



CITY OF ENCINITAS

News Release

Media Contact: Chancelor Shay
(W)right On Communications
(858) 755-5411 ex. 5
Cshay@wrightoncomm.com

FOR IMMEDIATE RELEASE

City of Encinitas Finances Finish Strong for Fiscal Year 2015-16

ENCINITAS, Calif.; October 31, 2016 – The City of Encinitas closed fiscal year 2015-16 with an ending General Fund balance that was \$4.4 million higher than anticipated. The favorable budget outcome was the result of increased revenue from property taxes due to solid growth in property values. Revenue collected from sales and transient occupancy taxes also exceeded projections for the fiscal year. Additionally, expenditures fell \$2.4 million below projections primarily due to personnel cost savings and lower than anticipated expenditures for contract services. A significant portion on the cost savings were the result of the City Council approving its Work Plan that utilized contractual services to backfill for staff working on work plan projects. A comprehensive list of these projects can be found on the City’s website, <http://www.encinitasca.gov/>, under the City Projects tab, or directly at the following link: [City of Encinitas Work Program for Fiscal Years 2015-16 and 2016-17](#).

The positive financial results affirm the City’s commitment to maintaining financial health through the efficient allocation of resources. Reserves in the General Fund for contingencies and revenue stabilization are fully funded and total \$13.2 million. The contingency reserve is to be used as a last resort in an emergency, while the revenue reserve (otherwise known as the budget stabilization reserve) is intended to guard against recessionary impacts to revenues and protect service levels during difficult fiscal times. The City has not needed to tap into either reserve since their inception. The General Fund balance that is available for City Council appropriation totals \$7.6 million, after providing the necessary funding for these reserves and accounting for appropriations made in the current fiscal year 2016-17 budget.

\$25 million has been committed and unspent on approved capital projects as of June 30, 2016. An additional \$22.8 million was budgeted for existing and new projects in the current fiscal year, bringing the total fund balance for capital projects to approximately \$48 million.

Major capital projects funded in the fiscal year 2016-17 budget include full funding for phase 1 of the North Highway 101 Streetscape project totaling \$8.1 million; \$3.8 million for street overlay; \$3.7 million for a new lifeguard headquarters at Moonlight Beach; \$2.7 million for the design and development of a

neighborhood park at Pireaus St. and Olympus St.; \$2.5 million for a pedestrian at-grade railroad crossing at Montgomery Ave.; and \$905,000 for safe routes to school improvements in the Cardiff Unified, San Dieguito Union, and Encinitas Union school districts.

A complete list of capital projects funded in the six year financial plan is available on the City's website: <http://www.encinitasca.gov/>.

Residents may also view and analyze the City's prior year's financial results and current annual budget using OpenGov, a web based application that makes the City's finances more easily accessible and understandable to the public. This tool can be found at <http://EncinitasCA.OpenGov.com>.

For more on the City of Encinitas, visit www.encinitasca.gov.

About City of Encinitas

Located along six miles of Pacific coastline in northern San Diego County, Encinitas has an approximate population of 60,000 and is characterized by coastal beaches, cliffs, flat-topped coastal areas, steep mesa bluffs and rolling hills. Our city was incorporated in 1986, drawing together the communities of New Encinitas, Old Encinitas, Cardiff-by-the-Sea, Olivenhain and Leucadia.

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