CITY OF SANTA BARBARA
CITY COUNCIL

Helene Schneider
Mayor
Randy Rowse
Mayor Pro Tempore
Grant House
Ordinance Committee Chair
Dale Francisco
Finance Committee Chair
Frank Hotchkiss
Cathy Murillo
Bendy White

James L. Armstrong
City Administrator

Stephen P. Wiley
City Attorney

City Hall
735 Anacapa Street
http://www.SantaBarbaraCA.gov

FEBRUARY 12, 2013
AGENDA

ORDER OF BUSINESS: Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council meeting begins at 2:00 p.m. in the Council Chamber at City Hall.

REPORTS: Copies of the reports relating to agenda items are available for review in the City Clerk's Office, at the Central Library, and http://www.SantaBarbaraCA.gov. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a "CAR") for that item from either the Clerk's Office, the Reference Desk at the City's Main Library, or online at the City's website (http://www.SantaBarbaraCA.gov). Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office located at City Hall, 735 Anacapa Street, Santa Barbara, CA 93101, during normal business hours.

PUBLIC COMMENT: At the beginning of the 2:00 p.m. session of each regular City Council meeting, and at the beginning of each special City Council meeting, any member of the public may address the City Council concerning any item not on the Council's agenda. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the City Council. Should City Council business continue into the evening session of a regular City Council meeting at 6:00 p.m., the City Council will allow any member of the public who did not address them during the 2:00 p.m. session to do so. The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than 1 minute. The City Council, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

REQUEST TO SPEAK: A member of the public may address the Finance or Ordinance Committee or City Council regarding any scheduled agenda item. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that the item is taken up by the Finance or Ordinance Committee or City Council.

CONSENT CALENDAR: The Consent Calendar is comprised of items that will not usually require discussion by the City Council. A Consent Calendar item is open for discussion by the City Council upon request of a Councilmember, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your "Request to Speak" form, you should come forward to speak at the time the Council considers the Consent Calendar.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to gain access to, comment at, or participate in this meeting, please contact the City Administrator's Office at 564-5305 or inquire at the City Clerk's Office on the day of the meeting. If possible, notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements in most cases.

TELEVISION COVERAGE: Each regular City Council meeting is broadcast live in English and Spanish on City TV Channel 18 and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 9:00 a.m., and in Spanish on Sundays at 4:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at www.citytv18.com for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

ORDER OF BUSINESS

12:30 p.m. - Finance Committee Meeting, David Gebhard Public Meeting Room, 630 Garden Street
2:00 p.m. - City Council Meeting

FINANCE COMMITTEE MEETING - 12:30 P.M. IN THE DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET (120.03)

1. Subject: Loan Subordination Requests For Habitat For Humanity Affordable Housing Project Located At 822-824 East Canon Perdido Street

Recommendation: That the Finance Committee consider and recommend to Council approval of a request from Habitat For Humanity Of Southern Santa Barbara County to subordinate two City loans so that they can obtain new bridge financing in the amount of up to $750,000 from the Housing Trust Fund of Santa Barbara County.

2. Subject: Fiscal Year 2013 Mid-Year Review

Recommendation: That the Finance Committee recommend that Council:

A. Hear a report from staff on the status of revenues and expenditures in relation to budget for the six months ended December 31, 2012;
B. Accept the fiscal year 2013 Interim Financial Statements for the Six Months Ended December 31, 2012; and
C. Approve the proposed mid-year adjustments to Fiscal Year 2013 appropriations and estimated revenues as detailed in the attached schedule of Proposed Mid-Year Adjustments.

(See Council Agenda Item No. 10)

REGULAR CITY COUNCIL MEETING – 2:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL ITEMS

1. Subject: 2013 Architectural Board Of Review And Historic Landmarks Commission Design Awards (640.03)

Recommendation: That Council join the Architectural Board of Review and the Historic Landmarks Commission in presenting the 2013 Design Awards.

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

2. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of January 29, 2013.

3. Subject: Adoption Of An Ordinance Of The Council Of The City Of Santa Barbara Granting An Exclusive Ten-Year Franchise For Citywide Solid Waste Collection And Disposal Services To Marborg Industries, Inc. (630.01)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Granting an Exclusive Ten-year Franchise for Citywide Solid Waste Collection and Disposal Services to MarBorg Industries, Inc., a California Corporation, and Approving and Authorizing the City Administrator to Execute a Memorandum of Understanding Between the City and MarBorg Industries, Inc. Providing for MarBorg's Waiver of Certain Compensation Under the Existing Zone One and Zone Two Franchise Agreements in Consideration of the Grant of the New Citywide Franchise to MarBorg.

CONSENT CALENDAR (CONT'D)

4. Subject: Approval Of Extension For The South Coast Energy Efficiency Partnership Agreement (630.06)

Recommendation: That Council authorize the Public Works Director to extend the 2010-2012 Energy Partnership Agreement between Southern California Edison, the Southern California Gas Company and the City of Santa Barbara to cover the 2013-2014 transition period.

5. Subject: Vehicle Access Security Gate Project At Police Department (520.04)

Recommendation: That Council:

A. Accept $215,000 from the County of Santa Barbara and authorize the Chief of Police to execute a grant agreement with the County of Santa Barbara for the funding necessary for the City SBPD Vehicle Access Security Gate Project; and

B. Increase appropriations and estimated revenues by $215,000 in the Miscellaneous Grants Fund for Fiscal Year 2013 for the Vehicle Access Security Gate Project.

6. Subject: Proposed Lease Agreement With Alexandra Maryanski And Jonathan Turner For A 167 Square Foot Office Space Located At 125 Harbor Way At A Monthly Rent Of $441.00 (330.04)

Recommendation: That City Council approve a two-year lease agreement with Alexandra Maryanski and Jonathan Turner for office space located at 125 Harbor Way, #21.

NOTICES

7. The City Clerk has on Thursday, February 7, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concludes the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

PUBLIC WORKS DEPARTMENT

8. Subject: Report From Santa Barbara Metropolitan Transit District (150.05)

Recommendation: That Council hear a report regarding the Santa Barbara Metropolitan Transit District services.

ADMINISTRATIVE SERVICES DEPARTMENT

9. Subject: Update On Code Of Conduct For Advisory Group Members And Adoption Of Revised City Advisory Group Guidelines (140.02)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving the Revised Guidelines for the City of Santa Barbara Advisory Groups and Rescinding Resolution Nos. 03-006 and 06-092.

FINANCE DEPARTMENT

10. Subject: Fiscal Year 2013 Mid-Year Review (250.02)

Recommendation: That Council:

A. Hear a report from staff on the status of revenues and expenditures in relation to budget for the six months ended December 31, 2012;

B. Accept the fiscal year 2013 Interim Financial Statements for the Six Months Ended December 31, 2012; and

C. Approve the proposed mid-year adjustments to Fiscal Year 2013 appropriations and estimated revenues as detailed in the attached schedule of Proposed Mid-Year Adjustments.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

CLOSED SESSIONS

11. Subject: Conference with Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is *Santa Barbara Channelkeeper v. City of Santa Barbara*, USDC Case No. CV-1103624 JHN (AGRx)

Scheduling: Duration, 20 minutes; anytime
Report: None anticipated

ADJOURNMENT

CITY OF SANTA BARBARA

FINANCE COMMITTEE

MEETING AGENDA

DATE: February 12, 2013
TIME: 12:30 P.M.
PLACE: David Gebhard Public Meeting Room
630 Garden Street

Dale Francisco, Chair
Bendy White
Cathy Murillo

James L. Armstrong
City Administrator

Robert Samario
Finance Director

ITEMS TO BE CONSIDERED:

1. **Subject: Loan Subordination Requests For Habitat For Humanity Affordable Housing Project Located At 822-824 East Canon Perdido Street**

   Recommendation: That the Finance Committee consider and recommend to Council approval of a request from Habitat For Humanity Of Southern Santa Barbara County to subordinate two City loans so that they can obtain new bridge financing in the amount of up to $750,000 from the Housing Trust Fund of Santa Barbara County.

2. **Subject: Fiscal Year 2013 Mid Year Review**

   Recommendation: That the Finance Committee recommend that Council:
   A. Hear a report from staff on the status of revenues and expenditures in relation to budget for the six months ended December 31, 2012;
   B. Accept the fiscal year 2013 Interim Financial Statements for the Six Months Ended December 31, 2012; and
   C. Approve the proposed mid-year adjustments to Fiscal Year 2013 appropriations and estimated revenues as detailed in the attached schedule of Proposed Mid-Year Adjustments.

(See Council Agenda Item No. 10)

Agenda Item No. 1

File Code No. 120.03

CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Finance Committee

FROM: Administration, Housing and Human Services Division, Community Development Department

SUBJECT: Loan Subordination Requests For Habitat For Humanity Affordable Housing Project Located At 822-824 East Canon Perdido Street

RECOMMENDATION:

That the Finance Committee consider and recommend to Council approval of a request from Habitat For Humanity Of Southern Santa Barbara County to subordinate two City loans so that they can obtain new bridge financing in the amount of up to $750,000 from the Housing Trust Fund of Santa Barbara County.

DISCUSSION:

Background:

Habitat For Humanity Of Southern Santa Barbara County (Habitat) is currently developing a new twelve-unit low-income affordable ownership project located at 822-824 East Canon Perdido Street (Project). Upon completion of construction, this project will provide safe and affordable housing for 43 people, including 20 children. These are low-income families in the 40-80 percent range of Area Median Income (AMI), the upper limit for which is $63,700 for a family of four. Habitat is currently the only organization in Santa Barbara that develops low-income ownership housing. This is their third project in Santa Barbara. Previous successful projects include a three-unit condominium project located at 3965 Via Lucero and a four-unit condominium project located at 618 San Pascual.

In December 2010, the former Redevelopment Agency of the City of Santa Barbara ("Agency") provided Agency Housing Setaside funds to Habitat in the form of a $925,000 acquisition loan ("Acquisition Loan") to purchase property located at 822-824 East Canon Perdido Street. In May 2012, after obtaining the approval of the Project by the City's Planning Commission and Architectural Board of Review, the City provided Habitat a federal Home Investment Partnerships Program (HOME) loan in the amount of $515,000 ("HOME Loan") for direct construction costs including contract labor, construction materials, and other costs incurred directly by Habitat for construction of the Project. This loan requires that construction commence on the Project no later than June 1, 2013.

Project Costs & Financing

The cost to develop the project is estimated below:

Site Acquisition:	$925,000
Site preparation:	400,000
Building Materials:	750,000
Professional Labor:	875,000
Architect/Engineer/Permits:	425,000
Misc. Fees	265,500
Contingency:	175,000
Total:	$3,815,500
RDA Acquisition Loan	$925,000
City HOME Loan	515,000
Habitat +/- (Includes HTF Bridge Loan)	2,375,500
Total:	$3,815,500

The balance of Project financing will come from Habitat's extensive fundraising efforts. As demonstrated in previous projects, Habitat succeeds in raising funds from individuals, foundations, corporations, and local churches. Habitat also relies on loan repayment from residents in the two completed Habitat projects. From these sources, Habitat has averaged almost $625,000 per year in fundraising income over the past five years. Not counted in this calculation is the value of the hours of donated labor from future homeowners (sweat equity) and from community volunteers.

A critical component to Habitat's successful fundraising is their ReStore, which sells donated materials not needed for Habitat projects to contractors and the general public. Nearly $300,000 of gross revenue per year is generated from the operation of the ReStore and proceeds fund 90 percent of Habitat's administrative expenses, ensuring that donated funds go directly to families in need.

To expedite the commencement of construction, which in turn will encourage more donations, the Housing Trust Fund of Santa Barbara County ("HTF") has offered to provide Habitat a 'bridge' loan in the amount of up to $750,000 ("HTF Loan"). HTF requires that the City agree to subordinate its existing financing, including the former Acquisition Loan and the HOME Loan, to its new $750,000 bridge loan for a period not to exceed three years.

HTF Loan

The Housing Trust Fund of Santa Barbara County (HTF) is an innovative non-profit 501(c)(3) organization that is working on a countywide basis to help solve our communities' critical need for workforce and affordable housing. HTF is a funding

vehicle that helps bridge the 'affordability gap' by partnering with the private, public and non-profit sectors to raise new financial resources to support affordable community housing.

The $750,000 HTF Loan has a fixed 3.75% interest rate, and it is structured in a similar manner as an equity line of credit. The minimum monthly payment is interest only based upon the principal drawn to date. It is Habitat's intent to draw funds only as needed and repay principal and accrued interest on a monthly basis.

The principal balance with accrued interest, if any, is due three years from date of recordation of the HTF's deed of trust or prior to the sale of the completed units to individual homeowners whichever event first occurs.

Sales Price Calculation and Permanent Financing

Upon completion of the Project, as evidenced by the issuance of a Certificate of Occupancy, all twelve (12) of the Project's units will be offered for sale and sold exclusively to qualified low income purchasers.

Both the Finance Committee and Council previously approved the sales price calculation and permanent financing proposed for the twelve units. To recap, the initial sale price for each unit will be an amount equal to 1/12 of the sum of 1) the loan to be provided by Habit to Homeowner ("First Homeowner's Loan"), 2) the combined amount of the Acquisition Loan and HOME Loan (not to exceed $120,000) ("Second Homeowner's Loan") and, if applicable, 3) another loan provided by Habitat ("Third Homeowners Loan") in an amount not to exceed one-twelfth (1/12) of the difference between Habitat's total development costs for the Project and Habitat's costs in excess of those included in their first loan. The initial sales price of each unit will be subject to approval by the Department of Housing and Urban Development.

The First Homeowner's Loan will bear an interest rate of zero percent and have a term of sufficient length that enables the Homeowner to spend no more than thirty five percent (35%) of household income on housing-related expenses, which include taxes, insurance, homeowner association fees, and mortgage payments on the Owner's Loan.

Long-term Affordability

It is important to note that the City's affordable covenant ("Development Covenant") will not be subordinated to the proposed HTF loan.

As a part of escrow proceedings on the sale of each unit, Habitat, the City, and the homeowner will sign and cause to be recorded in the office of the County Recorder a replacement covenant ("Homeowner's Covenant") approved by the City, which assures continued affordability and sets the procedure for calculation of the maximum sale price upon subsequent sale to future homeowners for a minimum of ninety (90) years.

Closing Summary

Habitat has raised approximately 50% of the funds required for this project. Subordination of the HTF Loan will expedite the commencement of construction and, in Habitat's experience, donations increase when donors see that construction is progressing on a project. In addition, given the dissolution of the Redevelopment Agency, utilizing HTF financing to assist in the delivery of affordable housing is a viable alternative that may become a model for future projects.

BUDGET/FINANCIAL INFORMATION:

This request requires no additional City funding and does not change the terms of the former RDA Acquisition Loan or HOME Loan financing.

PREPARED BY: Sue Gray, Community Development Business Manager/DR/DR

SUBMITTED BY: Paul Casey, Assistant City Administrator

APPROVED BY: City Administrator's Office

Agenda Item No. 1

File Code No. 640.03

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: Planning Division, Community Development Department

SUBJECT: 2013 Architectural Board Of Review And Historic Landmarks Commission Design Awards

RECOMMENDATION:

That Council join the Architectural Board of Review and the Historic Landmarks Commission in presenting the 2013 Design Awards.

DISCUSSION:

Since 1986, the City's Historic Landmarks Commission (HLC) and the Architectural Board of Review (ABR) have jointly selected buildings, landscape features, and people to receive design awards. The award winners are selected by reviewing remodel projects and new buildings constructed throughout the City to determine projects or individuals that deserve recognition. One of the awards, The Saint Barbara Award, is bestowed upon a member of the local community who has demonstrated a strong commitment to enhance and preserve the appearance of the City. It has been several years since these awards were last handed out. The last group of award recipients was honored by Council in 2007. The objectives of the award program are:

- Public awareness of the rich architectural heritage of Santa Barbara;
- Public awareness of the valuable contributions made by the ABR and the HLC in preserving that heritage as reflected in renovation and new construction;
- Recognition of community members that contribute to preserve Santa Barbara; and
- Recognition of architects and designers for excellence in their professions.

Three categories of awards have been established, and may be presented to recipients who have been nominated by a joint subcommittee of ABR and HLC members. The categories are:

1. The Saint Barbara Award for outstanding service to enhance and preserve the built environment of Santa Barbara;
2. The George Washington Smith Award for exemplary design in architecture; and
3. The Lockwood de Forest Award for exemplary design in landscape architecture and non-habitable structures.

Award recipients, including owners of the buildings to be recognized, have been invited to attend the Council presentation (See Attachment 1).The design awards are clay Saltillo tile plaques that have bronze inlay and are enhanced with handcrafted calligraphy lettering by local artist, Leslee Sipress (See Attachment 2).

Santa Barbara has a long tradition of ensuring high quality design while also preserving its architectural heritage. In addition, the City's beauty is significantly enhanced when generous landscaping is provided as a key component of a project's design. The design awards program an important way for the community to honor those who make extra effort to carry forward that tradition. The Architectural Board of Review and the Historic Landmarks Commission request that Council join in the presentation of the 2013 awards.

ATTACHMENTS: 1. Photo of Tile Plaque Award
2. List 2013 Award Recipients

PREPARED BY: Jaime Limón, Senior Planner II

SUBMITTED BY: Paul Casey, Assistant City Administrator

APPROVED BY: City Administrator's Office

ATTACHMENT 1

2013 JOINT ARCHITECTURAL BOARD OF REVIEW AND HISTORIC LANDMARKS COMMISSION AWARDS

Saint Barbara Award- individual who has given outstanding service to enhance and preserve built environment

Kellam De Forest - civic activist, historic preservation advocate

George Washington Smith Award- exemplary design in architecture

2100 Laguna St- Residential Addition/ Mark Shields- Completed 2009

Lockwood de Forrest Award- exemplary design in landscape architecture and non-habitable structures

Historical Society Museum -136 E. De La Guerra St.- Completed 2009
Martha Degasis/ Arcadia Studio

The awards ceremony will include a brief presentation of each award including photographs of the building and landscape improvements

The Awards Committee consisted of HLC members Don Sharpe, Louise Boucher and ABR members Stephanie Poole, Kirk Gradin. Assistance from Bill Mahan.

CITY OF SANTA BARBARA
CITY COUNCIL MINUTES

REGULAR MEETING
January 29, 2013
COUNCIL CHAMBER, 735 ANACAPA STREET

CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:01 p.m. (The Finance and Ordinance Committees met at 12:30 p.m.)

PLEDGE OF ALLEGIANCE

Mayor Schneider.

ROLL CALL

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House, Cathy Murillo, Randy Rowse, Mayor Schneider.
Councilmembers absent: Bendy White.
Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, Deputy City Clerk Susan Tschech.

CHANGES TO THE AGENDA

Order of Agenda Items

City Administrator James Armstrong requested that Item No. 6 be considered after PUBLIC COMMENT.

Motion:
Councilmembers Rowse/House to go into closed session for Item No. 6 after PUBLIC COMMENT is taken.
Vote:
Unanimous voice vote (Absent: Councilmember White).

FEB 12 2013 #2

Item Removed from Agenda

City Administrator Armstrong stated that the following item was being removed from the agenda:

8. Subject: Conference with Legal Counsel - Pending Litigation (160.03]

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is *Jeannetta Ann Purdue Rizkalla And Tarek Ramzi Rizkalla, v. City Of Santa Barbara, et al.,* SBSC Case No.1383789.

Scheduling: Duration, 15 minutes; anytime
Report: None anticipated

PUBLIC COMMENT

Speakers: Leoncio Martins; Sheila Cushman, Children's Museum; Nancy Tunnell; Patrick Matthew Ortiz; Max Golding.

RECESS

Mayor Schneider recessed the meeting at 2:15 p.m. in order for the Council to reconvene in closed session for Agenda Item No. 6.

CLOSED SESSIONS

6. Subject: Fire Chief Appointment (520.03)

Recommendation: That Council hold a closed session, pursuant to Section 54957 of the Government Code, to consider a public employee appointment.

Title: Fire Chief
Scheduling: Duration, 20 minutes; anytime
Report: Anticipated

Documents:

January 29, 2013, report from the City Administrator.

Time:

2:16 p.m. – 2:26 p.m. Councilmember White was absent.

Recess: 2:26 p.m. – 2:27 p.m.

(Cont'd)

6. (Cont'd)

Announcement:

City Administrator Armstrong reported that the Council voted unanimously to approve his appointment of City Fire Operations Division Chief Pat McElroy as the City's Fire Chief. Mr. McElroy made comments in acceptance of his appointment.

CONSENT CALENDAR (Item Nos. 1 – 4)

The title of the resolution related to Agenda Item No. 3 was read.

Motion:

Councilmembers Rowse/Hotchkiss to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote (Absent: Councilmember White).

1. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meetings of January 8 and 15, 2013, and the regular meeting of January 22, 2013 (cancelled).

Action: Approved the recommendation.

2. Subject: December 31, 2012, Investment Report And December 31, 2012, Fiscal Agent Report (260.02)

Recommendation: That Council:

A. Accept the December 31, 2012, Investment Report; and

B. Accept the December 31, 2012, Fiscal Agent Report.

Action: Approved the recommendations (January 29, 2013, report from the Finance Director).

3. Subject: Resolution Authorizing Execution Of Grant Agreement In The Amount Of $300,000 With The State Coastal Conservancy For Construction Of The Mission Creek Fish Passage Project - Lower Caltrans Channel (540.14)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Authorizing the Parks and Recreation Director, or Designee, to Negotiate and Execute an Agreement and any Amendments for a Grant in the Amount of $300,000 from the State Coastal Conservancy for the Mission Creek Fish Passage Project - Lower Caltrans Channel.

(Cont'd)

3. (Cont'd)

Action: Approved the recommendation; Resolution No. 13-002; Agreement No. 24,359 (January 29, 2013, report from the Parks and Recreation Director; proposed resolution).

NOTICES

4. The City Clerk has on Thursday, January 24, 2013, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concluded the Consent Calendar.

REPORT FROM THE FINANCE COMMITTEE

Finance Committee Chair Dale Francisco reported that the Committee met to review the December 31, 2012, Investment and Fiscal Agent Reports. These reports were approved by the Council as part of this Agenda's Consent Calendar (Item No. 2).

REPORT FROM THE ORDINANCE COMMITTEE

Ordinance Committee Chair Grant House reported that the Committee met to continue its discussion of proposed Municipal Code amendments to implement the Nonresidential Growth Management Program. The Committee approved the amendments, which will be forwarded to the Council on its agenda of March 5 for introduction and subsequent adoption.

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

COMMUNITY DEVELOPMENT DEPARTMENT

5. Subject: Transfer Of Real Property From The Successor Agency To The Former Redevelopment Agency Of The City Of Santa Barbara To The City Of Santa Barbara (620.03)

Recommendation:

A. That Successor Agency adopt, by reading of title only, A Resolution of the Successor Agency to the Redevelopment Agency of the City of Santa Barbara Conveying and Assigning For Public Parking and All Related Purposes All Right, Title and Interest to the "Governmental Purpose" Real Property Described Herein Owned by the Successor Agency to the Former Redevelopment Agency of the City of Santa Barbara to the City of Santa Barbara and Authorizing the Executive Director to Execute Such Agreements and Related Documents as Necessary to Effectuate Such Transfer of Real Property Interests to the City of Santa Barbara; and

(Cont'd)

5. (Cont'd)

B. That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Accepting and Assuming for Public Parking and All Related Purposes All Right, Title and Interest to the "Governmental Purpose" Real Property Described Herein Owned by the Successor Agency to the Former Redevelopment Agency of the City of Santa Barbara to the City of Santa Barbara and Authorizing the City Administrator to Execute Such Agreements and Related Documents as Necessary to Effectuate Such Transfer of Real Property Interests to the City of Santa Barbara.

Documents:

- January 29, 2013, report from the Assistant City Administrator/Community Development Director.
- Proposed Resolutions.
- PowerPoint presentation prepared and made by Staff.

The titles of the resolutions were read.

Speakers:

Staff: Assistant City Administrator/Community Development Director Paul Casey, City Attorney Stephen Wiley.

Motion:

Councilmembers House/Rowse to approve the recommendations and adopt Resolution Nos. 13-003 and 13-004.

Vote:

Unanimous roll call vote (Absent: Councilmember White).

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

Information:

- Councilmember Murillo reported on meetings of: 1) the City/County Affordable Housing Task Group, during which the issue of economic development as it affects the housing stock was considered; and 2) the South Coast Gang Task Force, which held a panel discussion with service providers.
- Councilmember Francisco remarked upon the 105th birthday party held for Direct Relief International volunteer Edythe Kirchmaier, and he also reported that the Architectural Board of Review heard a presentation of the new project to redevelop the Sandman Inn property.
- Councilmember Rowse reported on the presentation given by City Administrator Armstrong at the Downtown Organization's annual retreat, held recently.

(Cont'd)

Information (Cont'd):

- Councilmember Hotchkiss mentioned that the Milpas Community Association held a retreat to consider the possible formation of a business improvement district; he also commented on a meeting held to celebrate the 50th anniversary of the Santa Barbara Trust for Historic Preservation.
- Councilmember House commented on the activities held to commemorate Martin Luther King Day, and on the recent visit made by Tibetan Society members to the City; he also reported that the Santa Barbara Conference & Visitors Bureau and Film Commission recently held its annual summit, at which the organization's course for the future was discussed.
- Mayor Schneider reported on her attendance at the United States Conference of Mayors' winter meeting in Washington, D.C., and she also remarked on a project of the Samarkand Retirement Community to add a new building to its facilities.

RECESS

The Mayor recessed the meeting at 3:16 p.m. in order for the Council to reconvene in closed session for Agenda Item Nos. 7 and 9, and she stated that no reportable action is anticipated.

CLOSED SESSIONS

7. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with the Police Officers' Association and the Fire Management Association, and regarding discussions with certain unrepresented managers about salaries and fringe benefits.

Scheduling: Duration, 30 minutes; anytime
Report: None anticipated

Documents:

January 29, 2013, report from the Assistant City Administrator.

Time:

3:20 p.m. – 3:27 p.m. Councilmember White was absent.

No report made.

9. Subject: Conference with Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is *On Patrol with SBPD, Inc., vs. City of Santa Barbara, City of Santa Barbara vs. On Patrol with SBPD, Inc., Ira Distenfield, Linda Distenfield, et al.*, SBSC Case No. 1385228.

Scheduling: Duration, 15 minutes; anytime
Report: None anticipated

Documents:
January 29, 2013, report from the City Attorney.

Time:
3:27 p.m. – 4:06 p.m. Councilmember White was absent.

No report made.

ADJOURNMENT

Mayor Schneider adjourned the meeting at 4:06 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA
CITY CLERK'S OFFICE

_____ ATTEST: _____

HELENE SCHNEIDER
MAYOR

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA GRANTING AN EXCLUSIVE TEN-YEAR FRANCHISE FOR CITYWIDE SOLID WASTE COLLECTION AND DISPOSAL SERVICES TO MARBORG INDUSTRIES, INC., A CALIFORNIA CORPORATION AND APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE, A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND MARBORG INDUSTRIES, INC. PROVIDING FOR MARBORG'S WAIVER OF CERTAIN COMPENSATION UNDER THE EXISTING ZONE ONE AND ZONE TWO FRANCHISE AGREEMENTS IN CONSIDERATION OF THE GRANT OF THE NEW CITYWIDE FRANCHISE TO MARBORG.

WHEREAS, On December 13, 2011, the Council of the City of Santa Barbara directed the Finance Director to enter into sole source negotiations with MarBorg Industries, Inc. ("MarBorg") for a new Solid Waste Franchise;

WHEREAS, the City and MarBorg have subsequently reached agreement on terms for a new and exclusive ten-year franchise for Citywide solid waste collection and disposal services;

WHEREAS, the terms of the new franchise include acceptable rates for customers and a reasonable profit for MarBorg, similar to what the City could likely expect to achieve through a competitive procurement process;

WHEREAS, the terms of the new franchise include desirable new services for ratepayers and the City and new diversion requirements that will help the City to meet anticipated future State mandates;

WHEREAS, on December 11, 2012, the Council of the City of Santa Barbara publicly declared its intention to grant a franchise to MarBorg through the adoption of a resolution in accordance with Section 1401 of the City Charter;

WHEREAS, a public hearing regarding the grant of the new franchise to MarBorg was noticed in a local newspaper of general circulation as required by Section 1401 of the City Charter; and

WHEREAS, on February 5, 2013, the Council of the City of Santa Barbara held a public hearing to hear any objections on the proposed ordinance to grant the new franchise to MarBorg as required by Section 1401 of the City Charter.

FEB 12 2013 #3
630.01

NOW, THEREFORE, THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. Pursuant to Section 1401 of the City Charter, the City Council of the City of Santa Barbara grants an exclusive ten-year franchise ("Franchise") for Citywide solid waste collection and disposal services to MarBorg Industries, Inc. and authorizes the City Administrator to execute a new franchise agreement, in a form of agreement acceptable to the City Attorney, with MarBorg Industries, Inc. for said MSW services. The City Administrator is further authorized to make those revisions, amendments, and changes which he deems appropriate and which do not change the material terms of the Franchise provided that such revisions, amendments, and changes are approved as to form by the City Attorney.

SECTION 2. The Council approves and authorizes the City Administrator to execute, a Memorandum of Understanding ("MOU") between the City and MarBorg Industries, Inc. providing for MarBorg's waiver of certain rights and compensation under the existing 2003-2013 Zone One and Zone Two Franchise Agreements during the remaining term of those Franchises in consideration of the grant of the new City-wide franchise to Marborg.

SECTION 3. A copy of the Franchise agreement and the MOU have been made available for review by the public at the Santa Barbara City Clerk's Office.

Agenda Item No. 4

File Code No. 630.06

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: Facilities Division, Public Works Department

SUBJECT: Approval Of Extension For The South Coast Energy Efficiency Partnership Agreement

RECOMMENDATION:

That Council authorize the Public Works Director to extend the 2010-2012 Energy Partnership Agreement between Southern California Edison, the Southern California Gas Company and the City of Santa Barbara to cover the 2013-2014 transition period.

DISCUSSION:

The California Public Utilities Commission (CPUC) and the California Energy Commission have made energy conservation and reduction a major goal for public utilities in the State of California. In 2006, the CPUC directed public utilities to form energy partnerships with local governments to help achieve this goal. Recognizing the need for increased energy efficiency, the CPUC formed the South Coast Energy Efficiency Partnership (SCEEP) Program.

The SCEEP Program (Program) is a partnership between the City of Carpinteria, the City of Goleta, the City of Santa Barbara, the County of Santa Barbara, the Southern California Edison Company (SCE) and the Southern California Gas Company (Gas Company). The Program has been designed to assist local governments with effectively leading their communities to increase energy efficiency, reduce greenhouse gas emissions, and protect air quality.

The Partnership's 2010-2012 cycle is being extended to cover the 2013 and 2014 calendar years, which will be transitional years until a new cycle begins. SCE is budgeting $376,658 and the Gas Company is budgeting $154,173 for both incentive and non-incentive funding for projects completed by SCEEP partners. Incentive funding is provided in relation to energy reductions achieved through projects, and non-incentive funding is reimbursement for partner participation and time.

The Program provides access to all SCE and Gas Company core programs, as well as providing additional enhanced incentives for the City to demonstrate energy efficiency

leadership in its community. As part of its core programs, SCE offers an incentive for projects with quantifiable energy reduction of $0.05 per kWh reduced through energy retrofit projects. To SCEEP partners, it offers an enhanced incentive depending on Partner Energy Leader level. The City is currently at Silver Level, so we receive an additional $0.06 per kWh, for a total of $0.11 per kWh reduced. The Gas Company incentive level is up to $1.00 per therm for gas usage reduction.

Through the SCEEP, the City has received almost $350,000 in incentive dollars since the year 2006, making it possible to pursue a greater number of energy efficiency projects throughout City facilities. Examples of projects completed in the last cycle are listed in the table below.

Project	**Incentive Funding Received**	**Annual Energy Saved**	**Annual City Savings**
City Hall HVAC upgrade	$6,531	102,234 kWh	$14,313
Escondido & Bothin Pump Upgrades	$6,627	44,414 kWh	$6,218
Los Banos Boiler Upgrade	$7,202	7,012 Therms	$7,000
Central Library HVAC upgrade	$6,000	6,000 Therms	$6,000

The budget for the 2013 – 2014 extension period is $530,831 for SCEEP partners to use. The tables below illustrate how the funds will be allocated by both SCE and the Gas Company.

The three-year budget for SCE is divided as follows:

Purpose of Funds	**Funds Available**
Incentive: Funds available to partners based on energy reduction	$70,658
Non-Incentive: Funds available for marketing & outreach, technical assistance and direct implementation	$306,000
Total Partnership Funding from SCE	$376,658

The three-year budget for the Gas Company is divided as follows:

Purpose of Funds	Funds Available
Incentive: Funds available to partners based on gas reduction	$28,000
Non-Incentive: Funds available for marketing & outreach, administration and direct implementation	$126,173
Total Partnership Funding from the Gas Company	$154,173

There is no explicit division of funds between the various partners and funds are awarded on a first-come, first-served basis.

BUDGET/FINANCIAL INFORMATION:

The 2013-2014 extension is funded by a Public Goods charge paid by California utility ratepayers, and is administered by SCE and the Gas Company under the auspices of the Public Utilities Commission.

SUSTAINABILITY IMPACT:

Adopting the 2013-2014 Partnership Agreement extension will continue the services currently provided to the community in the form of energy education and outreach programs to residences, businesses, and schools as well as other energy incentive programs. This Agreement will continue the Program's documented electricity savings in the City of Santa Barbara and provide incentives for municipal energy conservation retrofits.

PREPARED BY: Jim Dewey, Facilities and Energy Manager/AP/mh

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

Agenda Item No. 5

File Code No. 520.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: Administrative Services Division, Police Department

SUBJECT: Vehicle Access Security Gate Project At Police Department

RECOMMENDATION: That Council:

A. Accept $215,000 from the County of Santa Barbara and authorize the Chief of Police to execute a grant agreement with the County of Santa Barbara for the funding necessary for the City SBPD Vehicle Access Security Gate Project; and

B. Increase appropriations and estimated revenues by $215,000 in the Miscellaneous Grants Fund for Fiscal Year 2013 for the Vehicle Access Security Gate Project.

DISCUSSION:

In 2011, the County of Santa Barbara received funds through a U.S. Homeland Security Grant to fund projects in Santa Barbara County which advance security and emergency management related to threats of domestic terrorist attacks. The County made these funds available to the Santa Barbara County Law Enforcement Chiefs (CLEC) organization for projects which meet the federal government's funding guidelines. The Santa Barbara Police Department submitted a project to CLEC and the County proposing the installation of vehicle security gates to be installed at the Police Department property to control access to the parking lot. Both CLEC and the County approved the use of $215,000 from the Homeland Security Grant funds for the security gate project. Currently, the parking lot for the Police Department can be accessed by the public at three separate locations without restriction from Anapamu Street and Figueroa Street.

In 2012, Santa Barbara Police Department staff met with Public Works staff to design a project to fit the identified budget. The current project consists of the design and construction of three new vehicle security gates and fencing to control vehicle and pedestrian access to the parking area of the Police Department. One vehicle gate/pedestrian gate will be installed at the Anapamu Street entrance/exit; one vehicle gate will be installed at the Figueroa Street West driveway entrance; one vehicle gate/pedestrian gate will be installed at the Figueroa Street East driveway exit. The

design and construction will be reviewed and approved by the appropriate review boards before installation.

If the costs of the project exceed the budget below, a modified project will be considered.

BUDGET/FINANCIAL INFORMATION:

Since this project is funded by a Homeland Security grant, no General Fund impacts are anticipated. The following summarizes all estimated project costs:

Estimated Total Project Cost

Design (contract)	$	24,000
Project Management (PW staff)	$	11,000
Building Permit	$	1,500
Subtotal	$	36,500
Estimated Construction contract w/change order allowance	$	178,500
Total Cost	$	215,000

ATTACHMENT: Santa Barbara Police Department parcel aerial photo with locations of proposed gates.

PREPARED BY: William Marazita, Police Administrative Services Lieutenant

SUBMITTED BY: Camerino Sanchez, Chief of Police

APPROVED BY: City Administrator's Office

ATTACHMENT 1

SANTA BARBARA POLICE DEPARTMENT

215 EAST FIGUEROA

PROPOSED ANAPAMU GATE WITH PEDESTRIAN ACCESS

PROPOSED FIGUEROA ENTRANCE GATE

PROPOSED FIGUEROA EXIT GATE
WITH PEDESTRIAN ACCESS

Agenda Item No. 6

File Code No. 330.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: Business Division, Waterfront Department

SUBJECT: Proposed Lease Agreement With Alexandra Maryanski And Jonathan Turner For A 167 Square Foot Office Space Located At 125 Harbor Way At A Monthly Rent Of $441.00

RECOMMENDATION:

That City Council approve a two-year lease agreement with Alexandra Maryanski and Jonathan Turner for office space located at 125 Harbor Way, #21.

DISCUSSION:

In March 2011, Alexandra Maryanski and Jonathan Turner, professors at the University of California at Riverside, were selected as the tenants of 125 Harbor Way Marine Center Building Space #21 after a competitive Request for Proposals process. Maryanski and Turner use the office as a field station for researching the Chumash culture in association with UCSB and Santa Barbara City College.

The basic terms of the proposed lease are as follows:

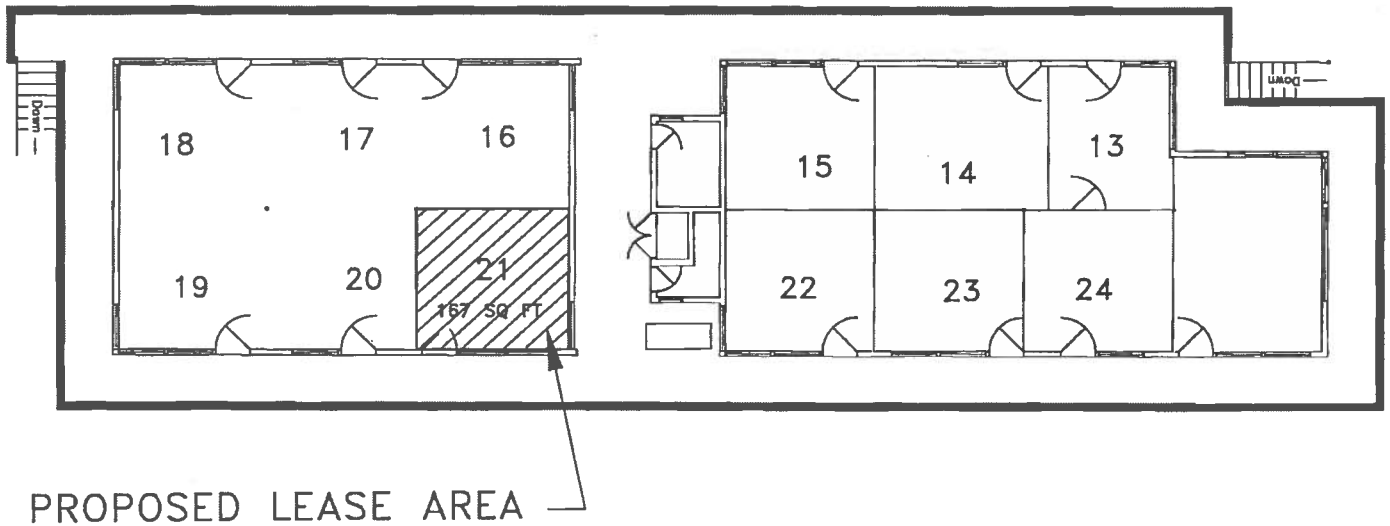
- **Term**: Two years; Tenant shall have the right and option to extend the Lease on the same terms, conditions, limitations, and provisions contained in this Lease, for one (1) consecutive two-year term commencing on the expiration of the initial lease term**.**
- **Base Rent**: $416.15 per month ($2.49 / square foot);
- **Utility surcharge**: $25 per month ($0.15 / square foot);
- **Percentage Rent**: N/A; and,
- **Annual Rent Adjustment**: Cost of Living increases based on the Consumer Price Index (CPI).

ATTACHMENT: Lease Space

PREPARED BY: Brian Bosse, Waterfront Business Manager

APPROVED BY: City Administrator's Office

2ND FLOOR
125 HARBOR WAY #21
167 SQ FT



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Scale (Feet)

N

LEASE AREA – Exhibit "A" Room 21			
REVISIONS	DATE: 1/8/08	APPROVED BY:	DRAWN BY: T. Lawler
	ADDRESS: Santa Barbara Harbor		SHEET NO. 1 of 1
	City of Santa Barbara Waterfront Department		DRAWING NO. 1250-003

ATTACHMENT

JAN 24 2013

#

Agenda Item No. 8

File Code No. 150.05

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: Transportation Division, Public Works Department

SUBJECT: Report From Santa Barbara Metropolitan Transit District

RECOMMENDATION:

That Council hear a report regarding the Santa Barbara Metropolitan Transit District services.

DISCUSSION:

Sherrie Fisher, General Manager at the Santa Barbara Metropolitan Transit District (MTD), is presenting to Council a report on the transit services provided by MTD in the Santa Barbara area. Included in her presentation is the service MTD provides to UCSB and Santa Barbara City College, a comparison of MTD's performance to other cities of similar size, and proposed additions to the bus fleet.

PREPARED BY: Browning Allen, Transportation Manager/kts

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

Agenda Item No. 9

File Code No. 140.02

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: City Clerk's Office, Administrative Services Department
Community Development Department

SUBJECT: Update On Code Of Conduct For Advisory Group Members And Adoption Of Revised City Advisory Group Guidelines

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving the Revised Guidelines for the City of Santa Barbara Advisory Groups and Rescinding Resolution Nos. 03-006 and 06-092.

DISCUSSION:

At the meeting of September 25, 2012, the City Council directed staff to conduct training for staff liaisons and members of the boards and commissions in the areas of conflict of interest and code of conduct and to present a revised code of conduct to reflect changes recommended by the City Attorney.

In response to Council's direction, staff has developed the following program for addressing those needs, including:

- Direct presentations and discussion with key advisory groups on conflict of interest issues;
- Staff Training on Brown Act procedures;
- Revised Advisory Group Guidelines;
- Protocol for sole proprietor issues; and
- Future City TV Training Video for Boards and Commissions.

<u>Presentation to Advisory Groups:</u>

The City Attorney and Assistant City Administrator have conducted conflict of interest trainings at regular meetings of the Planning Commission, Architectural Board of Review, Historic Landmarks Commission (upcoming), and Single Family Design Board. The conversations have focused on conflict of interest issues, appropriate use of recusals and abstentions, and basic Brown Act parameters. These types of briefings will now be extended to other Boards and Commissions with an interest in these areas.

Staff Training on Brown Act Procedures:

In November, 2012, the City Attorney's Office and City Clerk's Office conducted a Brown Act Training to liaisons and support staff on how to enforce and respond to issues or questions regarding the Brown Act. This was a well attended training that helped reinforce best practices for our Boards and Commissions.

Revised Advisory Group Guidelines:

In response to Council's direction, staff is presenting the attached revision to the Guidelines for the City of Santa Barbara Advisory Groups, which has been updated to include a new Code of Conduct section and new requirements for certain Advisory Group members to complete AB 1234 Ethics Training.

The new Code of Conduct section outlines policies for members to follow to help avoid situations that may cause the appearance of a conflict of interest. It specifically explains how to handle difficult situations, such as stepping down due to a conflict of interest and when and how abstentions should be utilized. There are also explanations of the "Technical Drawings" and "Sole Proprietor" Exceptions to the Political Reform Act of 1974 and the City's policies on how those exceptions are handled. This information is geared for our design review boards.

With regards to the AB 1234 Ethics Training, the Governor signed Assembly Bill (AB) 1234 in October 2005 which requires that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of a member of its 'legislative body', that local agency's officials must receive training in ethics. The training must encompass both general ethics principles and a summary of specific laws concerning conflicts of interests, rules and limitations on gifts, and government transparency.

Although the State Law has specified that only compensated members be required to take this training, staff is recommending that the City Council approve that members of certain City Advisory Groups also be mandated to take this training because their roles involve making decisions that impact individuals' or businesses' financial or real property interests or they are involved with approving leases, contracts or other budgetary decisions.

There are numerous training options, but the City recommends that its applicable Advisory Group members complete the free online training program that is offered by the California Fair Political Practices Commission one time upon appointment and then each time they are reappointed. The initial training requirement would specify that these members complete the training within 6 months of the attached resolution becoming effective.

The proposed City Ethics Training requirement would apply to the following City Advisory Groups:

Airport Commission
Architectural Board of Review
Creeks Advisory Committee
Downtown Parking Committee
Fire and Police Commission
Harbor Commission
Historic Landmarks Commission
Neighborhood Advisory Council
Parks and Recreation Commission
Planning Commission (Already State Mandated)
Street Tree Advisory Committee
Single Family Design Board
Water Commission

The Guidelines are also being revised to update information, reorganize the text, and clarify content. The revised Guidelines will be effective upon adoption of the resolution and will be distributed to all members of City Council Advisory Groups. Members will also be required to sign the Acknowledgment of Receipt of the Guidelines, which will be kept on file in the City Clerk's Office.

Future City TV Training Video:

Staff will be working with City TV over the next few months to develop a training video for future board and commission members. This training video will cover most of the issues outlined in this report, but also provide examples of how to appropriately deal with these types of situations within a meeting context.

ATTACHMENT: Draft City Council Advisory Group Guidelines

PREPARED BY: Gwen Peirce, CMC, City Clerk Services Manager
Paul Casey, Assistant City Administrator

SUBMITTED BY: Marcelo A. López, Assistant City Administrator
Paul Casey, Assistant City Administrator

APPROVED BY: City Administrator's Office

RESOLUTION NO. ~~06-092~~ _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING THE REVISED GUIDELINES FOR THE CITY OF SANTA BARBARA ADVISORY GROUPS AND RESCINDING RESOLUTION NOS. ~~03-001~~03-006 ~~and~~AND 06-092

WHEREAS, the Guidelines for the City of Santa Barbara Advisory Groups is a composite of City Council actions, administrative procedures, legal requirements, and general information regarding the City Advisory Groups, which need to be updated or revised periodically.

NOW, THEREFORE, BE RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT:

SECTION 1. The revised Guidelines for the City of Santa Barbara Advisory Groups, Exhibit A, are hereby approved.

SECTION 2. Resolution Nos. ~~03-001 is~~03-006 and 06-092 are hereby rescinded.

EXHIBIT A

G U I D E L I N E S

FOR THE

CITY OF SANTA BARBARA

ADVISORY GROUPS

APPROVED BY THE CITY COUNCIL

Resolution No. _____~~06-092~~
Adopted _____~~November 14, 2006~~
Effective _____~~November 14, 2006~~

Prepared by the Santa Barbara City Clerk's Office

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CODE OF CONDUCT 24

CITY OF SANTA BARBARA ADVISORY GROUPS
BACKGROUND INFORMATION

Section 800 of the City of Santa Barbara Charter authorizes the establishment of City boards and commissions:

> "There shall be the following named advisory boards and commissions which shall have the powers and duties herein stated. In addition, the City Council may create by ordinance such additional advisory boards or commissions as in its judgment are required, and may specify the number of members thereof, their terms and manner of appointment, and may grant to them such powers and duties as are consistent with the provisions of this Charter."

Charter Boards and Commissions

Article VIII of the City Charter establishes the following ~~12~~11 boards and commissions:

Airport Commission
Architectural Board of Review
Civil Service Commissioners, Board of
Fire and Police Commissioners, Board of
Fire and Police Pension Commissioners, Board of
Harbor Commissioners, Board of
Historic Landmarks Commission
Library Board
~~Park Commissioners, Board of~~Parks and Recreation Commission
Planning Commission
~~Recreation Commission~~
Water Commissioners, Board of

~~Because the functions of the Board of Park Commissioners and the Board of Recreation Commissioners are overlapping and the City Parks, Recreation, and Community Services are combined into one Department, the City Council adopted Resolution No. 03-006 on January 14, 2003. The resolution provides that five (5) individuals shall serve concurrently as members of the Park Commission and the Recreation Commission.~~

Except as provided in the City Charter, all charter board and commission members must be qualified to vote in the City of Santa Barbara.

Article VIII also contains provisions regarding the manner of appointment, removal from office, number and terms of members, meetings, and the powers and duties of each board and commission. These guidelines supplement the recruitment and appointment procedures specified in the City Charter. Those boards and commissions specifically established in the Charter may be eliminated only by amendment to the Charter, which must be approved by the voters.

Other City Council Advisory Groups

All City Council Advisory Groups not specified in the City Charter are established by the City Council by ordinance, resolution, or minute action. ~~Most of these boards, commissions, and committees are established in accordance with Resolution No. 79-093 and its amendments~~. Some City Council Advisory Groups are formed for a specific purpose and cease to exist when their goals have been accomplished. The current City Council Advisory Groups are:

Access Advisory Committee
Arts Advisory Committee
Building and Fire Code Board of Appeals
Community Development and Human Services Committee
Community Events and Festivals Committee
Creeks Restoration and Water Quality Improvement Program Citizen Advisory Committee
Downtown Parking Committee
Franklin Center Advisory Committee
Living Wage Advisory Committee
~~Lower Westside Center Advisory Committee~~
Measure P Committee
Neighborhood Advisory Council
Rental Housing Mediation Task Force
~~Sign Committee~~
Santa Barbara Sister Cities Board
Santa Barbara Youth Council
Sign Committee
Single Family Design Board
Transportation and Circulation Committee
~~Westside Center Advisory Committee~~

Other Appointments

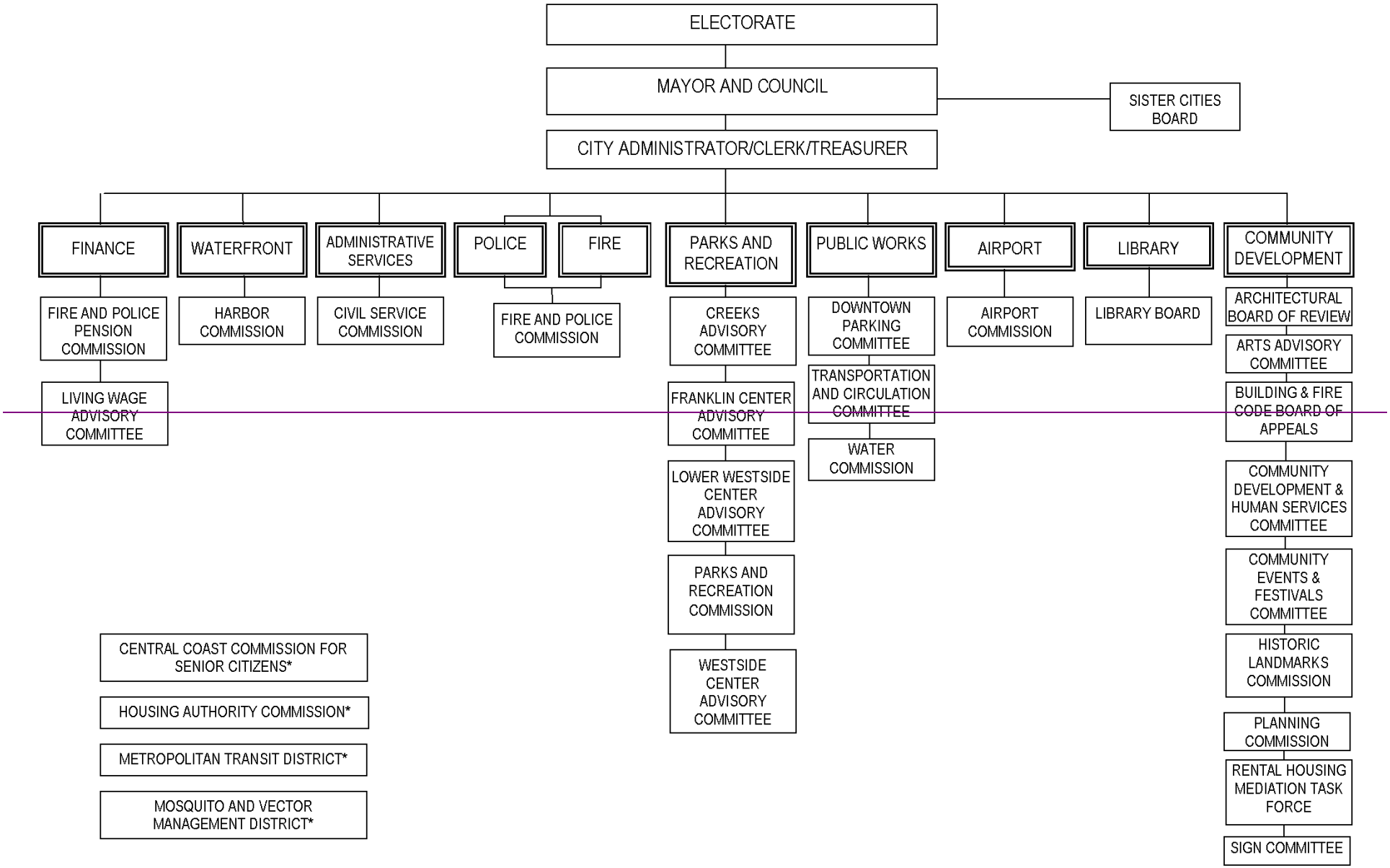
The City makes appointments to groups created by State law such as the Housing Authority Commission, the Mosquito and Vector Management District of Santa Barbara County and the Santa Barbara Metropolitan Transit District Board of Directors. The Housing Authority Commission membership may include ~~one~~two non-City residents. The City also appoints one member~~s~~ to the Central Coast Commission for Senior Citizens.

The Housing Authority Commission, the Mosquito and Vector Management District Board of Santa Barbara County, the Santa Barbara Metropolitan Transit Board, and the Central Coast Commission for Senior Citizens are not advisory to the City Council; and their members may serve on a board, commission, or committee that is advisory to the City Council. These groups are included in these Guidelines since the application, appointment, conflict of interest, Brown Act, and parliamentary procedure policies apply to them.

Organization Charts

The Department which provides staff support to the City Council Advisory Groups is indicated on the City of Santa Barbara – City Council Advisory Groups Organization Chart. Additionally, the Parks and Recreation Department staffs volunteer committees ~~in which the members~~that are appointed by the Parks and Recreation Commission.~~,~~ These volunteer committees include ~~the Youth Council, or~~ the Arts & Crafts Show Advisory Committee~~,~~ and ~~are~~other committees shown on the City of Santa Barbara Volunteer Committees Organization Chart.

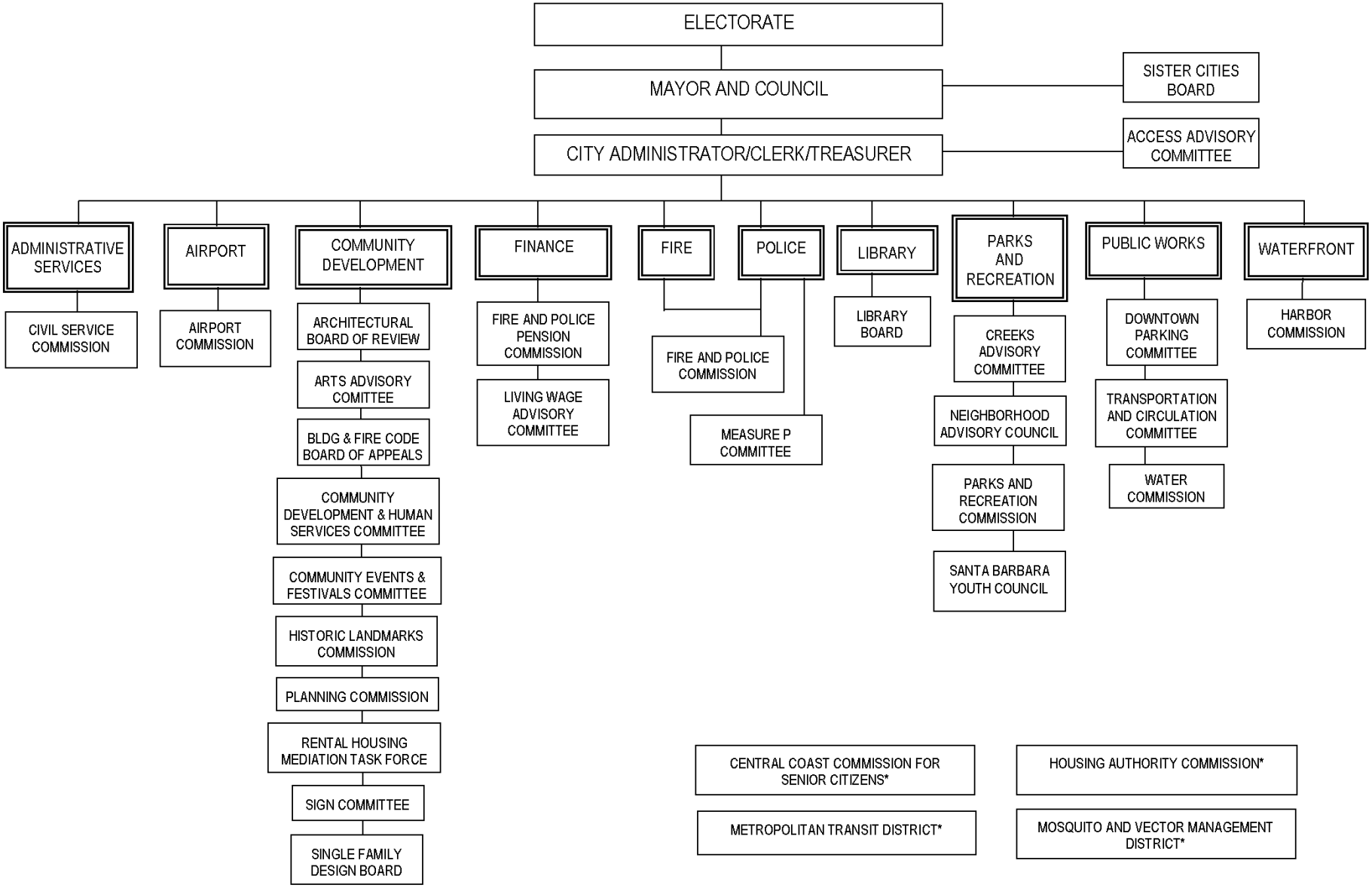
City of Santa Barbara - City Council Advisory Groups
Organization Chart



* Separate entities. One or more members are appointed by the City Council.

Revised November 2006

City of Santa Barbara
City Council Advisory Groups Organization Chart

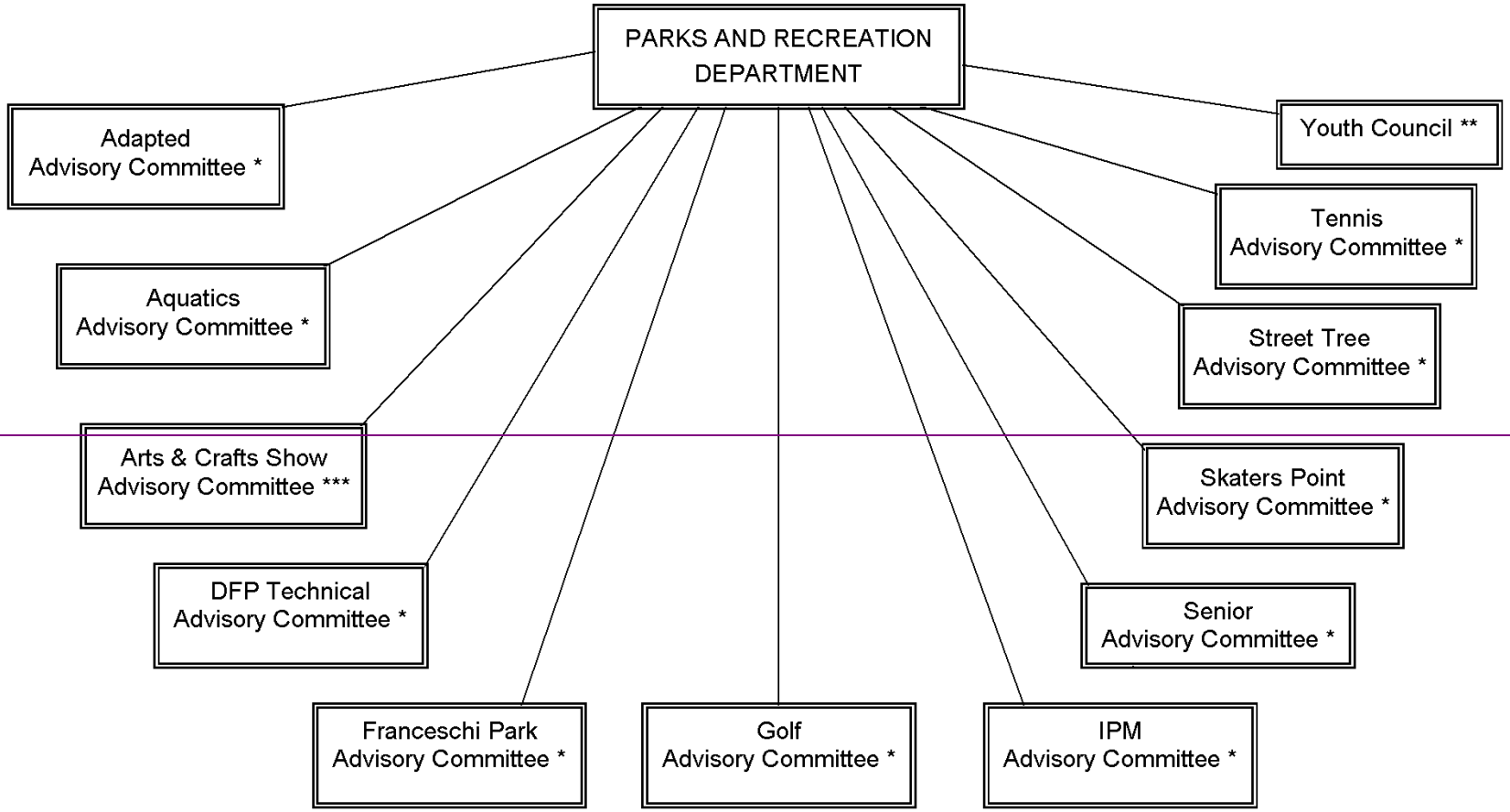


* Separate entities. One or more members are appointed by the City Council.

Revised August 2012

City of Santa Barbara
Volunteer Committees

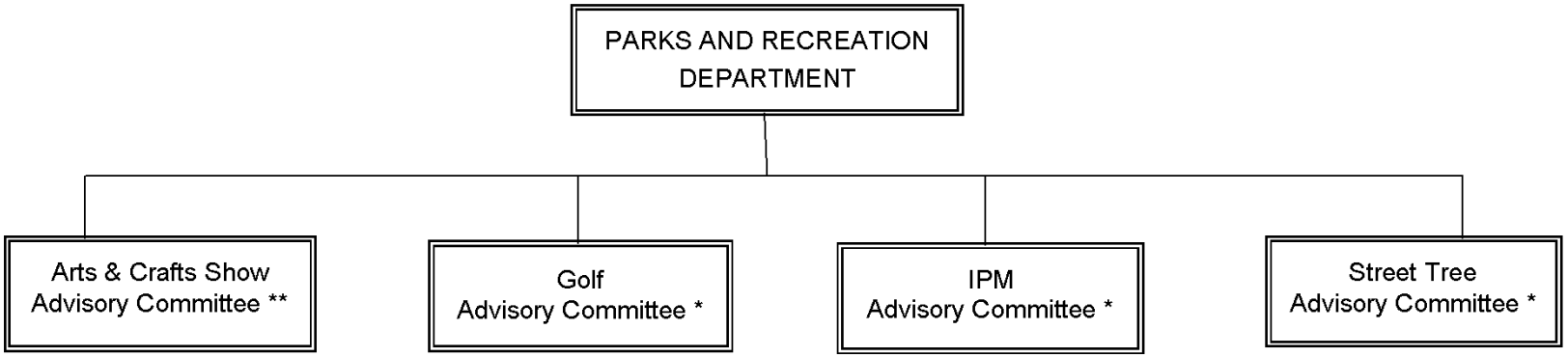
Organization Chart



* Members are appointed by the Parks and Recreation Commission
** Members are appointed by the Youth Council
*** 3 of the 4 members are elected by the show members.

August 2006

City of Santa Barbara
Volunteer Committees
Organization Chart



* Members are appointed by the Parks and Recreation Commission
** 3 of the 4 members are elected by the show members

August 2012

ROLE OF CITY ADVISORY GROUPS IN POLICY-MAKING

Role of Boards, Commissions, and Committees

In keeping with the City's philosophy of citizen involvement, the City Council appoints persons to City Council Advisory Groups to assist in formulating City policy. Santa Barbara is proud of the quality of service performed by volunteers.

In accordance with Section 800 of the Charter of the City of Santa Barbara, the actions of Charter-established boards and commissions are advisory to the City Council, with a few limited exceptions specifically set forth in the Charter.

City of Santa Barbara Resolution No. 7885 regarding recommendations from boards and commissions to government agencies (adopted April 16, 1974), states that board and commission recommendations on matters which come before their respective bodies should be forwarded to the City Council for review since those recommendations are advisory to the City Council. The resolution states that:

> "When any board or commission requests that its recommendations be forwarded to another governmental agency: (1) that the recommendation be sent first to the City Council with a request that it be forwarded with or without comment by the City Council; and (2) that except in the most extraordinary circumstances the City Council shall forward such recommendation and in its discretion forward it with or without comment."

Serving in Advisory Capacity

Members are responsible for attending all meetings regularly, understanding the duties of their positions, adhering to the Citywide Nondiscrimination Policy and Excellence in Customer Service Code of Conduct, and working in a manner that will contribute to the betterment of Santa Barbara.

SOURCES OF INFORMATION

A variety of resources are available in the City Clerk's Office and on the City's web site at www.SantaBarbaraCA.gov for researching the scope of authority of the City Advisory Groups:

Charter of the City of Santa Barbara

The City is governed by the provisions of its Charter, which was approved by the voters of Santa Barbara. The California Constitution creates two types of cities: general law cities and charter cities. There are ~~105~~121 charter cities, which include most of the larger cities in the State, and ~~371~~361 general law cities in California. The provisions of their own adopted charter govern them unless the State of California has stated specifically that State laws have preempted an area of regulation. Generally, charter cities have more local authority over areas that traditionally have been considered "local" or municipal affairs, for example, zoning or local taxes.

Ordinances - Santa Barbara Municipal Code

The Santa Barbara Municipal Code is a compilation of all codified ordinances, which are the laws of the City. Copies of City ordinances - old and current - are available in the City Clerk's Office. In addition, certain ordinances, generally those with a specific, limited, or temporary purpose, are not codified. These "uncodified" ordinances also are available in the City Clerk's Office.

Resolutions

Resolutions constitute a written action or decision by the City Council. Copies of the resolutions, which create certain committees, set forth policy, establish membership, etc., are available in the City Clerk's Office.

Minutes - Official Record

The City Clerk's Office maintains the official minutes of actions taken by the City Council since 1850. Reports presented to the City Council by the City Advisory Groups are available in the City Clerk's Office. The City Staff Liaison to each group is responsible for maintaining the original minutes of meetings of the City Advisory Group. The current agendas of the City Advisory Groups are available on the City's web~~-~~site at www.SantaBarbaraCA.gov and are generally posted at the location where each City Advisory Group regularly meets.

VACANCIES

There are two kinds of City Advisory Group vacancies~~:~~, scheduled and unscheduled.

Scheduled Vacancies

Scheduled vacancies are those created by the expiration of a term that is usually December 31.

In accordance with state law, a list of all scheduled vacancies for the upcoming calendar year is posted in the City Clerk's Office and at the Library on or before December 31, of each year.

Unscheduled Vacancies

Unscheduled vacancies are those created prior to a term's expiration due to resignation, removal, or death.

A City Advisory Group member is subject to removal by a motion of the City Council adopted by the affirmative votes of a majority of the total membership of the City Council.

In accordance with state law, a special vacancy notice must be posted in the City Clerk's Office and in the Library not earlier than 20 days before or not later than 20 days after the vacancy occurs. Final appointment to the City Advisory Group will not be made for at least 10 working days after the posting of the special vacancy notice in the City Clerk's Office.

~~Resignations~~RESIGNATIONS

If a City Advisory Group member finds that ~~he/she~~he or she cannot perform the duties of the office because of health, business, moving from the city, or other reasons, ~~he/she~~he or she shall submit a written resignation to the City Council in care of the City Clerk's Office for action. The vacancy is noticed on the Council agenda.

A member who is required to be a City resident and who relocates his or her residence outside of the City shall immediately notify the City Clerk's Office and resign from the board, commission, or committee.

RECRUITMENT PROCESS

Recruitments

A semiannual and ~~n~~ annual recruitment is conducted to fill numerous positions whose terms expire on June 30 of the current year and at the end of each calendar year, respectively. Additional recruitments may occur during the year, for example, to fill positions on a newly created board, commission or committee, or to provide sufficient members on a board, commission, or committee for a quorum.

As a part of the recruitment process, the City Clerk's Office notifies each incumbent as well as interested persons, about the term expirations and vacancies, the deadline for receipt of applications, and the dates for the interviews and appointments.

Eligibility

Qualifications for membership vary depending on the City Advisory Group. In most cases, appointees must be residents and qualified electors of the City. A qualified elector is a United States citizen, 18 years of age or older, ~~and living~~who resides within the city limits of Santa Barbara. Unless otherwise stated, a public at large member is a resident living within the city limits of Santa Barbara. An appointee may not hold any full-time paid office or employment in City government. Membership qualifications are listed in the vacancy notice available in the City Clerk's Office, at the Library, and on the City's web site at www.SantaBarbaraCA.gov. Additional information on the ~~City Advisory Group~~City Council Advisory Groups also is available on the City's web site.

Applications

Persons interested in serving on a ~~City Advisory Group~~City Council Advisory Group, including incumbents who wish to be considered for reappointment, must file a separate application for each group with the City Clerk's Office. The application consists of ~~three~~four pages. ONLY ONE ADDITIONAL PAGE OF INFORMATION MAY BE SUBMITTED. Applications may be obtained from the City Clerk's Office or from the City's web site at www.SantaBarbaraCA.gov. Applications may be submitted to the City Clerk's Office as follows: (1) in person; (2) by mail to P.O. Box 1990, Santa Barbara, CA 93102; (3) by facsimile to 805-897-2623; or (4) by e-mail to CityAdvisoryGroupApplications@SantaBarbaraCA.gov. Upon receipt of an application, the City Clerk's Office will confirm receipt via e-mail or phone.

Applications may be completed for vacancies that currently exist or for consideration when future scheduled or unscheduled vacancies occur. An application remains on file in the City Clerk's Office for a period of one year from the date of receipt unless the applicant requests that it be withdrawn.

Interviews

Applicants and current advisory group members applying for reappointment are required to appear for an interview before the City Council. The City Council interviews each applicant during a Council meeting open to the public. Each applicant is requested to prepare a two to three minute verbal presentation that responds to a set of general and specific questions that are provided to the applicant by the City Clerk's Office in advance. An overall time limit of five minutes for the interview is allotted if the person is applying for more than one group.

During the interview, applicants may express the desire to be appointed to a group other than that to which they have submitted an application to for the Council's consideration. If the applicant is qualified, the applicant's name will be added to the list of persons eligible for appointment. Alternatively, the Council may ask applicants if they would consider appointment to a committee for which they are qualified but did not submit an application for appointment. With the applicant's approval, the applicant's name will be added to the list of persons eligible for appointment.

The City Clerk's Office will notify applicants of the date(s) and time(s) for the interviews via e-mail, or U.S. mail when an e-mail address is not provided by the applicant.

Names of applicants failing to appear for an interview will be removed from the list of persons eligible for appointment.

APPOINTMENT PROCESS

Appointments

In an effort to fill all vacancies, the Council may contact eligible applicants to determine if they are eligible and are interested in being appointed to a group other than that to which the applicant has applied and interviewed.

After interviewing the applicants, the City Council makes appointments by majority vote in open session. In making these appointments, the Council is guided by the City's Equal Opportunity Goals. The appointees are notified of the Council's decision by mail. A list of the appointments is posted to the City's web site at www.SantaBarbaraCA.gov.

Equal Opportunity Goals

The City Council established a policy for the appointment process of members to the City's various boards, commissions, and committees, which included widespread distribution within the community of information including the number of vacancies and length of term, a full description of the purposes of the ~~City Advisory Group~~City Council Advisory Group, meeting times, deadline for applying, and the appointment process.

In making appointments, the City Council is guided by the City's commitment to nondiscriminatory employment practices and its intention to "serve as a model for equal opportunity through its prerogative of commission and board appointments." (Resolution No. 8022, adopted March 18, 1975)

The City Council and staff are committed to equal opportunity without discrimination or harassment. The City maintains its commitment to equality in the conduct of City business and encourages applications from all qualified candidates. The City of Santa Barbara prohibits any policy, plan, program, custom or practice which has a discriminatory effect related to race, creed, color, national origin, ancestry, sex (male or female; includes pregnancy/childbirth), political affiliation, religious belief, disability (mental and physical, including HIV and AIDS), medical condition (cancer and genetic characteristics) sexual orientation, gender identity and expression (including transgenderism) marital status or age. This policy shall apply to members of the City Council, all advisory boards, commissions and committees, citizen volunteers, City employees and to those who do business with or who seek to do business with the City of Santa Barbara.

Diversity and Inclusion

Diversity and inclusion is important to the City because a successful workplace must not only be comprised of people from different backgrounds and perspectives but also capitalize on their talents and perspectives. Adopting practices that value and include diversity at all levels of the organization is an essential step to developing strategies that meet the needs of a diverse community.

Serving On More than One ~~City Advisory Group~~City Council Advisory Group

Because of the wealth of expertise available in our community, it is the City Council's preference that people serve on just one board, commission, or committee that is advisory to the City Council. The exception is in the case of the ~~City Advisory Group~~City Council Advisory Groups that are created for a limited term and purpose and that require a limited time commitment from their members, or meet infrequently. This does not include those members serving on a board, commission, or committee that is not advisory to the City Council such as the Housing Authority Commission, Santa Barbara Metropolitan Transit Board, Mosquito and Vector Management District Board of Santa Barbara County, and the Central Coast Commission for Senior Citizens. In furtherance of this policy, the City Council may ask an applicant who is a current member of a City board, commission, or committee to resign from that position as a condition of appointment to another board, commission, or committee.

Term of Appointment

Terms of office for the ~~City Advisory Group~~City Council Advisory Groups are generally four years. The terms are staggered so that all terms do not expire in any one year. Members serve until their successors are appointed and qualified. If a member resigns before the expiration of a term, his or her replacement serves out the remainder of that term.

Terms of office for the Access Advisory Committee are three years. Terms of office for the Central Coast Commission for Senior Citizens, the Mosquito and Vector Management District Board of Santa Barbara County, the Santa Barbara Youth Council, and the tenant members of the Housing Authority Commission are two years.

Successive Terms of Members of Boards, Commissions, and Committees

It is the policy of the City Council that wide community participation be sought in affairs of municipal government and that membership on the ~~City Advisory Group~~City Council Advisory Groups be open, insofar as is practicable, to all competent and interested persons who meet the stated qualifications. Pursuant to that policy, no member of an advisory group shall serve for longer than two consecutive full terms, consisting of an uninterrupted period of eight years. If the Council finds that a particular member of an advisory group has unique qualifications that are of special benefit to the City, then said member may be reappointed to the same advisory group.

Members of boards and commissions not advisory to the City Council, such as the Central Coast Commission for Senior Citizens, the Housing Authority Commission, the Mosquito and Vector Management District of Santa Barbara County, and the Santa Barbara Metropolitan Transit District Board, shall comply with the term limits specified in the law establishing the board or commission.

Oath of Office ~~- Identification Cards~~

Article XX, Section 3, of the Constitution of the State of California requires that an oath of office be administered. After appointments are made, a Deputy administers a written oath in the City Clerk's Office or by a Notary Public~~, and appointees are provided with identification cards identifying them as members of the board, commission, or committee to which they have been appointed~~.

Orientation Process

Each department conducts an orientation session for its ~~City Advisory Group~~City Council Advisory Group(s) and distributes a reference manual to new ~~City Advisory Group~~City Council Advisory Group appointees.

Advisory Group Membership List

The members of all ~~City Advisory Group~~City Council Advisory Groups are listed in the "City of Santa Barbara Advisory Group Membership List" and is available in the City Clerk's Office. The membership list (Roster) is also available on the City's web site at www.SantaBarbaraCA.gov.

Compensation

Most members of the City Council Advisory Groups receive no payment, however, the Architectural Board of Review, Single Family Design Board, Historic Landmarks Commission, Planning Commission, Housing Authority Commission, Santa Barbara Metropolitan Transit District, and the Mosquito and Vector Management District of Santa Barbara County have special provisions for compensation. The Architectural Board of Review and Single Family Design Board members may receive compensation of $50 for each full board meeting attended and $25 for each Consent Calendar meeting attended (Resolution No. 07-063); Historic Landmarks Commissions may receive $50 for each full board review meeting attended and $25 for each Consent Calendar meeting attended (July 3, 2007, City Council meeting, Item No. 19); Planning Commissioners may receive $50 for each meeting attended (Ordinance No. 5160); Santa Barbara Metropolitan Transit District Board of Directors may receive $60 for each meeting attended, not to exceed $180 per month; Housing Authority Commissioners may receive up to $50 per meeting attended (not to exceed four (4) meetings per month); and and the Mosquito and Vector Management District of Santa Barbara County Board of Trustees may receive $100 per ~~meeting attended~~ month as a stipend in lieu of expenses. As of Fiscal Year 2010, compensation for the Architectural Board of Review, Single Family Design Board and Historic Landmarks Commission was suspended to help alleviate ongoing economic changes impacting the City's budget. Suspension of compensation was extended through June 30, 2011, with adoption of the Fiscal Year 2011 Budget (June 29, 2010, Council meeting, Item No. 23) and will remain in effect until further City Council action.

Advisory Group Member Role Definitions

The following are definitions for the roles of the advisory group members.

Regular Members:

Regular members participate and vote during regular and special meetings of the ~~City Advisory Group~~City Council Advisory Group, unless required to step-down due to a potential conflict of interest. In general, a regular member of an advisory group is entitled to participate in all actions of the advisory group. Deviations from this general rule would be found in the charter section, ordinance or council resolution establishing the advisory group and specifies the manner of participation.

Alternate Members:

Advisory groups may have alternate members. Alternate members participate in the place of an absent or conflicted regular member. The appointment of alternate members and the manner of their participation would be found in the charter section, ordinance or council resolution establishing the advisory group.

For example, the Sign Committee membership includes one alternate member appointed by the Architectural Board of Review (ABR) and one alternate member appointed by the Historic Landmarks Commission (HLC). Resolution No. 06-084, adopted October 3, 2006, states "Alternate members shall serve on the Sign Committee as replacements for regular members appointed by the Architectural Board of Review or the Historic Landmarks Commission. If one regular member appointed by the ABR or the HLC is absent, either of the alternate members may serve in the regular member's place. If both regular members appointed by the ABR and the HLC are absent, both alternate members may participate. Alternate members shall not serve as replacement for at large members appointed by the City Council."

Staff Liaisons:

In most cases, the department director is responsible for designating a City Staff Liaison to each ~~City Advisory Group~~City Council Advisory Group. Staff liaisons attend advisory group meetings and may participate in the proceedings, but staff liaisons are not voting members of the advisory group.

Council Liaisons

A City Councilmember is usually appointed as a liaison to each ~~City Advisory Group~~City Council Advisory Group in January of each year. Councilmember liaisons may attend meetings and participate in the proceedings, but Councilmember liaisons are not voting members of the advisory group. Councilmember liaisons may provide a verbal report of the proceedings to the full Council during a regular City Council meeting.

CONFLICT OF INTEREST – STATEMENTS OF ECONOMIC INTERESTS

Purpose

The Political Reform Act of 1974 (Government Code Sections 81000, et seq.), which was approved by the voters of the State of California, is intended to prevent conflicts of interest by requiring public officials to disclose certain personal financial interests, which could foreseeably cause conflicts. In addition, a public official may be required to disqualify himself/herself from making, participating in, or attempting to influence any government decision which will affect any of his/her financial interests, not just those that are required to be disclosed.

The Fair Political Practices Commission (FPPC) Office is available at their toll free telephone number (866-275-3772) to explain what a conflict of interest is and when the law requires disqualification, and the information is available at the FPPC web site at www.fppc.ca.gov. The City Clerk's Office and the City's web site at www.SantaBarbaraCA.gov also provide conflict of interest information.

Public Inspection

The City Clerk's Office provides the Statement of Economic Interests forms. All forms are filed with the City Clerk's Office except for the original statements of Planning Commissioners, which are sent to the Fair Political Practices Commission; the City Clerk's Office retains a copy.

The original statements are retained in the City Clerk's Office for seven years, after which time they may be properly destroyed (Government Code Section 81009). All such forms are open for public inspection and reproduction at 10 cents per page (Government Code Section 81008).

Filers

Members of the following groups must file statements:

Airport Commission
Architectural Board of Review
Arts Advisory Committee
Building and Fire Code Board of Appeals
Civil Service Commissioners, Board of
Community Development and Human Services Committee
~~Civil Service Commissioners, Board of~~
Community Events and Festivals Committee
Creeks Restoration and Water Quality Improvement Program Citizen Advisory Committee
Downtown Parking Committee
Fire and Police Commissioners, Board of
Fire and Police Pension Commissioners, Board of
Harbor Commissioners, Board of
Historic Landmarks Commission
Housing Authority Commission

Filers (Cont'd)

Living Wage Advisory Committee
~~Park Commissioners, Board of~~Parks and Recreation Commission
Planning Commission
~~Recreation Commission~~
Sign Committee
Single Family Design Board
Transportation and Circulation Committee
Water Commissioners, Board of

Type of Statements

The following statements must be filed:

Assuming Office Statement

Within 30 days of assuming office.

Annual Statement

No later than April 1, of each year for the reporting period of January 1, through December 31, of the previous year.

Leaving Office Statement

Within 30 days after leaving the designated position.

Additional Late Filing, Non-Filing, and Fine Provisions

In addition to the late filing, non-filing, and fine provisions contained in the Political Reform Act, the following will apply:

Late Filings

The ~~City Advisory Group~~City Council Advisory Group members who fail to file statements within 30 days of the statutory deadline ~~receiving specific written notice of the filing requirement~~ will not be allowed to participate in meetings of the boards, commissions, or committees to which they have been appointed until the statement is filed with the City Clerk's Office.

Non-Filings

The ~~City Advisory Group~~City Council Advisory Group members who fail to file statements within ~~30~~ 60 days of ~~receiving specific written notice of the filing requirement~~of the statutory deadline will be subject to removal from the boards, commissions, or committees to which they have been appointed by motion of the City Council adopted by the affirmative votes of a majority of the total membership of the City Council.

Additional Late Filing, Non-Filing, and Fine Provisions (Cont'd)

Fines

The fines assessed to the ~~City Advisory Group~~City Council Advisory Group members are due and payable within 30 days of receiving specific written notice of the fine unless prior written arrangements are agreed to by the City Clerk's Office and met by the ~~City Advisory Group~~City Council Advisory Group member; and they will not be allowed to participate in meetings of the boards, commissions, or committees to which they have been appointed until the fine is paid to the City Clerk's Office.

Unpaid Fines

The ~~City Advisory Group~~City Council Advisory Group members who do not pay their fines within 30 days of receiving specific written notice will be subject to removal from the boards, commissions, or committees to which they have been appointed by motion of the City Council adopted by the affirmative votes of a majority of the total membership of the City Council.

AB 1234 ETHICS TRAINING

In October 2005, the Governor signed Assembly Bill (AB) 1234, which requires that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of a member of its 'legislative body' (as that term is defined in California Government Code Section 54952), that local agency's officials must receive training in ethics. The training must encompass both general ethics principles, as well as a summary of specific laws concerning conflicts of interests, rules and limitations on gifts, and government transparency. The initial training must be completed no later than one year after the first day of service; and then the training course must be completed once every two years thereafter. The official training sessions last a minimum of two hours.

In addition to the State mandate, the City of Santa Barbara requires that members of certain City Council Advisory Groups must also take AB 1234 training because their roles may involve making decisions that impact individuals' or businesses' financial or real property interests or they may be involved in approving leases, contracts or other City budgetary decisions. For the following City Council Advisory Groups, the initial training must be completed within six months of the adoption of the Guidelines; thereafter, the AB 1234 training course must be completed within one year after a member is appointed or reappointed to the following board or commission:

Airport Commission
Architectural Board of Review
Creeks Advisory Committee
Downtown Parking Committee
Fire and Police Commission
Harbor Commission
Historic Landmarks Commission
Neighborhood Advisory Council
Parks and Recreation Commission
Planning Commission (Already State Mandated)
Street Tree Advisory Committee

Single Family Design Board
Water Commission

There are numerous AB 1234 training options, but the City recommends that advisory board and commission members complete the free on-line training program offered by the California FPPC at http://localethics.fppc.ca.gov/login.aspx. Both the FPPC (http://www.fppc.ca.gov/index.php?id=477) and the California Institute of Local Government (http://www.ca-ilg.org/ethics-education-ab-1234-training) contain valuable information on their websites regarding the AB 1234 Ethics Training requirement.

Although only certain City Council Advisory Groups are required to fulfill this requirement (including submitting a certificate of completion to the City Clerk's Office), it is recommended that all City Council Advisory Group Members complete the training at least once after appointment.

BROWN ACT COMPLIANCE

Purpose

The Ralph M. Brown Act was enacted in 1953 to assure that government action is taken openly. It is also known as the "California Open Meetings Law." (Government Code Sections 54950, et seq.)

Provisions

All meetings of City boards, commissions, committees, and groups are to be open and public, and all persons are to be permitted to attend any meeting.

Each ~~City Advisory Group~~City Council Advisory Group should adopt a written resolution, which establishes the time and place of its regular meetings.

Agenda

A written agenda must be prepared for each regular or special meeting of every legislative body. The agenda must contain a brief general description of each item of business to be transacted or discussed at the meeting and must specify the time and location of the meeting. No action shall be taken on any item not appearing on the posted agenda. (Sections 54954.2 and 54956)

Posting of Agenda

The agenda must be posted at least 72 hours before a regular meeting and 24 hours before a special meeting, and must be posted in a location that is freely accessible to members of the public 24 hours per day. (Sections 54954.2 and 54956)

Ex-Agenda Items

An item may be added to the agenda after the agenda has been published and posted upon a determination by a two-thirds vote of the members (or unanimous vote if less than two-thirds of the members are present) that there is an emergency or exigent need to consider an agenda item on an ex-agenda basis . The vote shall be on a motion stating that the need to take immediate action arose after the agenda was published and posted. Any such motion shall be accompanied by distribution of a written findings statement, to be included in the record, stating

the facts upon which it can be determined that the need to take action arose after the agenda was published and posted and could not have been agendized as a regular agenda item. In addition, action may be taken on an item not on the posted agenda only under the circumstances stated in Government Code Sections 54954.2(b)(1) dealing with emergencies ~~and~~or 54954.2(b)(3) dealing with duly continued regular meeting~~s~~ agenda items.

Agendas and Written Materials as Public Records

The Brown Act provides that agendas of a public meeting of the legislative body, as well as any other "writings" currently defined by law as public records, must be available for inspection when distributed to all, or a majority of all, of the members of the legislative body. Such documents are required to be available for inspection at the same time that they are distributed to the members of the body. If the material is distributed during the meeting and prepared by the City, it must be made available for public inspection at the meeting. If it is distributed during the meeting by anyone else, it ~~must~~will be made available by City staff for public inspection after the meeting. In addition, copies of such documents must be made available to the public without delay pursuant to the California Public Records Act. (Section 54957.5[a]/[b])

Regular Meetings

Legislative bodies must set a date, time, and place for holding regular meetings. (Section 54954[a])

Members of the public shall be given the opportunity to directly address the legislative body concerning a specific item of business described in the agenda for the meeting. (Section 54954.4[a])

Special Meetings

The Brown Act permits special meetings to be called at any time either by the presiding officer of a board or commission or a majority of the members of a legislative body. The meeting can be called by delivering personally, or by any other means written notice to each member of the legislative body, as well as to each local newspaper of general circulation, radio, and/or television station requesting notice. The notice must be received at least 24 hours before the time of the meeting set forth in the notice.

Notice is not required for those members of the legislative body who have waived it or who attend the meeting despite the absence of formal notice. Notice is required even if no action is taken at the special meeting (Section 54956). The signatures of the ~~City Advisory Group~~City Council Advisory Group body may be obtained or other proof of service may be prepared to serve as proof that an agenda was received in a timely fashion.

The notice also must be posted at least 24 hours before the time of the meeting in a location~~,~~ which is freely accessible to the public 24 hours per day. The notice must include the time and place of the meeting, and identify the business to be transacted at the special meeting. Only the business set forth in the notice may be considered at the special meeting.

Members of the public shall be given the opportunity to directly address the legislative body concerning any item that has been described in the agenda for the meeting. (Section 54954.3[a])

Adjourned Meetings

Regular or special meetings may be adjourned (continued) to a specific time and place (within the City limits unless it meets a certain exception). Less than a quorum can adjourn a meeting. A notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment provided that if the matter is continued to a time less than 24 hours after the adjournment, a copy of the order shall be posted immediately following the meeting at which the order or declaration of continuance was made. (Section 54955)

Emergency Meetings

An exception to the 24-hour notice requirement for special meetings is allowed in the case of a~~n~~ public emergency situation involving matters that require prompt action due to the disruption or threatened disruption of public facilities. (Section 54956.5) The applicability under the Brown Act of such emergency situations shall be determined exclusively by the City Attorney's Office.

Quorum

~~A~~Unless otherwise specified by the City Charter, an ordinance, or a resolution of the City Council, a majority of the members shall constitute a quorum (i.e., e.g. seven members on the advisory group, four members present at a meeting constitutes a quorum or majority).

Public Comment

Every agenda for regular meetings shall provide an opportunity for members of the public to address the legislative body directly on items of interest to the public that are within the jurisdiction of the legislative body provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by the Brown Act.

PARLIAMENTARY PROCEDURE

Robert's Rules of Order

All ~~City Advisory Group~~City Council Advisory Groups appointed by the City Council shall conduct their meetings in accordance with the current edition of *Robert's Rules of Order* except as provided by other rules adopted by the City Council. (Municipal Code Section 2.04.040 - Ordinance No. 3363, adopted 1969; and Resolution No. 79-093).

Bylaws

The ~~City Advisory Group~~City Council Advisory Groups may develop guidelines or rules and regulations, i.e., bylaws, provided that the bylaws are within the ~~City Advisory Group~~City Council Advisory Group's powers and duties established by the City Council and are consistent with the requirements of these guidelines. The bylaws shall include the regular meeting day, time, and place of meeting. A ~~City Advisory Group~~City Council Advisory Group's bylaws are subject to approval by the City Council.

CODE OF CONDUCT

Purpose

The City has adopted an Excellence in Customer Service Code of Conduct to guide appointed members of Boards and Commissions, City employees and its volunteers on the core values that the City expects when conducting city business. The primary purpose for establishing a Code of Conduct is to affirm that Council Advisory Group members are independent, impartial and fair in their judgment and actions, and to ensure that all process participants are treated courteously and respectfully. Advisory group members are considered public officials and must obey all state conflict of interest laws, including the state Political Reform Act 1974. The City has developed additional comportment procedures and adopted policies for appointed advisory board members to follow to help avoid situations that may cause the appearance of a conflict. The following City policies apply:

1. **Contact with Individual Advisory Board or Commission Member Outside a Noticed Public Meeting.**
   The City recommends that advisory board members not communicate with applicants or other interested persons about pending projects outside a properly agendized meeting. This recommendation extends to communicating by telephone, email, and in-person meetings. The City believes that such communications can give the appearance of improper influence on a City board or commission member, can be an inordinate burden on the member's personal time, and can expose the City to allegations that the Brown Act has possibly been violated.

2. **Disqualification for Potential Conflict of Interest (Stepping Down.)**.
   Any advisory board member who may be disqualified from participating in a City decision (such as by voting on a particular matter) by reason of a potential conflict of interest under the state Political Reform Act of 1974 shall, immediately prior to consideration of the item at a public meeting, do all of the following: 1. identify the nature of the possible financial interest that gives rise to the conflict of interest in detail sufficient for the public to understand the conflict (disclosure of an actual street address is not required), 2. recuse himself or herself from discussing or voting, and 3. leave the meeting room until after the discussion, vote, or other disposition of or decision on the item, unless the matter has been placed on the consent calendar of uncontested matters. A Board or Commission member stating such disqualification shall not be counted as a part of a necessary quorum and shall be considered to be absent for the purpose of determining the outcome of any vote on such matter.

   A primary form of conflict of interest disqualification is one involving a potential "material financial interest" where non-participation in the City decision is legally mandated under the state Political Reform Act. However, in some instances, potential conflicts not regulated by the state Political Reform Act, (such as a board member with a familial, personal, or prior business relationship with the applicant) can be perceived as the appearance of an improper conflict of interest or as a potential for the public official to be biased (i.e., either for or against) a particular applicant. The City believes that it is a good ethical practice to avoid even the appearance of a conflict or impropriety in these situations as well by stepping down and abstaining in a manner similar to that required by the state Political Reform Act of 1974 and the FPPC regulations interpreting that Act.

3. **Abstention on Continued Items.** Abstention procedures are established to ensure fair project reviews while maintaining consistent direction on projects from boards and commission. An advisory board member who was absent in a previous review meeting should only comment on a continued project if the member has subsequently thoroughly informed himself or herself of the previous board discussion and direction. A board member may inform himself or herself of the prior discussion by reviewing the submitted plans, reading the minutes of the relevant portions of the missed meeting(s), or viewing the video of the previous hearing. The amount of review necessary in order for a board member to properly inform himself or herself of the prior discussion is a personal judgment and will depend upon the nature and complexity of the application and project under review. If an advisory board member has not fully informed himself or herself of what occurred during the prior reviews, the member should generally abstain from commenting, conditioning, or participating in the vote on the project. The advisory board member who decides to abstain due to a prior absence shall publicly state on the record the reason for the abstention immediately prior to the hearing of agenda item.

If a board member abstains from participating in a review and a vote because the board member missed a prior meeting, but remains present for the discussion and vote, the board member's presence counts toward the quorum.

The City believes that advisory board members should generally not abstain or refuse to consider an City application based on their personal or political beliefs or the personal or political views of an applicant since such beliefs or views do not relate to the merits of the application or to the basis for City review of the application. All applicants and projects shall be treated solely based on the merits of their project proposal or a project's design and the Municipal Code basis for the City review of the Project. The City also believes that advisory board members should not use abstention votes in order to not vote on the ratification of meeting minutes or as an objection or as a form of personal protest to a particular project or an applicant.

4. **Failure to vote.** Every board or commission member shall vote unless disqualified by reason of a conflict of interest as described herein. A board or commission member who abstains from voting in effect consents that a majority of the quorum may decide the question voted upon.

5. **Attendance.** In order to conduct efficient meetings, best serve the public's interest, and to avoid the loss of a quorum, regular attendance by all members is necessary. If an advisory board member cannot attend a scheduled meeting, or must step down from a particular item due to conflict of interest, the member is asked to contact Staff at the earliest possible opportunity prior to the meeting date. The purpose for this staff notification is to ensure a minimum quorum of members is maintained for review of all items. Advisory board members should stay for the duration of the meetings, in fairness to all applicants scheduled for that meeting. If absences are necessary due to unplanned circumstances members should contact staff immediately in advance of meetings. If members need to leave meetings early, advisory board members shall announce such intention at the beginning of each meeting.

6. **Attempting to Influence a Governmental Decision**

The state Fair Political Practices Commission (FPPC) provides guidance on the requirements of the state Political Reform Act of 1974 and state regulations and

interpretations implementing the Political Reform Act which provide for some very narrow exceptions to the general rule that a member may not attempt to influence a governmental decision by participating in a decision when there is a conflict of interest. The following exceptions are recognized:

A. **"Technical Drawings" Exception** (2 Cal Code of Regulations Sec. 18702.4(b)(4)) allows architects, engineers, and other professionals to submit to City staff drawings and plan submissions which they have prepared on behalf of a client even though they may be a City "public official." This provision applies only if the public official has no other direct or written contact with the City except to respond to questions concerning their technical drawings or plans. It is the policy of the City that appointed Board and Commission members have very limited contact with City staff while processing City applications filed on behalf of a private client even when such officials can qualify to use the "technical drawings" exception. The City prefers that an associate of the architect, engineer, or other similar design profession primarily interact with City staff and that a City public official not advocate for their client's projects or attempt to influence a City decision involving a private client, even when the "technical drawings" exception can properly be utilized.

B. **The "Sole-Proprietor" Exception** (2 Cal Code of Regulations Sec. 18702.4(b)(5)) allows certain architects, engineers, and persons in related design professions who serve on City design review committees to "present" projects to their own City board or commission on behalf of a client. This narrow exception is based on the practical need to allow design professionals who are sole-proprietors and who serve on design review committees in a particular community to practice their profession in that community. The "sole proprietor" exception only applies to design review committees. If the public official is a member of a design firm with other professionals (whether as partners, associates, or employees) this exception does not apply and, the public official must rely on his or her partners, associates or employees to present the drawings or architectural plans submission prepared by that member to their board or commission as well as for any required inter-action with the staff of the board or commission upon which he or she sits.

   It is the policy of the City that appointed Board and Commission members only use this exception to allow for a presentation of their own technical drawings and plans and to answer specific technical questions on such drawings. This is not an exception to the rule that the design professional may not participate in or try to influence a City decision being considered by their own board or commission. Any City board or commission member who has questions about how this narrow exception works or its applicability to any particular situation is encouraged to contact the City Attorney's office for assistance in consulting with the FPPC for advice.

   If the Sole-Proprietor Exception is used by an advisory design board member, the chair of the Board or Commission shall announce this fact prior to the presentation of that particular agenda item and read an advisory notice concerning the information attached hereto as Exhibit A.

Note: Advisory board members are advised to consult the FPPC **prior** to taking any action which may implicate or pertaining to possible state conflict of interest and disqualification requirements and may consult with the City Attorney's office in order to receive assistance in doing so.

ACKNOWLEDGMENT OF RECEIPT OF GUIDELINES

This is to acknowledge that I have received a copy of the GUIDELINES FOR CITY OF SANTA BARBARA ADVISORY GROUPS, approved by the City Council on _____, and understand that it contains important information on the City's rules and regulations and on my obligations and responsibilities as an advisory group member. I acknowledge that I am expected to read, understand, and adhere to City policies and will familiarize myself with the provisions in the handbook. I understand that I am governed by the provisions in the handbook; and that the City may change, rescind or add to any policies or practices declared in the handbook from time to time in its sole and absolute discretion with or without prior notice. The City will advise advisory group members of substantive changes within a reasonable time.

_____ _____

Signature Date

_____

Name (Typed or Printed)

This document shall be signed by the member and placed in the City Clerk's file.

EXHIBIT A
February 4, 2013

STATEMENT TO BE READ BY DESIGN REVIEW BOARD CHAIR WHEN A MEMBER OF THAT BOARD WILL BE MAKING A PRESENTATION – TO BE READ IMMEDIATELY AFTER THE AGENDA ITEM IS CALLED AND TO BE PRINTED ON THE AGENDAS.

The State Political Reform Act's conflict of interest provisions are intended to ensure that local public officials will perform their duties in an impartial manner, free from bias caused by their own financial interest. As a result, the Political Reform Act prohibits local public officials from "making, participating in making or using their official position to influence a governmental decision in which they may have a financial interest."

When a governmental decision is being made by the same board to which a local public official has been appointed, the official is attempting to use his or her official position to influence the decision of their own board if the official contacts other board members or city employees in order to discuss the possible decision and does so in a manner which appears to be an attempt to influence the decision. Generally, such an official is also attempting to use his or her official position to influence a decision if he or she appears before his or her own board.

However, a narrow exception to these conflict provisions allow a local public official who is an architect, engineer, or similar design professional to make a presentation to his or her own board if the following limited circumstances apply:

a. the official is only presenting drawings or submissions of an architectural, engineering, or similar nature which the official himself or herself has prepared for a client and he or she only explains the drawings or responds to questions about the drawings and only so long as the official does not advocate any specific board decision or otherwise attempt to influence or "participate" in a board decision related to the drawings and the official's client;

b. The board qualifies as a "design review committee" as that term is used by Title 2, California Code of Regulations, section 18702.4, subparagraph (b)(5), (and the opinions and decisions of the state Fair Political Practices Commission) such as the Santa Barbara ABR, HLC, or the SFDB:

c. the official is an architect, engineer, or a person in a related profession and he or she was appointed to the board to fulfill a legal requirement that the board contain an architect, engineer, or other similar professional in a related profession;

d. the official is a "sole practitioner," as that term is defined by Title 2, California Code of Regulations section 18702.4 (and in the opinions and decisions of the state Fair Political Practices Commission.)

Agenda Item No. 10

File Code No. 250.02

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: Accounting Division, Finance Department

SUBJECT: Fiscal Year 2013 Mid-Year Review

RECOMMENDATION: That Council:

A. Hear a report from staff on the status of revenues and expenditures in relation to budget for the six months ended December 31, 2012;

B. Accept the fiscal year 2013 Interim Financial Statements for the Six Months Ended December 31, 2012; and

C. Approve the proposed mid-year adjustments to Fiscal Year 2013 appropriations and estimated revenues as detailed in the attached schedule of Proposed Mid-Year Adjustments.

DISCUSSION:

Each month, staff presents the interim financial statements (Attachment 1) showing the status of revenues and expenditures in relation to budget for each of the City's Funds. Each quarter, the interim financial statements are expanded to include a detailed narrative analysis of the General Fund and Enterprise Funds. This narrative analysis is included in Attachment 2.

In addition to the mid-year budget analysis, staff brings forward recommended adjustments for City Council approval. These adjustments are the result of new information and/or unanticipated events that occurred since the adoption of the budget in June 2012. Attachment 3 includes the proposed adjustments to the current year budget. A discussion of each is presented below.

General Fund

<u>Library Department</u>

The Library received a State LSTA Grant for Literacy support in the amount of $11,524. $10,000 of these funds will be used to supplement the book acquisition budget and,

therefore, staff recommends increasing appropriations by $10,000 and estimated revenues by $11,524.

In addition, the Friends of the Library have committed to providing an additional donation of $16,472 by year-end. Staff recommends increasing budgeted revenues by $16,472, but at this time there is no proposed use of those funds.

County Library Special Revenue Fund

The City received additional donations of $10,500 from the City of Solvang and $16,250 from the Friends of the Library for the benefit of the Solvang and Goleta libraries. The funds will be used to supplement the book acquisitions and materials budget and to fund personnel salaries for Solvang. In addition, the County Library Fund received $10,500 in general donations and bequests, of which $1,500 is for the benefit of the Solvang Library and $9,000 is for the benefit of the Montecito Library; however, because of the donations received for the Montecito Library of $9,000, the Montecito Friends of the Library have decided to reduce their donation by $8,333. The total additional revenues from donations of $37,250 will therefore be reduced by that $8,333, to $28,917. Of this total, staff recommends appropriating $26,750.

Successor Agency Fund

The Successor Agency Fund receives an administrative allowance equal to 3% of the approved enforceable obligations to administer and operate the successor agency in the Redevelopment Agency dissolution process (minimum $250,000 per year). The City's Fiscal Year 2013 approved budget included the minimum amount; however, the actual allocation for the year totals $345,000. Staff recommends increasing estimated revenues and appropriations by $95,000 to cover the increased costs related to the dissolution process.

Streets Operating and Capital Funds

During the year, the City sold a piece of property located at 309 W. Ortega Street in the amount of $392,848. The property was originally acquired using Federal grant monies in order to complete the Ortega Street Bridge Project. Per the Federal grant, the proceeds from the sale of the property can be used for other Federally-funded bridge projects. As such, staff is recommending that $230,524 of the $392,848 received in the Streets Operating Fund be used as follows:

1. Increase appropriations by $125,000 in the Streets Operating Fund to provide additional spending authority to the following projects that are completing final design work and need additional appropriations to cover the City's portion of the costs:

a. Chapala Bridge Replacement Project - $75,000
b. Mason Street Bridge Project - $50,000

2. Fund a new project in the Streets Operating Fund in the amount of $50,000 for post-construction monitoring for the Ortega and Haley Street Bridge Projects. It is a condition of the environmental permits that the habitat restoration in the adjacent creek area be monitored for five years.

3. Transfer $55,524 to the Streets Capital Fund to cover a shortfall in revenues for the completed Ortega Bridge at Mission Creek Project. Certain costs were not eligible for grant funding; therefore, the transfer will cover the shortfall in the Capital Fund for this project.

Prior to December 31, 2013, the Measure A – Goleta Slough Bridge Surf Repair Project in the Streets Capital Fund was completed under budget with remaining revenues and appropriations of $35,345. Staff recommends closing the project and reducing both revenues and appropriations by $35,345.

Water Capital Fund

The Public Works Department secured funding from a State Revolving Fund (SRF) loan for the Ortega Treatment Plant project. The Water Operating Fund initially funded this project from Water Operating Fund reserves. However, with the project now funded from the SRF loan, the $2.6 million that was transferred to the Capital Fund can be transferred back. These funds will be used for the Recycled Water Filter Replacement project planned for fiscal year 2014.

Wastewater Capital Fund

The Water Fund transferred $3,050,000 to its Capital Fund last fiscal year for the Headworks Screening Project due to uncertainty regarding a State Revolving Fund (SRF) loan. The SRF loan was ultimately secured this fiscal year and, thus, staff recommends transferring $3,050,000 back to the Wastewater Operating Fund.

Downtown Parking Capital Fund

Staff has identified completed capital projects in the Downtown Parking Capital Fund with remaining appropriations totaling $414,298. Staff recommends these remaining appropriations be zeroed out and $367,648 be transferred back to the Operating Fund, with the balance of $46,650 remaining in the Capital Fund to resolve an accumulated deficit in reserves created by cost overruns in other projects over the last several years. Attachment 3 details the recommended adjustments to each project.

Airport Funds

In Fiscal Year 2011, the Airport did not receive Airport Improvement Program (AIP) grant funds in a timely manner. As a result, the Airport used funds from its Capital Fund to cover certain costs related to the Airline Terminal Improvement Project. On October 1, 2012, $750,000 in AIP funds was received in the Airport Grants Fund enabling the Airport to reimburse the Airport Capital Fund. Staff recommends transferring the $750,000 from the Airport Grants Fund to the Airport Capital Fund to reimburse the Capital Fund for the prior year expenses incurred.

Intra-City Services Fund

An airport rescue vehicle experienced a major mechanical malfunction requiring $65,000 of repairs in the first half of the fiscal year. The repair was not included in the planned maintenance program budget. Staff recommends an additional appropriation of $65,000 for the vehicle repairs.

ATTACHMENTS:

1. Summary by Fund Statement of Revenues and Expenditures for the Six Months Ended December 31, 2012
2. Interim Financial Statements for the Six Months Ended December 31, 2012 (Narrative Analysis)
3. Schedule of Proposed Mid-Year Adjustments

PREPARED BY: Julie Nemes, Accounting Manager

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget
GENERAL FUND					
Revenue	106,199,950	50,101,450	-	56,098,500	47.2%
Expenditures	106,537,008	53,421,998	1,661,919	51,453,091	51.7%
Addition to / (use of) reserves	(337,058)	(3,320,548)	(1,661,919)		
WATER OPERATING FUND					
Revenue	33,792,362	20,097,023	-	13,695,339	59.5%
Expenditures	34,908,858	15,879,193	2,700,927	16,328,738	53.2%
Addition to / (use of) reserves	(1,116,496)	4,217,830	(2,700,927)		
WASTEWATER OPERATING FUND					
Revenue	17,207,200	8,778,177	-	8,429,023	51.0%
Expenditures	17,369,170	7,283,690	1,506,593	8,578,887	50.6%
Addition to / (use of) reserves	(161,970)	1,494,487	(1,506,593)		
DOWNTOWN PARKING					
Revenue	6,795,891	3,930,506	-	2,865,385	57.8%
Expenditures	7,905,307	3,701,296	459,484	3,744,528	52.6%
Addition to / (use of) reserves	(1,109,416)	229,210	(459,484)		
AIRPORT OPERATING FUND					
Revenue	14,774,556	7,629,856	-	7,144,700	51.6%
Expenditures	16,334,202	6,858,748	586,327	8,889,126	45.6%
Addition to / (use of) reserves	(1,559,646)	771,108	(586,327)		
GOLF COURSE FUND					
Revenue	1,872,903	906,047	-	966,856	48.4%
Expenditures	1,923,510	1,044,126	13,167	866,218	55.0%
Addition to / (use of) reserves	(50,607)	(138,079)	(13,167)		
INTRA-CITY SERVICE FUND					
Revenue	5,930,750	2,848,373	-	3,082,377	48.0%
Expenditures	6,607,428	2,762,039	1,245,711	2,599,679	60.7%
Addition to / (use of) reserves	(676,679)	86,334	(1,245,711)		

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenditures
Summary by Fund
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget
FLEET REPLACEMENT FUND					
Revenue	2,549,018	1,276,413	-	1,272,605	50.1%
Expenditures	2,596,624	215,557	1,766,147	614,920	76.3%
Addition to / (use of) reserves	(47,606)	1,060,856	(1,766,147)		
FLEET MAINTENANCE FUND					
Revenue	2,441,918	1,228,040	-	1,213,878	50.3%
Expenditures	2,521,089	1,155,502	281,881	1,083,707	57.0%
Addition to / (use of) reserves	(79,171)	72,538	(281,881)		
SELF INSURANCE TRUST FUND					
Revenue	6,101,986	3,234,693	-	2,867,293	53.0%
Expenditures	5,949,472	2,879,773	309,833	2,759,867	53.6%
Addition to / (use of) reserves	152,514	354,920	(309,833)		
INFORMATION SYSTEMS ICS FUND					
Revenue	2,358,079	1,180,176	-	1,177,903	50.0%
Expenditures	2,765,492	1,368,041	202,038	1,195,413	56.8%
Addition to / (use of) reserves	(407,413)	(187,865)	(202,038)		
WATERFRONT FUND					
Revenue	12,072,564	6,750,839	-	5,321,725	55.9%
Expenditures	13,162,748	6,692,946	605,662	5,864,140	55.4%
Addition to / (use of) reserves	(1,090,184)	57,893	(605,662)		
TOTAL FOR ALL FUNDS					
Revenue	212,097,177	107,961,592	-	104,135,584	50.9%
Expenditures	218,580,908	103,262,908	11,339,688	103,978,312	52.4%
Addition to / (use of) reserves	(6,483,732)	4,698,684	(11,339,688)		

*** It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be made in order to accomodate the 'carried-over' encumbrance amount. Most differences between budgeted annual revenues and expenses are due to these encumbrance carryovers.*

CITY OF SANTA BARBARA
General Fund
Interim Statement of Budgeted and Actual Revenues
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Remaining Balance	Percent Received	Previous YTD
TAXES					
Sales and Use	19,933,931	7,795,757	12,138,174	39.1%	7,322,448
Property Taxes	24,626,561	9,513,734	15,112,827	38.6%	8,612,610
Utility Users Tax	7,015,200	3,484,540	3,530,660	49.7%	3,615,774
Transient Occupancy Tax	14,489,200	8,546,071	5,943,129	59.0%	7,953,158
Business License	2,220,780	841,754	1,379,026	37.9%	904,302
Real Property Transfer Tax	356,180	269,183	86,997	75.6%	182,062
Total	68,641,852	30,451,038	38,190,814	44.4%	28,590,354
LICENSES & PERMITS					
Licenses & Permits	208,988	88,048	120,940	42.1%	109,943
Total	208,988	88,048	120,940	42.1%	109,943
FINES & FORFEITURES					
Parking Violations	2,382,621	1,308,113	1,074,508	54.9%	1,187,347
Library Fines	120,331	62,498	57,833	51.9%	54,765
Municipal Court Fines	162,352	39,949	122,403	24.6%	59,814
Other Fines & Forfeitures	305,000	123,227	181,773	40.4%	107,906
Total	2,970,304	1,533,786	1,436,518	51.6%	1,409,832
USE OF MONEY & PROPERTY					
Investment Income	729,077	420,033	309,044	57.6%	363,313
Rents & Concessions	453,827	173,655	280,172	38.3%	140,030
Total	1,182,904	593,688	589,216	50.2%	503,342
INTERGOVERNMENTAL					
Grants	509,610	581,729	(72,119)	114.2%	96,244
Vehicle License Fees	-	48,265	(48,265)	100.0%	-
Reimbursements	14,040	12,223	1,817	87.1%	1,323
Total	523,650	642,217	(118,567)	122.6%	97,567
FEES & SERVICE CHARGES					
Finance	848,301	434,454	413,847	51.2%	418,008
Community Development	4,495,945	2,264,089	2,231,856	50.4%	2,123,498
Recreation	2,441,584	1,226,647	1,214,937	50.2%	1,100,908
Public Safety	555,980	286,749	269,231	51.6%	284,027
Public Works	5,407,003	2,787,236	2,619,767	51.5%	2,512,613
Library	673,140	317,510	355,630	47.2%	340,574
Reimbursements	4,271,753	2,225,374	2,046,379	52.1%	2,924,282
Total	18,693,706	9,542,059	9,151,647	51.0%	9,703,910
OTHER REVENUES					
Miscellaneous	1,617,768	1,648,873	(31,105)	101.9%	843,783
Franchise Fees	3,509,700	1,815,899	1,693,801	51.7%	1,659,224
Indirect Allocations	5,841,852	2,920,926	2,920,926	50.0%	3,055,909
Operating Transfers-In	3,009,226	864,917	2,144,309	28.7%	905,751
Total	13,978,546	7,250,614	6,727,932	51.9%	6,464,667
TOTAL REVENUES	106,199,950	50,101,450	56,098,500	47.2%	46,879,617

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Encum-brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
GENERAL GOVERNMENT						
Mayor & City Council						
MAYOR	737,693	362,179	1,098	374,417	49.2%	
Total	737,693	362,179	1,098	374,417	49.2%	342,891
City Attorney						
CITY ATTORNEY	2,011,215	1,054,311	8,325	948,579	52.8%	
Total	2,011,215	1,054,311	8,325	948,579	52.8%	969,539
Administration						
CITY ADMINISTRATOR	1,551,018	707,759	2,782	840,476	45.8%	
CITY TV	473,554	245,532	32,644	195,378	58.7%	
Total	2,024,572	953,292	35,427	1,035,854	48.8%	914,716
Administrative Services						
CITY CLERK	461,229	216,956	14,452	229,821	50.2%	
HUMAN RESOURCES	1,258,017	575,047	17,413	665,557	47.1%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	14,447	25	-	14,422	0.2%	
Total	1,733,693	792,028	31,865	909,800	47.5%	837,405
Finance						
ADMINISTRATION	241,585	123,863	1,835	115,887	52.0%	
TREASURY	530,592	262,050	14,600	253,942	52.1%	
CASHIERING & COLLECTION	438,330	218,841	-	219,489	49.9%	
LICENSES & PERMITS	446,773	215,455	-	231,318	48.2%	
BUDGET MANAGEMENT	434,881	215,884	4,900	214,097	50.8%	
ACCOUNTING	493,940	231,729	45,160	217,051	56.1%	
PAYROLL	286,604	142,318	-	144,286	49.7%	
ACCOUNTS PAYABLE	218,948	107,651	-	111,297	49.2%	
CITY BILLING & CUSTOMER SERVICE	647,851	308,441	-	339,410	47.6%	
PURCHASING	698,481	279,871	2,394	416,216	40.4%	
CENTRAL STORES	160,944	71,660	366	88,918	44.8%	
MAIL SERVICES	108,448	53,622	2,175	52,651	51.5%	
Total	4,707,377	2,231,387	71,429	2,404,560	48.9%	2,068,248
TOTAL GENERAL GOVERNMENT	11,214,550	5,393,197	148,143	5,673,210	49.4%	5,132,799
PUBLIC SAFETY						
Police						
CHIEF'S STAFF	994,588	519,628	368	474,592	52.3%	
SUPPORT SERVICES	626,474	307,598	987	317,889	49.3%	
RECORDS	1,173,614	537,489	5,843	630,281	46.3%	
COMMUNITY SVCS	994,713	591,623	4,309	398,780	59.9%	
PROPERTY ROOM	155,893	64,414	820	90,659	41.8%	
TRNG/RECRUITMENT	412,970	241,836	15,311	155,824	62.3%	
RANGE	1,157,431	583,074	24,190	550,167	52.5%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Encum-brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
PUBLIC SAFETY						
Police						
BEAT COORDINATORS	825,860	415,223	-	410,637	50.3%	
INFORMATION TECHNOLOGY	1,320,105	688,200	20,820	611,086	53.7%	
INVESTIGATIVE DIVISION	4,697,571	2,229,823	3,330	2,464,418	47.5%	
CRIME LAB	132,701	66,088	-	66,613	49.8%	
PATROL DIVISION	15,258,604	7,537,631	136,534	7,584,439	50.3%	
TRAFFIC	1,373,035	677,995	1,570	693,470	49.5%	
SPECIAL EVENTS	786,140	689,967	-	96,173	87.8%	
TACTICAL PATROL FORCE	1,303,426	619,477	-	683,949	47.5%	
STREET SWEEPING ENFORCEMENT	306,625	114,037	-	192,588	37.2%	
NIGHT LIFE ENFORCEMENT	287,755	144,011	-	143,744	50.0%	
PARKING ENFORCEMENT	944,849	429,539	27,800	487,510	48.4%	
CCC	2,389,953	1,135,097	4	1,254,852	47.5%	
ANIMAL CONTROL	629,335	278,728	-	350,607	44.3%	
Total	35,771,642	17,871,478	241,886	17,658,278	50.6%	17,051,606
Fire						
ADMINISTRATION	768,141	443,533	3,456	321,151	58.2%	
EMERGENCY SERVICES AND PUBLIC ED	246,443	131,380	-	115,063	53.3%	
PREVENTION	1,149,192	513,292	-	635,900	44.7%	
WILDLAND FIRE MITIGATION PROGRAM	174,860	82,243	10,584	82,033	53.1%	
OPERATIONS	17,711,629	9,243,083	91,010	8,377,536	52.7%	
ARFF	1,740,953	898,502	-	842,451	51.6%	
Total	21,791,218	11,312,034	105,050	10,374,134	52.4%	10,278,440
TOTAL PUBLIC SAFETY	57,562,860	29,183,512	346,936	28,032,412	51.3%	27,330,046
PUBLIC WORKS						
Public Works						
ADMINISTRATION	1,005,992	463,166	9,189	533,637	47.0%	
ENGINEERING SVCS	4,650,713	2,242,712	2,188	2,405,813	48.3%	
PUBLIC RT OF WAY MGMT	1,000,166	460,472	693	539,001	46.1%	
ENVIRONMENTAL PROGRAMS	557,906	151,762	272,414	133,731	76.0%	
Total	7,214,777	3,318,112	284,484	3,612,182	49.9%	3,075,345
TOTAL PUBLIC WORKS	7,214,777	3,318,112	284,484	3,612,182	49.9%	3,075,345
COMMUNITY SERVICES						
Parks & Recreation						
PRGM MGMT & BUS SVCS	413,527	207,850	361	205,316	50.3%	
FACILITIES	828,084	401,260	14,535	412,289	50.2%	
YOUTH ACTIVITIES	714,977	481,682	5,318	227,978	68.1%	
SR CITIZENS	723,198	365,209	417	357,572	50.6%	
AQUATICS	1,096,927	663,059	39,099	394,768	64.0%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Encum-brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
COMMUNITY SERVICES						
Parks & Recreation						
SPORTS	484,909	231,570	7,562	245,777	49.3%	
TENNIS	255,362	126,729	-	128,633	49.6%	
NEIGHBORHOOD & OUTREACH SERV	947,586	507,096	9,388	431,102	54.5%	
ADMINISTRATION	599,031	291,873	1,734	305,424	49.0%	
PROJECT MANAGEMENT TEAM	223,076	115,006	-	108,070	51.6%	
BUSINESS SERVICES	310,413	151,996	3,781	154,635	50.2%	
FACILITY & PROJECT MGT	973,211	541,125	213	431,873	55.6%	
GROUNDS MANAGEMENT	4,357,754	2,104,655	68,745	2,184,355	49.9%	
FORESTRY	1,182,017	550,546	90,087	541,384	54.2%	
BEACH MAINTENANCE	151,599	80,369	18,034	53,197	64.9%	
Total	13,261,671	6,820,026	259,274	6,182,371	53.4%	6,400,905
Library						
ADMINISTRATION	537,794	259,319	58,500	219,975	59.1%	
PUBLIC SERVICES	2,231,837	993,858	700	1,237,279	44.6%	
SUPPORT SERVICES	1,899,205	770,484	200,963	927,758	51.2%	
Total	4,668,836	2,023,662	260,163	2,385,011	48.9%	1,847,163
TOTAL COMMUNITY SERVICES	17,930,507	8,843,688	519,437	8,567,382	52.2%	8,248,068
COMMUNITY DEVELOPMENT						
Community Development						
ADMINISTRATION	577,992	295,512	10,530	271,950	52.9%	
ECON DEV	47,384	20,355	-	27,029	43.0%	
CITY ARTS ADVISORY PROGRAM	427,260	394,248	-	33,012	92.3%	
HUMAN SVCS	926,170	504,857	313,553	107,760	88.4%	
LR PLANNING/STUDIES	966,481	450,715	433	515,332	46.7%	
DEV & DESIGN REVIEW	1,251,412	576,752	20,576	654,083	47.7%	
ZONING	1,204,968	545,740	1,556	657,672	45.4%	
DESIGN REV & HIST PRESERVATN	1,083,146	515,598	7,107	560,442	48.3%	
BLDG PERMITS	1,097,900	546,384	463	551,053	49.8%	
RECORDS & ARCHIVES	543,242	249,235	8,212	285,795	47.4%	
PLAN CK & COUNTER SRV	1,308,665	580,162	489	728,014	44.4%	
Total	9,434,620	4,679,558	362,920	4,392,142	53.4%	4,793,702
TOTAL COMMUNITY DEVELOPMENT	9,434,620	4,679,558	362,920	4,392,142	53.4%	4,793,702
NON-DEPARTMENTAL						
Non-Departmental						
DUES, MEMBERSHIPS, & LICENSES	22,272	23,957	-	(1,685)	107.6%	
COMMUNITY PROMOTIONS	1,536,799	1,232,847	-	303,952	80.2%	
SPECIAL PROJECTS	381,073	151,301	-	229,772	39.7%	
TRANSFERS OUT	43,500	21,750	-	21,750	50.0%	

CITY OF SANTA BARBARA
General Fund
Interim Statement of Appropriations, Expenditures and Encumbrances
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Encum-brances	** Remaining Balance	YTD Expended and Encumbered	Previous YTD
NON-DEPARTMENTAL						
Non-Departmental						
DEBT SERVICE TRANSFERS	349,125	299,959	-	49,166	85.9%	
CAPITAL OUTLAY TRANSFER	548,234	274,117	-	274,117	50.0%	
APPROP. RESERVE	298,691	-	-	298,691	0.0%	
Total	3,179,694	2,003,931	-	1,175,763	63.0%	1,793,759
TOTAL NON-DEPARTMENTAL	3,179,694	2,003,931	-	1,175,763	63.0%	1,793,759
TOTAL EXPENDITURES	106,537,008	53,421,998	1,661,919	51,453,091	51.7%	50,373,720

*** The legal level of budgetary control is at the department level for the General Fund. Therefore, as long as the department as a whole is within budget, budgetary compliance has been achieved. The City actively monitors the budget status of each department and takes measures to address potential over budget situations before they occur.*

For Enterprise and Internal Service Funds, the legal level of budgetary control is at the fund level. The City also monitors and addresses these fund types for potential over budget situations.

CITY OF SANTA BARBARA
Special Revenue Funds
Interim Statement of Revenues and Expenditures
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget
TRAFFIC SAFETY FUND					
Revenue	506,204	210,746	-	295,458	41.6%
Expenditures	506,204	210,746	-	295,458	41.6%
Revenue Less Expenditures	-	-	-	-	
CREEK RESTORATION/WATER QUALITY IMPRVMT					
Revenue	3,002,872	1,788,062	-	1,214,810	59.5%
Expenditures	3,780,959	1,456,269	445,692	1,878,999	50.3%
Revenue Less Expenditures	(778,087)	331,793	(445,692)	(664,189)	
SOLID WASTE PROGRAM					
Revenue	18,509,144	9,156,839	-	9,352,306	49.5%
Expenditures	18,677,350	8,890,419	191,208	9,595,724	48.6%
Revenue Less Expenditures	(168,206)	266,420	(191,208)	(243,418)	
COMM.DEVELOPMENT BLOCK GRANT					
Revenue	2,132,621	744,456	-	1,388,165	34.9%
Expenditures	2,132,621	343,260	291,838	1,497,523	29.8%
Revenue Less Expenditures	-	401,196	(291,838)	(109,358)	
COUNTY LIBRARY					
Revenue	1,821,003	542,671	-	1,278,332	29.8%
Expenditures	2,024,098	866,933	118,612	1,038,553	48.7%
Revenue Less Expenditures	(203,095)	(324,262)	(118,612)	239,779	
STREETS FUND					
Revenue	9,983,673	5,575,317	-	4,408,356	55.8%
Expenditures	13,751,673	5,395,516	1,094,027	7,262,130	47.2%
Revenue Less Expenditures	(3,768,000)	179,801	(1,094,027)	(2,853,774)	
MEASURE A					
Revenue	3,021,238	1,356,027	-	1,665,211	44.9%
Expenditures	3,322,218	1,278,827	826,548	1,216,843	63.4%
Revenue Less Expenditures	(300,980)	77,200	(826,548)	448,368	

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

WATER OPERATING FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Water Sales - Metered	29,800,000	17,457,830	-	12,342,170	58.6%	16,137,605
Service Charges	537,000	370,337	-	166,663	69.0%	352,246
Cater JPA Treatment Charges	2,405,482	1,209,563	-	1,195,919	50.3%	1,157,140
Investment Income	500,000	309,697	-	190,303	61.9%	354,101
Reimbursements	519,880	707,837	-	(187,957)	136.2%	227,133
Miscellaneous	30,000	41,759	-	(11,759)	139.2%	41,086
Operating Transfers-In	-	-	-	-	100.0%	252,751
TOTAL REVENUES	33,792,362	20,097,023	-	13,695,339	59.5%	18,522,061
EXPENSES						
Salaries & Benefits	7,830,597	3,775,786	-	4,054,811	48.2%	3,581,491
Materials, Supplies & Services	9,187,970	3,599,037	2,030,957	3,557,977	61.3%	3,200,121
Special Projects	1,282,374	305,365	422,373	554,636	56.7%	192,298
Water Purchases	7,728,477	3,623,344	205,185	3,899,948	49.5%	3,687,292
Debt Service	4,989,408	2,805,959	-	2,183,449	56.2%	2,701,850
Capital Outlay Transfers	3,426,649	1,713,324	-	1,713,325	50.0%	5,642,208
Equipment	150,193	16,202	11,335	122,656	18.3%	51,612
Capitalized Fixed Assets	128,189	11,503	31,077	85,609	33.2%	8,190
Other	35,000	28,674	-	6,326	81.9%	25,940
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	34,908,858	15,879,193	2,700,927	16,328,738	53.2%	19,091,003

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

WASTEWATER OPERATING FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service Charges	16,337,000	8,342,737	-	7,994,263	51.1%	7,537,371
Fees	614,000	323,393	-	290,607	52.7%	287,962
Investment Income	206,200	87,687	-	118,513	42.5%	113,800
Public Works	25,000	15,026	-	9,974	60.1%	23,476
Miscellaneous	25,000	9,334	-	15,666	37.3%	13,868
Operating Transfers-In	-	-	-	-	100.0%	337,048
TOTAL REVENUES	17,207,200	8,778,177	-	8,429,023	51.0%	8,313,526
EXPENSES						
Salaries & Benefits	5,423,604	2,645,779	-	2,777,825	48.8%	2,364,565
Materials, Supplies & Services	6,708,910	2,782,160	1,501,702	2,425,048	63.9%	2,768,696
Special Projects	326,300	4,020	-	322,281	1.2%	4,104
Debt Service	1,646,192	314,422	-	1,331,770	19.1%	324,512
Capital Outlay Transfers	3,000,121	1,500,061	-	1,500,060	50.0%	2,296,280
Equipment	83,044	32,288	44	50,712	38.9%	22,553
Capitalized Fixed Assets	26,000	3,961	4,848	17,191	33.9%	868
Other	5,000	1,000	-	4,000	20.0%	1,000
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
TOTAL EXPENSES	17,369,170	7,283,690	1,506,593	8,578,887	50.6%	7,782,578

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

DOWNTOWN PARKING

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Improvement Tax	840,000	496,182	-	343,818	59.1%	461,216
Parking Fees	5,757,166	3,337,027	-	2,420,139	58.0%	2,932,469
Investment Income	112,800	56,628	-	56,172	50.2%	59,841
Rents & Concessions	40,925	20,463	-	20,462	50.0%	-
Miscellaneous	1,500	(1,544)	-	3,044	-102.9%	228
Operating Transfers-In	43,500	21,750	-	21,750	50.0%	176,929
TOTAL REVENUES	6,795,891	3,930,506	-	2,865,385	57.8%	3,630,683
EXPENSES						
Salaries & Benefits	4,024,353	1,904,944	-	2,119,409	47.3%	1,852,901
Materials, Supplies & Services	1,915,082	829,938	185,656	899,488	53.0%	775,173
Special Projects	531,806	259,960	268,763	3,083	99.4%	292,375
Transfers-Out	297,121	148,560	-	148,561	50.0%	148,560
Capital Outlay Transfers	1,111,945	555,972	-	555,973	50.0%	521,635
Equipment	25,000	1,921	5,065	18,014	27.9%	1,965
TOTAL EXPENSES	7,905,307	3,701,296	459,484	3,744,528	52.6%	3,592,610

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

AIRPORT OPERATING FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Leases - Commercial / Industrial	4,345,075	2,241,688	-	2,103,387	51.6%	2,167,242
Leases - Terminal	5,043,600	2,521,945	-	2,521,655	50.0%	2,532,033
Leases - Non-Commerical Aviation	1,498,800	770,417	-	728,383	51.4%	759,114
Leases - Commerical Aviation	3,549,000	1,956,677	-	1,592,323	55.1%	1,441,135
Investment Income	171,700	63,510	-	108,190	37.0%	92,269
Miscellaneous	166,381	75,620	-	90,761	45.4%	230,356
Operating Transfers-In	-	-	-	-	100.0%	150,083
TOTAL REVENUES	14,774,556	7,629,856	-	7,144,700	51.6%	7,372,233
EXPENSES						
Salaries & Benefits	5,101,719	2,442,478	-	2,659,241	47.9%	2,437,847
Materials, Supplies & Services	7,079,052	3,069,709	586,327	3,423,015	51.6%	2,969,271
Special Projects	736,200	217,293	-	518,907	29.5%	372,824
Transfers-Out	18,295	9,147	-	9,148	50.0%	22,106
Debt Service	1,780,853	-	-	1,780,853	0.0%	-
Capital Outlay Transfers	1,469,012	1,102,842	-	366,170	75.1%	822,740
Equipment	63,569	16,116	-	47,453	25.4%	47,538
Other	-	1,161	-	(1,161)	100.0%	-
Appropriated Reserve	85,502	-	-	85,502	0.0%	-
TOTAL EXPENSES	16,334,202	6,858,748	586,327	8,889,126	45.6%	6,672,326

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

GOLF COURSE FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Fees & Card Sales	1,559,903	753,446	-	806,457	48.3%	732,107
Investment Income	6,300	5,116	-	1,184	81.2%	5,020
Rents & Concessions	306,000	147,186	-	158,814	48.1%	118,717
Miscellaneous	700	299	-	401	42.7%	149
Operating Transfers-In	-	-	-	-	100.0%	51,812
TOTAL REVENUES	1,872,903	906,047	-	966,856	48.4%	907,805
EXPENSES						
Salaries & Benefits	989,689	515,393	-	474,296	52.1%	538,252
Materials, Supplies & Services	560,984	262,391	13,167	285,427	49.1%	259,249
Special Projects	300	-	-	300	0.0%	-
Debt Service	185,650	161,887	-	23,763	87.2%	159,507
Capital Outlay Transfers	158,373	79,187	-	79,187	50.0%	46,018
Equipment	27,500	24,422	-	3,078	88.8%	1,013
Other	1,014	847	-	167	83.5%	847
TOTAL EXPENSES	1,923,510	1,044,126	13,167	866,218	55.0%	1,004,885

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

INTRA-CITY SERVICE FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service charges	99,584	49,792	-	49,792	50.0%	49,792
Work Orders - Bldg Maint.	3,085,446	1,584,658	-	1,500,788	51.4%	1,600,990
Grants	321,388	128,095	-	193,293	39.9%	199,354
Service Charges	2,057,130	1,028,566	-	1,028,564	50.0%	1,016,284
Miscellaneous	367,202	57,262	-	309,940	15.6%	3,441
Operating Transfers-In	-	-	-	-	100.0%	167,451
TOTAL REVENUES	5,930,750	2,848,373	-	3,082,377	48.0%	3,037,312
EXPENSES						
Salaries & Benefits	3,290,726	1,627,636	-	1,663,090	49.5%	1,465,958
Materials, Supplies & Services	1,158,398	554,090	219,117	385,191	66.7%	489,391
Special Projects	1,857,597	391,229	1,005,921	460,447	75.2%	561,580
Equipment	15,000	3,000	-	12,000	20.0%	-
Capitalized Fixed Assets	285,708	186,083	20,673	78,952	72.4%	386,377
TOTAL EXPENSES	6,607,428	2,762,039	1,245,711	2,599,679	60.7%	2,903,307

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

FLEET REPLACEMENT FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Vehicle Rental Charges	2,146,217	1,073,108	-	1,073,109	50.0%	900,597
Investment Income	128,400	70,321	-	58,079	54.8%	67,486
Rents & Concessions	224,401	112,200	-	112,201	50.0%	112,201
Miscellaneous	50,000	20,783	-	29,218	41.6%	46,895
TOTAL REVENUES	2,549,018	1,276,413	-	1,272,605	50.1%	1,127,178
EXPENSES						
Salaries & Benefits	185,579	93,353	-	92,226	50.3%	79,741
Materials, Supplies & Services	3,059	855	-	2,204	27.9%	551
Special Projects	300,000	-	-	300,000	0.0%	-
Capitalized Fixed Assets	2,107,986	121,350	1,766,147	220,489	89.5%	260,323
TOTAL EXPENSES	2,596,624	215,557	1,766,147	614,920	76.3%	340,616

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

FLEET MAINTENANCE FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Vehicle Maintenance Charges	2,371,918	1,185,959	-	1,185,959	50.0%	1,185,959
Reimbursements	10,000	5,000	-	5,000	50.0%	-
Miscellaneous	60,000	37,081	-	22,919	61.8%	17,649
Operating Transfers-In	-	-	-	-	100.0%	49,403
TOTAL REVENUES	2,441,918	1,228,040	-	1,213,878	50.3%	1,253,011
EXPENSES						
Salaries & Benefits	1,220,922	616,721	-	604,201	50.5%	571,459
Materials, Supplies & Services	1,185,057	525,760	219,381	439,916	62.9%	438,757
Special Projects	105,110	12,831	62,499	29,779	71.7%	9,331
Equipment	10,000	190	-	9,810	1.9%	-
TOTAL EXPENSES	2,521,089	1,155,502	281,881	1,083,707	57.0%	1,019,547

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

SELF INSURANCE TRUST FUND

	** Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Insurance Premiums	2,598,025	1,299,012	-	1,299,013	50.0%	1,273,542
Workers' Compensation Premiums	2,600,000	1,300,000	-	1,300,000	50.0%	1,250,000
OSH Charges	187,961	-	-	187,961	0.0%	-
Investment Income	116,000	34,499	-	81,501	29.7%	62,417
Miscellaneous	-	1,181	-	(1,181)	100.0%	2,110
Accel - Return of Premium	600,000	600,000	-	-	100.0%	-
TOTAL REVENUES	6,101,986	3,234,693	-	2,867,293	53.0%	2,588,069
EXPENSES						
Salaries & Benefits	517,317	247,209	-	270,108	47.8%	218,422
Materials, Supplies & Services	5,076,048	2,454,560	309,833	2,311,656	54.5%	2,283,518
Special Projects	100	-	-	100	0.0%	-
Transfers-Out	356,007	178,004	-	178,004	50.0%	1,846,975
TOTAL EXPENSES	5,949,472	2,879,773	309,833	2,759,867	53.6%	4,348,914

*** The Self Insurance Trust Fund is an internal service fund of the City, which accounts for the cost of providing workers' compensation, property and liability insurance as well as unemployment insurance and certain self-insured employee benefits on a city-wide basis. Internal Service Funds charge other funds for the cost of providing their specific services.*

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

INFORMATION SYSTEMS ICS FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Service charges	2,358,079	1,179,039	-	1,179,040	50.0%	1,143,197
Miscellaneous	-	1,138	-	(1,138)	100.0%	1,209
Operating Transfers-In	-	-	-	-	100.0%	9,870
TOTAL REVENUES	2,358,079	1,180,176	-	1,177,903	50.0%	1,154,275
EXPENSES						
Salaries & Benefits	1,642,999	799,437	-	843,562	48.7%	743,545
Materials, Supplies & Services	795,547	535,769	98,112	161,666	79.7%	365,552
Special Projects	14,500	1,778	4,926	7,796	46.2%	3,171
Equipment	295,864	31,058	99,000	165,806	44.0%	66,227
Capitalized Fixed Assets	1,000	-	-	1,000	0.0%	-
Appropriated Reserve	15,582	-	-	15,582	0.0%	-
TOTAL EXPENSES	2,765,492	1,368,041	202,038	1,195,413	56.8%	1,178,495

CITY OF SANTA BARBARA
Interim Statement of Revenues and Expenses
For the Six Months Ended December 31, 2012 (50% of Fiscal Year)

WATERFRONT FUND

	Annual Budget	YTD Actual	Encum-brances	Remaining Balance	Percent of Budget	Previous YTD
REVENUES						
Leases - Commercial	1,657,000	861,957	-	795,043	52.0%	802,542
Leases - Food Service	2,423,000	1,559,619	-	863,381	64.4%	1,370,045
Slip Rental Fees	4,041,464	2,037,361	-	2,004,103	50.4%	1,981,827
Visitors Fees	383,000	245,117	-	137,883	64.0%	221,922
Slip Transfer Fees	450,000	313,500	-	136,500	69.7%	299,150
Parking Revenue	1,886,360	1,077,796	-	808,564	57.1%	1,015,547
Wharf Parking	248,880	134,263	-	114,617	53.9%	120,606
Other Fees & Charges	235,008	124,380	-	110,628	52.9%	192,997
Investment Income	150,900	78,676	-	72,224	52.1%	81,156
Rents & Concessions	310,952	167,324	-	143,628	53.8%	175,441
Miscellaneous	286,000	150,847	-	135,153	52.7%	92,115
Operating Transfers-In	-	-	-	-	100.0%	226,740
TOTAL REVENUES	12,072,564	6,750,839	-	5,321,725	55.9%	6,580,089
EXPENSES						
Salaries & Benefits	5,741,416	2,853,640	-	2,887,776	49.7%	2,746,182
Materials, Supplies & Services	3,621,195	1,700,638	604,045	1,316,512	63.6%	1,570,805
Special Projects	140,685	79,542	-	61,143	56.5%	38,604
Debt Service	1,849,105	1,226,865	-	622,240	66.3%	1,051,353
Capital Outlay Transfers	1,540,978	770,489	-	770,489	50.0%	467,241
Equipment	129,369	60,771	1,617	66,981	48.2%	52,884
Capitalized Fixed Assets	40,000	-	-	40,000	0.0%	-
Other	-	1,000	-	(1,000)	100.0%	2,540
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
TOTAL EXPENSES	13,162,748	6,692,946	605,662	5,864,140	55.4%	5,929,610

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

General Fund Revenues

The table below summarizes General Fund revenues for the six months ended December 31, 2012. For interim financial statement purposes, revenues are reported on a cash basis (i.e. when the funds are received). The table below includes the budgeted totals as well as the year-to-date (YTD) budget, which for tax revenues and franchise fees have been seasonally adjusted based on a 3-year average of collections through the same period. Because tax revenues are not collected evenly throughout the year, adjusting the year-to-date budget to reflect the unique collection pattern for each type of tax allows for a more meaningful comparison to year-to-date results. For all other revenues, the Year-to-Date Budget column represents 50% (6 months out of the 12 elapsed) of the annual budget column. Unlike tax revenues, these revenues tend to be collected more evenly throughout the year.

Summary of Revenues
For the Six Months Ended December 31, 2012
GENERAL FUND

	Current Year Analysis						Prior Year Analysis	
	Annual Budget	YTD Budget *	YTD Actual	YTD Variance	YTD Percent Rec'd	3-Year Average Bench-mark	Prior Year YTD Actual	Variance Prior Yr To Current Yr
Sales & Use Tax	$ 19,933,931	$ 7,535,026	$ 7,795,757	$ 260,731	39.11%	37.80%	$ 7,322,448	6.5%
Property Tax	24,626,561	8,816,309	9,513,734	697,425	38.63%	35.80%	8,612,610	10.5%
UUT	7,015,200	3,556,706	3,484,540	(72,166)	49.67%	50.70%	3,615,774	-3.6%
TOT	14,489,200	8,418,225	8,546,071	127,846	58.98%	58.10%	7,953,158	7.5%
Bus License	2,220,780	923,844	841,754	(82,090)	37.90%	41.60%	904,302	-6.9%
Prop Trans Tax	356,180	175,597	269,183	93,586	75.57%	49.30%	182,062	47.9%
Total Taxes	68,641,852	29,425,708	30,451,038	1,025,331	44.36%	42.87%	28,590,354	6.5%
License & Permits	208,988	104,494	88,048	(16,446)	42.13%	50.00%	109,943	-19.9%
Fines & Forfeitures	2,970,304	1,485,152	1,533,786	48,634	51.64%	50.00%	1,409,832	8.8%
Franchise Fee	3,509,700	1,677,637	1,815,899	138,262	51.74%	47.80%	1,659,224	9.4%
Use of Money & Property	1,182,904	591,452	593,688	2,236	50.19%	50.00%	503,342	17.9%
Intergovernmental	523,650	261,825	642,217	380,392	122.64%	50.00%	97,567	558.2%
Fee & Charges	18,693,706	9,346,853	9,542,059	195,206	51.04%	50.00%	9,703,910	-1.7%
Miscellaneous	10,468,846	5,234,423	5,434,715	200,292	51.91%	50.00%	4,805,444	13.1%
Total Other	37,558,098	18,701,836	19,650,412	948,576	52.32%		18,289,262	7.4%
Total Before Budgeted Variances	106,199,950	48,127,543	50,101,450	1,973,907			46,879,616	
Anticipated Year-End Var	1,200,000	600,000	-	(600,000)	0.00%	50.00%	-	0.0%
Total Revenues	$ 107,399,950	$ 48,727,543	$ 50,101,450	$ 1,373,907	46.65%	45.37%	$ 46,879,616	

* YTD Budget for Taxes is calculated based on a 3-year average of collections for each revenue source; for all other revenues, YTD Budget is calculated on a straight-line basis based on the number of months elapsed.

As seen in the table on the previous page, total revenues were approximately $202,000 under the YTD budget through December 31, 2012; however, total revenues collected before budgeted variances were $398,000 over the YTD budget.

Sales Taxes

Sales tax revenue for the first quarter was $260,731 above the YTD budget. While representing two quarterly sales tax payments year-to-date on a cash basis, the revenues received through December 31, 2012 provide information for the growth in sales tax revenues earned only for the quarter ended September 30, 2012. These revenues were 5.2% over those from the prior September. Sales tax revenues continue to show recovery from growth lost during the recession; however, September 2012 quarter receipts are still lower than sales tax receipts in the September quarter of fiscal year 2006. Staff projects sales tax revenues to exceed budget by approximately $429,000 at year-end based on a continuation of strong growth for the remaining three quarters.

Property Tax

Property tax revenue was $697,425 above the YTD budget at December 31, 2012 due to two factors. First, the actual secured and unsecured property taxes exceeded staff's budgeted growth estimates based on information received by the County after the start of the fiscal year. Second, the positive budget variance at mid-year was also a result of a payment of $685,213 of one-time funds, representing the General Fund's portion of the RDA and RDA Housing Funds the City sent back to the County. During the second half of the fiscal year, the General Fund will receive an additional redistribution of former RDA assets of approximately $1,612,000, bringing the total of one-time distributions from former RDA assets to over $2.2 million in the current year. Property tax revenues are projected to exceed the adopted budget by $2,672,000 at year-end.

Transient Occupancy Tax

TOT revenue was $127,846 above the YTD budget at December 31, 2012, as shown on the table on the previous page, and 7.1% higher than the same six-month period in the prior year. Based on current projections, revenues are expected to be $217,000 above the adopted budget at year-end.

Intergovernmental

Intergovernmental revenue was approximately $380,000 above the YTD Budget. The largest component of intergovernmental revenue is mutual aid reimbursements received by the Fire Department for providing assistance to other agencies. The City is reimbursed for the actual costs of providing assistance plus an overhead factor. The Fire Department budgeted $400,000 in reimbursements and has received $502,000 in reimbursements as of December 31, 2012. Fire Department staff are projecting $679,000 of mutual aid reimbursements for Fiscal Year 2013, amounting to $279,000 above the adopted budget at year-end.

Fees & Service Charges

Overall, fees and service charges are about $195,000 over the YTD budget. The table below provides more details on fees and service charges by department. The more significant mid-year variances are also discussed.

Fees and Service Charges
General Fund
For the Six Months Ended December 31, 2012

Department	Annual Budget	YTD Budget	YTD Actual	Budget Variance	Percent Received YTD	Prior Year YTD	Prior Year Variance	Percent Variance
Finance	$ 848,301	$ 424,151	$ 434,454	$ 10,304	51.2%	$ 418,008	$ 16,446	3.9%
Community Development	4,495,945	2,247,973	2,264,089	16,117	50.4%	2,123,498	140,591	6.6%
Parks & Recreation	2,441,584	1,220,792	1,226,647	5,855	50.2%	1,100,908	125,739	11.4%
Public Safety	555,980	277,990	286,749	8,759	51.6%	284,027	2,722	1.0%
Public Works	5,407,003	2,703,502	2,787,236	83,735	51.5%	2,512,613	274,623	10.9%
Library	673,140	336,570	317,510	(19,060)	47.2%	340,574	(23,064)	-6.8%
Inter-Fund Charges	4,271,753	2,135,877	2,225,374	89,498	52.1%	2,924,282	(698,908)	-23.9%
Total	$ 18,693,706	$ 9,346,853	$ 9,542,059	$ 195,206	51.0%	$ 9,703,910	$ (161,851)	-1.7%

Public Works fee revenue was about $84,000 over the YTD budget. The majority of the variance is due to Land Development revenues, such as outdoor dining permits, exceeding the YTD budget by approximately $105,000 at December 31. Staff anticipates Land Development revenues will normalize during the second half of the fiscal year and end the year in line with budget.

Library fees and charges were approximately $19,000 below the YTD budget. This variance is due to a timing difference in receipt of the County Library Administration fees. In prior years, 50% of the fee was received as of December 31; only 33% of the fee was received in the first half of fiscal year 2013. By year-end, the Department anticipates to meet or exceed budget in all Library revenue categories.

Inter-Fund charges were $89,000 above the YTD budget at mid-year. These charges represent reimbursements from other City funds and departments and from other governments for various services. The majority of this variance is related to cost reimbursements for attorney's fees from the Redevelopment Successor Agency and SB90 reimbursements. Attorney fee reimbursements from the RDA Successor Agency have exceeded the YTD budget at December 31 by $59,000. In addition, the City received $35,000 in unbudgeted SB90 reimbursements in the first half of the fiscal year.

Anticipated Year-End Variances and Budgeted Savings from Concessions

It is important to note that the table on page 1 includes $1,200,000 for anticipated year-end budget variances. The $1.2 million is roughly equal to 1.1% of budgeted operating expenditures in the General Fund and, although budgeted as a revenue, represents staff's estimate of the favorable expenditure variances (i.e. expenditures *under* budget) for the year. As is the case each year, the Anticipated Year-End Variance budgeted will not reflect any actual revenues, but rather favorable variances in expenditures by year-end.

General Fund Expenditures

The table below summarizes the General Fund budget and year-to-date expenditures through December 31, 2012. The "Adjusted Annual Budget" column represents the adopted budget, appropriation carryovers from the prior year, and any supplemental appropriations approved by Council in the current year.

SUMMARY OF EXPENDITURES
GENERAL FUND
For the Six Months Ended December 31, 2012

Department	Adjusted Annual Budget	YTD Budget	YTD Actual	YTD Variance Without Encumbrance	Encum-brance	YTD Variance With Encumb Favorable (Unfavorable) $	%
Mayor & Council	$ 737,693	$ 359,320	$ 362,179	$ (2,859)	$ 1,098	$ (3,957)	-0.5%
City Attorney	2,011,215	1,031,580	1,054,311	(22,731)	8,325	(31,056)	-1.5%
City Administrator	2,024,572	973,596	953,292	20,304	35,427	(15,123)	-0.7%
Administrative Svs.	1,733,693	765,210	792,028	(26,818)	31,865	(58,683)	-3.4%
Finance	4,707,377	2,229,693	2,231,387	(1,694)	71,429	(73,123)	-1.6%
Police	35,771,642	17,876,473	17,871,478	4,995	241,886	(236,891)	-0.7%
Fire	21,791,218	11,094,775	11,312,034	(217,259)	105,050	(322,308)	-1.5%
Public Works	7,214,777	3,318,698	3,318,112	586	284,484	(283,898)	-3.9%
Parks & Recreation	13,261,671	6,627,504	6,820,026	(192,522)	259,274	(451,796)	-3.4%
Library	4,668,836	2,054,756	2,023,662	31,094	260,163	(229,069)	-4.9%
Community Development	9,434,620	4,580,076	4,679,558	(99,482)	362,920	(462,402)	-4.9%
Community Promotion	3,179,694	1,676,985	2,003,931	(326,946)	-	(326,946)	-10.3%
Total	$ 106,537,008	$ 52,588,665	$ 53,421,998	$ (833,333)	$ 1,661,919	$ (2,495,252)	-2.3%
	% of annual budget	**49.4%**	**50.1%**	**-0.8%**	**1.6%**	**-2.3%**	

As shown above, a year-to-date budget (labeled "YTD Budget") column is included. This column has been developed based on a 3-year average of expenditures in order to adjust for the seasonal nature of certain expenditures, such as debt service and summer recreation programs. The table includes actual expenditures without encumbrances, and separate column for the variance after considering encumbrances. Inclusion of encumbrances can significantly distort the analysis of budgeted and actual expenditures during the year. Outstanding encumbrances include certain appropriations that were carried forward from prior year and contracts or blanket purchase orders that have been executed in the current year but are expected to be throughout the year. The following discussion and analysis does not include the impact of encumbrances.

The year-to-date budget of $52.6 million at December 31, compared to actual expenditures of $53.4 million, resulted in a variance of $0.7 million. Significant variances in departments are discussed below.

Effective during the first half of fiscal year 2013, City Council approved a one-time vacation cash out of up to 40 hours per eligible employee. This resulted in unbudgeted expenditures totaling approximately $400,000 for the majority of City Departments as of December 31. At this time staff believes that departmental budgets have sufficient appropriations to cover these one-time vacation cash outs; however, staff will closely monitor the budgets over the next several months to determine whether any appropriation requests to City Council may be needed.

City Attorney expenditures are slightly over the YTD budget by approximately $23,000. This variance was largely due to an unbudgeted vacation cash-out of $27,000 and office supplies expenditures exceeding YTD budget by $5,000 as a result of the City Attorney's Office improvement remodel project. It is possible that the savings from two short-term vacancies could offset the cost of the one-time vacation cash out.

Fire Department expenditures are above the YTD budget by approximately $217,000. This variance is primarily due to a one-time vacation and comp time cash out of $54,000, increased overtime costs and additional mutual aid expenditures. Seven vacant positions from employee retirements have resulted in personnel costs savings. However, these vacancies have led to increased overtime costs since current sworn personnel must backfill vacant positions to maintain constant staffing requirements. Overtime costs have exceeded regular salary savings by approximately $113,000 at December 31. Mutual aid expenditures related to the cost of providing assistance to other locations throughout the state have exceeded budget; however, the Fire Department projects a similar increase to mutual aid reimbursement revenues as compared to budget at year-end. At this time, staff anticipates expenditures, excluding mutual aid, will be within budget by year-end.

Parks and Recreation expenditures are over the YTD budget by almost $193,000. This variance is primarily due to higher than anticipated utility costs and services to meet increased program demand and a one-time vacation cash out of $96,000. The Department anticipates cost savings in the second half of the fiscal year and expects to meet budget at year-end. Staff will be closely monitoring the budget over the next several months to determine the need to request additional appropriations.

Community Development expenditures are over YTD budget by approximately $99,000. This variance is largely attributed to the cyclical nature of grant expenditures in the Arts Advisory Program. $427,000 of funding was budgeted for the Arts Advisory Program to contract with the Santa Barbara County Arts Commission and $394,000 of the contract was expended as of December 31. Overall, Community Development staff projects $110,000 in savings at year-end due to medical leaves of absence, two current vacancies and a voluntary reduction from full-time to part-time hours for one employee.

Community Promotion expenditures are over the YTD budget by $327,000. The variance is primarily due to the seasonal nature of the promotional programs, which includes debt service and summer festivals and events during the first six months of the fiscal year. It is anticipated that expenditures will be within budget by year-end.

Enterprise Fund Revenues and Expenses

Unlike the General Fund, which relies primarily on taxes to subsidize programs and services, Enterprise Fund operations are financed primarily from user fees and other non-tax revenues. The table below summarizes Enterprise Fund revenues and expenses through December 31, 2012, with a comparison to the current year budget and prior year expenses through the first six months. Note that the "YTD Budget" column has been calculated based on a 3-year average collection rate through December 31st. This rate, which is shown as a percentage in the "3 Year Average" column, has been applied to the annual budget amount to arrive at the Year-to-Date Budget. This approach is used in recognition that enterprise fund revenues and certain expenses are seasonally affected and are not necessarily received or incurred evenly throughout the year.

SUMMARY OF REVENUES & EXPENSES
Six Months Ended December 31, 2012
ENTERPRISE FUNDS

	Current Year Analysis						Prior Year Analysis	
	Annual Budget	YTD Budget *	YTD Actual	YTD Variance	YTD Percent	3 Year Average	YTD Actual	% Variance
Water Fund								
Revenues	$ 33,792,362	$ 18,540,743	$ 20,097,023	$ 1,556,280	59.5%	54.9%	$ 18,522,061	8.5%
Expenses	34,908,858	15,231,898	15,879,193	(647,295)	45.5%	43.6%	19,091,003	-16.8%
Wastewater Fund								
Revenues	17,207,200	8,815,822	8,778,177	(37,645)	51.0%	51.2%	8,313,526	5.6%
Expenses	17,369,170	7,561,379	7,283,690	277,689	41.9%	43.5%	7,782,578	-6.4%
Downtown Parking Fund								
Revenues	6,795,891	3,572,373	3,930,506	358,133	57.8%	52.6%	3,630,683	8.3%
Expenses	7,905,307	3,612,725	3,701,296	(88,571)	46.8%	45.7%	3,592,610	3.0%
Airport Fund								
Revenues	14,774,556	7,564,573	7,629,856	65,283	51.6%	51.2%	7,372,233	3.5%
Expenses	16,334,202	7,001,928	6,858,748	143,180	42.0%	42.9%	6,672,326	2.8%
Golf Fund								
Revenues	1,872,903	860,911	906,047	45,136	48.4%	46.0%	907,805	-0.2%
Expenses	1,923,510	974,578	1,044,126	(69,548)	54.3%	50.7%	1,004,885	3.9%
Waterfront Fund								
Revenues	12,072,564	6,466,870	6,750,839	283,969	55.9%	53.6%	6,580,089	2.6%
Expenses	13,162,748	6,528,723	6,692,946	(164,223)	50.8%	49.6%	5,929,610	12.9%

* The YTD Budget column has been calculated based on a 3-year average of collections for revenues, and of payments made for expenses through December 31, which has been applied to the annual budget.

The expenses shown in the preceding table do not include outstanding encumbrances at December 31, 2012. Inclusion of encumbrances can significantly distort the analysis of budgeted and actual expenditures after six months. Outstanding encumbrances include appropriations that were carried forward from prior year as part of the appropriation carryovers and contracts or blanket purchase orders that have been added in the current year but are expected to be spent over the coming months.

The following discussion highlights some of the more significant revenue and expense variances of the enterprise funds, in relation to budget or prior year.

Water Fund

Water Fund revenues were approximately $1,556,000 above the year-to-date budget as of December 31. The variance is primarily due to water sales revenue being higher than projected as a result of increased demand during the dry season in the first half of the year. Staff anticipates revenues to exceed budget by $800,000 by year-end.

Expenses for the Water Fund are above the YTD budget by $647,000. The variance is due to a higher percentage of expenses for water treatment chemicals and supplies during the first half of the year as compared to prior years. Staff projects savings for water purchases during the second half of the year and expects to meet budget by year-end.

Wastewater Fund

Wastewater Fund revenues are slightly below the YTD budget due to lower than projected interest income. Wastewater Fund expenses are $278,000 below the YTD budget due to a lower percentage of debt service charges in the first half of the year. Staff anticipates meeting budget for revenues and expenses at year-end.

Downtown Parking

Downtown Parking Fund revenues are reporting a positive variance of $358,000. Hourly parking revenues have exceeded expectations due to fewer retail vacancies in the downtown corridor, no lot closures during the first half of the year and the acceptance of credit cards. Currently 19% of transactions are paid by credit card which accounts for almost 30% of hourly revenue and an increase of 5% from the prior year. Staff anticipates Parking Business Improvement Assessment Tax revenues to also exceed budget at year-end as these revenues are directly driven by the number of businesses surrounding the parking lots.

Downtown Parking Fund expenses are slightly above the YTD budget. Most of the variance is due to a one-time vacation cash out of $30,000 and no furlough savings in the current fiscal year. Staff projects expenses to meet budget at year-end.

Airport Fund

Airport Fund revenues are slightly above the YTD budget at December 31. Passenger traffic and the number of seats have increased 3.5% from the same period last year. Concession sales and restaurant revenues are exceeding budget estimates by over 20%; whereas, short

term parking revenue is under budget by 2%. Commercial aviation revenue and non-commercial revenue are exceeding budget; however, personnel cost reimbursement revenue for Airport Patrol officers at the TSA security check point is below budget due to the lack of a new agreement with Transportation Security Administration. Staff anticipates meeting revenue targets at year-end.

Airport expenses are $143,000 below the YTD budget. Salary and benefits are lower than budget due to position vacancies in Patrol, Business and Properties. In addition, supplies and services for the new terminal building have been spent at lower levels than anticipated in the first half of the fiscal year. Staff anticipates expenses to meet budget at year-end.

Golf Fund

Golf Fund revenues are $45,000 above the YTD budget for the first six months of the fiscal year; however, revenues are 2.6% below annual budget at December 31 and show no growth as compared to the first six months of the prior year. Over the last several years, the Golf Course has seen a decline in revenue and rounds due to a national downtrend in the sport of golf. Staff projects a revenue shortfall in greens fees of $45,000 at year-end to be partially offset by concessions revenue projections exceeding budget by $22,000 at year-end.

Golf Fund expenses were $70,000 above the YTD budget at December 31. This variance was primarily due to a one-time vacation cash out of $13,000, higher than anticipated water costs during the dry season in the first half of the year, and all equipment purchases occurring in the first six months. Staff is anticipating additional building maintenance costs of $10,000 and will be reducing advertising expenses up to $20,000 to meet the expenditure budget by year-end. Staff will also be closely monitoring revenues and expenses over the next several months to determine the need to make any additional cost reductions to meet budget at year-end.

Waterfront Fund

Waterfront Fund revenues were $284,000 above the YTD budget. This variance is due to Stearns Wharf and Harbor Food Services exceeding revenue targets and higher than anticipated parking revenues due to the warm weather during the first half of the fiscal year. In addition, Marina Management revenue has performed above expectations due to an increase in visitor fees and slip transfers. Staff anticipates revenues exceeding budget by $297,000 at year-end.

Waterfront Fund expenses were $164,000 above the YTD budget for the first half of the fiscal year. This variance is primarily due to a higher percentage of debt service charges in the first half of the fiscal year. Staff projects meeting budgeted expenses at year-end.

City of Santa Barbara
Interim Financial Statements for the Six Months Ended December 31, 2012
Proposed Mid-Year Adjustments

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
GENERAL FUND			
Library			
Donation - Friends of the Library	-	16,472	16,472
State of CA - LSTA Grant for literacy support	-	11,524	11,524
Book Acquisitions	10,000	-	(10,000)
Total General Fund	$ 10,000	$ 27,996	$ 17,996
SPECIAL REVENUE FUNDS			
County Library Fund (181)			
Donations - Small Branches	$ -	$ 8,417	$ 8,417
City of Solvang funding - Small Branches	-	10,500	10,500
Book Acquisitions & Staffing - Small Branches	16,750	-	(16,750)
Donations - Goleta Branch	-	10,000	10,000
Book Acquisitions & Materials - Goleta Branch	10,000	-	(10,000)
Total County Library Fund	$ 26,750	$ 28,917	$ 2,167
Successor Agency Fund (121)			
Property Taxes - administrative allowance	$ -	$ 95,000	$ 95,000
Salaries - vacation cash out	1,124	-	(1,124)
Legal Services - City Attorney & Oversight Board Attorney	58,220	-	(58,220)
Services & Supplies	35,657	-	(35,657)
Total Successor Agency Fund	$ 95,000	$ 95,000	$ -
Streets Operating Fund (331)			
Increase budgeted revenues from sales proceeds of 309 W. Ortega	$ -	$ 230,524	$ 230,524
Adjust Capital Project Budgets:	-	-	-
Increase budget for Chapala Street Bridge Replacement	75,000	-	(75,000)
Increase budget for Mason Street Bridge Replacement	50,000	-	(50,000)
New Post Bridge Construction Monitoring Project	50,000	-	(50,000)
Transfer funds to Ortega Bridge Project to Cover Revenue Shortfall	55,524	-	(55,524)
Total Streets Operating Fund	$ 230,524	$ 230,524	$ -
Streets Grant Capital Fund (333)			
Adjust Capital Project Budgets:			
Transfer from Streets Operating from sale of 309 W. Ortega	$ -	$ 55,524	$ 55,524
Close Ortega Bridge at Mission	(394,639)	(450,163)	(55,524)
Transfer to Hayley/De La Vina at Mission	100,000	100,000	-
Close Measure A - Goleta Slough Bridge Surf Repair	(35,345)	(35,345)	-
Total Streets Grant Capital Fund	$ (329,984)	$ (329,984)	$ -
ENTERPRISE FUNDS			
Water Operating Fund (411)			
Transfer from Water Capital Fund to Water Operating Fund	-	2,600,000	2,600,000
Total Water OperatingFund	$ -	$ 2,600,000	$ 2,600,000

	Increase (Decrease) in Appropriations	Increase (Decrease) in Estimated Revenues	Addition to (Use of) Reserves
Water Capital Fund (412)			
Transfer from Water Capital Fund to Water Operating Fund	$ 2,600,000	$ -	$ (2,600,000)
Total Water Capital Fund	$ 2,600,000	$ -	$ (2,600,000)
Wastewater Operating Fund (421)			
Transfer from Capital Fund to Operating Fund	$ -	$ 3,050,000	$ 3,050,000
Total Wastewater Operating Fund	$ -	$ 3,050,000	$ 3,050,000
Wastewater Capital Fund (422)			
Transfer from Capital Fund to Operating Fund	$ 3,050,000	$ -	$ (3,050,000)
Total Wastewater Capital Fund	$ 3,050,000	$ -	$ (3,050,000)
Downtown Parking Operating Fund (431)			
Transfer from Capital Fund to Operating Fund	$ -	$ 367,648	$ 367,648
Total Downtown Parking Operating Fund	$ -	$ 367,648	$ 367,648
Downtown Parking Capital Fund (432)			
Adjust Capital Project Budgets:			
Close Non-Building Improvements	$ (7,595)		$ 7,595
Reduce Revenue Control System	(207,687)		207,687
Close Lots 4 & 5 ADA Improvements	(113,112)		113,112
Close Lot 2 Arcade Repairs	(21,000)		21,000
Close Lot 2 and 10 Concrete Work	(12,234)		12,234
Close Rail System Library/Lobero Garages	(2,670)		2,670
Close Ortega (Lot 10) Cornice Work	(50,000)		50,000
Transfer from Capital Fund to Operating Fund	367,648	-	(367,648)
Total Downtown Parking Capital Fund	$ (46,650)	$ -	$ 46,650
Airport Capital Fund (442)			
Transfer funds from Airport Grants Fund to Airport Capital Fund	$ -	$ 750,000	$ 750,000
Total Airport Capital Fund	$ -	$ 750,000	$ 750,000
Airport Grants Fund (443)			
Transfer funds from Airport Grants Fund to Airport Capital Fund	$ 750,000	$ -	$ (750,000)
Total Airport Grants Funds	$ 750,000	$ -	$ (750,000)
INTERNAL SERVICE FUNDS			
Intra-City Services Fund (511)			
Non-Contractual Services - vehicle repairs	$ 65,000	$ -	$ (65,000)

Agenda Item No. 11

File Code No. 160.03

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 12, 2013

TO: Mayor and Councilmembers

FROM: City Attorney's Office

SUBJECT: Conference with Legal Counsel – Pending Litigation

RECOMMENDATION:

That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed.

The pending litigation is *Santa Barbara Channelkeeper v. City of Santa Barbara*, USDC Case No. CV-1103624 JHN (AGRx)

SCHEDULING: Duration: 20 minutes; anytime

REPORT: None anticipated

SUBMITTED BY: Stephen P. Wiley, City Attorney

APPROVED BY: City Administrator's Office