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Staff Report Presenting the Proposed Adjustments for the 2023-2024 and 2024-2025 General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds Budget

COUNCIL PRIORITY

- Fiscal Sustainability and Transparency

SUMMARY

The City budgets on a biennial cycle every two years. At the mid-point of each biennial, staff reviews revenues and expenditures while evaluating priorities and services to formulate a mid-cycle budget adjustment. The Amended Fiscal Years 2023-2024 and 2024-2025 City Budget presents adjustments for the City Council Finance Committee to consider for subsequent City Council action.

RECOMMENDATIONS

Staff recommends the City Council Finance Committee review and recommend approval of the proposed Amended Fiscal Years 2023-2024 and 2024-2025 City Budget including revenue and expenditure appropriations. The City Council will consider the Finance Committee's budget recommendations at the May 20, 2024 meeting.

BACKGROUND

The City Council approved the biennial 2023-2024 and 2024-2025 General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds budgets on May 15, 2023. The approved biennial budget is the City's plan for resource allocations that guides and insures implementation of City Council policies and priorities. The budget implements the City Council's vision and direction for

the broad range of services meeting the needs of the community.

The budget further aligns with the City Council's goals.

- Place San Leandro on a firm foundation for long-term fiscal sustainability.
- Advance projects and programs promoting sustainable economic development, including transforming San Leandro into a center for innovation.
- Provide quality public safety service and grow our partnership with the community to keep San Leandro safe.
- Maintain and enhance San Leandro's infrastructure.
- Support and implement programs, activities and strengthen communication that enhances the quality of life and wellness, celebrates the arts and diversity, and promotes civic pride.
- Maintain and support a strong positive relationship between the City, schools, and the educational community.
- Promote and maintain an inclusive work environment that values employees and volunteer contributions, supports professional growth and development, and fosters a culture of kindness and collaboration in the delivery of services to our community.

In May 2023, the City Council approved a budget that the City Manager proposed to address City Council priorities and community needs.

“ The proposed biennial budget for 2023-2024 and 2024-2025 promotes the continuity of existing services and the investment in the basics that serve our community. The proposed budget comprises a stable revenue platform and describes a work program and expenditure plan supporting continued delivery of all regular City programs, services, and planned projects for the community. The budget also proposes enhancing services in key program areas related to workforce investment, infrastructure assessment, community engagement, economic development, and public safety.”

The City has experienced mixed revenue trends in the current fiscal year, which will impact the sustainability of service provision. Sales tax, which is the City's top revenue source and is susceptible to economic cycles, is trending minimally higher than what was budgeted. Property transfer tax has seen a great negative impact as a result of market conditions where high lending rates have led to a combination of lower purchasing power for homebuyers and decreased inventory as a result of fewer existing homeowners seeking to upgrade to new or larger homes. Other revenue sources have experienced increases, namely utility users tax and fees. Staff will continue to monitor revenues closely to evaluate the impact from inflation, supply chain shortages, consumer confidence, and other key market conditions.

While revenue growth is expected to be steady in the short term, financial obligations exist for the City. The amounts below represent estimates for the City's key obligations.

- \$241,000,000 in Pension Liability
- \$4,500,000 in Retiree Healthcare Liability
- \$180,000,000 for Road Pavement
- \$17,000,000 for City Buildings and Facilities Needs
- \$2,000,000 for Tree Replacement

The City Council has taken steps to fund the City's unfunded pension and other post-employment benefits (OPEB) liabilities, including the establishment of trust accounts and additional contributions to CalPERS. The adoption of the Prioritizing Unfunded Liability Liquidation Plan (PULL) in 2015 has put the City in a great position in terms of building assets. The City Council has also adopted an OPEB and Pension Funding Policy to fully fund these obligations over time.

In terms of capital related projects, the City Council continues to direct available resources to fund the various programs. The City also pursues grant opportunities on an ongoing basis. The General Fund budget contains one-time investments to the streets and roads program, and a comprehensive Capital Improvement Plan to address the City's overall funding needs. Funding strategies will be formulated for short-and long-term needs and incorporated into future budgets.

Analysis

The General Fund finances operations of the City that have no special or dedicated revenue sources and pays for basic municipal services. General Fund Adjusted Budget expenditures with proposed budget adjustments total \$160,118,000 for 2023-2024 and \$149,913,000 for 2024-2025 as shown in Attachment 1. Adjusted Budget estimated revenues with proposed budget adjustments are in the amounts of \$139,972,000 for 2023-2024 and \$144,273,000 for 2024-2025 and finance the anticipated expenditures.

The proposed adjustments to the General Fund budget include increases in revenue and expenditure appropriations. Adjusted Budget revenues are increased in 2023-2024 by \$1,944,000 and in 2024-2025 by \$3,331,000, with higher projected property tax, utility users tax, and other revenues covering a decline in property transfer tax. Adjusted Budget expenditure appropriations are increased by similar amounts to support services, programs, and priorities.

A detailed review of revenue and expenditure appropriation adjustments are presented below. Attachments B, C, D, and E summarizes these adjustments for 2023-2024 and 2024-2025.

General Fund

General Fund Revenues

The 2023-2024 Adjusted Budget appropriates total revenues of \$139,972,000, an increase of \$1,944,000, and the 2024-2025 Adjusted Budget appropriates total revenues of \$144,273,000, an increase of \$3,331,000. The General Fund tax revenue increases relate mostly to growth in Property Taxes and Utility User Taxes. Adjustments additionally are proposed for Sales Tax, Franchise Fees, Charges for Services and Interest & Property Income. Please refer to Attachments A and B for the details of the adjusted budget revenue increase in 2023-2024 and 2024-2025.

- **Sales/Transaction and Use Tax** (2023-2024 Adjusted Budget \$56,112,000, adjusted by \$264,000, 0.4% increase above Amended Budget of \$55,848,000; 2024-2025 Adjusted Budget \$58,045,000, adjusted by \$629,000, 1% increase above Amended Budget of \$57,416,000)-After a period of high sales tax growth during the pandemic years, the City has been experiencing slower sales tax growth. Recent data shows a decrease in business activity from General Retail, Transportation, and Construction sectors. However, business activity has increased in the Food Products and Business to Business sectors. Overall, the Bay Area region is expected to see an annual change in sales tax receipts ranging from a -0.9% decrease to a 1% increase, while the City is projected to see an annual increase ranging

from 0.1% to 1.1%. Sales and Transaction and Use taxes combined are the City's largest revenue source comprising 40% of revenues.

- **Property Tax** (2023-2024 Adjusted Budget \$30,296,000, adjusted by \$1,337,000, 4% increase above Amended Budget of \$28,959,000; 2024-2025 Adjusted Budget \$31,267,000, adjusted by \$1,460,000, 4% increase above Amended Budget of \$29,807,000)-Adjusted budget revenue related to a steady trend of increasing assessed property values. The real estate market is experiencing high lending rates and low inventory. These conditions have tightened the market, contributing to a normal trend of assessed value increases.
- **Property Transfer Tax** (2023-2024 Adjusted Budget \$8,100,000, reduced by \$2,900,000, 26% decrease below Amended Budget of \$11,000,000; 2024-2025 Adjusted Budget \$8,750,000, reduced by \$2,250,000, 20% decrease below Amended Budget of \$11,000,000)-While high lending rates and low inventory have led to strength in the valuation side of the real estate market, the resulting tight market has led to a combination of lower purchasing power for homebuyers and fewer existing homeowners seeking to upgrade to new or larger homes. This, in turn, has led to reduced inventory in the real estate market. Additionally, higher lending rates have made acquisition of larger properties more expensive. These factors have led to fewer property transfers, particularly larger properties, resulting in a 26% decline in Property Transfer Tax receipts in the current year.
- **Utility Users Tax** (2023-2024 Adjusted Budget \$12,647,000, adjusted by \$1,341,000, 12% increase above Amended Budget of \$11,306,000; 2024-2025 Adjusted Budget \$12,812,000, adjusted by \$1,387,000, 12% increase above Amended Budget of \$11,425,000)-Adjusted Budget revenue increase related to higher revenue from gas and electric and telephone services as projected by the City's consultant, Avenu Insights. Utility costs in general have increased due to market factors and inflation, which result in higher UUT revenue. The increased projections are in line with historical actuals received by the City.
- **Franchise Fees** (2023-2024 Adjusted Budget \$6,267,000, adjusted by \$535,000, 9% increase above Amended Budget of \$5,732,000; 2024-2025 Adjusted Budget \$6,492,000, adjusted by \$630,000, 11% increase above Amended Budget of \$5,862,000)-Adjusted Budget revenue increase related to higher revenue from franchise holders for utility services. Franchise agreements typically require the franchise holder to remit a percentage of their revenues to the City. Utility costs in general have increased due to market factors and inflation, which result in higher Franchise Fee revenue. The increased projections are in line with historical actuals received by the City.
- **Interest & Property Income** (2023-2024 Adjusted Budget \$3,151,000, adjusted by \$570,000, 22% increase above Amended Budget of \$2,581,000; 2024-2025 Adjusted Budget \$3,011,000, adjusted by \$387,000, 15% increase above Amended Budget of \$2,624,000)-Adjusted Budget revenue increase related to higher investment returns due to a combination of a larger investment balance and higher investment rates yielding greater returns. Additionally, rental activity at the Marina Community Center has increased, resulting in greater rental revenue.
- **Charges for Services** (2023-2024 Adjusted Budget \$2,578,000, adjusted by \$354,000, 16% increase above Amended Budget of \$2,224,000; 2024-2025 Adjusted Budget \$2,692,000, adjusted by \$298,000, 12% increase above Amended Budget of \$2,394,000)-Adjusted Budget

revenue increases related to higher revenue from Community Development planning services and Recreation programs.

- **Other Revenues** (2023-2024 Adjusted Budget \$14,507,000, adjusted by \$443,000, 3% increase above Amended Budget of \$14,064,000; 2024-2025 Adjusted Budget \$14,784,000, adjusted by \$790,000, 6% increase above Amended Budget of \$13,994,000)-Other revenue adjustments are proposed in the areas of licensing, fees, intergovernmental, and transfers. These adjustments are the result of reviewing historical receipts and trends to align the budget with achievable revenue figures.

General Fund Expenditures

The 2023-2024 Adjusted Budget appropriates total expenditures of \$160,118,000, an increase of \$2,446,000, and the 2024-2025 Adjusted Budget appropriates total expenditures of \$149,913,000, an increase of \$3,331,000. Adjusted Budget expenditure appropriations increases are proposed to address departmental requests for changes in service levels and increases in internal allocations to the City's Internal Service Funds. Please refer to Attachments C and E for the details of the adjusted budget expenditure increases in 2023-2024 and 2024-2025.

- **City Manager's Office** (2024-2025 Adjusted Budget \$9,700,000, adjusted by \$323,000 above Amended Budget of \$9,377,000)-Adjusted Budget expenditure appropriation increase in 2024-2025 for strategic organizational training to seed growth of and support continual learning of City Council and the Executive Team (\$32,500) and communication services enhancements in City Manager's Office (\$140,000). Additionally, appropriations are proposed to fund communications staff (\$83,700) that are currently funded with salary savings that will not be available once fully expended and the conversion of one vacant Office Assistant II position to two part time Security Aide positions (\$28,900). The proposed adjustment also includes technical corrections to adjust pension costs (\$43,800) and align its vacancy rate to a more accurate level (\$22,300).
- **Finance** (2024-2025 Adjusted Budget \$4,762,000, adjusted by \$20,000 above Amended Budget of \$4,742,000)- Adjusted Budget expenditure appropriation to convert an Account Clerk position to an Administrative Assistant II position. There is a small savings (\$2,243) to this change, which will provide adequate administrative support to the Finance Department. The proposed adjustment also includes technical corrections to adjust pension costs (\$22,150).
- **Police** (2024-2025 Adjusted Budget \$45,657,000, adjusted by \$696,000 above Amended Budget of \$44,961,000)-Adjusted Budget expenditure reallocations to fund a technology based tool focused on de-escalation techniques to reduce use-of-force incidents (\$45,000) and emergency management software (\$6,500). This is a reallocation of salary savings, which does not add costs to the budget. The proposed adjustment also includes technical corrections to adjust pension costs (\$210,016) and align its vacancy rate to a more accurate level (\$486,000).
- **Fire** (2024-2025 Adjusted Budget \$33,092,000, adjusted by \$697,425 above Amended Budget

of \$32,394,000)-Adjusted Budget expenditure appropriation increase in 2024-2025 related to the fire service contract with Alameda County Fire Department. The adjustment is mainly due to increase in labor cost.

- **Recreation and Parks** (2023-2024 Adjusted Budget \$5,769,000, adjusted by \$416,000 above Amended Budget of \$5,353,000 and 2024-2025 Adjusted Budget \$6,045,000, adjusted by \$372,000 above Amended Budget of \$5,673,000)-Adjusted Budget expenditure appropriation increases to fund internship capacity (\$11,000 in 2023-2024 and 2024-2025), increased costs related to increased registrations for recreation programs (\$100,000 in 2023-2024 and 2024-2025), additional funds for the Rec Link Program Subsidy to increase access to recreation programming for low-income families (\$20,000 in 2023-2024 and 2024-2025), and cost increases for the annual Cherry Festival (\$73,800 in 2023-2024 and \$76,750 in 2024-2025). Additionally, the amendment funds increased landscape maintenance costs (\$100,000 in 2023-2024 and \$48,000 in 2024-2025) and park maintenance and repair costs (\$40,000 in both 2023-2024 and 2024-22). Personnel budget adjustments are included for staffing costs associated with moving positions from Public Works into the new Recreation and Parks Department during the reorganization last fall, and two part-time Maintenance Worker-Entry positions will convert to Street Maintenance Worker I positions as part of competency based upgrades (\$146,100 in 2023-2024 and \$437,900 in 2024-2025). The proposed adjustment also includes technical corrections to adjust pension costs (\$26,500) and align its vacancy rate to a more accurate level (\$323,000 savings).
- **Human Services** (2024-2025 Adjusted Budget \$4,377,000, adjusted by \$312,000 above Amended Budget of \$4,065,000)-Adjusted Budget expenditure appropriation increase related to adding one new Management Analyst II position to lead and oversee human services initiatives and programs. Several legacy positions that were a relic of the former Recreation and Human Services prior to a 2022 reorganization that created a new Human Services Department will also be converted to positions that better serve the current department. The net result is an increased capacity to address departmental priorities with an overall cost of \$293,000. The proposed adjustment also includes technical corrections to adjust pension costs (\$19,000).
- **Library** (2023-2024 Adjusted Budget \$8,340,000, adjusted by \$151,000 above Amended Budget of \$8,189,000 and 2024-2025 Adjusted Budget \$8,699,000, adjusted by \$183,000 above Amended Budget of \$8,516,000)-Adjusted Budget expenditure appropriation increase in 2023-2024 to install public study pods in the Main Library for patrons to have access to work/study spaces (\$151,000). Also included is personnel funding (\$143,000) for one new full-time Librarian position and one new full-time Library Assistant position, both of which are budgeted for a start date of January 2025 to support additional service and programming needs while preparing for expanded hours of operation at the Mulford-Marina Library. The proposed adjustment also includes technical corrections to adjust pension costs (\$40,000).
- **Public Works** (2024-2025 Adjusted Budget \$9,056,000, adjusted by \$382,000 above Amended Budget of \$8,674,000)-Adjusted Budget expenditure appropriation increase in 2024-2025 to add capacity for the restructured department because of the reorganization that took place in the Fall, including upgrading a Senior Management Analyst position to an Administrative Manager and adding one new Environmental Services Manager. Additionally, the budget amendment includes upgrading two part-time Maintenance Aide positions to one

full-time Equipment Services Technician position and upgrading one Assistant Engineer to Associate Engineer. The net cost of all these position changes is \$341,220. The proposed adjustment also includes technical corrections to adjust pension costs (\$41,000).

- **Community Development** (2023-2024 Adjusted Budget \$11,364,000, adjusted by \$200,000 above Amended Budget of \$11,164,000 and 2024-2025 Adjusted Budget \$11,274,000, adjusted by \$122,000 above Amended Budget of \$11,152,000)-Adjusted Budget expenditure appropriation increase in 2023-2024 to fund a Downtown Coordinated Camera System (\$200,000) and an increase in 2024-2025 to fund expanded morning coverage for the Downtown Safety Ambassadors program (\$70,000). The proposed adjustment also includes technical corrections to adjust pension costs (\$52,000).
- **Personnel Cost Adjustments**-Adjusted Budget expenditure appropriations are proposed for 2024-2025 to make technical adjustments to vacancy assumptions, pension costs, and compensated absences and payouts. These technical adjustments are the result of evaluating the assumptions built into the budget and comparing them to actuals from the current fiscal year. Increased hiring and retention of staff necessitate these changes, which will result in a net cost of \$702,000 spread out among various departments.
- **Transfers** (2023-2024 Adjusted Budget \$13,321,000, adjusted by \$1,579,000 above Amended Budget of \$11,742,000 and 2024-2025 Adjusted Budget \$5,986,000, adjusted by \$98,000 above Amended Budget of \$5,888,000)-Adjusted Budget expenditure appropriation increases related to transfers from the General Fund to the Information Technology Fund (\$836,500 for 2023-2024 and \$73,700 for 2024-2025), the Insurance Services Fund (\$128,900 for 2023-2024 and \$3,800 for 2024-2025), the Equipment Maintenance Fund (\$100,000 for 2023-2024 and \$4,900 for 2024-2025), and the Capital Improvement Fund (\$513,211 for 2023-2024 and \$15,700 for 2024-2025).

The City Council initially adopted the 2023-2024 and 2024-2025 expenditure appropriations based on the best projections available in the Spring of 2023. Since that time, conditions have changed and an amendment is required to the previously approved General Fund expenditure levels. These revisions are necessary to maintain current operations and enhance service levels in some areas.

Maintaining current operations and service levels in 2023-2024 and 2024-2025 also require adjustments to revenue appropriations and expenditure appropriations in Enterprise & Internal Service Funds and Special Revenue Funds.

Enterprise & Internal Service Funds

Proposed Adjusted Budget revenue and expenditure appropriation increase for 2023-2024 and 2024-2025 are based on departmental requests for changes in service levels and increases in internal allocations to the City's Internal Service Funds. These proposed adjustments are summarized below. Please refer to Attachment D for the details of the adjustments for 2023-2024 and 2024-2025.

- **Water Pollution Control Plant, expenditure** (2023-2024 Adjusted Budget \$34,154,000, adjusted by \$170,000 above Amended Budget of \$33,984,000 and 2024-2025 Adjusted Budget \$17,926,000, adjusted by \$332,000 above Amended Budget of \$17,594,000)-Adjusted Budget expenditure appropriation related to increases in fees, parts & supplies costs, and a

technical correction to pension costs.

- **Environmental Services, expenditure** (2024-2025 Adjusted Budget \$1,201,000, adjusted by \$12,000 above Amended Budget of \$1,189,000)-The increase is related to a technical correction to pension costs.
- **Shoreline Enterprise, expenditure** (2024-2025 Adjusted Budget \$6,323,000, adjusted by \$7,000 above Amended Budget of \$6,316,000)-The increase is related to a technical correction to pension costs.
- **Facilities Maintenance, expenditure** (2024-2025 Adjusted Budget \$4,469,000, adjusted by \$8,000 above Amended Budget of \$4,461,000)-The increase is related to a technical correction to pension costs.
- **Information Technology, revenue** (2023-2024 Adjusted Budget \$9,247,000, adjusted by \$837,000 above Amended Budget of \$8,410,000 and 2024-2025 Adjusted Budget \$8,503,000, adjusted by \$74,000 above Amended Budget of \$8,429,000)-The increase reflects contributions from the General Fund and other funds for internal services, consulting services, and server purchases.
- **Information Technology, expenditure** (2023-2024 Adjusted Budget \$13,368,000, adjusted by \$837,000 above Amended Budget of \$12,531,000 and 2024-2025 Adjusted Budget \$7,849,000, adjusted by \$74,000 above Amended Budget of \$7,775,000)-Adjusted Budget expenditure appropriation increase in 2023-2024 related to network replacement and software costs (\$837,000) and in 2024-2025 for software costs (\$44,000) and a technical correction to pension costs.
- **Insurance Services, revenue** (2023-2024 Adjusted Budget \$5,013,000, adjusted by \$129,000 above Amended Budget of \$4,884,000 and 2024-2025 Adjusted Budget \$5,061,000, adjusted by \$4,000 above Amended Budget of \$5,057,000)-The increase reflects contributions from the General Fund and other funds for internal services, Workers' Compensation insurance and Liability insurance.
- **Insurance Services, expenditure** (2023-2024 Adjusted Budget \$8,231,000, adjusted by \$129,000 above Amended Budget of \$8,102,000 and 2024-2025 Adjusted Budget \$8,130,000, adjusted by \$4,000 above Amended Budget of \$8,126,000)-Adjusted Budget expenditure appropriation increase in 2023-2024 related to Workers' Compensation insurance (\$95,000) and Liability insurance (\$34,000). The adjustment reflects projected increases in premiums and claim expenses.
- **Equipment Maintenance, revenue** (2023-2024 Adjusted Budget \$2,503,000, adjusted by \$100,000 above Amended Budget of \$2,403,000 and 2024-2025 Adjusted Budget \$2,379,000, adjusted by \$4,000 above Amended Budget of \$2,374,000)-The increase reflects contributions from the General Fund and other funds for internal services, equipment and fleet maintenance.
- **Equipment Maintenance, expenditure** (2023-2024 Adjusted Budget \$5,812,000, adjusted by

\$100,000 above Amended Budget of \$5,712,000 and 2024-2025 Adjusted Budget \$4,321,000, adjusted by \$4,000 above Amended Budget of \$4,316,000)- Adjusted Budget expenditure appropriation increase in 2023-2024 related to vehicle purchases (\$100,000) and a technical correction for pension costs.

Special Revenue Funds

- **Parking Fund, expenditure** (2024-2025 Adjusted Budget \$973,000, adjusted by \$2,000 above Amended Budget of \$971,000)-The increase is related to a technical correction to pension costs.
- **Gas Tax - Street Maintenance (Fund 140), expenditure** (2024-2025 Adjusted Budget \$4,948,000, adjusted by \$32,000 above Amended Budget of \$4,916,000)-The increase is related to a technical correction to pension costs.
- **Asset Seizure, expenditure** (2023-2024 Adjusted Budget \$387,000, adjusted by \$250,000 above Amended Budget of \$137,000)-The increase is related to providing an appropriation to pay for automated license plate reader cameras that were approved by City Council in 2022 for installation.
- **Heron Bay Maintenance Fund, expenditure** (2024-2025 Adjusted Budget \$538,000, adjusted by \$4,000 above Amended Budget of \$534,000)-The increase is related to a technical correction to pension costs.
- **Special Grant Funds (Fund 150), expenditure** (2023-2024 Adjusted Budget \$229,000, adjusted by \$35,000 above Amended Budget of \$194,000 and 2024-2025 Adjusted Budget \$819,000, adjusted by \$756,000 above Amended Budget of \$64,000). Budget is adjusted costs for dispatch center equipment, software costs for a law enforcement wellness application, Navigation Center operations funding, and a technical correction to pension costs.
- **SB1 - Streets & Roads (Fund 152), expenditure** (2024-2025 Adjusted Budget \$149,000, adjusted by \$13,000 above Amended Budget of \$136,000)-The increase is related to a technical correction to pension costs.
- **Measure BB (Fund 154), expenditure** (2024-2025 Adjusted Budget \$8,000, adjusted by \$400 above Amended Budget of \$7,600)-The increase is related to a technical correction to pension costs.
- **Measure B Paratransit (Fund 157), expenditure** (2024-2025 Adjusted Budget \$42,000, adjusted by \$4,000 above Amended Budget of \$38,000)-The increase is related to a technical correction to pension costs.
- **Community Development Block Grant Fund (Fund 165), expenditure** (2024-2025 Adjusted Budget \$69,000, adjusted by \$8,000 above Amended Budget of \$61,000)-The increase is related to a technical correction to pension costs.
- **Home Fund (Fund 166), expenditure** (2023-2024 Adjusted Budget \$16,300, adjusted by \$2,500 above Amended Budget of \$13,700 and 2024-2025 Adjusted Budget \$29,300, adjusted

by \$13,900 above Amended Budget of \$15,400)-The increase is related to carryover funds for program administration and a technical correction to pension costs.

- **Capital Improvement, revenue** (2023-2024 adjusted by \$513,200 and 2024-2025 adjusted by \$23,787)-The adjustment is related to interest income from the Shoreline Project and funding from the General Fund to cover pension expenses.
- **Capital Improvement, expenditure** (2024-2025 adjusted by \$23,787)- The increase is related to a technical correction to pension costs.

FISCAL IMPACT

Proposed adjustments to both the 2023-2024 and 2024-2025 General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds budget are incorporated in the staff report. The 2023-2024 General Fund Adjusted Budget appropriates total revenues of \$139,972,000 and total expenditures of \$160,118,000. The 2024-2025 General Fund Adjusted Budget appropriates total revenues of \$144,273,000 and total expenditures of \$149,913,000. There are no new uses of reserves with this proposed action.

Maintaining current operations and service levels in 2024-2025 also requires adjustments to revenue appropriations and expenditure appropriations in Enterprise & Internal Service Funds and Special Revenue Funds as described in the staff report.

The full list of added and deleted positions is attached to the staff report for Finance Committee consideration.

ATTACHMENT

- **Attachment A:** Proposed Budget Adjustments
- **Attachment B:** General Fund Revenue Appropriation Adjustments
- **Attachment C:** General Fund Expenditure Appropriation Adjustments
- **Attachment D:** Other Funds Revenue & Expenditure Appropriation Adjustments
- **Attachment E:** Summary of Staffing Changes
- **Attachment F:** FYs 2023-2024 and 2024-2025 Mid-Cycle Budget Adjustment Presentation

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