

Overview of Proposed Fiscal Year 2014-15 Budget

June 10, 2014



Guiding Principles

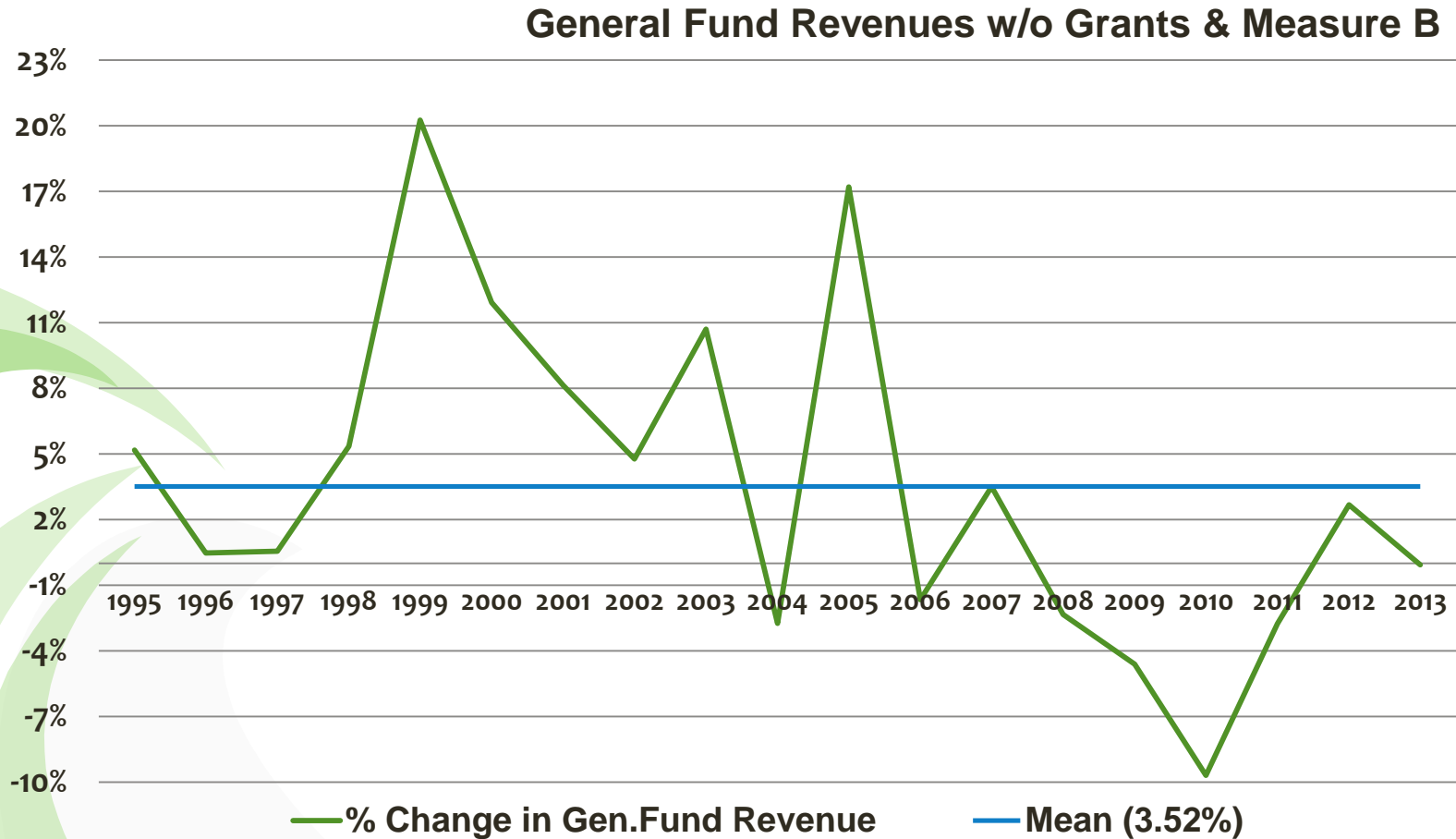
- Maintain fiscally prudent reserves
- Conservatively project revenue growth
- Utilize Measure B revenues only to augment existing services or rebuild reserves
- Use a five-year financial forecast to look beyond the current fiscal year for future challenges
- Continue to address long-term liabilities and maintenance deficiencies

5-Year General Fund Financial Forecast

	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19
Beginning Available Balance	4,734	4,784	3,201	911	(2,246)
Revenues					
Taxes	59,855	60,811	61,946	63,112	64,313
Program Revenue	13,606	11,381	11,206	11,165	11,188
	73,461	72,192	73,152	74,277	75,501
Expenditures					
Salaries/Benefits	67,160	66,692	68,434	70,063	71,205
Other	17,702	18,476	18,396	18,765	18,810
Interfund reimbursements	(11,451)	(11,393)	(11,388)	(11,394)	(11,400)
	73,411	73,775	75,442	77,434	78,615
Annual Operating Results	50	(1,583)	(2,290)	(3,157)	(3,114)
Ending Available Balance	4,784	3,201	911	(2,246)	(5,360)
	6.5%	4.3%	1.2%	-2.9%	-6.8%

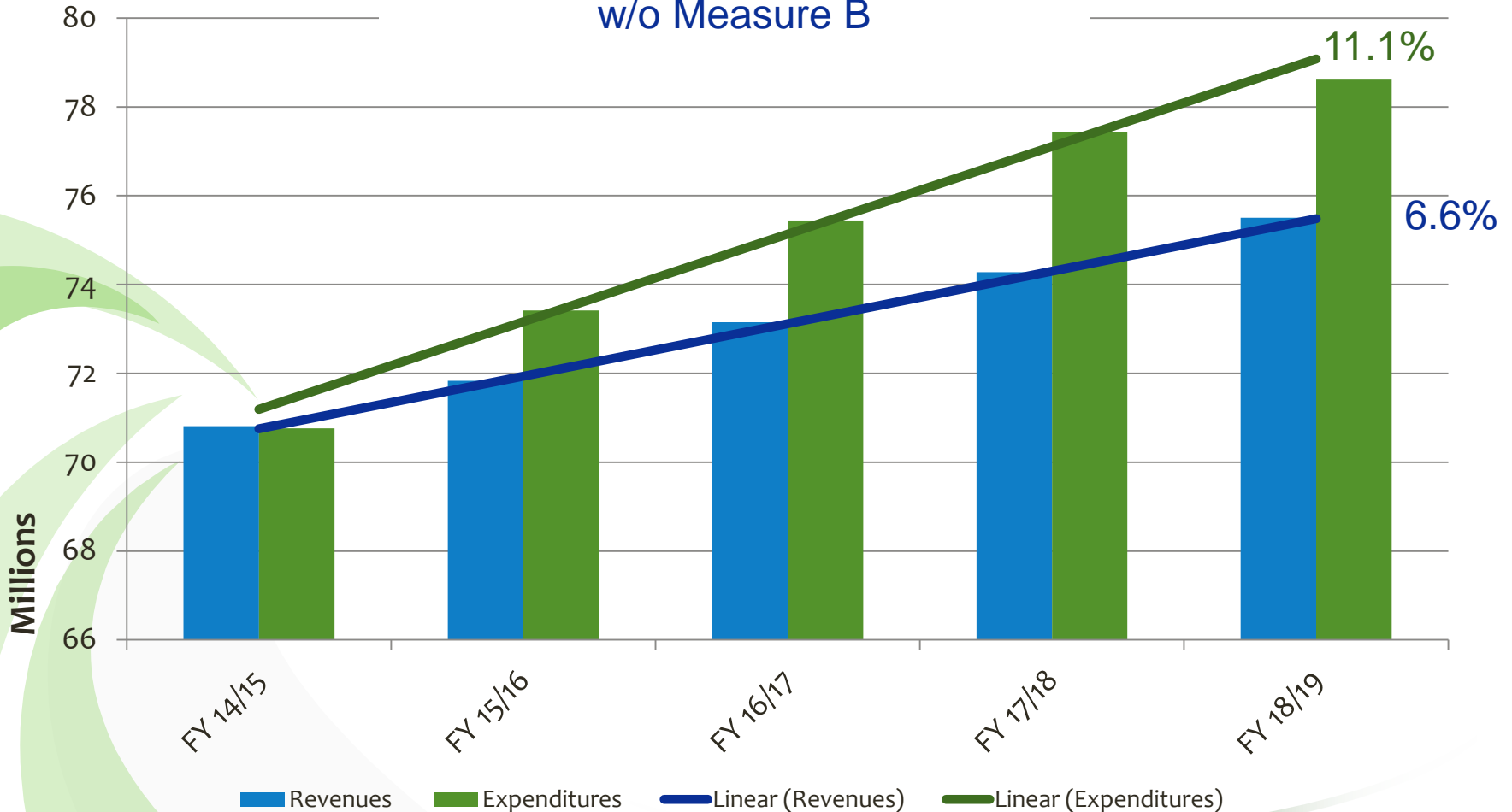
NOTE: 1. Numbers are in thousands
2. Measure B is excluded

A Look @ Historical Revenue Growth



Comparing General Fund Revenue & Expenditure Growth Rates

Projected Revenues & Expenditures
w/o Measure B



Measure B Changes Since FY 2013-14 Adopted Budget

- Changes occur as more accurate data becomes available; such as refined labor projections
- FY 2013-14 Adopted Budget included a 9-year plan with deficits totaling \$13,136,251 (page D-49 of Adopted FY 13/14 Budget)
- New priorities as a result of Council goal setting

Measure B Changes Since FY 2013-14 Adopted Budget

- PD Facility Improvements - \$250,000 (new)
- Police Cadet Program - \$100,000 (continued)
- Police Communications Operators - \$218,500 (new)
- Disaster Preparedness - \$100,000 (continued)
- Reserve Firefighter Program – (\$20,000) (reduced)
- Deputy Fire Chief - \$313,049 (new)
- Code Enforcement - \$121,200 (continued)
- North Mare Island Security - \$100,000 (continued)
- LED Street Lighting Project - \$1,732,214 (new)
- Marina Dredging - \$300,000 (continued)

Measure B Changes Since FY 2013-14 Adopted Budget (continued)

- North Mare Island Building Demolition - \$190,000 (added \$)
- Private Building Demolition - \$60,000 (continued)
- General Plan Update - \$90,000 (added \$)
- Economic Development Implementation - \$150,000 (added \$)
- Technology Repairs - \$200,000 (continued)
- Code for America - \$220,000 (new)
- Public Information/Relations - \$60,000 (new)
- Community Events Partnership - \$15,000 (continued)
- Participatory Budgeting - \$1,155,600 (added administration, reduced project funding and reappropriated FY 12/13 project funds)

Measure B Overview – Proposed FY 2014-15 Expenditures (amended)

Projected Beginning Balance	\$ 5,254,505
Projected Revenues	12,431,100
Rebuilding Reserves	(1,500,000)
Preserving/Enhancing Public Safety (amended)	(5,326,191)
Preserving/Enhancing Quality of Life	(696,600)
Enhancing and Reconstructing Infrastructure (amended)	(4,482,214)
Improving Community Aesthetics	(800,000)
Setting the Stage for Economic Development	(1,490,000)
Enhancing Government Efficiency	(555,000)
Leveraging City Assets	(15,000)
Participatory Budgeting*	<u>(2,820,600)</u>
Projected Ending Balance	\$0

*Includes \$2,383,000 reappropriated for Cycle 1 (FY 2012-13) projects

Measure B: Specifics

Rebuilding Reserves:	
General Fund	\$1,000,000
Risk Fund	500,000
Preserving & Enhancing Public Safety	
Field Police Officers	\$2,578,400
One-time Facility Improvements at Police Department	250,000
Police Cadet Program	100,000
Communications Operators	218,500
Disaster Preparedness	100,000
Retain SAFER Grant Funded Positions	1,766,250
Deputy Fire Chief *	313,050
Quality of Life Preservation/Enhancement	
Neighborhood Law Program	\$320,400
Code Enforcement	221,200
North Mare Island Security	100,000
Rental Inspection Program	55,000

* Added Deputy Fire Chief as previously approved in Reso. 13-163

Measure B: Specifics

Enhancing and Reconstructing Infrastructure	
Street Maintenance	\$2,400,000
Marina Dredging	300,000
Tree Maintenance Program	50,000
LED Street Lighting Project *	1,732,214
Community Aesthetics Improvements	
North Mare Island Building Demolition	\$690,000
Private Property Building Demolition	60,000
Graffiti Abatement	50,000
Economic Development	
General Plan Update	\$840,000
Implement Economic Development Strategy	650,000

* Project Added

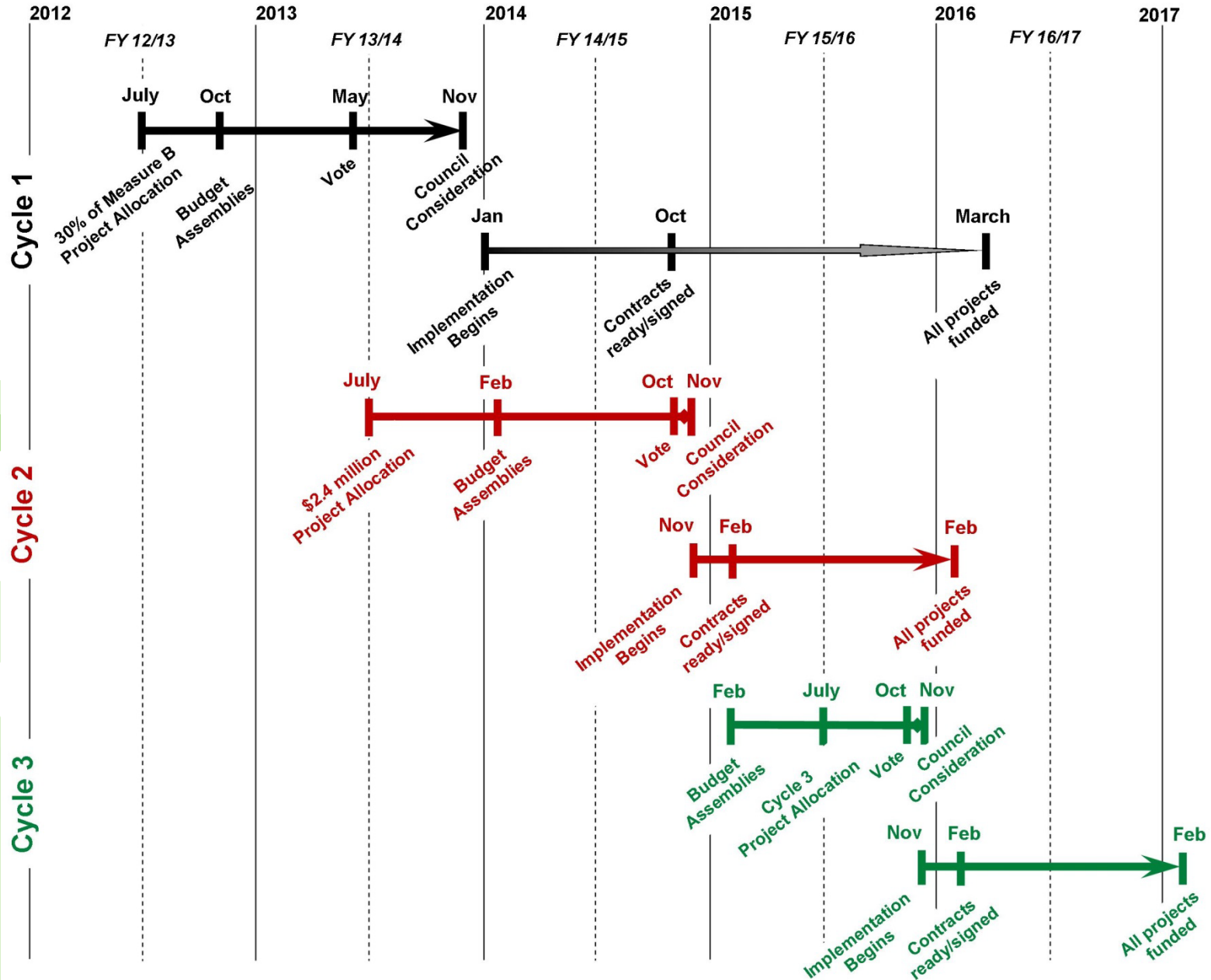
LED Streetlight Project

- Replace all City streetlights with LED technology
- Completion before December 31, 2014 will generate \$650,000 rebate from PG&E
- On-going cost reduction of \$392,700
- Cost reduction benefits Gas Tax Fund which can be used for additional Street Maintenance

Measure B: Specifics

Government Efficiency	
Records Retention Program – Final Phase	\$75,000
Technology Repairs/Upgrades	200,000
Code for America	220,000
Public Information/Public Relations	60,000
City Assets Leverage	
Community Events Partnership	15,000
Participatory Budgeting	
Participatory Budgeting Administration	437,600
Reappropriate Unspent Funds for Cycle 1 (FY 12/13) Projects	2,383,000

Participatory Budgeting Cycle Timeline



Measure B Funded Positions

- 18 Police Officer Positions
- 2 Communications Operators (Dispatch)
- 10 Police Cadets
- 10 Firefighter Positions (formerly funded by SAFER grants)
- **1 Deputy Fire Chief ***
- 1 Assistant City Attorney, 1 Neighborhood Law Attorney & 1 Administrative Clerk (Neighborhood Law Program)
- 2 Code Enforcement Officers
- 1 Sr. Planner Position (General Plan Update)
- 1 Economic Development Manager & 1 Administrative Clerk
- 3 Administrative Analyst I Positions (PB Program)

* Position added per Resolution 13-163

Next Steps

- June 24, 2014 City Council Public Hearing and Adoption of the FY 2014-15 Budget

Questions & Feedback

