



CITY OF ORLAND STAFF REPORT

MEETING DATE: June 4, 2024

TO: Honorable Mayor and Councilmembers

FROM: Pete Carr, City Manager/Finance Director

SUBJECT: **Fiscal Year 2024-25 Budget Adoption** (Discussion/Action)

City staff will propose a budget for Council adoption for the coming fiscal year.

BACKGROUND:

The annual budget presents the City's best estimates for anticipated revenue and authority to expend funds on operations and projects. With the 2024-25 fiscal year starting July 1, City staff and Council previewed in April and May the capital improvement project plans, staffing, estimated revenues, planned by-department budget expenditures, fund balances, debt obligations and ARPA budget worksheet.

The budget is designed to provide expected public services, accomplish planned improvements, and protect emergency reserves. Planned expenditures are balanced against forecasted revenues within 0.1%.

ANALYSIS:

No significant changes were made to the draft budget since the May 21 discussion except:

- Measure A Public Safety Fund: Addition of \$150,000 in potential medical transport (ambulance) expense, offset by corresponding decrease/elimination in set-aside for future public safety facility.
- General Fund: Increase in Animal Control contract service expense from \$55,000 to \$96,000. Set aside of \$5000 for maintenance work on the Carnegie Center facility.
- Water, Sewer and Gas Tax Street Funds: Deferral of purchase of F700 water truck.

With these updates, all major funds are balanced for the coming fiscal year, operational services continue and improvement project objectives are funded. The Street/Gas Tax Fund has additional resources available for street projects. Water and sewer funds continue to project surpluses in reserve against future improvement projects and emergencies.

Attachment: Complete draft proposed budget including:

1. Cover page and organization chart
2. City Manager budget message
3. Major Projects for FY25, listed & prioritized
4. Summarized City finances depicted graphically in pie charts
5. Summary of major fund balances
6. Development Impact Fee Fund activity schedule
7. Measure A Public Safety Fund balance and budget
8. General Fund balance, revenues and expenditures by dept/function
9. Police, Fire and Public Works major equipment replacement schedules
10. Debt obligation schedule
11. Staffing schedule

RECOMMENDATION:

Adopt fiscal year 2024-25 budget as drafted and proposed.

FISCAL IMPACT OF RECOMMENDATION:

This is a complete and balanced plan for allocation of revenues and expenditures for the coming fiscal year.
No impact on FY24 (current fiscal year).