



# The Budget in Brief

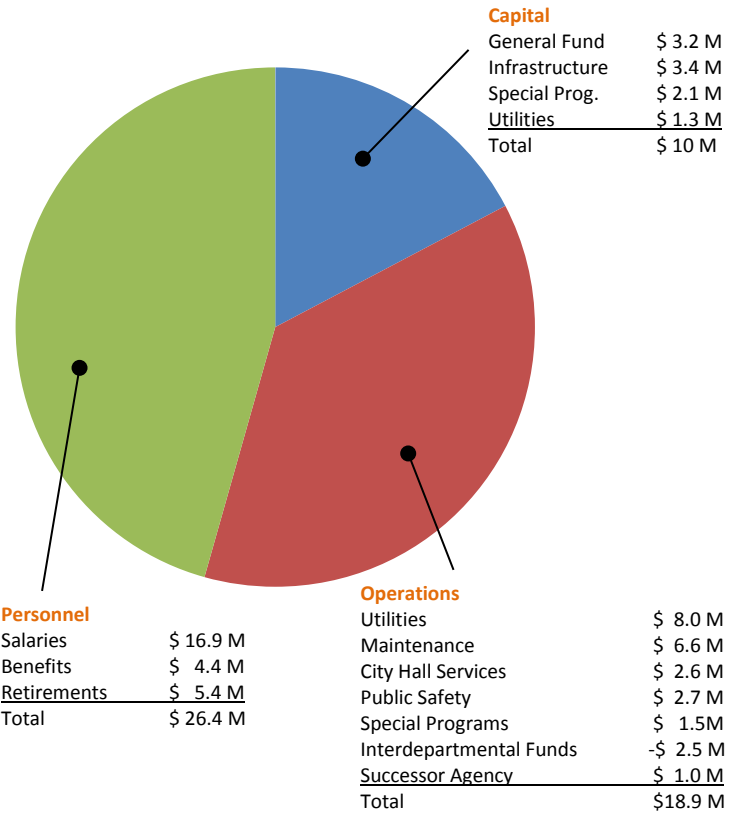
## Summary

The annual operating budget document serves as the City's monetary statement of program and service delivery. This document has been developed to provide a snapshot of the City's overall budget.

The City's 2017-18 budget represents just over \$56 million of expenditures across all funds. Expenses are up \$1.3M over the prior year with increases mainly centered on personnel costs. While the budget does not contemplate any increases in services, it does ensure maintaining the level of service our residents have come to expect.

Recurring revenues are expected to increase by more than \$1 million (1% growth pattern); however, a significant drop in Franchise Fees, Utility Users Tax, and revenue from parking citations is expected. The City Council and management team were careful to balance department requests around the City's existing means, but it was still necessary to reprogram \$850 of reserves to meet all anticipated expenses. However, this will not result in a significant change to the current position of the City's reserves balances.

In short this budget supplies each department with the resources they need to complete the operational objectives in providing the community a balance of services.



- Design work for new traffic signals
  - Wheeler/Puddingstone & White/Durward
- New medians on Foothill, Fruit St., & Wheeler
- Park shelters at Live Oak and Oak Mesa
- Bridge widening on Puddingstone at Wheeler
- New graffiti removal machine
- Purchase and LED retrofit streetlights
- Two street message boards
- Driver feedback signs for traffic concerns
- Security cameras for various park locations
- Teen Center design
- General Plan update
- Bicycle Trail improvements

## Looking Forward

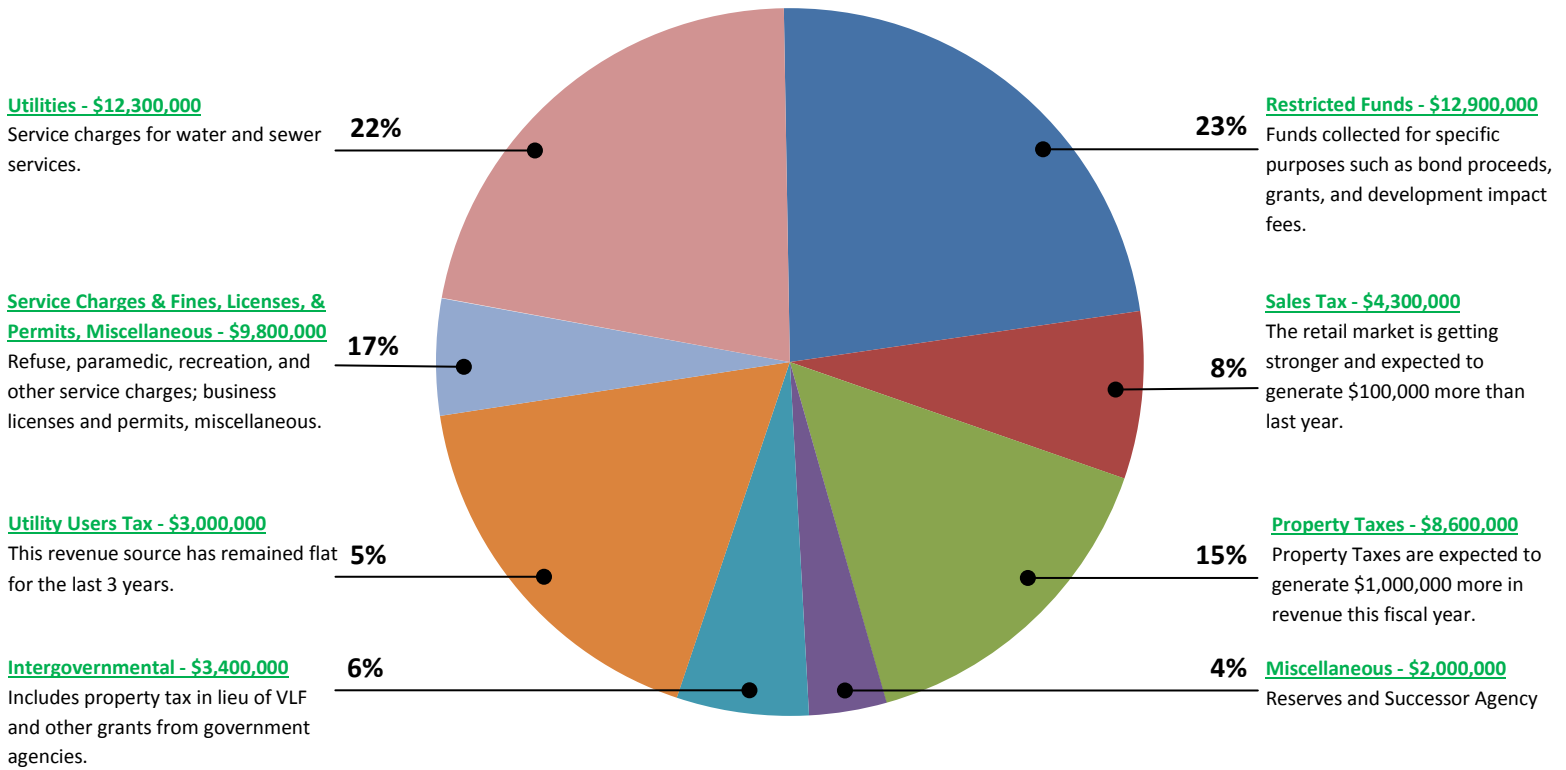
Since the start of the recession, we have been working to stay ahead of the growth in expenses and we believe that as a team we have done a remarkable job. Unfortunately, just as we start to gain momentum from the improved economy and started feeling like we were "over the hump", another hill is before us. The new challenge pertains to the cost of employee pensions. The California Public Employees' Retirement System (CALPERS) Board has continued to lower the projected return on investment. This will have a significant financial effect on all member agencies into the foreseeable future, and La Verne is no exception. The City Council will be concentrating their efforts on this matter at their 2018 Strategic Planning Session.

Fortunately, we have already laid the ground work towards that end. A Specific Plan for Transit Oriented Development centered on and around the Gold Line extension area of town will allow the City to issue bonds to create an accelerated path to entice private development and bring an underperforming area into productive use much sooner. The City will also be purchasing streetlights from Southern California Edison and converting them to LED technology which is expected to save the City approximately \$1.8M over 20 years.

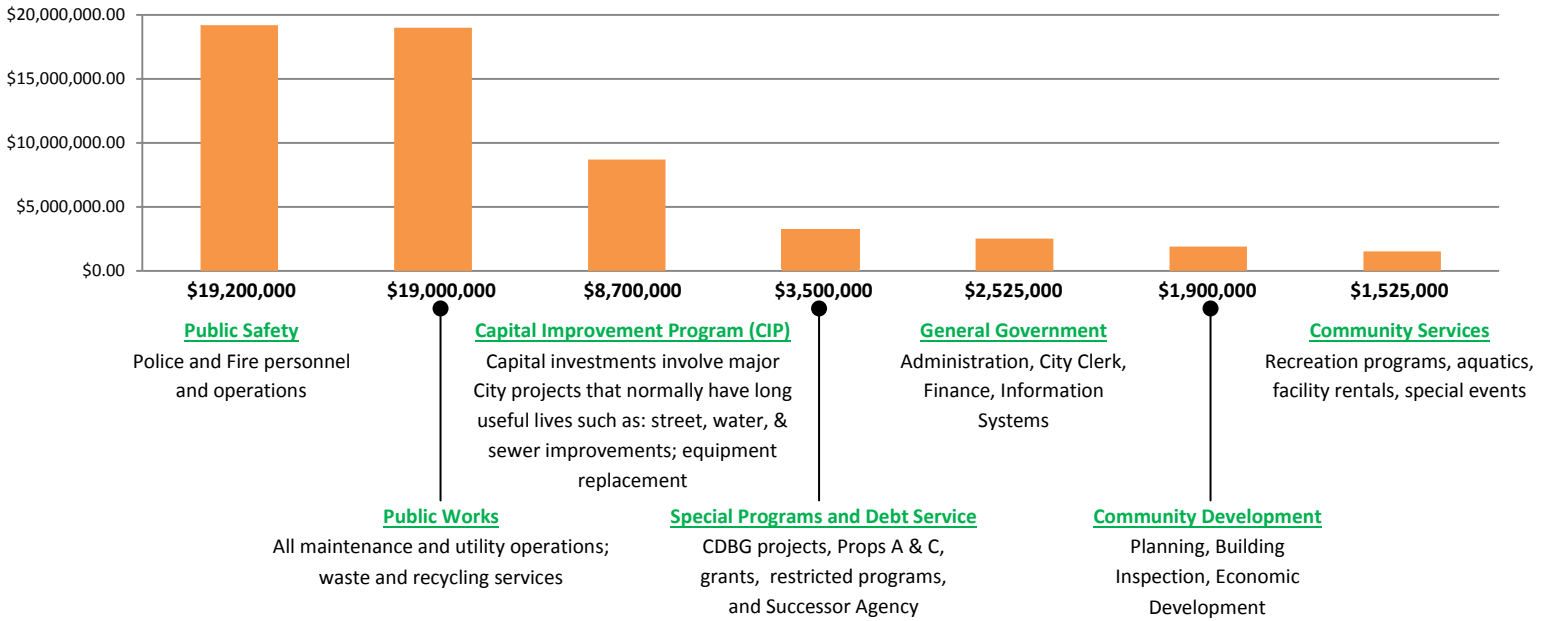
While the pension costs will guide a large part of our future financial decisions, it should be pointed out that revenue growth continues to be strong and steady. Median home values have surpassed their past highs and most revenues remain stable. We are fortunate to have a cohesive Council and management team that enable us to explore solutions in a constructive and effective manner. Although the 2017/18 budget does not contemplate any increases in services, it does ensure maintenance of the levels our residents have come to expect.

**Fiscal Year 2017-18 Total Budget  
\$56,300,000**

## WHERE IT COMES FROM



## HOW IT'S SPENT



<b>Reserve Fund Balances</b>	
General Reserves	\$11,400,000
Utilities	\$14,000,000
Public Safety	\$ 4,400,000
Special Programs	\$ 1,325,000
Capital & Equipment	\$12,875,000