

TOWN OF PARADISE

Fiscal Year 2014/15 Estimated Actual and 2015/16
Operating and Capital Budget Status Update
October 13, 2015



2014/15 Operating and Capital Budget

- Final financial transactions have now been posted for the 2014/15 fiscal year.
- Independent auditors are in the process of auditing the 2014/15 financial statements.
- One-time monies were received that is helping rebuild General Fund reserves, but that cannot be counted on to sustain operating expenses.

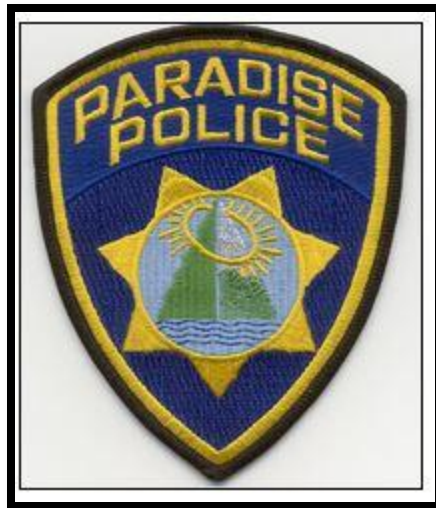


Financial Stability and Measure C

- Town Council, Management and Staff have sacrificed and worked hard to right the Town's financial ship
 - After six years of cuts, depleted reserves, delayed asset replacement and deferred maintenance, the community passed Measure C
 - A six year 0.50% transaction and use tax which took effect April 1, 2015
 - A conservative \$850,000 was budgeted for 2015/16
 - The funds will be used to replace police cars, a fire engine and for a street project



1010 - General Fund



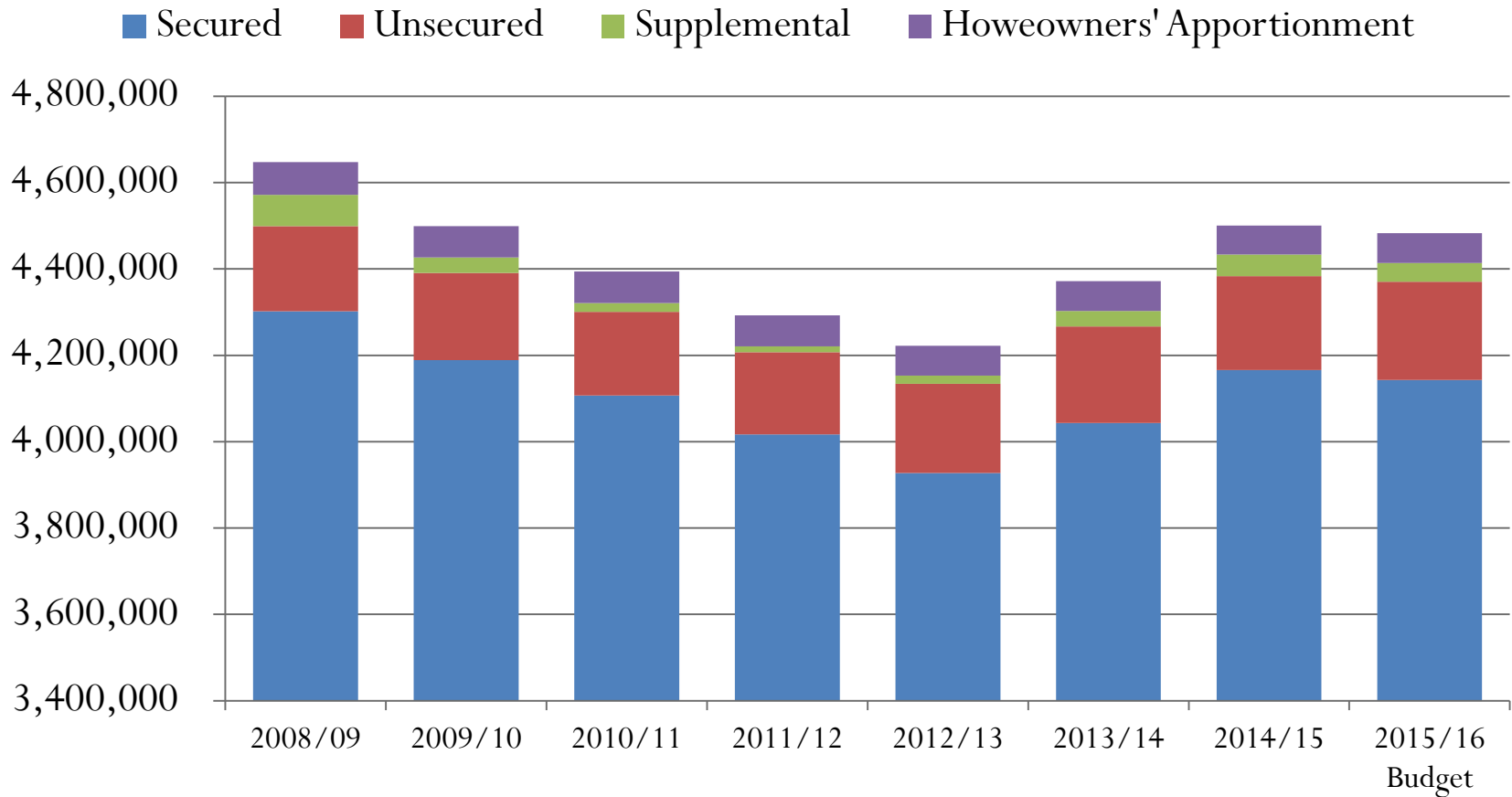
General Fund Revenues

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

Measure C

- \$291,666 was received for the April – June 2015 quarter
 - \$200,000 was budgeted for 2014/15 and \$850,000 for 2015/16
- Historically, from highest to lowest, following is the order of sales tax receipts:
 - October – December
 - January – March
 - April – June
 - July – September
- Extrapolating this data to estimate 2015/16, receipts should exceed \$1.1 million
- However, to remain conservative, the estimate has been reduced by 10% to \$998,429.
- **Recommended 2015/16 budget adjustment \$148,429**

Property Taxes

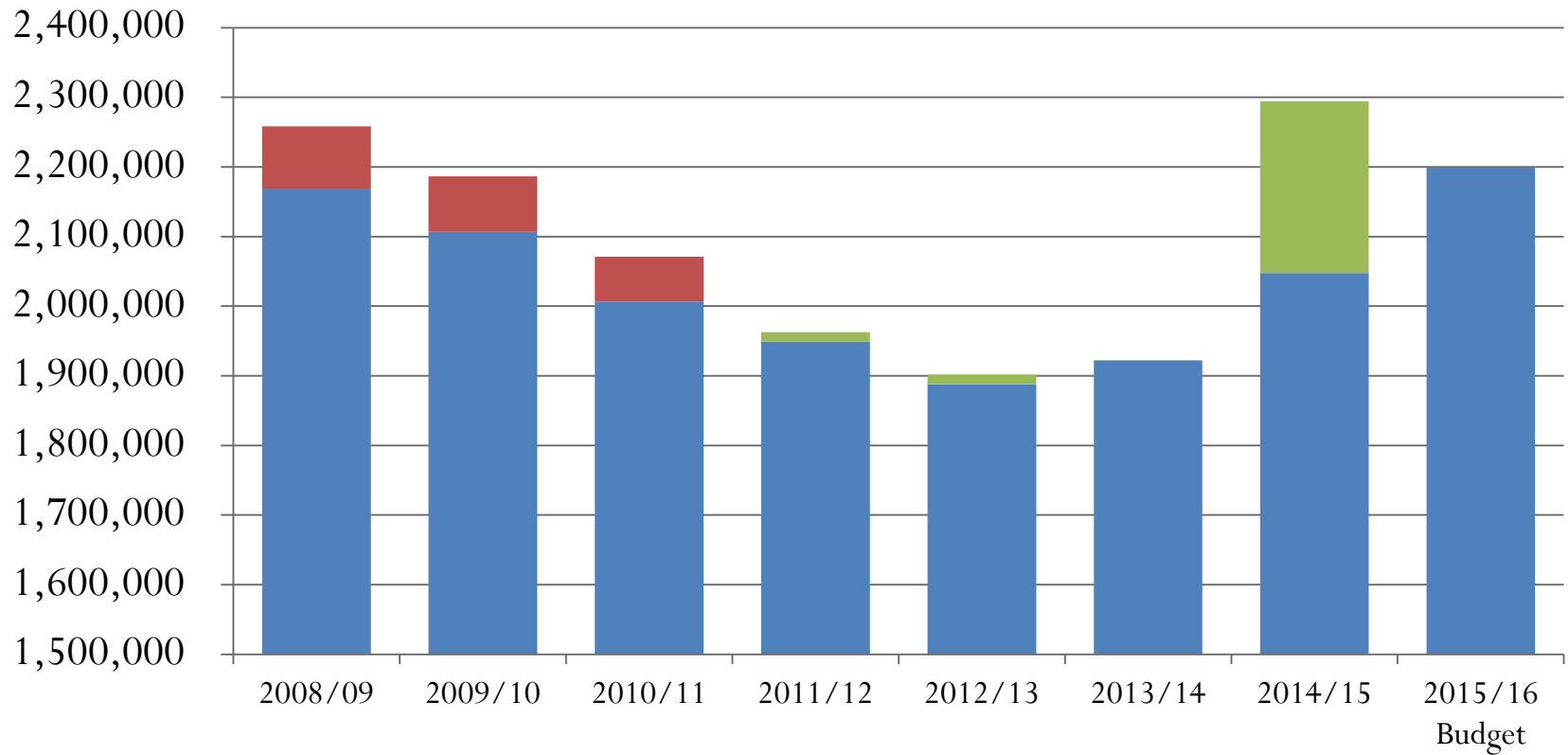


Recommended 2015/16 Budget Adjustments:

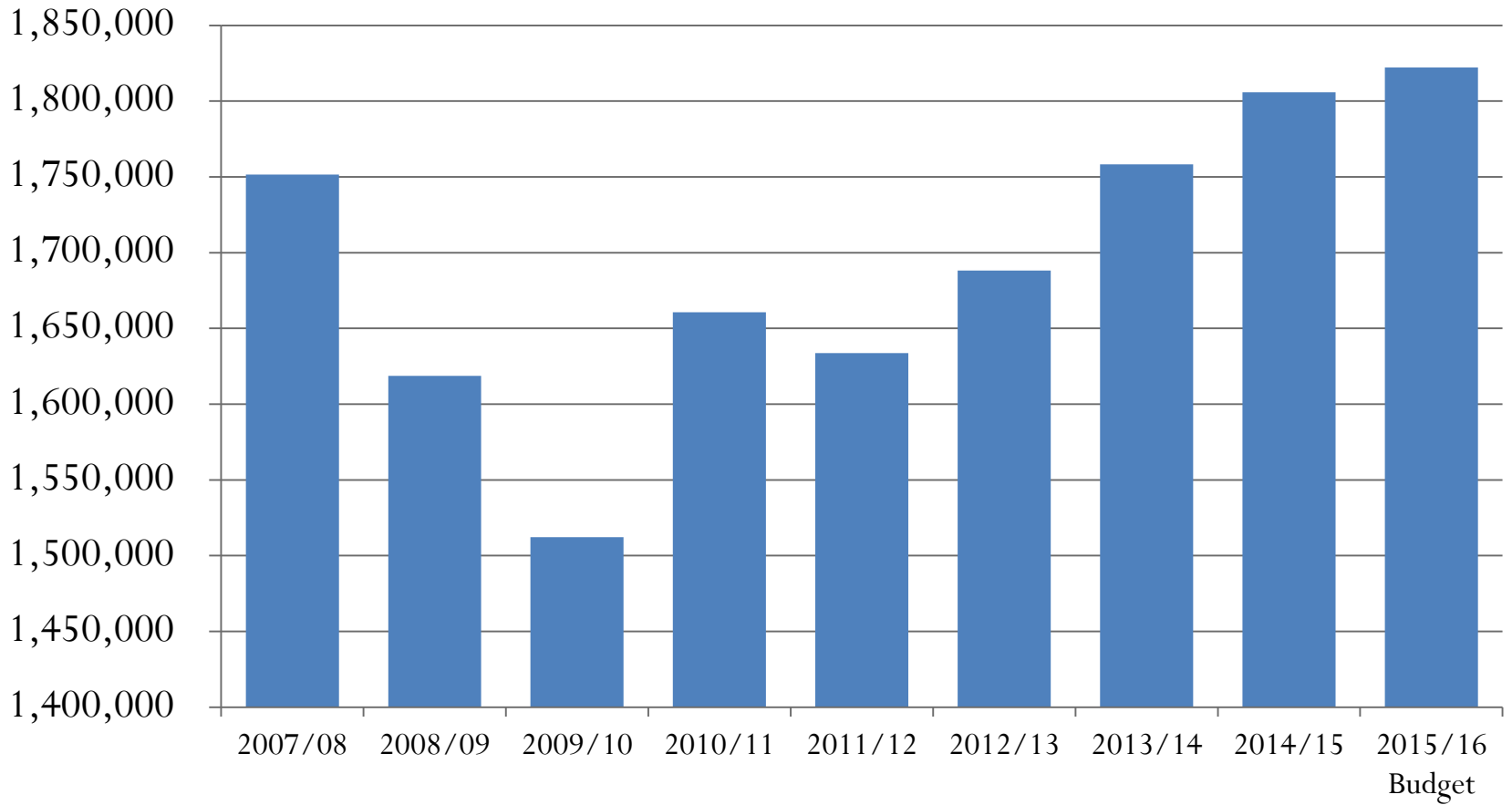
- Increase secured property taxes \$9,176
- Decrease unsecured property taxes \$9,841
- Increase supplemental property taxes \$7,121

Motor Vehicle in Lieu (MVIL)

■ MVIL ■ Vehicle Fees ■ Adjustments

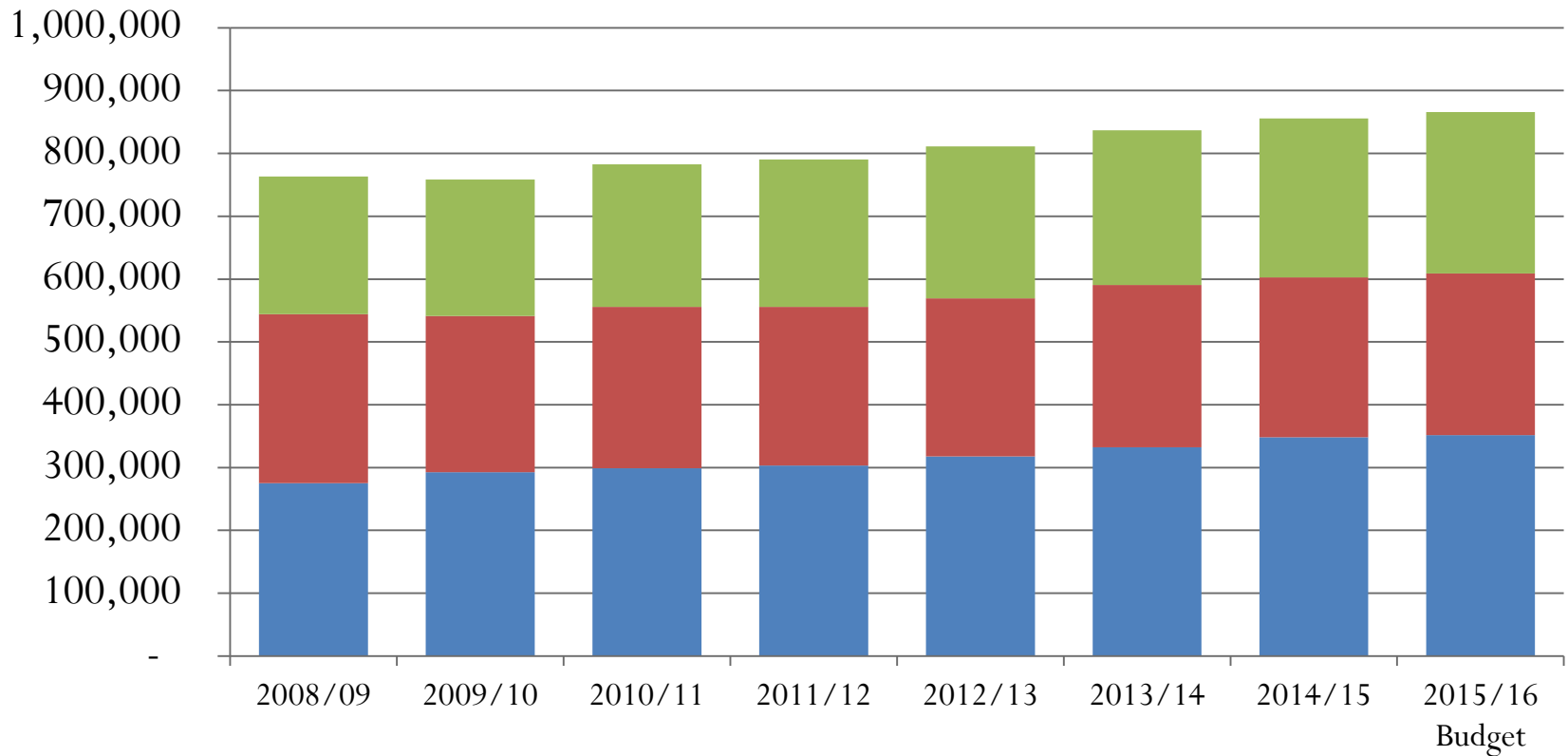


Sales Tax



Franchise Fees

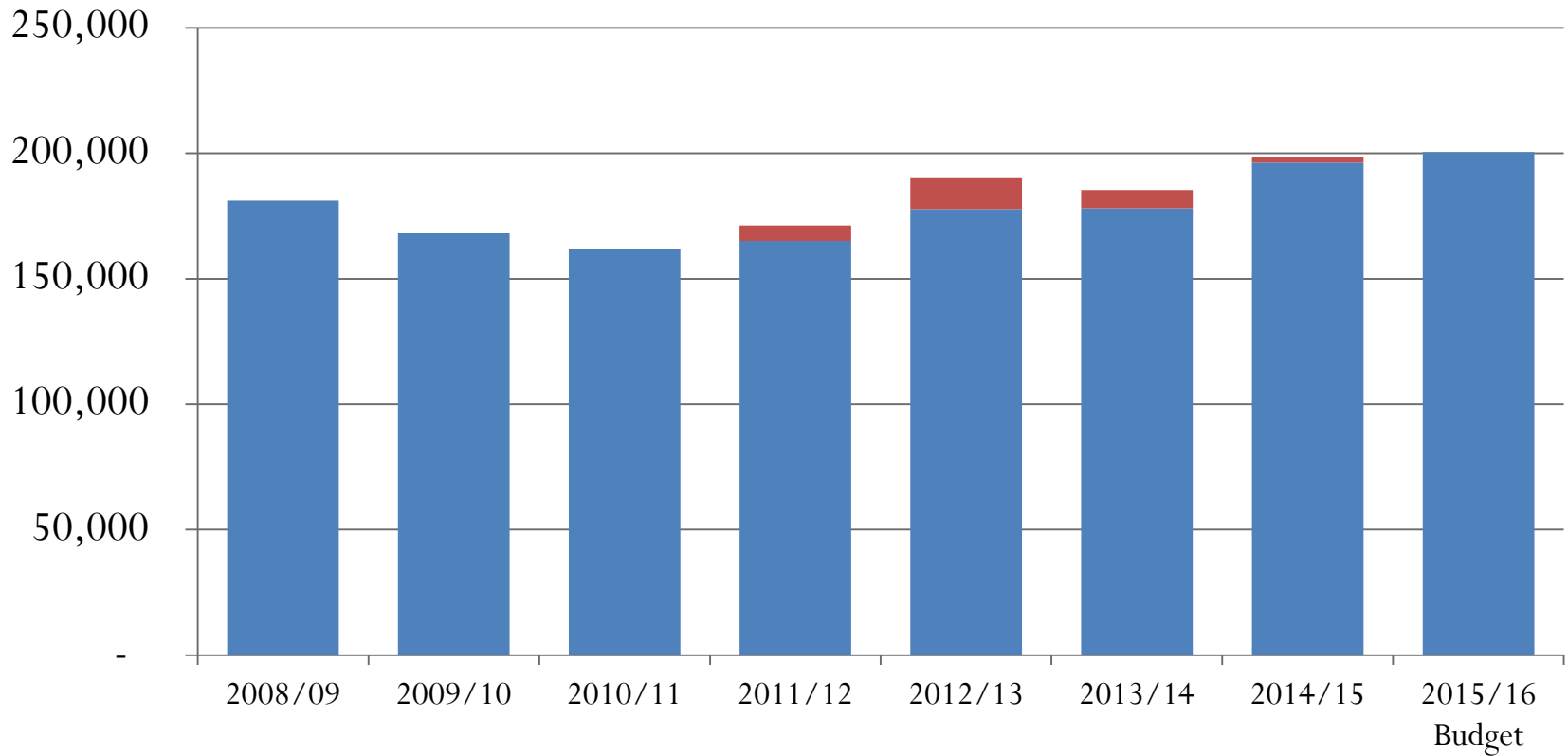
■ Comcast ■ PG&E ■ Northern Recycling



Recommended 2015/16 adjustment \$4,577

Transient Occupancy Taxes (TOT)

■ TOT ■ Late Charges



State Fire Assistance

- The 2014/15 fire season was especially demanding for the State of California
 - The Town lent resources whenever possible which resulted in higher than usual rental income of \$174,163
 - Recent historical receipts shown below:
 - 2014/15 \$174,163
 - 2013/14 \$24,601
 - 2012/13 \$94,085
 - 2011/12 \$5,609
 - 2010/11 \$0
- \$75,000 has been budgeted for 2015/16 of which \$13,552 has been received.



Other Revenues

- State Mandated Claim Reimbursements
 - The State released almost \$87,000 worth of outstanding mandated claim reimbursements at the end of June 2015.
 - \$20,754 in interest was received in August and September.
 - \$218,810 is still owed
 - **Staff recommends increasing the 2015/16 budget by \$5,707**
- The CalPERS Medicare retiree drug subsidy savings is now built into the annual premium starting in 2014/15.
 - **Staff recommends decreasing the 2015/16 budget by \$24,000**
- Two unusual miscellaneous revenues were received in 2014/15
 - \$12,646 from Office Depot for a class action lawsuit settlement
 - \$21,956 was reimbursed for the code enforcement receivership (expenditures were also accounted for)

General Fund Revenues

	2014/15 Estimated Actual	2014/15 Final (Pre-audit)	2015/16 Adopted Budget
Measure C	\$200,000	\$291,666	\$850,000
Non Department	10,144,986	10,229,215	10,292,784
Finance	11,729	13,454	20,100
Police	74,629	125,505	73,221
Fire	85,042	182,925	83,465
Planning	47,634	50,325	56,479
Waste Management	50,620	60,640	50,373
Engineering	41,177	42,263	39,500
Community Park	2,580	2,670	2,500
Totals	\$10,658,397	\$10,998,663	\$11,468,422

General Fund Expenses

Measure C

2015/16
Expenditures are
Solidifying

- Most Bids and Financing Complete

Citizen's Oversight
Committee quarterly
meeting is 10/27/15

- Staff Will Seek Recommendations

Town Council
Approval 11/10/15

Police Department

Sergeant Detective

- Position filled mid Oct
- Budget \$128,778
- Actual \$97,814

3 Police Cars

- Expected cost \$150,000
- Actual cost \$125,597
- May have left over funding at end of 6 years

35 Body Cameras; 25 Car Kits; 2 download & charging stations

- Expected Cost \$40,000
- Actual Cost \$36,306

LiveScan Machine

- Budget \$12,000
- Actual Unknown



Building Siding

- Emergency Declared
- Budget \$21,000
- Estimated with Contingency \$45,000

K-9 Program

- Budget \$10,000
- \$2,546 Spent to Date

Officer Training

- Budget \$15,000
- \$9,253 Encumbered to Date

Animal Control Services

Animal Control Officer

- Position filled mid October
- Budget \$35,000
- Actual \$24,792

New Officer Training

- Budget \$3,000
- Estimated \$3,000



Pressure Washer/Sanitation Unit

- Budget \$3,000
- Estimated \$5,200

Fire Department

CAL FIRE Contract Maintenance

- \$150,000 budgeted to maintain contract
- 4.89% of budgeted contact

Exhaust Evacuation System

- Budget \$20,500
- Actual \$20,511

4 Self Contained Breathing Apparatus

- Budget \$25,000
- Estimated \$25,000

Type 1 Fire Engine

- Expected Cost \$400,000
- Actual Cost \$487,550
- Budget \$75,000
- Actual \$86,632

Public Works

Pearson Road Improvements

- \$200,000 to be used to leverage grant funds for road and drainage improvements



Measure C Updated

	2015/16 Adopted Budget	2015/16 Estimated Actual	Difference
Police Department	\$303,362	\$293,848	(\$9,514)
Animal Control	41,000	32,792	(8,208)
Fire Department	270,500	282,143	11,643
Public Works	200,000	200,000	0
Subtotal	\$814,862	\$808,783	(\$6,079)
BOE Fees	\$8,500	0	(\$8,500)
Unassigned Reserve	26,638	189,646	163,008
Totals	\$850,000	\$998,429	\$148,429

Police Department

- Operations
 - The demand for officers statewide is making it difficult to fill vacant and budgeted positions – currently 3 positions
 - Staff will attempt to sponsor 3 trainees through the next academy at about \$15,000 each (possibly Measure C funded)
 - Operations saved \$24,423 in expenses for 2014/15 even with \$16,198 more in overtime
- Public Safety Communications
 - At the end of 2014/15 all positions were and remain filled
 - Through strong management the division saved \$16,303 for 2014/15

Fire Department

- Overall, the department achieved savings of \$14,941 in 2014/15.
 - \$2,151 in the administrative budget
 - In operations, \$7,306 in retiree premium costs and \$5,684 in equipment savings.
 - CAL FIRE met the Town's budgeted request to save \$200,000 on the personnel contract in 2014/15
 - \$150,000 of the CAL FIRE personnel contract will be funded by Measure C in 2015/16



Administration, Planning and Engineering

- An additional \$19,928 was spent in 2014/15 on legal fees for the receivership of the Carousel Motel.
- Compared to the original adopted 2014/15 budget, planning spent less than budgeted; however, during the 2015/16 budget process certain operating expenses were omitted. **Staff recommends adding \$9,211 in operating expenses to the 2015/16 budget.**
- Engineering concluded 2014/15 with \$5,528 in savings due to fewer encroachment permits at the end of the year.
- The Fleet division spent \$10,293 more than expected in 2014/15
 - An expected retirement resulted in \$9,500 more outsourcing of repairs

General Fund Expenses

	2014/15 Estimated Actual	2014/15 Final (Pre-audit)	2015/16 Adopted Budget
Measure C	\$10,392	\$8,392	\$831,251
Non Department	928,753	929,836	967,726
Administration	1,726,950	1,755,969	1,545,301
Police	3,628,740	3,586,350	4,084,261
Fire	3,472,225	3,463,198	3,639,083
Community Develop	151,565	164,317	159,329
Public Works	44,262	38,174	220,479
Totals	\$9,962,887	\$9,946,236	\$11,447,430

General Fund Summary

	2013/14 Audit	2014/15 Estimated Actual	2015/16 Proposed Budget
Total Revenues	\$9,582,894	\$10,298,202	\$10,126,131
Measure "C" Receipts	0	291,666	998,429
Transfers In	472,801	408,795	485,031
Total Resources	\$10,055,695	\$10,998,663	\$11,609,591
Total Expenditures	\$9,484,697	\$9,937,844	\$10,607,890
Measure "C" Expenditures	0	8,392	808,783
Transfers Out	0	0	17,500
Total Financial Uses	\$9,484,697	\$9,946,236	\$11,434,173
General Fund Net Income	\$570,998	\$1,052,427	\$175,418

General Fund Reserves

	2013/14 Audit	2014/15 Estimated Actual	2015/16 Proposed Budget
Designated Reserves			
Nonspendable (RDA and Other Loans)	\$2,015,945	\$2,008,233	\$1,983,233
Assigned to Measure "C" 2020-21	0	283,274	283,274
Unassigned Measure "C"	0	0	189,646
Unassigned	(129,944)	646,921	657,693
Ending Fund Balance	\$1,866,001	\$2,938,428	\$3,113,846

Other Funds

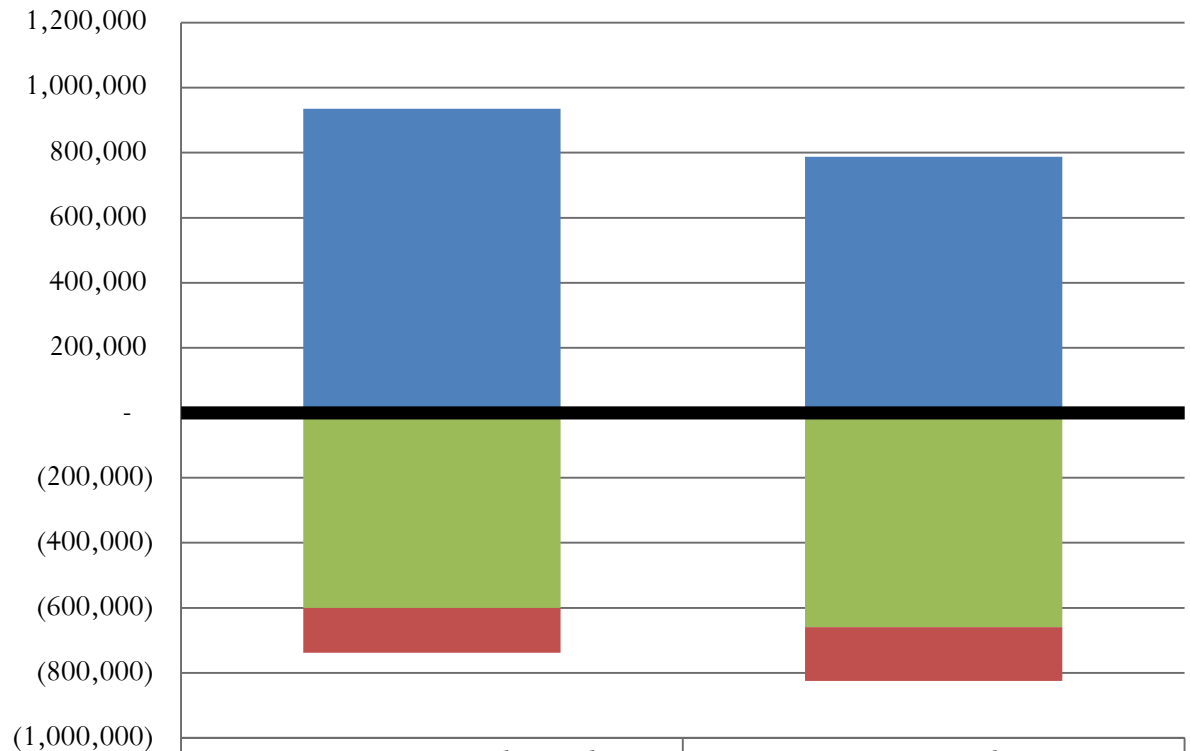


2030 – Building Safety & Wastewater Services

➤ 2014/15 building permits reached 2007/08 levels at \$243,733; still not prerecession levels but gaining

➤ **Recommend increasing 2015/16 budgeted building permits \$17,000 and plan check fees \$8,000**

➤ Will maintain healthy reserve for next economic downturn



	2014/15 Estimated Actual	2015/16 Budget
■ Transfers Out	(137,713)	(165,436)
■ Expenses	(600,775)	(659,048)
■ Transfers In	-	-
■ Revenues	935,539	787,722

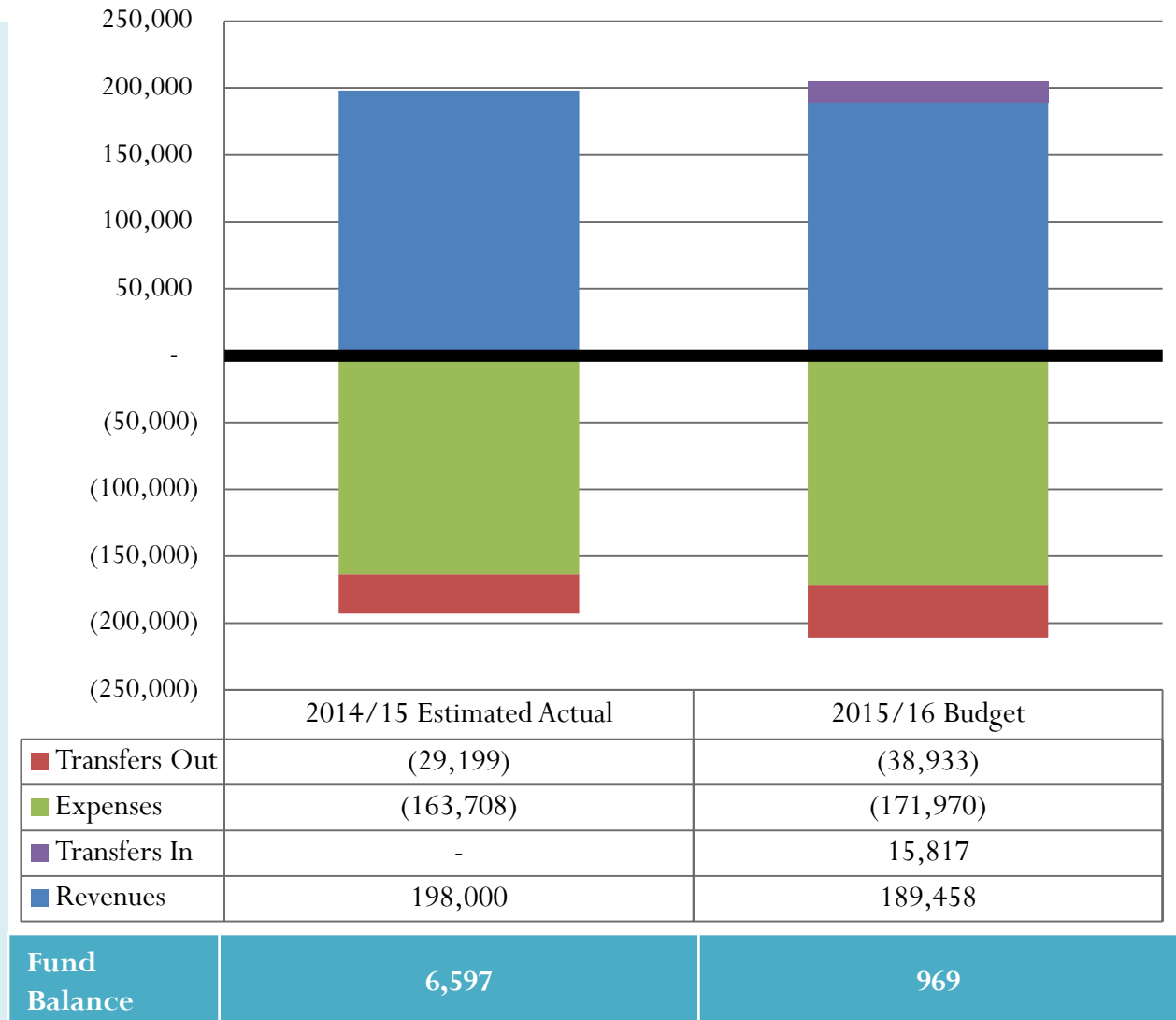
Fund Balance	391,126	354,364
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2070 – Animal Control Services

➤ Revenues and expenses concluded 2014/15 about as expected.

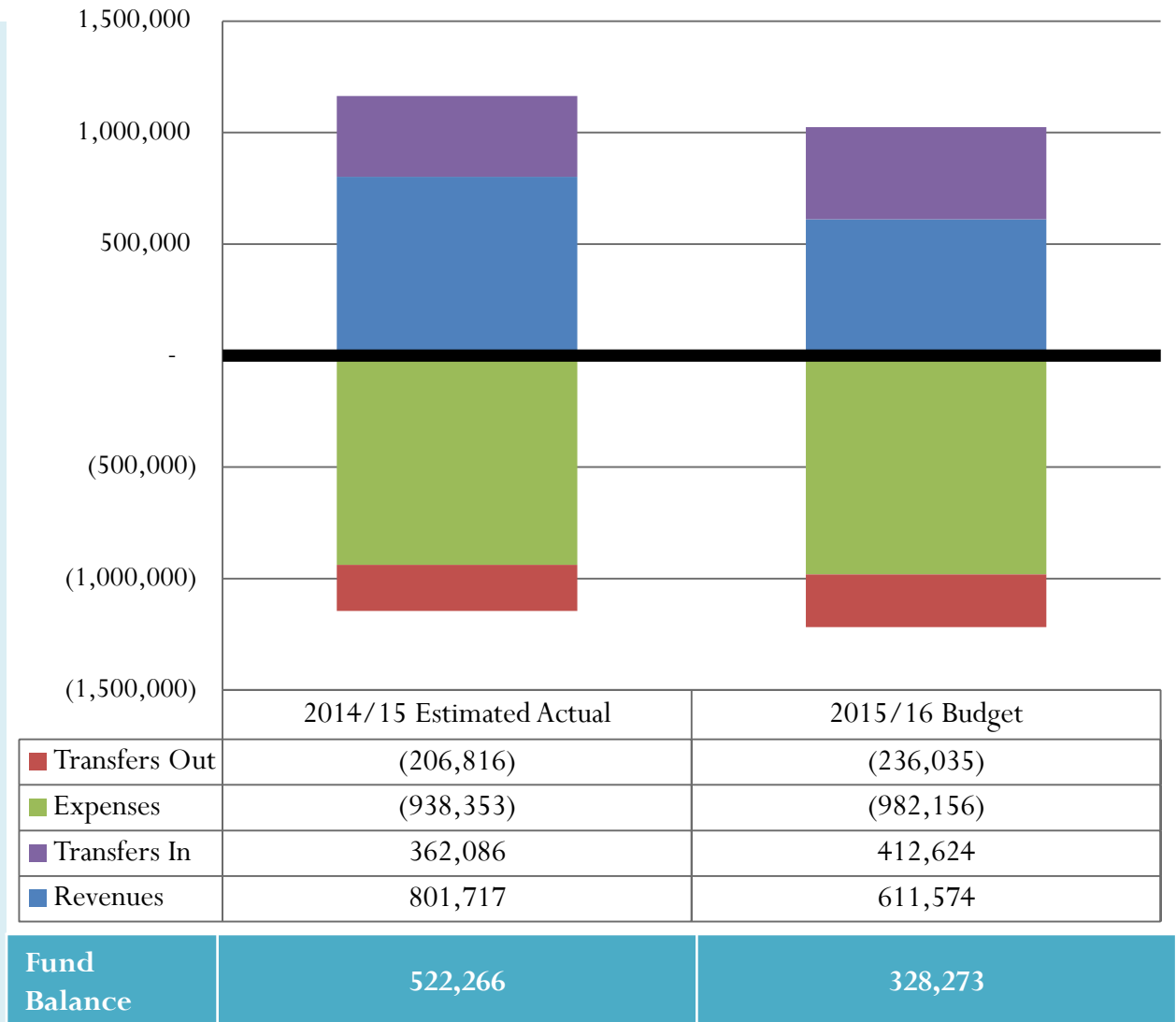
➤ As of this week, the division is fully staffed.

➤ No transfer from Animal Donation fund was used in 2014/15; \$60,580 remains in the donation fund.

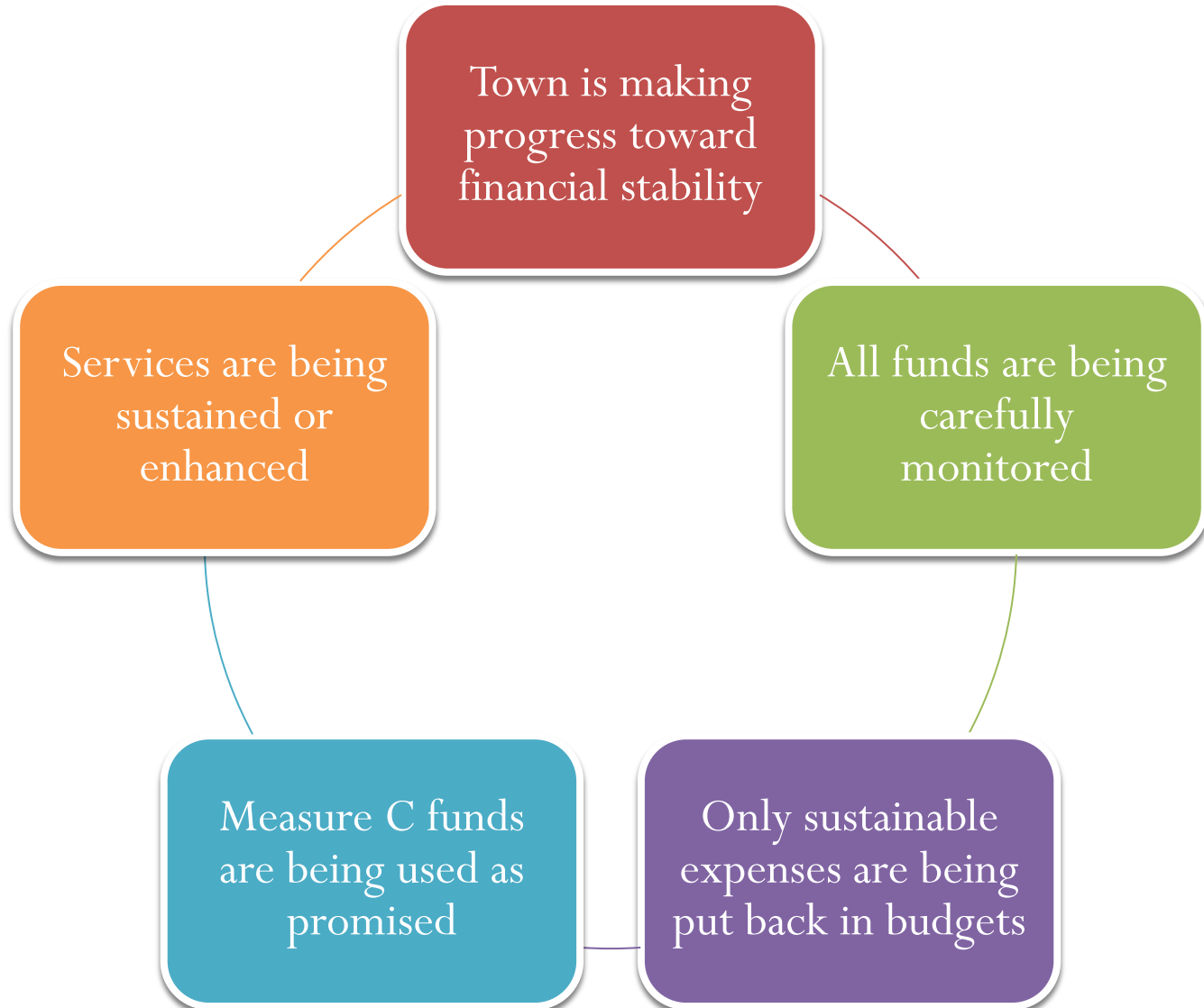


2120 – State Gas Tax (Street Maintenance)

- Gas tax revenues are expected to be down 23.8% in 2015/16.
- There is legislation pending that may provide funding for roads statewide.
- Fund balance is being used in 2015/16 to step up street maintenance efforts and to leverage CIP grant projects.



Conclusion



Questions
