



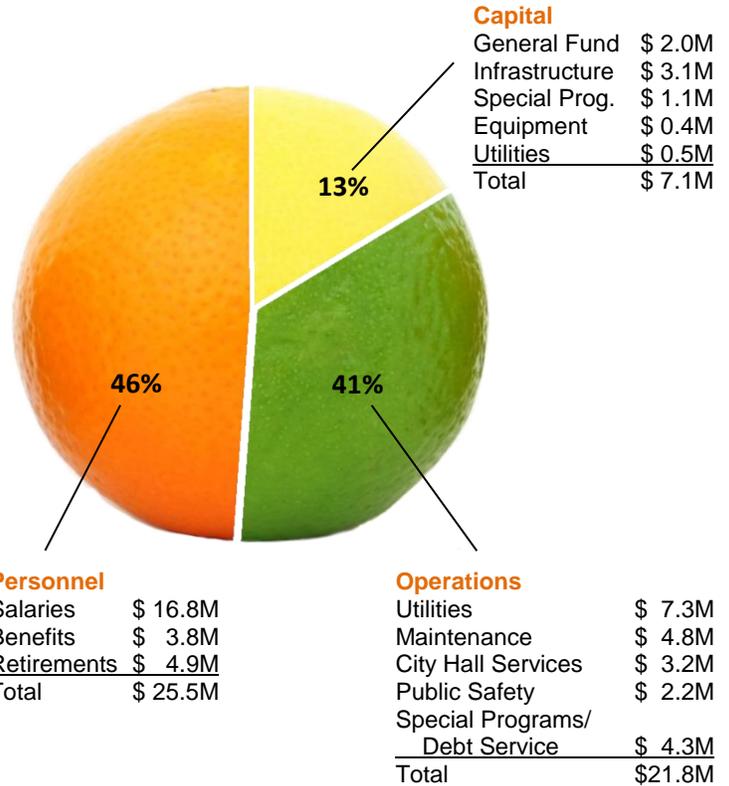
The Budget in Brief

Summary

Overall the 2016-17 budget has \$3.8 million more in funding requests than the prior year. While a majority of the increases are for expenses directed to restricted funding sources, the General Fund expenses will grow by \$600,000. The increases are attributed to multiple factors including increased personnel, increases in the city's costs for workers compensation and liability insurance. One action taken to help reduce expenses was the refinancing of a Pension Obligation Bond that will save the City \$200,000 a year in interest payments.

Collectively, the City's primary, reoccurring revenue sources (Sales Tax, Property Tax, Utility User Tax, and Vehicle Licensing Fee) are expected to increase by more than \$1 million. However, one time revenues will be down as no major development projects are anticipated to occur in the coming year. All this resulted in the Council being required to program a \$1.0 million from reserves to fulfill department needs. However, this did not result in a significant change in the current position of city's reserve balance.

While there were not sufficient resources to fulfill all of the departments' requests, the approved funding will enable the City to provide the variety and balance of services the community requires.



New in 2016-2017

Five Full-time Positions:

- (2) Police Aides
- Community Services Officer
- Administrative Clerk – Community Services
- Account Clerk – Finance

Major Projects:

- Bike Trail Improvements Design
- Upgrades to Compressed Natural Gas Station Facility at City Yard
- Improvements in Downtown and Mainiero Square
- Extension of Median on Fruit Street
- Storm Water MS4 Permit Compliance

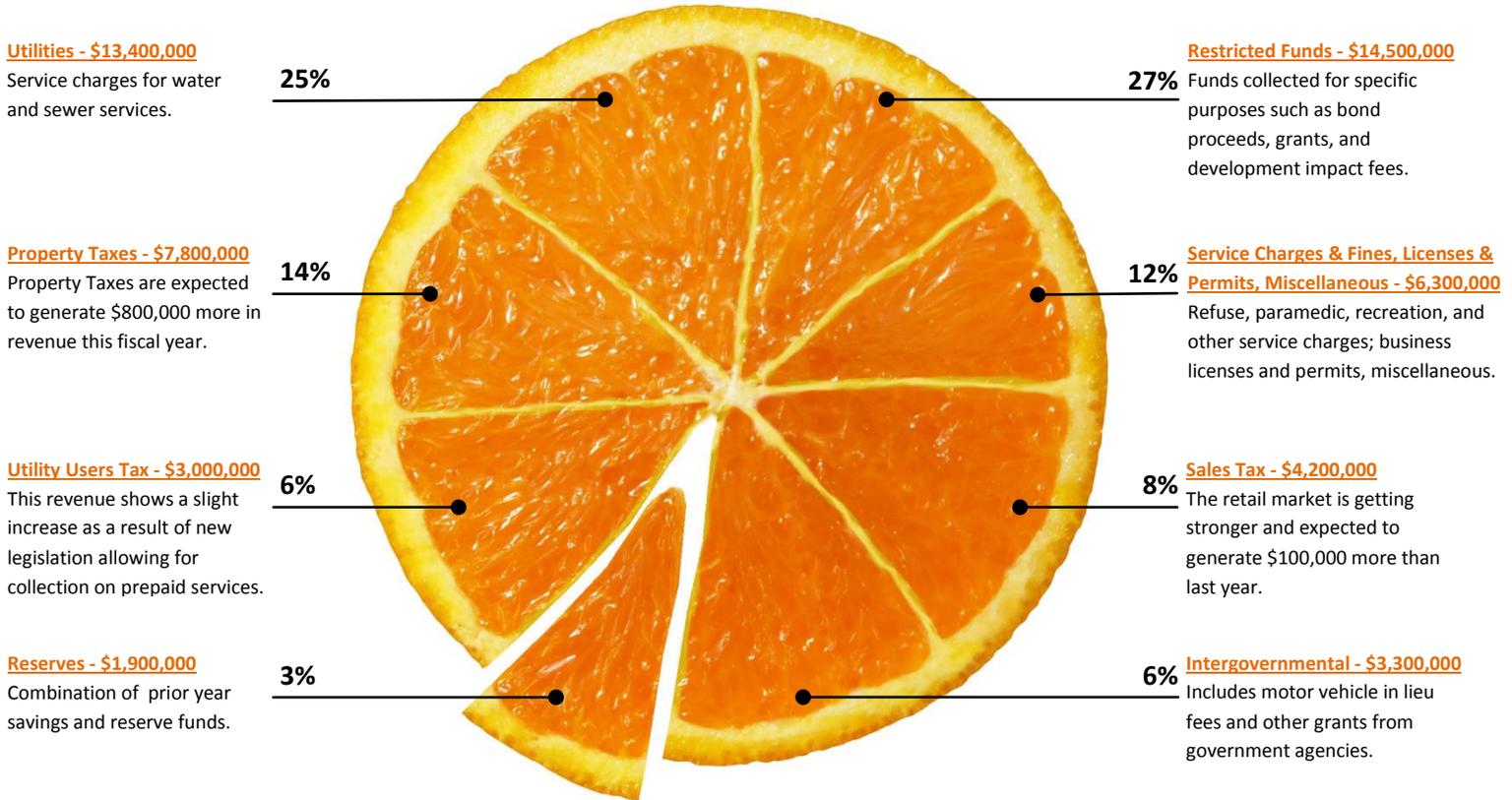
Looking Forward

Several indicators show La Verne continues to be in a time of expansion. These include: low vacancy rates on our Foothill Commercial Corridor with the pending approval of several significant users in most of the remaining larger spaces, growth of restaurant activities in Old Town, and the occupancy of several high end housing and business developments. Equally valuable are efforts being taken to take advantage of our future growth potential such as the council's decision to invest in the improvements related to the Gold Line extension and surrounding Transit Oriented Development. This growth is important as it increases the various revenue streams so that we can fund the services we provide.

Evidenced by this year's drastic reduction in building permit revenue, we cannot rely on one-time revenues to fund the current level of services. As such, this summer, the City Council and the City Manager's Office will be evaluating the feasibility and level of community support to enact a local tax increase intended to provide a stable revenue stream to deal with our operating deficit and unmet capital project needs. If responses are favorable, next March voters will be asked to consider a tax that would generate \$1 million annually to support these needs.

**Fiscal Year 2016-17 Total Budget
\$54,400,000**

Where It Comes From



How It's Spent



Reserve Fund Balances

General Reserves	\$ 11,500,000
Utilities	\$ 13,500,000
Public Safety	\$ 4,800,000
Special Programs	\$ 2,200,000
Capital & Equipment	\$ 10,800,000

