



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

"SHIRTSLEEVE" SESSION

Date: April 30, 2013

Time: 7:00 a.m.

For information regarding this Agenda please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

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Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Receive Presentation Regarding Fiscal Year 2013/14 Budget (CM)

C. Comments by Public on Non-Agenda Items

D. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Receive Presentation Regarding Fiscal Year 2013/14 Budget
MEETING DATE: April 30, 2013
PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Receive presentation regarding Fiscal Year 2013/14 budget.

BACKGROUND INFORMATION: The Fiscal Year (FY) 2013/14 budget is built on a number of basic economic assumptions.

The draft budget is on schedule to be released for public review in mid-May, with adoption of the document scheduled for early June.

In advance of publication of the document, staff is planning a series of presentations that will provide Council and the public with the basic parameters that form the foundation of the budget.

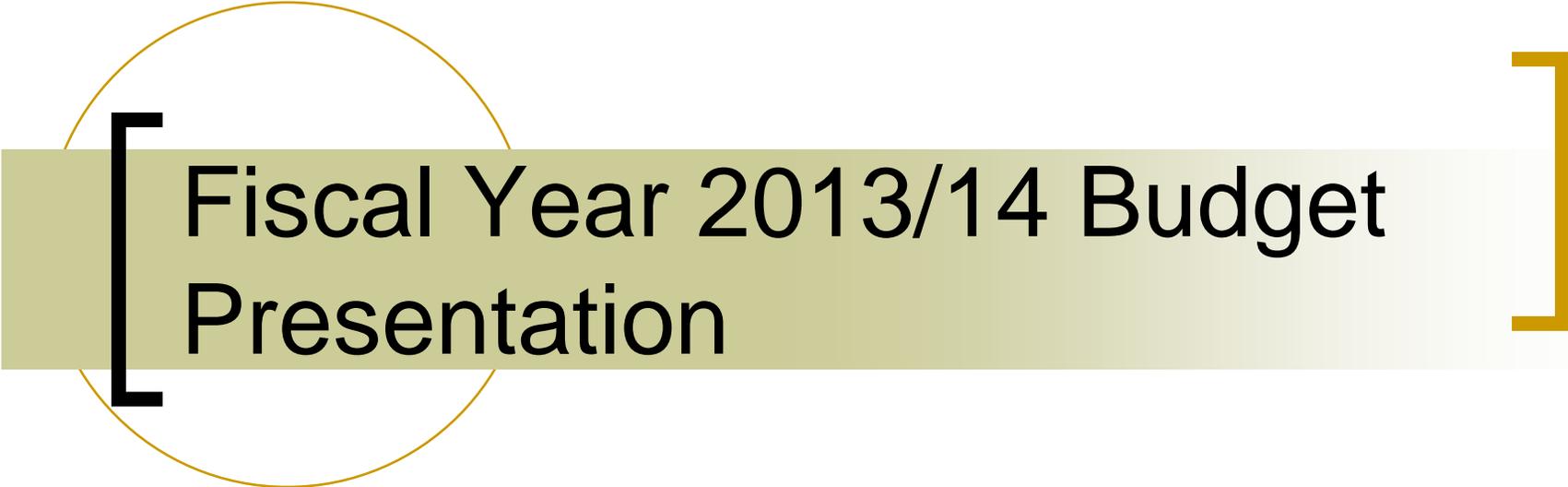
Today's discussion will focus on general economic parameters and general fund revenues.

FISCAL IMPACT: General Fund revenues are expected to be \$42,198,820, an increase of \$288,880 over the prior year.

Jordan Ayers
Deputy City Manager

JA/ja

APPROVED: _____
Konradt Bartlam, City Manager



Fiscal Year 2013/14 Budget Presentation

City Council Shirtsleeve
Session

April 30, 2013

[Overview]

- General Economic Conditions
- General Fund Revenue
- Fund Balance

[Housing]

- Property values increasing
 - Highest values since 2007
- Foreclosures lower than surrounding areas
 - 0.17% in Lodi; 0.22% in San Joaquin County; 0.14% in California; 0.12% nationally

[Employment]

- Unemployment continues to track the State rather than San Joaquin County
 - 11.1% for Lodi
 - 9.7% for State
 - 14.7% for San Joaquin County

(February 2013, Employment Development Department)

[Labor Relations]

- All bargaining group agreements expire in the budget year
- Negotiations beginning after July 1
- Budget built assuming no changes to existing agreements
 - Any changes will be incorporated into the mid-year budget update

[PERS Projections]

- Recent changes take effect in FY 2015/16
 - 2013/14 Rates
 - 16.203% Miscellaneous (\$3.0 million)
 - 35.657% Safety (\$4.1 million)
 - 2015/16 Projected Rates
 - 19.40% Miscellaneous (\$3.8 million)
 - 39.94% Safety (\$4.9 million)

[General Fund Revenue]

FY 2013/14 \$42,198,820

FY 2012/13 \$41,909,940

Increase \$288,880

Top Ten General Fund Revenue Sources

Description	FY 2013/14	FY 2012/13	Difference
5031 Sales & Use Tax	\$9,657,000	\$8,880,440	\$776,560
5011 Property Taxes	\$8,156,500	\$7,850,100	\$306,400
5081 In-lieu Franchise	\$6,976,670	\$6,976,670	\$0
4210 Operating Transfers In	\$4,000,000	\$5,432,990	(\$1,432,990)
5499 In-lieu - VLF	\$4,226,000	\$4,067,830	\$158,170
5361 Rent	\$1,412,330	\$1,411,350	\$980
5036 Business License Tax	\$1,122,000	\$1,122,000	\$0
5051 Waste Removal Franchise	\$980,000	\$971,630	\$8,370
5207 Late Pmt-Utilities	\$900,000	\$870,000	\$30,000
5054 Cable TV Franchise	\$531,000	\$500,000	\$31,000

[Sales Tax]

- Budgeted year over year increase of \$776,560
 - 8.7% increase over prior year budget
 - 4.2% increase over prior year estimated receipts
 - 10% increase in tax paying businesses in calendar 2012

[Property Tax]

- Year over year increase of \$306,400
 - 3.9% increase over FY 2012/13 budget
 - 2.0% increase over FY 2012/13 estimated receipts

[In-Lieu Franchise (PILOT)]

- Formula based upon increase in customer counts
- No increase over prior year

[Operating Transfers]

- \$1.4 million reduction from prior year
- Phasing in results of consultant study regarding cost of services
- Reflects decrease in General Fund expenditures since 2007

[In-Lieu - VLF]

- Year over year increase of \$158,170
 - 3.9% increase over FY 2012/13 budget
 - 2.0% increase over FY 2012/13 estimated receipts

[Fund Balance]

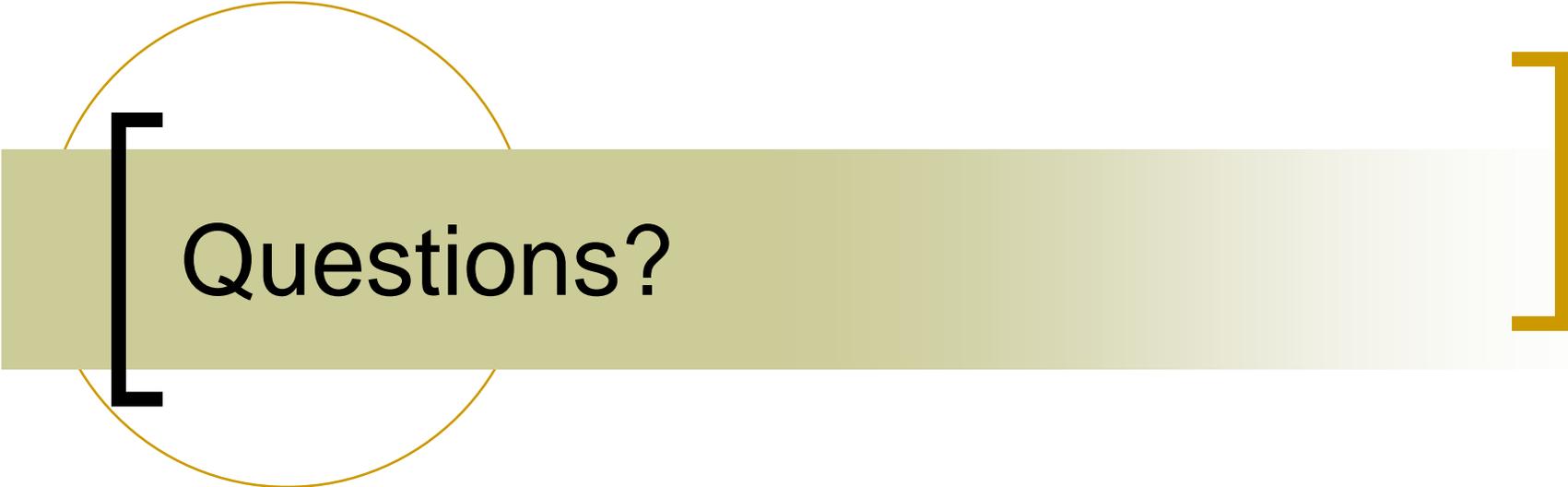
- Reserve Policy places 8% into Catastrophic Reserve
- Next 8% into Economic Reserve
- Available through Council action

[Reserve Status]

Estimated Fund Balance, June 30, 2013	\$7,044,415
Net Revenues/Expenditures	<u>0</u>
Estimated Fund Balance, June 30, 2014	<u><u>\$7,044,415</u></u>

Allocation of Estimated Fund Balance June 30, 2014

Catastrophic Reserve	\$3,375,906
Economic Reserve	\$3,375,906
Available	<u>292,603</u>
Total Fund Balance	<u><u>\$7,044,415</u></u>



Questions?