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# Budget Presentation FY 2024-2025

City Council Meeting

May 22, 2024



CITY *of* CALABASAS

# Fiscal Policy

- The budget is the City Council's fiscal policy document.
- City Council prioritizes services, programs, projects, and initiatives.
- Funds are allocated towards staffing and contracts to ensure priorities are met.



# Fiscal Resiliency

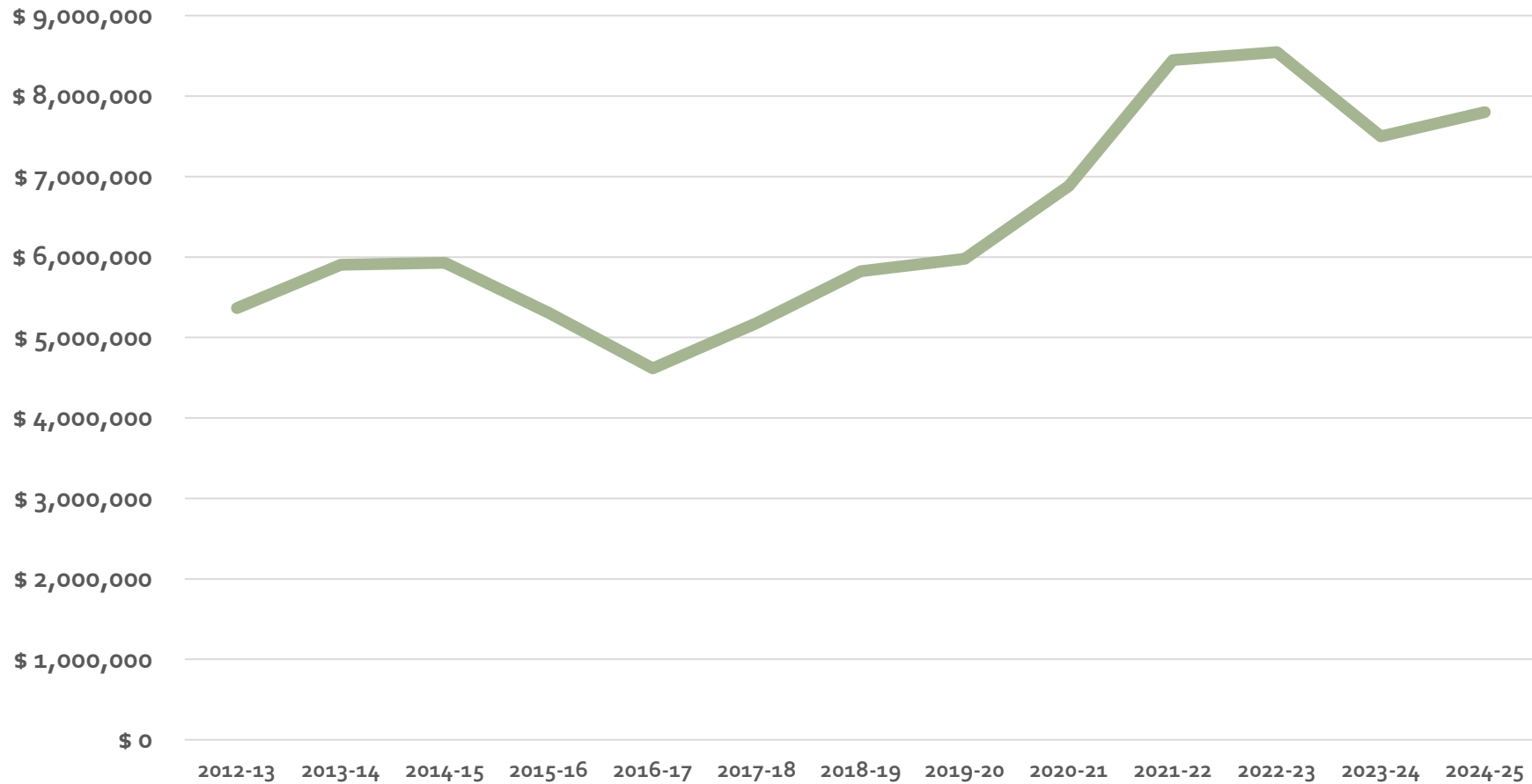
- In 2022 the City Council identified “Fiscal Resiliency” as one of its strategic priorities.
  - Fiscal resiliency requires prudent fiscal decisions with each annual budget.
  - Fiscal resiliency dictates that the City Council and Staff focus on long-range financial planning.

# Fiscal Resiliency

In FY 2021-22 and FY 2022-23 the City benefited from record sales tax revenues.

- Increased funding for public safety.
- Fronted over \$1M to improve City recreational facilities.
- Set aside \$2M for deferred maintenance.
- Invested \$2M into a Section 115 account to address future pension liabilities.
- Established 50% General Fund Reserve Policy.

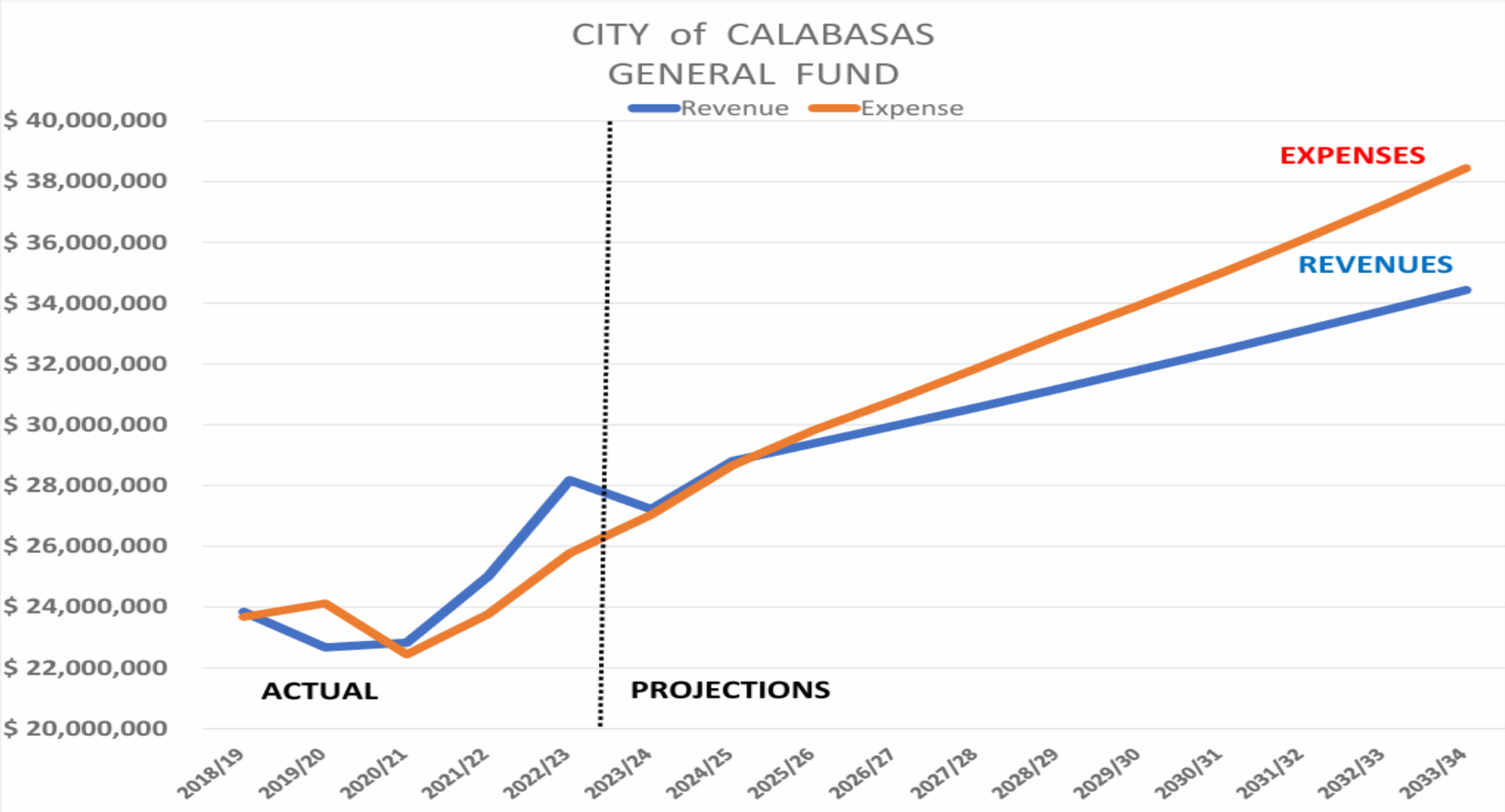
# Sales Tax History



# Fiscal Resiliency

- Sales tax revenue has declined over the last four quarters.
- Other General Fund revenues are increasing, however, growth of those revenue streams is minimal.
- General Fund expenses are outpacing revenue projections.

# General Fund 10 Year Forecast



# Fiscal Resiliency

- At its March 27 meeting, the Council directed staff to conduct additional outreach and education regarding a potential sales tax initiative on the November ballot.
- A 0.75% transaction and use tax or sales tax add-on would generate approximately \$4,000,000 per year in new revenues.
- Information about a transaction and use tax will be provided to the Council in June.



General Fund

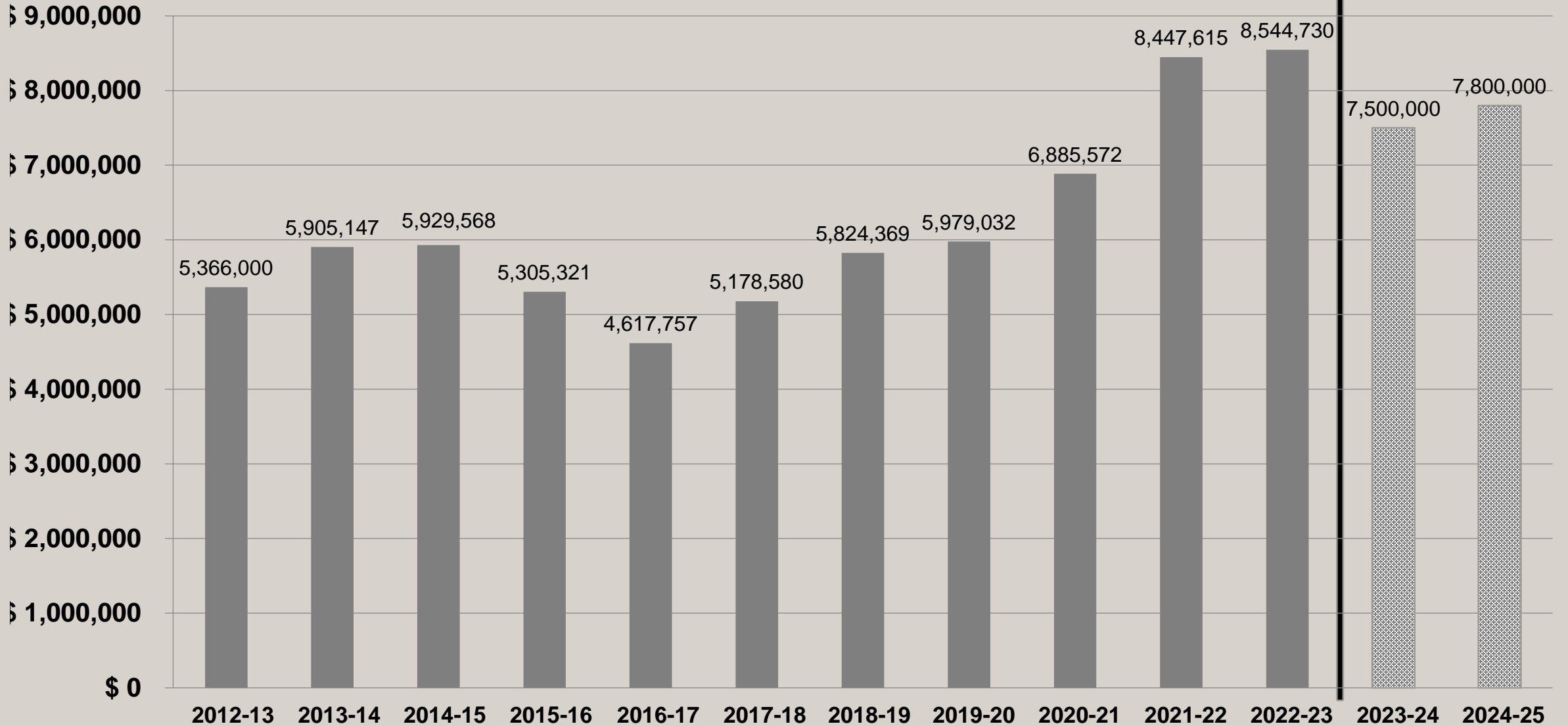
Revenues

{ A SELECT FEW }

# General Fund SALES TAXES

1%

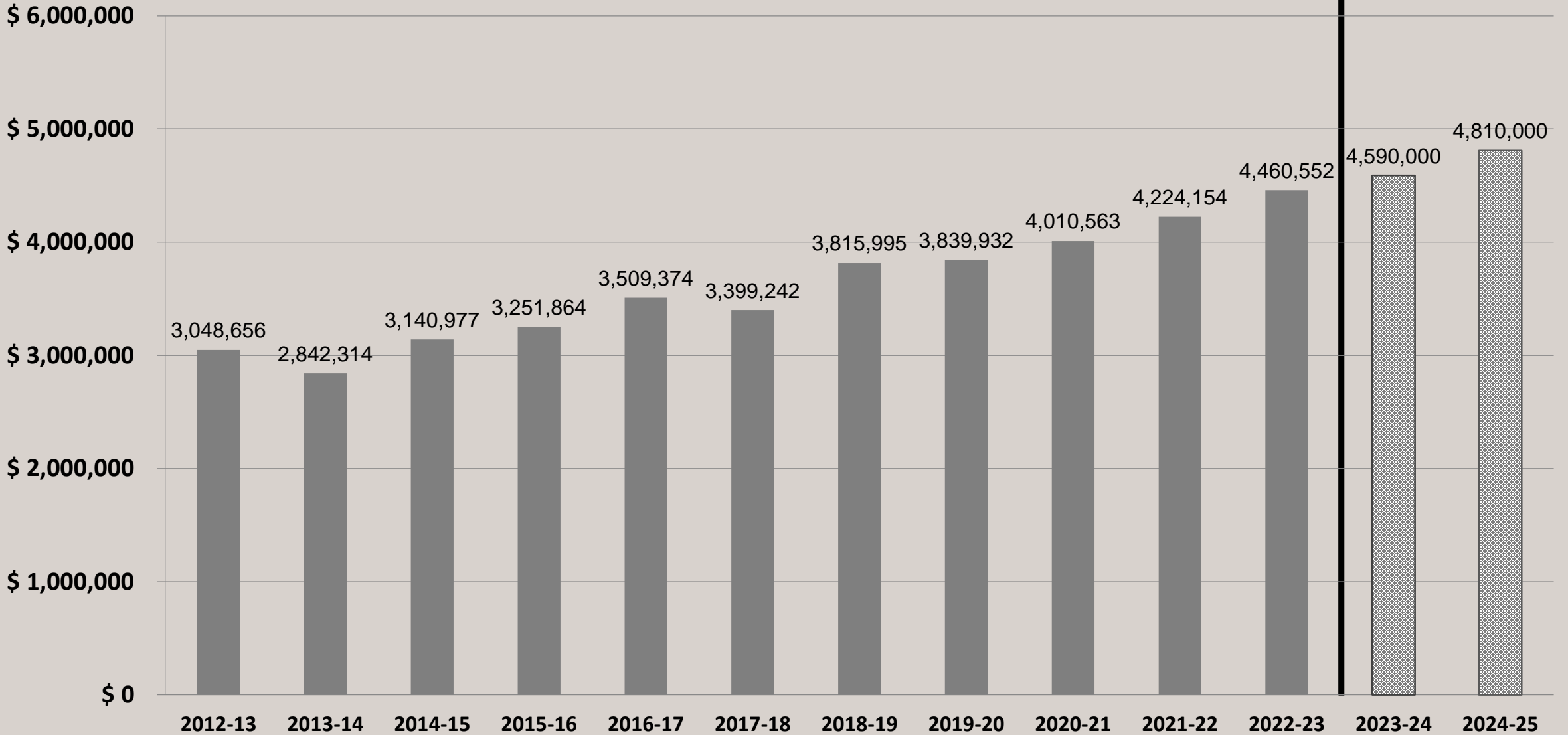
Estimates



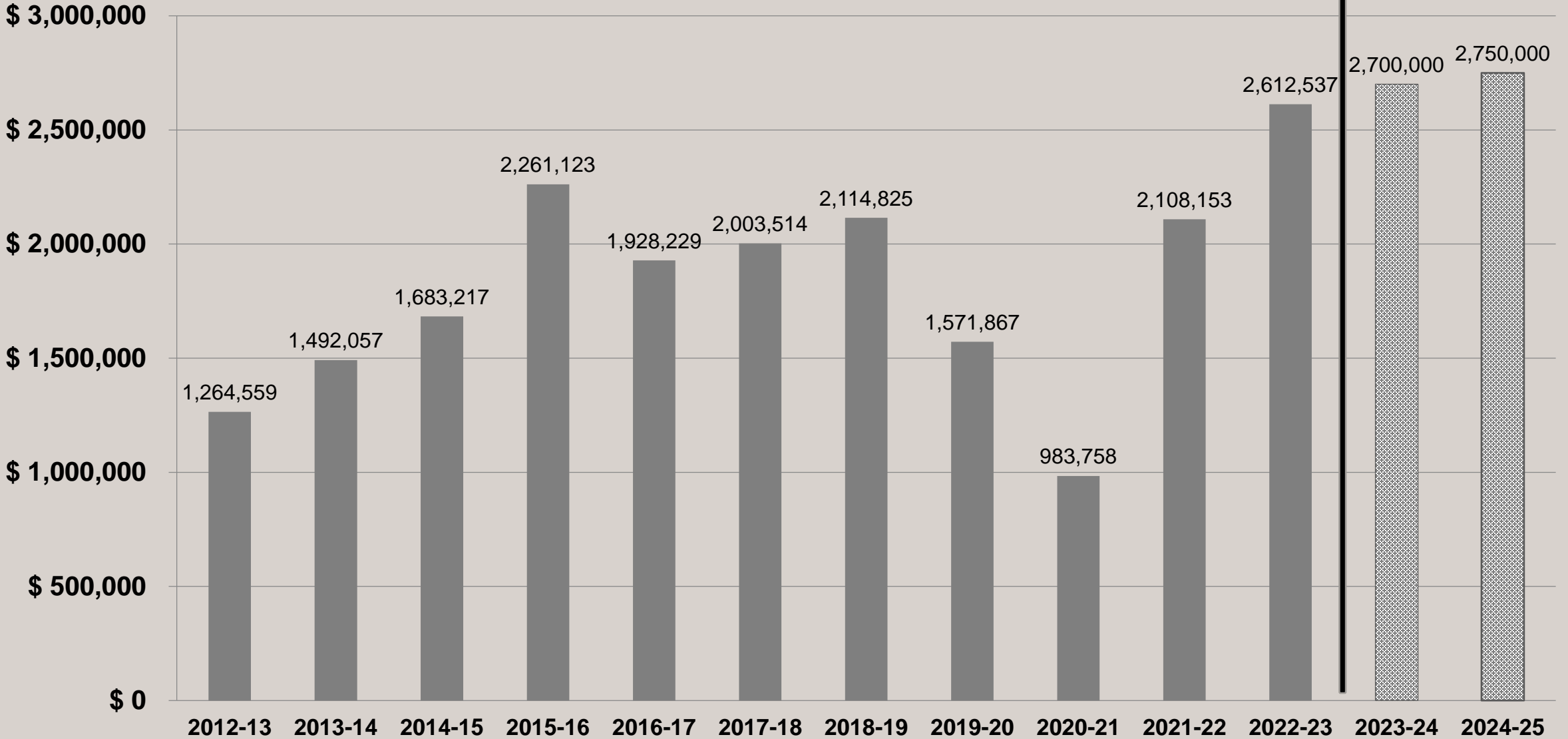
# General Fund PROPERTY TAXES

4.7 cents

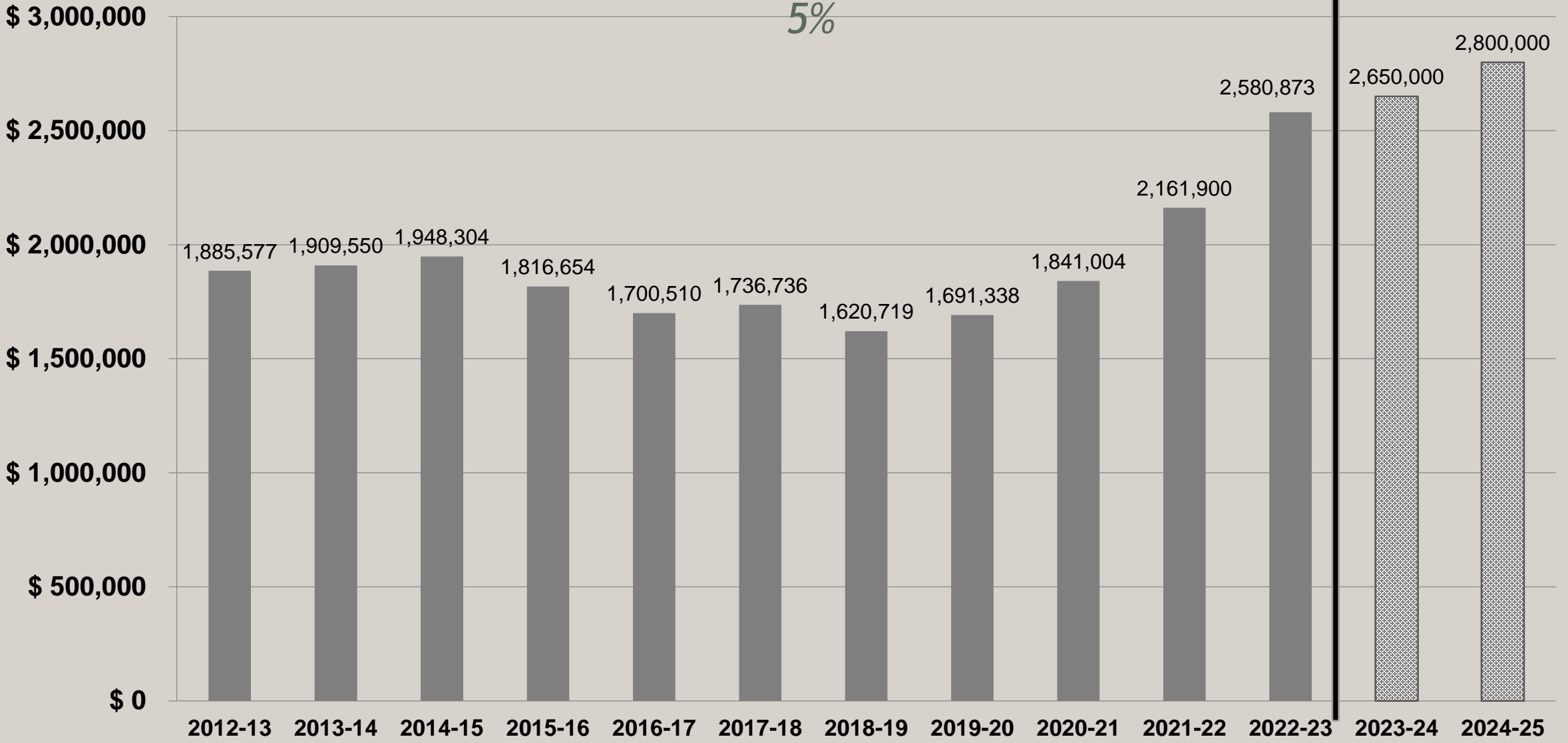
Estimates



General Fund  
**TRANSIENT OCCUPANCY TAXES**  
12%



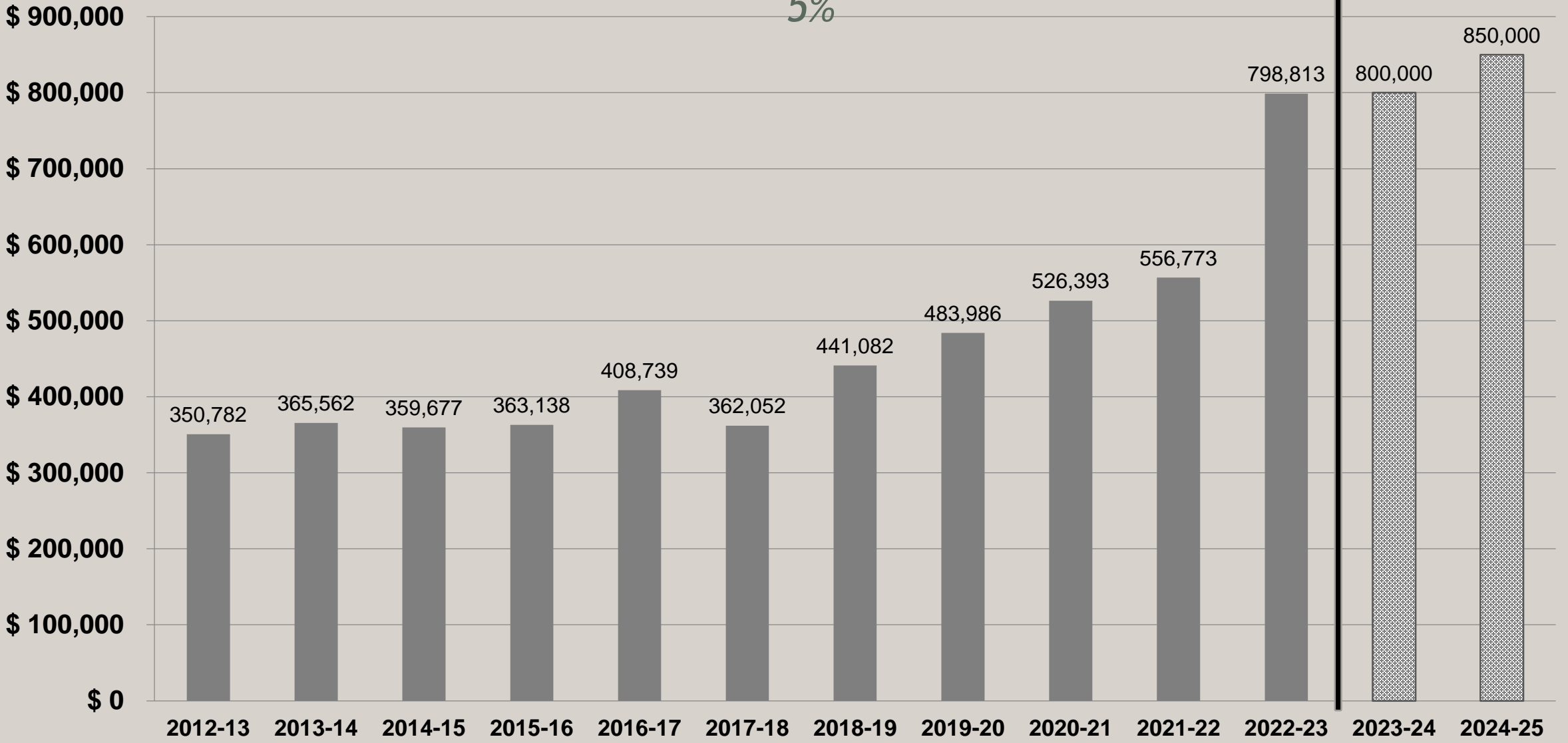
General Fund  
**UTILITY USER TAXES**  
*ELECTRIC*  
5%



General Fund  
**UTILITY USER TAXES**  
*NATURAL GAS*

5%

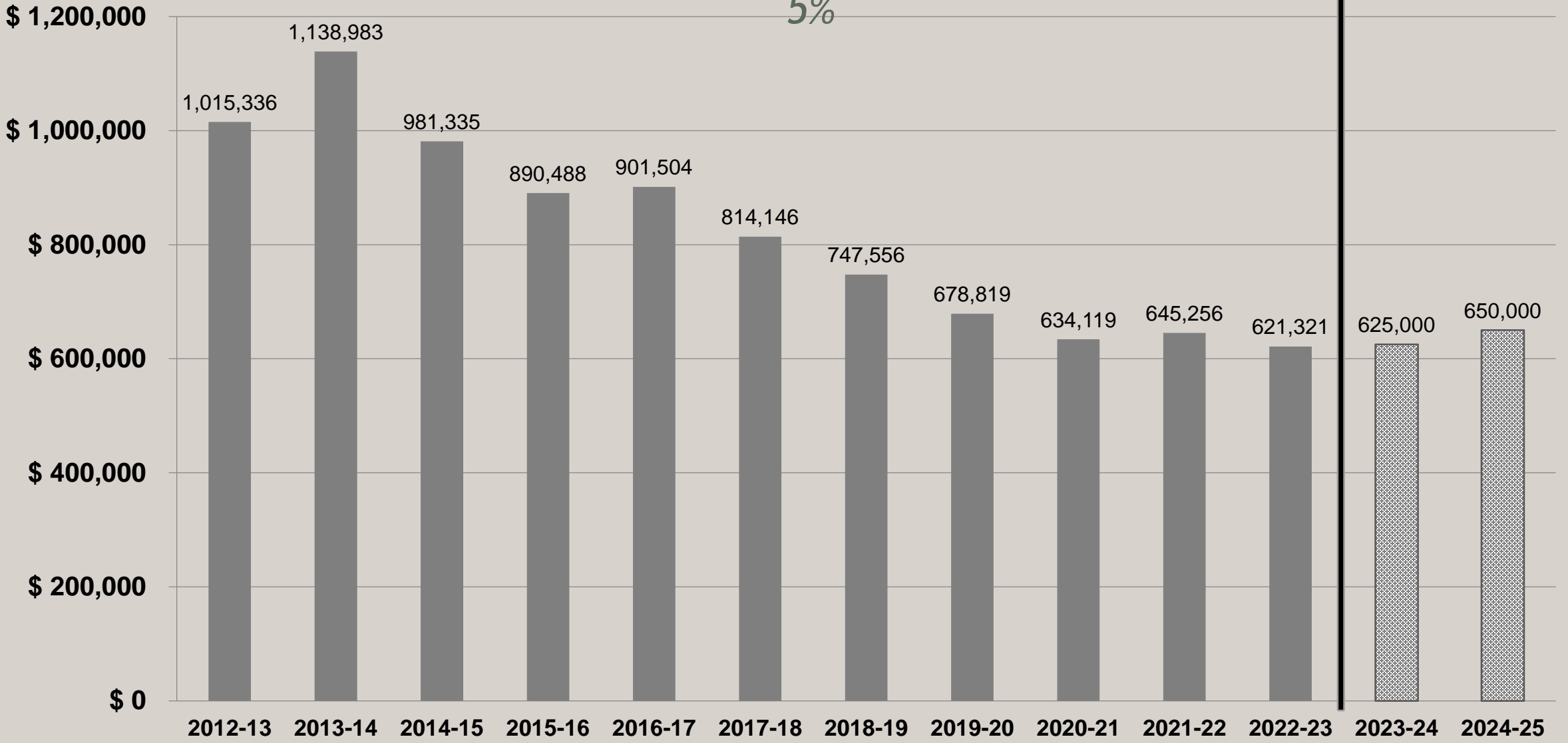
Estimates



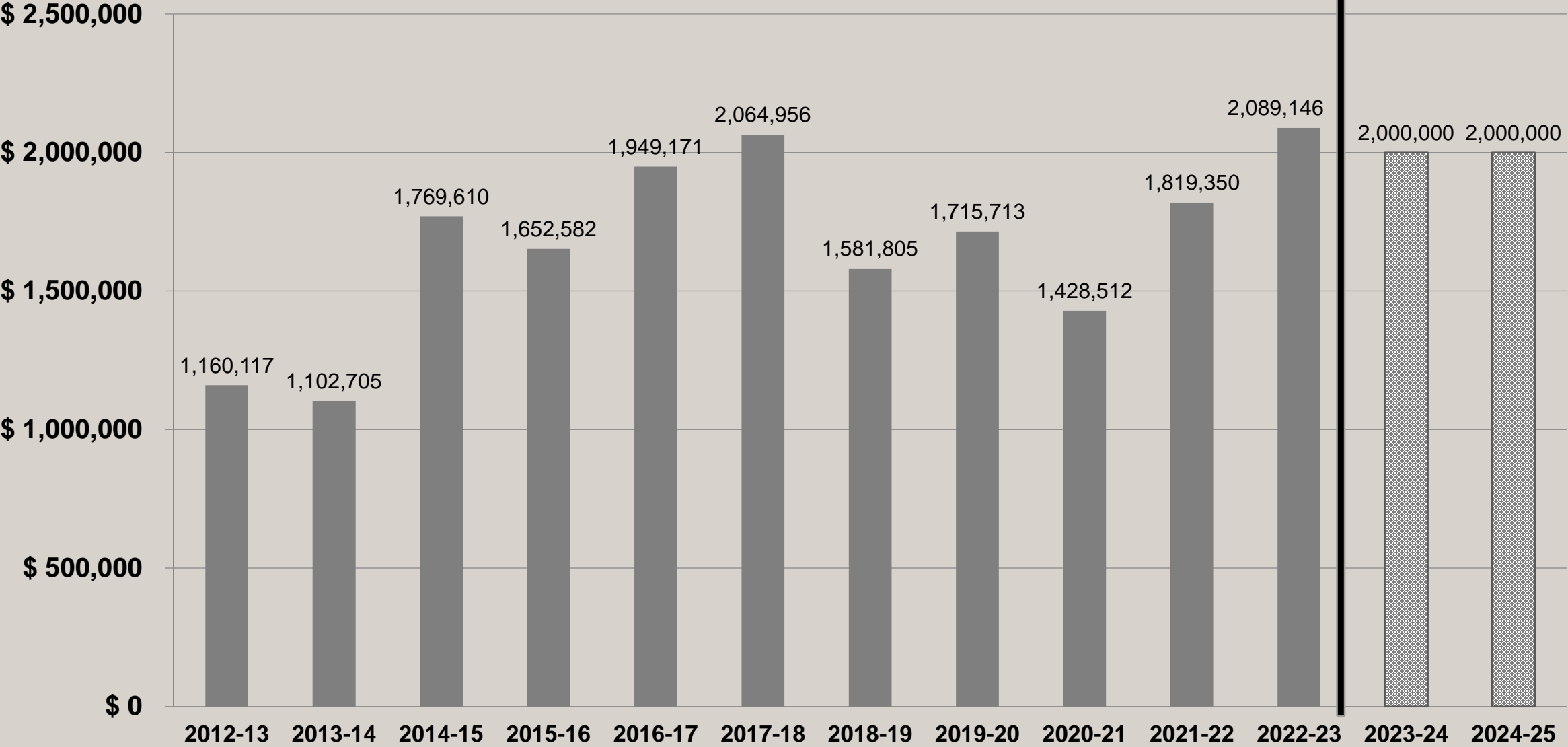
General Fund  
**UTILITY USER TAXES**  
*PHONE*

*5%*

Estimates



# General Fund BUILDING FEES

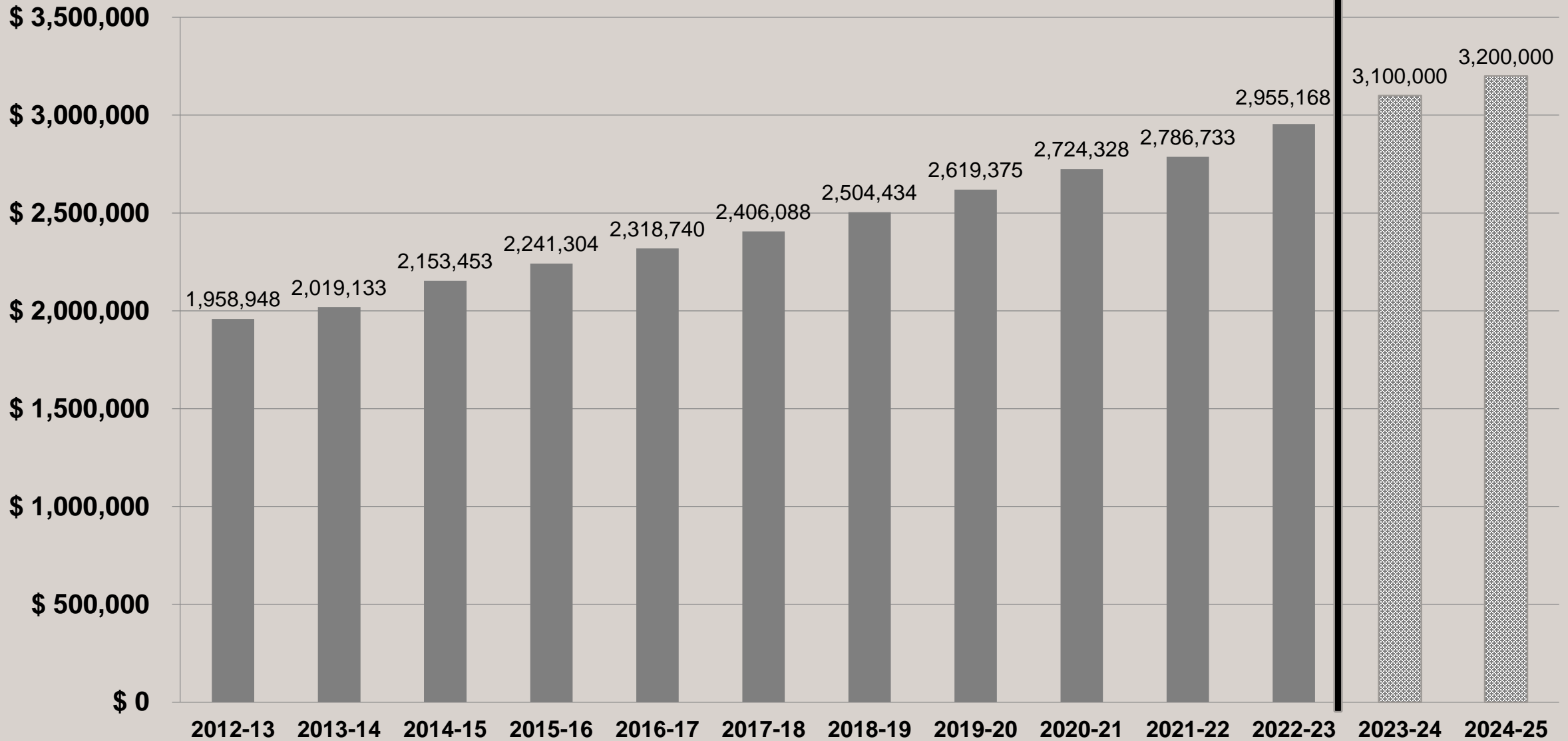




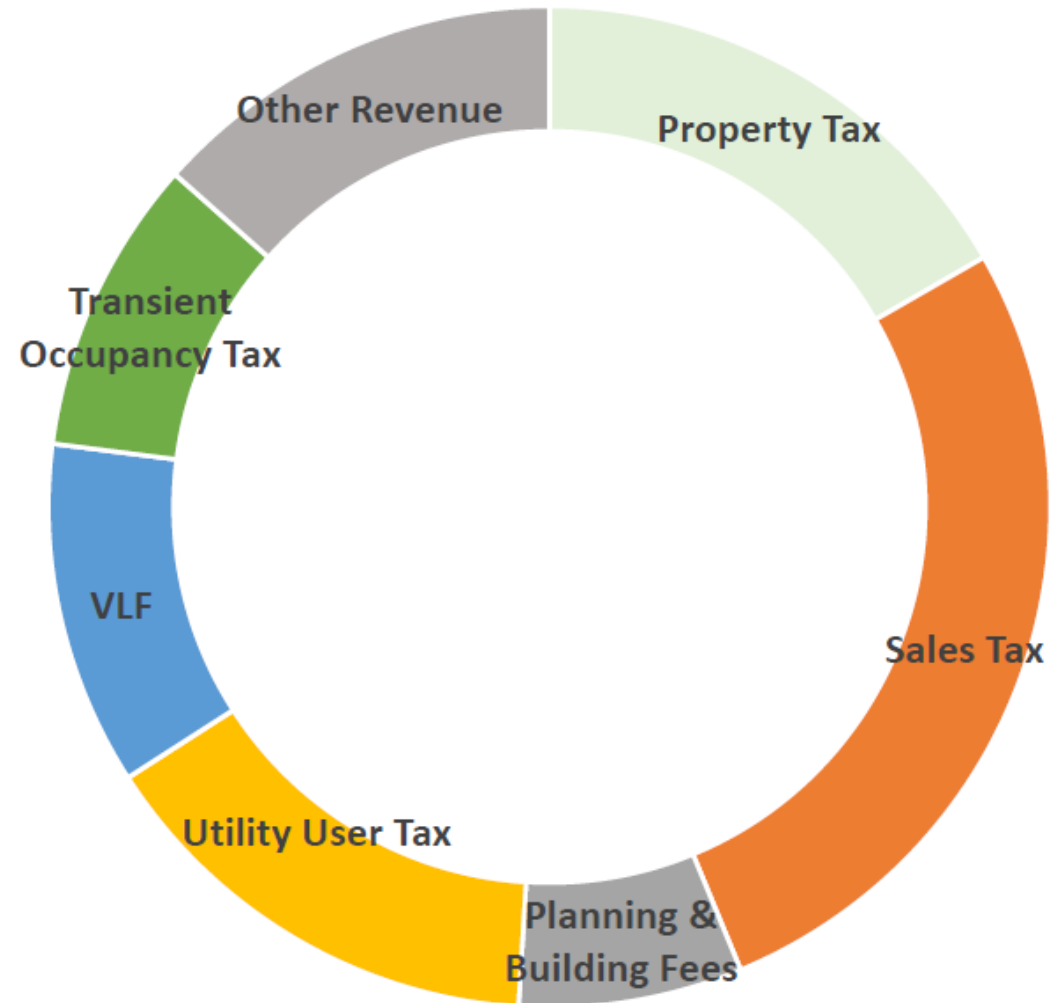
# General Fund VEHICLE LICENSE FEE

Property Tax Growth

Estimates



# General Fund Revenues

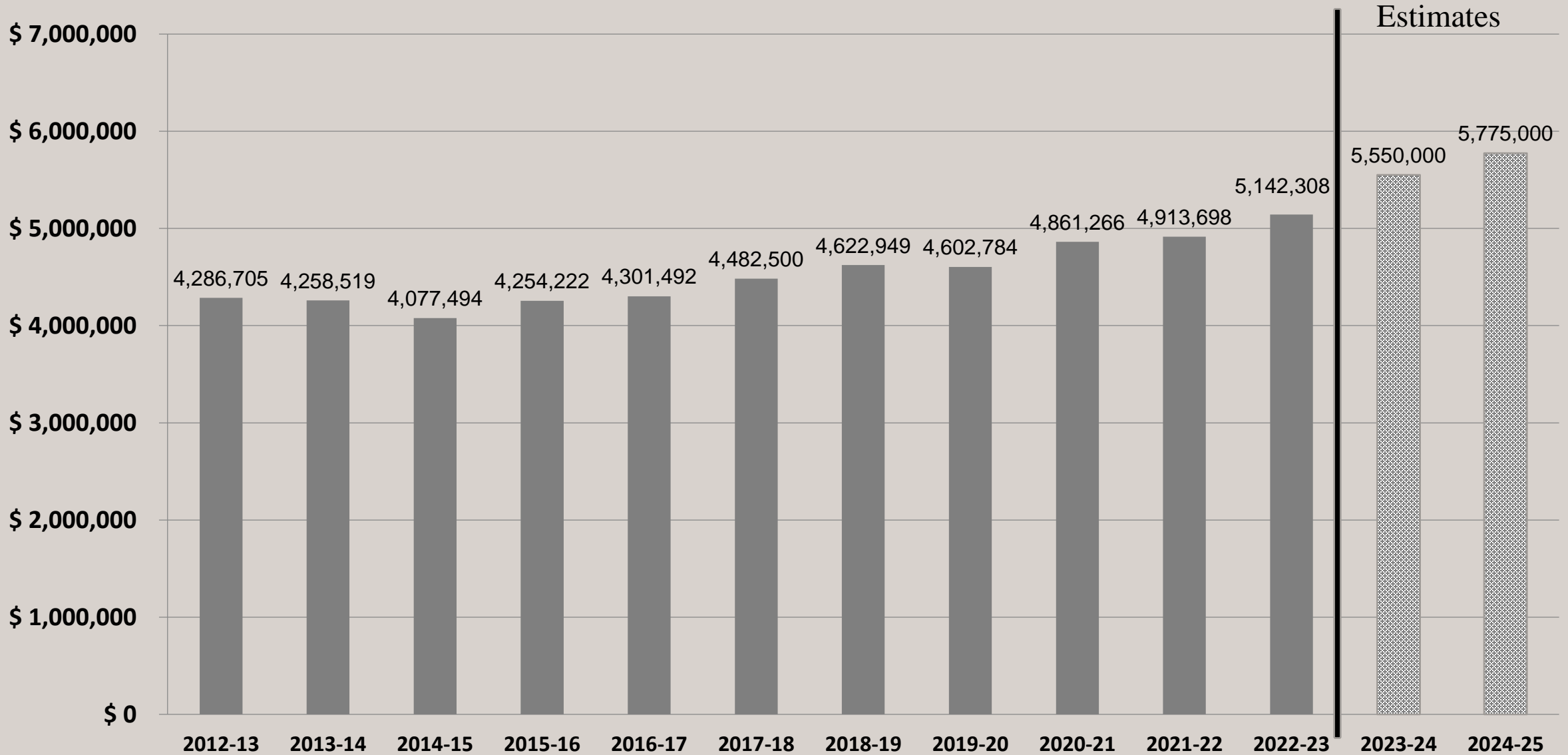


General Fund

Expenses

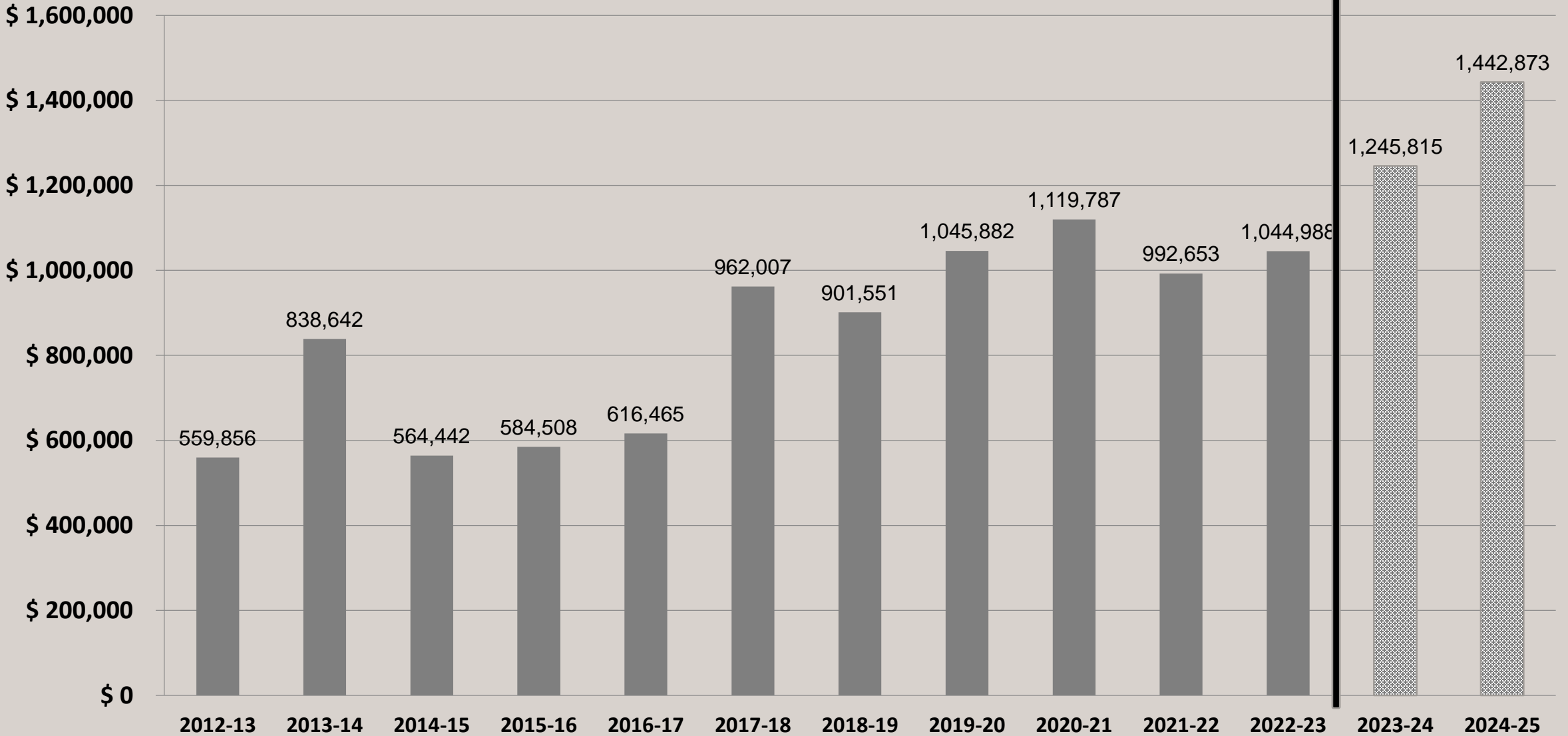
{ A SELECT FEW }

# General Fund LA COUNTY SHERIFF CONTRACT



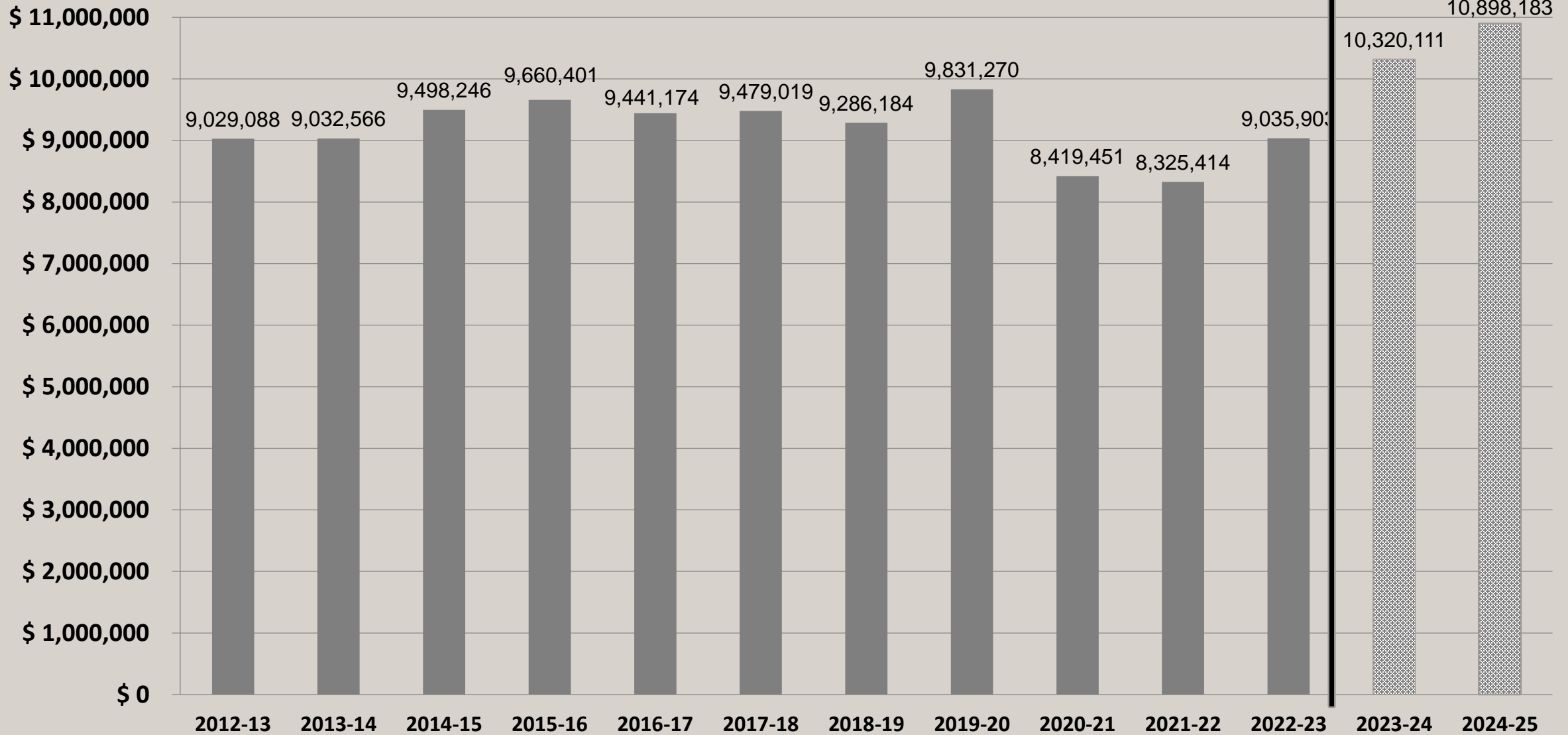
# General Fund CJPIA INSURANCES

*General Liability, Work Comp, Property, Crime, Pollution*

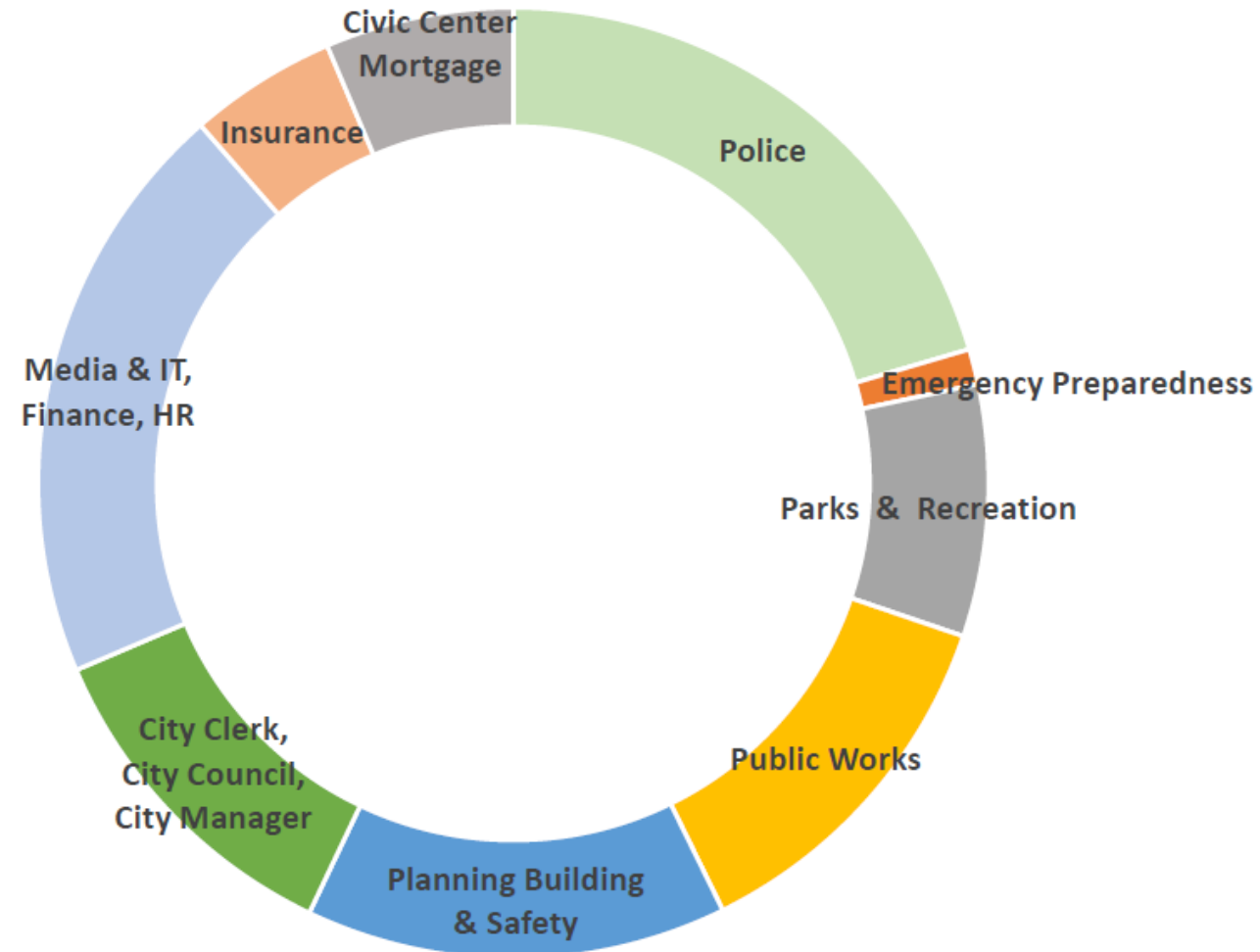


# General Fund SALARY & BENEFITS

Estimates



# General Fund Expenses



General Fund

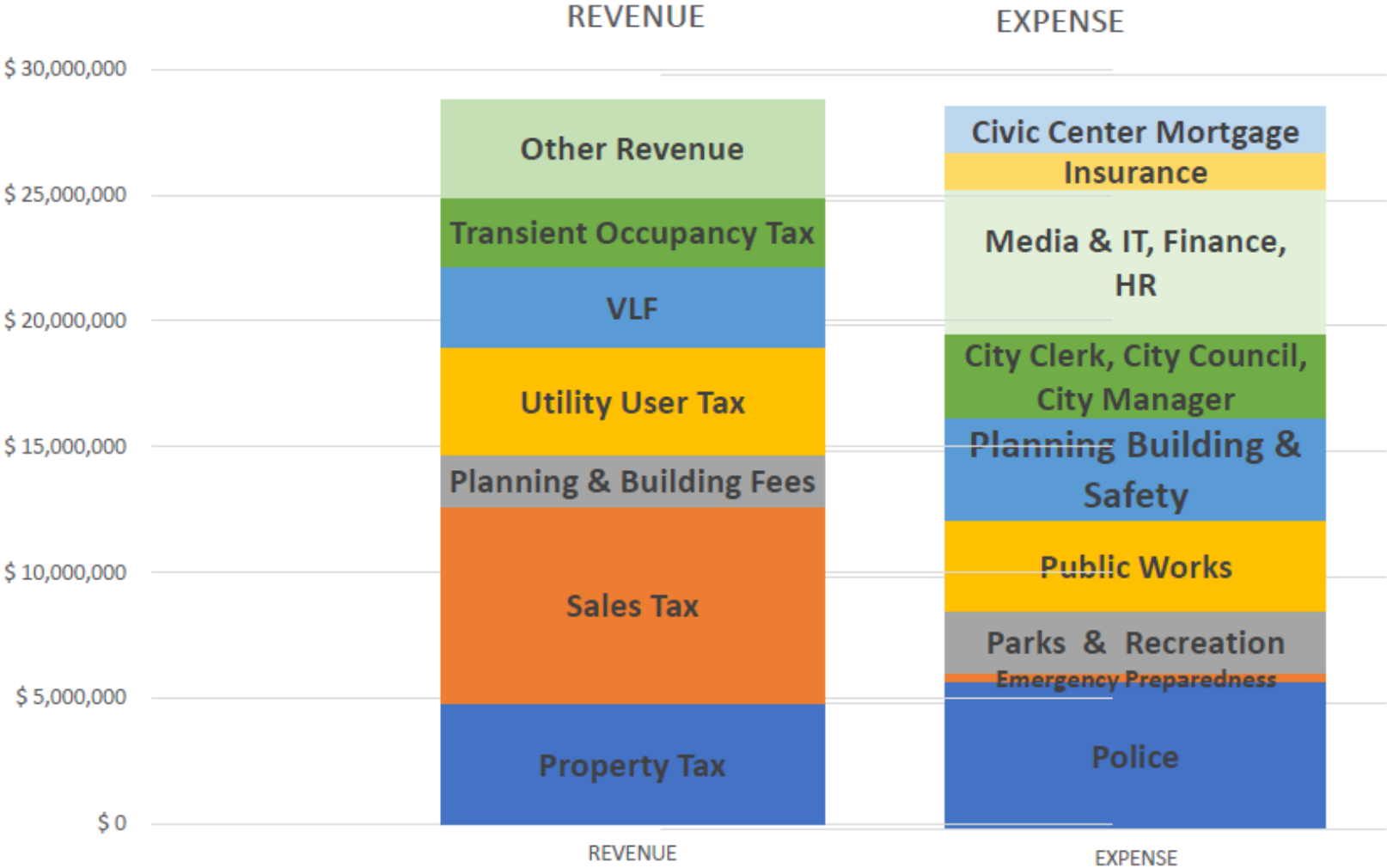
Overview



# General Fund Overview

	2021-22 ACTUALS	2022-23 ACTUALS	FY 2023-24		FY 2024-25
			Current BUDGET	Revised Estimate	Proposed BUDGET
Revenues	24,667,198	28,115,563	26,884,000	28,118,000	28,811,000
Transfers In	348,476	56,552	335,000	0	0
Total Revenues	25,015,674	28,172,115	27,219,000	28,118,000	28,811,000
Expenditures	21,879,158	23,909,759	24,073,215	25,110,927	26,445,876
Transfers Out	1,889,933	1,963,799	2,966,648	2,966,648	2,262,279
Total Expenditures	23,769,091	25,873,558	27,039,863	28,077,575	28,708,155
Surplus / (Deficit)	1,246,583	2,298,557	179,137	40,425	102,845
Fund Balance, Begin	12,670,598	13,917,181	16,215,738	16,215,738	16,256,163
Fund Balance, End	13,917,181	16,215,738	16,394,875	16,256,163	16,359,008

# General Fund Overview



# General Fund Overview

- General Fund is balanced.
- Sheriff staffing level remains unchanged.
- Programs and services are consistent with previous years.

# General Fund Overview

- General Fund Budget does not include the following:
  - \$4.6M in public safety and emergency preparedness initiatives
  - \$6.7M in park and recreational facility repairs
  - \$3.9M in infrastructure and capital improvements
  - \$2.2M in City projects and operational needs

City Budget

Overview

# City-Wide Budget Overview

	2021-22 ACTUALS	2022-23 ACTUALS	FY 2023-24		FY 2024-25
			Current BUDGET	Revised Estimate	Proposed BUDGET
Revenues	52,962,184	52,962,184	51,737,215	55,479,735	64,121,665
Transfers In	11,101,242	11,101,242	17,764,958	16,614,606	15,575,237
<b>Total Revenues</b>	<b>64,063,426</b>	<b>64,063,426</b>	<b>69,502,173</b>	<b>72,094,341</b>	<b>79,696,902</b>
Expenditures	47,706,046	47,706,046	64,679,929	67,271,666	70,582,359
Transfers Out	11,101,242	11,101,242	17,764,958	16,614,606	15,575,237
<b>Total Expenditures</b>	<b>58,807,288</b>	<b>58,807,288</b>	<b>82,444,887</b>	<b>83,886,272</b>	<b>86,157,596</b>
Add: PY ARPA & FY Grants			9,263,958	16,063,958	5,348,560
<b>Surplus / (Deficit)</b>	<b>5,256,138</b>	<b>5,256,138</b>	<b>(3,678,756)</b>	<b>4,272,027</b>	<b>(1,112,134)</b>

# Future Budget Meetings

## June 19, 2024 Council Meeting – Budget Adoption

- Salary Resolution Adoption {Full-time employee COLA}
- City wide Fees Resolution
- Public hearing on the final budget, FY 2024-25
- Adoption of the following:
  - Operations Budget
  - Capital Improvement Program (CIP)
  - Appropriation Limit ~ GANN Initiative

## June 26, 2024 Council Meeting – if needed

- If needed to adopt the budget and other budget resolutions

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# Discussion and Direction



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