

FY 2016-17 Recommended Budget

REDWOOD CITY • CALIFORNIA



Presentation Overview

- 1 Budget Development Process and Principles
- 2 Recommended 2016-17 Budget Highlights
- 3 Water and Sewer Funds
- 4 2016-17 Capital Improvement Program
- 5 Funding Liabilities
- 6 Council discussion and direction

Budget Development Process

- ✓ Economic Update
- ✓ Preliminary 5-Year Forecast
- ✓ Approval of Budget Principles
- ✓ Discussion of Council Priorities

- ✓ Endorsed Four-Part Budget Strategy

February 22

March 28

April 25

June 13

- ✓ Review of Capital Improvement Program

- ✓ Receive and Review Recommended Budget

Budget Strategy

- ❑ 2016-17 Budget to address Council priorities
- ❑ 5-Year Capital Improvement Plan - Fall 2016
- ❑ Mid-Year Budget Adjustment - February 2017
 - ❑ 50% to unfunded liabilities
 - ❑ 50% to one-time service enhancements
- ❑ 2017-18 Budget additions to prioritize public safety and neighborhood services

Recommended 2016-17 Budget: \$111.9 M

- 1) Continues initiatives to address Council priorities
- 2) Adjusts operating budget to reflect actual expenditures based on historical expenditures
- 3) Provides ongoing and short-term service enhancements
- 4) Ensures appropriate revenue is received: hotel tax audit and review of development processing fees



Ongoing True-Up Adjustments



Ongoing Service Enhancements

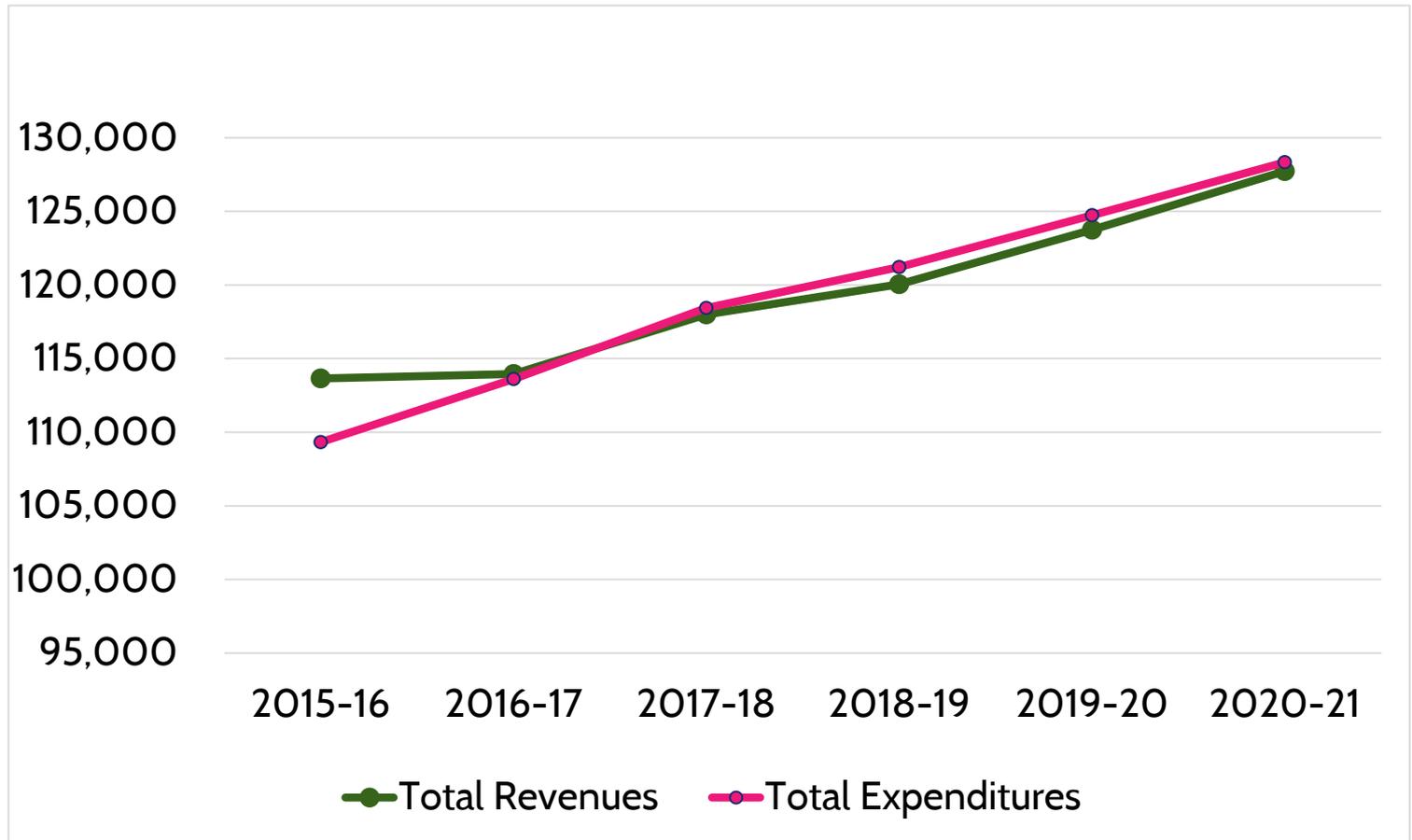


Short-Term Service Enhancements



Five Year General Fund Forecast

(in thousands)



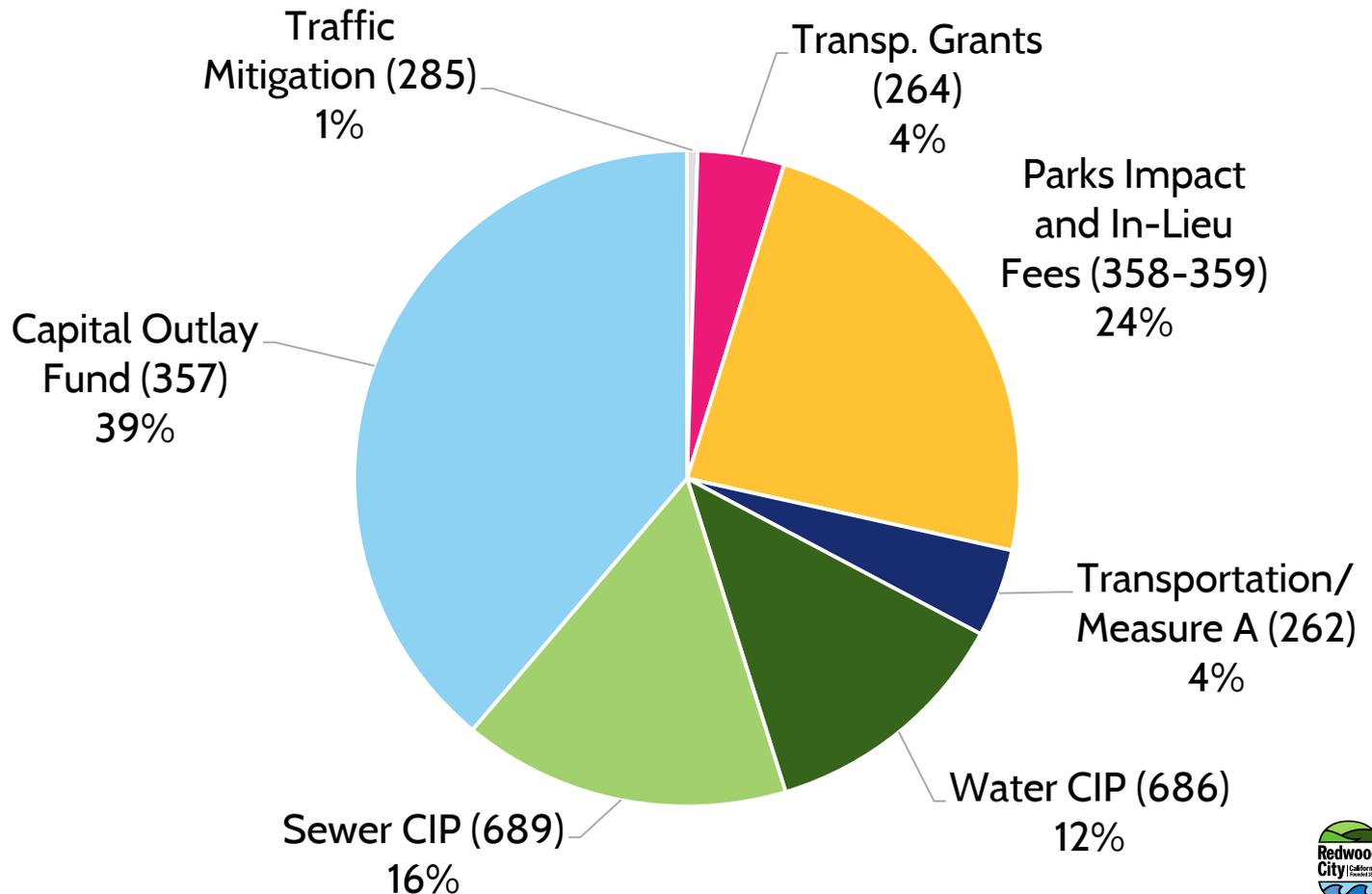
Water and Sewer Funds



Funding Long-term Liabilities



Capital Improvement Program: \$32.3 M



Capital Improvement Program



Veterans Memorial Senior Center- YMCA Project

Capital Improvement Program



Red Morton Picnic/Play Area Renovation Project

Budget Communications



- ❑ New Budget Blog Series (*over 1,000 views via medium.com*)
- ❑ Rate increases noticing
- ❑ Budget and water/sewer rate community meeting noticing via digital newsletter, social media and website

Recommended Next Steps

- 1 Hold a Study Session on the Recommended Budget
- 2 Provide direction on the recommended FY 2016-17 budget
- 3 Adopt a resolution setting June 27th as the date for the Public Hearing and adoption of the recommended budget

Council Discussion and Direction