

# Budget-In-Brief

## 2007-09 Financial Plan

### *Responding to Measure Y Priorities*

The purpose of this "budget-in-brief" is to summarize the City's 2007-09 Financial Plan by highlighting the City's budget process, key budget features, major City goals and basic "budget facts." It also highlights how added resources available because of **Measure Y** will be used over the next two years. If you have any questions about the City's budget or would like a complete copy of the Financial Plan, please call us at 781-7125 or visit our web site at [www.slocity.org](http://www.slocity.org).

#### Purpose of the City's Two-Year Financial Plan

The fundamental purpose of the City's Financial Plan is to link what we want to accomplish for the community with the resources necessary to do so. Our two-year Financial Plan process does this by: clearly setting major City goals and other important objectives; establishing reasonable timeframes and organizational responsibility for achieving them; and then allocating the resources required for implementation.

While appropriations are still made annually under this two-year process, the Financial Plan is the foundation for preparing the budget in the second year.

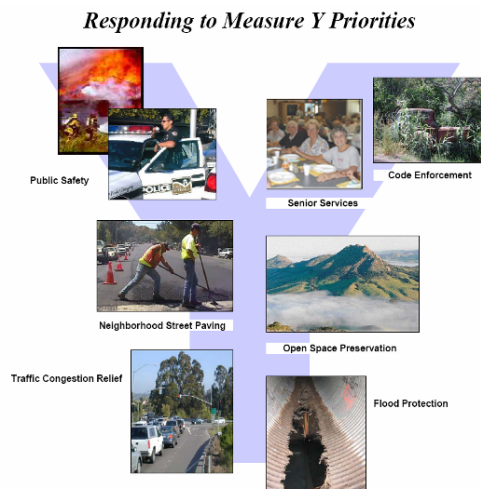
#### Responding to Measure Y Priorities

When all is said and done, that's what this budget is mostly about: responding to community priorities that surfaced before and after the **Measure Y** campaign.

Following five straight years of service cutbacks, the City is facing its best fiscal outlook in many years. While there are several reasons for this, including a structurally balanced budget to begin with due to past budget actions along with strong beginning reserves, by far the most important is the passage of **Measure Y** in November 2006.

This ½-cent sales tax measure, which was adopted with 65% voter approval, results in \$5.1 million annually in added General Fund revenues in the 2007-09 Financial Plan. Combined with carryover revenues from 2006-07 due to Measure Y's April 1, 2007 effective date, this means that \$11.3 million in added General Fund resources will be available in this two-year budget.

**If there was ever any question about the wisdom of Measure Y, this budget fully answers that question.** This added revenue supports major improvements in the key areas the community told us are municipal service concerns for them:



- Improving **public safety** service levels, with an initial emphasis in police services on neighborhood patrols and traffic safety by adding seven new police positions; and in fire services on prevention and training by adding a full-time training officer and a full-time Fire Marshal.
- Restoring the **neighborhood street paving** program and catching-up on deferred street maintenance.

- Reducing and managing **traffic congestion**.
- Improving **flood protection**, including silt removal in our creeks and better maintenance of storm drains.
- Enhancing **senior services**, including remodeling the existing Senior Center and planning ahead for the future.
- Strengthening **neighborhood code enforcement** by adding a code enforcement officer and expanding the "SNAP" program.
- Restoring funding for **open space preservation**.

# city of san luis obispo

# KEY BUDGET FEATURES

## Better Services, Balanced Budget

**Balanced budget.** The 2007-09 Financial Plan presents a balanced budget over the next two years: operating revenues fully cover operating costs; and fund balances are maintained at policy levels.

**Responds to Council priorities and community input.** The 2007-09 Financial Plan is also balanced from a service perspective. Along with **Measure Y** priorities, it reflects the results of Council goal-setting as well as the community input received through a number of outreach programs and public workshops beginning in November 2006.

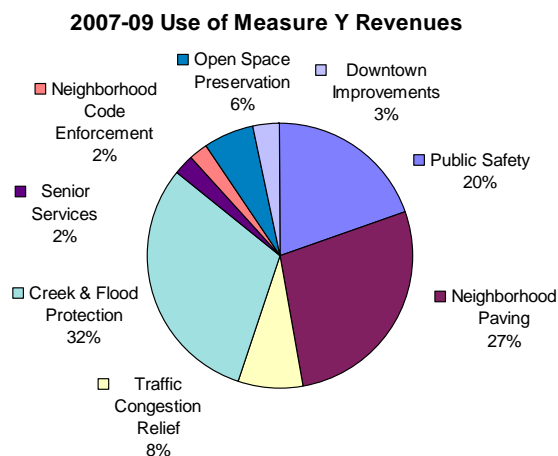
**Preserves our long-term fiscal health.** Achieving a balanced budget in light of rising expectations presents different but equally challenging circumstances compared with the cutback mode we have been in for the past five years. In preparing the 2007-09 Financial Plan, we worked hard to respond to current community priorities on one hand, while ensuring that the budget makes sense for the long run as well.

In short, while it provides for better services and facilities, this budget also maintains our long-standing commitment to long-term fiscal health and responsible stewardship of the resources that have been entrusted to us.

## Use of Measure Y Revenues

Over the next two years, about 40% of the uses are allocated to operating programs and 60% to capital improvement plan projects. This reflects a reasonable balance between day-to-day delivery of key services like police and fire protection, and infrastructure maintenance and improvements like street paving and flood protection.

The following chart summarizes the proposed uses of added General Fund revenues due to the passage of **Measure Y** over the next two years.



As reflected above, about 20% of the funds are proposed for public safety (police and fire) improvements; and 70% for infrastructure improvements to our street, traffic and flood protection systems.

The following summarizes uses of **Measure Y** resources over the next two years.

	Two-Year Budget Total
<b>Public Safety</b>	
Neighborhood Patrols & Traffic Safety	1,629,700
Fire Prevention & Training	654,800
<b>Neighborhood Paving &amp; Deferred Street Maintenance</b>	
Paving Crew Productivity	297,800
Neighborhood, Downtown & Arterial Street Paving (Note 1)	2,867,000
<b>Traffic Congestion Relief</b>	
Traffic Signal Operations	224,100
Johnson & Buchon Intersection Improvements	100,000
South Higuera Widening: Margarita to Elks Lane	135,000
Bob Jones City-to-Sea Bike Trail Bridges	220,000
Other Traffic Congestion Projects	230,000
<b>Creek &amp; Flood Protection</b>	
Storm Water Management Plan Implementation	1,553,300
Storm Drain Replacements	1,362,400
Creek Silt Removal	325,000
Andrews Creek Bypass Improvements	125,000
Storm Sewer & Culvert Repairs	200,000
<b>Senior Services and Facilities</b>	
Senior Center Furniture Replacement	9,000
Senior Center Window Replacement	9,000
Senior Center Remodel	235,000
Senior Center Needs Study	30,000
<b>Neighborhood Code Enforcement</b>	
Enhanced Building & Zoning Code Enforcement	263,100
"SNAP" Enhancement	32,500
<b>Open Space Preservation</b>	
Open Space Acquisition	400,000
Open Space Maintenance & Enhancements	277,400
<b>Downtown Improvements</b>	
Sidewalk Repairs	60,000
Sidewalk Scrubbing	40,000
Pedestrian Lighting	56,000
Pedestrian Traffic Signals	80,000
Mission Plaza Stair Replacement	75,000
Downtown Urban Forest Maintenance	50,000
Comprehensive Signing Program	40,000
<b>Total (Note 2)</b>	<b>11,581,100</b>

1. This reflects the increase in funding for this purpose from the 2005-07 Financial Plan of \$1,025,000 annually: the total street paving budget for 2007-09 is \$5.0 million.

2. This total of \$11.5 million is slightly greater than projected Measure Y resources of \$11.3 million in 2007-09, but reflects the service and infrastructure improvements we would not be able to make without these added General Fund revenues.

## MAJOR CITY GOALS

The 2007-09 Financial Plan sets major City goals for the next two years and links them with the programs, projects and resources necessary to achieve them. Detailed work programs have been prepared for each of these goals, including its relationship to **Measure Y** priorities, challenges we will face in achieving the goal, action plans and resource requirements. As reflected below, these goals are closely linked to **Measure Y** priorities.



### Public Safety Service Levels.

Improve public safety service levels, with an emphasis in police services on neighborhood patrols (particularly at night) and traffic safety; and on prevention and training in fire services.



### Roller Hockey Rink and Skate Park Improvements.

Complete major upgrades to the existing roller hockey rink and skateboard park facilities at Santa Rosa Park.



### Neighborhood Paving and Deferred Street Maintenance.

Restore the neighborhood and downtown paving program, and catch up with deferred street maintenance.



**Homeless Services.** Work with social services partners to develop improved homeless sheltering and services.



### Traffic Congestion Relief.

Expand efforts to reduce and manage traffic congestion throughout the City, including the Los Osos Valley Road corridor and interchange



### Affordable Housing.

Strengthen efforts to increase affordable housing, including ways of augmenting existing funding.



### Bikeway Improvements.

Continue to work towards completion of the Railroad Safety Trail; improve maintenance of existing bicycle trails, lanes and byways; and consider additional bike trails.



### Neighborhood Wellness.

Increase building and zoning code enforcement to promote neighborhood wellness and community appearance.



**Flood Protection.** Reduce flood risk by opening the Los Osos Valley Road/Highway 101 area of San Luis Obispo Creek, pursuing improvements to San Luis Obispo Creek in the Mid-Higuera area and implementing the Storm Sewer Master Plan.



### Downtown Improvements.

Strengthen support for the Downtown in multiple areas, such as maintenance, economic development, public safety, parking, tourism promotion, progress on the installation of pedestrian lighting and comprehensive directional sign program and other improvements as resources allow.



### Senior Citizen Facilities.

Enhance senior center facilities through improvements to the current senior center and pursuit of plans for a future senior center.

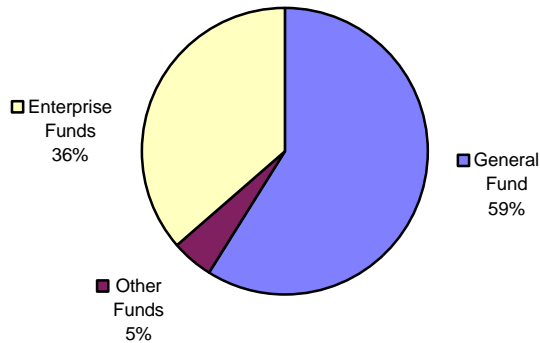


### Open Space Preservation.

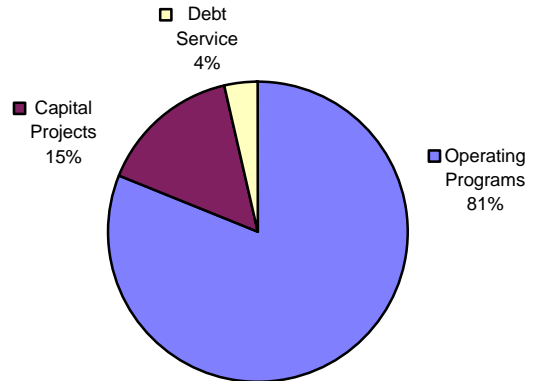
Restore open space acquisition program funding to at least \$200,000 per year and bring forward opportunities should they arise that further leverage City funds through grant programs.

# BUDGET FACTS

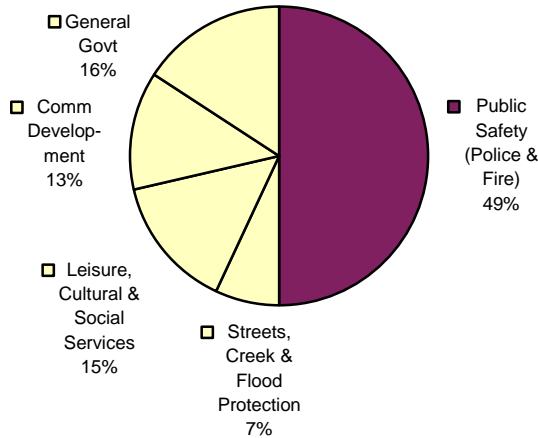
**2007-08 Budget By Funding Source:  
\$95.2 Million**



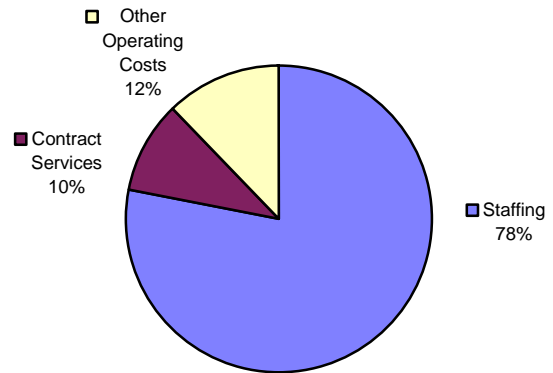
**2007-08 General Fund Budget:  
\$56.1 Million**



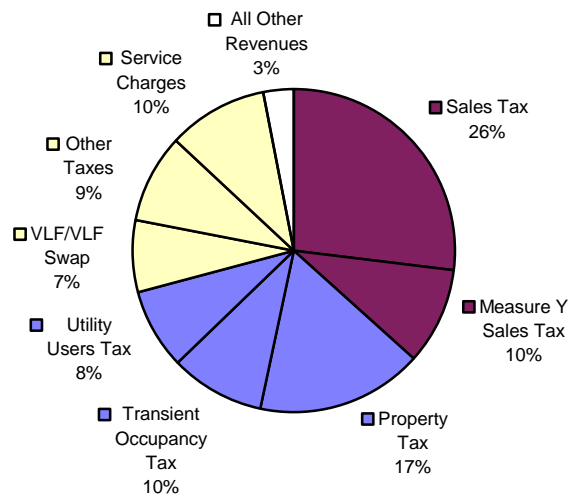
**2007-08 General Fund Operating Budget  
By Function: \$45.3 Million**



**2007-08 General Fund Operating Budget  
By Type: \$45.3 Million**



**2007-08 General Fund Revenues:  
\$52.3 Million**



## 2007-09 Major Capital Projects: All Funds (In Millions)

Public Safety Improvements	\$2.1
Water and Sewer System Improvements	15.5
Neighborhood & Arterial Street Paving	5.0
LOVR Interchange: Plans & Specifications	2.5
Pedestrian & Bikeway Improvements	2.0
Creek & Flood Protection Improvements	3.7
Park Improvements	3.1
Open Space Preservation	0.6

*These projects total \$33.9 million, accounting for 85% of total capital project costs of \$40.7million in 2007-09.*

## 2007-09 Regular Staffing: All Funds

Public Safety	146.0
Public Utilities	64.3
Transportation	34.5
Leisure, Cultural & Social Services	33.0
Community Development	43.9
General Government	54.9
<b>Total Positions</b>	<b>376.6</b>