



City of Chula Vista

Fiscal Year 2019

Proposed Budget
Overview

May 22, 2018

The background of the slide is a collage of three photographs. The top left shows a well-maintained garden with various plants and a wooden bench. The middle left shows a golf course with a pond and trees. The right side shows a marina with several sailboats docked. The bottom right corner features a close-up of tall grasses with small white flowers.

**PROPOSED
BUDGET**

FISCAL YEAR **2018-19**

Agenda

- Fiscal Year 2019 Budget Process Overview
- Fiscal Year 2019 Proposed Budget
 - All Funds Summary
 - General Fund Summary
 - Budget Highlights and Next Step
- Fiscal Year 2019 Capital Improvement Program



Budget Process Overview

- March 20, 2018: Budget Workshop and Long-Term Financial Plan
- April 24, 2018: Fiscal Year 2019 Baseline Budget and Long-Term Financial Plan
- May 9 & 10, 2018: Community Budget Presentation: City Hall and Otay Ranch Library
- May 18, 2018: Fiscal Year 2019 Proposed Budget distributed & posted on City's website
- May 22, 2018: Presentation of the City Manager's Proposed Budget for Fiscal Year 2019



ALL FUNDS SUMMARY



All Funds FY 2019 Summary

Revenues and Expenditures Summary (in millions)

Category	FY18 Adopted	FY19 Proposed	Change
Revenues	\$ 363.8	\$ 337.0	\$ (26.8)
Expenditures	373.0	347.5	(25.5)
Surplus/Deficit	\$ (9.2)	\$ (10.5)	\$ (1.3)
Reserves - Other Funds (Prior year fund balance)	\$ 9.2	\$ 10.5	\$ 1.3



All Funds Revenues

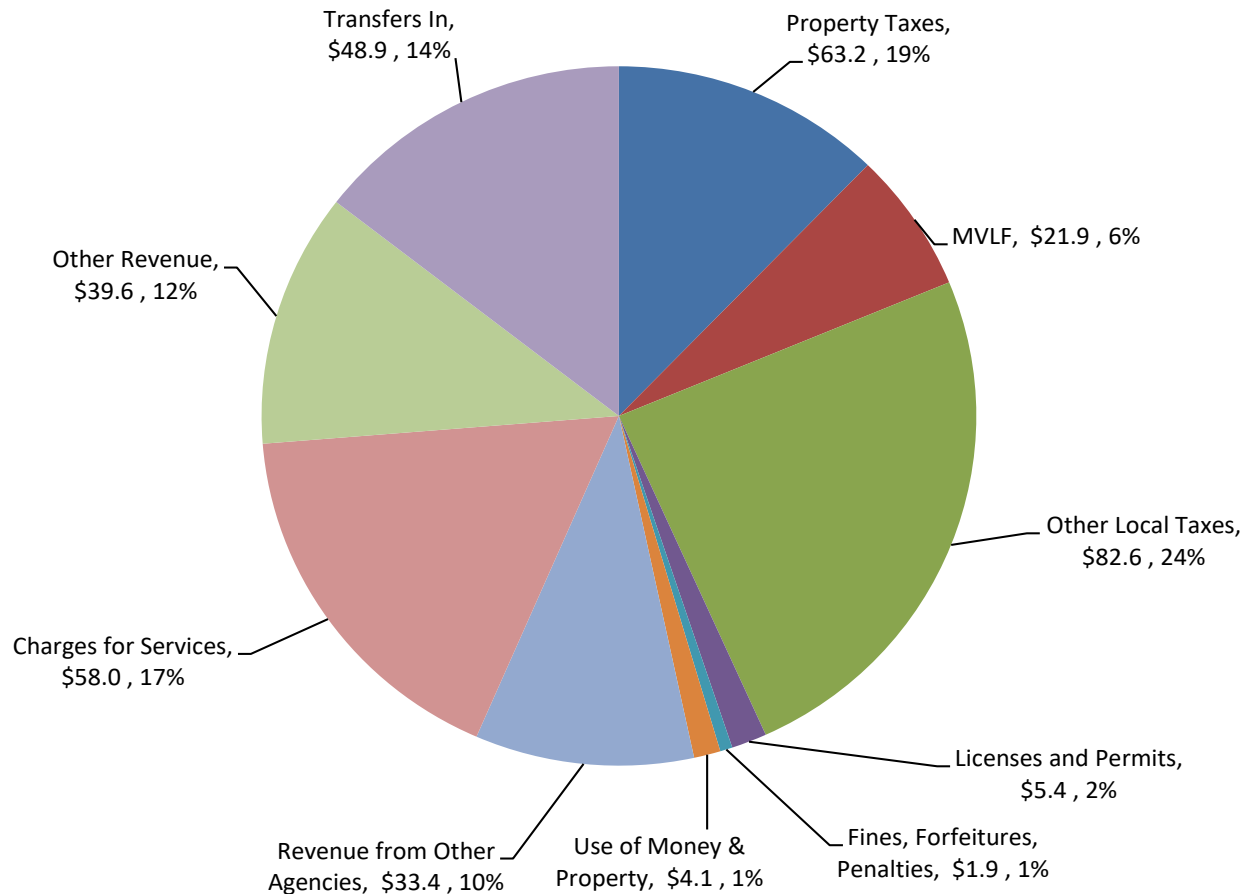
(in thousands)

All Funds Revenues by Category

Category	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	Change
Property Taxes	\$ 36,412	\$ 39,762	\$ 41,334	\$ 1,572
Motor Vehicle License Fees	19,966	20,844	21,886	1,042
Licenses and Permits	3,914	3,676	5,396	1,720
Fines, Forfeitures & Penalties	1,806	1,718	1,884	166
Use of Money and Property	4,487	3,534	4,055	521
Other Local Taxes	68,527	80,670	82,561	1,891
Other Agency Revenue	25,167	28,054	33,368	5,314
Charges for Services	61,336	57,678	57,992	313
Other Revenues	87,566	81,220	39,582	(41,638)
Transfers From Other Funds	114,656	46,670	48,934	2,263
Total All Funds Revenues	\$ 423,838	\$ 363,827	\$ 336,992	\$ (26,835)

All Funds Summary Revenues - \$337.0 M

FY 2019 All Funds Projected Revenues by Category





All Funds Expenditures

(in thousands)

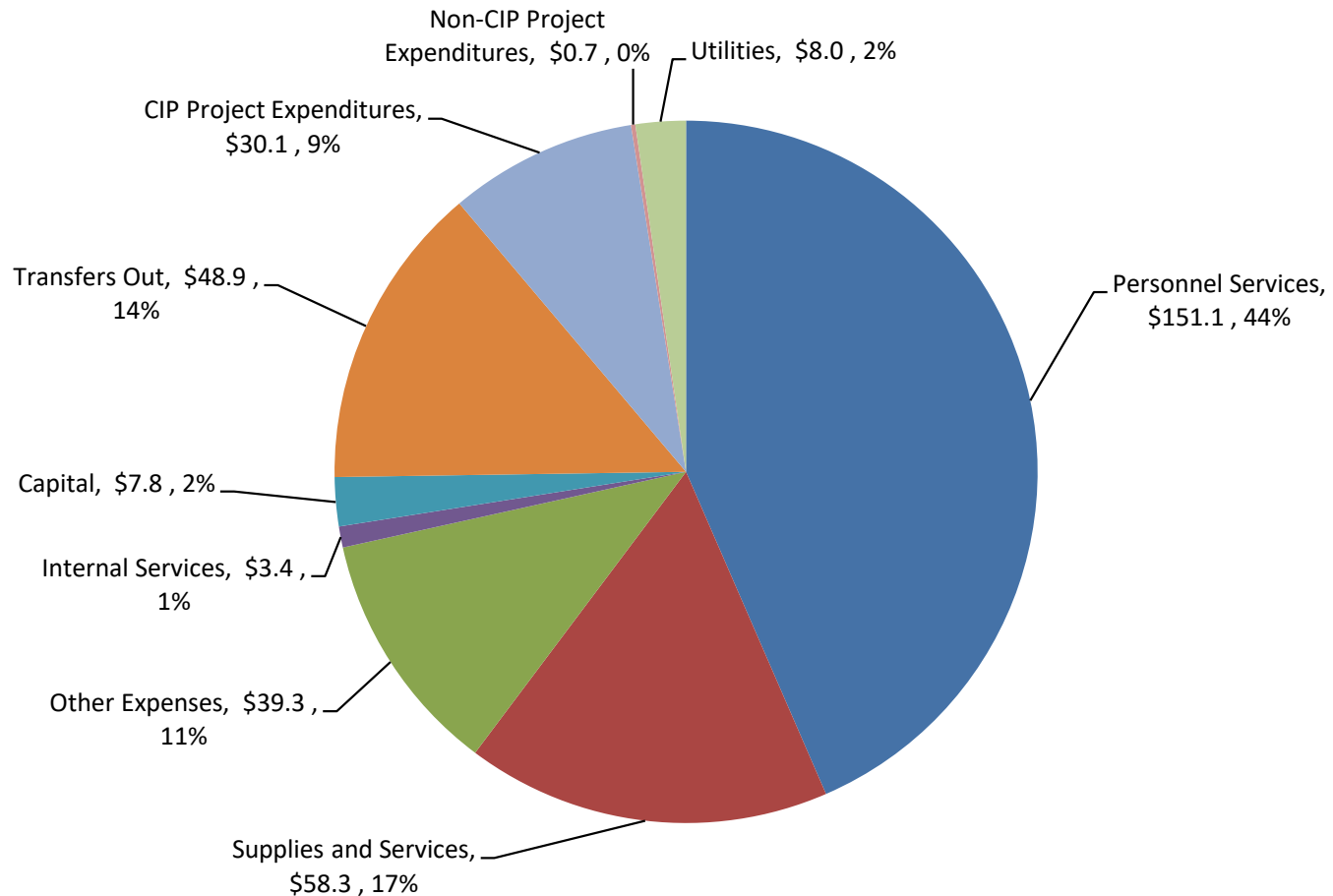
All Funds Expenditures by Category

Category	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	Change
Personnel Services	\$ 98,363	\$ 104,106	\$ 107,474	\$ 3,368
Salary Savings	-	(2,222)	(4,488)	(2,266)
Retirement Benefits	25,324	28,514	32,062	3,548
Health Insurance	13,252	14,725	16,054	1,329
Personnel Total	136,939	145,123	151,102	5,979
Supplies and Services	55,217	60,067	58,255	(1,812)
Other Expenses	72,518	29,729	39,264	9,535
Internal Service Charges	-	-	3,370	3,370
Capital	2,691	8,884	7,829	(1,055)
CIP Project Expenditures	19,034	73,872	30,059	(43,813)
Non-CIP Project Expenditures	2,129	69	697	628
Transfer Out	114,628	46,670	48,934	2,263
Utilities	7,690	8,556	8,016	(540)
Total All Funds	\$ 410,846	\$ 372,971	\$ 347,526	\$ (25,445)

All Funds Summary

Expenditures- \$347.5M

FY 2019 All Funds Projected Expenditures by Category





All Funds Staffing Summary

14.50 FTE Added FY 2018 Mid Year
2.00 FTE Net FY 2019 New Positions

Staffing by Fund	FY 2018 Adopted	FY 2019 Proposed	Change
General Fund	831.75	844.25	12.50
Police Grants/CBAG/Local Law Enforcement Block Grant	43.00	43.00	0.00
Federal Grants Fund	2.00	2.00	0.00
Advanced Life Support Fund	1.00	1.00	0.00
Environmental Services	7.00	7.00	0.00
CV Housing Authority	4.00	4.00	0.00
Central Garage Fund / Fleet Maintenance	9.00	8.00	(1.00)
Development Services Fund	50.00	55.00	5.00
Sewer	46.00	46.00	0.00
Total Citywide	993.75	1,010.25	16.50



Staffing Highlights

- Mid-Year FY 2018 Net Changes (14.50 FTE)
 - General Fund (10.50 FTE):
 - Addition of 12.00 Firefighter positions
 - Addition of 0.50 Animal Control Officer
 - Reduction of 1.00 Animal Care Specialist
 - Transfer of 1.00 Senior Landscape Inspector to Development Services Department
 - Development Services Fund (4.00 FTE):
 - Addition of 1.00 Development Services Tech II
 - Addition of 1.00 Development Services Tech III
 - Addition of 1.00 Senior Planner
 - Transfer of 1.00 Senior Landscape Inspector from General Fund



Staffing Highlights

- FY 2019 Proposed Budget Net Changes (2.00 FTE)
 - General Fund (2.00 FTE):
 - Addition of 1.00 Public Works Superintendent
 - Correction of 1.00 Fiscal Office Specialist from Fleet Management
 - Funding of 5.00 Peace Officers (previously frozen positions)
 - Central Garage Fund (-1.00 FTE)
 - Correction of 1.00 Fiscal Office Specialist to General Fund



GENERAL FUND SUMMARY



General Fund FY2019 Summary

Revenues and Expenditures Summary (in millions)

Category	FY18 Adopted	FY19 Proposed	Change
Revenues	\$ 166.6	\$ 174.7	\$ 8.1
Expenditures	166.6	174.7	8.1
Surplus/Deficit	\$ -	\$ -	\$ -



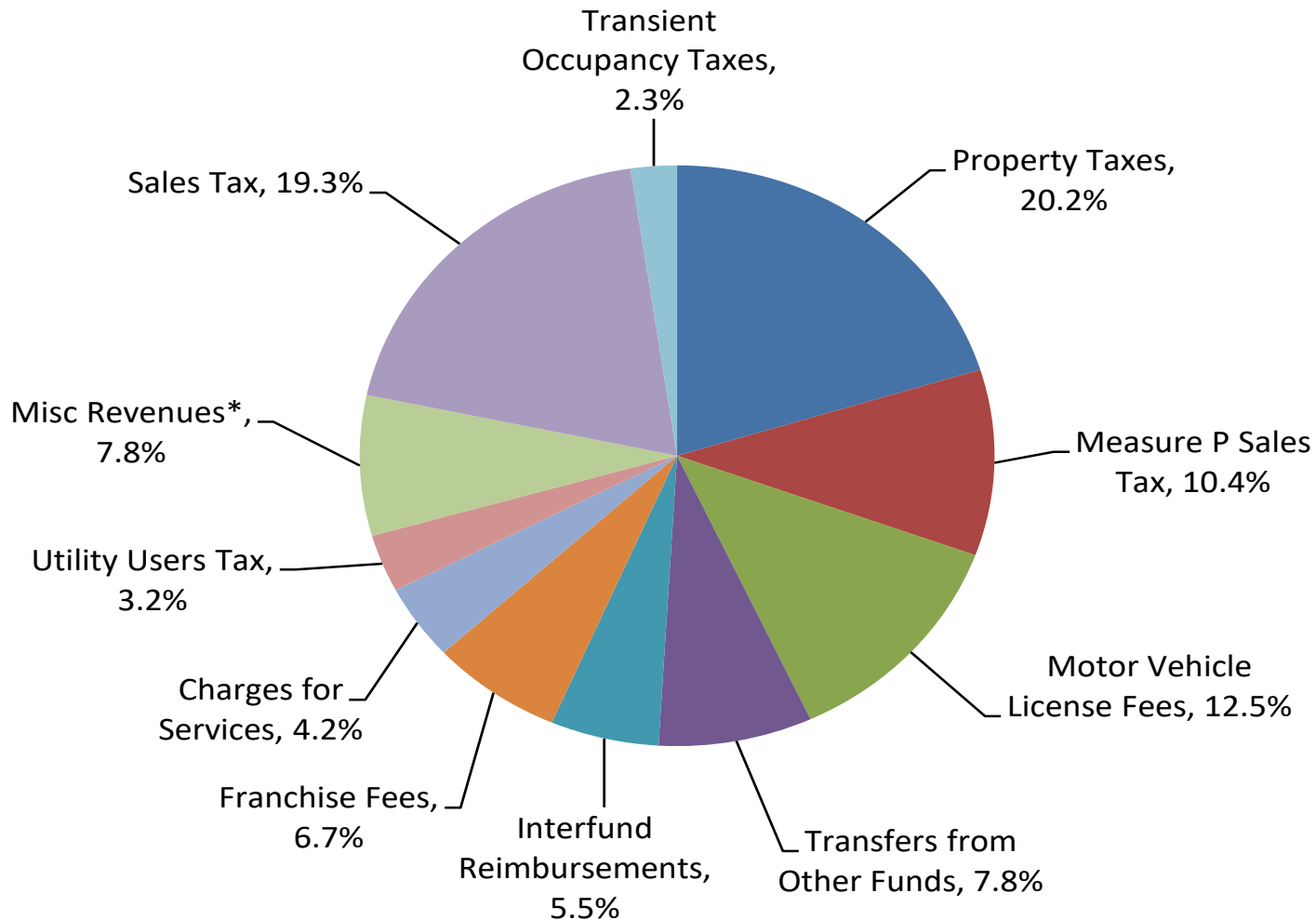
General Fund Revenues

(in thousands)

General Fund Revenues by Category

Category	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	Change
Major Revenues				
Property Taxes	\$ 31,484	\$ 33,621	\$ 35,302	\$ 1,681
Motor Vehicle License Fees	19,966	20,844	21,886	1,042
Sales Tax	32,562	32,935	33,698	763
Sales Tax – Measure P	3,907	16,320	18,085	1,765
Franchise Fees	11,516	11,969	11,692	(277)
Utility Users Tax	5,786	5,860	5,605	(255)
Transient Occupancy Taxes	3,650	4,316	4,103	(213)
Major Revenues Total	108,871	125,866	130,371	4,505
Other General Fund Revenues	49,308	40,722	44,306	3,584
Total General Fund Revenues	\$ 158,179	\$ 166,587	\$ 174,677	\$ 8,090

General Fund Revenues - \$174.7M



*Misc Revenues includes the following revenue categories: Development Revenue, Other Agency Revenue, Other Local Taxes, Other Revenues, Use of Money & Property, Licenses and Permits, Police Grants, Fines, Forfeitures & Penalties, and CIP.



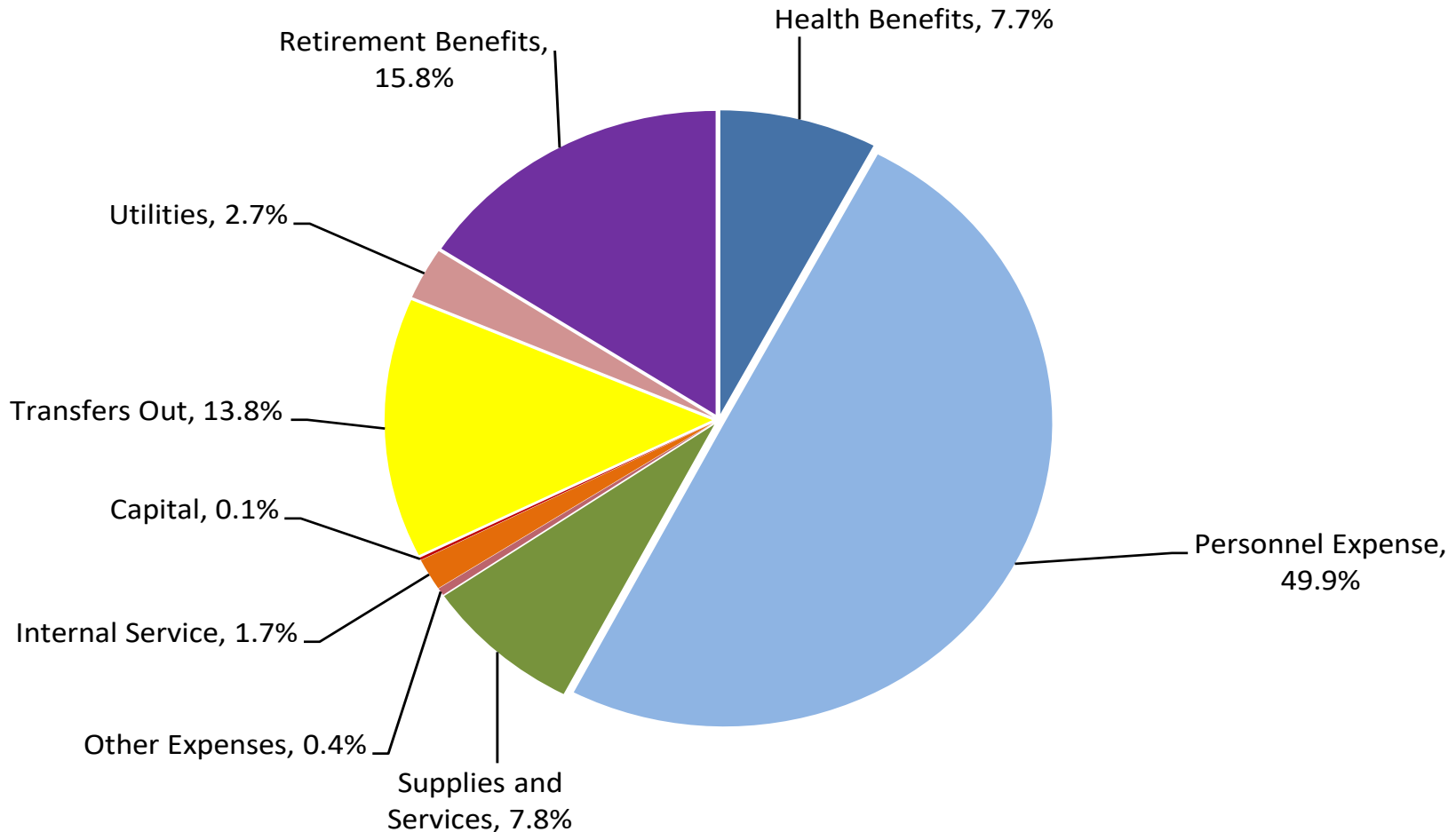
General Fund Expenditures

(in thousands)

General Fund Expenditures by Category

Category	FY 2017 Actual	FY 2018 Adopted	FY 2019 Proposed	Change
Personnel Services	\$ 83,852	\$ 88,833	\$ 91,578	\$ 2,745
Salary Savings	-	(2,178)	(4,488)	(2,310)
Retirement Benefits	21,823	24,528	27,590	3,062
Health Insurance	11,115	12,373	13,531	1,158
Personnel total	\$ 116,789	\$ 123,556	\$ 128,211	\$ 4,655
Supplies and Services	14,114	14,214	13,674	(540)
Other Expenses	559	642	696	54
Internal Service Charges	-	-	2,972	2,972
Capital	1,595	150	220	70
Transfers Out	5,999	22,943	24,119	1,177
Utilities	5,512	5,063	4,783	(280)
Non-CIP Project Expenditures	19	19	-	(19)
CIP Project Expenditures	40	-	-	-
Total General Fund Budget	\$ 144,627	\$ 166,587	\$ 174,677	\$ 8,090

General Fund Expenditures - \$174.7M





General Fund Departments

(in thousands)

FY 2019 General Fund Net Impact by Department

DEPARTMENTS	EXPENDITURES	REVENUES	NET IMPACT
City Council	\$ 1,627	\$ -	\$ 1,627
Boards & Commissions	28	-	28
City Clerk	984	(9)	975
City Attorney	3,042	(169)	2,873
Administration	2,160	(38)	2,122
Information Technology	3,718	(39)	3,679
Human Resources	2,779	(286)	2,493
Finance	3,870	(1,168)	2,702
Non-Departmental	25,259	(140,492)	(115,233)
Animal Care Facility	2,949	(1,254)	1,695
Economic Development	2,127	(1,073)	1,054
Development Services	2,900	(2,174)	726
Engineering/Capital Projects	8,954	(6,738)	2,216
Police	56,458	(7,098)	49,360
Fire	30,827	(4,162)	26,666
Public Works	11,985	(6,867)	5,118
Recreation	10,916	(2,609)	8,306
Library	4,093	(501)	3,591
General Fund Total	\$ 174,677	\$ (174,677)	\$ -



Budget Highlights

- The City Manager's Proposed Budget for FY 2019 is balanced
- FY 2019 Revenue assumptions
 - Major revenues increased by \$4.5 million or 3.6%
 - \$1.8 million of increase related to Measure P Sales Tax
 - Transfers-In increase of \$1.5 million for PFDIF Loan Repayment (One-time revenue)



Budget Highlights

- FY 2019 Expenditures include
 - Retirement Benefits increase of \$3.1 million
 - Personnel increase of \$2.7 million
 - Funding for 5.0 Peace Officers to the Police Department
 - Addition of 12.0 Firefighters to the Fire Department in FY 2018
 - Increase of \$1.8 million in the Measure P Sales Tax transfer from the General Fund to the Measure P Fund
 - Bayfront Development Commitment of \$1.3 million
 - Decrease of \$0.3 million in electricity costs due to energy efficiency programs
 - Funding of \$0.08 million for Consumer Choice Aggregation Feasibility Study

Budget Highlights

- Department Restructuring:
 - Parks transferred from the Public Works Department to the Recreation Department
 - Cultural Arts program transferred from the Economic Development Department to the Library Department
- Creation of Internal Services Charges for Fleet Maintenance Costs
- FY 19 Proposed Budget is balanced with usage of one-time revenues
- FY 19 Proposed Budget does not include any potential impacts from future tax measures



Pending Budget Items

- Items not included in the FY 2019 Proposed Budget
 - Successor Agency Loan Repayment
 - Additional expenses related to Fire Dispatch costs
 - Proposition Measure A
 - Property Tax information from the County



FY2019 Measure P Proposed Budget

Revenues and Expenditures Summary (in thousands)

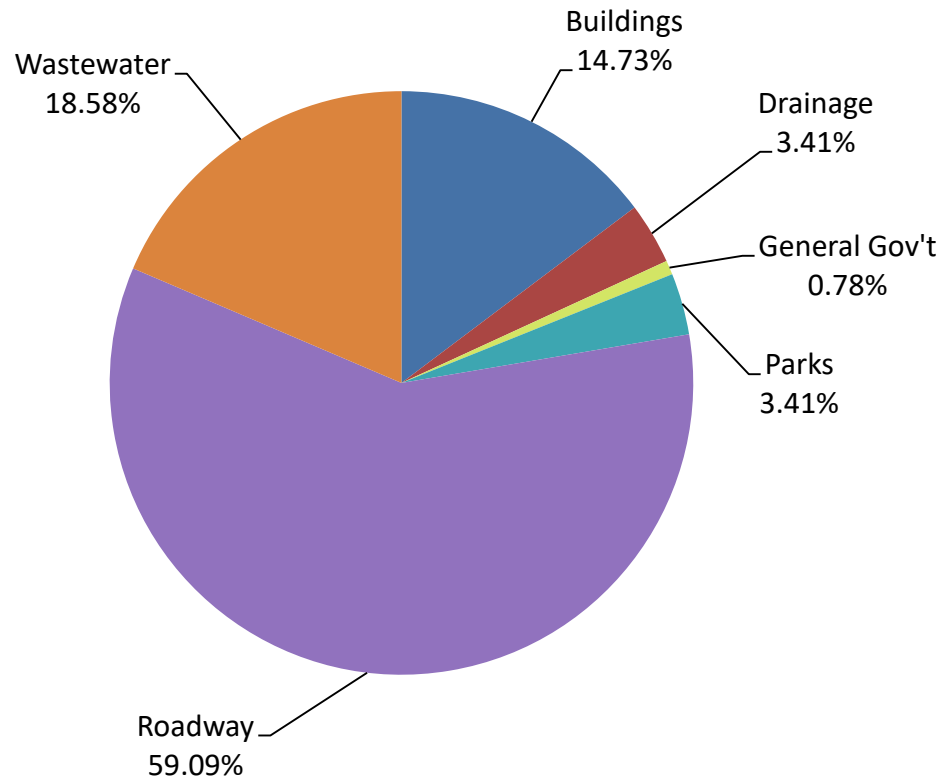
		PROPOSED
ESTIMATED REVENUES	\$	18,085
 EXPENDITURES		
Fire Vehicles	\$	3,192
Police Vehicles		653
Non-Safety city Vehicles		1,749
Police Communications & Dispatch System		361
Regional Communications System (RCS)		350
Fire Stations Repair/Replacement		2,220
TOTAL PROJECT EXPENDITURES	\$	8,526
Administrative Expenses		10
Annual Debt Service Payments	\$	8,121
TOTAL EXPENDITURES	\$	16,657
Surplus/(Deficit)	\$	1,428



CAPITAL IMPROVEMENT PROGRAM SUMMARY

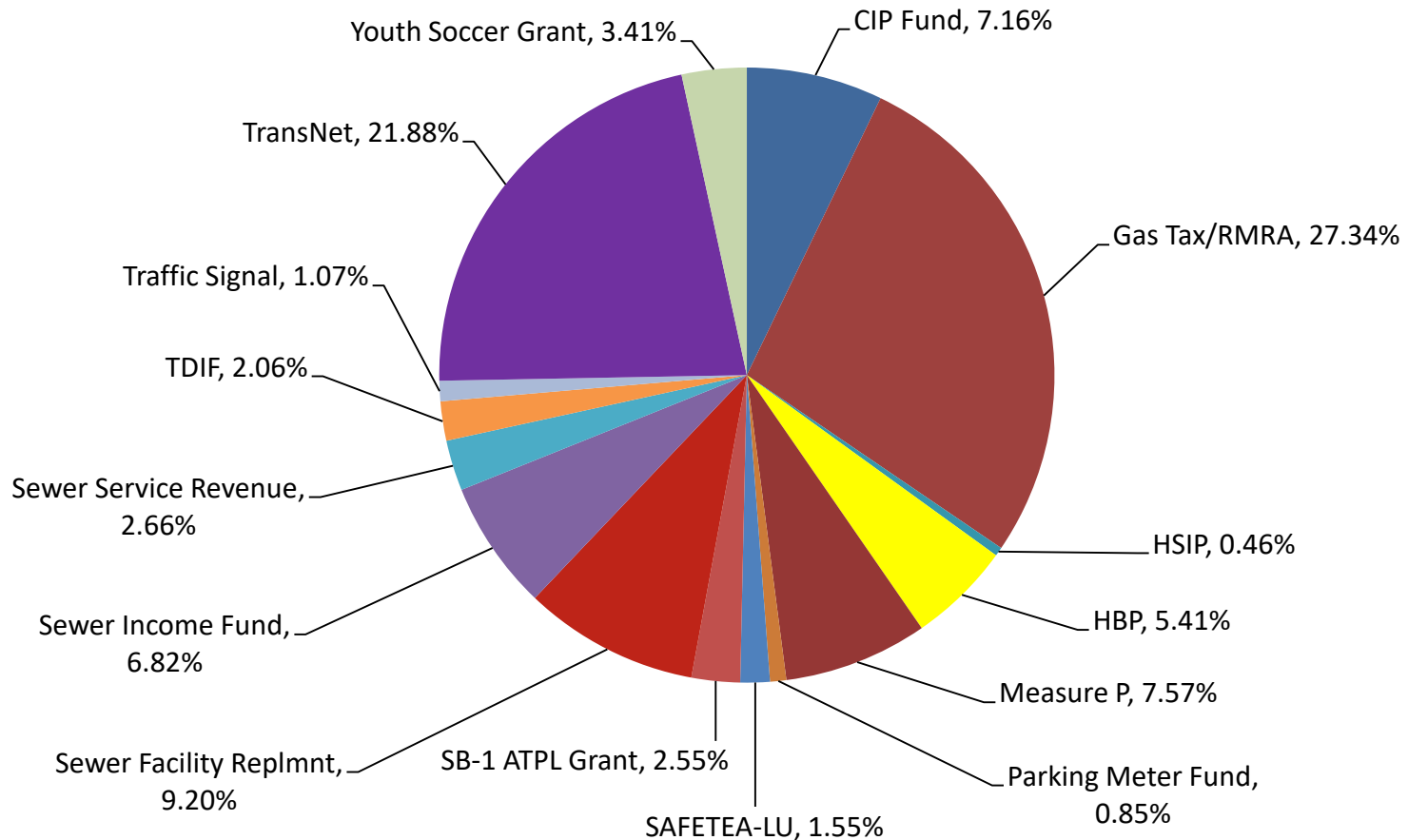
Capital Improvement Program - \$29.3M

by Asset Management System



Capital Improvement Program - \$29.3M

by Funding Source



- Major Roadway Projects



Major & Minor Pavement Rehab - \$7.4M



Traffic Signal Projects - \$2.7M



Third Ave Streetscape Phase 3 - \$2.2M



Willow Street Bridge - \$1.6 million

- Other Projects
 - Storm Drain Rehab (Citywide)
 - Inside ROW - \$1M
 - Bike Lanes on Broadway
 - Class 2
 - G Street to Main Street
 - SB-1 ATPL Grant - \$750k



CIP Highlights

- Wastewater Projects (Citywide)



G Street Pump Station Upgrades - \$2.75M



Parkside Drive Lift Station - \$1M



Manhole Rehab & Inspection - \$500k



Sewer Pipe Rehab - \$300k

- Building Facility Projects
 - Measure P (\$2.2M)
 - Fire Stations #5 & #9 Replaced
 - Design/Architectural
 - CIP Fund (\$2.1M)
 - Public Works Center
 - Stabilization - Building Settlement



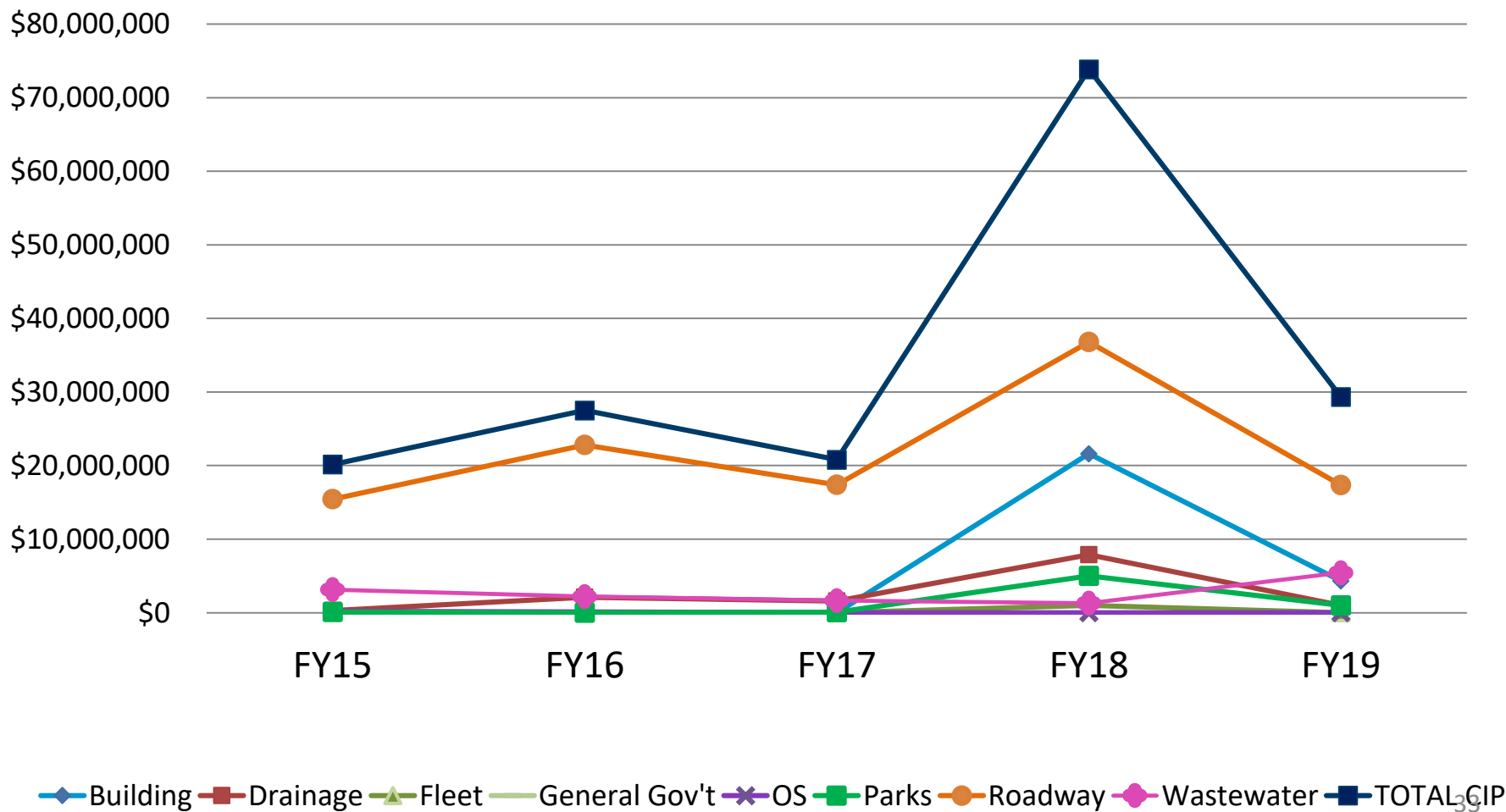
- Lauderbach Park
- Youth Soccer Grant (\$1M)
 - State Dept. of Parks & Recreation
 - Artificial Turf Field
 - Softball
 - Soccer
 - Replace Sports Field Lighting
 - Add Boundary Fence





Capital Improvement Program 5-Year Period

by Asset Management System



Next Steps

- City Council to accept City Manager's Proposed Budget as their own and set a time for Public Hearing and adoption of the budget
- Additional public comments can be submitted on the City's website (www.chulavistaca.gov)

Resolution

Resolution of the City Council / Successor Agency to the Redevelopment Agency / Housing Authority of the City of Chula Vista accepting the City Manager's Proposed Operating and Capital Improvement Budgets for Fiscal Year 2018 – 2019 for each agency as their Proposed Budgets, respectively, and setting the time and place for a public hearing for final consideration and adoption of same