

Carson



BUDGET WORKSHOP No. 2

Fiscal Year 2022-2023



Principles Guiding Development of the Budget

1. **Maintaining a prosperous, fiscally sustainable, and economically viable City of Carson.**
2. **Providing high quality municipal services that residents expect**
3. **Adoption of structurally balanced budget: identify operating expenditures that are our highest priorities and are in balance with the City's ongoing revenues (without considering one-time resources)**
4. **Adopt a budget that is in alignment with the City Council Priorities:**
 - **Quality of life improvement (infrastructure, maintenance, beautification)**
 - **Economic development**
 - **Governance policies and procedures pertaining to district**
 - **Housing**
 - **Increase public safety**
 - **Make progress on development that provides community benefits in the long term**
 - **Maintain quality City programs and services**
 - **Advocacy for funds from county, state and federal government**
 - **Increased outreach and information to the community**



Budget Development Timeline

- **Budget Workshop no. 1**
 - Overview of the City's General Fund reserve
 - 2021-2022 General Fund Revenue forecast
 - County, State and Federal funding

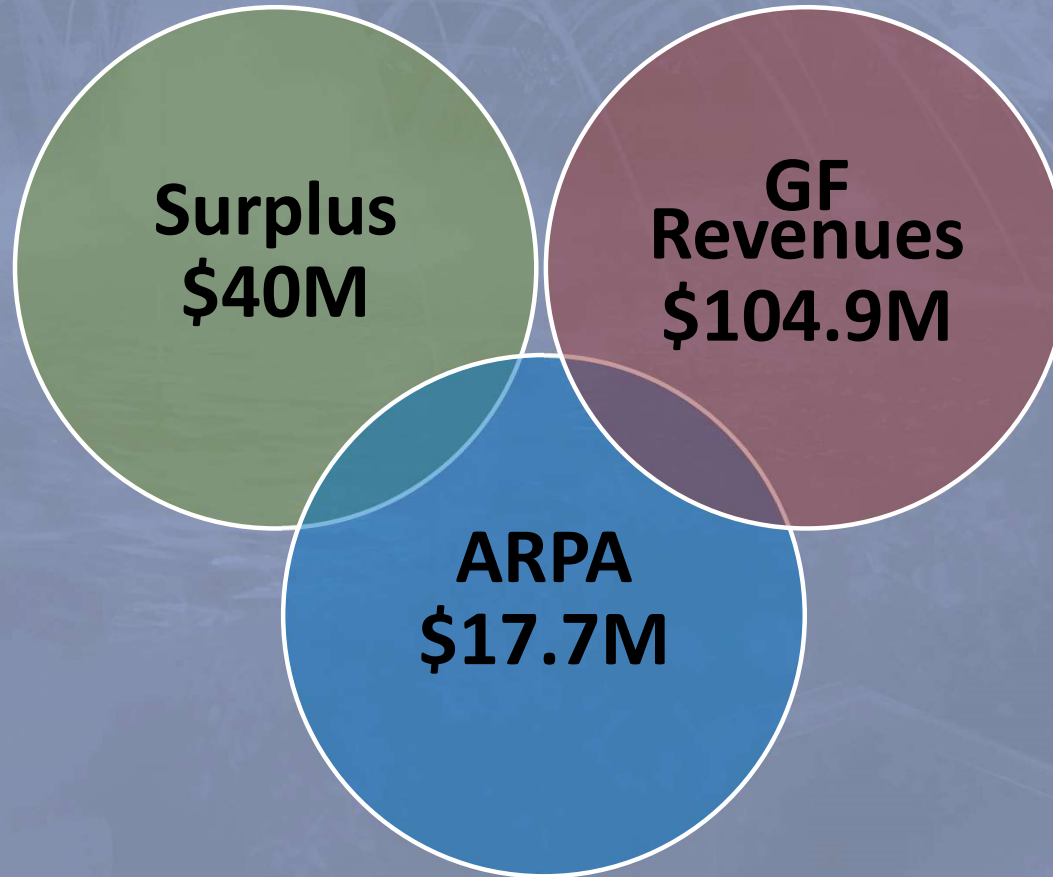
- **Budget Workshop no. 2**
 - Overview of the City's General Fund operating expenditures
 - 2021-2022 General Fund expenditures by department
 - 2021-2022 Personnel expenditures
 - 2021-2022 Los Angeles County Sherriff Department expenditures

- **Budget Workshop no. 3 (May 18, 2022)**
 - 2021-2022 Special Events fund
 - Overview of the City's Special Revenues
 - 2021-2022 Capital Improvement Plan

- **Public Hearing and Budget Adoption (June 21, 2022)**



Fiscal Year 2022-2023 Sources



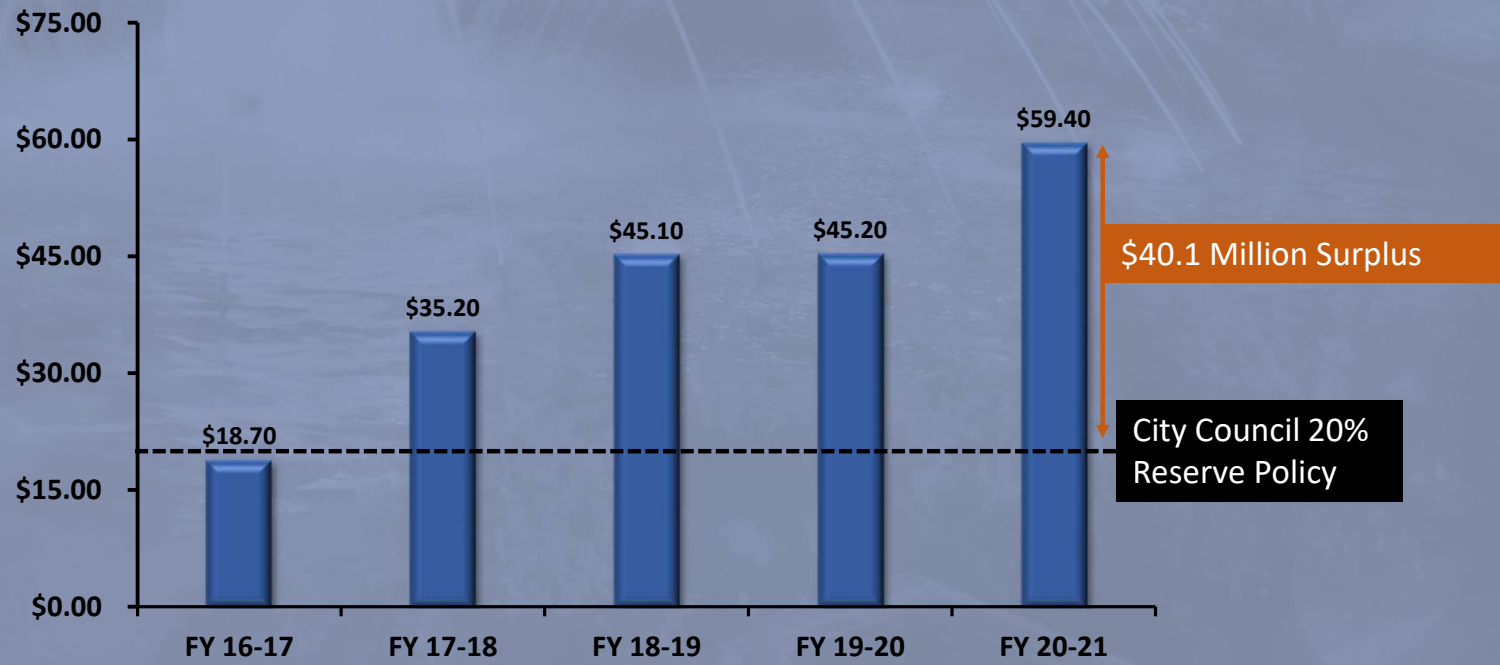


ARPA Proposed Allocation: \$17.8M

- Premium Pay for City employees **\$7.9 Million**
- City's Enterprise Resource Planning (ERP) Software upgrade for Business License, Online Payment, Permit Issuance and Public Safety online portals **\$2.2 Million**
- Street Maintenance and Roadway Repairs **\$3.5 Million**
- Investment in Broadband Improvement Solutions **\$500,000**
- Emergency Operations Center (EOC) Upgrade **\$330,635**
- Non-Capitalized CS equipment **\$760,000**
- Negative Leave Accrual **\$169,365**
- Wi-Fi expansion in City Parks **\$350,000**
- Small Business Grant Program **\$1.0 Million**
- Small Business Loan Relief Program **\$765,000**
- Creating a City Brand and Community Engagement Strategic Plan **\$245,763**



General Fund Reserve



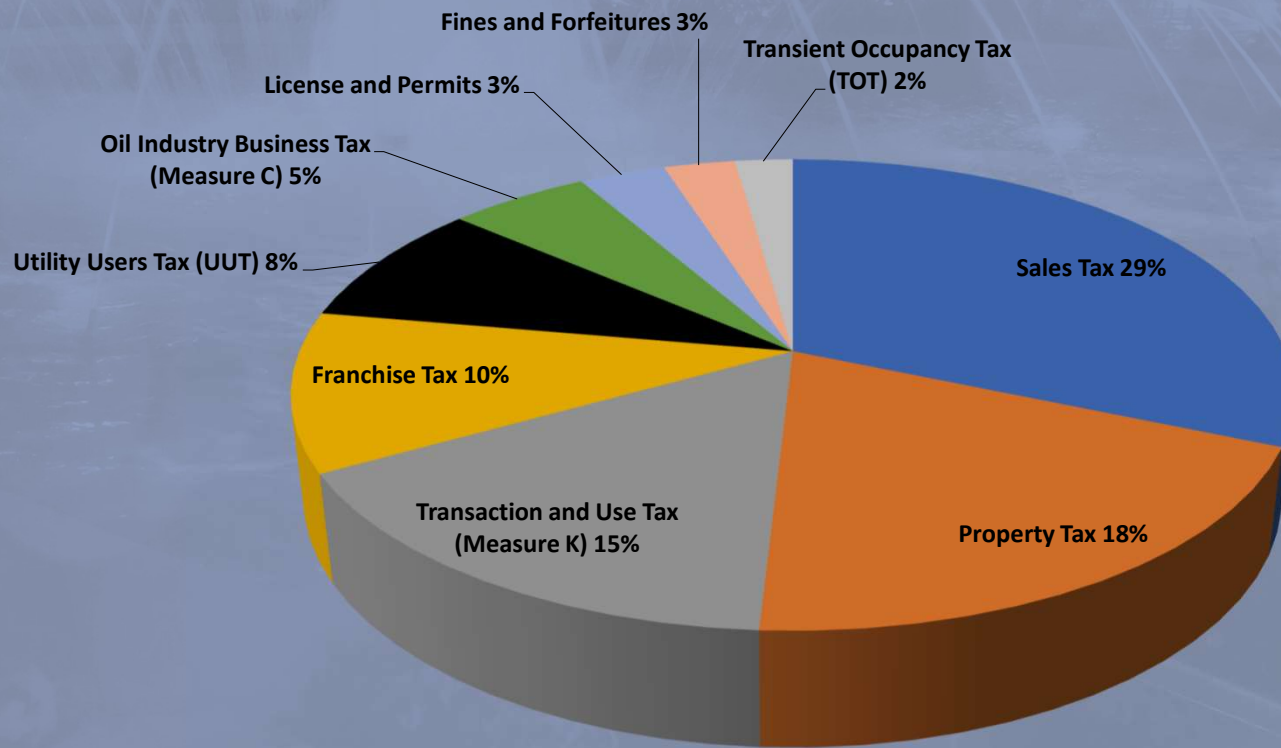


Façade Improvement Program: \$500,000 (From GF Surplus)

- The City of Carson Façade Improvement Program (FIP) is a tool local businesses can use to receive support for their investment to improve the exterior of their buildings.
- The FIP will be structured as a reimbursement grant program
- Targeted designated commercial zones within the City of Carson
- The program will provide a matching grant of 50% of the façade improvement cost to the business and/or owner
- Lead department: Community Development



Fiscal Year 2022-2023 General Fund Revenue: \$104.9M





Utility Users Tax

FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
\$7,458,906	\$7,450,000	\$7,450,000	\$8,500,000	

The tax is currently scheduled to sunset June 30, 2023.



UUT's Community Opinion Survey & Public Education

- March 1st, 2022: Council approved contract with Tripepi Smith & Associate (**\$123,220**)
- April 8th, 2022: Staff and consultant finalized the Opinion Survey Questionnaire
- April 13th, 2022: Opinion Survey Go-Live
- April 29th, 2022: Survey results Review and Analysis
- Community Outreach and Public Education



Employee Compensation: \$41.8M

Department	Personnel
Public Works	\$13,852,990
Community Services	\$11,880,419
City Manager	\$5,958,160
Finance	\$4,037,309
Community Development	\$2,319,486
Human Resources	\$1,721,297
City Council	\$690,510
City Clerk	\$667,915
City Treasurer	\$642,579
Total	\$41,770,665



Proposed FTE: 319

Department	FTEs	Vacant FTEs	Vacancy Rate
Public Works	131	11	
Community Services	66	9	
City Manager	6		
Finance	32	4	
Community Development	23	6	
Human Resources	12	2	
City Council			
City Clerk	4		
City Treasurer	4		
Public Information Office	3		
Information Technology	8		
Public Safety	24	2	
Total	319	34	11%



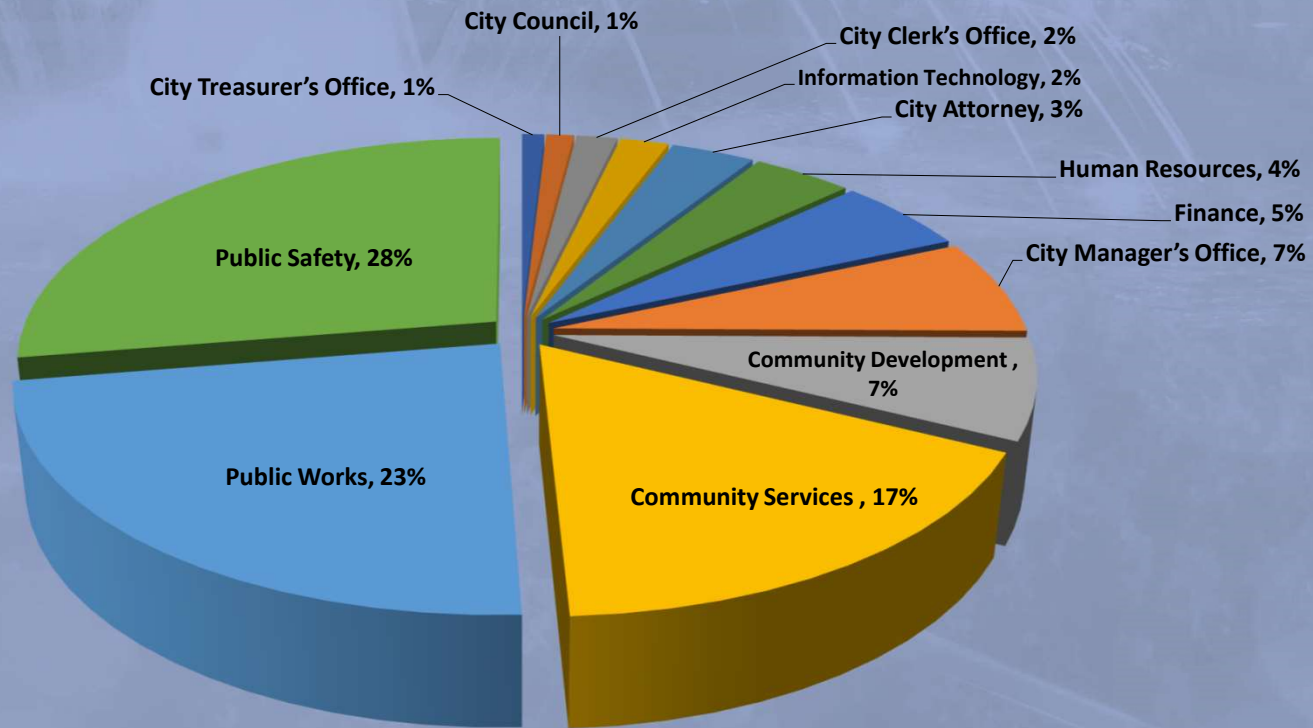
FY 2021-2022 Proposed General Fund Expenditures

- The table presents the City's proposed and projected operating expenditures by department.
- Public Safety division budget appropriation includes the Los Angeles County Sheriff contract

Department	FY 2022-2023
Public Works	\$21,506,192
Community Services	\$14,270,948
City Manager	\$5,870,712
Finance	\$4,746,091
Community Development	\$5,784,437
Human Resources	\$3,848,528
City Clerk	\$1,334,413
City Treasurer	\$805,242
City Attorney	\$3,100,000
City Council	\$898,061
Information Technology	\$2,998,346
Public Information	\$779,599
Public Safety	\$26,710,913
Non-Departmental	\$11,449,964
Total Expenditures	\$103,507,548



Fiscal Year 2021-2022 General Fund Expenditures: \$103.5M





Budget with Preliminary Surplus of \$1.5M

- Total projected Expenditures: **\$103.4M**
- Total projected Revenues: **\$104.9M**
- Preliminary Budget Surplus: **\$1.5M**



Public Works Department: \$400,000 Concrete Remediation

The Year over Year Proposed Budget increase is due mainly to Concrete Remediation needs.

Due to previous litigations regarding concrete trip and fall hazards, Public Works is requesting to add \$400k to Fiscal Year 2022-2023 budget to cover the estimated cost of concrete remediation throughout the city.



Human Resources Department: \$302,480

The Year over Year Proposed Budget increase are due to the conditions below:

Excess Liability: \$214,000

The increase is due to (a) market conditions, 32%; and (b) Carson's claims experience, 4%.

Property Insurance: \$36,079

The increase is due to (a) market conditions, 15%; and (b) The increase in cost of labor and material due to the pandemic and inflation, 5-7.5%

Cyber Liability: \$9,105

The increase is strictly due to market conditions.

Workers Compensation: \$26,067

The increase is strictly due to market conditions.

American with Disabilities Act Assessment (ADA): budgeted for FY 2022-23 to engage a qualified firm to provide a comprehensive evaluation of American with Disabilities Act (ADA) accessibility compliance of City facilities, programs, services, and communications.



Los Angeles Sheriff Contract: \$22.7M

	FY 2021-2022	FY 2022-2023	Increase
Sheriff Contract	\$22,354,412	\$22,678,551	\$324,138

- Services will increase by \$324,138 or 1.4%
- Based on the contract structure, the Los Angeles County Sheriff department has sufficient budget appropriation and the flexibility to allocate resources where needed



THANK YOU

City of Carson - Finance Department