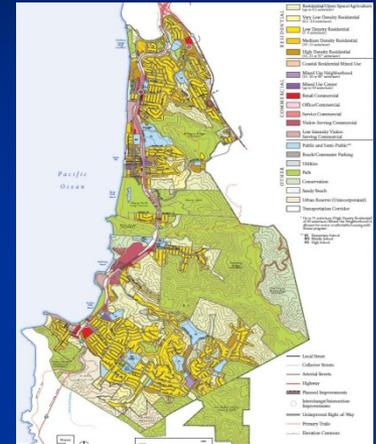




City of Pacifica

Proposed 2019-20 General Fund Budget



**Parks
Make
Life
Better!**

May 7, 2019



City of Pacifica

Proposed 2019-20 General Fund Budget

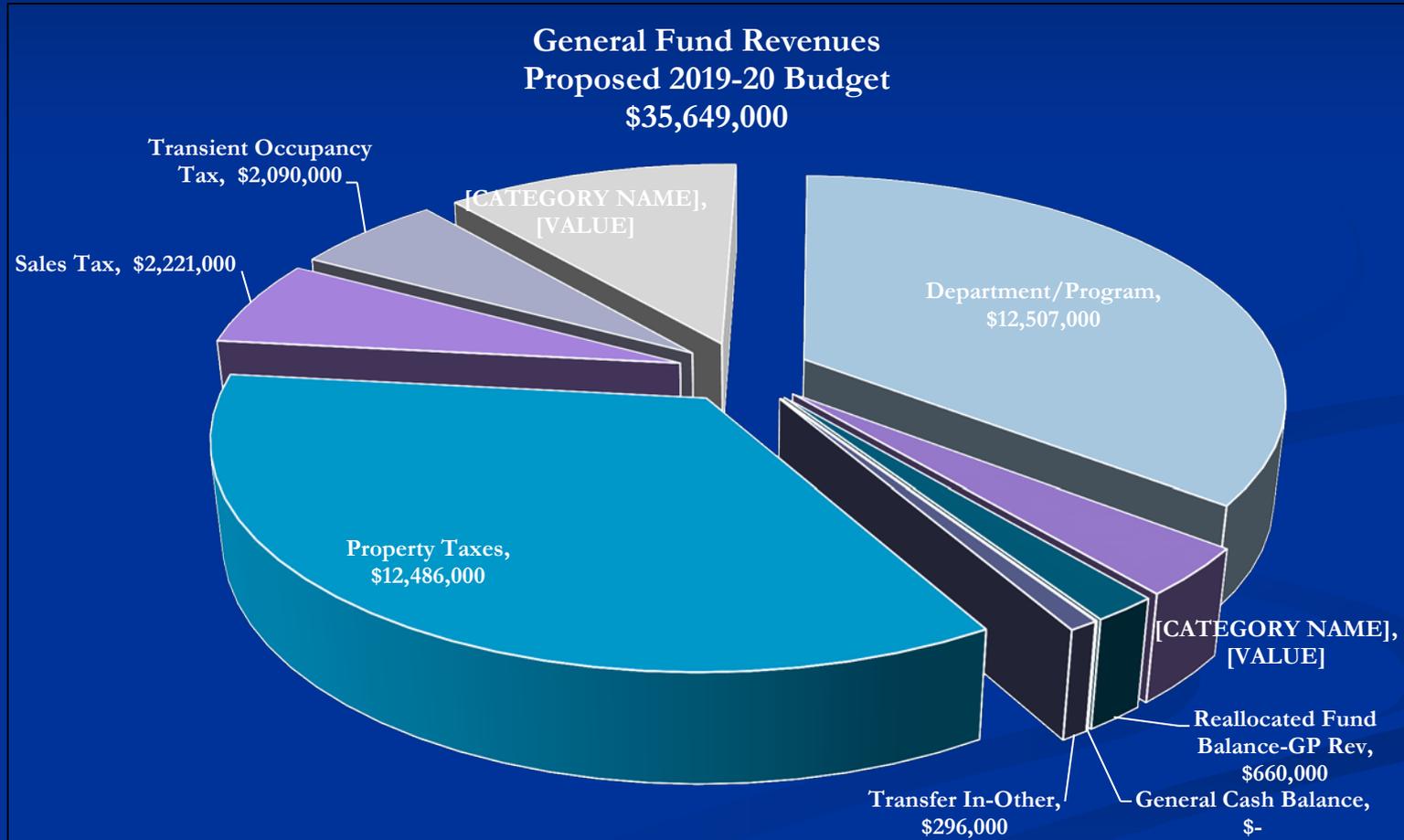
	2018-19 ADOPTED BUDGET	2018-19 MID-YEAR BUDGET	2019-20 PROPOSED BUDGET
REVENUES			
PROPERTY TAXES	\$ 12,045,000	12,241,000	\$ 12,486,000
SALES TAX	2,199,000	2,246,000	2,221,000
TRANSIENT OCCUPANCY TAX	1,731,000	1,731,000	2,090,000
OTHER TAXES	3,893,000	3,987,000	4,157,000
DEPARTMENT/PROGRAM	12,405,000	12,703,000	12,507,000
TRANSFER IN	635,000	836,000	1,232,000
REALLOCATED FUND BALANCE	1,146,000	1,146,000	660,000
GENERAL CASH BALANCE	514,000	514,000	-
TRANSFERS IN	-	-	296,000
TOTAL GENERAL FUND SOURCE OF FUNDS	\$ 34,568,000	\$ 35,404,000	\$ 35,649,000
EXPENDITURES			
GENERAL GOVT*	\$ 4,246,000	\$ 4,567,000	\$ 4,739,000
POLICE DEPARTMENT	9,986,000	9,989,000	10,204,000
FIRE DEPARTMENT	6,580,000	6,580,000	6,636,000
PLANNING & BUILDING	3,489,000	3,495,000	3,558,000
PUBLIC WORKS	4,193,000	4,351,000	3,863,000
PARKS, BEACHES & RECREATION	4,382,000	4,545,000	4,645,000
NON-DEPARTMENTAL	753,000	753,000	852,000
TRANSFERS OUT	940,000	940,000	1,153,000
TOTAL GENERAL FUND USE OF FUNDS	\$ 34,568,000	\$ 35,219,000	\$ 35,649,000
NET SURPLUS (DEFICIT)	\$ -	\$ 185,000	\$ -

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



City of Pacifica

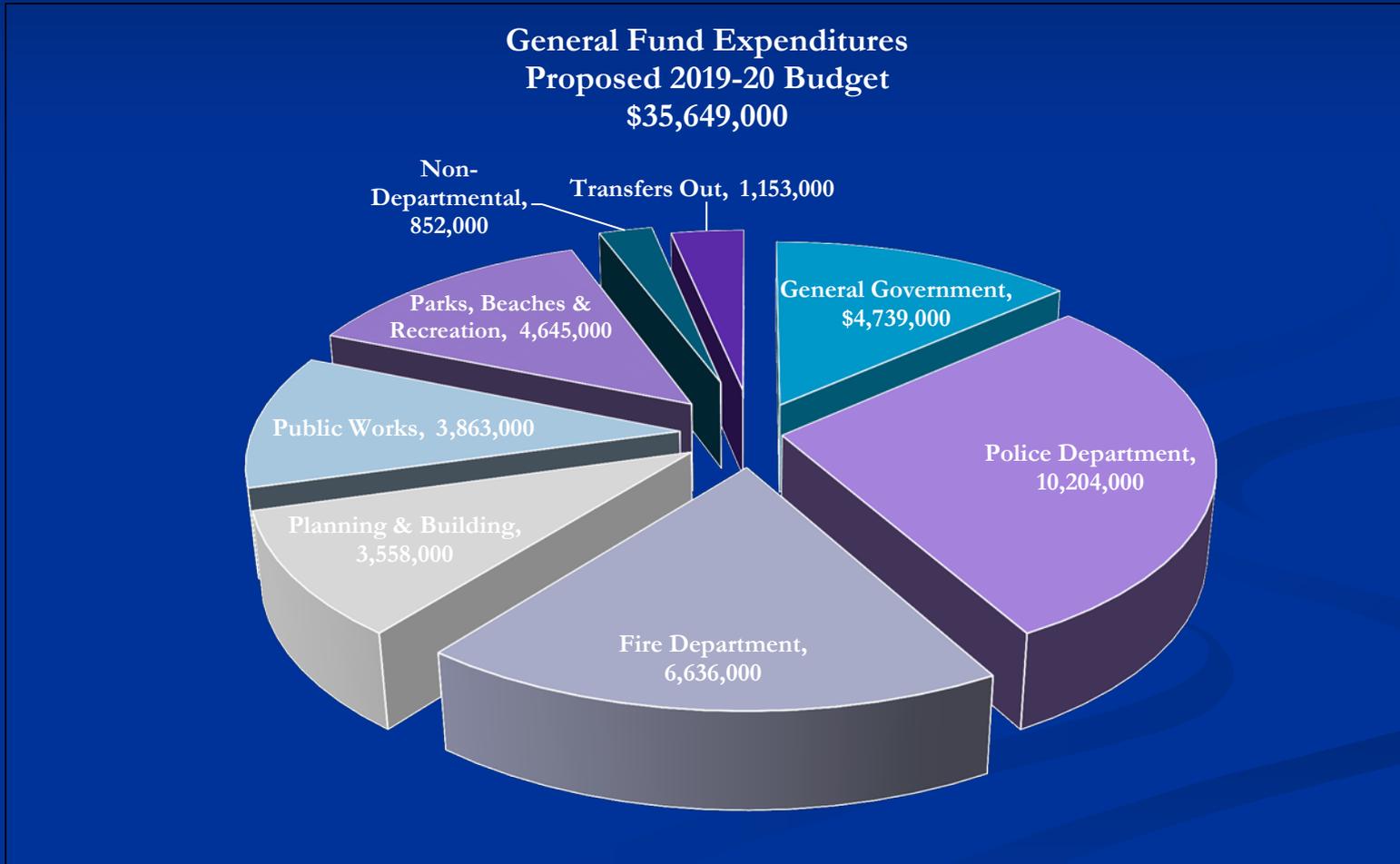
Proposed 2019-20 General Fund Budget





City of Pacifica

Proposed 2019-20 General Fund Budget





City of Pacifica

Proposed 2019-20 General Fund Budget Ongoing

GF Ongoing Expenses		GF Ongoing Revenue	
PD	\$ 10,203,511	Property Taxes	\$ 12,486,160
Fire	6,428,270	Sales Tax	2,220,563
Planning	2,568,182	Transient Occupancy Tax	2,089,655
PW	3,862,784	Other Taxes	4,176,880
GG	4,198,484	Department/Program	12,529,937
Non-Dept.	851,000	Transfers In	2,188,000
PBR	4,644,939		



City of Pacifica

Proposed 2019-20 General Fund Budget Ongoing and One-Time Budget

Dept.	Description	Amount	Ongoing Rev.	One-time funded w/Ongoing Rev.	One time	
					Suppl. ERAF	GF Cash Bal.
GG	Baseline	\$4,173,484	\$4,173,484			
	IT Network Improvements	\$100,000	\$25,000	\$ 75,000		
	PBB	\$30,000		\$30,000		
	Document Mgmt. System	\$25,000		\$25,000		
	Vision 2025	100,000		100,000		
	HR - Policy Development	30,000		30,000		
	HR – Labor Legal Expense	50,000		50,000		
	Homeless Task Force (Placeholder)	15,000		15,000		
	ED Cmтт budget	7,000		7,000		
	Add'l Election Costs	90,000		90,000		
	Limited Staffing for Sustainability	125,000		125,000		
	Convert 0.5 Admin. Assist. to full-time 1.0 Accounting Tech	\$0	\$0			
	Total	\$4,745,484				



City of Pacifica

Proposed 2019-20 General Fund Budget

Ongoing and One-Time Budget

Dept.	Description	Amount	Ongoing Rev.	One time Suppl. ERAF
PD	Baseline	\$10,203,511		
	<i>Total</i>		\$ 10,203,511	
Fire	Baseline	\$ 6,328,270	\$ 6,328,270	
	Temp Salaries for Academy Candidates/Over Hires	25,000	25,000	
	Small Equipment Replacement	75,000	75,000	
	OT to address WC impact on staffing (one-time)	208,000		208,000
	<i>Total</i>	\$ 6,636,270		



City of Pacifica

Proposed 2019-20 General Fund Budget

Ongoing and One-Time Budget

Dept.	Description	Amount	Ongoing Rev.	One-time funded w/Ongoing Rev	Grant Funding	One time GF Cash Bal.
Planning	Baseline	\$ 2,568,182	\$ 2,568,182			
	Consultant Assistance with Priority Development Area Application	10,000		10,000		
	GP/LCP Update & SP Specific Plan	660,000				660,000
	SB2 Program	160,000			160,000	
	Document scan project	100,000		100,000		
	Affordable Housing Impact Fee Study	60,000		60,000		
	Total	\$ 3,558,182				



City of Pacifica

Proposed 2019-20 General Fund Budget

Ongoing and One-Time Budget

Dept.	Description	Amount	Ongoing Rev.
Public Works	Baseline	\$3,665,584	\$ 3,586,076
	Flood And Sea Level Rise Resiliency Agency	40,000	40,000
	Part Time Employees (2)	72,000	72,000
	Dust Control, Dog Park	5,000	5,000
	Increase in Overtime	10,200	10,200
	Tree Maintenance	50,000	50,000
	Increase in Contractual Services	20,000	20,000
	Total	\$ 3,862,784	



City of Pacifica

Proposed 2019-20 General Fund Budget Ongoing and One-Time Budget

Dept.	Description	Amount	Ongoing
PB&R	Baseline	\$ 4,644,939	
	<i>Total</i>		\$ 4,644,939
Non-Departmental		\$ 763,000	\$ 763,000
	NGO*	88,000	88,000
	<i>Total</i>	\$ 851,000	
Transfers-Out		\$ 1,153,000	\$ 1,153,000

* To be funded by ERAF



City of Pacifica

Proposed 2019-20 General Fund Budget

Ongoing and One-Time Budget

	Ongoing Rev.	One-time funded w/Ongoing Rev	Suppl. ERAF	Grant Funding	GF Cash Bal.
All Depts.	\$33,822,170	\$717,000	\$296,000	\$160,000	\$660,000



City of Pacifica Proposed 2019-20 Fund 22- Capital Projects Budget

Dept.	Description	Amount	Ongoing	Child Care Reserve	Other Funds	One time Suppl. ERAF
GF Capital Projects	Work Order System	\$ 120,000				\$ 120,000
	Fuel Management System-FD 71	35,000			35,000	
	Beach Boulevard (Exist CIP)	150,000				150,000
	On-going Maintenance	98,000				98,000
	Fairmont West	220,000		220,000		
	Fairmont West Roof	20,000		20,000		
	Fairmont Rec Roof	20,000		20,000		
	Station 72 Deck - Fire Budget	30,000			30,000	
	Total Capital Projects	\$ 693,000		\$ 260,000	\$ 65,000	\$ 368,000



City of Pacifica

Proposed 2019-20 General Fund Budget

- Strategies used in budget development
 - Reserves Policy – Continue to fund the City's Reserves.
 - Annual Excess ERAF Allocation - Pre-allocate excess ERAF revenues
 - Streets Program - Augment the streets program with additional one-time funds.
 - Cannabis Revenues – Ongoing portion estimate is included in the revenues in the FY2019-20 budget.
 - Inclusion of Revenues from the Short-Term Rental program in the FY2019-20 budget.
 - General Plan Revenues will be used to fund development of the General Plan Update.



City of Pacifica

Proposed 2019-20 General Fund Budget

- Strategies used in budget development
 - Information Technology Needs - Approve one-time funding in the FY2019-20 budget to complete priority IT improvements.
 - Childcare Reserve - Use the Childcare Reserve funds to fund appropriate projects during FY2019-20.
 - Use of Limited-term Staffing - Fund necessary limited-term staffing for the Council's priority goals and projects in the proposed FY2019-20 budget .
 - Funding for Council-Prioritized Major Projects - Fund the Council's priority projects to the extent possible in the proposed FY2019-20 budget and identify funding sources for Council consideration.
 - Begin funding Section 115 Trust
 - Increase the Repayment Period for WWTP POB Loan



City of Pacifica

Proposed 2019-20 General Fund Budget

STATUS OF RECOMMENDED STRATEGIES					
Reserves:					
General Undesignated Fund Cash Balance:					\$ 2,544,475
General Fund Reserve - Increased by \$1,000,000					1,000,000
Compensated Absences					-
Facility Maintenance and Replacement Reserve					-
Undesignated Cash Balance					\$ 1,544,475
Educational Revenue Augmentation Allocation:					
ERAF-August 2019					\$ 1,131,000
Street Improvements				\$ 350,000	
Fire Overtime				208,000	
2019-20 Capital Projects				368,000	
Addition to Facility Maint. and Replacement Reserve				55,000	
Compensated Absences Reserve Replenishment				150,000	
ERAF-January 2020					TBD
NGO				\$ 88,000	
Streets Program					TBD
Disaster Accounting Fund					Remainder



City of Pacifica

Proposed 2019-20 General Fund Budget

STATUS OF RECOMMENDED STRATEGIES					
Streets Program					\$ 1,350,000
	Measure W Revenues			400,000	
	SB1 Revenues			600,000	
	ERAF-August 2019			350,000	
Cannabis Business Program Revenues:					\$ 125,000
	Ongoing portion is included in the General Fund Budget				
Increased TOT due to Short Term Rental Program Revenues:					\$ 350,000
	The increased revenues are included in the General Fund Budget				
General Plan Revenues within the GF Balance					\$ 660,000
	The request increase is included in the General Fund Budget				
Information Technology Improvements:					\$ 100,000
	The request increase is included in the General Fund Budget				
Use of Limited-term Staffing for Council's Major Goals					\$ 125,000
	The request increase is included in the General Fund Budget				



City of Pacifica

Proposed 2019-20 General Fund Budget

STATUS OF RECOMMENDED STRATEGIES					
Childcare Reserve				\$	260,000
	Funding For Capital Projects				
Funding for Council-Prioritized Projects				\$	382,000
	The request increase is included in the General Fund Budget				
Begin funding Section 115 Trust				\$	200,000
	To be discussed with the General Fund and other Funds				
Increase the Repayment Period for WWTP POB Loan				\$	545,000
	The loan repayment will increased from two years to five years				
	saving the GF \$545,000 in Fiscal Years 2019-20 and 2020-21				
	The request increase is included in the General Fund Budget				



City of Pacifica

Proposed 2019-20 General Fund Budget Timeline

- Tonight
 - Budget Study Session Pt II
 - Presentation of 19-20 GF Draft Budget (high-level)
 - Fee Schedule
- May 13, 2019
 - Budget Study Session - Department presentations
 - Discussion of Other Funds
- May 28, 2019
 - Budget Study Session - Department presentations
- June 10, 2019
 - Public Hearings:
 - 2019-20 Budget
 - 2019-20 CIP and Capital Budget
 - 2019-20 Fee Schedule
 - Final Presentation of 2019-20 Budget to Council
 - Resolution Establishing the Appropriation Limit for 2019-20
- June 24, 2019
 - Adoption of the 2019-20 Annual Operating Budget

City of Pacifica 2019-20 General Fund Budget



Questions



City of Pacifica

Proposed 2019-20 General Fund Budget

- 2019-2020 Master Fee Schedule
 - Flat dollar amount (i.e., recreation class fees) while
 - Amount of time spent on the service (i.e., development review). We use an hourly rate that reflects the staff costs to provide the service.
 - Cost Allocation Plan and Fee Study developed in 2013 helped determine the appropriate hourly rate and have been used as a baseline in budgets since that time.
 - For 2019-20, we are proposing to increase the hourly rates and fees by the change in the Consumer Price Index (CPI) of 3.5% or Construction Cost Index (TBD), if deemed appropriate by the department administering the fees or specified in the Municipal Code.
 - Some fees and charges are staying at the same level as 2018-19 and others have decreased. The proposed changes are highlighted in yellow.



City of Pacifica

Proposed 2019-20 General Fund Budget

- 2019-2020 Master Fee Schedule – Special Topics
 - Non-resident swim fees
 - Fees charged to non-residents of Pacifica for the use of the City aquatics programs.

 - Cannabis Fees
 - Relabeling the fees to strike the word “Marijuana” and replace it with the word “Cannabis”.
 - Regarding the Cannabis Public Safety License Fee - Yearly Renewal,
 - Ongoing renewal fee, per City policy, must allow the City to recoup all costs of reviewing, issuing and administering the program.
 - Additionally, the City has expended significant staff and legal costs in the implementation of this complex program thus far.
 - Recommendation is to develop cost-recovery fees that allow the City to recoup prior and on-going costs as part of the annual renewal fee for the program.



City of Pacifica

Proposed 2019-20 General Fund Budget

■ 2019-2020 Master Fee Schedule – Cannabis

Cannabis Regulatory Start Up Costs 2017-2019		
Pacifica Police Dept.		
Enforcement Costs		\$ 6,713
City Attorney		
Legal Support		
	Termination of Illegal Cannabis Operations	\$ 51,000
	City Attorney costs for Development of Ordinances	38,000
	City Attorney costs for ongoing advice on Cannabis	47,000
		\$ 136,000
Finance		
	Cash Machine Purchase	\$ 2,200
City Clerk		
	Elections Costs – Cannabis Ordinance share of total Nov 2017 election costs	\$ 76,622
Planning Dept.		
Drafting and Passage of Legal Framework For Cannabis Regulatory Program		
	Staff Time to draft and research ordinance (\$209 x 100 hrs.)	\$ 20,900
	Hdl Consultant for Ordinance Update	5,000
	Traffic Consultant for Ordinance Update	9,000
		\$ 34,900
Total Cannabis Regulatory Start Up Costs 2017-2019 ⁽¹⁾		\$ 256,435



City of Pacifica

Proposed 2019-20 General Fund Budget

- **2019-2020 Master Fee Schedule - Cannabis**

Ongoing Cost to Issue the Cannabis Public Safety License Fee-Yearly License Renewal	
Review renewal application for completeness	\$ 1,825
Enhanced Police Services/\$300 per business	1,800
Legal Support for Cannabis Related Issues/\$4,000 per business	24,000
Code Enforcement (\$209 x 51 hrs)	10,659
Finance/Renewal processing/To be reported on the Finance Dept. Schedule	500
Repayment of Cannabis Regulatory Start Up Costs/5 yr. ⁽¹⁾	51,287
HdL three (3) program compliance inspections annually for each permit/\$3,750	22,500
HdL four (4) fiscal compliance inspections annually for each permit/\$5,000	30,000
Total Costs to Be Recouped	\$ 142,571
No. of Businesses	6.00
Total	\$ 23,762



City of Pacifica

Proposed 2019-20 General Fund Budget

- 2019-2020 Master Fee Schedule - Cannabis

Annual Cannabis Fees in Other Cities		
San Luis Obispo		\$90,575
Modesto		\$21,740
Richmond		\$26,448
Cloverdale		\$13,392
Redwood City	Per Consultant Report	\$29,530
Grover Beach		\$15,000
South San Francisco		\$15,274
San Carlos		Actual Cost with \$3,000 deposit



City of Pacifica

Proposed 2019-20 General Fund Budget

- 2019-2020 Master Fee Schedule
 - Appeal Fees
 - Proposal to increase the Council Appeal fee to \$500.
 - The Appeal fee currently does not cover the cost of addressing the requirements of the appeal.
 - Appeals require processing, scheduling, and noticing by the City Clerk's Office; review by the City Manager and City Attorney; and departmental review, research, and staff report preparation.



City of Pacifica

Proposed 2019-20 General Fund Budget

- 2019-2020 Master Fee Schedule

Appeals Fees in Other Cities		
Woodside		\$400
Belmont		\$1,012
Millbrae		\$523
Atherton		\$750
Redwood City	Permit fee/deposit less than \$4,500	\$640
	Permit fee/deposit \$4,500 or more	\$2,668
Foster City	Appeal by Resident/Applicant	Actual Cost* Subject to minimum \$500/\$1,000 Deposit at time of filing
	Appeal by Non-Resident / Non-Applicant	
"Actual Cost" is time and materials, including all direct and indirect overhead costs.		
San Mateo (City)		\$500

City of Pacifica 2019-20 General Fund Budget



Questions