



# **FY 2023-24 Budget Adoption Public Hearing**

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JUNE 20, 2023

VERONICA CONNER  
BUDGET & FINANCIAL ANALYSIS  
MANAGER

# FY 2023-24 Budget Process

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# Changes from Study Session

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## Non-General Fund:

- Housing Authority increased revenue and expenditures by \$106K due to updated Department of Housing and Urban Development allocations
- \$1,609,761 increase in ARPA appropriations for Homeless Services programs in FY 2024-25

# Changes from Study Session (cont.)

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- Water Department staffing changes resulted in a decrease of (\$28K) to the enterprise funds

Study Session 5/10/23	Adoption Hearing 6/20/23
Add 1.0 FTE <b>Utility Systems</b> Supervisor	Add 1.0 FTE <b>Water Quality</b> Supervisor
Add 1.0 FTE Wastewater Operations Supervisor	<del>Add 1.0 FTE Wastewater Operations Supervisor</del>
Delete 1.0 FTE Skilled Maintenance Worker	<del>Delete 1.0 FTE Skilled Maintenance Worker</del>

# Changes from Study Session

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## General Fund:

- \$557,200 Increase in General Fund Police O&M Projects to fund improvements at the Public Safety Building
- Funded by the State Asset Forfeiture fund through a Transfer In; no impact on General Fund deficit

# Proposed Changes to General Fund

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- Eliminate 1.0 FTE vacant Assistant City Attorney (\$231K)
- Add 1.0 FTE Employee Relations Manager +\$190K
- Downgrade 1.0 FTE vacant Community Engagement Coordinator to 1.0 FTE Senior Administrative Assistant in CIRO (\$20K)
- **Total General Fund Savings: (\$61K)**

# Citywide Budget Overview

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PROPOSED BUDGET FY 2023-24

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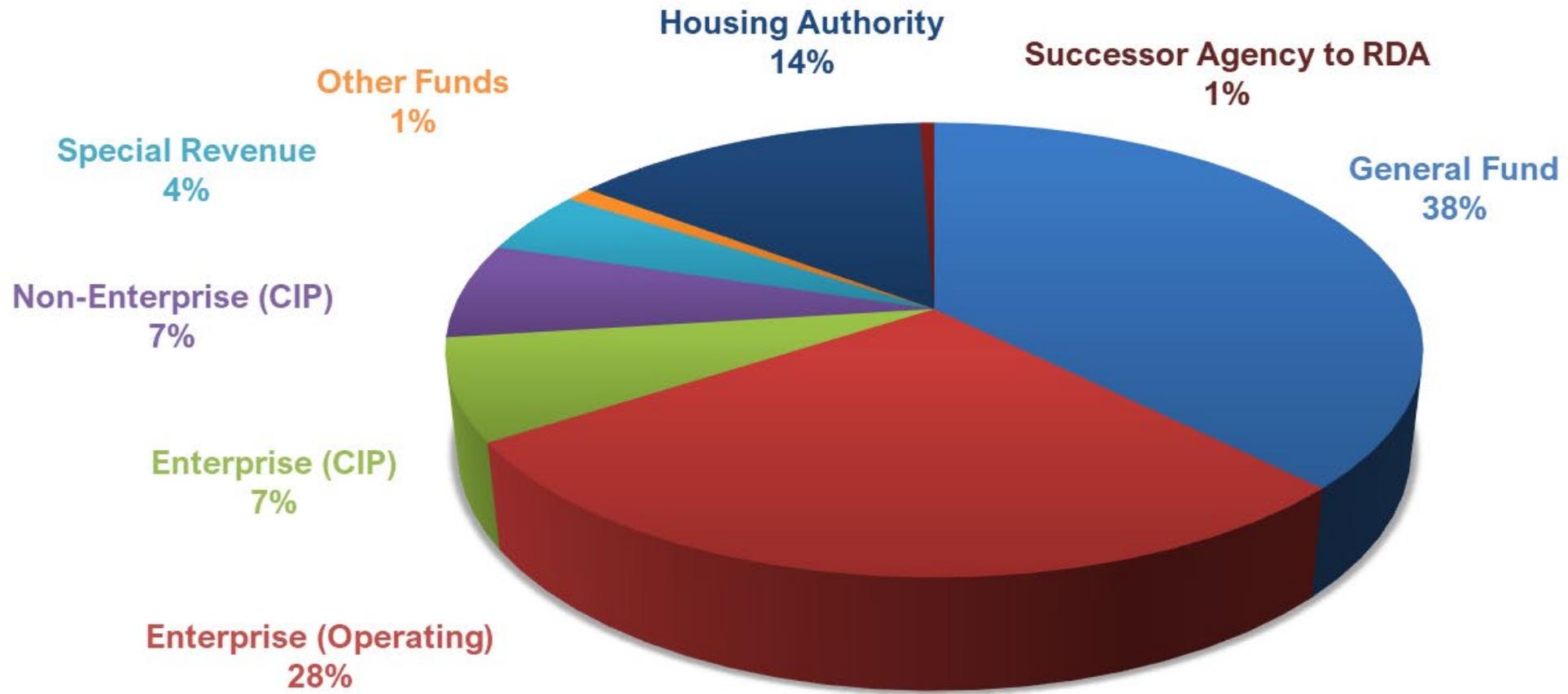
# FY 2023-24 Citywide Revenues by Fund (in millions)

Fund Type	2022-23 Adopted Budget	2023-24 Proposed Budget	\$ Change	% Change
General Fund	\$197.5	\$201.9	\$4.4	2.2%
Enterprise Funds	174.9	182.0	7.1	4.0%
Special Revenue Funds	38.4	37.5	(0.9)	(2.3%)
Other Funds	5.0	5.2	0.2	3.7%
Housing Authority	48.5	69.6	21.1	43.4%
Successor Agency to RDA	3.0	3.0	-	-
<b>Total</b>	<b>\$467.4</b>	<b>\$499.2</b>	<b>\$31.8</b>	<b>6.8%</b>

# FY 2023-24 Citywide Expenditures by Fund Type (in millions)

Fund Type	2022-23 Adopted Budget	2023-24 Proposed Budget	\$ Change	% Change
General Fund	\$190.3	\$200.9	\$10.6	5.6%
Enterprise (Operating)	143.1	150.6	7.5	5.3%
Enterprise (CIP)	37.8	38.6	0.8	2.2%
Non-Enterprise (CIP)	30.7	36.3	5.6	18.3%
Special Revenue	16.5	25.6	9.1	55.4%
Other Funds	5.4	5.5	0.1	1.9%
Housing Authority	54.6	75.7	21.1	38.6%
Successor Agency to RDA	3.0	3.0	-	-
<b>Total</b>	<b>\$481.3</b>	<b>\$536.2</b>	<b>\$54.9</b>	<b>11.4%</b>
Operations (net of CIP)	\$412.9	\$461.3	\$48.5	11.8%
CIP only	\$68.4	\$74.9	\$6.4	9.4%

# FY 2023-24 Citywide Expenditures by Fund



# General Fund Budget Overview

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PROPOSED BUDGET FY 2023-24

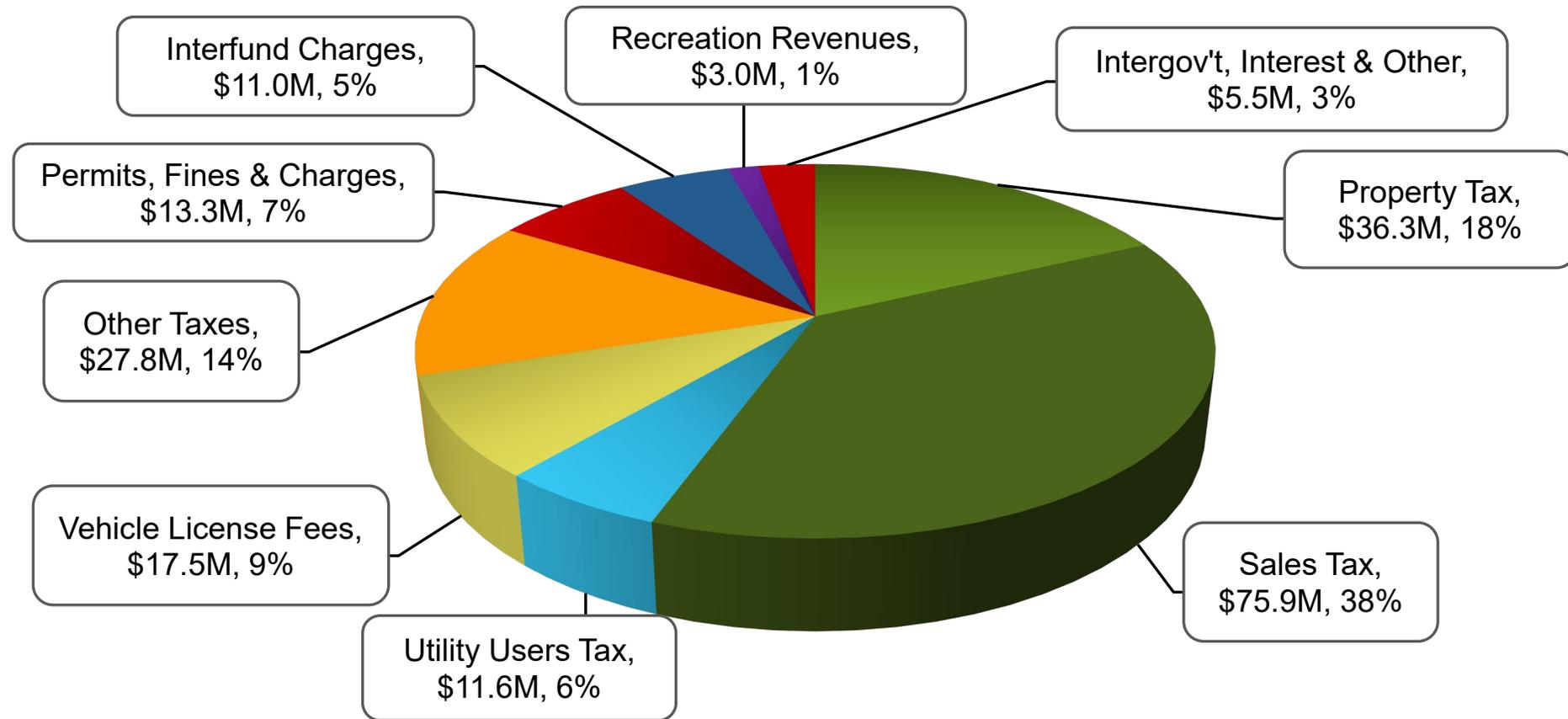
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# FY 2023-24 General Fund Summary

(in millions)

	Proposed General Fund Budget
Revenue	\$201.9
Transfers In	2.9
<b>Total Revenues + Transfers In</b>	<b>\$204.8</b>
Expenditures	200.9
Capital Improvement Projects	2.0
Transfers Out	4.4
<b>Total Expenditures + Transfers Out</b>	<b>\$207.3</b>
<b>Use of Fiscal Stability Funds</b>	<b>(\$2.5)</b>

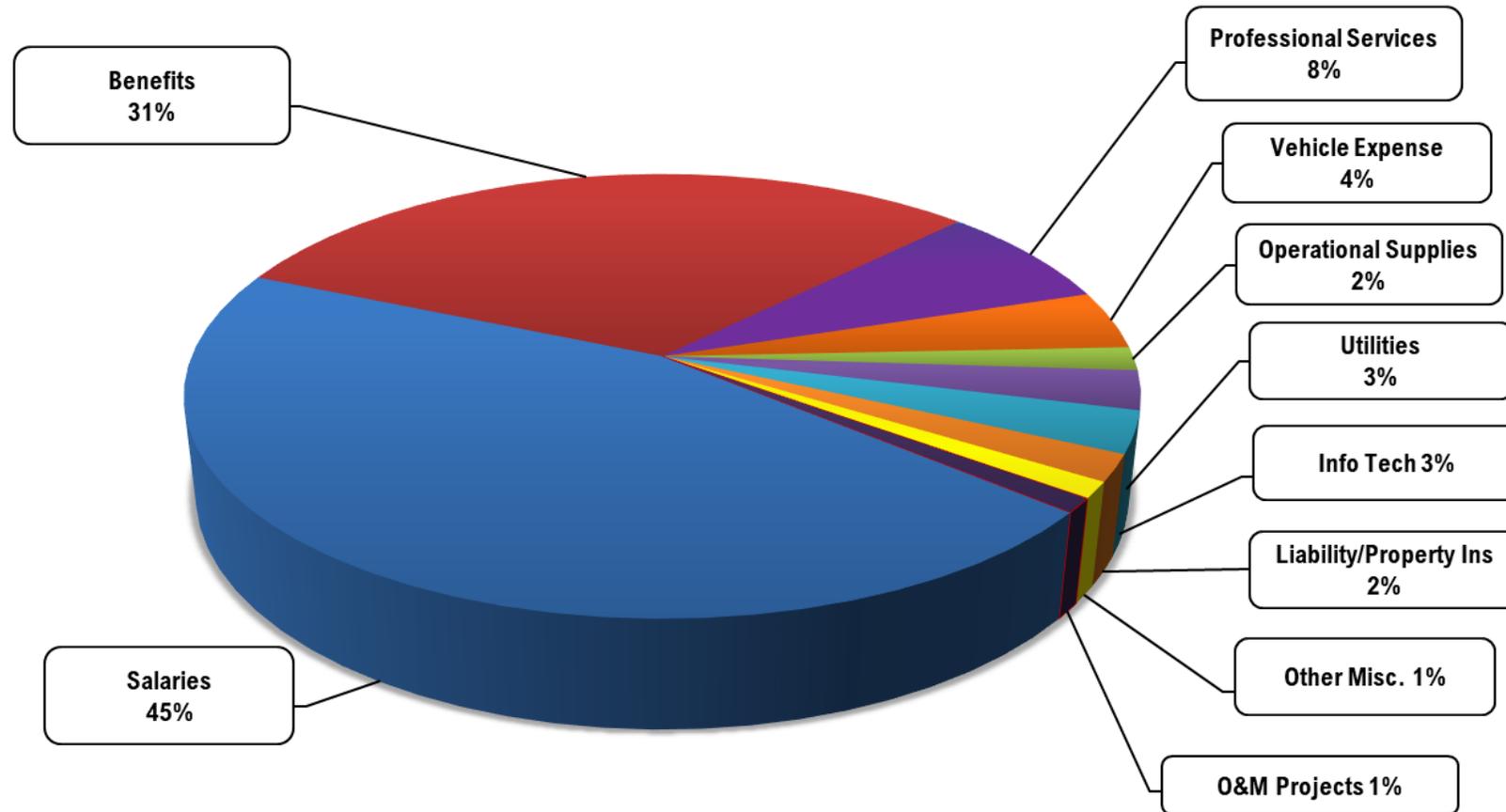
# General Fund Revenues by Category



# FY 2023-24 General Fund Revenues by Category (in millions)

Category	2022-23 Adopted Budget	2023-24 Proposed Budget	\$ Change	% Change
Property Tax	\$34.7	\$36.3	\$1.6	4.6%
Sales Tax	74.7	75.9	1.2	1.6%
Utility Users Tax	10.7	11.6	0.9	8.4%
Vehicle License Fees	16.5	17.5	1.0	6.1%
Other Taxes	27.9	27.8	(0.1)	(0.4%)
Permits, Fines & Charges	11.8	13.3	1.5	12.7%
Interfund Charges	10.0	11.0	1.0	10.0%
Recreation Revenues	2.8	3.0	0.2	7.1%
Intergov't, Interest & Other	8.4	5.5	(2.9)	(34.5%)
<b>Total</b>	<b>\$197.5</b>	<b>\$201.9</b>	<b>\$4.4</b>	<b>2.2%</b>

# General Fund Expenditures by Category



# FY 2023-24 General Fund Expenditures by Category (in millions)

Category	2022-23 Adopted Budget	2023-24 Proposed Budget	\$ Change	% Change
Salaries	\$88.4	\$90.7	\$2.3	2.6%
Benefits	59.0	62.3	3.3	5.6%
Professional Services	14.2	15.1	0.9	6.3%
Vehicle Expense	6.4	8.5	2.1	32.8%
Operational Supplies	3.4	3.4	-	-
Utilities	5.3	5.7	0.4	7.5%
Information Technology	5.8	6.1	0.3	5.2%
Liability/Property Insurance	3.3	3.9	0.6	18.2%
Other Miscellaneous	2.3	2.4	0.1	4.3%
Capital Outlay	0.1	-	(0.1)	(100%)
O&M Projects	2.1	2.9	0.8	38%
<b>Total</b>	<b>\$190.3</b>	<b>\$200.9</b>	<b>\$10.6</b>	<b>5.6%</b>

# General Fund 5-Year Forecast

	<b>FY 23-24 Budget</b>	<b>FY 24-25</b>	<b>FY 25-26</b>	<b>FY 26-27</b>	<b>FY 27-28</b>
Revenues	\$201.9	\$206.4	\$211.3	\$216.8	\$222.4
Transfers In	2.9	2.4	2.4	2.5	2.5
<b>Total Revenues &amp; TI</b>	<b>\$204.8</b>	<b>\$208.8</b>	<b>\$213.7</b>	<b>\$219.3</b>	<b>\$224.9</b>
Expenditures	200.9	206.6	212.2	218.8	226.1
Transfers Out	6.4	7.7	9.1	9.3	9.5
<b>Total Expenditures &amp; TO</b>	<b>\$207.3</b>	<b>\$214.3</b>	<b>\$221.4</b>	<b>\$228.1</b>	<b>\$235.6</b>
<b>Surplus (Deficit)</b>	<b>(\$2.5)</b>	<b>(\$5.5)</b>	<b>(\$7.6)</b>	<b>(\$8.8)</b>	<b>(\$10.7)</b>

# Staffing Summary

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PROPOSED BUDGET FY 2023-24

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# Authorized FTE Staff Summary

Dept.	FY 22-23	FTE Change	FY 23-24
CAO	15.90	1.00	16.90
CMO	11.00	-	11.00
Comm's & Intergovt Rel	7.00	2.00	9.00
Finance	62.60	-	62.60
Fire	157.00	-	157.00
H&CS	27.00	-	27.00
HR	22.00	-	22.00

# Authorized FTE Staff Summary

Dept.	FY 22-23	FTE Change	FY 23-24
IT	31.00	2.00	33.00
PED	74.00	-	74.00
Police	259.00	1.00	260.00
Rec & Comm Engage	44.00	30.00	74.00
TPW	292.00	(31.00)	261.00
Water	276.00	2.00	278.00
<b>Total FTEs</b>	<b>1,278.50</b>	<b>7.00</b>	<b>1,285.50</b>

# Recommendation

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The City Manager and the Finance Department recommend that Council approve, by resolution:

- Eight (8) resolutions adopt the FY 2023-24 Operations & Maintenance Budget and Capital Improvement Program Budget
- Amend the Measure O Transaction & Use Tax Implementation Plan to adjust for FY 2023-24 budget for all programs

# Questions?

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