

Budget in Brief

FISCAL YEARS 2014 AND 2015

*Creating
Great Places*
CITY OF SAN LEANDRO
CALIFORNIA



CITY OF SAN LEANDRO



*Pictured left to right back row:
City Attorney Jayne Williams, Councilmember Benny Lee,
Councilmember Jim Prola, Councilmember Ursula Reed,
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 Diana M. Souza*



The City of San Leandro's
Biennial 2014 - 2015 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 3, 2013, the San Leandro City Council adopted the first **Biennial Budget** for fiscal years 2013-14 and 2014-15. The Biennial Budget reflects the City Council's vision and goals that were established on January 26, 2013, and is the product of a focused and successful effort to meet the challenges of minimal revenue growth, increasing costs while responding to the community's service 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 2013-14 and 2014-15 Biennial Budget considered the following:

- Unwinding of the Redevelopment Agency
- The Great Recession aftermath
- Measure Z, quarter cent sales tax to sunset in March 2018
- Unfunded liabilities
- Labor negotiations
- Long-standing lawsuits settled

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.

City Council Goals for 2013-14 and 2014-15

- Place the City on a firm foundation for long-term fiscal sustainability
- Undertake programs and advance projects promoting sustainable economic development, including transforming San Leandro into a center for innovation
- Provide quality public safety services and work in partnership with the community to keep San Leandro safe
- Maintain and enhance the City's infrastructure
- Support and implement programs, activities and strengthen communication that enhance the quality of life, including wellness, in San Leandro and promote a sense of community and civic pride
- Maintain and support a strong positive relationship between the City and schools

Revenues

Total revenues for 2013-14 and 2014-15 are estimated to be \$127.8 million and \$128.3 million, respectively. Two major reasons for overall revenues increasing relate to sales tax and property tax revenues. Sales tax revenues are estimated to increase by 5% associated with recent increased spending which can become highly volatile should economic conditions weaken. And, property tax revenues are increasing due to restoration of appeals-related reductions, Prop 13 inflation adjustments and new construction.

The quarter cent sales transaction and use tax passed by San Leandro voters in 2010 (*Measure Z*) continues to be a critical contributor to maintaining current City services by over \$4 million per year.

General Fund revenues are 62% to 64% of the total City revenues for the Biennial Budget and are used to provide services such as public safety, libraries, public works, engineering and transportation, recreation and human services and general government services.

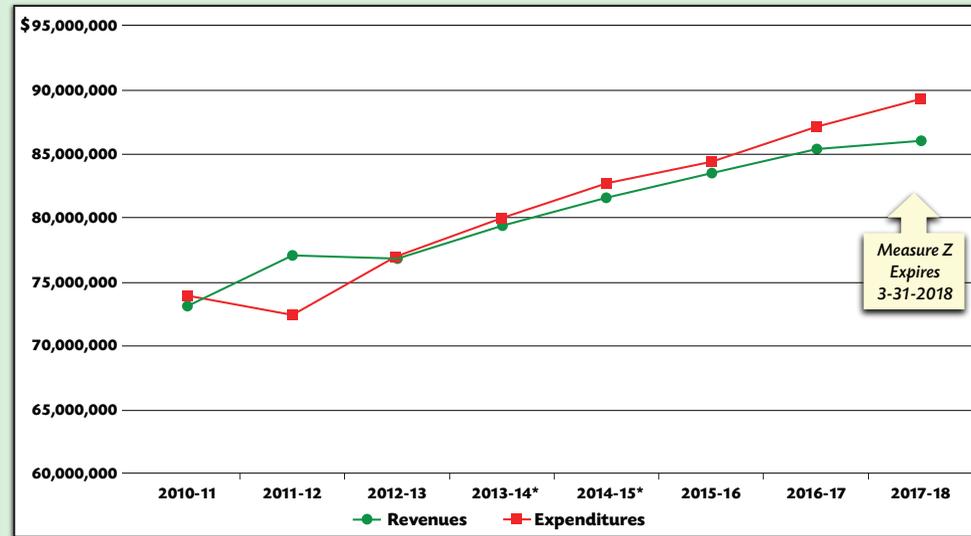
REVENUE BY FUND	2013-14	2014-15
General Fund	\$ 79,493,508	\$ 81,638,585
Special Revenue Funds	9,023,402	7,810,689
Capital Project Funds	328,619	0
Debt Service Funds	2,959,291	2,959,291
Enterprise Funds	16,256,182	16,580,482
Internal Service Funds	12,458,989	12,861,255
Successor Agency Fund	7,242,530	6,494,197
Total Operating Revenues	\$ 127,762,521	\$ 128,344,499
Use of Fund Balance	1,380,027	2,048,154
Total Revenues/Resources	\$ 129,142,548	\$ 130,392,653

Forecast for Fiscal Years 2010-11 through 2017-18

(General Fund Forecast is reviewed every six months.)

* Biennial Budget in balance with unused funds.

GENERAL FUND



The Total Sales Tax Rate for the City of San Leandro is Currently 9.25% and Distributed as Follows:

AGENCY	%
State of California	5.50%
State Public Safety Fund (<i>Proposition 172</i>)	.50%
State Public Education Fund (<i>Proposition 30</i>)	.25%
Alameda County	.25%
Alameda County Transportation Improvement Authority	.50%
Alameda County Essential Health Care Services	.50%
Alameda County BART	.50%
City of San Leandro (Includes .25% Triple Flip Reimbursement)	1.00%
City of San Leandro Temporary Transaction and Use Tax	.25%
Total Sales Tax in San Leandro	9.25%

Allocation of a Property Tax Dollar Collected in San Leandro



Expenditures

Expenditures for the 2013-14 and 2014-15 Biennial Budget are estimated to increase due to the following reasons:

- Rising health care premiums
- Pension costs
- Equipment replacement costs
- Infrastructure repairs and maintenance
- Implementation of the new Community Investment Program
- Fire service contract

General Fund expenditures are projected to increase by \$3.9 million and \$2.8 million over the next two fiscal years. The 5.1% and 3.5% increases in costs for 2014 and 2015 are attributed to the reasons cited above.

Therefore, 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 six-year forecast to show the impact of Measure Z funds scheduled to sunset March 2018.

Expenditures by Department

DEPARTMENT	2013-14	2014-15
General Government	\$ 4,345,172	\$ 4,544,921
Finance	2,374,511	2,423,635
Police	27,565,787	28,676,461
Fire	20,005,732	20,579,419
Community Development	5,201,859	5,267,141
Engineering and Transportation	2,688,711	2,781,852
Public Works	7,117,089	7,318,320
Recreation and Human Services	4,705,144	4,575,022
Library	4,881,611	5,016,241
Non-Departmental	2,485,195	2,694,102
Other Agencies	7,331,764	6,494,197
Enterprise Activities	12,322,776	12,482,998
Internal Services	13,003,164	13,494,134
Capital Improvements	4,638,966	4,447,082
Debt Service	4,932,860	4,841,429
Transfers to Other Funds	1,145,401	870,782
Total Department Expenditures	\$ 124,745,742	\$ 126,507,736

Expenditures • *continued*

Capital Improvement Projects continue to focus on streets, roads, and sidewalk improvements amounting to \$4.6 million and \$4.5 million over the next two fiscal years.

CAPITAL PROJECTS	2013-14	2014-15
ADA Transition Plan	\$ 20,168	\$ 20,660
Bike and Ped Improvements	60,000	60,000
Annual Overlay/Rehabilitation	855,606	1,390,546
Sidewalk Repair	455,697	455,143
Street Sealing	981,762	1,000,000
Sanitary Sewer Replacement/Repair	500,000	500,000
SL Blvd/Williams/Hudson Rehab	1,548,000	0
MacArthur/Superior Traffic Circle Design	127,000	0
Internal Service Charges	90,733	90,733
Neighborhood Traffic Calming	0	50,000
Traffic Studies and Signal Equipment	0	20,000
WPCP Asphalt Replacement	0	860,000
Total Capital Improvement Projects	\$ 4,638,966	\$ 4,447,082

EXPENDITURES BY FUND	2013-14	2014-15
General Fund	\$ 79,993,938	\$ 82,774,097
Special Revenue Funds	8,599,533	7,286,803
Capital Project Funds	84,179	0
Debt Service Funds	2,532,987	2,482,725
Enterprise Funds	13,200,177	13,975,780
Internal Service Funds	13,003,164	13,494,134
Successor Agency Fund	7,331,764	6,494,197
Total Operating Expenditures	\$ 124,745,742	\$ 126,507,736

EXPENDITURES BY TYPE	2013-14	2014-15
Salaries and Benefits	\$ 49,182,424	\$ 50,903,606
Services	42,975,579	42,420,321
Supplies	3,204,231	3,223,281
Capital Outlay	941,502	1,555,502
Internal Service Charges	14,234,810	14,662,406
Other	13,061,795	12,871,838
Transfers	1,145,401	870,782
Total Expenditures by Type	\$ 124,745,742	\$ 126,507,736

Staffing

STAFFING BY DEPARTMENT	2012-13	2013-14	2014-15
General Government	34.53	35.85	35.85
Finance	14.98	15.69	15.69
Police	136.4	138.95	138.95
Engineering and Transportation	27.47	27.47	27.47
Community Development	21.19	21.94	21.94

STAFFING BY DEPARTMENT	2012-13	2013-14	2014-15
Public Works	101.93	101.41	101.41
Library Services	33.16	33.24	33.24
Recreation and Human Services	36.79	38.54	38.54
Total Staffing	406.45	413.09	413.09

Note: Fire Department is a contract service.

Historical City Staffing 2008-09 through 2014-15

