

FY 2015-16 Forecast & 4-Year Projections



David Cavazos
City Manager
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General Fund(s) Unassigned Fund Balances FY 2012-13 to FY 2013-14



☞ Fiscal Year-Ending Fund Balance:

☞ Unassigned

2012-13	\$30,687,835
2013-14	<u>\$45,297,705</u>
Total - increase / (decrease)	\$14,609,870
Percentage Increase (%) from prior year	48%


☞ Unassigned Fund Balance includes:



☞ Reserve (20% of operations and surplus)	\$41,452,113
☞ Economic Uncertainty	<u>\$ 3,845,592</u>
	\$45,297,705

FY 13-14

Year-End Results



Total General Fund



GENERAL FUND	FY 2013-14 ADOPTED BUDGET	FY 2013-14 ACTUALS	VARIANCE Budget vs. Actuals	
Total Revenues	\$ 205,741,000	\$ 211,499,355	\$ 5,758,355	 2.8%
Total Expenditures	\$ 205,741,000	\$ 197,715,980	\$ (8,025,020)	 -3.9%








2nd quarter 2014-15 projections vs. actuals total general fund



GENERAL FUND	FY 2014-2015 2nd QUARTER PROJECTED	FY 2014-2015 2nd QUARTER ACTUALS	VARIANCE		
Total Revenues*	\$ 67,968,279	\$ 70,390,642	\$ 2,422,363		3.6%
Total Expenditures*	\$ 103,370,062	\$ 101,078,470	\$ (2,291,592)		-2.2%

*From July 1, 2014 to December 31, 2014

2nd quarter - 2014-15 GF Major Revenues Projections vs. Actuals


REVENUE SOURCE	FY 2014-2015 2nd QUARTER PROJECTED	FY 2014-2015 2nd QUARTER ACTUALS	VARIANCE		
Property Tax*	\$ 14,908,195	\$ 16,108,583	\$ 1,200,388		8.1%
UUT*	10,251,432	11,658,103	1,406,671		13.7%
Sales Tax*	11,404,170	11,252,814	(151,356)		-1.3%
Hotel Visitors Tax*	3,402,742	3,774,813	372,071		10.9%
Business License*	2,310,695	2,418,032	107,337		4.6%
Property Tax In-Lieu of VLF*	203,498	150,097	(53,401)		-26.2%
TOTAL*	\$ 42,480,732	\$ 45,362,442	\$ 2,881,710		6.8%



*From July 1, 2014 to December 31, 2014

FY 14-15

Projected Year-End Results

Total General Fund



GENERAL FUND	FY 2014-15 REVISED BUDGET	FY 2014-15 FORECAST	VARIANCE Budget vs. Forecast	
Total Revenues	\$ 208,918,360	\$ 215,691,000	\$ 6,772,640	 3.2%
Total Expenditures	\$ 208,918,360	\$ 204,684,000	\$ (4,234,360)	 -2.0%

Projected Year-End Results: \$10M - \$12M

Fiscal Year 2015-16 Forecast and 4-year Projections

February 2015

Major Assumptions:

- Higher than forecasted revenues (Forecast: \$201.8M vs Actual: \$211.5M) and lower expenditures (Forecast: \$200.9M vs Actual: \$197.7M) in FY 13-14.
- Includes \$6M in additional service levels such as the Strategic Plan, Civic Center Maintenance, additional inspection, permit, plan Check staff
- Increased new Jail revenue (Bureau of Prisons) in FY 14-15 by \$200K.
- Increased new Building Permit revenue in FY 14-15 by \$1.2M
- Sales Tax Revenue growth of 4% in FY 15-16.
- Increased new UUT revenue in FY 15-16 and to increase in FY 16-17 by \$2.7M.
- New measure BB forecasted revenue/costs in FY 15-16 of \$1.5M.
- Includes \$1M in matching funds associated with the COPS Grant for 10 Police Officers in FY15-16
- 1.0% ongoing innovation and efficiency savings (\$2.1M annually)
- Includes funding to implement the 5-year Strategic Plan (\$3M annually 2014/15 - 2018/19)

Forecast Highlights & Accomplishments

- œ Incorporates achievement of 20% General Fund reserve level
- œ Forecast modifies Sales Tax growth factor from 2% to 4%
- œ Updated revenue projections from UUT due to the recent ordinance adoption
- œ Reflects new & used auto sales that have far exceeded the anticipated sales growth
- œ Increased development activity in FY 13-14 resulting in approx. \$772k in additional revenue
- œ Refinanced debt service to realize savings in financing costs:
 - œ Police Administration & Jail Facility (\$3M)
 - œ Water Bond Savings (\$1.6M) & Capital Projects Funding (\$5.9M)
 - œ Secured release of escrow from the Orange County Fire Authority (\$2.9M)
- œ Adjusted rates to recover jail costs of \$1.4M
- œ Forecast reflects the utilization of part-time correctional staff achieving \$386K in savings
- œ Includes savings with adopted FY 14-15 budget workforce changes of over \$266K
- œ Year-over-year overtime savings in PD (\$2.1M)
- œ Embedded a 7% revised health insurance growth, no changes in salary costs, and maintains adequate staffing levels
- œ Implemented innovative & efficiency measures, such as:
 - œ Installation of new parking meters with improved technology in the Downtown
 - œ Consolidation of all public front counter services
 - œ Installation of a 24-hour payment kiosk in City Hall
 - œ Secured \$10M in new grants

Updated GF Forecast-W/Revisions February 2015

