

City of Costa Mesa

FISCAL YEAR 2013-2014 PRELIMINARY BUDGET

May 28, 2013



BUDGET STUDY SESSION

Presentation Agenda:

- Overview of Preliminary FY 13-14 Budget Appropriations & Revenues
- Questions/comments from City Council

PRELIM BUDGET SUMMARY

All Funds (including transfers)

FY 13-14 Estimated Revenues \$ 139,469,348

Utilization of Fund Balance 17,958,275*

FY 13-14 Total Resources 157,427,623

FY 13-14 Appropriations \$ 157,427,623

***Preliminary Use of Fund Balance Only**

TOTAL OPERATING BUDGET

All Funds

Preliminary FY 13-14	\$ 109,449,446
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Adopted FY 12-13	109,229,363
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Amount of Increase	\$ 270,083
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Percent of Increase	0.25 %
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- Excludes Transfers Out

TOTAL CAPITAL IMPROVEMENT BUDGET - All Funds

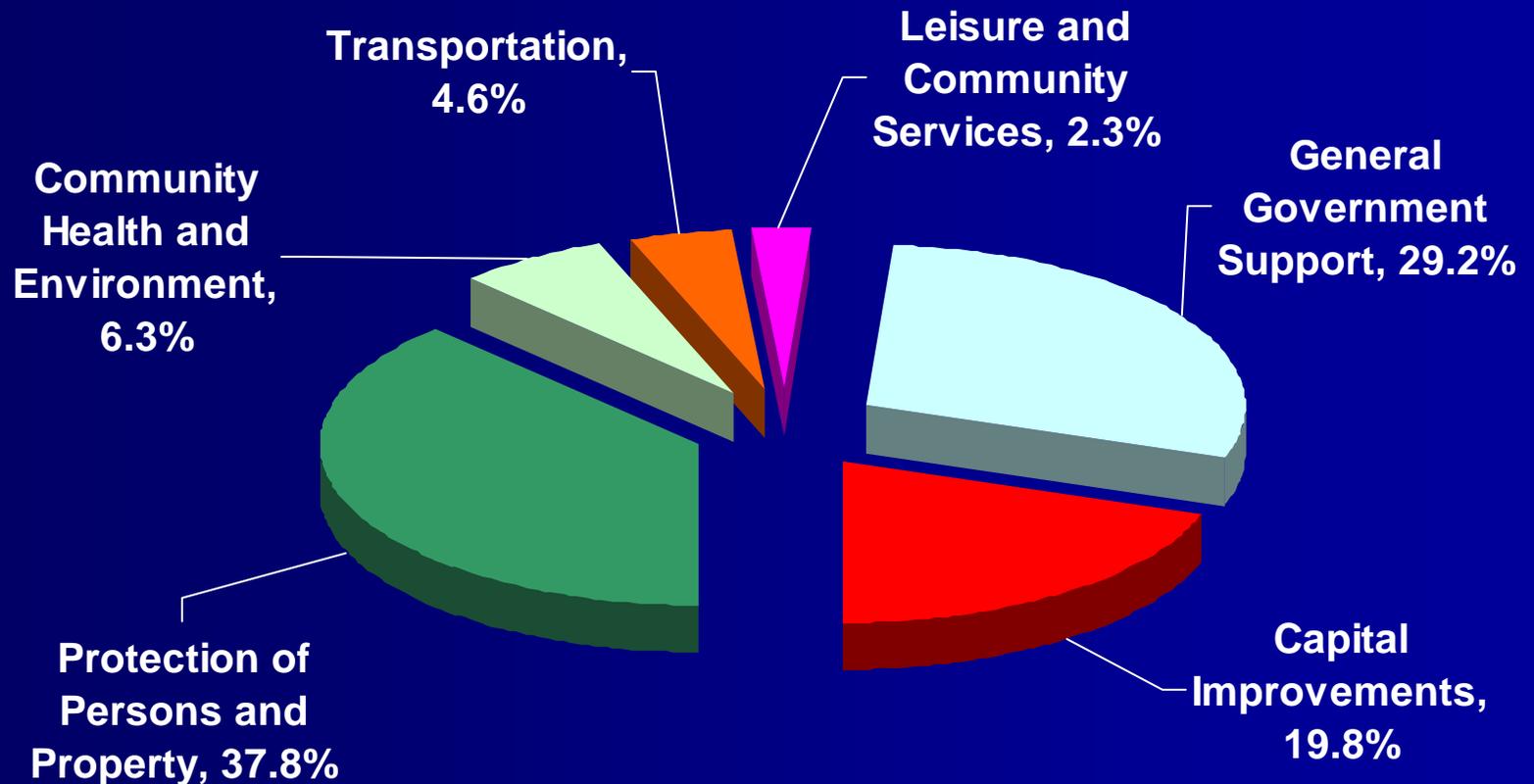
Preliminary FY 13-14	\$ 31,156,387
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Adopted FY 12-13	20,706,936
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Amount of Increase	\$ 10,449,451
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Percent of Increase	50.46 %
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DISTRIBUTION OF APPROPRIATIONS By Major Service Category - All Funds

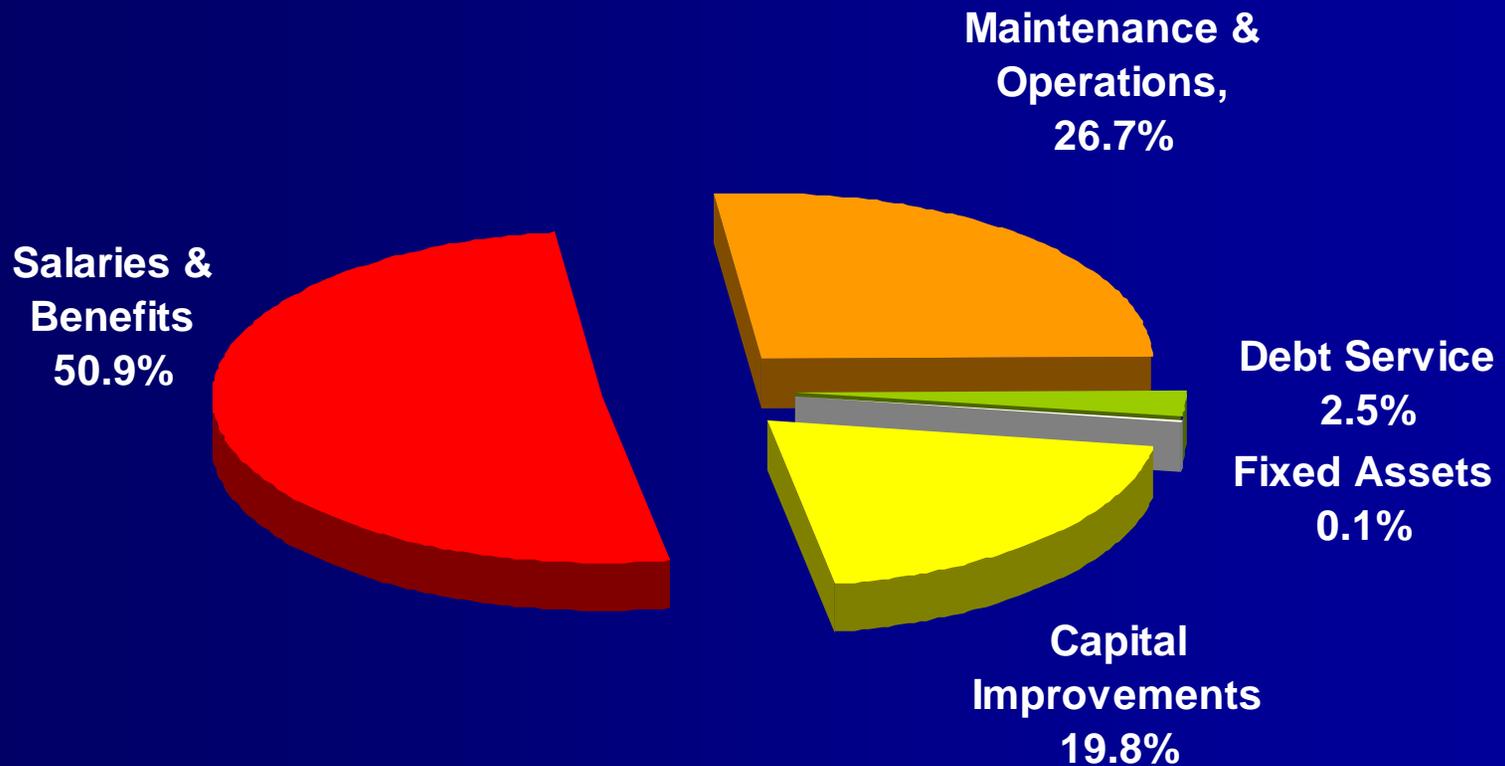


Total \$157,427,623

***DISTRIBUTION OF APPROPRIATIONS
By Major Service Category - All Funds***

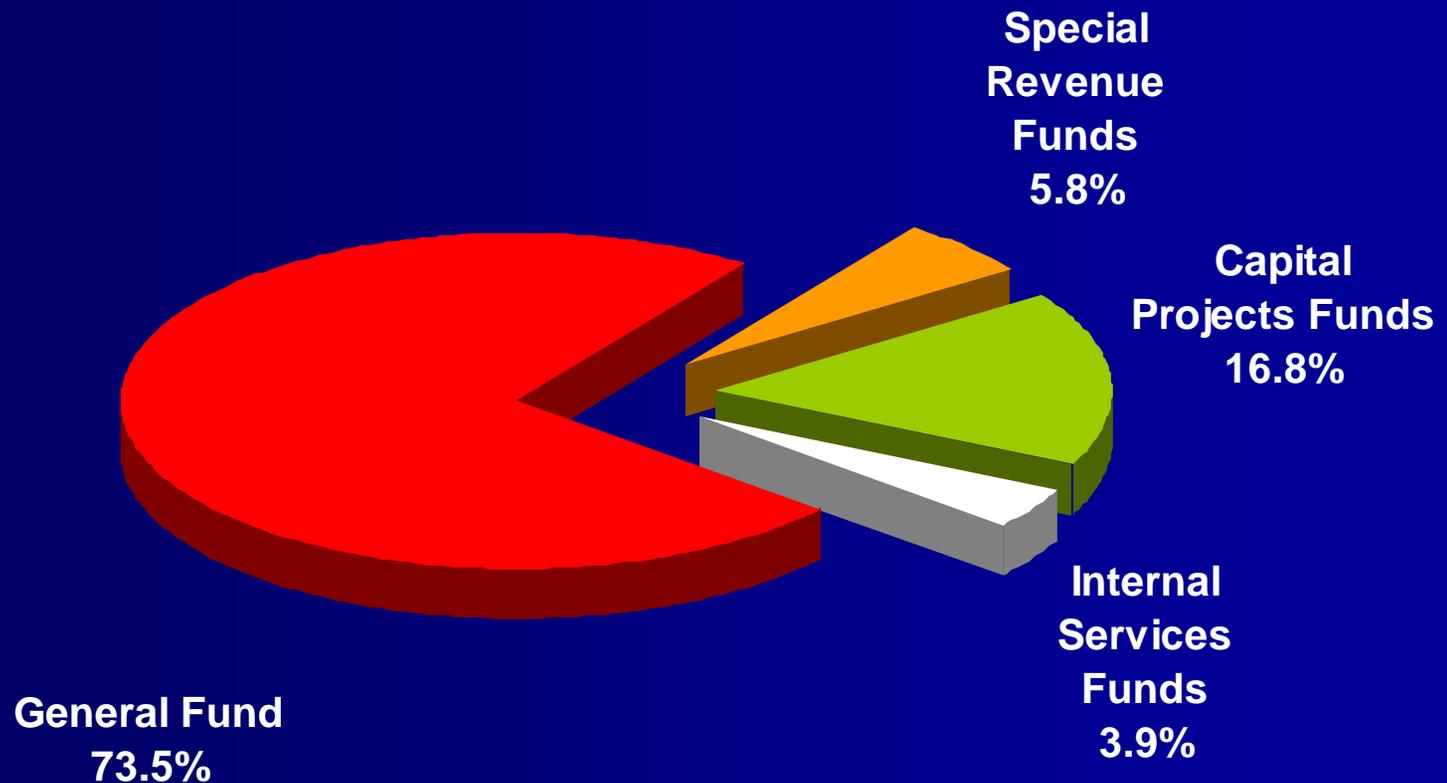
Protection of Persons and Property	\$ 59,451,407
General Government Support	46,046,002
Community Health and Environment	9,857,331
Transportation	7,269,323
Leisure and Community Services	3,647,173
Capital Improvement Projects	31,156,387
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Total	\$ 157,427,623
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SUMMARY OF APPROPRIATIONS By Major Account – All Funds



Total \$157,427,623

SUMMARY OF APPROPRIATIONS By Major Account – All Funds



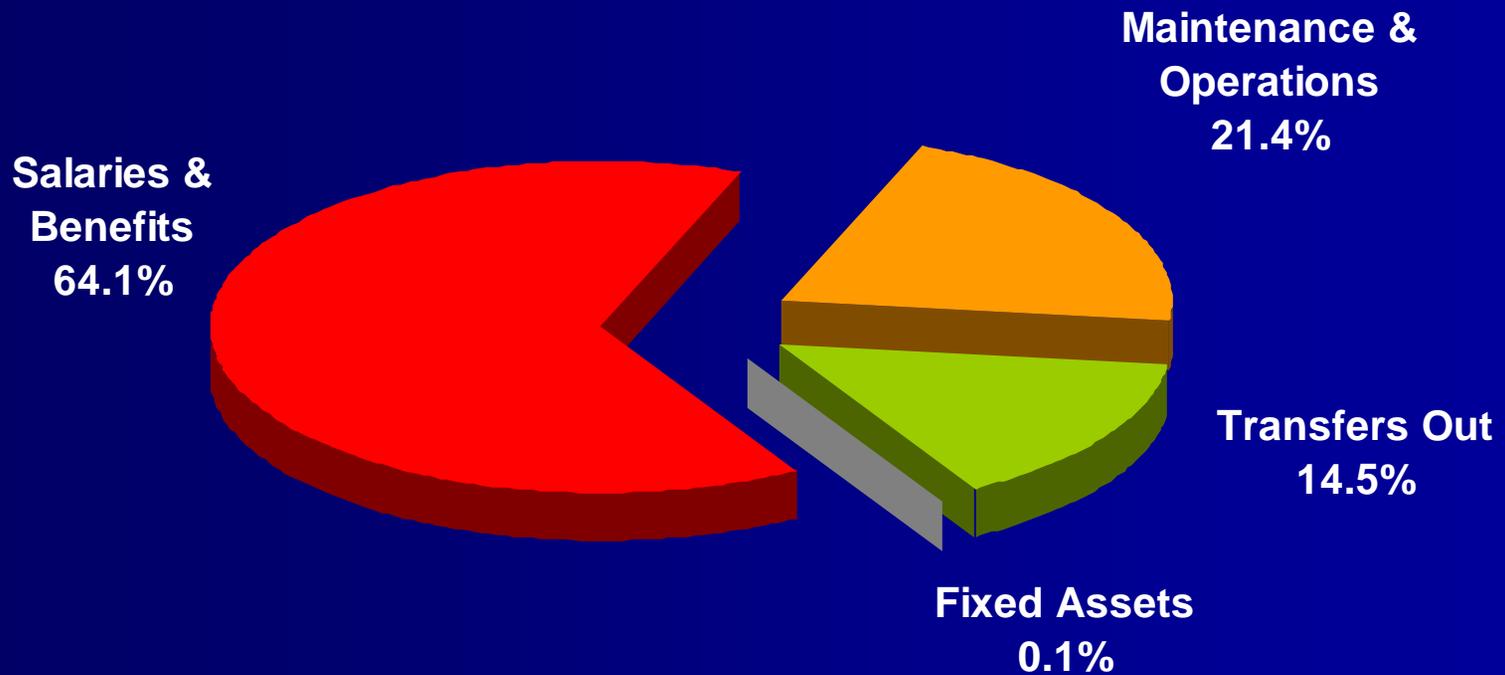
Total \$ 157,427,623

GENERAL FUND SUMMARY

FY 13-14 Est. Revenues	\$ 102,973,810
Prelim Use of Fund Balance	12,748,201
	<hr/>
FY 13-14 Total Resources	\$ 115,722,011
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FY 13-14 Prelim Approp Budget *	\$ 115,722,011
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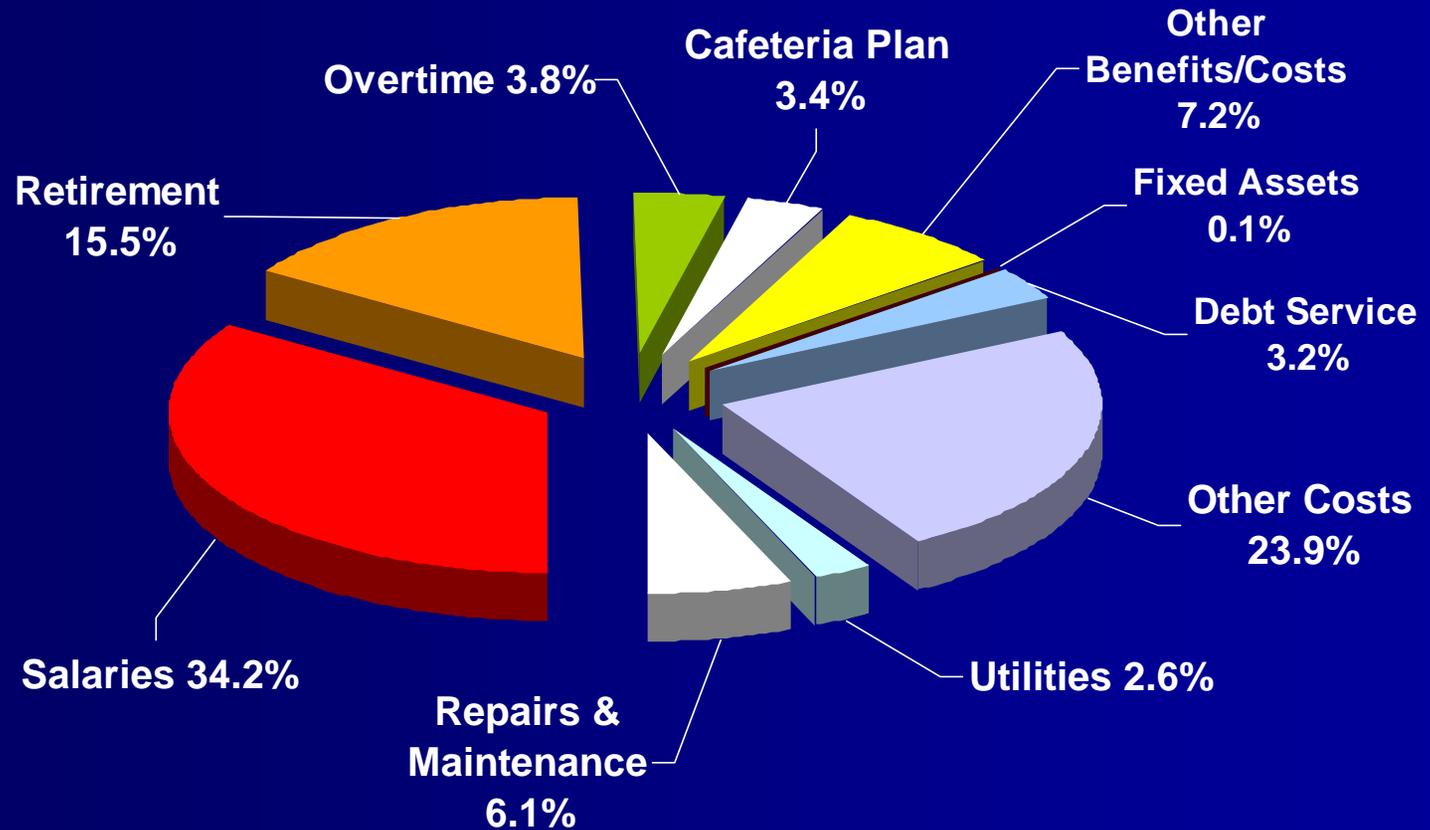
* Includes Transfers Out

SUMMARY OF APPROPRIATIONS By Major Account – General Fund



Total \$115,722,011

GENERAL FUND APPROPRIATIONS



Total \$115,722,011

GENERAL FUND APPROPRIATIONS

FY 13-14 Preliminary	\$ 115,722,011
FY 12-13 Adopted	<u>101,119,710</u>
Amount Increase	<u><u>\$ 14,602,301</u></u>
Percent Increase	<u><u>14.44 %</u></u>

GENERAL FUND

What does the increase consist of?

<u>Appropriations</u>	<u>FY 12-13 Adopted</u>	<u>FY 13-14 Preliminary</u>	<u>Increase</u>
Salaries	\$39.4M	\$39.6M	\$0.2M
Overtime	4.3M	4.4M	0.1M
Retirement	16.0M	18.0M	2.0M
Consulting	1.9M	2.1M	0.2M
Debt Service	5.3M	3.7M	- 1.6M
Transfers Out	2.6M	16.8M	14.2M
Subtotal	69.5M	84.6M	15.1M
Other Accounts	31.6M	31.1M	- 0.5M
Total	<u>\$101.1M</u>	<u>\$115.7M</u>	<u>\$14.6M</u>

GENERAL FUND

What does the budget include?

- **Without Transfers – increase of only \$470,000**
- **Budget Contingency - \$1 million**
- **Allocation towards Unfunded Liability - \$550,000**
- **General Plan Update - \$150,000 (final allocation)**
- **Allocation towards Problem Properties - \$500,000**

GENERAL FUND

What does the budget include?

- **Grant for Costa Mesa United - \$100,000**
- **Funding for Equipment Replacement, Self-Insurance, Computer Equipment Replacement**
- **Helicopter Services from City of Huntington Beach - \$300,000**

GENERAL FUND REVENUES – PRELIMINARY ESTIMATES

FY 12-13 Preliminary Estimate	\$ 102,973,810
FY 11-12 Revised Estimate	101,948,235*
Amount Increase	\$ 1,025,575
Percent Increase	1.0 %

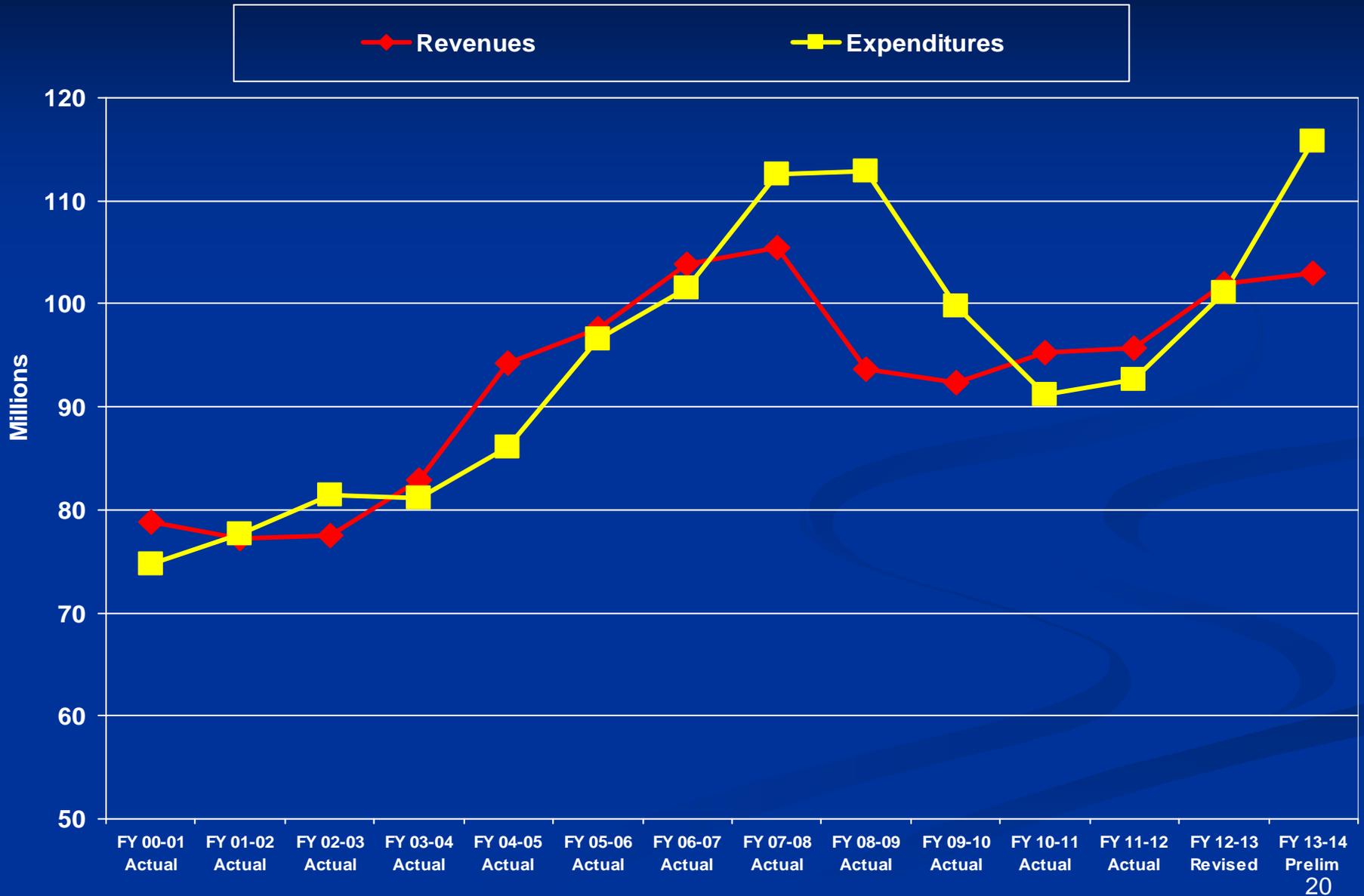
*** As revised at Mid Year**

GENERAL FUND

What does the increase consist of?

<u>Revenues</u>	<u>FY 12-13 Revised</u>	<u>FY 13-14 Preliminary</u>	<u>Increase</u>
Sales Tax	\$45.0M	\$48.5M	\$3.5M
Property Tax	21.5M	22.2M	0.7M
TOT	6.7M	7.2M	0.5M
Use of Money&Prop	3.8M	3.0M	- 0.8M
Other Govt Agen	12.3M	9.8M	- 2.5M
Subtotal	<u>89.3M</u>	<u>90.7M</u>	<u>1.4M</u>
Other Accounts	<u>12.6M</u>	<u>12.3M</u>	<u>- 0.3M</u>
Total	<u><u>\$101.9M</u></u>	<u><u>\$103.0M</u></u>	<u><u>\$1.1M</u></u>

GF 14 Year Historical – Revenues vs. Expenditures



FISCAL YEAR 2013-2014 PRELIMINARY BUDGET

- Copies available for Public Viewing at:
City Clerk's Office at 77 Fair Drive
(City Hall – 1st Floor)
- Public Libraries at:
Costa Mesa Branch, 1855 Park Avenue
Mesa Verde Branch, 2969 Mesa Verde Drive
- City's Website: www.costamesaca.gov
- Additional information contact 714-754-5243

FISCAL YEAR 2013-2014 PRELIMINARY BUDGET

- *CITY COUNCIL STUDY SESSION –*
June 11, 2013 at 4:30 in Council Chambers

- *CITY COUNCIL MEETING TO ADOPT
BUDGET –*
June 18, 2013 at 6:00 in Council Chambers

City of Costa Mesa

FISCAL YEAR 2013-2014 PRELIMINARY BUDGET

May 28, 2013



City of Costa Mesa

FISCAL YEAR 2013-2014 PRELIMINARY CIP BUDGET

May 28, 2013



OVERVIEW - INTRODUCTION

Budget Constraints / Concerns

- Preliminary CIP Budget &
City's General Fund deficit
- CEO Recommendations
- Proposed CIP Budget
(Preliminary Budget with CEO Recommendations)

PRELIMINARY CIP BUDGET & GENERAL FUND DEFICIT

- Preliminary budget includes 65 projects totaling \$31.5 million
- However requires a transfer of funding from the General Fund - \$16.7 million
- General Fund currently has a deficit of \$12.7 million - \$4.0 million difference

CEO RECOMMENDATIONS

- To balance the General Fund budget, CEO recommends the General Fund reduce the transfer amount to \$3.9 million
- Complete 29 projects totaling \$18.3 million
 - \$12.0 million other funds
 - \$2.4 million grant funds
 - \$3.9 million General Fund

CIP – PRELIMINARY BUDGET WITH CEO RECOMMENDATIONS

Street Improvements	\$ 10,682,038
Curbs and Sidewalk Imp	400,000
Storm Drain Imp	3,371,600
Park Development & Maintenance	3,095,959
Parkway and Median Imp	300,000
Building Maintenance	500,000
Total	<u>\$ 18,349,597</u>

CIP – PRELIMINARY BUDGET WITH CEO RECOMMENDATIONS

- Approximately \$9.9 million from Gas Tax and Measure M Funds.
 - Citywide Street Improvements
 - Citywide Alley Improvements
 - Sidewalk and Parkway Improvements
 - Pomona Ave/Industrial Way Water Quality and Storm Drain
- \$500,000 from both Park Development Fees and Drainage Fees

CIP – PRELIMINARY BUDGET WITH CEO RECOMMENDATIONS

- \$2.4 million in grants allocated in the Capital Improvement Fund.
 - Bicycle racks at various City facilities
 - Bicycle education at elementary schools
 - Bicycle signal and Crosswalk - Placentia Ave
 - Bristol Street & Placentia Ave medians
 - Red Hill Ave median
 - East 19th Safe Route to School

CIP – PRELIMINARY BUDGET WITH CEO RECOMMENDATIONS

- Projects proposed by CEO
 - Citywide Street Improvements - \$750,000
 - Citywide Alley Improvements - \$500,000
 - Additional lighting in Public Alleys - \$100,000
 - CM HS Track and Field Upgrade - \$500,000
 - Del Mar Ave Median Improvements - \$200,000
 - Fairview Park Parking Lot Lighting - \$650,000
 - Smallwood Park Improvements - \$500,000
 - Building Maintenance Projects - \$500,000

CIP – PRELIMINARY BUDGET WITH CEO RECOMMENDATIONS

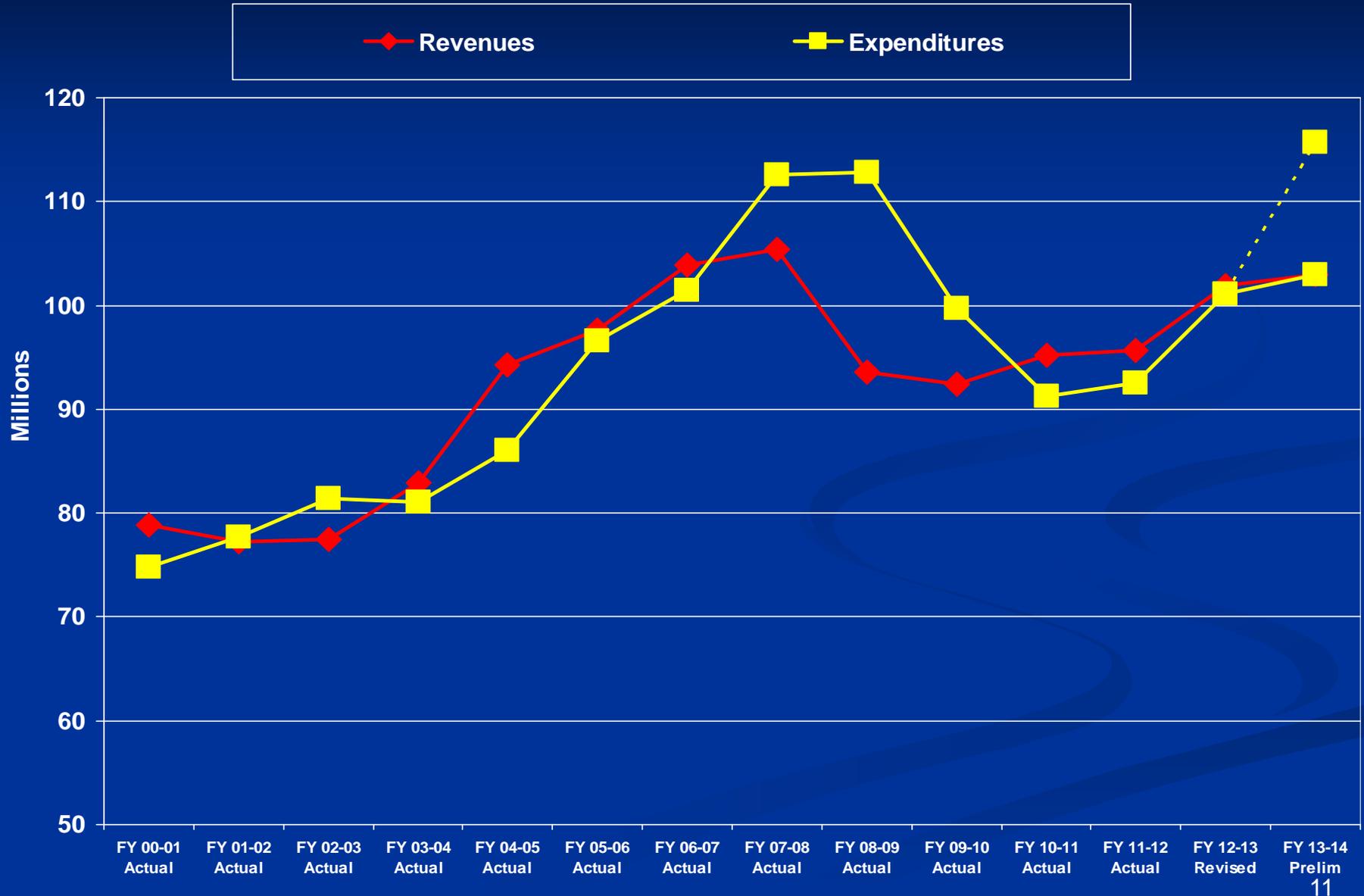
- Projects proposed by CEO
 - Citywide Tree Planting Project - \$100,000
 - TeWinkle Park Lake Repairs - \$50,000
 - Canary Drive Stairs - \$65,000
 - Parsons School Field Lighting - \$20,000

Total recommended funding - \$3,935,000

GENERAL FUND SUMMARY

Estimated Revenues	\$ 102,973,810
Prelim Fund Balance Surplus	(38,589)
FY 13-14 Total Resources	<u>\$ 102,935,221</u>
Prelim Operating Budget	98,950,221
Transfer Out	<u>3,985,000</u>
FY 13-14 Prelim Approp Budget	<u>\$ 102,935,221</u>

GF 14 Year Historical – Revenues vs. Expenditures



City of Costa Mesa

FISCAL YEAR 2013-2014 PRELIMINARY CIP BUDGET

May 28, 2013



CITY OF COSTA MESA, CALIFORNIA

SUMMARY OF REQUESTED CAPITAL IMPROVEMENT PROJECTSby Funding Source
FISCAL YEAR 2013-2014

Req Nbr	Program/Project Name	Total Preliminary	CEO Recommended (All Funding Sources)
Parkway & Median Improvements, Program #20111			
1	Arlington Drive at Newport Boulevard Streetscape	\$ 180,000	
2	Median Improvements- Adams Avenue	50,000	
3	Median Improvements- California Street	69,000	
4	Median Improvements- Del Mar Avenue	175,000	200,000 #
5	Median Improvements- Mesa Verde Drive	1,386,000	
6	Median Improvements- Red Hill Avenue	140,000	
7	Parkway Improvements- Gisler Avenue	100,900	
8	Parkway Improvements- Victoria Street	784,000	
Neighborhood Improvement Task Force, Program #50250			
9	Landscapes Improvements- Coolidge Avenue & Fillmore Way	60,000	
10	7' High Vinyl Fencing Installation along four alleys	160,000	
Street Improvements, Program #30112			
11	Bicycle Racks at Various City Facilities	39,050	39,050
12	Bicycle Education at Elementary Schools	138,600	138,600
13	Bicycle Signal Project on Placentia Avenue	244,288	244,288
14	Bristol Street Medians (Baker St. to Newport Blvd.)	109,300	109,300
15	CDBG Alley Improvements- Alley No.'s 16, 17, 18 & 42	447,500	447,500
16	CDBG Alley Improvements- Alley No.'s 120 & 121	315,000	315,000
17	Citywide Street Improvements	6,800,000	6,800,000 #
18	Citywide Unimproved Alley (Alley No.'s 005, 051, 119, & 125)	1,100,000	1,100,000 #
19	Additional Lighting in Public Alleys	100,000	100,000 #
20	East 19th Street Safe Routes to School Project	770,900	770,900
21	Placentia Avenue- 20th Street Crosswalk	158,900	158,900
22	Placentia Avenue Medians (Adams Ave. to Wilson St.)	105,800	105,800
23	Red Hill Avenue Medians (McCormick Ave. to Bristol St.)	102,700	102,700
24	Wallace Avenue Rehabilitations	250,000	250,000
25	Westside Improvements	250,000	
Storm Drain Improvements, Program #30122			
26	Pomona Avenue/Industrial Way Water Quality & Storm Drain Design	3,371,600	3,371,600
Curbs and Sidewalks, Program #30130			
27	Citywide Sidewalk Repair	210,000	
28	New Sidewalk/Missing Link Program	100,000	100,000
29	Parkway Improvement Program	250,000	250,000
30	Priority Sidewalk Repair	50,000	50,000
Park Maintenance, Program #40111			
31	Concrete Walkway Replacement- Various Parks	50,000	
32	Gisler Park - Replace Shelter	65,000	
33	TeWinkle Park - Middle Lake Repairs	50,000	50,000 #
34	Rehabilitate Parking Lot- Various Locations	200,000	
35	Vista Park- Installation of Trail Fencing Along Slope	40,000	
36	Wakeham Park- Renovate Tot Lot and Perimeter	190,000	
Park Development, Program #40112			
37	Bluff Stairs at South Fairview Park	275,000	
38	Canary Drive Stairs	65,000	65,000 #
39	Davis Field (Lions Park) Scoreboard	30,000	
40	Fairview Park Improvements	250,000	
41	Fairview Park Multipurpose Trail	835,959	835,959
42	Fence along Placentia Avenue	330,000	
43	Mesa Del Mar Neighborhood Entryway	78,000	
44	Jack Hammett Field 1 Upgrade	1,080,000	
45	Park Security Lighting Replacement Program	475,000	475,000
46	Parking Lot Lighting at Fairview Park	650,000	650,000 #
47	Parsons School Field Lighting	440,000	20,000 #
48	Playground at Brentwood Park	500,000	
49	Restroom North of Fairview Park Entrance	525,000	
50	Smallwood Park Improvements	500,000	500,000 #
51	Talbert Nature Preserve	135,000	
52	Vista Park - Veterans Memorial	60,000	
53	West Bluff Cable Railing at Fairview Park	50,000	
54	Costa Mesa High School Track and Field Upgrade	3,500,000	500,000 #
Building Maintenance, Program #50910			
55	Mesa Verde Library- Repaint Interior & Replace Carpet	50,000	
56	DRC- Replace Concrete Pool Decking	50,000	
57	DRC- Replace Swimming Pool Plaster	100,000	
58	Fire Station #3- Replace Roof	94,000	
59	Fire Station #4- Replace Emergency Generator	90,000	
60	Fire Station #6- Replace 3 HVAC Rooftop	38,000	
61	Police Facility Heliport- Remove Underground Storage Tank	60,000	
62	Council Chambers & Broadcast Systems A/V Upgrades	1,250,000	
63	Building Maintenance Projects	1,051,890	500,000 #
Total FY 13-14 Requested CIPs		\$ 31,156,387	
Additional Projects Submitted After Preliminary Budget			
Citywide Way Finding Signage Program		225,000	
City Wide Parkway Tree Planting		100,000	100,000
Total Projects for Consideration		\$ 31,481,387	\$ 18,349,597

- General Fund funded (non grant) projects total - \$3,935,000

CITY OF COSTA MESA, CALIFORNIA
CAPITAL IMPROVEMENT PROJECT
 FISCAL YEAR 2013-2014

DEPARTMENT PUBLIC SERVICES		DIVISION Engineering			PROGRAM 30243, Signs and Markings		
PROJECT TITLE Citywide Way Finding Signage Program				PROJECT MANAGER Fariba Fazeli		[REDACTED]	
PROJECT ACCOUNT STRING:	Account 500000	Fund 401	Org 19200	Program 30243	Project	New Project ▼	
Priority Classification: <input type="checkbox"/> Class I Required by action of the City Council or legislation of another governmental agency. <input type="checkbox"/> Class II Eliminates a hazard to public health or safety. Replaces an obsolete facility or maintains or better utilizes an existing facility. Benefits the City's economic base. Results in reduced operating costs or better service. <input type="checkbox"/> Class III Prevents a substantial reduction in an existing standard of City service due to population growth. Eliminates potential hazard to health or safety, or eliminates nuisance conditions. <input checked="" type="checkbox"/> Class IV Provides a new facility or asset or improves an existing standard of service. Provides programs to increase public convenience or comfort or projects having primary social, cultural, historic or aesthetic value.							
	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Description of Expenditures							
Architect Fees	25,000	-	-	-	-	-	-
Construction	200,000	-	-	-	-	-	-
Engineering Fees	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-
Inspection	-	-	-	-	-	-	-
Land Acquisition	-	-	-	-	-	-	-
Other Costs (please identify)	-	-	-	-	-	-	-
Total	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Description of Resources							
Capital Improvement Funds	225,000	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Justification					Operating Impact:		\$ 200
This funding will be allocated towards installation of directional signs throughout the City to guide visitors/residents towards major destinations.							
GENERAL PLAN CONSISTENCY		GOAL:		POLICY:		OBJECTIVE:	

CITY OF COSTA MESA, CALIFORNIA
CAPITAL IMPROVEMENT PROJECT
 FISCAL YEAR 2013-2014

DEPARTMENT Public Services	DIVISION Maintenance Services	PROGRAM 20111 - Parkway Median Maint.
PROJECT TITLE City Wide Parkway Tree Planting		PROJECT MANAGER Bruce Hartley
PROJECT ACCOUNT STRING:	Account 500000	Fund 101
	Org 19500	Program 20111
	Project -	-
		New Project ▼
Priority Classification:		
<input type="checkbox"/> Class I Required by action of the City Council or legislation of another governmental agency. <input type="checkbox"/> Class II Eliminates a hazard to public health or safety. Replaces an obsolete facility or maintains or better utilizes an existing facility. Benefits the City's economic base. Results in reduced operating costs or better service. <input type="checkbox"/> Class III Prevents a substantial reduction in an existing standard of City service due to population growth. Eliminates potential hazard to health or safety, or eliminates nuisance conditions. <input checked="" type="checkbox"/> Class IV Provides a new facility or asset or improves an existing standard of service. Provides programs to increase public convenience or comfort or projects having primary social, cultural, historic or aesthetic value.		
	FY 13-14	FY 14-15
	FY 15-16	FY 16-17
	FY 17-18	FY 18-19
	FY 19-20	
Description of Expenditures		
Architect Fees	10,000	-
Construction	90,000	-
Engineering Fees	-	-
Equipment	-	-
Inspection	-	-
Land Acquisition	-	-
Other Costs (please Identify)	-	-
Total	\$ 100,000	\$ -
	\$ -	\$ -
Description of Resources		
General Fund	100,000	-
	-	-
	-	-
Total	\$ 100,000	\$ -
	\$ -	\$ -
Project Justification	Operating Impact: \$ 13,500	
<p>The objective of this project is to plant appropriate parkway trees in currently vacant locations in neighborhoods throughout the City. Planting trees helps to improve the aesthetic appearance of the community; improves air quality by sequestering carbon and producing oxygen; trees reduce urban run off and improve the water quality of storm water discharges. Trees also create shade for vehicles and understory landscape.</p> <p>This project would utilize a consulting firm to identify and evaluate planting opportunities; conduct public outreach and education; coordinate the selection of tree species; and includes installation and plant establishment. It is estimated that the project would plant approximately 800-900 trees.</p> <p>Operating impact is the annualized cost to trim the trees on a 3-year trim cycle.</p>		
GENERAL PLAN CONSISTENCY	GOAL:	POLICY:
		OBJECTIVE: