

TOWN OF PARADISE

Fiscal Year 2015/16 Proposed Operating and
Capital Budget
June 29, 2015



Fiscal Year 2015/16 Budget Overview



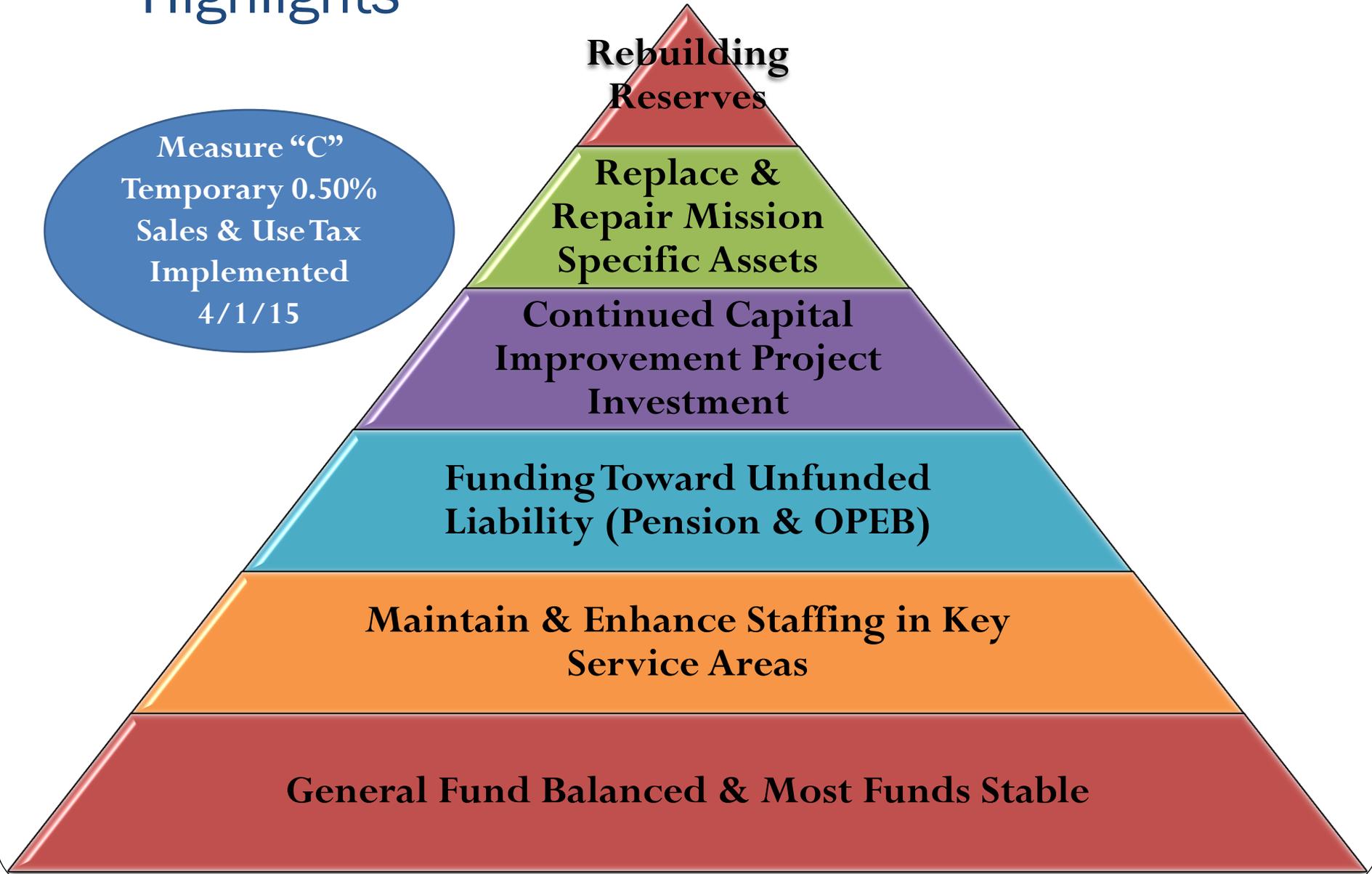
2015/16 Operating and Capital Budget

“Strategically Rebuilding for Sustainable Services Tomorrow”



2015/16 Operating and Capital Budget Highlights

Measure "C"
Temporary 0.50%
Sales & Use Tax
Implemented
4/1/15



2015/16 Operating and Capital Budget Weaknesses

General Fund Unassigned Reserves are less than 10% or \$1.1 Million Goal

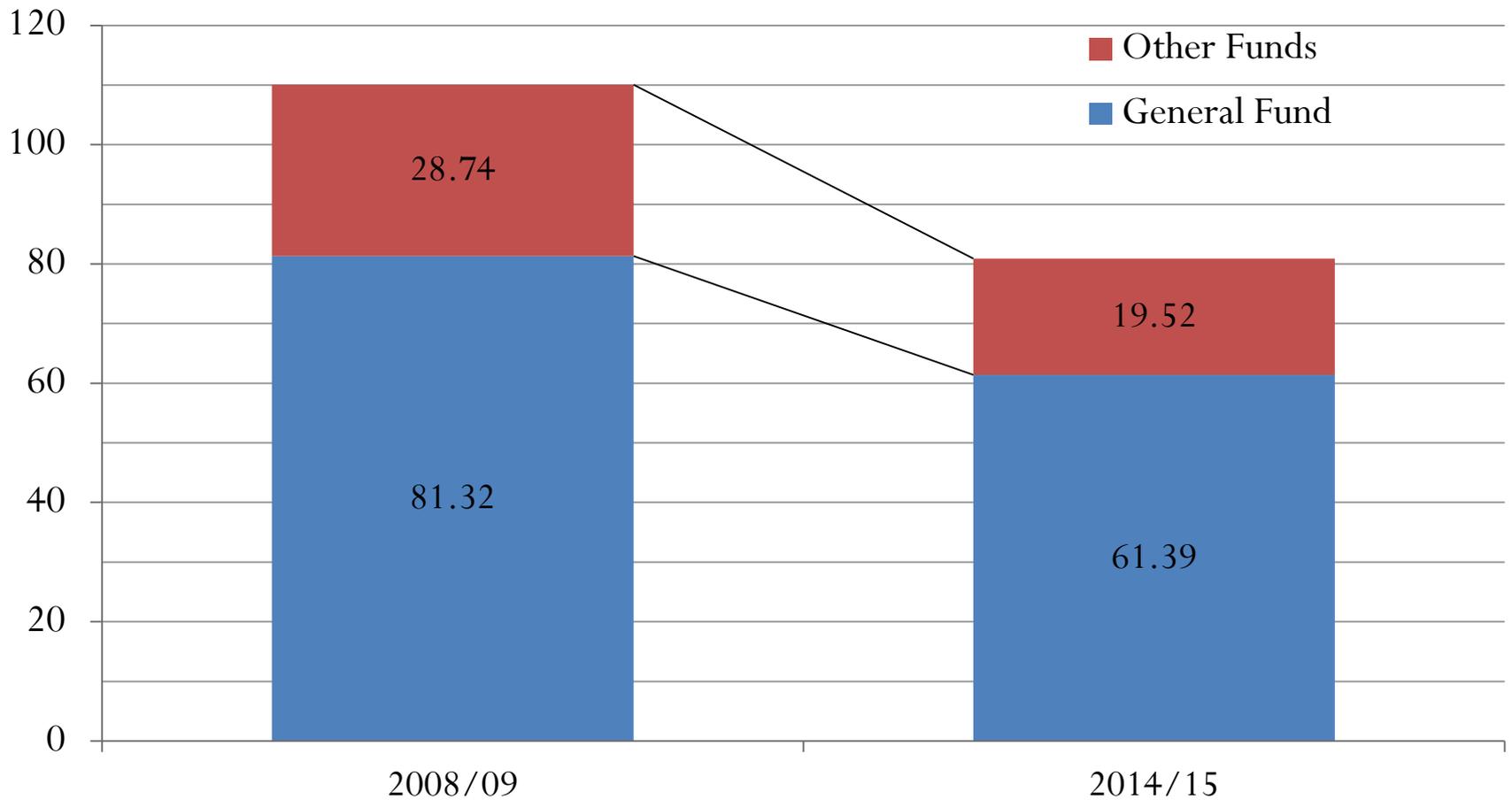
Annual Required Contribution to GASB 45 Trust Remains Underfunded

Animal Control Services are Improved but Sustainable Funding Remains an Issue

Town of Paradise Personnel



Personnel FTE Cutbacks - 25.5% (layoffs, attrition & outsourcing)



2015/16 Budget Proposed Staffing Enhancements

- An increase of 2.58 FTE is proposed
 - Police Sergeant Detective – 100% Measure C
 - Animal Control Officer – (36 hours from 18) – 75% Measure C
 - Building/Onsite Permit Technician – 10% Hours Increase – 100% BSWW
 - Housing Program Supervisor – 10% Hours Increase – 100% Business & Housing Grant Funded)
 - Housing Program Analyst – (18 hours per week) – 100% Business & Housing Grant Funded
 - Code Enforcement Officer – (15 hours per week) – 100% Business & Housing Grant Funded

General Fund FTE Comparison

(Includes Contract and Part Time Staffing)

Programs		2014/15 Budget	2015/16 Proposed Budget
Non Safety			
	Administration	9.14	8.16
	Community Development	1.73	1.68
	Engineering/Public Works	0	1
	Subtotal	10.87	10.84
Safety			
	Fire	18.05	18.05
	Police	32.47	34.15
	Subtotal	50.52	52.20
	Totals	61.39	63.04

All Funds FTE Comparison

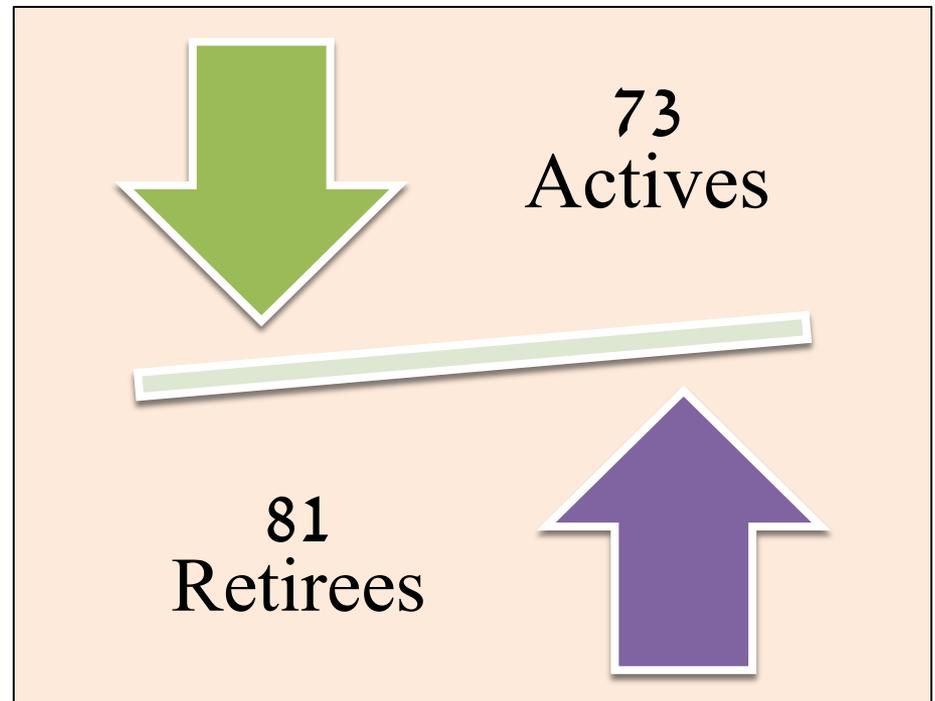
(Includes Contract and Part Time Staffing)

Programs	2014/15 Budget	2015/16 Proposed Budget
General Fund	61.39	63.04
Building Safety & Waste Water	6.06	6.32
Animal Control	3.00	2.88
Gas Tax/Streets	8.35	8.22
Business and Housing	1.85	2.80
Transit	0.18	0.17
Successor to RDA	0.08	0.07
Grand Total	80.91	83.49
Total Head Count	88	91

Active vs. Retired Employees

The Town currently has more retirees than active employees on its books.

- The Town has implemented tiering and reduced benefits for the newer hires.
- This trend will continue in the short term.
- It is important for the Town to fund these growing obligations now.



General Fund



General Fund Summary

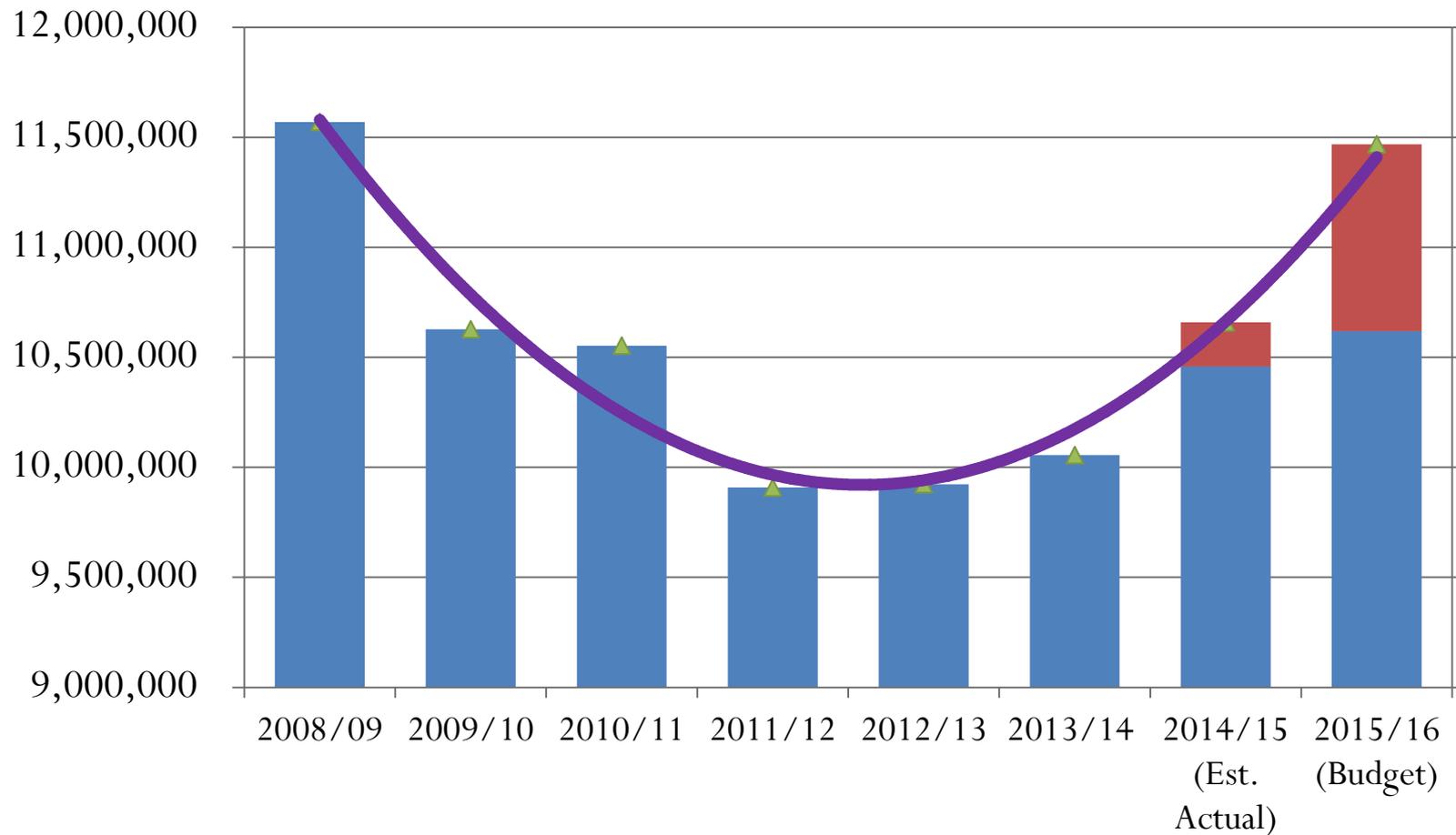
	2013/14 Audit	2014/15 Estimated Actual	2015/16 Proposed Budget
Total Revenues	\$9,582,894	\$10,044,454	\$10,133,391
Measure "C" Receipts	0	200,000	850,000
Transfers In	472,801	413,943	485,031
Total Resources	\$10,055,695	\$10,658,397	\$11,468,422
Total Expenditures	\$9,484,697	\$9,952,495	\$10,599,685
Measure "C" Expenditures	0	10,392	823,362
Transfers Out	0	0	17,500
Total Financial Uses	\$9,484,697	\$9,962,887	\$11,440,547
General Fund Net Income	\$570,998	\$695,510	\$27,875

General Fund Reserves

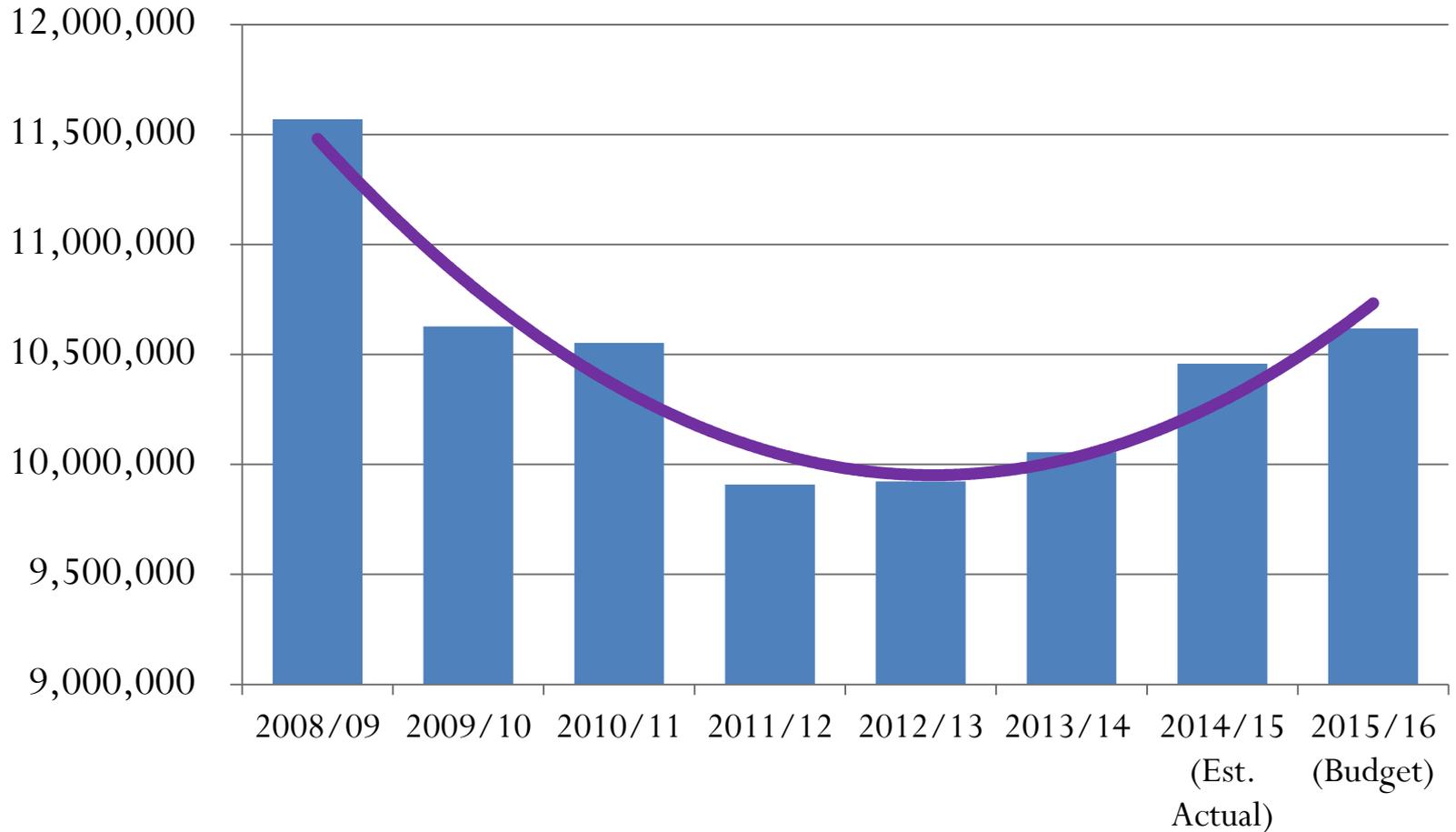
	2013/14 Audit	2014/15 Estimated Actual	2015/16 Proposed Budget
Designated Reserves			
Nonspendable (RDA and Other Loans)	\$2,015,945	\$1,999,731	\$1,974,731
Assigned to Measure "C" 2020-21	0	189,608	189,608
Unassigned Measure "C"	0	0	26,638
Unassigned	(129,944)	392,172	418,409
Ending Fund Balance	\$1,866,001	\$2,581,511	\$2,609,386

General Fund Revenues

General Fund Revenue Change Eight Year Comparison



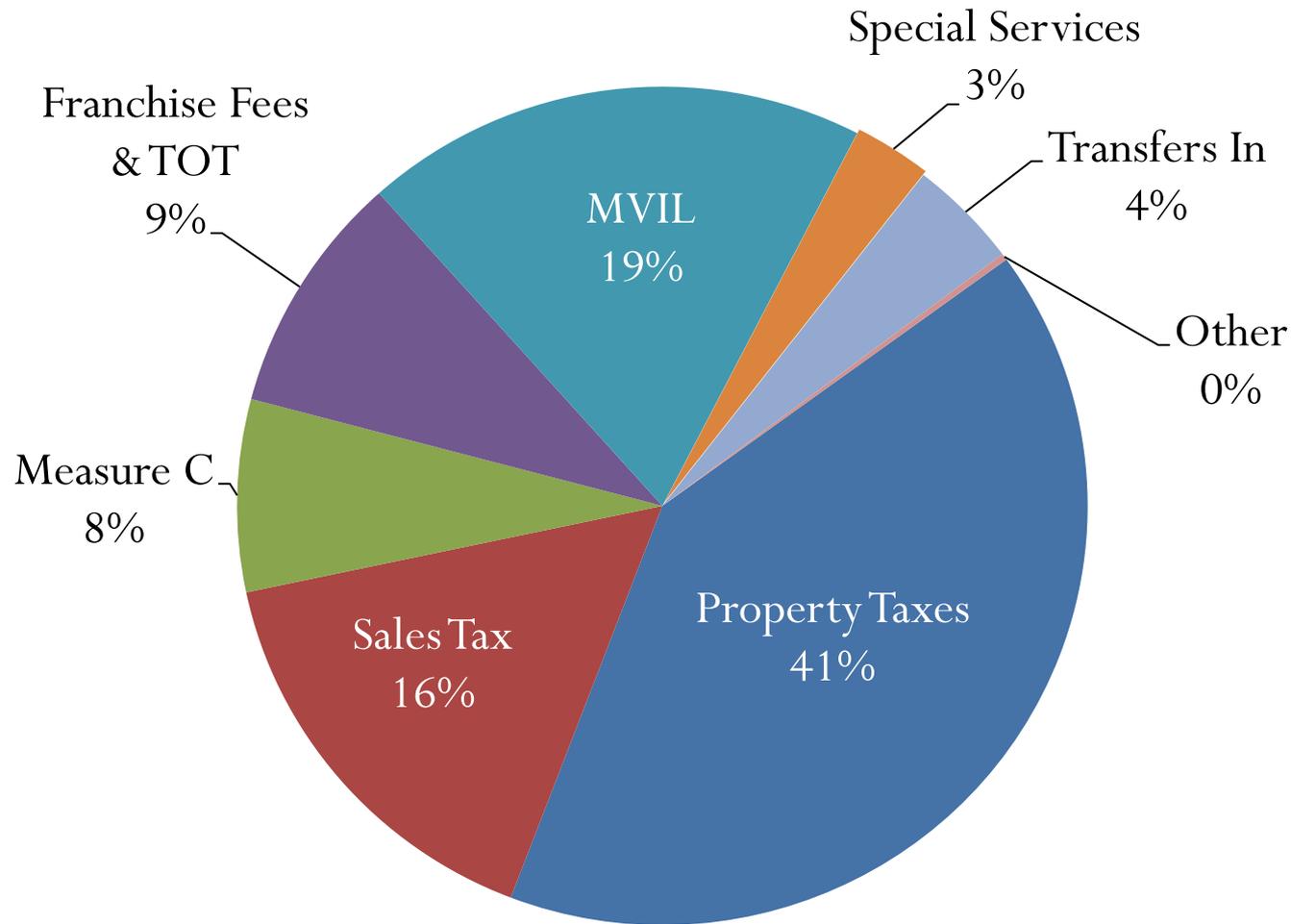
General Fund Revenue Change (Without Measure "C") Eight Year Comparison



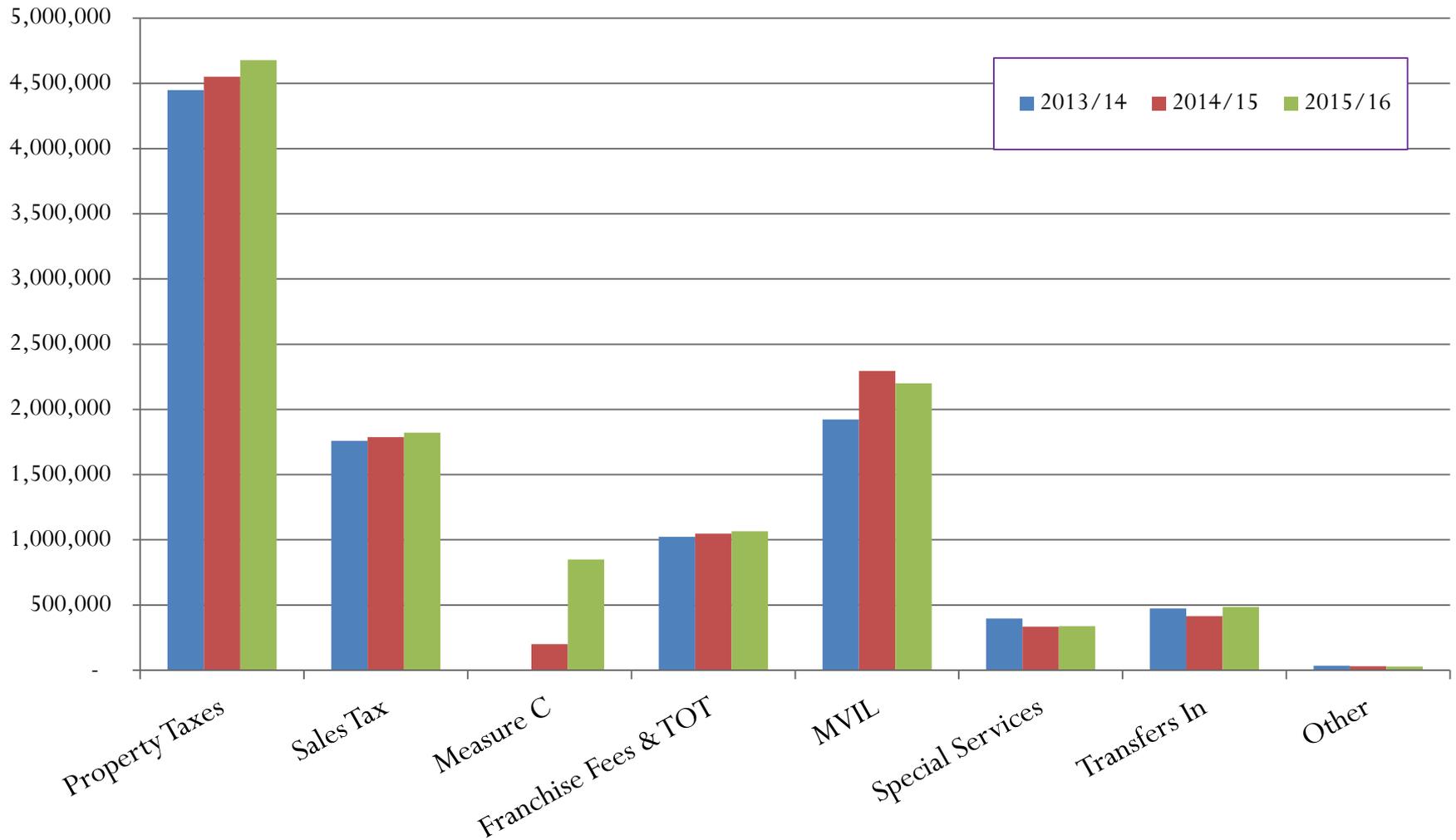
\$3.6 Million In General Fund Property Value Based Revenues Lost – 2008/09 to 2015/16



General Fund 2015/16 Total Resources \$11,468,422

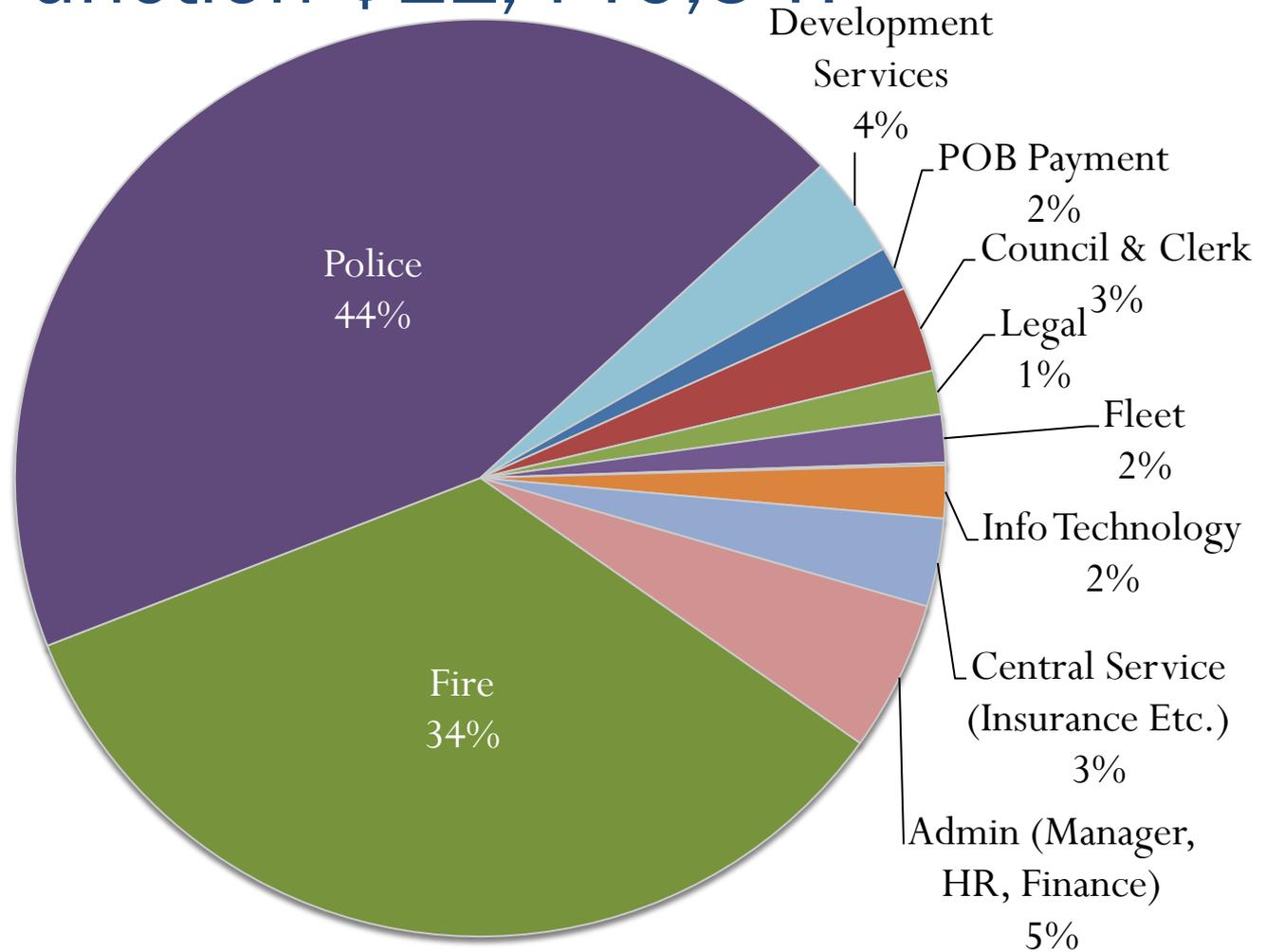


Change of General Fund Revenues by Resource



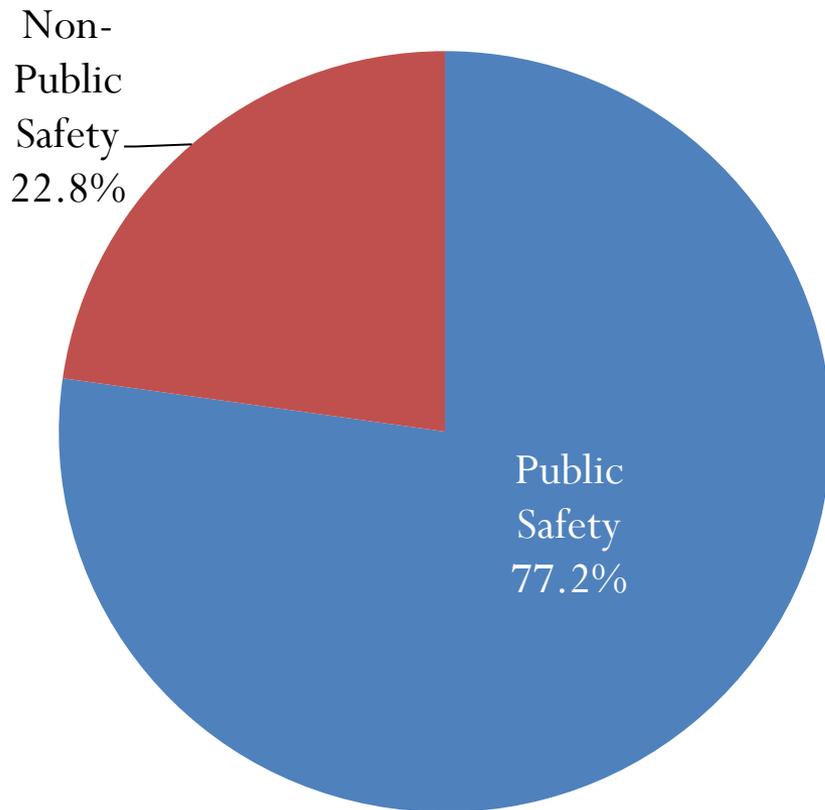
General Fund Expenditures

2015/16 General Fund Total Financial Uses by Function \$11,440,547

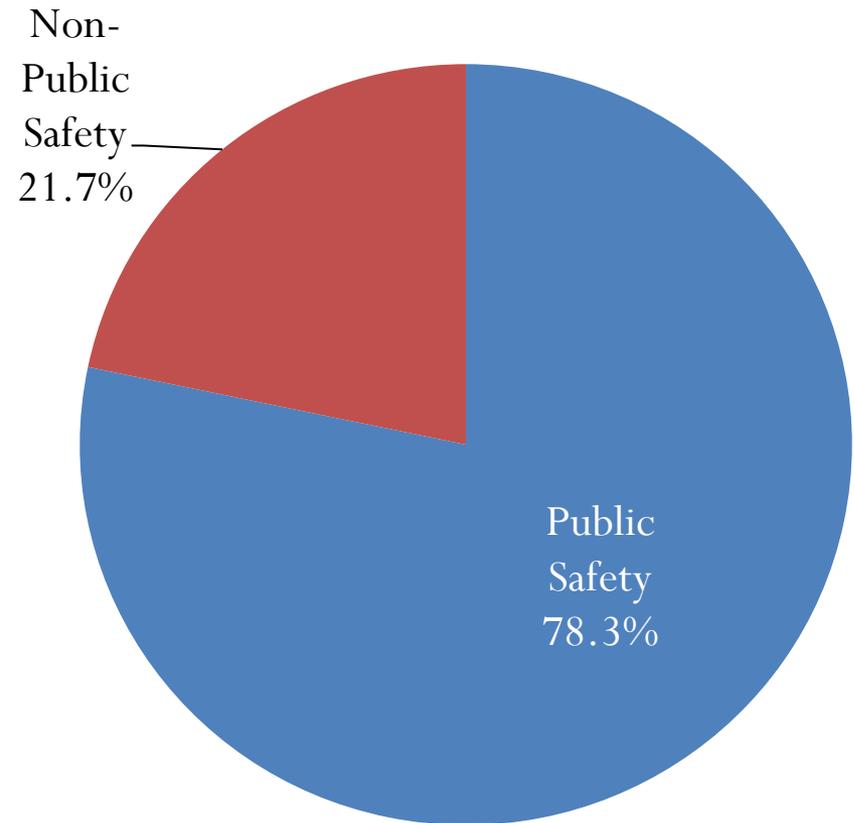


General Fund Public Safety Expenditure Comparison

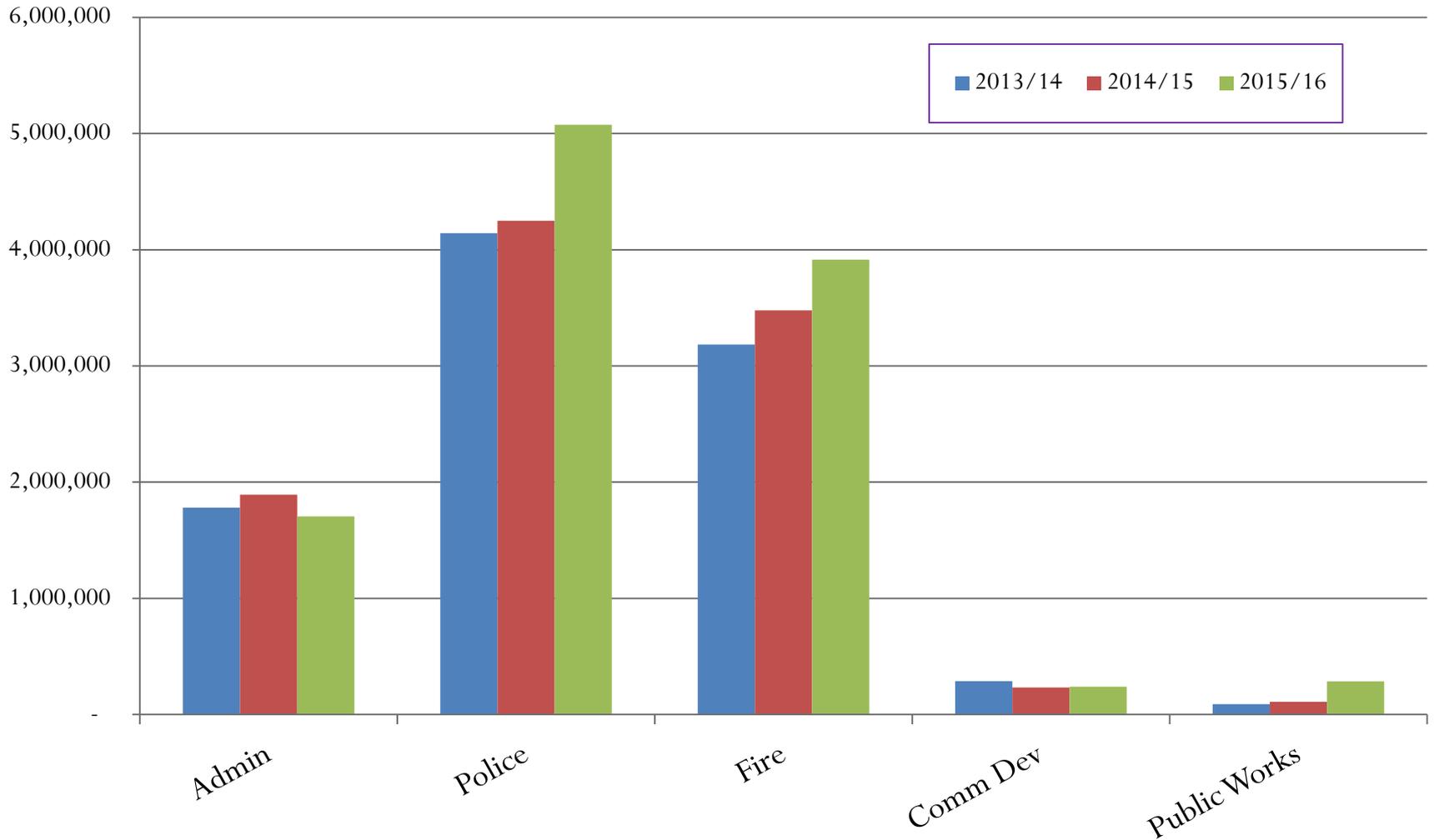
2014/15 Estimated Actual



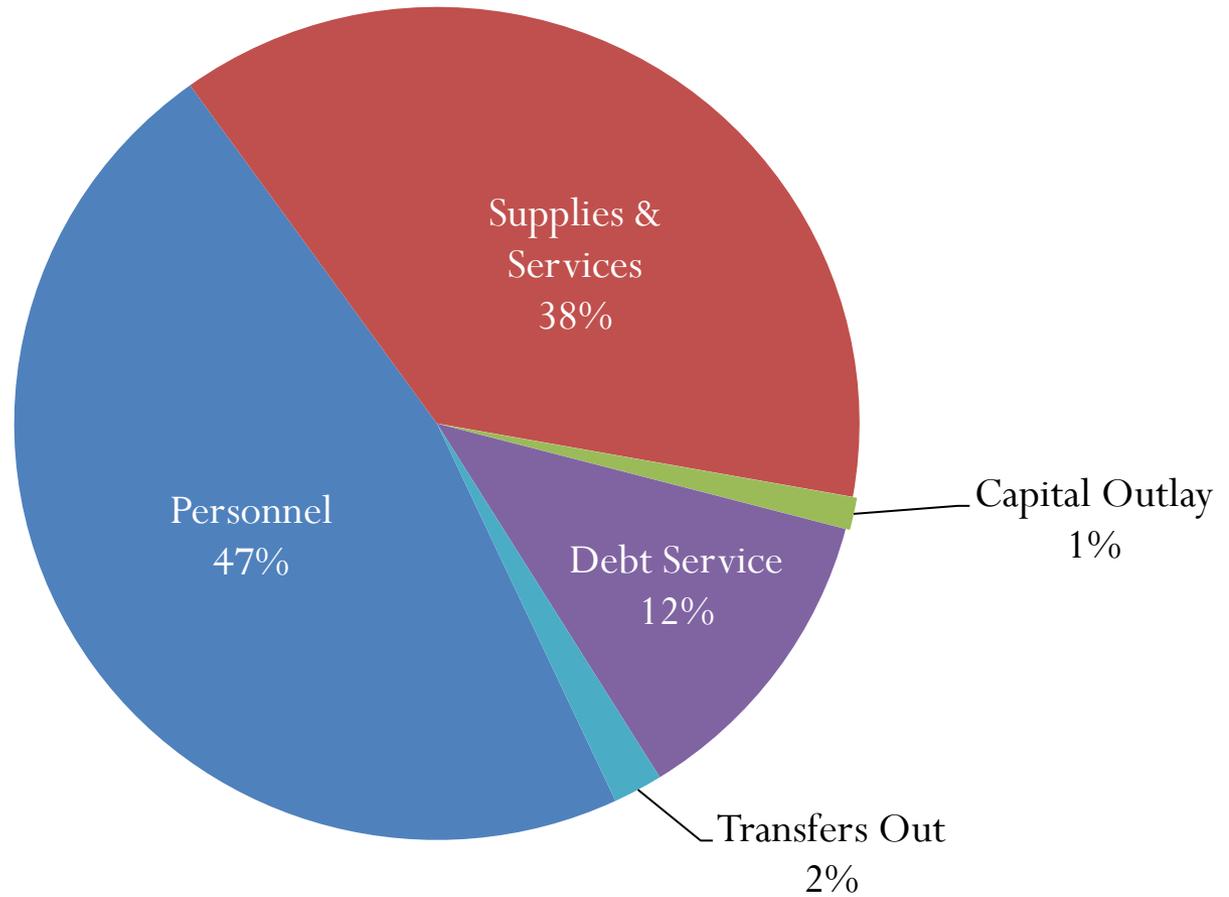
2015/16 Budget



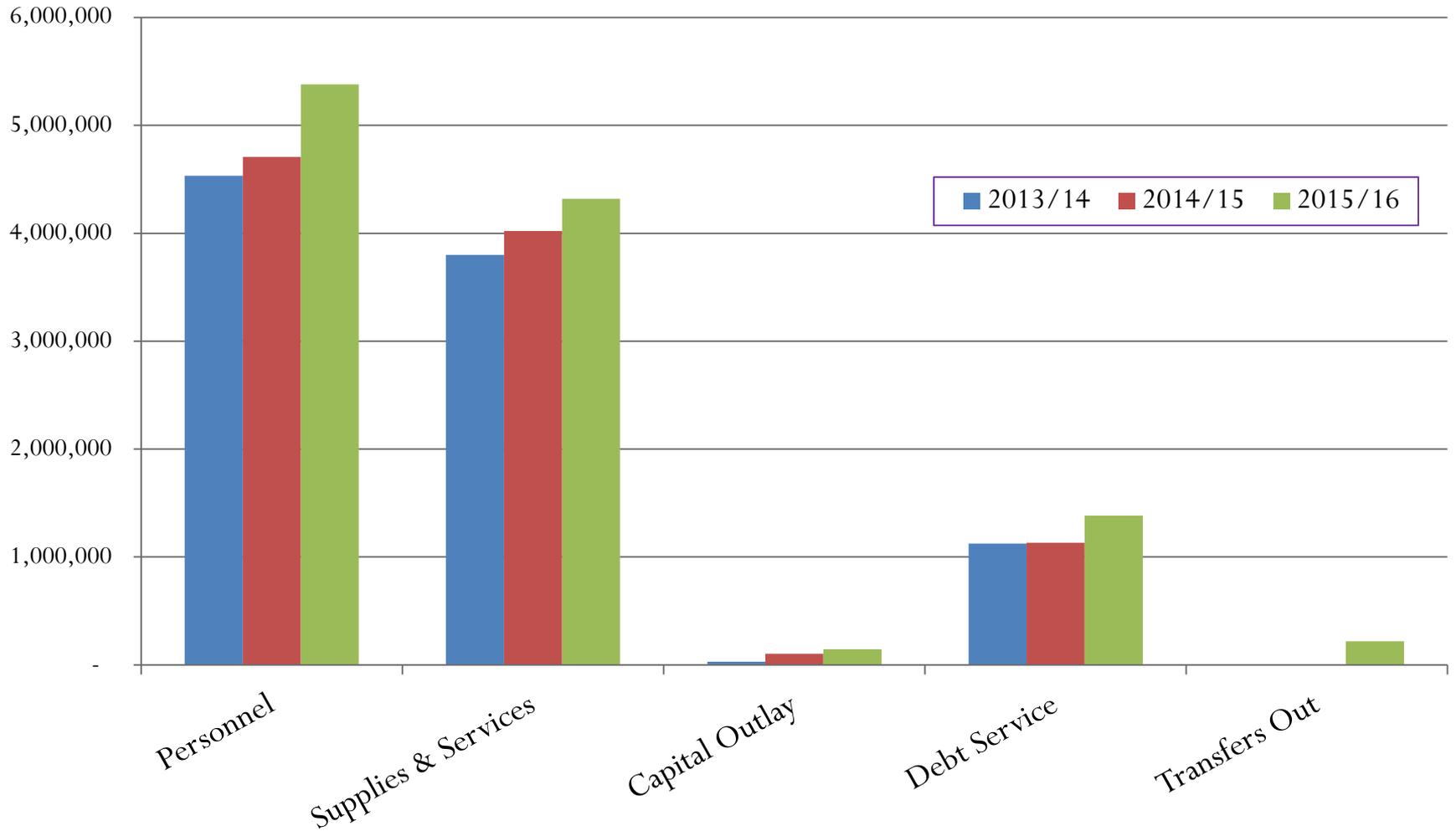
General Fund Appropriations by Function



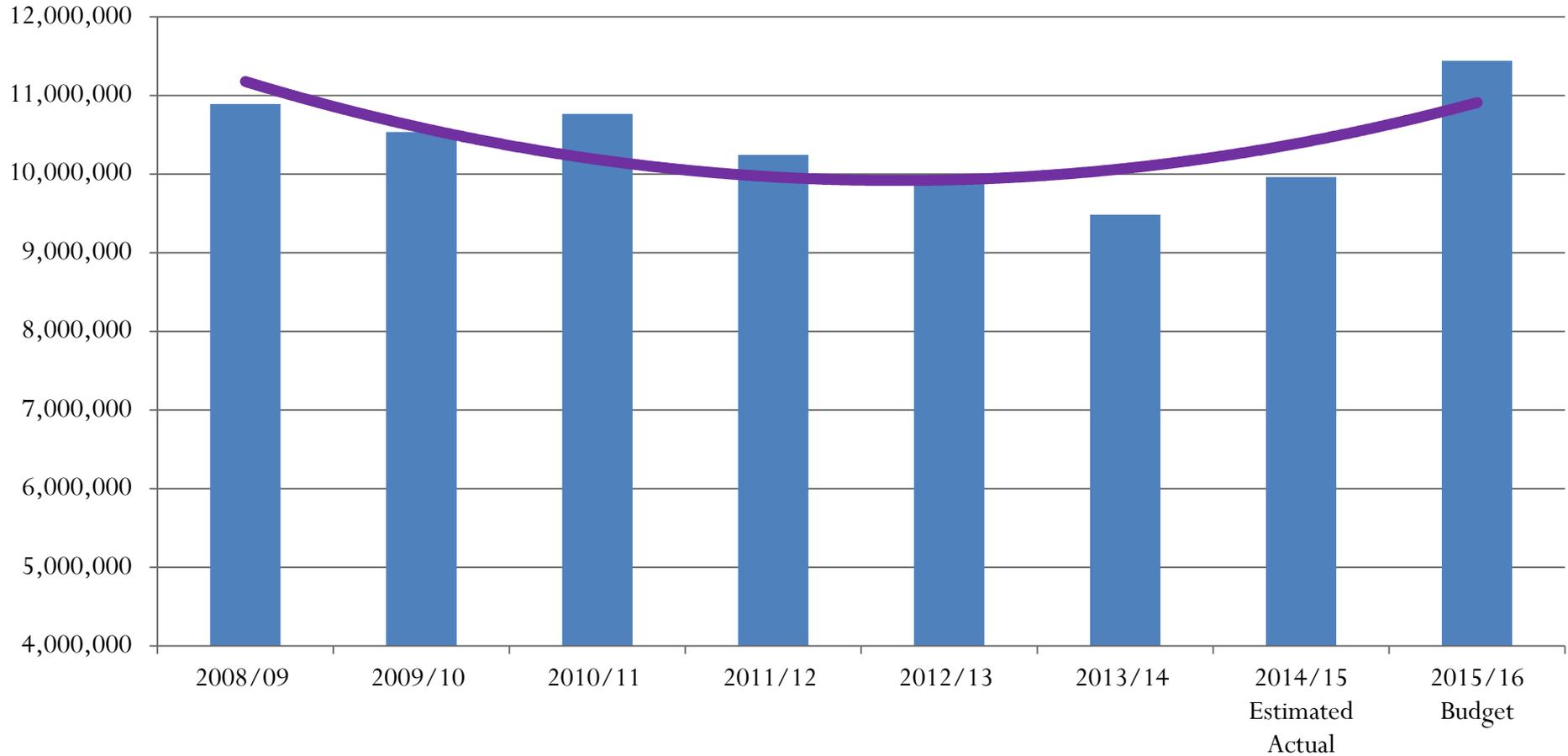
2015/16 General Fund Financial Uses by Use



General Fund Financial Uses by Use



General Fund Total Financial Uses Eight Year Comparison



Measure “C” Funds

“a temporary sales tax increase of 0.50% that automatically expires in six years, and that establishes a citizen oversight committee to ensure that funds are used to preserve public services such as police protection, fire suppression, street maintenance, animal control and other services for the Town of Paradise”

Citizens Oversight Committee Recommendations

Animal Control Services

		Totals
Fund increased hours for animal control officer	\$35,000	
Basic academy training for new animal control officer	3,000	
Pressure washer/sanitation unit	3,000	\$41,000

Citizens Oversight Committee Recommendations

Fire Department

		Totals
Maintain current staffing levels for CAL FIRE contract	\$150,000	
Exhaust evacuation system	20,500	
Self Contained Breathing Apparatus (4 Units)	25,000	
Type 1 Fire Engine (6 Year Lease Purchase – 4%)	75,000	\$270,500

Citizens Oversight Committee Recommendations

Police Department

		Totals
Hire Sergeant Detective (Includes salary and benefits)	\$128,778	
Purchase three police cars (5 Year Lease Purchase – 4%) with future funding	100,000	
Officer and car body cameras and hardware	16,584	
Replace LiveScan Machine	12,000	
Police station siding repairs and mold abatement	21,000	
Officer Training	15,000	
K-9 Program training, food and veterinary costs	10,000	\$303,362

Measure “C” Purchase of 3 Police Cars a Year for 5 Years – 15 Total

Year	Cars to be Bought	Measure “C” Investment		Use of “C” Reserve	Ending “C” Reserve
		Lease Payment	Measure “C” Reserve	Measure “C” Reserve	
2015/16	3	19,790	80,210	0	82,616
2016/17	3	52,338	47,662	0	134,186
2017/18	3	82,059	17,941	0	156,691
2018/19	3	100,000	0	7,616	153,548
2019/20	3	100,000	0	40,536	116,402
2020/21		100,000	0	7,616	113,137
2021/22				73,578	41,537
2022/23				41,031	506
2023/24				8,483	(7,977)

Citizens Oversight Committee Recommendations

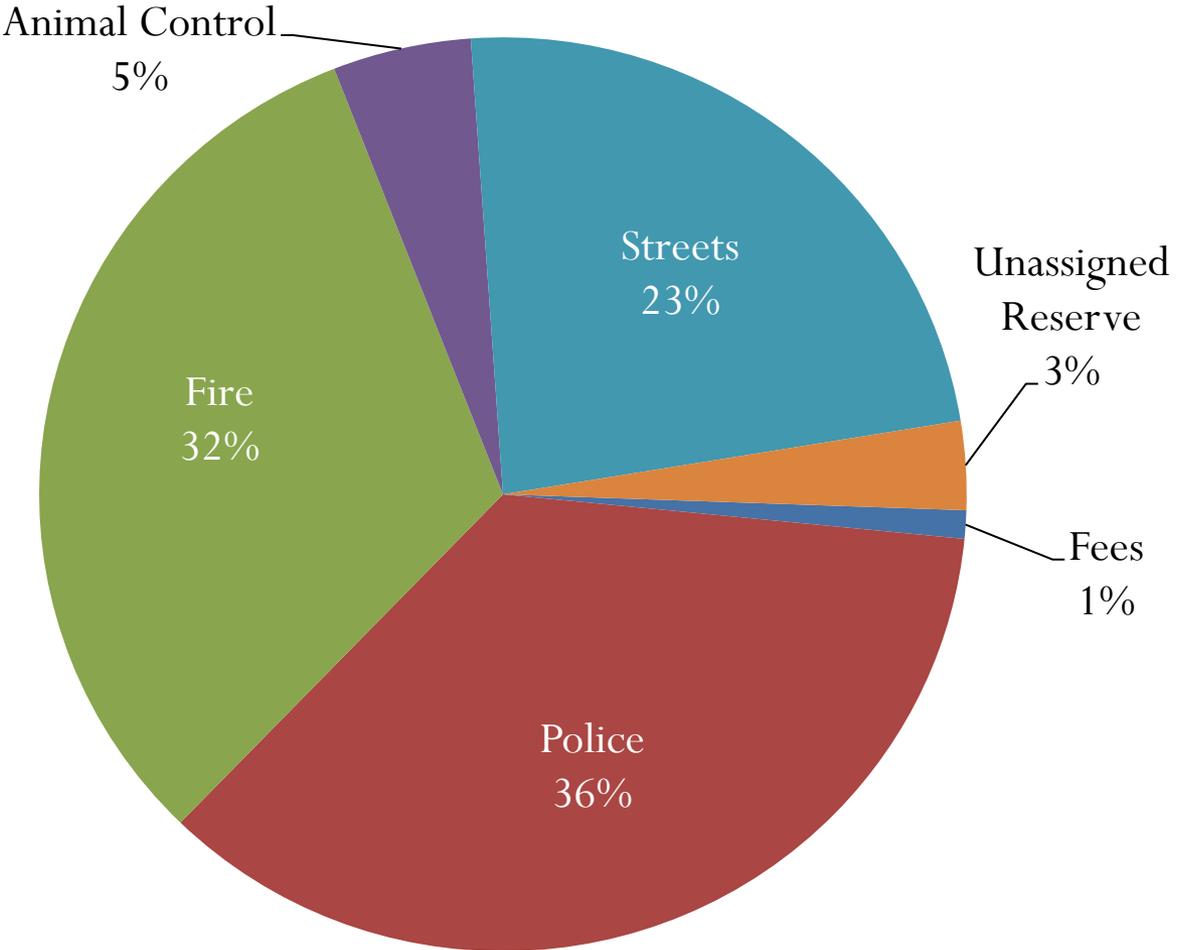
Public Works

		Totals
Leverage grant and other funds for road and drainage improvements on Pearson Road between Pentz and Clark	\$200,000	200,000

Citizens Oversight Committee Recommendations Summary

		Totals
Subtotal of Recommendations	\$814,862	
State Board of Equalization Fee	8,500	
Unassigned Measure “C” Reserve	26,638	
Grand Total		\$850,000

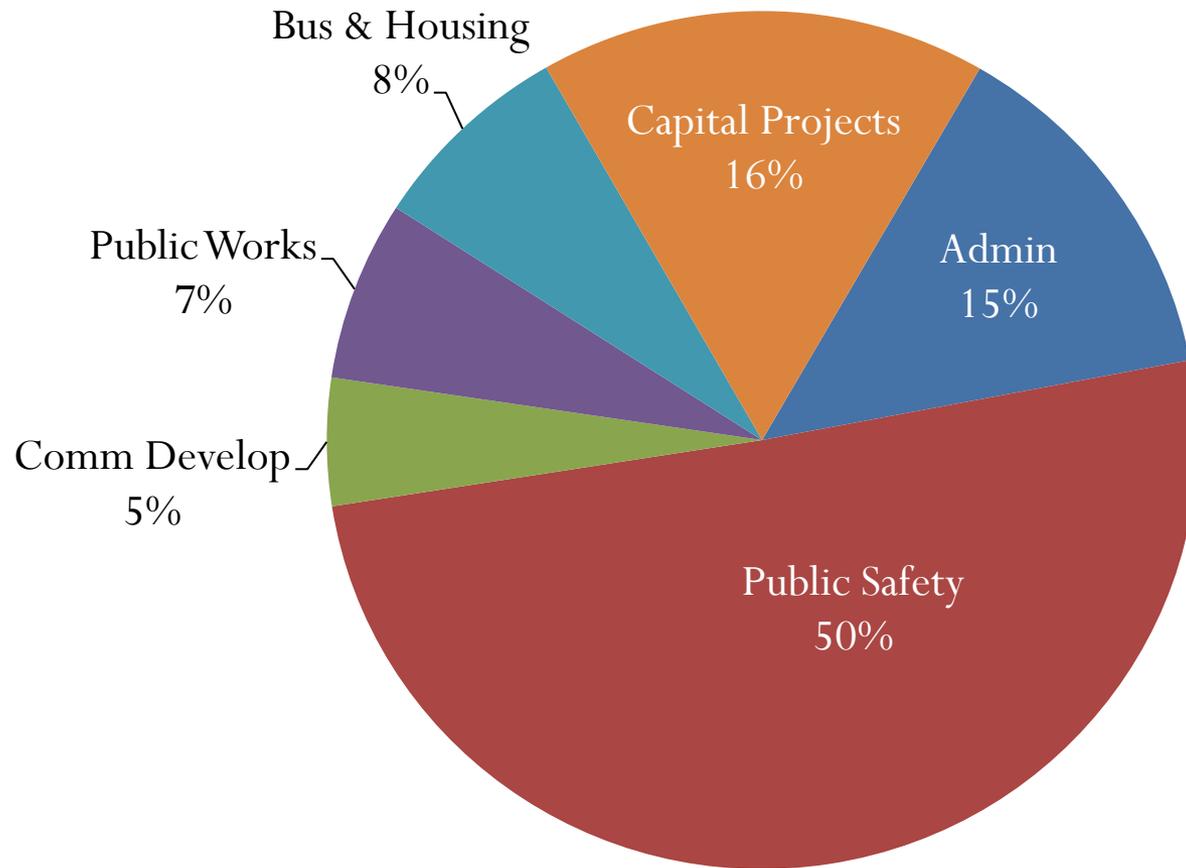
2015/16 Measure C Financial Uses by Function



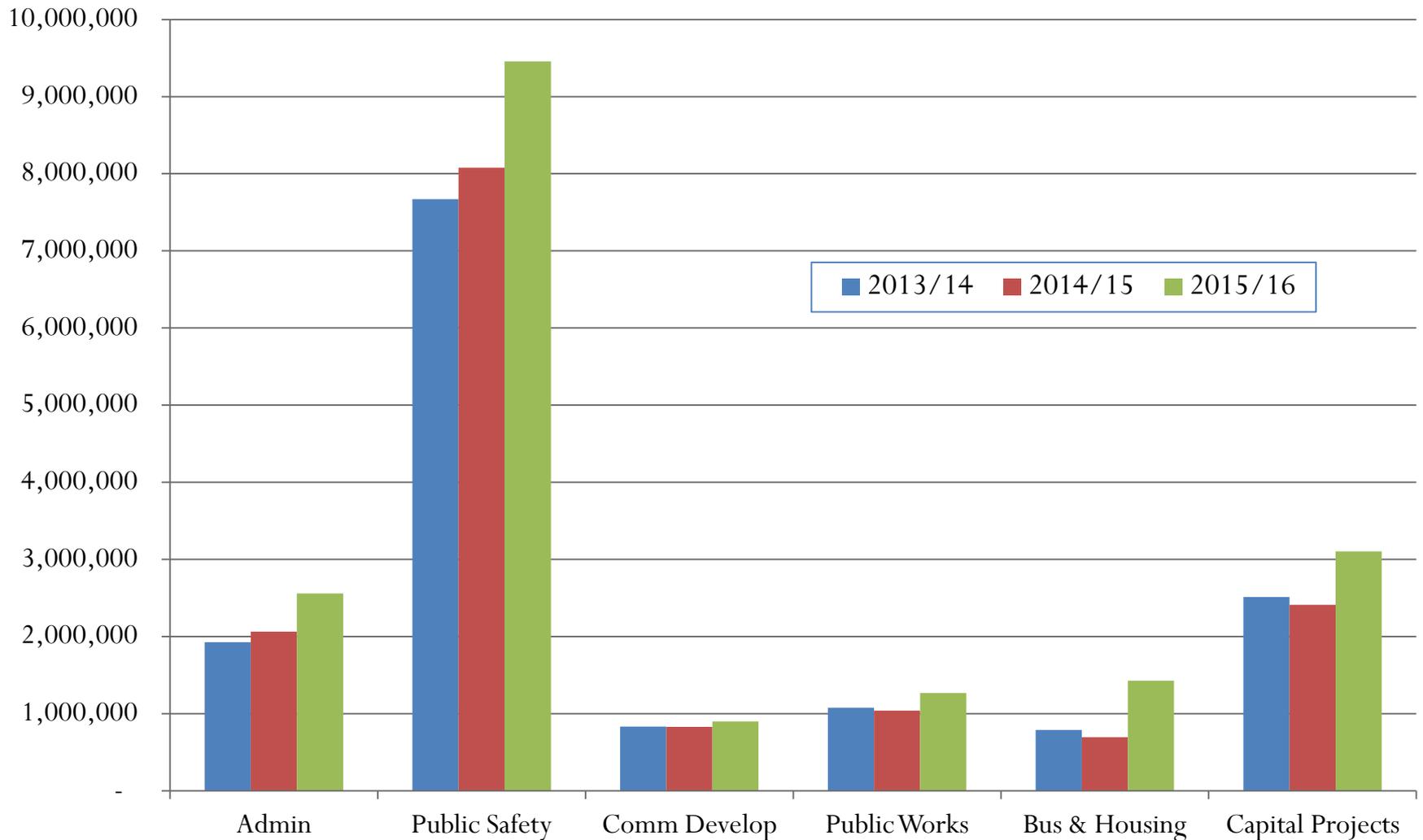
All Funds



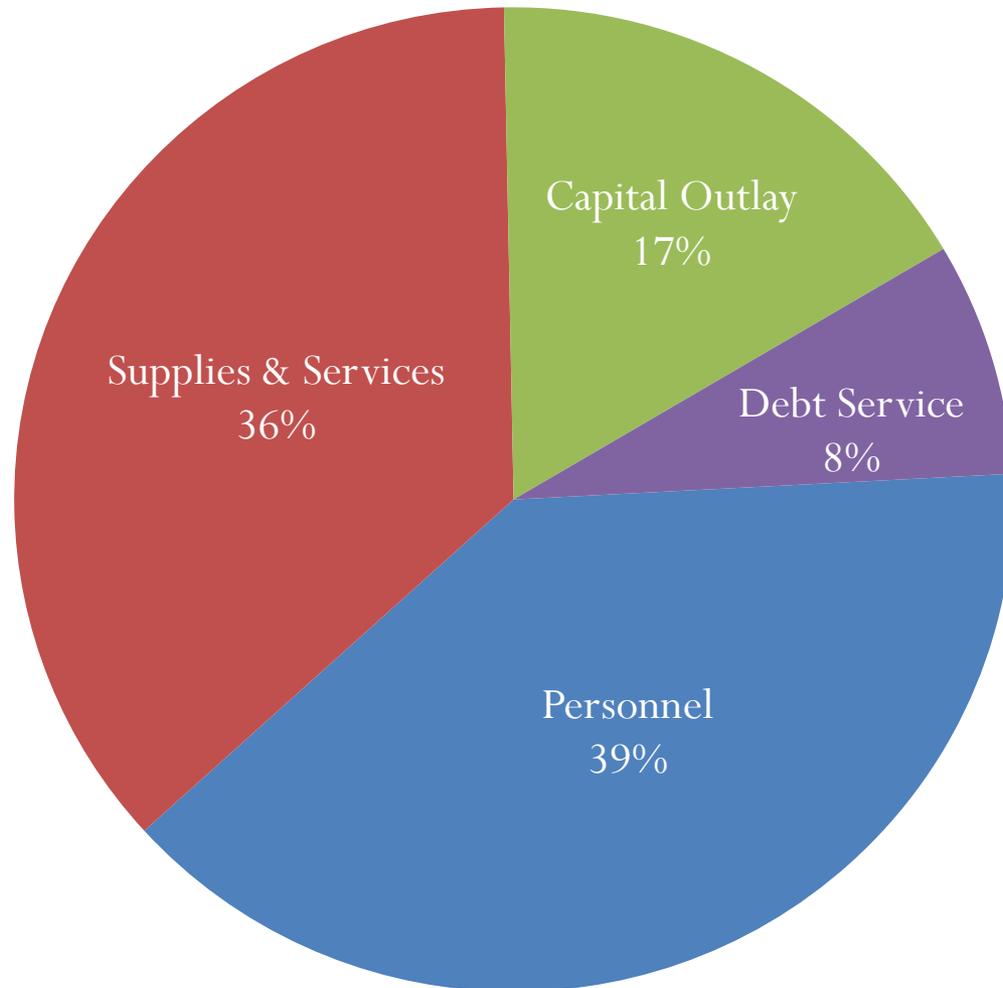
2015/16 Governmental Funds Appropriations by Function



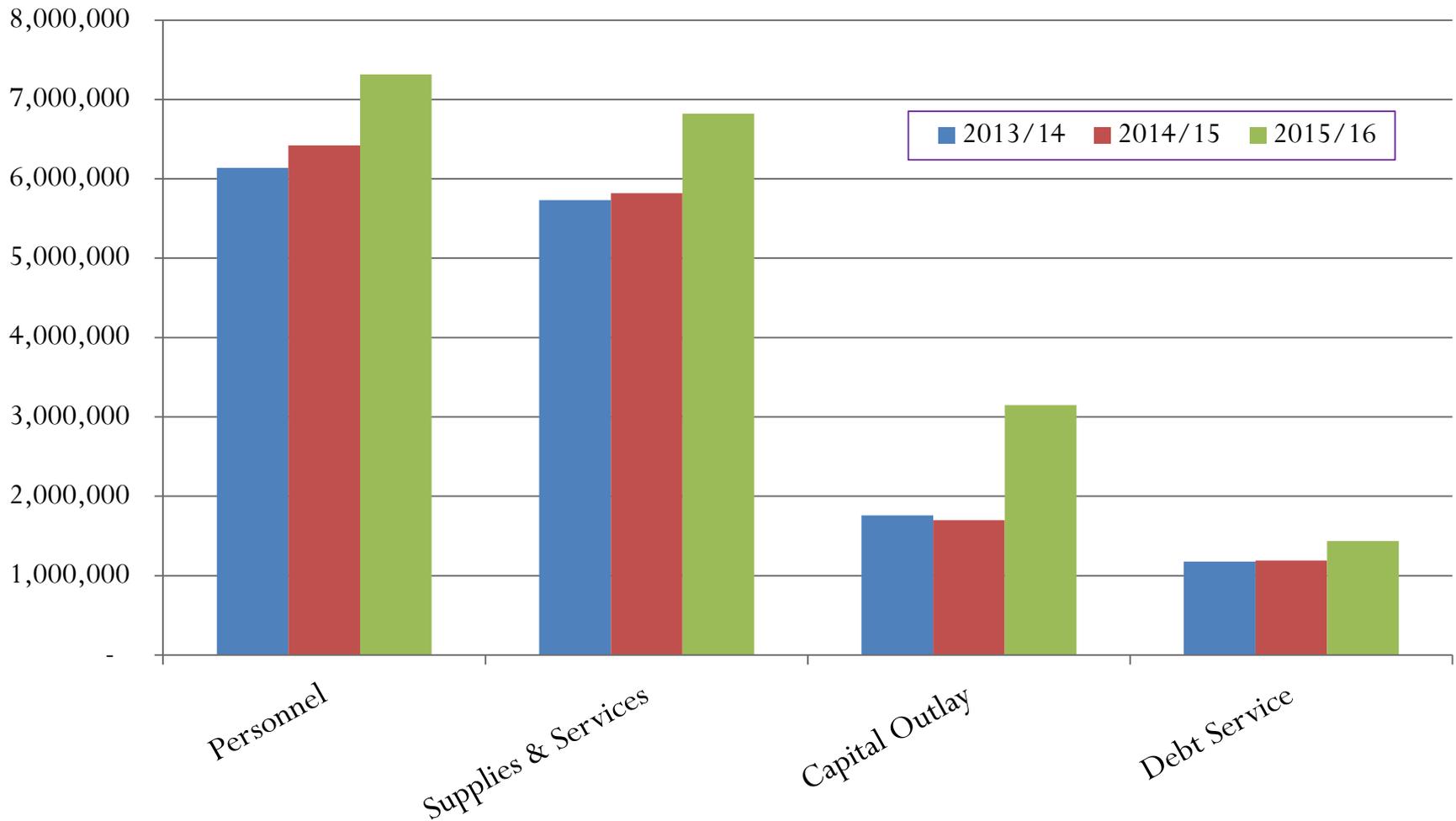
Governmental Funds Appropriations by Function



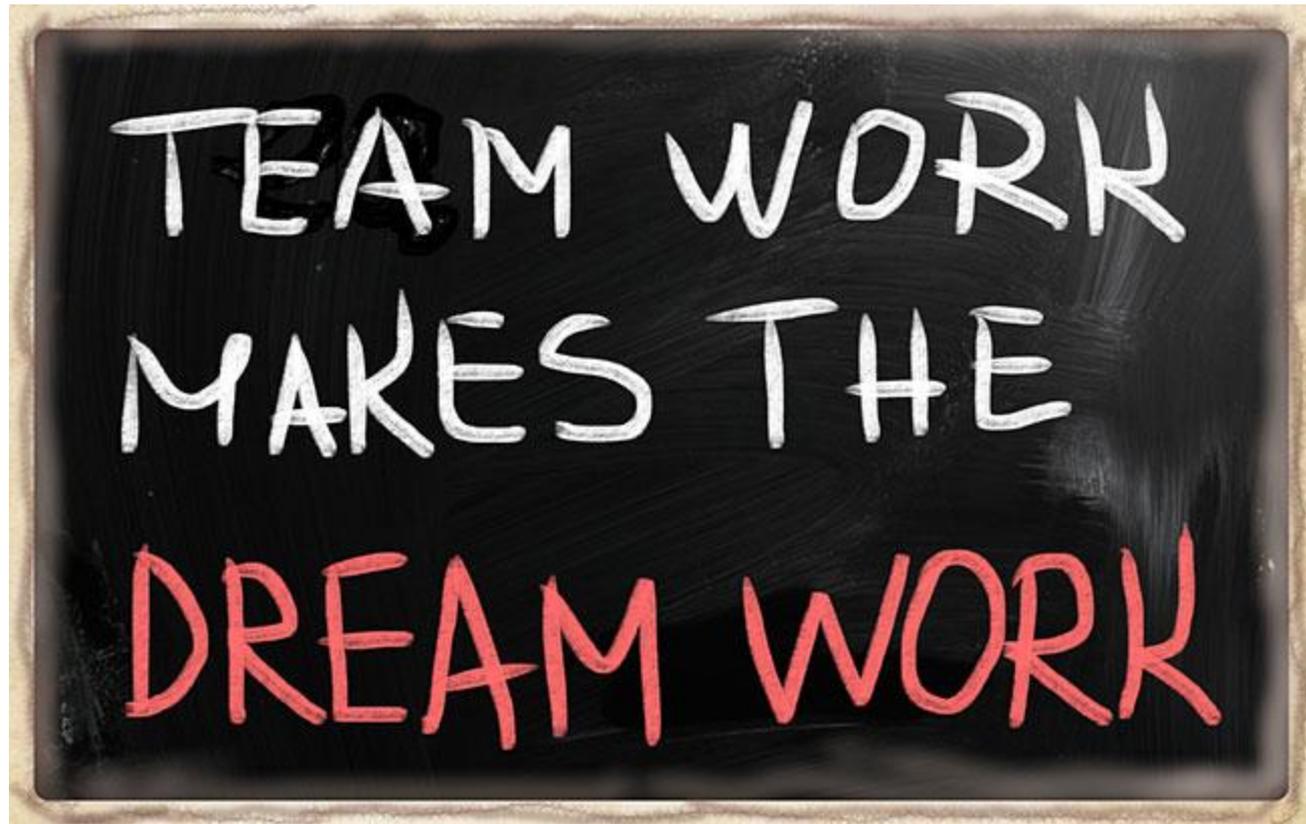
2015/16 Governmental Funds Appropriations by Use



Governmental Funds Appropriations by Use



Departments



Administrative Services

Town Council

Town Clerk

Human Resources/Risk Mgmt

Information Technology

Central Services

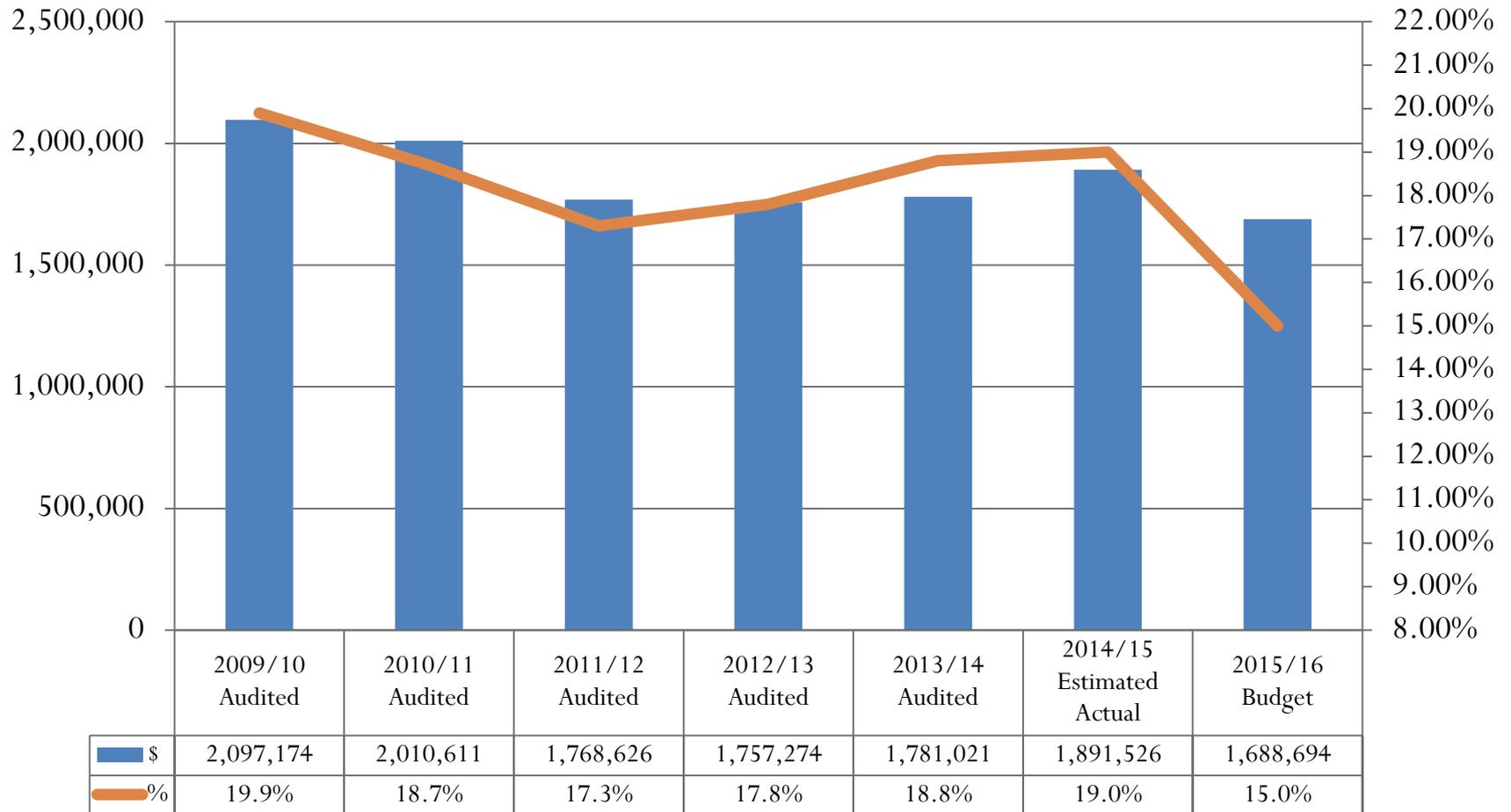
Town Manager

Legal Services

Finance

EOC

Seven Year Comparison General Fund Administration



Administration Highlights and Cost Savings

- Implementing Online Access to Fire Burn Permits & Onsite Septic Evaluations in Accela providing convenient access to the public and efficiency for staff
- Improved access to GIS data (Town maps, layers, property detail) for allied agencies, citizens and staff
- Receive matching grant from Butte County OEM to replace needed EOC equipment (TV, computer and projector)
- Over \$12 K in savings per year realized from completion of telecommunications audit and implementation of VoIP phone system
- Maintain 9 key Town leadership and administrative functions with 8.16 FTE

Administration Strategic Rebuilding

- Consolidate Town Hall, Fire and Police computer server rooms to enable more reliable delivery of service while reducing infrastructure
- Install Town Hall computer kiosk to enable another means of convenient citizen access to Town services
- Rejoin valuable law consortium which supports functions of HR, Legal and Finance
- Rebuild retaining wall at Town Hall to mitigate future risk of collapse

Fire Department

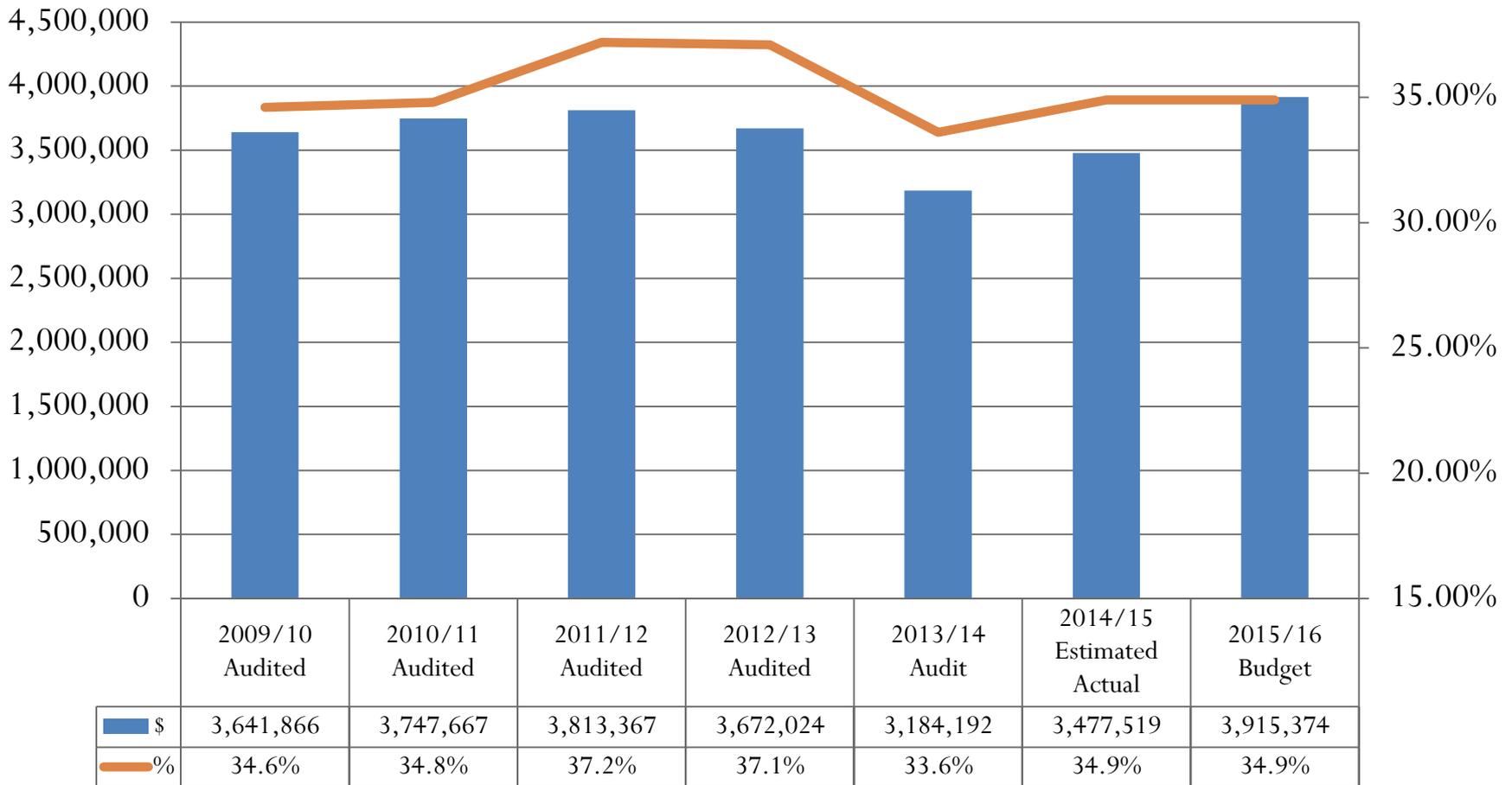
Administration

Suppression

Volunteer Program

Seven Year Comparison

General Fund Fire Department Programs



Fire Department Highlights & Cost Savings

- Through generous contributions of labor by AKB Station 81 receives makeover
 - New pitched roof.
 - Interior restoration.
 - Exterior paint summer of 2015
- Replaced valves in engine pump of Engine 87 in preparation for start of precarious fire season 2015
- Substantial repairs completed on Ladder Truck 81
 - Ladder rams repaired.
 - Repairs to pump
- Radio reprogramming, mobile & portable radios, completed in house.
- Grants submitted for SCBAs and SAFER staffing (waiting for approval)
- Pre-fire plan updates and completions.
- Station 83 is leased to Butte County EMS generating rent of \$18,000/year

Fire Department Strategic Rebuilding

Measure C is instrumental in:

- Allowing the department to maintain its contracted staffing levels despite increased personnel costs
- Contributing toward Amador Station 35 which responds to about 30% of the Town's calls for service
- Replacing type 1 fire engine through six year lease purchase
- Installing exhaust evacuation system in Stations 81 & 82
- Further goal of replacing all breathing apparatus (SCBA's) for the department by purchasing 4 more sets

Ladder Truck 81



Fire Station 81

Police Department

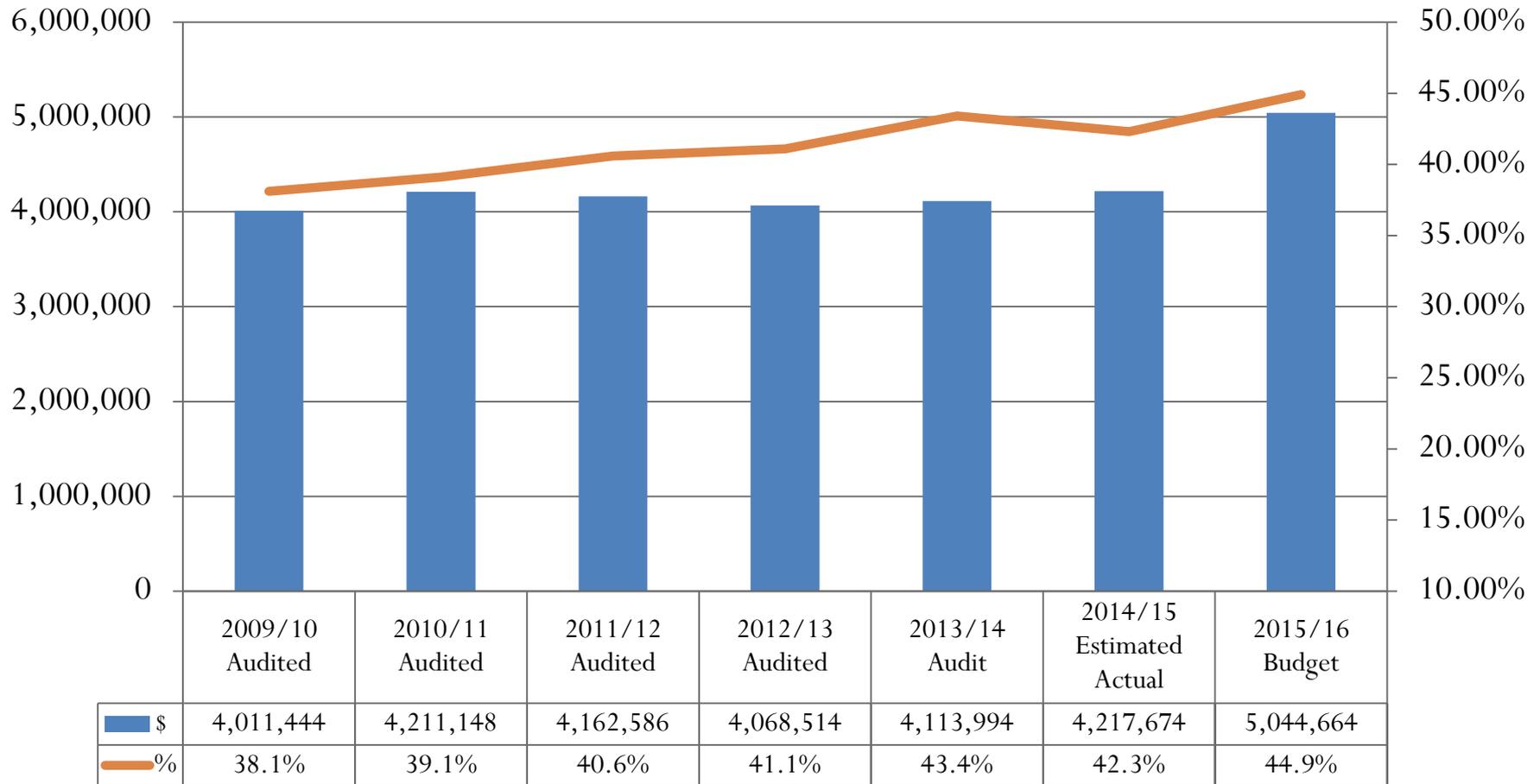
Administration

Operations

Public Safety Communications

Animal Control & Shelter Services

Seven Year Comparison General Fund Police Programs



Police Department Highlights & Cost Savings

- Hiring Incentives resulted in the hire of 3 police officer laterals, 2 entry level officers and 1 entry level dispatcher
- Dispatch Center has been stabilized and functioning at a higher level with all positions filled with well trained and qualified dispatchers
- Department will remain within budget by managing equipment, overtime and training carefully.
- Dedicated staff with a “can do” attitude will provide excellent service to the community, and they appreciate the passage of Measure “C” which will replace and restore training, equipment and key positions

Police Department Strategic Rebuilding

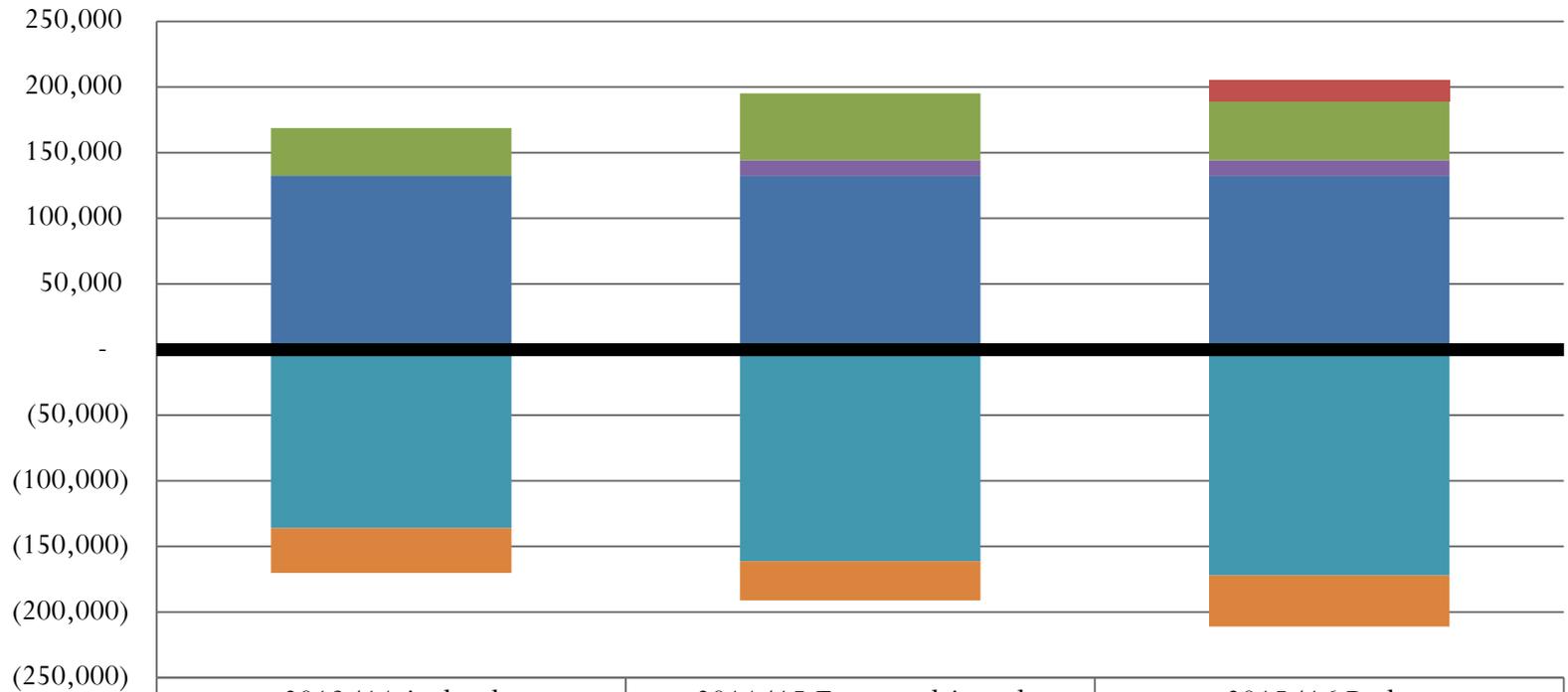
Measure “C”, improving revenues and other funding sources will allow the Department to enhance services through:

- Restoring BINTF Investigator after 4 years
- Replace 2nd K-9 with generous donations & maintain other costs of the program
- Restore Detective Sergeant
- Replace Officer and Car Video Cameras and Hardware
- Enhance Training for Officer Development and Safety
- Replace 3 Patrol Cars and 2 Unmarked Investigative Vehicles
- Repair Police Department Siding and Abate Resulting Mold



Officer Ayala
and K-9 Maxx

2070 – Animal Control Services



	2013/14 Audited	2014/15 Estimated Actual	2015/16 Budget
■ Transfers Out	(34,087)	(29,772)	(38,933)
■ Expenses	(135,982)	(161,316)	(171,970)
■ Transfers In	-	-	15,817
■ Other Revenues	36,325	50,950	45,196
■ PASH Support	-	11,900	11,900
■ Measure "N"	132,409	132,362	132,362

Fund Balance	1,504	5,628	-
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Animal Control Services Highlights & Cost Savings

- Through the continued financial and volunteer support from PASH, shelter hours remain extended
- Restoring the Supervisor position has provided relief for Police Administration as well as:
 - improved oversight and accountability for the division
 - improved shelter operations by implementing changes that focus on avoiding cross contamination of sick animals resulting in a cleaner, safer and more sanitized shelter.
- Staff morale has improved through diminishing backlog and support from PASH and the community through Measure “C”

Animal Control Services Strategic Rebuilding

The Unit is recovering from deep cuts and being understaffed since 2011. Investment of Measure “C” will allow for:

- Increased hours for a new Animal Control officer which has attracted better suited applicants, and will allow the department to be pro-active in enforcement, education, and outreach.
- Improved training and specialty training for the new AC Officer
- Past budgets have been very tight and equipment replacement scarce. The replacement of a pressure washer-sanitation unit will enhance the improved staffing by providing an important tool to maintain cleanliness and shelter safety.

Community Development Department

Planning

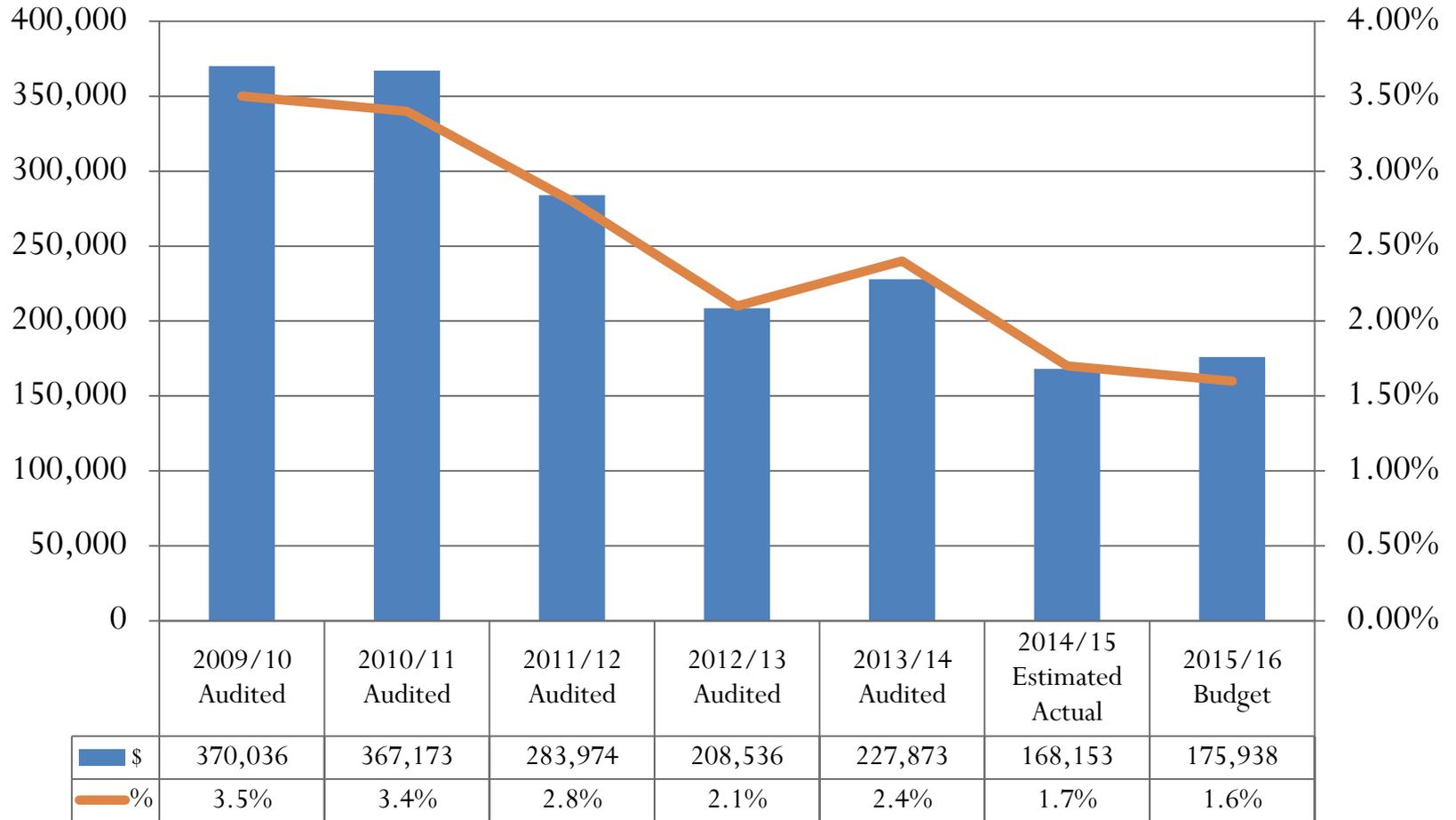
Code Enforcement

Abandoned Vehicle Abatement

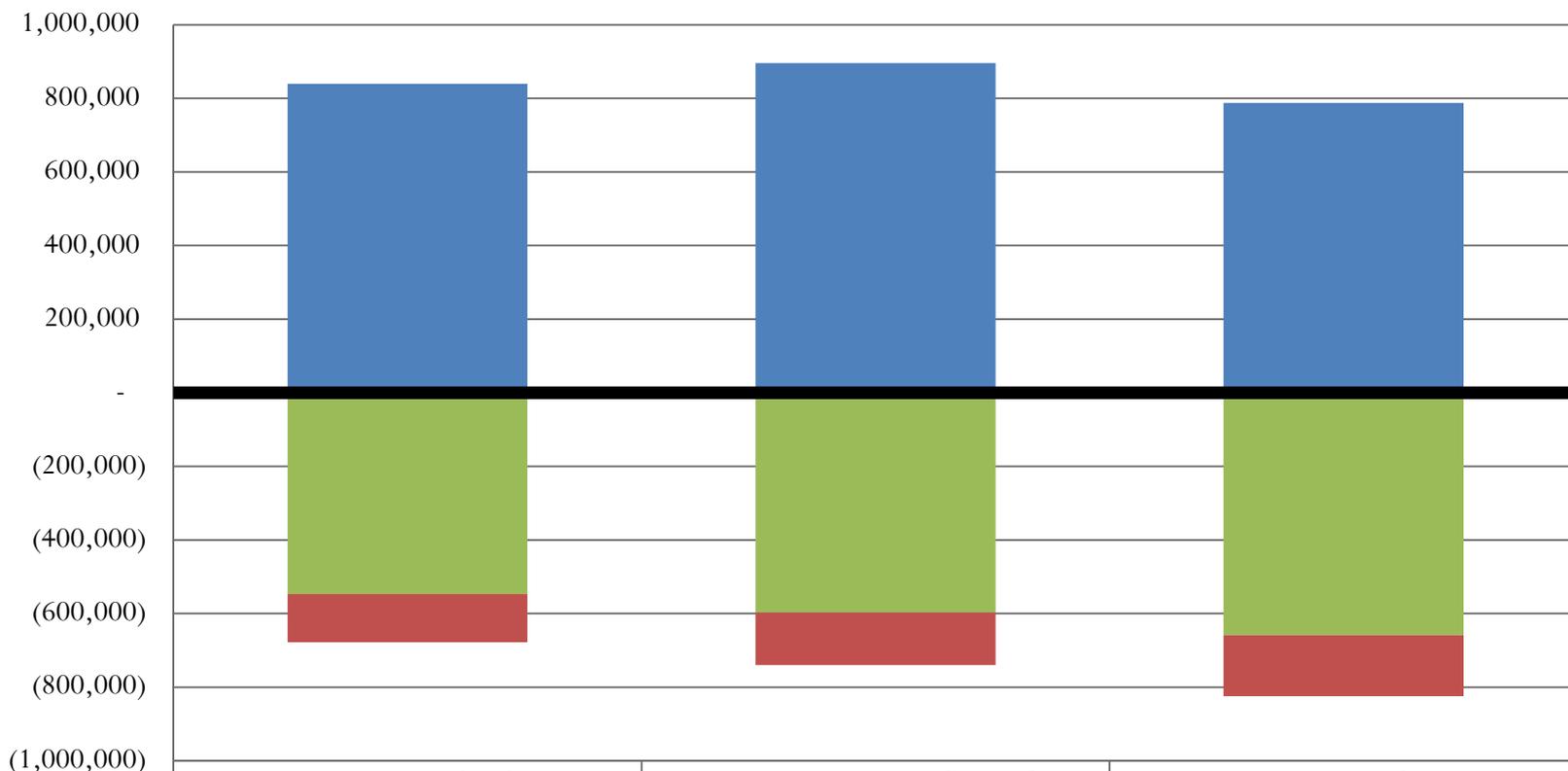
Solid Waste Management

Building Safety & Waste Water

Seven Year Comparison General Fund Community Development



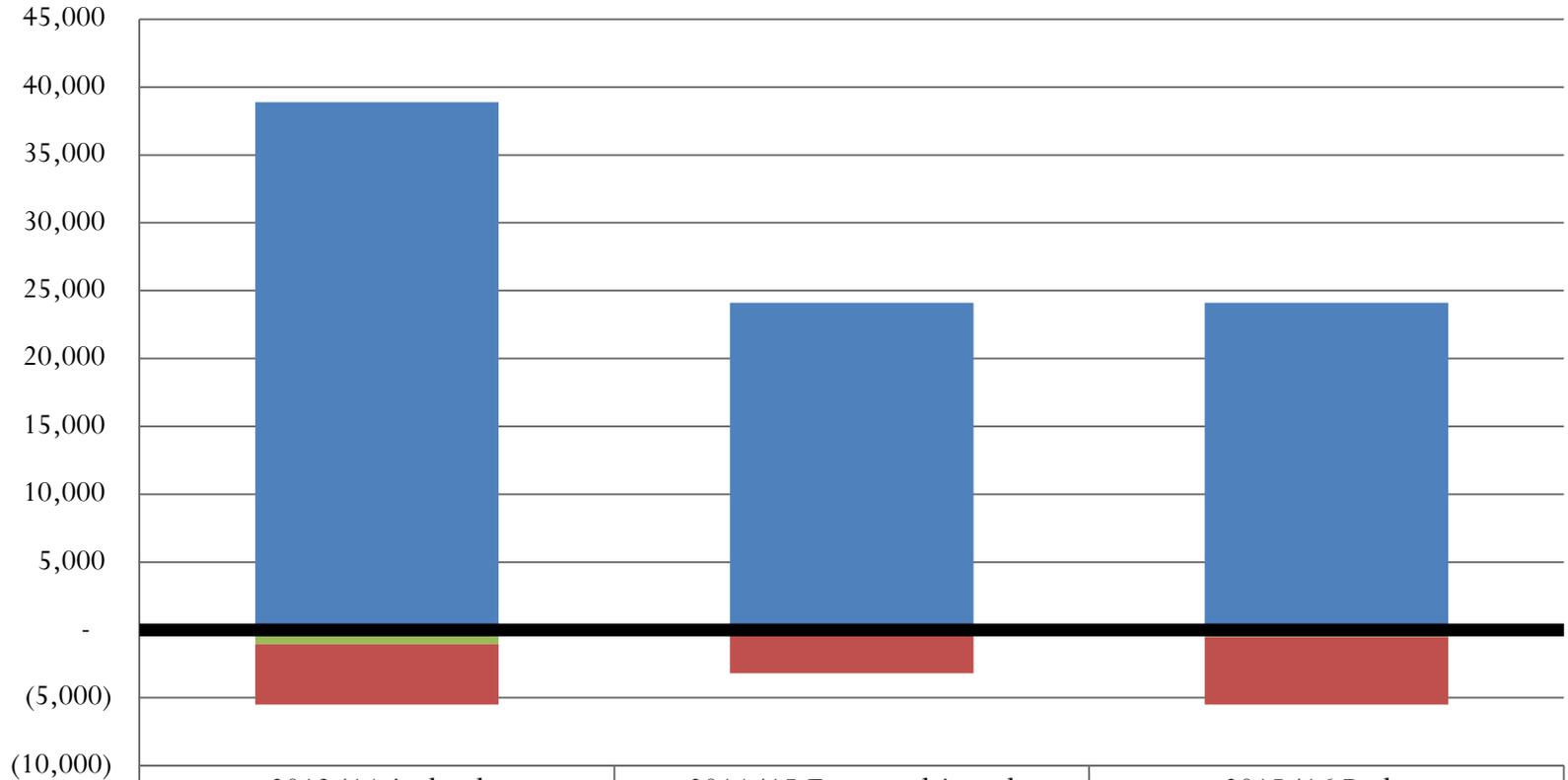
2030 – Building Safety & Waste Water Services



	2013/14 Audited	2014/15 Estimated Actual	2015/16 Budget
■ Transfers Out	(130,809)	(142,853)	(165,436)
■ Expenses	(547,174)	(597,421)	(659,048)
■ Transfers In	-	-	-
■ Revenues	840,111	896,374	787,722

Fund Balance	194,075	350,175	313,413
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2215 - Abandoned Vehicle Abatement (AVA) Services



	2013/14 Audited	2014/15 Estimated Actual	2015/16 Budget
■ Transfers Out	(4,444)	(2,900)	(5,000)
■ Expenses	(1,056)	(303)	(513)
■ Transfers In	-	-	-
■ Revenues	38,879	24,110	24,110

Fund Balance	96,580	117,487	136,084
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Community Development Highlights & Cost Savings

- The increased development trend continues with the establishment of Big 5 Sporting Goods, Dollar General (Clark Rd), and issued all construction permits for Pheasant Ridge Commons, a 26 unit multi-family development
- Partnership with Experience Works has provided additional staffing with no cost to the Town which results in a reduced backlog of Onsite paperwork
- Facilitated adoption of a more effective nuisance abatement ordinance and expanded regulations regarding the outdoor display of merchandise
- Facilitated completion of the grant-funded expansions to the town's Household Hazardous Waste and Recycling Centers
- Implemented gray-water regulations and related permitting process

Community Development Strategic Rebuilding

- Modify and enhancing Accela permit tracking program to:
 - Enable issuance of select over-the-counter building permits on-line
 - Implement electronic septic system evaluation report submittals on-line to be used by all septic system evaluators
 - Implement paperless operating permits and electronic submittal of septic evaluations to reduce costs related to staff time, postage and office supplies
 - Develop and utilize a batch notice function to streamline sending expiration letters to septic system owners
- Four additional hours have been allocated to a Permit Technician position to facilitate additional building plan checks

Public Works

Engineering

Community Park

Gas Tax/ Street Maintenance

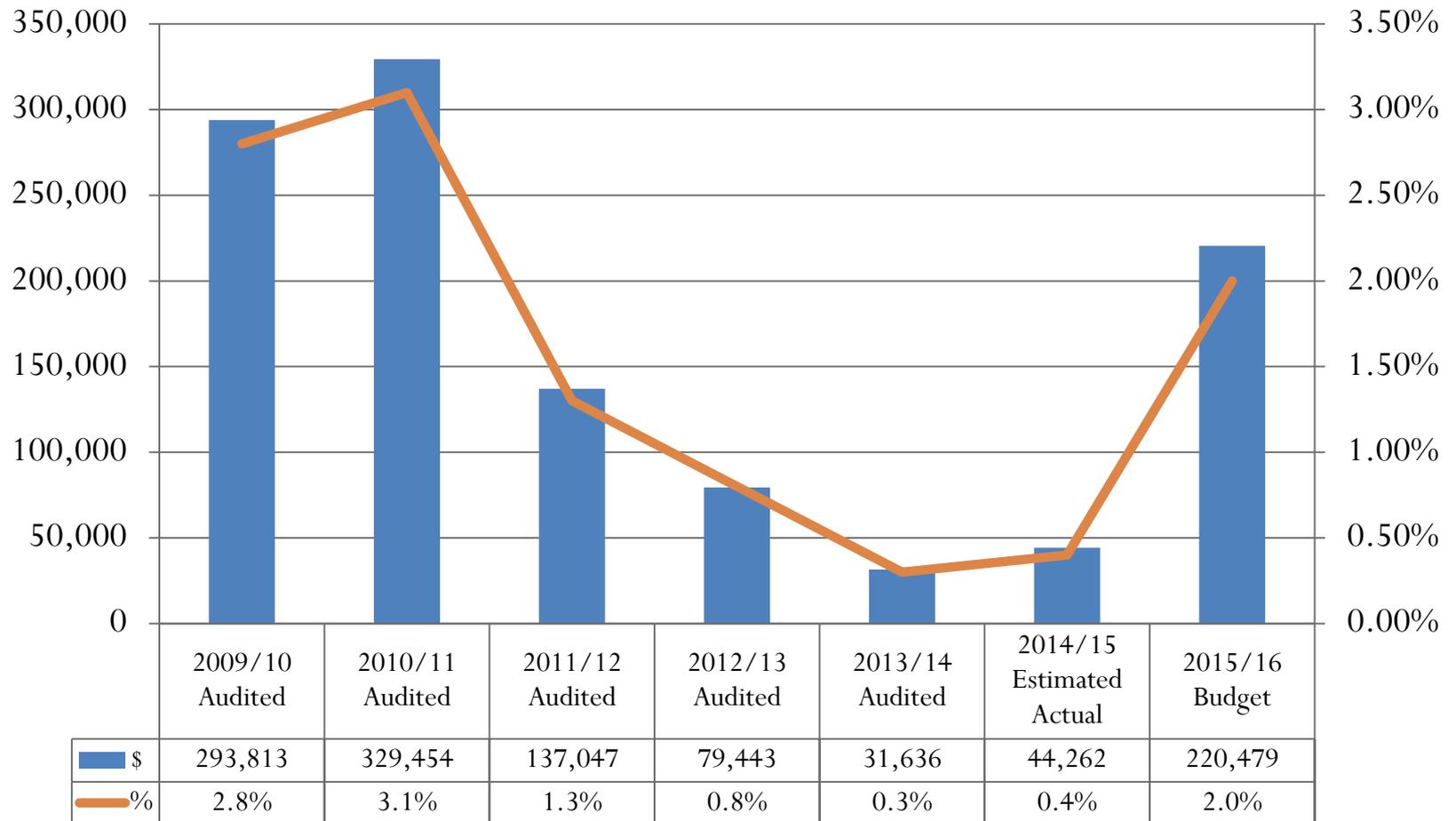
Capital Improvement Projects

Fleet Management

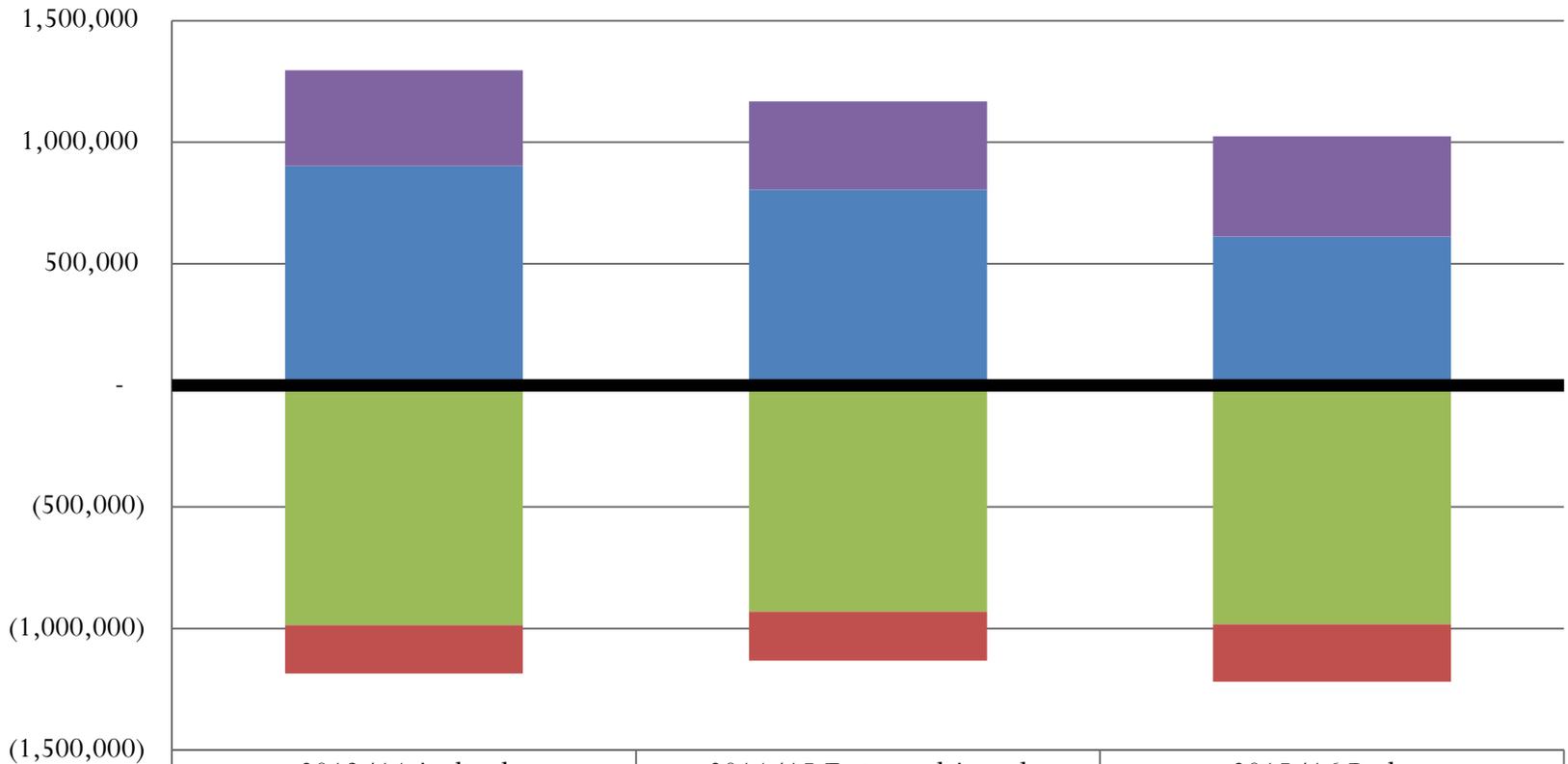
Public Facilities

Transit Operations

Seven Year Comparison General Fund Public Works



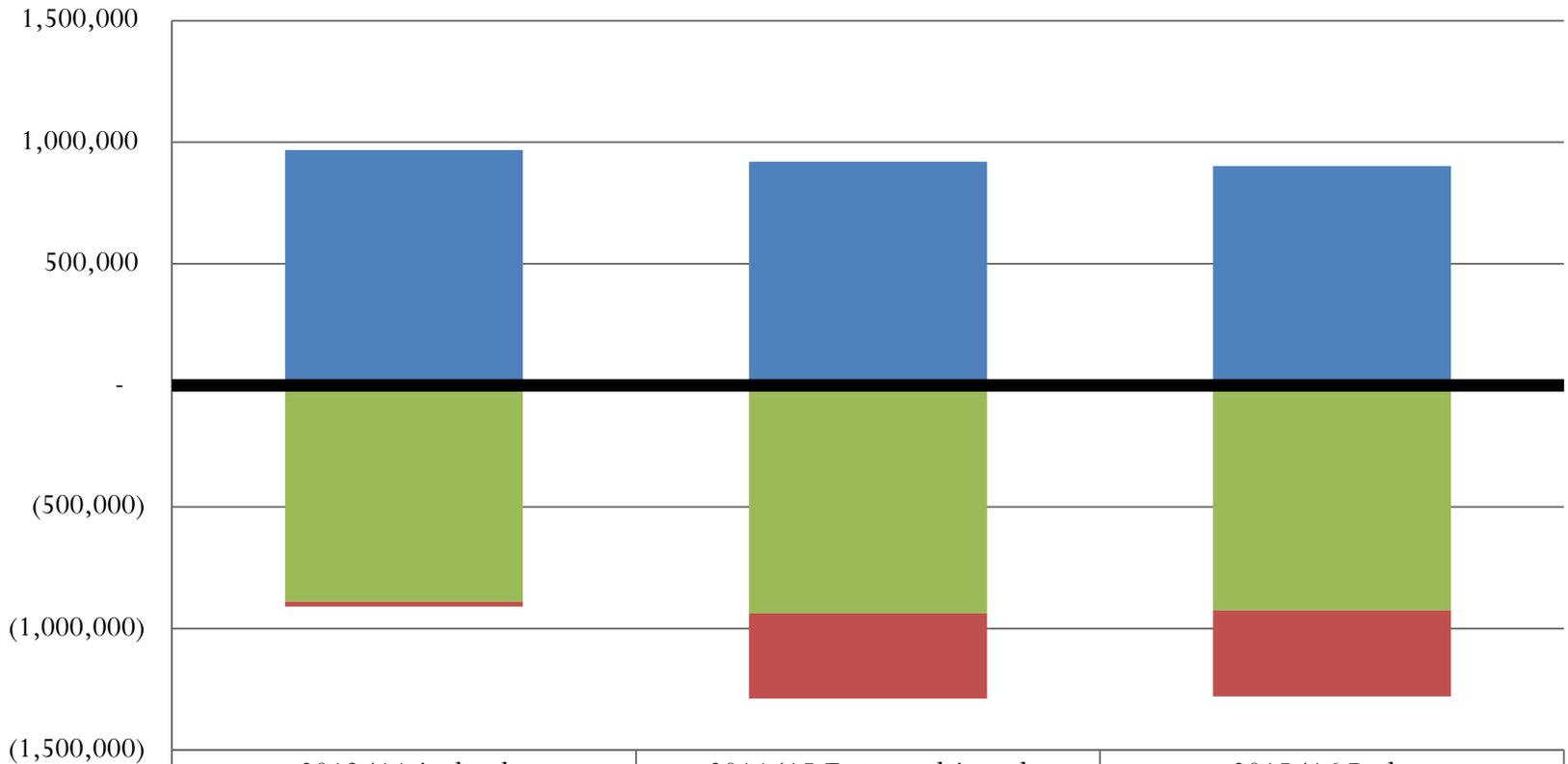
2120 - Gas Tax/Street Maintenance Services



	2013/14 Audited	2014/15 Estimated Actual	2015/16 Budget
■ Transfers Out	(198,778)	(200,431)	(236,035)
■ Expenses	(986,808)	(932,010)	(982,856)
■ Transfers In	393,120	362,275	412,624
■ Revenues	902,516	805,781	611,574

Fund Balance	503,632	539,247	344,554
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5900 – Transit Operation Services



	2013/14 Audited	2014/15 Estimated Actual	2015/16 Budget
■ Transfers Out	(20,220)	(351,001)	(354,428)
■ Expenses	(889,522)	(938,282)	(925,360)
■ Transfers In	-	-	-
■ Revenues	968,458	920,689	901,961

Fund Balance	1,223,464	854,870	477,043
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Public Works Highlights & Cost Savings

- Secured \$2.4M in 100% funded Active Transportation Program projects
 - Pearson Road SR2S Connectivity Project
 - Maxwell Drive SR2S Project
- Contracted with new signal maintenance service provider for \$30,000/yr less
- Executed contract for facilities lighting conversion project slated to save \$12,000/year after two-year payback period.
- Updated Emergency Evacuation Zone Maps and Traffic Control Plans in partnership with PPD, Cal Fire, CHP and BCSO
- Fully analyzed fleet maintenance alternatives as part of Department reorganization & integration
- Applied for 5 new Active Transportation Program grants
- Capital improvement projects moving forward

Public Works Strategic Rebuilding

- Measure C funds proposed to leverage grant-funded shoulder/bike lane project to full road rehabilitation
 - Pearson Road between Pentz Road and Clark Road
 - \$200,000 of Measure C Funds towards asphalt costs
 - Contribution allows for design of 15 year road in lieu of 3-5 year extension
- Resident communication interface /work-order system scheduled for implementation
- “Materials-only” projects budgeted to improve drainage, add sidewalks, replace signal equipment and other permanent corrections
- Reorganization of Department including inclusion of Fleet Maintenance provides better support and direction to Fleet Management while proving relief to Administrative Services

2015/16 Capital Improvement Projects

9367	Clark Road Safety Enhancements	\$395,801
9368	Cypress Curve Realignment	215,393
9370	Pearson Road Shoulder Widening	1,113,648
9371	Pearson Road SR2S Connectivity	226,548
9372	Maxwell Drive SR2S	62,840
9373	Stearns-DeMille Pavement restoration	218,000
9374	Elliott Road Overlay Project	67,000
	2015/16 Total	\$2,299,230

Pearson Road Shoulder Widening Project

- Pearson Road between Pentz Road and Clark Road
- Federal HSIP grant obtained in 2013 (\$544,500)
- Funds design at 90%
- Funds participating construction at 100% if authorized by 9/30/16
- Grant funds shoulder widening and installation of bicycle lanes
- Measure C allows for full road rehabilitation to extend roadway life by 15 years
- Scheduled for construction in 2016



Clark Road Safety Enhancements

- Clark Road between Bille Road and Wagstaff Road
- Federal HSIP grant obtained in 2013 (\$413,000)
- Funds design at 90%
- Funds participating construction at 100% if authorized by 9/30/16
- Grant funds addition of center two way left turn lane
- Construction expected late 2015 / early 2016



Pearson Rd SR2S Connectivity Project

- State ATP grant obtained in 2014 (\$1,200,000)
- Funds design at 100%
- Funds participating construction at 100%
- Grant funds addition of sidewalks, curbs and gutters where none currently exists
- Construction expected late 2016



Maxwell Drive SR2S Project

- State ATP grant obtained in 2014 (\$968,000)
- Funds design at 100%
- Funds participating construction at 100%
- Grant funds addition of sidewalks, curbs, gutters and bike lanes where none currently exist
- Construction expected summer 2017



Municipal Financial Health Diagnostic Tool



Town's Fiscal Health for 2015/16



The Town is making progress and is moving toward a solid C, but must continue to address depleted reserves, long term obligations, diminished assets and diversify its revenue stream to be financially “healthy.”

1. Recurring General Fund Operating Deficits

- **Measure “C” has temporarily cured the General Fund Operating Deficit, but the Town must now stabilize and diversify its revenue sources to prepare for when these revenues go away.**

2. General Fund Reserves (unassigned reserves) are Inadequate

- **\$418,409 projected for 6/30/15 on a \$11.2 million budget – 3.7% of the budget. The Diagnostic Tool recommends at least 8%. The Town’s goal is 10%.**

3. Inadequate Cash and Short Term Investments

- **The amount of the TRAN is reduced, but remains at about \$2 million costing the Town about \$22,500 per year**

4. Fixed & Personnel Costs Exceed 80% of Operating Expenditures
 - **Town's fixed costs as a percent of Operating Expenditures have improved slightly from 90% for budget 2014/15 to 89% for budget 2015/16.**
5. Budget Balanced by Deferring Asset Maintenance
 - **For the first time in five years, Measure "C" has allowed the Town to budget asset replacement and maintenance in 2015/16**
6. Pension Liabilities or Post-Employment Benefit Funding Deferred
 - **CalPERS and GASB 68 has required the Town to start funding future Pension obligations, but the Town should be funding \$150,000 - \$200,000 a year toward future OPEB benefits. The Town has budgeted \$25,000 to go toward the GASB 45 trust in 2015/16.**

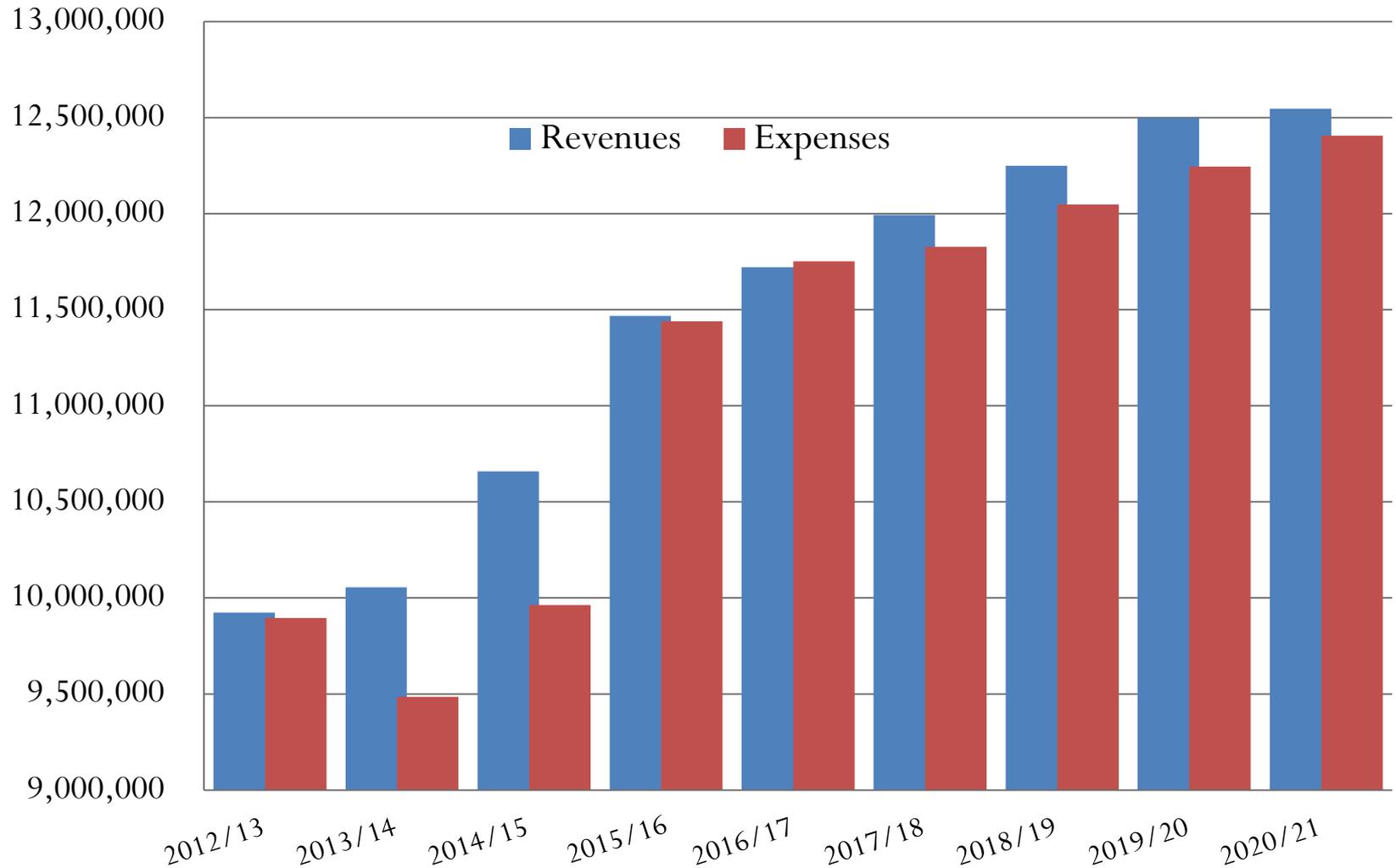
General Fund Five Year Projection



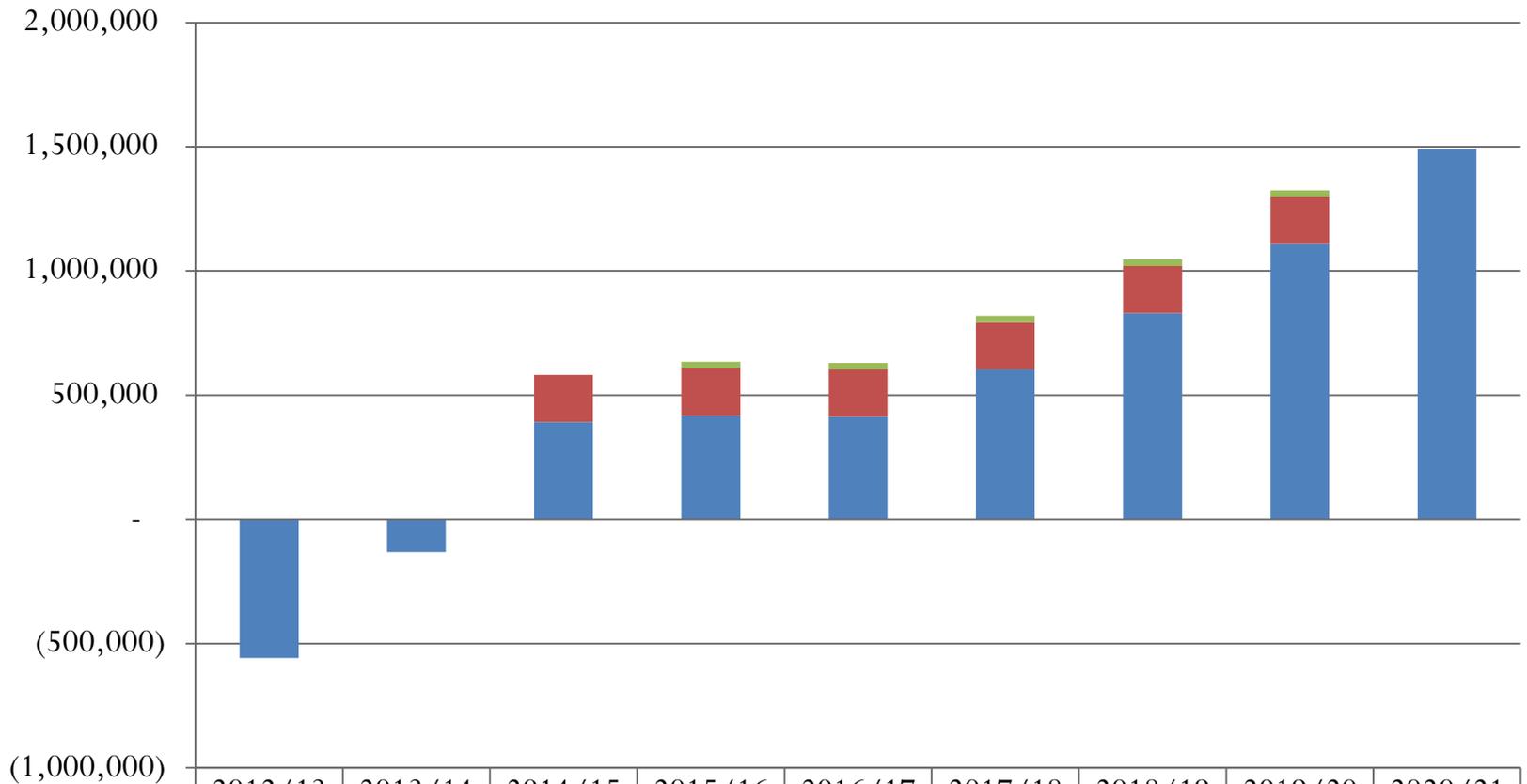
General Fund 5 Year Projection

- Using Conservative Revenue and Expenditure Estimates for the next Five Years and assuming \$850,000 of Measure “C” each of those years:
 - The budget remains tight one more year then revenues start gaining on expenditures.
 - Revenues are projected to reach pre-recession levels by 2017/18
 - CalPERS retirement contributions increase about another \$147,000 in 2015/16
 - The CAL FIRE contract has a built in escalator of about \$158,000 per year
 - Two larger lease obligations come off the books in 2017/18 totaling about \$105,000
 - By the 5th projection year, unassigned reserves would reach \$1.4 million

Five Year General Fund Projection Revenue & Expenses



Five Year General Fund Projection Usable Reserves



	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Unassigned Measure "C"				26,638	26,638	26,638	26,638	26,638	
Assigned Measure "C"			189,608	189,608	189,608	189,608	189,608	189,608	
Unassigned	(557,554)	(129,944)	392,172	418,409	413,182	603,153	830,046	1,108,898	1,489,975

Questions
