

Attachment A  
Budget Resolution

RESOLUTION NO. 23-\_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD ADOPTING THE BUDGET FOR FISCAL YEAR 2023-24.

THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the City of West Hollywood is required to appropriate and expend funds to conduct its business activities on a daily basis; and

WHEREAS, Section 37208 of the California Government Code provides that expenditures conforming to a budget approved by ordinance or resolution need not be audited by City Council;

NOW, THEREFORE, the City Council of the City of West Hollywood does resolve as follows:

SECTION 1. That the budget for the City of West Hollywood for fiscal year 2023-24 is hereby adopted as set forth in the statement of Changes to Fund Balance (Exhibit 1), which details available operating resources of \$185 million, inter-fund transfers of \$18.6 million, operating appropriations of \$179 million, and capital projects of \$15.8 million.

SECTION 2. That the 2023-24 Appropriation Limit applicable to the City, pursuant to Article XIII B of the California State Constitution, shall be \$241,642,520, where actual appropriations subject to the limit equal \$114,451,709. The Appropriation Limit consists of the prior year's limit adjusted by a population factor and an inflationary factor. For the population factor, the City has the option of selecting either the City's or the County's percentage change in population as provided by the State's Department of Finance. For the inflationary factor the City has the option of selecting either the change in per capita personal income provided by the State or the net change in nonresidential new construction provided by the County. The City has selected the factors resulting in the highest increase in the appropriation limit. For fiscal year 2023-24, the City will use the following factors for the Gann Limit calculation: the City of West Hollywood's percentage change in population of -0.39 percent, and the State's per capita percent change in personal income of 4.44 percent.

SECTION 3. That staff is directed to prepare and publish a final budget document incorporating those changes approved by Council.

SECTION 4. That the Director of Finance and Technology Services is authorized to make budget adjustments to accounts within the same fund, as described and allowed within the City's Financial Policies; and the Director of Finance and Technology Services

may make budget adjustments to any fixed cost allocation accounts, including transfers between funds and departments. This establishes the fund as the legal level of control.

SECTION 5. That the Director of Finance and Technology Services may carry forward prior year unexpended capital improvement budgets for those projects that are funded but not completed, and may transfer projects from one department to another as described and allowed within the City's Financial Policies, and may carry forward prior year unexpended budgets for one-time projects, new initiatives, or programs in the Innovation and Technology Fund. Transfers in and out of Capital and Debt Service Funds will be completed and adjusted annually by the Director of Finance and Technology Services based on expended amounts drawn from bond proceeds for projects previously approved.

SECTION 6. That the Director of Finance and Technology Services may make any budget adjustments to grant-funded programs and enterprise funds, provided those adjustments are within the approved budgets of the funding agency and are within the scope of the funded program. Any reductions to fund balances or programmatic changes will require Council approval.

SECTION 7. That the City Manager may authorize the Director of Finance and Technology Services to draw down on the Designated Reserves Assigned for Insurance as needed for insurance or litigation expenditures.

SECTION 8. That any transfers to other funds approved in this resolution will be made only to the extent necessary to prevent the recipient fund from having a deficit fund balance, but not to exceed the amount authorized herein by Council.

SECTION 9. That the Director of Finance and Technology Services may increase revenue and expenditure budgets in accounts where the increase in expenditure is directly related to the increase in revenue (e.g., building & safety plan check costs and building & safety permit revenue, grant revenues and expenditures); and for deposits and payments that are booked as revenue and expenditures, which may have been transferred from liability accounts.

SECTION 10. That the Director of Finance and Technology Services may carry over to the next fiscal year any unexpended funds from City contracts with social service agencies, to be reprogrammed into the next year's contracts by the Social Services Division. Such reprogrammed funds will not be limited to the agency returning unspent money, but may be awarded by Council to any agency contracting with the City or used to cover other social services expenditures.

SECTION 11. That the Director of Finance and Technology Services, or their designee, may negotiate the exchange of up to \$2,000,000 in General Fund Reserves for Proposition A Funds. Any agreement to execute the negotiated exchange, up to the approved amount, shall be approved by the City Council on the Consent Calendar.

SECTION 12. That the Director of Finance and Technology Services may draw down General Fund Reserves of up to \$1,000,000 to transfer to the Affordable Housing Trust Fund if total revenues received in the Fund do not reach \$1 million dollars in any fiscal year, and may complete a budget adjustment to increase revenue and expenditure budgets accordingly.

SECTION 13. That the City Council, by affirmative action of a majority of the Council, may authorize all supplemental appropriations not described herein by minute action.

PASSED, APPROVED AND ADOPTED THIS 26th day of June 2023.

AYES: Councilmember:  
NOES: Councilmember:  
ABSENT: Councilmember:  
ABSTAIN: Councilmember:

\_\_\_\_\_  
SEPI SHYNE, MAYOR

ATTEST:

\_\_\_\_\_  
MELISSA CROWDER, CITY CLERK

## Exhibit 1

### Changes to Fund Balance

**FY 2023-24 Proposed Changes to Fund Balance**

<b>FUND</b>	<b>PROJECTED OPENING FUND BALANCE</b>	<b>PROJECTED REVENUES FY 23-24</b>	<b>TRANSFERS IN FY 23-24</b>	<b>TRANSFERS OUT FY 23-24</b>	<b>OPERATING EXPENDITURES FY 23-24</b>	<b>CAPITAL PROJECTS FY 23-24</b>	<b>CHANGE TO FUND BALANCE FY 23-24</b>	<b>ESTIMATED ENDING RESOURCES</b>
<b>SOURCES AND USES OF FUNDS</b>								
100 General	\$151,265,370	\$150,936,245	\$0	(\$10,085,020)	(\$135,634,635)	(\$5,177,475)	\$39,115	\$151,304,485
202 Miscellaneous Grants	(618,580)	1,685,912	-	-	(165,912)	(1,520,000)	-	(618,580)
203 Proposition A	1,087,593	4,235,518	-	-	(4,207,966)	-	27,552	1,115,146
204 Proposition C	1,670,503	882,838	-	-	(882,152)	-	686	1,671,189
205 Measure R	672,247	656,457	-	-	(777,066)	(50,000)	(170,609)	501,638
206 Gas Tax	(18,613)	1,001,771	-	-	(978,134)	-	23,637	5,024
207 Air Quality Improvement	269,479	54,220	-	-	(40,000)	-	14,220	283,699
208 Traffic Mitigation	296,417	107,502	-	-	(183,593)	(250,000)	(326,091)	(29,674)
209 Public Art & Beautification	2,373,230	207,523	-	-	(309,142)	(50,000)	(151,619)	2,221,611
210 Park Development (Quimby Act)	924,136	231,224	-	-	-	(195,000)	36,224	960,360
211 Lighting District	3,858,626	1,708,479	-	-	(1,650,000)	-	58,479	3,917,105
212 Public Access Corporation	(88,194)	144,715	-	-	(144,507)	-	208	(87,986)
213 Parking Improvement	(1,581,385)	4,168,000	-	(1,254,196)	(3,442,068)	-	(528,264)	(2,109,649)
214 Permit Parking	(537,033)	859,000	-	-	(1,191,010)	-	(332,010)	(869,042)
215 Community Development Block Grant	(179,475)	\$217,831	-	-	(42,940)	(174,891)	-	(179,475)
216 Housing Trust	4,858,265	1,391,773	-	-	(1,024,606)	-	367,168	5,225,432
217 Sunset Strip BID	29,389	250,339	-	-	(250,339)	-	(0)	29,388
219 Housing Asset	203,264	-	-	-	-	-	-	203,264
220 Measure M	1,055,614	\$739,837.00	-	-	(570,000)	-	169,837	1,225,451
221 Road Repair & Accountability SB1	366,365	864,994	-	-	(363,460)	(850,000)	(348,466)	17,899
222 Measure W Safe Clean Water	591,231	260,000	-	-	(622,000)	-	(362,000)	229,231
301 Debt Funded Capital Projects	3,507,597	-	6,620,017	-	-	(6,620,017)	-	3,507,597
303 Santa Monica Blvd Project	2,748,332	\$78,208	-	-	-	(400,000)	(321,792)	2,426,540
304 Successor Agency of RDA-Capital	-	-	65,000	-	(65,000)	-	-	-
305 Successor to RDA Low & Mod Housing	-	-	-	-	-	-	-	-
401 Debt Administration & Bonds	30,798,745	1,297,856	11,339,216	(6,620,017)	(11,339,216)	-	(5,322,161)	25,476,584
403 Retirement Obligation Payment Fund	-	1,223,023	-	(1,223,023)	-	-	-	-
404 Successor to RDA Debt Service	-	-	1,158,023	-	(1,158,023)	-	-	-
602 Sewer Charge/Assessment	6,828,190	1,679,073	-	-	(1,253,112)	(425,000)	961	6,829,151
603 Solid Waste	359,337	1,458,169	-	-	(1,453,999)	-	4,170	363,507
604 Landscape District	313,857	205,500	-	-	(205,500)	-	-	313,857
605 Street Maintenance	96,491	307,279	-	-	(297,244)	-	10,035	106,526
702 Innovation & Technology Fund	143,086	700,000	-	-	(667,000)	(63,000)	(30,000)	113,086
801 West Hollywood Design District	-	95,220	-	-	(95,220)	-	-	-
803 Hotel Marketing Benefit Zone	-	7,632,000	-	-	(7,632,000)	-	-	-
805 Legacy Medical Business Marketing	-	80,000	-	-	(80,000)	-	-	-
<b>SUBTOTAL, ALL FUNDS</b>	<b>\$211,294,081</b>	<b>\$185,360,506</b>	<b>\$19,182,256</b>	<b>(\$19,182,256)</b>	<b>(176,725,842)</b>	<b>(\$15,775,383)</b>	<b>(\$7,140,719)</b>	<b>\$204,153,362</b>
<b>Planned Reserve Savings/Drawdowns</b>								
100 Capital Projects Reserve	-	-	-	-	-	-	-	-
100 Proposition A Reserve	-	-	-	-	(2,000,000)	-	(2,000,000)	(2,000,000)
<b>SUBTOTAL SAVINGS/DRAWDOWNS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,000,000)</b>	<b>-</b>	<b>(2,000,000)</b>	<b>(2,000,000)</b>
<b>GRAND TOTAL, ALL FUNDS</b>	<b>\$211,294,081</b>	<b>\$185,360,506</b>	<b>\$19,182,256</b>	<b>(\$19,182,256)</b>	<b>(\$178,725,842)</b>	<b>(\$15,775,383)</b>	<b>(\$9,140,719)</b>	<b>\$202,153,362</b>

\* The FY 2023-24 Projected Opening Fund Balance includes projected drawdowns of \$2 million from FY 2022-23 General Fund reserves.  
 CM Recommended Draft ver. 06-12-2023