



# BUDGET IN BRIEF

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Fiscal Year 2021-22

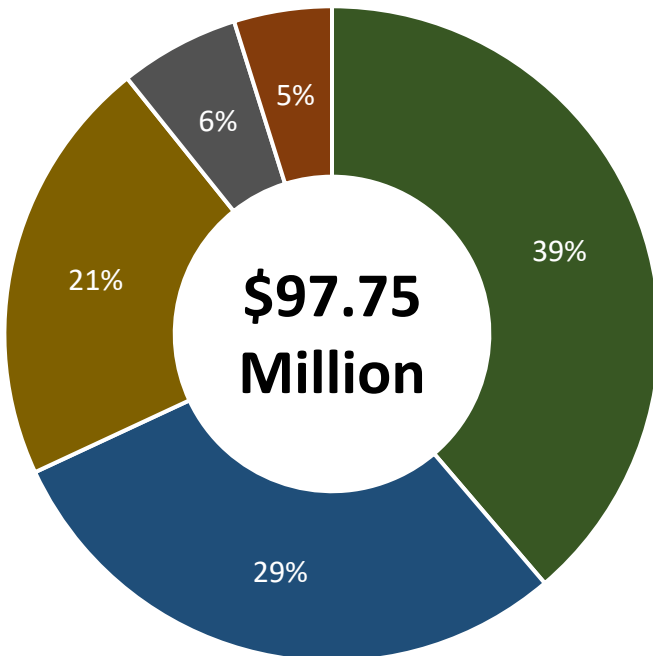
# THE BUDGET PROCESS

*Your Ideas Count!*

State law requires the City Council to adopt a balanced, comprehensive operating and capital expenditure budget in order to authorize the receipt of revenues and to authorize, guide, and direct City activities no later than June 30, each year. For Fiscal Year 2021-22, the budget is balanced; allocates resources consistent with the strategic planning and core values of the City' and addresses all City programs and funds, with primary emphasis on the full range of City services including police, fire and emergency services, street and road maintenance, water and sewer service, and recreation and quality of life amenities.



## FY 2020-21 CITYWIDE BUDGET \$97.75 MILLION



### GENERAL FUND \$37.89 MILLION (39%)

The City's primary account—supports most City staff and key services such as Police, Fire, Public Works, and Community Development

### ENTERPRISE FUNDS \$28.64 MILLION (29%)

Includes Water, Wastewater, Parking, and Airport operating and capital costs

### CAPITAL PROJECTS FUNDS \$20.71 MILLION (21%)

Supports Citywide capital projects, road maintenance and repair, park development projects, transportation improvements, and impact fee projects

### INTERNAL SERVICE FUNDS \$5.79 MILLION (6%)

Supports City Fleet, Information Technology, and Risk Management operational and capital costs

### ALL OTHER FUNDS \$4.72 MILLION (5%)

Accounts for revenues that can only be used for specific purposes, and for debt service costs for outstanding bond obligations

# City Council Goals and Strategic Priorities

## Community Health and Economic Recovery

- Continue to support local businesses, including information-sharing and resource referral
- Advocate for relief funding to address COVID-19 impacts
- Engage partners in support of community health and economic recovery
- Promote Paso Robles as a destination for the “Remote Economy”
- Pursue opportunities to diversify the area economy

## Infrastructure

- Improve Road Quality
- Secure funding for and design of traffic and transportation improvements (e.g., Niblick/Creston Roads)
- Secure funding for and design Huer-Huero Creek and South Vine Street Bridges
- Pursue funding and opportunities to expand internet access and connectivity
- Partner with Cuesta College and the school district regarding traffic concerns
- Continue to pursue additional funding for improvements (e.g., grants, private industry, etc.)
- Effectively utilize Measure J-20 funds and communicate results

## Public Safety

- Design and build Phase 1 of the Union Road Public Safety Facility
- Complete design for police substation and Fire Station #3
- Complete the 911 system upgrade
- Improve public safety response times
- Increase public safety staffing
- Increase visibility of officers Downtown (e.g., on foot, bicycles)

## Housing and Homelessness

- Increase diverse housing stock; explore ways to expedite the building phase of approved projects
- Advance affordable housing options
- Maintain vibrant neighborhoods
- Build on partnership with ECHO shelter and homeless services

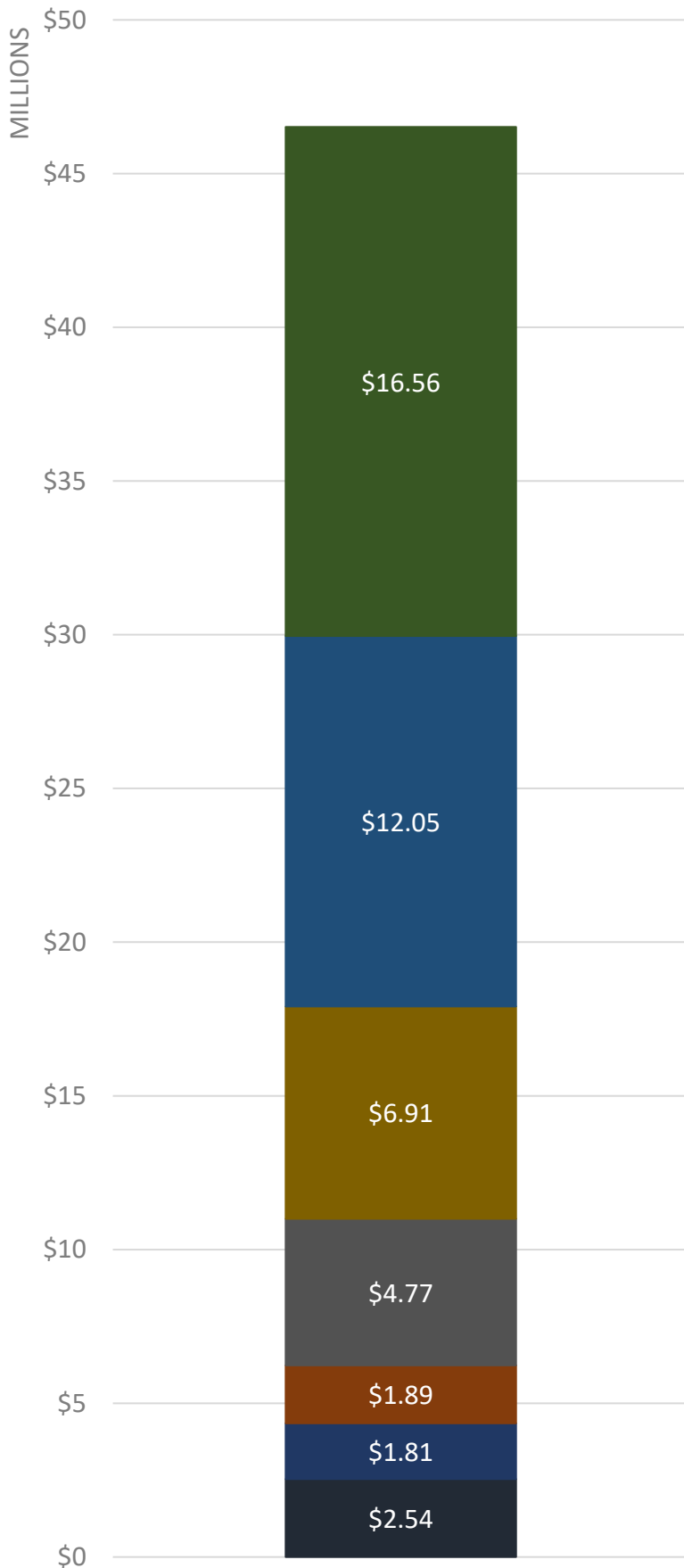
## Quality of Life Amenities (Libraries, Parks, Recreation, Trails, Bike Paths, etc.)

- Restore and expand recreational opportunities for residents and visitors, through both public and private enterprise
- Complete the Library Master Plan
- Support a thriving Downtown
- Celebrate local heritage and increase diversity and inclusion
- Implement the Bike and Pedestrian Pathways Plan

## Governance and Community Partnership

- Strengthen trust in local government
- Develop the next generation of community leaders
- Proactively engage all segments of the community
- Reestablish liaison to the school district; support civic education
- Continue to govern in a high-quality and transparent manner, for the entire community’s long-term interest
- Ensure the City lives within its means over the long term

# General Fund Revenues



**How is the City Funded?** The City's General Fund revenue is made up primarily from sales tax, property tax and transient occupancy tax. The remaining revenue sources are from charges for services, permits and licenses, franchise taxes, business licenses and other revenues. Total General Fund revenue for FY 2021-22 is estimated to be \$46.5 million.

## Sales & Use Tax – 36%

- For every \$1 that residents, visitors, and businesses spend, the City receives 2.5¢ of the 8.75¢ total sales tax.

## Property Tax – 26%

- For every \$1 in property taxes paid by residents and businesses, the City receives 17.64¢

## Transient Occupancy Tax – 15%

- Visitors staying at our local hotels, vacation rentals, and RV parks pay a 10% tax applied to the room rate

## All Other Taxes – 10%

- Includes business licenses, franchise fees, cannabis tax, and other taxes received from the State.

## Charges for Services – 4%

- The City charges fees for certain services; these services are deemed to be those for which a particular individual or group is the primary beneficiary, as opposed to the public at large.

## Use of Money & Property – 4%

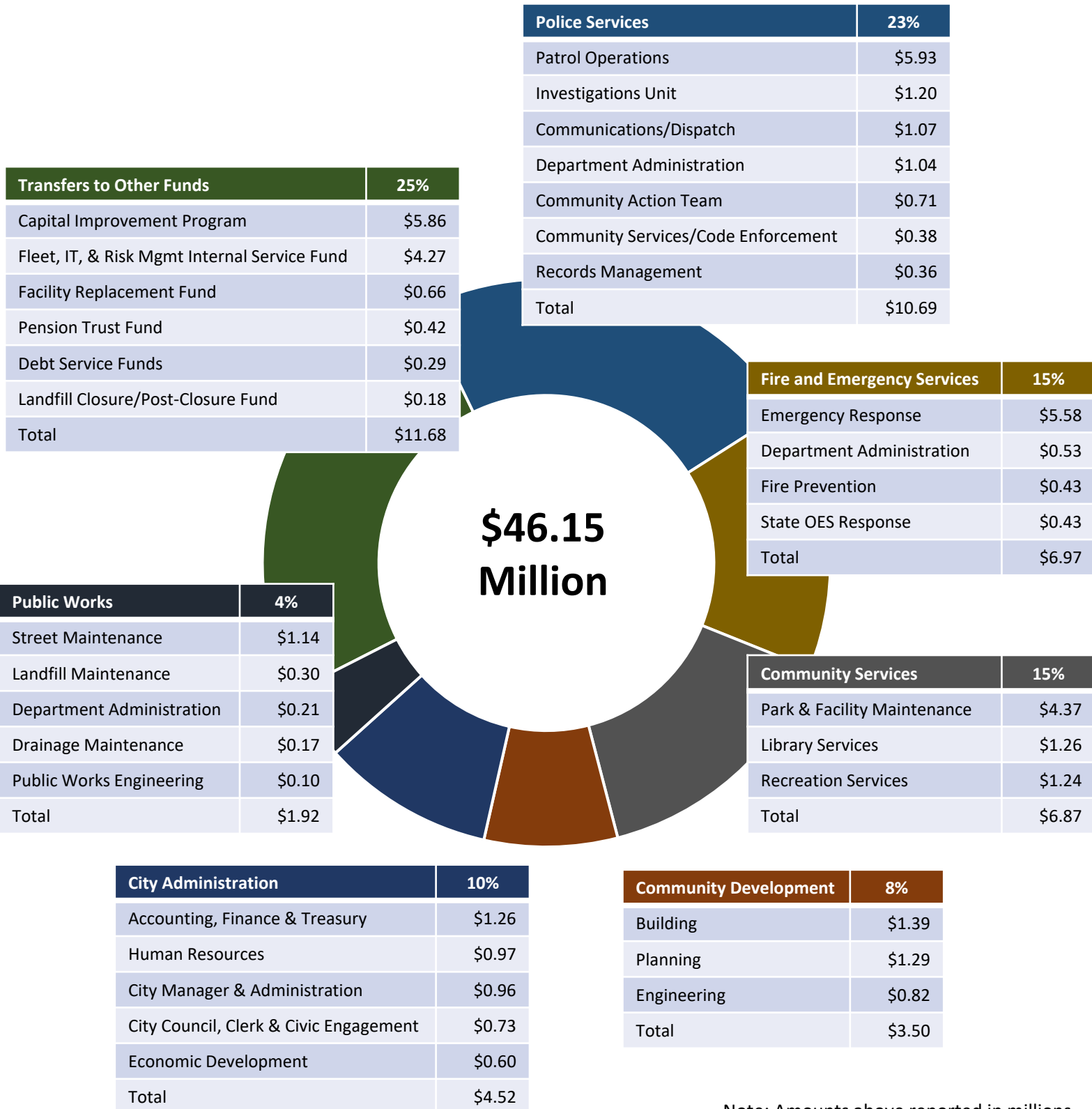
- Public facility use, interest income, sale of capital assets and equipment, rental income, etc.

## All Other Revenue – 5%

- Includes overhead charges (e.g., finance and accounting, clerk and civic engagement, etc.) recovered from other City funds, license and permits, fines and forfeitures, operating grant revenue, etc.

# General Fund Expenditures

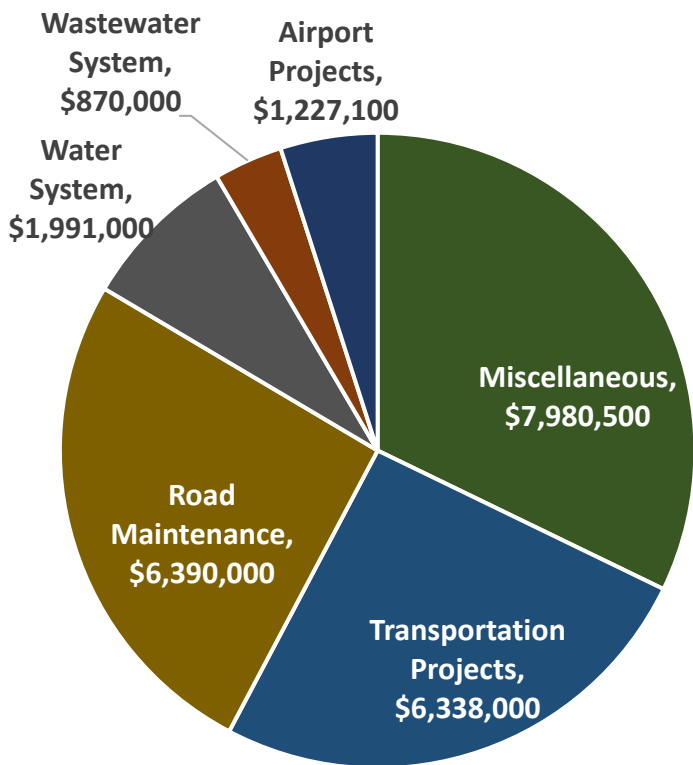
**Where Do Your Tax Dollars Go?** The City's General Fund budget is a plan for providing essential services to the public. Based on Council goals and other important initiatives, the budget includes enhancements to better serve the public and significant community investments. Total General Fund budgeted expenditures are \$46.15 million for FY 2021-22



Note: Amounts above reported in millions

# Capital Projects Budget

In order to offer the City's services, there must be a significant and ongoing investment in capital assets, including real estate, streets and roads, facilities, equipment, and natural amenities (e.g., street trees, walking trails). As such, the City accounts for this type of activity in a standalone Capital Improvement Program (CIP) Fund that outlines the funding sources and anticipated categories of funding uses. Given the high costs of capital assets, and the impacts they have on the operating programs, capital expenditures are examined over the long term (minimum of five years). The City's CIP program can broadly be categorized in four areas: 1) miscellaneous projects including system upgrades, property purchases, parks, facilities, and trail maintenance and repair, or studies; 2) street repair, maintenance, and rehabilitation; 3) transportation infrastructure enhancements; and 4) enterprise-funded projects. (Any capital costs outside of those three areas are likely budgeted as part of the operating budget and will be addressed in the Operating Budget).



## Miscellaneous Projects – 33%

- Fire Station #3: \$6.95
- Various Parks, Facilities, Trail R&M: \$0.53
- ADA Transition Plan: \$0.50

## Transportation Projects– 26%

- 24<sup>th</sup> Street Bridge: \$1.20
- Union Rd/Golden Hill Rd Roundabout: \$2.87
- South Vine St Bridge: \$0.22
- Union Rd/Hwy 46E Overpass: \$2.00
- Local Roadway Safety Plan: \$0.05

## Road Maintenance – 24%

- Rambouillet/Nicklaus Area: \$1.90
- Appaloosa Dr: \$0.75
- Melody Dr/Patricia Ln: \$2.40
- Rolling Hill Estates: \$0.84
- Gas Tax Street Repairs/Maint.: \$0.50

## Water Systems– 8%

- Annual Well Rehabilitation: \$0.20
- Annual Water Line Replacement: \$0.38
- Golden Hill Reservoir Recoating: \$1.16
- Golden Hill Reservoir Access Road: \$0.16
- Riverside Utility Crossing: \$0.09

## Wastewater Systems – 4%

- Annual Sewer Line Replacement: \$0.21
- Lift Station Upgrades: \$0.36
- Creston Rd Sewer Line Replacement: \$0.30

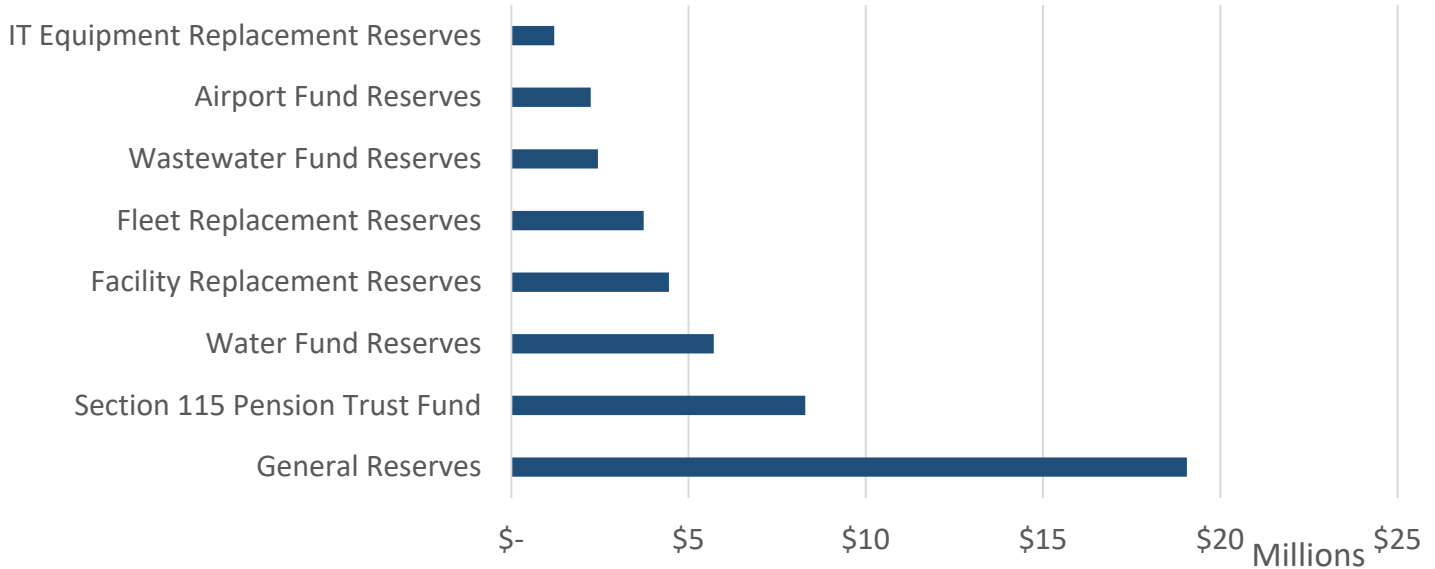
## Airport Projects– 5%

- Airfield Electrical Upgrade: \$1.18
- Parking Area Repairs: \$0.05

Note: Amounts above reported in millions

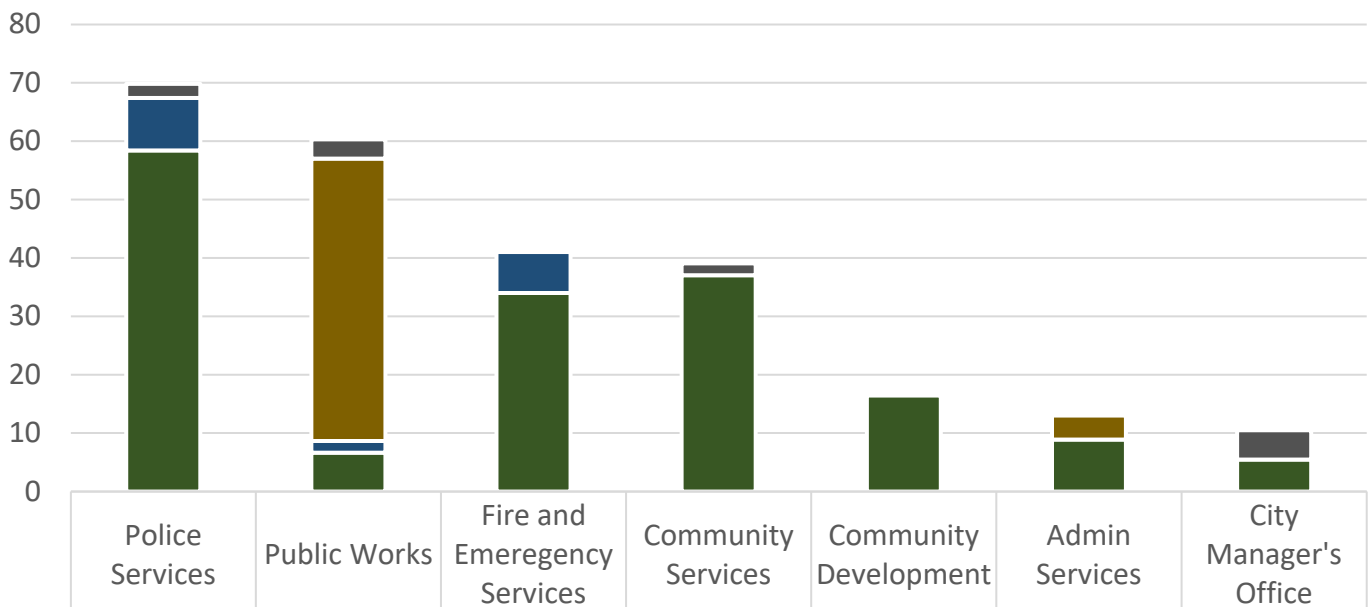
# City Reserves

The City Council adopted a balance budget for FY 2021-22, which will be reviewed and updated throughout the fiscal year. Specifically, budget to actual revenues received and actual expenditures incurred are presented to City Council and the public on a quarterly basis (approximately 6-8 weeks after the quarter ends). The City also conducts a 10-year fiscal forecast and are shared with Council and the public annually. The City has several reserves for both anticipated and unanticipated events, as shown below. City's General Fund reserves represents 42% of annual revenues.



# City Staffing

The City's budget supports 250.07 full-time equivalent employees. A full-time employee is scheduled to work 2,080 hours per year including vacation and sick leave; 2,912 hours per year for shift firefighters. A full-time equivalent is calculated by dividing total number of labor hours by 2,080, or 2,912, respectively.



	Police Services	Public Works	Fire and Emergency Services	Community Services	Community Development	Admin Services	City Manager's Office
■ All Other Funds	2.41	3.3	0	2.02	0	0	5
■ Enterprise Funds	0	48.35	0	0	0	4.1	0
■ Measure J-20	9	2	7	0	0	0	0
■ General Fund	58.41	6.65	34	37.03	16.43	8.9	5.47

# Measure J-20 Supplemental Sales Tax

In November 2020, the voters of Paso Robles approved Measure J-20, a one-cent supplemental sales tax (SST), beginning on April 1, 2021, and ending on March 31, 2033 (unless ended earlier by the voters). It has the potential to generate approximately \$10 million each year in sales tax revenues. The main priorities for this revenue are for the following purposes: 1) Fire and Emergency Services; 2) Police Services; and 3) Street Repair and Maintenance. For FY 2021-22, Measure J-20 will be funding the items listed below, totaling \$12.9 million. This will exceed the revenues received; however, the Public Safety Center is a one-time capital expense, and the fund will be replenished with future revenues.

## Fire & Emergency Services

- 6 New Firefighter Positions: \$0.82 million/year
- 1 New Administrative Captain Position: \$0.20 million/year
- Phase 1 Union Road Public Safety Center: \$6.95 million

## Police Services

- 7 New Police Officer Positions: ~\$1.19 million/year
- 1 New Dispatch Supervisor Position: ~\$0.15 million/year
- 1 New Records Clerk Position: ~\$0.09 million/year
- Public Safety 911 & License Plate Camera Equipment: \$1.32 million

## Street Repair & Maintenance

- 2 New Street Maintenance Personnel: \$0.18 million/year
- 6-Year Street Repair and Maintenance Shortfall: \$3.93 million

City of Paso Robles – 1000 Spring Street – Paso Robles, CA 93446 – [prcity.com](http://prcity.com)

### City Council

Email: [council@prcity.com](mailto:council@prcity.com)

Phone: 805-237-3888

Mayor: Steve Martin

Mayor Pro Tem: John Hamon

Council Member: Steve Gregory

Council Member: Fred Strong

Council Member: Maria Garcia

### Executive Management Team

Phone: 805-237-3999

Interim City Manager: Greg Carpenter

Administrative Services Director: Ryan Cornell

Community Development Director: Warren Frace

Community Services Director: Julie Dahlen

Fire and Emergency Services Chief: Jonathan Stornetta

Police Chief: Ty Lewis

Interim Public Works Director: Christopher Alakel