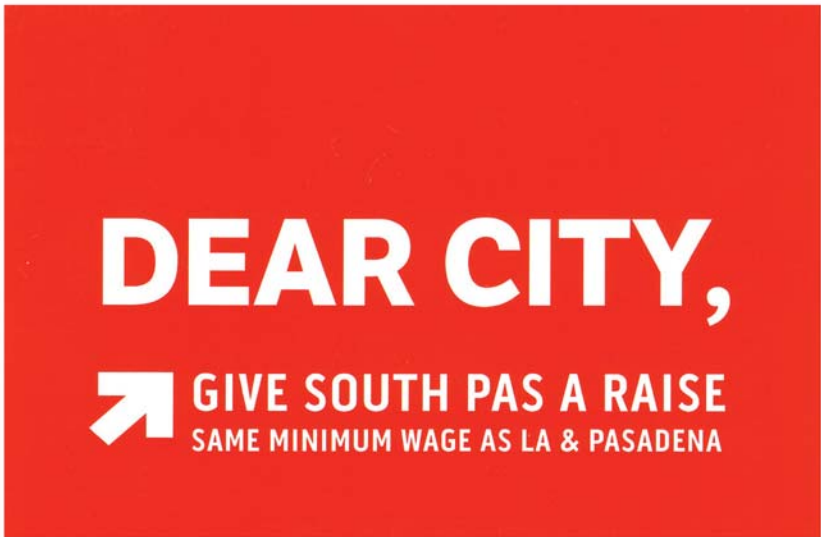




Additional Documents Distributed for the Regular City Council Meeting March 6, 2019

Item No.	Agenda Item Description	Distributor	Document
PC	Public Comments	John Srebalus	Flyer
4	Councilmember Communications	Mayor Khubesrian	PowerPoint; Various Photos
4	Councilmember Communications	Councilmember Mahmud	PowerPoint
4	Councilmember Communications	Councilmember Cacciotti	PowerPoint; Various Photos
12	Review of Five Year Financial Forecast & Community Engagement Regarding Long-Range Financial Sustainability Plan	Frank Catania, Consultant	PowerPoint

DIAMONDS ARE A WORKER'S BEST FRIEND



A BLOCK IN THE LIFE OF A POSTCARD CAMPAIGN

Additional Material
AGENDA ITEM # PC
3/6/19 City Council Mtg.





Additional Material
AGENDA ITEM # 4
3/6/19 City Council Mtg.



New Exhibits at City Hall Art Gallery

Saturday, March 9th, 6:00 p.m. to 8:00 p.m.

Childhood 101 – Photographs by
Kathleen Laraia McLaughlin



A Day in the Life – Plein-Air Paintings
by Laurie Hendricks



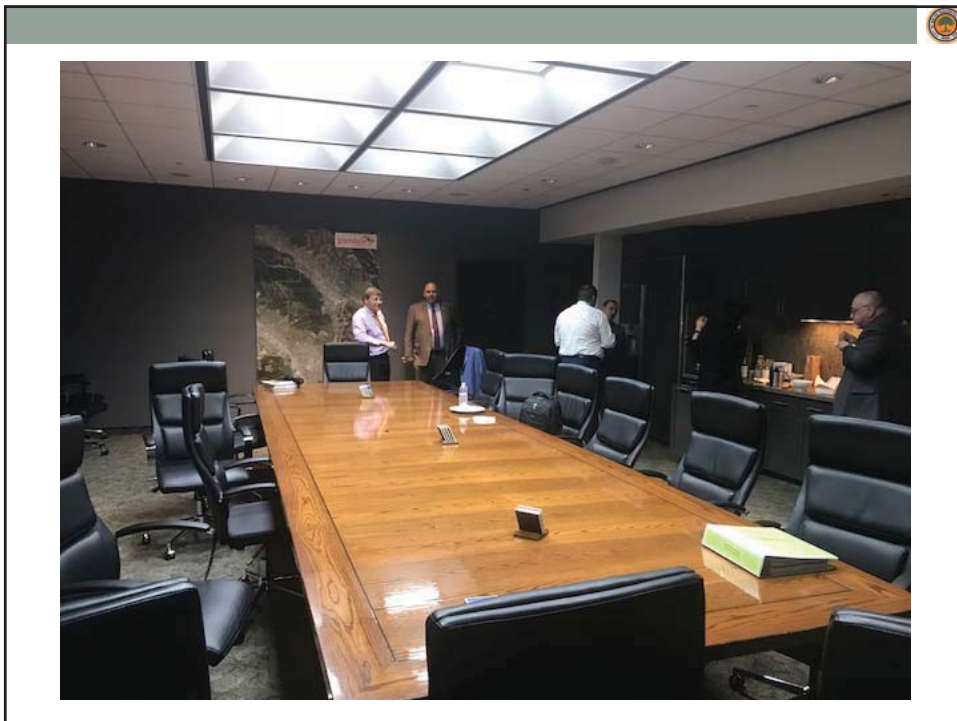


Upper District wants to help you transform your yard with water efficient plants!

Upper District's new [Residential Plant Voucher Program](#) offers qualifying residents a voucher redeemable for up to \$250 worth of water efficient, climate-appropriate plants.

For program details and to apply for your plant voucher, visit www.ecotechservices.net/usgvmwd-plant-voucher.









CITY OF SOUTH PASADENA
FIVE-YEAR GENERAL FUND FORECAST
FISCAL YEARS 2019-20 TO 2021-24

March 6, 2019

Additional Material
AGENDA ITEM # 12
3/6/19 City Council Mtg.

**CITY OF SOUTH PASADENA
FIVE-YEAR GENERAL FUND FINANCIAL FORECAST
March 6, 2019**

- Analyze the City's financial condition in a transparent manner
- Review past financial performance
- Analyze revenue and spending trends
- Use trends and recent information to project future financial activity
- Assist the City Council in making informed financial decisions going forward
- Develop future suggestions for City Council consideration that might result in increased revenue

**CITY OF SOUTH PASADENA
FIVE-YEAR GENERAL FUND FINANCIAL FORECAST
March 6, 2019**

**GENERAL FUND BALANCE
AS OF JUNE 6, 2019**

Spendable Capital Project Reserves	\$2,109,130
Spendable Other Reserves	3,668,850
Emergency Reserve	<u>6,546,133</u>
Total Fund Balance	<u>\$12,324,113</u>

**CITY OF SOUTH PASADENA
FIVE-YEAR GENERAL FUND FINANCIAL FORECAST
March 6, 2019**

REVENUE AND EXPENSE HISTORY

ACCOUNT TITLE	Actual 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17	Actual 2017-18	Five Year Total
REVENUE	\$22,731,823	\$23,590,759	\$24,470,548	\$24,427,027	\$25,171,508	\$120,391,665
OPERATING EXPENSE	19,065,945	20,487,897	21,331,722	23,310,743	23,540,574	107,736,881
CAPITAL PROJECT	3,147,348	2,881,770	2,715,338	3,896,614	2,813,040	15,454,110
REVENUES LESS EXPENSE	\$518,530	\$221,092	\$423,488	(\$2,780,330)	(\$1,182,106)	(\$2,799,326)

**CITY OF SOUTH PASADENA
FIVE-YEAR GENERAL FUND FINANCIAL FORECAST
March 6, 2019**

FIVE-YEAR GENERAL FUND REVENUE AND EXPENSE PROJECTION

Account Title	Estimate 18-19	Projection 19-20	Projection 20-21	Projection 21-22	Projection 22-23	Projection 23-24	Six Year Total
REVENUE	\$26,918,836	\$27,560,135	\$28,432,035	\$29,139,435	\$29,873,335	\$30,634,335	\$172,558,109
OPERATING EXPENSE	24,629,400	26,085,700	27,037,000	27,781,700	28,753,700	29,608,000	163,895,500
CAPITAL PROJECT	2,220,200	1,952,900	2,057,400	2,004,000	2,000,200	2,002,000	12,236,700
REVENUES LESS EXPENSE	\$69,236	(\$478,465)	(\$662,365)	(\$646,265)	(\$880,565)	(\$975,665)	(\$3,574,091)

**CITY OF SOUTH PASADENA
FIVE-YEAR GENERAL FUND FINANCIAL FORECAST
March 6, 2019**

FIVE-YEAR REVENUE HISTORY BY CATEGORY

Account Title	Actual 13-14	Actual 14-15	Actual 15-16	Actual 16-17	Actual 17-18	Avg. Annual Change
Property Tax	\$11,669,273	\$12,168,381	\$12,777,063	\$13,392,219	\$14,232,479	4.39%
Sales and Use Tax	2,016,556	2,087,909	1,908,766	2,000,004	2,068,687	0.52%
Utility Users Tax	3,168,495	3,161,414	3,130,039	3,095,023	3,060,479	-0.68%
Franchise Fees	730,339	792,027	796,602	754,125	770,183	1.09%
Licenses & Permits	935,802	1,010,764	1,028,243	1,054,062	935,633	0.00%
Fines & Forfeitures	396,815	335,919	431,265	374,791	371,052	-1.30%
Use of Money & Property	461,879	507,071	653,381	501,412	521,489	2.58%
From Other Agencies	280,301	542,270	262,202	199,463	2,076	-19.85%
Planning & Building Fees	719,829	910,382	738,616	763,067	884,620	4.58%
Public Works Fees	220,070	183,244	225,398	255,118	216,805	-0.30%
Police Fees	266,706	222,548	239,370	253,588	270,135	0.26%
Library Fees	87,040	72,864	67,951	71,406	77,754	-2.13%
Community Services Fees	604,053	589,924	588,310	658,339	742,353	4.58%
Fire Fees	594,287	638,700	635,967	589,788	749,368	5.22%
Other Revenues	580,378	367,342	987,374	464,624	268,394	-10.75%
Reimbursements From Other Funds	0	0	0	0	0	0.00%
GENERAL FUND TOTAL	\$22,731,823	\$23,590,759	\$24,470,548	\$24,427,027	\$25,171,508	
Percent Change From Prior Year	6.47%	3.78%	3.73%	-0.18%	3.05%	2.15%
Average Consumer Price Index Change (Los Angeles - Long Beach - Anaheim)						1.82%

CITY OF SOUTH PASADENA

FIVE-YEAR GENERAL FUND FINANCIAL FORECAST

March 6, 2019

FY 2018-19 REVENUE ESTIMATE AND FIVE-YEAR PROJECTION BY CATEGORY

	Estimate 18-19	Projection 19-20	Projection 20-21	Projection 21-22	Projection 22-23	Projection 23-24	Avg. Annual Change
Property Tax	\$14,923,600	\$15,431,100	\$15,956,400	\$16,500,300	\$17,063,500	\$17,646,500	3.65%
Sales and Use Tax	2,131,200	2,195,100	2,261,000	2,328,900	2,398,700	2,470,700	3.19%
Utility Users Tax	3,042,350	3,026,050	3,011,550	2,998,650	2,987,250	2,977,350	-0.43%
Franchise Fees	761,386	753,586	746,686	740,686	735,486	730,986	-0.80%
Licenses & Permits	1,029,800	1,065,100	1,094,300	1,124,600	1,156,200	1,189,100	3.09%
Fines & Forfeitures	410,200	416,000	421,900	428,000	434,200	440,500	1.48%
Use of Money & Property	575,700	558,400	761,000	773,800	786,900	800,200	7.80%
From Other Agencies	27,800	27,800	27,800	27,800	27,800	27,800	0.00%
Planning & Building Fees	978,200	996,000	1,014,200	1,032,700	1,051,500	1,070,600	1.89%
Public Works Fees	239,700	248,499	250,699	252,899	255,199	257,499	1.49%
Police Fees	298,700	299,200	299,700	300,200	300,700	301,200	0.17%
Library Fees	86,000	87,600	89,200	90,800	92,500	94,200	1.91%
Community Services Fees	821,100	836,000	851,200	866,700	882,500	898,600	1.89%
Fire Fees	812,800	824,400	836,200	848,200	860,400	872,800	1.48%
Other Revenues	296,900	303,100	309,000	314,900	320,900	327,200	2.04%
Reimbursements From Other Funds	483,400	492,200	501,200	510,300	519,600	529,100	1.89%
GENERAL FUND TOTAL	\$26,918,836	\$27,560,135	\$28,432,035	\$29,139,435	\$29,873,335	\$30,634,335	
Percent Change From Prior Year	6.94%	2.38%	3.16%	2.49%	2.52%	2.55%	

CITY OF SOUTH PASADENA

FIVE-YEAR GENERAL FUND FINANCIAL FORECAST

March 6, 2019

FIVE-YEAR EXPENSE HISTORY BY CATEGORY

Category	Actual 13-14	Actual 14-15	Actual 15-16	Actual 16-17	Actual 17-18	Avg. Annual Change
Personnel	\$13,678,089	\$14,591,533	\$15,648,845	\$17,514,585	\$17,882,026	6.15%
Materials, Supplies, and Services	5,387,857	5,896,364	5,682,878	5,796,158	5,658,548	1.00%
Capital Improvement Projects	3,147,348	2,881,770	2,715,338	3,896,614	2,813,040	N/A
GENERAL FUND TOTAL	\$22,213,294	\$23,369,667	\$24,047,061	\$27,207,357	\$26,353,614	3.73%
Percent Change From Prior Year	-1.18%	5.21%	2.90%	13.14%	-3.14%	
Average Consumer Price Index Change (Los Angeles - Long Beach - Anaheim) for the five years						1.82%

CITY OF SOUTH PASADENA FIVE-YEAR GENERAL FUND FINANCIAL FORECAST March 6, 2019

FY 2018-19 EXPENSE ESTIMATE AND FIVE-YEAR PROJECTION BY CATEGORY

	Estimate 18-19	Projection 19-20	Projection 20-21	Projection 21-22	Projection 22-23	Projection 23-24	Avg. Annual Change
Personnel	\$18,807,500	\$20,200,400	\$21,087,300	\$21,766,500	\$22,671,800	\$23,458,200	4.95%
Materials, Supplies, and Services	5,821,900	5,885,300	5,949,700	6,015,200	6,081,900	6,149,800	1.13%
Capital Projects	2,220,200	1,952,900	2,057,400	2,004,000	2,000,200	2,002,000	N/A
GENERAL FUND TOTAL	\$26,849,600	\$28,038,600	\$29,094,400	\$29,785,700	\$30,753,900	\$31,610,000	3.55%
Percent Change From Prior Year	1.88%	4.43%	3.77%	2.38%	3.25%	2.91%	

CITY OF SOUTH PASADENA

FIVE-YEAR GENERAL FUND FINANCIAL FORECAST

March 6, 2019

Revenue Enhancement and Expense Reduction Scenarios

Fiscal Year	19-20	20-21	21-22	22-23	23-24	TOTAL
Budget Gap by Year	(\$478,465)	(\$662,365)	(\$646,265)	(\$880,565)	(\$975,665)	(\$3,643,326)
POSSIBLE REVENUE ENHANCEMENTS						
<u>Land Use And Administrative Enhancements</u>						
Parking Meters on Fair Oaks Ave. and on Mission	\$245,500	\$245,500	\$245,500	\$245,500	\$245,500	\$1,227,500
Retail Cannabis Store	\$0	\$48,000	\$48,000	\$48,000	\$48,000	\$192,000
Short-Term Rentals	0	50,000	50,000	50,000	50,000	200,000
Small Hotel	0	0	0	0	136,900	136,900
User Fee Study	150,000	152,700	155,400	158,200	161,000	777,300
<u>Citywide Taxes</u>						
Increase City Sales Tax (by 75¢ per \$100 of sales)	\$0	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$6,000,000
Public Safety Parcel Tax (\$24-\$384 per parcel)	0	957,000	957,000	957,000	957,000	3,828,000
<u>Future Study</u>						
Enhance Recreational Opportunities in the Arroyo	0	0	0	0	0	0
Maximize Use of City Properties						
POSSIBLE EXPENSE REDUCTIONS						
Council Chamber Technical Support Reduction	(\$25,000)	(\$25,000)	(\$25,000)	(\$25,000)	(\$25,000)	(\$125,000)
Crime Prevention Program Elimination	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(130,000)
Library Books Purchase Reduction	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(200,000)
Library Part-Time Hours Reduction	(76,000)	(76,000)	(76,000)	(76,000)	(76,000)	(380,000)
Maintenance Level at City Facilities Reduction	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)	(350,000)
Police Cadet Program Elimination	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(300,000)
Special Events Elimination	(36,000)	(36,000)	(36,000)	(36,000)	(36,000)	(180,000)
Teens and Seniors Programs Reduction	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(125,000)

**CITY OF SOUTH PASADENA
FIVE-YEAR GENERAL FUND FINANCIAL FORECAST
March 6, 2019**

Next Steps

- Present the Forecast to the Finance Commission for review and comment
- Present the Forecast to stakeholders for review and comment
- Revise the Forecast as needed based on comments received
- Present the final draft of the Forecast to the City Council