



# Fiscal Year 2024-2025 Mid-Year Budget Report

City Council Meeting  
January 07, 2025



# Purpose and Summary

## **Purpose**

- Provide a mid-year update of FY 24-25
- Request approval of budget amendments

## **Summary**

- Tax revenues through the November/December timeframe are generally running ahead of budgeted to-date amounts.
- Certain expenditures are forecast to exceed previously budgeted amounts



# FY 24-25 Revenues

Revenue Category	FY 24-25 Adopted Budget	Jul - Nov Receipts	Percent Received	Percent Received prior FY Jul-Dec
<b>Property Taxes*</b>	8,634,384	5,176,750	60%	57%
<b>State Sales &amp; Use Tax</b>	3,738,511	1,590,926	43%	34%
<b>Local Sales Tax - Measure C</b>	6,045,063	2,685,321	44%	36%
<b>Transient Occupancy Taxes</b>	7,543,234	4,238,029	56%	53%
<b>Charge for Services</b>	2,550,029	1,134,161	44%	63%
<b>Other</b>	2,920,028	2,279,031	78%	55%
<b>Total</b>	31,431,249	17,104,218	54%	50%
<b>* July - Dec Receipts</b>				



# FY 24-25 Expenditures

<b>Expense Category</b>	<b>FY 24-25 Amended Budget</b>	<b>July-Nov 2024</b>	<b>Percent Expended</b>	<b>Percent Expended prior FY Jul-Dec</b>
<b>Salaries/Benefits</b>	15,958,392	5,330,623	33%	33%
<b>Services/Supplies</b>	12,465,001	5,216,393	42%	36%
<b>Pension</b>	2,375,351	2,298,486	97%	100%
<b>Debt Service</b>	519,100	445,784	86%	85%
<b>Capital Outlay*</b>	12,184,000	1,081,242	9%	10%
<b>Total</b>	<b>43,501,844</b>	<b>14,372,528</b>	<b>33%</b>	<b>31%</b>
<b>*Encumbered amounts for capital outlay projects are not included</b>				



# FY 24-25 Positions

Department	FY 24/25 Budgeted Positions (FTE)	Vacant Positions (FTE) as of 12/31/2024
<b>Council</b>	5	0
<b>Administration</b>	12	1
<b>Community Activities</b>	1.5	1
<b>Library</b>	13.75	1
<b>Community Planning &amp; Building</b>	12	2 *
<b>Public Works</b>	25	5
<b>Police</b>	22	5 *
<b>Ambulance</b>	6	1

\* New staff to start in January - February





# FY 24-25 Capital Improvement Projects

CIP Project	Budgeted	Total Spent or Encumbered	Available (not spent and not encumbered)	% Available
Paving Grant Streets	2,810,000.00	45,453.40	2,764,546.60	98%
San Antonio Pathway Reconstruct	550,000.00	83,561.50	522,598.50	90%
Sunset Center Retaining Wall	550,000.00	29,600.00	520,400.00	95%
Lincoln/Fourth Trestle Bridge	40,000.00	10,000.00	30,000.00	75%
MTNP 3 Str Drainage Projects	335,000.00	464,885.06	5,312.94	-19%
Drainage System Repairs	1,218,000.00	153,735.61	1,223,434.39	94%
Police Building Project	3,239,000.00	316,202.16	2,922,797.84	90%
ADA Upgrades Year 7	20,000.00	-	20,000.00	100%
Norton Ct Garage Sec Access	15,000.00	11,752.00	3,248.00	22%
S Center North Lot Elect Panel	100,000.00	-	100,000.00	100%
Vista Lobos 3 EV Chging/Elec Pan	460,000.00	12,453.09	447,546.91	97%
Facility Renovations	527,000.00	419,907.50	116,817.50	22%
Scenic Pathways-Hardscape Reno	100,000.00	86,070.74	13,929.26	14%
Coastal Eng Study - Phase II	500,000.00	442,229.98	66,507.52	13%
Shoreline Infrastructure Repairs	400,000.00	56,876.29	343,123.71	86%
Shoreline Wall/Fourth Av Outfall	250,000.00	-	250,000.00	100%
Library Master Plan.Phase II-IV	100,000.00	-	100,000.00	100%
CIP Contingency	400,000.00	(175,264.00)	224,736.00	56%
	11,614,000.00	1,957,463.33	9,674,999.17	83%



# Budget Amendments - Revenue

- **Ambulance Services (-\$177,000):** Forecast shortfall based on current ambulance operations
- **Planning & Building Permits (-\$203,000 total):** Budget overstated based on permit activity year-to-date
- **Traffic Safety Violations (\$64,000):** Year-to-date activity exceed the budget for traffic safety violations
- **Interest & Investment Earnings (\$122,000):** Forecast surplus based on year-to-date activity



# Budget Amendments - Expenses

- ***Ambulance (\$167,480):***

- Overtime costs exceed budget due to staffing shortages
- Vehicle maintenance costs escalated as City waits for ambulance replacement

- ***Fire (\$86,600):***

- Additional Vehicle Maintenance costs
- Reimbursements for fire services and a Jaws of Life purchase

- ***Police (\$268,000):***

- Overtime costs have exceeded budget as vacant positions are filled and trained
- Training and contract services costs needed to facilitate new hires
- Vehicle costs are exceeding budget





# Budget Amendments - Expenses

- ***Non-Departmental (\$55,000)*** - increase to fund projected budgeted utility cost shortfalls
- ***Pension Unfunded Liability (-\$75,865)*** - realized cost savings due to pre-funding contribution



# Budget Amendments – Capital Outlay

- ***Sunset Center Retaining Wall Project (\$400,000)*** - recommended additional funding based on completed engineering
- ***Sunset Center Elevator Modernization (\$50,000)*** - utilize experts to determine how best to repair or replace the two elevators in the safest and most cost-effective way



# Recommendations

- Based on the revenue gains realized and forecast, the City anticipates that it will have adequate funds available to meet the above \$194,000 net revenue, \$501,215 expense and \$450,000 Capital outlay needs.
- As a result, there is no net change to the net Fiscal Year 2024-2025 budget.
- Recommend to receive report and approve budget amendments