

Operating Budget & Capital Plan

FY 2024-25 & FY 2025-26

Prepared by: David A. Wilson, City Manager
Christine Safriet, Asst. to the City Manager
Melissa Lindley, Budget Officer

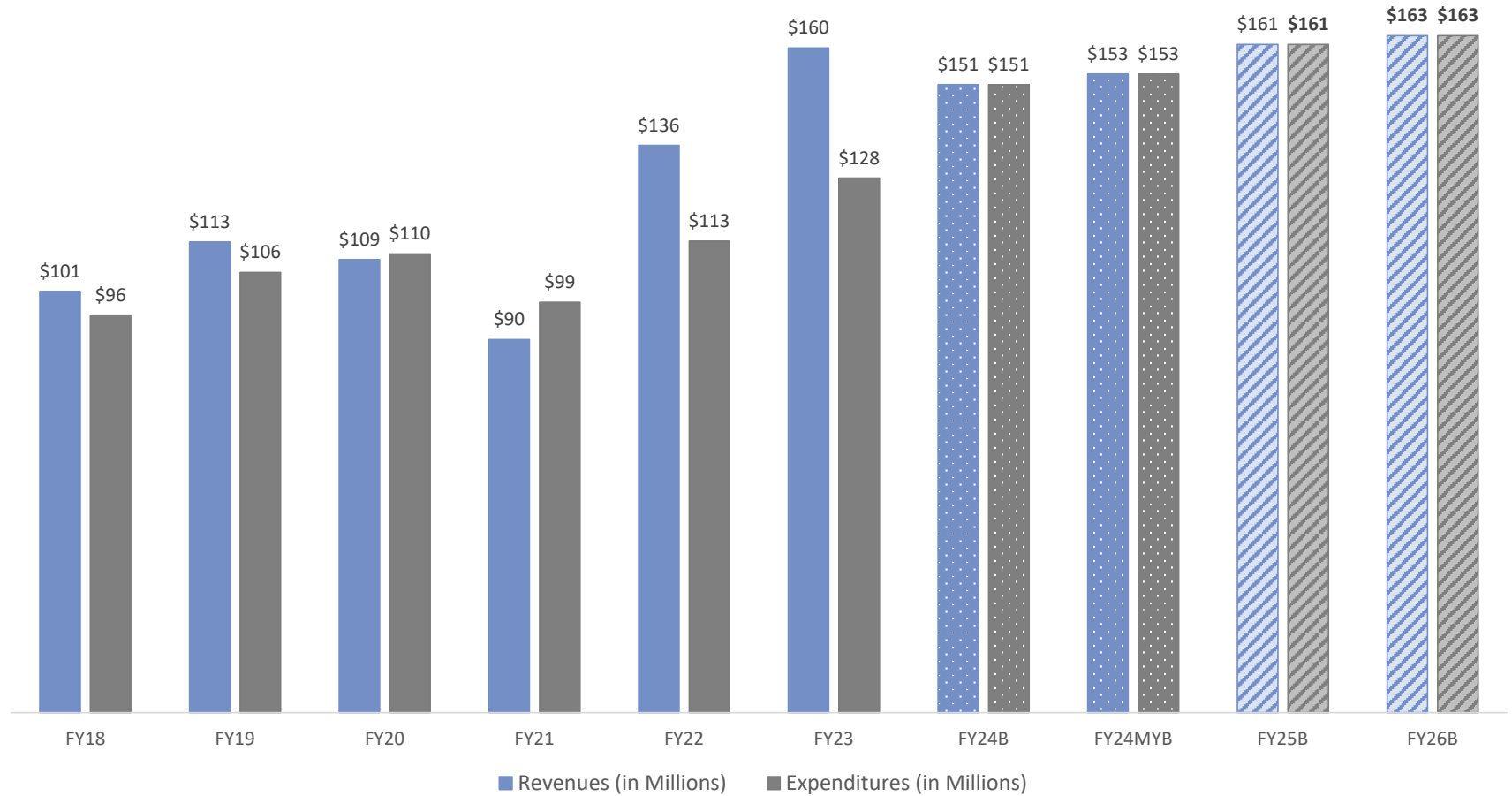
Finance & Budget Subcommittee

5/09/2024

Agenda

- Updated Revenue and Expenditure Estimates
- Expenditure Budget Elements
 - New Expenditures
 - Personnel Adjustments
 - Capital Plan
- Next Steps & Discussion

General Fund Revenues & Expenditures



	FY24 (Original)	FY24 (Mid-Year)	FY25 Preliminary	FY25 vs. FY24 (Original)	FY25 vs. FY24 (Mid-Year)	FY26 Preliminary	FY26 vs. FY25
Total Revenues	150,936,245	153,486,245	160,600,000	6%	5%	162,700,000	1%
Sales Taxes	36,400,000	36,400,000	37,400,000	3%	3%	38,200,000	2%
Transient Occupancy Tax	31,835,000	31,835,000	33,100,000	4%	4%	33,300,000	1%
Property Taxes	25,325,690	27,875,690	28,200,000	11%	1%	28,800,000	2%
Other Taxes	13,980,000	11,980,000	15,100,000	8%	26%	15,600,000	3%
Parking Fines	7,500,000	7,500,000	7,300,000	-3%	-3%	7,300,000	0%
Parking Meters	7,250,000	7,250,000	7,000,000	-3%	-3%	7,000,000	0%
City Permits	7,619,805	8,119,805	7,800,000	2%	-4%	7,800,000	0%
All Other Revenue	21,025,750	22,525,750	24,700,000	17%	10%	24,700,000	0%
Total Expenditures	150,927,130	153,452,080	160,600,000	6%	5%	162,700,000	1%
Wages & Benefits	50,961,213	50,961,213	55,100,000	8%	8%	57,600,000	5%
Other Operating Costs	11,384,557	11,384,557	12,500,000	10%	10%	12,600,000	1%
Social Service Contracts	6,843,250	6,843,250	7,000,000	2%	2%	7,200,000	3%
Public Safety Services	34,674,586	35,389,586	36,400,000	5%	3%	36,900,000	1%
Other Contract Services	31,801,029	32,870,979	35,500,000	12%	8%	34,400,000	-3%
Capital Projects	5,177,475	5,917,475	2,800,000	-46%	-53%	2,000,000	-29%
Other Financing Uses	10,085,020	10,085,020	11,300,000	12%	12%	12,000,000	6%
Balance/(Deficit)	9,115	34,165	40,000			35,000	

Expenditure Budget Elements

- New Operating Expenditures
- Personnel Adjustments
- Capital Plan

New Operating Expenditures

Human Services & Rent Stabilization

- Social Services Contracts Annual Increase
- Contract Hearing Examiners
- Supplies and Communications Materials for Homeless Initiatives

Community Safety

- Sherriff's Contract Anticipated COLA/Liability
- Ambassador Services COLA
- Supplemental Patrol Operations
- Additional residential activations for National Night Out

Community Services

- Production & Traffic Control Costs for Halloween Carnival
- Specialized Aquatics Trainings
- Expanded Community Events

Economic Development & Arts

- Increased Arts Program Funding
- Programming Related to City's 40th Anniversary
- Special 40th Anniversary Arts Grant
- MIMA Digital Art for Sunset Arts and Advertising Program

Community Development

- Funding related to studies & plans development & implementation
- Seismic Retrofit Program

Public Works

- Traffic Services at Intersections & Bus Lanes
- Third Party Review of Parking Enforcement Program
- Hearing Examiner Costs
- Maintenance Contract Annual Increases

Administrative Services

- Citywide Classification and Compensation Study
- Election Costs
- Russian-Speaking Community Cultural Heritage Month Events
- Expansion of Disability Awareness Month Events, Human Rights Speaker Series, Rainbow Key Awards, and Transgender Day of Visibility Events

Finance & Technology

- Comprehensive Fee Study
- ERP Replacement

Communications

- Historian Laureate Program
- City's 40th Anniversary
- Platforms, equipment and content development

General Operations

- Wages & Benefits
- Property & Earthquake Insurance



Personnel Adjustments

The preliminary budget includes 3 new permanent positions in FY25 to support the delivery of City services and 1 additional position in FY26.

FY25

- GIS Analyst to support administration of the City's land-management system and geographic information systems analysis and mapping (IT Division)
- Senior Planner to support and process applications with a focus on major development projects (Current & Historic Preservation Planning Division)
- Senior Plan Check Engineer to support permit processing and plan check services (Building & Safety Division)

FY26

- Playhouse Administrator, beginning in the second year of the Two-Year Budget, to supervise operations and artistic direction of the future City Playhouse (Arts Division)



Capital Plan: \$154M over 5 years (all funds)

- The Five-Year Capital Plan ensures continued investments that will preserve and enhance the built environment and reflect the City's core values
- Balances many factors including:
 - Financial and Personnel Resources
 - Priorities of the City Council and the Finance & Budget Subcommittee
 - Input from community members, boards, commissions, and user groups
- Includes approximately 50 projects, investing in long-term improvements to streets, sidewalks, street lighting, city buildings and facilities, parks, open space, and other infrastructure
- The General Fund budget includes \$2.8M in FY25 and \$2.0M in FY26 in capital maintenance program expenditures

Capital Plan: FY25 & FY26 Highlights

Design & Construction Projects

- Completion of Holloway Interim Housing (\$16.6M)
- Completion of Dog Park at Plummer Park (\$1.9M)
- Completion of 8120 SMB Parking Lot (\$3.4M)
- Parks & Recreational Improvements (\$5.7M)
- AIDS Monument (\$9.2M)
- Log Cabin (\$17.2M)
- Hart Park (\$4.2M)
- City Playhouse (\$19.1M)
- Design District (\$35.9M – Phases I & II)

Planning Projects

- Plummer Park Comprehensive Plan
- Fountain Streetscape & Bike Lanes
- Santa Monica Bike Lanes
- Willoughby, Vista/Gardner, And Kings Street Design (Bike Lanes & Ped Improvements)
- Laurel House
- San Vicente Sky Sanctuary
- Fiber Infrastructure

Next Steps

June 10, 2024

Council Item: Budget
Receive & File

June 24, 2024

Council Budget Discussion
& Adoption

July 1, 2024

Budget Implementation



Subcommittee Questions & Discussion

Thank you
