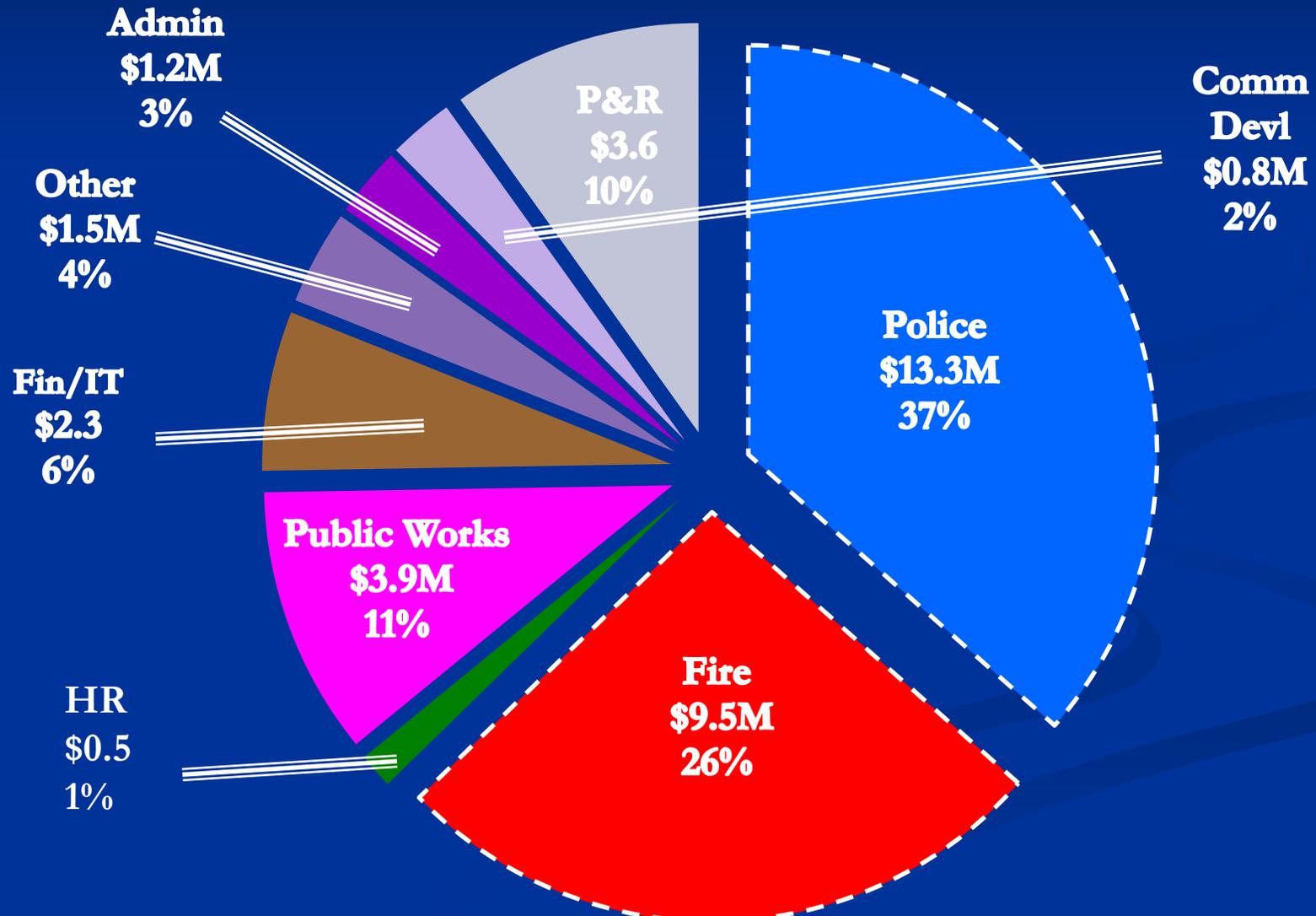


**City of Yuba City  
Budget Workshop  
May 27, 2014**

# General Fund

# Yuba City Budget Allocations

## 63% Public Safety



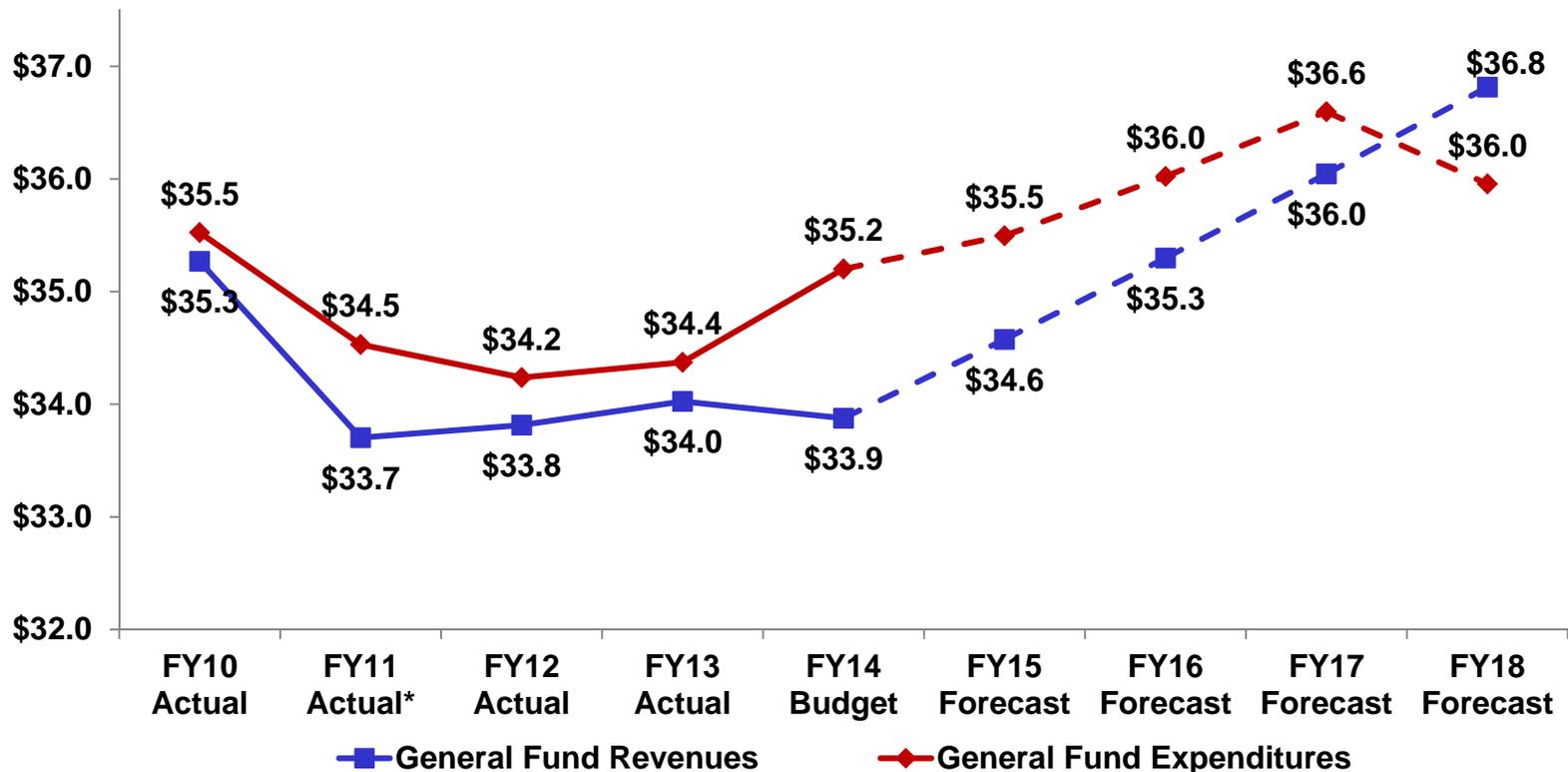


# Budget Imbalance Likely to Remain

## February Financial Presentation

- Assuming robust revenue growth in sales and property taxes, expenses are projected to outpace revenues until pension bonds are paid off in FY18.

Forecast General Fund Revenues and Expenses



\* Revenues Exclude One-Time Reserve Fund Infusions

Source: Yuba City, Finance Department

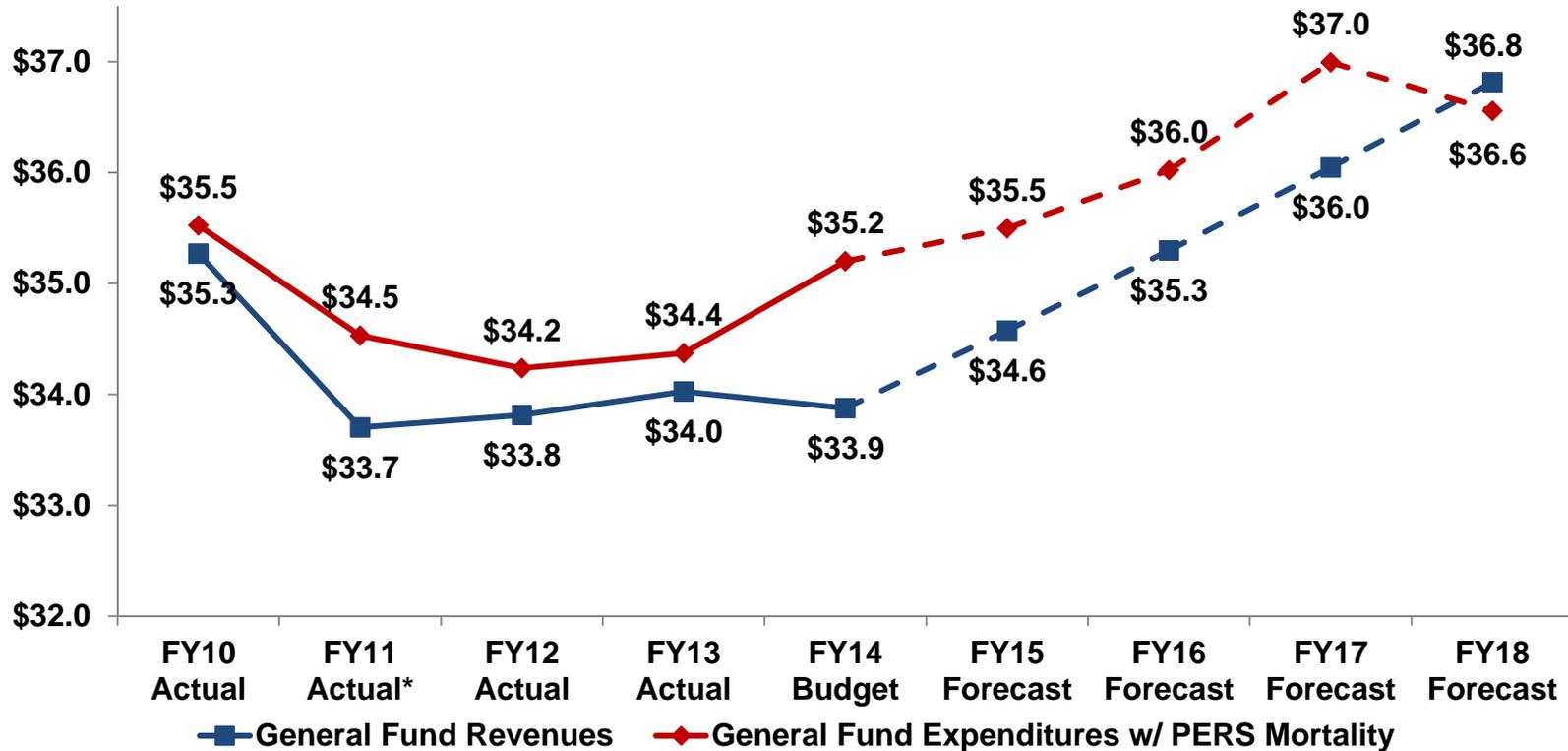


# Budget Imbalance Likely to Remain

## March Update *With PERS Mortality Assumptions*

- Assuming robust revenue growth in sales and property taxes, expenses are projected to outpace revenues until pension bonds are paid off in FY18 – even if PERS costs don't grow

Forecast General Fund Revenues and Expenses  
With CalPERS Mortality Rate Assumption



\* Revenues Exclude One-Time Reserve Fund Infusions

Source: Yuba City, Finance Department

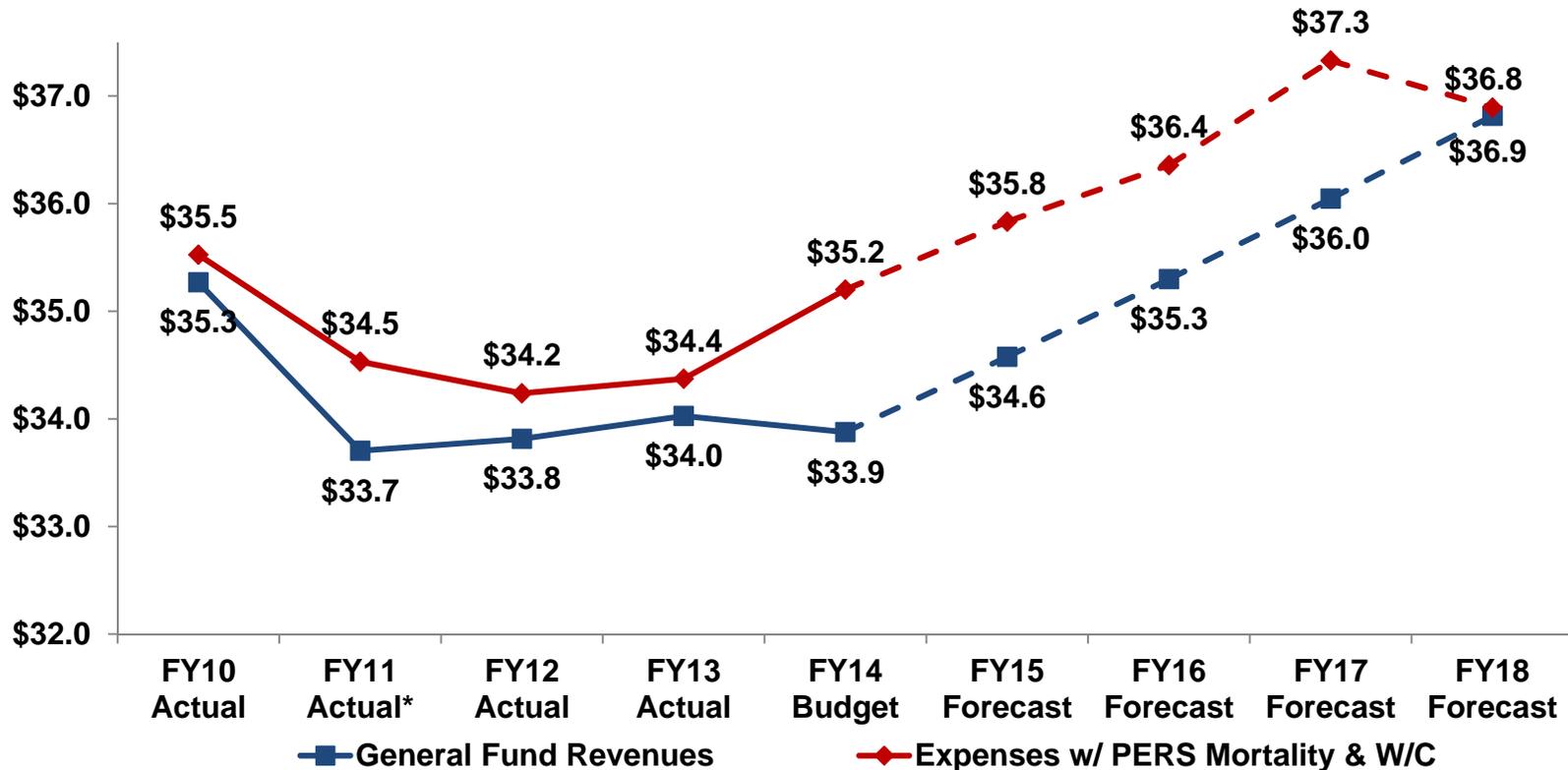


# Budget Imbalance Likely to Remain

## April Update with PERS Mortality Assumptions & W/C Increase

- Assuming robust revenue growth in sales and property taxes, expenses are projected to outpace revenues until pension bonds are paid off in FY18 – even if PERS costs don't grow

Forecast General Fund Revenues and Expenses  
With CalPERS Mortality Rate Assumption & W/C Increase in Cost



\* Revenues Exclude One-Time Reserve Fund Infusions

Source: Yuba City, Finance Department

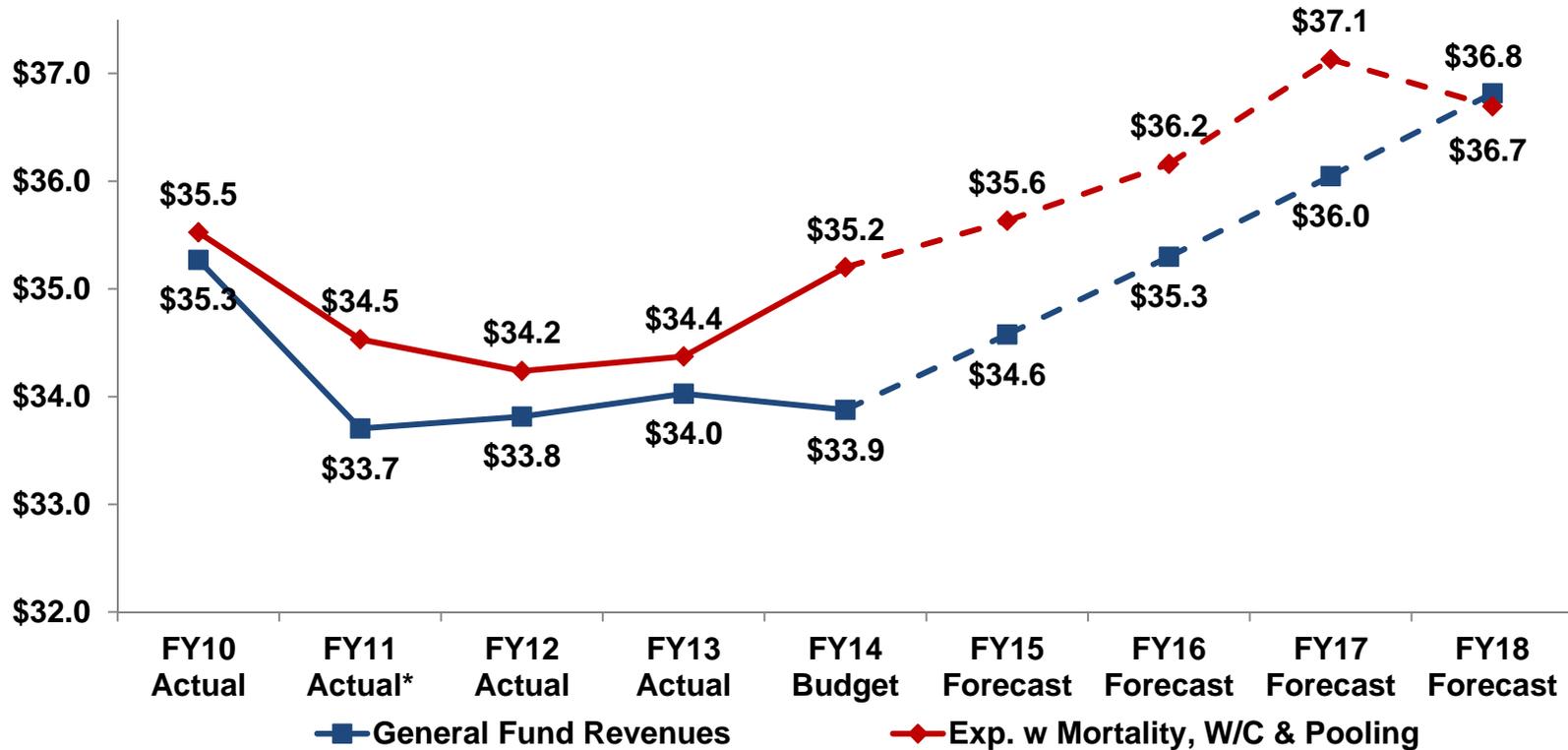


# Budget Imbalance Likely to Remain

## May Update with PERS Mortality Assumptions, W/C Increase & PERS Safety Pooling Impacts

- Assuming robust revenue growth in sales and property taxes, expenses are projected to outpace revenues until pension bonds are paid off in FY18 – even if PERS costs don't grow

Forecast General Fund Revenues and Expenses  
With CalPERS Mortality Rate Assumption & W/C Increase in Cost



\* Revenues Exclude One-Time Reserve Fund Infusions

Source: Yuba City, Finance Department

# GENERAL FUND SUMMARY

	<u>In Millions</u>
DEFICIT FROM FY 13/14 CARRIED OVER	\$ (1.41)
REVENUE INCREASES	1.02
S & B INCREASES	(0.66)
M, S & S INCREASES	(0.36)
PROPOSED BUDGET DEFICIT FY 14/15	<u>\$ (1.41)</u>

## REVENUE INCREASES FY 14/15

	In Thousands
Property Taxes - 4% Increase	\$ 426
Sales Taxes - 3.5% Increase	420
Prop. 172, Business Licenses & Franchise Fees	102
Hotel/Motel Surcharge	48
Building Permits	50
Other Net General Fund Revenue Changes	(25)
<b>NET INCREASES IN REVENUE FY 14/15</b>	<b><u>\$ 1,021</u></b>

## PERSONNEL RELATED CHANGES

	In Thousands
Worker's Comp Increase	\$ 339
Retirement Cost Increases	276
PERS Savings due to PEPRA Employees	(124)
Vacancies filled at lower Classification or Salary	(114)
New Senior Planner position added	108
Healthcare Increase	92
Merit Pay Increases	82
Misc. Other S & B Changes	6
<b>NET INCREASE TO S &amp; B COST</b>	<b>\$ 663</b>

## M, S & S CHANGES

	In Thousands
Citywide Pooled Professional Development	\$100
Feather River Parkway Maintenance	93
Turnout Gear & Helmets-Fire	75
Water & Sewer Costs-General Fund Facilities	45
Election Costs	25
1/2 Year Payment on Street Light Lease Paid off Lease during FY 13-14	(64)
Technology Replacement Fund ISF	96
Vehicle Maintenance ISF	92
P/Y Supplemental not included in FY 14/15	(90)
Other MS&S Changes	(15)
<b>NET INCREASE IN MS&amp;S COSTS</b>	<b><u>\$357</u></b>

# PERSONNEL ADDITIONS & DELETIONS

## Division

## Position

### *New Positions Added:*

Animal Control	Animal Services Officer I/II-Sutter Co. Attrition
Wastewater Collection	WW Collections Supervisor

### *Previously Unfunded-Now Funded:*

Planning	Senior Planner
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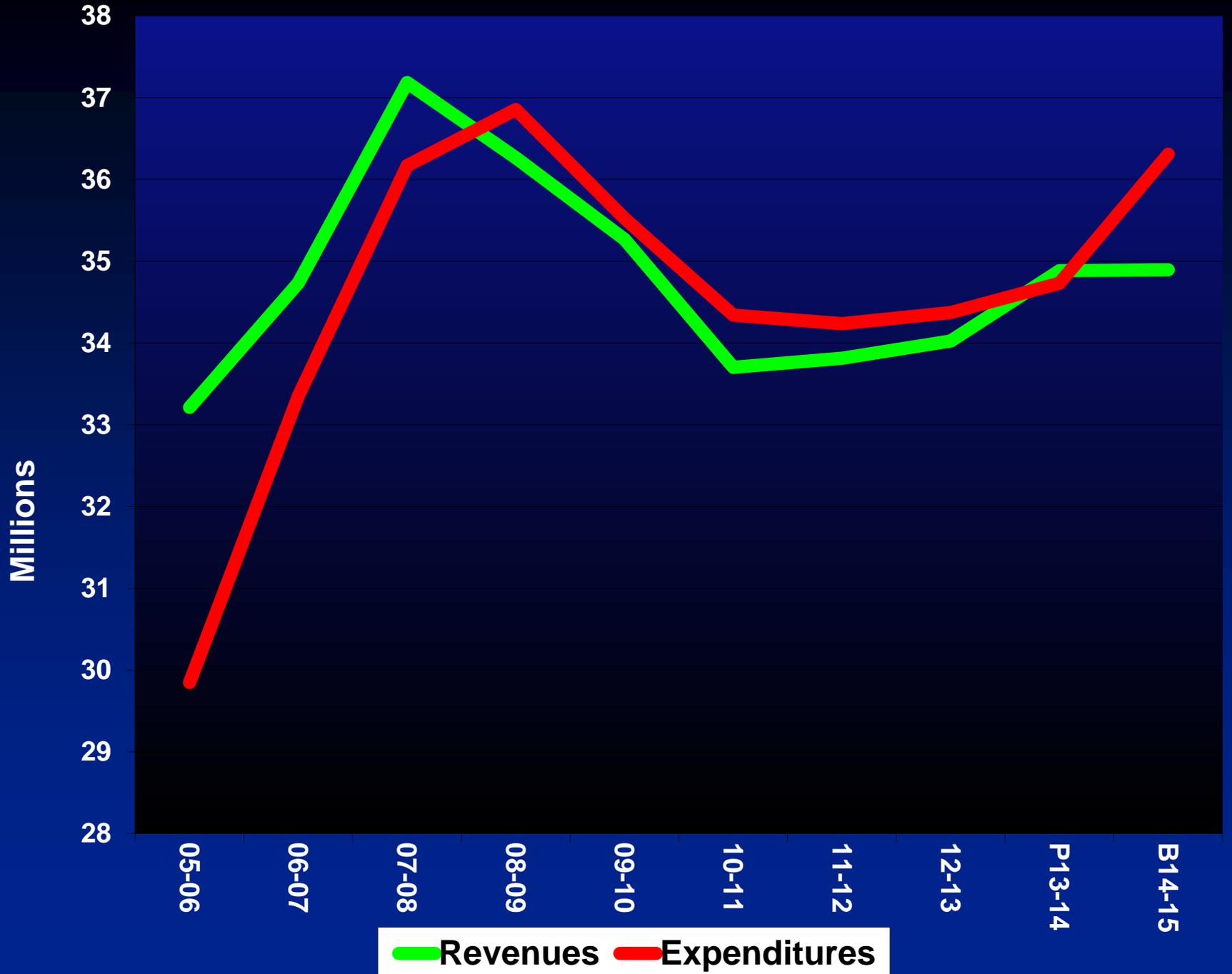
### *Funded Positions Eliminated:*

Water Treatment	Deputy Director-Water
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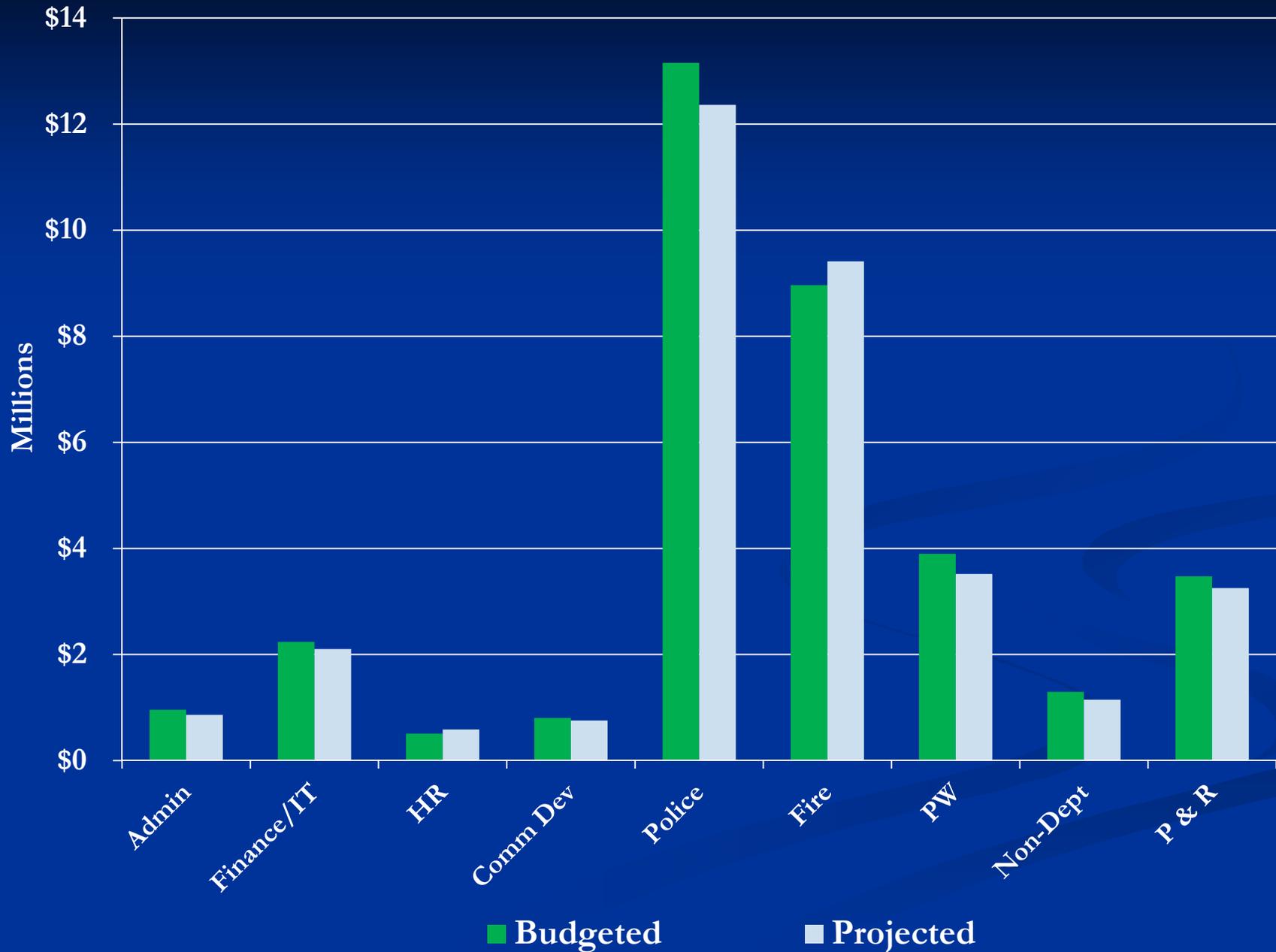
### *Eliminate Previously Unfunded Positions:*

Building	Chief Building Official
Fire	Division Chief
Engineering	Construction Inspector
Recreation	Administrative Clerk III
Parks	Senior Arborist

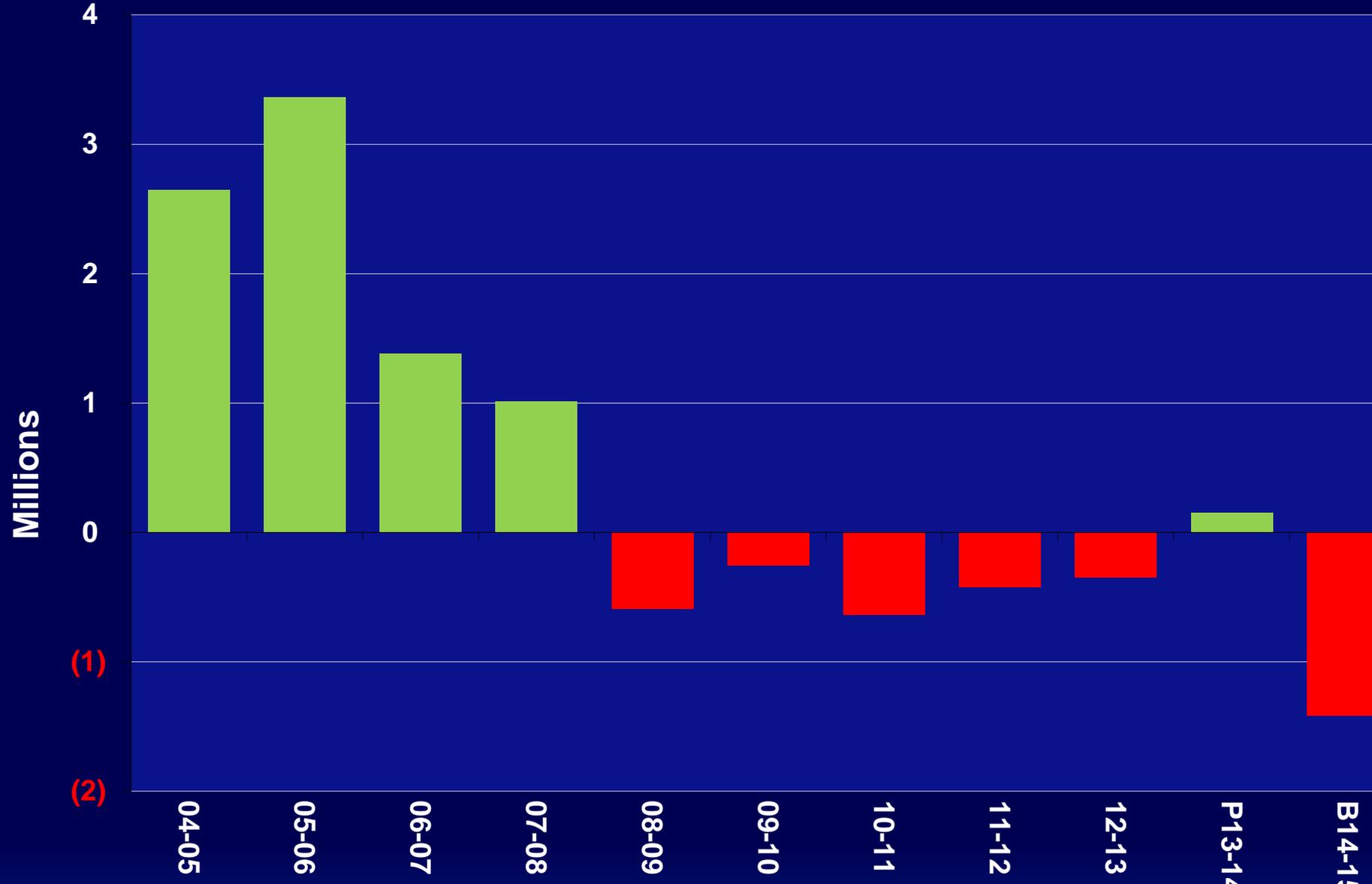
# REVENUE & EXPENDITURES



# FY 13/14 Budget Vs. Projected Expenses



# Net Revenues



(1)

(2)

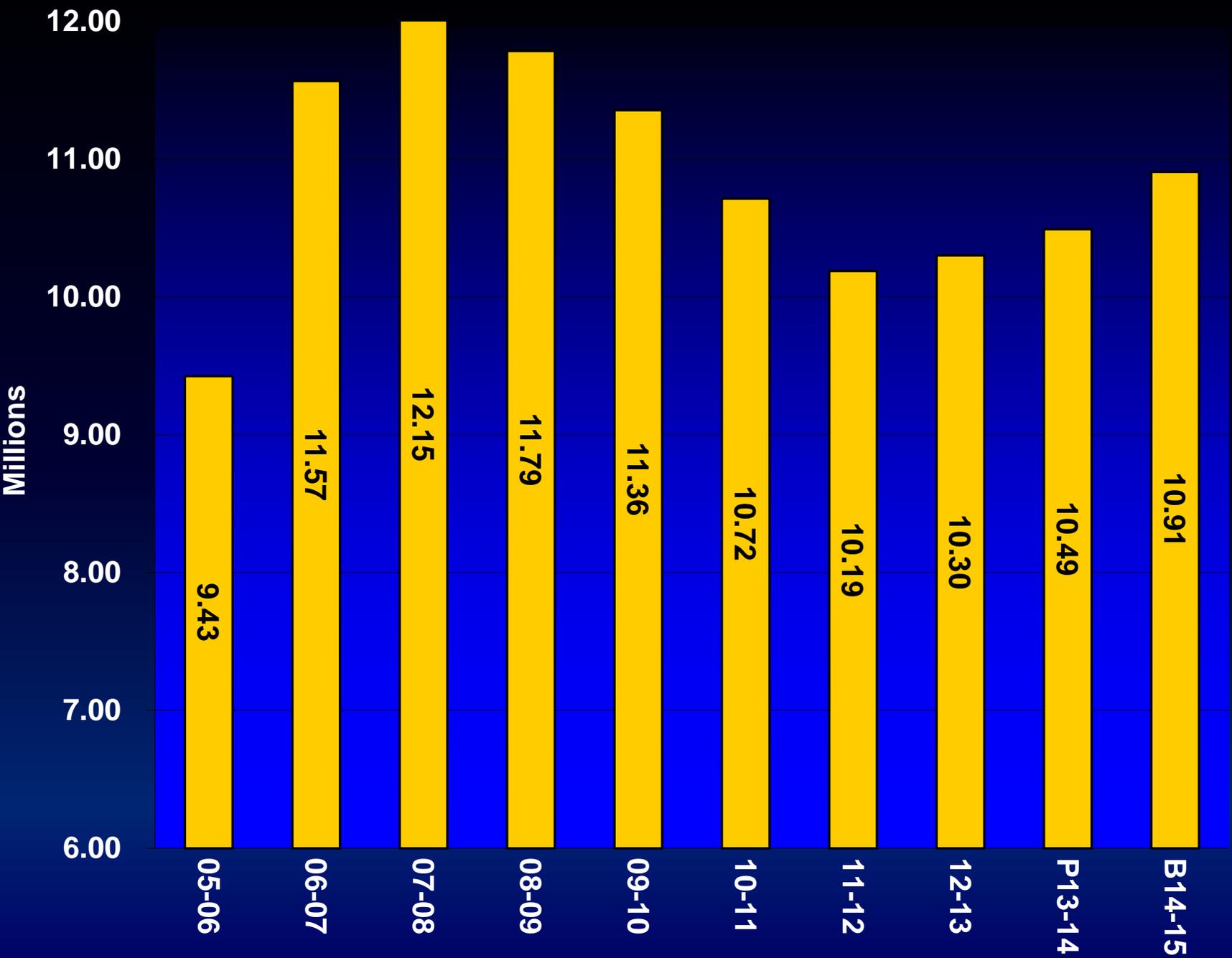


Surplus

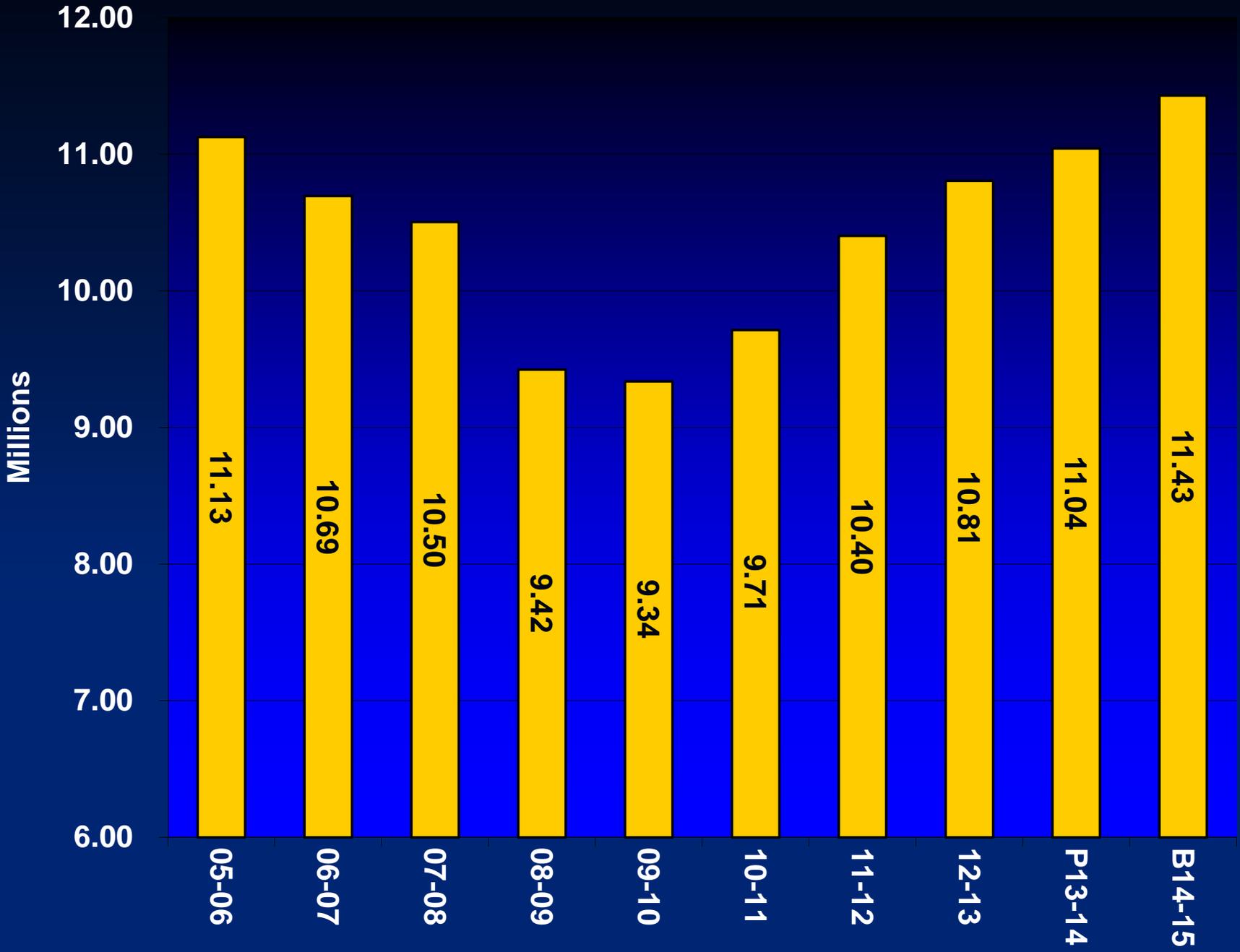


Deficit

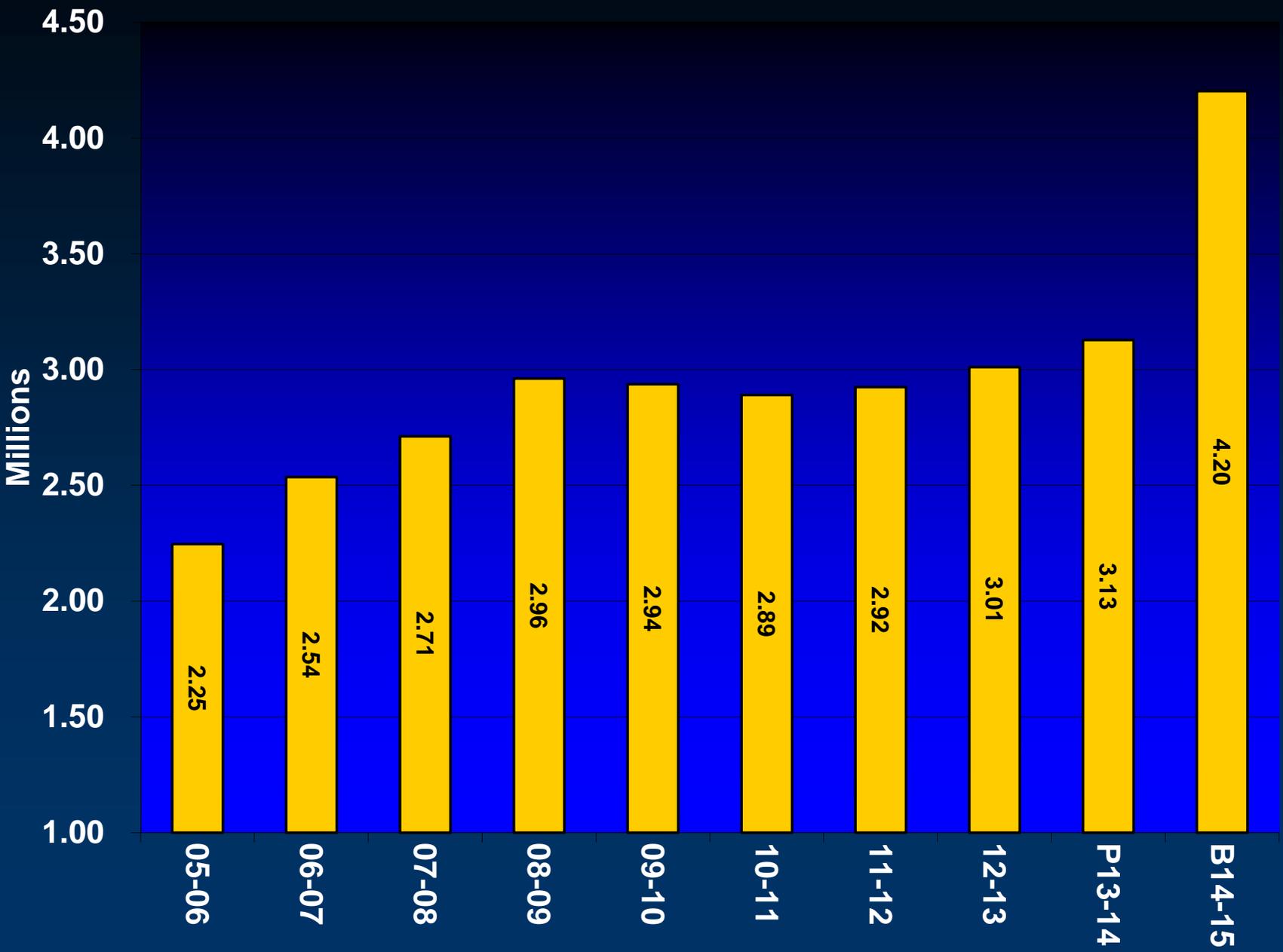
# PROPERTY TAX



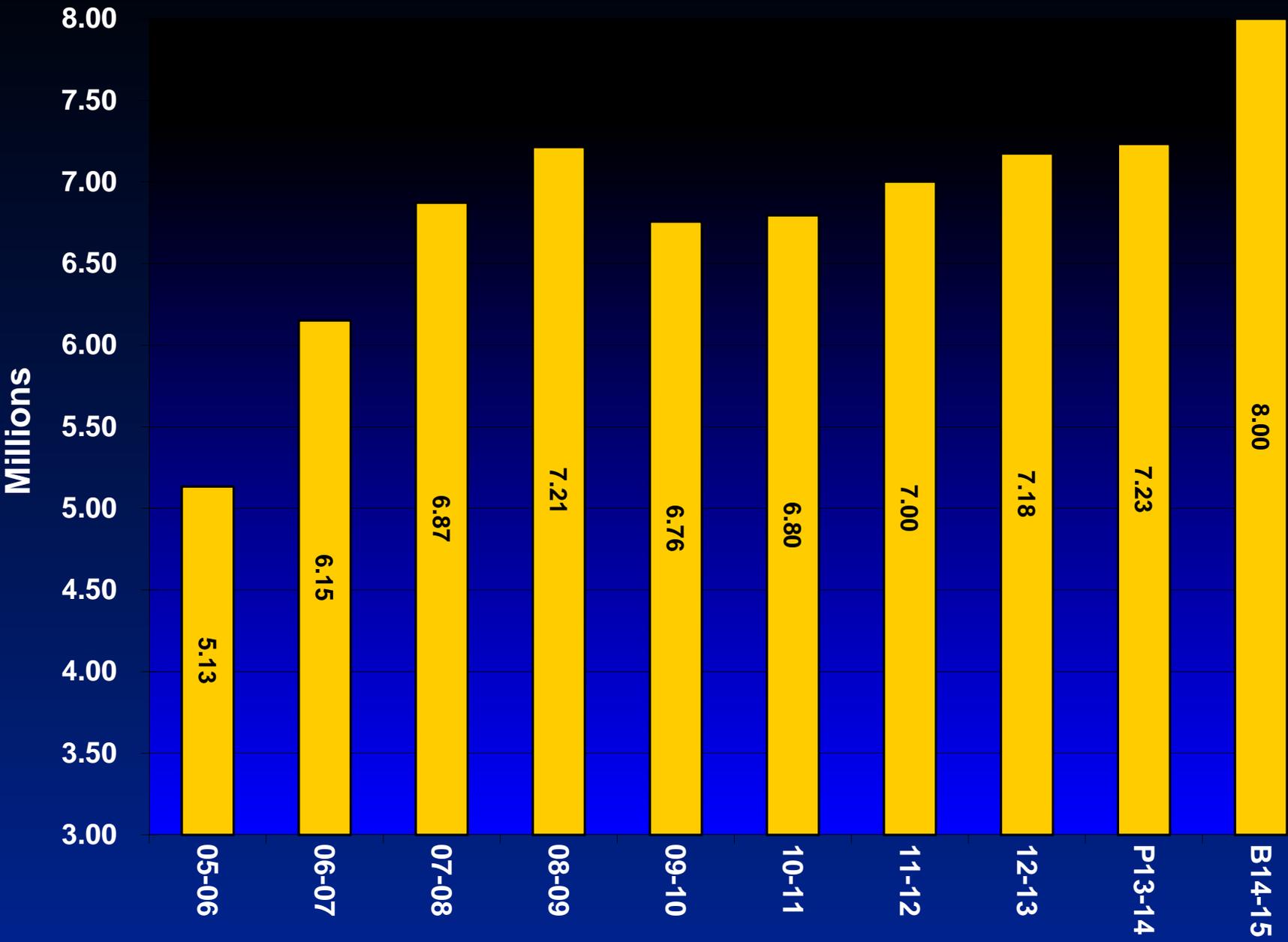
# SALES TAX



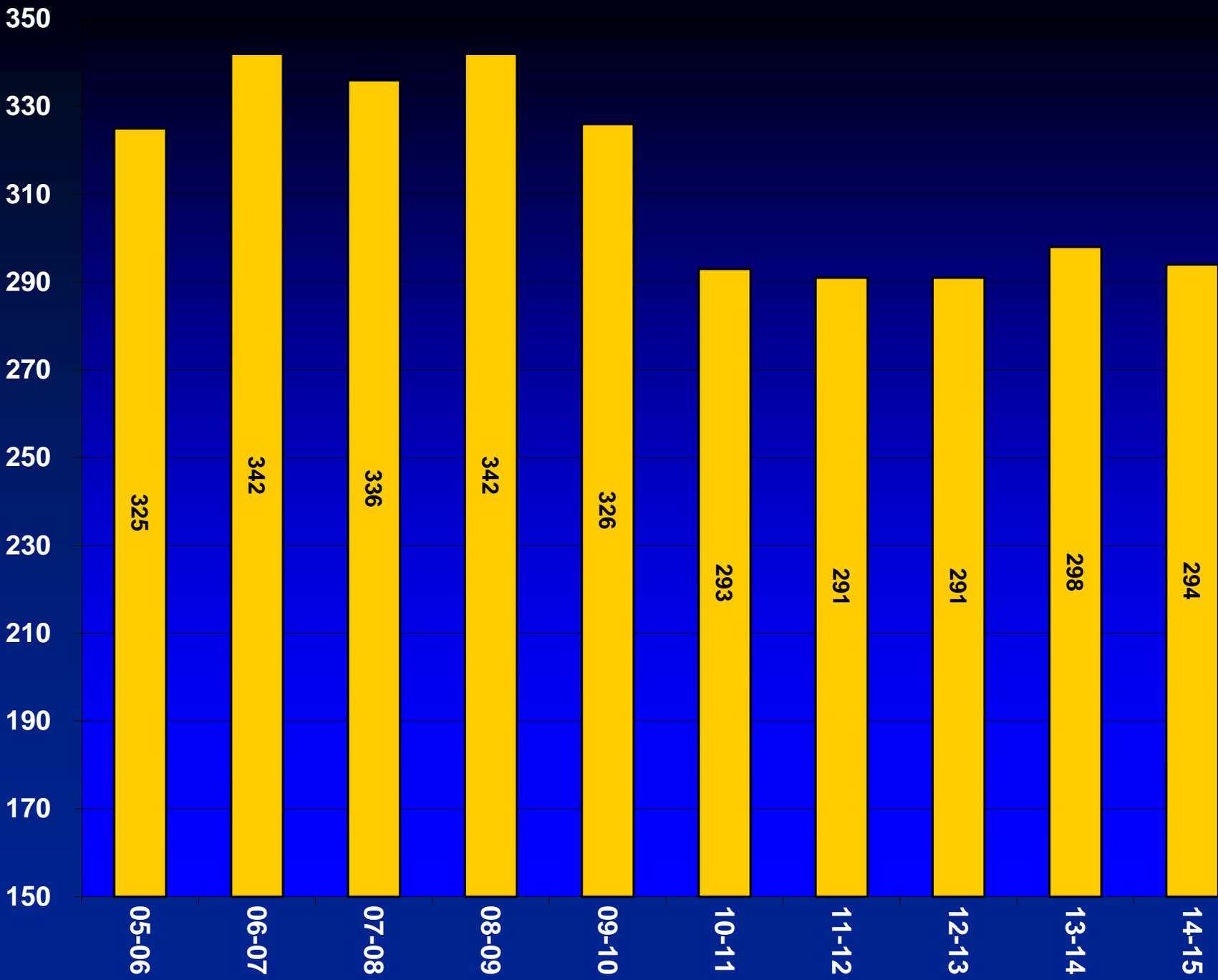
# HEALTH & DENTAL SERVICES PLAN



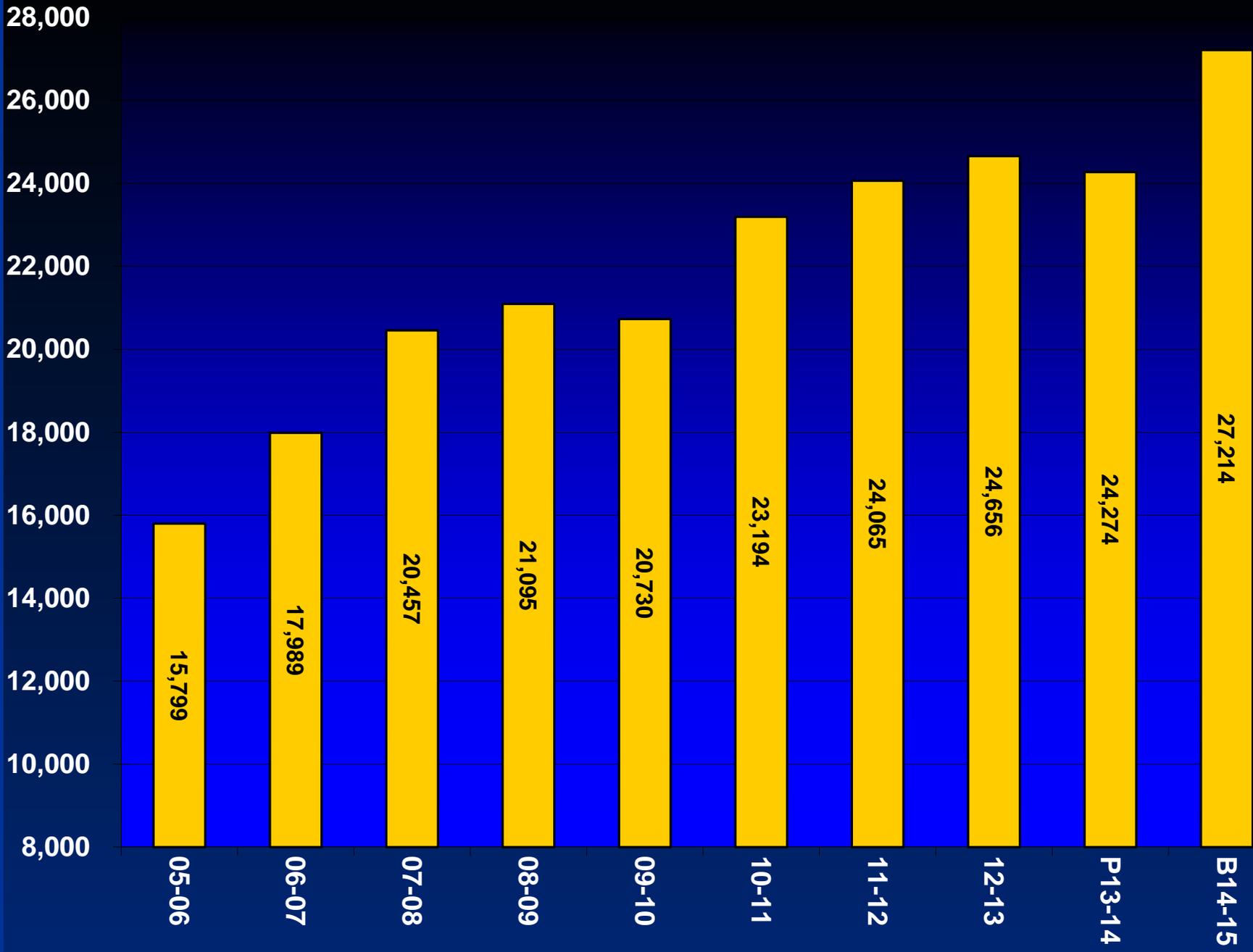
# PERS COST COMPARISON



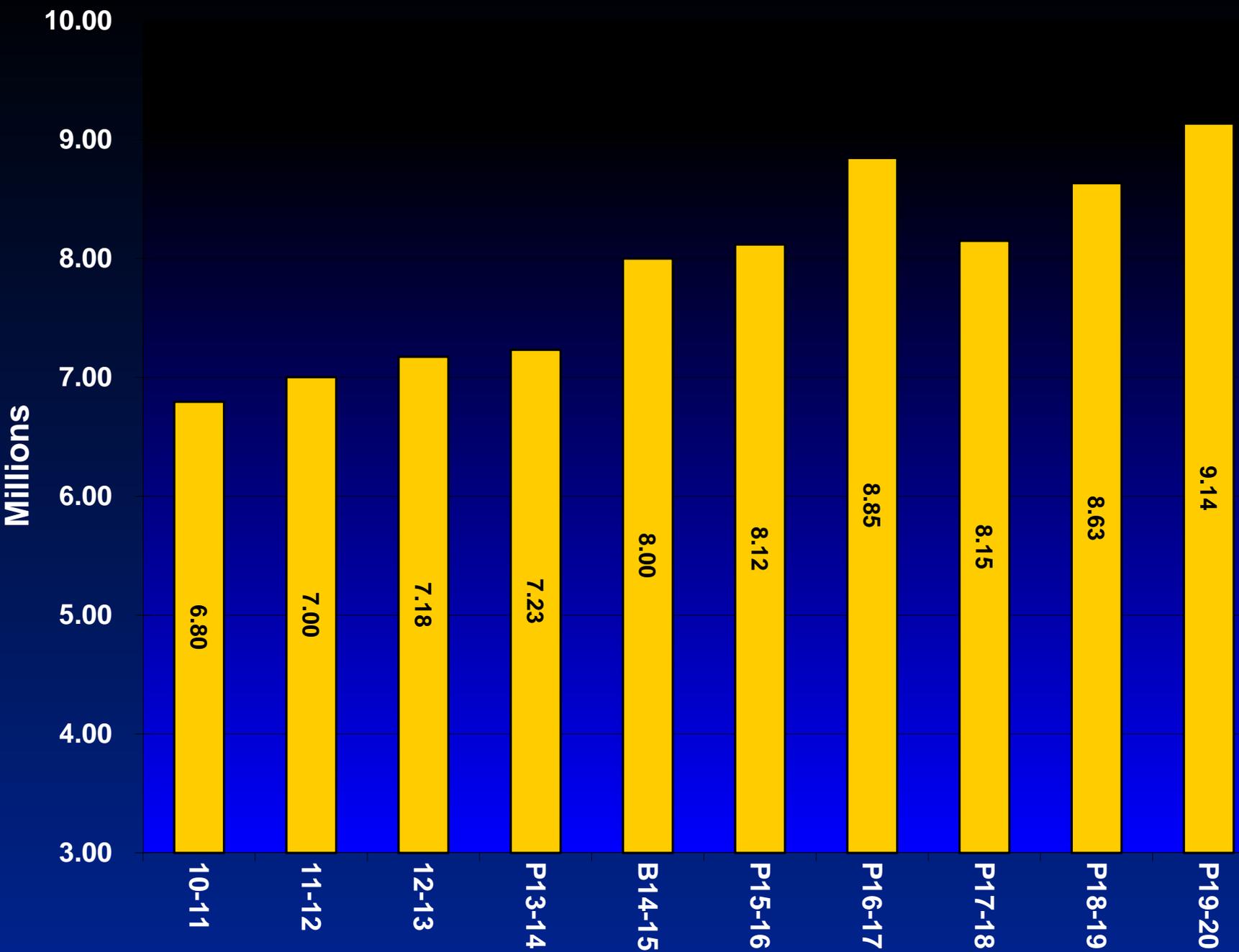
# NO. OF EMPLOYEES COMPARISON



# PERS AVERAGE COST / EMPLOYEE



# PROJECTED FUTURE PERS COSTS



# Reserves

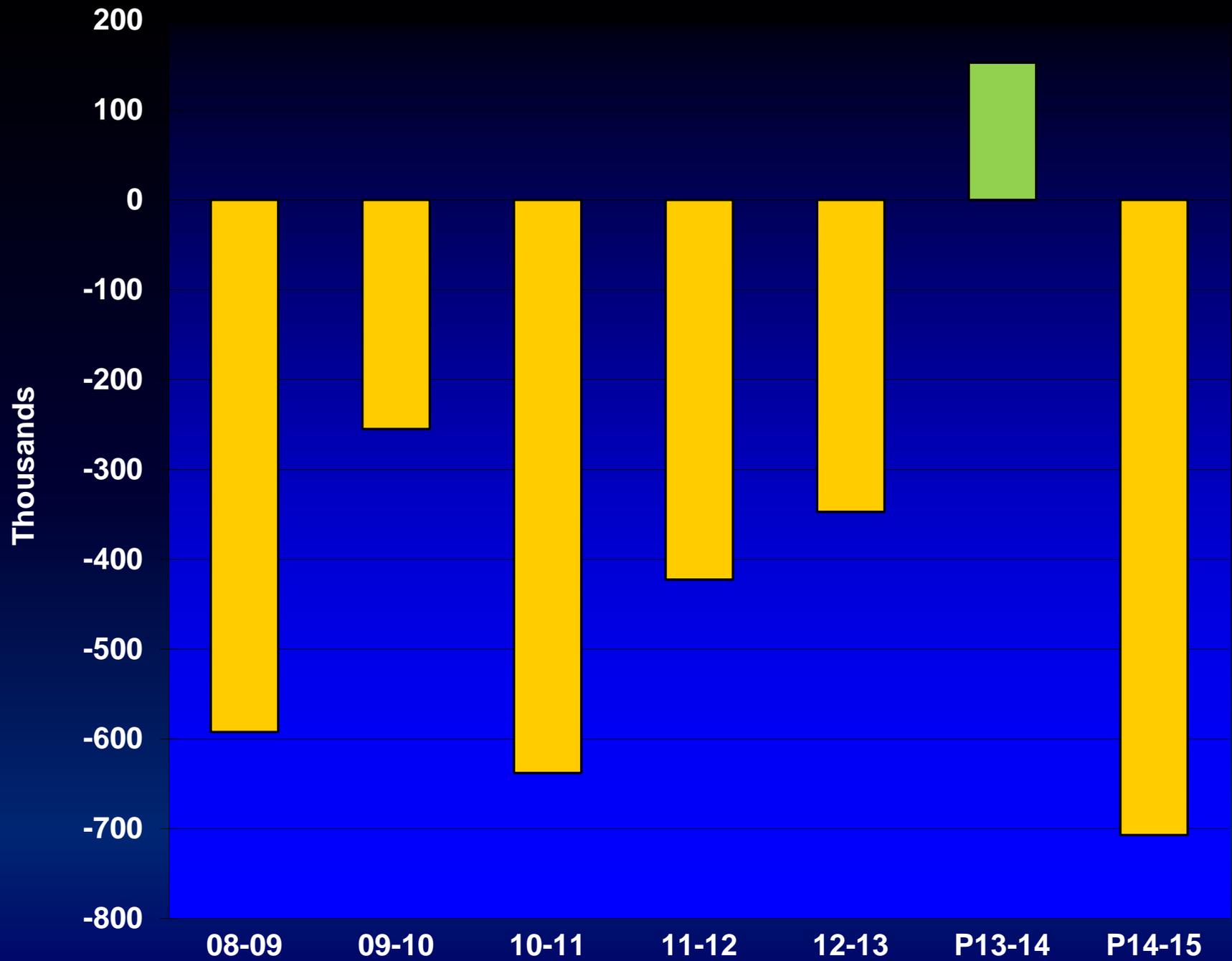
# GENERAL FUND RESERVES

	In Thousands
Healthy Cities Reserve	\$ 3,995
ESR Estimated Balance 7/1/14	4,058
Total General Fund Reserves	<u>\$ 8,053</u>

# ESR STATUS UPDATE

	In Thousands
ESR Balance July 1, 2013	\$ 3,905
Estimated ESR Addition FY 13/14	153
Estimated Carryover July 1, 2014	<u>\$ 4,058</u>
Deficit FY 14/15	(1,414)
Remainder Available for Future Years	<u><u>\$ 2,644</u></u>

# ESR USAGE



# GENERAL CIP FUND RESERVES

	In Thousands
Total General CIP Funds Available	\$ 8,354
Already Allocated to Projects	(2,020)
Designated for Debt Service	(1,438)
Proposed General Fund CIP Projects FY 14/15	(678)
General CIP Unallocated Projects Remaining	<u>\$ 4,218</u>

# VEHICLE REPLACEMENT FUND RESERVES

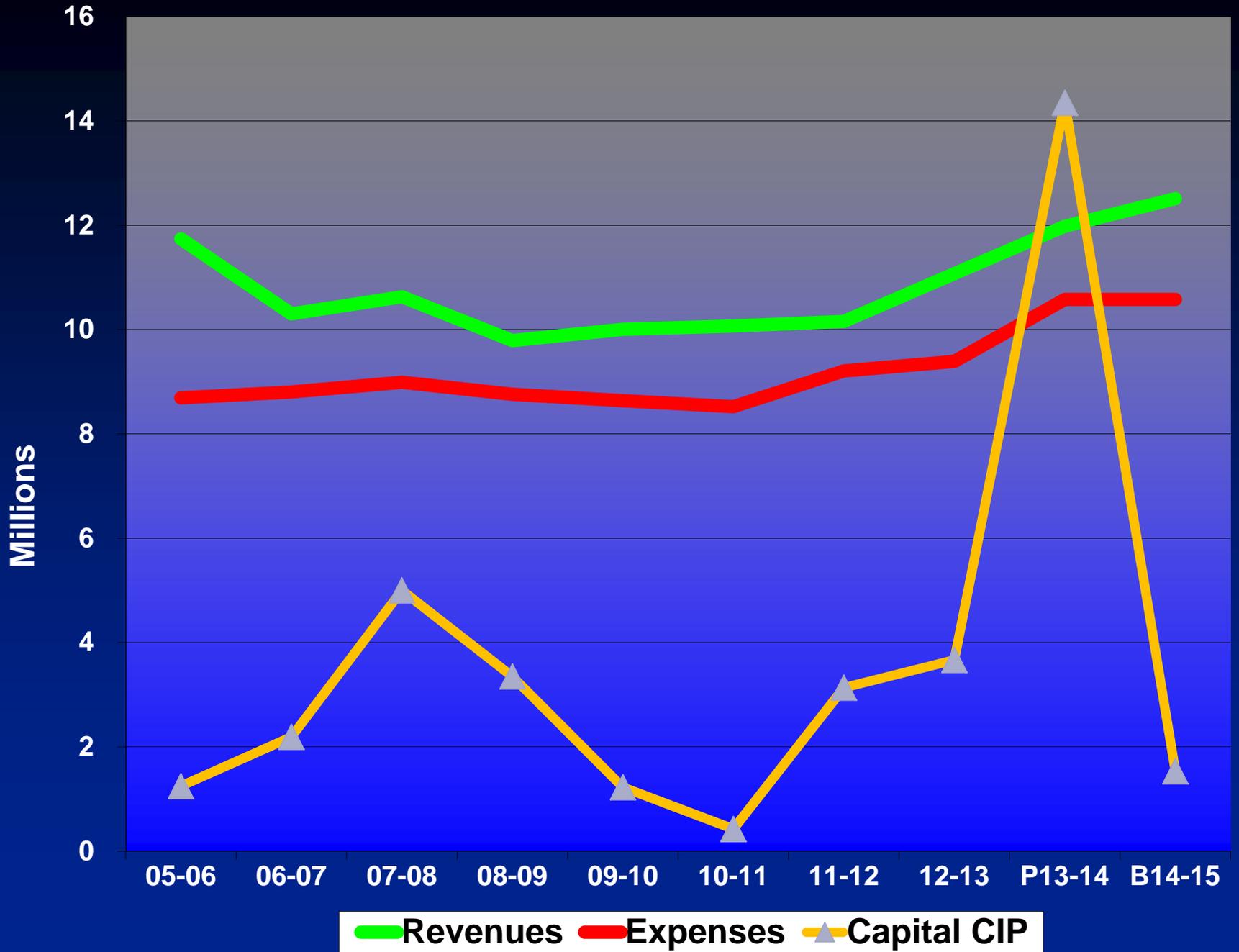
	In Thousands
General Fund Share 7/01/14	\$ 4,147
Contributions from Budget FY 14/15	514
Proposed Capital Acquisition Purchases FY 14/15	(556)
Estimated General Fund Share VRP 6/30/15	<u>\$ 4,105</u>

# Utility Enterprise Funds

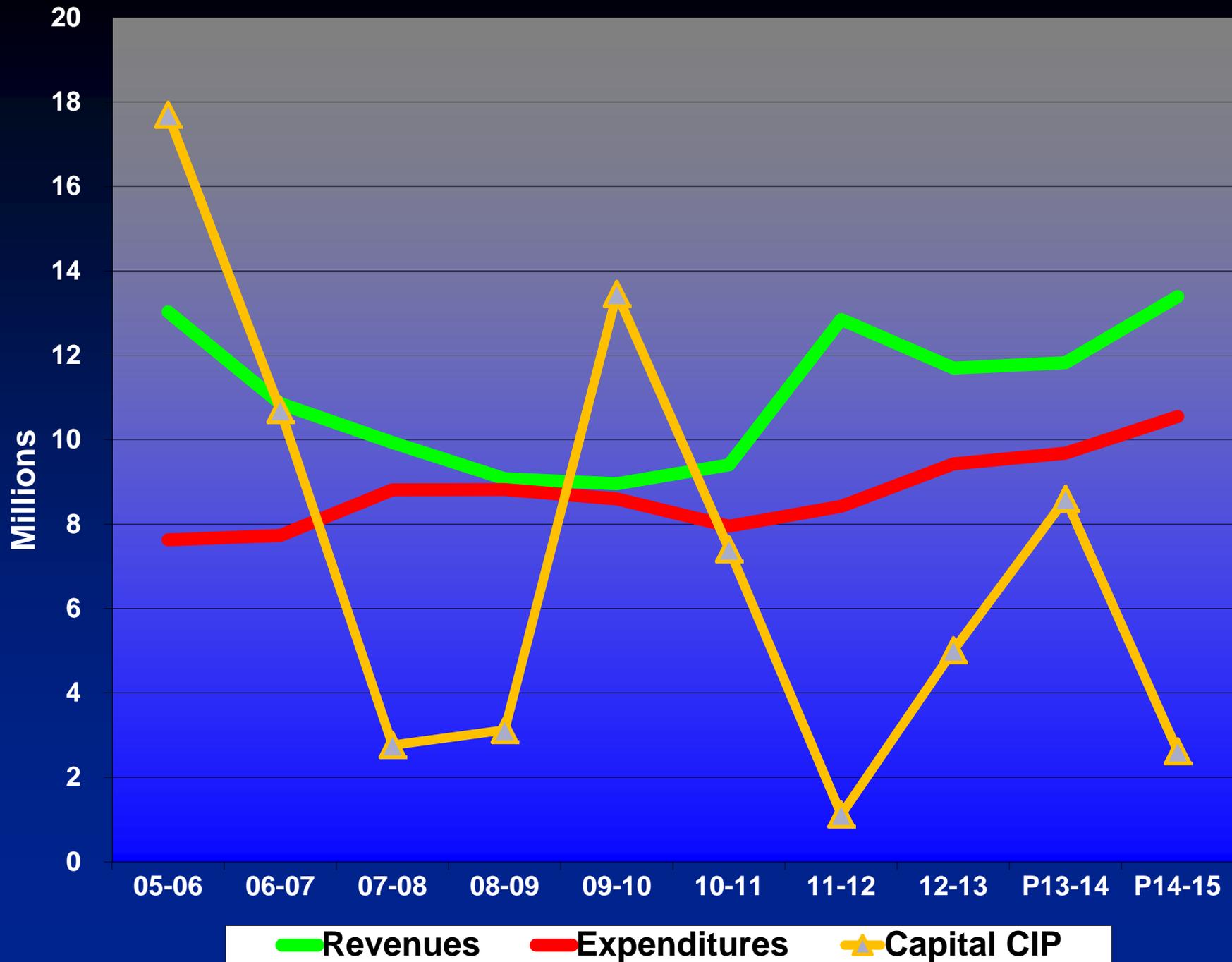
Wastewater

Water

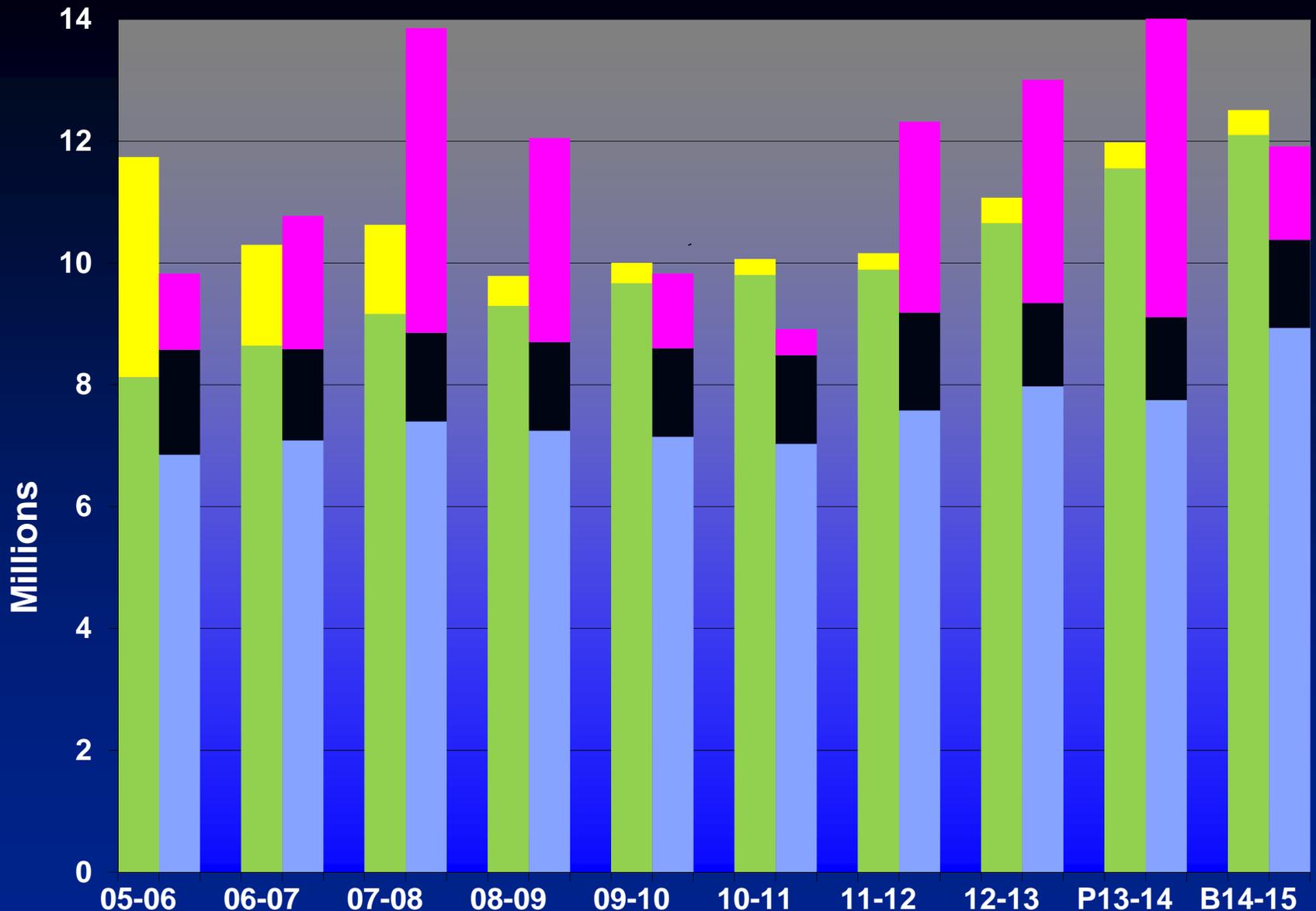
# WASTEWATER



# WATER



# WASTEWATER

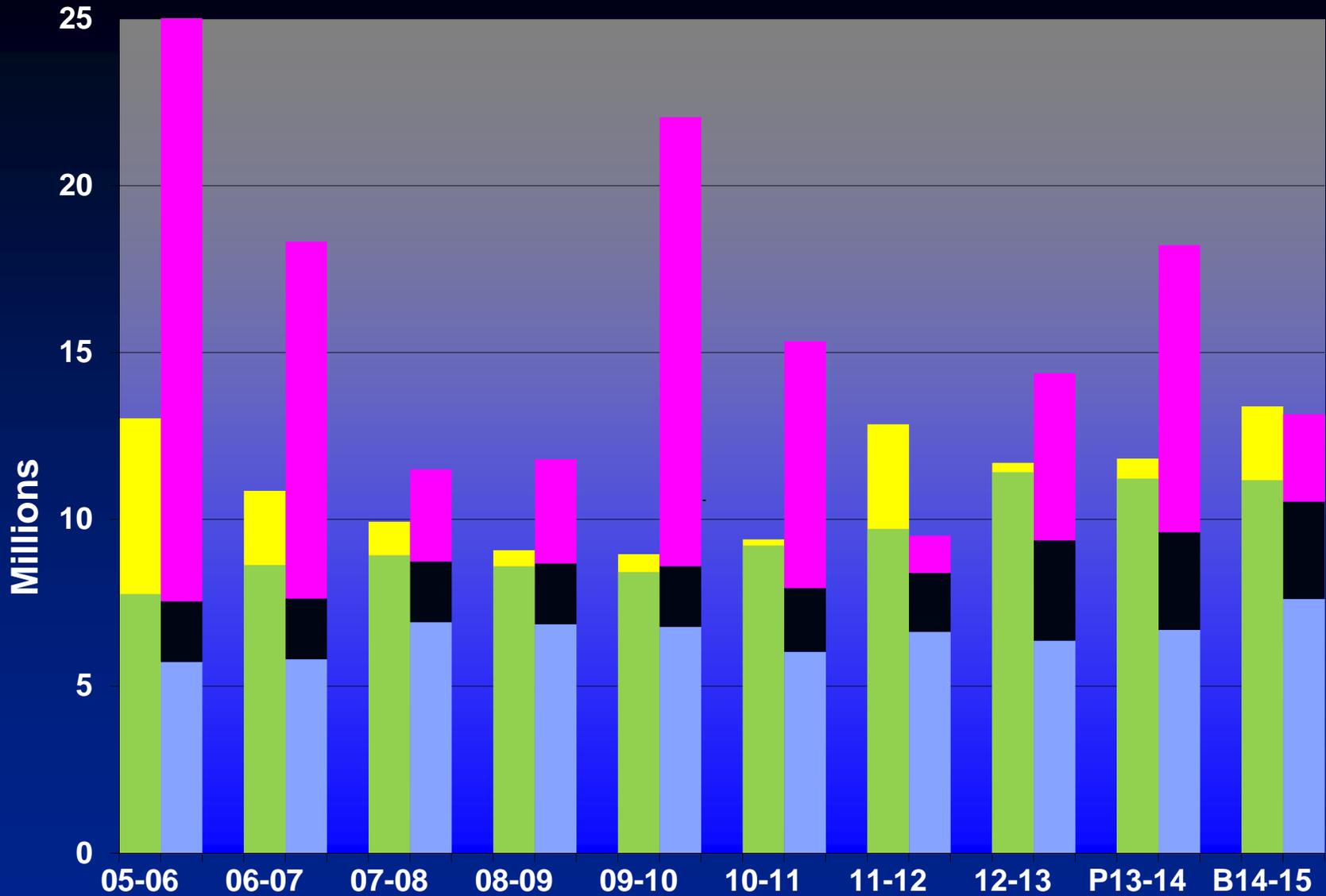


REVENUES

EXPENSES

- Operating
- Capital
- Operating
- Debt Service
- CIP

# WATER



REVENUE

EXPENSES

- Operating
- Capital
- Operating
- Debt Service
- CIP

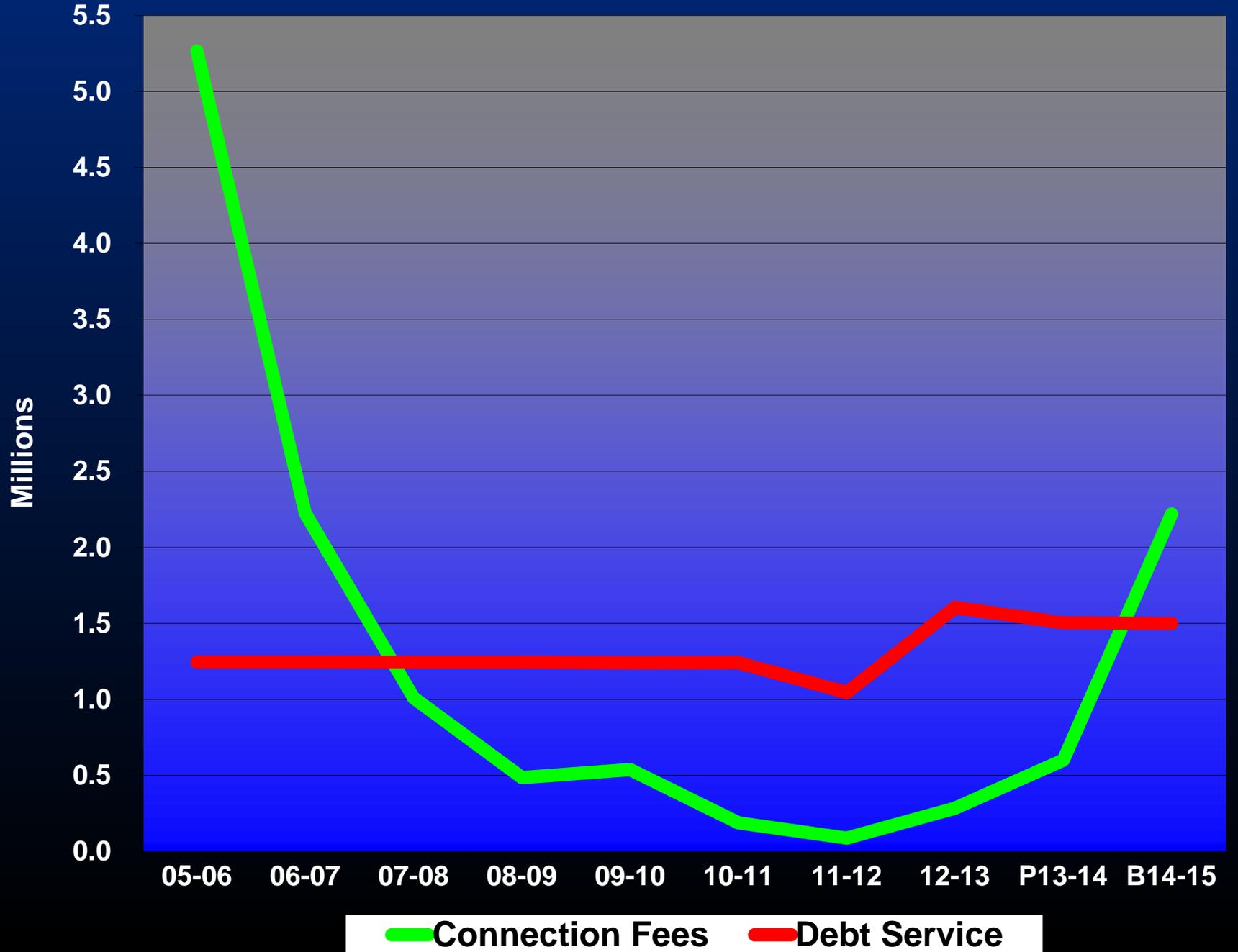
# CAPITAL FUND DEBT COVERAGE

	In Millions	
	Wastewater	Water
Estimated Balance 6/30/15	\$1.439	\$1.984
Annual D/S from connection fees	\$0.770	\$1.499
# of years of coverage available	1.87	1.32

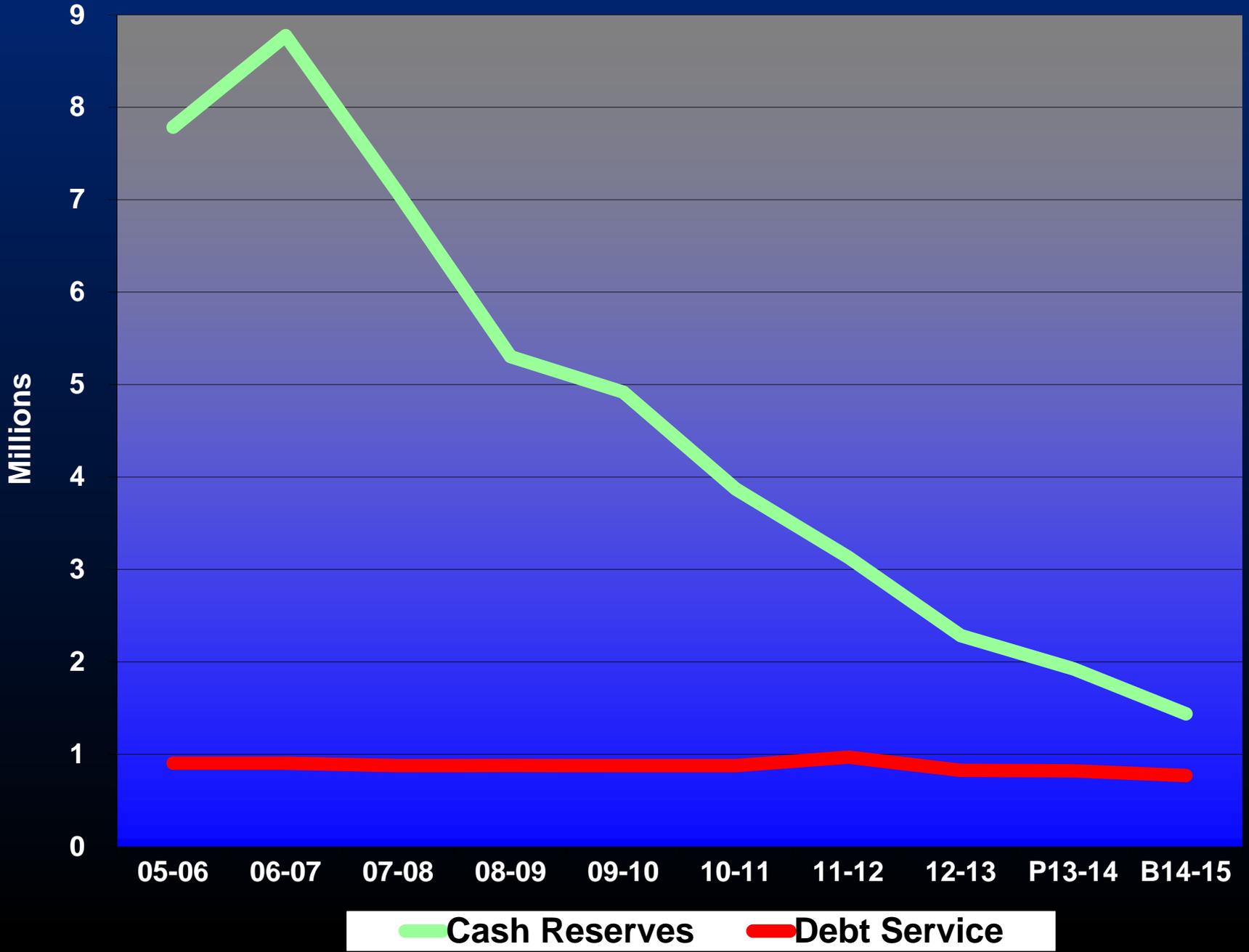
# Wastewater Connection Fees vs. Debt Service



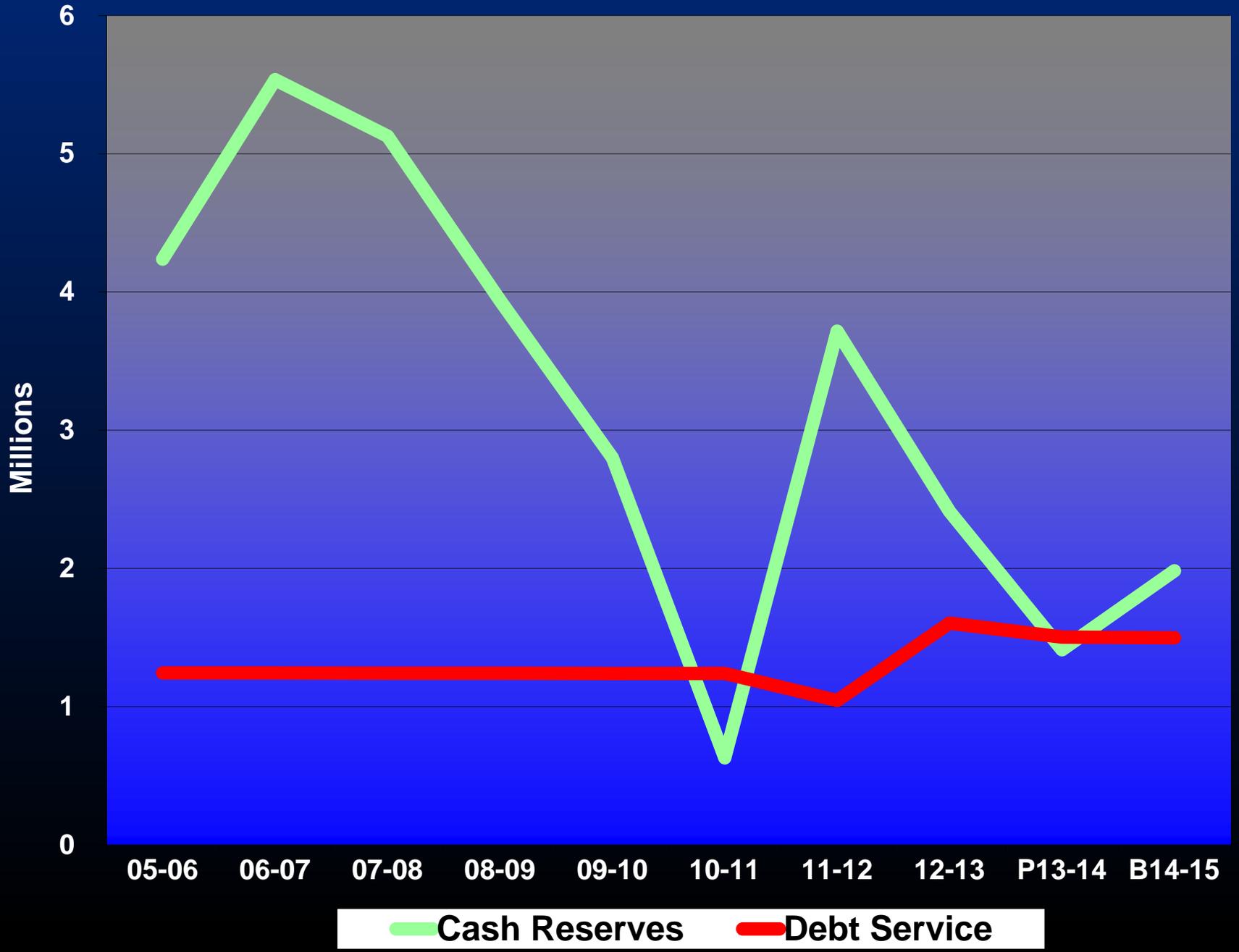
# Water Connection Fees vs. Debt Service



# Wastewater Debt Service vs. Cash Reserves



# Water Debt Service vs. Cash Reserves



Questions?