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

<table>
<thead>
<tr>
<th>Fund Balance @ 6/30/19</th>
<th>$ 33,854,746</th>
<th>Fund Balance @ 6/30/20</th>
<th>$ 33,370,018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted for Fire</td>
<td>$ 6,915,221</td>
<td>Restricted for Fire</td>
<td>6,602,231</td>
</tr>
<tr>
<td>Committed:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Contingency</td>
<td>9,766,182</td>
<td>Emergency Contingency</td>
<td>11,204,023</td>
</tr>
<tr>
<td>Civic Center &amp; Library</td>
<td>8,000,000</td>
<td>Civic Center &amp; Library</td>
<td>8,000,000</td>
</tr>
<tr>
<td>Public Safety Rate Stabilization</td>
<td>1,000,000</td>
<td>Public Safety Rate Stabilization</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Pension Alternatives</td>
<td>1,200,000</td>
<td>Pension Alternatives</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Total Restricted and Committed</td>
<td><strong>26,881,403</strong></td>
<td>Total Restricted and Committed</td>
<td><strong>28,306,254</strong></td>
</tr>
<tr>
<td>Reserves @ 6/30/19</td>
<td>$ 6,973,343</td>
<td>Reserves @ 6/30/20</td>
<td>$ 5,063,764</td>
</tr>
</tbody>
</table>

- 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: **$(1,909,579)$**
## FY 18/19 vs. 19/20 Reserves

### Reconciliation for Decrease in Reserves

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in Fire Restriction</td>
<td>$312,990</td>
</tr>
<tr>
<td>Increase in Emergency Contingency</td>
<td>$(1,437,841)</td>
</tr>
<tr>
<td>Increase in Pension Alternatives</td>
<td>$(300,000)</td>
</tr>
<tr>
<td>Decrease in Fund Balance @ 6/30/20</td>
<td>$(484,728)</td>
</tr>
<tr>
<td>Decrease in Reserves</td>
<td>$(1,909,579)</td>
</tr>
</tbody>
</table>
Projected Revenues vs. Expenditures FY 20/21 - 26/27

- FY 20/21
- FY 21/22
- FY 22/23
- FY 23/24
- FY 24/25
- FY 25/26
- FY 26/27

Revenues vs. Expenditures
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
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales &amp; Use Tax</td>
<td>$9.7M</td>
</tr>
<tr>
<td>Property Tax</td>
<td>$3M</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>$1.5M</td>
</tr>
<tr>
<td>Licenses / Permits</td>
<td>$3.5M</td>
</tr>
<tr>
<td>Fines</td>
<td>$606K</td>
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<tr>
<td>Intergovernmental</td>
<td>$4.9M</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$75K</td>
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<tr>
<td><strong>Total GF Revenues</strong></td>
<td><strong>$24.4M</strong></td>
</tr>
</tbody>
</table>
Revenue Type Percentages

- Property Taxes: 12%
- Sales & Use Tax: 41%
- Intergovernmental: 20%
- License, Permits, & Fees: 15%
- Other: 12%
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

Operations 77%
Personnel 18%
Other 5%
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

<table>
<thead>
<tr>
<th>General Fund Expenditures Types</th>
<th>General Fund Expenditure Type</th>
<th>Adopted 2018-2019</th>
<th>Mid Year 2018-2019</th>
<th>Difference</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Personnel</td>
<td>$2,741,744</td>
<td>$3,735,276</td>
<td>$993,532</td>
<td>36.2%</td>
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<tr>
<td></td>
<td>Operations</td>
<td>16,422,043</td>
<td>16,422,043</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td>Capital Outlay</td>
<td>367,577</td>
<td>367,577</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td>Total Expenditures</td>
<td>$19,531,364</td>
<td>$20,524,896</td>
<td>$993,532</td>
<td>5.1%</td>
</tr>
<tr>
<td></td>
<td>Transfers</td>
<td>$3,900,000</td>
<td>$3,900,000</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td></td>
<td>Total Funding Uses</td>
<td>$23,431,364</td>
<td>$24,424,896</td>
<td>$993,532</td>
<td>4.2%</td>
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## General Fund Expenditures

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

## Authorized Full Time Positions

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approved</td>
<td>Approved</td>
<td>Proposed</td>
</tr>
<tr>
<td>City Manager's Office:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Manager</td>
<td>5.5</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Communications</td>
<td>-</td>
<td>2.25</td>
<td>3.5</td>
</tr>
<tr>
<td>Talent &amp; Special Projects</td>
<td>-</td>
<td>1</td>
<td>3.5</td>
</tr>
<tr>
<td>City Clerk's Office</td>
<td>3.75</td>
<td>3.75</td>
<td>4.25</td>
</tr>
<tr>
<td>Finance Department</td>
<td>4.5</td>
<td>5.25</td>
<td>5.5</td>
</tr>
<tr>
<td>Community Development:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Development</td>
<td>-</td>
<td>-</td>
<td>4.25</td>
</tr>
<tr>
<td>Community Enhancement &amp; Safety</td>
<td>4</td>
<td>5.25</td>
<td>7.5</td>
</tr>
</tbody>
</table>

Total number of full time employees for that year: 17.75, 22, 33
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)
Total for New Positions at Mid-Year 2018-2019  $697,787

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
Total for Status Changes at Mid-Year 2018-2019  $295,745

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. Add medic squad at Station 27 $6,065,175
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

$9.6M \times 1.0219 = $10.3M \times 1.05 = $10.3M
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