



CITY OF PALO ALTO OFFICE OF THE CITY AUDITOR

February 4, 2013

The Honorable City Council
Palo Alto, California

City of Palo Alto Performance Report for FY 2012 (Service Efforts and Accomplishments)

The Office of the City Auditor presents the City of Palo Alto Performance Report (Service Efforts and Accomplishments) for Fiscal Year 2012. This is the 11th annual Service Efforts and Accomplishments (SEA) Report for the City of Palo Alto. The report also incorporates results from the annual National Citizen Survey™ conducted through the National Research Center. SEA reporting is intended to supplement the City's financial reports and statements with additional performance data, trends, and comparisons. Our goal is to provide the City Council, staff, and the public with an independent, impartial assessment of past performance to help inform future decisions.

This report uses financial data obtained from various City documents as well as directly from departments. Expenditure and revenue data is primarily based on FY 2012 Actuals from the City's budget. An alternative view of the data, based on the City's Comprehensive Annual Financial Report (CAFR), can be seen at a high level in the Citizen Centric Report.

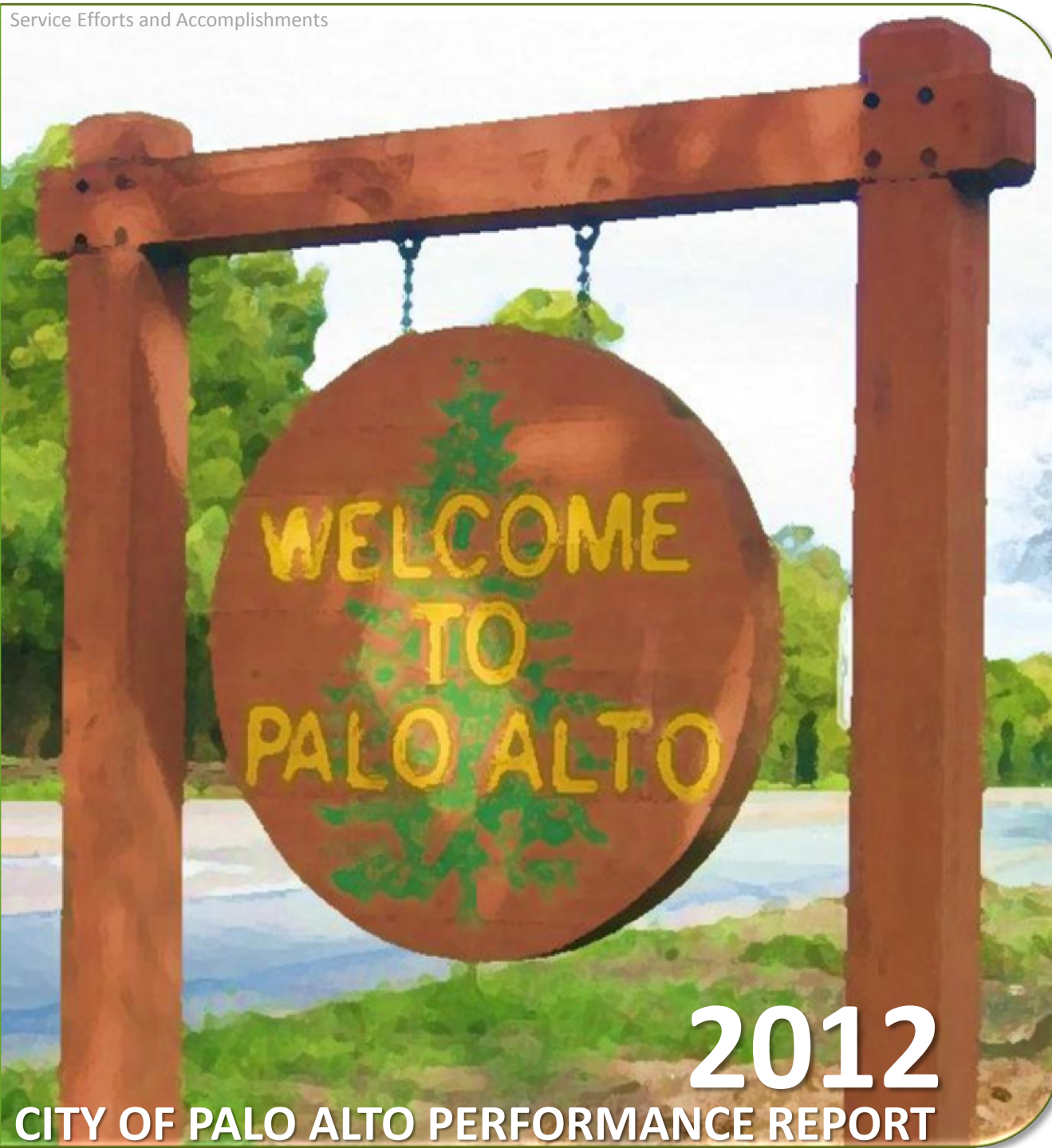
Respectfully submitted,

Jim Pelletier
City Auditor

ATTACHMENTS:

- Attachment A: City of Palo Performance Report for Fiscal Year 2012 (PDF)

Department Head: Jim Pelletier, City Auditor



2012

CITY OF PALO ALTO PERFORMANCE REPORT



CITY OF
**PALO
ALTO**

MISSION

The government of the City of Palo Alto exists to promote and sustain a superior quality of life in Palo Alto. In partnership with our community, our goal is to deliver cost-effective services in a personal, responsive, and innovative manner.

VALUES

Quality

Superior delivery of services

Courtesy

Providing service with respect and concern

Efficiency

Productive, effective use of resources

Integrity

Straight-forward, honest and fair relations

Innovation

Excellence in creative thought and implementation

January 30, 2013

Honorable City Council
Palo Alto, California

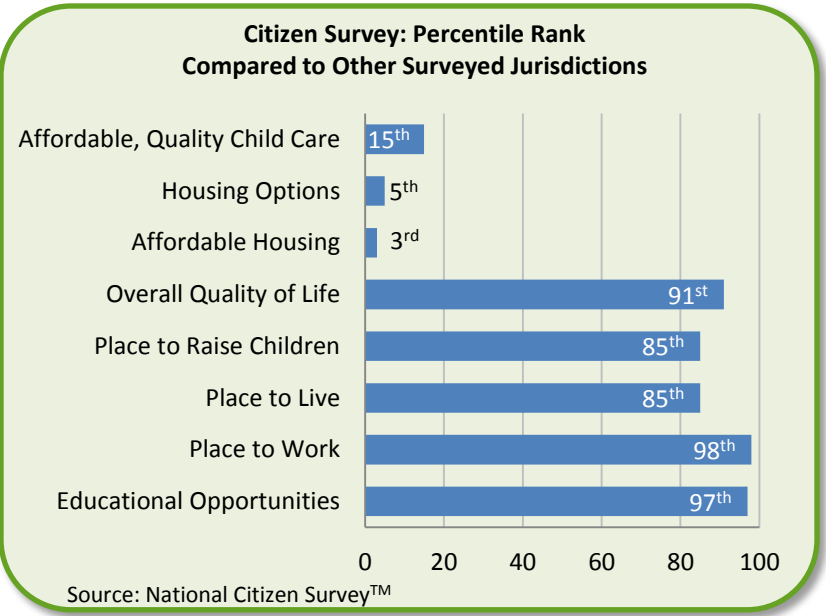
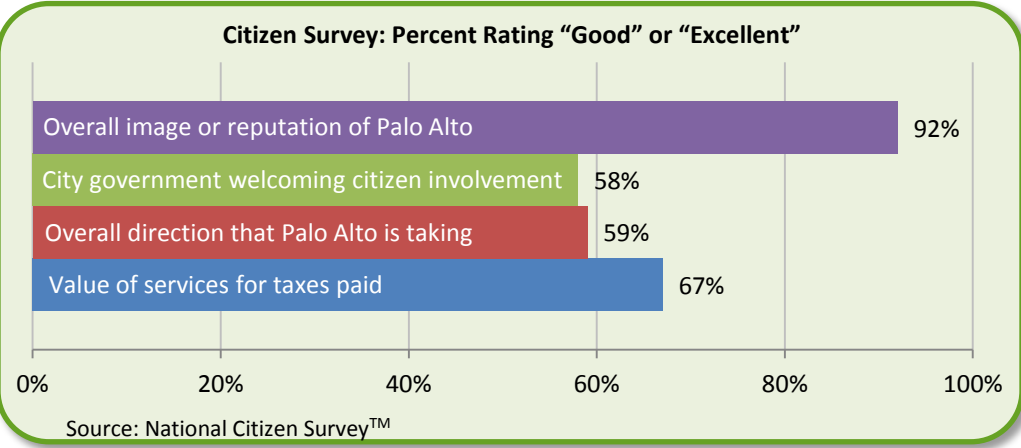
City of Palo Alto Performance Report for FY 2012

This is the City Auditor’s eleventh annual Performance Report (formerly known as the Service Efforts and Accomplishments Report) for the City of Palo Alto. This year, I am excited to introduce a new format for the report including a visually appealing layout that still includes all of the data we have presented in past reports. Our new format goes hand in hand with our push to make the report more accessible. The mission of the Office of the City Auditor is to promote honest, efficient, effective, and fully accountable city government and this report is a critical component in our successful implementation of that mission.

The goal of this report is to provide the residents of Palo Alto, City Council, City Staff, and other stakeholders with information on past performance to strengthen public accountability, improve government efficiency and effectiveness, and support ongoing decision making. To facilitate this, the report includes data about the costs, quality, quantity, and timeliness of City services. It includes a variety of comparisons to other cities, the results of the National Citizen Survey™, and data from various other sources including the State Controller’s Cities Report, various U.S. Census Bureau Reports, and Crime Statistics, among others. Working closely with each of the City departments, we consider all of this data and identify what we believe best represents the overall performance of the City and its individual departments and divisions.

OVERALL SATISFACTION

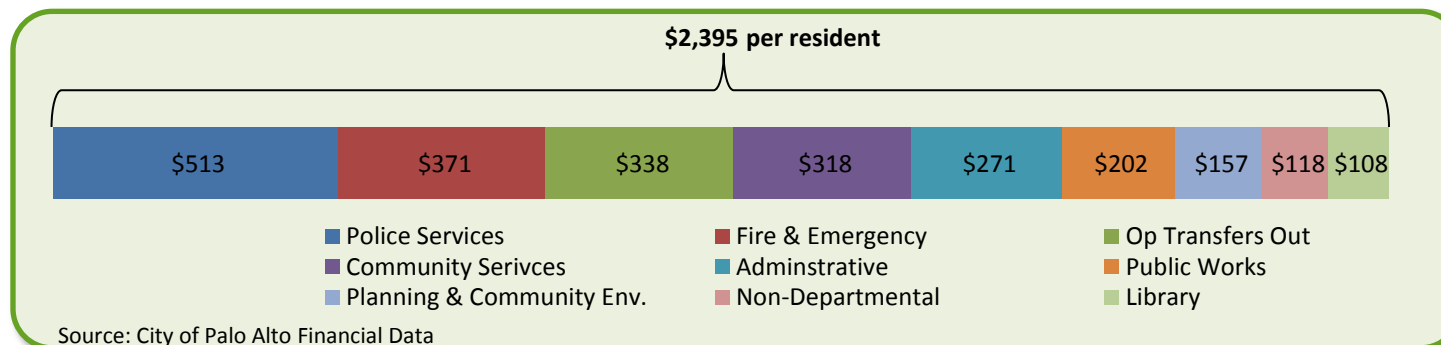
The tenth annual National Citizen Survey™, administered in conjunction with this report, indicates high ratings for City services. The chart below illustrates the survey responses to some of the questions we feel best represent the overall value of City services. The chart at the right illustrates Palo Alto’s rankings in key service areas when compared to other surveyed jurisdictions.



OVERALL SPENDING, STAFFING, RESIDENT PERCEPTIONS & COUNCIL PRIORITIES

In FY 2012, the City's General Fund expenditures and other uses of funds totaled \$162.1 million, an increase of 13 percent from last year and an increase of 22 percent from FY 2007. Palo Alto's estimated population increased 1 percent from last year and 7 percent from FY 2007 while inflation increased 2.6 percent and 11.0 percent over the same periods, respectively. In FY 2012, total City authorized staffing, including temporary and hourly positions was 1,114 full-time equivalent employees (FTE).

On a per capita basis, FY 2012 General Fund expenditures of \$2,395 included:



The General Fund has invested \$147.4 million in capital projects since FY 2007 and the Infrastructure Reserve decreased from \$15.8 million in FY 2007 to \$12.1 million in FY 2012. Capital spending last year totaled \$62.3 million including \$34.7 million in the Governmental Funds and \$27.6 million in the Enterprise Funds.

The City Council established the following top priority areas for calendar year 2012: City Finances, Land Use and Transportation, Emergency Preparedness, Environmental Sustainability, and Community Collaboration for Youth Well-Being.

By Reviewing the entire report, readers will gain a better understanding of the mission and work of each of the City's departments. The background section includes a community profile, discussion of service efforts and accomplishments (performance) reporting, and information about the preparation of this report. Chapter 1 provides a summary of overall City spending and staffing. Chapters 2 through 11 present the mission statements, description of services, background information, workload, selected performance measures, and selected survey results for the various City departments and services.

This report was designed to be viewed in color and is available on our website. Color hardcopies have been distributed to each of the City's library branches. Additionally, individuals can obtain a color hardcopy from my office in City Hall. We thank the departments and staff that contributed to this report.

Respectfully submitted,

Jim Pelletier, CIA
City Auditor

Audit Staff: Houman Boussina, Yuki Matsuura, Mimi Nguyen, Deniz Tunc, Lisa Wehara

MANAGEMENT DISCUSSION AND ANALYSIS (from the City Manager)

Palo Alto is a community with a high quality of life, high comparative income levels and home values, one of the finest school districts in the state, and low crime rates. Our residents are engaged and active, providing thousands of hours of volunteer time and expertise in partnership with the City. The 2012 National Citizen Survey continues to affirm that residents experience a good or excellent quality of life in Palo Alto, that it is a great place to live and that the City provides high quality services. Palo Alto's wealth of talent and the creative ideas and businesses this engenders is a cornerstone of our community and in conjunction with strong financial management by the City, has helped us weather the current economic and fiscal challenges and allowed our community to continue to be a great place to live and work.

Like other communities in the Bay Area, the City is now starting to show signs of recovery from the recession. As with past years, the City continues to proactively take steps to align revenues with expenses with a focus on permanent, ongoing (structural) solutions as much as possible. The City Council adopted a General Fund budget of \$152 million for FY 2013, reducing the on-going structural deficit by \$5.8 million. Beginning in FY 2010, the City negotiated significant compensation and benefit changes with its labor units that are expected to save the City almost \$9 million Citywide on an ongoing annual basis. However, the City is facing a need for important investments in infrastructure.

Based on a report issued in 2011 from the City's Infrastructure Blue Ribbon Commission identifying over \$300 million dollars in infrastructure needs, the Council adopted an infrastructure plan and strategy that will over the next 18 months assess the feasibility of placing a revenue measure on the November 2014 ballot to address the City's infrastructure backlog and known future needs. While opinion research will formally commence in the spring of 2013, it is encouraging that preliminary responses from the National Citizen Survey™ indicate 65% of residents could support some new infrastructure bond measure to increase revenues to maintain and repair City infrastructure.

The City Council reaffirmed its Council priorities for FY 2012: 1) City Finances, 2) Land Use and Transportation, 3) Emergency Preparedness, 4) Environmental Sustainability, and 5) Community Collaboration for Youth Well-Being. Here are a few highlights:

In June 2011, the City Council approved the Stanford Hospitals Project. This multi-billion dollar project, the largest in the City's history, includes renovation of the Hoover Pavilion building and the addition of a medical office building at the Hoover Pavilion site, the upgrade and relocation of the Welch Road utilities, the expansion of Lucile Packard Children's Hospital, the replacement of Stanford Hospital & Clinics and a one-for-one replacement of some of the School of Medicine's laboratory buildings. The newly renovated Art Center opened, and major construction of Mitchell Park Library and Community Center and planning efforts for the future of Cubberley Community Center progressed. The City adopted a state-of-the-art bicycle and pedestrian plan and in partnership with Stanford received over \$10 million in grant money for trail improvements.

Significant progress was made on the Development Center Blueprint and changes to the City's building and development permitting processes to improve customer satisfaction and expedite service delivery. The average number of days to respond to the first plan check and issuance of a building permit improved over 63% in the past five years. The average number of days for first response to plan checks improved 37% over last year.

As leaders in environmental sustainability, the City finalized its roadmap for upgrades that will be needed to protect San Francisco Bay and produce recycled water for future generations. The City also designed and implemented a local feed-in-tariff program (Palo Alto CLEAN) to purchase electricity generated by solar, launched an "Innovation and Emerging Technology Demonstration Program," and made significant progress in developing a plan to achieve carbon neutrality for the City's electric supply portfolio with 100% renewable resources. The City also revisited efforts to achieve its Climate Action Plan including evaluating options for a potential waste to energy facility.

MANAGEMENT DISCUSSION AND ANALYSIS

As an integral part in the well-being and success of Palo Alto's residents and youth, the City continued its leadership role working with major partners such as the Palo Alto Unified School District (PAUSD) and mental health providers in supporting youth and creating a plan and strategy that includes education, prevention and intervention strategies that together provide a Safety Net for youth and teens in Palo Alto. A Director for Project Safety Net was hired, using Stanford funds as seed funding. The City also implemented a new "Gatekeeper" program to expand public awareness of teenage stress effects.

To bring both longstanding and new neighbors together in their neighborhoods and incorporate interaction between generations and cultures, the City adopted a neighborhood grant program to be implemented in 2013. In addition, an Office of Emergency Services (OES) was created including hiring a full-time OES Director to help the City strategically focus time and resources on emergency, readiness and planning to address emergency readiness.

While the economy is slowly recovering, the City remains cautiously optimistic. Local government is in a period of extraordinary flux with numerous forces of change shaping our future. The years ahead will continue to bring fiscal challenges that will require the City to continue to evaluate how to provide city services and expand engagement and partnership with citizens and businesses across Palo Alto. The need to look for innovative opportunities to promote shared responsibility to maintain our strong, healthy, and vibrant community will be essential.



James Keene
City Manager

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INTRODUCTION

This is the eleventh annual Performance Report (formerly Service Efforts and Accomplishment or SEA Report) for the City of Palo Alto. The purpose of the report is to provide consistent, reliable information on the performance of City services to:

- Support users in assessing whether the City is achieving its goals and objectives in an efficient and effective manner; and
- Assist the City in meeting its responsibilities to be publicly accountable in the stewardship of public resources.

The report contains summary information on spending and staffing, workload, and performance results for the fiscal year ended June 30, 2012 (FY 2012). It also includes the results of a resident survey rating the quality of City services. The report provides two comparisons:

- Historical trends for fiscal years 2007 through 2012.
- Selected comparisons to other cities.

There are many ways to look at services and performance. This report looks at services on a department-by-department basis. All City departments are included in this report.

Chapter 1 provides a summary of overall spending and staffing since FY 2007, as well as an overall discussion on resident perceptions and the City Council’s priorities. Chapter 2 through 11 present the mission statements, descriptions of services, background information, workload, performance measures, and survey results for:

- Community Services
- Fire
- Information Technology
- Library
- Office of Emergency Services
- Planning and Community Environment
- Police
- Public Works
- Strategic and Support Services
- Utilities

Key Changes in This Year’s Report

- This is the first year that the Office of Emergency Services and the Information Technology Department each have their own chapter in this report.
- Additional emphasis has been placed on Department goals/objectives and relevant key performance measures.
- Focus on insightful visual representations of key performance data by aggregating and disaggregating data in meaningful ways.
- Each Council Appointed Officer (CAO) has a page for his/her office (included in the Strategic and Support Services Chapter).

Each chapter begins with performance information and financial data at the department level drilling down into each division, service, or program within the department as you proceed. At the end of each chapter, you will find all of the data organized into tables for easy consumption.



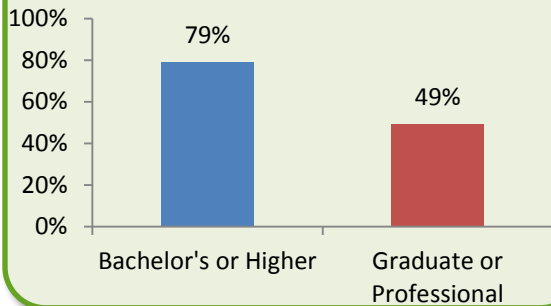
The City re-launched its internet site in FY 2012, www.cityofpaloalto.org, giving residents and visitors an improved interface with the City.

COMMUNITY PROFILE

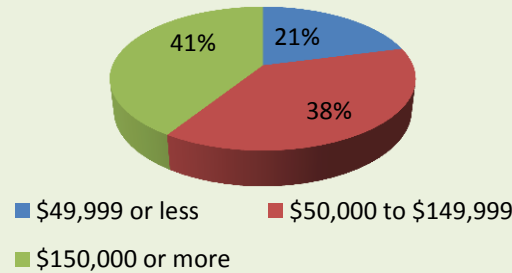
Incorporated in 1894, Palo Alto is a largely built-out community of 65,544 residents. The City covers approximately 26 square miles, stretching from the edges of San Francisco Bay to the ridges of the San Francisco peninsula. Located mid-way between San Francisco and San Jose, Palo Alto is in the heart of the Silicon Valley. Stanford University, adjacent to Palo Alto and one of the top-rated institutions of higher education in the nation, has produced much of the talent that founded successful high-tech companies in Palo Alto and Silicon Valley.

SELECTED KEY DEMOGRAPHIC DATA (source: U.S. Census Bureau)

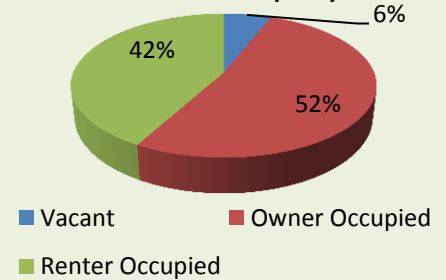
Residents Aged 25+ Holding Advanced Degrees



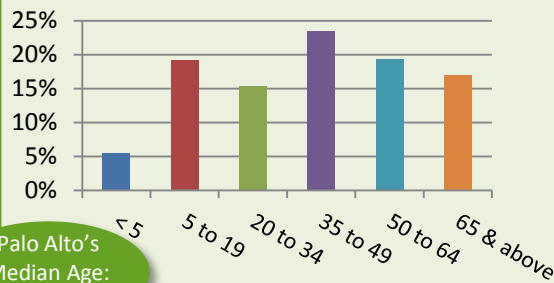
Estimated Household Income



Household Occupancy

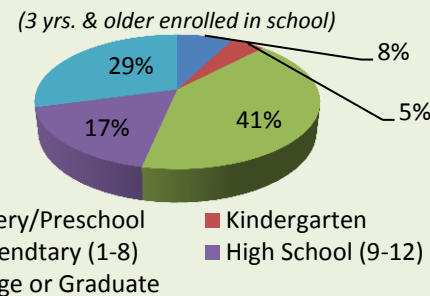


Age Breakdown of Palo Alto Residents

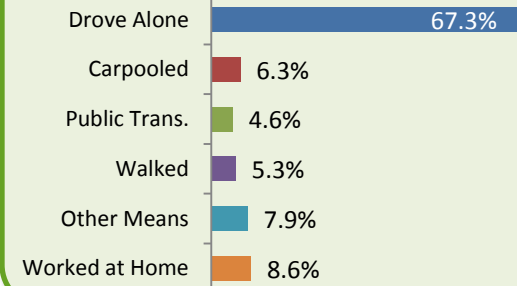


Palo Alto's Median Age: 41.9

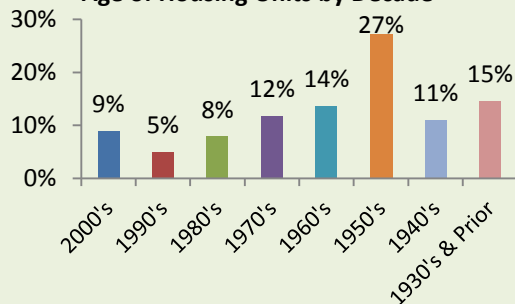
School Enrollment



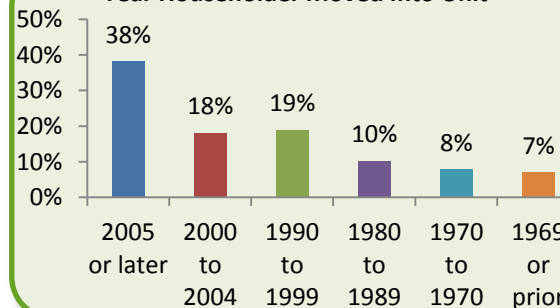
Commuting to Work



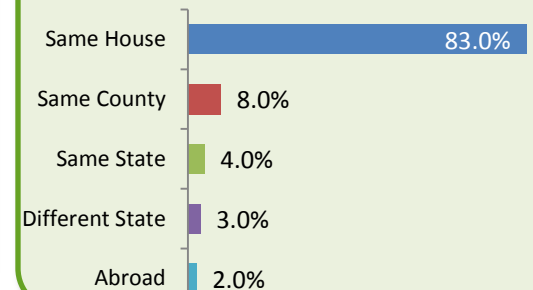
Age of Housing Units by Decade



Year Householder Moved Into Unit

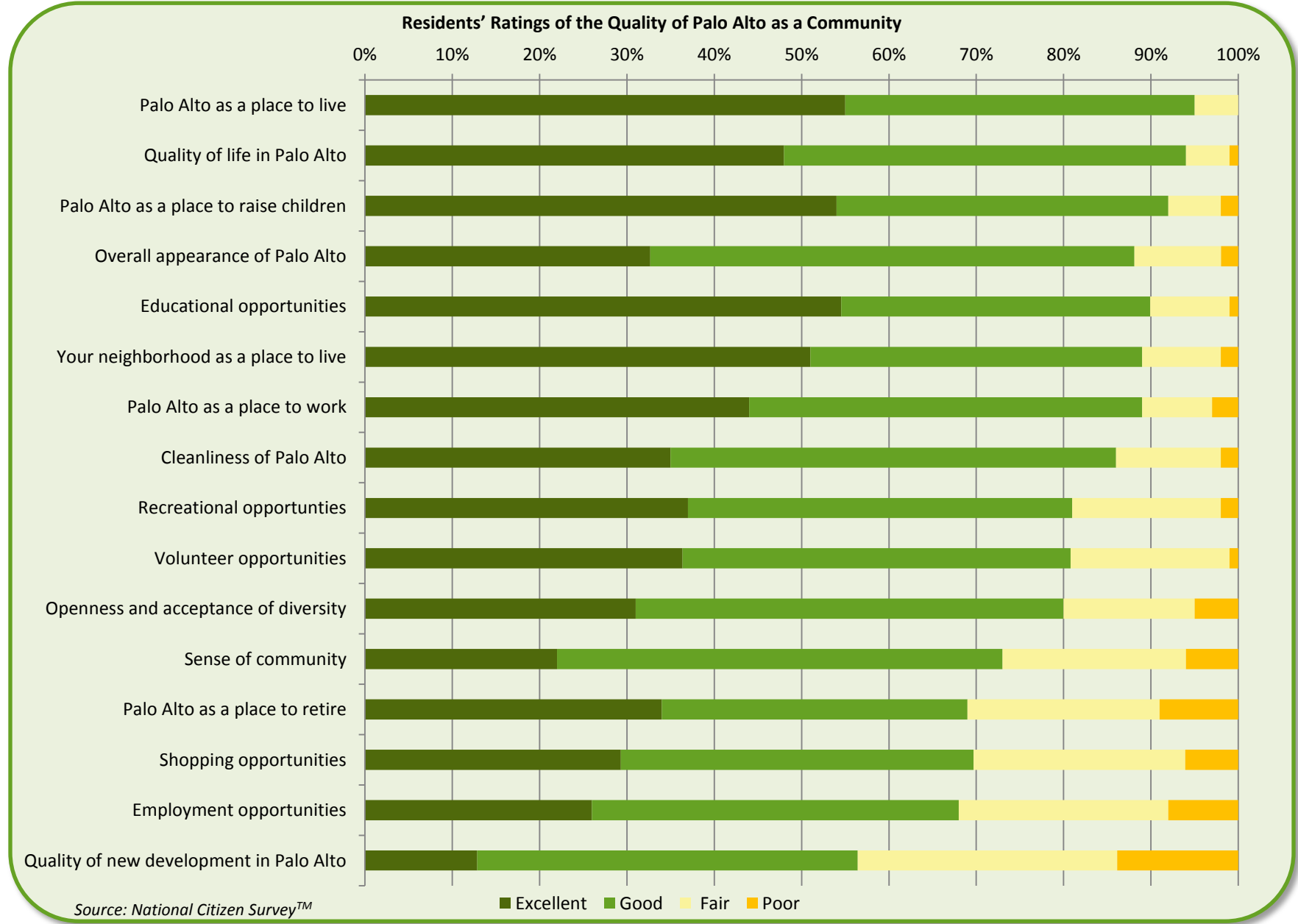


Where Residents Were One Year Prior to Survey



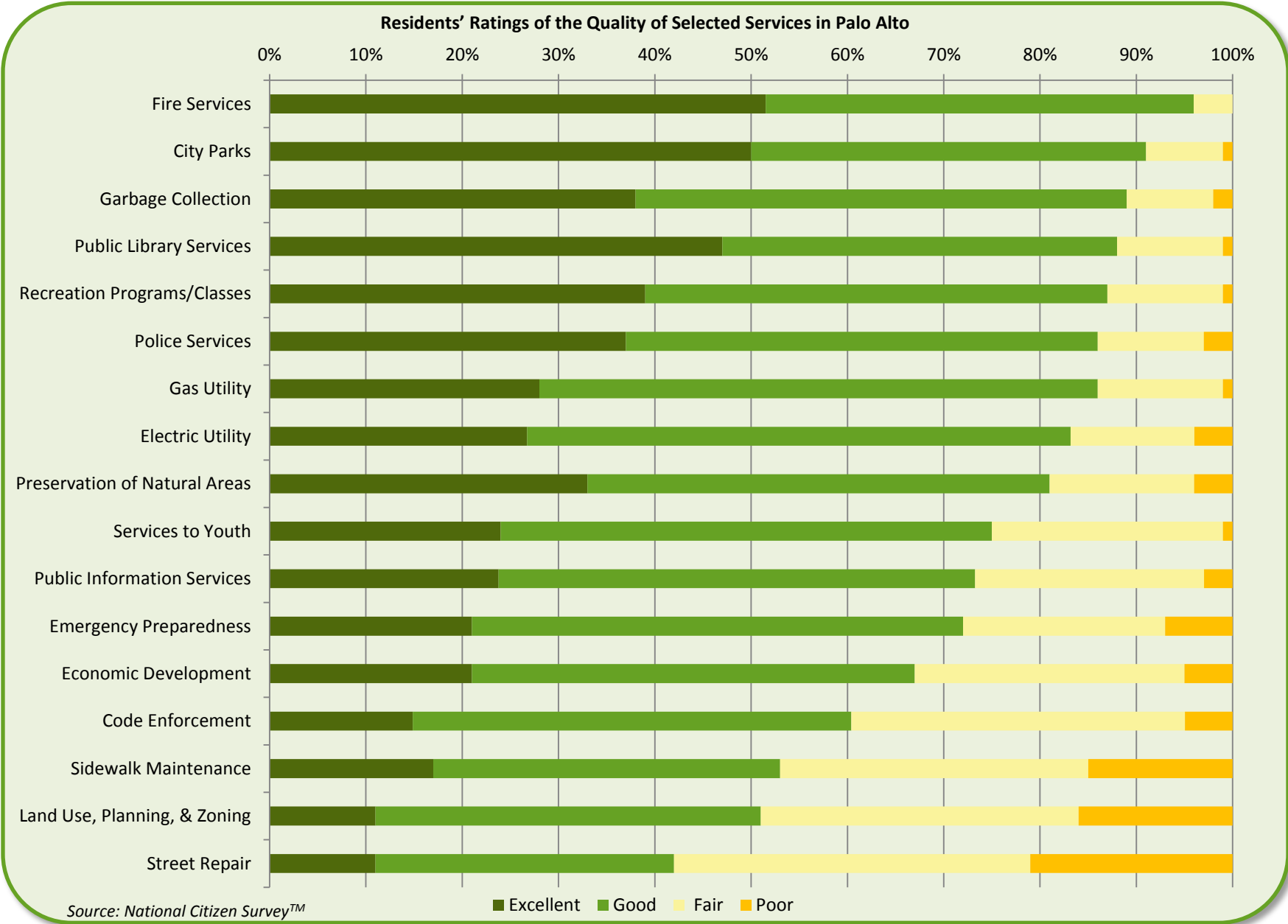
SENSE OF COMMUNITY

Residents continue to generally give favorable ratings to the quality of Palo Alto as a community. This assessment is based upon residents' responses to selected questions in the National Citizen Survey™. The chart below summarizes these responses.



QUALITY OF CITY SERVICES

Residents continue to generally give favorable ratings to the quality of services offered by the City of Palo Alto. This assessment is based upon residents' responses to selected questions in the National Citizen Survey™. The chart below summarizes these responses.



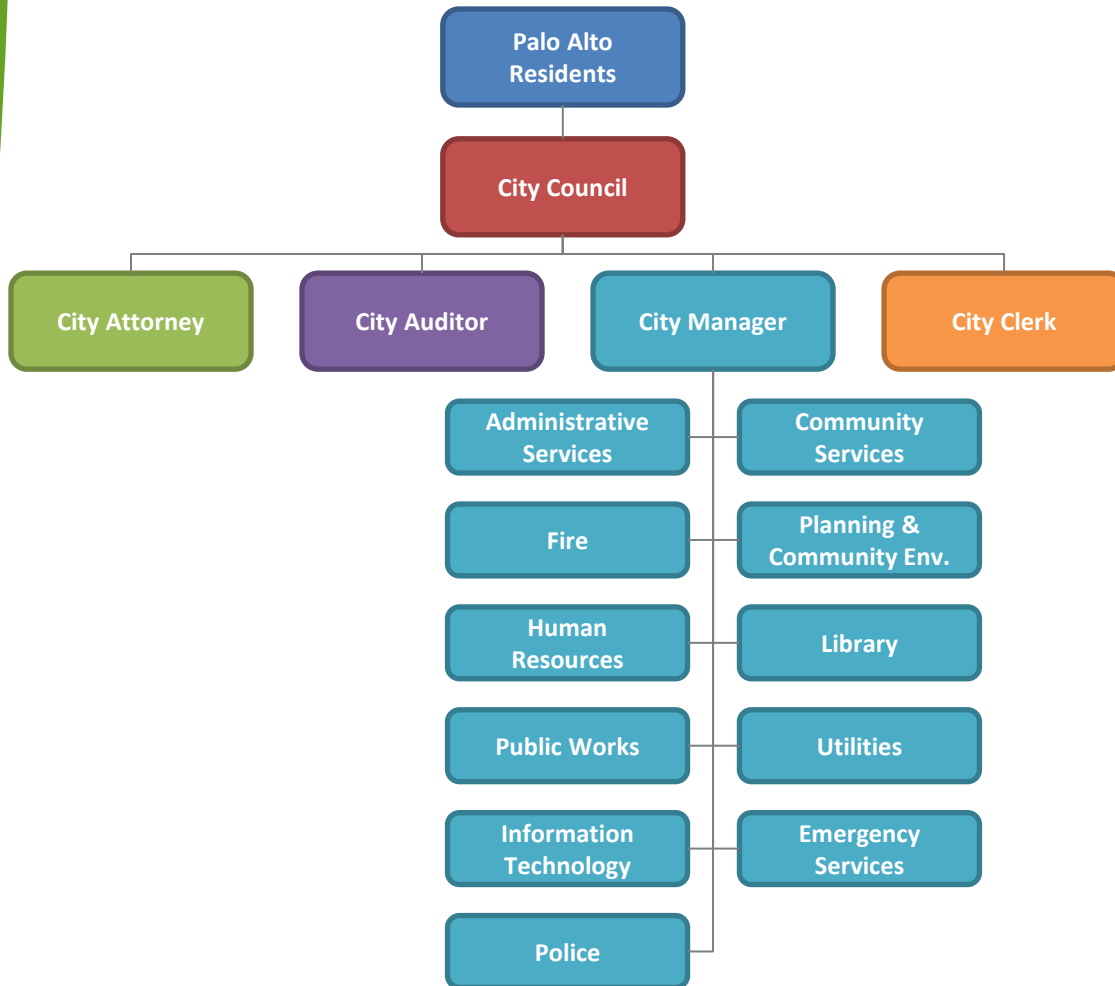
PALO ALTO CITY GOVERNMENT

Palo Alto residents elect nine members to the City Council. Council Members serve staggered four-year terms. The Council appoints a number of boards and commissions, and each January, the Council appoints a new Mayor and Vice-Mayor and adopts priorities for the calendar year. The City Council's top five priorities for 2012 are shown on the right:

City Council's Top 5 Priorities

City Finances	Land Use & Transportation	Emergency Preparedness
Environmental Sustainability		Community Collaboration for Youth Well-Being

Palo Alto is a charter city, operating under a council/manager form of government. The City Council appoints the City Manager, City Attorney, City Auditor, and City Clerk.



Did You Know?

Regular Council meetings are held on the first three Mondays of each month.

Meetings are cablecast live in most cases (and replayed) on Government Channel 26 or 29 and broadcast via KZSU Radio, 90.1 FM.

Video streaming of Council meetings may be accessed at http://www.midpenmedia.org/watch/pacc_w_ebcast/pacc_ondemand2.html.

You can see the Tentative Council Agenda in the Palo Alto Weekly on the Fridays preceding the City Council meetings. Agendas are also available on the City Webpage under Agendas/Minutes/Reports. Agendas are also posted in front of City Hall in King Plaza on the elevator walls closest to Bryant Street on Wednesday evenings.

SCOPE AND METHODOLOGY

The City Auditor's Office prepared this report in accordance with the City Auditor's FY 2013 Work Plan. The scope of our review covered information and results for the City's Departments for the fiscal year beginning July 1, 2011 and ending June 30, 2012 (FY 2012). We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The City Auditor's Office compiled and reviewed departmental data for reasonableness and consistency, based on our knowledge and information from comparable sources and prior years' reports. Our reviews are not intended to provide assurance on the accuracy of data provided by City Departments. Rather, we intend to provide reasonable assurance that the data present a picture of the efforts and accomplishments of the City Departments and programs. Prior year data may differ from previous Service Efforts and Accomplishments (SEA) reports in some instances due to corrections or changes reported by City Departments or other agencies.

When possible, we have included in the report a brief explanation of internal or external factors that may have affected the performance results. However, while the report may offer insights on service results, this insight is for informational purposes and does not thoroughly analyze the causes of negative or positive performance. Some results or performance changes can be explained simply. For others, more detailed analysis by City Departments or the City Auditor's Office may be necessary to explain the results. This report can help focus efforts on the most significant areas of interest or concern.

SERVICE EFFORTS AND ACCOMPLISHMENTS REPORTING

In 1994, the Governmental Accounting Standards Board (GASB) issued *Concepts Statement No. 2, Service Efforts and Accomplishments Reporting*. The statement broadly described "why external reporting of SEA measures is essential to assist users both in assessing accountability and in making informed decisions to improve the efficiency and effectiveness of governmental operations." According to the statement, the objective of SEA reporting is to provide more complete information about a governmental entity's performance than can be provided by the traditional financial statements and schedules, and to assist users in assessing the economy, efficiency, and effectiveness of services provided.

In 2003, GASB issued a special report on *Reporting Performance Information: Suggested Criteria for Effective Communication* that describes 16 criteria state and local governments can use when preparing external reports on performance information.¹ Using the GASB criteria, the Association of Government Accountants (AGA) initiated a Certificate of Achievement in Service Efforts and Accomplishments Reporting project in 2003, of which Palo Alto was a charter participant.

In 2008, GASB issued Concept Statement No. 5, which amended Concept Statement No. 2 to reflect changes since the original statement was issued in 1994. In 2010, GASB issued "Suggested Guidelines for Voluntary Reporting of Service Efforts and Accomplishments (SEA) Performance Information." The guidelines are intended to provide a common framework for the effective external communication of SEA performance information to assist users and governments.

Other organizations including the Government Finance Officers Association (GFOA) and the International City/County Management Association (ICMA) have long been advocates of performance measurement in the public sector. For example, the ICMA Performance Measurement Program provides local government benchmarking information for a variety of public services.

The City of Palo Alto has reported various performance indicators for a number of years. In particular, the City's budget document includes "benchmarking" measures which are developed by staff and reviewed by the City Council as part of the annual budget process. Benchmarks include input, output, efficiency, and effectiveness measures. This Performance Report includes selected targets as reported by the departments.

Footnote

¹A summary of the GASB special report on reporting performance information is online at www.seagov.org/sea_gasb_project/criteria_summary.pdf.

The AGA awarded Palo Alto their Gold Award for the FY 2011 SEA Report and their Certificate of Excellence in Citizen Centric Reporting for Palo Alto's Citizen Centric Report. Palo Alto has also been honored with AGA's Circle of Excellence Award in 2009 recognizing the City's continued excellence in SEA reporting. These awards are AGA's highest report distinctions making Palo Alto one of the top cities nationally for transparency and accountability in performance reporting.

SELECTION OF INDICATORS

We limited the number and scope of workload and performance measures in this report to items where information was available and meaningful in the context of the City's performance, and items we thought would be of general interest to the public. This report is not intended to be a complete set of performance measures for all users.

From the outset of this project, we decided to use existing data sources to the extent possible. We examined existing benchmarking measures from the City's adopted budget documents, we reviewed performance measures and other financial reports from other jurisdictions and other professional organizations, and we used audited information from the City's Comprehensive Annual Financial Report (CAFR).^{2,3} We cited departmental mission statements, goals, objectives, and performance targets that are generally taken from the City's annual operating budget where they are subject to public scrutiny and City Council approval as part of the annual budget process. We held numerous discussions with City staff to determine what information was available and reliable, and best summarized the services they provide.

Wherever possible we have included five years of historical data in addition to the current year's data. Generally speaking, it takes at least three data points to show a trend. Although Palo Alto's size precludes us from significantly disaggregating data (such as into many districts), where program data was available, we disaggregated the information. For example, we have disaggregated performance information about some services based on age of participant, location of service, or other relevant factors.

Consistency of information is important to us. However, we occasionally add or delete some information that was included in a previous report. Performance measures and survey information in the report are noted as **<NEW>** if they did not appear in the prior year SEA Report or **<REVISED>** if there was a significant change in the methodology used to calculate the measure. We will continue to use feedback from the residents of Palo Alto, City Council, and City Staff to ensure that the information we include in this report is meaningful and useful. We welcome your input. Please contact us with suggestions via email at city.auditor@cityofpaloalto.org.

THE NATIONAL CITIZEN SURVEY™

The National Citizen Survey™ is a collaborative effort between the National Research Center, Inc. (NRC), and the International City/County Management Association (ICMA).⁴ Respondents in each jurisdiction are selected at random. Participation is encouraged with multiple mailings and self-addressed, postage-paid envelopes. Results are statistically weighted to reflect the proper demographic composition of the entire community.

Surveys were mailed to a total of 1,200 Palo Alto households in August 2012. Completed surveys were received from 316 residents, for a response rate of 27 percent. Typical response rates obtained on citizen surveys range from 25 percent to 40 percent. It is customary to describe the precision of estimates made from surveys by a "level of confidence" and accompanying "confidence interval" (or margin of error). The confidence interval for this survey of 1,200 residents is no greater than plus or minus 5 percentage points around any given percent reported for the entire sample (316 completed surveys).

Footnotes

² The budget is online at www.cityofpaloalto.org/gov/depts/asd/budget.asp. The operating budget includes additional performance information.

³ The Comprehensive Annual Financial Report is available online at <http://www.cityofpaloalto.org/gov/depts/asd/reporting.asp>.

⁴ This report is available on the City Auditor's website.

The scale on which respondents are asked to record their opinions about service and community quality is “excellent,” “good,” “fair,” and “poor.” Unless stated otherwise, the survey data included in this report displays the responses only from respondents who had an opinion about a specific item – “don’t know” answers have been removed. This report contains comparisons of survey data from prior years. Differences from the prior year can be considered “statistically significant” if they are greater than 7 percentage points.

The NRC has collected citizen survey data from approximately 500 jurisdictions in the United States. Inter-jurisdictional comparisons are available when similar questions are asked in at least five other jurisdictions. When comparisons are available, results are noted as being “above,” “below,” and “similar” to the benchmark. In instances where ratings are considerably higher or lower than the benchmark, these ratings have been further demarcated by the attribute of “much,” (for example, “much above, much below, much less, and much more”). For questions related to resident behavior, circumstance or to a local problem, the comparison to the benchmark is designated as “more,” “similar” or “less.”

In 2006, the ICMA and NRC announced “Voice of the People” awards for surveys conducted in the prior year. To win a Voice of the People Award for Excellence, a jurisdiction’s National Citizen Survey™ rating for service quality must be one of the top three among all eligible jurisdictions and in the top 10 percent of all the jurisdictions in the NRC database of citizen surveys.

Since the beginning of the award program, Palo Alto has won: 2005 – 5 categories (Emergency medical, Fire, Garbage collection, Park, and Police services), 2006 – 4 categories (Emergency medical, Fire, Garbage collection, and Recreation services), 2007 – 5 categories (Emergency medical, Fire, Garbage collection, Park, and Recreation services), 2008 – 1 category (Garbage collection), 2009 – 1 category (Garbage collection).

POPULATION

For population figures, we used the most recent estimates of Palo Alto resident population from the California Department of Finance, as shown in the following table.⁵

We used population figures from sources other than the Department of Finance for some comparisons to other jurisdictions, but only in cases where comparative data was available only on that basis.

Some departments serve expanded service areas.⁶ For example, the Fire Department serves Palo Alto, Stanford, and unincorporated areas of Santa Clara County. The Regional Water Quality Control Plant serves Palo Alto, Mountain View, Los Altos, Los Altos Hills, Stanford, and East Palo Alto.

City of Palo Alto Population

Year	Population
FY 2007	61,385
FY 2008	62,173
FY 2009	63,496
FY 2010	64,352
FY 2011	64,853
FY 2012	65,544
Change from last year	+1.1%
Change from FY 2007	+6.8%

Source: California Department of Finance

Footnotes

⁵ The Department of Finance periodically revises prior year estimates. Where applicable we used their revised population estimates to recalculate certain indicators in this report.

⁶ Additional information about the City’s departments can be found at <<http://www.cityofpaloalto.org/depts/default.asp>>.

INFLATION

Financial data has not been adjusted for inflation. In order to account for inflation, readers should keep in mind that the San Francisco Area Consumer Price Index for All Urban Consumers increased by 2.6 percent from last year and increased by 11.0 percent from 2007, which affects the financial data that is included in this report. The index, from 2007 through 2012, can be seen in the table to the right.

ROUNDING AND PERCENT CHANGE

For readability, most numbers in this report are rounded. In some cases, tables or graphs may not add up to 100 percent or to the exact total because of rounding. In most cases, the calculated “percent change from last year (FY 2011) and from FY 2007” is based on the percentage change in the underlying numbers, not the rounded numbers, and reflects the percent change between the current fiscal year (FY 2012), the last fiscal year (FY 2011), and from five years ago (FY 2007). Where the data are expressed in percentages, the change is the difference between the percentages being compared.

COMPARISONS TO OTHER CITIES

Where possible, we included comparisons to nearby California cities. The choice of the cities that we use for our comparisons varies depending upon the availability of the data. Regardless of which cities are included, comparisons to other cities should be used carefully. We tried to include “apples to apples” comparisons, but differences in methodologies and program design may account for unexplained variances between cities. For example, the California State Controller’s Office gathers and publishes comparative financial information from all California cities. We used this information where possible, but noted that cities provide different levels of service and categorize expenditures in different ways.

ACKNOWLEDGEMENTS

This report could not have been prepared without the cooperation and assistance of City management and staff from every City department. We would like to thank each department for contributing to this report as well as the City Council and community members who reviewed last year’s report and provided thoughtful comments.

Consumer Price Index – All Urban Consumers

San Francisco – Oakland – San Jose, CA

Date	Index
June 2007	216.1
June 2008	225.2
June 2009	225.7
June 2010	228.1
June 2011	233.6
June 2012	239.8
Change from last year	+2.6%
Change from 2007	+11.0%

Source: Bureau of Labor Statistics

Chapter 1: Citywide Spending, Staffing, Resident Perceptions & Council Priorities

Mission: The government of the City of Palo Alto exists to promote and sustain a superior quality of life in Palo Alto. In partnership with our community, our goal is to deliver cost-effective services in a personal, responsive, and innovative manner.

Palo Alto uses various funds to track **Overall Spending** in the City. The General Fund tracks all general revenues and governmental functions including parks, fire, police, libraries, planning, public works, and support services. These services are supported by general City revenues and program fees. Enterprise funds are proprietary funds used to report an activity for which a fee is charged to external users for goods or services. For Palo Alto, these include: Water, Electric, Fiber Optics, Gas, Wastewater Collection, Wastewater Treatment, Refuse, Storm Drainage, and Airport.

Authorized Staffing is measured in full-time equivalent (FTE) which is a count of authorized salaried, hourly, and temporary positions within the City.

The City spends sizeable resources on **Capital Projects** which are projects with a minimum cost of \$50,000 that have a useful life of at least five to seven years, or extend the life or provide for a new functional use for an existing asset for at least five years.

In 2012, the City Council set five **Council Priorities** including: City Finances, Land Use and Transportation, Emergency Preparedness, Community Collaboration for Youth Well-Being, and Environmental Sustainability. The National Citizen Survey™ provides some insights into residents' perceptions in these areas.



What were the sources of FY 2012 General Fund revenues?
(Total = \$155.3 million)

<i>(in millions)</i>	FY 12 Actual	% of Total
Property Tax	\$26.5	17.1%
Charges for Services	\$24.4	15.7%
Sales Tax	\$22.1	14.2%
Operating Transfers-In	\$19.2	12.3%
Rental Income	\$14.3	9.2%
Charges to Other Funds	\$11.7	7.5%
Utility Users Tax	\$10.8	7.0%
Transient Occupancy Tax	\$9.7	6.2%
Permits & Licenses	\$7.1	4.6%
Documentary Transfer Tax	\$4.8	3.1%
Other Revenue	\$2.5	1.6%
Other Taxes & Fines	\$1.1	0.7%
Return on Investment	\$1.0	0.7%
From Other Agencies	\$0.8	0.1%

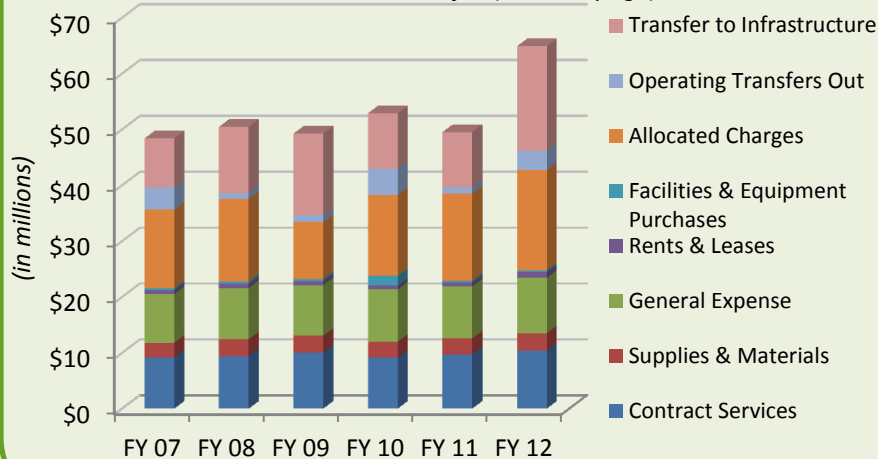
How were the FY 2012 General Fund dollars used?
(Total = \$162.1 million)

<i>(in millions)</i>	FY 12 Actual	% of Total
Salaries & Benefits	\$96.7	59.7%
Transfer to Infrastructure	\$18.6	11.5%
Allocated Charges	\$18.0	11.1%
Contract Services	\$10.4	6.4%
General Expense	\$9.9	6.1%
Operating Transfers Out	\$3.5	2.2%
Supplies & Materials	\$3.1	1.9%
Rents & Leases	\$1.0	0.6%
Debt Service	\$0.5	0.3%
Facilities & Equip. Purchases	\$0.3	0.2%

Net Deficit = \$(6.8) million

General Fund Spending by Category

excludes Salaries & Benefits (see next page)

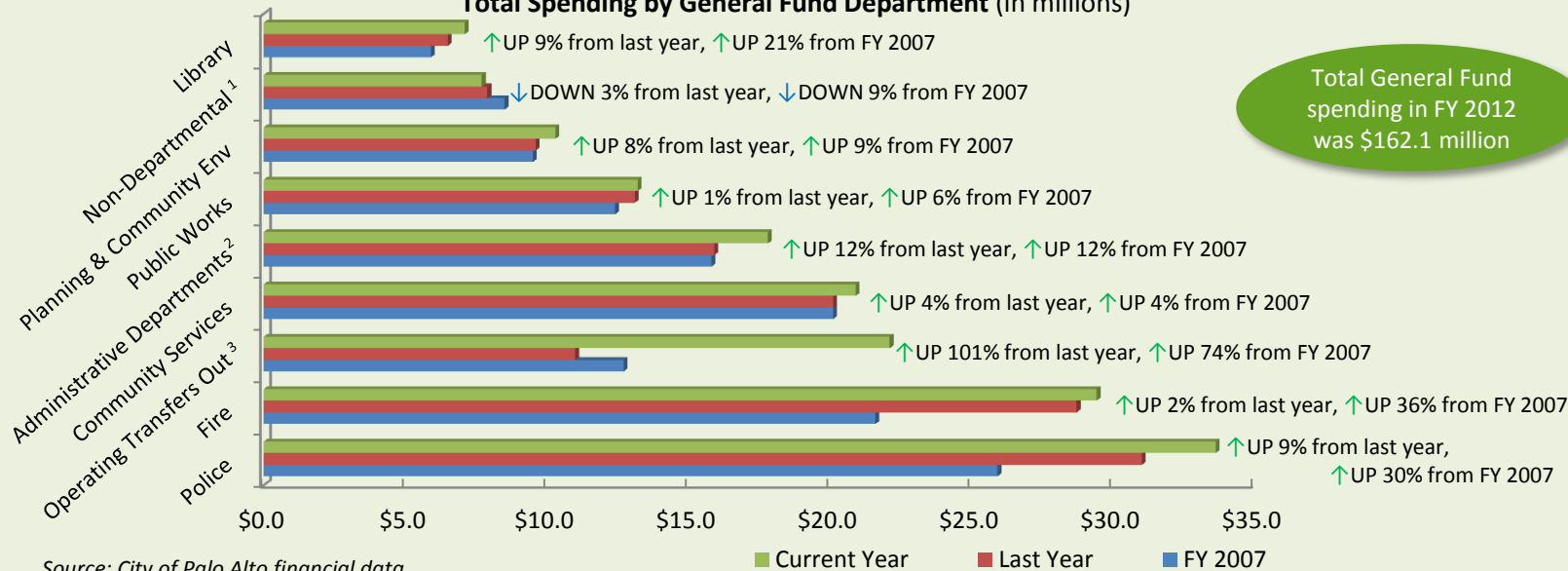


Source: City of Palo Alto financial data

In FY 2012, the City's General Fund expenditures and other uses of funds totaled \$162.1 million, a 13% increase from last year and a 22% increase from FY 2007. Inflation increased by 2.6% from last year and increased by 11.0% from FY 2007.

Important: Salaries and benefits were excluded from this chart to give the reader better visibility over other types of General Fund spending. Details on salaries and benefits spending can be found on the next page (Overall Staffing).

Total Spending by General Fund Department (in millions)



Total General Fund spending in FY 2012 was \$162.1 million

Source: City of Palo Alto financial data

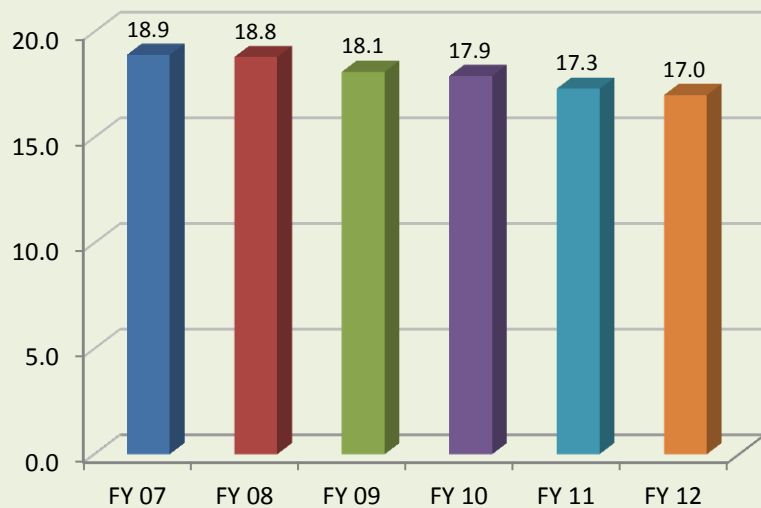
Footnotes

¹ Includes revenue and expenditure appropriations not related to a specific department or function, but typically benefit the City as a whole (e.g. Cubberley lease payments to PAUSD). May also include provision or placeholder for certain revenues and expenditures that are just an estimate at budget adoption time (e.g. salary and benefit concessions from bargaining units and possible increases in fee related revenues with the Council approval of Municipal Fee Schedule and Cost of Service study by a consultant. Can be one-time or ongoing depending on nature and frequency.

² Comprised of Strategic & Support Services (City Manager, City Attorney, City Clerk, City Auditor, Administrative Services Department, and Human Resources Department), as well as City Council.

³ Funds transferred to Capital Projects and Debt Service funds on an annual basis.

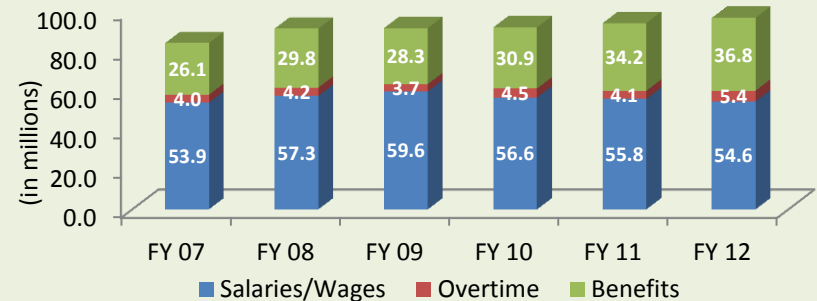
Authorized Staffing Per 1,000 Residents



Source: City of Palo Alto financial data

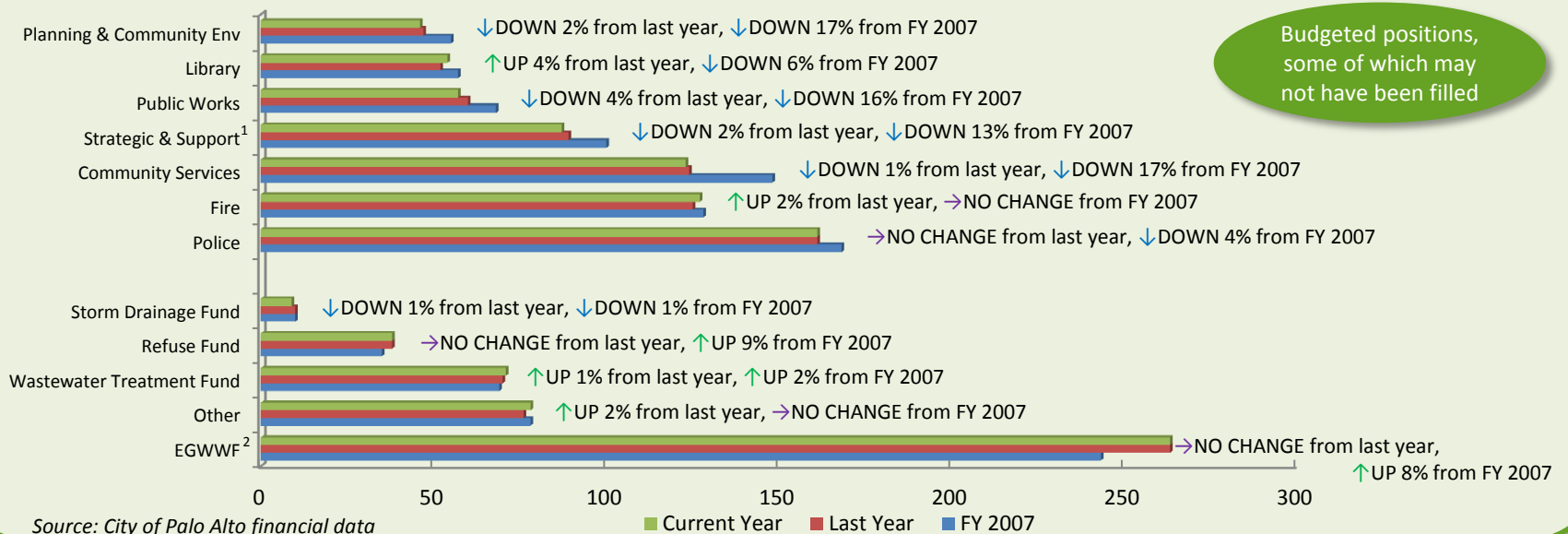
City staffing is measured in full-time equivalents (FTEs). In FY 2012, 1,114 FTE positions were authorized citywide, including 655 FTEs in General Fund departments and 459 FTEs in other funds. As of June 30, 2012, 141 positions were vacant.

Salaries/Wages, Overtime, and Benefits Spending



Source: City of Palo Alto financial data

Citywide Staffing by Department



Budgeted positions, some of which may not have been filled

Source: City of Palo Alto financial data

Footnotes

¹ Includes City Manager, City Attorney, City Clerk, City Auditor, Administrative Services Department, and Human Resources Department.
² Includes Electric Fund, Gas Fund, Water Fund, Wastewater Collection Fund, and Fiber Optics Fund.

The FY 2012 combined Capital Budget (General Fund, Enterprise Funds, and Internal Service Funds) is \$72.9 million. The five year Capital Improvement Program Plan for FY 2012-2016 was \$309.5 million. The FY 2012-16 Proposed CIP Plan was developed in coordination with all City departments responsible for capital projects.

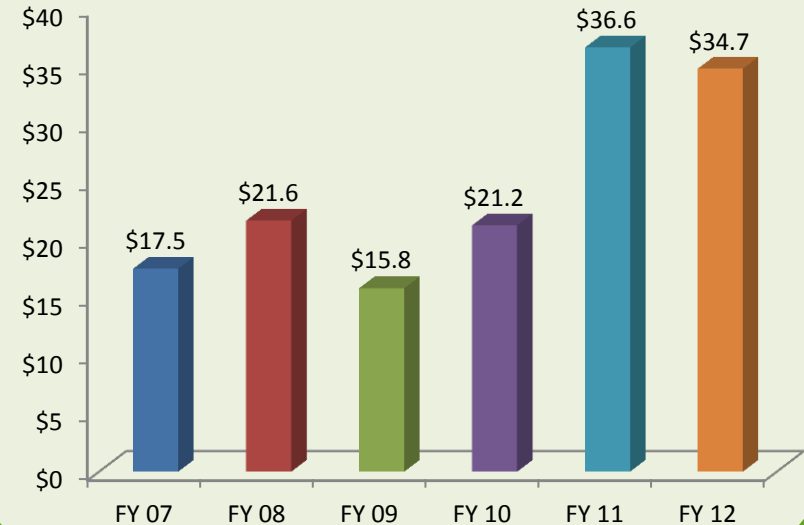
The Infrastructure Reserve was created in 1998 to accumulate funding to repair or renovate existing buildings and facilities, streets and sidewalks, parks and open space, and transportation systems.

The FY 2012 Capital Budget for the Enterprise Funds was \$34.4 million. The City continues to proactively repair and replace utility poles, electrical substations, gas and water mains, and the plant system as needed.

The Capital Budget for the Technology Fund (Internal Service Fund) was \$2.6 million. The Technology Fund is used for technology projects designed to enhance service.

Capital Outlay – Governmental Funds

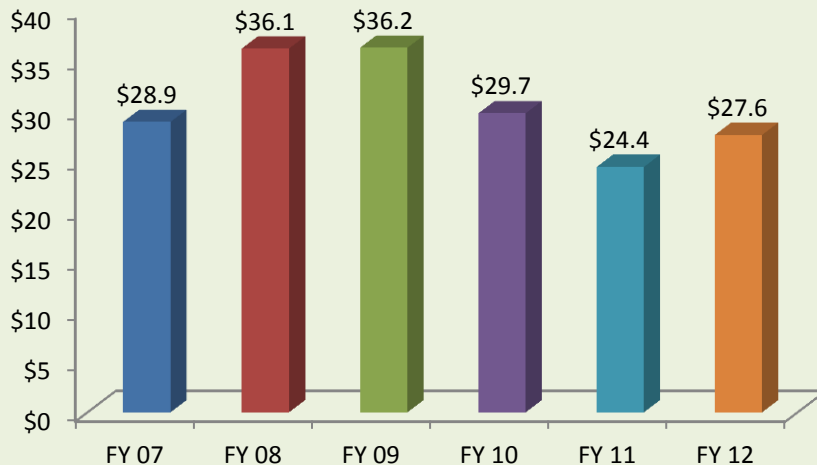
(in millions)



Source: Comprehensive Annual Financial Reports

Capital Expenses – Enterprise Funds

(in millions)



Source: Administrative Services Department

What Qualifies as a Capital Project?

- ✓ Must have a minimum cost of \$50,000 for each stand-alone unit or combined project

AND

- ✓ Must have a useful life of at least five to seven years (the purchase or project will still be functioning and not be obsolete at least five to seven years after implementation)

OR

- ✓ Must extend the life of an existing asset or provide a new functional use for an existing asset for at least five years.



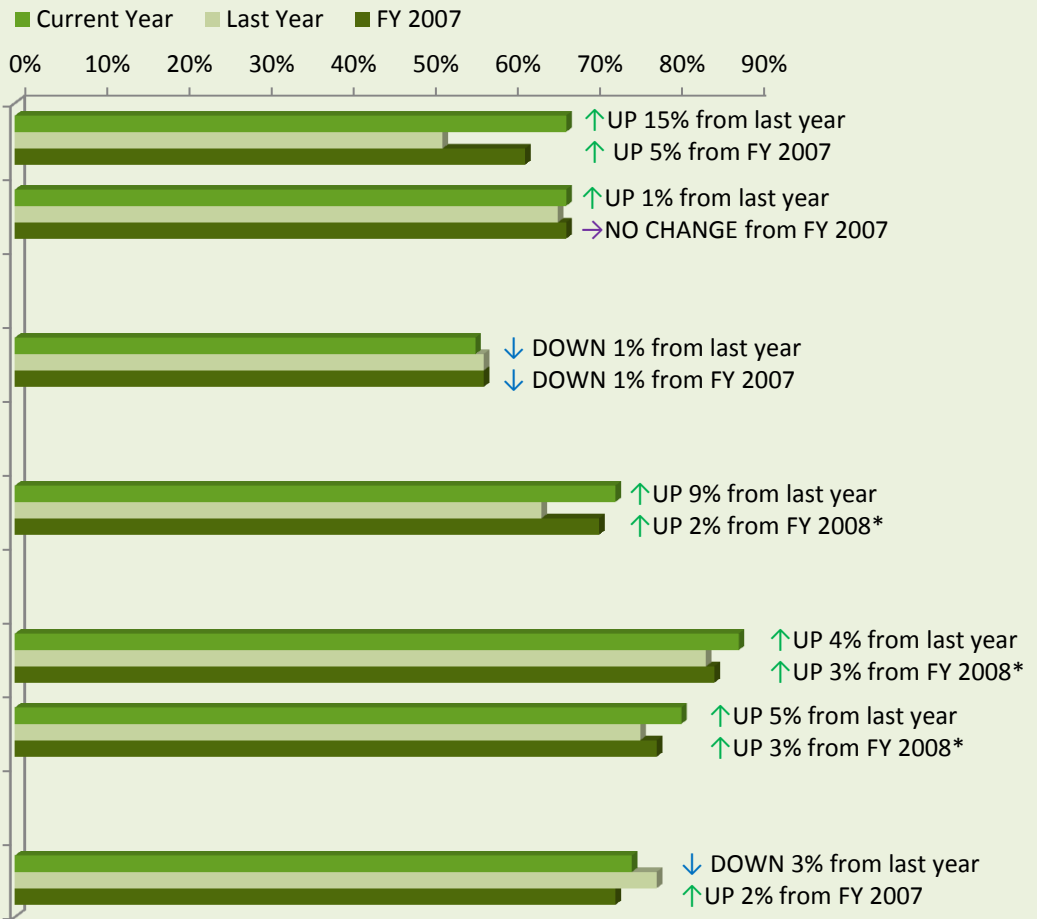
In 2012, the City Council outlined five interconnected priorities to address the most important challenges facing the City. The five Council Priorities are: City Finances, Land Use and Transportation, Emergency Preparedness, Community Collaboration for Youth Well-Being, and Environmental Sustainability.

How Do Residents Rate the City's Performance Related to the Council's Priorities?

The graph illustrates certain questions from the National Citizen Survey™ that most closely relate to each of the Council Priorities.

Resident Perceptions of the City's Performance Related to the Council Priorities

Percent Rating "Good" or "Excellent"



Source: National Citizen Survey™

*Question was not asked in the FY 2007 survey

OVERALL SPENDING

	General Fund Operating Expenditures and Other Uses of Funds (in millions)										Enterprise Funds
	Community Services	Fire ¹	Library	Planning and Community Environment	Police	Public Works	Administrative Departments ²	Non-Departmental ³	Operating Transfers Out ⁴	TOTAL	Operating Expenses
FY 07	\$20.1	\$21.6	\$5.9	\$9.5	\$25.9	\$12.4	\$15.8	\$8.5	\$12.7	\$132.4	\$190.3
FY 08	\$21.2	\$24.0	\$6.8	\$9.7	\$29.4	\$12.9	\$17.4	\$7.4	\$12.9	\$141.8	\$215.8
FY 09	\$21.1	\$23.4	\$6.2	\$9.9	\$28.2	\$12.9	\$16.4	\$6.8	\$15.8	\$140.8	\$229.0
FY 10	\$20.5	\$27.7	\$6.4	\$9.4	\$28.8	\$12.5	\$18.1	\$8.7	\$14.6	\$146.9	\$218.6
FY 11	\$20.1	\$28.7	\$6.5	\$9.6	\$31.0	\$13.1	\$15.9	\$7.9	\$11.0	\$143.7	\$214.0
FY 12	\$20.9	\$29.4	\$7.1	\$10.3	\$33.6	\$13.2	\$17.8	\$7.7	\$22.1	\$162.1	\$219.6
Change from:											
Last year	+4%	+2%	+9%	+8%	+9%	+1%	+12%	-3%	+101%	+13%	+3%
FY 07	+4%	+36%	+21%	+9%	+30%	+6%	+12%	-9%	+74%	+22%	+15%

PER CAPITA SPENDING

	General Fund Expenditures Per Capita										Enterprise Funds Operating Expenses Per Capita
	Community Services	Fire ^{1,5}	Library	Planning and Community Environment	Police	Public Works	Administrative Departments ²	Non-Departmental ³	Operating Transfers Out ⁴	TOTAL General Fund	Enterprise Funds Operating Expenses Per Capita
FY 07	\$328	\$287	\$95	\$155	\$422	\$203	\$257	\$138	\$208	\$2,092	\$3,100
FY 08	\$342	\$316	\$110	\$155	\$473	\$208	\$279	\$119	\$208	\$2,210	\$3,471
FY 09	\$333	\$303	\$98	\$156	\$445	\$203	\$258	\$108	\$249	\$2,152	\$3,607
FY 10	\$318	\$355	\$99	\$145	\$448	\$195	\$282	\$136	\$227	\$2,206	\$3,397
FY 11	\$309	\$365	\$100	\$147	\$478	\$202	\$244	\$122	\$170	\$2,138	\$3,300
FY 12	\$318	\$371	\$108	\$157	\$513	\$202	\$271	\$118	\$338	\$2,395	\$3,350
Change from:											
Last year	+3%	+2%	+8%	+7%	+7%	0%	+11%	-4%	+99%	+12%	+2%
FY 07	-3%	+29%	+13%	+2%	+22%	0%	+5%	-15%	+63%	+14%	+8%

Footnotes

¹ The City classified OES financial data under the Fire Department for budgeting purposes. The underlying data is also incorporated in the financial information reported for the Fire Department. OES is included as a separate chapter in this report.

² Comprised of Strategic & Support Services (City Manager, City Attorney, City Clerk, City Auditor, Administrative Services Department, and Human Resources Department), and City Council.

³ Includes revenue and expenditure appropriations not related to a specific department or function, but typically benefit the City as a whole (e.g. Cubberley lease payments to PAUSD). May also include provision or placeholder for certain revenues and expenditures that are just an estimate at budget adoption time (e.g. salary and benefit concessions from bargaining units and possible increases in fee related revenues with the Council approval of Municipal Fee Schedule and Cost of Service study by a consultant. Can be one-time or ongoing depending on nature and frequency.

⁴ Funds transferred to Capital Projects and Debt Service funds on an annual basis.

⁵ Adjusted for Fire Department's expanded service area (Palo Alto and Stanford).

AUTHORIZED STAFFING

	Authorized Staffing (FTE ¹) – General Fund								Authorized Staffing (FTE ¹) – Other Funds						
	CSD	Fire	Lib	PCE	Pol	PW	S&SS ²	Subtotal	RF	SDF	WWTF	EGWWF	Other ³	Subtotal	TOTAL
FY 07	148	128	57	55	168	68	100	725	35	10	69	243	78	435	1,160
FY 08	147	128	56	54	169	71	108	733	35	10	69	244	78	436	1,168
FY 09	146	128	57	54	170	71	102	727	35	10	70	235	74	423	1,150
FY 10	146	127	55	50	167	65	95	705	38	10	70	252	77	446	1,151
FY 11	124	125	52	47	161	60	89	657	38	10	70	263	76	457	1,114
FY 12	123	127	54	46	161	57	87	655	38	9	71	263	78	459	1,114
Change from:															
Last year	-1%	+2%	4%	-2%	0%	-4%	-2%	0%	0%	-1%	+1%	0%	+2%	0%	0%
FY 07	-17%	0%	-6%	-17%	-4%	-16%	-13%	-10%	+9%	-1%	+2%	+8%	0%	+5%	-4%

CSD – Community Services

Fire – Fire

Lib – Library

PCE – Planning & Community Environment

Pol – Police

PW – Public Works

S&SS – Strategic & Support Services

RF – Refuse Fund

SDF – Storm Drainage Fund

WWTF – Wastewater Treatment Fund

EGWWF – Electric, Gas, Water, Wastewater Collection, Fiber Optics

	Authorized Staffing (FTE) - Citywide				General Fund Employee Costs					
	Regular	Temporary	TOTAL	Per 1,000 residents	Salaries and wages ⁴ (in millions)	Overtime (in millions)	Employee benefits (in millions)	TOTAL	Employee benefits rate ⁵	Employee costs as a percent of total General Fund expenditures
FY 07	1,080	80	1,160	18.9	\$53.9	\$4.0	\$26.1	\$84.0	48%	63%
FY 08	1,077	91	1,168	18.8	\$57.3	\$4.2	\$29.8	\$91.3	52%	64%
FY 09	1,076	74	1,150	18.1	\$59.6	\$3.7	\$28.3	\$91.6	48%	65%
FY 10	1,055	95	1,151	17.9	\$56.6	\$4.5	\$30.9	\$92.1	55%	63%
FY 11	1,019	95	1,114	17.3	\$55.8	\$4.1	\$34.2	\$94.2	61%	66%
FY 12	1,017	98	1,114	17.0	\$54.6	\$5.4	\$36.8	\$96.7	67%	60%
Change from:										
Last year	0%	+3%	0%	-2%	-2%	+30%	+7%	+3%	+6%	-6%
FY 07	-6%	+22%	-4%	-10%	+1%	+33%	+41%	+15%	+19%	-3%

Footnotes

¹ Includes authorized temporary and hourly positions and allocated departmental administration.

² Includes City Manager, City Attorney, City Clerk, City Auditor, Administrative Services Department, and Human Resources Department.

³ Includes the Technology and other Internal Service Funds, Capital Projects Fund, and Special Revenue Funds.

⁴ Does not include overtime.

⁵ "Employee benefits rate" is General Fund employee benefits as a percent of General Fund salaries and wages, excluding overtime.

CAPITAL SPENDING

	Governmental Funds (in millions)				Enterprise Funds (in millions)		
	Infrastructure Reserves	Net general capital assets	Capital outlay	Depreciation	Net Enterprise Funds capital assets	Capital expenses	Depreciation
FY 07	\$15.8	\$335.7	\$17.5	\$11.0	\$383.8	\$28.9	\$12.7
FY 08	\$17.9	\$351.9	\$21.6	\$11.2	\$416.6	\$36.1	\$12.7
FY 09	\$7.0	\$364.3	\$15.8	\$9.6	\$426.1	\$36.2	\$13.6
FY 10	\$8.6	\$376.0	\$21.2	\$14.4	\$450.3	\$29.7	\$15.3
FY 11	\$3.2	\$393.4	\$36.6	\$14.4	\$465.7	\$24.4	\$15.9
FY 12	\$12.1	\$413.2	\$34.7	\$16.4	\$490.0	\$27.6	\$16.7
Change from:							
Last year	+277%	+5%	-5%	+14%	+5%	+13%	+5%
FY 07	-24%	+23%	+99%	+50%	+28%	-4%	+31%

CITY COUNCIL PRIORITIES

	National Citizen Survey						
	City Finances		Land Use & Transportation	Emergency Preparedness	Environmental Sustainability		Youth Well-being
	Percent rating economic development "good" or "excellent"	Percent rating value of services for the taxes paid "good" or "excellent"	Percent rating overall quality of new development in Palo Alto "good" or "excellent"	Percent Rating emergency services "good" or "excellent"	Percent rating quality of overall natural environment "good" or "excellent"	Percent rating preservation of natural areas "good" or "excellent"	Percent rating services to youth "good" or "excellent"
FY 07	62%	67%	57%	-	-	-	73%
FY 08	63%	64%	57%	71%	85%	78%	73%
FY 09	54%	58%	55%	62%	84%	82%	75%
FY 10	49%	62%	53%	59%	84%	78%	70%
FY 11	52%	66%	57%	64%	84%	76%	78%
FY 12	67%	67%	56%	73%	88%	81%	75%
Change from:							
Last year	+15%	+1%	-1%	+9%	+4%	+5%	-3%
FY 07	+5%	0%	-1%	-	-	-	+2%

Chapter 2: Community Services Department

Mission: To engage individuals and families in creating a strong and healthy community through parks, recreation, social services, arts, and sciences

The **Recreation Services Division** provides a diverse range of programs and activities for the community establishing a culture of fitness and healthy living for families and individuals of all ages. Programs include childhood learning, youth development, and adult recreation.

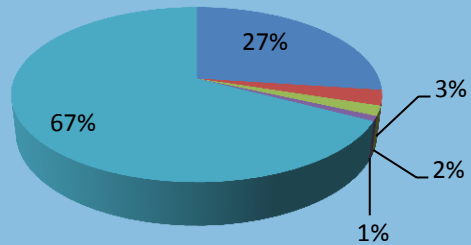
The **Open Space, Parks and Golf Division** maintains and operates more than 4,000 acres of open space and urban parkland. The division offers programs in ecology and natural history in open space, maintenance of facilities for outdoor recreational use in city parks, and a full service golf complex.

The **Office of Human Services** provides assistance to people in need by funding and coordinating grants to non-profit organizations while also referring those in need to services throughout the county. Human Services manages Project Safety Net, a community collaboration focusing on suicide prevention and youth well-being.

The **Arts and Sciences Division** provides visual and performing arts, music, dance, and science programs to youth and adults, with a focus on family programs. The division manages the Art Center, Children’s Theatre, Community Theatre, Junior Museum and Zoo, and Art in Public Places.

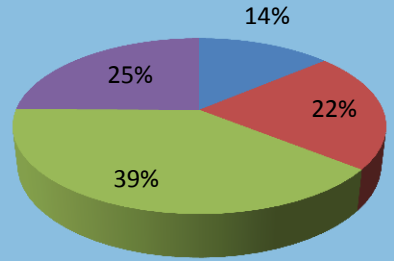


What are the sources of CSD funding?
(Total = \$20.9 million)



- Service Fees (27%)
- Rentals and Leases (3%)
- State and Local Revenues (2%)
- Other External Revenues (1%)
- Other General Fund Revenues (67%)

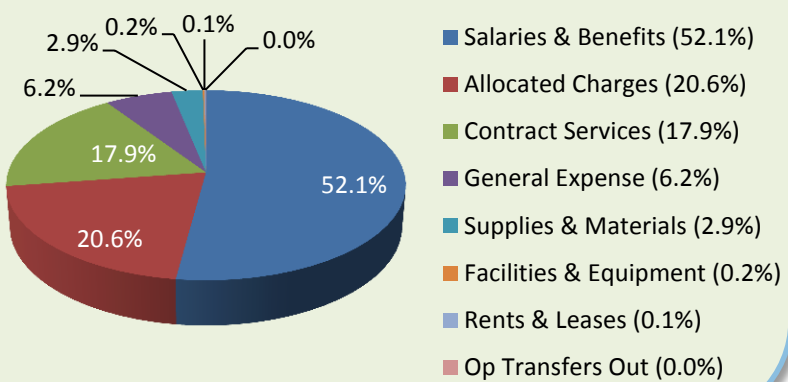
How are CSD dollars used?
(Total = \$20.9 million)



- Administration & Human Services (14%)
- Arts and Sciences (22%)
- Open Space, Parks, & Golf (39%)
- Recreation & Cubberley (25%)

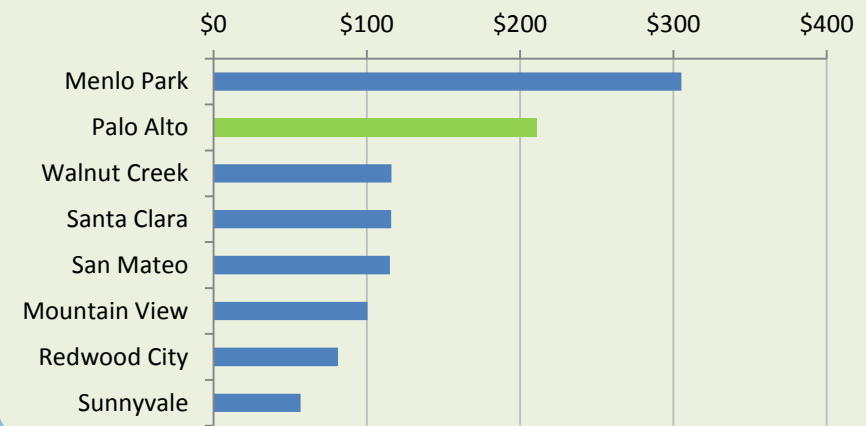
YOUR MONEY AT WORK

Expenditures by Category



Source: City of Palo Alto financial data

**Comparison for Parks and Recreation
Operating Expenditures Per Capita in FY 2011¹**

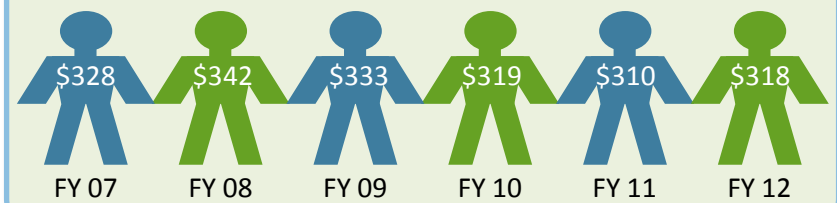


Source: California State Controller, Cities Annual Report FY 2011

Did you know?

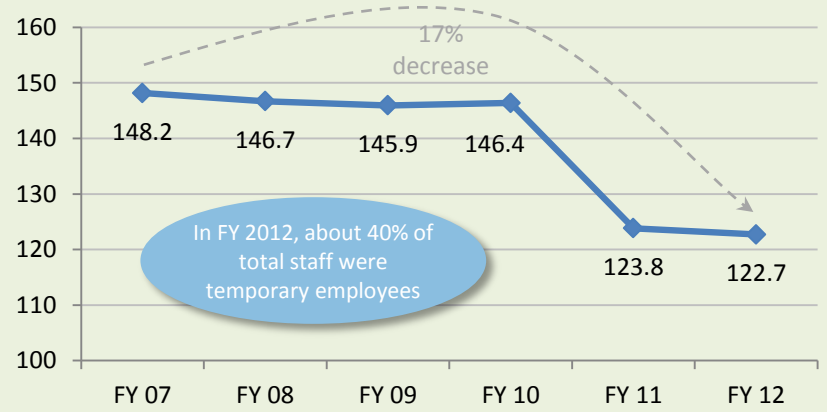
The Office of Human Services manages the Human Services Resource Allocation Program (HSRAP), distributing \$1.1 million annually in grants to community non-profit service providers and reaching approximately 3,000 low-income individuals. The Office also provides information on a variety of resources related to child care, physical and mental health care, basic needs, and disability needs, among others.

CSD Per Capita Spending²



Source: City of Palo Alto financial data

Total # of Full Time Equivalents (FTEs)²



Source: City of Palo Alto financial data

Footnotes

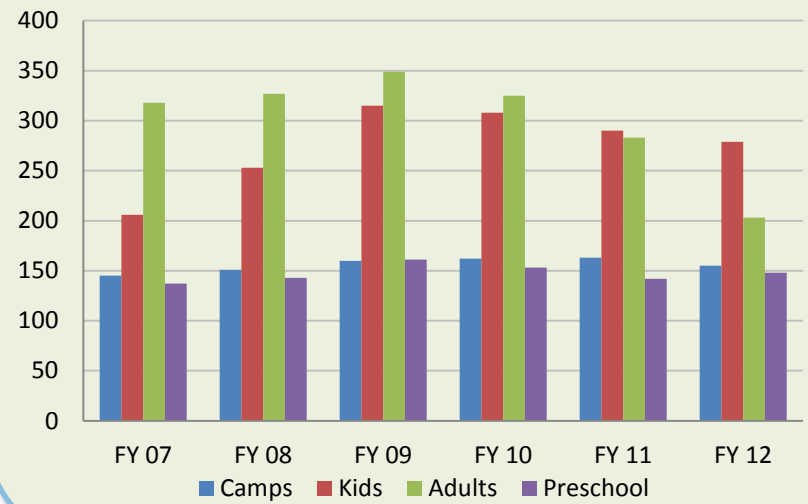
¹ Each jurisdiction offers different levels of service and may account for those services differently.
² The Department attributes the decrease since FY 2009 to the elimination of one staff member in the Family Resources program budget and the elimination of seven positions in Golf operations resulting from the outsourcing of golf course maintenance services.

DEPARTMENT GOALS

- Provide high-quality, relevant, and diverse services for the public
- Ensure parks and recreational areas are safe and environmentally sensitive
- Provide innovative, well-managed programs and services

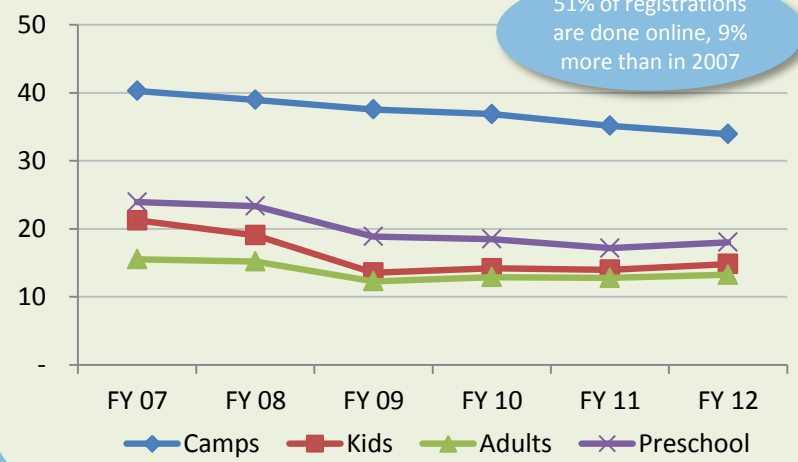
The Department offers classes to the public on a variety of topics including recreation and sports, arts and culture, and nature and the outdoors. Classes for children include aquatics, sports, digital art, animation, music, and dance. Other classes are targeted specifically for adults, senior citizens, and preschool children.

Total Enrollment in Classes/Camps



Source: Community Services Department

Average Enrollment Per Class/Camp Offered



51% of registrations are done online, 9% more than in 2007

Source: Community Services Department

The Department attributes the decrease in enrollment to increased competition from private camp providers and reduced household spending on adult classes.

Did you know?

The City has an extensive collection of public art managed by the Department valued at \$1.4 million including:

- 37 permanently sited sculptures
 - 34 murals
 - 15 portable sculptures
 - 304 paintings, textiles, photographs and works on paper
- 10 artwork projects were completed or in progress in FY 2012.

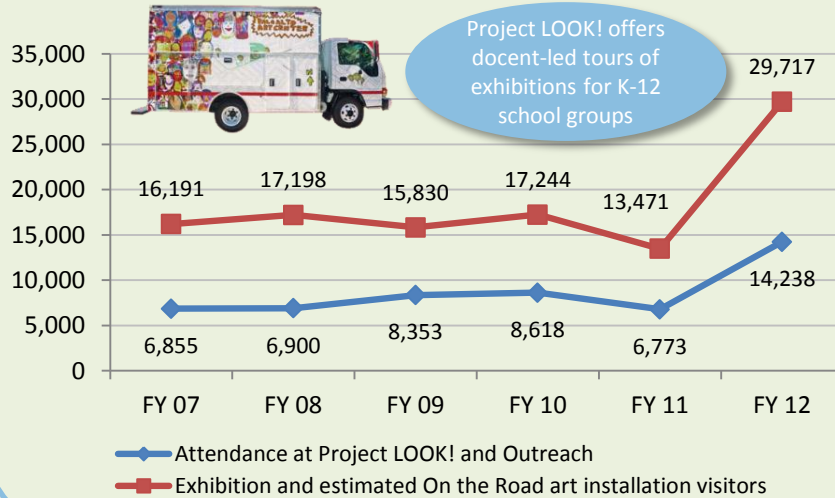
Footnote

¹Data shown is in format available from Community Services registration system. Types of classes offered include arts, sports, nature and outdoors, and recreation.

KEY DIVISION OBJECTIVES

- Achieve a high level of customer satisfaction for all programs and services offered by the department
- Ensure programs are responsive to a broad range of needs within the community

Art Center Exhibition Visitors and Project LOOK!, and Outreach Attendance

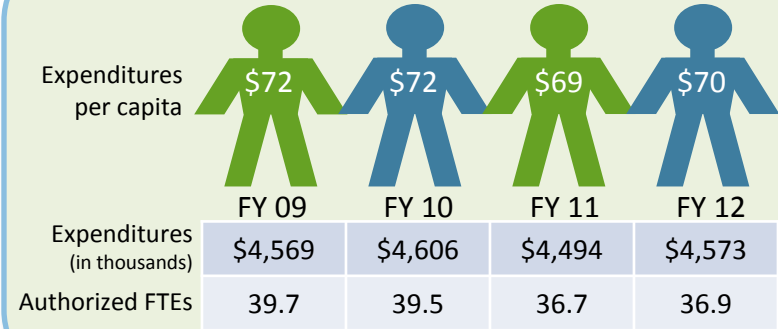


Source: Community Services Department

According to the Department, significant increases in FY 2012 are due to "On the Road" installations and Project LOOK! outreach programs. During the facility's closure from May 2011 through October 2012 for renovations, the Art Center staff launched the "On the Road" initiative offering exhibits, classes, and events throughout the City. In addition, through funding from the Palo Alto Art Center Foundation and grants, an Art Truck was acquired to provide community members "see and make" art activities at local schools, parks, and events.

Arts & Sciences

Arts & Sciences Spending

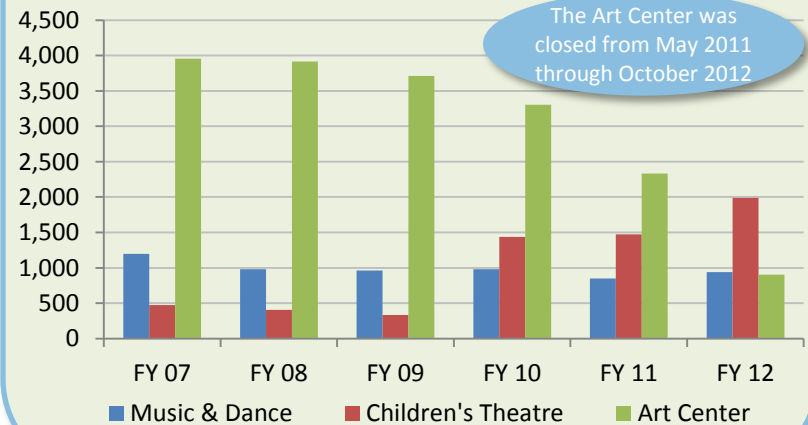


Source: City of Palo Alto financial data

Enrollment in the Children's Theatre classes has increased by 321% since FY 2007, which the department attributes to offering year round arts-based education and a program to teach theater classes in Palo Alto Unified School District (PAUSD) schools.

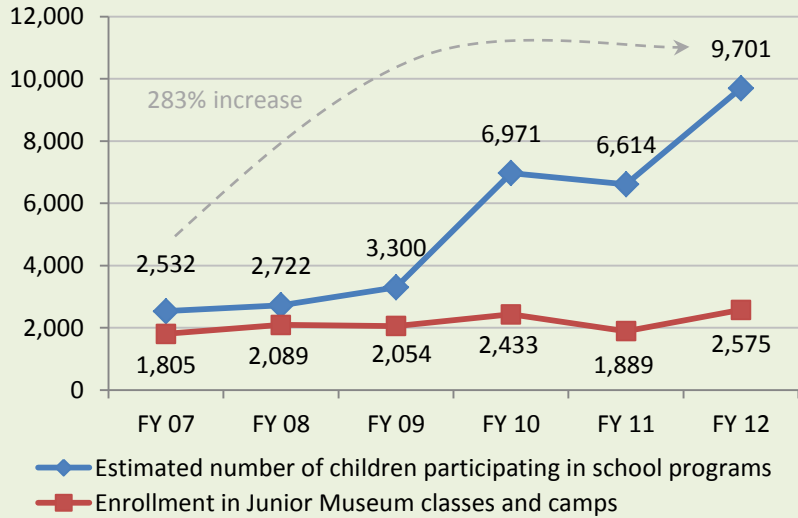


Enrollment in Art Classes, Camps, and Workshops



Source: Community Services Department

Enrollment in Science Programs at the Junior Museum and Elementary Schools



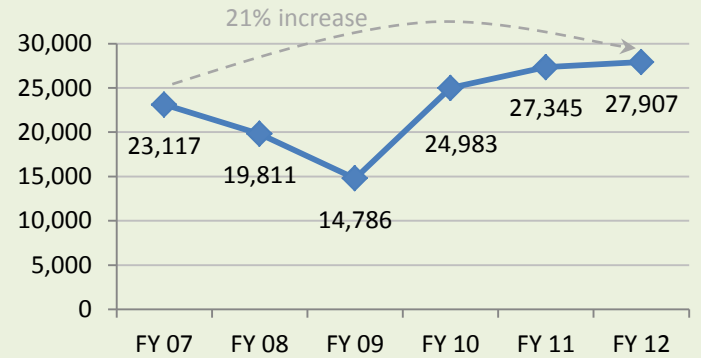
Source: Community Services Department

The Department attributes the increase in school program participants to additional school contracts funded by Partners In Education (PIE) and Friends of the Palo Alto Junior Museum and Zoo. During FY 2012, the Department offered hands-on science classes at seven public elementary schools in Palo Alto and one elementary school in East Menlo Park.



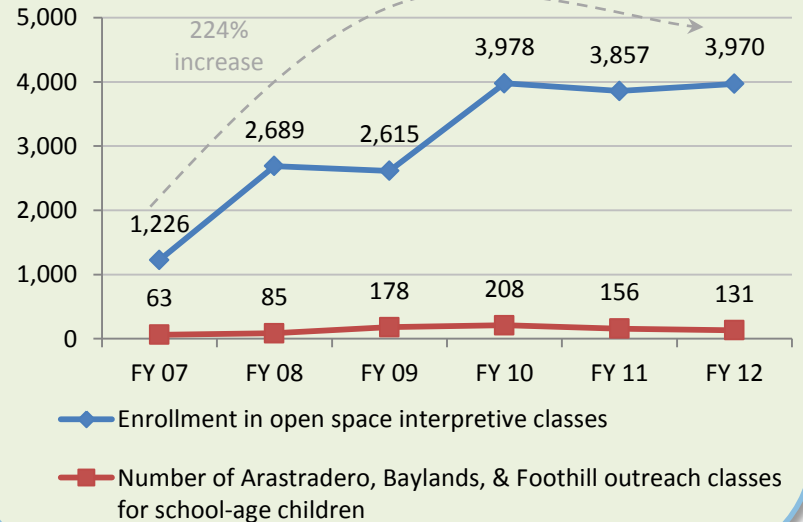
The Department attributes the increase in classes and enrollment to school programs provided in the Baylands Nature Center and Foothills Park. The Junior Museum and Zoo began operation of these programs four years ago, and has since increased marketing to boost the number of schools utilizing this service.

Children's Theatre Attendance at Performances



Source: Community Services Department

Junior Museum & Zoo Science Interpretation Outreach Classes and Enrollment in Open Space Classes

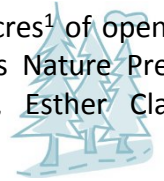


Source: Community Services Department

KEY DIVISION OBJECTIVES

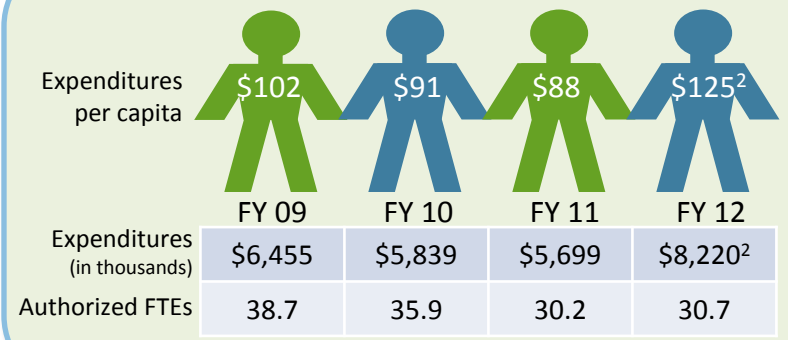
- Maintain grounds in good condition and facilities in good repair
- Protect public land and utilize best management practices for environmental preservation
- Increase and diversify community involvement and volunteerism

Palo Alto has 4,029 acres¹ of open space that it maintains, consisting of Baylands Nature Preserve (including Byxbee Park), Foothills Park, Esther Clark Park, and Pearson-Arastradero Preserve.



Open Space, Parks, and Golf

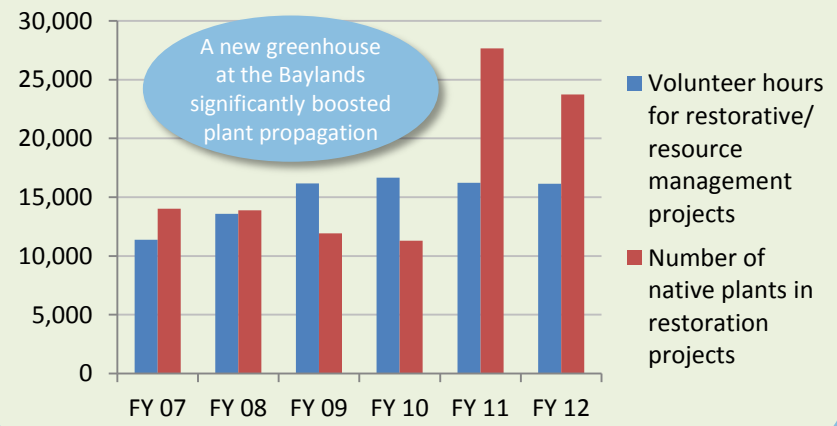
Open Space, Parks, and Golf Spending



Source: City of Palo Alto financial data

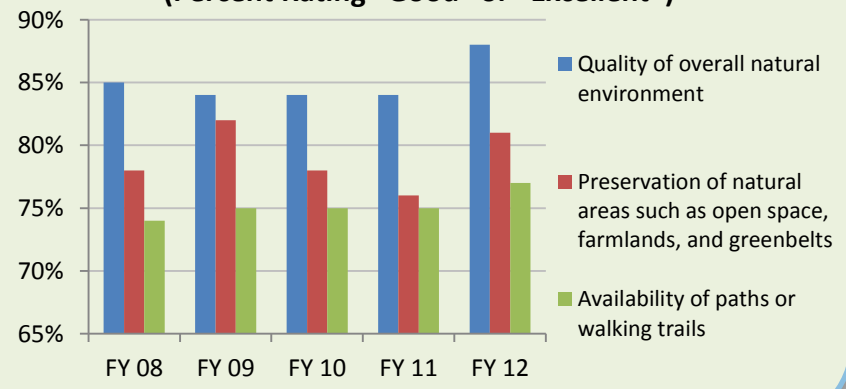
Compared to other surveyed jurisdictions, Palo Alto ranks in the 94th percentile for open space preservation (14th nationally) and in the 83rd percentile for the quality of the overall natural environment.

Restoration Projects Volunteer Hours and Number of Native Plants



Source: Community Services Department

Citizen Survey: Open Space (Percent Rating "Good" or "Excellent")



Source: National Citizen Survey™

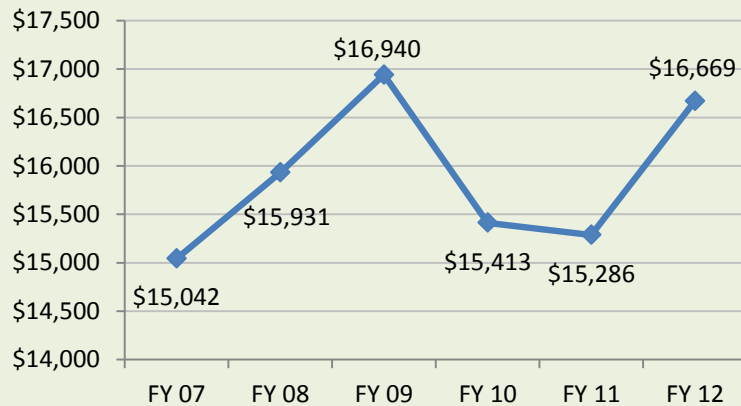
Footnotes

¹ Does not include 273 acres of developed parks and land maintained by Parks and Golf. Does not include 2,200 acres of Montebello Open Space Preserve and 200 acres of Los Trancos Open Space Preserve that are operated by the Midpeninsula Regional Open Space District.
² The Department attributes the increase in operating expenditures to the reorganization, transferring Golf from the Recreation and Golf Division to this new division, and to the increase in water rates charged to the division.

The division maintains approximately 273 acres of developed parks and land. In FY 2012, maintenance expenditures totaled about \$4.5 million. Approximately 23% (\$811,510) of the parks and landscape maintenance was contracted out in FY 2012.

Parks/Land Maintained	# Acres
Urban/neighborhood parks	157
City facilities	31
School athletic fields	43
Utility sites	11
Median strips	26
Business districts and parking lots	5
TOTAL	273

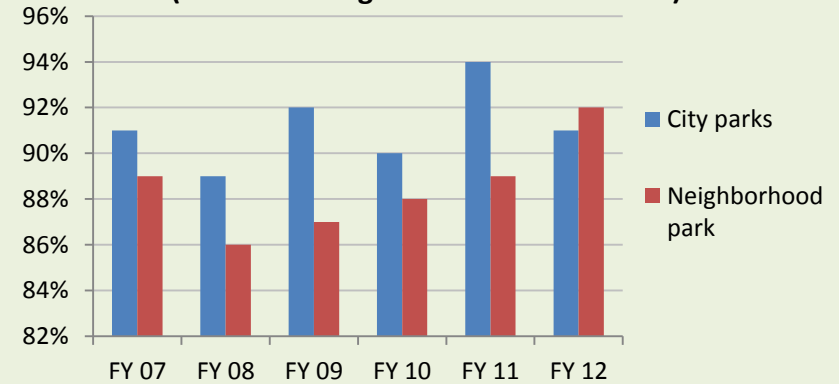
Maintenance Cost per Acre of Developed Parks/Land



Source: Community Services Department

95% of survey respondents reported they visited a neighborhood park or City park in the last 12 months, ranking Palo Alto in the 97th percentile compared to other surveyed jurisdictions (9th nationally).

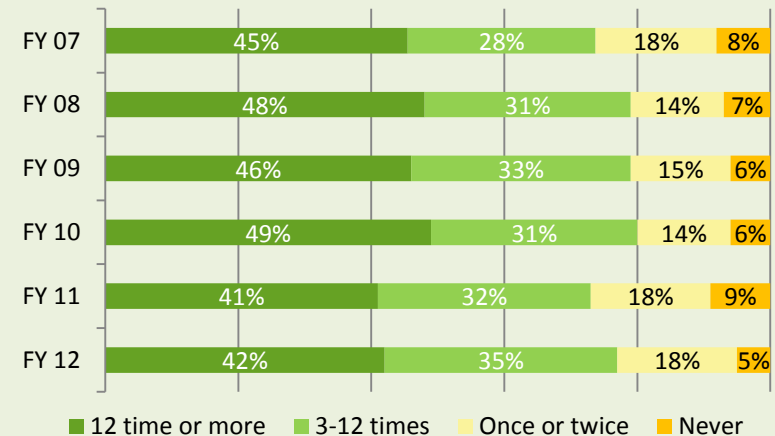
Citizen Survey: Parks
(Percent Rating "Good" or "Excellent")



Source: National Citizen Survey™

Compared to other surveyed jurisdictions, Palo Alto ranks in the 89th percentile for quality of City parks.

Citizen Survey: Visited a Neighborhood Park or City Park

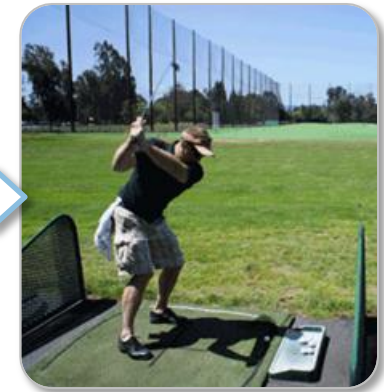


Source: National Citizen Survey™

Did you know?

The Department sought public input for renovations to the Golf Course and development of the Rinconada Park Master Plan. The Department is in the process of refining the two plans in collaboration with other City departments through community meetings, the Parks & Recreation Commission (an advisory committee), and City Council.

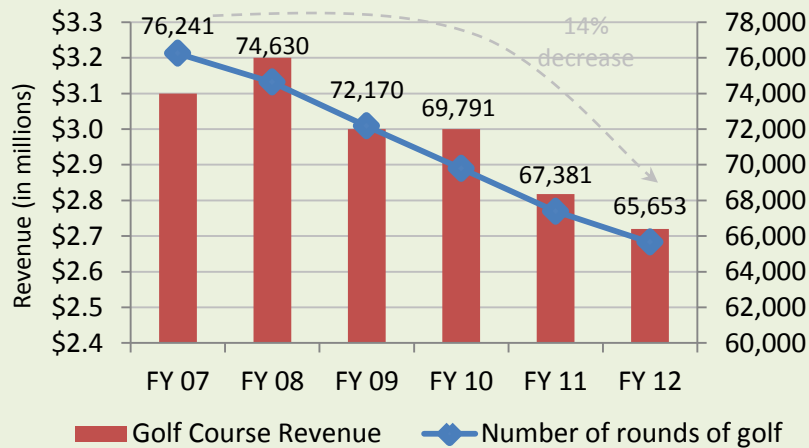
Opened in 1956, the **Palo Alto Municipal Golf Course** consists of a 18-hole championship length course, lighted driving range, full service restaurant and bar, pro shop, practice putting green area and bunker, and golf carts. The Department contracts with outside providers to operate the pro shop, driving range, and restaurant.



According to the Department, the decrease in the number of rounds of golf mirrors a general decline in golf play throughout the United States in the past several years. A pending flood control project has also contributed to the decrease by impacting golf course tournament bookings.

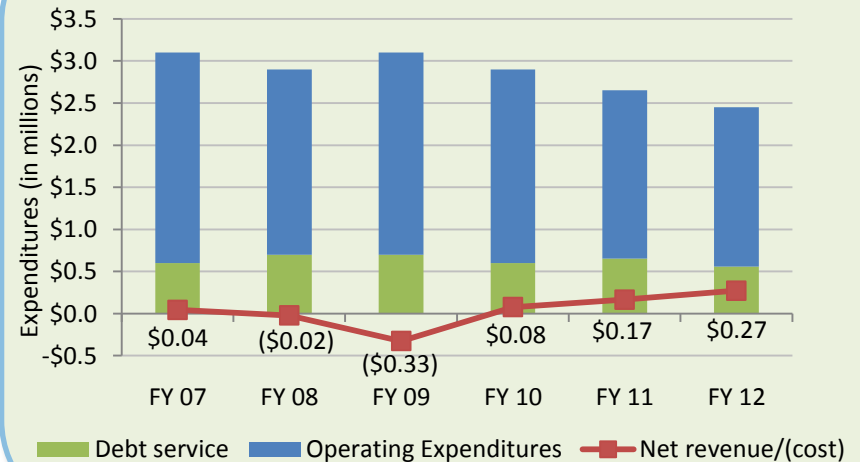
Golf course operating expenditures have decreased by 24% since FY 2007 and the golf course has reported minimal net revenue for the last three years. The Department attributes the decrease in expenditures to the outsourcing of golf course maintenance in FY 2010.

Golf Course Revenue and Number of Rounds of Golf



Source: Community Services Department

Golf Course Expenditures and Net Revenue/(Cost)



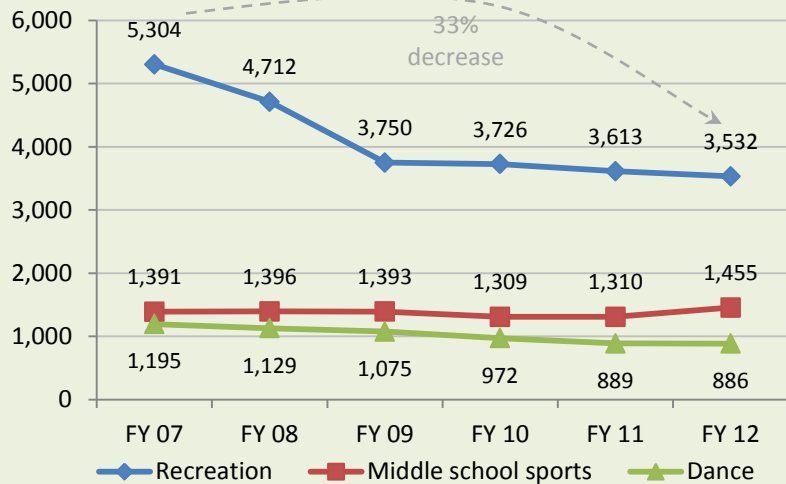
Source: Community Services Department

KEY DIVISION OBJECTIVES

- Achieve a high level of customer satisfaction for all programs and services offered by the department
- Increase public awareness of - and participation in - recreational services
- Ensure programs are responsive to a broad range of needs within the community

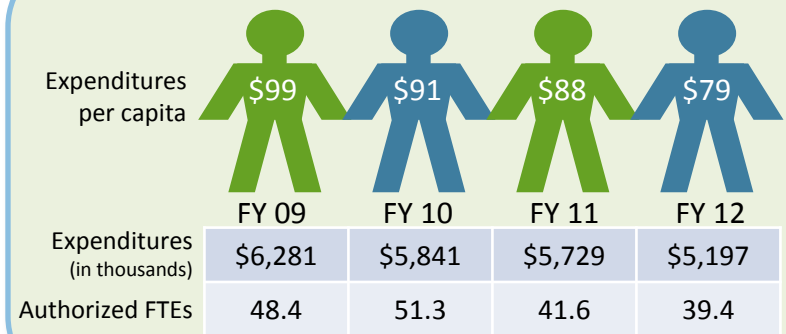
According to the Department, enrollment in recreation classes decreased due to the temporary closure of the Mitchell Park Community Center for construction of a new building, increased fees, and an increased supply of recreation services by other organizations. The increase in middle school sports is due to increasing parent and student demand for afterschool sports.

Enrollment in Major Recreation Classes



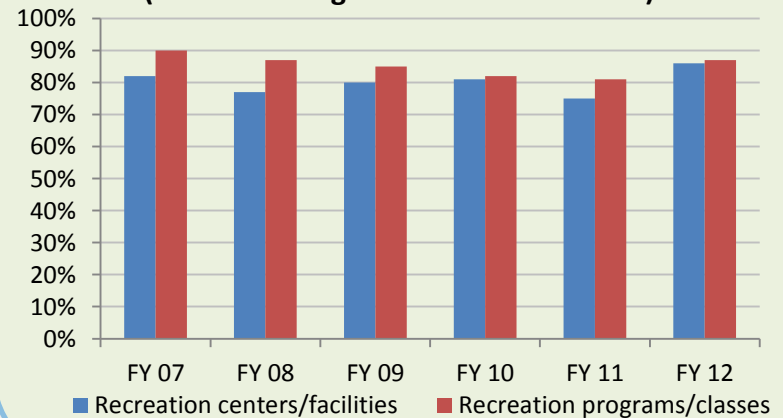
Source: Community Services Department

Recreation & Cubberley Spending



Source: City of Palo Alto financial data

Citizen Survey: Recreation Services (Percent Rating "Good" or "Excellent")

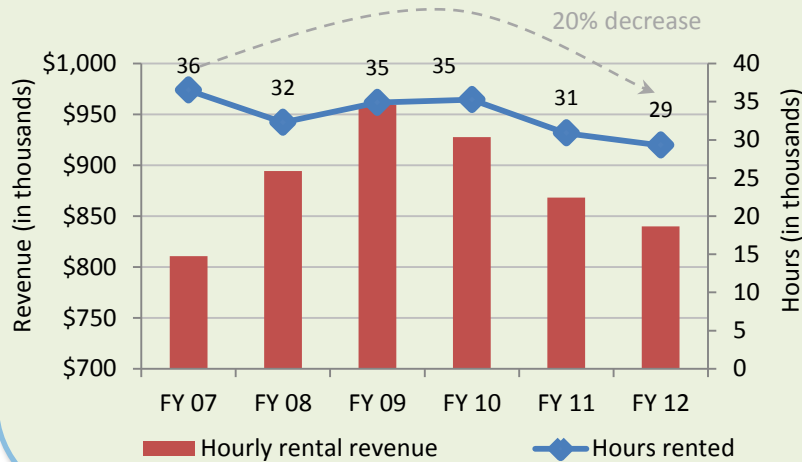


Source: National Citizen Survey™

Compared to other surveyed jurisdictions, Palo Alto ranks in the 95th percentile for its recreational programs and classes (16th nationally) and in the 86th percentile for recreation centers and facilities.



Cubberley Rental Revenue and Hours Rented



Source: Community Services Department

The Department attributes the decrease to a conversion of the center's auditorium in FY 2010 to house the temporary Mitchell Park Library. The new library is anticipated to open in Spring of 2013.

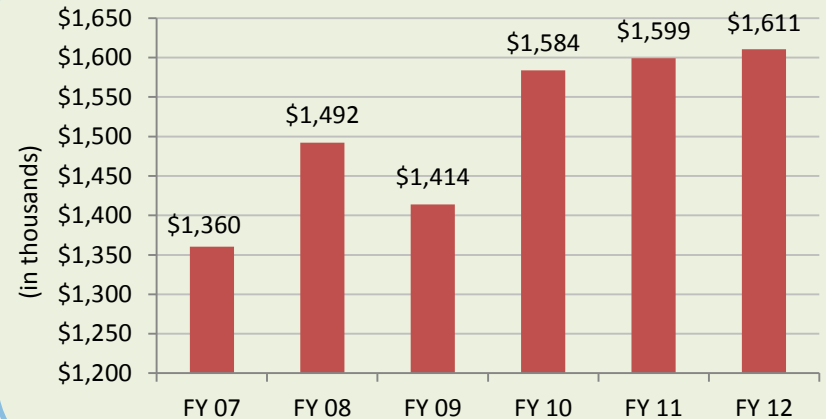
Did you know?

Located in south Palo Alto, the Cubberley Community Center has been operated by the City of Palo Alto since 1990. The Cubberley campus includes:

- 170,540 sq. ft. of building space used by long-term leaseholders, renters, and the City;
- Four softball fields, track, tennis courts, and a soccer field; and
- A theatre, gymnasium, and pavilion.

Space is available for rent by the hour for community meetings, seminars, social events, dances, theatre performances, music rehearsals and athletic events. The center also leases former classroom space to artists, Foothill College, childcare centers, and other non-profit organizations.

Cubberley Lease Revenue



Source: Community Services Department

DEPARTMENT WIDE SPENDING AND STAFFING

	Operating Expenditures (in millions)					CSD expenditures per capita	Total Revenues ³ (in millions)	Total FTEs	Temporary	Percent of Temporary FTEs	Authorized staffing per 1,000 population
	Administration and Human Services ¹	Arts and Sciences	Open Space, Parks, and Golf ¹	Recreation and Cubberley ¹	TOTAL						
FY 07	-	\$3.9	-	-	\$20.1 ²	\$328	\$7.1	148.2	48.9	33%	2.4
FY 08	-	\$4.1	-	-	\$21.2 ²	\$342	\$7.4	146.7	49.4	34%	2.4
FY 09	\$3.9	\$4.6	\$6.5	\$6.3	\$21.2	\$333	\$7.1	145.9	49.4	34%	2.3
FY 10	\$4.2	\$4.6	\$5.8	\$5.8	\$20.5	\$319	\$7.3	146.4	52.1	36%	2.3
FY 11	\$4.2	\$4.5	\$5.7	\$5.7	\$20.1	\$310	\$7.2	123.8	49.3	40%	1.9
FY 12	\$2.9	\$4.6	\$8.2	\$5.2	\$20.9	\$318	\$6.8	122.7	48.7	40%	1.9
Change from:											
Last year	-31%	+2%	+44%	-9%	+4%	+3%	-5%	-1%	-1%	0%	-2%
FY 07	-	+17%	-	-	+4%	-3%	-5%	-17%	0%	+7%	-22%

DEPARTMENT WIDE CLASSES

	Total number of classes/camps offered ⁴					Total enrollment ⁴					Percent of Class Registrations online (Target: 60%)	Percent of class registrants who are non-residents (Target: 12%)
	Camp sessions	Kids (excluding camps)	Adults	Pre-school	Total (Target: 967)	Camps	Kids (excluding camps)	Adults	Pre-school	Total		
FY 07	145	206	318	137	806	5,843	4,376	4,936	3,278	18,433	42%	13%
FY 08	151	253	327	143	874	5,883	4,824	4,974	3,337	19,018	43%	15%
FY 09	160	315	349	161	985	6,010	4,272	4,288	3,038	17,608	45%	13%
FY 10	162	308	325	153	948	5,974	4,373	4,190	2,829	17,366	55%	14%
FY 11	163	290	283	142	878	5,730	4,052	3,618	2,435	15,835	52%	14%
FY 12	155	279	203	148	785	5,259	4,136	2,688	2,667	14,750	51%	12%
Change from:												
Last year	-5%	-4%	-28%	+4%	-11%	-8%	+2%	-26%	+10%	-7%	-1%	-2%
FY 07	+7%	+35%	-36%	+8%	-3%	-10%	-5%	-46%	-19%	-20%	+9%	-1%

Footnotes

¹ The FY 2007 and FY 2008 numbers for these divisions were not available in the operating budgets due to the FY 2008 reorganization. The Department attributes the FY 2012 increase in Open Space, Parks, and Golf to the reorganization, transferring Golf from the Recreation and Golf Division to this new division, and to the increase in water rates charged to the division.

² The amount reflects the total operating expenditures for the Department including the expenditures of all operating divisions prior to the FY 2008 reorganization.

³ Revenues include rental revenue generated at the Cubberley Community Center that is passed through to the Palo Alto Unified School District per the City's agreement with the district.

⁴ Data shown is in format available from Community Services registration system. Types of classes offered include arts, sports, nature and outdoors, and recreation. The Department attributes the decrease in enrollment to increased competition from private camp providers and reduced household spending on adult classes.

ARTS AND SCIENCES DIVISION - ARTS

	Community Theatre			Children's Theatre			Art Center ²					
	Number of performances	Attendance at performances	Enrollment in music & dance classes	Attendance at performances (Target: 21,000)	Participants in performances & programs (Target: 650)	Enrollment in theatre classes, camps, and workshop (Target: 1,400)	Exhibition visitors ³	Concerts ⁴	Total attendance (users) (Target: 42,600)	Enrollment in art classes, camps and workshops (adults and children)	Outside funding for visual arts programs	Attendance at Project LOOK! and Outreach (Target: 5,300)
FY 07	171	45,571	1,195	23,117	1,845	472	16,191	43	70,387	3,956	\$345,822	6,855
FY 08	166	45,676	982	19,811	1,107	407	17,198	42	69,255	3,913	\$398,052	6,900
FY 09	159	46,609	964	14,786	534	334	15,830	41	58,194	3,712	\$264,580	8,353
FY 10	174	44,221	980	24,983	555	1,436	17,244	41	60,375	3,304	\$219,000	8,618
FY 11	175	44,014	847	27,345	1,334	1,475	13,471	28	51,373	2,334	\$164,624	6,773
FY 12	175	45,635	941	27,907	1,087	1,987	29,717	0	62,055	905	\$193,000	14,238
Change from:												
Last year	0%	+4%	+11%	+2%	-19%	+35% ¹	+121%	-100%	+21%	-61%	+17%	+110%
FY 07	+2%	0%	-21%	+21%	-41%	+321% ¹	+84%	-100%	-12%	-77%	-44%	+108%

ARTS AND SCIENCES DIVISION - SCIENCES

	Junior Museum & Zoo		Science Interpretation		Citizen Survey
	Enrollment in Junior Museum classes and camps	Estimated number of children participating in school outreach programs	Number of Arastradero, Baylands, & Foothill outreach classes for school-age children	Enrollment in open space interpretive classes	Percent rating services to youth "good" or "excellent"
FY 07	1,805	2,532	63	1,226	73%
FY 08	2,089	2,722	85	2,689	73%
FY 09	2,054	3,300	178	2,615	75%
FY 10	2,433	6,971	208	3,978	70%
FY 11	1,889	6,614	156	3,857	78%
FY 12	2,575	9,701	131	3,970	75%
Change from:					
Last year	+36% ⁵	+47% ⁵	-16%	+3%	-3%
FY 07	+43% ⁵	+283% ⁵	+108% ⁶	+224% ⁶	+2%

Footnotes

¹ According to the Department, the increase is due to a shift in emphasis from performance to education to promote a philosophy of life-long skills.

² The Art Center closed to the public for renovation from May 2011 through October 2012, which accounts for some of the decreases in FY 2011 and FY 2012. Some of the increases in FY 2012 are due to "On the Road" installations and outreach programs in the community. Volunteer hours increased from 3,998 hours in FY 2011 to 6,014 hours (including 1,000 hours of commission volunteer support) in FY 2012.

³ Exhibition visitors include estimated On the Road art installation visitors.

⁴ All of the concerts are part of the Community Theatre program.

⁵ The Department attributes the increase to additional school contracts funded by Partners In Education (PIE) and Friends of the Palo Alto Junior Museum and Zoo.

⁶ The Department attributes the increase in classes and enrollment to school programs provided in the Baylands Nature Center and Foothills Park. The Junior Museum and Zoo began operation of these programs four years ago, and has since increased marketing to boost the number of schools utilizing this service.

OPEN SPACE, PARKS, AND GOLF DIVISION – OPEN SPACE

	Visitors at Foothills Park (Target: 140,000)	Volunteer hours for restorative/ resource management projects ¹ (Target: 14,500)	Number of native plants in restoration projects (Target: 14,000)	Citizen Survey		
				Percent rating quality of overall natural environment "good" or "excellent"	Percent rating preservation of natural areas such as open space "good" or "excellent" (Target: 82%)	Percent rating availability of paths or walking trails "good" or "excellent" (Target: 80%)
FY 07	140,437	11,380	14,023	-	-	-
FY 08	135,001	13,572	13,893	85%	78%	74%
FY 09	135,110	16,169	11,934	84%	82%	75%
FY 10	149,298	16,655	11,303	84%	78%	75%
FY 11	181,911	16,235	27,655	84%	76%	75%
FY 12	171,413	16,142	23,737	88%	81%	77%
Change from:						
Last year	-6%	-1%	-14%	+4%	+5%	+2%
FY 07	+22%	+42%	+69% ²	-	-	-

OPEN SPACE, PARKS, AND GOLF DIVISION – PARKS AND LANDSCAPE MAINTENANCE

	Maintenance Expenditures						Citizen Survey				
	Parks and landscape maintenance (in millions)	Athletic fields in City parks (in millions)	Athletic fields on school district sites ³ (in millions)	TOTAL (in millions)	Total maintenance cost per acre	Total hours of athletic field usage	Number of permits issued for special events	Volunteer hours for neighborhood parks	Number of participants in community gardening program	Percent rating City parks as "good" or "excellent"	Percent rating their neighborhood park "good" or "excellent"
FY 07	\$2.7	\$0.6	\$0.7	\$3.9	\$15,042	70,769	22	150	231	91%	89%
FY 08	\$2.9	\$0.6	\$0.7	\$4.2	\$15,931	63,212	22	180	233	89%	86%
FY 09	\$3.0	\$0.7	\$0.7	\$4.4	\$16,940	45,762	35	212	238	92%	87%
FY 10	\$3.0	\$0.5	\$0.6	\$4.1	\$15,413	41,705	12	260	238	90%	88%
FY 11	\$3.2	\$0.4	\$0.5	\$4.1	\$15,286	42,687	25	927	260	94%	89%
FY 12	\$3.5	\$0.4	\$0.6	\$4.5	\$16,669	44,226	27	1,120	292	91%	92%
Change from:											
Last year	+9%	+19%	+5%	+9%	-2%	+4%	+8%	+21%	+12%	-3%	+3%
FY 07	+30%	-26%	-18%	+14%	+13%	-38%	+23%	+647% ⁴	+26%	0%	+3%

Footnotes

¹ Includes collaborative partnerships with non-profit groups. Staff attributes the increase in volunteer hours primarily to the Baylands Nature Preserve through Save the Bay (non-profit partner) activities and the use of court-referred (community service hours) volunteers.

² The marked increase in the number of native plants planted in restoration projects is due to the completion of a new greenhouse at the Baylands that has significantly boosted plant propagation.

³ PAUSD partially reimburses the City for maintenance costs on these school district sites.

⁴ The Department reports it has experienced increased volunteerism from service organizations and school students. Volunteer projects have ranged from weed removal to playground repair, landscape renovation, and installation of shade structures.

OPEN SPACE, PARKS, AND GOLF DIVISION – GOLF

	Number of rounds of golf (Target: 67,000)	Golf Course Revenue (in millions) (Target: \$3.0)	Golf Course Operating Expenditures (in millions) (Target: \$2.3)	Golf course debt Service (in millions)	Net revenue/ (cost)
FY 07	76,241	\$3.1	\$2.5	\$0.6	\$43,015
FY 08	74,630	\$3.2	\$2.2	\$0.7	(\$23,487)
FY 09	72,170	\$3.0	\$2.4	\$0.7	(\$326,010)
FY 10	69,791	\$3.0	\$2.3	\$0.6	\$76,146
FY 11	67,381	\$2.8	\$2.0	\$0.7	\$166,017
FY 12	65,653	\$2.7	\$1.9	\$0.6	\$271,503
Change from:					
Last year	-3%	-3%	-5%	-14%	+64% ¹
FY 07	-14%	-12%	-24% ¹	-7%	+531% ¹

RECREATION SERVICES

	Enrollment in Recreational Classes ²							Citizen Survey		
	Dance	Recreation	Aquatics	Middle school sports	Therapeutics	Private tennis lessons	TOTAL	Enrollment in Recreational Summer Camps ¹	Percent rating recreation centers/facilities good or excellent	Percent rating recreation programs/classes good or excellent (Target: 90%)
FY 07	1,195	5,304	225	1,391	228	274	8,617	5,843	82%	90%
FY 08	1,129	4,712	182	1,396	203	346	7,968	5,883	77%	87%
FY 09	1,075	3,750	266	1,393	153	444	7,081	6,010	80%	85%
FY 10	972	3,726	259	1,309	180	460	6,906	5,974	81%	82%
FY 11	889	3,613	228	1,310	178	362	6,580	5,730	75%	81%
FY 12	886	3,532	196	1,455	135	240	6,444	5,259	86%	87%
Change from:										
Last year	0%	-2%	-14%	+11%	-24%	-34%	-2%	-8%	+11%	+6%
FY 07	-26%	-33% ³	-13%	+5%	-41%	-12%	-25%	-10%	+4%	-3%

Footnotes

¹ The Department attributes the decrease in expenditures and increase in net revenue to the outsourcing of golf course maintenance in FY 2010.

² These enrollment figures are also included in the total stated in the Department-wide Classes page.

³ The Department attributes the decrease to the temporary closure of the Mitchell Park Community Center for construction of a new building, increased fees, and an increased supply of recreation services by other organizations.

CUBBERLEY COMMUNITY CENTER

	Cubberley Community Center			
	Hours rented (Target: 33,000)	Hourly rental revenue (in millions) (Target: \$0.9)	Number of lease-holders ¹	Lease revenue (in millions) (Target: \$1.5)
FY 07	36,489	\$0.8	39	\$1.4
FY 08	32,288	\$0.9	39	\$1.5
FY 09	34,874	\$1.0	37	\$1.4
FY 10	35,268	\$0.9	41	\$1.6
FY 11	30,878	\$0.9	48	\$1.6
FY 12	29,282	\$0.8	33	\$1.6
Change from:				
Last year	-5%	-3%	-31%	+1%
FY 07	-20%	+4%	-15%	+18%

Footnote

¹ The Department reports that the maximum number of lease-holders is 33 and that applicable records could not be located to determine the methodology used to report the number in prior years.

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Chapter 3: Public Safety - Fire Department

Mission: The City of Palo Alto Fire Department serves and safeguards the community from the impacts of fires, medical emergencies, environmental emergencies, and natural disasters by providing the highest level of service through action, innovation and investing in education, training and prevention.

Emergency Medical Services (EMS) provides in an emergency setting, rapid assessment, treatment and transport of patients to definitive care in a safe and efficient manner.

Employee Fire/EMS Certification Training maintains, through training, safe, efficient, and effective practices when responding to emergencies. It ensures personnel are familiar with and able to utilize the most up to date and proven techniques in the field. Training specific to required Emergency Medical Technician (EMT) and/or Paramedic recertification is also incorporated.

Fire Suppression maintains a state of readiness to effectively respond to emergency and non-emergency calls. It provides a means for a safer Palo Alto through community outreach, public education and prevention.

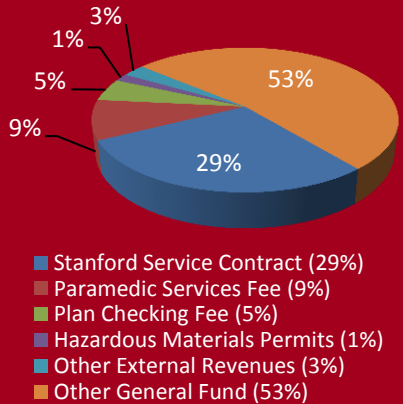
Fire Prevention Bureau improves the quality of life for the Palo Alto community through risk assessment, code enforcement, fire investigation, public education and hazardous materials management.

The Office of Emergency Services (OES) was reorganized as a result of a study and recommendations made to City Council in April 2011. OES is included as a separate chapter in this report.

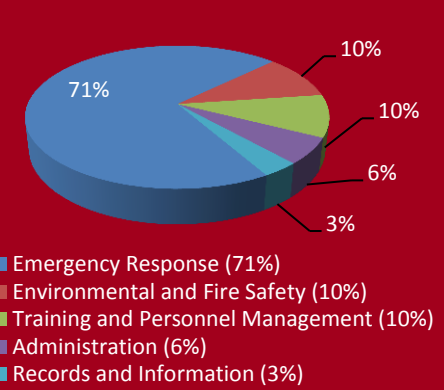
Disaster Preparedness/Office of Emergency Services prevents, prepares for and mitigates, responds to, and recovers from all hazards.



What are the sources of Fire Department funding?
(Total = \$29.4 million)

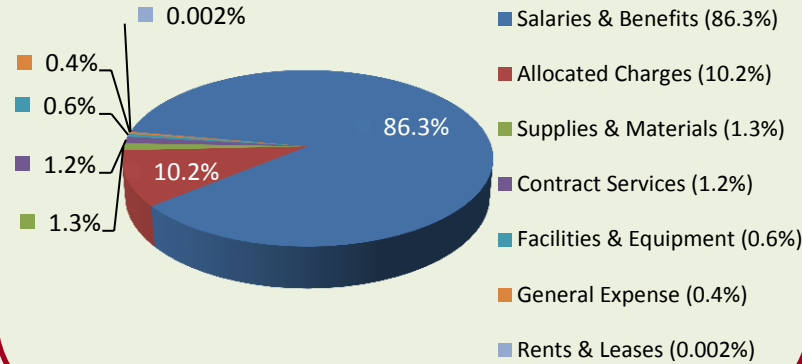


How are Fire Department dollars used?
(Total = \$29.4 million)



YOUR MONEY AT WORK

Expenditures by Category

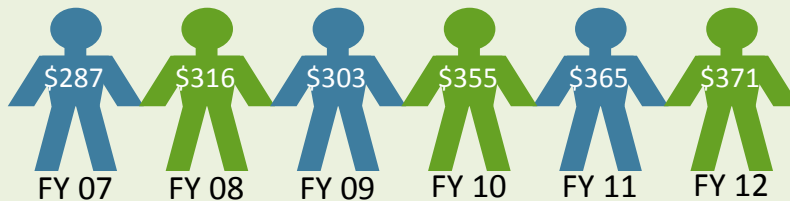


Source: City of Palo Alto financial data

Did You Know?

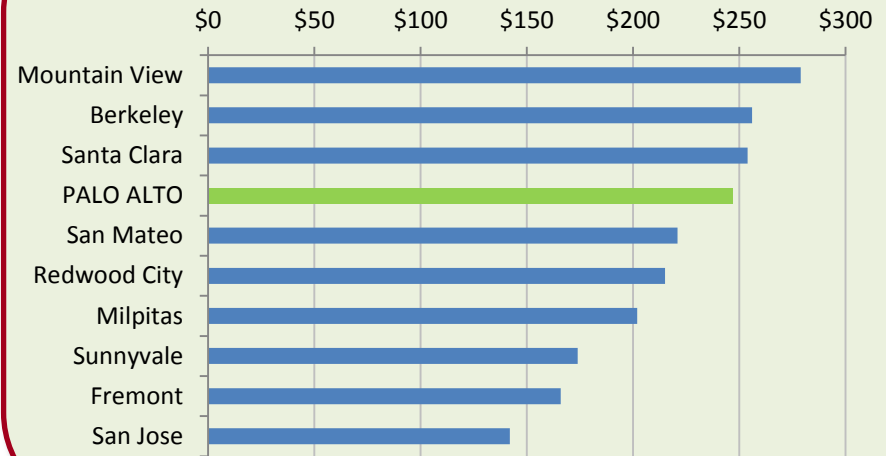
The Fire Department is responsible for emergency response, regional assistance response, code enforcement, fire prevention, and public safety education. In FY 2012, the City classified OES under the Fire Department for budgeting.

Fire Department Per Capita Spending²



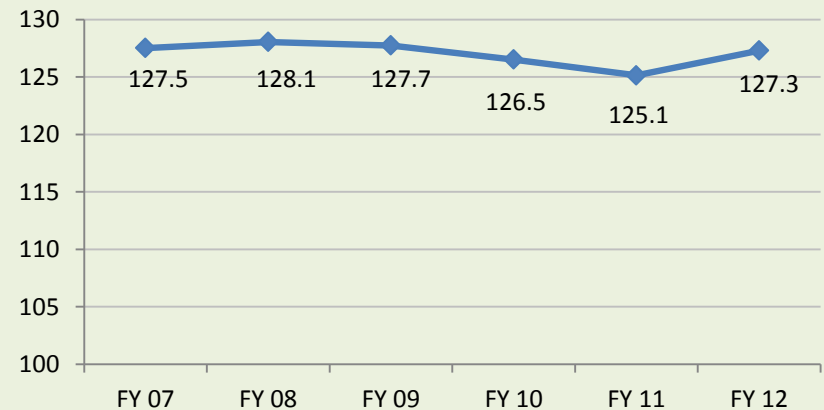
Source: City of Palo Alto financial data

Comparison of net Fire and EMS Expenditures Per Capita in FY 2011^{1,2,3}



Source: California State Controller's Office, United States Census Bureau

Total # of Full Time Equivalents (FTEs)



Source: City of Palo Alto financial data

Footnotes

- ¹ Expenditures may not reconcile to total spending due to differences in the way the information was compiled. Cities may categorize their expenditures in different ways.
- ² Palo Alto population includes the expanded service area (Palo Alto and Stanford), however, it does not account for the daytime population increase of about 70 percent in the area.
- ³ The Controller's Cities Annual Report does not state net EMS revenues or expenditures for Mountain View, Santa Clara, or Sunnyvale. San Jose EMS costs do not include contract expenditures.

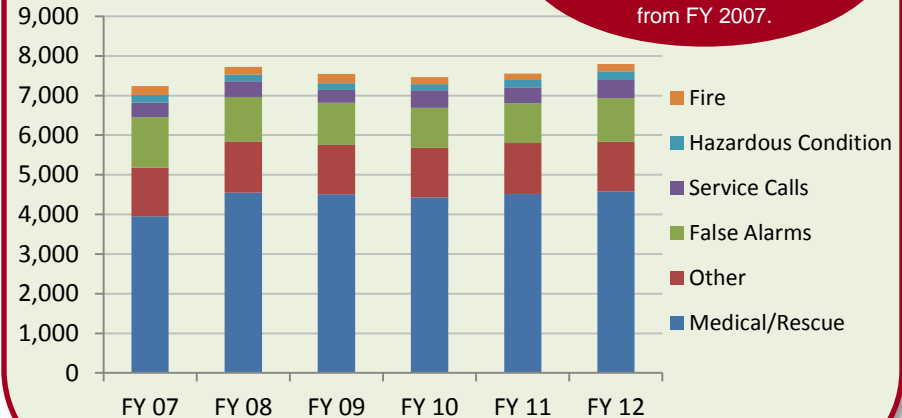
DEPARTMENT GOALS

- ❖ Arrive at the scene of emergencies safely and in a timely manner within the department's targeted response times.
- ❖ Ensure reasonable life safety conditions through inspection programs.
- ❖ Develop, maintain, and sustain a citywide, comprehensive, all hazard, risk-based emergency management program that engages the whole community.
- ❖ Enhance training and maintain all certifications required by governing agencies.
- ❖ Internalize commitment to excellence in public service by continuously evaluating the assistance provided, identifying areas needing improvement and implementing mitigation methods.
- ❖ Prevent fires and the damaging impact of fires and emergencies through planning, coordination, and education of adults and children.



Calls for Service

In FY 2012, the Fire Department handled 7,796 calls for service, averaging 21 calls per day. Total calls for service increased 8% from FY 2007.



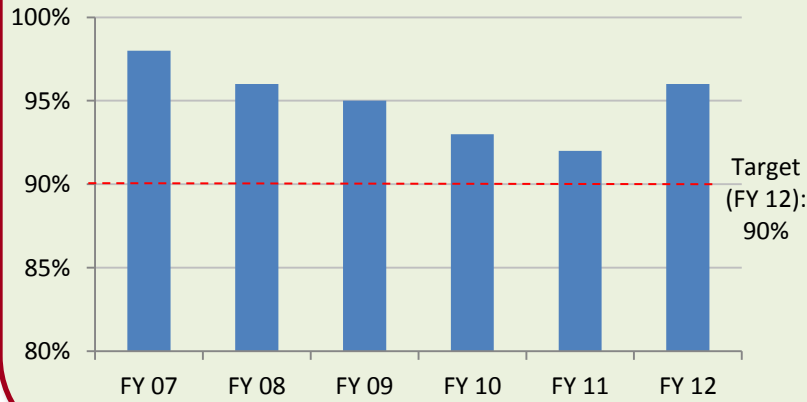
Source: Palo Alto Fire Department

The Palo Alto Fire Department reports it had 29 fire response vehicles in 2012, including 11 first line pieces of equipment. First line equipment includes:

- Six 2009 Pierce Arrow XT fire engines (shown on the right), one for each fire station across the City and Stanford.
- A ladder truck for large fires and technical rescues, which is housed at Fire Station 6.
- A rescue truck for response to vehicle accidents, hazardous materials incidents, and technical rescues assigned to Station 2.
- Two ambulances housed at Stations 1 and 2.

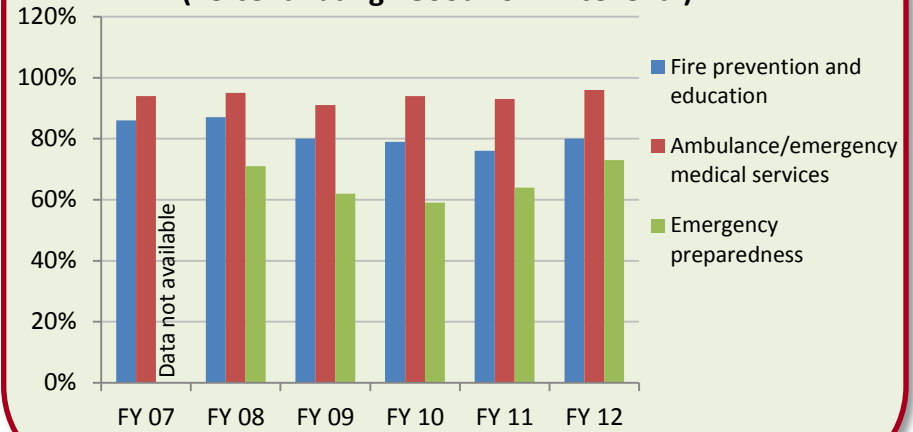


**Citizen Survey: Fire Services
(Percent Rating "Good" or "Excellent")**



Source: National Citizen Survey™

**Citizen Survey: Service Ratings
(Percent Rating "Good" or "Excellent")**

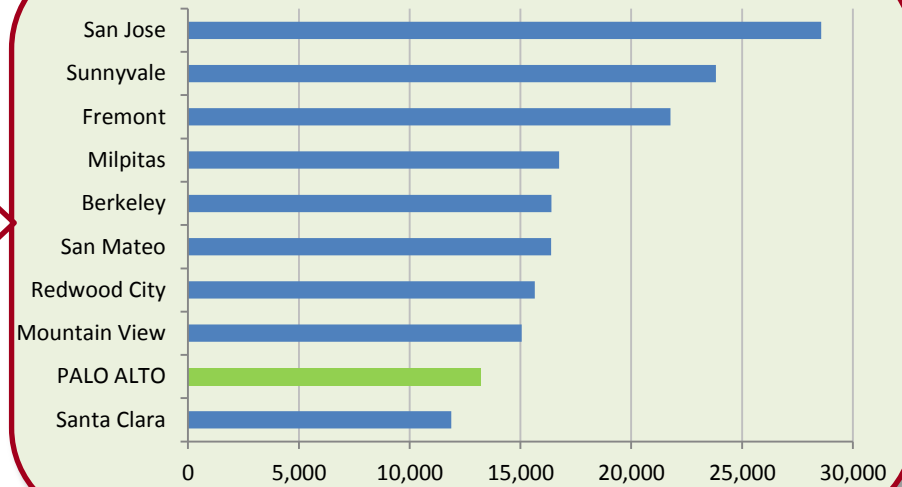


Source: National Citizen Survey™

The Department has a total of six full-time fire stations. To provide coverage in the sparsely developed hillside areas, an additional fire station in the foothills is operated during summer months when fire danger is high.

The chart on the right shows the number of residents served per fire station is lower than many other local jurisdictions. However, the total daytime population of Palo Alto and Stanford increases to over 130,000, which results in a daytime population served per fire station of over 22,000.

Resident Population Served Per Fire Station in FY 2012^{1,2}



Source: Cities, California Department of Finance, U.S. Census Bureau

Footnotes

¹ For Palo Alto, population includes residents in the Fire Department's expanded service area (Palo Alto and Stanford).

² For Palo Alto, calculation is based on six fire stations, and does not include Station 7 (formerly dedicated to the Stanford Linear Accelerator Center complex and closed as of May, 2012) and Station 8 (Foothills Park, open seasonally).

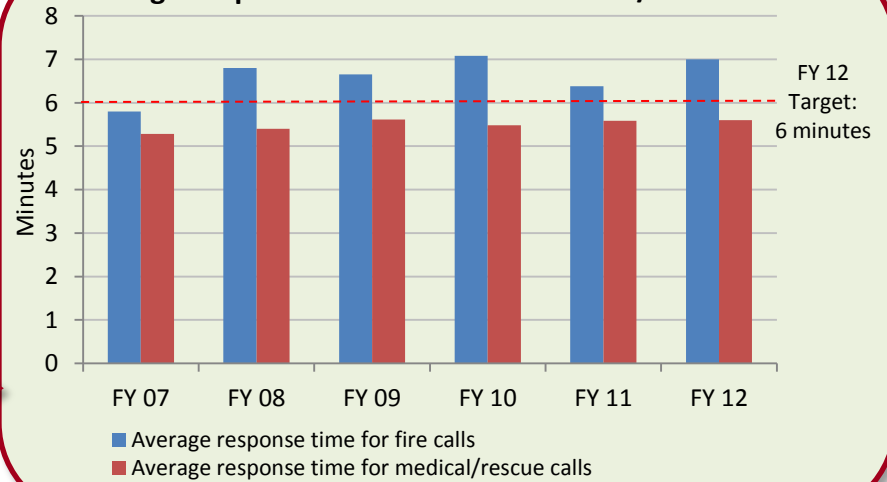
KEY OBJECTIVES

- 🚒 Fire response time will be within 8 minutes 90% of the time
- 🚒 Basic Life Support (BLS) medical response times will be within 8 minutes 90% of the time.
- 🚒 Advanced Life Support (ALS) response times will be within 12 minutes 90% of the time.

The Fire Department had an average on duty staffing of 31 during the day and 29 at night. In FY 2012, the Department had 70 line personnel certified as emergency medical technicians (EMTs) and 49 certified paramedics. In addition, three FTE from the Department's Basic Life Support (BLS) transport program provided inter-facility transports and offered a downgrade option to the 911 system.

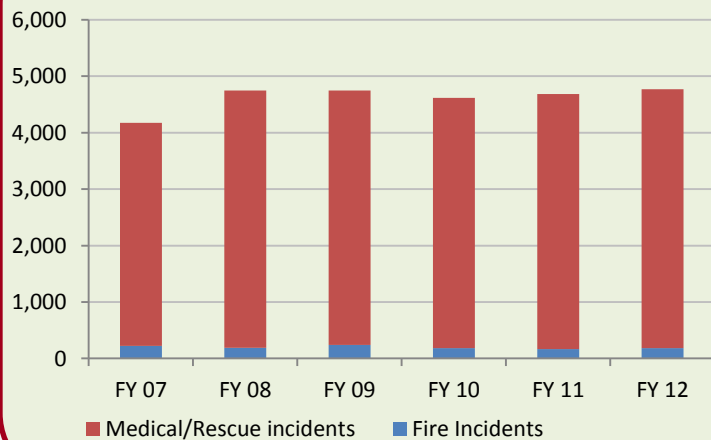
In FY 2012, the Fire Department met its average response time target for medical/rescue calls but not fire calls.

Average Response Times: Fire and Medical/Rescue Calls¹



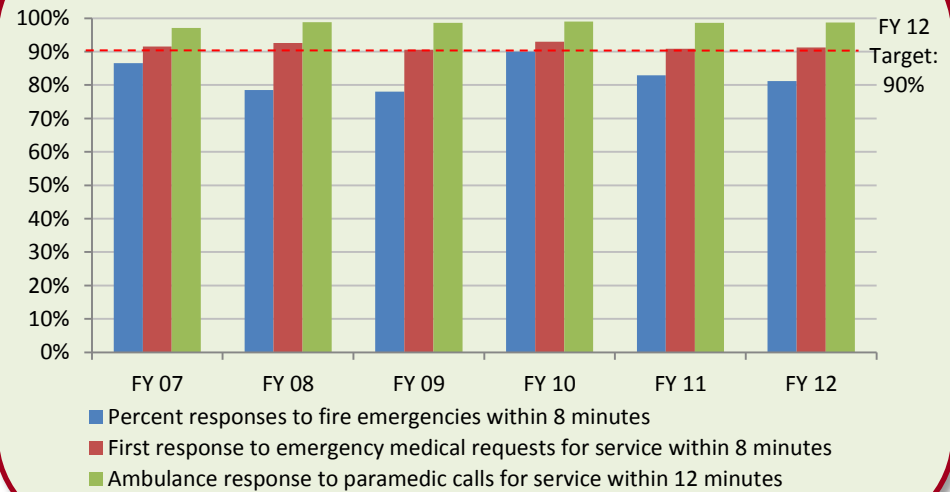
Source: Fire Department

Number of Fire and Medical/Rescue Incidents



Source: Fire Department

Percent of Responses to Emergencies Within 8 or 12 Minutes^{1,2}



Source: Fire Department

Footnotes

¹ Response time is from receipt of 911-call to arrival on scene; does not include cancelled in route, not completed incidents, or mutual aid calls.

² Ambulance response to paramedic calls includes non-City ambulance responses.

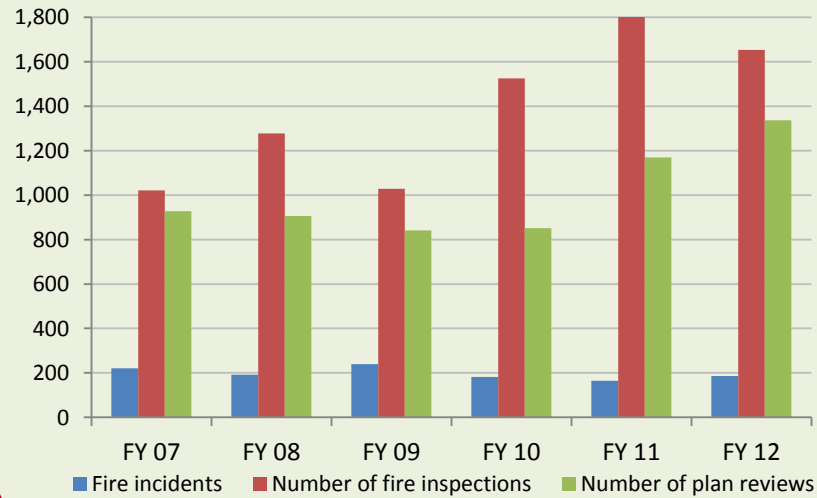
KEY OBJECTIVES

- Perform periodic inspections of all facilities within department's designated target cycle time.
- Identify and direct abatement of conditions or operating procedures which could cause an increase in probability or severity of a fire or hazardous materials release.

The Fire Department reports there were 485 facilities permitted for hazardous materials in FY 2012. The number of hazardous materials incidents rose 24 percent from last year and 110 percent compared to FY 2007. The number of fire incidents increased 13 percent from last year but decreased 16 percent compared to FY 2007.

In FY 2012, Palo Alto ranked in the 60th percentile compared to other surveyed jurisdictions for citizen perception of safety from environmental hazards, including toxic waste.

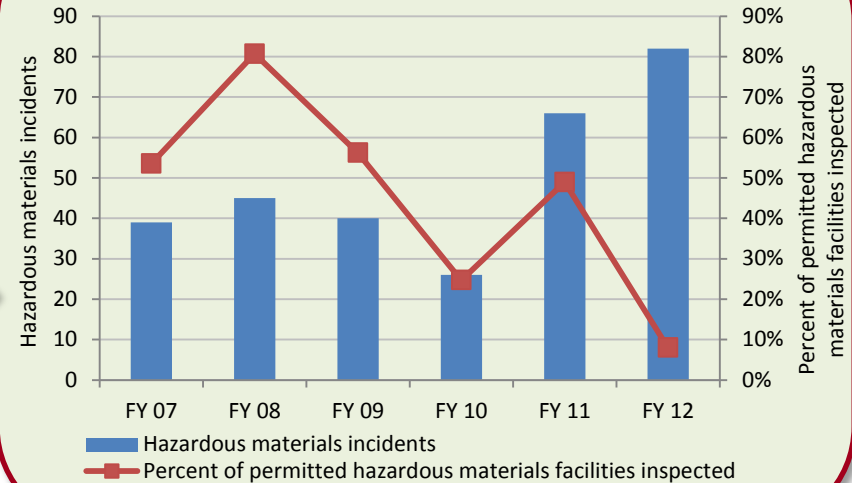
Fire Incidents, Fire Inspections, and Plan Reviews³:



Source: Fire Department

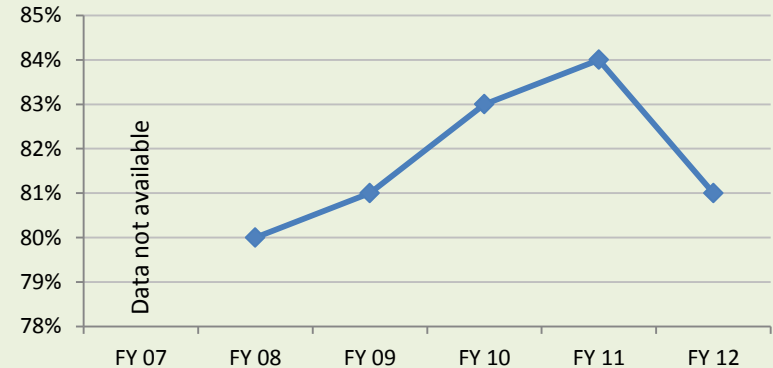
Environmental Safety Management

Hazardous Materials Incidents¹ and Percent of Permitted Hazardous Material Facilities Inspected²



Source: Fire Department

Citizen Survey: Percent of Residents Feeling "Very" or "Somewhat" Safe From Environmental Hazards



Source: National Citizen SurveyTM

Footnotes

¹ Hazardous materials incidents involve flammable gas or liquid, chemical release or spill, or chemical release reaction or toxic condition.

² In FY 2010, the method for calculating the number of inspections was changed to avoid over counting. Prior year numbers are higher than would be indicated using the revised method.

³ Number of plan reviews does not include over-the-counter building permit reviews.

KEY OBJECTIVES

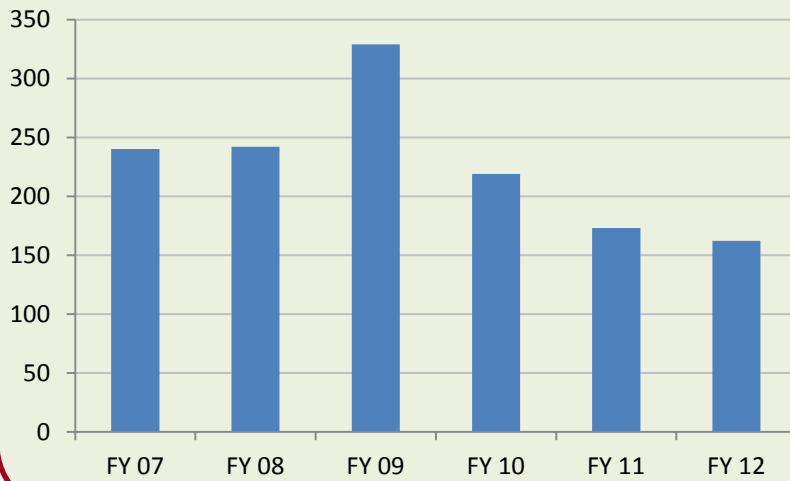
- Maintain the required minimum of 20 hours/month per employee of fire related training.
- Maintain, as mandated, records of training related to EMS and EMT/Paramedic certification.

Did You Know?

The Fire Department provides training for City employees and the community. In FY 2012, the Fire Department reports it provided:

- An average of 313 training hours per firefighter.
- 120 hours of training to other City departments (compared to 208 hours in FY 2011).
- 162 fire safety and bike safety presentations, including demonstrations and fire station tours to 13,724 participants.

Total Number of Fire Safety and Bike Safety Presentations, Including Demonstrations and Fire Station Tours:¹



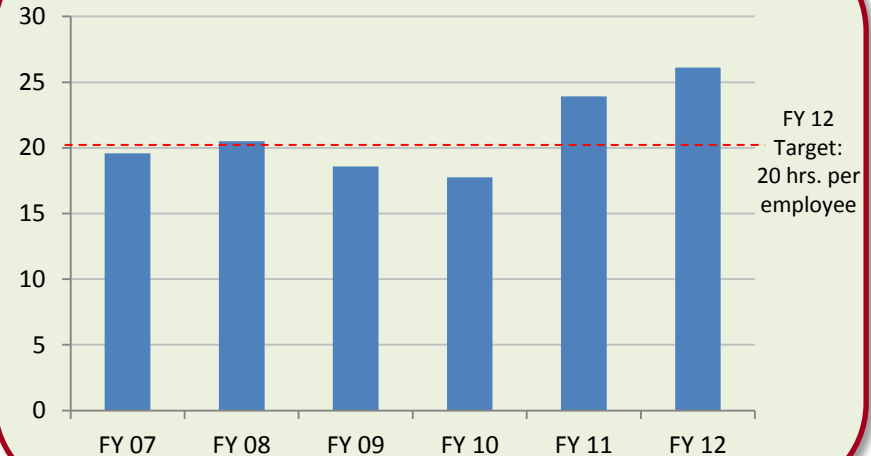
Source: Fire Department

Footnote

¹ Prior to FY 2012, the Fire Department included disaster preparedness trainings and events in this figure.

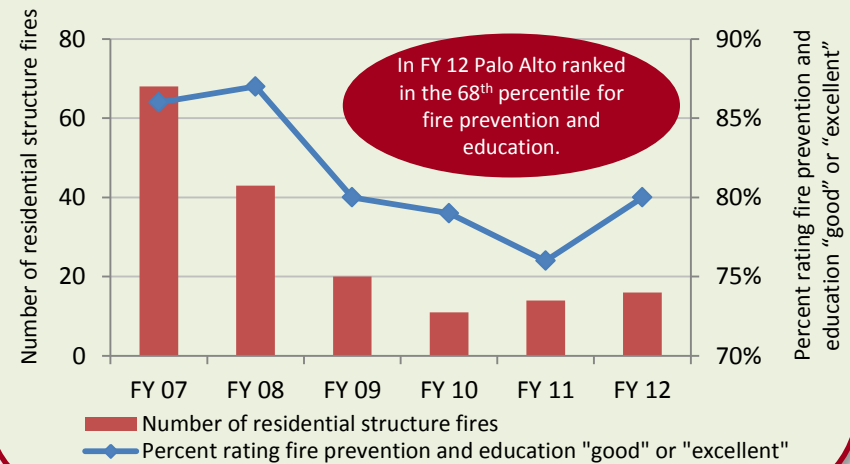
Training and Personnel

Average Training Hours Per Firefighter Per Month



Source: Fire Department

Comparison of Citizen Ratings for Fire Prevention and Education and the Number of Residential Fires



Source: Fire Department, National Citizen Survey™

DEPARTMENT WIDE SPENDING

	Operating Expenditures (millions)						Resident population of area served ¹	Expenditures per resident served ¹	Revenue (in millions)	Citizen Survey	
	Administration	Emergency response	Environmental and fire safety	Training and personnel management	Records and information	TOTAL				Percent rating fire services "good" or "excellent" (Target: 90%)	Percent rating fire prevention and education "good" or "excellent" (Target: 85%)
FY 07	\$1.6	\$15.0	\$2.0	\$2.0	\$0.9	\$21.6	75,194	\$287	\$ 9.9	98%	86%
FY 08	\$1.6	\$16.7	\$2.4	\$2.3	\$1.0	\$24.0	75,982	\$316	\$ 9.7	96%	87%
FY 09	\$0.4	\$17.4	\$2.3	\$2.3	\$1.0	\$23.4	77,305	\$303	\$11.0	95%	80%
FY 10	\$2.3	\$19.3	\$2.5	\$2.6	\$1.0	\$27.7	78,161	\$355	\$10.6	93%	79%
FY 11	\$1.6	\$20.8	\$2.6	\$2.7	\$1.0	\$28.7	78,662	\$365	\$12.0	92%	76%
FY 12	\$1.7	\$20.9	\$3.0	\$2.8	\$1.0	\$29.4	79,353	\$371	\$13.9	96%	80%
Change from:											
Last year	+8%	0%	+13%	+6%	+1%	+2%	+1%	+2%	+16%	+4%	+4%
FY 07	+5%	+40%	+45%	+38%	+14%	+36%	+6%	+29%	+40%	-2%	-6%

STAFFING AND CALLS FOR SERVICE

	Calls for service							Staffing					
	Fire (Target: 240)	Medical/rescue (Target: 4,500)	False alarms	Service calls	Hazardous condition (Target: 75)	Other ²	TOTAL (Target: 7,500)	Average number of calls per day	Total authorized staffing (FTE)	Staffing per 1,000 residents served ¹	Average training hours per firefighter	Overtime as a percent of regular salaries	Resident population served per fire station ^{1,3}
FY 07	221	3,951	1,276	362	199	1,227	7,236	20	127.5	1.70	235	21%	12,532
FY 08	192	4,552	1,119	401	169	1,290	7,723	21	128.1	1.69	246	18%	12,664
FY 09	239	4,509	1,065	328	165	1,243	7,549	21	127.7	1.65	223	16%	12,884
FY 10	182	4,432	1,013	444	151	1,246	7,468	20	126.5	1.62	213	26%	13,027
FY 11	165	4,521	1,005	406	182	1,276	7,555	21	125.1	1.60	287	21%	13,035
FY 12	186	4,584	1,095	466	216	1,249	7,796	21	127.3	1.60	313	36%	13,226
Change from:													
Last year	+13%	+1%	+9%	+15%	+19%	-2%	+3%	+3%	+2%	+1%	+9%	+15%	+1%
FY 07	-16%	+16%	-14%	+29%	+9%	+2%	+8%	+8%	0%	-5%	+33%	+15%	+6%

Footnotes

¹ Based on number of residents in the Fire Department's expanded service area (Palo Alto and Stanford). Prior year population revised per California Department of Finance estimates and updated information from the United States Census Bureau.

² "Other" calls include alarm testing, station tours, good intent calls, training incidents, and cancelled calls. Good intent calls are those where a person genuinely believes there is an actual emergency, however, an emergency does not exist.

³ For Palo Alto, calculation is based on six fire stations, and does not include Station 7 (formerly dedicated to the Stanford Linear Accelerator Center complex and closed as of May, 2012) and Station 8 (Foothills Park, open seasonally).

SUPPRESSION AND FIRE SAFETY

	Number of fire incidents (Target: 240)	Average response time for fire calls ¹ (Target: 6:00 minutes)	Percent responses to fire emergencies within 8 minutes ¹ (Target: 90%)	Percent of fires confined to the room or area of origin ² (Target: 90%)	Number of residential structure fires	Number of fire deaths	Fire response vehicles ³	Fire safety and bike safety presentations, including demonstrations and fire station tours	Citizen Survey Percent rating emergency preparedness "good" or "excellent"
FY 07	221	5:48 minutes	87%	70%	68	2	25	240	-
FY 08	192	6:48 minutes	79%	79%	43	0	25	242	71%
FY 09	239	6:39 minutes	78%	63%	20	0	25	329	62%
FY 10	182	7:05 minutes	90%	56%	11	0	29	219	59%
FY 11	165	6:23 minutes	83%	38%	14	0	30	173	64%
FY 12	186	7:00 minutes	81%	50%	16	0	29	162	73%
Change from:									
Last year	+13%	+10%	-2%	+12%	+14%	0%	-3%	-6%	+9%
FY 07	-16%	+21%	-6%	-20%	-76%	-100%	+16%	-33%	-

EMERGENCY MEDICAL SERVICES

	Medical/rescue incidents (Target: 4,500)	Average response time for medical/rescue Calls ¹ (Target: 6:00)	First response to emergency medical requests for service within 8 minutes ¹ (Target: 90%)	Ambulance response to paramedic calls for service within 12 minutes ^{1,4} (Target: 90%)	Number of Ambulance transports	Ambulance Revenue (in millions)	Citizen Survey Percent rating ambulance/emergency medical services "good" or "excellent"
FY 07	3,951	5:17 minutes	92%	97%	2,527	\$1.9	94%
FY 08	4,552	5:24 minutes	93%	99%	3,236	\$2.0	95%
FY 09	4,509	5:37 minutes	91%	99%	3,331	\$2.1	91%
FY 10	4,432	5:29 minutes	93%	99%	2,991 ⁵	\$2.2	94%
FY 11	4,521	5:35 minutes	91%	99%	3,005 ⁵	\$2.3	93%
FY 12	4,584	5:36 minutes	91%	99%	3,220⁵	\$2.8	96%
Change from:							
Last year	+1%	0%	0%	0%	+7%	+20%	+3%
FY 07	+16%	+6%	-1%	+2%	+27%	+46%	+2%

Footnotes

¹ Response time is from receipt of 911-call to arrival on scene; does not include cancelled in route, not completed incidents, or mutual aid calls.

² The Fire Department defines containment of structure fires as those incidents in which fire is suppressed and does not spread beyond the involved area upon firefighter arrival.

³ This includes ambulances, fire apparatus, hazardous materials, and mutual aid vehicles.

⁴ Includes non-City ambulance responses.

⁵ The Department reported the number of ambulance transports from its ADPI Billing System. In prior years, the information provided was from the Department's Computer Aided Dispatch system.

HAZARDOUS MATERIALS AND INSPECTIONS

	Hazardous Materials				Number of fire inspections	Number of plan reviews ³ (Target: 850)	Citizen Survey
	Number of hazardous materials incidents ¹	Number of facilities permitted for hazardous materials	Number of permitted hazardous materials facilities inspected (Target: 150)	Percent of permitted hazardous materials facilities inspected (Target: 60%)			Percent of residents feeling "very" or "somewhat" safe from environmental hazards
FY 07	39	501	268	53%	1,021	928	-
FY 08	45	503	406	81%	1,277	906	80%
FY 09	40	509	286	56%	1,028	841	81%
FY 10	26	510	126 ²	25% ²	1,526	851	83%
FY 11	66	484	237 ²	49% ²	1,807	1,169	84%
FY 12	82	485	40²	8%²	1,654	1,336	81%
Change from:							
Last year	+24%	0%	-83%	-41%	-8%	+14%	-3%
FY 07	+110% ⁴	-3%	-85%	-45%	+62%	+44%	-

Footnotes

¹ Hazardous materials incidents involve flammable gas or liquid, chemical release or spill, or chemical release reaction or toxic condition.

² In FY 2010, the method for calculating the number of inspections was changed to avoid over counting. Prior year numbers were not calculated in this manner, so the reported numbers for those years are higher than would be indicated using the revised method.

³ Does not include over-the-counter building permit reviews.

⁴ The Department attributes this change to its reconciliation of data to provide more accurate records for the several consultant studies conducted in FY 2011.

Chapter 4: Information Technology

Mission: To provide innovative technology solutions that support City departments in delivering quality services to the community.

The **Enterprise Systems** division is responsible for maintaining a core set of large, shared enterprise-wide systems.

The **Information Technology (IT) Operations** division maintains and supports all deployed back office, front office and citizen facing technologies including the process of retiring products and services. The team also ratifies standards working alongside other IT department divisions and city departments.

The **Information Security Services** division is responsible for developing and implementing a citywide information security program that includes the preservation of the availability, integrity, and confidentiality of city information resources.

The **Office of the Chief Information Officer (CIO)** provides strategic leadership and advisory services to the IT department and the City.

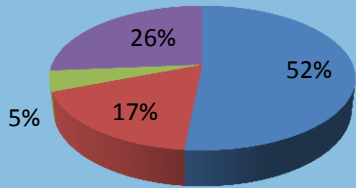
The **IT Governance and Planning** division's primary focus is to manage requests for new technology projects and services.

The **IT Project Services** division coordinates all approved IT projects and provides project management services.



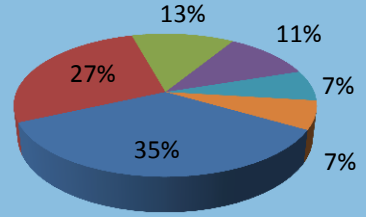
The IT Department was established in 2012, headed by a Chief Information Officer.

What are the sources of IT funding? (Total = \$13.6 million)



- IT Support Charges (52%)
- Application Maintenance Charges (17%)
- Desktop Replacement Charges (5%)
- Other Revenues (26%)

How are IT dollars used? (Total = \$13.6 million)

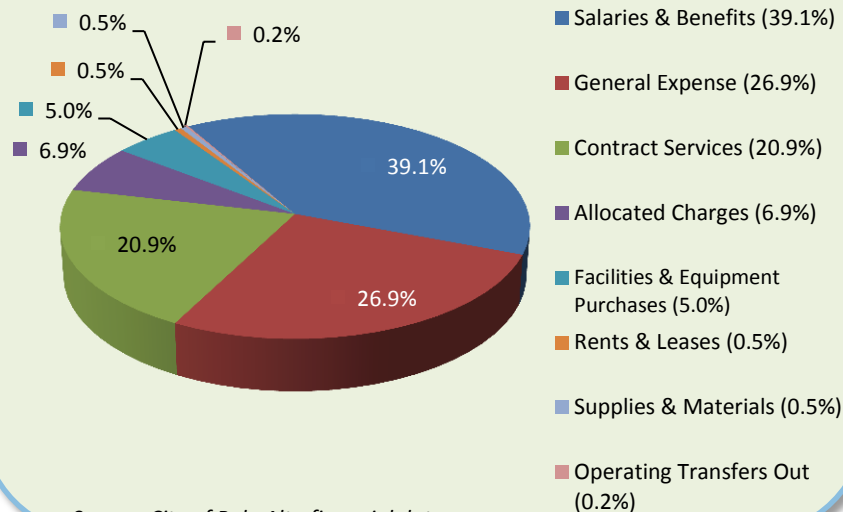


- IT Project Services (35%)
- IT Operations (27%)
- Enterprise Systems (13%)
- Office of the CIO (11%)
- Technology Capital Improvement Program (7%)
- Technology Fund Reserve (7%)

YOUR MONEY AT WORK

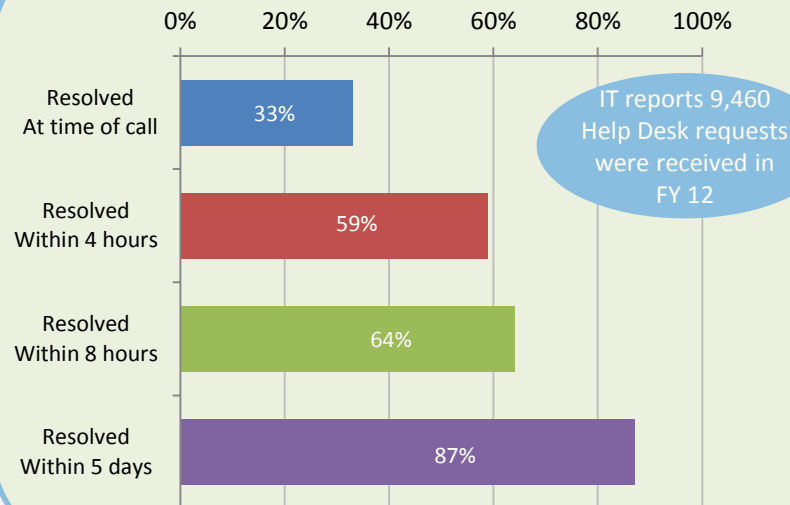


Expenditures by Category



Source: City of Palo Alto financial data

Requests For Help Desk Services in FY 2012

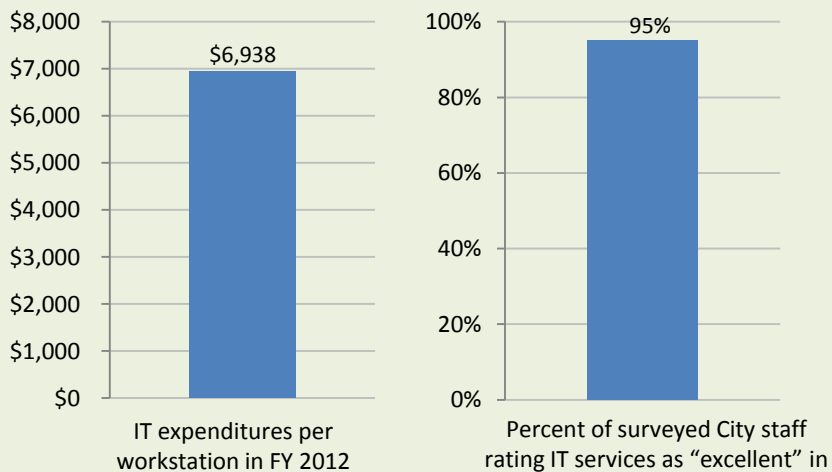


IT reports 9,460 Help Desk requests were received in FY 12

Source: Information Technology Department

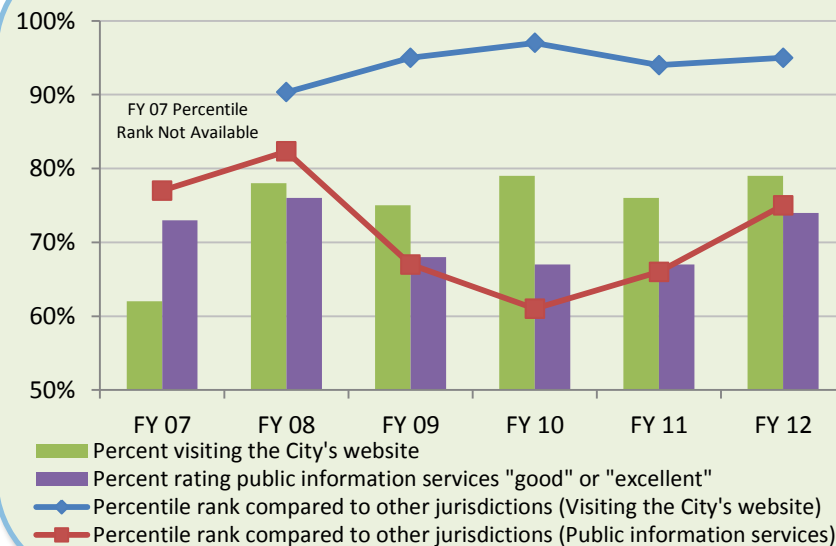
The IT Department had 34 Authorized Full Time Equivalents in FY 12.

IT Expenditures and City Staff Ratings



Source: Information Technology Department

Citizen Survey: Service Ratings



Source: National Citizen Survey™

DEPARTMENT WIDE

	Operating expenditures (in millions) ¹						Revenue (in millions)	Total authorized FTE	Number of Workstations	IT Expenditures Per Workstation ^{2,3}
	IT Project Services	IT Operations	Enterprise Systems	Office of the CIO	Technology Capital Improvement Program ¹	TOTAL ¹				
FY 07	-	-	-	-	-	-	-	-	1,000	-
FY 08	-	-	-	-	-	-	-	-	1,000	-
FY 09	-	-	-	-	-	-	-	-	1,005	-
FY 10	-	-	-	-	-	-	-	-	1,005	-
FY 11	-	-	-	-	-	-	-	-	1,020	-
FY 12	\$4.7	\$3.7	\$1.8	\$1.5	\$0.9	\$12.7	\$13.6	34.2	1,100	\$6,938
Change from:										
Last year	-	-	-	-	-	-	-	-	+8%	-
FY 07	-	-	-	-	-	-	-	-	+10%	-

	Number of requests for help desk services	Percent of requests for help desk services resolved:				City Staff Survey	Citizen Survey	
		At time of call	Within 4 hours	Within 8 hours	Within 5 days	Percent rating IT services as "excellent"	Percent visiting the City's website	Percent rating public information services "good" or "excellent"
FY 07	-	-	-	-	87%	-	62%	73%
FY 08	-	-	-	-	88%	-	78%	76%
FY 09	-	-	-	-	87%	-	75%	68%
FY 10	-	-	-	-	89%	-	79%	67%
FY 11	-	-	-	-	90%	-	76%	67%
FY 12	9,460	33%	59%	64%	87%	95%	79%	74%
Change from:								
Last year	-	-	-	-	-3%	-	+3%	+7%
FY 07	-	-	-	-	0%	-	+17%	+1%

Footnotes:

¹ Consistent with the City's operating budget documents, capital improvement program (CIP) expenditures are included as "operating expenditures" for this department.

² Includes all technology expenditures except Capital Improvement Program and Project Services.

³ The IT Department used FY 2011 expenditures and the FY 2012 count of workstations in calculating this number.

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Chapter 5: Library Department

Mission: To enable people to explore library resources to enrich their lives with knowledge, information, and enjoyment

Collections: Provides a diverse selection of print and non-print materials, as well as digital resources to meet the educational, informational, and recreational needs of its clientele, reflecting the variety of languages, cultures, and interests of our community, inspiring innovation, creativity, and community engagement.

Buildings: By funding major facility improvements to three libraries through a dedicated library bond, as well as two additional renovation projects already completed, by 2014 -- when all libraries will be opened, Palo Alto will have modern libraries offering comfortable, inviting, and flexible spaces for everyone in our community to gather and learn.

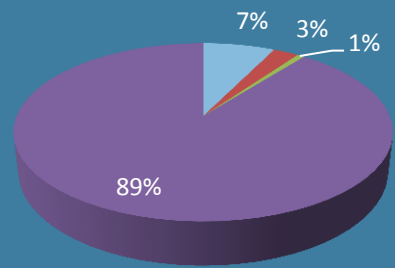
Programs: Offers a variety of programs free of charge to library users of all ages, interests, and abilities, to provide educational, self-help, recreational, technological, and multi-lingual outreach. When appropriate, partners with other civic, non-profit, business, and educational organizations to present these programs.

Technology: Provides opportunities for the public to access a variety of technologies, both inside and outside the library facilities, including hardware devices, online databases and electronic books, free WiFi, mobile applications, and experimental partnerships.

Support and Administration: Provides information, training, and support for City employees, as well as the public, and ensures that all aspects of library services and policies are delivered with the highest degree of public stewardship in mind.

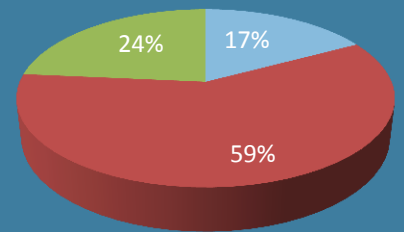


What are the sources of Library funding?
(Total = \$7.1 million)



- Donations/Contributions (7%)
- Fines, Forfeitures, & Penalties (3%)
- Other External Revenues (1%)
- Other General Fund Revenues (89%)

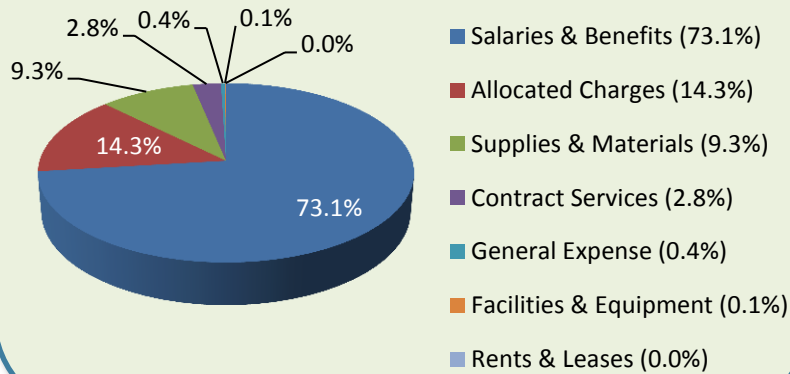
How are Library dollars used?
(Total = \$7.1 million)



- Administration (17%)
- Public Services (59%)
- Collections and Technical Services (24%)

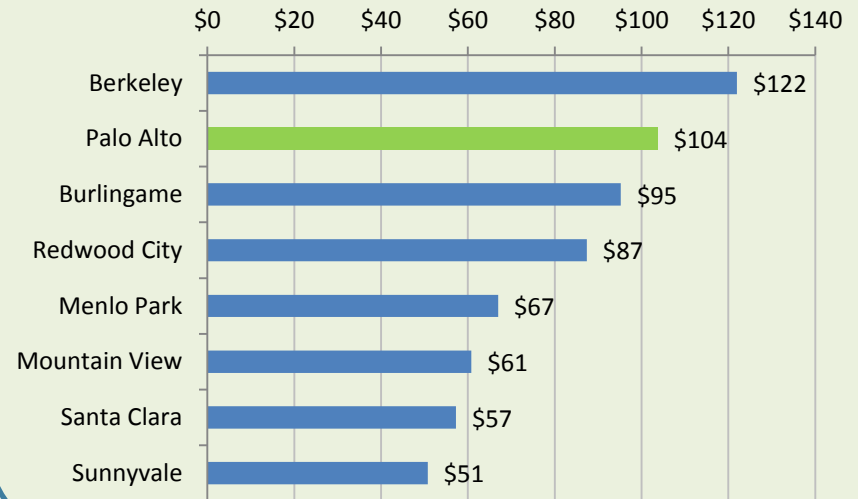
YOUR MONEY AT WORK

Expenditures by Category



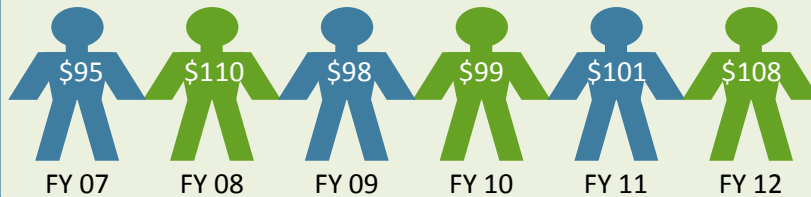
Source: City of Palo Alto financial data

Comparison of Library Expenditures Per Capita in FY 2011¹



Source: California Library Statistics 2012 (reporting FY 2011)

Library Per Capita Spending

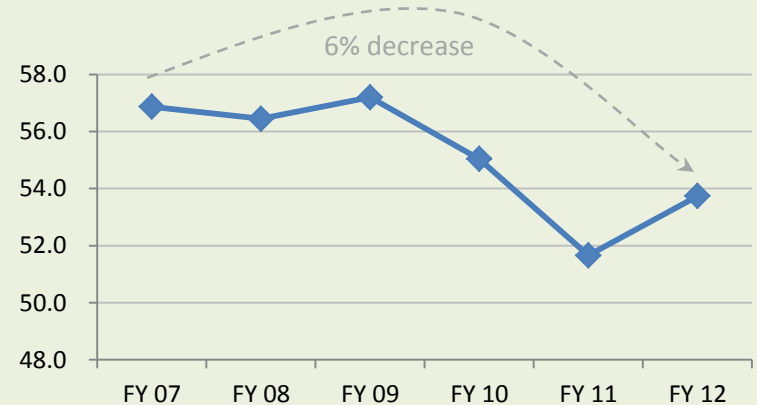


Source: City of Palo Alto financial data



Volunteers contributed 6,552 hours to the libraries in FY 2012. This was a 26% increase from 5,209 hours in FY 2011, and a 12% increase from 5,865 hours in FY 2007.

Total # of Full Time Equivalent (FTEs)






Source: City of Palo Alto financial data

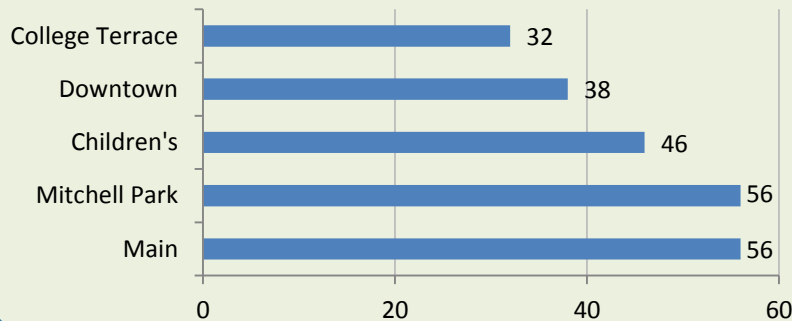
Footnote

¹ Each jurisdiction offers different levels of service and may account for those services differently.

DEPARTMENT GOALS

- 
 Maintain a high rate of return on the City's investment in library materials and services
- 
 Develop and provide library services and programs supporting the 41 Developmental Assets for Adolescents model
- 
 Position the library as a community destination for informational and recreational needs

Branch Hours Open per Week

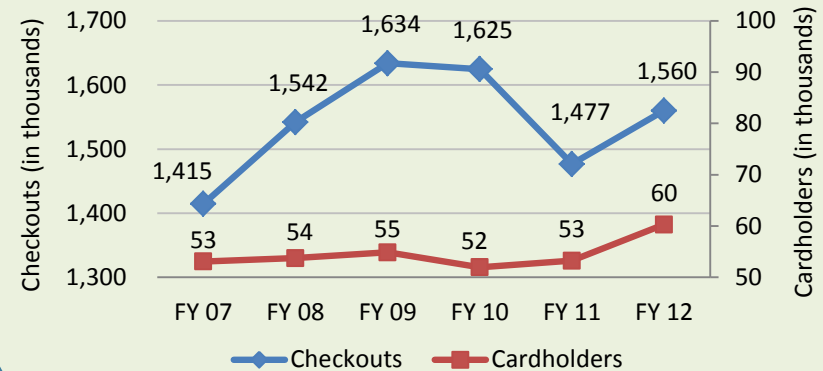


Source: Library Department

- Re-opened the Downtown branch following a 14-month renovation which provided infrastructure upgrades as well as introduced public meeting rooms and group study rooms as a library resource. Also added another open day of service.
- The Mitchell Park branch has been relocated to a temporary facility while a new joint facility, to include the library and a community center, is under construction. The new library, originally scheduled to open in July 2012, is anticipated to open in Spring of 2013.
- The Main Library branch is scheduled to close for renovation in Spring of 2013.

Department Wide

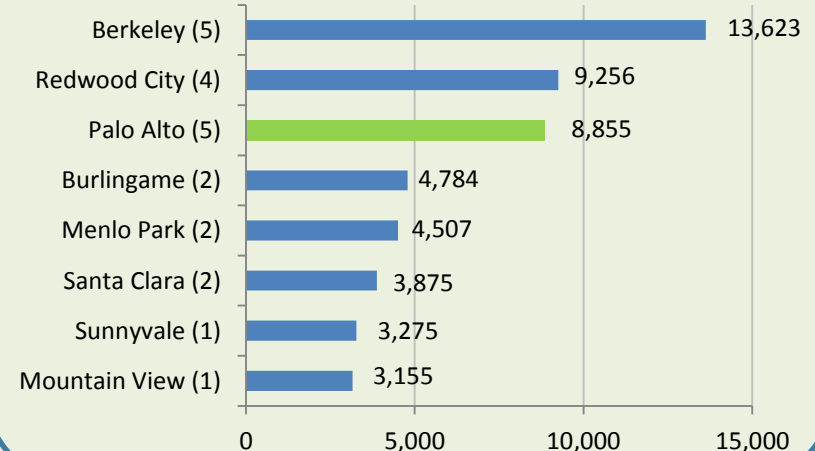
Number of Checkouts and Cardholders



Source: Library Department

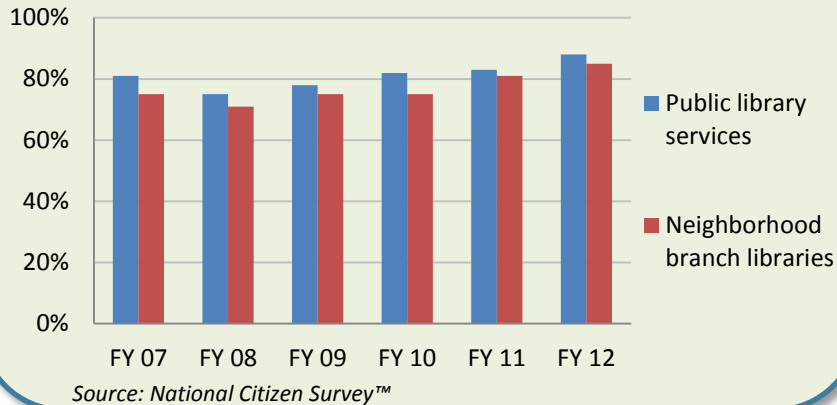
During FY 2011, the Downtown branch was closed all year and the College Terrace was closed until November 2010 for renovation. Total open hours increased to 11,142 in FY 2012.

Comparison of Total Hours Open Annually in FY 2011 (Number of libraries)



Source: California Library Statistics 2012 (reporting FY 2011)

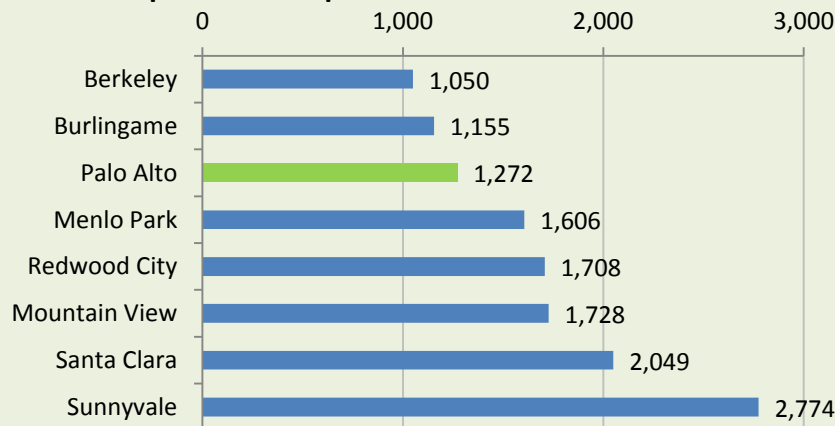
**Citizen Survey: Service Ratings
(Percent Rating "Good" or "Excellent")**



Palo Alto was named a 4-star library in *Library Journal's Index of Public Library Service 2012*. The Star designation is based on per capita:

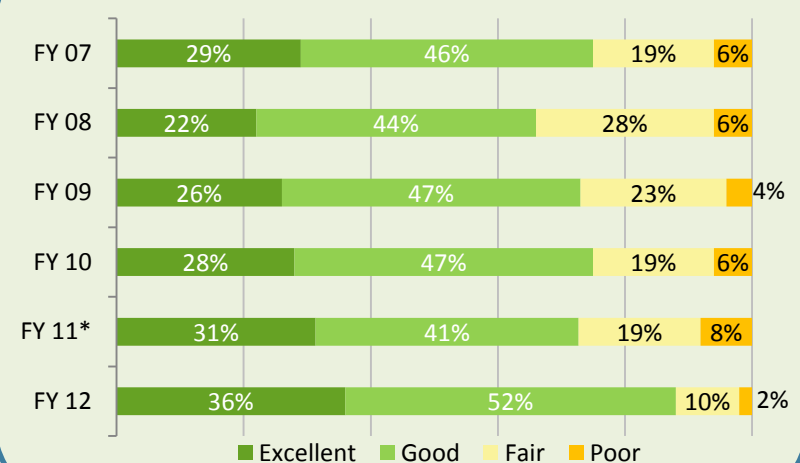
- Circulation;
- Visits;
- Program attendance; and
- Public Internet terminal use.

Comparison of Population Served Per FTE in FY 2011



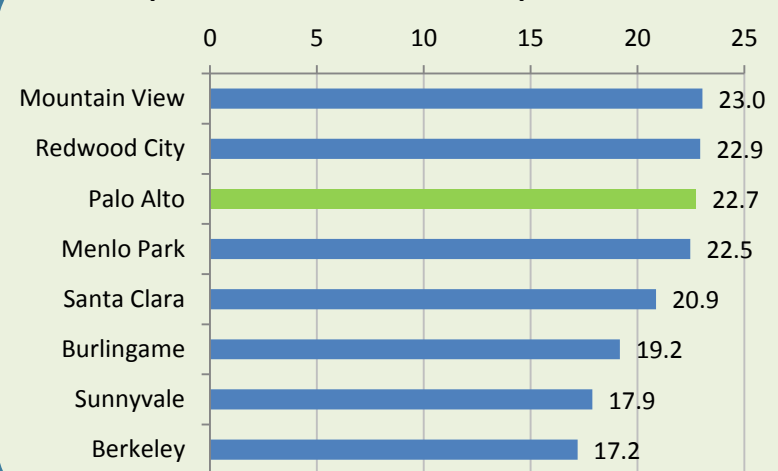
Source: California Library Statistics 2012 (reporting FY 2011)

Citizen Survey: Variety of Library Materials



Source: National Citizen Survey™

Comparison of Checkouts Per Capita in FY 2011



Source: California Library Statistics 2012 (reporting FY 2011)

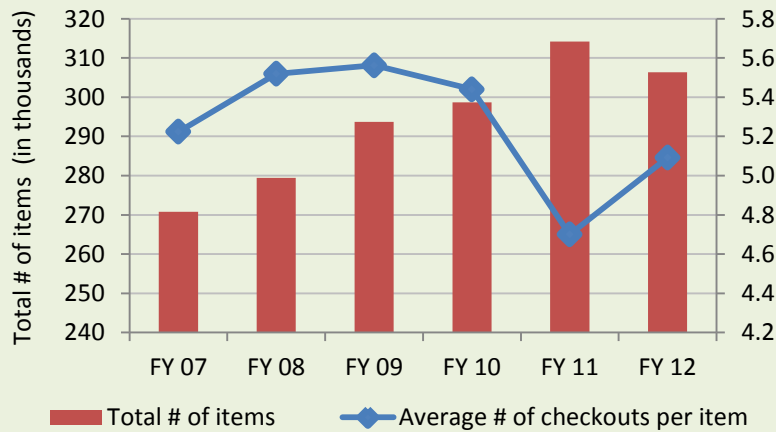
Footnote

* The FY 2011 numbers do not add up to 100% due to rounding.

KEY DIVISION OBJECTIVES

- Apply technology and lean business efficiency principles to increase work quality and improve service delivery to customers
- High use of collections and facilities

Total Number of Items in Collection and Average Number of Checkouts per Item



Source: Library Department

The Department attributes the fluctuation to facility closure for renovation and re-opening, which is expected to be completed in 2014.

Did You Know?

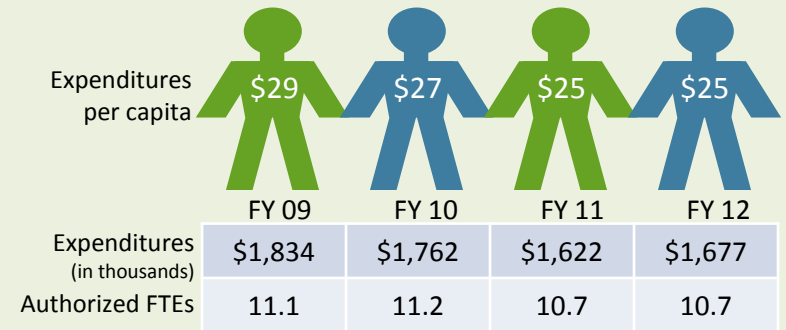
Chromebooks, a simplified laptop computer based on Google's Chrome browser & operating system, are available for in-library use and 7-day checkout at all branches.

Footnote

* Estimate. According to the Department, this metric was not consistently monitored in FY 2012 due to staff transitions, including a new division head.

Collection and Technical Services

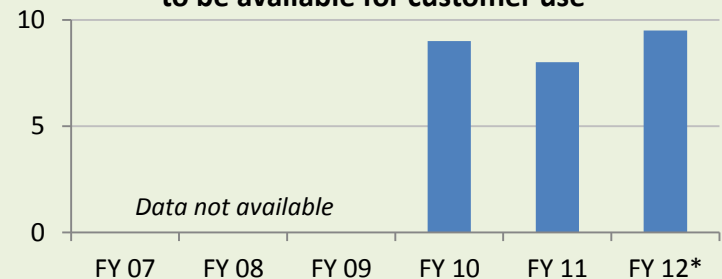
Collection and Technical Services Spending



Source: City of Palo Alto financial data

This is a Department initiative incorporating new methods of tracking how quickly the staff can acquire, prepare, and make new materials available for customers. According to the Department, the increase in FY 2012 is due to more international language materials ordered, which take longer to catalog and prepare for use.

Number of business days for new materials to be available for customer use



Source: Library Department

KEY DIVISION OBJECTIVES

- Encourage adolescents between the ages of 12 and 18 to read for pleasure three or more hours a week (Developmental Asset #25)
- High use of collections and facilities
- Increase annual participation in library programs and services, both in-library and virtual

The City of Palo Alto adopted the **41 Developmental Assets** initiative to support the health, resiliency, and overall well-being of youth within the community. Assets are the positive values, relationships and experiences that help youth and teens succeed and thrive. Research shows a significant correlation between higher number of assets and positive indicators, such as school performance and resiliency. The 41 Developmental Assets framework has been adopted by the City of Palo Alto, the Palo Alto Unified School District, YMCA, Youth Community Services and many other youth-serving agencies.

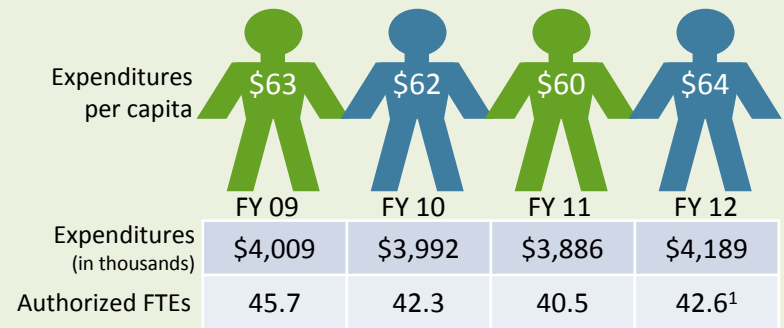
Did You Know?

Three meeting rooms are available for public use at the newly renovated Downtown Library. According to the Department, 846 meeting reservations were made in FY 2012. Additional meeting rooms will be made available in the future at the Mitchell Park Library and Main Library.

Footnote

¹ According to the Department, the number includes 1.0 FTE that was frozen during FY 2012.

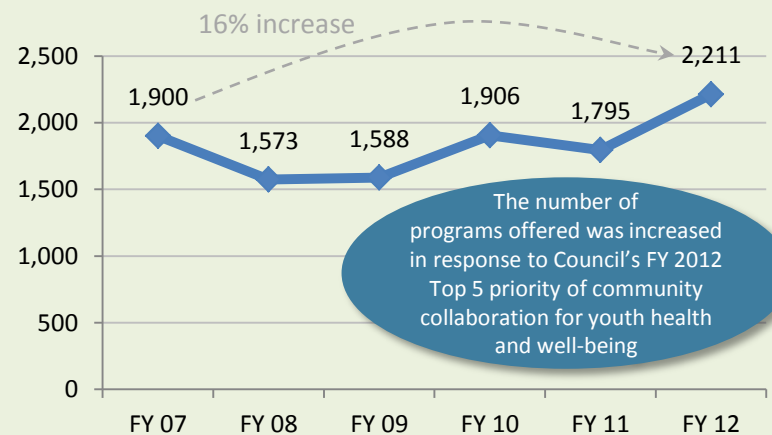
Public Services Spending



Source: City of Palo Alto financial data

According to the Department, adolescents who enjoy reading are more likely to grow up into healthy, caring, and responsible adults. This measure tracks the level of interest and participation in the Library's recreational reading programs.

Number of Teens Participating in Teen Programs



Source: Library Department

DEPARTMENT WIDE SPENDING

	Operating Expenditures (in millions)				Library expenditures per capita	Citizen Survey	
	Administration	Collections and Technical Services	Public Services	TOTAL		Percent rating quality of library services "good" or "excellent" (Target: 85%)	Percent rating quality of neighborhood branch libraries "good" or "excellent"
FY 07	\$0.5	\$1.5	\$3.9	\$5.9	\$95	81%	75%
FY 08	\$0.5	\$1.8	\$4.5	\$6.8	\$110	75%	71%
FY 09	\$0.4	\$1.8	\$4.0	\$6.2	\$98	78%	75%
FY 10	\$0.6	\$1.8	\$4.0	\$6.4	\$99	82%	75%
FY 11	\$1.0	\$1.6	\$3.9	\$6.5	\$100	83%	81%
FY 12	\$1.2	\$1.7	\$4.2	\$7.1	\$108	88%	85%
Change from:							
Last year	+22%	+3%	+8%	+10%	+8%	+5%	+4%
FY 07	+132% ¹	+14%	+9%	+45% ¹	+35% ¹	+7%	+10%

STAFFING

	Authorized Staffing (FTE)			Number of residents per library staff FTE	Volunteer hours	Total hours open annually ³ (Target: 10,878)	FTE per 1,000 hours open
	Regular	Temporary/hourly	TOTAL				
FY 07	44.3	12.6	56.9	1,079	5,865	9,386	6.1
FY 08	43.8	12.7	56.5	1,101	5,988	11,281	5.0
FY 09	43.8	13.5	57.2	1,110	5,953	11,822	4.8
FY 10	42.3	12.8	55.0	1,169	5,564	9,904	5.6
FY 11	41.3	10.4	51.7	1,255	5,209	8,855	5.8
FY 12	41.3²	12.5	53.7²	1,220	6,552	11,142	4.8
Change from:							
Last year	0%	+20%	+4%	-3%	+26%	+26%	-17%
FY 07	-7%	-1%	-6%	+13%	+12%	+19%	-20%

Footnotes

¹ The Department attributes the increase to a change in methodology for allocating Information Technology charges in FY 2011. Allocated charges for the entire department are reflected in the Administration division. Maintenance and replacement schedules were also updated.

² According to the Department, the number includes 1.0 FTE that was frozen during FY 2012.

³ The Department attributes the fluctuation to facility closure for renovation and re-opening, which is expected to be completed in 2014.

COLLECTION AND TECHNICAL SERVICES

	Number of items in collection				Number of Items in collection per capita	Total number of titles in collection	Total checkouts (Target: 1,589,900)	Checkouts per capita (Target: 23.8)	Number of items on hold	Average number of checkouts per item	Number of business days for new materials to be available for customer use <NEW>	Percent of first time checkouts completed on self - check machines (Target: 91%)	Citizen Survey
	Book volumes	Media items	eBook & eMusic items	TOTAL									Percent rating variety of library materials "good" or "excellent" (Target: 80%)
FY 07	240,098	30,657	-	270,755	4.41	167,008	1,414,509	23.0	208,719	5.22	-	88%	75%
FY 08	241,323	33,087	4,993	279,403	4.49	174,683	1,542,116	24.8	200,470	5.52	-	89%	66%
FY 09	246,554	35,506	11,675	293,735	4.63	185,718	1,633,955	25.7	218,073	5.56	-	90%	73%
FY 10	247,273	37,567	13,827	298,667	4.64	189,828	1,624,785	25.3	216,719	5.44	9.0	90%	75%
FY 11	254,392	40,461	19,248	314,101	4.84	193,070	1,476,648	22.8	198,574	4.70	8.0	91%	72%
FY 12	251,476	41,017	13,667	306,361	4.67	187,359	1,559,932	23.8	211,270	5.09	9.5²	88%	88%
Change from:													
Last year	-1%	+1%	-29% ¹	-2%	-4%	-3%	+6%	+4%	+6%	+8%	+19%	-3%	+16%
FY 07	+5%	+34%	-	+13%	+6%	+12%	+10%	+3%	+1%	-3%	-	0%	+13%

PUBLIC SERVICES

	Total number of cardholders	Percent of Palo Alto residents who are cardholders	Library visits	Meeting room reservations <NEW>	Total number of reference questions	Total number of online database sessions	Number of internet sessions	Number of laptop checkouts	Number of programs ³ (Target: 468)	Number of teens participating in teen programs <NEW>	Total program attendance (Target: 31,600)	Citizen Survey
												Percent who used libraries or their services more than 12 times during the year (Target: 32%)
FY 07	53,099	57%	862,081	-	57,255	52,020	149,280	11,725	580	1,900	30,221	33%
FY 08	53,740	62%	881,520	-	48,339	49,148	137,261	12,017	669	1,573	37,955	31%
FY 09	54,878	62%	875,847	-	46,419	111,228	145,143	12,290	558	1,588	36,582	34%
FY 10	51,969	60%	851,037	-	55,322	150,895	134,053	9,720	485	1,906	35,455	31%
FY 11	53,246	64%	776,994	-	53,538	51,111 ⁴	111,076	5,279	425	1,795	24,092	30%
FY 12	60,283	69%	843,981	846	43,269	42,179	112,910	4,829	598	2,211	30,916	28%
Change from:												
Last year	+13%	+5%	+9%	-	-19%	-17%	+2%	-9%	+41% ⁵	+23% ⁵	+28% ⁵	-2%
FY 07	+14%	+12%	-2%	-	-24% ⁶	-19%	-24% ⁶	-59% ⁶	+3%	+16%	+2%	-5%

Footnotes

¹ The Department attributes the decrease to the discontinuation of purchasing ebooks from two vendors (NetLibrary and Ingram MyiLibrary) to maintain only one ebook platform (OverDrive) until additional staff resources are made available to facilitate the maintenance of multiple ebook platforms.

² Estimate. According to the Department, this metric was not consistently monitored in FY 2012 due to staff transitions, including a new division head.

³ Programs include planned events for the public that promote reading, support school readiness and education, and encourage lifelong learning. Many programs are sponsored by the Friends of the Palo Alto Library.

⁴ The Department attributes this decline to change of the primary database provider and subsequent change of how the primary vendor defines session.

⁵ According to the Department, the number of programs offered was increased in response to Council's FY 2012 Top 5 priority of community collaboration for youth health and well-being.

⁶ The Department attributes the decrease to improvements in technology and greater access to the Internet with free WiFi, which is available at all the branches. More library customers are using their own laptop, tablet, and/or smartphone devices instead of library computers.

Chapter 6: Public Safety – Office of Emergency Services

Mission: To prevent, prepare for and mitigate, respond to, and recover from all hazards.

Goal: To develop, maintain, and sustain a citywide, comprehensive, all hazard, risk-based emergency management program that engages the whole community.

Coordinate the development of **emergency public information** protocols.

Promote **operational readiness** (i.e., the City’s ability to handle a major critical incident or disaster).

Maintain **awareness of threats** to our area by coordinating with law enforcement and other agencies.

Lead a process to **identify threats and hazards** and to assess risks the City faces.

Engage the whole community by developing structures to link non-governmental organizations, residents, and businesses to the incident command system (i.e., the systems and processes developed to mitigate incidents).

Lead or coordinate the development and maintenance of **policies and plans** related to disasters, critical incidents, and City safety.

Participate in **regional planning efforts**.

Seek funding and manage awarded **grants** pertaining to emergency management and homeland security.

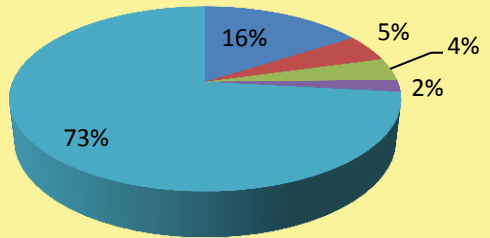
Develop **training and exercises**.

Coordinate development of **new technologies** for emergency management.

OES operates the City’s Mobile Emergency Operations Center (MEOC), which has greatly improved the City’s emergency response capabilities.



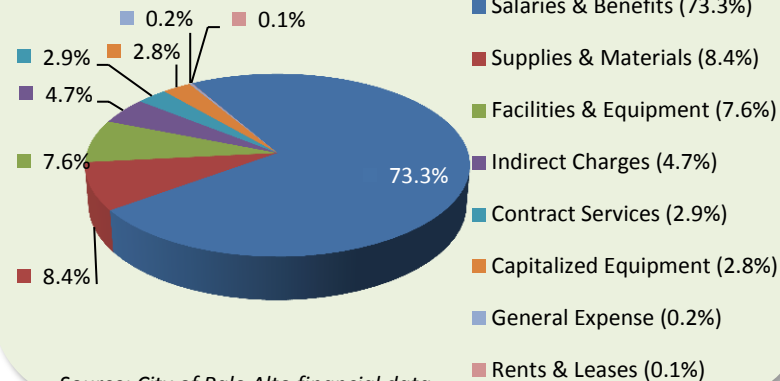
What are the sources of Office of Emergency Services (OES) funding? (\$0.6 million)



- General Fund Services Provided to Enterprise Funds (16%)
- Donations/Contributions (5%)
- Other Revenues from Other Agencies (4%)
- Other External Revenues (2%)
- Other General Fund (73%)

YOUR MONEY AT WORK¹

Expenditures by Category



Source: City of Palo Alto financial data

OES reported the following key facts and figures for FY 2012:

- ✓ 1.5 Full Time Equivalents (actual)
- ✓ 32 presentations/training sessions were provided to the public
- ✓ 6 presentations/training sessions were provided to City staff
- ✓ \$139,300 in grant funding was awarded
- ✓ 27 deployments of the Mobile Emergency Operations Center (MEOC)
 - Deployments have addressed high-risk targets or incidents such as:
 - Stanford Football Games
 - The Lehigh Cupertino Quarry multiple homicide incident
 - VIP & Presidential Visits

OES Per Capita Spending^{1,3}



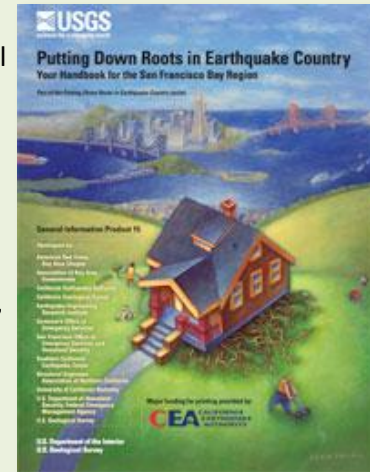
FY 12

Source: City of Palo Alto financial data

The Office of Emergency Services (OES) was reorganized as a result of a study and recommendations made to City Council in April 2011. Although included here as a separate chapter, OES is part of the Fire Department budget.

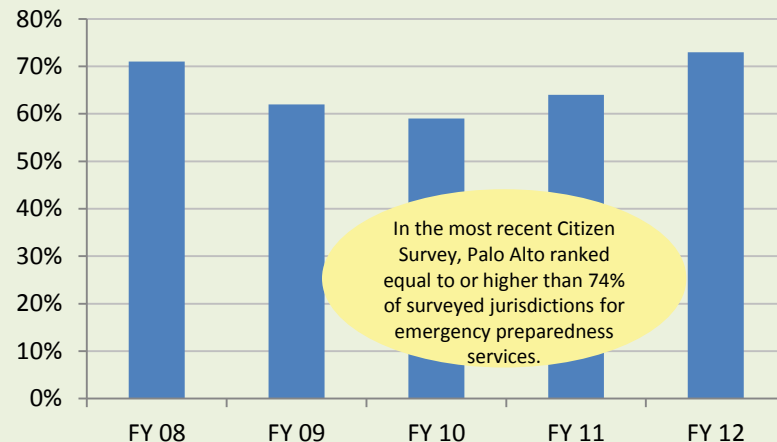
Did You Know?

In 2008, the United States Geological Survey (USGS) reported a 63% probability for one or more magnitude 6.7 or greater earthquakes from 2007 to 2036 in the San Francisco Bay region. The USGS offers a handbook (Putting Down Roots in Earthquake Country), in addition to links to other informative earthquake preparedness resources on its webpage at:



<http://earthquake.usgs.gov/regional/nca/prepare/>

Citizen Survey: Emergency Preparedness (Percent Rating "Good" or "Excellent")



In the most recent Citizen Survey, Palo Alto ranked equal to or higher than 74% of surveyed jurisdictions for emergency preparedness services.

Source: National Citizen Survey™

Footnotes

- ¹ The City classified OES financial data under the Fire Department for budgeting purposes. The underlying data is also incorporated in the financial information reported for the Fire Department.
- ² Jurisdictions have different levels of service and categorize expenditures in different ways. For example, Palo Alto provides emergency services to Stanford in addition to its own residents.
- ³ OES Per Capita Spending is based on the City's financial records and the total population of Palo Alto and Stanford.

DEPARTMENT WIDE

	Operating Expenditures ¹ (thousands)	Revenues ¹ (thousands)	Authorized staffing ¹ (FTE)	Presentations, Training Sessions, and Exercises ¹	Emergency Operations Center Activations/ Deployments ¹	Grant funding awarded to OES ¹	Citizen Survey Percent rating emergency preparedness (services that prepare the community for natural disasters or other emergency services) "good" or "excellent"
FY 07	-	-	-	-	-	-	-
FY 08	-	-	-	-	-	-	71%
FY 09	-	-	-	-	-	-	62%
FY 10	-	-	-	-	-	-	59%
FY 11	-	-	-	-	-	-	64%
FY 12	\$594^{1,2}	\$159^{1,2}	2.0^{1,2}	38^{1,2}	27^{1,2}	\$139,300^{1,2}	73%
Change from:							
Last year	-	-	-	-	-	-	+9%
FY 07	-	-	-	-	-	-	-

Footnotes

¹ The Office of Emergency Services (OES) was reorganized as a result of a study and recommendations made to City Council in April 2011. Data prior to 2012 is generally not available or applicable.

² In FY 2012, the City was in process of restructuring the OES budget and classified OES under the Fire Department for budgeting. The underlying data is also incorporated in the financial information reported for the Fire Department.

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Chapter 7: Planning and Community Environment Department

Mission: To provide the Council and community with creative guidance on, and effective implementation of, land use development, planning, transportation, housing and environmental policies, and plans and programs that maintain and enhance the City as a safe, vital, and attractive community.

Administration provides personnel, contract, budget, and project management support for the Department; liaisons with other departments, Boards, Commissions and the City Council.

Advance Planning administers the City's housing, historic preservation, and community development programs; administers the City's Community Development Block Grant program, manages the City's below market rate housing program; and oversees organization and development of the Comprehensive Plan.

Transportation is responsible for traffic operations in the city, the bicycle system, area transportation studies, public transit service, and regional transportation activities.

Building protects the public's health, safety and real property interests by enforcing laws and regulations that govern the design, construction, use and occupancy of buildings.

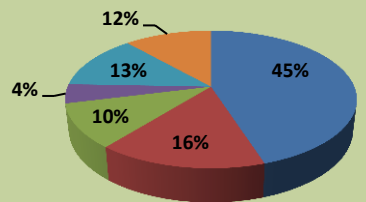
Code Enforcement investigates complaints and resolves violations of City's Municipal Code. Monitors and verifies compliance with conditions of approval for private development projects.

Current Planning works collaboratively with customers/stakeholders involved in the City's planning entitlement processes; leads the City's green building program, including diversion of construction and demolition debris.

The **Development Center** integrates the efforts of several City programs within the Fire, Public Works, Utilities, and Planning & Community Environment (PCE) departments to ensure a high level of customer service.

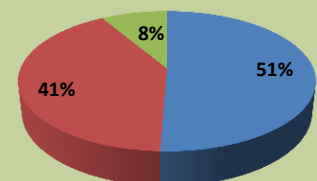


What are the sources of PCE funding?
(Total = \$10.3 million)



- New Construction Permits (45%)
- Plan Checking Fees (16%)
- Zoning Plan Check Fees (10%)
- Architectural Review Board Fees (4%)
- Other External Revenues (13%)
- Other General Fund (12%)

How are PCE dollars used?
(Total = \$10.3 million)

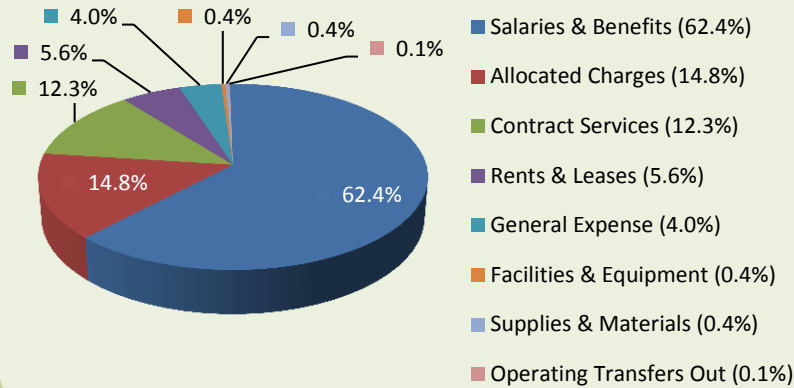


- Planning and Transportation (51%)
- Building (41%)
- Administration (8%)

YOUR MONEY AT WORK

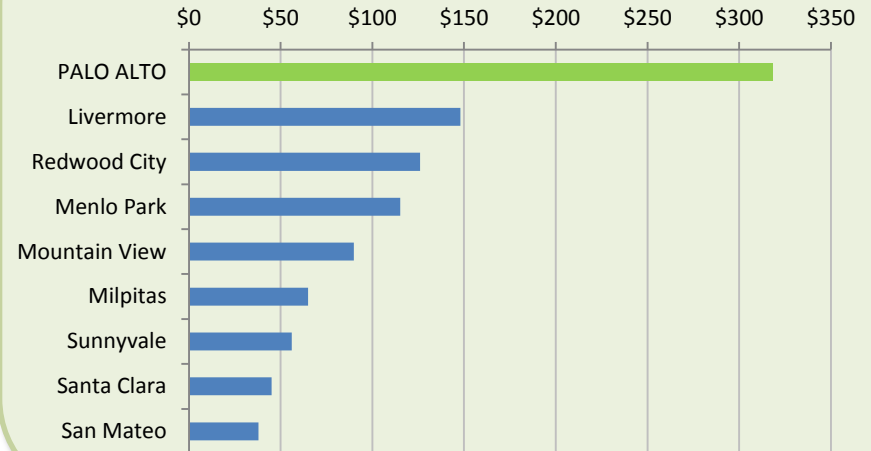


Expenditures by Category



Source: City of Palo Alto financial data

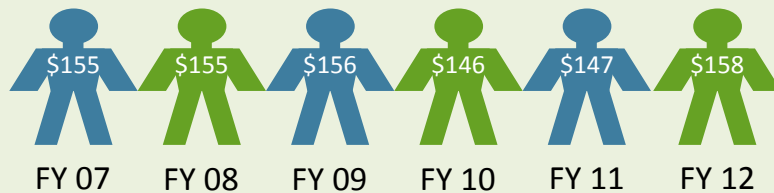
Comparison of Planning & Construction and Engineering Regulation Enforcement Expenditures Per Capita in FY 2011¹



Source: California State Controller, Cities Annual Report Fiscal Year 2011

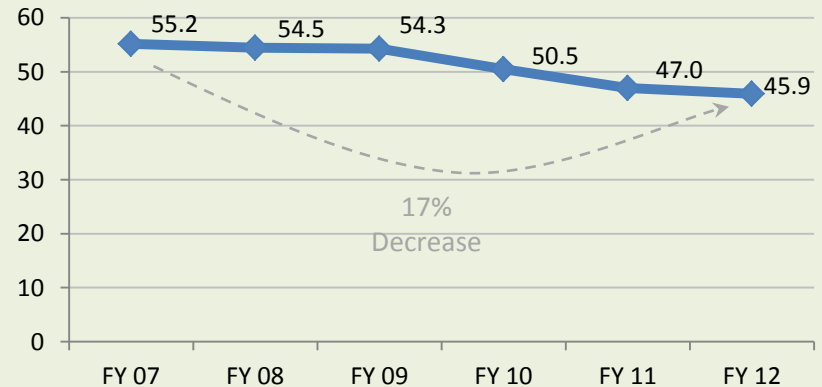
The **Development Center** at 285 Hamilton Avenue (across from City Hall) offers forms, handouts, and information about obtaining permits in addition to assistance on all aspects of construction, renovation, or development projects. Forms and handouts are also offered online. City staff from the Fire, Public Works, Planning & Community Environment, and Utilities departments monitor code compliance and enhance the quality of development projects at the Development Center.

PCE Per Capita Spending



Source: City of Palo Alto financial data

Total # of Full Time Equivalent (FTEs)



Source: City of Palo Alto financial data

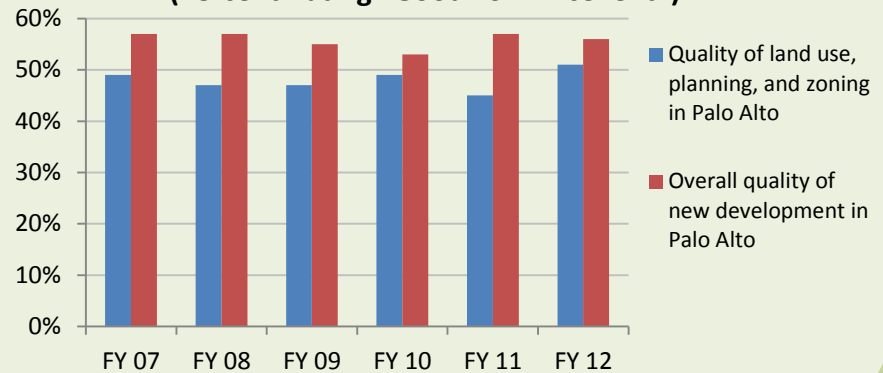
¹Footnote

¹ Palo Alto's expenditures per capita appear higher than those of surrounding jurisdictions, but it should be noted that different cities budget expenditures in different ways.

DEPARTMENT GOALS

- ❖ Work with customers (property owners and developers) and the public to efficiently process planning, land use and zoning applications for quality design.
- ❖ Enhance the safety and mobility of the transportation system while protecting environmental resources and preserving the community's quality of life.
- ❖ Provide a high level of customer service and decrease application review, processing and permit issuance times.
- ❖ Work collaboratively with City departments, which support development services, to adequately staff and respond to workload demands, meet specific performance criteria established for the Blueprint Initiative (an organization change process focused on permit and application approvals), and achieve excellent customer service.

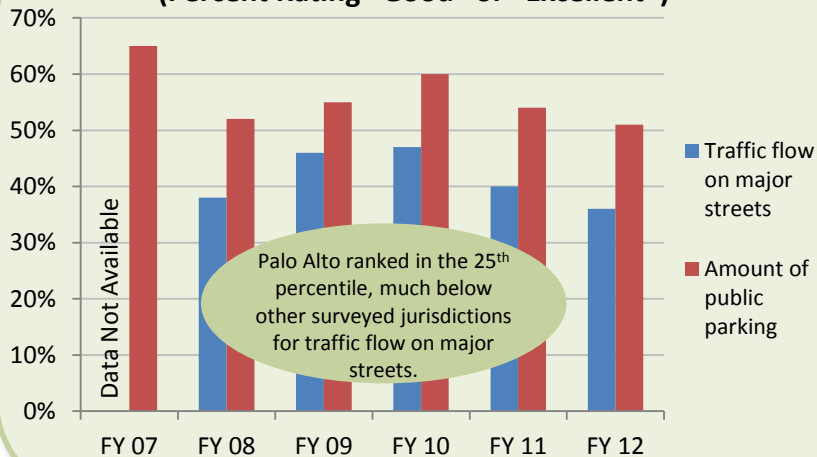
Citizen Survey: Land Use, Planning, Zoning, and New Development (Percent Rating "Good" or "Excellent")



Source: National Citizen Survey™

Palo Alto ranked in the 60th percentile compared to other surveyed jurisdictions for quality of land use, planning, and zoning and in the 36th percentile for overall quality of new development in Palo Alto.

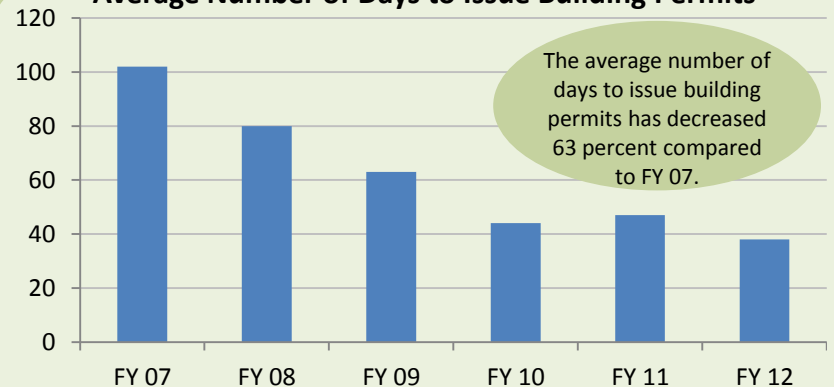
Citizen Survey: Transportation (Percent Rating "Good" or "Excellent")



Palo Alto ranked in the 25th percentile, much below other surveyed jurisdictions for traffic flow on major streets.

Source: National Citizen Survey™

Average Number of Days to Issue Building Permits¹



The average number of days to issue building permits has decreased 63 percent compared to FY 07.

Source: Planning and Community Environment Department

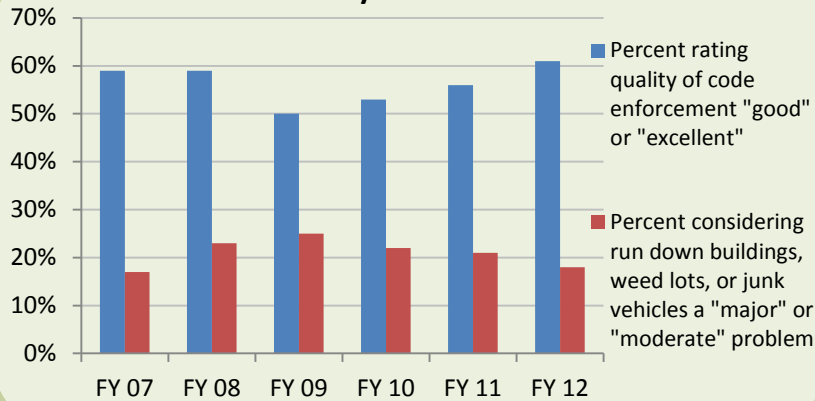
Footnote

¹ This measure does not include over the counter plan checks or building permits; it tracks projects that require multi-departmental review and approval. The average number of days includes an applicant's response time to the City's initial review, which is not within the City's control.

KEY OBJECTIVES

- ❖ Improve customer satisfaction and staff response time
- ❖ Interpret and apply building code through inspection and enforcement

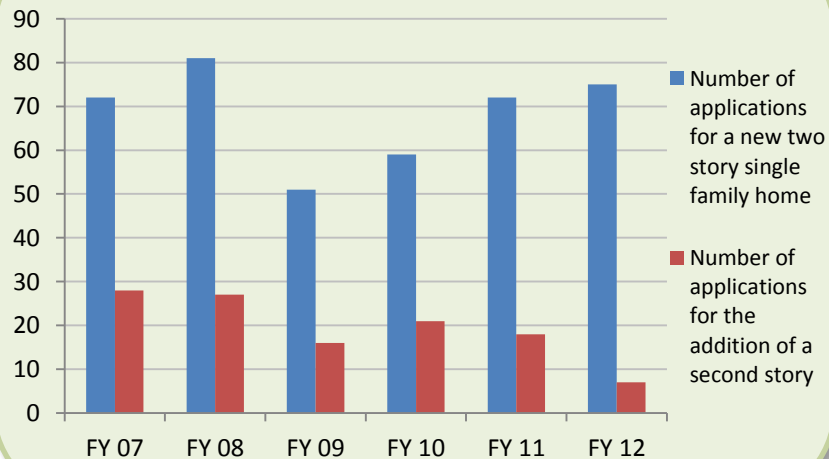
Citizen Survey: Code Enforcement



Source: Planning and Community Environment Department

The Department reported 618 new code enforcement cases for FY 2012, a 67 percent increase from FY 2007.

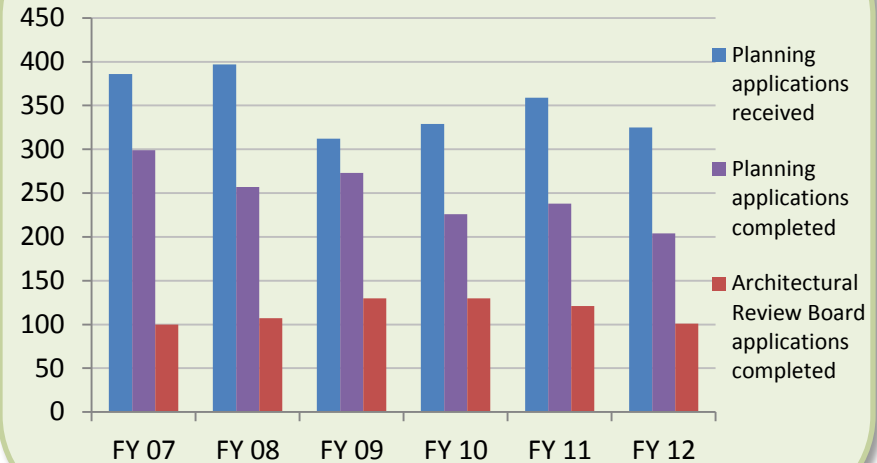
Individual Review Permit Applications Received



Source: Planning and Community Environment Department

Current Planning & Code Enforcement

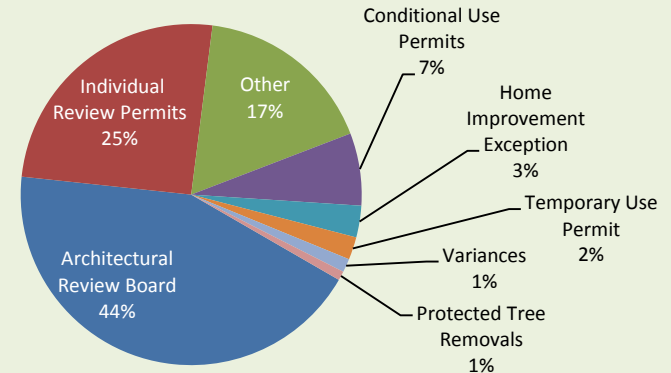
Planning and Architectural Review Board Applications



Source: Planning and Community Environment Department

The Department reported a total of 204 planning applications were completed in FY 2012, 32 percent fewer than in FY 2007. The Department reported 12.5 weeks on average to complete staff-level applications, a 7 percent decrease from FY 2007.

Completed Planning Applications in FY 2012



Source: Planning and Community Environment Department

KEY OBJECTIVE

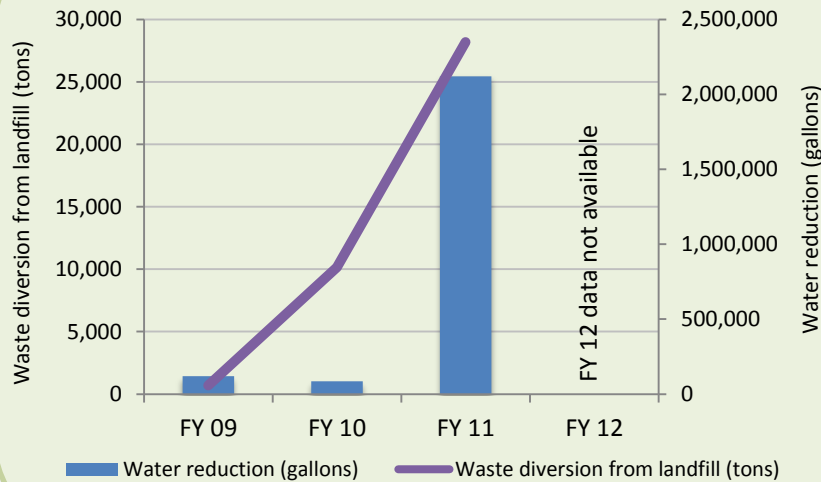
- ❖ Promote increased levels of green building and sustainability practices with development

In FY 2009, the Department established a new Green Building Program under the City’s Green Building Ordinance to build a new generation of efficient buildings in Palo Alto that are environmentally responsible and healthy places in which to live and work.¹ As of FY 2011, the program had influenced over \$187 million of project valuation and it was estimated that a little over 2,000 people were either working or living in green buildings throughout the City. In FY 2011, 82 percent of survey respondents rated the City of Palo Alto “good” or “excellent” on water and energy preservation.



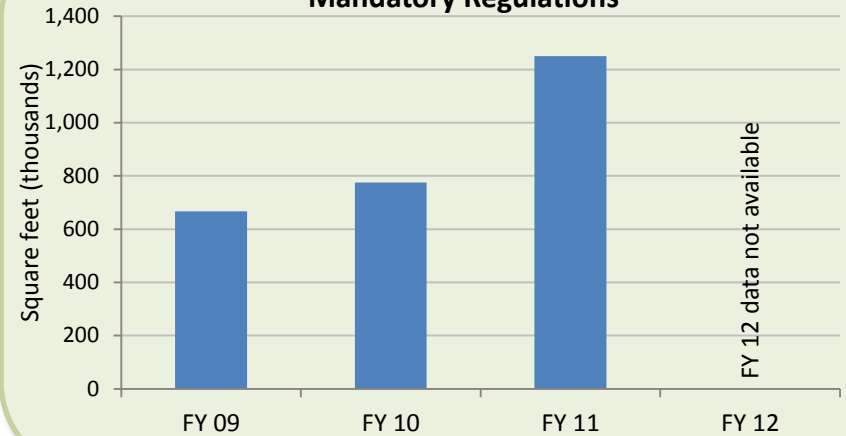
The Department did not maintain FY 2012 data.

Water Reduction & Waste Diversion



Source: Planning and Community Environment Department

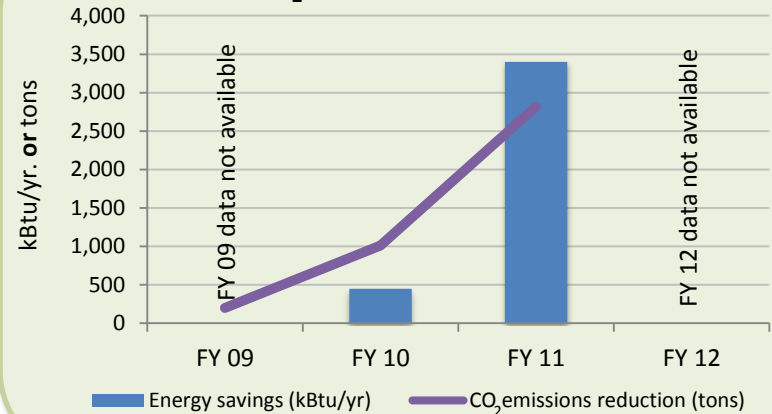
Green Building Square Feet with Mandatory Regulations



Source: Planning and Community Environment Department

In FY 11, the Department processed 961 green building permit applications, a 73 percent increase from FY 2010.

Energy Savings & CO₂ Emissions Reduction



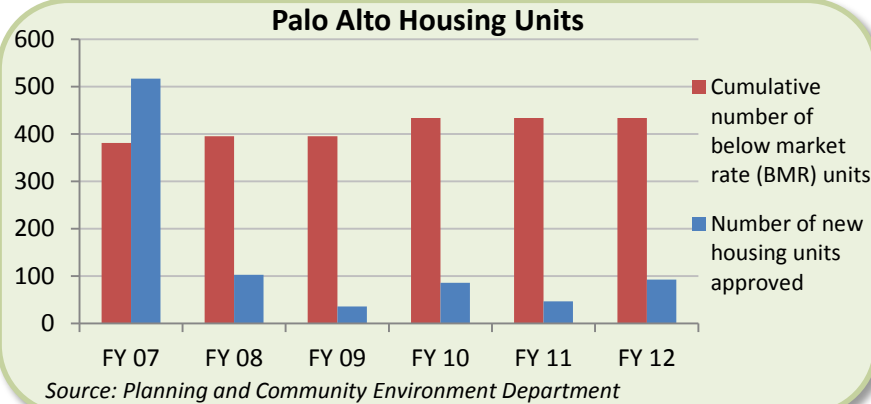
Source: Planning and Community Environment Department

Footnote

¹ The City’s Green Building Ordinance requires specific project types to meet specified green building standards. **KBtu** – Kilo British Thermal Units, **CO₂** – Carbon Dioxide

KEY OBJECTIVE

❖ Increase the number of affordable housing units



The Department estimated a total of 28,380 residential units in Palo Alto as of FY 2012.¹ The average home price for a single family home in Palo Alto was \$1.7 million in 2011, or about 11 percent higher than in 2010.² Palo Alto ranked in the 3rd percentile for availability of affordable quality housing.

Did You Know?

A Comprehensive Plan is a long-range document that includes goals, policies and programs for how a community will manage its land use, housing, circulation, natural resources, economics and public services.

The City of Palo Alto currently is undertaking a Comprehensive Plan Amendment that will cover the period through 2025. The purpose of the Amendment is to extend the horizon year of the existing Comprehensive Plan adopted in 1998 from 2010 to 2025, revise base conditions and growth projections, modify policies and programs, and update the land use map and revise the Housing Element. These efforts will continue in 2013, with review of a draft Comprehensive Plan and associated Environmental Impact Report expected in late 2013.

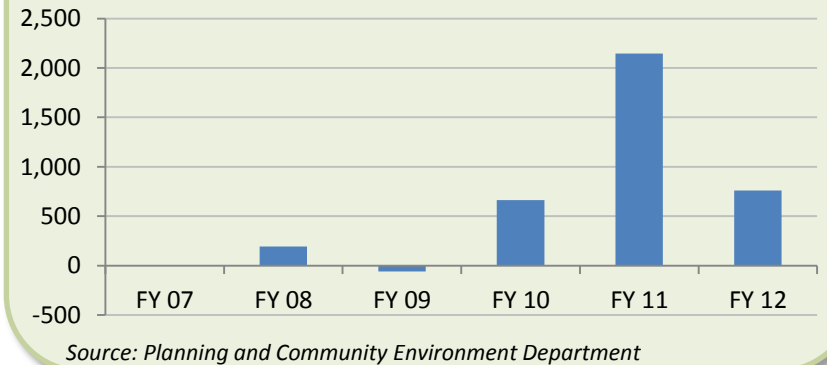
For more information visit: <http://www.paloaltocompplan2020.org>

Footnotes

¹ The number of residential units for FY 2007 through FY 2010 are estimates based on the 2000 Decennial Census. The FY 2011 and FY 2012 figures are estimates based on the 2010 Decennial Census.

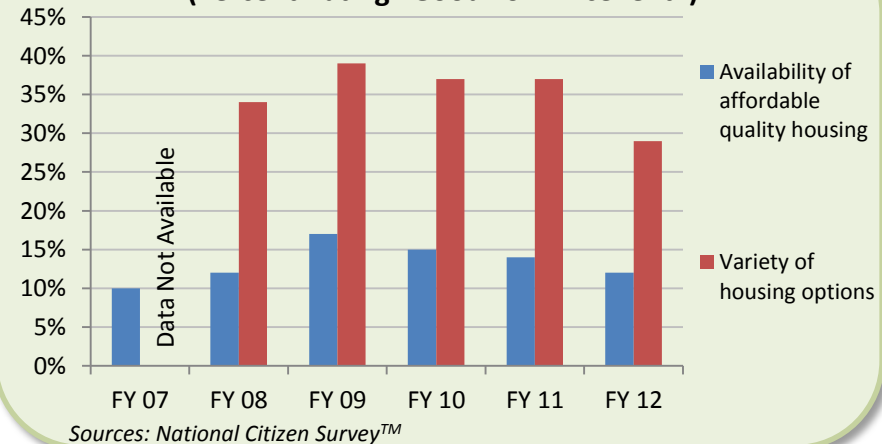
² Source: Real Estate Market Trends Report (<http://rereport.com>)

Estimated New Jobs Resulting From Projects Approved During the Year



Compared to other surveyed jurisdictions, the City ranked in the 3rd and 4th percentile respectively for availability of affordable quality housing and the variety of housing options, much lower than other surveyed jurisdictions.

Citizen Survey: Housing in Palo Alto (Percent Rating "Good" or "Excellent")

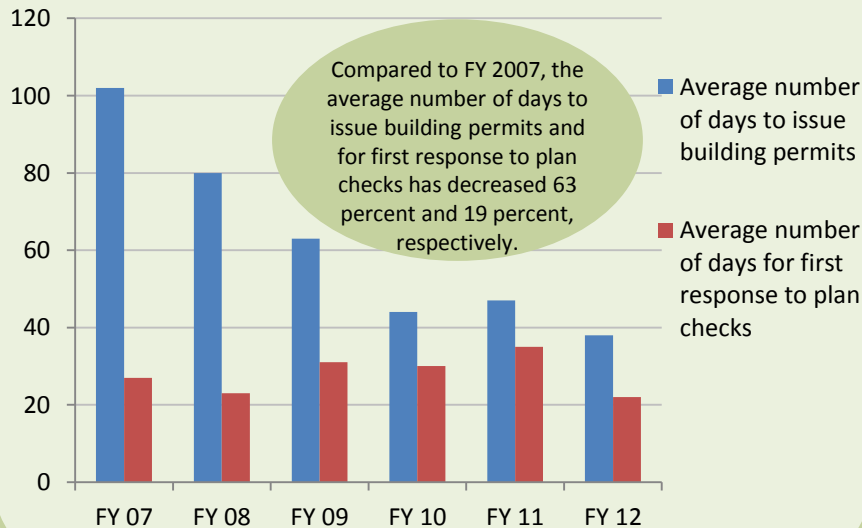


KEY OBJECTIVES

- ❖ Decrease number of days to issue a permit
- ❖ Process over the counter and submitted plan check review in a timely manner
- ❖ Interpret and apply building code through inspection and enforcement

According to the Department, issuing permits in a timely fashion has a direct correlation to the economic vitality of the City. Additionally, it reduces costs for developers and property owners, demonstrates the efficiency and productivity of City staff, and improves customer satisfaction.

Average Number of Days to Issue Building Permits And For First Response to Plan Checks¹



Source: Planning and Community Environment Department

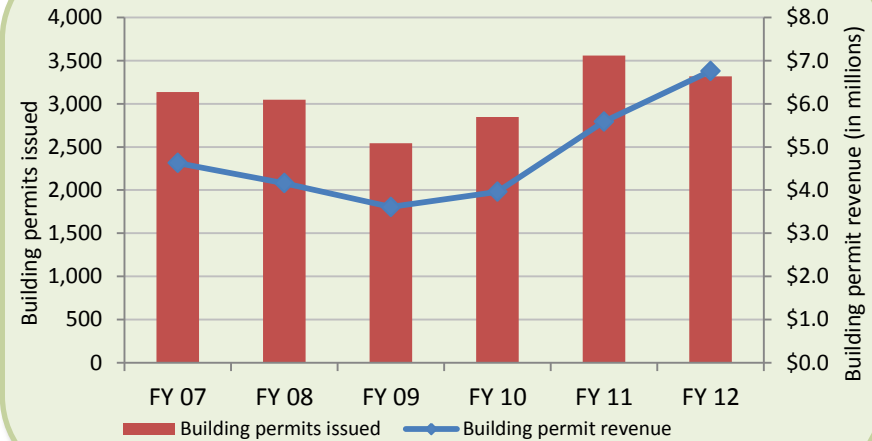
Footnotes

¹ These measures do not include over the counter plan checks or building permits.

² According to the Department, as of FY 2008 each type of inspection is counted as an individual inspection whereas in the past combined inspections were counted as one.

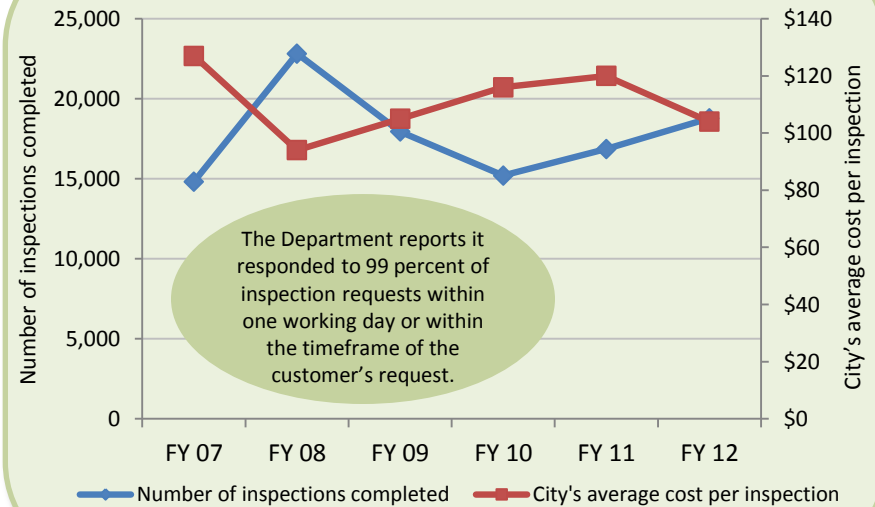
Building Permits and Inspections

Building Permits Issued & Building Permit Revenues



Source: Planning and Community Environment Department

Number of Inspections & Average Cost²

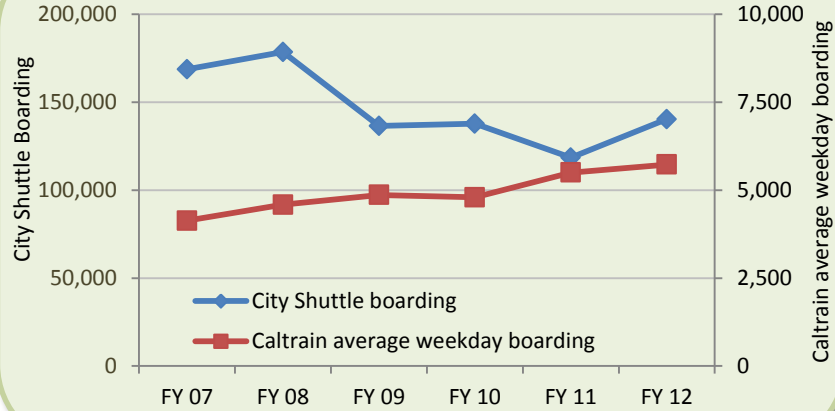


Source: Planning and Community Environment Department

KEY OBJECTIVES

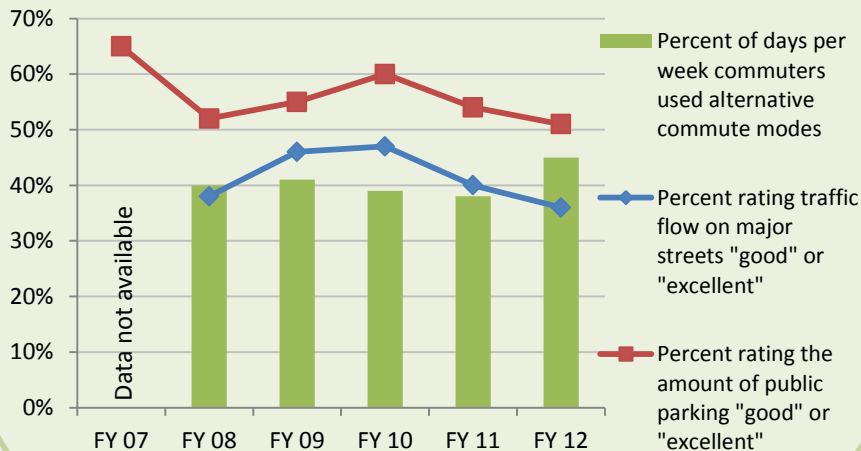
- ❖ Increase walkability and bicycle travel
- ❖ Decrease traffic congestion on roads and intersections
- ❖ Promote use of regional transportation systems

City Shuttle and Caltrain Boardings



Source: Planning and Community Environment Department

Citizen Survey: Commuting and Traffic¹

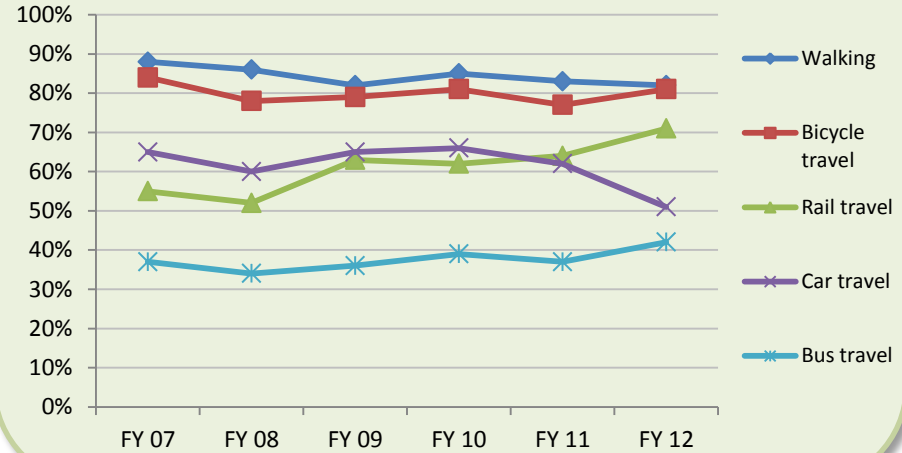


Source: National Citizen Survey™

Footnote

¹ Alternative commute modes include carpooling, public transportation, walking, bicycling, and working at home.

Citizen Survey: Percent Rating the Ease of the Following Forms of Transportation in Palo Alto as "Good" or "Excellent"



Source: National Citizen Survey™

Surveyed residents rated the ease of walking and bicycle travel highest, consistent with prior years. While more residents rated the ease of rail travel "good" or "excellent" in comparison with prior years, only 51 percent rated car travel "good" or "excellent," placing Palo Alto in the 34th percentile in comparison with other surveyed jurisdictions.



Did You Know?

In May 2003, Palo Alto was designated a **Bicycle Friendly Community** by the League of American Bicyclists. This designation ranks Palo Alto with only 15 other "Gold Level" communities. The City of Palo Alto strives to reach the "Platinum Level," which only three other cities have reached. The award is only presented to communities with remarkable commitments to bicycling.

DEPARTMENT WIDE SPENDING

	Operating Expenditures (millions)					TOTAL	Expenditures per capita	Revenue (in millions)	Authorized staffing (FTE)
	Administration	Planning and Transportation	Building	Economic Development ¹					
FY 07	\$0.7	\$5.2	\$3.4	\$0.2		\$9.5	\$155	\$6.6	55
FY 08	\$0.6	\$5.2	\$3.6	\$0.2		\$9.7	\$155	\$5.8	54
FY 09	\$0.2	\$5.7	\$3.5	\$0.4		\$9.9	\$156	\$5.1	54
FY 10	\$0.6	\$5.5	\$2.9	\$0.4		\$9.4	\$146	\$5.5	50
FY 11	\$0.9	\$5.1	\$3.3	\$0.3		\$9.6	\$147	\$7.5	47
FY 12	\$0.9	\$5.2	\$4.2	\$0.0		\$10.3	\$158	\$9.1	46
Change from:									
Last year	-6%	+3%	+28%	-99%		+8%	+7%	+22%	-2%
FY 07	+28%	0%	+25%	-99%		+9%	+2%	+39%	-17%

CURRENT PLANNING AND CODE ENFORCEMENT

	Planning applications received	Planning applications completed	Architectural Review Board applications completed	Average weeks to complete staff-level applications (Target: 13.0 weeks)	Citizen Survey		Code Enforcement		
					Percent rating quality of code enforcement "good" or "excellent"	Percent considering run down buildings, weed lots, or junk vehicles a "major" or "moderate" problem	Number of new cases	Number of re-inspections	Percent of cases resolved within 120 days of date received
FY 07	386	299	100	13.4	59%	17%	369	639	76%
FY 08	397	257	107	12.7	59%	23%	684 ²	981 ²	93%
FY 09	312	273	130	10.7	50%	25%	545	1,065	94%
FY 10	329	226	130	12.5	53%	22%	680	1,156	88%
FY 11	359	238	121	10.4	56%	21%	652	1,228	94%
FY 12	325	204	101	12.5	61%	18%	618	1,120	91%
Change from:									
Last year	-9%	-14%	-17%	+20%	+5%	-3%	-5%	-9%	-3%
FY 07	-16%	-32%	+1%	-7%	+2%	+1%	+67%	+75%	+15%

Footnotes

¹ In FY 2012, Economic Development was moved to the City Manager's Office.

² The Department advises that the method for counting new code enforcement cases and re-inspections changed in FY 2008. Inspections or cases with multiple components that in the past were counted as a single inspection or case are now counted as multiples. This is the reason for the increase in the numbers compared to FY 2007.

GREEN BUILDING¹

	Green Building permit applications processed	Green Building valuations with mandatory regulations	Green building square feet with mandatory regulations	Energy savings in Kilo British Thermal Units per Year (kBtu/yr.)	Water reduction (gallons)	Waste diversion from landfill (tons)	Carbon Dioxide (CO ₂) emissions reductions (tons)
FY 07	-	-	-	-	-	-	-
FY 08	-	-	-	-	-	-	-
FY 09	341	\$ 80,412,694	666,500	-	119,500	705	200
FY 10	556	\$ 81,238,249	774,482	449	84,539	10,137	1,013
FY 11	961	\$187,725,366	1,249,748	3,399	2,119,485	28,177	2,818
FY 12¹	-	-	-	-	-	-	-
Change from:							
Last year	-	-	-	-	-	-	-
FY 07	-	-	-	-	-	-	-

ADVANCE PLANNING

	Advance Planning					Citizen Survey	
	Number of residential units ²	Average price – single family home in Palo Alto ³ (in millions)	Estimated new jobs resulting from projects approved during the year	Number of new housing units approved	Cumulative number of below market rate (BMR) units	Percent rating quality of land use, planning, and zoning in Palo Alto as “good” or “excellent”	Percent rating overall quality of new development in Palo Alto as “good” or “excellent”
FY 07	27,763	\$1.52	0	517	381	49%	57%
FY 08	27,938	\$1.87	+193	103	395	47%	57%
FY 09	28,291	\$1.76	-58	36	395	47%	55%
FY 10	28,445	\$1.51	+662	86	434	49%	53%
FY 11	28,257	\$1.55	+2,144	47	434	45%	57%
FY 12	28,380	\$1.72	+760	93	434	51%	56%
Change from:							
Last year	0%	+11%	-65%	+98%	0%	+6%	-1%
FY 07	+2%	+13%	-	-82%	+14%	+2%	-1%

Footnotes

¹ The Department did not have updated FY 2012 figures for the Green Building Program.

² The number of residential units for FY 2007 through FY 2010 are estimates based on the 2000 Decennial Census. From FY 2011, the figures are estimates based on the 2010 Decennial Census.

³ Average home price is on a calendar year basis (e.g., FY 2012 data is for calendar year 2011). Source is <http://rereport.com>.

BUILDING PERMITS AND INSPECTIONS

	Building permit applications	City's average Cost per permit application	Building permits issued	Percent of building permits issued over the counter	Valuation of construction for issued permits (in millions)	Building permit revenue (in millions)	Average number of days for first response to plan checks ¹	Average number of days to issue building permits ¹	Number of inspections completed	City's average cost per inspection	Percent of inspection requests for permitted work responded to within one working day ² (Target: 98%)
FY 07	3,236	\$736	3,136	76%	\$298.7	\$4.6	27 days	102 days	14,822	\$127	99%
FY 08	3,253	\$784	3,046	53%	\$358.9	\$4.2	23 days	80 days	22,820 ³	\$94	98%
FY 09	3,496	\$584	2,543	75%	\$172.1	\$3.6	31 days	63 days	17,945	\$105	98%
FY 10	3,351	\$576	2,847	75%	\$191.2	\$4.0	30 days	44 days	15,194	\$116	99%
FY 11	4,132	\$629	3,559	79%	\$251.1	\$5.6	35 days	47 days	16,858	\$120	99%
FY 12	3,733	\$697	3,320	78%	\$467.9	\$6.8	22 days	38 days	18,778	\$104	99%
Change from:											
Last year	-10%	+11%	-7%	-1%	+86%	+21%	-37%	-19%	+11%	-13%	0%
FY 07	+15%	-5%	+6%	+2%	+57%	+46%	-19%	-63%	+27%	-18%	0%

TRANSPORTATION PLANNING

	Number of monitored intersections with an unacceptable level of service during evening peak ⁴	City Shuttle boarding (Target: 110,685)	City's cost per shuttle boarding (Target: \$1.86)	Caltrain average weekday boarding	Average number of employees participating in the City commute program (Target: 115)	Citizen Survey		
						Percent rating traffic flow on major streets "good" or "excellent"	Percent of days per week commuters used alternative commute modes ⁵	Percent considering the amount of public parking "good" or "excellent"
FY 07	2 of 21	168,710	\$2.00	4,132	105	-	-	65%
FY 08	3 of 21	178,505	\$1.97	4,589	114	38%	40%	52%
FY 09	2 of 21	136,511	\$2.61	4,863	124	46%	41%	55%
FY 10	1 of 8	137,825	\$2.65	4,796	113	47%	39%	60%
FY 11	1 of 8	118,455	\$1.82	5,501	92	40%	38%	54%
FY 12	-⁴	140,321	\$1.46	5,730	93	36%	45%	51%
Change from:								
Last year	-	+18%	-20%	+4%	+1%	-4%	+7	-3%
FY 07	-	-17%	-27%	+39%	-11%	-	-	-14%

Footnotes

¹ Average number of days does not include over the counter plan checks or building permits.

² In some cases, a customer requests a specific day or time as opposed to within one working day; this percentage indicates how often the Department met the one working day deadline or, when applicable, the customer's specific request. The Department's target was 98%.

³ According to the Department, the increase in the number of inspections in FY 2008 is due to a change in the method for counting inspections. Under the new method, each type of inspection now counted as an individual inspection whereas in the past combined inspections were counted as one.

⁴ The City is required through its membership with the Valley Transportation Agency to monitor eight intersections on a bi-annual basis. Prior to FY 2010, when resources were available, the City monitored 13 additional intersections. The Department was considering monitoring 21 intersections in FY 2012 and in subsequent years. The FY 2012 figure was not available.

⁵ Alternative commute modes include carpooling, public transportation, walking, bicycling, and working at home.

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Chapter 8: Public Safety – Police Department

Mission: To proudly serve and protect the public with respect and integrity.

The **Field Services Division** is responsible for police response, critical incident resolution, regional assistance response, and police services for special events.

The **Technical Services Division** provides 911 dispatch services for police, fire, utilities, public works, Stanford, and police information management.

The **Investigations Division** conducts police investigations, oversees storage and maintenance of evidence and coordinates some youth services activities.

The **Traffic Services Division** is responsible for traffic enforcement, complaint resolution, and school safety.

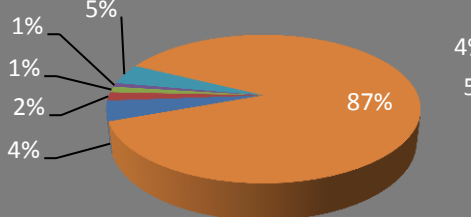
The **Parking Services Division** is responsible for parking enforcement, parking citations and adjudication, and abandoned vehicle abatement.

The **Police Personnel Services Division** oversees police hiring, retention, personnel records, and training.

The **Animal Services Division** provides animal control, pet recovery/adoption services, animal care, animal health and welfare, and regional animal services.

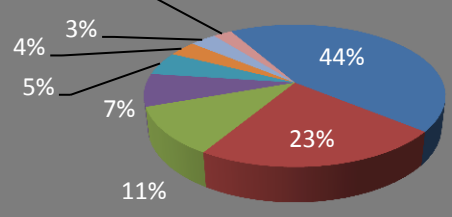


What are the sources of Police Department funding?
(Total = \$33.6 million)



- Parking Violations (4%)
- Stanford Service Contract (2%)
- Communications (1%)
- Spay/Neuter Clinic and Vaccination Fees (1%)
- Other External Revenues (4%)
- Other General Fund (87%)

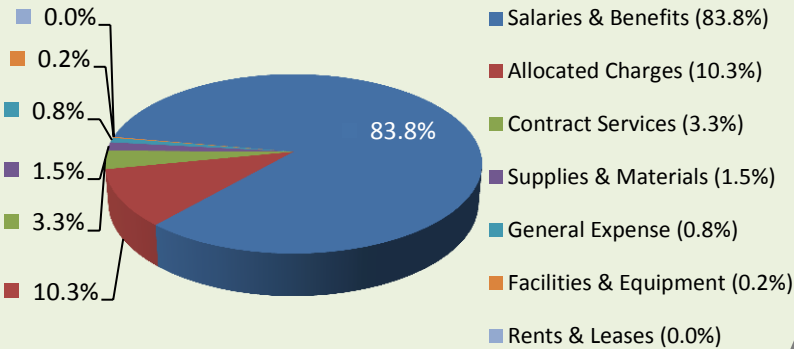
How are Police Department dollars used?
(Total = \$33.6 million)



- Field Services (44%)
- Technical Services (23%)
- Investigations and Crime Prevention Services (11%)
- Traffic Services (7%)
- Animal Services (5%)
- Parking Services (4%)
- Police Personnel Services (3%)
- Administration (2%)

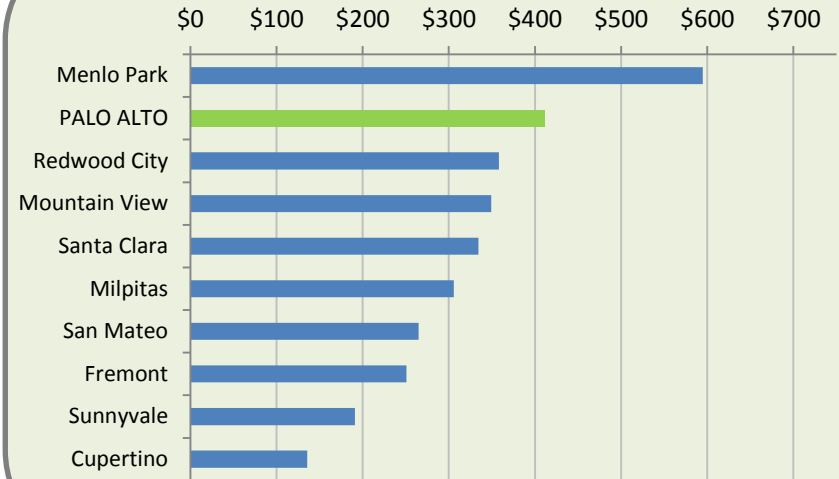
YOUR MONEY AT WORK

Expenditures by Category



Source: City of Palo Alto financial data

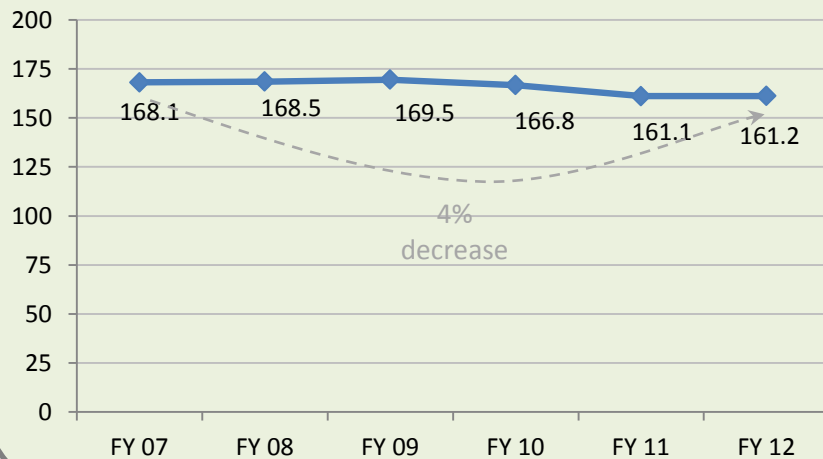
Comparison Net Police Expenditures Per Capita in FY 2011¹



Source: California State Controller, Cities Annual Report FY 2011

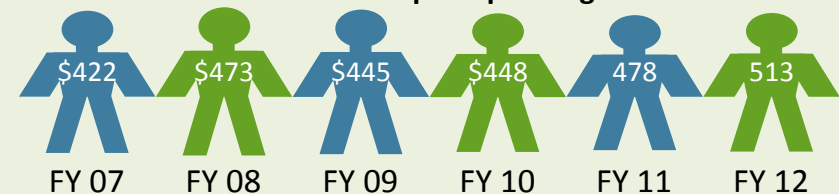
A comparison of net police expenditures shows Palo Alto appears to spend more per capita than many local jurisdictions. It should be noted that every jurisdiction has different levels of service and categorizes expenditures differently. In addition, Palo Alto's population increases substantially during the day.

Total # of Full Time Equivalents (FTEs)



Source: City of Palo Alto financial data

Police Per Capita Spending



Source: City of Palo Alto financial data

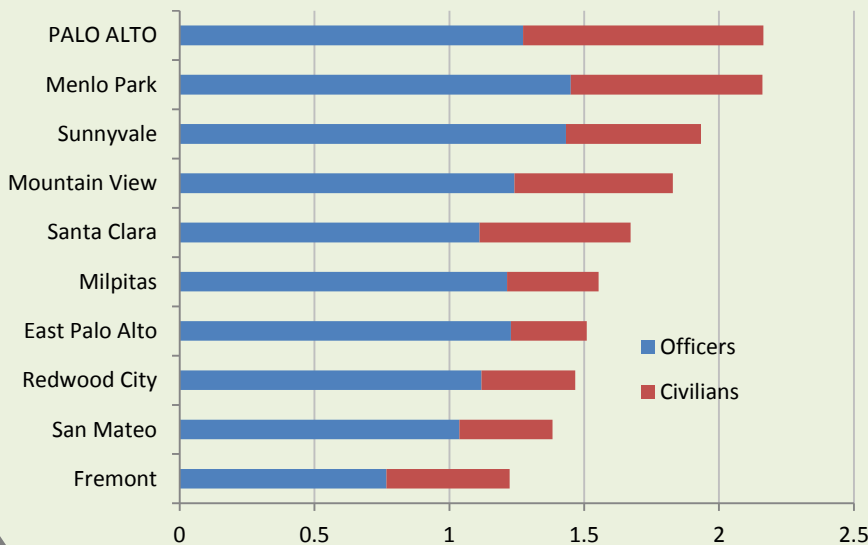
Footnote

¹ Operating expenditures comparisons do not include animal control.

DEPARTMENT GOALS

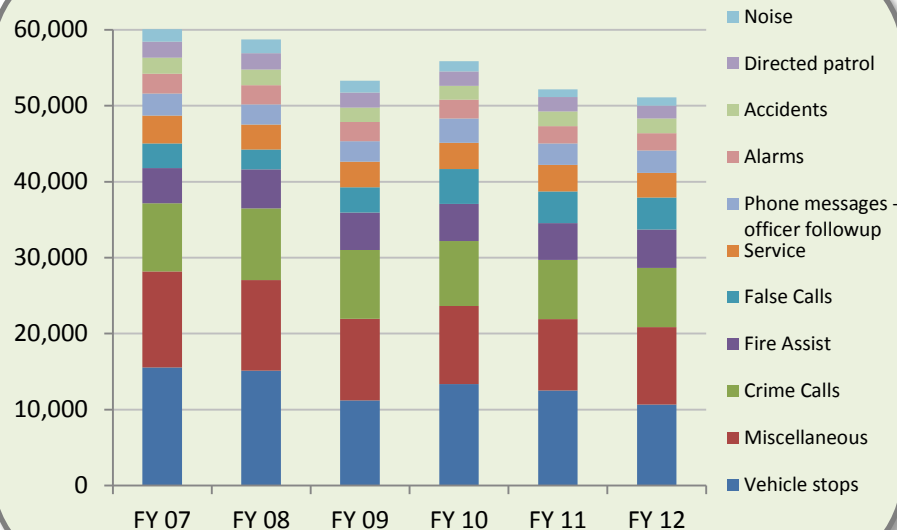
- ☆ Protect and serve the public through proactive and effective policing, animal services and emergency preparedness.
- ☆ Cultivate, enhance, and foster trustworthy relationships with the community.
- ☆ Minimize injury and property damage by promoting a safe and orderly flow of pedestrian, bicycle, and vehicular traffic.
- ☆ Ensure the protection and well-being of animals and people by providing responsive animal services and spay/neuter advocacy.
- ☆ Manage, enforce, and resolve vehicle parking regulations and issues in an effort to facilitate the timely movement of vehicles and provide for public safety within the City.

Sworn and Civilian Full-Time Equivalent Positions Per 1,000 Residents in Calendar Year 2011



Source: Federal Bureau of Investigation (FBI) Uniform Crime Reporting Program

Calls For Service



Source: Police Department

The Police Department handled over 51,000 calls for service during FY 2012, or about 140 calls per day.

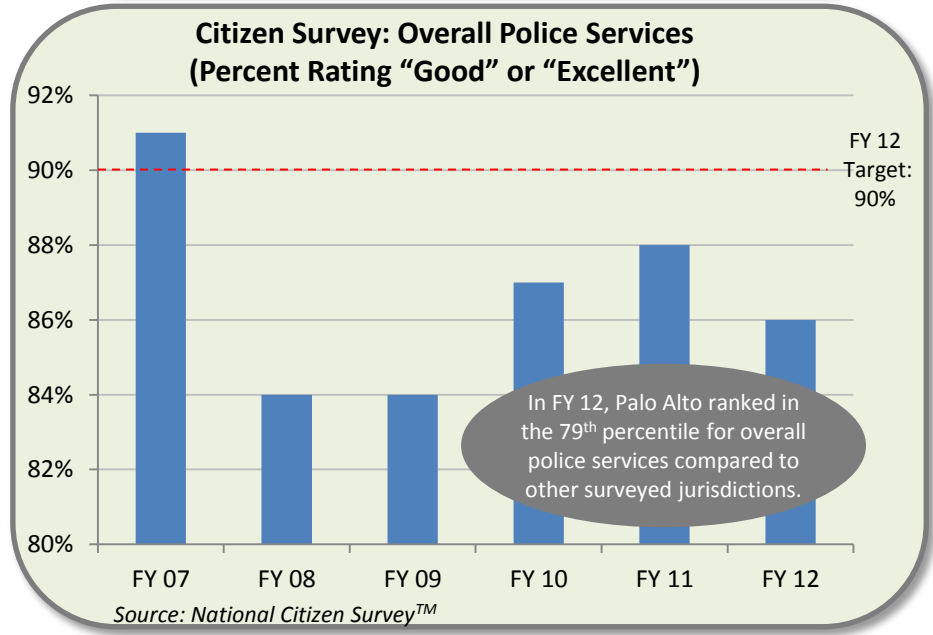
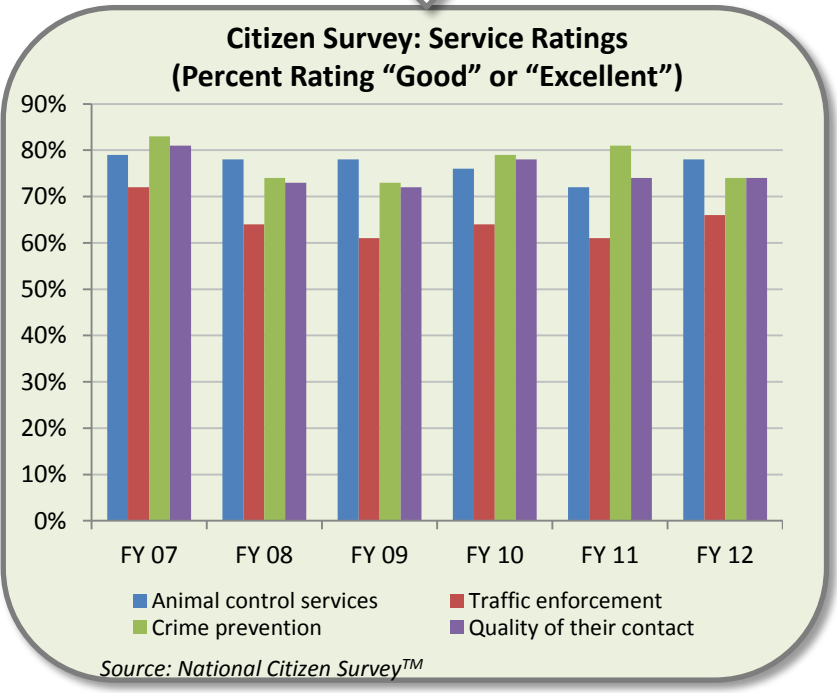
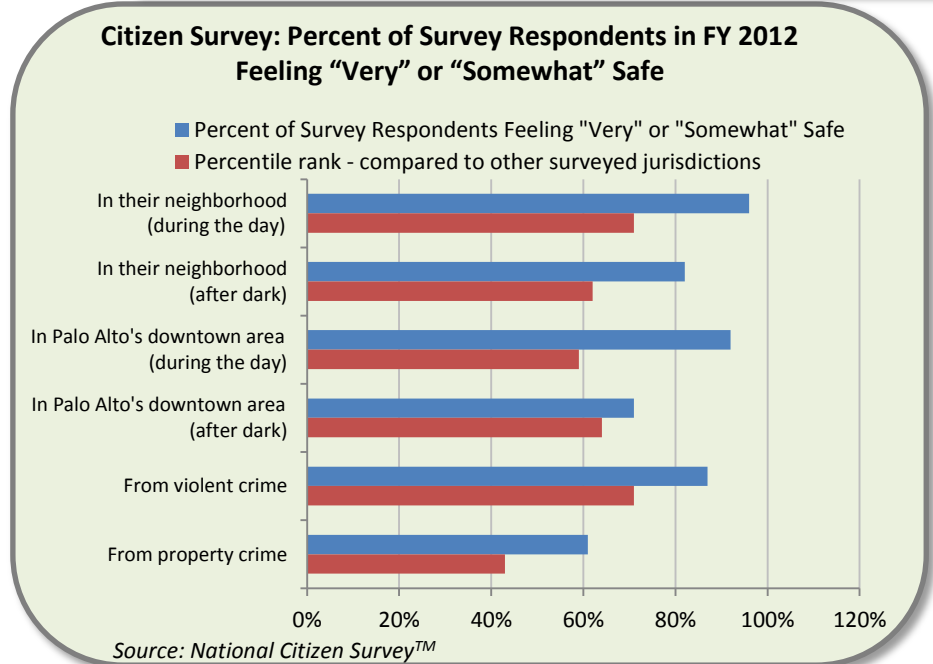
Palo Alto's total staffing is higher than many local jurisdictions; however, Palo Alto's population increases substantially during the day, by over 90 percent.

On average, eight police officers are on patrol at all times. Authorized departmental staffing decreased from 167 to 161 full time equivalents (FTE), or 4 percent from FY 2007. The number of police officers has decreased from 93 to 91. The Department reports it received 137 citizen commendations and 1 complaint during FY 2012, which was not sustained.

KEY OBJECTIVES – CUSTOMER SATISFACTION

- ★ Maintain and enhance the community’s satisfaction with police services.
- ★ Create opportunities for increased communication, visibility, and interaction with community members.
- ★ Increase quality and timeliness of response to citizens' complaints regarding use of force, canine investigations, and other internal affairs matters.
- ★ Provide assistance, enforcement, and guidance to the community regarding animal services.

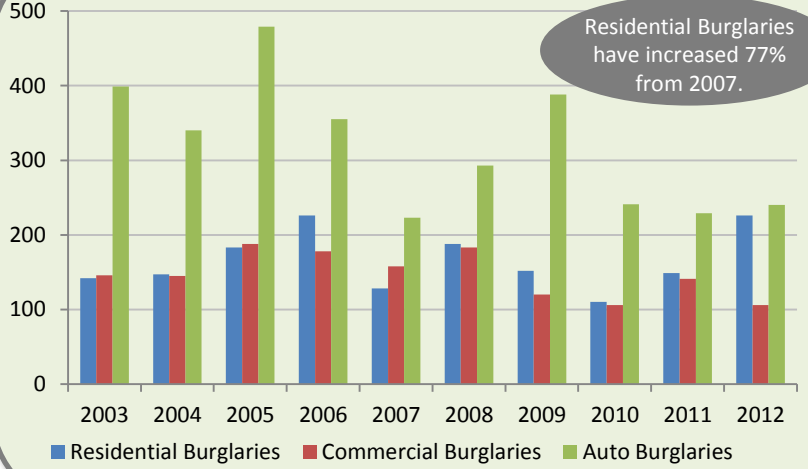
In FY 2012, 31 percent of survey respondents reported contact with the Police Department, of which 74 percent rated their overall impression of their most recent contact “good” or “excellent,” ranking Palo Alto in the 58th percentile, similar to other surveyed jurisdictions.



KEY OBJECTIVES - CRIME

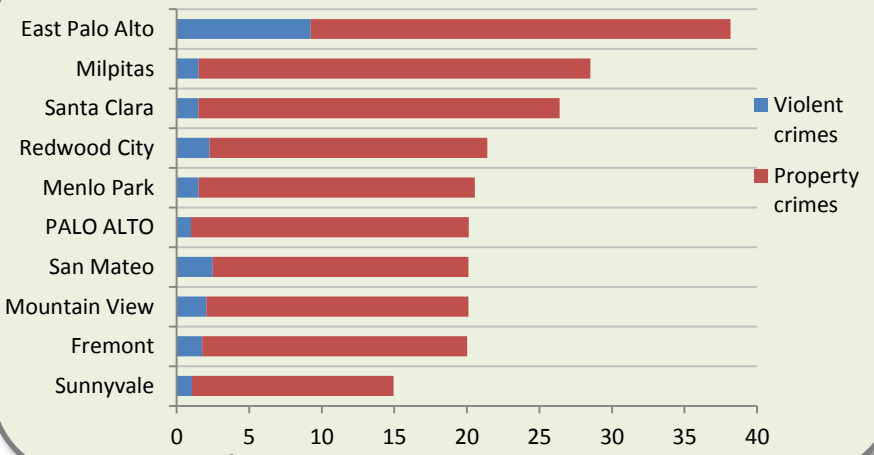
- ☆ Reduce crime rates, traffic violations, and accidents.
- ☆ Apprehend and assist with prosecution of offenders.

Residential, Commercial, and Auto Burglaries¹



Source: Police Department

Violent and Property Crimes per 1,000 Residents in Calendar Year 2011²

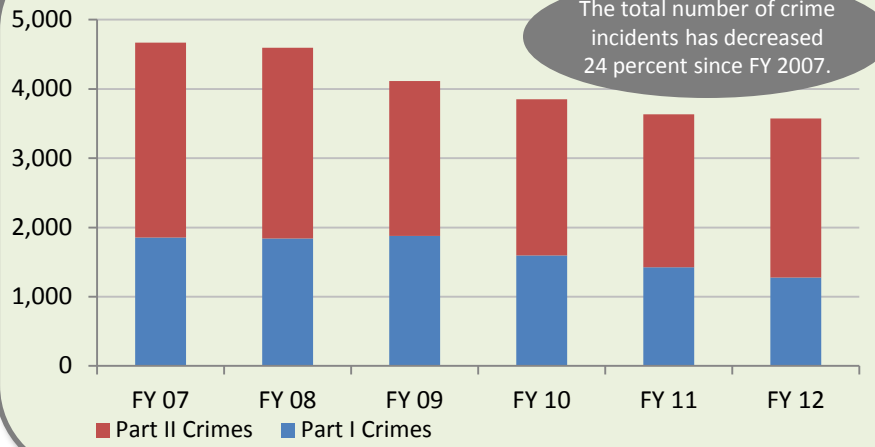


Source: FBI Uniform Crime Reporting Program

Footnotes

- ¹ Commercial Burglary includes shoplifting. The data is presented in the chart on a calendar year basis.
- ² Violent crime includes murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault. Property crime includes burglary, larceny-theft, and motor vehicle theft. Arson is not included in these categories.

Part I and Part II Crimes



Source: Police Department

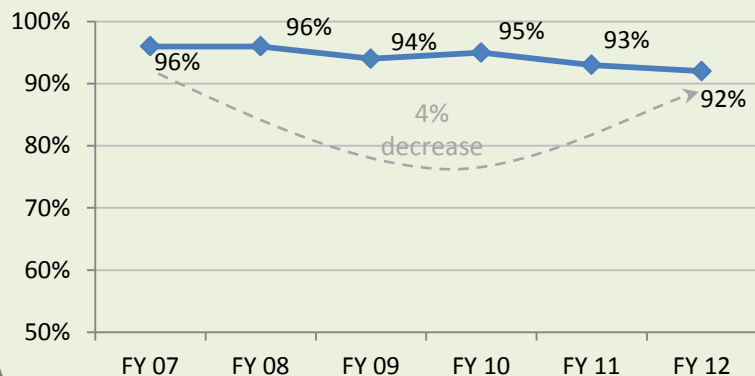
In the most recent Citizen Survey, 9 percent of households reported being the victim of a crime in the last 12 months (25th percentile compared to other surveyed jurisdictions). Of those households, 62 percent said they reported the crime, ranking Palo Alto in the 3rd percentile. This indicates residents in Palo Alto are much less likely to report crimes compared to other surveyed jurisdictions.

- Part I crimes include homicide, rape, robbery, assault, burglary, larceny/theft, vehicle theft, and arson.
- Part II crimes include assaults or attempted assaults where a weapon is not used and where serious injuries did not occur; forgery and counterfeiting; fraud; embezzlement; buying, receiving, and possessing stolen property; vandalism; weapons offenses; prostitution and other vice crimes; sex offenses other than rape; drug offenses; gambling; offenses against family and children; drunk driving; liquor laws; drunk in public; disorderly conduct; and vagrancy.

KEY OBJECTIVE – CALLS FOR SERVICE

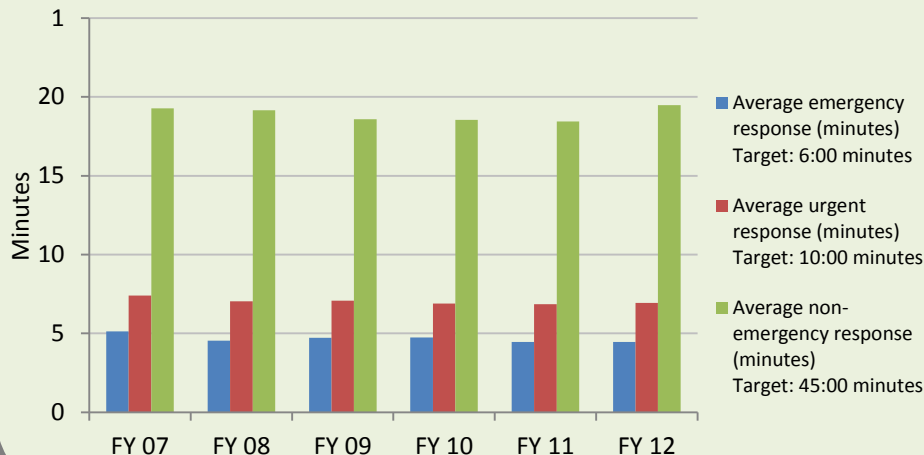
★ Respond promptly to urgent calls for service.

Percent Emergency Calls Dispatched Within 60 Seconds of Call Receipt



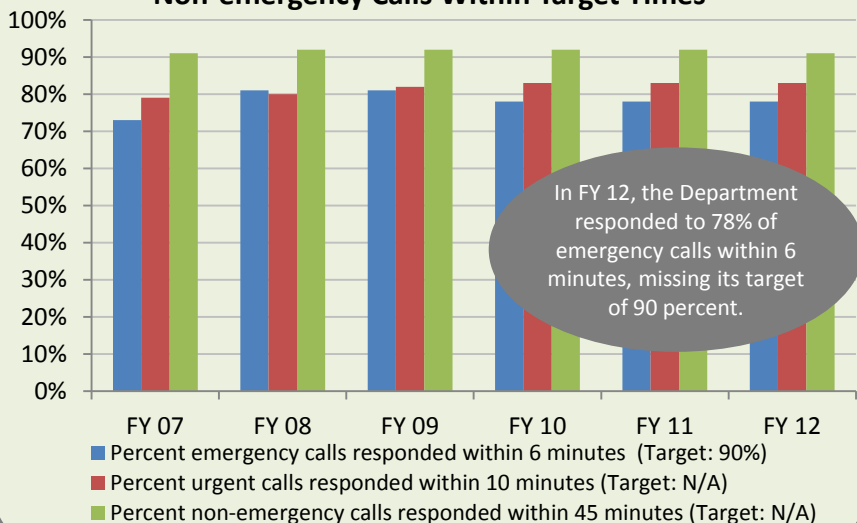
Source: Police Department

Average Response Times



Source: Police Department

Response to Emergency, Urgent, and Non-emergency Calls Within Target Times



In FY 12, the Department responded to 78% of emergency calls within 6 minutes, missing its target of 90 percent.

Source: Police Department

In FY 12, the Police Department met its targets for average response times to emergency, urgent, and non-emergency calls.

- Emergency calls are generally “life threatening” or “high danger” crimes in progress.
- Urgent calls are generally non-life threatening, or less dangerous property crimes that are in progress or just occurred.
- Non-emergency calls are generally routine or report-type calls that can be handled as time permits.

Did You Know?

The Palo Alto Police Department engages with the community on several social media platforms:

Twitter: www.twitter.com/PaloAltoPolice

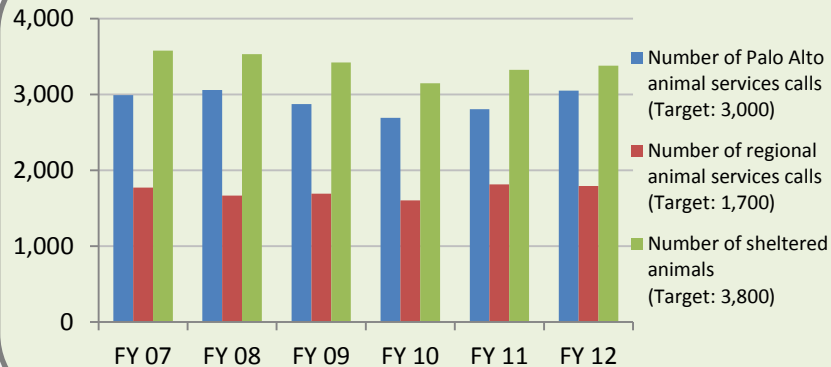
Facebook: www.facebook.com/PaloAltoPolice

Nixle: <http://local.nixle.com/palo-alto-police-department>

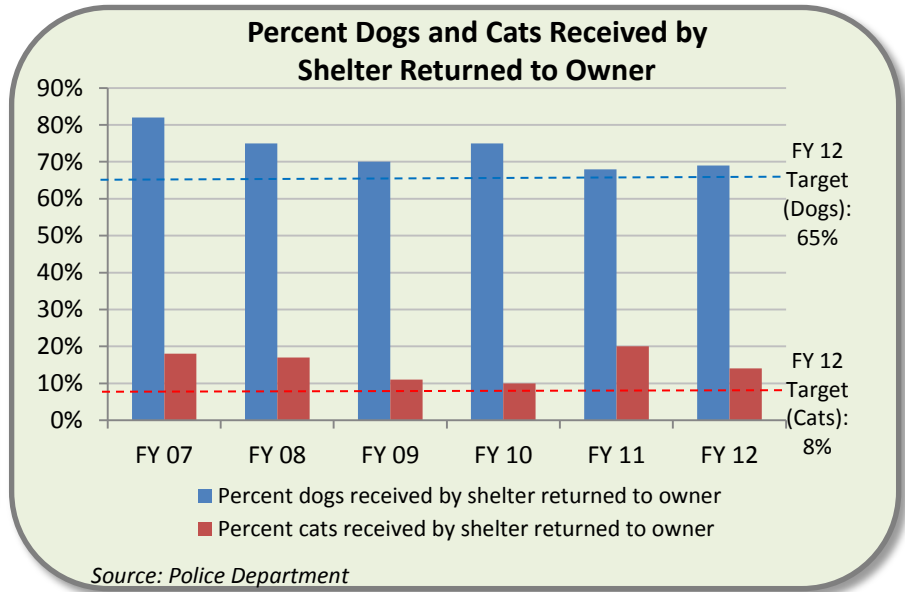
KEY OBJECTIVES – ANIMAL SERVICES

- ☆ Provide assistance, enforcement, and guidance to the community regarding animals.
- ☆ Promote responsible pet ownership through adoption counseling, education, and support services.

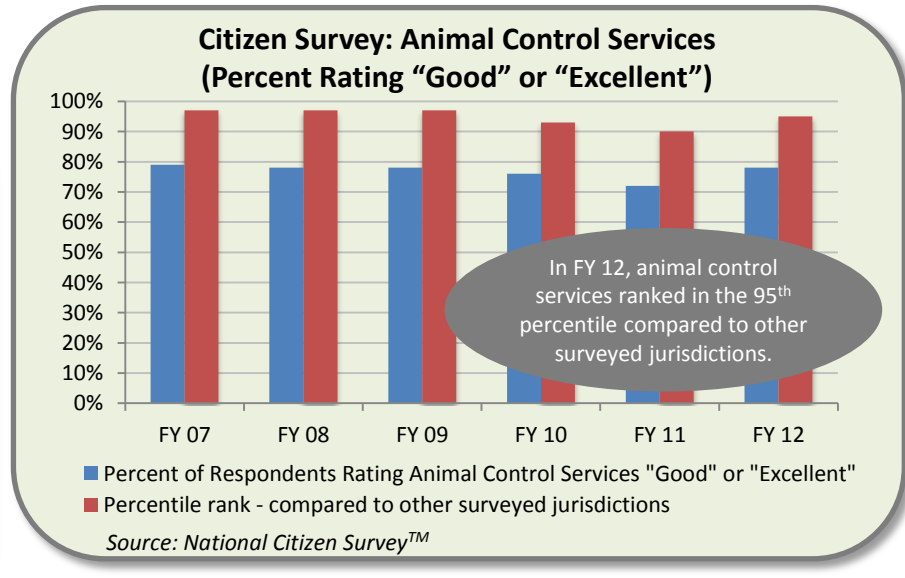
Number of Animal Service Calls and Sheltered Animals



Source: Police Department

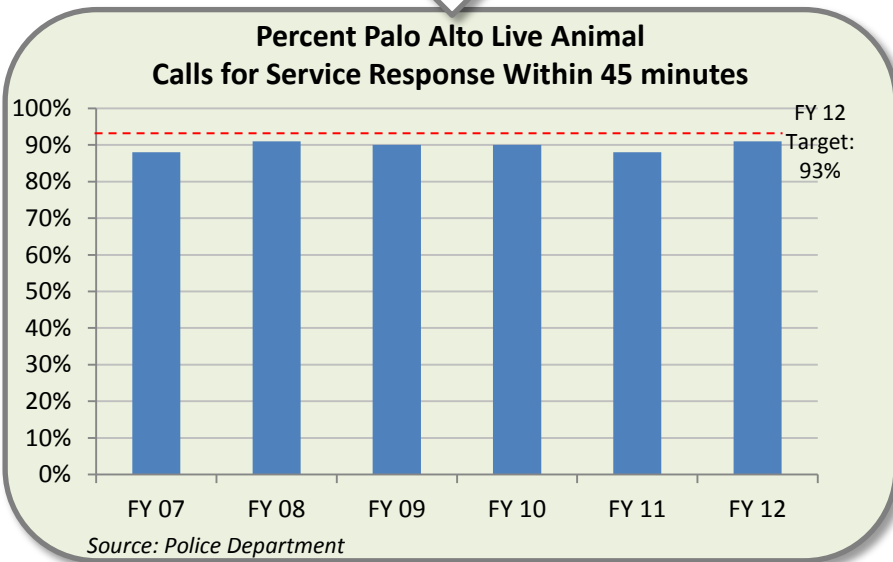


Source: Police Department



Source: National Citizen Survey™

In FY 12, the Police Department responded to 91 percent of live animal calls for service within 45 minutes, just short of its target of 93 percent.

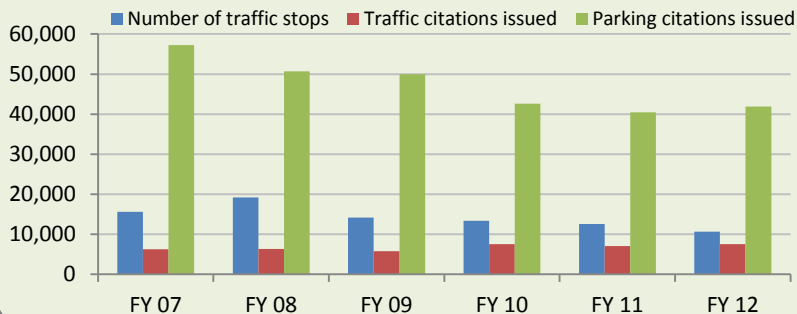


Source: Police Department

KEY OBJECTIVES – TRAFFIC AND PARKING CONTROL

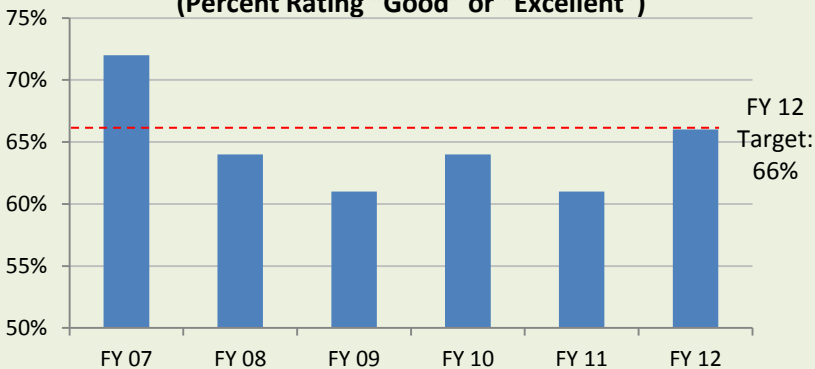
- ★ Enforce traffic laws, with an emphasis on speed reduction, red light violations, and bicycle and pedestrian safety around schools.
- ★ Participate in regional and statewide initiatives designed to ensure vehicle occupant safety through the use of safety belts and to reduce deaths and injuries in crashes involving alcohol, speed, red light running, and aggressive driving.
- ★ Monitor compliance with parking regulations and time limits and issue citations for infractions.

Traffic Stops, Traffic Citations, and Parking Citations



Source: Police Department

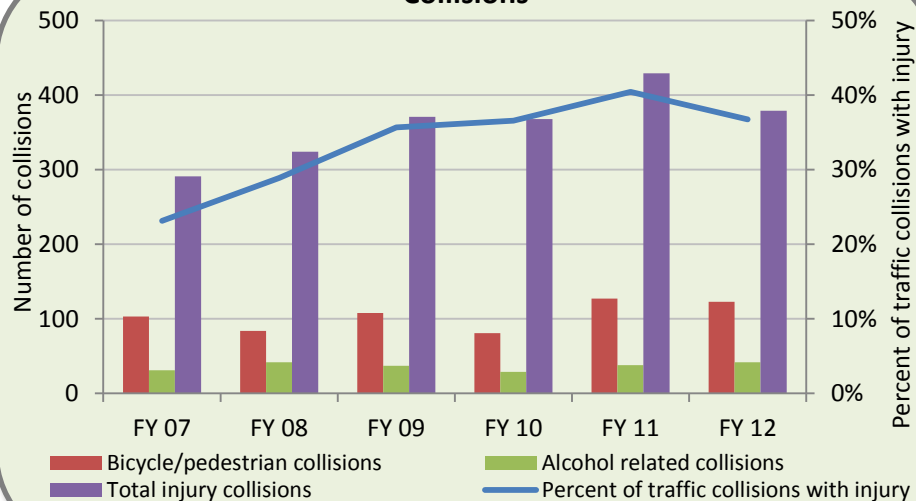
Citizen Survey: Traffic Enforcement (Percent Rating "Good" or "Excellent")



Source: National Citizen Survey™

Traffic and Parking Control

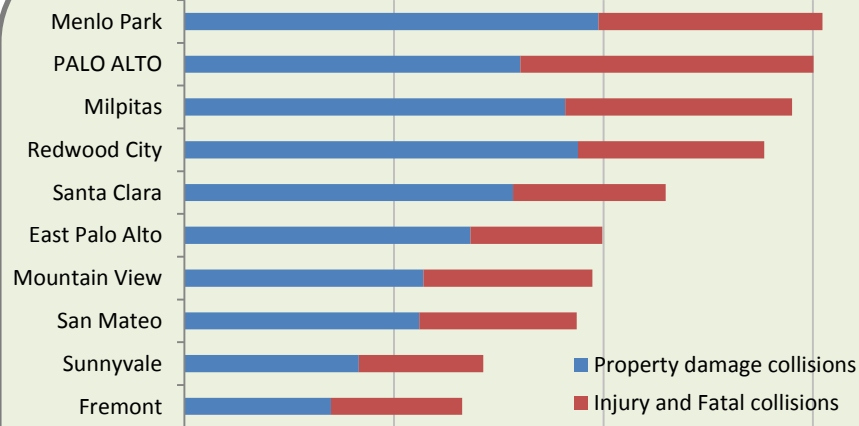
Collisions



Source: Police Department

In FY 2012, there were a total of 1,031 traffic collisions in Palo Alto, an 18 percent decrease from 2007. About 37 percent of these traffic collisions involved injuries.

Collisions per 1,000 Residents in Calendar Year 2010



Source: California Highway Patrol 2010 Annual Report of Fatal and Injury Motor Vehicle Traffic Collisions, and California Department of Finance

DEPARTMENT WIDE SPENDING

	Operating Expenditures (millions)										Citizen Survey	
	Administration	Field services	Technical services	Investigations and crime prevention	Traffic services	Parking services	Police personnel services	Animal services	Total	Total spending per resident	Total Revenue (in millions)	Percent rating OVERALL police services "good" or "excellent" (Target:90%)
FY 07	\$0.6	\$11.1	\$6.1	\$3.1	\$1.7	\$1.0	\$1.0	\$1.5	\$25.9	\$422	\$5.0	91%
FY 08	\$0.5	\$13.7	\$6.6	\$3.3	\$1.7	\$0.8	\$1.1	\$1.7	\$29.4	\$473	\$5.0	84%
FY 09	\$0.4	\$13.6	\$5.0	\$3.7	\$1.8	\$1.1	\$1.0	\$1.7	\$28.2	\$445	\$4.6	84%
FY 10	\$0.1	\$13.1	\$6.6	\$3.4	\$2.0	\$1.1	\$1.0	\$1.7	\$28.8	\$448	\$4.9	87%
FY 11	\$0.2	\$14.4	\$6.8	\$3.5	\$2.2	\$1.1	\$1.1	\$1.7	\$31.0	\$478	\$4.4	88%
FY 12	\$0.8	\$14.9	\$7.7	\$3.7	\$2.5	\$1.2	\$1.1	\$1.8	\$33.6	\$513	\$4.3	86%
Change from:												
Last year	+273%	+3%	+12%	+6%	+14%	+9%	+1%	+5%	+9%	+7%	-1%	-2%
FY 07	+37%	+34%	+27%	+19%	+49%	+23%	+15%	+22%	+30%	+22%	-13%	-5%

CALLS FOR SERVICE

	Total Police Department calls for service	False alarms	Percent emergency calls dispatched within 60 seconds of receipt of call	Average emergency response (minutes) (Target: 6:00)	Average urgent response (minutes) (Target: 10:00)	Average non-emergency response (minutes) (Target: 45:00)	Percent emergency calls response within 6:00 minutes (Target: 90%)	Percent urgent calls response within 10:00 minutes	Percent non-emergency calls response within 45:00 minutes	Citizen Survey	
										Percent reported having contact with the Police Department	Percent rating quality of their contact "good" or "excellent"
FY 07	60,079	2,610	96%	5:08	7:24	19:16 ¹	73%	79%	91% ¹	33%	81%
FY 08	58,742	2,539	96%	4:32	7:02	19:09 ¹	81%	80% ¹	92% ¹	34%	73%
FY 09	53,275	2,501	94%	4:43	7:05	18:35 ¹	81%	82% ¹	92% ¹	35%	72%
FY 10	55,860	2,491	95%	4:44	6:53	18:32	78%	83%	92%	32%	78%
FY 11	52,159	2,254	93%	4:28	6:51	18:26	78%	83%	92%	33%	74%
FY 12	51,086	2,263	92%	4:28	6:56	19:29	78%	83%	91%	31%	74%
Change from:											
Last year	-2%	0%	-1%	0%	+1%	+6%	0%	0%	-1%	-2%	0%
FY 07	-15%	-13%	-4%	-13%	-6%	+1%	+5%	+4%	0%	-2%	-7%

Footnote

¹ The Department revised FY 2007 through 2009 values due to prior calculation errors.

CRIME

	Reported crimes				Citizen Survey		Arrests		Clearance rates for part I crimes ^{1,5}			
	Part I ¹ crimes reported (Target: 2,000)	Part II ² crimes reported	Reported crimes per 1,000 residents	Reported crimes per officer ³	Percent households reported being victim of crime in last 12 months	Percent households that reported the crime (of households reported being victim of crime)	Juvenile arrests	Total arrests ⁴	# of Homicide Cases/% cleared or closed <REVISED>	# of Rape cases/% cleared or closed <REVISED>	# of Robbery cases/% cleared or closed <REVISED>	# of Theft cases/% cleared or closed <REVISED>
FY 07	1,855	2,815	76	50	9%	62%	244	3,059	0/(N/A)	2/(50%)	37/(51%)	1092/(18%)
FY 08	1,843	2,750	74	49	10%	73%	257	3,253	2/(100%)	3/(67%)	41/(66%)	1161/(21%)
FY 09	1,880	2,235	65	44	11%	80%	230	2,612	1/(100%)	7/(29%)	42/(31%)	1414/(20%)
FY 10	1,595	2,257	60	42	9%	86%	222	2,451	1/(100%)	9/(33%)	30/(53%)	1209/(22%)
FY 11	1,424	2,208	56	40	9%	71%	197	2,288	0/(N/A)	3/(0%)	42/(36%)	1063/(20%)
FY 12	1,277	2,295	54	39	9%	62%	170	2,212	0/(N/A)	4/(50%)	19/(68%)	893/(19%)
Change from:												
Last year	-10%	+4%	-3%	-2%	0%	-9%	-14%	-3%	-	-	-	-
FY 07	-31%	-18%	-28%	-22%	0%	0%	-30%	-28%	-	-	-	-

PERCEPTIONS OF SAFETY

	Citizen Survey: Percent of surveyed respondents feeling "very" or "somewhat" safe						Citizen Survey
	From violent crime (Target: 90%)	From property crime	In their neighborhood during the day	In their neighborhood after dark	In Palo Alto's downtown area during the day	In Palo Alto's downtown area after dark	Percent rating crime prevention "good" or "excellent"
FY 07	86%	75%	98%	85%	94%	74%	83%
FY 08	85%	74%	95%	78%	96%	65%	74%
FY 09	82%	66%	95%	78%	91%	65%	73%
FY 10	85%	75%	96%	83%	94%	70%	79%
FY 11	85%	71%	98%	83%	91%	65%	81%
FY 12	87%	61%	96%	82%	92%	71%	74%
Change from:							
Last year	+2%	-10%	-2%	-1%	+1%	+6%	-7%
FY 07	+1%	-14%	-2%	-3%	-2%	-3%	-9%

Footnotes

¹ Part I crimes include homicide, rape, robbery, assault, burglary, larceny/theft, vehicle theft, and arson.

² Part II crimes include simple assaults or attempted assaults where a weapon is not used or where serious injuries did not occur; forgery and counterfeiting; fraud; embezzlement; buying, receiving, and possessing stolen property; vandalism; weapons offenses; prostitution and other vice crimes; sex offenses other than rape; drug offenses; gambling; offenses against family and children; drunk driving; liquor laws; drunk in public; disorderly conduct; and vagrancy.

³ Based on authorized sworn staffing.

⁴ Total arrests do not include being drunk in public where suspects are taken to the sobering station, or traffic warrant arrests.

⁵ Clearance rates (percentages) include cases resolved with or without arrests as of January 2013. Clearance rates may not reconcile with figures on file at the Department of Justice due to a difference in the definition used by the Department and also timing differences.

STAFFING, EQUIPMENT, AND TRAINING

	Authorized staffing (FTE)	Authorized staffing per 1,000 residents	Number of police officers	Police officers per 1,000 residents	Average number of officers on patrol ¹	Number of patrol vehicles	Number of motorcycles	Training hours per officer ² (Target: 145)	Overtime as a percent of regular salaries	Number of citizen commendations received (Target: 150)	Number of citizen complaints filed (Target: 10)
FY 07	168.1	2.7	93	1.52	8	30	9	142	16%	121	11 (1 sustained)
FY 08	168.5	2.7	93	1.50	8	30	9	135	17%	141	20 (1 sustained)
FY 09	169.5	2.7	93	1.46	8	30	9	141	14%	124	14 (3 sustained)
FY 10	166.8	2.6	92	1.43	8	30	9	168	12%	156	11 (3 sustained)
FY 11	161.1	2.5	91	1.40	8	30	9	123	12%	149	7 (0 sustained)
FY 12	161.2	2.5	91	1.39	8	30	9	178	13%	137	1 (0 sustained)
Change from:											
Last year	0%	-1%	0%	-1%	0%	0%	0%	+44%	+1%	-8%	-86%
FY 07	-4%	-10%	-2%	-8%	0%	0%	0%	+26%	-3%	+13%	-91%

TRAFFIC AND PARKING CONTROL

	Traffic collisions	Bicycle/ pedestrian collisions (Target: 100)	Alcohol related collisions	Total injury collisions (Target: 375)	Traffic collisions per 1,000 residents	Percent of traffic collisions with injury	Number of DUI Arrests (Target: 250)	Number of traffic stops	Traffic citations issued (Target: 7,000)	Parking citations (Target: 60,000)	Citizen Survey Percent rating traffic enforcement "good" or "excellent" (Target: 66%)
FY 07	1,257	103	31	291 ³	20	23%	257	15,563	6,232	57,222	72%
FY 08	1,122	84	42	324	18	29%	343	19,177	6,326	50,706	64%
FY 09	1,040	108	37	371	16	36%	192	14,152	5,766	49,996	61%
FY 10	1,006	81	29	368	16	37%	181	13,344	7,520	42,591	64%
FY 11	1,061	127	38	429	16	40%	140	12,534	7,077	40,426	61%
FY 12	1,032	123	42	379	16	37%	164	10,651	7,505	41,875	66%
Change from:											
Last year	-3%	-3%	+11%	-12%	-4%	-3%	+17%	-15%	+6%	+4%	+5%
FY 07	-18%	+19%	+35%	+30%	-23%	+14%	-36%	-32%	+20%	-27%	-6%

Footnotes

¹ This does not include traffic motor officers.

² This does not include the academy.

³ The Police Department revised previously reported number.

ANIMAL SERVICES

	Animal Services expenditures (in millions)	Animal Services revenue (in millions)	Number of Palo Alto animal services calls (Target: 3,000)	Number of regional animal services calls (Target: 1,700)	Percent Palo Alto live animal calls for service response within 45 minutes (Target: 93%)	Number of sheltered animals (Target: 3,800)	Percent dogs received by shelter returned to owner (Target: 65%)	Percent cats received by shelter returned to owner (Target: 8%)	Citizen Survey Percent rating animal control services "good" or "excellent"
FY 07	\$1.5	\$1.0	2,990	1,773	88%	3,578	82%	18%	79%
FY 08	\$1.7	\$1.2	3,059	1,666	91%	3,532	75%	17%	78%
FY 09	\$1.7	\$1.0	2,873	1,690	90%	3,422	70%	11%	78%
FY 10	\$1.7	\$1.4	2,692	1,602	90%	3,147	75%	10%	76%
FY 11	\$1.7	\$1.0	2,804	1,814	88%	3,323	68%	20%	72%
FY 12	\$1.8	\$1.0	3,051	1,793	91%	3,379	69%	14%	78%
Change from:									
Last year	+5%	-4%	+9%	-1%	+3%	+2%	+1%	-6%	+6%
FY 07	+22%	-5%	+2%	+1%	+3%	-6%	-13%	-4%	-1%

Chapter 9: Public Works Department

Mission: To provide efficient, cost effective and environmentally sensitive operations for construction, maintenance, and management of Palo Alto streets, sidewalks, parking lots, facilities and parks; ensure continuous operation of our Regional Water Quality Control Plant, City vehicles and equipment, and storm drain system; provide maintenance, replacement and utility line clearing services for the City's urban forest; provide efficient and cost effective garbage collection; to promote reuse and recycling to minimize waste; and to ensure timely support to other City departments and the private development community in the area of engineering services.

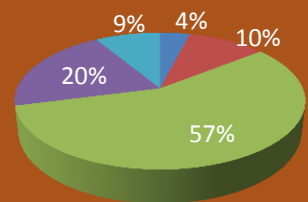
The **Environmental Services Division** operates and maintains the Regional Water Quality Control Plant; maintains a Pretreatment Program for control of industrial and commercial dischargers; provides pollution and waste prevention information and programs to residents and businesses; manages the City's refuse programs including the collection and processing of recyclables, compostables and garbage, in addition to household hazardous waste materials and street sweeping programs.

The **Public Services Division** maintains and renovates City-owned and leased structures, streets, sidewalks, storm drains, street signage, striping, and parking lots; sweeps City streets; manages the City's Urban Forest; and maintains the City's fleet.

The **Engineering Services Division** designs and constructs City-owned facilities, streets, sidewalks, storm drains and parks infrastructure; provides engineering support to City Departments and the private development community for construction in the public right of way.

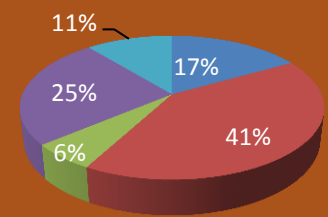


What are the sources of PWD funding?
(Total = \$78.4 million)



- General Fund (4%)
- Internal Service Fund (10%)
- Enterprise Fund - Sale of Utilities (57%)
- Enterprise Fund - Other Revenues (20%)
- Reserves (9%)

How are PWD dollars used?
(Total = \$78.4 million)

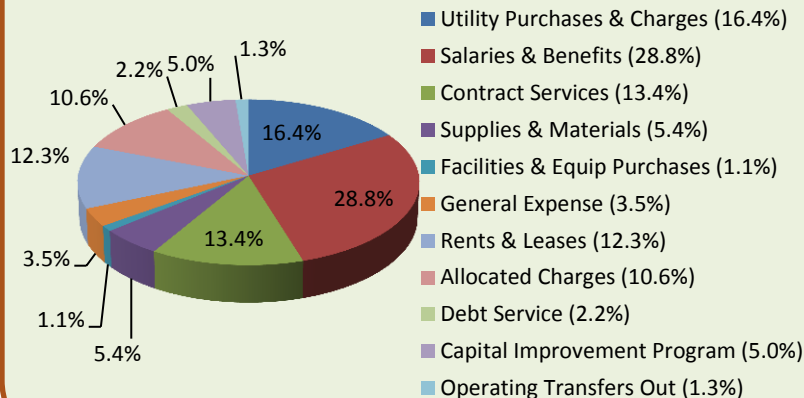


- General Fund (17%)
- Refuse Fund (41%)
- Storm Drainage Fund (6%)
- Wastewater Treatment Fund (25%)
- Vehicle Replacement Fund (11%)

YOUR MONEY AT WORK



Expenditures by Category

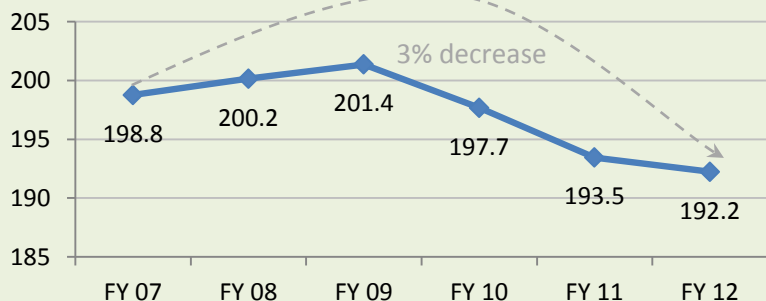


Source: City of Palo Alto financial data

The department is responsible for the following services that are provided through general, enterprise, and internal service funds:

- General Fund – Streets, Trees, Structures and Grounds, and Engineering services (Operating and Capital)
- Enterprise Funds – Refuse collection, disposal, and recycling collection; Storm Drainage; Wastewater Treatment
- Internal Service Fund – Vehicle replacement and maintenance (includes equipment)

PWD Total # of Full Time Equivalents¹ (FTEs)

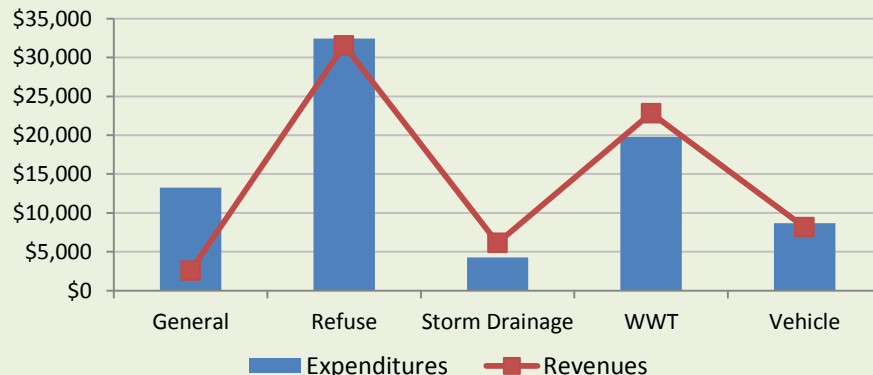


Source: City of Palo Alto financial data

Footnote

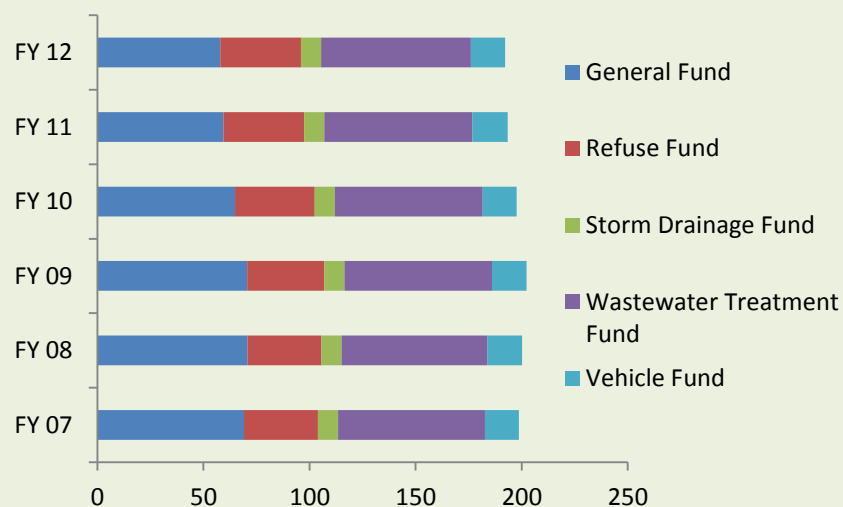
¹ Full-time equivalent (FTE) does not include capital FTE for Public Services and Engineering Services. Capital FTE information is provided under Engineering Services.

PWD Revenues and Expenditures by Fund



Source: City of Palo Alto financial data

PWD Full Time Equivalents (FTEs) by Fund

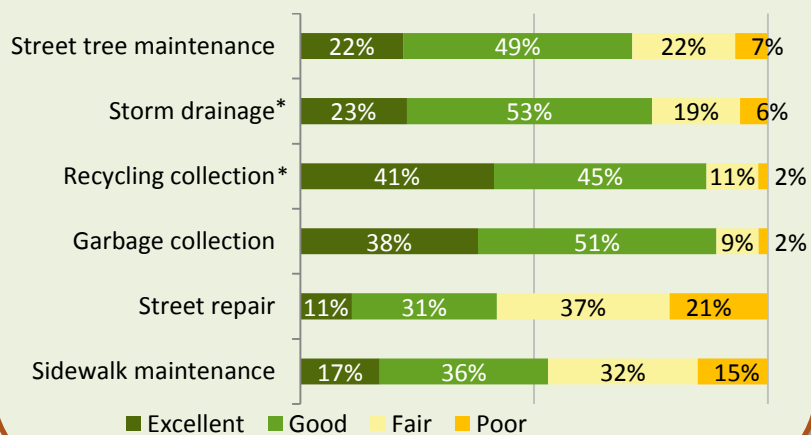


Source: City of Palo Alto financial data

DEPARTMENT GOALS

- ❖ Ensure the City's assets and infrastructure inventory are updated and well-maintained
- ❖ Provide high quality, cost-effective oversight of the City's capital improvement and facilities maintenance programs
- ❖ Preserve the public's health safety and ensure a vibrant, sustainable community for future generations

Citizen Survey: Service Quality



Source: National Citizen Survey™

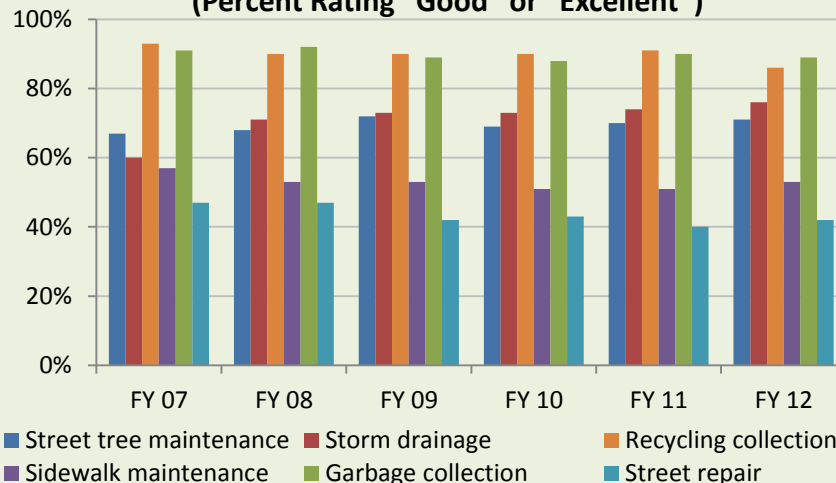
The Department will soon be responsible for an additional service provided through the Airport enterprise fund. Transition activities began in Fiscal Year 2012 and will continue in Fiscal Year 2013, with the development of a business plan. This fund has been created in anticipation of early termination of the lease with the County of Santa Clara for operational and fiscal oversight of the Palo Alto Airport.

Footnote

*Numbers do not add up to 100% due to rounding.

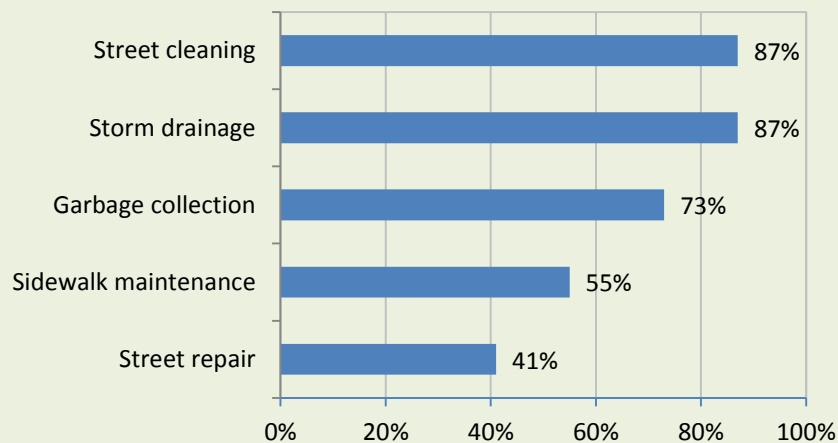
Department Wide

Citizen Survey: Service (Percent Rating "Good" or "Excellent")



Source: National Citizen Survey™

Citizen Survey: Percentile rank

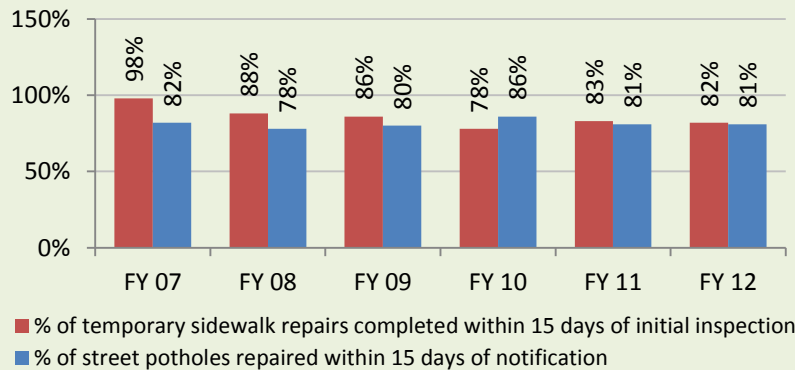


Source: National Citizen Survey™

KEY DIVISION OBJECTIVES

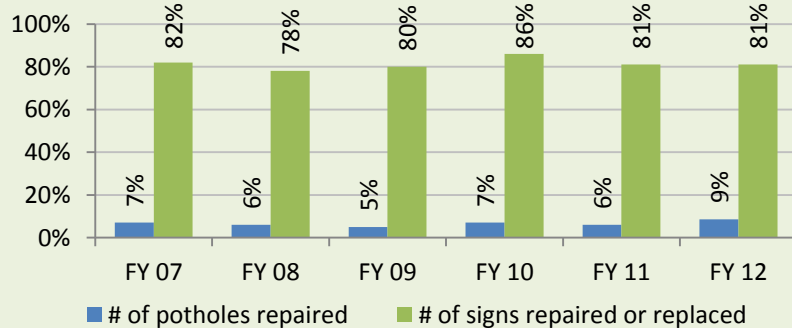
- ❖ Maintain and enhance the overall condition of the City's streets and sidewalks
- ❖ Provide cost-effective custodial and facilities maintenance services

Sidewalk and Pothole repairs



Source: Public Works Department

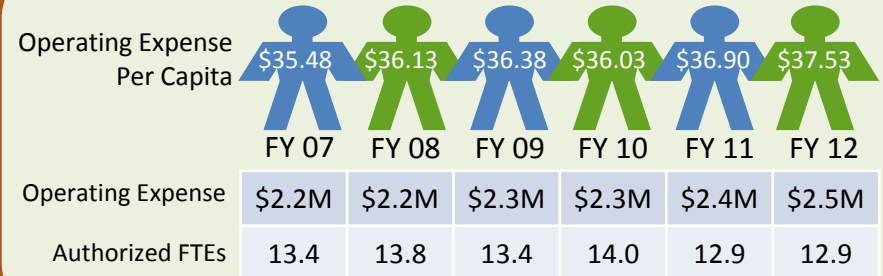
Potholes and signage repair or replacement



Source: Public Works Department

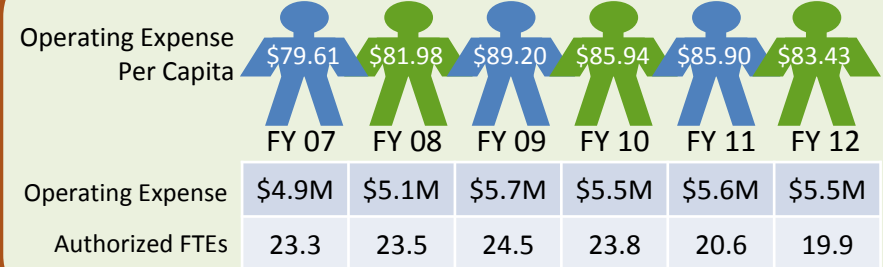
Public Services – Streets, Sidewalks & Facilities

Public Services – Streets



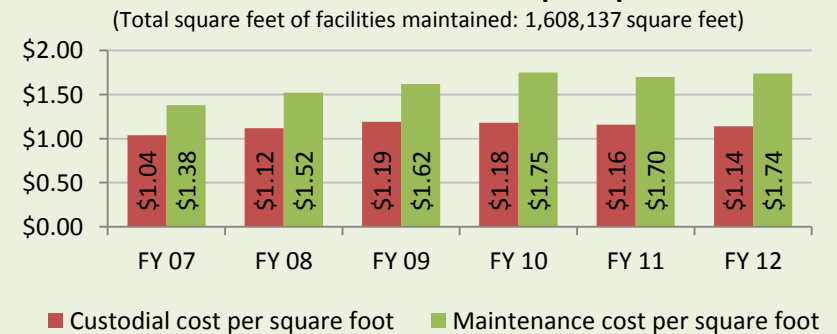
Source: City of Palo Alto financial data

Public Services – Facilities



Source: City of Palo Alto financial data

Maintenance and Custodial cost per square foot

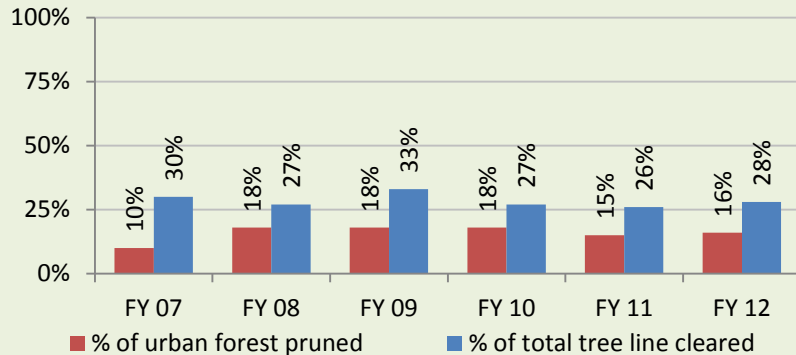


Source: Public Works Department

KEY DIVISION OBJECTIVE

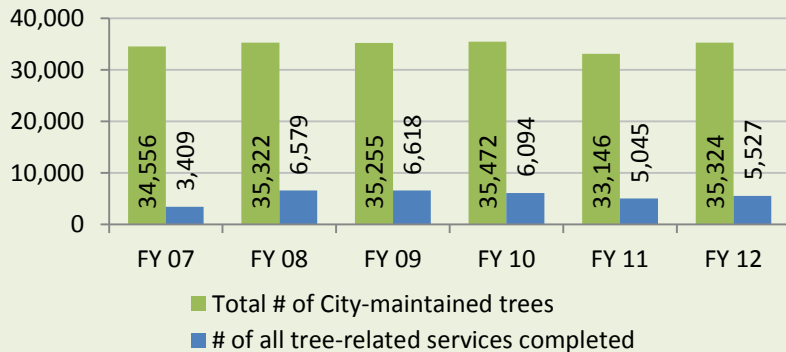
- Maintain the health of the City's urban forest, including proper clearance of utility lines

Percent of Urban Forest pruned and Tree Line cleared



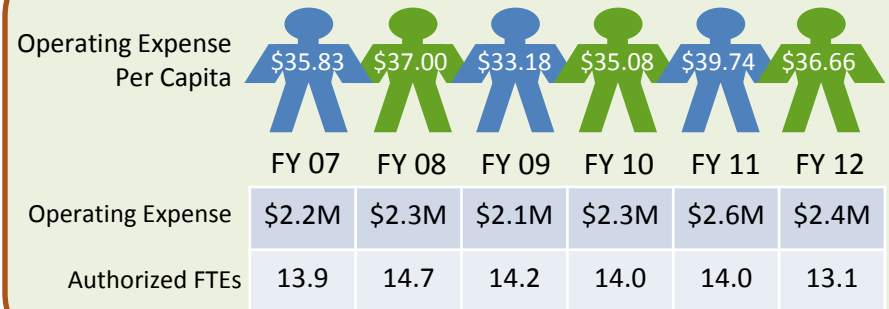
Source: Public Works Department

Trees maintained and serviced



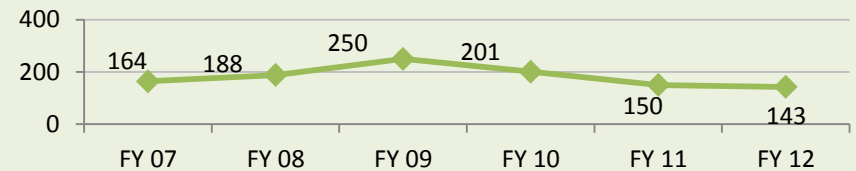
Source: Public Works Department

Public Services – Trees



Source: City of Palo Alto financial data

Number of trees planted



Source: Utilities Department

Did you know?

Preparation of the Urban Forest Master Plan began in December 2010 when the City contracted with Hort Science, Inc. to work with staff on the plan. The purpose of the plan is to establish long-term management goals and strategies to foster a sustainable urban forest in Palo Alto.

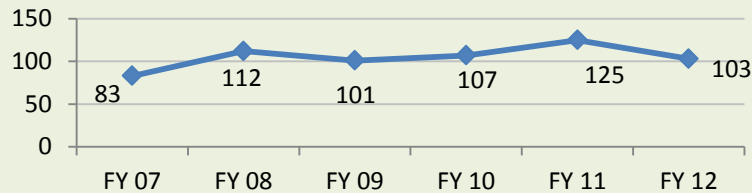
Palo Alto's urban forest consists of all trees in the City on public and private property. This forest includes street trees, park trees, forested parklands and trees in many private ownership settings.

The Urban Forest Master Plan is scheduled for completion in summer 2013.

KEY DIVISION OBJECTIVES

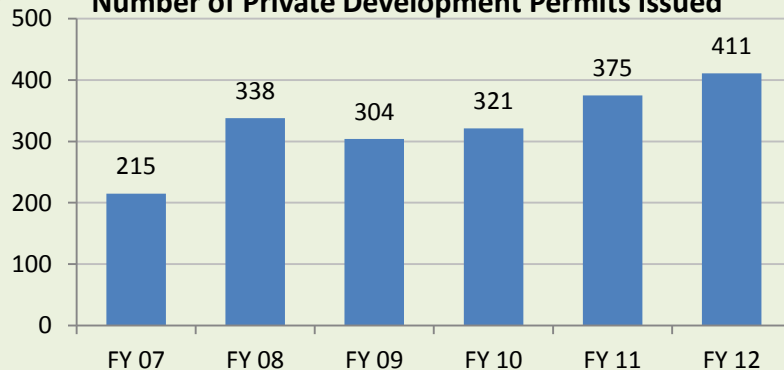
- ❖ Provide high quality, cost-effective oversight of the City's capital improvement programs
- ❖ Support the City's infrastructure improvement plan
- ❖ Ensure compliance with all applicable regulations related to the public's health and safety

Number of Private Development Permits per FTE



Source: Public Works Department

Number of Private Development Permits Issued



Source: Public Works Department

Engineering Services - Operation

	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12
Operating Expense Per Capita	\$32	\$34	\$34	\$25	\$23	\$24
Operating Expense	\$2.0M	\$2.1M	\$2.2M	\$1.6M	\$1.5M	\$1.6M
Authorized FTEs	14.0	15.9	15.6	10.2	9.2	9.2

Source: City of Palo Alto financial data

Did you know?

The Engineering Services Division includes a Private Development group that reviews development plans and issues permits for activities including onsite grading and construction work in the public right of way. Located at the City's Development Center, the Private Development group is an integral part of the Development Center Blueprint effort to streamline and improve the development process.

The Department also provides citywide capital improvement program (CIP) support including design, engineering, contract administration, and project management. Maintaining and improving infrastructure continue to be a City priority.

A few of the Division's Capital Improvement Program key accomplishments include:

- ✓ Opened the newly renovated Downtown Library.
- ✓ Began construction on the new Mitchell Park Library and Community Center scheduled to open late 2013.
- ✓ Began construction of the Arts Center renovation.

KEY DIVISION OBJECTIVES

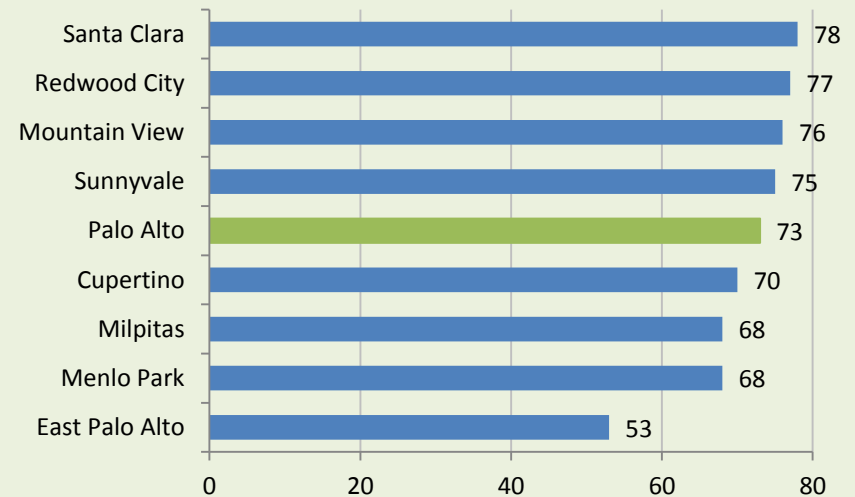
- ❖ Provide high quality, cost-effective oversight of the City's capital improvement programs
- ❖ Support the City's infrastructure improvement plan

Every year, local jurisdictions analyze pavement conditions to help gauge their success in maintaining their local street and road networks. Metropolitan Transportation Commission (MTC), in turn, collects this information to determine regional state of repair. MTC and local jurisdictions use a Pavement Condition Index (PCI) score that rates segments of paved roadways on a scale from 0 to 100.

The department has implemented a plan to achieve an average PCI of 85 ("excellent" street condition) by 2021.

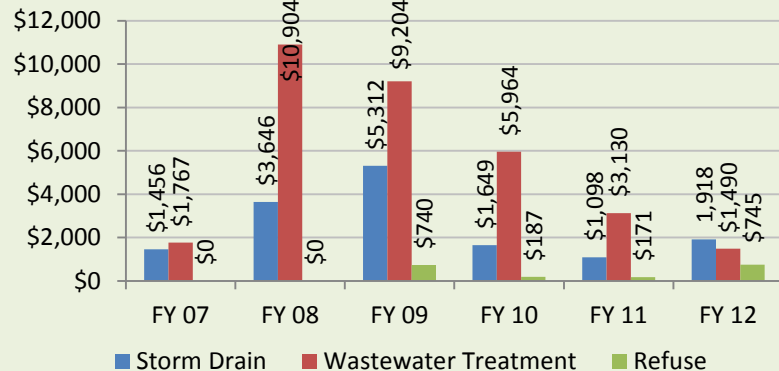
Rating	PCI Score	Rating	PCI Score
Very Good - Excellent	80-100	Good	70-79
Fair	60-69	At Risk	50-59
Poor	25-49	Failed	0-24

Metropolitan Transportation Commission (MTC) 2011 Pavement Condition Index (PCI) Ratings



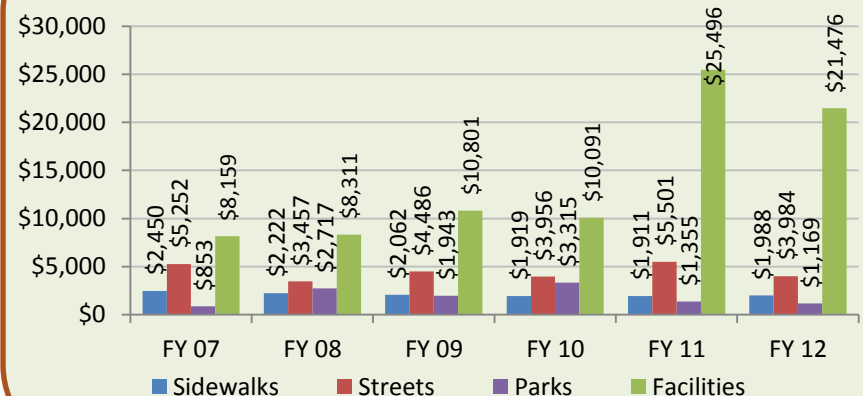
Source: MTC – Pavement Condition Of Bay Area Jurisdictions 2011

Capital Expense - Enterprise Funds (in thousands)



Source: City of Palo Alto financial data

Capital Expenditures – General Fund (in thousands)

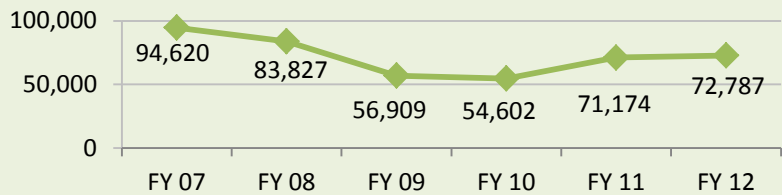


Source: City of Palo Alto financial data

KEY DIVISION OBJECTIVES

- ❖ Provide high quality, cost-effective oversight of the City's capital improvement programs
- ❖ Support the City's infrastructure improvement plan

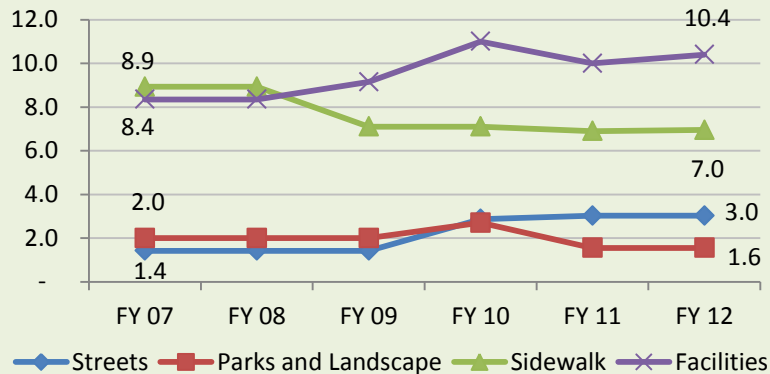
Square feet of sidewalk replaced or permanently repaired



By the year 2015, the current cycle of the sidewalk replacement program should have reached all areas of the City, and a new cycle of sidewalk maintenance will begin.

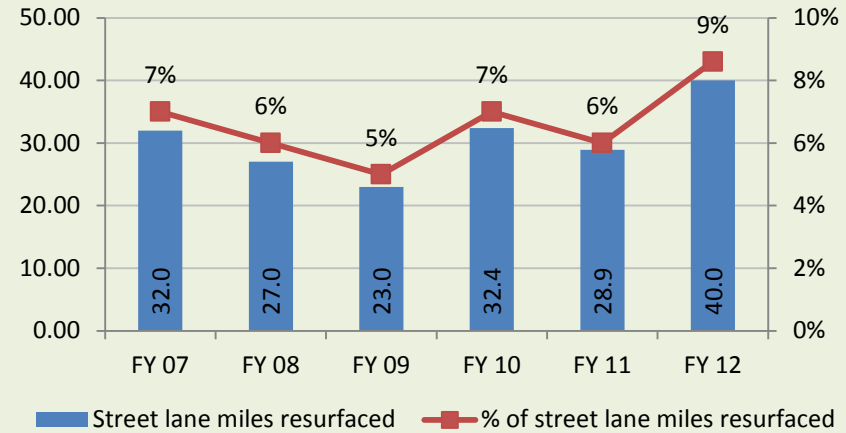
Source: Public Works Department

Capital Full Time Equivalent (FTE) – General Fund



Source: Adopted Capital Budget

Street Resurfacing



Source: Public Works Department

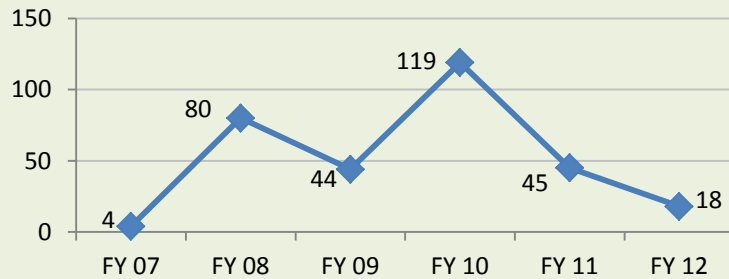
Palo Alto's Street Maintenance Program improves and maintains 473 lane-miles of city streets. Approximately 30 percent of these streets were originally constructed with portland cement concrete (PCC) in the 1930s. The remaining streets are asphalt concrete, which is the standard material for modern street construction. PCC streets are longer-lived than asphalt streets, but are significantly more expensive to repair and maintain. In Palo Alto, many PCC streets have been overlaid with asphalt, creating additional problems and cost when the asphalt surfaces need repairs.

Beginning in fiscal year 2011, the City Council more than doubled the annual Street Maintenance Program budget in order to improve the quality of Palo Alto's streets.

KEY SERVICE OBJECTIVES

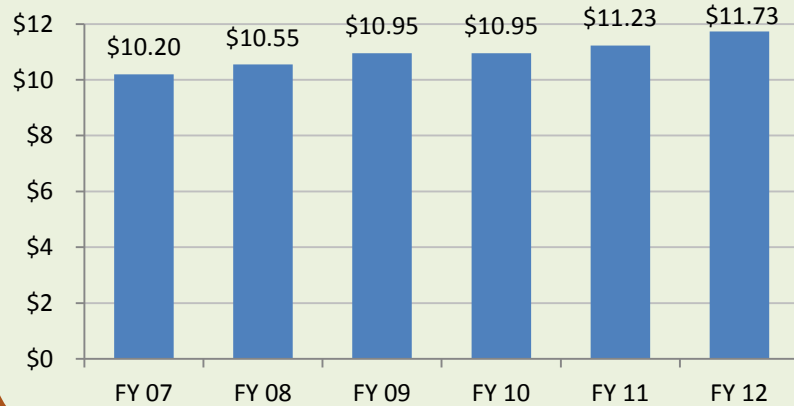
- ❖ Effectively manage the storm drainage system to ensure adequate local drainage
- ❖ Reduce storm water runoff and protect the quality of waters discharged to creeks and the San Francisco Bay

Calls for assistance with storm drains



Source: Public Works Department

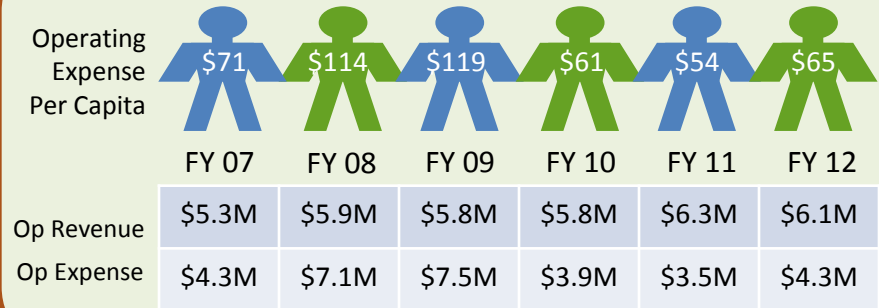
History of Average Monthly Residential Bill



Source: Public Works Department

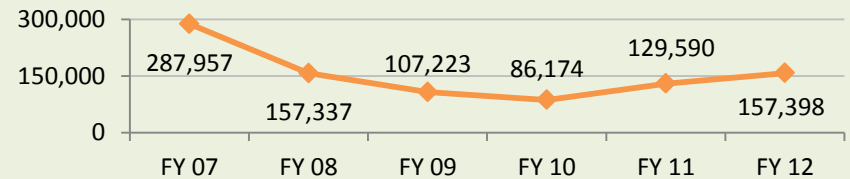
Storm Drainage

Operating Revenues and Expenses



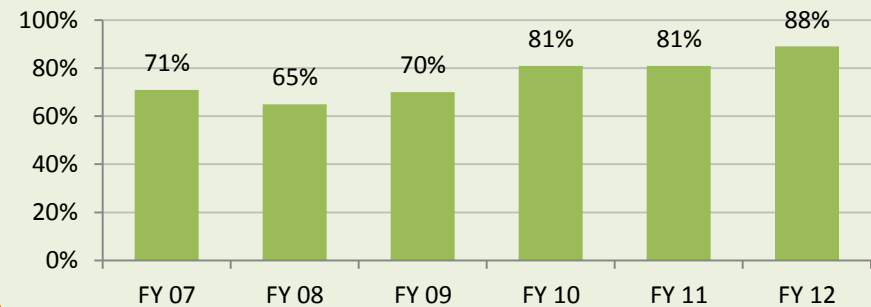
Source: City of Palo Alto financial data

Feet of storm drain pipelines cleaned



Source: Public Works Department

Percent of Industrial/Commercial sites inspected for compliance

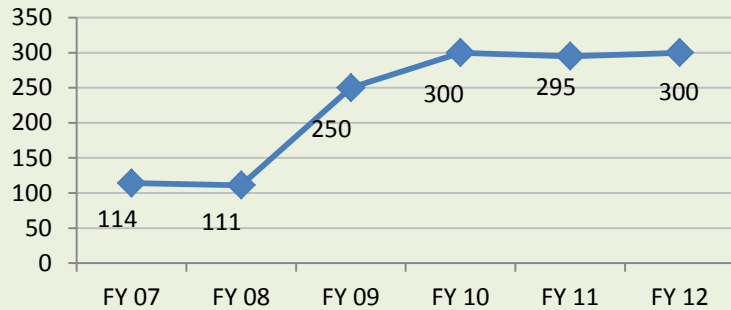


Source: Public Works Department

KEY SERVICE OBJECTIVES

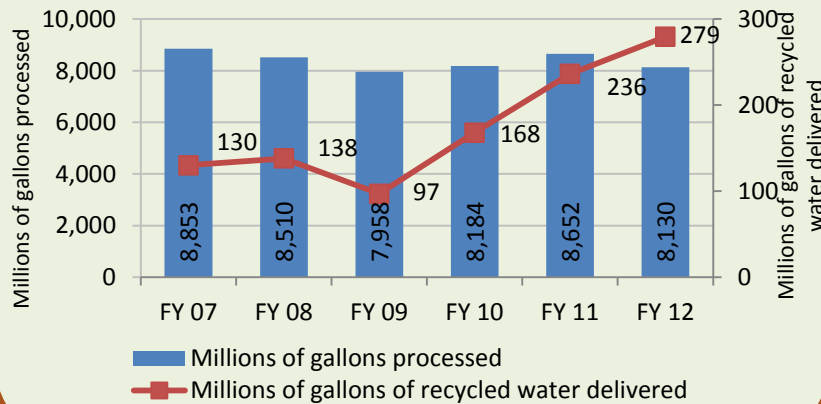
- ❖ Protect the environment and the public's health
- ❖ Operate high quality, cost-effective and visually neutral facilities

Inspections of Commercial/Industrial Sites¹



Source: Public Works Department

Millions of gallons processed and Millions of gallons of recycled water delivered



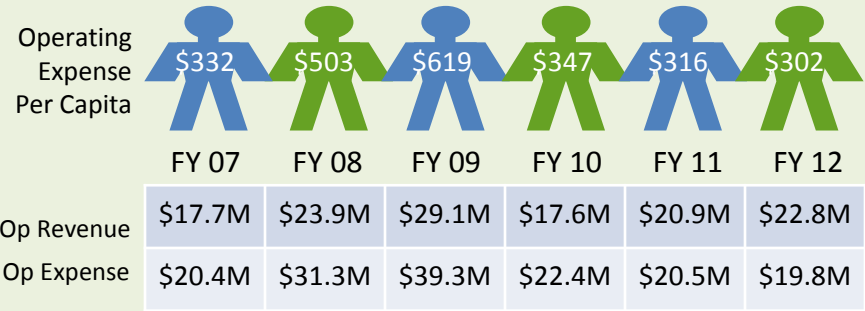
Source: Public Works Department

Footnote

¹ Prior to 2009, only automotive sites were reported. Beginning in 2009, inspections reported include 44 manufacturing, 86 automotive and 300 food service facilities. These figures have been restated.

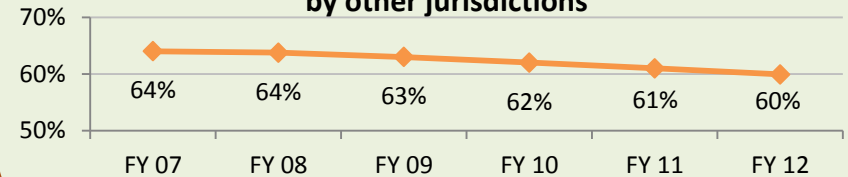
Wastewater Treatment

Operating Revenues and Expenses



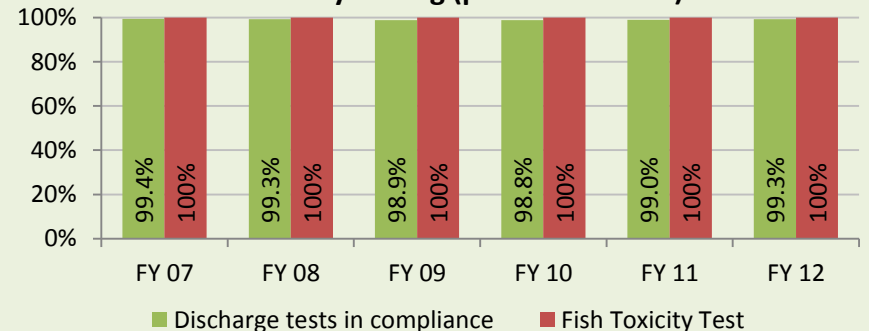
Source: City of Palo Alto financial data

Percent of operating expenses reimbursed by other jurisdictions



Source: Public Works Department

Percent of industrial discharge tests in compliance and Fish toxicity testing (percent survival)

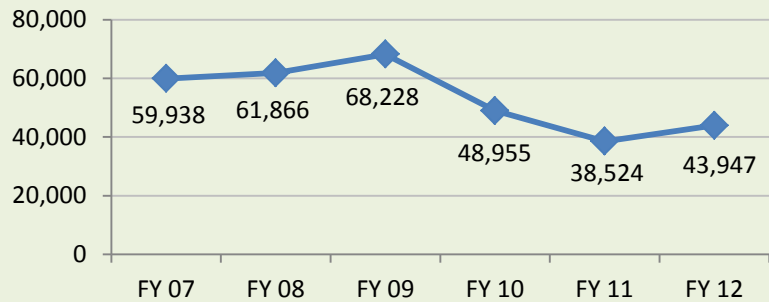


Source: Public Works Department

KEY SERVICE OBJECTIVES

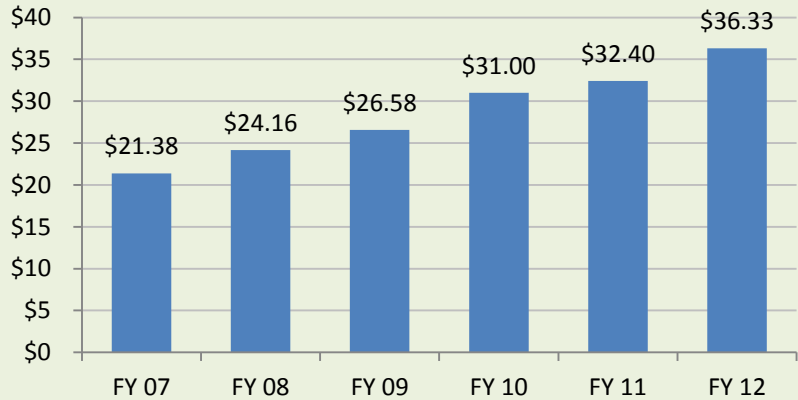
- ❖ Minimize waste generation and maximize recycling and reuse
- ❖ Effectively manage the City's solid waste, hazardous waste and street sweeping programs

Tons of Waste Landfilled



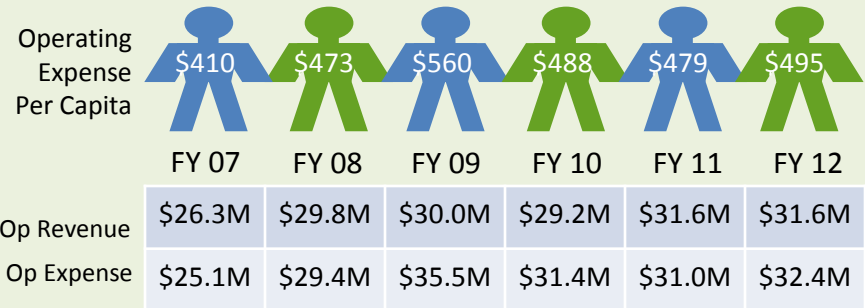
Source: Public Works Department

History of Average Monthly Residential Bill



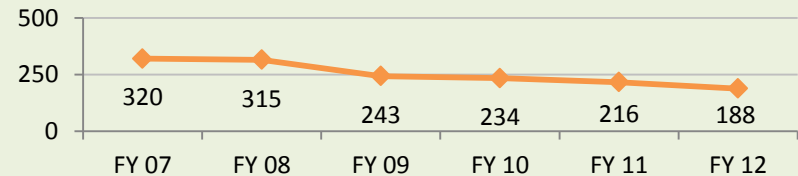
Source: Public Works Department

Operating Revenues and Expenses



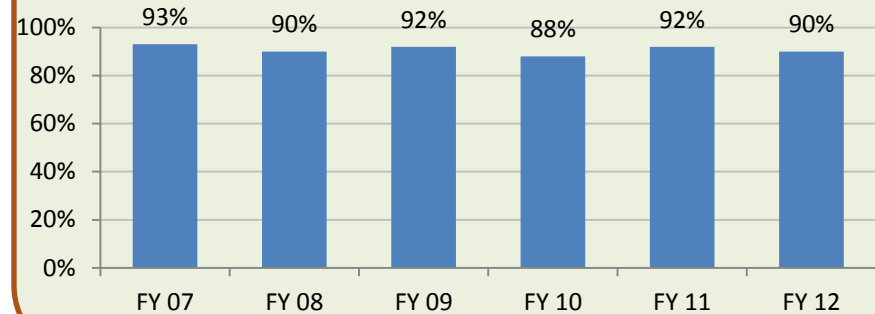
Source: City of Palo Alto financial data

Tons of Household Hazardous Materials Collected



Source: Public Works Department

Percent of all scheduled sweeping routes completed (Residential and Commercial)

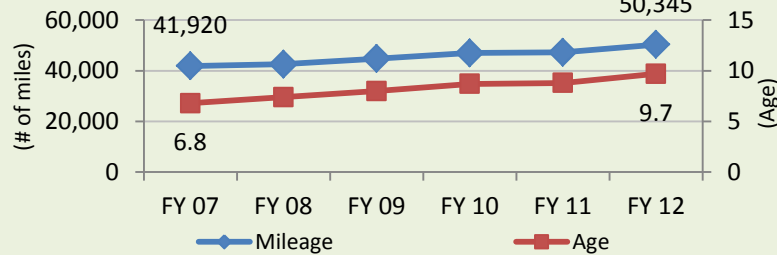


Source: Public Works Department

KEY SERVICE OBJECTIVES

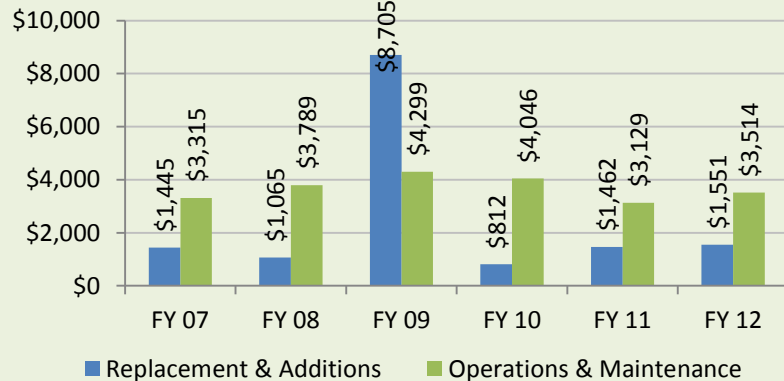
- ❖ Ensure the City's vehicles, equipment and storage/dispensing facilities are safe, reliable and energy efficient
- ❖ Provide cost-effective preventive maintenance and repair services

Median Mileage and Age of Light Duty Vehicles



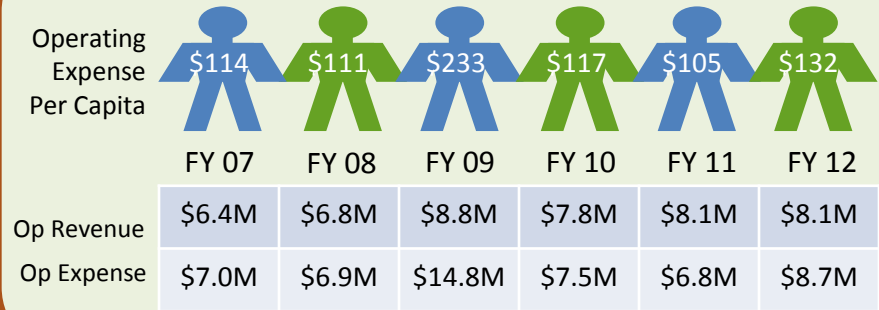
Source: Public Works Department

Vehicle Expenditures (in thousands)



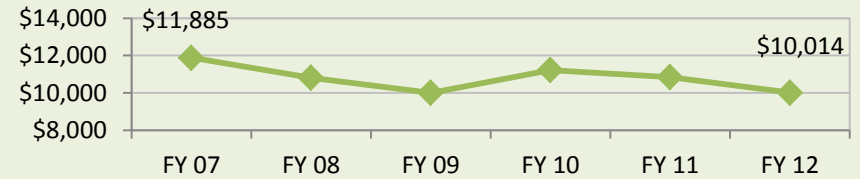
Source: Adopted Operating Budget

Operating Revenues and Expenses



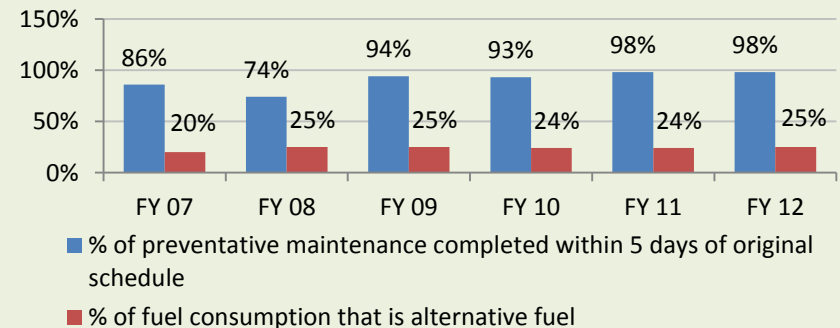
Source: City of Palo Alto financial data

Current Value of Fleet and Equipment (in thousands)



Source: Public Works Department

Preventative Maintenance & Alternative Fuel Consumption



Source: Public Works Department

PUBLIC SERVICES – STREETS, SIDEWALKS, AND FACILITIES

	Operating Expenditures (in millions)		Streets			Sidewalks	Facilities			Citizen Survey	
	Streets	City Facilities	Number of potholes repaired (Target: 3,000)	Percent of potholes repaired within 15 days of notification (Target: 80%)	Number of signs repaired or replaced	Percent of temporary repairs completed within 15 days of initial inspection	Total square feet of facilities maintained	Maintenance cost per square foot (Target: \$1.70)	Custodial cost per square foot (Target: \$1.16)	Percent rating street repair "good" or "excellent"	Percent rating sidewalk maintenance "good" or "excellent"
FY 07	\$2.2	\$4.9	1,188	82%	1,475	98%	1,613,392	\$1.38	\$1.04	47%	57%
FY 08	\$2.2	\$5.1	1,977	78%	1,289	88%	1,616,171	\$1.52	\$1.12	47%	53%
FY 09	\$2.3	\$5.7	3,727	80%	1,292	86%	1,616,171	\$1.62	\$1.19	42%	53%
FY 10	\$2.3	\$5.5	3,149	86%	2,250	78%	1,617,101	\$1.75	\$1.18	43%	51%
FY 11	\$2.4	\$5.6	2,986	81%	1,780	83%	1,617,101	\$1.70	\$1.16	40%	51%
FY 12	\$2.5	\$5.5	3,047	81%	2,439	82%	1,608,137	\$1.74	\$1.14	42%	53%
Change from:											
Last year	+3%	-2%	+2%	0%	+37%	-1%	-1%	+2%	-2%	+2%	+2%
FY 07	+13%	+11%	+156%	-1%	+65%	-16%	0%	+26%	+10%	-5%	-4%

PUBLIC SERVICES – TREES

	Operating Expenditures (in millions)	Authorized staffing (FTE) (General Fund)	Total number of City- maintained trees ³	Number of trees planted ¹ (Target: 250)	Number of all tree-related services completed ² (Target: 6,000)	Percent of urban forest pruned	Percent of total tree line cleared (Target: 25%)	Number of tree- related electrical service disruptions (Target: 0)	Citizen Survey
									Percent rating street tree maintenance "good" or "excellent"
FY 07	\$2.2	14.0	34,556	164	3,409	10%	30%	15	67%
FY 08	\$2.3	14.0	35,322	188	6,579	18%	27%	9	68%
FY 09	\$2.1	14.0	35,255	250	6,618	18%	33%	5	72%
FY 10	\$2.3	14.0	35,472	201	6,094	18%	27%	4	69%
FY 11	\$2.6	14.0	33,146	150	5,045	15%	26%	8	70%
FY 12	\$2.4	12.8	35,324	143	5,527	16%	28%	4	71%
Change from:									
Last year	-7%	-8%	+7%	-5%	+10%	+1%	+2%	-50%	+1%
FY 07	+9%	-8%	+2%	-13%	+62%	+6%	-2%	-73%	+4%

Footnotes

¹ Includes trees planted by Canopy; data source is Public Works Department workload statistics.

² Excludes trees trimmed to clear power lines.

³ FY 2011 was the first year, since 1989, the trees were officially counted. Data prior to FY 2011 were estimated.

ENGINEERING SERVICES

	Engineering Operating Expenditures (in millions)	Engineering authorized staffing (FTE)	Number of private development permits issued ¹ (Target: 250)	Number of private development permits per FTE (Target: 77)	Lane miles resurfaced	Percent of lane miles resurfaced	Square feet of sidewalk replaced or permanently repaired ²	Number of ADA ³ ramps
FY 07	\$2.0	14.3	215	83 ⁴	32.0	7%	94,620	70
FY 08	\$2.1	14.6	338	112	27.0	6%	83,827	27
FY 09	\$2.2	14.6	304	101	23.0	5%	56,909	21
FY 10	\$1.6	10.0	321	107	32.4	7%	54,602	22
FY 11	\$1.5	9.2	375	125	28.9	6%	71,174	23
FY 12	\$1.6	9.2	411	103	40.0	9%	72,787	45
Change from:								
Last year	+5%	0%	+10%	-18%	+38%	+3%	+2%	+96%
FY 07	-20%	-36%	+91%	+24%	+25%	+2%	-23%	-36%

	Capital Expenditures ⁵ - General Fund (in millions)				Capital Expenditures - Enterprise Fund (in millions)			Capital Authorized Staffing (FTE)			
	Streets (Target: \$3.8)	Sidewalks	Parks	Facilities (Target: \$16.9)	Storm Drainage	Wastewater Treatment	Refuse	Streets	Sidewalks	Parks	Facilities
FY 07	\$5.3	\$2.5	\$0.1	\$8.2	\$1.5	\$1.8	\$0.0	1.4	8.9	2.0	8.4
FY 08	\$3.5	\$2.2	\$2.7	\$8.3	\$3.6	\$10.9	\$0.0	1.4	8.9	2.0	8.4
FY 09	\$4.5	\$2.1	\$1.9	\$10.8	\$5.3	\$9.2	\$0.7	1.4	7.1	2.0	9.2
FY 10	\$4.0	\$1.9	\$3.3	\$10.1	\$1.6	\$6.0	\$0.2	2.9	7.1	2.7	11.4
FY 11	\$5.5	\$1.9	\$1.4	\$25.5	\$1.1	\$3.1	\$0.2	3.0	6.9	1.6	10.0
FY 12	\$4.0	\$2.0	\$1.2	\$21.5	\$1.9	\$1.5	\$0.7	3.0	7.0	1.6	10.4
Change from:											
Last year	-28%	+4%	-14%	-16%	+75%	-52%	+335%	0%	+1%	0%	+4%
FY 07	-24%	-19%	+37%	+163%	+32%	-16%	-	+113%	-22%	-23%	+25%

Footnotes

¹ This includes permits for street work, encroachment, and certificate of compliance.

² Includes both in-house and contracted work.

³ ADA (Americans with Disabilities Act) requires that accessibility to buildings and facilities be provided to individuals with disabilities.

⁴ The Department advises that the FY 2007 number is an estimate.

⁵ Capital expenditures includes direct labor, materials, supplies, and contractual services. Does not include overhead.

STORM DRAINAGE

	Revenues, Expenses, and Unrestricted Reserves (in millions)						Citizen Survey			
	Operating Revenues	Operating Expenses ¹	Capital Expenses ²	Storm Drain Fund Reserves	Average Monthly Residential Bill	Authorized Staffing (FTE)	Feet of storm drain pipelines cleaned (Target: 100,000)	Calls for assistance with storm drains ³	Percent of Industrial/Commercial sites inspected for compliance (Target: 80%)	Percent Rating the quality of storm drainage "good" or "excellent"
FY 07	\$5.3	\$4.3	\$1.5	\$4.5	\$10.20	9.5	287,957	4	71%	60%
FY 08	\$5.9	\$7.1	\$3.6	\$3.3	\$10.55	9.5	157,337	80	65%	71%
FY 09	\$5.8	\$7.5	\$5.3	\$1.2	\$10.95	9.5	107,223	44	70%	73%
FY 10	\$5.8	\$3.9	\$1.6	\$2.7	\$10.95	9.5	86,174	119	81%	73%
FY 11	\$6.3	\$3.5	\$1.1	\$5.0	\$11.23	9.5	129,590	45	81%	74%
FY 12	\$6.1	\$4.3	\$1.9	\$6.5	\$11.73	9.4	157,398	18	88%	76%
Change from:										
Last year	-2%	+21%	+75%	+28%	+4%	-1%	+21%	-60%	+8%	+2%
FY 07	+15%	-2%	+32%	+44%	+15%	-1%	-45%	+350%	+18%	+16%

WASTEWATER TREATMENT AND ENVIRONMENTAL COMPLIANCE

	Revenues, Expenses, and Unrestricted Reserves (in millions)						Regional Water Quality Control Plant			Wastewater Environmental Compliance		
	Wastewater Treatment Fund					Authorized Staffing (FTE)	Millions of gallons processed ⁴ (Target: 8,200)	Fish toxicity test - percent survival (Target: 95%)	Wastewater Environmental Compliance		Percent of industrial discharge tests in compliance (Target: 99%)	
	Operating Revenues	Operating Expenses ¹	Percent of operating expenses reimbursed by other jurisdictions	Capital Expenses ²	Wastewater Treatment Fund Reserves				Authorized Staffing (FTE)	Inspections of Commercial/Industrial sites ⁵		
FY 07	\$17.7	\$20.4	64%	\$1.8	\$13.8	54.8	8,853	100.00%	13.85	114	99.40%	
FY 08	\$23.9	\$31.3	64%	\$10.9	\$11.1	54.8	8,510	100.00%	13.85	111	99.25%	
FY 09	\$29.1	\$39.3	63%	\$9.2	\$12.9	54.3	7,958	100.00%	13.70	250	98.90%	
FY 10	\$17.6	\$22.4	62%	\$6.0	\$11.8	54.3	8,184	100.00%	13.70	300	98.82%	
FY 11	\$20.9	\$20.5	61%	\$3.1	\$15.8	55.5	8,652	100.00%	13.70	295	99.00%	
FY 12	\$22.8	\$19.8	60%	\$1.5	\$18.0	55.5	8,130	100.00%	14.6	300	99.27%	
Change from:												
Last year	+9%	-3%	-1%	-52%	+14%	0%	-6%	0%	+7%	+2%	0%	
FY 07	+29%	-3%	-4%	-16%	+30%	+1%	-8%	0%	+5%	+163%	0%	

Footnotes

¹ Consistent with the City's operating budget documents, capital improvement program (CIP) expenditures are included as "operating expenditures" for this department.

² Includes direct labor, materials, supplies, and contractual services.

³ The Department advises that these figures are estimates.

⁴ Includes gallons processed for all cities served by Palo Alto's RWQCP.

⁵ Prior to 2009 only automotive sites were reported. Beginning 2009 inspections reported include 44 manufacturing, 86 automotive and 300 food service facilities. These figures have been restated.

REFUSE AND ZERO WASTE

	Revenues, Expenses, and Unrestricted Reserves (in millions)							Citizen Survey		
	Operating Revenues	Operating Expenses ¹	Capital Expenses ²	Refuse Fund Reserves	Average Monthly Residential Bill	Authorized Staffing (FTE)	Total tons of waste landfilled ³	Percent of all sweeping routes completed ⁴ (residential and commercial) (Target: 92%)	Percent rating garbage collection "good" or "excellent"	Percent rating City's composting process and pickup services "good" or "excellent"
FY 07	\$26.3	\$25.1	\$0.0	\$5.9	\$21.38	34.7	59,938	93%	91%	-
FY 08	\$29.8	\$29.4	\$0.0	\$6.3	\$24.16	34.9	61,866	90%	92%	-
FY 09	\$30.0	\$35.5	\$0.7	\$0.8	\$26.58	35.3	68,228	92%	89%	86%
FY 10	\$29.2	\$31.4	\$0.2	(\$1.4)	\$31.00	38.0	48,955	88%	88%	83%
FY 11	\$31.6	\$31.0	\$0.2	(\$0.7)	\$32.40	38.0	38,524	92%	90%	81%
FY 12	\$31.6	\$32.4	\$0.7	(\$1.6)	\$36.33	38.1	43,947	90%	89%	-
Change from:										
Last year	0%	+5%	+335%	+120%	+12%	0%	+14%	-2%	-1%	-
FY 07	+20%	+29%	-	-127%	+70%	+10%	-27%	-3%	-2%	-

	Zero Waste					Citizen Survey	
	Tons of materials recycled ³	Tons of household hazardous materials collected	Tons of C&D diverted	Percent of customers using reusable bags at grocery stores	Per capita disposal rate (pounds per day) (Target: 4.50)	Percent rating recycling services "good" or "excellent" (Target: 90%)	Percent of residents recycling more than 12 times during the year
FY 07	56,837	320	-	-	-	93%	92%
FY 08	52,196	315	6,656	9%	6.00	90%	94%
FY 09	49,911	243	10,508	19%	5.90	90%	92%
FY 10	48,811	234	10,137	21%	4.20	90%	93%
FY 11	56,586	216	28,177	22%	3.30	91%	89%
FY 12	51,725	188	-	21%	3.70	86%	92%
Change from:							
Last year	-9%	-13%	-	-1%	+12%	-5%	+3%
FY 07	-9%	-41%	-	-	-	-7%	0%

Footnotes

¹ Consistent with the City's operating budget documents, capital improvement program (CIP) expenditures are included as "operating expenditures" for this department.

² Includes direct labor, materials, supplies, and contractual services.

³ Does not include materials disposed of by self-haul customers, going to other landfills.

⁴ Most streets are swept weekly; some business districts are swept three times a week.

CITY VEHICLE AND EQUIPMENT

	Revenues and Expenditures (in millions)							
	Operating Revenues	Operating Expenditures	Replacement and Additions Expenditures	Operations and Maintenance Expenditures	Authorized staffing (FTE)	Current value of vehicle and equipment	Number of alternative fuel vehicles (Target: 67)	Percent of vehicle fuel consumption that is alternative fuels (Target: 27%)
FY 07	\$6.4	\$7.0	\$1.4	\$3.3	16.0	\$11,885	79	20%
FY 08	\$6.8	\$6.9	\$1.1	\$3.8	16.3	\$10,815	80	25%
FY 09	\$8.8	\$14.8	\$8.7	\$4.3	16.2	\$10,004	75	25%
FY 10	\$7.8	\$7.5	\$0.8	\$4.0	16.0	\$11,222	74	24%
FY 11	\$8.1	\$6.8	\$1.5	\$3.1	16.6	\$10,842	63	24%
FY 12	\$8.1	\$8.7	\$1.6	\$3.5	16.1	\$10,014	60	25%
Change from:								
Last year	+1%	+28%	+6%	+12%	-3%	-8%	-5%	+1%
FY 07	+26%	+24%	+7%	+6%	0%	-16%	-24%	+5%

	Total miles traveled of light duty vehicles	Median mileage of light duty vehicles	Median age of light duty vehicles	Maintenance cost per light duty vehicle ¹	Percent of scheduled preventive maintenance performed within five business days of original schedule
FY 07	1,849,600	41,920	6.8	\$1,886	86%
FY 08	1,650,743	42,573	7.4	\$1,620	74%
FY 09	1,615,771	44,784	8.0	\$2,123	94%
FY 10	1,474,747	47,040	8.7	\$1,836	93%
FY 11	1,447,816	47,252	8.8	\$2,279	98%
FY 12	1,503,063	50,345	9.7	\$2,168	98%
Change from:					
Last year	+4%	+7%	+10%	-5%	0%
FY 07	-19%	+20%	+43%	+15%	+12%

Footnote

¹ Includes all maintenance costs, except fuel and accident repairs. Maintenance costs for 30 police patrol cars are included.

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Chapter 10: Strategic and Support Services

Office of the City Manager: Leading the City in providing exemplary service and creating partnerships with citizens in an ever changing environment, in response to City Council priorities.

Office of the City Attorney: Serving Palo Alto and its policy makers by providing legal representation of the highest quality.

Office of the City Clerk: Helping administer the laws and services that directly affect the daily lives of our citizens by administering elections and records management, and maintaining the legislative process of all City Council meetings.

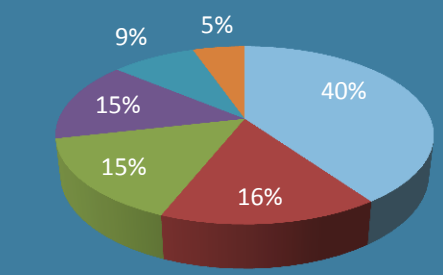
Office of the City Auditor: Promoting honest, efficient, effective, and fully accountable city government.

Administrative Services Department: Providing proactive administrative and financial support to City departments and decision makers, and safeguarding and facilitating the optimal use of City resources.

Human Resources Department: Recruiting, developing, and retaining a diverse, well-qualified, and professional workforce that reflects the high standards of the community, and providing a high level of support to the City departments.

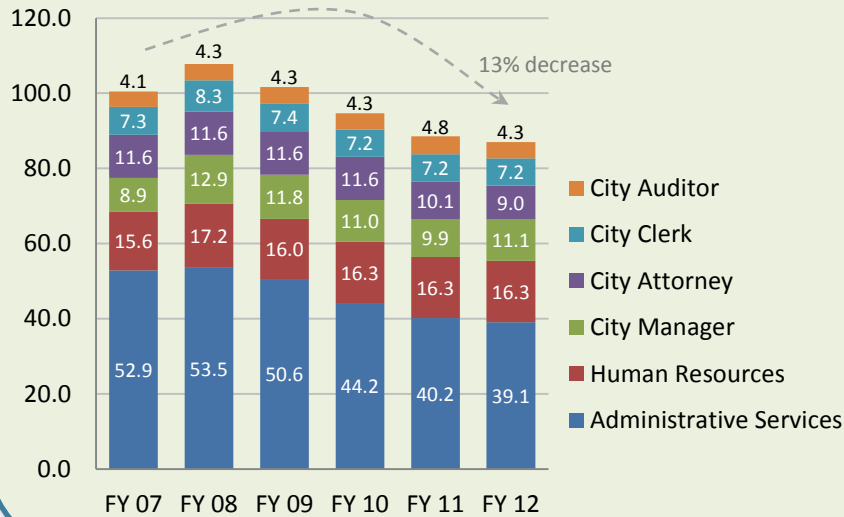


How are Strategic and Support Services dollars used?
(General Fund Total = \$17.4 million)



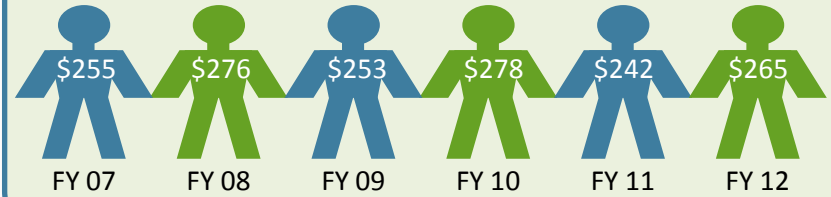
- Administrative Services Department (40%)
- City Attorney's Office (16%)
- Human Resources Department (15%)
- City Manager's Office (15%)
- City Clerk's Office (9%)
- City Auditor's Office (5%)

Total # of Full Time Equivalents (FTEs)¹



Source: City of Palo Alto financial data

Strategic & Support Services Per Capita Spending¹

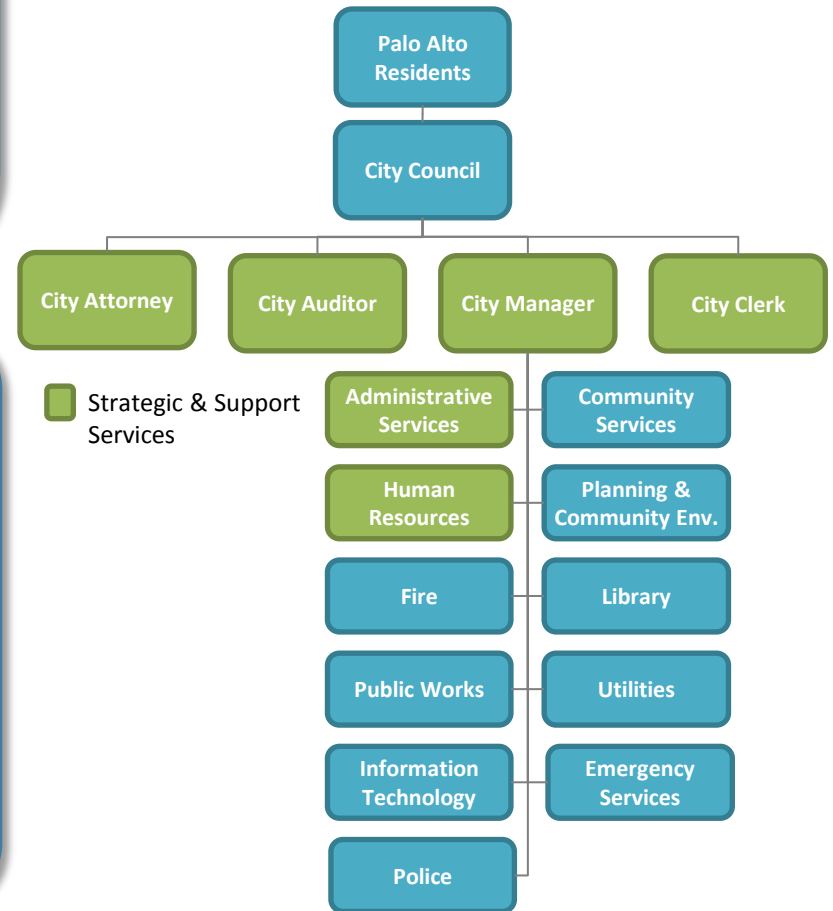


Source: City of Palo Alto financial data

Did You Know?

There are four City Council Appointed Officers (CAOs); City Manager, City Attorney, City Clerk, and City Auditor. The Director of Administrative Services and the Director of Human Resources are appointed by the City Manager with the approval of the Council. Palo Alto Municipal Code requires that each officer “perform all duties required of his or her office by state laws, the Charter, and ordinances of the city, and such duties not in conflict therewith as may be required either by the council or the city manager, whichever makes the appointment.”

These offices and departments provide various services to assist other City departments including operations involving the nine enterprise funds (water, electricity, gas, wastewater collection, wastewater treatment, refuse, storm drainage, fiber optic, and airport).



Footnote

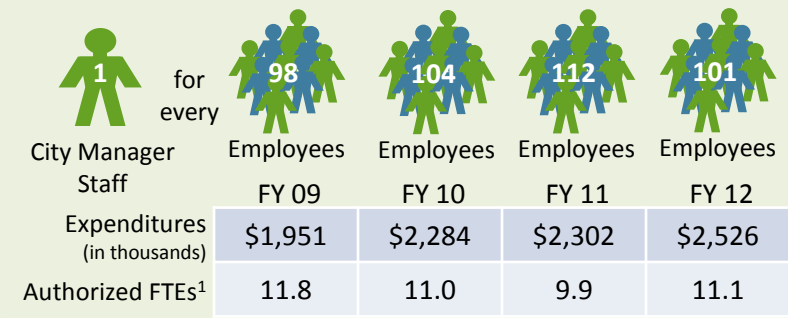
¹ FTE counts and operating expenditures in this section are for the General Fund only.

DEPARTMENT GOALS

- ❖ Implement the City Council’s policy direction and ensure their goals and objectives are achieved in a timely manner
- ❖ Lead the City’s management team to ensure the provision of high quality, cost-effective and customer focused services
- ❖ Advocate sound financial planning by developing and implementing operating and capital improvement budgets
- ❖ Promote and sustain citizen participation and engagement in public matters

Office of the City Manager

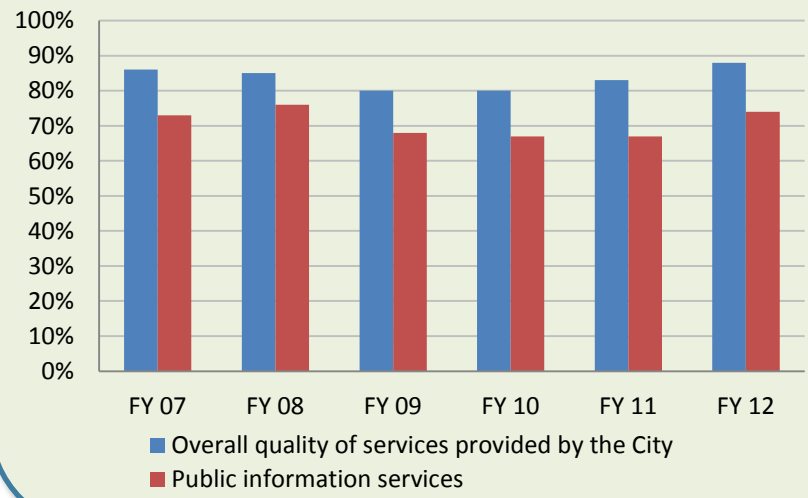
Office of the City Manager Spending



Source: City of Palo Alto financial data

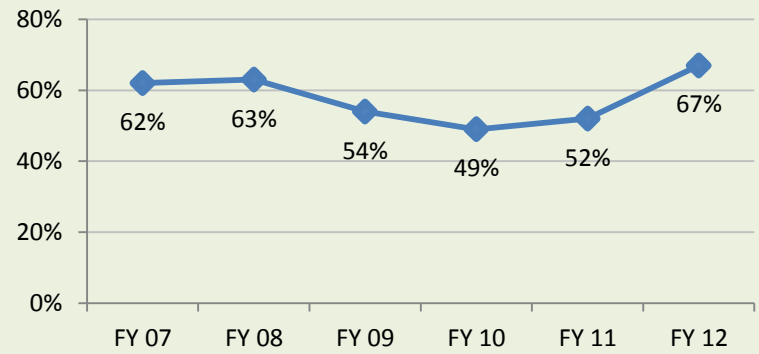
The Office assists companies of all sizes in locating or expanding in Palo Alto by providing needed information and facilitating permit processes. The Office attributes the increase to enhanced relationships with the business community which raised awareness of the tools and resources available to businesses.

Citizen Survey: Service Ratings (Percent Rating “Good” or “Excellent”)



Source: National Citizen Survey™

Citizen Survey: Percent Rating Economic Development “Good” or “Excellent”



Source: National Citizen Survey™

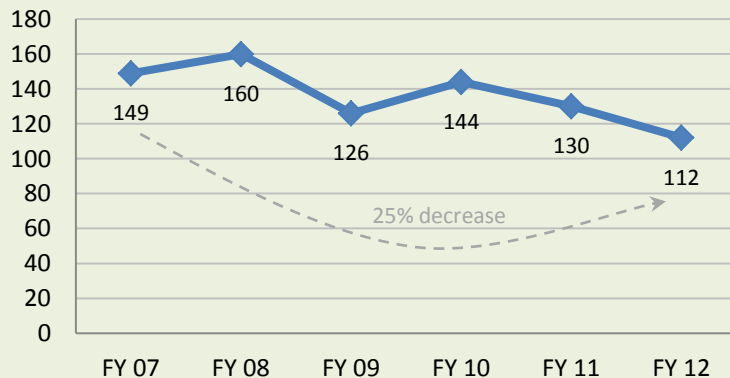
Footnote

¹ FTE counts and operating expenditures in this section are for the General Fund only.

DEPARTMENT GOALS

- ❖ Advance the public interest by providing high quality legal representation to the City
- ❖ Evaluate all claims and litigation promptly, resolving disputes where appropriate and vigorously defending the City's interests
- ❖ Identify and reduce exposure to legal risks

Number of Claims Handled



Source: Office of the City Attorney

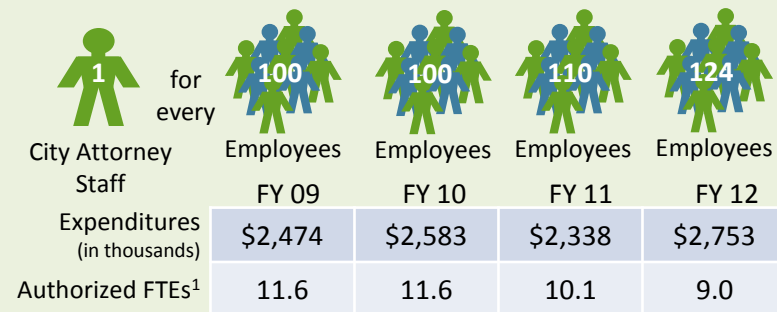
Did You Know?

Among the most important functions of the Office is providing training to the City Council, City Manager, boards, commissions, and operating departments. During 2012, the Office conducted training sessions on the Brown Act, Conflict of Interest, and public ethics.

Footnote

¹ FTE counts and operating expenditures in this section are for the General Fund only.

Office of the City Attorney Spending



Source: City of Palo Alto financial data

New Performance Measures for FY 2013

The Office is in the process of implementing new performance measures to improve its performance management. Key metrics identified and to be reported beginning next year include:

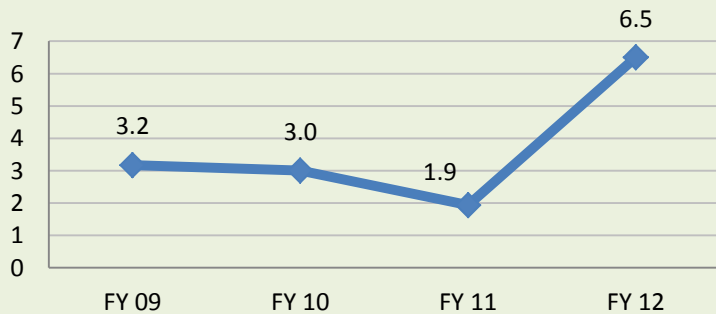
- **Percent of claims resolved within 45 days of filing** measures the timeliness of investigating and resolving claims, demonstrating responsiveness to residents' concerns and safeguarding public resources by reducing unnecessary lawsuits. Under California law, anyone who wishes to bring a claim for money or damages against a public entity must first present their claim directly to the local agency. Common claims include automobile accidents, tree limb failures, accidents such as "trip and falls," and utility services issues. The Office's goal is to resolve 90% of all claims within 45 days of filing.
- **Client Services Survey rating** measures the Office's progress toward the goal of advancing the public interest by providing high quality legal representation to the City. The Office conducted the first Client Services Survey in 2011, and received an overall Client Satisfaction rating of 92%.

DEPARTMENT GOALS

- ❖ Maintain a records management program that promotes transparency, accountability and effective service delivery
- ❖ Respond to the legislative needs of the City Council and the community in a timely and effective manner
- ❖ Effectively administer municipal elections and appointments to boards and commissions

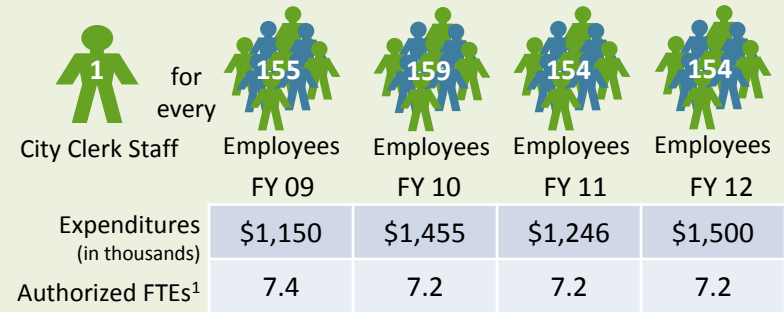
The Office of the City Clerk attributes the FY 2012 increase to solicitation of additional public interest to serve on Boards and Commissions by using various alternative advertising methods, including placing flyers and bookmarks at locations around the City, advertising online, and facilitating contact between potential applicants and council/commissioners/staff.

Ratio of Applicants to Vacancies for Boards and Commissions



Source: Office of the City Clerk

Office of the City Clerk Spending



Source: City of Palo Alto financial data

Did You Know?

The Office of the City Clerk is the legislative administrator for the City and provides support to the City Council and the public by preparing the agendas, coordinating the agenda packet process, verifying legal notices, scheduling public hearings, and managing the transcription of all City Council and Standing Committee meeting minutes. The Office also oversees the legislative process of preserving and protecting the public record including minutes, ordinances, and resolutions.

As the elections official, the City Clerk administers Federal, State, and Local procedures for elections, and assists local candidates and elected officials in meeting their legal responsibilities. Boards and Commissions recruitments are also a function of the Office of the City Clerk. Additional information on volunteer opportunities is available on the City Clerk's Webpage under [Board/Commission Recruitment](#).

Footnote

¹ FTE counts and operating expenditures in this section are for the General Fund only.

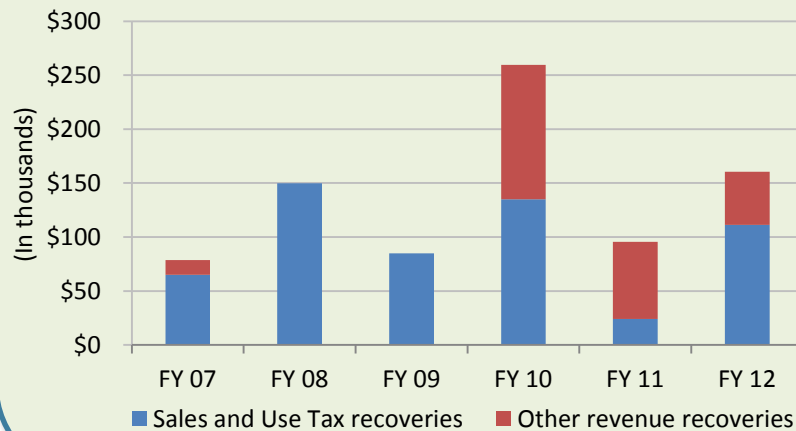
DEPARTMENT GOALS

- ❖ Add value and improve operations by providing independent, objective analysis and information regarding the stewardship, performance, and/or financial impact of City programs and operations.
- ❖ Provide the residents of Palo Alto, City Council, and other stakeholders with information on past performance to strengthen public accountability, improve government efficiency and effectiveness, and support future decision making.
- ❖ Maintain efficient and effective audit processes.

Did You Know?

The Office of the City Auditor (OCA) publishes all of its reports (including this one) on its website at: <http://www.cityofpaloalto.org/gov/depts/aud/>

Revenue Recoveries²



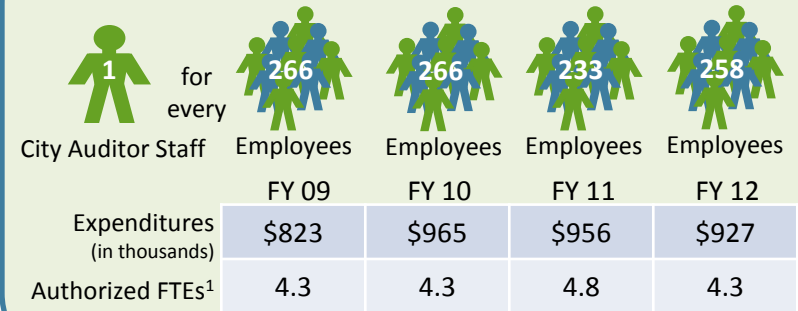
Source: Office of the City Auditor

Footnotes

¹ FTE counts and operating expenditures in this section are for the General Fund only.

² The fluctuation is due to numerous potential misallocations pending resolution by the State Board of Equalization. The Office of the City Auditor does not have control over when these potential misallocations are resolved. Other revenue recoveries include transient occupancy tax, alternative fuel tax credit, and/or unclaimed property which are generally non-recurring.

Office of the City Auditor Spending



Source: City of Palo Alto financial data

New Performance Measures for FY 2013

The Office is in the process of implementing new performance measures to improve its performance management. Key metrics identified and to be reported beginning next year include:

- **Percent of audit recommendations accepted and implemented on time** measures the effectiveness of audit recommendations. Recommendations are effective when they are addressed to parties that have the authority to act and when the recommended actions are specific, cost effective, and measurable.
- **Client Satisfaction Survey rating** measures the department's satisfaction with the value of the audit services provided and skill level of the audit staff.
- **Percent of work plan completed** measures the effectiveness of annual planning and resource management.

DEPARTMENT GOALS

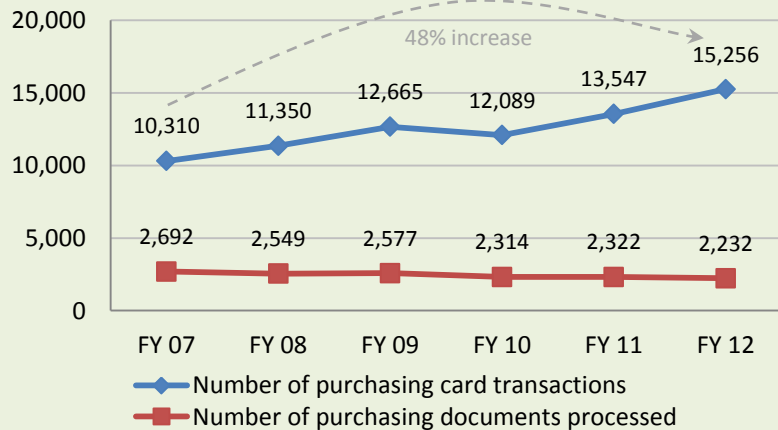
- ❖ Ensure the City of Palo Alto's short and long-term financial status is healthy and sound
- ❖ Provide timely and accurate financial transactions
- ❖ Ensure public funds and assets are invested prudently and are well-managed
- ❖ Implement performance management programs to support and enhance communication, accountability, and positive outcomes

Did You Know?

The City of Palo Alto launched an online "Open Budget" in partnership with Delphi Solutions to provide easy, visual access to the City's budget data for the last five years. The new Open Budget tool can be accessed at:

<http://data.cityofpaloalto.org/openbudget>

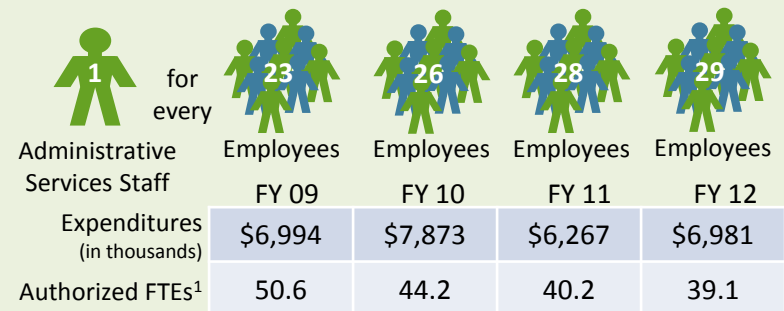
Number of Purchasing Documents Processed and Number of Purchasing Card Transactions



Source: Administrative Services Department

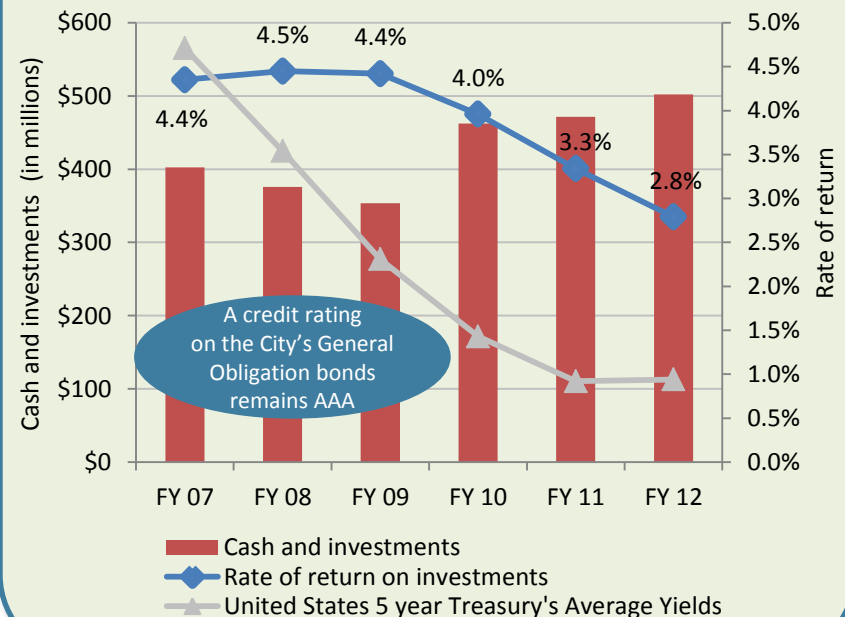
Administrative Services Department

Administrative Services Spending



Source: City of Palo Alto financial data

Cash and Investments and Rate of Return



Source: Administrative Services Department

Footnote

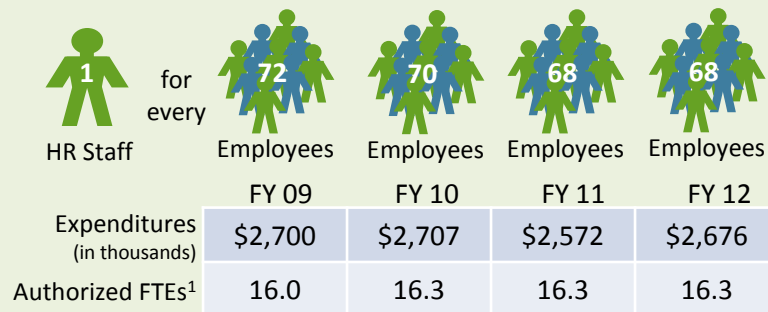
¹ FTE counts and operating expenditures in this section are for the General Fund only.

DEPARTMENT GOALS

- ❖ Attract and retain a highly qualified workforce that values and reflects diversity, innovation and a strong commitment to public service
- ❖ Promote collaborative and effective labor management relationships while representing the public's interests in all bargaining matters
- ❖ Promote continuous improvement in the responsiveness and effectiveness of staff performance through timely and relevant employee learning and development opportunities
- ❖ Reduce liability exposure to the City for employee-involved vehicle collisions
- ❖ Provide a safe environment for employees
- ❖ Minimize loss of productivity and disruption of services

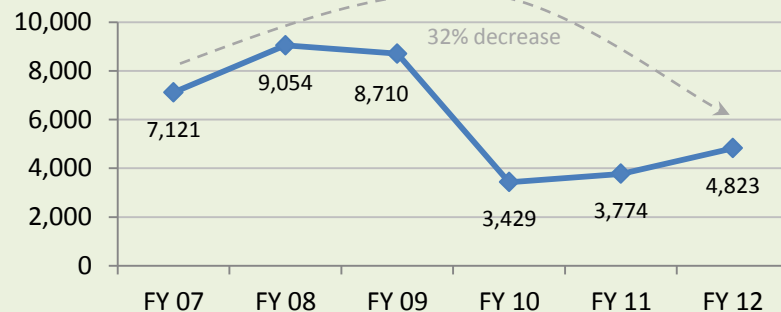
Human Resources Department

Human Resources Spending



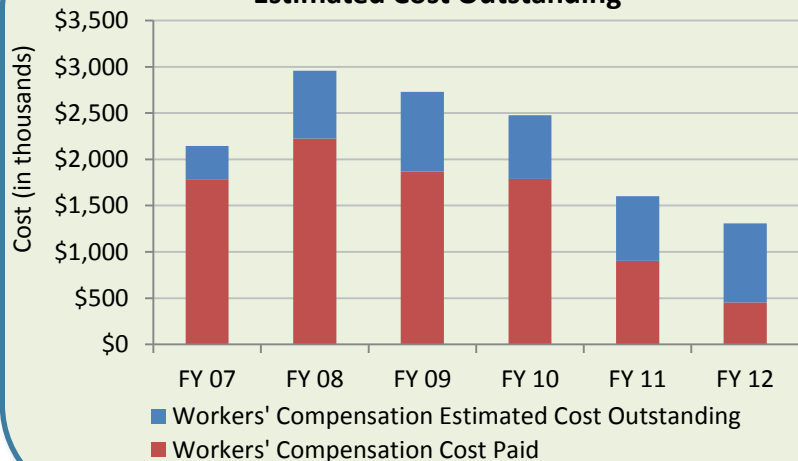
Source: City of Palo Alto financial data

Citywide Training Hours Provided



Source: Human Resources Department

Workers' Compensation Cost Paid and Estimated Cost Outstanding²



Source: Human Resources Department

According to the Department, costs continue to grow for many claims as they progress. For example, an injured employee may return to work with a level of permanent disability requiring further medical care including a future surgery.

Footnotes

¹ FTE counts and operating expenditures in this section are for the General Fund only.

² Estimated cost outstanding represents early estimates of current claim costs incurred less costs paid as of July 31, 2012.

STRATEGIC AND SUPPORT SERVICES SPENDING AND STAFFING

	Operating Expenditures (in millions)						Authorized Staffing (FTE) ¹					
	City Manager's Office	City Attorney's Office	City Clerk's Office	City Auditor's Office	Administrative Services Department	Human Resources Department	City Manager's Office	City Attorney's Office	City Clerk's Office	City Auditor's Office	Administrative Services Department	Human Resources Department
FY 07	\$1.7	\$2.5	\$0.9	\$0.9	\$7.0	\$2.6	8.9	11.6	7.3	4.1	52.9	15.6
FY 08	\$2.3	\$2.7	\$1.3	\$0.9	\$7.3	\$2.7	12.9	11.6	8.3	4.3	53.5	17.2
FY 09	\$2.0	\$2.5	\$1.2	\$0.8	\$7.0	\$2.7	11.8	11.6	7.4	4.3	50.6	16.0
FY 10	\$2.3	\$2.6	\$1.5	\$1.0	\$7.9	\$2.7	11.0	11.6	7.2	4.3	44.2	16.3
FY 11	\$2.3	\$2.3	\$1.2	\$1.0	\$6.3	\$2.6	9.9	10.1	7.2	4.8	40.2	16.3
FY 12	\$2.5	\$2.8	\$1.5	\$0.9	\$7.0	\$2.7	11.1	9.0	7.2	4.3	39.1	16.3
Change from:												
Last year	+10%	+18%	+20%	-3%	+11%	+4%	+11%	-11%	0%	-10%	-3%	0%
FY 07	+46%	+12%	+58%	+3%	-1%	+4%	+24%	-22%	-1%	+5%	-26%	+5%

OFFICE OF THE CITY MANAGER, CITY ATTORNEY, CITY CLERK, CITY AUDITOR

	City Manager/Citizen Survey				City Attorney	City Clerk	City Auditor		
	Percent rating overall quality of services provided by the City "good" or "excellent"	Percent rating public information services "good" or "excellent" (Target: 76%)	Percent rating opportunities to learn about City services through social networking sites "good" or "excellent"	Percent rating economic development "good" or "excellent"	Number of claims handled	Ratio of applicants to vacancies for boards and commissions (Target: 4.0)	Sales and Use Tax recoveries ³	Other revenue recoveries ⁴	Total revenue recoveries (Target: \$150,000)
FY 07	86%	73%	-	62%	149	-	\$65,116	\$13,654	\$78,770
FY 08	85%	76%	-	63%	160	-	\$149,810	-	\$149,810
FY 09	80%	68%	60%	54%	126	3.2	\$84,762	-	\$84,762
FY 10	80%	67%	57%	49%	144	3.0	\$135,118	\$124,442	\$259,560
FY 11	83%	67%	63%	52%	130	1.9	\$24,014	\$71,611	\$95,625
FY 12	88%	74%	63%	67%	112	6.5	\$111,253	\$49,235	\$160,488
Change from:									
Last year	+5%	+7%	0%	+15%	-14%	+237% ²	+363%	-31%	+68%
FY 07	+2%	+1%	-	+5%	-25%	-	+71%	+261%	+104%

Footnotes

¹ FTE counts and operating expenditures in this section are for the General Fund only.

² The Office of the City Clerk attributes the FY 2012 increase to solicitation of additional public interest to serve on Boards and Commissions by using various alternative advertising methods.

³ The fluctuation is due to numerous potential misallocations pending resolution by the State Board of Equalization. The Office of the City Auditor does not have control over when these potential misallocations are resolved.

⁴ Other revenue recoveries include transient occupancy tax, alternative fuel tax credit, and/or unclaimed property which are generally non-recurring.

ADMINISTRATIVE SERVICES DEPARTMENT

	Cash and investments (in millions) (Target: \$353.0)	Rate of return on investments (Target: 2.40%)	General Fund Budget Stabilization Reserve (in millions)	Number of accounts payable checks issued (Target: 13,000)	Percent invoices paid within 30 days (Target: 80%)	Number of purchasing documents processed (Target: 2,350)	Number of purchasing card transactions	Dollar value goods and services purchased (in millions)
FY 07	\$402.6	4.35%	\$27.5	14,802	80%	2,692	10,310	\$107.5
FY 08	\$375.7	4.45%	\$26.1	14,480	83%	2,549	11,350	\$117.2
FY 09	\$353.4	4.42%	\$24.7	14,436	83%	2,577	12,665	\$132.0
FY 10	\$462.4	3.96%	\$27.4	12,609	78%	2,314	12,089	\$112.5
FY 11	\$471.6	3.34%	\$31.4	13,680	82%	2,322	13,547	\$149.8
FY 12	\$502.3	2.79%	\$28.1	10,966	81%	2,232	15,256	\$137.0
Change from:								
Last year	+6%	-1%	-10%	-20%	-1%	-4%	+13%	-9%
FY 07	+25%	-2%	+2%	-26%	+1%	-17%	+48%	+27%

HUMAN RESOURCES DEPARTMENT

	Number of new hires processed ¹ (Target: 120)	Percent of first year turnover (Target: 5%)	Citywide training hours provided (Target: 2,600)	Workers' Compensation Estimated Cost Incurred ² (in thousands)	Workers' Compensation Cost Paid (in thousands)	Workers' Compensation Estimated Cost Outstanding ² (in thousands)	Days lost to work-related illness or injury ³	Number of claims filed with days away from work <NEW>
FY 07	138	7%	7,121	\$2,146	\$1,786	\$360	2,242	40
FY 08	157	9%	9,054	\$2,956	\$2,224	\$733	1,561	32
FY 09	130	8%	8,710	\$2,727	\$1,867	\$860	1,407	26
FY 10	126	6%	3,429	\$2,476	\$1,788	\$688	1,506	15
FY 11	134	8%	3,774	\$1,601	\$905	\$696	1,372	18
FY 12	165	10%	4,823	\$1,310	\$455	\$854	1,236	22
Change from:								
Last year	+23%	+2%	+28%	-18%	-50%	+23%	-10%	+22%
FY 07	+20%	+3%	-32%	-39%	-75%	+137%	-45%	-45%

Footnotes

¹ Includes transfers and internal promotions (excludes hourly staff, seasonal staff, and interns).

² Early estimates of current claim costs incurred and costs outstanding as of July 31, 2012. Costs are expected to increase as claims develop. Prior year estimates were updated to reflect current costs for claims incurred during that fiscal year.

³ Based on calendar days. According to the Department, the number of days lost to work-related illness or injury is expected to increase as claims develop, although it is capped at 180 days per claim according to federal reporting requirements. Prior year numbers were revised to reflect the updated numbers.

Chapter 11: Utilities Department

Mission: To provide safe, reliable, environmentally sustainable and cost-effective services

The **Customer Support Services Division** is responsible for customer services for the electric, fiber, water, gas, and wastewater collection systems including the Utilities Department customer service center; meter reading; utility billing; credit and collections; water conservation, energy efficiency and renewable energy programs; dark fiber installation project management; and liaison with key accounts.

The **Resource Management Division** is responsible for the long-term acquisition plan of resources including electricity, natural gas, and water; contract negotiations to acquire renewable resources; rate development; and legislation and regulatory policy analysis.

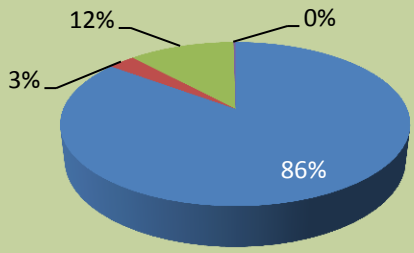
The **Administration Division** is responsible for the overall management of the Utilities Department including communication, regulatory compliance, budget coordination, and personnel and administrative support to the entire department.

The **Operations Division** is responsible for operations, maintenance, and emergency response for the electric, fiber, water, gas, and wastewater distribution systems.

The **Engineering Division** is responsible for managing all phases of the Utilities Department's capital improvement projects including replacement and rehabilitation of the City's electric, fiber, water, gas, and wastewater distribution systems.

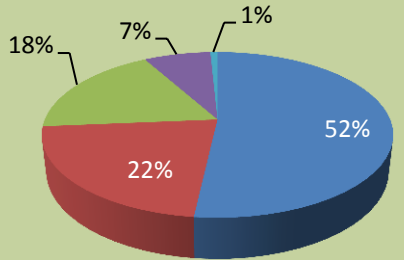


What are the sources of Utilities funding?
(Total = \$227.2 million)



- Sale of Utilities (86%)
- Interest Income (3%)
- Other Revenues (12%)
- Reserves (0%)

How are Utilities Dollars used?
(Total = \$227.2 million)

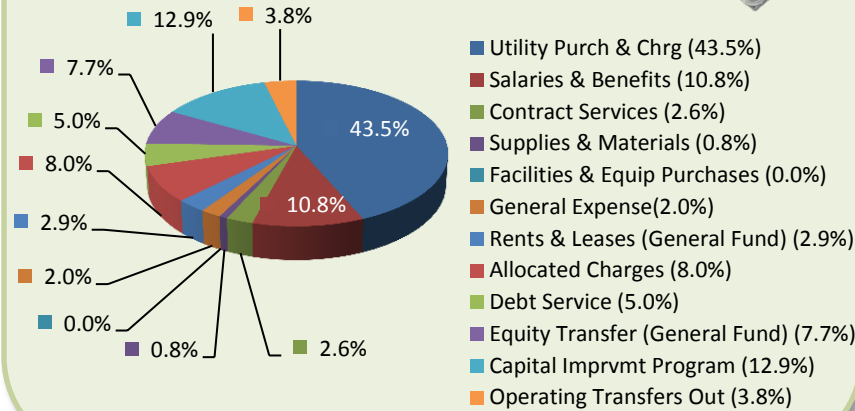


- Electric (52%)
- Gas (22%)
- Water (18%)
- WWC (7%)
- Fiber Optics (1%)

YOUR MONEY AT WORK

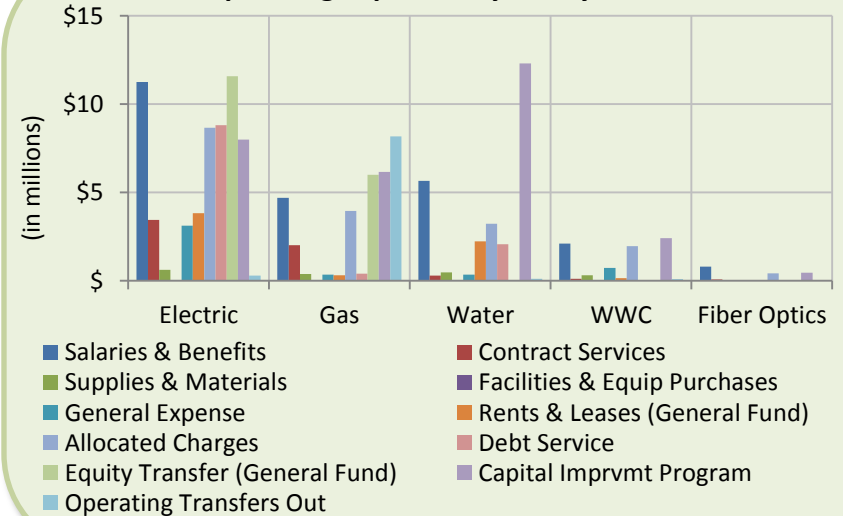


Expenses by Category



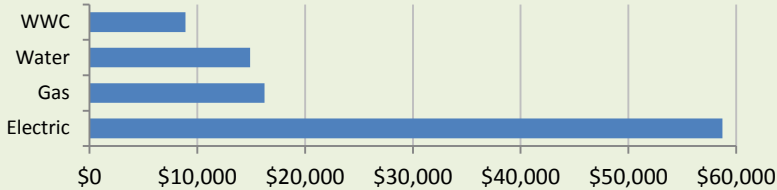
Source: City of Palo Alto financial data

Operating Expenses by Utility Fund



Source: City of Palo Alto financial data

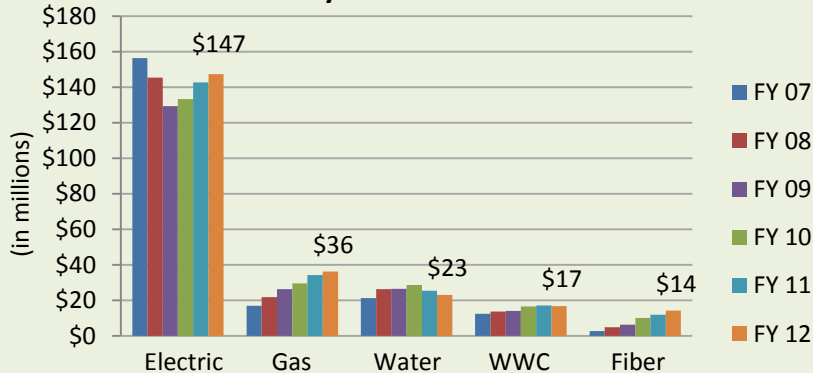
Utility Commodity Purchases and Charges (in thousands)



Source: City of Palo Alto financial data

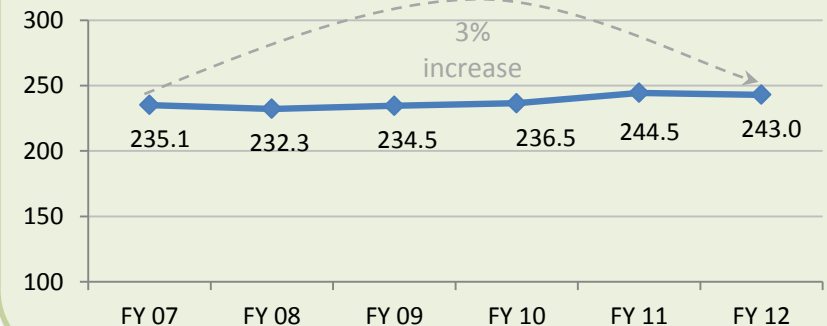
Important: Utility purchases and charges were excluded from the chart above to give the reader better visibility over other types of utility fund spending. Details on utility purchases and charges can be found in the chart to the left.

Utility Fund Reserves



Source: Comprehensive Annual Financial Report

Total # of Full Time Equivalents (FTEs)



Source: City of Palo Alto financial data

DEPARTMENT GOALS

- ❖ Maintain safe, reliable, and environmentally sustainable Utilities
- ❖ Provide excellent customer service
- ❖ Ensure fiscally sound and cost-effective services

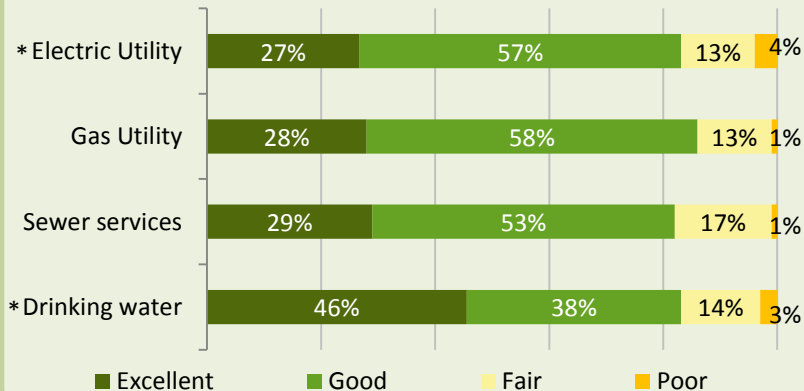
Did you know?

City of Palo Alto Utilities offers a variety of programs and services, including:

- My Utilities Account On-Line
- Rebates for becoming more energy and water efficient
- Low Income Programs
- Rate Assistance Program
- Project Pledge

Go to <http://www.cityofpaloalto.org/gov/depts/utl/billpay> for more information.

Citizen Survey: Quality of each of the following services in Palo Alto:

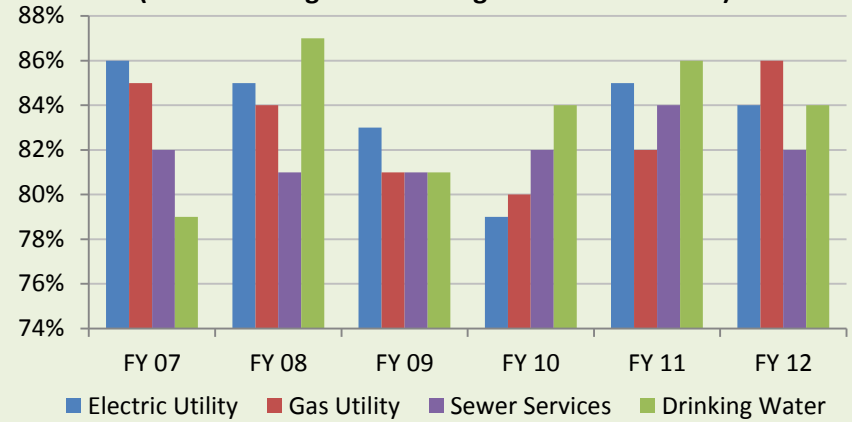


Source: National Citizen Survey™

Footnote

* The numbers do not add up to 100% due to rounding.

Citizen Survey: Utilities (Percent rating of services "good" or "excellent")



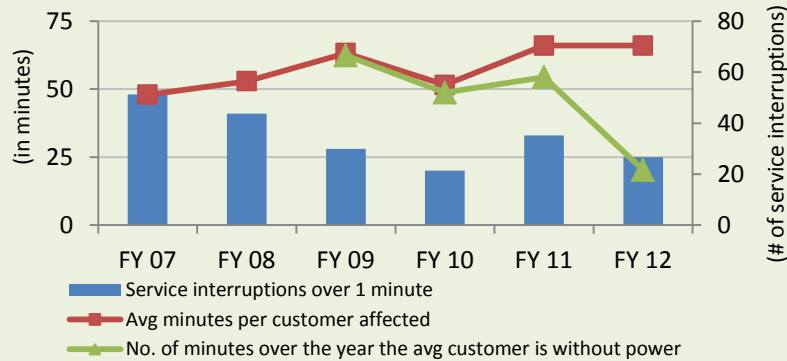
Source: National Citizen Survey™

The "My Utilities Account" customer self-service portal provides 24/7 customer access to Utilities account information and allows on-line bill payment.

KEY SERVICE OBJECTIVES

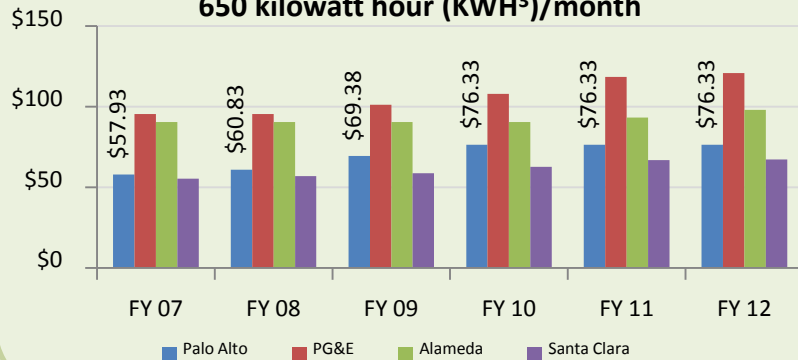
- ❖ Provide safe and reliable delivery of electric services for our customers
- ❖ Increase environmental sustainability and promote efficient use of resources

Electric Service Interruptions and Affected Customers



Source: Utilities Department

History of Average Monthly Residential Electric Bills 650 kilowatt hour (KWH³)/month

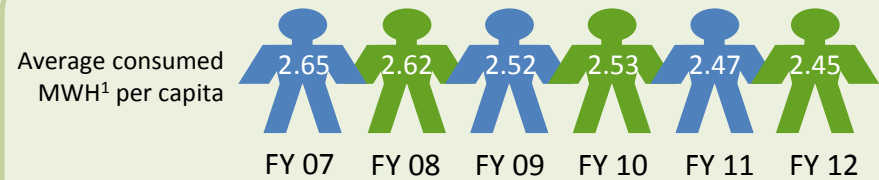


Source: Utilities Department

Footnotes

- ¹ MWH – megawatt hours
- ² GWH – gigawatt hours
- ³ KWH – kilowatt hours

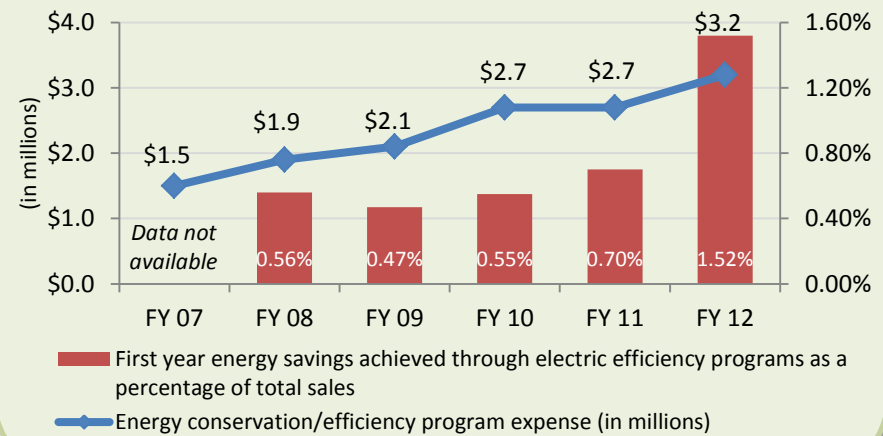
Residential Electric Usage



Fiscal Year	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12
GWH ² consumed	162.4	162.7	159.9	163.1	160.3	160.6
Average purchase cost/MWH	\$64.97	\$76.84	\$83.34	\$74.11	\$64.01	\$65.00

Source: Utilities Department

Electric Efficiency Program Expense and Savings



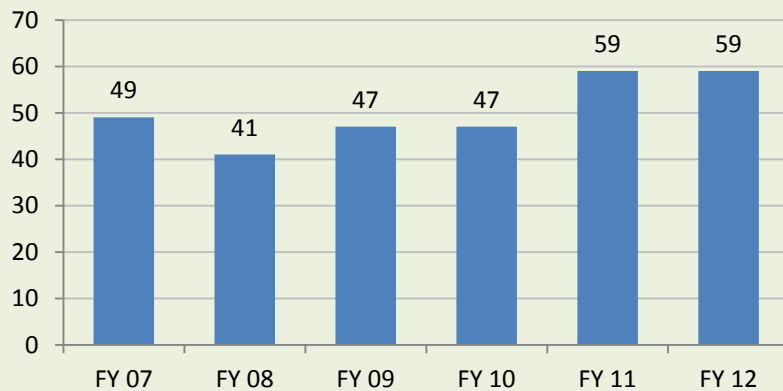
Source: Utilities Department

Palo Alto's average residential electric bill remains lower than Pacific Gas & Electric (PG&E) rates. In FY 2012, Palo Alto's \$76.33 was 37% lower than PG&E's average monthly bill of \$120.73.

KEY SERVICE OBJECTIVE

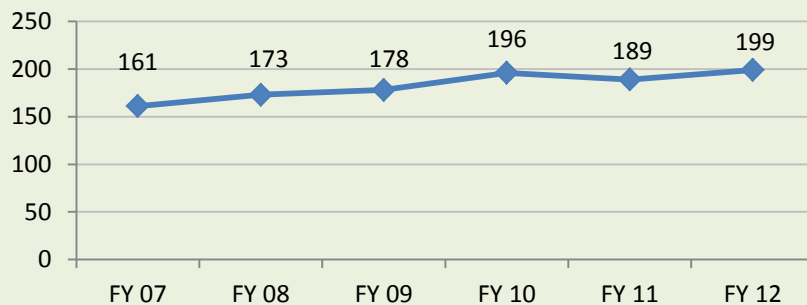
- ❖ Increase value of fiber utility services to customers and ensure dependable returns to the City

Fiber Optics Number of Wholesale Resellers and Account-holders



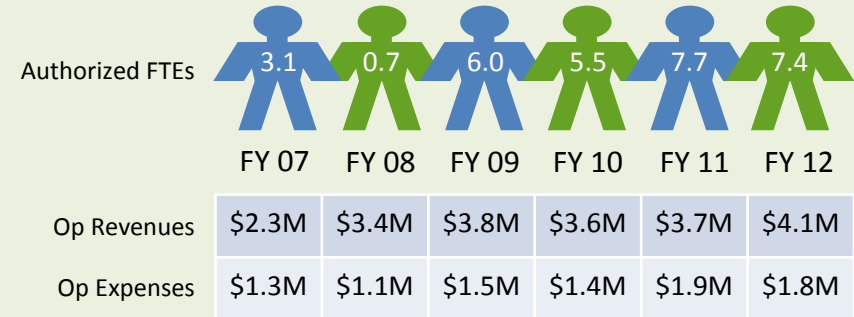
Source: Utilities Department

Number of Connections serving Individual Users



Source: Utilities Department

Fiber Optics Operating FTE, Revenues, and Expenses

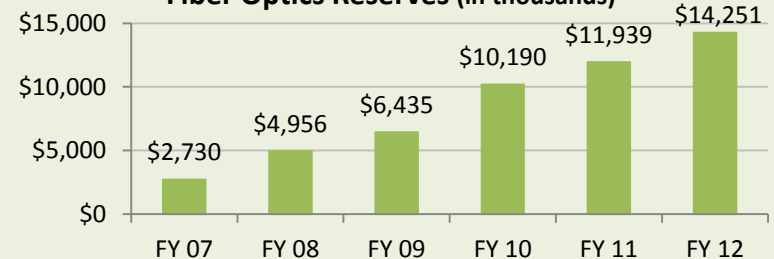


Source: City of Palo Alto financial data

Staff continues to evaluate the utilization of Fiber Optics Fund reserves to independently proceed with a phased build-out of the existing backbone. A business plan is being developed for the Broadband System Project which includes:

- An assessment of potential fiber backbone extensions.
- A conceptual proposal for fiber-to-the-premise (FTTP) deployment.
- Providing dark fiber service connections to Palo Alto Unified School District facilities.
- Coordination of the Broadband System Project business plan with the development of the Smart Grid Strategic Plan.

Fiber Optics Reserves (in thousands)

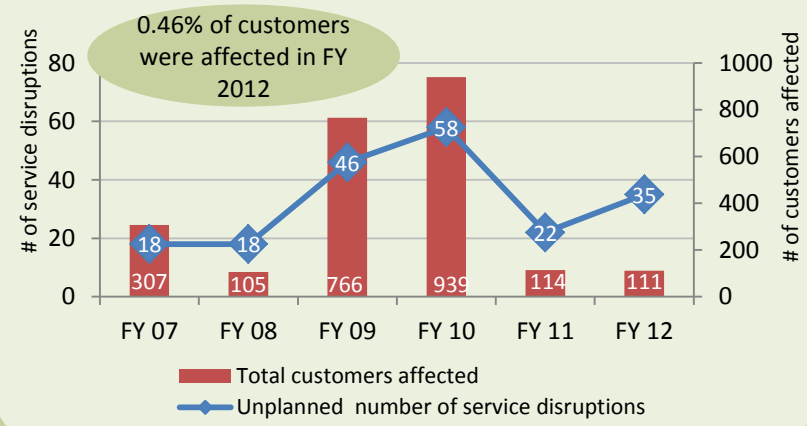


Source: Comprehensive Annual Financial Report

KEY SERVICE OBJECTIVES

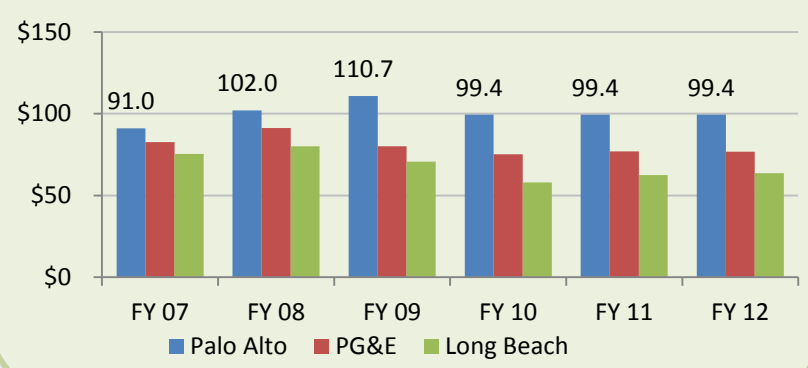
- ❖ Provide safe and efficient delivery of natural gas services for our customers
- ❖ Increase environmental sustainability and promote efficient use of resources

Gas Service Disruptions and Affected Customers



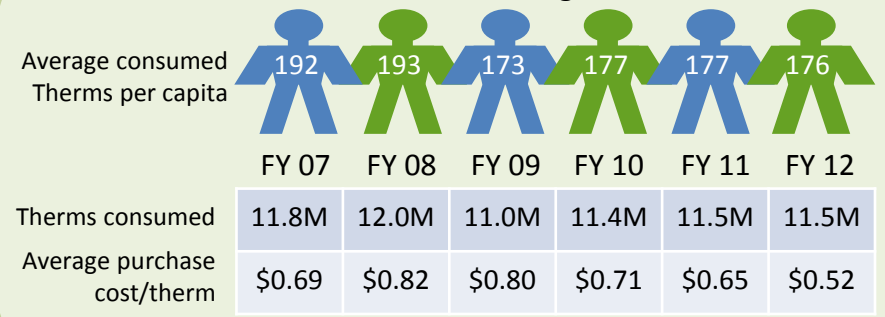
Source: Utilities Department

History of Average Monthly Residential Gas Bills 30 (summer)/100 (winter) therms/month



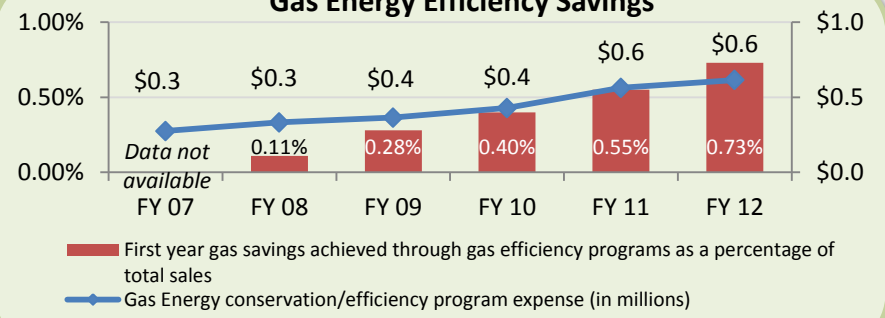
Source: Utilities Department

Residential Gas Usage



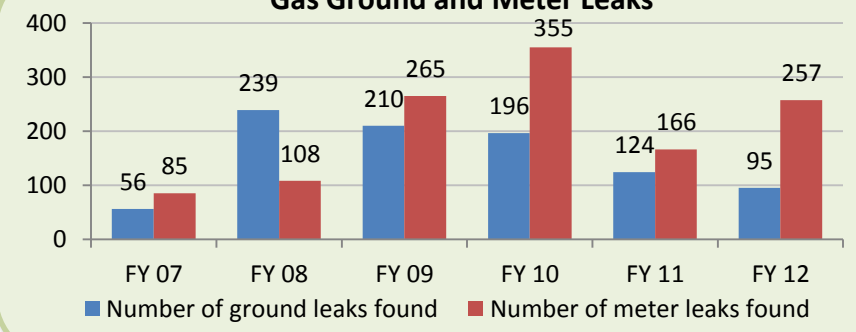
Source: Utilities Department

Gas Energy Efficiency Savings



Source: Utilities Department

Gas Ground and Meter Leaks

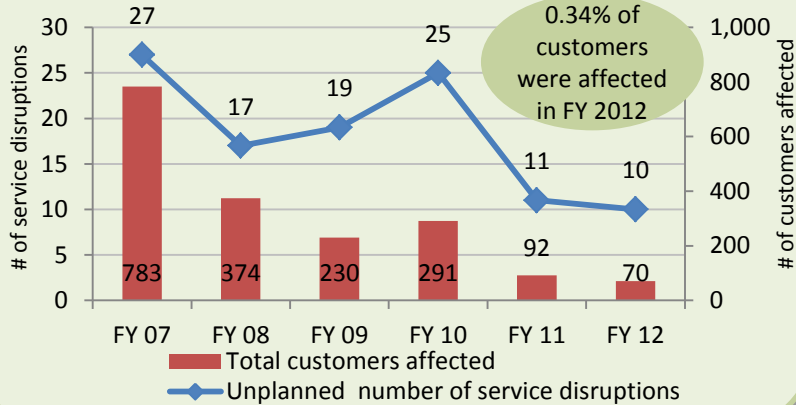


Source: Utilities Department

KEY SERVICE OBJECTIVES

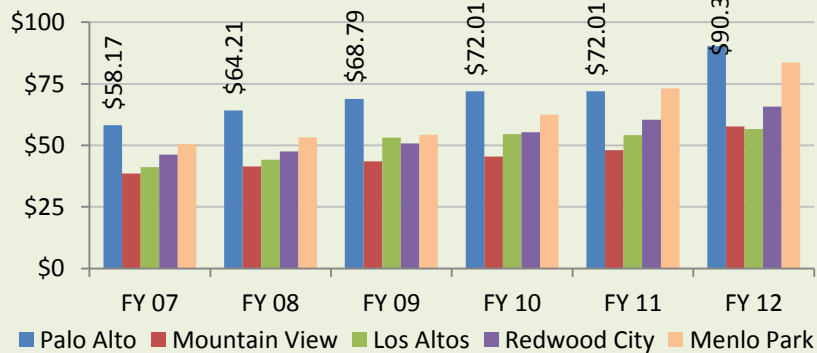
- ❖ Provide safe and clean drinking water for our customers
- ❖ Ensure adequate water supplies are available to meet existing and future water demands

Water Service Disruptions and Affected Customers



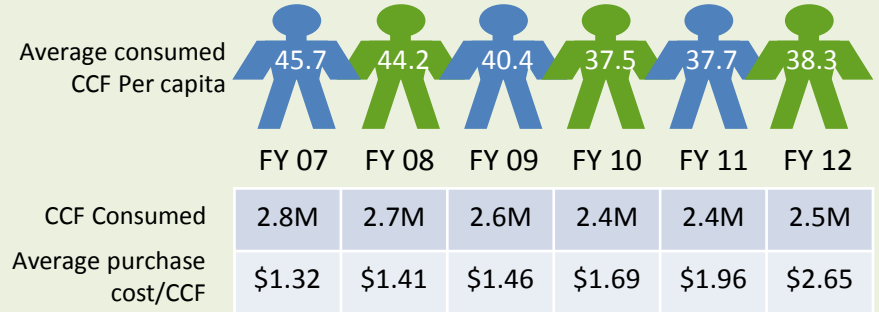
Source: Utilities Department

History of Average Monthly Residential Water Bills (CCF/month)



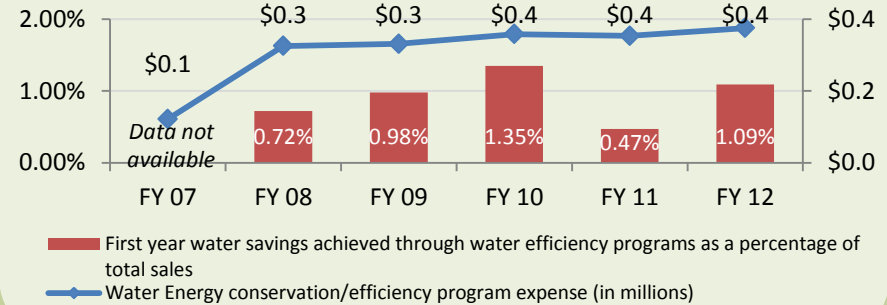
Source: Utilities Department

Residential Water Usage



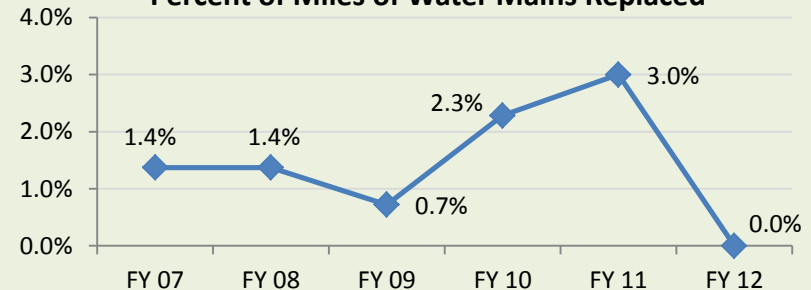
Source: Utilities Department

Water Conservation Savings



Source: Utilities Department

Percent of Miles of Water Mains Replaced



Source: Utilities Department

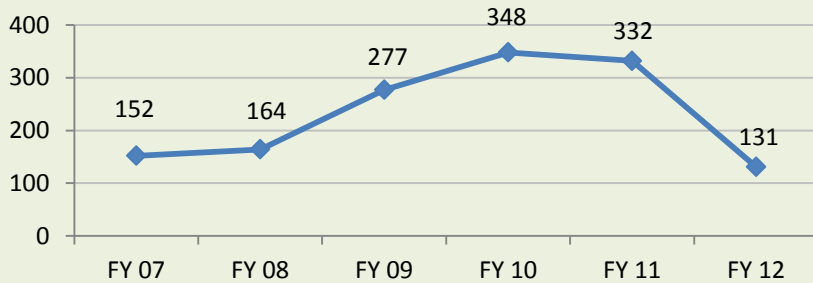
Footnote

¹ CCF – hundred cubic feet

KEY SERVICE OBJECTIVES

- ❖ Maintain and provide reliable wastewater services to our customers

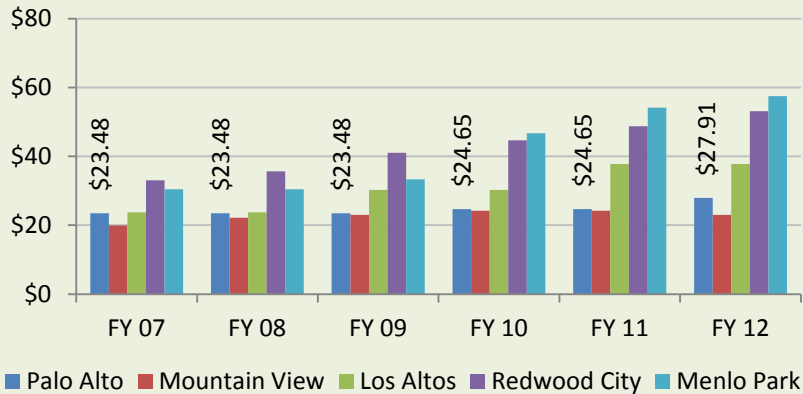
Number of Sewage Overflows¹



Source: Utilities Department

Since FY 2009, 100% of sewage spills and line blockages were responded to within two hours.

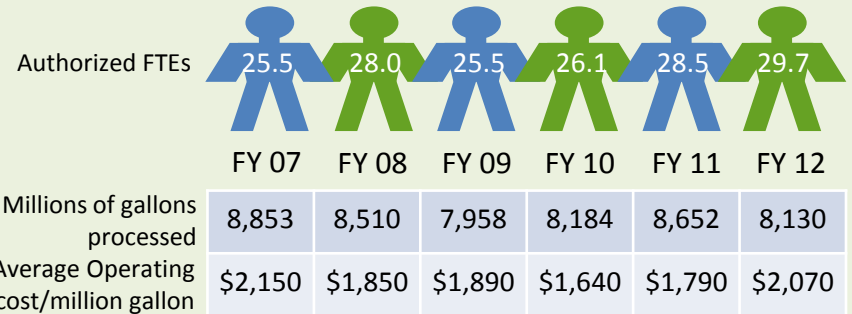
History of Average Monthly Wastewater Bills



Source: Utilities Department

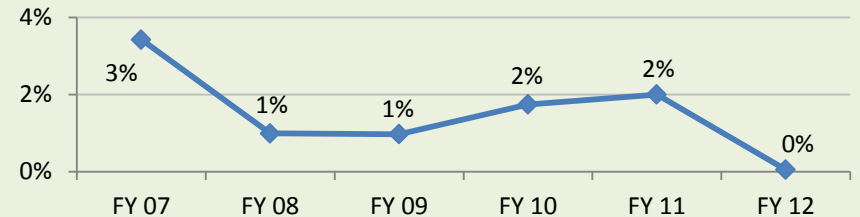
Wastewater Collection

Wastewater Collection



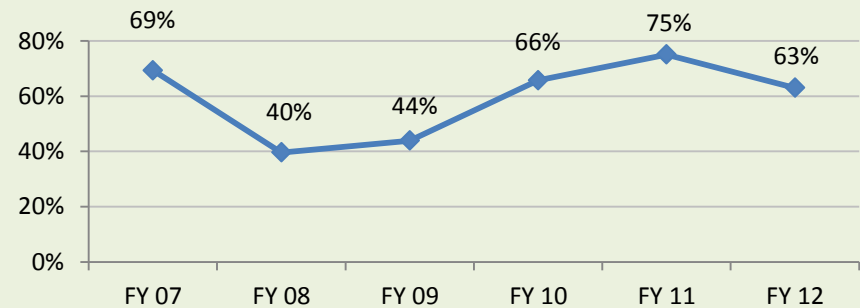
Source: Utilities Department

Percent Miles of Sewer Lines Replaced



Source: Utilities Department

Percent Miles of Mains Cleaned/Treated



Source: Utilities Department

Footnote

¹ Beginning FY 2008, the number of sewage overflows data was derived from the California Integrated Water Quality System Project (CIWQS).

ELECTRICITY

	Revenues, Expenses, and Unrestricted Reserves (in millions)										Citizen Survey
	Operating Revenues	Operating Expenses ¹	Capital Expense ²	General Fund Transfers	Electric Fund Reserves	Electricity Purchases (in millions)	Average Purchase Cost (per megawatt hour) (Target: \$75.75)	Energy Conservation/ Efficiency Program Expenses (in millions)	Average Monthly Residential Bill (650 kilowatt hour/month)	Authorized Staffing (FTE)	Percent Rating Electric Utility "good" or "excellent" (Target: 85%)
FY 07	\$108.7	\$118.0	\$10.5	\$8.8	\$156.4	\$62.5	\$64.97	\$1.5	\$57.93	114.0	86%
FY 08	\$112.6	\$130.6	\$10.2	\$9.4	\$145.3	\$71.1	\$76.84	\$1.9	\$60.83	111.0	85%
FY 09	\$129.9	\$139.7	\$5.3	\$9.7	\$129.4	\$82.3	\$83.34	\$2.1	\$69.38	107.0	83%
FY 10	\$130.7	\$126.4	\$7.5	\$11.5	\$133.4	\$68.7	\$74.11	\$2.7	\$76.33	109.0	79%
FY 11	\$125.9	\$116.5	\$7.3	\$11.2	\$142.7	\$61.2	\$64.01	\$2.7	\$76.33	107.0	85%
FY 12	\$123.1	\$118.3	\$6.4	\$11.6	\$147.3	\$58.7	\$65.00	\$3.2	\$76.33	108.7	84%
Change from:											
Last year	-2%	+2%	-13%	+3%	+3%	-4%	+2%	+19%	0%	+2%	-1%
FY 07	+13%	0%	-40%	+31%	-6%	-6%	0%	+113%	+32%	-5%	-2%

	Percent power content											
	Number of Customer Accounts	Residential MWH consumed	Commercial & Other MWH consumed	Average residential electric usage per capita (MWH/person)	Renewable large hydro facilities	Qualifying renewables ³	First year energy savings achieved through efficiency programs (as a % of total sales)	Percent customers enrolled in Palo Alto Green (Target: 21%)	Electric service interruptions over 1 minute in duration	Average minutes per customer affected (Target: <60 minutes)	Circuit miles under-grounded during the year	Electric Supply CO2 Emissions
FY 07	28,684	162,405	815,721	2.65	84%	10%	-	19%	48	48	1.0	156,000
FY 08	29,024	162,680	814,695	2.62	53%	14%	0.56%	20%	41	53	1.2	177,000
FY 09	28,527	159,899	835,784	2.52	47%	19%	0.47%	20%	28	63	0.0	173,000
FY 10	29,430	163,098	801,990	2.53	34%	17%	0.55%	22%	20	52	0.0	150,000
FY 11	29,708	160,318	786,201	2.47	45%	20%	0.70%	21%	33	66	1.2	71,000
FY 12	29,545	160,604	781,960	2.45	65%	20%	1.52%	20%	25	66	1.2	80,000
Change from:												
Last year	-1%	0%	-1%	-1%	+20%	0%	+1%	-1%	-24%	0%	0%	+13%
FY 07	+3%	-1%	-4%	-7%	-20%	+10%	-	+2%	-48%	+38%	+20%	-49%

Footnotes

¹ Consistent with the City's operating budget documents, capital improvement program (CIP) expenditures are included as "operating expenditures" for this department.

² Includes direct labor, materials, supplies, and contractual services.

³ Qualifying renewable electricity include bio mass, biogas, geothermal, small hydro facilities (not large hydro), solar, and wind. The City Council established a target of 33% renewable power by FY 2015.

GAS

	Revenues, Expenses, and Unrestricted Reserves (in millions)						Citizen Survey			
	Operating Revenues	Operating Expenses ¹	Capital Expenses ²	General Fund Transfers	Gas Fund Reserves	Gas Purchases (in millions)	Average Purchase Costs (per therm)	Average Monthly Residential Bill (30/100 ³ therms per month)	Authorized Staffing (FTE)	Percent Rating Gas Utility "good" or "excellent" (Target: 83%)
FY 07	\$42.9	\$40.0	\$3.6	\$3.0	\$16.9	\$22.3	0.69	\$90.97	47.9	85%
FY 08	\$50.4	\$46.2	\$4.4	\$3.2	\$21.8	\$27.2	0.82	\$102.03	46.4	84%
FY 09	\$49.5	\$44.4	\$4.5	\$3.3	\$26.4	\$25.1	0.80	\$110.71	48.4	81%
FY 10	\$46.8	\$43.0	\$5.1	\$5.4	\$29.6	\$22.5	0.71	\$99.42	49.0	80%
FY 11	\$50.4	\$45.7	\$2.0	\$5.3	\$34.4	\$21.5	0.65	\$99.42	54.3	82%
FY 12	\$50.9	\$48.7	\$5.1	\$6.0	\$36.2	\$16.2	0.52	\$99.42	51.4	86%
Change from:										
Last year	+1%	+7%	+153%	+13%	+5%	-24%	-20%	0%	-5%	+4%
FY 07	+18%	+22%	+43%	+102%	+114%	-27%	-25%	+9%	+7%	+1%

	Number of Customer Accounts	Residential therms consumed	Commercial & Other therms consumed	Average residential gas usage per capita (therms/person)	Unplanned number of service disruptions	Total customers affected	Number of ground leaks found	Number of meter leaks found	First year gas energy savings achieved through efficiency programs (as a % of total sales)
FY 07	23,357	11,759,842	19,581,761	192	18	307	56	85	-
FY 08	23,502	11,969,151	20,216,975	193	18	105	239	108	0.11%
FY 09	23,090	11,003,088	19,579,877	173	46	766	210	265	0.28%
FY 10	23,724	11,394,712	19,350,424	177	58	939	196	355	0.40%
FY 11	23,816	11,476,609	19,436,897	177	22	114	124	166	0.55%
FY 12	23,915	11,522,999	18,460,195	176	35	111	95	257	0.73%
Change from:									
Last year	0%	0%	-5%	-1%	+59%	-3%	-23%	+55%	0%
FY 07	+2%	-2%	-6%	-8%	+94%	-64%	+70%	+202%	-

Footnotes

¹ Consistent with the City's operating budget documents, capital improvement program (CIP) expenditures are included as "operating expenditures" for this department.

² Includes direct labor, materials, supplies, and contractual services.

³ 30/100 therms represents summer/winter usage.

WATER

Revenues, Expenses, and Unrestricted Reserves (in millions)										
	Operating Revenues	Operating Expenses ¹	Capital Expenses ²	General Fund Transfers	Water Fund Reserves	Water Purchases (in millions)	Average Purchases Cost (per 100 CCF) (Target: \$2.74)	Average Monthly Residential Bill	Authorized Staffing (FTE)	Total Water in CCF sold (in millions)
FY 07	\$26.3	\$24.1	\$3.9	\$2.5	\$21.3	\$7.8	\$1.32	\$58.17	44.7	5.5
FY 08	\$29.3	\$24.9	\$3.4	\$2.6	\$26.4	\$8.4	\$1.41	\$64.21	46.2	5.5
FY 09	\$29.5	\$28.9	\$4.9	\$2.7	\$26.6	\$8.4	\$1.46	\$68.79	47.7	5.4
FY 10	\$28.8	\$30.5	\$7.1	\$0.1	\$28.7	\$9.1	\$1.69	\$72.01	46.8	5.0
FY 11	\$28.4	\$31.8	\$7.6	\$0.0	\$25.5	\$10.7	\$1.96	\$72.01	46.9	5.0
FY 12	\$33.8	\$41.6	\$9.7	\$0.0	\$23.1	\$14.9	\$2.65	\$90.32	45.8	5.1
Change from:										
Last year	+19%	+31%	+28%	-100%	-9%	+39%	+35%	+25%	-2%	+2%
FY 07	+29%	+73%	+151%	-100%	+8%	+91%	+101%	+55%	+3%	-7%

Water consumption										Citizen Survey
	Number of Customer Accounts	Residential water consumed (CCF)	Commercial & Other water consumed ³ (CCF)	Average residential water usage per capita (CCF/person)	Unplanned number of service disruptions	Total customers affected	Percent of miles of water mains replaced	First year water energy savings achieved through efficiency programs (as a % of total sales)	Water quality compliance with all required CA Dept of Health and EPA testing (Target: 100%)	Percent rating drinking water "good" or "excellent" (Target: 83%)
FY 07	19,726	2,807,477	2,673,126	46	27	783	1%	-	100%	79%
FY 08	19,942	2,746,980	2,779,664	44	17	374	1%	0.72%	100%	87%
FY 09	19,422	2,566,962	2,828,163	40	19	230	1%	0.98%	100%	81%
FY 10	20,134	2,415,467	2,539,818	38	25	291	2%	1.35%	100%	84%
FY 11	20,248	2,442,415	2,550,043	38	11	92	3%	0.47%	100%	86%
FY 12	20,317	2,513,595	2,549,409	38	10	70	0%	1.09%	100%	84%
Change from:										
Last year	0%	+3%	0%	+2%	-9%	-24%	-3%	+1%	0%	-2%
FY 07	+3%	-10%	-5%	-16%	-63%	-91%	-1%	+1%	0%	+5%

Footnotes

¹ Consistent with the City's operating budget documents, capital improvement program (CIP) expenditures are included as "operating expenditures" for this department.

² Includes direct labor, materials, supplies, and contractual services.

³ Includes commercial, industrial research, and City facilities.

WASTEWATER COLLECTION

	Revenues, Expenses, and Unrestricted Reserves (in millions)											Citizen Survey	
	Operating Revenues	Operating Expenses ¹	Capital Expenses ²	Wastewater Collection Fund Reserves	Average Monthly Residential Bill	Authorized staffing (FTE)	Number of Customer Accounts	Percent miles of mains cleaned/treated	Percent miles of sewer lines replaced	Number of sewage overflows	Percent sewage spills and line blockage responses within 2 hours	Percent rating quality of sewer services "good" or "excellent" (Target: >83%)	
FY 07	\$15.7	\$19.1	\$7.7	\$12.4	\$23.48	25.5	21,789	69%	3%	152	99%	82%	
FY 08	\$16.6	\$15.7	\$3.6	\$13.8	\$23.48	28.0	21,970	40%	1%	164	99%	81%	
FY 09	\$15.5	\$15.0	\$2.9	\$14.1	\$23.48	25.5	22,210	44%	1%	277	100%	81%	
FY 10	\$15.9	\$13.4	\$2.8	\$16.6	\$24.65	26.1	22,231	66%	2%	348	100%	82%	
FY 11	\$16.1	\$15.5	\$2.6	\$17.1	\$24.65	28.5	22,320	75%	2%	332	100%	84%	
FY 12	\$15.8	\$16.8	\$1.7	\$16.8	\$27.91	29.7	22,421	63%	0%	131	100%	82%	
Change from:													
Last year	-2%	+9%	-36%	-2%	+13%	+4%	0%	-12%	-2%	-61%	0%	-2%	
FY 07	+1%	-12%	-78%	+35%	+19%	+16%	+3%	-6%	-3%	-14%	+1%	0%	

FIBER OPTICS

	Revenues, Expenses, and Unrestricted Reserves (in millions)							
	Operating Revenues	Operating Expenses ¹	Capital Expenses ²	Fiber Optics Fund Reserves	Authorized staffing (FTE)	Number of Customer Accounts (Target: 70)	Number of service connections (Target: 193)	Backbone fiber miles
FY 07	\$2.3	\$1.3	\$0.1	\$2.7	3.1	49	161	40.6
FY 08	\$3.4	\$1.1	\$0.1	\$5.0	0.7	41	173	40.6
FY 09	\$3.8	\$1.5	\$0.3	\$6.4	6.0	47	178	40.6
FY 10	\$3.6	\$1.4	\$0.1	\$10.2	5.5	47	196	40.6
FY 11	\$3.7	\$1.9	\$0.4	\$11.9	7.7	59	189	40.6
FY 12	\$4.1	\$1.8	\$0.6	\$14.3	7.4	59	199	40.6
Change from:								
Last year	+12%	-6%	+36%	+19%	-3%	0%	+5%	0%
FY 07	+82%	+33%	+297%	+422%	+139%	+20%	+24%	0%

Footnotes

¹ Consistent with the City's operating budget documents, capital improvement program (CIP) expenditures are included as "operating expenditures" for this department.

² Includes direct labor, materials, supplies, and contractual services.