

**FY 16-17 Preliminary Budget Study Session Follow-up**

**City Council Meeting Date: May 10, 2016**

**Vacancy list:**

Assistant CEO Tammy Letourneau will provide the vacancy list to the City Council on a monthly basis.

**Franchise fee revenue:**

The reduction in franchise fee revenue (FY 16-17 budget compared to FY 15-16 projected) is due to the FY 15-16 one-time receipt of \$150,000 in reimbursement for large item pick-ups in the solid waste franchise fee revenue category.

**Property tax:**

Property tax growth for FY 16-17 is budgeted to be 1.7% over FY 15-16 projected amounts. Three factors contribute to this amount:

1. A basic 3% post-recession growth rate was applied to FY 15-16 budgeted amounts for secured property tax based on historical trends. Secured property tax is running a bit above budget in the current year. This is somewhat offset by a slowdown in supplemental property tax and penalties.
2. The Santa Ana/Colleen Island annexation adds an additional \$8,777
3. Twenty-six new developments were analyzed with the assistance of Development Services. The estimated impact of these developments on assessed values was spread over three years with nine of the new developments included in FY 16-17. The estimated FY 16-17 increase for these was \$213,000.

There were 57 additional residential units for calendar year 2015.

**Landscaping Itemization:**

As requested, provided in the attachment is the calculation of the proposed Landscaping and Sprinkler increase.



Landscaping and  
Sprinklers.pdf

**FY 16-17 Employee and Employer Retirement Rates:**

The table below shows the breakdown between the employee and employer contribution rates as a percentage of payroll:

| Group  | Employee | Employer | Total   |
|--------|----------|----------|---------|
| Misc.  | 17.044%  | 26.187%  | 43.231% |
| Fire   | 5.000%   | 63.702%  | 68.702% |
| Police | 11.000%  | 53.611%  | 64.611% |

**CPI adjustment on fees:**

Regarding the concept of an annual CPI adjustment on fees, staff will consider including a fee schedule in the FY 17-18 budget, prepare a list of fees that would be affected and the revenue impact of any recommended fee changes. It should be noted that any revisions to Parks & Community Services would also need to be reviewed by the Parks & Recreation Commission.

**Requested Budget Increases/Decreases (RBI):**

Attached is a comprehensive list of FY 16-17 citywide RBIs. This list includes all requests with highlights of those approved.



All RBIs  
Combined.pdf

**Balearic Community Center:**

Attached is the Balearic Community Center original agreement.



BCC Lease.pdf

**Code Enforcement night-time inspections, \$30,000 increase will be used for:**

- Early morning inspections related to the homeless effort
- Group Home enforcement
- Concerns at Target
- Late night inspections at night clubs
- Noise/CUP concerns

**CIP Projects #20-21 Active Transportation Program:**

- Bike racks: Public Services staff will work with the Bikeway & Walkability Committee to determine bike racks that are the best value for the City.
- Way finding: Staff will work with the Bikeway & Walkability Committee to determine additional way finding signs along the bike trails that would benefit the trail users.

**Self-Insurance Fund:**

Attached is a summary of facts related to Fund 602 Self-Insurance Fund.



Fund 602.pdf

**Shalimar Street:**

Parks & Community Services will consider options for a possible neighborhood park concept at the end of Shalimar Street.

**Jack Hammett Sports Complex:**

Attached is Public Services Director Ernesto Munoz's budgetary estimates for the construction of two synthetic turf fields and supporting facilities.



Jack Hammett  
Sports Complex mer

**Donald Dungan Library/NCC/Park and Fire Station 1:**

Attached is the proposed funding schedule for Donald Dungan Library/NCC/Park and Fire Station.



Donald Dungan  
NCC FS 1.pdf

**FY 16-17 Preliminary Budget Community Meeting Follow-up**

**Meeting Date: May 19, 2016**

**Capital Improvement Program (CIP):**

In order to facilitate understanding of what projects are included in each program on the summary slide, subtotals will be included on the CIP project listing. (Pages 226-229 of the FY 16-17 Preliminary Operating & Capital Budget Book.)

**Donald Dungan Library/NCC/Park and Fire Station 1:**

The estimated debt amount is \$29,475,196. In addition to the information on the slide on page 3, the estimated term and interest rate is 30 years at 4.5% for an annual payment of \$1,792,158. Total of all debt payments, including principal and interest, is estimated to be \$53,764,736.

**Citywide Alley Improvements:**

As of FY 15-16, Project 300158-Additional Lighting in Public Alley has a project balance of \$95,393. Public Services to evaluate continuation or reallocation of available funds.

**Park Development Fees:**

The table below details the revenue sources for Fund 208-Park Development Fees:

| Revenue               | FY 15-16<br>Adopted | FY 15-16<br>Actuals | FY 16-17<br>Preliminary |
|-----------------------|---------------------|---------------------|-------------------------|
| Investment Earnings   | \$ 15,000           | \$ 17,174           | \$ 15,000               |
| Park Development Fees | 500,000             | 1,664,688           | 1,761,117               |
| Total Fund 208        | \$515,000           | \$1,681,862         | \$1,776,117             |

**Police Department Staffing Levels:**

Attached is the Police Department's Personnel Summary for FY 14-15 and FY 15-16. The report contains budgeted and filled positions; summarized by Organization and Program.



FY 14 15 and FY 15  
16 Adopted Budget