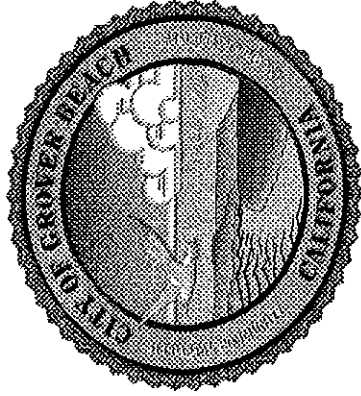


**CITY OF GROVER BEACH**



**SECTION 2  
CITYWIDE BUDGET**

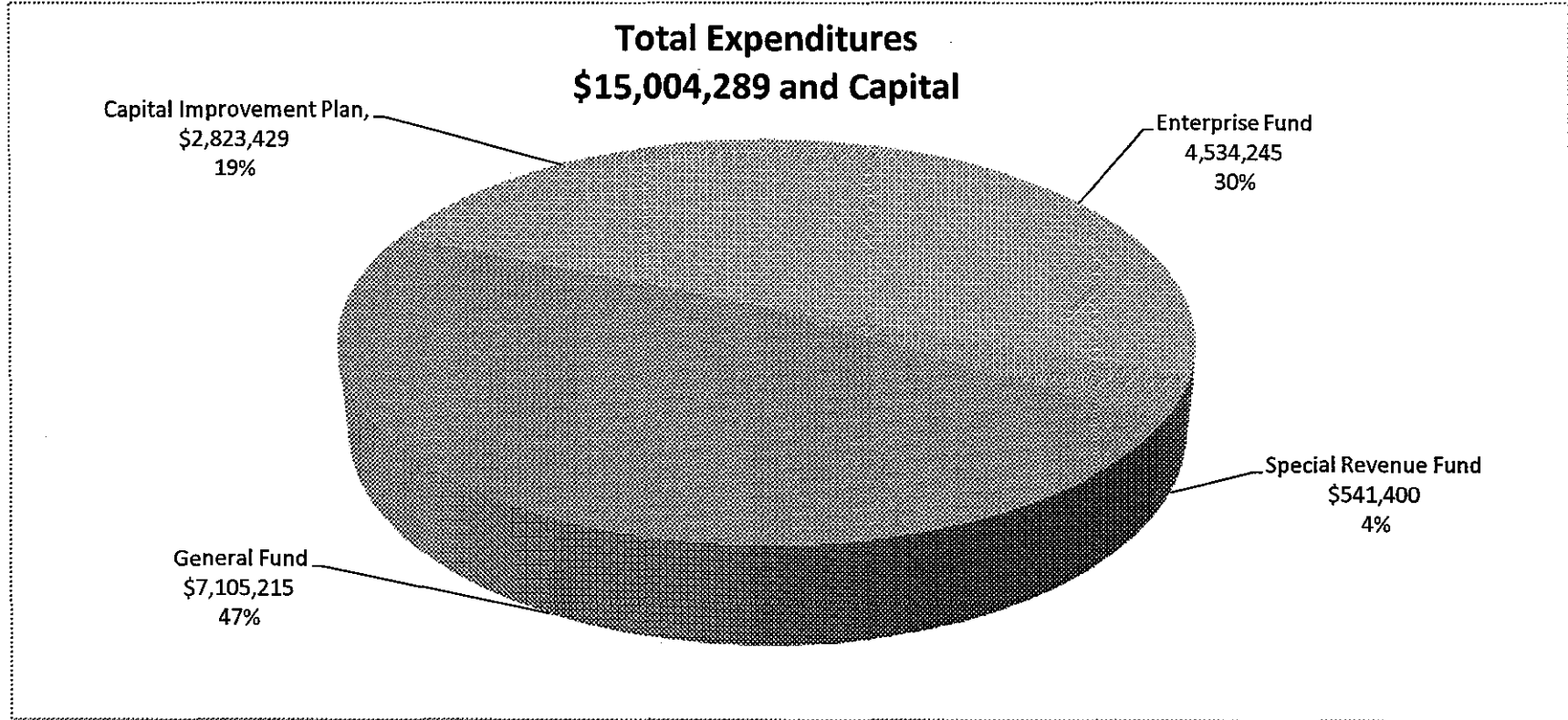


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**CITY OF GROVER BEACH**  
**FY 13 Operating Budget**  
Overview

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The City's Operating Budget is a flexible spending plan that is the legal authority for departments to commit financial resources to provide services within the City of Grover Beach. The Operating Budget for Fiscal Year 13 totals \$15,004,289. The budget includes \$7,130,215 in the General Funds, \$4,659,245 in Enterprise Funds and \$3,214,829 in Special Revenue Funds. The City's General Fund Budget is approximately 47% of the total Operating Budget in FY 13. The City's General Fund Budget provides most of the services commonly associated with government (public safety, recreation, planning, and public works). The Fiscal Year 13 Capital Improvement expenditures have also been included in the operating budget.





## ***FY 13 Operating Budget - Overview***

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### **I. User's Guide to the Operating Budget**

Every two years, the Administrative Services Department coordinates the preparation of two key documents:

1. Operating Budget
2. Capital Improvement Program

The Operating Budget and Capital Improvement Program are combined to become the Annual Budget.

#### **A. Operating Budget**

The Operating Budget is summarized at a department level. Department budgets report related operations and programs aimed at accomplishing a broad goal or accomplishing a major service. Every effort has been made to present the budget in an easy to read format.

The Operating Budget is divided into eight sections: (1) Staff Report; (2) Citywide Budget (all Funds); (3) General Fund; (4) Special Revenue Funds; (5) Enterprise Funds; (6) Capital Improvement Program; and (7) Appendices. The Citywide Budget Section reports projected fund balances, appropriations, estimated revenues, and transfers for all City operations. The fund summary, the revenues, and the expenditures for each fund are reported within the applicable section.

As an introduction to the Operating Budget, it is recommended that the reader review the budget overview on the succeeding pages and the summary information included in Section 2, Citywide Budget. Department overviews are presented within the General Fund Section. The department overview presents the departmental mission statement, personnel positions, activity and funding totals, goals, objectives and accomplishments. Detail by line item is presented within the activity budget. Detailed information for each line item is available in the FY 13 Budget Companion Documents.

Detailed object descriptions, numerical codes, and four years of budget information are presented in the operating budget. The General Fund, which has multiple departments, presents summary fund expenditures and individual departmental expenditures. Budget line item objects are listed in account number order. Historical information is for comparison purposes. A table of contents is provided in the front of this document to provide easy access to the budget detail.

## ***FY 13 Operating Budget - Overview***

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### **B. Capital Improvement Program**

The Capital Improvement Program is presented as a separate section in this document. The section matches funding sources with capital expenditures while developing a five-year schedule of projects.

The Capital Improvement Program section contains information in the following categories:

1. Park Projects - projects that are associated with City parks.
2. Infrastructure Projects - projects that are associated with various City infrastructure.

Each project has been assigned a project number that will remain with the project throughout its life. The project identification number allows the tracking and monitoring of projects over multi-year periods. The sequential numbers do not represent the priority of each project. Project priority is determined by the City Council.

Prior to City Council's consideration of the budget document, the Capital Improvement Program was provided to the Planning Commission for review to ensure consistency with the City's General Plan. A project description sheet is provided for each project to summarize the activity to date, the proposed FY 13 activity and the funding being provided.

### **II. Budget Change Procedures**

The City's Operating Budget is a flexible spending plan which commits resources to the accomplishment of City Council goals and objectives. City Council approval is required for changes impacting fund balance, i.e., increases to appropriations that are not offset by matching increases to estimated revenue. The Administrative Services Department will continue its practice of preparing a Mid-Year Budget Review. This review is used to keep the City Council informed of key budget issues, forecasts and required changes. Mid-Year Budget Reports are normally scheduled to be presented no later than the second Council Meeting in February. The Audited Financial Report is the medium used to report final balances.

## ***FY 13 Operating Budget - Overview***

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### **III. Constitutional Spending Limits**

Article XIII (B) of the California Constitution provides that the City's annual appropriations be subject to certain State limitations. This appropriation limit is often referred to as the Gann Limitation. The City's limitation is calculated each year and is established by a resolution of the City Council.

Article XIII (B) limitation for Fiscal Year 13 is \$8,557,022. The Gann spending limitation is calculated by taking the prior year's limitation (\$8,297,516) and adjusting it by the growth factor in the California Per Capita Personal Income and the change in the population within the City of Grover Beach. The estimated tax-based revenues for FY 13 have been calculated to be \$5,601,256, which is \$2,696,260 less than the appropriation limit. Therefore, the City of Grover Beach is in compliance with Article XIII of the California Constitution for FY 13.

The Article XIII (B) limitation is not a restricting factor for the City of Grover Beach due to appropriation levels that have been held to a minimum. This factor will continue to be monitored annually and budget adjustments will be recommended if they are required in future years.

### **IV. Key Budget Assumptions**

Several budget assumptions were included in the Operating Budget for FY 13. These assumptions will be carefully monitored throughout the fiscal year while evaluating budgetary performance. The key budget assumptions include:

- A. The 1/2 percent Sales Tax will bring \$531,828 in revenue to the City in FY 13. In FY 13 99,500 will be used to purchase equipment and \$432,328 will be used for general obligations in the General Fund.
  
- B. General Fund revenues are anticipated to decrease slightly. Property Taxes are expected to increase slightly due to Redevelopment Agency Funds going back to their original taxing jurisdictions after Successor Agency obligations are paid. Sales Tax is anticipated to remain stable during FY 13.
  
- C. City fees are currently under review through an update to the City's Master Fee Schedule. A water rate hearing was conducted on March 19, 2012 and new water rates went into effect on April 1, 2012. Water rate increases were necessary to cover maintenance and operation costs as well reestablishing a reserve in the Water Fund.

## ***FY 13 Operating Budget - Overview***

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- The City is not currently meeting its Reserve Policy. Reserves to address unanticipated contingencies (excluding catastrophic contingencies) have been dwindling over the past several years. Fluctuations in prior year spending trends or unexpected emergencies will have a direct impact on the General Funds Undesignated Fund Balance. If reserves go and further below what is projected the City will have a cash flow problem, as Property Taxes are the City's largest revenue source and are only received in December and April. The General Fund is being recommended not to use reserve funds in 2013.
- D.
- E. The City's management team has begun labor negotiations with bargaining groups regarding the City's financial position. The City has requested maintaining current furloughs and salary reduction in FY 13. These reductions in compensation are not included in the budget.
- F. Management anticipates the sale of City-owned property in FY 13 of \$150,000 net of expenditures. Since the sale of property is not an ongoing revenue and it is unknown at this time if the property will sell, the sale of the property has not been included in the final budget document.

### **V. General Fund Balance**

In the City of Grover Beach's Financial Policies, a total of 20% of the operating budget has been set for the minimum reserves. The reserves are set as follows:

- A. General Contingency of 5% - to provide funding to meet operational appropriation requirements in the event of minor or routine anticipated increases in expenditures. Any transfer of funds from the General Contingency may only be made upon City Council approval of an amendment to the Annual Appropriation Resolution.
- B. General Reserve of 10% - to provide funding to meet operation appropriation requirements in the event that the City experiences shortfalls in the collection of General Fund revenues or major unanticipated increases in expenditures. Any transfer of funds from the General Reserve may only be made upon City Council approval of an amendment to the Annual Appropriation Resolution.
- C. Emergency Reserve of 5% (Minimum) - to provide emergency funding as a result of a declared emergency, or to fund an unanticipated urgent event affecting or threatening the public health, safety, and welfare of the City of Grover Beach. The goal is to have the Emergency Reserve equal one year's collections of the largest revenue source. Any transfer of funds from the Emergency Reserve may only be made upon City Council approval of an amendment to the Annual Appropriation Resolution, subsequent to the City Council's finding that the guidelines established in the Resolution have been met.



**FY 13 Operating Budget - Overview**

The projected General Fund Cash Balance as of June 30, 2013 is anticipated to be approximately \$779,986, or 10.8% of the annual appropriation of \$7,229,715. This is a projected decrease in the General Fund Cash Balance of \$319,394 for Fiscal Year 13.

As projected, the City will exceed its goal of an overall 20% contingency reserve. The General Fund's revenues, transfers, appropriations and reserves are summarized below:

		<u>Fiscal Year 13</u>
July 1, Projected Beginning Cash Balance		\$ 1,099,380
Source of Funds		
Estimated Revenue	6,371,711	
Transfers In	\$ 538,610	\$ 6,910,321
	<u>                    </u>	<u>                    </u>
Uses of Funds		
Appropriation	\$ 7,130,215	
Transfers Out	\$ 99,500	\$ 7,229,715
	<u>                    </u>	<u>                    </u>
Net Increase/(Decrease)		\$ (319,394)
June 30, Projected Ending Cash Balance		<u>\$ 779,986</u>
General Contingency of 5%		\$ 356,511
General Reserve of 5.8% (Policy is 10%)		\$ 423,475
Emergency Reserve of 0		<u>\$ -</u>
Total Reserves		<u>\$ 779,986</u>

The Emergency Reserve falls short of the ultimate goal of being equal to the largest revenue source as shown below:

Property Taxes	\$ 3,378,752
Emergency Reserve (0% in FY 13)	\$ -
Total Shortfall in Emergency Reserve	<u>\$ 3,378,752</u>

## FY 13 Operating Budget - Overview

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### VI. Revenue Growth

Estimated General Fund revenues for FY 13 are \$6,371,711 . This amount represents an decrease of approximately (\$18,164) for FY 13. The primary increases/decreases to the General Fund revenues are as follows:

	<u>Fiscal Year 13</u>
Reductions:	
Property Taxes - Redevelopment Pass-Thru	\$ (18,762.00)
Franchise Fees	\$ (4,000.00)
Lease Agreements	\$ (15,000.00)
Use of City Crew and Equipment	\$ (1,784.00)
CDBG Administration Fee	\$ (3,000.00)
Motor Vehicle License Fee	\$ (6,568.00)
Energy Efficient Block Grant	\$ (15,135.00)
Homeland Security Grant	\$ (199,820.00)
Increases:	
Property Taxes - Current Secured	\$ 18,883
Transient Occupancy Tax	\$ 4,500
Building Permits	\$ 73,238
Sprinkler Permits	\$ 10,605
Planning and Development Application Fee	\$ 50,000
Plan Check Building - In House	\$ 11,000
Plan Check Fees Planning - In House	\$ 3,200
Plan Check Fees - Building Outsourced	\$ 16,012
Building Engineering - Plan Ck Cost Recovery	\$ 5,000
Planning Fees (Zoning Clearance) In House	\$ 3,052
Planning Engineering - Cost Recovery	\$ 2,000
Admin Processing Fee based on Bldg Fees	\$ 29,731
Admin Processing Fees based on Planning Fees	\$ 18,000
Total Increases(Decrease) to Revenues	<u>\$ (18,848)</u>

### VII. New Revenue Sources

A Master Fee Schedule is currently under review. There are several new fees which will be proposed when the proposed updated and new fees are brought to the City Council in early FY 13.

## FY 13 Operating Budget - Overview

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The Building and Planning Enterprise Fund has been folded back into the General Fund. For the past several years the expenditures associated with the Building and Planning functions have operated as an Enterprise Fund. Due to the economic slowdown activity in these areas have been greatly reduced. The functions have not been cost recovery; therefore the decision was made to reincorporate these revenues and expenditures back into the General Fund.

### **VIII. Expenditure Containment**

Expenditure containment has been and continues to be a high priority. The budget was built with increases being allowed only if they were necessary to keep the same level of service to the citizens. Many increase requests were denied. Equipment and machinery included in the budget are replacements of existing stock that is no longer functioning or that which was deemed essential. In total, FY 13 budget expenditures have decreased by approximately \$4,134 from FY 12 estimated actual expenditures (excluding transfers and Capital Projects). The increase in budgeted appropriations over the budget cycle are the result of the following increases and decreases:

<u>General Fund</u>	Fiscal Year 12		Fiscal Year 13	
	Estimated	Actual		
Salaries and Benefits	\$	4,438,652	\$	4,392,000
Supplies and Services	\$	2,377,184	\$	2,601,805
Minor Capital	\$	293,513	\$	54,600
Debt Service	\$	-	\$	56,810
Total Expenditure Increase	\$	<u>7,109,349</u>	\$	<u>7,105,215</u>

## ***FY 13 Operating Budget - Overview***

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### **IX. Key Financial Issues Ahead**

The 1/2 percent Sales Tax increase, passed by the voters in November 2006, will continue to provide much needed revenue for the City's General Fund. This revenue source has established an equipment replacement fund for the City. Minimal Sales Tax Add-on funds will be used during this budget cycle for equipment replacement. Revenue sources appear to be stabilizing. For FY 13 there is no allocation of funds for street rehabilitation from this source.

Stabilized revenues and increasing expenditures will cause funding issues in the future. The City's financial policy states that only ongoing revenues will be used to fund ongoing expenditures. The current budget does not fall within the City's financial policy. The economy is still weak and many of the City's funding sources have not recovered and may take years to reach the levels we were at 5 years ago. Therefore reserve use is being recommended for FY 13. The budget shows a deficit of \$319,394. The City is currently meeting with bargaining units to continue the furlough and cost reductions received in FY 12.

This budget includes the layoff of personnel; 2 Full-Time and 4 Part-time. There is also 4 retirements which will take place. Of these 2 will not be filed and 2 will be filled with front line personnel. Staff believes at this time the reduction in personnel will help the City to recover to financial health. This budget projects the General Fund will have approximately \$779,986 in cash reserves at the end of FY 13. Anything below \$1,000,000 could potentially cause a cash flow issue. The City is Property Tax driven and receives this revenue source twice a year in December and April. Therefore grants will need to have reimbursement requests completed in a timely manner to prevent reserves from being depleted as grants are paid on a reimbursement basis.

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## CITY OF GROVER BEACH

### *Financial Policy*

Adopted by the City Council - Resolution No. 95-40

Revised - Resolution No. 95-46; 97-37; 97-38; 03-67; and 05-45

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The cornerstone of municipal financial management is a sound policy that sets forth guidelines in the areas of revenues, operating expenditures, investments, reserves, financial reporting, capital improvements, and budgeting. Elected officials and appointed staff are accountable for public funds and responsible for the wise management of municipal finances. The community is entitled to reports that clearly communicate the financial health of the City. The following policies will guide and influence the financial management practices of the City of Grover Beach.

#### **Budget Policies**

The City Manager will provide a proposed Annual Budget to the City Council no later than June 1st of each year, and the City Council will review and adopt a Biennial Budget no later than June 30th every other year (Even Numbered Years).

The City's budgetary system will be integrated and compatible with the accounting system, and the Biennial Budget will be prepared on a basis in conformance with Generally Accepted Accounting Principles (GAAP).

The Mid-Year Budget Review will be presented no later than the second regular City Council meeting in February of each year. The Mid-Year Budget Review will include the current status of revenue collections and budget expenditures, economic trends, and state budget deliberations, as well as any proposed amendments necessary to bring the budget back into balance.

Annually, the City may seek the California Society of Municipal Finance Officers (CSMFO) award of Excellence for Municipal Budgeting.

Annually, the City may seek the Government Finance Officers Association (GFOA) Certificate of Achievement for Distinguished Budget Presentation award.

Annually, the City's Comprehensive Annual Financial Report (CAFR) will be prepared by an independent auditor in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

Annually, the City may seek the GFOA Certificate of Achievement for Excellence in Financial Reporting.

#### **Resources**

Resources are defined as revenues collected during one fiscal year, as well as resources carried over from prior years. Revenues may be ongoing or one-time in nature, but resources from prior years are always one-time in nature. The following policies shall apply to resources:

One-time resources will be used for one-time expenditures or enhancement of reserves.

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## CITY OF GROVER BEACH

### *Financial Policy*

Adopted by the City Council - Resolution No. 95-40  
Revised - Resolution No. 95-46; 97-37; 97-38; 03-67; and 05-45

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#### **Resources - Continued**

All revenue forecasts will be conservative.

Regular reports comparing actual to budgeted revenues will be prepared by City staff for the City Council.

The City will avoid using one-time resources to fund ongoing municipal services.

All potential grants shall be carefully reviewed for matching and/or maintenance-of-effort requirements.

Intergovernmental grants, which are grants from other governmental entities, will be evaluated to determine the long-term operating and maintenance costs associated with the grant.

#### **Expenditures**

Expenditures are payments made to employees, vendors, or contractors supplying goods or services to the City, except as provided in GBMC Section 2107.1; all expenditures must be made consistent with appropriations approved by the City Council in the Annual Appropriation Resolution.

Regular reports comparing budget appropriations to actual expenditures will be prepared by City staff for the City Council's information.

When new operating programs or capital projects are proposed, staff will provide the City Council with an analysis of the one-time and ongoing costs associated with the program or project.

With the exception of initial expenditures for the creation of new programs or during periods of economic distress which result in reductions in local revenues or state funding for municipal activities, all ongoing costs for operating programs shall be paid from the ongoing revenues.

#### **Reserves**

It shall be the City's policy to draw down reserves consistent with the following priorities:

The use of reserves for one-time expenditures that generates ongoing cost savings or cost avoidance.

The use of reserves for one-time expenditures that generates ongoing revenue enhancements.

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## CITY OF GROVER BEACH

### *Financial Policy*

Adopted by the City Council - Resolution No. 95-40  
Revised - Resolution No. 95-46; 97-37; 97-38; 03-67; and 05-45

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#### Reserves - Continued

The use of reserves for a one-time expenditure that leverages the expenditure of significant public or private investment in the City by other entities.

The use of reserves to offset shortfalls in the collection of revenues.

The use of reserves to offset unanticipated increases in expenditures for current programs or projects.

#### General Fund - General Contingency

The City hereby establishes a General Contingency of not less than 5% of the current year General Fund operating budget. The specific purpose of the General Contingency is to provide funding to meet operation appropriation requirements in the event of minor or routine unanticipated increases in expenditures.

Any transfer of funds from the General Contingency may only be made upon City Council approval of an amendment to the Annual Appropriation Resolution.

#### General Fund - General Reserve

The City hereby establishes a General Reserve of not less than 10% of the current fiscal year's General Fund operating budget. The General Fund reserve should be increased to an amount greater than 10% when economic conditions warrant. The specific purpose of the General Reserve is to provide funding to meet operational appropriation requirements in the event that the City experiences shortfalls in the collection of General Fund revenues or major unanticipated increases in expenditures.

Any transfer of funds from the General Reserve may only be made upon City Council approval of an amendment to the Annual Appropriation Resolution.

#### General Fund - Emergency Reserve

The City hereby establishes an Emergency Reserve of not less than 5% of the General Fund operating budget. This reserve is established for the purpose of providing emergency funding as a result of a declared emergency or to fund an unanticipated urgent event affecting or threatening the public health, safety, and welfare of the City of Grover Beach. The goal is to have the Emergency Reserve equal one year's collection of the largest revenue source.

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## CITY OF GROVER BEACH

### *Financial Policy*

Adopted by the City Council - Resolution No. 95-40  
Revised - Resolution No. 95-46; 97-37; 97-38; 03-67; and 05-45

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Any transfer of funds from the Emergency Reserve may only be made upon City Council's approval of an amendment to the Annual Appropriation Resolution, subsequent to the City Council's finding that the guidelines established in the Resolution have been met.

#### Water Enterprise Fund - General Reserve

The City hereby establishes a General Reserve of not less than 10% of the current fiscal year Water Fund operating budget. The Water Fund's General Reserve should be increased to an amount greater than 10% when economic conditions warrant. The specific purpose of the General Reserve is to provide funding to meet operational appropriation requirements in the event that the City experiences shortfalls in the collection of Water Fund revenues or unanticipated increases in expenditures.

Any transfer of funds from the Water Fund's General Reserve may only be made upon City Council approval of an amendment to the Annual Appropriation Resolution.

#### Wastewater Enterprise Fund - General Reserve

The City hereby establishes a General Reserve of not less than 10% of the current fiscal year Wastewater Fund operating budget. The Wastewater Fund Reserves should be increased to an amount greater than 10% when economic conditions warrant. The specific purpose of the General Reserve is to provide funding to meet operation appropriation requirements in the event the City experiences shortfalls in the collection of Wastewater Fund revenues or unanticipated increases in expenditures.

Any transfer of funds from the Wastewater Fund's General Reserve may only be made upon City Council approval of an amendment to the Annual Appropriation Resolution.

#### **Appropriation Transfer Authority**

The following criteria establish appropriation transfer authority as set forth in the Annual Appropriation Resolution:

Transfers between line items in the same program may be made by department heads.

Transfers between programs in the same fund may be made by department heads with City Manager approval.

Transfer between department budgets within the same fund may only be made by the City Council.



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## CITY OF GROVER BEACH

### *Financial Policy*

Adopted by the City Council - Resolution No. 95-40  
Revised - Resolution No. 95-46; 97-37; 97-38; 03-67; and 05-45

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Transfers between different funds may only be made by the City Council.

Transfers to or from employee services line items may be made by the City Manager.

#### **Capital Improvement Program**

Annually, City staff will propose a Capital Improvement Program covering the subsequent five fiscal years. The plan will recommend specific funding of projects, and identify projects for further consideration.

The Capital Improvement Program will include a listing of projects for further consideration by the City Council. Such projects will be those which are determined to merit further study, but lacking funding sources.

Capital improvements will include Facilities and Infrastructure improvements which are valued over \$50,000.

Capital Improvement Program projects will be reviewed to determine the best method of financing the project. City Council will determine whether the project is funded on a "pay as you go" basis or a debt instrument.

The City will continue imposing development impact fees which ensure that a new development pays its fair share of the increased service capacity.

#### **Fiscal Management**

It is the City's policy to minimize the subsidization by the general taxpayer of the costs of services provided to the public which are of specific benefit, rather than general benefit. The City Council shall annually consider establishing specific cost-recovery policies related to such costs to be reflected in the Master Fee Schedule.

Consistent with the State Constitution, charges for services will not exceed the cost reasonably borne to deliver those services. Costs reasonably borne may include direct and in-direct costs, such as overhead, as well as reasonable reserves or amortization of equipment associated with the provision of the services.

The City will annually review the Master Fee Schedule to ensure that each user fee is reflective of its intended cost-recovery percentage, and will revise the fees as needed or revise the cost-recovery percentage.

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## CITY OF GROVER BEACH

### *Financial Policy*

Adopted by the City Council - Resolution No. 95-40

Revised - Resolution No. 95-46; 97-37; 97-38; 03-67; and 05-45

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#### **Fiscal Management - Continued**

The City will maintain water, wastewater and storm water rate structures which are adequate to ensure that these enterprise funds remain firmly and separately self-supporting, including the cost of operation, infrastructure maintenance and replacement, indirect cost recovery, and debt service.

Whenever required by bond indentures, the City will determine whether debt service coverage ratios are being met. Whenever coverage ratios are not being met, staff will recommend rate increases or expenditure reductions or some combination of the two, in order to meet coverage ratios.

#### **Investments**

The City will continue to have a written investment policy approved by City Council resolution on an annual basis. The policy for investments in priority order is safety, liquidity and yield.

The City Council will receive reports on the cash position and performance of City investments on a quarterly basis.

#### **Capital Assets**

Future maintenance needs for all new capital facilities will be fully costed out.

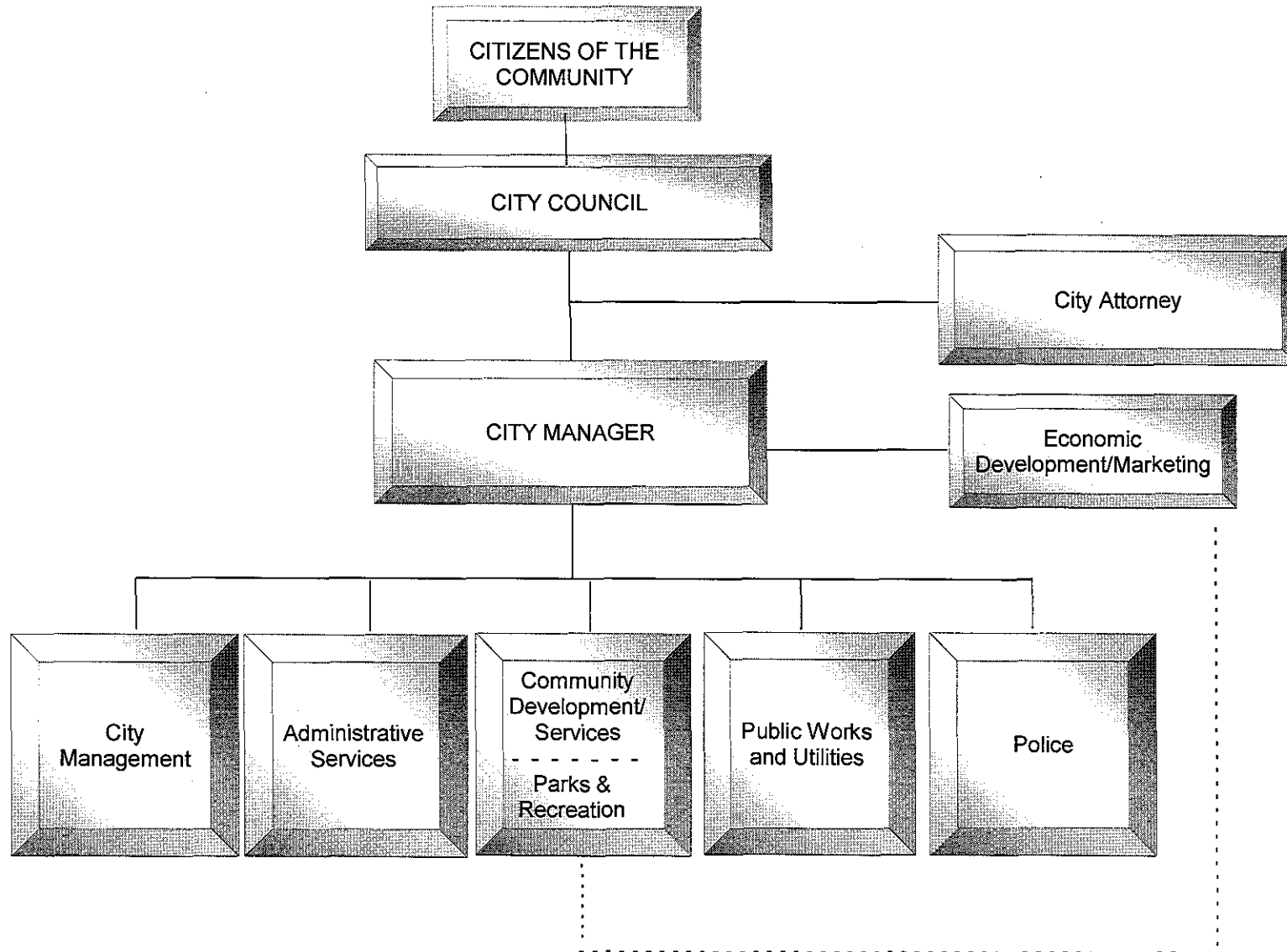
All equipment and facility maintenance needs for the next five years will be projected and updated annually.

All assets will be maintained at a level that protects capital investment and minimizes future maintenance costs.

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**CITY OF GROVER BEACH**  
**Organization Chart**

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# ALLOCATED POSITIONS

( ) Indicates Position Elimination

City Management	Administrative Services	Community Development/ Services	Public Works and Utilities	Police
1 - City Manager 1 - City Clerk / Executive Director 1 - Human Resources Coordinator 1 - Administrative Secretary  (1) - Staff Assistant part-time	1 - Administrative Services Dir. 1 - Asst. Admin. Services Dir. 1 - Accounting Specialist 1 - Revenue Technician 1 - Customer Service Rep.  (1) - Account Clerk (1) - Staff Assistant part-time	1 - Community Development Dir 1 - Planner II .5 - Building Technician  (1) - Administrative Secretary  Parks & Recreation Division Economic Development and Marketing (Formerly Parks & Recreation Dept.) 1 - Parks & Rec Program Dir. 1 - Recreation Coordinator  (2) - Rec Specialists part-time (3) - Rec Specialists part-time Skate Park	1 - Public Works Dir./City Engineer 1 - Administrative Secretary 2 - Maintenance Worker III 5 - Maintenance Worker II 2 - Maintenance Worker I 1 - Equipment Mechanic II .5 - Building Technician  (1) - Public Works Superintendent (1) - Maintenance Worker II	1 - Police Chief 2 - Commanders 3 - Sergeants 4 - Senior Officers 6 - Police Officers 4 - Reserve Officers part-time 1 - Communications Supervisor 1 - Lead Records & Comm Tech 4 - Records & Comm. Tech 1 - Rec & Comm. Tech Part-Time 1 - Records Tech 1 - Administrative Secretary  (1) - Sergeant

Please note the information provided above does not reflect unfilled but allocated positions.

**CITY OF GROVER BEACH**  
**CITYWIDE - PROJECTED FUND BALANCES**  
**For Fiscal Year 13**



**CITY OF GROVER BEACH**  
**PROJECTED FUND BALANCE**  
 Fiscal Year 13

Funds	Estimated 7/1/12 Fund Balances	Estimated Revenue	Transfers In	Net Appropriations	Net Transfers Out	Estimated 6/30/13 Fund Balance
General Fund	\$ 2,858,463	\$ 6,371,711	\$ 538,610	\$ 7,130,215	\$ 99,500	\$ 2,539,069
<u>Special Revenue Funds:</u>						
Gas Tax	450,523	349,000	-	391,500	3,000	405,023
Police Grants	98,989	100,300	-	100,000	-	99,289
Traffic Congestion Relief	109,115	-	-	109,179	-	(64)
Local Transportation	(383,619)	2,239,348	-	2,097,472	52,000	(293,743)
Water Conservation	1,131,823	13,904	-	79,200	13,484	1,053,043
Parks Construction	(571)	91,406	-	83,700	500	6,635
Subsidized Senior Transportation	1,254	3,000	-	3,000	-	1,254
Underground Utilities	193,971	1,200	-	20,200	-	174,971
Fire Grants	-	-	-	-	-	-
CDBG	134,422	230,378	-	230,378	-	134,422
Skate Park	(4,259)	-	-	-	-	(4,259)
Government Access	69,132	30,200	-	53,900	-	45,432
Special Event	(37,845)	35,180	-	46,300	-	(48,965)
Transportation Development Impact Fee	-	9,519	-	-	9,519	-
Law Enforcement Development Impact Fee	7,011	646	-	-	-	7,657
Administrative Development Impact Fee	5	770	-	-	-	775
Fire Development Impact Fee	-	1,383	-	-	1,383	-
Storm Water Development Impact Fee	20,305	3,447	-	-	-	23,752
Wastewater Development Impact Fee	235,774	17,097	-	-	-	252,871
Parks Facilities Development Impact Fee	165,642	20,137	-	-	-	185,779
Recreation Development Impact Fee	17,430	3,561	-	-	-	20,991
<u>Enterprise Funds:</u>						
Wastewater	6,374,854	2,136,644	-	1,945,400	158,971	6,407,127
Water	3,763,262	3,072,437	-	2,713,845	299,753	3,822,101
Storm Water	(458,040)	-	-	-	-	(458,040)
Building and Planning	(1,332,195)	-	-	-	-	(1,332,195)
<b>Total</b>	<b>\$ 13,415,446</b>	<b>\$ 14,731,268</b>	<b>\$ 538,610</b>	<b>\$ 15,004,289</b>	<b>\$ 638,110</b>	<b>\$ 13,042,925</b>

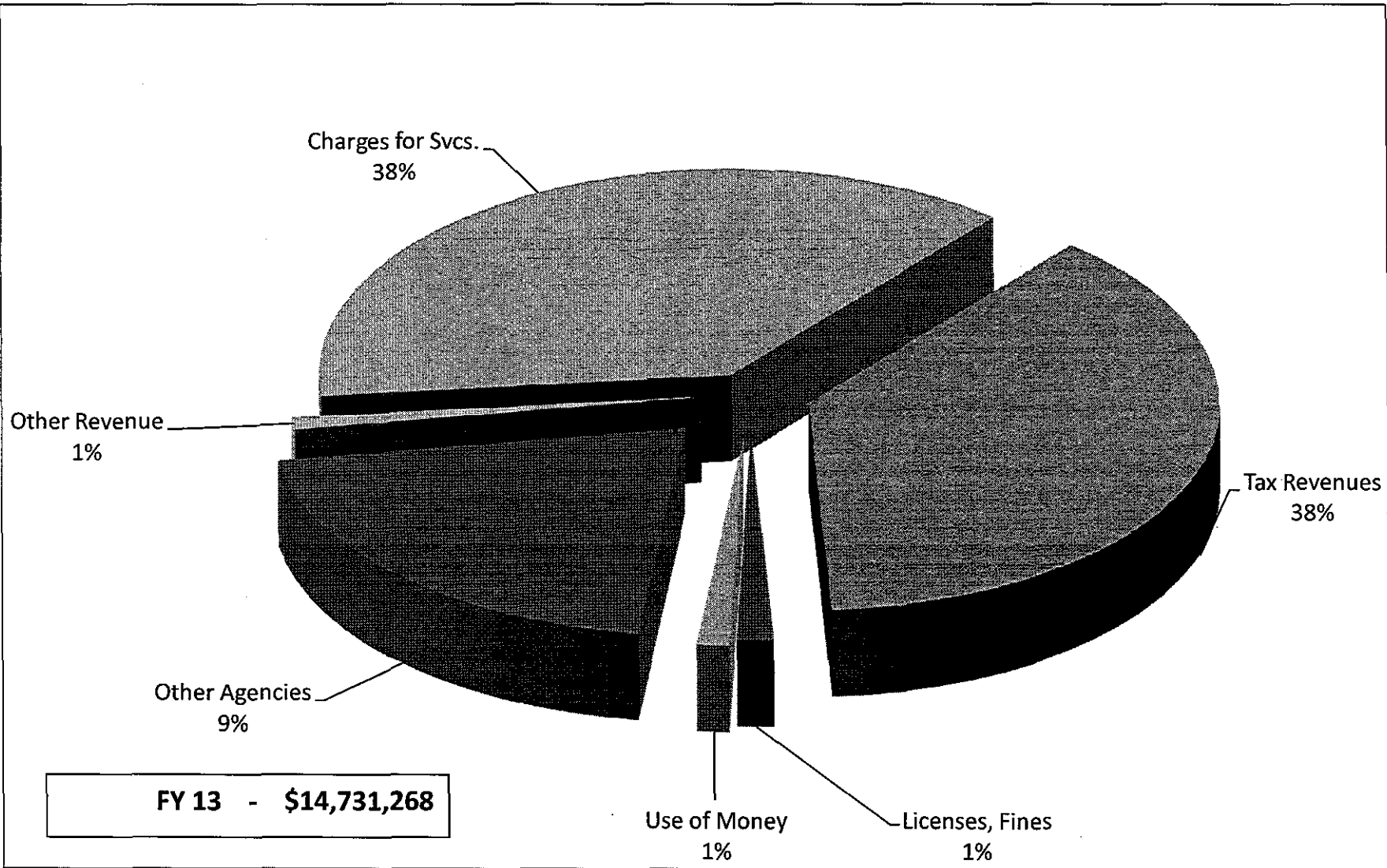




**CITY OF GROVER BEACH**  
**CITYWIDE - ESTIMATED REVENUES BY FUND**  
**Fiscal Year 13**



**CITY OF GROVER BEACH**  
*Citywide Estimated Revenues by Source*





**CITY OF GROVER BEACH**  
**ESTIMATED REVENUES BY FUND**

Fiscal Year 13

Funds	Tax	Licenses	Use of	Inter -	Charges for	Other	Total
	Revenues	Permits	Money	Governmental	Service	Revenues	Revenues
	FY 13	& Fines	FY 13	FY 13	FY 13	FY 13	FY 13
		FY 13	FY 13	FY 13	FY 13	FY 13	FY 13
General Fund	\$ 5,601,256	\$ 213,884	\$ 170,216	\$ 40,000	\$ 346,355	\$ 538,610	\$ 6,910,321
<b>Special Revenue Funds:</b>							
Gas Tax	-	-	1,000	348,000	-	-	349,000
Police Grants	-	-	300	100,000	-	-	100,300
Traffic Congestion Relief	-	-	-	-	-	-	-
Local Transportation	-	-	-	2,239,348	-	-	2,239,348
Water Conservation	-	-	800	-	-	13,104	13,904
Parks Construction	-	-	-	74,900	16,506	-	91,406
Subsidized Senior Transportation	-	-	-	3,000	-	-	3,000
Underground Utilities	-	-	1,200	-	-	-	1,200
Fire Grants	-	-	-	-	-	-	-
CDBG	-	-	-	230,378	-	-	230,378
Skate Park	-	-	-	-	-	-	-
Government Access	-	-	200	-	-	30,000	30,200
Special Event	-	-	(100)	-	-	35,280	35,180
Transportation Development Impact Fee	-	-	-	-	-	9,519	9,519
Law Enforcement Development Impact Fee	-	-	25	-	-	621	646
Administrative Development Impact Fee	-	-	-	-	-	770	770
Fire Development Impact Fee	-	-	-	-	-	1,383	1,383
Storm Water Development Impact Fee	-	-	60	-	-	3,387	3,447
Wastewater Development Impact Fee	-	-	1,000	-	-	16,097	17,097
Parks Facilities Development Impact Fee	-	-	500	-	-	19,637	20,137
Recreation Development Impact Fee	-	-	50	-	-	3,511	3,561
<b>Enterprise Funds:</b>							
Wastewater	-	-	10,000	-	2,126,644	-	2,136,644
Water	-	-	1,000	-	3,070,937	500	3,072,437
Storm Water	-	-	-	-	-	-	-
Building and Planning	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 5,601,256</b>	<b>\$ 213,884</b>	<b>\$ 186,251</b>	<b>\$ 3,035,626</b>	<b>\$ 5,560,442</b>	<b>\$ 672,419</b>	<b>\$ 15,269,878</b>

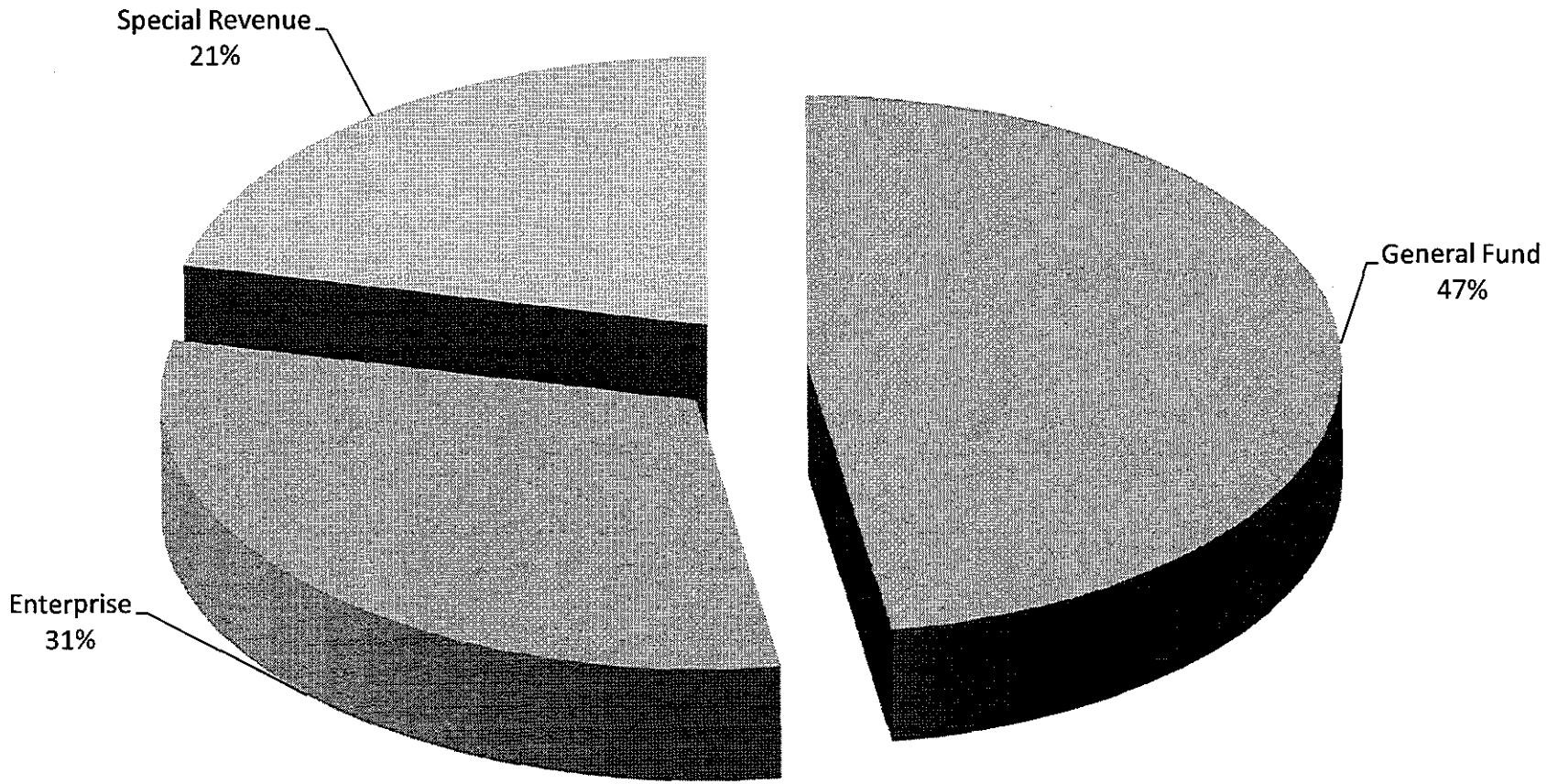


**CITY OF GROVER BEACH**  
**CITYWIDE - APPROPRIATIONS BY FUND**  
**For Fiscal Year 13**





**CITY OF GROVER BEACH**  
*Citywide Appropriations by Fund Type*



**FY 13 - \$15,004,289**



**CITY OF GROVER BEACH**  
**APPROPRIATIONS BY FUND**  
 Fiscal Year 13

Funds	Salaries & Benefits FY 13	Supplies & Services FY 13	Minor Capital FY 13	Debt Service FY 13	Capital Projects FY 13	Total Appropriations FY 13
General Fund	\$ 4,392,000	\$ 2,601,805	\$ 54,600	\$ 56,810	\$ 25,000	7,130,215
<b>Special Revenue Funds:</b>						
Gas Tax	-	191,500	-	-	200,000	391,500
Police Grants	8,000	8,000	84,000	-	-	100,000
Traffic Congestion Relief	-	-	-	-	109,179	109,179
Local Transportation	-	53,500	-	-	2,043,972	2,097,472
Water Conservation	34,200	20,000	20,000	-	5,000	79,200
Parks Construction	-	8,800	-	-	74,900	83,700
Subsidized Senior Transportation	-	3,000	-	-	-	3,000
Underground Utilities	-	10,200	-	-	10,000	20,200
Fire Grants	-	-	-	-	-	-
CDBG	-	-	-	-	230,378	230,378
Skate Park	-	-	-	-	-	-
Government Events	8,900	25,000	20,000	-	-	53,900
Special Events	28,800	17,500	-	-	-	46,300
Transportation Development Impact Fee	-	-	-	-	-	-
Law Enforcement Development Impact Fee	-	-	-	-	-	-
Administrative Development Impact Fee	-	-	-	-	-	-
Fire Development Impact Fee	-	-	-	-	-	-
Storm Water Development Impact Fee	-	-	-	-	-	-
Wastewater Development Impact Fee	-	-	-	-	-	-
Parks Facilities Development Impact Fee	-	-	-	-	-	-
Recreation Development Impact Fee	-	-	-	-	-	-
<b>Enterprise Funds:</b>						
Wastewater	345,000	1,454,650	45,750	-	100,000	1,945,400
Water	860,800	1,701,795	126,250	-	25,000	2,713,845
Storm Water	-	-	-	-	-	-
Building and Planning	-	-	-	-	-	-
<b>Total</b>	<b>\$ 5,677,700</b>	<b>\$ 6,095,750</b>	<b>\$ 350,600</b>	<b>\$ 56,810</b>	<b>\$ 2,823,429</b>	<b>\$ 15,004,289</b>

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CITY OF GROVER BEACH

APPROPRIATIONS BY FUND

Fiscal Year 13

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**CITY OF GROVER BEACH**

**CITYWIDE - REVENUE & TRANSFER HISTORY**

**BY SOURCE AND FUND**

**2009-10 Through 2012-13 Fiscal Years**



**CITY OF GROVER BEACH**  
**ALL CITY FUNDS AND REDEVELOPMENT AGENCY FUNDS**  
**REVENUE & TRANSFER HISTORY - BY SOURCE**

Revenue Source	09/10 ACTUAL	10/11 ACTUAL	FISCAL YEAR 11/12			12/13 BUDGET
			ORIGINAL BUDGET	AMENDED BUDGET	ESTIMATED ACTUAL	
<b>TAXES:</b>						
Property Taxes	\$ 3,476,361	\$ 3,487,050	\$ 3,382,965	\$ 3,382,965	\$ 3,378,631	\$ 3,378,752
Sales Taxes	1,167,940	1,262,498	1,202,719	1,202,719	1,271,004	1,271,004
Franchise Fees	480,972	483,015	460,000	460,000	480,000	476,000
Other Taxes	472,295	447,974	464,669	464,669	469,000	475,500
Licenses & Permits	147,628	129,814	129,132	129,132	118,873	163,184
Fines	86,687	59,209	65,000	65,000	50,700	50,700
Use of Money and Property	527,056	194,171	437,516	437,516	205,606	186,251
Other Agencies	1,008,745	918,053	764,252	964,072	964,030	3,035,626
Charges for Current Services	2,773,915	4,982,198	4,936,718	4,936,718	5,211,581	5,560,442
Other Revenue	<u>335,390</u>	<u>(46,715)</u>	<u>69,124</u>	<u>69,124</u>	<u>110,381</u>	<u>133,809</u>
Total Revenue	10,476,989	11,917,267	11,912,095	12,111,915	12,259,806	14,731,268
Transfers In	<u>978,319</u>	<u>477,650</u>	<u>526,580</u>	<u>526,580</u>	<u>457,430</u>	<u>538,610</u>
Total Revenue and Transfers	<u>\$ 11,455,308</u>	<u>\$ 12,394,917</u>	<u>\$ 12,438,675</u>	<u>\$ 12,638,495</u>	<u>\$ 12,717,236</u>	<u>\$ 15,269,878</u>





**CITY OF GROVER BEACH**

**CITYWIDE - EXPENDITURE & TRANSFER HISTORY**

**BY EXPENDITURE TYPE**

**2009-10 Through 2012-13 Fiscal Years**



**CITY OF GROVER BEACH**  
**ALL CITY FUNDS AND REDEVELOPMENT AGENCY FUNDS**  
**EXPENDITURE & TRANSFER HISTORY - BY EXPENDITURE TYPE**

Expenditure Source	09/10 ACTUAL	10/11 ACTUAL	FISCAL YEAR 11/12			12/13 BUDGET
			ORIGINAL BUDGET	AMENDED BUDGET	ESTIMATED ACTUAL	
<b>CURRENT EXPENSES:</b>						
Salaries and Benefits	\$ 6,718,207	\$ 5,575,017	\$ 5,938,809	\$ 5,938,809	\$ 5,921,614	\$ 5,677,700
Services and Supplies	4,395,466	5,570,461	6,048,079	6,050,079	6,032,712	6,095,750
Minor Capital	205,848	162,388	394,100	593,920	516,196	350,600
Debt Service	73,471	59,229	30,000	30,000	-	56,810
Capital Projects	<u>2,360,417</u>	<u>1,417,717</u>	<u>1,160,185</u>	<u>1,160,185</u>	<u>438,146</u>	<u>2,823,429</u>
TOTAL CURRENT EXPENSES	13,753,409	12,784,812	13,571,173	13,772,993	12,908,668	15,004,289
<b>TRANSFERS:</b>	<u>926,330</u>	<u>414,441</u>	<u>436,096</u>	<u>436,096</u>	<u>439,730</u>	<u>638,110</u>
TOTAL EXPENDITURES	<u>\$ 14,679,739</u>	<u>\$ 13,199,253</u>	<u>\$ 14,007,269</u>	<u>\$ 14,209,089</u>	<u>\$ 13,348,398</u>	<u>\$ 15,642,399</u>



**CITY OF GROVER BEACH**  
**CITYWIDE - INTERFUND TRANSFERS**  
**For Fiscal Year 13**



**CITY OF GROVER BEACH**  
**INTERFUND TRANSFERS**  
FY 13

FUNDS	TRANSFERS IN			TRANSFERS OUT		
	Operating	Cost Allocation	Total	Operating	Cost Allocation	Total
General Fund	\$ 125,502	\$ 413,108	\$ 538,610	\$ 99,500	\$ -	\$ 99,500
General Fund - Capital Replacement Fund	99,500	-	99,500	-	-	-
<u>Special Revenue Funds:</u>						
Gas Tax	-	-	-	3,000	-	3,000
Police Grants	-	-	-	-	-	-
Traffic Congestion Relief	-	-	-	-	-	-
Local Transportation	-	-	-	52,000	-	52,000
Water Conservation	-	-	-	-	13,484	13,484
Parks Construction	-	-	-	500	-	500
Subsidized Senior Transportation	-	-	-	-	-	-
Underground Utilities	-	-	-	-	-	-
Fire Grants	-	-	-	-	-	-
CDBG	-	-	-	-	-	-
Skate Park	-	-	-	-	-	-
Government Access	-	-	-	-	-	-
Special Event	-	-	-	-	-	-
Transportation Development Impact Fee	-	-	-	9,519	-	9,519
Law Enforcement Development Impact Fee	-	-	-	-	-	-
Administrative Development Impact Fee	-	-	-	-	-	-
Fire Development Impact Fee	-	-	-	1,383	-	1,383
Storm Water Development Impact Fee	-	-	-	-	-	-
Wastewater Development Impact Fee	-	-	-	-	-	-
Parks Facilities Development Impact Fee	-	-	-	-	-	-
Recreation Development Impact Fee	-	-	-	-	-	-
<u>Enterprise Funds:</u>						
Wastewater	-	-	-	36,840	122,131	158,971
Water	-	-	-	22,260	277,493	299,753
<b>Total</b>	<b>\$ 225,002</b>	<b>\$ 413,108</b>	<b>\$ 638,110</b>	<b>\$ 225,002</b>	<b>\$ 413,108</b>	<b>\$ 638,110</b>

CITY OF GROVER BEACH  
 INTERFUND TRANSFERS  
 FY 13

FUNDS	TRANSFERS IN			TRANSFERS OUT		
	Operating	Cost Allocation	Total	Operating	Cost Allocation	Total



**CITY OF GROVER BEACH**  
**OPERATING TRANSFERS**  
Fiscal Year 13

OPERATING TRANSFERS

FUNDS	Fiscal Year 13		Purpose
	To	From	
General	25,000		Storm Water Advance Repayment
	3,000		Gas Tax Administrative Cost Transfer
	9,519		Transportation Development Impact Fee Advance Repayment
	1,383		Fire Development Impact Fee Advance Repayment
	6,240		Transfer from the Wastewater Fund for Technology
	500		Transfer from the Wastewater Fund for 5-Year CIP
	1,000		Transfer from the Wastewater Fund for Records Retention
	500		Transfer from the Wastewater Fund for Codification of the Municipal Code
	3,600		Transfer from the Wastewater Fund for City Hall Facelift
	11,960		Transfer from the Water Fund for Technology
	500		Transfer from the Water Fund for 5-Year CIP
	2,500		Transfer from the Water Fund for Records Retention
	1,000		Transfer from the Water Fund for Codification of the Municipal Code
	6,300		Transfer from the Water Fund for City Hall Facelift
	500		Transfer from the LTF Fund for 5-Year CIP
	1,500		Transfer from the LTF Fund for Records Retention
	500		Transfer from the Parks Construction Fund for 5-Year CIP
	50,000		Transfer from LTF for Advance Repayment
		99,500	Transfer to the General Equipment Replacement Fund
General Equipment Replacement	99,500		Transfer from the General Fund for Equipment Replacement
Gas Tax		3,000	Transfer to the General Fund for Administrative Oversight
Local Transportation		500	Transfer to the General Fund for 5-Year CIP
		1,500	Transfer to the General Fund for Records Retention
		50,000	Transfer to the General Fund for Advance Repayment
Parks Construction		500	Transfer to the General Fund for 5-Year CIP
Transportation Development Impact Fee		9,519	Advance Repayment to the General Fund
Fire Development Impact Fee		1,383	Advance Repayment to the General Fund
Wastewater		6,240	Transfer to the General Fund for Technology
		500	Transfer to the General Fund for 5-Year CIP
		1,000	Transfer to the General Fund for Records Retention
		500	Transfer to the General Fund for Codification of the Municipal Code
		3,600	Transfer to the General Fund for City Hall Facelift

**CITY OF GROVER BEACH**  
**OPERATING TRANSFERS**  
 Fiscal Year 13

OPERATING TRANSFERS

FUNDS	Fiscal Year 13		Purpose
	To	From	
		25,000	Transfer to the General Fund for Storm Water Loan Repayment
Water		11,960	Transfer to the General Fund for Technology
		500	Transfer to the General Fund for 5-Year CIP
		2,500	Transfer to the General Fund for Records Retention
		1,000	Transfer to the General Fund for Codification of the Municipal Code
		6,300	Transfer to the General Fund for City Hall Facelift
	<hr/>		
Total	<u>225,002</u>	<u>225,002</u>	

CITY OF GROVER BEACH  
 COST ALLOCATION TRANSFERS  
 Fiscal Year 13

COST ALLOCATION TRANSFERS

FUNDS	Fiscal Year 13		Purpose
	TO	From	
General Fund	\$ 413,108		Cost Allocation Transfer
Wastewater Fund		\$ 122,131	Cost Allocation Transfer
Water Fund		\$ 277,493	Cost Allocation Transfer
Storm Water Fund		\$ 13,484	Cost Allocation Transfer
Total	<u>\$ 413,108</u>	<u>\$ 413,108</u>	



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CITY OF GROVER BEACH  
TRANSFERS BETWEEN FUNDS

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The City of Grover Beach uses transfers to charge one fund for services provided by another fund. The cost of the service to be provided to another fund is made up of two types of costs, direct costs and indirect costs. Direct costs are those expenses that can be directly attributed to the activity, such as the salary and benefit cost of a water employee working on sewer lines. The direct costs are transferred to the benefiting fund by means of personnel transfers and operating transfers. Indirect costs are expenses not readily identifiable with a particular action or service, but rather are incurred for a joint purpose which benefits more than one fund/department. Common examples of indirect costs are accounting, personnel, building maintenance, and utility expenses. Though indirect costs are not readily identifiable with direct operating programs, they can be allocated based on rational, logical methodology. The indirect costs are transferred to the benefitting fund by means of cost allocation transfers.

**Operating Transfers** - Operating transfers are for direct costs incurred in the General Fund, but used by other funds. Items such as telephone charges, postage, property tax, and utility costs are allocated directly to other funds based on the use.

**Cost Allocation Transfers** - Cost Allocation is a method of allocating indirect costs, provided by the General Fund, based on the proportionate share of benefits received. Different indirect costs have different methods of allocation. For instance, City Council costs are based on the number of Council Agenda items, the City Manager budget is based on citywide fund appropriations, and building maintenance costs is based on the number of departmental square feet in City buildings.



**CITY OF GROVER BEACH**  
**CITYWIDE - APPROPRIATIONS LIMIT**  
**For Fiscal Year 13**





**CITY OF GROVER BEACH  
CALCULATION OF APPROPRIATION LIMIT FROM TAX PROCEEDS  
FOR FISCAL YEAR 13**

Appropriation limit for FY 12 \$ 8,297,516

Multiplied by the appropriation limit change factors:

Per Capital Personal Income Change: 3.77%  
 Conversion to Ratio:  $\frac{3.77\% + 100}{100} =$  1.0377

Population Change  
     2012 13,162  
     2011 13,244  
 Change (82)  
 Conversion to ratio:  $\frac{(82)}{13,244} =$   $\frac{-0.6191\% + 100}{100} =$  0.9938

**Appropriation Limit for FY 13 \$ 8,557,022**

**Estimated FY 13 Proceeds of Taxes Subject to Appropriation Limit \$ 5,601,256**

