

Finance and Audit Committee



SPECIAL MEETING AGENDA

Date: 5/30/2018

Time: 11:00 a.m.

**City Hall – “Sharon Heights” Conference Room, 2nd Fl
701 Laurel St., Menlo Park, CA 94025**

A. Call To Order

B. Roll Call

C. Public Comment

Under “Public Comment,” the public may address the Committee on any subject not listed on the agenda. Each speaker may address the Committee once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The Committee cannot act on items not listed on the agenda and, therefore, the Committee cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

D. Regular Business

D1. Selection of a new Finance and Audit Committee Chair and Co-Chair

D2. Approve the April 20, 2018, Finance and Audit Committee Special Meeting minutes ([Attachment](#))

D3. 10-Year Forecast ([Attachment](#))

E. Director’s Report

F. Adjournment

At every Regular Meeting of the Committee, in addition to the Public Comment period where the public shall have the right to address the Committee on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Committee on any item listed on the agenda at a time designated by the Chair, either before or during the Committee’s consideration of the item.

At every Special Meeting of the Committee, members of the public have the right to directly address the Committee on any item listed on the agenda at a time designated by the Chair, either before or during consideration of the item.

Any writing that is distributed to a majority of the Committee by any person in connection with an agenda item is a public

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Finance and Audit Committee



SPECIAL MEETING MINUTES - DRAFT

Date: 4/20/2018

Time: 10:00 a.m.

**City Hall – “Sharon Heights” Conference Room, 2nd Fl
701 Laurel St., Menlo Park, CA 94025**

A. Committee Chair Craib called the meeting to order at 10:13 a.m.

B. Roll Call

Present: Craib, Shepherd, Ohtaki

Absent: Mueller, Tronson

Staff: Dan Jacobson, Interim Finance and Budget Manager
Brandon Cortez, Management Analyst I

C. Public Comment

- Lynne Bramlett recommended changes to the City's budgeting practices to be more inclusive of public input.
- Pamela Jones supported the creation of an amenities fund and committee to oversee the amenities fund.
- Cecilia Taylor thanked Chair Craib for all of the work and effort that she put as a member and chair of the Finance and Audit Committee, shared support for the creation of an amenities, and wanted the committee to create a book of committee minutes located in the both the Main Library and Belle Haven Library.
- Julie Shanson spoke in favor of allocating the sales tax revenue generated from the Hotel Nia into the amenity fund if created.

D. Regular Business

D1. Approve the April 20, 2018, Finance and Audit Committee Special Meeting minutes

ACTION: Motion and second (Craib/Shepherd) to approve minutes for the April 20, 2018, Finance and Audit Committee Special Meeting, passed 3-0-2 (Mueller and Tronson absent).

D2. Selection of a new Chair and Vice Chair.

Chair Craib recommended that the committee postpone the item for a future special meeting in late May as to include the new committee members appointed by City Council in the beginning of May.

ACTION: Motion and second (Shepherd/Craib) to postpone the selection of a new Chair and Vice Chair to a later date, passed 3-0-2 (Mueller and Tronson absent).

D3. Subcommittee reports

- 10-Year Forecast subcommittee: the subcommittee has met twice and changes have been incorporated into the current budget cycle. Will bring the item back to the Finance and Audit

Committee before the budget is brought to City Council.

- Finance Dashboard subcommittee: Presented the draft dashboard to the committee and members of the public for feedback. Will bring a second mock draft at a future date.
- Pension subcommittee: Drafted a letter to Governor Brown regarding changes to employees working post-retirement. Working on scheduling a presentation for the Finance and Audit Committee by the city's actuary.
- Purchasing Policy subcommittee: Recommends that the authorization procedures should be rewritten to reflect the department's budgets. Will bring this item back at a future date.

E. Director's Report

Administrative Services Director Nick Pegueros gave an update on the city's fiscal year 2018-19 operating and Capital Improvement Project budgets, upcoming internal audit, and a recently completed State Board of Equalization use tax audit.

- The Committee would like to appreciate and recognize the good work done from the tenured employee regarding the Board of Equalization use tax audit.

F. Adjournment

Chair Craib adjourned the meeting at 11:55 a.m.

Summary of assumptions

Scenario: Most conservative

Global events

Year 4 economic downturn, lasting 3 years, followed by 2 year economic recovery
 Receive 50% of excess ERAF

Major revenues	Baseline	Downturn	Recovery
Property tax	6.5% growth, declining to 4% over 10-year span	0% growth	6.25% growth
Sales tax	0.5% growth, declining to -0.5%	-5.0% growth, normally distributed	5.5% growth, log-normal distribution
TOT	3.0% growth, no trend	-4.0%, normally distributed	4.0% growth, log-normal distribution
All other categories	0.5% growth, declining to -0.5%	-3.0% growth, normally distributed	3.0% growth, log-normal distribution
Major expenditures			
Salaries and wages	3.0% growth except for current agreements	0% growth, lagging 1 year	3.0% growth, log-normal distribution
Operating expenses, utilities	3.0% growth, no trend	-1.0% growth, normally distributed	4.0% growth, log-normal distribution
Contract services	3.0% growth, no trend	-2.0% growth, normally distributed	4.0% growth, log-normal distribution
Fixed assets, projects, other	3.0% growth, no trend	-1.0% growth, normally distributed	4.0% growth, log-normal distribution

Capital Improvement Plan

Fully funded through next 5 years

Scenario: Mid-range conservative

Global events

Year 5 economic downturn, lasting 2 years, followed by 2 year economic recovery
 Receive 50% of excess ERAF

Major revenues	Baseline	Downturn	Recovery
Property tax	6.5% growth, declining to 4% over 10-year span	0% growth	6.25% growth
Sales tax	0.5% growth, declining to -0.5%	-5.0% growth, normally distributed	5.5% growth, log-normal distribution
TOT	3.0% growth, no trend	-4.0%, normally distributed	4.0% growth, log-normal distribution
All other categories	0.5% growth, declining to -0.5%	-3.0% growth, normally distributed	3.0% growth, log-normal distribution
Major expenditures			
Salaries and wages	3.0% growth except for current agreements	0% growth, lagging 1 year	3.0% growth, log-normal distribution
Operating expenses, utilities	3.0% growth, no trend	-1.0% growth, normally distributed	4.0% growth, log-normal distribution

Contract services	3.0% growth, no trend	-2.0% growth, normally distributed	4.0% growth, log-normal distribution
Fixed assets, projects, other	3.0% growth, no trend	-1.0% growth, normally distributed	4.0% growth, log-normal distribution

Capital Improvement Plan	Fully funded through next 5 years
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Scenario: Weighted average, all scenarios
Global events
80% chance of economic downturn in period, lasting 2-4 years, followed by 2-4 year economic recovery
Receive 50% of excess ERAF

Major revenues	Baseline	Downturn	Recovery
Property tax	6.5% growth, declining to 4% over 10-year span	0% growth	6.25% growth
Sales tax	0.5% growth, declining to -0.5%	-5.0% growth, normally distributed	5.5% growth, log-normal distribution
TOT	3.0% growth, no trend	-4.0%, normally distributed	4.0% growth, log-normal distribution
All other categories	0.5% growth, declining to -0.5%	-3.0% growth, normally distributed	3.0% growth, log-normal distribution
Major expenditures			
Salaries and wages	3.0% growth except for current agreements	0% growth, lagging 1 year	3.0% growth, log-normal distribution
Operating expenses, utilities	3.0% growth, no trend	-1.0% growth, normally distributed	4.0% growth, log-normal distribution
Contract services	3.0% growth, no trend	-2.0% growth, normally distributed	4.0% growth, log-normal distribution
Fixed assets, projects, other	3.0% growth, no trend	-1.0% growth, normally distributed	4.0% growth, log-normal distribution

Capital Improvement Plan	Fully funded through next 5 years
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Global events	Minimum	Maximum	Distribution
Downturn year		3	12 uniform
Downturn length		2	4 uniform
Recovery length		2	4 uniform
ERAF	50% all years		

Revenue	0-year mid-point change (%)	Variability (Std. Dev., %)	Trend (%/year)
Property tax	6.75	5.00	-0.25
Sales tax	0.50	2.00	-0.10

TOT	3.00	5.00	0.00
UUT*	0.50	2.00	-0.10
Franchise fees*	0.50	2.00	-0.10
Licenses and permits*	0.50	2.00	-0.10
Intergovernmental*	0.50	2.00	-0.10
Fines*	0.50	2.00	-0.10
Use of money and property*	0.50	2.00	-0.10
Charges for services*	0.50	2.00	-0.10
Other revenue*	0.50	2.00	-0.10

Expenditures

Personnel	3.00	1.00	0.00
Operating expenses, utilities	3.00	2.00	0.00
Contract services	3.00	2.00	0.00
Fixed assets, projects, other	3.00	2.00	0.00

* follows sales tax, different trials for mid-point, std dev

Input cell

7.5
3
3

1st year mid-point (%)	Downturn midpoint growth/(decline)	Downturn distribution	Recovery midpoint % growth/(decline)	Recovery distribution	Mid
6.50	0.00	deterministic	6.25	deterministic	-5.00
0.40	-5.00	normal	5.50	log-normal	

3.00	-4.00 normal	4.00 log-normal	-4.00
0.40	-3.00 normal	3.00 log-normal	-3.00
0.40	-3.00 normal	3.00 log-normal	-3.00
0.40	-3.00 normal	3.00 log-normal	-3.00
0.40	-3.00 normal	3.00 log-normal	-3.00
0.40	-3.00 normal	3.00 log-normal	-3.00
0.40	-3.00 normal	3.00 log-normal	-3.00
0.40	-3.00 normal	3.00 log-normal	-3.00
0.40	-3.00 normal	3.00 log-normal	-3.00

3.00	0.00 deterministic	3.00 log-normal	
3.00	-1.00 normal	4.00 log-normal	-1.00
3.00	-2.00 normal	4.00 log-normal	-2.00
3.00	-1.00 normal	4.00 log-normal	-1.00

Constant 2

Downturn		Recovery			
Variability	Input	Mid	Variability	Input	
	0				6.25
2.00	-5.00	5.50	2.00	5.50	

2.00	-4.00	4.00	5.00	4.00
2.00	-3.00	3.00	2.00	3.00
2.00	-3.00	3.00	2.00	3.00
2.00	-3.00	3.00	2.00	3.00
2.00	-3.00	3.00	2.00	3.00
2.00	-3.00	3.00	2.00	3.00
2.00	-3.00	3.00	2.00	3.00
2.00	-3.00	3.00	2.00	3.00
2.00	-3.00	3.00	2.00	3.00

	0.00			3.00
2.00	-1.00	4.00	2.00	4.00
2.00	-2.00	4.00	2.00	4.00
2.00	-1.00	4.00	2.00	4.00

Year	1	2	3	4	5	6	7	8	9	10
	Forecast									
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>
	\$ 20.86	\$ 23.39	\$ 24.78	\$ 26.18	\$ 27.61	\$ 29.05	\$ 30.50	\$ 31.94	\$ 31.90	\$ 31.89
	3.66	1.46	1.49	1.51	1.52	1.53	1.52	-	-	1.99
	(1.13)	(0.07)	(0.09)	(0.08)	(0.08)	(0.08)	(0.08)	(0.04)	(0.01)	(0.05)
	2.53	1.39	1.40	1.43	1.44	1.45	1.45	(0.04)	(0.01)	1.94
	12.1%	5.9%	5.7%	5.5%	5.2%	5.0%	4.7%	-0.1%	0.0%	6.1%
	\$ 23.389	\$ 24.78	\$ 26.18	\$ 27.61	\$ 29.05	\$ 30.50	\$ 31.94	\$ 31.90	\$ 31.89	\$ 33.83
	\$ 6.25	\$ 6.05	\$ 6.06	\$ 6.08	\$ 6.08	\$ 6.08	\$ 6.08	\$ 6.06	\$ 5.76	\$ 5.47
	(0.21)	0.02	0.01	0.01	-	(0.01)	(0.01)	(0.30)	(0.29)	0.30
	-	-	-	-	-	-	-	-	-	-
	(0.21)	0.02	0.01	0.01	-	(0.01)	(0.01)	(0.30)	(0.29)	0.30
	-3.3%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-5.3%	-5.3%	5.2%
	\$ 6.05	\$ 6.06	\$ 6.08	\$ 6.08	\$ 6.08	\$ 6.08	\$ 6.06	\$ 5.76	\$ 5.47	\$ 5.77
	\$ 7.21	\$ 11.18	\$ 11.74	\$ 12.32	\$ 12.69	\$ 14.07	\$ 14.49	\$ 14.92	\$ 14.33	\$ 14.75
	0.22	0.34	0.35	0.37	0.38	0.42	0.43	(0.60)	(0.57)	0.59
	3.75	0.23	0.23	-	1.00	-	-	-	1.00	-
	3.97	0.56	0.58	0.37	1.38	0.42	0.43	(0.60)	0.43	0.59
	55.1%	5.0%	4.9%	3.0%	10.9%	3.0%	3.0%	-4.0%	3.0%	4.0%
	\$ 11.18	\$ 11.74	\$ 12.32	\$ 12.69	\$ 14.07	\$ 14.49	\$ 14.92	\$ 14.33	\$ 14.75	\$ 15.34
JUT)	\$ 1.22	\$ 1.21	\$ 1.21	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.21	\$ 1.18	\$ 1.14
	(0.01)	0.00	0.00	0.00	-	(0.00)	(0.00)	(0.04)	(0.04)	0.03
	-	-	-	-	-	-	-	-	-	-
	(0.01)	0.00	0.00	0.00	-	(0.00)	(0.00)	(0.04)	(0.04)	0.03
	-0.8%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-3.0%	-3.0%	3.0%
	\$ 1.21	\$ 1.21	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.21	\$ 1.18	\$ 1.14	\$ 1.18

Year	1	2	3	4	5	6	7	8	9	10
	Forecast									
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>
	\$ 41.83	\$ 43.80	\$ 45.79	\$ 47.60	\$ 50.42	\$ 52.28	\$ 54.15	\$ 53.17	\$ 53.26	\$ 56.13
	\$ 2.04	\$ 2.05	\$ 2.05	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.05	\$ 1.99	\$ 1.93
	0.01	0.01	0.00	0.00	0.00	0.00	0.00	-0.06	-0.06	0.06
	-	-	-	-	-	-	-	-	-	-
	0.01	0.01	0.00	0.00	-	(0.00)	(0.00)	(0.06)	(0.06)	0.06
	67.7%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-3.0%	-3.0%	3.0%
	\$ 2.047	\$ 2.05	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.05	\$ 1.99	\$ 1.93	\$ 1.99
	\$ 6.61	\$ 7.96	\$ 7.99	\$ 8.00	\$ 8.01	\$ 8.01	\$ 8.00	\$ 7.99	\$ 7.00	\$ 6.04
	1.36	0.02	0.02	0.01	0.00	-0.01	-0.02	-0.24	-0.21	0.18
	-	-	-	-	-	-	-	(0.75)	(0.75)	0.50
	1.36	0.02	0.02	0.01	-	(0.01)	(0.02)	(0.99)	(0.96)	0.68
	32.7%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-12.4%	-13.7%	11.3%
	\$ 7.963	\$ 7.99	\$ 8.00	\$ 8.01	\$ 8.01	\$ 8.00	\$ 7.99	\$ 7.00	\$ 6.04	\$ 6.72
	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	-	-	-	-	-	-	-	-	-	-
	0.00	-	-	-	-	-	-	-	-	-
	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	\$ 1.062	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06
	\$ 1.22	\$ 1.26	\$ 1.27	\$ 1.27	\$ 1.27	\$ 1.27	\$ 1.27	\$ 1.27	\$ 1.23	\$ 1.19
	0.04	0.00	0.00	0.00	0.00	0.00	0.00	-0.04	-0.04	0.04
	-	-	-	-	-	-	-	-	-	-
	0.04	0.00	0.00	0.00	-	(0.00)	(0.00)	(0.04)	(0.04)	0.04
	3.4%	0.3%	0.2%	0.1%	0.0%	-0.1%	-0.2%	-3.0%	-3.0%	3.0%

[illegible]

[illegible]

Year	1	2	3	4	5	6	7	8	9	10
	Forecast									
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>
	0.14	0.21	0.21	0.22	0.23	0.23	0.24	0.25	0.00	0.00
	6.91	7.12	7.33	7.55	7.78	8.01	8.25	8.50	8.50	8.50
	17.73%	18.34%	19.64%	19.87%	19.87%	19.87%	19.87%	19.87%	19.87%	19.87%
	1.23	1.31	1.44	1.50	1.55	1.59	1.64	1.69	1.69	1.69
d liability										
	19.6%	23.6%	26.3%	29.7%	32.3%	33.6%	34.5%	33.5%	33.5%	33.5%
	1.35	1.68	1.93	2.24	2.51	2.69	2.85	2.85	2.85	2.85
al contribution										
	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
	(0.21)	(0.21)	(0.22)	(0.23)	(0.23)	(0.24)	(0.25)	(0.26)	(0.26)	(0.26)
	2.75	2.77	3.15	3.52	3.82	4.04	4.24	4.28	4.28	4.28
ts	2.747	2.83	2.91	3.00	3.09	3.18	3.28	3.38	3.38	3.38
	0	0	0	0	0	0	1.07835	0	0	0
	12.41	12.72	13.40	14.07	14.69	15.24	16.85	16.16	16.16	16.16
wages, vacancy	3.181	3.28	3.36	3.46	3.56	3.67	3.78	3.89	4.01	4.01
	27.23	28.15	28.98	29.84	30.74	31.47	32.22	32.99	32.91	32.71
	5.30	5.72	6.57	7.35	7.88	8.25	8.59	8.68	8.66	8.63
efits	8.32	8.55	8.80	9.07	9.34	9.62	9.91	10.20	10.20	10.20
	40.85	42.41	44.35	46.26	47.95	49.34	50.72	51.88	51.77	51.54
% increase		3.8%	4.6%	4.3%	3.7%	2.9%	2.8%	2.3%	-0.2%	-0.4%

Year	1	2	3	4	5	6	7	8	9	10
	Forecast									
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>
ilities, Non-cor	\$ 10.43	\$ 11.91	\$ 12.27	\$ 12.64	\$ 13.02	\$ 13.41	\$ 13.81	\$ 14.22	\$ 14.08	\$ 13.94
	1.48	0.36	0.37	0.38	0.39	0.40	0.41	(0.14)	(0.14)	0.56
	-	-	-	-	-	-	-	-	-	-
	1.48	0.36	0.37	0.38	0.39	0.40	0.41	(0.14)	(0.14)	0.56
hange	74.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	-1.0%	-1.0%	4.0%
	\$ 11.913	\$ 12.27	\$ 12.64	\$ 13.02	\$ 13.41	\$ 13.81	\$ 14.22	\$ 14.08	\$ 13.94	\$ 14.50
	\$ 5.16	\$ 5.29	\$ 5.45	\$ 5.62	\$ 5.78	\$ 5.76	\$ 5.73	\$ 5.90	\$ 5.78	\$ 5.67
	0.13	0.16	0.16	0.17	0.17	0.17	0.17	(0.12)	(0.12)	0.23
	-	-	-	-	(0.20)	(0.20)	-	-	-	-
	0.13	0.16	0.16	0.17	(0.03)	(0.03)	0.17	(0.12)	(0.12)	0.23
hange	2.6%	3.0%	3.0%	3.0%	-0.5%	-0.5%	3.0%	-2.0%	-2.0%	4.0%
	\$ 5.293	\$ 5.45	\$ 5.62	\$ 5.78	\$ 5.76	\$ 5.73	\$ 5.90	\$ 5.78	\$ 5.67	\$ 5.89
Other	\$ 2.54	\$ 2.55	\$ 2.63	\$ 2.70	\$ 2.79	\$ 2.87	\$ 2.95	\$ 3.04	\$ 3.01	\$ 2.98
	0.01	0.08	0.08	0.08	0.08	0.09	0.09	-0.03	-0.03	0.12
	-	-	-	-	-	-	-	-	-	-
	0.01	0.08	0.08	0.08	0.08	0.09	0.09	(0.03)	(0.03)	0.12
hange	0.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	-1.0%	-1.0%	4.0%
	\$ 2.549	\$ 2.63	\$ 2.70	\$ 2.79	\$ 2.87	\$ 2.95	\$ 3.04	\$ 3.01	\$ 2.98	\$ 3.10
Subtotal	\$ 60.61	\$ 62.76	\$ 65.31	\$ 67.85	\$ 69.99	\$ 71.84	\$ 73.89	\$ 74.76	\$ 74.36	\$ 75.04
% increase	25.6%	3.6%	4.1%	3.9%	3.2%	2.6%	2.9%	1.2%	-0.5%	0.9%
unds	0.50	0.52	0.53	0.55	0.56	0.58	0.60	1.22	1.23	0.65
ating	2.83	2.91	3.00	3.09	3.19	3.28	3.38	3.48	3.48	3.48
	4.01		-	-	-	-	-	-	-	-

[illegible]

[illegible]

Downturn year	7.50		0	0	0	0
Downturn length	3.00					
Downturn severity	0.00	0	1	2	3	4
Recovery length	3.00	Budget	Forecast			
Recovery strength	6.25	2017-18	2018-19	2019-20	2020-21	2021-22

Property taxes (%)						
Mid-point	6.75	6.5	6.25	6	5.75	
Std. deviation	5					
Trend	-0.25					

Tax Revenue (\$ million)

Property Taxes (New Development)

*remove 21

ERAF	-1.13	-0.07	-0.09	-0.08
<i>Event 2</i>	0	0	0	0
<i>Event 3</i>	0	0	0	0
<i>Event 4</i>	0	0	0	0
<i>Event 5</i>	0	0	0	0
<i>Event 6</i>	0	0	0	0
<i>Event 7</i>	0	0	0	0
<i>Event 8</i>	0	0	0	0
<i>Event 9</i>	0	0	0	0
<i>Event 10</i>	0	0	0	0
Total property tax increase	-1.13	-0.07	-0.09	-0.08

ERAF history	14-15	15-16	16-17	17-18	18-19	19-20	20-21
Total amount	1.67	1.78	1.88	2.24	2.38	2.53	2.68
		6.3%	5.9%	18.9%	6.5%		
				10.7%			

0	0	0	1	1	0	0
5	6	7	8	9	10	11

<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2027-29</u>
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5.5	5.25	5	0	0	6.25	6.25
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nd half to make full ERAF removal

-0.08	-0.08	-0.08	-0.04	-0.01	-0.05	-0.10
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
-0.08	-0.08	-0.08	-0.04	-0.01	-0.05	-0.10

21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
2.84	2.99	3.15	3.31	3.31	3.31	3.51	3.73

Downturn year	7.5
Downturn length	3
Downturn severity	-5
Recovery length	3
Recovery strength	6

	0	1	2	3
Budget	Forecast			
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	

Sales tax trend

Mid-point	0.50	0.4	0.3	0.2
Std. deviation	2			
Trend	-0.10			

New Sales Tax

New restaurants	0	0	0
Event 2	0	0	0
Event 3	0	0	0
Event 4	0	0	0
Event 5	0	0	0
Event 6	0	0	0
Event 7	0	0	0
Event 8	0	0	0
Event 9	0	0	0
Event 10	0	0	0
Total New Sales Tax increase	0	0	0

Sales tax behavior is the base for UUT and franchise fees

Downturn year	7.50
Downturn length	3.00
Downturn severity	-4.00
Recovery length	3.00
Recovery strength	4.00

	0	1	2
Budget	Forecast		
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	

TOT trend (% change)

Mid-point	3.00	3	3
Std. deviation	5.0000	0	0
Trend	0.00		

New Hotel TOT (\$ millions)

Hotel Nia/Gateway

Park James

Redroof Inn

Facebook DA

Facebook Hotel

Event 6

Event 7

Event 8

Event 9

Event 10

Total New Hotel TOT (\$ millions) increase

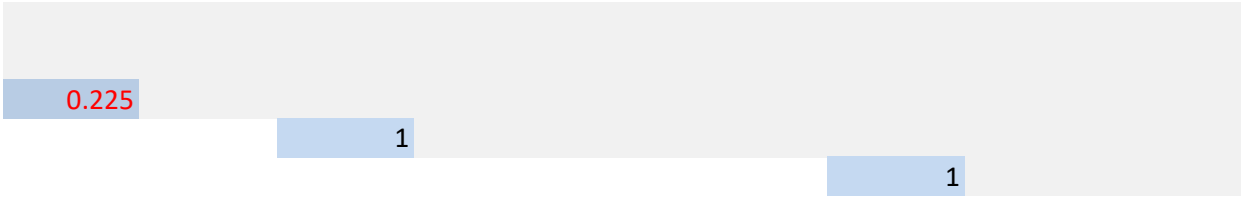
3	
0.75	
	0.225

3.75	0.225
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Nia, 85% occ, \$350	3257625
Nia, 66% occ, \$400	2890800
Nia, 72% occ, \$375	2956500
Park James \$500, 66% occ	867240
Park James \$300, 66% occ	520344

3	4	5	6	7	8	9	10	11
<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>

3	3	3	3	3	-4	-4	4	4
0	0	0	0	0	0	0	0	0



0.225	0	1	0	0	0	1	0	0
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3034975

Downturn year	7.50
Downturn length	3.00
Downturn severity	-3.00
Recovery length	3.00
Recovery strength	3.00

	0	1	2	3
Budget	Forecast			
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	

Utility user taxes trend

Mid-point	0.50	0.4	0.3	0.2
Std. deviation	2.00			
Trend	-0.10			

New UUT

Event 1	0	0	0
Event 2	0	0	0
Event 3	0	0	0
Event 4	0	0	0
Event 5	0	0	0
Event 6	0	0	0
Event 7	0	0	0
Event 8	0	0	0
Event 9	0	0	0
Event 10	0	0	0
Total New UUT increase	0	0	0

Downturn year	7.5
Downturn length	3
Downturn severity	-3.00
Recovery length	3
Recovery strength	3.00

	0	1	2	3	4
Budget	Forecast				
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	

Franchise fees

Mid-point	0.50	0.4	0.3	0.2	0.1
Std. deviation	2.00				
Trend	-0.10				

New franchise fees

Event 1	0	0	0	0
Event 2	0	0	0	0
Event 3	0	0	0	0
Event 4	0	0	0	0
Event 5	0	0	0	0
Event 6	0	0	0	0
Event 7	0	0	0	0
Event 8	0	0	0	0
Event 9	0	0	0	0
Event 10	0	0	0	0
Total New franchise fees increase	0	0	0	0

5 6 7 8 9 10 11

2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
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0	-0.1	-0.2	-3	-3	3	3
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[illegible]

Downturn year	7.5
Downturn length	3
Downturn severity	-3.00
Recovery length	3
Recovery strength	3.00

	0	1	2	3	4
Budget	Forecast				
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	

Licenses and permits

Mid-point	0.50	0.4	0.3	0.2	0.1
Std. deviation	2.00				
Trend	-0.10				

New licenses and permits

Master fee schedule update	0	0	0	0
Adjustment for economic downturn	0	0	0	0
Event 3	0	0	0	0
Event 4	0	0	0	0
Event 5	0	0	0	0
Event 6	0	0	0	0
Event 7	0	0	0	0
Event 8	0	0	0	0
Event 9	0	0	0	0
Event 10	0	0	0	0
Total New licenses and permits increase	0	0	0	0

5 6 7 8 9 10 11

2022-23 2023-24 2024-25 2025-26 2026-27 2027-28 2027-29

0	-0.1	-0.2	-3	-3	3	3
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0	0	0	0	0	0	0
0	0	0	-0.75	-0.75	0.5	0.5
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	-0.75	-0.75	0.5	0.5

Downturn year	7.5
Downturn length	3
Downturn severity	-3.00
Recovery length	3
Recovery strength	3.00

	0	1	2	3	4
Budget	Forecast				
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	

Intergovernmental revenue

Mid-point	0.50	0.4	0.3	0.2	0.1
Std. deviation	2.00				
Trend	-0.10				

New intergovernmental

Event 1	0	0	0	0
Event 2	0	0	0	0
Event 3	0	0	0	0
Event 4	0	0	0	0
Event 5	0	0	0	0
Event 6	0	0	0	0
Event 7	0	0	0	0
Event 8	0	0	0	0
Event 9	0	0	0	0
Event 10	0	0	0	0
Total New intergovernmental increase	0	0	0	0

5 6 7 8 9 10 11

2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
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0	-0.1	-0.2	-3	-3	3	3
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[illegible]

Downturn year	7.50
Downturn length	3.00
Downturn severity	-3.00
Recovery length	3.00
Recovery strength	3.00

	0	1	2	3	4
Budget	Forecast				
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	

Fines revenue

Mid-point	0.50	0.4	0.3	0.2	0.1
Std. deviation	2.00				
Trend	-0.10				

New fines

Event 1	0	0	0	0
Event 2	0	0	0	0
Event 3	0	0	0	0
Event 4	0	0	0	0
Event 5	0	0	0	0
Event 6	0	0	0	0
Event 7	0	0	0	0
Event 8	0	0	0	0
Event 9	0	0	0	0
Event 10	0	0	0	0
Total New fines increase	0	0	0	0

Downturn year	7.5
Downturn length	3
Downturn severity	-3.00
Recovery length	3
Recovery strength	3.00

	0	1	2	3	4
Budget	Forecast				
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	

Use of money revenue

Mid-point	0.50	0.4	0.3	0.2	0.1
Std. deviation	2.00				
Trend	-0.10				

New use of money

Event 1	0	0	0	0
Event 2	0	0	0	0
Event 3	0	0	0	0
Event 4	0	0	0	0
Event 5	0	0	0	0
Event 6	0	0	0	0
Event 7	0	0	0	0
Event 8	0	0	0	0
Event 9	0	0	0	0
Event 10	0	0	0	0
Total New use of money increase	0	0	0	0

5 6 7 8 9 10 11

2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
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0	-0.1	-0.2	-3	-3	3	3
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0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0 0 0 0 0 0 0

0	0	0	0	0	0	0
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Downturn year	7.5
Downturn length	3
Downturn severity	-3.00
Recovery length	3
Recovery strength	3.00

	0	1	2	3
Budget	Forecast			
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	

Charges for services trend

0.50	0.4	0.3	0.2
2.00			
-0.10			

New Charges for Services

Master fee schedule updates	0	0	0
Adjustment for economic downturn	0	0	0
Event 3	0	0	0
Event 4	0	0	0
Event 5	0	0	0
Event 6	0	0	0
Event 7	0	0	0
Event 8	0	0	0
Event 9	0	0	0
Event 10	0	0	0
Total New Charges for Services increase	0	0	0

4 5 6 7 8 9 10 11

2021-22 2022-23 2023-24 2024-25 2025-26 2026-27 2027-28 2028-29

0.1 0 -0.1 -0.2 -3 -3 3 3

0	0	0	0	0	0	0	1
0	0	0	0	-0.2	-0.2	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	-0.2	-0.2	0	1

	0	7.5
Downturn length		3
Downturn severity		-3.00
Recovery length		3
Recovery strength		3.00

	0	1	2	3
Budget	Forecast			
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	

Other

Mid-point	0.50	0.4	0.3	0.2
Std. deviation	2.00			
Trend	-0.10			

New other

Event 1	0	0	0
Event 2	0	0	0
Event 3	0	0	0
Event 4	0	0	0
Event 5	0	0	0
Event 6	0	0	0
Event 7	0	0	0
Event 8	0	0	0
Event 9	0	0	0
Event 10	0	0	0
Total New other increase	0	0	0

Downturn year	7.5
Downturn length	3
Downturn severity	
Recovery length	3
Recovery strength	

	0	1	2	3
Budget	Forecast			
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	

Personnel

Miscellaneous

	Mid-point	Std. deviation			
Trends	3	1	3	2.5	3

Events

Event 1	0.0	0.0	0.0
Event 2	0.0	0.0	0.0
Event 3	0.0	0.0	0.0
Event 4	0.0	0.0	0.0
Event 5	0.0	0.0	0.0
Event 6	0.0	0.0	0.0
Event 7	0.0	0.0	0.0
Event 8	0.0	0.0	0.0

Library staffing yr 2 0.0 0.19096 0.0

Attrition 0.0

Vacancy factor -0.88775

Total events -0.888 0.191 0.000

Safety

Trends

	Mid-point	Std. deviation			
	3	1	3	3	3

Events

Beat 4 transferred to City

Event 2

Event 3

Event 4

Event 5

Event 6

Event 7

Event 8

Event 9

Vacancy factor -0.43725

Total events -0.43725 0 0

Non-pensionable salary/wages

Miscellaneous employees

UAL amount	1,853,764	2,246,912	2,698,000	3,494,000
Normal percentage	9.485	9.485	10	10.9
UAL as percentage	12.218	22.2	24.8	27.3

Employee cost share		-2.9265	-7.9175	-9.475	-11.175
Net rate		18.7765	23.7675	25.325	27.025
Safety employees					
<i>Tier 1</i>					
UAL amount		1,022,105	1,347,451	1,677,000	1,925,000
Normal percentage		19.723	20.556	21.4	23.2
UAL as percentage		17.783			
Employee addl contrib		-3	-3	-3	-3
<i>Tier 2</i>					
UAL amount		-	2,347	2,600	3,400
Normal percentage		16.842	17.614	18.4	19.9
UAL as percentage		0	0.577		
Employee addl contrib		-3	-3	-3	-3
<i>PEPRA</i>					
UAL amount		1,435	2,037	2,200	2,800
Normal percentage		11.99	12.141	12.4	13.1
UAL as percentage		0.666			
Safety UAL total		1,023,540	1,351,835	1,681,800	1,931,200
	Factor				
Misc general fund UAL	0.798	1,479,304	1,793,036	2,153,004	2,788,212

4	5	6	7	8	9	10	11
<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>

3	3	3	3	3	0	0	0
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0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		-0.190	-0.194	-0.198	-0.202	-0.200	-0.198
0.000	0.000	-0.190	-0.194	-0.198	-0.202	-0.200	-0.198

3	3	3	3	3	0	0	0
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1.078

0	0	0	0	0	0	0	0
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3,865,000	4,127,000	4,352,000	4,352,000	4,352,000	4,352,000	4,352,000	4,352,000
10.9	10.9	10.9	10.9	10.9	10.9	10.9	11.9
29.1	31.1	31.6	31.6	31.6	31.6	31.6	31.6

-12.075	-13.075	-13.325	-13.325	-13.325	-13.325	-13.325	-13.825
27.925	28.925	29.175	29.175	29.175	29.175	29.175	29.675

2,234,000	2,500,000	2,681,000	2,834,000	2,834,000	2,834,000	2,834,000	2,834,000
23.2	23.2	23.2	23.2	23.2	23.2	23.2	23.2

-3	-3	-3	-3	-3	-3	-3	-3
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4,300	5,200	6,200	7,000	7,000	7,000	7,000	7,000
19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9

-3	-3	-3	-3	-3	-3	-3	-3
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3,400	4,000	4,700	5,200	5,200	5,200	5,200	5,200
13.1	13.1	13.1	13.1	13.1	13.1	13.1	13.1

2,241,700	2,509,200	2,691,900	2,846,200	2,846,200	2,846,200	2,846,200	2,846,200
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3,084,270	3,293,346	3,472,896	3,472,896	3,472,896	3,472,896	3,472,896	3,472,896
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Downturn year	7.50
Downturn length	3.00
Downturn severity	-1.00
Recovery length	3.00
Recovery strength	4.00

	0	1	2	3
Budget	Forecast			
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	

Operating expenses, utilities, non-contract services

Mid-point	Std. deviation			
3.00	2.00	3.00	3.00	3.00
	0.00	0	0	0

New operating expenses

Event 1	0	0	0
Event 2	0	0	0
Event 3	0	0	0
Event 4	0	0	0
Event 5	0	0	0
Event 6	0	0	0
Event 7	0	0	0
Event 8	0	0	0
Event 9	0	0	0
Event 10	0	0	0

Total operating expense increase	0	0.00	0.00
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Downturn year	7.50
Downturn length	3.00
Downturn severity	-2.00
Recovery length	3.00
Recovery strength	4.00

Contract services trend

Mid-point	Std. deviation			
3.00	2.00	3.00	3.00	3.00
	0.00	0	0	0

Trend

New contract services

Event 1	0	0	0
Event 2	0	0	0
Event 3	0	0	0
Event 4	0	0	0
Event 5	0	0	0
Event 6	0	0	0
Event 7	0	0	0
Event 8	0	0	0

Event 9	0	0	0
Event 10	0	0	0
Total contract service increase	0	0	0

Downturn year	7.50
Downturn length	3.00
Downturn severity	-1.00
Recovery length	3.00
Recovery strength	4.00

Fixed assets, projects, other trend	Mid-point	Std. deviation			
	3.00	2.00	3.00	3.00	3.00
Trend		0.00	0	0	0

New fixed assets, projects, other			
Event 1	0	0	0
Event 2	0	0	0
Event 3	0	0	0
Event 4	0	0	0
Event 5	0	0	0
Event 6	0	0	0
Event 7	0	0	0
Event 8	0	0	0
Event 9	0	0	0
Event 10	0	0	0
Total fixed assets, projects, other increase	0	0	0

4

5

6

7

8

9

10

11

2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
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3.00	3.00	3.00	3.00	-1.00	-1.00	4.00	4.00
0	0	0	0	0	0	0	0

	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	0.00	0.00	0.00	0.00	0.00	0.00	0.00

3.00	3.00	3.00	3.00	-2.00	-2.00	4.00	4.00
0	0	0	0	0	0	0	0

[illegible]

