



# Fiscal Year 2020-2021 Budget Workshop No. 3

City Council

CITY OF CARSON

May 19, 2020

Finance Department



City of Carson



# Remaining Steps in The Process

## Two Budget Workshops Completed

- March 17: budget workshop no.1
- April 21: budget workshop no. 2

## Today is Budget Workshop No. 3

June 16<sup>th</sup>, 2020

**Budget Hearing and Adoption**



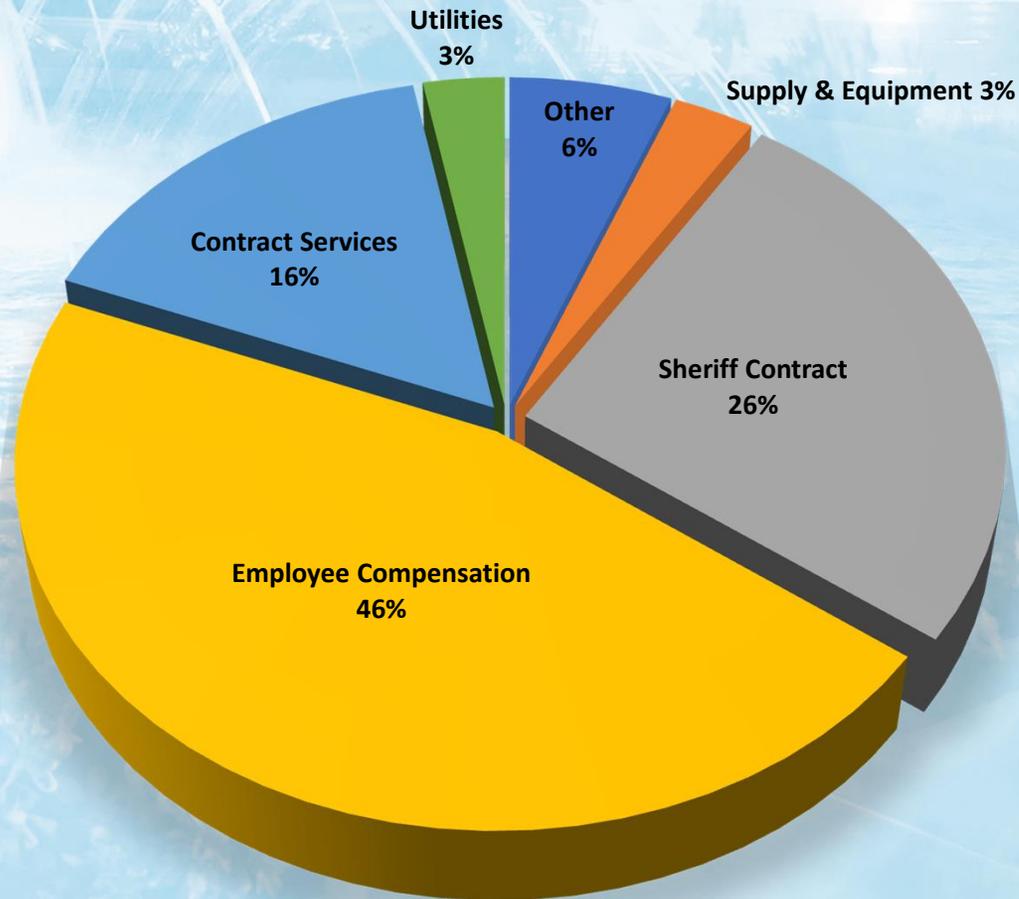
# Suggested Principles for 2020-2021 Budget

1. **Develop a budget based on the best information available**
2. **Set a budget target that gives flexibility if the economy does better or (**worse**) than projected**
3. **Balance the budget with the use of \$3.3M from General Fund Reserve**

# The Four Important Budget Assumptions

- 1) Revenue losses range between **6%** to **12%**
- 2) Use of Fiscal Year 2019-2020 Council adopted budget as baseline to provide same level of service
- 3) Provide expenditure reduction levels as budget balancing actions
- 4) Severity of the deficit is dependent on how long the pandemic lasts and how quickly we can safely move into recovery phase

# General Fund Expenditures by Category



# Personnel Expenditures

Department Name	FY 2019-2020 Budget	FY 2020-2021 Estimated Budget	Budget Increase
City Clerk's Office	\$618,513	\$654,198	\$35,685
City Council	\$935,765	\$1,010,891	\$75,126
City Manager's Office	\$2,576,891	\$2,788,490	\$211,599
City Treasurer's Office	\$591,241	\$626,755	\$35,514
Community Development Department	\$1,922,118	\$2,142,486	\$220,368
Community Services Department	\$11,434,658	\$11,759,277	\$324,619
Finance Department	\$3,735,462	\$3,828,462	\$93,000
Human Resources Department	\$1,347,027	\$1,393,592	\$46,565
Public Safety	\$2,526,800	\$2,553,676	\$26,876
Public Works Department	\$12,244,311	\$12,930,756	\$686,445
<b>Total</b>	<b>\$37,932,786</b>	<b>\$39,688,583</b>	<b>\$1,755,797</b>

Benefits increase, Step increase, reclassifications, minimum wage increase





# Vacant Positions (Estimated \$3.4 Million)

Department Name	Budgeted FTEs	Vacant FTEs	Vacancy Rate
Public Works	130	13	10%
Community Services	66	9	14%
Community Development	23	5	22%
Human Resources	11	3	27%
Public Safety	23	3	13%
Finance	32	2	6%
City Manager's Office	6	1	17%
Information Technology	8	1	13%
City Clerk's Office	4	1	25%
City Treasurer's Office	4	0	0%
City Council's Office	5	0	0%
Public Information Office	4	0	0%
<b>TOTAL</b>	<b>316</b>	<b>38</b>	<b>12%</b>

# Sheriff's Contract



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

The budget increase assume the same number of deputies (63 units)

# Special Events

Community Services Special Event	2020-2021 Proposed Budget General Fund
Volunteer Recognition Awards	\$15,000
Youth Conference	\$15,000
Filipino American History/Larry Itliong	\$5,000
Unity Day	\$20,000
Halloween Carnival/Dia de los Muertos	\$15,000
Hispanic Heritage Month/Mariachi Fest	\$10,000
Black History	\$5,000
Christmas Activities (Tree, Sleigh, Brunch)	\$5,000
Community Friendship Day	\$5,000
Dr. Martin Luther King, Jr. Tribute	\$5,000
Memorial Day Tribute	\$5,000
Red Ribbon Week	\$5,000
Safety First Act Now (SFAN)	\$5,000
Samoan Heritage Day	\$5,000
Senior Casino Brunch/Las Vegas Day	\$5,000
Tribute to Cesar Chavez	\$5,000
White Linen	\$5,000
Cinco de Mayo	\$20,000
Jazz Festival	\$20,000
Juneteenth Celebration	\$20,000
Phillipine Independence Day	\$20,000
Winterfest-City 50th Anniversary	\$20,000
Women's Health Conference	\$20,000
Veterans Day Celebration	\$10,000
Children's Day	\$5,000
Earth Day	\$5,000
Larry Itliong	\$5,000
Samoan Flag Day	\$5,000
HUMAN REL COMM-PARENT CONFERENCE	\$5,000
<b>Total</b>	<b>\$290,000</b>





# Non-Personnel 15% Reduction Scenarios

Department	FY 19-20 Adopted Budget	15% Proposed Reduction	FY 20-21 Proposed Budget
COMMUNITY DEVELOPMENT	5,209,570	781,436	4,428,135
PUBLIC WORKS	4,992,704	748,906	4,243,798
COMMUNITY SERVICES	2,591,507	388,726	2,202,781
PUBLIC SAFETY	1,450,981	217,647	1,233,334
FINANCE	662,395	99,359	563,036
PUBLIC INFORMATION	251,415	37,712	213,703
CITY MANAGER OFFICE	190,080	28,512	161,568
CITY TREASURER	139,950	20,993	118,958
<b>Total</b>	<b>15,488,602</b>	<b>2,323,290</b>	<b>13,165,312</b>

# Non-Personnel Increases

Department	FY 19-20 Adopted Budget	Increase	FY 20-21 Proposed Budget
INFORMATION TECHNOLOGY	1,299,043	152,033	1,451,076
HUMAN RESOURCES	1,447,552	45,230	1,492,782
CITY CLERK	158,100	299,514	457,614
PS- Sheriff Contract	20,905,000	1,045,250	21,950,250
<b>Total</b>	<b>23,809,695</b>	<b>1,542,027</b>	<b>25,351,722</b>

# Recommendations

- 1) **Vacancy rate at 9%**
- 2) **\$97,890 Reduction in training & professional development**
- 3) **\$2.3M reduction in departments non-personnel budget**
- 4) **Cancelling special events through the end of December**
- 5) **\$3.3 Use of General Fund Reserve**