

TO: City Council

FROM: James L. App, City Manager
Jim Throop, Administrative Services Director

SUBJECT: 2015 - 2019 Financial Forecast Update

DATE: February 17, 2015

NEEDS: For the City Council to receive and file a financial forecast update for the five fiscal years 2015 - 2019.

- Facts:
1. The City suffered significant revenue losses due to the Great Recession.
 2. National, state and local economic forecasts indicate a continued slow recovery.
 3. The General Fund:
 - Provides for police, fire, library, recreation, and other non-utility public services.
 - Cost reduction initiatives to offset revenue losses began five years ago.
 - The annual budget was reduced 29% by cutting staff 34%, freezing wages, reducing employee benefits, implementing 2nd tier retirement plans, and deferring maintenance of City facilities
 - The early and aggressive action to address recession losses, coupled with (marginal) recovery, result in a maintenance of a healthy General Fund reserve (i.e., \$6.9 million, or \$12.3 million in total available balances), balanced budget this fiscal year, and small, but growing, annual operating surpluses through FY2019.
 4. The Enterprise funds are run like a private business – i.e., no tax support - all costs are recovered from users.
 5. There are three Enterprise funds: Water, Sewer, and Airport.
 - The Water Fund:
 - The adopted Water rates are being phased in over 5 years with one more increase due in FY2016.
 - Operating deficits are forecast through FY2015.
 - Reserves are currently \$17.9 Million, and will be used to cover debt payments, Phase I water treatment plant construction, operational shortfalls, and if/when possible, repairs & replacements, until the water rates are sufficient to cover all operating costs.

- Future water rate adjustments may be needed to cover operating and Phase II water treatment plant costs.
- The Sewer Fund:
- New User rates and connection fees have been approved and became effective July 1, 2012. The adopted structure allows for five years of rate increases.
 - Operates with a small annual surplus.
 - Full rehabilitation of the 50+ year old sewer plant has started and is expected to be completed in October 2015 at a cost of approximately \$47,000,000. It is financed with a low-interest State loan (1.7%). Construction began in the spring of FY2013 and will be complete early 2016.
- The Airport Fund:
- Operates primarily off lease revenue, unsecured property taxes, as well as some fuel flowage and aircraft tie-down fees.
 - Excluding the non-cash expense of depreciation, forecasts a small surplus.
 - Has a current total cash reserve of approximately \$2.4 million a portion of which is set aside for grant matches and construction of a new fuel island.

ANALYSIS &
CONCLUSION:

GENERAL FUND

The City has significantly reduced General Fund (GF) spending by eliminating over 34% of GF jobs, cutting temporary and contract help, trimming contractual services, suspending wage increases, reducing benefits and eliminating some recurring maintenance services.

This forecast is favorable in that it is projecting small, but growing, positive financial results for the next five years. However, the forecast does not take into account possible financial risks from: FEMA reimbursement, additional PERS increases above those currently known, future State appropriation of local revenues, new program or regulatory (spending) mandates, protracted recovery, and unsustainability of current service demand/staffing ratios,

WATER FUND

New water rates have been implemented, beginning in January 2012. The rate will be phased in over 5 years. Regardless, reserves are forecast to decline to approximately \$8.9 million by FY2015.

The first phase of a new water treatment plant is under construction. Future phases, and increasing operating costs, may require additional water rate adjustments.

SEWER FUND

The current wastewater treatment plant was built in 1954 and does not meet current water quality standards set by the State and Federal government. A comprehensive rehabilitation is under way. New rates were approved to fund plant rehabilitation and operation.

The City received a low-interest loan from the State (1.7%) to build the new treatment plant. With the new rates, rehabilitation of the Plant ~~will~~ began in FY2013. With the low interest rate, the current rate structure may be sufficient to cover operational and debt costs.

AIRPORT FUND

The Airport Fund receives the majority of its operational funding from leases (buildings, hangars), property tax on aircraft, fuel flowage and aircraft tie-down fees. It also receives grant funding through the State and Federal government for airport improvements.

A new fuel island is currently being constructed.

The Fund is balanced and stable.

POLICY

REFERENCE: Council goals – “Live within our means”; Fiscal Policy – maintain 15% reserve.

FISCAL

IMPACT: **GENERAL FUND**

With the recession over and recovery on the way, this latest forecast projects small, but growing, favorable financial results for each of the next four fiscal years, ending June 30, 2019.

Not included in the forecast are the potential costs for the following:

1. Possible \$1.0 million payment to FEMA
2. Additional future PERS increases, due to changes in required funding levels
3. State or Federal reduction or take-aways in revenue
4. Adjustments to employee compensation
5. Repayment of \$2 Million to sewer fund (for internal loan)

Bottom line, projected operating surpluses, and a portion of reserves, may be negatively impacted by these risks.

WATER FUND

New water rates are being implemented in phases over 5 years beginning January 2012. Regardless, reserves are forecast to decline to approximately \$8.9 million by

FY2015, due to construction of a new water treatment plant. The treatment plant will be used to treat water from Nacimiento and then blended into the City's water supply.

Future phases, and increasing operating costs, may require additional water rate adjustments.

Rates are estimated to cover only current expenses and debt service, but it is projected that additional increases may be necessary to cover rising costs and additional construction projects, such as replacement of the 80+ year old west side water tanks.

SEWER FUND

Sewer rates have been approved and started in July 2012. The new rates are needed to fund ongoing operating deficits and rehabilitation of the treatment plant. Low-interest funding (1.7% rate) has been received and the contract has been let such that construction started in the spring of 2013 and should be completed in approximately 30 months (Oct. 2015).

AIRPORT FUND

The Airport Fund has operated with a surplus each year for the past several years (excluding depreciation). Operational costs are covered by current revenues.

The Airport Fund has accumulated approximately \$2.4 million in total reserves. The Fund is balanced and appears stable.

- OPTIONS:
- a. Receive and file February 2015 financial forecast report; or
 - b. Amend, modify, or reject the above option

Attachment: Winter 2014/2015 Financial Forecast

Financial Forecast 2014 – 2019 Winter

City of Paso Robles





Where are we now?

- **Tourism still a driving force in the City**
 - *New hotels being built*
 - *New hotels/resorts being planned*
 - *New restaurants and wineries opening*
 - *Many accolades given to City from around the world*
- **Expansion in tech sector (IQMS, Applied Technology, etc.)**
- **Unemployment rate for Paso Robles has dropped to 5.9% in October 2014**
- **Housing market is no longer in decline; industrial/commercial is growing**
- **Retail sales are slowly improving, which means sales tax growth is slow**

WHAT DO THE NEXT FIVE YEARS LOOK LIKE?

General Fund

Financial Plan/Forecast 2014 - 2019

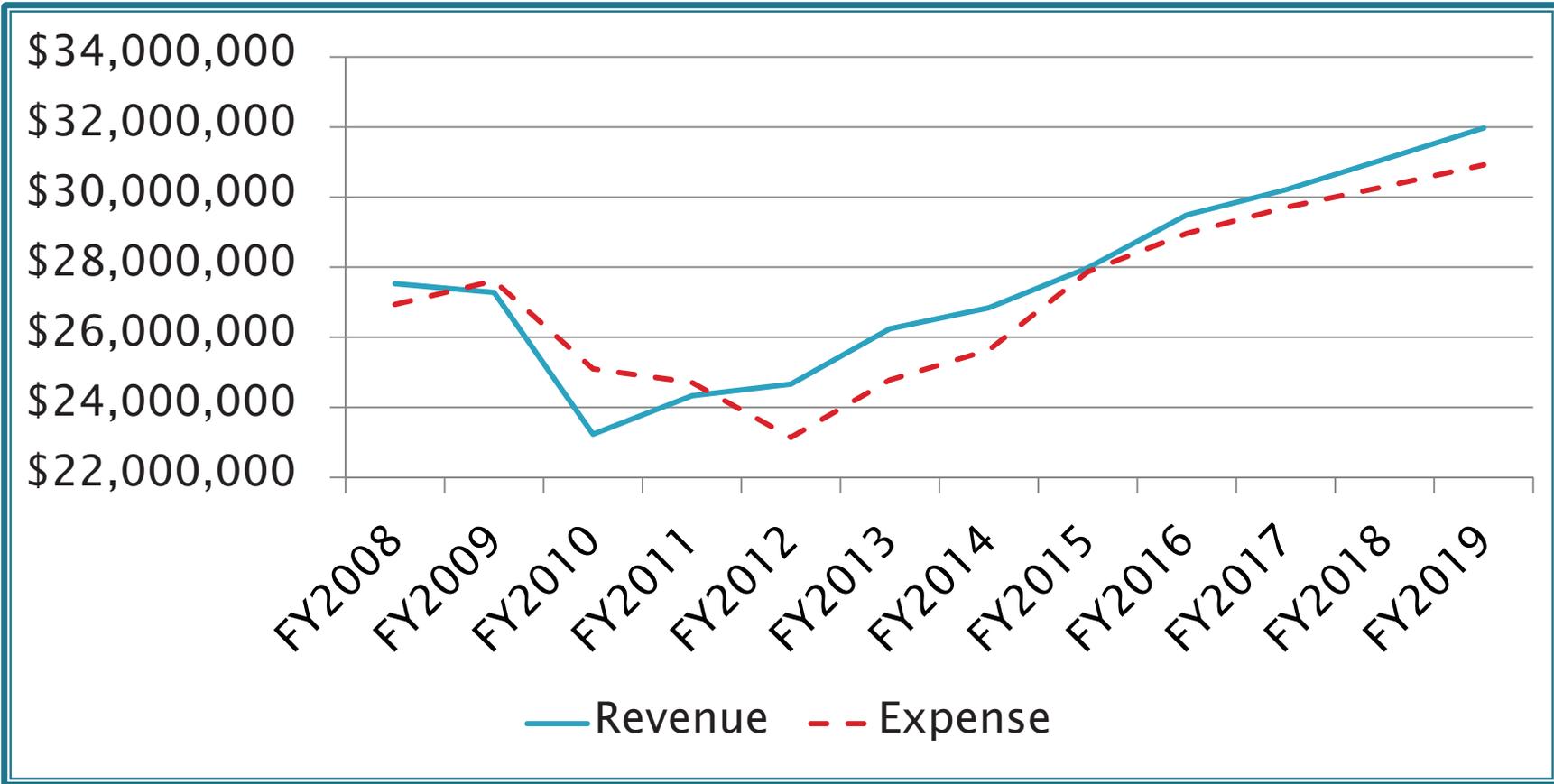


	<u>FY13/14</u>		<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>5 Yr. Total</u>
Revenue	\$26,839,000		\$27,979,000	\$29,493,000	\$30,210,000	\$31,083,000	\$31,972,000	\$150,737,000
Expense	\$25,636,000		\$27,868,000	\$28,964,000	\$29,706,000	\$30,301,000	\$30,918,000	\$147,757,000
Projected Surplus	\$1,203,000		\$111,000	\$529,000	\$504,000	\$782,000	\$1,054,000	\$2,980,000

Note: FY2015 does not include a possible \$1.3M from a sale of surplus property.



General Fund – 2008 - 2019

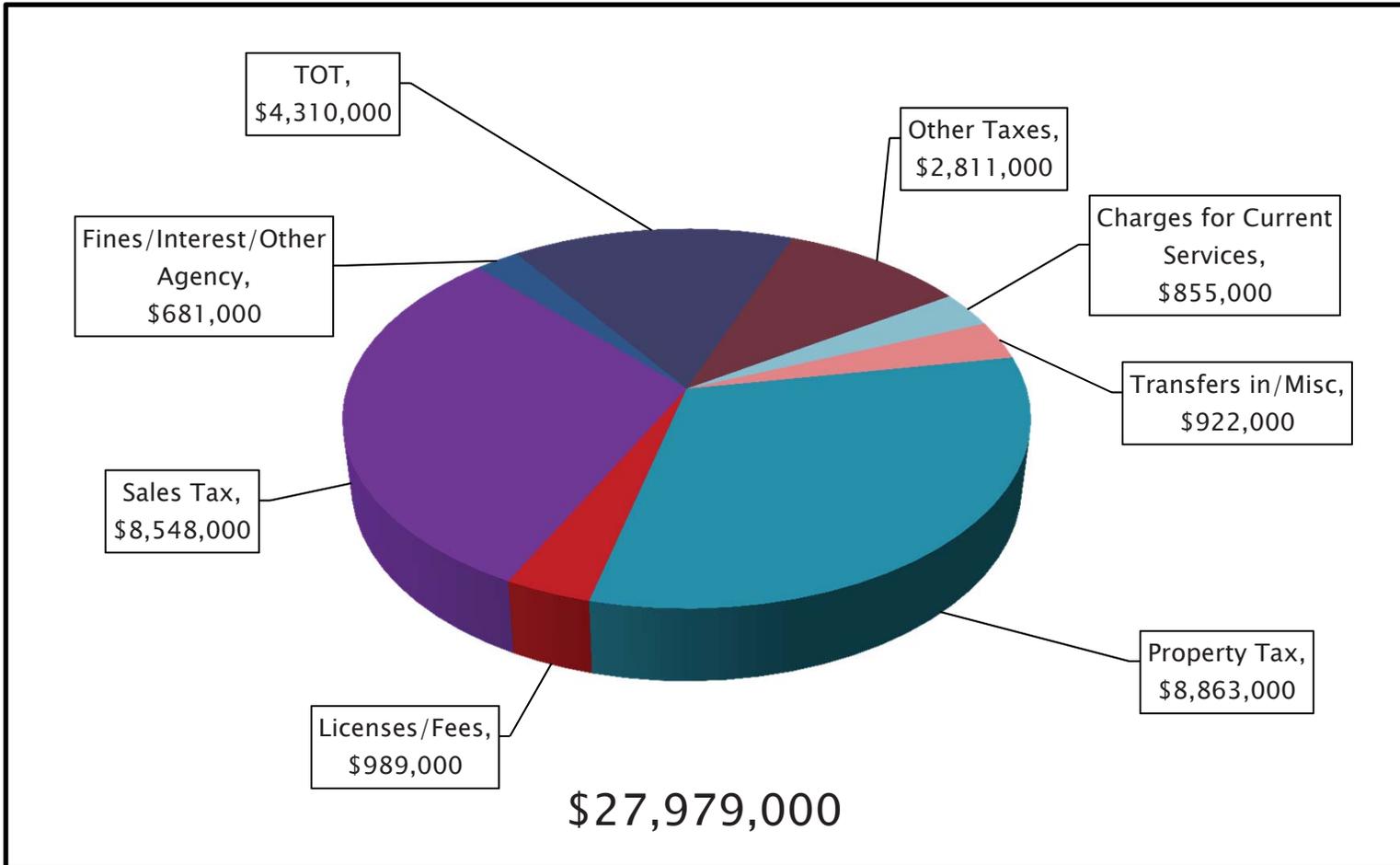


General Fund Summary Revenue/Expense Five Year Summary

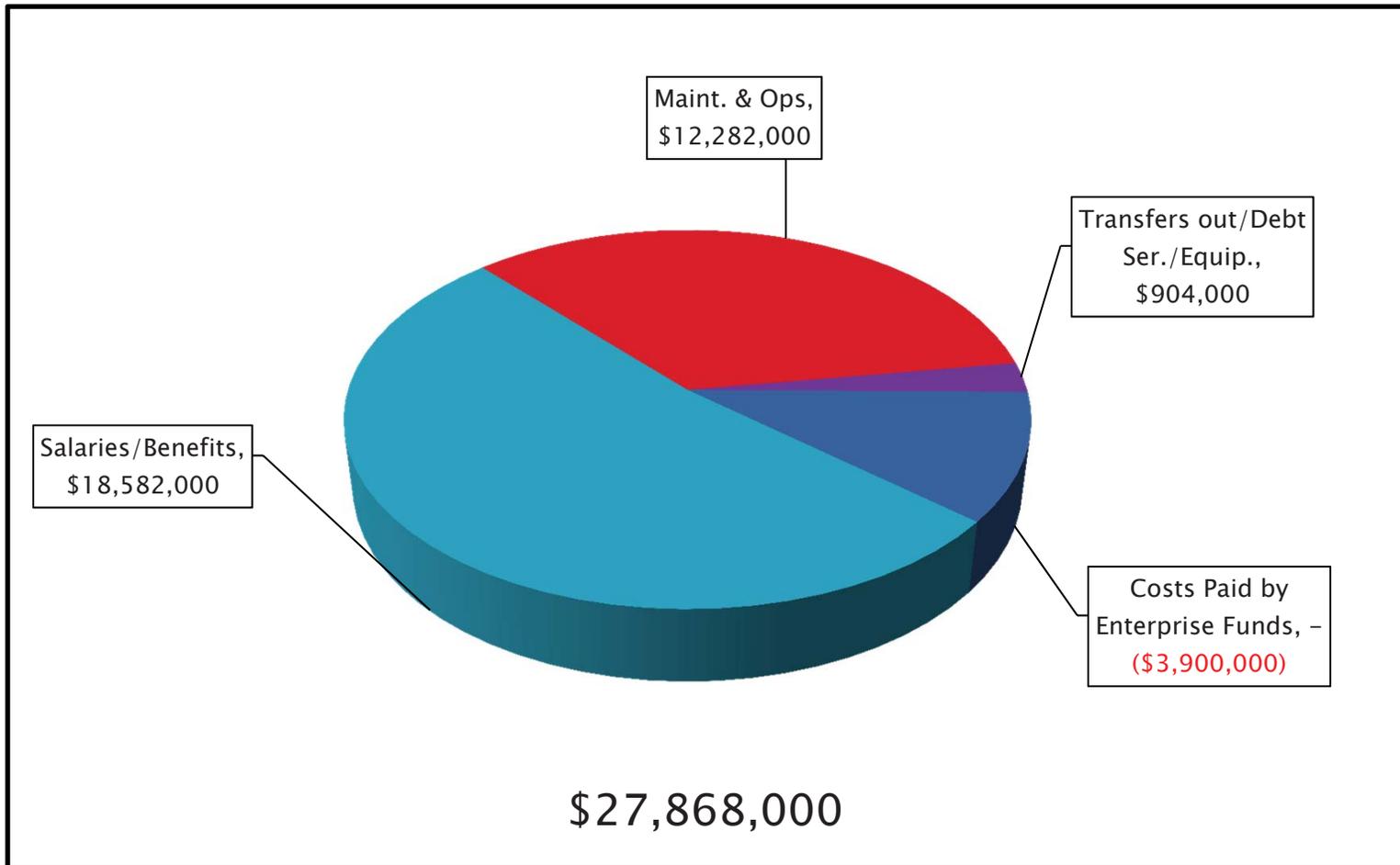
<u>GENERAL FUND REVENUE</u>	<u>ACTUALS</u>			<u>PROJECTED</u>			<u>Total 5 Years</u>
	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	
Property Tax	8,547,000	8,863,000	9,214,000	9,538,000	9,872,000	10,217,000	47,704,000
Sales Tax	8,239,000	8,548,000	9,332,000	9,198,000	9,474,000	9,758,000	46,310,000
Transient Occupancy Tax	3,984,000	4,310,000	4,612,000	4,981,000	5,280,000	5,544,000	24,727,000
Other Taxes	2,743,000	2,811,000	2,872,000	2,925,000	2,883,000	2,873,000	14,364,000
Licenses/Fees	951,000	989,000	989,000	1,089,000	1,089,000	1,089,000	5,245,000
Fines/Interest/Other Agency	611,000	681,000	683,000	683,000	684,000	685,000	3,416,000
Charges for Current Services	846,000	855,000	869,000	874,000	879,000	884,000	4,361,000
Transfers In/Miscellaneous	918,000	922,000	922,000	922,000	922,000	922,000	4,610,000
Total Revenue	<u>26,839,000</u>	<u>27,979,000</u>	<u>29,493,000</u>	<u>30,210,000</u>	<u>31,083,000</u>	<u>31,972,000</u>	<u>150,737,000</u>
<u>GENERAL FUND EXPENSE</u>	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>Total 5 Years</u>
Salaries/Wages/Benefits	16,969,000	18,582,000	19,313,000	19,743,000	20,133,000	20,521,000	98,292,000
Maintenance & Operations	11,728,000	12,282,000	12,494,000	12,806,000	12,911,000	13,140,000	63,633,000
Transfers/Debt Service/Equip.	1,249,000	904,000	857,000	857,000	857,000	857,000	4,332,000
Costs Paid by Enterprise Funds	(4,310,000)	(3,900,000)	(3,700,000)	(3,700,000)	(3,600,000)	(3,600,000)	(18,500,000)
Total Expense	<u>25,636,000</u>	<u>27,868,000</u>	<u>28,964,000</u>	<u>29,706,000</u>	<u>30,301,000</u>	<u>30,918,000</u>	<u>147,757,000</u>
Projected Revenue vs Expense	<u>1,203,000</u>	<u>111,000</u>	<u>529,000</u>	<u>504,000</u>	<u>782,000</u>	<u>1,054,000</u>	<u>2,980,000</u>

Note: Supplemental Sales Tax is tracked separately.
 Note: Does not include possible \$1.0M FEMA payment
 Note: Includes additional costs for PERS unfunded liability
 Note: Assumes no new contractual wage increase after July 2014.

General Fund Revenue – FY2014/2015



General Fund Expense – FY2014/2015



General Fund Liquidity

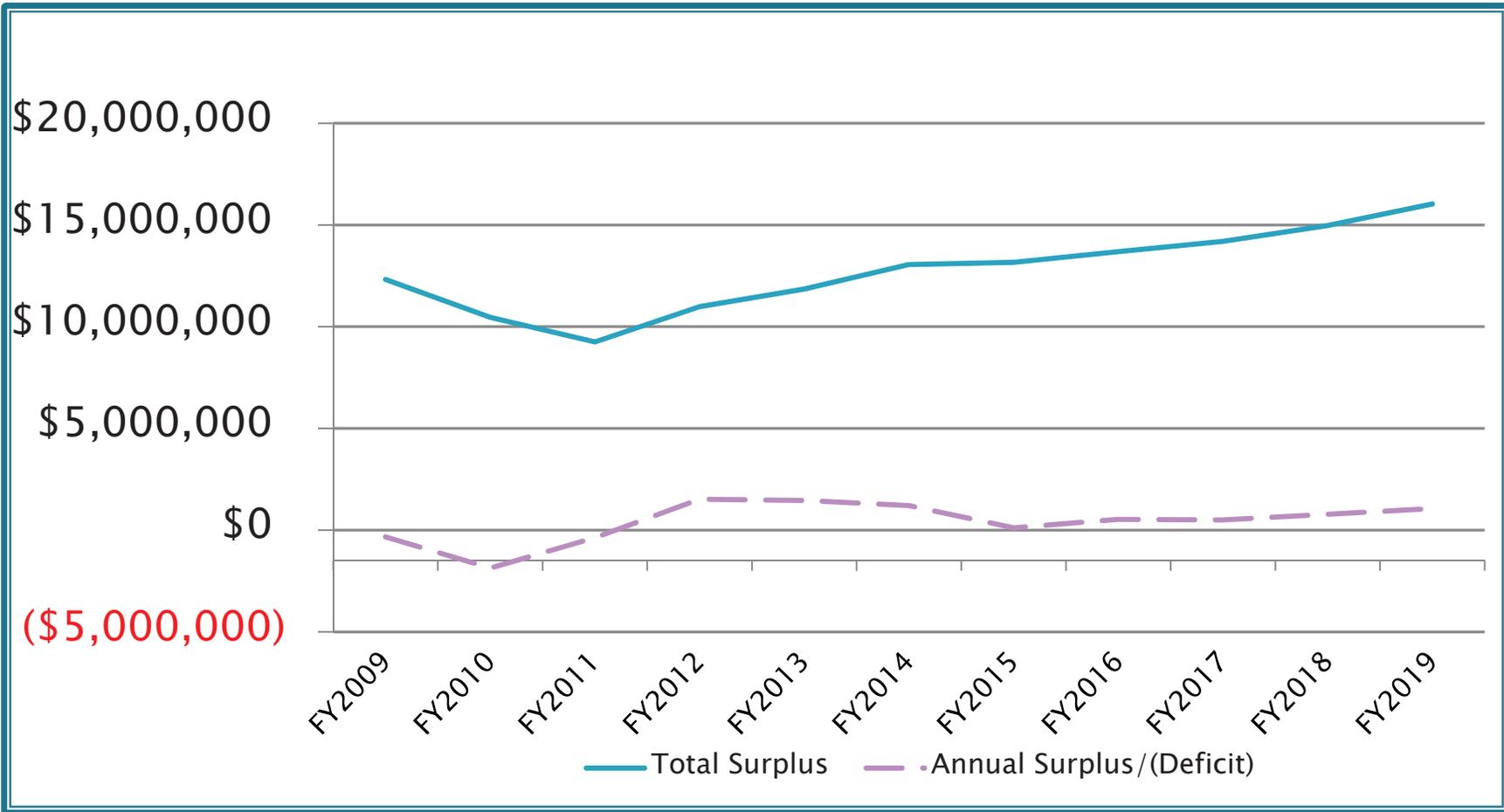
<u>GF Liquidity</u>	<u>6/30/14</u>
General Fund Reserve	\$8,273,000
As % of Total GF Expense	29.7%

As of June 30, 2014

Note: Total available cash is \$13,481,000, which includes, other sub-funds related to the General Fund.



General Fund Surplus – 2009 - 2019

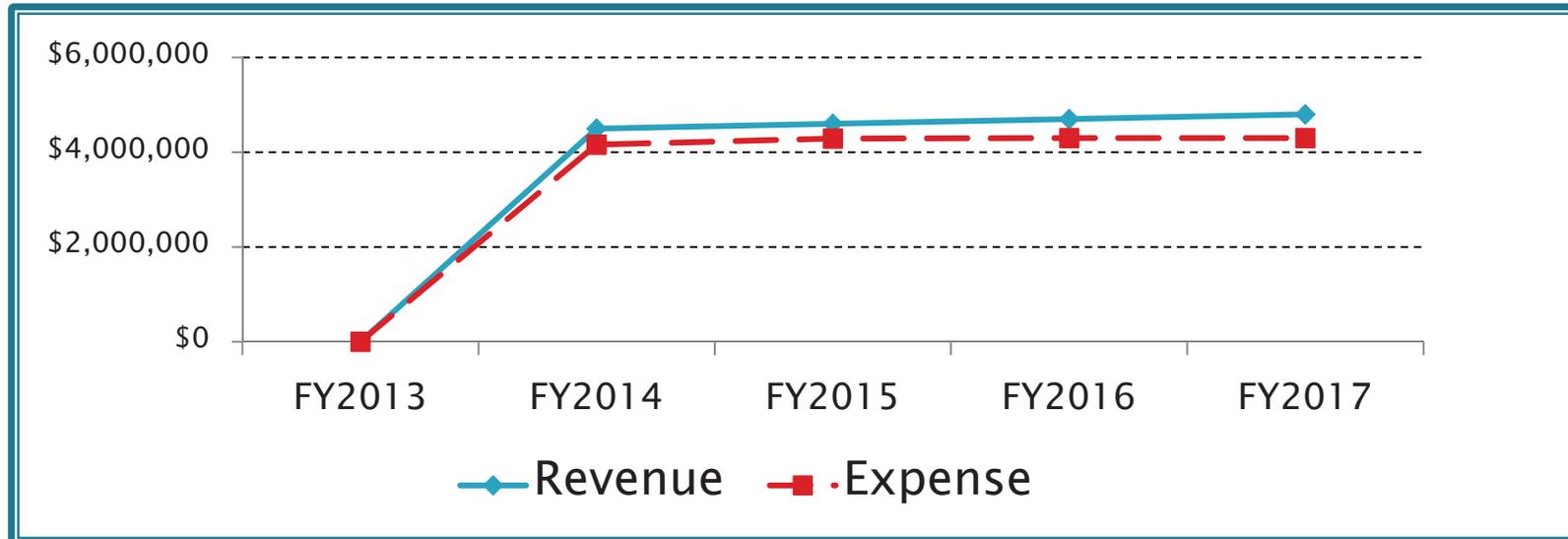


Note: The Total Surplus line assumes no use of General Fund Reserves at any point throughout the forecast period.

Supplemental Sales Tax Estimates

Five Year Summary

	<u>FY12/13</u>	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>5 Yr. Total</u>
Revenue	\$0	\$4,500,000	\$4,600,000	\$4,700,000	\$4,800,000	\$18,600,000
Expense	\$0	\$4,160,000	\$4,290,000	\$4,300,000	\$4,300,000	\$17,050,000
Annual Surplus	\$0	\$340,000	\$310,000	\$400,000	\$500,000	\$1,550,000



Note: Road repairs will be adjusted to match revenues.

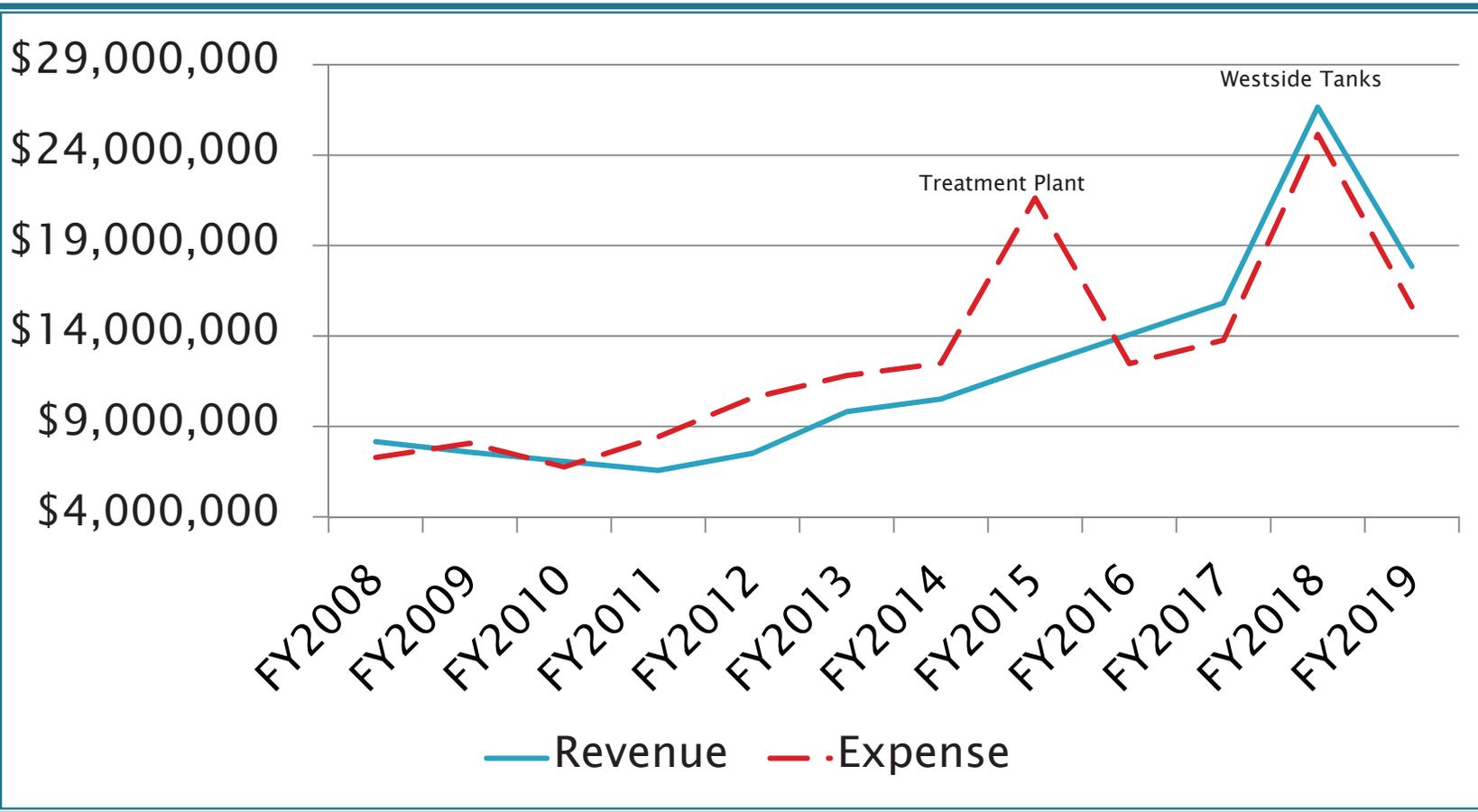
Water Fund Summary Revenue/Expense Five Year Summary

<u>WATER FUND REVENUE</u>	<u>ACTUAL</u>	<u>PROJECTED</u>					<u>Total 5 Years</u>
	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	
Consumption Charge	\$9,616,000	\$10,500,000	\$11,354,000	\$12,209,000	\$13,460,000	\$13,500,000	\$61,023,000
Connection Fees	\$1,271,000	\$1,175,000	\$2,350,000	\$3,525,000	\$4,042,000	\$4,100,000	\$15,192,000
Interest/Misc/Bond Proceeds	\$291,000	\$257,000	\$369,000	\$93,000	\$9,152,000	\$250,000	\$10,121,000
Total Revenue	<u>\$11,178,000</u>	<u>\$11,932,000</u>	<u>\$14,073,000</u>	<u>\$15,827,000</u>	<u>\$26,654,000</u>	<u>\$17,850,000</u>	<u>\$86,336,000</u>
<u>WATER FUND EXPENSE</u>	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>Total 5 Years</u>
Utility Billing/Administration	\$507,964	\$620,000	\$700,000	\$721,000	\$741,000	\$761,000	\$3,543,000
Water Production/Distribution	\$4,870,000	\$5,000,000	\$5,514,000	\$5,743,000	\$5,936,000	\$6,000,000	\$28,193,000
Regional Naci O&M	\$603,000	\$610,000	\$1,450,000	\$1,497,000	\$1,545,000	\$1,545,000	\$6,647,000
Naci Pipeline Debt Service	\$3,011,000	\$4,200,000	\$4,200,000	\$4,200,000	\$4,200,000	\$4,200,000	\$21,000,000
Depreciation	\$0	\$0	\$0	\$1,000,000	\$2,758,000	\$2,758,000	\$6,516,000
Misc/Reserve Req./New Debt	\$0	(\$1,508,000)	\$0	\$0	\$350,000	\$350,000	(\$808,000)
Capital Expenditures	\$1,845,000	\$12,000,000	\$0	\$712,000	\$9,712,000	\$0	\$22,424,000
Total Expense	<u>\$10,836,964</u>	<u>\$20,922,000</u>	<u>\$11,864,000</u>	<u>\$13,873,000</u>	<u>\$25,242,000</u>	<u>\$15,614,000</u>	<u>\$87,515,000</u>
Projected Revenue vs Expense	<u>\$341,036</u>	<u>(\$8,990,000)</u>	<u>\$2,209,000</u>	<u>\$1,954,000</u>	<u>\$1,412,000</u>	<u>\$2,236,000</u>	<u>(\$1,179,000)</u>
Projected Water Fund Reserves	\$17,962,000	\$8,972,000	\$11,181,000	\$13,135,000	\$14,547,000	\$16,783,000	

Note: Water Fund Reserves are sufficient to cover all annual deficits.
 Note: Includes Water Treatment Plant construction beginning in FY2014.
 Note: Expenses include additional staffing needed for new treatment plant.
 Note: Capital expense in FY18 is West Reservoir Replacement.
 Note: Does not include any new water rate increases after FY2016.



Water Fund – 2008 to 2019



Note: Expense in FY15 is Water Treatment Plant.
Note: Expense in FY18 is West Side Reservoir Replacement.
Note: Revenue in FY18 includes bond proceeds of \$9 million.

Sewer Fund Summary Revenue/Expense Five Year Summary

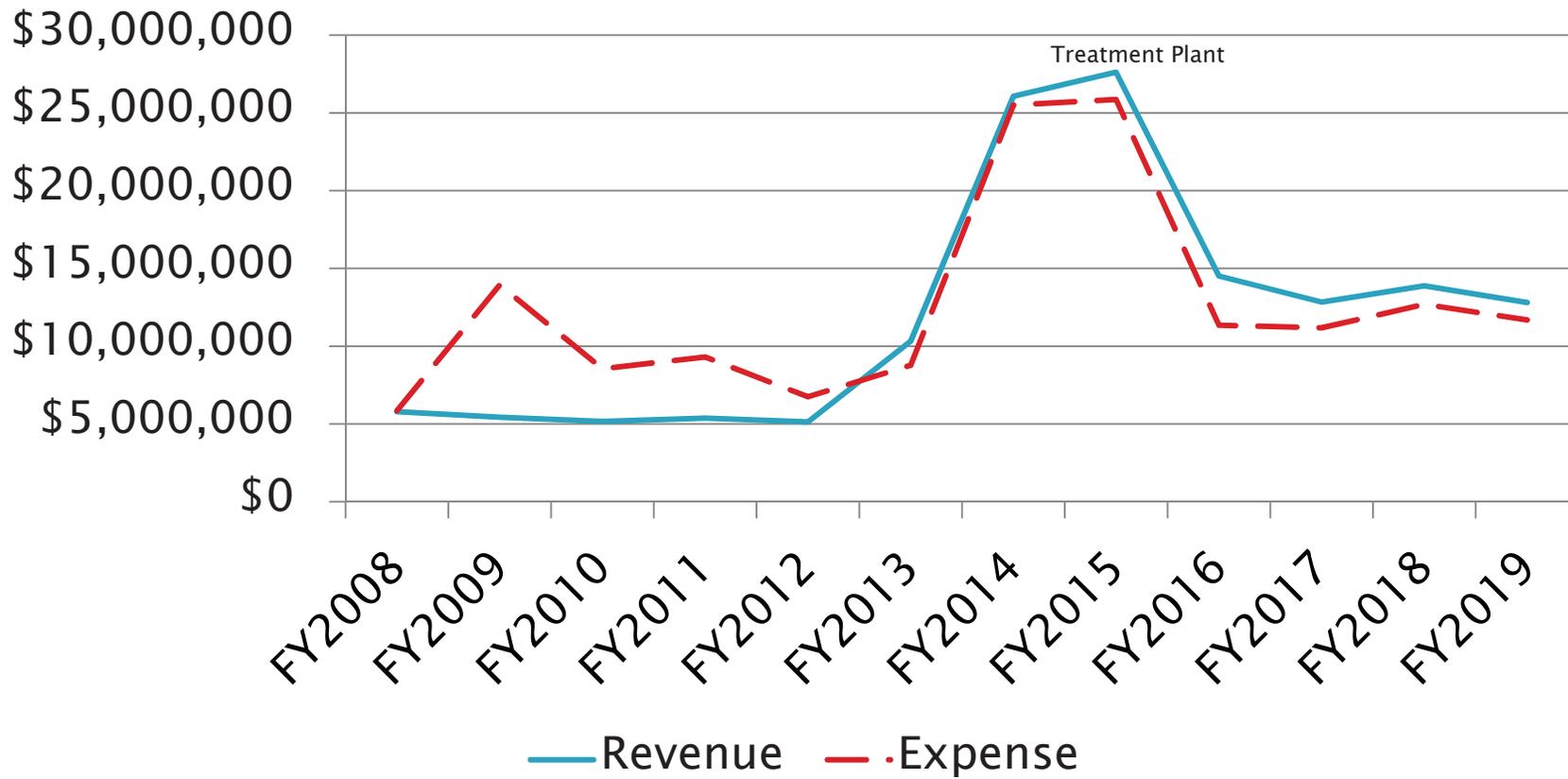
<u>SEWER FUND REVENUE</u>	<u>ACTUAL</u>		<u>PROJECTED</u>				
	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>Total 5 Years</u>
Consumption Charge	\$6,545,000	\$8,531,000	\$10,020,000	\$10,723,000	\$11,245,000	\$11,456,000	\$51,975,000
Connection Fees	\$340,000	\$383,000	\$617,000	\$700,000	\$750,000	\$800,000	\$3,250,000
TCSD WW O&M Charges	\$85,000	\$85,000	\$242,000	\$295,000	\$311,000	\$326,000	\$1,259,000
SRF Loan Disbursement	\$26,930,000	\$11,000,000	\$3,000,000	\$0	\$0	\$0	\$14,000,000
Interest/Misc	\$111,000	\$189,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,089,000
Total Revenue	<u>\$34,011,000</u>	<u>\$20,188,000</u>	<u>\$14,104,000</u>	<u>\$11,943,000</u>	<u>\$12,531,000</u>	<u>\$12,807,000</u>	<u>\$71,573,000</u>
<u>SEWER FUND EXPENSE</u>	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	<u>Total 5 Years</u>
WW Collection System	\$1,052,000	\$1,532,000	\$1,597,000	\$166,000	\$1,738,000	\$1,738,000	\$6,771,000
WW Treatment	\$2,309,000	\$2,585,000	\$2,814,000	\$3,013,000	\$3,163,000	\$3,163,000	\$14,738,000
Industrial Waste/Stormwater	\$370,000	\$401,000	\$550,000	\$571,000	\$593,000	\$593,000	\$2,708,000
Utility Billing/Administration	\$485,000	\$690,000	\$718,000	\$746,000	\$776,000	\$776,000	\$3,706,000
Depreciation	\$1,666,000	\$1,242,000	\$1,256,000	\$1,274,000	\$1,290,000	\$1,290,000	\$6,352,000
Debt Service	\$243,000	\$467,000	\$465,000	\$463,000	\$463,000	\$463,000	\$2,321,000
New Debt Service	\$0	\$0	\$0	\$2,351,000	\$2,649,000	\$2,665,000	\$7,665,000
Capital Expenditures	\$25,935,000	\$11,000,000	\$4,000,000	\$2,000,000	\$1,000,000	\$1,000,000	\$19,000,000
Total Expense	<u>\$32,060,000</u>	<u>\$17,917,000</u>	<u>\$11,400,000</u>	<u>\$10,584,000</u>	<u>\$11,672,000</u>	<u>\$11,688,000</u>	<u>\$63,261,000</u>
Projected Revenue vs Expense	<u>\$1,951,000</u>	<u>\$2,271,000</u>	<u>\$2,704,000</u>	<u>\$1,359,000</u>	<u>\$859,000</u>	<u>\$1,119,000</u>	<u>\$8,312,000</u>
Projected Sewer Fund Reserves	\$5,772,000	\$8,043,000	\$10,747,000	\$12,106,000	\$12,965,000	\$14,084,000	

Note: Debt Service payments on bond issue start in FY16/17.

Note: Reserve balance is increased above the reported amount by a \$2M receivable.

Note: Expenses include additional staffing needed for new treatment plant.

Wastewater Fund – 2008 to 2019



Airport Fund Summary Revenue/Expense Five Year Summary

<u>AIRPORT FUND REVENUE</u>	<u>ACTUAL</u>		<u>PROJECTED</u>				<u>Total 5 Years</u>
	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>	
Property Taxes - Aircraft	\$46,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$225,000
Rental - Airport Property	\$508,000	\$538,000	\$540,000	\$545,000	\$550,000	\$555,000	\$2,728,000
Rental - Farm	\$11,000	\$12,000	\$18,000	\$18,000	\$18,000	\$18,000	\$84,000
Federal Airport Aid	\$153,000	\$269,000	\$500,000	\$0	\$0	\$0	\$769,000
Flowage Fees	\$52,000	\$52,000	\$42,000	\$43,000	\$44,000	\$45,000	\$226,000
Landing/Tie Down Fees	\$17,000	\$19,000	\$33,000	\$33,000	\$33,000	\$33,000	\$151,000
Day Receipts	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Interest/Misc/State Loan	\$788,000	\$492,000	\$15,000	\$15,000	\$15,000	\$15,000	\$552,000
Total Revenue	\$1,576,000	\$1,428,000	\$1,194,000	\$700,000	\$706,000	\$712,000	\$4,740,000
<u>AIRPORT FUND EXPENSE</u>	<u>FY12/13</u>	<u>FY13/14</u>	<u>FY14/15</u>	<u>FY15/16</u>	<u>FY16/17</u>	<u>FY17/18</u>	<u>Total 5 Years</u>
Salaries/Benefits	\$209,000	\$222,000	\$216,000	\$217,000	\$218,000	\$219,000	\$1,092,000
Operating & Maintenance	\$190,000	\$220,000	\$270,000	\$270,000	\$270,000	\$270,000	\$1,300,000
Depreciation	\$382,000	\$390,000	\$400,000	\$400,000	\$400,000	\$400,000	\$1,990,000
Capital Expenditures	\$135,000	\$900,000	\$500,000	\$0	\$0	\$0	\$1,400,000
Total Expense	\$916,000	\$1,732,000	\$1,386,000	\$887,000	\$888,000	\$889,000	\$5,782,000
Projected Revenue vs Expense	\$660,000	(\$304,000)	(\$192,000)	(\$187,000)	(\$182,000)	(\$177,000)	(\$1,042,000)
Projected Annual Surplus w/o Depreciation	\$1,042,000	\$86,000	\$208,000	\$213,000	\$218,000	\$223,000	\$948,000
Projected Airport Fund Reserves	\$719,000	\$805,000	\$1,013,000	\$1,226,000	\$1,444,000	\$1,667,000	

Note: Operating deficit due to depreciation expense. Removing this non-cash expense reveals annual surplus in all years. Part of the annual surplus includes receivables, thus will not tie to cash schedule.

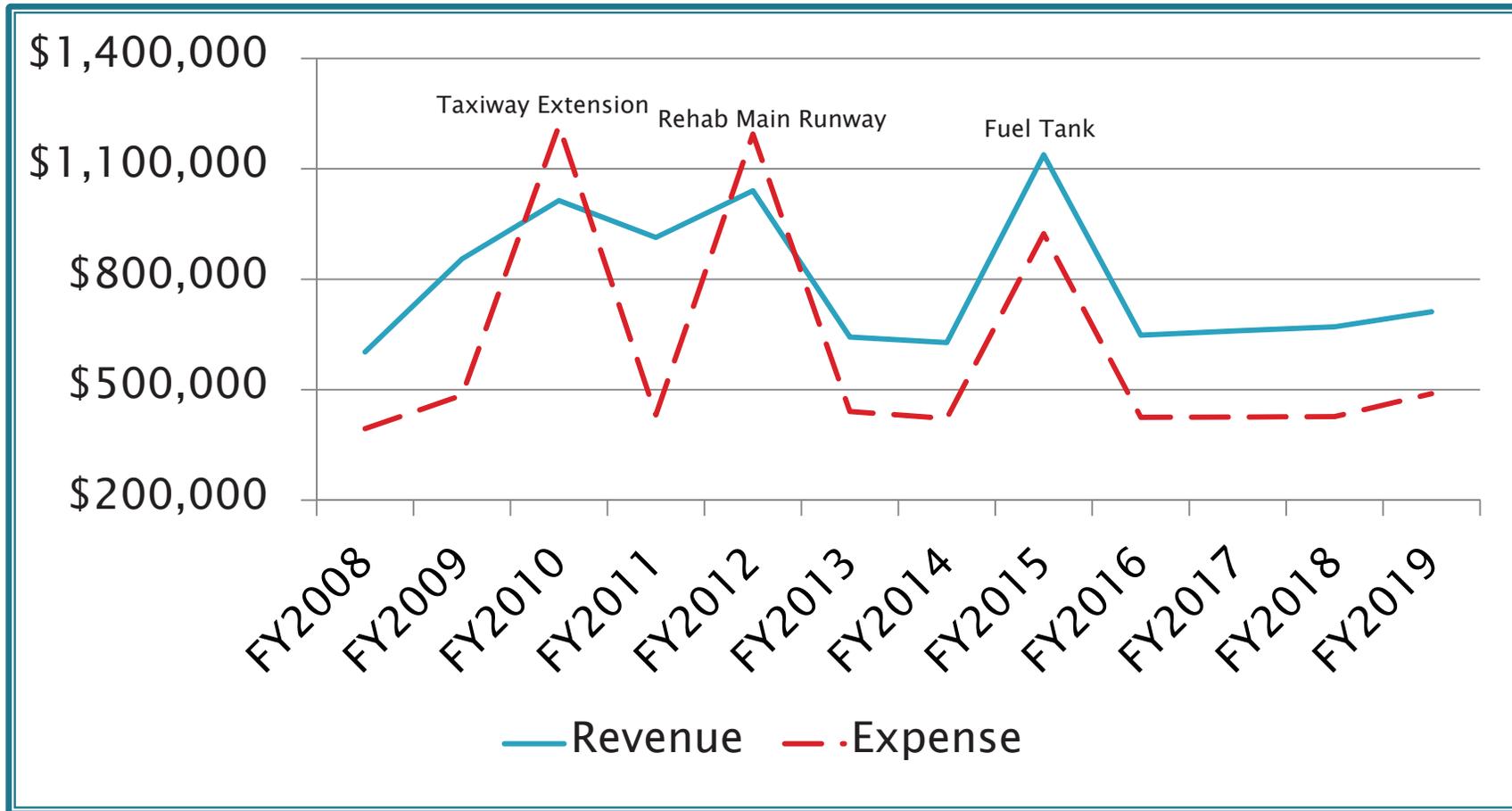
Note: Gross Airport Reserves are increased by Airport Terminal Repair Fund of \$198,000.

Note: Airport Reserves include only operating reserves. Reserve including capital funds are \$2,421,000.

Note: FY14 includes new fuel island. Approximate cost \$630,000. Using low-interest Caltrans loan.



Airport Fund – 2008 to 2019



Questions?

Recession Adjustments – Staffing*

<u>General Fund - Dept</u>	<u>Budget</u>	<u>Current</u>	<u>Variance</u>	
			<u>Amount</u>	<u>Percent</u>
City Manager's Office	15.0	11.0	(4.00)	(26.67)%
Administrative Services	6.0	6.0	0.00	00.00%
Community Development	9.0	5.5	(3.50)	(38.89)%
Emergency Services	31.5	24.0	(7.50)	(23.81)%
Library & Recreation Services	17.0	9.6	(7.40)	(43.53)%
Police	59.0	44.0	(15.00)	(25.42)%
Public Works	<u>42.4</u>	<u>27.4</u>	<u>(15.00)</u>	<u>(35.38)%</u>
SUBTOTAL GENERAL FUND	179.9	127.5	(52.40)	(29.13)%
Enterprise Staffing	<u>49.0</u>	<u>39.0</u>	<u>(10.00)</u>	<u>(20.41)%</u>
TOTAL CITY STAFFING	228.9	166.5	(62.40)	(27.26)%

*As of 1/28/2015.

All Staff Comparison*

FY1991 vs FY2015

<u>Staffing Group</u>	<u>FY1991</u>	<u>FY2015</u>	<u>FTE Per 1,000 Population</u>	
			<u>FY1991</u>	<u>FY2015</u>
Non-Public Safety	115	110.5	5.74	3.62
Police	31	33	1.55	1.08
Fire	<u>4</u>	<u>23</u>	<u>0.20</u>	<u>0.75</u>
Total	150	166.5	7.49	5.42
Population			20,034	30,500

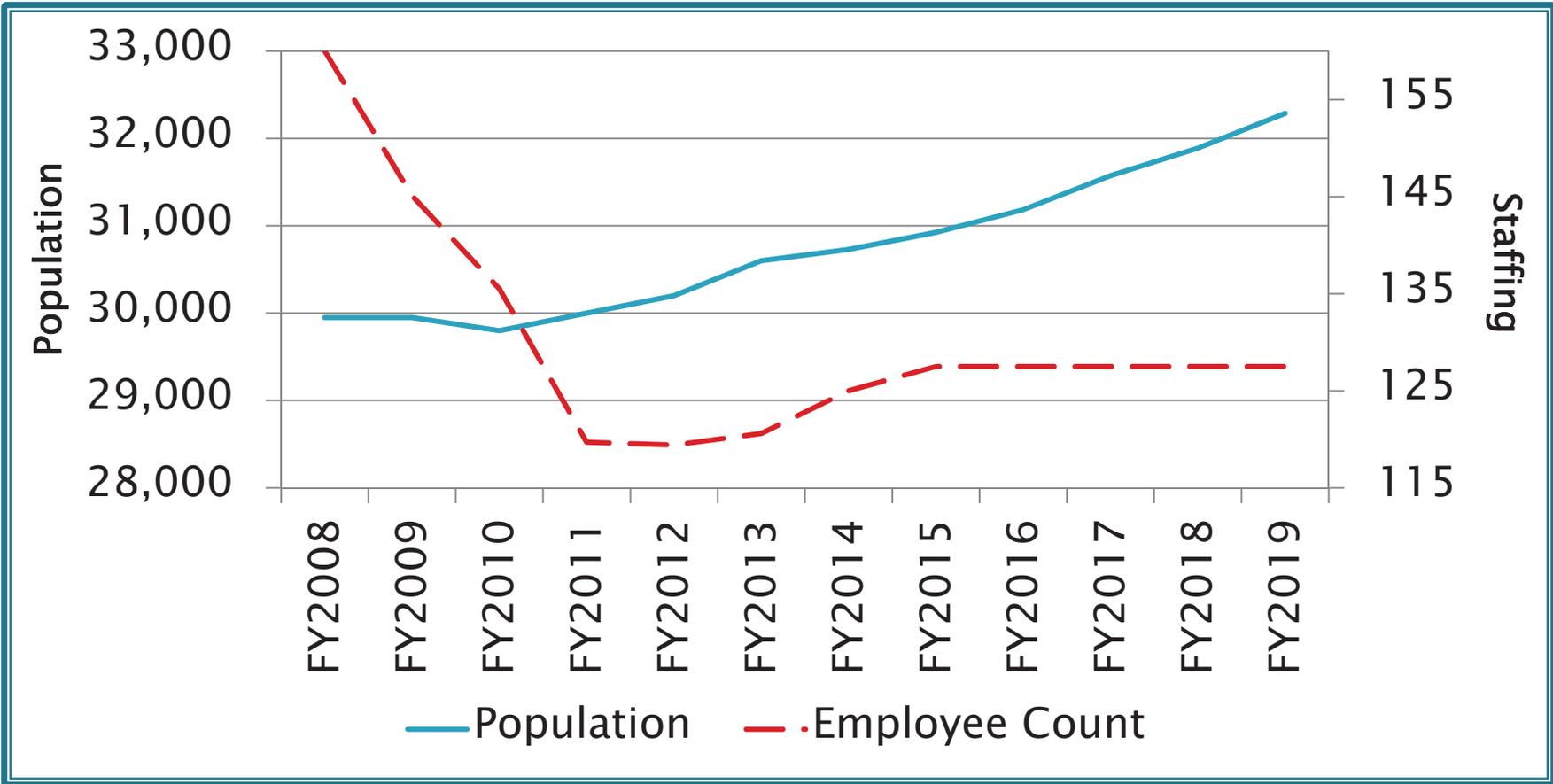
*As of 1/28/15

Note: "Non-Public Safety" includes all non-sworn General Fund and Enterprise Employees (Water, Sewer, and Airport)

Note: Police includes only SWORN Officers. Fire includes only CERTIFIED safety employees.

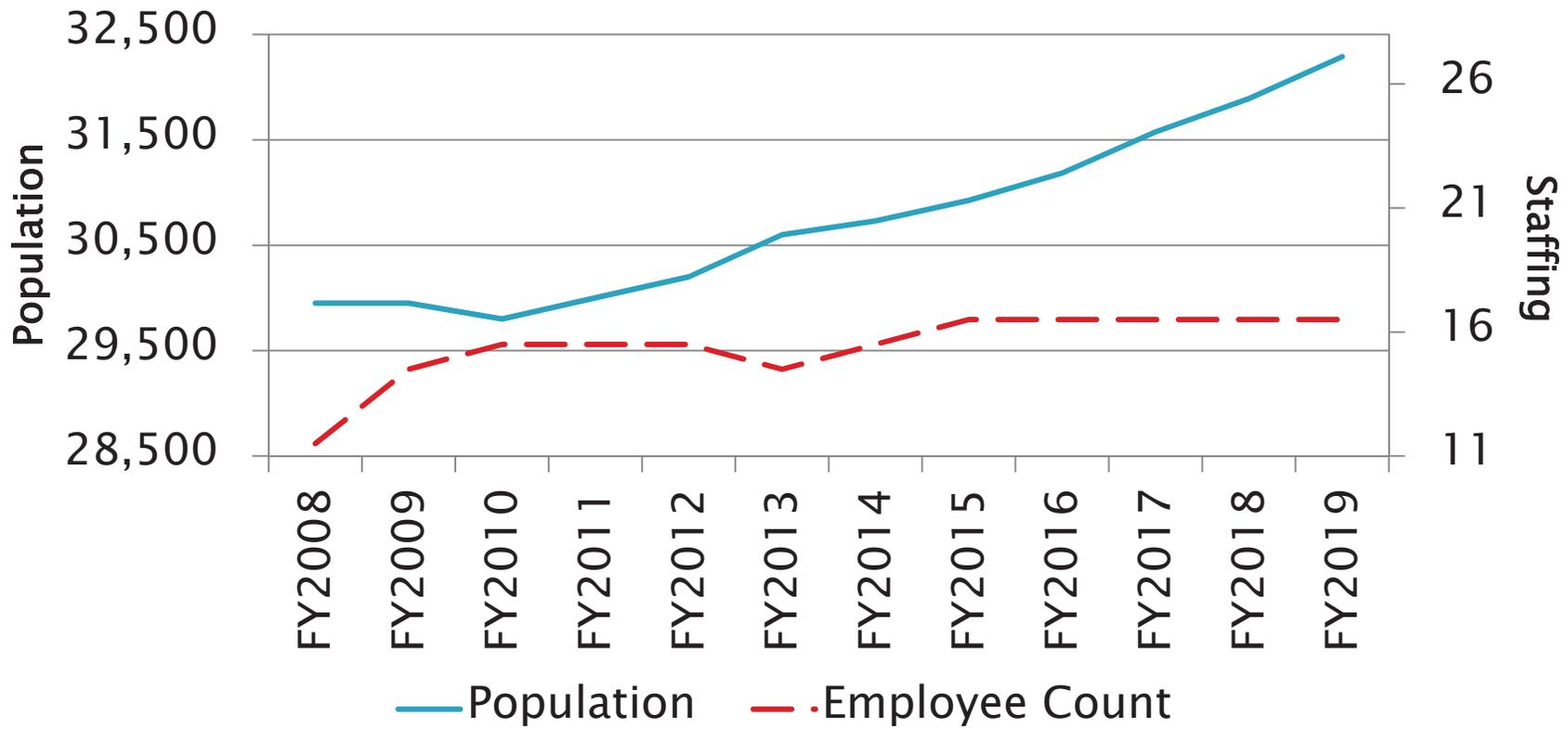


General Fund Staffing vs Population



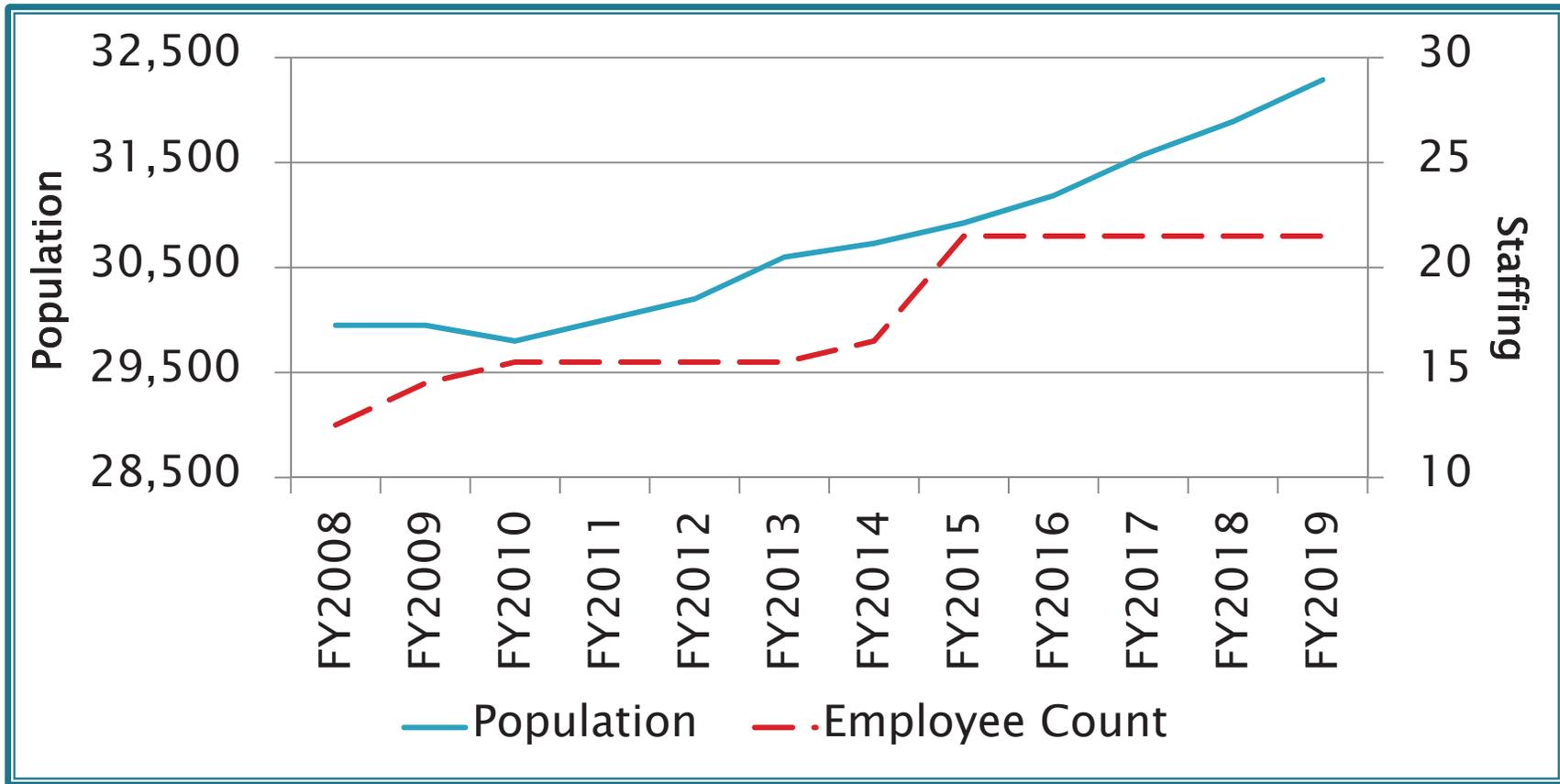
Water Fund

Staffing vs Population



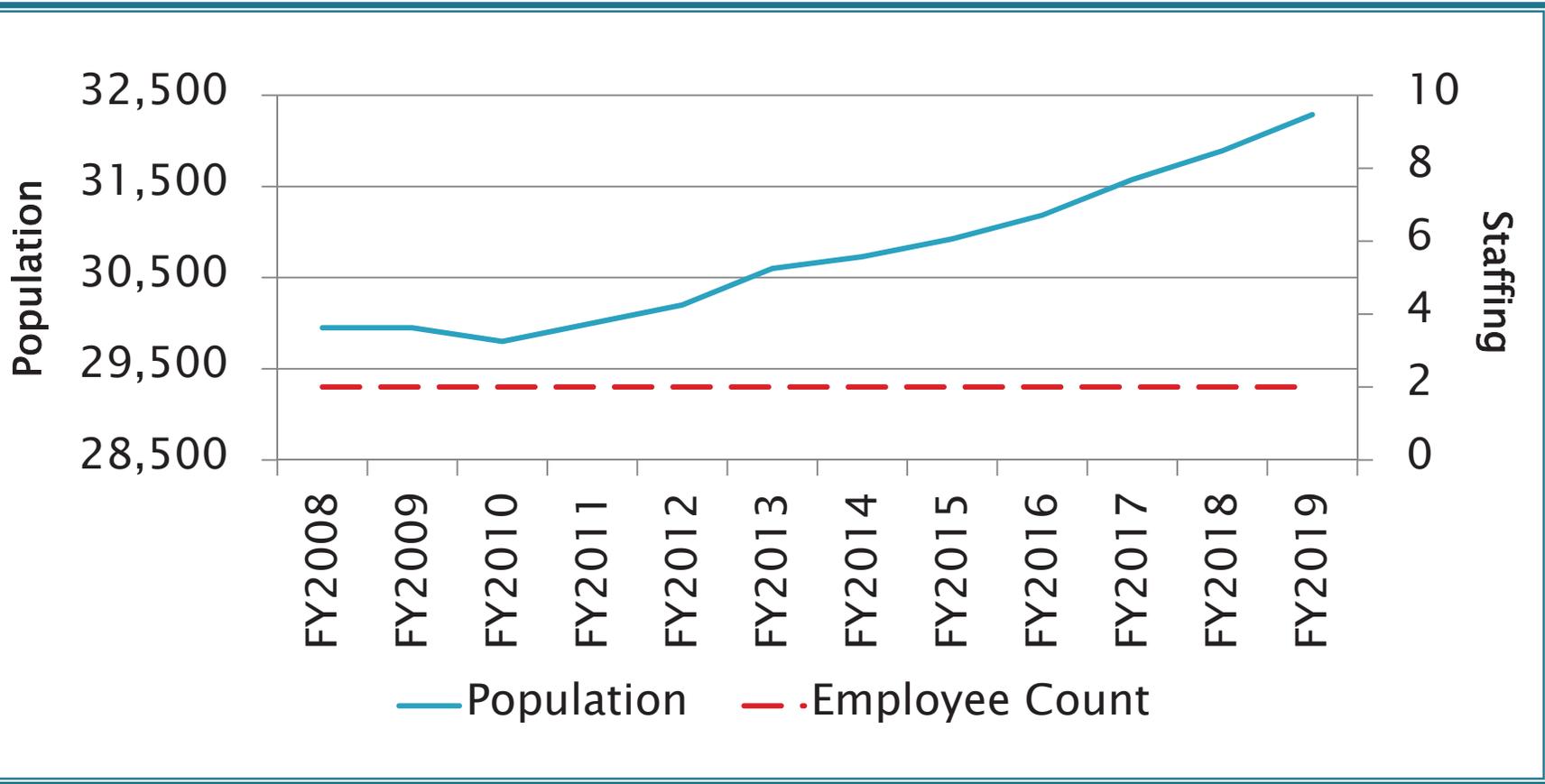
Wastewater Fund

Staffing vs Population



Airport Fund

Staffing vs Population



City-Wide Fund Balance Summary

<u>Summary of Funds</u>					
<u>Fund #</u>	<u>Fund Name</u>	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>Fund Description</u>	
Unrestricted Funds*					
100	General Fund	\$6,983,855	\$8,273,188	General reserve funds	
121	City Hall Development Fund	\$2,208,733	\$2,131,406	General Revenue funds for new/expanded city hall	
224	Public Facilities Development Fund	\$1,555,707	\$1,570,147	RDA repayment for Library	
	Subtotal Unrestricted Funds	\$10,748,295	\$11,974,741		
Restricted Funds					
General Operation Funds					
101	Capital Projects Fund - New	\$1,010,626	(\$822,167)	Grant revenue - due to timing of revenue/expense	
103	Supplemental Sales Tax Fund	\$39,782	\$3,535,044	Supplemental Sales Tax - approved Nov. 2012	
110	State/Federal Grants	\$91,181	(\$593,577)	Grant revenue - due to timing of revenue/expense	
112	Equipment Replacement Fund - Technology	\$1,547,472	\$1,731,784	Annual depreciation for purchase of new equipment	
116	City/School Facility Improvements Fund	\$39,314	\$42,143	Agreement with PRSD for maintenance/repair	
119	City Facility Repair Fund	\$139,397	\$149,404	Funds generated by recreation surcharge	
120	Capital Improvement Fund	\$127,388	\$62,051	Grant revenue	
125	Equipment Replacement Fund - Vehicle	\$3,185,184	\$3,758,472	Vehicle replacement funds	
126	Public Works Grants - Various	\$644	\$644	Grant revenue	
228	Borkey Specific Plan Fund	\$191,011	\$194,280	Funds related to specific plan	
230	Youth Scholarship Fund	\$19,142	\$13,102	To assist recreation participants	
234	Oak Tree Preservation Fund	\$10,306	\$10,256	Oak Tree Replacement	
308	Landscape and Lighting Dist #1 Fund	\$671,325	\$821,180	Assessment District	

City-Wide Fund Balance Summary

310	CFD Community Facilities District Fund		\$0	\$0	Assessment District
320	Art in Public Places Fund		\$599	\$599	For public art work
612	Solid Waste Contingency Fund		\$838	\$185	To assist with landfill closure/operations
	Subtotal General Operation Funds		\$5,932,620	\$8,903,400	
	Impact Fee Funds				
219	Public Meeting Facility Development Fund		\$375,836	\$375,836	Impact Fee Revenue
222	Aquatics Facility Development Fund		\$391,479	\$398,178	Impact Fee Revenue
223	Library Expansion Facility Development Fund		\$950,893	\$999,069	Impact Fee Revenue
231	City Hall/General Government Facility Development Fund		\$2,687,662	\$2,846,782	Impact Fee Revenue
113	Electronic Archiving Fees Fund		\$153,250	\$148,211	Fees charged during permitting
114	Building Education Fund		\$128,465	\$131,125	Fees charged during permitting
122	Permit Automation Fee Fund		\$226,915	\$255,906	Fees charged during permitting
124	Police Grants		\$0	(\$6,373)	Grant revenue due to timing of revenue/expense
123	Community Development Nexus Study Fund		\$7,422	\$8,500	Fees charged during permitting
213	Streets, Traffic Signal, Bridge Development Fund		\$1,550,228	\$2,974,376	Impact Fee Revenue
225	Union/46 SP Development Fund		\$488,804	\$1,990,987	Impact Fee Revenue
237	Bike & Pedestrian Path Facilities		\$9,997	\$24,061	Impact Fee Revenue
211	Law Enforcement Facility Development Fund		\$132,320	\$138,799	Impact Fee Revenue
212	Fire Protection Facility Development Fund		\$1,606,538	\$1,580,287	Impact Fee Revenue
216	Park/Land & Open Space Acquisition Development Fund		\$1,236,131	\$1,356,254	Impact Fee Revenue
217	Storm Drainage Development Fund		\$84,887	\$101,908	Impact Fee Revenue
238	Downtown Parking In-Lieu Fee Fund		\$542,682	\$396,922	Impact Fee Revenue

City-Wide Fund Balance Summary

<u>Water Funds</u>					
600	Water Operations Fund		\$1,886,921	\$2,320,021	Water User Fees
220	Water Connections Fund		\$2,539,369	\$3,020,871	Impact Fee Revenue
229	Nacimiento Water Treatment Fund		\$0	\$0	Planning of treatment plant
606	Nacimiento Water - Enterprise Fund		\$12,315,974	\$12,526,865	Monthly fixed fee of \$18.
226	Nacimiento Water Project Fund		\$1,219,739	\$0	Impact Fee Revenue
	Subtotal Water Funds		\$17,962,003	\$17,867,757	
<u>Sewer Funds</u>					
221	Sewer Connections Fund		\$2,498,942	\$2,415,468	Impact Fee Revenue
601	Sewer Operations Fund		\$3,273,056	\$5,351,092	Sewer User Fees
	Subtotal Sewer Funds		\$5,771,998	\$7,766,560	
<u>Airport Funds</u>					
602	Airport Operations Fund		\$719,031	\$1,652,521	User Fees
604	Airport Capital Match Fund		\$917,250	\$768,667	
603	Airport Terminal Repair Fund		\$197,686	\$201,069	Funding reserved for repair of airport terminal
	Subtotal Airport Funds		\$1,833,967	\$2,622,257	
<u>Transportation Funds</u>					
200	Gas Tax 2106 Fund		\$263,551	\$41,903	Revenue for transportation projects only
203	Gas Tax 2103		\$741,459	\$221,540	Revenue for transportation projects only
204	AB 2928 Traffic Congestion Relief Fund		\$17	\$0	Revenue for transportation projects only
205	TDA Article 8A Fund		\$62,266	\$92,402	Revenue for transportation projects only
206	TDA Article 8C Fund		\$169,559	\$747,496	Transit System Revenue
207	Prop 1B Public Transportation Fund		\$134,311	\$136,610	Revenue for transportation projects only
210	Gas Tax 2105 Fund		\$0	\$0	Revenue for transportation projects only
	Subtotal Transportation Funds		\$1,371,163	\$1,239,951	

City-Wide Fund Balance Summary

Trustee Funds					
RDA/CDBG					
227	Community Development Block Grant Fund		\$252,746	\$103,274	Federal funding for low-income housing and/or blighted areas
700/710	Redevelopment Agency Operations Fund		\$0	\$0	RDA operations
701/711	Redevelopment Agency Housing Fund		\$0	\$0	20% set aside required for all RDA's
702/712	Redevelopment Agency Debt Service Fund		\$5,518,266	\$1,361,188	Debt Service
704/714	Cuesta College Fiscal Agreement Fund		\$0	\$0	Agreement between City and College
705/715	SLO County Schools Fiscal Agreement Fund		\$0	\$0	Agreement between City and County
	Subtotal RDA/CDBG Funds		\$5,771,012	\$1,464,462	
Other Trustee Funds					
233	Cal Home Loan Fund		\$96,375	\$98,024	Trustee Fund
401	Senior Citizens Trust Fund		\$185,869	\$171,176	Trustee Fund
402	Hospital District Trust Fund		\$98,639	\$97,784	Trustee Fund
405	Business Improvement Association Trust Fund		\$5,474	\$6,190	Trustee Fund
406	Customer Deposits Fund		\$620,340	\$695,849	Trustee Fund
410	Tourism & Lodging BID		\$123,620	\$136,774	Trustee Fund
611	Landfill Closure/Post Closure Fund		\$2,151,396	\$2,315,221	Federal/State requirements
117	Citizens Option Public Safety Fund		\$116,875	\$149,182	To account for State AB3229 funds.
	Subtotal Other Trustee Funds		\$3,398,588	\$3,670,200	
	Subtotal Trustee Funds		\$9,169,600	\$5,134,662	

City-Wide Fund Balance Summary

Debt Service Funds					
505	Library/City Hall Debt Service Fund		\$428,272	\$14,761	Debt Service
506	1998 Measure D GO Bonds Fund		<u>\$6,192,956</u>	<u>\$5,952,146</u>	Debt Service
	Subtotal Debt Service Funds		\$6,621,228	\$5,966,907	
	Total Reserve All Funds		<u>\$69,984,383</u>	<u>\$75,197,063</u>	
NOTE: Gross Unrestricted General Funds are increased by the following:					
	1. CCCSIF Deposit - \$580,000				
	2. Equipment Replacement Fund Annual payment - \$926,000				