



***FISCAL YEAR 2016
BUDGET PREPARATION WORKSHOP***

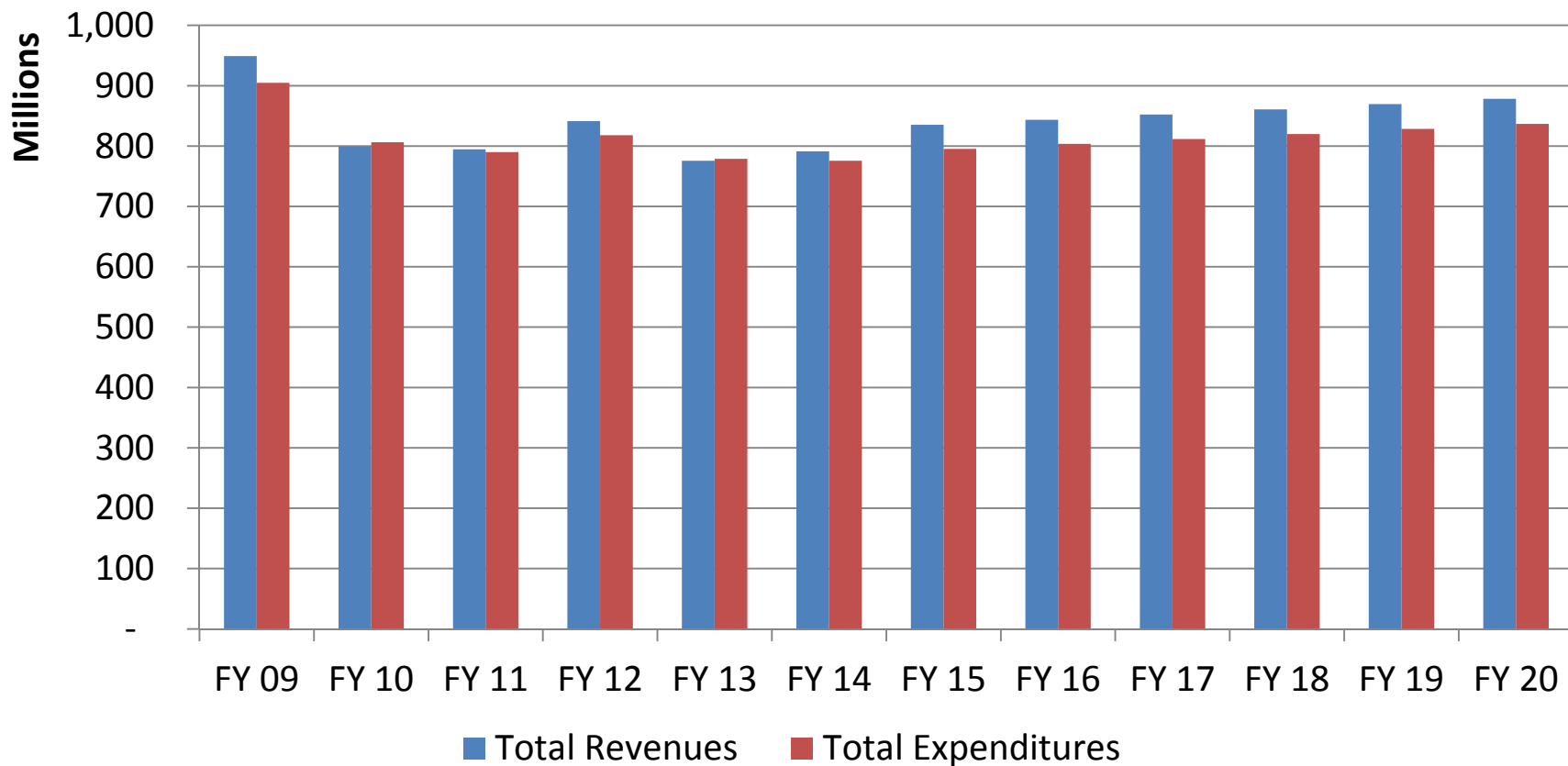
City Council
December 1, 2014





Fiscal Summary – All Funds

All Funds Revenues vs Expenditures



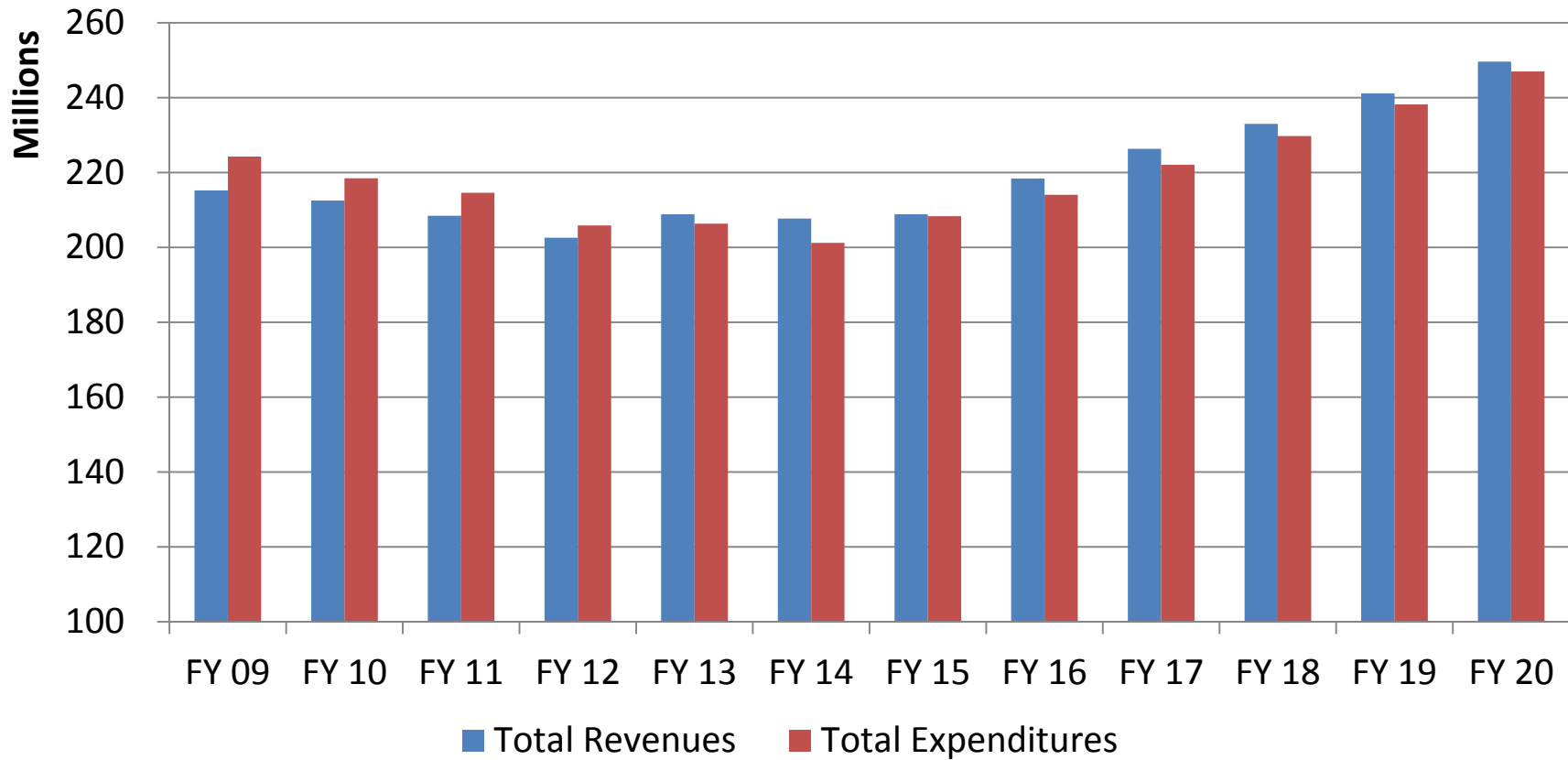
Amounts from FY15 through FY 20 grossed up to include transfers between funds to more accurately compare to historical CAFR amounts

PASADENA



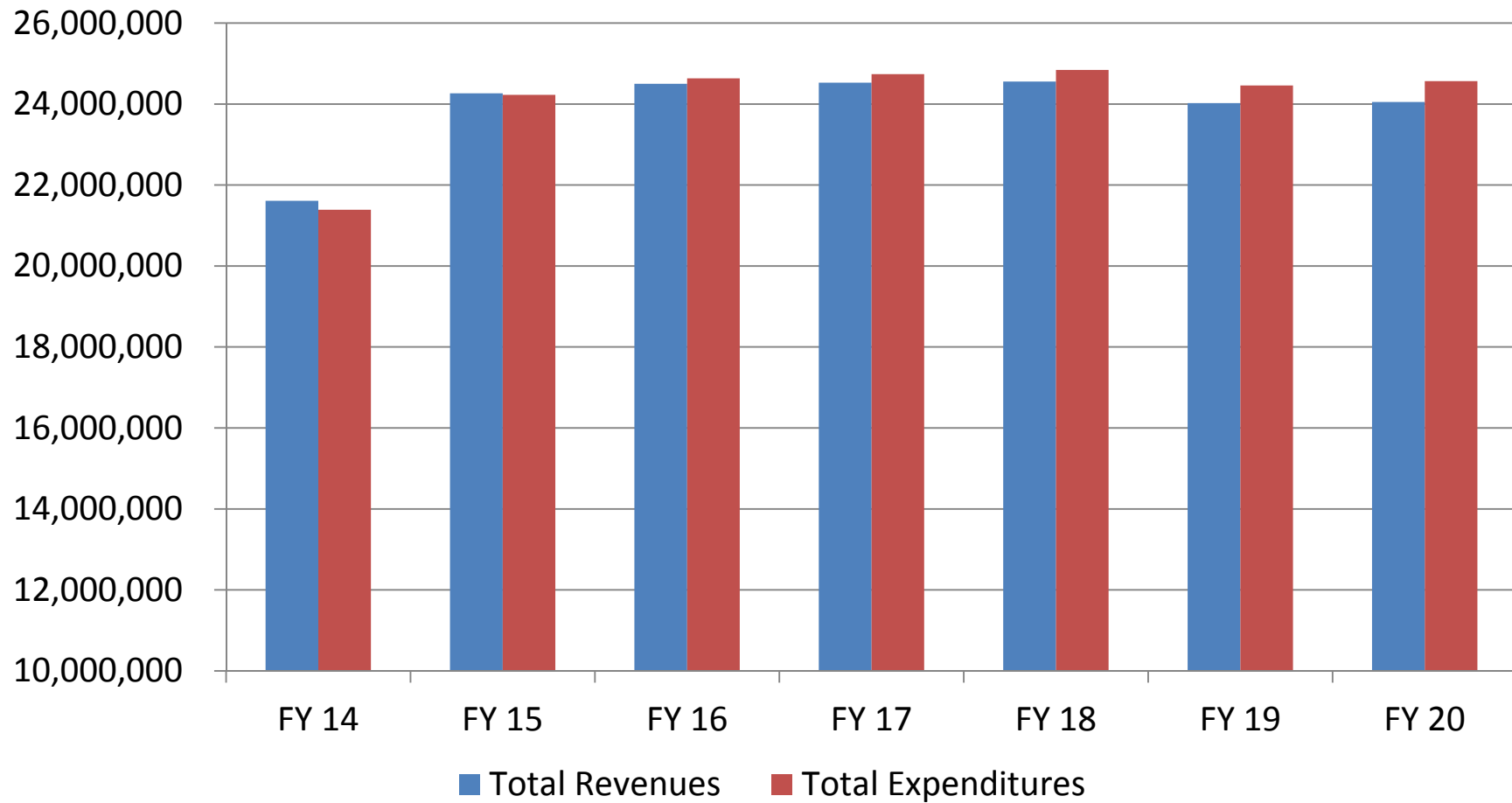
Fiscal Summary - GF

General Fund Revenues vs Expenditures



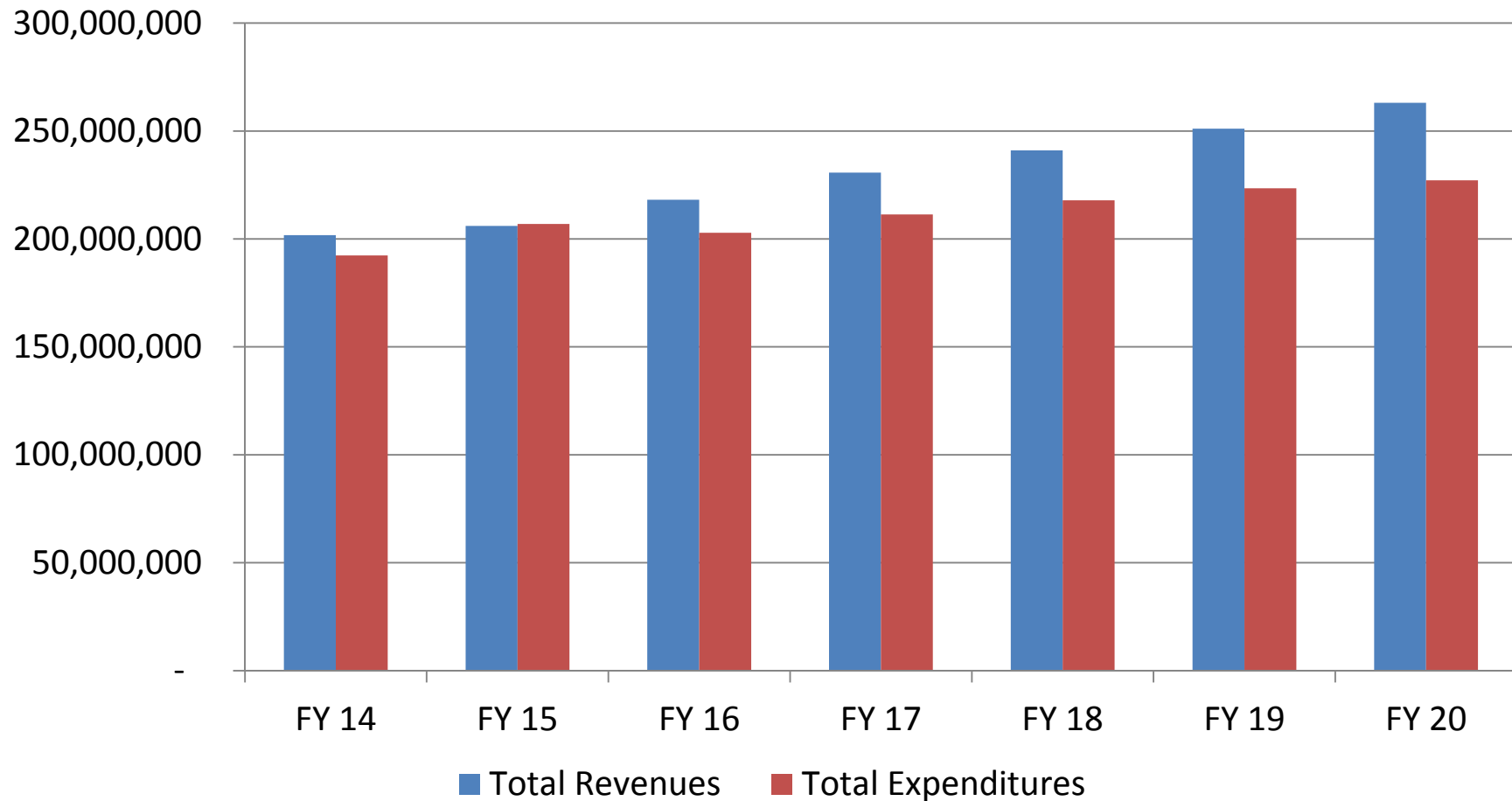


Fiscal Summary – Housing & Career Services Dept.



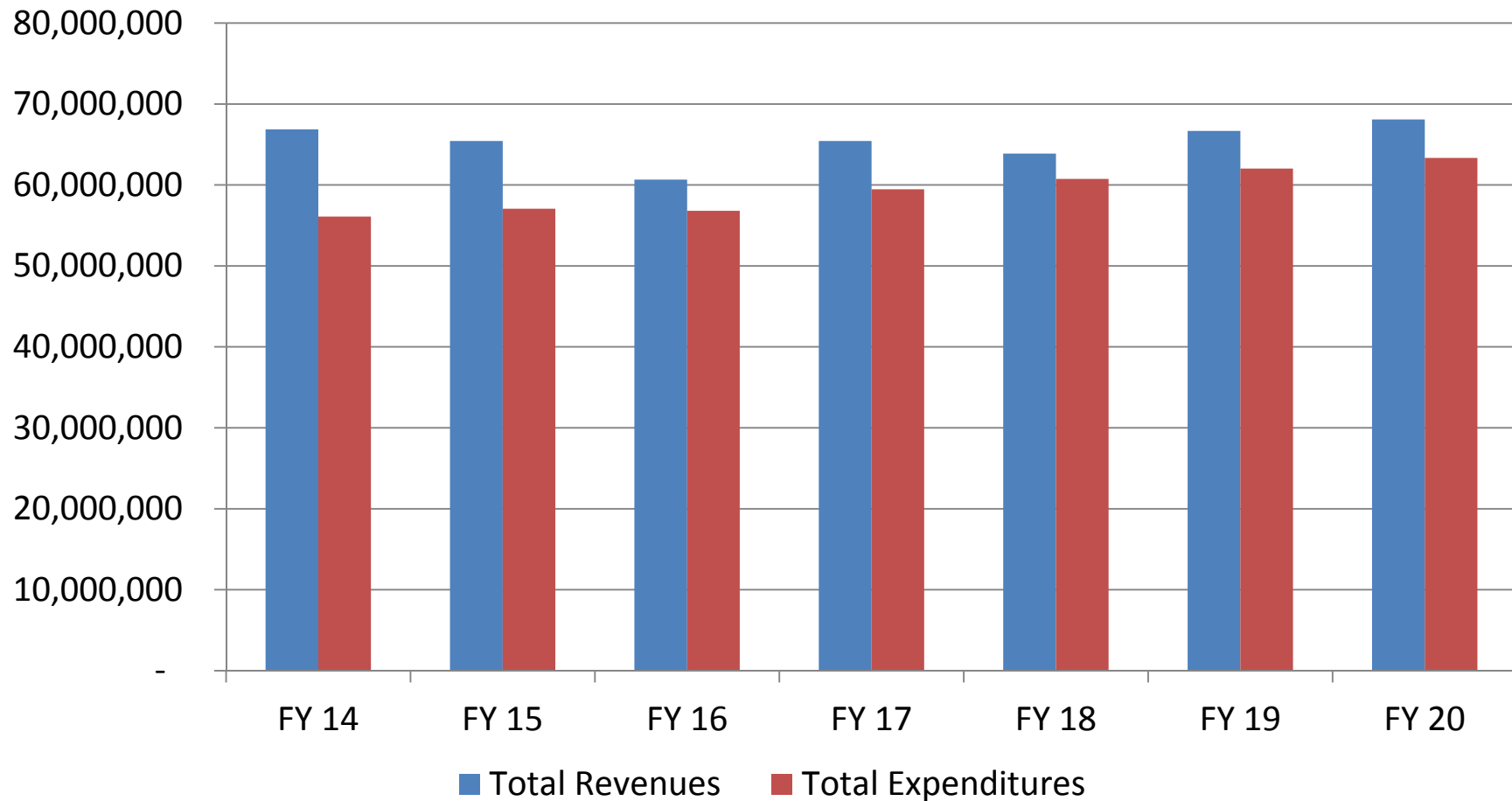


Fiscal Summary – Power Fund



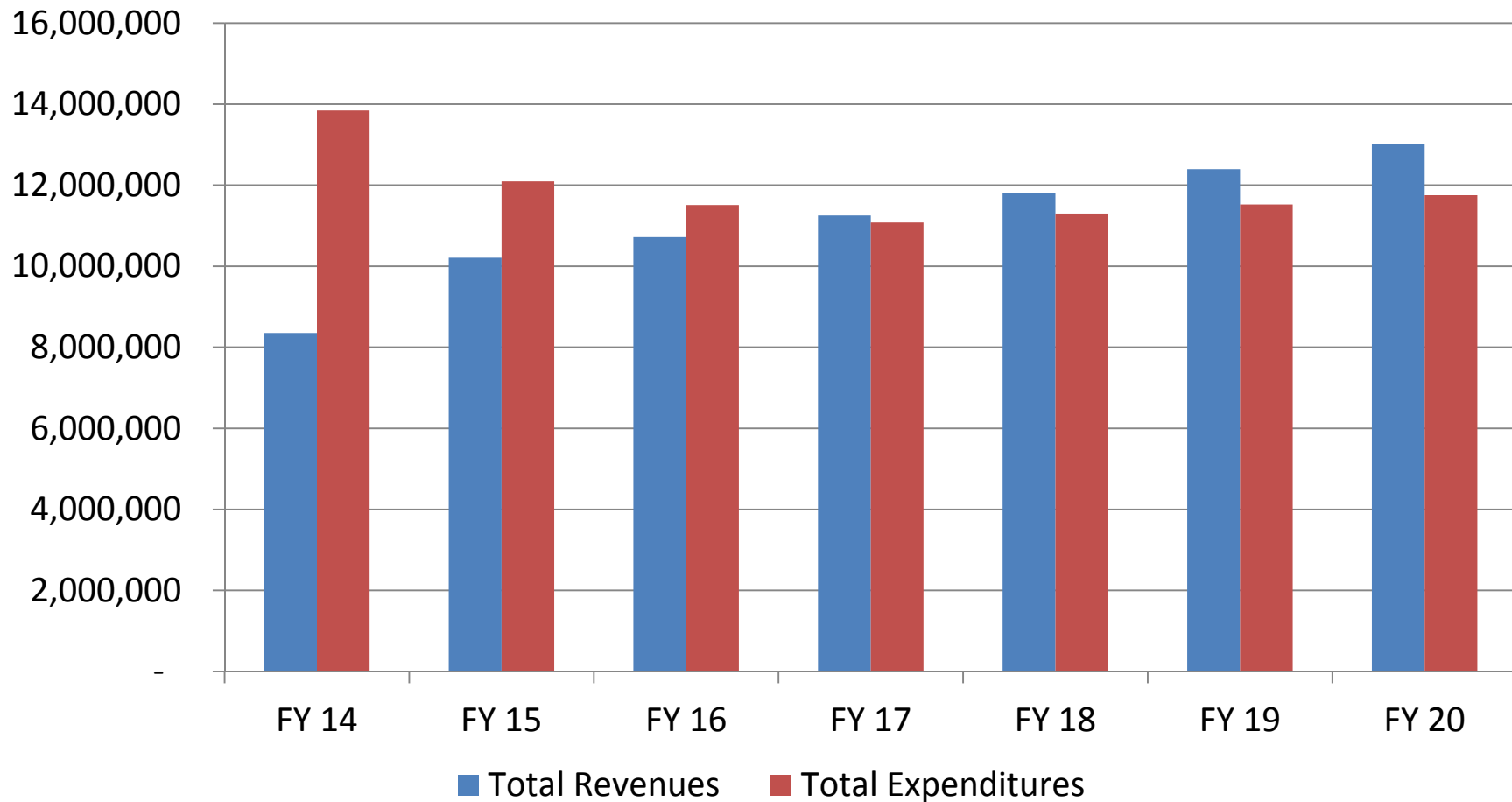


Fiscal Summary – Water Fund





Fiscal Summary – Workers Comp





Fiscal Summary

FY 2014 compared to FY 2013

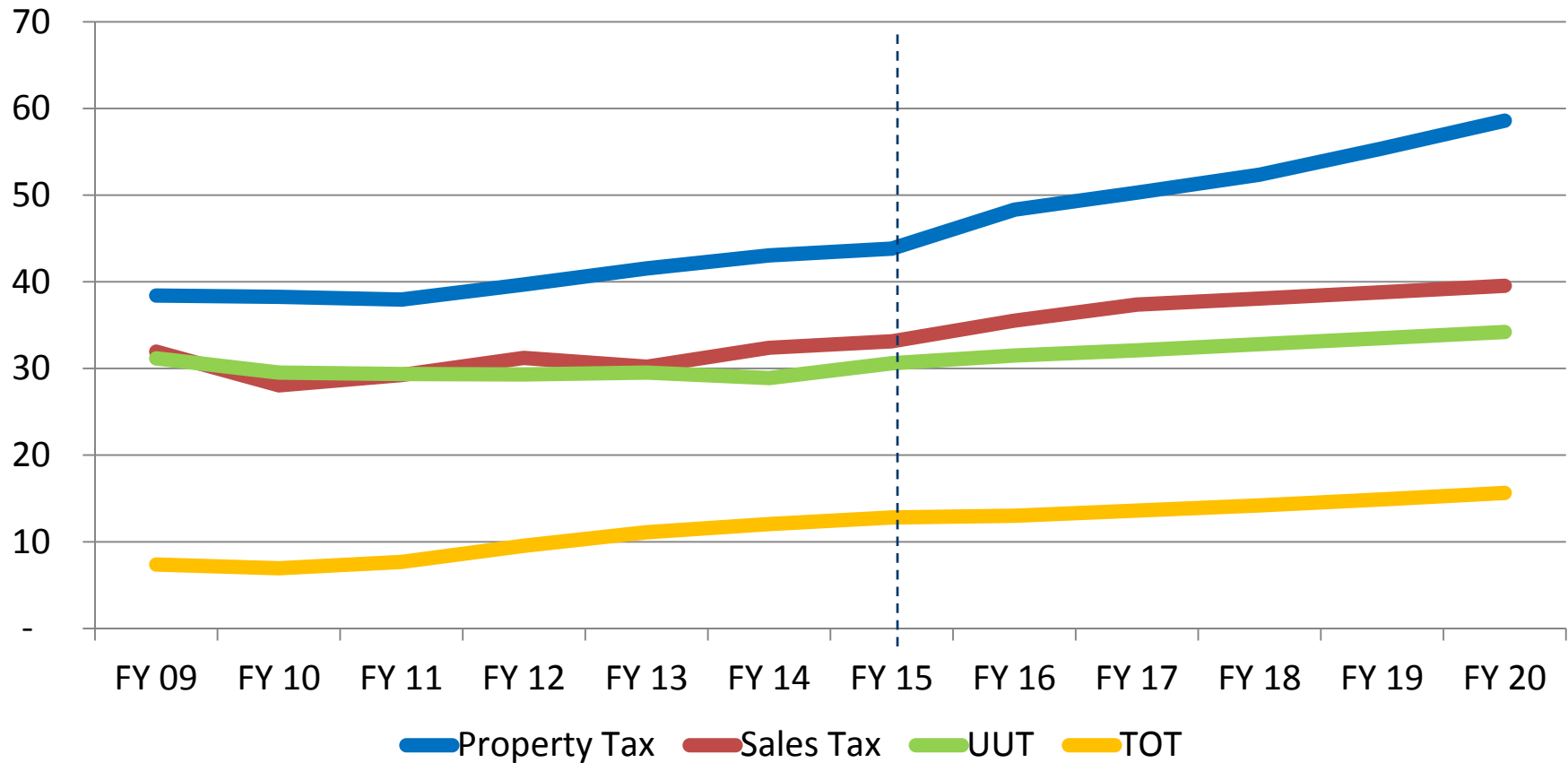
- City assessed value grew 5.4%
- New hotel/motel, multi-family, and commercial projects are in various stages of completion
- Value of building permits issued increased 79%
- Property Tax revenues up 3.6%
- Sales Tax revenues up 7.3%
- Transient Occupancy Tax up 8.4%

Note: Amounts are preliminary unaudited and subject to change



Fiscal Summary - GF

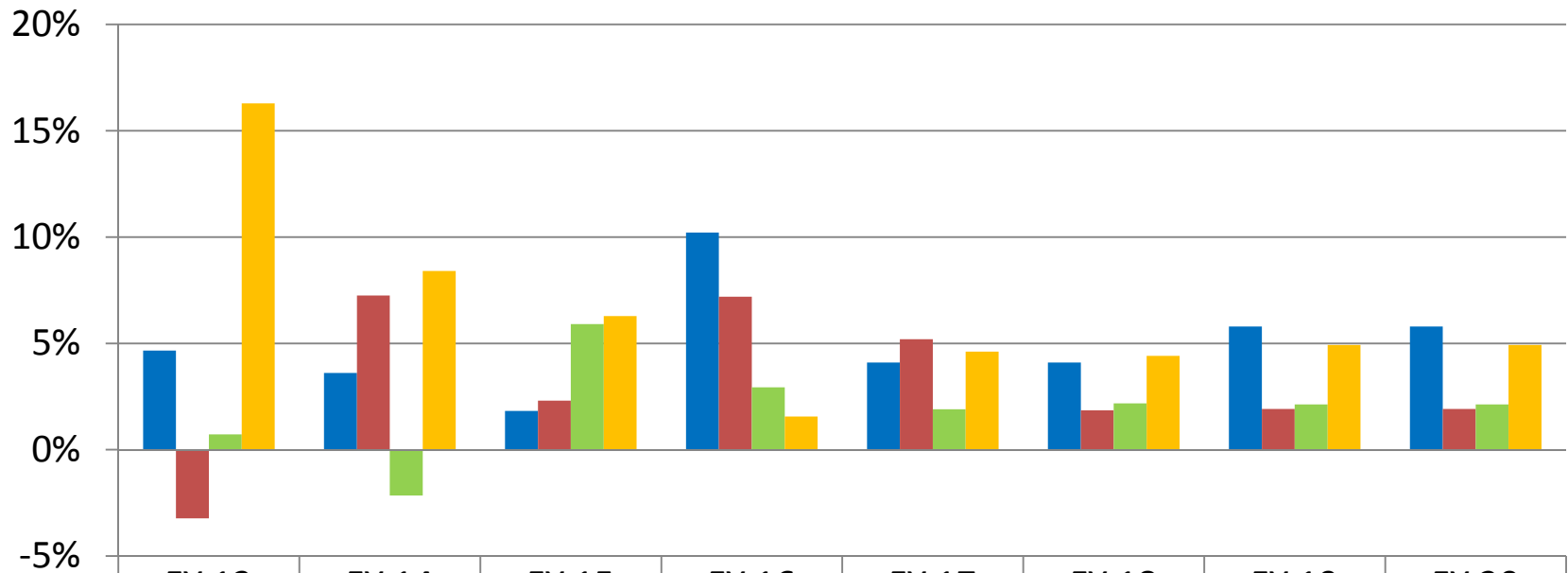
Major General Fund Revenue (in millions)





Fiscal Summary - GF

Year-Over-Year Percent Change in Major General Fund Tax Revenues

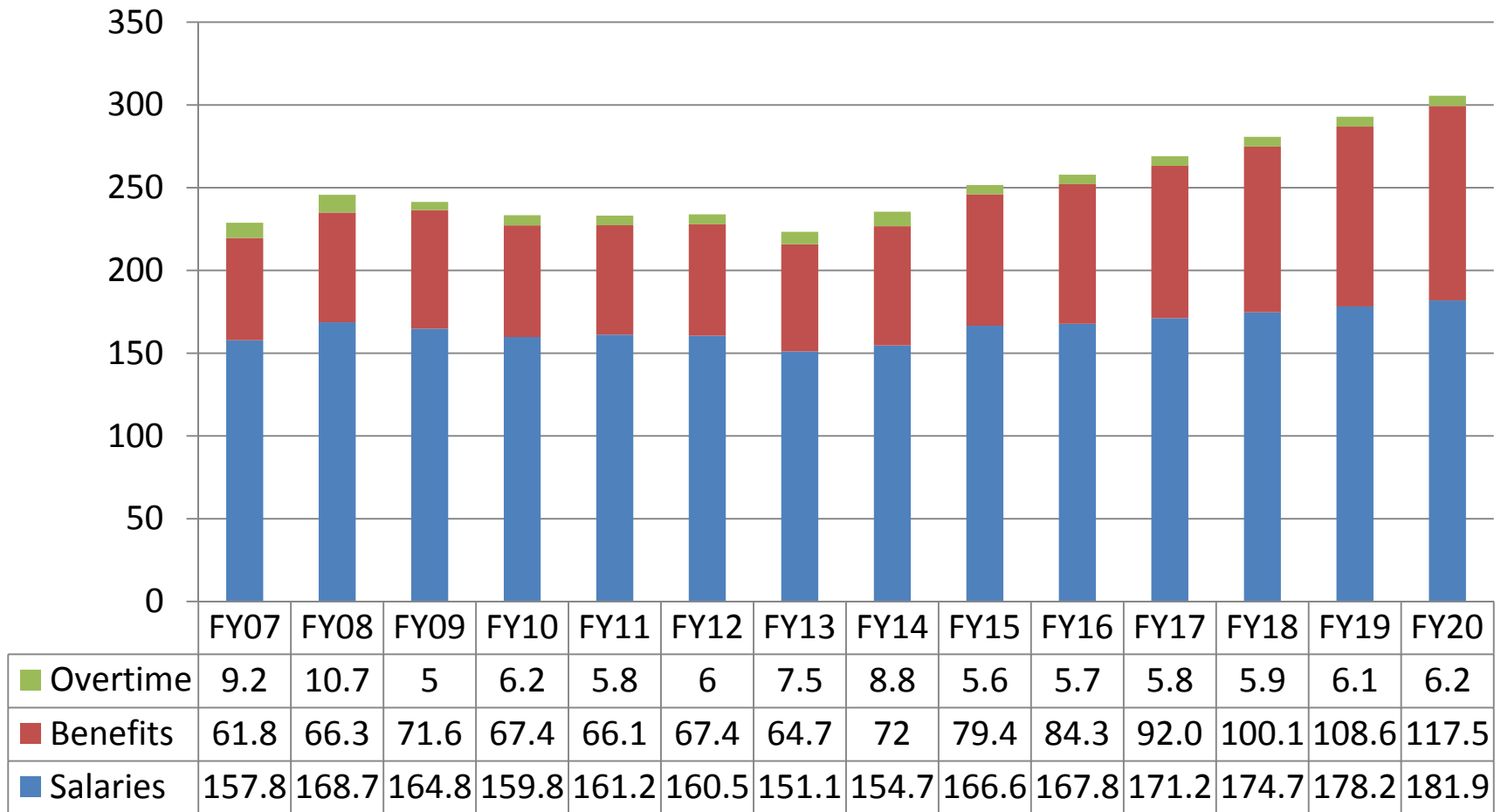


	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
■ Property Tax	4.66%	3.61%	1.83%	10.21%	4.10%	4.10%	5.80%	5.80%
■ Sales Tax	-3.22%	7.25%	2.31%	7.20%	5.20%	1.86%	1.92%	1.92%
■ UUT	0.72%	-2.15%	5.91%	2.94%	1.90%	2.18%	2.13%	2.13%
■ TOT	16.29%	8.41%	6.29%	1.56%	4.62%	4.41%	4.93%	4.93%



Fiscal Summary – All Funds

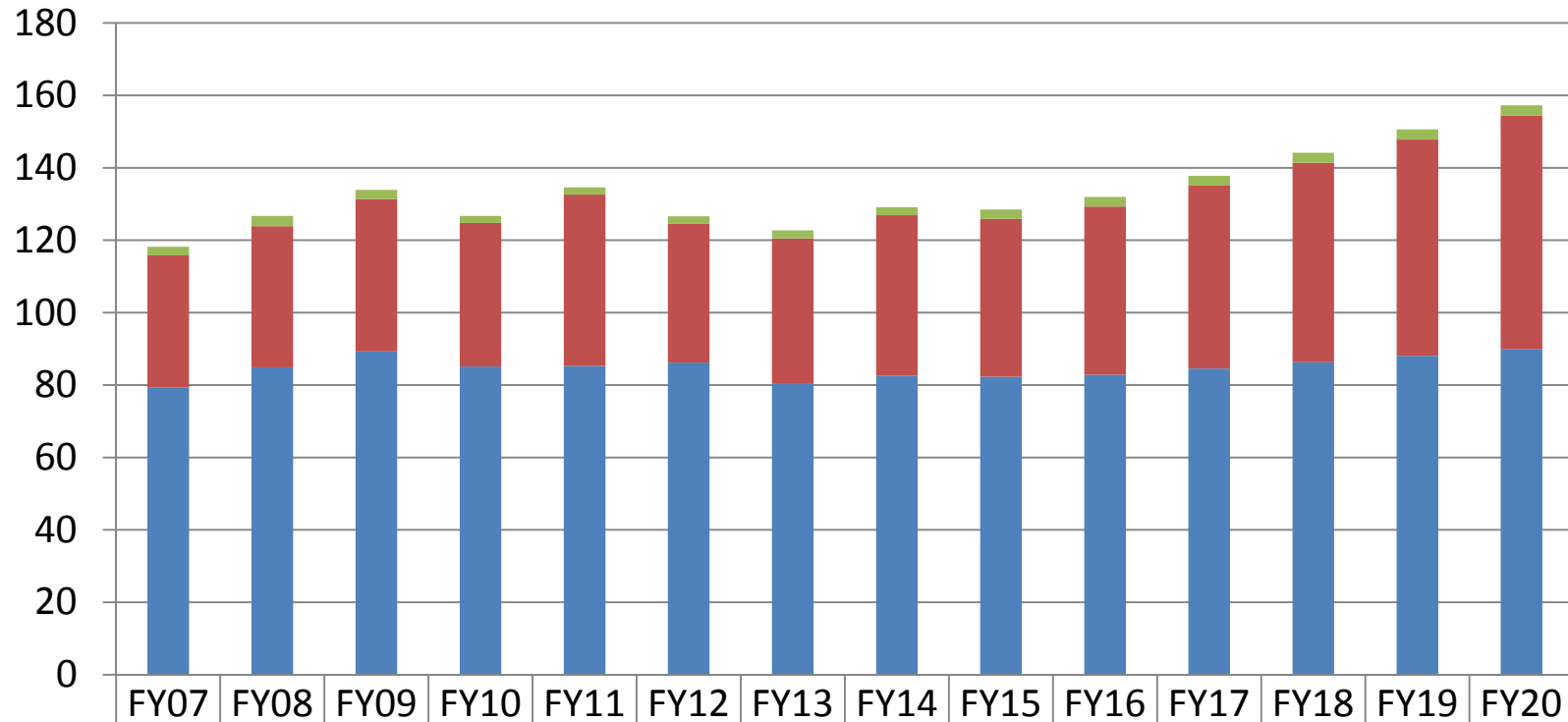
City-wide Personnel Cost since FY 2007 (in millions)





Fiscal Summary - GF

General Fund Personnel Cost since FY 2007 (in millions)



	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Overtime	2.4	2.8	2.5	1.9	2	2	2.2	2.2	2.6	2.7	2.7	2.8	2.8	2.9
Benefits	36.4	39	42.1	39.7	47.3	38.4	40	44.3	43.6	46.4	50.5	55.1	59.7	64.6
Salaries	79.4	84.9	89.3	85.1	85.3	86.2	80.5	82.6	82.3	82.9	84.6	86.3	88.1	89.8



Economic Climate and Trends

CalPERS Pension

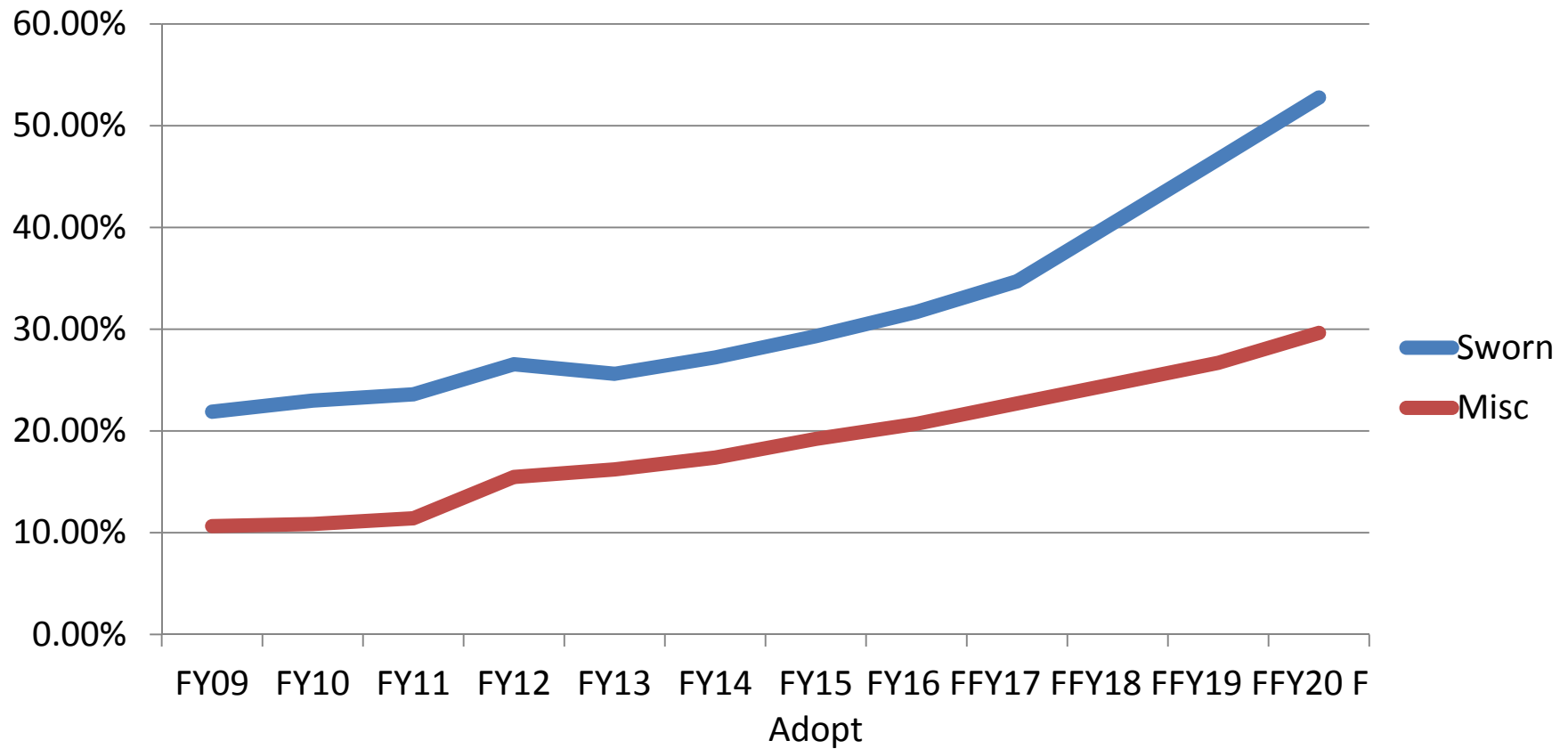
- Employer rates up 81% for misc. and 34% for sworn employees since FY 2009
- Pension costs have increased approx. \$3.9M in the GF FY 2009 -15
- Market Value of Assets as of FY 2013 valuation – 73.9% safety; 72.7% misc.
- Market Value of Assets unfunded liability as of FY 2013 valuation – \$119.2M safety; \$241.2M misc.



CalPERS Pension

CalPERS Pension Rates – 5 yr going forward

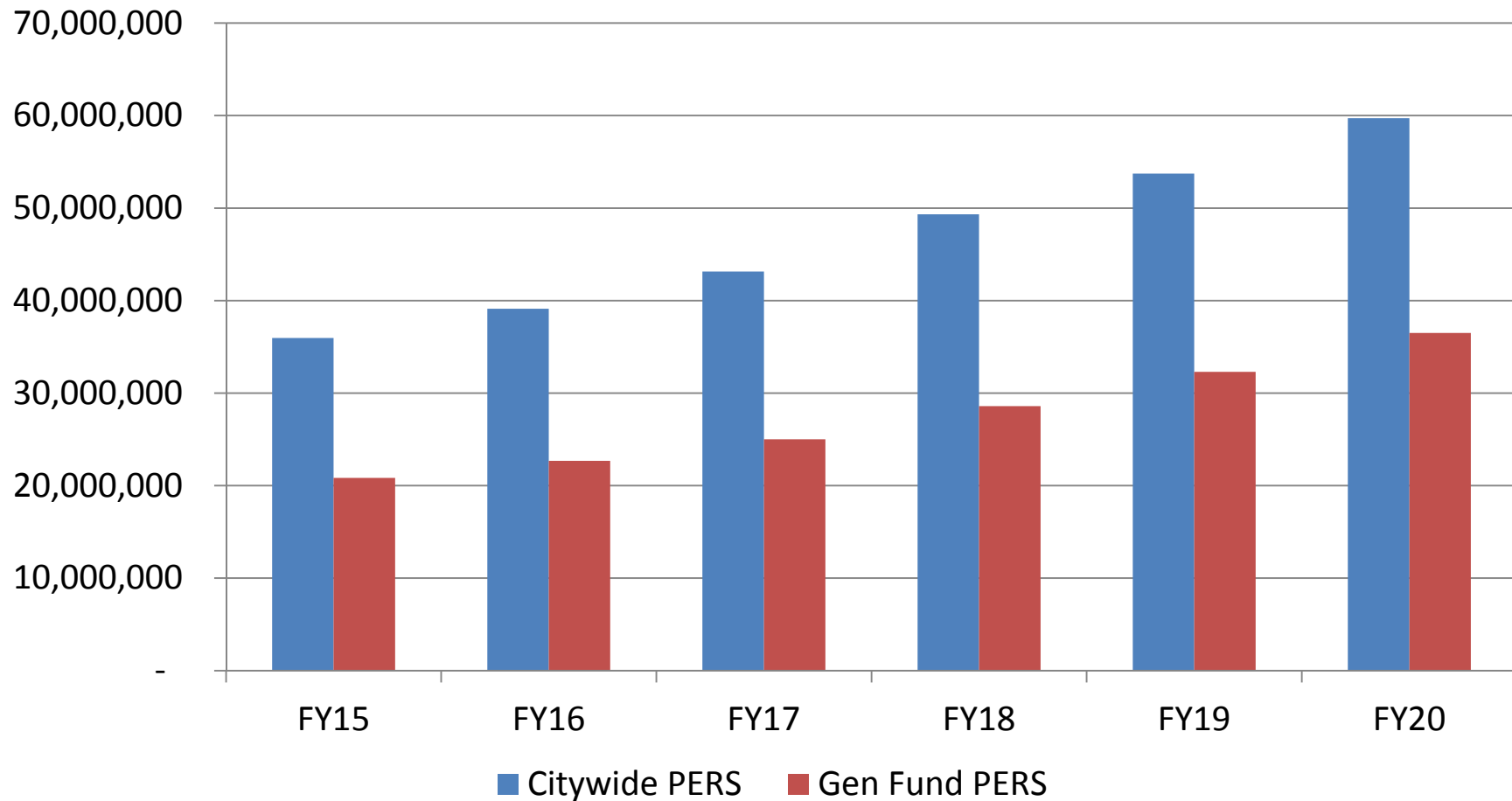
CalPERS Rates





CalPERS Pension

CalPERS Pension Costs – 5 yr going forward





Other Fiscal Challenges/Risks

- Water GFT reduction of \$1.8M annual to GF
- SB481 litigation (approximately \$40M in GF at risk)
- Increasing medical insurance costs (up 6% or \$1.4M since FY2009)
- Replenishment of reserves (GF policy \$42M)
- \$643M in estimated infrastructure needs
- Approx. \$430M in unfunded liabilities
- Healthcare reform impacts on Public Health funding
- Carbon tax implications

Budget Priorities





City Council Budget Workshop

- What projects/initiatives should be listed that were not included?
- What projects/initiatives can be deferred to future years?
- What projects/initiatives should be pursued in FY2016 budget?



City Council Investment Options

- Utilize projected positive net income from various Funds
 - > Rebuild reserves (GF reserve remains nearly \$9 million below the policy level of 20% of appropriations)
 - > Invest in new programs and services that address current or future needs (onetime or ongoing)
 - > Expand existing programs (onetime or ongoing)
- Identify new revenues
 - > Increase current rates and fees (higher cost recovery)
 - > Increase sales, property, GO Bond, or other taxes



Maintain Fiscal Responsibility and Stability

- Expand employee education and training to increase policy compliance, career development, leadership, and succession planning
- Replace Utility billing system (transition to monthly billing)
- Consolidate parking garage management/operations and revenue control system
- Develop paperless Section 8 operation
- Increase cost recovery of programs and services (such as recreation, code compliance, and traffic reduction and transportation impact fees)



Improve, Maintain, and Enhance Public Facilities and Infrastructure

- Replace and modernize public safety facilities
- More aggressively upgrade power distribution system reliability
- More aggressively expand fiber optic system
- More aggressively upgrade water system
- Build new transit maintenance facility
- Improve outdoor gathering spaces
 - > Assemble land for new pocket parks and open space
 - > Renovate existing park facilities



Improve, Maintain, and Enhance Public Facilities and Infrastructure (Cont.)

- Enhance development and maintenance programs for public art and memorials
- Improve virtual City presence, including more interactive, and customer-driven access to relevant content via all platforms and mobile devices



Increase Conservation and Sustainability

- More aggressive development of recycled water project/rates
- Convert medians and passive spaces to more water efficient landscaping
- *More aggressive implementation of Green Action Plan*



Improve Mobility and Accessibility Throughout the City of Pasadena

- Implement comprehensive sidewalk repair
- Integrate Complete Streets components into CIP projects for Streets, Streetscapes and Transportation



Support and Promote the Quality of Life and the Local Economy

- Expand homeless outreach and access to affordable housing programs
- Realign programs and services to reflect present and future demographics (e.g. aging in place, cultural shifts)
- Expand Collaborate PASadena
- Invest in early childhood development
- Expand local hire and apprenticeship/training programs



Support and Promote the Quality of Life and the Local Economy (Cont.)

- Expand foreign language materials and programs
- More quickly implement development review process recommendations
- More aggressively implement Economic Development Strategic Plan (business attraction/retention)
- More quickly update Specific Plans, Zoning Code, and Design Guidelines to correspond with new General Plan



Ensure Public Safety

- Manage impacts of early prisoner release and sentencing reforms
- Enhance vendor enforcement, smoking ordinance compliance, and residential housing code enforcement
- Strengthen security in parks and other key city facilities
- Deploy body worn police cameras
- Replacement of ICIS radio channels and Fire Department radios



Ensure Public Safety (Cont.)

- Install emergency vehicle traffic signal pre-emption devices
- Increase neighborhood/community policing efforts
- Replace Computer Aided Dispatch/Records Management System (CAD/RMS)



City Council Budget Workshop

- What projects/initiatives should be listed that were not?
- What projects/initiatives can be deferred to the future?
- What projects/initiatives should be pursued in FY2016 budget?
- How should we plan to invest future positive net income from various funds?
 - > Rebuild reserves
 - > Augment current and/or create future programs/services
- Identify new revenues