

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, JANUARY 24, 2012**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, January 24, 2012, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Katzakian, Mayor Pro Tempore Nakanishi, and Mayor Mounce

Absent: None

Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Receive Fiscal Year 2011/12 Mid-Year Budget Report on Revenues (CM)

City Manager Bartlam briefly introduced the subject matter of the 2011/12 mid-year budget review.

Deputy City Manager/Finance Director Jordan Ayers provided a PowerPoint presentation regarding the 2011/12 mid-year budget review. Specific topics of discussion included the economic climate, General Fund status, and bright spots and detractors for various funds including community development, library, parks and recreation, police, transit, streets, electric utility, water utility, and wastewater utility.

In response to Council Member Hansen and Council Member Johnson, Mr. Ayers stated the City uses Realty Track for foreclosure statistics, which shows that the City is more closely following the State foreclosure numbers rather than the County numbers.

In response to Council Member Hansen, Mr. Ayers stated the projected numbers for Costco are based on an annual estimate.

In response to Council Member Johnson, Mr. Ayers stated the rent revenues are comprised of agricultural leases surrounding the treatment plant facility.

In response to Council Member Hansen, Mr. Bartlam stated the reduction of 8% in Community Development is a significant number because it is 8% of \$800,000.

In response to Council Member Hansen, Mr. Ayers stated the bulk of special grants in the Police Department do go toward personnel costs.

In response to Council Member Johnson, Public Works Director Wally Sandelin stated the renegotiation of a higher amount of transit funds from the San Joaquin Council of Governments was unusual for this year and likely came at the expense of the Regional Transit District.

In response to Council Member Hansen, Mr. Bartlam stated the solar project at the Municipal Service Center yard was completed using American Recovery and Reinvestment Act funds.

In response to Council Member Johnson, Mr. Bartlam stated the solar panel project at White Slough is on hold pending the completion of the Lodi Energy Center and will be reevaluated upon completion of that project.

In response to Council Member Hansen, Mr. Bartlam stated the wind project has not been penciled out yet because the credits are not lining up for offsets.

In response to Mayor Mounce, Mr. Ayers stated the streets revenue funding is down now and will likely come up later as the projects are completed.

In response to Council Member Hansen, Mr. Bartlam stated the treatment plant construction is expected to be completed in September 2012.

In response to Mayor Pro Tempore Nakanishi, Mr. Ayers stated staff is in the process of reviewing the expenditure numbers and will bring back to Council the actual revenue and expenditure numbers as compared to last year.

In response to Council Member Katzakian, City Attorney Schwabauer stated the rent payments associated with the Lodi Energy Center started upon construction and the water payments will start with operations coming on line. Mr. Bartlam stated the rent payments are already budgeted.

In response to Council Member Katzakian, Mr. Ayers stated the variance on the water meter installations is due to 60% of the customers paying the full \$300 amount upfront and only 40% paying as they go.

In response to Council Member Hansen, Mr. Ayers stated the in lieu vehicle fee includes all vehicles registrations including new car sales and renewals, which are down in difficult economic times.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:30 a.m.

ATTEST:

Randi Johl  
City Clerk



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Receive Fiscal Year 2011/12 Mid-Year Budget Report on Revenues  
**MEETING DATE:** January 24, 2012  
**PREPARED BY:** Deputy City Manager

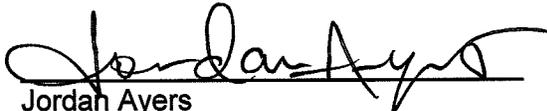
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**RECOMMENDED ACTION:** Receive Fiscal Year 2011/12 mid-year budget report on revenues.

**BACKGROUND INFORMATION:** Staff will present data regarding the status of budget estimates for revenue. Expenditure estimates will be provided to Council at a later date.

Staff will highlight the following major funds in its presentation: General Fund, Community Development, Library, Parks, Recreation and Cultural Services, Police Special Revenue, Transit, Streets and the three utility funds: Electric, Water and Wastewater.

Staff will present more detail at the Shirtsleeve meeting.

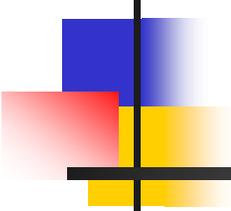
  
Jordan Ayers  
Deputy City Manager

JA/ja

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**APPROVED:**

  
Konradt Bartlam, City Manager



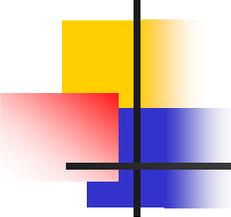
# 2011/12 Mid-Year Budget Review

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## Revenue

City Council Shirtsleeve

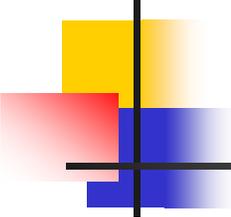
January 24, 2012



# Economic Climate

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- City revenues holding their own
  - Property tax dropped less than Assessor initially projected (3.4% vs 4.0%)
    - More than our 2.0% estimated decline
  - Foreclosures lower than surrounding areas
  - Unemployment tracks State, not San Joaquin County
  - Sales tax slightly higher than budget

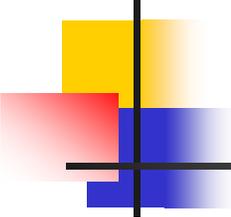


# General Fund

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- \$72,889 lower than budget amounts

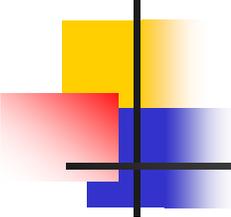
Budgeted	\$41,255,340
Mid Year Estimate	\$41,182,451
Over/(Under)	(\$72,889)



# General Fund Bright Spots

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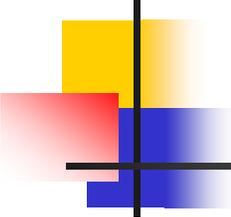
■ Sales Tax	+\$104,760
■ Card Room Fee	+ \$84,500
■ Rent	+\$216,561



# General Fund Detractors

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- Property Tax -\$151,000
- Veh Code Moving Violations -\$ 65,000
- State Motor Veh In-Lieu -\$102,061
- In-Lieu Veh License Fee -\$ 79,600
- Strike Team Reimbursement -\$ 50,000
- Contract Work For Others -\$ 50,500



# Community Development

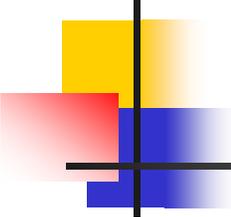
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- \$37,441 higher than budget amounts

Budgeted	\$1,297,930
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Mid Year Estimate	\$1,335,371
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Over/(Under)	\$37,441
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# Community Development

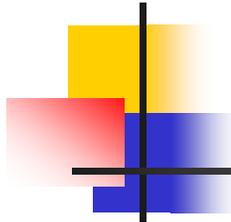
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- Bright Spots

- Building Permits +\$101,016
- Fire Inspection Fees +\$ 45,159

- Detractors

- Reimbursable Charges -\$ 71,000
- Planning Fees -\$ 40,000



# Library

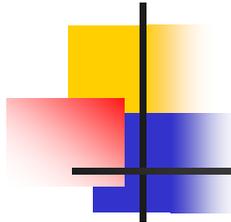
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- \$39,900 higher than budget amounts

Budgeted	\$1,400,720
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Mid Year Estimate	\$1,440,620
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Over/(Under)	\$39,900
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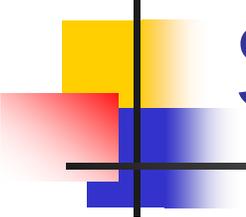


# Library

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- Bright Spots

■ Grants	+\$31,600
■ Fines and Fees	+\$ 4,000
■ Donations	+\$ 5,000



# Parks, Recreation & Cultural Services

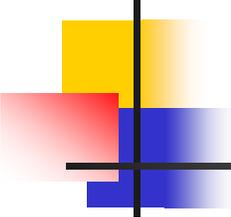
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- Estimates match budget amounts

Budgeted	\$5,955,390
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Mid Year Estimate	\$5,955,390
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Over/(Under)	\$0
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# Police Special Revenue Fund

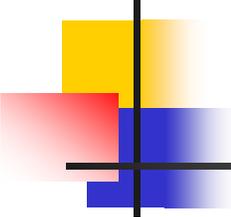
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- \$162,555 higher than budget amounts

Budgeted	\$166,730
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Mid Year Estimate	\$329,285
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Over/(Under)	\$162,555
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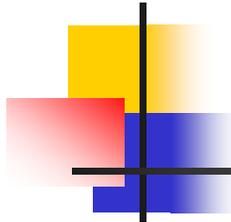


# Police Special Revenue Fund

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- Bright Spots

- COPS Grant (not budgeted)      +\$100,000
- Law Enforce Block Grant      +\$ 41,454
- State Special Grants      +\$ 26,301

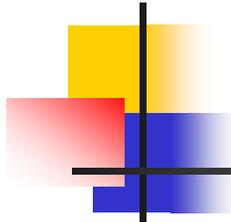


# Transit

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- \$138,458 lower than budget amounts

Budgeted	\$8,223,830
Mid Year Estimate	\$8,085,372
Over/(Under)	(\$138,458)



# Transit

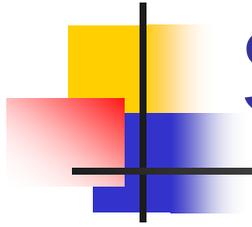
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- Bright Spots

- Measure K Reimb +\$365,200
- State Transit Assistance +\$216,100
- Prop 1B Safety +\$ 59,472

- Detractors

- Federal Stimulus-ARRA -\$753,114
- TDA General Allotment -\$ 65,666



# Streets

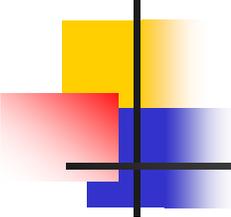
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- \$495,816 lower than budget amounts

Budgeted	\$5,654,197
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Mid Year Estimate	\$5,158,381
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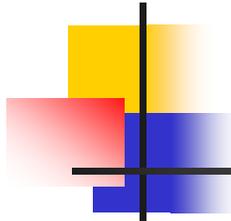
Over/(Under)	(\$495,816)
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# Streets

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■ Bright Spots	
■ Prop 1B	+\$807,447
■ Detractors	
■ Gas Tax	-\$207,871
■ Measure K Reimb	-\$224,600
■ Other Federal Grants	-\$880,737



# Electric Utility

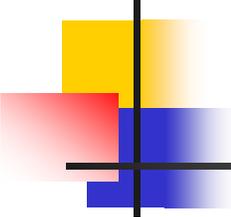
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- \$1,923,181 lower than budget amounts

Budgeted	\$68,031,790
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Mid Year Estimate	\$66,108,609
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Over/(Under)	(\$1,923,181)
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# Electric Utility

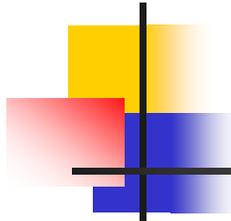
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- Bright Spots

- Development Impact Fees +\$ 176,660
- Meter Equipment Sale +\$ 87,932

- Detractors

- Service Charges -\$2,244,801



# Water Utility

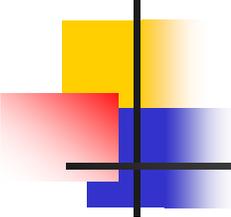
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- \$5,753,302 lower than budget amounts

Budgeted	\$43,723,940
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Mid Year Estimate	\$37,970,638
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Over/(Under)	(\$5,753,302)
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# Water Utility

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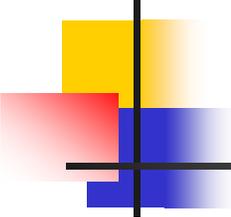
- Bright Spots

- Service Charges +\$ 162,828

- Detractors

- Bond Reimbursements -\$5,755,600

- Meter Installation Fees -\$ 135,000



# Wastewater Utility

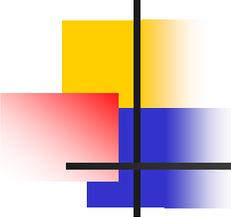
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- \$256,762 higher than budget amounts

Budgeted	\$18,050,750
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Mid Year Estimate	\$18,307,512
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Over/(Under)	\$256,762
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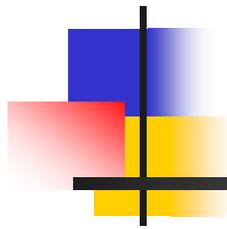


# Wastewater Utility

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- Bright Spots

- Service Charges +\$159,091
- Development Impact Fees +\$ 65,000



Questions?

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