



## Paso Talks – City Finances

### Frequently Asked Questions

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**Q: What is the City’s annual budget?**

A: For Fiscal Year 2018-19: General Fund: \$45.9 million. Water Fund: \$21.6 million. Sewer Fund: \$12.2 million. All Funds: \$113.7 million

**Q: What is fund accounting?**

A: Fund accounting is an accounting system for recording resources (i.e. revenues) whose use has be limited by the donor, grant authority, governing agency, individuals, organizations or by law.

**Q: What is the total gross debt of the city?**

A: The financial report ([CAFR](#)) lays out all the debts and provides a description of what each debt was utilized for. The debt balances at June 30, 2018 are summarized below:

	Governmental Funds	Enterprise Funds	Total
Employee Accrued Time Off	2,019,364	644,887	2,664,251
Capital Leases	2,737,743	130,987	2,868,730
Bonds Payable	20,500,487	5,326,497	25,826,984
Landfill Closure	2,295,990	0	2,295,990
Loans Payable	2,354,218	46,209,040	48,563,258
Net Pension Liability	32,740,695	8,659,638	41,400,333
Total	62,648,497	60,971,049	123,619,546

**Q: Has there been any thought to educating residents about spending dollars locally?**

A: The Mayor speaks to schools but with packed schedules based on the curriculum loads there is little room to get new material communicated. A full buy-local campaign is probably better seen as an opportunity for the Chamber of Commerce.

**Q: Why do we need four fire captains making more than \$180K?**

A: Paso Robles pays its fire captains a base salary of \$7,201 to \$10,112/month (dependent on work experience and paramedic certificates). Paso Robles is part of a strike force helping with the California wildfires. The larger reported figures are a result of overtime. When our force is helping with California wildfires the city is compensated by CalFire.

**Q: Why are City staff paid so much?**

A: We are in a very competitive job market. As a result, the City’s current policy is to compensate its employees at a level competitive with the compensation paid to people doing work of a similar quantity and quality for similar employers in the public, private, and not-for-profit sectors. Because we are a full service city but have significantly fewer employees than other cities our size, we ask our management employees to do more than their peers, and we also compensate them for that additional value provided.



**Q: When does the current supplemental sales tax for the City of Paso Robles sunset?**

A: The current 2012 supplemental sales tax currently in place will sunset in 2025. If the additional measure passes, it will also sunset in 2025. There is a citizens oversight committee that oversees how the money is spent, to ensure it is spent consistently with the direction by the voters. The committee's findings are reported to the City Council and are available to the public. The full accounting for those expenditures can be found here: [{link}](#) As is demonstrated in those findings, the City has spent all of the supplemental sales tax dollars consistent with the community's direction.

**Q: Is there additional networking happening to speak with businesses personally to bring business here?**

A: The Paso Robles Chamber of Commerce is the lead agency for Economic Development and are devising a strategic plan to attract businesses and jobs to Paso Robles. Currently they are using a tool called [Offsites.com](#) that matches available parcels with developers across the country looking for places to develop commercial enterprises. The current focus at the Chamber is to strengthen businesses that are already here in Paso Robles, with outreach to outside companies happening in the coming months and years.

**Q: Why are community development fees not included in the income streams? Why don't these funds cover our employees?**

A: There are several type of fees that are paid by a developer in the course of a project. Permit fees are collected by the General Fund and are used to pay for the services of the Community Development Department. Additionally, developers pay impact fees which, under current law, cannot be used towards salaries of the expanded services needed but can only be used for the expanded infrastructure needs such as streets, bridges, water and sewer, etc. Additionally, new residential properties will be part of a Community Facilities District (CFD's) which is an added charge to their property tax bill. The monies collected in those instances will help pay for the additional operating cost of the City such as additional police officers, firefighters and maintenance workers.

**Q: Why does each City project cost more than it does in the private sector?**

A: There are a variety of reasons - State and federal regulations for municipal construction, prevailing wages, ADA standards compliance, the competitive bidding processes we are required to follow, CalPERS costs and requirements, and public labor law requirements, among other factors.

**Q: As residents we need guidance on state ballot measures. Can the City advise Paso Robles residents on how proposed legislation would affect us locally?**

A: This is a very timely question. Councilmember Fred Strong sits on several state boards and is a great resource for putting national legislation into a local context, he can be reached at [fstrong@prcity.com](mailto:fstrong@prcity.com) or you can make an appointment to meet with him by calling 805.237.3888. Additionally, our staff members are experts on many of these issues and are happy to meet with residents to discuss upcoming ballot measures. Call 805.237.3888 to schedule a meeting with the appropriate staff member.



**Q: How much are our underfunded obligations? It seems that the city doesn't have enough funds for day-to-day operations.**

A: Paso Robles is financially stable, but struggles with infrastructure maintenance, like most other cities.. The following table presents our primary underfunded liabilities:

<u>Area</u>	<u>UAL</u>
Streets, bridges, storm drains	\$41,401,768
Facilities	\$17,588,856
CalPERS	\$41,400,333

**Q: For new development, what is the appetite on special financing districts? Have we done these in the past?**

A: New residential units are automatically members of our existing community financial district (CFD) However, we know that the current assessment is not adequate and will initiate an analysis of it soon. For more information on how CSDs could work in Paso, please contact Community Development Director Warren Frace via email at [wfrace@prcity.com](mailto:wfrace@prcity.com) or make an appointment to meet with him at 805.237.3970.