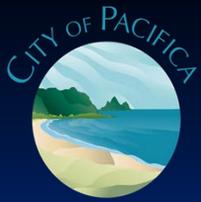


City of Pacifica 2016-17 Adopted Budget

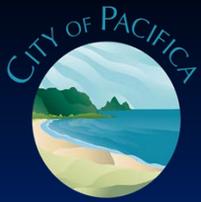


**Lorenzo Hines Jr.,
Assistant City Manager**



Our Mandate

- **Understand the City's fiscal circumstances**
- **Identify challenges and opportunities**
- **Develop a plan for long term fiscal sustainability**
- **Communicate findings about the fiscal status in understandable terms**



“City Finances 101”

- **General Fund – just one**
 - Revenues = property tax, sales tax, hotel tax, etc.
 - Expenditures = majority of operating costs
 - Discretionary
 - Balanced Budget

- **Other Funds – 26 of them**
 - Example - Gas Tax, Housing In-Lieu, Sewer Funds
 - Non-discretionary

- **General Fund + Other Funds = All Funds**



City of Pacifica 2016-17 Adopted Budget

- Themes used in budget development
 - Cost Recovery
 - Cost Allocation Plan & Fee Study
 - Annual expenses $<$ or $=$ annual revenues
 - Live within our means
 - One-time money for one-time expenses
 - Increase financial transparency
 - Long Term Financial Plan Assumptions
 - Final 2016-17 Budget document



City of Pacifica

2016-17 General Fund Budget

	2015-16 ADOPTED BUDGET	2015-16 AMENDED BUDGET	2016-17 ADOPTED BUDGET
REVENUES			
PROPERTY TAXES	\$ 9,839,000	\$ 10,208,000	\$ 10,489,000
SALES TAX	2,091,000	2,091,000	2,118,000
TRANSIENT OCCUPANCY TAX	1,592,000	1,746,000	1,802,000
OTHER TAXES	3,832,000	3,811,000	3,845,000
DEPARTMENT/PROGRAM	10,600,000	10,814,000	11,558,000
TRANSFER IN-POB FROM WWTP	692,000	692,000	794,000
TRANSFERS IN	105,000	105,000	105,000
TOTAL GENERAL FUND SOURCE OF FUNDS	\$ 28,751,000	\$ 29,467,000	\$ 30,711,000
GENERAL GOVT*	\$ 3,940,000	\$ 4,170,000	\$ 4,019,000
POLICE DEPARTMENT	8,878,000	8,878,000	9,186,000
FIRE DEPARTMENT	5,789,000	5,789,000	6,098,000
PLANNING & BUILDING	1,605,000	1,605,000	2,695,000
PUBLIC WORKS	2,473,000	2,473,000	2,817,000
PARKS, BEACHES & RECREATION	4,074,000	4,074,000	4,276,000
NON-DEPARTMENTAL	718,000	718,000	584,000
TRANSFERS OUT	1,274,000	1,274,000	1,036,000
TOTAL GENERAL FUND USE OF FUNDS	\$ 28,751,000	\$ 28,981,000	\$ 30,711,000
NET SURPLUS (DEFICIT)	\$0	\$486,000	\$0

*Includes City Council, City Manager/City Clerk, City Attorney, Finance, Human Resources, and Information Technology



City of Pacifica

2016-17 General Fund Budget

- Recommended budget of \$30.7 million
 - Revenues
 - Increase tax revenues due to positive economy
 - Reflect robust development activities
 - The budget contains \$930,000 in additional revenues related to development activities anticipated to occur during 2016-2017
 - Increase department/program revenues to reflect cost recovery measures
 - Continued policy of excluding Excess ERAF funds from the General Fund budget
 - Transfers In – from Fund 34, Sewer Facility Construction Fund totaling approximately \$794,000, related to Pension Obligation Bond repayments as approved last year
 - Increased various fees and charges to reflect cost recovery



City of Pacifica

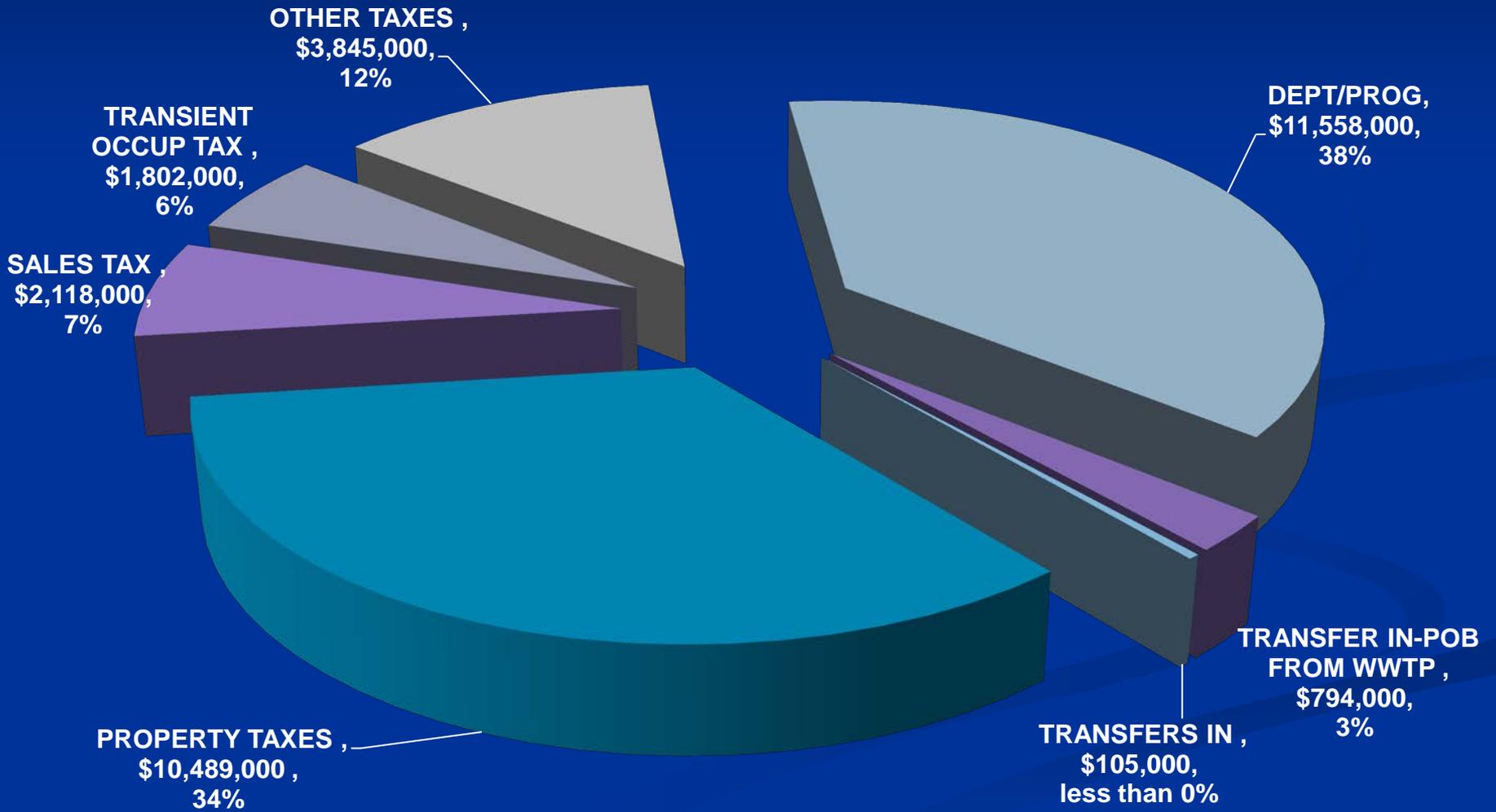
2016-17 General Fund Budget

- Recommended budget of \$30.7 million
 - Expenditures
 - General Government
 - Add 0.5 FTE Administrative Assistant to the Finance Division
 - Add 0.5 FTE Human Resources Manager
 - Public Works
 - Convert 2.0 FTE Maintenance Worker I Positions into Maintenance Worker II positions
 - Return Public Works to the former organizational structure that included Waste Water Operations as a division within the Department organization. Add 0.5 FTE
 - Planning
 - The budget adds \$930,000 in reimbursable expenditure authority to the Planning Department's budget for the anticipated expenses related to various large projects.
 - Benefit costs are projected to increase



City of Pacifica

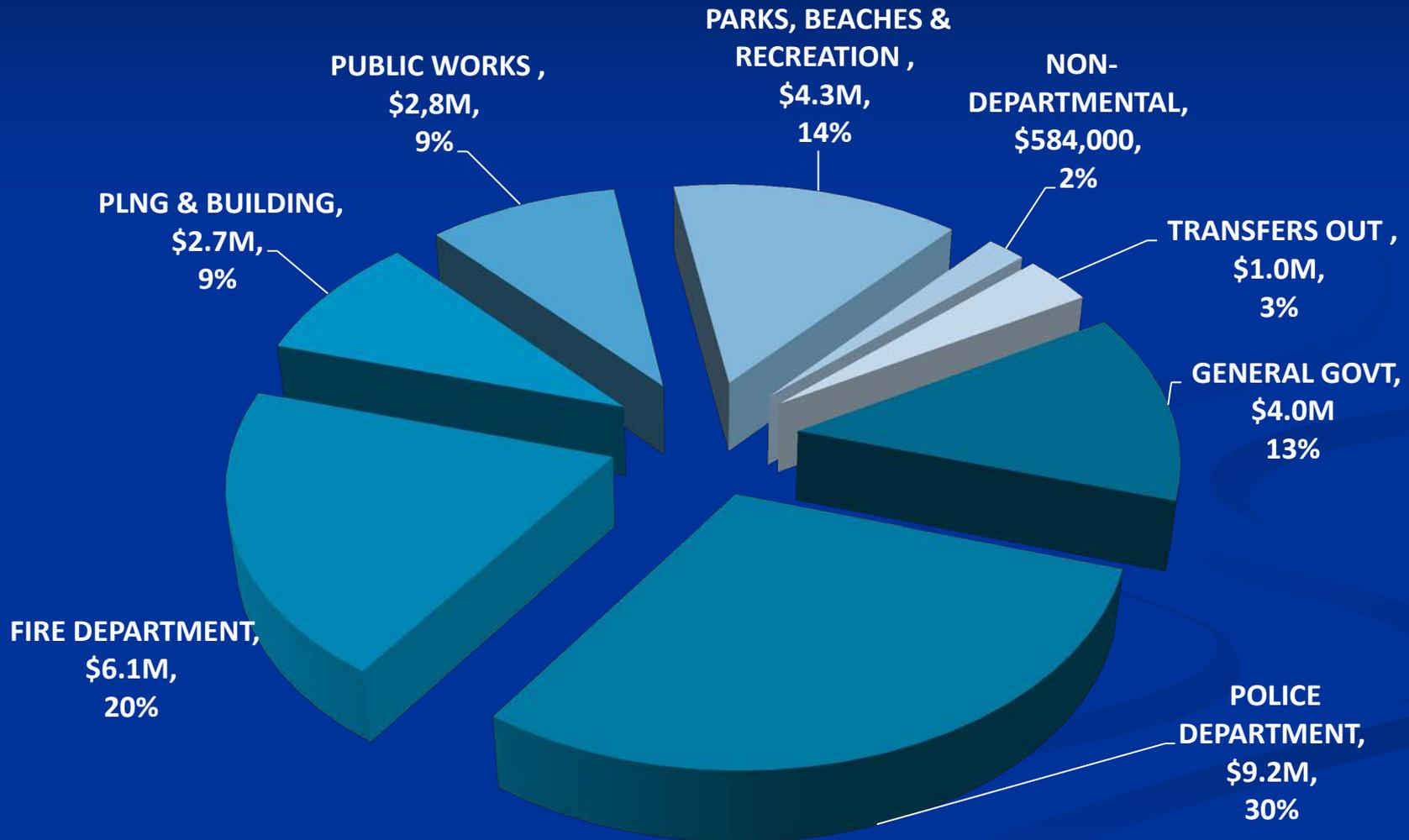
2016-17 General Fund Revenues - \$30.7M

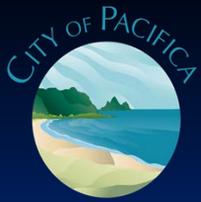




City of Pacifica

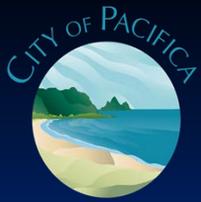
2016-17 General Fund Expenses - \$30.7M





City's fiscal future still full of challenges

- Expenses are still growing faster than revenues
- Bargaining process underway; impacts undetermined for now
- Many unmet needs still remain, i.e., City streets, facilities, other infrastructure
- “Economic Development” now in play!



City of Pacifica 2016-17 Operating Budget

Questions?