

# City of Alameda Mid Cycle Update to Operating and Capital Budget Fiscal Years 2013-14 and 2014-15



# Budget Presentation Outline

- Mid-Cycle Highlights
- Overview of Mid Cycle Update to All Funds & General Fund Budgets FY 13/14 & 14/15
- Proposed General Fund Budget Changes
- Revised Five Year General Fund Forecast
- Budget Changes for Other Funds
- Revised Capital Improvement Program
- Progress on Funding of Long Term Liabilities
- Approve Mid Cycle Update and Proposed Budget Adjustments



# Mid-Cycle Highlights

- **FY 13/14**

- GF Expenditures \$2m under budget (PD salary savings)
- GF Revenue \$1.4m over budget (Successor Agency)
- Expected Reserves 28% → 34% of expenditures

- **FY 14/15**

- GF Expenditures \$1.3m over expected
- GF Revenue \$275k less than expected
- Additional shortfall of \$1.6 million though FB is still \$1.8m more than expected
- Expected Reserves 25% → 27% of expenditures

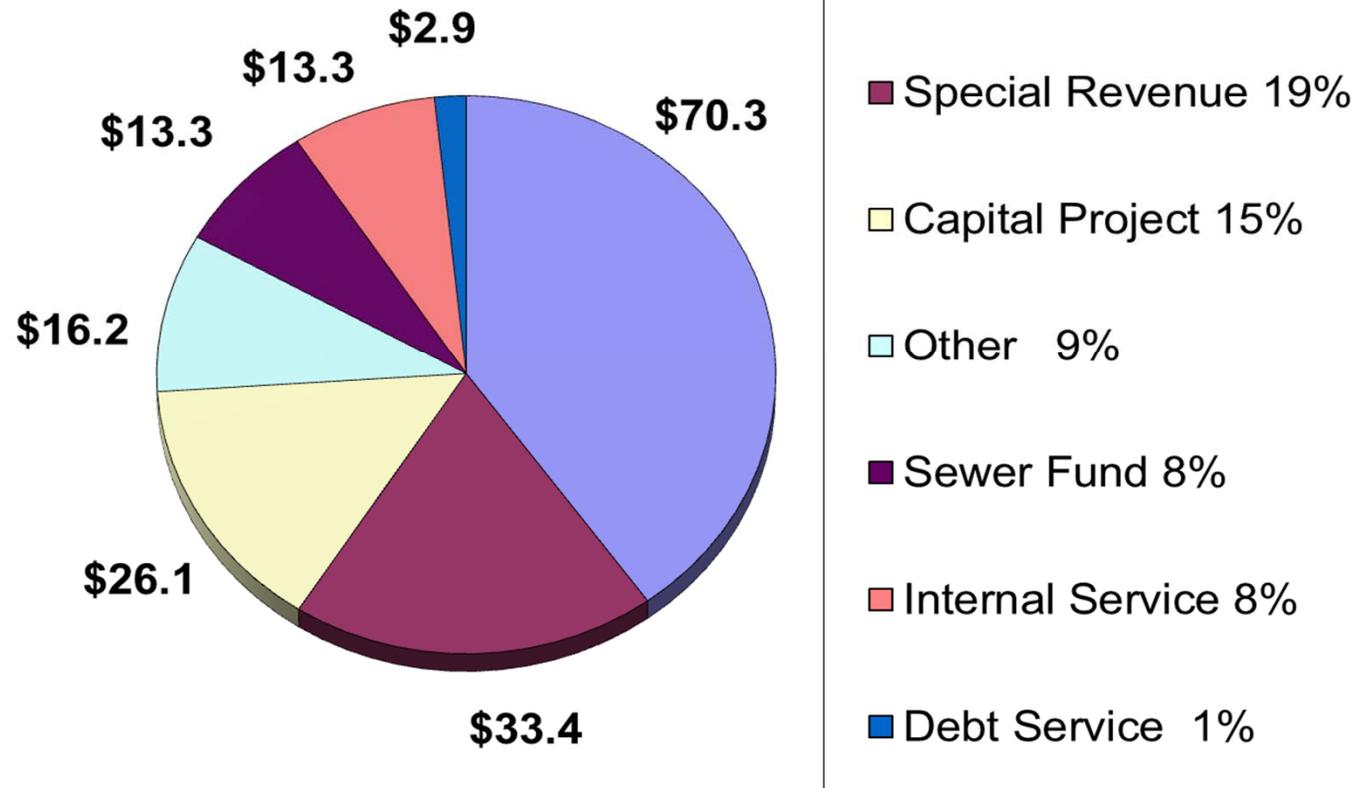


# Mid-Cycle Highlights (Continued)

- **Economic Development Initiatives**
  - Economic Development Manager (on-board)
  - Web & Communications Specialist
  - Funding for Marketing & Business Attraction Efforts
  - Parking and Parking Garage Improvements
  - Building Division Reorganization/Improvements
- **\$55 million in Capital & Maintenance Improvements:**
  - EOC (\$3.0 million)
  - Fire Station 3 (\$5.0 million)
  - Estuary Park (\$1.4 million)
- **Five Year Economic Forecast**



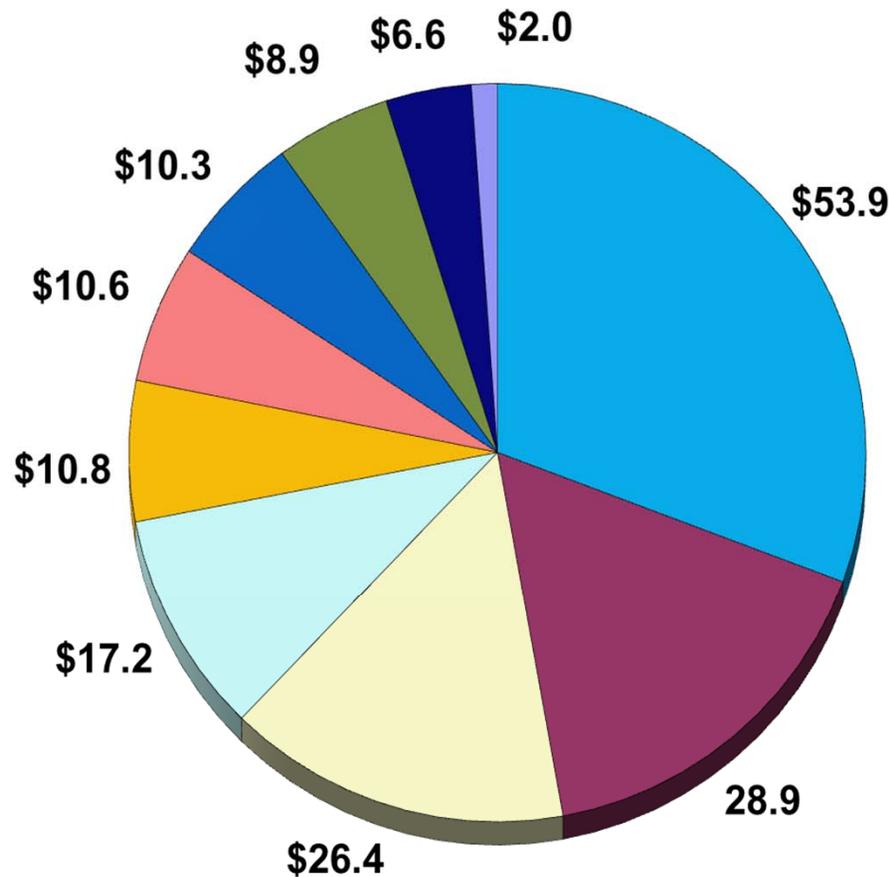
# FY 14/15 Proposed Expenditures by Fund Type - \$176 Million



Note: Excludes AMP



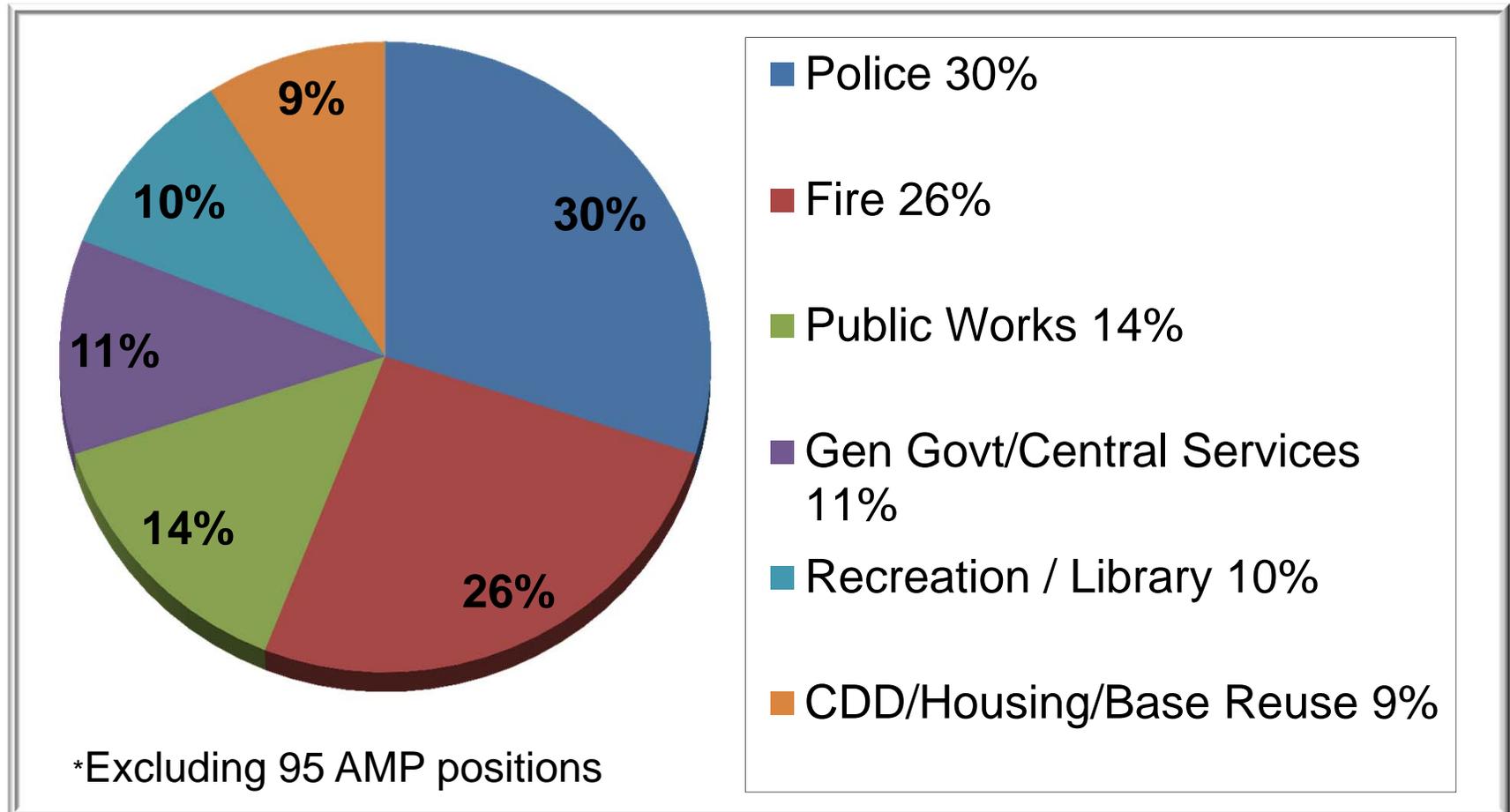
# FY 14/15 Proposed Expenditures by Department – All Funds - \$176 Million



- Public Works / CIP 31%
- Police 16%
- Fire 15%
- Administration / Other 10%
- Base Reuse 6%
- Successor Agency 6%
- Recreation & Parks / Library 6%
- Com. Dev. / Housing 5%
- Debt Service 4%
- Police/Fire Pension Trust 1%



# FY 14/15 Personnel by Department 409 positions\*



# General Fund Overview

## FY 13-14 & FY 14-15 (in millions)

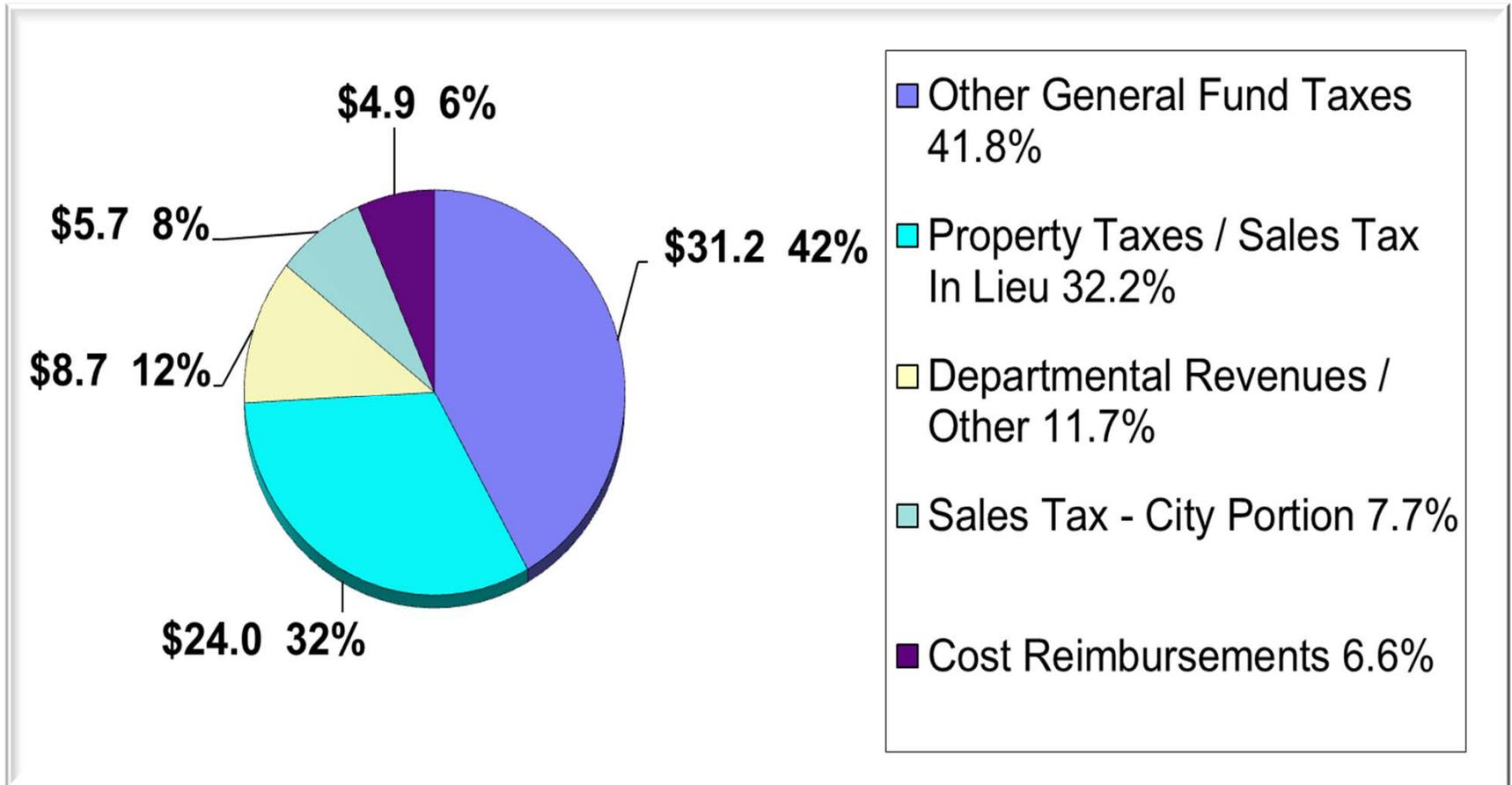
	Fiscal Year 13-14		Fiscal Year 14-15	
	Adopted	Revised	Adopted	Revised
Revenues	\$73.9	\$75.3	\$74.8	\$74.5
Expenditures	\$74.9	\$72.9	\$76.7	\$78.0
Excess/Shortage	-\$1.0	\$2.4	-\$1.9	-\$3.5
Carryover from Prior Years	\$1.0			\$3.4
Use of Fund Balance			-\$1.9	\$0.1
<b>Ending Available Fund Balance</b>	<b>\$21.3</b>	<b>\$24.7</b>	<b>\$19.4</b>	<b>\$21.2</b>
<b>% of Expenditures</b>	<b>28%</b>	<b>34%</b>	<b>25%</b>	<b>27%</b>



# General Fund - FY14-15

## Major Revenue Sources - \$75 Million

(after proposed budget adjustments)

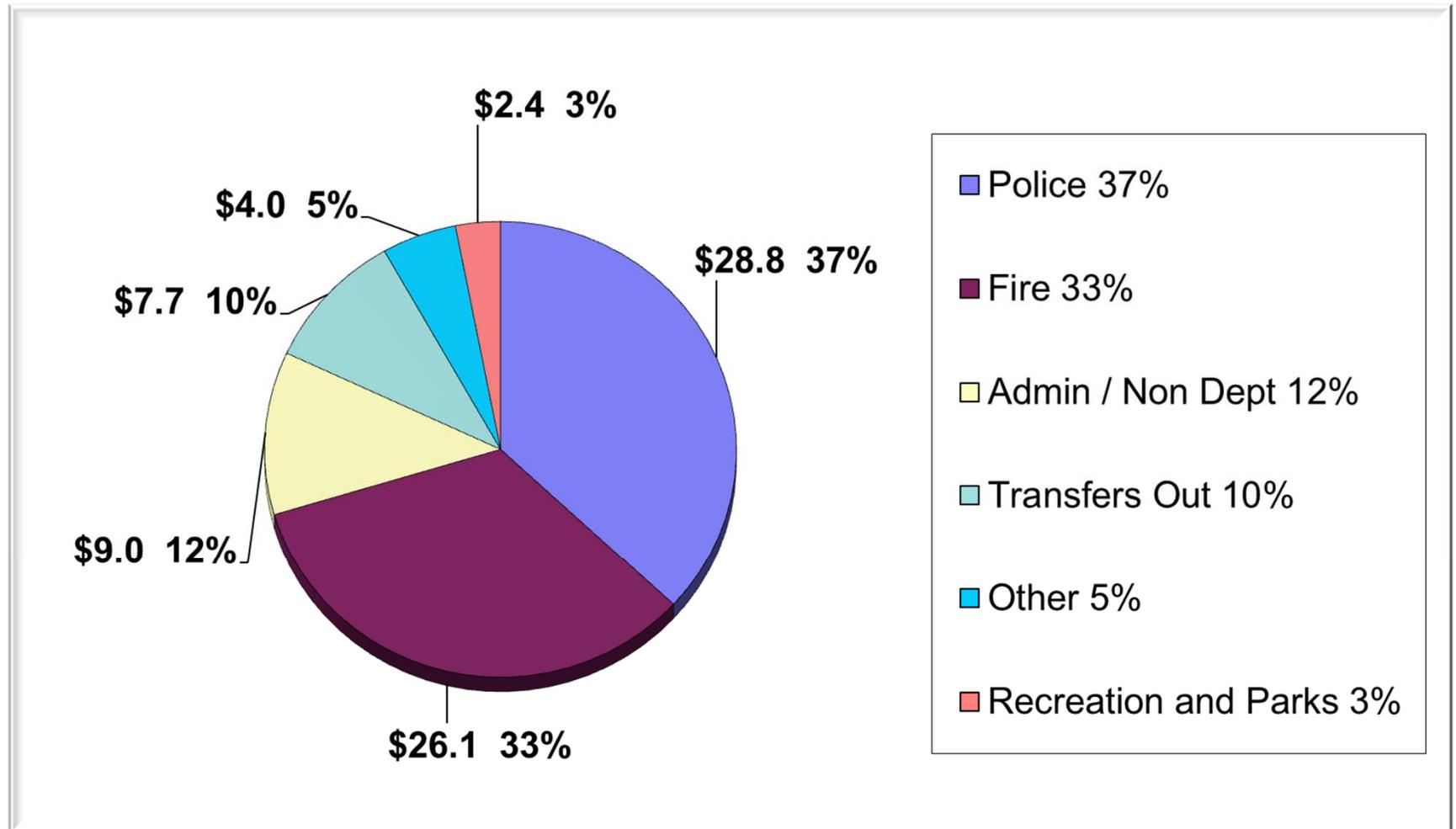


# General Fund Revenues Assumptions used in Budget

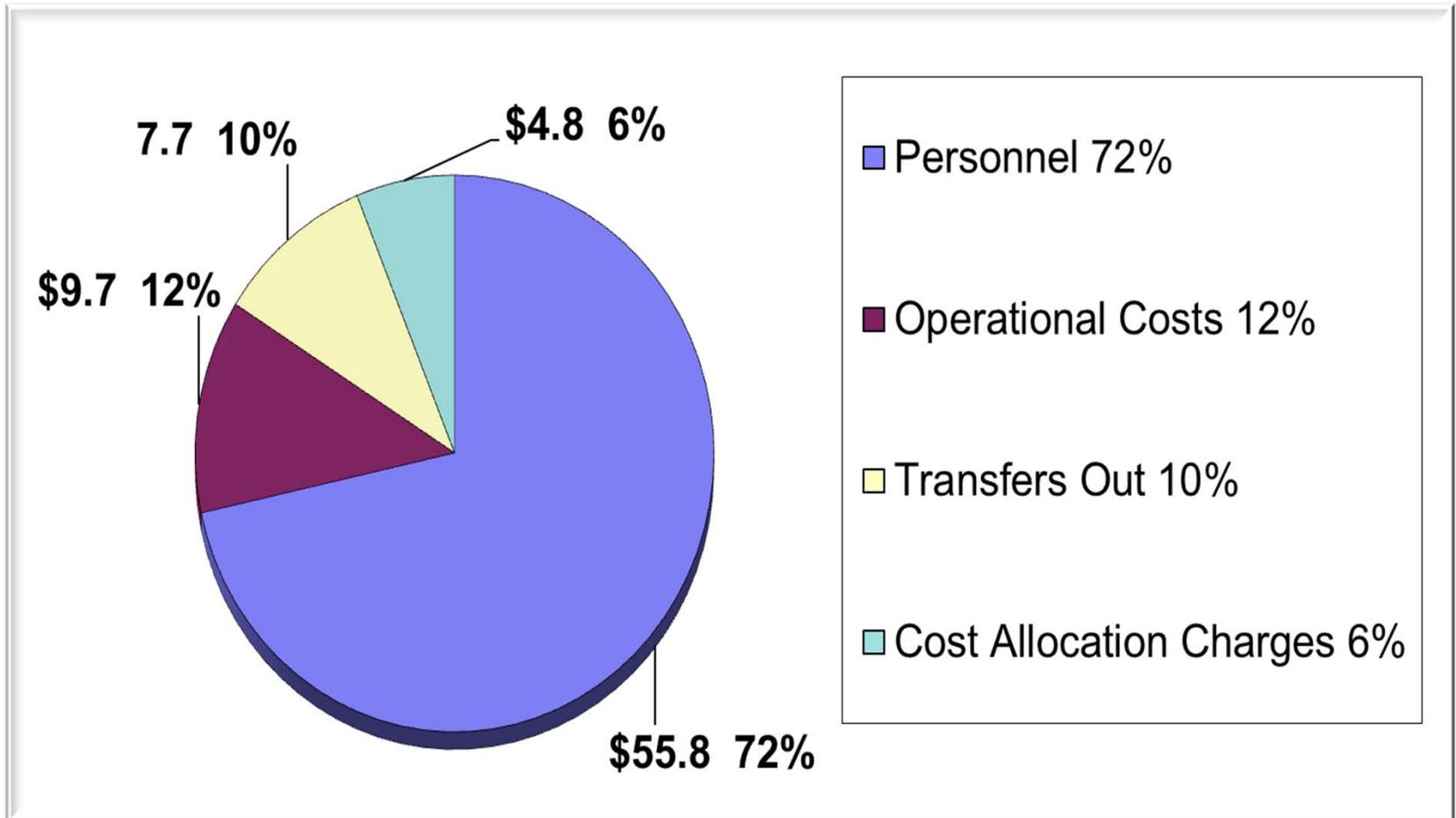
- Property Tax – 2.2% growth annually through 17-18
- Sales Tax – 4% growth 14-15, 3% thereafter
- Utility Users Tax – Flat thru 14-15, 1% growth thru 17-18
- Franchise Taxes – Drop 13-14, 0-1% growth thru 17-18
- Other Taxes – 1-2% growth through 17-18
- Departmental Revenues–1% growth through 17-18



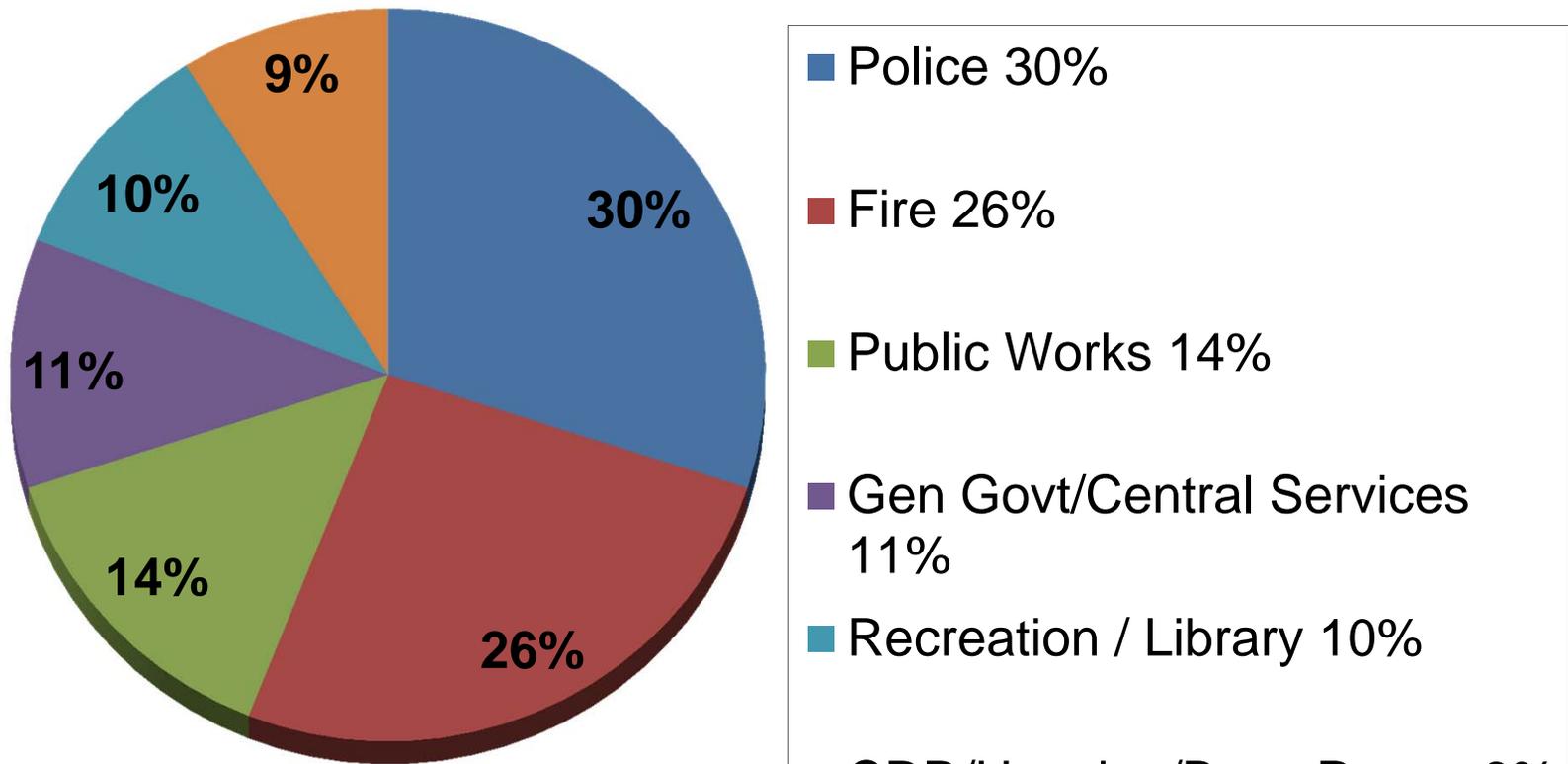
# General Fund FY 14-15 Major Expenditures by Dept \$78 Million (after proposed Budget adjustments)



# General Fund FY 14-15 Major Expenditure Categories \$78 Million (after proposed budget adjustments)



# General Fund Personnel by Department (283 positions)



\*Excluding 95 AMP positions



# General Fund FY 14-15 Summary Department Changes

Department	Expense Forecast Changes	Expense New Requests	Revenue Forecast Changes
City Council	\$2,000	\$3,000	
City Manager	(9,000)	53,000	
City Attorney		35,000	
Human Resources		57,000	
Parks and Recreation	75,000	79,000	
Fire	115,000		
Fire – BLS Transport	(159,000)		(231,000)
Police	23,000	27,000	
Central Services			(150,000)
Public Works		6,000	



# General Fund FY 14-15 Department Changes (Continued)

## A. Administration

- City Council
  - Increase in ABAG membership fees and costs to host Mayor's Conference (\$2K)
  - Individual Allowances for Community Events (\$3K)
- City Manager
  - Reallocation of Agenda Prep Software Maint. Fees (\$9K savings)
  - ICSC Conference (\$3K)
  - Staff Advocacy in Washington D.C. (\$50K)



# General Fund FY 14-15 Department Changes (Continued)

## A. Administration (continued):

- City Attorney
  - Part-Time Contract Attorney Services \$30K
  - Reconfiguration of Office Space \$5K
  
- Human Resources
  - Part-Time Staff for Civil Service Board / Records Maintenance (\$17K)
  - Additional Contract Services for Recruitment (\$40K)



# General Fund FY 14-15 Department Changes (Continued)

## B. Police

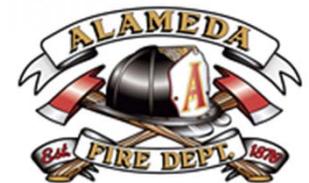
- \$23,000 to reflect cost of living adjustments in the Animal Shelter Contract not included in original budget
- \$16,000 net additional cost to:
  - Eliminate One Accounting Technician position
  - Add One Administrative Management Analyst
- \$11,000 net additional cost to:
  - Eliminate one Maintenance Worker position
  - Add one Police Technician



# General Fund FY 14-15 Department Changes (Continued)

## C. Fire

- \$39,000 for additional fuel costs for the new fire truck and boat
- \$46,000 of new costs for annual contract for the EBRCSA county-wide radio system
- \$30,000 for increased Alameda County dispatch costs
- (Net revenue reduction of \$71,705) to BLS Transport budget based on projected FY 13-14 service



# General Fund FY 14-15 Department Changes (Continued)

## D. Recreation and Parks:

- \$66,000 for increased water costs due to EBMUD increases in rates
- \$9,000 for additional hard ball costs due to the new contract with the Babe Ruth League
- \$29,000 contribution toward Estuary Park Project
- \$50,000 for the Krusi Park Renovation Project



# General Fund FY 14-15 Department Changes (Continued)

## E. Central Services / Public Works

- Reduction in Garage Revenues due to reduced services levels provided to AHA/AUSD/AMP (\$150K)
- \$6,000 as the General Fund portion for proposed personnel changes (discussed on a subsequent slide)



# General Fund FY 14-15 Department Changes (Continued)

## F. Proposed revised budget for FY 2014-15 for all funds includes:

### Updated Personnel Costs

- Incorporates revisions to salaries and benefits from approved Memorandums of Understanding (MOUS)

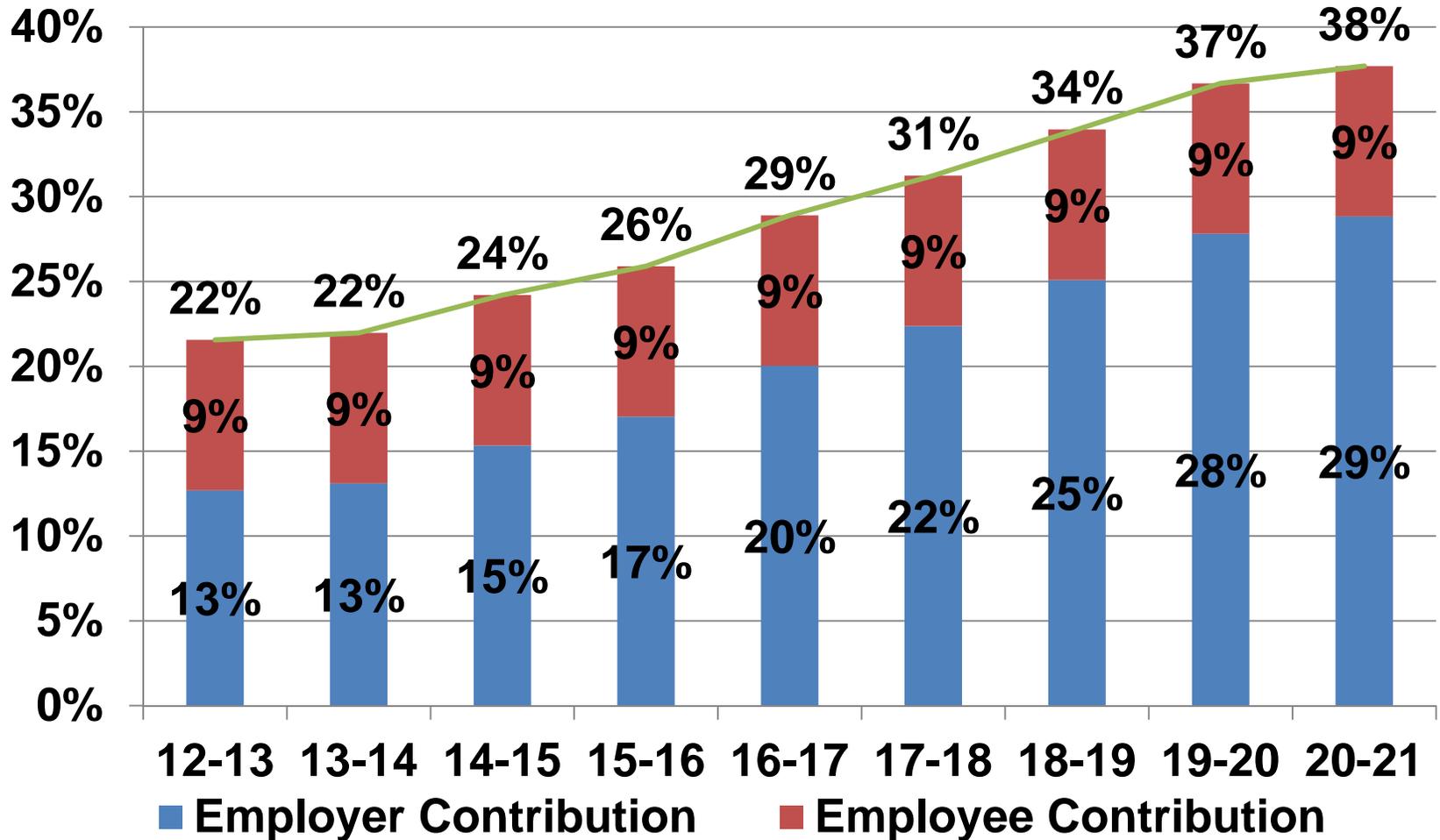
### PERS Revised Employer Contribution Rates:

- Miscellaneous employees from 16.3% → 17.201%
- Safety employees from 41.6% → 44.115%



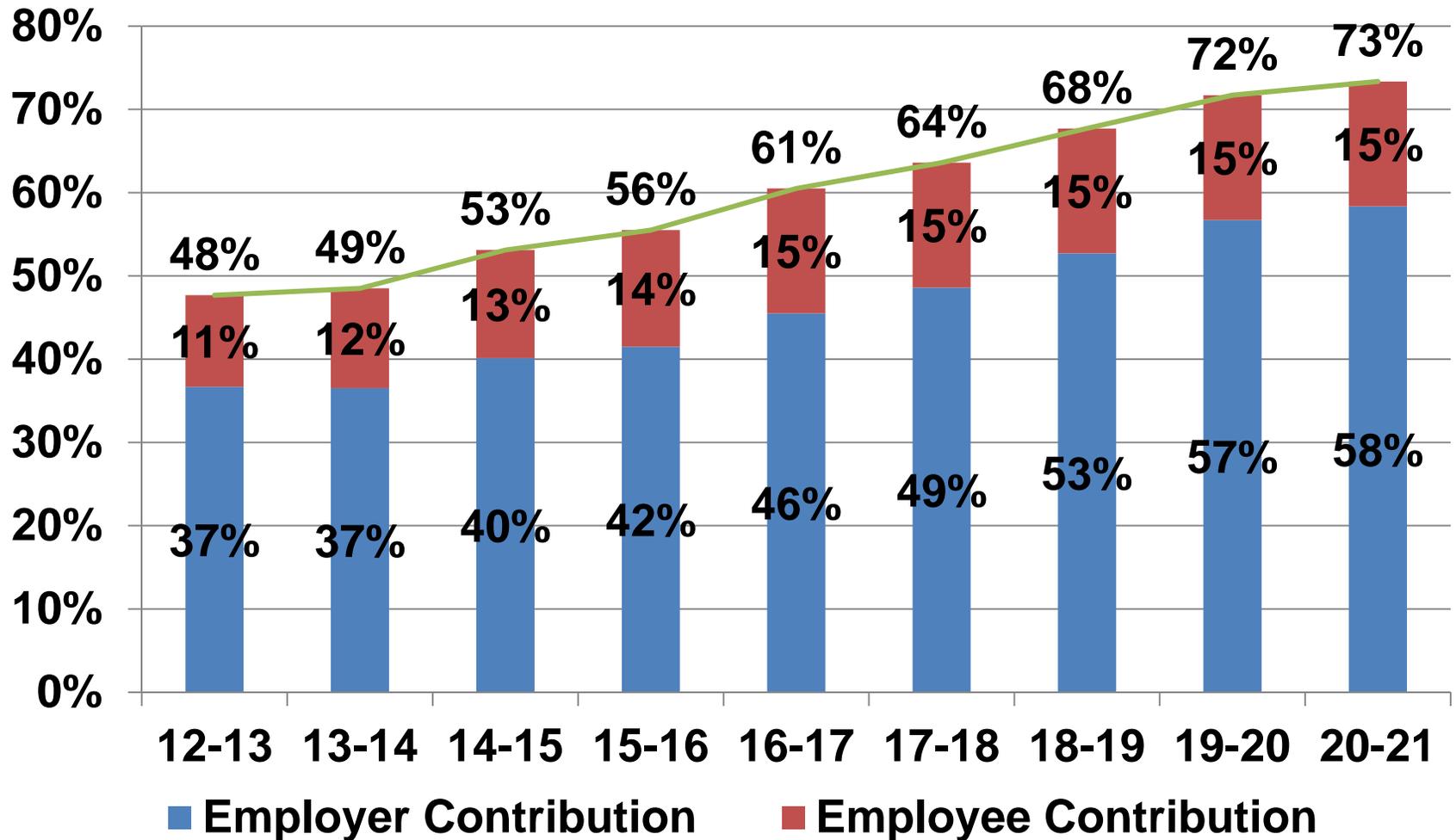
# General Fund FY 14-15

## Projected Misc. PERS Rates through FY 20-21



# General Fund FY 14-15

## Projected Safety PERS Rates through FY 20-21



# General Fund

## Revised 5 Year Forecast through 17-18 with Proposed Changes (in millions)

	13/14	14/15	15/16	16/17	17/18
Revenues	\$75.3	\$74.5	\$75.7	\$77.0	\$78.4
Expenditures	\$72.9	\$78.0	\$81.1	\$83.9	\$87.3
Excess/Shortage	\$2.4	-\$3.5	-\$5.4	-\$6.9	-\$8.9
Carryover from Prior Years		\$3.4			
Use of Fund Balance		\$0.1	\$5.4	\$6.9	\$8.9
<b>Ending Available Fund Balance</b>	<b>\$24.7</b>	<b>\$21.2</b>	<b>\$15.8</b>	<b>\$8.9</b>	<b>\$0.0</b>
<b>% of Expenditures</b>	<b>34%</b>	<b>27%</b>	<b>19%</b>	<b>11%</b>	<b>0%</b>



# Non General Fund FY 14-15



# Non General Fund FY 14-15 Summary Department Changes

Department	Expense Forecast Changes	Expense New Requests	Revenue Forecast Changes	Revenue New Changes
City Clerk	\$17,000			
Parks & Recreation	271,000	\$107,000	\$364,000	
City Attorney	10,000	60,000		
Library	14,000			
Public Works	265,000	400,000		
Community Development		975,000		371,150
Base Reuse	152,000	(156,000)		
Housing	193,000		164,000	



# Non General Fund Budgets FY 14-15

## Department Changes (Continued)

### A. Administration:

- City Attorney
  - Part-Time Contract Attorney Services \$60,000
  - City-law software annual maintenance \$10,000
- City Clerk
  - \$17K Reallocation Agenda Prep Software Maintenance Fees



# Non General Fund Budgets FY 14-15

## Department Changes (Continued)

### B. Recreation and Parks:

- \$50,000 for minimum wage adjustments part-time staff
- Inclusion of Mastick Advisory Board Revenues and Expenditures in City Budget
- \$100,000 for a new Recreation Specialist (offset by \$200K of additional recreation revenues)
- \$7,000 net additional cost to:
  - Eliminate One Recreation Supervisor
  - Create a New Recreation Manager



# Non General Fund Budgets FY 14-15

## Department Changes

### C. Public Works

- The budget has been updated to reflect debt service on the 2012 Sewer Bonds of \$265,000
- \$75,000 for design/implementation of Parking Garage improvements
- \$60,000 to purchase/install 120 water low flow toilets city-wide
- \$120,000 for:
  - New Public Works Vehicle
  - New Leaf Vacuum
  - Tree Chipper Maintenance



# Non General Fund Budgets FY 14-15

## Department Changes (Continued)

### C. Public Works (Continued)

- Implement the following Personnel Changes (\$145,000)
  - Add one Deputy Director
  - Change the Budget Allocation for a Public Works Coordinator
  - Eliminate one Senior Management Analyst position
  - Add one Management Analyst position



# Non General Fund Budgets FY 14-15

## Department Changes (Continued)

### D. Community Development:

- Building / Planning
  - Implement the following Changes (\$215,000)
    - Eliminate one Supervising Planner
    - Add a Planner III
    - Add a Combination Building Inspector
    - Add a Code Enforcement Officer
    - Add additional plan examiner services
  - \$80,000 for technology equipment / two trucks



# Non General Fund Budgets FY 14-15

## Department Changes (Continued)

### D. Community Development (Continued):

- Economic Development
  - \$450,000 for removal/repair of historic crane (Tidelands Fund 216)
  - \$100,000 for additional marketing/business attraction (Economic Revitalization Fund 227)
  - \$130,000 for additional contract services, marketing and lobbyist (FISC Fund 256)



# Non General Fund Budgets FY 14-15

## Department Changes (Continued)

### E. Other

- Library - \$14,000 for minimum wage adjustments for part-time staff
- Base Reuse – (Net Reduction of \$4,000), reflect changes in revised estimates for roof, environmental and pier maintenance
- Housing – \$193,000, reflects carryover of housing programs from 13-14 and contracting out of services to the Housing Authority, including conversion of three City employees to Housing Authority employees in FY 14-15



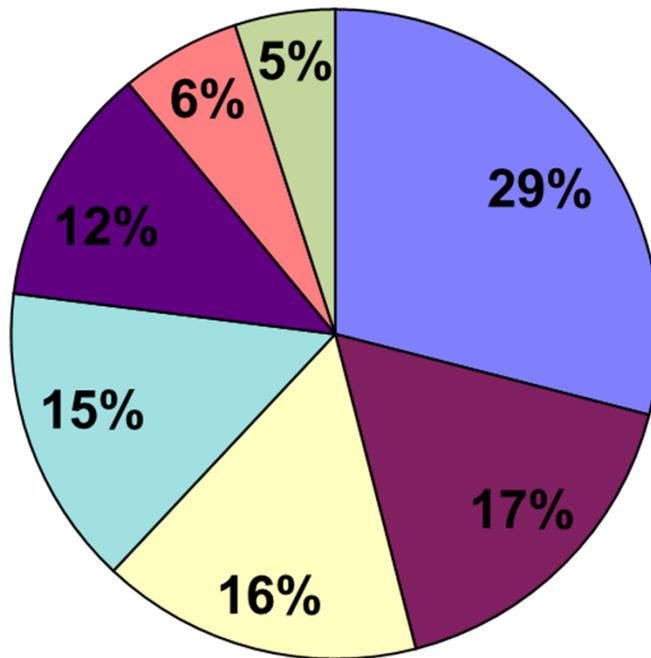
# Capital & Maintenance Projects



# Capital/Maintenance Project Summary

## \$55 Million for FY13-14 and 14-15

### Improvement/Maintenance Categories



- Sewer 29%
- Marine / Other 17%
- Streets/Transportation 16%
- Fire Station / EOC 15%
- Traffic/Transit Bike 12%
- General City Facility 6%
- Drainage 5%



# Capital/Maintenance Project Summary

## Major Projects for FY 13-15

(Combined two year totals)

### Sewer

- Sewer Infrastructure Improvements - \$15.55 million
- Sewer Infrastructure Maintenance - \$1.1 million

### Streets/Transportation

- Street Tree/Median Maintenance - \$1.79 million
- Pavement Management Program - \$5.64 million

### Pedestrian/Bike

- Sidewalk Repair Program - \$1.5 million
- Bikeways and Trails - \$2.0 million



# Capital/Maintenance Project Summary

## Major Projects for FY 13-15

(Combined two year totals)

### Drainage

- Storm Drain System Improvements - \$2.5 million
- Storm Drain Maintenance - \$488,000

### General City Facility

- Fire Station 3 - \$5.0 million (new)
- Emergency Operations Center - \$3.0 million (new)
- Veterans Court Wall Construction - \$750,000
- Library Improvements - \$188,000

### Marine

- Marina Village Pier Repair - \$472,855
- Estuary Crossing Shuttle - \$643,000



# Capital/Maintenance Project Summary

## Major Projects for FY 13-15

(Combined two year totals)

### Parks/Golf

- Swim Center Renovations – \$390,000
- Beltline - \$238,000
- Estuary Park - \$1.4 million (new)
- Golf Course Renovations - \$1.0 million



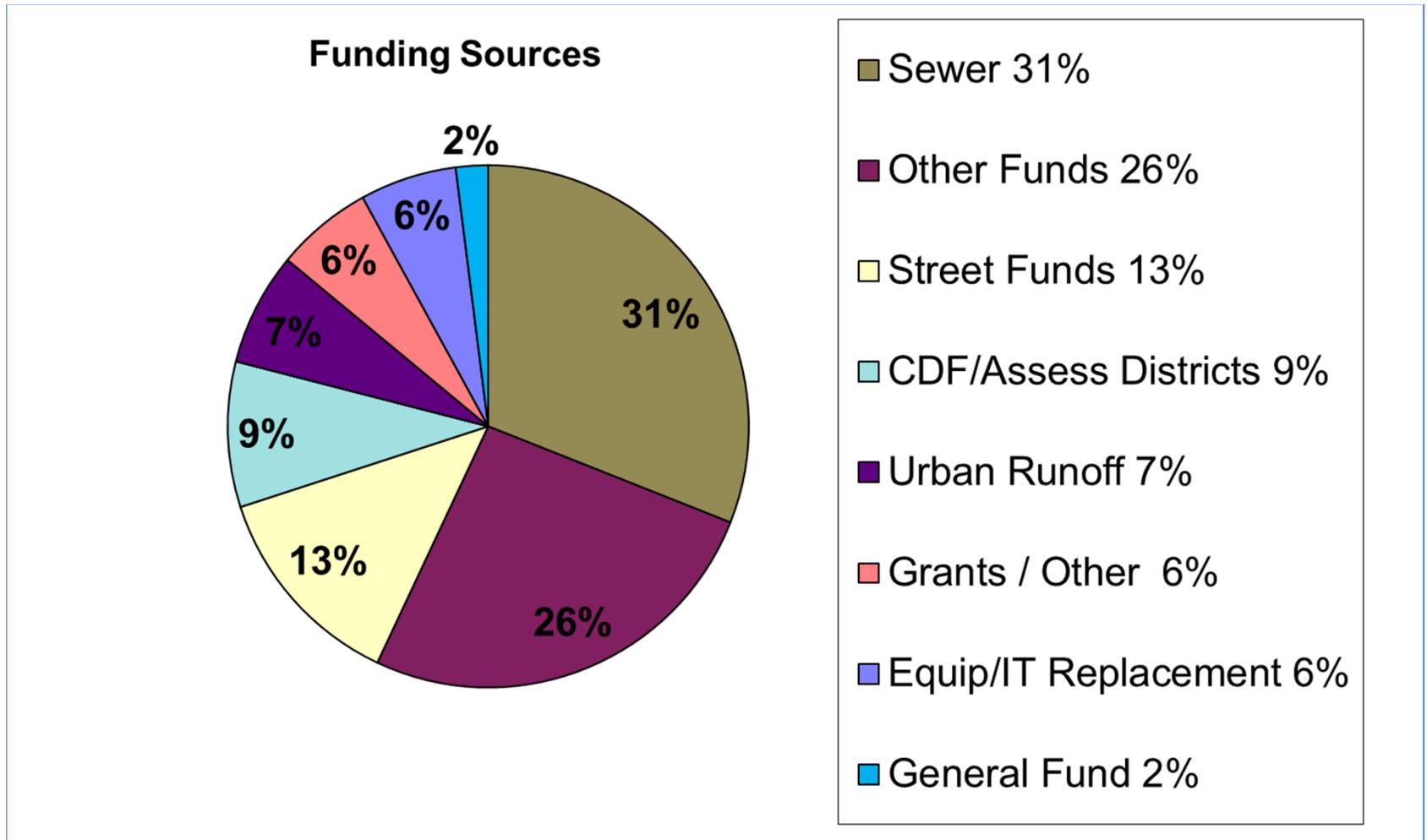
### Other

- Police Vehicle Replacement \$550,000
- Fire Vehicle/Apparatus Replacement \$1.1 million
- Citywide Records Management Software - \$300,000
- Police CAD/RMS System Replacement - \$1.0 million



# Capital/Maintenance Project Summary

## \$55 Million for FY13-14 and 14-15

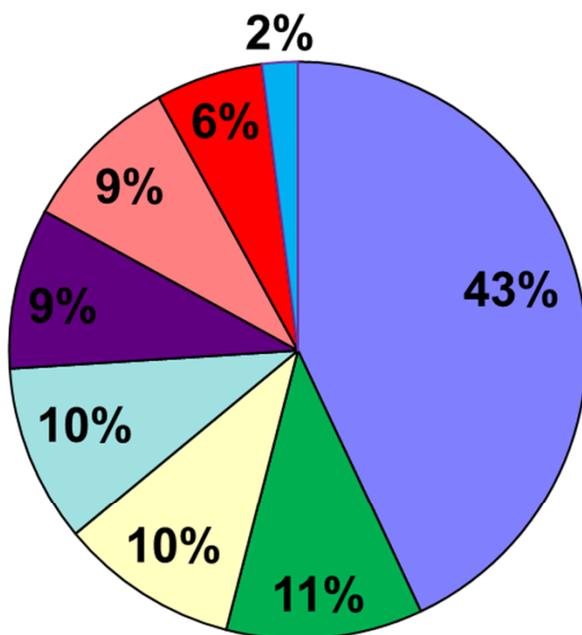


# Capital Project Summary

## Total Unfunded Projects - \$258 Million

(Next Five Years)

### Unfunded Improvement Categories



- Streets/Transportation 43%
- Sewer 11%
- Marine 10%
- Parks 10%
- Drainage 9%
- General City Facility 9%
- Ped Bike 6%
- Traffic / Transit 2%



# Progress on Funding Long-Term Liabilities

	Fiscal Year 2009-10		Fiscal Year 2014-15	
	Reserves	% of Obligation Funded	Reserves	% of Obligation Funded
<b>Insurance</b>	\$811,353	69%	\$1,715,038	87%
<b>Worker's Compensation</b>	(\$660,330)	0%	\$3,980,350	53%
<b>Employee Leave</b>	\$0	0%	\$843,000	33%
<b>Facility Maintenance*</b>	\$171,000	2%	\$1,881,248	26%
<b>OPEB</b>	\$0	0%	\$1,386,689	2%

\* Obligation represents two year total of Maintenance CIPs in the adopted Budget for Fiscal Years 2013-14 and 2014-15



# Budget Conclusions

- Projected better than expected revenues and lower than expected expenditures for FY 13-14
- \$55 million investment in City Maintenance and Capital Projects for FY 13-15 combined
- Economic Development Initiatives
- No significant decrease in direct services to the community
- Maintains and exceeds City Council's 20% reserve policy for two years
- Continued work on OPEB, Pension and Unfunded CIP



# Council Direction

- Proposed changes to expenditures
- Proposed changes to revenues
- One-time items and use of budget carryover
- Proposed capital and maintenance projects
- Adoption of Budget Mid Cycle Update for FY 13-14 and 14-15 / Proposed Adjustments





# Questions?

