



CITY OF SANTA MARIA

Section D
Special Revenue
Funds

SPECIAL REVENUE FUNDS

OVERVIEW

This section summarizes the budgets for special revenue and assessment district funds. Each section provides a description of the program, the revenues financing the programs, a summary of the overall fund budgets, and the goals, objectives, and changes to the fund budgets. Each fund budget contains the following elements:

Program Expenses/Revenues:

This section reports expenses by summary type: Salaries and Benefits, Services and Supplies, Capital Debt Service, and Reserves. The historical and projected expenditure budgets are presented at the function and operation level.

Summary of Service Programs:

The cost of each activity or program within each fund is summarized and presented in this section.

Program Description:

A general description is presented for the purpose, goals, and activities of each special revenue fund/assessment district program.

Subprograms and Their Objectives:

This section outlines how each division/subprogram accomplishes the purpose and goals of the department.

Noteworthy Budget Highlights:

This section summarizes the significant operating program changes from the prior financial plan. These changes may include major service reorganizations; the curtailment or expansion of services and/or programs; any increases or decreases in regular positions; significant one-time costs; major changes in the method of delivering services; operational changes that will impact other departments or customer service; and changes that affect current policies or noteworthy capital projects.

Programs Presented in Section D:

Growth Mitigation Capital Improvements.....	D- 2
Landscape Maintenance Services.....	D- 5
Park Acquisition and Development Fee	D- 7
Public, Education, & Government Access Television.....	D- 9
Parking & Lighting Maintenance	D-12

SPECIAL REVENUE FUNDS

DEPARTMENT: Public Works
DIVISION: Engineering

PROGRAM: Capital Improvements
FUND: Growth Mitigation

	Actual 2010-11	Adopted 2011-12	Year-End Estimated 2011-12	Proposed 2012-13	Proposed 2013-14
<u>PROGRAM EXPENSES/REVENUES</u>					
Salaries & Benefits	\$	\$	\$	\$	\$
Services & Supplies					
Total Operating Cost					
Capital	721,170	2,205,000	2,485,010	15,150	14,490
Debt Service					
State Water					
Transfers					
Total Cost	\$ 721,170	\$ 2,205,000	\$ 2,485,010	\$ 15,150	\$ 14,490

SUMMARY OF SERVICE PROGRAMS

Growth Projects - City Hall	\$	\$	\$	\$	\$
Growth Projects - Library	16,410		15,790	15,150	14,490
Growth Projects - Parks	155,000	155,000	155,000		
Growth Projects - Fire	261,220	550,000	814,220		
Growth Projects - Police					
Growth Projects - Water	288,540				
Growth Projects - Traffic		1,500,000	1,500,000		
Total Service Programs	\$ 721,170	\$ 2,205,000	\$ 2,485,010	\$ 15,150	\$ 14,490

PROGRAM DESCRIPTION

Assembly Bill 1600 was enacted in 1987, thereby allowing local governments to enact ordinances establishing development fees to finance the cost of growth-related capital improvements. The legislation provided the framework for establishing growth mitigation fees for development. The City's Growth Mitigation Fee Ordinance captures revenues and distributes the costs of regional infrastructure needs associated with new development and the existing community, to assure that adequate funding is available for the construction of new capital assets necessary to accommodate a growing population and service area.

This budget unit was established to account for the collection of developer/growth mitigation fees for the purpose of mitigating the impact that growth has on public infrastructure. This budget unit serves as a Special Revenue Fund. Proposed funding of various capital projects can be found in the *Capital Projects* section of this document (Section F).

Growth mitigation fees represent only one element of capital project financing. These fees are used in concert with other funding mechanisms, such as gas tax, local transportation funds, Measure A (sales tax), and grants to provide necessary infrastructure for planned and orderly growth.

NOTEWORTHY BUDGET HIGHLIGHTS

- Fees to the Growth Mitigation program went unchanged in calendar years 2011 and 2012.

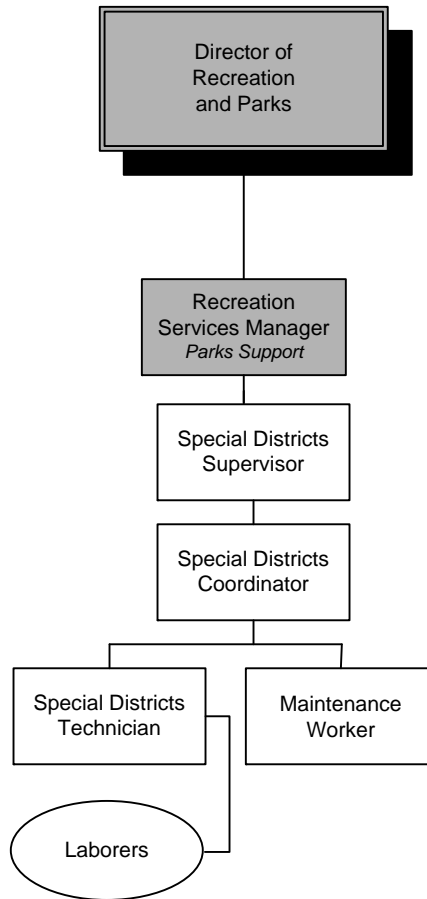
SPECIAL REVENUE FUNDS

DEPARTMENT: Public Works
DIVISION: Engineering

PROGRAM: Capital Improvements
FUND: Growth Mitigation

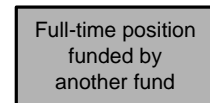
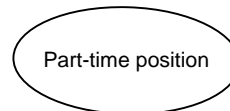
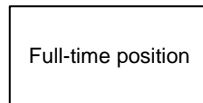
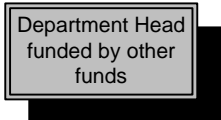
- In 2010-12 because of the economic downturn in the local economy, previously budgeted growth mitigation projects were put on hold. Those hold over capital projects are the following:
 1. Preparation of a Request for Proposals to complete the environmental document for the Highway 101/135 Interchange and for preparation of design documents for construction;
 2. Installation of a traffic control feature at the Depot Street and Morrison Avenue intersection;
 3. Preliminary design of the "A" Street roadway extension from La Brea to Stowell Road; and
 4. East Main Street Widening project from Panther Drive to the eastern city limits.
- In 2012-14, the projects listed above will be "carried over." No new growth mitigation projects are proposed during the next two-year period. The \$15,150 and \$14,490, in expenses during the next budget cycle, is for the interest due to the Haglund Family Trust for property purchased in order to build the new Main Library. This note will be paid off in 2016-17.

SPECIAL DISTRICTS



The above organizational chart depicts full-time and part-time employees only

LEGEND:



SPECIAL REVENUE FUNDS

DEPARTMENT: Recreation & Parks
DIVISION: Special Districts

PROGRAM: Landscape Maintenance Services
FUND: Special Districts Funds

	Actual 2010-11	Adopted 2011-12	Year-End Estimated 2011-12	Proposed 2012-13	Proposed 2013-14
<u>PROGRAM EXPENSES/REVENUES</u>					
Salaries & Benefits	\$ 456,140	\$ 660,810	\$ 539,120	\$ 704,690	\$ 723,780
Services & Supplies	1,833,620	2,199,410	1,848,350	2,190,120	2,190,700
Total Operating Cost	<u>\$ 2,289,760</u>	<u>\$ 2,860,220</u>	<u>\$ 2,387,470</u>	<u>\$ 2,894,810</u>	<u>\$ 2,914,480</u>
Capital	374,460	572,300	366,970	523,300	523,300
Debt Service					
Intrafund Transfers Out	478,570	519,480	730,890	944,570	944,570
Transfers	213,000	297,110	220,070	297,910	82,910
Total Cost	<u>3,355,790</u>	<u>4,249,110</u>	<u>3,705,400</u>	<u>4,660,590</u>	<u>4,465,260</u>
Less: Intrafund Transfers In	478,570	519,480	730,890	944,570	944,570
Net City Cost	<u>\$ 2,877,220</u>	<u>\$ 3,729,630</u>	<u>\$ 2,974,510</u>	<u>\$ 3,716,020</u>	<u>\$ 3,520,690</u>

SUMMARY OF SERVICE PROGRAMS

Northwest Landscaping	\$ 951,670	\$ 1,369,800	\$ 1,058,600	\$ 1,400,850	\$ 1,420,170
Northeast Landscaping	516,780	560,450	575,990	604,510	604,600
Southwest Landscaping	977,850	1,329,600	1,078,890	1,602,590	1,387,700
Southeast Landscaping	909,490	989,260	991,920	1,052,640	1,052,790
Total Service Programs	<u>\$ 3,355,790</u>	<u>\$ 4,249,110</u>	<u>\$ 3,705,400</u>	<u>\$ 4,660,590</u>	<u>\$ 4,465,260</u>

SUMMARY OF POSITIONS

FULL-TIME

Maintenance Worker I/II	1	1	1	1	1
Special Districts Coordinator	1	1	1	1	1
Special Districts Planning Technician	1	1	1	1	1
Special Districts Supervisor	0	0	0	1	1
Special Districts Technician	1	1	1	1	1

TOTAL

4 4 4 4 4

PART-TIME

Laborer III	6	6	6	6	6
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TOTAL

6 6 6 6 6

GRAND TOTAL

10 **10** **10** **10** **10**

TEMPORARY (FTE)

Maintenance Technician	0.5	0.5	0.5	0.5	0.5
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TOTAL TEMPORARY (FTE)

0.5 0.5 0.5 0.5 0.5

SPECIAL REVENUE FUNDS

DEPARTMENT: Recreation & Parks
DIVISION: Special Districts

PROGRAM: Landscape Maintenance Services
FUND: Special Districts Funds

PROGRAM DESCRIPTION

The Landscape Maintenance Districts were formed by the City Council as a means to finance the ongoing maintenance and future renovations of beautification projects in various areas of the City. The creation of these districts is authorized under Section 22500 of the California Streets and Highways Code and the 1972 Landscape and Lighting Act. The districts levy property tax assessments to fund the maintenance of public and private open space, rights-of-way, and boulevards within each respective district. For the purpose of easily distinguishing the landscaping maintenance districts, the City has been divided into four quadrants, centered at Stowell Road and Broadway. The districts are identified as Northwest, Northeast, Southwest, and Southeast. Each of the four districts serve as a "Master Special District" (MSD) to various Special Benefit Zones (SBZ), which fund the special landscape features found with a specific development, i.e., multi-purpose trails, parks, roundabouts, and parkways. The SBZ assessment collects funds to support the ongoing operations of the MSD. This MSD assessment varies from one MSD to another based on square footage of properties and the improvements maintained. Assessments are annually determined and assessed on all properties developed since the creation of the districts.

The landscape maintenance districts derive revenue in two ways 1) from special assessments to residential and commercial properties that were "conditioned" as part of their Development Permit, to participate in a landscape maintenance district, and 2) from a City General Fund contribution, which pays for the benefits received by parcels not in a landscape maintenance district. These assessments and benefit calculations are annually performed by the City Engineer and used annually to establish new assessments. District staff strives to be good stewards of these funds, by using the competitive bid process to obtain contract services, having City staff manage operations, inspections, renovations and special project functions as well as maintenance-related activities associated with irrigation, construction, graffiti abatement and tree-related service calls. Further savings are realized by sharing the cost of administration by dedicating a percentage of staff time to administer the districts. In addition, the districts maintain a sufficient level of reserves to provide for the ongoing replacement of infrastructure, such as plant material damaged by weather events and traffic accidents, an annual district-wide renovation program, and to fund anticipated capital projects within the districts.

NOTEWORTHY BUDGET HIGHLIGHTS

- In 2011-12, two Laborer III and one Maintenance Worker II positions, were moved from the General Fund to the Special Districts Funds to perform maintenance and renovation duties that were more cost efficient than contractual services. In addition, the reduction to the General Fund allowed the three incumbents to avoid a lay-off due to General Fund budget cuts. With the October 2011 retirement of the Special Districts Planning Technician, staff has since then reviewed staffing levels and recommends upgrading the now vacant classification to that of Special Districts Supervisor. The Special Districts Supervisor will be the intermediate line of supervision and the technical advisor to the Parks Services Manager, overseeing the Special Districts Coordinator, and developing and maintaining all property tax assessments for participating parcels in the landscape maintenance districts. This position will also work with the development community in the creation of public landscaping and parks designs. With this reorganization, staff is recommending an upgrade to the salary range for the Special Districts Coordinator to internal parity with that of the Park and Forest Supervisor position to better reflect the service levels provided.
- An elimination of a vacant part-time Facilities Specialist, assigned to the Special Districts Division, was needed to achieve 2010-12 budget reductions. The Facilities Specialist position was assigned Special Districts maintenance duties at the Civic Center Complex, as well as vector control duties. Those duties have since then been reassigned to other staff, along with the occasional use of a contractor for vector work.

SPECIAL REVENUE FUNDS

DEPARTMENT: Recreation & Parks
DIVISION: Park Acquisition & Development Service Fund

PROGRAM: Park Acquisition and Devel. Fee
FUND: Park Acquisition & Devel. Service

	Actual 2010-11	Adopted 2011-12	Year-End Estimated 2011-12	Proposed 2012-13	Proposed 2013-14
<u>PROGRAM EXPENSES/REVENUES</u>					
Salaries & Benefits	\$	\$	\$	\$	\$
Services & Supplies	5,980		16,340		
Total Operating Cost	5,980		16,340		
Capital	226,910	675,000	161,800	460,100	261,500
Debt Service					
Transfers					
Total Cost	\$ 232,890	\$ 675,000	\$ 178,140	\$ 460,100	\$ 261,500
Park Acquisition & Development	\$ 220,580	\$ 600,000	\$ 161,800	\$ 100,000	\$ 100,000
Residential Development Tax	6,330	75,000	16,340	360,100	161,500
Workforce Investment Grant (WIA)	5,980				
Total Service Programs	\$ 232,890	\$ 675,000	\$ 178,140	\$ 460,100	\$ 261,500

PROGRAM DESCRIPTION

The City Council established the Park Acquisition and Development Fee Program in 1974 as a means of providing a source of revenue to meet the community's basic recreation and park needs. The Park Acquisition Fee, referred to as the Subdivision In-Lieu Fee or Quimby Act Fee, is authorized by Title 11, Chapter 12.205 of the Santa Maria Municipal Code and Section 66477 of the Government Code. This revenue from fees represents the City's primary source of monies for acquiring land for parks.

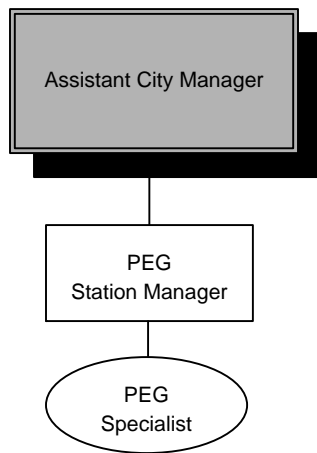
The Park Development Fee, referred to as Residential Development Tax, is authorized by Title 3, Chapter 3.7 of the Municipal Code. These funds assist in the construction, renovation, and furnishing of parks and recreational facilities. In addition to these two park fee revenues, the City's Growth Mitigation Fee Ordinance (as authorized by State law), was also enacted and has a fee structure designed to help mitigate park needs generated as a result of growth and development.

These three fees are collected simultaneously - when the developer pays for growth mitigation fees. Administratively, when this fee is received, it is then distributed to the appropriate Park Development Service Fund using the following formula: Fund 16 – Quimby Sub-Division In-Lieu Fee (42 percent); Fund 28 - Residential Development Tax (41 percent); and Fund 27 - Growth Mitigation Fee Program (17 percent).

NOTEWORTHY BUDGET HIGHLIGHTS

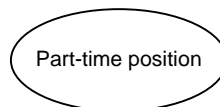
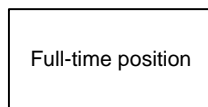
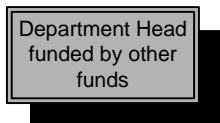
- Oakley Park was originally built in 1962. Staff intends to construct a new full-size playground at Oakley Park as the former playground was removed due to safety hazards. The City and Oakley Elementary School share this four-acre site and these improvements will benefit hundreds of youth in the northwest portion of the City.
- Staff will continue with the orderly development of recreation improvements at Los Flores Ranch Park. Trail building and erosion control will continue to be a priority in an effort keep current and new trails safe for public access.
- WIA grant activities are no longer being funded. The program is shown on this page for historical presentation purposes.

SPECIAL REVENUE FUNDS **ORGANIZATIONAL CHART**
PUBLIC, EDUCATION, & GOVERNMENT TELEVISION



The above organizational chart depicts full-time and part-time employees only

LEGEND:



SPECIAL REVENUE FUNDS

DEPARTMENT: City Manager
DIVISION: PEG Access

PROGRAM: Public, Education, & Government
Access Television
FUND: Special Revenue Fund

	Actual 2010-11	Adopted 2011-12	Year-End Estimated 2011-12	Proposed 2012-13	Proposed 2013-14
<u>PROGRAM EXPENSES/REVENUES</u>					
Salaries & Benefits	\$ 148,600	\$ 158,180	\$ 151,870	\$ 157,400	\$ 161,550
Services & Supplies	60,900	59,240	59,190	58,560	59,270
Total Operating Cost	209,500	217,420	211,060	215,960	220,820
Capital					
Debt Service					
Transfers	11,140	11,140	11,140	11,140	11,140
Total Cost	\$ 220,640	\$ 228,560	\$ 222,200	\$ 227,100	\$ 231,960
PEG Access	\$ 220,640	\$ 228,560	\$ 222,200	\$ 227,100	\$ 231,960
Total Service Programs	\$ 220,640	\$ 228,560	\$ 222,200	\$ 227,100	\$ 231,960

SUMMARY OF POSITIONS

FULL-TIME

PEG Station Manager	1	1	1	1	1
TOTAL	1	1	1	1	1

PART-TIME

PEG Specialist	1	1	1	1	1
TOTAL	1	1	1	1	1

GRAND TOTAL

	2	2	2	2	2
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PROGRAM DESCRIPTION

Pursuant to Federal law, cable companies are required to provide funding for public access programming as part of franchise agreements that the cable company negotiates with local governments. In December 2002, the City signed a 12-year franchise agreement with Comcast Cablevision, which included grant funding for public access programming. That agreement remains in effect until December 31, 2014. Comcast notified the City in January 2012 that it will seek to obtain a State video franchise to continue providing service after the expiration of the local franchise. Under the terms of State video franchise law, Comcast is mandated to continue providing the City a franchise fee dedicated to public access programming.

Public, Education and Government (PEG) access television, often referred to as community access or local access television, exists in many communities throughout the country. PEG access television is a way of allowing the residents of a community the ability to use the local cable television system to reach out and communicate with fellow citizens on subjects of local interest.

SPECIAL REVENUE FUNDS

DEPARTMENT: City Manager
DIVISION: PEG Access

PROGRAM: Public, Education, & Government
 Access Television
FUND: Special Revenue Fund

PEG access television differs from commercial broadcast television in many ways. With PEG access television there is no editorial control of content, no ratings, and no advertising. In commercial broadcast television, programming decisions are based on the desire to generate as much paid advertising as possible by reaching the largest number of television viewers. In contrast, PEG access television is often referred to as “narrowcasting.” That is, the programs viewed on a PEG channel are often likely to appeal to a very limited audience. Providing a voice to the under-served is one of the many benefits that makes PEG access television a unique community resource. Instead of broadcasting over the airwaves, PEG channels are viewed only on cable television. The programming, therefore, is referred to as being “cablecast.” In many communities, PEG access television is the only source of locally produced television programs.

The City’s state-of-the-art media center is a 2,800-square-foot building located at 910 South Oakwood Drive, behind the Mussell Senior Center. The media center offers community members the tools and training to produce their own programs for airing on local cable access television. Santa Maria Community Television (SMCTV) has been up and running and providing public access television since August 2004 and also maintains a website at <http://www.smctv.tv>.

SUBPROGRAMS AND THEIR OBJECTIVES

PEG cable access and programming operations provide a venue to allow residents of the community the ability to use the local cable television system to reach out and communicate with fellow citizens on subjects of local interest, to highlight issues, activities and events.

Three types of programming are used to establish a broad base of community understanding, support and involvement in PEG access television. Public programming is created by local residents and groups; Education programming is created by local education providers, such as school districts, community colleges and universities for educational purposes; and Government programming cablecasts local government meetings and provides for local, State and National government programming.

The media center provides access to training, video equipment and channel time to individuals and organizations on a non-discriminatory basis.

Provide sound management and financial strategies to ensure continued community access to and use of the access channel(s) in years to come.

Cooperatively, work with other similar organizations locally, regionally, and nationally – including Allan Hancock College – to promote and development meaningful community uses of the cable access channel(s).

PERFORMANCE/WORKLOAD MEASURES	ACTUAL 2010-12	ESTIMATED 2010-12	PROJECTED 2012-14
DEMAND/WORKLOAD			
Membership	92	90	95
EFFICIENCIES/EFFECTIVENESS			
Hours of Weekly Programming on Three (3) Channels	308	260	320

GOALS & OBJECTIVES

- Increase PEG programming opportunities by, for and about students, senior citizens, nonprofits, and Spanish-speaking residents.

SPECIAL REVENUE FUNDS

DEPARTMENT: City Manager
DIVISION: PEG Access

PROGRAM: Public, Education, & Government
Access Television
FUND: Special Revenue Fund

- Continue to assist with producing government public access television programming in support of the efforts to curb gang-related violence and engage the community in finding solutions to youth violence.
- Partially restore capital funding to begin addressing the backlog of deferred maintenance and equipment purchases. These prioritized upgrades will enhance SMCTV's ability to meet the service demands of the community and assist in marketing the facility to existing and new members.

NOTEWORTHY BUDGET HIGHLIGHTS

- In early 2012, staff reduced fixed costs for the facility's high-speed Internet connection by transitioning to an in-house solution, with ongoing support from the Information Technology Division. Concurrently, staff transitioned from a dedicated satellite feed to a lower-cost, dedicated Internet solution to continue obtaining educational programming. These two initiatives enable SMCTV to redirect funds toward replacing worn mission-critical equipment.
- In 2003, the cities of Santa Maria and Lompoc jointly purchased a master control video-server computer for the purpose of encoding public access television programs. In 2007-08, the City of Lompoc purchased a redundant master control video-server computer exclusively for Lompoc's own use and sought repayment for its share (50 percent) of the cost of the original fileserver. An arrangement was made to reimburse the City of Lompoc (approximately \$31,000) in annual installment payments over the next three and a half years. Due to this reimbursement obligation, all capital appropriations were eliminated until the reimbursement obligation is fulfilled in December 2012. At that time, staff will expend the modest available funds toward deferred maintenance and equipment purchases to enhance the facility.
- Staff will continue to proactively market the media center with outreach efforts to underserved viewing communities as resources allow.
- Staff will work with City Administration to prepare for the upcoming franchise renewal agreement with Comcast Cablevision, which is slated to expire in December 2014.



The City's state-of-the-art media center is a 2,800-square-foot building located at 910 South Oakwood Drive, behind the Mussell Senior Center.

SPECIAL REVENUE FUNDS

DEPARTMENT: Recreation & Parks
DIVISION: Parking & Lighting District

PROGRAM: Parking & Lighting Maintenance
FUND: Stowell Parking & Lighting

	Actual 2010-11	Adopted 2011-12	Year-End Estimated 2011-12	Proposed 2012-13	Proposed 2013-14
<u>PROGRAM EXPENSES/REVENUES</u>					
Salaries & Benefits	\$ 13,900	\$ 16,970	\$ 11,660	\$ 17,040	\$ 17,050
Services & Supplies					
Total Operating Cost	13,900	16,970	11,660	17,040	17,050
Capital		1,600		216,600	1,600
Debt Service - Lease Payments					
Transfers	740	740	740	760	760
Total Cost	\$ 14,460	\$ 19,310	\$ 12,400	\$ 234,400	\$ 19,410

SUMMARY OF SERVICE PROGRAMS

Maintenance & Projects	\$ 14,640	\$ 19,310	\$ 12,400	\$ 234,400	\$ 19,410
Total Service Programs	\$ 14,640	\$ 19,310	\$ 12,400	\$ 234,400	\$ 19,410

PROGRAM DESCRIPTION

The Stowell Parking and Lighting Maintenance District was formed in 1961 by the City Council. Since that time, the Stowell Plaza Shopping Center's (Center) parking lot and landscaping have been maintained by the City, under this special services maintenance district. The Center's property owners pay an ad valorem tax, which provides income to the district to cover the following services: parking lot sweeping, general clean up, landscape maintenance, electrical lighting of the parking areas, marquee signage maintenance and upkeep, and other common area maintenance. The objective of this ad valorem tax is to provide the district with sufficient revenue to pay for these services. For the past ten years, meeting this objective with the ad valorem tax rate has been impossible. As costs continued to rise each year, tax rate revenues have been raided by the State, leaving staff unable to meet the costs of services. Understanding this challenge and the need for improvements at the Center, the Center's owners took a big step in addressing the problem. In 2002, the property owners of the Center requested a loan from the City's General Fund to finance a parking lot renovation project and voted to join the Southwest Landscape Maintenance District in order to fund the repayment of the loan through a special assessment. This loan was approved by the City Council in the amount of \$150,000 with simple interest of six percent. In 2003, the City made the needed basic improvements to the parking lot and the loan, through a special assessment, was paid in full as of June 30, 2010. Landscape islands and parking lot repairs now enhance the site. The property owners requested to keep the assessment active to fund future parking lot repairs and renovations.

NOTEWORTHY BUDGET HIGHLIGHTS

- In 2012-13 the Center's parking lot is scheduled for a slurry seal and various Americans with Disabilities Act (ADA) improvements. Assessments to the property owners will finance this work.