



FY 2023-24 Budget Adoption Public Hearing

JUNE 20, 2023

VERONICA CONNER

BUDGET & FINANCIAL ANALYSIS
MANAGER

FY 2023-24 Budget Process



Changes from Study Session

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.)

- 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 Utility Systems Supervisor	Add 1.0 FTE Water Quality Supervisor
Add 1.0 FTE Wastewater Operations Supervisor	Add 1.0 FTE Wastewater Operations Supervisor
Delete 1.0 FTE Skilled Maintenance Worker	Delete 1.0 FTE Skilled Maintenance Worker

Changes from Study Session

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

- 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

PROPOSED BUDGET FY 2023-24



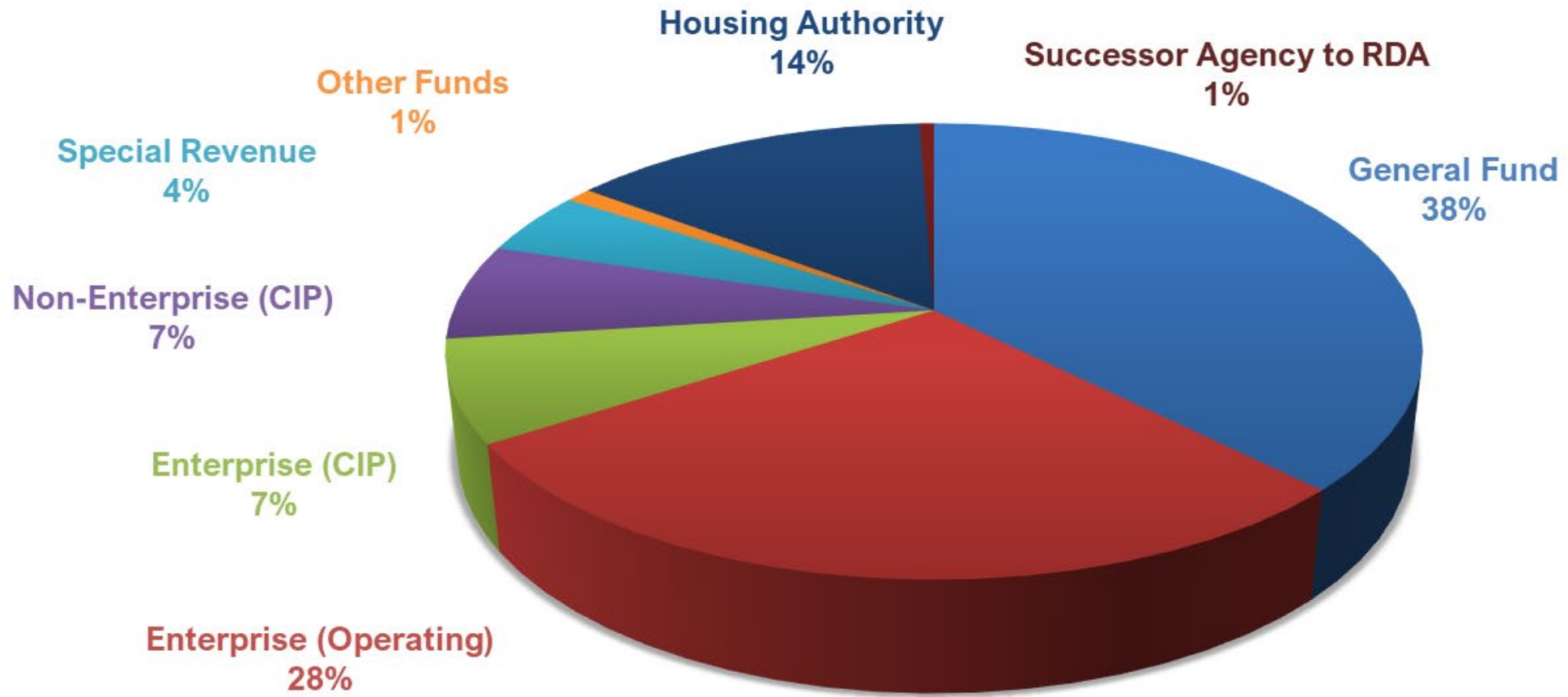
FY 2023-24 Citywide Revenues by Fund (in millions)

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	-	-
Total	\$467.4	\$499.2	\$31.8	6.8%

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	-	-
Total	\$481.3	\$536.2	\$54.9	11.4%
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

PROPOSED BUDGET FY 2023-24

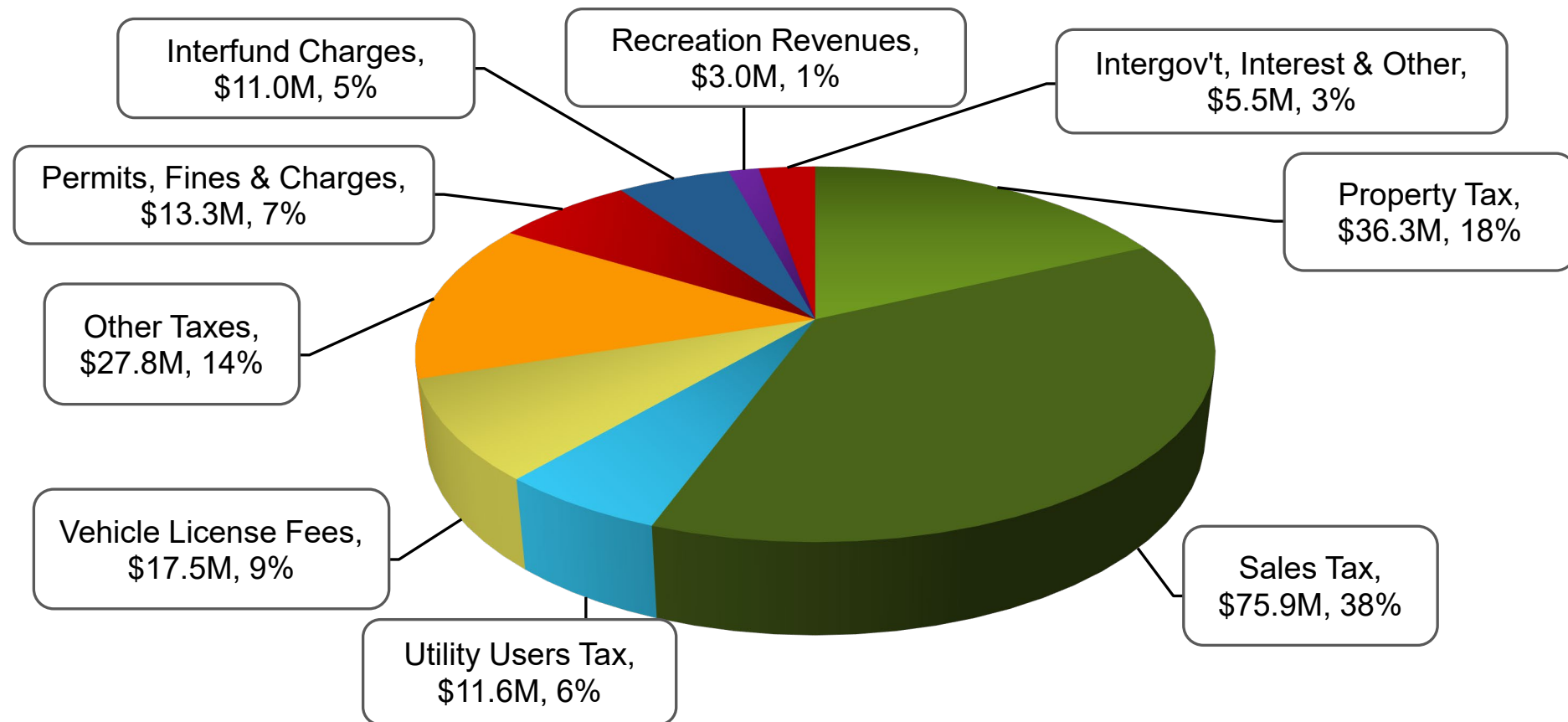


FY 2023-24 General Fund Summary

(in millions)

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

General Fund Revenues by Category

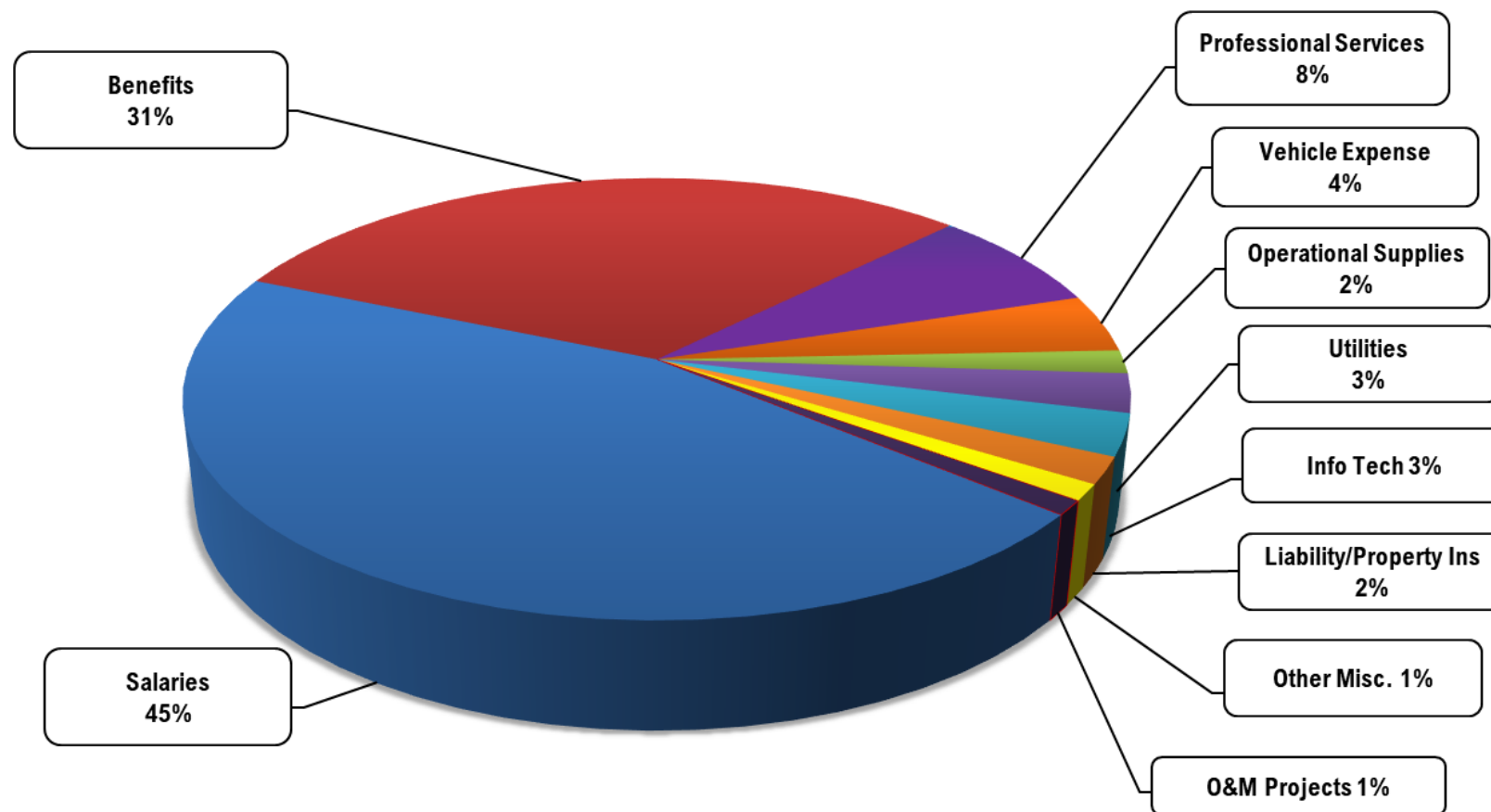


FY 2023-24 General Fund Revenues

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%)
Total	\$197.5	\$201.9	\$4.4	2.2%

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%
Total	\$190.3	\$200.9	\$10.6	5.6%

General Fund 5-Year Forecast

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

Staffing Summary

PROPOSED BUDGET FY 2023-24



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
Total FTEs	1,278.50	7.00	1,285.50

Recommendation

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?
