



CITY of CALABASAS

Budget Presentation FY 2014-15 & 2015-16



**General Fund, O&M
Personnel, Capital Improvements**

August 13, 2014



Budget Highlights - General Fund



1. Property tax expected to grow at the Prop 13 limit of 2%.
2. Dramatic increase in projected receipt of Sales Tax due to the early retirement of Economic Recovery Bonds (ERBs) and the Triple-Flip. Impact to the City will be an anticipated receipt of approximately \$900K above the FY 2013-14 level.
3. Includes a Cost of Living Adjustment (COLA) for full-time employees.
4. Flex benefit cost reduction of ~\$14K (2.0% for 6 mos.) for health care coverage.
5. Inflation factor of 2.0% used for contracts, equipment, utility costs, etc..
6. Investment interest rate = 1.954% (average of current City investments).
7. Full-time positions (city-wide) – includes Council 96
Part-time (Full-time Eq.) positions (city-wide) 41
 Total FTEs (city-wide) 137
 (Represents a headcount reduction of 12 heads from FY 2009-10).
8. Maintained \$895K for City sponsored events and community programs.
9. Maintained \$4.249M for LA County Sheriff services.
10. Includes \$34.3M for Capital Improvement Projects (CIPs) – mostly Measure R.
11. Transfers \$500K to the Grant Fund to reduce the current negative fund balance.
12. RESULT – Balanced Budget. Increase of \$321,100 for the General Fund.





Economic Recovery Bonds (ERBs) and Triple-Flip



The State of California plans to retirement their Economic Recovery Bonds a year ahead of schedule which will complete the process known as the Triple-Flip:

- a. In 2004, California voters approved Prop 57 authorizing up to \$15B in deficit financing bonds (Economic Recovery Bonds – ERBs);
- b. Proceeds of Bonds were used to address the State’s budget shortfall;
- c. Shifted ¼ cent sales tax to the State to repay the ERBs (1.0% → 0.75%);
- d. Diverted sales tax was replaced with property tax shifted from schools and community college districts – specifically from County Educational Revenue Augmentation Funds (ERAF);
- e. School and college districts, in turn, received increased education aid under Prop 98 minimum guarantee. TRIPLE-FLIP;
- f. Unwinding the Triple-Flip will result in cities receiving delayed sales tax revenues which must be distributed prior to returning to the pre-Triple-Flip 1% tax rate;

RESULT: *Calabasas is expected to receive an increase in sales tax revenue from the State Board of Equalization (BOE) during FY 2014-15 of approximately \$900K. Thereafter, sales tax will grow/shrink relative to changes in the economy.*





Cost of Living Adjustment (COLA)



During the Great Recession, during a period of reduced revenue intake into the City, despite a period of inflation, City employees did not receive Cost of Living Adjustments (COLAs) for three consecutive years; FY 2009-10, FY 2010-11, and FY 2011-12. Based on figures retrieved from the U.S. Department of Labor Statistics, Consumer Price Index, the percentage of lost wages to employees totaled 4.73%. Based on that same source of data, the current COLA for FY 2014-15 is 1.08%. The combined total is therefore 5.81%.

Below is a breakout, including the associated costs for both the missed COLAs and the current COLA:

<u>FISCAL YEAR</u>	<u>AMOUNT / %</u>
FY 2009-10 thru FY 2011-12	\$336,500 / 4.73%
<u>FY 2014/15</u>	<u>76,800 / 1.08%</u>
TOTAL COST OF LIVING ADJUSTMENTS	\$413,300 / 5.81%

** On a “Go Forward Basis”, the 5.81% Cost of Living Adjustment is included in the presented budget.





CITY of CALABASAS



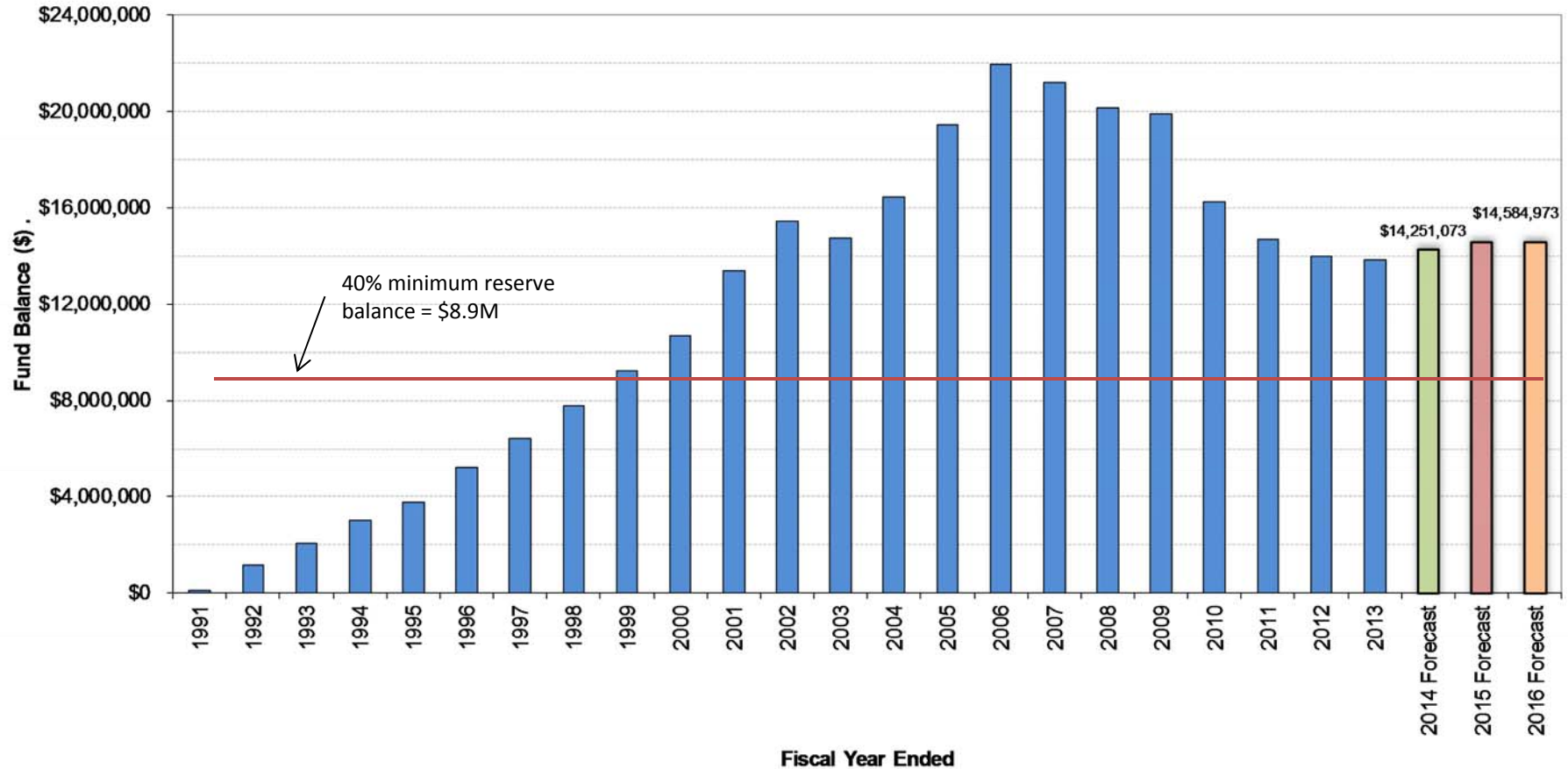
Budget Presentation



Budget Presentation – FY 2014-15 & 2015-16



General Fund - Fund Balance History





Budget Summary - Change in Fund Balance



	APPROVED	PROJECTED	PROPOSED	
	Budget 2013-14	Actuals 2013-14	Budget 2014-15	Budget 2015-16
Revenue	\$21,086,400	\$21,362,400	\$22,594,800	\$22,506,900
Expenditures				
Personnel Services	\$9,317,800	\$9,097,700	\$9,643,900	\$9,896,500
Supplies & Services	6,508,300	6,607,600	7,354,200	7,391,800
Sheriff Services	4,287,300	4,318,700	4,249,200	4,253,000
Sub-Total - Operational Costs	\$20,113,400	\$20,024,000	\$21,247,300	\$21,541,300
Capital Outlay	\$48,600	\$41,500	\$131,000	\$53,500
Discretionary	858,500	816,000	895,400	899,300
Total Expenditures	\$21,020,500	\$20,881,500	\$22,273,700	\$22,494,100
Change to Fund Balance	\$65,900	\$480,900	\$321,100	\$12,800





Revenue





Revenue Summary



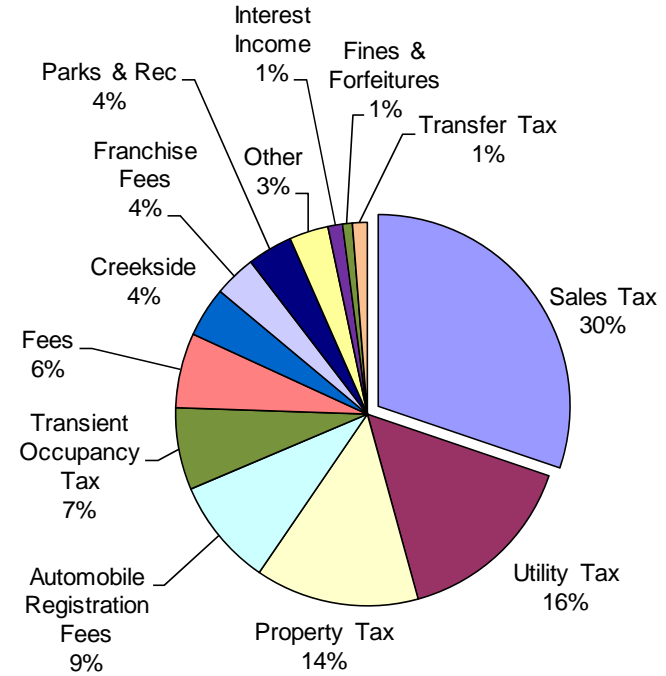
	APPROVED	PROJECTED	PROPOSED	
	Budget 2013-14	Actuals 2013-14	Budget 2014-15	Budget 2015-16
Sales Tax	\$5,931,600	\$5,817,300	\$6,825,400	\$6,597,200
Utility Tax	3,287,800	3,374,600	3,507,900	3,578,000
Property Tax	3,082,800	3,133,500	3,119,300	3,181,700
Automobile Registration Fees	2,005,900	2,011,300	2,051,500	2,092,500
Transient Occupancy Tax	1,325,900	1,454,600	1,564,000	1,595,300
Fees	1,321,500	1,374,300	1,426,300	1,454,300
Creekside	931,100	966,800	951,200	951,200
Franchise Fees	718,200	715,100	797,300	813,100
Parks & Rec	844,800	881,400	862,400	876,800
Other	858,700	901,500	742,200	603,500
Interest Income	368,000	264,100	279,300	286,000
Fines & Forfeitures	180,800	178,800	185,300	188,900
Transfer Tax	229,300	289,100	282,700	288,400
TOTAL REVENUE	\$21,086,400	\$21,362,400	\$22,594,800	\$22,506,900



Revenue Summary

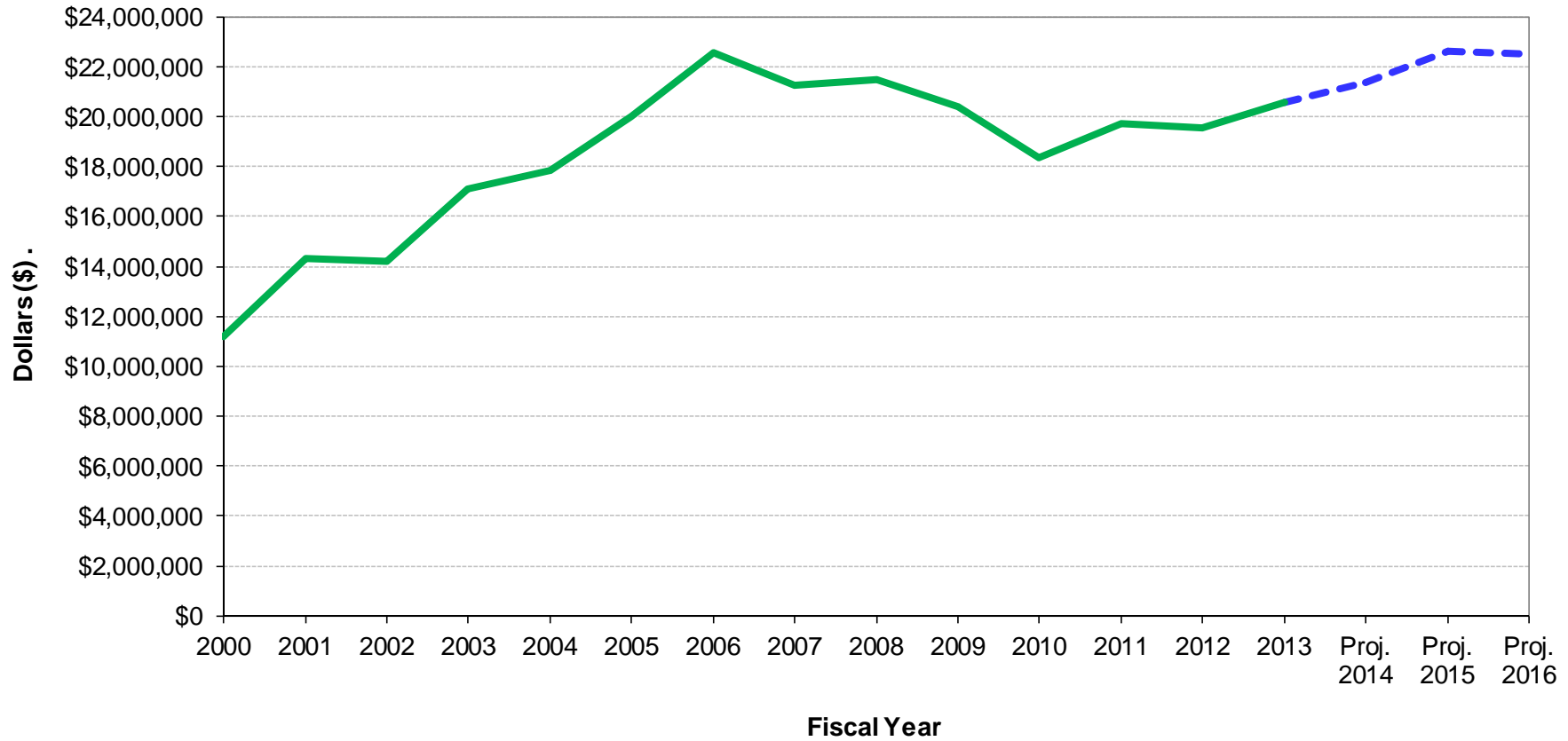


	Proposed 2014-15
Sales Tax	\$6,825,400
Utility Tax	3,507,900
Property Tax	3,119,300
Automobile Registration Fees	2,051,500
Transient Occupancy Tax	1,564,000
Fees	1,426,300
Creekside	951,200
Franchise Fees	797,300
Parks & Rec	862,400
Other	742,200
Interest Income	279,300
Fines & Forfeitures	185,300
Transfer Tax	282,700
TOTAL REVENUE	\$22,594,800





General Fund Historical & Projected Revenue





Potential Impacts to Future Revenue Receipts



1. Timing of the receipt of Sales Tax due to early retirement of the ERBs:
 - Included in the approved State budget for FY 2014-15; and
 - Some impact in the following fiscal year due to the “unwinding” process.
2. Final payment for the 2005 Certificates of Participation (~\$475K) which were used to purchase the Creekside Klubhouse property will be December 2016.
3. Potential revenue increase from sales tax generated by the business that will occupy the current Spirent Communications building after their company relocates.
4. Annexations of Craftsman’s Corner and West Calabasas Road will result in increased property tax and sales tax revenue, offset by the cost of services which will be provided to that area when it becomes part of the City.
5. Potential new revenue producing businesses / projects coming into the City.



Expenditures

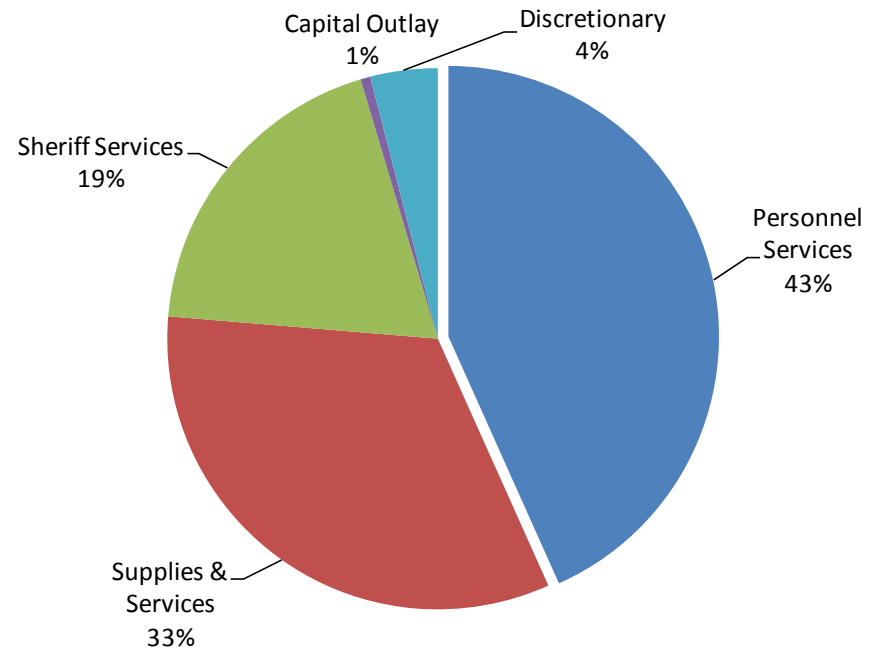




Expenditures by Account Class



	<u>Proposed</u> <u>2014-15</u>
Personnel Services	\$9,643,900
Supplies & Services	7,354,200
Sheriff Services	4,249,200
Capital Outlay	131,000
Discretionary	895,400
TOTAL EXPENDITURES	\$22,273,700





Payroll & Vendor Services



	APPROVED	PROJECTED	PROPOSED	
	Budget 2013-14	Actuals 2013-14	Budget 2014-15	Budget 2015-16
Full Time Salaries	\$5,997,200	\$5,846,300	\$6,113,800	\$6,259,300
Full Time Employee Overtime	37,200	36,800	37,500	38,300
Benefits	1,731,700	1,690,600	1,728,700	1,758,700
Retirement Benefits	62,000	64,000	64,000	64,000
Employer Taxes	814,700	749,400	887,100	961,400
Temporary Employees	588,200	561,500	661,600	661,600
Temporary Employee Overtime	0	100	0	0
Auto Allowance	50,900	49,200	49,200	49,200
457 Match	97,900	100,000	102,000	104,000
Total Payroll & Payroll Related Costs	\$9,379,800	\$9,097,700	\$9,643,900	\$9,896,500
Sheriff Services	\$4,287,300	\$4,318,700	\$4,249,200	\$4,253,000
Contractual Services	1,132,300	1,211,400	1,282,900	1,283,700
Total Vendor Services	\$5,419,600	\$5,530,100	\$5,532,100	\$5,536,700
TTL PAYROLL & VENDOR SERVICES	\$14,799,400	\$14,627,800	\$15,176,000	\$15,433,200





Programs Funded in this Budget



	PROPOSED Budget 2014-15	PROPOSED Revenue 2014-15	NET COST 2014-15
City Council Discretionary Spending	\$25,000	\$0	\$25,000
City Council Events & Conferences	15,000	0	15,000
Contribution to PFA / PFCs	250,000	0	250,000
Contribution to Chamber of Com	16,000	0	16,000
Neighbors in Need	25,000	0	25,000
Relay for Life	5,000	0	5,000
Art Rental	7,700	0	7,700
Open Space & Environmental Prg	20,000	0	20,000
Business Meetings & Conferences	20,000	0	20,000
Special Events	20,700	0	20,700
School Safety	12,000	0	12,000
Crossing Guard	74,900	0	74,900
School Programs	7,500	0	7,500
Senior Rental Voucher	87,900	0	87,900
Tickets / Pre-sale	14,900	5,820	9,080
July 4th	68,300	29,800	38,500
Egg Stravaganza	5,500	0	5,500
Movie Under the Stars	1,000	0	1,000
Teen Events	10,000	0	10,000
Holiday Gala Event	14,000	0	14,000
Pumpkin Festival Exp.	100,000	67,400	32,600
Calabasas Musical Programs	50,000	0	50,000
Calabasas Fine Arts Festival Exp.	45,000	40,000	5,000
TOTAL	\$895,400	\$143,020	\$752,380





Capital Improvement Projects



	Proposed Budget		FY 2014-15 Funding Sources		FY 2015-16 Funding Sources	
	2014-15	2015-16	General Fund	Other Funds	General Fund	Other Funds
Street-Rubberized Overlay Design	\$20,000	\$20,000	\$0	\$20,000	\$0	\$20,000
Street - Rubberized Overlay	650,000	480,000	0	650,000	0	480,000
Tree Planting	25,000	25,000	25,000	0	25,000	0
Las Virgenes Creek Restoration	0	1,840,000	0	0	0	1,840,000
Placard Replacement Program	30,000	0	30,000	0	0	0
Citywide Smart Irrigation - Ph 2	715,000	0	0	715,000	0	0
STATE - Catch Basin Screens	1,300,000	0	0	1,300,000	0	0
Citywide Guardrails	0	100,000	0	0	100,000	0
Lost Hills O/P & Intchg MeasR	21,000,000	6,000,000	0	21,000,000	0	6,000,000
Bus Acquisition	274,600	0	0	274,600	0	0
CalabRd/US101 Interchg MeasR	2,500,000	0	0	2,500,000	0	0
Las Virg Scenic MeasureR	2,350,000	0	0	2,350,000	0	0
MulhollandHwyDesign-PaulRevere	2,250,000	0	0	2,250,000	0	0
Park and Ride	3,200,000	0	0	3,200,000	0	0
Total CIP Projects	\$34,314,600	\$8,465,000	\$55,000	\$34,259,600	\$125,000	\$8,340,000





Supplemental Information





Projected Fund Balances – Entire City

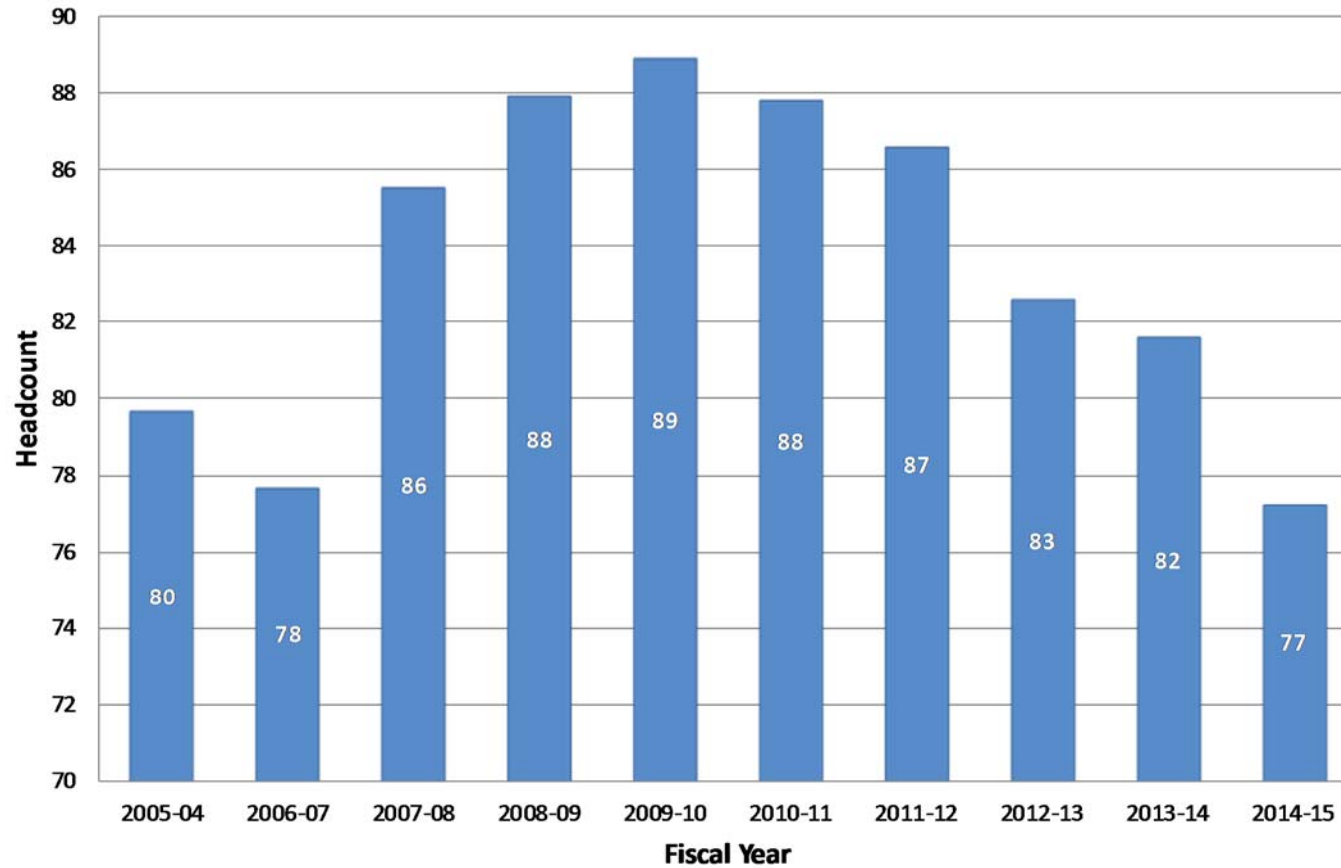


Fund No.	Fund Description	Projected Fund Balance June 2014	Revenue	Expenditures	Projected Fund Balance June 2015
10	General Fund	\$14,251,073	\$22,594,800	\$22,273,700	\$14,572,173
11	Refundable Deposits	0	369,400	339,900	29,500
12	South Coast Air Quality Management District	75,111	35,700	35,600	75,211
13	Park & Recreation Improvements	127,745	42,500	40,000	130,245
14	AB 939	1,485,887	208,400	344,000	1,350,287
15	Gas Tax	681,220	704,200	670,000	715,420
16	Developer Impact Fees	1,873,933	77,400	0	1,951,333
18	Affordable Housing	1,414,956	27,700	0	1,442,656
19	Las Virgenes/ Lost Hills B&T	3,252,841	63,600	0	3,316,441
20	Prop A	90,590	404,200	384,600	110,190
21	LMD 22 - Common Benefit Areas	1,847,933	1,635,900	1,502,500	1,981,333
22	Landscape Maintenance District #22	287,036	2,675,000	2,869,200	92,836
24	Landscape Maintenance District #24	257,958	183,600	228,700	212,858
25	Prop C	77,048	478,100	369,300	185,848
27	Landscape Maintenance District #27	134,261	32,600	31,600	135,261
28	Library	-37,069	1,934,700	1,932,700	-35,069
29	Transportation Programs	-18,829	895,600	892,300	-15,529
30	Storm Damage	-1,417,846	-27,700	0	-1,445,546
32	Landscape Maintenance District #32	1,791	29,100	28,400	2,491
33	Used Oil Grants	-10,433	11,800	10,000	-8,633
34	Measure R - Local Return	216,904	257,200	109,600	364,504
35	CDBG	-73,739	158,700	85,000	-39
36	Grants	-1,033,699	2,582,200	1,939,700	-391,199
38	Cops- AB 3229 Grant	28,839	102,500	0	131,339
39	Measure R - MTA	-3,367,589	35,042,600	31,675,000	11
40	Capital Improvement	0	34,314,600	34,314,600	0
41	Civic Center Construction	0	1,210,000	1,210,000	0
42	Civic Center Capital Replacement	1,023,247	20,000	0	1,043,247
48	Library Capital Replacement	504,957	9,900	0	514,857
50	Tennis & Swim Center Operation	409,161	3,822,100	3,906,800	324,461
60	Management Reserve	4,678,681	67,800	1,210,000	3,536,481
65	Oak Tree Mitigation	165,676	23,500	7,000	182,176
80	CFD 98-1	2,324,102	869,900	824,500	2,369,502
83	2005 COP (Refunding 1999 COP)	375,072	472,500	472,500	375,072
84	CFD 2006 (The Oaks Mello-Roos)	3,224,087	1,849,000	1,786,000	3,287,087
85	2006 COP (Civic Center Project)	0	1,735,400	1,735,400	0
Total		\$32,850,902	\$114,914,500	\$111,228,600	\$36,536,802



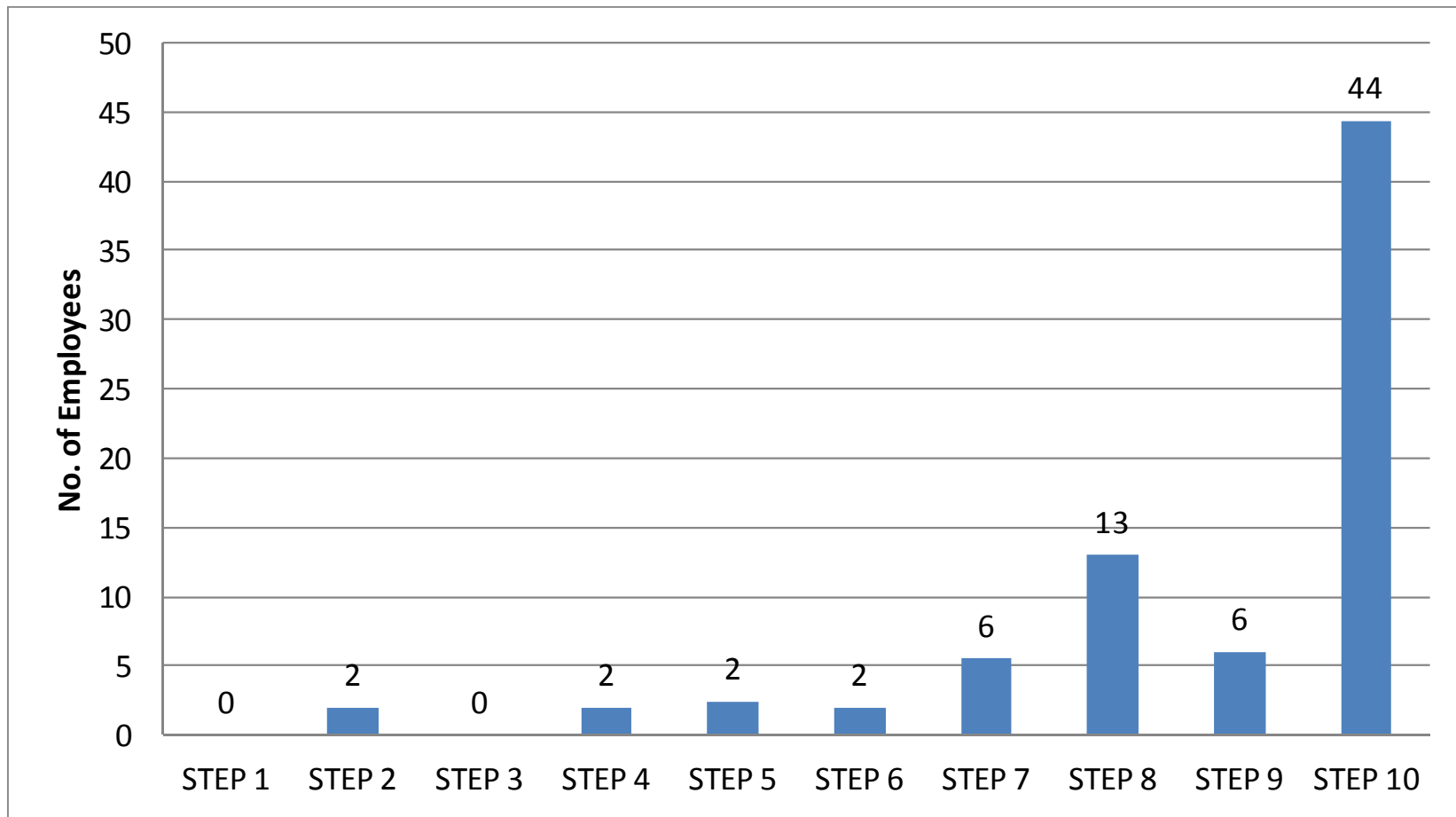


General Fund Full-time Employee Headcount





General Fund Full-time Employees by Step





Business Meeting & Conference Cost History

