

City Council Winter Retreat 2012

Financial Overview and City Manager Report

- Acknowledgements – Community, Council, Employees – Past and Present
- Local Economic Conditions
- City Budget Illustration – General Fund focus
- Looking Back – City budget, General Fund focus
- Current Situation - General Fund Focus
- Looking Forward – General Fund Focus through 2018/2019
- Trend Analysis – Services, Projects, Programs, Facilities, Maintenance
- Transition from Redevelopment Agency Issues
- Budget
- Budget Calendar

Great Recession Impact on San Leandro's Budget

- Property tax revenue has declined
- Taxable sales have dropped. Top 10 businesses down 11% since 2007, Auto dealers down 19% since 2007. Stores at Bayfair down 19% since 2007. Measure Z offsets portion of sales tax revenue drop off
- Adverse economy impacts Utility User Tax revenues down 6% since 2007
- Community Development departmental revenue down nearly 35% since 2007
- \$16,000,000 shift of redevelopment funds from City

General Fund Focus

- San Leandro residential property value declines, secured property assessed value dropped
- San Leandro residential foreclosures still at historical levels; down from 20 per month in 2008-09 to 15 per month in 2010-11
- San Leandro unemployment at 10.7%, while Alameda County is at 9.3%
- Development and construction has declined, City building permits down by 41% since 2006-07, valuation down 39%

City Budget All Funds 2011-12

Redevelopment Agency
Funds
\$14,031,000
12%

Internal Service Funds
\$10,646,000
9%

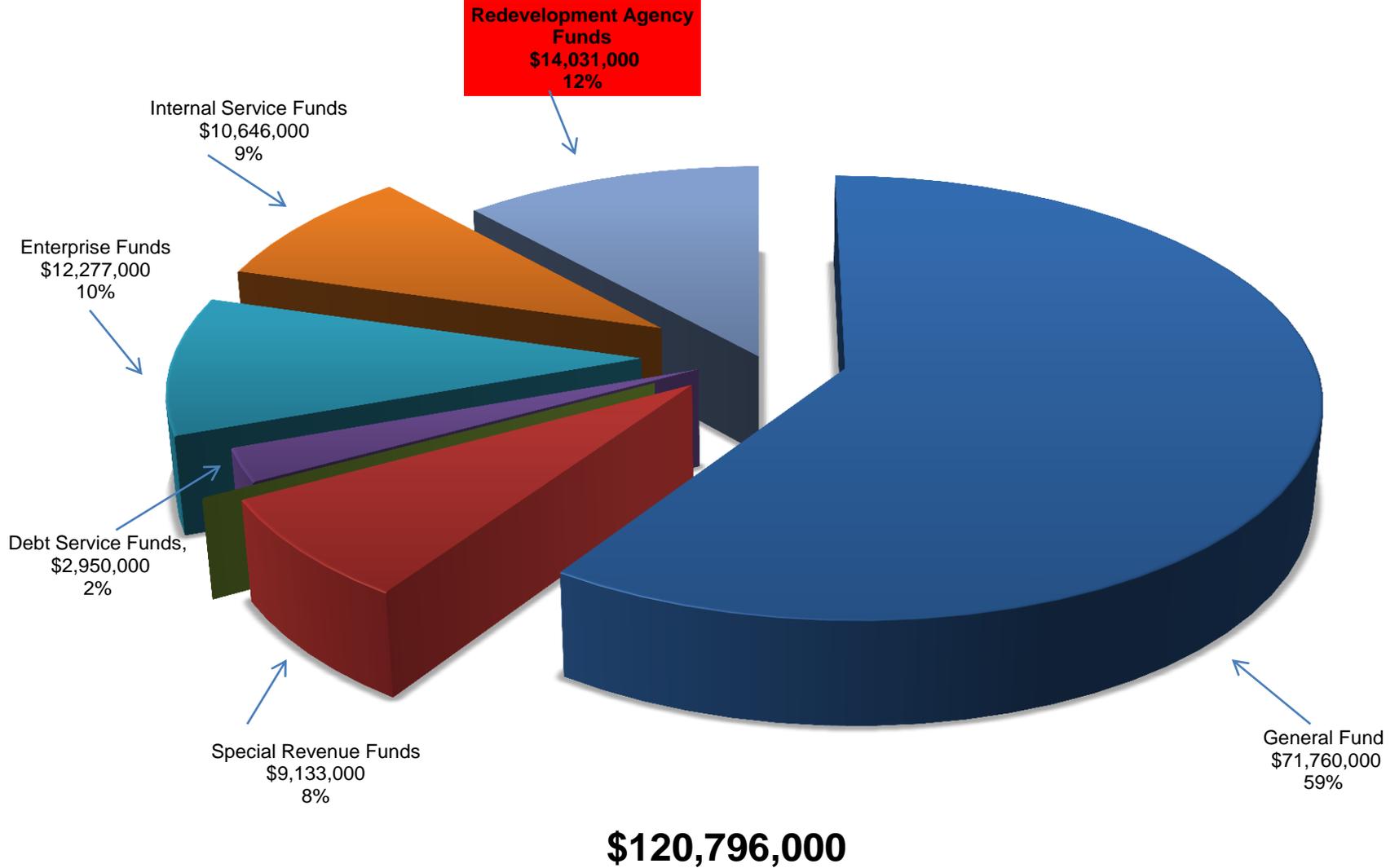
Enterprise Funds
\$12,277,000
10%

Debt Service Funds,
\$2,950,000
2%

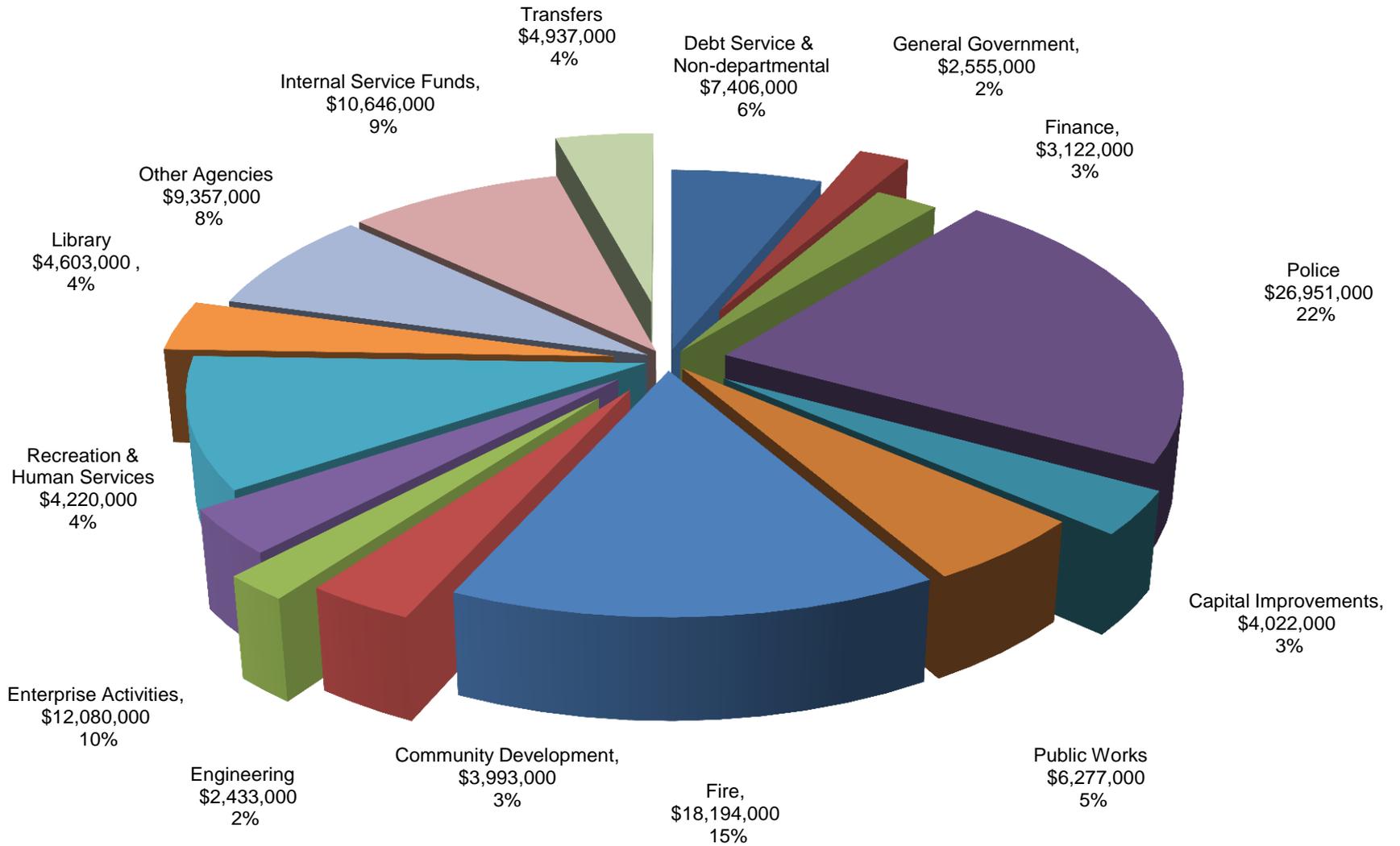
Special Revenue Funds
\$9,133,000
8%

General Fund
\$71,760,000
59%

\$120,796,000

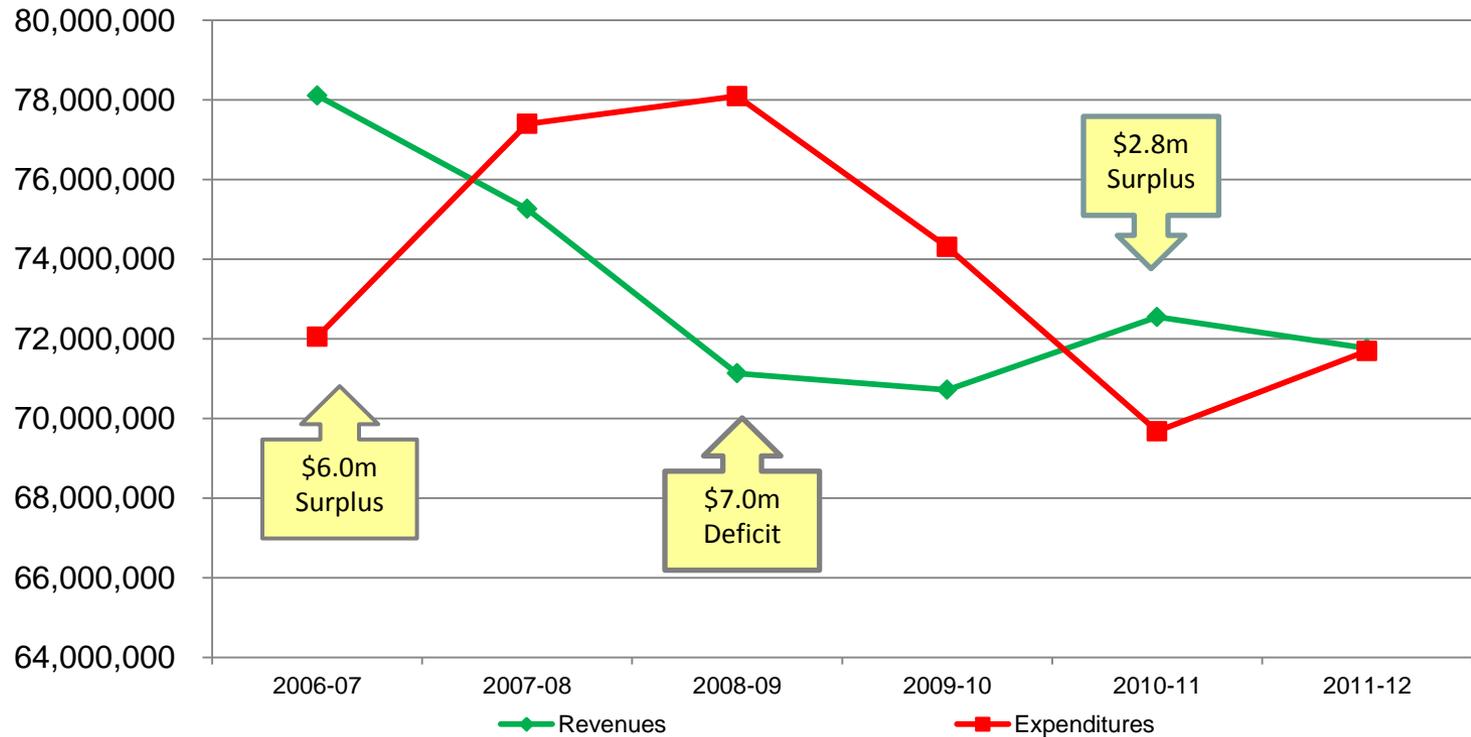


City Budget All Funds by Department 2011-12



\$120,796,000

General Fund Annual Expenditures and Revenues Historical Data, 2006-07 thru 2011-12

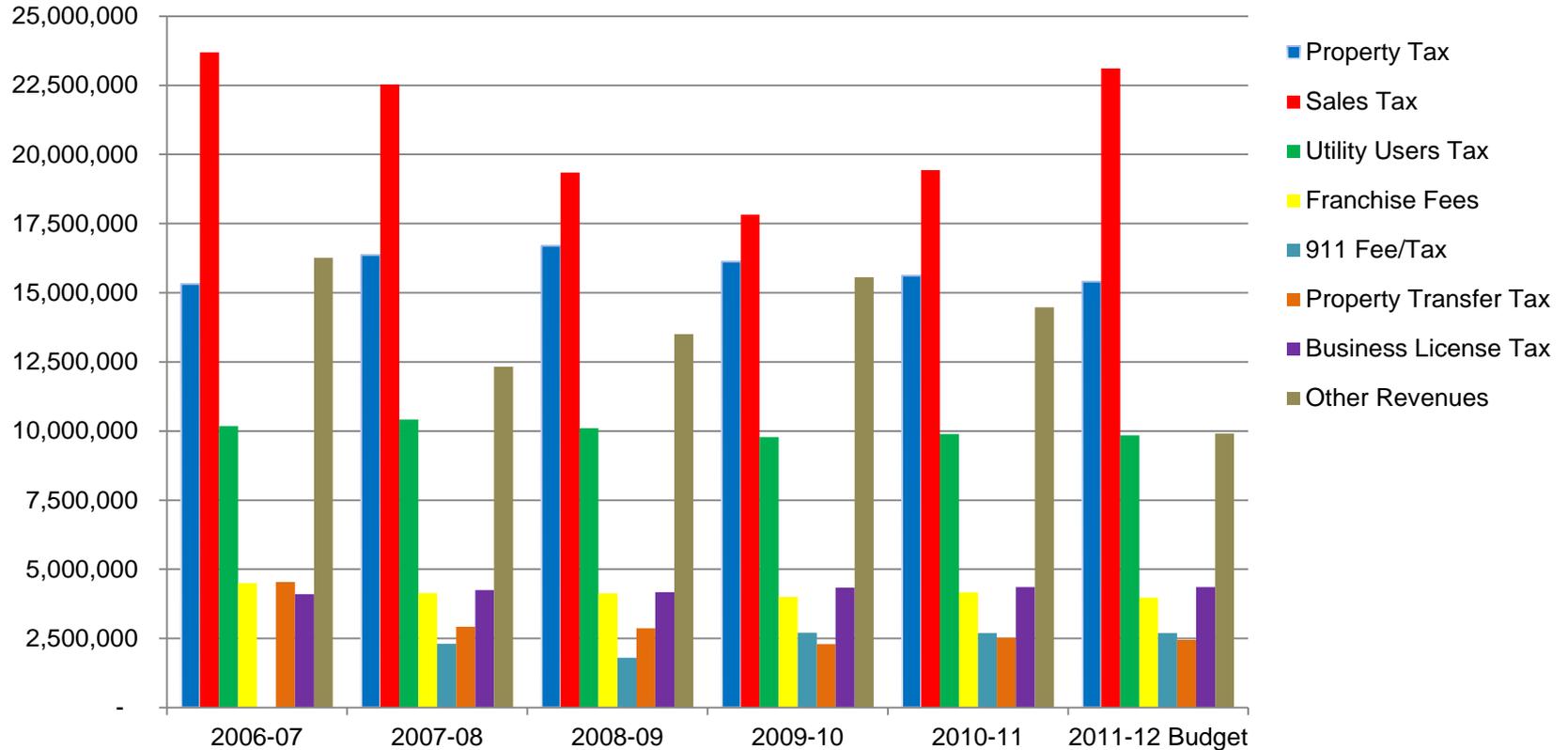


	Actual 2006-07	Actual 2007-08	Actual 2008-09	Actual 2009-10	Actual 2010-11	Adopted 2011-12
Revenues	\$ 78,113,000	\$ 75,261,000	\$ 71,133,000	\$ 70,718,000	\$ 72,548,000	\$ 71,760,000
Expenditures	72,049,000	77,397,000	78,097,000	74,305,000	69,677,000	71,693,000
Net	\$ 6,064,000	\$ (2,136,000)	\$ (6,964,000)	\$ (3,587,000)	\$ 2,871,000	\$ 67,000



General Fund Annual Revenues

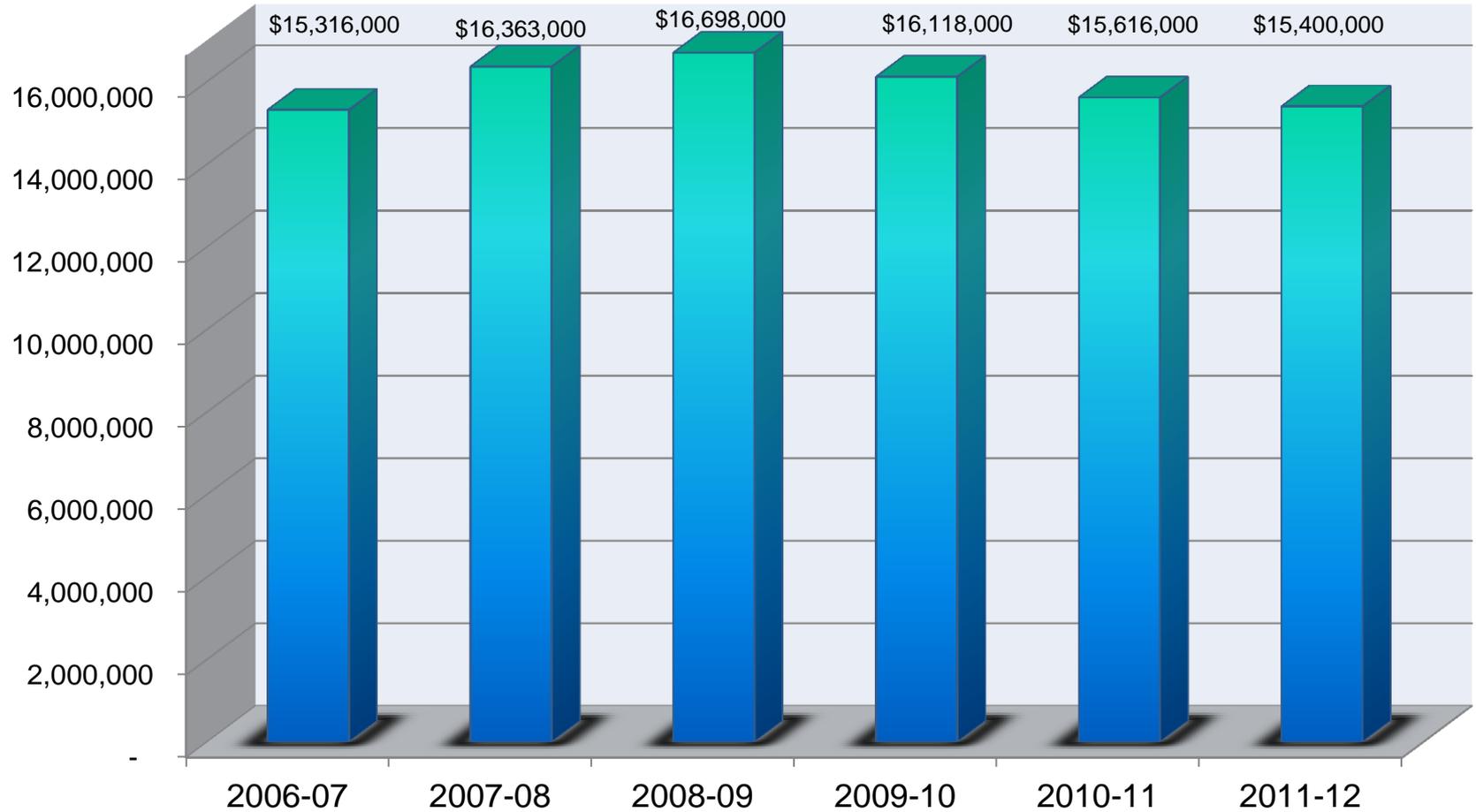
Historical Data, 2006-07 thru 2011-12



	Property Tax	Sales Tax	Utility Users Tax	Franchise Fees	911 Fee/Tax	Property Transfer Tax	Business License Tax	Other Revenues	Total
2006-07	15,316,000	23,691,000	10,175,000	4,496,000	-	4,539,000	4,103,000	16,261,000	78,581,000
2007-08	16,363,000	22,531,000	10,420,000	4,142,000	2,309,000	2,925,000	4,248,000	12,322,000	75,260,000
2008-09	16,698,000	19,352,000	10,103,000	4,126,000	1,801,000	2,870,000	4,179,000	13,504,000	72,633,000
2009-10	16,118,000	17,826,000	9,783,000	4,005,000	2,712,000	2,297,000	4,338,000	15,557,000	72,636,000
2010-11	15,616,000	20,299,000	9,891,000	4,160,000	2,694,000	2,529,000	4,361,000	13,598,000	73,148,000
2011-12	15,400,000	23,110,000	9,848,000	3,983,000	2,700,000	2,444,000	4,361,000	9,914,000	71,760,000

Property Tax Revenue

Historical Data, 2006-07 thru 2011-12



Allocation of Property Tax Collected in San Leandro (Per Dollar)

Schools 46¢

Special
Districts
17¢

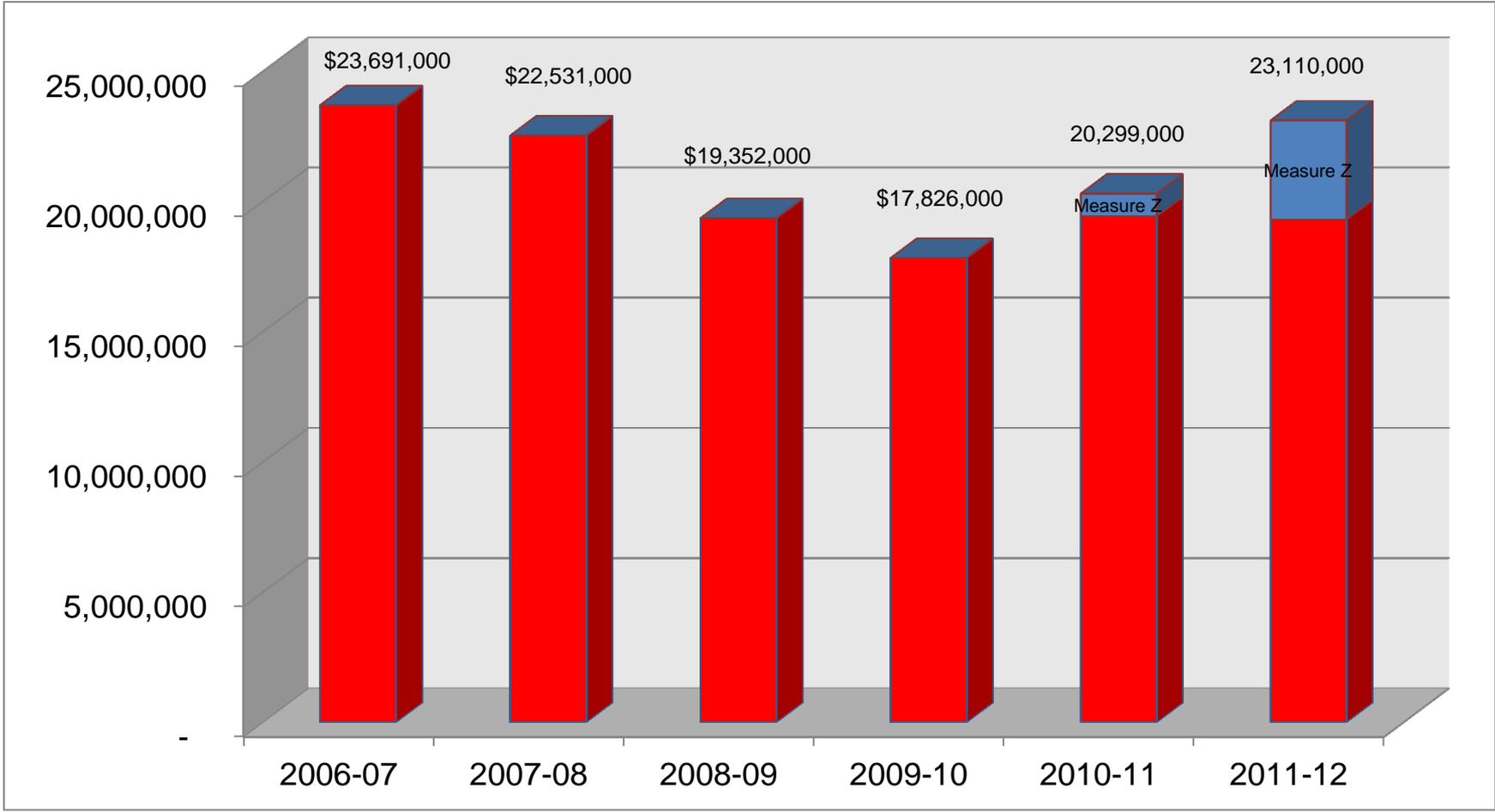
City of
San
Leandro
12¢

County General
Fund
25¢



Sales and Use Tax Revenue

Historical Data, 2006-07 thru 2011-12



Distribution of Sales Tax Collected in San Leandro (Per Dollar)

State of California
66.5¢

City of
San
Leandro
11¢+3¢

Alameda
County
19.5¢



Measure Z

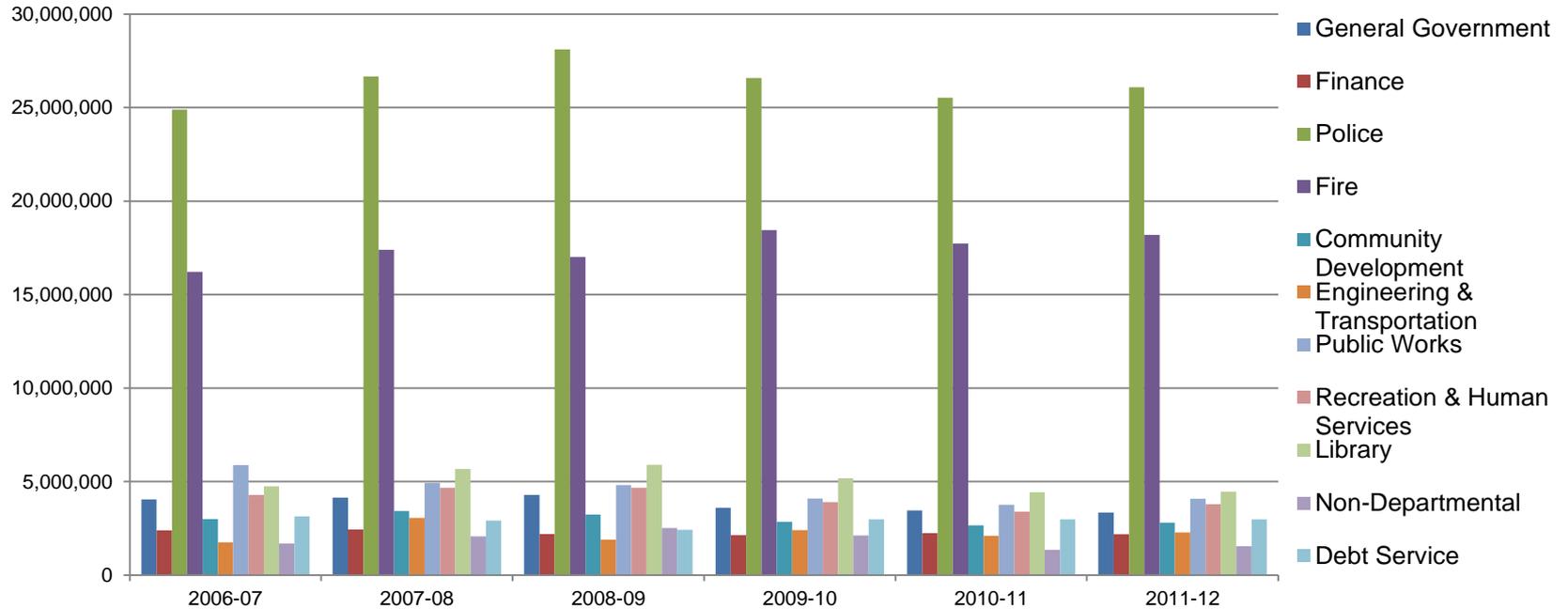
Measure B

BART



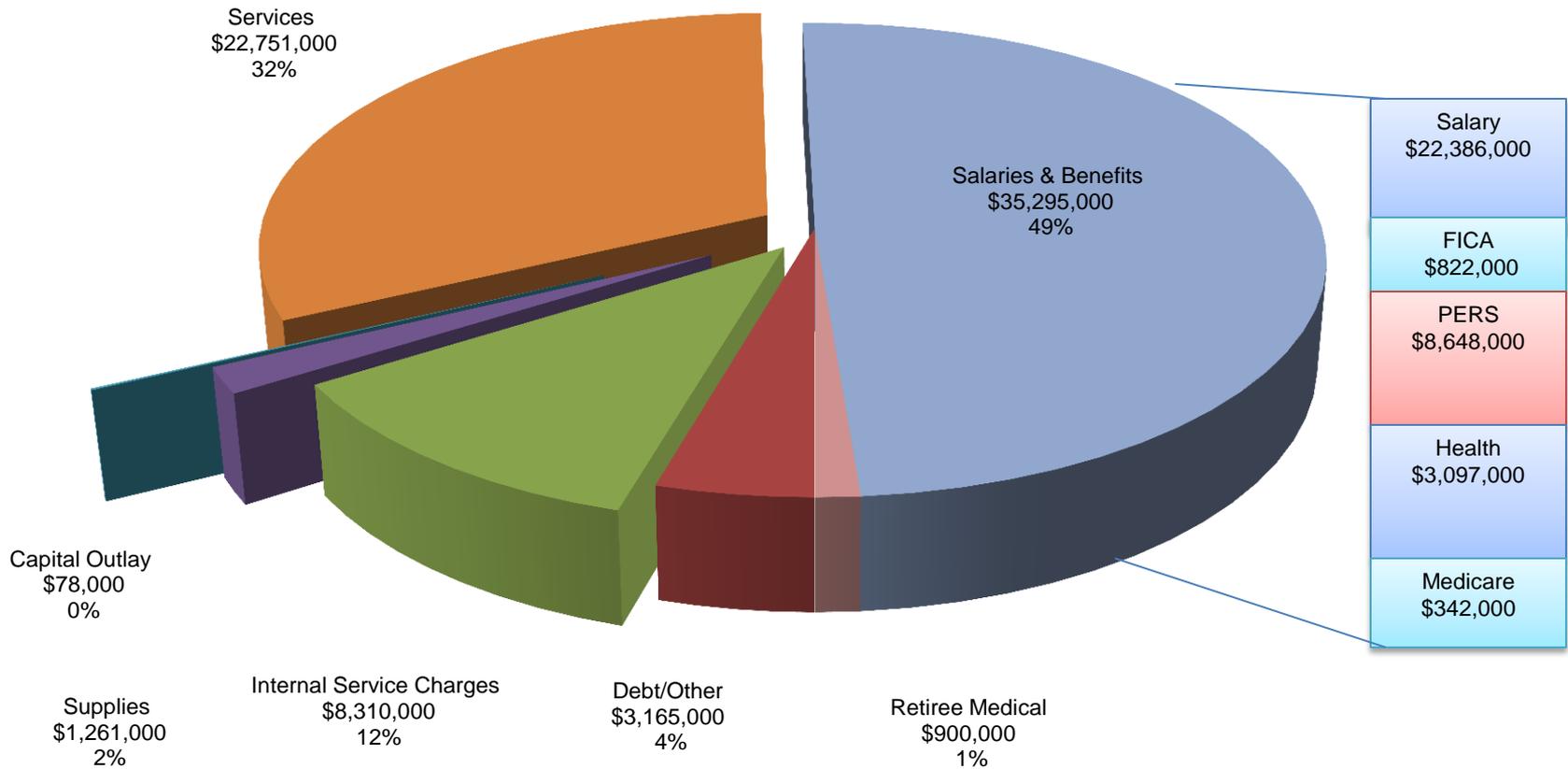
General Fund Expenditures By Department

Historical Data, 2006-07 thru 2011-12



Expenditures by Department	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Adopted
General Government	\$ 4,055,000	\$ 4,152,000	\$ 4,290,000	\$ 3,606,000	\$ 3,464,000	\$ 3,342,000
Finance	2,385,000	2,440,000	2,203,000	2,136,000	2,245,000	2,184,000
Police	24,888,000	26,660,000	28,114,000	26,579,000	25,540,000	26,085,000
Fire	16,222,000	17,402,000	17,017,000	18,457,000	17,741,000	18,194,000
Community Development	2,999,000	3,424,000	3,234,000	2,847,000	2,663,000	2,812,000
Engineering & Transportation	1,760,000	3,066,000	2,896,000	2,407,000	2,100,000	2,277,000
Public Works	5,885,000	4,920,000	4,822,000	4,090,000	3,767,000	4,081,000
Recreation & Human Services	4,281,000	4,665,000	4,674,000	3,903,000	3,391,000	3,797,000
Library	4,745,000	5,677,000	5,904,000	5,174,000	4,428,000	4,464,000
Non-Departmental	1,692,000	2,078,000	2,515,000	2,127,000	1,357,000	1,475,000
Debt Service	3,137,000	2,911,000	2,428,000	2,978,000	2,983,000	2,981,000
Total Expenditures	72,049,000	77,395,000	78,097,000	74,304,000	69,679,000	71,692,000
Transfers to Other Funds	2,054,000	3,786,000	2,149,000	1,618,000	4,194,000	68,000
Total Operating Expenditures	\$74,103,000	\$81,181,000	\$80,246,000	\$75,922,000	\$73,873,000	\$71,760,000

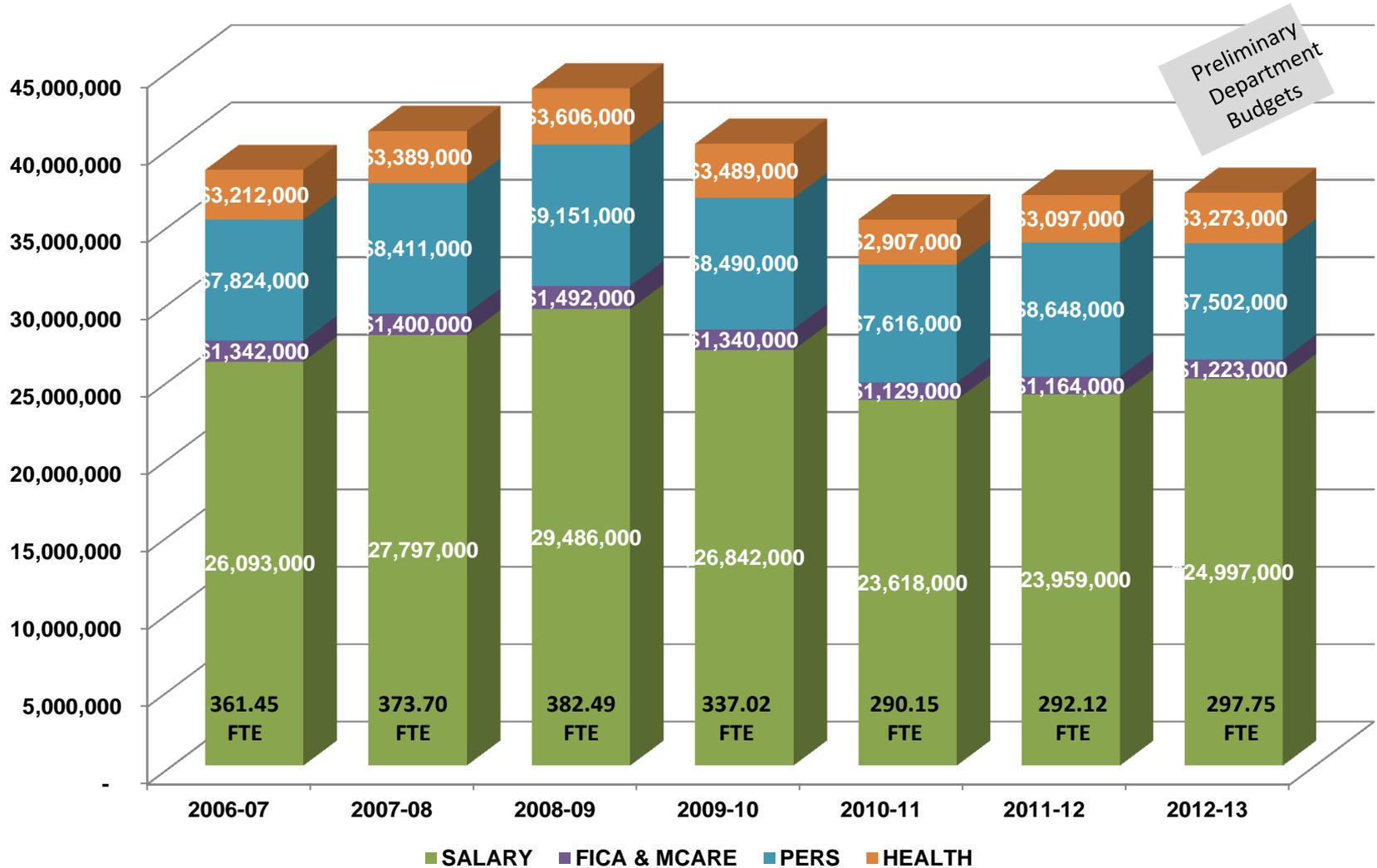
General Fund Budget Expenditures by Type 2011-12



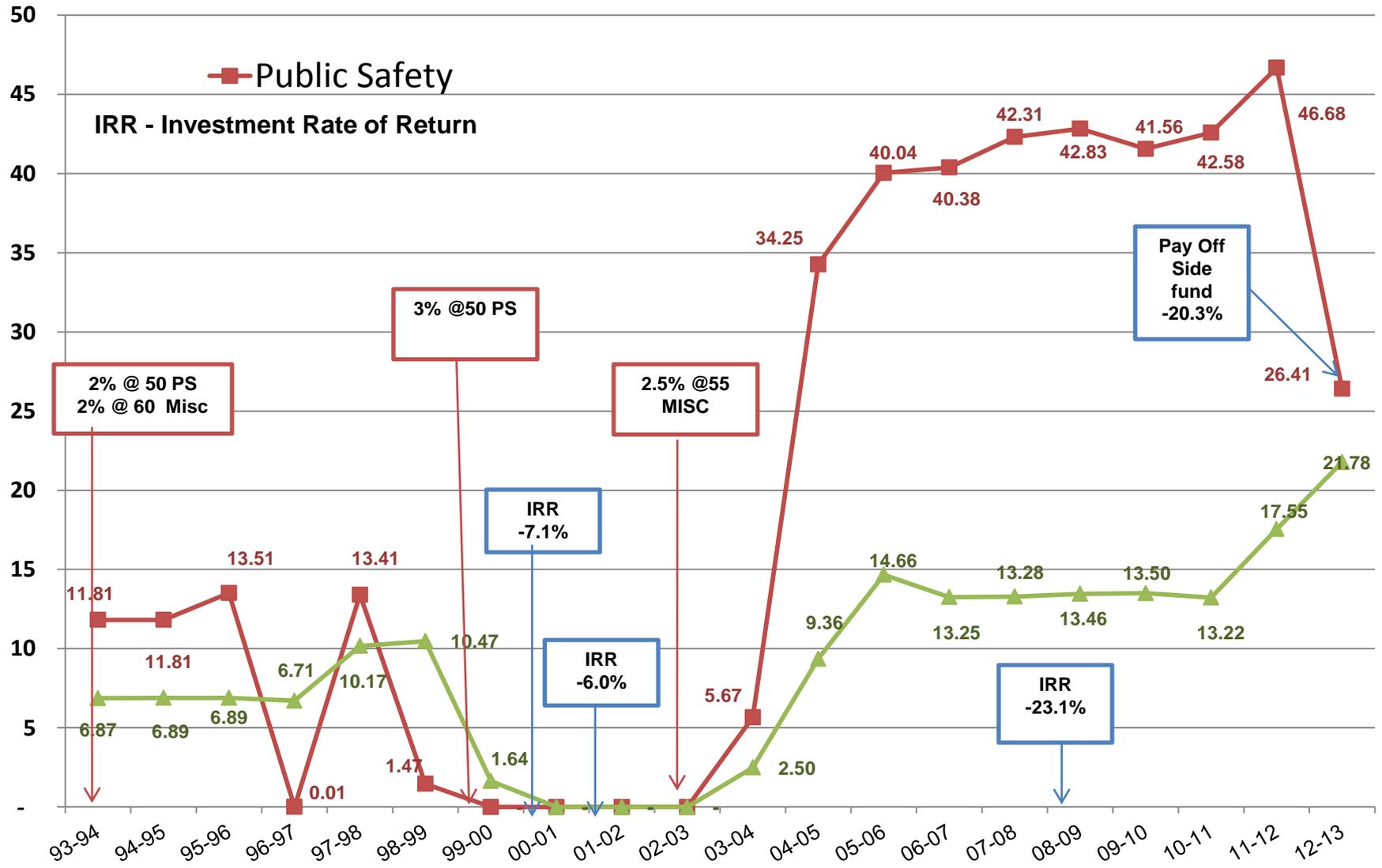
\$71,760,000

General Fund Positions and Salary & Benefit Costs

Historical Data, 2006-07 thru 2012-13



Public Employees Retirement System (PERS) Rates Historical Data, 1993-94 Thru 2012-13



2011-12 Financial Status Report As of January 31, 2012

GENERAL FUND

Revenues	Adopted Budget	YTD as of 1/31/12	% of Budget
TAXES:			
Property Tax	\$15,400,000	\$7,999,545	52%
Sales Tax	19,310,000	8,993,962	47%
Transaction & Use Tax (Meas Z)	3,800,000	1,574,949	41%
Utility Users Tax	9,847,900	4,775,909	48%
Franchise Fees	3,983,000	1,238,397	31%
Property Transfer Tax	2,444,000	1,764,771	72%
Emergency Communication Access Fee (911)	2,700,000	1,333,505	49%
Business License Tax	4,225,000	2,104,513	50%
Other Taxes	277,100	183,505	66%
Sub Total	\$61,987,000	\$29,969,056	48%



2011-12 Financial Status Report As of January 31, 2012

GENERAL FUND

Revenues	Adopted Budget	YTD as of 1/31/12	% of Budget
OTHER:			
Charges for Services	\$2,381,000	\$1,687,337	71%
Interest & Property Income	1,017,764	772,869	76%
Fines, Fees & Forfeitures	1,190,000	468,023	39%
Intergovernmental	1,064,050	865,858	81%
Licenses & Permits	1,560,155	1,454,634	93%
Interdepartmental	2,295,294	1,327,316	58%
Other/Transfers	265,233	222,137	84%
Sub Total	9,773,496	6,798,174	70%
Total Revenues	\$71,760,496	\$36,767,230	51%



2011-12 Financial Status Report

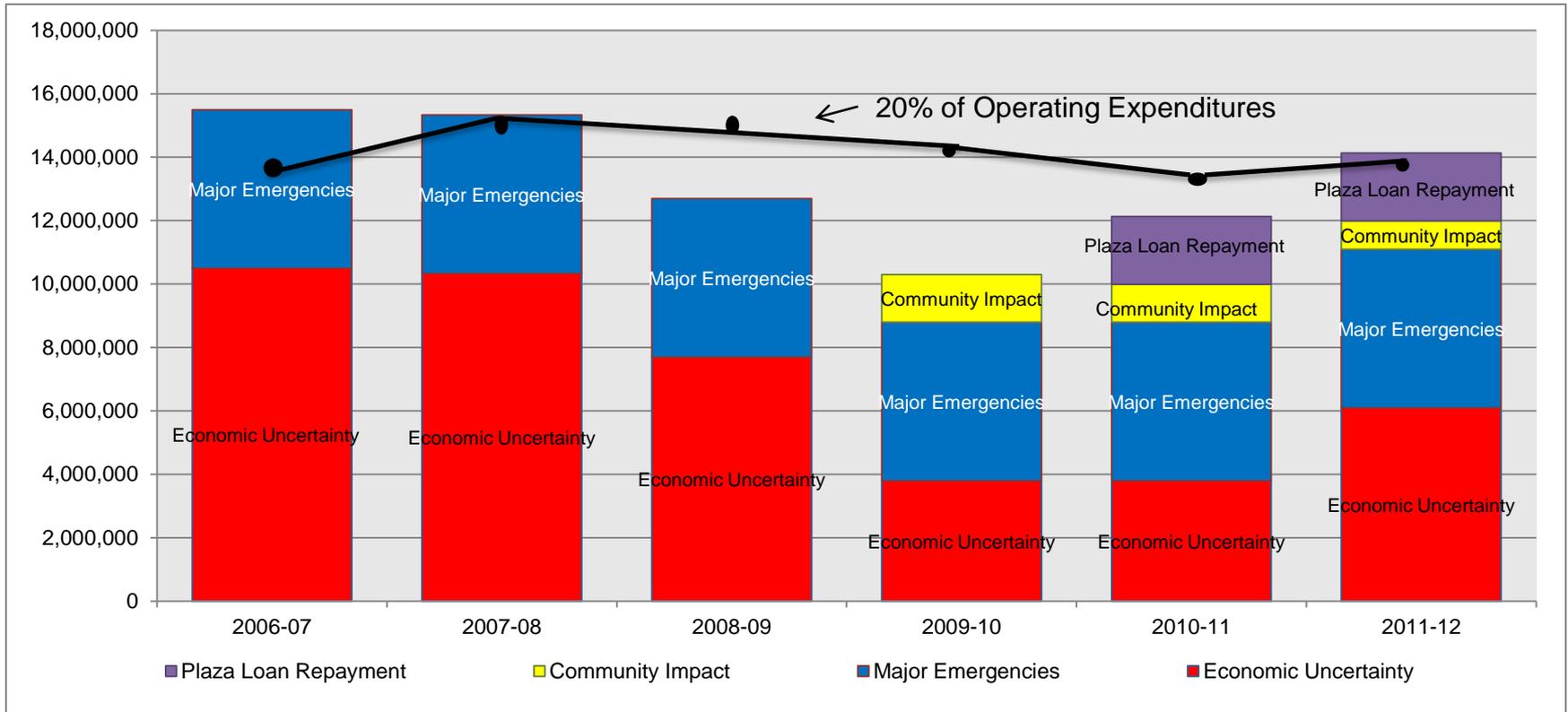
As of January 31, 2012

GENERAL FUND	Adopted Budget	YTD as of 1/31/012	% of Budget
Expenditures			
General Administration Council, Clerk, City Attorney, City Manager and Human Resources	\$3,342,231	\$2,008,891	60%
Finance	2,183,945	1,257,564	
Police	26,085,580	15,389,878	58%
Fire	18,193,855	7,644,860	59%
Recreation & Human Services	3,796,701	2,141,947	42%
Engineering & Transportation	2,276,869	1,339,788	56%
Library	4,464,194	2,695,462	59%
Public Works	4,080,766	2,166,040	60%
Community Development	2,811,787	1,578,586	53%
Non-Departmental	1,475,278	722,949	56%
Debt Service	2,981,348	1,748,691	49%
Transfers	67,942	248,849	59%
Total Expenditures	\$71,760,496	\$38,943,505	54%



General Fund Reserves

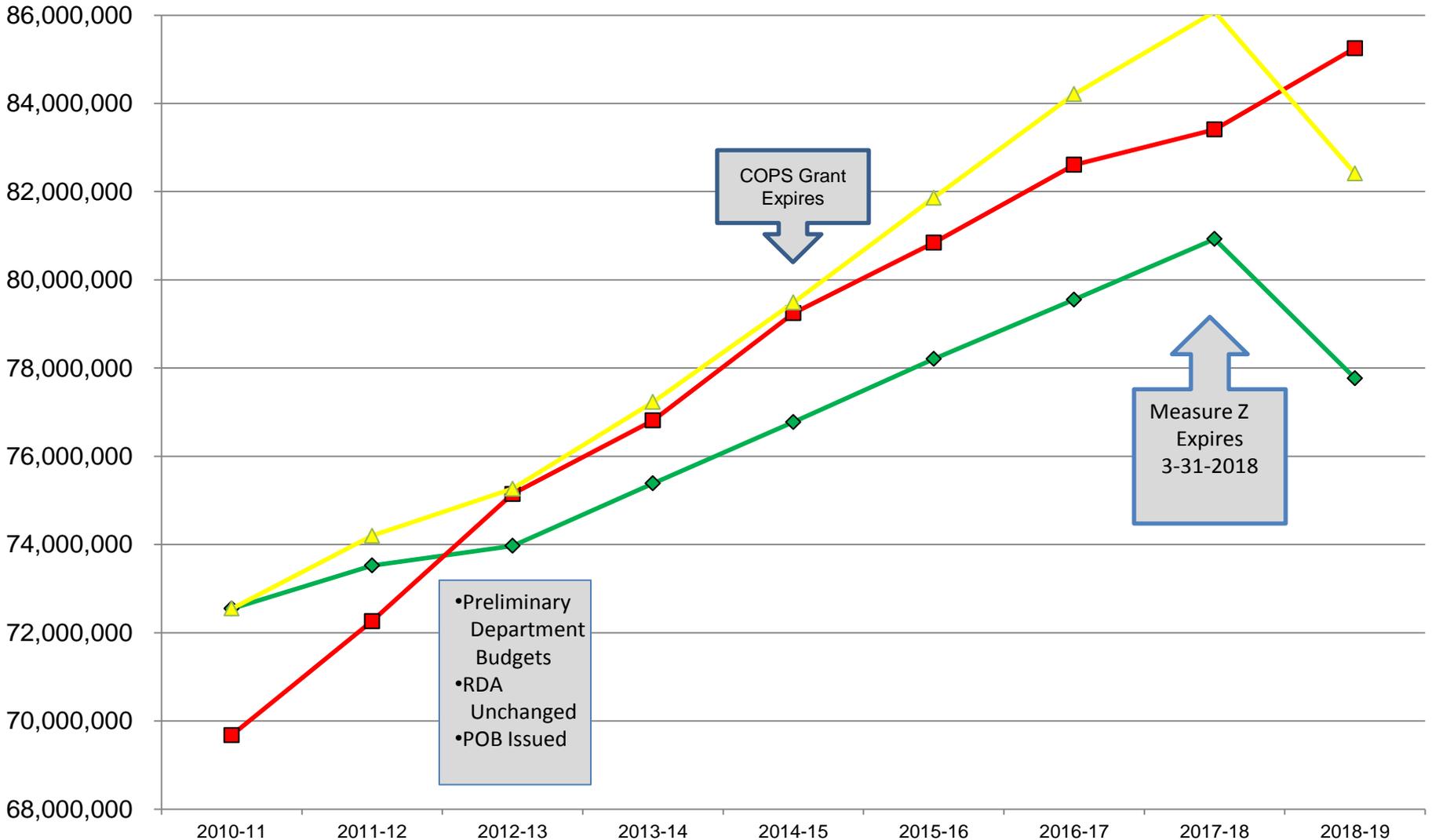
Historical Data, 2006-07 thru 2011-12



	2006-07	2007-08	2008-09	2009-10	2010-11	Estimated 2011-12
Economic Uncertainty	\$ 10,498,000	\$ 10,033,000	\$ 7,694,184	\$ 3,796,473	\$ 3,796,473	\$ 6,096,473
Major Emergencies	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Community Impact	-	-	-	1,500,000	1,200,000	900,000
Plaza Loan Repayment	-	-	-	-	2,137,273	2,137,273
Total	\$ 15,498,000	\$ 15,033,000	\$12,694,184	\$ 10,296,473	\$ 12,133,746	\$ 14,133,746



Seven Year Forecast, General Fund Revenues and Expenditures 2012-13 thru 2018-19



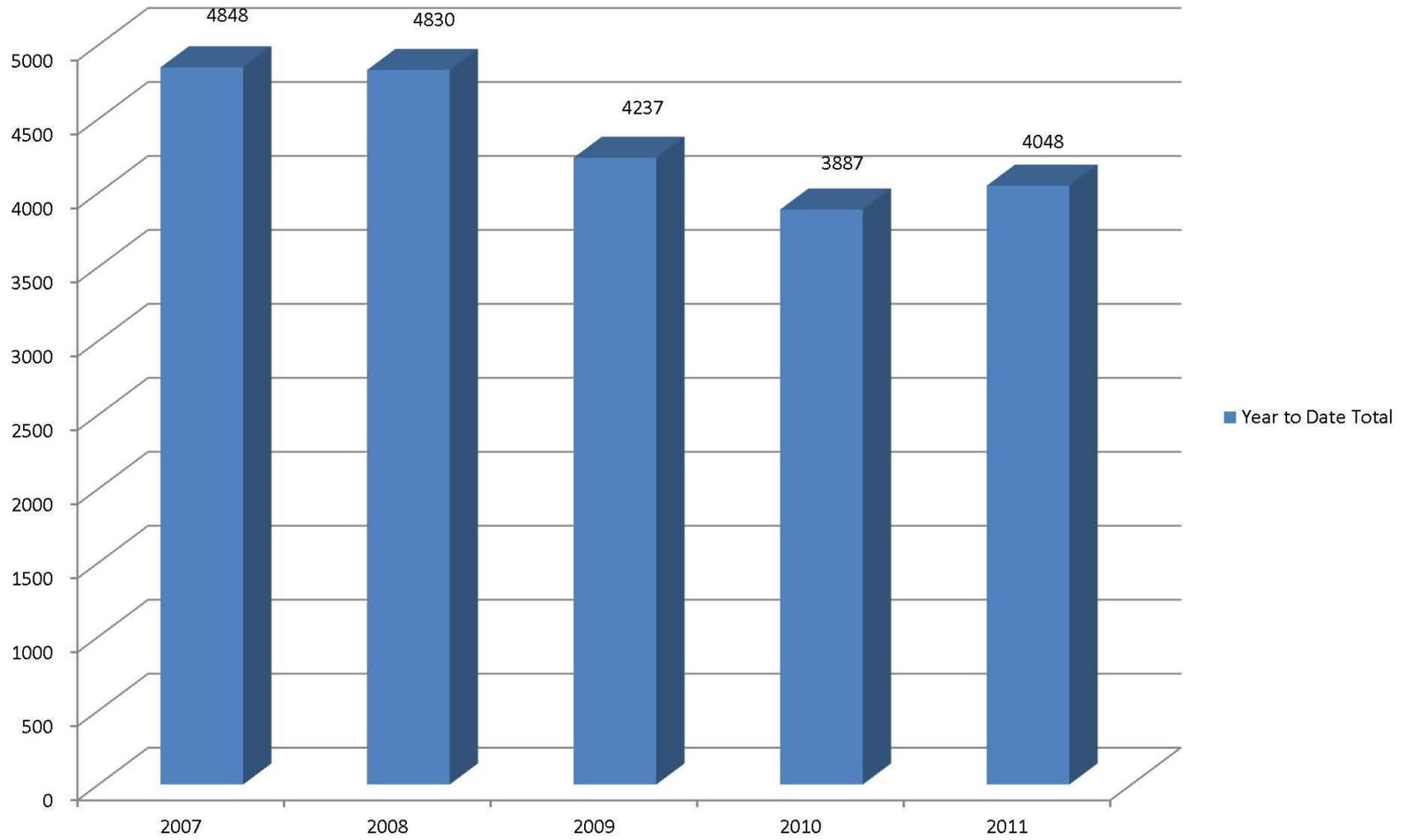
◆ Revenues
 ■ Expenditures
 ▲ Revenues Reflecting Muni Services Estimates

• Preliminary
 Department
 Budgets
 • RDA
 Unchanged
 • POB Issued

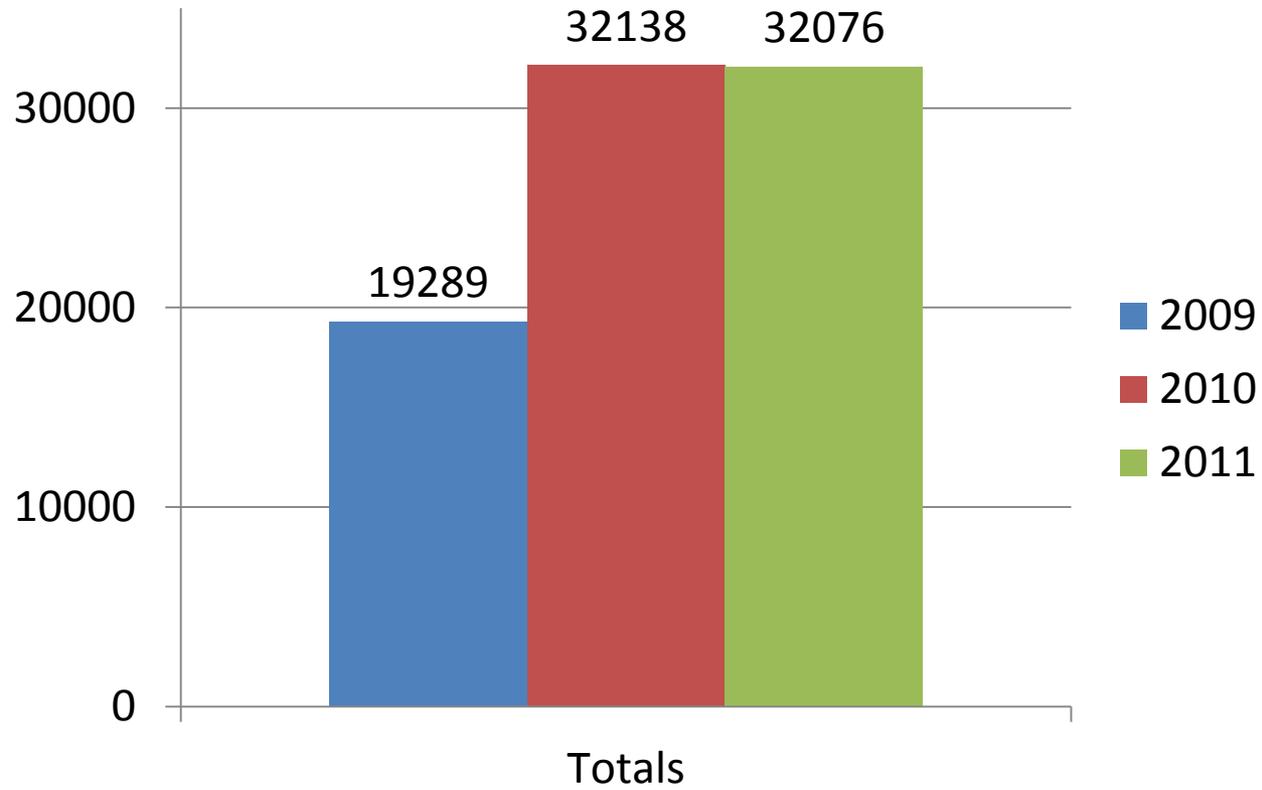
Key Trend Analysis

- Services/ Programs
- Facilities/Infrastructure/Maintenance
- Capital Improvement Program
- Community Development

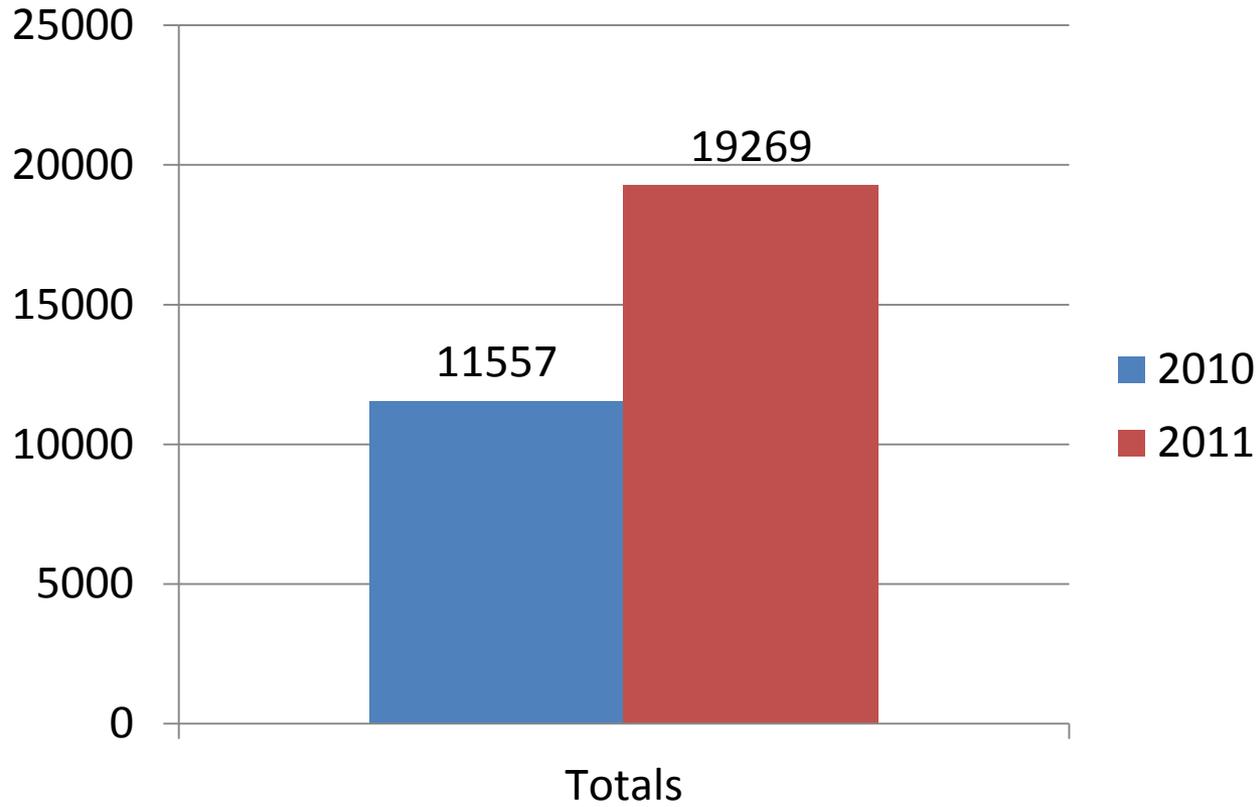
Part 1 Crime Totals In San Leandro
5 Year Comparison
December 2007-2011



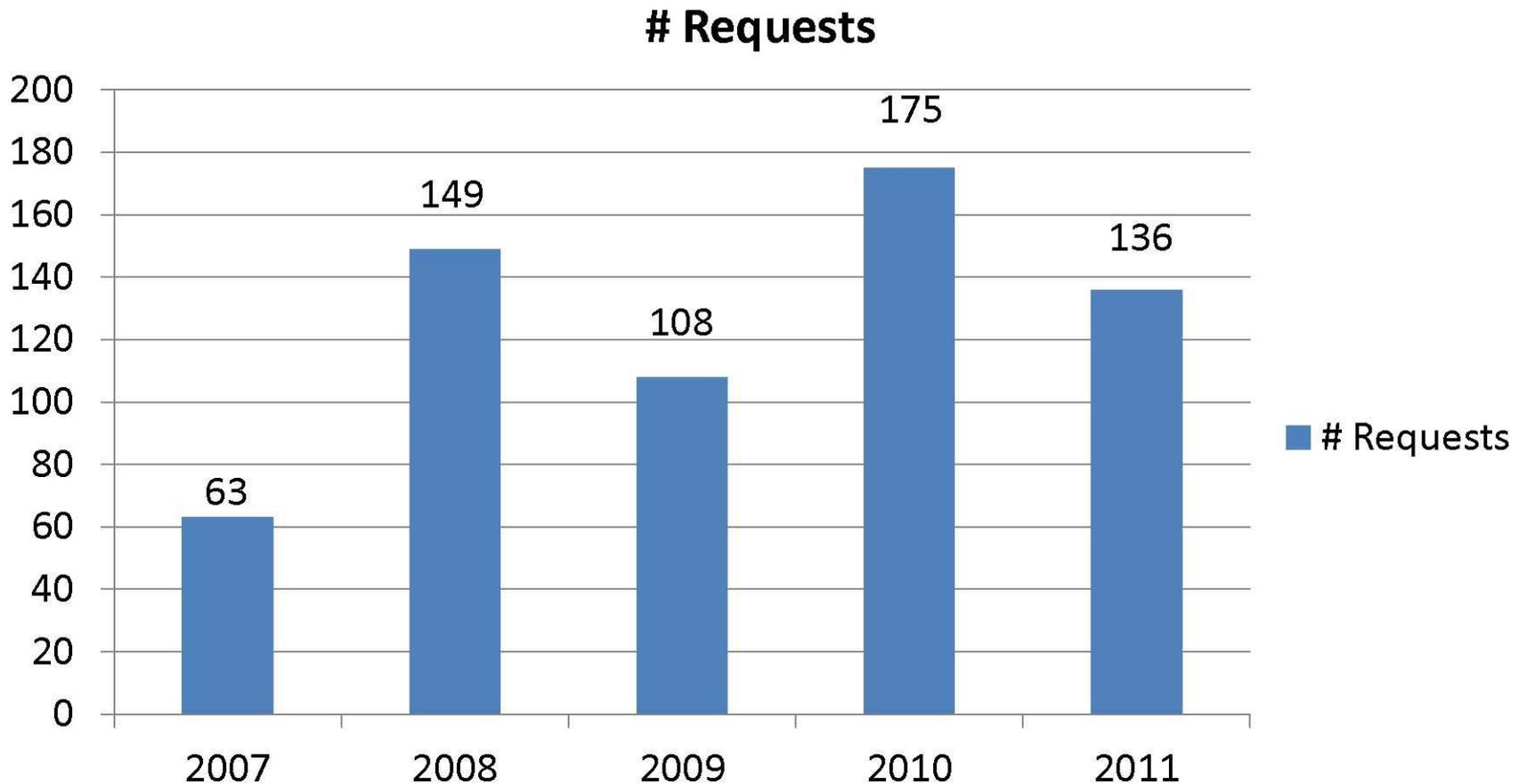
911 Calls



Wireless Calls

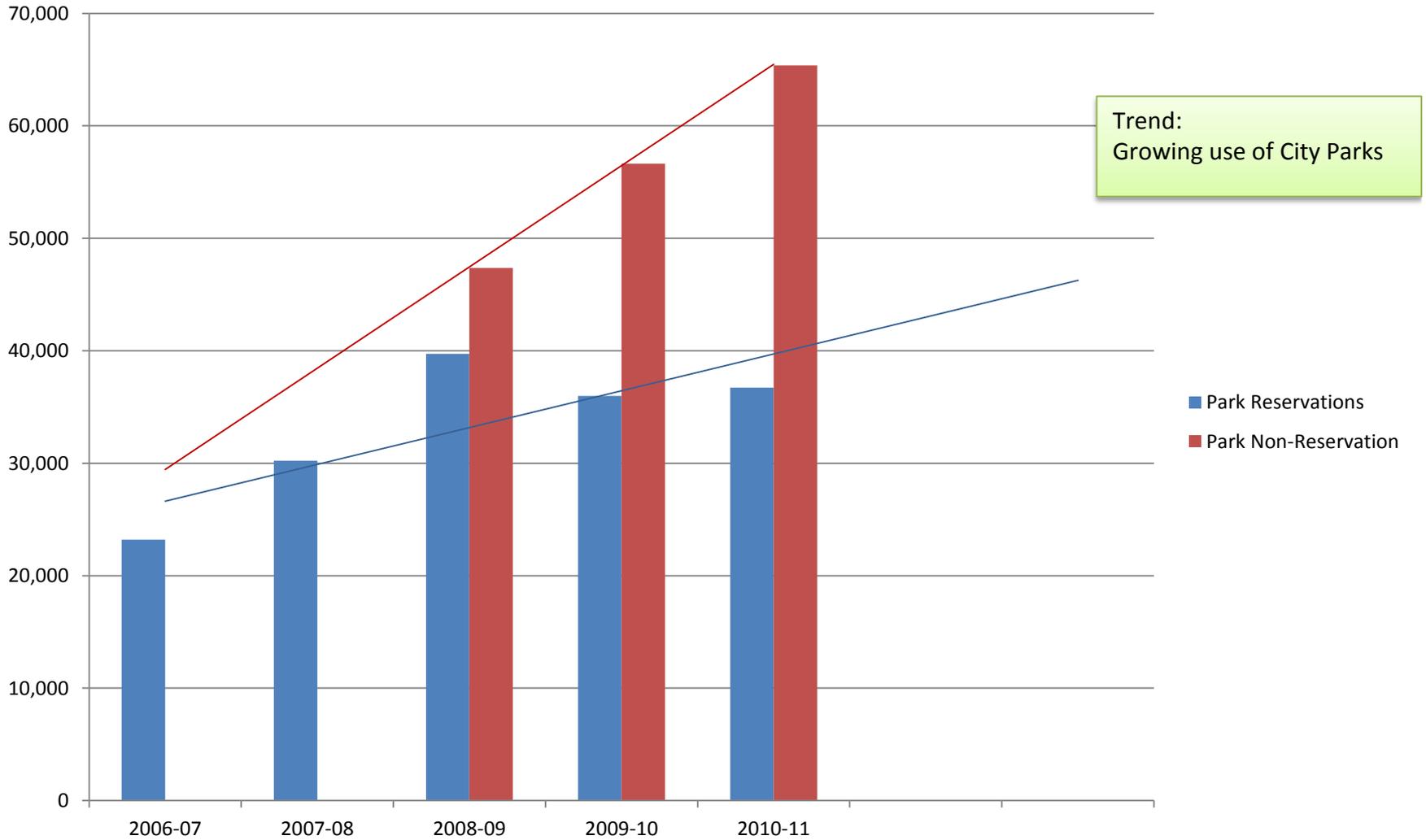


Public Records Act Requests Received by City Clerk's Office (2007-12)

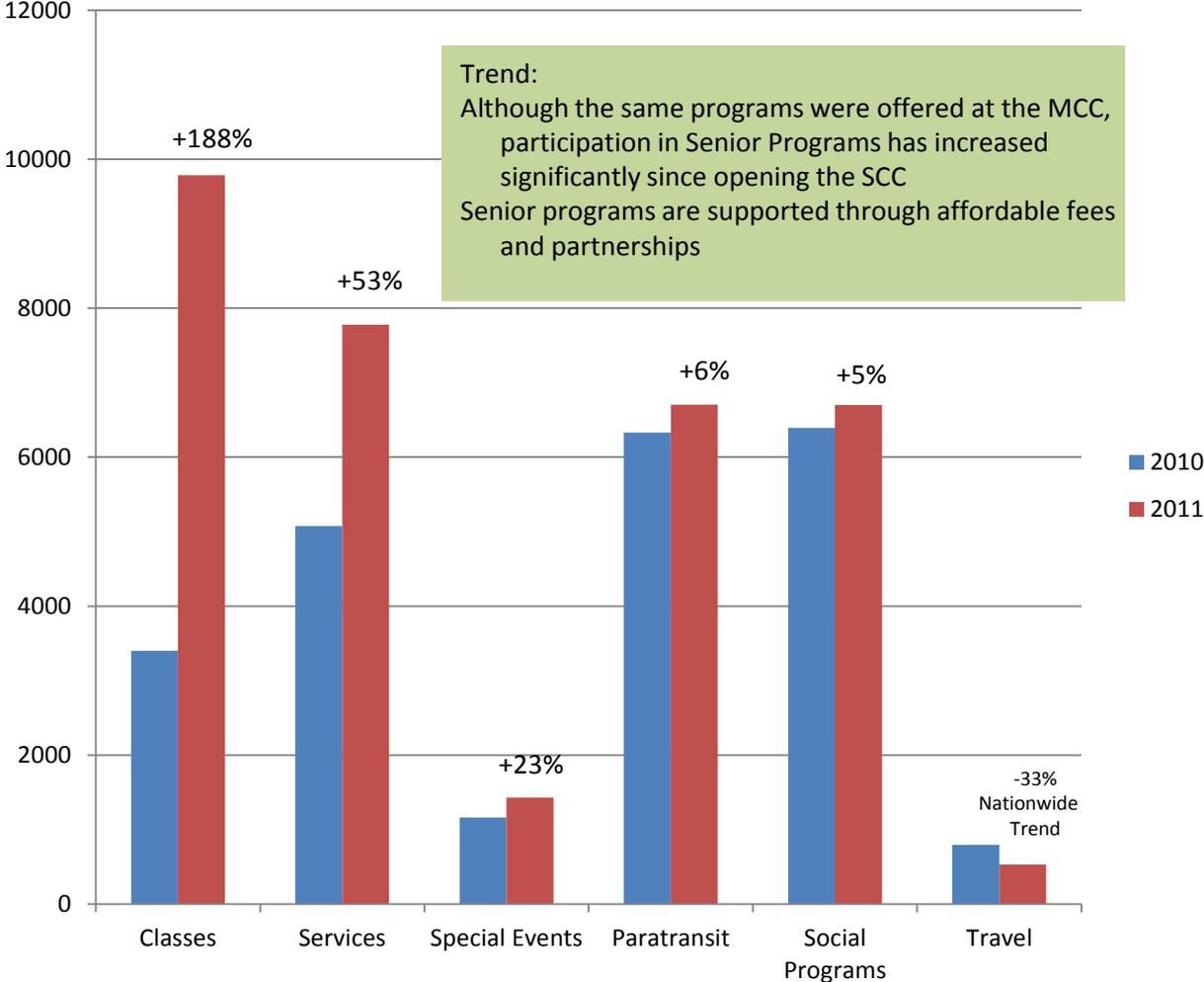


Recreation and Human Services Department Park Attendance

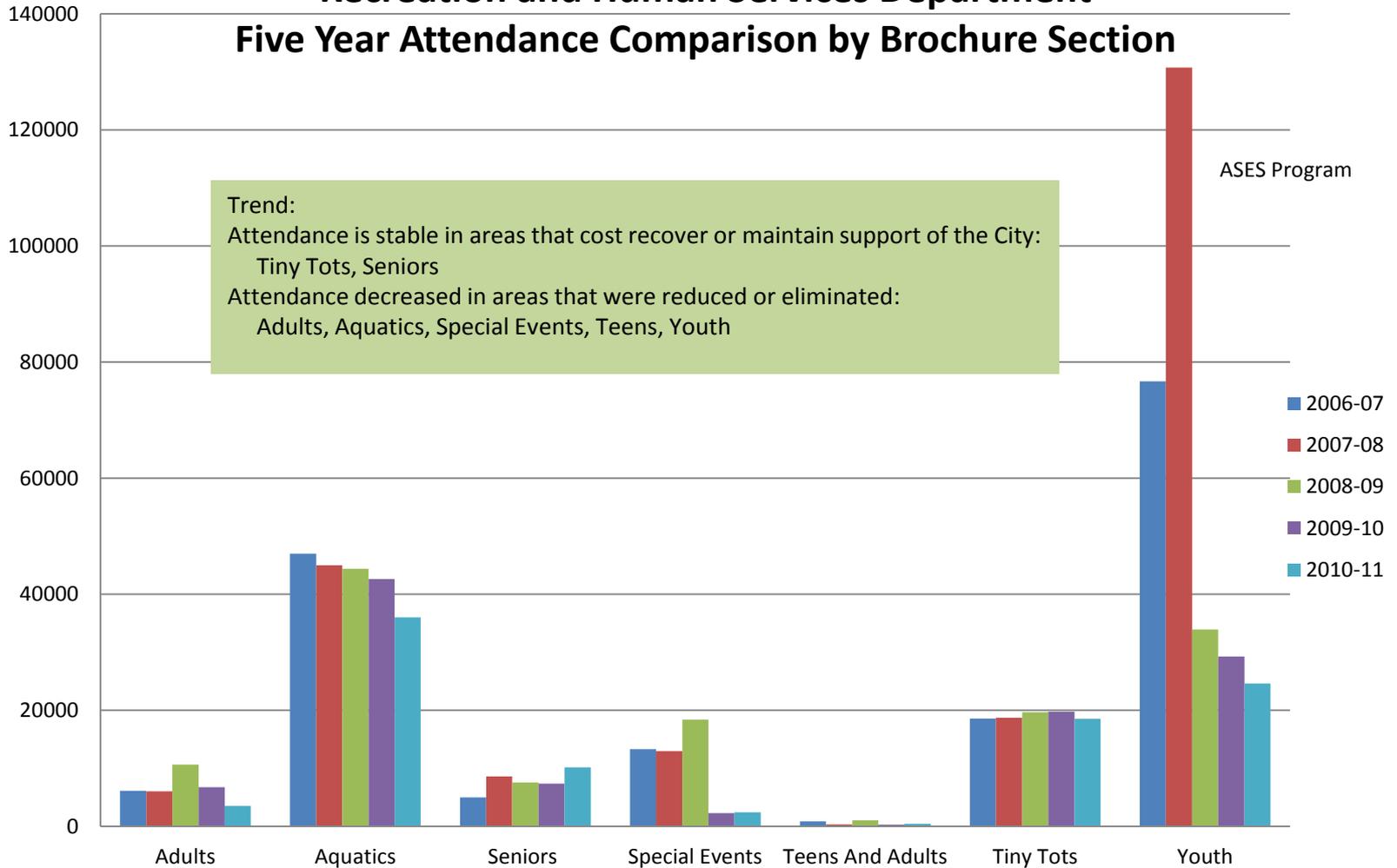
Number of Users



Recreation and Human Services Department Senior Program Attendance Before Opening SCC vs After Opening SCC

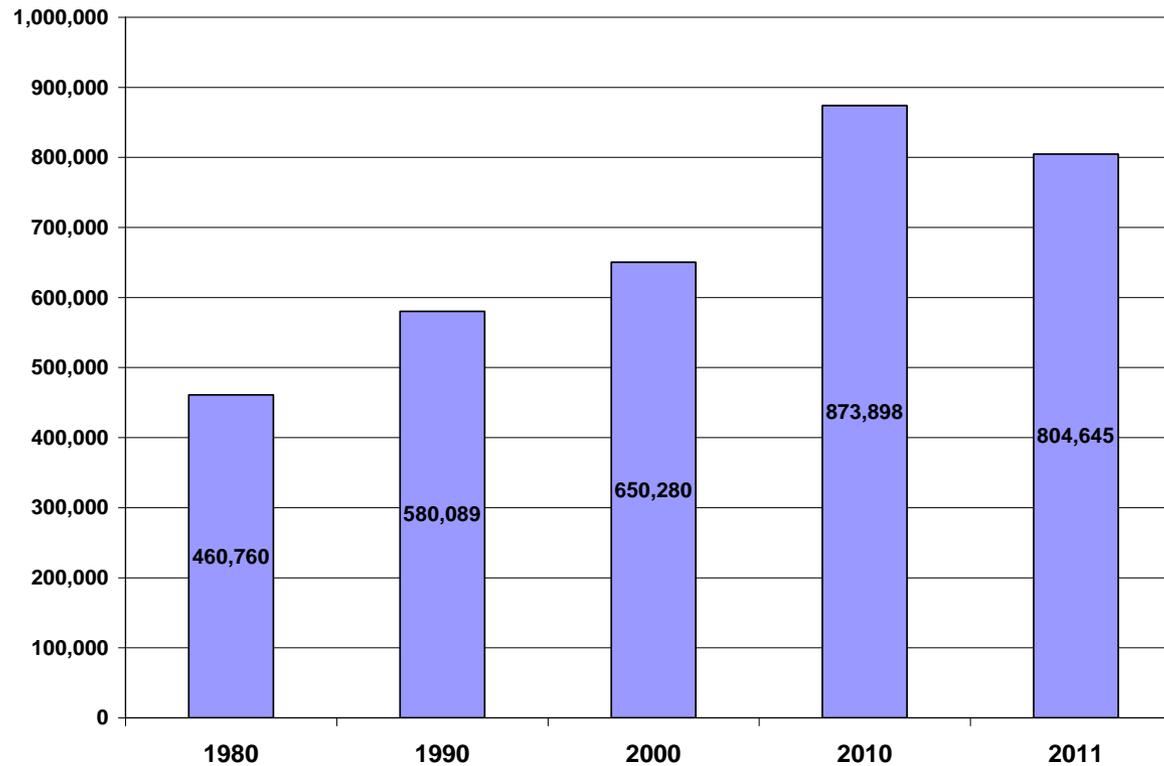


Recreation and Human Services Department Five Year Attendance Comparison by Brochure Section



Library Department Services Benchmarks

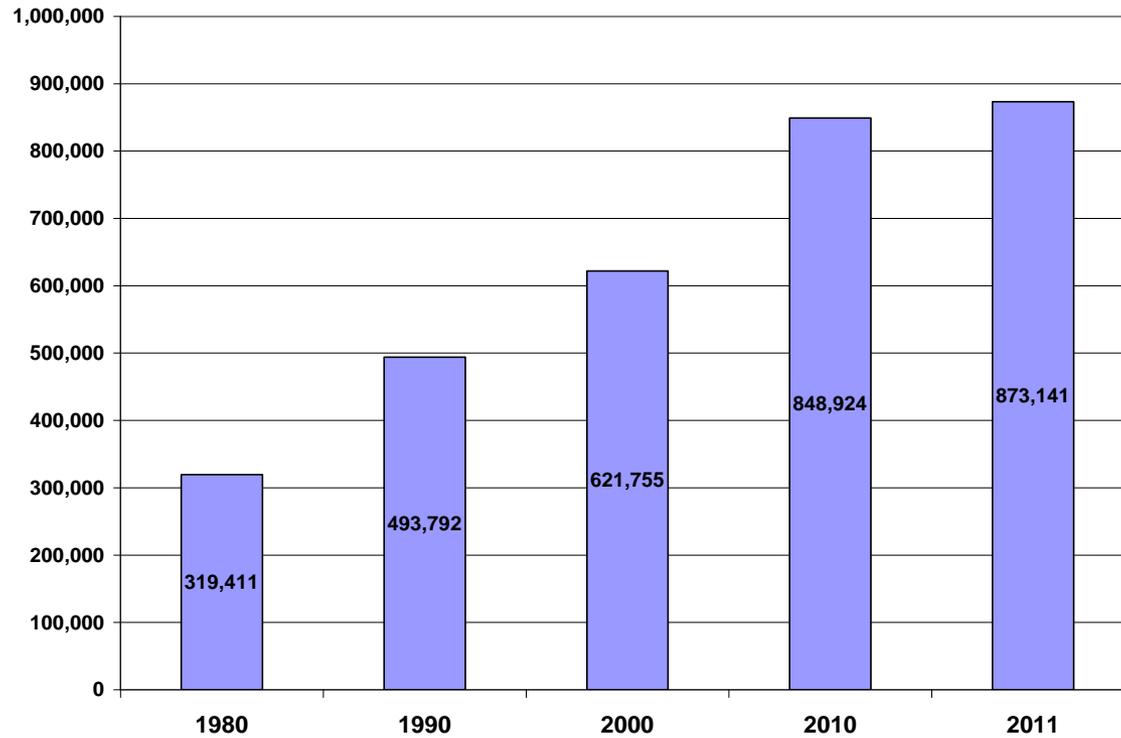
❖ Annual Circulation



Book Budget Declines
2010 \$326,725
2011 \$269,967

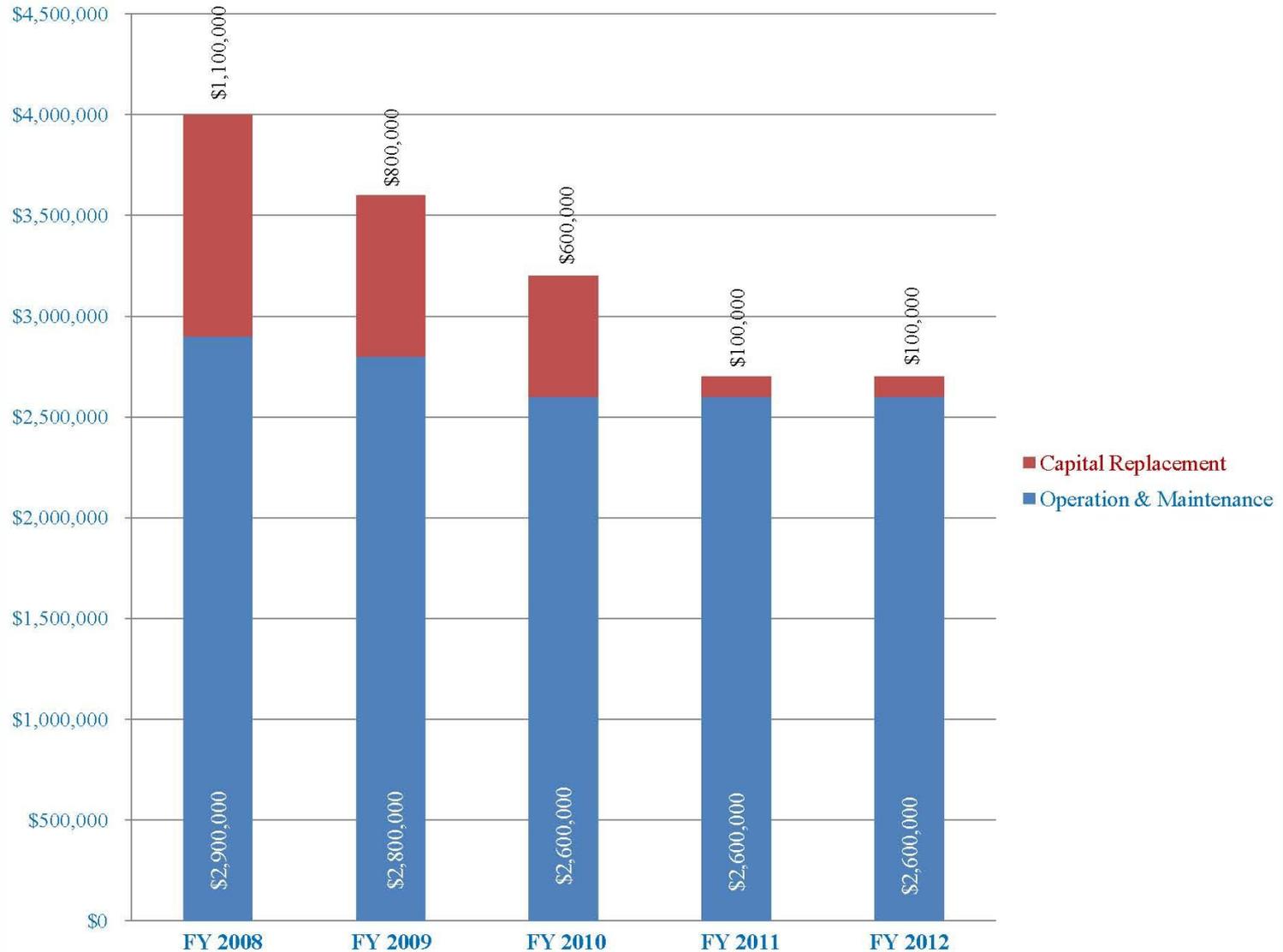
Library Department

❖ Visitors



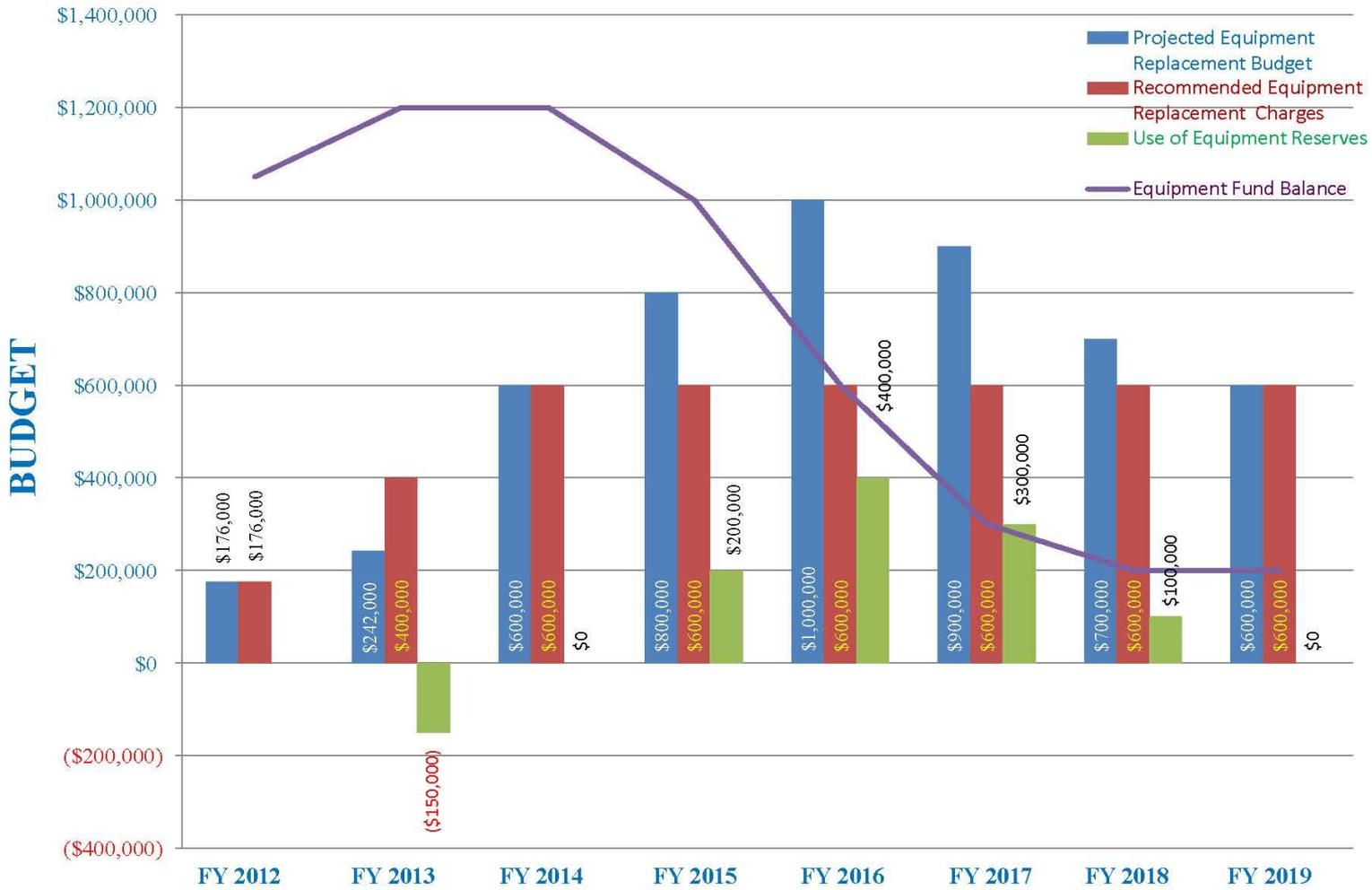
BUILDING MAINTENANCE FUND BUDGET

Fiscal Years 2008 - 2012

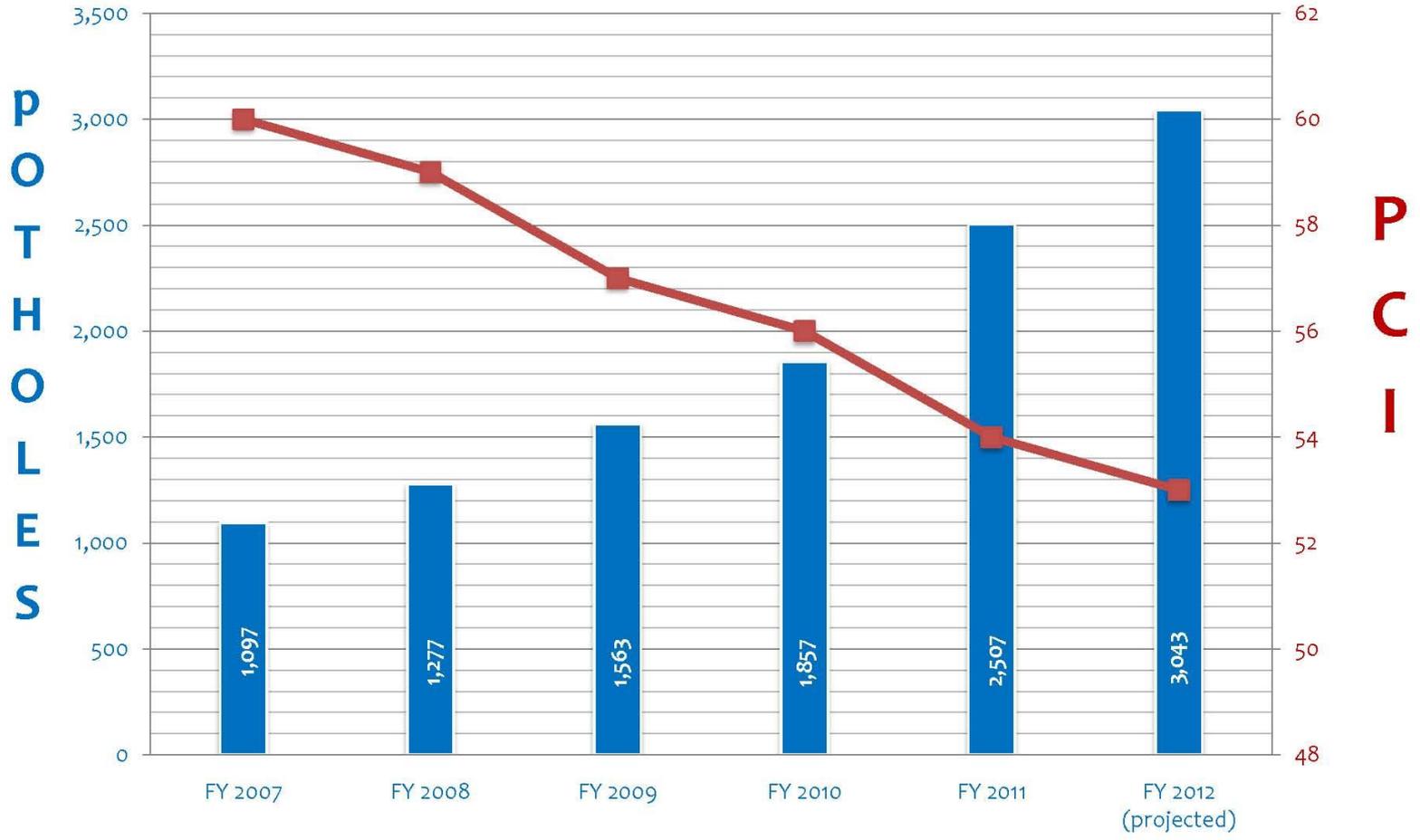


EQUIPMENT REPLACEMENT BUDGET

Fiscal Years 2012 - 2019



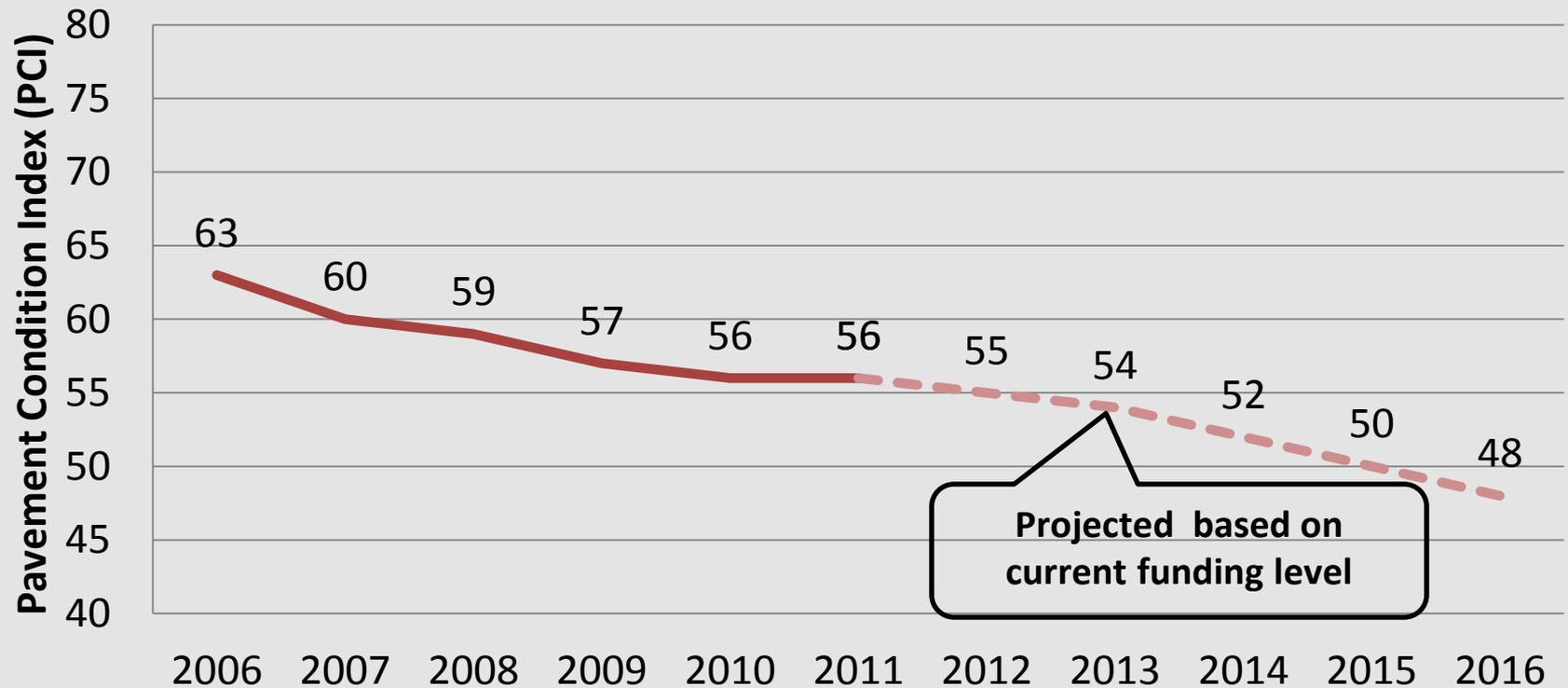
Potholes Filled Annually Fiscal Years 2007 - 2012





Street and Pavement

Pavement Condition Index Overall Weighted Average by Year

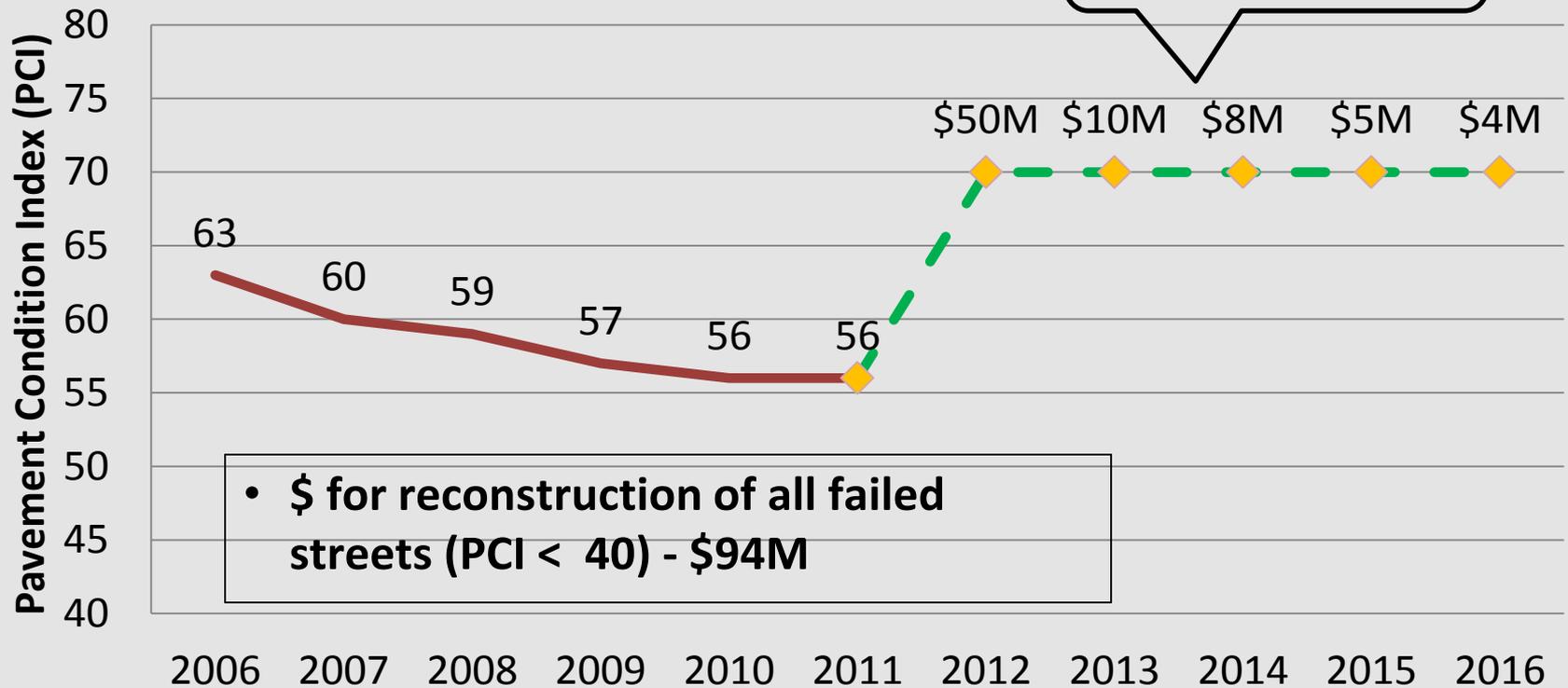




Street and Pavement

(continued)

Pavement Condition Index Overall Weighted Average by Year



Capital Improvement Program

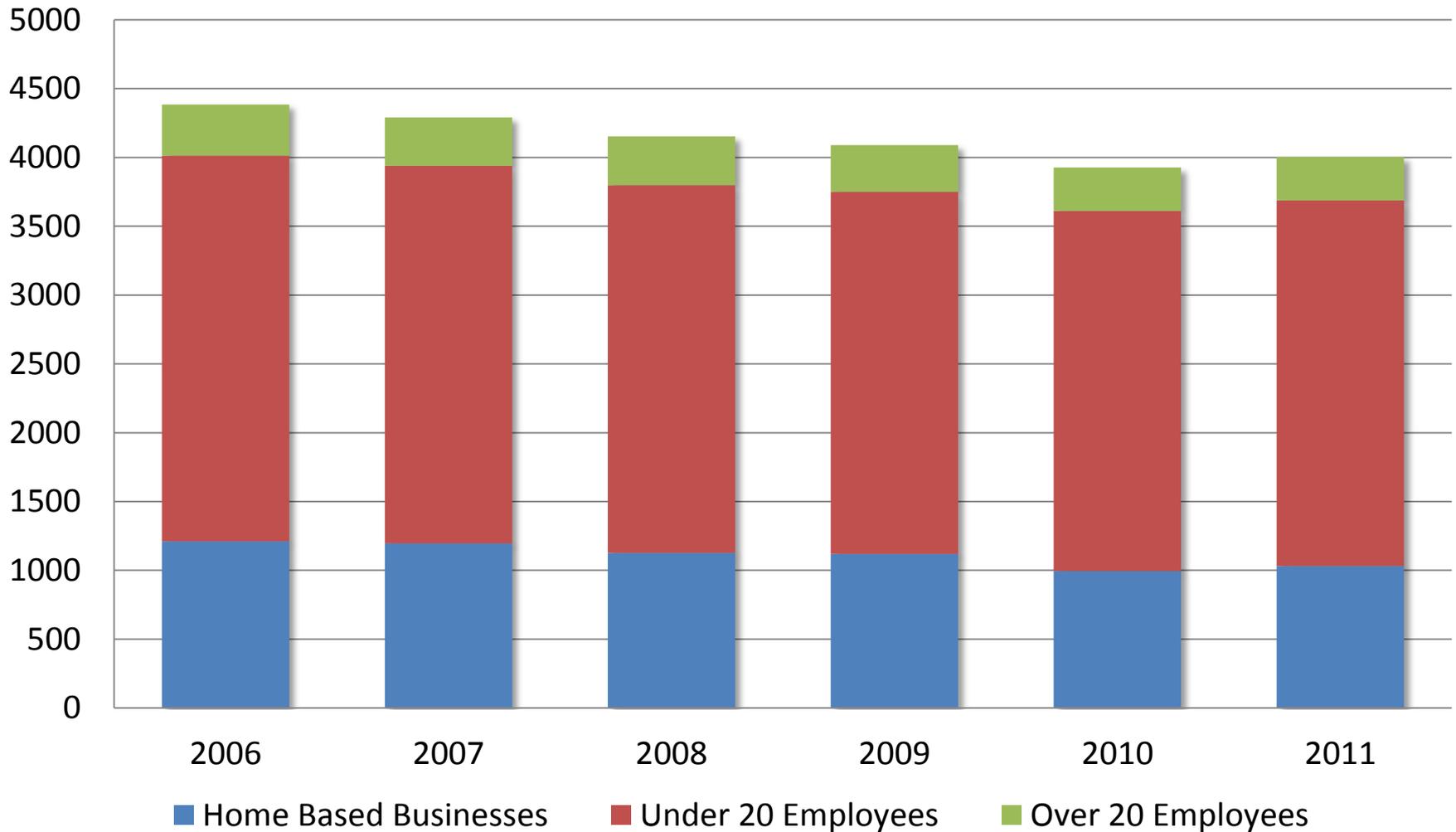
- Projects on Unfunded Projects List – 68
- Estimated Value of Unfunded Projects – **\$180M**
- Estimated FY 2013 funding available from all sources - \$5M
 - No General Fund participation



San Leandro Community Development Trends

Number of Businesses

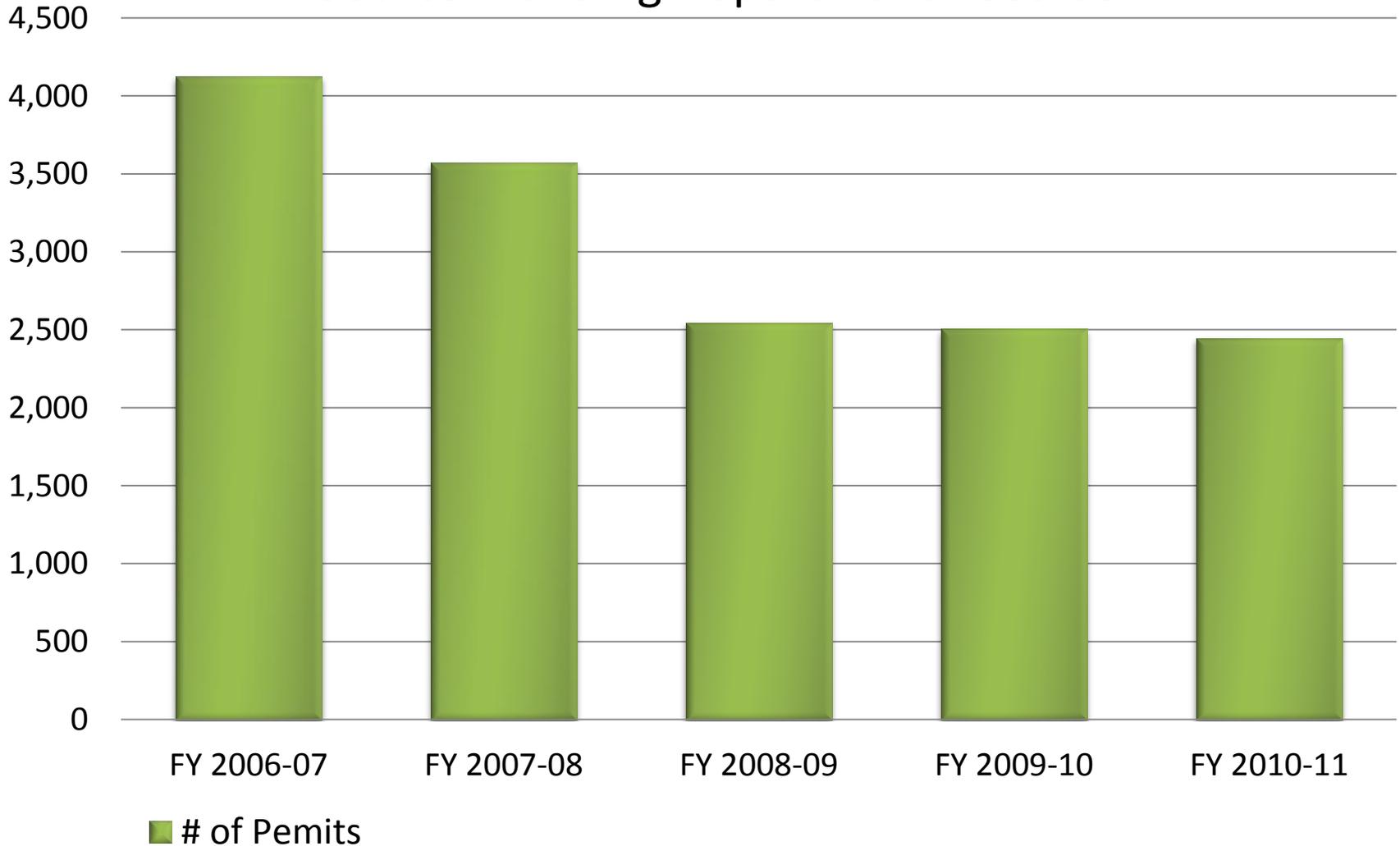
Source: Business License Database



Excludes property rental and businesses located outside of San Leandro

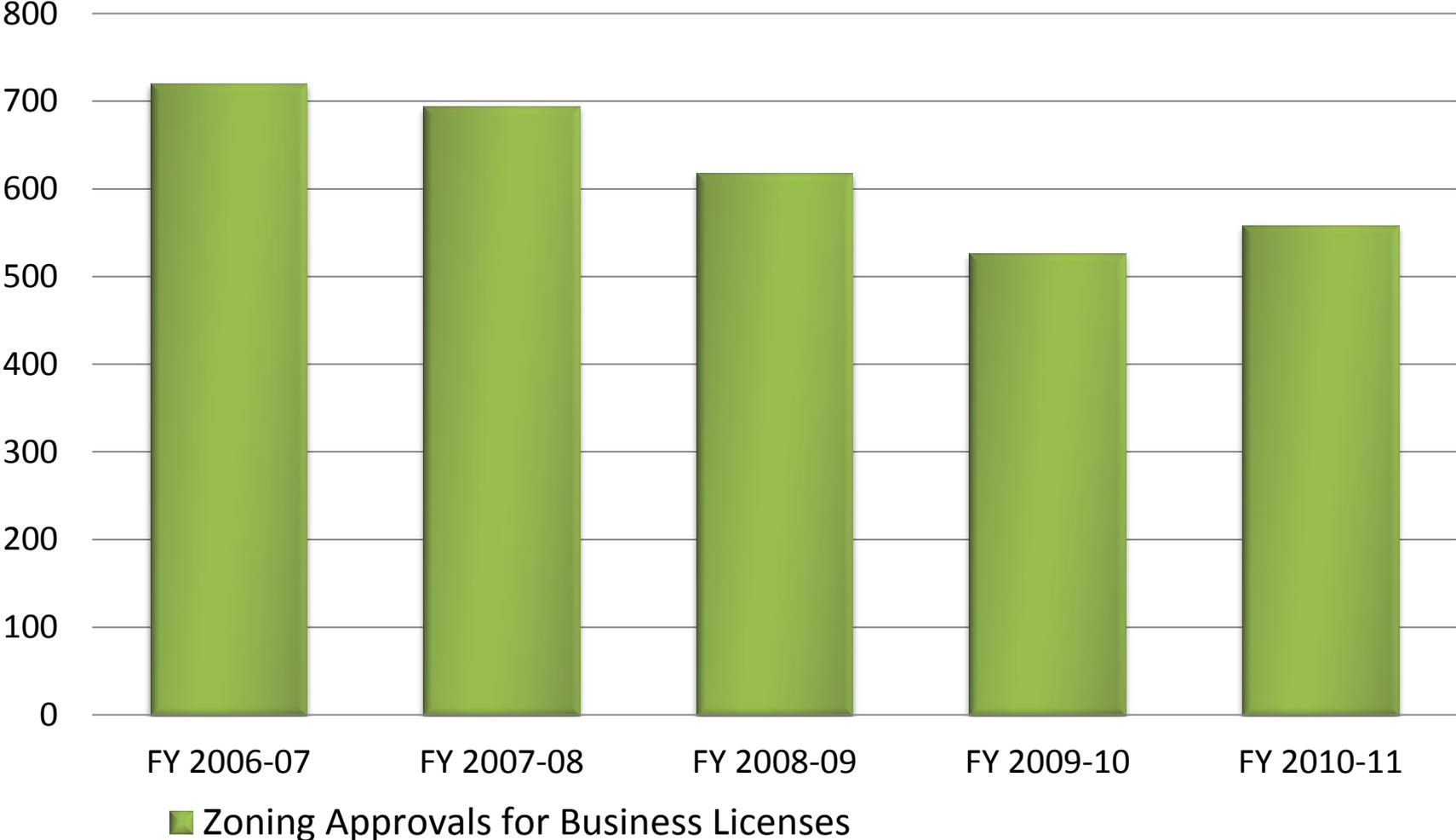
Number of Building Permits

Source: Building Department Records



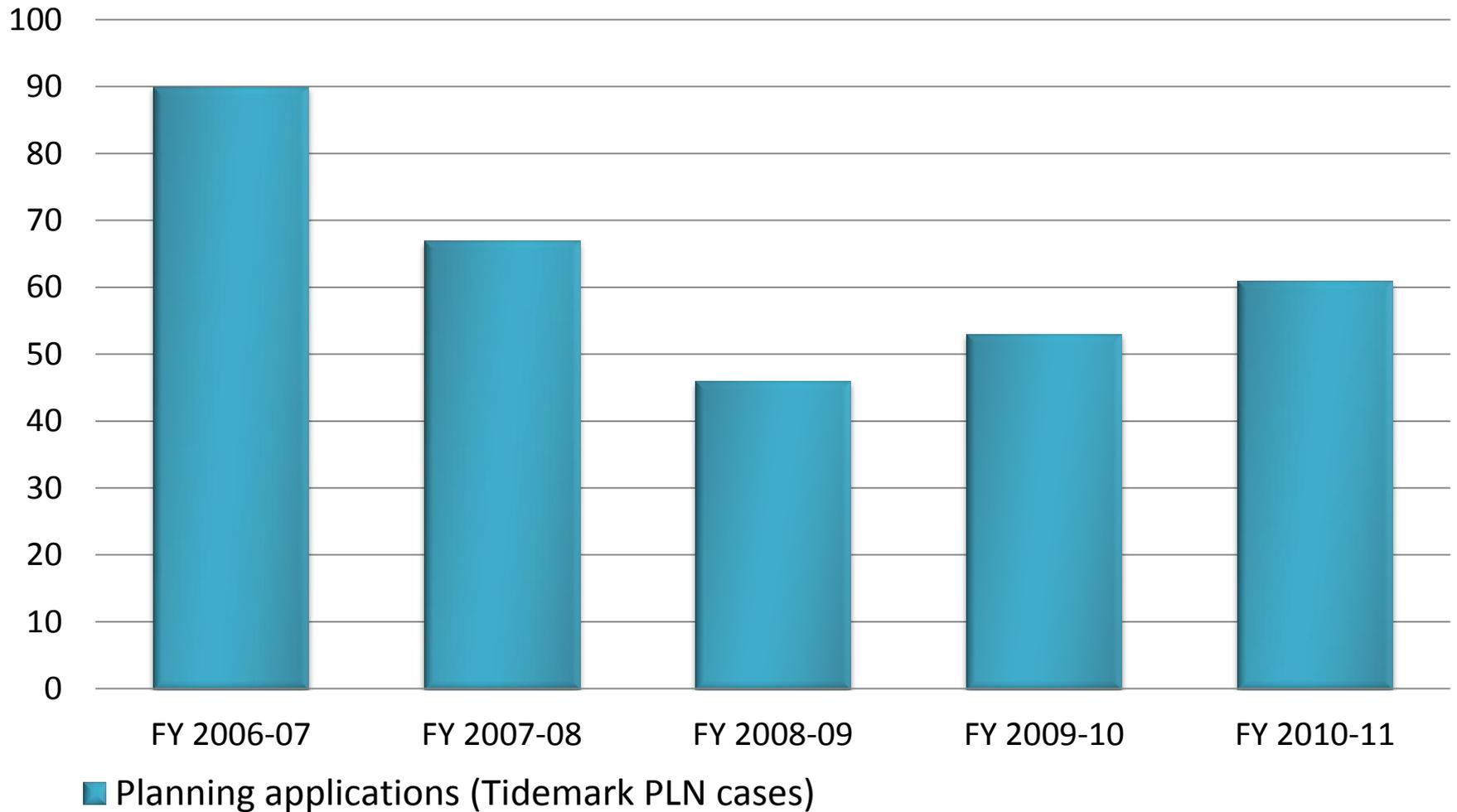
Zoning Approvals of Business Licenses

Source: Business License Records



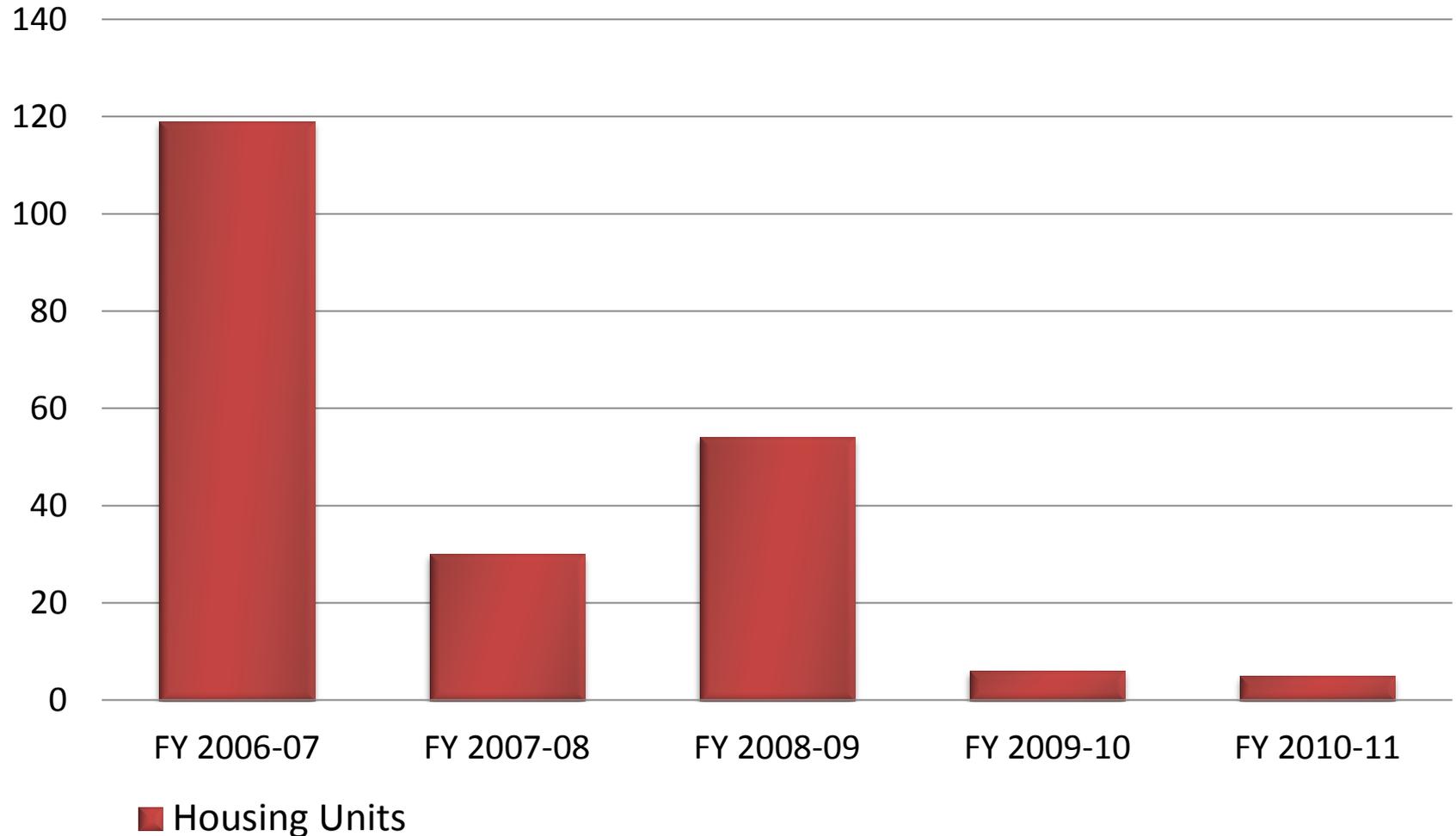
Planning Applications

Source: Planning Records



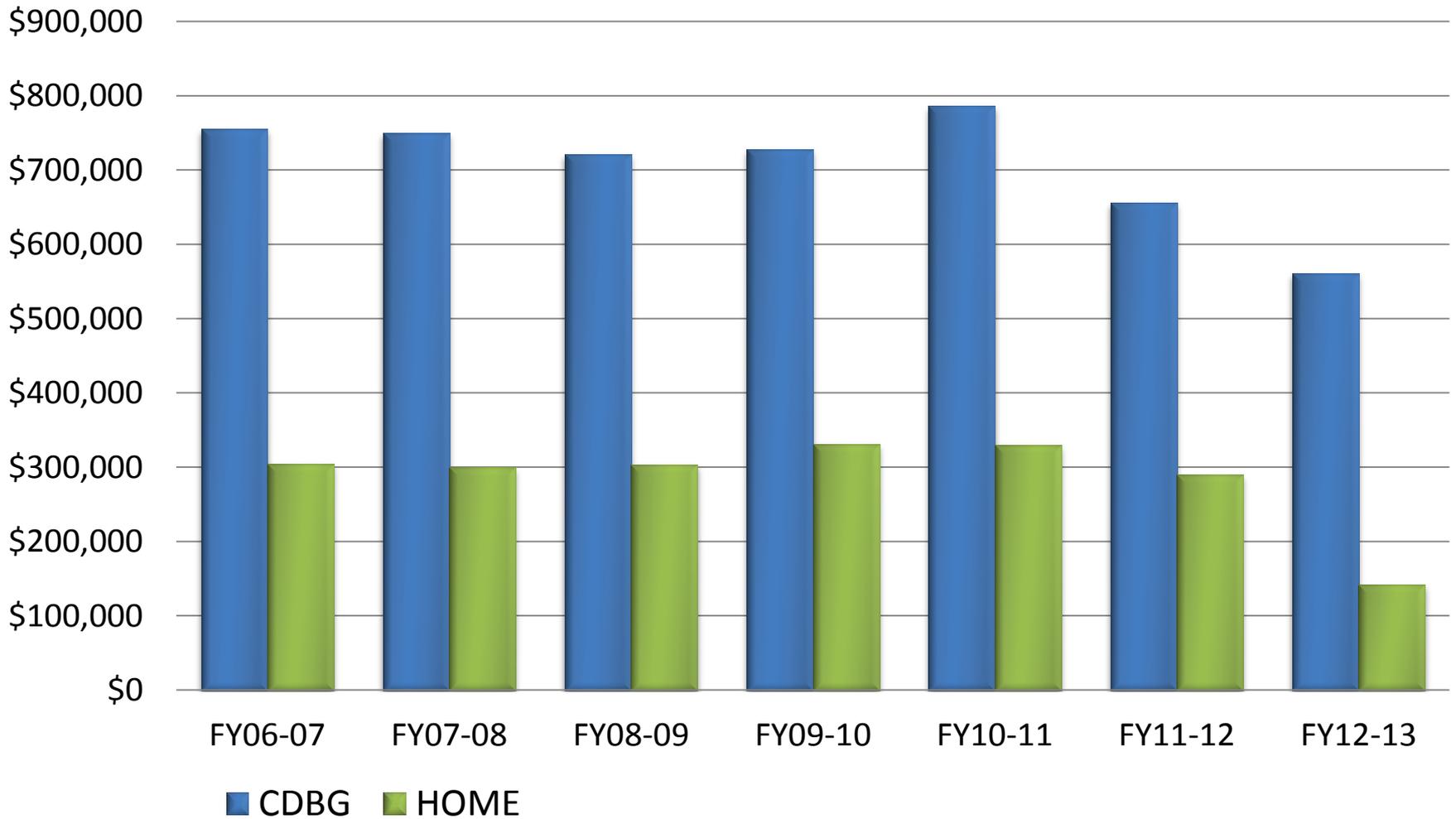
Housing Units Constructed

Source: Building Department Records



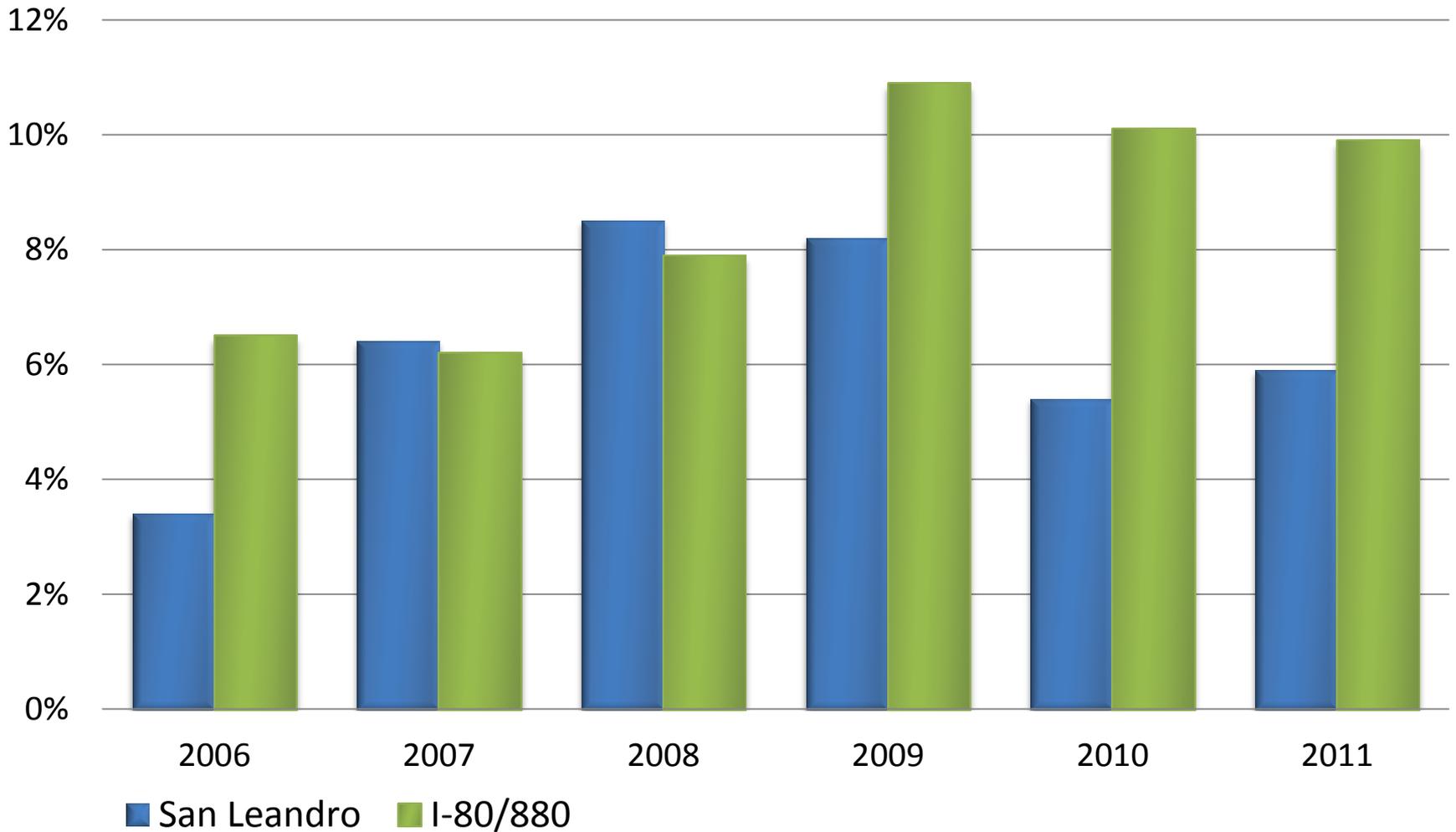
CDBG and HOME Funding Allocations

Source: Housing Services Records



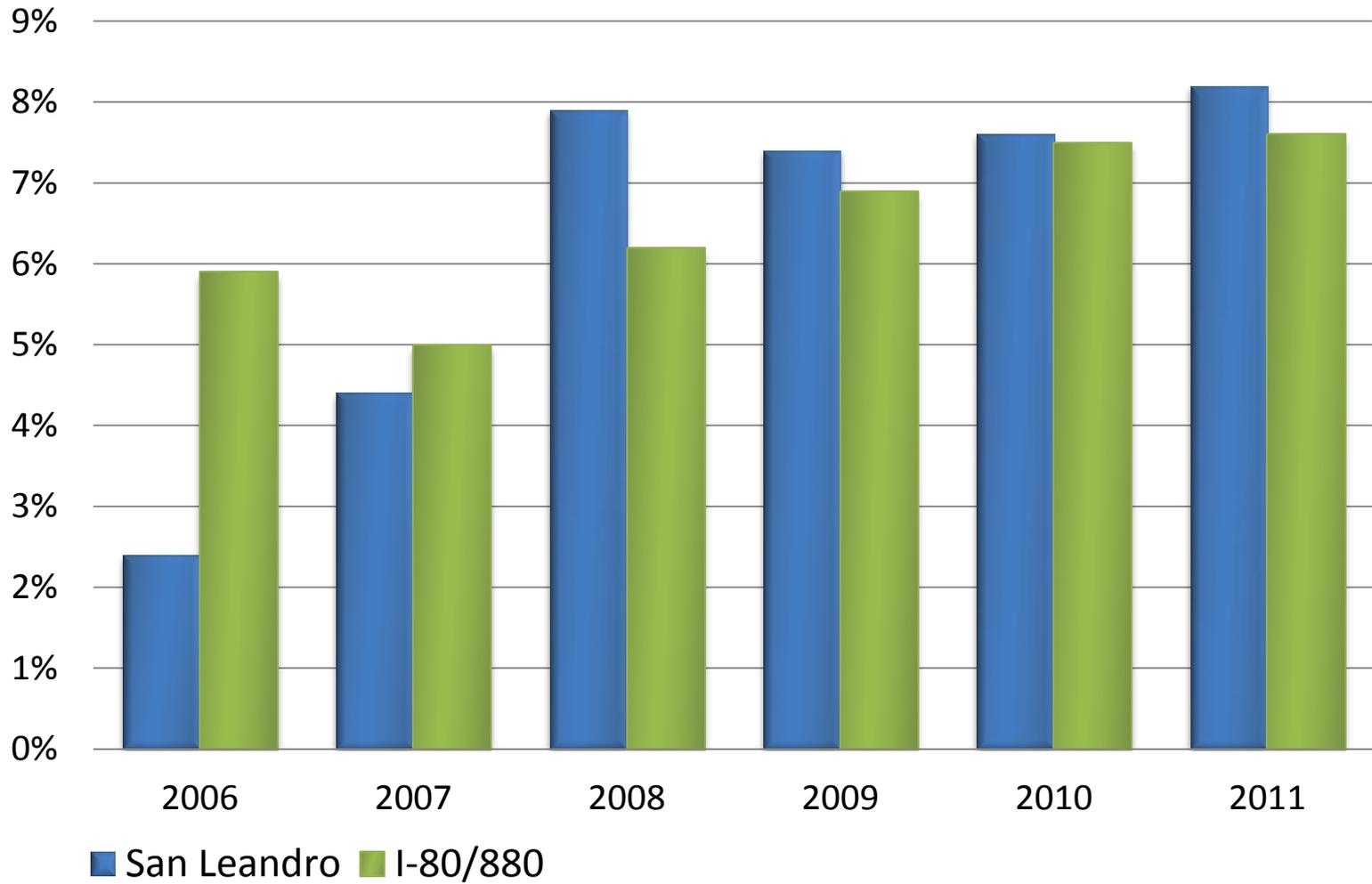
Vacancy Rates- Warehouse

Source: Cassidy Turley/ BT Commercial



Vacancy Rates- Manufacturing

Source: Cassidy Turley/ BT Commercial



Budget Issues

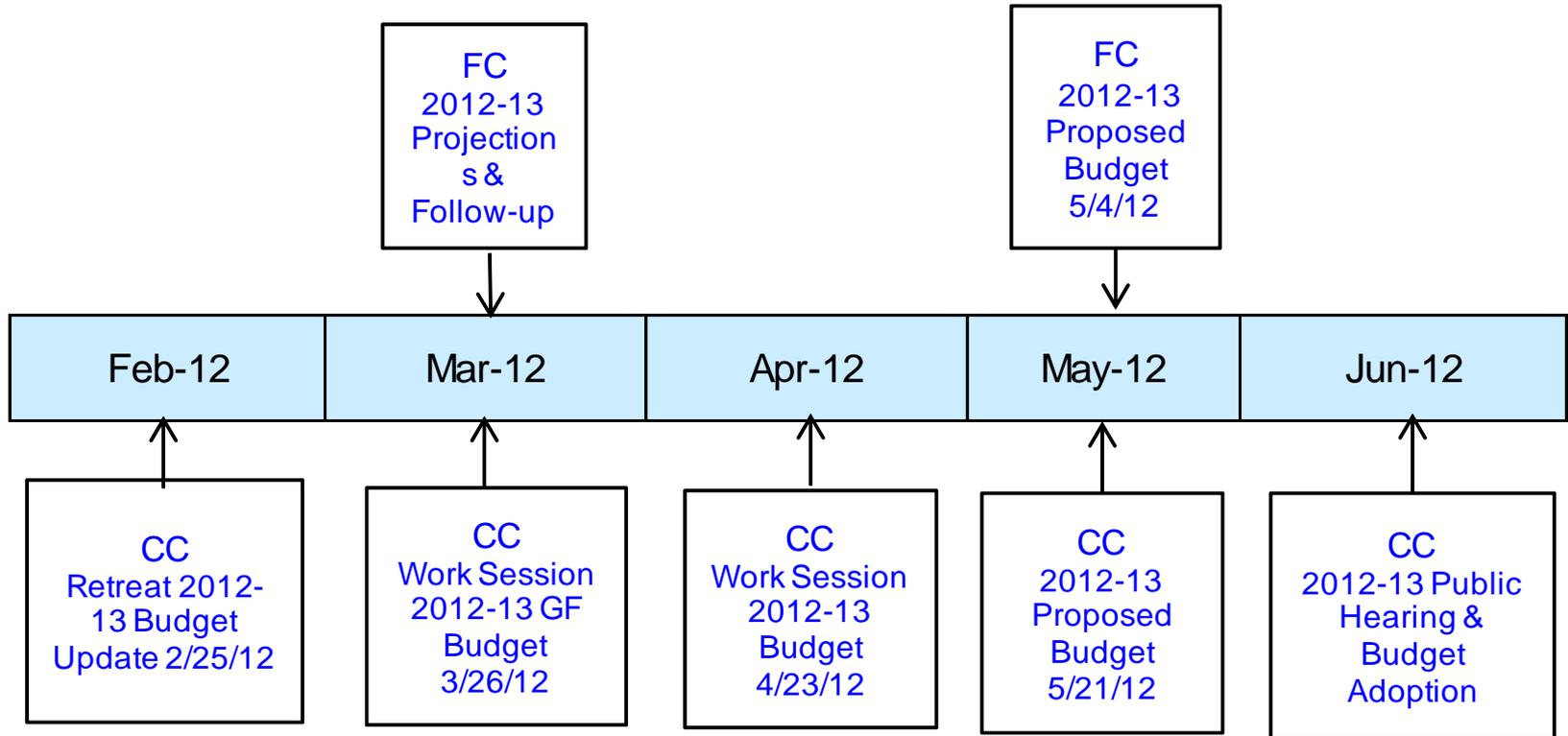
- Service level demands / Growing
- Facility and maintenance needs / Depleted to 100K annually
- General Fund contributions to CIP, reserves, other funds / Policy discussion and direction
- Impacts from winding down Redevelopment Agency / Projects, Programs, People
- Health benefit premium and CalPERS increases / Growing
- Pending labor negotiations / Contracts expire middle of budget year
- Future Police costs as COPS Grant winds down
- Administrative cost allocation review

Budget Issues

(continued)

- POB debt service/CalPERS rate savings / Other post employment benefits
- Internal Service fund review; rates, expenditures, fund balance
- Enterprise fund review
- 2013 Fire apparatus 5 year – lease/purchase debt service of \$400K
- Sustainability Strategy and Plan Beyond Measure Z
 - Efficiency/Grants
 - Innovation
 - Revenue diversity and enhancement
 - Organizational participation

2012-13 Budget Calendar



FC = Finance Committee

CC = City Council