



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: May 19, 2015

TO: Finance Committee

FROM: Administration Division, Finance Department

SUBJECT: Finance Committee Review Of The Proposed Two-Year Financial Plan For Fiscal Years 2016 And 2017

RECOMMENDATION: That Finance Committee:

- A. Hear a report from staff on the Recommended Budget for Fiscal Year 2016 which will include a pension update, a status report on the Employee Mortgage Loan Assistance Program (EMLAP), staff-proposed adjustments to the fiscal year 2016 recommended budget; and
- B. Make final decisions and recommendations to Council relative to the items presented to the Finance Committee in connection with the fiscal year 2016 recommended budget.

DISCUSSION:

Over the last several weeks, the Finance Committee has received reports from staff on various aspects of the fiscal year 2016 recommended budget in accordance with the approved Finance Committee review schedule, as revised. Today's meeting will cover the following topics:

1. Pension update
2. Employee Mortgage Loan Assistance Program (EMLAP) status
3. Follow-up on items requested by Finance Committee
4. Staff-proposed adjustments

These items are the last of the topics to be reviewed by the Finance Committee. As such, staff will be asking the Finance Committee to provide staff with recommendations relative to all items considered by the Finance Committee. In addition to the topics discussed at the current meeting, the other topics include the following:

Finance Committee Agenda Report

Finance Committee Review Of The Proposed Two-Year Financial Plan For Fiscal Years 2016 And 2017

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1. General Fund tax revenue assumptions
2. Proposed changes to General Fund and Enterprise Fund fees, charges, and rates
3. Proposed Airport Fund budget, including the proposed reduction in Aircraft, Rescue and Fire Fighting (ARFF) services
4. Requests from outside organizations

The recommendations of the Finance Committee will be forwarded to Council on Monday, June 1, the first meeting scheduled for the City Council to consider the entirety of the fiscal year 2016 recommended budget.

ATTACHMENTS:

1. Approved Finance Committee Budget Review Schedule
2. Schedule of Staff Recommended Adjustments to the Proposed Two-Year Financial Plan for Fiscal Years 2016 and 2017

SUBMITTED BY: Robert Samario, Finance Director/Acting Assistant City Administrator

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Finance Committee Review Schedule
Two-Year Financial Plan for Fiscal Years 2016 and 2017

| Meeting Date and Time | Department |
|--|---|
| Tuesday, April 21, 2015 12:30 p.m. – 1:45 p.m. | <ul style="list-style-type: none"> ➤ Proposed Finance Committee Budget Review Schedule |
| Tuesday, April 28, 2015 12:00 p.m. – 1:45 p.m. | <ul style="list-style-type: none"> ➤ General Fund non-departmental revenues and assumptions ➤ General Fund Multi-Year Forecast ➤ March 31, 2015 Investment Report & Fiscal Agent Report (Non-Budget Item) ➤ ARFF Discussion (Non-Budget Item) |
| Tuesday, May 5, 2015 12:30 p.m. – 1:45 p.m. | <ul style="list-style-type: none"> ➤ General Fund departmental proposed fee changes ➤ Rental Assistance Grants (Non-Budget Item) ➤ Turner Foundation Loan (Non-Budget Item) |
| Tuesday, May 12, 2015 12:30 p.m. – 1:45 p.m. | <ul style="list-style-type: none"> ➤ Enterprise fund proposed fee changes ➤ Funding Requests from Community Organizations |
| Tuesday, May 19, 2015 12:00 p.m. – 1:45 p.m. | <ul style="list-style-type: none"> ➤ Pension Update ➤ Employee Mortgage Loan Assistance Program (EMLAP) Status ➤ Follow-up on items requested by Finance Committee ➤ Staff recommended adjustments, if any ➤ Finance Committee decisions/ recommendations ➤ FY15 Third Quarter Review (Non-Budget Item) |

ATTACHMENT 1

Note: No Council meeting on May 26, 2015.

CITY OF SANTA BARBARA
Schedule of Staff Recommended Adjustments
Two-Year Financial Plan for Fiscal Years 2016 and 2017

| | Estimated Revenue* | Appropriations* | Addition to/ (Use of) Reserves |
|--|-----------------------|--------------------|--------------------------------------|
| GENERAL FUND | | | |
| Administrative Services Department | | | |
| Shift corresponding costs (vehicle allowance and allocated costs) from the City Administrator's Office to Administrative Services for staff costs already moved to the new Administration program in the Administrative Services Department. | \$ - | \$ 23,861 | |
| City Administrator's Office | | | |
| Shift corresponding costs (vehicle allowance and allocated costs) from the City Administrator's Office to Administrative Services for staff costs already moved to the new Administration program in the Administrative Services Department. | - | (23,861) | |
| Increase transfer of City TV PEG (Public Education and Government access) Fee revenue to the Capital Outlay Fund for the City TV capital project reserve so the full amount of PEG revenue estimated to be received is appropriated. | - | 3,000 | |
| General Government | | | |
| Reduce appropriated reserves to balance the General Fund. | - | (3,000) | |
| General Fund Fund Total | \$ - | \$ - | \$ - |
| CAPITAL OUTLAY FUND | | | |
| City Administrator's Office | | | |
| Increase transfer in from the General Fund for the City TV PEG Fee capital project reserve, as described above. | \$ 3,000 | \$ - | |
| Capital Outlay Fund Total | \$ 3,000 | \$ - | \$ 3,000 |
| CREEKS FUND | | | |
| Parks and Recreation Department | | | |
| Reduce transfer of Measure B funds to the Street Sweeping Fund due to reduced costs in the Street Sweeping Fund, as described below. | \$ - | \$ (43,480) | |
| Creeks Fund Total | \$ - | \$ (43,480) | \$ 43,480 |

| | Estimated Revenue* | Appropriations* | Addition to/ (Use of) Reserves |
|---|-----------------------|------------------|--------------------------------------|
| STREETS FUND | | | |
| Public Works Department | | | |
| Move costs for the City's general National Pollutant Discharge Elimination System (NPDES) permit from the Street Sweeping Fund, as described below. | \$ - | \$ 30,000 | |
| Streets Fund Total | \$ - | \$ 30,000 | \$ (30,000) |

| | | | |
|---|--------------------|--------------------|------------------|
| STREET SWEEPING FUND | | | |
| Public Works Department | | | |
| Move costs for the City's general NPDES permit to the Streets Fund. This is requested by Public Works staff, Creeks staff, and the Creeks Advisory Committee to reduce the amount of Measure B revenue funding needed to help support the Street Sweeping Fund. The transfer of Measure B funds from the Creeks Fund is adjusted to reflect the reduced costs for the NPDES permit and other supplies/services, and moving costs between the residential and commercial programs in the Street Sweeping Fund to better align program revenues with program costs. | \$ (43,480) | \$ (55,000) | |
| Street Sweeping Fund Total | \$ (43,480) | \$ (55,000) | \$ 11,520 |

* Note: Amounts shown above are for FY 2016, however similar adjustments are also proposed for the second year of the Proposed Two-Year Financial Plan (FY 2017).