



FY2020-21 Operating Budget

Presentation to City Council

Janet Salisbury

24 JUNE 2020



AGENDA

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BUDGET OVERVIEW

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FY20-21 GENERAL FUND
PROJECTIONS

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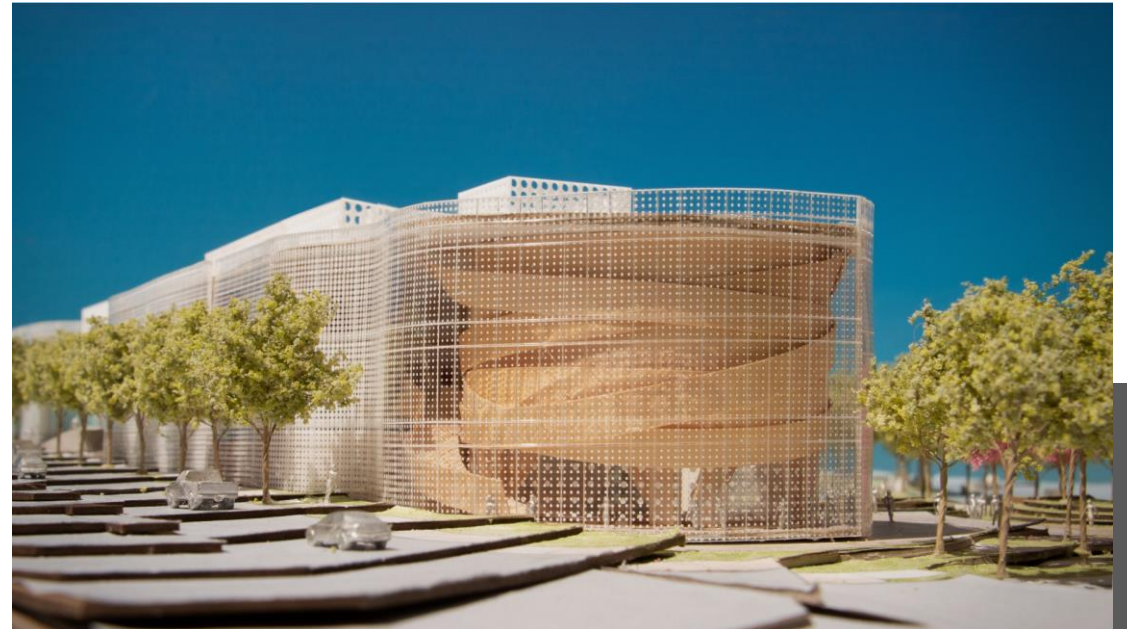
FY20-21 GENERAL FUND SUMMARY

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OTHER ACTIONS

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Q&A



Budget Overview

- **Public Meetings to Discuss Budget**
 - Budget Standing Committee: May 18, 2020
 - City Council Study Session: June 9, 2020

- **Overview of Year 1 of Biennial Budget (FY2019-20)**
 - Projected Revenues = \$126,247,355 (includes carryover purchase orders)
 - Projected Expenditures = \$121,613,174
 - **Projected General Fund Surplus = \$4,634,181**

- **City Reserves = \$52,346,000**
 - General Reserves = \$24,400,000
 - Infrastructure Reserves = \$22,400,000
 - CalPERS Stabilization Reserve = \$5,546,000

FY2020-21 Revenue Projections

REVENUE TYPE	FY 2020-21 Planned Budget	REVISED FY20-21 Projection	Difference between Planned and Revised	%age of TOTAL Projected Revenues
Property Taxes	\$ 37,866,116	\$ 41,595,650	\$ 3,729,534	39.5%
Sales Tax (w/o Measure W)	19,553,400	16,900,000	- 2,653,400	16.0%
Transient Occupancy Tax	17,023,850	7,872,437	- 9,151,413	7.5%
Commercial Parking Tax	4,129,573	1,039,647	- 3,089,926	1.0%
Other Taxes	1,595,015	2,078,559	483,544	2.0%
Franchise Fees	4,000,000	4,600,000	600,000	4.4%
Licenses & Permits	11,756,018	14,995,496	3,239,478	14.2%
Fines & Forfeitures	618,500	789,249	170,749	0.7%
Revenue from Other Agencies	2,485,604	2,222,769	- 262,835	2.1%
Charges for Services	9,872,717	8,011,656	- 1,861,061	7.6%
Interest and Rent	5,493,713	3,827,794	- 1,665,919	3.6%
Other Revenues	-	175,341	175,341	0.2%
<i>Transfers In</i>	1,373,855	1,314,915	- 58,940	1.2%
TOTAL REVENUES	115,768,361	\$ 105,423,513	- \$ 10,344,848	

FY2020-21 Department Expenditures

DEPARTMENT	FY 2020-21 Planned Budget	Proposed Budget Changes	REVISED FY20-21 Budget	Percentage Reduction
Council, Clerk, Treasurer	1,529,452	-20,100	1,509,352	-1.31%
City Attorney	1,067,549	-157,500	910,049	-14.75%
City Manager's Office	2,540,584	-455,765	2,084,819	-17.94%
Finance Department	3,160,481	20,484	3,180,965	0.65%
Non-Departmental	1,071,877	-27,625	1,044,252	-2.58%
Human Resources Department	1,723,847	19,000	1,742,847	1.10%
Economic & Community Develop.	9,593,179	-2,527,844	7,065,335	-26.35%
Fire Department	29,964,391	-660,490	29,303,901	-2.20%
Police Department	31,935,228	-807,183	31,128,045	-2.53%
Public Works Department	6,260,593	-551,563	5,709,030	-8.81%
Library Department	6,273,097	-331,235	5,941,862	-5.28%
Information Technology (ISF)	3,696,731	-92,500	3,604,231	-2.50%
Parks and Recreation Department	17,141,982	-1,741,980	15,400,002	-10.16%
TOTAL	115,958,992	(\$7,334,301)	\$108,624,691	

Department Expenditure Changes

- City Manager's Office (+ \$185,600)
 - Community Action Initiative – Transfer from Police (+ \$85,600)
 - Community Action Initiative (+ \$100,000)
- Human Resources Department (+ \$40,000)
 - Diversity and Inclusion Training
 - Police De-Escalation and Crisis Intervention Training
- Library (+ \$130,793)
 - Grand Avenue Library on Saturdays
 - Technology Learning Center/Makerspace

Department Expenditure Changes

- Information Technology (+ \$220,000)
 - Office 365 Upgrade
 - Other Digital Transformation Initiatives

 - Parks & Recreation (+ \$365,446)
 - Magnolia Senior Center for Weekends (+ \$15,466)
 - P&R Innovation Initiative Funding (+ \$200,000)
 - Youth and Teen Sports Programs
 - Various Weekend Recreation Events
 - Modified Art Shows
 - Additional Funding for Maintenance/Health Protocols
- (+ \$150,000)

General Fund Summary (FY2020-21)

Description	Amount
Projected Revenues	\$ 105,423,513
Projected Expenditures	\$ 112,996,833
<i>- Includes Proposed CIP</i>	\$ 4,509,171
PROJECTED SHORTFALL	\$ 7,573,320
FY2019-20 Surplus	\$ 4,634,181
NEEDED FROM RESERVES	\$ 2,939,139

Resolution

- General Fund Budget
- Other Funds
- GANN Appropriations Limit
- Revised Salary Schedule

QUESTIONS
