

Measure 0-06  
(2006)

# City of Arroyo Grande Summary of Annual Budget and Future Funding Needs



**General Fund Appropriations**  
**\$12,553,346**

- ♦ Administration – 20%
- ♦ Police – 40%
- ♦ Fire & Building – 14%
- ♦ Public Works – 10%
- ♦ Parks & Recreation – 16%

**General Fund Revenues**  
**\$12,553,346**

- ♦ Sales Tax – 24%
- ♦ Property Tax – 44%
- ♦ Charges for Services – 7%
- ♦ Intergovernmental – 5%
- ♦ Transfers – 10%
- ♦ Other Taxes – 10%

**Citywide Appropriations**  
**Bi-Annually - \$38,540,730**

- ♦ Salaries & Benefits – 59%
- ♦ Operation Costs – 27%
- ♦ Replacement Equipment – 2%
- ♦ Debt Service – 2%
- ♦ CIP – 10%

### Highlights of City Financial Status

- The budget is balanced and service levels have been maintained despite financial challenges.
- The City has implemented a long-range financial plan to provide for better long-term decision making and planning.
- State and Federal funding impacts have particularly impacted the City's ability to meet future needs.
- The City has studied options to generate resources necessary to meet future needs and a local sales tax has been identified as the preferred option, but no formal proposal has been made.
- Efforts are underway to educate the community on projected needs and obtain feedback.

### City Efficiency Measures

- The City has restructured the fleet maintenance operation.
- The City has restructured City Hall office assistance functions.
- The City has reorganized the Code Enforcement Program.
- The City has restructured the Economic Development program.
- The City has contracted out custodial services.
- The City has controlled operating account costs.
- The City has achieved Worker's Compensation cost savings through the safety program.
- The City has negotiated a fiber network for cable franchise extension.
- The City has provided DARE services to Grover Beach under contract.
- The City provides joint Fire administration with Grover Beach.



### Future Needs (Annual Costs)

• Transportation Improvements	\$400,000 *
- Brisco – Halcyon /Highway 101 Interchange	
- E. Grand/W. Branch Street Intersection	
• Infrastructure	
- Street Improvements	\$275,000
- Drainage System and Creek Protection	\$250,000
• Public Safety	
- Police Station Expansion	\$150,000 *
- Fire Equipment	\$100,000 **
- Fire Staffing	\$100,000
• City Facilities and ADA Improvements	
- Upgrade of City Hall Complex	\$200,000 *
- ADA Improvements	\$50,000
<b>Total</b>	<b>\$1,525,000</b>

\* Annual debt service for 20 years  
\*\* Annual payment for 10 year lease purchase

### Advantages of Sales Tax

- It would generate an estimated \$1.4 million annually.
- The effort is being coordinated with other jurisdictions.
- Sales tax is currently lower than most cities in the State.
- The cost is shared by all those who utilize the City's infrastructure and services rather than placing the entire burden on property owners within the City.

