

City of Pinole
Fiscal Year (FY) 2023/24
Preliminary Proposed
Operating and Capital Budget

City Council Meeting

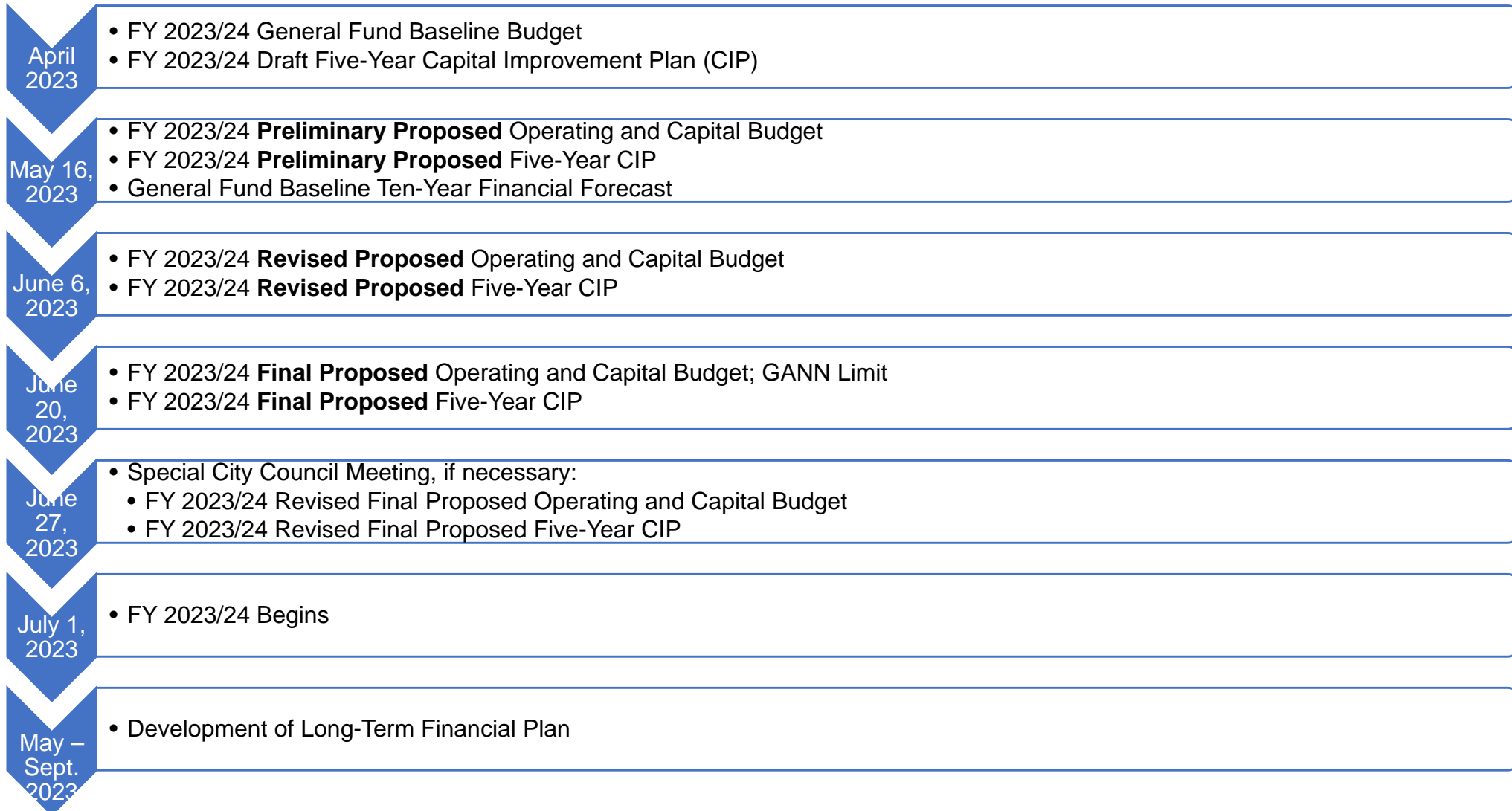
May 16, 2023



Staff Recommendation

- City Council to review the Preliminary Proposed Fiscal Year (FY) 2023/24 Operating and Capital Budget; and
- Provide direction to staff for changes to incorporate into the next draft of the document, the Revised Proposed version.

Key Dates for Budget, CIP, and Long-Term Financial Plan Development



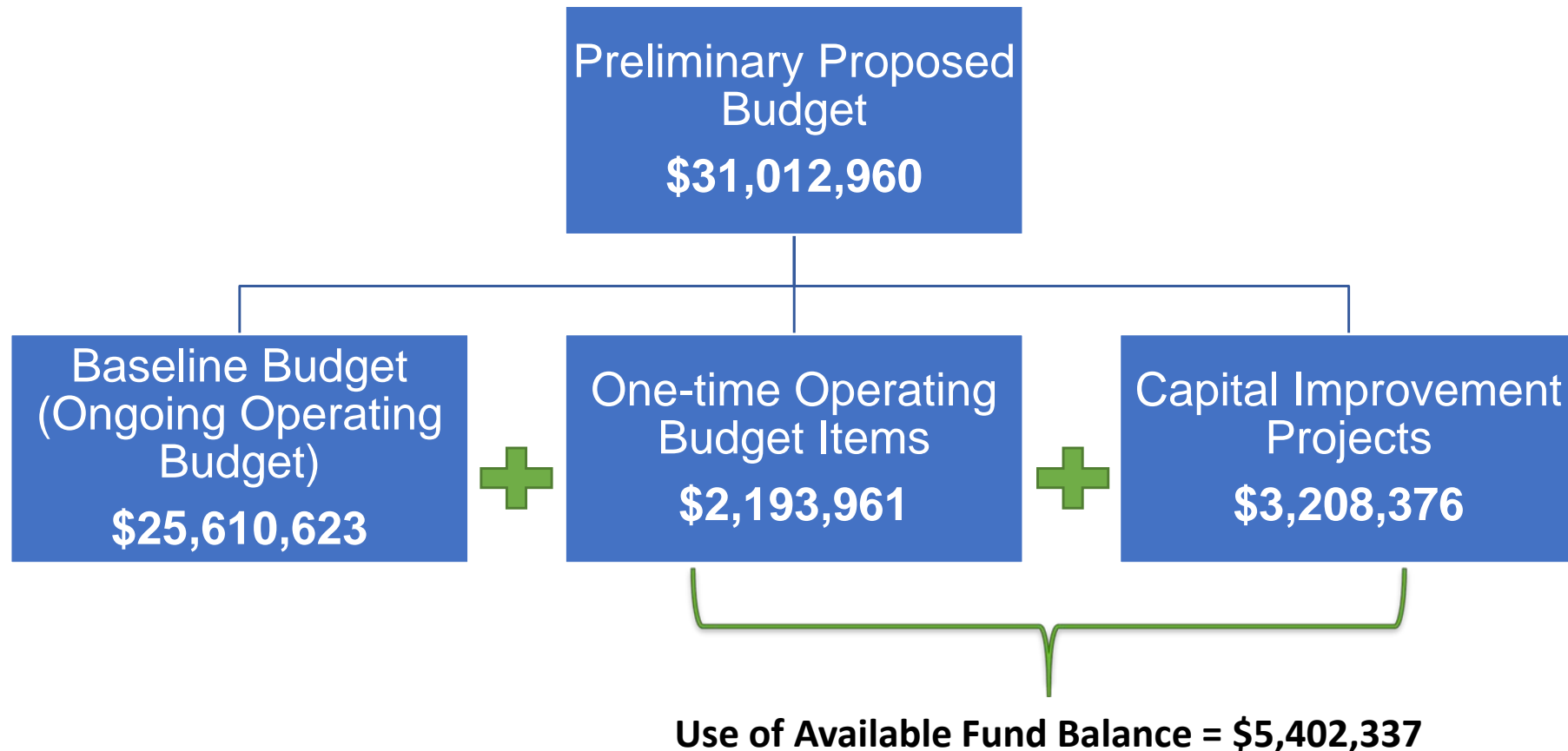
Structurally Balanced Budget Policy

- Policy applies to General Fund operating budgets (includes Measure S Funds)
- Create a proposed General Fund operating budget that is structurally balanced
- To ensure the sustainability of service and expenditure levels by requiring that ongoing General Fund operating expenditures be funded by ongoing operating revenues

FY 2023/24 Preliminary Proposed Budget Highlights

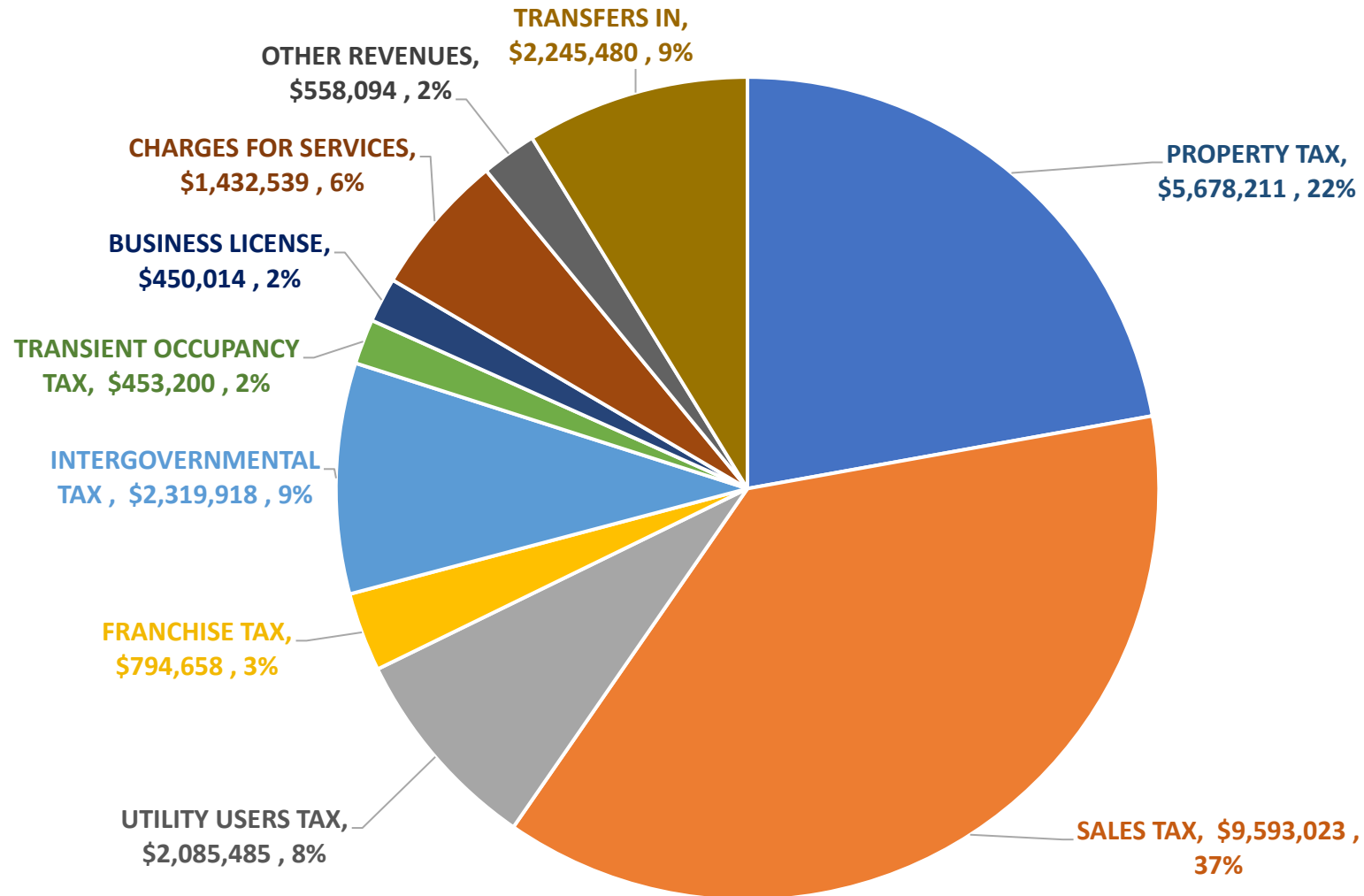
- Baseline budget revenues and expenditures are consistent with the prior forecast as there are no major changes to assumptions
- Baseline budget position is balanced with revenues and expenditures budgeted at **\$25,610,623**
 - Baseline budget indicates that its ongoing expenditures are equal to ongoing revenues
 - The City doesn't have the capacity to add new activities or expenditures to the General Fund budget unless it reduces amounts in other areas
- One-time budget items will be funded by available fund balance

FY 2023/24 Preliminary Proposed Budget – General Fund



Where does General Fund dollars come from?

FY 2023/24 Preliminary Proposed Revenue Budget = \$25,610,623

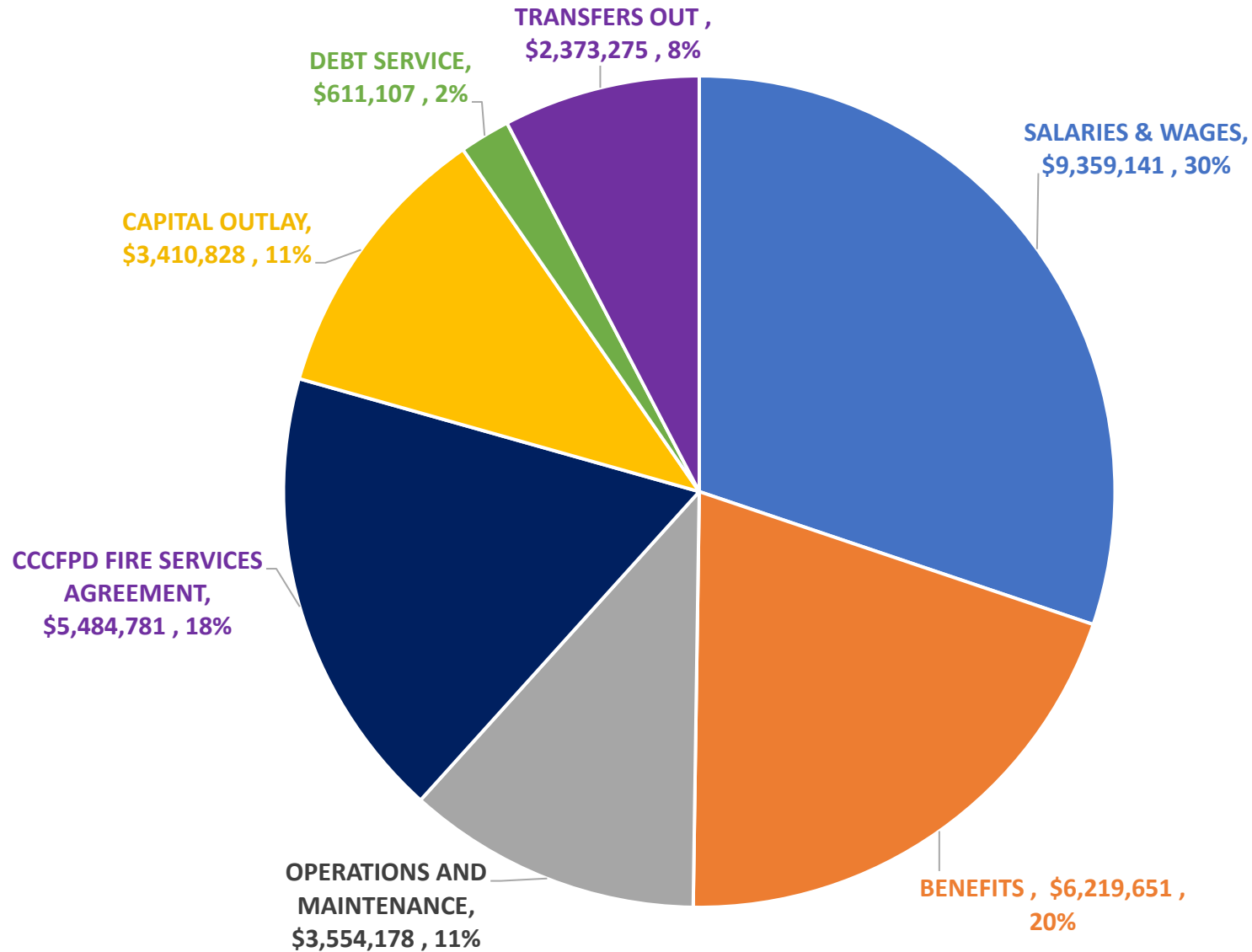


FY 2023/24 General Fund Preliminary Proposed Budget - Revenues

	FY 2022/23	FY 2023/24		
	Revised Budget	Preliminary Proposed Budget	\$ Change	% Change
SOURCES:				
PROPERTY TAX	\$4,776,626	\$5,678,211	\$901,585	19%
SALES TAX	4,582,095	4,621,023	38,928	1%
MEASURE S 2006 & 2014 LOCAL SALES TAX	4,902,000	4,972,000	70,000	1%
UTILITY USERS TAX	1,934,150	2,085,485	151,335	8%
FRANCHISE TAX	786,790	794,658	7,868	1%
INTERGOVERNMENTAL TAX	2,215,948	2,319,918	103,970	5%
TRANSIENT OCCUPANCY TAX	440,000	453,200	13,200	3%
BUSINESS LICENSE	412,500	450,014	37,514	9%
CHARGES FOR SERVICES	1,405,108	1,432,539	27,431	2%
OTHER REVENUES	549,640	558,094	8,454	2%
Total Revenues	22,004,857	23,365,142	1,360,285	6%
TRANSFERS IN	6,106,622	2,245,480	(3,861,142)	-63%
Total Sources	\$28,111,479	\$25,610,623	(\$2,500,857)	-9%

Where does General Fund dollars go?

FY 2023/24 Preliminary Proposed Expenditures Budget = \$31,012,960



FY 2023/24 General Fund Preliminary Proposed Budget- Expenditures

	FY 2022/23	FY 2023/24		
	Revised Budget	Preliminary Proposed	\$ Change	% Change
USES:				
SALARIES & WAGES	\$11,492,312	\$9,359,141	(2,133,171)	-19%
BENEFITS	7,496,535	6,219,651	(1,276,884)	-17%
OPERATIONS AND MAINTENANCE	4,389,547	3,554,178	(835,369)	-19%
CCCFPD FIRE SERVICES AGREEMENT	-	5,484,781	5,484,781	-
CAPITAL OUTLAY	3,308,553	3,410,828	102,275	3%
DEBT SERVICE	596,107	611,107	15,000	3%
Total Expenditures	27,253,054	28,639,686	1,386,632	5%
TRANSFERS OUT	2,071,880	2,373,275	301,395	15%
Total Uses	29,324,934	31,012,961	\$1,688,027	6%

Summary of Fund Balances

General Fund	Estimated Amounts
Beginning Unassigned Fund Balance 7/1/23	\$9,849,484
FY 2023/24 Total Revenues/Sources	25,610,623
FY 2023/24 Total Expenditures/Uses	25,610,623
Net Surplus/(Deficit)	0
One-time initiatives and capital improvement projects	(4,637,818)
Transfer to General Reserve	(764,520)
Ending Unassigned Fund Balance 6/30/24	4,447,146
General Reserve Fund Balance 6/30/24	10,297,261
Pension Trust Fund Balance 6/30/24	\$13,137,595

FY 2023/24 Preliminary Proposed Budget – All Funds

Fund	Total Revenues	Total Expenditures	Fund Balance Addition/(Use)
General Fund			
General Fund (including Measure S 2006 and 2014)	\$ 25,610,623	\$ 31,012,960	\$ (5,402,338)
General Reserve Fund	764,520	-	764,520
Equipment Reserve Fund	150,000	205,000	(55,000)
Special Revenue Funds			
Gas Tax Fund	1,003,271	1,131,851	(128,580)
Restricted Real Estate Maintenance Fund	39,991	26,000	13,991
Public Safety Augmentation Fund	182,500	482,009	(299,509)
Traffic Safety Fund	46,500	21,595	24,905
Supplemental Law Enforcement Fund	166,600	339,864	(173,264)
NPDES Storm Water Fund	253,422	364,769	(111,347)
Recreation Fund	1,283,485	2,134,208	(850,723)
Building & Planning Fund	1,411,477	2,148,971	(737,494)
Refuse Management Fund	66,060	174,358	(108,298)
Solid Waste Fund	368,000	289,381	78,619
Measure C/J Fund	1,113,467	1,023,719	89,748
Rate Stabilization Fund	15,000	-	15,000
Asset Seizure-Adjudicated Fund	-	41,236	(41,236)
Growth Impact Fund	1,039,594	1,348,000	(308,406)
Housing Assets Fund	55,000	339,254	(284,254)

FY 2023/24 Preliminary Proposed Budget – All Funds continued

Fund	Total Revenues	Total Expenditures	Fund Balance Addition/(Use)
<i>Capital Projects Funds</i>			
Lighting & Landscaping District Fund	63,911	85,175	(21,264)
Pinole Valley Caretaker Fund	15,000	15,002	(2)
Public Facilities Fund	-	70,000	(70,000)
City Street Improvements Fund	2,064,683	2,064,683	-
Arterial Streets Rehabilitation Fund	250,000	758,624	(508,624)
Parks Grants	189,758	189,758	-
<i>Enterprise Funds</i>			
Sewer Enterprise Fund	8,366,176	12,252,222	(3,886,046)
Cable Access Television (PCTV)	535,052	682,056	(147,004)
Information Systems Fund			-
<i>Fiduciary/Agency Funds</i>			
Pension Fund	912,000	2,295,480	(1,383,480)
Recognized Obligation Retirement Fund	255,000	251,177	3,823
Total	\$ 46,221,090	\$ 59,747,352	\$ (13,526,262)

Balancing Act – Community Budget Priorities Survey

- Survey launched on 4/20/2023
- Respondents asked to choose their top five priorities and rank in order of importance
- Received 92 submissions to date

FY 2023/24 Pinole Community Priorities Survey

0 5

0 Selected 5 Available

Active Transportation 1 Select	Climate and Environmental Sustainability 1 Select	Community Services 1 Select
Community Spaces and Facilities 1 Select	Economic Development 1 Select	Financial Reserves 1 Select
Housing Assistance 1 Select	Municipal Broadband 1 Select	Parks and Facilities Maintenance 1 Select
Pavement Maintenance and Rehabilitation 1 Select	Public Safety Services 1 Select	Road Safety 1 Select
<p>Any other ideas or comments? Enter them here.</p> <input type="text"/>		

Balancing Act – Community Budget Priorities Survey Results

- Results of ranking (1 being the highest priority):
 1. Parks and Facilities Maintenance
 2. Pavement Maintenance and Rehabilitation
 3. Public Safety Services
 4. Community Services
 5. Community Spaces and Facilities
 6. Economic Development
 7. Road Safety
 8. Climate and Environmental Sustainability
 9. Active Transportation
 10. Housing Assistance
 11. Financial Reserves
 12. Other Ideas (hospital, ferry service)
 13. Municipal Broadband

Next Steps

- Staff to evaluate Council Member changes, if any, and incorporate into the Revised Proposed Budget
- Include staff-generated content in the Revised Proposed Budget
- Present the Revised Proposed Budget on June 6, 2023

Thank you

Questions/Comments

