



## Future Challenges

The most significant cost challenge for the City's future is rehabilitation of public infrastructure. Due to limited and declining dedicated revenue such as gas tax and redevelopment money; maintenance of streets, sidewalks, medians, and facilities has been deferred. A preliminary estimate of required funding for streets and sidewalks alone is \$6 million annually.

The City is required to implement the Dominguez Watershed Plan as part of a storm water permit issued by the Regional Water Board in 2012. The estimated cost of compliance is \$8 million annually; which remains unfunded.

The California Public Employees Retirement System (CalPERS) made changes to strengthen the employee pension system, requiring increased contributions from employers. By 2022, the City's employee pension contribution is expected to increase from \$7.1 million in FY16-17 to \$10.5 million annually; a 47.5% increase over 5 years. Due to the aging workforce, retiree health insurance is expected to increase from \$1.9 million annually to \$3.7 million annually over the next 10 years.

## New Development

New development in the City increases the City's tax revenue base. The City's exciting new projects include:

- The Porsche Experience – a 53-acre facility and road handling course, one of only five such sites in the world.
- Development of the 157-acre site adjacent to the 405 freeway, between Del Amo and Avalon Blvds – the City recently entered into an Exclusive Negotiating Agreement with Macerich, a developer and operator of high-end shopping malls.

## Budget Cycle

The City's fiscal year runs from July 1st to June 30th. The budget process typically begins in January, with the goal of the City Council adopting the upcoming fiscal year budget by June.

## Quick Facts

- The City of Carson has
- about 93,000 residents
  - 19.2 square miles
  - 12 parks with 147.8 acres

Carson is home to California State University Dominguez Hills, the Los Angeles Galaxy Soccer Team, the Goodyear Blimp, and the International Printing Museum.

## Want to learn more about the City?

Visit the City's website at [www.ci.carson.ca.us](http://www.ci.carson.ca.us).

City Council meetings are broadcast live on the City's website on the 1st & 3rd Tuesdays of each month at 6:00pm.

In addition to City Council agendas and a wealth of other information about the City; you can read annual audited financial reports, the full budget document, monthly General Fund expenditure reports, and monthly City Treasurer investment reports. Residents and interested parties with questions about the City's budget may also contact the Finance Director by email at [kdowns@carson.ca.us](mailto:kdowns@carson.ca.us).



## City of Carson Elected Officials:

Albert Robles, Mayor  
 Lula Davis-Holmes, Mayor Pro Tem  
 Elito M. Santarina, Councilmember  
 Jawane Hilton, Councilmember  
 Cedric L. Hicks, Sr., Councilmember

Donesia L. Gause, City Clerk  
 Monica Cooper, City Treasurer

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City Administration:  
 Kenneth C. Farfing, City Manager  
 Cecil W. Rhambo, Jr., Assistant City Manager  
 Kathryn Downs, Director of Finance  
 Dr. Gail McMahan, Director of Human Resources  
 John Raymond, Director of Community Development  
 Dr. Maria Slaughter, Director of Public Works  
 Ralph Aranda, Interim Director of Community Services



# Budget In Brief Fiscal Year 2016-17

## Capital Improvement Program

One of the City's primary objectives is maintenance of the City's infrastructure; including roadways, storm water drainage system, and park buildings. Capital improvements include periodic infrastructure rehabilitation, as well as construction of new facilities. The most significant projects funded with the FY16-17 budget and added to the City's Capital Improvement Program are listed below.

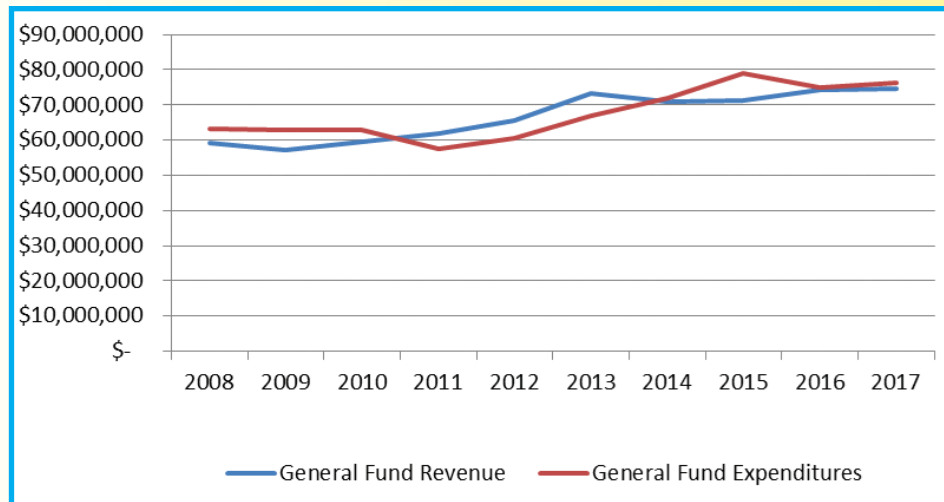
Project	Funding Source	FY16-17 Funding
Street slurry seal (thin application of new asphalt)	Gas Tax	\$ 300,000
Accessibility improvements to comply with the Americans with Disabilities Act	Community Development Block Grant	\$ 150,000
Scott Park pool rehabilitation	Park Development In-Lieu Fees	\$ 300,000
Bike lanes throughout the City	Air Quality Management District Grant	\$ 1,979,333
Dominguez Park restroom rehabilitation	Park Development In-Lieu Fees	\$ 110,000
Carriage Crest Park storm water drainage	State Grant	\$ 13,000,000

**No General Fund money was used to fund capital improvement projects.**

The Public Works Department is currently working through infrastructure assessment and planning studies that will give the City a better idea of its needs for the future. With the dissolution of redevelopment agencies statewide, the City lost a significant funding source for rehabilitation of its infrastructure.

## Balancing The Budget

The City has faced structural General Fund deficits for 7 of the last 10 years. Local recovery from the great recession has been slow. Property tax growth has not kept pace with surrounding cities. Each year the City faces difficult budget decisions. To bring the General Fund budget back into balance, the City Council will need to consider new ongoing revenue sources and the level of service provided to the community.



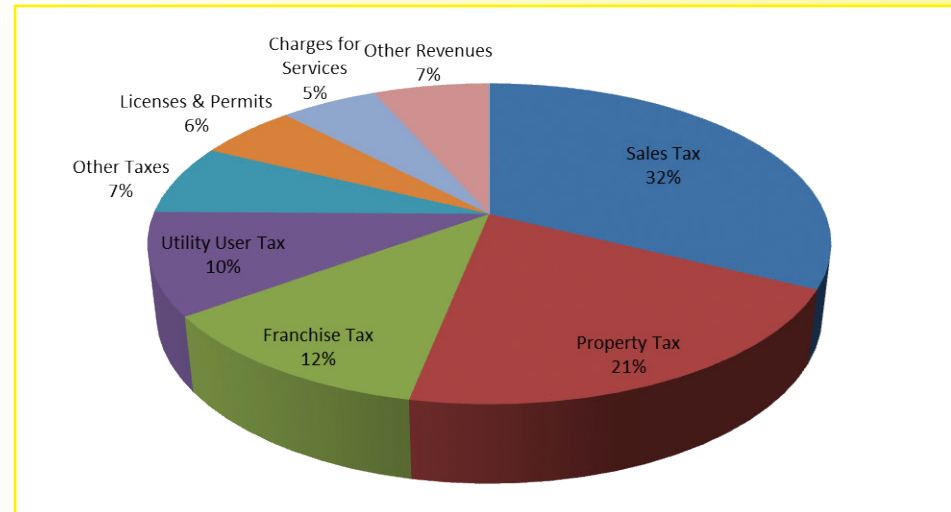
## City's General Fund

The General Fund is the primary operating budget of the City; and for FY16-17, accounts for 74% of estimated City-wide revenue. The adopted FY16-17 General Fund budget preserves the level of service to the community; however, revenue losses and expenditure increases have led to deficit net activity.

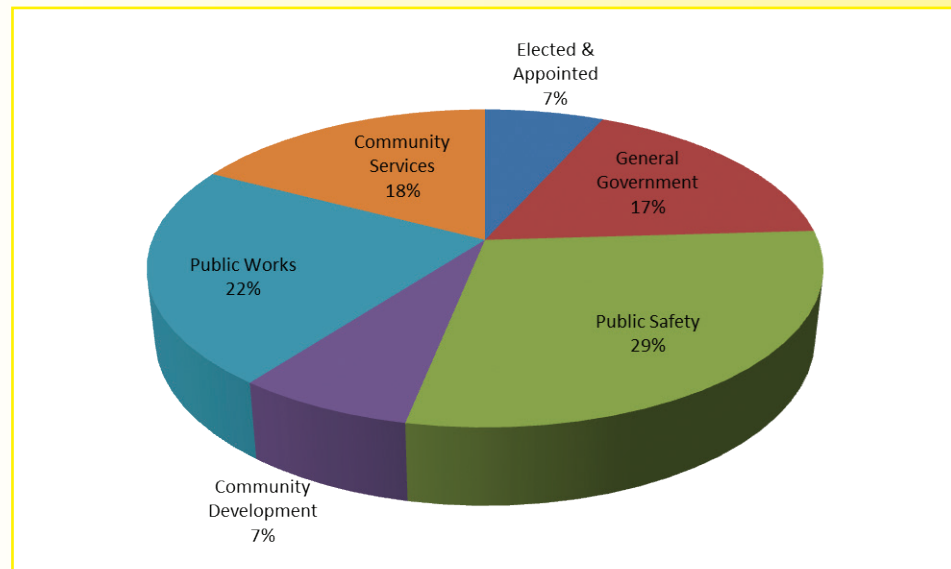
Revenue	\$ 74,572,223
Expenditures	(76,219,758)
Transfers from other funds	20,301
<b>Net Activity</b>	<b>\$ (1,778,349)</b>

The net deficit is equivalent to 2.4% of the General Fund budget. Even though there is an expected deficit, the General Fund balance exceeds the City Council's policy Reserve for Economic Uncertainties; set at 20% of General Fund expenditures or \$15.2 million.

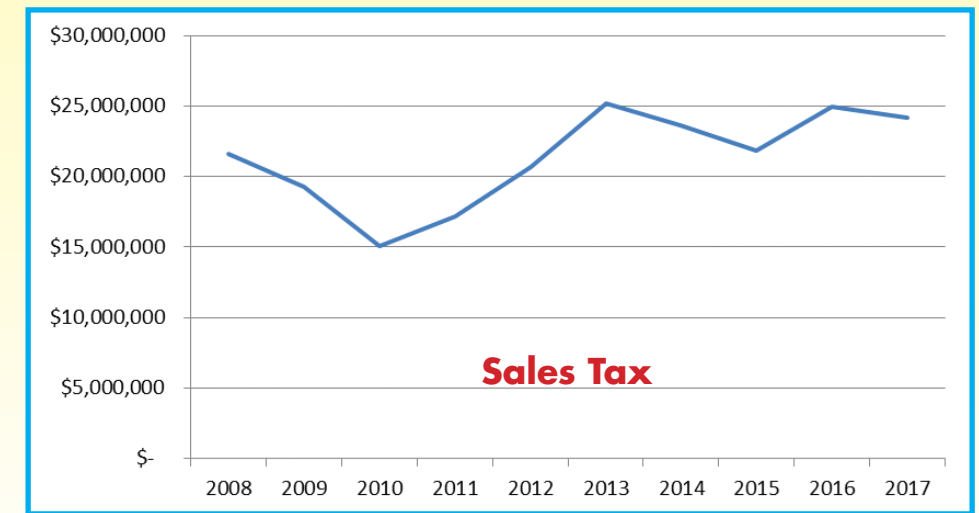
## General Fund Revenue



## General Fund Expenditures



The City's primary source of revenue, Sales Tax, fluctuates with the economy. Over the last 10 years, the overall sales tax increase has been 11.8%, or an average of 1.3% per year.



The City receives only about 6.7 cents of each property tax dollar. The county and the school district receive the majority of your property tax.

## City of Carson Property Tax Dollar Breakdown

