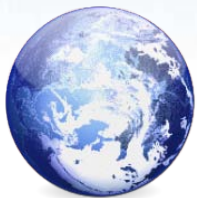




First Quarter 2011 Budget Review and Avery Report Recommendation Update

10/25/11



City of Salinas

FIRST QUARTER 2011 UPDATE

Organization

- Status Avery Report Recommendations

Budget

- Major Revenues
- Re-Organization
- Department Budgets
- Budget Adjustments
- 2010-11 Carryover

IMPLEMENT AND REFINE A VERY REPORT RECOMMENDATION

1. Five Year Budget Forecast – Continue to update
2. General Fund Reserves – Continue to rebuild
3. Training – Recommend Funding
4. Department Reorganization – Continue to implement

IMPLEMENT AND REFINE A VERY REPORT RECOMMENDATION

IMPLEMENTATION

5. Governance – Joined the Library Commission and Park and Recreation Commission into one standing monthly meeting.
6. Cal-Card – Pilot program in progress
7. Cross Departmental Collaboration and Communication – Establishing an Information Technology (IT) User Committee

1ST QUARTER BUDGET – REVIEW

General Fund Revenue – 1st Qtr.

GENERAL FUND REVENUE – 1st QTR.

■ Property Tax

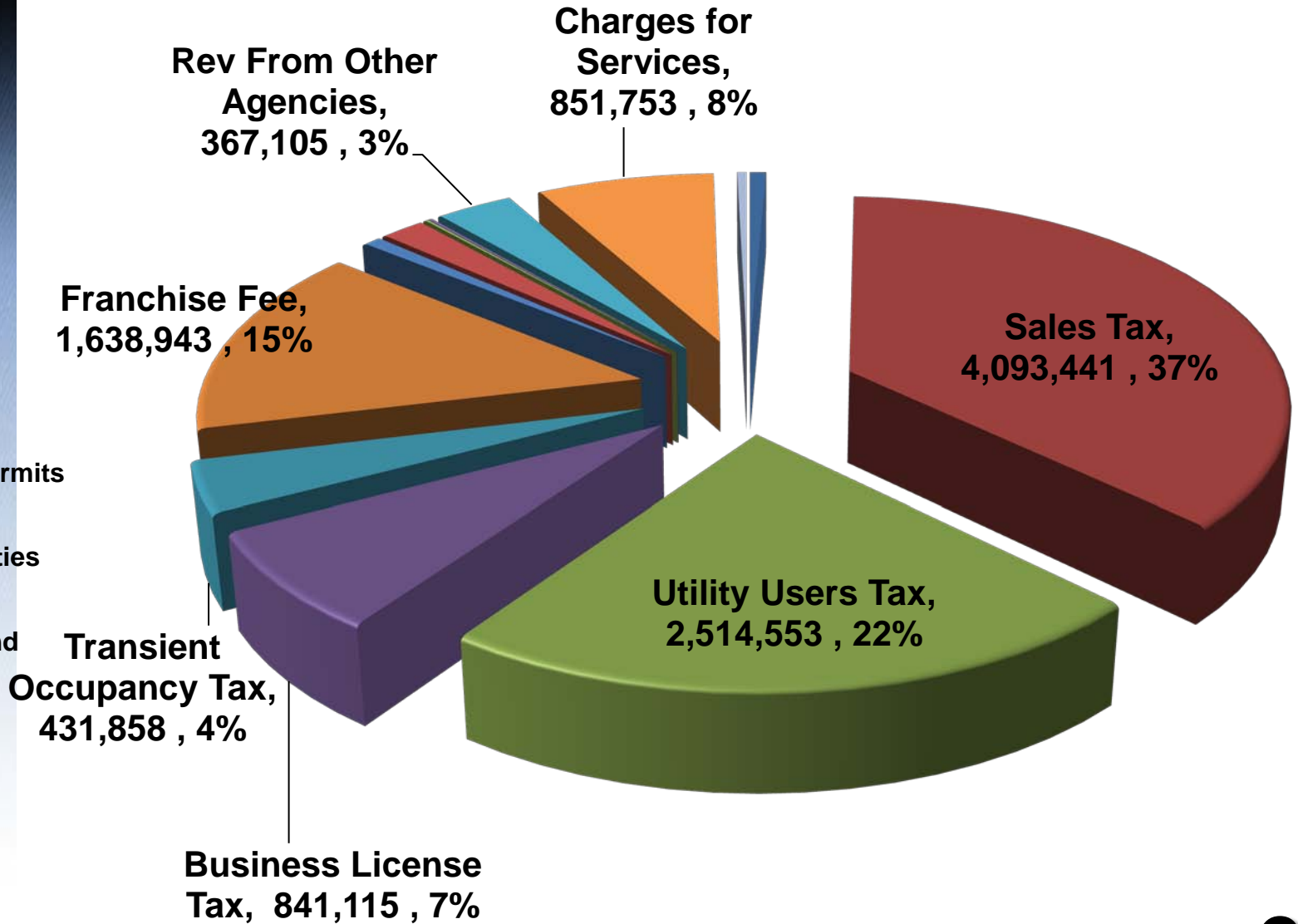
■ Other Taxes

■ Licenses and Permits

■ Fines and Penalties

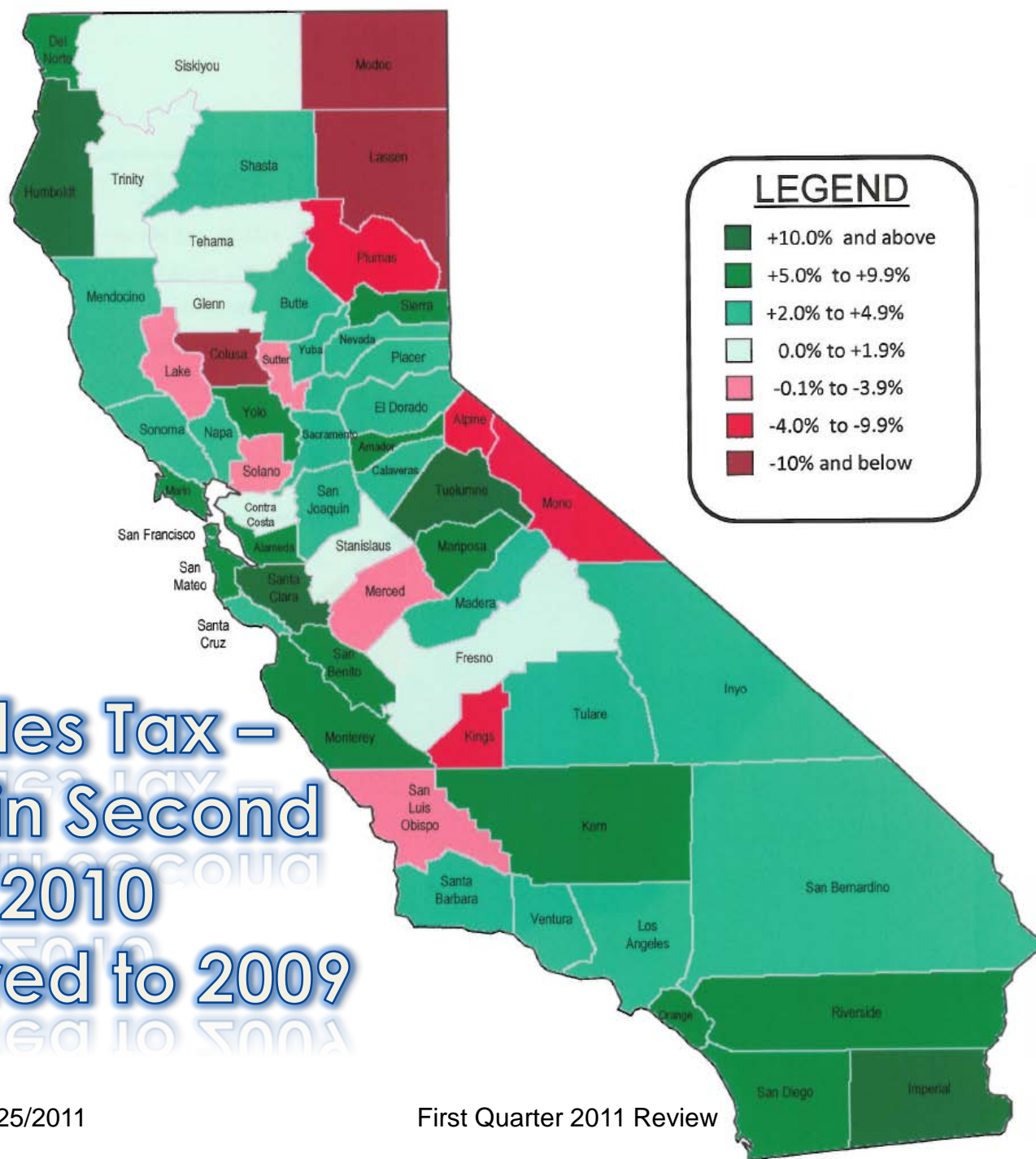
■ Use of Money and Property

■ Other Revenue



General Fund Revenue – 1st Qtr.

Revenue	Estimated Revenue	Current Year - YTD	% Collected	Prior Year - YTD
Property Tax	\$26,049,300	\$ 77,432	0%	\$ -
Sales Tax	15,885,100	4,093,441	26%	3,793,889
Utility Users Tax	8,750,000	2,514,553	29%	2,230,229
Business License Tax	4,100,000	841,115	21%	905,694
Transient Occupancy Tax	1,500,000	431,858	29%	466,392
Franchise Fee	7,255,000	1,638,943	23%	1,606,868
Other Taxes	540,000	82,045	15%	114,776
Licenses and Permits	999,300	207,646	21%	281,344
Fines and Penalties	95,500	12,580	13%	16,464
Use of Money and Property	180,200	16,997	9%	17,219
Rev From Other Agencies	859,000	367,105	43%	306,745
Charges for Services	3,905,100	851,753	22%	721,189
Other Revenue	<u>151,000</u>	<u>45,429</u>	30%	<u>35,283</u>
	<u>\$70,269,500</u>	<u>\$ 11,180,899</u>	16%	<u>\$ 10,496,092</u>

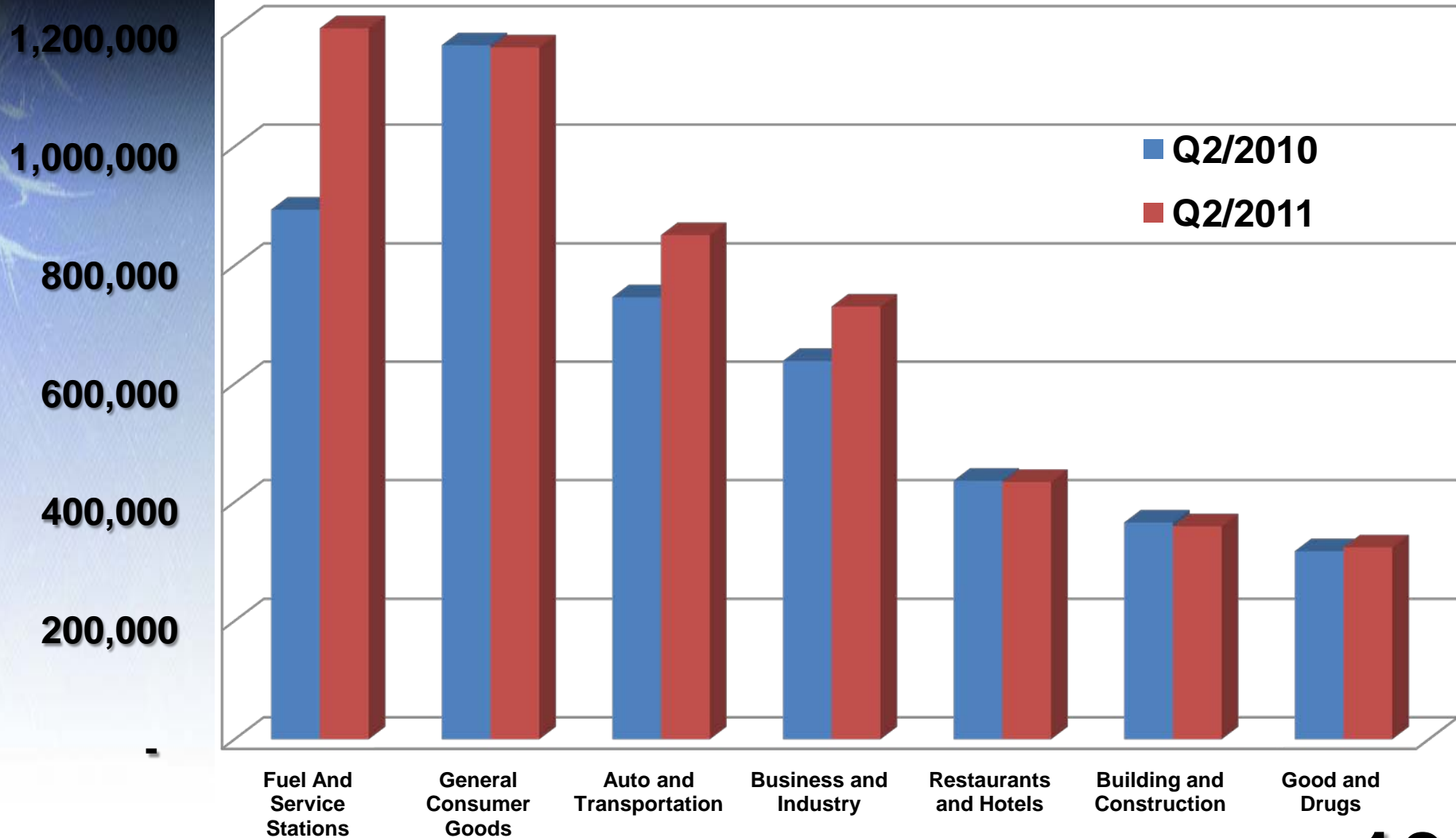


State Sales Tax – Growth in Second Quarter 2010 Compared to 2009

10/25/2011

First Quarter 2011 Review

Sales Tax – by Major Business Group



10/25/2011

First Quarter 2011 Review

Industry Groups

Click and drag with the Marquee Zoom tool to enlarge that area of the page; click to enlarge the entire page

Own Reflect the Period in Which the Sales Occurred - Point of Sale

(Thousands)

General Consumer Goods *00/01*

Outlets = 1,429 *+700K*

Fuel And Service Stations

Outlets = 73 *-600K*

Autos And Transportation *99/00*

Outlets = 378 *+1,000,000*

Business And Industry *02/03*

Outlets = 595 *+/-0*

Restaurants And Hotels ✓

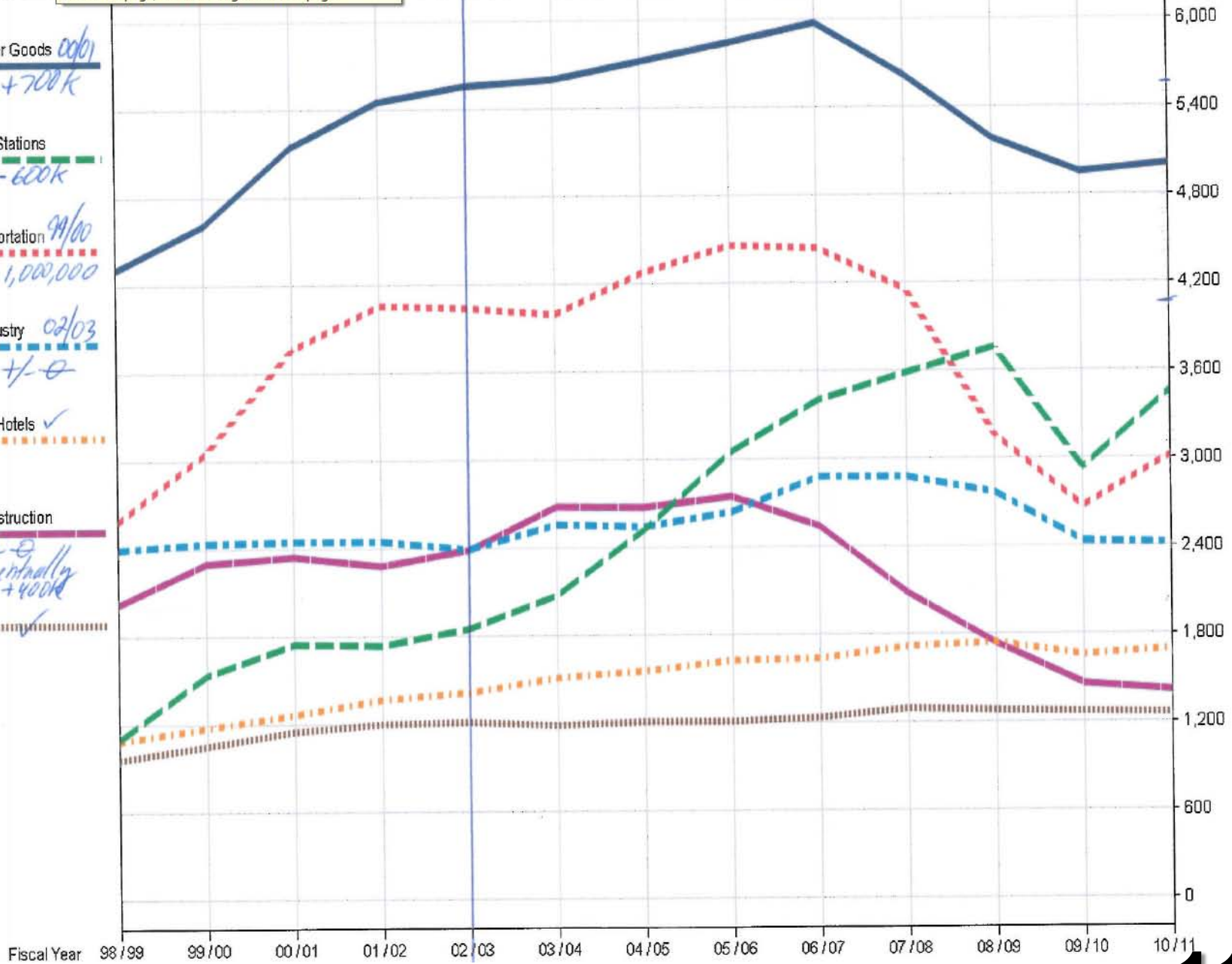
Outlets = 331

Building And Construction

Outlets = 115 *+0 Eventually +400K*

Food And Drugs ✓

Outlets = 171



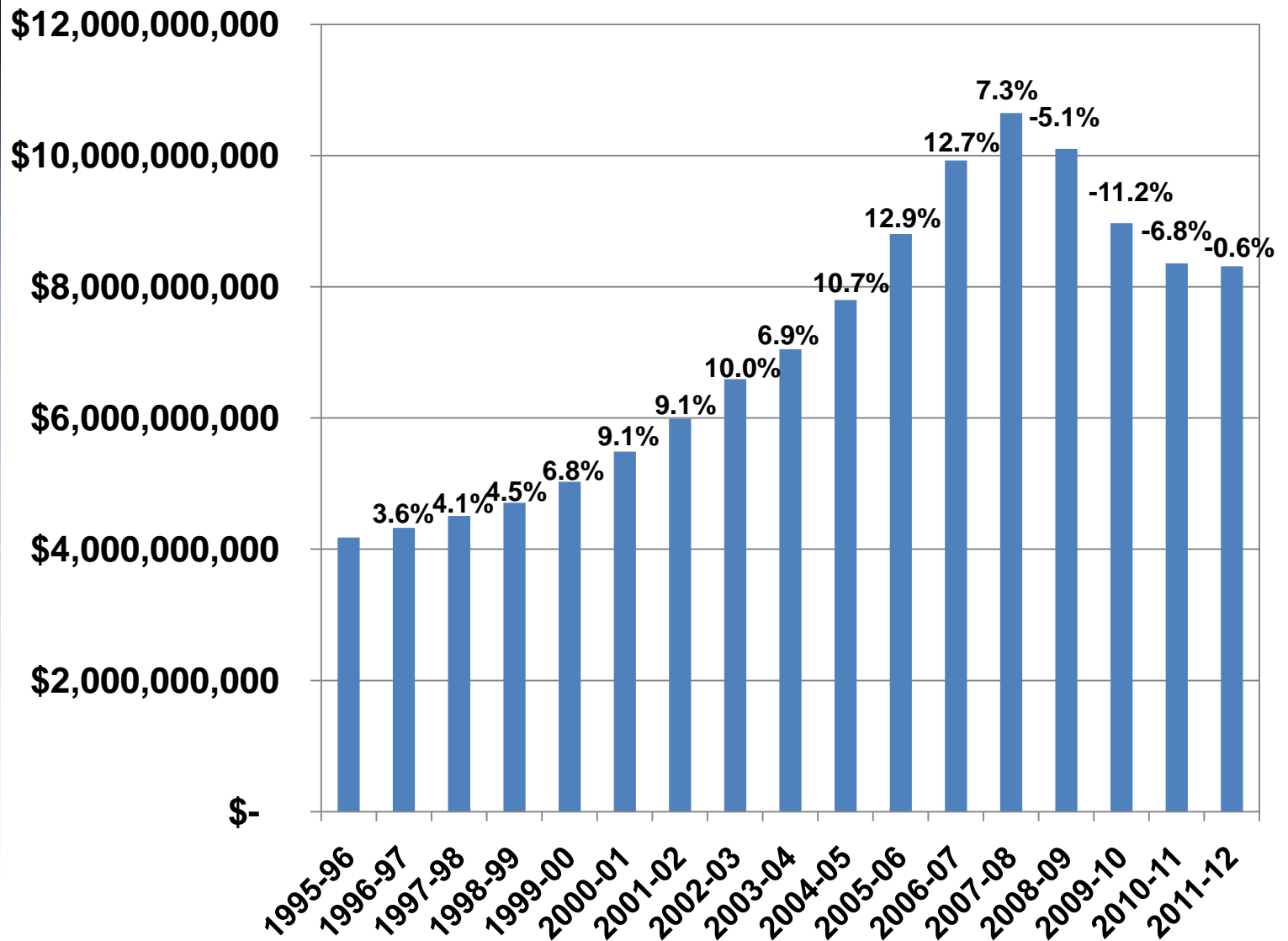
Fiscal Year

98/99 99/00 00/01 01/02 02/03 03/04 04/05 05/06 06/07 07/08 08/09 09/10 10/11

10/25/2011

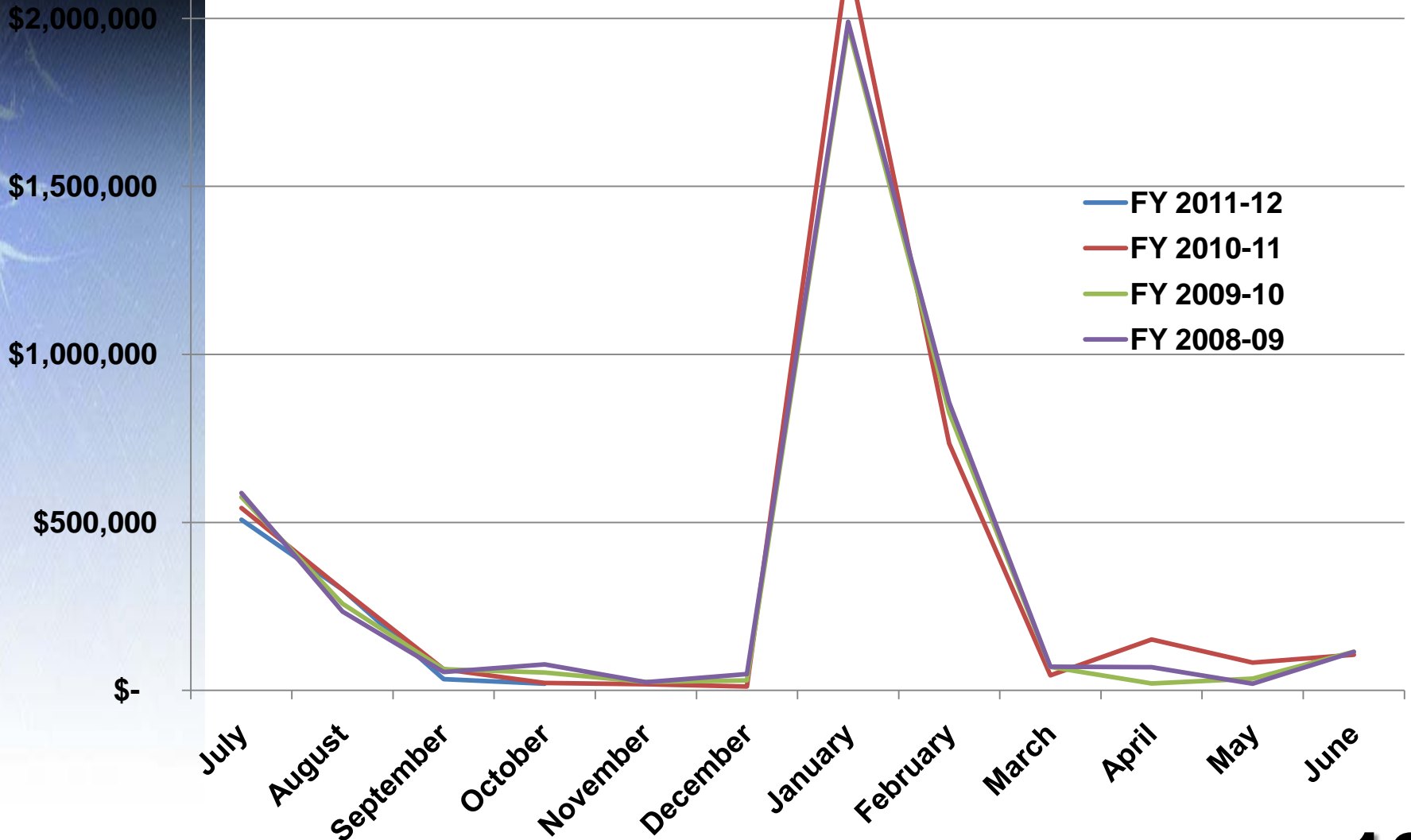
First Quarter 2011 Review

Property Assessed Values



Business License Tax

Business License Tax



10/25/2011

First Quarter 2011 Review

Measure V Revenue – 1st Qtr. 2011

Revenue	Estimated Revenue	Current Year - YTD	% Collected	Prior Year - YTD
Transactions and Use Tax	\$ 9,350,000	\$ 2,394,289	26%	\$ 2,299,574
Investment Earnings	\$ 15,000	\$ 2,801	19%	\$ 3,335
Miscellaneous Deposits	\$ -	\$ 564		\$ 4,186
	<u>\$ 9,365,000</u>	<u>\$ 2,397,655</u>	26%	<u>\$ 2,307,094</u>

State COPS Funding/Booking Fees & VLF Sweep

<u>State Budget Bills</u>	<u>Amount</u>
AB 118 Added Booking Fees	\$ 300,000
AB 118 Added COPS	\$ 245,700
SB 89 Loss of MVLF	<u>\$ (548,000)</u>
Net	<u>\$ (2,300)</u>

Re-Organization

- Community Safety Division
 - Spearhead community safety initiatives through:
 - CASP Coalition
 - Regional
 - State
 - Federal
 - Priority goal of the City Council and recommended:
 - Blue Ribbon Budget Committee
 - Avery Report
 - Salinas Comprehensive Strategy for Community-wide Violence Reduction (2010-2012)

General Fund – Operating Budget Adjustments

		<u>Amount</u>
General Fund operating excess (rev. - exp.)		\$ 398,900
1st quarter proposed operating adjustments:		
Community Safety Division	(279,500)	
Human Resources Division	<u>(43,700)</u>	
Total adjustments		<u>(323,200)</u>
General Fund operating excess (rev.- exp.) after adj.		<u>\$ 75,700</u>

General Fund - Department Budgets

Department	Current Budget	Year-to-Date Actual	Encum.	Unencum. Balance	% Spent / Encum.
10 - City Council Department	203,800	28,323	385	175,046	14.09%
15 - Administration Department	1,074,400	189,496	312	884,574	17.67%
20 - Finance Department	3,192,845	580,211	259,329	2,351,912	26.29%
25 - City Attorney`s Department	680,200	171,542	664	507,880	25.32%
30 - Community and Econ. Dev.	3,052,650	457,325	11,241	2,583,582	15.35%
35 - Non-Departmental	5,719,000	2,150,760	536,247	3,030,638	46.98%
40 - Police Department	31,859,739	5,460,048	138,951	26,253,930	17.57%
45 - Fire Department	15,629,950	3,201,789	104,280	12,323,092	21.15%
50 - Public Works Department	6,955,335	1,160,012	262,688	5,532,051	20.45%
60 - Library and Com. Serv. Dept.	1,118,800	208,887	45,349	864,433	22.72%
Grand Total	69,486,718	13,608,393	1,359,445	54,507,137	21.54%

General Fund & Measure V Carryover

- **General Fund Carryover**
 - **\$2,317,100**
- **Measure V Carryover**
 - **\$1,116,600**

General Fund Proposed Use of Carryover

		<u>Amount</u>
General Fund carryover available from FY 2010-11		\$2,317,100
City-wide Desktop Upgrade	(265,000)	
Police Evidence Room Move	(267,300)	
Cesar Chavez Public Library Expansion (cash flow reserve)	(267,700)	
Fire Apparatus Lease (\$255k - \$75k)	(180,000)	
Cash Advance to the California Welcome Center	(75,000)	
Employee Training	(50,000)	
Police Building Architecture	(10,000)	
Non-Departmental - Redistricting Contractual Services	(27,500)	
Operating Reserve	<u>(1,100,000)</u>	
Total One-Time General Fund Funding Items		<u>(2,242,500)</u>
Remaining Amount Available		<u>\$ 74,600</u>

Measure V Fund

Proposed Use of Carryover

Measure V carryover available from FY 2010-11	\$ 1,116,600
Approve use of carryover on June 7, 2011:	
LEOC	(349,300)
MV Outreach	(15,000)
Chavez Library Expansion	<u>(223,000)</u>
Remaining carryover available	529,300
Recommendation to reserve all of the carryover to cover the cash flow needs of the library expansion project until all of the donations are raised.	<u>(529,300)</u>
	<u>\$ -</u>