplaned passenger	< \$4.26	< \$3.85	< \$5.58
Percent of operating expenses deposited into capital account (\$ amount)	5%	13%	5%
Lease revenue	n/a	\$3,911,755	\$3,800,000
Percent of base rents collected by due date	97%	97%	97%
Percentage rent leases audited	10%	10%	10%
Land leased in square feet	3,741,494	3,973,654	4,010,873
Land space occupancy rate	96%	96%	95%
Building space leased in square feet	340,694	352,395	365,372
Building space occupancy rate	95%	95%	95%
Agreements managed	130	135	130

PROGRAMS & SERVICES

AIRPORT PROGRAMS

Administration

Business and Property
Management

➤ **Marketing and
Communications**

Facilities Maintenance

Air Operations Area
Maintenance

Airport Security

Airport Certification and
Operations

Facility Planning and
Development



RECENT PROGRAM ACHIEVEMENTS

Acquired 3 new non-stop jet routes – Portland, Seattle & Dallas/Fort Worth. Aviation education outreach efforts reached 9,860 local students through Visitor Center tours and programs in fiscal year 2003.

Marketing and Communications

(Program No. 7413)

Mission Statement

Plan and implement comprehensive marketing and communications projects to increase local traveler awareness of Santa Barbara Airport air transportation services, and work with national airline corporations to preserve existing service and attract new service.

Program Activities

- Develop and implement air service strategic plans to sustain and improve air service levels.
- Enhance awareness of Airport projects and services while encouraging and maintaining community goodwill through public information, aviation education and economic development activities.
- Develop information for media communications regarding Airport programs and operations.

Objectives for Fiscal Year 2005

- Capture at least 55% of the regional (San Luis Obispo, Santa Maria, Santa Barbara and Oxnard Airports) air service market share based on number of daily departures.
- Maintain a 90% rate of news releases that elicit coverage by at least 1 media format.
- Achieve a 70% satisfaction rating of air service options available at Santa Barbara Airport.
- Educate 7,500 pre-school through 12th grade students through the Airport's Aviation Education Program.
- Complete a survey of area residents to identify factors that lead to "leakage" of potential Santa Barbara Airport customers to other air service markets and customer satisfaction levels.
- Communicate with airline corporate headquarters to enhance air service and airfare parity, and promote air service through various media, as detailed in the air service strategic plan goals.
- Maintain a dialog with the local business and tourism industries about local air service options through distribution of bi-monthly airfare comparison memos and ongoing communications with the Santa Barbara Conference and Visitor's Bureau.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.50	1.50	1.50	1.50
Non-Permanent Employee Hours	n/a	n/a	n/a	1,040
Expenditures				
Salaries and Benefits	110,258	114,074	121,357	138,224
Supplies and Services	167,736	190,908	149,204	235,124
Special Projects	11,451	15,250	15,000	19,000
Non-Capital Equipment	634	3,200	3,200	14,600
Total Expenditures	\$ 290,079	\$ 323,432	\$ 288,761	\$ 406,948

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Regional (tri-county) air service market share	50%	60%	55%
Percent of news releases eliciting media coverage	80%	90%	90%
Percent rating of air service options as satisfactory	n/a	n/a	70%
Website visitors	180,000	200,000	200,000
Students participating in Aviation Education	7,500	7,500	7,500

PROGRAMS & SERVICES

AIRPORT PROGRAMS

Administration

Business and Property
Management

Marketing and
Communications

➤ **Facilities Maintenance**

Air Operations Area
Maintenance

Airport Security

Airport Certification and
Operations

Facility Planning and
Development



Facilities Maintenance

(Program Nos. 7421, 7422, 7424)

Mission Statement

Provide airport tenants and the public with well-maintained facilities and infrastructure through an efficient and effective facilities maintenance program.

Program Activities

- Provide 24-hour maintenance service for 56 Airport buildings, as well as Airport water mains, fire hydrants, sewer mains, manholes, and road and parking areas.
- Inspect and maintain one tidal gate to prevent flooding.
- Perform custodial services for the Airline Terminal Complex and rental car offices.
- Maintain landscaped areas at leased properties, roadway medians and Love Park on Airport property, including planting, mowing, weed abatement, and rodent control.
- Maintain Airport buildings, infrastructure and grounds to minimize unit costs.

Objectives for Fiscal Year 2005

- Complete 80% of all work orders by the established target date.
- Maintain 85% customer satisfaction rating for the Airline Terminal facilities cleanliness.
- Maintain tenant satisfaction rating for maintenance services.

RECENT PROGRAM ACHIEVEMENTS

Completed evaluation
of the maintenance
cost tracking system.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	16.03	16.03	16.03	15.88
Non-Permanent Employee Hours	n/a	n/a	n/a	408
Expenditures				
Salaries and Benefits	871,363	973,294	892,916	1,009,687
Supplies and Services	1,062,198	1,298,269	1,033,787	1,608,886
Special Projects	168,224	113,958	-	-
Non-Capital Equipment	211	5,500	8,600	30,000
Total Operating Expenditures	\$ 2,101,996	\$ 2,391,021	\$ 1,935,303	\$ 2,648,573
Capital Program	892,330	585,000	1,230,478	2,349,557
Total Expenditures	\$ 2,994,326	\$ 2,976,021	\$ 3,165,781	\$ 4,998,130

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of work orders completed by established target date.	80%	80%	80%
Percent of customers satisfied with cleanliness of Airline Terminal facilities	n/a	n/a	85%
Percent of tenants satisfied with maintenance services	n/a	n/a	80%
Total cost per square foot for building maintenance	\$1.80	\$1.80	\$2.50
Cost per passenger for Terminal custodial services	\$0.55	\$0.55	\$0.55
Cost per acre of landscape maintenance services	\$4,110	\$5,900	\$4,562
Water and sewer system maintenance cost per lineal foot	\$0.66	\$0.92	\$0.92
Work orders completed	1,650	1,800	1,650
Buildings maintained	59	56	57
Work related injuries	3	1	≤ 1

PROGRAMS & SERVICES

AIRPORT PROGRAMS

Administration

Business and Property
Management

Marketing and
Communications

Facilities Maintenance

➤ **Air Operations Area
Maintenance**

Airport Security

Airport Certification and
Operations

Facility Planning and
Development



RECENT PROGRAM ACHIEVEMENTS

Purchased pavement
striping machine and
began in-house
painting of runway and
taxiway markings.

Air Operations Area Maintenance

(Program No. 7423)

Mission Statement

Maintain Air Operations Area in compliance with applicable regulations, through an efficient and effective maintenance program.

Program Activities

- Inspect, maintain and repair 5.6 million square feet of Airfield Operations Area (AOA) pavement (runways/taxiways/ramp), pavement markings, lighting and signage.
- Comply with Airport certification requirements relating to airfield grading, mowing of safety areas and rodent control.

Objectives for Fiscal Year 2005

- Achieve 100% compliance with Federal Air Regulations (FAR) Part 139 airfield maintenance requirements.
- Complete 95% of Airfield Operations Area (AOA) maintenance work orders generated as a result of daily airfield safety inspections within 24 hours of receiving report.
- Complete 90% of all work orders by the established target dates.
- Implement new quarterly air carrier ramp cleaning program.
- Implement new maintenance management system software.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	5.90	5.90	5.90	5.90
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Salaries and Benefits	367,684	392,932	377,247	412,344
Supplies and Services	256,301	307,589	286,266	226,710
Non-Capital Equipment	1,064	-	-	6,000
Capital Equipment	81,127	27,335	5,102	-
Total Expenditures	\$ 706,176	\$ 727,856	\$ 668,615	\$ 645,054

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Compliance with FAR Part 139 airfield maintenance regulations	100%	100%	100%
Percent of AOA work orders resulting from airfield safety inspections completed within 24 hours of receipt	95%	95%	95%
Percent of work orders completed by established target date	90%	90%	90%
Total AOA maintenance cost per acre	\$385	\$385	\$428
AOA work orders completed	525	525	535
Total acres of unpaved airfield surface maintained	311	311	311
Work related injuries	2	1	≤ 1

PROGRAMS & SERVICES

AIRPORT PROGRAMS

Administration

Business and Property
Management

Marketing and
Communications

Facilities Maintenance

Air Operations Area
Maintenance

➤ **Airport Security**

Airport Certification and
Operations

Facility Planning and
Development



RECENT PROGRAM ACHIEVEMENTS

Officers responded to calls for service that resulted in 11 cite and release arrests, completions of 130 field contact cards, 81 crime incident reports and 4 aircraft incident reports.

Airport Security

(Program No. 7431)

Mission Statement

Provide a secure environment for the traveling public, airlines, Airport tenants, and citizens by providing essential security services in a timely manner and in compliance with Transportation Security Administration regulations.

Program Activities

- Provide Airport Patrol Officers to comply with Transportation Security Administration (TSA) airport security regulations regarding security inspections, security access control and FAA required Airfield Inspection Program.
- Provide 24-hour roving security patrol of Airport industrial properties and provide peak hour vehicular traffic control at the Airline Terminal.

Objectives for Fiscal Year 2004

- Respond to 100% of calls for service from security checkpoints within 5 minutes, as required by the Transportation Security Administration (TSA).
- Respond to 100% of reports of unauthorized persons in most sensitive security areas within 5 minutes of the unauthorized person being reported.
- Conduct 100% of the Airport perimeter inspections required by Transportation Security Administration (TSA) regulations.
- Respond to 100% of reports of unauthorized persons in the Airfield Operations Area (AOA).
- Respond to 95% of non-emergency calls from airlines, other airport tenants, airport patrons, or any other person on the airport within 15 minutes of the call being received.
- Implement new security procedures as required by the Transportation Security Administration (TSA).

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	15.33	15.33	15.33	15.33
Non-Permanent Employee Hours	n/a	n/a	n/a	1,716
Expenditures				
Salaries and Benefits	993,475	1,003,458	1,007,914	1,068,373
Supplies and Services	137,624	468,011	139,000	186,441
Non-Capital Equipment	3,774	14,800	6,000	11,700
Capital Equipment	7,242	3,161	3,000	35,000
Total Expenditures	\$ 1,142,115	\$ 1,489,430	\$ 1,155,914	\$ 1,301,514

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of responses to security checkpoint calls within 5 minutes	n/a	100%	100%
Percent response to reports of unauthorized persons in the Security Identification Display Area within 5 minutes	100%	100%	100%
Percent of law enforcement responses to reports of unauthorized persons in the AOA	100%	100%	100%
Emergency calls received	n/a	52	60
Percent of responses to non-emergency calls within 15 minutes	85%	100%	95%
Non-emergency calls received	n/a	3,586	4,000
Access control system alarms	55,000	43,588	45,000
Airfield safety inspections	1,140	1,134	1,095
Percent compliance with TSA perimeter security inspection requirements	100%	100%	100%

PROGRAMS & SERVICES

AIRPORT PROGRAMS

Administration

Business and Property
Management

Marketing and
Communications

Facilities Maintenance

Air Operations Area
Maintenance

Airport Security

➤ **Airport Certification and
Operations**

Facility Planning and
Development



RECENT PROGRAM ACHIEVEMENTS

Developed new noise
contours for the Airport.

Airport Certification and Operations

(Program No. 7441)

Mission Statement

Operate Airport pursuant to safety guidelines as outlined in Federal Aviation Regulation (FAR) Part 139 and minimize noise impacts of Airport operations on the communities surrounding the Airport, by promoting noise abatement procedures.

Program Activities

- Assure compliance with FAA airport certification mandates which govern airports served by commercial air carriers.
- Provide emergency planning and response which includes Aircraft Rescue and Firefighting (ARFF) services and other safety requirements.
- Minimize adverse impacts of aircraft noise on communities around the Airport through pilot education and other noise abatement programs.
- Administer the Storm Water Pollution Prevention Plan as part of the Airport's National Pollution Discharge Elimination System (NPDES) Storm Water Discharge Permit.

Objectives for Fiscal Year 2005

- Promote a safe Airport by achieving 95% compliance with FAR Part 139 Airport Certification Requirements.
- Ensure the safe condition of the airfield by achieving 100% compliance with FAR Part 139 daily airfield inspection requirements.
- Respond to 90% of periodic emergency response drills within Federal Aviation Administration (FAA) required time parameters.
- Host at least 9 Noise Abatement Committee meetings.
- Correspond with 100% of aircraft operators who failed to comply with noise abatement procedures, in which a noise complaint resulted.
- Begin implementation of approved FAR Part 150 study noise mitigation recommendations that fall under the purview of the Airport department.
- Implement enhanced Noise Abatement Outreach Program.
- Plan and coordinate Live Airport Emergency Plan Exercise by December 2004.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.74	1.74	1.74	1.79
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Lease Income	1,395,601	1,586,300	1,655,356	1,784,150
Intergovernmental (Grants)	306,055	169,500	185,891	190,913
Total Revenue	\$ 1,701,656	\$ 1,755,800	\$ 1,841,247	\$ 1,975,063
Expenditures				
Salaries and Benefits	112,823	147,072	144,669	158,684
Supplies and Services	1,215,547	1,338,373	1,396,388	1,645,292
Non-Capital Equipment	18,318	23,700	23,700	17,100
Total Expenditures	\$ 1,346,688	\$ 1,509,145	\$ 1,564,757	\$ 1,821,076
Addition to (Use of) Reserves	\$ 354,968	\$ 246,655	\$ 276,490	\$ 153,987

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent compliance on annual Federal Airport Certification Inspections	100%	100%	95%
Percent compliance with Certification Manual daily airfield inspection requirements	100%	100%	100%
Percent of Aircraft Rescue and Firefighting drill responses completed within time requirements	90%	90%	90%
Noise Abatement Committee meetings hosted	9	9	9
Percent of aircraft owners notified regarding failure to use noise abatement procedures when possible	100%	100%	100%
Noise complaints received	610	610	610

PROGRAMS & SERVICES

AIRPORT PROGRAMS

Administration

Business and Property
Management

Marketing and
Communications

Facilities Maintenance

Air Operations Area
Maintenance

Airport Security

Airport Certification and
Operations

➤ **Facility Planning and
Development**



Facility Planning and Development

(Program No. 7451)

Mission

Plan, design, permit and construct buildings and infrastructure in a timely and cost-effective manner to provide the region with a safe, modern, and convenient airport.

Program Activities

- Implement the Aviation Facilities Plan.
- Implement the Airport's Capital Improvement Program.
- Provide engineering and other technical services for project design and construction, including cost estimating, to support the preparation of FAA grant applications.
- Obtain all necessary project permits and procure all reports and studies necessary for project approvals.
- Coordinate with regulatory agencies including negotiating project conditions.
- Maintain compliance with environmental regulations and project conditions.

Objectives for Fiscal Year 2005

- Achieve 75% on-time completion of Capital Improvement Program (CIP) and Aviation Facilities Plan (AFP) annual project milestones.
- Achieve 95% compliance with permit conditions of approval pertaining to project development, environmental monitoring, and maintenance activities.
- Achieve total annual construction contract bid averages within 10% of the total engineer's estimates for the 30% complete design packages.
- Limit the total annual value of construction change orders on CIP and AFP projects to less than 7% of the total value of construction contracts awarded.
- Update building and airfield pavement Geographic Information System (GIS) files for implementation of property management, engineering, and facilities maintenance applications.

RECENT PROGRAM ACHIEVEMENTS

The California Coastal Commission approved the Coastal Development Permit for development of the Airfield Safety Projects.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.50	2.50	2.50	2.60
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Salaries and Benefits	165,965	205,495	192,063	232,065
Supplies and Services	297,695	348,108	307,392	354,185
Special Projects	26,052	30,523	30,523	-
Non-Capital Equipment	6,515	7,950	7,000	12,960
Total Expenditures	\$ 496,227	\$ 592,076	\$ 536,978	\$ 599,210

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent on-time completion of Capital Improvement Program and Aviation Facilities Plan project annual milestones	75%	90%	75%
Percent compliance with permit conditions of approval pertaining to project development, environmental monitoring, and maintenance activities	95%	100%	95%
Total value of CIP, AFP and non-CIP construction contracts awarded as a percentage of the total value of the preliminary design estimates	10%	< 5%	+/- 10%
Total change order cost as a percentage of awarded contract value	7%	3%	< 7%
Total estimated value of projects in active design and construction	\$92,000,000	\$91,700,000	\$93,000,000
Total number of projects under active planning, design, construction, and monitoring	14	14	18

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DEPARTMENT SUMMARY

City Administrator's Office

Responsible for the overall management and administration of the City of Santa Barbara, based upon the City Charter and the policy direction provided by the City Council.

About City Administrator's Office

The City Administrator's Office is composed of three programs: Administration, City TV (Channel 18), and Employee Relations.

Administration provides for the management of all affairs of City government and services, direct control of the administrative branch of City government, and oversight of and direction to departments.

City TV is responsible for producing all public information programming on the city's government access cable television station, Channel 18, including City Council and various board and commission meetings and Inside Santa Barbara.

The Employee Relations program works with over 1,000 full- and part-time employees and their respective labor associations, regarding employee relations, contract negotiations, and current employee policies.



Fiscal Year 2005 Budget Highlights

The City Administrator's Office will be engaged in labor negotiations, staff development, and neighborhood improvement.

Labor negotiations will involve five labor groups. A new employee development and training program will be expanded to help all employees refresh their skills and prepare them for advancement in the organization. Neighborhood improvements will be made with an overall goal to systematically and routinely correct and prevent neighborhood problems.



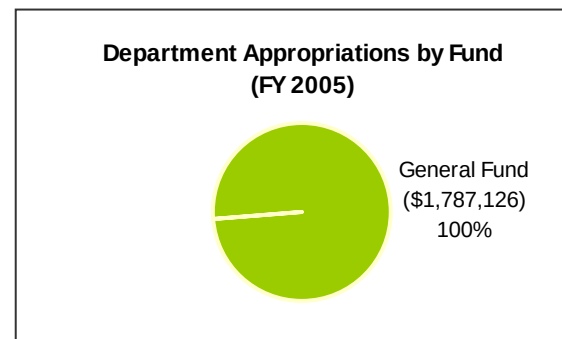
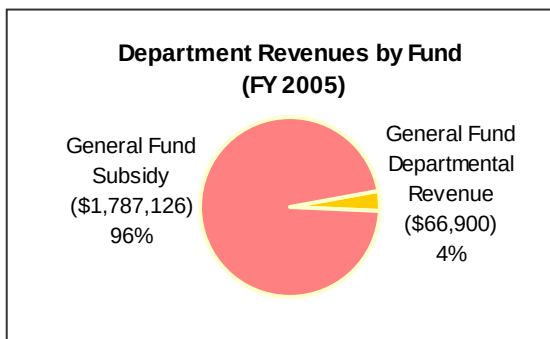
DEPARTMENT SUMMARY

City Administrator's Office

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	11.40	11.40	11.40	11.20
Non-Permanent Employee Hours	n/a	n/a	n/a	3,500
Revenues				
Capital Equipment Grant	35,000	35,000	35,000	35,000
Interfund Reimbursements	-	-	-	24,600
Other	-	6,540	8,690	7,300
General Fund Subsidy	1,593,574	1,796,116	1,716,380	1,713,746
Total Department Revenue	\$ 1,628,574	\$ 1,837,656	\$ 1,760,070	\$ 1,780,646
Expenditures				
Salaries and Benefits	1,315,400	1,289,178	1,287,528	1,368,693
Supplies and Services	259,507	467,392	415,242	351,433
Special Projects	1,815	44,300	24,300	29,000
Non-Capital Equipment	51,852	48,046	38,000	38,000
Total Department Expenditures	\$ 1,628,574	\$ 1,848,916	\$ 1,765,070	\$ 1,787,126

Department Fund Composition

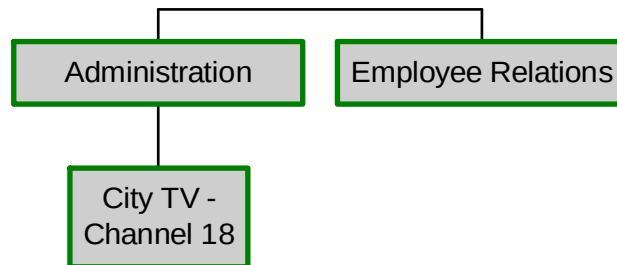




DEPARTMENT SUMMARY

City Administrator's Office

Program Organizational Chart



PROGRAMS & SERVICES

CITY ADMINISTRATOR PROGRAMS

➤ Administration

Employee Relations

City TV – Channel 18



RECENT PROGRAM ACHIEVEMENTS

The Learning for Excellence and Achievement Program (LEAP), an employee training and development program, was implemented in all departments for managers and supervisors.

Administration

(Program No. 1311)

Mission Statement

Provide leadership, direction, and oversight to City departments to accomplish goals and objectives approved by the City Council, in accordance with the City Charter.

Program Activities

- Manage operations in ten City departments with approximately 1,000 full- and part-time employees.
- Assist the Mayor and Council in strategic planning efforts, policy development, and implementation.
- Coordinate internal and external communication efforts.
- Coordinate a performance management program in all City programs.
- Coordinate an employee training and development program to promote organizational learning and increase effectiveness.
- Coordinate legislative advocacy and intergovernmental relations.
- Provide support to the Ordinance Committee, Committee on Legislation and the Committee on Youth and Children.

Objectives for Fiscal Year 2005

- Ensure that City departments achieve 80% of program objectives.
- Ensure that 95% of citizen service requests are referred to departments within 8 work hours.
- Present a balanced budget for fiscal year 2006 for Council consideration by May 2005, in accordance with Council policy.
- Review program status reports on a quarterly basis and submit program status reports to Council on a biannual basis through the performance management program.
- Expand the Learning for Excellence and Achievement Program (LEAP), an employee training and development program, to include all employees.
- Hold Council work sessions to help Council Members prioritize goals and receive updates on high priority projects.
- Prepare a legislative platform for Council adoption that provides the foundation for legislative advocacy efforts.
- Prepare and deliver the State of the City Report by March 2005.
- Issue City Administrator Reports to communicate with Council, Boards, and Commissions and maintain frequent communication with City employees, particularly on significant budget issues.
- Coordinate the implementation of the City's Neighborhood Improvement Program.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	8.15	8.15	8.15	8.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	1,160,394	1,225,016	1,157,016	1,222,184
Total Revenue	\$ 1,160,394	\$ 1,225,016	\$ 1,157,016	\$ 1,222,184
Expenditures				
Salaries and Benefits	1,019,846	952,837	952,837	999,131
Supplies and Services	137,824	227,879	179,879	194,053
Special Projects	1,815	44,300	24,300	29,000
Non-Capital Equipment	909	-	-	-
Total Expenditures	\$ 1,160,394	\$ 1,225,016	\$ 1,157,016	\$ 1,222,184

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Staff recommendations forwarded to Council	750	700	700
Percent of citizen service requests referred to departments within 8 working hours	95%	92%	95%
Percent of City performance objectives achieved	80%	80%	80%
Citizen service requests received	160	120	120

PROGRAMS & SERVICES

CITY ADMINISTRATOR PROGRAMS

Administration

➤ **Employee Relations**

City TV – Channel 18



RECENT PROGRAM ACHIEVEMENTS

Held a training class to teach managers to conduct effective fact-finding investigations related to complaints under the Non-discrimination and Harassment Policy.

Employee Relations

(Program No. 1312)

Mission Statement

Negotiate labor agreements, implement workplace policies, and resolve issues in ways that create positive employer-employee relations.

Program Activities

- Negotiate and administer labor contracts with 7 employee bargaining groups: Police, Fire, General, Treatment and Patrol, Temporaries, Supervisors, and Police Managers.
- Work with employees, employee representatives, and unions to resolve employee issues, including discrimination and harassment complaints and grievances.
- Review, update, and ensure compliance with workplace policies.
- Promote positive employee and employer relations.

Objectives for Fiscal Year 2005

- Conclude ongoing labor negotiations with Fire and Police Associations in accordance with Council parameters
- Negotiate a labor agreement with the General Employees bargaining unit, S.E.I.U. Local 620, in accordance with Council parameters.
- Negotiate a labor agreement with the Treatment and Patrol Employees bargaining unit, S.E.I.U. Local 620, in accordance with Council parameters.
- Negotiate a labor agreement with Supervisory Employees Association in accordance with Council parameters.
- Develop an Employment Law Refresher/Update workshop for all managers and supervisors, including a discrimination and harassment review, and present it as part of the LEAP Training Program Legal Awareness Series.
- Customize the City College Introduction to Employment Law class for City Managers and Supervisors as part of the LEAP Training Super Series.
- Research and prepare a recommendation on the development of a modern, comprehensive system of guidelines and procedures for responding to and resolving workplace conflicts and complaints.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.25	1.25	1.25	1.20
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	149,432	272,252	272,252	206,255
Total Revenue	\$ 149,432	\$ 272,252	\$ 272,252	\$ 206,255
Expenditures				
Salaries and Benefits	115,148	141,713	141,713	149,878
Supplies and Services	34,284	130,539	130,539	56,377
Total Expenditures	\$ 149,432	\$ 272,252	\$ 272,252	\$ 206,255

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Discrimination and harassment related active complaints	20	20	20
Formal grievances under labor agreements	4	2	4
Supervisor/Manager Employment Law Refresher trainings conducted	4	2	2
Labor contract negotiations completed	1	1	5

PROGRAMS & SERVICES

CITY ADMINISTRATOR PROGRAMS

Administration

Employee Relations

➤ City TV – Channel 18



RECENT PROGRAM ACHIEVEMENTS

City TV staff successfully restructured two professional services agreements for closed captioning and Spanish translation of City Council meetings resulting in a 33% reduction in costs.

City TV – Channel 18

(Program No. 1313)

Mission Statement

Produce informational videos and audio-visual presentations to inform and educate the public about City programs and services.

Program Activities

- Televisé public meetings, including City Council, Planning Commission, Historic Landmarks Commission, Architectural Board of Review, Transportation and Circulation Committee, Harbor Commission, Parks and Recreation Commission, Creeks Advisory Committee, and Airport Commission.
- Produce monthly news magazine show, Inside Santa Barbara.
- Produce monthly Spanish language show, Nuestra Ciudad.
- Provide videotape duplication services of City meetings to members of the public and staff.
- Maintain an electronic City Calendar to inform the public of City program information, City job opportunities, and non-profit organization events.

Objectives for Fiscal Year 2005

- Complete 95% of tape duplication requests within 3 business days.
- Complete 95% of department requests for video production services.
- Maintain 98.6% television broadcast system uptime out of 24 hours, 7 days per week.
- Conduct a statistically valid viewership survey to determine the percent of City cable subscribers that watch City TV programming, program preferences, and the demographics of the City TV audience by June 30, 2005.
- Improve the David Gebhard Room Audio System by replacing the current wireless microphones and developing a more user-friendly audio system for applicants to utilize.
- Implement a Public Service Announcement (PSA) development program with the assistance of the Staff Communications Committee by December 31, 2004.
- Develop a rate sheet for City TV production services by October 31, 2004.
- Develop a marketing plan for City TV to increase community awareness and viewership of the channel by June 30, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.00	2.00	2.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	3,500
Revenues				
Capital Equipment Grant	35,000	35,000	35,000	35,000
Interfund Reimbursements	-	11,260	5,000	24,600
Other	-	6,540	8,690	7,300
General Fund Subsidy	283,748	298,848	287,112	285,307
Total Revenue	\$ 318,748	\$ 351,648	\$ 335,802	\$ 352,207
Expenditures				
Salaries and Benefits	180,406	194,628	192,978	213,204
Supplies and Services	87,399	108,974	104,824	101,003
Non-Capital Equipment	50,943	48,046	38,000	38,000
Total Expenditures	\$ 318,748	\$ 351,648	\$ 335,802	\$ 352,207

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of videotape duplication requests completed for public and staff within 3 business days	95%	95%	95%
Percent of department video production requests completed	95%	100%	95%
Television broadcast system uptime	n/a	n/a	98.6%
Activity cost per hour of televising public meetings	\$135	\$133	\$135
Videotape/DVD duplications completed	300	328	300
Public meetings televised	180	186	180
First run televised meeting hours	600	628	600
Percent of total available airtime devoted to video programming	67%	52%	67%
City TV original productions	24	30	24

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DEPARTMENT SUMMARY

City Attorney

Provide correct, helpful, timely and cost-effective legal representation and advice to the City Council and City departments in matters of law pertaining to the functioning of the City.

About City Attorney

The City Attorney Department is responsible for representation and advice to the City Council, the Redevelopment Agency, Boards, Commissions and all City officers and staff in all matters of law pertaining to the City.

These responsibilities include, but are not limited to: attending City Council, Planning Commission and other board and commission meetings as needed; annually handling over one thousand opinion requests and other assignments involving necessary legal work; and weekly agenda preparation and review of items that come before City Council and Planning Commission. In addition, the office is responsible for all City code enforcement and litigation services.

The office is staffed by six attorneys (the City Attorney and five assistants) and 5 clerical staff, which function as a close team. Many assignments cross over into several departments (e.g., Public Works, Community Development, Risk Management, Parks and Recreation, Police and Fire departments). Attorneys work cooperatively on complex matters such as the negotiations for Airport property development, major land use, environmental and water law issues, and complex litigation.

Fiscal Year 2005 Budget Highlights

The City Attorney's Office will provide legal support to the City Council, City Administrator and departments in pursuit of their objectives, among other things:

- General Plan Update.
- Airport Aviation Facilities Plan.
- Granada Garage Construction.
- Code Enforcement.
- Zoning Law Revisions.
- Defenses of Litigation Claims and Prosecution of City Claims.
- Planning Issues.
- Employment Law Issues.



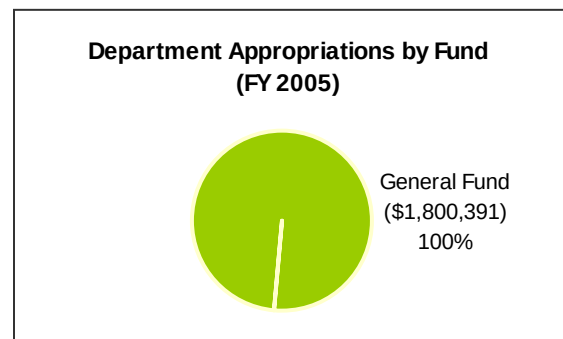
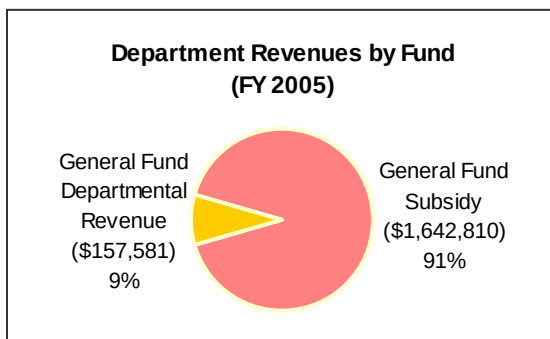
DEPARTMENT SUMMARY

City Attorney

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	12.00	12.00	12.00	12.00
Non-Permanent Employee Hours	n/a	n/a	n/a	832
Revenues				
Interfund Reimbursement	53,025	75,000	75,000	157,581
General Fund Subsidy	1,389,071	1,714,693	1,175,351	1,642,810
Other	10,088	-	73,893	-
Total Department Revenue	\$ 1,452,184	\$ 1,789,693	\$ 1,324,244	\$ 1,800,391
Expenditures				
Salaries and Benefits	1,133,049	1,266,514	1,197,656	1,404,805
Supplies and Services	318,607	523,179	126,588	395,586
Non-Capital Equipment	528	-	-	-
Total Department Expenditures	\$ 1,452,184	\$ 1,789,693	\$ 1,324,244	\$ 1,800,391

Department Fund Composition



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PROGRAMS & SERVICES

CITY ATTORNEY PROGRAM

➤ City Attorney



RECENT PROGRAM ACHIEVEMENTS

The City Attorney's Office continued to provide cost effective, legal services concerning all Redevelopment and City issues (i.e., water law, personnel issues, code enforcement, election matters, taxation and assessment issues, police litigation, etc.).

City Attorney

(Program No. 1211)

Mission Statement

Provide correct, helpful, timely and cost-effective legal representation and advice to the City Council and all City officers and staff in all matters of law pertaining to the functioning of the City.

Program Activities

- Represent and advise the City Council, the Redevelopment Agency, Boards, Commissions and all City officers in all matters of law pertaining to their offices.
- Attend all meetings of the City Council, and give advice or opinions orally or in writing whenever requested to do so by the City Council or by any of the commissions, boards or officers of the City.
- Represent and appear for the City in all actions or proceedings in which the City is concerned or is a party, and represent and appear for any City officer or employee, in all civil actions for any act arising out of his or her employment or by reasons of their official capacity.
- Prosecute on behalf of the people all criminal cases arising from violation of the provisions of the City Charter or of City ordinances.
- Approve the form of all City contracts and bonds issued by the City.
- Prepare proposed ordinances and City Council resolutions and related amendments.
- Perform such legal functions and duties pertaining to the execution of responsibilities mandated by the City Charter.

Objectives for Fiscal Year 2005

- Resolve 80% of all Code Enforcement referrals within 120 days of receipt of referral.
- Summarize all new State and Federal laws and regulations, which may impact the City and provide the summary to all Departments prior to March 31, 2005.
- Prepare instructional memos on various aspects of the following State laws regarding municipalities: the Brown Act, the Public Records Act, the Political Reform Act, Government Code Section 1090 et seq., CEQA, and Prop 218.
- Provide staff seminars on the requirements of the following state laws regarding municipalities: the Brown Act, the Public Records Act, the Political Reform Act, Government Code Section 1090 et seq., CEQA, and Prop 218.

Objectives for Fiscal Year 2005 (continued)

- Develop a standardized City contract format for the following contract situations: a. long-term leases (retail and non-retail situations), b. professional services contracts for State licensed professionals, c. professional services contracts for non-licensed professionals, d. utility franchises, e. grant agreements, f. loan agreements, g. affordability covenants.
- Work with Community Development and Public Works Land Development Team to develop various sets of standardized City conditions of approval for each of the different types of Title 28 Development Plan and other project approval situations.
- Provide legal advice and code enforcement staffing for the Neighborhood Improvement Task Force.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	12.50	11.50	11.50	12.00
Non-Permanent Employee Hours	n/a	n/a	n/a	832
Revenues				
Interfund Reimbursement	53,025	75,000	75,000	157,581
General Fund Subsidy	1,389,071	1,714,693	1,175,351	1,642,810
Other	\$ 10,088	\$ -	\$ 73,893	\$ -
Total Revenue	\$ 1,452,184	\$ 1,789,693	\$ 1,324,244	\$ 1,800,391
Expenditures				
Salaries and Benefits	1,133,049	1,266,514	1,197,656	1,404,805
Supplies and Services	318,607	523,179	126,588	395,586
Non-Capital Equipment	528	-	-	-
Total Expenditures	\$ 1,452,184	\$ 1,789,693	\$ 1,324,244	\$ 1,800,391

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of code enforcement referrals resolved within 120 days of referral	n/a	n/a	80%

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DEPARTMENT SUMMARY

Community Development

Assist the public in managing the development of the community in order to protect and preserve the quality of life, promote a sound economic base and appropriate design, and ensure safe construction, all in balance with the constraints of the City's environment and resources.

About Community Development

The Community Development Department is responsible for managing the development of the community. To accomplish this mission, the Department is divided into four functional divisions: Administration, Building and Safety, Housing and Redevelopment, and Planning.

Each division manages several programs consisting of policy formulation, economic vitality and redevelopment, inspections and enforcement, maintaining public health, safety and welfare, records management services, housing programs, home rehabilitation loans, allocation of Community Development Block Grant dollars, review of development plans, support to the Planning Commission, Architectural Board of Review, Historic Landmarks Commission, and Sign Committee, and long range planning with the community.



Fiscal Year 2005 Budget Highlights

The Planning Division will continue to work on priority housing policies and implementation of the Housing Element this fiscal year, as well as begin the process of updating the City's General Plan over the next five years. Staff continues to conduct historic structures and neighborhood surveys and consider ways to streamline the development review process with other Land Development Team divisions and review boards.

Housing Programs Staff will continue to encourage and assist the development of affordable rental and ownership housing, with an expanded scope to include middle income workers.



DEPARTMENT SUMMARY

Community Development

Department Financial and Staffing Summary

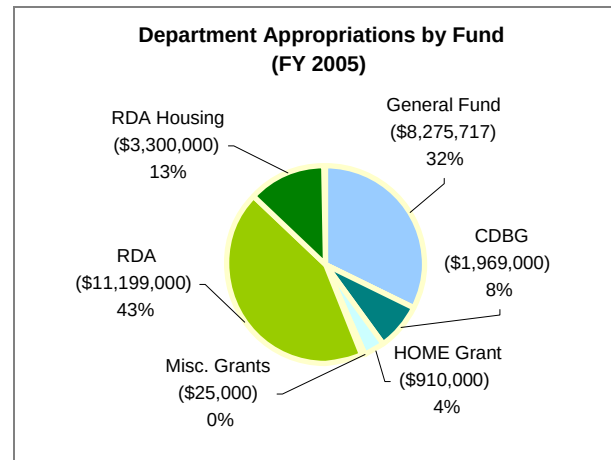
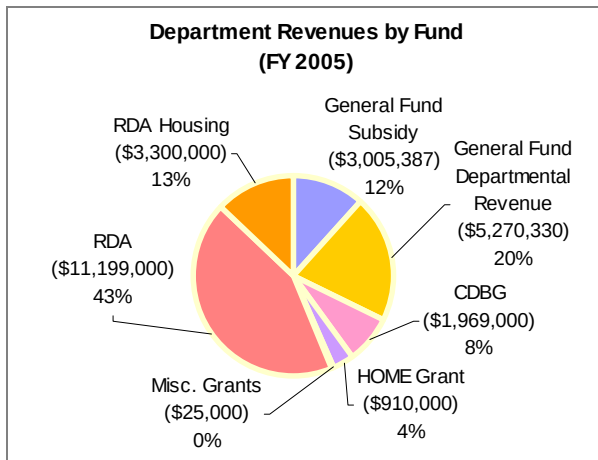
	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	86.10	82.10	83.60	84.80
Non-Permanent Employee Hours	n/a	n/a	n/a	4,000
Revenues				
Fees and Service Charges	3,313,681	3,262,379	3,779,298	4,086,005
Intergovernmental	2,470,427	2,596,746	2,608,250	2,816,946
Property Taxes	12,850,918	13,100,000	12,126,000	13,750,000
Interest Income	902,726	755,000	670,517	725,000
Interfund Reimbursements	120,592	917,115	917,115	1,004,488
Rents	24,000	24,000	24,000	24,000
Other	26,063	17,949	19,255	266,891
General Fund Subsidy	3,283,078	3,855,572	3,381,476	3,005,387
Total Department Revenue	\$ 22,991,485	\$ 24,528,761	\$ 23,525,911	\$ 25,678,717
Expenditures				
Salaries and Benefits	5,997,122	6,575,896	6,238,393	7,191,008
Supplies and Services	2,262,881	3,169,411	2,882,890	3,036,391
Special Projects	1,364,809	4,849,527	1,310,520	4,965,628
Transfers Out	-	-	-	52,952
Debt Service	8,315,320	8,260,000	7,230,000	8,300,000
Housing Loans and Grants	7,474,018	5,801,352	2,563,095	850,000
Human Services Grants	1,038,340	1,115,148	1,115,148	1,087,413
Non-Capital Equipment	43,736	64,300	58,268	49,608
Miscellaneous	21,886	21,500	11,500	119,682
Appropriated Reserve	-	84,250	-	26,035
Total Department Expenditures	\$ 26,518,112	\$ 29,941,384	\$ 21,409,814	\$ 25,678,717
Capital Program	1,582,416	36,775,810	1,142,640	-
Total Department Expenditures	\$ 28,100,528	\$ 66,717,193	\$ 22,552,454	\$ 25,678,717
Addition to (Use of) Reserves	\$ (5,109,043)	\$ (42,188,432)	\$ 973,457	\$ -



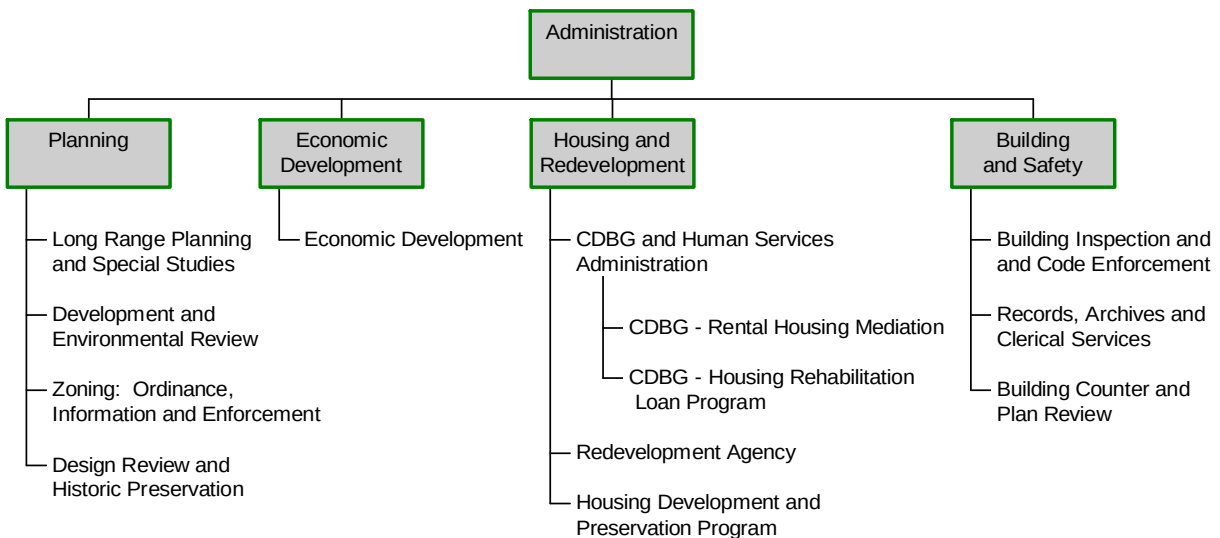
DEPARTMENT SUMMARY

Community Development

Department Fund Composition



Program Organizational Chart



PROGRAMS & SERVICES

COMMUNITY DEVELOPMENT PROGRAMS

➤ Administration

Economic Development
CDBG and Human Services
Administration
CDBG - Rental Housing
Mediation Task Force
CDBG - Housing
Rehabilitation Loan
Program
Redevelopment Agency
Housing Development and
Preservation Program
Long Range Planning and
Special Studies
Development /
Environmental Review
Zoning: Ordinance,
Information and
Enforcement
Design Review and Historic
Preservation
Building Inspection and
Code Enforcement
Records, Archives and
Clerical Services
Building Counter and Plan
Review



RECENT PROGRAM ACHIEVEMENTS

Assisted with a citywide fee study. Developed new policies based on information from the fee study and will be implementing those policies throughout fiscal year 2005.

Administration

(Program No. 2111)

Mission Statement

Provide leadership, policy direction, and support to the Community Development divisions in order to assist them in achieving their goals and objectives.

Program Activities

- Manage, administer, and support the Building and Safety, Housing & Redevelopment, and Planning divisions of the Community Development Department.
- Coordinate and implement programs to enhance community economic vitality.
- Assist City Administration with policy formulation and implementation of City Council direction.
- Provide illustration, computerized graphic support, and training to the divisions of the Community Development Department and other City departments upon request.
- Implement technological advancement for the Department (i.e., mapping, interactive web applications, project tracking, etc.).

Objectives for Fiscal Year 2005

- Ensure divisions meet 75% of their program objectives.
- Ensure all division budgets are within budget and that proper accounting procedures are followed.
- Prepare mid-year budget review for Fiscal Year 2005, and develop Fiscal Year 2006 budget, including all auxiliary items such as new fee schedules, revenue projections, line items, etc.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.54	3.40	3.40	3.42
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	424,294	409,881	415,290	414,844
Total Revenue	\$ 424,294	\$ 409,881	\$ 415,290	\$ 414,844
Expenditures				
Salaries and Benefits	336,971	281,000	292,341	319,586
Supplies and Services	72,056	124,395	118,463	90,433
Non-Capital Equipment	15,267	4,486	4,486	4,825
Total Expenditures	\$ 424,294	\$ 409,881	\$ 415,290	\$ 414,844

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of division program objectives achieved	85%	65%	75%
Percent of divisions within budget	100%	75%	100%

PROGRAMS & SERVICES

COMMUNITY DEVELOPMENT PROGRAMS

Administration

➤ Economic Development

CDBG and Human Services
Administration

CDBG - Rental Housing
Mediation Task Force

CDBG - Housing
Rehabilitation Loan
Program

Redevelopment Agency

Housing Development and
Preservation Program

Long Range Planning and
Special Studies

Development /
Environmental Review

Zoning: Ordinance,
Information and
Enforcement

Design Review and Historic
Preservation

Building Inspection and
Code Enforcement

Records, Archives and
Clerical Services

Building Counter and Plan
Review



RECENT PROGRAM ACHIEVEMENTS

Developed a Mayor's Economic Development Breakfast Program, which will meet minimally on a quarterly basis with different sectors of the business environment.

Economic Development

(Program No. 2112)

Mission Statement

Coordinate implementation of the City's Economic Development Plan and the City's response to economic development efforts in the community.

Program Activities

- Coordinate economic development planning and analysis with other City departments.
- Work with the Santa Barbara Region Economic Community Project, Chamber of Commerce, Downtown Organization, merchant groups, Metropolitan Transit District, and the County of Santa Barbara Economic Development Advisory Committee to implement projects and programs.
- Communicate and participate with stakeholders (Mayor, Councilmembers, staff, businesses, and individuals) to build consensus in the City's role in external economic development activities.
- Continue to evaluate the permitting and development process for efficiencies and effectiveness.

Objectives for Fiscal Year 2005

- Hold quarterly economic development meetings with Mayor and Council representatives and members of the business community to ensure retention and foster expansion.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.69	0.50	0.50	0.50
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	69,489	78,189	81,967	70,060
Total Revenue	\$ 69,489	\$ 78,189	\$ 81,967	\$ 70,060
Expenditures				
Salaries and Benefits	62,896	56,076	59,824	62,343
Supplies and Services	593	1,113	1,143	1,717
Special Projects	6,000	21,000	21,000	6,000
Total Expenditures	\$ 69,489	\$ 78,189	\$ 81,967	\$ 70,060

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Economic development meetings with the business community	4	4	4

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Administration

Economic Development

➤ **CDBG and Human Services
Administration**

CDBG - Rental Housing
Mediation Task Force

CDBG - Housing
Rehabilitation Loan
Program

Redevelopment Agency

Housing Development and
Preservation Program

Long Range Planning and
Special Studies

Development /
Environmental Review

Zoning: Ordinance,
Information and
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Design Review and Historic
Preservation

Building Inspection and
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Records, Archives and
Clerical Services

Building Counter and Plan
Review



RECENT PROGRAM ACHIEVEMENTS

Approximately \$2M of CDBG and City Human Services funds was utilized to serve approximately 35,000 clients through 50 different agencies monitored by CDBG and Human Services Administration.

CDBG and Human Services Administration

(Program Nos. 2121, 2124)

Mission Statement

Ensure that the Federal Community Development Block Grant (CDBG) and City General Fund Human Services programs meets the basic human needs of low-income individuals through non-profit human service agencies and the departments.

Program Activities

- Coordinate City Human Services funding process and contracts.
- Administer the Federal Community Development Block Grant (CDBG) Program and various State, County, and local grant programs.
- Work with citizens, community groups, and City Council to establish sound policies for allocating Human Service funds among various social services agencies serving the community, as well as allocating CDBG funds, meeting Federal requirements that benefit programs/projects for low and moderate-income persons.
- Provide Fair Housing Enforcement that includes investigation of reported cases of housing discrimination.

Objectives for Fiscal Year 2005

- Expend 95% of committed Human Services funds within the program year funds were committed.
- Provide technical support and project monitoring to agencies on an ongoing basis, so that 90% of agencies successfully complete funded goals annually.
- Provide staff support to the Community Development/Human Services Committee and applicants in the annual process of recommending funding commitments, resulting in less than 2% of all applicants appealing Committee recommendations to City Council.
- Develop, with public input, the Consolidated Annual Performance Evaluation CDBG and Annual Consolidated Plan and submit to HUD by May 15, 2005 and September 30, 2004 respectively.
- Comply with all federal CDBG regulations and deadlines, including submittal, documentation, and record keeping regarding administration of CDBG funds.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.03	1.62	1.62	1.62
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Intergovernmental	608,258	685,280	671,098	674,378
General Fund Subsidy	664,083	651,528	651,939	666,729
Total Revenue	\$ 1,272,341	\$ 1,336,808	\$ 1,323,037	\$ 1,341,107
Expenditures				
Salaries and Benefits	164,982	151,358	146,682	164,333
Supplies and Services	66,398	59,302	60,207	80,179
Human Services Grants	1,038,340	1,115,148	1,115,148	1,087,413
Non-Capital Equipment	2,621	1,000	1,000	1,000
Miscellaneous	-	10,000	-	8,182
Total Expenditures	\$ 1,272,341	\$ 1,336,808	\$ 1,323,037	\$ 1,341,107

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Human Services funds expended within the program year	95%	95%	95%
Percent of agencies successfully completing funded goals	90%	90%	90%
Percent of applicants appealing the funding decisions	< 2%	< 2%	< 2%
CDBG/Human Services grant applicants	56	55	55
CDBG/Human Services grant recipients	45	45	45

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RECENT PROGRAM ACHIEVEMENTS

The Rental Housing
Mediation Task Force
served 3,105 clients
providing them with
information on rental
rights and responsibilities.

CDBG - Rental Housing Mediation Task Force

(Program No. 2122)

Mission Statement

Provide mediation services and information on landlord and tenant rights and responsibilities to help resolve rental-housing disputes.

Program Activities

- Resolve rental-housing disputes through the provision of basic housing law information and mediation services.
- Educate tenants and landlords about their rights and responsibilities.

Objectives for Fiscal Year 2005

- Successfully mediate 75% of all disputes brought to mediation.
- Provide outreach and education on rental housing rights and responsibilities through 10 presentations to tenant, landlord, and community groups.
- Provide 2,900 residents with information and mediation services.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.00	2.00	2.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	2,000
Revenues				
Intergovernmental	163,505	191,935	187,600	201,587
Total Revenue	\$ 163,505	\$ 191,935	\$ 187,600	\$ 201,587
Expenditures				
Salaries and Benefits	150,655	161,860	161,000	178,877
Supplies and Services	27,713	26,375	26,000	19,010
Non-Capital Equipment	846	700	600	700
Appropriated Reserve	-	3,000	-	3,000
Total Expenditures	\$ 179,214	\$ 191,935	\$ 187,600	\$ 201,587

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of mediations successfully mediated	75%	85%	75%
Outreach and education presentations	10	10	10
Residents receiving information and mediation services	3,500	2,900	2,900
Rental housing disputes receiving mediation services	175	120	120
Percent of disputes resolved by providing information	75%	75%	75%

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RECENT PROGRAM ACHIEVEMENTS

Approved loans to add accessible bathrooms and other improvements for two households with disabled residents.

CDBG – Housing Rehabilitation Loan Program

(Program No. 2123)

Mission Statement

Finance and facilitate the improvement of housing for low-income homeowners and renters in order to provide safe, desirable and stable living conditions, and enhance neighborhoods.

Program Activities

- Provide loans to improve neighborhoods and assist low-income residents.
- Administer rehabilitation loan funds and portfolio.
- Establish and maintain prudent lending and contracting practices to encourage rehabilitation projects.
- Assist clients in the rehabilitation process.

Objectives for Fiscal Year 2005

- Loan and grant at least 95% of available funds, including new Community Development Block Grant [CDBG] loan funds and loan repayments received.
- Correct deficiencies and eliminate lead-based paint hazards in 7 single-family homes owned by low-income households.
- Correct deficiencies and eliminate lead-based paint hazards in 20 apartment units occupied by low-income households.
- Complete construction on single-family rehabilitations within an average of 52 weeks of application approval.
- Identify 240 properties in targeted neighborhoods with building code violations or spot blight conditions and give correction notices to the owners, using the newly created neighborhood Code Enforcement Officer position.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.55	1.95	1.95	2.25
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Intergovernmental	1,145,793	961,785	980,302	1,118,035
Total Revenue	\$ 1,145,793	\$ 961,785	\$ 980,302	\$ 1,118,035
Expenditures				
Salaries and Benefits	198,567	158,671	140,270	179,083
Supplies and Services	67,790	81,072	67,598	61,917
Housing Loans and Grants	878,590	696,792	500,000	850,000
Non-Capital Equipment	846	4,000	3,200	4,000
Appropriated Reserve	-	21,250	-	23,035
Total Expenditures	\$ 1,145,793	\$ 961,785	\$ 711,068	\$ 1,118,035

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of available CDBG loan funds and repayment funds loaned and granted	100%	95%	95%+
Single-family homes rehabilitated	7	7	7
Apartment units rehabilitated	20	31	20
Average number of weeks from application to completion of construction on single-family rehabilitations (excluding plans preparation)	52	60	52
Property owners given notice that their properties have been identified with building code violations or spot blight conditions	n/a	n/a	240

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RECENT PROGRAM ACHIEVEMENTS

The Redevelopment Agency recently issued \$34.8 million in Tax Allocation Bonds to continue revitalization activities in the Central City Redevelopment Project Area.

Redevelopment Agency

(Program Nos. 2125, 2126, 2611, 2711)

Mission Statement

Revitalize the Project Area by eliminating the physical and economic conditions of blight through public and private partnerships in an effort to create an economically vibrant and environmentally balanced Project Area for all residents.

Program Activities

- The Redevelopment Agency is governed by City Councilmembers sitting as the Redevelopment Agency Board, a separate distinct legal entity.
- The Redevelopment Agency receives incremental property tax revenues generated by the Agency's revitalization projects and finances redevelopment activity by issuing bonds that are repaid solely by these tax increment revenues.
- By implementing the Central City Redevelopment Plan, the Redevelopment Agency strives to maintain the Downtown as the principal center of commerce for Santa Barbara's South Coast region and to enhance the Downtown as the cultural and entertainment center for the County's South Coast Region.
- By implementing these goals, the Redevelopment Agency stimulates new job opportunities, as well as new cultural, retail, recreational, and housing activities in our city.

Objectives for Fiscal Year 2005

- Complete Agency-budgeted Capital Improvement Projects without exceeding the original budget by more than 10%.
- Complete Agency-budgeted non-profit grants within original project schedule.
- Complete the Agency's first Long Range Capital Improvement Program by December 31, 2004.
- Set aside at least 20% of Agency funds for Affordable Housing through the Housing Development and Preservation Program in compliance with State-mandated set-aside requirements.
- Submit the State Controller's Annual Report by December 31, 2004, and comply with all applicable State rules, regulations, and reporting requirements.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	8.99	9.97	9.97	10.25
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Interest Income	902,726	755,000	670,517	725,000
Property Taxes	12,850,918	13,100,000	12,126,000	13,750,000
Interfund Reimbursements	120,592	917,115	917,115	1,004,488
Rents	24,000	24,000	24,000	24,000
Total Revenue	\$ 13,898,236	\$ 14,796,115	\$ 13,737,632	\$ 15,503,488
Expenditures				
Salaries and Benefits	797,174	921,610	912,574	1,004,488
Supplies and Services	1,475,872	1,834,654	1,757,042	1,929,318
Special Projects	770,602	4,057,781	528,774	4,183,182
Transfers Out	-	-	-	2,952
Debt Service	8,315,320	8,260,000	7,230,000	8,300,000
Housing Loans and Grants	6,595,428	5,104,560	2,063,095	-
Non-Capital Equipment	13,691	40,105	38,842	30,548
Equipment Capital	-	7,168	-	-
Miscellaneous	21,886	11,500	11,500	111,500
Appropriated Reserve	-	60,000	-	-
Total Operating Expenditures	\$ 17,989,973	\$ 20,297,378	\$ 12,541,827	\$ 15,561,988
Capital Program	1,582,416	36,775,810	1,142,640	-
Total Expenditures	\$ 19,572,389	\$ 57,073,188	\$ 13,684,467	\$ 15,561,988
Addition to (Use of) Reserves	\$ (5,674,153)	\$ (42,277,073)	\$ 53,165	\$ (58,500)

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RECENT PROGRAM ACHIEVEMENTS

Provided pre-development financing for two affordable housing projects that will eventually provide approximately 120 low income rental units.

Housing Development and Preservation Program

(Program No. 2127)

Mission Statement

Promote and facilitate the development and preservation of housing primarily for low- and moderate-income households to foster an inclusive and balanced community.

Program Activities

- Administer Redevelopment Agency funds and other housing funds to facilitate development of affordable housing.
- Establish and maintain prudent lending and management practices for development and operation of affordable housing stock.
- Maintain inventory of affordable projects and manage loan portfolio.
- Coordinate with local housing providers to develop affordable housing projects.
- Administer federal HOME Program funds to facilitate development of affordable housing and assure compliance with federal occupancy and rent requirements.
- Coordinate with local Community Housing Development Organizations (CHDOs) to develop affordable housing.

Objectives for Fiscal Year 2005

- Provide approximately \$3 million in Redevelopment Agency, State, and Federal funds for affordable housing projects in accordance with state and federal regulations, including new developments on the St. Vincent's property, the Lot 6 parking site, and at 210 W. Victoria St.
- Assist in the development and preservation of 40 affordable units using density bonus, below-market rate financing, and other development incentives.
- Commit 100% of Federal HOME funding to eligible affordable housing projects within 2 years of receipt.
- Certify compliance of at least 95% of 1,165 rental units and 296 owner-occupied units to assure that 100% of those units are in compliance with the City's affordability and occupancy requirements.
- Qualify buyers and assure compliance with City requirements for approximately 30 resales and refinancings of affordable units.
- Finance the acquisition, by the Agency, City, Housing Authority, or non-profit developer, of one or more sites for future development of affordable housing (land banking).

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.35	1.10	1.10	1.10
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Intergovernmental (Federal Grants)	552,871	757,746	769,250	822,946
Fees and Service Charges	94,321	83,194	70,000	87,054
Total Revenue	\$ 647,192	\$ 840,940	\$ 839,250	\$ 910,000
Expenditures				
Salaries and Benefits	82,300	83,194	81,504	87,054
Special Projects	564,892	757,746	757,746	822,946
Total Expenditures	\$ 647,192	\$ 840,940	\$ 839,250	\$ 910,000

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
City and Agency funding committed	\$3,250,000	\$4,000,000	\$3,250,000
Affordable housing units for which financing is committed or density bonus approved	40	20	40
Percent of HOME funds committed within 2 years of receipt	100%	100%	100%
Percent of affordable units monitored for compliance	95%	95%	95%
Resales and refinancings monitored and assisted	30	40	30
Sites land-banked for future development of affordable housing	1	1	1

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RECENT PROGRAM ACHIEVEMENTS

Council approved the
Housing Element
update in February
2004.

Long Range Planning and Special Studies

(Program No. 2131)

Mission Statement

Develop public policies that reflect the community's vision, in order to manage the City's physical growth within existing resources and to protect Santa Barbara's unique quality of life for the entire community.

Program Activities

- Develop and implement goals, policies, and action plans related to community issues such as affordable housing, land use, growth management, resource conservation, open space, transportation, and circulation.
- Prepare studies to update City policies, particularly the General Plan, in response to State law, resource availability, and community goals.
- Monitor the amount and type of development to ensure compliance with City Charter goals and growth restrictions, as specified under Section 1508, and to inform the public and decision-makers about development patterns and trends.
- Facilitate public participation and community involvement in planning issues.
- Participate in the development and review of regional studies prepared by the Santa Barbara County Association of Governments such as the Regional Growth Forecast, the Regional Housing Needs Assessment, and the Highway 101 Implementation Plan.
- Support City Council and City Administration in addressing regional governance and planning issues.

Objectives for Fiscal Year 2005

- Initiate General Plan Update Process: complete Phase I baseline reports and RFP for Phases II & III by June 30, 2005.
- Implement Housing Element policies as prioritized by Council and consistent with work program milestones, including: Tenant Protection Ordinance; Reasonable Accommodation Ordinance; Code Amendment for Single Water Meters; Jobs Housing Linkage Study; and R-3/R-4 & Commercial Zone evaluation.
- Prepare and submit a Local Coastal Program amendment to create an Ocean-Oriented Commercial zone for the interior portion of the HRC-2 zone to the Coastal Commission by October 2004.
- Develop scope of Creek protection policies for consideration at the joint work session of the City Council and Planning Commission by September 30, 2004.

Objectives for Fiscal Year 2005 (continued)

- o Participate in the Technical Advisory Group and formal public meetings and workshops as part of the Highway 101 Implementation Plan.
- o Present bi-annual Measure E updates to the Planning Commission.
- o Prepare bi-annual update data regarding the Congestion Management Plan for the Santa Barbara County Association of Governments.
- o Provide an annual Housing Activity report to the State Department of Finance.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	7.70	6.24	6.74	6.14
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Other	6,550	-	-	147,000
General Fund Subsidy	585,633	652,513	613,309	516,385
Total Revenue	\$ 592,183	\$ 652,513	\$ 613,309	\$ 663,385
Expenditures				
Salaries and Benefits	502,610	516,201	491,230	588,606
Supplies and Services	89,573	135,312	121,079	73,779
Non-Capital Equipment	-	1,000	1,000	1,000
Total Expenditures	\$ 592,183	\$ 652,513	\$ 613,309	\$ 663,385

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Design Review and Historic
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RECENT PROGRAM ACHIEVEMENTS

Processed 145
application and 49 pre-
application submittals.
Updated Development
Application Review
Team (DART) letter,
increasing applicant
understanding of
application requirements
and process.

Development/Environmental Review

(Program No. 2132)

Mission Statement

Manage the development and environmental review process, including stakeholder involvement, in order to protect and preserve the City's resources and quality of life.

Program Activities

- Provide support to City Council, Planning Commission, Architectural Board of Review, Historic Landmarks Commission, and Modification Hearings.
- Review, analyze, and make recommendations on project proposals by private property owners and government agencies. Review takes place through all stages of development including pre-application, staff analysis, public hearings, plan check, construction, and future monitoring.
- Administer environmental review process in compliance with the California Environmental Quality Act (CEQA).
- Provide public information and permit services at the public counter and in phone calls and meetings with members of the public, interested in projects.

Objectives for Fiscal Year 2005

- Work with applicants to submit complete applications within the second 30-day review at least 70% of the time to improve customer service and reduce workload.
- Encourage at least 50% of projects to receive a Pre-Application Review Team (PRT) review to provide early advice to project proponents and minimize applications that cannot be supported.
- Present all applications to decision-makers for action within 3 months of exemption, 6 months of negative declaration, and 1 year of an EIR.
- Achieve 75% on-time completion of major milestones for environmental and project review of City projects.
- Implement process improvements that reduce the amount of time spent to review projects while maintaining the quality of the City's and quality of life better managing staff workload, including updating the Planning Commission staff report template and improving the Consent Calendar process by October 31, 2004, as well as creating an evaluation form for Planning Commission projects.
- Present ordinance revisions to the Ordinance Committee to reduce the amount of time spent to review projects while maintaining the City's quality of life and better managing staff workload, including simplifying conditions of approval and Zoning Ordinance amendments.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	20.85	13.04	13.04	12.29
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	458,811	343,080	342,055	414,946
Other	-	-	-	97,442
General Fund Subsidy	1,142,873	978,885	723,168	715,458
Total Revenue	\$ 1,601,684	\$ 1,321,965	\$ 1,065,223	\$ 1,227,846
Expenditures				
Salaries and Benefits	1,417,889	1,085,304	883,205	1,039,323
Supplies and Services	177,525	228,441	176,798	184,523
Non-Capital Equipment	6,270	8,220	5,220	4,000
Total Expenditures	\$ 1,601,684	\$ 1,321,965	\$ 1,065,223	\$ 1,227,846

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of applications deemed complete within 2 nd DART process	60%	65%	70%
Development applications submitted, including re-submittals	120	140	130
Percent of DART applications that receive Pre-Application Team Review (PRT)	60%	45%	50%
Pre-application reviews received	90	45	40
Percent of environmental determinations on Planning Commission agendas completed within required timelines	95%	100%	100%
Percent of City project milestones achieved	n/a	n/a	75%
Hearings on development projects at Planning Commission	150	160	150
Minor work sessions, trainings, and discussion items at Planning Commission	n/a	n/a	30
Major work sessions, trainings, and discussion items at Planning Commission	n/a	n/a	20
Percent of minutes and resolutions approved by Planning Commission within 4 weeks of PC meetings	70%	80%	80%
Planning Commission appeals	n/a	n/a	5
Environmental Analyst hours spent on City projects	2,700	1,900	1,800
Planning staff hours devoted to projects that include affordable housing	900	1,200	900
Affordable housing units approved at Planning Commission	n/a	n/a	35

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RECENT PROGRAM ACHIEVEMENTS

Performed over 3,000 plan checks for Design Review, Planning Commission, and building permits, which is a 33% increase over the last fiscal year.

Zoning: Ordinance, Information and Enforcement

(Program No. 2133)

Mission Statement

Protect and improve Santa Barbara's quality of life by providing information regarding the City's Planning and Zoning regulations to the community and ensuring that existing and new developments comply with those regulations.

Program Activities

- Answer questions from community members about land use and zoning requirements, the review process, and other land development issues.
- Review plans for proposed development for compliance with zoning requirements.
- Prepare Zoning Information Reports for residential real estate transactions.
- Investigate zoning and sign complaints and enforce zoning and sign violations.
- Prepare amendments to the Zoning Ordinance and Zone Map as necessary.
- Administer Geographic Information System (GIS) software and data.
- Maintain and update the City's permit tracking database.
- Add functionality to the project tracking database and the GIS system as requested.

Objectives for Fiscal Year 2005

- Perform 85% of initial site inspections within 21 days, for the 5 highest-priority category zoning violations.
- Perform 75% of initial actions (send warning letters or close case) within 10 days of the initial site inspection.
- Complete 70% of initial zoning plan checks within the target timelines.
- Complete 80% of re-submittal zoning plan checks within the target timelines.
- Complete 95% of preliminary plan checks for Architectural Board of Review (ABR), Historic Landmarks Commission (HLC), and Planning Commission (PC) within 3 days of receipt by Zoning staff.
- Issue 95% of Zoning Information Reports (ZIRs) within 1 working day of physical inspection.
- Close 120 backlogged zoning enforcement cases with the assistance of a new half-time temporary Zoning Enforcement Officer.
- Prepare for Council approval a package of Zoning Ordinance amendments that will clarify an assortment of existing regulations.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	9.40	8.99	8.99	9.64
Non-Permanent Employee Hours	n/a	n/a	n/a	2,000
Revenues				
Fees and Service Charges	240,151	276,726	351,629	404,462
Other	18,340	13,140	17,340	17,640
General Fund Subsidy	396,706	482,794	380,807	485,599
Total Revenue	\$ 655,197	\$ 772,660	\$ 749,776	\$ 907,701
Expenditures				
Salaries and Benefits	586,010	668,548	645,787	787,603
Supplies and Services	47,191	101,612	101,989	113,598
Special Projects	21,496	-	-	5,000
Non-Capital Equipment	500	2,500	2,000	1,500
Total Expenditures	\$ 655,197	\$ 772,660	\$ 749,776	\$ 907,701

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of enforcement cases where initial inspections are performed within 21 days of the receipt of the complaint, for 5 highest priority categories	n/a	n/a	85%
Zoning enforcement cases received	n/a	300	350
Percent of enforcement cases where the warning letter is sent or the case is closed within 10 days of initial inspection	n/a	n/a	75%
Warning letters sent	n/a	n/a	200
Zoning enforcement cases closed	450	300	350
Percent of initial zoning plan checks for building permits completed by the target date	n/a	n/a	70%
Zoning plan checks completed – initial review	1,250	1,250	1,250
Percent of re-submittal zoning plan checks for building permits completed by the target date	n/a	n/a	80%
Zoning plan checks completed – re-submittal	900	900	900
Percent of preliminary plan checks for ABR, HLC, and PC completed within 3 days of receipt	80%	97%	95%
Preliminary plan checks completed	600	600	600
Percent of ZIR reports issued within 1 working day of the inspection	95%	95%	95%
ZIRs prepared	1,100	950	950
Backlogged enforcement cases closed	n/a	n/a	120
1 st citations sent	n/a	n/a	40
People served at the Zoning Counter (in person and by phone)	n/a	n/a	16,000

COMMUNITY DEVELOPMENT PROGRAMS

Administration
Economic Development
CDBG and Human Services
Administration
CDBG - Rental Housing
Mediation Task Force
CDBG - Housing
Rehabilitation Loan
Program
Redevelopment Agency
Housing Development and
Preservation Program
Long Range Planning and
Special Studies
Development /
Environmental Review
Zoning: Ordinance,
Information and
Enforcement
➤ **Design Review and Historic
Preservation**
Building Inspection and
Code Enforcement
Records, Archives and
Clerical Services
Building Counter and Plan
Review



RECENT PROGRAM ACHIEVEMENTS

Completion and update
of the ABR Design
Guidelines. Initiation of
the Neighborhood
Preservation Ordinance
Update.

Design Review and Historic Preservation

(Program No. 2134)

Mission Statement

Ensure the design and development of buildings, structures, and signs comply with adopted design guidelines and ordinances; and assist the community in preserving and protecting the City's natural beauty, character, heritage, and established architectural traditions.

Program Activities

- Provide staffing support to Council, Planning Commission, Architectural Board of Review (ABR), Historic Landmarks Commission (HLC) and Sign Committee.
- Review, analyze, approve or make recommendations on design review proposals pertaining to development applications by private and public property owners.
- Prepare and review Architectural Board of Review, Historic Landmarks Commission and Sign Committee agendas, minutes, and noticing.
- Update and prepare guidelines, ordinance amendments, and conduct special studies to maintain quality design standards.
- Administer the City's Historic Preservation Work Program involving the identification and protection of historic resources. Review and analyze alterations to historic resources, completion of surveys, and historic resource designations.
- Provide public information and permit services at the public counter.

Objectives for Fiscal Year 2005

- Increase the number of project appeals that are withdrawn by 25% prior to City Council hearings by working with applicants and board members to mediate potential project appeals.
- Complete Master Environmental Assessments (MEAs) on Design Review applications within established timelines.
- Conduct public review hearings and present Neighborhood Preservation Ordinance (NPO) and Single Family Residential Design Guidelines to City Council for adoption.

Objectives for Fiscal Year 2005 (continued)

- Implement the Demolition Review Ordinance, considering economic incentives to assist in the protection of historic resources.
- Initiate Historic Districting Plan and implement final recommendations for potential historic resources based on results from the Lower Riviera and Waterfront surveys.
- Initiate and complete the West Downtown Historic Resource Survey associated with the Lower Mission Creek Flood Control Project.
- Develop methods and measurement tools to improve meeting efficiencies including discussions with the ABR, HLC, and Sign Committee about reducing the length of Design Review meetings and increasing administrative staff approvals.
- Develop new handouts and brochures such as a Standard Architectural Design Detail brochure to guide applicants through the design review process.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	n/a	8.19	9.19	9.09
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	-	160,982	161,722	208,346
General Fund Subsidy	-	601,782	514,996	585,941
Total Revenue	\$ -	\$ 762,764	\$ 676,718	\$ 794,287
Expenditures				
Salaries and Benefits	-	588,919	579,530	694,858
Supplies and Services	-	163,145	96,488	98,729
Special Projects	-	10,000	-	-
Non-Capital Equipment	-	700	700	700
Total Expenditures	\$ -	\$ 762,764	\$ 676,718	\$ 794,287

PROGRAMS & SERVICES

Design Review and Historic Preservation

Continued

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Design Review project appeals withdrawn prior to City Council hearings	n/a	n/a	25%
Appeals heard by City Council	n/a	n/a	6
Percent of MEAs completed within established timelines	n/a	n/a	95%
Design Review applications received	n/a	700	720
ABR agenda items scheduled	900	1,200	1,200
HLC agenda items scheduled	400	450	400
Sign Committee agenda items scheduled	150	200	200
Conforming Sign review items scheduled	200	140	140
Administrative Staff review items	350	240	240
Meeting hours of ABR, HLC and Sign Committee	n/a	n/a	350
Mailed notices prepared for Design Review public hearings	150	150	150
Staff hours assisting the Development and Environmental Review Section	420	275	275
Staff hours staffing the Zoning/Planning Counter	1,664	1,080	1,080
Historic Resource evaluations	n/a	n/a	225
Staff hours completing Historic Resource evaluations	520	320	320

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PROGRAMS & SERVICES

COMMUNITY DEVELOPMENT PROGRAMS

Administration
Economic Development
CDBG and Human Services
Administration
CDBG - Rental Housing
Mediation Task Force
CDBG - Housing
Rehabilitation Loan
Program
Redevelopment Agency
Housing Development and
Preservation Program
Long Range Planning and
Special Studies
Development /
Environmental Review
Zoning: Ordinance,
Information and
Enforcement
Design Review and Historic
Preservation
➤ **Building Inspection and
Code Enforcement**
Records, Archives and
Clerical Services
Building Counter and Plan
Review



RECENT PROGRAM ACHIEVEMENTS

Achieved our goal of
100% on-time inspections
while providing
consistent levels of
service with increased
permit activity.

Building Inspection and Code Enforcement

(Program No. 2141)

Mission Statement

Review and inspect construction projects and abate substandard housing conditions and illegal dwelling units to ensure safe housing through compliance with all applicable building codes and City ordinances.

Program Activities

- Provide inspection and code enforcement resources to the public.
- Perform over 10,100 building inspections each year for compliance with approved plans, design review details, and conditions.
- Perform more than 1,300 investigations and follow-up investigations in response to citizen and other-agency complaints regarding substandard and/or dangerous structures.
- Respond to natural and man-made disasters by providing technical assistance in estimating the safety of damaged structures and real property.

Objectives for Fiscal Year 2005

- Respond to 100% of inspection requests on the day scheduled for permitted work.
- Respond to 95% of code enforcement complaints within 5 working days from receipt of complaint.
- Perform 93% Specialty/Commercial plan reviews (electrical, plumbing and mechanical) within 4 working days.
- Eliminate the current backlog (~2,000) of current permits that have not had a recorded inspection within the last 180 days.
- Resolve 85% of code enforcement cases within 12 months from issuance of Notice and Order.
- Ensure all inspectors meet the state-mandated training by providing 100% of the required 40 hours of professional training for each inspector.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	9.50	8.95	8.95	9.69
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	787,981	875,238	829,975	942,663
Total Revenue	\$ 787,981	\$ 875,238	\$ 829,975	\$ 942,663
Expenditures				
Salaries and Benefits	716,789	747,072	702,706	806,743
Supplies and Services	71,192	128,166	127,269	135,920
Total Expenditures	\$ 787,981	\$ 875,238	\$ 829,975	\$ 942,663

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of inspection requests completed on the day scheduled for permitted work	100%	100%	100%
Building inspections completed	14,400	13,000	14,400
Percent of code complaints responded to within 5 working days	95%	95%	95%
Code enforcement cases processed	400	600	400
Percent of code enforcement cases closed within 12 months of issuance of Notice and Order	85%	85%	85%
Percent of specialty/commercial plan checks completed within 4 working days	100%	93%	93%
Specialty/commercial plan reviews completed	700	800	700
Inspections completed on permits that have not had reported scheduled construction activity within 180 days of issuance	n/a	n/a	2,000
Percent of training hours received by each inspector	n/a	100%	100%
Expired permit inspections or site investigation visits performed	480	500	480
Neighborhood task force cases resolved	n/a	n/a	240

PROGRAMS & SERVICES

COMMUNITY DEVELOPMENT PROGRAMS

Administration
Economic Development
CDBG and Human Services
Administration
CDBG - Rental Housing
Mediation Task Force
CDBG - Housing
Rehabilitation Loan
Program
Redevelopment Agency
Housing Development and
Preservation Program
Long Range Planning and
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Environmental Review
Zoning: Ordinance,
Information and
Enforcement
Design Review and Historic
Preservation
Building Inspection and
Code Enforcement
➤ **Records, Archives and
Clerical Services**
Building Counter and Plan
Review



RECENT PROGRAM ACHIEVEMENTS

Records staff processed and relocated 6,355 "Special Project" files to our offsite storage facility and updated file jackets and inventories identifying Historic Sites and Structures of Merit.

Records, Archives and Clerical Services

(Program No. 2142)

Mission Statement

Provide organized solutions for the preservation and accessibility of recorded property development history for the community and staff in adherence with State law and City Council policies.

Program Activities

- Provide reception services to the Community Development and Public Works departments, as well as the Pro-Youth Coalition, Redevelopment Agencies and Fire Plan Check.
- Provide cashiering services to the public for all Land Development transactions.
- Coordinate and provide for the imaging, storage, archival, and review of all Land Development documents, while providing access via the Internet.
- Provide clerical support for Building and Safety administration.

Objectives for Fiscal Year 2005

- Respond to 100% of building and planning file document demands within 1 hour of receipt.
- Respond to 100% of commercial plan viewings within 48 hours of receipt.
- Ensure 99.5% of building and planning documents received are processed within 2 weeks.
- Ensure 100% Land Development Team cash receipts are balanced to 100% accuracy on a daily basis.
- Provide bi-weekly customer service trainings to staff.
- Administer cross training program "T.A.C.T." with all Senior Office Specialists and Record Technicians.
- Inventory and assess for compliance, with the established Records Management Program guidelines, all Building and Safety boxes stored at the MacKenzie storage facility.
- Label plans located at the Archive Facility with barcodes for tracking and inventory purposes.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	7.25	6.80	6.80	7.13
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	418,219	462,654	508,491	548,439
Other	-	3,518	2	3,518
Total Revenue	\$ 418,219	\$ 511,321	\$ 508,493	\$ 551,957
Expenditures				
Salaries and Benefits	375,498	414,926	414,267	436,841
Supplies and Services	38,938	92,411	90,506	106,781
Special Projects	1,819	3,000	3,000	7,000
Non-Capital Equipment	1,964	984	720	1,335
Total Expenditures	\$ 418,219	\$ 511,321	\$ 508,493	\$ 551,957

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of requests filled for files delivered within 1 hour of receipt	100%	100%	100%
Document requests processed	10,000	8,894	9,339
Percent of viewing appointments for commercial plans filled within 48 hours of receipt	100%	100%	100%
Commercial and residential plan viewings	900	840	882
Percent of documents prepared, scanned, and stored within 2 weeks of receipt	n/a	n/a	99.5%
Documents scanned and archived	80,000	136,328	143,144
Percent of cash receipts received and in balance with Advantage cashiering reports	100%	100%	100%
Register transactions accurately processed	11,000	10,204	10,714

PROGRAMS & SERVICES

COMMUNITY DEVELOPMENT PROGRAMS

Administration
Economic Development
CDBG and Human Services
Administration
CDBG - Rental Housing
Mediation Task Force
CDBG - Housing
Rehabilitation Loan
Program
Redevelopment Agency
Housing Development and
Preservation Program
Long Range Planning and
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Environmental Review
Zoning: Ordinance,
Information and
Enforcement
Design Review and Historic
Preservation
Building Inspection and
Code Enforcement
Records, Archives and
Clerical Services
➤ **Building Counter and Plan
Review**



RECENT PROGRAM ACHIEVEMENTS

Assisted in the creation and implementation of a program for Community Development review of City Business License applications.

Building Counter and Plan Review

(Program No. 2143)

Mission Statement

Provide project review, permit issuance, and customer service for the community and internal customers to ensure a safely built environment in accordance with State and local laws.

Program Activities

- Review over 2,000 engineering and architectural plans for compliance with State laws and ordinances including the California Building Code, State Title 24 Energy and Disabled Access Regulations, and health and safety codes.
- Issue over 1,500 "over-the-counter" building permits each year for various minor projects.
- Review and prepare more than 3,000 building permits each year.
- Prepare and maintain reference materials for public and staff use in both hard copy and electronic formats.
- Manage and maintain the permitting process and permit tracking software.
- Provide building code expertise, interpretation, and guidance for the architectural and engineering communities, as well as the general public and City staff for all types of construction-related issues.

Objectives for Fiscal Year 2005

- Complete 75% of building permit application reviews (initial reviews, re-submittals and revisions) within promised timeframe.
- Process 90% of enforcement letters within 1 working day of receipt from Inspection Staff.
- Develop a work plan and complete preliminary research for a Technology Master Plan to improve customer service and improve efficiency.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	9.25	9.35	9.35	9.68
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	1,314,198	1,060,505	1,515,426	1,480,095
Other	1,173	1,291	1,913	1,291
Total Revenue	\$ 1,315,371	\$ 1,061,796	\$ 1,517,339	\$ 1,481,386
Expenditures				
Salaries and Benefits	604,781	741,157	727,473	841,270
Supplies and Services	128,040	193,413	138,308	140,487
Non-Capital Equipment	1,731	605	500	-
Transfers Out	-	-	-	50,000
Total Expenditures	\$ 734,552	\$ 935,175	\$ 866,281	\$ 1,031,757

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of permit applications processed within promised timeframe	75%	70%	75%
Total permits issued	3,450	2,850	3,000
Percent of enforcement letters processed within 1 working day	97%	75%	90%
Staff hours devoted to PRT and DART reviews	800	500	500
Plan reviews and re-submittals completed	3,000	2,700	3,000
"Over-the-Counter" permits issued at the Building and Safety Counter	1,550	1,850	1,900

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DEPARTMENT SUMMARY

Finance

Provide financial guidance to City Council and departments and manage the City's financial operations.

About Finance

The Finance Department is responsible for providing financial expertise and guidance to the City Council and departments, managing the City's daily financial operations, and maintaining the financial integrity of the City. The department's major functional areas include accounting, revenue management, budget, payroll, purchasing, and investment management. The department also administers two internal service funds: The Risk Management Fund manages the City's insurance portfolio and workers' compensation program, and the Duplications and Mail Services Fund operates a full-service print shop and provides mail service to all City departments and facilities. Finance also provides financial services to the California Law Enforcement Telecommunications System (CLETS).



Fiscal Year 2005 Budget Highlights

The Finance Department scaled back its General Fund budgeted expenditures for fiscal year 2005 by almost \$70,000 to help balance the overall General Fund budget, without significantly impacting the department's level of services. In its continuing efforts to cut costs and do "more with less", the Department is working on plans for a re-organization of the department that will shift resources where they are most needed and improve overall efficiency.

The Risk Management Fund continues to face uncertainty with its property and liability insurance and workers' compensation costs that will continue to escalate again in fiscal year 2005.



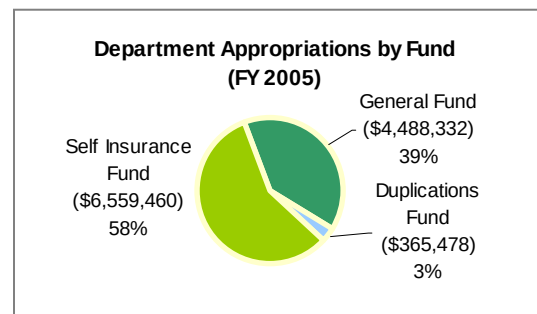
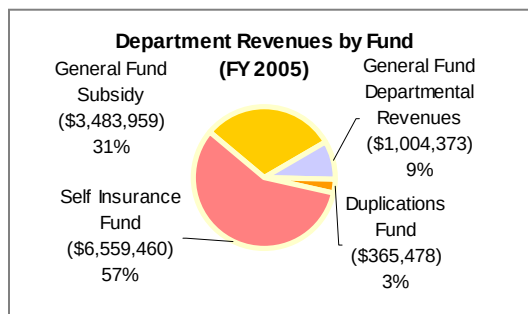
DEPARTMENT SUMMARY

Finance

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	47.00	47.00	47.00	46.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Services Charges	929,193	902,500	927,500	911,450
Franchise Fees - Cable Television	164,512	322,272	322,272	326,873
Workers Compensation Premiums	3,552,517	3,453,228	3,453,228	3,599,460
Insurance Premiums	2,322,481	2,554,214	2,554,214	2,650,000
Interest Income	2,856	120,000	120,000	120,000
ACCEL- Return of Premium	200,000	222,350	238,490	190,000
Other	230,083	125,978	125,978	131,528
General Fund Subsidy	2,586,952	3,551,729	3,206,395	3,483,959
Total Department Revenue	\$ 9,988,594	\$ 11,252,271	\$ 10,948,077	\$ 11,413,270
Expenditures				
Salaries and Benefits	3,232,726	3,478,072	3,192,456	3,634,141
Supplies and Services	2,553,129	3,970,307	3,712,780	3,514,214
Special Projects	6,716,757	3,825,736	3,409,967	4,239,397
Transfers Out	-	-	-	1,818
Non-Capital Equipment	34,100	24,200	19,435	12,200
Equipment Capital	1,933	-	-	-
Tax Expense	-	11,500	13,571	11,500
Total Department Expenditures	\$ 12,538,645	\$ 11,309,815	\$ 10,348,209	\$ 11,413,270
Addition to (Use of) Reserves	\$ (2,550,051)	\$ (57,544)	\$ 599,868	\$ -

Department Fund Composition

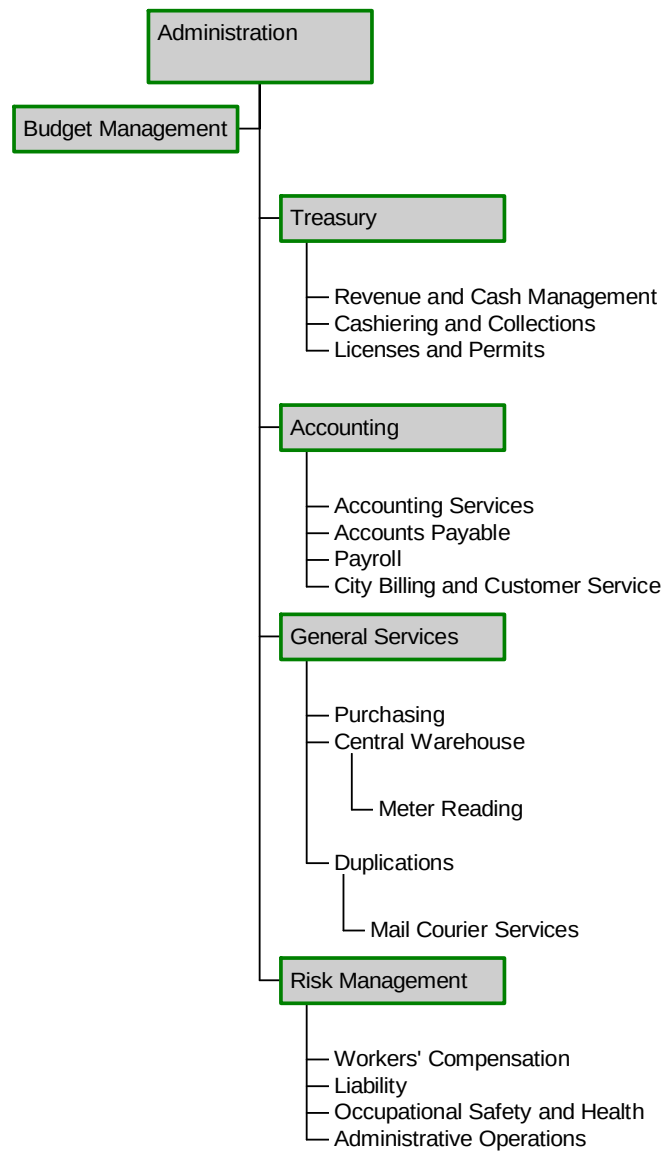




DEPARTMENT SUMMARY

Finance

Program Organizational Chart



PROGRAMS & SERVICES

FINANCE PROGRAMS

➤ Administration

Revenue & Cash
Management
Cashiering & Collections
Licenses & Permits
Budget Management
Accounting Services
Payroll
Accounts Payable
City Billing & Customer
Service
Purchasing
Central Warehouse
Meter Reading
Duplications
Mail Courier Services
Risk Management – Workers'
Compensation
Risk Management – Liability
Risk Management –
Occupational Safety &
Health
Risk Management –
Administrative Operations



RECENT PROGRAM ACHIEVEMENTS

Issued \$34.8 million in
Redevelopment Agency
Tax Allocation Bonds to
fund capital improve-
ments, including
construction of the
Granda Garage.

Administration

(Program No. 1411)

Mission Statement

Provide management and administrative support to Finance programs and provide the City Council and departments with responsive financial expertise and analysis to ensure that the City's financial interests are protected and enhanced.

Program Activities

- Manage the operations of the department.
- Ensure management and the City Council are informed of all matters materially affecting the financial health of the City.
- Assist with City Administration policy formulation and implementation of Council direction.
- Provide staff support to the City Council Finance Committee.
- Provide financial and budgetary support and guidance to all City departments.
- Provide oversight of the City's \$140 million investment portfolio.
- Manage the City's long-term debt, including new-money and refunding debt.
- Manage the City's Employee Mortgage Loan Assistance Program (EMLAP).
- Administer the City's cable television franchise.

Objectives for Fiscal Year 2005

- Ensure that Finance programs meet 75% of program objectives.
- Respond to 98% of cable service customer inquiries within 1 business day of receipt.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	5.00	2.20	2.20	1.95
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Franchise Fees - Cable Television	164,512	322,272	322,272	326,873
General Fund Subsidy	710,241	491,283	414,760	261,504
Total Revenue	\$ 874,753	\$ 813,555	\$ 737,032	\$ 588,377
Expenditures				
Salaries and Benefits	497,062	231,735	217,769	210,816
Supplies and Services	181,531	32,255	73,420	34,188
Special Projects	173,320	523,690	422,272	326,873
Non-Capital Equipment	22,840	14,375	10,000	5,000
Tax Expense	-	11,500	13,571	11,500
Total Expenditures	\$ 874,753	\$ 813,555	\$ 737,032	\$ 588,377

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Finance program objectives met	80%	75%	75%
Percent of customer service inquiries receiving initial response within 1 business day	98%	87%	98%
EMLAP loans administered	7	15	19

PROGRAMS & SERVICES

FINANCE PROGRAMS

- Administration
- **Revenue & Cash Management**
- Cashiering & Collections
- Licenses & Permits
- Budget Management
- Accounting Services
- Payroll
- Accounts Payable
- City Billing & Customer Service
- Purchasing
- Central Warehouse
- Meter Reading
- Duplications
- Mail Courier Services
- Risk Management – Workers' Compensation
- Risk Management – Liability
- Risk Management – Occupational Safety & Health
- Risk Management – Administrative Operations



RECENT PROGRAM ACHIEVEMENTS

Negotiated multi-year bank contract that included significant enhancements to cash management and accounting activities.

Revenue & Cash Management

(Program No. 1412)

Mission Statement

Invest public funds in a manner that will provide maximum security, adequate liquidity and sufficient yield, while conforming to relevant statutes and regulations, and ensure all revenues are received timely and recorded properly.

Program Activities

- Manage investment portfolio of approximately \$136 million.
- Prepare and present monthly investment reports to Finance Committee and City Council.
- Manage the City's banking relationships.
- Ensure timely reconciliation of all cash transactions.
- Assist departments in establishing appropriate controls and procedures for the receipt of cash and for petty cash disbursements.
- Provide ongoing analysis of City revenues.
- Forecast and manage cash to ensure adequate liquidity for expenditure requirements.

Objectives for Fiscal Year 2005

- Maintain a minimum average "AA" credit quality for securities in the portfolio.
- Meet or exceed the Local Agency Investment Fund (LAIF) book rate of return on an annual basis.
- Present 100% of monthly investment reports to the Finance Committee and City Council within 30 days of month-end.
- With the implementation of an automated system, improve the accuracy of daily deposit reconciliation resulting in no greater than 24 corrections.
- Automate daily deposit reconciliation to improve efficiency and accuracy by September 30, 2004.
- Determine feasibility of updating City records with check clearing data from bank on a daily basis, instead of a monthly basis by September 30, 2004.
- Conduct a monthly analysis of all City revenues.

Objectives for Fiscal Year 2005 (continued)

- Provide a comprehensive analysis of General Fund revenues to the Finance Committee on a quarterly basis.
- Purchase investments for the City and Redevelopment Agency that are consistent with investment objectives.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.75	2.05	2.05	2.05
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	251,688	322,538	295,880	337,983
Total Revenue	\$ 251,688	\$ 322,538	\$ 295,880	\$ 337,983
Expenditures				
Salaries and Benefits	228,892	175,779	169,967	188,529
Supplies and Services	22,796	146,759	125,913	149,454
Total Expenditures	\$ 251,688	\$ 322,538	\$ 295,880	\$ 337,983

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Credit rating of portfolio holdings	AA	AA	AA
Portfolio book rate of return compared to LAIF	+1.00%	+1.53%	> LAIF
Months in which investment report is presented within 30 days	n/a	11	12
Corrections to the general ledger	n/a	60	24
Average portfolio balance	\$140,000,000	\$136,000,000	\$136,000,000
Average days to maturity of the portfolio	550	488	550
Average daily dollar amount of bank credits	\$750,000	\$850,000	\$850,000
Average daily dollar amount of bank debits	\$750,000	\$850,000	\$850,000

PROGRAMS & SERVICES

FINANCE PROGRAMS

Administration

Revenue & Cash
Management

➤ **Cashiering & Collections**

Licenses & Permits

Budget Management

Accounting Services

Payroll

Accounts Payable

City Billing & Customer
Service

Purchasing

Central Warehouse

Meter Reading

Duplications

Mail Courier Services

Risk Management – Workers'
Compensation

Risk Management – Liability

Risk Management –
Occupational Safety &
Health

Risk Management –
Administrative Operations



RECENT PROGRAM ACHIEVEMENTS

Utilized advanced
technology for processing
of utility payments via
bank lockbox.

Cashiering & Collections

(Program No. 1413)

Mission Statement

Centrally process monies, ensuring funds are received when due, properly accounted for, and safeguarded and provide prompt, courteous customer service.

Program Activities

- Operate a City Hall cashiering function.
- Process payments received from the public and City departments and process bank wires and transfers.
- Prepare daily deposits and related accounting documents.
- Verify payment data from the utility billing lock-box operation.
- Record and reconcile major sources of revenue.
- Audit petty cash claims and assist departments in petty cash procedures.

Objectives for Fiscal Year 2005

- Accurately process 99.95% of treasury receipts on the day received.
- Accurately prepare deposit summary and daily bank deposit.
- Complete an analysis of options for electronic payments and credit cards and report implementation recommendations by March 31, 2005.
- Administer a customer service survey to assess public satisfaction with customer service at the cashiering counter and use survey results to initiate improvements by September 30, 2004.
- Complete cross-training of staff on various cashiering functions to better assist the public by March 31, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.65	4.50	4.50	3.75
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	287,740	115,181	128,367	123,315
General Fund Subsidy	4,337	241,357	186,758	147,604
Total Revenue	\$ 292,077	\$ 356,538	\$ 315,125	\$ 270,919
Expenditures				
Salaries and Benefits	288,388	318,291	279,735	235,057
Supplies and Services	3,091	37,647	34,790	35,262
Non-Capital Equipment	598	600	600	600
Total Expenditures	\$ 292,077	\$ 356,538	\$ 315,125	\$ 270,919

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percentage of treasury receipts processed each day	100%	99%	99.95%
Correcting entries needed	n/a	n/a	< 25
Payments processed at public counter	55,000	54,388	55,000
Utility billing lockbox payments processed	233,000	239,492	239,000
Transient Occupancy Tax (TOT) payments recorded and reconciled monthly	67	68	67
Utility Users Tax (UUT) payments recorded and reconciled monthly	111	128	128
Satisfaction rating by Cashiering and Collections customers	75%	n/a	75%
Petty cash audits performed	33	33	33

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RECENT PROGRAM ACHIEVEMENTS

Implemented Finance and Land Development Team business license application processing; applications are reviewed for building, fire and zoning ordinance compliance.

Licenses & Permits

(Program No. 1414)

Mission Statement

Administer the collection and audit of business taxes, permits, and assessments to ensure compliance with the Santa Barbara Municipal Code (SBMC).

Program Activities

- Manage the Business Tax and Permit Program.
- Administer the billing and collection of Transient Occupancy Tax, Parking and Business Improvement Area (PBIA) assessments, Old Town and Downtown Business Improvement District assessments and Fire Inspection Fees.
- Process delinquency notices and initiate collection efforts for past due accounts.
- Process and issue over 13,000 City licenses and permits.
- Process applications for exemption from Utility Users Tax on water billings and coordinate with other utilities for this exemption.
- Review outside sources and publications to identify unlicensed businesses.

Objectives for Fiscal Year 2005

- Locate 100 unlicensed businesses as a result of the field inspection program.
- Locate 100 unlicensed businesses using periodicals, Franchise Tax Board and State Board of Equalization sources.
- Complete 5 Transient Occupancy Tax (TOT) audits and assess options to expand the program.
- Present fee recommendations for issuing miscellaneous licenses and permits to City Council or Ordinance Committee based on fee study completed in fiscal year 2004 by December 31, 2004.
- Revise the Paratransit Ordinance to improve permitting processes and procedures, with assistance from the Police and City Attorney Departments by September 30, 2004.
- Develop automated process for locating unlicensed businesses by comparing Franchise Tax Board records with City business license records by October 31, 2004.

Objectives for Fiscal Year 2005 (cont.)

- Compare gross receipts reported for business license taxes to State Board of Equalization data for top 100 retail businesses by December 31, 2004.
- Administer a customer service survey to assess applicant satisfaction with information, forms, and processes for obtaining various licenses and permits and use survey to initiate improvements by December 31, 2004.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.60	4.20	4.20	4.45
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	178,954	330,908	275,730	370,214
Fees and Service Charges	17,813	2,500	2,500	2,500
Total Revenue	\$ 196,767	\$ 333,408	\$ 278,230	\$ 372,714
Expenditures				
Salaries and Benefits	173,663	249,321	208,390	295,848
Supplies and Services	23,104	84,087	69,840	76,266
Non-Capital Equipment	-	-	-	600
Total Expenditures	\$ 196,767	\$ 333,408	\$ 278,230	\$ 372,714

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
New businesses located from field inspection	100	100	100
New businesses located from reference sources	n/a	n/a	100
New business licenses issued	1,750	1,900	1,900
Business license renewals	10,100	10,100	10,200
Business license delinquency notices	2,525	2,525	2,550
Percent of business licenses paid by due date	75%	75%	75%
Assessment district billings	4,000	4,000	4,000
Assessment district delinquency notices	1,000	1,000	1,000
Percent of PBIA assessments paid by due date	75%	75%	75%
Percent of accounts sent to collections	2%	2%	2%
Satisfaction rating by License and Permit customers	80%	80%	80%

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RECENT PROGRAM ACHIEVEMENTS

Received the GFOA Distinguished Budget Award for the newly designed budget document for fiscal year 2004.

Budget Management

(Program No. 1415)

Mission Statement

Manage the development and implementation of the City's Two-Year Financial Plan and Annual Budget to support effective decision-making and public communication.

Program Activities

- Manage the City's annual budget process, including training and support to departments, analysis of department budget requests, and public presentation of the recommended budget.
- Project non-departmental revenue estimates and provide guidance to departments on departmental revenue estimates.
- Provide expertise to City Council and departments on economic and financial conditions and policy issues affecting the budget.
- Provide ongoing budgetary guidance and support to all City departments in implementing the annual budget.
- Publish the City's Two-Year Financial Plan and Annual Budget and the popular Budget-at-a-Glance, including CD-ROM and posting on the City's web site.

Objectives for Fiscal Year 2005

- Complete 80% of all budget journal entries to record the Council-approved budget amendments within 7 working days of approval.
- Receive the Government Finance Officers Association (GFOA) Distinguished Budget Award.
- Project General Fund non-departmental revenues within a 2% margin in relation to mid-year projections.
- Post the fiscal year 2006 Recommended Budget on the Internet within 15 days following filing date.
- Submit the fiscal year 2006 Recommended Budget to Council and City Clerk by April 12, 2005.
- Produce the fiscal year 2005 Adopted Budget within 30 days after year-end.
- Ensure that policy reserves are calculated and met each year.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	2.85	2.85	2.80
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	-	367,582	366,025	382,161
Total Revenue	\$ -	\$ 367,582	\$ 366,025	\$ 382,161
Expenditures				
Salaries and Benefits	-	286,752	293,777	305,145
Supplies and Services	-	80,830	71,822	77,016
Non-Capital Equipment	-	-	426	-
Total Expenditures	\$ -	\$ 367,582	\$ 366,025	\$ 382,161

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of budget journal entries entered within 7 days	n/a	65%	80%
Consecutive biennial GFOA Distinguished Budget Awards	4	4	5
Adopted budgets distributed on CD-ROM	n/a	n/a	25
Recommended budgets distributed on CD-ROM	n/a	n/a	25
Budget adjustments	75	60	75
Days to produce the City's adopted budget after fiscal year-end	30	95	30
Days to post the City's recommended budget to Internet	15	15	15

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RECENT PROGRAM ACHIEVEMENTS

The City and
Redevelopment Agency
audits were completed
on time with limited staff.
The respective CAFRs
were issued with an
unqualified audit opinion
ahead of schedule.

Accounting Services

(Program No. 1431)

Mission Statement

Maintain and ensure integrity of the City's financial records and audits and report financial information to Council, the public and to State and Federal regulatory agencies in an accurate and timely manner.

Program Activities

- Establish and maintain an accounting system of funds, accounts and internal controls in accordance with Governmental Accounting Standards Board standards and Generally Accepted Accounting Principles.
- Prepare year-end closing entries, balance and reconcile all funds and accounts, coordinate and communicate with City's independent auditors, and prepare the Comprehensive Annual Financial Reports for the City and the Redevelopment Agency.
- Prepare and submit fiscal reports, including compliance audits of grant funds to State and Federal agencies, in an accurate and timely manner.
- Provide financial analysis and fiscal information to departmental users, management, and the City Council as needed.

Objectives for Fiscal Year 2005

- Compile, produce and issue the fiscal year 2004 Comprehensive Annual Financial Reports (CAFRs) for the City and the Redevelopment Agency within 150 days of fiscal year-end.
- Receive an unqualified audit opinion for the fiscal year 2004 financial statement audit.
- Receive Government Finance Officers Association (GFOA) and California Municipal Finance Officers (CSMFO) awards for achievement in financial reporting for the City's CAFR.
- Complete 83% of monthly bank reconciliations within 30 days of receiving bank statements.
- Complete 92% of general ledger monthly closings within 5 working days of month-end.
- Complete and submit 92% of monthly interim financial reports to City Council within 30 days of month-end.
- Complete and file the required disclosure reports for the 2002 Certificates of Participation (COPS) for the Waterfront, Water, and General Funds prior to the March 8, 2005 deadline.

Objectives for Fiscal Year 2005 (cont.)

- Implement conversion to new Capital Asset Management Software and perform departmental inventory of fixed assets to verify completeness of current fixed asset listing.
- Complete infrastructure asset capitalization conversion and reporting as required by GASB 34.
- Conduct a training workshop for City employees to access and utilize financial reports and information from the Financial Management System.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.40	2.20	2.20	2.85
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	217,014	311,605	248,094	371,736
Total Revenue	\$ 217,014	\$ 311,605	\$ 248,094	\$ 371,736
Expenditures				
Salaries and Benefits	205,180	184,700	118,459	254,122
Supplies and Services	11,276	125,805	129,635	117,614
Non-Capital Equipment	558	1,100	-	-
Total Expenditures	\$ 217,014	\$ 311,605	\$ 248,094	\$ 371,736

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Days after June 30 to issue City and RDA CAFRs	150	146	150
Unqualified audit opinions	n/a	1	1
Awards for achievement in financial reporting	n/a	1	2
Percent of bank statements completed within 30 days of month end	100%	25%	83%
Percent of general ledger closings completed within 5 working days of month-end	92%	83%	92%
Percent of interim reports submitted to Council within 45 days	n/a	n/a	92%
Audit adjustments required by independent auditor	3	3	3

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RECENT PROGRAM ACHIEVEMENTS

97% of responses to the Payroll Customer Satisfaction Survey were very complementary about Payroll's customer service.

Payroll

(Program No. 1432)

Mission Statement

Pay City employees and benefit providers accurately and timely and ensure compliance with Federal and State laws and regulations.

Program Activities

- Perform audit and data entry of timesheets.
- Initiate tax payments and issue quarterly tax reports.
- Reconcile payroll deductions and benefits payable to the general ledger.
- Reconcile billing statements with receivables and payroll withholdings by person for employees, retirees, and cobra members.
- Initiate claims for payment to benefit providers.
- Initiate Public Employees Retirement System (PERS) payments and perform a reconciliation to reports and payroll withholdings.
- Update the payroll system tables to reflect annual changes in tax tables, employee contracts, dues, or other items for paycheck accuracy.
- Perform electronic fund transfers for direct deposits, PERS, deferred compensation, and taxes.
- Provide customer service to all City employees, departments and benefit providers.
- Implement technological enhancements to improve payroll processing efficiency.

Objectives for Fiscal Year 2005

- Process and pay payroll accurately and timely 99.9% of the time.
- Achieve a 93% accuracy rate of department-submitted timesheets by the end of fiscal year.
- Audit and update, if necessary, 40 of 92 payroll reports to improve effectiveness and usefulness of reports.
- Complete the development of electronic system to archive daily work records.
- Implement 2 new automated procedures as requested by employees in the payroll survey.

Objectives for Fiscal Year 2005 (cont.)

- Prepare the calendar year 2004 W-2 forms for distribution by January 14, 2005.
- Conduct a payroll-training workshop as part of Learning for Excellence and Achievement Program.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.40	2.45	2.45	2.45
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	183,564	313,273	305,909	370,824
Total Revenue	\$ 183,564	\$ 313,273	\$ 305,909	\$ 370,824
Expenditures				
Salaries and Benefits	165,515	176,201	165,204	186,617
Supplies and Services	18,049	137,072	140,705	184,207
Total Expenditures	\$ 183,564	\$ 313,273	\$ 305,909	\$ 370,824

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Accuracy rate of timesheet data entry	99.9%	99.9%	99.9%
Accuracy rate of timecards submitted by departments	85%	92.5%	93%
Payroll reports audited and updated for effectiveness	n/a	n/a	n/a
Dollar value of benefits and withholding accounts reconciled bi-weekly per payroll staff member	\$3,000,000	\$2,745,508	\$2,985,000
City employees per payroll staff	535	725	652
Program cost per paycheck issued	n/a	\$7.50	\$7.50
W-2's issued annually	2,000	2,032	2,000
Percent of staff hours worked per quarter	n/a	n/a	85%

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RECENT PROGRAM ACHIEVEMENTS

Annual 1099-MISC forms were printed and distributed within 6 working days after the close of calendar year 2003.

Accounts Payable

(Program No. 1433)

Mission Statement

Process and issue payments to City vendors to ensure the timely and accurate payment for materials, supplies and services received.

Program Activities

- Perform audit and data entry of claims submitted for payment.
- Implement State sales tax payments and quarterly reports.
- Initiate monthly independent contractor reporting by diskette.
- Review claims for accounts payable and purchasing policy compliance.
- Maintain files for all City payments to vendors.
- Review and adjust claims for vendor discounts when available.
- Provide customer service to departments and vendors.
- Perform daily 'Positive Pay' check disbursement reports to the bank.

Objectives for Fiscal Year 2005

- Issue 99% of warrants within 2 working days of receipt of claim for payment.
- Audit and update, if necessary, 5 accounts payable reports to improve effectiveness and usefulness of reports.
- Complete update of accounts payable database to change primary payment address to vendor selection address.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.80	1.75	1.75	1.75
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	123,409	185,555	186,182	191,438
Total Revenue	\$ 123,409	\$ 185,555	\$ 186,182	\$ 191,438
Expenditures				
Salaries and Benefits	107,683	112,811	111,607	120,187
Supplies and Services	15,726	72,744	74,575	71,251
Total Expenditures	\$ 123,409	\$ 185,555	\$ 186,182	\$ 191,438

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of warrants issued within 2 working days after receipt of claim	n/a	96.1%	99%
Accounts payable reports audited and updated for effectiveness	n/a	n/a	5
Percent of warrants issued error free per month	n/a	99%	99%
Percent of available discounts taken by departments	25%	14.4%	40%
Percent of available discounts taken by Accounts Payable staff	62%	85.6%	90%
Program cost per check issued	n/a	\$7.16	\$7.50
Invoices processed	n/a	n/a	62,000

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RECENT PROGRAM ACHIEVEMENTS

Administered a customer satisfaction service survey to approximately 29,000 utility customers in fiscal year 2004.

City Billing & Customer Service

(Program No. 1434)

Mission Statement

To accurately bill customers on behalf of City departments to ensure the timely collection of related revenues and respond to customer inquiries in a courteous and professional manner.

Program Activities

- Prepare and mail approximately 360,000 utility bills annually, including bills for water, wastewater and refuse collection services.
- Prepare and mail approximately 27,000 additional bills for a variety of City fees, services and reimbursements annually, working closely with other City departments.
- Provide customer service by handling approximately 25,000 customer inquiries annually via telephone and walk-in counter support.
- Maintain and manage an automatic payment option for customers to have their bills paid automatically from their checking account.
- Process approximately 10,000 service orders to utility customers accounts, including customer updates, water meter reading verification, bill collection efforts, and water service changes.

Objectives for Fiscal Year 2005

- Issue refund warrants on closed water accounts within 30 days of month-end.
- Accurately input 90% of newly created autopayment account information for utility billing and harbor slip customers.
- Sort and file 95% of cleared warrants within 30 days of receipt.
- Process customer address changes before the account's next monthly bill is issued.
- Cross-train all program staff in use of data archive computer software program.
- Analyze results of customer satisfaction survey and prioritize comments for system improvements.
- Develop a payment arrangement policy to standardize how customers can extend their payment.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	5.20	3.60	3.60	3.60
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	373,851	534,819	546,633	551,685
Total Revenue	\$ 373,851	\$ 534,819	\$ 546,633	\$ 551,685
Expenditures				
Salaries and Benefits	135,367	235,367	223,824	252,745
Supplies and Services	238,484	299,452	322,809	298,940
Total Expenditures	\$ 373,851	\$ 534,819	\$ 546,633	\$ 551,685

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of water refund warrants issued within 30 days of account being closed	n/a	n/a	90%
Accuracy rate of customer account autopayment data entry	n/a	n/a	90%
Percent of cleared bank warrants filed within 30 days of receipt	n/a	n/a	95%
Percent of address changes input before account's next billing	n/a	n/a	90%
Utility bills issued	n/a	358,560	358,560
Miscellaneous bills issued	n/a	26,400	26,400
Service orders prepared	n/a	12,000	12,000
Phone calls received from customers	n/a	31,200	31,200
Customers on automatic pay including utility bills and harbor slips	n/a	51,600	51,600
Customers assisted at the counter	n/a	1,100	1,100
Cost per bill issued	\$0.86	\$1.42	\$1.42

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RECENT PROGRAM ACHIEVEMENTS

With assistance from Information Systems, all purchase order types are now electronically captured and sorted in the FMS.

Purchasing

(Program No. 1441)

Mission Statement

Competitively purchase quality goods and services that meet department specifications in a timely and cost effective manner in accordance with the Municipal Code.

Program Activities

- Prepare Quick Quote, Bid and Proposal packages, advertise and solicit for competitive bids to supply goods, materials and services to meet the City's needs.
- Utilize State contracts for cooperative purchases when State goods and materials meet department specifications and needs.
- Routinely review warehouse stock for quantity re-order levels and adjust as appropriate.
- Dispose of surplus City property.

Objectives for Fiscal Year 2005

- Re-bid 100% of the Blanket Purchase Orders (BPOs) over \$50,000 to ensure that the City receives competitively priced services and materials.
- Present Purchasing Code revisions to the Ordinance Committee to raise purchasing amount and authority limits.
- Track the percentage of complete Requisitions over \$1,000 received citywide and by department.
- Develop a computerized "Bidder's List" by December 31, 2004.
- Analyze customer satisfaction survey for Purchasing operations and implement changes or improvements as appropriate and necessary.
- Provide purchasing training workshop to employees as part of the City's Learning for Excellence and Achievement Program (LEAP).
- Develop measures of effectiveness and efficiency for purchasing operations by December 31, 2004.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	5.75	5.75	5.75	4.75
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	309,914	383,152	333,202	506,738
Total Revenue	\$ 309,914	\$ 383,152	\$ 333,202	\$ 506,738
Expenditures				
Salaries and Benefits	290,085	305,618	260,168	430,554
Supplies and Services	19,829	77,534	73,034	76,184
Equipment Capital	-	-	-	-
Total Expenditures	\$ 309,914	\$ 383,152	\$ 333,202	\$ 506,738

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Blanket Purchase Orders (BPOs) over \$50,000 rebid	n/a	20%	100%
Purchase orders issued for all categories	940	6,000	6,300
Cash Purchase Orders (CPO) issued for routine services and supplies under \$500	4,900	1,600	1,850
Purchase Orders (PO) issued for routine services and supplies over \$500	4,000	1,800	1,800
Blanket Purchase Orders (BPO) issued for ordinary services and supplies	n/a	1,200	1,200
Purchase Orders (PS) issued for professional services	500	350	350
Change Orders (CO) issued	n/a	1,050	1,150
Request for Proposals/Qualifications (RFPs/RFQs) advertised	100	8	8
Bids for Ordinary Services and/or Materials	n/a	n/a	90
Average Purchase Orders processed per buyer	3,133	1,650	2,100
Percent of complete requisitions over \$1,000 received citywide and by department	n/a	n/a	75

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RECENT PROGRAM ACHIEVEMENTS

The Warehouse staff sustained no injuries in the past year due to increased awareness of safety rules and regulations and practice of the same.

Central Warehouse

(Program No. 1442)

Mission Statement

Competitively purchase inventory and issue quality goods that meet department specifications to support City operations and emergencies and dispose of City surplus in accordance with the Municipal Code.

Program Activities

- Prepare Quick Quote, Bid and Proposal packages, advertise and solicit for competitive bids to supply goods, materials and services to meet the City's needs.
- Utilize State contracts for cooperative purchases when State goods and materials meet department specifications and needs.
- Routinely review warehouse stock for quantity re-order levels and adjust as appropriate.
- Dispose of surplus City property.

Objectives for Fiscal Year 2005

- Maintain the accuracy of the monthly inventory count within 2%.
- Process and fill 98% of issue requisitions within the promised timeframe.
- Complete monthly inventory within 1 working day.
- Develop a measurement for warehouse inventory turnover rate by December 31, 2004.
- Re-label stock shelves with proper stock numbers and descriptions by December 31, 2004.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.20	1.55	1.55	1.65
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	226,699	219,385	211,489	136,177
Total Revenue	\$ 226,699	\$ 219,385	\$ 211,489	\$ 136,177
Expenditures				
Salaries and Benefits	207,844	188,373	183,373	103,308
Supplies and Services	17,981	31,012	28,116	32,869
Equipment Capital	874	-	-	-
Total Expenditures	\$ 226,699	\$ 219,385	\$ 211,489	\$ 136,177

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Accuracy percentage of monthly inventory	n/a	98%	98%
Percent of issue requisitions processed within the promised timeframe	n/a	n/a	98%
Monthly inventories completed within 1 working day	n/a	n/a	10
Different categories of items in warehouse inventory	1,760	1,400	1,400
Labor cost as a percentage of surplus revenue	7%	6%	6%

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RECENT PROGRAM ACHIEVEMENTS

Meter readers reduced the number of vehicle accidents to zero in the past year.

Meter Reading

(Program No. 1443)

Mission Statement

Read water meters in the City for accurate and timely utility billings, and respond to field service requests in a timely, courteous, efficient and safe manner.

Program Activities

- Read approximately 26,000 water meters every 27-33 days.
- Process approximately 10,000 service orders to begin and terminate service.
- Maintain water meters and make recommendations for replacement.
- Download daily route meter reading data to the centralized utility billing system.
- Field check new water meter installations.
- Maintain and manage an active water meter inventory.
- Provide information to public service providers regarding unusual circumstances affecting the elderly through the Gatekeeper Program.

Objectives for Fiscal Year 2005

- Respond to 100% of service orders within 1 working day.
- Maintain a 99.9% or better meter reading accuracy rate.
- Read 100% of water meters according to an approved monthly schedule.
- Update the Financial Management System (FMS) with current water meter locations.
- Conduct a customer satisfaction survey for water meter reading operations.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	6.20	5.60	5.60	5.65
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	381,132	385,090	382,366	407,580
Total Revenue	\$ 381,132	\$ 385,090	\$ 382,366	\$ 407,580
Expenditures				
Salaries and Benefits	350,784	338,120	338,120	360,556
Supplies and Services	30,348	46,970	44,246	47,024
Total Expenditures	\$ 381,132	\$ 385,090	\$ 382,366	\$ 407,580

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of service calls responded to within 1 working day	100%	100%	100%
Percent of accuracy rate of meters read	99%	99.9%	99.9%
Percent of meters read according to schedule	100%	100%	100%
Percent of missed reads completed within 2 working days	100%	100%	100%
Return visits for missed reads	n/a	800	800
Meters turned off for non-payment	2,000	1,200	1,200
Meters read annually	n/a	n/a	310,680
Meters read per month by meter reader	n/a	n/a	6,100

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RECENT PROGRAM ACHIEVEMENTS

Duplications staff completed 95% of all printing and copying orders within the promised timeframe.

Duplications

(Program No. 1451)

Mission Statement

Provide quality, full-service printing, copying and post-press services through a combination of both in-house and contract resources in a timely, confidential and cost-effective manner.

Program Activities

- Provide typesetting, design and layout services.
- Produce brochures, flyers, forms, manuals and stationery for all city departments.
- Perform finishing operations such as folding, collating, stapling, drilling and binding.
- Write specifications for printing orders sent to outside vendors.
- Prepare cost estimates and bill departments for services provided.
- Print utility billings and prepare them for mailing.
- Review informational brochure outlining services provided by Duplications and update as necessary.

Objectives for Fiscal Year 2005

- Process at least 97% of service requests in-house to ensure effective utilization of Duplicating staff.
- Complete 95% of printing and copying orders within the promised timeframe.
- Update the fiscal year 2006 fee schedule for duplicating services by June 15, 2005.
- Implement service improvements for duplicating services based on comments received from a customer satisfaction survey.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.05	2.10	2.10	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Services Charges	249,789	250,000	250,000	233,950
Other	36,132	66,132	66,132	64,658
Total Revenue	\$ 285,921	\$ 316,132	\$ 316,132	\$ 298,608
Expenditures				
Salaries and Benefits	133,697	142,332	140,420	144,175
Supplies and Services	135,750	197,048	202,225	153,983
Transfers Out	-	-	-	450
Equipment Capital	1,059	-	-	-
Total Expenditures	\$ 270,506	\$ 339,380	\$ 342,645	\$ 298,608
Addition to (Use of) Reserves	\$ 15,415	\$ (23,248)	\$ (26,513)	\$ -

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of service requests processed in-house	95%	95%	97%
Percent of printing and copying orders completed within promised timeframe	96%	95%	95%
Duplications service requests	2,000	1,500	1,500
Total number of copies	3,000,000	2,200,000	2,500,000
Utility billing printing cycles	900	900	900
Total number of pieces processed	420,000	405,000	405,000
Average cost per black and white copy	\$0.06	\$0.06	\$0.45
Average cost per color copy	\$0.30	\$0.48	\$0.48
Average days to complete service orders	2.5 days	2.75 days	2.75 days

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RECENT PROGRAM ACHIEVEMENTS

No accidents or injuries
have occurred on an
extensive daily mail
courier route.

Mail Courier Services

(Program No. 1452)

Mission Statement

Collect and distribute U.S. Postal Service and interdepartmental mail to all City departments for efficiency, convenience and savings realized through bulk and presort mail rates.

Program Activities

- Collect the City's United States Postal Service (U.S.P.S.) mail from the U.S. Post Office twice daily.
- Provide interoffice mail courier service to City offices and selected outside agencies.
- Process outgoing U.S.P.S. mail daily, utilizing presort standards on mail qualifying for discount rates.
- Review informational brochure outlining mail courier services and update as necessary.

Objectives for Fiscal Year 2005

- Send 85% of outgoing U.S.P.S. mail at the discounted presort rate.
- Provide mail courier services according to an approved mail service schedule 96% of the time.
- Implement service improvements for mail courier services based on comments received from a customer satisfaction service survey.
- Determine the potential savings to the City through the use of other delivery services (UPS).
- Complete an evaluation of the effectiveness of merging the Mail Courier services program with the Warehouse program by December 31, 2004.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.00	1.00	1.00	1.10
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Other	55,254	59,846	59,846	66,870
Total Revenue	\$ 55,254	\$ 59,846	\$ 59,846	\$ 66,870
Expenditures				
Salaries and Benefits	34,245	41,826	39,643	49,405
Supplies and Services	10,682	18,020	15,550	17,465
Total Expenditures	\$ 44,927	\$ 59,846	\$ 55,193	\$ 66,870

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of mail processed at presort rate	80%	80%	85%
Percent of mail stops completed	96%	96%	96%
Pieces of outgoing U.S.P.S. mail processed	370,000	370,000	370,000
Pieces of interoffice mail and correspondence	25,000	25,000	25,000
Dollar savings to City using presort mailings	\$5,600	\$5,600	\$5,600
Labor cost per piece of outgoing U.S.P.S. mail	\$0.024	\$0.10	\$0.10

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➤ **Risk Management –**

Workers' Compensation

Risk Management – Liability
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RECENT PROGRAM ACHIEVEMENTS

Medical costs savings of 50% over billed amount. Closed 94 claims. Placed 70 out of 74 eligible employees to a temporary modified work assignment.

Workers' Compensation

(Program No. 1461)

Mission Statement

Provide workers' compensation benefits to eligible employees, ensure compliance with Federal and State regulations, and minimize associated costs.

Program Activities

- Collect, maintain, and analyze loss data.
- Ensure compliance with Federal and California laws and monitor legislation, legal opinions, and case law for changes in the law.
- Investigate, evaluate, and authorize all new lost time claims.
- Approve the use of salary continuation.
- Approve expenditures, evaluate and recommend settlement proposals, and obtain approval for settlement payments.
- Ensure that the third party administrator completes all required elements of contracts.
- Assist outside legal counsel to defend claims and coordinate subrogation recovery.
- Notify management of any permanent work restriction for injured employees and evaluate industrial disability retirement applications.
- Assist managers and supervisors to return an injured employee to regular or modified duty and develop a modified duty contract.
- Respond to employee, supervisor, and management inquiries and provide training on workers' compensation.

Objectives for Fiscal Year 2005

- Conduct semi-annual claim reviews with the management staff of the 4 departments with the highest claim frequency during fiscal year 04 (Fire, Police, Public Works, and Parks & Recreation).
- Evaluate 100% of employees eligible for modified duty.
- Investigate 50% of industrial injuries with lost time within 45 days of the date of knowledge.
- Complete audit of Third Party Administrator by 12/31/2004.
- Complete benchmark comparison on vendor services by 12/31/2004.
- Develop the Risk Awareness curriculum for the LEAP Program by 10/31/2004.
- Conduct 2 Risk Awareness classes for the LEAP Program by 6/30/05.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.70	1.75	1.75	1.75
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Workers Compensation Premiums	3,552,517	3,236,152	3,236,152	3,370,716
Interest Income	-	-	-	61,354
Other	2,255	-	-	-
Total Revenue	\$ 3,554,772	\$ 3,236,152	\$ 3,236,152	\$ 3,432,070
Expenditures				
Salaries and Benefits	137,543	151,513	152,000	158,078
Supplies and Services	142,974	207,056	251,738	283,600
Special Projects	5,551,507	2,793,046	2,587,695	2,987,524
Transfers Out	-	-	-	1,368
Non-Equipment Capital	3,872	-	409	1,500
Total Expenditures	\$ 5,835,896	\$ 3,151,615	\$ 2,991,842	\$ 3,432,070
Addition to (Use of) Reserves	\$ (2,281,124)	\$ 84,537	\$ 244,310	\$ -

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Conduct semi-annual review of the open claims with the departments	n/a	n/a	8
Contact manager, supervisor, and injured employee to help facilitate return to modified duty where appropriate	n/a	n/a	100%
Percent of industrial injuries with lost time investigated within 45 days	50%	50%	50%
Total annual claim costs (paid and reserved)	\$2,400,000	\$1,853,882	\$1,280,000
Annual gross amount of medical costs billed	n/a	n/a	\$2,100,000
Annual gross medical costs paid	\$2,500,000	\$1,072,825	\$1,250,000
Annual cost of professional medical review services	\$101,000	\$100,465	\$101,000
Claims filed during current fiscal year	n/a	226	190
Open claims all years at fiscal year-end	n/a	n/a	225
Active litigated claims	n/a	n/a	40
Litigation ratio percent active litigated claims to open claims	n/a	n/a	20%
Percent of claims filed without lost time	40%	40%	40%
Employees who receive TTD all years	n/a	n/a	100
Temporary modified work placements	40	63	70
Percent of eligible employees with an industrial injury placed in a Modified Duty assignment	50%	96%	65%

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RECENT PROGRAM ACHIEVEMENTS

Increased number of defensive driver training classes and attendees. Obtained defensive verdicts in all Small Claims Court actions.

Liability

(Program No. 1462)

Mission Statement

Identify and correct potential hazards, provide loss prevention training, and prudently adjust damage claims.

Program Activities

- Administer incident and claims procedures.
- Investigate departmental activities relative to claimed damages.
- Pay or deny claims and communicate findings to claimants.
- Represent the City in Small Claims court.
- Request and track hazard mitigation throughout City activities.
- Provide tailored loss prevention classes to City personnel.
- Consult with departments to assess workplace security needs.
- Prepare preventability reports of vehicle and equipment damage.
- Organize defensive driving classes and materials.
- Notarize City and employee documents.
- Report loss amounts monthly and annually.
- Assess and provide needed Loss Prevention Training.

Objectives for Fiscal Year 2005

- Reduce preventable fleet collisions by 5%.
- Complete 85% of claim investigations within 45 days.
- Conduct 2 departmental workplace security assessments and implement recommendations.
- Develop the Risk Awareness curriculum for the Learning for Excellence Achievement Program (LEAP) by October 31, 2004.
- Conduct 2 Risk Management classes for the LEAP Program by June 30, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.25	1.30	1.30	1.30
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Liability Insurance Premiums	704,425	765,892	765,892	1,224,163
ACCEL- Return of Premium	200,000	16,140	16,140	-
Other	135,987	-	-	-
Total Revenue	\$ 1,040,412	\$ 782,032	\$ 782,032	\$ 1,224,163
Expenditures				
Salaries and Benefits	103,468	128,453	129,000	125,989
Supplies and Services	140,582	156,738	97,154	171,674
Special Projects	991,930	509,000	400,000	925,000
Non-Capital Equipment	3,981	4,125	4,000	1,500
Total Expenditures	\$ 1,239,961	\$ 798,316	\$ 630,154	\$ 1,224,163
Addition to (Use of) Reserves	\$ (199,549)	\$ (16,284)	\$ 151,878	\$ -

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of preventable City vehicle collisions	13%	50%	45%
Percent of claims investigated within 45 days	n/a	85%	85%
Liability claims filed during the quarter	175	170	175
Current open claims (all years)	n/a	n/a	100
Annual claim costs paid	n/a	n/a	\$74,115
Percent of claims closed with no payment	75%	70%	70%
Percent of claims filed resulting in litigation	n/a	n/a	5%
Percent of claims filed during current and previous 2 fiscal years resulting in litigation	n/a	n/a	10%
Percent of claims closed with no litigation	95%	93%	95%
Percent of open claims litigated	n/a	10%	10%
Percent of claims closed within 11 months of filing	n/a	85%	85%
Loss Prevention classes conducted	n/a	n/a	6
Loss prevention classes attendees	250	250	250
Defensive Driver classes attendees	n/a	50	50
Reported vehicle collisions	n/a	n/a	130
Percent of vehicle collisions resulting in claims	4%	10%	10%
Amount paid for preventable accidents	n/a	n/a	\$36,904

PROGRAMS & SERVICES

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Risk Management –
Administrative Operations



RECENT PROGRAM ACHIEVEMENTS

Occupational injuries
were reduced by 20%.

Occupational Safety & Health

(Program No. 1463)

Mission Statement

Ensure a safe work environment for the City's employees and preserve the City's financial resources through training, medical screening, and job safety analysis.

Program Activities

- Review and update the Injury Illness Prevention Program (IIPP) to conform with Occupational Safety and Health Act (OSHA) regulatory changes.
- Maintain and schedule master IIPP compliance activities and other safety training regulations according to State law.
- Provide training guidance and resources to supervisors.
- Conduct Job Safety Analysis for job classifications with most frequent work injuries.
- Respond to hazards and safety concerns identified by employees.
- Provide loss data for monthly and annual reports.
- Conduct departmental safety audits for program compliance.
- Identify job task hazards that cause the most frequent work injuries and recommend corrective actions.
- Maintain City network of internal occupational safety trainers.

Objectives for Fiscal Year 2005

- Reduce occupational injuries by 5%.
- Maintain compliance with State and Federal Occupational Safety and Health Association (OSHA) mandates.
- Conduct 2 departmental safety audits.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.25	1.30	1.30	1.30
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Occupational Health and Safety Fees	-	217,076	217,076	228,744
Total Revenue	\$ -	\$ 217,076	\$ 217,076	\$ 228,744
Expenditures				
Salaries and Benefits	94,692	119,625	69,000	121,818
Supplies and Services	42,980	110,452	67,201	105,426
Non-Capital Equipment	2,251	-	-	1,500
Total Expenditures	\$ 139,923	\$ 230,077	\$ 136,201	\$ 228,744

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Occupational injury claims filed	n/a	215	205
Percent compliance with State and Federal OSHA mandates	n/a	< 100%	100%
Employees attending Injury Illness Prevention Program training sessions	1,000	1,000	1,000
Ergonomic evaluations conducted	40	40	30
Safety audits conducted	2	2	2
Lost work days due to occupational injuries	3,596	3,596	3,300
Occupational Safety Trainers	130	130	130

PROGRAMS & SERVICES

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RECENT PROGRAM ACHIEVEMENTS

Implemented system for
allocating risk
management costs by
fund. Launched
interactive intranet site.
Eliminated broker service
fee on commercial
insurance portfolio.

Administrative Operations

(Program No. 1464)

Mission Statement

Manage Risk division programs and assist operating departments to assess exposures to loss.

Program Activities

- Create and maintain risk management information system.
- Review and execute contracts, agreements, leases, and grants.
- Identify, evaluate, and rate all risks of accidental loss.
- Respond to citizen and public requests for assistance.
- Respond to employee, supervisor and management requests for assistance.
- Market and negotiate placement of commercial insurance policies.
- Initiate investigation and recovery of costs for loss or damage to City property caused by insurable perils or a negligent third party.

Objectives for Fiscal Year 2005

- Ensure completion of 80% of Risk Management Division program objectives.
- Route 90% of public hazard concerns to the appropriate department within 2 working days.
- Compile and distribute monthly and annual loss data reports to operating departments.
- Conduct actuarial study to determine funding and reserve levels for liability and workers' compensation costs.
- Create on-demand training attendance reports.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.80	0.85	0.85	0.85
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Interest Income	2,856	120,000	120,000	58,646
Property Insurance Allocation	1,618,056	1,788,322	1,788,322	1,425,837
ACCEL- Return of Premium	-	206,210	222,350	190,000
Other	455	-	-	-
Total Revenue	\$ 1,621,367	\$ 2,114,532	\$ 2,130,672	\$ 1,674,483
Expenditures				
Salaries and Benefits	78,618	91,255	92,000	91,192
Supplies and Services	1,497,946	2,108,825	1,890,007	1,581,791
Non-Capital Equipment	-	4,000	4,000	1,500
Total Expenditures	\$ 1,576,564	\$ 2,204,080	\$ 1,986,007	\$ 1,674,483
Addition to (Use of) Reserves	\$ 44,803	\$ (89,548)	\$ 144,665	\$ -

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of division objectives accomplished	80%	80%	80%
Percent of public hazard complaints routed to appropriate department within 2 working days of receipt	100%	90%	90%
Loss data reports	12	12	12
Dollar value of property damage and workers' compensation expenses recovered from negligent third parties	\$100,000	\$100,000	\$100,000
Total cost of risk as percentage of total City operating and capital expenditures	3%	3%	3%
Public hazard concerns received	72	72	70

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DEPARTMENT SUMMARY

Fire

Provide fire protection, emergency medical rescue and related life safety service to Santa Barbara's citizens and visitors.

About Fire

The Fire Department is responsible for the protection of Santa Barbara from fire and a long list of natural and man-made catastrophes. The Fire Department has provided continuous, uninterrupted service for over 122 years.

Santa Barbara is served by eight fire stations and the City's firefighters respond to more than 7,000 emergency incidents each year.

Employees conduct over 3,000 fire inspections each year as part of the department's commitment to a fire safe community. Plan reviews and inspections of all new construction help ensure the future fire safety of Santa Barbara.

The department's specially trained Airport firefighters operate specifically designed equipment and protect the flying public at the Santa Barbara Airport.



Fiscal Year 2005 Budget Highlights

The Fire Department's challenge in developing the budget for fiscal year 2005 was to cut \$251,427 in net expenditures. In order to achieve this target, the proposed budget contains the elimination another Fire Inspector position next fiscal year, increased revenue from existing fees, as well as several new fees. Both fire inspection fees and overhead charges for ARFF services provided at the City's Airport will see increases next year. New revenue sources include CPR training, mutual aid reimbursement, and an Average Daily Attendance revenue sharing agreement with Santa Barbara City College.



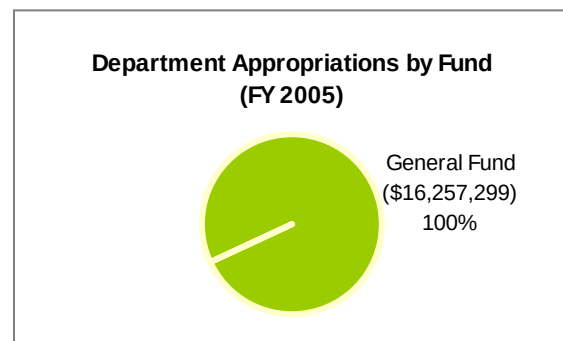
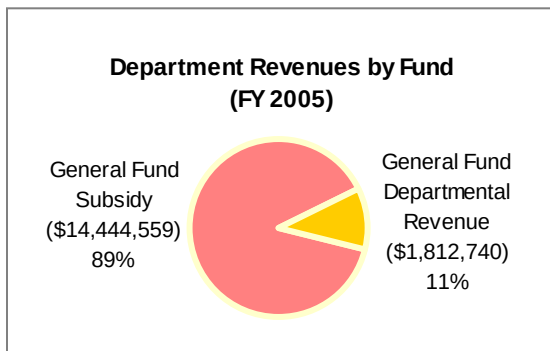
DEPARTMENT SUMMARY

Fire

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	124.0	113.0	113.0	112.0
Non-Permanent Employee Hours	n/a	n/a	n/a	1,040
Revenues				
Fees and Service Charges	50,129	130,200	131,451	187,379
General Fund Subsidy	11,724,918	12,865,295	12,968,441	14,436,303
Interfund Reimbursements	1,005,427	1,069,470	1,112,924	1,352,461
Miscellaneous	1,505	55,000	55,430	23,256
Mutual Aid Reimbursements	344,959	375,781	375,781	257,900
Total Department Revenue	\$ 13,126,938	\$ 14,495,746	\$ 14,644,027	\$ 16,257,299
Expenditures				
Salaries and Benefits	11,640,275	12,528,557	12,678,442	14,367,868
Supplies and Services	1,361,580	1,801,303	1,788,360	1,800,972
Special Projects	9,838	73,117	84,500	2,500
Non-Capital Equipment	115,245	92,769	92,725	85,959
Total Department Expenditures	\$ 13,126,938	\$ 14,495,746	\$ 14,644,027	\$ 16,257,299

Department Fund Composition

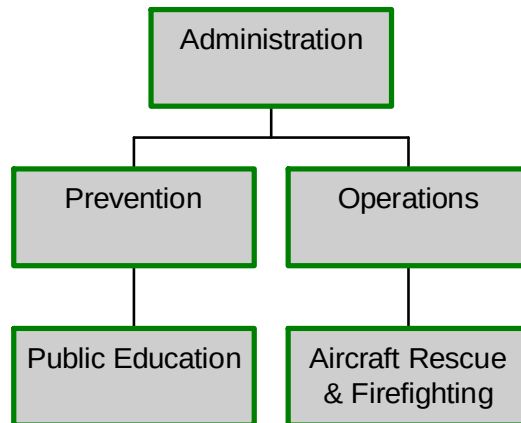




DEPARTMENT SUMMARY

Fire

Program Organizational Chart



PROGRAMS & SERVICES

FIRE PROGRAMS

➤ Administration

Fire Prevention

Public Education

Operations

Aircraft Rescue and
Firefighting (ARFF)



RECENT PROGRAM ACHIEVEMENTS

The Department implemented 3 new revenue-generating programs: a small business self-inspection program, CPR Training, and a partnership with City College to share daily attendance funds.

Administration

(Program No. 3111)

Mission Statement

Provide leadership, policy direction and administrative support to the entire department.

Program Activities

- Provide administrative direction and support for the entire department.
- Prepare department payroll, personnel actions, purchasing requisitions, and correspondence.
- Manage department computer and telecommunications networks.
- Manage department budget preparation and monitor department expenditures and revenues.

Objectives for Fiscal Year 2005

- Ensure that at least 85% of the Department's Program Objectives are accomplished.
- Stabilize time lost due to injury at 8,500 or fewer hours.
- Submit 90% of invoices to the Forest Service within 15 working days of completion of mutual aid assignment.
- Maintain annual fire loss at or below average of previous 3 years.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	7.00	5.00	5.00	7.00
Non-Permanent Employee Hours	n/a	n/a	n/a	1,040
Revenues				
Interfund Reimbursement	67,530	104,244	114,698	80,206
General Fund Subsidy	553,909	452,784	463,232	766,110
Total Revenue	\$ 621,439	\$ 557,028	\$ 577,930	\$ 846,316
Expenditures				
Salaries and Benefits	586,168	480,798	508,930	756,470
Supplies and Services	35,271	76,230	69,000	89,846
Total Expenditures	\$ 621,439	\$ 557,028	\$ 577,930	\$ 846,316

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Department Program Objectives accomplished	85%	75%	85%
Hours lost due to injury	< 8,500	< 6,590	< 8,500
Percent of invoices generated within 15 working days of completion of mutual aid assignment	90%	93%	90%
Annual Fire loss	< \$1,215,074	< \$750,000	< \$684,554
Mutual aid reimbursements	n/a	\$380,000	\$257,900

PROGRAMS & SERVICES

FIRE PROGRAMS

- Administration
- Fire Prevention
- Public Education
- Operations
- Aircraft Rescue and
Firefighting (ARFF)



RECENT PROGRAM ACHIEVEMENTS

The Fire Department implemented the Business Self Inspection Program (BSIP) and completed environmental review of Wildland Fire Plan.

Fire Prevention

(Program No. 3121)

Mission Statement

Protect life, property and the environment from fire, hazardous materials, and disasters through proactive code enforcement, modern fire prevention methods, fire and arson investigation and progressive public safety education.

Program Activities

- Participate in the Community Development Land Development Team.
- Conduct life safety inspections of hazardous materials facilities.
- Conduct fire and arson investigations.
- Conduct State mandated licensed facility inspections.
- Reduce the impact of wildland fire in the community through hazard reduction, public education, and code enforcement.
- Conduct fire code enforcement compliance inspections.
- Oversee fire prevention at the Airport in compliance with the Federal Aviation Administration regulations.
- Oversee Business Self-Inspection Program (BSIP).

Objectives for Fiscal Year 2005

- Complete 95% of the required Hazardous Materials Facility inspections within the prescribed 3 year cycle.
- Complete 95% of 133 State Mandated Licensed Facility Inspections within the prescribed schedule.
- Conduct 95% of new construction-related inspections within two working days of initial request.
- Complete 90% of all plan reviews submitted to the Community Development Department within the time allotted.
- Determine cause of 80% of fires investigated within the City of Santa Barbara.
- Respond to 85% of code enforcement complaints within 5 working days from receipt of complaint.
- Resolve 85% of code enforcement cases within 3 months of case initiation.
- Complete 33 acres of vegetation management projects.
- Update the Firehouse database to accurately reflect all businesses in the Business Self Inspection Program (BSIP).
- Complete a feasibility study of the Wildland Interface Assessment District to evaluate public support for the proposal.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	11.00	10.00	10.00	9.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	50,129	130,200	130,200	170,200
Miscellaneous	450	55,000	55,000	8,256
General Fund Subsidy	844,568	984,036	953,325	986,012
Total Revenue	\$ 895,147	\$ 1,169,236	\$ 1,138,525	\$ 1,164,468
Expenditures				
Salaries and Benefits	757,485	912,616	871,300	981,055
Supplies and Services	123,066	181,233	180,000	178,188
Special Projects	9,838	70,162	82,000	-
Non-Capital Equipment	4,758	5,225	5,225	5,225
Total Expenditures	\$ 895,147	\$ 1,169,236	\$ 1,138,525	\$ 1,164,468

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of 137 Hazardous Materials Facilities inspected within prescribed 3 year cycle	95%	95%	95%
Hazardous Materials Inspections conducted	46	46	46
Percent of 133 State Mandated Licensed Facility inspections completed annually	95%	95%	95%
Title 19 inspections conducted	133	137	137
Percent of new construction related inspections conducted within 2 working days of request	95%	95%	95%
New construction-related inspections	400	400	400
Percent of plan reviews completed within time allotted	80%	90%	90%
Plan reviews conducted	n/a	1,200	1,200
Percent of causes determined of fires investigated	80%	80%	80%
Fire investigations conducted	n/a	90	100
Percent of code enforcement complaints receiving initial response within 5 working days	50%	95%	85%
Code enforcement complaints received	200	70	70
Percent of enforcement cases resolved within 3 months of initiation	n/a	60% (4 months)	85%
Enforcement cases resolved	n/a	60	60
Acres cleared	24	25	33
High Fire Hazard Area contacts	5,000	6,500	6,500

PROGRAMS & SERVICES

FIRE PROGRAMS

Administration

Fire Prevention

➤ **Public Education**

Operations

Aircraft Rescue and
Firefighting (ARFF)



RECENT PROGRAM ACHIEVEMENTS

Recognized by the Governor's Office of Emergency Services for outstanding achievements in our Community Emergency Response Training Program at a statewide workshop.

Public Education

(Program No. 3122)

Mission Statement

Reduce injuries, loss of life and property by offering a comprehensive progressive fire and life safety education program to the community.

Program Activities

- Provide a variety of safety programs with age appropriate curriculums to school age children.
- Conduct Community Emergency Response Team (CERT) training.
- Target safety education to identified high-risk populations, including seniors, children, Spanish-speakers, and persons with disabilities.
- Collaborate with other emergency service providers to give comprehensive life safety information to the community.
- Provide business owners with the latest fire prevention and disaster mitigation information.
- Offer public education programs to the community in a variety of mediums in both English and Spanish.

Objectives for Fiscal Year 2005

- Conduct a minimum of 275 public education safety presentations annually.
- Target 50% of public education programs at high-risk groups.
- Provide a minimum of 3 Community Emergency Response Teams trainings.
- Reach 80% of third grade students with the Fire Safety House educational programs.
- Conduct bi-monthly First Aid and CPR classes.
- Provide disaster preparedness training to local businesses.
- Coordinate and participate in the "Teaming up for Safety" Fair

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.00	1.00	1.00	1.00
Non-Permanent Employee Hours	n/a	n/a	n/a	0.00
Revenues				
Miscellaneous	-	-	150	-
General Fund Subsidy	86,930	107,751	105,650	117,311
Total Revenue	\$ 86,930	\$ 107,751	\$ 105,800	\$ 117,311
Expenditures				
Salaries and Benefits	71,207	72,932	72,932	81,820
Supplies and Services	15,723	34,819	32,868	35,491
Total Expenditures	\$ 86,930	\$ 107,751	\$ 105,800	\$ 117,311

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Safety presentations	275	275	275
Percent of public education programs for targeted groups	50%	50%	50%
Community Emergency Response Team (TEAM) trainings	3	3	3
Percent of local 3 rd grade students receiving Fire Safety House educational program	80%	80%	80%
First Aid and CPR classes held	n/a	n/a	24
On-site disaster preparedness training sessions held	n/a	n/a	6
Students participating in the Fire Safety House program	847	280	847

PROGRAMS & SERVICES

FIRE PROGRAMS

Administration

Fire Prevention

Public Education

➤ **Operations**

Aircraft Rescue and
Firefighting (ARFF)

Operations

(Program No. 3131)

Mission Statement

Save and protect lives, property, and the environment of the Santa Barbara community by preventing the impact of future events through proactive planning, public education, and occupancy fire code inspections.

Program Activities

- Prepare for and respond to a multitude of emergency situations.
- Provide ongoing training to department members that are required by local, state, and federal regulations.
- Conduct Fire Safety Inspections in order to reduce/prevent fire loss and injuries.
- Provide Public Education programs to help inform the residents of fire and other life-safety hazards within our community.

Objectives for Fiscal Year 2005

- Respond to 90% of all emergencies within jurisdiction in less than 5 minutes from unit receipt of alarm.
- Contain 80% of all structure fires to area or room of origin.
- Conduct an Engine Company Level Fire Safety Inspection on 98% of business and residential occupancies as required once during designated two-year periods.
- Conduct 90% of prevention re-inspections within three weeks of initial inspection.
- Ensure staff attends 19,000 hours of safety-related training.
- Provide 100% of all required training classes to Department personnel each calendar year.
- Provide 1000 staff hours of public education annually.
- Achieve Type 1 certification (highest level) for the Urban Search and Rescue Vehicle from the State Office of Emergency Services.



RECENT PROGRAM ACHIEVEMENTS

The Department received \$121,000 in grants from the Federal and State governments for auto accident extrication equipment and urban Search and Rescue equipment.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	96.00	88.00	88.00	85.20
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	10,239,511	11,320,724	11,446,234	12,566,870
Fees and Service Charges	-	-	1,251	17,179
Mutual Aid Reimbursements	344,959	375,781	375,781	257,900
Miscellaneous	1,055	-	280	15,000
Total Revenue	\$ 10,585,525	\$ 11,696,505	\$ 11,823,546	\$ 12,856,949
Expenditures				
Salaries and Benefits	9,292,873	10,107,084	10,237,153	11,284,796
Supplies and Services	1,182,165	1,498,922	1,496,393	1,488,919
Special Projects	-	2,955	2,500	2,500
Non-Capital Equipment	110,487	87,544	87,500	80,734
Total Expenditures	\$ 10,585,525	\$ 11,696,505	\$ 11,823,546	\$ 12,856,949

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Code Three alarm responses under 5 minutes	90%	90%	90%
Percent of fires that do not extend from area of origin	80%	86%	80%
Percent of business and residential occupancies to be inspected on a two-year cycle	98%	99%	98%
Percent of re-inspections on notices of violation within 3 weeks of initial inspection	80%	96%	90%
Hours of safety training	n/a	19,100	19,000
Percent of training sessions completed	n/a	100%	100%
Staff hours utilized presenting public education	1,000	1,052	1,000
Medical emergency calls received	n/a	4,634	4,717
Fire calls received	n/a	278	279
Hazardous condition calls received	n/a	492	492
Miscellaneous calls received	n/a	1,650	1,651
Engine Company fire and safety inspections	n/a	n/a	2,531

PROGRAMS & SERVICES

FIRE PROGRAMS

Administration

Fire Prevention

Public Education

Operations

➤ Aircraft Rescue and
Firefighting (ARFF)



Aircraft Rescue and Firefighting (ARFF)

(Program No. 3141)

Mission Statement

Save and protect lives, property and the environment at the City of Santa Barbara Airport by preventing the impact of future events through proactive planning, public education and occupancy fire code inspections.

Program Activities

- Respond to all aircraft related emergencies at the Airport.
- Comply with all Federal Aviation Administration (FAA) standards for training and proficiency.
- Inspect all aircraft fueling vehicles for compliance with FAA standards.
- Receive reimbursements from the Airport Fund for all costs of the Aircraft Rescue and Firefighting (ARFF) Program.

Objectives for Fiscal Year 2005

- Respond to 100% of all emergencies on the aircraft operational area within 3 minutes.
- Ensure that 100% of ARFF-certified personnel reach mandated training goals during each quarter/calendar year per FAA standards.
- Complete 95% of assigned building and fuel handling inspections annually.
- Complete a feasibility study to purchase an ARFF training prop by January 31, 2005.

RECENT PROGRAM ACHIEVEMENTS

The Fire Department received two new ARFF vehicles at Station 8 in December 2003.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	9.00	9.00	9.00	9.80
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Interfund Reimbursement	937,897	965,226	998,226	1,272,255
Total Revenue	\$ 937,897	\$ 965,226	\$ 998,226	\$ 1,272,255
Expenditures				
Salaries and Benefits	932,542	955,127	988,127	1,263,727
Supplies and Services	5,355	10,099	10,099	8,528
Total Expenditures	\$ 937,897	\$ 965,226	\$ 998,226	\$ 1,272,255

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of emergency responses on the aircraft operational area under 3 minutes	97%	100%	100%
Emergency responses in AOA	52	24	24
Hours of training classes provided	n/a	100%	100%
Assigned building and fuel handling inspections completed	95%	95%	95%
Building and fuel handling inspections	185	66	67

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DEPARTMENT SUMMARY

Library

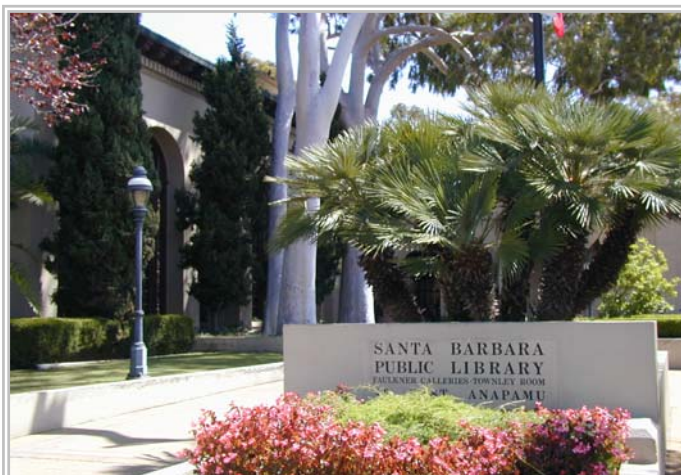
Provide information services, reading materials, and educational resources to residents of all ages from the Santa Ynez Valley to Carpinteria.

About the Library

The Library Department is responsible for providing a full range of contemporary library services to over 225,670 residents of southern Santa Barbara County. The largest components of the department are areas of public service at the Central and branch libraries, including circulation, reference, youth services, periodicals and reserve materials.

Additional activities in support of direct service include an adult literacy program, interlibrary loan and borrowing, acquisition of materials in a variety of formats, cataloging and processing of collection materials, delivery of supplies and materials throughout the library system, oversight of the automated computer system, Internet stations and website, and maintenance and repair of library facilities.

Branches of the Santa Barbara Public Library System outside the City of Santa Barbara are owned and funded by the County of Santa Barbara and administered under an agreement with the City.



Fiscal Year 2005 Budget Highlights

Library expenditures have been lowered by 5.6% in fiscal year 2005 due to economics affecting the amount of City General Fund monies available to support Libraries, and diminished donation totals. The Library Department eliminated 2.0 FTE positions, resulting in reductions in public service hours and in children's programming.

By using technology and aggressively seeking outside revenues, Library staff will continue to offer programming, multi-format collections and extensive research resources to all our residents.



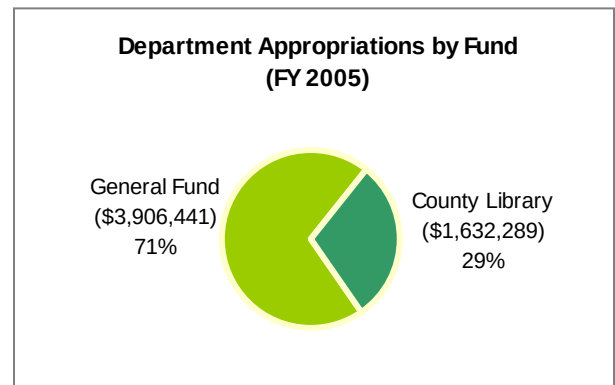
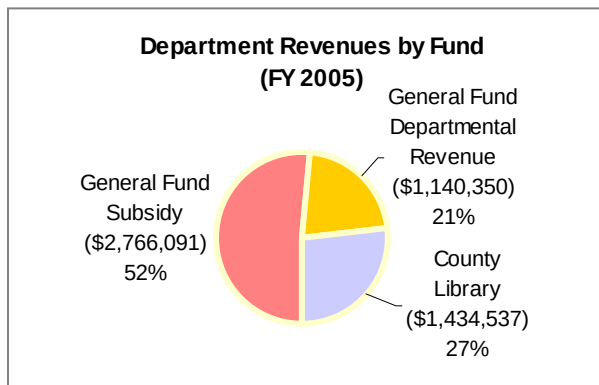
DEPARTMENT SUMMARY

Library

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	50.50	49.25	49.25	49.25
Non-Permanent Employee Hours	n/a	n/a	n/a	54,428
Revenues				
Fees and Service Charges	1,568,120	1,556,318	1,530,318	1,771,222
Library Fines	277,919	250,000	250,000	265,500
Rents	13,340	12,000	12,000	13,000
Intergovernmental	230,876	230,072	158,856	133,015
Library Gift Funds	135,667	420,085	205,785	250,000
Donations	58,016	68,000	68,000	62,500
Other	3,432	-	10,000	3,000
Transfers In	119,584	301,180	301,180	76,650
General Fund Subsidy	2,228,237	2,601,509	2,645,823	2,766,091
Total Department Revenue	\$ 4,635,191	\$ 5,439,164	\$ 5,181,962	\$ 5,340,978
Expenditures				
Salaries and Benefits	3,397,947	3,717,775	3,717,775	3,842,233
Supplies and Services	732,849	1,540,294	1,492,927	1,203,897
Equipment Capital	571,369	741,530	571,200	492,600
Total Department Expenditures	\$ 4,702,165	\$ 5,999,599	\$ 5,781,902	\$ 5,538,730
Addition to (Use of) Reserves	\$ (66,974)	\$ (560,435)	\$ (599,940)	\$ (197,752)

Department Fund Composition

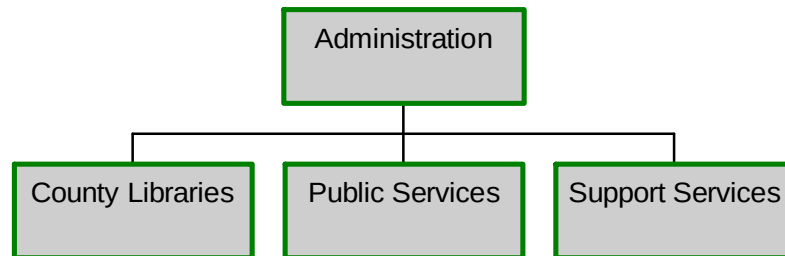




DEPARTMENT SUMMARY

Library

Program Organizational Chart



PROGRAMS & SERVICES

LIBRARY PROGRAMS

➤ Administration

Public Services
Support Services
County Libraries



RECENT PROGRAM ACHIEVEMENTS

A survey of library customers showed that 97% of participants said they were completely satisfied or mostly satisfied with library services, programs and collections.

Administration

(Program No. 5111)

Mission Statement

Provide system-wide leadership, planning and direction, anticipating and addressing the library services needs of residents.

Program Activities

- Direct program and staff providing library services to 225,670 residents of southern Santa Barbara County.
- Prepare budget, payroll, correspondence, public relations materials, reports, documents, accounts and purchase orders.
- Coordinate the volunteer program.
- Participate in activities of library organizations, citizen groups, state and local government boards, committees and councils.
- Coordinate use of City Libraries public meeting rooms by over 90 local organizations and over 25,000 residents annually.

Objectives for Fiscal Year 2005

- Ensure accomplishment of at least 70% of department program objectives.
- Maintain the number of residents using Central and Eastside meeting rooms at 25,000.
- Design and conduct a survey of non-users to determine reasons for non-use.
- Manage budget preparation and oversee revenues and expenditures to ensure expenditures are within budget.
- Develop a LEAP (Learning for Excellence and Achievement Program) Library program where City Supervisors and Managers can request training and development materials via the Intranet and have delivery through the City's mail system by September 2004.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.00	3.00	3.00	3.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	78,000	87,168	87,168	98,635
Other	34	-	-	-
General Fund Subsidy	183,889	191,279	191,279	197,375
Total Revenue	\$ 261,923	\$ 278,447	\$ 278,447	\$ 296,010
Expenditures				
Salaries and Benefits	255,250	269,981	269,981	287,449
Supplies and Services	6,674	8,466	8,466	8,561
Total Expenditures	\$ 261,923	\$ 278,447	\$ 278,447	\$ 296,010

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of department program objectives met	n/a	65%	70%
Residents using Central and Eastside meeting rooms	n/a	28,000	25,000
State and local government expenditure per capita for library services for City residents	\$37.31	\$36.41	\$35.94
State and local government expenditure per capita for library services for County service area residents	\$7.45	\$7.63	\$8.80

PROGRAMS & SERVICES

LIBRARY PROGRAMS

- Administration
- **Public Services**
- Support Services
- County Libraries



RECENT PROGRAM ACHIEVEMENTS

Increased use of City libraries shown by 7% jump in number of items circulated over the last 2 years.

Public Services

(Program No. 5112)

Mission Statement

Provide information services, programming and equal access to materials for all residents of Santa Barbara in order to promote reading and lifelong learning.

Program Activities

- Provide in-depth reference service for patrons in the library, by telephone and online via the library's website.
- Provide a variety of programs, including story times, puppet shows, crafts, movies and coordination of the system-wide Summer Reading Program to encourage the City's youth to read.
- Provide access to the Library's collections using an automated circulation system, including checkout and return of materials, payment of fines and fees, and pickup of reserve materials.
- Maintain the library's website, providing remote access to information about library services, and to the library's online catalog and information databases.
- Provide Bookmobile service to locations on Santa Barbara's Westside and Lower Westside.

Objectives for Fiscal Year 2005

- Maintain a level of 111,000 reference contacts with the City's residents.
- Maintain a circulation total of at least 700,000 items checked out from City libraries.
- Increase the number of visits to the library's website by 6%.
- Maintain at least 17,500 contacts with City youth under 18 years of age.
- Increase number of public computer sessions in City libraries by 5%.
- Conduct Santa Barbara Reads program in Fall 2004 to promote reading and encourage a community dialogue for the exchange of ideas.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	22.70	22.70	22.70	22.70
Non-Permanent Employee Hours	n/a	n/a	n/a	25,224
Revenues				
Fees and Service Charges	504,035	515,868	489,868	549,606
Library Fines	133,180	120,000	120,000	133,000
Rents	13,340	12,000	12,000	13,000
Intergovernmental	125,589	121,320	89,609	60,609
Library Gift Funds	135,667	420,085	205,785	250,000
Other	3,398	-	10,000	3,000
General Fund Subsidy	995,333	1,060,334	1,104,448	1,167,782
Total Revenue	\$ 1,910,542	\$ 2,249,607	\$ 2,031,710	\$ 2,176,997
Expenditures				
Salaries and Benefits	1,492,014	1,703,772	1,703,772	1,726,978
Supplies and Services	41,160	125,305	77,938	96,419
Equipment Capital	377,368	420,530	250,000	353,600
Total Expenditures	\$ 1,910,542	\$ 2,249,607	\$ 2,031,710	\$ 2,176,997

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Items checked out	660,000	744,000	700,000
Visits to Library website	441,000	405,000	425,000
Contacts with City youth under 18 years of age	n/a	21,000	17,500
Public computer sessions in City libraries	n/a	n/a	148,000
Circulation per capita for City residents	7.1	8.3	7.8
Reference questions answered at City libraries	130,000	108,000	100,000
Users receiving information technology training	15,000	15,300	13,500
Visits to Central and Eastside libraries	572,000	660,000	625,000
Percent of City residents that are active registered borrowers	n/a	n/a	37.25%

PROGRAMS & SERVICES

LIBRARY PROGRAMS

- Administration
- Public Services
- **Support Services**
- County Libraries



RECENT PROGRAM ACHIEVEMENTS

The adult literacy program received a one-year grant providing 3 AmeriCorps workers to assist with literacy outreach to families and at-risk youth, including programming and learner recruitment.

Support Services

(Program No. 5113)

Mission Statement

Provide operational support to acquire, process and catalog collections, support technology hardware and software, maintain facilities and coordinate literacy efforts within the service area.

Program Activities

- Process books and other collection materials.
- Coordinate tutoring services for the Adult Literacy program.
- Maintain public and staff computer hardware and software.
- Maintain online database of holdings of the Santa Barbara Public Library (SBPL) System.
- Borrow materials from other libraries to fill user requests.
- Maintain safe and clean environment for public and staff.

Objectives for Fiscal Year 2005

- Maintain processing time of new books to an average of 15 days from receipt to public availability.
- Reduce processing time of new audiovisual materials to an average of 20 days.
- Maintain collection materials per capita ratio of 3.0 per City resident.
- Ensure that 39% of collection materials in science and technology are less than 7 years old.
- Resolve 70% of computer service calls within 8 work hours.
- Serve at least 135 learners in the Adult and Family Literacy Program during the fiscal year.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	13.00	10.75	10.75	10.75
Non-Permanent Employee Hours	n/a	n/a	n/a	6,780
Revenues				
Donations	3,000	3,000	3,000	500
Intergovernmental	28,841	28,841	28,841	32,000
Transfers In	47,825	10,700	10,700	-
General Fund Subsidy	1,049,015	1,349,896	1,350,096	1,400,934
Total Revenue	\$ 1,128,681	\$ 1,392,437	\$ 1,392,637	\$ 1,433,434
Expenditures				
Salaries and Benefits	722,167	690,094	690,094	740,894
Supplies and Services	404,991	702,343	702,343	692,540
Equipment Capital	1,524	-	200	-
Total Expenditures	\$ 1,128,681	\$ 1,392,437	\$ 1,392,637	\$ 1,433,434

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Average number of days from receipt to public availability for new books	15	15	15
Average number of days from receipt to public availability for audiovisual materials	n/a	n/a	20
Materials owned per capita City resident	2.97	3.05	3.0
Percent of collection materials 7 years old or less	45%	37%	39%
Percent of technology calls resolved within 8 hours	70%	55%	70%
Learners served	n/a	135	135
Books and AV materials processed by technical services	26,000	30,000	20,000
Requests filled	50,000	80,000	75,000
New items purchased for science and technology collections	600	300	200
Expenditure per capita for library materials for SBPL System	\$2.00	\$2.00	\$1.80
Average cost per learner in the Adult Literacy Program	n/a	\$333	\$333

PROGRAMS & SERVICES

LIBRARY PROGRAMS

- Administration
- Public Services
- Support Services
- **County Libraries**



RECENT PROGRAM ACHIEVEMENTS

Number of reserved items delivered to Library users increased to more than 44,000 in fiscal year 2004, up 27% over the past 2 years, due to increased sharing of local resources and efficiencies in delivery.

County Libraries

(Program Nos. 5122, 5123, 5125)

Mission Statement

Provide a full range of library services to residents outside the City of Santa Barbara, in the area extending from the Santa Ynez Valley to Carpinteria.

Program Activities

- Circulate collection materials, collect fines and fees, fill reserve requests, and provide information on use of the library.
- Offer a variety of programs, including story times, puppet shows, crafts, movies and a Summer Reading Program to encourage the youth in the County service area to maintain their reading skills.
- Answer reference questions for patrons in the library and by telephone.
- Provide meeting room and exhibit space for community use.
- Deliver supplies, materials and collection items to all branches of SBPL system.

Objectives for Fiscal Year 2005

- Attain a circulation total of 740,000 items checked out from County branches.
- Increase the number of audiovisual items owned to 92 audiobooks and videos per 1,000 County service area residents.
- Ensure that 35% of collection materials in science and technology are less than 7 years old.
- Maintain the number of contacts with County youth at 22,000 per fiscal year.
- Promote use of facilities so that 10,000 residents use meeting rooms, exhibit areas and homework center.
- Increase number of public computer sessions in County libraries.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	11.80	12.80	12.80	12.80
Non-Permanent Employee Hours	n/a	n/a	n/a	22,424
Revenues				
Fees and Service Charge	986,085	953,282	953,282	1,122,981
Library Fines	144,739	130,000	130,000	132,500
Intergovernmental	76,446	79,911	40,406	40,406
Donations	55,016	65,000	65,000	62,000
Transfers In	71,759	290,480	290,480	76,650
Total Revenue	\$ 1,334,045	\$ 1,518,673	\$ 1,479,168	\$ 1,434,537
Expenditures				
Salaries and Benefits	928,517	1,053,928	1,053,928	1,086,912
Supplies and Services	280,025	704,180	704,180	406,377
Equipment Capital	192,478	321,000	321,000	139,000
Total Expenditures	\$ 1,401,019	\$ 2,079,108	\$ 2,079,108	\$ 1,632,289
Addition to (Use of) Reserves	\$ (66,974)	\$ (560,435)	\$ (599,940)	\$ (197,752)

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Items checked out	710,000	740,000	740,000
Audiovisual items per 1,000 County residents in service area	96	89	92
Percent of science and technology materials less than 7 years old	45%	34%	35%
Youth under 18 attending library programs or contacted through outreach	25,625	22,000	22,000
Residents using library meeting rooms	n/a	11,300	10,000
Public computer sessions in County libraries	n/a	n/a	90,000
County circulation per capita	5.25	5.53	5.38
Percent of County residents that are active registered borrowers	n/a	n/a	30.75%

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DEPARTMENT SUMMARY

Mayor and City Council

Establish policy, approve programs, and oversee the financial affairs of the City to govern the City of Santa Barbara.

About Mayor and City Council

The Office of the Mayor and six City Councilmembers comprise the City Council. The Mayor presides over the City Council meetings held weekly in open public session in the Council Chamber.

The seven-member governmental body serves the City at large. Its duties under the City Charter include approval of the Annual Budget and oversight of the financial affairs of the City. The Mayor and City Councilmembers appoint the City Administrator and the City Attorney. The City Council has the power to adopt ordinances and resolutions; make appointments to advisory boards and commissions; establish policy and approve programs; act on program and administrative recommendations of City staff; appropriate funds and approve contracts; and respond to concerns and needs of residents.

The Mayor and Councilmembers serve as the Board Members of the Redevelopment Agency. Individually, Councilmembers may represent the City by serving on state and regional boards and local civic organizations.

Staff to the Mayor and City Councilmembers assist in responding to numerous calls and letters from citizens each week, including conducting research and drafting responses.

The Mayor and City Council oversee and evaluate the programs and accomplishments of departments.

Fiscal Year 2005 Budget Highlights

Mayor and City Council established nine Council Goals and developed key strategies, plans and projects to achieve these Goals, including the following highlights:

- Housing Element will be updated, in accordance with State law.
- Old Mission Creek restoration at Bohnett Park will be completed.
- Granada Garage will be constructed with 575 parking spaces.
- Airport will begin implementation of the Aviation Facilities Plan.
- City's fiscal condition will be monitored closely.
- A performance management program will provide Council, staff and the public with information to make operational and budget decisions.

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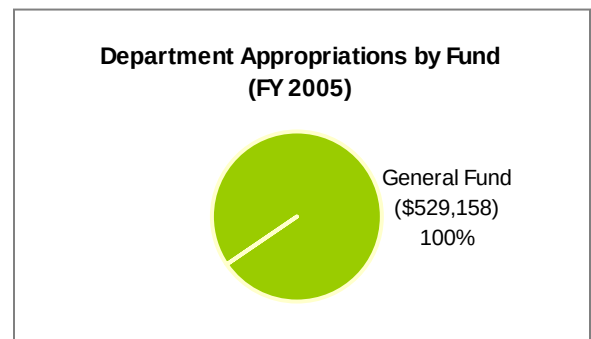
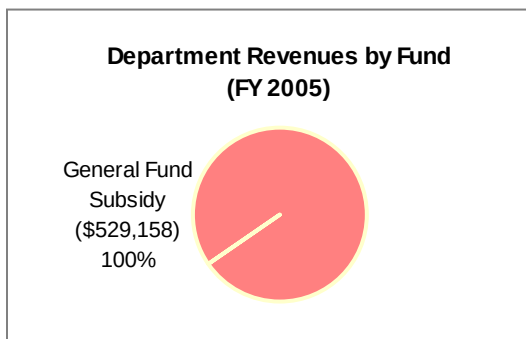
DEPARTMENT SUMMARY

Mayor and City Council

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	9.00	9.00	9.00	9.00
Non-Permanent Employee Hours	n/a	n/a	n/a	3,300
Revenues				
General Fund Subsidy	431,136	592,084	581,027	529,158
Total Department Revenue	\$ 431,136	\$ 592,084	\$ 581,027	\$ 529,158
Expenditures				
Salaries and Benefits	276,172	315,718	316,347	310,186
Supplies and Services	153,418	270,366	258,680	217,972
Special Projects	1,545	6,000	6,000	1,000
Total Department Expenditures	\$ 431,136	\$ 592,084	\$ 581,027	\$ 529,158

Department Fund Composition



PROGRAMS & SERVICES

MAYOR AND CITY COUNCIL PROGRAM

➤ Mayor and City Council



Mayor and City Council

(Program No. 1111)

Mission Statement

Establish policy, approve programs, and oversee the financial affairs of the City to govern the City of Santa Barbara.

Program Activities

- Respond to the needs and concerns of citizens.
- Establish policy and approve programs.
- Oversee the City's finances.
- Oversee and evaluate the programs and accomplishments of departments.
- Serve as liaisons on all City boards, commissions, and advisory groups and appointees on regional, state, and national committees.
- Advise staff on pending litigation and personnel issues.
- Create City Council Goals to guide department budget and program decisions.

Objectives for Fiscal Year 2005

- Adopt the fiscal year 2006 budget and approve the fiscal year 2005-2006 Financial Plan by June 30, 2005.
- Act on staff and advisory boards and commissions' recommendations at weekly Council meetings.
- Appoint members to the City advisory boards and commissions twice annually.

RECENT PROGRAM ACHIEVEMENTS

The City Council adopted the fiscal year 2004 budget.

Financial and Staffing Information

	Actual FY2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	9.00	9.00	9.00	9.00
Non-Permanent Employee Hours	n/a	n/a	n/a	3,300
Revenues				
General Fund Subsidy	431,136	592,084	581,027	529,158
Total Revenue	\$ 431,136	\$ 592,084	\$ 581,027	\$ 529,158
Expenditures				
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Special Projects	1,545	6,000	6,000	1,000
Total Expenditures	\$ 431,136	\$ 592,084	\$ 581,027	\$ 529,158

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Council meetings	52	52	52

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DEPARTMENT SUMMARY

Non-Departmental

About Non-Departmental

The Non-Departmental “department” is used to account for costs not directly related to any specific department. It consists of two programs: the General Government program and the Community Promotions program.

The General Government program includes funding for debt service on General Fund long-term debt; the General Fund capital program and the appropriated reserves established each year pursuant to City reserves policies.

The Community Promotions program includes funding for a number of non-profit organizations within the City that coordinate festivals and events throughout the year, including Fiesta, the Fourth of July fireworks show, the Spirit of '76 Parade, Semana Nautica, Summer Solstice, and many others.

The City also provides funding to the Santa Barbara Conference and Visitor's Bureau to support their marketing efforts, designed to attract visitors to the South Coast, and funding to the Chamber of Commerce Visitor's Center.

Fiscal Year 2005 Budget Highlights

All of the City's direct funding for community promotions remained unchanged from prior year. However, the City's “in-kind contribution” of police security services for several events, including Fiesta and Summer Solstice, has increased as a result of increased salary and benefit costs.

Funding for the General Fund's capital program from reserves has been reduced significantly from prior year as part of the City's overall strategy to address projected deficits. In fiscal year 2004, capital funding from reserves totaled over \$1 million; next year only \$338,900 will be funded from General Fund reserves, shown as a “transfers out”. However, an additional \$871,003 in expected grant funding will bring the capital program total to over \$1.2 million.

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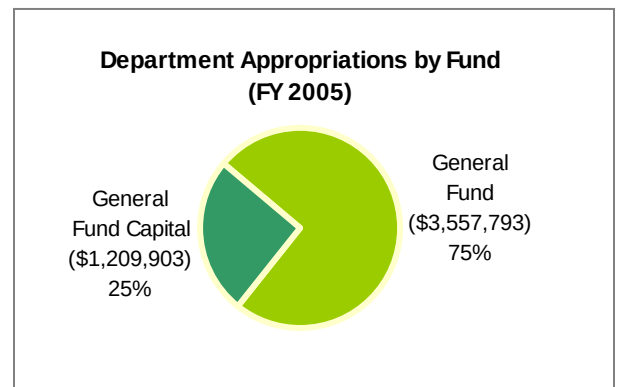
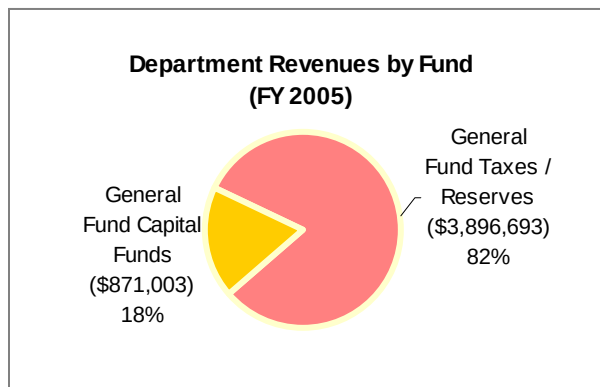
DEPARTMENT SUMMARY

Non-Departmental

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	-	-	-	-
Non-Permanent Employees	n/a	n/a	n/a	n/a
Revenues				
Intergovernmental	-	-	-	871,003
General Fund Subsidy	9,542,010	4,617,607	3,788,899	3,896,693
Total Department Revenue	\$ 9,542,010	\$ 4,617,607	\$ 3,788,899	\$ 4,767,696
Expenditures				
Supplies and Services	2,355,616	111,688	100,000	111,688
Special Projects	2,063,641	2,186,331	2,168,900	2,430,661
Debt Service Transfer	341,513	351,874	351,874	357,987
Other Transfers	201,710	150,000	150,000	232,457
Miscellaneous	35,853	2,575	2,975	-
Appropriated Reserve	-	799,989	-	425,000
Total Department Expenditures	\$ 4,998,334	\$ 3,602,457	\$ 2,773,749	\$ 3,557,793
General Fund Capital Outlay	4,543,676	1,015,150	1,015,150	1,209,903
Total Operating and Capital	\$ 9,542,010	\$ 4,617,607	\$ 3,788,899	\$ 4,767,696

Department Fund Composition



PROGRAMS & SERVICES

NON- DEPARTMENTAL PROGRAMS

➤ Community Promotions General Government



RECENT PROGRAM ACHIEVEMENTS

The Santa Barbara County Arts Commission, a City funded agency, renewed collaboration with Downtown Organization Cultural Committee for programming, marketing, and publicizing downtown cultural events.

Community Promotions

(Program No. 9331)

Mission Statement

Provide grants to various organizations to promote art, events and festivals and to enhance tourism in the City of Santa Barbara.

Program Activities

- Administer contracts between the City and various grantees that enhance tourism and promote art, events, and festivals.
- Provide funding to the County Arts Commission for administration of the Arts and Events Programs.
- Provide grant funding to art and community organizations for arts and events.
- Provide funding for the Downtown Cultural District Programs Development administered by the Arts Advisory Committee.
- Provide funding to community organizations to support marketing of Santa Barbara and to enhance tourism.
- Provide funding towards the maintenance of the Santa Barbara Zoo gardens.

Objectives for Fiscal Year 2005

- Ensure that 90% of awarded grant funds are disbursed in the current fiscal year.
- Ensure that grant payments are made within 15 working days of receiving invoices.
- Link City arts web pages to websites of five other organizations involved in cultural and economic development in the city.
- Increase number of artists in slide registry by 25%.
- Create online access to grant funding request forms.
- Hold monthly committee meetings and ensure that all notices, agendas, and meeting minutes are properly filed.
- Produce Channing Peake Gallery exhibition in cooperation with other cultural organizations.
- Produce 2 outreach efforts focusing on public art in the Cultural Arts District.
- Identify and promote 2 cultural events that help foster the identity of the Cultural Arts District.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	-	-	-	-
Non-Permanent Employees	n/a	n/a	n/a	n/a
Revenues				
General Fund Subsidy	2,252,495	2,229,119	2,200,000	2,473,449
Total Revenue	\$ 2,252,495	\$ 2,229,119	\$ 2,200,000	\$ 2,473,449
Expenditures				
Supplies and Services	197,088	111,688	100,000	111,688
Special Projects	2,055,407	2,117,431	2,100,000	2,361,761
Total Expenditures	\$ 2,252,495	\$ 2,229,119	\$ 2,200,000	\$ 2,473,449

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Total Community Promotions funding as a percent of General Fund operating budget	1.2%	1.2%	1.2%
Total Marketing and Tourism funding as a percent of General Fund operating budget	1.6%	1.6%	1.6%
Percent of grant funds disbursed this fiscal year	n/a	n/a	90%
Percent of grant payments disbursed within 15 days of receiving the invoice	n/a	n/a	100%
Arts pages linked to web site	n/a	n/a	5
Artists in slide registry	n/a	n/a	27
Community Events and Festivals Grant applications received	n/a	n/a	15
Organizational Development Grant applications received	n/a	n/a	22
Community Arts Grant applications received	n/a	n/a	11
Monthly Visual Arts in Public Places (VAPP) and Arts Advisory Committee meetings held	n/a	n/a	12

PROGRAMS & SERVICES

NON- DEPARTMENTAL PROGRAMS

Community Promotions

➤ General Government



General Government

(Program No. 9911)

Mission Statement

Fund debt service and capital, and account for required appropriated reserve balances.

Program Activities

- Establish, track and adjust as necessary the required appropriated reserve balances.
- Establish the funding level, pursuant to Council action, for the General Fund capital program.
- Establish the required funding level for debt service based on debt service schedules associated with outstanding General Fund indebtedness.

Objectives for Fiscal Year 2005

- Ensure that appropriated reserves are established in accordance with Council policy.
- Ensure that the use of appropriated reserves is consistent with Council policy.
- Ensure that the use of funds established for capital is consistent with the approved funding.

RECENT PROGRAM ACHIEVEMENTS

Costs for the City's Planned Maintenance Program and insurance were transferred from Non-Departmental and allocated to General Fund departmental programs to reflect the true costs of providing services at the program level.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	-	-	-	-
Non-Permanent Employees	n/a	n/a	n/a	n/a
Revenues				
Intergovernmental	-	-	-	871,003
General Fund Subsidy	7,289,515	2,388,488	1,588,899	1,423,244
Total Revenue	\$ 7,289,515	\$ 2,388,488	\$ 1,588,899	\$ 2,294,247
Expenditures				
Supplies and Services	2,158,528	-	-	-
Special Projects	8,234	68,900	68,900	68,900
Debt Service Transfer	341,513	351,874	351,874	357,987
Other Transfers	201,710	150,000	150,000	232,457
Miscellaneous	35,853	2,575	2,975	-
Appropriated Reserve	-	799,989	-	425,000
Total Operating Expenditures	\$ 2,745,839	\$ 1,373,338	\$ 573,749	\$ 1,084,344
General Fund Capital Outlay	4,543,676	1,015,150	1,015,150	1,209,903
Total Operating and Capital	\$ 7,289,515	\$ 2,388,488	\$ 1,588,899	\$ 2,294,247

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Capital funding as a percentage of the General Fund operating budget	2.5%	2.5%	2%
Total General Fund long-term debt as a % of General Fund operating budget	10%	10%	9%

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DEPARTMENT SUMMARY

Parks and Recreation

Provide residents and visitors with diverse open space, parks, beaches and community forest resources, creek restoration and water quality enhancements, and to enrich people's lives with varied recreation and community services.

About Parks and Recreation

The Parks and Recreation Department manages a diverse and unique park and recreation system, providing citizens and visitors with clean and safe open spaces, parks, beaches, recreation programs and facilities, and community services.

Open space and parkland total 1,764 acres. The community forest consists of 23,500 street trees and 12,000 park and open space trees.

Sports areas encompass 28 tennis courts, two swimming pools, beach volleyball courts, sports fields, lawn bowling greens, a golf course, and a skateboard facility. Other resources include 13 community buildings, four community gardens, 22 accessible playgrounds, beach access areas, and numerous trail systems.

Recreation programs and Community Services provide a wide variety of opportunities for people of all ages and abilities in sports, various classes, tennis, aquatics, and cultural arts, among other interests.

Specialized programs provide services for youth, teens, seniors, low-income families, and people living with disabilities. A strong commitment to collaborations, partnerships and volunteers enhances recreation opportunities for the community.

The department is also responsible for managing the recently created Creeks Restoration and Water Quality Improvement Program in collaboration with Public Works and Community Development.

Fiscal Year 2005 Budget Highlights

- Youth activities and Teen Programs consolidated into one program.
- Transition Adult Softball program to a contract service.
- 42.5% of Recreation expenditures recovered through user fees.
- Complete the Douglas Family Preserve resource protection measures funded by the State Coastal Conservancy.
- Implement Franceschi Park infrastructure improvements based on adopted Master Plan priorities.
- Implement City Council adopted Integrated Pest Management Strategy.
- Prune and trim 5,170 street trees and plant 300 new trees.
- Complete construction of Arroyo Burro Estuary Restoration Project.
- Complete construction of the Westside Summer Urban Runoff Facility.
- Develop preliminary watershed planning strategies for City creeks.
- Develop strategy for implementing golf course improvements based on Safety Improvement Plan.



DEPARTMENT SUMMARY

Parks and Recreation

Department Financial and Staffing Summary

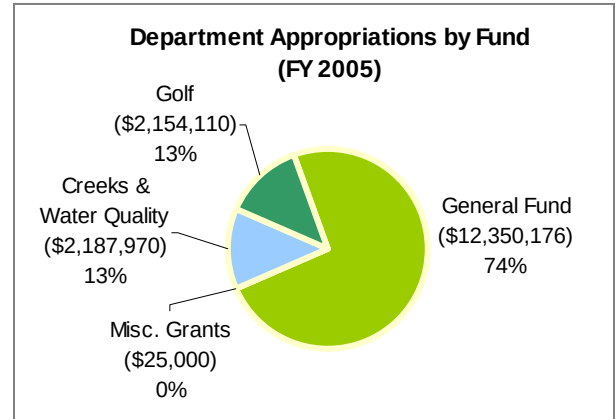
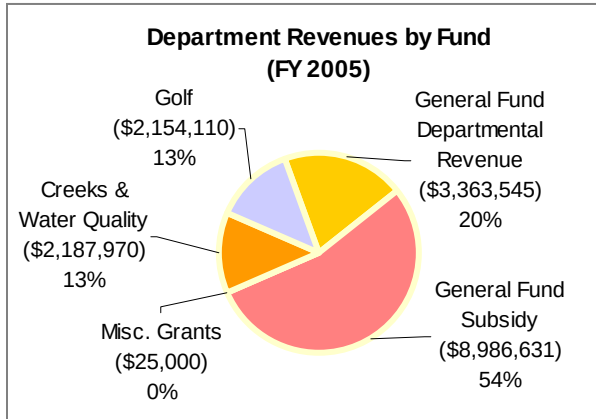
	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	97.30	97.80	97.80	92.10
Non-Permanent Employee Hours	n/a	n/a	n/a	127,155
Revenues				
Fees and Service Charges	2,193,728	2,342,610	2,231,029	2,129,856
General Fund Subsidy	6,785,283	9,173,972	8,711,338	8,986,631
Golf Fees	1,702,437	1,759,500	1,759,500	1,852,213
Interfund Reimbursements	-	744,579	744,579	744,579
Interest Income	155,590	105,000	124,600	76,897
Intergovernmental	173,477	1,148,753	624,000	5,000
Leases and Rents	385,411	526,600	531,200	593,610
Other	435,986	914,711	820,725	190,500
Transient Occupancy Tax	1,972,878	2,054,780	2,054,780	2,137,970
Total Department Revenue	\$ 13,804,790	\$ 18,770,505	\$ 17,601,751	\$ 16,717,256
Expenditures				
Salaries and Benefits	7,636,870	8,739,507	8,459,557	8,520,039
Supplies and Services	4,091,524	7,212,873	6,698,848	6,662,480
Special Projects	512,500	887,316	675,853	351,816
Appropriated Reserve	-	50,449	-	8,451
Non-Capital Equipment	58,332	63,432	68,093	82,778
Transfers Out	99,375	150,000	150,000	155,052
Debt Service	86,732	182,556	182,556	184,418
Total Operating Expenditures	\$ 12,485,333	\$ 17,286,133	\$ 16,234,907	\$ 15,965,034
Capital Program	1,239,488	3,074,557	1,290,000	752,222
Total Department Expenditures	\$ 13,724,821	\$ 20,360,690	\$ 17,524,907	\$ 16,717,256
Addition to (Use of) Reserves	\$ 79,969	\$ (1,590,185)	\$ 76,844	\$ -



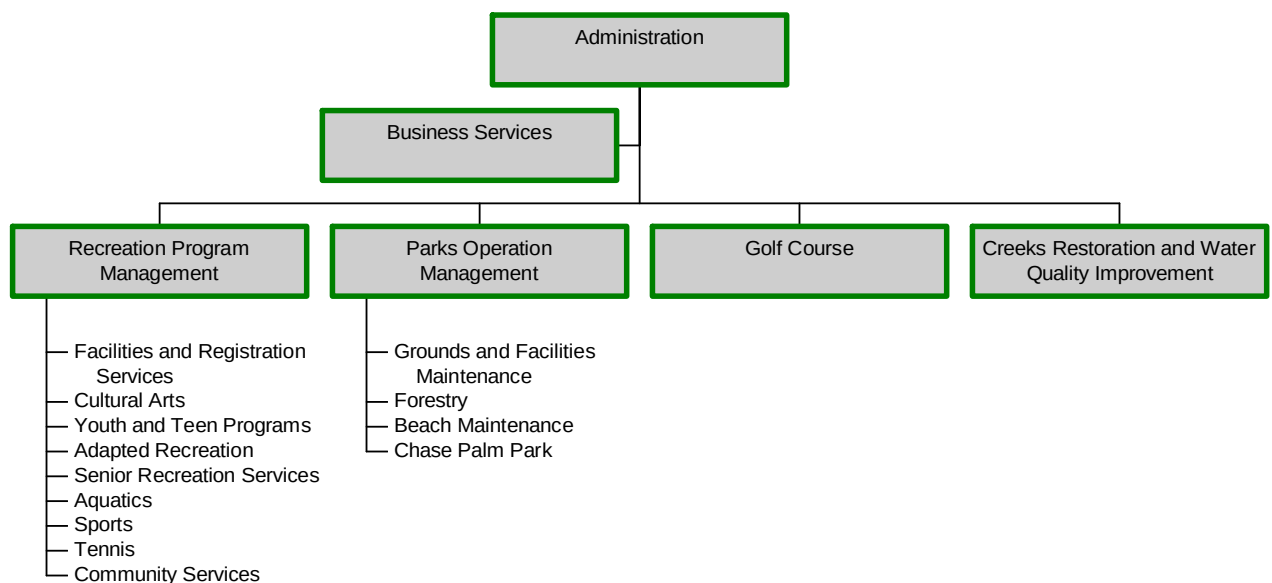
DEPARTMENT SUMMARY

Parks and Recreation

Department Fund Composition



Program Organizational Chart



PROGRAMS & SERVICES

PARKS AND RECREATION PROGRAMS

➤ Administration

Business Services
Recreation Program
Management
Facilities and Reservation
Services
Cultural Arts
Youth and Teen Programs
Adapted Recreation
Senior Recreation Services
Aquatics
Sports
Tennis
Community Services
Creeks Restoration and
Water Quality Improvement
Golf Course
Park Operations
Management
Grounds and Facilities
Maintenance
Forestry
Beach Maintenance
Chase Palm Park



RECENT PROGRAM ACHIEVEMENTS

Assisted PARC
Foundation in assuming
lead role for potential
purchase of National
Guard Armory.

Administration

(Program No. 6811)

Mission Statement

Provide policy direction, strategic planning, administrative support and oversight for five divisions and project planning, design and construction projects.

Program Activities

- Provide administrative direction and support for Parks Division, Creeks Restoration and Water Quality Improvement, Recreation Division (including Community Services, Golf Division, Business Services Division and Planning Section.
- Coordinate and provide staff support for Park and Recreation Commission and fourteen Advisory Committees.
- Oversee open space, park and recreation master planning.
- Oversee park design, rehabilitation, and refurbishment.
- Build community partnerships and agreements with other agencies and community organizations to enhance and expand resources.
- Collaborate with the Parks and Recreation Community (PARC) Foundation.

Objectives for Fiscal Year 2005

- Maintain \$325,000 in cash and non-cash donations and grants from public and private resources.
- Achieve 80% of department objectives.
- Maintain \$200,000 in volunteer support to enhance Department resources.
- Ensure all Division budgets are within adopted expenditures and revenues for fiscal year 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.55	2.80	2.80	2.80
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Other	200	25,000	25,000	-
General Fund Subsidy	296,972	334,989	308,376	361,041
Total Revenue	\$ 297,172	\$ 359,989	\$ 333,376	\$ 361,041
Expenditures				
Salaries and Benefits	274,155	286,877	287,177	313,413
Supplies and Services	23,017	48,112	46,199	47,628
Special Projects	-	25,000	-	-
Total Expenditures	\$ 297,172	\$ 359,989	\$ 333,376	\$ 361,041

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Amount of donations and grants	n/a	n/a	\$325,000

PROGRAMS & SERVICES

PARKS AND RECREATION PROGRAMS

- Administration
- **Business Services**
- Recreation Program Management
- Facilities and Reservation Services
- Cultural Arts
- Youth and Teen Programs
- Adapted Recreation
- Senior Recreation Services
- Aquatics
- Sports
- Tennis
- Community Services
- Creeks Restoration and Water Quality Improvement
- Golf Course
- Park Operations Management
- Grounds and Facilities Maintenance
- Forestry
- Beach Maintenance
- Chase Palm Park



RECENT PROGRAM ACHIEVEMENTS

Implementation of the Resident Fee Discount Program. Awarded Best Web Site for cities with population of 50,000 to 100,000 by the California Parks and Recreation Society.

Business Services

(Program No. 6815)

Mission Statement

Manage the Department's financial process for budget, revenue, capital improvement projects, contracts, leases, grants, marketing and communications, and customer service to assist staff in effectively and efficiently serving the public.

Program Activities

- Oversee the Department's financial business for budget, revenue, contracts, leases, grants, and capital improvement projects.
- Provide marketing and design services that allow the public to easily access Department information through print, broadcast, and electronic medium.
- Manage the Santa Barbara Golf Club professional and food concession contracts.
- Provide financial analysis and produce a variety of reports for the Department staff which depict the financial status of the Department, both monthly and annually.
- Manage the technology system in the Department, through liaison with the Information Systems Division, and coordinate implementation and training as technological applications broaden in the Department.

Objectives for Fiscal Year 2005

- Complete all annual expenditure, revenue and capital improvement project development, budget development, and other financial reports within established deadlines.
- Maintain the total number of summer camp registrations completed on the Internet at 25%.
- Maintain non-camp registrations completed on the Internet at 15%.
- Perform 10 Recreation program audits of financial procedures and processing.
- Ensure compliance on department contracts by maintaining a contract and agreement tracking system for insurance certificate, terms of contracts and renewals, and distributing reports to staff quarterly.
- Update Parks and Recreation project status reports quarterly.
- Complete the Parks Division program information on the Parks and Recreation website by January 1, 2005.

Objectives for Fiscal Year 2005 (continued)

- Increase Recreation program visibility to the public through the Recreation Marketing Committee, with increased radio ads and use of City TV.
- Develop a comprehensive methodology to track effectiveness of Department advertising and promotion campaigns by January 1, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.50	3.30	3.30	3.30
Non-Permanent Employee Hours	n/a	n/a	n/a	1,500
Revenues				
Fees and Service Charges	-	50,000	50,000	-
General Fund Subsidy	311,401	417,949	397,393	453,126
Total Revenue	\$ 311,401	\$ 467,949	\$ 447,393	\$ 453,126
Expenditures				
Salaries and Benefits	232,182	297,239	292,326	315,004
Supplies and Services	77,049	144,858	129,189	131,422
Special Projects	-	23,000	23,000	5,000
Non-Capital Equipment	2,170	2,852	2,878	1,700
Total Expenditures	\$ 311,401	\$ 467,949	\$ 447,393	\$ 453,126

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Expenditure and revenue budget projection forecasts provided to department managers	12	12	12
Percent of summer camp registrations completed on the Internet	60%	25%	25%
Percent of non-camp registrations completed on the Internet	20%	15%	15%
Recreation program audits of financial procedures	10	10	10
User hits to Parks and Recreation web site	25,000	30,000	30,000
User hits to eRecreation web site	12,000	13,000	15,000
E-mail addresses on electronic mailing list	n/a	n/a	2,500

PROGRAMS & SERVICES

PARKS AND RECREATION PROGRAMS

Administration

Business Services

➤ **Recreation Program
Management**

Facilities and Reservation
Services

Cultural Arts

Youth and Teen Programs

Adapted Recreation

Senior Recreation Services

Aquatics

Sports

Tennis

Community Services

Creeks Restoration and
Water Quality Improvement

Golf Course

Park Operations
Management

Grounds and Facilities
Maintenance

Forestry

Beach Maintenance

Chase Palm Park



RECENT PROGRAM ACHIEVEMENTS

New employee orientation and training manuals were developed for 10 program areas.

Recreation Program Management

(Program No. 6111)

Mission Statement

Manage Recreation Division resources and foster collaborations to provide high quality and diverse recreation activities that enrich people's lives and promote healthy lifestyles.

Program Activities

- Provide administrative oversight to the Recreation Division, including personnel and budget management, planning, day-to-day operations, program development and evaluation, and facility management.
- Develop and administer a wide variety of structured recreation programs to encourage active lifestyles, enrich people's lives, and promote the benefits of recreation for the community.
- Manage community buildings and sports facilities, and oversee public and private use of park and recreation facilities for special events and community recreation. Coordinate customer service for parks and recreation programs, facilities and services including reception, information, activity registration, and facility reservation.
- Facilitate sponsorship and partnership agreements with community organizations to enhance public recreation opportunities.
- Manage revenues produced from activity fees, facility rentals, grants and partnerships.

Objectives for Fiscal Year 2005

- Manage division programs to achieve 80% of performance objectives.
- Increase expenditure recovery through user fee revenue from 39% to 42% for Recreation division.
- Increase annual co-sponsor and community partner agreements from 20 to 23 to enhance recreation opportunities.
- Achieve a minimum of 27,000 volunteer hours to supplement City resources.
- Complete 80% of capital projects by targeted completion dates.
- Complete Louise Lowry Davis Center remodel.
- Complete the preliminary plan for interior design and exterior restoration and cost estimate for the renovation of the Carrillo Recreation Center.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.00	3.00	3.00	3.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	290,751	370,727	371,238	396,674
Total Revenue	\$ 290,751	\$ 370,727	\$ 371,238	\$ 396,674
Expenditures				
Salaries and Benefits	251,508	292,573	294,554	316,130
Supplies and Services	39,243	78,154	76,684	79,544
Non-Capital Equipment	-	-	-	1,000
Total Expenditures	\$ 290,751	\$ 370,727	\$ 371,238	\$ 396,674

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of division performance objectives achieved	85%	80%	80%
Percent of Recreation division expenditure budget recovered by user fee revenue	39%	41%	42%
Co-sponsorship and community partner agreements completed	20	23	23
Volunteer hours	23,000	27,000	27,000
Employee injuries	9	6	6
Vehicle accidents	n/a	3	0

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RECENT PROGRAM ACHIEVEMENTS

To improve customer service, staff updated information sheets and applications for special events, indoor and park rentals, and created electronic versions, which can be emailed upon request.

Facilities and Reservation Services

(Program No. 6121)

Mission Statement

Provide good customer service, reservation and registration services, and clean, safe indoor and outdoor rental facilities to the public.

Program Activities

- Provide customer reception and services at department administrative office, and serve as primary source of information on department programs and services to the public.
- Coordinate activity registration and facility reservation services for the Department and on the Internet.
- Promote public use of City parks, beaches, open space, and other venues through scheduling, facility use monitoring, and event coordination.
- Protect the integrity of public space by informing the public of rules and guidelines for use and by monitoring activities.
- Provide the public with opportunities to gain cultural awareness by co-sponsoring the Oak Park festivals and similar community events.

Objectives for Fiscal Year 2005

- Process 85% of facility rental applications received via mail, facsimile or e-mail, in 3 working days or less.
- Process 95% of facility rental applications processed while the customer is present.
- Process 80% of program registrations in 3 working days or less.
- Achieve 75% "good to very good rating" from public special events for customer overall satisfaction with their facility rental experience.
- Plan and coordinate facilities for City-sponsored major special events (Fiesta, Summer Solstice, Oak Park Ethnic Festivals, and 4th of July).
- Develop and expand facility information and photos on our department website by December 31, 2004.
- Develop customer training program for front desk staff to include program promotion, cross-promotion, and increased capturing of e-mail addresses for marketing purposes by March 31, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.00	2.00	2.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	3,450
Revenues				
Fees and Service Charges	368,105	202,400	202,328	240,542
General Fund Subsidy	-	139,450	127,503	108,577
Total Revenue	\$ 368,105	\$ 341,850	\$ 329,831	\$ 349,119
Expenditures				
Salaries and Benefits	135,653	159,208	150,879	168,786
Supplies and Services	220,166	163,058	159,368	157,333
Non-Capital Equipment	12,286	19,584	19,584	23,000
Total Expenditures	\$ 368,105	\$ 341,850	\$ 329,831	\$ 349,119

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of facility rental applications received via mail, facsimile or e-mail processed in 3 working days or less	80%	90%	85%
Facility permits received via mail, facsimile or e-mail and processed	140	98	120
Percent of facility rental applications processed while the customer is present	85%	95%	95%
Facility permits processed while the customer is present	500	584	500
Percent of program registrations processed in 3 working days or less	n/a	n/a	80%
Special event applications processed	115	63	95
Percent of customers rating rental facilities "good" to "very good"	n/a	n/a	75%

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RECENT PROGRAM ACHIEVEMENTS

Over 40,000 Santa Barbara area residents attended the 2003 summer Concerts in the Parks program. Implemented web site link for beachfront facility rental information.

Cultural Arts

(Program No. 6131)

Mission Statement

Promote involvement in cultural arts through a wide variety of events, programs and classes, and provide quality public rental facilities with responsive customer service.

Program Activities

- Coordinate use, marketing and rental operations of three premier beach area facilities, including the Cabrillo Pavilion Arts Center, Chase Palm Park Recreation Center and Casa Las Palmas, for community, recreational, educational and cultural activities.
- Provide a wide variety of cultural arts events and classes through collaboration with community groups and use of independent contractors.
- Coordinate the 39th Annual Santa Barbara Arts and Crafts Show, held every Sunday along Cabrillo Boulevard.
- Coordinate large special events such as the Concerts in the Parks program and the 74th Annual Children's Fiesta Parade.

Objectives for Fiscal Year 2005

- Achieve 85% "good" to "excellent" survey response ratings for overall customer satisfaction with rental facilities.
- Achieve 85% "good" to "excellent" survey response ratings for overall customer satisfaction with Cultural Arts classes.
- Achieve a 40% overall increase in grants and financial sponsorship for the Concerts in the Parks program for a \$14,000 increase in the annual value of all grants and financial sponsorship.
- Increase the number of vendors with the Santa Barbara Arts and Crafts Show to 265 by implementing a one to two year pilot program that involves expanding the show's membership to residents of San Luis Obispo and Ventura counties.
- Increase youth and adult cultural arts class registrations by 5%.
- Expand children's class offerings and increase registrations by 10%.
- Increase Cabrillo Pavilion Arts Center revenue by 10% to generate \$162,800 in revenue.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.00	3.00	3.00	3.00
Non-Permanent Employee Hours	n/a	n/a	n/a	4,842
Revenues				
Fees and Service Charges	258,196	403,200	398,782	432,680
Other	11,749	11,500	11,500	-
General Fund Subsidy	120,504	118,370	73,545	105,428
Total Revenue	\$ 390,449	\$ 533,070	\$ 483,827	\$ 538,108
Expenditures				
Salaries and Benefits	225,268	243,846	192,833	251,084
Supplies and Services	163,721	285,728	287,498	285,024
Non-Capital Equipment	1,460	3,496	3,496	2,000
Total Expenditures	\$ 390,449	\$ 533,070	\$ 483,827	\$ 538,108

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of customers that rate rental facilities as "good" to "excellent"	85%	85%	85%
Percent of participants that rate customer satisfaction with Cultural Arts classes as "good" to "excellent"	85%	85%	85%
Annual value of all grants and financial sponsorships for Cultural Arts programs through summer 2005	n/a	\$10,000	\$14,000
Vendors registered with the Santa Barbara Arts and Crafts Show	253	245	265
Cultural Arts class registrations	2,197	2,197	2,307
Children's class registrations	n/a	280	312
Facility rental revenue	n/a	\$148,000	\$162,800
Classes offered	n/a	n/a	264
Facility reservations processed for the Cabrillo Pavilion Arts Center	n/a	n/a	300

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RECENT PROGRAM ACHIEVEMENTS

Successfully assumed administration of after school programs from the School District. First issue of Teen oriented Youth Magazine published March 2004. Teen Web Site developed.

PROGRAMS & SERVICES

Youth and Teen Programs

(Program No. 6141)

Mission Statement

Provide safe recreation and sports activities in a positive and nurturing environment for youth and teens, and provide entertaining, substance-free leisure and personal development activities to promote enriching and healthy lifestyles for community youth.

Program Activities

- Provide after-school sports and recreation programs at 10 elementary and 4 junior high schools, and City recreation facilities.
- Provide six youth summer camps and low cost summer drop-in recreation programs at 3 elementary schools located in low-income neighborhoods.
- Coordinate training for sports officials, coaches, volunteers and staff to promote sportsmanship, safety, and compliance with to policies and procedures.
- Provide sports, recreation, life-skills, and leadership training activities for junior high and high school teens to encourage healthy, productive lifestyles and reduce involvement with drugs, alcohol and negative social behaviors.
- Coordinate and supervise the activities of the Santa Barbara Youth Council to provide a forum for teens to discuss and make recommendations on topics of concern.
- Foster collaborations with other youth service agencies, non-profits and school districts to maximize resources and programming for youth and teens.

Objectives for Fiscal Year 2005

- Achieve 1,150 participants in 8 youth sports leagues.
- Provide after-school recreation for 1,175 youth at 10 elementary and 4 junior high schools.
- Provide summer camp or clinics for 700 children at 6 youth camps or half-day clinics.
- Provide summer drop-in recreation programs for 280 youth at 3 sites (Franklin, Harding, and McKinley Elementary Schools).
- At least 2 weekends a month, provide entertaining, safe, drug free recreational activities for teens.

Objectives for Fiscal Year 2005 (continued)

- Increase number of junior high and high school teens who participate in dances by 15%.
- Achieve an annual participation of 2,205 teens in Teen Programs' activities.
- Conduct 63 recreational and leadership/personal development activities to encourage participation by teens in safe, substance-free activities, and promote healthy lifestyles.
- Coordinate and host a community needs assessment on teen recreational interests and needs, through a community forum survey with recommendations to the Park and Recreation Commission by January 2005.
- Develop, coordinate and produce a teen cable show for government and access channel with production commencing by August 2005.
- Conduct at least 2 youth speak outs on issues important to youth, teens and/or the community.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.80	4.80	4.80	3.80
Non-Permanent Employee Hours	n/a	n/a	n/a	24,786
Revenues				
Fees and Service Charges	128,430	195,850	172,335	217,616
Intergovernmental	49,252	50,000	50,000	-
Other	206,447	352,776	352,776	-
General Fund Subsidy	661,562	752,891	469,572	703,681
Total Revenue	\$ 1,045,691	\$ 1,351,517	\$ 1,044,683	\$ 921,297
Expenditures				
Salaries and Benefits	785,453	1,025,447	829,120	581,010
Supplies and Services	149,981	316,433	207,603	277,787
Special Projects	5,107	6,000	6,000	60,000
Transfers Out	99,375	-	-	-
Non-Capital Equipment	5,775	3,637	1,960	2,500
Total Expenditures	\$ 1,045,691	\$ 1,351,517	\$ 1,044,683	\$ 921,297

PROGRAMS & SERVICES

Youth and Teen Programs

Continued

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Youth sports league participants	n/a	1,150	1,150
Children registered in after school programs	n/a	3,000	1,175
Summer camp and clinic registrations	860	860	700
Summer drop-in registrations	280	280	280
Teen weekend events	n/a	n/a	22
Dance participants	n/a	1,200	1,380
Teen participants	n/a	2,100	2,205
Recreational activities and leadership/personal development activities offered for teens	n/a	n/a	63
Percent of sports officials, coaches and volunteers who attend trainings	n/a	100%	100%
Formal Youth Council meetings held	n/a	22	22
Percent of survey responses indicating satisfaction rate of "good" or better with activities	n/a	95%	95%
Teen participations at Teen Alley	n/a	n/a	450

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RECENT PROGRAM ACHIEVEMENTS

Junior Wheelchair Camp successfully transitioned to UCSB. Adapted Recreation Program awarded Club status with National Blaze Sports to develop paralympic program for physically disabled.

Adapted Recreation

(Program No. 6152)

Mission Statement

Provide sports and recreation services for individuals with physical and developmental disabilities to enhance their social and physical skills for independent living.

Program Activities

- Facilitate a wide range of sports and social recreation activities specifically adapted for children and adults with developmental and physical disabilities.
- Provide training for department and program staff for the successful integration of individuals with disabilities into other department programs.
- Collaborate with community organizations to enhance services for the disabled.
- Provide outreach to encourage participation by the disabled in recreation programs.

Objectives for Fiscal Year 2005

- Provide recreation programs to 400 youth and adults with disabilities.
- Provide recreation programs for 25 children and adults with special needs through the Inclusion Program.
- Expand programs and services for the physically disabled by adding 5 agency partners to the new Blaze Sports paralympic program.
- Achieve 90% "good" or better survey response ratings for customer satisfaction with programs.
- Generate and administer \$15,000 in grants and donations for Adapted Recreation programs.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.00	1.00	1.00	1.00
Non-Permanent Employee Hours	n/a	n/a	n/a	7,647
Revenues				
Fees and Service Charges	21,555	11,550	13,425	11,621
Other	-	18,000	18,000	-
General Fund Subsidy	239,457	246,693	236,467	208,916
Total Revenue	\$ 261,012	\$ 276,243	\$ 267,892	\$ 220,537
Expenditures				
Salaries and Benefits	204,487	191,019	192,355	181,763
Supplies and Services	56,525	84,724	75,037	38,274
Non-Capital Equipment	-	500	500	500
Total Expenditures	\$ 261,012	\$ 276,243	\$ 267,892	\$ 220,537

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Unduplicated individuals registered in Adapted Programs	400	400	400
Individuals served through the Inclusion Program	25	25	25
Agency partners in support of participants with physical disabilities	n/a	n/a	5
Percent of customer satisfaction survey responses that are "good" or better	80%	80%	90%
Adapted Aquatics registrations	n/a	n/a	380
Bowling Program registrations	n/a	n/a	360
Fun Seekers registrations	n/a	n/a	108
Blaze Sports registrations	n/a	n/a	240

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RECENT PROGRAM ACHIEVEMENTS

In collaboration with Santa Barbara Lawn Bowls Club, one lawn bowls green was converted from grass to synthetic turf.

Senior Recreation Services

(Program No. 6161)

Mission Statement

Provide recreation, social and wellness activities for adults 50 years of age and older to promote a healthy lifestyle in an active senior community.

Program Activities

- Manage a tour and travel program with opportunities ranging from in-town outings to oversea excursions.
- Provide public dance programs for swing, ballroom and contra dancing at the historic Carrillo Ballroom.
- Offer fitness and wellness classes for a wide range of interests and ability levels.
- Coordinate volunteer-led social programs including bridge, potlucks, and peer support groups.
- Provide sports activities including badminton, table tennis, basketball, and softball.
- Operate an information and referral service to connect seniors with local resources.
- Provide site management of the Carrillo Recreation Center, Carrillo Street Gym, Santa Barbara Lawn Bowls Club and MacKenzie Park Lawn Bowls Club.

Objectives for Fiscal Year 2005

- Achieve 1,250 participants with the Senior Recreation Services tour program.
- Maintain a minimum 80% "good" or better rating in overall customer satisfaction in the tour program.
- Serve 11,500 participants through the Swing, Ballroom and Contra dance programs.
- Achieve 80% or more program participants reporting improved quality of life through participation in Senior Recreation Services programs.
- Foster volunteerism through leadership and involvement in programs with a minimum of 90 volunteers.
- Increase community use of Carrillo Recreation Center and Carrillo Street Gym by 3%.
- Complete an evaluation of programs, survey needs and interests of adults age 50+, recommend program changes to meet community needs, and submit a report to the Park and Recreation Commission by January 31, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.00	2.00	2.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	6,981
Revenues				
Fees and Service Charges	227,240	293,700	264,650	284,500
General Fund Subsidy	116,723	368,565	386,220	403,279
Total Revenue	\$ 343,963	\$ 662,265	\$ 650,870	\$ 687,779
Expenditures				
Salaries and Benefits	213,625	214,610	214,318	229,087
Supplies and Services	126,220	447,255	436,152	457,692
Non-Capital Equipment	4,118	400	400	1,000
Total Expenditures	\$ 343,963	\$ 662,265	\$ 650,870	\$ 687,779

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Tour registrations	1,200	1,100	1,250
Percent of participants who rate tour experience as "good" or "excellent" on program evaluations	n/a	80%	80%
Participants in Ballroom, Swing, Contra dance programs	11,500	11,500	11,500
Percent of program participants who indicate that participation in Senior programs has improved their quality of life	80%	80%	80%
Volunteers registered with Senior programs	90	92	90
Facility use hours	n/a	9,200	9,476
Senior Recreation Services members	n/a	n/a	1,050
Participants in health and fitness programs	n/a	n/a	12,000
Participants in social and recreation programs	n/a	n/a	14,000
Facility reservations processed for the Carrillo Recreation Center	n/a	n/a	1,000
Facility reservations processed for the Carrillo Street Gym	n/a	n/a	312

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RECENT PROGRAM ACHIEVEMENTS

Youth Swim lesson
registration increased 38%
due to the first year
success of grant and
donation funded "Safe
Summer for Kids" learn to
swim program offered at
Santa Barbara High
School.

Aquatics

(Program No. 6171)

Mission Statement

Provide safe and high quality aquatic programs and services that encourage skill development and promote swimming as a lifetime sport for swimmers of all ages.

Program Activities

- Provide safe and clean community swimming and wading pools for exercise and healthy enjoyment.
- Provide professional lifeguard services at City beaches and pools to ensure that two million visitors and citizens enjoy the sun, surf, and sand in a safe environment.
- Provide swim lessons and water safety training to safeguard against drowning accidents, provide job certifications and enhance community awareness for responsible swimming.
- Provide aquatic opportunities for youth including Junior Lifeguards, Aquacamp, Beach Volleyball Camp, and new avenues for aquatics-related personal growth.
- Manage two year-round, multi-use aquatic facilities, Los Banos del Mar Swimming Pool and Cabrillo Bathhouse, and three seasonal pool facilities.

Objectives for Fiscal Year 2005

- Maintain high-quality and sanitary public swimming pool facilities resulting in zero mandated pool closures.
- Maintain 90% "good" or "very good" overall customer satisfaction rate with programs.
- Maintain current level of registrations in 3 aquatic summer camps.
- Maintain 590 youth swim lesson registrations.
- Provide 63 scholarships to aquatic camp programs.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.80	3.00	3.00	3.00
Non-Permanent Employee Hours	n/a	n/a	n/a	25,328
Revenues				
Fees and Service Charges	640,207	611,184	589,967	550,915
Other	-	10,000	10,000	-
General Fund Subsidy	351,282	493,026	520,633	513,321
Total Revenue	\$ 991,489	\$ 1,114,210	\$ 1,120,600	\$ 1,064,236
Expenditures				
Salaries and Benefits	524,836	548,597	536,745	533,391
Supplies and Services	460,480	543,142	547,932	498,345
Special Projects	-	16,008	25,000	25,000
Non-Capital Equipment	6,173	6,463	10,923	7,500
Total Expenditures	\$ 991,489	\$ 1,114,210	\$ 1,120,600	\$ 1,064,236

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Mandated pool closures by the Santa Barbara County Health Department	0	0	0
Percent of participants rating overall customer satisfaction "good" to "very good"	80%	93%	90%
Registrations for 3 aquatic summer camps	1,124	1,329	1,349
Youth swim lesson registrations	531	698	590
Scholarships awarded for aquatic summer camps	45	51	63
Aquatic staff participation for required training and certifications	n/a	100%	100%
Annual participation at Los Banos swimming pool	38,800	32,000	32,000
Attendance at Ortega Park swimming pool	n/a	n/a	4,770
Attendance at Oak Park wading pool	n/a	n/a	3,905
Attendance at West Beach wading pool	n/a	n/a	3,300

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RECENT PROGRAM ACHIEVEMENTS

Staff worked with the Santa Barbara Softball Club to transition the adult softball program to a contact agency.

Sports

(Program No. 6181)

Mission Statement

Provide adults of all ability levels the opportunity to participate in competitive sports and outdoor education activities that promote healthy and active lifestyles, and coordinate and facilitate use of sports fields.

Program Activities

- Provide sports leagues for adults in volleyball, basketball, and other sports of community interest.
- Manage City contract to provide community softball program at City facilities.
- Promote and facilitate community use of City sports fields for soccer, softball, baseball and other sports.
- Facilitate the California Beach Volleyball Tournament Series which includes youth and adult tournaments.
- Provide instructional seminars in outdoor recreation activities.
- Schedule and coordinate sporting events at City parks, beach and sports fields.
- Under agreement with Santa Barbara School District, coordinate field reservations and use of Franklin Elementary, La Colina, La Cumbre and Santa Barbara Junior High sports fields.

Objectives for Fiscal Year 2005

- Increase team participation by 15% for the adult basketball and volleyball sports leagues.
- Achieve 75% customer satisfaction with reservation processing.
- Coordinate facility use reservations for 8,000 hours at 7 City sports fields and 10 school district sports fields.
- Provide 4 adult and 5 youth beach volleyball tournaments.
- Provide staff support to achieve a successful and smooth transition of the adult softball program to a contract agency with no interruption of program service.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.00	3.00	3.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	1,121
Revenues				
Fees and Service Charges	255,372	269,146	260,765	117,580
Other	-	5,000	5,520	-
General Fund Subsidy	171,608	157,006	138,911	134,003
Total Revenue	\$ 426,980	\$ 431,152	\$ 405,196	\$ 251,583
Expenditures				
Salaries and Benefits	233,877	216,530	218,047	150,841
Supplies and Services	193,103	201,122	173,972	99,742
Special Projects	-	12,500	12,427	-
Non-Capital Equipment	-	1,000	750	1,000
Total Expenditures	\$ 426,980	\$ 431,152	\$ 405,196	\$ 251,583

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Teams participating in the adult basketball and volleyball league	n/a	39	45
Percent of participants rating customer satisfaction with field reservations processing as "satisfactory" or above	75%	75%	75%
Field hours reserved	n/a	8,000	8,000
Beach volleyball tournaments	10	9	9
Basketball teams	n/a	n/a	18
Volleyball teams	n/a	n/a	29

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RECENT PROGRAM ACHIEVEMENTS

16 courtside benches were replaced at the Municipal Tennis Facility. Additional windscreens were added to courts #2 and 3 to improve player satisfaction.

Tennis

(Program No. 6182)

Mission Statement

Offer reasonably priced, quality tennis classes, leagues, clinics and tournaments in well-maintained facilities and promote tennis as a lifetime sport.

Program Activities

- Provide community tennis programs consisting of group and private lessons, leagues, summer youth tennis programs, and tournaments.
- Maintain and coordinate use of 32 tennis courts at five facilities, including 17 lighted courts, showers, and locker rooms.
- Manage a tennis court user-fee permit system, including sales of daily and annual tennis permits.
- Collaborate with local schools, non-profit agencies and national tennis associations to promote adult and youth participation in tennis.

Objectives for Fiscal Year 2005

- Provide tennis group lessons for 850 participants annually.
- Sell 4,358 daily tennis permits.
- Sell 295 annual tennis permits.
- Maintain 70% participation in tennis leagues.
- Maintain 80% customer satisfaction rate for tennis facility and court maintenance.
- Resurface and repair 6 courts at the Municipal Tennis Facility.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.80	0.80	0.80	0.80
Non-Permanent Employee Hours	n/a	n/a	n/a	2,712
Revenues				
Fees and Service Charges	174,612	183,600	168,273	161,333
General Fund Subsidy	40,884	104,642	108,428	109,294
Total Revenue	\$ 215,496	\$ 288,242	\$ 276,701	\$ 270,627
Expenditures				
Salaries and Benefits	74,044	78,674	77,738	89,038
Supplies and Services	141,452	179,568	168,963	150,589
Special Projects	-	30,000	30,000	30,000
Non-Capital Equipment	-	-	-	1,000
Total Expenditures	\$ 215,496	\$ 288,242	\$ 276,701	\$ 270,627

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Group lesson registrations	n/a	n/a	850
Daily permits sold	4,500	4,266	4,358
Annual permits sold	262	279	295
Percent participation in annual tennis leagues	70%	70%	70%
Percent of annual permit holders rating facility and court satisfaction as "satisfactory" or above	80%	80%	80%
Mix and Match participants	n/a	n/a	2,000
Contractor facility rental hours for private lessons	n/a	n/a	950

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RECENT PROGRAM ACHIEVEMENTS

Community Services now operate the Community Garden Program and is in the process of acquiring renovation funds to make them accessible to the disabled and frail elderly.

Community Services

(Program No. 6192)

Mission Statement

Strengthen families and neighborhoods by operating three community centers and one recreation center, through which City-related information and social services are provided to low-income populations.

Program Activities

- Operate four neighborhood centers, located in densely populated, low-income and culturally diverse neighborhoods: Franklin Community Center, Westside Community Center, Lower Westside Community Center, and Louise Lowry Davis Center.
- Provide leasable office space at below market rates for direct social services delivery by non-profit agencies.
- Provide facilities for various recreation and community programs, private and public events.
- Facilitate social service referrals and direct services in areas of community relations, public education programs, information referral, and youth diversion programs.

Objectives for Fiscal Year 2005

- Maintain 95% "satisfactory" to "above satisfactory" rating satisfaction with facilities and customer service in 4 neighborhood social service and recreation centers.
- Maintain 100% occupancy of 11 leasable office spaces by non-profit social service agencies.
- Process 2,005 facility reservations for community, private and public events at 4 community buildings.
- Respond to 13,000 community resident requests for services, information, and referrals regarding City services and community social services.
- Provide 45 youth and adult job skills and mentoring through the Job Apprenticeship Program.
- Work with the Community Action Commission to coordinate the distribution of 11,000 free or low cost meals to senior citizens.
- Provide 15,000 units of service to meet specific neighborhood needs such as renters/homeowners assistance, tax preparation, health screening, and food distribution.
- Complete Community Gardens Program planned renovations for 3 sites outlined in CDBG grant application objectives.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.50	4.50	4.50	4.50
Non-Permanent Employee Hours	n/a	n/a	n/a	2,736
Revenues				
Rents	129,311	265,600	275,200	308,610
Fees and Service Charges	2,500	23,200	11,100	11,100
General Fund Subsidy	257,655	550,332	521,724	514,724
Total Revenue	\$ 389,466	\$ 839,132	\$ 808,024	\$ 834,434
Expenditures				
Salaries and Benefits	260,184	336,023	324,669	357,393
Supplies and Services	120,671	486,040	477,663	473,041
Special Projects	6,656	13,069	1,692	-
Non-Capital Equipment	1,955	4,000	4,000	4,000
Total Expenditures	\$ 389,466	\$ 839,132	\$ 808,024	\$ 834,434

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
User approval rating for 4 neighborhood social service centers	n/a	95%	95%
Occupancy rate for leasable office spaces	100%	100%	100%
Facility reservations for community, private and public events	1,995	1,995	2,005
Information and referrals contacts to residents	n/a	13,000	13,000
Youth and adult participants with Job Apprenticeship Program	n/a	45	45
Senior citizens and children receiving meals from the Community Action Commission	11,000	11,000	11,000
Units of service	n/a	15,000	15,000
Community Garden annual permits issued	n/a	n/a	156

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Water Quality
Improvement**
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RECENT PROGRAM ACHIEVEMENTS

Completed construction
of the Old Mission Creek
Restoration at Bohnett
Park.

Creeks Restoration and Water Quality Improvement

(Program No. 6511)

Mission Statement

Improve creek and ocean water quality and restore natural creek systems with the implementation of storm water and urban runoff pollution reduction, creek restoration and community education programs.

Program Activities

- Monitor creek and ocean water quality.
- Oversee clean water operations; including creek cleanups and storm drain filters.
- Enforce storm water and urban runoff code.
- Develop and implement creek restoration projects and watershed restoration plans.
- Oversee storm water treatment control projects.
- Coordinate community information and clean water business assistance programs.

Objectives for Fiscal Year 2005

- Maintain 95% response rate to enforcement calls within 3 working days.
- Conduct weekly creek clean-ups to remove contaminants.
- Perform 95% of the scheduled maintenance of the storm water treatment system.
- Achieve participation of an additional 20 businesses in certified Clean Water Business program.
- Provide quarterly bilingual information programs on clean water and creeks issues.
- Increase youth watershed education programs to school-age children in Santa Barbara by 10%.
- Train employees of 8 operations divisions to develop and implement pollution prevention plans.
- Complete first phase of watershed plans for Arroyo Burro, and Mission and Sycamore Creeks.
- Complete design of Las Positas storm water detention project.
- Complete construction of the Westside Ultraviolet Light Treatment Facility
- Begin construction of Arroyo Burro Estuary Restoration project.
- Complete technical studies and preliminary design of restoration of Old Mission Creek at West Figueroa.

Objectives for Fiscal Year 2005 (continued)

- Complete technical studies and preliminary design of the Las Positas Valley 6-acre parcel.
- Install 28 new catch basin filters in the lower Westside neighborhood.
- Conduct 2 community creek stewardship and clean-up projects.
- Complete technical studies and preliminary design for the urban runoff treatment facility at Laguna Channel.
- Ensure compliance with all Creeks education, restoration and water quality contracts.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	5.75	5.00	5.00	5.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Intergovernmental	70,927	949,753	425,000	-
Interest Income	101,665	50,000	91,000	50,000
Other	209	-	100	-
Transient Occupancy Tax	1,972,878	2,054,780	2,054,780	2,137,970
Total Revenue	\$ 2,145,679	\$ 3,054,533	\$ 2,570,880	\$ 2,187,970
Expenditures				
Salaries and Benefits	451,295	433,473	433,473	489,118
Supplies and Services	452,022	1,097,388	853,218	948,755
Special Projects	870	66,780	66,780	77,500
Non-Capital Equipment	846	5,000	6,199	9,778
Transfers Out	-	150,000	150,000	154,368
Appropriated Reserve	-	50,449	-	8,451
Total Operating Expenditures	\$ 905,033	\$ 1,803,090	\$ 1,509,670	\$ 1,687,970
Capital Program	874,423	2,654,640	950,000	500,000
Total Expenditures	\$ 1,779,456	\$ 4,457,730	\$ 2,459,670	\$ 2,187,970
Addition to (Use of) Reserves	\$ 366,223	\$ (1,403,197)	\$ 111,210	\$ -

PROGRAMS & SERVICES

Creeks Restoration and Water Quality Improvement

Continued

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Enforcement calls receiving response within 3 working days	95%	95%	95%
Creek cleanups and tons of contaminants removed	52 / 35	42 / 47	52 / 35
Percent scheduled maintenance completed	95%	95%	95%
Direct business contacts through Clean Water Business program	100	20	20
Bilingual information programs	4	4	4
Schools, summer camps and field trips for watershed education	60	120	132
Employees trained in pollution prevention	340	150	150
Program revenue matched with grant funds	10%	10%	10%
Weekly Creek, ocean, and storm samples collected	30	17	20

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➤ Golf Course

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RECENT PROGRAM ACHIEVEMENTS

Adopted Integrated Pest Management Program to implement organic pest management.
Improved appearance of Clubhouse facilities with improved maintenance practices.

Golf Course

(Program No. 6711)

Mission Statement

Provide a quality and affordable golf experience for all ages and abilities, through the collection of golf greens fees to support operational costs.

Program Activities

- Coordinate golf services, including daily play, tournaments, lessons, equipment rental, driving range, and food service.
- Maintain 108 acres of land (85 acres of developed golf area).
- Oversee the maintenance of equipment.
- Maintain facilities, including the Pro Shop, parking lot, and walkways.
- Implement capital improvement projects.

Objectives for Fiscal Year 2005

- Achieve greens fee revenue per round of \$21.00.
- Achieve Golf Course facility use of 87,000 rounds of golf.
- Achieve sales of 3,000 resident discounts.
- Achieve sales 700 total five-day and seven-day play discounts.
- Achieve \$275,000 in golf concessionaire revenue.
- Maintain the number of reportable injuries at 1 or less by holding monthly co-worker safety meetings.
- Complete monthly facility inspections of clubhouse and maintenance facilities.
- Complete 90% of maintenance activities in accordance with Golf Division Maintenance Standards, utilizing daily job tasking and work schedules.
- Complete 100% of pesticide usage reports required by the County Agricultural Commissioner on a monthly basis.
- Ensure compliance of contract terms and conditions for golf concessionaires.
- Irrigate golf course using daily 24-hour evapotranspiration data and Track daily usage using irrigation log printouts.
- Evaluate impact of City Integrated Pest Management (IPM) Strategy as it relates to turf quality, golfer satisfaction and increased manpower usage and prepare monthly impact report.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	11.90	12.90	12.90	12.90
Non-Permanent Employee Hours	n/a	n/a	n/a	0.00
Revenues				
Golf Fees	1,702,437	1,759,500	1,759,500	1,852,213
Interest Income	53,925	55,000	33,600	26,897
Other	1,097	-	1,394	-
Rents (Concessions)	248,369	250,000	250,000	275,000
Total Revenue	\$ 2,005,828	\$ 2,064,500	\$ 2,044,494	\$ 2,154,110
Expenditures				
Salaries and Benefits	856,550	901,284	911,384	984,851
Supplies and Services	602,617	600,181	616,700	653,819
Special Projects	368,174	182,550	63,220	64,316
Non-Capital Equipment	12,944	5,000	5,000	13,800
Transfers Out	-	-	-	684
Debt Service	86,732	182,556	182,556	184,418
Total Operating Expenditures	1,927,017	1,871,571	1,778,860	1,901,888
Capital Program	365,065	379,917	300,000	252,222
Total Expenditures	\$ 2,292,082	\$ 2,251,488	\$ 2,078,860	\$ 2,154,110
Addition to (Use of) Reserves	\$ (286,254)	\$ (186,988)	\$ (34,366)	\$ -

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Average greens fee revenue per round	\$18.50	\$21.00	\$21.00
Rounds of golf	91,000	87,000	87,000
Resident discounts sold	3,800	3,000	3,000
Five-day and seven-day discounts sold	850	700	700
Reportable injuries	1	1	1
Monthly inspections completed	n/a	n/a	12
Percent of all acceptable recyclable materials collected	n/a	n/a	85%

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RECENT PROGRAM ACHIEVEMENTS

Completed the
Franceschi Park Master
Plan.

Park Operations Management

(Program No. 6911)

Mission Statement

Manage maintenance operations for park and street tree resources, recreation facilities landscaping, capital projects, secure grants, monitor safety programs, Division budget, and overall ordinance compliance related to parks and street trees.

Program Activities

- Oversee long range planning, set goals, and manage budget resources for parks and open space.
- Respond to citizen inquiries regarding park operations, street tree operations, and record keeping.
- Coordinate park project planning and inter-departmental efforts.
- Work with the School District staff on issues related to the Joint Use Agreement between the City and School District.

Objectives for Fiscal Year 2005

- Achieve 80% of Parks Division objectives.
- Maintain 365 acres of developed parkland at a cost of \$7,701 per acre.
- Maintain 1,180 acres of open space at a cost of \$265 per acre.
- Complete the Douglas Family Preserve resource protection measures funded by the State Coastal Conservancy.
- Complete design of the parking lot, handicap ramp and restroom improvements at Franceschi Park using Prop 12 per capita funding.
- Complete the Parma Park staging area improvements funded by the Parma Park Trust.
- Implement the following elements of the Integrated Pest Management Strategy: Development of the "zone concept" of reduced human exposure to pesticides by December 31, 2004; and presentation of the first annual report to the Park and Recreation Commission and City Council by February 28, 2005. Include impact of Integrated Pest Management Strategy on Park Maintenance Standards.

Objectives for Fiscal Year 2005 (continued)

- Complete construction of Bohnett Park improvements on San Andres Street.
- Initiate construction of Ortega Park Sports Field Improvement Project by March 30, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	6.50	5.00	5.00	4.00
Non-Permanent Employee Hours	n/a	n/a	n/a	650
Revenues				
Intergovernmental	-	144,000	144,000	-
Other	32,504	233,935	233,935	-
General Fund Subsidy	710,744	1,093,958	1,046,903	1,071,788
Total Revenue	\$ 743,248	\$ 1,471,893	\$ 1,424,838	\$ 1,071,788
Expenditures				
Salaries and Benefits	419,488	410,079	392,131	375,632
Supplies and Services	287,049	670,054	672,545	693,656
Special Projects	29,436	389,260	357,662	-
Non-Capital Equipment	7,275	2,500	2,500	2,500
Total Expenditures	\$ 743,248	\$ 1,471,893	\$ 1,424,838	\$ 1,071,788

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Parks Division objectives achieved	80%	80%	80%
Cost to maintain 365 acres of parkland	\$4,880	\$8,000	\$7,701
Cost to maintain 1,180 acres of open space	\$170	\$285	\$265

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RECENT PROGRAM ACHIEVEMENTS

An Integrated Pest Management Strategy was adopted by the City Council establishing 15 pesticide-free parks.

Grounds and Facilities Maintenance

(Program No. 6912)

Mission Statement

Provide safe and high quality open space, parks, sports fields, street medians and right of way landscaping, building landscaping and restrooms.

Program Activities

- Repair and reconstruct existing park features such as softball backstops, signs, benches, hardscape and other park amenities.
- Maintain 25 restroom facilities to highest standards.
- Manage 21 playgrounds including routine safety inspection and follow-up, replacements, modifications for universal access, and user safety.
- Oversee grounds maintenance, including litter control, trash removal, hardscape cleaning, pruning, planting, and fertilizing landscape plants, mowing, turf management and sports field maintenance.
- Coordinate water use management, irrigation repair, replacement, and performance management.
- Administer Park Ranger Program for public safety and enjoyment of parks and school facilities.
- Maintain 1,200 acres of open space in eleven areas and oversee vegetative fuels management of open space parks.

Objectives for Fiscal Year 2005

- Complete all safety work orders within an average of 10 days from issuance.
- Complete all non-safety work orders within an average of 30 days of issuance.
- Clean and service 25 restrooms in accordance with maintenance standards 95% of the time with an average of 2 cleanings per day.
- Maintain 80% of park grounds to meet minimum park maintenance standards for designated service level.
- Complete 100% of park safety inspections monthly.
- Maintain turf with irrigation within 20% of weather station data (water used by turf) within irrigation season of April through October.

Objectives for Fiscal Year 2005 (continued)

- Provide walkthrough inspections with Downtown Organization for 12 blocks of State Street 4 times per year to ensure conformance to standards and contract specifications.
- Complete design and installation of new Central Control Irrigation System at Ambassador and Willowglen Parks.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	25.30	25.80	25.80	23.80
Non-Permanent Employee Hours	n/a	n/a	n/a	29,840
Revenues				
Intergovernmental	53,298	5,000	5,000	5,000
Other	121,280	196,000	100,000	128,000
General Fund Subsidy	1,991,957	3,284,412	3,243,798	3,132,865
Total Revenue	\$ 2,166,535	\$ 3,485,412	\$ 3,348,798	\$ 3,265,865
Expenditures				
Salaries and Benefits	1,452,341	1,953,882	1,946,825	1,997,092
Supplies and Services	610,663	1,362,381	1,264,998	1,170,773
Special Projects	102,257	123,149	90,072	90,000
Non-Capital Equipment	1,274	6,000	6,903	8,000
Capital Program	-	40,000	40,000	-
Total Expenditures	\$ 2,166,535	\$ 3,485,412	\$ 3,348,798	\$ 3,265,865

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Average number of days to complete all safety-related work orders	n/a	10	10
Safety-related work orders	15	60	60
Average number of days to complete all non-safety work orders based	n/a	30	30
Non-safety work orders	45	200	200
Percent of restroom cleanings adhering to maintenance quality standards	90%	95%	95%
Percent of park inspections meeting minimum park maintenance quality standards	80%	80%	80%
Park site safety inspections completed	504	504	504
Average inches of water applied compared to weather station	20%	20%	20%
Walkthrough inspections completed	n/a	4	4

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Beach Maintenance
Chase Palm Park



RECENT PROGRAM ACHIEVEMENTS

Completed street
sweeper clearance on
2,500 trees on East and
Westside street
sweeping routes.

Forestry

(Program No. 6913)

Mission Statement

Plant and maintain street trees, park, and City facility trees for the benefit of residents and to ensure a safe and healthy community forest.

Program Activities

- Manage 23,500 street trees and 5,300 park trees.
- Oversee stump and root management.
- Coordinate young tree planting and management.
- Inspect potentially hazardous trees.
- Communicate City policies and ordinances regarding tree issues, and coordinate citizen requests for tree planting.
- Respond to citizen tree maintenance and removal requests and scheduled block pruning.
- Enforce street tree and front yard setback tree ordinance.

Objectives for Fiscal Year 2005

- Prune 5,400 (23%) of all street trees.
- Prune 530 (10%) of all park and facility trees.
- Plant 300 street trees.
- Complete 90% of service inspections requested within 10 working days.
- Inspect and act on 100% of tree ordinance violations within 30 days.
- Maintain average tree pruning cost of \$136 per tree.
- Maintain average tree pruning by contract at a cost of \$54 per tree.
- Complete tree inventory database update for 8,000 trees.
- Complete outline and public input meetings for an Urban Forest Master Plan in coordination with City's General Plan Update.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	10.00	11.00	11.00	11.00
Non-Permanent Employee Hours	n/a	n/a	n/a	1,300
Revenues				
General Fund Subsidy	906,064	222,582	225,461	293,146
Interfund Reimbursements (Streets)	-	744,579	744,579	744,579
Total Revenue	\$ 906,064	\$ 967,161	\$ 970,040	\$ 1,037,725
Expenditures				
Salaries and Benefits	677,706	712,856	718,071	771,609
Supplies and Services	226,717	252,805	250,469	264,616
Non-Capital Equipment	1,641	1,500	1,500	1,500
Total Expenditures	\$ 906,064	\$ 967,161	\$ 970,040	\$ 1,037,725

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Street trees pruned	5,170	5,400	5,400
Park and facility trees pruned	530	530	530
Trees planted	300	300	300
Service inspections requested completed within 10 working days	85%	90%	90%
Percent of ordinance violations acted on within 30 days	100%	100%	100%
Cost per tree pruned by staff	\$115	\$185	\$136
Cost per tree pruned by contract	n/a	n/a	\$54
Service inspections	2,400	876	900
Ordinance violations	72	30	30

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➤ Beach Maintenance

Chase Palm Park



RECENT PROGRAM ACHIEVEMENTS

Hand cleaning of
beaches has resulted
in cleaner beaches
and high user
satisfaction rate.

Beach Maintenance

(Program No. 6914)

Mission Statement

Clean, grade and groom beaches to maintain clean and safe beaches for the enjoyment of residents and visitors.

Program Activities

- Perform maintenance duties of raking, sand grooming, and minor grading of the beaches.
- Dispose and remove of kelp, litter and storm debris, and dead sea animals.
- Oversee creek outlet cleaning, maintenance, and annual installation and removal of lifeguard towers.
- Dispose of abandoned beached boats or vessels.
- Youth Beach Litter Clean-up Program.

Objectives for Fiscal Year 2005

- Groom beach sand on Leadbetter, West and East beaches 12 times between May and October.
- Rake beach sand on Leadbetter, West and East beaches 12 times between November and April.
- Hand clean the perimeter of Mission Creek Lagoon on East Beach an average of twice per week.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.00	1.00	1.00	1.00
Non-Permanent Employee Hours	n/a	n/a	n/a	750
Revenues				
General Fund Subsidy	95,149	102,290	104,966	101,512
Total Revenue	\$ 95,149	\$ 102,290	\$ 104,966	\$ 101,512
Expenditures				
Salaries and Benefits	63,350	70,540	70,468	71,874
Supplies and Services	31,799	31,750	34,498	29,638
Total Expenditures	\$ 95,149	\$ 102,290	\$ 104,966	\$ 101,512

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Beach groom cycles	12	12	12
Beach rake cycles	12	12	12
Mission Creek Lagoon perimeter hand-cleanings	104	104	104
Beach debris and animals removed	50	8	20

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➤ Chase Palm Park



RECENT PROGRAM ACHIEVEMENTS

17 New Zealand
Christmas trees were
planted at the Casa
Las Palmas terrace.

Chase Palm Park

(Program No. 6917)

Mission Statement

Provide high quality park maintenance and recreation services at Chase Palm Park.

Program Activities

- Maintain the park landscaping and facilities of Chase Palm, a popular venue for leisure visits, corporate and community events, and concerts.
- Provide grounds maintenance including mowing, pruning, trash pick-up and litter control.
- Coordinate restroom cleaning and maintenance.
- Provide safety oversight and maintenance of playground equipment and water features.
- Provide repairs and maintenance to hardscape elements.
- Develop and coordinate recreation programming for the park.
- Schedule and coordinate rentals of indoor and outdoor reservable sites.
- Facilitate community special events at the park.
- Provide on-site staff on a daily basis to oversee public use of the Park, provide information, and check out recreational equipment at no charge to the public.

Objectives for Fiscal Year 2005

- Maintain 85% "good" to "very good" rating for overall customer satisfaction with outdoor rental facilities.
- Maintain 49 permits to rent outdoor facilities on an annual basis.
- Maintain revenue for Chase Palm Park at \$174,469, including indoor and outdoor facility rentals, concessions and payment from hotel.
- Ensure that 80% of park grounds inspections meet established park maintenance standards.
- Clean and inspect Skater's Point skateboard park daily.
- Maintain 23 acres at a cost of \$19,646 per acre.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.90	3.90	3.90	3.20
Non-Permanent Employee Hours	n/a	n/a	n/a	13,512
Revenues				
Other	62,500	62,500	62,500	62,500
Fees and Service Charges	117,511	98,780	99,404	101,969
Rents-Concessions	7,731	11,000	6,000	10,000
General Fund Subsidy	222,570	416,090	430,200	375,256
Total Revenue	\$ 410,312	\$ 588,370	\$ 598,104	\$ 549,725
Expenditures				
Salaries and Benefits	300,868	366,750	376,444	342,923
Supplies and Services	109,029	220,120	220,160	204,802
Non-Capital Equipment	415	1,500	1,500	2,000
Total Expenditures	\$ 410,312	\$ 588,370	\$ 598,104	\$ 549,725

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of overall customer satisfaction surveys rated "good" to "very good"	75%	85%	85%
Permits issued for rental of outdoor facilities	65	49	49
Percent of park grounds inspections in compliance with established park maintenance standards	80%	90%	80%
Skateboard Park cleanings and inspections	365	365	365
Cost to maintain an acre of parkland	\$20,000	\$20,000	\$19,646
Revenue for outdoor facility rentals	\$15,325	\$11,690	\$12,012
Facility reservations processed at Chase Palm Park Recreation Center	n/a	n/a	170
Facility reservations processed at Casa Las Palmas	n/a	n/a	100

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DEPARTMENT SUMMARY

Police

Operating under a Community Oriented Policing philosophy, create and maintain a safe community where people can live in peace, without the fear of crime.

About Police

The Police Department is responsible for providing law enforcement services to the City of Santa Barbara. Working in partnership with the community, quality and professional law enforcement services are provided in a fair and efficient manner.

The Patrol Division provides police services to the community that includes 24-hour patrol assignments, traffic enforcement, safety programs, animal control activities, special event planning, crisis response teams and a chaplaincy program.

The Investigative Division conducts follow-up investigations from initial crime reports that include crimes against persons, property, narcotics violations, school resource officers and forensic investigations.

The Community Services Division provides support services to the entire organization that include managing the building and maintaining equipment, providing crime analysis, training and recruitment and community oriented problem solving programs and services.

Our motto "Dedicated to Serve" captures our commitment to ensure a safe and secure place for people to live, work and enjoy our community.

Fiscal Year 2005 Budget Highlights

The Santa Barbara Police Department continues to serve hundreds of local youth through the Police Activities League (PAL). This program is a non-profit collaboration funded through private donations, federal grants and the City of Santa Barbara.

Patrol Officers will respond to over 120,000 calls for service over a twelve-month-period of time. Of those calls, over 1,300 are emergencies in progress.

The Santa Barbara Police Department relies on a Citizen's Advisory Committee to be the eyes and ears of the community while using their knowledge in committee work to resolve community issues.





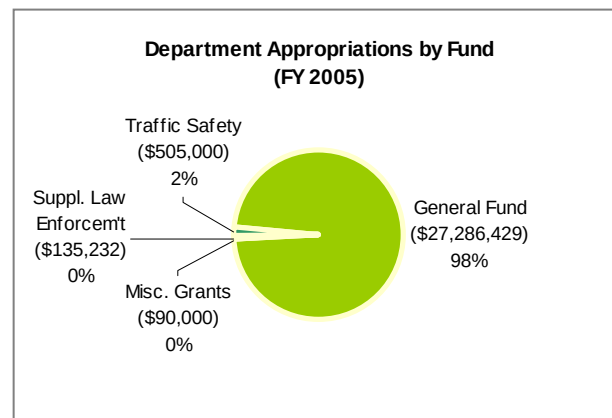
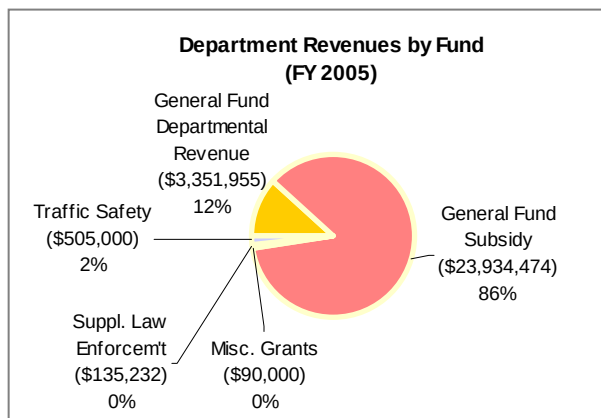
DEPARTMENT SUMMARY

Police

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	239.50	225.00	225.00	222.00
Non-Permanent Employee Hours	n/a	n/a	n/a	18,320
Revenues				
Traffic Safety	482,180	525,000	525,000	505,000
Parking Violations	1,832,306	2,277,245	2,215,274	2,277,245
Fines & Forfeitures	-	175,000	320,000	225,000
Fees and Services Charges	581,743	679,155	552,998	779,710
Intergovernmental	686,245	811,803	217,034	225,232
Other	85,532	77,107	194,882	70,000
Donations	5,136	-	-	-
General Fund Subsidy	20,566,623	21,814,279	21,596,396	23,934,474
Total Department Revenue	\$ 24,239,765	\$ 26,359,589	\$ 25,621,584	\$ 28,016,661
Expenditures				
Salaries and Benefits	20,963,424	22,228,742	21,649,646	24,101,815
Supplies and Services	3,089,372	3,635,548	3,566,766	3,725,235
Special Projects	61,641	239,141	190,659	84,959
Transfers	5,085	-	-	-
Non-Capital Equipment	117,389	256,158	214,513	104,652
Equipment Capital	2,854	-	-	-
Total Department Expenditures	\$ 24,239,765	\$ 26,359,589	\$ 25,621,584	\$ 28,016,661

Department Fund Composition

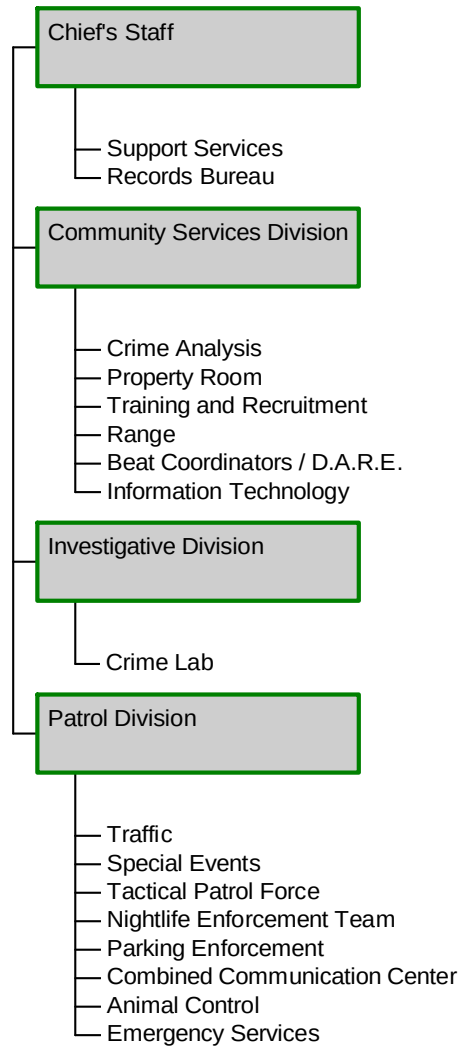




DEPARTMENT SUMMARY

Police

Program Organizational Chart



PROGRAMS & SERVICES

POLICE PROGRAMS

➤ Chief's Staff

Support Services
Records Bureau
Community Services
Division
Crime Analysis
Property Room
Training and Recruitment
Range
Beat Coordinators/D.A.R.E.
Information Technology
Investigative Division
Crime Lab
Patrol Division
Traffic
Special Events
Tactical Patrol Force
Nightlife Enforcement
Parking Enforcement
Combined
Communications Center
Animal Control
Emergency Services



RECENT PROGRAM ACHIEVEMENTS

Santa Barbara Police Department hosted a memorable California Police Chiefs Conference in February 2004. All department employees received diversity training.

Chief's Staff

(Program No. 3411)

Mission Statement

Ensure that the organization is operating in a professional manner at all levels with a solid and consistent focus on community policing through team approaches and employee accountability.

Program Activities

- Manage, oversee and monitor the operations of the Santa Barbara Police Department, which includes three divisions that provide public safety for the Santa Barbara Community and focus on quality of life issues.
- Investigate and evaluate all complaints related to the performance and conduct of the members of the police department.
- Assist other city departments in gathering information related to public liability claims and other personnel matters.
- Investigate special requests from City Hall and respond with information in a timely manner.

Objectives for Fiscal Year 2005

- Achieve 80% of the department program objectives.
- Investigate citizen complaints and respond to 90% of the reporting parties with the action taken within 60 days of complaint.
- Respond to 90% of special requests from City Council members, citizen inquiries and outside agencies within 24 hours to advise timeline of completion.
- Respond to 90% of City Attorney and Risk Management requests for investigation within 24 hours to advise timeline of completion.
- Develop a long-term strategy and budget to implement a workspace solution.
- Develop a strategy to implement Restorative Policing to more effectively serve the mentally ill within our community.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	34.00	5.00	5.00	4.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Parking Violations	1,832,306	2,277,245	2,215,274	2,277,245
Intergovernmental	247,060	217,000	217,034	-
Fees and Service Charges	339,564	342,275	339,132	305,000
Other	14,058	4,000	14,010	5,000
Donations	5,136	-	-	-
General Fund Subsidy	373,567	-	-	-
Total Revenue	\$ 2,811,691	\$ 2,840,520	\$ 2,785,450	\$ 2,587,245
Expenditures				
Salaries and Benefits	2,373,550	807,537	807,537	703,636
Supplies and Services	353,914	64,040	64,040	47,256
Special Projects	22,656	3,797	-	-
Transfers	5,085	-	-	-
Non-Capital Equipment	53,632	36,878	1,849	-
Equipment Capital	2,854	-	-	-
Total Expenditures	\$ 2,811,691	\$ 912,251	\$ 873,426	\$ 750,892

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of performance objectives met	80%	80%	80%
Percent of ongoing citizen complaint investigations completed within 60 days	90%	70%	90%
Ongoing citizen complaints	n/a	16	17
Percent of Council, citizen and outside agency requests responded to within 24 hours	n/a	n/a	90%
Special requests from Council, citizens and outside agencies	n/a	n/a	80
Percent of City Attorney and Risk Management requests responded to within 24 hours	n/a	n/a	90
City Attorney and Risk Management requests	n/a	n/a	24
Pitchess Motions prepared for courts	n/a	12	15

PROGRAMS & SERVICES

POLICE PROGRAMS

Chief's Staff

➤ **Support Services**

Records Bureau

Community Services
Division

Crime Analysis

Property Room

Training and Recruitment

Range

Beat Coordinators/D.A.R.E.

Information Technology

Investigative Division

Crime Lab

Patrol Division

Traffic

Special Events

Tactical Patrol Force

Nightlife Enforcement

Parking Enforcement

Combined
Communications Center

Animal Control

Emergency Services



RECENT PROGRAM ACHIEVEMENTS

Parking Citation revenues have increased substantially and achieved record high amounts.

Support Services

(Program No. 3413)

Mission Statement

Perform the administrative and fiscal functions for the Police Department, including purchasing, payroll, and revenue collection while providing fiscal support and oversight to all department divisions.

Program Activities

- Administer the preparation, implementation and management of the department's budget.
- Provide timely management and support on all matters related to personnel and payroll actions.
- Process all department purchasing, accounts payable and receivable actions.
- Manage the Parking Collection Section including payments, reviews and tows.

Objectives for Fiscal Year 2005

- Achieve a 98% accuracy rate in processing employee timesheets.
- Achieve a 98% completion rate for all purchasing and accounts payable transactions within 2 business days of receipt.
- Achieve a clearance rate of 85% for parking citations.
- Send notice to all interested parties of vehicles towed for unlicensed driver within 1 business day.
- Develop an annual budget within target and administer within fiscal constraints and policies.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	8.00	8.00	8.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	-	622,618	622,618	667,243
Total Revenue	\$ -	\$ 622,618	\$ 622,618	\$ 667,243
Expenditures				
Salaries and Benefits	-	538,418	538,418	576,098
Supplies and Services	-	83,830	83,830	91,145
Non-Capital Equipment	-	370	370	-
Total Expenditures	\$ -	\$ 622,618	\$ 622,618	\$ 667,243

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of timesheets processed error free	99%	99%	99%
Timesheets processed	6,500	6,536	6,500
Errors reported on timesheets by Payroll	100	15	12
Percent of purchasing and accounts payable transactions completed within 2 business days	98%	100%	98%
Purchasing transactions	675	675	525
Accounts payable transactions	850	850	850
Percent of parking citations paid	85%	88%	85%
Parking citations issued	99,532	94,810	95,900
Parking citations paid	78,717	73,818	74,023
Percent of interested parties notified of vehicle towed for unlicensed driver	n/a	n/a	100%
Vehicles towed for unlicensed driver	1,111	1,372	1,323

PROGRAMS & SERVICES

POLICE PROGRAMS

- Chief's Staff
- Support Services
- **Records Bureau**
- Community Services Division
- Crime Analysis
- Property Room
- Training and Recruitment Range
- Beat Coordinators/D.A.R.E.
- Information Technology
- Investigative Division
- Crime Lab
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- Nightlife Enforcement
- Parking Enforcement
- Combined Communications Center
- Animal Control
- Emergency Services



RECENT PROGRAM ACHIEVEMENTS

The Transcriber Office was relocated to a newly renovated office adjacent to the Records Bureau.

Records Bureau

(Program No. 3414)

Mission Statement

Process and disseminate police reports while providing quality customer service to citizens.

Program Activities

- Process, maintain, and track all police crime reports, arrest reports, traffic accident reports, and traffic citations within allotted time frames.
- Provide the timely processing of subpoenas for officer and civilian personnel for appearance in court, declarations, and requests for records.
- Assist the general public and police officers by taking and completing counter reports.
- Process and maintain the monthly Uniform Crime Report statistics for the Department of Justice.
- Fingerprint using Live Scan or rolling prints for the police department, city employees, bookings, registrants, city permits and general public.
- Transcribe police reports that are dictated by officers to ensure the reports are correct, standardized and legible.

Objectives for Fiscal Year 2005

- Complete and distribute 99% of in-custody adult and juvenile arrest reports prior to 10 a.m. on the following court day.
- Complete 100% of data entry for part one crimes by the 5th day of each month.
- Seal 100% of juvenile records within 45 days of receipt to comply with all court orders.
- Complete and forward 100% of court dispositions of conviction within 30 days of receipt.
- Transcribe 99% of arrest reports prior to 8:30 a.m. on the next court day.
- Conduct a weekly survey of employees to gather input as it relates to changes to an automated Records Management System.
- Establish and maintain a Records Specialist Training Manual for new Records Specialists.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	20.00	20.00	20.00
Non-Permanent Employee Hours	n/a	n/a	n/a	2,080
Revenues				
General Fund Subsidy	-	1,303,520	1,303,520	1,375,428
Total Revenue	\$ -	\$ 1,303,520	\$ 1,303,520	\$ 1,375,428
Expenditures				
Salaries and Benefits	-	1,192,563	1,192,563	1,256,818
Supplies and Services	-	110,587	110,587	118,240
Non-Capital Equipment	-	370	370	370
Total Expenditures	\$ -	\$ 1,303,520	\$ 1,303,520	\$ 1,375,428

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of in-custody reports processed by 10 a.m. the following court day	n/a	n/a	99%
Percent of part one crimes data entry completed by the 5 th of each month	n/a	n/a	100%
Percent of juvenile records sealed within 45 days of receipt	n/a	n/a	100%
Percent of court dispositions processed within 30 days	n/a	n/a	100%
Percent of arrest reports transcribed prior to 8:30 on the next court day	n/a	n/a	99%
Reports from officers processed	18,000	21,600	20,000
Traffic citations processed	11,000	10,600	11,000
Subpoenas processed	2,400	2,320	2,400
Incoming and outgoing phone calls handled by Records personnel	n/a	187,000	180,000
Individuals fingerprinted by Live Scan and rolled fingerprints	4,700	5,950	4,800
Reports transcribed	11,000	11,800	10,800
180's processed	n/a	4,100	4,000
Uniform Crime Reports prepared	12	12	12
Minors in custody reports completed	n/a	12	12
Transcribed reports not completed by 10 a.m.	n/a	n/a	24
Court ordered dispositions completed	n/a	n/a	580

PROGRAMS & SERVICES

POLICE PROGRAMS

Chief's Staff

Support Services

Records Bureau

➤ **Community Services
Division**

Crime Analysis

Property Room

Training and Recruitment

Range

Beat Coordinators/D.A.R.E.

Information Technology

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RECENT PROGRAM ACHIEVEMENTS

The Police Activities League received a \$100,000 federal grant from Congresswoman Lois Capps.

Community Services Division

(Program No. 3421)

Mission Statement

Provide leadership, direction and administrative guidance for the Community Services Division.

Program Activities

- Coordinate and oversee the Police Department facilities maintenance needs with the Public Works Department.
- Ensure the delegation throughout the Department of the Community Oriented Policing efforts that originate in the Community Services Division.
- Work closely with the Business Office to efficiently administer the Community Services Division Budget.
- Maintain a working relationship with the landlord of the Police Annex Building.
- Provide outreach to local youth through the Police Activities League to strengthen relationships between the Police Department and youth.

Objectives for Fiscal Year 2005

- Ensure Community Services programs complete 80% of program objectives.
- Increase the number of participants in the Police Activities League by 5%.
- Continue to identify, secure and track non-traditional funding sources to support the Police Activities League.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.00	4.00	4.00	4.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	19,950	15,000	29,335	82,000
General Fund Subsidy	1,494,007	854,996	823,839	831,021
Total Revenue	\$ 1,513,957	\$ 869,996	\$ 853,174	\$ 913,021
Expenditures				
Salaries and Benefits	429,899	454,222	454,222	499,965
Supplies and Services	1,084,058	398,952	398,952	413,056
Special Projects	-	16,822	-	-
Total Expenditures	\$ 1,513,957	\$ 869,996	\$ 853,174	\$ 913,021

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of program objectives completed	80%	80%	80%
Youth participating in PAL	758	758	796
PAL events	n/a	65	65

PROGRAMS & SERVICES

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➤ **Crime Analysis**
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RECENT PROGRAM ACHIEVEMENTS

Crime Analysis staff recently completed a Crime Analysis Application Class at U.C. Riverside.

Crime Analysis

(Program No. 3422)

Mission Statement

Analyze data to identify crime series, patterns, trends, and criminal offenders to assist in criminal investigations and citywide reports.

Program Activities

- Provide timely and pertinent information relative to crime and arrest data to Police Department personnel, other City departments, outside law enforcement agencies and the general public for resource allocation, budgeting activities and community policing.
- Furnish crime analysis services to Police Department personnel through the identification of crime patterns and/or series, suspect identification and forecasting future crimes occurrences.
- Manage the City's alarm permit ordinance, and provide false alarm and registration revenue reports to the City's Finance Department.

Objectives for Fiscal Year 2005

- Ensure that 80% of the requests for crime data/statistics are provided within 2 working days.
- Enter 90% of Crime Reports into Crime Summary Module for Crime Pattern Reporting within 5 business days.
- Design and implement false alarm ordinance registration and repetitive false alarm letters and fine collection process.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.00	1.00	1.00	0.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	82,222	81,287	81,287	20,427
Total Revenue	\$ 82,222	\$ 81,287	\$ 81,287	\$ 20,427
Expenditures				
Salaries and Benefits	74,014	67,929	67,929	9,798
Supplies and Services	7,993	11,788	11,788	10,629
Non-Capital Equipment	215	1,570	1,570	-
Total Expenditures	\$ 82,222	\$ 81,287	\$ 81,287	\$ 20,427

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of crime data or statistics requests completed within 2 working days	80%	80%	80%
Crime data or statistics requests	460	874	820
Percent of Crime reports entered into the Crime Summary Module	90%	90%	90%
Crime reports entered into Crime Summary Module for Analysis	440	2,860	2,750
False Alarms	2,610	2,636	2,610

PROGRAMS & SERVICES

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RECENT PROGRAM ACHIEVEMENTS

Acquisitioned and
installed a Bar Code
Property Management
System.

Property Room

(Program No. 3423)

Mission Statement

Track and store all property and evidence received for court proceedings or return to rightful owners.

Program Activities

- Catalog and store all items of evidence.
- Identify and dispose of evidence associated with closed cases.
- Provide legal access to items of evidence for Santa Barbara Police Department employees and officers of the courts.
- Notify the public how and when their property is available for retrieval from the property room.
- Catalog, track and ensure the disposal of all weapons and drugs in a timely manner.
- Coordinate the delivery and retrieval of evidence for analysis with the State Crime Lab.
- Prepare and catalog all items to be released by way of auction.

Objectives for Fiscal Year 2005

- Catalog, barcode and store 100% of property within 1 working day.
- Conduct quarterly audits to ensure property accountability.
- Ensure purging of 40 property cases beyond statutory limitations or with dispositions per week.
- Develop a training and compliance manual for all property officers.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.00	2.00	2.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	122,563	145,210	145,210	159,398
Total Revenue	\$ 122,563	\$ 145,210	\$ 145,210	\$ 159,398
Expenditures				
Salaries and Benefits	113,045	130,186	130,186	144,986
Supplies and Services	9,217	14,630	14,630	14,412
Non-Capital Equipment	301	394	394	-
Total Expenditures	\$ 122,563	\$ 145,210	\$ 145,210	\$ 159,398

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of cases barcoded	n/a	100%	100%
Property audits	n/a	n/a	4
Property cases purged	n/a	n/a	2080
Items released	n/a	304	336
Cases of bulk property items stored	n/a	144	145

PROGRAMS & SERVICES

POLICE PROGRAMS

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➤ Training and Recruitment

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RECENT PROGRAM ACHIEVEMENTS

98% of all Officers and Reserve Officers completed mandatory driving and force options training.

Training and Recruitment

(Program No. 3424)

Mission Statement

Recruit and hire qualified personnel and provide state mandated training for all department employees.

Program Activities

- Conduct thorough background investigations on all prospective police department employees.
- Conduct background investigations for other city departments such as Fire, Parks and Recreation, Airport and Waterfront.
- Conduct recruiting activities with Human Resources personnel to recruit a diverse candidate pool.
- Review training records of all employees legally mandated to comply with Police Officer Standards Training (POST) requirements.
- Facilitate new employee orientations.
- Supervise police officer trainees while at the Police Academy.
- Oversee and supervise the property room and range personnel.
- Oversee the department's Mentoring and Training Committee Programs.

Objectives for Fiscal Year 2005

- Maintain an average staffing level of 98%.
- Facilitate 5 testing processes for sworn and civilian positions.
- Complete 95% of background investigations on prospective police employees within 45 days of a conditional job offer.
- Maintain 95% compliance of state-mandated training for Sworn and Reserve Officers and Public Safety Dispatchers.
- Train all personnel involved in the booking of property with the new bar-coding system.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.00	2.00	2.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	3,000
Revenues				
Fees and Service Charges	150	-	344	-
General Fund Subsidy	408,763	309,726	309,382	351,443
Total Revenue	\$ 408,913	\$ 309,726	\$ 309,726	\$ 351,443
Expenditures				
Salaries and Benefits	308,827	284,270	284,270	317,003
Supplies and Services	94,223	25,456	25,456	34,440
Non-Capital Equipment	5,863	-	-	-
Total Expenditures	\$ 408,913	\$ 309,726	\$ 309,726	\$ 351,443

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of funded staffing positions filled	98%	96%	98%
Employees hired	20	15	15
Percent of background investigations completed within 45 days	90%	95%	95%
Background investigations for Police Department completed	25	25	25
Background investigations for other City employees completed	10	8	10
Entry level testing processes	5	5	5
Percent of employees in compliance with POST	n/a	95%	95%
Employees in compliance with POST	n/a	158	174
Outside agency recruitment trips and job fairs	8	3	5
Advertisements and promotions for diverse workforce	10	n/a	5
Employees in mentoring program	n/a	n/a	10

PROGRAMS & SERVICES

POLICE PROGRAMS

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Crime Analysis
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Training and Recruitment

➤ **Range**

Beat Coordinators/D.A.R.E.
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RECENT PROGRAM ACHIEVEMENTS

Tripled department
certified armorers to
ensure weapon safety for
all officers.

Range

(Program No. 3425)

Mission Statement

Provide firearms training to insure compliance for all officers and oversee the maintenance and issuance of operative, well-maintained safety equipment and vehicles.

Program Activities

- Oversee primary weapon qualification for all regular and reserve officers, Harbor Patrol and Airport Patrol.
- Provide a safety officer at requested SWAT trainings.
- Manage all requests for repairs for department fleet vehicles.
- Monitor all manufacturers' recalls on department vehicles and schedule vehicles for routine preventive maintenance.
- Issue all safety equipment to newly hired personnel and replace safety equipment to all officers as requested.
- Oversee day-to-day minor building maintenance requests.

Objectives for Fiscal Year 2005

- Maintain 100% quarterly compliance for weapons qualifications of officers on active duty.
- Respond to 100% of vehicle repair requests within 2 business days.
- Ensure that 100% of all equipment meets department requirements.
- Ensure the cleaning of 100% of all department duty weapons.
- Ensure that 100% of patrol long rifles are cleaned.
- Implement a plan to replace 20% of body armor to ensure a 5-year rotation of all body armor.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	1.00	1.00	1.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	-	956,695	956,695	987,180
Total Revenue	\$ -	\$ 956,695	\$ 956,695	\$ 987,180
Expenditures				
Salaries and Benefits	-	68,602	68,602	74,281
Supplies and Services	-	888,093	888,093	912,899
Total Expenditures	\$ -	\$ 956,695	\$ 956,695	\$ 987,180

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of officers weapons qualified	100%	100%	100%
Officers trained in primary weapon (four times per year)	744	708	708
Officers trained in long rifle (four times per year)	640	632	632
Percent of safety equipment pieces within department standards issued	n/a	100%	100%
Percent of duty weapons cleaned	n/a	n/a	100%
Weapons cleaned	n/a	n/a	177
Percent of long rifles cleaned	n/a	n/a	100%
Long rifles cleaned	n/a	n/a	35
Percent of vehicle requests completed within 2 business days	98%	100%	100%
Vehicle repair requests	160	160	180
Preventative maintenance vehicle repairs	160	160	180
Safety equipment pieces issued	n/a	100	100

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RECENT PROGRAM ACHIEVEMENTS

The Santa Barbara Police Department developed a weekly TV show, "SBPD Live" which currently airs on the Public Access Channel every Thursday night.

Beat Coordinators/D.A.R.E.

(Program No. 3427)

Mission Statement

Utilize community oriented policing programs and partnerships to resolve specific neighborhood problems affecting quality of life issues.

Program Activities

- Coordinate a citywide approach to Community Oriented Problem-Solving (COPS) philosophy.
- Utilize problem-solving techniques to resolve specific neighborhood problems.
- Conduct presentations on crime prevention topics.
- Provide information to the public on police procedures through the Citizen's, Spanish and Youth Academies.
- Provide direction to the Citizen's Advisory Committee.
- Guide, mentor, and assist members of the Explorer Post to help develop their life skills and self-confidence.
- Provide in-classroom Drug Abuse Resistance Education (D.A.R.E.) instruction for elementary school age children.
- Provide training to school officials and parents on current issues and counsel school children on personal issues and safety tips.

Objectives for Fiscal Year 2005

- Respond to 90% of all requests for attendance at presentations and meetings within 3 working days.
- Ensure that 3 Citizen Academies are conducted, alternating between English and Spanish.
- Contact 90% of complainants within 3 working days of receipt of community problem or issue.
- Ensure that a minimum of 10 monthly Citizen's Advisory Committee meetings are conducted.
- Conduct 48 weekly Explorer meetings to prepare members to enter the law enforcement profession.
- Recruit new members for the Explorer Post to bring the total number to 22.
- Provide Drug Abuse Resistance Education to 5th and 6th grade students at 13 elementary schools.

Objectives for Fiscal Year 2005 (continued)

- Produce the TV show, "SBPD-Live" on a weekly basis.
- Participate in the Neighborhood Improvement Task Force on a monthly basis.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	10.00	9.00	9.00	8.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	967,001	952,442	952,442	1,037,359
Total Revenue	\$ 967,001	\$ 952,442	\$ 952,442	\$ 1,037,359
Expenditures				
Salaries and Benefits	931,169	898,612	898,612	975,083
Supplies and Services	35,832	53,830	53,830	62,276
Total Expenditures	\$ 967,001	\$ 952,442	\$ 952,442	\$ 1,037,359

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of requests for attendance at meetings or presentations responded to within 3 working days	90%	95%	90%
Presentations, meetings and tours	n/a	450	500
Percent of requests for assistance with community issues responded to within 3 working days	n/a	97%	90%
Citizen academies conducted	3	3	3
Participants in Citizen's Academy	n/a	n/a	72
Citizens Advisory Committee meetings	n/a	10	10
Explorer meetings	48	48	48
Members in the Explorer post	20	20	22
Elementary schools with D.A.R.E. instruction	13	13	13
Students participating in D.A.R.E. program	950	820	750
Complaints/COPS projects	788	750	700
COPS projects utilizing other city departments	30	60	60
Spanish speaking presentations	72	50	60
Hours filling patrol assignments	160	500	480

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RECENT PROGRAM ACHIEVEMENTS

Police Information Technology implemented a communication and collaboration solution with an Intranet Portal, Office 2003, live communications and document rights management.

Information Technology

(Program No. 3428)

Mission Statement

Design, create, implement, and maintain automated systems, and provide 24-hour technical support to system users, in order to enhance public safety.

Program Activities

- Provide network security for all Police systems.
- Design and implement automated systems to enhance public safety, user workflow, and provide critically needed law enforcement information in a timely manner.
- Administer the Joint Powers Agreement (JPA) network, providing law enforcement agencies in Santa Barbara and San Luis Obispo counties with access to local, state, national and international databases.
- Maintain the Santa Barbara Police Department web page, provide user training, maintain all PCs and mobile computers and related software, and provide 24-hour user support for law enforcement systems.

Objectives for Fiscal Year 2005

- Provide system availability for critical systems at a rate exceeding 99% uptime.
- Ensure 95% of hardware and software is current with industry standards, defined as a four-year hardware equipment replacement schedule and operating systems updated within 1 year of new release.
- Complete 100% of Department of Justice (DOJ) mandated updates within required timeframe in support of the Joint Powers Agreement (JPA) network.
- Complete 100% of Joint Powers Agreement (JPA) user requests for system access and workstation configurations within 5 working days.
- Convert remaining BUSTED modules to Records Management System platform (from old system to new system.)

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	6.00	5.00	5.00	5.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	48,800	52,242	54,042	56,063
General Fund Subsidy	627,270	696,386	694,586	736,036
Total Revenue	\$ 676,070	\$ 748,628	\$ 748,628	\$ 792,099
Expenditures				
Salaries and Benefits	433,732	473,713	473,713	566,319
Supplies and Services	242,338	130,716	130,716	124,295
Non-Capital Equipment	-	144,199	144,199	101,485
Total Expenditures	\$ 676,070	\$ 748,628	\$ 748,628	\$ 792,099

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Rate of critical system uptime	> 99%	> 99%	> 99%
Percent of hardware replaced	23.75%	23.75%	23.75%
Percent of updates completed within required timeframe	100%	100%	100%
Percent of JPA user requests completed within 5 working days	100%	100%	100%
PC workstations maintained	145	145	141
Mobile Data Computers (MDCs) maintained	41	41	42
Printers maintained	28	28	28
JPA workstations maintained	375	375	420
User help requests completed	n/a	n/a	2,000

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RECENT PROGRAM ACHIEVEMENTS

The Investigative Division has been restructured to add a Youth Services Section, a full service Juvenile Unit.

Investigative Division

(Program No. 3431)

Mission Statement

Investigate or resolve all active unsolved assigned criminal cases to a successful conclusion or until all leads are exhausted.

Program Activities

- Investigate active, unsolved criminal cases.
- Serve as a liaison with the District Attorney to ensure successful prosecution of criminal offenders.
- Serve as a liaison with community based organizations and outside law enforcement agencies.
- Process requests for taxi, massage and dance permits.
- Proactively investigate narcotic violations.
- Extradite fugitives and transport wanted subjects back to Santa Barbara County for prosecution.
- Conduct department surveys to evaluate officer effectiveness.

Objectives for Fiscal Year 2005

- Achieve a 20% clearance rate by arrest, warrant, or referral for all assigned cases.
- Complete 80% of investigations within 90 days after being assigned.
- Complete 90% of taxi permit and dance permit investigations within 2 weeks of application.
- Increase the number of narcotic investigations by 5% to increase proactive narcotic enforcement.
- Complete 75% of follow-up requests from the District Attorney's office by due date.
- Ensure 25% yearly update of hardware and software in high tech crime lab.
- Conduct ongoing customer satisfaction survey to evaluate performance during calls for service.
- Develop a tracking system for ABC referrals.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	32.00	29.00	29.00	28.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Intergovernmental	99,361	95,000	-	90,000
Fees and Service Charges	-	-	-	27,127
General Fund Subsidy	3,296,942	3,579,802	3,390,049	3,781,189
Total Revenue	\$ 3,396,303	\$ 3,674,802	\$ 3,390,049	\$ 3,898,316
Expenditures				
Salaries and Benefits	3,174,957	3,236,276	3,009,168	3,562,514
Supplies and Services	165,918	275,057	220,881	250,843
Special Projects	27,629	161,853	160,000	84,959
Non-Capital Equipment	27,799	1,616	-	-
Total Expenditures	\$ 3,396,303	\$ 3,674,802	\$ 3,390,049	\$ 3,898,316

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of cases closed by arrest, warrant, or referral	20%	20%	20%
Percent of investigations completed in 90 days	80%	75%	80%
Percent of taxi and dance permits completed within 2 weeks	90%	95%	90%
Narcotic investigations	189	132	150
Percent of District Attorney follow-ups completed by due date	95%	65%	75%
Percent of high tech hardware and software updated	n/a	25%	25%
Arrests/warrants/referrals	n/a	672	675
Cases assigned for follow-up	2,290	1,606	1,600
Taxi, pedi-cab, and dance permits issued	184	210	210
Taxi, pedi-cab, and dance permits denied or held for further investigation	n/a	6	6
Requests for follow-up from D.A.'s office	264	194	205
Computer forensic examinations conducted by high tech unit	30	76	56
Customer surveys distributed	n/a	n/a	240
CalGang training sessions	n/a	n/a	4

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RECENT PROGRAM ACHIEVEMENTS

A new DataWorks digital mugshot capture system was installed to improve access of local criminal database images. This system streamlines detectives ability to produce line-ups for identification purposes.

Crime Lab

(Program No. 3432)

Mission Statement

Collect and process forensic evidence to assist in criminal investigations.

Program Activities

- Respond to crime scenes to identify, document, collect, and preserve physical evidence for future examinations.
- Examine and analyze evidence in the laboratory, including the identification of suspected controlled, trace evidence (i.e. hairs, fibers, physiological fluids), and the evaluation of various types of physical evidence.
- Perform various photographic assignments, including maintaining the digital image archive of crime scene photos, and perform departmental photographic work, including developing and printing a variety of films used for evidence and court displays.
- Process evidence for latent fingerprints, examine latent fingerprints and conduct fingerprint comparisons.
- Attend autopsies in criminal cases for evidence collection, documentation and evaluation.
- Examine evidence to determine if further forensic analysis is required by forensic scientists at the Department of Justice (DOJ) or Federal Bureau of Investigations (FBI). These include: serology, DNA, hair and fiber comparisons, footwear and tire track exams, ballistics, and document examinations.
- Prepare reports that document crime scenes and results of evidence examinations.
- Provide expert testimony in court regarding the examinations and evaluations performed.

Objectives for Fiscal Year 2005

- Process 97.5% of photographic evidence submitted by Crime Scene Investigators and Detectives within 2 working days.
- Submit 90% of all CAL-ID quality latent fingerprints to Department of Justice within 1 working day.
- Ensure that 100% of evidence processing by investigators and District Attorney's office be completed within 3 working days.
- Ensure that 100% of the intoxillizer devices successfully pass calibration testing to meet legal requirements.
- Upgrade 4 interview rooms with digital recording equipment by replacing existing VCR/Cassette recorders.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	2.00	2.00	2.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	-	174,822	174,822	188,030
Total Revenue	\$ -	\$ 174,822	\$ 174,822	\$ 188,030
Expenditures				
Salaries and Benefits	-	159,671	159,671	172,611
Supplies and Services	-	15,151	15,151	15,419
Total Expenditures	\$ -	\$ 174,822	\$ 174,822	\$ 188,030

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of photographic evidence processed within 2 working days	100%	97.5%	97.5%
Percent of CAL-ID latents submitted to DOJ within 1 working day	90%	90%	90%
Percent of evidence processing requests completed within 3 working days	100%	100%	100%
Percent of intoxillizer devices that pass calibration	n/a	n/a	100%
Physical evidence cases processed in Lab	450	338	340
Crime scene responses by lab	290	168	170
Latent fingerprints submitted to CAL-ID	250	240	250
Film and digital images processed	31,000	n/a	31,000

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RECENT PROGRAM ACHIEVEMENTS

All officers completed 40
hour Arrest and Control
Techniques Course.

Patrol Division

(Program No. 3441)

Mission Statement

Respond to community needs through the enforcement of public safety laws and provide expedient responses to calls for service.

Program Activities

- Provide uniform patrol 24 hours a day, seven days a week to prevent and deter crime.
- Respond to all felony calls, crimes in progress and selected misdemeanors.
- Conduct initial investigations and complete crime reports.
- Enforce State and Local statutes and traffic regulations.
- Facilitate the safe and efficient movement of motor vehicles, bicyclists and pedestrians on city streets and thoroughfares.
- Develop and implement community policing strategies to reduce crime and enhance quality of life within our community.

Objectives for Fiscal Year 2005

- Respond to 90% of high-priority calls for service within 4 minutes of being dispatched.
- Respond to 95% of non-priority calls for service within 10 minutes of being dispatched.
- Reduce lost hours due to Injuries on Duty (IOD) in Patrol Division by 5%.
- Maintain minimum patrol staffing levels 24 hours per day, 7 days per week.
- Submit to transcribers 99% of in-custody arrest reports within 24 hours of arrest time.
- Utilize quality of service survey results to improve employee awareness, community relations, and patrol response.
- Develop a 10-hour Police Officer Standards and Training (POST) approved course for all officers for specific skills including shooting, arrest, control and/or live support training.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	95.50	82.00	82.00	83.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Traffic Safety Program	482,180	525,000	525,000	505,000
Fines & Forfeitures	-	175,000	320,000	225,000
Intergovernmental	339,824	499,803	-	135,232
Fees and Service Charges	132,858	50,000	80,000	50,000
General Fund Subsidy	9,589,033	8,592,389	8,535,194	10,123,096
Total Revenue	\$ 10,543,895	\$ 9,842,192	\$ 9,460,194	\$ 11,038,328
Expenditures				
Salaries and Benefits	9,724,578	8,868,593	8,516,606	9,994,321
Supplies and Services	791,594	950,536	935,929	1,044,007
Special Projects	11,339	18,063	7,659	-
Non-Capital Equipment	16,384	5,000	-	-
Total Expenditures	\$ 10,543,895	\$ 9,842,192	\$ 9,460,194	\$ 11,038,328

Workload Indicators

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of emergency calls for service responded to within 4 minutes of being dispatched	90%	n/a	90%
Percent of medium and low priority calls for service responded to within 10 minutes of being dispatched	95%	n/a	95%
Hours lost to IOD injuries	n/a	12,850	11,722
Days with established minimum level of patrol officers for 911 response	n/a	n/a	365
Percent of reports submitted within 24 hours	n/a	n/a	99%
Felony arrests	1,546	1,695	1,725
Misdemeanor arrests	5,240	3,950	4,100
COPS projects	n/a	85	100
Emergency calls for service	1,336	1,300	1,305
Medium and low priority calls for service	118,992	125,000	125,600
Municipal code citations written	4,528	n/a	4,625
Arrest reports submitted	n/a	n/a	5,767

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RECENT PROGRAM ACHIEVEMENTS

The Department was awarded two Occupant Safety (Seat belt enforcement) mini-grants for additional traffic enforcement totaling \$30,000.

Traffic

(Program No. 3442)

Mission Statement

Reduce traffic collisions and facilitate the safe and orderly flow of traffic through education and enforcement.

Program Activities

- Enforce traffic laws for motorists, pedestrians, and bicyclists.
- Investigate traffic collisions.
- Provide public education about traffic issues.
- Conduct Driving Under the Influence (DUI) and Seatbelt Checkpoints to promote motorist safety and reduce collisions.
- Administer Office of Traffic Safety grants to improve traffic safety.

Objectives for Fiscal Year 2005

- Decrease by 5% the total number of DUI traffic collisions from the most recent three-year average.
- Maintain the total number of injury traffic collisions at or below the most recent three-year average.
- Maintain the total number of traffic collisions at or below the most recent three-year average.
- Continue to apply for, and be awarded, grant monies to conduct DUI check-points.
- Develop a strategy with the Public Works Department to reduce the number of traffic collisions from multiple collision factors.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	8.00	8.00	9.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	-	943,368	943,368	1,146,945
Total Revenue	\$ -	\$ 943,368	\$ 943,368	\$ 1,146,945
Expenditures				
Salaries and Benefits	-	910,507	910,507	1,107,718
Supplies and Services	-	32,861	32,861	39,227
Total Expenditures	\$ -	\$ 943,368	\$ 943,368	\$ 1,146,945

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
DUI traffic collisions	135	160	135
Injury traffic collisions	600	640	600
Total traffic collisions	1,993	2,044	1,993
Active grants for special traffic enforcement programs	2	n/a	2
Total traffic citations issued by the department	11,610	11,636	11,610
Pedestrian involved traffic collisions	76	84	76
Bicycle involved traffic collisions	144	140	144

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RECENT PROGRAM ACHIEVEMENTS

The Reserve Corps developed and implemented a program, resulting in a usable database, which will facilitate the successful prosecution of sex registrant violators.

Special Events

(Program No. 3443)

Mission Statement

Monitor special events within the City of Santa Barbara to ensure the safety of event organizers, participants, and the general public.

Program Activities

- Process all Special Event applications in accordance with rules and regulations outlined in the Municipal Code.
- Process business related film and photo applications in accordance with rules and regulations outlined in the Municipal Code.
- Prepare and implement tactical plans for all events likely to require a police presence beyond the scope of day-to-day operations.
- Supervise, coordinate and direct the activities of the Police Department's Reserve Corps, Volunteer Corps and Chaplain Program.

Objectives for Fiscal Year 2005

- Process 90% of completed Special Event applications within 3 working days.
- Process 95% of completed Film/Photo applications within 2 working days.
- Reduce major crime by 20% as compared to the prior three-year average within venue areas during Solstice, July 4th and Fiesta.
- Increase number of hours volunteered by the Reserve Corps, Volunteer Corps and Chaplain Program by 10%, compared to the previous year.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.00	1.00	1.00	1.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Other	71,474	57,500	165,265	65,000
General Fund Subsidy	307,201	375,456	267,691	171,175
Total Revenue	\$ 378,675	\$ 432,956	\$ 432,956	\$ 236,175
Expenditures				
Salaries and Benefits	313,200	341,855	341,855	209,627
Supplies and Services	65,475	91,101	91,101	26,548
Total Expenditures	\$ 378,675	\$ 432,956	\$ 432,956	\$ 236,175

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of completed Special Event applications processed within 3 working days	75%	90%	90%
Percent of completed Film/Photo applications processed within 2 working days	80%	95%	95%
Major crimes within venues area during Solstice, July 4th, and Fiesta	n/a	57	33
Hours volunteered	n/a	5,650	5,200
Completed Special Event applications processed	132	190	200
Completed Film/Photo applications processed	45	75	75
Complaints generated by permitted events	39	15	15
Hours donated by Reserve Corps	3,914	3,700	4,000
Hours donated by Volunteer Corps	620	600	800
Hours donated by Chaplain members	310	400	400

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RECENT PROGRAM ACHIEVEMENTS

In 2003, members of the Tactical Patrol Force received the Santa Barbara Downtown Organization's Citizen of the Year Award.

Tactical Patrol Force

(Program No. 3444)

Mission Statement

Maintain a proactive police presence in the downtown and waterfront areas to reduce street crime through the utilization of unique strategies and partnerships.

Program Activities

- Provide uniformed foot and bicycle patrol officers downtown to deter street crime, maintain a highly visible police presence, and encourage interaction with the public.
- Maintain a daily proactive enforcement effort against alcohol, narcotics, panhandling, loitering and illegal vending violations in the downtown and waterfront areas.
- Conduct plainclothes enforcement to target specific problems.
- Provide security at City Council meetings with a uniformed officer.
- Monitor activity at the labor line.
- Provide bicycle patrol training to SBPD officers and outside agencies.
- Work with representatives of the Downtown Organization, Old Town Merchants, and County Mental Health to solve problems.

Objectives for Fiscal Year 2005

- Conduct premise checks and maintain enforcement at the labor line 208 days per year.
- Maintain uniformed police presence at 100% of City Council meetings.
- Provide enforcement coverage for all unscheduled demonstrations, marches and problems throughout the City, as requested.
- Develop a system to monitor increased police activity around the Casa Esperanza Homeless Shelter.
- Develop a system to enforce labor line compliance.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.00	4.00	4.00	4.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	414,434	440,330	440,330	501,177
Total Revenue	\$ 414,434	\$ 440,330	\$ 440,330	\$ 501,177
Expenditures				
Salaries and Benefits	407,630	430,140	430,140	486,428
Supplies and Services	5,459	10,190	10,190	13,251
Non-Capital Equipment	1,345	-	-	1,498
Total Expenditures	\$ 414,434	\$ 440,330	\$ 440,330	\$ 501,177

Workload Indicators

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Daily premise checks conducted at the labor line	192	218	208
Percent of City Council meetings attended	100%	100%	100%
Public intoxication arrests	38	85	95
Citations issued for open container or public consumption of alcohol	900	1,250	1,375
Narcotics arrests	110	95	110
Panhandling, loitering, and illegal vending citations issued	140	160	185
Citations issued for solicitation on a public right-of-way	10	55	65
Total arrests	152	195	245
Total citations issued	1,300	1,975	2,150

PROGRAMS & SERVICES

POLICE PROGRAMS

Chief's Staff
Support Services
Records Bureau
Community Services
Division
Crime Analysis
Property Room
Training and Recruitment
Range
Beat Coordinators/D.A.R.E.
Information Technology
Investigative Division
Crime Lab
Patrol Division
Traffic
Special Events
Tactical Patrol Force
➤ **Nightlife Enforcement**
Parking Enforcement
Combined
Communications Center
Animal Control
Emergency Services



RECENT PROGRAM ACHIEVEMENTS

Weekday work hours have been set to accommodate meetings, training, and administrative duties. Unit facilitates monthly Downtown Bar and restaurant owner's meetings.

Nightlife Enforcement

(Program No. 3448)

Mission Statement

Ensure public safety on weekend nights in the downtown corridor through enforcement, education, and intervention, with the downtown bar and restaurant owners and the citizens of Santa Barbara.

Program Activities

- Conduct premise checks on downtown bars and nightclubs.
- Conduct responsible beverage server training every month to prevent the sale of alcohol to minors and reduce alcohol-related incidents.
- Assist with Zona Seca classes monthly to provide alcohol awareness training and education to individuals with alcohol-related violations.
- Provide security training for nightclub and bar staff.
- Refer all alcohol, bar and restaurant violations to Alcohol and Beverage Control.

Objectives for Fiscal Year 2005

- Conduct premise checks on 100% of downtown bars and restaurants with dance permits on Wednesday through Saturday nights.
- Conduct and attend a Responsible Beverage Server Trainings every month.
- Refer 100% of alcohol violations in bars and restaurants to Alcohol Beverage Control (ABC).
- Complete and submit all recommendations on Dance/ABC Permit Applications to the Police and Fire Technician within 4 working days.
- Attend 2 Zona Seca meetings every month.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.00	4.00	4.00	4.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	316,942	412,264	412,264	463,448
Total Revenue	\$ 316,942	\$ 412,264	\$ 412,264	\$ 463,448
Expenditures				
Salaries and Benefits	312,590	398,637	398,637	448,265
Supplies and Services	4,352	13,627	13,627	15,183
Total Expenditures	\$ 316,942	\$ 412,264	\$ 412,264	\$ 463,448

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of premise checks of Downtown bars and restaurants with dance permits conducted on Wednesday through Saturday nights	100%	100%	100%
Premise checks conducted	1,250	1,500	2,075
Percent of permit recommendations submitted within 4 working days	100%	100%	100%
Dance permit/ABC recommendations made to the Fire and Police Commission	50	50	50
Percent of alcohol violations in bars and restaurants referred to ABC	100%	100%	100%
Violations referred to ABC	100	n/a	110
Responsible Beverage Server training sessions conducted and attended	12	12	12
Alcohol related incidents involving minors	n/a	n/a	60
Zona Seca meetings attended annually	24	24	24

PROGRAMS & SERVICES

POLICE PROGRAMS

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➤ **Parking Enforcement**
Combined
Communications Center
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Emergency Services



Parking Enforcement

(Program Nos. 3447, 3449)

Mission Statement

Enforce parking regulations in the City of Santa Barbara to ensure availability of limited parking resources.

Program Activities

- Enforce time zone restrictions, residential parking regulations and other Municipal Code and California Vehicle Code Regulations.
- Issue warnings and tow vehicles stored on City streets and other City maintained or owned property.
- Locate and impound vehicles owned or operated by habitual parking offenders that have five or more outstanding parking violations.
- Maintain a Crossing Guard Program to provide crossing guard coverage for local elementary schools.

Objectives for Fiscal Year 2005

- Locate 50 vehicles per month that have five or more unpaid parking citations (H.O.P.E. vehicles).
- Maintain 97.5% daily crossing guard coverage for 16 school intersections during the normal school year.
- Design and implement a new computer program for tracking data on vehicles entered into the street storage system.
- Develop a permanent enforcement program for street sweeping expansion citywide.

RECENT PROGRAM ACHIEVEMENTS

The number of Habitual Parking Offenders (H.O.P.E.) located by the Parking Enforcement Detail increased by 10%.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	13.00	13.00	13.00	13.00
Non-Permanent Employee Hours	n/a	n/a	n/a	13,240
Revenues				
Fees and Service Charges	-	168,204	-	209,520
General Fund Subsidy	687,316	887,567	1,055,770	875,797
Total Revenue	\$ 687,316	\$ 1,055,771	\$ 1,055,770	\$ 1,085,317
Expenditures				
Salaries and Benefits	616,378	928,162	928,162	1,012,852
Supplies and Services	69,806	67,609	67,608	72,465
Non-Capital Equipment	1,132	60,000	60,000	-
Total Expenditures	\$ 687,316	\$ 1,055,771	\$ 1,055,770	\$ 1,085,317

Workload Indicators

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
H.O.P.E. vehicles located	600	592	600
Percent of crossing guard positions covered	97.5%	98.86%	97.5%
Parking citations issued	68,224	60,817	63,463
Street Sweeping Enforcement citations issued	30,300	25,767	29,700
Street storage requests investigated	n/a	3,970	3,348
Street Storage requests found "gone on arrival" (GOA)	1,248	1,084	852
Street Storage vehicles moved after begin warned or tagged by a Parking Control Officer	1,389	2,208	1,869
Street Storage vehicles towed after being warned or tagged by a Parking Control Officer	428	593	540

PROGRAMS & SERVICES

POLICE PROGRAMS

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Parking Enforcement
➤ **Combined
Communications Center**
Animal Control
Emergency Services



RECENT PROGRAM ACHIEVEMENTS

Completed the
Combined
Communications Center
equipment system
upgrade.

Combined Communications Center

(Program No. 3451)

Mission Statement

Receive all calls for service and dispatch Public Safety resources in an expedient manner.

Program Activities

- Provide radio communication for Police, Fire and rescue personnel during emergency, routine and disaster situations 24-hours a day.
- Receive initial requests for emergency and non-emergency incidents requiring police, fire and medical personnel, determine appropriate response, and dispatch units accordingly.
- Receive requests from the FAA Air Traffic Controllers and respond with appropriate emergency equipment to aircraft emergencies at the Santa Barbara Airport.
- Coordinate public safety activity with Police, Fire, allied agencies and other city department staff.
- Provide Emergency Medical Dispatch services to the community.
- Maintain certifications for communication staff in compliance with Police Officer Standards and Training and Emergency Medical Dispatching.
- Coordinate and comply with discovery requests from the Court Liaison Officer and District Attorney's Office.
- Provide continuous training and support through communications training to develop and retain public safety dispatchers.

Objectives for Fiscal Year 2005

- Ensure that 911 calls for service are answered within an average of 4 seconds.
- Minimize the total hours worked by sworn officers in the Combined Communications Center to less than 3,600.
- Implement a software-based testing system as part of the hiring process to measure dispatcher applicant's ability to perform computer tasks as they relate to the position.
- Implement the State 911 Wireless project to receive direct calls from cellular 911 calls.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	23.00	20.00	20.00	19.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Other	-	15,607	15,607	-
General Fund Subsidy	1,398,366	1,852,711	1,837,104	1,899,693
Total Revenue	\$ 1,398,366	\$ 1,868,318	\$ 1,852,711	\$ 1,899,693
Expenditures				
Salaries and Benefits	1,314,126	1,570,503	1,570,503	1,620,507
Supplies and Services	76,133	254,100	254,100	279,186
Special Projects	17	38,607	23,000	-
Non-Capital Equipment	8,090	5,108	5,108	-
Total Expenditures	\$ 1,398,366	\$ 1,868,318	\$ 1,852,711	\$ 1,899,693

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Average ring time in seconds	4	4	4
Hours worked by officers in communications	2,200	3,640	3,600
911 calls for service	49,000	n/a	49,000
Emergency Medical Dispatch instructions given	1,469	n/a	1,200
Police emergency calls for service	1,469	n/a	1,469
Police medium priority calls for service	38,033	n/a	38,033
Police low priority calls for service	92,857	n/a	92,857
Fire emergency calls for service	6,604	n/a	6,604
Fire low priority calls for service	1,687	n/a	1,375
Calls on seven-digit lines	n/a	n/a	64,000
California Highway Patrol transfer calls	n/a	n/a	12,800

PROGRAMS & SERVICES

POLICE PROGRAMS

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Communications Center
➤ **Animal Control**
Emergency Services



RECENT PROGRAM ACHIEVEMENTS

3 Animal Control
Officers have
successfully completed
the National Cruelty
Investigations School,
Level II.

Animal Control

(Program No. 3461)

Mission Statement

Provide law enforcement and respond to calls for service for neighborhood and health concerns related to domestic and wild animals.

Program Activities

- Investigate reports of possible rabies exposure from animal bites to humans and wildlife bites to domestic owned animals.
- Quarantine animals as required or submit specimen for lab testing.
- Enforce State Humane Laws under the Penal Code, California Code of Regulations, Civil Code, Fish and Game Code, Food and Agriculture Code, Health and Safety Code, Government Code and Title 6 of the Santa Barbara Municipal Code.
- Impound stray, abused, neglected, injured, sick, abandoned, dead or aggressive animals.
- Deal patiently and effectively with frightened, fractious and injured animals with the ability to humanely capture, control, carry or subdue.
- Respond to calls for service regarding animal complaints seven days a week and provide standby service for emergencies after regular work hours.
- Promote good public relations by educating pet owners on laws pertaining to the care and control of animals, spaying, neutering, vaccinating, and licensing of pets.

Objectives for Fiscal Year 2005

- Respond to all animal control calls for service within 24 hours.
- Quarantine 90% of animals involved in bites to humans or contact with wildlife within 24 hours of notification.
- Ensure that 100% of impounded animals are handled in accordance with State law.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	5.00	5.00	5.00	5.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	40,421	51,434	50,145	50,000
General Fund Subsidy	326,067	395,586	396,875	422,939
Total Revenue	\$ 366,488	\$ 447,020	\$ 447,020	\$ 472,939
Expenditures				
Salaries and Benefits	309,098	339,086	339,086	362,985
Supplies and Services	54,762	107,281	107,281	109,306
Non-Capital Equipment	2,628	653	653	648
Total Expenditures	\$ 366,488	\$ 447,020	\$ 447,020	\$ 472,939

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of animal control calls receiving a response within 24 hours	100%	100%	100%
Percent of animals involved in bites to humans quarantined in 24 hours	90%	n/a	90%
Percent of animals impounded live, injured or dead handled in accordance with state law	100%	100%	100%
Calls for service	11,000	4,500	4,500
Animals involved in bite incidents	400	154	154
Animals impounded live, injured or dead	9,000	3,340	3,340
Violations cited	3,300	1,665	1,665
Animals quarantined	400	120	120
Educational presentations	6	17	15

PROGRAMS & SERVICES

POLICE PROGRAMS

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Nightlife Enforcement
Parking Enforcement
Combined
Communications Center
Animal Control

➤ Emergency Services



RECENT PROGRAM ACHIEVEMENTS

Staff conducted citywide disaster drills to ensure city readiness in dealing with a major incident.

Emergency Services

(Program No. 3471)

Mission Statement

Coordinate citywide emergency planning and services, including training, to ensure a rapid response to a disaster or other emergency.

Program Activities

- Provide Standardized Emergency Management Systems (SEMS) training to all city employees.
- Maintain city readiness to deal with disasters and other major emergencies.
- Monitor levels of training for city managers and department heads in emergency management procedures.
- Review and update action plans and emergency response manuals.

Objectives for Fiscal Year 2005

- Ensure 95% of City Managers have received training courses in Standardized Emergency Management Systems (SEMS) and emergency operations.
- Exceed State of California guidelines in conducting at least 2 citywide disaster exercises.
- Submit Local Hazard Mitigation Plan to State Office of Emergency Services (OES), in accordance with the Hazard Mitigation Act of 2000.
- Update contingency plans for disasters outlined in the City of Santa Barbara Multi-Hazard Functional Plan.
- Update contingency plans for disasters outlined in the Santa Barbara Police Department's Unusual Occurrence Manual.
- Complete review of 3 City departments plans for disaster response.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.00	0.00	0.00	0.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
General Fund Subsidy	154,929	165,374	165,374	31,803
Total Revenue	\$ 154,929	\$ 165,374	\$ 165,374	\$ 31,803
Expenditures				
Salaries and Benefits	126,631	129,259	129,259	-
Supplies and Services	28,298	36,115	36,115	31,152
Non-Capital Equipment	-	-	-	651
Total Expenditures	\$ 154,929	\$ 165,374	\$ 165,374	\$ 31,803

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of City management staff receiving training	93%	76%	95%

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DEPARTMENT SUMMARY

Public Works

Provide for the public's needs relative to transportation, water, wastewater, and refuse collection services.

About Public Works

The Public Works Department is responsible for an annual budget of over \$74 million, representing approximately 46% of the City of Santa Barbara's total budget, and the 278.6 permanent positions represent approximate 27% of the City's total permanent work force. Public Works programs generate approximately \$73 million in revenue from a variety of sources to offset the expenditures. The department organization supports 30 City programs.

Public Works responsibilities include the design and construction of City's capital program projects, management and planning of a City transportation system, treatment and reliable distribution of high quality water at a reasonable price, collection and treatment of wastewater at a reasonable price, and cost effectively construct and maintain City streets, public drainage facilities, street lights, traffic signals and other City infrastructure facilities.

Fiscal Year 2005 Budget Highlights

Public Works will have four major facilities projects under design or construction totaling over \$70 million.

These projects are the Cater Water Treatment Facility Remodel, Sheffield Reservoir Replacement, Airport Terminal Renovation project and the construction of the downtown Granada Garage.



While the main office for Public Works is located at 630 Garden Street, the department is also responsible for operating the City's El Estero Wastewater Treatment Facility on Yanonali Street and the Cater Water Treatment Facility on San Roque Road, which provide basic water and sewer service to over 100,000 customers.



DEPARTMENT SUMMARY

Public Works

Department Financial and Staffing Summary

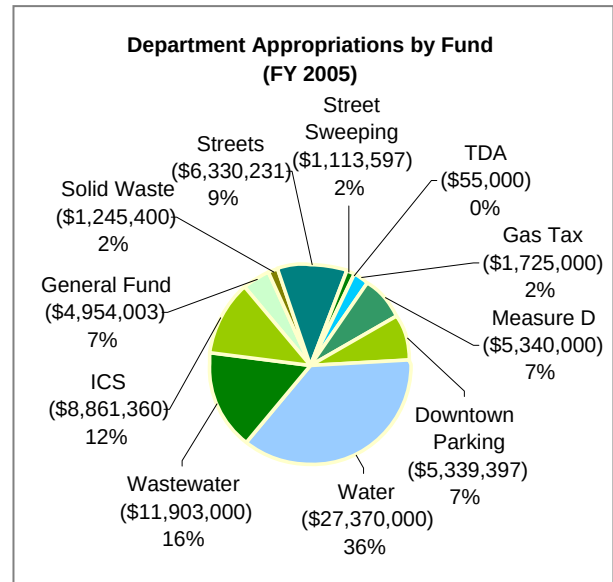
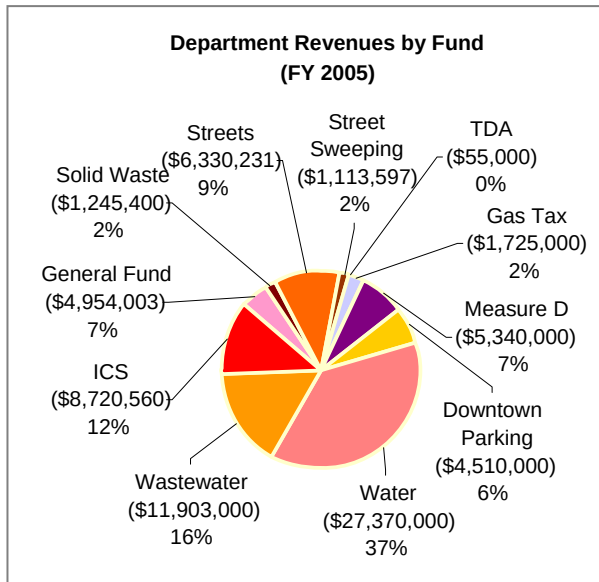
	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions (FTEs)	278.60	278.60	278.60	278.60
Non-Permanent Employee Hours	n/a	n/a	n/a	167,489
Revenues				
Donations	17,496	17,500	60,000	80,000
Fees and Service Charges	34,498,641	37,636,593	37,980,303	42,245,820
Franchise Fees - Refuse	280,132	280,000	345,600	352,500
General Fund Subsidy	2,251,199	2,004,559	1,200,297	1,563,067
Interest Income	1,818,444	1,730,000	1,375,000	1,170,000
Interfund Reimbursements	10,650,341	10,898,620	10,993,752	11,737,673
Intergovernmental	2,434,406	3,340,748	234,815	212,000
JPA Reimbursements	1,212,328	1,200,000	1,403,946	1,358,000
Miscellaneous	1,040,198	300,000	276,900	135,000
Mission Canyon- JPA	238,746	200,000	274,221	275,000
Parking Violations	-	531,159	400,000	650,000
PBIA Assessment	696,828	675,000	725,000	675,000
State Gas Tax	1,698,393	1,700,000	1,700,000	1,725,000
Transportation Development Funds	52,242	55,000	50,000	50,000
Transportation Sales Tax (Measure D)	4,120,382	4,800,000	4,800,000	5,200,000
Utility Users' Tax	5,443,005	5,607,700	5,482,700	5,837,731
Total Department Revenue	\$ 66,452,781	\$ 70,976,879	\$ 67,302,534	\$ 73,266,791
Expenditures				
Salaries and Benefits	20,752,167	22,965,183	22,002,886	24,262,831
Supplies and Services	14,494,398	18,718,521	17,592,931	17,715,645
Special Projects	3,525,716	5,378,094	3,320,049	4,249,261
Debt Service Transfers	1,733,084	2,250,688	2,250,688	3,598,572
Other Transfers	40,909	1,204,340	2,079,340	1,678,789
Non-Capital Equipment	180,004	256,003	247,818	267,544
Capital Equipment	214,149	1,108,038	962,002	318,175
Water Purchases	6,253,793	7,346,366	7,390,931	7,418,730
Miscellaneous	177,886	651,485	577,000	1,349,872
Total Operating Expenditures	\$ 47,372,106	\$ 59,878,718	\$ 56,423,645	\$ 60,859,419
Capital Program	29,695,819	72,541,894	48,220,000	13,377,569
Total Department Expenditures	\$ 77,067,925	\$ 132,420,612	\$ 104,643,645	\$ 74,236,988
Addition to (Use of) Reserves	\$ (10,615,144)	\$ (61,443,733)	\$ (37,341,111)	\$ (970,197)



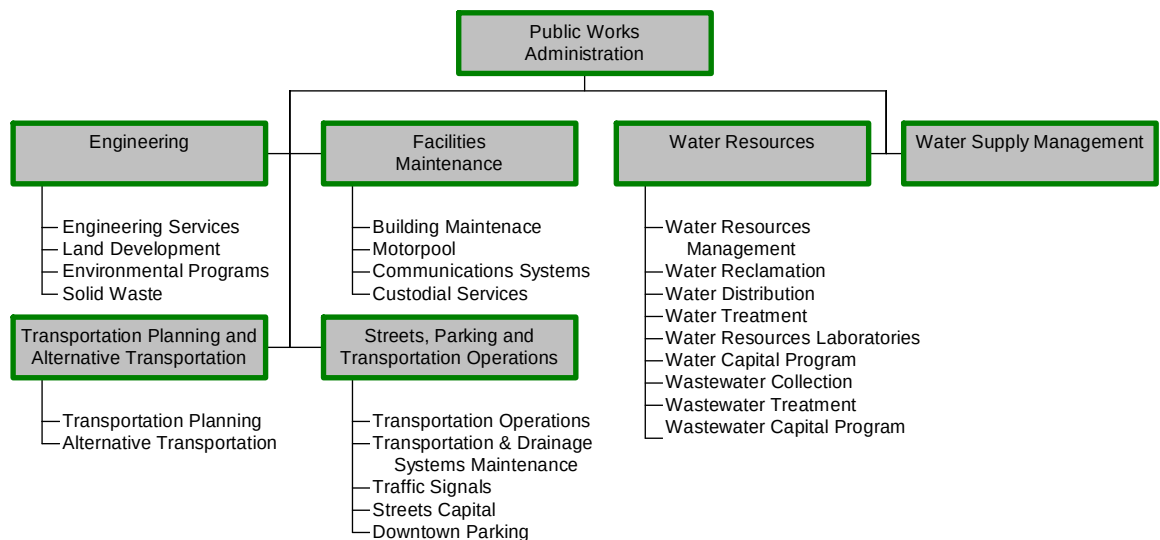
DEPARTMENT SUMMARY

Public Works

Department Fund Composition



Program Organizational Chart



PROGRAMS & SERVICES

PUBLIC WORKS PROGRAMS

➤ Administration

Engineering Services
Land Development
Environmental Programs
Solid Waste
Traffic Operations
Transportation Planning
Alternative Transportation
Transportation and Drainage
Systems Maintenance
Street Sweeping
Traffic Signals
Streets Capital
Downtown Parking
Building Maintenance
Motor Pool
Communications Systems
Custodial Services
Water Resources Management
Water Reclamation
Water Distribution
Water Treatment
Water Supply Management
Water Resources Laboratories
Water Capital Program
Wastewater Collection
Wastewater Treatment
Wastewater Capital Program



RECENT PROGRAM ACHIEVEMENTS

Successfully managed a combined \$250 million in department expenditures, revenues and capital projects budgeted across 40 Public Works programs. Reorganized to improve customer service.

Administration

(Program No. 4111)

Mission Statement

Provide administrative, personnel and financial management support to Division staff in order to attain efficient and organizational day-to-day operations by the department.

Program Activities

- Direct the activities of the Department Division Managers and provide interface and support to other City Department Heads.
- Develop and coordinate all department revenues including water and wastewater rate setting.
- Monitor and coordinate the department's budget activities, ensuring that all expenditures are within appropriation.
- Coordinate timely and responsive input for the department for the development of the two-year financial plan and annual budget.
- Administer the City Hall telephone exchange and coordinate centralized payment of department utility bills.
- Process all departmental correspondence, Council reports, departmental claims and requisitions as well as all personnel documentation and evaluations for the department, ensuring timeliness and accuracy.

Objectives for Fiscal Year 2005

- Ensure 80% or greater of all Public Works program objectives are met or exceeded.
- Ensure positive annual appropriation balance for all assigned Public Works funds.
- Ensure annual revenues attained by fund are within 5% of fiscal year estimates.
- For assigned Enterprise Funds, ensure Council policy reserve level goals are met or exceeded annually.
- Complete budget within timeline established by the Finance Department with input from the Public Works Divisions.
- Coordinate completion of the fiscal years 2006-2012 Capital Improvement Plan (CIP) by no later than January 31, 2005.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.00	4.00	4.00	4.00
Non-Permanent Employee Hours	n/a	n/a	n/a	350
Revenues				
Interfund Reimbursements	112,711	112,125	112,125	112,125
Fees and Service Charges	9,618	10,375	10,375	10,375
General Fund Subsidy	463,638	480,139	435,228	495,982
Total Revenue	\$ 585,967	\$ 602,639	\$ 557,728	\$ 618,482
Expenditures				
Salaries and Benefits	434,429	453,357	432,956	486,708
Supplies and Services	87,883	126,715	117,772	121,931
Special Projects	60,702	15,568	-	-
Non-Capital Equipment	2,953	7,000	7,000	9,843
Total Expenditures	\$ 585,967	\$ 602,639	\$ 557,728	\$ 618,482

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of objectives met or exceeded	80%	85%	80%
Percent expended for Public Works expenditures	n/a	98%	< 100%
Percent of revenues received to date	n/a	100%	95% - 105%
Policy reserve levels met or exceeded	100%	> 100%	> 100%
Council Agenda Reports (CARs) processed per month	n/a	n/a	144

PROGRAMS & SERVICES

PUBLIC WORKS PROGRAMS

- Administration
- **Engineering Services**
- Land Development
- Environmental Programs
- Solid Waste
- Traffic Operations
- Transportation Planning
- Alternative Transportation
- Transportation and Drainage
- Systems Maintenance
- Street Sweeping
- Traffic Signals
- Streets Capital
- Downtown Parking
- Building Maintenance
- Motor Pool
- Communications Systems
- Custodial Services
- Water Resources Management
- Water Reclamation
- Water Distribution
- Water Treatment
- Water Supply Management
- Water Resources Laboratories
- Water Capital Program
- Wastewater Collection
- Wastewater Treatment
- Wastewater Capital Program



RECENT PROGRAM ACHIEVEMENTS

Engineering Services managed the completion of \$15.9 million in capital improvements and started construction of the Sheffield Water Quality Permanent Reservoirs.

Engineering Services

(Program No. 4211)

Mission Statement

Provide professional engineering and management support for City departments and all Capital Projects to maintain and improve the City's infrastructure.

Program Activities

- Manage the construction of the City's Capital Improvement Program.
- Provide professional engineering services for planning, designing, surveying, inspecting and managing the City's Capital Program.
- Provide long-range master planning and engineering support for the City's capital infrastructure, in addition to general engineering services for all City projects as requested.
- Track and bill engineering services to user departments or capital improvement projects for design and construction.

Objectives for Fiscal Year 2005

- Complete 75% of budgeted capital program project milestones assigned to Engineering.
- Limit engineering services (staff and consultant) costs to average less than 25% of total project costs.
- Limit engineering services costs to less than 25% of the total project cost on 60% of all capital projects.
- Limit the cost of construction contract change orders in the capital program to less than 9% of the total annual value of construction awarded.
- Limit all construction contract change orders to the initial maximum of the Council authorized change order allowance.
- Achieve construction bid averages for the City's capital program to be within 10% of preliminary design cost estimates for work assigned to Engineering Division.
- Meet or exceed the budget's engineering work order revenue projections.
- Ensure that 80% of program employees attend career development associated training.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	34.30	34.30	34.30	34.80
Non-Permanent Employee Hours	n/a	n/a	n/a	2,704
Revenues				
Interfund Reimbursements	2,532,863	2,600,000	2,600,000	2,650,000
Other	24	-	-	-
General Fund Subsidy	86,555	906,697	185,221	506,346
Total Revenue	\$ 2,619,442	\$ 3,506,697	\$ 2,785,221	\$ 3,156,346
Expenditures				
Salaries and Benefits	2,728,291	3,066,926	2,912,395	3,313,544
Supplies and Services	222,770	431,771	430,235	434,246
Special Projects	46,856	-	-	7,500
Non-Capital Equipment	29,345	8,000	8,000	8,000
Total Expenditures	\$ 3,027,262	\$ 3,506,697	\$ 3,350,630	\$ 3,763,290

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of budgeted annual capital program project milestones completed	75%	66%	75%
Percent of engineering services costs to total project costs	< 25%	21%	< 25%
Percent of projects with engineering service costs under 25% of total project costs	n/a	n/a	60%
Percent of change order cost to annual value of construction awarded	9%	4%	< 9%
Percent of projects exceeding maximum change order allowance	0%	0%	0%
Percent of construction contract awards within 10% of preliminary cost estimate	80%	75%	80%
Total project cost of filed Notice of Completions	n/a	\$12,470,000	\$20,000,000
Filed project Notice of Completions	n/a	15	18

PROGRAMS & SERVICES

PUBLIC WORKS PROGRAMS

Administration
Engineering Services
➤ **Land Development**
Environmental Programs
Solid Waste
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RECENT PROGRAM ACHEIVEMENTS

In 2003 staff issued 1,142 Public Works construction permits and managed 40 Outdoor Dining License Agreements.

Land Development

(Program No. 4212)

Mission Statement

Manage the public right-of-way and City-owned lands, protect the interests of the general public, and process private development review applications and permits.

Program Activities

- Ensure land development projects comply with applicable regulations including the Subdivision Map Act, sound engineering practices, and City policies and guidelines.
- Manage and operate the Public Works permit counter, which issues over the counter Public Works permits, and participate in the review of over 3,000 building construction permits annually.
- Review and process private land development project applications and coordinate a unified Department response from all Department divisions.
- Coordinate Department review and permitting of private land development projects.
- Manage and maintain a monthly inventory of the City's real property interests, including City utility easements.
- Acquire rights-of-way and associated easements as required for City initiated public improvement projects following applicable Federal, State, and local statutes.
- Manage and maintain the Public Works library of record drawings and digital geospatial data.
- Manage and provide enforcement of the Outdoor Dining Program for permits issued for outdoor dining on City sidewalks.

Objectives for Fiscal Year 2005

- Meet 100% of Land Development Team discretionary land development project review deadlines.
- Meet 91% of the target response dates for staff review of specified building permits at the Public Works permit counter.
- Meet 75% of the target response dates for staff review of real property-related tasks.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	9.50	9.50	9.50	10.25
Non-Permanent Employee Hours	n/a	n/a	n/a	376
Revenues				
Interfund Reimbursement	310,975	297,636	297,636	243,484
Fees and Service Charges	268,471	260,000	289,410	349,952
Other	2,550	-	-	-
General Fund Subsidy	192,915	367,407	337,997	388,798
Total Revenue	\$ 774,911	\$ 925,043	\$ 925,043	\$ 982,234
Expenditures				
Salaries and Benefits	755,822	797,192	797,192	885,049
Supplies and Services	18,489	125,851	125,851	95,185
Non-Capital Equipment	600	2,000	2,000	2,000
Total Expenditures	\$ 774,911	\$ 925,043	\$ 925,043	\$ 982,234

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of discretionary project review deadlines met	98%	100%	100%
Percent of building permits review timelines met	90%	91%	91%
Percent of target response dates met for real property related tasks	n/a	n/a	75%
Public Works permits issued	1,057	1,128	1,100
Building permit applications reviewed	3,215	1,340	1,300
Land Development discretionary development projects reviewed	258	188	200
Real property tasks completed, including acquisitions, abandonments and developments	16	32	30
Real property leases and outdoor dining licenses managed	71	50	50

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RECENT PROGRAM ACHIEVEMENTS

Completed soil sampling activities and closure report for City of Santa Barbara Fire Station #1 at 121 West Carrillo.

Environmental Programs

(Program No. 4213)

Mission Statement

Manage the disposal of hazardous waste, compliance with State regulations applying to City-operated Leaking Underground Fuel Tank (LUFT) sites, and vector control services.

Program Activities

- Assess and oversee remediation of soil and groundwater contamination from leaking underground fuel tank (LUFT) sites to comply with regulatory agency requirements.
- Prepare quarterly reports for all LUFT sites as required by regulatory agencies.
- Recover state reimbursement monies for soil and groundwater cleanups of contaminated LUFT sites.
- Perform asbestos studies and abate conditions in City facilities.
- Provide vector control services for City facilities and the public right-of-way and spray creeks and stagnant water for mosquito control.
- Provide vector control information to citizens regarding mosquitoes, bees, mice and rats,
- Provide cleanup of hazardous waste found in the public right-of-way.
- Coordinate the removal of contaminated soil identified during project development and construction of capital projects.

Objectives for Fiscal Year 2005

- Maintain 100% of the planned schedule for remediation of LUFT sites in accordance with the County of Santa Barbara, Protection Services Division approved work plan.
- Respond to 98% of Hazardous Materials Emergency Response spills within 1 hour of call.
- Resolve 97% of vector control requests for City facilities (buildings, parks, creeks and public right-of-way) for mosquitoes, bees, mice and rats within 5 working days.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.60	1.60	1.60	1.00
Non-Permanent Employee Hours	n/a	n/a	n/a	1,000
Revenues				
Interfund Reimbursement	66,708	25,000	25,000	25,000
Other	9,962	-	900	-
General Fund Subsidy	123,183	250,316	241,851	171,941
Total Revenue	\$ 199,853	\$ 275,316	\$ 267,751	\$ 196,941
Expenditures				
Salaries and Benefits	126,375	160,812	153,575	123,106
Supplies and Services	6,542	22,424	22,096	23,435
Special Projects	66,638	92,080	92,080	50,400
Capital Equipment	298	-	-	-
Total Expenditures	\$ 199,853	\$ 275,316	\$ 267,751	\$ 196,941

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of required LUFT Site reports completed on schedule	100%	90%	100%
Percent of hazardous materials emergency response spills responded to within 1 hour of call	n/a	99%	98%
Hazardous spills cleaned	n/a	20	25
Percent of vector control requests for City facilities receiving a response within 5 working days	n/a	n/a	97%
Vector control requests for City facilities received	n/a	n/a	20

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RECENT PROGRAM ACHIEVEMENTS

Launched the City's first Antifreeze, Batteries, Oil and Paint (ABOP) Recycling Center on November 1, 2003. The Center received approximately 300 customers in the first month of operations.

Solid Waste

(Program No. 4214)

Mission Statement

Provide reliable, cost-effective collection of residential and commercial municipal solid waste, recyclables and green waste through contracted haulers, with a primary focus on maximizing recycling and landfill diversion levels.

Program Activities

- Develop a cost-effective solid waste management system that will allow the City to maintain ultimate control of its waste stream, pursue long-term disposal options, and continuously reduce the volume of material disposed in landfills through aggressive recycling and other diversion strategies.
- Maintain the City's compliance with State solid waste mandates.
- Manage all components of the City's waste management system.
- Design solid waste programs that protect public health and the environment and minimize the City's exposure to liability.
- Provide information to the public and respond to concerns about hauling services.
- Ensure contract compliance with haulers.
- Participate in regional solid waste forums such as the Multi-Jurisdictional Solid Waste Task Group (MJSWTG) and the Solid Waste Local Task Force (LTF).

Objectives for Fiscal Year 2005

- Decrease amount of municipal solid waste disposed at the Tajiguas Landfill by 3,500 tons/year.
- Respond to hauler service complaints within 2 business days.
- Investigate and assess hauler's overall contract compliance once every month.
- Add 15 new commercial recycling accounts per month.
- Respond to code enforcement calls within 1 business day.
- Receive and recycle household hazardous waste from 200 customers per month at the City's Antifreeze, Batteries, Oil and Paint (ABOP) Recycling Center.
- Assess the needs of participants of Foodscrap Recycling Pilot Program – Cottage Hospital, Santa Barbara City College, and select grocers and restaurants in the City.

Objectives for Fiscal Year 2005 (cont.)

- Develop long-term system options for municipal solid waste management on the South Coast – in consideration of the multi-jurisdictional Solid Waste Task Group's recommendation.
- Submit monthly reports to Local Enforcement Agency of the California Integrated Waste Management Board detailing constituent gases at the closed landfill at Las Positas.
- Install recycling containers in high-visibility and frequently used City parks.
- Develop a six-year Strategic Plan to achieve City Council goal of attaining a 70% diversion level by 2010.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.90	2.90	2.90	3.00
Non-Permanent Employee Hours	n/a	n/a	n/a	2,857
Revenues				
Franchise Fees - Refuse	280,132	280,000	345,600	352,500
Fees and Service Charges	-	350,000	350,000	600,900
Intergovernmental	27,107	353,418	212,815	212,000
Donations	17,496	17,500	60,000	80,000
Total Revenue	\$ 324,735	\$ 1,000,918	\$ 968,415	\$ 1,245,400
Expenditures				
Salaries and Benefits	188,180	284,092	240,000	288,296
Supplies and Services	7,587	18,573	18,073	93,351
Special Projects	26,963	780,943	650,000	730,000
Transfers	-	-	-	450
Non-Capital Equipment	-	-	-	3,600
Capital Equipment	-	-	-	22,000
Miscellaneous	-	-	27,000	107,703
Total Expenditures	\$ 222,730	\$ 1,083,608	\$ 935,073	\$ 1,245,400

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Residential recycling, greenwaste and trash accounts	16,766	17,150	17,200
Commercial recycling, greenwaste and trash accounts	2,826	3,020	3,050
Annual decrease in tons disposed at Tajiguas Landfill	n/a	n/a	3,500
Percent of hauler service complaints responded to within 2 business days	100%	98%	98%
Hauler service complaints received	260	260	260
New commercial recycling accounts per month	n/a	100	180
Commercial recycling accounts	2,176	2,620	2,800
Contract compliance investigations conducted per quarter	12	15	12
Percent of code enforcement calls responded to within 1 business day	n/a	n/a	98%
Customers received at the City's Antifreeze, Batteries, Oil Paint (ABOP) Recycling Center	n/a	n/a	2,400

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RECENT PROGRAM ACHIEVEMENTS

The Outer State Street
smart corridor was
completed.

Traffic Operations

(Program No. 4311)

Mission Statement

Manage the transportation network and develop improvements that are responsive to the needs of all travel modes so that people and goods can move safely and efficiently throughout the City.

Program Activities

- Collect, analyze, and interpret traffic information needed to optimize the transportation system to meet travel demand and City policy for equality between all modes of travel.
- Prevent collisions by collaborating with the Police Department in monthly meetings.
- Respond to public requests, suggestions, and inquiries for changes in parking and traffic control.
- Provide direction in the design and construction of public and private improvements to ensure traffic safety and minimize travel impacts.
- Collect and process traffic data for transportation planning and land development review activities.
- Operate a coordinated traffic signal system to maximize safety, minimize delay, and be responsive to pedestrian, cyclist and motor vehicle needs.
- Monitor traffic collisions to identify high collision locations.
- Review collisions involving pedestrians, bicyclists and vehicles and take corrective action as necessary to reduce collision rates to be equal or lower than statewide averages.

Objectives for Fiscal Year 2005

- Complete traffic signal timing studies along Mission Street, Outer State Street and Milpas Street.
- Maintain Level of Service D or better at 80% of signalized intersections during peak hours.
- Investigate and resolve 85% of traffic related concerns and complaints and requests within 30 calendar days.
- Prepare base traffic count, collision and speed survey data for a bi-annual report to Council by January 31, 2005.

Objectives for Fiscal Year 2005 (continued)

- Prepare annual warrant lists to determine the need for multi-way stops and traffic signals and present them to Council by March 31, 2005.
- Implement Neighborhood Traffic Management Program traffic calming projects in the St. Francis and Oak Park neighborhoods.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.00	4.00	4.00	3.95
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Fees and Service Charges	5,000	7,500	-	-
Total Revenue	\$ 5,000	\$ 7,500	\$ -	\$ -
Expenditures				
Salaries and Benefits	298,205	323,896	300,252	349,562
Supplies and Services	34,319	56,296	43,998	54,154
Transfers	-	1,204,340	1,204,340	150,000
Non-Capital Equipment	-	5,031	5,031	2,500
Total Expenditures	\$ 332,524	\$ 1,589,563	\$ 1,553,621	\$ 556,216

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Corridors where signal timing is studied	n/a	n/a	3
Intersections at Level of Service D or better.	n/a	n/a	80
Percent of complaints resolved within 30 calendar days	n/a	n/a	85%

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RECENT PROGRAM ACHIEVEMENTS

Neighborhood Traffic
Management Program
adopted by Council for
the St. Francis
neighborhood and
initiated for the Oak Park
Neighborhood

Transportation Planning

(Program No. 4312)

Mission Statement

Review private land development and plan public transportation facilities and policy so that people can move within the City with equality of convenience and access among all modes of transportation.

Program Activities

- Support regional transportation planning decision making.
- Identify and compete for State and Federal money for transportation system development.
- Work directly with community groups to address neighborhood and business transportation concerns, and develop appropriate programs or projects.
- Review all site plans for conformance to transportation and parking alternative transportation policies, regulation, and practices.

Objectives for Fiscal Year 2005

- Meet 95% of all Land Development Team Pre-Application Review Team (PRT) and Development Application Review Team (DART) deadlines.
- Review and act within deadlines on 75% of all Development Plan Agreement (DPA), Architectural Board of Review (ABR), Historic Landmarks Commission (HLC), building permit, modification, and garage waiver requests.
- Represent the City's interests and the Circulation Element on the U.S. Highway 101 Technical Advisory Group in determining project alternatives for 101 in Motion.
- Work with Caltrans and SBCAG to design intersection and ramp improvements at the U.S. Highway 101/Carrillo northbound on-ramp.
- Finalize and adopt the Pedestrian Master Plan.
- Develop a Traffic Mobility Plan for the Oak Park neighborhood under the Neighborhood Traffic Management Program.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	6.35	6.35	6.35	4.90
Non-Permanent Employee Hours	n/a	n/a	n/a	600
Revenues				
Fees and Service Charges	-	200	7,500	7,500
Total Revenue	\$ -	\$ 200	\$ 7,500	\$ 7,500
Expenditures				
Salaries and Benefits	458,546	534,414	495,402	410,236
Supplies and Services	11,697	43,852	43,671	43,531
Special Projects	54,324	71,963	71,963	25,000
Non-Capital Equipment	524	5,575	5,575	2,000
Total Expenditures	\$ 525,091	\$ 655,804	\$ 616,611	\$ 480,767

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Land Development PRT and DART applications reviewed within the deadline	95%	90%	95%
PRT and DART applications reviewed	200	200	200
Percent of DPS, ABR, HLC, building permit, modification, and garage waiver requests reviewed within required deadlines	75%	80%	75%
DPA, ABR, HLC, building permit, modification, and garage waiver requests reviewed	350	600	600

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RECENT PROGRAM ACHIEVEMENTS

Developed the employee bike program and trained 75 employees to develop and improve cycling skills.

Alternative Transportation

(Program No. 4314)

Mission Statement

Plan and coordinate projects and programs that promote alternative modes of transportation and are widely available and attractive to the public.

Program Activities

- Fund the construction of new or improved pedestrian and bicycle facilities.
- Fund the construction of new facilities serving various alternative transportation modes.
- Fund the operation of energy efficient, non-polluting electric shuttle buses.
- Develop funding programs for Transit Capital and operating assistance.
- Subsidize the operation of various transit assistance programs.
- Plan auto related, non-auto, and auto alternative improvements to the City's transportation system consistent with policies of the Circulation Element, Bicycle Master Plan and others.
- Work with Community Development to implement the Circulation element.
- Work with neighborhoods and other Public Works Divisions to develop Neighborhood Traffic Management Programs and Projects.

Objectives for Fiscal Year 2005

- Identify sidewalk priorities and provide oversight for the sidewalk infill program to construct 1% of the missing sidewalk links (approximately 3000 linear feet of sidewalk).
- Submit 2 grant applications annually for capital improvement projects that will improve the availability and/or attractiveness of alternative modes of transportation.
- Locate and install 100 new bicycle hitching posts.
- Develop a schedule and implementation strategy for the environmental, design, and construction of the Mission Interchange Bicycle/Pedestrian Improvements, the Loma Alta Sidewalk, and the Carrillo Hill Sidewalk Projects.
- Ensure compliance on Metropolitan Transit District contracts to increase the attractiveness and availability of transit to, from, and within the City.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.15	0.00	0.00	0.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Interfund Reimbursements	300,000	300,000	300,000	425,000
Total Revenue	\$ 300,000	\$ 300,000	\$ 300,000	\$ 425,000
Expenditures				
Salaries and Benefits	19,252	19,969	18,511	-
Special Projects	1,053,584	2,156,853	1,410,000	1,685,000
Total Expenditures	\$ 1,072,836	\$ 2,176,822	\$ 1,428,511	\$ 1,685,000

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Linear feet of sidewalk completed	3,000	3,500	3,000
Grant applications submitted	2	1	2
MTD Downtown/Waterfront Shuttle riders	n/a	520,000	520,000
MTD Cross-town Shuttle riders	n/a	160,000	160,000
Commuter Lot Shuttle riders	n/a	20,000	20,000

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RECENT PROGRAM ACHIEVEMENTS

Staff cleaned up the right of way in several neighborhoods by repairing sidewalks, removing trash, abandoned vehicles, and added an online graffiti reporting form to the City website.

Transportation and Drainage Systems Maintenance

(Program Nos. 4411, 4413, 4415)

Mission Statement

Clean, maintain, and repair transportation and drainage system infrastructure to enhance community mobility and preserve creek and water quality.

Program Activities

- Maintain 250 curb miles of streets and over 3.5 million square feet of sidewalk and 792,000 linear feet of curb and gutter, using a variety of maintenance techniques.
- Cut or remove weeds and brush from 100 miles of roadside.
- Repair or replace damaged or deteriorated storm drain facilities, including pipes, culverts and catch basins.
- Clean and haul away debris from the storm drain system annually.
- Respond to storm conditions or other emergencies to unclog pipes and protect property.
- Operate and maintain storm water pump stations.
- Install, revise and repaint over one million linear feet of striping annually, including double yellow, skip lines, and painted curbs.
- Install and maintain over 45,000 square feet of pavement legends and over 40,000 units of traffic and parking signs.

Objectives for Fiscal Year 2005

- Repair 150,000 square feet of streets and sidewalk with asphalt, including potholes, skin patching, sidewalk padding, and overlays.
- Replace 13,500 square feet of concrete sidewalks, curbs, and gutters.
- Respond to 90% of public requests for removal of debris and large trash items within 24 hours.
- Inspect and/or clean 2,500 City storm drains, including higher frequency cleaning of 700 storm drains in low-lying areas.

Objectives for Fiscal Year 2005 (continued)

- Clean catch basin filters identified by the Creeks Restoration and Water Quality Improvement Program on a monthly basis.
- Repaint 360,000 lineal feet of pavement striping including double yellow lines, skipped lines, and curbs.
- Install and maintain 45,000 square feet of pavement legends (stop, school crossing, etc.)
- Replace 100% of critical, damaged traffic signs within 8 work hours of notice.
- Replace 90% of non-critical, damaged signs within 3 working days of notice.
- Develop a plan to utilize the Geo-Spatial Data Browser to schedule and coordinate maintenance efforts.
- Develop a method to track and maintain street signs and traffic markings by researching options in other cities.
- Implement the new Transportation and Drainage Systems Maintenance Work Order system.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	29.18	29.33	29.33	26.84
Non-Permanent Employee Hours	n/a	n/a	n/a	2,620
Revenues				
Interfund Reimbursements	-	63,504	63,504	40,000
Total Revenue	\$ -	\$ 63,504	\$ 63,504	\$ 40,000
Expenditures				
Salaries and Benefits	1,469,095	1,676,208	1,676,208	1,818,789
Supplies and Services	800,494	1,331,613	1,323,064	1,315,834
Special Projects	24,472	30,000	30,000	50,000
Transfers	-	-	-	1,291,942
Non-Capital Equipment	5,578	8,672	6,000	8,500
Miscellaneous	5,032	5,429	-	103,876
Total Expenditures	\$ 2,304,671	\$ 3,051,922	\$ 3,035,272	\$ 4,588,941

Transportation and Drainage Systems Maintenance

Continued

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Potholes filled	n/a	n/a	1,000
Square feet of street and sidewalk surfaces repaired	n/a	n/a	150,000
Square feet of concrete installed	n/a	n/a	13,500
Percent of large trash removed within 24 hours	90%	90%	90%
Drains inspected and/or cleaned	n/a	n/a	2,500
Catch basin filters cleaned	n/a	n/a	1,200
Lineal feet of pavement striping painted	n/a	n/a	360,000
Square feet of legends installed	n/a	n/a	45,000
Percent of critical, damaged signs replaced within 8 hours of notice	100%	100%	100%
Percent of non-critical damaged signs replaced within 3 days of notice	n/a	n/a	90%
Requests from public for debris removal referred to BFI and Marborg	n/a	n/a	255
Special event set-ups completed	n/a	n/a	30
Support services provided to Police Department for community service	n/a	n/a	10

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RECENT PROGRAM ACHIEVEMENTS

Residential street sweeping expanded to the 48-curb mile Eastside neighborhood in October 2003, as directed by City Council.

Street Sweeping

(Program No. 4412, 4418)

Mission Statement

Clean streets to improve community appearance and water quality in urban creeks.

Program Activities

- Mechanically sweep 104 miles of residential streets, in conjunction with the City's Clean Sweep Program.
- Mechanically sweep 32 miles of business and commercial area streets (primarily in the downtown and Milpas Street areas) seven days a week.

Objectives for Fiscal Year 2005

- Ensure that 13,300 curb miles of established commercial and residential routes in the Consolidated Street Sweeping Program are swept on schedule, except in inclement weather conditions.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	0.00	0.00	3.25
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Parking Violations	-	531,159	400,000	650,000
Interfund Reimbursements	-	-	150,000	463,597
Fees and Service Charges	-	-	15,000	-
General Fund Subsidy	120,852	-	-	-
Total Revenue	\$ 120,852	\$ 531,159	\$ 565,000	\$ 1,113,597
Expenditures				
Salaries and Benefits	110,738	233,406	151,973	245,934
Supplies and Services	174,161	699,374	630,173	479,624
Special Projects	-	15,000	15,000	178,519
Transfers	-	-	-	209,520
Total Expenditures	\$ 284,899	\$ 947,780	\$ 797,146	\$ 1,113,597

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Curb miles swept	n/a	12,650	13,300

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RECENT PROGRAM ACHIEVEMENTS

Traffic Signals staff responded to 100% of emergency calls within 1 hour of notification on weekdays.

Traffic Signals

(Program No. 4532)

Mission Statement

Maintain a safe, efficient and reliable Citywide Traffic Signal System Network and provide funding for electrical energy for streetlights and traffic signals.

Program Activities

- Provide maintenance and repair support for the City's 104 signalized intersections.
- Maintain the computerized controlling network for each intersection.
- Ensure proper video and analog vehicle detection at signalized intersections.
- Manage the Fire Department's Opticom preemption system to coordinate signal timing with emergency vehicle response.
- Provide funding for energy costs for 3,566 streetlights and 104 signalized intersections.

Objectives for Fiscal Year 2005

- Complete 99% of scheduled preventative maintenance work orders on the Traffic Signal Network monthly, in accordance with an approved preventative maintenance plan.
- Respond to 100% of emergency calls within 1 working hour of notification on weekdays.
- Respond to all non-emergency, unscheduled repair work orders within 24 working hours on the Traffic Signal Network.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.30	3.30	3.30	2.30
Non-Permanent Employee Hours	n/a	n/a	n/a	1,450
Revenues				
Fees and Service Charges	13,171	7,500	20,000	20,000
Total Revenue	\$ 13,171	\$ 7,500	\$ 20,000	\$ 20,000
Expenditures				
Salaries and Benefits	184,160	223,407	207,098	232,948
Supplies and Services	550,591	574,890	569,425	512,263
Non-Capital Equipment	1,397	5,010	5,010	7,000
Capital Equipment	174,902	893,790	810,000	110,000
Total Expenditures	\$ 911,050	\$ 1,697,098	\$ 1,591,533	\$ 862,211

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of scheduled preventative maintenance work orders completed	99%	99%	99%
Percent of emergency work orders responded to within 1 working hour	100%	99%	100%
Emergency work orders	173	200	173
Percent of unscheduled repairs responded to within 24 working hours of notification	100%	99%	100%
Unscheduled work orders completed	860	660	660
Maintenance and operations cost per traffic intersection per month	n/a	n/a	\$250

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RECENT PROGRAM ACHIEVEMENTS

The City maintained a Citywide Pavement Quality Index rating of 75. The City maintains 235.8 miles of paved roadway.

Streets Capital

(Program No. 4417)

Mission Statement

Manage the maintenance, repair, and improvements to the public right-of-way infrastructure in accordance with the goals of the City Council and the Circulation Element to provide the public with safe, efficient, functional, high quality, and cost-effective transportation and drainage systems.

Program Activities

- Adequately fund projects to maintain, repair, and improve the City's infrastructure assets for streets, sidewalks, bridges, storm drains, traffic signals, and pavement striping and markings.
- Plan, prioritize, and balance funding for capital expenditures between multi-modal transportation and street right-of-way infrastructure maintenance, repair and improvements (which include streets, bridges, storm drains, traffic signals, streetlights, traffic markings and sidewalks).
- Apply for grant funding from a variety of sources for capital projects to leverage City funds.
- Identify, study, and address public drainage issues to maximize the benefit from the available funds.
- Provide courtesy review and coordination of Caltrans initiated roadway projects.
- Provide staff support to Division managers and supervisors associated with streets capital projects.

Objectives for Fiscal Year 2005

- Maintain an average asphalt concrete City Street Pavement Quality Index (PQI) of greater than 71 or greater (as evaluated by the City's Pavement Management System).
- Reduce the percentage of asphalt concrete streets with a PQI of less than 20 from 2.2% to 1.9%.
- Award a pavement maintenance construction contract in 1 of the 6 City pavement maintenance areas for slurry seal and asphalt concrete overlay.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	0.00	0.00	0.00	0.00
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Interest Income	221,571	230,000	230,000	145,000
Utility Users' Tax	5,443,005	5,607,700	5,482,700	5,837,731
Intergovernmental	2,382,930	2,916,742	-	-
Transportation Development Funds	52,242	55,000	50,000	50,000
State Gas Tax	1,698,393	1,700,000	1,700,000	1,725,000
Transportation Sales Tax (Measure D)	4,120,382	4,800,000	4,800,000	5,200,000
Total Revenue	\$ 13,918,523	\$ 15,309,442	\$ 12,262,700	\$ 12,957,731
Expenditures				
Capital Program	8,165,479	15,700,714	8,055,000	4,670,152
Total Expenditures	\$ 8,165,479	\$ 15,700,714	\$ 8,055,000	\$ 4,670,152

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Average City asphalt concrete street Pavement Quality Index (PQI)	71	75	71
Percent of City asphalt concrete streets with a PQI of 20 or less	2.2%	2.2%	1.9%
Miles of City roadway slurry sealed	n/a	28.8	32
Miles of City roadway overlaid with asphalt concrete pavement	n/a	1.6	1.2
Square feet of new City sidewalk installed	n/a	35,740	29,000
Access ramps installed	n/a	42	50

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RECENT PROGRAM ACHIEVEMENTS

Downtown Parking Staff launched the MyRide free annual bus pass pilot program.

Downtown Parking

(Program Nos. 4315, 4316, 4317)

Mission Statement

Operate and maintain the City's parking facilities and on street parking supply in order to maximize their use by customers and employees that shop and work in the Downtown Business District, thereby enhancing the economic vitality of the Downtown area.

Program Activities

- Operate and maintain ten surface customer parking lots and four parking structures containing over 3,300 parking stalls.
- Administer customer and commuter parking programs.
- Provide parking facilities for over five million vehicles per year.
- Administer the Parking and Business Improvement Area, providing for 75-minute free parking program.
- Provide customer accounting and billing services.
- Plan, fund and implement long-term capital maintenance programs.
- Manage on-street resources for resident parking in the Downtown, City College, and upper Modoc areas.
- Fund and administer Downtown employee MTD bus pass programs.

Objectives for Fiscal Year 2005

- Perform a routine cleaning of all City parking lots Monday through Friday before 10:00 a.m.
- Check parking lot equipment per approved schedule to reduce the number of equipment breakdowns.
- Respond to 90% of all equipment malfunction calls within 15 minutes.
- Ensure that 100% of all cash drawers are balanced at the end of each day.
- Increase the use of MTD bus passes by downtown employees by 10%.
- Add 5 new car pools to the Transportation Management Program.
- Contact all downtown merchants once a year to increase the awareness of public transit options
- Implement the facilities management software package to track Parking staff's maintenance activities.
- Develop a measure of effectiveness for the MyRide bus pass program.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	20.51	20.51	20.51	20.50
Non-Permanent Employee Hours	n/a	n/a	n/a	134,300
Revenues				
PBIA Assessments	696,828	675,000	725,000	675,000
Interest Income	280,076	275,000	220,000	200,000
Fees and Service Charges	3,708,705	3,850,000	3,875,000	3,610,000
Other	-	50,000	30,000	25,000
Total Revenue	\$ 4,685,609	\$ 4,850,000	\$ 4,850,000	\$ 4,510,000
Expenditures				
Salaries and Benefits	2,607,610	2,754,310	2,671,681	2,850,447
Supplies and Services	1,081,917	1,174,795	1,149,831	1,477,636
Special Projects	440,779	480,155	450,000	308,208
Transfers	34,071	-	-	4,104
Non-Capital Equipment	25,607	19,153	37,750	19,000
Capital Equipment	10,354	18,597	-	10,000
Miscellaneous	628	24,085	-	25,000
Total Operating Expenditures	\$ 4,200,966	\$ 4,471,096	\$ 4,309,262	\$ 4,694,395
Capital Program	420,166	2,582,277	525,000	645,002
Total Expenditures	\$ 4,621,132	\$ 7,053,373	\$ 4,834,262	\$ 5,339,397
Surplus / (Deficit)	\$ 64,477	\$ (2,203,373)	\$ 15,738	\$ (829,397)

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Daily parking lot cleanings before 10:00 a.m. Monday through Friday	135	168	168
Percent of preventative maintenance inspections done daily per the approved schedule	100%	100%	100%
Percent of responses to equipment breakdowns made within 15 minutes	90%	90%	90%
Percent of daily booth transactions completed and balanced successfully	> 98%	99.89%	100%
Bus passes issued from the beginning of the fiscal year	n/a	12,350	13,783
Carpool permits issued	52	47	52
Downtown merchants contacted	n/a	1,250	1,250
Total vehicles parked in the City's hourly lots	5,000,000	5,000,000	5,000,000
Maintenance calls	3,600	2,400	2,400

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RECENT PROGRAM ACHIEVEMENTS

The Building Maintenance Program completed the refurbishment of the David Gebhard Meeting Room in December 2003, on time and within budget.

Building Maintenance

(Program No. 4511)

Mission Statement

Provide operations, maintenance and construction services to City-owned facilities to maintain a clean, safe and functional environment in which to conduct City business.

Program Activities

- Manage the maintenance, replacement, and upgrade of the City's buildings and 2,250 City-owned streetlights.
- Utilize trades personnel, in conjunction with service and construction contractors, to augment and support the accomplishment of the planned maintenance and special building project programs.
- Provide project management support for capital improvement special projects in various departments.

Objectives for Fiscal Year 2005

- Complete 85% of customer requested work orders by due date.
- Complete 100% of mandatory maintenance work orders by the due date.
- Complete 85% of preventative maintenance work orders by due date.
- Complete 85% of capital and special work orders by due date.
- Complete 95% of City-owned street light work orders within 5 working days of issuance.
- Purchase a new SQL-based work order system and transition Building Maintenance operations and historical records.
- Transition the Intranet-based work order submittal system to the new SQL-based work order system.
- Survey Facility Division customers to measure the level of satisfaction with customer requested services.
- Develop a report to identify City building capital assets that have a life expectancy and identify the projected replacement date and replacement cost for the assets by November 1, 2004.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	16.45	16.45	16.45	16.45
Non-Permanent Employee Hours	n/a	n/a	n/a	3,000
Revenues				
Interfund Reimbursements	3,184,048	2,737,931	2,700,000	2,792,815
Other	31,404	-	6,000	-
Total Revenue	\$ 3,215,452	\$ 2,737,931	\$ 2,706,000	\$ 2,792,815
Expenditures				
Salaries and Benefits	1,197,955	1,233,805	1,230,000	1,388,081
Supplies and Services	397,436	458,255	71,173	411,240
Special Projects	1,594,122	997,865	372,193	956,934
Transfers	6,838	-	875,000	3,187
Non-Capital Equipment	10,186	8,200	8,200	14,773
Capital Equipment	9,964	10,000	10,000	10,000
Miscellaneous	-	8,600	-	8,600
Total Operating Expenditures	\$ 3,216,501	\$ 2,716,725	\$ 2,566,566	\$ 2,792,815
Capital Program	130,210	290,582	700,000	50,000
Total Expenditures	\$ 3,346,711	\$ 3,007,307	\$ 3,266,566	\$ 2,842,815

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of customer requested work orders completed by due date	85%	85%	85%
Customer requested work orders issued	4,740	3,170	3,170
Percent of mandatory maintenance work orders completed by due date	100%	99%	100%
Mandatory maintenance services work orders issued	n/a	180	180
Percent of preventative maintenance work orders completed by due date	85%	85%	85%
Preventative maintenance work orders issued	750	800	800
Percent of capital and special project work orders completed by due date	85%	85%	85%
Capital and special project work orders issued	60	375	375
Percent of City-owned street light work orders completed within 5 working days	95%	95%	95%
City-owned street light work orders issued	n/a	510	510
Total work orders issued	n/a	5,035	5,035
Percent of work orders completed within the specified timeframe	n/a	92%	95%

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RECENT PROGRAM ACHIEVEMENTS

Completed replacement of the last of the City's in-ground vehicle and heavy equipment hoists, on time and within budget.

Motor Pool

(Program No. 4521)

Mission Statement

Manage motorized fleet and fleet support services to cost effectively provide safe, reliable vehicles and equipment for all City departments.

Program Activities

- Maintain and repair the City's fleet of 529 vehicles and heavy equipment.
- Administer, test and certify vehicles and equipment in compliance with federal and state mandates.
- Maintain 15 Emergency Power Generators in a state of readiness.
- Maintain automated fuel delivery system and re-fueling infrastructure.
- Fund and maintain a vehicle replacement program that ensures the orderly and timely replacement of the City's fleet.
- Provide engineering services to develop specifications to support the competitive bid process for purchasing of vehicles and equipment.
- Support the Federal and State Alternative Fuel Vehicle Purchase Program.
- Administer the Mutual Aid Fuel Purchasing Program for the Santa Barbara School District, the Santa Barbara Housing Authority and Easy Lift Transportation.
- Maintain a vehicle pool car program for shared vehicle use.
- Maintain a database to track vehicle and equipment costs and allocate costs to specific department programs.

Objectives for Fiscal Year 2005

- Complete 95% of preventive maintenance services on schedule in accordance with manufacturers' recommendations.
- Complete 100% of the mandated inspections and certifications annually in the following areas: a) aerial equipment certification b) smog inspections and certifications c) diesel smoke testing and certifications d) youth bus inspections and certifications and e) commercial vehicle maintenance and inspection.
- Ensure that 60% of maintenance and repair services are for planned and scheduled work.

Objectives for Fiscal Year 2005 (continued)

- Prepare annual vehicle replacement report by January 31, 2005 identifying vehicles and equipment being replaced during the current fiscal year.
- Develop specifications and establish purchase contracts for the procurement of every vehicle approved for replacement in the current fiscal year.
- Install and implement a system to accurately measure vehicle ability for all vehicle classes, in accordance with published standards in the 2005 fiscal year.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	15.45	15.45	15.45	15.45
Non-Permanent Employee Hours	n/a	n/a	n/a	2,400
Revenues				
Interfund Reimbursements	4,143,036	4,212,462	4,212,462	4,298,878
Other	149,317	50,000	175,000	50,000
Total Revenue	\$ 4,292,353	\$ 4,262,462	\$ 4,387,462	\$ 4,348,878
Expenditures				
Salaries and Benefits	1,001,835	1,150,574	1,100,000	1,229,004
Supplies and Services	1,157,465	1,623,902	1,420,062	1,111,550
Special Projects	18,759	420,504	170,000	50,000
Transfers	-	-	-	3,186
Non-Capital Equipment	20,255	30,220	30,220	21,000
Miscellaneous	-	10,000	-	85,523
Total Operating Expenditures	\$ 2,198,314	\$ 3,235,199	\$ 2,720,282	\$ 2,500,263
Capital Program	1,585,738	2,562,432	2,240,000	1,939,415
Total Expenditures	\$ 3,784,052	\$ 5,797,632	\$ 4,960,282	\$ 4,439,678
Increase/(Decrease) in Reserves	\$ 508,301	\$ (1,535,170)	\$ (572,820)	\$ (90,800)

Motor Pool

Continued

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Vehicles in the fleet maintained	534	529	534
Commercial vehicle inspections performed	120	120	120
Percent of preventive maintenance services on schedule	95%	99%	95%
Preventative maintenance services performed	1,200	1,200	1,200
Percent of aerial equipment certifications completed	100%	100%	100%
Annual aerial lift inspections performed	n/a	9	9
Percent of smog inspections and certifications completed	100%	100%	100%
Smog tests performed	n/a	109	109
Percent of diesel smoke testing and certifications	100%	100%	100%
Smoke test performed	n/a	64	64
Percent of bus inspections and certifications completed	100%	100%	100%
Bus inspections performed	n/a	21	21
Percent of commercial vehicle maintenance and inspection completed	100%	100%	100%
Percent of maintenance and repair services that are for planned and scheduled work	60%	60%	60%
Total annual maintenance and repair costs budgeted	\$1,858,222	\$1,948,074	\$2,363,666
Work orders written for repairs with 1 or more repair requests	2,000	2,000	2,000

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RECENT PROGRAM ACHIEVEMENTS

The Combined Communication Center was updated with the latest 911 telephone answering equipment and all new communication consoles.

Communications Systems

(Program No. 4531)

Mission Statement

Provide and maintain the citywide radio, telephone, microwave, Combined Communication Center (911) and associated electronic communication systems to ensure uninterrupted high quality communication operations.

Program Activities

- Provide maintenance and support activity for all communication equipment within the City including repeaters, voters, mobile and portable radios.
- Ensure the maintenance and operability of the 911 center.
- Maintain the City's microwave links.
- Manage the telephone system maintenance contract.
- Respond to all telephone and voicemail problems.
- Maintain computerized call accounting and name display databases.
- Perform radio, computer and electronics installations in all City owned vehicles.
- Install telecommunications cables in City-owned buildings.

Objectives for Fiscal Year 2005

- Complete 99% of scheduled preventative maintenance work orders monthly on the combined communication and all other communication equipment per the manufacturers' suggested specifications.
- Complete 95% of all unscheduled repairs to portable and mobile radios within 24 working hours.
- Complete 100% of all scheduled manufacturers' suggested maintenance as contracted for citywide telephone systems.
- Respond to 90% of all unscheduled work orders for the citywide telephone system within 4 working hours of the reported outage.
- Maintain the Combined Communications Center (the City's 911 emergency call center) at 100% operational readiness.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	5.25	4.25	4.25	5.25
Non-Permanent Employee Hours	n/a	n/a	n/a	630
Revenues				
Interfund Reimbursements	-	508,025	508,025	644,774
General Fund Subsidy	462,555	-	-	-
Total Revenue	\$ 462,555	\$ 508,025	\$ 508,025	\$ 644,774
Expenditures				
Salaries and Benefits	368,688	413,777	410,000	441,171
Supplies and Services	84,351	193,276	181,115	192,603
Non-Capital Equipment	4,450	8,297	4,500	7,000
Capital Equipment	5,066	5,500	9,297	4,000
Total Expenditures	\$ 462,555	\$ 620,850	\$ 604,912	\$ 644,774

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Total scheduled preventative maintenance	322	250	322
Percent of preventative maintenance work orders completed	99%	99%	99%
Percent of unscheduled work orders completed on radios within 24 working hours	100%	97%	95%
Percent of preventative maintenance work orders completed on telephone system by contractor	100%	100%	100%
Percent of unscheduled repairs responded to within 4 working hours of reported outage	90%	90%	90%
Percent of operational readiness for the Combined Communications Center	100%	100%	100%
Total routine work orders for the Communication Section	n/a	2,300	2,300

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RECENT PROGRAM ACHIEVEMENTS

Completed annual cleaning of City Hall and Council Chambers on schedule in December 2003.

Custodial Services

(Program No. 4541)

Mission Statement

Provide custodial services to specified City-owned facilities to ensure a clean and safe work environment for the staff and the public.

Program Activities

- Perform daily and routine cleaning of approximately 280,000 square feet of City-owned facilities.
- Provide emergency custodial services to City-owned facilities.
- Manage contracted services and maintain a schedule for cleaning windows, carpets, and awnings.

Objectives for Fiscal Year 2005

- Clean approximately 20,000 square feet per custodian per day.
- Respond to 100% of custodial emergencies within 1 hour during normal business hours.
- Ensure completion of 100% of scheduled contracted services in City buildings for floors, windows and awnings according to an approved schedule.
- Achieve an 80% satisfaction rate from an employee survey on the cleanliness of City facilities.
- Complete the annual Council Chamber and Room 15 special cleaning project.
- Prepare a cost estimate and develop a cleaning schedule for increased services to high visibility areas based on cost information gathered in Fiscal Year 2004.
- Complete the special monitoring tasks assigned to Custodial Services for Fiesta activities in a timely and efficient manner.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	13.55	13.55	13.55	13.55
Non-Permanent Employee Hours	n/a	n/a	n/a	417
Revenues				
Fees and Service Charges	-	801,018	801,018	934,093
General Fund Subsidy	801,501	-	-	-
Total Revenue	\$ 801,501	\$ 801,018	\$ 801,018	\$ 934,093
Expenditures				
Salaries and Benefits	712,948	742,516	740,000	779,427
Supplies and Services	86,443	143,090	131,430	152,666
Non-Capital Equipment	2,110	422	400	2,000
Total Expenditures	\$ 801,501	\$ 886,028	\$ 871,830	\$ 934,093

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Square footage cleaned per full-time-equivalent Custodian	20,000	20,000	20,000
Annual cost per square foot cleaned	n/a	\$3.05	\$3.34
Percent of emergency custodial responses within 1 hour	100%	100%	100%
Responses for custodial emergencies	50	15	20
Contract cleaning services scheduled	150	150	150
Percent of employee survey responses of satisfactory or better on custodial services	n/a	80%	80%

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RECENT PROGRAM ACHIEVEMENTS

Started Sheffield Water Quality Improvement Project and Cater Improvement Project. Began integration of Water Supply Management, solid waste and hazardous waste programs into Division.

Water Resources Management

(Program No. 4611, 4612)

Mission Statement

Provide support and direction to staff in order to ensure that City water, wastewater, hazardous and solid waste systems, and stormwater management programs are reliable, comply with all permits and regulations, protect public health and the environment, and are cost efficient.

Program Activities

- Manage the City water, wastewater and recycled water, storage, treatment, distribution and collection systems, the solid waste collection systems and the Long Term Water Supply Program.
- Ensure compliance of water, wastewater, recycled water, hazardous waste, and solid waste collection systems, and the National Pollutant Discharge Elimination System (NPDES) Stormwater Management Program with extensive local, State, and Federal regulations.
- Develop short and long range water and wastewater resources and solid waste collection plans and capital programs.
- Provide staff support to the Public Works Director, City Administrator, Board of Water Commissioners, and City Council concerning water resources, hazardous waste and solid waste issues.
- Develop annual Water, Wastewater and Solid Waste Fund budgets and ensure that expenditures remain within adopted budget amounts.
- Provide ongoing budgetary guidance and support to all Water Resources Division sections.

Objectives for Fiscal Year 2005

- Ensure that 80% of Water Resources Division Programs Objectives are met.
- Comply with 99% of NPDES discharge requirements.
- Comply with California Department of Health Services drinking water regulations.
- Complete integration of Water Supply Management and Environmental programs into Water Resources Division.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.75	3.75	3.75	3.75
Non-Permanent Employee Hours	n/a	n/a	n/a	1,000
Revenues				
Interest Income	817,634	700,000	525,000	450,000
Fees and Service Charges	21,260,205	22,600,000	22,772,000	25,480,000
JPA Reimbursements	1,212,328	1,200,000	1,403,946	1,358,000
Other	823,861	100,000	40,000	40,000
Total Revenue	\$ 24,114,028	\$ 24,600,000	\$ 24,740,946	\$ 27,328,000
Expenditures				
Salaries and Benefits	401,745	416,789	408,177	465,185
Supplies and Services	3,569,622	3,928,295	3,939,250	3,241,625
Special Projects	16,790	2,363	2,363	50,000
Debt Transfers	1,733,084	2,250,688	2,250,688	3,598,572
Transfers	-	-	-	16,400
Non-Capital Equipment	4,657	8,100	8,100	8,100
Capital Equipment	-	-	-	3,000
Miscellaneous	172,226	603,371	550,000	1,019,170
Total Expenditures	\$ 5,898,124	\$ 7,209,606	\$ 7,158,578	\$ 8,402,052

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of Water Resources program objectives met	80%	> 80%	80%
Percent of discharge requirements met	99%	99.5%	99%
Percent of drinking water regulations met	100%	100%	100%
Annual City water production (in acre feet)	n/a	n/a	14,000

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RECENT PROGRAM ACHIEVEMENTS

Approximately 800
acre feet of recycled
water were provided
to 80 service
connections in
accordance with
State regulations.

Water Reclamation

(Program No. 4621)

Mission Statement

Provide cost efficient treatment and distribution of recycled water in accordance with State regulations in order to conserve City potable water supplies.

Program Activities

- Provide reclaimed water to 75 service connections.
- Provide public education and assistance on the use of reclaimed water.
- Implement required agreements and ensure compliance with State regulations for users on the reclamation distribution system.
- Provide guidance, training education materials and signage for landscape and toilet flushing uses of reclaimed water.

Objectives for Fiscal Year 2005

- Perform inspections on all recycled water sites to meet the annual State inspection requirement.
- Provide 1 class for recycled water users to meet the annual State training requirement.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.50	4.50	4.50	4.50
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Salaries and Benefits	346,584	358,239	244,421	355,464
Supplies and Services	328,330	471,405	456,960	436,827
Special Projects	-	10,000	10,000	-
Total Expenditures	\$ 674,914	\$ 839,644	\$ 711,381	\$ 792,291

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Inspections performed	80	80	80
Classes for recycled water users	1	1	1
Acre feet of recycled water used	800	700	800
Cost per acre foot of recycled water used	\$910	\$1,250	\$910

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RECENT PROGRAM ACHIEVEMENTS

Completed the Sheffield Water Quality Project Temporary Reservoirs (two 1.5 million gallon bolted steel tanks and appurtenances for water storage) and the elimination of Sheffield Reservoir.

Water Distribution

(Program No. 4631)

Mission Statement

Convey water to customers in a reliable and cost-efficient manner and provide drinking water that meets all state and federal regulations.

Program Activities

- Operate and maintain the City's water distribution system comprised of Gibraltar Lake and Dam, 299 miles of pipelines, 12 water pumping stations, 13 reservoirs, 16 pressure reducing stations and 25,780 service connections and meters.
- Operate and maintain the groundwater well system.
- Distribute 13,200 acre feet (4.3 billion gallons) of potable water to the City's residents.
- Operate and maintain the City's reclaimed water distribution system comprised of 14 miles of pipelines, one pumping station, 1.5 million gallon reservoir, three pressure reducing stations and 75 service connections.
- Operate and maintain the reclamation distribution system, which has the capacity to treat and deliver 1,200 acre feet per year; current demand is approximately 800 acre feet per year.
- Provide 24-hour emergency response services for all City departments through the emergency service unit.

Objectives for Fiscal Year 2005

- Operate the water distribution system to meet 100% of all applicable State and Federal requirements.
- Exercise 32% of the valves in the water distribution system annually.
- Flush 80% of the fire hydrants and transmission mains annually.
- Restore water service within 8 hours of the time of shutdown 75% of the time.
- Clean 80% of all water distribution reservoirs annually.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	33.41	33.41	33.41	33.41
Non-Permanent Employee Hours	n/a	n/a	n/a	6,600
Expenditures				
Salaries and Benefits	2,320,539	2,503,350	2,478,317	2,643,369
Supplies and Services	1,729,328	2,005,706	1,954,297	2,206,457
Special Projects	74,663	150,000	1,000	100,000
Non-Capital Equipment	18,641	50,901	50,000	58,712
Capital Equipment	-	48,000	-	75,000
Total Expenditures	\$ 4,143,171	\$ 4,757,957	\$ 4,483,614	\$ 5,083,538

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of State and Federal requirements achieved	100%	100%	100%
Water distribution valves exercised	1,500	2,400	2,400
Fire hydrants flushed	1,797	1,797	1,797
Transmission main blow-off valves flushed	13	13	13
Percent of water restored within 8 hours	75%	80%	75%
Water distribution reservoirs cleaned	n/a	9	> 9
Water main breaks	72 or less	100	100
Metron meters installed	n/a	n/a	52

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RECENT PROGRAM ACHIEVEMENTS

Treatment staff maintained compliance with State and Federal drinking water regulations under very difficult situations during the construction activities associated with the Cater Improvement Project.

Water Treatment

(Program Nos. 4641, 4642)

Mission Statement

Provide safe drinking water that is treated in a cost efficient manner and complies with State and Federal regulations.

Program Activities

- Operate and maintain the Cater Water Treatment Facility to achieve compliance with state and federal drinking water regulations.
- Provide regional water treatment for the City of Santa Barbara, Montecito Water District and Carpinteria Valley Water District, supplying drinking water to the communities of Santa Barbara, Montecito, Summerland, and Carpinteria.
- Maintain the C. Meyer Desalination Facility in long-term storage to supplement existing water supplies.

Objectives for Fiscal Year 2005

- Perform 100% of preventative maintenance for the Cater Water Treatment Plant, in accordance with the annual preventative maintenance plan.
- Perform 100% of preventative maintenance for the C. Meyer Desalination Facility, in accordance with the annual preventative maintenance plan.
- Maintain 100% compliance with California Department of Health Services Water Quality Regulations.
- Operate and maintain the Cater Treatment Plant through re-construction.
- Maintain C. Meyer Desalination Facility in long-term storage for reactivation within 2 years when required to supplement other water supplies.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	13.80	13.80	13.80	13.80
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Salaries and Benefits	1,053,840	1,159,790	1,148,192	1,217,487
Supplies and Services	1,026,751	1,531,478	1,487,185	1,565,849
Non-Capital Equipment	7,973	26,999	26,400	38,401
Total Expenditures	\$ 2,088,564	\$ 2,718,267	\$ 2,661,777	\$ 2,821,737

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of scheduled preventive maintenance at Cater Treatment Plant completed	100%	100%	100%
Percent of scheduled preventive maintenance at C. Meyer Desalination Facility completed	100%	100%	100%
Percent compliance with California Department of Health Services Water Quality Regulations	n/a	100%	100%
Million gallons (mg) water treated	7,300	7,000	7,300
Cost per million gallons of water treated (excluding capital, laboratory and administration costs)	n/a	\$280	\$290
Emergency trouble reports	n/a	< 50	50

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RECENT PROGRAM ACHIEVEMENTS

Concluded hearings before the State Water Board regarding water rights at the Cachuma Project, anticipating a decision late in fiscal year 2004.

Water Supply Management

(Program No. 4651)

Mission Statement

Provide an adequate supply of water by implementing the Long Term Water Supply Program, which includes a cost effective water conservation element and a diverse portfolio of supplies.

Program Activities

- Implement the Long Term Water Supply Program.
- Provide up to 8,277 acre-feet of water per year from the Cachuma Project and up to 3,000 acre-feet of water per year from the State Water Project.
- Advise on optimal use of the City's diverse sources of water supplies.
- Provide information on City water supplies and water conservation via the City Internet site with quarterly or more frequent updates and prompt responses to inquiries.
- Maintain and protect surface water supplies from the Santa Ynez River.
- Manage a cost-efficient customer-response based water conservation program that meets Federal and State requirements.

Objectives for Fiscal Year 2005

- Maintain at least 3,000 acre feet (AF) of end-of-year carryover in Lake Cachuma every year for 4 years after each Cachuma spill.
- Submit all monthly reports for the Upper Santa Ynez River Operations Agreement within 15 days of the end of each month.
- Achieve a 95% customer satisfaction rate with home water audits.
- Implement conditions from State Water Board to maintain Cachuma Project water rights.
- Present annual Water Supply Management Report for the previous water year to Council for adoption by January 15, 2005.
- Ensure that water deliveries are not reduced by more than 10% during severe drought.
- Achieve 100% compliance with California Urban Water Conservation Council Best Management Practices.
- Ensure that funding of the Cachuma Project, State Water Project and participation in Central Coast Water Authority (CCWA), Cachuma Operation and Maintenance Board (COMB), Cachuma Conservation Release Board (CCRB), and Association of Santa Barbara County Water Agencies, stays within budgeted amounts and meets payment schedules.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.25	4.25	4.25	4.25
Non-Permanent Employee Hours	n/a	n/a	n/a	1,000
Revenues				
Intergovernmental	24,369	70,588	22,000	-
Interfund Reimbursements	-	41,937	25,000	42,000
Total Revenue	\$ 24,369	\$ 112,525	\$ 47,000	\$ 42,000
Expenditures				
Salaries and Benefits	322,633	416,366	412,202	455,604
Supplies and Services	93,757	192,609	187,901	190,302
Water Supply Purchases	6,253,793	7,346,366	7,390,931	7,418,730
Special Projects	46,999	139,801	30,450	42,700
Non-Capital Equipment	7,629	13,000	12,000	11,510
Total Expenditures	\$ 6,724,811	\$ 8,108,142	\$ 8,033,484	\$ 8,118,846

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
End of year (September 30) Cachuma carryover	3,000	n/a	3,000+ AF
Monthly reports produced by the 15th of the following month	12	12	12
Percent of customers responding that they were "satisfied," based on a random sample of recipients	90%	95%	95%
Home water checkups	350	300	350

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RECENT PROGRAM ACHIEVEMENTS

A sophisticated analytical instrument (ICP Mass Spectrometer) was placed in service. This instrument allows rapid detection of low-level trace elements in drinking water and wastewater effluent.

Water Resources Laboratories

(Program Nos. 4661, 4662)

Mission Statement

Provide cost efficient analytical testing services and high quality data to meet the testing requirements of the water and wastewater systems.

Program Activities

- Perform all required testing in accordance with Environmental Protection Agency (EPA) approved analytical methods.
- Provide laboratory services and conduct water and wastewater sampling for special projects and research.
- Perform and complete water pollution and water supply proficiency testing.
- Provide and submit regulatory report to the California Regional Water Quality Control Board, and California Department of Health Services.
- Maintain all major analytical instrumentation in accordance with the Good Laboratory Practice Protocols.
- Provide ongoing technical training to all staff.

Objectives for Fiscal Year 2005

- Complete 100% of required testing in accordance with EPA-approved analytical methods.
- Complete samples and testing in a timely manner to ensure 100% of reports are submitted to the California Regional Water Quality Control Board, and California Department of Health Services in compliance with reporting deadlines.
- Complete certificate renewal for the State of California Department of Health Services Environmental Laboratory Accreditation Program (DHS-ELAP) by April 1, 2005 and maintain certification at all times.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	7.00	7.00	7.00	7.00
Non-Permanent Employee Hours	n/a	n/a	n/a	2,500
Expenditures				
Salaries and Benefits	446,070	512,217	491,647	606,472
Supplies and Services	243,381	357,070	336,359	412,141
Non-Capital Equipment	11,427	17,790	-	21,705
Capital Equipment	-	110,850	111,405	49,875
Total Expenditures	\$ 700,878	\$ 997,927	\$ 939,411	\$ 1,090,193

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of tests completed in accordance with EPA-approved analytical methods	100%	100%	100%
Percent of California Regional Water Quality Control Board and California Department of Health Services reports submitted on time	n/a	n/a	100%
Drinking water, wastewater and creek samples collected and received	15,200	14,690	15,200
Tests/analyses performed	44,000	45,000	44,000
Special or follow-up samples collected and received	n/a	350	350
Special and/or follow-up tests performed	2,000	4,000	4,000

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RECENT PROGRAM ACHIEVEMENTS

Staff won the American Water Works Association's "2003 Outstanding Energy Management Award" as a result of the Water Resources Hydraulic Water Modeling capital project.

Water Capital Program

(Program No. 4671)

Mission Statement

Develop, fund, design and construct projects that will maintain, upgrade and enhance the City's water system infrastructure in order to ensure a continual supply of safe water for both domestic and fire protection purposes.

Program Activities

- Determine the work required to maintain and upgrade the City's water supply, treatment and distribution, and recycled water infrastructure.
- Develop the necessary funding to facilitate the Water Capital Program.
- Approve the design, plans and specifications for constructing Water Capital Projects.
- Assist the Public Works Engineering Division in moving projects through the City's planning, environmental and permitting process, when appropriate.
- Assist Engineering staff in the bid, award, monitoring, and inspection of Water Capital projects through completion of construction, when appropriate.

Objectives for Fiscal Year 2005

- Ensure the Cater Improvements Project remains on schedule for completion by September 2004.
- Complete construction of Sheffield water reservoirs to ensure the Sheffield Water Quality Project remains on schedule for completion by December 2005.
- Complete the treatment design of San Roque and Santa Barbara High School wells and complete the construction of the Santa Barbara High School well to ensure completion of both projects by November 2005.
- Ensure the Ortega Well Treatment Plant Rehabilitation project pilot testing is completed and the environmental, design and permitting milestones are started to facilitate completion by October 2005.
- Facilitate the completion of FY 05 Water Capital Program projects, within the approved funding level.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	-	-	-	-
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Capital Program	16,536,096	40,261,467	31,200,000	4,553,000
Total Expenditures	\$ 16,536,096	\$ 40,261,467	\$ 31,200,000	\$ 4,553,000

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➤ **Wastewater Collection**
Wastewater Treatment
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RECENT PROGRAM ACHIEVEMENTS

Staff smoke tested 50 miles of sewer pipes in Fiscal Year 2004.

Wastewater Collection

(Program No. 4632)

Mission Statement

Convey wastewater to the treatment plant in a reliable and cost efficient manner, meet all applicable state and federal regulations, and protect the environment.

Program Activities

- Maintain wastewater collection system to prevent sewer overflows.
- Respond to stoppage and overflow calls and contain overflows in a timely manner.
- Manage the preventive maintenance program for the wastewater collection system and lift stations.
- Conduct a sanitary sewer smoke-testing program to identify areas of inflow/infiltration.
- Operate wastewater collection system to comply with state and federal reporting requirements.
- Enhance collection system performance by maintaining system hydraulic capacity to allow system to operate at its design capacity.

Objectives for Fiscal Year 2005

- Limit number of reportable overflows to 15 or less per year.
- Clean 250 miles of the collection system each year.
- Smoke test 50 miles of the collection system pipes.
- Respond to and resolve 100% stoppages and overflow calls in a safe, timely and professional manner within 2 hours of receiving notification and reduce impacts should they occur.
- Comply with all State and Federal reporting requirements for wastewater collection as specified in the National Pollution Discharge Elimination Standards permit issued for the El Estero treatment plant.
- Clean all pipe sections listed on the annual preventive maintenance location list at the assigned frequency.
- Smoke and dye test all identified creek crossings in accordance with an approved plan.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	22.40	22.40	22.40	22.40
Non-Permanent Employee Hours	n/a	n/a	n/a	2,685
Expenditures				
Salaries and Benefits	1,439,109	1,653,562	1,537,813	1,755,451
Supplies and Services	582,373	694,128	656,359	695,510
Non-Capital Equipment	10,279	14,732	14,732	5,000
Capital Equipment	-	-	-	3,000
Total Expenditures	\$ 2,031,761	\$ 2,362,423	\$ 2,208,904	\$ 2,458,961

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Overflows reportable to the Regional Water Quality Control Board	< 15	< 15	< 15
Miles cleaned	250	250	250
Miles of pipes smoke tested	15	65	50
Percent of calls responded to and resolved within 2 hours	100%	100%	100%
Blockage in the collection system	65	65	≤ 65
Miles of pipeline inspected annually using the Close Circuit Television	n/a	n/a	17

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➤ **Wastewater Treatment**
Wastewater Capital Program



RECENT PROGRAM ACHIEVEMENTS

Staff has integrated approximately 50% of all plant processes into the Supervisory Control and Data Acquisition system to allow remote monitoring and operation of vital plant processes.

Wastewater Treatment

(Program No. 4711)

Mission Statement

Provide cost efficient wastewater treatment, protect ocean water quality and public health, and comply with National Pollution Discharge Elimination System (NPDES) permit requirements.

Program Activities

- Operate the El Estero Wastewater Treatment Plant to comply with discharge limitations as required by the Regional Water Quality Control Board.
- Operate the wastewater treatment plant to assure air emission compliance with the Santa Barbara Air Pollution Control District Permit.
- Operate Pretreatment Program to inspect and sample industrial dischargers to the City's wastewater collection system.
- Maintain El Estero Wastewater facility using predictive and preventative maintenance methods.
- Continue public outreach and education to inform the public of environmental benefits of the El Estero Treatment Plant process.

Objectives for Fiscal Year 2005

- Achieve at least 99% compliance with discharge limitations for wastewater treatment as listed in the Wastewater Discharge permit issued by Regional Water Quality Control Board toward a goal of 100%.
- Achieve 100% compliance with local air emissions standards as specified in the Santa Barbara Air Pollution Control District permit requirements .
- Achieve at least 99% compliance with discharge limitations for water reclamation treatment as listed in the Water Reclamation Discharge permit issued by the Regional Water Quality Control Board towards a goal of 100%.
- Complete a total of 649 maintenance work orders on wastewater treatment and water reclamation equipment.
- Inspect equipment according to an approved preventative maintenance plan and schedule and complete 90% of resultant work orders before the next scheduled inspection.
- Inspect all permitted industrial dischargers at the frequency required by City's approved program.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	24.00	24.00	24.00	24.00
Non-Permanent Employee Hours	n/a	n/a	n/a	1,000
Revenues				
Interest Income	499,163	525,000	400,000	375,000
Mission Canyon- JPA	238,746	200,000	274,221	275,000
Fees and Service Charges	9,233,471	9,750,000	9,840,000	11,233,000
Other	23,080	100,000	25,000	20,000
Total Revenue	\$ 9,994,460	\$ 10,575,000	\$ 10,539,221	\$ 11,903,000
Expenditures				
Salaries and Benefits	1,759,518	1,876,209	1,744,874	1,921,497
Supplies and Services	2,198,711	2,513,154	2,296,651	2,447,685
Special Projects	65	15,000	15,000	15,000
Non-Capital Equipment	16,393	16,900	16,900	16,900
Capital Equipment	13,565	21,300	21,300	31,300
Total Expenditures	\$ 3,988,252	\$ 4,442,563	\$ 4,094,725	\$ 4,432,382

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of treated wastewater samples in compliance with DPDES permit limits	99%	99.85%	99%
Percent of air samples in compliance with SBAPCD permit requirements	100%	100%	100%
Percent of treated reclaimed water samples in compliance with Water Reclamation Discharge Permit	99%	100%	99%
Maintenance work orders completed	800	565	649
Percent of maintenance work orders completed before the next scheduled inspection	n/a	n/a	90%
Million of gallons of wastewater treated	3,020	3,054	3,100
Average cost per million gallons treated	n/a	\$1,265	\$1,265

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➤ **Wastewater Capital Program**



RECENT PROGRAM ACHIEVEMENTS

Completed rehabilitation or replacement of almost 6 miles of the City's sewer system in 2003-2004.

Wastewater Capital Program

(Program No. 4771)

Mission Statement

Expedite development, design and construction of wastewater related projects that will maintain, upgrade and enhance the infrastructure of the wastewater system in order to meet NPDES requirements and protect the environment.

Program Activities

- Determine the work required to maintain and upgrade the City's Wastewater Treatment and Collection System infrastructure.
- Develop the necessary funding to facilitate the Wastewater Capital Program.
- Review and approve plans and specifications developed for constructing Wastewater Capital Projects.
- Assist Engineering Division staff in moving Wastewater Capital Projects through the City's planning, environmental and permitting process, when appropriate.
- Assist Engineering Division staff in the bid, award and inspection of Wastewater Capital Projects, when appropriate.
- Monitor and expedite projects in the El Estero Strategic Plan.

Objectives for Fiscal Year 2005

- Monitor and facilitate the installation of fuel cells to supply electricity for El Estero.
- Secure funding for the El Estero Strategic Plan projects.
- Develop and implement a plan for motor control center and pipe rehabilitation at El Estero.
- Develop and implement a plan to mitigate contamination at El Estero drain.
- Evaluate alternatives for managing wastewater flows currently delivered to the San Marcos Lift Station and develop a plan to replace or abandon it.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	-	-	-	-
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Capital Program	2,858,130	11,144,422	5,500,000	1,520,000
Total Expenditures	\$ 2,858,130	\$ 11,144,422	\$ 5,500,000	\$ 1,520,000

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DEPARTMENT SUMMARY

Waterfront

Provide the community with a quality Waterfront for recreation and commercial use, along with mooring and landside services for boating activities.

About Waterfront

The Waterfront Department is responsible for managing approximately 252 acres of tidelands and submerged lands encompassing the Harbor and Stearns Wharf. The Waterfront Department is an enterprise fund and operates from revenues generated from the resources it manages; primarily lease revenue, slip fees, and parking fees.

There are a total of 1,133 slips in the Harbor, about 19% of which are used by commercial fishermen and 81% by recreational boaters and others, that are all subject to slip permits. The Harbor business/commercial area includes nine major buildings, all of which are owned by the City, including the Waterfront Center, the largest building in the area.

While the Harbor area is a mixture of ocean dependent, ocean related and visitor-serving uses, the Wharf's primary commercial uses include restaurants, retail shops, a bait and tackle store and limited office space.

The Waterfront Department also operates nine parking lots along Cabrillo Boulevard between Leadbetter Beach and East Beach.



Fiscal Year 2005 Budget Highlights

Waterfront Department will continue repairs to sections of the parapet wall and sidewalk of the 1,550-foot breakwater.

The dock structure and gangway for Fish Float North (commercial fishing berths) were replaced.

The Chandlery Building remodel/Waterfront Offices project was completed at 132 new square feet of leasable commercial space and providing the first permanent offices for the Waterfront Department.

The Federal Government proposed to cut funding for the annual maintenance dredging of the Harbor entrance for the first time in 10 years. Staff remains cautiously optimistic that the dredging program will be reinstated by October 2005 through lobbying efforts in Washington D.C. If Federal funding is cut, the Department will fund the dredge project from reserves.



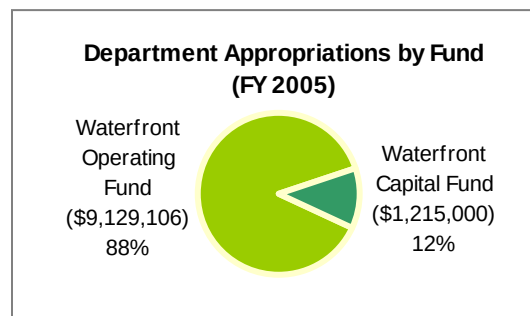
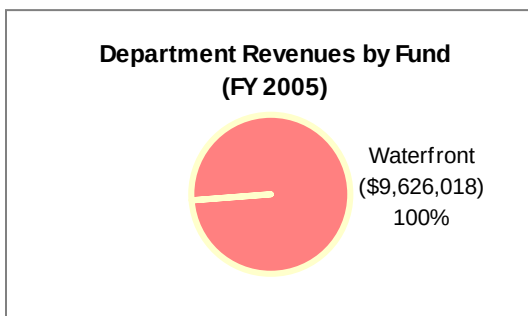
DEPARTMENT SUMMARY

Waterfront

Department Financial and Staffing Summary

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	46.00	45.00	45.00	45.00
Non-Permanent Employee Hours	n/a	n/a	n/a	66,941
Revenues				
Fees and Service Charges	5,182,468	5,515,021	5,659,721	5,825,209
Interest Income	221,310	220,000	220,000	160,000
Leases	3,454,305	3,483,709	3,583,709	3,555,809
Other	64,284	82,500	152,500	85,000
Total Department Revenue	\$ 8,922,367	\$ 9,301,230	\$ 9,615,930	\$ 9,626,018
Expenditures				
Salaries and Benefits	3,777,057	4,127,320	4,127,320	4,402,133
Supplies and Services	2,594,210	2,993,112	3,104,326	3,039,835
Transfers Out	-	-	-	9,325
Debt Service	1,323,595	1,485,913	1,585,913	1,476,138
Non-Capital Equipment	66,569	128,000	177,912	111,000
Equipment Capital	12	-	-	-
Miscellaneous	40,437	-	-	-
Appropriated Reserve	-	100,000	-	90,675
Total Department Expenditures	\$ 7,801,880	\$ 8,834,345	\$ 8,995,471	\$ 9,129,106
Capital Program	1,629,284	1,935,000	1,935,000	1,215,000
Total Department Expenditures	\$ 9,431,164	\$ 10,769,345	\$ 10,930,471	\$ 10,344,106
Addition to (Use of) Reserves	\$ (508,797)	\$ (1,468,115)	\$ (1,314,541)	\$ (718,088)

Department Fund Composition

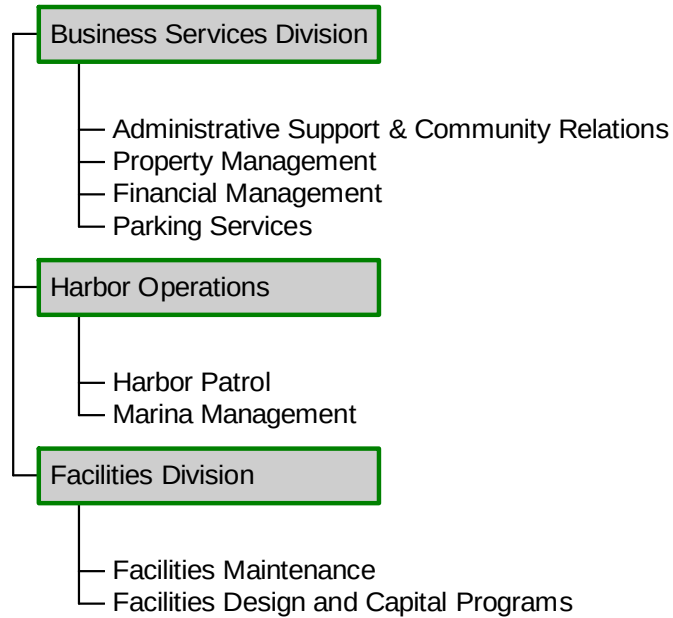




DEPARTMENT SUMMARY

Waterfront

Program Organizational Chart



PROGRAMS & SERVICES

WATERFRONT PROGRAMS

➤ Administrative Support and Community Relations

Property Management

Financial Management

Parking Services

Harbor Patrol

Marina Management

Facilities Maintenance

Facilities Design and
Capital Programs



RECENT PROGRAM ACHIEVEMENTS

Department received final design and Council approval for the Chandlery Building Expansion/ Waterfront Offices Project at 132 Harbor Way.

Administrative Support and Community Relations

(Program No. 8111)

Mission Statement

Provide direction and support to Waterfront Department Staff, along with effective communication and representation before Federal and State Agencies, local harbor community, residents and businesses.

Program Activities

- Provide overall direction for the Waterfront Department.
- Provide information about the Department to the public.
- Provide staff support to the Harbor Commission.
- Provide representation before local, State and Federal agencies.

Objectives for Fiscal Year 2005

- Ensure 80% of department program objectives are achieved.
- Implement a comprehensive public information and community relations program which includes sponsored Waterfront events, published department communication, Navy ship and cruise ship visits and sponsored public/media meetings.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	4.60	4.60	4.60	4.60
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Salaries and Benefits	388,183	404,865	404,865	451,456
Supplies and Services	865,915	979,102	981,078	1,041,013
Transfers Out	-	-	-	9,325
Debt Service	1,323,595	1,485,913	1,585,913	1,476,138
Non-Capital Equipment	29,087	30,000	32,012	30,000
Miscellaneous	40,437	-	-	-
Appropriated Reserve	-	100,000	-	90,675
Total Expenditures	\$ 2,647,217	\$ 2,999,880	\$ 3,003,868	\$ 3,098,607

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of department program objectives completed	80%	80%	80%

PROGRAMS & SERVICES

WATERFRONT PROGRAMS

Administrative Support and
Community Relations

➤ **Property Management**

Financial Management

Parking Services

Harbor Patrol

Marina Management

Facilities Maintenance

Facilities Design and
Capital Programs



RECENT PROGRAM ACHIEVEMENTS

Negotiated agreement
with West Marine to
temporarily vacate their
lease premises during the
Chandlery Remodel/
Waterfront Offices Project
at 132 Harbor Way.

Property Management

(Program No. 8112)

Mission Statement

Manage Waterfront leases ensuring the public receives a high level of services and the Department receives market value rents.

Program Activities

- Administer leases and other business agreements.
- Negotiate agreements with new and existing tenants on Stearns Wharf and in the Harbor commercial area.
- Assure tenants receive the services entitled under their agreements.

Objectives for Fiscal Year 2005

- Audit 25% of percentage rent leases.
- Renew 85% of Business Activity Permits (BAPs) within 30 days of permit expiration.
- Contribute to 3 advertising and promotional programs designed to enhance Waterfront tenant revenues.
- Implement and improve tracking method for tenant rent payments.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.55	1.55	1.55	1.55
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Leases	3,454,305	3,483,709	3,583,709	3,555,809
Fees and Service Charges	14,036	10,000	15,000	6,000
Other	33,382	75,000	145,000	75,000
Total Revenue	\$ 3,501,723	\$ 3,568,709	\$ 3,743,709	\$ 3,636,809
Expenditures				
Salaries and Benefits	108,052	117,417	117,417	132,281
Supplies and Services	83,207	96,840	131,422	88,961
Total Expenditures	\$ 191,259	\$ 214,257	\$ 248,839	\$ 221,242

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Lease contracts managed	53	57	57
Leases audited	12	12	12
Percent of tenants audited for accurate percentage rent reporting	n/a	25%	25%
Business Activity Permits managed	80	70	70
Business Activity Permits renewed	72	72	72
Percent of Business Activity Permits renewed within 30 days of expiration	n/a	90%	85%

PROGRAMS & SERVICES

WATERFRONT PROGRAMS

Administrative Support and
Community Relations

Property Management

➤ **Financial Management**

Parking Services

Harbor Patrol

Marina Management

Facilities Maintenance

Facilities Design and
Capital Programs



RECENT PROGRAM ACHIEVEMENTS

Approximately 25% of
slipholders now use the
City's Automatic
Payment System to pay
their monthly slip fees,
reducing staff time spent
accounting for slip
payments.

Financial Management

(Program No. 8113)

Mission Statement

Support the Waterfront Department with staying within budget and processing revenue and expenditures accurately.

Program Activities

- Prepare financial plan for Department revenues and expenditures.
- Approve and facilitate payment of Department expenses.
- Receive and process fees collected by Department.
- Monitor and analyze Department revenues and expenses.

Objectives for Fiscal Year 2005

- Ensure 99% of all Business Office cash drawers are balanced daily.
- Process 85% of requisitions and claims within 60 days of receipt.
- Prepare department billing with 100% resolution of billing errors within 3 billing cycles.
- Complete department budget within submittal within the timeline set by the Finance Department.
- Ensure program expenditures are within budget.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	1.75	1.75	1.75	1.75
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Revenues				
Interest Income	221,310	220,000	220,000	160,000
Total Revenue	\$ 221,310	\$ 220,000	\$ 220,000	\$ 160,000
Expenditures				
Salaries and Benefits	110,037	118,806	118,806	132,306
Supplies and Services	14,904	17,772	21,044	18,423
Total Expenditures	\$ 124,941	\$ 136,578	\$ 139,850	\$ 150,729

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of cash drawers balanced	n/a	n/a	99%
Percent of requisitions and claims processed within 60 days	85%	85%	85%
Prepare department billing errors with 100% resolution of billing errors within 3 billing cycles	100%	100%	100%
Deposits processed	850	1,000	1,000
Requisitions and claims processed	n/a	2,000	2,000
Billing accounts processed	n/a	14,000	14,000

PROGRAMS & SERVICES

WATERFRONT PROGRAMS

Administrative Support and
Community Relations

Property Management

Financial Management

➤ **Parking Services**

Harbor Patrol

Marina Management

Facilities Maintenance

Facilities Design and
Capital Programs



RECENT PROGRAM ACHIEVEMENTS

Parking Services
improved employee
safety and cash handling
accountability by
installing a security
surveillance system in the
main Harbor and Stearns
Wharf parking kiosks.

Parking Services

(Program No. 8121)

Mission Statement

Provide competitively priced parking that is convenient, clean, and meets the needs of the community and its visitors.

Program Activities

- Staff and operate nine parking lots throughout the Waterfront area.
- Monitor and collect revenue at three Honor Fee collections sites.
- Staff and operate one 24-hour parking lot 365 days per year.
- Ensure audit procedures are being followed.

Objectives for Fiscal Year 2005

- Maintain annual parking permit revenues of at least \$230,000.
- Maintain an annual operating expense of not more than 55% of revenue collected.
- Achieve an 85% annual collection rate on parking fee collection envelopes issued.
- Ensure 95% of all parking cash drawers are balanced daily.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	3.10	3.10	3.10	3.10
Non-Permanent Employee Hours	n/a	n/a	n/a	36,521
Revenues				
Fees and Service Charges	1,309,924	1,500,300	1,506,200	1,571,000
Other	195	-	-	-
Total Revenue	\$ 1,310,119	\$ 1,500,300	\$ 1,506,200	\$ 1,571,000
Expenditures				
Salaries and Benefits	645,467	687,637	687,637	624,754
Supplies and Services	82,276	99,840	102,856	108,515
Non-Capital Equipment	19,023	75,000	113,461	50,000
Total Expenditures	\$ 746,766	\$ 862,477	\$ 903,954	\$ 783,269

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Total permit revenue	\$230,000	\$230,000	\$230,000
Operating expenses as a percent of revenue collected	65%	54%	55%
Collection rate on parking fee collection envelopes issued	85%	85%	85%
Collection envelopes collected	25,000	12,000	12,000
Percent of cash drawers balanced	n/a	n/a	95%
Total Wharf Tickets distributed	271,700	271,700	271,700
Total Harbor Tickets distributed	147,900	147,900	147,900
Total Boat Trailer Tickets distributed	n/a	11,500	11,500
Total Outer Lot Tickets distributed	289,430	289,500	289,500

PROGRAMS & SERVICES

WATERFRONT PROGRAMS

Administrative Support and
Community Relations

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Parking Services

➤ **Harbor Patrol**

Marina Management

Facilities Maintenance

Facilities Design and
Capital Programs



RECENT PROGRAM ACHIEVEMENTS

Harbor Patrol performed 1,230 Marine Sanitation Device (MSD) inspections and made 1,275 law enforcement contacts in fiscal year 2003.

Harbor Patrol

(Program No. 8131)

Mission Statement

Enforce laws, educate the public and provide emergency fire, medical and ocean response services to facilitate the safe and orderly use of the Waterfront area.

Program Activities

- Provide emergency response seven days a week, 24 hours a day within the Waterfront jurisdiction.
- Provide security and law enforcement in the Waterfront by patrolling the ocean and land areas.
- Enforce State and local laws.
- Coordinate operations with U.S. Coast Guard, Santa Barbara Police, Santa Barbara Fire, California Department of Fish and Game, and County Sheriff.
- Provide search and rescue, towing and dewatering service to ocean users.
- Provide fire response and prevention services.

Objectives for Fiscal Year 2005

- Respond to 93% of in-harbor emergencies within 5 minutes.
- Achieve a minimum average of 100 hours of training per Harbor Patrol Officer.
- Enhance public relations by conducting 36 class tours or other public relations events.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	12.50	12.50	12.50	12.50
Non-Permanent Employee Hours	n/a	n/a	n/a	4,732
Expenditures				
Salaries and Benefits	1,093,220	1,144,650	1,144,650	1,266,578
Supplies and Services	79,180	128,360	138,602	123,690
Non-Capital Equipment	15,119	9,500	15,566	16,500
Total Expenditures	\$ 1,187,519	\$ 1,282,510	\$ 1,298,818	\$ 1,406,768

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of 5 minute emergency response times	90%	93%	93%
Calls for service	3,000	1,200	1,200
Emergency responses inside Harbor (tows not included)	100	100	100
Emergency responses outside Harbor (tows not included)	100	100	100
Emergency vessel tows	n/a	175	175
Non-emergency (courtesy) vessel tows	300	250	250
Training hours per officer	n/a	80	100
Class tours or other public relations events	12	36	36
Marine Sanitation Device inspections	1,500	1,200	1,200
Enforcement contacts	1,300	1,300	1,300
Arrests	n/a	80	80
Parking citations	n/a	400	400

PROGRAMS & SERVICES

WATERFRONT PROGRAMS

Administrative Support and
Community Relations

Property Management

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Harbor Patrol

➤ **Marina Management**

Facilities Maintenance

Facilities Design and
Capital Programs



RECENT PROGRAM ACHIEVEMENTS

Marina Management completed a visitor-boat satisfaction survey and received a favorable response rate of over 90% satisfaction with services provided.

Marina Management

(Program No. 8141)

Mission Statement

Manage and administer full professional services to the boating public, harbor users, slip permittees, fishermen, visitors and the community at large.

Program Activities

- Manage 1,133 slip marina and associated facilities.
- Coordinate Waterfront events including Parade of Lights, Harbor Festival, Fourth of July, and Navy ship visits.
- Pursue measures and undertake activities directed at maintaining a clean ocean environment in the Harbor.
- Measure vessels, facilitate slip assignments, slip transfers and accommodation of visitors.
- Administer permit process for skiff, catamarans, outrigger canoes and small sailboats.
- Maintain office space and staff to facilitate services to the boating public, harbor users and visitors.

Objectives for Fiscal Year 2005

- Process 95% of slip trades, transfers, liveaboard permits or waiting list assignments within 10 working days of application completion or notice of acceptance (waiting list, liveaboard permits).
- Process 90% of visitor slip assignments within 30 minutes of vessel arrival at the harbor.
- Assign 90% of available outrigger and catamaran permits.
- Re-configure the process for assigning slips off the wait list and re-open the slip waiting list.
- Complete Harbor Commission review of a permit system for vessels moored east of Stearns Wharf.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.50	2.50	2.50	2.50
Non-Permanent Employee Hours	n/a	n/a	n/a	2,028
Revenues				
Fees and Service Charges	3,858,508	4,004,721	4,138,521	4,248,209
Other	30,707	7,500	7,500	10,000
Total Revenue	\$ 3,889,215	\$ 4,012,221	\$ 4,146,021	\$ 4,258,209
Expenditures				
Salaries and Benefits	182,605	188,865	188,865	205,473
Supplies and Services	51,492	61,535	66,232	60,987
Total Expenditures	\$ 234,097	\$ 250,400	\$ 255,097	\$ 266,460

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of trades, transfers, permits or assignments processed within 10 days	90%	95%	95%
Trades, transfers, permits or assignments processed	150	175	175
Percent of visitor slip assignments processed within 30 minutes	90%	90%	90%
Visitor occupancy days per year	n/a	17,000	17,000
Percent of outrigger and catamaran permits assigned	90%	90%	90%

PROGRAMS & SERVICES

WATERFRONT PROGRAMS

Administrative Support and
Community Relations

Property Management

Financial Management

Parking Services

Harbor Patrol

Marina Management

➤ **Facilities Maintenance**

Facilities Design and
Capital Programs



RECENT PROGRAM ACHIEVEMENTS

Staff completed 120 dock float repairs on Marina 1; replaced nearly 1,400 dock cleats on Marinas 1, 2, 3, and 4; and replaced 400 fire-retardant deck boards on Stearns Wharf.

Facilities Maintenance

(Program Nos. 8151, 8152, 8153)

Mission Statement

Provide clean and safe commercial and recreational facilities for tenants and visitors at the Harbor and Stearns Wharf.

Program Activities

- Maintain and repair the harbor, Stearns Wharf and Waterfront Parking lots, including buildings, ocean structures, pavement, utilities, vessels and equipment.
- Use tracking system to analyze preventive maintenance program effectiveness.

Objectives for Fiscal Year 2005

- Achieve 70% of in-service days for the Harbor Patrol fleet through preventive maintenance and services.
- Accomplish 90% of the preventative maintenance tasks.
- Reduce lost staff time due to injuries to 2,000 hours by holding safety training.
- Achieve a 75% satisfaction rate on a survey of commercial and restaurant tenants based on cleanliness, safety, and response time.
- Conduct a bi-annual tenant satisfaction survey for commercial and restaurant tenants based on cleanliness, safety, and response time.
- Quantify labor cost and equipment cost for holiday and special event support to identify possible cost savings.
- Act as Department liaison for the annual U.S. Army Corps of Engineers' Federal Channel Dredging to ensure the navigation channel is dredged to allow safe vessel transit in and out of the harbor.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	17.30	16.50	16.50	16.30
Non-Permanent Employee Hours	n/a	n/a	n/a	23,660
Expenditures				
Salaries and Benefits	1,106,929	1,309,891	1,309,891	1,393,397
Supplies and Services	1,412,081	1,570,518	1,617,397	1,584,658
Non-Capital Equipment	3,340	13,500	16,873	14,500
Total Expenditures	\$ 2,522,350	\$ 2,893,909	\$ 2,944,161	\$ 2,992,555

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of in-service days for Harbor Patrol fleet	n/a	70%	70%
Percent of preventative maintenance tasks completed	n/a	90%	90%
Lost staff hours due to injury	n/a	n/a	2,000
Satisfaction rate from tenants on cleanliness, safety and response time	n/a	n/a	75%

PROGRAMS & SERVICES

WATERFRONT PROGRAMS

Administrative Support and
Community Relations

Property Management

Financial Management

Parking Services

Harbor Patrol

Marina Management

Facilities Maintenance

➤ **Facilities Design and
Capital Programs**



RECENT PROGRAM ACHIEVEMENTS

Staff completed the first phase of major repairs to the breakwater, by injecting nearly 100 cubic yards of grout into voids, reducing sand infiltration into the harbor.

Facilities Design and Capital Programs

(Program No. 8161)

Mission Statement

Plan, design and execute needed construction and repair activities for Waterfront Facilities.

Program Activities

- Plan and design construction projects for Waterfront facilities in the Harbor, Stearns Wharf, and Waterfront parking lots.
- Develop contract specifications for Waterfront facility projects.
- Manage capital improvement projects including inspection, scheduling and public notification.

Objectives for Fiscal Year 2005

- Complete 80% of minor capital projects (projects under \$100,000) according to the approved schedule.
- Complete 70% of minor capital projects (projects under \$100,000) within the approved budget.
- Complete the Breakwater Cap Repair project.
- Begin the building remodel phase of the Chandlery Remodel/ Waterfront Offices Project by July 2004 and complete the remodel by the end of the fiscal year.

Financial and Staffing Information

	Actual FY 2003	Amended FY 2004	Projected FY 2004	Adopted FY 2005
Authorized Positions	2.70	2.50	2.50	2.70
Non-Permanent Employee Hours	n/a	n/a	n/a	-
Expenditures				
Salaries and Benefits	142,564	155,189	155,189	195,888
Supplies and Services	5,155	39,145	45,695	13,588
Equipment Capital	12	-	-	-
Capital Program	1,629,284	1,935,000	1,935,000	1,215,000
Total Expenditures	\$ 1,777,015	\$ 2,129,334	\$ 2,135,884	\$ 1,424,476

Program Performance Measures

	Adopted FY 2004	Projected FY 2004	Adopted FY 2005
Percent of minor capital projects completed on schedule	80%	80%	80%
Percent of minor capital projects completed under budget	n/a	70%	70%
Minor capital projects completed	11	57	60

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APPENDIX: Description of Funds

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, segregated for the purpose of carrying on specific activities, or complying with special regulations, restrictions, or limitations. The following provides a description of all accounting funds used by the City of Santa Barbara, including those for which a budget is not adopted.

GOVERNMENTAL FUNDS

The measurement focus for governmental funds is on current spendable resources, and as such, the balance sheets for these types of funds include only current assets and current liabilities. Governmental funds are accounted for on a modified accrual basis, thus revenues are recognized when measurable and spendable, and expenditures are recorded when the related liability is incurred.

General Fund

The City's General Fund accounts for activities and services traditionally associated with governments, such as police and fire, which are financed primarily through tax-generated revenues and not required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds from specific revenue sources, other than trusts or major capital projects, that are legally restricted to expenditures for specific purposes.

1995 Floods Fund

For costs incurred as a result of the two federally declared disasters in January 1995 and February 1998.

Community Development Block Grant Fund

For receipt and disbursement of the City's federal block grant funds.

County Library

For funds received and expended for library services on behalf of Santa Barbara County (non-City) residents.

Creeks Restoration and Water Quality Improvement (Measure B) Fund

For the receipt and disbursement of the creeks-related share of transient occupancy tax (2%), generated by the passage of Measure B in October 2000. These funds may only be used for operations and capital projects related to creeks restoration, cleanup and maintenance, and for creeks- and ocean-water quality improvement projects and activities.

Gas Tax Fund

For receipt and disbursement of the City's share of state gasoline taxes. State law requires that these funds be used to maintain streets.

HOME Grant Fund

For receipt and disbursement of federal HOME Investment Partnership Program funds which facilitate the development of affordable housing projects in the City.

Miscellaneous Grants Fund

For resources received from various granting agencies.

Police Asset Forfeiture Fund

For assets confiscated by police special operations and restricted for use in support of police operations.

Police Local Law Enforcement Block Grant Fund

For Federal grants funds received for local law enforcement activities.

APPENDIX: Description of Funds

Police Supplemental Law Enforcement Fund

For State voter-approved funds (AB 3229), restricted to public safety and law enforcement.

Redevelopment Agency Fund

For operations of the Redevelopment Agency. Tax increment revenues primarily support this fund.

Solid Waste Fund

For City operations related to solid waste in support of State AB 939.

Streets

For receipt and disbursement of streets-restricted utility users' tax for activities related to streets and roads. Fifty percent of the City's utility users' tax is restricted for this purpose.

Street Sweeping Fund

For receipt and disbursement of street sweeping parking violations revenue in connection with the City's Consolidated Clean Sweep Program which provides for sweeping of City streets in both commercial and residential neighborhoods.

Traffic Safety Fund

For receipt of fines collected pursuant to the California Vehicle Code. The State of California Government Code restricts use of these funds to traffic control devices, equipment and supplies related to traffic control or traffic safety, and maintenance of public streets. The funds may not be used to pay compensation to traffic or police officers.

Transportation Development Fund

For receipt and disbursement of the City's share of gasoline sales tax and Transportation Development Act of 1971. These funds may be used only for capital projects pertaining to streets, roads and bikeways.

Transportation Sales Tax (Measure D) Fund

For funds received from a one-half cent sales tax levied by the Santa Barbara County Association of Governments. The proceeds are restricted to transportation uses. Measure D was approved by the voters of Santa Barbara County in an election held on November 7, 1989. The tax became effective on April 1, 1990.

Debt Service Funds

Debt service funds are used to account for debt service expenditures on general long-term debt.

2002 Municipal Refunding Certificates of Participation

For the accumulation of funds for the payment of the General Fund's portion of the 2002 municipal improvement certificates of participation. These certificates mature in annual installments of \$65,000 to \$360,000, with final maturity in 2018.

1993 Redevelopment Agency Tax Allocation Bonds

For payment of the 1993 Tax Allocation Bonds. These bonds mature in annual principal installments of \$480,000 to \$2,200,000 through 2007.

1995 Redevelopment Agency Refunding Tax Allocation Bonds Series A and B

For the accumulation of funds for the payment of the 1995 Refunding Tax Allocation Bonds, Series A and B. These bonds mature in annual principal installments of \$2,300,000 to \$4,705,000 through 2008.

Redevelopment Agency Tax Allocation Bonds – Series 2001A

For the accumulation of funds for the payment of the 2001 Redevelopment Tax Allocation Refunding Bonds, Series A. These bonds mature in annual principal installments on serial bonds range from \$2,785,000 to \$4,340,000 through 2019.

APPENDIX: Description of Funds

1994 Water Refunding Revenue Bonds

For the accumulation of funds for the payment of the 1994 Water Revenue Refunding Serial Bonds. These bonds mature in annual principal installments of \$420,000 to \$510,000 through 2008

1994 Sewer Refunding Bonds

For the accumulation of funds for the payment of the 1994 Wastewater Revenue Refunding Serial Bonds. These bonds mature in annual principal installments of \$450,000 through 2003

Capital Projects Funds

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

Capital Outlay Fund

For all capital projects financed by the General Fund.

Redevelopment Agency Capital Projects Fund

For expenditures funded from the proceeds of the Agency's 1993 Tax Allocation Bonds.

PROPRIETARY FUNDS

Proprietary funds account for operations that are financed and operated in a manner similar to private sector enterprises, in that goods and services are provided to the general public (external users) or other City departments (internal users), and the costs of which are financed or recovered primarily through fees and service charges charged directly to the users of the goods and services. Proprietary funds use the accrual basis of accounting.

Enterprise Funds

Enterprise funds are used to report activities for which service charges or fees are charged to external users. Enterprise funds are financed and operated in a manner similar to private sector enterprises.

Airport Fund

For operations of the municipal airport and the administration of leases on airport property. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, capital acquisition and construction, financing and related debt service, and the billing and collection of fees.

Airport Capital Grants Fund

For all Airport capital projects funded FAA grants, PFC revenues, and long-term debt proceeds.

Downtown Parking Fund

For the provision of parking services in the downtown area of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital acquisition and construction, financing and related debt service, and the billing and collection of fees.

Golf Fund

For the operation of a municipal golf course. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, capital acquisition and construction, financing and related debt service, and the billing and collection of fees.

Wastewater Fund

For the provision of sewer services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, capital acquisition and construction, financing and related debt service, and the billing and collection of fees.

Water Fund

For the provision of water services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund including, but not

APPENDIX: Description of Funds

limited to, administration, operations, maintenance, capital acquisition and construction, financing and related debt service, and the billing and collection of fees.

Waterfront Fund

For the operations of the City-managed waterfront, the assets of which are part of the State of California Tideland Trust. Operations include: (1) a public wharf providing facilities for, and services to, leaseholders, restaurants, retail shops and other recreational activities; (2) a small watercraft harbor for commercial fishing, tour and privately-owned boats; and (3) the operation of all parking facilities in the waterfront area.

Internal Service Funds

Internal service funds are used to report activities for which service charges or fees are charged to internal users. These funds are used to account for the financing of goods or services provided by one City department to other City departments on a cost reimbursement basis.

Duplications Fund

For the costs of operating the City print shop that provides duplicating services to all City departments.

Intra-City Service Fund

For the costs of operating a City maintenance facility for automobiles and other vehicles used by all City departments and scheduled replacement of the motor pool. This fund also accounts for the citywide building maintenance operation, custodial and electronics maintenance operations.

Self-Insurance Fund

For the cost of providing workers' compensation, unemployment, liability and employee health insurance coverage on a citywide basis.

Information Systems Intra-City Service Fund

For the costs of the Information Systems operations for citywide computer and network maintenance and replacement.

FIDUCIARY FUNDS

Funds that account for resources held in a trustee, custodial or agency capacity for others.

Pension Trust Funds

Pension trust funds are used to account for the accumulation of resources for the locally administered safety retirement programs.

Safety Retirement Fund

For the accumulation of resources to be used for retirement benefits for those police and fire employees hired between May 17, 1937 and May 28, 1965.

Service Retirement Fund

For the accumulation of resources to be used for retirement benefits for those police and fire employees hired between May 17, 1937 and May 28, 1965, and who were disabled due to job related injuries.

Non-Expendable Trust Funds

Non-expendable trust funds are used to account for trust resources, wherein the City, in accordance with the terms of the trust agreement, can expend interest earnings of the trust, but the principal must remain intact. Like proprietary funds, non-expendable trust funds use the accrual basis of accounting.

Expendable Trust Funds

Expendable trust funds are used to account for trust resources, wherein the City, in accordance with the terms of the trust agreement, can expend the Trust's principal and interest earnings.

Library Gifts Fund

For gifts and bequests made to the City library. Funds are used for book replacement.

APPENDIX: Description of Funds

Agency Funds

Agency funds are used to account for resources for which the City acts as an agent, or custodian, for other governmental units, private organizations, or individuals.

Waste Hauler Fund

For the collection and disbursement of utility billings for refuse collection service provided under a franchise agreement.

California Law Enforcement Telecommunications System (CLETS) Fund

For monies received from various participating public agencies for the purchase of computer equipment for communication with the California Law Enforcement Tracking System (CLETS).

Revolving Rehabilitation Loan Fund

For rehabilitation loans made by the City through the use of various funding sources

Seismic Safety Assessment Fund

For the financial activities of the Seismic Assessment District #1.

APPENDIX: Legal Requirements and the Budgetary Process

Authoritative Basis for the Annual Budget

The authoritative basis for the development of the annual budget is provided in Article XII, Fiscal Administration, Section 1200 et. al. of the City of Santa Barbara Charter. Section 1200 specifically requires that "... at least sixty (60) days prior to the beginning of each fiscal year, the City Administrator shall submit to the City Council the proposed budget as prepared by him (her)."

Budgetary Roles and Responsibilities

The Budget Officer and the Finance Department, during budget pre-development, determine departmental revenue targets for use during budget development and develop cycle-specific information, such as debt service requirements and allocated costs. The Budget Officer works with the Treasury Manager from Finance Treasury throughout the entire budget development process to develop the base budget requirements for the next fiscal year through analysis of preliminary and final revenue estimates.

The Treasury Manager develops preliminary revenue estimates for departments during budget pre-development, and works with departments throughout the budget development process in revising the preliminary estimates for departmental revenues in order to reach final, revised estimates.

The Finance Department develops overhead cost allocations and works with the Public Works Department in preparing preliminary cost allocations for building maintenance, custodial and electronic maintenance services, and the City's Motor Pool. Finance also works with Information Systems to determine cost allocations for the desktop maintenance and replacement program, as well as cost allocations related to the City's financial management system.

The Finance Department also assists departmental budget staff to ensure that departmental budget submittals are complete, technically correct and submitted in a timely manner. During the budget review phase, Finance managers analyze requested budgets to determine that departments met their revenue target, and verify the accuracy of line-item budgets. Finance presents findings and recommendations to the City Administrator during the individual departmental meetings with the departments.

The Assistant City Administrator for Organizational Development works with all departmental Program Owners, Managers and Department Heads to ensure that the performance objectives contained in the Programs and Services narratives are measurable, actionable, specific and adequately cover the day-to-day activities of the operation, as well as any one-time projects or initiatives planned for the budget year.

Budget Steering Committee provides oversight to the entire budget process, with direction from the City Administrator, to ensure that Council goals and other citywide priorities are addressed throughout development of the budgets.

Departmental Staff develop line-item operating budgets and capital requests. Anticipated program adjustments are incorporated and communicated to the Finance Department for revising departmental revenue targets.

The City Administrator provides oversight of the Budget Steering Committee throughout the entire budget process. The City Administrator meets with Department Heads, Program Owners, Departmental Budget Staff and Budget Liaisons to review all departmental operating and CIP requests and makes recommended funding decisions, ensuring that Council goals and the Steering Committee's budget priorities are addressed. Also at these budget meetings, the City Administrator approves all operational goals and objectives for the coming fiscal year that have been laid out in the Programs and Services narratives. All recommendations and adjustments are incorporated into the City Administrator's recommended budget that is filed with the City Clerk and presented to City Council for approval.

The Finance Committee reviews the City Administrator's recommended operating and capital budget and makes recommendations to the full City Council.

Mayor and City Council review the City Administrator's recommended budget, along with the Finance Committee's recommendations, approve or adjust as necessary, and adopt the final operating and capital budget.

APPENDIX: Legal Requirements and the Budgetary Process

Budgetary Basis and the Budgetary Level of Control

Governmental funds are budgeted using the modified accrual basis, consistent with the basis of accounting. Briefly, this means that expenditures are recognized when the related liability is incurred; revenues are recognized to the degree that they are earned and available to finance expenditures of the current period. The only exception is the budgeting of capital projects, in which the entire cost of the capital project is included in the first year, and subsequently carried over until project completion.

Similarly, Proprietary Funds use the modified accrual basis of budgeting, but use the accrual basis of accounting. Differences arise between the two bases for several items: depreciation expense is recorded on a GAAP basis only; debt service retirement, including principal and interest payments, are budgeted as expenditures; and, like governmental funds, all costs of capital projects are included in the budget for the first year of the project.

Budgets are monitored at varying levels of classification detail. However, expenditures cannot exceed total appropriations at the department level for the General Fund, and at the fund level for all legally budgeted funds (proprietary funds).

Specifically, the budget is controlled at the following levels:

1. Departments are authorized to transfer amounts between individual line-item expenditure categories within a particular major object group.
2. The City Administrator is authorized to transfer amounts within individual departmental budgets, both between programs and between major object groupings.
3. City Council must authorize all budget amendments that alter the total appropriations of a particular department.

Two-Year Budget Cycle

On November 27, 1984, the City Council adopted Resolution No. 84-182, approving the concept of a two-year budget cycle for the City of Santa Barbara. This action provided that:

1. City Council would approve a two-year program and financial plan at the beginning of each two-year cycle; and
2. Consistent with City Charter requirements, the City Council would adopt a budget for the program on an annual basis.

Significant characteristics of a two-year budget process, in addition to the items noted above, are:

- o Budget preparation and analysis will be for two years, occurring in the fiscal year immediately preceding the two-year cycle.
- o Mid-cycle adjustments will be managed as mid-year adjustments are managed; that is, outside of the budget development process, but subject to City Council approval.
- o The two-year budget cycle will be developed in conjunction with the establishment of the City Council two-year goals and action plan.

Implementation of a two-year budget cycle does not preclude adjustments at mid-cycle or modifications to the second year recommendations due to special circumstances or significant changes in revenue projections. It does, however, eliminate much of the repetitive and time-consuming aspects associated with the development of budget estimates, particularly for those programs that tend to remain constant. In addition, because the City Council is already focusing on a two-year commitment, the two-year budget process facilitates a long-term, program and financial planning approach.

APPENDIX: Legal Requirements and the Budgetary Process

The following summarizes the City of Santa Barbara's two-year budget process.

Budget Process - Year One

Pre-Development Activities

Council goals and program priorities are developed.

Finance Department develops preliminary revenue projection.

Revenue targets are developed by City Administrator and distributed to departments.

The Finance and Public Works departments develop allocated costs.

Departments submit capital project requests to Capital Improvement Program Coordinator.

Anticipated program adjustments are communicated to the Finance Department.

Budget Preparation

Cycle-specific information is distributed to each department.

Departments develop line-item budget estimates, document text information, and annual performance plans for each program.

Edit and Review of Departmental Submittals

Finance Department performs preliminary review of departmental line-item submittals.

Budget Liaisons review department line-item and text submittals.

City Administrator holds meetings with each department.

Production and Publication of Budget Document

Finance Director and staff develop the tables, charts and graphs, prepare summary schedules and fund overviews, and compile and publish all sections the document, as well as post the Recommended Budget to the Internet.

City Administrator and staff prepare "City Administrator's Budget Message" and review annual performance plans included in the program narratives.

The Recommended Budget is filed with the City Clerk's Office.

Public Review

Boards and Commissions review the Recommended Budget.

City Council and Finance Committee review the Recommended Budget, including Capital Program and Fee Resolutions,

City Council approves and/or adjusts the City Administrator's Recommended Budget, as appropriate.

Public hearings are held.

Budget overview and department presentations are held.

Budget information made available in accordance with Public Information Plan.

APPENDIX: Legal Requirements and the Budgetary Process

Budget Adoption

City Council adopts, by resolution, the two-year financial plan and the operating and capital program budgets for year one of the two-year financial plan.

Finance Department updates and publishes the budget document, and post to the Internet.

Budget Process - Year Two

Mid-Cycle Review

Finance Department updates the revenue projections for year two of the two-year financial plan.

Year two recommendations are revised, if necessary.

If necessary, an addendum to the two-year plan is prepared by the City Administrator.

Presentation and Adoption

City Administrator presents addendum and a summary of the proposed budget for year two to the City Council. This document identifies the following:

- Changes to the two-year financial plan approved at mid-cycle.
- Any changes to the City Administrator's second year recommendations.
- The progress of the City Council's two-year goals and action plan.
- A summary of the second year's budget by program.

City Council reviews the addendum information and approves and/or adjusts the changes made by the City Administrator, as appropriate.

A public hearing is held.

Council adopts, by resolution, the operating and capital budget for year two of the two-year financial plan.

APPENDIX: Budget Policies

General Policies

All current operating expenditures will be financed with current revenues.

Budgetary emphasis will focus on providing high quality municipal services, recognizing the fundamental importance to the public of public safety and properly maintained infrastructure.

The budget will provide sufficient funding for adequate maintenance and orderly replacement of capital plant and equipment.

The budget will reflect a higher priority for maintenance of existing facilities than for acquisition of new facilities.

Future maintenance needs for all new capital facilities will be fully costed out, and added costs will be recognized and included in future year budget projections.

Strong customer service and productivity improvements, with a focus on cost savings, remain important budgetary goals.

Productivity improvements resulting in cost reduction will remain an important budgetary goal.

Revenue Policies

A diversified and stable revenue system will be maintained to shelter the City from short-run fluctuations in any single revenue source.

Revenues will be conservatively estimated, will be projected for the next four years and will be updated at least annually.

Intergovernmental assistance in the form of grants and loans will be used to finance only:

- Capital improvements that are consistent with the Six-Year Capital Program priorities and can be maintained and operated over time; and
- Operating programs which either can be sustained over time or have a limited horizon.
- One-time revenues will be used for operating programs only after an examination determines whether they are subsidizing an imbalance between operating revenues and expenditures, and then only if a long-term forecast shows that the operating deficit will not continue. In general, one-time revenues will be used only to support capital or other non-recurring expenditures.

All fees and charges for each enterprise fund will be set at a level that fully supports the direct and indirect cost of the enterprise.

Reserve Policies

An Appropriated Reserve will be included in each operating fund's adopted budget to provide for unanticipated expenditures or to meet unexpected small increases in service delivery costs within the fiscal year. This reserve will be budgeted up to ½ of 1% of the operating budget and any unused portion will be returned to fund balance at the end of the fiscal year.

Each operating fund will establish a Capital Reserve funded to at least 5% of the value of its capital assets. In the alternative, the amount may be established at an amount equal to the average of the adopted capital program budgets for the previous five years. The goal for the General Fund Capital Reserve shall be set to at least \$1 million. Appropriations from these reserves will be to fund major capital costs.

For each operating fund there will be a reserve equal to 15% of its annual operating budget for the purpose of responding to emergencies. It may take more than one year to meet the 15% goal if these emergency reserves do not presently meet the 15% goal.

Each operating fund will establish and maintain a reserve equal to 10% of its annual operating budget for the purpose of providing for unique one-time costs and maintenance of City services and permit orderly budget adjustments during periods of reductions. Appropriation of these reserves to operating budgets should, when feasible, be accompanied by a plan for the replenishment within a reasonable period of time.

APPENDIX: Budget Policies

Funding of reserves will come generally from one-time revenues, excess fund balance and projected revenues in excess of projected expenditures. They will generally be reserved in the following priority order:

- Reserve for Economic Contingency/Emergencies
- Reserve for Capital
- Reserve for Future Years' Budgets

However, flexibility will be retained to allocate available funds among the reserves based on the current circumstances and needs of the City's various operating funds.

Appropriation or use of funds from any of these reserves will require Council action.

Debt Policy

It is the intent of the City of Santa Barbara to issue debt in a manner that adheres to state and federal laws, existing bond covenants and prudent financial management. A summary of existing debt obligations by fund and a summary of total annual debt service requirements is provided in this section under "Debt Obligations".

The General Fund currently does not have any general obligation bonds and does not anticipate issuing such debt. Existing General Fund debt includes certificates of participation for capital improvements to City facilities. As of June 30, 2003, the outstanding balance is \$3,930,300 and annual debt service requirement is \$354,374.

With respect to financing of future capital improvements, General Fund annual budgeted expenditures provide for funding of general capital improvements. In addition, current City policy provides for the use of accumulated reserves in excess of policy requirements for one-time costs, including major capital projects.

Restrictions affecting the issuance of debt relate to existing bond covenants associated with the outstanding Water and Wastewater Fund Revenue Bonds. Specifically, existing bond covenants require that net system revenues (operating revenues less operating expenses, excluding depreciation) must be at least 125% of the annual debt service requirements (maximum).

Based on these restrictions and existing annual debt service requirements, total annual debt service capacity for the Water Fund and Wastewater Fund is approximately \$4.0 million and \$858,000, respectively, based on operating results for the year ended June 30, 2003. For fiscal year 2004, the current total debt service requirement for all existing debt is approximately \$2.4 million and \$459,000 for the Water Fund and Wastewater Fund, respectively.

Based on a net assessed value of property of approximately \$9.28 billion, the legal debt limit is \$927.9 million. Currently, there is no outstanding debt subject to limitation.

No other restrictions exist.

APPENDIX: Annual Budget Calendar

NOVEMBER 2003

<i>Monday, November 1</i>	▶ BUDGET SYSTEM INITIALIZATION ▶ Budget Calendar distributed to departments ▶ Schedule of Pre-Budget Meetings with City Administrator distributed to departments
<i>Monday, November 1 - Tuesday, November 25</i>	▶ Finance prepares the General Fund multi-year forecast, non-departmental revenue estimates, salaries and benefit projections, and departmental revenue targets
<i>Monday, November 10</i>	▶ Public Works and Information Systems (Internal Service Funds) cost allocation schedules due to Finance ▶ Property and liability insurance premium estimates finalized ▶ Retiree medical contributions and other status quo adjustments calculated
<i>Wednesday, November 12</i>	▶ BUDGET STEERING COMMITTEE - Review proposed revenue estimates
<i>Wednesday, November 19</i>	▶ BUDGET STEERING COMMITTEE - Final revenue estimates approved, multi-year forecast discussion, scope of problem, and proposed macro strategy decided
<i>Tuesday, November 25</i>	▶ BUDGET STEERING COMMITTEE (SPECIAL MEETING) - Continue preliminary balancing, decide revenue target adjustment and proposed department allocations

DECEMBER 2003

<i>Monday, December 1</i>	▶ Review multi-year forecast, scope of financial problem, and proposed strategy at Department Head Staff Meeting
<i>Monday, December 1 - Friday, December 5</i>	▶ City Administrator Pre-Budget Meetings with departments
<i>Wednesday, December 3</i>	▶ BUDGET STEERING COMMITTEE - discuss ICS allocations, finalize departmental revenue target allocations
<i>Monday, December 8</i>	▶ Proposed allocation of non-departmental revenues for Revenue Targets reviewed at Department Head Staff Meeting

Budget

Budget Meetings

Capital

Performance Measures

Council Goals

APPENDIX: Annual Budget Calendar

DECEMBER 2003 (continued)

- Wednesday, December 8* ▶ Council Worksession - Phase I. Preliminary financial issues, 4-year financial forecast presented, and highlights of major activities of departments
- Wednesday, December 10* ▶ BUDGET STEERING COMMITTEE - Final approval of revenue target allocations
- Friday, December 12* ▶ Departmental budget training
- Monday, December 15* ▶ **BUDGET KICK-OFF.** Discussion of revenue target allocations at Department Head Staff meeting. Budget reports, including status quo budgets, positions and temporary employee reports, and revenue target allocations distributed

JANUARY 2003

- Friday, January 9* ▶ AEE reports for 6 months ended December 31, 2003 available to departments
▶ Draft Cost Allocation Plan and General Fund User Fee Study available
- Tuesday, January 20* ▶ P3 Quarterly Report due to City Administrator for 2nd quarter of fiscal year 2004
- Friday, January 30 -
Friday, February 13* ▶ Budget submittals and P3 annual plans due (staggered due dates)

FEBRUARY 2003

- February (Date T.B.D.)* ▶ Council Worksession - Phase II
- Friday, January 30 -
Friday, February 13* ▶ Budget submittals and P3 annual plans due (staggered due dates)
- Tuesday, February 17 -
Friday, March 5* ▶ Department budget review meetings with City Administrator

Budget

Budget Meetings

Capital

Performance Measures

Council Goals

APPENDIX: Annual Budget Calendar

MARCH 2003

Monday, February 9 -

Friday, March 5

- ▶ Department budget review meetings (continued)

Wednesday, March 10

- ▶ **BUDGET BALANCING**

Monday, March 15 -

Monday, April 12

- ▶ Budget document compiled, published, and posted to Internet

APRIL 2003

Monday, March 15 -

Monday, April 12

- ▶ Budget document production (continued)

Tuesday, April 13

- ▶ **City Administrator's Recommended Budget filed with City Clerk**
- ▶ Schedule of Budget Presentations & Public Hearings approved by Council
- ▶ Recommended budget posted to the Internet and available on CD-ROM
- ▶ P3 Quarterly Report due to City Administrator for 3rd quarter of fiscal year 2004

Tuesday, April 27

- ▶ Budget overview presentation to Council
- ▶ Open the public hearings on the recommended budget
- ▶ Budget review by Finance Committee

MAY 2003

Tuesday, May 4

- ▶ Budget presentation to Council
- ▶ Continue the public hearings
- ▶ Budget review by Finance Committee

Tuesday, May 11

- ▶ Budget presentation to Council
- ▶ Continue the public hearings
- ▶ Budget review by Finance Committee

Budget

Budget Meetings

Capital

Performance Measures

Council Goals

APPENDIX: Annual Budget Calendar

MAY 2003 (continued)

- Thursday, May 13* ▶ Special Finance Committee meeting for budget review
- Tuesday, May 18* ▶ Budget presentation to Council
▶ Continue the public hearings
▶ Budget review by Finance Committee
- Thursday, May 20* ▶ Special Finance Committee meeting for budget review
- Tuesday, May 25* ▶ Budget presentation to Council
▶ Continue the public hearings
▶ Final decisions by Finance Committee

JUNE 2003

- Tuesday, June 8* ▶ Continue the public hearings
▶ Close the public hearings
▶ Finance Committee recommendations to Council regarding budget, fees, staff adjustments, and capital program
▶ Preliminary budget instructions from Council to staff
- Tuesday, June 15* ▶ Final budget instructions from Council to staff
- Tuesday, June 22* ▶ **BUDGET ADOPTION BY COUNCIL**
- Wednesday, June 23 -
Friday, June 25* ▶ Adopted budget transfer to general ledger
▶ Adopted budget reports printed from general ledger, reviewed and distributed

JULY 2004

- Tuesday, July 20* ▶ P3 Quarterly Report due to City Administrator for 4th quarter of fiscal year 2004
- Thursday, July 22* ▶ Adopted budget published and posted to Internet

Budget

Budget Meetings

Capital

Performance Measures

Council Goals

APPENDIX: Gann Appropriation Limit

Article XIII B of the California State Constitution, commonly referred to as the “Gann Appropriation Limit”, was adopted by the California voters in 1980. The Gann Limit places a limit on the amount of tax proceeds that government agencies can receive and appropriate each year.

The Gann Appropriation Limit is based on actual appropriations during the 1979 fiscal year, and is adjusted each year using the growth in population and inflation. The City's limit is adopted by resolution each year by the City Council.

In 1990, Proposition 111 made changes to the manner in which the Appropriation Limit is calculated by allowing government agencies a choice of annual growth factors. Proposition 111 also provides for the exclusion from the calculation of capital expenditures for fixed assets of \$100,000 or more in value that have a useful life of ten years or more.

The fiscal year 2005 Gann Appropriation Limit is calculated as follows:

Appropriations Subject to Limitation

Fiscal year 2004 adopted revenues		\$	89,940,537
Less:			
Nonproceeds of tax			(29,150,804)
Qualified Capital Outlay			(2,779,410)
Federal Mandates:			
Medicare	(471,788)		
FLSA - Fire Department	(477,090)		(948,878)
Plus: User fees in excess of costs			-
Total Appropriations Subject to Limitation		\$	57,061,445

Appropriation Limit

Fiscal year 2004 appropriation limit, adopted		\$	78,906,823
A. Inflation adjustment, CPI	1.0328		
B. Population adjustment	1.0114		
Change factor (A X B)	1.0446		
Increase in appropriation limit			3,517,186
Fiscal year 2005 appropriation limit		\$	82,424,009
Remaining appropriation capacity		\$	25,362,564
Available capacity as a percent of appropriation limit			30.77%

APPENDIX: Debt Obligations

REVENUE BONDS

Water Fund:

\$9,780,000 – 1994A Water Revenue Refunding Serial Bonds. Remaining annual installments ranging from \$345,000 to \$535,000 through September 1, 2008, term bonds of \$3,835,000 due on September 1, 2014, interest at 4.4% to 5.1% due semi-annually. Bonds maturing on or after September 1, 2004, shall be subject to redemption, at the option of the City, upon at least 45 days prior written notice to the Trustee specifying the date and amount of such redemption, on or after September 1, 2003, in whole or in part on any date (by lot within any maturity and among maturities as specified by the City). Bonds maturing on September 1, 2014 shall be subject to mandatory redemption, on each date that a sinking installment payment for such Term Bonds is payable from sinking installment, by lot, in an amount equal to such sinking installment payments, plus accrued interest to the redemption date and without premium.

\$ 6,675,000

Wastewater Fund:

\$3,890,000 – 1994A Wastewater Revenue Refunding Serial Bonds. Remaining annual installments of \$400,000 to \$450,000 through July 1, 2003, interest at 3.75% to 4.0%, due semi-annually.

450,000

Total Revenue Bonds

\$ 7,125,000

TAX ALLOCATION BONDS

Redevelopment Agency:

\$38,855,000 – 2001 Redevelopment Agency Tax Allocation Refunding Bonds, Series A. Remaining annual principal installments on serial bonds range from \$2,785,000 to \$4,340,000 beginning March 1, 2009 through March 1, 2019. Interest rates range from 4.0% to 5.0% payable semi-annually on September 1 and March 1.

\$ 38,305,000

\$28,170,000 - 1995 Redevelopment Agency Tax Allocation Refunding Bonds, Series A. Remaining annual principal installments on serial bonds range from \$2,105,000 to \$3,265,000 through March 1, 2005. Term bonds of \$7,235,000 are due March 1, 2008. Interest rates range from 3.65% to 6.0% payable semi-annually.

11,585,000

\$6,845,000 – 1995 Redevelopment Agency Tax Allocation Refunding Bonds, Series B. \$1,495,000 term bonds are due March 1, 2001; \$1,130,000 term bonds are due March 1, 2003; and \$2,545,000 term bonds are due March 1, 2007. Interest rates range from 4.375% to 6.35% payable semi-annually.

2,545,000

\$14,605,000 – 1993 Redevelopment Agency Tax Allocation Bonds. Remaining annual installments range from \$805,000 to \$2,200,000 through March 1, 2007. Interest rates range from 5.1% to 8.5%, payable semi-annually. Bonds maturing on or after March 1, 2004, are subject to redemption, at the option of the Agency, as a whole, or in part in inverse order of maturity, and by lot within a maturity, from any source of available moneys at a specified redemption price at any interest payment date on or after March 1, 2003.

7,240,000

Total Tax Allocation Bonds

\$ 59,675,000

APPENDIX: Debt Obligations

CERTIFICATES OF PARTICIPATION

Tidelands Trust - Waterfront:

\$19,405,000 - 2002 Waterfront Refunding Certificates of Participation. Remaining annual installments range from \$490,000 to \$1,230,000 beginning October 1, 2002 through 2027. Term certificates of \$16,090,000 are due in October 2027. Interest rates range from 3.75% to 6.75% payable semi-annually. Certificates maturing on or after October 1, 2004, are subject to optional prepayment prior to maturity on or after October 1, 2003. The Certificates are subject to mandatory prepayment prior to maturity on any date, in inverse order of maturity and by lot within a maturity, from the net proceeds of insurance or condemnation awards.

**Outstanding at
June 30, 2003**

\$18,685,000

General Fund:

\$4,184,400 - 2002 Refunding Municipal Certificates of Participation, remaining annual installments range from \$204,600 to \$339,000 beginning August 1, 2003 through 2017. Interest rates range from 3.0% to 4.625% payable semi-annually.

3,930,300

Golf Fund:

\$2,155,600 - 2002 Refunding Municipal Certificates of Participation. Remaining annual installments range from \$105,400 to \$175,100 beginning August 1, 2003 through 2017. Interest rates range from 3.0% to 4.75% payable semi-annually.

2,024,700

Water Fund:

\$15,535,000 - 2002 Refunding Water Certificates of Participation. Remaining annual installments range from \$380,000 to \$675,000 beginning September 1, 2003 through 2027. Interest rates range from 3.0% to 4.75% payable semi-annually.

15,000,000

Total Certificates of Participation

\$ 39,640,000

LOANS PAYABLE

**Outstanding at
June 30, 2003**

Water Fund:

\$2,000,000 - State Department of Water Resources Loan. Due in 20 annual payments of \$150,894 each on April 30. Interest is 4.0128% per annum. The final payment is due April 30, 2009.

\$ 802,923

\$5,000,000 - State Department of Water Resources Loan. Due in 20 annual payments of \$342,477 on April 30. Interest is 3.1% per annum. The final payment is due November 30, 2011.

2,550,406

\$5,110,456 - State Department of Water Resources Loan. Due in semi-annual payments commencing January 1, 2006. Interest is 2.5132% per annum. The final payment is due July 1, 2025.

5,110,456

Total Loans Payable

\$ 8,463,785

APPENDIX: Debt Obligations

The annual requirements to amortize all debts outstanding as of June 30, 2003 are as follows:

Fiscal Year Ending	Principal Payments				Total
	Revenue Bonds	Tax Allocation Bonds	Certificates of Participation	Other Loans	
2004	\$ 870,000	\$ 4,195,000	\$ 1,180,000	\$ 382,089	\$ 6,627,089
2005	435,000	4,365,000	1,210,000	395,017	6,405,017
2006	460,000	4,630,000	1,250,000	408,390	6,748,390
2007	480,000	4,915,000	1,275,000	422,221	7,092,221
2008	510,000	3,265,000	1,330,000	436,528	5,541,528
2009 - 2013	2,960,000	15,115,000	7,165,000	1,309,084	26,549,084
2014 - 2018	1,410,000	18,850,000	8,675,000	-	28,935,000
2019 - 2023	-	4,340,000	8,135,000	-	12,475,000
2024 - 2028	-	-	9,420,000	-	9,420,000
Principal outstanding	7,125,000	59,675,000	39,640,000	3,353,329	109,793,329

Fiscal Year Ending	Interest Payments				Total
2004	319,320	3,034,365	1,577,281	111,283	5,042,249
2005	289,800	2,812,907	1,550,956	98,355	4,752,018
2006	268,320	2,546,219	1,523,956	84,982	4,423,477
2007	245,760	2,262,254	1,493,506	71,150	4,072,670
2008	222,000	1,960,754	1,458,686	56,842	3,698,282
2009 - 2013	708,000	7,622,730	6,690,497	88,155	15,109,382
2014 - 2018	68,400	3,503,450	5,409,796	-	8,981,646
2019 - 2023	-	217,000	3,543,369	-	3,760,369
2024 - 2028	-	-	1,130,381	-	1,130,381
Interest outstanding	2,121,600	23,959,679	24,378,428	510,767	50,970,474
Net Debt Service Obligation	9,246,600	83,634,679	64,018,428	3,864,096	160,763,803

APPENDIX: Budget Glossary

Accrual Basis of Accounting: Proprietary and non-expendable trust fund types utilize the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, such that revenues and expenditures are recognized when the underlying event or transaction takes place.

Appropriation: An authorization granted by the legislative body of a government, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period by the City Council. Non-operating appropriations, i.e., capital and special projects, continue in force through a budget re-appropriation (or carryover) until fully expended or until the City has accomplished or abandoned the purpose for which Council originally granted the appropriation.

Appropriation Resolution: The official enactment by the legislative body establishing the legal authority for officials to obligate and expend resources.

Assessed Value: The value placed on real and other property as a basis for levying property taxes. For all agencies in the State of California, assessed value is established by the County for the secured and unsecured property tax rolls; the State Board of Equalization establishes assessed value of utility property tax rolls.

Balance Sheet: A statement purporting to present the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specific date.

Basis of Accounting: The timing of recognition, that is, when the effects of transactions or events are recognized for financial reporting or budgeting purposes. The three bases of accounting for governmental agencies are: (1) cash basis (when cash is received or paid), (2) accrual basis (when the underlying transaction or event takes place) and, (3) modified accrual basis (revenues recognized in the accounting period in which they become available and measurable and expenditures recognized in the accounting period in which the fund liability is incurred).

Bond: A written promise to pay (debt) a specified sum of money (principal or face value) on a specific future date (the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to finance large-scale capital projects such as buildings, bridges, streets, and utility infrastructure.

Bond Rating: An evaluation of a bond issuer's credit quality and perceived ability to pay the principal and interest on time and in full. Two agencies regularly review city bonds and generate bond rating: Moody's Investors Service and Standard and Poor's Ratings Group.

Budget: A plan for the expenditure of financial resources covering a specific time period, usually one year, which, by adoption, constitutes legal authority to spend. The City of Santa Barbara adopts an annual budget from July 1 – June 30. The budget contains appropriations needed to continue the City's operations for the year and the revenues anticipated to finance them.

Budget Amendment: Under the City Charter, the City Council has the sole responsibility for adopting the City's budget, and may amend or supplement the budget at any time after adoption by a majority vote. The City Administrator has the authority to approve administrative adjustments to the budget, as long as the adjustments will not have a significant policy impact, or affect the bottom-line appropriations for any given department.

Budget Calendar: A schedule of key dates and milestones that a government follows in the preparation and adoption of the budget.

Budgetary Basis of Accounting: The method of accounting applied to the budgetary accounts and the process used to determine when revenues and expenditures are recognized for budgetary purposes. The City of Santa Barbara uses the modified accrual basis for budgeting all funds, including proprietary funds.

Budgetary Control: The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of appropriations and available revenues. The level of budgetary control for City Council is at the department level. For the City Administrator, budgetary control is within a department, at the program level and at the major object level (groupings of individual line-item expenditure categories, for example, salaries and benefits, supplies and services, special projects, and non-capital equipment categories). For departments, budgetary control is at the line-item level within a particular major object group.

Budget Message: A general discussion of the budget presented in writing as a part of, or supplement to, the budget document. The budget message explains the principal issues against the background of financial trends and the priorities set forth in the budget.

Capital Asset: A tangible, fixed asset that is long-term in nature, of significant value, and obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include land, buildings, equipment, improvements to buildings, and infrastructure (i.e., streets, highways, bridges and other immovable assets). A capital asset is defined as an asset with a useful life extending beyond a single accounting period. The capitalization threshold for the City of Santa Barbara is \$10,000.

Capital Expenditure: An amount expended for fixed asset acquisitions and improvements. The capitalization threshold for the City of Santa

APPENDIX: Budget Glossary

Barbara is \$10,000.

Capital Budget: A plan of capital expenditures and the means of financing them. The capital budget is adopted as part of the complete annual budget, including both operating and capital outlays.

Capital Improvement Plan (CIP): A formal long-term (multi-year) plan for the acquisition and improvement of major assets, such as land, buildings, machinery and equipment, and infrastructure (i.e., streets, highways, bridges, and other immovable assets). The CIP identifies the expected beginning and ending date for each project, the amount to be expended in each, and the method of financing those expenditures. The City of Santa Barbara prepares a six-year CIP and the threshold for inclusion in the CIP is \$25,000.

Capital Lease: An agreement that conveys the rights to use property, plant or equipment, usually for a stated period of time.

Capital Projects Fund: A governmental fund type used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds). See also *Governmental Fund*.

Carryover: Expenditure originally planned in the current year but, because of delays, is postponed to the following fiscal year.

Certificate of Participation: A form of lease-purchase financing used to construct or acquire capital facilities and equipment.

Change in Service: A change in the nature, type or level of service provided by a City program from that provided in the prior fiscal year's adopted budget, as amended.

Community Development Block Grant (CDBG): Grant funds allocated by the federal government to the City of Santa Barbara to use for the prevention and removal of slum and blight, and to benefit low- and moderate-income persons. The City disburses these funds through an annual application process open to all nonprofit organizations and City departments.

Contingency: An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as shortfalls in revenue and similar eventualities, natural disasters, and federal mandates,

Contractual Services: Expenditures for City services performed by firms, individuals or other city departments.

Cost-Reimbursement Basis: The setting of service charges and fees such that costs are systematically recovered on a break-even basis over time. This term is used in connection with internal service funds.

Debt Instrument: A vehicle for borrowing funds,

including general obligation bonds, revenue bonds, lease/purchase agreements, lease-revenue bonds, tax allocation bonds, certificates of participation, and assessment district bonds. See also *Bond*.

Debt Service: Payment of interest and repayment of principal to holders of a government's debt instruments.

Debt Service Fund: A governmental fund type used to account for the payment and accumulation of resources related to general long-term debt principal and interest; debt service payments related to enterprise operations are directly accounted for in the enterprise fund itself. See also *Governmental Fund*.

Debt Service Requirement: The amount of money required to pay interest and principal on outstanding debt and the required contributions to accumulate monies for future retirement of long-term bonds.

Department: An operational and budgetary unit designated by the City Council to define and organize City operations, or a group of related operations within a functional area.

Encumbrance: Legal commitments related to unperformed (executory) contracts for goods and services. At year-end, encumbrances represent a reservation on fund balance.

Enterprise Fund: A proprietary fund type used to account for operations that are financed and operated in a manner similar to private sector enterprises, such that the costs of providing goods and services to the general public are financed or recovered primarily through fees charged directly to the users of the goods or services provided. The City of Santa Barbara has ten enterprise funds, including Airport Operating and Capital, Golf, Downtown Parking, Water Operating and Capital, Wastewater Operating and Capital, and Waterfront Operating and Capital Funds. See also *Proprietary Fund*.

Enterprise Fund Accounting: Accounting used for government operations that are financed and operated in a manner similar to private sector enterprises, and for which preparation of an income statement is desirable. Enterprise Funds use the accrual basis of accounting.

Estimated Revenue: The budgeted projected revenues, which are expected and realizable during the budget fiscal year, to finance all or part of planned expenditures.

Expenditure: The outflow of funds paid, or to be paid, for goods and services received during the current period. Note: an encumbrance is not expenditure; rather it represents a reservation on fund balance.

Expense: The incurrence of liabilities or the consumption of assets arising from the delivery or production of goods, rendering services or carrying out other activities that constitutes the entity's ongoing major or central operation. This

APPENDIX: Budget Glossary

term applies to the City's Enterprise and Internal Service Funds.

Fiduciary Fund: A major fund type used to account for assets held by the City in a trustee, agency or custodial capacity for others. The City of Santa Barbara has pension trust, expendable trust, non-expendable trust, and agency funds within the fiduciary fund type. Expendable trust funds are accounted for in the same manner as governmental funds, using the modified accrual basis of accounting. Pension trust and non-expendable trust funds use the accrual basis of accounting. An agency fund is custodial in nature in that it does not measure results of operations and the assets equal liabilities (i.e., all assets are held solely for the benefit of others).

Fiscal Year: The 12-month period to which the annual operating budget applies, at the end of which a government determines its financial position and the results of its operations. The City of Santa Barbara operates on a fiscal year from July 1 through June 30.

Fixed Asset: See *Capital Asset*.

Full-Time Equivalent (FTE): The standardized unit of measurement of staffing equal to 2,080 hours of work per year.

Fund: A separate fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances and changes therein are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations. There are three major fund types: governmental, proprietary, and fiduciary.

Fund Balance: From a strict accounting perspective, fund balance represents the excess of assets over liabilities. It also represents the cumulative effect of revenues and other financing sources over expenditures, and other financing uses that are available for reservation, designation or appropriation. A negative fund balance is called a *fund deficit*. Fund balance is also known as financial position for governmental type funds.

General Fund: The primary operating fund of a governmental organization that accounts for activities and services not required to be accounted for in another fund, and traditionally associated with governments, such as police and fire service, which are financed primarily through tax, intergovernmental and other non-exchange revenues.

General Obligation Bond: A bond sold to generate financing for various purposes, and to be repaid with normal, unrestricted operating revenue, usually from the General Fund.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards and guidelines for accounting and reporting. These

standards govern the form and content of the annual financial statements of an entity. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

Governmental Activities: Activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues, and usually reported in governmental and internal service funds.

Governmental Fund: A major fund type generally used to account for tax-supported activities. Governmental funds use the modified accrual basis of accounting. The City of Santa Barbara uses four types of governmental funds: general, special revenue, debt service, and capital projects funds.

Grant: Contributions of cash or other assets donated from one governmental agency or organization to another, and usually restricted for a specific purpose. Typically, these contributions are made to local governments from state and federal governments.

Infrastructure: Facilities that support the daily life and growth of the City, for example, roads, waterlines, sewers, public buildings, parks and airports.

Interfund Reimbursements: Payments from one fund to another to reimburse costs to the recipient fund.

Interfund Transfers: Payments from one fund to another to finance the operations of the recipient fund.

Internal Service Fund: Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government on a cost-reimbursement basis. See also *Proprietary Fund*.

Liability: Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed or refunded at some future date. Note: the term does not include encumbrances.

Line-Item Budget: A budget that lists detailed expenditures categories separately, along with the amount budgeted for each specified category. The City of Santa Barbara uses program rather than line-item budgeting; however, detailed line-item accounts are maintained and recorded for financial reporting and control purposes.

Major Object: Categorized groupings of individual line-item expenditures that are similar in nature. For example, the City's major object categories include salaries and benefits, supplies and services, special projects, non-capital equipment, capital equipment, and miscellaneous.

Mandate: Legislation passed by the state or federal government requiring action or provision of services and/or programs. Examples include

APPENDIX: Budget Glossary

the Americans with Disabilities Act, which requires actions such as physical facility improvements and provision of specialized transportation services.

Modified Accrual Basis of Accounting: Under the modified accrual basis, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction that can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Those revenues susceptible to accrual include property taxes remitted within 60 days after year-end, interest on investments, and certain intergovernmental and other revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due, or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. All governmental fund types, expendable trust funds and agency funds use the modified accrual basis of accounting.

Objective: Quantified, outcome-based statements of what will be accomplished during the budget year. These annual performance goals are specific, measurable, time-bound, and realistic, yet challenging. Objectives cover day-to-day activities as well as one-time initiatives.

Operating Budget: A plan of financial operations embodying an estimate of planned expenditures for a given period (typically a fiscal year) and the proposed means for financing them (revenue estimates). The annual operating budget, as distinguished from the capital program budget, is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled. The City of Santa Barbara generally adopts a two-year financial plan that includes the adoption of actual budget appropriations for the first year of the financial plan, and recommendations for year two.

Operating Deficit: The deficiency of operating revenues under expenditures during a single accounting period.

Operating Surplus: The excess of operating revenues over operating expenditures during a single accounting period.

Ordinance: A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the city.

Outstanding Bonds: Bonds not yet retired through principal and interest payments.

Performance Measure: Quantifiable indicators that measure program workload or progress in

achieving program objectives.

Program: A group of activities, operations or organizational units organized to accomplish specific purposes, goals or objectives. It is a distinct functional unit within a department, consisting of a significant service provided using City resources.

Program Budgeting: A method of budgeting that focuses on services provided to customers at the functional (or program) level.

Proposed Budget: This refers to the status of an annual budget, which has been submitted by the City Administrator and is pending public review and City Council adoption.

Proprietary Fund: A major fund type used to account for operations that are financed and operated in a manner similar to private sector enterprises, in that goods and services are provided to the general public (external users) or other City departments (internal users), and the costs of which are financed or recovered primarily through fees and service charges charged directly to the users of the goods and services. Proprietary funds use the accrual basis of accounting.

Reserves: Accumulated funds legally restricted or otherwise designated by management and/or City Council for specific purposes. See also *Fund Balance*.

Revenue Bond: A bond sold to construct a project that will produce revenues pledged for the repayment of principal and related interest.

Revenues: Total amount of income received, earned, or otherwise available for appropriation.

Self-Insurance: A term often used to describe the retention by an entity of a risk of loss arising out of the ownership of property or the activity of the agency.

Service Charge: See *User Fee*.

Special Revenue Fund: A governmental fund type used to account for the proceeds from specific revenue sources, other than trusts or major capital projects, that are legally restricted to expenditures for specific purposes. See also *Governmental Fund*.

Transient Occupancy Tax (TOT): Tax collected by hotel operators and imposed on hotel guests for transient lodging (30 days or less) within the City. The current TOT rate is 12%, 2% of which is legally restricted for creeks restoration and creeks and ocean water quality improvement pursuant to voter-approved Measure B, effective January 1, 2001.

User Fee: The voluntary payment of a fee for direct receipt of a public service by the party directly benefiting from service.

APPENDIX: List of Acronyms

ABC	Alcoholic Beverage Control	FAR	Federal Air Regulations
ABOP	Antifreeze, Batteries, Oil and Paint	FMS	Financial Management System
ABR	Architectural Board of Review	FTE	Full-time Equivalent Job Position
ACCEL	Authority of California Cities Excess Liability	GASB 34	Governmental Accounting Standards Board Statement No. 34
AFP	Activation Facilities Plan	GASB	Governmental Accounting Standards Board
AOA	Airfield Operations Area	GFOA	Government Finance Officers' Association
ARFF	Aircraft Rescue and Firefighting	GIS	Geographical Information Systems
BFI	Browning-Ferris Industries, a wholly owned subsidiary of Allied Waste Industries, Inc.	HLC	Historic Landmarks Commission
BPO	Blanket Purchase Order	HOME	Federal Home Investment Partnership Program
BSIP	Business Self Insurance Program	HUD	Housing and Urban Development
CAFR	Comprehensive Annual Financial Report	ICS	Intra-City Services (Building Maintenance and Motor Pool)
CCRB	Cachuma Conservation and Release Board	IOD	Injury on Duty
CCWA	Central Coast Water Authority	IPM	Integrated Pest Management
CDBG	Community Development Block Grant	JPA	Joint Powers Authority
CEQA	California Environmental Quality Act	LAIF	Local Agency Environmental Fund
CERT	Citizens Emergency Response Training	LEAP	Learning for Excellence & Achievement Program
CHDO	Community Housing Development Organizations	LTF	Local Task Force
CIP	Capital Improvement Programs	LUFT	Leaking Underground Fuel Tanks
CLETS	California Law Enforcement Telecommunications System	MEA	Master Environmental Assessments
COMB	Cachuma Operation and Maintenance Board	MJSWTG	Multi-Jurisdictional Solid Waste Task Group
COPS	Community Oriented Problem Solving	MTD	Metropolitan Transit District
CSMFO	California Municipal Finance Officers	NPDES	National Pollution Discharge Elimination System
CSSP	Consolidated Street Sweeping Program	NPO	Neighborhood Preservation Ordinance
D.A.R.E.	Drug Awareness Resistance Education	OES	Office of Emergency Services
DART	Development Application Review Team	OSHA	Occupational Health and Safety Administration
DMZ	Demilitarized Zone	PAF	Personnel Action Form
DOJ	Department of Justice	PAL	Police Activities League
DPA	Development Plan Agreement	PARC	Parks and Recreation Community Foundation
DUI	Driving Under the Influence	PBIA	Parking and Business Improvement Area (Assessment)
EIR	Environmental Impact Report	PERS	Public Employee Retirement System
EMLAP	Employee Mortgage Loan Assistance Program	PFC	Passenger Facilities Charge
EPA	Environmental Protection Agency	PLF	Public Library Fund
ERAF	Educational Revenue Augmentation Fund	POST	Police Officers Standards and Training
FAA	Federal Aviation Administration	PQI	Pavement Quality Index
		PRT	Pre-Application Review Team
		PSA	Public Service Announcement

APPENDIX: List of Acronyms

RDA	Redevelopment Agency
S.E.I.U.	Service Employee International Union (Local 620)
SBAPCD	Santa Barbara Air Pollution Patrol District
SBCAG	Santa Barbara County Association of Governments
SBMC	Santa Barbara Municipal Code
SBPD	Santa Barbara Police Department
SBPL	Santa Barbara Public Library
SEMS	Standardized Emergency Management Systems
TDA	Transportation Development Act
TOT	Transient Occupancy Tax
UUT	Utility Users Tax
VLF	Vehicle License Fee