



PROPOSED BUDGET

FISCAL YEAR 2023-24



CITY OF CAPITOLA
Capitola, California

Budget Process

Proposed Budget distributed:
April 28th

FAC Meetings:
May 2nd and May 16th

City Council Meetings:
May 3rd and May 18th

City Council provided direction
for budget adoption tonight

General Fund & City Council Goals

- Operating Budget imbalanced by design
 - Maintaining balance of \$1.6 million
 - \$100,000 Employee Downpayment Assistance
 - \$954,000 future Capital projects
 - \$500,000 target fund balance
- Utilizing \$4.95 million of general fund resources for Capital Improvement Projects and City Council Goals
 - Community Center Renovation - \$1.65 million
 - SCCB Loan Payoff - \$725,000
 - Pavement management - \$500,000
 - PD technology upgrades - \$235,000
 - Universal Design Playground - \$200,000
 - Equipment Fund for Electric Vehicles - \$200,000

General Fund & City Council Goals

- Utilizing \$4.95 million of general fund resources for Capital Improvement Projects and City Council Goals (cont.)
 - Establish long-term strategic goals - \$50,000
 - LAFCO Sphere Study - \$30,000
 - Survey for possible ballot measure - \$25,000
 - Mall Redevelopment Committee - \$25,000
 - Capital Improvement Projects:
 - Water filling stations - \$50,000
 - Hill / Bay pilot project - \$50,000
 - Esplanade park - \$50,000
 - Replenish Emergency Reserve - \$250,000
 - Employee downpayment assistance - \$100,000
 - Future capital projects - \$954,000

General Fund & City Council Goals

- Non-monetary City Council Goals
 - Adopt Children's Bill of Rights
 - Bring climate goals to City Council
 - Reach out to school district regarding possible turf project at Monterey Park
 - Encourage local businesses to participate in the CA green business certification program
 - Explore grants for Maker Space at Community Center
 - Research intergenerational programs to connect youth with elders utilizing ECYP funding

Capital Improvements Program

FY2023-2024 Recommended Appropriations



Project	Status	Recommended Appropriations
Jade Street Park UA Playground	Construction Post-Fundraising	\$200,000
Community Center	Construction Anticipated F23-Su24	\$1,650,000
Pavement Management	Major Construction Sp24 with Prior Year	\$500,000
Capitola Road Rehabilitation	Construction Anticipated Su23	\$840,000
TOTAL		\$3,190,000

City Council Direction

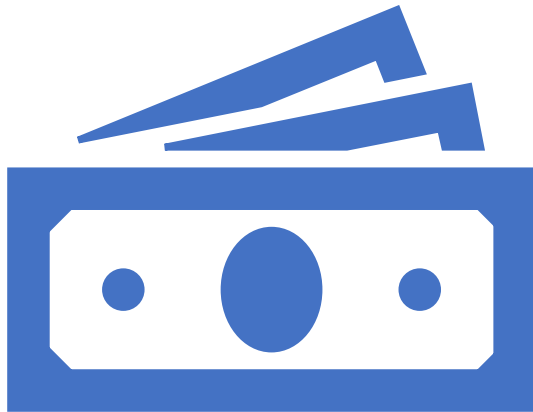
- Early Childhood & Youth Program (ECYP)
 - Allocate \$23,000 of ECYP funding to the Recreation Division
- General Fund – net increase \$24,600
 - Decreased recreation funding - \$5,000
 - Decrease \$23,000 from ECYP
 - Increase \$18,000 – Swim Equity Program
 - Increase personnel - \$2,500
 - Increase contract Services - \$30,000 – compensation study
 - Decreased 911 JPA contribution - \$2,900
- Updated City Council Goals
 - City Manager Message

Mid-Year Budget Review

- Evaluate sales tax revenues over next two quarters
- Look at performance of other key revenue sources (TOT, Cannabis tax, etc.)
- Potential increase to parking revenue
- Projected June 30 2024 fund balance ~\$1.6 million
 - Opportunity to consider fund balance ahead of mid year if necessary

Summary

Recommended Action



Approve the Resolution
adopting
Fiscal Year 2023-2024
Operating Budget
and
Capital Improvement Program