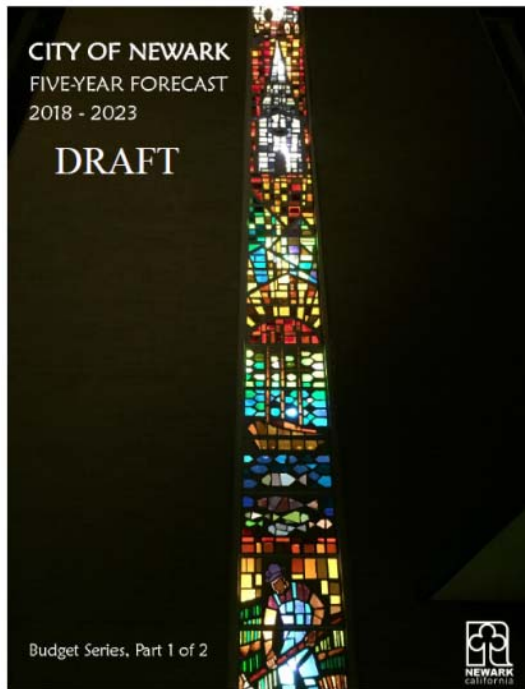


City of Newark

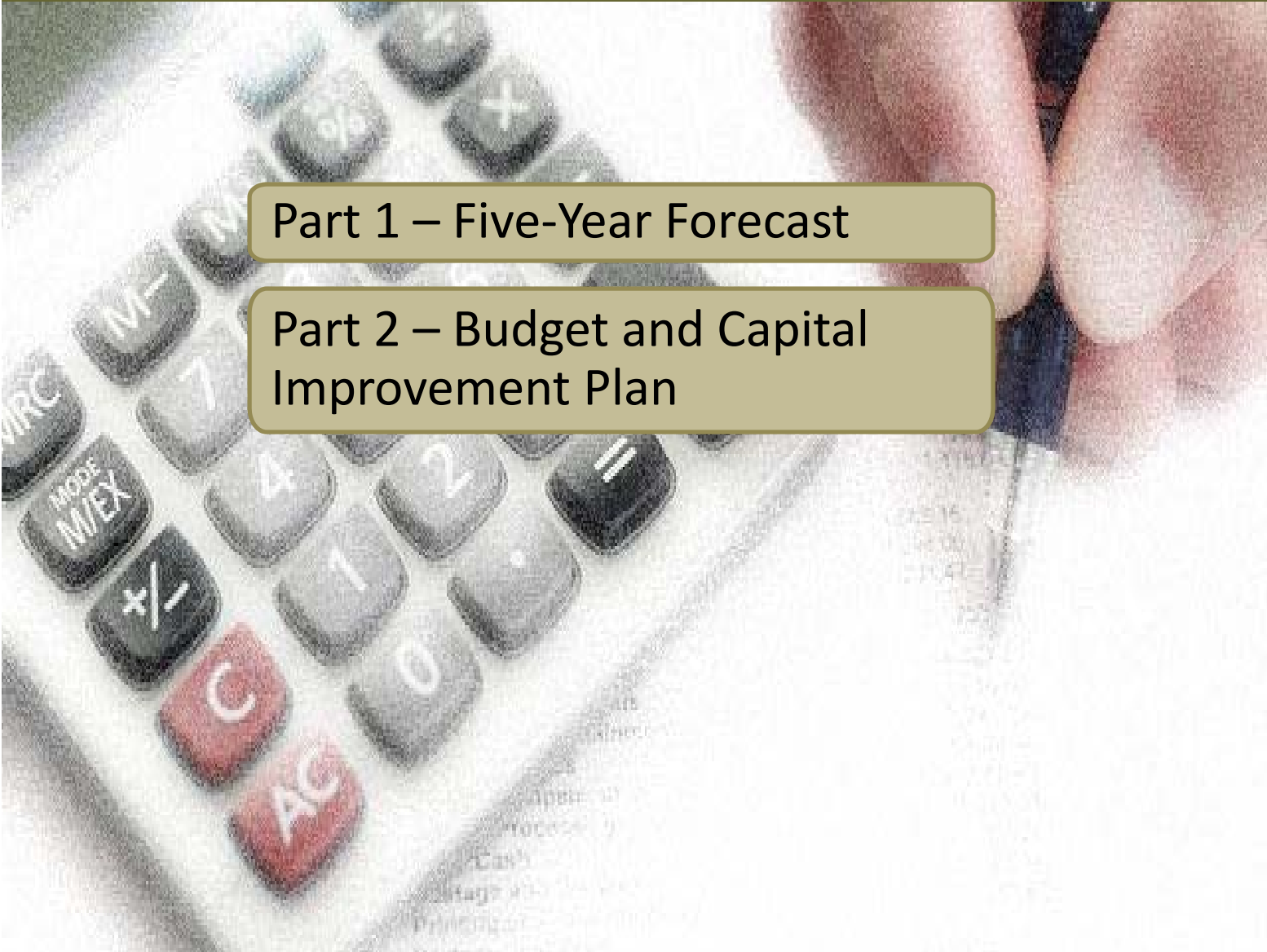


Draft 5-Year Forecast

2018-2020 Biennial Budget

March 22, 2018

Budget Documents



Part 1 – Five-Year Forecast

Part 2 – Budget and Capital
Improvement Plan

Development Forecast

Area-Wide Development Forecast

2018 Silicon Valley Index

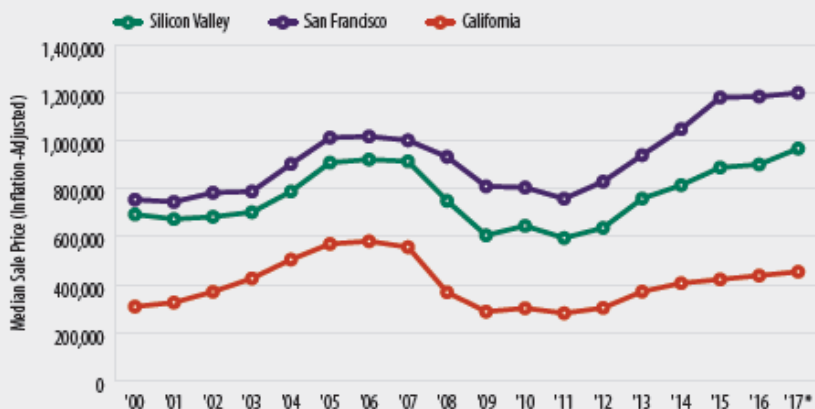
Job Growth/Venture Capital Investments

Traffic Congestion

High Housing Costs



Trends in Home Sales
Median Home Sale Prices
Santa Clara & San Mateo Counties, San Francisco, and California



Development Forecast

Local Trends

Residential Growth

Hospitality Growth

Retail projected to be weak

Recent commercial additions



Economic Forecast

National

Continued Slow, Steady Growth

GDP

Concern for growing debt

Stock Market/Geopolitical

State

Governor's Budget – Mild recession difficult for CA

Pension Concerns



Economic Forecast

Newark Specific Economic Trends

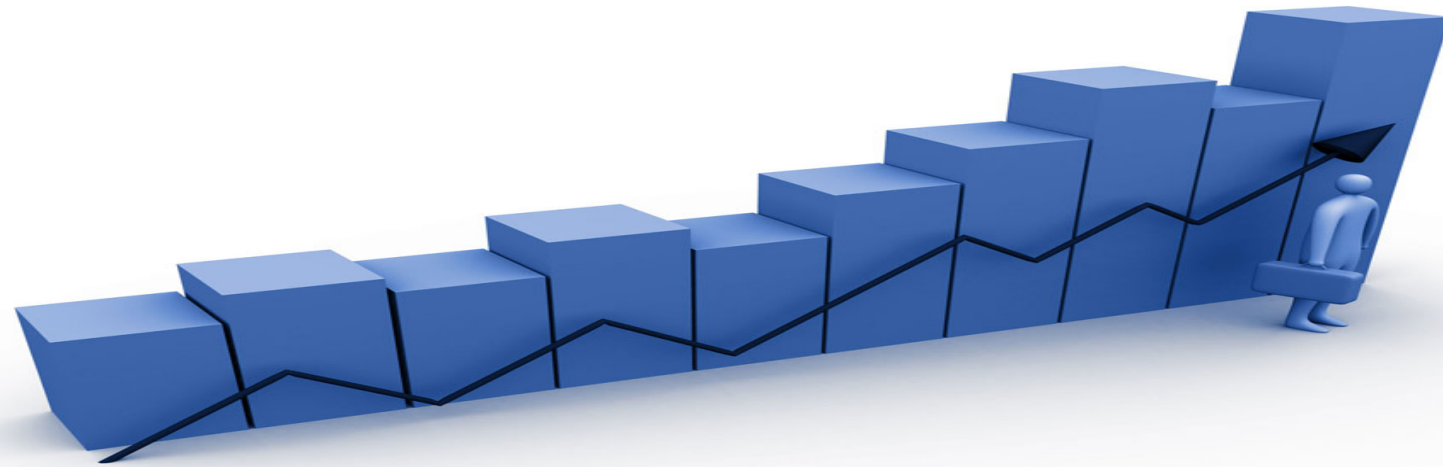
7.5 to -2.3% Revenue Growth

Property Tax – 12%, 10%

TOT – Additional Hotels

Sales Tax – 5% per year

UUT – December 2020



Financial Forecast

In Millions	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Revenue	58.7	63.1	67.1	69.0	67.5
Expenditures	53.8	57.6	59.1	62.2	63.4
Transfer to Civic Center Project	-4.2	-4.4	-4.6	-4.8	-4.9
Surplus:	0.7	1.1	3.4	2.1	-0.9

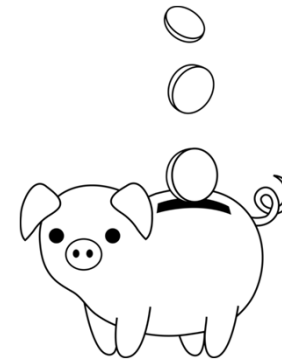
Other financial issues

Enterprise Fund Budgeting

Pensions Costs

Level of Reserves

Budget Policies



Balanced and conservative

Continue existing services

Reserve levels for uncertainties

Support the Strategic Plan

Strategic Plan

Critical Issues

Strategies

Action items

- I. Public Safety Services
- II. Education
- III. Quality of Life
- IV. Community Development
- V. City Government Operations

Strategic Plan- Action Items

I. Public Safety Services

I.A. Continue to serve and protect based on a community-oriented policing philosophy.

1.A.8 Police and Fire will continue to attend community functions such as National Night Out, Family Day at the Park, and Ash Street Summer Program in an effort to maintain a close relationship with citizens.



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Strategic Plan- Action Items

II. Education

II.B. Offer meaningful, educational, intergenerational, and cultural programs through the Recreation and Community Services Department.

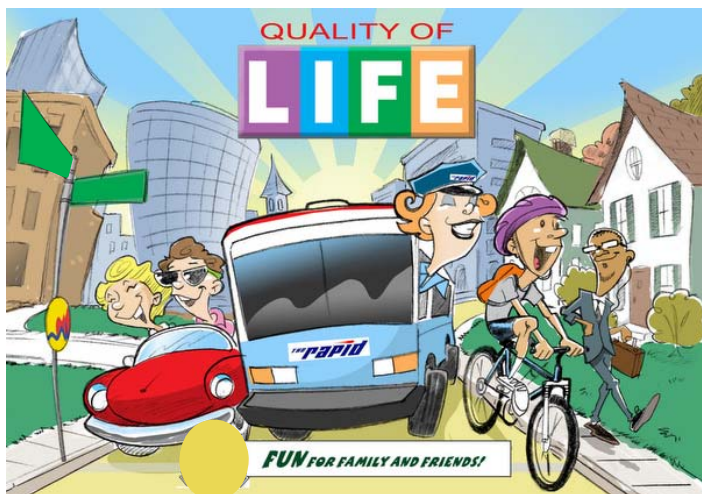
II.B.1. City staff will provide education-based programs for youth, teens, adults and seniors at the [Silliman Center].



Strategic Plan- Action Items

III. Quality of Life

III.D. Monitor traffic conditions, including traffic congestion, bicycle and pedestrian mobility and transit level of service.



III.D.4. Police and Public Works will pursue grants to assist with the department's ability to meet traffic-related needs.

Strategic Plan- Action Items

IV. Community Development

IV.E. Promote investment and quality of life in existing neighborhoods.

IV.E.2. Community Preservation and the Police Department will enforce new noise regulations.



Strategic Plan- Action Items

V. City Government Operations

V.B. Continue to take actions that promote and enhance long-term fiscal stability and independence.

V.B.5. Finance will build capacity in the City's budget to maintain reserves in accordance with the City's reserve policy and fund capital projects.



Next Steps

Adopt Part 1 – Five-Year Forecast, April 12

Budget Work Session, May 24

Adopt Part 2- Budget and Capital
Improvement Plan, June 14