

# Budget Workshop for FY13-14

## Today's Agenda

- Purpose of today's workshop
- Review workshop agenda
  - Budget Overview (30 min)
  - Department & Fund Budgets (40 min)
  - Funding Request/Issues (20 min)
  - Break (5 min)
  - 5 yr CIP (25 min)
  - Future funding issues (30 min)
  - Public Comment (10 min)
- Budget Schedule/Next Steps (5 min)



# Budget Overview

- Revised budget layout/format
- FY12-13 year end projections
- Recommended use of fund balances
- FY2013-14 proposed operating and capital budget
- Five Year General Fund forecast

# Budget Revisions

- Consolidated departments (e.g., rentals)
- Allocated Admin Assistant and other staff (i.e., Town Manager) to departments
- Moved insurance and liability to non-departmental
- Add more graphs and demographics (make document eligible for budget awards)
- Work in progress
- Five Year GF Forecast
- Five Year CIP
- Workplan
- Performance Data
- Draft narratives

# FY12-13 Year End Projections

	Adopted Budget	Est. Yr. End	Var Budget
Total GF Revenues	\$ 6,985,400	\$7,174,402	\$ 189,002
Less Total GF Expenses	\$ 7,092,578	\$6,821,037	\$ (271,541)
Total	\$ (107,178)	\$ 353,365	\$ 460,543

Budget Trend  
 Revenues on-going  
 Expense savings generally one-time

## Proposed Use of Fund Balances

- Augment Fund Balance
- Repay Dry Period Fund
- Continued Retirement Reserve
- Reduce negative fund balances (e.g., capital improvement funds)

## Proposed FY13-14 Budget Assumptions

- Keep Vacant Positions unfunded
- Increase sales tax projections
- Continue to operate budget relatively same as FY12-13
- Health (+6% increase)
- Retirement Costs (based new Calpers rate @7/1/13)
- Incorporated MOU's estimated adjustments

<b>Proposed FY13-4 Budget</b>	<b>FY 2012-13 Adopted</b>	<b>FY 2012-13 Projected</b>	<b>FY 2013-14 Proposed</b>
<b><u>APPROPRIATIONS</u></b>			
TOWN COUNCIL	193,124	167,100	184,102
GENERAL ADMINISTRATION	727,050	574,849	687,672
DEVELOPMENT SERVICES	542,034	504,323	531,164
PUBLIC SAFETY	4,441,128	4,430,854	4,618,296
PUBLIC WORKS	441,740	391,499	516,745
PARKS & FACILITY MAINT	231,728	229,401	210,276
NON DEPARTMENTAL	440,867	482,969	536,878
<b>SUBTOTAL APPROPRIATIONS</b>	<b>7,017,670</b>	<b>6,780,996</b>	<b>7,285,133</b>

<b>Five Year GF Forecast FY13-14 to FY17-18</b>	
• GF Revenue 5 Yr Forecast	
• GF Revenue and Exp Increases	
• GF 5 Yr Rev and Exp Forecast	

**GENERAL FUND REVENUE ACTUAL AND 5 YEAR FORECAST**

Revenue Detail	Actual FY09-10	Actual FY10-11	Actual FY11-12	Est Yr End FY12-13	Projected FY13-14	Projected FY14-15	Projected FY15-16	Projected FY16-17	Projected FY17-18
Property Tax	\$ 3,219,233	\$3,167,800	\$ 3,142,013	\$ 3,154,518	\$ 3,165,000	\$ 3,212,475	\$ 3,260,662	\$ 3,309,572	\$ 3,359,216
Sales Tax (1%)	\$ 477,439	\$ 482,678	\$ 533,342	\$ 595,797	\$ 605,000	\$ 619,000	\$ 635,000	\$ 651,000	\$ 667,000
Measure D Sales Tax			\$ 14,300	\$ 324,219	\$ 329,500	\$ 340,000	\$ 350,500	\$ 361,400	\$ 372,700
Other-Utility	\$ 408,051	\$ 369,046	\$ 403,579	\$ 395,983	\$ 393,500	\$ 397,435	\$ 401,409	\$ 405,423	\$ 409,478
<b>Subtotal Taxes</b>	<b>\$ 4,104,723</b>	<b>\$4,019,524</b>	<b>\$ 4,083,234</b>	<b>\$ 4,470,517</b>	<b>\$ 4,493,000</b>	<b>\$ 4,568,910</b>	<b>\$ 4,647,573</b>	<b>\$ 4,727,396</b>	<b>\$ 4,808,393</b>
<b>Other Revenues</b>									
Franchise Fees	\$ 321,565	\$ 319,418	\$ 362,963	\$ 368,090	\$ 365,000	\$ 366,825	\$ 368,659	\$ 370,502	\$ 372,355
Business License	\$ 111,788	\$ 109,544	\$ 113,137	\$ 128,920	\$ 125,000	\$ 125,625	\$ 126,253	\$ 126,884	\$ 127,519
Fines	\$ 50,866	\$ 64,908	\$ 60,690	\$ 60,206	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Rental & Maintenance Fees	\$ 35,306	\$ 26,836	\$ 29,610	\$ 31,380	\$ 29,500	\$ 30,975	\$ 32,524	\$ 34,150	\$ 35,857
Revenues from other Agencies	\$ 103,141	\$ 133,751	\$ 96,141	\$ 87,341	\$ 96,600	\$ 97,083	\$ 97,568	\$ 98,056	\$ 98,547
Charges for Svc	\$ 51,450	\$ 44,320	\$ 53,938	\$ 42,317	\$ 63,100	\$ 90,100	\$ 100,100	\$ 100,100	\$ 100,100
<b>Subtotal Other Rev</b>	<b>\$ 674,116</b>	<b>\$ 698,777</b>	<b>\$ 716,479</b>	<b>\$ 718,254</b>	<b>\$ 754,200</b>	<b>\$ 785,608</b>	<b>\$ 800,104</b>	<b>\$ 804,693</b>	<b>\$ 809,378</b>
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$ 4,778,839</b>	<b>\$4,718,301</b>	<b>\$ 4,809,713</b>	<b>\$ 5,188,771</b>	<b>\$ 5,247,200</b>	<b>\$ 5,354,518</b>	<b>\$ 5,447,676</b>	<b>\$ 5,532,089</b>	<b>\$ 5,617,771</b>

Assumptions for 5 yr GF Projections  
 Total Prop Tax increase by 1.5% in FY14-15  
 Sales tax based on consultant data  
 Utility taxes increase by 1% per year  
 Franchise fees, other revenues, and business license increased by 0.5%/yr  
 Revenues from other agencies slight increase  
 Fines increased by \$15,000 to reflect parking fine increase  
 Other Charges for svcs increased per Dispatch contract  
 Rentals increase by 5% in FY14-15

**GENERAL FUND REVENUE AND EXPENDITURE FORECAST INCREASES (DECREASES)**

	Adopted Budget FY12-13	Est Yr End FY12-13	Projected FY13-14	Projected FY14-15	Projected FY15-16	Projected FY16-17	Projected FY17-18
Total GF Revenue	\$ 4,955,100	\$5,188,771	\$ 5,247,200	\$ 5,354,518	\$ 5,447,676	\$ 5,532,089	\$ 5,617,771
Revenue Increase		\$ 233,671	\$ 292,100	\$ 107,318	\$ 93,158	\$ 84,413	\$ 85,683
Increase in %		4.7%	5.9%	2.0%	1.7%	1.5%	1.5%
Total GF Expenses	\$ 7,092,578	\$6,821,037	\$ 7,375,420	\$ 7,486,300	\$ 7,573,808	\$ 7,673,341	\$ 7,773,927
Expenditure Increase		\$ (271,541)	\$ 282,842	\$ 110,880	\$ 87,508	\$ 99,533	\$ 100,586
Increase in %		-3.8%	4.0%	1.6%	1.2%	1.3%	1.3%

Note: Comparisons are budgeted to budgeted

### Five Year General Fund Forecast

	Proposed				
	Budget FY13-14	Projected FY14-15	Projected FY15-16	Projected FY16-17	Projected FY17-18
Total GF Appropriations	\$ 7,375,420	\$ 7,486,300	\$ 7,573,808	\$ 7,673,341	\$ 7,773,927
GF Revenue (taxes, fees)	\$ 5,247,200	\$ 5,354,518	\$ 5,447,676	\$ 5,532,089	\$ 5,617,771
Other GF Rev*	\$ 1,470,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Transfers In**	\$ 537,000	\$ 612,000	\$ 612,000	\$ 612,000	\$ 612,000
Surplus(Deficit) in GF	\$ (121,220)	\$ (19,782)	\$ (14,132)	\$ (29,253)	\$ (44,156)
Ending GF Bal	\$ 1,759,257	\$ 1,739,475	\$ 1,725,342	\$ 1,696,090	\$ 1,651,934
In % of GF Exp	23.9%	23.2%	22.8%	22.1%	21.2%
Target 25% of GF Exp	\$ 1,843,855	\$ 1,871,575	\$ 1,893,452	\$ 1,918,335	\$ 1,943,482
Surplus(Deficit)	\$ -	\$ -	\$ (168,110)	\$ (222,246)	\$ (291,548)

\* contributions from Planning and Building revenues and retirement fund

\*\* Measure I, COPS Grant, Gas Tax, Festival; increase of \$100,000 in Measure I to \$330,000 from \$230,000 which reflects annual practice.

#### Expense Assumptions

Salaries in FY15-16 increase by 0.5%

Salaries/benefits assume new employee savings of \$30,000/yr beginning FY15-16

Health benefits increase by 6%/yr

Retirement increase by 7%/yr

All other expenses increase by 1%/yr; non payroll/benefits expenses reduced by \$40,000/yr beginning FY14-15

## Department Presentations

- Order as listed in budget
- FY12-13 Accomplishments (Narratives)
- FY13-14 Goals
- Budget Overview- Key Issues
- Workplan/Performance Data

## Funding Requests and Other Issues

- Open Space Committee (\$5,000)
- FOCAS to incorporate Youth Commission
- Cittaslow membership (\$2,000)
- Process for future community requests for sponsorships

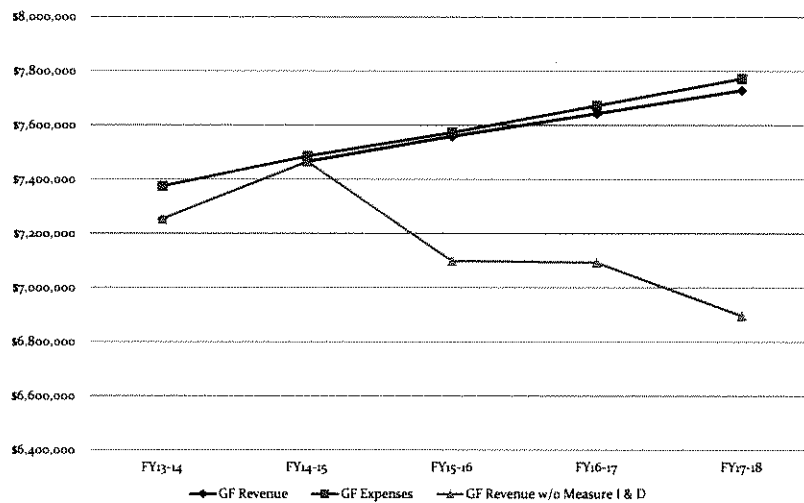
## Revenue Scenarios Five Year Forecast

	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18
Total GF Appropriations	\$ 7,375,420	\$ 7,486,300	\$ 7,573,808	\$ 7,673,341	\$ 7,773,927
Total GF Revenues and Transfers	\$ 7,254,200	\$ 7,466,518	\$ 7,559,676	\$ 7,644,089	\$ 7,729,771
Surplus (Deficit)	\$ (121,220)	\$ (19,782)	\$ (14,132)	\$ (29,253)	\$ (44,156)
Less Measure I	\$ -	\$ -	\$ (460,000)	\$ (460,000)	\$ (460,000)
Less Measure D	\$ -	\$ -	\$ -	\$ (90,350)	\$ (372,700)
Adjusted Surplus(deficit)	\$ (121,220)	\$ (19,782)	\$ (474,132)	\$ (579,603)	\$ (876,856)
Proj. GF Fund Balance	\$ 1,759,257	\$ 1,739,475	\$ 1,265,342	\$ 685,740	\$ (191,116)
In % of GF Exp		23.2%	16.7%	8.9%	-2.5%

### Revenue Options To Consider

	FY14-15	FY15-16	FY16-17	FY17-18
Target	\$ (19,782)	\$ (474,132)	\$ (579,603)	\$ (876,856)
In % of GF Exp	-0.3%	-6.3%	-7.6%	-11.3%
<b>OPTIONS</b>				
Allocated General Fund Reserve	\$ 20,000	\$ -	\$ -	\$ -
Renew Measure I	\$ -	\$ 460,000	\$ 460,000	\$ 460,000
Renew Measure D	\$ -	\$ -	\$ 90,350	\$ 372,000
Max Utility Tax	\$ 100,000	\$ 101,000	\$ 102,010	\$ 103,030
Parking Revenue (\$5000/weekend)	\$ 250,000	\$ 252,500	\$ 255,025	\$ 257,575
Increase Planning & Building Fees and Permits (cost recovery)	\$ 130,000	\$ 131,300	\$ 132,613	\$ 133,939
Reduce Op Expenses (5% give back)	\$ 127,180	\$ 126,937	\$ 126,691	\$ 126,443
<b>Total</b>	<b>\$ 627,180</b>	<b>\$ 1,071,737</b>	<b>\$ 1,166,689</b>	<b>\$ 1,452,988</b>

### General Fund 5 yr Forecast Scenarios





## Five Year Capital Improvement Program

- Adopt first yr FY13-14
- Planning Tool
- Commitment of funds in FY, but cash flow over 2 yrs.
- Bridge projects represent over 60% of costs
- Bridge projects to take 4-5 yrs to complete
- Beginning in FY14-15 allocate all TAM A & B funds to streets resurfacing/repair
- Over 5 yr, \$1,000,000 for D/T Improvements, but 70% unfunded

### FIVE YEAR CAPITAL IMPROVEMENT PROGRAM - BY PROJECT

PROJECT	TOTAL ESTIMATED PROJECT COSTS FROM FY2013-14 to FY 2017-18					
	Est.Total 5 yr Project Costs	Proposed FY13-14	Projected FY14-15	Projected FY15-16	Projected FY16-17	Projected FY17-18
Meadow Way Bridge	2,500,000	900,000	-	1,600,000	-	-
BPMP- Spruce, Mann, Canyon Bridges	720,000	370,000	350,000			
Pavilion Renovation -Floor and Kitchen	149,000	149,000	-			
SJR FRANCIS DRAKE BLVD BIKE LANE STRIPING PROJECT - NTPP **	68,000	68,000				
CREEK ROAD BRIDGE	2,400,000	700,000	-	1,700,000	-	
PAVLION SEISMIC RETROFIT	600,000	600,000	-	-		-
PASTORI OUTFALL PIPE REPLACEMENT	200,000	200,000	-	-	-	-
SIDEWALK REPLC/REPAIR AND TREE TRIMMING	180,000	30,000	30,000	40,000	40,000	40,000
STREET RESURFACING/REPAIR	815,120	67,120	182,000	182,000	182,000	182,000
DOWNTOWN IMPROVEMENTS	1,000,000	-	175,000	275,000	275,000	275,000
Perkade	400,000	400,000	-	-	-	-
<b>TOTALS</b>	<b>\$ 9,032,120</b>	<b>\$ 3,504,120</b>	<b>\$ 737,000</b>	<b>\$ 3,797,000</b>	<b>\$ 497,000</b>	<b>\$ 497,000</b>

## Future Funding Issues

- What if No Measure I or D
- Other Revenue Options?
- Don't need to decide now, but by the end of the year

## Revenue Scenarios Five Year Forecast

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### Revenue Options To Consider

	FY14-15	FY15-16	FY16-17	FY17-18
Target	\$ (19,782)	\$ (474,132)	\$ (579,603)	\$ (876,856)
In % of GF Exp	-0.3%	-6.3%	-7.6%	-11.3%
<b>OPTIONS</b>				
Allocated General Fund Reserve	\$ 20,000	\$ -	\$ -	\$ -
Renew Measure I	\$ -	\$ 460,000	\$ 460,000	\$ 460,000
Renew Measure D	\$ -	\$ -	\$ 90,350	\$ 372,000
Max Utility Tax	\$ 100,000	\$ 101,000	\$ 102,010	\$ 103,030
Parking Revenue (\$5000/weekend)	\$ 250,000	\$ 252,500	\$ 255,025	\$ 257,575
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## Budget Schedule/Next Step