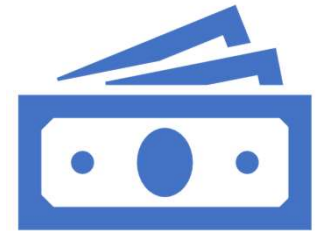


Fiscal Year 2024-25  
Proposed Budget  
Continued Discussion



# Budget Summary

## Proposed General Fund budget

- Estimated fund balance June 30, 2025 – \$848,000 reduced by \$78,000 with approval of POA MOU
- New estimated available general fund balance \$770,000 minus \$100,000 - Employee downpayment assistance
- Target fund balance \$500,000
- Ongoing labor negotiations may have further impacts

## City Council Goals

- Allocation of \$2.3 million for City Council goals
- Includes \$239,000 general fund

## Utilization of Measure F

- Utilizing Measure F to balance future years
- General fund becomes structurally out of balance following the sunset of Measure F on Dec. 31, 2027

# Multiyear Budget Projection

REVENUE	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Property Tax (%)	6.00%	6.00%	6.00%	5.00%	5.00%	5.00%
Sales Tax (%)	2.30%	2.90%	2.50%	2.50%	2.50%	2.50%
TOT (%)	1.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Business License (%)	2.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Building Permits (%)	22.00%	0.00%	2.00%	2.00%	2.00%	2.00%
Cannabis Business Tax	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Parking (%)	25.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mall Redevop Impact	-	-	-			
New Revenue / Hotel (\$)	-	-	200,000	200,000	200,000	200,000

	FY 2025 Proposed	FY 2026 Planned	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
Revenue	19,213,066	19,745,838	20,241,304	20,118,596	19,981,928	20,461,768
Expenditures	18,963,926	19,477,107	20,134,682	20,846,405	21,699,815	22,203,287
<b>Net Impact Fund Balance</b>	<b>249,140</b>	<b>268,731</b>	<b>106,622</b>	<b>(727,809)</b>	<b>(1,717,887)</b>	<b>(1,741,519)</b>

## General Fund Summary

Major Categories	FY 21/22 Actual	FY 22/23 Actual	FY 23/24 Amended	FY 23/24 Estimated	FY 24/25 Proposed	FY 25/26 Planned
<b>Revenues</b>						
Taxes	\$ 14,514,218	\$ 14,709,173	\$ 14,643,970	\$ 14,521,871	\$ 15,106,270	\$ 15,632,013
Licenses and permits	718,935	650,188	664,159	695,854	740,409	743,597
Intergovernmental revenues	1,350,001	351,671	89,700	105,700	136,360	108,353
Charges for services	1,894,868	1,817,637	2,187,937	1,912,013	2,306,127	2,336,127
Fines and forfeitures	588,832	566,907	607,500	648,000	607,500	607,500
Use of money & property	31,722	70,527	198,495	183,200	199,195	199,195
Other revenues	891,204	240,413	115,403	135,953	117,206	119,053
<b>Revenues Totals</b>	<b>\$19,989,781</b>	<b>\$18,406,515</b>	<b>\$18,507,164</b>	<b>\$18,202,591</b>	<b>\$19,213,066</b>	<b>\$19,745,838</b>
<b>Expenditures</b>						
Personnel	\$10,273,249	\$11,793,722	\$11,793,722	\$11,766,171	\$12,625,954	\$13,093,309
Contract services	3,018,482	3,336,801	3,483,368	3,483,368	3,487,981	3,381,956
Training & Memberships	101,501	113,320	178,936	144,018	166,650	166,900
Supplies	671,950	768,110	631,975	779,626	817,050	780,000
Grants and Subsidies	43,650	101,650	125,000	125,000	125,000	125,000
Internal service fund charges	1,196,204	1,444,499	1,617,841	1,617,841	1,453,723	1,642,599
Other financing uses	3,608,343	3,271,324	2,288,788	2,288,788	287,568	287,344
<b>Expenditures Totals</b>	<b>\$18,913,379</b>	<b>\$20,829,427</b>	<b>\$20,119,630</b>	<b>\$20,204,812</b>	<b>\$18,963,926</b>	<b>\$19,477,108</b>
<b>Impact on Fund Balance</b>	<b>\$ 1,076,402</b>	<b>\$ (2,422,912)</b>	<b>\$ (1,612,466)</b>	<b>\$ (2,002,221)</b>	<b>\$249,140</b>	<b>\$ 268,730</b>
<b>Budgetary Fund Balance</b>	<b>\$ 5,224,050</b>	<b>\$ 2,801,138</b>	<b>\$ 988,672</b>	<b>\$ 598,917</b>	<b>\$ 848,057</b>	<b>\$ 1,116,787</b>
<b>Designations</b>						
Employee Downpayment					\$ (100,000)	\$ (100,000)
Infrastructure	\$ -	\$ -	\$ -	\$ -		
<b>Revised Budgetary Fund Balance</b>	<b>\$ 5,224,050</b>	<b>\$ 2,601,138</b>	<b>\$ 988,672</b>	<b>\$ 598,917</b>	<b>\$ 748,057</b>	<b>\$ 1,016,787</b>

Balanced budget

Designations

Estimated Ending  
Fund Balance

# Amendments

- Personnel costs
  - Reduced \$20,631
- LAFCO Sphere of Influence study
  - The City has received \$15,000 from LAFCO to assist in moving the study forward which has now been programmed in FY 2024-25 revenues and expenditures.
- Community Development Dept.
  - Revenue and expenditure increased by \$30,000 due to several large projects.
- Estimated General Fund balance
  - Increase \$20,631

# Follow-up Items – McGregor Bike Track

- Bike pump track is in poor condition. Paving pump track would improve function, reduce maintenance, and allow for more all-weather use
- Paving pump track would cost around \$80,000
- City has received a \$30,000 donation plus a verbal commitment for an additional \$20,000, for total funding commitment of \$50,000
- Efforts are underway to raise funds for remaining costs

# Follow-up Items - Eviction Defense Collaborative

*Council asked staff to investigate potential \$5,000 - \$10,000 contribution*

- Based on proposed uses, appears unlikely to be potentially eligible for special revenue restricted funding (Housing Funds)
- Community Action Board currently manages City's Emergency Housing Assistance Program - \$25,000 for short term rental assistance
  - CAB indicates they think there is a need for legal assistance for low-income residents facing foreclosure as well
- Request for funding program submitted to other jurisdictions
- Outside City's grant cycle, and regional CORE program cycle
- As proposed, funding would go to several nonprofits including:
  - Community Bridges
  - Senior Legal Services
  - Tenant Sanctuary
  - Conflict Resolution Center

# FAC Recommendation

- Allocate \$30,000 to the McGregor Pump Track, however, have staff continue to seek a matching donation of \$15,000 to offset City cost.
- Designate \$5,000 for the Eviction Defense Collaborative pending further follow-up by staff.



# Next Steps



June 4<sup>th</sup>: Special FAC Meeting (Cancelled)



June 6<sup>th</sup>: Special City Council Meeting  
(If necessary)



June 13<sup>th</sup>: Regular City Council Meeting



June 20<sup>th</sup>: Special City Council Meeting  
(If necessary)



June 27<sup>th</sup>: Regular City Council Meeting  
Adopt FY 2024-25 Budget

# Recommendations

- Receive FY 2024-25 Proposed Budget Presentation
  - Identify any additional budget questions
- Provide staff direction regarding:
  - McGregor Park Pump Track
  - Eviction Defense Collaborative
- Continue budget deliberations to June 6<sup>th</sup>, or cancel remaining budget hearings and direct staff to prepare final budget for consideration on June 27<sup>th</sup>.