



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

"SHIRTSLEEVE" SESSION

Date: June 9, 2015

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 2015/16 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.



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Presentation Regarding Fiscal Year 2015/16 Budget

MEETING DATE: June 9, 2015

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Receive presentation regarding Fiscal Year 2015/16 budget.

BACKGROUND INFORMATION: The Fiscal Year (FY) 2015/16 budget is built on a number of basic economic assumptions.

Staff released the draft Fiscal Year 2015/16 budget in mid-May. The draft document shows total revenue for the City of \$190,738,430 and total expenses/expenditures of \$193,893,070. The General Fund reflects revenues of \$46,708,260 and expenditures totaling \$46,862,540. Expenditures exceed current year revenue by \$154,280 as Council is prefunding labor agreements with reserves over their target policy levels as part of a planned reduction related to a partial restoration of prior employee concessions.

Staff has conducted 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 May 5, 2015 focused on general economic issues the City is addressing in the budget process along with General Fund revenue projections. The Shirtsleeve Session on May 12, 2015 discussed the Electric, Water and Wastewater Utilities. The Shirtsleeve Session on May 19, 2015 addressed the Library Fund, the Transit Fund, the Streets Fund, the Fleet Fund, the Community Development Fund and the Parks, Recreation and Cultural Services Fund.

Today's discussion will focus on the expenditure side of the General Fund.

FISCAL IMPACT: Staff is presenting a General Fund budget with revenues of \$46,708,260 and expenditures of \$46,862,540, drawing down reserves by \$154,280 as part of a planned reduction related to a partial restoration of prior employee concessions.

Jordan Ayers
Deputy City Manager

JA/ja

APPROVED: _____
Stephen Schwabauer, City Manager



Fiscal Year 2015/16 Budget

City Council Shirtsleeve Session
June 9, 2015

[Overview]

- General Fund Departments
 - Police
 - Fire
 - Public Works
 - Administration
 - Internal Services
 - Non-Departmental

[General Fund]

General Fund	Audited	Audited		Estimated	
	2012-13	2013-14	2014-15	2014-15	2015-16
	Actuals	Actuals	Budget	Actuals	Budget
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	6,164,685	7,559,467	7,520,074	8,950,876	10,692,396
Revenues	41,380,988	43,428,188	43,825,560	45,085,030	46,708,260
Expenditures	<u>39,986,206</u>	<u>42,036,779</u>	<u>43,868,640</u>	<u>43,343,510</u>	<u>46,862,540</u>
Net Difference (Revenues Less Expenditures)	1,394,782	1,391,409	(43,080)	1,741,520	(154,280)
<u>Fund Balance</u>					
Ending Fund Balance Unreserved*	<u>7,559,467</u>	<u>8,950,876</u>	<u>7,476,994</u>	<u>10,692,396</u>	<u>10,538,116</u>

*Composed of Catastrophic & Economic reserve (\$3,736,661 each); DIVCA reserve (\$300,000); designated for settled labor agreements (\$1,365,440); available reserve (\$1,399,354)

Departmental Funding

Department	2014/15 Allocation	2014/15 Ratio*	2015/16 Recommended Funding	2015/16 Ratio*	Change 2014/15 to 2015/16
City Clerk	\$626,320	1.48%	\$547,020	1.22%	(\$79,300)
City Manager	\$414,420	0.98%	\$448,100	1.00%	\$33,680
City Attorney	\$490,810	1.16%	\$488,650	1.09%	(\$2,160)
Internal Services	\$3,367,710	7.97%	\$3,606,320	8.04%	\$238,610
Non-Departmental	\$7,563,810	17.90%	\$7,930,030	17.68%	\$366,220
Economic Development	\$488,280	1.16%	\$507,630	1.13%	\$19,350
Police	\$17,405,020	41.18%	\$18,241,970	40.66%	\$836,950
Fire	\$9,967,970	23.58%	\$10,749,150	23.96%	\$781,180
Public Works	\$1,940,520	4.59%	\$2,345,820	5.23%	\$405,300
Capital Projects	\$1,326,200		\$1,997,850		\$671,650
Total	\$43,591,060	100.00%	\$46,862,540	100.00%	\$3,271,480

*Excluding Capital Projects

[Police]

- \$836,950 increase from FY 2014/15
- Salary & benefit increase (\$267,000)
- Service & supplies increase (\$482,000)
- Vehicle replacement increase (\$87,900)

[Police]

- 71 sworn positions funded
- Positions recommended
 - Add Assistant Animal Services Officer
 - Delete Parking Enforcement Assistant

[Fire]

- \$781,180 increase over FY 2014/15
- 52 sworn positions
- Salary & benefit increase (\$108,100)
- Service & supply increase (\$558,800)
- Vehicle replacement increase (\$114,300)

[Public Works]

- \$405,300 increase over FY 2014/15
- No position changes
- Salary & benefits increase (\$114,500)
- Service & supply increase (\$299,300)

Administration

- Includes City Clerk, City Attorney, City Manager and Economic Development
- \$28,430 decrease over FY 2014/15
 - Election costs decrease (\$85,000)
 - Debt Service increase (\$39,000)
- Includes support for Community Events (\$85,000)

[Internal Services]

- \$238,610 increase from FY 2014/15
- No position changes
- Salary & benefit increase (\$103,100)
- Service and supply increase (\$112,000)

[Non-Departmental]

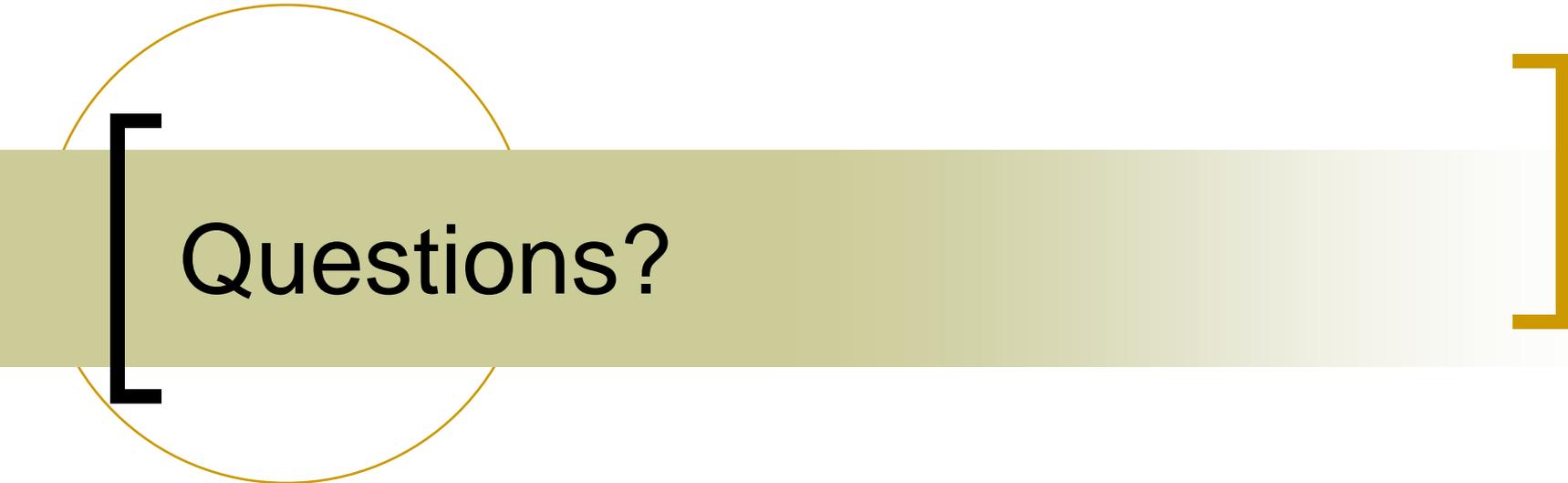
- \$1,037,870 increase over FY 2014/15
- Total appropriation \$9,927,880
- No permanent staff
- Consists of:
 - City paid utilities/postage (\$1,529,000)
 - Consulting/Audit/Property Tax Fees (\$431,500)
 - DIVCA expenses (\$100,000)
 - Transfers to other funds (\$8,422,040)

[Non-Departmental]

To	Amount
PRCS	\$3,655,620
Library	\$1,349,180
Capital Outlay	\$1,761,640
Streets	\$607,160
Debt Service	\$667,230
Community Dev	\$165,000
IT Replacement	\$236,210
Total	\$8,442,040

Capital Outlay

Purpose	Amount
Fire Station #2	\$782,050
Financial system implementation	\$250,000
City Hall Annex refurbish	\$238,220
HSS roof rehabilitation	\$170,000
Parking lot resurface	\$70,000
Animal shelter improvements	\$50,000
City Hall awning replacement	\$10,000
Total	\$1,570,270



Questions?



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Presentation Regarding Fiscal Year 2015/16 Budget

MEETING DATE: June 9, 2015

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Receive presentation regarding Fiscal Year 2015/16 budget.

BACKGROUND INFORMATION: The Fiscal Year (FY) 2015/16 budget is built on a number of basic economic assumptions.

Staff released the draft Fiscal Year 2015/16 budget in mid-May. The draft document shows total revenue for the City of \$190,738,430 and total expenses/expenditures of \$193,893,070. The General Fund reflects revenues of \$46,708,260 and expenditures totaling \$46,862,540. Expenditures exceed current year revenue by \$154,280 as Council is prefunding labor agreements with reserves over their target policy levels as part of a planned reduction related to a partial restoration of prior employee concessions.

Staff has conducted 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 May 5, 2015 focused on general economic issues the City is addressing in the budget process along with General Fund revenue projections. The Shirtsleeve Session on May 12, 2015 discussed the Electric, Water and Wastewater Utilities. The Shirtsleeve Session on May 19, 2015 addressed the Library Fund, the Transit Fund, the Streets Fund, the Fleet Fund, the Community Development Fund and the Parks, Recreation and Cultural Services Fund.

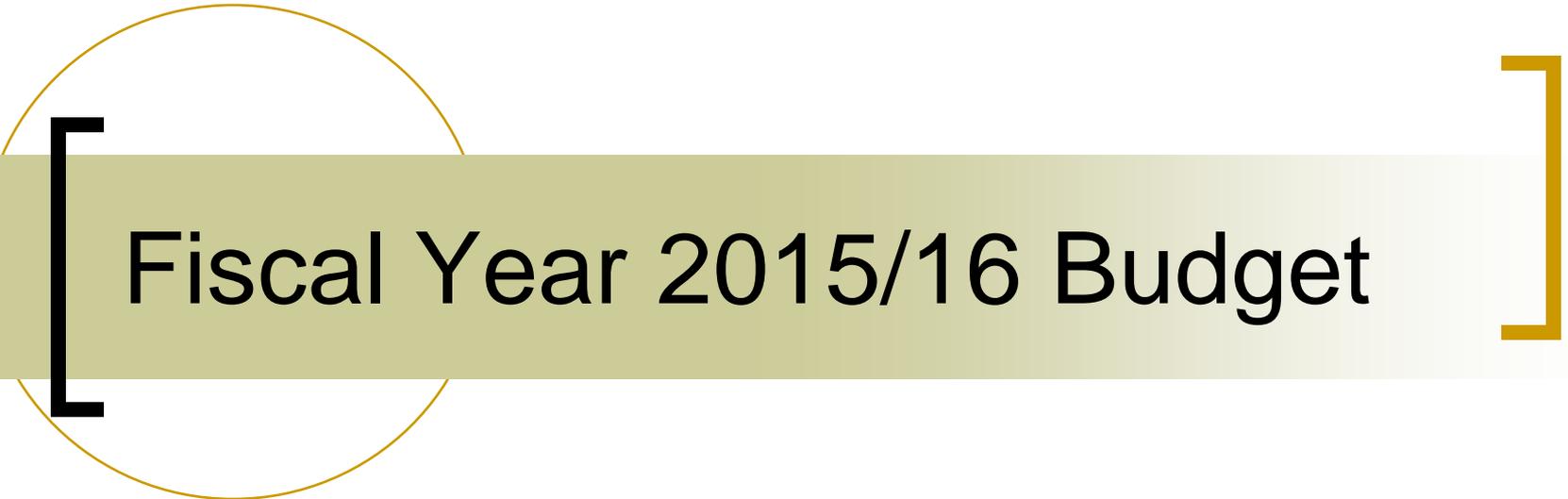
Today's discussion will focus on the expenditure side of the General Fund.

FISCAL IMPACT: Staff is presenting a General Fund budget with revenues of \$46,708,260 and expenditures of \$46,862,540, drawing down reserves by \$154,280 as part of a planned reduction related to a partial restoration of prior employee concessions.

Jordan Ayers
Deputy City Manager

JA/ja

APPROVED: _____
Stephen Schwabauer, City Manager



Fiscal Year 2015/16 Budget

City Council Shirtsleeve Session
June 9, 2015

[Overview]

- General Fund Departments
 - Police
 - Fire
 - Public Works
 - Administration
 - Internal Services
 - Non-Departmental

[General Fund]

General Fund	Audited	Audited		Estimated	
	2012-13	2013-14	2014-15	2014-15	2015-16
	Actuals	Actuals	Budget	Actuals	Budget
<u>Fund Balance</u>					
Beginning Fund Balance Unreserved	6,164,685	7,559,467	7,520,074	8,950,876	10,692,396
Revenues	41,380,988	43,428,188	43,825,560	45,085,030	46,708,260
Expenditures	<u>39,986,206</u>	<u>42,036,779</u>	<u>43,868,640</u>	<u>43,343,510</u>	<u>46,862,540</u>
Net Difference (Revenues Less Expenditures)	1,394,782	1,391,409	(43,080)	1,741,520	(154,280)
<u>Fund Balance</u>					
Ending Fund Balance Unreserved*	<u>7,559,467</u>	<u>8,950,876</u>	<u>7,476,994</u>	<u>10,692,396</u>	<u>10,538,116</u>

*Composed of Catastrophic & Economic reserve (\$3,736,661 each); DIVCA reserve (\$300,000); designated for settled labor agreements (\$1,365,440); available reserve (\$1,399,354)

Departmental Funding

Department	2014/15 Allocation	2014/15 Ratio*	2015/16 Recommended Funding	2015/16 Ratio*	Change 2014/15 to 2015/16
City Clerk	\$626,320	1.48%	\$547,020	1.22%	(\$79,300)
City Manager	\$414,420	0.98%	\$448,100	1.00%	\$33,680
City Attorney	\$490,810	1.16%	\$488,650	1.09%	(\$2,160)
Internal Services	\$3,367,710	7.97%	\$3,606,320	8.04%	\$238,610
Non-Departmental	\$7,563,810	17.90%	\$7,930,030	17.68%	\$366,220
Economic Development	\$488,280	1.16%	\$507,630	1.13%	\$19,350
Police	\$17,405,020	41.18%	\$18,241,970	40.66%	\$836,950
Fire	\$9,967,970	23.58%	\$10,749,150	23.96%	\$781,180
Public Works	\$1,940,520	4.59%	\$2,345,820	5.23%	\$405,300
Capital Projects	\$1,326,200		\$1,997,850		\$671,650
Total	\$43,591,060	100.00%	\$46,862,540	100.00%	\$3,271,480

*Excluding Capital Projects

[Police]

- \$836,950 increase from FY 2014/15
- Salary & benefit increase (\$267,000)
- Service & supplies increase (\$482,000)
- Vehicle replacement increase (\$87,900)

[Police]

- 71 sworn positions funded
- Positions recommended
 - Add Assistant Animal Services Officer
 - Delete Parking Enforcement Assistant

[Fire]

- \$781,180 increase over FY 2014/15
- 52 sworn positions
- Salary & benefit increase (\$108,100)
- Service & supply increase (\$558,800)
- Vehicle replacement increase (\$114,300)

[Public Works]

- \$405,300 increase over FY 2014/15
- No position changes
- Salary & benefits increase (\$114,500)
- Service & supply increase (\$299,300)

Administration

- Includes City Clerk, City Attorney, City Manager and Economic Development
- \$28,430 decrease over FY 2014/15
 - Election costs decrease (\$85,000)
 - Debt Service increase (\$39,000)
- Includes support for Community Events (\$85,000)

[Internal Services]

- \$238,610 increase from FY 2014/15
- No position changes
- Salary & benefit increase (\$103,100)
- Service and supply increase (\$112,000)

[Non-Departmental]

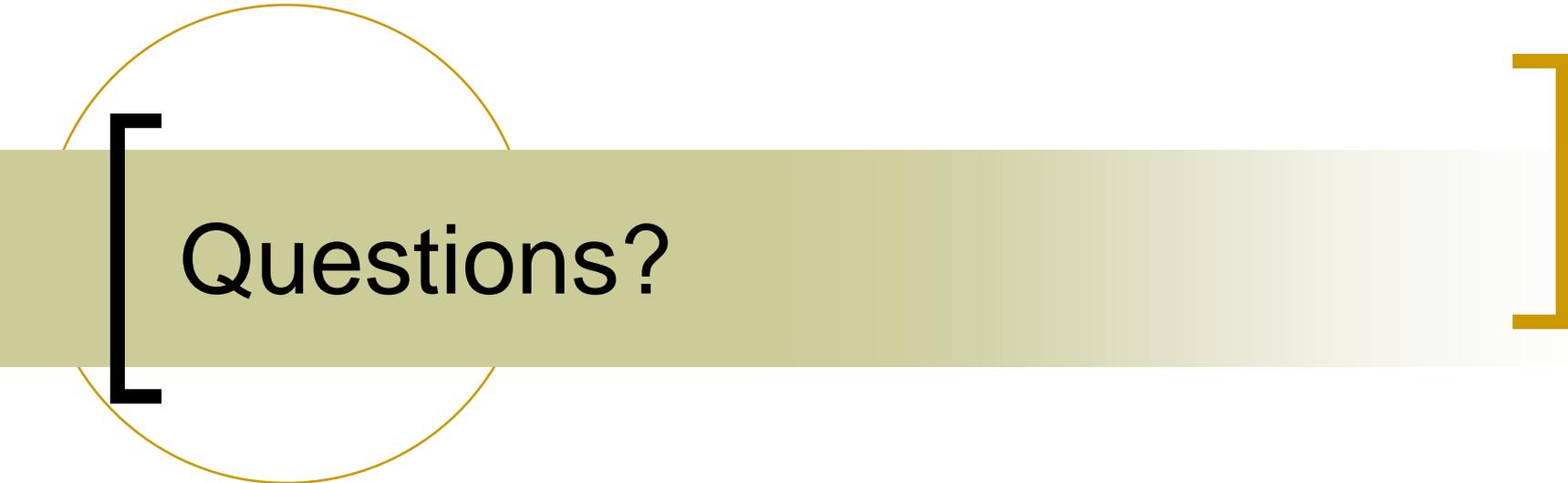
- \$1,037,870 increase over FY 2014/15
- Total appropriation \$9,927,880
- No permanent staff
- Consists of:
 - City paid utilities/postage (\$1,529,000)
 - Consulting/Audit/Property Tax Fees (\$431,500)
 - DIVCA expenses (\$100,000)
 - Transfers to other funds (\$8,422,040)

[Non-Departmental]

To	Amount
PRCS	\$3,655,620
Library	\$1,349,180
Capital Outlay	\$1,761,640
Streets	\$607,160
Debt Service	\$667,230
Community Dev	\$165,000
IT Replacement	\$236,210
Total	\$8,442,040

Capital Outlay

Purpose	Amount
Fire Station #2	\$782,050
Financial system implementation	\$250,000
City Hall Annex refurbish	\$238,220
HSS roof rehabilitation	\$170,000
Parking lot resurface	\$70,000
Animal shelter improvements	\$50,000
City Hall awning replacement	\$10,000
Total	\$1,570,270



Questions?