

Mike Paluszak, General Manager

| DETAIL BY REVENUE<br>CATEGORY AND<br>EXPENDITURE OBJECT | 2008/09<br>ACTUALS | 2009/10<br>ADOPTED<br>BUDGET | 2010/11<br>DEPT<br>REQUESTED | 2010/11<br>CAO<br>RECOMMENDED | FROM<br>ADOPTED TO<br>RECOMMENDED | PERCENT<br>CHANGE |
|---------------------------------------------------------|--------------------|------------------------------|------------------------------|-------------------------------|-----------------------------------|-------------------|
| <b>REVENUES</b>                                         |                    |                              |                              |                               |                                   |                   |
| Revenue From Use of Money/Prop                          | 190,638            | 1,252,697                    | 0                            | 1,191,500                     | (61,197)                          | (5%)              |
| Intergovernmental Rev State                             | 15,000             | 20,000                       | 0                            | 80,000                        | 60,000                            | 300%              |
| Charges For Services                                    | 0                  | 2,452,384                    | 0                            | 1,777,800                     | (674,584)                         | (28%)             |
| Misc Revenue                                            | 69,602             | 338,000                      | 0                            | 375,000                       | 37,000                            | 11%               |
| <b>TOTAL REVENUES</b>                                   | <b>275,240</b>     | <b>4,063,081</b>             | <b>0</b>                     | <b>3,424,300</b>              | <b>(638,781)</b>                  | <b>(16%)</b>      |
| <b>APPROPRIATIONS</b>                                   |                    |                              |                              |                               |                                   |                   |
| Salaries and Employee Benefits                          | 0                  | 1,519,009                    | 0                            | 1,553,910                     | 34,901                            | 2%                |
| Services and Supplies                                   | 78,212             | 2,537,473                    | 0                            | 1,840,245                     | (697,228)                         | (27%)             |
| F/A Equipment                                           | 0                  | 90,500                       | 0                            | 258,800                       | 168,300                           | 186%              |
| <b>TOTAL APPROPRIATIONS</b>                             | <b>78,212</b>      | <b>4,146,982</b>             | <b>0</b>                     | <b>3,652,955</b>              | <b>(494,027)</b>                  | <b>(12%)</b>      |
| <b>NET GAIN(LOSS)</b>                                   | <b>197,028</b>     | <b>(83,901)</b>              | <b>0</b>                     | <b>(228,655)</b>              | <b>(144,754)</b>                  | <b>173%</b>       |

### Departmental Purpose

Solano County Fair Association (SCFA) is a 501(c)3 nonprofit organization. The SCFA was established to conduct the annual Solano County Fair and to operate the fairgrounds property to provide a year-round, multi-purpose venue that celebrates the wide variety of resources and activities available to the County's diverse communities. The SCFA provides an economic and quality-of-life asset to the greater Solano County community.

Founded in 1946, SCFA is a long-standing community institution that operates under a contract with the County of Solano. SCFA is self-supporting, receiving minimal support from license fees generated by the California horse racing industry but no General Fund support from State or local sources.

The vision of SCFA is to provide a thriving destination point by presenting a first-class, multi-use entertainment and recreation facilities that support the County Fair and the mission of the fair association, which provides a sustained economic benefit to the County in partnership with its corporate neighbors and others.

### Departmental Budget Request

The SCFA budget is based on the calendar year, rather than the fiscal year. SCFA is required to submit the budget to the State of California Division

of Fairs and Expositions each year. The Board of Supervisors approved the SCFA 2010 budget on January 5, 2010.

The SCFA does not receive General Fund contribution.

### County Administrator's Recommendation

The SCFA 2010 Budget has decreases of (\$638,781), or (15.7%), in revenues and (\$494,027), or (11.9%) in expenditures when compared to the 2009 Adopted Budget.

The changes in revenues and expenditures are due to the discontinuance of live horse racing at the Solano County fairgrounds.

### Pending Issues and Policy Considerations

There are no pending issues or policy considerations at this time. It should be noted that the County and the City of Vallejo and Fair Board have undertaken an effort to redevelop the Fairground property and create a Fair for the future. The County has funded this work effort referred to as "Solano360" through a loan. For more details on this ongoing effort – refer to Budget Unit 1815.

| SUMMARY BY SOURCE                   | 2008/09<br>ACTUALS | 2009/10<br>ADOPTED<br>BUDGET | 2010/11<br>DEPT<br>REQUESTED | 2010/11<br>CAO<br>RECOMMENDED | FROM<br>ADOPTED TO<br>RECOMMENDED | PERCENT<br>CHANGE |
|-------------------------------------|--------------------|------------------------------|------------------------------|-------------------------------|-----------------------------------|-------------------|
| <b>134 - EAST VJO FIRE DISTRICT</b> |                    |                              |                              |                               |                                   |                   |
| Taxes                               | 517,852            | 440,150                      | 390,882                      | 390,882                       | (49,268)                          | (11%)             |
| Revenue From Use of Money/Prop      | 2,072              | 500                          | 550                          | 550                           | 50                                | 10%               |
| Intergovernmental Rev State         | 5,099              | 5,003                        | 2,303                        | 2,303                         | (2,700)                           | (54%)             |
| <b>TOTAL FINANCING AVAILABLE</b>    | <b>525,022</b>     | <b>445,653</b>               | <b>393,735</b>               | <b>393,735</b>                | <b>(51,918)</b>                   | <b>(12%)</b>      |
| Services and Supplies               | 500,424            | 438,969                      | 393,235                      | 393,235                       | (45,734)                          | (10%)             |
| Other Charges                       | 4,588              | 10,000                       | 500                          | 500                           | (9,500)                           | (95%)             |
| Contingencies and Reserves          | 0                  | 16,694                       | 0                            | 0                             | (16,694)                          | (100%)            |
| <b>TOTAL FINANCING REQUIREMENTS</b> | <b>505,012</b>     | <b>465,663</b>               | <b>393,735</b>               | <b>393,735</b>                | <b>(71,928)</b>                   | <b>(15%)</b>      |

### District Purpose

This East Vallejo Fire Protection District was established for the purpose of disbursing special assessment revenues collected within the District's jurisdiction to the City of Vallejo through a contract for fire protection services to its citizens. The District's jurisdiction is Southeast Vallejo, an unincorporated area of the County, surrounded by the City of Vallejo. This budget unit receives property taxes from this area for the payment of fire protection services. The District is administered through the County Administrator's Office and the Board of Supervisors serves as the District's Board of Director.

### District Budget Request

The Requested Budget has decreases of (\$51,918), or (12%), in revenues and (\$71,928), or (15%), in expenditures when compared to FY2009/10 Adopted Budget.

### County Administrator's Recommendation

The County Administrator recommends the Requested Budget.

Contracted Services with the City of Vallejo Fire Department is budgeted at \$385,360, which is based

on anticipated property tax revenue less \$7,875 in administrative support costs. The decrease in revenues is the result of a reduction in projected tax revenue for the next fiscal year.

### Pending Issues and Policy Considerations

The County has an agreement with the City of Vallejo to provide fire protection services to the East Vallejo Fire Protection District. The City has declared bankruptcy and continues having financial difficulties. Vallejo unions continue to appeal the bankruptcy ruling. The City placed Measure A on the June 2010 Election ballot. The measure would eliminate binding arbitration from the City's union bargaining equation.

Due to the City's unstable financial situation and budget shortfall, two Vallejo fire stations were closed in 2008, neither of which directly affected the EVFPD area. The city changes have resulted in City wide and service area wide service changes. Although there are no definitive plans yet, the City is considering a sales tax initiative, as of this writing. If this doesn't materialize, the City may consider closing another fire station in 2011. At this time the County doesn't anticipate significant changes in the current service level provided by the City to the District.

| SUMMARY BY SOURCE                         | 2008/09<br>ACTUALS | 2009/10<br>ADOPTED<br>BUDGET | 2010/11<br>DEPT<br>REQUESTED | 2010/11<br>CAO<br>RECOMMENDED | FROM<br>ADOPTED TO<br>RECOMMENDED | PERCENT<br>CHANGE |
|-------------------------------------------|--------------------|------------------------------|------------------------------|-------------------------------|-----------------------------------|-------------------|
| <b>046 - COUNTY CONSOLIDATED SVC AREA</b> |                    |                              |                              |                               |                                   |                   |
| Taxes                                     | 113,804            | 103,292                      | 56,150                       | 56,150                        | (47,142)                          | (46%)             |
| Revenue From Use of Money/Prop            | 15,536             | 19,000                       | 6,000                        | 6,000                         | (13,000)                          | (68%)             |
| Intergovernmental Rev State               | 1,113              | 1,116                        | 300                          | 300                           | (816)                             | (73%)             |
| <b>TOTAL FINANCING AVAILABLE</b>          | <b>130,453</b>     | <b>123,408</b>               | <b>62,450</b>                | <b>62,450</b>                 | <b>(60,958)</b>                   | <b>(49%)</b>      |
| Services and Supplies                     | 293,685            | 80,600                       | 85,600                       | 85,600                        | 5,000                             | 6%                |
| Other Charges                             | 7,887              | 12,922                       | 15,388                       | 15,388                        | 2,466                             | 19%               |
| Contingencies and Reserves                | 0                  | 134,956                      | 0                            | 0                             | (134,956)                         | (100%)            |
| <b>TOTAL FINANCING REQUIREMENTS</b>       | <b>301,572</b>     | <b>228,478</b>               | <b>100,988</b>               | <b>100,988</b>                | <b>(127,490)</b>                  | <b>(56%)</b>      |

### County Service Area Purpose

The Consolidated County Service Area (CSA) provides street lighting in the unincorporated areas of Solano County. This budget funds the installation and maintenance of streetlights, including the cost of electricity.

### Departmental Budget Request

The Department's Requested Budget of \$100,988 reflects decreases of (\$60,958), or (49.4%), in revenues and (\$127,490), or (55.8%), in expenditures when compared to the FY2009/10 Adopted Budget.

Significant factors contributing to the decreases:

- (\$47,623) decrease in Current Secured revenue. Note: A systems error in calculating AB8 allocations was discovered after closing of the Requested and Recommended budgets. Adjustments to correct the error will be submitted as part of the Supplemental Budget.
- (\$13,000) decrease in Interest Income revenue, related both to declining interest rates on investments as well as the revenue reduction discussed above. Adjustments may be submitted as part of the Supplemental Budget.
- (\$134,956) decrease in Reserves expenditures based upon the above revenue reductions. Adjustments may be submitted as part of the Supplemental Budget.
- \$3,675 increase in POBs.

### County Administrator's Recommendation

The County Administrator recommends the Requested Budget.

### Pending Issues and Policy Considerations

As noted above, the Supplemental Budget may propose amendments based upon corrections to AB 8 allocations as noted above.

### Department Head Concurrence or Appeal

The Department Head concurs with the County Administrator's recommendation.

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