

Preliminary Budget 2015-2016

City of Seaside

May 7, 2015

Agenda

- ✓ City Manager Introduction
- ✓ Financial Overview
 - Projected revenues and expenditures
 - Department presentations on May 14th
- ✓ Options to deal with budget deficit
- ✓ Capital Improvement Program Overview
- ✓ Summary

Agenda

- ✓ City Council
 - Hear Presentation
 - Ask Clarifying Questions
 - Hear Public Comment
 - Provide Direction
 - Continue to Budget Study Sessions
 - Thursday, May 14 at 4:00 p.m.
 - Tuesday, May 19 at 5:00 p.m.
 - And, if needed, Thursday, May 28 at 5:00 p.m.

City Manager

Introduction

Finance Overview

Current Financial Situation

Projected revenues and expenditures

2015-2016 Preliminary Budget General Fund

- Estimated Revenues \$ 25,749,915
- One-time Funding Carryover \$ 800,000
For General Plan Update, previously authorized

LESS:

- Projected Expenditures \$ 26,952,528
- **Operating Deficit \$ 402,613**

Estimated Revenues

2015-2016 Preliminary Budget Revenue Assumptions

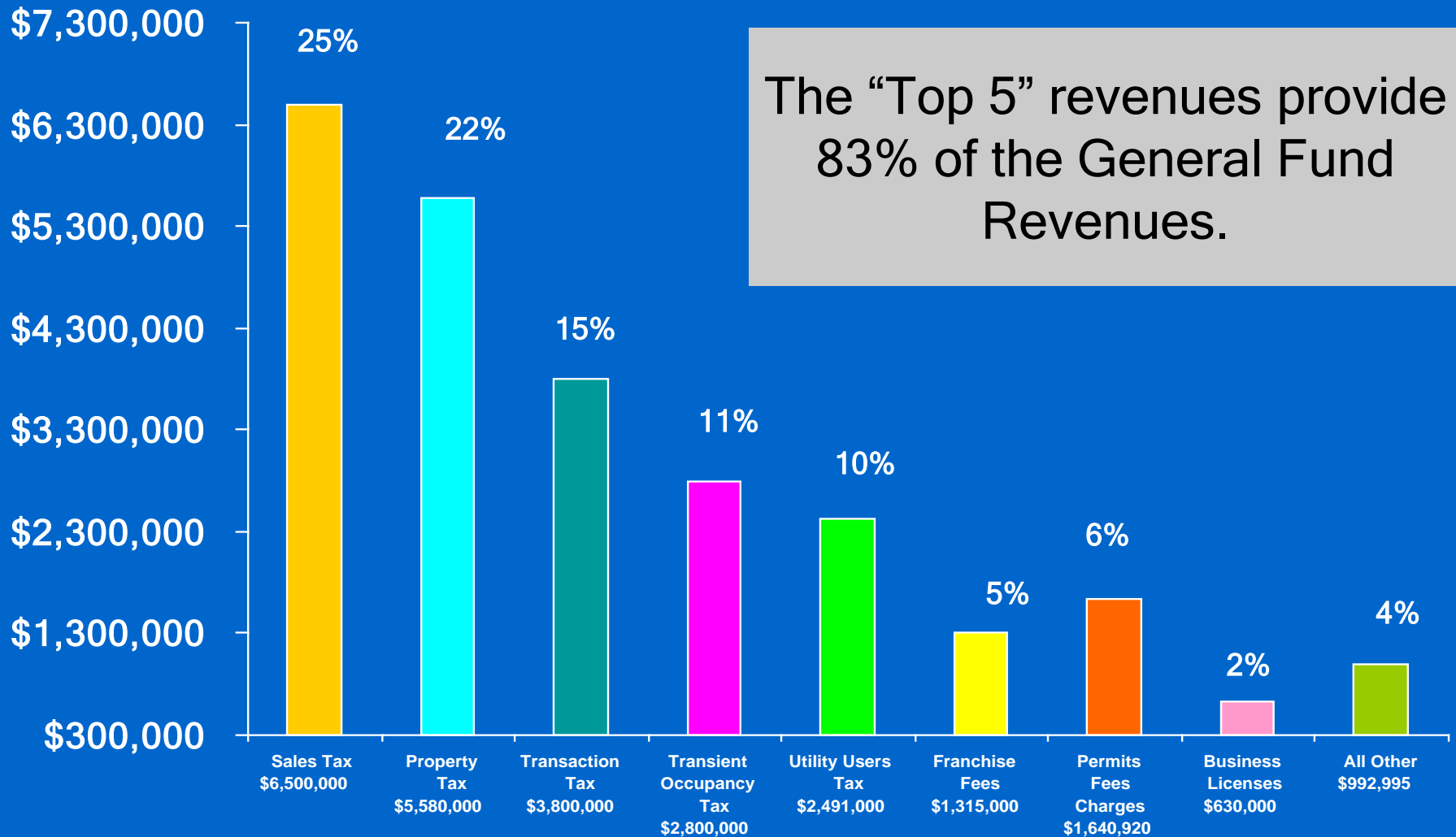
- Revenue trends continue to be good
 - Used a 6% Sales Tax growth factor for 2015-2016
 - Auto sales - continues to grow
 - Addition of Tesla for partial year
 - Partial year for In N Out Burger
 - Building/Construction - anticipated growth of 4.2%
 - Transient Occupancy Tax
 - Used a 3% growth factor for 2015-2016

2015-2016 Preliminary Budget Revenue Assumptions

- Property Tax includes \$1,000,000 of residual property tax distributions caused by the dissolution of the Redevelopment Agency
 - Regular property tax revenues continues to be conservative due to the continued low assessed valuations

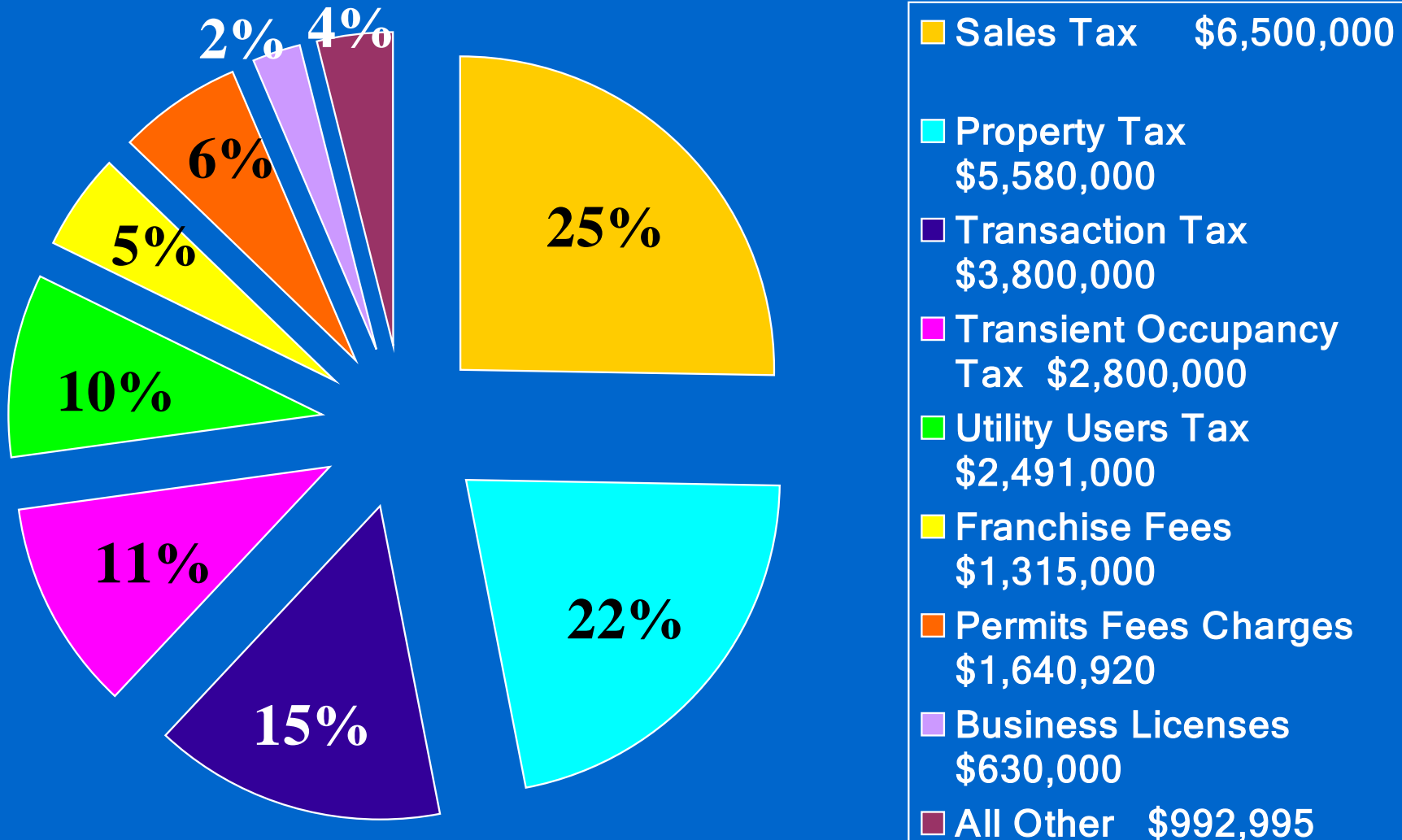
2015-2016 General Fund Revenues

Estimated Total Revenues \$25,749,915



2015-2016 Preliminary Budget General Fund

Estimated Revenues \$25,749,915

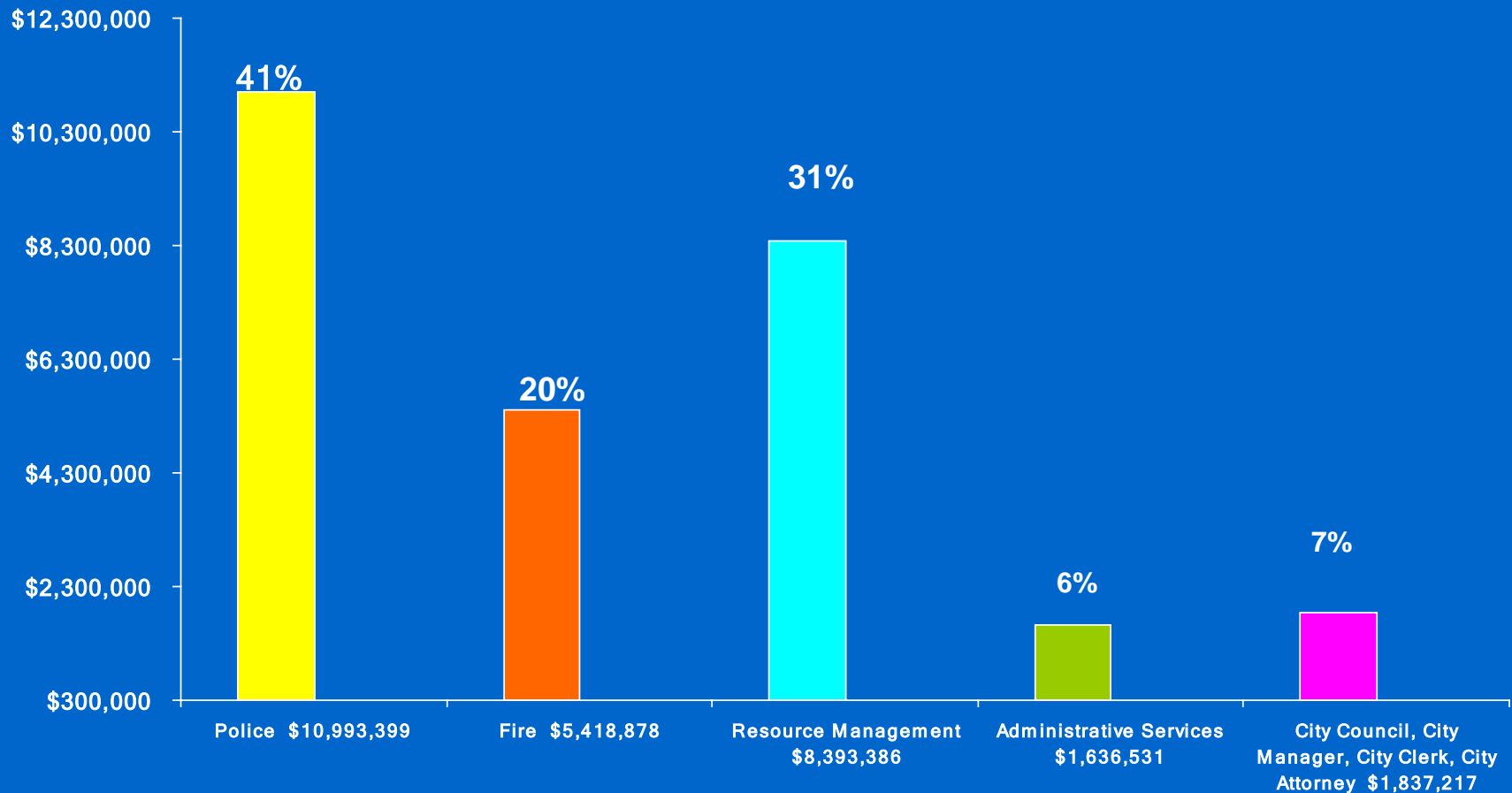


Projected Expenditures

2015-2016 General Fund Expenditures

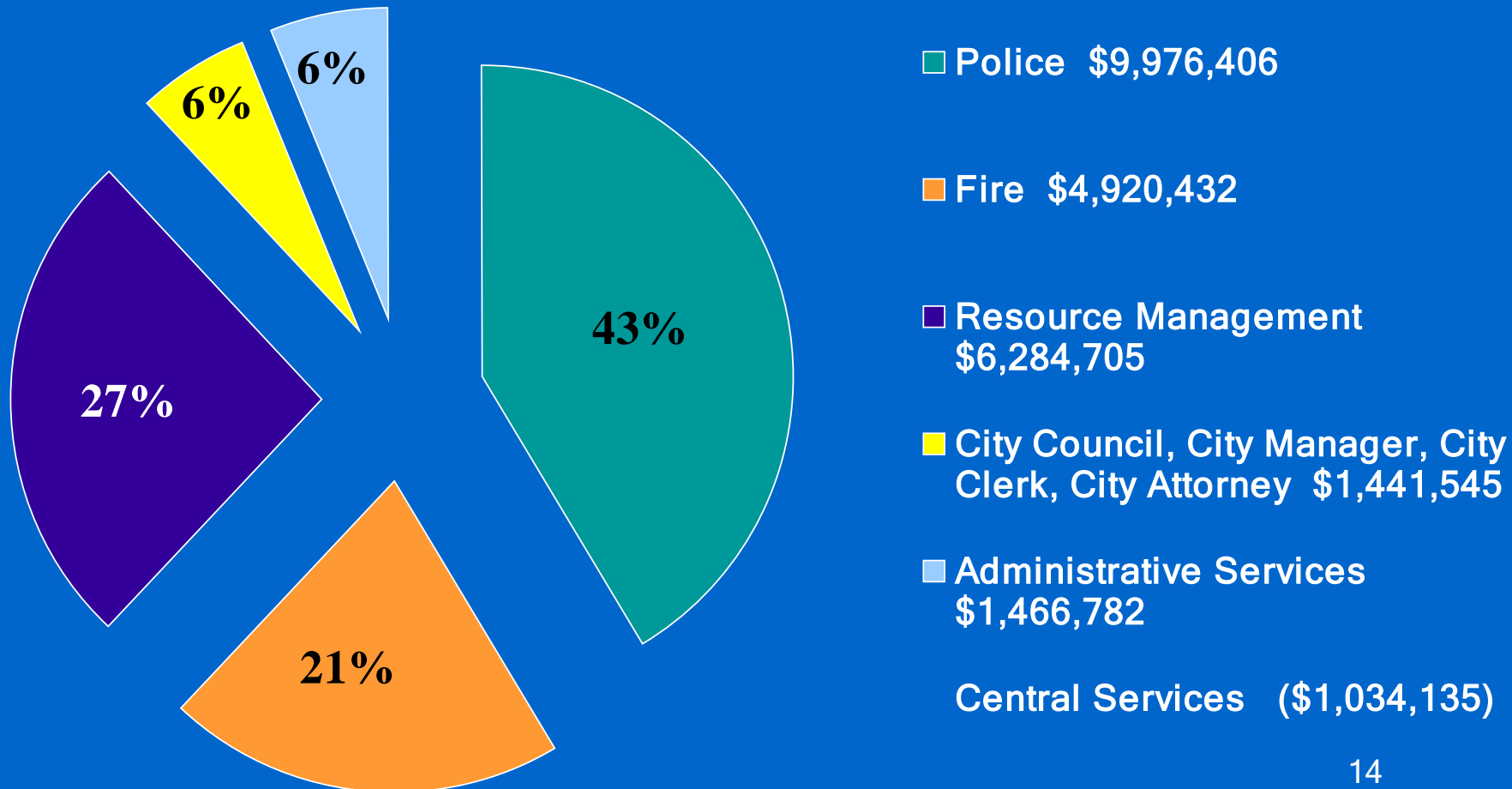
Projected Expenditures \$26,952,528

(Central Service Charges of \$1,326,883 not included by department)



2015-2016 Preliminary Budget General Fund Expenditures

Total Projected Expenditures \$23,055,735



June 30, 2015

Estimated Reserves

- Capital Reserve • \$ 669,705
- Special Reserve • \$ 1,339,425
- Emergency Reserve • \$ 2,009,133
- Total Estimated Reserves • \$ 4,018,263

City's Current Fiscal Condition

- Operating deficit of \$402,613
- Improving reserve balances

Options - Budget Deficit

- Adopt the budget with a deficit using reserves to balance
- Not fund three police positions previously authorized
- Not fund positions funded last year with one-time money
 - Administrative Analyst - Economic Development
 - Youth Violence Prevention Manager
- Investigate other budget or personnel cuts

Capital Improvement Program Overview

FY 2015/16 Capital Improvement Program

Carry Over Projects

Library ADA Exterior	CDBG	\$ 136,216
	General Fund - reserve	\$ 28,784
Library Roof Drain Replacement	General Fund - reserve	\$ 50,000
Library Exterior Painting	General Fund - reserve	\$ 10,000
Library HVAC	General Fund - reserve	\$ 100,000
New Library Feasibility Study	General Fund - reserve	\$ 35,484
Pattullo Swim Center Pool Drain Upgrades	Pattullo Maint. Fund (304)	\$ 238,000
Durant Park ADA Improvements	MPRPD, CDBG	\$ 62,236
Highland-Otis Park Improvements	CDBG	\$ 41,278
Martin Park Improvements	CDBG	\$ 81,495

FY 2015/16 Capital Improvement Program

Carry Over Projects

Trinity Park Improvements	CDBG, MPRPD, GF reserve	\$	68,387
Decorative Streetlight Retrofits	PG&E OBF	\$	250,000
Sign Removal at Main Gate	FORA	\$	140,000
Stormwater Fee Implementation-Public Education/Ballot Measure	General Fund - reserve	\$	146,653
West Broadway Infrastructure Improvements	RSTP/SCSD/ ATP/ Bond	\$	1,050,000
Water Master Plan/Rate Study	Water Funds	\$	182,000
Fremont Blvd. Sewer Upgrade Design and Construction ¹	SCSD	\$	941,000
Del Monte Lift Station Upgrades Design and Construction	SCSD	\$	987,000
Rosita Lift Station Upgrades Construction	SCSD	\$	73,275

FY 2015/16 Capital Improvement Program Carry Over Projects

942 Angelus Way Sewer Upgrade Design and Construction	SCSD	\$ 168,000
Military Lift Station Replacement Construction	SCSD	\$ 708,000
Highway 1 Sewer Line Cleaning Design and Construction	SCSD	\$ 43,000
LAFCO Application	SCSD	\$ 200,000
Fee Studies Update	SCSD	\$ 84,000
	Total	\$ 5,774,858

Capital Improvement Program Proposed FY 2015/16 Special Fund Projects

Library Re-roof (Total \$220,000)	CDBG General Fund		\$ 159,216
			\$ 60,784
Meter & Backflow Replacement	Water Fund		\$ 200,000
Water Security Updates	Water Fund		\$ 173,420
		Total	\$ 437,342

Capital Improvement Program Proposed FY 2015/16 General Fund Projects

Library Re-roof (matching funds needed)	General Fund	\$ 60,784
Corporation Yard Re-Roof	General Fund	\$ 100,000
Vehicle Maintenance Reroof	General Fund	\$ 100,000
Fire Station #1 HVAC Upgrades	General Fund	\$ 50,000
ADA Transition Plan Study	General Fund	\$ 150,000
Parking Authority Seal Coat, Striping & ADA	General Fund	\$ 140,000
Pavement Management System Implementation	General Fund	\$ 100,000
Total		\$ 700,784

Capital Improvement Program

Proposed FY 2015/16 General Fund Projects

Staff Recommendation

1	Library Re-roof (matching)	General Fund	\$ 60,784
2	ADA Transition Plan Study (mandate)	General Fund	\$ 150,000
3	Pavement Management Program Update	General Fund	\$ 100,000
4	Parking Authority Seal Coat, Striping & ADA	Parking Authority (103)	\$ 140,000
5	Fire Station #1 HVAC Upgrades	General Fund	\$ 50,000
6	Vehicle Maintenance Reroof	General Fund	\$ 100,000
7	Corporation Yard Re-Roof	General Fund	\$ 100,000
		Total	\$700,784

Summary

City's Current Fiscal Condition

- Operating deficit of \$402,613
- Improving reserve balances

Options - Budget Deficit

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- Not fund three police positions previously authorized
- Not fund positions funded last year with one-time money
 - Administrative Analyst - Economic Development
 - Youth Violence Prevention Manager
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Questions & Comments

City Council Direction, as desired

Proposed Budget Schedule

- Budget Study Sessions:
 - ✓ Thursday, May 14 at 4:00 p.m.
 - ✓ Tuesday, May 19 at 5:00 p.m.
 - ✓ And, if needed, Thursday, May 28 at 5:00 p.m.
- June 4th, first regular meeting in June, Public Hearing
- June 18th, second regular meeting in June, Public Hearing and possible adoption

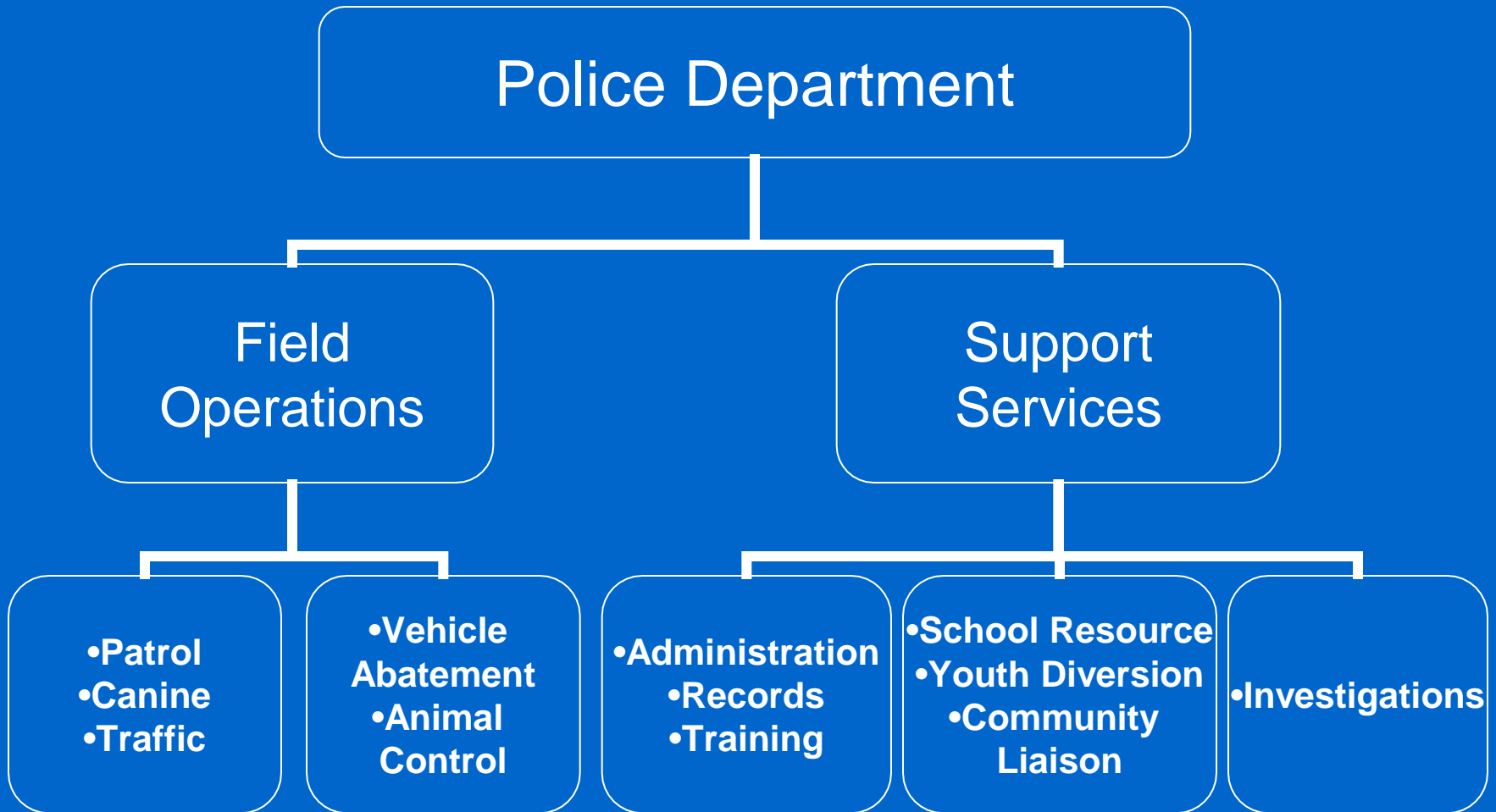
Preliminary Budget 2015-2016

City of Seaside

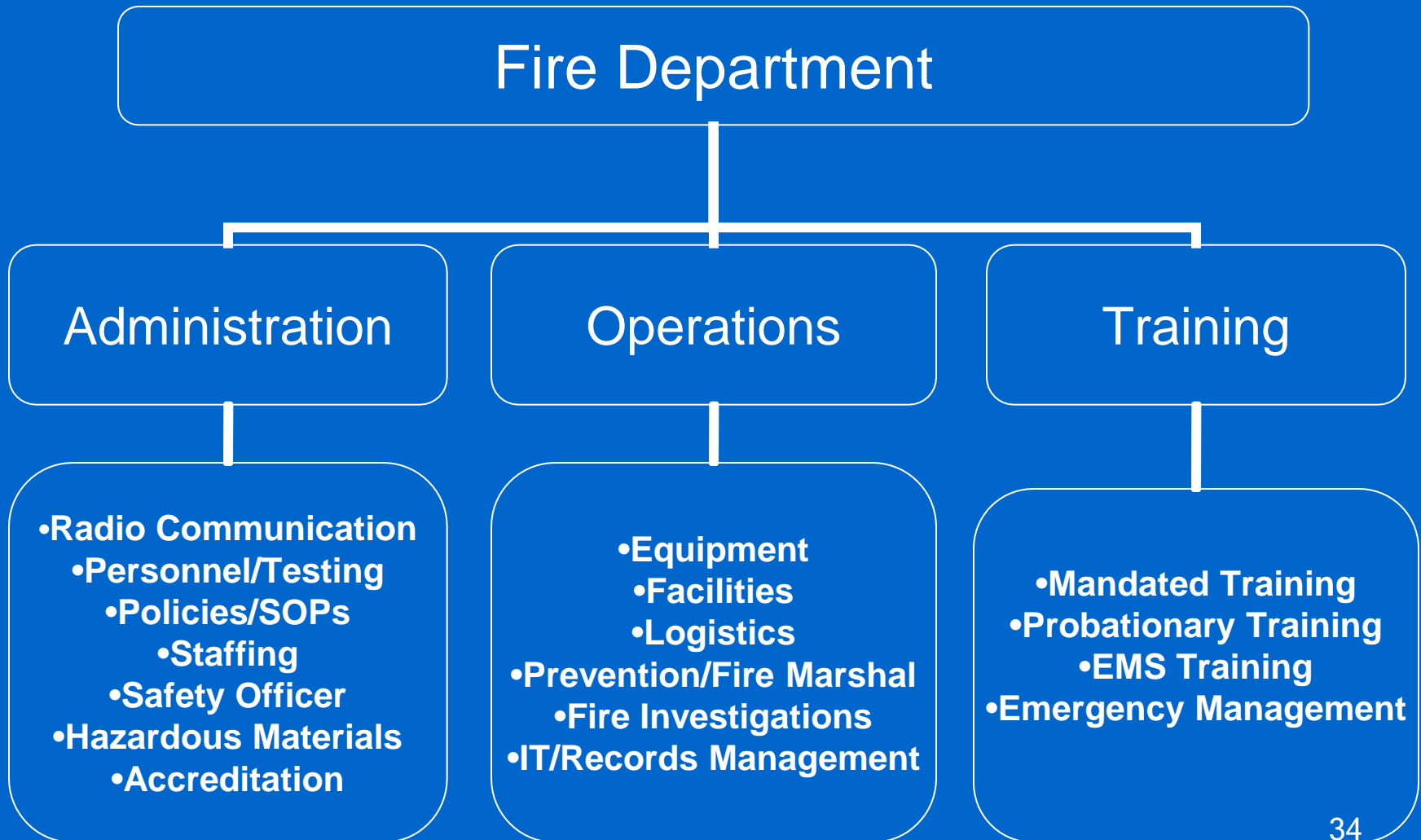
City Organization Chart



City Departments



City Departments



City Departments

Resource Management

Public Works/ Engineering Division

- Parks
- Streets
- Water & Sewer
- Storm Drains
- Buildings
- Engineering
- Vehicle Maintenance

Building/Code Enforcement Division

- Inspection Services
- Permit Processing
- Plan Reviews
- Code Enforcement

Community and Economic Development Division

- Planning
- Economic Development
- Community Development Block Grant Program (CDBG)

Recreation Division

- Youth Center
- Preschool
- Day Camp
- Summer Camp
- Senior Programs
- Art Programs
- Pattullo Swim Center₃₅

City Departments

Administrative Services Department

Finance Division

- Accounting
 - Payroll
 - Budget
 - Grants
- Cash Management
- Accounts Payable
 - Accounts Receivable

Human Resources Division

- Benefits
 - Safety
 - Wellness
 - Training
- Employee Relations
- Recruitment & Selection

Information Technology

- Network Support
- Maintain Computer System
- Manage Phone Systems

Risk Management

- Manage Risk
 - Liability Insurance
 - Workers' Compensation

2014-2015 General Fund Projected Expenditures

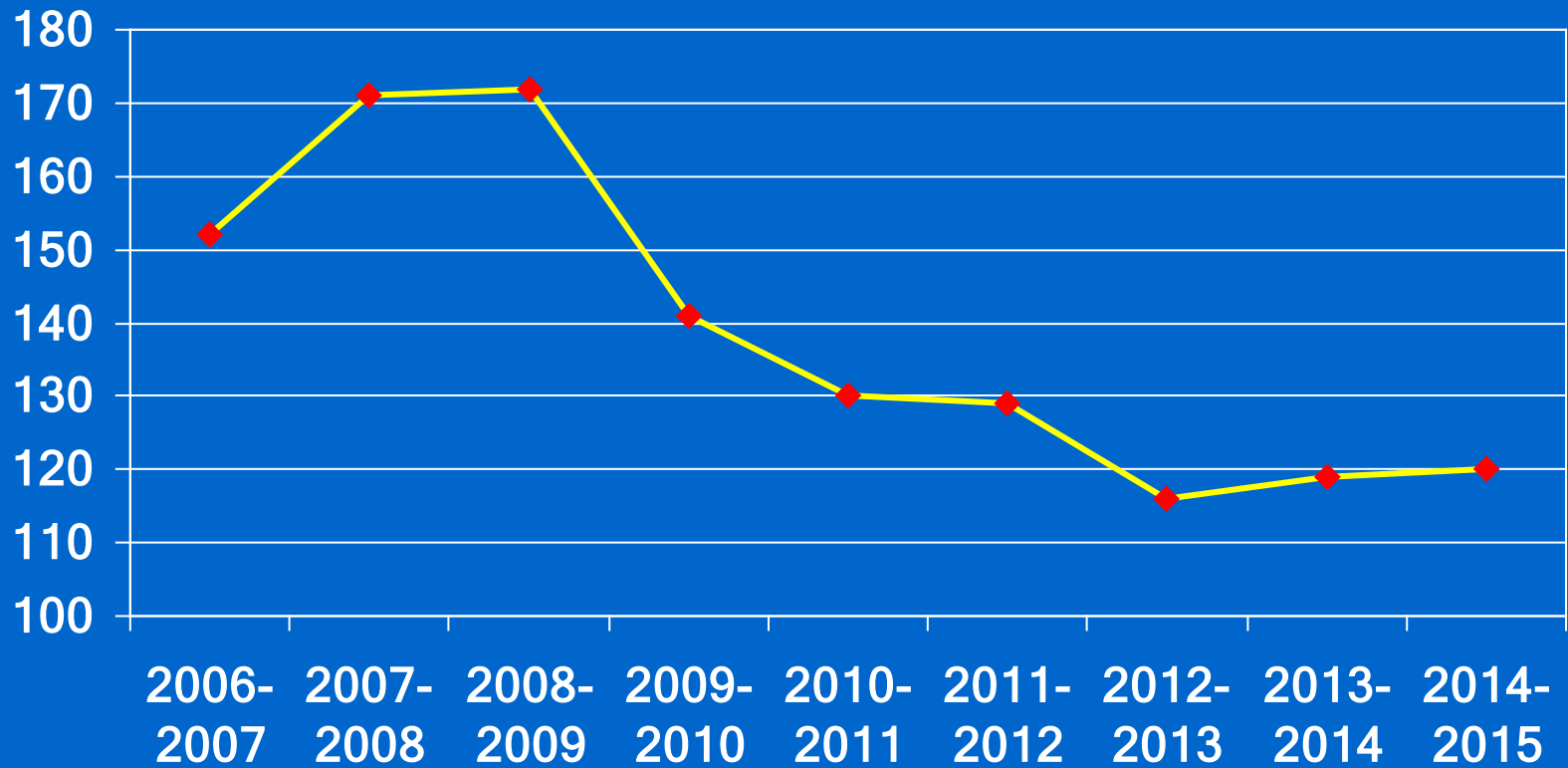
Department	Total Salaries & Benefits	% of Total Salaries & Benefits	Total Expenditures	% of Total Expenditures
City Council, City Manager, City Clerk, City Attorney	\$ 698,441	4%	\$ 1,441,545	6%
Administrative Services	\$ 994,015	6%	\$ 1,466,782	6%
Police	\$ 8,095,250	46%	\$ 9,976,406	43%
Fire	\$ 4,257,115	24%	\$ 4,920,432	21%
Resource Management	\$ 3,456,012	20%	\$ 6,284,705	27%
Central Services			(\$ 1,034,135)	(3%)
Total General Fund	\$ 17,500,833	100.00%	\$ 23,055,735	100.00%

Personnel Expenditures

Number of City Employees

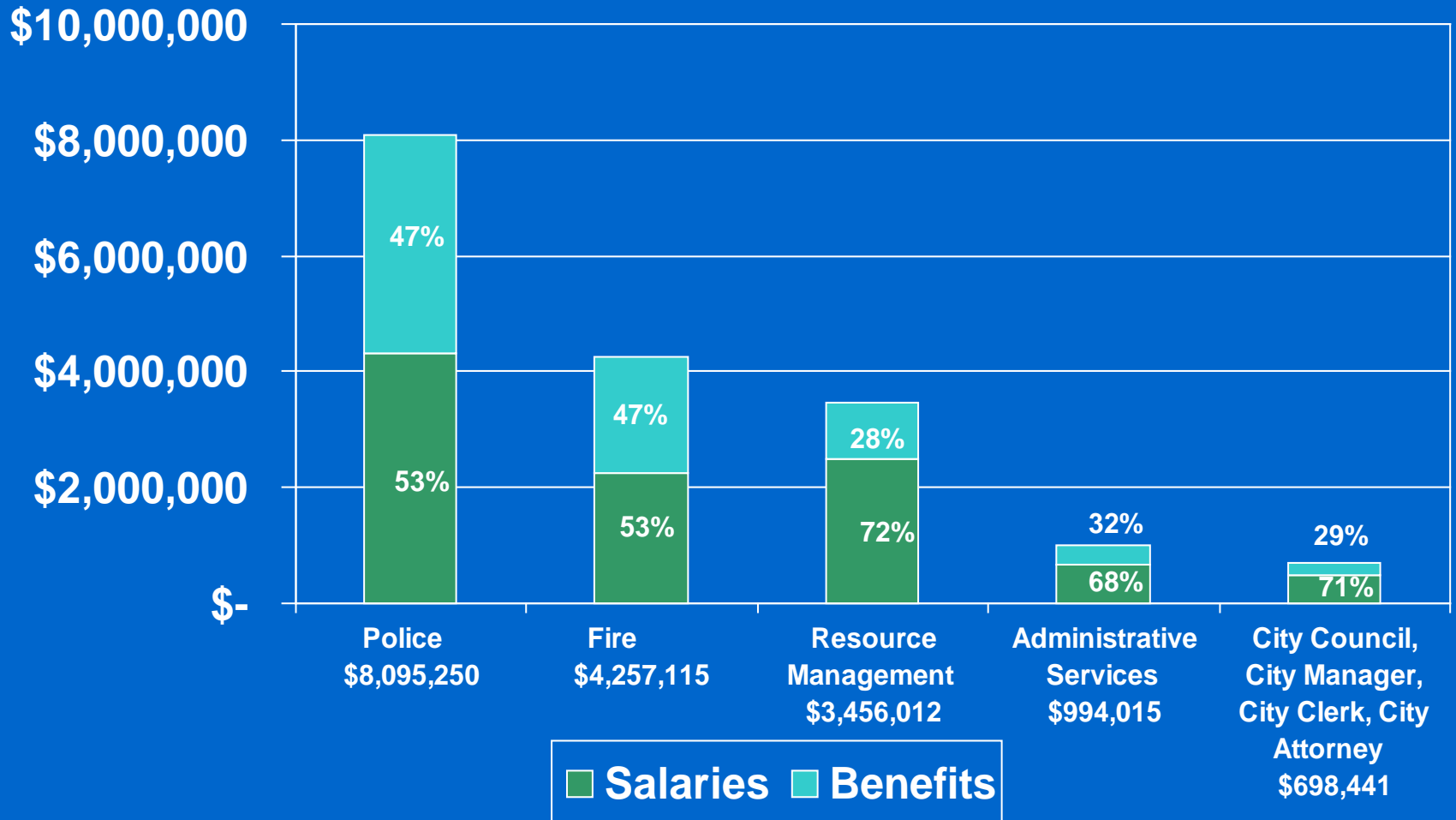
Department	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
City Council, City Manager, City Clerk, City Attorney	8	6	4	4	4	4	4
Administrative Services	10	8.5	9	10	8	8	8
Police	65	55	52	49	46	47	47
Fire	29	26.5	24	24	23	24	23
Resource Management	60	45	41	42	35	36	38
Total All Funds	172	141	130	129	116	119	120

Number of City Employees 2006-2007 through 2014-2015



2014-2015 General Fund Salaries and Benefits

Total \$17,500,833



2014-2015 General Fund Salaries and Benefits

- Total projected personnel costs are \$17,500,833 or 76% of the General Fund total projected expenditures
- Public Safety personnel costs are \$12,352,365 or 54% of total General Fund projected expenditures
- Total Public Safety projected expenditures are \$14,896,838 or 64% of total General Fund projected expenditures

2013-2014

One-Time Money

Received in 2012-2013	\$ 2,564,194	Carryover to 2014-2015
To reserves	\$1,000,000	\$0
IT upgrade	\$ 50,000	\$50,000
General Plan Update	\$ 800,000	\$800,000
Revenue Measure	\$ 245,000	\$104,397
Street Sweeper	\$ 275,000	\$275,000
Fire Gear Matching	\$ 9,413	\$0
Budget Balancing	\$ 183,263	\$0
TOTAL	\$2,562,676	\$1,257,172

2014-2015 One-Time Money

Received in 2013-2014	\$ 880,463	Proposed for 2014-2015
From 2013-2014	\$ 27,775	
Available	\$908,238	
Debt service payments		\$210,000
CDBG repayment		\$136,216
Library imprvmnts, net		\$238,784
Broadway-Alhambra		\$200,000
Admin Analyst		\$100,000
Consultant - Violence Prevention Task Force		\$ 20,000
TOTAL		\$905,000

Reserves

	June 30, 2013	2013-2014 Additions	June 30, 2014
Emergency Reserve	\$870,851	\$698,050	\$1,568,901
Special Reserve	\$580,567	\$465,370	\$1,045,937
Capital Reserve	\$290,282	\$232,680	\$522,962
TOTAL	\$1,741,700	\$1,396,100	\$3,137,800
Percentage of expenditures	8.5%		13.6%