



CITY OF FILLMORE
CENTRAL PARK PLAZA
250 Central Avenue
Fillmore, California 93015-1907
(805) 524-3701 • FAX (805) 524-5707

This memorandum accompanied the proposed budget, and may not reflect conditions at time of printing.

June 28, 2010

Honorable Mayor, City Council and Residents of Fillmore

Presenting this first budget to you is bittersweet. It is an honor to live and work in a beautiful town and with people who love their City. At the same time, FY 2011 budget has many challenges ahead. However, with this challenge comes opportunity. Great ideas and innovations come out of difficult circumstances.

The economy has been the central issue for all levels of government—Federal, State, county and cities. Revenues from Sales Tax and Property have fallen substantially and are expected to remain flat through 2011. Neighboring cities have made cuts and changed service levels. It should come as no surprise that the City of Fillmore faces the same challenges. The City's General Fund had a shortfall of approximately \$1 million; the utilities (Water, Sewer and Solid Waste) require rate increases and there are several funds/functions which are running in the red (Recreation, Pool, Theater, Dial-A-Ride and Streets).

We will be asking Council for policy direction, so that we may shape services to align with the available funding. Following is an overview of issues which we will need to address during the budget hearings in July.

Overall

- **General Fund is balanced.** There was a \$1 million shortfall in the General Fund. Through cost-cutting measures and revenue-generating ideas, this number was whittled to \$374,251. To balance the budget, \$100,000 was taken from the \$1.5 million reserve and \$274,251 was removed proportionately from every department. However, these cuts need to be finalized. There is a timing problem—labor negotiations are not complete, a Classification and Compensation Study is not yet finished and the Sales Tax litigation is unresolved. Staff proposes to make the cuts in October/November by which time more information should be available. The Council direction has been to avoid cutting positions if at possible; however, if enough savings or revenue cannot be generated, positions will need to be cut. There is also no room for additional expenses—the General Fund budget is projected to have no carryover into FY 2012.
- **The budget is lean—most discretionary funds have been removed.** The budget was combed by the department heads and the Interim Finance Director to cut costs. Two vacant nonessential positions were eliminated and part-time temporary positions trimmed. Also, only mandatory training, essential travel and publications remain in the budget.

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- **Budget constructed with several employee cost-saving ideas.** Once the shortfall was determined, we went to the employees for ideas on closing the gap. Suggestions, such as closing City Hall every other Friday were proposed. Beginning in October/November, it is proposed to close City Hall every other Friday. Currently, eligible employees work every other Friday, so half of the staff is off every Friday. Putting all eligible employees on the same schedule would save on utilities and make coordination of services easier. The estimated savings is \$3,000 for utilities. This item is subject to labor negotiations. This idea and others, such as reducing the number of days the Theater is open, lowering the water temperature of the pool, having more opportunities for facility rental, etc. are contained in the budget.
- **Unrepresented employee contributions.** The budget does not contain merit or cost-of-living increases for the Unrepresented employees (estimated savings \$105,000). Also, in FY 2010, the Unrepresented employees did not receive a cost-of-living adjustment, while the represented employees received two, which totaled 3.25 percent (2 percent in July and 1.25 percent in January).
- **General Fund Reserves.** This budget was constructed with minimal use of reserves. The sum of \$100,000 for budget balancing was taken from the General Purpose Reserve, leaving a projected FY 2011 year-end balance of \$1,431,443. The sales tax dispute/overpayment reserve was not used for budget balancing. However, it has been drawn down on for undisputed sales tax revenue and now stands at approximately \$2.4 million.

Public Safety

Fire

- **Increase Paramedic stipend in-lieu of hiring three Paramedics.** The Paramedic stipend will be increased in-lieu of filling three (3) vacant positions. To accomplish this, \$200 was added to the current stipend amount of \$100, for a total of \$300. This change increased the stipend budget by \$78,000. However, the net savings from the trade was \$202,589.
- **Grant purchase of breathing-apparatus units.** In the upcoming year, a \$50,000 grant has been budgeted for the purchase of twenty-three breathing apparatus units. Changing these is required and the cost is fully covered by the grant.

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Police

- **School Resource Officer remains in the budget.** This position costs the City over \$178,000, but is offset by a contribution of \$35,000 by the County and \$75,000 from the Fillmore Unified School District. Leaving this position in the budget may need to be revisited if additional cuts are necessary.
- **One part-time position at the Storefront eliminated.** The second part-time position remains.

Utility Rate Increases

Water

- **Proposition 218 hearing for a water rate increase is proposed.** Water rates have not been increased since 2006. A fifteen (15) percent increase was postponed in 2006 because of the sewer rate increases. To meet bond coverage requirements, the Water rates are proposed to increase by 6 percent October 1, 2010 and 6 percent January 1, 2011. If a stepped increase is not used, the rates will be higher because there is less of the year over which to spread the increase. For example, an increase January 1, 2011 would mean a 14 percent rate increase. For the user, this means that, when both increases are made, the average winter water bill will be approximately \$28.20 (an increase of \$3.02 from \$25.18) per month and the summer bill will be approximately \$50.80 (an increase of \$5.44 from \$45.36).
- **Proposed ordinance changes.** Other proposed changes are minimum standby charge when buildings are empty; a reduced rate for the water usage caused by a leak (as long as the owner can demonstrate the leak was fixed); and designating the property owner as the responsible party to pay the water bill. This language is already contained in the Sewer Ordinance. The City is also going to propose changes to the ordinance in how funds are applied if the person is late or misses a payment. The funds will be applied to missing payments, first and the sewer portion of the bill will be paid first. The purpose of the proposed changes is to clarify language, and to ensure equity for ratepayers.
- **Refinancing the bonds will save the City approximately \$56,600 per year or about \$1.1 million over the life of the bonds.**
- **Mailing turn-off notices.** The City hand-delivers the turn-off notices. Many cities mail the notices. Approximately four to eight hours are used to deliver the notices. This time could be spent on other priorities. In the upcoming year, staff proposes to study this option.

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Sewer

- **This budget proposes that the sewer rates be increased from \$80 per month to \$82 per month, effective September 1, 2010.** This represents an increase of 2.5 percent per month and does **not** require a Proposition 218 hearing. To smooth the increase, staff proposes to use \$1 million of the \$5 million rate stabilization fund. Without it, the rate increase would have been approximately 30 percent.
- **At some point this year, staff will propose a Proposition 218 hearing to deal with other aspects of the sewer budget and to update rates for the next several years.** This item will be brought forward at the same the proposed Water rate changes.
- **New sewer dump station.** One of the new services the City is able to provide through the new treatment plant is a sewer dump station for recreational vehicles. This is a convenience for Fillmore rate payers as the nearest dump station is miles away. The City proposes to provide the service without charge to City of Fillmore wastewater rate payers. Those individuals who do not pay into the City wastewater system would be asked to pay a \$15 fee for each use. A local business has graciously donated the materials and fabricated the lock box. Payment will be on the honor system. However, there are cameras installed at the site which can be used if necessary.
- **Stand-by charge.** This is a new minimum charge proposed with the Sewer Ordinance update. It will set a minimum water and sewer charge when the building is vacant. This will cover the debt service related to the property. Currently this cost is borne by all the rate payers.

Solid Waste

- **E.J. Harrison notified the City late last week that it was proposing a pass-through rate increase effective September 1, 2010, of 1.6 percent for residential and 1.7 percent for commercial.** This equates to 40 cent increase per month for residential (\$24.12 to \$24.52) and \$2.57 per month increase for commercial (\$148.57 to \$151.14). The proposed increase is the result of higher tipping fees at the Ventura Regional Sanitation District Toland Landfill and the corresponding increase in the Unicycling tipping fee at Gold Coast. E.J. Harrison is not seeking an operating rate increase.
- **The City of Fillmore has an Ordinance which requires residents to use the City's contract solid waste hauler.** This requirement is primarily due to public health concerns—picking up trash regularly results in fewer problems with vermin. It is also lowers costs for all rate payers because there is a larger base over which to spread the costs. The Ordinance has not been enforced and this is proposed to change in FY 2011.

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- **The agreement with E.J. Harrison expires in September, 2010.** It provides for an extension of not less than one-year and this will be discussed with E.J. Harrison.

Streets and Drains Fund

- **Street Sweeping.** This activity costs \$73,000, and the fund is in the red by \$93,000. It is proposed to transfer the cost of street sweeping to E.J. Harrison which will be included on the refuse bill. This will add approximately \$1.00 to \$1.50 to every resident's bill and decrease the General Fund and local Transportation Fund subsidy. This item was not included in the \$215,000 set-aside for a General Fund subsidy to other operating funds.

Funds Operating at a Deficit

Recreation

- **In the General Fund, the sum of \$215,000 has been put aside to offset the deficit for several City functions (Dial-A-Ride, Theater, Recreation Fund, Pool and Street Sweeping).** Recreation received a proportionate share of the funds to offset its deficit. The Dial-A-Ride was not included because it was too late, and it is proposed to include Street Sweeping on the E.J. Harrison bill. If the Council wishes, the \$215,000 can be redistributed.
- **Recreation fees are proposed to increase to help offset the operating deficit.** These proposed increases will be brought before the City Council as part of the Master Fee Schedule update. Fees for softball are proposed to increase from \$375 to \$400; Youth Basketball fees are proposed to increase from \$60 to \$75; and, Park Rental fees are proposed to increase from \$50 to \$75 for the rental of the shelters. The budget has been built on the assumption that the fees are will be increased. If not, the corresponding revenue will need to be decreased and the size of the deficit will increase.

Theater

- **The Theater is was operating at a \$59,000 deficit which was reduced to \$24,000 by implementing the following proposed operational changes:**
 - Open the Theater two evenings a week (Saturday and Sunday). Currently the Theater is open four nights a week (Friday through Monday).
 - Family night will be Sunday.
 - The total estimated savings will be \$35,000 from these two changes.

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- **In order to increase revenue, possible options are leasing the Theater and perhaps reducing ticket prices slightly to see if the volume of people increases.** These are ideas which can be explored.
- **In the General Fund, the sum of \$215,000 has been put aside to offset the deficit for several City functions (Dial-A-Ride, Theater, Recreation Fund, Pool, Street Sweeping).** The theater received a proportionate share of the funds. The \$215,000 can be redistributed as the Council wishes.

Pool

- **Swim Pool fees are proposed to increase to help offset the operating deficit.** These proposed increases will be brought before the City Council as part of the Master Fee Schedule update. Fees for recreation swim are proposed to increase from \$2 to \$3; Lap Swim fees are proposed to increase from \$4 to \$5; Swimming Lesson Fees are proposed to increase from \$50 per session to \$75 per session (there are ten, 30 minute lessons in one session) and, Friday Family Swim will increase from \$1 to \$2 per person. The budget has been built on the assumption that the fees are will be increased. If not, the corresponding revenue will need to be decreased and the size of the deficit will increase.
- **The Pool received a proportionate share of the \$215,000 to offset its deficit.** If the Council wishes, the \$215,000 can be redistributed.
- **Eliminated classes/activities with low attendance.** The lap pool swim at noon and on Saturday morning and the water aerobics classes were eliminated. Estimated savings \$25,000.
- **Pool water temperature lowered from 82 to 80 degrees.** This saves on utilities.
- **The City will be examining the possibility of switching the pool maintenance duties from Facilities to Public Works.** This is pending the completion of the Classification and Compensation Study and may be a negotiable item.
- **Eliminated vacant Pool Maintainer position (estimated savings \$85,000) and reduced Pool Manager position from two part-time to one part-time position.**
- **The budget proposes to close the pool between mid-October and February 27, 2011.** Other jurisdictions are doing this to save money and it is the time the pool is the least used. It will save approximately \$20,000 in utilities and supplies.

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City Departments

City Council

- **There is a 3.7 percent or \$274,251 reduction pending in the General Fund.** Changes to the budget may result in an increase/decrease to this amount. As a result, the City will need to evaluate how it provides services.

City Clerk

- **Proposed change in minute format.** As part of rethinking how we process the workload, staff proposes to reduce the level of detail contained in the minutes. Currently it consumes approximately four hours after the meeting to prepare the minutes. Changing to a less detailed action minute format would result in a time savings of approximately three hours each time. Tapes and audio recordings are kept indefinitely of the meetings.

Administration

- In FY 2011, the Administration Division will continue the Economic Development activities for the City; continue with labor negotiations; implement the cost-cutting measures in October/November; and, handle special projects.

Community Development

- Budget for revising North Fillmore Specific Plan has been moved to the Redevelopment Agency (\$20,000).
- **Software update.** The license with HDL expires and a new provider will have to be found. Staff is looking at other vendors who provide similar software.

Risk Management

- **The City added new facilities which require insurance, for example, the Wastewater Treatment Plant, Pool and Two Rivers Park.** In addition, as part of budget balancing, the insurance coverage was fine-tuned to minimize costs.

Public Works

- Eliminate vacant Maintainer position (estimated savings \$ 76,966 spread throughout budget).
- Responsibility for fixed assets transferred to Finance Department.

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Finance

- **Examine options for recovering unpaid citation and water bill collections.** In the upcoming year, the staff proposes to pursue options to better collect unpaid citations and utility bills. Currently the staff bills customers and sends one follow-up notice. If the bill is not paid, a door hanger is placed on the property. If the bill is still not paid, the water is turned off. This is an effective method of collecting when an account is active. Once the account is inactive (closed), collection becomes more difficult. One of the options is to use a collection agency; another is to see whether it is possible to change the process so that a lien can be placed on the property. Currently the delinquency rate is 3 percent.

Other Operations/Funds

Boy's and Girl's Club

- **Capital Improvement to Community Center by Boys and Girls Club.** The Boy's and Girl's Club is working to obtain a grant to fund a variety of capital improvements. The Club would like to remodel the girl's locker room area so that it can be used; fix the mezzanine floor; repair the windows and ceiling; and, make the kitchen functional for cooking classes. It has requested that the City assist by waiving any fees or permits and consider providing a credit for the materials used in the construction.
- **Cost-sharing on utility bills.** The City requested the Club pay for half of the utility bills, up to \$6,000 per year. As an incentive, if the Club saves energy during the year, the lower costs will be split with the organization.
- **New lease agreement.** Staff is working with the Club to develop a new lease agreement. It is anticipated that this will be concluded by September.

Senior Center

- **The Senior Center Board requested various capital improvements and minor capital items at the joint meeting with the City Council.** Due to budget constraints, the City is not able to allocate additional money at this time. However, next year, the City will work with the Board to identify other funding sources such Community Development Block Grant (CDBG) for the capital improvements.
- **A revised draft operating agreement has been prepared and will be presented to the Board in late July or August.** The draft agreement clarifies personnel reporting relationships, insurance requirements, operating hours, etc.

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Veteran's Memorial District

- **A \$100,000 Community Development Block Grant was received to repaint and refurbish the backstage rooms of the Memorial building.**

Landscape and Lighting Districts

- **Some of the funds have revenue shortfalls because the maximum tax is not set high enough to recover the costs.** In FY2011, the Council directed staff to bring forward various options, such as cost cutting and Proposition 218 elections for consideration.
- **The City will also examine simplifying the number of accounts (approximately 22) in the Fund.**

Storm Drain Fund

- **Some of the districts have revenue shortfalls because the maximum tax is not set high enough.** This program shares the same problems with the Landscape and Lighting District. Council directed staff to bring forward various options such as a citywide Storm District, cost cutting and a Proposition 218 hearing.

Public Transit Fund

- **Dial-A-Ride shortfall.** There is a \$45,000 shortfall in the Dial-A-Ride program. Several other City operations are running deficits and the sum of \$215,000 has been set aside to partially offset the shortfalls. Dial-A-Ride may be one of the items on which the Council wishes to use the \$215,000 to address the shortfall.

Redevelopment Agency Housing Fund

- **In FY 2010, the State took \$2.384 million from the Redevelopment Agency.** The City removed the funds from Housing Set-Aside to pay the State. This money will have to be repaid to the Housing Set-Aside Fund by the City (NOT the State) from its regular Redevelopment funds within five years, leaving less funds available for debt-service and projects. No funds are proposed to be repaid this year.
- **Housing Set-Aside Funds have been included for Housing Rehabilitation Loans (\$40,000); Housing Rehabilitation Grants (\$40,000); First-Time Homebuyer (\$250,000); and, \$30,000 for demolition and Rehabilitation.**

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Redevelopment Agency

- **The North Fillmore Specific Plan needs to be revised and it will take over a year to complete.** As a placeholder, the funds are budgeted here. Prior to starting the work, public input will be sought. It is estimated that the revisions will cost \$125,000, but not all in this Fiscal year. The cost estimate was based on previous Specific Plans.
- **No repayments planned for this year to the Redevelopment Housing Fund.** As noted above, the Agency has five years to repay itself.

As you can see, there are challenges ahead—and there are opportunities. Working together we can find solutions. I look forward to discussing and resolving these issues with you in July.

It takes a village to prepare a budget. This year has been particularly challenging and it would not have been possible without the professionalism, good humor and eagle eye of Anita Lawrence, Interim Finance Director. Over the past few months, she has spent many hours and weekends wrestling with the budget. Special thanks to her husband, K.C., who graciously gave up time he planned to spend with his wife this summer. Many thanks to the department heads: Captain Tim Hagel, Rigo Landeros, Bert Rapp and Kevin McSweeney; along with the able assistance of Mike Ogden, Annette Cardona, and the Finance staff (Leo Young, Debbi Boschee, Norma Gutierrez, Rosa Felix, Patty Vitro, and Shannon Godfrey), without whom the budget would not be possible. Special thanks to Patrick Maynard who created the cover design.

I offer it now for your consideration.

Respectfully submitted,

Yvonne Quiring
City Manager

**CITY COUNCIL
RESOLUTION NO. 10-3261**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FILLMORE
ADOPTING THE PROPOSED BUDGET FOR
FISCAL YEAR 2010-2011**

SECTION 1. SCOPE

This resolution defines the authority and responsibilities of the City Manager in implementing the Approved Budget of the City of Fillmore

SECTION 2. DEFINITIONS

- 2.1 "Approved Budget" means the budget adopted by the City Council on July 20, 2010 for the 2010-2011 fiscal year, per the changes identified in the staff report, including subsequent transfers for Contingency Reserves to departments to implement labor agreements and transfers to account for employee service changes due to promotions, vacancies, merit increases and reallocations.
- 2.2 "Current Budget" means the 2010-2011 Approved Budget, incorporating any subsequent appropriation increases, decreases or transfers.
- 2.3 "Expenditures" means Employee Services, Other Services and Supplies, Capital Outlay, Equipment, Debt Service, Contract Services, Transfers, and Capital Improvements.
- 2.4 "Department" or "Fund" means General Fund, Special Purpose Funds, Enterprise Funds, Development Impact Funds, City Reserves, Special Programs, Debt Services, and Redevelopment Agency.
- 2.5 "Division" means a sub-unit of a Department.
- 2.6 "Activity" means a sub-unit of a division.
- 2.7 "Organization" means a department, division, or activity.
- 2.8 "City Manager" is responsible for managing and directing the affairs of the City within the established goals, objectives, and general policies approved by the City Council, and directing the activities of those departments representing the interests of the City, as established by the City Council. The City Manager is solely responsible to the City Council for the effectiveness, efficiency and success in fulfilling the City's goals, objective, and policy priorities. The City Manager receives general policy direction from the City Council within the general policy

guidelines. Exercises direct supervision and general administrative direction over each department head and other city employees.

- 2.9 "Full Time Equivalent (FTE)" means the decimal equivalent of a position; i.e., one full time position is 1.00 FTE and one quarter-time position is .25 FTE.
- 2.10 "Base Budget" means the current year budget modified per labor agreement, one-time expenditures and citywide charges, as approved by the City Council.

SECTION 3. AUTHORIZED STAFFING AND APPROPRIATIONS

- 3.1 The City Manager is authorized to make any expenditures and resource adjustment to the Recommended Budget based on final City Council action to adopt the Budget.
- 3.2 The appropriation and Full-Time Equivalent staffing schedules shown in the Recommended Budget.
- 3.3 During budget hearings and following the budget approval, the City Manager is authorized to make adjustments for updated labor, vehicle, energy, contingencies and risk management changes such as retirement rate, payroll taxes, health benefits, fleet costs and risk management costs from designated funds or reserves in order to achieve the intent of the Council.
- 3.4 Following budget approval, the City Manager is authorized to revise indirect cost rates to be applied to hourly salary rates in order to achieve full cost-recovery of services.

SECTION 4. APPROPRIATION INCREASES/DECREASES

- 4.1 All increases or decreases in excess of \$17,500 to operating and capital appropriations shall be approved by the City Council by minute action.
- 4.2 The City Manager is authorized upon completion of the audited financial statements for 2009-2010 to adjust FY 2010-2011 fund appropriations by the amount of net savings/overruns as determined by the City Council. The carryover amounts will be included and addressed in the Midyear Financial Report.

SECTION 5. STAFFING INCREASES

- 5.1 Any increases, by department by fund, in Full Time Equivalent staffing levels as authorized in the Approved or Amended Budget for a department must be approved by the City Council.
- 5.2 Any existing positions which were approved on the basis of the City receiving a grant or other reimbursements must have continued funding verified prior to

filling the position. The City Manager is authorized to adjust staffing levels for renewals or expansions of fully offset grants. Grant funded positions shall be terminated upon completion or cancellation of the grant unless specifically continued by resolution including a source of replacement funding.

- 5.3 All Staffing position adjustment made subject to approval of the City Manager and subject to the City's policy must have funding verified by the Director of that Department or the Director of Finance prior to implementation.
- 5.4 Any reassignment of authorized FTE and employee services funding associated with these FTE within a department and within the same fund may be made with the approval of the City Manager as long as there is no net change to authorized FTE and Funding levels.
- 5.5 All new positions or job reclassifications are request subject to classification review and approval by the staff designated for this purpose by the City Manager. Funding adjustment will be consistent with appropriate classification and approval by the Finance Director.

SECTION 6. APPROPRIATION TRANSFERS FROM CONTINGENCY/RESERVE FUNDS.

- 6.1 The City has a policy of maintaining a reserve for emergencies and economic uncertainty equivalent to 40 percent of the General Fund annual operating budget. Due to unusual economic conditions, this policy is modified in FY 2010-2011 to be a maximum of nineteen (19) percent. This reserve will be maintained for the purpose of absorbing unforeseen emergency losses, allowing continuation of approved budget program levels.
- 6.2 Appropriation transfers from the General Fund Reserve up to and including \$50,000 may be approved by the City Manager for such transfers in excess of \$50,000 shall be approved by the City Council.
- 6.3 No Reserve transfer shall be made from any fund which would create a negative undesignated fund balance in the fund.

SECTION 7. OTHER APPROPRIATION TRANSFERS

- 7.1 Any operating appropriation transfers with the same department must have prior approval of the City Manager.
- 7.2 Appropriation transfers between two or more departments may be approved by the City Manager.

SECTION 8. UNSPENT APPROPRIATIONS AND ENCUMBRANCES

- 8.1 All appropriations in the operating budget which remain unencumbered or unexpended on June 30, 2010, after adjustments resulting from 4.2, 9.2, shall revert to the fund balance of its respective funds.
- 8.2 All purchase order commitments outstanding on June 30, 2010 are hereby continued.

SECTION 9. CAPITAL IMPROVEMENTS

- 9.1 All multi-year capital improvement projects in existence at June 30, 2010, shall be continued in the 2010/2011 fiscal year except as provided in Section 9.7. The FY 2010-2011 Capital Improvement Budget is hereby adopted as summarized on Pages XI-2 through XI-6.
- 9.2 Each fiscal year, at June 30, the balance of each capital improvement project must be zero or have a positive balance by fund. Projects that exceed in excess of the budget by \$5,000 or less shall be corrected with other eligible projects revenues that are within the Capital Improvement funds and are not restricted by law.
- 9.3 All capital improvement projects shall be approved by the City Council. The cancellation or modification in the sum of \$10,000 or a capital project must also be approved by the City Council.
- 9.4 Except in the General Fund , the designated fund manager is authorized to transfer appropriations totaling \$10,000, subject to approval of the City Manager.
 - (1) For expenditure and revenue between funding sources with a project if the total appropriation remains unchanged.
- 9.5 Upon completion and closure of a capital project, the designated fund manager is authorized to transfer any remaining project balance to the fund balance contingency.
- 9.6 Capital appropriation shall be used solely for the originally approved project or projects except as provided in this section. Annually, completed or inactive projects will be closed except due to payment disputes. An inactive project is defined as one where transaction activity is less than \$1,000 over the prior three years. Closures are the responsibility of the designated project manager.
- 9.7 Unencumbered appropriations for all projects will expire on the June 30 following the "third" full year of the last appropriation to the project. Subject projects requiring continuing appropriations will require City Council action through programming within the Capital Improvement Program or through amendment to the program.

SECTION 10. OPERATION GRANTS

- 10.1 All operating grants shall be approved by the City Council.
- 10.2 Operating grant funds appropriated in the Approved or Amended Budget do not require additional City Council approval to be expended upon receipt of such grant or grants.
- 10.3 All multi-year operation grant budgets in existence at June 30, 2010 shall be continued in the 2010-2011 fiscal year.

SECTION 11. MISCELLANEOUS CONTROLS

- 11.1 No expenditures at the department level shall exceed the Approved or Amended Budget by fund.
- 11.2 Deficiencies over the approved or amended budget in any department by fund must be corrected by:
 - (1) Reducing expenditures in said department (e.g. freezing vacant positions, restricting purchase orders, etc.) or
 - (2) An intra-fund transfer within that same department; or
 - (3) An inter-departmental appropriation transfer.
- 11.3 The City Manager is hereby authorized to:
 - (1) Adjust budgets in the Special Revenue funds for appropriations required based on the action/direction of the City Council relative to capital projects, transfer requirements and the availability of funds;
 - (2) Adjust budgets in the Capital Project funds for the current year based on the previous action of City Council for projects on a multi-year basis;
 - (3) Expend unbudgeted funds and reserves in response to public emergencies or disasters. Such expenditures shall subsequently be ratified by the City Council.

SECTION 12. MIDYEAR FINANCIAL REPORT

- 12.1 City Council shall be provided a Midyear Financial Report including a re-estimate of the financial condition of all funds, including prior year actual fund balances, re-estimated revenues and expenditures, projected ending fund balances or deficits, and recommendations for eliminating any projected fund deficits.
- 12.2 The City Council shall act on any projected fund deficits prior to the close of the Fiscal Year.

SECTION 13. FY 2010/2011 ANNUAL BUDGET

13.1 The FY 2010-2011 Annual Budget is hereby adopted as shown in Section III in the FY 2011 Recommended Budget, except as modified by the Council action taken on July 13 and 14, 2010 and shown in the staff report presented for adoption on July 20, 2010.

PASSED, APPROVED AND ADOPTED this 20th day of July, 2010.


PATTI WALKER, Mayor

APPROVED AS TO FORM:


THEODORE J. SCHNEIDER, City Attorney

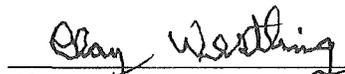
AYES: CONAWAY, HERNANDEZ, WALKER, WASHBURN

NOES: NONE

ABSTAIN: NONE

ABSENT: BROOKS

ATTEST:

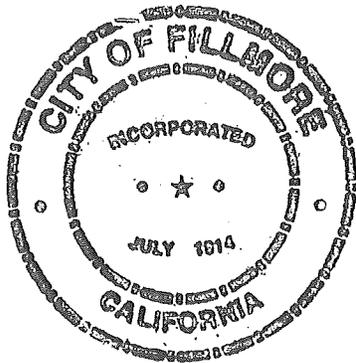

Clay Westling, City Clerk

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CITY OF FILLMORE)
COUNTY OF VENTURA)§
STATE OF CALIFORNIA)

I, Clay Westling, City Clerk of the City of Fillmore, California, do hereby certify that the foregoing Resolution No. 10-3261 was duly passed and adopted by the City Council of the City of Fillmore at the special meeting thereof, held on the 20th day of July 2010, and was signed by the Mayor of the said City, and that the same was passed and adopted by the following vote:

AYES: CONAWAY, HERNANDEZ, WALKER, WASHBURN
NOES: NONE
ABSENT: BROOKS
ABSTAIN: NONE



Clay Westling
Clay Westling, City Clerk

**FILLMORE REDEVELOPMENT AGENCY
RESOLUTION NO. 10-246
RESOLUTION ADOPTING THE
PROPOSED BUDGET FOR FISCAL YEAR 2010-11**

WHEREAS, the Executive Director has prepared, after consultation with its Members, a budget for the Fillmore Redevelopment Agency ("Agency") to carry on redevelopment activities of the Fillmore Central City Redevelopment Project ("the Project"); and

WHEREAS, appropriations made pursuant to the budget of the Agency are exempt from provisions of Article XIIB of the California Constitution where used for redevelopment activities

NOW, THEREFORE, BE IT RESOLVED by the **FILLMORE REDEVELOPMENT AGENCY** as follows:

SECTION 1. That the budget for Agency for the fiscal year commencing July 1, 2010 and ending June 30, 2011, as prepared and submitted by the Executive Director is hereby approved and adopted as the Recommended Budget of the Agency for said fiscal year, including those changes made by the Board which are contained in the staff report presented to the Agency on July 20, 2010, or as amended by the Executive Director in order to achieve the intent of the Board.

SECTION 2. That the positions as they appear in the budget are approved for the purposes indicated for the fiscal year ending June 30, 2011.

SECTION 3. That from the effective date of said budget, to wit: July 1, 2010, the several amounts stated therein as proposed expenditures shall be and become appropriated to the Agency for the respective objects and purposes therein set forth, subject to expenditures pursuant to the provisions of all applicable statutes of the State.

SECTION 4. That the Agency hereby finds and determines:

- (a) That the expenditures authorized by this budget and the appropriations pursuant thereto are from tax allocation proceeds as specified in Subdivision B Section 33670 of the California Health & Safety Code or are proceeds of bonds which are secured solely by such tax allocation proceeds;

- (b) That all of the expenditures and appropriations pursuant to the budget are for redevelopment activities consistent with California Health & Safety Code Section 33678 in that they are for carrying out the Project, and related redevelopment activities as defined in California Health & Safety Code Sections 33020 and 33021, and primarily benefit the project areas included in the above Project;
- (c) That none of the funds are to be used for the purposes of paying for employee or contractual services for the City of Fillmore or any other local government agency except for such services which are directly related to redevelopment activities as defined in California Health & safety Code Section 33020 and 33021 and the powers established in Community Redevelopment Law; and
- (d) That all of the planning and administrative expenditures and appropriations pursuant to the budget to be paid from the Low and Moderate Housing Fund for each Redevelopment Project are consistent with California Health & Safety Code Section 33334.3 in that they are necessary for the production, improvement, or preservation of low and moderate income housing and are not disproportionate to the amounts budgeted for the costs of production, improvement, or preservation of that housing.

SECTION 5. That resolutions or portions thereof, relating to salaries inconsistent herewith, are repealed and rescinded.

SECTION 6. That the Agency Secretary shall certify to the passage and adoption of the Resolution and the same shall thereupon take effect and be in force.

ADOPTED AND APPROVED THIS 20th day of July 2010.


PATTI WALKER, Chairman

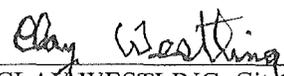
APPROVED AS TO FORM:



THEODORE J. SCHNEIDER, City Attorney

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:



CLAY WESTLING, City Clerk

1 CITY OF FILLMORE)
2 COUNTY OF VENTURA)§
3 STATE OF CALIFORNIA)

4 I, Clay Westling, City Clerk of the City of Fillmore, California, and Secretary of the
5 Redevelopment Agency do hereby certify that the foregoing Resolution 10-246 was duly passed
6 and adopted by the Fillmore Redevelopment Agency of the City of Fillmore at the special meeting
7 thereof held on the 20th day of July, 2010 and was signed by the Chair of the said Agency, and that
8 the same was passed and adopted by the following vote:
9

10 AYES: Conaway, Hernandez, Walker, Washburn

11 NOES: None

12 ABSENT: Brooks

13 ABSTAIN: None

14
15 ATTEST:

16 Clay Westling
17 Clay Westling, Agency Secretary

