



City Council  
Budget  
Workshop  
5/21/13

# FY 13-14 Operating Budget

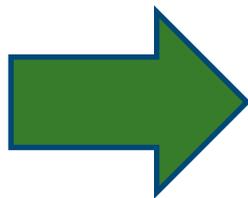
- R. Leon Churchill, Jr., City Manager
- Maria Hurtado, Assistant City Manager
- Jenny Haruyama, Administrative Services Director
- Allan Borwick, Budget Officer
- Robert Harmon, Senior Accountant



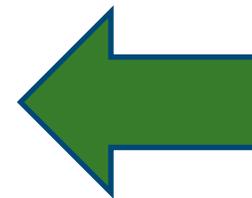


# FY 13-14 General Fund Budget

- Balanced without the use of reserves
- First time since FY 06-07 that budget adopted without anticipating draw on reserves
- Revenues will exceed expenses by \$604,920



City Council Goal of Balanced  
Budget is Achieved One Year  
Early  
(FY 13-14 instead of FY 14-15)





# Why Revenues are Exceeding Expenses (FY 13-14 Budget & Actual for FY 12-13)



Revenues are up – primarily due to strong sales tax



Expenses are being restrained through the reduction in number of City employees and employee compensation



Measure E still in effect (expires 3/31/16)

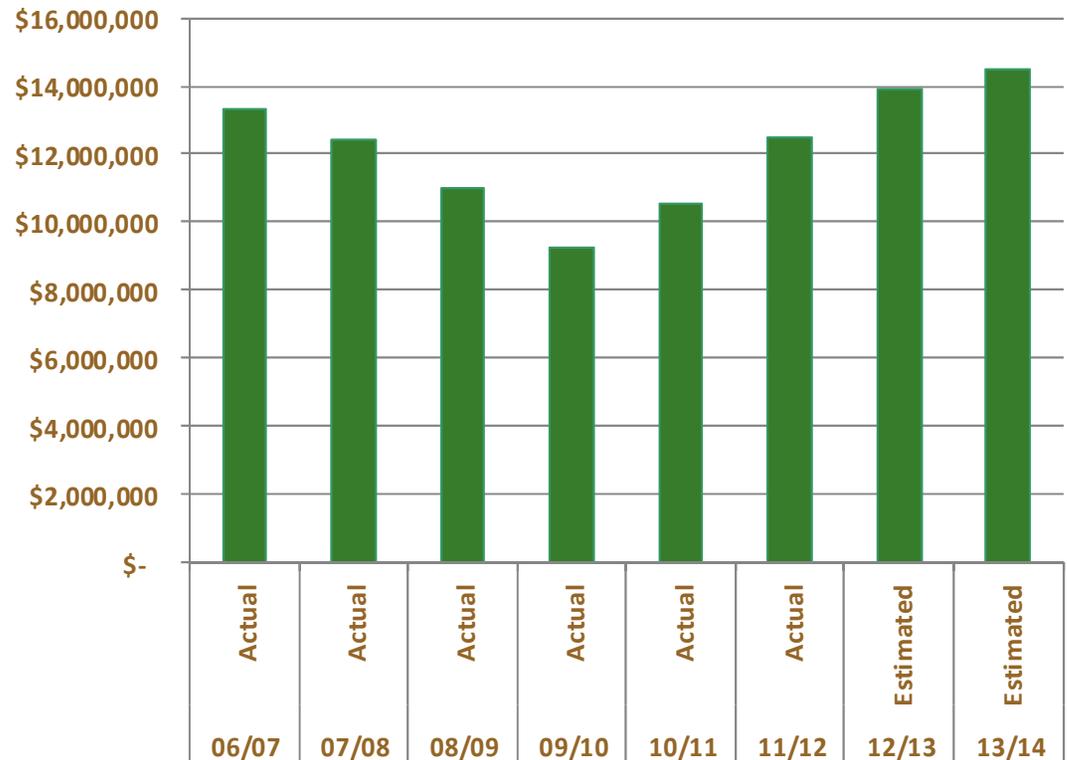




# Sales Tax

- Sales Tax Increasing
- Projected at \$14.5 million
- Includes \$500,000 for 6 months of new Amazon facility
- \$1.2 million more than all time high (FY 06-07)

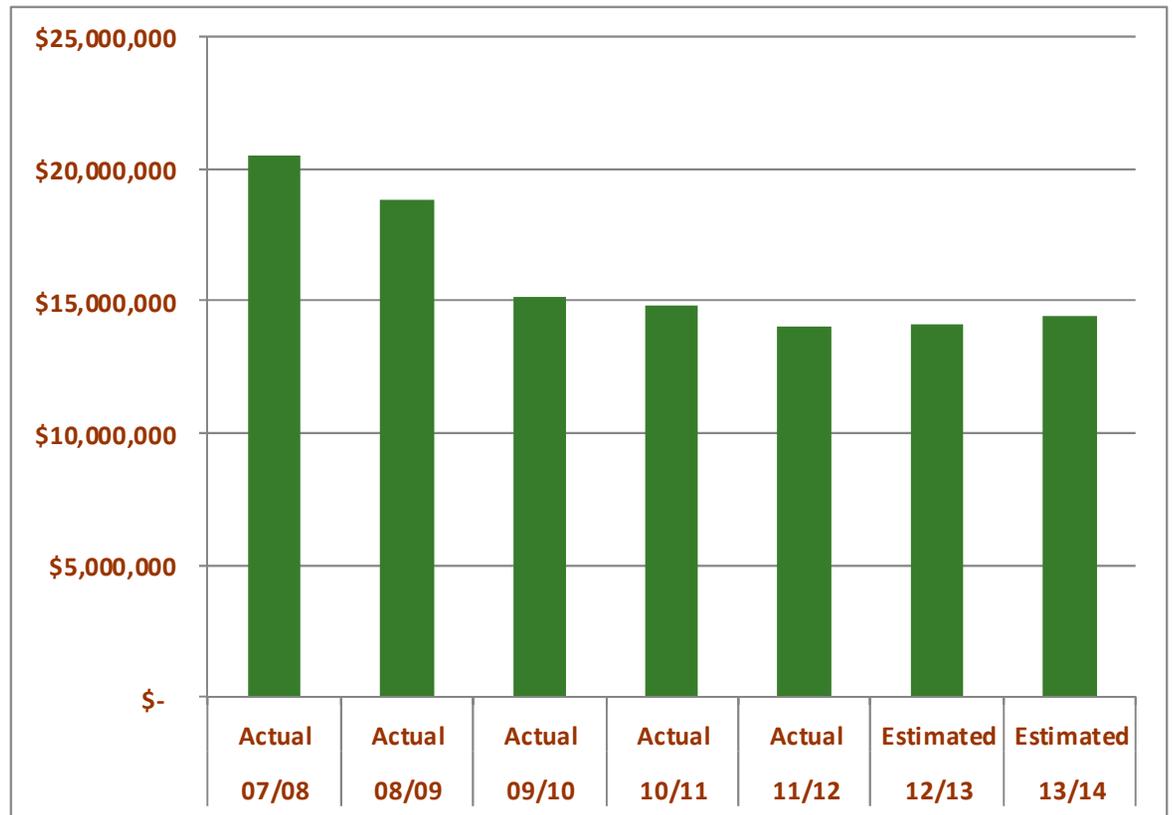
### General Sales Tax





# Property Tax

- Property Tax also increasing
- Projected at \$14.5 million
- Still down \$6 million from FY 07-08





General Fund  
Budget

<u>REVENUES</u>	<u>FY 12 - 13 Budget</u>	<u>FY 13 - 14 Budget</u>	
Property Tax	\$13,638,300	\$14,410,000	6%
Sales Tax	12,511,000	14,502,900	16%
Temporary Taxes (Meas. E)	5,933,300	6,067,260	2%
Other Taxes	1,610,000	1,630,000	1%
Franchise Fees	2,501,000	2,554,200	2%
Current Charges	7,529,000	8,120,840	8%
Other Fees & Charges	3,976,120	4,549,160	14%
<b>TOTAL REVENUES</b>	<b>\$47,698,720</b>	<b>\$51,834,360</b>	<b>9%</b>
 <u>EXPENDITURES</u>			
Police	\$22,217,490	\$22,805,350	3%
Fire (General Fund)	8,712,180	9,052,090	4%
Public Works	4,031,000	4,205,470	4%
Development Services	6,263,800	6,625,640	6%
Recreation	3,390,070	3,548,560	5%
General Government	2,738,690	2,707,250	-1%
Administrative Services	2,953,810	2,646,870	-10%
Non-Departmental/Other	(603,220)	(815,790)	35%
Debt Service	1,175,000	1,204,000	2%
Budget Savings	(1,000,000)	(750,000)	-25%
<b>TOTAL EXPENDITURES</b>	<b>\$49,878,820</b>	<b>\$51,229,440</b>	<b>3%</b>
 EXCESS REVENUE OVER EXPENDITURES		<u>\$604,920</u>	





## New positions in FY 13-14

- One new Police dispatch position – ***critical need***
- One new Economic Development Analyst – City has been successful, time to do more, should pay for itself
- Two new firefighter positions – City will fund until 7/1/15 thereafter Tracy Rural
- FTE count is still down 1.5 from FY 12-13)





A reduction of 112 FTE (20% of workforce) since FY 07-08

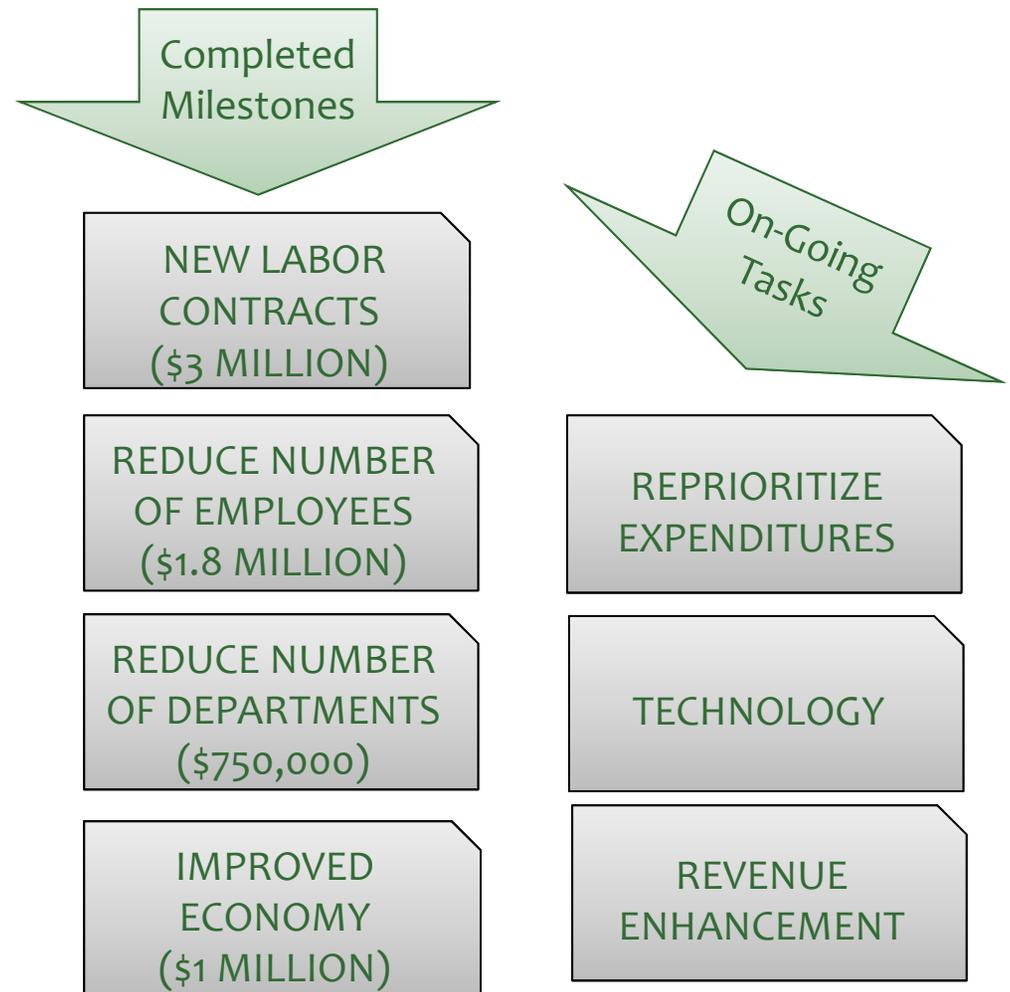
<u>Department</u>	<u>Authorized FY08-09 FTEs</u>	<u>Authorized FY09-10 FTEs</u>	<u>Authorized FY10-11 FTEs</u>	<u>Authorized FY11-12 FTEs</u>	<u>Authorized FY12-13 FTEs</u>	<u>Proposed FY13-14 FTEs</u>
Police	154.44	151.94	129.44	131.94	127.95	129.51
Fire	83.95	83.95	78.45	78.45	76.45	78.70
Public Works	155.40	152.65	135.05	135.30	134.10	133.90
Development Services	57.18	53.68	47.90	46.90	40.90	37.90
City Council	1.00	1.00	1.00	1.00	1.00	1.00
City Attorney's Office	4.00	4.00	4.00	4.00	4.00	4.00
City Manager's Office	63.32	60.77	47.85	42.80	32.10	31.95
Administrative Services	34.36	32.46	28.95	29.95	31.45	29.45
Total	553.65	540.45	472.64	470.34	447.95	446.41





# Status of the “20-Mile March”

- Employees stepping into paying full employee share of PERS
- 112 FTE’s eliminated
- 3 departments eliminated
- “8-point plan” continues to evolve: new plan coming soon





# EXCESS REVENUES EXPENDITURES

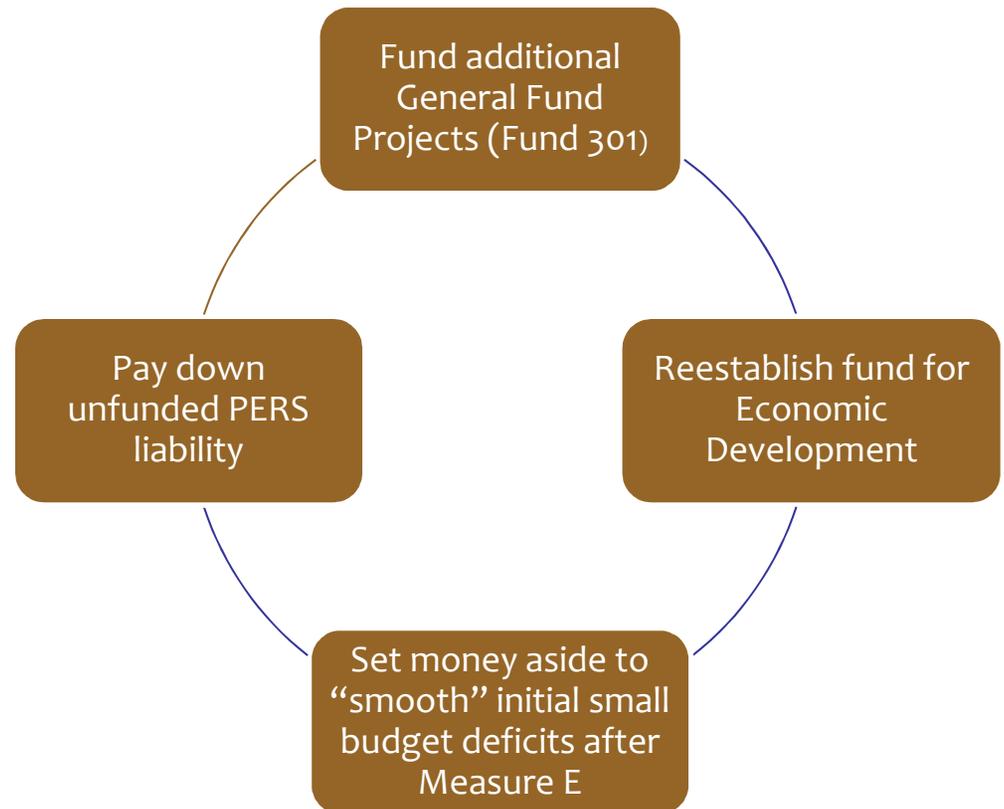
MEASURE E PROJECTED TO  
PROVIDE \$6 TO \$6.5 MILLION  
ANNUALLY

EXPECTED EXCESS REVENUES OVER  
EXPENDITURES IN FISCAL YEARS  
LEADING UP TO THE EXPIRATION  
OF MEASURE E

COMES FROM “STEPPING INTO”  
EXPENSE REDUCTIONS AND OTHER  
ACTIONS VS. WAITING UNTIL 3/31/16  
TO CUT \$6.5 MILLION ALL AT ONCE

PROJECTED \$1.8 MILLION EXCESS  
REVENUES OVER EXPENDITURES  
FROM FY 12-13 AND 13-14

Need City Council Policy  
Consideration





# Questions & Answers

Budget Adoption  
At  
Public Hearing  
City Council Meeting  
June 4, 2013

