Proposed FY 2023-24 & FY 2024-25 OPERATING & CIP BUDGET

Public Hearing

Jaime Boscarino, Finance Director
June 6, 2023
FYs 2023-2025 Budget Process

1. MARCH 14, 2023
   User Fees Study Session

2. APRIL 4, 2023
   Capital Improvement Program (CIP) Study Session

3. APRIL 25, 2023
   User Fees Public Hearing

4. MAY 9, 2023
   Operating Budget Study Session

5. JUNE 6, 2023
   Operating Budget and CIP Public Hearing and Adoption

Budget Engagement

REACH 54,258
POST ENGAGEMENT 1,684
SURVEY SUBMISSIONS 225
WEBSITE UNIQUE VISITORS 824
WEBSITE PAGE VIEWS 1,900
Budget Theme – Rooted in Community

1. Homelessness – Navigation Center funding
2. Affordable Housing – $4.5M CIP
3. Public Safety – ALPR technology
4. Economic Development – staffing
5. Environmental Sustainability – CIP and CEAP
6. Public Works/CDD Infrastructure Investments – CIP, Land Management System, staffing
7. Comprehensive General Plan – implementation
8. Campus Master Plan – CIP
9. Technology Investments – Website update; Water billing system
10. Cultural Arts & Library – Library master planning
Operating Budget

- Biennial budget process
- Conservative estimates
- Strategic spending plan
- Investing in the future
- Balanced General Fund Budget
  - Reserves support CIP projects and one-time initiatives

SECTIONS:
- Section 1 – Citywide Budget Summary
- Section 2 – General Fund Summary
- Section 3 – General Fund by Departments
- Section 4 – Enterprise Funds
- Sections 5 & 6 – Library and Other Special Revenue Funds
- Section 7 – Capital Projects & Debt Service Funds
- Section 8 – Internal Service Funds
- Section 9 – Position Summary
- Section 10 – Policies & Procedures
- Section 11 – Resolutions
- Section 12 – Glossary
Proposed FY 2023-24 & FY 2024-25
OPERATING & CIP BUDGET

Citywide Highlights

Citywide Proposed Budget Appropriations By Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>Appropriations</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$113,525,493</td>
<td>42.0%</td>
</tr>
<tr>
<td>Water Fund</td>
<td>$46,860,438</td>
<td>17.3%</td>
</tr>
<tr>
<td>Wastewater Fund</td>
<td>$39,377,825</td>
<td>14.5%</td>
</tr>
<tr>
<td>Transportation Fund</td>
<td>$17,041,909</td>
<td>6.3%</td>
</tr>
<tr>
<td>Library Fund</td>
<td>$10,244,900</td>
<td>3.8%</td>
</tr>
<tr>
<td>Street Improvements Fund</td>
<td>$7,952,980</td>
<td>2.9%</td>
</tr>
<tr>
<td>Golf Course Fund</td>
<td>$7,803,101</td>
<td>2.9%</td>
</tr>
<tr>
<td>Landscaping Fund</td>
<td>$7,482,692</td>
<td>2.6%</td>
</tr>
<tr>
<td>Lighting Fund</td>
<td>$3,678,805</td>
<td>1.4%</td>
</tr>
<tr>
<td>Solid Waste Fund</td>
<td>$3,006,138</td>
<td>1.1%</td>
</tr>
<tr>
<td>Grants Fund</td>
<td>$2,349,250</td>
<td>0.8%</td>
</tr>
<tr>
<td>Stormwater</td>
<td>$2,203,577</td>
<td>0.8%</td>
</tr>
<tr>
<td>East County Transit Alliance (ECTA)</td>
<td>$1,162,000</td>
<td>0.4%</td>
</tr>
<tr>
<td>Public Financing Authority (PFA)</td>
<td>$1,000,400</td>
<td>0.3%</td>
</tr>
<tr>
<td>Capital Projects Fund</td>
<td>$993,930</td>
<td>0.3%</td>
</tr>
<tr>
<td>Community Development Block Grant (CDBG)</td>
<td>$575,000</td>
<td>0.2%</td>
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<tr>
<td>Housing Fund</td>
<td>$215,879</td>
<td>0.0%</td>
</tr>
<tr>
<td>Cable Television (PEG) Fund</td>
<td>$188,000</td>
<td>0.0%</td>
</tr>
<tr>
<td>Law Enforcement Agency Seizure Fund</td>
<td>$104,000</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

FY 2023-24: $270,478,530
Citywide Proposed Budget Appropriations By Fund

FY 2024-25
$271,360,474

General Fund
$112,958,450
41.6%

Water Fund
$47,182,197
17.4%

Wastewater Fund
$31,801,632
11.7%

Transportation Fund
$14,980,103
5.5%

Library Fund
$11,205,546
4.1%

Golf Course Fund
$8,946,404
3.3%

Street Improvements Fund
$11,140,219
4.1%

Theatres Fund
$5,204,607
1.9%

Landscaping Fund
$8,291,506
3.1%

Grants Fund
$3,871,070
1.4%

Stormwater Fund
$3,749,347
1.4%

Capital Projects Fund
$3,336,011
1.2%

Lighting Fund
$3,170,354
1.2%

Solid Waste Fund
$2,349,984
0.87%

East County Transit Alliance (ECTA)
$1,162,000
0.43%

Public Financing Authority (PFA)
$1,006,200
0.37%

Community Development Block Grant (CDBG)
$575,000
0.21%

Housing Fund
$221,644
0.08%

Cable Television (PEG) Fund
$104,000
0.04%

Law Enforcement Agency Seizure Fund
$104,000
0.04%

Proposed FY 2023-24 & FY 2024-25

General Fund Highlights
General Fund
Proposed Revenues

FY 2023–24
$112,658,810

General Fund
Proposed Revenues

FY 2024–25
$111,852,809
## General Fund
### Proposed Revenues

<table>
<thead>
<tr>
<th>Revenue Type</th>
<th>FY 2021-22 Actual</th>
<th>FY 2022-23 Projected</th>
<th>FY 2023-24 Proposed</th>
<th>% Change</th>
<th>FY 2024-25 Proposed</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax</td>
<td>$ 38.1</td>
<td>$ 38.6</td>
<td>$ 39.6</td>
<td>2.6%</td>
<td>$ 40.9</td>
<td>3.3%</td>
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<tr>
<td>Property Tax</td>
<td>15.9</td>
<td>16.3</td>
<td>17.3</td>
<td>6.1%</td>
<td>17.7</td>
<td>2.3%</td>
</tr>
<tr>
<td>Property Tax In Lieu (VLF)</td>
<td>14.0</td>
<td>14.7</td>
<td>15.4</td>
<td>4.8%</td>
<td>15.9</td>
<td>3.2%</td>
</tr>
<tr>
<td>Charges for Current Services</td>
<td>7.2</td>
<td>6.7</td>
<td>8.1</td>
<td>20.9%</td>
<td>8.3</td>
<td>2.5%</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>7.2</td>
<td>7.4</td>
<td>7.5</td>
<td>1.4%</td>
<td>7.8</td>
<td>4.0%</td>
</tr>
<tr>
<td>Transient Occupancy Tax</td>
<td>4.5</td>
<td>4.9</td>
<td>5.0</td>
<td>2.0%</td>
<td>5.1</td>
<td>2.0%</td>
</tr>
<tr>
<td>Licenses &amp; Permits</td>
<td>5.2</td>
<td>6.0</td>
<td>4.8</td>
<td>-20.0%</td>
<td>4.7</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Use of Money</td>
<td>(11.5)</td>
<td>3.1</td>
<td>3.7</td>
<td>19.4%</td>
<td>3.4</td>
<td>-8.1%</td>
</tr>
<tr>
<td>Business Tax</td>
<td>2.2</td>
<td>2.3</td>
<td>2.3</td>
<td>0.0%</td>
<td>2.3</td>
<td>0.0%</td>
</tr>
<tr>
<td>Revenue from Other Agencies</td>
<td>8.1</td>
<td>0.8</td>
<td>4.6</td>
<td>475.0%</td>
<td>1.6</td>
<td>-65.2%</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>2.5</td>
<td>2.9</td>
<td>3.1</td>
<td>6.9%</td>
<td>2.9</td>
<td>-6.5%</td>
</tr>
<tr>
<td>Transfers</td>
<td>1.2</td>
<td>1.2</td>
<td>1.3</td>
<td>8.3%</td>
<td>1.3</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$94.6</strong></td>
<td><strong>$104.9</strong></td>
<td><strong>$112.7</strong></td>
<td><strong>7.4%</strong></td>
<td><strong>$111.9</strong></td>
<td><strong>-0.7%</strong></td>
</tr>
</tbody>
</table>

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**HOW YOUR 7.25% SALES TAX DOLLAR IS DIVIDED**

- **State General Fund**: 54%
- **City of T.O.**: 13%
- **Ventura County Transportation Commission (VCTC)**: 3%
- **Ventura County Health & Welfare**: 22%
- **County/State Public Safety Fund (Prop. 172)**: 7%
- **Ventura County**: 1%

*Effective January 1, 2023*
General Fund
Proposed Appropriations

FY 2023-24
$113,525,493

- Salaries & Benefits, $42,334,459 (37.3%)
- Police Services, $33,799,215 (29.8%)
- Maintenance & Operations, $26,110,489 (23.0%)
- Capital Improvement/Outlay, $7,372,253 (6.5%)
- Transfers to Other funds, $3,909,077 (3.4%)
General Fund
Proposed Appropriations

FY 2024-25
$112,958,450

- Salaries & Benefits, $44,459,910 (39.4%)
- Police Services, $35,579,515 (31.5%)
- Maintenance & Operations, $21,777,105 (19.3%)
- Capital Improvement/Outlay, $5,035,170 (4.5%)
- Transfers to Other funds, $6,106,750 (5.4%)

Operating Budget Changes Since Study Session
General Fund

<table>
<thead>
<tr>
<th>REVENUE CHANGES</th>
<th>EXPENDITURE CHANGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2023-24</td>
<td>$3.1 million increase</td>
</tr>
<tr>
<td>FY 2024-25</td>
<td>$0.1 million increase</td>
</tr>
</tbody>
</table>

- Development, construction, and operating costs of the Navigation Center:
  - FY 2023-24 $3.1 million increase in both Revenue and Expenditures
  - FY 2024-25 $0.1 million increase in Expenditures
- Decrease in General Fund Transfers Out to the Library Fund:
  - FY 2024-25 $0.6 million decrease in Expenditures
Operating Budget Changes Since Study Session
Special Revenue Funds

<table>
<thead>
<tr>
<th></th>
<th>REVENUE CHANGES</th>
<th>EXPENDITURE CHANGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2023-24</td>
<td>$1.1 million increase</td>
<td>$0.5 million increase</td>
</tr>
<tr>
<td>FY 2024-25</td>
<td>$2.9 million increase</td>
<td>$2.9 million increase</td>
</tr>
</tbody>
</table>

**Grants Fund**

- Correction to project totals:
  - FY 2023-24: $1.6 million increase in both Revenue and Expenditures
  - FY 2024-25: $5.7 million increase in both Revenue and Expenditures

- Grant funds received in FY 2022-23
  - FY 2023-24: $1.1 million decrease in both Revenue and Expenditures
  - FY 2024-25: $2.8 million decrease in both Revenue and Expenditures

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Library Fund

- Estimated Revenues updated
  - FY 2023-24: $0.6 million increase in Property Tax Revenue
  - FY 2024-25: $0.6 million increase in Property Tax Revenue with offsetting $0.6 million decrease in Transfers In from General Fund
Operating Budget Changes Since Study Session

Enterprise Funds

**Wastewater Fund**
- Increased cost of chemical supplies for Hill Canyon Treatment Plant
  - FY 2023-24: $0.8 million increase in Expenditures
  - FY 2023-24: $0.5 million increase in Revenue
  - FY 2024-25: $0.8 million increase in Expenditures
  - FY 2024-25: $0.9 million increase in Revenue

**Transportation Fund**
- Increase to chargebacks to other funds and consulting support
  - FY 2024-25: $0.1 million increase in Expenditures

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<th>REVENUE CHANGES</th>
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<td>$0.9 million increase</td>
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</tbody>
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Proposed FY 2023-24 & FY 2024-25

Capital Improvement Program (CIP) Highlights
CIP Budget Sections

Section 1 – CIP Summaries & Deferred Requirements Summary
Section 2 – Capital Improvement Projects by Category
Section 3 – Capital Improvement Projects by Fund
Section 4 – Capital Improvement Resolutions
Section 5 – Policies & Procedures
Section 6 – Glossary

Location Map of CIP Projects
CIP Budget Changes Since Study Session

Hillcrest Dr. Bike Lanes Pedestrian Improvements (CI 5682)
• Anticipated grant funds were received in FY 2022-23
  FY 2023-24 $433,797 decrease
  FY 2024-25 $2,350,000 decrease

Lynn Road Class IV Bike Lane and Pedestrian Improvements (CI 5660)
• Anticipated grant funds were received in FY 2022-23
  FY 2023-24 $246,400 decrease
  FY 2024-25 $475,119 decrease

Freeway Reservoir Access Road Improvements (CI 5280)
• Estimated project beginning date updated from Summer 2024 to Summer 2023
  FY 2023-24 $225,000 increase
  FY 2024-25 $300,000 increase

EV Chargers Citywide (CI 5711)
• Year 4 funding moved to year 1 for studies, site analysis, outreach, and preliminary design plans required for grant applications
  FY 2023-24 $200,000 increase
  FY 2024-25 No change
CIP Budget Changes Since Study Session

Thousand Oaks Boulevard (Phase II) Curbs and Pedestrian Crossings (CI 5398)

- Project status updated with funding moved to carryover
  - FY 2023-24 $414,540 decrease
  - FY 2024-25 No change

Pavement Overlay FY 2023-25

- Available Gas Tax funding updated
  - FY 2023-24 $50,000 increase
  - FY 2024-25 No change

Financial & Budget Policies

- Central to a strategic, long-term approach to financial management
- GFOA Best Practice
- Policies included as part of Budget Adoption:
  - Budget
  - Budget Appropriation/Transfers
  - Capital Improvement Program
  - Capital Asset Capitalization
  - User Fees
  - Government Fund Balance
  - Accounting
  - Audit
  - Fixed Asset Replacement
  - Investment
  - Debt Policies
Budget Summary

• Structurally balanced budget
• Fiscally sustainable
• Investment in aging infrastructure
• Strategic addition to staffing to increase public service
• Funding for Homelessness/Affordable Housing, sidewalk maintenance, General Plan implementation, CEAP implementation

Thank You
Recommendations

1. Adopt resolution approving Proposed Operating and CIP Budgets for FY 2023-24 and FY 2024-25.
2. Adopt updated Financial and Budget Policies, including the Governmental Fund balances and designations.
3. Authorize City Manager to Carryover Funds from FY 2022-23 to FY 2023-24 and from FY 2023-24 to FY 2024-25.
4. Find that this action is not a project as defined under the California Environmental Quality Act (CEQA).