



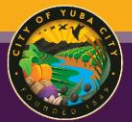
# Financial Report

For the Fiscal Year Ending 6/30/20 and Quarter Ending 9/30/20

# General Fund 2019-20 Results

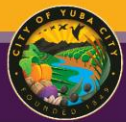


# General Fund Overview (In Millions)



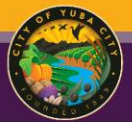
	<b>FY 19/20 Actual</b>
<b>Revenues</b>	<b>\$45.882</b>
<b>Expenditures</b>	<b>(43.344)</b>
<b>Operating Surplus</b>	<b>\$ 2.539</b>

# Revenue Highlights



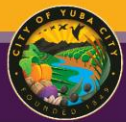
- Property tax—1.6% over budget; \$13.966 million
- Sales tax—1.1% over budget; \$14.274 million
- Bus. licenses—26.8% over budget; \$1.375 million
- Franchise fees—3.9% over budget; \$1.107 million

# Revenue Highlights



- Hotel/motel surcharge (TOT)—13.2% under budget; \$1.107 million
- Building permits—32.9% over budget; \$1.395 million
- Police special revenues—2.6% over budget; \$198 thousand

# Revenue Highlights



- CSA G fire contract—2.9% over budget; \$845 thousand
- Recreation fees—52.4% under budget; \$431 thousand
- Operating transfers—1.6% under budget; \$8.174 million
- *Top 10 revenues total—0.8% over budget*



# Expenditure Category Savings

	Budget	Actual	Savings	% Expended
Salaries & Benefits	\$ 35,332,299	\$33,033,925	\$2,298,375	93.5%
Heat & Power	388,779	546,464	(157,685)	140.6%
Telephone	193,256	207,363	(14,107)	107.3%
Postage & Freight	119,873	113,010	6,863	94.3%
Advertising	77,100	45,613	31,487	59.2%
Forms & Supplies	152,946	119,610	33,336	78.2%
Printing & Binding	90,143	64,428	25,715	71.5%
Professional Services	3,137,909	2,876,333	261,576	91.7%
Professional Development	218,910	107,867	111,042	49.3%
Dues & Subscriptions	108,158	101,391	6,767	93.7%
Rental Blds./Equipment/Land	1,025	3,401	(2,376)	331.8%
Equipment O & M	421,162	358,255	62,907	85.1%
Special Equipment O & M	123,176	123,149	27	100.0%
Vehicle & Special Equipment	2,032,990	1,971,621	61,369	97.0%



# Expenditure Category Savings

	Budget	Actual	Savings	% Expended
Buildings & Facility O & M	909,100	767,719	141,381	84.4%
Chemicals	37,000	24,302	12,698	65.7%
Tools, Supplies & Equipment	307,600	234,739	72,860	76.3%
Other Materials & Supplies	268,576	103,407	165,169	38.5%
Training Programs	273,335	171,615	101,720	62.8%
Water	221,823	191,322	30,501	86.2%
Uniform Clothing	92,077	89,033	3,044	96.7%
Liability Insurance	589,045	594,566	(5,521)	100.9%
Debt Service	700,676	680,328	20,348	97.1%
Contingency	2,376	2,376	-	100.0%
Technology Replacement ISF	468,388	468,388	-	100.0%
Recreation Programs	194,522	140,277	54,245	72.1%
Equipment & Vehicle Purchase	526,681	203,166	323,514	38.6%
<b>Total General Fund</b>	<b>\$ 46,988,926</b>	<b>\$43,343,669</b>	<b>\$ 3,645,257</b>	<b>92.2%</b>

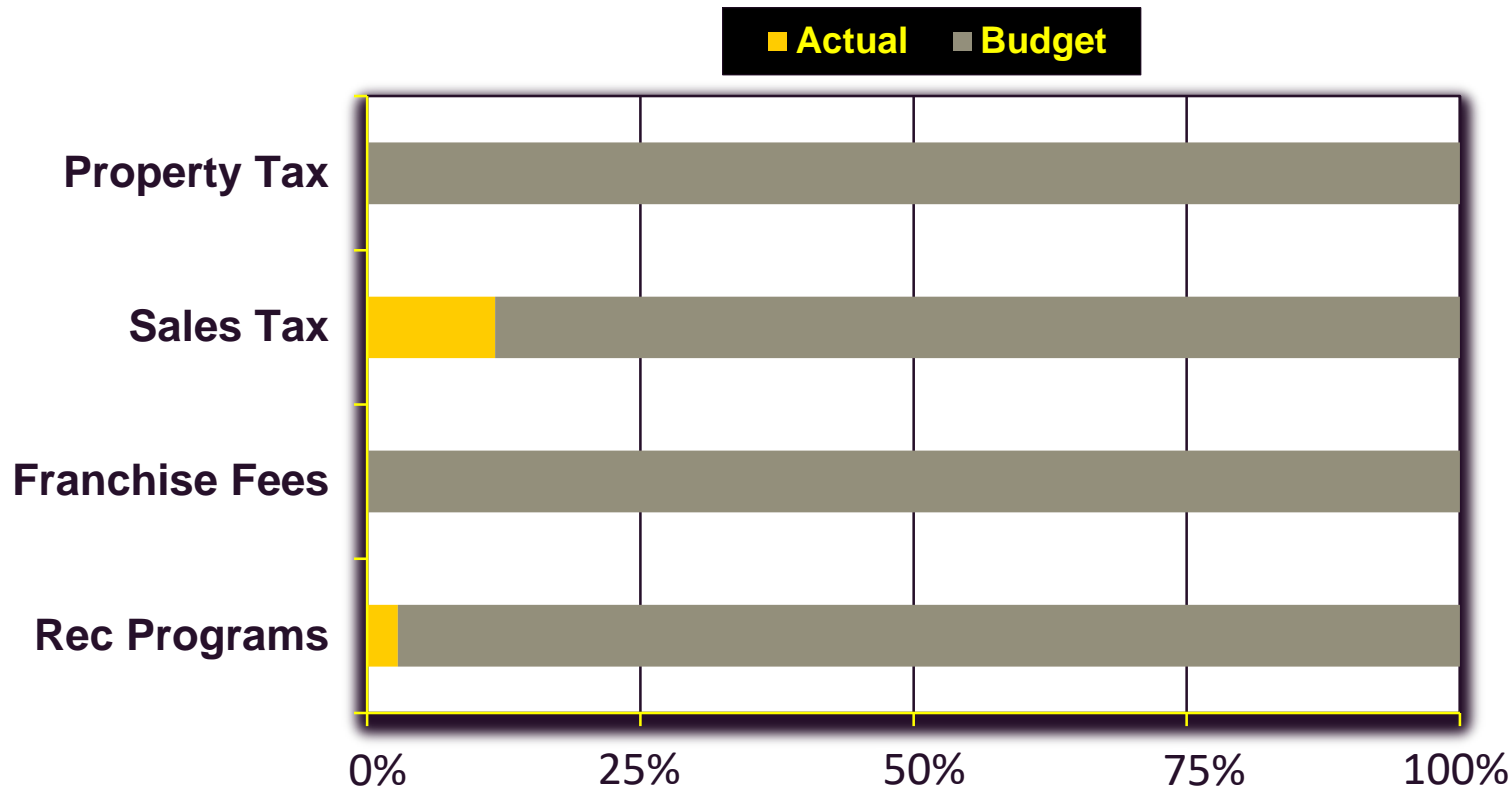


# General Fund 1<sup>st</sup> Quarter 2020-21 Progress





# Top General Fund Revenues



# Quarterly Sales Tax Results

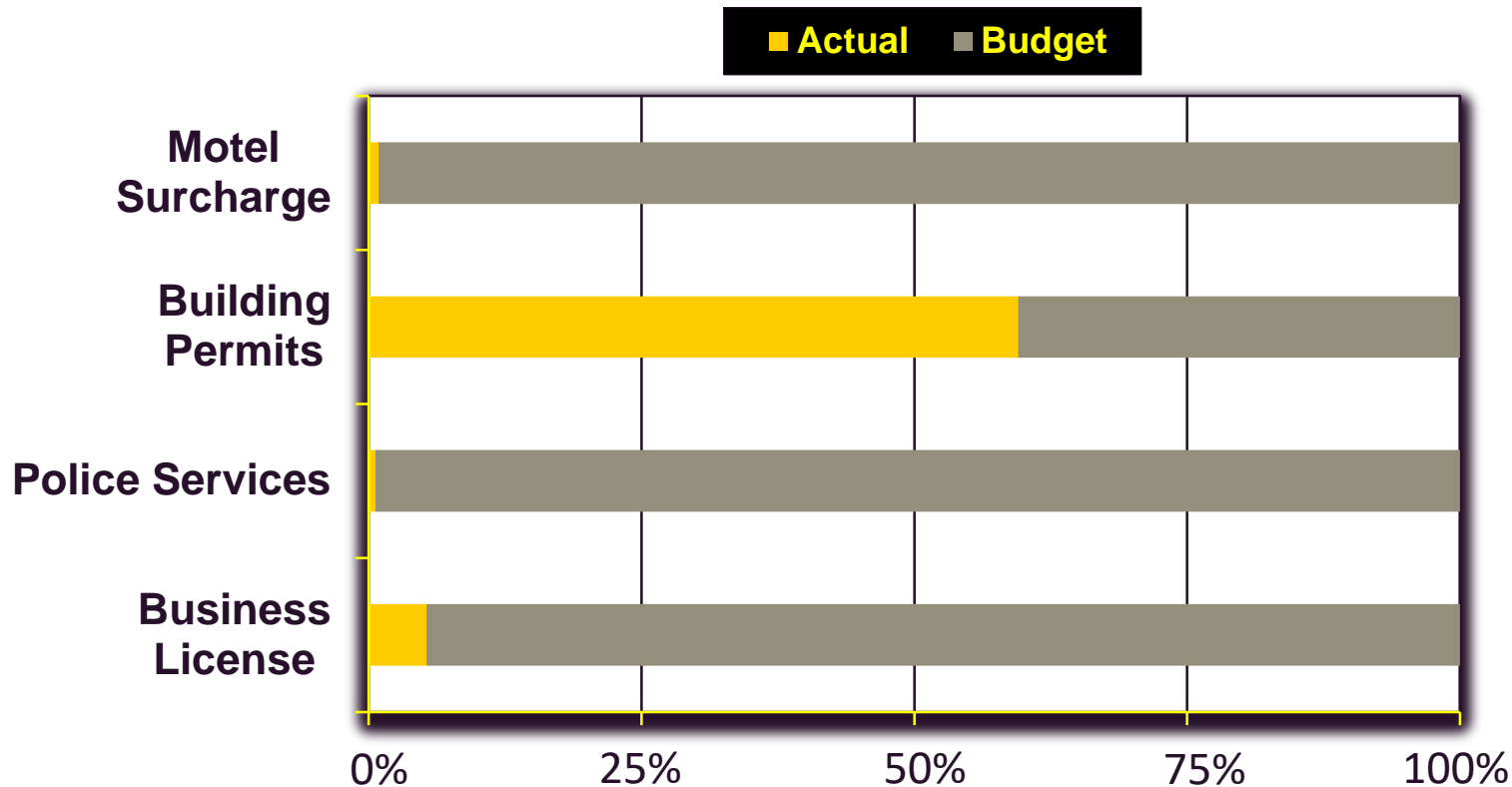


	<b>Cash Basis</b>	<b>Adjusted Basis</b>
Oct-Dec 16	3.0%	2.3%
Jan-Mar 17	0.7%	1.7%
Apr-Jun 17	3.3%	3.1%
Jul-Sep 17	9.4%	6.9%
Oct-Dec 17	5.0%	2.8%
Jan-Mar 18	-0.4%	6.2%
Apr-Jun 18	-10.0%	10.0%
Jul-Sep 18	15.9%	1.9%
Oct-Dec 18	6.0%	3.9%
Jan-Mar 19	12.6%	1.4%
Apr-Jun 19	14.5%	1.2%
Jul-Sep 19	-9.6%	0.5%
Oct-Dec 19	2.2%	-0.4%
Jan-Mar 20	-16.5%	-4.1%
Apr-Jun 20	14.1%	1.5%
Jul-Sep 20*	18.2%	12.7%
16 Qtr avg	4.275%	3.225%
4 Qtr avg	4.500%	2.425%

\*Denotes preliminary results

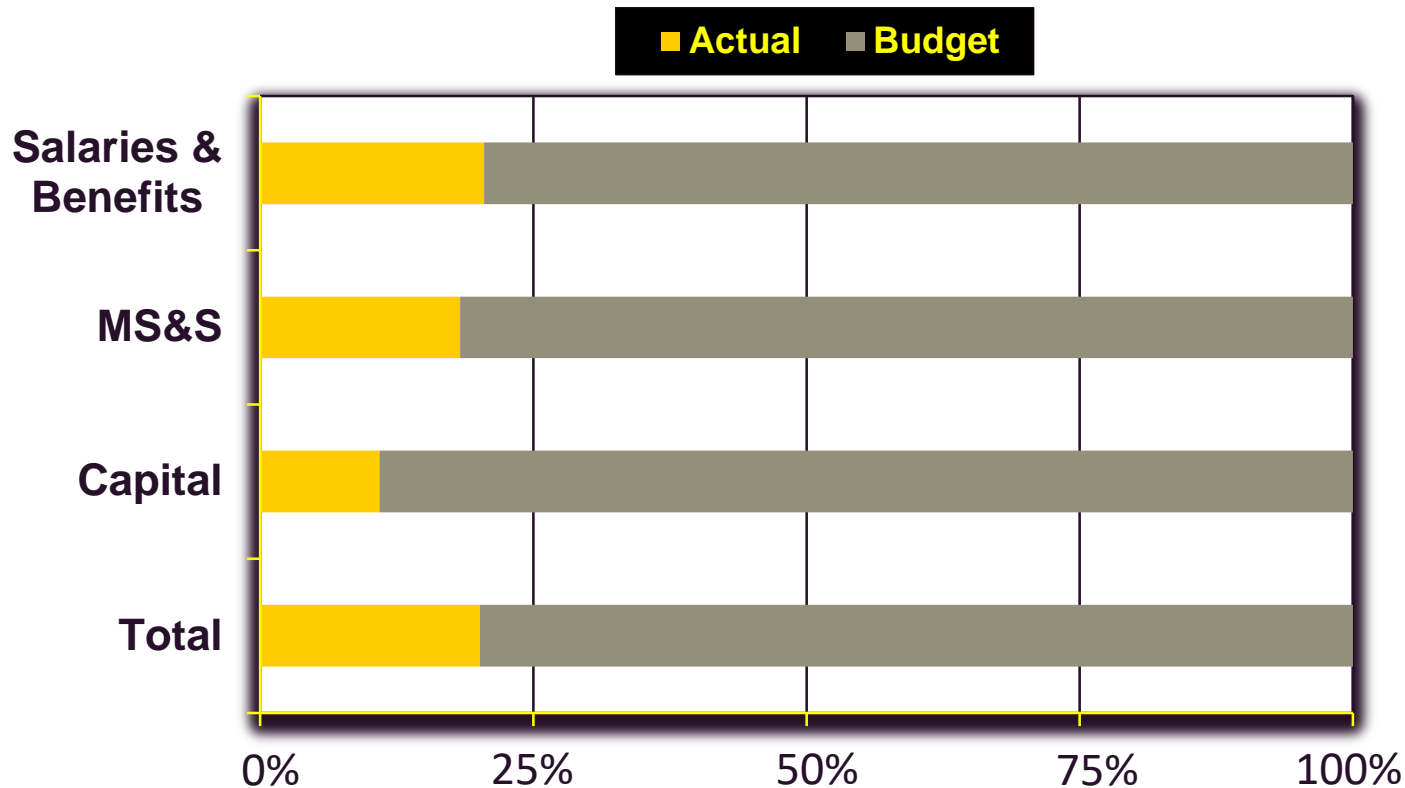


# Top General Fund Revenues





# General Fund Expenses



# Utility Fund 2019-20 Results

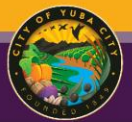




# Water Utility

	<b>Budget</b>	<b>Actual</b>	<b>Percent</b>
<b><i>Revenues</i></b>			
Operating	\$ 16,469,374	\$ 15,360,130	93.3%
Capital	450,000	440,322	97.8%
SRF Surcharge	655,000	658,551	100.5%
<b><i>Expenditures</i></b>			
Operating Programs	(10,241,959)	(8,757,865)	85.5%
Capital Equipment	(53,696)	(42,712)	79.5%
CIP Contributions	-	-	
Debt Service	(3,483,806)	(3,268,777)	93.8%
<b><i>CIP Projects</i></b>	<b>\$ 14,485,460</b>	<b>\$ 1,339,450</b>	<b>9.2%</b>

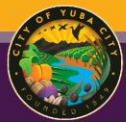
# Water Debt Coverage (In Thousands)



	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Total Revenues	\$ 12,659	\$ 15,408	\$ 16,785	\$ 16,459
Stabilization Reserve	0	0	0	0
Operating Expenses	(7,766)	(8,482)	(8,430)	(8,758)
Net Revenues	4,893	6,926	8,356	7,701
Debt Service	(3,041)	(3,243)	(3,146)	(3,269)
Net After Debt Service	\$ 1,852	\$ 3,683	\$ 5,209	\$ 4,432
Debt Coverage Ratio	1.61%	2.14%	2.66%	2.36%



# Wastewater Utility



	<b>Budget</b>	<b>Actual</b>	<b>Percent</b>
<b><i>Revenues</i></b>			
Operating	\$ 16,565,200	\$ 16,856,936	101.8%
Capital	693,200	489,601	70.6%
<b><i>Expenditures</i></b>			
Operating Programs	(11,919,350)	(10,661,854)	89.4%
Capital Equipment	(243,530)	(124,834)	51.3%
CIP Contributions	(3,253,172)	(3,206,679)	98.6%
<b><i>CIP Projects</i></b>	<b>\$ 12,019,434</b>	<b>\$ 16,892,603</b>	<b>140.5%</b>



# Wastewater Debt Coverage (In Thousands)

	FY 16/17	FY 17/18	FY 18/19	FY 19/20
Total Revenues	\$ 14,069	\$ 15,802	\$ 16,841	\$ 17,347
Stabilization Reserve	0	0	0	0
Operating Expenses	(9,213)	(10,250)	(10,601)	(10,662)
Net Revenues	4,856	5,552	6,240	6,685
Debt Service	(1,860)	(2,643)	(2,757)	(3,228)
Net After Debt Service	\$ 2,997	\$ 2,909	\$ 3,483	\$ 3,456
Debt Coverage Ratio	2.61%	2.10%	2.26%	2.07%

# Utility Fund 1<sup>st</sup> Quarter 2020-21 Progress





# Water Fund

	Budget	Actual	Percent
<i>Revenues</i>			
Operating	15,029,800	4,484,260	30%
Capital	546,500	102,798	19%
SRF Surcharge	671,400	166,649	25%
<i>Expenditures</i>			
Wages and Benefits	3,205,125	541,601	17%
Operating Expenses	11,720,830	572,343	5%
Capital Equipment	7,796	-	0%
Transfers	2,898,338	611,100	21%
CIP Projects	29,330,076	196,892	1%



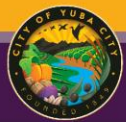
# Wastewater Fund

	Budget	Actual	Percent
<i>Revenues</i>			
Operating	16,543,200	3,875,489	23.4%
Capital	493,200	72,276	14.7%
<i>Expenditures</i>			
Wages and Benefits	4,599,931	789,326	17.2%
Operating Expenses	9,402,309	789,964	8.4%
Capital Equipment	-	-	
Transfers	3,344,506	511,575	15.3%
CIP Projects	17,969,846	593,592	3.3%

# Budget Ad Hoc Committee



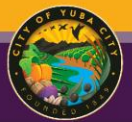
# Budget Ad Hoc Committee



Completed to date

- Reviewed Department Budgets
- Identified policy recommendations
- Developed follow-up information requests

# Budget Ad Hoc Committee

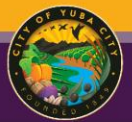


## Current status

- Reviewing vacant position
- Prioritizing budget requests



# Budget Ad Hoc Committee

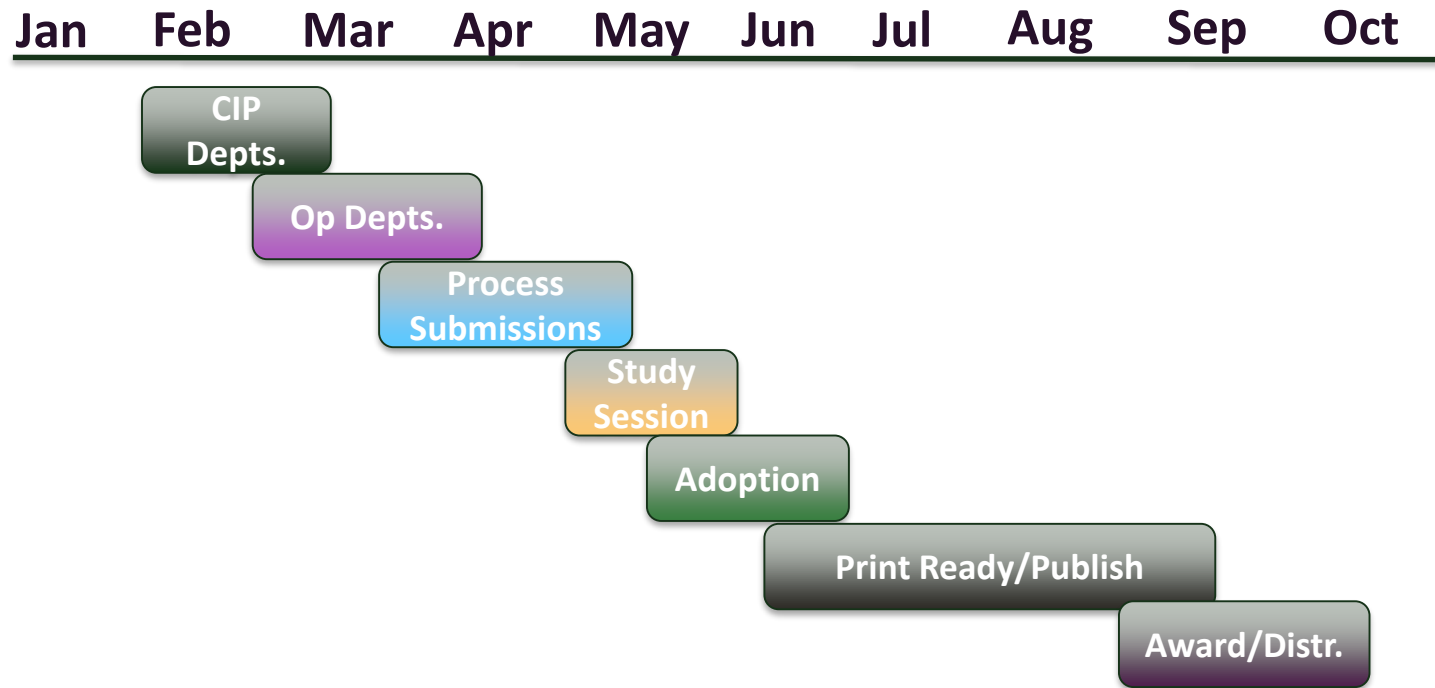


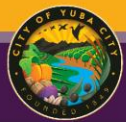
## Next Steps

- Review Vehicle Replacement Plan
- Review Technology Replacement Plan
- Explore Equipment Replacement Plan
- Finalize recommendations for Council consideration



# Budget Timeline





# Questions?



# General Fund Overview

	Budget	YTD Actual	Percent
Balance, Start of Year	\$ 6,836,022	\$ 6,836,022	-
Revenues	45,764,420	11,370,399	24.8%
Expenditures	(46,693,230)	(21,891,081)	46.9%
<b>Balance</b>	<b>\$ 5,907,212</b>	<b>\$ (3,684,661)</b>	<b>-</b>



# Departmental Savings

	Savings	% Expended
City Council	\$ 266	99.8%
City Attorney	(109,432)	143.8%
City Manager	577	99.9%
Finance/IT	353,243	88.3%
City Treasurer/City Clerk	29,831	49.9%
Human Resources	304,806	73.7%
Development Services	85,999	94.8%
Public Works	1,048,975	80.5%
Police	1,120,399	93.3%
Fire	(196,999)	101.6%
Animal Services	113,062	88.1%
Economic Development	254,932	25.9%
Contingency	-	100.0%
Non-Departmental Misc.	121,792	68.6%
Community Services	517,804	86.9%
<b>Total General Fund</b>	<b>\$ 3,645,257</b>	<b>92.2%</b>



# Pension Liabilities as of 6-30-19

In Millions

## *CalPERS - Summary of Funded Status as of 6-30-19*

	<i>Safety</i>	<i>Miscellaneous</i>	<i>Total</i>
Assets	\$ 109.4	\$ 90.5	\$ 199.9
Liabilities	(152.5)	(127.4)	(279.8)
<b><i>Unfunded Liability</i></b>	<b><i>\$ (43.1)</i></b>	<b><i>\$ (36.9)</i></b>	<b><i>\$ (79.9)</i></b>
<b><i>Percentage Funded</i></b>	<b><i>71.8%</i></b>	<b><i>71.1%</i></b>	<b><i>71.4%</i></b>
Less Pension Stabilization Trust Fund Available			\$ (2.8)
<b><i>Net Unfunded Pension Liability</i></b>			<b><i>\$ 77.1</i></b>



# Water Utility—Monthly Billing Comparisons

	<i>January</i> <i>2019</i>	<i>January</i> <i>2020</i>	<i>February</i> <i>2019</i>	<i>February</i> <i>2020</i>	<i>March</i> <i>2019</i>	<i>March</i> <i>2020</i>
Revenues	\$ 1,028,907	\$ 1,055,478	\$ 1,136,555	\$ 1,074,030	\$ 1,042,752	\$ 1,073,408
<b>% Change in Revenues</b>		<b>2.6%</b>		<b>-5.5%</b>		<b>2.9%</b>
Consumption	255,120	269,023	327,293	283,248	244,415	302,403
<b>% Change in Consumption</b>		<b>5.4%</b>		<b>-13.5%</b>		<b>23.7%</b>

	<i>April</i> <i>2019</i>	<i>April</i> <i>2020</i>	<i>May</i> <i>2019</i>	<i>May</i> <i>2020</i>	<i>June</i> <i>2019</i>	<i>June</i> <i>2020</i>
Revenues	\$ 1,096,804	\$ 1,117,307	\$ 1,157,746	\$ 1,160,387	\$ 1,331,043	\$ 1,298,747
<b>% Change in Revenues</b>		<b>1.9%</b>		<b>0.2%</b>		<b>-2.4%</b>
Consumption	292,564	350,212	371,340	406,899	501,243	496,287
<b>% Change in Consumption</b>		<b>19.7%</b>		<b>9.6%</b>		<b>-1.0%</b>