

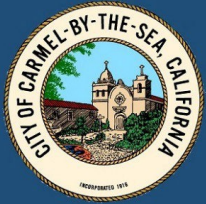


CITY OF CARMEL-BY-THE-SEA

Fiscal Year 2023-2024 Mid-Year Budget Report

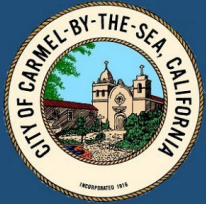
City Council Meeting

March 5, 2024



Purpose and Summary

- Provide a mid-year update of FY 23-24 Budget (July-Dec 2023)
- Request approval of budget amendments
- Overall revenues and expenditures align with budget expectations



FY 23-24 Revenues

Revenue Category	FY 23-24 Amended Budget	July 1 - Dec 31 Receipts	% Received
Property Taxes	8,493,132	4,863,485	57%
State Sales & Use Tax *	3,679,421	1,266,428	34%
Local Sales Tax - Measure C	5,926,532	2,152,046	36%
Transient Occupancy Taxes	6,801,007	3,602,590	53%
Charge for Services	2,818,593	1,764,209	63%
Other	3,217,517	1,783,744	55%
Total	30,936,202	15,432,501	50%

* Sales Tax includes only advance for 10/23 – 12/23

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FY 23-24 Expenditures

Expense Category	FY 23-24 Amended Budget	July 1 - Dec 31 Expenses	% Expended
Salaries/Benefits	14,828,309	6,359,740	43%
Services/Supplies	11,570,740	5,317,437	46%
Pension	2,942,767	1,942,767	66%
Debt Service	528,044	449,965	85%
Capital Outlay*	11,013,600	1,204,585	11%
Workers Comp	76,600	14,208	19%
Total	40,960,060	15,288,701	37%

- Encumbered amounts for capital outlay projects are not included
- Workers Comp claims are low

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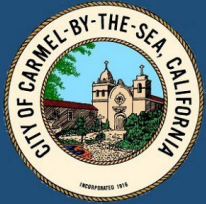
FY 23-24 Expenditures

General Fund Operating Expense by Department	FY 23-24 Amended Budget	July 1 - Dec 31 Expenses	% Budget Expended
City Council	205,235	135,552	66%
City Attorney	517,000	114,247	22%
Administration	3,228,316	1,427,837	44%
Marketing & Econ. Development	1,134,030	597,015	53%
City-wide (non-departmental)	4,343,802	3,153,280	73%
Library	1,289,406	595,912	46%
Community Activities	304,297	72,245	24%
Planning & Building	2,224,559	861,117	39%
Police	5,782,419	2,181,710	38%
Fire	3,110,739	1,592,960	51%
Ambulance	1,791,600	733,117	41%
Public Works	5,425,413	2,154,949	40%
Total	29,356,816	13,619,941	46%



Budget Amendments

- Request for approval of budget amendments
 - Services/Supplies: \$594,320 (Detailed breakdown is given in the following slides)



Budget Amendments

- Request for approval of budget amendments
 - City Council: \$5,000
 - Administration recommends supporting the Monterey County Business Council (MCBC) in its efforts to host the Small Business Development Center for 2024 by making a \$5,000 contribution
 - City Clerk: \$17,000
 - \$6,000 - requesting for adjustment of costs for agenda packet reproduction, if printing remains steady
 - \$11,000 – requesting for adjustment of costs of updating the city to a new agenda management system



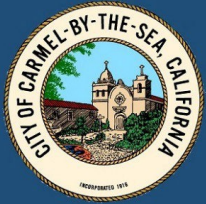
Budget Amendments

- Request for approval of budget amendments
 - IT: \$104,000
 - Seeking additional funds related to contract services, software subscriptions and the City's telephone expenditures
 - Public Works: \$261,000
 - Seeking adjustment for cost of \$200,000 related to tree and tree stump removal
 - Seeking additional amounts for replacing the Public work's garage door, San Antonio Pathway design fees, and North Dunes fees



Budget Amendments

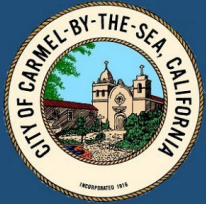
- Request for approval of budget amendments
 - Non-Departmental: \$112,000
 - The FY 2023-24 adopted budget amounts for liability insurance, property taxes and retiree health share were under budgeted and we are seeking administrative budget adjustments to bring amounts in line
 - Fire Services: \$95,320
 - Requesting adjustment for FY23-24 final true-up costs per the fire services agreement with Monterey
 - Requesting adjustment for vehicle maintenance costs incurred on the Fire engine concurrent with increase to the City of Monterey's labor rate



Budget Amendments

- Request for approval of budget amendments
 - Revenue: \$530,000
 - Transient Occupancy Tax mid-year projections out pacing originally budgeted amounts
 - We expect the difference to be offset by the revenue surplus projected for the next 6 months from Jan through June 2024

Mid-year budget adjustment for expenditures	\$ 594,320.00
Mid-year budget adjustment for revenues	\$ 530,000.00
Difference	\$ 64,320.00



FY 23-24 Mid-Year Summary

- Revenues are stronger than anticipated
 - Transient occupancy taxes
- Expenditures budget projections are higher
 - Inflation
 - Adjustments to General Fund expenditures (services & supplies)
- No net impact to the Fiscal Year 2023-2024 budget
 - Request mid year budget adjustments for expenditures total to \$594,320
 - Recommend using the \$530,000 additional revenue identified, to offset the mid year budget adjustments for expenditures



Recommendation

- Recommend to receive report and approve budget amendments