

# 2024/25 - 2025/26 Operating Budget Workshop



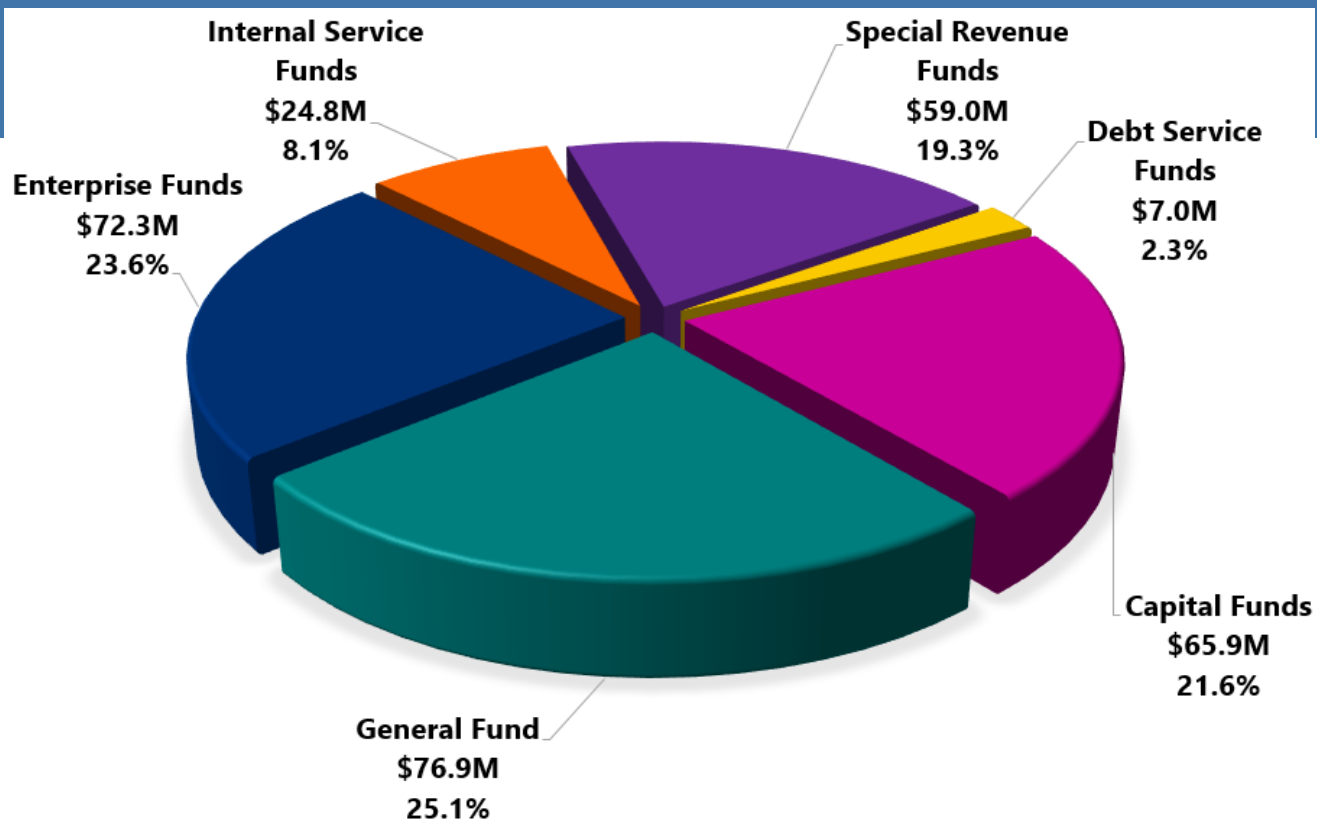
- Operating Budget Overview
- General Fund Ten-Year Fiscal Model
- New and Significant Costs
- Budget Watch and Next Steps

# Two-Year Budget Process

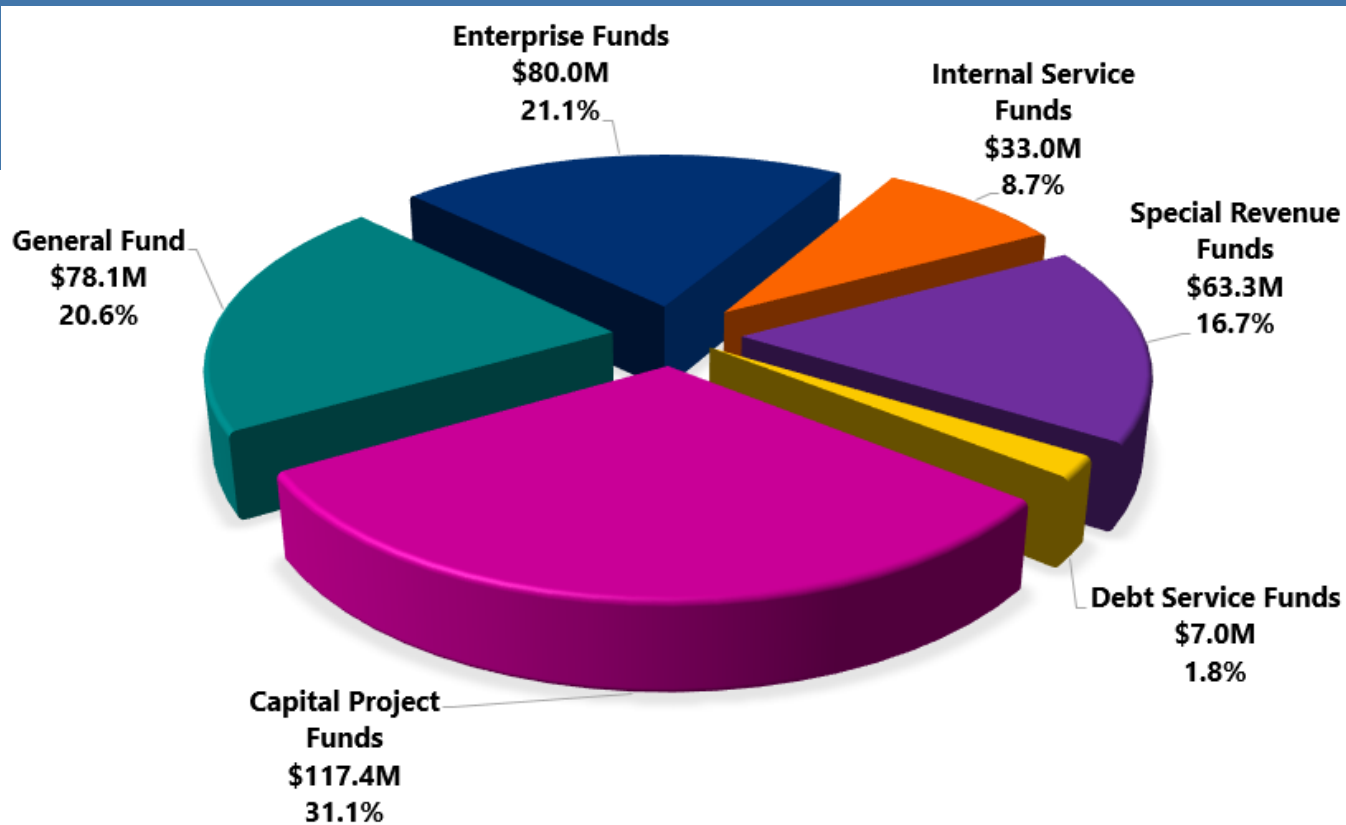
- Budget Ad Hoc Committee
- CIP Workshop
- Operating Budget Workshop
- CIP Budget Adoption
- Operating Budget Adoption



# FY 2024/25 Citywide Revenues \$305.9 Million



# FY 2024/25 Citywide Expenditures \$378.8 Million



*Citywide Expenditures are larger than Citywide Revenues as several significant capital projects are planned in FY 2024/25 that are funded by balances that have been built up over prior years for this purpose.*

# FY 2023/24 General Fund Year End Projection

## \$800,000 Surplus

- 50% used for Pension Paydown
- 50% to Budget Stabilization Fund

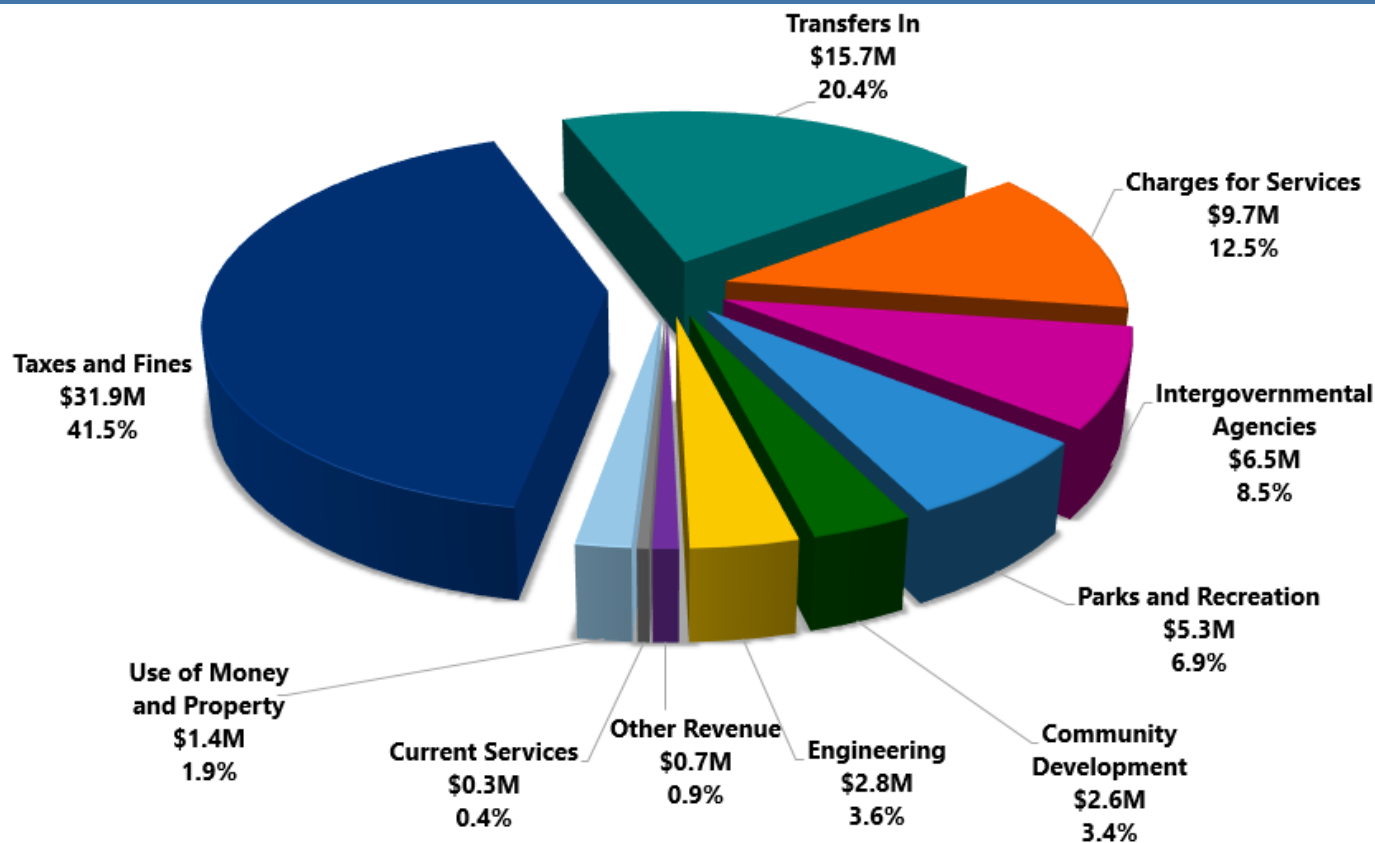


# General Fund 2024/25 - 2025/26

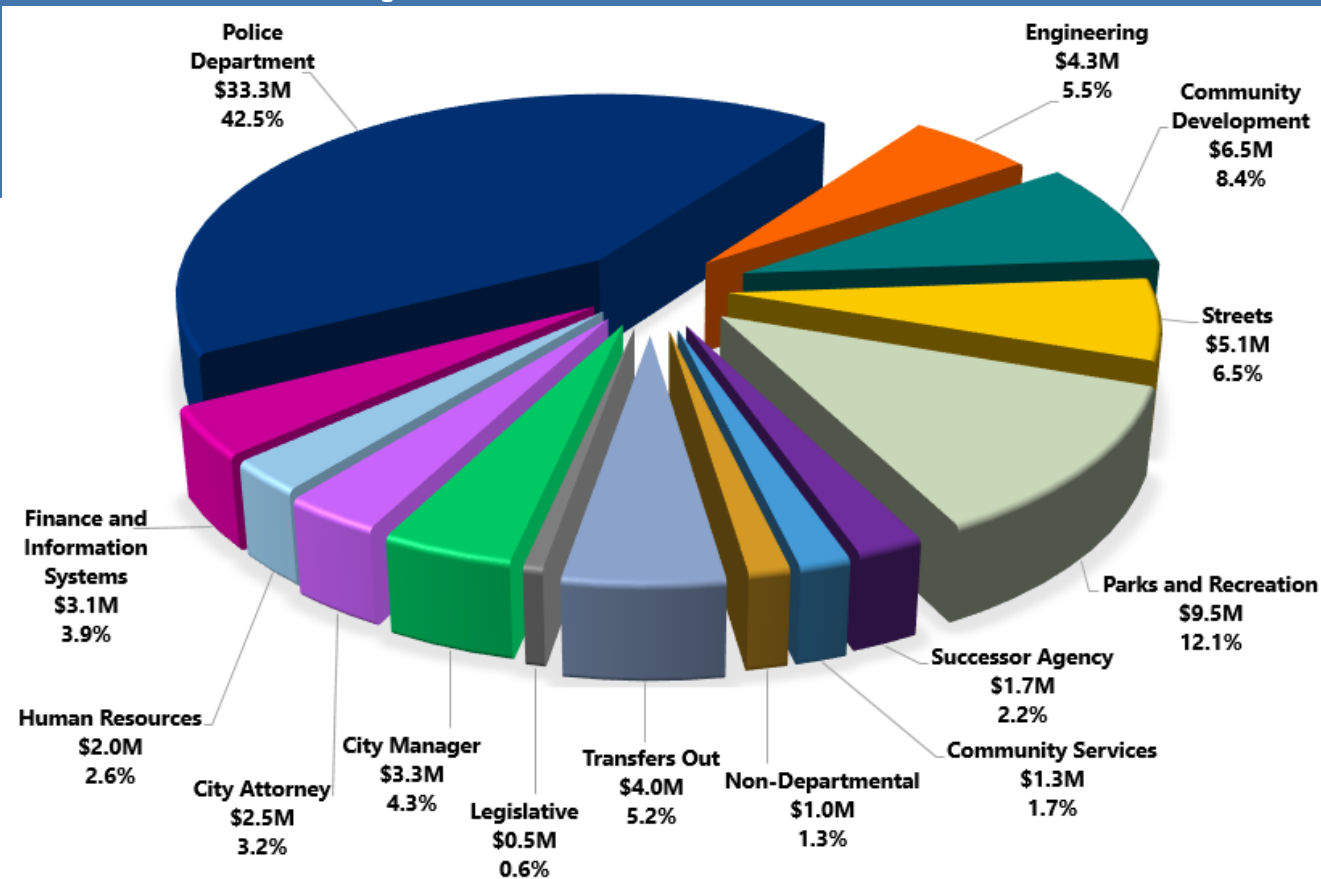
Potential Two-Year  
Cumulative Surplus  
\$1.6 Million



# FY 2024/25 General Fund Revenues \$76.9 Million



# FY 2024/25 General Fund Expenditures \$78.1 Million



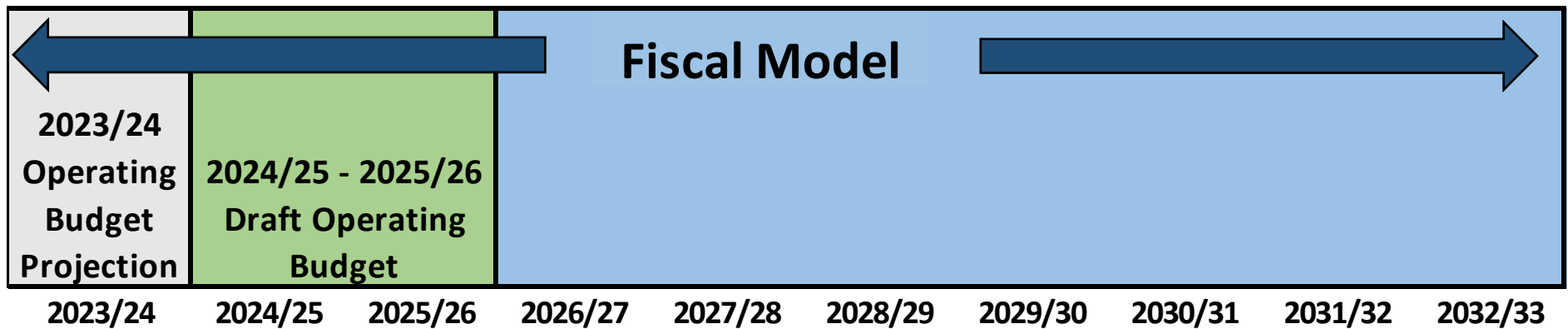


# General Fund Reserves

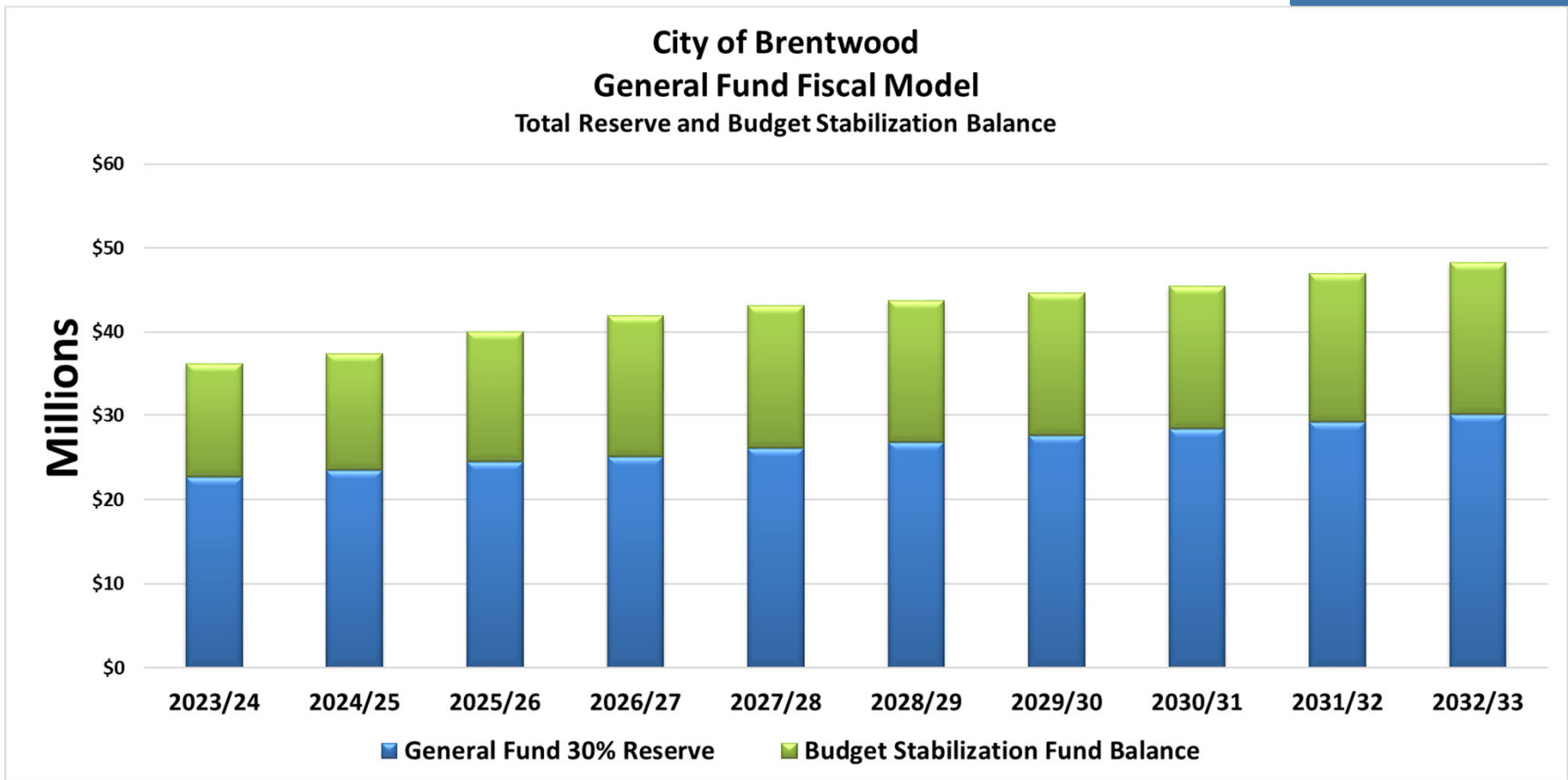
	<b>Projected</b>	<b>Budget</b>	<b>Budget</b>
	<b><u>6/30/2024</u></b>	<b><u>6/30/2025</u></b>	<b><u>6/30/2026</u></b>
<b>30% Reserve</b>	<b>\$ 22,523,201</b>	<b>\$ 23,413,904</b>	<b>\$ 24,512,165</b>
<b>Other Balances</b>			
Police Department 5th Beat	2,363,275	2,363,275	1,363,275
Successor Agency Payment Plan	2,087,999	687,303	-
Future Capital Projects	1,000,000	1,000,000	1,000,000
Brentwood Blvd	678,000	-	-
General Plan Update	428,700	740,600	1,055,900
Carryover Strategic Plan Initiatives	374,616	-	-
City Council Redistricting in 2030	100,000	125,000	150,000
<b>Subtotal</b>	<b>7,032,590</b>	<b>4,916,178</b>	<b>3,569,175</b>
<b>Total</b>	<b>\$ 29,555,791</b>	<b>\$ 28,330,082</b>	<b>\$ 28,081,340</b>

# General Fund Ten-Year Fiscal Model

- Ensure Long-term Financial Sustainability
- Assists in Developing the Operating Budget
- Indicate General Financial Direction
- Conservative Forecast



# General Fund Ten-Year Fiscal Model





# Proposed New Costs

# General Fund

## Strategic Initiative Budget Carryovers

<b>Economic Development</b>	
Brentwood Boulevard and Downtown Incentives	\$110,000
City-Owned Parcel Plan	79,616
<b>Community Development</b>	
General Plan Conservation and Open Space Policies	115,000
General Plan Implementation Status Update	<u>70,000</u>
<b>Total Carryover</b>	<u><b>\$374,616</b></u>

- New Position
  - Community Development Code Enforcement Officer
- Strategic Plan Budget Carryovers



# General Fund

- Special Events
  - One-time \$30,000, Ongoing \$45,000-Juneteenth
- Sidewalk Repair Program Expansion
  - One-time \$110,000, Ongoing \$100,000
- Utilities
  - \$127,000 in first budget year
- Parks and Recreation
  - One-time \$38,000, Ongoing \$106,000



# General Fund

- Permit Center Safety Project
  - One-time \$75,000
- County Services
  - Animal Services, Library Services, Election Costs
- Contractual Services and Recruitment Advertising
  - One-time \$48,000, Ongoing \$72,000
- Contribution to Other Agencies
  - Family Justice Center
  - Ongoing \$28,000



# Enterprise Funds

## Revenues

## New Positions

- 5 Wastewater Operations
- 2 Solid Waste Operations
- 1 Wastewater/Water/Solid Waste





# Enterprise Funds

## Water Enterprise Fund

- Regulatory Reporting Software – One-time \$196,000, Ongoing \$79,000
- Urban Water Plan – One-time \$85,000
- Storage Structure – One-time \$275,000
- Budget Carryover for Vehicle Upgrade - One-time \$170,000
- **Water/Wastewater/Solid Waste**
  - Utility Billing Lobby Safety Project - One-time \$21,000



# Other Funds

## Agricultural Land and Administration Funds

- Contractual Services – one-time \$100,000
- Carryforward Strategic Initiative Budget – One-time \$175,000

## Capital Infrastructure Fund

- Carryforward Economic Incentive Program Budget - \$2.2 million



# Other Funds



## Vehicle and Equipment Replacement Fund

- Carryover Replacement Budget – One-time \$115,000

## Fleet Maintenance Fund

- Maintenance Software – One-Time \$77,000 , Ongoing \$18,000



## Budget Stabilization Fund

- Pension Paydown – One-Time \$4.0 million



## Budget Watch

- Economic Uncertainty
- Inflation
- Labor Contracts
- Costco Timing
- CalPERS Investment Returns
- Taxpayer Protection and Government Accountability Act Ballot Measure



# NEXT STEPS

## CIP Adoption

- On Tonight's Agenda

## Operating Budget Adoption

- June 2024

## Mid-Year 2024/25 Operating Budget Review

- January 2025



**Questions?**

