



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

"SHIRTSLEEVE" SESSION

Date: May 24, 2016

Time: 7:00 a.m.

For information regarding this Agenda please contact:

Jennifer M. Ferraiolo

City Clerk

Telephone: (209) 333-6702

Informal Informational Meeting

A. Roll Call by City Clerk

B. Topic(s)

B-1 Receive Presentation Regarding Fiscal Year 2016/17 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.

Jennifer M. Ferraiolo
City Clerk

All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 72 hours prior to the meeting date. Language interpreter requests must be received at least 72 hours in advance of the meeting to help ensure availability. Contact Jennifer M. Ferraiolo at (209) 333-6702. Solicitudes de interpretación de idiomas deben ser recibidas por lo menos con 72 horas de anticipación a la reunión para ayudar a asegurar la disponibilidad. Llame a Jennifer M. Ferraiolo (209) 333-6702.



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Receive Presentation Regarding Fiscal Year 2016/17 Budget
MEETING DATE: May 24, 2016
PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Receive presentation regarding Fiscal Year 2016/17 budget.

BACKGROUND INFORMATION: The Fiscal Year (FY) 2016/17 budget is built on a number of basic economic assumptions.

Staff released the draft Fiscal Year 2016/17 budget document on May 12, 2016. Council is scheduled to consider adoption of the budget in early June.

Staff has held a series of presentations that provided Council and the public with the basic parameters that form the foundation of the budget. The Shirtsleeve session on April 26, 2016 focused on general economic issues the City is addressing in the budget process along with general fund revenue projections. The Shirtsleeve session on May 10, 2016 addressed the Electric, Water and Wastewater utilities.

Today’s discussion will focus on the special revenue funds of the City; the Library Fund, the Transit Fund, the Streets Fund, the Fleet Fund, the Community Development Fund and the Parks, Recreation and Cultural Services (PRCS) Fund.

FISCAL IMPACT: Revenues, expenditures and increases/decreases to reserves are as noted below:

Fund	Revenues FY 16/17	Expenditures FY 16/17	Increase/(Decrease) to Reserves
Library	\$1,427,100	\$1,362,400	\$64,700
Transit	\$6,524,840	\$5,894,270	\$630,570
Streets	\$14,834,980	\$3,887,610	\$10,947,370
Fleet	\$1,886,930	\$1,886,930	\$0
Community Development	\$2,368,760	\$2,192,120	\$176,640
PRCS	\$6,241,400	\$6,292,640	(\$51,240)

 Jordan Ayers
 Deputy City Manager

JA/ja

APPROVED: _____
 Stephen Schwabauer, City Manager



Fiscal Year 2016/17 Budget Presentation

City Council Shirtsleeve Session
May 24, 2016

[Overview]

- Special Revenue Funds
 - Library
 - Transit
 - Streets
 - Fleet
 - Community Development
 - Parks, Recreation and Cultural Services

Library Overview

Statement of Estimated Changes in Fund Balance

For the Fiscal Year Ended June 30, 2017

With Audited Actuals for FY 2013-14 and FY 2014-15 and Comparative Budget FY 2015-16

Library Fund	Audited	Audited		Estimated	
	2013-14	2014-15	2015-16	2015-16	2016-17
	Actuals	Actuals	Budget	Actuals	Budget
Fund Balance					
Beginning Fund Balance Unreserved	54,577	182,490	236,590	264,822	457,902
Revenues	1,451,316	1,433,747	1,400,561	1,433,140	1,427,100
Expenditures	<u>1,323,403</u>	<u>1,351,415</u>	<u>1,396,831</u>	<u>1,240,060</u>	<u>1,362,400</u>
Net Difference (Revenues Less Expenditures)	127,913	82,332	3,730	193,080	64,700
Fund Balance					
Ending Fund Balance Unreserved	<u>182,490</u>	<u>264,822</u>	<u>240,320</u>	<u>457,902</u>	<u>522,602</u>

[Library]

- Revenues \$26,539 higher than FY 2015/16 budget
 - General Fund transfer increase - \$24,560
 - General Fund transfer \$1,373,740
 - 96% of total funding
- Expenditures \$34,431 lower than FY 2015/16 budget
 - Eliminate Library Assistant position (\$74,320)

Transit Overview

Statement of Estimated Changes in Fund Balance

For the Fiscal Year Ended June 30, 2017

With Audited Actuals for FY 2013-14 and FY 2014-15 and Comparative Budget FY 2015-16

Transit Fund	Audited	Audited		Estimated	
	2013-14	2014-15	2015-16	2015-16	2016-17
	Actuals	Actuals	Budget	Actuals	Budget
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance (Net Assets) Unreserved	3,318,065	4,039,137	5,024,857	6,473,334	8,603,244
Revenues	4,106,677	6,567,876	5,302,630	7,516,270	6,524,840
Expenditures	<u>3,385,605</u>	<u>4,133,679</u>	<u>6,506,424</u>	<u>5,386,360</u>	<u>5,894,270</u>
Net Difference (Revenues Less Expenditures)	721,072	2,434,197	(1,203,794)	2,129,910	630,570
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance (Net Assets) Unreserved	<u>4,039,137</u>	<u>6,473,334</u>	<u>3,821,063</u>	<u>8,603,244</u>	<u>9,233,814</u>

[Transit]

- Revenue \$1,222,210 higher than FY 2015/16 budget
 - \$400,000 increase in TDA funds
 - \$829,000 increase in Federal Grants

[Transit]

- Expenses \$612k lower than FY 2015/16 budget
 - Salary & benefits - \$33,680 higher
 - Supplies/services - \$75,750 higher
 - Capital projects - \$721,584 lower

[Transit Capital Projects]

- Bus shelter/stop improvements (\$700k)
- Facility upgrades (\$200k)
- CNG replacement equip (\$300k)
- Security upgrades (\$129k)
- Fleet facility equip (\$100k)
- Bus purchases (\$1.1M)

Streets

Statement of Estimated Changes in Fund Balance

For the Fiscal Year Ended June 30, 2017

With Audited Actuals for FY 2013-14 and FY 2014-15 and Comparative Budget FY 2015-16

Street Fund	Audited	Audited		Estimated	
	2013-14	2014-15	2015-16	2015-16	2016-17
	Actuals	Actuals	Budget	Actuals	Budget
<u>Fund Balance</u>					
Beginning Fund Balance	4,964,236	3,987,299	2,968,959	3,192,312	2,535,772
Revenues	5,402,639	5,046,221	20,908,392	8,408,010	14,834,980
Expenditures	<u>6,379,576</u>	<u>5,841,208</u>	<u>22,395,164</u>	<u>9,064,550</u>	<u>3,887,610</u>
Net Difference (Revenues Less Expenditures)	(976,937)	(794,987)	(1,486,772)	(656,540)	10,947,370
<u>Fund Balance</u>					
Ending Fund Balance	<u>3,987,299</u>	<u>3,192,312</u>	<u>1,482,187</u>	<u>2,535,772</u>	<u>13,483,142</u>

[Streets]

- Revenues \$6.1M lower than FY 2015/16 budget
 - Gas tax - \$41k lower
 - TDA - \$200k lower
 - Development fees - \$324k higher
 - Federal grants - \$6.2M lower

[Streets]

- Expenditures \$18.5M lower than FY 2015/16
 - Salaries & benefits - \$86k higher
 - Supplies/services - \$234k higher
 - Capital projects - \$18.8M lower

Street Capital Projects

- Signals (\$170,000)
- Sealing/striping (\$70,000)
- Sidewalk repairs (\$100,000)
- Pavement maintenance (\$100,000)
- Frontage wall repair/maintenance (\$20,000)
- Street improvements (\$950,000)

Fleet

Statement of Estimated Changes in Fund Balance

For the Fiscal Year Ended June 30, 2017

With Audited Actuals for FY 2013-14 and FY 2014-15 and Comparative Budget FY 2015-16

Fleet Services Internal Services Fund	Audited	Audited		Estimated	
	2013-14	2014-15	2015-16	2015-16	2016-17
	Actuals	Actuals	Budget	Actuals	Budget
<u>Fund Balance (Net Assets)</u>					
Beginning Fund Balance (Net Assets) Unreserved	1,949	48,971	48,971	123,676	158,536
Revenues	1,775,836	1,639,276	1,897,170	1,897,170	1,886,930
Expenditures	<u>1,728,814</u>	<u>1,564,571</u>	<u>1,897,170</u>	<u>1,862,310</u>	<u>1,886,930</u>
Net Difference (Revenues Less Expenditures)	47,022	74,705	-	34,860	-
<u>Fund Balance (Net Assets)</u>					
Ending Fund Balance (Net Assets) Unreserved	<u>48,971</u>	<u>123,676</u>	<u>48,971</u>	<u>158,536</u>	<u>158,536</u>

[Fleet]

- Revenues and expenses \$10,240 lower than FY 2015/16 budget
 - Salary/benefit increases offset by supply/services decreases

Community Development

Statement of Estimated Changes in Fund Balance

For the Fiscal Year Ended June 30, 2017

With Audited Actuals for FY 2013-14 and FY 2014-15 and Comparative Budget FY 2015-16

Community Development Fund	Audited	Audited		Estimated	
	2013-14	2014-15	2015-16	2015-16	2016-17
	Actuals	Actuals	Budget	Actuals	Budget
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	875,801	1,108,043	1,270,313	1,474,880	1,812,860
Revenues	1,403,928	1,595,654	1,859,500	2,003,930	2,368,760
Expenditures	<u>1,171,686</u>	<u>1,228,817</u>	<u>2,058,410</u>	<u>1,665,950</u>	<u>2,192,120</u>
Net Difference (Revenues Less Expenditures)	232,242	366,837	(198,910)	337,980	176,640
<u>Fund Balance</u>					
Ending Fund Balance Unreserved	<u>1,108,043</u>	<u>1,474,880</u>	<u>1,071,403</u>	<u>1,812,860</u>	<u>1,989,500</u>

[Community Development]

- Revenues \$509,260 higher than FY 2015/16 budget
 - Permit fees - \$447,700 increase
 - Fire fees - \$116,400 increase
 - Grant reimbursements - \$60,000 decrease

[Community Development]

- Expenditures \$133,710 higher than FY 2015/16
 - Salary & benefits - \$161,100 increase
 - Supplies/services - \$6,390 decrease
 - Transfer out – \$14,000 decrease

Parks, Rec & Cultural Services

Statement of Estimated Changes in Fund Balance

For the Fiscal Year Ended June 30, 2017

With Audited Actuals for FY 2013-14 and FY 2014-15 and Comparative Budget FY 2015-16

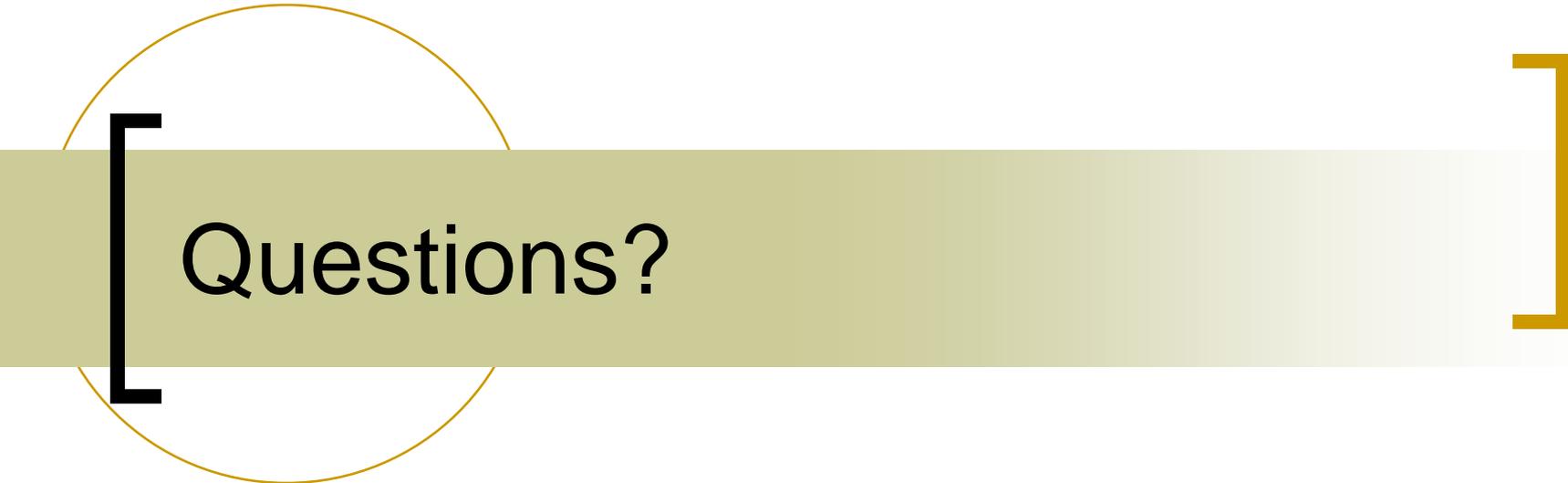
	Audited	Audited		Estimated	
	2013-14	2014-15	2015-16	2015-16	2016-17
Parks, Recreation & Cultural Svcs Fund	Actuals	Actuals	Budget	Actuals	Budget
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	(508,866)	(94,785)	(95)	229,264	52,994
Revenues	5,781,633	5,687,681	5,871,520	5,833,870	6,241,400
Expenditures	<u>5,367,552</u>	<u>5,363,632</u>	<u>6,010,180</u>	<u>6,010,140</u>	<u>6,292,640</u>
Net Difference (Revenues Less Expenditures)	414,081	324,049	(138,660)	(176,270)	(51,240)
<u>Fund Balance</u>					
Ending Fund Balance Unreserved	<u>(94,785)</u>	<u>229,264</u>	<u>(138,755)</u>	<u>52,994</u>	<u>1,754</u>

[Parks, Rec & Cultural Services]

- Revenues \$369,880 higher than FY 2015/16 budget
 - General Fund transfer of \$3,949,800
 - \$250,980 higher than prior year
 - 63% of total funding
 - Other programs showing net increase in revenue streams (\$118,900)
 - LUSD After School Program - \$44,000 higher
 - Hutchins rent – \$45,000 higher

[Parks, Rec & Cultural Services]

- Expenditures \$282,460 higher than FY 2015/16 budget
 - Salary & benefits - \$235,150 higher
 - Eliminate (1) Park Maintenance Worker I/II (\$82,340)
 - Transfer out - \$66,320 higher



Questions?