

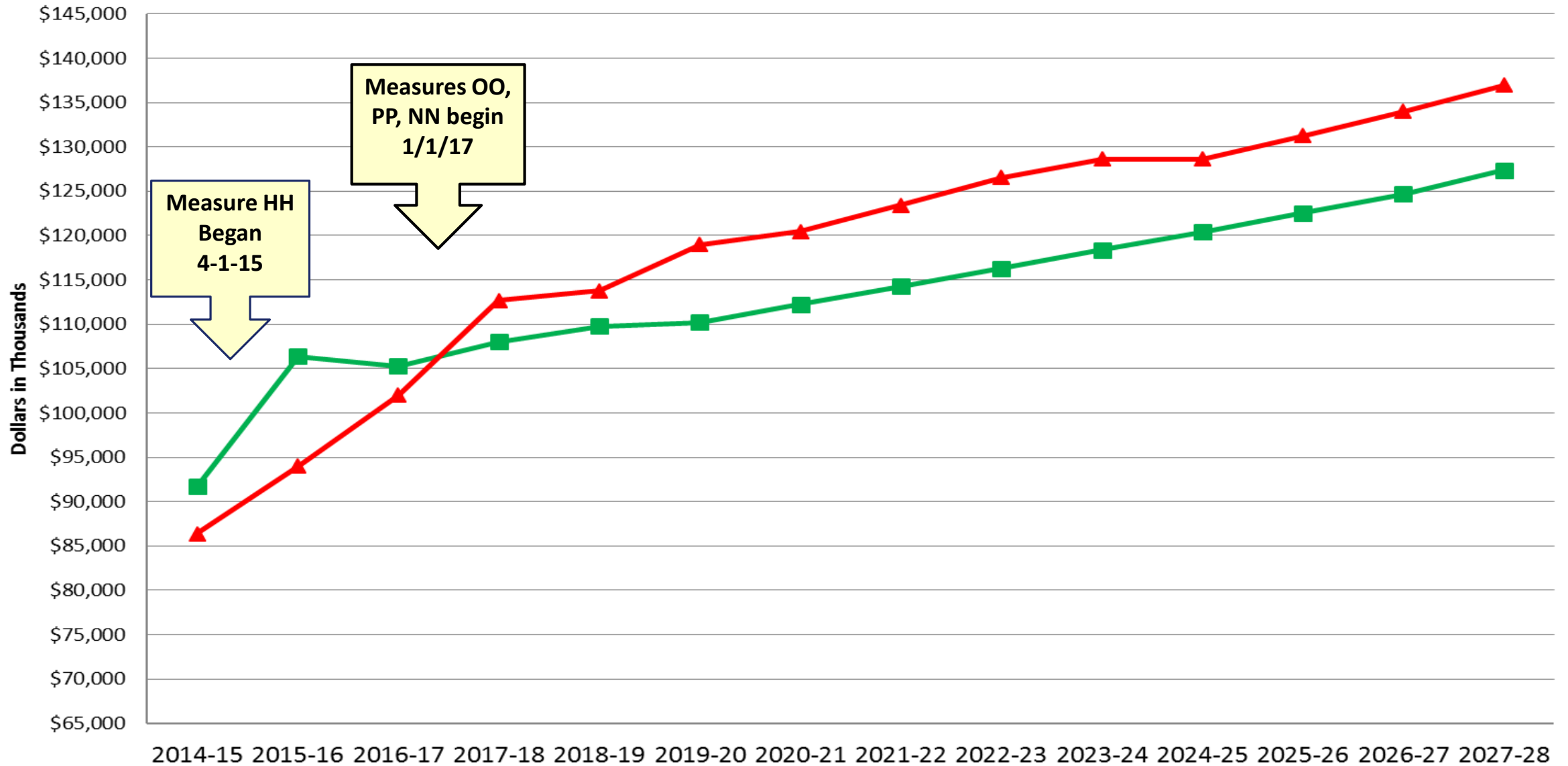
City of San Leandro

Finance Committee



Sister Cities Gallery
January 30, 2018

General Fund Forecast 2014-15 thru 2027-28



General Fund Forecast Assumptions - Revenues

2017-18 to 2027-28

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Description (Dollars in Thousands)	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection	2021-22 Projection	2022-23 Projection	2023-24 Projection	2024-25 Projection	2025-26 Projection	2026-27 Projection	2027-28 Projection
Δ Sales tax	\$ 30,693	\$ 31,436	\$ 32,173	\$ 32,932	\$ 33,699	\$ 34,469	\$ 35,241	\$ 35,981	\$ 36,737	\$ 37,508	\$ 38,296
Δ Transaction tax	11,287	11,649	11,992	12,330	12,670	13,011	13,354	13,688	14,030	14,381	14,740
TOTAL SALES TAX REVENUE	\$41,980	\$43,085	\$44,165	\$45,262	\$46,369	\$47,480	\$48,595	\$49,669	\$50,767	\$51,889	\$53,036
Sales tax percent change	0.6%	2.6%	2.5%	2.5%	2.4%	2.4%	2.3%	2.2%	2.2%	2.2%	2.2%
Property tax	1.7%	1.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Property transfer tax	\$ 4,000	\$ 4,000	\$ 4,040	\$ 4,080	\$ 4,121	\$ 4,162	\$ 4,204	\$ 4,246	\$ 4,289	\$ 4,331	\$ 4,375
Utility user's tax	\$ 11,407	\$ 11,340	\$ 11,381	\$ 11,438	\$ 11,524	\$ 11,573	\$ 11,655	\$ 11,740	\$ 11,827	\$ 11,917	\$ 12,499
Business License+Penalties +Cannabis	\$ 6,626	\$ 6,814	\$ 6,950	\$ 7,089	\$ 7,231	\$ 7,376	\$ 7,523	\$ 7,673	\$ 7,827	\$ 7,983	\$ 8,143
All other revenues	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

General Fund Forecast Assumptions - Expenditures 2017-18 to 2027-28

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Description (Dollars in Thousands)	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection	2021-22 Projection	2022-23 Projection	2023-24 Projection	2024-25 Projection	2025-26 Projection	2026-27 Projection	2027-28 Projection
Salary adjustments:											
Sworn (budgeted at top step)	7.6%	5.0%	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All non-sworn (budgeted at top step)	3.0%	3.0%	3.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medical rates	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
<u>PERS rates (ER share):</u>											
Safety (refinanced 2012)	54.80%	63.80%	72.10%	79.10%	85.70%	90.70%	93.40%	95.10%	96.81%	98.55%	100.33%
Safety % change	13.18%	16.42%	13.01%	9.71%	8.34%	5.83%	2.98%	1.82%	1.80%	1.80%	1.80%
Miscellaneous	31.71%	34.40%	38.30%	41.10%	44.10%	46.30%	47.40%	48.20%	49.02%	49.85%	50.70%
Miscellaneous % change	7.86%	8.48%	11.34%	7.31%	7.30%	4.99%	2.38%	1.69%	1.70%	1.70%	1.70%
Retiree Medical (in 000's)	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Services and supplies	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Consulting	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Legal fees	657,000	741,686	909,000	937,000	965,000	993,950	1,023,769	1,054,482	1,086,116	1,118,699	1,152,260
Fire service fees (000's)	\$ 22,372	\$ 23,349	\$ 24,381	\$ 25,561	\$ 26,530	\$ 27,485	\$ 28,475	\$ 29,500	\$ 30,562	\$ 31,662	\$ 32,802
Fire OPEB trust acct	1,003,800	889,357	808,952	692,780	625,446	562,901	563,000	563,000	563,000	563,000	563,000
OPEB trust account (000's)	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750

General Fund Forecast Assumptions – Transfers and Debt 2017-18 to 2027-28

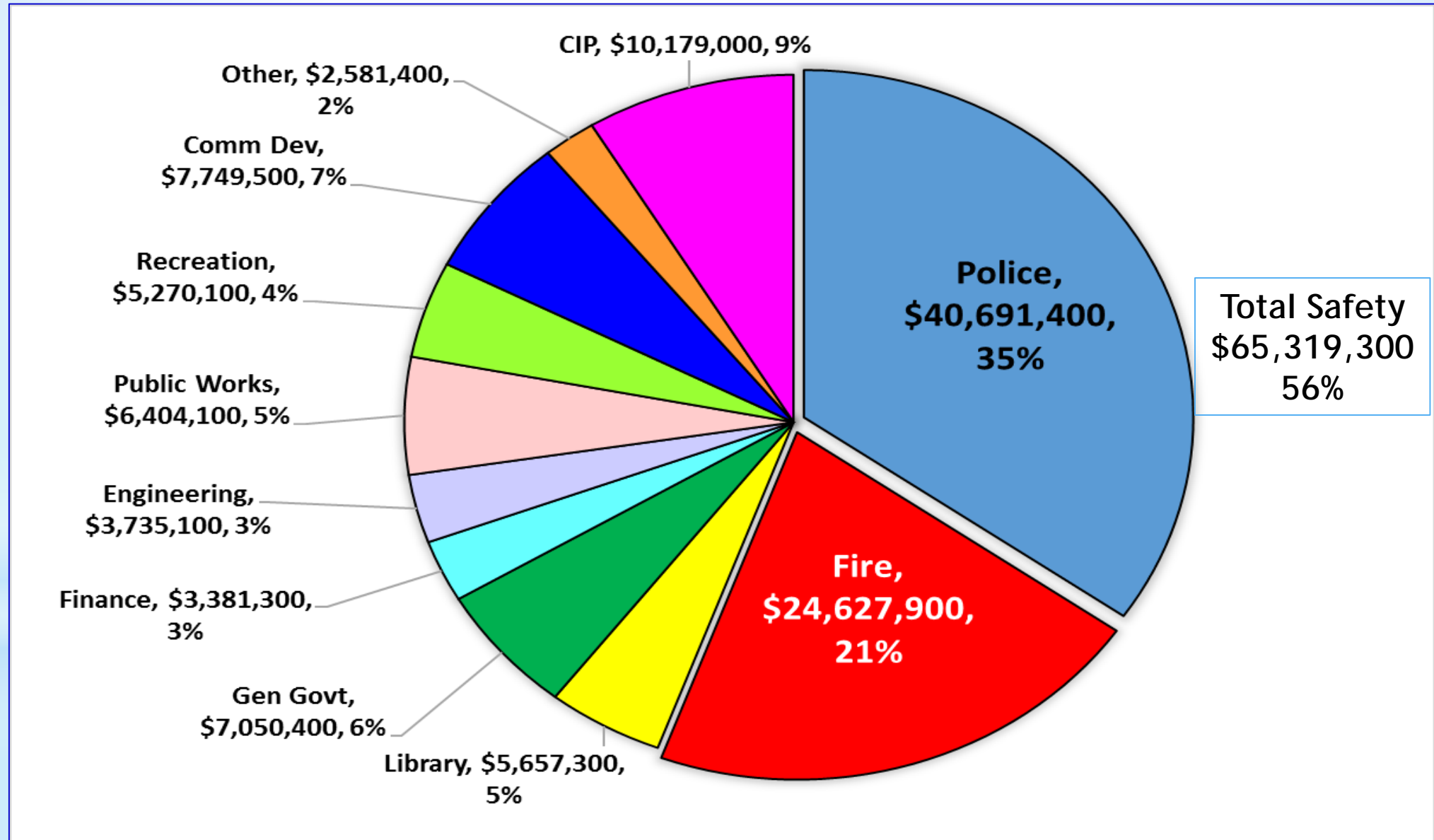
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Description (Dollars in Thousands)	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection	2021-22 Projection	2022-23 Projection	2023-24 Projection	2024-25 Projection	2025-26 Projection	2026-27 Projection	2027-28 Projection
<u>Transfers/Other (in 000's):</u>											
To gas tax	\$ 289	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433	\$ 433
Capital Improvements	\$ 9,890	\$ 7,315	\$ 4,990	\$ 3,500	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
<u>Debt service (in 000's):</u>											
POB safety pension fund	\$ 2,052	\$ 2,126	\$ 2,199	\$ 2,276	\$ 2,351	\$ 2,433	\$ 1,918	\$ -	\$ -	\$ -	\$ -
WPCP loan for Safety	\$ 603	\$ 603	\$ 603	\$ 603	\$ 603	\$ 603	\$ 603	\$ -	\$ -	\$ -	\$ -
2013 Lease Rev Bonds	\$ 877	\$ 873	\$ 875	\$ 876	\$ 876	\$ 873	\$ 874	\$ 874	\$ 874	\$ 875	\$ 875
2016 Lease Rev Bonds	\$ 1,497	\$ 1,445	\$ 1,434	\$ 1,432	\$ 1,430	\$ 1,425	\$ 1,429	\$ 1,429	\$ 1,429	\$ 1,419	\$ 1,419
Climatec	\$ 211	\$ 422	\$ 422	\$ 422	\$ 422	\$ 422	\$ 422	\$ 422	\$ 422	\$ 422	\$ 422
Total Debt service	\$ 5,240	\$ 5,469	\$ 5,533	\$ 5,609	\$ 5,682	\$ 5,756	\$ 5,246	\$ 2,725	\$ 2,725	\$ 2,716	\$ 2,716

GENERAL FUND SUMMARY

<i>(Dollars in thousands)</i>	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Projected	2018-19 Projected
Revenues:					
Property Tax	\$ 18,898	\$ 20,044	\$ 20,858	\$ 21,202	\$ 21,519
Sales Tax	32,948	42,337	41,728	41,980	43,085
Utility User's Tax	10,359	10,700	10,282	11,407	11,340
Real Property Transfer Tax	3,920	4,462	5,459	4,000	4,000
All Other Revenue	25,582	28,807	26,975	29,415	29,815
Total Operating Revenues	91,707	106,350	105,302	108,004	109,759
Expenditures					
Salaries & Benefits	39,313	42,562	44,863	51,446	54,628
Services and Supplies	8,842	8,833	9,079	9,848	9,743
Fire Services Contract	19,666	19,893	21,925	22,372	23,349
Fire Equipment	-	526	-	1,500	-
Fire - OPEB Requirement *	(600)	-	-	-	-
Capital Outlay	220	166	307	107	107
Debt Service	4,360	4,764	4,814	5,240	5,474
Internal Service Fund Charges	11,025	10,500	10,499	11,577	11,768
Other	1,107	1,284	337	451	451
Transfers Out	2,584	5,627	10,173	10,179	7,748
Total Operating Expenditures	86,517	94,155	101,997	112,720	113,269
Net Revenue (Expenditure)	\$ 5,190	\$ 12,195	\$ 3,305	\$ (4,716)	\$ (3,510)

* ACFD OPEB set aside actuals and budget reflected in reserves instead of operating expenditures

2017-18 General Fund Department Comparison

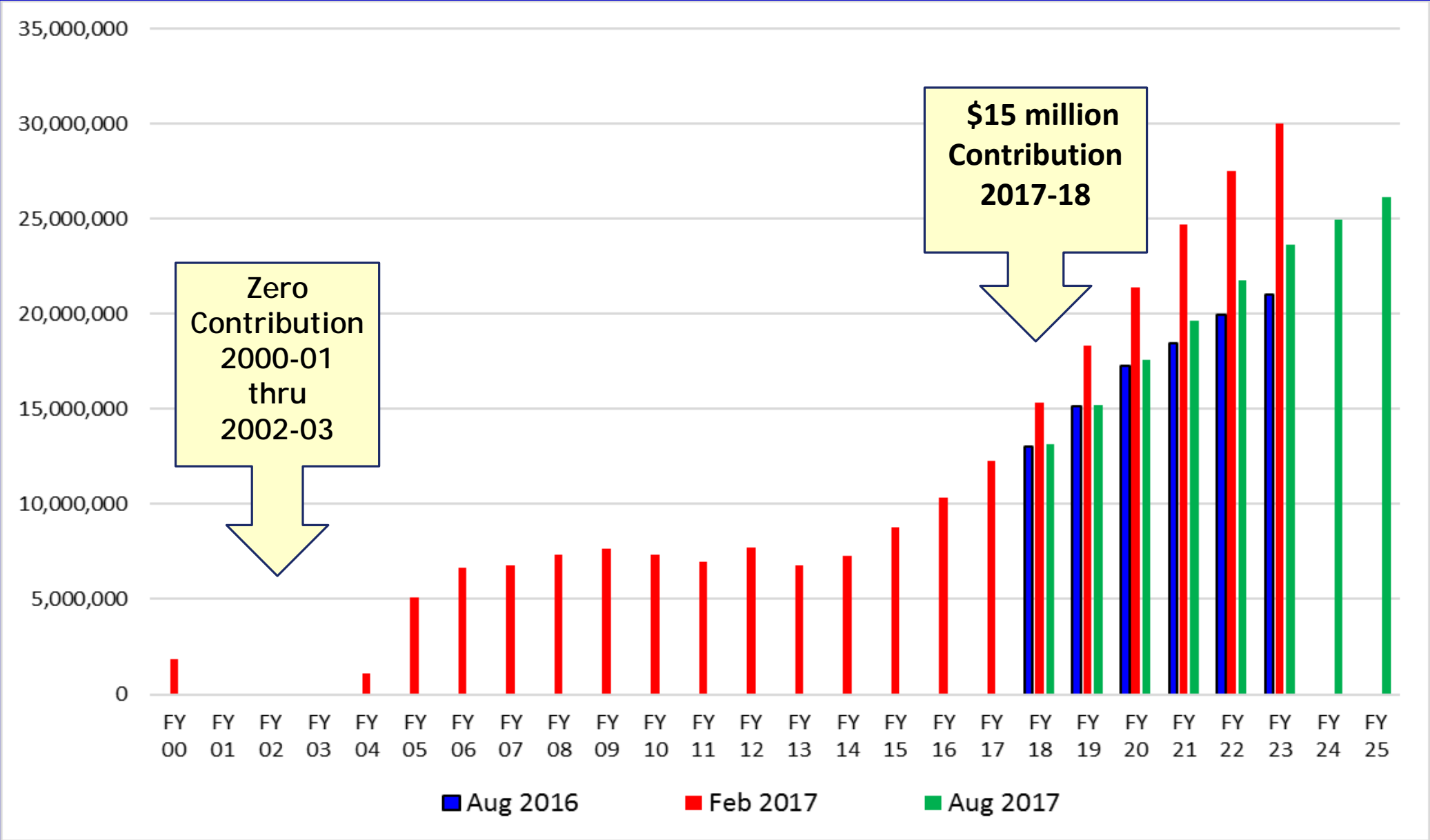


Net Post Employment Liabilities

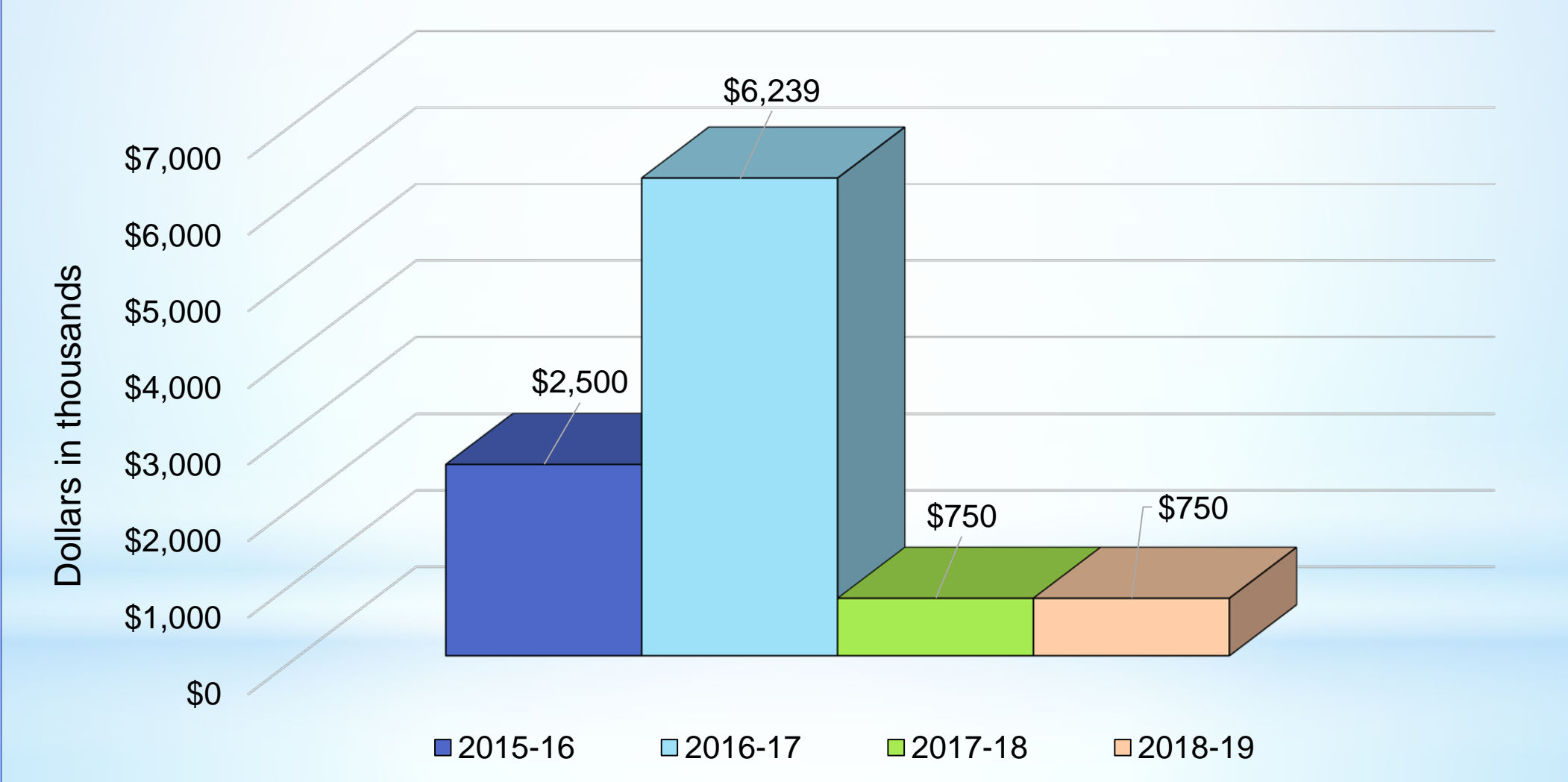
	Description	% of ARC	Annual Required Contribution (ARC)	Overall
1	Miscellaneous unfunded CalPERS	100%	\$8.1M	\$90.0M
2	Safety unfunded CalPERS	100%	7.2M	81.3M
3	Miscellaneous/Safety unfunded OPEB	650%	0.96M	15.6M
4	Fire Department unfunded OPEB City's portion, ACFD pays difference	47%	2.14M	23.97M
	Total		\$18.4M	\$210.87M

Funded ratio is approximately 70% Safety and 67% Miscellaneous (PERS Report August 2017)

Pension Cost FY 2000-2025



Prioritizing Unfunded Liabilities Liquidation Investment



Total trust account to date \$14,000,000