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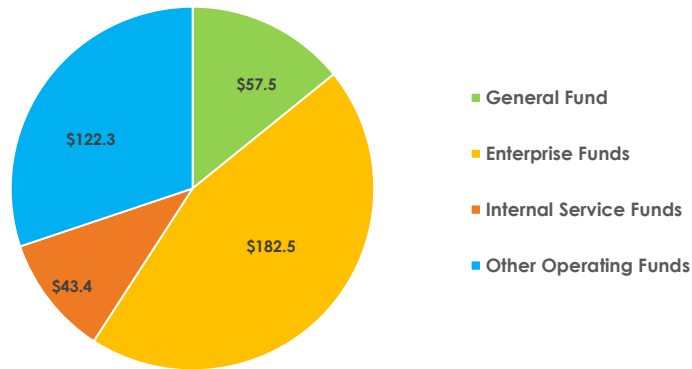


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FY 2023-24 Budget Overview

3

Total City Budget \$405.7 million



3

Expense Overview

4

Labor Negotiated
Increases

Maintenance,
Supplies, and Services
at a 4% increase

Maintenance and
One-Time Acquisitions
included in Measure Y
and Measure C

Fund 087-ARPA per
Council Direction

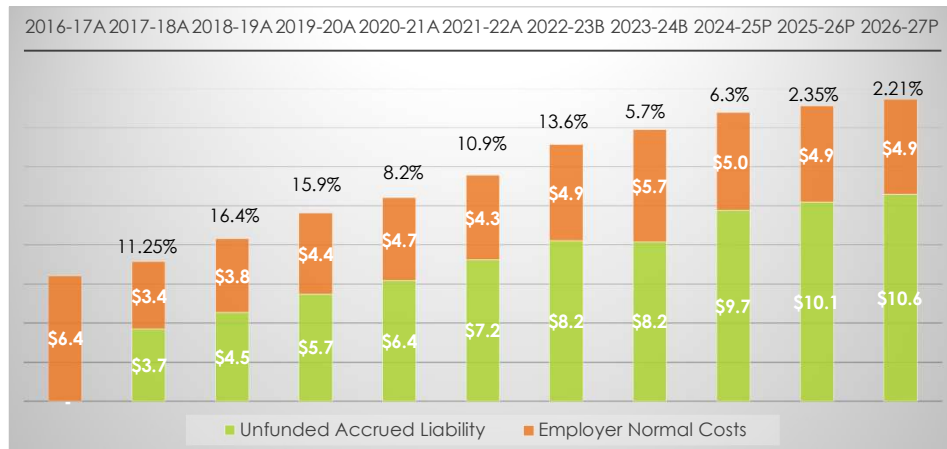
PC and Fleet
Replacement

- Not included in the General Fund
- Included in Enterprise Funds

4

CalPERS

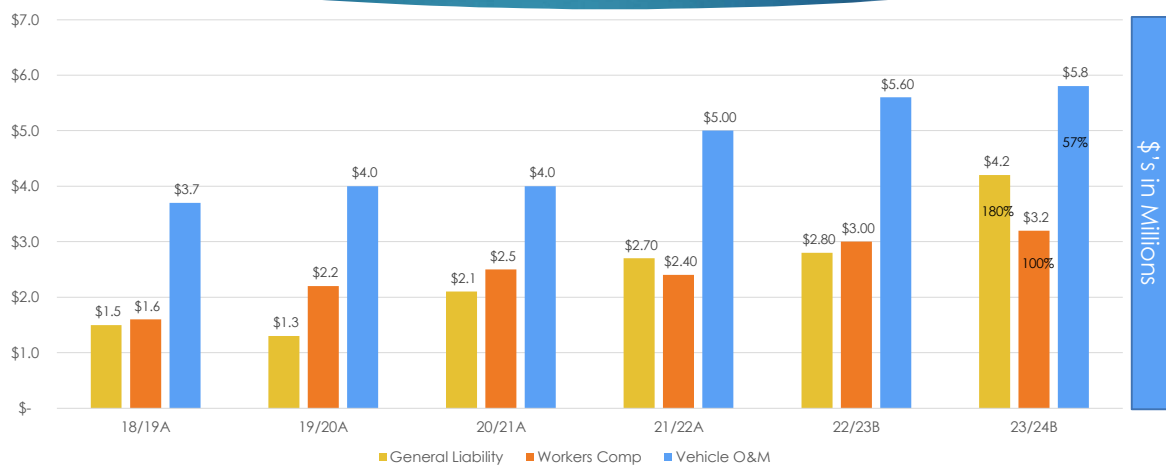
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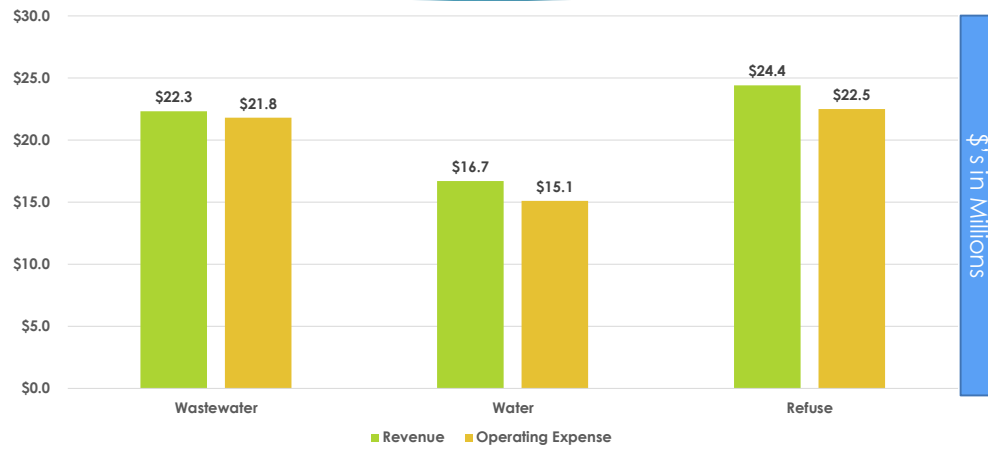
Citywide-Largest Cost Drivers

6



6

Enterprise Fund Summary



7

Recommended Staffing

Functional Area	Add	Delete	Total
Economic Development	.50	(1)	(.50)
Police	2	(2)	-
Engineering	1	(1)	-
Planning	1	(2)	(1)
Streets	1		1
Trees	1	(1)	-
Facilities	1		1
Airport	.50	(1)	(.50)
Total	8	(8)	-

8

9

FY 2023/24 General Fund

Estimated Beginning Balance – July 1, 2023	\$11,488,571
Budgeted Revenue	\$55,667,921
Operating Expenses	\$54,100,004
Operating Transfers	\$1,462,975
Total Operating Expenditures	\$55,562,979
Revenue over/under Expense	\$104,942
Below the Line (Non-operating)	\$1,529,807
Future Planning	\$2,271,567
Prior Year Projects	\$440,493
Recommended Ending Balance – June 30, 2024	\$7,351,646
Less Committed Funds-5% Contingency Reserve	\$2,778,149
Total Available Funds – June 30, 2024	\$4,573,497

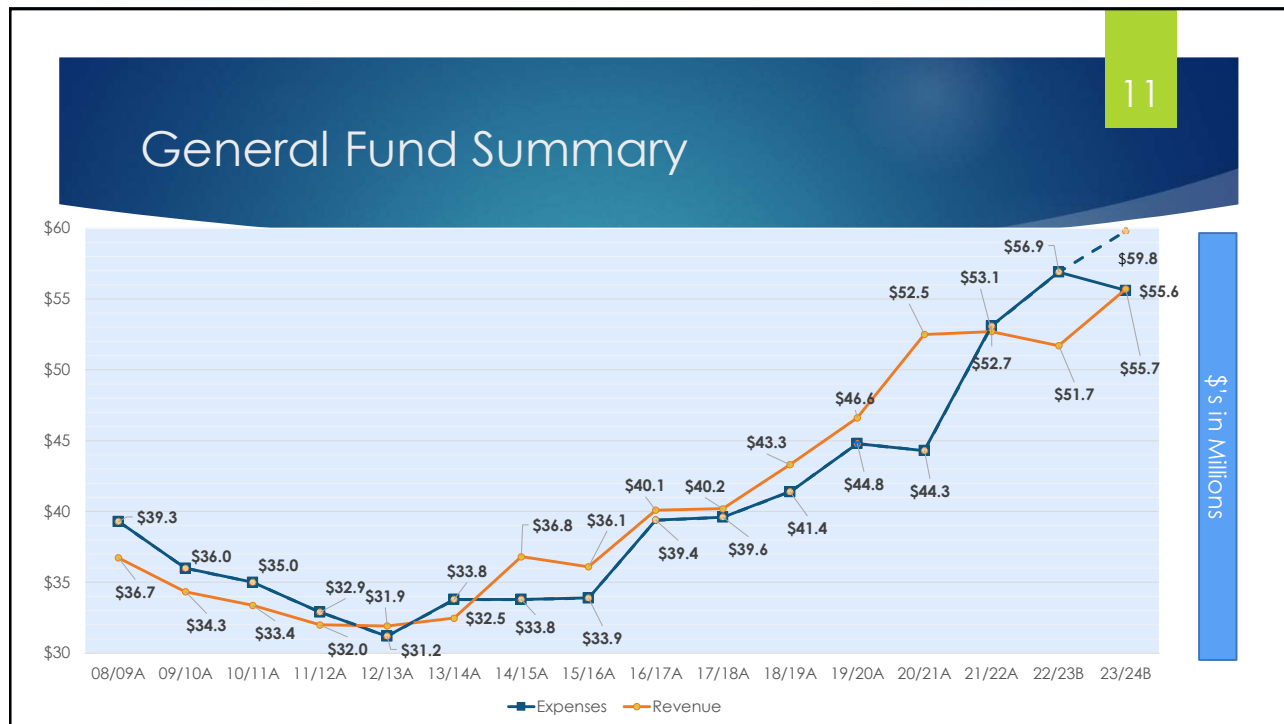
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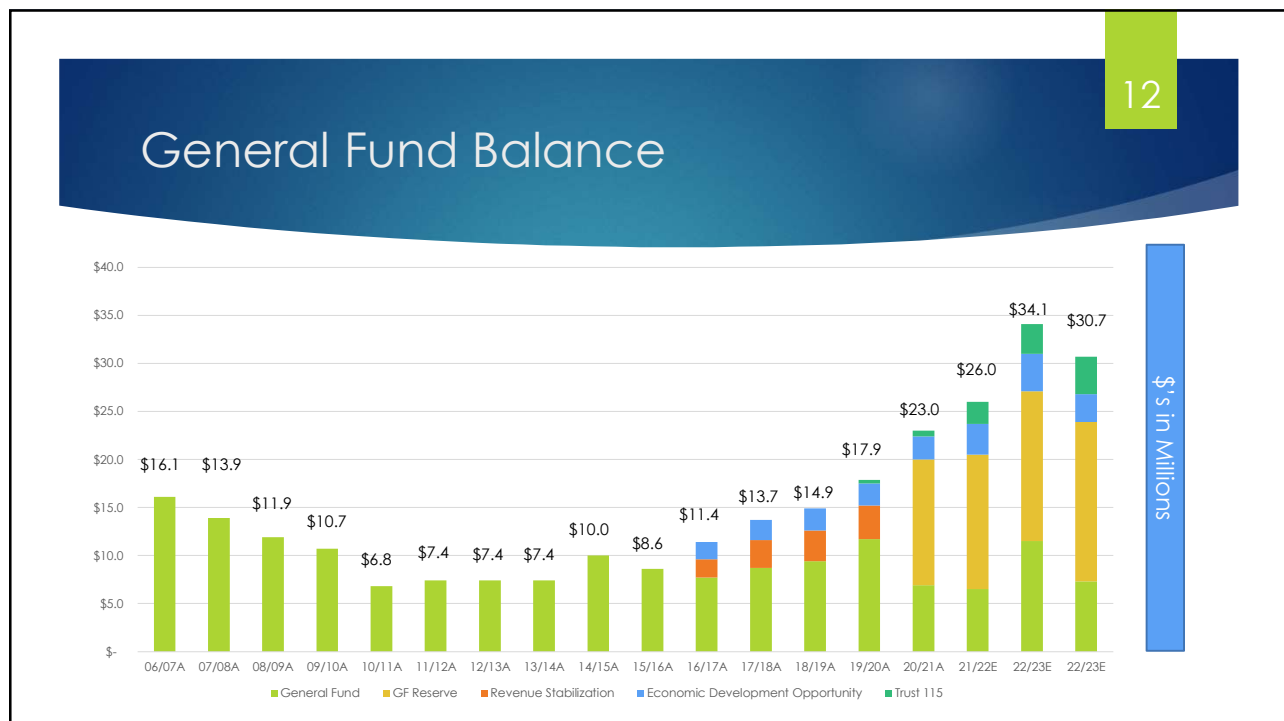
FY 2022/23 General Fund

General Fund	2022-23 Mid-Year	2023-24 CM Budget	Difference
6/30/2023 Estimated Ending Balance	\$9,555,624	\$11,488,571	\$1,932,947
Operating Expense over Revenue		104,942	104,942
Non-operating Costs		(1,529,807)	<u>(1,529,807)</u>
Project Carryover		(440,493)	<u>(440,493)</u>
Future Planning		(2,271,567)	<u>(2,271,567)</u>
General Fund Reserve-5% Contingency	<u>(2,602,054)</u>	<u>(2,778,149)</u>	<u>(176,095)</u>
Unreserved, Unencumbered General Fund Balance	\$6,953,570	\$4,573,497	(\$2,380,073)

10



11

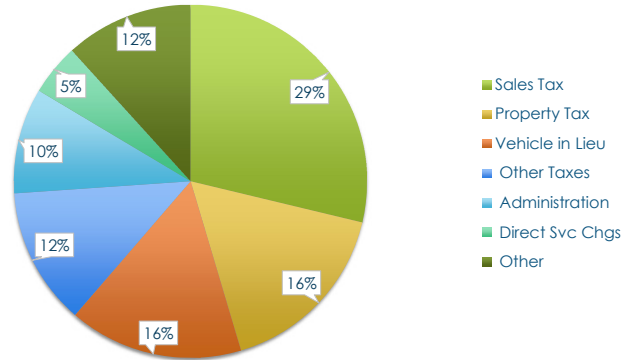


12

13

General Fund Revenues

Total Revenues of \$55.7 million

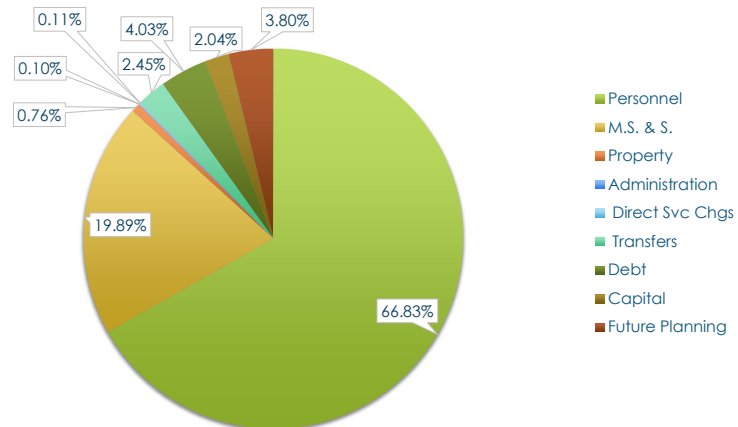


13

14

General Fund Expenses

Total Expenses \$56.9 million



14

15

General Fund Transfers



15

16

Below the Line Expenses (Non-Operating)

Enterprise Resource Planning (ERP) System	\$ 428,589
Community Funding	\$ 30,000
Parks Vehicles	\$ 110,000
Art Projects	\$ 100,000
Dash Cams Hardware & Body Cam Storage	\$ 77,410
South Merced Improvements	\$ 350,000
City Attorney Contract	\$ 165,766
IT Replacement Generator	\$ 121,567
IT Cyber Security Upgrade	\$ 40,162
IT Website Update	\$ 106,313
Trust 115-Pension	\$ 789,750
Economic Development Opportunity Fund	\$ 425,250
General Fund Reserve – 30% set aside	\$1,056,567

Total **\$3,801,374**

16

Measure Y

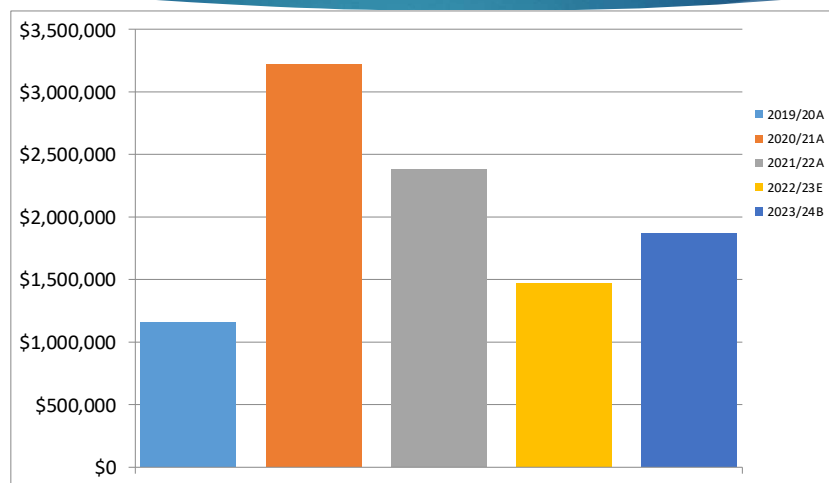
17

	Police-20%	Fire-20%	Parks & Rec-20%	Discretionary-40%	Total
Beginning Balance 7/1/23	\$141,143	\$434,025	\$0	\$0	\$575,168
Estimated Tax Revenue	373,760	373,760	373,760	747,520	1,868,800
Estimated Other Revenue	4,600	7,080	8,850	11,730	32,260
Estimated Transfers			385,957	(385,957)	0
Estimated Expenses	506,463	750,000	768,485	0	2,024,948
Ending Balance 6/30/24	\$13,040	\$64,865	\$82	\$373,293	\$451,280

17

Measure Y-Cannabis Tax by Fiscal Year

18



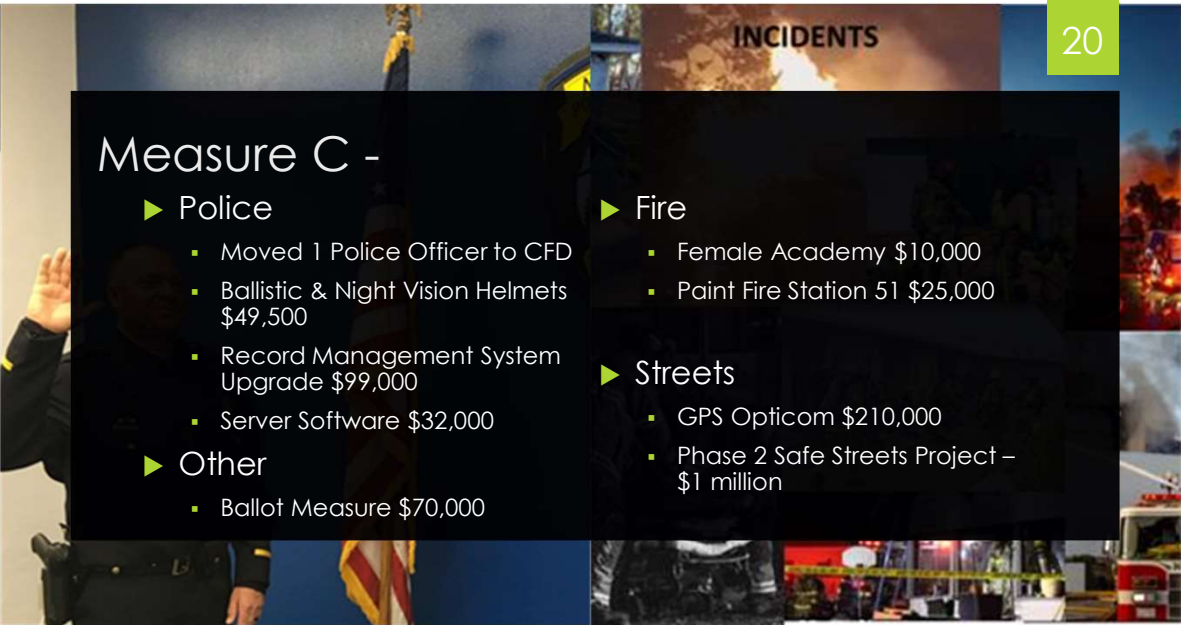
18



Measure Y - Police/Fire

- ▶ Fire 20%
 - Refurbish One Fire Reserve Engine
 - Ambulance Purchases
- ▶ Police 20%
 - Reserve Officer Program
 - New K-9, Equipment & Training
 - Parcade Office Utilities
 - Real Time Crime Center Room
 - Vests
 - Quick Deploy Cameras (LPR's)
 - Rifles and Scopes
 - Laser Shot (Training Simulator)

19



Measure C -

- ▶ Police
 - Moved 1 Police Officer to CFD
 - Ballistic & Night Vision Helmets \$49,500
 - Record Management System Upgrade \$99,000
 - Server Software \$32,000
- ▶ Other
 - Ballot Measure \$70,000
- ▶ Fire
 - Female Academy \$10,000
 - Paint Fire Station 51 \$25,000
- ▶ Streets
 - GPS Opticom \$210,000
 - Phase 2 Safe Streets Project – \$1 million

20

21

Parks & Community Services

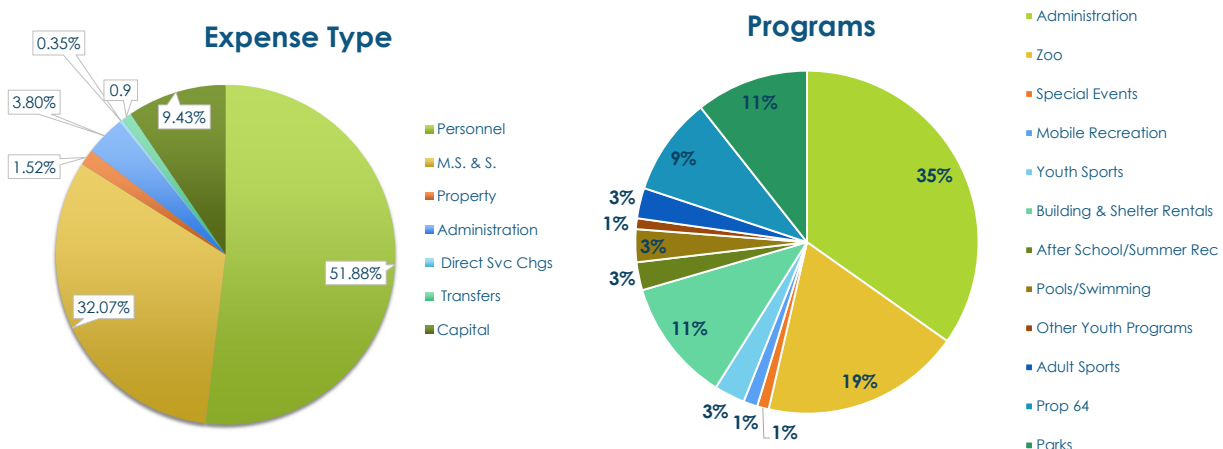
	Parks & Community Services	Parks & Rec- 20%	Total
Beginning Balance 7/1/23	\$161,803	\$0	\$161,803
Cannabis Tax	0	759,717	759,717
Program Revenues	340,792	8,850	349,642
General Fund Transfer	1,335,600	0	1,335,600
Prop 64 Grant	336,043	0	336,043
CFD Revenues	<u>175,556</u>	<u>0</u>	<u>175,556</u>
Total Revenues	2,187,991	768,567	2,956,558
Total Expenses	<u>2,861,414</u>	<u>768,485</u>	<u>3,629,899</u>
Ending Balance 6/30/24	(\$511,620)	\$82	(\$511,538)

21

22

Parks & Community Services Expenses

Total Expenses \$3.6 million



22

23

Parks & Community Services-Options

- ▶ General Fund Transfer
 - ▶ Base increase \$1,335,600
 - ▶ Base with CPI \$1,430,695
 - ▶ Other amount?
- ▶ Measure Y-Discretionary 40%
 - ▶ Available \$373,293
- ▶ Program Revenue Increases
 - ▶ Estimated \$110,000
- ▶ Budget Cuts
 - ▶ Parks and Community Services
 - ▶ Other General Fund Expenses



23

24

Measure Y – Parks & Recreation

- ▶ **Parks & Recreation – 20%**
 - Need Council Direction to address the shortfall in operating budget
- ▶ **Discretionary-40%**
 - Tree Trimming
 - Bike Path Maintenance



24

25

General Fund Staffing/Admin

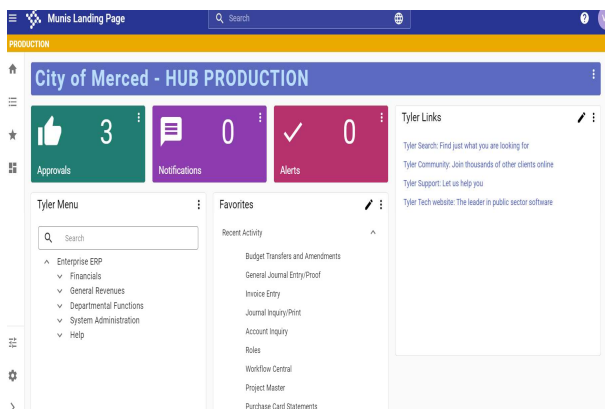


- ▶ Police
 - ▶ Added 1 Police Lieutenant
 - ▶ Deleted 1 Police Captain
 - ▶ Added 1 Community Services Officer
 - ▶ Deleted 1 Police Records Clerk
- ▶ Outside City Attorney
 - ▶ Positions and Contract Attorney \$1M

25

26

Administration



- ▶ Info Technology
 - ▶ Replacement Generator \$300k
 - ▶ Cyber Security Enhancements \$180k
 - ▶ Website Update \$225k
- ▶ ERP Allocation \$1M

26

Downtown/Economic Dev/Airport

- ▶ Property Based Improvement District (PBID)
- ▶ ARPA
 - ▶ Bob Hart Square Expansion \$800k
 - ▶ Streetscaping \$200k
 - ▶ Main St one-way redesign \$750k
- ▶ South Merced Industrial Park Study
- ▶ Small Business Grant
- ▶ Remove 1 Economic Development Manager
- ▶ Remove 1 Airport Manager
- ▶ Add 1 Business & Aviation Manager



27

27

Development Services/Housing

- ▶ Remove Engineering Project Manager for Senior Engineer
- ▶ Remove Planning Manager and Associate Planner for Deputy Development Services Director
- ▶ Additional \$1M for General Plan Update
- ▶ First Time Homebuyers Program \$2.5M
- ▶ 67 unit Affordable Housing Project \$1.3M
- ▶ 95 unit motel conversion \$24M
- ▶ 21 unit container housing \$4.2M.
- ▶ ARPA Allocation \$7.5M



28

28

29

Public Works/Beautification

- ▶ Staffing
 - ▶ Added 1 Maintenance Worker- Streets
 - ▶ Remove 1 Tree Trimmer for Maintenance Worker-Trees
 - ▶ Added 1 Custodian-Facilities



29

30

Public Works/Beautification

- ▶ Wastewater /Water
 - ▶ Wastewater Rate Study
 - ▶ Water Rate Study
 - ▶ Water Rate Increase (July 2023)
 - ▶ 6% Increase
 - ▶ Staff recommend no increase
 - ▶ Council Direction



30

31

Public Works/Beautification

► Streets

- Over \$2.3M new Measure V and SB1 Project Funding
 - Collins Dr Rehab
 - M St/Buena Vista Roundabout Design
 - Fiber Slurry various arterials
- Public Art \$100k
- Murals on CalTrans Facilities \$350k
- South Merced Improvements \$350k



31

32

Community Funding



Historically, the City Council has awarded an average of \$23,000 to community groups for one-time projects, last year \$60,000 was awarded



Council direction was to establish a transparent process to evaluate proposals from the Community



Proposals were received April 1st through April 28th



Applications are being reviewed by the Budget Sub-Committee, report on June 5th

32

33

Summary of Proposals

Organization Name	Project Description	Term	Amount
League of United African American Citizens (LUAAC)	anti-bullying / fentanyl awareness	1 year	\$ 35,000.00
Merced Youth Soccer Association (MYSA)	help high school students prepare for college/career	1 year	\$ 25,650.00
Merced Lao Family Community	Hmong traditional music & cultural instruction	1 year	\$ 15,000.00
Calvary Assembly	Isaiah Project	1 year	\$ 5,200.00
Robert Rojas Foundation	opiate education & training	1 year	\$ 119,481.60
Merced County Nut Festival	2023 Merced County Nut Festival	1 year	\$ 7,000.00
Total			\$ 207,331.60

33

34

Errata



General Fund
ARPA-Administration \$65,000



ARPA Adjustments
 -Affordable Housing \$1M
 -Job Training \$1.175M
 -Applegate Restroom \$425k
 -Community Park 42 \$3.35M
 -Stimulus Payments (\$230K)
 -Water Infrastructure (\$2.5M)
 -Broadband Infrastructure (\$1.5M)
 -Administration (\$288K)

34

