

FINANCIAL SUMMARIES

Total Revenues and Expenditures

The summary schedules provide a high level overview of the entire Town budget in a fund-type summary as well as by fund-specific and category-specific summary levels.

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General Fund Revenues and Expenditures

The summary schedules identify the Town’s General Fund operating sources and uses at the Department and category levels. The Fund Balance Activity summarizes the General Fund sources and uses which impact the resulting ending fund balance.

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Operating Transfers

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Fund Balance

With two fund balance schedules, one summarizes activity and ending fund balances as a quick look at the ongoing status of the individual funds, and the second provides a 5 year trend.

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The Town provides in-kind donations to local non-profits as described in this section.

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Fee-Related Projects List

The Town has identified potential projects for the use of collected development impact fees.

Fee-Related Projects List	C – 40
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Staffing

The labor position schedules provide a summary level view of operational staffing assignments, funding, and trends. The Personnel Changes Summary discusses staffing levels and labor costs in more detail.

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TOTAL BUDGETED FUND ACTIVITY SUMMARY FY 2019/20

	Estimated Fund Balance 7/1/2019	Revenues, Prior Year Carryfws & Transfers	Expenditures, Prior Year Carryfws & Transfers	Estimated Fund Balance 6/30/2020	Fund Balance Change From Prior Year
Operating Funds					
Governmental Funds					
General Fund*	\$ 29,571,705	\$ 45,282,132	\$ 52,914,515	\$ 21,939,322	-25.8% (1)
Housing Conservation Program Fund	177,240	-	-	177,240	0.0%
Community Dev Block Grant Fund	(10,587)	-	-	(10,587)	0.0%
Urban Run-Off Source Fund	(8,839)	594,394	579,173	6,382	-172.2% (2)
Blackwell Assessment District Fund	13,363	3,210	10,907	5,666	-57.6% (3)
Kennedy Assessment District Fund	38,004	10,605	8,913	39,696	4.5%
Gemini Assessment District Fund	28,266	4,750	12,544	20,472	-27.6% (3)
Santa Rosa Assessment District Fund	54,305	5,000	19,472	39,833	-26.6% (3)
Vasona Assessment District Fund	53,577	10,075	18,644	45,008	-16.0% (3)
Hillbrook Assessment District Fund	19,483	6,040	19,757	5,766	-70.4% (3)
Proprietary Funds - Internal Service Funds					
Liability Self-Insurance Fund	1,224,496	443,727	680,137	988,086	-19.3% (4)
Worker's Comp Self-Insurance Fund	16,099	2,087,485	1,657,210	446,374	2672.7% (4)
Information Technology Fund	2,379,739	859,223	955,575	2,283,387	-4.0% (5)
Office Stores Fund	-	-	-	-	0.0%
Equipment Replacement Fund	2,515,958	229,093	2,186,240	558,811	-77.8% (5)
Vehicle Maintenance Fund	-	-	-	-	0.0%
Facilities Maintenance Fund	885,649	1,173,757	1,961,752	97,654	-89.0% (3)
Total Operating Funds	\$ 36,958,458	\$ 50,709,491	\$ 61,024,839	\$ 26,643,110	-27.9%
Trust Funds					
Library Trust Fund	\$ 55,591	\$ 75,550	\$ 100,000	\$ 31,141	-44.0% (3)
Ness Bequest tTrust Fund	20,755	-	20,755	-	0.0%
Betty McClendon Trust Fund	85,205	700	2,500	83,405	-2.1%
Barbara J Cassin Trust Fund	357,765	2,900	10,000	350,665	-2.0%
Total Trust Funds	\$ 519,316	\$ 79,150	\$ 133,255	\$ 465,211	-10.4%
Capital Funds					
GFAR*	\$ 9,602,427	\$ 10,000,355	\$ 10,242,715	\$ 9,360,067	-2.5%
Grant Funded CIP Projects Fund	(252,889)	1,047,100	1,047,100	(252,889)	0.0%
Storm Drain #1 Fund	879,827	49,150	50,000	878,977	-0.1%
Storm Drain #2 Fund	1,803,014	53,770	50,000	1,806,784	0.2%
Storm Drain #3 Fund	(74,294)	1,620	50,000	(122,674)	-65.1% (3)
Traffic Mitigation Fund	260,487	942,524	942,524	260,487	0.0%
Construction Tax-Undergrounding Fund	3,042,294	52,490	-	3,094,784	1.7%
Gas Tax Fund	239,361	1,316,054	1,316,054	239,361	0.0%
Total Capital Projects Funds	\$ 15,500,227	\$ 13,463,063	\$ 13,698,393	\$ 15,264,897	-1.5%
Successor Agency to the Los Gatos RDA Fund					
SA- Trust Fund (Budgetary Fund Balance)	\$ 3,803,678	\$ 3,823,202	\$ 3,823,202	\$ 3,803,678	0.0%
Total Successor Agency of the Los Gatos RDA Fund	\$ 3,803,678	\$ 3,823,202	\$ 3,823,202	\$ 3,803,678	0.0%
TOTAL ALL FUNDS	\$ 56,781,679	\$ 68,074,906	\$ 78,679,689	\$ 46,176,896	-18.7%

* Major Funds

(1) One-time use of General Fund Capital Reserve for authorized capital projects

(2) Increasing cost of Urban Run-off Program driven by State mandates

(3) One-time Capital Project budgeted for FY 2019/20

(4) Based on estimated claims activity

(5) Equipment Replacement and Information Technology Fund reflects increased acquisition activities for FY 2019/20

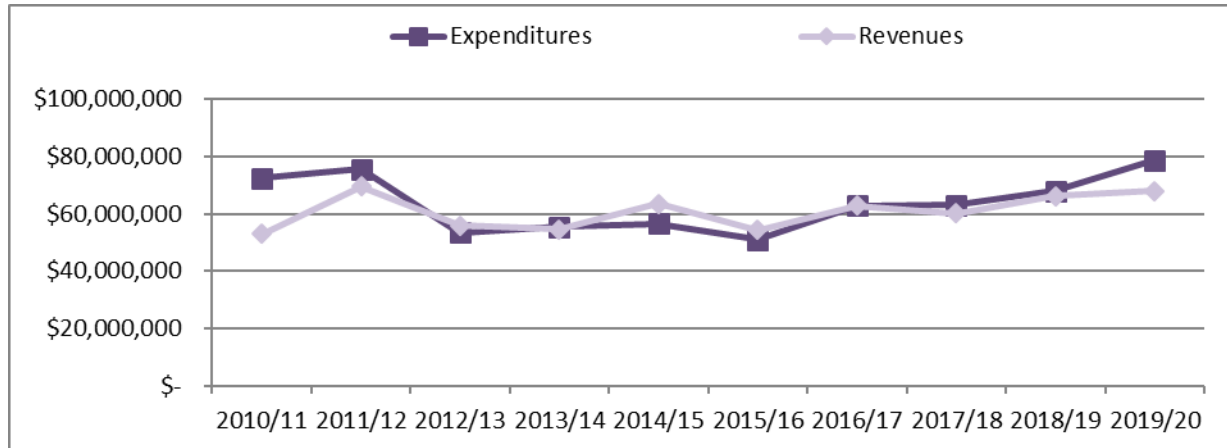
This Total Budgeted Fund Activity Summary schedule groups the Town's funds into three categories based on fund purpose:

Operating Funds - Ongoing operations are funded out of the various Operating Funds. This includes the Town's General Fund Departmental program operations, as well as special revenue activities and internal service functions.

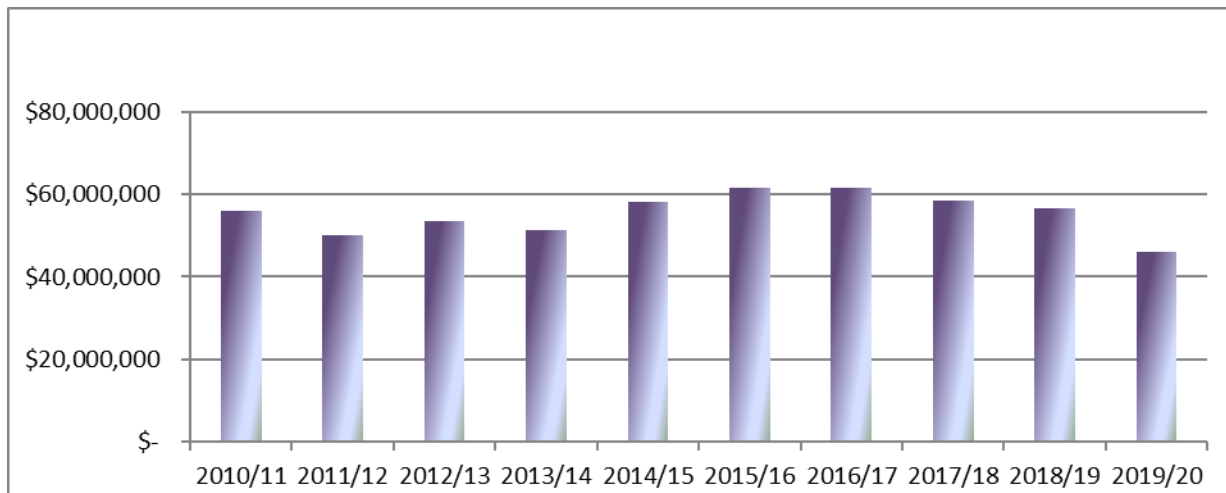
Fiduciary Funds - These funds include Trust funds and are held in a fiduciary capacity, with little variation in activity. The Library Trusts are held for special uses for the Library. RDA Successor Agency Private Purpose Trust Fund is established to account for the assets and liabilities transferred from the dissolution of the Town's former Redevelopment Agency (RDA) and the continuing operations related to the existing RDA obligations. The Successor Agency's Private Purpose Trust Fund has been incorporated into the Town's operating budget. Only those funds with activity are contained in the summary.

Capital Funds - Representing the capital improvement program activity, the Capital Funds reflect the significant progress to complete capital projects and the resulting decrease in fund balances.

**TOTAL TOWN
REVENUES AND EXPENDITURES**



FUND BALANCE TREND INFORMATION



<u>Year End</u>	<u>Reference</u>	<u>Revenues & Transfers In</u>	<u>Expenditures & Transfers Out</u>	<u>Designated Fund Balance</u>
2010/11	Actuals	\$ 53,064,630	\$ 72,439,477	\$ 56,038,626
2011/12	Actuals	\$ 69,593,001	\$ 75,659,793	\$ 49,971,883
2012/13	Actuals	\$ 55,847,086	\$ 53,432,243	\$ 53,386,677
2013/14	Actuals	\$ 54,528,656	\$ 55,545,002	\$ 51,370,329
2014/15	Actuals	\$ 63,470,973	\$ 56,593,416	\$ 58,247,886
2015/16	Actuals	\$ 54,234,948	\$ 50,881,063	\$ 61,601,771
2016/17	Actuals	\$ 62,873,003	\$ 62,912,315	\$ 61,562,459
2017/18	Actuals	\$ 60,189,202	\$ 63,145,459	\$ 58,606,202
2018/19	Estimated	\$ 66,099,134	\$ 67,923,643	\$ 56,781,679
2019/20	Proposed	\$ 68,074,906	\$ 78,679,689	\$ 46,176,896

Note: Expenditures and Transfers Out may exceed Revenues due to the inclusion of planned and carry-forward capital projects and payments from General Fund reserves to the Town's Pension and OPEB Trust Funds.

TOTAL TOWN REVENUE, EXPENDITURE, AND FUND BALANCE TREND INFORMATION

The Town continues to focus on priority issues that involve maintaining public safety and Town infrastructure including streets and parks; and providing library, community development, and other services. These priorities are coordinated with other Core Goals that protect the Town's fiscal health and ensure cost efficient and effective delivery of Town-wide administrative services. The Town's proactive and prudent fiscal approach is effective to reducing operating expenditures, identifying revenue enhancements, and implementing operating efficiencies.

The FY 2019/20 operating budget is a balanced budget, with some use of General Fund reserves dedicated for one-time uses. The FY 2019/20 Budget anticipates a surplus of \$140,000 and maintains existing service levels while recommending modest additions in strategically important areas. This budget incorporates investments toward future equipment replacement, additional annual discretionary pension payments, and increased capacity for the Town's technology infrastructure. The FY 2019/20 budget has been balanced largely due to increased revenue, resulting from the positive economy and the Town's continued growth in the economically sensitive revenue sources such as Property Tax, Transient Occupancy Tax, and Business Licenses. With regard to expenditures, the Town's employer-paid benefits are expected to increase for the foreseeable future, including obligated pension contributions, the pre-funding of premiums for retiree health coverage, and the increasing costs of current health plans. Specific trends affecting the fund balance forecast include:

Salaries and Benefits – As in most municipalities, services are provided directly by employees to the Town's residents, businesses, and visitors. As a service delivery enterprise, the cost of salaries and benefits are a significant portion of the budget. Salaries and benefits account for 40.6% of the Town's total expenditures in FY 2019/20 (and 59.7% of General Fund expenditures). The Town endeavors to balance fiscal prudence with the need to attract and retain the requisite personnel to manage a 21st century municipality. As an example, when fiscal conditions worsened during the recession of 2008, employees participated in wage freezes and unpaid furloughs for several years to assist in achieving balanced budgets. After multiple years of such concessions, the Town discontinued the furlough program in FY 2014/15 and reinstituted general wage increases for both non-sworn and sworn employees. Even with unemployment at historic low levels and regional CPI above 3%, the Town and its employee bargaining groups agreed to a 2.5% across the board salary increase for all three bargaining units, management, and confidential plus a 1.5% cash bonus (non-PERSable) for non-sworn employees for FY 2018/19. As part of those negotiations, a salary increase of 3% is reflected in the proposed budget for the non-sworn employees and a 4% across the board salary increase for the Police Officers' Association as outlined in the in the current Memoranda of Understanding for FY 2019/20. In addition, all personnel that were previously funded in Internal Service Fund Programs were budgeted in the General Fund beginning in FY 2018/19. This results in total General Fund expenditures for salaries and benefits increasing while decreasing the Internal Service Fund charges by the same amount.

The Town of Los Gatos provides a defined benefit pension plan for all full-time employees and some part-time benefitted employees as part of their total compensation package. Defined benefit plans provide a fixed, pre-established benefit payment for employees in retirement based on a formula which takes into account an employee's years of service and highest average annual salary. The defined benefit pension has been a standard part of compensation in governmental organizations and in Los Gatos is in lieu of participating in Social Security. The Town's pension plans are administered by the Board of Administration of the California Public Employees' Retirement System (CalPERS). The Board of Administration is responsible for the management and control of CalPERS, including the exclusive control of the administration and investment of funds. Sworn employees are covered under the Safety Plan which is a pooled plan, while all other employees are covered in the Miscellaneous Plan, which is a separate plan. The Miscellaneous Plan is administered by CalPERS in the Public Employees' Retirement Fund (PERF). In addition, the Town Council has established an Internal Revenue Code Section 115 Pension Trust as a supplement to the PERF fund. The Town's Pension Trust is administered by the Town Pension and OPEB Trusts Oversight Committee.

The Town also provides a healthcare benefit for all eligible employees. The healthcare plan pays all, or a portion of, health insurance premiums for qualified retirees and their survivors and dependents. Healthcare benefits are also referred to as Other Post-Employment Benefits or OPEB. The Town's healthcare plan is an Internal Revenue Code Section 115 Trust which is administered by the Town Pension and OPEB Trusts Oversight Committee. The Oversight Committee is responsible for the management and control of the healthcare assets. As a result of collaboration with

**TOTAL TOWN
REVENUE, EXPENDITURE, AND FUND BALANCE TREND INFORMATION**

the Town's Bargaining Units during FY 2018/19, all units agreed to the elimination of retiree health benefits prospectively with the exception of the minimum employer contribution as required by the Public Employees' Medical and Hospital Care Act (PEMHCA). The PEMHCA minimum represents a significant reduction from the previous Town paid discretionary retiree payments. As a closed retiree medical plan, over time the Town will see significant cost savings from this negotiated change. In addition, employees contribute a share of dependent premiums to assist with cost-containment.

Pension contributions are a portion of the Town's budget, as the Town is obligated to contribute a mandatory amount established by the California Public Employees Retirement System (CalPERS) as a percent of salary. Town employees contribute a percentage of their salary towards their pension in what's referred to as the normal cost. The normal cost is the annual cost of service accrual for active employees and can be viewed as the cost of benefits earned by employees in the current year. The second source of normal cost funding is provided by employer normal cost contributions. The employer normal cost rates for all cities/towns in CalPERS are established annually by CalPERS. These rates are the minimum contractual obligations the Town must pay. It should be noted, that the normal cost calculation assumes all actuarial assumptions will be met going forward. In the event the plans experience unfavorable economic or demographic assumptions, an unfunded actuarial liability (UAL) may occur. The cost associated with an unfunded liability is borne solely by the employer. The development of a UAL typically results from unfavorable investment returns, changes in actuarial assumptions, unfavorable demographic shifts, and other experiences that differ from those anticipated by the annual actuarial assumptions. As of the 2017 Actuarial Valuations the Town had a combined UAL for both Pension and OPEB of \$63.6 million.

The Town's pension plans over the past several decades, like all other CalPERS participants, have experienced unfavorable investment returns, changes in actuarial assumptions, and unfavorable demographic shifts which have outweighed any positive plan experiences. As such, the Town's employer pension contributions are expected to continue to increase. The Town's employer contribution rate will increase from 46.09% in FY 2018/19 to 52.22% in FY 2019/20 for classic sworn employees. For all other employees, the rate will increase from 30.87% in FY 2018/19 to 33.18% in FY 2019/20. The Public Employees' Pension Reform Act (PEPRA), effective January 1, 2013, implemented lower pension tiers for employees who are new to the PERS pension system. While this does not provide immediate cost savings, it is anticipated to reduce future benefit expenditures in the next 10 to 15 years. Employer contribution rates will increase from 13.96% in FY 2018/19 to 15.02% in FY 2019/20 for PEPRA sworn employees. The Town prudently recognized the potential impacts to future service delivery if unfunded pension and OPEB obligations were not addressed and additional funding strategies not identified. To date, the Town has taken proactive steps totaling \$30.5 million of additional discretionary spending strategies to address the current pension and OPEB unfunded obligations.

For more information about the pension and other benefits offered to Town employees, see: <https://www.losgatosca.gov/44/Human-Resources>. For more information about the Towns Pension and OPEB plans please see: <https://www.losgatosca.gov/2479/Town-Pension-and-OPEB-Plans-Information>

Other Cost Drivers – A significant cost driver for the Town is energy costs, including fuel for safety and maintenance vehicles, water for parks and landscaping, natural gas and electricity to heat and cool buildings, and lighting for street lights, parking lots, and Town facilities. The Town has taken steps to ensure water conservation and recently made energy retrofits to improve efficiency in Town facilities and reduce costs. Fuel costs can be reduced by utilizing electric and/or hybrid vehicles, and installing electric vehicle charging stations throughout the Town. Staff will continue to explore energy alternatives to reduce costs.

Revenue Recovery – On a positive note, all signs indicate that the economy remains strong as the Town is anticipating increases in many economically sensitive revenues such as Property Tax, Transient Occupancy Tax (TOT), and Franchise Fees for FY 2019/20. General Fund revenues for FY 2019/20 (excluding debt payments and fund transfers in) are 7.0% greater than budgeted prior year revenues. This increase is largely due to forecasted increases in Property Tax, TOT, and Sales Tax. In November 2018, the voters approved a one-eighth general purpose sales tax dedicated to the Town of Los Gatos. Revenue collection began in April 2019 and is reflected in the revenue estimates.

**TOTAL TOWN
REVENUES AND EXPENDITURES**

GENERAL FUND

	2015/16	2016/17	2017/18	2018/19	2019/20
	Actuals	Actuals	Actuals	Estimated	Adopted
REVENUES					
Property Tax	\$ 10,779,434	\$ 11,518,257	\$ 12,510,822	\$ 13,543,960	\$ 14,174,700
VLF Backfill	2,984,023	3,237,955	3,447,584	3,685,247	3,795,800
Sales & Use Tax	7,501,175	9,171,373	7,592,206	7,629,897	8,001,917
Franchise Fees	2,258,892	2,366,908	2,474,814	2,386,910	2,458,520
Transient Occupancy Tax	1,943,166	2,322,910	2,628,927	2,622,500	2,848,730
Other Taxes	1,465,547	1,720,980	1,686,251	1,490,000	1,400,000
Licenses & Permits	3,512,019	3,042,166	3,011,309	2,822,968	3,382,534
Intergovernmental	1,539,672	908,285	1,010,166	822,585	978,141
Town Services	3,485,351	3,454,666	4,625,136	3,997,808	4,328,336
Internal Srvc Reimbursement	-	-	-	-	-
Fines & Forfeitures	858,929	917,106	676,212	505,349	483,950
Interest	620,895	171,653	244,762	932,518	629,774
Other Sources	361,618	2,201,886	1,233,881	5,038,605	356,170
Debt Service Reimbursement	1,922,398	1,923,303	1,914,739	1,909,073	1,905,024
Transfers In	2,436,405	313,825	544,836	1,543,605	538,536
TOTAL REVENUES	\$ 41,669,524	\$ 43,271,273	\$ 43,601,645	\$ 48,931,025	\$ 45,282,132
EXPENDITURES					
Salaries & Benefits	\$ 21,342,278	\$ 21,884,855	\$ 23,574,425	\$ 26,991,828	\$ 30,910,359
Operating Expenditures	8,137,858	8,896,209	9,457,424	13,479,718	9,869,872
Grants & Awards	194,155	209,381	194,808	233,472	222,500
Fixed Assets	411,820	-	-	-	-
Interest	-	-	-	-	-
Internal Service Charges	3,539,936	3,552,157	3,867,445	2,459,829	2,253,620
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	1,922,398	1,923,303	1,914,739	1,909,073	1,905,024
Transfers Out	581,014	7,298,187	3,243,595	2,785,220	7,753,140
TOTAL EXPENDITURES	\$ 36,129,459	\$ 43,764,092	\$ 42,252,436	\$ 47,859,140	\$ 52,914,515
Net Increase (Decrease)	5,540,065	(492,819)	1,349,209	1,071,885	(7,632,383)
Beginning Fund Balance	22,103,367	27,643,432	27,150,613	28,499,822	29,571,707
Ending Fund Balance*	\$ 27,643,432	\$ 27,150,613	\$ 28,499,822	\$ 29,571,707	\$ 21,939,324

* Year End Fund Balance represents General Fund 111 (Long Term Compensated Absences were accounted in Fund 961 prior to FY 2018/19).

**TOTAL TOWN
REVENUES AND EXPENDITURES**

SPECIAL REVENUE FUNDS

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Estimated	2019/20 Adopted
REVENUES					
Property Tax	\$ 13	\$ -	\$ 174	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	28,096	38,370	34,400	38,220	38,220
Licenses & Permits	30,000	30,780	231,323	231,323	231,323
Intergovernmental	6,011	(6,011)	903	-	-
Town Services	338,813	341,846	345,365	353,071	353,071
Internal Srvc Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	1,480	1,570	2,416	1,820	1,460
Other Sources	-	102,654	-	-	-
Debt Service Reimbursement	-	-	-	-	-
Transfers In	50,000	-	-	-	10,000
TOTAL REVENUES	\$ 454,413	\$ 509,209	\$ 614,581	\$ 624,434	\$ 634,074
EXPENDITURES					
Salaries & Benefits	\$ 111,664	\$ 126,005	\$ 135,347	\$ 149,572	\$ 190,474
Operating Expenditures	355,021	355,246	405,064	537,763	416,474
Grants & Awards	-	-	-	-	-
Fixed Assets	-	-	-	-	52,500
Interest	-	-	-	-	-
Internal Service Charges	5,519	6,218	6,895	4,042	5,042
Capital Projects	-	-	6,870	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	4,920	4,920	4,920	4,920	4,920
TOTAL EXPENDITURES	\$ 477,124	\$ 492,389	\$ 559,096	\$ 696,297	\$ 669,410
Net Increase (Decrease)	(22,711)	16,820	55,485	(71,863)	(35,336)
Beginning Fund Balance	387,085	364,374	381,194	436,679	364,816
Ending Fund Balance*	\$ 364,374	\$ 381,194	\$ 436,679	\$ 364,816	\$ 329,480

**TOTAL TOWN
REVENUES AND EXPENDITURES**

INTERNAL SERVICE FUNDS

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Estimated	2019/20 Adopted
REVENUES					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	44,453	23,165	31,838	40,000	40,000
Licenses & Permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Town Services	147,850	115,233	161,595	95,000	90,000
Internal Srvc Reimbursement	4,521,610	4,552,407	4,880,836	3,433,133	3,285,647
Fines & Forfeitures	-	-	-	-	-
Interest	6	8	5	-	-
Other Sources	327,920	533,753	585,934	2,852,161	316,382
CIP Proj Reimbursement	-	-	-	-	-
Transfers In	-	-	703,371	450,000	1,061,256
TOTAL REVENUES	\$ 5,041,839	\$ 5,224,566	\$ 6,363,579	\$ 6,870,294	\$ 4,793,285
EXPENDITURES					
Salaries & Benefits	\$ 1,298,397	\$ 3,344,009	\$ 1,585,148	\$ -	\$ 15,413
Operating Expenditures	3,619,728	3,564,545	3,593,992	4,434,162	4,450,508
Grants & Awards	-	-	-	-	-
Fixed Assets	547,171	402,806	620,915	900,711	1,661,240
Interest	-	-	-	-	-
Internal Service Charges	170	53	-	-	752
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	1,500,833	295,680	-	1,355,069	1,313,000
TOTAL EXPENDITURES	\$ 6,966,299	\$ 7,607,093	\$ 5,800,055	\$ 6,689,942	\$ 7,440,913
Net Increase (Decrease)	(1,924,460)	(2,382,527)	563,524	180,352	(2,647,628)
Beginning Fund Balance	10,585,057	8,660,597	6,278,070	6,841,594	7,021,946
Ending Fund Balance	\$ 8,660,597	\$ 6,278,070	\$ 6,841,594	\$ 7,021,946	\$ 4,374,318

**TOTAL TOWN
REVENUES AND EXPENDITURES**

LIBRARY TRUST FUNDS

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Estimated	2019/20 Adopted
REVENUES					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses & Permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Town Services	-	-	-	-	-
Internal Srvs Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	4,863	4,623	6,724	4,350	4,150
Other Sources	163,518	79,760	74,315	83,270	75,000
CIP Proj Reimbursement	-	-	-	-	-
Transfers In	1,380	-	-	-	-
TOTAL REVENUES	\$ 169,761	\$ 84,383	\$ 81,039	\$ 87,620	\$ 79,150
EXPENDITURES					
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	160,209	75,498	77,252	104,048	112,500
Grants & Awards	-	-	-	-	-
Fixed Assets	-	-	-	-	20,755
Interest	-	-	-	-	-
Internal Service Charges	-	-	-	-	-
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	215,585	-	-	-	-
TOTAL EXPENDITURES	\$ 375,794	\$ 75,498	\$ 77,252	\$ 104,048	\$ 133,255
Net Increase (Decrease)	(206,033)	8,885	3,787	(16,428)	(54,105)
Beginning Fund Balance	729,112	523,079	531,964	535,751	519,323
Ending Fund Balance	\$ 523,079	\$ 531,964	\$ 535,751	\$ 519,323	\$ 465,218

**TOTAL TOWN
REVENUES AND EXPENDITURES**

CAPITAL PROJECT FUNDS

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Estimated	2019/20 Adopted
REVENUES					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	12,147	23,165	31,838	30,000	30,000
Licenses & Permits	504,658	658,660	1,381,590	506,567	822,053
Intergovernmental	1,035,991	798,016	1,306,153	1,540,596	3,122,607
Town Services	-	7,500	-	20,880	46,500
Internal Srvs Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	209,684	66,951	93,198	24,130	35,740
Other Sources	718,610	741,164	181,503	947,129	1,411,279
CIP Proj Reimbursement	-	-	-	-	-
SCC RPTTF Reimbursement	-	-	-	-	-
Transfers In	504,006	7,593,867	2,638,224	2,685,220	7,994,884
TOTAL REVENUES	\$ 2,985,096	\$ 9,889,323	\$ 5,632,506	\$ 5,754,522	\$ 13,463,063
EXPENDITURES					
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	6,091	3,654	892	-	-
Grants & Awards	-	-	-	-	-
Fixed Assets	-	-	-	-	-
Interest	-	-	-	-	-
Internal Service Charges	-	-	-	-	-
Capital Projects	2,293,246	6,863,374	10,041,528	8,209,275	13,164,778
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	698,580	308,905	631,616	533,616	533,616
TOTAL EXPENDITURES	\$ 2,997,917	\$ 7,175,933	\$ 10,674,036	\$ 8,742,891	\$ 13,698,394
Net Increase (Decrease)	(12,821)	2,713,390	(5,041,530)	(2,988,369)	(235,331)
Beginning Fund Balance	20,829,543	20,816,722	23,530,112	18,488,582	15,500,213
Ending Fund Balance	\$ 20,816,722	\$ 23,530,112	\$ 18,488,582	\$ 15,500,213	\$ 15,264,882

**TOTAL TOWN
REVENUES AND EXPENDITURES**

SUCCESSOR AGENCY TO THE TOWN OF LOS GATOS RDA

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Estimated	2019/20 Adopted
REVENUES					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses & Permits	-	-	-	-	-
Intergovernmental	1,989,524	1,964,636	1,958,325	1,919,073	1,915,024
Town Services	-	-	-	-	-
Internal Srvc Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	2,393	6,310	22,788	3,079	3,154
Other Sources	-	-	-	-	-
CIP Proj Reimbursement	1,922,398	1,923,303	1,914,739	1,909,073	1,905,024
SCC RPTTF Reimbursement	-	-	-	-	-
Transfers In	-	-	-	-	-
TOTAL REVENUES	\$ 3,914,315	\$ 3,894,249	\$ 3,895,852	\$ 3,831,225	\$ 3,823,202
EXPENDITURES					
Salaries & Benefits	\$ 14,102	\$ (10,004)	\$ 1,385	\$ 1,605	\$ 1,748
Operating Expenditures	5,357	16,770	5,270	11,570	11,670
Grants & Awards	-	-	-	-	-
Fixed Assets	-	-	-	-	-
Interest	1,025,000	1,065,000	756,482	1,150,000	1,195,000
Internal Service Charges	561	75	58	5	5
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	2,819,796	2,725,469	3,013,089	2,668,145	2,614,779
Transfers Out	69,654	-	6,300	-	-
TOTAL EXPENDITURES	\$ 3,934,470	\$ 3,797,310	\$ 3,782,584	\$ 3,831,325	\$ 3,823,202
Net Increase (Decrease)	(20,155)	96,939	113,268	(100)	-
Beginning Fund Balance	3,613,726	3,593,571	3,690,510	3,803,778	3,803,678
Ending Fund Balance	\$ 3,593,571	\$ 3,690,510	\$ 3,803,778	\$ 3,803,678	\$ 3,803,678

**TOTAL TOWN
REVENUES AND EXPENDITURES**

TOTAL ALL FUNDS

	2015/16	2016/17	2017/18	2018/19	2019/20
	Actuals	Actuals	Actuals	Estimated	Adopted
REVENUES					
Property Tax	\$ 10,779,447	\$ 11,518,257	\$ 12,510,996	\$ 13,543,960	\$ 14,174,700
VLF Backfill	2,984,023	3,237,955	3,447,584	3,685,247	3,795,800
Sales & Use Tax	7,501,175	9,171,373	7,592,206	7,629,897	8,001,917
Franchise Fees	2,258,892	2,366,908	2,474,814	2,386,910	2,458,520
Transient Occupancy Tax	1,943,166	2,322,910	2,628,927	2,622,500	2,848,730
Other Taxes	1,550,243	1,805,680	1,784,327	1,598,220	1,508,220
Licenses & Permits	4,046,677	3,731,606	4,624,222	3,560,858	4,435,910
Intergovernmental	4,571,198	3,664,926	4,275,547	4,282,254	6,015,772
Town Services	3,972,014	3,919,245	5,132,096	4,466,759	4,817,907
Internal Srvc Reimbursement	4,521,610	4,552,407	4,880,836	3,433,133	3,285,647
Fines & Forfeitures	858,929	917,106	676,212	505,349	483,950
Interest	839,321	251,115	369,893	965,897	674,278
Other Sources	1,571,666	3,659,217	2,075,633	8,921,165	2,158,831
CIP Proj Reimbursement	3,844,796	3,846,606	3,829,478	3,818,146	3,810,048
SCC RPTTF Reimbursement	-	-	-	-	-
Transfers In	2,991,791	7,907,692	3,886,431	4,678,825	9,604,676
TOTAL REVENUES	\$ 54,234,948	\$ 62,873,003	\$ 60,189,202	\$ 66,099,120	\$ 68,074,906
EXPENDITURES					
Salaries & Benefits	\$ 22,766,441	\$ 25,344,865	\$ 25,296,305	\$ 27,143,005	\$ 31,117,994
Operating Expenditures	12,284,264	12,911,922	13,539,894	18,567,261	14,861,024
Grants & Awards	194,155	209,381	194,808	233,472	222,500
Fixed Assets	958,991	402,806	620,915	900,711	1,734,495
Interest	1,025,000	1,065,000	756,482	1,150,000	1,195,000
Internal Service Charges	3,546,186	3,558,503	3,874,398	2,463,876	2,259,419
Capital Projects	2,293,246	6,863,374	10,048,398	8,209,275	13,164,778
Capital Acquisitions	-	-	-	-	-
Debt Service	4,742,194	4,648,772	4,927,828	4,577,218	4,519,803
Transfers Out	3,070,586	7,907,692	3,886,431	4,678,825	9,604,676
TOTAL EXPENDITURES	\$ 50,881,063	\$ 62,912,315	\$ 63,145,459	\$ 67,923,643	\$ 78,679,689
Net Increase (Decrease)	3,353,885	(39,312)	(2,956,257)	(1,824,523)	(10,604,783)
Beginning Fund Balance	58,247,886	61,601,771	61,562,459	58,606,202	56,781,679
Ending Fund Balance	\$ 61,601,771	\$ 61,562,459	\$ 58,606,202	\$ 56,781,679	\$ 46,176,896

Note: Expenditures and Transfers Out may exceed Revenues due to the inclusion of planned and carry-forward capital projects and payments from General Fund reserves to the Town Pension and OPEB Trust Funds.

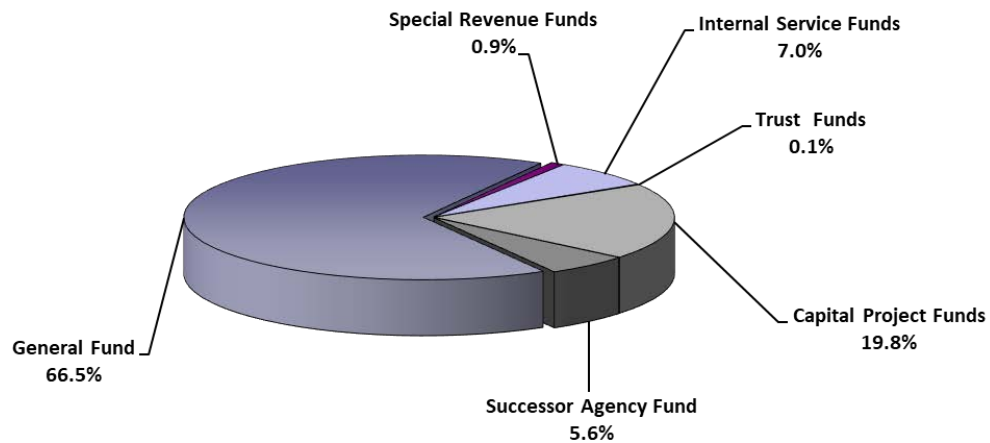
TOTAL TOWN REVENUES

BY FUND

(Includes Transfers In)

Fund	Fund Name	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	Change from PY
General Fund								
111	General Fund	\$ 41,669,525	\$ 43,271,274	\$ 43,601,644	\$ 42,363,657	\$ 48,931,025	\$ 45,282,132	6.9%
Special Revenue Funds								
211	Housing Conservation Program	67	102,654	-	-	-	-	0.0%
212	Community Dev Block Grant	6,011	(6,011)	-	-	-	-	0.0%
222	Urban Run-Off Source Fund	418,813	372,626	577,592	584,394	584,394	594,394	1.7%
231	Blackwell Assessment District	3,233	3,252	3,311	3,210	3,260	3,210	0.0%
232	Kennedy Assessment District	346	10,631	7,982	10,605	10,675	10,605	0.0%
233	Gemini Assessment District	4,850	4,801	4,544	4,750	4,900	4,750	0.0%
234	Santa Rosa Assessment District	5,000	5,074	5,402	5,000	5,000	5,000	0.0%
235	Vasona Assessment District	10,054	10,107	9,612	10,075	10,075	10,075	0.0%
236	Hillbrook Assessment District	6,041	6,074	6,138	6,040	6,130	6,040	0.0%
Internal Service Funds								
611	Liability Self-Insurance	492,341	497,401	506,519	376,187	642,515	443,727	18.0%
612	Worker's Comp Self-Insurance	963,155	1,026,355	1,135,141	878,386	1,362,335	2,087,485	137.7%
621	Information Technology	1,114,384	1,110,361	1,177,826	334,478	1,120,501	859,223	156.9%
622	Office Stores Fund	117,734	130,520	127,786	118,000	118,000	-	-100.0%
631	Equipment Replacement	501,093	458,689	1,070,616	1,070,000	1,088,399	229,093	-78.6%
632	Facilities Maintenance	571,670	577,675	586,654	376,655	755,678	-	-100.0%
633	Vehicle Maintenance	1,281,462	1,423,566	1,759,036	1,209,089	1,782,866	1,173,757	-2.9%
Trust Funds								
711	Library Trust	71,720	80,350	75,039	75,050	83,820	75,550	0.7%
712	Library History Project	1,380	-	-	-	-	-	0.0%
713	Ness Trust Bequest	845	345	516	-	200	-	0.0%
714	Betty McClendon Trust	705	750	1,079	700	700	700	0.0%
716	Barbara J Cassin Trust	2,764	2,939	4,404	2,900	2,900	2,900	0.0%
Capital Projects Funds								
411	GFAR	1,282,824	8,913,877	3,495,886	4,180,576	3,992,239	10,000,355	139.2%
421	Grant Funded CIP Projects	196,627	3,093	243,448	544,046	207,903	1,047,100	92.5%
461	Storm Drain #1	51,538	74,183	13,996	49,010	70,450	49,150	0.3%
462	Storm Drain #2	72,598	69,142	752,689	50,240	50,240	53,770	7.0%
463	Storm Drain #3	46,944	6,813	40,564	1,860	1,860	1,620	-12.9%
471	Traffic Mitigation	572,672	163,126	151,452	354,874	242,106	942,524	165.6%
472	Construction Tax-Undergrounding	79,297	47,615	68,868	44,310	44,310	52,490	18.5%
481	Gas Tax	682,594	611,472	865,606	1,324,204	1,145,428	1,316,054	-0.6%
Successor Agency to the Los Gatos RDA Fund								
942	SA - Recognized Obligation Retirement	3,914,315	3,894,249	3,895,852	3,828,296	3,831,225	3,823,202	-0.1%
TOTAL Fund Rev & Transfers In		\$ 54,234,948	\$ 62,873,003	\$ 60,189,202	\$ 57,806,592	\$ 66,099,134	\$ 68,074,906	17.8%

TOTAL TOWN REVENUES BY FUND

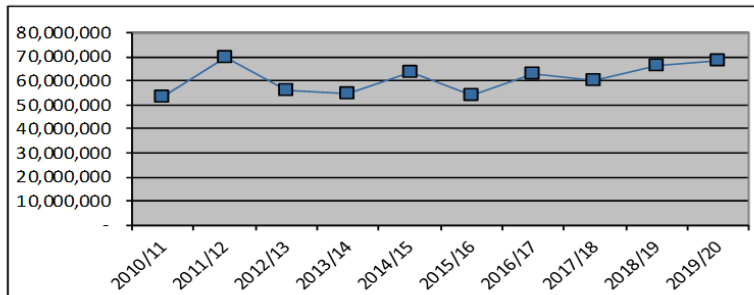


FY 2019/20 Revenues By Fund

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
General Fund	\$ 41,669,525	\$ 43,271,274	\$ 43,601,644	\$ 42,363,657	\$ 48,931,025	\$ 45,282,132	66.5%
Special Revenue Funds	454,415	509,208	614,581	624,074	624,434	634,074	0.9%
Internal Service Funds	5,041,839	5,224,567	6,363,578	4,362,795	6,870,294	4,793,285	7.0%
Trust Funds	169,760	84,384	81,038	78,650	87,620	79,150	0.1%
Capital Project Funds	2,985,094	9,889,321	5,632,509	6,549,120	5,754,536	13,463,063	19.8%
Successor Agency Fund	3,914,315	3,894,249	3,895,852	3,828,296	3,831,225	3,823,202	5.6%
Total Rev & Transfers In	\$ 54,234,948	\$ 62,873,003	\$ 60,189,202	\$ 57,806,592	\$ 66,099,134	\$ 68,074,906	100.0%

TOWN REVENUE HISTORICAL TREND (Includes Transfers In)

FY	Total	Status
2010/11	53,064,630	Actuals
2011/12	69,593,001	Actuals
2012/13	55,847,086	Actuals
2013/14	54,528,656	Actuals
2014/15	63,470,973	Actuals
2015/16	54,234,948	Actuals
2016/17	62,873,003	Actuals
2017/18	60,189,202	Actuals
2018/19	66,099,134	Estimated
2019/20	68,074,906	Projected



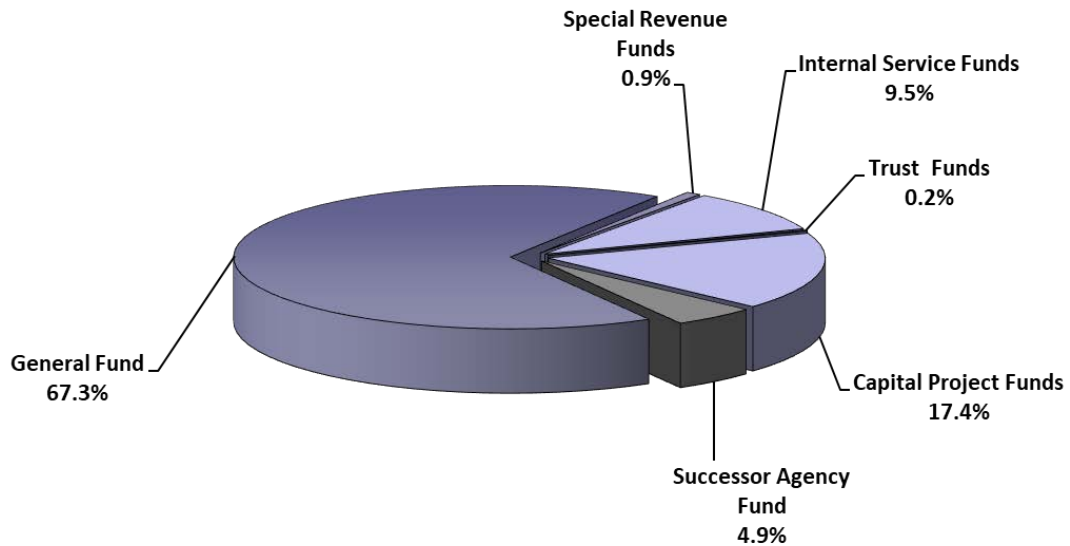
TOTAL TOWN EXPENDITURES

BY FUND

(Includes Transfers Out)

Fund	Fund Name	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	Change from PY
General Fund								
111	General Fund	\$ 36,129,459	\$ 43,764,091	\$ 42,252,436	\$ 47,516,992	\$ 47,859,140	\$ 52,914,515	11.4%
Special Revenue Funds								
211	Housing Conservation Program	-	-	-	-	-	-	0.0%
212	Community Dev Block Grant	-	-	-	-	-	-	0.0%
222	Urban Run-Off Source Fund	452,726	466,762	521,147	559,482	664,571	579,173	3.5%
231	Blackwell Assessment District	1,650	1,555	2,536	10,907	2,597	10,907	0.0%
232	Kennedy Assessment District	8,400	8,631	14,846	31,506	7,905	8,913	-71.7%
233	Gemini Assessment District	1,406	1,406	2,244	12,544	2,722	12,544	0.0%
234	Santa Rosa Assessment District	2,955	2,955	9,172	19,472	9,172	19,472	0.0%
235	Vasona Assessment District	7,018	7,555	5,586	18,644	5,673	18,644	0.0%
236	Hillbrook Assessment District	2,969	3,525	3,565	19,757	3,657	19,757	0.0%
Internal Service Funds								
611	Liability Self-Insurance	656,053	1,015,409	397,190	641,361	412,788	680,137	6.0%
612	Worker's Comp Self-Insurance	1,264,688	1,337,371	1,416,722	1,218,202	1,966,962	1,657,210	36.0%
621	Information Technology	1,059,092	1,747,482	1,267,349	1,211,775	902,570	955,575	-21.1%
622	Office Stores Fund	122,562	113,210	100,432	134,500	345,791	-	-100.0%
631	Equipment Replacement	2,028,117	712,638	636,400	1,572,945	900,711	2,186,240	39.0%
632	Facilities Maintenance	484,662	805,178	506,234	376,655	1,018,466	-	-100.0%
633	Vehicle Maintenance	1,351,125	1,875,805	1,475,728	1,151,086	1,142,654	1,961,752	70.4%
Trust Funds								
711	Library Trust	64,896	75,498	71,265	73,500	83,000	100,000	36.1%
713	Ness Trust Bequest	131,694	-	-	-	21,048	20,755	0.0%
714	Betty McClendon Trust	-	-	5,986	-	-	2,500	0.0%
716	Barbara J Cassin Trust	-	-	-	-	-	10,000	0.0%
721	Parking District #88	179,204	-	-	-	-	-	0.0%
Capital Projects Funds								
411	GFAR	2,025,650	5,448,916	9,556,479	4,154,302	6,564,889	10,242,715	146.6%
421	Grant Funded CIP Projects	181,443	3,400	15,394	950,446	326,681	1,047,100	10.2%
461	Storm Drain #1	-	-	-	50,000	-	50,000	0.0%
462	Storm Drain #2	95,820	-	18,700	50,000	-	50,000	0.0%
463	Storm Drain #3	-	12,750	107,992	50,000	-	50,000	0.0%
471	Traffic Mitigation	587,695	141,791	119,507	334,874	242,106	942,524	181.5%
472	Construction Tax-Undergrounding	-	-	-	2,218,000	-	-	-100.0%
481	Gas Tax	107,309	1,569,077	855,965	1,324,134	1,609,215	1,316,054	-0.6%
Successor Agency to the Los Gatos RDA Fund								
942	SA- Trust Fund	3,934,470	3,797,310	3,782,584	3,831,229	3,831,325	3,823,202	
TOTAL Fund Exp & Transfers Out		\$ 50,881,063	\$ 62,912,315	\$ 63,145,459	\$ 67,532,313	\$ 67,923,643	\$ 78,679,689	16.5%

TOTAL TOWN EXPENDITURES BY FUND



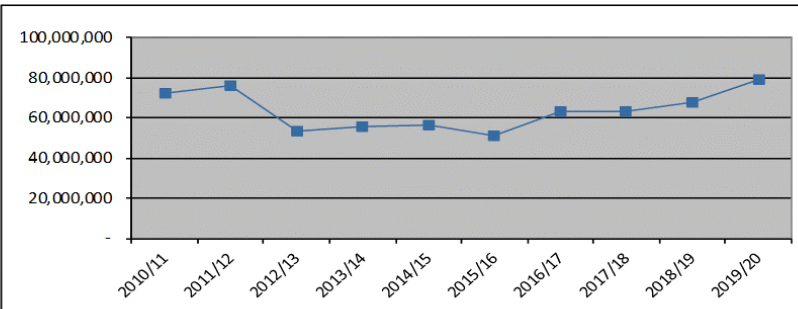
FY 2019/20 Expenditures by Fund

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
General Fund	\$ 36,129,459	\$ 43,764,091	\$ 42,252,436	\$ 47,516,992	\$ 47,859,140	\$ 52,914,515	67.3%
Special Revenue Funds	477,124	492,389	559,096	672,312	696,297	669,410	0.9%
Internal Service Funds	6,966,299	7,607,093	5,800,055	6,306,524	6,689,942	7,440,914	9.5%
Trust Funds	375,794	75,498	77,251	73,500	104,048	133,255	0.2%
Capital Project Funds	2,997,917	7,175,934	10,674,037	9,131,756	8,742,891	13,698,393	17.4%
Successor Agency Fund	3,934,470	3,797,310	3,782,584	3,831,229	3,831,325	3,823,202	4.9%
Total Exp & Transfers Out	\$ 50,881,063	\$ 62,912,315	\$ 63,145,459	\$ 67,532,313	\$ 67,923,643	\$ 78,679,689	100.0%

TOWN EXPENDITURE HISTORICAL TREND

(Includes Transfers Out)

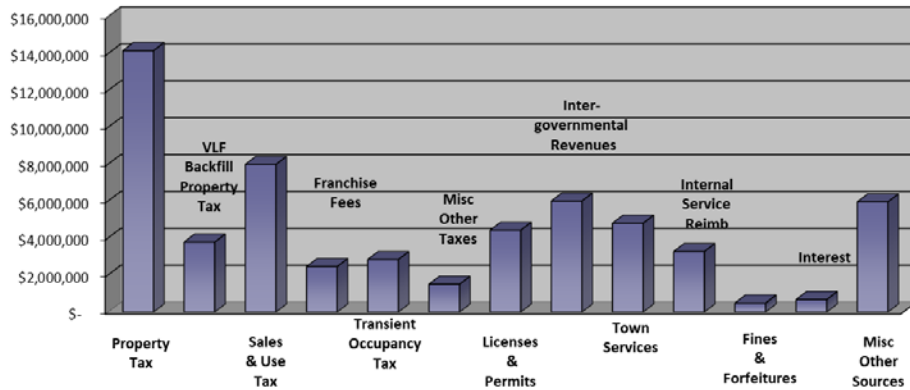
FY	Total	Status
2010/11	\$ 72,439,477	Actuals
2011/12	\$ 75,659,793	Actuals
2012/13	\$ 53,432,243	Actuals
2013/14	\$ 55,545,002	Actuals
2014/15	\$ 56,593,416	Actuals
2015/16	\$ 50,881,063	Actuals
2016/17	\$ 62,912,315	Actuals
2017/18	\$ 63,145,459	Actuals
2018/19	\$ 67,923,643	Estimated
2019/20	\$ 78,679,689	Projected



TOTAL TOWN REVENUES

BY CATEGORY

FY 2019/20 Revenues



Revenues	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
Property Tax	\$ 10,779,448	\$ 11,518,257	\$ 12,510,996	\$ 12,507,071	\$ 13,543,960	\$ 14,174,700	20.8%
VLF Backfill Property Tax	2,984,023	3,237,955	3,447,584	3,482,060	3,685,247	3,795,800	5.6%
Sales & Use Tax	7,501,175	9,171,373	7,592,206	7,744,208	7,629,897	8,001,917	11.8%
Franchise Fees	2,258,892	2,366,908	2,474,814	2,386,910	2,386,910	2,458,520	3.6%
Transient Occupancy Tax	1,943,166	2,322,910	2,628,927	2,272,500	2,622,500	2,848,730	4.2%
Miscellaneous Other Taxes	1,550,243	1,805,679	1,784,327	1,758,220	1,598,220	1,508,220	2.2%
Licenses & Permits	4,046,677	3,731,606	4,624,222	4,385,686	3,560,858	4,435,910	6.5%
Intergovernmental Revenues	4,571,198	3,664,925	4,275,547	5,262,535	4,282,254	6,015,772	8.8%
Town Services	3,972,014	3,919,245	5,132,095	4,909,709	4,466,759	4,817,907	7.1%
Internal Service Reimbursements	4,521,610	4,552,407	4,880,836	3,481,414	3,433,133	3,285,647	4.8%
Fines & Forfeitures	858,929	917,106	676,212	631,400	505,349	483,950	0.7%
Interest	839,321	251,116	369,892	317,696	965,897	674,278	1.0%
Miscellaneous Other Sources	5,416,461	7,505,824	5,905,113	5,037,114	12,739,311	5,968,879	8.8%
Total Revenues	\$ 51,243,157	\$ 54,965,311	\$ 56,302,771	\$ 54,176,523	\$ 61,420,295	\$ 58,470,230	
Plus Transfers In	2,991,791	7,907,692	3,886,431	3,630,056	4,678,825	9,604,676	14.1%
Total Revenues & Other Sources	\$ 54,234,948	\$ 62,873,003	\$ 60,189,202	\$ 57,806,579	\$ 66,099,120	\$ 68,074,906	100%

Total Budgeted Revenues (exclusive of Transfers In) have increased from the prior year, as the Town is expected to experience revenue growth in some of the key economically sensitive revenue categories of Property Tax, Transient Occupancy Tax, and VLF Backfill.

Key revenue highlights include:

Property Tax – Property Tax revenues have increased by 13.4% compared to the prior year budgeted amount as home sales continue to rise with the strong economy.

Sales and Use Tax – While the Town only receives 1.125 cents of the 9.125 cents of sales tax paid per dollar of taxable sales generated in Town, Sales and Use Tax remains one of the General Fund's largest revenue sources. The FY 2019/20 budget reflects \$8 million in sales tax revenue, or a 3% increase compared to the prior year budgeted amount. The change is the combined effect of the additional 1/8 cent sales tax, and the negative impact is associated with Netflix streaming and increased on-line retail sales versus local brick and mortar shopping.

Licenses and Permits – FY 2019/20 Licenses and Permits reflect a 1.1% increase reflecting anticipated permitting activity.

Intergovernmental Revenues – Increases in intergovernmental revenues are due to changes in available grant funding.

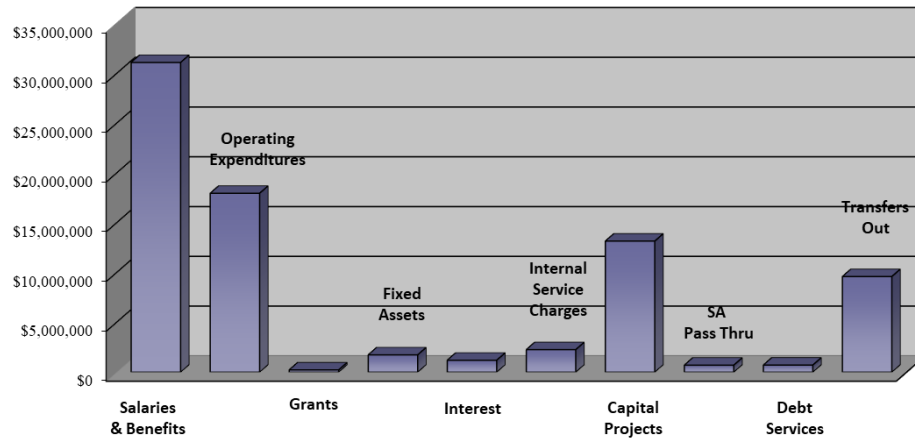
Transient Occupancy Tax– Transient Occupancy Tax (TOT) is expected to increase by 25.4% from FY 2018/19 budgeted amount of \$2.3 million due to the continued strong travel and tourism industry, and the anticipated additional TOT collection from short term vacation rental units.

Other Sources – This revenue reflects lease reimbursement revenue received from the Successor Agency to the Los Gatos Redevelopment Agency for 2002 and 2010 Certificates of Participation (COPs) debt service payments for the bond issues.

TOTAL TOWN EXPENDITURES

BY CATEGORY

**FY 2019/20
Expenditures**



Expenditures	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
Salaries and Benefits	\$ 22,766,441	\$ 25,344,865	\$ 25,296,305	\$ 27,347,094	\$ 27,143,005	\$ 31,117,995	39.6%
Operating Expenditures	14,791,682	16,085,203	16,354,837	20,807,148	20,053,122	17,971,353	22.8%
Grants	194,155	209,381	194,808	227,000	233,472	222,500	0.3%
Fixed Assets	958,991	402,807	627,785	1,798,038	900,711	1,734,495	2.2%
Interest	1,025,000	1,065,000	756,482	1,150,000	1,150,000	1,195,000	1.5%
Internal Service Charges	3,546,185	3,558,503	3,874,398	2,484,949	2,463,876	2,259,419	2.9%
Capital Projects	2,293,247	6,863,375	10,041,532	8,598,140	8,209,275	13,164,778	16.7%
Successor Agency Pass Thru	1,337,379	673,323	1,014,531	730,815	2,332,285	699,718	0.9%
Debt Services	897,398	802,166	1,098,350	759,073	759,072	709,755	0.9%
Total Expenditures	\$ 47,810,478	\$ 55,004,623	\$ 59,259,028	\$ 63,902,257	\$ 63,244,818	\$ 69,075,013	
Transfers Out	3,070,585	7,907,692	3,886,431	3,630,056	4,678,825	9,604,676	12.2%
Total Uses of Funds	\$ 50,881,063	\$ 62,912,315	\$ 63,145,459	\$ 67,532,313	\$ 67,923,643	\$ 78,679,689	100%

Total Budgeted Expenditures (exclusive of Transfers Out) include budgeted Capital Improvements, which can vary significantly from year to year. Net of Capital Projects, total expenditures reflect a 6.5% increase for FY 2019/20 compared to the prior year adopted budget. Expenditures of note include:

Salaries and Benefits – The FY 2019/20 budget reflects an increase in salaries related to negotiated across the board increases and benefits attributed to increased CalPERS and medical benefits rates. Staffing modifications include eliminating certain vacant positions and reclassifying them to better align with service delivery within the existing budget, including the 0.35 FTE Administrative Technician position and temporary Analyst hours in the Finance Program. The 1.0 FTE IT Analyst added to the budget last year and the 1.0 FTE Network Administrator that is currently budgeted have had the titles changed to the IT Systems Administrator classification and one FTE has moved from Information Technology to the Police Department to accurately reflect existing IT services allocated to the Police Department. The 1.0 FTE Accountant/Finance Analyst position is a permanent addition to the budget. Staff also proposes one-time temporary hours within the Town Manager’s Office, Police Department, and Community Development Department.

Fixed Assets – Budgeted fixed asset costs stem primarily from scheduled vehicle and equipment replacements. The variance in expenditures from year to year does not impact current year charges to the Departments, only the actual cash out to replace the asset.

Internal Service Charges – These expenditures represent the service program costs charged back to the operational programs for Liability Insurance, Information Technology, Vehicle Replacement, and Building Maintenance services. The FY 2019/20 budget reflects a decrease in the Internal Service Charges since two of the Internal Service Funds will be closed during FY 2018/19.

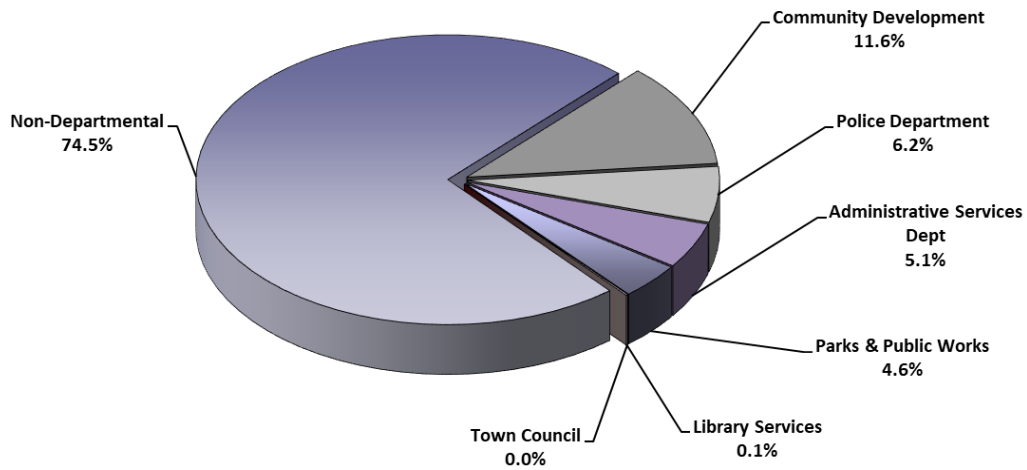
TOTAL TOWN EXPENDITURES

BY CATEGORY

Debt Service – Debt service charges reflect the Redevelopment Agency’s two outstanding Certificates of Participation (2002 and 2010) through a leasing expenditure and reimbursement revenue which nets to zero for the Town, while Successor Agency (SA) to the Los Gatos Redevelopment Agency funds provide the actual debt payment for the bond issues. The SA reimburses the General Fund for the debt service payment. The 1992 COP for Parking Lot #4 was paid in full in early FY 2012/13.

GENERAL FUND REVENUES

BY DEPARTMENT

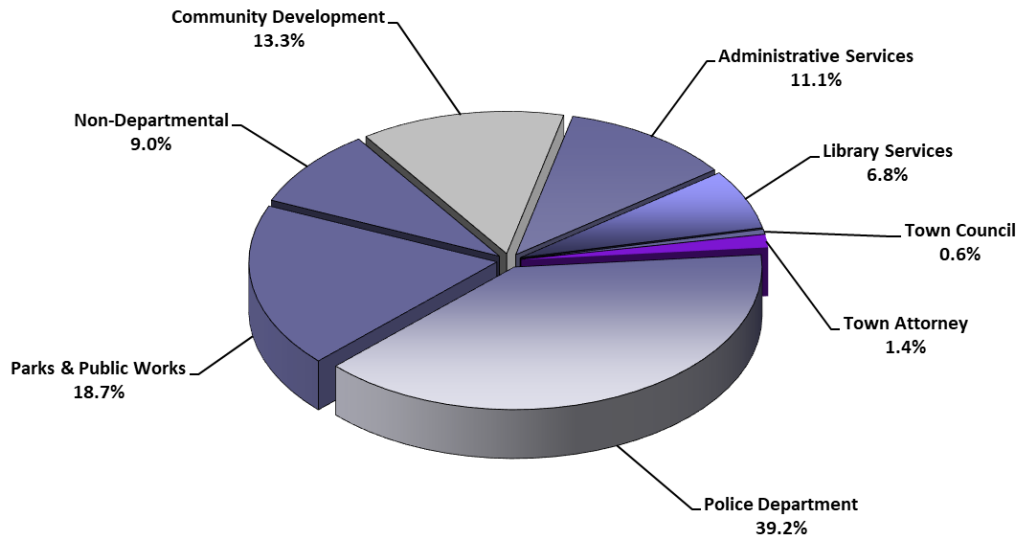


FY 2019/20 Departmental Revenues

Departments	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
Town Council	\$ 119	\$ 2,634	\$ 730	\$ -	\$ 150	\$ -	0.0%
Non-Departmental	25,815,404	30,660,035	28,988,477	28,371,332	33,685,253	31,267,889	73.0%
Administrative Services*	2,107,339	1,939,016	1,946,533	2,105,357	2,614,894	2,176,383	5.1%
Community Development	4,359,149	3,803,661	3,835,046	5,066,010	3,856,838	4,967,543	11.6%
Police Department	3,356,188	2,880,573	2,769,309	2,518,704	2,449,304	2,661,412	6.2%
Parks & Public Works	1,579,102	1,666,480	3,530,073	1,789,845	2,805,805	1,716,845	4.0%
Library Services	93,420	81,746	71,902	58,500	66,103	48,500	0.1%
Total General Fund Revenues	\$ 37,310,721	\$ 41,034,145	\$ 41,142,070	\$ 39,909,748	\$ 45,478,347	\$ 42,838,572	100%
Town Debt Payments	\$ 1,922,398	\$ 1,923,303	\$ 1,914,739	\$ 1,909,073	\$ 1,909,073	\$ 1,905,024	
Transfers In	2,436,405	313,825	544,836	544,836	1,543,605	538,536	
Net Operating Revenues	\$ 41,669,524	\$ 43,271,273	\$ 43,601,645	\$ 42,363,657	\$ 48,931,025	\$ 45,282,132	

**The Town Manager's Office, Human Resources, Finance, Clerk Administration, and Information Technology Programs are all accounted for within the Administrative Services Department.*

GENERAL FUND EXPENDITURES BY DEPARTMENT



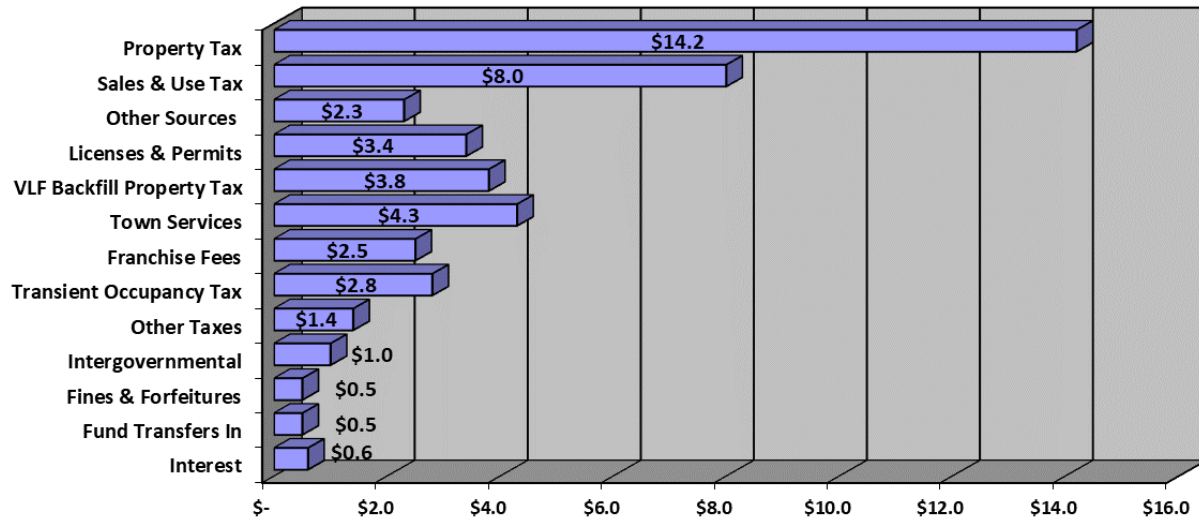
FY 2019/20 Departmental Expenditures

Departments	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
Police Department	\$ 13,844,684	\$ 13,251,291	\$ 14,423,554	\$ 14,976,514	\$ 15,348,311	\$ 16,940,786	39.2%
Parks & Public Works	6,226,196	6,597,744	7,099,527	7,621,282	9,097,208	8,070,067	18.7%
Non-Departmental	3,839,489	4,945,746	5,109,456	7,015,300	6,871,599	3,873,255	9.0%
Community Development	4,032,333	3,793,929	4,192,165	5,583,158	4,648,870	5,760,099	13.3%
Administrative Services*	2,883,289	2,825,082	3,193,995	4,290,959	3,961,505	4,815,138	11.1%
Library Services	2,332,268	2,508,678	2,529,017	2,556,267	2,461,954	2,935,010	6.8%
Town Council	171,530	193,584	192,183	223,036	215,399	240,605	0.6%
Town Attorney	296,258	426,548	354,205	556,183	560,001	621,391	1.4%
Total General Fund Exp	\$ 33,626,047	\$ 34,542,602	\$ 37,094,102	\$ 42,822,699	\$ 43,164,847	\$ 43,256,351	100%
Town Debt Payments	\$ 1,922,398	\$ 1,923,303	\$ 1,914,739	\$ 1,909,073	\$ 1,909,073	\$ 1,905,024	
Transfers Out	581,014	7,298,187	3,243,595	2,785,220	2,785,220	7,753,140	
Net Operating Expenditures	\$ 36,129,459	\$ 43,764,092	\$ 42,252,436	\$ 47,516,992	\$ 47,859,140	\$ 52,914,515	

* The Town Manager's Office, Human Resources, Finance, Clerk Administrator, and Information Technology Programs are all accounted for within the Administrative Services Department.

GENERAL FUND REVENUES BY CATEGORY

\$45.3 Million



Revenue Category	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
Property Tax	\$ 10,779,434	\$ 11,518,257	\$ 12,510,822	\$ 12,507,071	\$ 13,543,960	\$ 14,174,700	31.3%
VLF Backfill Property Tax	2,984,023	3,237,955	3,447,584	3,482,060	3,685,247	3,795,800	8.4%
Sales & Use Tax	7,501,175	9,171,373	7,592,206	7,744,208	7,629,897	8,001,917	17.7%
Franchise Fees	2,258,892	2,366,908	2,474,814	2,386,910	2,386,910	2,458,520	5.4%
Transient Occupancy Tax	1,943,166	2,322,910	2,628,927	2,272,500	2,622,500	2,848,730	6.3%
Other Taxes	1,465,547	1,720,980	1,686,251	1,650,000	1,490,000	1,400,000	3.1%
Licenses & Permits	3,512,019	3,042,166	3,011,309	3,311,429	2,822,968	3,382,534	7.5%
Intergovernmental	1,539,672	908,285	1,010,166	685,759	822,585	978,141	2.2%
Town Services	3,485,351	3,454,666	4,625,136	4,461,638	3,997,808	4,328,336	9.6%
Fines & Forfeitures	858,929	917,106	676,212	631,400	505,349	483,950	1.1%
Interest	620,895	171,653	244,762	267,806	932,518	629,774	1.4%
Other Sources	2,284,016	4,125,189	3,148,620	2,418,040	6,947,678	2,261,194	5.0%
Total Revenues	\$ 39,233,119	\$ 42,957,448	\$ 43,056,809	\$ 41,818,821	\$ 47,387,420	\$ 44,743,596	
Transfers In:	\$ 2,436,405	\$ 313,825	\$ 544,836	\$ 544,836	\$ 1,543,605	\$ 538,536	1.2%
Total Revenues & Transfers In	\$ 41,669,524	\$ 43,271,273	\$ 43,601,645	\$ 42,363,657	\$ 48,931,025	\$ 45,282,132	100%

FY 2019/20 General Fund revenues and fund transfers are estimated to increase by 6.9% from the FY 2018/19 adopted budget. The Town's operations are funded through a variety of revenue sources as depicted above. Revenues were estimated by trend analysis and historical data as explained below:

Sales Tax – While the Town only receives 1.125 cents of the 9.125 cents of sales tax paid per dollar of taxable sales generated in Town, Sales and Use Tax remains one of the General Fund's largest revenue sources. The FY 2019/20 budget reflects \$8 million in sales tax revenue, or a 3% increase compared to the prior year budgeted amount. The change is the combined effect of the additional 1/8 cent sales tax, and the negative impact of Netflix streaming and reduced local brick and mortar sales compared with on-line retail sales.

Property Tax – Property Tax receipts in Los Gatos are expected to increase from the budgeted FY 2018/19 amount by 13.4% totaling \$14.2 million, as homes sales continue to rise with the positive economy. Property Tax budget projections are based on valuations projected by the Santa Clara County Assessor's Office, given increased home sales, coupled with anticipated adjustments in property tax distribution due to the dissolution of California redevelopment agencies. The Town receives 9.3 cents of each property tax dollar paid by property owners. The remaining 90.7 cents of each dollar is distributed to several other taxing jurisdictions, including local schools,

GENERAL FUND REVENUES

BY CATEGORY

community college districts, the County of Santa Clara, Santa Clara County Central Fire Protection District, and other special districts that serve the community.

Town Services – Charges for Town Services decreased by 3% reflecting development projects that are in progress.

Licenses & Permits – Licenses and Permits remained flat based on current and anticipated building activities.

Intergovernmental Revenues – Intergovernmental revenues reflect a 42% increase since more grant revenue is anticipated to be received than the prior fiscal year.

Franchise Fees – Compared to the prior fiscal year, Franchise Fees, including cable television, electric utility and solid waste, have increased by 3%. The increase is based on an analysis of current year collection trends.

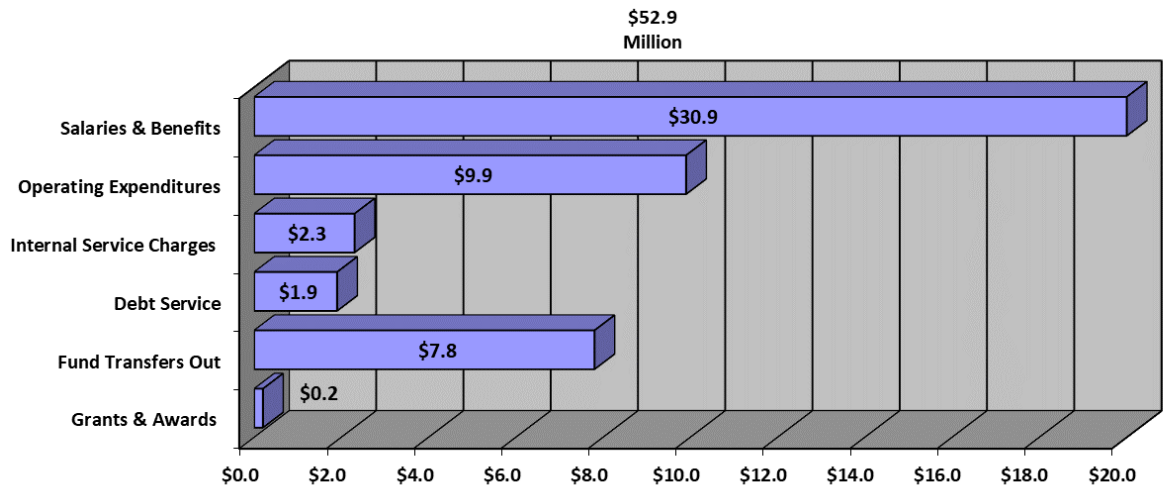
Transient Occupancy Tax – Transient Occupancy Tax (TOT) is expected to increase by 25.4% from the FY 2018/19 budgeted amount of \$2.3 million due to the continued strong travel and tourism industry, and the anticipated additional TOT collection from short term vacation rental units.

Fines and Forfeitures – Fines and Forfeitures include library and traffic fines and administrative citations which are expected to decrease by 23%.

Transfers In –Transfers in have remained the same as in the prior year budget.

Other Sources – Other sources reflects a 6% decrease compared to the prior fiscal year because of a reduction in Town “pass Through” programs.

GENERAL FUND EXPENDITURES BY CATEGORY



Expenditure Category	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted	% of Total
Salaries & Benefits	\$ 21,342,278	\$ 21,884,855	\$ 23,574,425	\$ 27,182,217	\$ 26,991,828	\$ 30,910,359	58.5%
Operating Expenditures	8,137,858	8,896,209	9,457,424	12,932,896	13,479,718	9,869,872	18.7%
Fixed Assets	411,820	-	-	-	-	-	0.0%
Grants & Awards	194,155	209,381	194,808	227,000	233,472	222,500	0.4%
Debt Service	1,922,398	1,923,303	1,914,739	1,909,073	1,909,073	1,905,024	3.6%
Internal Service Charges	3,539,936	3,552,157	3,867,445	2,480,585	2,459,829	2,253,620	4.2%
Total Expenditures	\$ 35,548,445	\$ 36,465,905	\$ 39,008,841	\$ 44,731,771	\$ 45,073,920	\$ 45,161,375	
Transfers Out	\$ 581,014	\$ 7,298,187	\$ 3,243,595	\$ 2,785,220	\$ 2,785,220	\$ 7,753,140	14.7%
Total Exp & Transfers Out	\$ 36,129,459	\$ 43,764,092	\$ 42,252,436	\$ 47,516,991	\$ 47,859,140	\$ 52,914,515	100.1%

The FY 2019/20 General Fund Operating Budget of \$45,128,690 (net of transfers out and the General Fund Update expenses) represents a 0.9% increase compared to the net FY 2018/19 adopted operating expenditures budget of \$44,731,771.

Salaries & Benefits – The delivery of Town services is highly dependent on labor which comprises 59.7% of budgeted General Fund expenditures for FY 2019/20. The FY 2019/20 budget reflects an increase in salaries consistent with approved labor contracts, and benefits costs attributed to increased CalPERS and medical benefits rates.

Operating Expenditures – The operating expenditures include \$1.0 million for the General Plan Update. The FY 2019/20 operating expenditures increased when compared to the FY 2018/19 adopted budget. Town-wide efforts continue to emphasize the importance of containing operating costs while maintaining core services; however, factors such as escalating energy costs and general cost increases have offset many departmental reductions.

Grants & Awards – The Town provides General Fund grants and awards to local nonprofit organizations for a variety of human, art, special events and educational services. FY 2019/20 grants and awards reflect a 0.2% decrease in grant funding from the prior year.

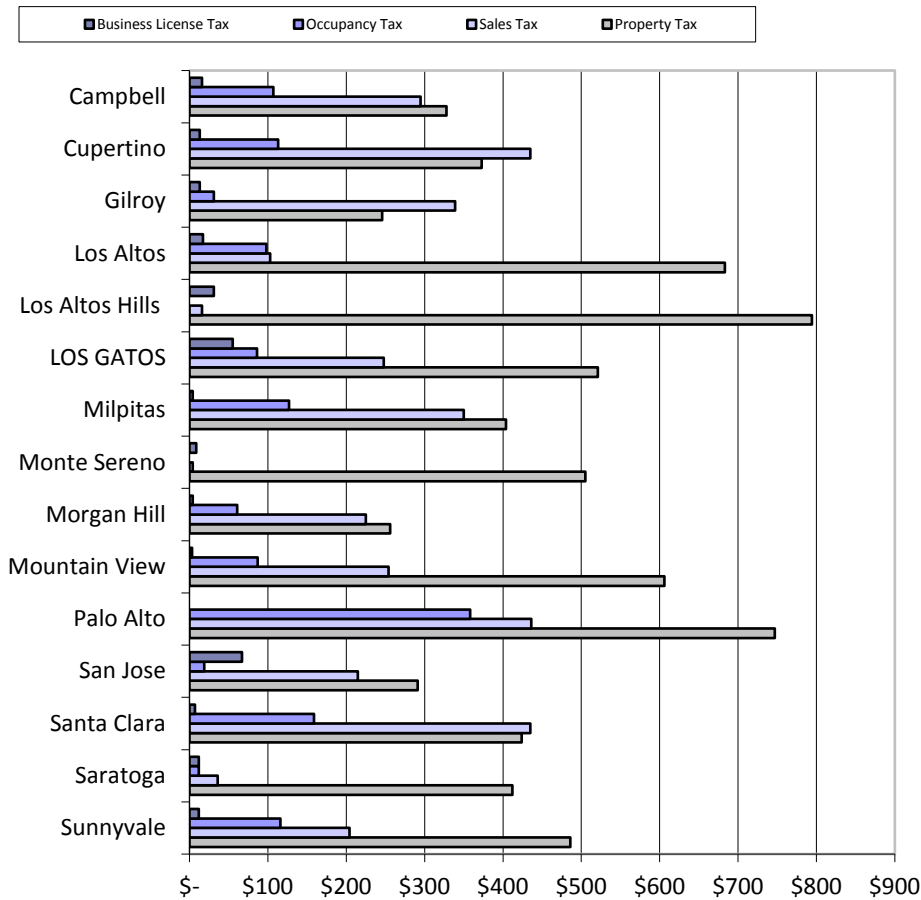
Internal Service Charges – These expenditures represent the service program costs charged back to the operational programs for Liability Insurance, Information Technology, Vehicle Replacement, and Building Maintenance services. The FY 2019/20 budget reflects a decrease in the Internal Service Charges since two of the Internal Service Funds will be closed during FY 2018/19.

GENERAL FUND EXPENDITURES
BY CATEGORY

Debt Service – The Town facilitates the Successor Agency (SA) to the Los Gatos Redevelopment Agency's two Certificates of Participation (COPs) through a leasing expense and reimbursement revenue which nets to zero for the Town, while SA funds provide the actual debt payment for the bond issues.

Transfers Out – The General Fund Transfers Out include \$5,709,500 to the Capital Projects Fund, \$1,061,256 to Workers' Compensation Fund, and \$10,000 to Non-Point Source Program for pollution prevention.

GENERAL FUND TAX REVENUES
CITIES OF SANTA CLARA COUNTY – TAX REVENUES PER CAPITA
(LATEST DATA AVAILABLE AT THE TIME OF PUBLICATION)



FY 2017/18 Actual Tax Revenue Amounts and Per Capita

Cities	Population	Property Tax		Sales Tax		Occupancy Tax		Business License Tax	
		Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
Campbell	42,696	\$ 14,015,701	328	\$ 12,575,376	295	\$ 4,557,720	107	\$ 698,184	16
Cupertino	60,091	22,433,806	373	26,164,531	435	6,810,718	113	800,536	13
Gilroy	55,615	13,687,606	246	18,827,189	339	1,722,355	31	702,486	13
Los Altos	31,361	21,428,501	683	3,243,554	103	3,072,982	98	547,065	17
Los Altos Hills	8,568	6,799,663	794	139,105	16	-	-	264,424	31
LOS GATOS	30,601	15,958,406	521	7,592,206	248	2,628,927	86	1,686,251	55
Milpitas	74,865	30,261,513	404	26,213,910	350	9,536,211	127	329,362	4
Monte Sereno	3,630	1,833,253	505	13,764	4	-	-	32,031	9
Morgan Hill	44,513	11,396,623	256	10,006,737	225	2,732,631	61	195,035	4
Mountain View	81,527	49,418,921	606	20,713,381	254	7,057,226	87	250,739	3
Palo Alto	69,721	52,068,235	747	30,376,935	436	24,938,066	358	-	-
San Jose	1,051,316	306,222,332	291	226,336,942	215	19,530,772	19	70,673,106	67
Santa Clara	129,604	54,965,098	424	56,322,044	435	20,579,504	159	898,990	7
Saratoga	31,435	12,963,531	412	1,124,647	36	389,037	12	377,106	12
Sunnyvale	153,389	74,568,761	486	31,314,096	204	17,741,915	116	1,837,527	12
Average	124,595	\$ 45,868,130	\$ 368	\$ 31,397,628	\$ 252	\$ 8,086,538	\$ 65	\$ 5,286,189	\$ 42

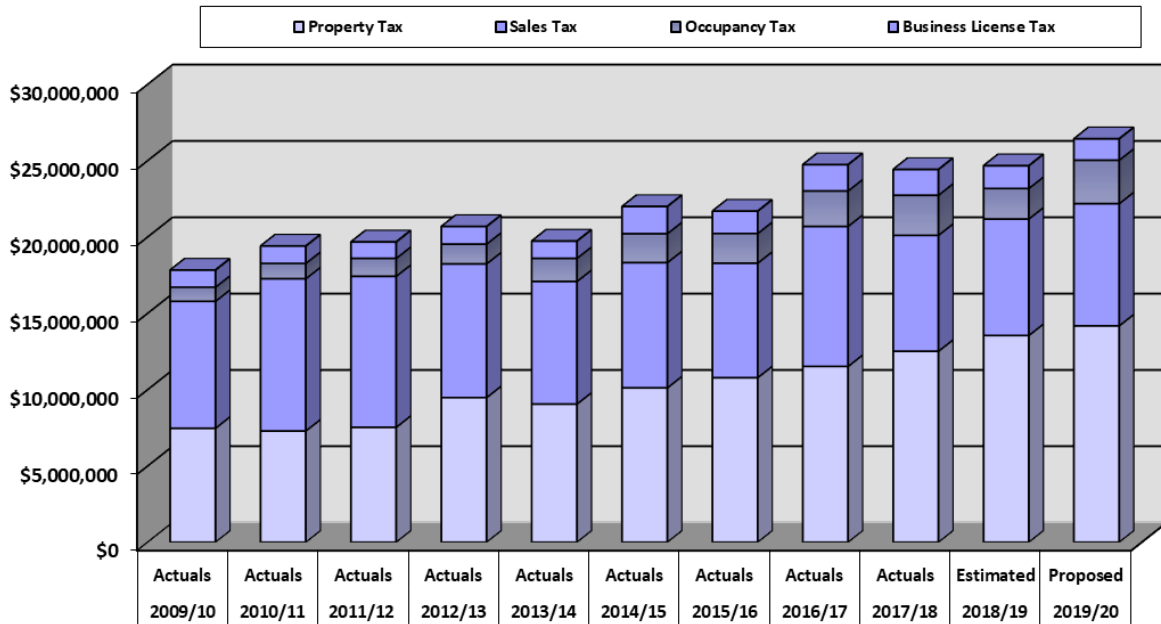
Based on FY 2017/18 Actual Revenues City Morgan Hill

City of Morgan Hill 2018 Comprehensive Annual Financial Report

Source: Santa Clara County and Cities of Santa Clara County

GENERAL FUND TAX REVENUES

BUDGET WITH 10 YEAR HISTORY



Fiscal Year		Property Tax	Sales Tax	Occupancy Tax	Business License Tax	Sum of Key Revenues	Change from Prior Year
2009/10	Actuals	\$ 7,465,871	\$ 8,317,217	\$ 923,783	\$ 1,122,000	\$ 17,828,871	3.1%
2010/11	Actuals	\$ 7,289,897	\$ 9,971,409	\$ 1,004,659	\$ 1,136,511	\$ 19,402,476	3.1%
2011/12	Actuals	\$ 7,532,073	\$ 9,889,100	\$ 1,174,485	\$ 1,077,320	\$ 18,196,717	3.1%
2012/13	Actuals	\$ 9,477,043	\$ 8,757,428	\$ 1,295,887	\$ 1,151,579	\$ 20,681,937	3.1%
2013/14	Actuals	\$ 9,054,908	\$ 8,029,571	\$ 1,512,846	\$ 1,130,020	\$ 19,727,345	3.1%
2014/15	Actuals	\$ 10,113,287	\$ 8,202,678	\$ 1,896,721	\$ 1,779,407	\$ 21,992,093	3.1%
2015/16	Actuals	\$ 10,779,434	\$ 7,501,175	\$ 1,943,166	\$ 1,465,546	\$ 21,689,321	3.1%
2016/17	Actuals	\$ 11,518,257	\$ 9,171,373	\$ 2,322,910	\$ 1,720,980	\$ 24,733,520	3.1%
2017/18	Actuals	\$ 12,510,822	\$ 7,592,206	\$ 2,628,927	\$ 1,686,251	\$ 24,418,206	3.1%
2018/19	Estimated	\$ 13,543,960	\$ 7,629,897	\$ 2,000,000	\$ 1,490,000	\$ 24,663,857	13.7%
2019/20	Proposed	\$ 14,174,700	\$ 8,001,917	\$ 2,848,730	\$ 1,400,000	\$ 26,425,347	7.1%

GENERAL FUND

FY 2018/19 & FY 2019/20 ESTIMATED FUND BALANCE ACTIVITY

Use of / Addition to GF Reserves:	Estimated July 1, 2019 Balance	Revenues & Transfers In	Expenditures and Transfers Out	Fund Balance Sources (Uses)	Estimated June 30, 2020 Balance
Unreserved Fund Balances					
Undesignated Reserves	\$ -	\$ -	\$ -	\$ -	\$ -
Available to be Appropriated	2,807,085	45,282,132	52,914,515	8,275,825	3,450,527
Reserved Fund Balances					
Committed to:					
Budget Stabilization Reserve	5,037,243	-	-	381,979	5,419,222
Catastrophic Reserves	5,037,243	-	-	381,979	5,419,222
CalPERS/OPEB Reserve	690,000	-	-	3,242,500	3,932,500
Almond Grove Reserve	-	-	-	-	-
Assigned to:					
Open Space Reserve	562,000	-	-	(152,000)	410,000
Sustainability	140,553	-	-	-	140,553
Strategy Reserve	129,090	-	-	(129,090)	-
Capital / Special Projects	10,035,983	-	-	(8,029,868)	2,006,115
Authorized Carryforwards	99,927	-	-	-	99,927
Compensated Absences	2,122,512	-	-	(1,061,256)	1,061,256
Vehicle Maintenance & Stores Residual	1,005,069	-	-	(1,005,069)	-
Surplus Property Reserve	1,905,000	-	-	(1,905,000)	-
Total Use of and Addition To Reserves	\$ 29,571,705	\$ 45,282,132	\$ 52,914,515	\$ -	\$ 21,939,322

FY 2018/19 and FY 2019/20 Estimated Fund Balance Activity:

	Budget Stabilization	Catastrophic	Pension/OPEB	Open Space	Sustainability	Strategic Planning	Capital/Special Projects	Carryforward Encumbrances	Compensated Absences	Vehicle Maint & Stores Res.	Surplus Property Reserve	Estimated Allocated Fund Balance	Total GF Balance
Actual General Fund Balance June 30, 2018	\$5,037,243	\$5,037,243	\$2,878,913	\$562,000	\$140,553	\$129,090	\$14,421,203	\$99,927	\$ 2,122,512	\$ -	\$ -	\$ -	\$30,428,684
Estimated FY 2018/19													
To Pension/OPEB Reserve			1,000,000				(1,000,000)						
Transfer to GFAR (FY 2018/19 Budget Resolution 2018-028)							(2,335,220)						
Transfer to Equip. Repl. Fund (FY 2018/19 Budget Resolution 2018-028)							(450,000)						
To PARS Trust (FY 2018/19 Budget Resolution 2018-028)			(3,188,913)										
Use of Reserve - Developer Fee Collected (Council Action 3/19/2019 Item 6)							(600,000)						
Surplus Property Reserve (Resolution 2018-052)											1,905,000		
Closing Veh Maintand Stores Funds Estimated Residual Balance										1,005,069			
FY 2018/19 Estimated Year-End Surplus												2,807,085	
Estimated General Fund Balance June 30, 2019	\$5,037,243	\$5,037,243	\$ 690,000	\$562,000	\$140,553	\$129,090	\$10,035,983	\$99,927	\$ 2,122,512	\$1,005,069	\$1,905,000	\$2,807,085	\$29,571,705
Proposed FY 2019/20													
Additional Funding To Pension/OPEB Reserve (January 2019 Priority Session)			1,337,500				(1,337,500)						
Additional Funding To Pension/OPEB Reserve (May 2019 Budget Hearing)			1,905,000								(1,905,000)		
Additional Funding for PCI Improvements (January 2019 Priority Session)							(1,337,500)						
Downtown Revitalization (January 2019 Priority Session)							(1,000,000)						
Downtown Revitalization (May 2019 Budget Hearing)										(972,384)			
Additional Capital Projects				(152,000)			(3,220,000)						
50% of Com. Abs. to Workers' Comp									(1,061,256)				
Reserve 25% of GF Operating Expenditure	381,979	381,979					(763,958)						
Close Budget Strategy Reserve						(129,090)	129,090						
Additional Grant (May 2019 Budget Hearing)										(5,000)			
Additional Side Walk Cleaning (May 2019 Budget Hearing)										(27,685)			
FY 2019/20 Estimated Year-End Surplus												143,442	
Estimated General Fund Balance June 30, 2020	\$5,419,222	\$5,419,222	\$3,932,500	\$410,000	\$140,553	\$ -	\$ 2,506,115	\$99,927	\$ 1,061,256	\$ -	\$ -	\$2,950,527	\$21,939,322

* Town Council may reallocate the funds available from the proceeds of surplus property and the residual balance of closing the Vehicle Maintenance and Stores Internal Service Funds (\$2.9M) to other Reserves during the budget hearing on May 21, 2019. Otherwise these proceeds will be placed in the Capital/Special Projects Reserve, consistent with the Town's adopted General Fund Reserve Policy for future Council consideration. The balances are estimates and will be finalized upon closing FY 2018/19.

SCHEDULE OF INTERFUND TRANSFERS
FISCAL YEAR 2018/19 & 2019/20

Fund Description	Estimated		Adopted Budget	
	2018/19 Transfers In	2018/19 Transfers Out	2019/20 Transfers In	2019/20 Transfers Out
General Funds				
General Fund	\$ 1,543,605	\$ 2,785,220	\$ 538,536	\$ 7,753,140
Special Revenue Funds				
Solid Waste Management	-	-	-	-
HCD Housing Rehabilitation	-	-	-	-
HCD-Community Dev Block Grant	-	-	-	-
Urban Run-Off Program	-	-	10,000	-
Landscape & Lighting Districts				
Blackwell District	-	460	-	460
Kennedy Meadows District	-	1,510	-	1,510
Gemini Court District	-	610	-	610
Santa Rosa Heights District	-	660	-	660
Vasona Heights District	-	1,430	-	1,430
Hillbrook District	-	250	-	250
Internal Service Funds				
Liability Self Insurance-Fund	-	-	-	-
Worker's Comp Self Insurance	-	-	1,061,256	-
Management Information Systems	-	300,000	-	-
Office Stores Fund	-	224,791	-	-
Equipment Fund	450,000	-	-	525,000
Vehicle Maintenance Fund	-	780,278	-	-
Facilities Maintenance Fund	-	50,000	-	788,000
Trust & Agency Funds				
Barbara J. Cassin Trust	-	-	-	-
History Project Trust Fund	-	-	-	-
Library Trust Fund	-	-	-	-
Capital Project Funds				
GFAR	2,685,220	417,616	7,994,884	417,616
Grant Funded CIP Projects	-	-	-	-
Storm Drain #1	-	-	-	-
Storm Drain #2	-	-	-	-
Storm Drain #3	-	-	-	-
Traffic Mitigation	-	10,000	-	10,000
Construction Utility Underground	-	-	-	-
Gas Tax - Street & Signal	-	106,000	-	106,000
Successor Agency of the Los Gatos RDA Fund				
SA - Administration	-	-	-	-
SA - Debt Service	-	-	-	-
SA - Low / Moderate Housing	-	-	-	-
SA - Recognized Obligation Retirement	-	-	-	-
SA - General Fund	-	-	-	-
Total Transfers	\$ 4,678,825	\$ 4,678,825	\$ 9,604,676	\$ 9,604,676

FUND BALANCE ACTIVITY SUMMARY

FISCAL YEAR 2019/20

	7/1/19 Estimated Fund Balance	Fiscal Year 2019/20 Adopted Budget						6/30/20 Estimated Fund Balance
		Plus		Less		Use of Reserves		
		Revenues & Carryforwards	Transfers In	Expenditures & Carryforwards	Transfers Out			
GENERAL FUND								
Unreserved Fund Balances								
<i>Undesignated Reserves</i>								
Available to be Appropriated	\$ 2,807,085	\$ 44,743,596	\$ 538,536	\$ 45,161,375	\$ 7,753,140	\$ 7,775,825	\$ 2,950,527	
Reserved Fund Balances								
Committed to:								
Budget Stabilization Reserve	5,419,222	-	-	-	-	-	5,419,222	
Catastrophic Reserves	5,419,222	-	-	-	-	-	5,419,222	
Pension/OPEB Reserve	3,932,500	-	-	-	-	-	3,932,500	
Almond Grove Reserve	-	-	-	-	-	-	-	
Assigned to:								
Open Space Reserve	562,000	-	-	-	-	(152,000)	410,000	
Sustainability	140,553	-	-	-	-	-	140,553	
Strategy Reserve	129,090	-	-	-	-	(129,090)	-	
Capital/Special Projects	7,934,525	-	-	-	-	(5,428,410)	2,506,115	
Authorized Carryforwards	99,927	-	-	-	-	-	99,927	
Compensated Absences	2,122,512	-	-	-	-	(1,061,256)	1,061,256	
Vehicle Maintenance & Stores Residual	1,005,069	-	-	-	-	(1,005,069)	-	
Surplus Property Reserve	-	-	-	-	-	-	-	
Total General Fund Reserves	\$ 29,571,705	\$ 44,743,596	\$ 538,536	\$ 45,161,375	\$ 7,753,140	\$ -	\$ 21,939,322	

General Fund Undesignated Reserves reflect ongoing revenue, carryforward, transfer, expenditures, the net effect of the change in Designated Reserves, and the use of Undesignated Reserves.

- **FY 2019/20 Budgeted revenue and expenditure appropriations, and transfers to and from the General Fund.**
- **Authorized carryforwards reflect operating appropriations that were brought forward as a funding source. The actual carryforward amount will be determined at FY 2018/19 year-end, with funding offset by undesignated reserves.**
- **General Fund Reserve Policy requires a minimum of 25% of General Fund operating expenditures equally divided between the Budget Stabilization Reserve and Catastrophic Reserve.**
- **In FY 2015/16, Council established a General Fund Pension/Other Post Employment Benefits (OPEB) Reserve Account. At the same time, the Council revised the General Fund Reserve Policy to provide for a maximum of \$300,000 in General Fund Year End Savings upon year-end close to be deposited in the Pension/OPEB Reserve Account and used as authorized by Town Council.**
- **Undesignated Fund Balance is a year-end fund balance not yet identified by the Town Council for a specific purpose. The Town General Fund Reserve Policy requires full funding of the Catastrophic and Budget Stabilization Reserves, distribution to the Pension/OPEB Reserve, and any remaining balance to the Capital/Special Project Reserve.**

SPECIAL REVENUE FUNDS										
Housing Conservation Program	\$	177,240	\$	-	\$	-	\$	-	\$	177,240
Community Dev Block Grant		(10,587)		-		-		-		(10,587)
Urban Run-Off Source Fund		(8,839)		584,394		10,000		579,173		6,382
Blackwell Assessment District		13,363		3,210		-		10,447		460
Kennedy Assessment District		38,004		10,605		-		7,403		1,510
Gemini Assessment District		28,266		4,750		-		11,934		610
Santa Rosa Assessment District		54,305		5,000		-		18,812		660
Vasona Assessment District		53,577		10,075		-		17,214		1,430
Hillbrook Assessment District		19,483		6,040		-		19,507		250
Total Special Revenue Funds Reserves	\$	364,812	\$	624,074	\$	10,000	\$	664,490	\$	4,920
									\$	-
										329,476

FUND BALANCE ACTIVITY SUMMARY

FISCAL YEAR 2019/20

	Fiscal Year 2019/20 Adopted Budget							
	7/1/19 Estimated Fund Balance	Plus		Less			6/30/20 Estimated Fund Balance	
		Revenues & Carryforwards	Transfers In	Expenditures & Carryforwards	Transfers Out	Use of Reserves		
INTERNAL SERVICE FUNDS								
Liability Self-Insurance	\$ 1,224,496	\$ 443,727	\$ -	\$ 680,137	\$ -	\$ -	\$ 988,086	
Worker's Comp Self-Insurance	16,099	1,026,229	1,061,256	1,657,210	-	-	446,374	
Information Technology	2,379,739	859,223	-	955,575	-	-	2,283,387	
Office Stores Fund	-	-	-	-	-	-	-	
Equipment Replacement	2,515,958	229,093	-	1,661,240	525,000	-	558,811	
Vehicle Maintenance	-	-	-	-	-	-	-	
Facilities Maintenance	885,649	1,173,757	-	1,173,752	788,000	-	97,654	
Total Internal Service Funds Reserves	\$ 7,021,941	\$ 3,732,029	\$ 1,061,256	\$ 6,127,914	\$ 1,313,000	\$ -	\$ 4,374,312	
Equipment Replacement Fund Balance is the accumulation of replacement funding-to-date for assets. Revenues are the pro-rated annual charges to departments for asset replacement, and expenditures reflect the cost of equipment up for replacement in this fiscal year. The Fund will continue to reallocate Fund Balance as a transfer to the General Fund for assets that have accumulated replacement costs and have been identified as no longer being part of the Replacement Schedule.								
TRUST & AGENCY								
Library Trust	\$ 55,591	\$ 75,550	\$ -	\$ 100,000	\$ -	\$ -	\$ 31,141	
Ness Trust Bequest	20,755	-	-	20,755	-	-	-	
Betty McClendon Trust	85,205	700	-	2,500	-	-	83,405	
Barbara J Cassin Trust	357,765	2,900	-	10,000	-	-	350,665	
Total Trust & Agency Funds Reserves	\$ 519,316	\$ 79,150	\$ -	\$ 133,255	\$ -	\$ -	\$ 465,211	
CAPITAL PROJECTS FUNDS								
GFAR	\$ 8,142,217	\$ 2,005,471	\$ 7,994,884	\$ 9,825,099	\$ 417,616	\$ -	\$ 7,899,857	
GFAR - Designated for Parking	1,460,210	-	-	-	-	-	1,460,210	
Grant Funded CIP Projects	(252,889)	1,047,100	-	1,047,100	-	-	(252,889)	
Storm Drain #1	879,827	49,150	-	50,000	-	-	878,977	
Storm Drain #2	1,803,014	53,770	-	50,000	-	-	1,806,784	
Storm Drain #3	(74,294)	1,620	-	50,000	-	-	(122,674)	
Traffic Mitigation	260,487	942,524	-	932,524	10,000	-	260,487	
Construction Tax-Undergrounding	3,042,294	52,490	-	-	-	-	3,094,784	
Gas Tax	239,361	1,316,054	-	1,210,054	106,000	-	239,361	
Total Capital Projects Funds Reserves	\$ 15,500,227	\$ 5,468,179	\$ 7,994,884	\$ 13,164,777	\$ 533,616	\$ -	\$ 15,264,897	
GFAR, Grant Fund, Storm Drain Funds, and Gas Tax Fund Balances reflect the spending down of available funds in FY 2018/19 in line with the planned Capital Improvement Program. The GFAR and Grant Funds also include transfers-in to fund these planned projects. Traffic Mitigation Fund reflects a transfer out of \$10,000 for estimated annual administration fees. Grant Funded Projects Fund Balance reflects appropriations for incoming revenues and prior year carryforwards, which will result in either positive or negative fund balance depending on timing of receipts and budget. All grant projects net to zero at completion.								
Successor Agency of the Los Gatos RDA Fund								
SA- Trust Fund	\$ 3,803,678	\$ 3,823,202	\$ -	\$ 3,823,202	\$ -	\$ -	\$ 3,803,678	
Total SA of the Los Gatos RDA Funds Reserves	\$ 3,803,678	\$ 3,823,202	\$ -	\$ 3,823,202	\$ -	\$ -	\$ 3,803,678	
TOTAL RESERVES	\$ 56,781,679	\$ 58,470,230	\$ 9,604,676	\$ 69,075,013	\$ 9,604,676	\$ -	\$ 46,176,896	

FUND BALANCE RESERVES

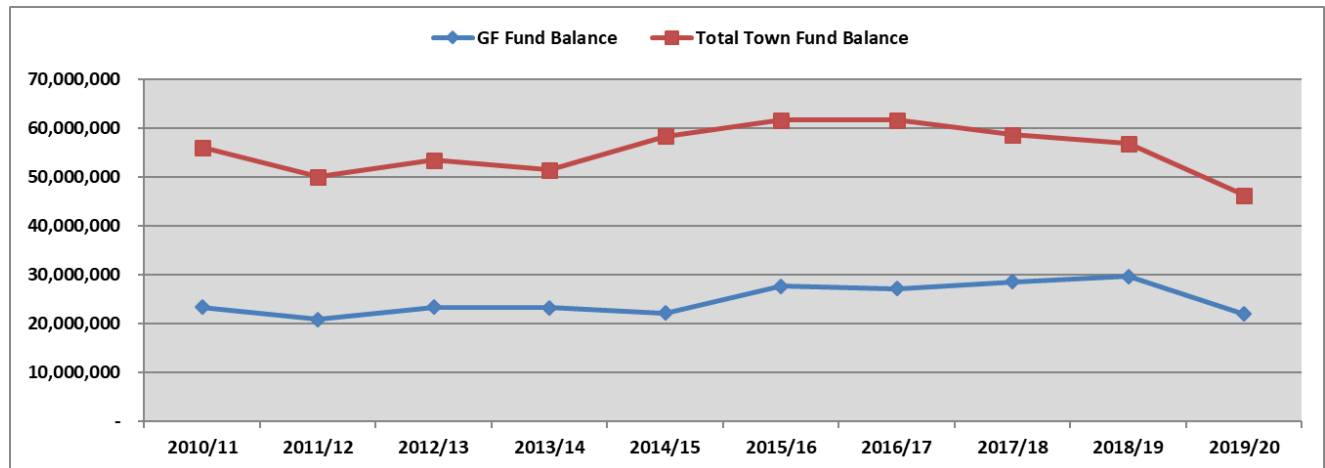
5 YEAR COMPARATIVE BALANCES

	6/30/2016 Actual YE Balance	6/30/2017 Actual YE Balance	6/30/2018 Actual YE Balance	6/30/2019 Estimated YE Balance	6/30/2020 Budgeted YE Balance
Fund Balance Reserves					
GENERAL FUND					
<i>Restricted Fund Balances</i>					
<i>Unreserved Fund Balances</i>					
<i>Undesignated Reserves</i>					
Available to be Appropriated	-	-	-	2,807,085	2,950,527
Committed to:					
Budget Stabilization Reserve	6,621,808	4,969,847	5,037,243	5,419,222	5,419,222
Catastrophic Reserves	4,637,406	4,969,847	5,037,243	5,419,222	5,419,222
Pension/OPEB Reserve	300,000	3,388,913	2,878,913	3,932,500	3,932,500
Almond Grove Reserve	8,459,973	1,801,318	-	-	-
Assigned to:					
Open Space Reserve	562,000	562,000	562,000	562,000	410,000
Sustainability	140,553	140,553	140,553	140,553	140,553
Strategic Planning Reserve	2,600,000	2,600,000	129,090	129,090	-
Capital/Special Projects	4,222,405	8,332,953	14,421,203	7,934,525	2,506,115
Authorized Carryforwards	99,284	34,852	99,927	99,927	99,927
Compensated Absences*	-	350,329	193,647	2,122,512	1,061,256
Stores and Vehicle Maintenance	-	-	-	1,005,069	-
Surplus Property Reserve	-	-	-	-	-
Total General Fund Reserves*	\$ 27,643,429	\$ 27,150,612	\$ 28,499,819	** \$ 29,571,705	\$ 21,939,322
SPECIAL REVENUE FUNDS					
Housing Conservation Program	\$ 74,586	\$ 177,240	\$ 177,240	\$ 177,240	\$ 177,240
Community Dev Block Grant	(4,576)	(10,587)	(10,587)	(10,587)	(10,587)
Urban Run-Off Source Fund	109,030	14,894	71,338	(8,839)	6,382
Blackwell Assessment District	10,231	11,928	12,700	13,363	5,666
Kennedy Assessment District	40,097	42,097	35,234	38,004	39,696
Gemini Assessment District	20,392	23,787	26,088	28,266	20,472
Santa Rosa Assessment District	60,128	62,247	58,477	54,305	39,833
Vasona Assessment District	42,596	45,148	49,175	53,577	45,008
Hillbrook Assessment District	11,887	14,436	17,010	19,483	5,766
Total Special Revenue Funds Reserves	\$ 364,371	\$ 381,190	\$ 436,675	\$ 364,812	\$ 329,476
INTERNAL SERVICE FUNDS					
Liability Self-Insurance	\$ 1,403,449	\$ 885,441	\$ 994,769	\$ 1,224,496	988,086
Worker's Comp Self-Insurance	1,213,323	902,307	620,726	16,099	446,374
Information Technology	2,888,452	2,251,331	2,161,808	2,379,739	2,283,387
Office Stores Fund	183,127	200,437	227,790	-	-
Equipment Replacement	2,148,005	1,894,057	2,328,270	2,515,958	558,811
Vehicle Maintenance	409,872	182,369	262,791	-	-
Facilities Maintenance	414,367	(37,872)	245,437	885,649	97,654
Total Internal Service Funds Reserves	\$ 8,660,595	\$ 6,278,070	\$ 6,841,591	\$ 7,021,941	\$ 4,374,312

* Year End Fund Balance represents General Fund 111 (Long Term Compensated Absences were accounted in Fund 961 prior to FY 2018/19).

FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Balance Reserves	6/30/2016 Actual YE Balance	6/30/2017 Actual YE Balance	6/30/2018 Actual YE Balance	6/30/2019 Estimated YE Balance	6/30/2020 Budgeted YE Balance
TRUST FUNDS					
Library Trust	\$ 46,145	\$ 50,997	\$ 54,771	\$ 55,591	\$ 31,141
Ness Trust Bequest	40,743	41,087	41,603	20,755	-
Betty McClendon Trust	88,662	89,412	84,505	85,205	83,405
Barbara J Cassin Trust	347,522	350,461	354,865	357,765	350,665
Total Trust Reserves	\$ 523,072	\$ 531,957	\$ 535,744	\$ 519,316	\$ 465,211
CAPITAL PROJECTS FUNDS					
GFAR	\$ 13,328,595	\$ 16,793,556	\$ 10,714,880	\$ 8,142,217	7,899,857
GFAR - Designated for Parking	1,460,210	1,460,210	1,460,210	1,460,210	1,460,210
Grant Funded CIP Projects	(379,946)	(380,253)	(134,111)	(252,889)	(252,889)
Storm Drain #1	721,198	795,381	809,377	879,827	878,977
Storm Drain #2	949,644	1,018,786	1,752,774	1,803,014	1,806,784
Storm Drain #3	(2,788)	(8,725)	(76,154)	(74,294)	(122,674)
Traffic Mitigation	207,206	228,541	260,487	260,487	260,487
Construction Tax-Undergrounding	2,881,501	2,929,116	2,997,984	3,042,294	3,094,784
Gas Tax	1,651,113	693,508	703,148	239,361	239,361
Total Capital Projects Funds Reserves	\$ 20,816,733	\$ 23,530,120	\$ 18,488,595	\$ 15,500,227	\$ 15,264,897
Successor Agency Trust of the Los Gatos RDA					
SA - Trust Fund (Budgetary Fund Balance)	\$ 3,593,571	\$ 3,690,510	\$ 3,803,778	\$ 3,803,678	\$ 3,803,678
Total Successor Agency Fund Reserves	\$ 3,593,571	\$ 3,690,510	\$ 3,803,778	\$ 3,803,678	\$ 3,803,678
TOTAL RESERVES	\$ 61,601,771	\$ 61,562,459	\$ 58,606,202	\$ 56,781,679	\$ 46,176,896



DEPARTMENT REVENUES BY PROGRAM

		2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted
Town Offices							
1101	Town Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1301	Town Attorney	119	2,634	730	-	150	-
1302	Liability Self-Insurance Fund	492,341	497,401	506,519	376,187	642,515	443,727
Total Town Offices		\$ 492,460	\$ 500,035	\$ 507,249	\$ 376,187	\$ 642,665	\$ 443,727
Administrative Services Department							
1201	Non-Departmental	\$ 27,772,802	\$ 32,681,146	\$ 31,218,830	\$ 30,596,021	\$ 35,909,942	\$ 33,488,529
2101	Town Manager Administration	13,547	7,639	14,590	8,055	20,004	29,415
2102	Community Grants	-	-	-	-	-	-
2103	Housing Program	67	102,654	-	-	-	-
2104	HCD Housing Rehab	6,011	(6,011)	-	-	-	-
2201	Human Resources	-	15,235	-	-	-	-
2202	Workers' Compensation Fund	963,155	1,026,355	1,135,140	878,386	1,362,335	1,026,229
2301	Finance & Administrative Services	2,086,597	1,893,142	1,931,943	1,917,806	2,422,588	2,139,774
2302	Office Stores Fund	117,734	130,520	127,786	118,000	118,000	-
2303	Parking Assessment District	92,346	-	-	-	-	-
2401	Clerk Administration	-	-	-	-	-	-
2502	Information Technology Management	-	-	-	169,300	169,300	-
2501	Information Technology Systems	1,114,383	1,110,362	1,172,455	334,478	1,120,501	859,223
2803	Smoking Restriction Implementation	-	19,998	-	-	-	-
2999	Pass Thru Accounts	7,194	3,002	-	10,196	3,002	7,194
Total Administrative Services		\$ 32,173,836	\$ 36,984,042	\$ 35,600,744	\$ 34,032,242	\$ 41,125,672	\$ 37,550,364
Community Development							
3101	Administration	\$ -	\$ -	\$ -	\$ -	\$ 7,500	\$ -
3201	Developmental Review	821,153	693,250	707,514	610,000	621,530	607,500
3202	Advanced Planning	211,700	149,224	142,006	1,361,000	391,000	1,130,200
3301	Inspection Services	2,244,922	2,172,585	2,105,643	2,447,000	1,994,115	2,510,000
3401	Code Compliance	10,300	5,225	4,800	3,100	57,215	4,300
3501	BMP Housing Program	360,877	195,941	190,833	134,410	190,978	183,043
3999	Pass Thru Accounts	710,196	587,435	684,249	510,500	594,500	532,500
Total Community Development		\$ 4,359,148	\$ 3,803,660	\$ 3,835,045	\$ 5,066,010	\$ 3,856,838	\$ 4,967,543
Police Department							
4101	Administration	\$ 33,528	\$ 6,778	\$ 14,210	\$ 21,500	\$ 29,472	\$ 23,735
4201	Records & Communication	9,993	8,880	9,530	11,172	15,172	10,472
4202	Personnel & Community Services	336,798	377,720	430,842	295,640	415,200	435,600
4301	Patrol	828,320	905,751	919,251	919,560	905,764	961,883
4302	Traffic	500,142	498,202	535,896	443,402	451,283	456,703
4303	Investigations	184,932	168,080	130,497	124,130	131,898	140,713
4304	Parking Program	824,936	872,394	676,242	626,066	470,566	504,400
4800	Grants Program - Police	77,239	15,196	50,579	39,119	26,967	95,791
4999	Pass Thru Accounts	560,300	27,573	2,263	38,115	2,982	32,115
Total Police Department		\$ 3,356,188	\$ 2,880,574	\$ 2,769,310	\$ 2,518,704	\$ 2,449,304	\$ 2,661,412

DEPARTMENT REVENUES BY PROGRAM

		2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted
Parks & Public Works							
5101	Administration	\$ 594	\$ 7,231	\$ (3,272)	\$ -	\$ -	\$ -
5201	Engineering Program Services	-	128,775	209,631	-	-	-
5202	Engineering Development Svcs	776,907	696,327	1,817,315	698,260	768,009	680,260
5203	Non-Point Source Fund	368,813	372,626	577,591	584,394	584,394	584,394
5301	Park Services	298,408	250,936	318,940	280,270	226,950	225,270
5302	Environmental Services	165,753	158,961	148,110	160,156	160,029	160,156
5401	Street & Signals	198,969	219,798	198,030	195,543	221,603	195,543
5402	Equipment Replacement	501,093	458,689	672,616	620,000	638,399	229,093
5403	Vehicle Maintenance	571,670	577,675	586,654	376,655	755,678	-
5404	Facilities Maintenance	1,281,462	1,423,566	1,459,036	1,209,089	1,782,866	1,173,757
5405	Property Damage	67,785	26,856	206,630	-	9,008	-
5501	Lighting & Landscape Districts	29,524	39,940	36,990	39,680	40,040	39,680
5999	Pass Thru Accounts	70,686	79,790	319,073	140,000	1,104,590	140,000
8011	GFAR	818,463	1,320,008	857,661	1,545,342	1,307,005	2,005,471
8021	Grant Funded CIP Projects	156,987	3,093	243,448	544,046	207,903	1,047,100
8031	Storm Drain #1	51,538	74,183	13,997	49,010	70,450	49,150
8032	Storm Drain #2	72,598	69,142	752,689	50,240	50,240	53,770
8033	Storm Drain #3	46,944	6,813	40,564	1,860	1,860	1,620
8041	Traffic Mitigation	572,672	163,126	151,452	354,874	242,106	942,524
8042	Utility Undergrounding	79,297	47,615	68,868	44,310	44,310	52,490
8051	Gas Tax - Street & Signals	682,594	611,471	865,607	1,324,204	1,145,428	1,316,054
Total Parks & Public Works		\$ 6,812,757	\$ 6,736,621	\$ 9,541,630	\$ 8,217,933	\$ 9,360,868	\$ 8,896,332
Library							
7101	Administration	\$ 6,950	\$ 7,218	\$ 206	\$ -	\$ -	\$ -
7201	Adult Services	4,520	9,836	9,836	35,000	35,000	35,000
7202	Children's Services	-	14,066	14,066	-	-	2,500
7203	Acquisitions & Cataloging	5,596	3,559	1,762	-	-	-
7204	Circulation Services	41,354	47,067	23,832	23,500	8,000	11,000
7801	Operating Grant	-	-	22,200	-	23,103	-
7301	Library Trust	71,720	80,350	75,040	75,050	83,820	75,550
7302	Clelles Ness Bequest Trust	845	345	516	-	200	-
7304	Betty McClendon Trust	705	750	1,079	700	700	700
7305	Barbara J Cassin Trust	2,764	2,939	4,404	2,900	2,900	2,900
Total Library		\$ 134,454	\$ 166,130	\$ 152,941	\$ 137,150	\$ 153,723	\$ 127,650
Successor Agency to the Los Gatos RDA							
9403	SA- Admin Services	\$ 42,854	\$ 22,073	\$ 25,623	\$ 10,000	\$ 10,000	\$ 10,000
9404	SA- Debt to 2002 COP	1,363,015	1,360,886	1,365,839	1,351,146	1,351,096	1,348,198
9405	SA-Debt to 2010 COP	2,508,446	2,511,290	2,504,390	2,467,150	2,470,129	2,465,004
9406	SA- Debt to 1992 COP	-	-	-	-	-	-
Total SA to the Los Gatos RDA		\$ 3,914,315	\$ 3,894,249	\$ 3,895,852	\$ 3,828,296	\$ 3,831,225	\$ 3,823,202
Transfers In		2,991,790	7,907,692	3,886,431	3,630,056	4,678,825	9,604,676
Carryforward of CIP Grant Revenue							
Total Revenues by Department:		\$ 54,234,948	\$ 62,873,003	\$ 60,189,202	\$ 57,806,578	\$ 66,099,120	\$ 68,074,906

DEPARTMENTAL EXPENDITURES BY PROGRAM

		2015/16	2016/17	2017/18	2018/19	2018/19	2019/20
		Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
Town Offices							
1101	Town Council	\$ 171,530	\$ 193,584	\$ 192,183	\$ 223,036	\$ 215,399	\$ 240,605
1301	Town Attorney	296,258	426,548	354,205	556,183	560,001	621,390
1302	Liability Self-Insurance Fund	656,053	1,015,409	397,190	641,361	412,788	680,137
Total Town Offices		\$ 1,123,841	\$ 1,635,541	\$ 943,578	\$ 1,420,580	\$ 1,188,188	\$ 1,542,132
Administrative Services Department							
1201	Non-Departmental	\$ 5,761,887	\$ 6,869,047	\$ 7,024,195	\$ 8,924,373	\$ 8,780,672	\$ 5,778,279
2101	Town Manager Administration	950,977	825,373	1,070,761	1,119,982	1,062,998	1,341,099
2102	Community Grants	103,519	119,800	119,800	142,000	142,000	142,500
2201	Human Resources	559,612	552,914	630,554	699,694	722,978	761,991
2301	Finance & Administrative Services	992,764	1,002,075	1,049,871	1,291,818	1,147,573	1,545,213
2401	Clerk Administration	276,418	315,912	322,976	342,507	331,881	438,948
2502	Information Technology Management	-	-	33	684,763	551,073	578,194
2803	Tobacco Prevention Initiatives	-	9,009	-	-	-	-
2802	Obesity Grant	-	-	-	-	-	-
2999	Pass Through	-	-	-	10,196	3,002	7,194
2202	Workers' Compensation Fund	1,264,689	1,337,371	1,416,722	1,218,202	1,966,962	1,657,210
2302	Office Stores Fund	122,562	113,210	100,432	134,500	121,000	-
2501	Information Technology Systems	1,059,091	1,747,482	1,267,349	911,775	602,570	955,575
2303	Parking Assessment District	-	-	-	-	-	-
Total Administrative Services		\$ 11,091,519	\$ 12,892,193	\$ 13,002,693	\$ 15,479,810	\$ 15,432,709	\$ 13,206,203
Community Development							
3101	Administration	\$ 144,484	\$ 221,508	\$ 222,614	\$ 268,908	\$ 218,528	\$ 303,002
3201	Developmental Review	1,107,301	1,135,513	1,258,291	1,412,409	1,337,827	1,528,945
3202	Advanced Planning	225,602	314,024	336,023	1,662,995	740,821	1,463,555
3301	Inspection Services	1,167,902	1,132,888	1,290,433	1,355,865	1,311,495	1,473,613
3401	Code Compliance	187,513	206,572	209,720	238,071	254,721	275,442
3501	BMP Housing Program	489,335	195,991	190,833	134,410	190,978	183,043
3999	Pass Thru Accounts	710,196	587,435	684,249	510,500	594,500	532,500
Total Community Development		\$ 4,032,333	\$ 3,793,931	\$ 4,192,163	\$ 5,583,158	\$ 4,648,870	\$ 5,760,100
Police Department							
4101	Administration	\$ 889,742	\$ 861,561	\$ 1,026,502	\$ 1,045,209	\$ 1,223,322	\$ 1,299,427
4201	Records & Communication	1,914,577	1,949,183	2,072,274	2,401,228	2,250,288	2,363,660
4202	Personnel & Community Services	701,737	596,274	773,826	780,682	562,927	1,037,275
4301	Patrol	6,115,836	5,827,002	6,575,258	6,616,271	7,315,973	7,512,107
4302	Traffic	719,561	932,169	992,689	921,515	1,008,544	1,084,957
4303	Investigations	2,208,996	2,342,031	2,282,295	2,445,825	2,361,976	2,844,068
4304	Parking Program	665,850	700,325	683,817	688,551	595,332	671,384
4800	Grants Program - Police	71,920	14,567	11,451	39,119	26,967	95,791
4999	Pass Thru Accounts	556,467	28,178	5,442	38,115	2,982	32,115
Total Police Department		\$ 13,844,686	\$ 13,251,290	\$ 14,423,554	\$ 14,976,515	\$ 15,348,311	\$ 16,940,784

DEPARTMENTAL EXPENDITURES By PROGRAM

	2015/16 Actuals	2016/17 Actuals	2017/18 Actuals	2018/19 Adopted	2018/19 Estimated	2019/20 Adopted
Parks & Public Works						
5101 Administration	\$ 348,234	\$ 340,123	\$ 562,340	\$ 568,922	\$ 576,606	\$ 594,434
5201 Engineering Program Services	1,002,319	1,157,205	1,168,666	1,078,779	1,199,190	1,244,432
5202 Engineering Development Svcs	670,247	699,677	721,593	751,983	729,736	795,332
5203 Non-Point Source Fund	452,727	466,761	521,147	559,481	664,571	579,173
5301 Park Services	1,677,669	1,738,961	1,835,775	1,641,559	1,759,734	2,016,614
5302 Environmental Services	378,396	299,259	342,130	366,432	350,676	398,228
5401 Street & Signals	2,015,412	2,173,657	2,087,096	2,452,910	2,217,130	2,212,674
5402 Equipment Replacement	539,430	416,957	636,400	1,572,945	900,711	1,661,240
5403 Vehicle Maintenance	484,662	805,179	506,234	376,655	238,188	-
5404 Facilities Maintenance	1,338,979	1,875,804	1,475,728	1,151,086	1,092,654	1,173,751
5405 Property Damage	63,203	109,072	76,898	25,000	16,636	25,000
5406 Vehicle Maintenance Management	-	-	-	217,404	217,600	235,199
5407 Facilities Maintenance Management	-	-	-	378,292	325,310	408,155
5501 Lighting & Landscape Districts	19,478	20,707	33,029	107,910	26,806	85,317
5999 Pass Thru Accounts	70,715	79,790	305,028	140,000	1,704,590	140,000
8011 GFAR	1,484,857	5,249,109	9,040,867	3,736,686	6,147,273	9,825,100
8021 Grant Funded CIP Projects	141,803	3,400	15,394	950,446	326,681	1,047,100
8031 Storm Drain #1	-	-	-	50,000	-	50,000
8032 Storm Drain #2	95,820	-	18,700	50,000	-	50,000
8033 Storm Drain #3	-	12,750	107,992	50,000	-	50,000
8041 Traffic Mitigation	575,548	138,694	109,507	324,874	232,106	932,524
8042 Utility Undergrounding	-	-	-	2,218,000	-	-
8051 Gas Tax - Street & Signals	1,309	1,463,077	749,965	1,218,134	1,503,215	1,210,054
Total Parks & Public Works	\$ 11,360,808	\$ 17,050,182	\$ 20,314,489	\$ 19,987,498	\$ 20,229,413	\$ 24,734,327
Library						
7101 Administration	\$ 396,063	\$ 426,637	\$ 439,522	\$ 447,127	\$ 453,851	\$ 466,219
7201 Adult Services	597,085	637,465	576,961	575,859	504,788	689,115
7202 Children's Services	468,379	513,667	533,279	590,772	496,843	606,412
7203 Acquisitions & Cataloging	117,444	121,183	123,873	-	-	-
7204 Circulation Services	753,296	809,726	836,336	942,510	981,215	1,172,264
7801 Operating Grant	-	-	19,045	-	25,257	1,000
7301 Library Trust	28,515	75,498	71,265	73,500	83,000	100,000
7302 Clelles Ness Bequest Trust	131,694	-	-	-	21,048	20,755
7304 Betty McClendon Trust	-	-	5,986	-	-	2,500
7305 Barbara J Cassin Trust	-	-	-	-	-	10,000
Total Library	\$ 2,492,476	\$ 2,584,176	\$ 2,606,267	\$ 2,629,768	\$ 2,566,002	\$ 3,068,265
Successor Agency to the Los Gatos RDA						
9402 SA- Housing Trust Others	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9403 SA- Admin Services	16,500	1,571	1,443	1,513	7,910	8,053
9404 SA- Debt to 2002 COP	1,359,456	1,094,785	1,347,477	1,352,856	1,352,855	1,349,688
9405 SA- Debt to 2010 COP	2,488,860	2,700,954	2,427,364	2,470,560	2,470,560	2,465,461
9406 SA- Debt to 1992 COP	-	-	-	-	-	-
Total SA to the Los Gatos RDA	\$ 3,864,816	\$ 3,797,310	\$ 3,776,284	\$ 3,824,929	\$ 3,831,325	\$ 3,823,202
Total Operating Expenditures	\$ 47,810,479	\$ 55,004,623	\$ 59,259,028	\$ 63,902,258	\$ 63,244,818	\$ 69,075,013
Transfers Out	3,070,584	7,907,692	3,886,431	3,630,056	4,678,825	9,604,676
Total Expenditures by Department:	\$ 50,881,063	\$ 62,912,315	\$ 63,145,459	\$ 67,532,314	\$ 67,923,643	\$ 78,679,689

IN-KIND DONATIONS FY 2019 SUMMARY

The information below provides an estimated value of in-kind support the Town provides annually to local non-profit organizations, in addition to contribution of funds as described elsewhere in this budget, such as community grants. The in-kind support consists of Town facilities leased to these organizations at rates substantially below present market rates.

Los Gatos Museum Association - The Town and Los Gatos Museum Association (LGMA), renamed NUMU, have entered into an agreement in which NUMU leases 11,604 square feet in the Town Hall. NUMU has occupied the new space since the beginning FY 2015/16.

Los Gatos-Saratoga Recreation - Beginning January 2010, Los Gatos Saratoga (LGS) Recreation entered into a 20-year lease with the Town for the former Neighborhood Center, renamed the Adult Recreation Center. In exchange for providing and expanding senior services, the facility is leased at a below market rate. LGS Recreation also leases the Town-owned facility located at 123 E. Main Street, on a month to month basis.

Location	NUMU (LG Museums)	Recreation Department	Adult Recreation Center
	110 E. Main St. 10-Year Lease	123 E. Main St.	208 E. Main St. 20-Year Lease
Market Price Per Square Foot/Month*	\$2.5 *	\$3.1 **	\$3.1
Square Footage	11,604	6,479	12,000
Value of Rent/Year	\$348,120	\$241,209	\$447,264
Rent Paid/Year	\$6,527	\$25,211	\$209,901
Total value of Donation/Lease Term	\$ 341,593	\$ 215,998	\$ 237,363

* "Market rate" is defined as a lease term and not subject to change.

** Market rate is based on the State of California Department of Industrial Relations, Division of Labor Statistics and Research's Consumer Price Index, All Urban Consumers, All Items, San Francisco-Oakland - San Jose, California as identified in the lease term.

In addition to providing subsidized leases, the Town provides in-kind staffing support for the Holiday Tree Lighting and the Children's Holiday Parade. Costs to provide maintenance and public safety services for the Holiday Tree Lighting are estimated to be \$5,300; the Children's Holiday Parade costs are estimated to be \$39,900. These estimates only include expenses that occur at the event and do not include time dedicated to event planning and logistics. The estimated total of all in-kind expenses is \$840,154.

FEE-RELATED PROJECTS LISTS

Under California law, cities and other local agencies may enact Development Impact Fees on proposed development which must be paid as a condition of development approval. Development Impact Fees ("DIFs") were enacted under Assembly Bill 1600 by the California Legislature in 1987 and codified under California Government Code §66000 *et. seq.*, also referred to as the Mitigation Fee Act (the Act or AB 1600).

Development Impact Fees are not ongoing fees or taxes; they are one-time fees, paid at the time of construction. Impact fees are not special assessments, nor are they permitted to cover on-going operations and maintenance costs. By definition, "a fee is voluntary and must be reasonably related to the cost of the service provided by the local agency." The fees are collected by local governmental agencies to pay for infrastructure or capital facilities needed to serve new development. Because impact fees are collected during the development approval process, the fees are typically paid by developers, builders, or other property owners who are seeking to develop property as a way of paying their "fair share" of needed facilities.

The Town collects three Development Impact Fees that meet the reporting requirements of AB 1600: the Traffic Impact Mitigation Fee, Below-Market Priced Housing Program In-Lieu Fee, and the Construction Activity Impact Fee. The following tables provide potential project lists.

Below Market Price (BMP) Housing Program Potential Project List			
Source	Description	Estimated Project Cost (2019 \$)	BMP Fee Eligible Cost
BMP	Extremely Low Income Housing Projects	\$ 1,100,000	\$ 1,100,000
BMP	Reacquisition of Distressed/Foreclosed Properties	700,000	700,000
BMP	Hello Housing Program Services	100,000	10,000
Total		\$ 1,900,000	\$ 1,810,000

Note:

BMP - Below Market Housing Program

Construction Impact Activity Project List			
Source	Description	Estimated Project Cost (2019\$)	Construction Impact Fee Eligible Cost
CIP	Street Repair and Resurfacing Projects (5 year-plan)	\$ 17,693,243	\$ 17,693,243
Total		\$ 17,693,243	\$ 17,693,243

Note:

CIP - Town of Los Gatos, Capital Improvement Program

FEE-RELATED PROJECTS LISTS

Town of Los Gatos Traffic Mitigation Improvements Potential Project List			
Source	Description	Estimated Project Cost (2014 \$)	Mitigation Impact Fee Eligible Cost
GP/VTP 2035	Blossom Hill Rd and Union Ave Intersection Improvements	\$ 1,200,000	\$ 1,080,000
GP/VTP 2035	Los Gatos - Almaden Rd Improvements	3,000,000	1,500,000
GP/VTP 2035	Los Gatos Blvd Widening - Samaritan Dr to Camino Del Sol Road widening, new sidewalks and bike lanes	4,000,000	2,000,000
GP/VTP 2035	Union Ave Widening and Sidewalks - complete ped and bike routes	3,000,000	1,500,000
GP/VTP 2035	Wood Rd Gateway on Santa Cruz Ave - roundabout	1,200,000	600,000
GP/VTP 2035	Central Traffic Signal Control System	750,000	72,600
GP/VTP 2035	Hwy 9 Los Gatos Creek Trail connector - new path and bridge for ped/bike	1,000,000	500,000
GP/VTP 2035	Hwy 9/N. Santa Cruz Ave Intersection Improvements	1,400,000	1,260,000
CIP	Roberts Road Improvements from bridge to University	600,000	300,000
CIP	Pollard Road Widening from Knowles to York Avenue	2,500,000	1,250,000
CIP	Sidewalks infill - Van Meter, Fischer and Blossom Hill Schools	1,000,000	500,000
CIP	Winchester Blvd/Lark Avenue Intersection Improvements	850,000	765,000
CIP	Westbound Lark to Hwy 17 northbound ramps - add two right-turn lanes	3,750,000	3,375,000
CIP	Unfunded Deferred Street Maintenance (Annual PMS Survey)	10,500,000	1,016,400
GP	Lark/Los Gatos Intersection Improvements - Add Third Left Turn Lanes for Eastbound and Northbound Approaches	1,200,000	1,080,000
GP	Complete Street Improvements - Lark from Garden Hill to Los Gatos Blvd	2,100,000	1,050,000
GP	Complete Street Improvements - SR 9 from University to Los Gatos Blvd	650,000	325,000
GP	Complete Street Improvements - Blossom Hill Road from Old Blossom Hill Road to Regent Drive	3,000,000	1,500,000
GP	Complete Street Improvements - Knowles from Pollard to Winchester	2,000,000	1,000,000
GP	Complete Street Improvements - Winchester from Blossom Hill to Lark	1,500,000	750,000
GP	Blossom Hill Road widening over Highway 17	2,000,000	1,000,000
GP	Local Bikeway Improvements	750,000	375,000
Total		\$ 47,950,000	\$ 22,799,000

Notes:

VTP = Valley Transportation Plan, 2035 by Santa Clara Valley Transportation Authority.

Town CIP = Town of Los Gatos, Capital Improvement Program and pending construction project list.

Source: Town of Los Gatos.

SUMMARY OF POSITIONS
DEPARTMENTAL STAFF BY FUND

	2015/16 Funded	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Adopted
General Fund					
Town Council	0.50	0.50	0.50	0.50	0.50
Town Attorney*	0.85	1.04	0.91	1.88	1.88
Administrative Services*	16.33	16.28	16.19	20.53	20.17
Community Development	19.28	19.99	20.08	20.08	20.08
Police Department	58.00	58.00	59.00	59.00	60.00
Parks & Public Works*	28.40	28.40	29.40	33.50	33.50
Library	11.00	12.25	12.25	12.50	12.50
Total General Fund Staff	134.35	136.45	138.33	147.98	148.61
Special Revenue Funds					
Parks & Public Works	1.00	1.00	1.00	1.00	1.00
Total Special Revenue Fund Staff	1.00	1.00	1.00	1.00	1.00
Internal Service Funds					
Town Attorney*	0.65	0.71	0.71	-	-
Administrative Services*	3.90	3.70	3.95	-	-
Parks & Public Works*	4.10	4.10	4.10	-	-
Total Internal Services Funds Staff	8.65	8.51	8.76	-	-
Successor Agency to the Los Gatos RDA					
Administrative Services	-	-	0.01	0.01	0.01
Community Development	0.10	0.01	-	-	-
Total Redevelopment Agency Staff	0.10	0.01	0.01	0.01	0.01
Total Town FTEs	144.10	145.98	148.10	148.99	149.63

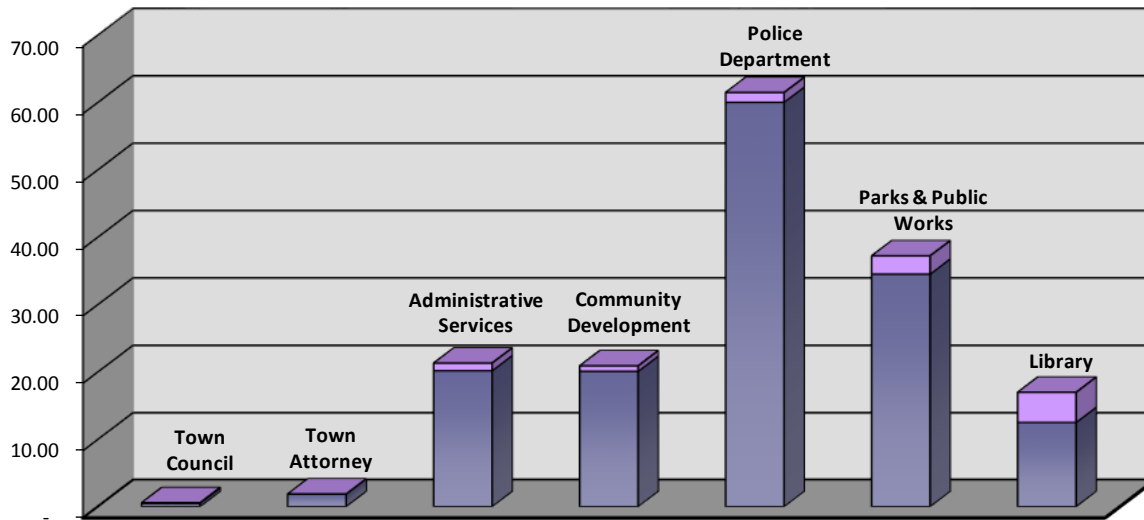
Full Time Equivalent (FTE)

*Personnel previously budgeted in Internal Service Funds are budgeted in General Fund Programs beginning in FY 2018/19.

Administrative Services staffing numbers include the following programs: Town Manager's Office; Human Resources; Finance; Clerk Administration; and Information Technology Staffing

SUMMARY OF POSITIONS

BUDGETED FTEs BY DEPARTMENT



Blue Bar – Town Staff
Purple Bar – Hourly Employees

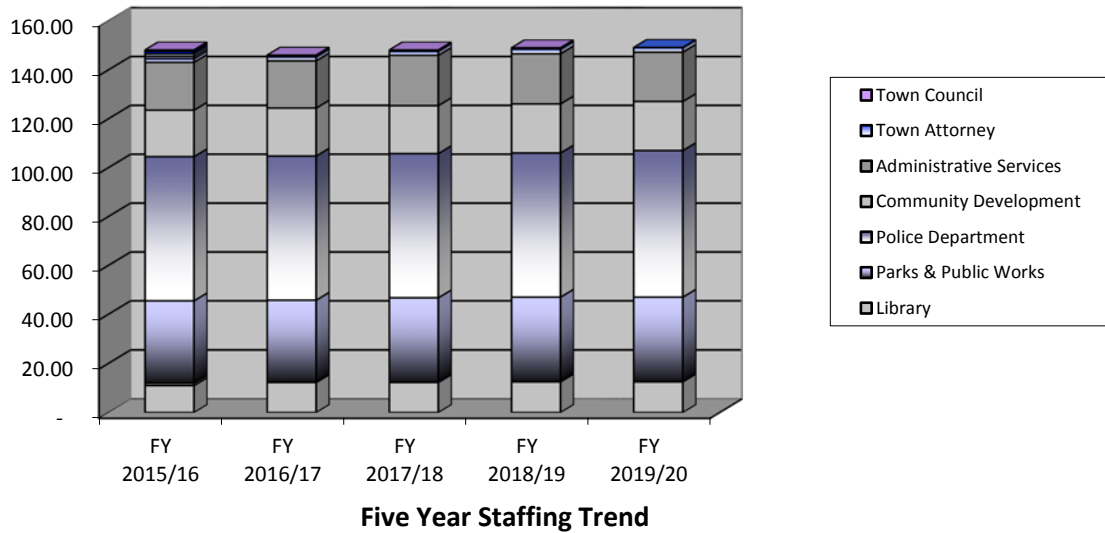
FY 2019/20 Budgeted FTEs by Department (Includes Converted Hourly Employees)

Departments	Authorized/ Funded Town Staff Positions	Hourly Emp Staff converted to FTEs	Total Budgeted Positions
Town Council	0.50	0.08	0.58
Town Attorney	1.88	-	1.88
Administrative Services	20.18	1.13	21.30
Community Development	20.08	0.81	20.89
Police Department	60.00	1.46	61.46
Parks & Public Works	34.50	2.72	37.22
Library	12.50	4.47	16.97
Total Positions	149.63	10.68	160.31

Administrative Services staffing numbers include the following six programs: Town Manager's Office; Human Resources; Finance; Clerk Administration; and Information Technology Staffing

Hourly employee positions result from seasonal, temporary, and part-time labor needs.

SUMMARY OF POSITIONS FUNDED FTEs BY DEPARTMENT



Departments	2015/16 Funded	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Adopted
Town Council	0.50	0.63	0.50	0.50	0.50
Town Attorney	1.50	1.63	1.63	1.88	1.88
Administrative Services	19.60	19.35	20.59	20.53	20.18
Community Development	19.00	19.63	19.63	20.08	20.08
Police Department	59.00	59.00	59.00	59.00	60.00
Parks & Public Works	33.50	33.50	34.50	34.50	34.50
Library	11.00	12.25	12.25	12.50	12.50
Total Budgeted FTEs	144.10	145.98	148.10	148.99	149.63

FTEs represent Town staff positions funded in annual budgets. Numbers do not include temporary hours or the filled or unfilled status of the positions.

SUMMARY OF PERSONNEL CHANGES FY 2019/20

The Town's total budgeted personnel costs for FY 2019/20 increased to \$31.1 million (\$27.3 million in FY 2018/19) and accounts for 40.6% of the total Town's expenditures. Rising healthcare and pension rates have increased labor costs; however, reduction strategies including vacancy eliminations, structural reorganization, and realignments have helped to mitigate growing personnel expenditures. The following discussion describes some of the staffing expenditures, savings, and budget impacts.

Employee Compensation

Personnel costs represent salaries of full-time and part-time personnel (including vacation, holiday, and sick leave compensation) and benefits, including health coverage, life and disability insurance, and retirement contributions. For represented positions, annual salary increases and benefit adjustments are negotiated under each bargaining unit's Memorandum of Understanding (MOU's). Salary increases and benefit adjustments for unrepresented positions are determined under the Council's authority and are not subject to bargaining.

Memoranda of Understanding (MOUs)

The FY 2019/20 budget reflects negotiated salary changes and market adjustments necessary to attract and retain high performing employees. The salary schedules beginning on page C-51 reflect the cumulative changes effective in FY 2018/19 and FY 2019/20.

- All non-sworn and management employees received an across the board salary increase of 2.5% plus a 1.5% base salary one-time payment (non-PERSable) during FY 2018/19. A 3% across the board salary increase is effective in FY 2019/20.
- The TEA and AFSCME labor agreements have a re-opener provision to negotiate the specific topic of salaries effective in FY 2020/21 of the agreements that expire on June 30, 2021.
- The sworn employees represented by the Police Officers' Association (POA) received an across the board salary increase of 2.5% during FY 2018/19 and will receive a negotiated 4% across the board increase in FY 2019/20. The MOU has a re-opener provision to negotiate salaries effective in FY 2020/21 and expires on September 30, 2021.

Benefits

The Town contracts for medical coverage through CalPERS and rates are adjusted each January for the calendar year. Kaiser serves as the benchmark medical plan to determine the Town contribution toward all medical plan premiums. In the recent past, Kaiser rates have fluctuated and increased by as much as 11% in one year, simultaneously increasing the Town contribution. In 2019, Kaiser rates decreased 1.5% from the prior year, resulting in a slight reduction of benefit costs to the Town. As evidenced by this fluctuation, this is an area of continuing concern and volatility. Employees contribute to the cost of medical premiums when enrolled in the majority of CalPERS plans.

Dental, vision and life insurance rates are expected to remain relatively stable. Conversely, short and long-term disability insurance costs are increasing due to changes in the market and a growth in the Town's claim experience. Efforts are underway to identify measures to control and/or reduce costs. During negotiations in FY 2018/19, the Town's discretionary retiree medical benefit contribution was eliminated for all future hires. It is important to note that changes in benefit coverage are generally subject to negotiations with affected employee groups.

Pension Plan

In FY 2012/13, a three-tier pension plan was implemented for non-sworn, changing the pension formula from 2.5% at 55 to 2% at 60 for new hires after September 15, 2012 or 2% at 62 for "new" employees hired after January 1, 2013 who have not previously worked in a public pension system. Similarly, in FY 2012/13 the State implemented a new tier for safety employees, changing the pension formula for "new" employees from 3% at 50 to 2.7% at 57, effective January 1, 2013. While this does not provide immediate cost savings, it is anticipated to reduce future salary and benefit expenditures in the next 10 to 15 years. Pension reform continues to be an important topic in

SUMMARY OF PERSONNEL CHANGES FY 2019/20

regard to cost-containment and staff is monitoring a number of state-wide initiatives that may impact future pension costs.

More recently, however, CalPERS has significantly increased employer contribution rates to cover rising retiree costs and CalPERS investment losses sustained in the down economy. In FY 2014/15, the Town's miscellaneous employee rate was projected to increase to 23.45% and the safety rate was projected to increase to 43.87%. By Council authority in June 2014, the Town paid off its CalPERS side fund liability of \$4.5M which substantially decreased PERS sworn rates in future years. As a result of this payoff, the FY 2014/15 Town's miscellaneous employee rate was 22.38% and the safety rate was 29.56%, a sworn rate reduction of 14.31% from previously forecasted. In FY 2019/20 the Town's miscellaneous employee rate is projected to increase to 33.18%; the safety rate is projected to increase to 52.22%; and the PEPR safety rate is projected to be 15.02%.

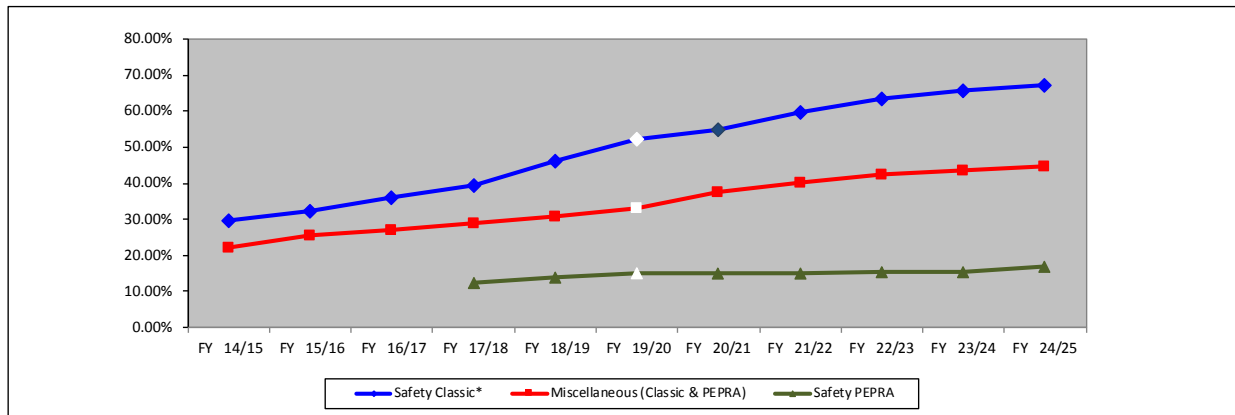
In December 2016 the CalPERS Board announced a plan to lower its discount rate from its current rate of 7.5%. The phase-in of the discount rate change approved by the Board effective beginning FY 2018/19 is as follows:

Valuation Date	Fiscal Year for Required Contribution	Discount Rate
June 30, 2016	FY 2018/19	7.375%
June 30, 2017	FY 2019/20	7.25%
June 30, 2018	FY 2020/21	7.00%

The immediate effect of this change is the actuarial valuation report being prepared for June 30, 2016 by CalPERS which sets the employer contribution rate for FY 2018/19 at a lower discount rate of 7.375%. This action will in turn lead to increased actuarial accrued liabilities because with lower expected returns there are lower projected assets to meet the expected pension obligations. Town staff had already anticipated increases in employer contributions in its Five-Year Financial Plan, and the rates in years three through five of the plan increased due to the lowering of the discount rate. The CalPERS Board had previously adopted recommendations to modify both the smoothing and amortization policies and implement these changes going forward with an impact to employer rates which began in FY 2015/16. As a result of this change, the smoothing period changed from a 15-year rolling period to a five-year direct smoothing rate. The amortization period changed from a 30-year rolling period to a 30-year fixed rate. The cumulative effect of these changes requires the Town to pay significantly more into the system. Current estimates indicate that these changes would result in the Town increasing from the FY 2018/19 rate of 46.09% to 67.39% in FY 2024/25 of pay rate for safety employees and from the FY 2018/19 rate of 30.87% to approximately 44.74% in FY 2024/25.

Using official information issued by CalPERS, the following schedule reflects the Town's actual CalPERS pension rate for FY 2019/20 and the expected rates for the following fiscal years based on the Town's five-year forecast model which was updated using a CalPERS employer bulletin in January 2018 that provided a calculation method to estimate rate impacts of the discount rate change approved in December 2017. The projected rates are slightly higher than the amounts treated by the Town's actuary, Bartel & Associates.

SUMMARY OF PERSONNEL CHANGES FY 2019/20



	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
PERS Pension Plan											
Safety Classic*	29.56%	32.36%	36.18%	39.36%	46.09%	52.22%	55.06%	59.79%	63.58%	65.76%	67.39%
Safety PEPRAs				12.25%	13.96%	15.02%	15.05%	15.17%	15.29%	15.50%	17.00%
Miscellaneous (Classic & PEPRAs)	22.38%	25.43%	26.96%	28.90%	30.87%	33.18%	37.43%	40.14%	42.42%	43.74%	44.74%

* Safety Classic Rate reflects 3% decrease in employer's contribution rate to reflect 3% contribution as negotiated with the Town's POA during the collective bargaining process effective FY 2019/20.

Management Strategies

A number of strategies have been implemented to mitigate rising personnel costs. These include adjusting user fees to recover the cost of staff time to provide Town services, focusing staff time on core services to reduce overtime expenses, and reducing hourly staffing use. In light of limited available resources and uncertain economic trends in revenues sources such as Sales Tax, limited staffing changes have been included in the FY 2019/20 budget. Departments continuously evaluate staffing structures, anticipate succession needs, and modify staffing to improve efficiencies, align with service delivery demands, and meet other Town goals. In this budget, a couple of Departments have included cost neutral restructuring.

Overtime

Overtime expenditures continue to be assessed and adjusted when appropriate. While unpredictable or non-controllable events will impact the Town's limited public safety and public works maintenance resources, continued adjustments to schedules and workload have been successful in reducing budgeted overtime. Although some non-critical Town services have experienced moderate service level reductions, scheduling restrictions have not seriously impacted routine operations.

Staffing Changes

The FY 2019/20 Operating Budget has 160.31 budgeted FTEs, including temporary staff. This reflects an increase of 1.12 of FTEs compared to the prior year. The recommended FY 2019/20 staffing levels also reflect the following changes from the prior year's adopted budget:

- **Administrative Services and Town Offices** - The FY 2019/20 budget reflects the addition of one permanent Accountant/Finance Analyst position in the Finance Department, partially offset by a reduction of temporary hours and the elimination of a 0.35 FTE Account Technician position. The budget also includes a reclassification of two 1.0 FTE Office Assistant positions to 1.00 FTE Deputy Town Clerk and 1.00 FTE Administrative Assistant in the Clerk program. The Clerk program also reflects an increase of temporary hours to assist with special projects and tasks related to Music in the Park. In addition, the budget reflects a title change from the IT Analyst and Network Administrator classifications to a single IT Systems Administrator classification to continue to provide critical support to the burgeoning technology infrastructure necessary to support modern governance

SUMMARY OF PERSONNEL CHANGES FY 2019/20

throughout out the Town and promote succession planning. The current Network Administrator is dedicated to the support of Police Department technology. To better reflect the resource allocation, 1.00 FTE IT Systems Administrator will be transferred to the Police Department program. There is also an addition of a part time, two-year position to assist with the Town's emergency preparedness activities and regional emergency management engagement.

- *Police* –The FY 2019/20 budget reflects the transfer of 1.00 FTE IT Systems Administrator from IT to the Police Department program as described above. The program also contains one-time request for a Project Manager and Community Services Officer.
- *Community Development Department (CDD)* –The FY 2019/20 budget reflects a one-time request for a nighttime Code Compliance Community Service Officer.

In addition to direct personnel expenditures, Departments are charged for internal support services and employee insurance costs through payroll allocation charges. Appropriate charge-back rates are established based on either employee group historical costs or through a flat surcharge per employee. Annual reviews of all funds may result in adjustments to the rates as needed.

Liability Insurance

Self-Insurance Fund rates (liability claim insurance premiums) for FY 2019/20 remain relatively consistent with prior year rates. The Self-Insurance Fund Balance is declining as a result of adverse claims against the Town over the last several years. Staff will closely monitor and recommend a budget strategy to be incorporated into the FY 2019/20 proposed budget.

Workers' Compensation

The Workers' Compensation fund balance is declining as a result of several new injuries that kept employees out of work for extensive periods of time along with the cost of related medical procedures and continuing medical expenses associated with past employee claims. The FY 2019/20 Workers' Compensation rates remain at the prior year level. Staff will closely monitor and recommend a budget strategy to be incorporated into the FY 2019/20 proposed budget. The FY 2019/20 proposed budget includes transfer of \$1,061,256 from Compensated Absences.

Information Technology

The Information Technology (IT) program is funded through charge-back to the Departments. The charge is based on the Department's computer and printer equipment, established to fund the replacement cost of current technology equipment.

TOWN STAFF POSITIONS BY HOME DEPARTMENT

	2015/16 Funded	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Adopted	Comments
TOWN ATTORNEY'S OFFICE						
Town Attorney	1.00	1.00	1.00	1.00	1.00	
Deputy Town Attorney	0.50	0.63	0.63	0.75	0.75	
TOTAL DEPARTMENT FTEs	1.50	1.63	1.63	1.75	1.75	
TOWN MANAGER'S OFFICE						
Town Manager	1.00	1.00	1.00	1.00	1.00	
Assistant Town Manager	-	1.00	1.00	1.00	1.00	
Asst. Town Manager/CDD Director	0.50	-	-	-	-	
Assistant to Town Manager	1.00	1.00	-	-	-	
Administrative Analyst	-	-	1.00	1.00	1.00	
Executive Asst. to Town Mgr.	1.00	1.00	1.00	1.00	1.00	
Economic Vitality Manager	-	-	0.75	0.75	0.75	
Economic Vitality Coordinator	0.63	0.63	-	-	-	
Communications Coordinator	1.00	-	-	-	-	
Office Assistant	0.63	-	-	-	-	
Events & Marketing Specialist	-	-	0.50	0.50	0.50	
TOTAL DEPARTMENT FTEs	5.76	4.63	5.25	5.25	5.25	
HUMAN RESOURCES						
Human Resources Director	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	1.50	1.00	1.00	
Human Resources Technician	1.00	1.00	1.00	1.00	1.00	
TOTAL DEPARTMENT FTEs	3.00	3.00	3.50	3.00	3.00	
FINANCE SERVICES						
Finance Director	1.00	1.00	1.00	1.00	1.00	
Finance & Budget Manager	1.00	1.00	1.00	1.00	1.00	
Accountant/Finance Analyst	1.00	1.00	1.00	1.00	2.00	CY add 1.0 FTE
Payroll Technician	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	-	1.00	2.00	2.00	2.00	
Administrative Technician	1.00	-	-	-	-	
Account Technician	1.35	1.35	0.35	0.35	-	CY delete 0.35 FTE
TOTAL DEPARTMENT FTEs	6.35	6.35	6.35	6.35	7.00	
CLERK ADMINISTRATION						
Clerk Administrator	1.00	1.00	1.00	1.00	-	CY delete 1.0 FTE
Town Clerk	-	-	-	-	1.00	CY add 1.0 FTE
Deputy Town Clerk	-	-	-	-	1.00	CY add 1.0 FTE
Administrative Assistant	-	-	-	-	1.00	CY add 1.0 FTE
Office Assistant	1.00	2.00	2.00	2.00	-	CY delete 2.0 FTE
TOTAL DEPARTMENT FTEs	2.00	3.00	3.00	3.00	3.00	
INFORMATION TECHNOLOGY SERVICES						
IT Manager	1.00	1.00	1.00	1.00	1.00	
Network Administrator	1.00	1.00	1.00	1.00	-	CY delete 1.0 FTE
IT Analyst	-	-	-	1.00	-	CY delete 1.0 FTE
IT Systems Administrator	-	-	-	-	1.00	CY add 1.0 FTE
IT Technician	1.00	1.00	1.00	1.00	1.00	
TOTAL DEPARTMENT FTEs	3.00	3.00	3.00	4.00	3.00	

TOWN STAFF
POSITIONS BY HOME DEPARTMENT

	2015/16 Funded	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Adopted	Comments
COMMUNITY DEVELOPMENT						
Asst. Town Manager/CDD Director	0.50	-	-	-	-	
Community Development Dir.	-	1.00	1.00	1.00	1.00	
Planning Manager	1.00	1.00	1.00	1.00	1.00	
Chief Building Official	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	
Executive Assistant	1.00	1.00	1.00	1.00	1.00	
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	
Senior Planner	2.00	2.00	2.00	2.00	2.00	
Associate Planner	2.50	2.63	2.63	2.63	2.63	
Assistant Planner	1.00	1.00	1.00	1.00	1.00	
Planning Technician	1.00	1.00	1.00	1.00	1.00	
Senior Building Inspector	-	-	-	1.00	1.00	
Building Inspector	4.00	4.00	4.00	3.00	3.00	
Permit Technician	2.00	2.00	2.00	2.00	2.00	
Code Compliance Officer	1.00	1.00	1.00	1.00	1.00	
TOTAL DEPARTMENT FTEs	19.00	19.63	19.63	19.63	19.63	
POLICE						
Chief of Police	1.00	1.00	1.00	1.00	1.00	
Police Captain	1.00	1.00	1.00	2.00	2.00	
Police Lieutenant	2.00	2.00	2.00	-	-	
Police Sergeant	6.00	6.00	6.00	7.00	7.00	
Police Corporal	4.00	4.00	4.00	4.00	4.00	
Police Officer	25.00	25.00	25.00	25.00	25.00	
Community Outreach Coordinator	1.00	1.00	1.00	1.00	1.00	
Community Services Officer	2.00	2.00	1.00	1.00	1.00	
Police Records and Communication Mgr	-	-	-	-	1.00	<i>CY add 1.0 FTE</i>
Records & Evidence Manager	1.00	-	-	-	-	
Police Records Manager	-	1.00	1.00	1.00	-	<i>CY delete 1.0 FTE</i>
Senior Administrative Analyst	-	-	-	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	-	-	
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher Lead	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher	6.00	7.00	7.00	7.00	7.00	
Parking Control Officer	2.00	2.00	2.00	2.00	2.00	
Police Records Specialist	5.00	4.00	4.00	4.00	4.00	
Human Resources Specialist	-	-	1.00	1.00	-	<i>CY delete 1.0 FTE</i>
Administrative Technician	-	-	-	-	1.00	<i>CY add 1.0 FTE</i>
IT Systems Administrator	-	-	-	-	1.00	<i>CY add 1.0 FTE</i>
TOTAL DEPARTMENT FTEs	59.00	59.00	59.00	59.00	60.00	

TOWN STAFF
POSITIONS BY HOME DEPARTMENT

	2015/16 Funded	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Adopted	Comments
PARKS and PUBLIC WORKS DEPARTMENT						
Parks & Public Works Director	1.00	1.00	1.00	1.00	1.00	
Asst PPW Dir/Town Engineer	-	-	-	1.00	1.00	
Town Engineer	1.00	1.00	1.00	-	-	
Superintendent	1.00	1.00	1.00	1.00	1.00	
Facilities & Environmental Services Mgr	1.00	1.00	-	-	-	
Transportation & Mobility Mgr	-	-	1.00	1.00	1.00	
Park & Public Works Operations Mgr	-	-	2.00	2.00	2.00	
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00	
Senior Administrative Analyst	-	-	-	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	-	-	
Executive Assistant	2.00	2.00	1.00	1.00	1.00	
Administrative Assistant	2.00	2.00	2.00	2.50	2.50	
Office Assistant	0.50	0.50	0.50	-	-	
Environmental Programs Specialist	-	-	1.00	1.00	1.00	
Associate Engineer	2.00	2.00	2.00	2.00	2.00	
Assistant Engineer	1.00	1.00	1.00	2.00	2.00	
Construction Project Mgr	1.00	1.00	1.00	1.00	1.00	
Engineering Technician	1.00	1.00	1.00	1.00	1.00	
Sr Public Works Inspector	1.00	1.00	1.00	1.00	1.00	
Public Works Inspector	1.00	1.00	1.00	-	-	
Parks Service Officer	1.00	1.00	1.00	1.00	1.00	
Town Arborist	1.00	1.00	1.00	1.00	1.00	
Tree Trimmer/High Climber	1.00	1.00	1.00	1.00	-	CY delete 1.0 FTE
Lead Parks & Maint. Worker	3.00	3.00	3.00	3.00	3.00	
Parks & Maintenance Worker	9.00	9.00	8.00	8.00	9.00	CY add 1.0 FTE
Equipment Mechanic	1.00	1.00	1.00	1.00	1.00	
TOTAL DEPARTMENT FTEs	33.50	33.50	34.50	34.50	34.50	
LIBRARY						
Library Director	-	1.00	1.00	1.00	1.00	
Town Librarian	2.00	-	-	-	-	
Division Manager	-	2.00	2.00	2.00	2.00	
Librarian	3.75	3.00	3.00	3.00	3.00	
Library Technology Specialist	1.00	1.00	1.00	2.00	2.00	
Library Assistant	1.00	1.00	1.00	-	-	
Library Specialist	0.75	0.75	0.75	1.75	1.75	
Customer Service Supervisor	1.00	1.00	1.00	-	-	
Customer Service Specialist	1.50	1.50	1.50	1.75	1.75	
Sr Library Page	-	1.00	1.00	1.00	1.00	
TOTAL DEPARTMENT FTEs	11.00	12.25	12.25	12.50	12.50	
TOTAL TOWN FTEs	144.10	145.98	148.10	148.99	149.63	

TOWN STAFF
POSITIONS BY HOME DEPARTMENT

ELECTED OFFICIALS					
	2015/16	2016/17	2017/18	2018/19	2019/20
	Funded	Funded	Funded	Funded	Adopted
Town Council	5.00	5.00	5.00	5.00	5.00
TOTAL ELECTED OFFICIALS	5.00	5.00	5.00	5.00	5.00
HOURLY EMPLOYEES					
	2015/16	2016/17	2017/18	2018/19	2019/20
Temporary Hours by Department	Funded	Funded	Funded	Funded	Adopted
Town Council	175	175	175	175	175
Administrative Services	1,476	2,196	2,196	1,376	2,350
Community Development	1,165	1,305	1,305	1,695	1,695
Police Department	4,504	3,422	5,502	3,035	3,035
Parks & Public Works	9,566	8,567	6,637	5,661	5,661
Library Department	10,237	9,546	9,796	9,294	9,294
Total Temporary Hours by Department	27,123	25,211	25,611	21,236	22,210
CONVERTED HOURLY EMPLOYEES	13.04	12.12	12.31	10.21	10.68
(1.00 FTE = 2080 hours)					

TOWN OF LOS GATOS
SALARY SCHEDULE FOR AFSCME CLASSIFICATIONS
EFFECTIVE JULY 1, 2019

Class Code	Classification Title	Range AF1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
6620	Equipment Mechanic	03	\$34.65	\$36.38	\$38.20	\$40.11	\$42.12	\$44.23
6670	Facility Technician	02	\$32.25	\$33.86	\$35.55	\$37.33	\$39.20	\$41.16
6600	Lead Parks & Maintenance Worker	07	\$36.80	\$38.64	\$40.57	\$42.60	\$44.73	\$46.97
6650	Parks & Maintenance Worker	05	\$29.60	\$31.08	\$32.63	\$34.26	\$35.97	\$37.77
6660	Parks & Maintenance Worker Trainee	04	\$24.18	\$25.39	\$26.66	\$27.99	\$29.39	\$30.86
6605	Senior Parks & Maintenance Worker	06	\$32.22	\$33.83	\$35.52	\$37.30	\$39.17	\$41.13
6610	Town Arborist	03	\$35.14	\$36.90	\$38.75	\$40.69	\$42.72	\$44.86

Reflects General Increase of 3%.

TOWN OF LOS GATOS
SALARY SCHEDULE FOR TEA CLASSIFICATIONS
EFFECTIVE JULY 1, 2019

Class Code	Classification Title	Range TE1	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
4310	Account Technician	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
3580	Administrative Assistant	04	\$27.74	\$29.13	\$30.59	\$32.12	\$33.73	\$36.00
4620	Assistant Engineer	25	\$44.15	\$46.36	\$48.68	\$51.11	\$53.67	\$56.93
4420	Assistant Planner	12	\$38.39	\$40.31	\$42.33	\$44.45	\$46.67	\$49.58
4600	Associate Civil Engineer	27	\$50.23	\$52.74	\$55.38	\$58.15	\$61.06	\$64.69
4400	Associate Planner	20	\$44.67	\$46.90	\$49.25	\$51.71	\$54.30	\$57.60
4410	Building Inspector	24	\$42.98	\$45.13	\$47.39	\$49.76	\$52.25	\$55.44
4430	Code Compliance Officer	10	\$38.43	\$40.35	\$42.37	\$44.49	\$46.71	\$49.63
4530	Communication Dispatcher	14	\$38.66	\$40.59	\$42.62	\$44.75	\$46.99	\$49.92
4535	Communication Dispatcher Lead	19	\$45.96	\$48.26	\$50.67	\$53.20	\$55.86	\$59.23
4540	Community Services Officer	11	\$32.68	\$34.31	\$36.03	\$37.83	\$39.72	\$42.29
4615	Construction Project Manager	26	\$48.19	\$50.60	\$53.13	\$55.79	\$58.58	\$62.09
4660	Engineering Technician	13	\$35.10	\$36.86	\$38.70	\$40.64	\$42.67	\$45.38
4705	Environmental Programs Specialist	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
4200	Events and Marketing Specialist	06	\$29.24	\$30.70	\$32.24	\$33.85	\$35.54	\$37.90
3501	Executive Assistant	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
4900	IT Systems Administrator (Rev. 7/1/19)	23	\$47.85	\$50.24	\$52.75	\$55.39	\$58.16	\$61.65
4915	IT Technician	07	\$35.87	\$37.66	\$39.54	\$41.52	\$43.60	\$46.36
4810	Librarian	16	\$36.68	\$38.51	\$40.44	\$42.46	\$44.58	\$47.39
4830	Library Assistant	03	\$27.08	\$28.43	\$29.85	\$31.34	\$32.91	\$35.14
4807	Library Customer Service Specialist	01	\$25.38	\$26.65	\$27.98	\$29.38	\$30.85	\$32.97
4805	Library Customer Service Supervisor	08	\$33.15	\$34.81	\$36.55	\$38.38	\$40.30	\$42.90
4825	Library Specialist	06	\$29.24	\$30.70	\$32.24	\$33.85	\$35.54	\$37.90
4819	Library Tech Specialist	15	\$35.54	\$37.32	\$39.19	\$41.15	\$43.21	\$45.95
3181	Office Assistant	01	\$25.38	\$26.65	\$27.98	\$29.38	\$30.85	\$32.97
4640	Park Services Officer	11	\$32.68	\$34.31	\$36.03	\$37.83	\$39.72	\$42.29
4560	Parking Control Officer	01	\$25.38	\$26.65	\$27.98	\$29.38	\$30.85	\$32.97
4440	Permit Technician	09	\$31.93	\$33.53	\$35.21	\$36.97	\$38.82	\$41.34
4425	Planning Technician	11	\$32.68	\$34.31	\$36.03	\$37.83	\$39.72	\$42.29
4550	Police Records Specialist	05	\$28.41	\$29.83	\$31.32	\$32.89	\$34.53	\$36.84
4630	Public Works Inspector	18	\$39.97	\$41.97	\$44.07	\$46.27	\$48.58	\$51.59
4450	Senior Building Inspector	27	\$50.23	\$52.74	\$55.38	\$58.15	\$61.06	\$64.69
4831	Senior Library Page	02	\$17.84	\$18.73	\$19.67	\$20.65	\$21.68	\$23.34
4405	Senior Planner	28	\$51.45	\$54.02	\$56.72	\$59.56	\$62.54	\$66.25
4610	Senior Public Works Inspector	26	\$48.19	\$50.60	\$53.13	\$55.79	\$58.58	\$62.09

Reflects General Increase of 3%

TOWN OF LOS GATOS
SALARY SCHEDULE FOR POLICE OFFICERS' ASSOCIATION CLASSIFICATIONS
EFFECTIVE OCTOBER 1, 2019

Class Code	Classification Title	Range	Step	Hourly Rate
2520	Police Sergeant (Prior)	04-0721	1	\$64.49
	<i>Appointment before 03/01/2015</i>		2	\$67.71
			3	\$71.10
			4	\$74.66
			5	\$78.39

Class Code	Classification Title	Range	Step	Hourly Rate
2521	Police Sergeant (New)	05-0721	1	\$64.49
	<i>Appointment after 03/01/2015</i>		2	\$67.71
			3	\$71.10
			4	\$74.66

Class Code	Classification Title	Range	Step	Hourly Rate
7500	Police Corporal	03-0715	1	\$53.50
			2	\$56.18
			3	\$58.99
			4	\$61.94
			5	\$65.04

Class Code	Classification Title	Range	Step	Hourly Rate
7510	Police Officer	02-0711	1	\$50.96
			2	\$53.51
			3	\$56.19
			4	\$59.00
			5	\$61.95

Class Code	Classification Title	Range	Step	Hourly Rate
9519	Police Trainee *	01-0710	1	\$48.41
	<i>* 95% of Step 1 of Police Officer Classification (Provisional Employee with Misc PERS)</i>			

Reflects General Increase of 4%.

TOWN OF LOS GATOS
SALARY SCHEDULE FOR CONFIDENTIAL CLASSIFICATIONS
EFFECTIVE JULY 1, 2019

Class Code	Classification Title	Range CF1	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
3300	Accountant/Finance Analyst	07	\$42.37	\$44.49	\$46.71	\$49.05	\$51.50	\$54.66
3000	Administrative Analyst	07	\$42.37	\$44.49	\$46.71	\$49.05	\$51.50	\$54.66
3581	Administrative Assistant <i>(new 7/1/19)</i>	08	\$29.13	\$30.59	\$32.12	\$33.73	\$35.42	\$37.77
3115	Administrative Technician	04	\$36.53	\$38.36	\$40.28	\$42.29	\$44.40	\$47.20
3190	Deputy Clerk	01	\$34.77	\$36.51	\$38.34	\$40.26	\$42.27	\$44.96
3500	Executive Assistant to Chief of Police	03	\$34.77	\$36.51	\$38.34	\$40.26	\$42.27	\$44.96
3100	Executive Assistant to Town Manager	05	\$36.53	\$38.36	\$40.28	\$42.29	\$44.40	\$47.20
3015	Human Resources Technician	02	\$33.10	\$34.76	\$36.50	\$38.33	\$40.25	\$42.84
3180	Office Assistant	01	\$27.17	\$28.53	\$29.96	\$31.46	\$33.03	\$35.26
3301	Payroll Technician	06	\$36.53	\$38.36	\$40.28	\$42.29	\$44.40	\$47.20

Reflects General Increase of 3% and includes 5% Confidential Premium.

TOWN OF LOS GATOS
SALARY SCHEDULE FOR TOWN COUNCIL AND MANAGEMENT
EFFECTIVE JULY 1, 2019 (UNLESS OTHERWISE NOTED)

Class Code	Classification Title	Annual Salary Minimum	Annual Salary Maximum
2615	Assistant Parks & Public Works Director	\$ 137,631	\$ 185,801
2110	Assistant Town Manager	\$ 163,599	\$ 220,859
2420	Chief Building Official	\$ 124,687	\$ 168,327
2400	Community Development Director	\$ 159,609	\$ 215,472
2180	Community Outreach Coordinator	\$ 86,092	\$ 116,223
2010	Deputy Attorney	\$ 107,517	\$ 145,148
2130	Economic Vitality Manager	\$ 118,678	\$ 160,215
2310	Finance and Budget Manager	\$ 124,687	\$ 168,327
2300	Finance Director	\$ 155,716	\$ 210,217
2200	Human Resources Director	\$ 144,598	\$ 195,207
2900	Information Technology Manager	\$ 124,687	\$ 168,327
2800	Library Director	\$ 144,598	\$ 195,207
2820	Library Division Manager	\$ 95,029	\$ 128,289
2600	Parks & Public Works Director	\$ 159,605	\$ 215,472
2645	Parks & Public Works Operations Manager	\$ 107,517	\$ 145,148
2630	Parks & Public Works Superintendent	\$ 124,687	\$ 168,327
2412	Planning Manager	\$ 124,687	\$ 168,327
2510	Police Captain	\$ 148,213	\$ 200,087
2500	Police Chief	\$ 167,689	\$ 226,381
2545	Police Records & Communication Manager	\$ 115,783	\$ 156,308
2140	Senior Administrative Analyst	\$ 92,711	\$ 125,160
2650	Senior Civil Engineer	\$ 118,678	\$ 160,215
2000	Town Attorney - Council Appointed (<i>Effective 12/12/18</i>)		\$ 225,000
2412	Town Clerk	\$ 124,687	\$ 168,327
2100	Town Manager - Council Appointed (<i>Effective 9/2/18</i>)		\$ 236,250
2655	Transportation & Mobility Manager	\$ 115,783	\$ 156,308
1000	Town Council (Effective 1/1/19)	\$570 Stipend per month, for a total compensation of \$6,840 per year	

Management salaries reflect a spread of 35% to the top of the range.

Reflects General Increase of 3%.

TOWN OF LOS GATOS
SALARY SCHEDULE FOR GENERAL/MISC TEMPORARY/HOURLY CLASSIFICATIONS
EFFECTIVE JULY 1, 2017

Class Code	Classification Title	Range TE2	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
9305	Account Clerk Temp/Hourly	04	\$24.04	\$25.24	\$26.50	\$27.83	\$29.22	\$30.68
9310	Account Technician Temp/Hourly	10	\$28.89	\$30.33	\$31.85	\$33.44	\$35.11	\$36.87
9300	Accountant Temp/Hourly	17	\$34.89	\$36.63	\$38.46	\$40.38	\$42.40	\$44.52
9010	Admin Analyst Temp/Hourly	17	\$34.89	\$36.63	\$38.46	\$40.38	\$42.40	\$44.52
9100	Admin Specialist Temp/Hourly	10	\$28.89	\$30.33	\$31.85	\$33.44	\$35.11	\$36.87
9580	Administrative Assistant Temp/Hourly	05	\$26.27	\$27.58	\$28.96	\$30.41	\$31.93	\$33.53
9105	Administrative Secretary Temp/Hourly	09	\$27.59	\$28.97	\$30.42	\$31.94	\$33.54	\$35.22
9656	Assistant Engineer Temp/Hourly	23	\$39.53	\$41.51	\$43.59	\$45.77	\$48.06	\$50.46
9655	Associate Civil Engineer Temp/Hourly	24	\$45.52	\$47.80	\$50.19	\$52.70	\$55.34	\$58.11
9400	Associate Planner Temp/Hourly	22	\$39.38	\$41.35	\$43.42	\$45.59	\$47.87	\$50.26
9410	Building Inspector Temp/Hrly	23	\$39.53	\$41.51	\$43.59	\$45.77	\$48.06	\$50.46
9112	Clerical Aide Temp/Hourly	01	\$12.70	\$13.34	\$14.01	\$14.71	\$15.45	\$16.22
9430	Code Compliance Officer Temp/Hourly	16	\$33.99	\$35.69	\$37.47	\$39.34	\$41.31	\$43.38
9530	Communication Dispatcher Temp/Hourly	19	\$36.61	\$38.44	\$40.36	\$42.38	\$44.50	\$46.73
9545	Crime Analyst Temp/Hourly	18	\$35.32	\$37.09	\$38.94	\$40.89	\$42.93	\$45.08
9540	CSO Intern Temp/Hourly	03	\$21.58	\$22.66	\$23.79	\$24.98	\$26.23	\$27.54
9532	CSO Temp/Hrly	12	\$30.94	\$32.49	\$34.11	\$35.82	\$37.61	\$39.49
9190	Deputy Clerk Temp/Hourly	04	\$24.04	\$25.24	\$26.50	\$27.83	\$29.22	\$30.68
9660	Engineering Technician Temp/Hourly	13	\$31.73	\$33.32	\$34.99	\$36.74	\$38.58	\$40.51
9501	Executive Assistant Temp/Hourly	10	\$28.89	\$30.33	\$31.85	\$33.44	\$35.11	\$36.87
9720	Facility Attendant Temp/Hourly	01	\$12.70	\$13.34	\$14.01	\$14.71	\$15.45	\$16.22
9109	Human Resources Specialist Temp/Hourly	09	\$27.59	\$28.97	\$30.42	\$31.94	\$33.54	\$35.22
9041	Intern I Temp/Hourly	02	\$16.90	\$17.75	\$18.64	\$19.57	\$20.55	\$21.58
9040	Intern II Temp/Hourly	03	\$21.58	\$22.66	\$23.79	\$24.98	\$26.23	\$27.54
9200	IT Technician Temp/Hrly	14	\$31.79	\$33.38	\$35.05	\$36.80	\$38.64	\$40.57
9015	Legal Assistant Temp/Hrly	17	\$34.89	\$36.63	\$38.46	\$40.38	\$42.40	\$44.52
9810	Librarian Temp/Hourly	15	\$33.65	\$35.33	\$37.10	\$38.96	\$40.91	\$42.96
9820	Library Assistant Temp/Hourly	06	\$25.65	\$26.93	\$28.28	\$29.69	\$31.17	\$32.73
9840	Library Clerk Temp/Hourly	04	\$24.04	\$25.24	\$26.50	\$27.83	\$29.22	\$30.68
9850	Library Page Temp/Hourly	01	\$12.70	\$13.34	\$14.01	\$14.71	\$15.45	\$16.22
9830	Library Teen Services Specialist	03	\$21.58	\$22.66	\$23.79	\$24.98	\$26.23	\$27.54
9900	Network Administrator	21	\$37.65	\$39.53	\$41.51	\$43.59	\$45.77	\$48.06
9180	Office Assistant Temp/Hourly	04	\$24.04	\$25.24	\$26.50	\$27.83	\$29.22	\$30.68
9645	Park Service Officer Aide Temp/Hourly	03	\$21.58	\$22.66	\$23.79	\$24.98	\$26.23	\$27.54
9640	Park Service Officer Temp/Hourly	12	\$30.94	\$32.49	\$34.11	\$35.82	\$37.61	\$39.49
9560	Parking Control Officer Temp/Hourly	04	\$24.04	\$25.24	\$26.50	\$27.83	\$29.22	\$30.68
9440	Permit Technician	11	\$29.77	\$31.26	\$32.82	\$34.46	\$36.18	\$37.99
9550	Police Records Specialist Temp/Hourly	08	\$26.91	\$28.26	\$29.67	\$31.15	\$32.71	\$34.35
9510	Police Officer Reserve (Top Step of Officer)*	25	\$59.56					
9650	Public Works Inspector Temp/Hourly	20	\$37.37	\$39.24	\$41.20	\$43.26	\$45.42	\$47.69
9670	Senior Electrician Temp/Hourly	23	\$39.53	\$41.51	\$43.59	\$45.77	\$48.06	\$50.46
9831	Senior Library Page	02	\$16.90	\$17.75	\$18.64	\$19.57	\$20.55	\$21.58
9725	Special Event Attendant	07	\$16.14	\$16.95	\$17.80	\$18.69	\$19.62	\$20.60

Reflect General Increase of 2.5%.

*Adjusted to reflect Oct. 2018 Police Officer top step

TOWN OF LOS GATOS
SALARY SCHEDULE FOR MAINTENANCE TEMPORARY/HOURLY CLASSIFICATIONS
EFFECTIVE JULY 1, 2017

Class Code	Classification Title	Range AF2	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
9621	Equipment Mechanic Temp	01	\$32.07	\$33.67	\$35.35	\$37.12	\$38.98	\$40.93
9605	Lead Parks & Maint Worker	06	\$33.58	\$35.26	\$37.02	\$38.87	\$40.81	\$42.85
9600	Maintenance Assistant	02	\$16.14	\$16.95	\$17.80	\$18.69	\$19.62	\$20.60
9630	Parks & Maint Worker Trainee Temp	03	\$22.08	\$23.18	\$24.34	\$25.56	\$26.84	\$28.18
9620	Parks & Maintenance Worker Temp	04	\$27.01	\$28.36	\$29.78	\$31.27	\$32.83	\$34.47
9610	Ticket Booth Attendant	05	\$13.24	\$13.90	\$14.60	\$15.33	\$16.10	\$16.91

Reflects General Increase of 2.5%.

