

# Draft Budget Presentation

Fiscal Year 2019/2020

Ernie Reyna  
Finance Director & City Treasurer



# Workshop Agenda

- Current Financial Position & Reserves
- FY 19/20 Estimated Revenues
- FY 19/20 Proposed Expenditures
- Review of Line Items Budgeted for Strategic Plan
- Capital Improvement Plan
- Discussion/Direction for Staff

# **Current Financial Position & Reserves**

# Reserves

Fund Balance - Revenues minus Expenditures

Reserves – Fund Balance at July 20, 2020 minus  
Restricted and Committed Funds equals  
Unassigned Reserves available for use

# FY 18/19 vs. 19/20 Reserves

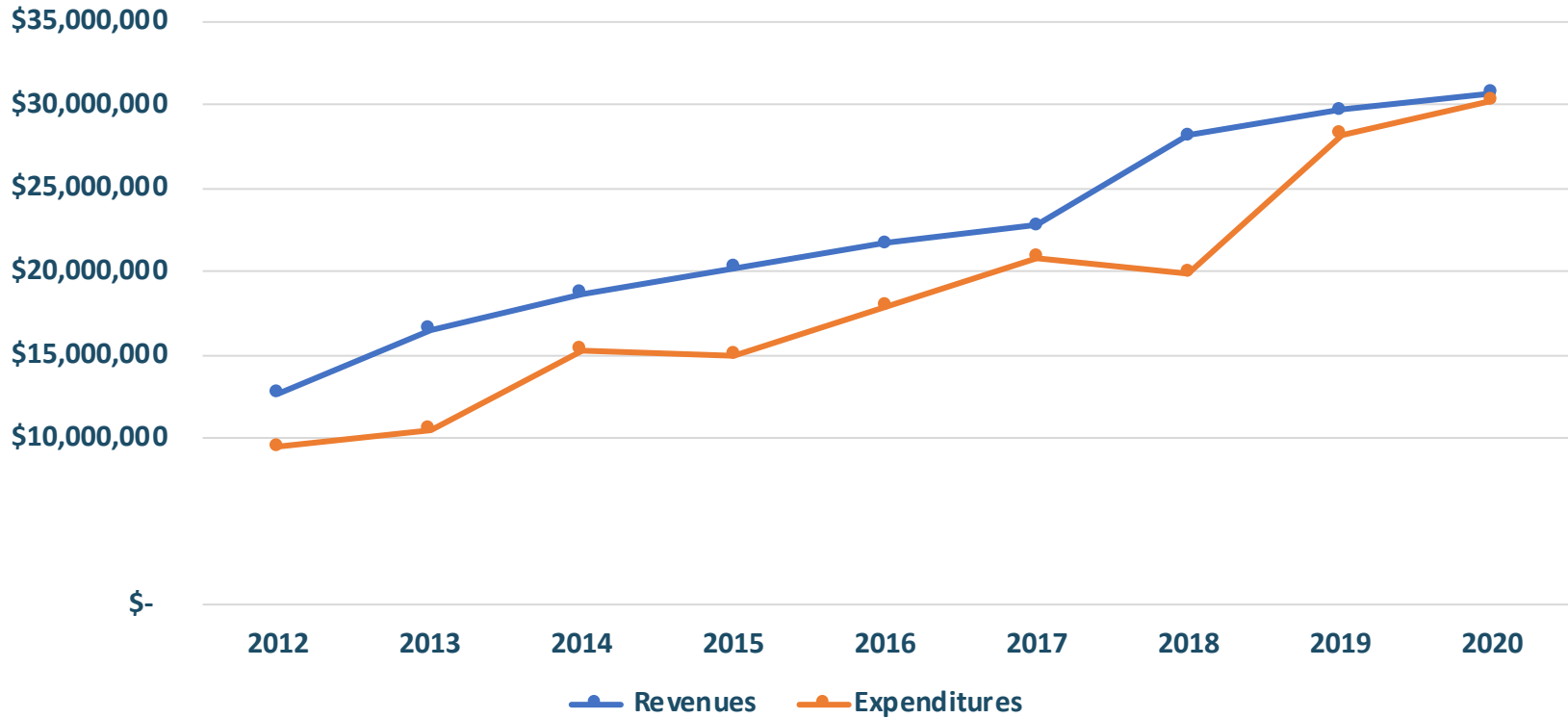
|                                   |                       |                                   |                     |
|-----------------------------------|-----------------------|-----------------------------------|---------------------|
| Fund Balance @ 6/30/19            | \$ 33,854,746         | Fund Balance @ 6/30/20            | \$ 33,370,018       |
| Restricted for Fire<br>Committed: | \$ 6,915,221          | Restricted for Fire<br>Committed: | 6,602,231           |
| Emergency Contingency             | 9,766,182             | Emergency Contingency             | 11,204,023          |
| Civic Center & Library            | 8,000,000             | Civic Center & Library            | 8,000,000           |
| Public Safety Rate Stabilization  | 1,000,000             | Public Safety Rate Stabilization  | 1,000,000           |
| Pension Alternatives              | <u>1,200,000</u>      | Pension Alternatives              | <u>1,500,000</u>    |
| Total Restricted and Committed    | <u>26,881,403</u>     | Total Restricted and Committed    | 28,306,254          |
| Reserves @ 6/30/19                | <u>\$ 6,973,343</u>   | Reserves @ 6/30/20                | <u>\$ 5,063,764</u> |
| Decrease in Fire Restriction      | 312,990               |                                   |                     |
| Increase in Emergency Contingency | (1,437,841)           |                                   |                     |
| Increase in Pension Alternatives  | (300,000)             |                                   |                     |
| Decrease in FB @ 6/30/20          | (484,728)             |                                   |                     |
| Decrease in Reserves              | <u>\$ (1,909,579)</u> |                                   |                     |

# FY 18/19 vs. 19/20 Reserves

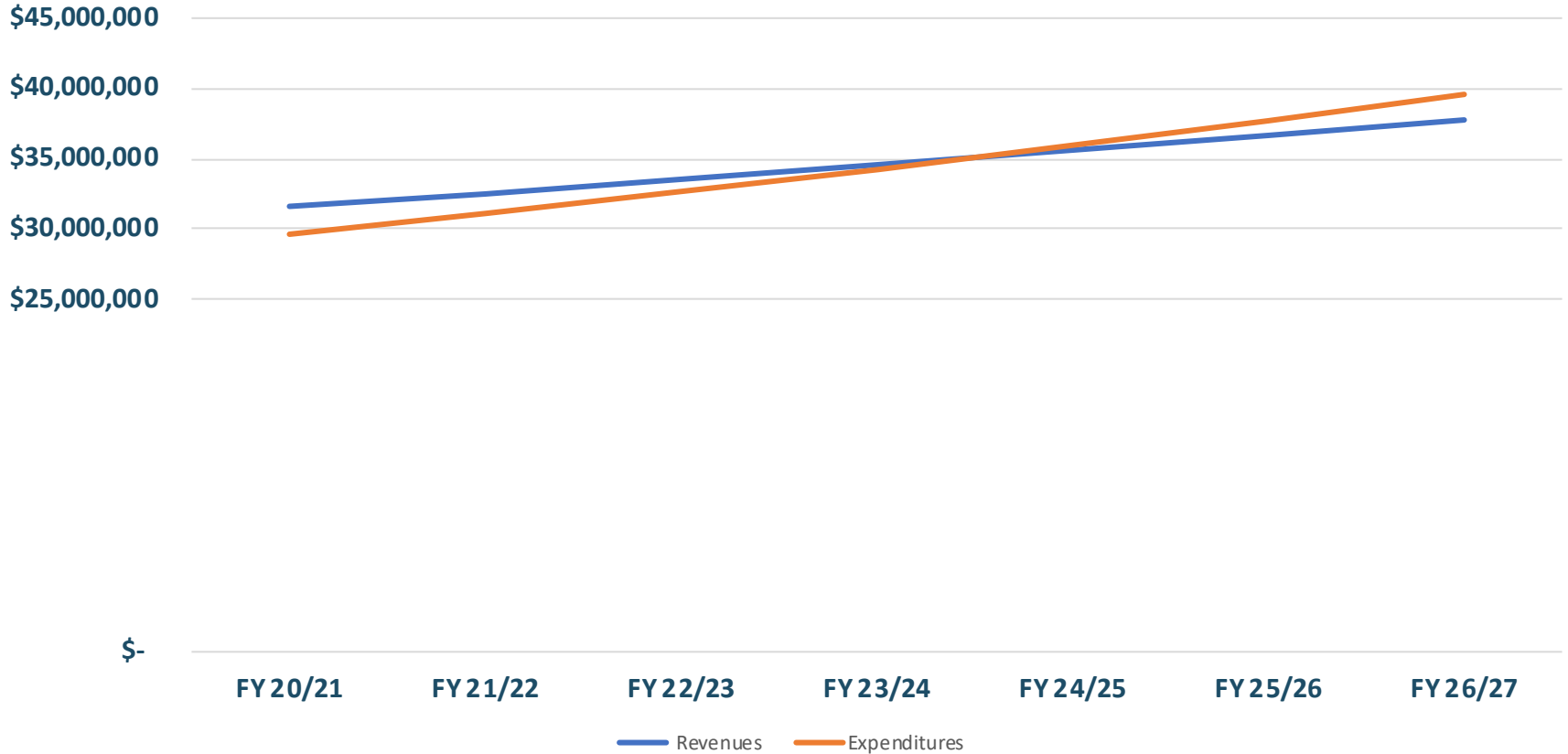
## Reconciliation for Decrease in Reserves

|                                    |                  |
|------------------------------------|------------------|
| Decrease in Fire Restriction       | \$ 312,990       |
| Increase in Emergency Contingency  | (1,437,841)      |
| Increase in Pension Alternatives   | (300,000)        |
| Decrease in Fund Balance @ 6/30/20 | <u>(484,728)</u> |
| Decrease in Reserves               | \$ (1,909,579)   |

# General Fund Historical Revenues vs. Expenditures



## Projected Revenues vs. Expenditures FY 20/21 - 26/27





# **Estimated Revenues for FY 19/20**

# Estimated Revenues for FY 19/20

Total General Fund Revenues – \$24,426,272

Total Fire Fund Revenues - \$6,285,042

Total Special Revenue - \$9,601,431

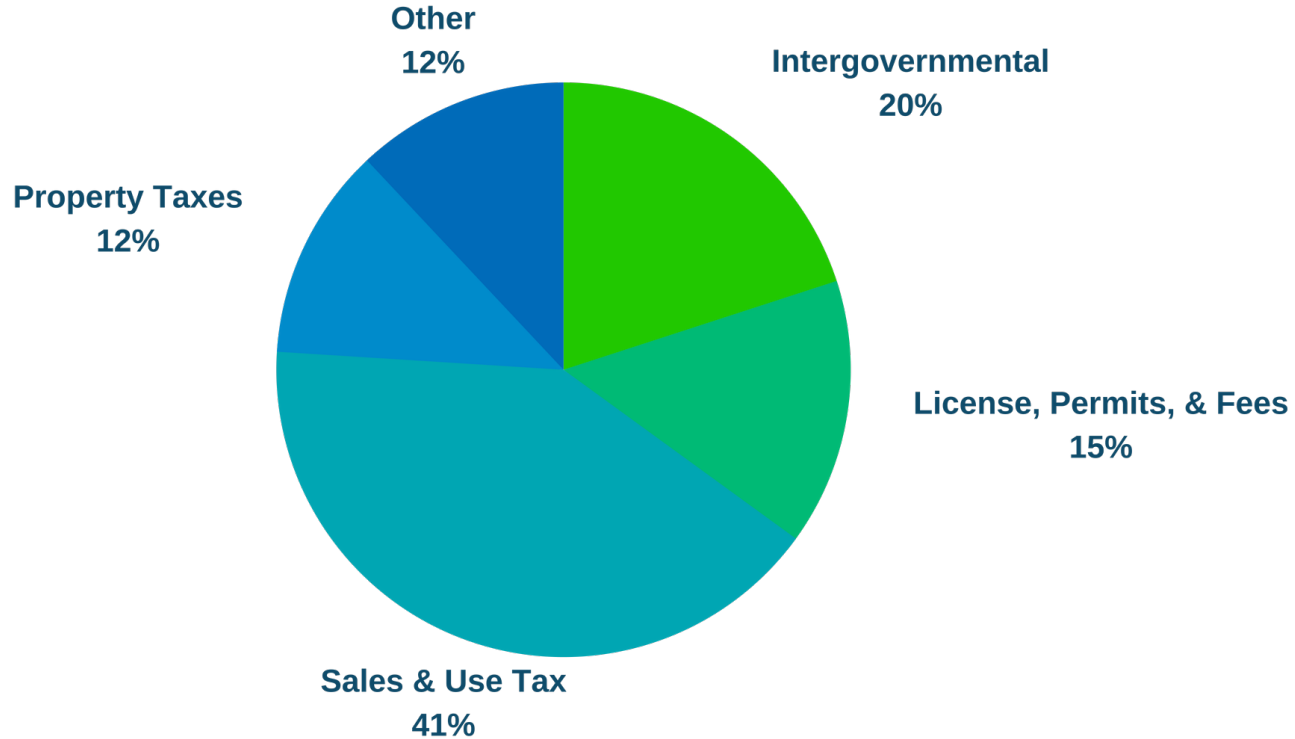
Total Capital Projects Revenue - \$1,000,000

**Total Agency Revenue - \$41,312,745**

# General Fund Revenues

|                            |                |
|----------------------------|----------------|
| Sales & Use Tax -          | \$9.7M         |
| Property Tax -             | \$3M           |
| Franchise Fees -           | \$1.5M         |
| Licenses / Permits -       | \$3.5M         |
| Fines -                    | \$606K         |
| Intergovernmental -        | \$4.9M         |
| Miscellaneous -            | \$75K          |
| <b>Total GF Revenues -</b> | <b>\$24.4M</b> |

# Revenue Type Percentages



# General Fund Revenues

FY 18/19 Budgeted Revenues - \$21,788,267

FY 19/20 Budgeted Revenues - \$24,426,272

## **12% Increase in General Fund Revenues**

Revenue Estimates include all known future development.

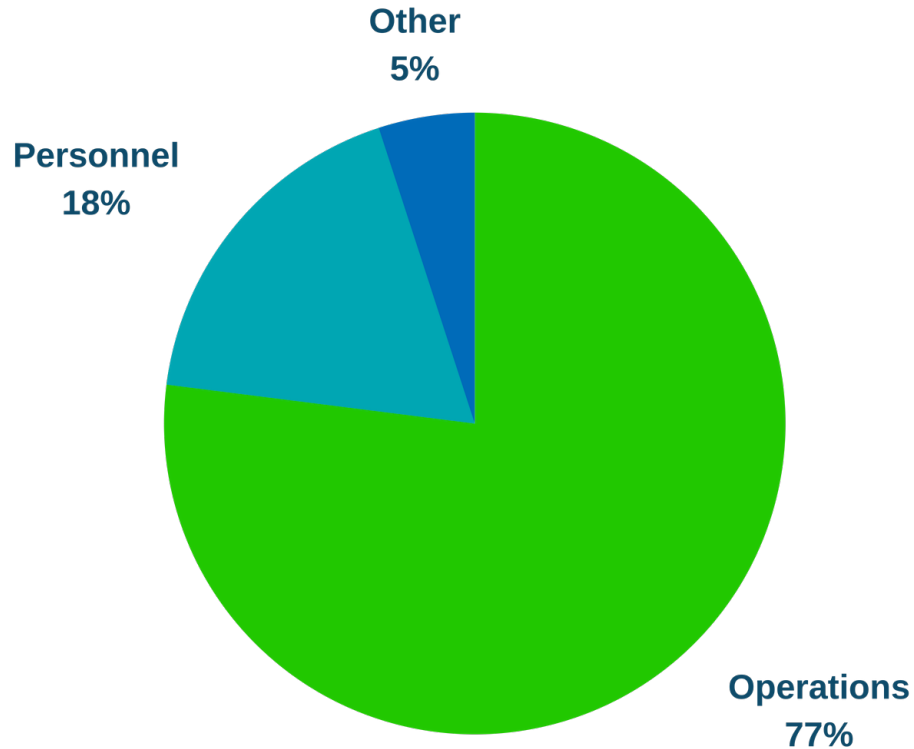
# **Proposed Expenditures for FY 19/20**

# Proposed Expenditures for FY 19/20

Total General Fund Expenditures – \$23,408,047  
Total Fire Fund Expenditures - \$6,870,225  
Total Special Rev. Expenditures - \$4,689,691  
Total Capital Projects Expenditures - \$1,000,000

**Total Agency Expenditures - \$36,436,662**

# Expenditure Type Percentages





# General Fund Expenditures

FY 18/19 Budgeted Expenditures - \$19,532,364

FY 19/20 Budgeted Expenditures - \$22,408,047

**\$2,875,683, or 15% Increase in General Fund Expenditures**

**\$993,532, or 5% increase at Mid-Year 2018-2019**

# General Fund Expenditures

## General Fund Expenditures Types

| General Fund       | Adopted       | Recommended        |            | %      |
|--------------------|---------------|--------------------|------------|--------|
| Expenditure Type   | 2018-2019     | Mid Year 2018-2019 | Difference | Change |
| Personnel          | \$ 2,741,744  | \$ 3,735,276       | \$ 993,532 | 36.2%  |
| Operations         | 16,422,043    | 16,422,043         | -          | 0.0%   |
| Capital Outlay     | 367,577       | 367,577            | -          | 0.0%   |
| Total Expenditures | \$ 19,531,364 | \$ 20,524,896      | \$ 993,532 | 5.1%   |
| Transfers          | 3,900,000     | 3,900,000          | -          | 0.0%   |
| Total Funding Uses | \$ 23,431,364 | \$ 24,424,896      | \$ 993,532 | 4.2%   |

# General Fund Expenditures

## General Fund Expenditures Types

| General Fund<br>Expenditure Type | Recommended<br>Mid Year 2018-<br>2019 | Proposed<br>2019-2020 | Difference     | %<br>Change |
|----------------------------------|---------------------------------------|-----------------------|----------------|-------------|
| Personnel                        | \$ 3,735,276                          | \$ 4,111,120          | \$ 375,844     | 10.1%       |
| Operations                       | 16,422,043                            | 18,010,730            | 1,588,687      | 9.7%        |
| Capital Outlay                   | 367,577                               | 286,200               | (81,377)       | -22.1%      |
| Total Expenditures               | \$ 20,524,896                         | \$ 22,408,050         | \$ 1,883,154   | 9.2%        |
| Transfers                        | 3,900,000                             | 1,000,000             | (2,900,000)    | -74.4%      |
| Total Funding Uses               | \$ 24,424,896                         | \$ 23,408,050         | \$ (1,016,846) | -4.2%       |

# General Fund Expenditures

## Authorized Full Time Positions

| Department  | 2017-2018    | 2018-2019 | 2019-2020 |
|---|--------------|-----------|-----------|
|   | Approved     | Approved  | Proposed  |
| <b>City Manager's Office:</b>                             |              |           |           |
| City Manager  | 5.5          | 4.5       | 4.5       |
| Communications  | -            | 2.25      | 3.5       |
| Talent & Special Projects                                 | -            | 1         | 3.5       |
| <b>City Clerk's Office</b>                                | 3.75         | 3.75      | 4.25      |
| <b>Finance Department</b>                                 | 4.5          | 5.25      | 5.5       |
| <b>Community Development:</b>                             |              |           |           |
| Community Development                                     | -            | -         | 4.25      |
| Community Enhancement & Safety                            | 4            | 5.25      | 7.5       |
| <b>Total number of full time employees for that year:</b> | <b>17.75</b> | <b>22</b> | <b>33</b> |

# General Fund Expenditures

## FY 18/19 Mid-Year Organizational Changes (Approved at City Council on 12/18/18):

### New Positions

|  |                   |                      |
|--|-------------------|----------------------|
| Community Development Director                       | \$ 245,826        | (Filled)             |
| Community Enhancement & Safety Manager               | 165,440           | (Vacant)             |
| Community Enhancement & Safety Officer               | 96,958            | (Filled)             |
| Community Enhancement & Safety Technician            | 78,635            | (Vacant)             |
| 6 Interns  | 110,928           | (3 Filled, 3 Vacant) |
| <b>Total for New Positions at Mid-Year 2018-2019</b> | <b>\$ 697,787</b> |                      |

### Status Changes

|   |                   |  |
|---|-------------------|--|
| (2) Street Sweepers from 3/4 time to FT               | 77,459            |  |
| Accounting Tech - 3/4 time to FT                      | 68,550            |  |
| Communication Specialist - 3/4 time to FT             | 33,957            |  |
| Communications Specialist - Intern to FT              | 86,396            |  |
| Emergency Management Coordinator to Specialist        | 29,383            |  |
| <b>Total for Status Changes at Mid-Year 2018-2019</b> | <b>\$ 295,745</b> |  |

**Total FY 18/19 Mid-Year Organizational Changes** **\$ 993,532**

**Net Total Increase for FY 19/20 Personnel from Mid-Year** **\$ 375,744**

# General Fund Expenditures

Four New Proposed Positions for FY 19/20

All Budgeted at Top Step of Pay Range and Fully Burdened:

- **Accounting Manager** – Finance Dept. (\$133,877)
- **Management Analyst** – Community Dev. Dept. (\$118,322)
- **Executive Assistant** – City Manager's Office (\$106,933)
- **Office Specialist** – City Manager' Office (\$74,587)

# **Review of Line Items Budgeted for Strategic Plan**

# Recap of Strategic Plan and “Targets”

- 1.** Communication/Community Engagement
- 2.** Public Safety
- 3.** Economic Development
- 4.** Organizational Development
- 5.** Finance/Budget
- 6.** Infrastructure



# Strategic Plan Items Budgeted

- Elevate Dining Experience \$500K
- Engage Community Feedback \$50K
- Enhance Mobility & Connectivity \$1.25M
- \$8M ATP Grant Match \$1.6M
- Build City Hall \$100K
- Strengthen Organizational Development \$75K
- TOTAL POTENTIAL STRATEGIC PLAN ITEMS TO BE BUDGETED IN FY 19/20 \$3.575M

# Strategic Plan Items Budgeted General Fund

- Elevate Dining Experience \$500K
- Engage Community Feedback \$50K
- Strengthen Organizational Development \$75K
- TOTAL POTENTIAL STRATEGIC PLAN ITEMS TO BE BUDGETED IN FY 19/20 – General Fund \$625K

# Strategic Plan Items Budgeted Capital Improvement Plan

- Enhance Mobility & Connectivity \$1.25M
- \$8M ATP Grant Match \$1.6M
- Build City Hall \$100K
- TOTAL POTENTIAL STRATEGIC PLAN ITEMS TO BE  
BUDGETED IN FY 19/20 - CIP \$2.95M

# Public Safety - Fire

- |    |                                      |                    |
|----|--------------------------------------|--------------------|
| 1. | Maintain current staff               | \$4,853,466        |
| 2. | Shared cost w/JV for new engine      | \$5,299,316        |
| 3. | <b>Add medic squad at Station 27</b> | <b>\$6,065,175</b> |
| 4. | Add medic engine at Station 27       | \$6,399,371        |

Cost to add medic squad at Station 27 is \$1,069,887 to bring total contract price for CalFire to \$6,065,175 for FY 19/20.

# Public Safety - Police

Riverside Sheriff Contract FY 19/20 - \$10,342,912

\*\*\*Budgeted amount for FY 19/20 includes a 2.19% retroactive increase from the RSO, and a projected 5.0% also provided by RSO

$\$9.6\text{M} \times 1.0219 = \$10.3\text{M} \times 1.05 = \$10.3\text{M}$

# Capital Improvement Plan

Roadway Safety:

ATP Grant & Match

Limonite Interchange Gateway Feature

Miscellaneous Trail Improvements

**Total - \$10.2M**

# Capital Improvement Plan

Street Improvements:

Limonite Gap

Schleisman and Hamner Transition

Street Name Signs

**Total - \$4.1M**

# Capital Improvement Plan

Citywide Maintenance:

Miscellaneous Traffic Safety

Fiber Broadband Infrastructure

Communications Master Plan

Eastvale 2040 (Eastvale Master Plan)

**Total - \$1.65M**



# Capital Improvement Plan

Land, Buildings, Facilities, & Equipment  
Civic Center Site Planning  
Altfillisch Flood Plain Modification

**Total - \$600K**

# Questions & Discussion