



MODESTO  
CALIFORNIA

www.modestogov.com

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# City Beat

CITY OF MODESTO

JULY 2015

## Fireworks Safety

It's that time of year again ... fireworks season! This year, in light of the especially dry conditions, fireworks safety is extremely important. The City of Modesto wants to remind you of the laws relating to the use of fireworks and the fines for violating those laws.

- All fireworks vendors in the City of Modesto must obtain a "Safe and Sane" fireworks sales permit from the City's Fire Official. (MMC 3-1.224)
- You must be 18 years or older to purchase fireworks. (MMC 3-1.224 (4)(2))
- It is unlawful to possess, store or discharge any fireworks other than "Safe and Sane" in the State of California (MMC 3-1.224 and 3-1.227 (b))
- It is unlawful to possess, sell, use or discharge "dangerous fireworks" in the City of Modesto. "Dangerous Fireworks" include firecrackers, skyrockets, roman candles, chasers, and other fireworks identified in California Health and Safety Code section 12505. (MMC 3-1.227 (b)). Each act constituting a violation of this code section may result in a \$1,000 fine.

## Water Conservation Tips

1. As a rule, water in 5-minute cycles.
2. Turn off automatic sprinklers when it rains; most automatic sprinkler systems have a rain delay mode or can be put in the "OFF" position without affecting the programming.
3. Put a layer of mulch around trees and plants; this slows evaporation of moisture and, as a bonus, discourages weed growth and soil erosion.
4. Check for leaking pipes and faucets; small leaks that are not repaired immediately can waste more than 5 gallons of water a day, or 2,500 gallons per year.
5. Check for toilet tank leaks; place a few drops of food coloring in your toilet tank, if you see the food coloring seep into the bowl, you have a leak.
6. Install low-flow shower heads; they can save up to eight gallons of water each minute the shower is used, or 4,800 gallons per person each year.
7. Turn off the water while brushing your teeth.
8. Wash only full loads in your washing machine.

For more information, please visit our website at:  
<http://www.modestogov.com/pwd/water/conservation>

## Water Conservation



- › Outdoor watering prohibited daily from 9:00 am – 7:00 pm
- › Odd-numbered addresses watering days are Wednesday and Sunday
- › Even-numbered addresses watering days are Tuesday and Saturday
- › No outdoor water use on Monday, Thursday and Friday
- › Hosing any outside areas is prohibited except for health/safety reasons



## Drought Stage II

### PENALTIES FOR WATER WASTE

- › First Violation: Courtesy Notice
- › Second Violation: \$150.00
- › Third Violation: \$250.00
- › Subsequent Violations: \$500.00

(209) 342-2246 • <http://www.modestogov.com/pwd/water/conservation> • <http://saveourwater.com>

**Mo-Gro Pro**  
Contents: Composted Yard Waste, Paper and Food Waste

Quality Organic Compost  
1 cu. ft. bags - \$3.25 (tax inc)  
Bulk sales- call for pricing

**Senior Citizens Center**  
Bag purchase available through November 20  
211 Bodem St.  
Monday: 10am-1pm  
Tues-Friday: 9am-1pm

**Modesto's Compost Facility**  
Bag or bulk purchase available all year round  
7001 Jennings Rd.  
571-5144  
Mon thru Fri 8am-3:30pm



### Proper Cleaning of Garbage Cans...

When you clean your garbage cans in your driveway or gutter the water eventually ends up in our City storm drains!

*So, what IS the proper way to clean and rinse your garbage cans?*

**Residential:** Find an unused space in your yard where you can rinse your garbage cans and empty the wash water onto a grassy area. The water will not harm the grass. Any solid material that may be washed out of the cans may be collected with a rake. Properly dispose of the waste in a paper or plastic bag and place it back into your garbage can.

**Businesses:** Contact your garbage hauler to exchange your dumpster for a clean one (NOTE: there will be a fee for this service). Restaurants should always double bag their garbage and clean spills with absorbent materials such as kitty litter or sand instead of hosing it into a storm drain. For more information, contact the City of Modesto at (209) 577-5493.



## R E C Y C L E

**What should you put In Your Green Can?**

- Grass
- Leaves
- Plants
- Weeds
- Clippings
- Brush
- Tree Limbs
- Food Scraps
- Fruits & Vegetables
- Paper Napkins
- Paper Towels
- Newspaper
- Junk Mail
- Magazines
- Phone Books
- Cardboard

**What should you NOT put In Your Green Can?**

- Garbage
- Plastic Bags
- Diapers
- Glass or Metal
- Plastics
- Styrofoam
- Dirt & Rocks
- Concrete or Asphalt
- Wood Scraps
- Wood Products
- Toxic Materials
- TVs or Computers
- Animal Waste
- Dead Animals

### Schedule Your Bulky Item Collection

City of Modesto Residents with 2-can garbage service are allowed 2 bulky item appointments per calendar year to dispose of items such as large appliances, furniture, bicycles, and mattresses.


Please call your garbage company to schedule your appointment.

**Bertolotti Disposal 537-8000**  
**Gilton Solid Waste 527-3781**


Items may only be placed out the night before the scheduled collection date. For a list of acceptable items, please visit our website at [www.modestogov.com/recycling/bulkitems.asp](http://www.modestogov.com/recycling/bulkitems.asp)

For more information on the program, or if you see items in the street for more than 2 days, please call the Solid Waste Office at 577-5494


## City of Modesto UTILITY BILLING Other ways to pay




**Pay by Phone**  
(209) 577-5395, Option 4



**Pay Online at**  
[www.modestogov.com](http://www.modestogov.com)



**Pay using your Mobile Device**  
Download the Mint Bills app TODAY!  
available on the Apple App Store®  
or Google Play



**Authorized Pay Station**  
List of authorized pay stations can be found on back of bill or online at:  
[www.gis.modestogov.com/paystations](http://www.gis.modestogov.com/paystations)

## Planning Ahead for the Challenges of Tomorrow

During the past year, the City of Modesto's Finance Department has worked with an independent consulting firm, Management Partners, to develop a 10-Year General Fund Forecast Model. This forecast will benefit the City in multiple ways and help its leadership do the following:

- ◆ Develop a detailed understanding of available funding.
- ◆ Assess the likelihood that services can be sustained.
- ◆ Assess the level at which capital investment can be made.
- ◆ Identify future commitments and resource demands and their impact on the General Fund.
- ◆ Identify key variables that cause changes in the level of revenue and expenditures through various forecast methodologies.

The 10-year Forecast will become a valuable tool in navigating the sea that is the City's future financial sustainability.

## 10-Year General Fund Forecast Model

FORECAST SUMMARY (\$ in Mil.)	Actual 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023
Property Tax	\$24.11	\$25.12	\$27.60	\$28.69	\$29.81	\$30.96	\$32.01	\$33.00	\$34.06	\$35.17
Sales Tax	27.65	28.30	30.05	31.26	32.51	33.82	35.16	36.54	37.94	39.36
Utility Users Tax	20.15	20.25	20.02	19.92	20.07	20.35	20.56	20.76	20.97	21.18
Other Taxes	17.02	16.65	16.75	16.12	16.42	16.74	17.04	17.15	17.25	17.36
Permits & Fees	12.33	12.75	13.53	13.93	14.27	14.59	14.94	15.23	15.54	15.86
Other Revenue/Tfrs In	11.75	5.73	5.64	5.66	5.65	5.64	5.63	5.62	5.62	5.62
<b>Total Revenues</b>	<b>113.01</b>	<b>108.80</b>	<b>113.59</b>	<b>115.58</b>	<b>118.73</b>	<b>122.10</b>	<b>125.34</b>	<b>128.30</b>	<b>131.39</b>	<b>134.56</b>
Salaries*	32.27	43.60	47.57	46.72	47.40	48.09	48.79	49.50	50.23	50.96
Overtime	2.57	2.02	4.07	4.07	4.07	4.07	4.07	4.07	4.07	4.07
Health/Dental/Vision	3.82	4.65	5.05	5.05	5.05	5.05	5.05	5.05	5.05	5.05
Pension*	7.33	14.16	15.61	17.39	19.31	20.34	21.76	22.05	21.99	22.32
Retiree Medical	0.55	2.89	2.03	1.72	1.75	1.80	1.84	1.82	1.83	1.83
Other Pay & Benefits*	4.48	11.68	11.52	11.88	12.13	12.39	12.65	12.92	13.20	13.49
Budget Adjustments	-	(1.38)	-	-	-	-	-	-	-	-
Vacancy Savings	-	(2.76)	-	(2.30)	(2.33)	(2.37)	(2.41)	(2.44)	(2.48)	(2.51)
Subtotal Personnel	51.03	74.87	85.85	84.52	87.37	89.36	91.76	92.97	93.89	95.20
Contract Services*	31.42	9.24	7.94	9.61	9.80	10.00	10.20	10.40	10.61	10.82
ISF Charges	6.71	6.32	6.10	6.57	6.71	6.84	6.98	7.12	7.26	7.40
Other Expense	11.56	12.29	15.14	14.20	14.48	14.77	15.07	15.37	15.68	15.99
Debt/Capital/Transfers Out	10.44	5.20	4.91	4.95	4.95	4.95	5.35	5.35	5.35	5.35
<b>Total Expense</b>	<b>111.15</b>	<b>107.92</b>	<b>119.94</b>	<b>119.86</b>	<b>123.31</b>	<b>125.92</b>	<b>129.35</b>	<b>131.21</b>	<b>132.79</b>	<b>134.77</b>
Net Annual Surplus (Shortfall)	1.86	0.88	(6.36)	(4.28)	(4.58)	(3.83)	(4.01)	(2.91)	(1.40)	(0.21)
CAFR Adjustments	1.28	-	-	-	-	-	-	-	-	-
Council Spending Priorities (2-10-15)	-	(5.17)	-	-	-	-	-	-	-	-
Adjustments to Address Deficit	-	-	6.36	-	-	-	-	-	-	-
Total Beginning Fund Balance	16.77	19.91	15.62	15.62	11.35	6.76	2.94	(1.07)	(3.98)	(5.38)
Total Ending Fund Balance	19.91	15.62	15.62	11.35	6.76	2.94	(1.07)	(3.98)	(5.38)	(5.59)
Nonspendable/Restricted	4.84	4.84	4.34	4.34	4.34	4.34	4.34	4.34	4.34	4.34
Emergency/LOC Reserve	10.00	10.00	10.00	10.00	7.00	7.00	7.00	7.00	7.00	7.00
<b>Unassigned Balance</b>	<b>5.07</b>	<b>0.78</b>	<b>1.28</b>	<b>(2.99)</b>	<b>(4.58)</b>	<b>(8.40)</b>	<b>(12.41)</b>	<b>(15.32)</b>	<b>(16.72)</b>	<b>(16.93)</b>
Res+Bal % of Total Expense	13.6%	10.0%	9.4%	5.8%	2.0%	(1.1%)	(4.2%)	(6.3%)	(7.3%)	(7.4%)

\*In FY 2014, the Modesto Regional Fire Authority was a contract between the City of Modesto and other local jurisdictions for Fire Services. This shows up as a cost in Contract Services of \$24.1 M. Because fire services were provided by MRFA in FY 2014 through a contract, other City expenses such as Salaries, Pension, and Other Pay & Benefits were lower in FY 2014 than FY 2015. FY 2015 costs in these areas increased for the City while Contract Services decreased because this is the year that the City of Modesto brought back the Fire Department as a City expense after the dissolution of MRFA.

Major Revenue Assumptions:  
Average Propert Tax Growth Rate of 3.5%  
Average Sales Tax Growth Rate of 3.9%

Increases from FY2014 to 2015 in Salaries Pension and Retiree Medical mostly were due to bringing the Fire Department back into the City.

Revenues show a marginal increase over the forecast, but they are not enough to improve services. The net annual surplus line shows a continual budget challenge as we move ahead.

## our community matters



july 2015

## Is Modesto Recovering Financially?

In Fiscal Year 2014-15, the budget for the City of Modesto was structurally balanced for the first time in recent decades. This began a movement towards "Fiscal Sustainability" which builds its basis around the concepts of financial transparency, long-term financial planning, and prudent investment/spending in services and improvements for the City of Modesto.

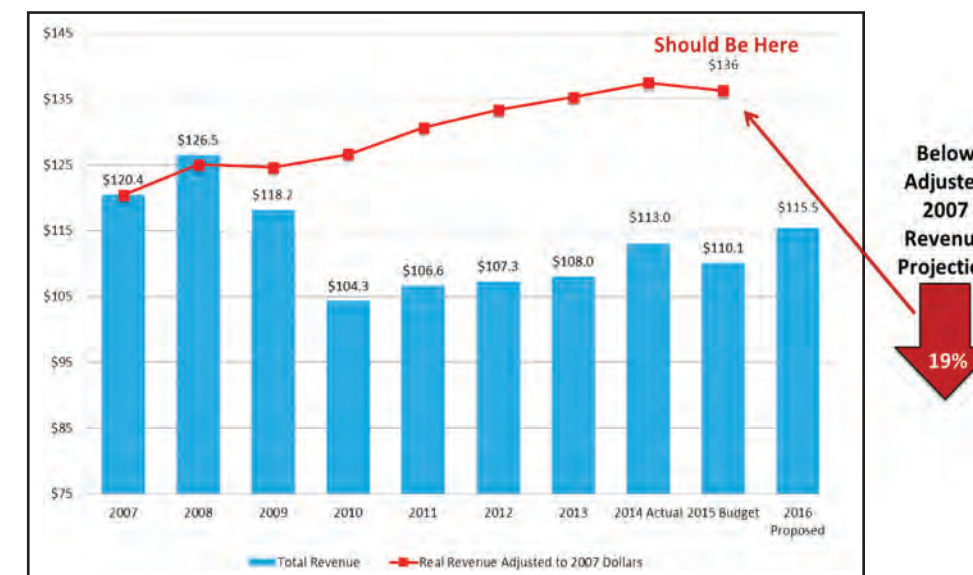
As a City, we persevered through the recent "Great Recession" by making strategic reductions across a number of areas that affected the lives of each and every citizen. Such fiscal prudence during the recession allowed the City of Modesto to maintain a certain level of services for its citizens. Unfortunately, while that level



of service has been sufficient, it has not been ideal.

Creating a budget for the City of Modesto has gone beyond looking at one year at a time. This year, the City began using a 10 Year General Fund Forecast Model to develop a better understanding of available funding in the out-years. The City will use the model to evaluate the impacts of current commitments on future funds.

## Total General Fund Revenues (in Millions)



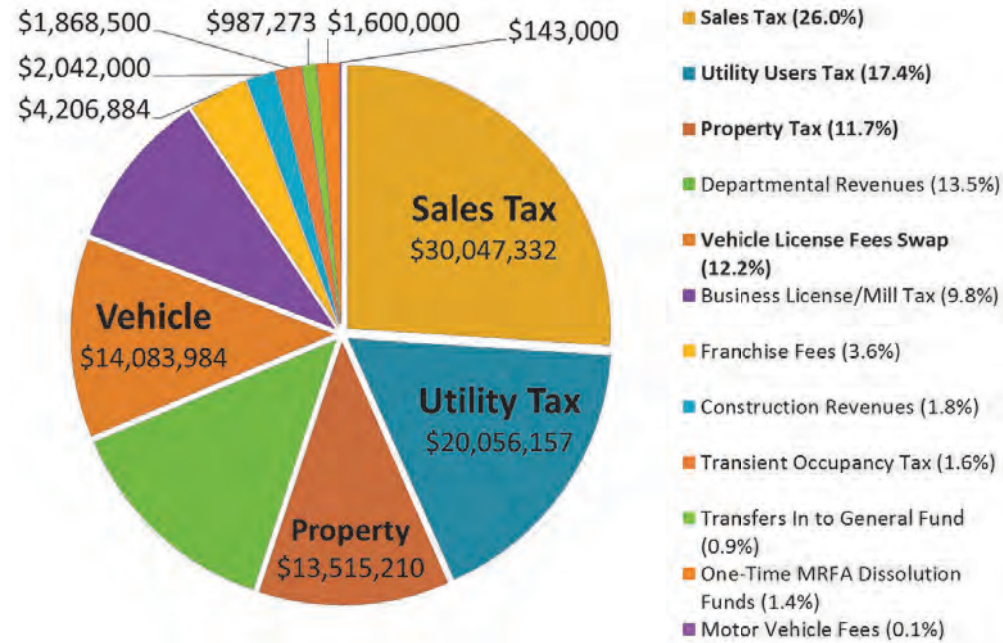
Within this newsletter you will find information about the Fiscal Year 2015-16 General Fund Operating Budget that was adopted by Council in June. This budget reflects a balanced budget. While there are some positives that can be seen in terms of modest revenue growth in certain areas, there are still many challenges that need to be addressed in the near future to improve City services from sufficient to ideal.

## General Fund Revenues and Expenses

### Points on Revenues

- Revenues continue to grow nominally for the City of Modesto.
- Increases have been accounted for in various major revenue areas such as Sales Tax, Property Tax, and Business License/Mill Tax.
- Over 67% of the total General Fund revenue is made up of resident driven taxes.

FY 2015-16 Proposed General Fund Revenue Budget



**\$1 in sales tax... where does it go?**



85¢ to the State of California  
 10¢ to the City of Modesto  
 3¢ to the County Local Transportation Fund  
 2¢ to the Stanislaus County Libraries

### The History Behind the City's Sales Tax Rate

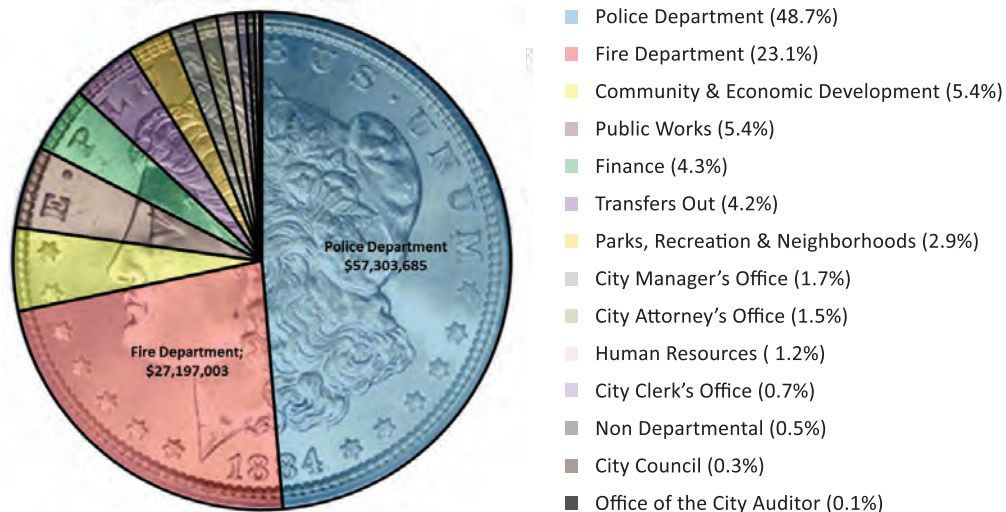
The current sales tax rate in the City of Modesto is 7.625%. The rate increased on January 1, 2013 due to the passing of Proposition 30. Proposition 30 raised the state's sales tax by 0.25% to 7.5%. The additional funding from the passage of Proposition 30 became available to the state to fund programs in the state budget helping to prevent spending reductions in education programs in fiscal year 2012-13. The 0.125% difference between the state's sales tax rate of 7.5% and the City of Modesto's sales tax rate of 7.625% goes to the Stanislaus County Library system. It was a transaction and use tax that came into effect in 1995 and was maintained by vote through the passing of Measure T during the June 2012 Election.



### Where do your Tax Dollars Go?

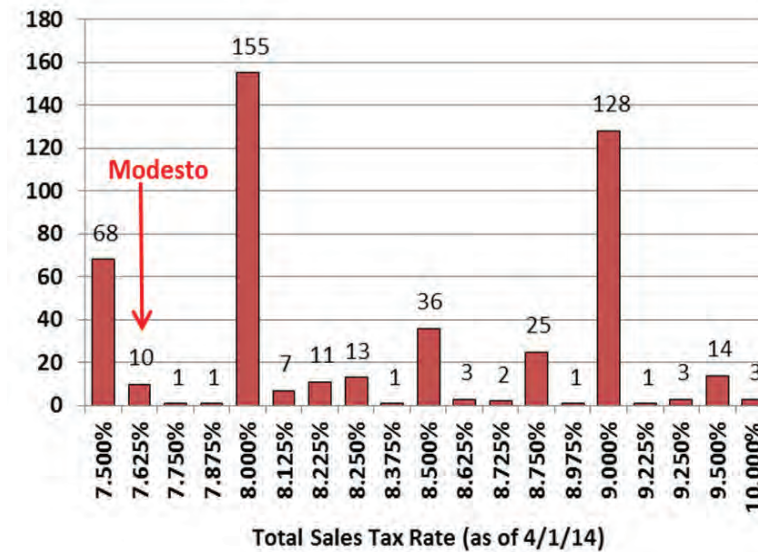
Nearly 72% of the General Fund operating expenses are used to pay for Public Safety Services which have a total proposed expense budget of \$85.4 M in FY 2015-16. If we take into account the main resident driven taxes such as Sales Tax, Property Tax (inclusive of the VLF Swap), and Utility Users Tax, the proposed total for FY 2015-16 (\$77.7 M) would not be enough to fund public safety service alone.

### FY 2015-16 Proposed General Fund Expense Budget by Department



In FY 2015-16 the total Mayor's Proposed General Fund Budget is \$117.8 million prior to the 3% Vacancy Rate which results in savings of approximately \$2.3 million. The pie chart on the left clearly shows the breakdown of department expense budgets as a percentage of total General Fund dollars.

### Benchmark Comparison - Sales Tax



Graph provided by: Management Partners

