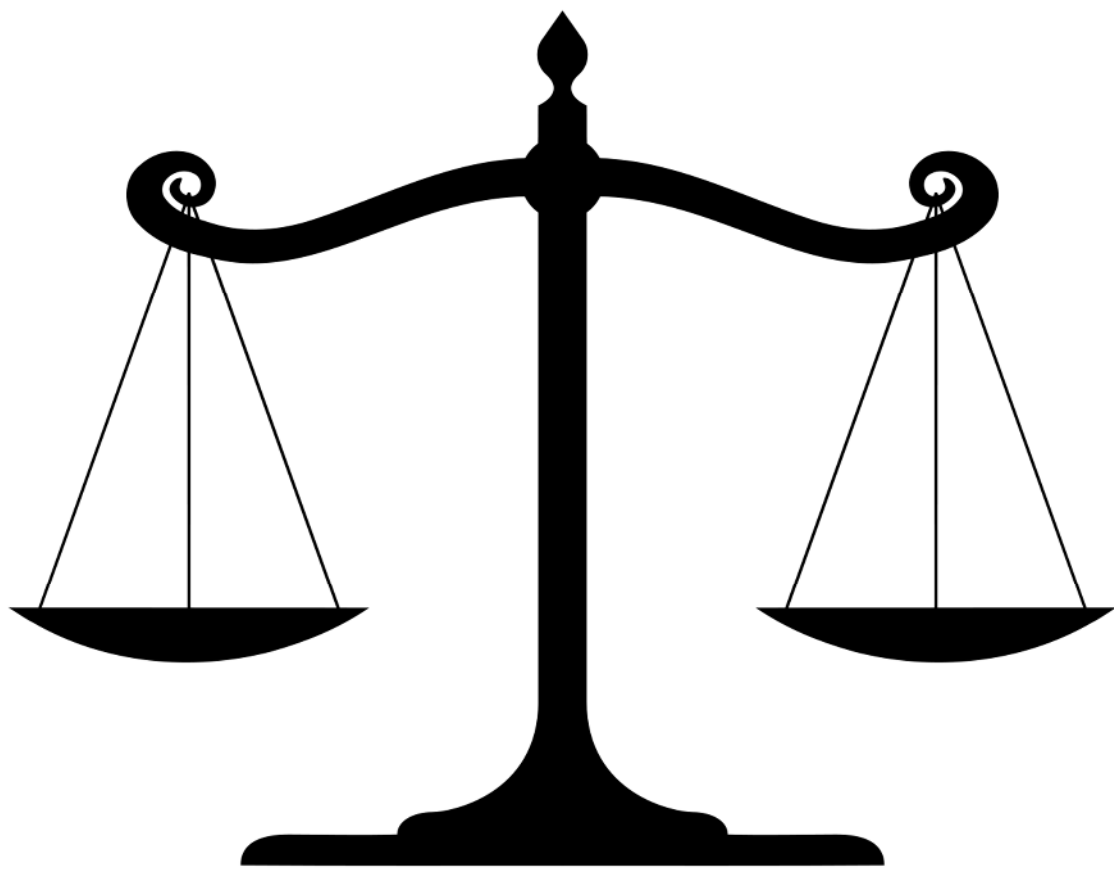




Fiscal Year 2020-2021  
Budget Adoption Request  
June 23, 2020

Prepared By Finance Department



**FY 20/21 - Budget Adoption Request - June 23, 2020**



**General Fund**

|  | <b>Actual<br/>FY 18/19</b> | <b>Amended Budget<br/>FY 19/20</b> | <b>Budget<br/>FY 20/21</b> |
|--|----------------------------|------------------------------------|----------------------------|
| <b>Revenues - General Fund</b>                 | \$ 42,919,382              | \$ 42,599,463                      | \$ 42,868,837              |
| <b>Expenditures by Department</b>              |                            |                                    |                            |
| ADMINISTRATION                                 | 5,964,328                  | 6,195,009                          | 5,540,263                  |
| POLICE   | 21,487,824                 | 21,636,372                         | 21,728,904                 |
| FIRE   | 11,238,166                 | 10,009,771                         | 9,862,684                  |
| SPECIAL PUBLIC SAFETY                          | 956,149                    | 1,175,592                          | 857,845                    |
| TOURISM  | 704,425                    | 414,508                            | 354,808                    |
| PLANNING                                       | 718,529                    | 1,003,839                          | 793,689                    |
| PARKS, RECREATION & PUBLIC FACILITIES          | 2,629,792                  | 2,615,080                          | 2,667,667                  |
| <b>General Fund Expenditures by Department</b> | \$ 43,699,213              | \$ 43,050,171                      | \$ 41,805,860              |
| <b>Net Income (Loss) General Fund</b>          | \$ (779,831)               | \$ (450,708)                       | \$ 1,062,977               |

**FY 20/21 - Budget Adoption Request - June 23, 2020**



**General Fund**

|  | <b>Actual<br/>FY 18/19</b> | <b>Amended Budget<br/>FY 19/20</b> | <b>Budget<br/>FY 20/21</b> |             |
|--|----------------------------|------------------------------------|----------------------------|-------------|
| <b>Revenues - General Fund</b>                     | \$ 42,919,382              | \$ 42,599,463                      | \$ 42,868,837              |             |
| <b>Expenditures by Classification</b>              |                            |                                    |                            |             |
| SALARIES AND BENEFITS                              | 34,574,924                 | 34,623,831                         | 34,037,308                 | 81%         |
| CONTRACTUAL SERVICES                               | 2,011,865                  | 1,852,490                          | 2,008,856                  | 5%          |
| SUPPLIES AND MAINTENANCE                           | 624,839                    | 788,576                            | 591,369                    | 1%          |
| UTILITIES  | 533,208                    | 584,269                            | 566,057                    | 1%          |
| VEHICLE EXPENSES                                   | 722,772                    | 609,994                            | 633,781                    | 2%          |
| MISCELLANEOUS EXPENSES                             | 901,711                    | 909,068                            | 919,902                    | 3%          |
| CAPITAL OUTLAY                                     | 14,344                     | 42,187                             | 30,137                     | 0%          |
| DEBT SERVICE                                       | 350,301                    | 346,304                            | 338,312                    | 1%          |
| TRANSFERS OUT                                      | 3,965,249                  | 3,293,452                          | 2,680,138                  | 6%          |
| <b>General Fund Expenditures by Classification</b> | <b>\$ 43,699,213</b>       | <b>\$ 43,050,171</b>               | <b>\$ 41,805,860</b>       | <b>100%</b> |
| <b>Net Income (Loss) General Fund</b>              | <b>\$ (779,831)</b>        | <b>\$ (450,708)</b>                | <b>\$ 1,062,977</b>        |             |

# FY 20/21 Budget Adoption Request June 23, 2020

| <b>Non General Fund</b>                                | <b>Actual<br/>FY 18/19</b> | <b>Amended<br/>Budget<br/>FY 19/20</b> | <b>Budget<br/>FY 20/21</b> |
|--|----------------------------|--|----------------------------|
| <b>Revenues - Operations</b>                           |                            |  |                            |
| General Government (Non GF)                            | \$ 20,596,639              | \$ 16,751,688                          | \$ 17,261,348              |
| Police (Non GF)  | \$ 246,192                 | \$ 299,214                             | \$ 320,541                 |
| Fire (Non GF)  | \$ 6,305                   | \$ 25,000                              | \$ 25,000                  |
| Parks, Recreation & Public Facilities (Non GF)         | \$ 6,622,073               | \$ 7,042,754                           | \$ 7,335,189               |
| Development Services (Non GF)                          | \$ 22,932,329              | \$ 32,450,378                          | \$ 28,507,940              |
| WQC (Funds 410, 413, 416) - Operations                 | \$ 20,345,449              | \$ 20,448,128                          | \$ 21,820,417              |
| Water (Fund 420) - Operations                          | \$ 14,097,025              | \$ 17,511,300                          | \$ 21,747,625              |
| Other (Funds 204, 505)                                 | \$ 1,035,892               | \$ 824,000                             | \$ 845,400                 |
| Housing  | \$ 2,156,077               | \$ 7,786,064                           | \$ 6,053,100               |
| <b>Non GF Revenues - Operations</b>                    | <b>\$ 88,037,981</b>       | <b>\$ 103,138,526</b>                  | <b>\$ 103,916,560</b>      |
| <b>Expenditures - Operations</b>                       |                            |  |                            |
| General Government (Non GF)                            | \$ 20,637,967              | \$ 20,698,459                          | \$ 18,610,080              |
| Police (Non GF)  | \$ 250,536                 | \$ 500,565                             | \$ 426,451                 |
| Fire (Non GF)  | \$ 22,053                  | \$ 25,000                              | \$ 25,000                  |
| Parks, Recreation & Public Facilities (Non GF)         | \$ 4,821,881               | \$ 7,299,651                           | \$ 7,239,439               |
| Development Services (Non GF)                          | \$ 23,067,237              | \$ 31,127,519                          | \$ 30,771,946              |
| WQC (Funds 410, 413, 416) - Operations                 | \$ 14,358,158              | \$ 21,966,829                          | \$ 21,091,724              |
| Water (Fund 420) - Operations                          | \$ 8,341,267               | \$ 10,887,024                          | \$ 11,173,312              |
| Other (Funds 204, 505)                                 | \$ 968,634                 | \$ 1,151,932                           | \$ 1,086,738               |
| Housing  | \$ 2,427,082               | \$ 9,018,393                           | \$ 7,266,916               |
| <b>Non GF Expenditures - Operations</b>                | <b>\$ 74,894,815</b>       | <b>\$ 102,675,372</b>                  | <b>\$ 97,691,606</b>       |
| <b>Net Income (Loss) - Non General Fund Operations</b> | <b>\$ 13,143,166</b>       | <b>\$ 463,154</b>                      | <b>\$ 6,224,954</b>        |

# FY 20/21 Budget Adoption Request June 23, 2020

| <b>Non General Fund</b>  | <b>Actual<br/>FY 18/19</b> | <b>Amended<br/>Budget<br/>FY 19/20</b> | <b>Budget<br/>FY 20/21</b> |
|--|----------------------------|--|----------------------------|
| <b>Revenues - Capital</b>  |                            |  |                            |
| Development Services (Fund 305) - Capital                              | \$ 7,260,765               | \$ 3,792,800                           | \$ 1,613,100               |
| WQC (Funds 410, 413, 416) - Capital                                    | \$ 6,617,590               | \$ 23,739,777                          | \$ 3,107,700               |
| Water (Fund 420) - Capital   | \$ 2,085,744               | \$ 262,500                             | \$ 1,203,000               |
| <b>Non GF Revenues - Capital</b>                                       | <b>\$ 15,964,099</b>       | <b>\$ 27,795,077</b>                   | <b>\$ 5,923,800</b>        |
| <b>Expenditures - Capital</b>  |                            |  |                            |
| Development Services (Fund 305) - Capital                              | \$ 6,238,058               | \$ 15,561,250                          | \$ 1,748,160               |
| WQC (Funds 410, 413, 416) - Capital                                    | \$ 26,214,608              | \$ 41,121,469                          | \$ 10,638,987              |
| Water (Fund 420) - Capital   | \$ 4,990,975               | \$ 37,910,758                          | \$ 20,431,436              |
| <b>Non GF Expenditures - Capital</b>                                   | <b>\$ 37,443,641</b>       | <b>\$ 94,593,477</b>                   | <b>\$ 32,818,583</b>       |
| <b>Net Income (Loss) - Non General Fund Capital*</b>                   | <b>\$ (21,479,542)</b>     | <b>\$ (66,798,400)</b>                 | <b>\$ (26,894,783)</b>     |
|  |                            | pending outside finance                |                            |
| <b>* Fund Balance has adequate cash available for Capital Projects</b> |                            |  |                            |
| <b>CASH AVAILABLE FOR CAPITAL PROJECTS</b>                             | 46,462,685                 | 35,306,895                             | pending close of FY        |
| Based on Opening Cash Balance at:                                      | 7/1/2018                   | 7/1/2019                               | 7/1/2020                   |

Changes from 5/26/20 Workshop  
to 6/23/20 Budget Adoption Request



| Changes   |                       |
|---|-----------------------|
| <b>Net Income (Loss) General Fund 5/26/20 Workshop</b>                              | <b>\$ (3,999,603)</b> |
| <b>Revenue</b>  |                       |
| CARES Act (Covid-19) *  | 2,500,000             |
| <b>Revenue Change</b>   | <b>\$ 2,500,000</b>   |
| * Actual Allocation from Stanislaus County = \$2,508,525                            |                       |
| <b>Salary/Benefit Savings from GF Positions Frozen after Workshop presentations</b> |                       |
| City Manager to act as Interim Muni Serv Dir (50%)                                  | 175,089               |
| Finance (overtime cut)  | 15,673                |
| Human Resources   | 95,845                |
| Police  | 908,439               |
| Fire - Operations (6 months of 4 FF's & Chief)                                      | 553,063               |
| Fire - new recruit expenses   | 70,675                |
| Planning  | 167,490               |
| Information Technology (GF Portion)   | 42,731                |
| Engineering (Supplemented by GF)  | 380,952               |
| <b>Salary/Benefit Savings after Workshop presentations</b>                          | <b>\$ 2,409,957</b>   |
| <b>Other Savings</b>  |                       |
| Insurance updates, aquatic program changes  | 152,623               |
| <b>Net Changes from 5/26/20 Workshop to 6/23/20 Budget Adoption Request</b>         | <b>\$ 5,062,580</b>   |
| <b>Net Income (Loss) General Fund 6/23/20 Budget Adoption Request</b>               | <b>\$ 1,062,977</b>   |





**FY 20/21 - Budget Adoption Request - June 23, 2020**



| <b>Frozen Positions</b>  | <b>Salary/Benefit Savings</b> | <b># of Positions</b> |
|--|-------------------------------|-----------------------|
| <b>FY 19/20</b>  |                               |                       |
| <b>Salary/Benefit Savings FY 19/20</b>                             | <b>\$ 1,704,923</b>           | <b>17</b>             |
| <b>FY 20/21</b>  |                               |                       |
| <b>Salary/Benefit Savings FY 20/21</b>                             | <b>\$ 2,470,511</b>           | <b>18</b>             |
| <b>Salary/Benefit Savings FY 19/20 &amp; FY 20/21 (cumulative)</b> | <b>\$ 4,175,434</b>           |                       |
| <b>General Fund Budgeted Positions (including Engineering)</b>     |                               | <b>221</b>            |
| <b>Frozen Positions FY 20/21 (cumulative w/ FY 19/20)</b>          |                               | <b>35</b>             |
| <b>Percentage Frozen for FY 20/21 (cumulative w/ FY 19/20)</b>     |                               | <b>16%</b>            |



# Finance Department

Prepared by: Tina Envia, Interim Finance Director

Updated to 6/15/2020



## General Fund Overview Fiscal 2020 Estimated Actuals

|   | YTD to June 15,<br>2020 | Estimated to<br>June 30, 2020 | 2019-2020<br>Amended<br>Budget | 2019-2020<br>Remaining<br>Budget |
|---|-------------------------|-------------------------------|--------------------------------|----------------------------------|
| <b>Revenues</b>   | \$ 35,886,483 *         |                               | \$ 42,599,463                  | \$ 6,712,980                     |
| Sales Tax (estimated 50% reduction April - June of 2020) *                        |                         |                               | \$ (1,500,000)                 |                                  |
| Hotel Taxes   |                         |                               | \$ (115,000)                   |                                  |
| Motor Veh Fines*  |                         |                               | \$ (29,000)                    |                                  |
| Penalties/Ret Ch  |                         |                               | \$ (90,000)                    |                                  |
| Recreation Programs   |                         |                               | \$ (589,404)                   |                                  |
| Strike Teams*   |                         |                               | \$ (234,604)                   |                                  |
| FEMA Covid19 Revenue<br>(Reimbursed at 75%)                                       |                         |                               | \$ 150,000                     |                                  |
| *Non-COVID19 Adjustments  |                         |                               |                                |                                  |
| <b>COVID19 total Adjustments:</b>   |                         |                               | <b>\$ (2,408,008)</b>          |                                  |
| <i>* Excludes Sales Tax for April-June 2020 &amp; TOT Tax for April-June 2020</i> |                         |                               |                                |                                  |
| <b><u>Revenues - with<br/>COVID19 Adjustments</u></b>                             | \$ 35,886,483           | \$ 40,191,455                 | \$ 40,191,455                  | \$ 4,304,972                     |

## Finance Department

Prepared by: Tina Envia, Interim Finance Director

Updated to 6/15/2020



### General Fund Overview Fiscal 2020 Estimated Actuals

|  | YTD to June 15,<br>2020 | Estimated to<br>June 30, 2020 | 2019-2020<br>Amended<br>Budget | 2019-2020<br>Remaining<br>Budget |
|--|-------------------------|-------------------------------|--------------------------------|----------------------------------|
| <b>Expenditures</b>  |                         |                               |                                |                                  |
| Administration   | 5,336,325               | 5,529,042                     | 5,695,009                      | 358,684                          |
| COVID19 Expenses (FEMA)                                      | 173,842                 | 191,197                       | 500,000                        | 326,158                          |
| Police   | 19,017,326              | 20,726,148                    | 21,636,372                     | 2,619,046                        |
| Fire   | 8,835,452               | 9,622,653                     | 10,009,771                     | 1,174,319                        |
| Development Services   | 700,830                 | 765,715                       | 1,003,839                      | 303,009                          |
| Public Facilities  | 226,728                 | 244,291                       | 271,665                        | 44,937                           |
| Parks  | 700,802                 | 762,653                       | 880,649                        | 179,847                          |
| Recreation (incl. Commission 113)                            | 1,122,020               | 1,159,639                     | 1,462,766                      | 340,746                          |
| Special Public Safety  | 874,090                 | 902,060                       | 1,175,592                      | 301,502                          |
| Tourism  | 308,038                 | 324,709                       | 414,508                        | 106,470                          |
| <b>Total Expenditures</b>                                    | <b>\$ 37,295,453</b>    | <b>\$ 40,228,107</b>          | <b>\$ 43,050,171</b>           | <b>\$ 5,754,718</b>              |
| <b>Net Income (Loss) w/o COVID19</b>                         | <b>\$ (1,408,970)</b>   | <b>\$ (36,652)</b>            | <b>\$ (450,708)</b>            | <b>\$ 958,262</b>                |
| <b><u>Net Income (Loss) with<br/>COVID19 Adjustments</u></b> |                         | <b>(36,652)</b>               | <b>(2,858,716)</b>             |                                  |

**FY 20/21 - Budget Adoption Request - June 23, 2020**



**Analysis of General Fund\* Reserve**

| <b>Fund Balance Category</b>                                  | <b>6/30/2019<br/>Actual*</b> | <b>Estimated<br/>Actuals<br/>FY 19/20</b> | <b>Estimated<br/>FY 20/21</b> |
|---|------------------------------|---|-------------------------------|
| <b>Total General Fund** Reserve Balance</b>                   | <b>10,741,498</b>            | <b>10,704,774</b>                         | <b>11,767,751</b>             |
| <b>Non Spendable</b>  | <b>25,785</b>                | <b>25,785</b>                             | <b>26,000</b>                 |
| <b>COMMITTED:</b>   |                              |   |                               |
| Public Safety Fund 116  | 575,553                      | 806,125                                   | 774,682                       |
| Tourism Fund Fund 120   | 1,049,999                    | 1,253,240                                 | 1,400,981                     |
| <b>ASSIGNED</b>   |                              |   |                               |
| Compensated Absences (20%)***                                 | 529,976                      | 529,976                                   | 550,000                       |
| <b>Unassigned</b>   | <b>8,560,185</b>             | <b>8,089,648</b>                          | <b>9,016,088</b>              |
| *Pending final audit  |                              |   |                               |
| **Includes Funds 110, 111, 113, 116, and 120                  |                              |   |                               |
| *** 20% reported as due within 1 year on financial statements |                              |   |                               |

FY 20/21 - Budget Adoption Request - June 23, 2020



Analysis of General Fund\* Reserve

| Fund Balance Category                          | 6/30/2019<br>Actual* | Estimated<br>Actuals<br>FY 19/20   | Estimated<br>FY 20/21 |
|--|----------------------|------------------------------------|-----------------------|
| General Fund Actual/Estimated Expenses         | \$ 43,699,212        | \$ 40,228,107<br>(see NOTES below) | \$ 41,805,860         |
| <b>Unassigned as % of General Fund Expense</b> | <b>20%</b>           | <b>20%</b>                         | <b>22%</b>            |
| Ordinance No.781-CS = 7% of GF Expenses        | \$ 3,058,945         | \$ 2,815,967                       | \$ 2,926,410          |
| <b>Over / (Under) by</b>                       | <b>\$ 5,501,240</b>  | <b>\$ 5,273,681</b>                | <b>\$ 6,089,678</b>   |
| Resolution 2011-123 @ \$6.5 million            | \$ 6,500,000         | \$ 6,500,000                       | \$ 6,500,000          |
| <b>Over / (Under) by</b>                       | <b>\$ 2,060,185</b>  | <b>\$ 1,589,648</b>                | <b>\$ 2,516,088</b>   |

**NOTES:** FY 19/20 Expenses are based on 19/20 Estimated Actuals which include all expected COVID-19 adjustments and other differences from amended budget to estimated actuals



# Questions