

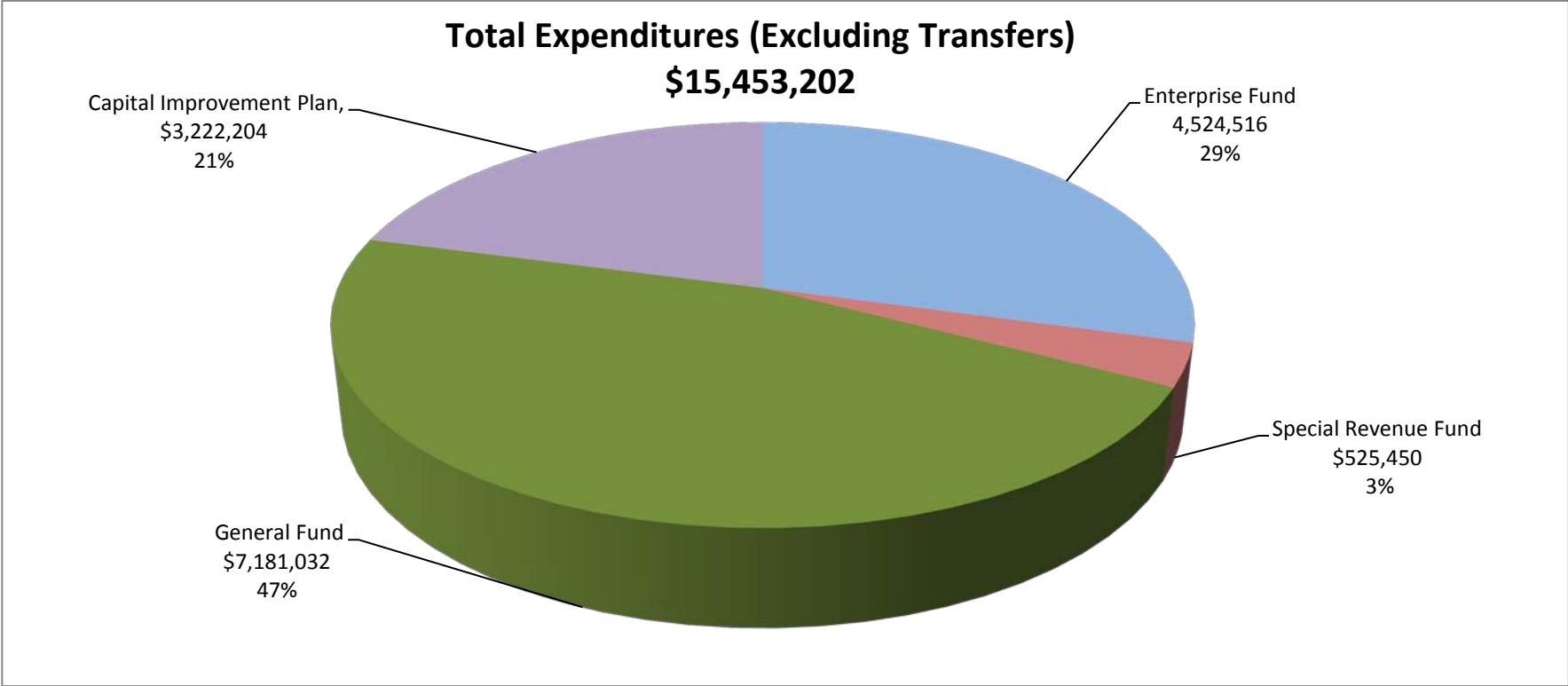
CITY OF GROVER BEACH



SECTION 2 CITYWIDE BUDGET

CITY OF GROVER BEACH
FY 14 Operating Budget
Overview

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 14 totals \$15,453,202, not including transfers. The budget includes \$7,209,632 in the General Fund, \$4,790,326 in Enterprise Funds and \$3,453,244 in Special Revenue Funds. The City's General Fund Budget is approximately 47% of the total Operating Budget in FY 14. 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 14 Capital Improvement expenditures have also been included in the operating budget.



FY 14 Operating Budget - Overview

I. User's Guide to the Operating Budget

Each year, the Administrative Services Department coordinates the preparation of the budget document, while the Public Works Department coordinates the 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 seven 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 14 Budget Companion Document.

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 14 Operating Budget - Overview

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 final consideration of the budget document, the Capital Improvement Program will be 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 14 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.

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 14 is \$9,027,943. The Gann spending limitation is calculated by taking the prior year's limitation (\$8,557,022) 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 14 have been calculated to be \$5,998,529, which is \$3,029,414 less than the appropriation limit. Therefore, the City of Grover Beach is in compliance with Article XIII of the California Constitution for FY 14.

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.

FY 14 Operating Budget - Overview

IV. Key Budget Assumptions

Several budget assumptions were included in the Operating Budget for FY 14. 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 \$630,000 in revenue to the City in FY 14. In FY 14, \$79,500 will be used to purchase equipment and \$550,500 will be used for general obligations in the General Fund.

- B. In FY 13 the City received one-time property tax revenues due to the former redevelopment agency housing funds being redistributed by the County. In addition the City received one-time repayment of property tax administrative fee overpayment from previous years. Overall, General Fund revenues are anticipated to decrease slightly in FY 14.

- C. The City's Master Fee Schedule has recently been updated. A water rate hearing was conducted on February 19, 2013 and new water rates went into effect on April 1, 2013. Water rates were raised by 2% based on the Los Angeles Riverside County Consumer Price Index as approved by the March 19, 2013 Proposition 218 Hearing, after a public hearing conducted by the City Council.

- E. Labor negotiations have been concluded and the City successfully negotiated with all bargaining groups for a reduction in furloughs from sixteen (16) in FY 13 to seven (7) for FY 14.

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.

FY 14 Operating Budget - Overview

- 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.
- C.

The projected General Fund Cash Balance as of June 30, 2014 is anticipated to be approximately \$1,974,388, or 25.2% of the annual appropriation of \$7,209,632.

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

		<u>Fiscal Year 14</u>
July 1, Projected Beginning Cash Balance		\$ 1,919,804
Source of Funds		
Estimated Revenue	6,740,475	
Transfers In	<u>\$ 618,241</u>	<u>\$ 7,358,716</u>
Uses of Funds		
Appropriation	\$ 7,209,632	
Transfers Out	<u>\$ 94,500</u>	<u>\$ 7,304,132</u>
Net Increase/(Decrease)		\$ 54,584
June 30, Projected Ending Cash Balance		<u><u>\$ 1,974,388</u></u>
General Contingency of 5%		\$ 360,482
General Reserve of 10%		\$ 720,963
Emergency Reserve of 12.4%		<u>\$ 892,943</u>
Total Reserves		<u><u>\$ 1,974,388</u></u>

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

Property Taxes - Current Secured	\$ 3,011,400
Emergency Reserve (12.4% in FY 14)	\$ 892,943
Total Shortfall in Emergency Reserve	<u><u>\$ 2,118,457</u></u>

FY 14 Operating Budget - Overview

VI. Revenue Growth

Estimated General Fund revenues for FY 14 are \$6,740,475 . This amount represents an decrease of approximately (\$418,990) when compared to the Estimated Actual for FY 13. The increases/decreases to the General Fund revenues are as follows:

	<u>Fiscal Year 14</u>
Reductions:	
Property Taxes - Current Secured	\$ (79,740)
Sales and Use Taxes	\$ (79,971)
Sale of Property	\$ (147,273)
Miscellaneous Income	\$ (133,137)
All Other	\$ (55,277)
Increases:	
Building Permits	\$ 43,992
Plan Check Fees - Building Outsourced	\$ 16,196
Administrative Processing Fee	\$ 16,220
Total Increases(Decrease) to Revenues	<u>\$ (418,990)</u>

VII. New Revenue Sources

A Master Fee Schedule update has recently been adopted by the City Council. Many of the fees have been updated and new fees have been added. Additionally, some of the fees in the Building and Planning Department have been changed to deposits to ensure full cost recovery for services provided.

FY 14 Operating Budget - Overview

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 14 budget expenditures have increased by approximately \$491,170 from FY 13 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 13		Fiscal Year 14	
	Estimated	Actual		
Salaries and Benefits	\$	4,433,120	\$	4,504,400
Supplies and Services	\$	2,473,413	\$	2,534,832
Minor Capital	\$	34,095	\$	71,800
Debt Service	\$	25,620	\$	70,000
Total Expenditure Increase	\$	<u>6,966,248</u>	\$	<u>7,181,032</u>

The increases in Salary and Benefits is in part associated with increased costs in CalPERS Retirement Benefits in the amount of \$53,849 and an increase in Workers Compensation Insurance of \$60,118 and Medical Insurance increases of \$34,641. Additionally, the sergeant position has been unfrozen during the second quarter of the fiscal year. It should be noted that FY 13 Salary and Benefits includes sixteen (16) furlough days, where the FY 14 revised budget as includes seven (7) furlough days.

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 14 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, but there are signs of recovery.

This budget projects the General Fund will have approximately \$1,974,388 in cash reserves at the end of FY 14. 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.

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

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 an Annual Budget no later than June 30th every year.

The City's budgetary system will be integrated and compatible with the accounting system, and the Annual 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.

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

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.

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

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.

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

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.

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

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.

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

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

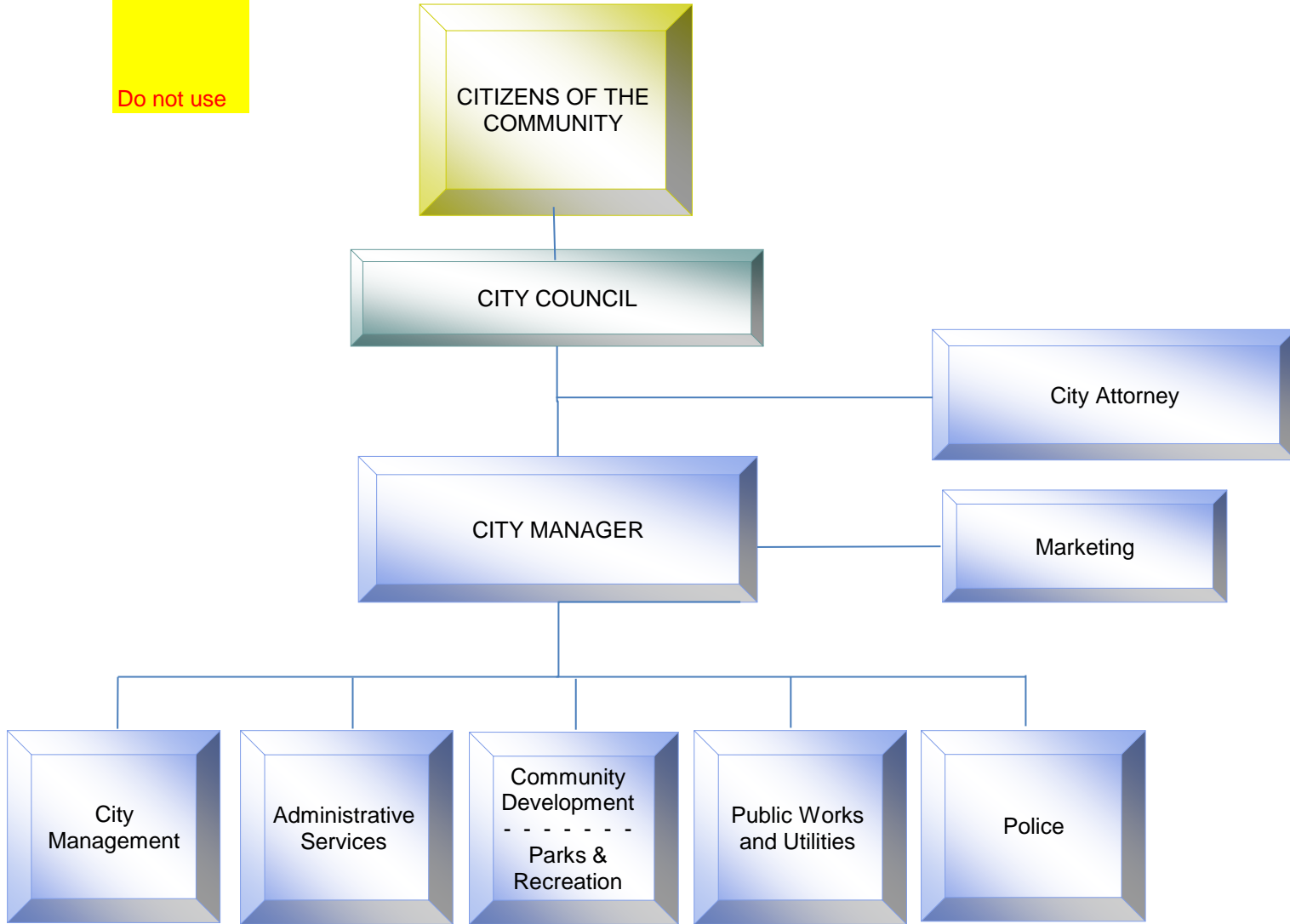
Future maintenance needs for all new capital facilities will be fully costed out.

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.

CITY OF GROVER BEACH
Organization Chart

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CITY OF GROVER BEACH
CITYWIDE - PROJECTED FUND BALANCES
For Fiscal Year 14

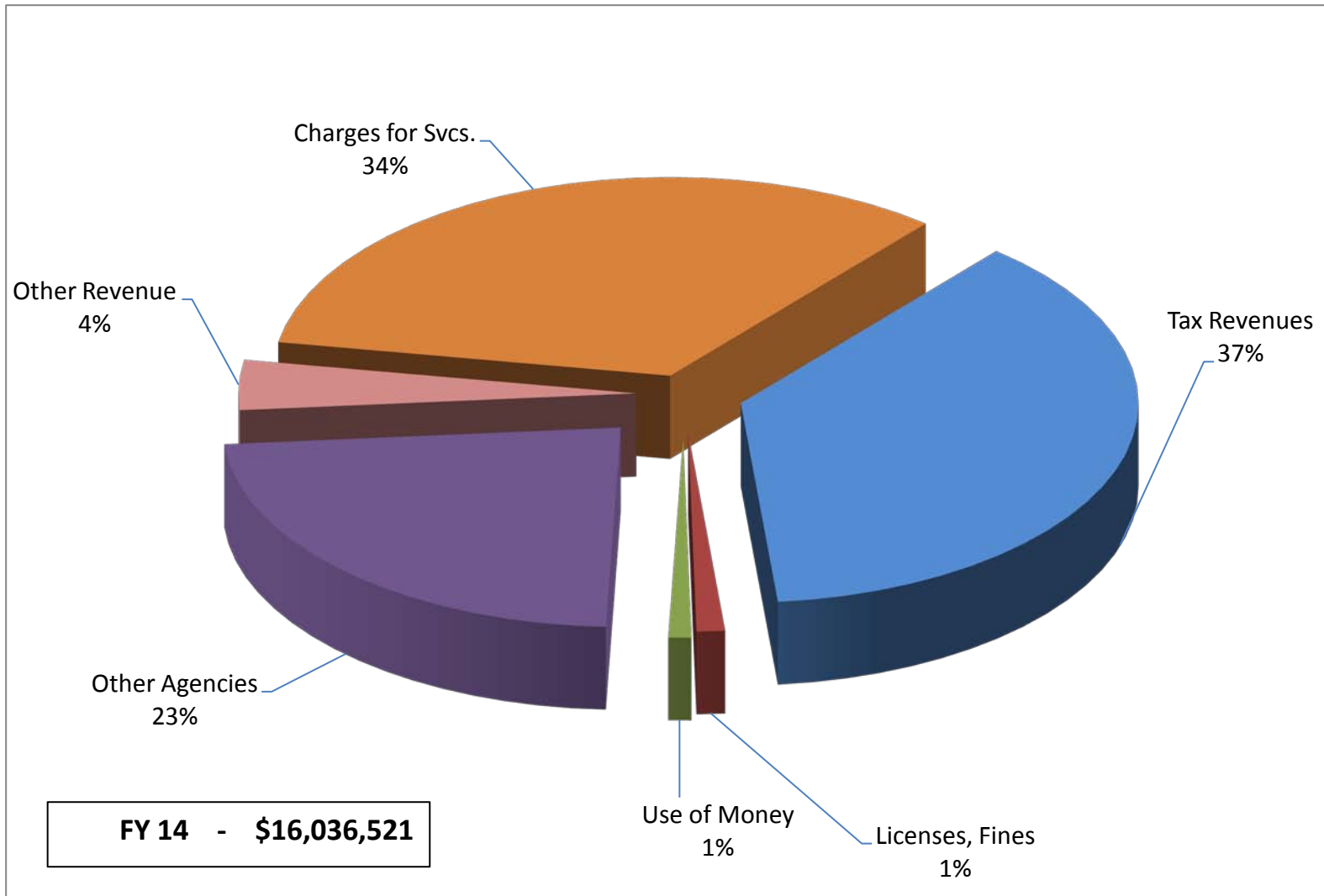
CITY OF GROVER BEACH
PROJECTED FUND BALANCE

Fiscal Year 14

Funds	Estimated 7/1/13 Fund Balances	Estimated Revenue	Transfers In	Net Appropriations	Net Transfers Out	Estimated 6/30/14 Fund Balance
General Fund	\$ 3,128,641	\$ 6,740,475	\$ 618,241	\$ 7,209,632	\$ 94,500	\$ 3,183,225
<u>Special Revenue Funds:</u>						
Gas Tax	\$ 147,794	316,197	-	389,500	3,000	71,491
Police Grants	\$ 81,008	100,000	-	102,650	-	78,358
Local Transportation	\$ (146,922)	2,435,870	-	2,332,420	102,000	(145,472)
Water Conservation	\$ 1,059,034	13,504	-	71,000	13,754	987,784
Parks Construction	\$ 3,613	88,655	-	83,700	500	8,068
Subsidized Senior Transportation	\$ 322	3,000	-	3,000	-	322
Underground Utilities	\$ 199,023	500	-	197,970	-	1,553
CDBG	\$ 38,500	56,716	-	56,716	-	38,500
Skate Park	\$ (3,464)	-	-	-	-	(3,464)
Government Access	\$ 68,414	-	-	54,100	-	14,314
Special Event	\$ (18,522)	36,140	15,000	49,900	-	(17,282)
Transportation Development Impact Fee	\$ -	448,107	-	-	18,746	429,361
Law Enforcement Development Impact Fee	\$ 7,446	24,676	-	-	-	32,122
Administrative Development Impact Fee	\$ 496	23,119	-	-	-	23,615
Fire Development Impact Fee	\$ -	3,524	-	-	3,524	-
Storm Water Development Impact Fee	\$ 21,554	11,558	-	-	-	33,112
Wastewater Development Impact Fee	\$ 241,420	16,048	-	-	-	257,468
Parks Facilities Development Impact Fee	\$ 175,257	16,760	-	20,000	-	172,017
Recreation Development Impact Fee	\$ 19,121	2,965	-	-	-	22,086
<u>Enterprise Funds:</u>						
Wastewater	\$ 6,581,207	2,123,002	-	1,971,545	171,414	6,561,250
Water	\$ 4,178,278	3,115,463	-	2,808,481	305,303	4,179,957
Total	\$ 15,782,219	\$ 15,576,279	\$ 633,241	\$ 15,350,614	\$ 712,741	\$ 15,928,384

CITY OF GROVER BEACH
CITYWIDE - ESTIMATED REVENUES BY FUND
Fiscal Year 14

CITY OF GROVER BEACH
Citywide Estimated Revenues by Source
(Excluding Transfers)





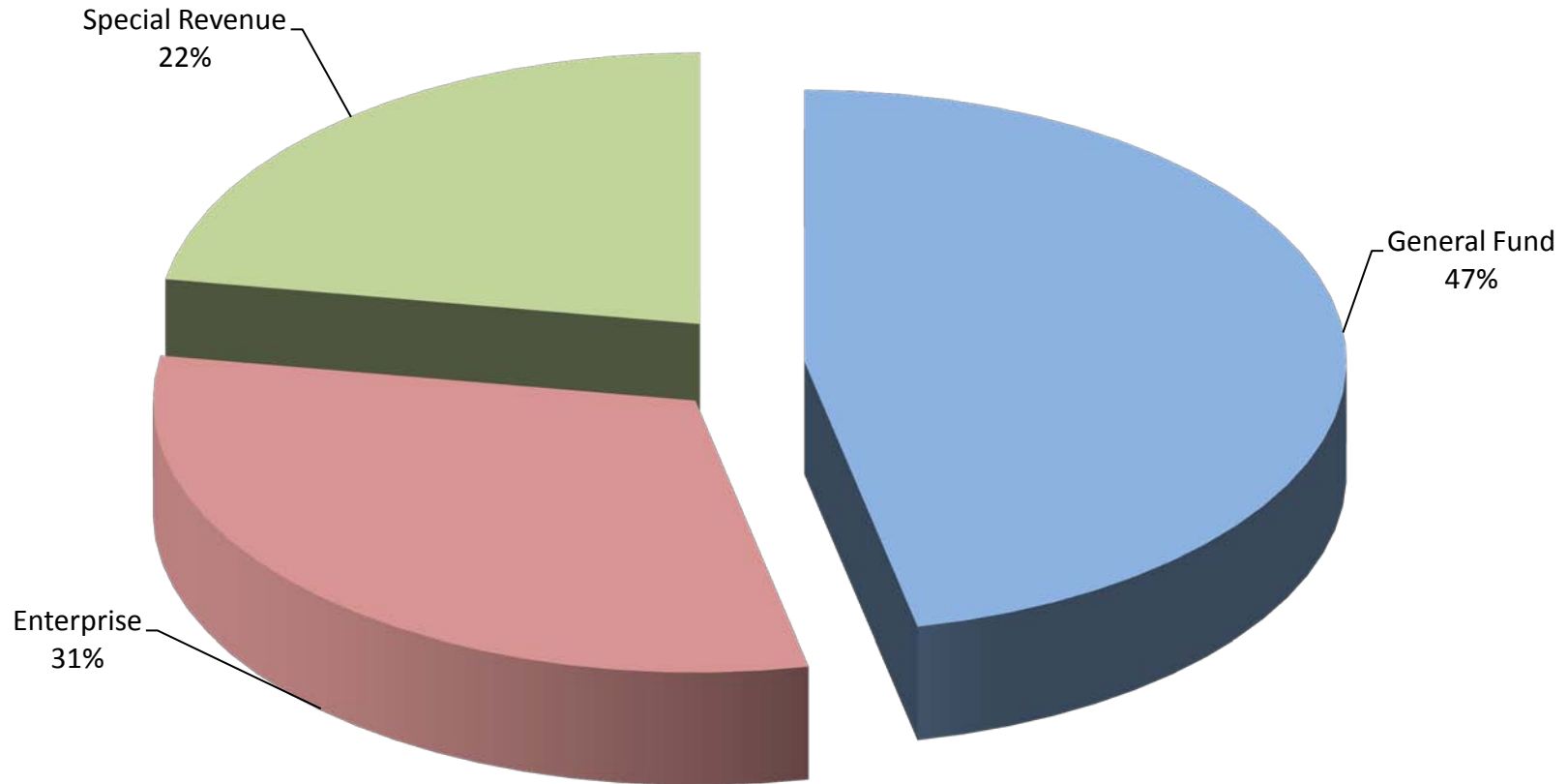
CITY OF GROVER BEACH
ESTIMATED REVENUES BY FUND

Fiscal Year 14

Funds	Tax	Licenses	Use of	Inter -	Charges for	Other	Total
	Revenues	Permits	Money	Governmental	Service	Revenues	Revenues
	FY 14	& Fines	FY 14	FY 14	FY 14	FY 14	FY 14
		FY 14	FY 14	FY 14	FY 14	FY 14	FY 14
General Fund	\$ 5,998,529	\$ 184,619	\$ 140,146	\$ 32,514	\$ -	\$ 53,200	\$ 6,409,008
<u>Special Revenue Funds:</u>							
Gas Tax	-	-	1,000	315,197	-	-	316,197
Police Grants	-	-	-	100,000	-	-	100,000
Local Transportation	-	-	-	3,115,182	-	-	3,115,182
Water Conservation	-	-	400	-	-	13,104	13,504
Parks Construction	-	-	-	74,900	13,755	-	88,655
Subsidized Senior Transportation	-	-	-	3,000	-	-	3,000
Underground Utilities	-	-	500	-	-	-	500
CDBG	-	-	-	56,716	-	-	56,716
Government Access	-	-	-	-	-	-	-
Special Event	-	-	-	-	-	36,140	36,140
Transportation Development Impact Fee	-	-	-	-	-	448,107	448,107
Law Enforcement Development Impact Fee	-	-	-	-	-	24,676	24,676
Administrative Development Impact Fee	-	-	-	-	-	23,119	23,119
Fire Development Impact Fee	-	-	-	-	-	3,524	3,524
Storm Water Development Impact Fee	-	-	40	-	-	11,518	11,558
Wastewater Development Impact Fee	-	-	600	-	-	15,448	16,048
Parks Facilities Development Impact Fee	-	-	400	-	-	16,360	16,760
Recreation Development Impact Fee	-	-	40	-	-	2,925	2,965
<u>Enterprise Funds:</u>							
Wastewater	-	-	5,000	-	2,118,002	-	2,123,002
Water	-	-	500	-	3,225,661	1,700	3,227,861
Storm Water	-	-	-	-	-	-	-
Building and Planning	-	-	-	-	-	-	-
Total	\$ 5,998,529	\$ 184,619	\$ 148,626	\$ 3,697,509	\$ 5,357,418	\$ 649,821	\$ 16,036,521

CITY OF GROVER BEACH
CITYWIDE - APPROPRIATIONS BY FUND
For Fiscal Year 14

CITY OF GROVER BEACH
Citywide Appropriations by Fund Type
(Excluding Transfers)



FY 14 - \$15,453,202

CITY OF GROVER BEACH
APPROPRIATIONS BY FUND
Fiscal Year 14

Funds	Salaries & Benefits FY 14	Supplies & Services FY 14	Minor Capital FY 14	Debt Service FY 14	Capital Projects FY 14	Total Appropriations FY 14
General Fund	\$ 4,504,400	\$ 2,534,832	\$ 71,800	\$ 70,000	\$ 28,600	\$ 7,209,632
<u>Special Revenue Funds:</u>						
Gas Tax	-	189,500	-	-	200,000	389,500
Police Grants	35,000	22,150	45,500	-	-	102,650
Traffic Congestion Relief	-	-	-	-	94,288	94,288
Local Transportation	-	53,500	-	-	2,278,920	2,332,420
Water Conservation	35,200	20,000	10,000	-	5,000	70,200
Parks Construction	-	8,800	-	-	74,900	83,700
Subsidized Senior Transportation	-	3,000	-	-	-	3,000
Underground Utilities	-	-	-	-	197,970	197,970
Fire Grants	-	-	-	-	-	-
CDBG	-	-	-	-	56,716	56,716
Skate Park	-	-	-	-	-	-
Government Events	8,800	25,000	20,000	-	-	53,800
Special Events	27,500	21,500	-	-	-	49,000
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	-	-	-	-	20,000	20,000
Recreation Development Impact Fee	-	-	-	-	-	-
<u>Enterprise Funds:</u>						
Wastewater	353,500	1,516,135	3,500	-	122,210	1,995,345
Water	880,100	1,652,281	119,000	-	143,600	2,794,981
Total	\$ 5,844,500	\$ 6,046,698	\$ 269,800	\$ 70,000	\$ 3,222,204	\$ 15,453,202

CITY OF GROVER BEACH
APPROPRIATIONS BY FUND
Fiscal Year 14

CITY OF GROVER BEACH

CITYWIDE - REVENUE & TRANSFER HISTORY

BY SOURCE AND FUND

2010-11 Through 2013-14 Fiscal Years

CITY OF GROVER BEACH
ALL CITY FUNDS
REVENUE & TRANSFER HISTORY - BY SOURCE

Revenue Source	10/11 ACTUAL	11/12 ACTUAL	FISCAL YEAR 12/13			13/14 BUDGET
			ORIGINAL BUDGET	AMENDED BUDGET	ESTIMATED ACTUAL	
TAXES:						
Property Taxes	\$ 3,487,050	3,426,567	\$ 3,426,692	\$ 3,426,692	\$ 3,706,121	\$ 3,628,280
Sales Taxes	1,262,498	1,342,039	1,295,000	1,295,000	1,448,012	1,380,000
Franchise Fees	483,015	471,372	453,800	453,800	446,174	439,000
Other Taxes	447,974	515,285	493,000	493,000	555,526	551,249
Licenses & Permits	129,814	147,408	160,961	160,961	136,618	184,619
Fines	59,209	56,467	47,500	47,500	57,810	53,200
Use of Money and Property	194,171	210,668	331,318	331,318	300,083	148,626
Other Agencies	1,123,881	1,295,463	3,025,626	3,025,626	953,194	3,697,509
Charges for Current Services	4,982,198	5,257,103	5,566,516	5,382,410	5,694,566	5,357,418
Other Revenue	<u>(46,715)</u>	<u>160,650</u>	<u>131,369</u>	<u>131,369</u>	<u>105,281</u>	<u>596,621</u>
Total Revenue	12,123,095	12,883,022	14,931,782	14,747,676	13,403,385	16,036,521
Transfers In	<u>518,650</u>	<u>549,353</u>	<u>638,110</u>	<u>683,410</u>	<u>651,142</u>	<u>712,741</u>
Total Revenue and Transfers	<u>\$ 12,641,745</u>	<u>13,432,375</u>	<u>\$ 15,569,892</u>	<u>\$ 15,431,086</u>	<u>\$ 14,054,527</u>	<u>\$ 16,749,262</u>

CITY OF GROVER BEACH

CITYWIDE - EXPENDITURE & TRANSFER HISTORY

BY EXPENDITURE TYPE

2010-11 Through 2013-14 Fiscal Years

CITY OF GROVER BEACH
ALL CITY FUNDS
EXPENDITURE & TRANSFER HISTORY - BY EXPENDITURE TYPE

Expenditure Source	09/10 ACTUAL	11/12 ACTUAL	FISCAL YEAR 12/13			13/14 BUDGET
			ORIGINAL BUDGET	AMENDED BUDGET	ESTIMATED ACTUAL	
CURRENT EXPENSES:						
Salaries and Benefits	\$ 5,578,624	\$ 5,950,230	\$ 5,537,000	\$ 5,537,000	\$ 5,673,555	\$ 5,844,500
Services and Supplies	5,564,652	5,592,881	6,004,675	6,029,675	5,569,054	6,046,698
Minor Capital	162,388	444,156	351,609	351,609	218,467	269,800
Debt Service	59,229	43,000	56,810	56,810	25,620	70,000
Capital Projects	<u>1,417,717</u>	<u>539,457</u>	<u>2,823,429</u>	<u>3,269,161</u>	<u>1,334,929</u>	<u>3,222,204</u>
TOTAL CURRENT EXPENSES	12,782,610	12,569,725	14,773,523	15,244,255	12,821,625	15,453,202
TRANSFERS:	<u>414,441</u>	<u>495,376</u>	<u>638,110</u>	<u>679,210</u>	<u>664,626</u>	<u>712,741</u>
TOTAL EXPENDITURES	<u>\$ 13,197,051</u>	<u>\$ 13,065,101</u>	<u>\$ 15,411,633</u>	<u>\$ 15,923,465</u>	<u>\$ 13,486,251</u>	<u>\$ 16,165,943</u>

CITY OF GROVER BEACH
CITYWIDE - INTERFUND TRANSFERS
For Fiscal Year 14

CITY OF GROVER BEACH
INTERFUND TRANSFERS
FY 14

FUNDS	TRANSFERS IN			TRANSFERS OUT		
	Operating	Cost Allocation	Total	Operating	Cost Allocation	Total
General Fund	\$ 186,870	\$ 431,371	\$ 618,241	\$ 94,500	\$ -	\$ 94,500
General Fund - Capital Replacement Fund	79,500	-	79,500	-	-	-
<u>Special Revenue Funds:</u>						
Gas Tax	-	-	-	3,000	-	3,000
Police Grants	-	-	-	-	-	-
Traffic Congestion Relief	-	-	-	-	-	-
Local Transportation	-	-	-	102,000	-	102,000
Water Conservation	-	-	-	-	13,754	13,754
Parks Construction	-	-	-	500	-	500
Subsidized Senior Transportation	-	-	-	-	-	-
Underground Utilities	-	-	-	-	-	-
Fire Grants	-	-	-	-	-	-
CDBG	-	-	-	-	-	-
Skate Park	-	-	-	-	-	-
Government Access	-	-	-	-	-	-
Special Event	15,000	-	15,000	-	-	-
Transportation Development Impact Fee	-	-	-	18,746	-	18,746
Law Enforcement Development Impact Fee	-	-	-	-	-	-
Administrative Development Impact Fee	-	-	-	-	-	-
Fire Development Impact Fee	-	-	-	3,524	-	3,524
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	134,574	171,414
Water	-	-	-	22,260	283,043	305,303
Total	\$ 281,370	\$ 431,371	\$ 712,741	\$ 281,370	\$ 431,371	\$ 712,741

CITY OF GROVER BEACH
INTERFUND TRANSFERS
FY 14

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

CITY OF GROVER BEACH
OPERATING TRANSFERS
Fiscal Year 14

OPERATING TRANSFERS

FUNDS	Fiscal Year 14		Purpose
	To	From	
General	25,000		Storm Water Advance Repayment
	3,000		Gas Tax Administrative Cost Transfer
	18,746		Transportation Development Impact Fee Advance Repayment
	3,524		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
	100,000		Transfer from LTF for Advance Repayment
		79,500	Transfer to the General Equipment Replacement Fund
		15,000	Transfer for Subsidy for Special Events
General Equipment Replacement	79,500		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
		100,000	Transfer to the General Fund for Advance Repayment
Parks Construction		500	Transfer to the General Fund for 5-Year CIP
Special Event Fund	15,000		Transfer From General Fund for Subsi.
Transportation Development Impact Fee		18,746	Advance Repayment to the General Fund
Fire Development Impact Fee		3,524	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

CITY OF GROVER BEACH
 OPERATING TRANSFERS
 Fiscal Year 14

OPERATING TRANSFERS

FUNDS	Fiscal Year 14		Purpose
	To	From	
		500	Transfer to the General Fund for Codification of the Municipal Code
		3,600	Transfer to the General Fund for City Hall Facelift
		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
Total	<u>281,370</u>	<u>281,370</u>	

CITY OF GROVER BEACH
COST ALLOCATION TRANSFERS
 Fiscal Year 14

COST ALLOCATION TRANSFERS

FUNDS	Fiscal Year 14		Purpose
	TO	From	
General Fund	\$ 431,371		Cost Allocation Transfer
Wastewater Fund		\$ 134,574	Cost Allocation Transfer
Water Fund		\$ 283,043	Cost Allocation Transfer
Storm Water Fund		\$ 13,754	Cost Allocation Transfer
Total	<u>\$ 431,371</u>	<u>\$ 431,371</u>	

CITY OF GROVER BEACH
TRANSFERS BETWEEN FUNDS

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's costs are based on the number of Council Agenda items, the City Manager's 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 14

**CITY OF GROVER BEACH
CALCULATION OF APPROPRIATION LIMIT FROM TAX PROCEEDS
FOR FISCAL YEAR 14**

Appropriation limit for FY 13 \$ 8,557,022

Multiplied by the appropriation limit change factors:

Per Capital Personal Income Change: 5.12%
 Conversion to Ratio: $\frac{5.12\% + 100}{100} =$ 1.0512

Population Change
 2013 13,211
 2012 13,163
 Change 48

 Conversion to ratio: $\frac{48}{13,163} =$ $\frac{0.3647\% + 100}{100} =$ 1.0036

Appropriation Limit for FY 14 \$ 9,027,943

Estimated FY 14 Proceeds of Taxes Subject to Appropriation Limit \$ 5,998,529

CITY OF GROVER BEACH
PROJECTED FUND BALANCE
2011-12

Funds	Estimated 7/1/11 Balances	Estimated Revenue	Transfers In	Net Appropriations	Net Transfers Out	Estimated 6/30/12 Fund Balance
General Fund	\$ 2,585,812	\$ 7,159,465	\$ 506,342	\$ 6,978,178	\$ 144,800	\$ 3,128,641
<u>Special Revenue Funds:</u>						
Gas Tax	576,329	317,412	-	539,525	3,000	351,216
Police Grants	84,218	100,171	-	76,569	-	107,820
Traffic Congestion Relief	109,466	201	-	15,379	-	94,288
Local Transportation	(236,798)	308,145	-	737,471	52,000	(718,124)
Water Conservation	1,111,650	4,667	-	32,509	13,484	1,070,324
Parks Construction	9,725	2,764	-	8,364	500	3,625
Subsidized Senior Transportation	322	2,253	-	3,000	-	(425)
Underground Utilities	198,523	368	-	-	-	198,891
Fire Grants	-	-	-	-	-	-
CDBG	128,500	133,639	-	248,067	-	14,072
Skate Park	(3,464)	-	-	-	-	(3,464)
Government Access	66,989	18,122	-	23,495	-	61,616
Special Event	(55,055)	42,507	45,300	51,909	-	(19,157)
Transportation Development Impact Fee	-	3,173	-	-	3,173	-
Law Enforcement Development Impact Fee	7,239	221	-	-	-	7,460
Administrative Development Impact Fee	239	258	-	-	-	497
Fire Development Impact Fee	-	461	-	-	461	-
Storm Water Development Impact Fee	21,286	268	-	-	-	21,554
Wastewater Development Impact Fee	238,137	3,128	-	-	-	241,265
Parks Facilities Development Impact Fee	171,585	3,595	-	-	-	175,180
Recreation Development Impact Fee	18,496	620	-	-	-	19,116
<u>Enterprise Funds:</u>						
Wastewater	6,316,428	2,140,225	-	1,581,453	147,455	6,727,745
Water	3,992,167	3,133,072	-	2,525,706	299,753	4,299,780
Storm Water	(399,270)	-	-	-	-	(399,270)
Building and Planning	(1,225,656)	-	-	-	-	(1,225,656)
Total	\$ 13,716,868	\$ 13,374,735	\$ 551,642	\$ 12,821,625	\$ 664,626	\$ 14,156,994

**CITY OF GROVER BEACH
CALCULATION OF APPROPRIATION LIMIT FROM TAX PROCEEDS
FOR FISCAL YEAR 12**

Appropriation limit for FY 11 \$ 8,113,905

Multiplied by the appropriation limit change factors:

Per Capital Personal Income Change: 2.51%

Conversion to Ratio:

$$\frac{2.51\% + 100}{100} = 1.0251$$

Population Change

2011	13,244	
2010	13,276	
	(32)	

Change

Conversion to ratio:

$$\frac{(32)}{13,276} = \frac{-0.2410\% + 100}{100} = 0.9976$$

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

Estimated FY 11 Proceeds of Taxes Subject to Appropriation Limit \$ 5,998,529

