

General Fund Financial Update

November 12, 2013

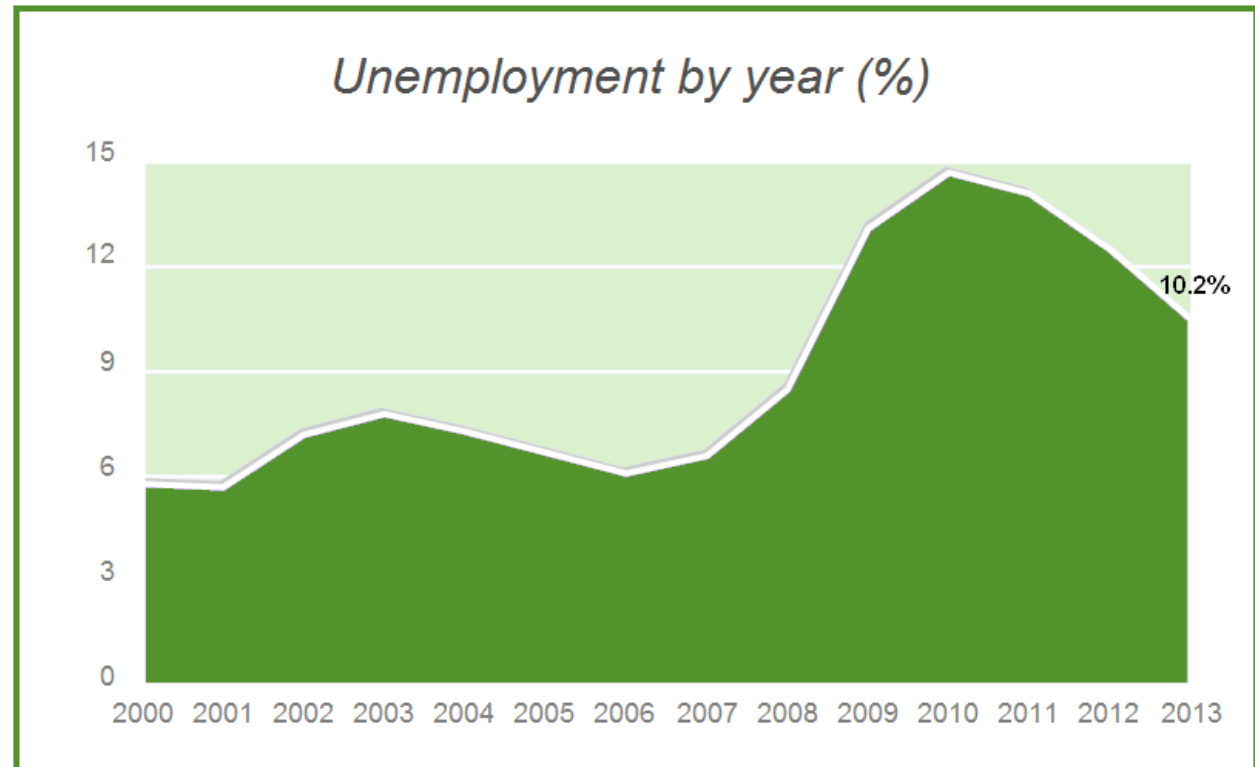


Background and Discussion

- Council passed Adopted Budget on June 25, 2013
- Council requested 1st Quarter (Q1) General Fund Update
- Mid-Year (Q2) Budget update to follow in March 2014

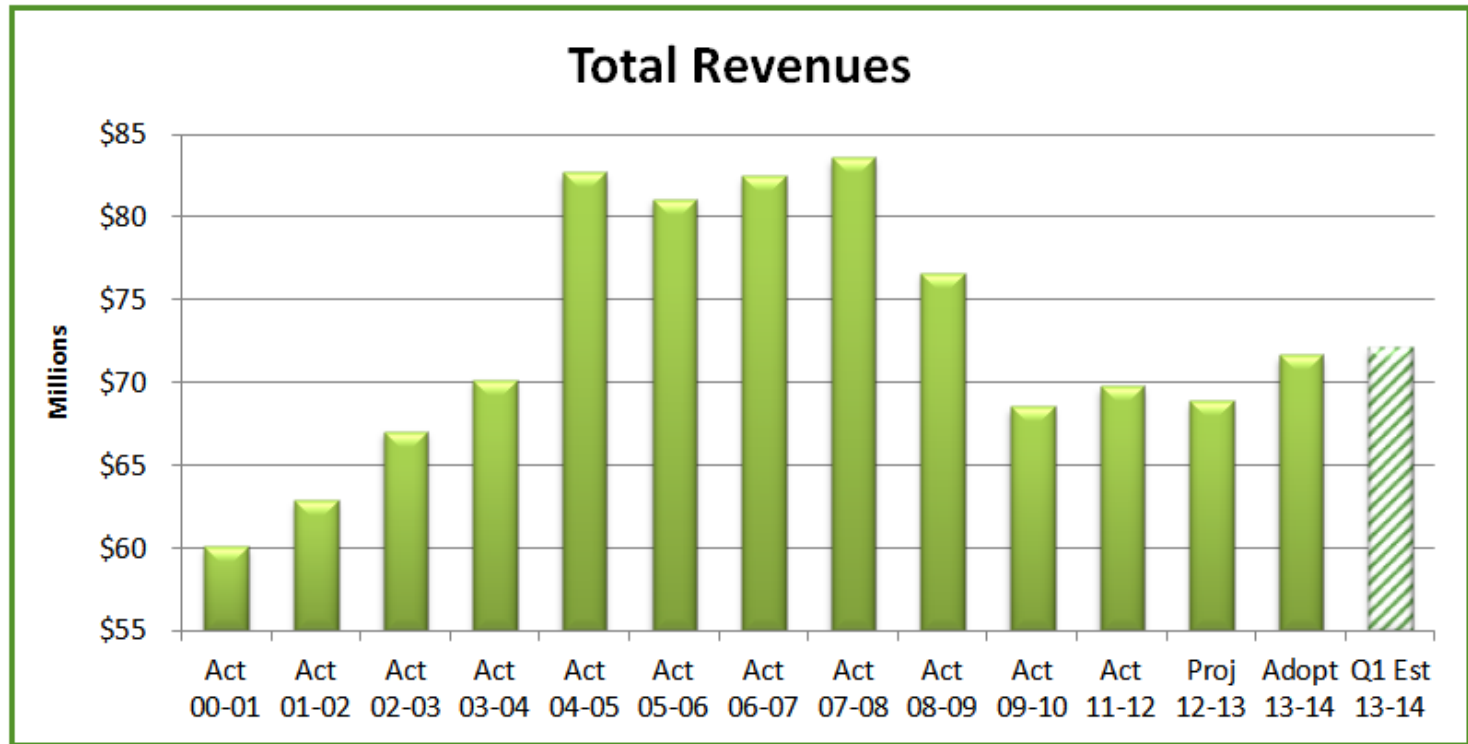
National / Regional Context

- Vallejo Unemployment Rate



Revenues

- Overall revenues estimated to increase by \$452,200 compared to FY 2013-14 Adopted Budget projections



Projected Revenues – Q1 as at Sept 30, 2013

	Variance
• Property Taxes	\$ 47,200
• Motor Vehicle License Fees	540,100
• Sales Tax	111,300
• Franchise Fees	(19,400)
• Program Revenues	(227,000)

	\$ 452,200
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• Measure B	\$ 6,300
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Why aren't Property Tax revenues higher?

- Assessed values of properties up 8.13% in Vallejo
- Adopted Budget year over year increase 6.64%
- Potential revenue reduction from 86 pending appeals
- Prop 13 – sets base year value and capped at 2% thereafter
- Prop 8 – temporarily resets lower value but not capped

Expenditures

- 81% of General Fund budget is Salaries and Benefits
- 448 employees on payroll
- \$3.1 Million bi-weekly payroll
- On target to achieve \$2 Million Vacancy Factor savings
- Services and Supplies expenditures “On-Budget”

Next Steps

- Other Post Employment Benefits (OPEB) Trust
 - Evaluating Request for Qualifications responses
 - Expected to return to Council on December 17, 2013
 - For approval of Trust Structure and Contract for Services
 - Additional savings expected from implementation of OPEB Trust
 - Adjustment will be made at mid-year, once amounts are known

Fiscal Impact

- General Fund revenues estimated to increase by \$452,200
- Measure B revenues estimated to increase by \$6,300

Questions

