

Budget in Brief

2012 - 2013



Creating Great Places



Pictured left to right back row:

City Attorney Jayne Williams, Councilmember Jim Prola, Councilmember Ursula Reed, Councilmember Diana M. Souza, Councilmember Pauline Russo Cutter and City Manager Chris Zapata

Pictured left to right front row:

Councilmember Michael J. Gregory, Mayor Stephen H. Cassidy and Councilmember Joyce R. Starosciak



The City of San Leandro's annual 2012 - 2013 Adopted Budget and Capital Improvement Program are available on the City's website at www.sanleandro.org at the Main Library, and at the Finance Department

City Hall
835 East 14th Street
San Leandro, California 94577

OVERVIEW

On June 4, 2012, the San Leandro City Council adopted the annual budget for fiscal year 2012-13. The budget reflects the vision and goals of the City Council established in February 2012, and is the product of a focused and successful effort to meet the challenges of minimal revenue growth while responding to the community's needs.

Council directed staff to focus on a sustainable budget that lives within the City's available revenue, so future budgets may also be balanced, while maintaining existing service levels. The 2012-13 budget considered the following:

- *Dissolution of the Redevelopment Agency*
- *Continued affects of the Great Recession*
- *Measure Z, quarter cent sales tax to sunset in March 2018*
- *Reduced residential property values*
- *Continued high unemployment of almost 9%*
- *Declines in construction and development*

The five year forecasts indicate that the city will be faced with budget challenges in future years, especially if City revenues do not improve beyond the conservative projections. Planning will begin now so informed choices may be made by the Council to strive for a sustainable budget.

2012-2013 CITY COUNCIL GOALS

- Place the City on a firm foundation for long-term fiscal sustainability
- Work with the community and all stakeholders towards completing major projects and programs for sustainable economic development
- Provide quality public safety services and work in partnership with the community to keep San Leandro safe
- Maintain and enhance City's infrastructure
- Support Programs, activities and communication that enhance quality of life in San Leandro and promote sense of community and civic pride
- Maintain and support strong positive relationship between the City and schools

REVENUES

Total revenues for 2012-13 are estimated to be \$120.5 million, a 3.7% decrease from the 2011-12 adopted budget. The main reason for the decrease in revenues is attributed to the dissolution of the Redevelopment Agency with the net loss of approximately \$5 million in property tax revenues.

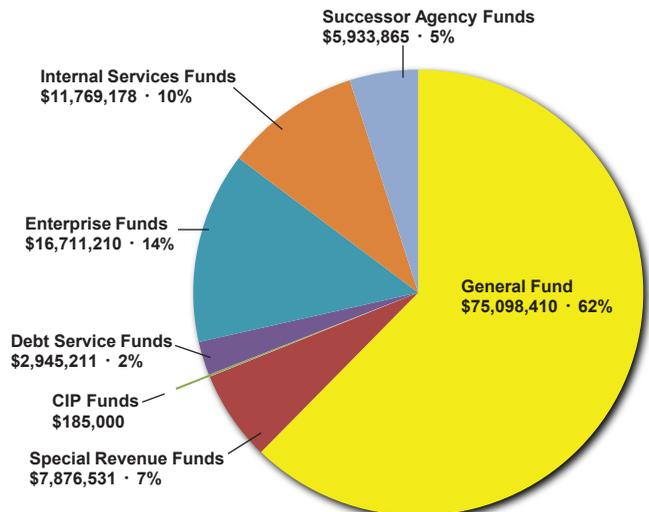
The quarter cent sales and use tax passed by the voters of San Leandro (Measure Z) in 2010 continues to be a critical contributor to maintaining current City services and provides the ability to replenish reserves.

The adopted budget revenues considered the following challenges:

- *Decline in both residential property value and secured property assessed value*
- *Residential foreclosures remain at historical levels of 13 per month in 2011-12*
- *Unemployment in the City at 8.8%*
- *Decline in development and construction*
- *Loss of the Redevelopment Agency*

General Fund revenues are 62% of the total City revenues and are used to provide services such as public safety, library, recreation, public works, engineering and transportation and general government services.

2012-13 REVENUES • \$120,519,405



The total sales tax rate for the City of San Leandro is currently 9.00% and distributed as follows:

AGENCY	%
State of California	5.50
State Public Safety Fund (<i>Proposition 172</i>)	0.50
City of San Leandro (<i>Includes .25% Triple Flip reimbursement</i>)	1.00
City of San Leandro Temporary Transaction & Use Tax	0.25
Alameda County	0.25
Alameda County Transportation Improvement Authority	0.50
Alameda County Essential Health Care Services	0.50
Alameda County BART	0.50
Total Sales Tax Rate in San Leandro	9.00

ALLOCATION OF A PROPERTY TAX DOLLAR COLLECTED IN SAN LEANDRO



EXPENDITURES

Expenditures for 2012-13 are 1.1% less than the 2011-12 adopted budget expenditures. This decrease of \$1.3 million is attributed to two significant changes for 2012-13:

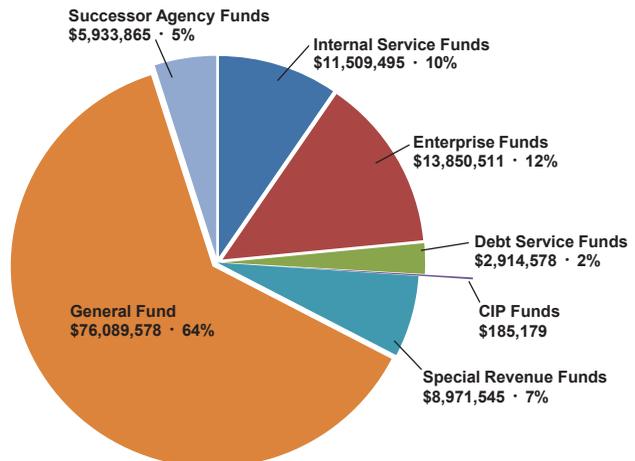
1. *The dissolution of the Redevelopment Agency (RDA) and*
2. *The refinancing of the public safety CalPERS pension side-fund*

A multi-year forecast for the General Fund and other key operating funds is a critical budgetary tool. This forecasting model enables the City Council to act strategically and understand the long-term impact of its decisions. The General Fund reflects a seven-year forecast to show the impact of Measure Z funds sunseting March 2018.

2012-13 CAPITAL IMPROVEMENT PROJECTS

Annual Street Overlay and Street Sealing	\$1,940,000
Sanitary Sewer Line	500,000
Sanitary Sewer Line Replacement	450,000
Bicycle Network	500,900
Annual Sidewalk Repair	447,600
San Leandro Ballpark Locker/Restroom Restoration	340,000
CCTV Truck/Equipment	293,000
Fiber Optic Loop Separation	120,000
Toyon Park Pathway	90,000
Annual Bicycle/Pedestrian Improvements	60,000
Marina Community Center Pedestrian Improvements	50,000
All other CIP	543,800
Total Capital Improvements	\$5,335,300

2012-13 OPERATING EXPENDITURES \$119,454,751

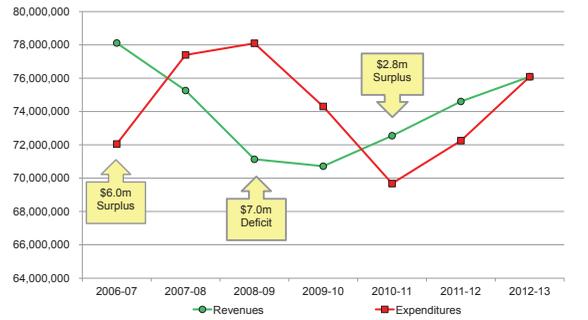


EXPENDITURES BY DEPARTMENT

2012-13 ADOPTED

General Government	\$4,020,525
Finance	2,298,794
Police	26,167,640
Fire	18,888,753
Community Development	4,742,180
Engineering and Transportation	2,729,906
Public Works	6,734,437
Recreation and Human Services	4,389,381
Library	4,874,701
Non-Departmental	3,383,648
Other Agencies	5,933,865
Enterprise Activities	12,223,421
Internal Service	11,509,495
Capital Improvements	5,335,283
Debt Service	5,698,805
Transfers to Other Funds	523,917
Total Operating Expenditures	\$119,454,751

GENERAL FUND ANNUAL EXPENDITURES AND REVENUES HISTORICAL DATA • 2006-07 THRU 2012-13



	Actual 2006-07	Actual 2007-08	Actual 2008-09	Actual 2009-10	Actual 2010-11	Projected 2011-12	Adopted 2012-13
Revenues*	\$ 78,113,000	\$ 75,261,000	\$ 71,133,000	\$ 70,718,000	\$ 72,548,000	\$ 74,605,000	\$ 76,090,000
Expenditures	72,049,000	77,397,000	78,097,000	74,305,000	69,677,000	72,252,000	76,090,000

*Note: FY 12-13 revenues include \$991,168 carryover fund balance.

EXPENDITURES BY TYPE

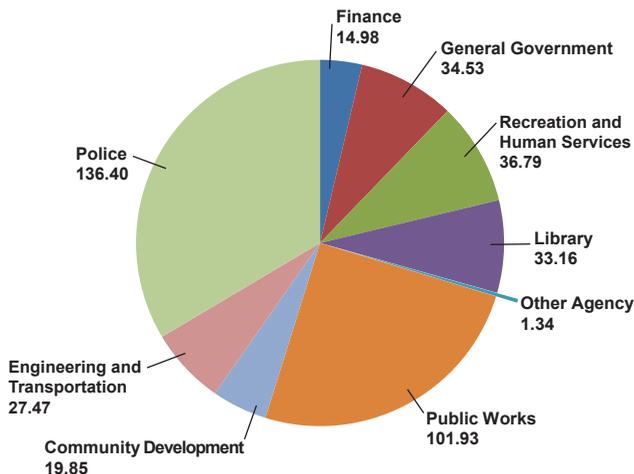
2012-13 ADOPTED

Salaries and Benefits	\$48,404,742
Services	41,272,938
Supplies	3,017,706
Capital Outlay	823,012
Internal Service Charges	13,478,735
Other	11,933,701
Transfers to Other Funds	523,917
Total Operating Expenditures	\$119,454,751

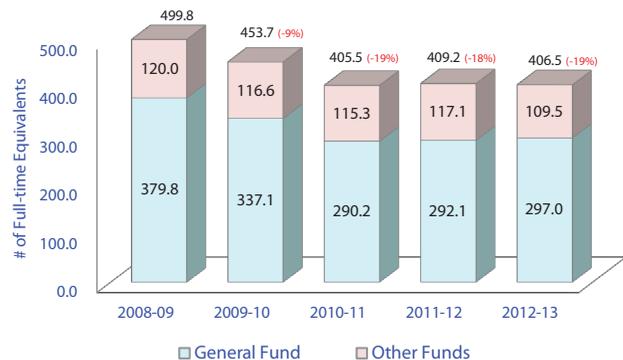
STAFFING

2012-13 FULL TIME EQUIVALENTS (FTE's)

TOTAL PERSONNEL BY DEPARTMENT • 406.45 FTE's



HISTORICAL CITY STAFFING



- 2012-13 decrease primarily due to RDA dissolution
- 2008-09 baseline year for comparison