



Carson



Fiscal Year 2020-2021

Budget Workshop No. 1

The City Council

CITY OF CARSON

March 17, 2020

Finance Department

Budget Workshop No.1

Receive updated information

Provide additional direction

Next steps:

➤ **April 21 – Budget Workshop No.2**

Refined/Updated Drafts of Budget/Model/CIP

➤ **May 19 – Budget Workshop No. 3**

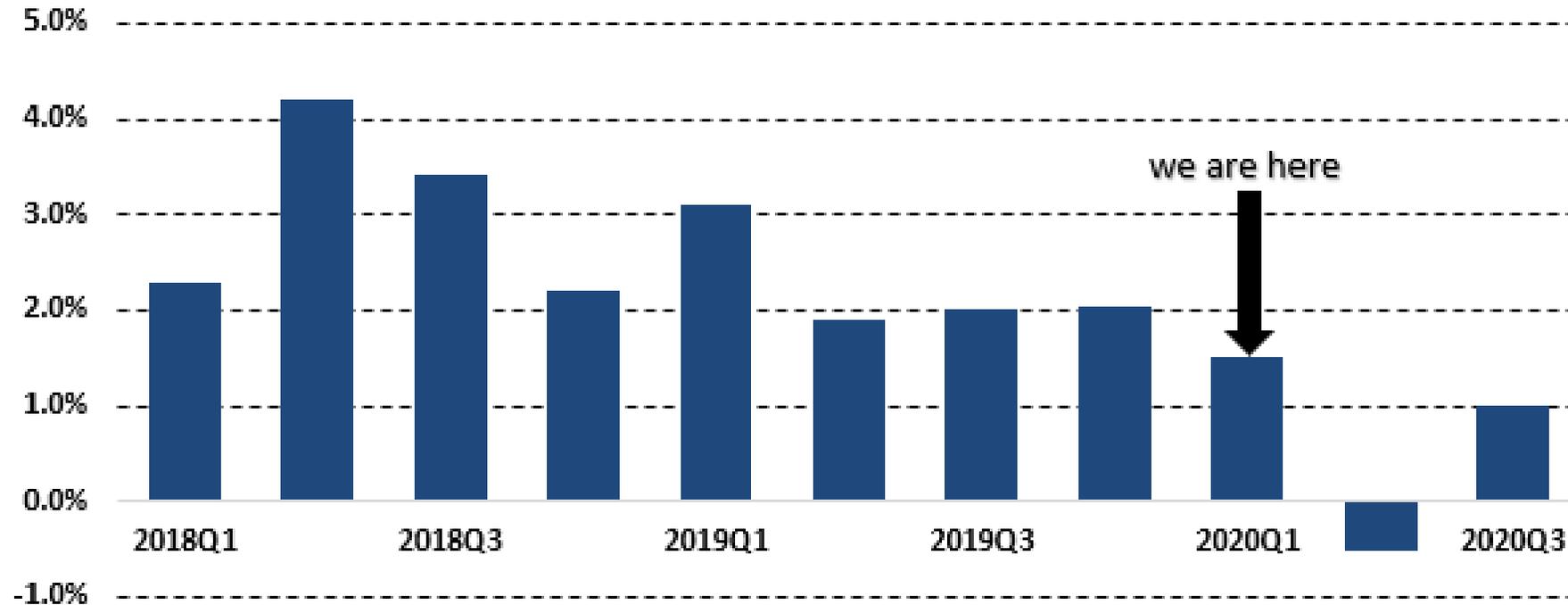
Budget Policy Questions

➤ **June 2 – Public Hearing**

Consider adoption of the budget

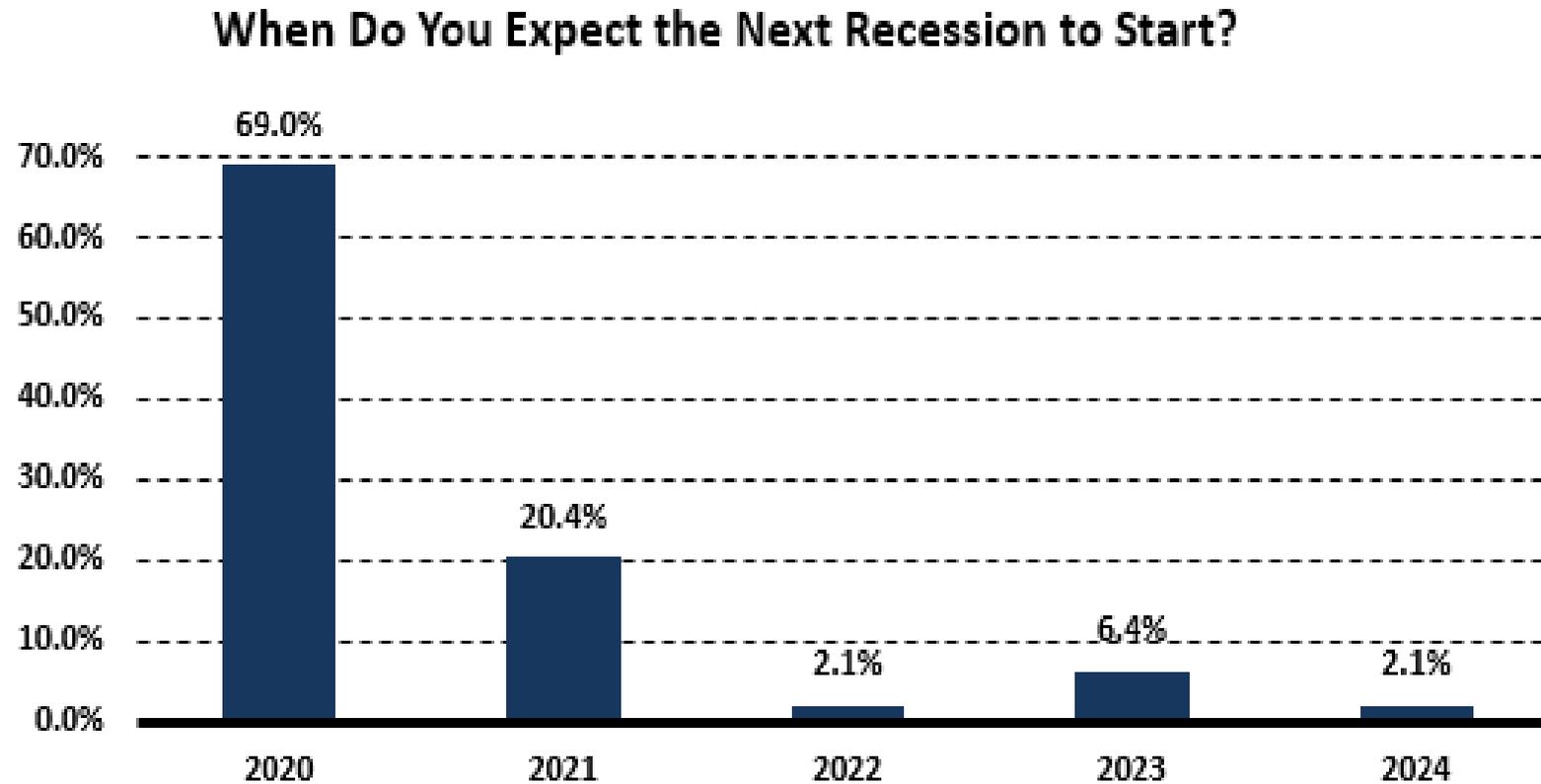
U.S. Economy

Real Gross Domestic Product Growth / U.S.



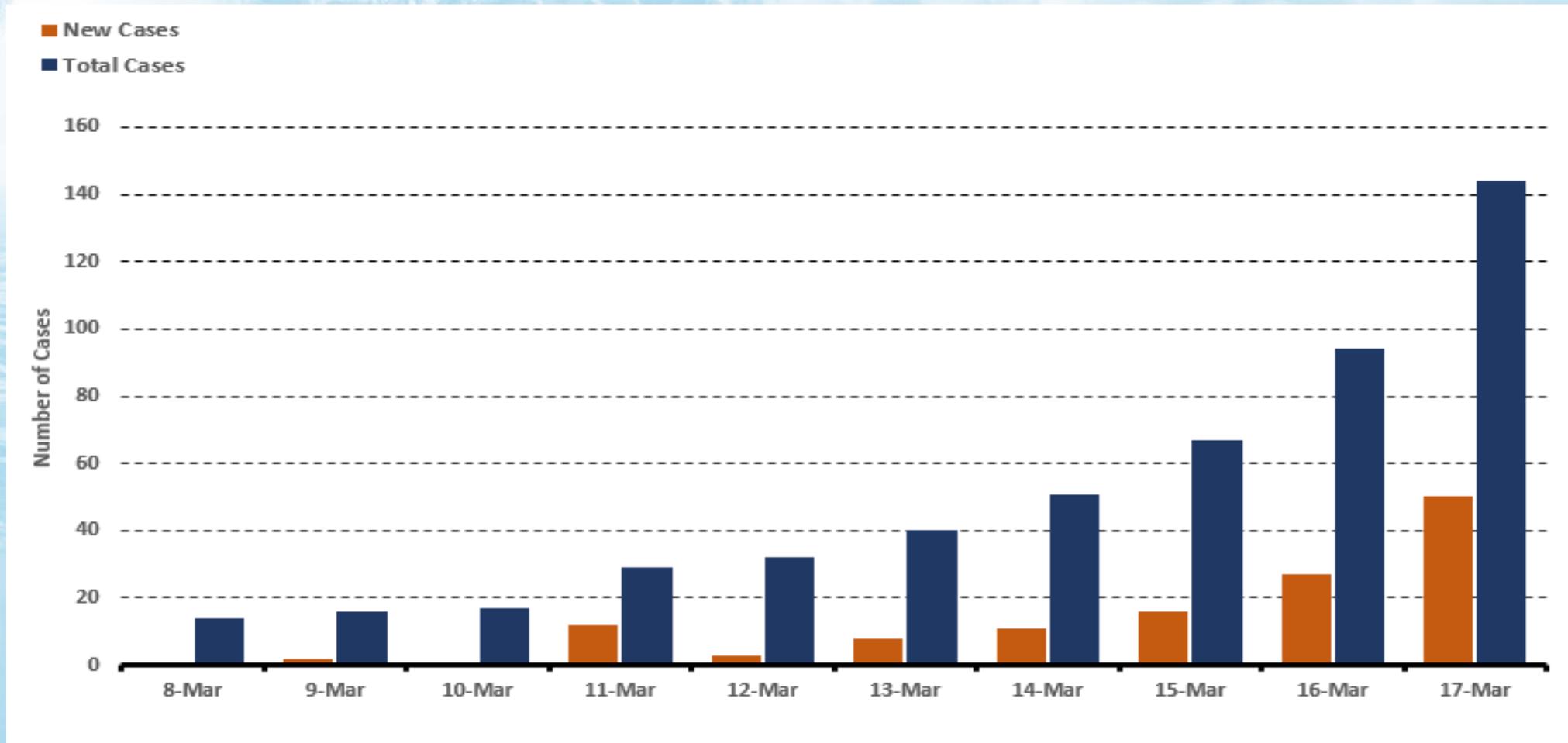
Source: U.S. Department of Commerce & UCLA Anderson Forecast

U.S. Economy



Source: December 2019 Wall Street Journal Survey of more than 60 business, financial and academic economist

Coronavirus Cases in Los Angeles County



Source: Los Angeles County Public Health Department

Recent Events

THE WALL STREET JOURNAL. **How Deep and How Long for a Downturn?**

Los Angeles Times

BUSINESS

U.S. economy is now in recession, UCLA Anderson Forecast says

The coronavirus pandemic has already caused the recession to begin, the UCLA Anderson Forecast says in an unprecedented update.

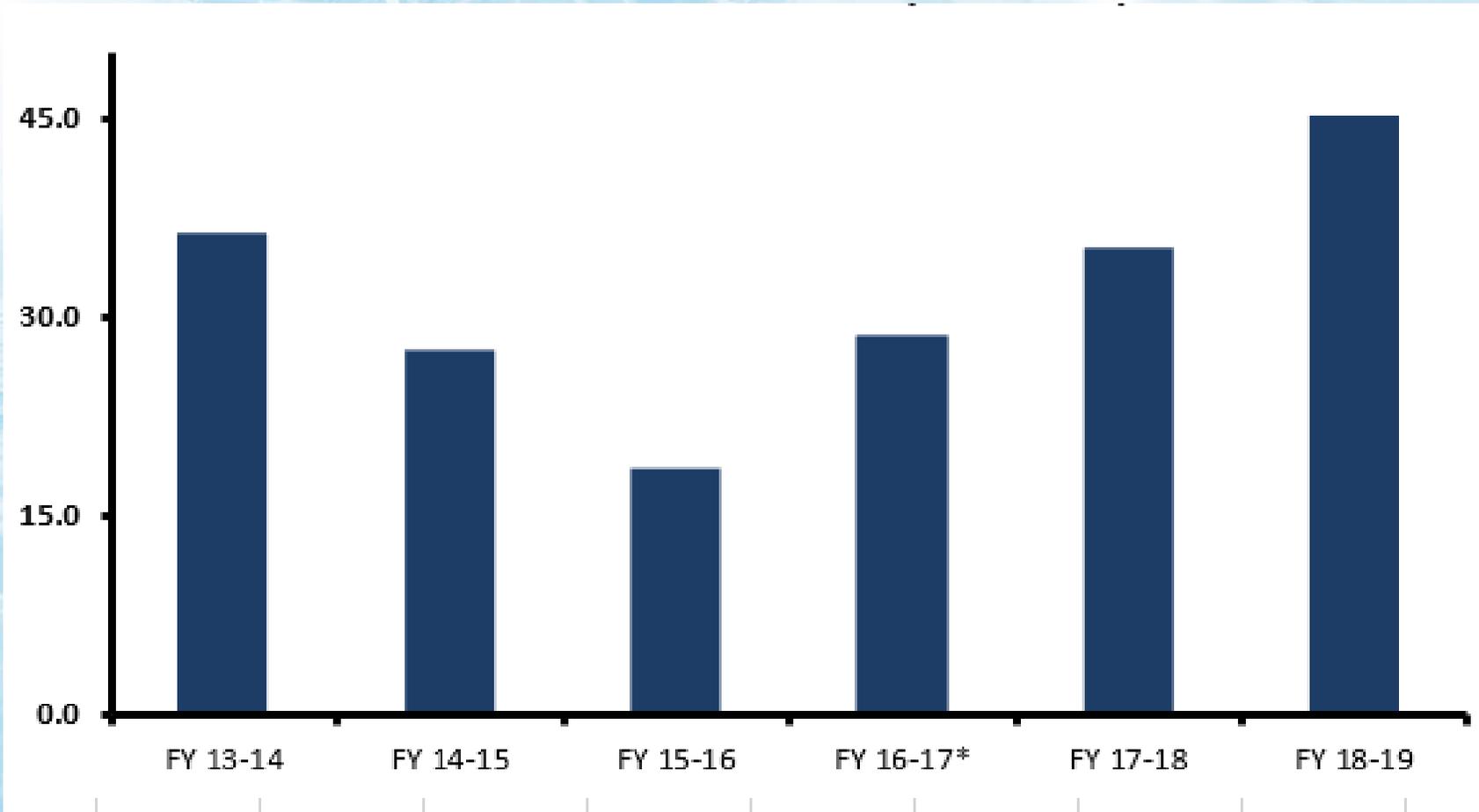
March 16, 2020

THE BOND BUYER

ECONOMY

UCLA Anderson Forecast says country has entered a recession; downturn will hit Calif. hardest

The City's General Fund Reserve

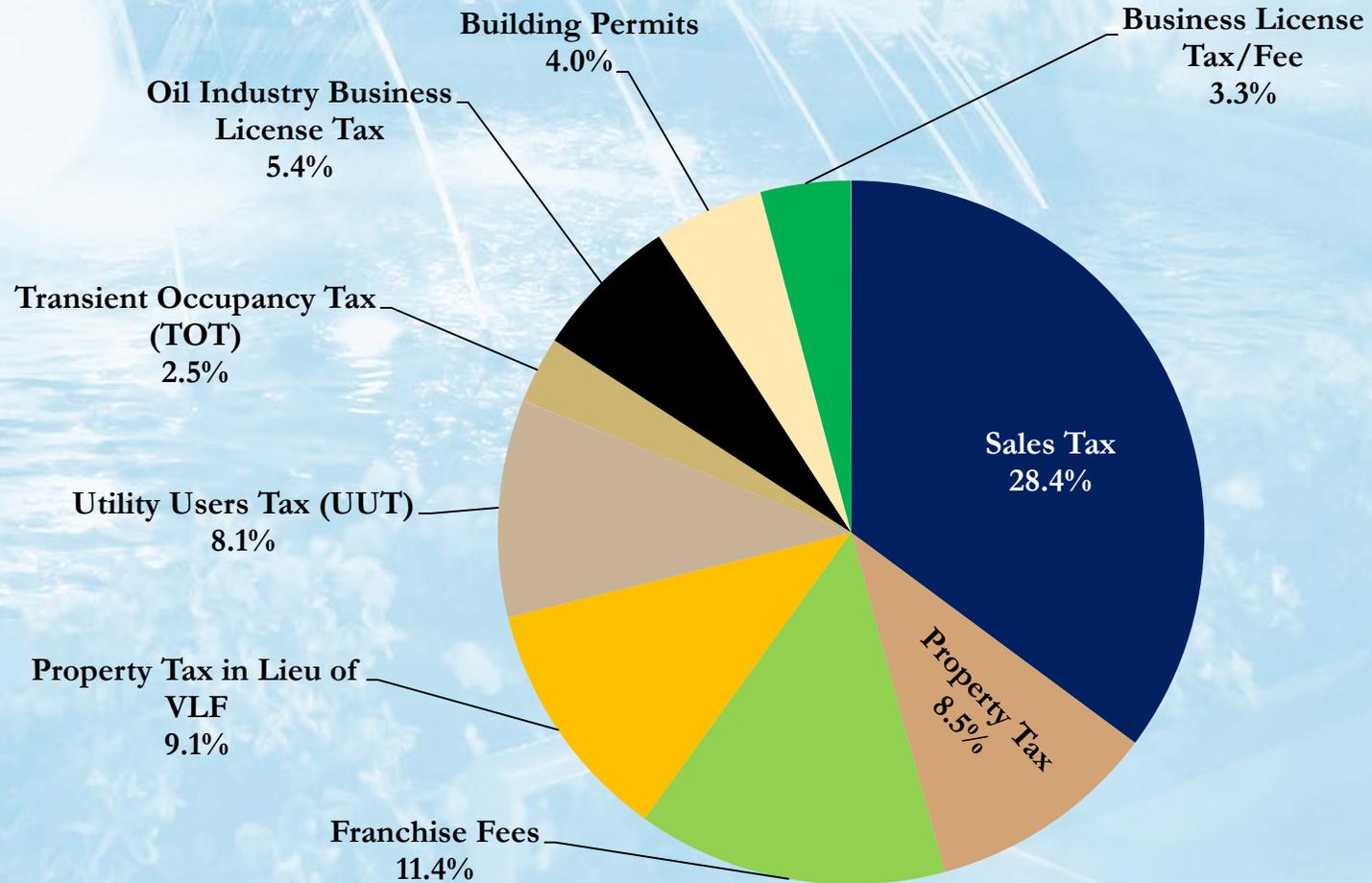


* Fiscal Year 2016-2017 reflects an adjustment of \$7.9 million to the \$18.9 million fund balance.
Total is \$28.7 million

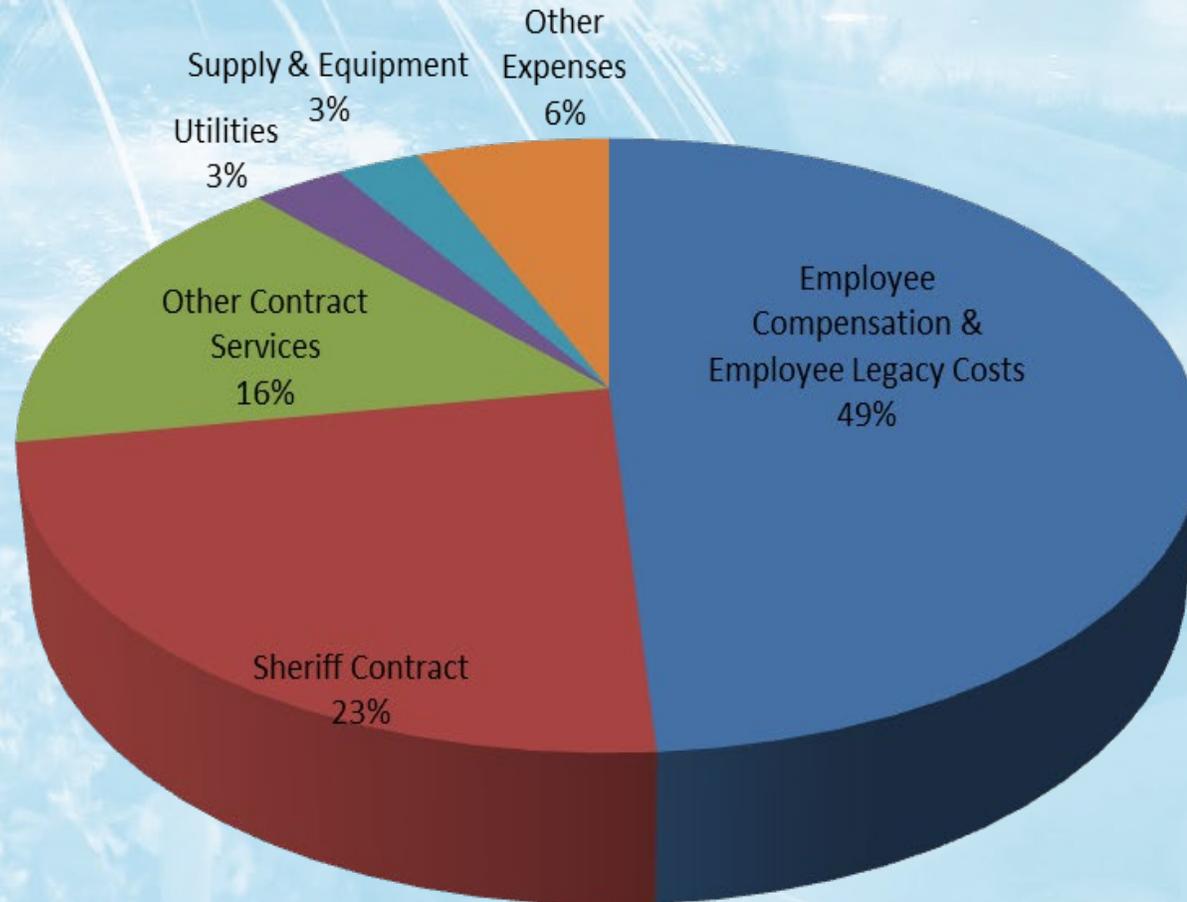
General Fund Balance Update

	2019-2020 Revised Budget
Beginning Fund Balance	\$45.3 M
Revenues	\$94.1 M
Expenditures	(\$95.7) M
Net Activity	(\$1.6)
Ending Fund Balance	\$43.7 M
Calculated Reserve (20% Council Policy)	\$20.7 M
Set Aside for Self-Insurance Claims	\$1.8 M
Non-spendable (for inventory, etc.)	\$0.5 M
Surplus	\$20.7 M

General Fund Revenues



General Fund Expenditures



Los Angeles County Sheriff Contract

	Fiscal-Year 2019-2020	Fiscal-Year 2020-2021	GF Increase
Budget	\$20,905,000	\$22,191,925	\$1,049,775

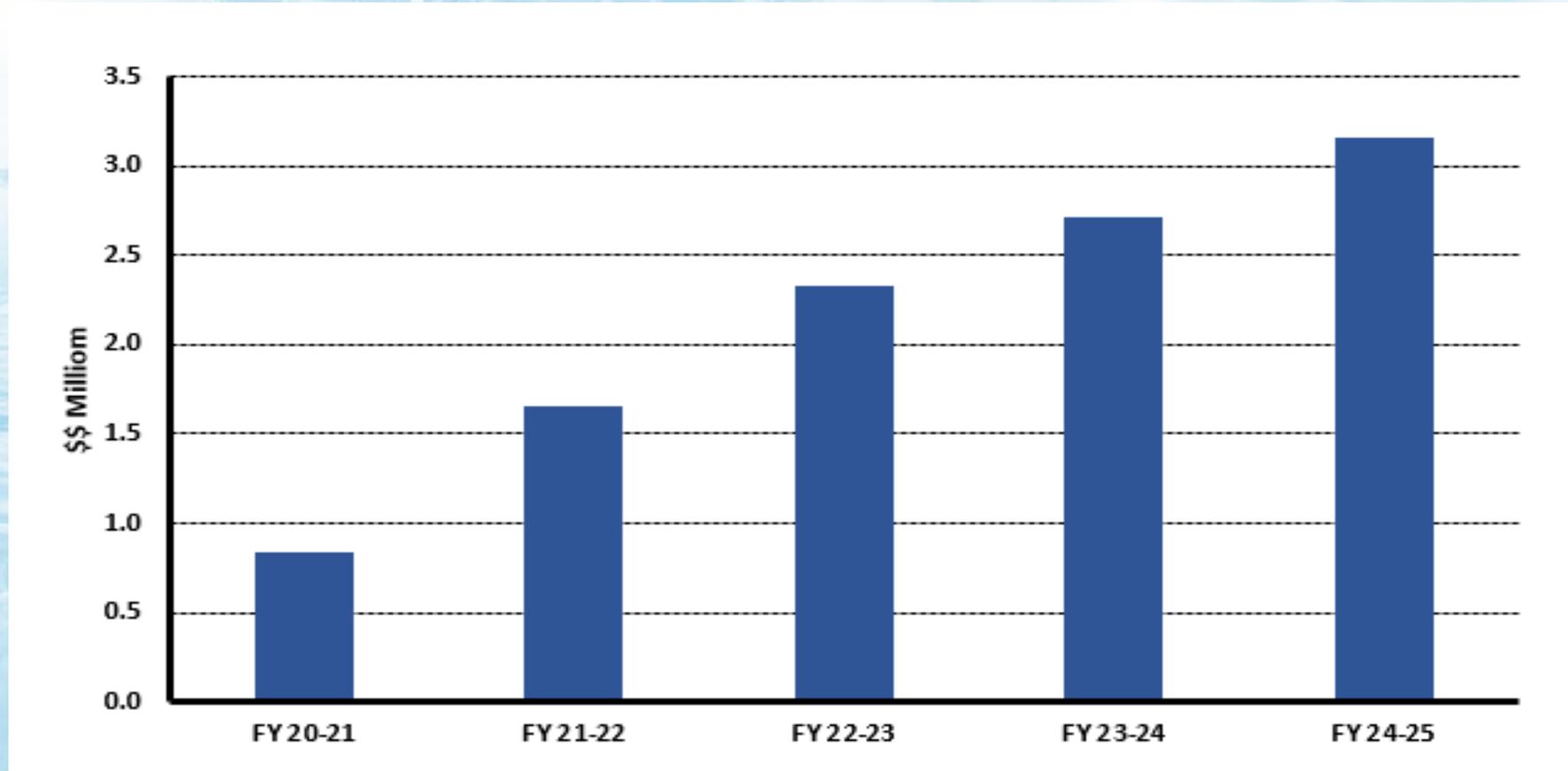
- Sheriff contract is 23% of General Fund Budget
- Services increase by 5.5% (\$1 million)

Personnel Expenditures

	Fiscal-Year 2019-2020	Fiscal-Year 2020-2021	GF Increase
Budget	\$37,929,453	\$39,582,100	\$1,652,647

- ❑ Personnel expenditures increase \$1.7 million
- ❑ Vacant 38.0 FTEs (\$3.6 million)

Pension Obligation Bonds – General Fund Savings



- ❑ \$0.8 Million GF Savings in Fiscal Year 2020-2021
- ❑ \$45.3 Million GF Savings by FY 2043-2044