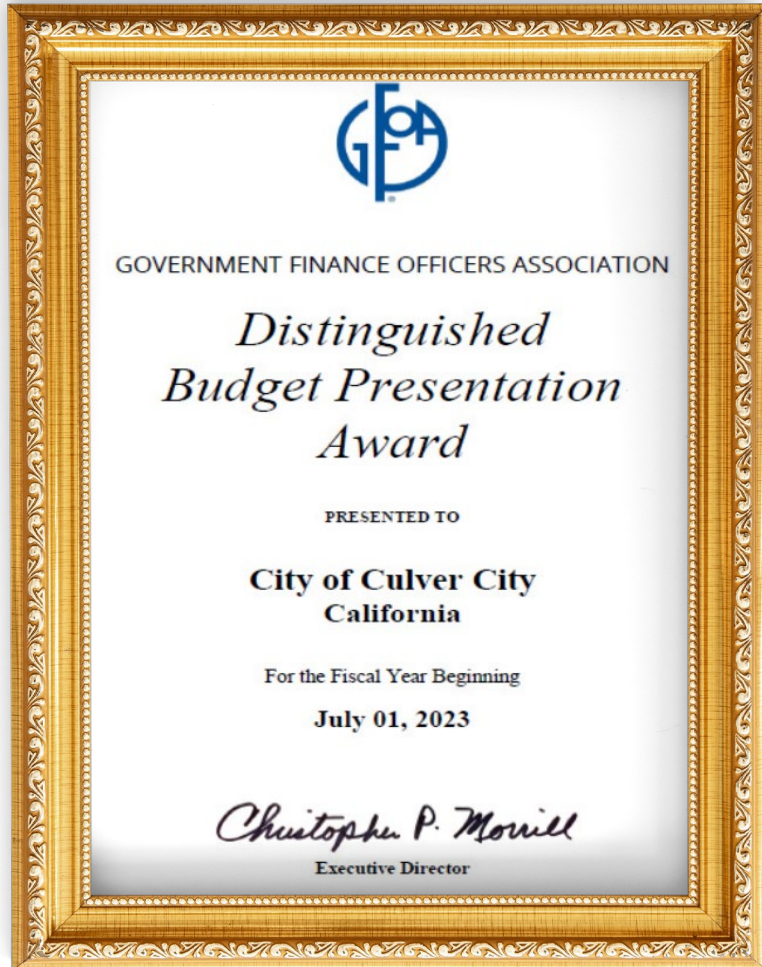


CITY OF CULVER CITY

**PROPOSED BUDGET
FISCAL YEAR 2024-2025**

May 20, 2024

Budget Awards



CITY COUNCIL STRATEGIC GOALS



**Ensure Long-Term
Financial Stability**



**Enhance Mobility
and Transportation**



**Improve Housing
and Homeless
Services**



**Promote Diversity,
Equity and
Inclusion**



**Improve and
Maintain Public
Infrastructure and
Community Spaces**



**Advance
Environmental
Sustainability and
Climate Action**



**Promote Public
Safety**

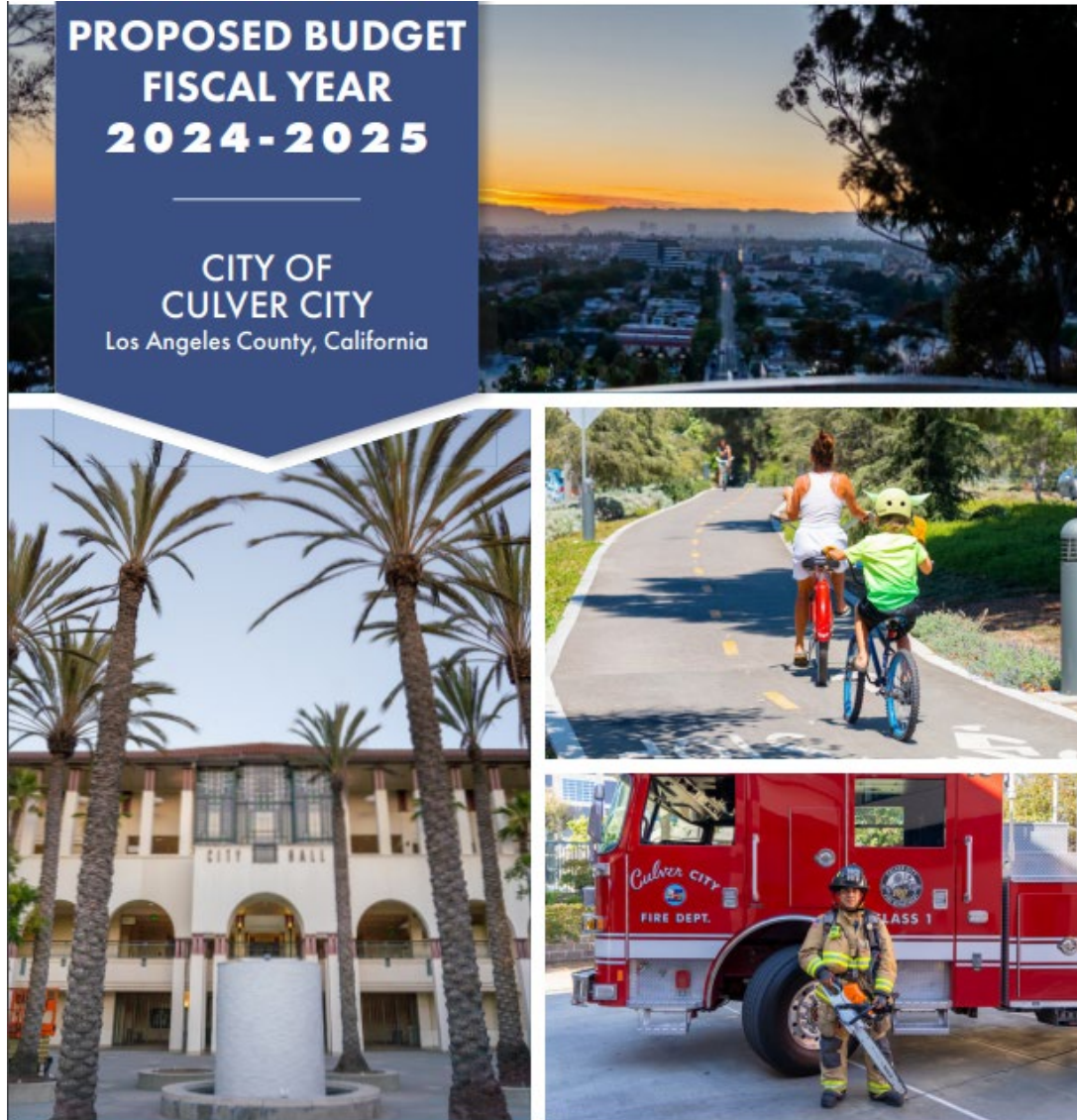


**Provide High
Quality Public
Services**



**Increase
Community
Engagement**

BUDGET AND ECONOMIC OUTLOOK



- Economic cool down
- Real Estate cool down
- Measure BL
- First-year of all homelessness program operations
- Relatively strong financial position
- Healthy reserve
- Operational Budget structural deficit

CITYWIDE OPERATING BUDGET

FUND TYPE	Adopted Budget FY 2023-2024	Adjusted Budget FY 2023-2024	Proposed Budget FY 2024-2025
General Fund	177,077,716	191,501,132	187,300,004
Special Revenue Funds	24,104,881	57,373,110	21,712,079
Enterprise Fee Funds	84,314,155	123,880,661	107,414,136
Capital Improvement Funds	19,541,052	58,484,789	20,214,482
Internal Service Funds	27,814,528	34,590,052	30,551,616
TOTAL	\$332,852,332	\$465,829,744	\$367,192,317

REVENUE FUNDS

General Fund

Taxes, Fees, Licenses & Permits and Service Charges
Can be used for any governmental purpose

Enterprise Funds

Service fees & user charges
Can be used for operations that are financed and operated in a manner similar to private businesses

Internal Service Funds

Internal charges used to account for intra-city services
Can be used for equipment replacement, equipment maintenance, risk management, and central stores

Special Revenue Funds

Grants and other restricted funds
Can only be used for specific purposes

SPECIAL REVENUE FUNDS –

FUND

USES

Gas Tax

Taxes from gas sales via State Proposition 1B

Proposition A, Proposition C,
Measure R & Measure M

Street Maintenance, Transportation Related Capital
Improvements Projects

Operating Grant Funds

Federal, state and local grants for operations

Section 8 Housing Fund

Section 8 Housing Choice Voucher to provide rental
subsidies for qualified low-income households

Art in Public Places Fund

Art in Public Places expenditures

Community Development
Fund

Street improvements

SPECIAL REVENUE FUNDS –

FUND

USES

Community Development
Block Grant

Eligible service programs and improvement projects to benefit low-and-moderate income individuals

Special Assessment Funds

Landscape services for assessment districts

Park Facilities Fund

Improvements and expansion of public parks and facilities

Parking Authority Fund

Parking operations and infrastructure improvements

Measure CW

Watershed management programs and projects

Measure W

Projects, programs and studies related to protecting and improving water quality

SPECIAL REVENUE FUNDS –

FUND

USES

Building Surcharge Fund

Digital imaging and technology improvements to enhance customer service

Paratransit Funds

Transportation for seniors and people with disabilities

Air Quality Management
District

Air quality planning and alternative fuel vehicles

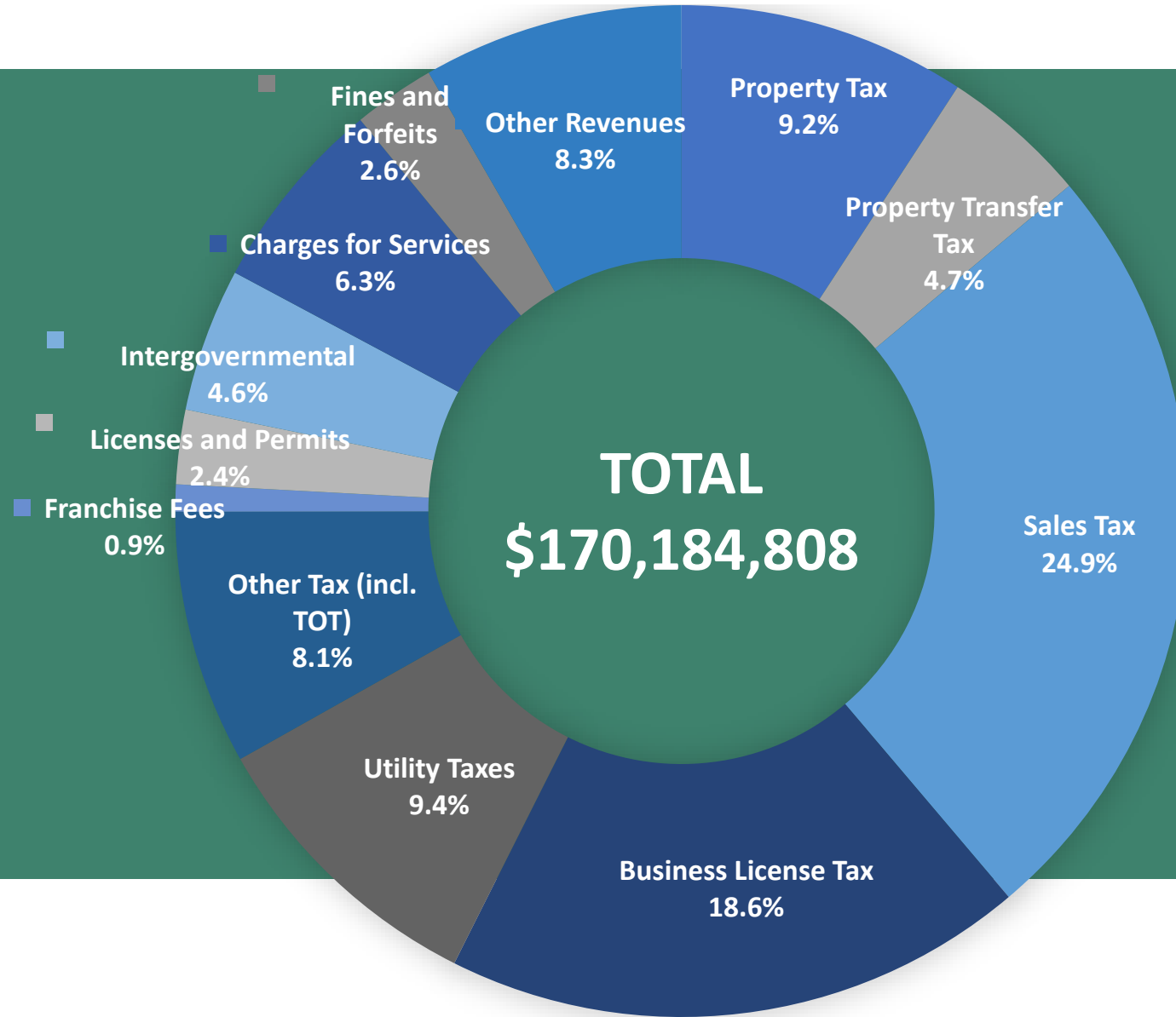
Mobility Improvement Fund

Citywide mobility projects to ameliorate the traffic impacts from new development

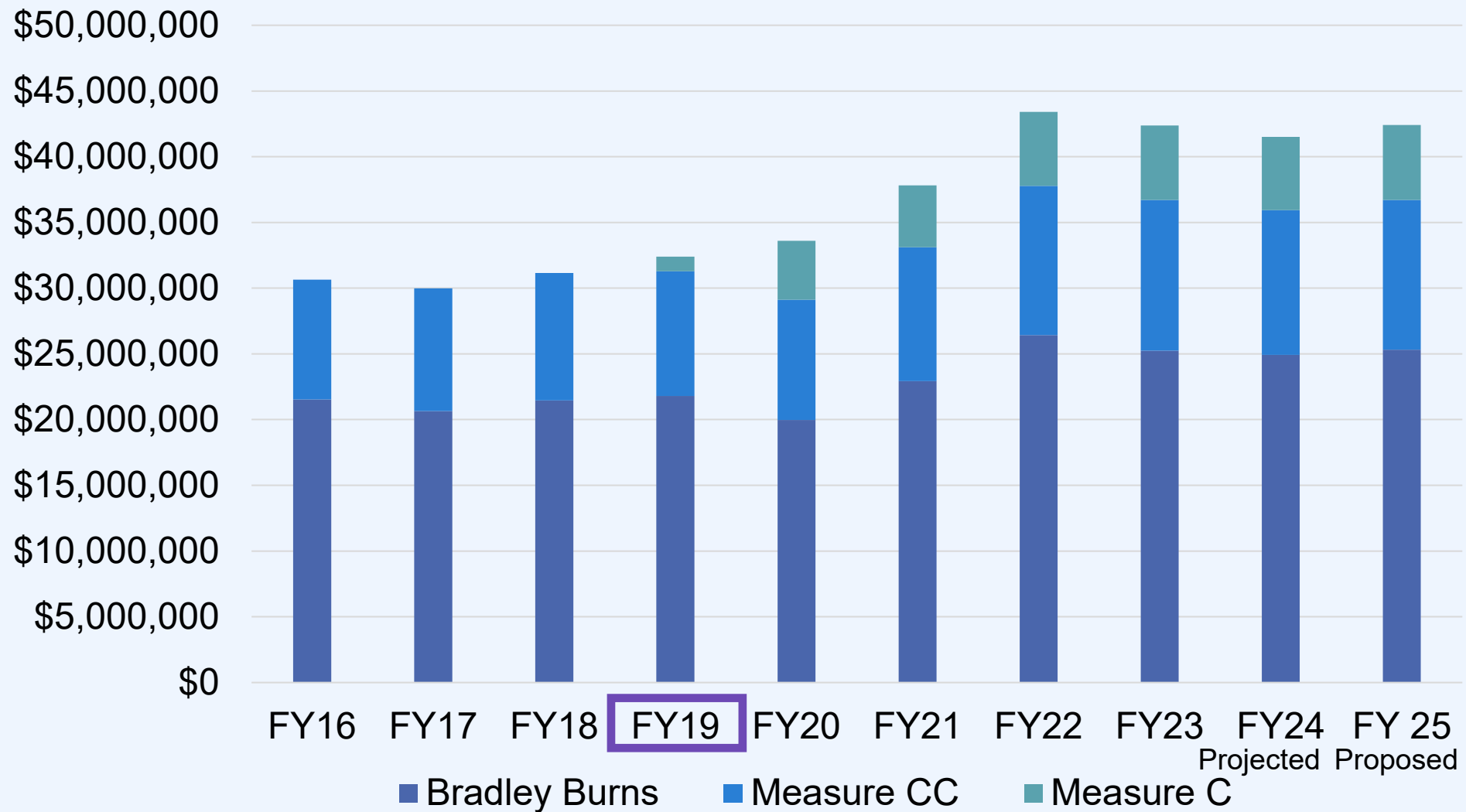
Affordable Housing Fund

Facilitate the development of affordable housing

GENERAL FUND REVENUE OVERVIEW

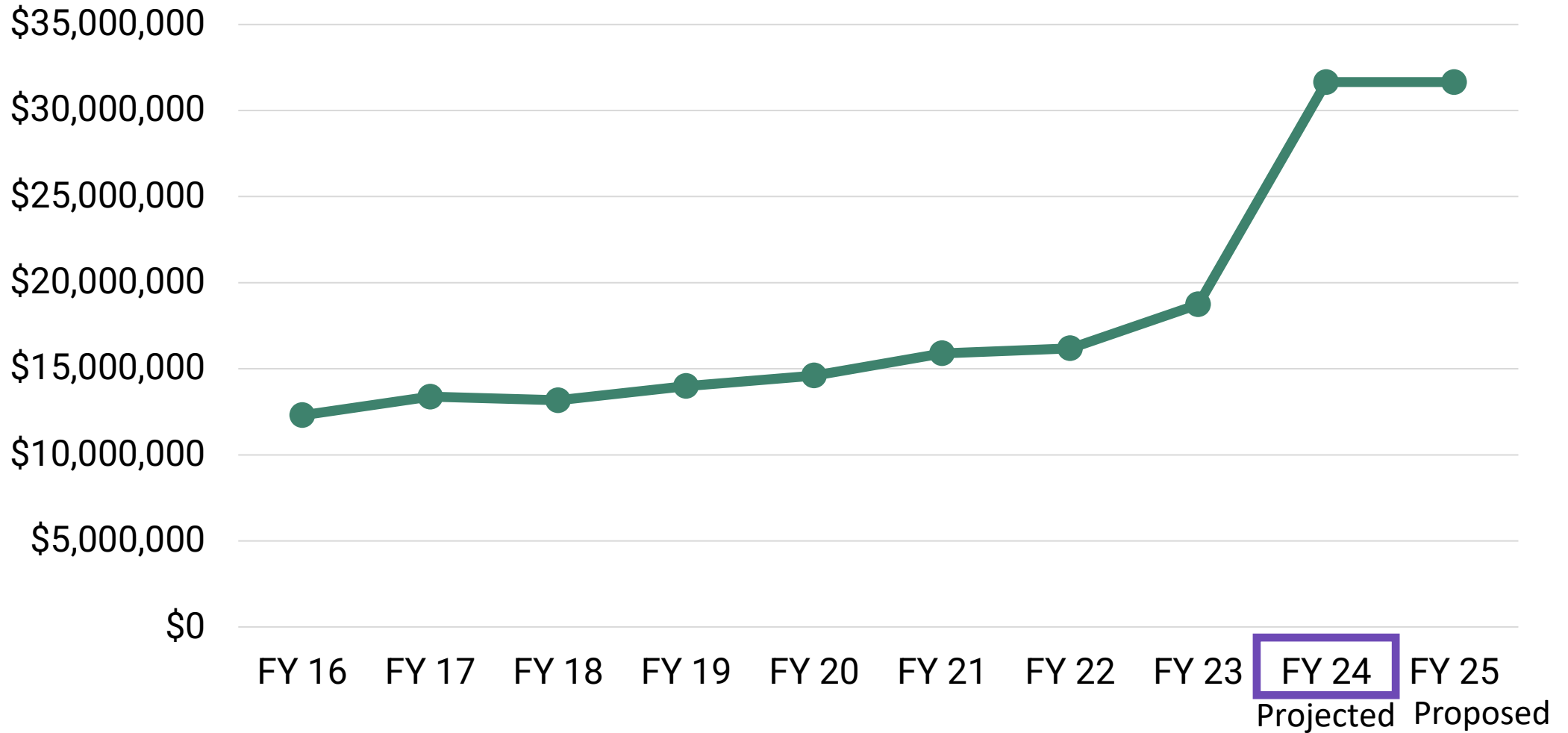


10-YEAR TREND Sales Tax



In Fiscal Year 24-25, the City is projected to receive **\$42.4 million**

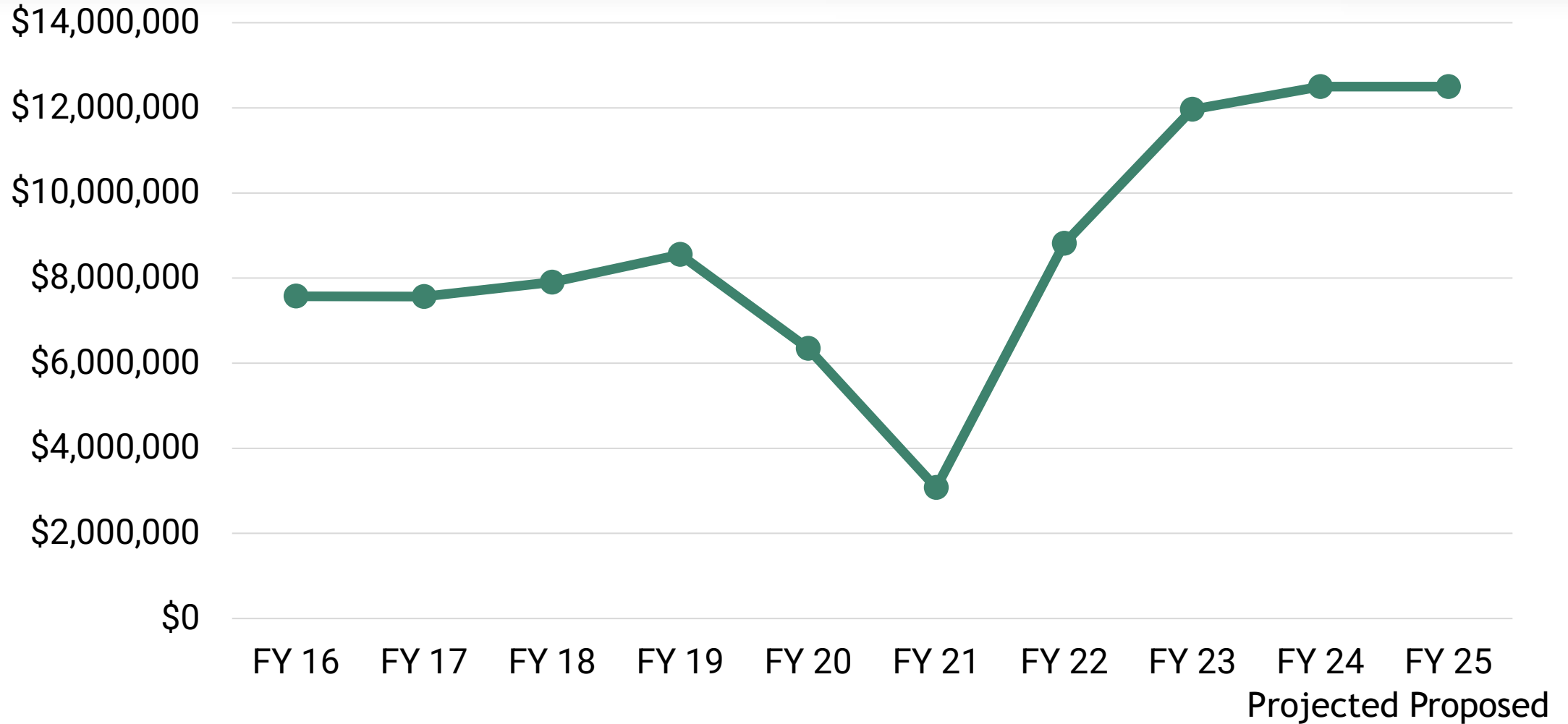
10-YEAR TREND Business Tax Revenues



Measure BL went into effect in FY 23-24

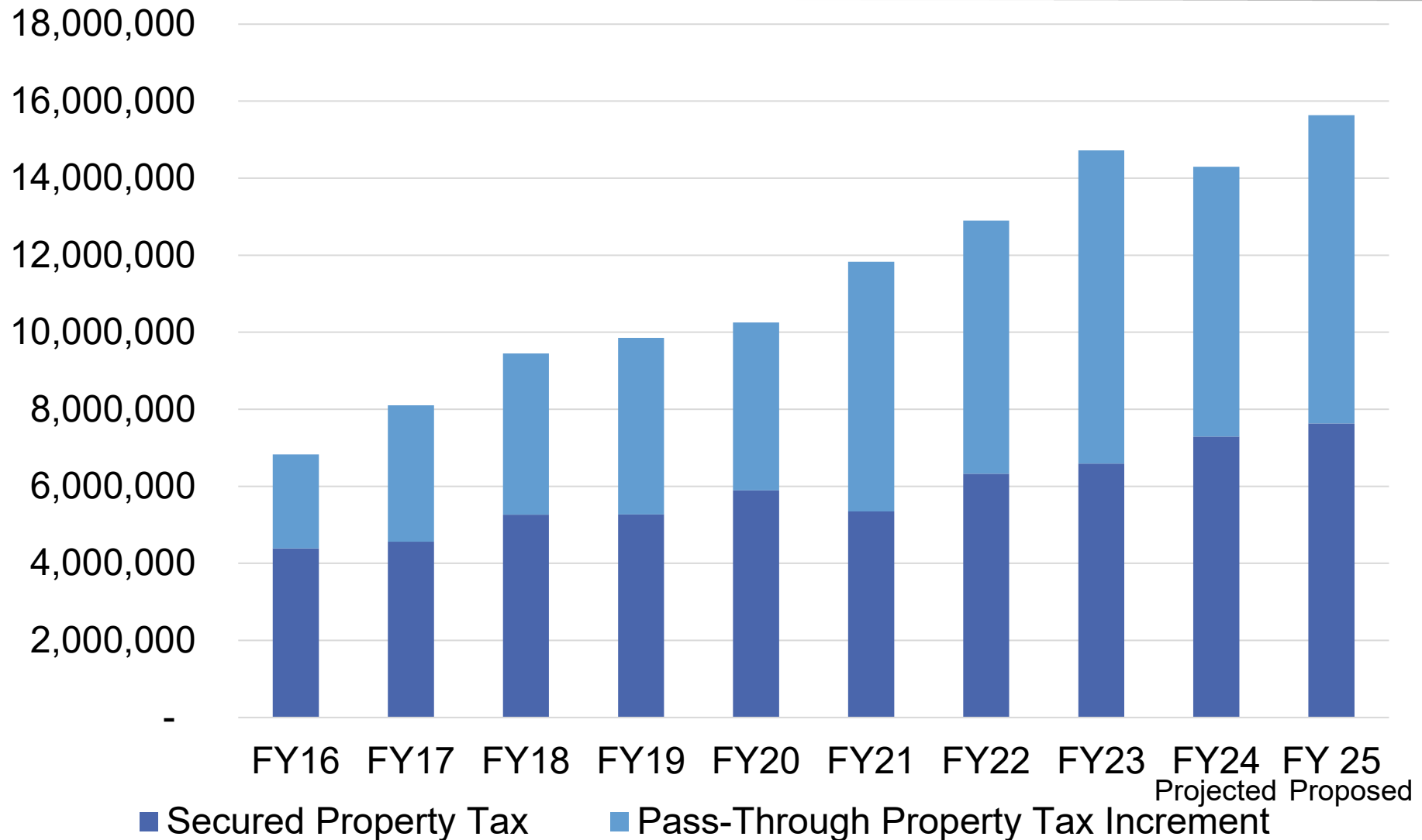
As of April 30, 2024, the City is projected to receive **\$31.65 million** in FY 23-24

10-YEAR TREND Transient Occupancy Tax



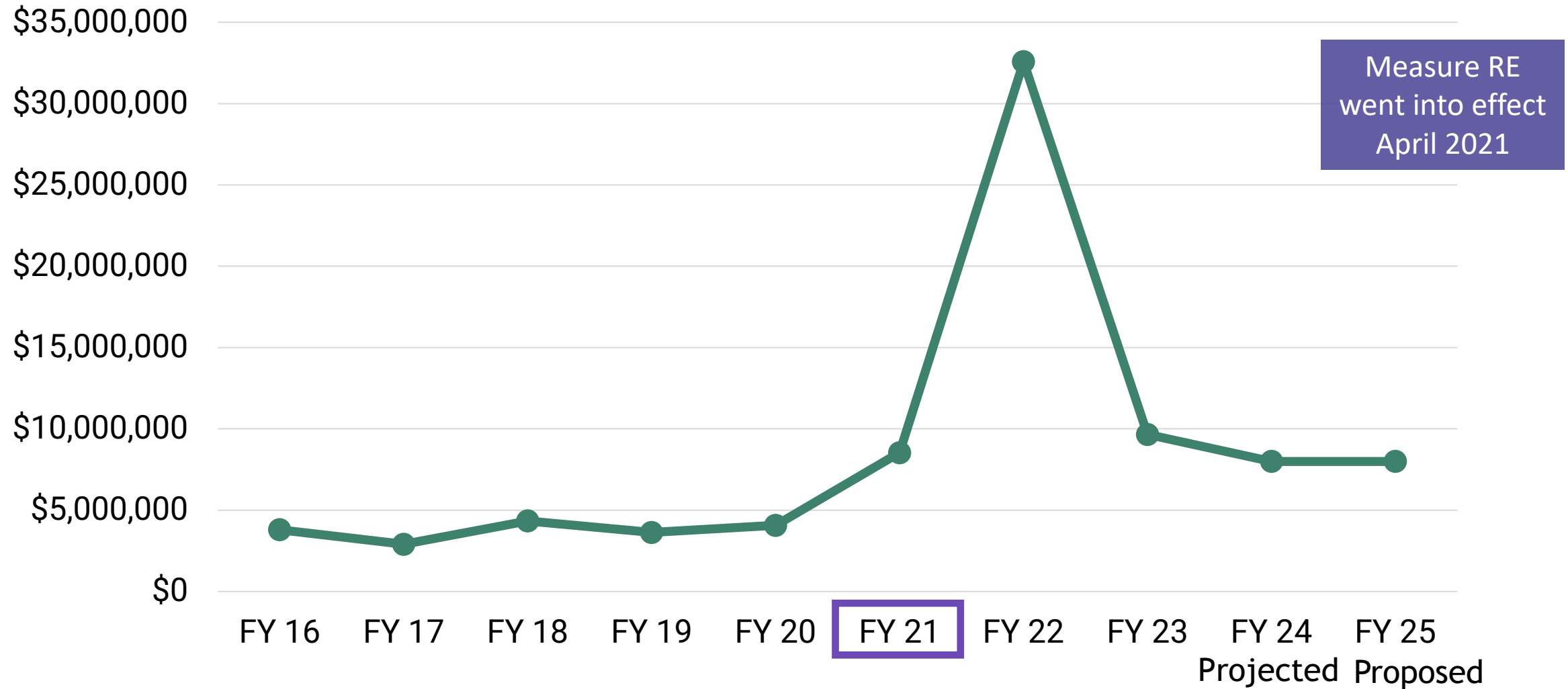
In Fiscal Year 24-25, the City is projected to receive **\$12.5 million**

10-YEAR TREND Property Tax



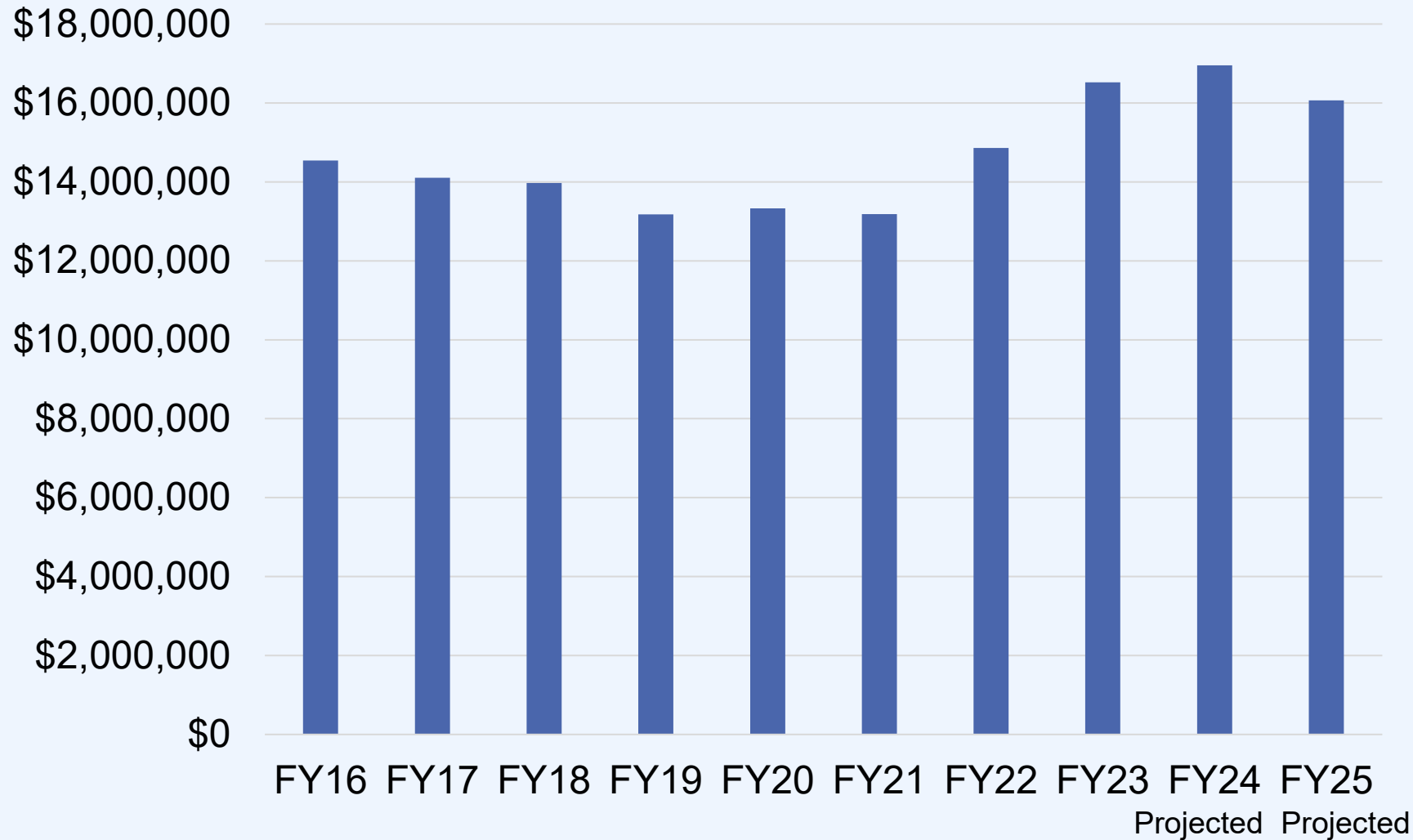
In Fiscal Year 24-25, the City is projected to receive **\$15.6 million**

10-YEAR TREND Real Property Transfer Tax



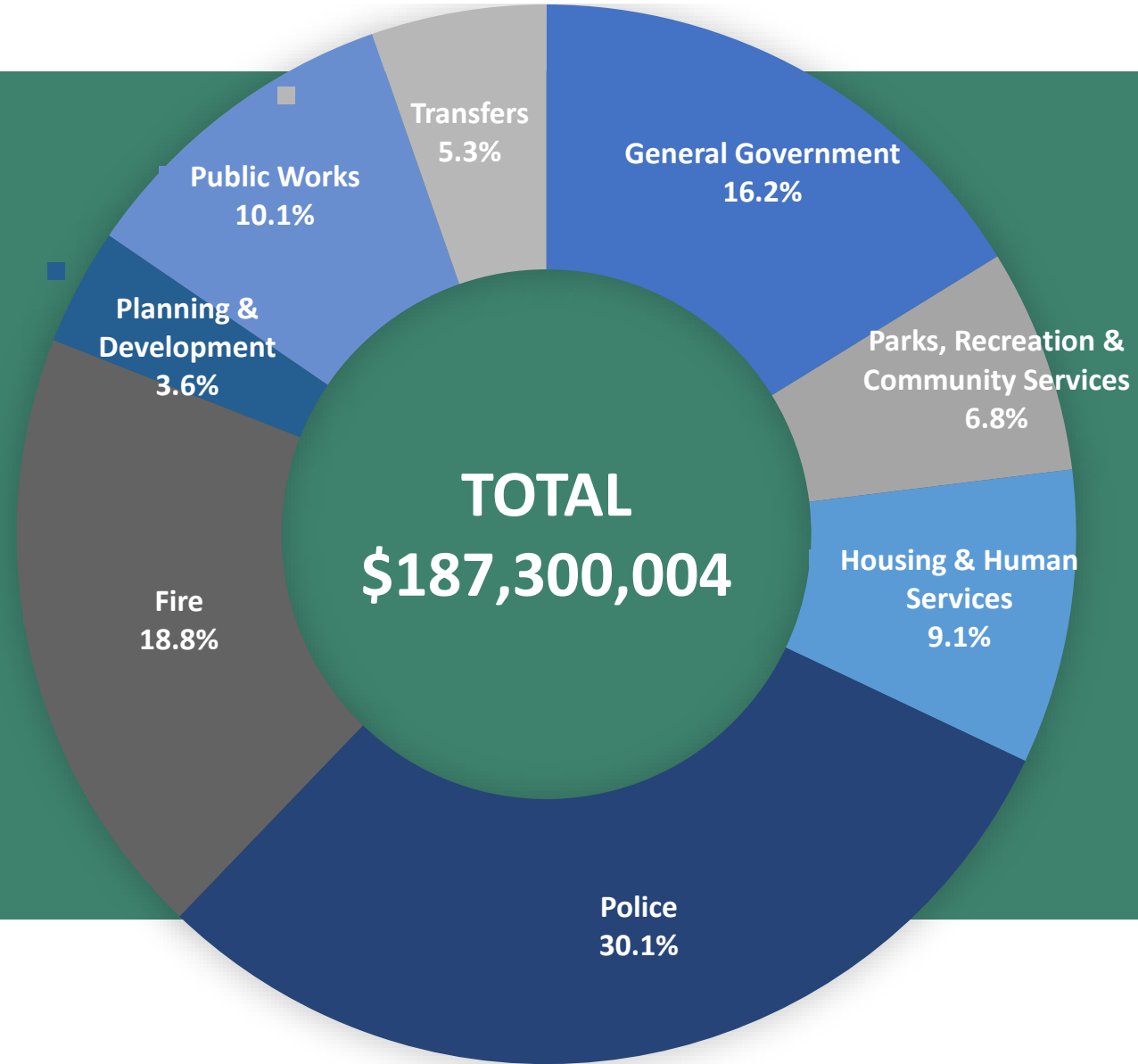
In Fiscal Year 24-25, the City is projected to receive **\$8 million**

10-YEAR TREND Utility Users Tax



In Fiscal Year 24-25, the City is projected to receive **\$16.1 million**

GENERAL FUND EXPENDITURE OVERVIEW



GENERAL FUND EXPENDITURE OVERVIEW

DEPARTMENT	ACTUAL EXPEND FY2022/2023	ADOPTED BUDGET FY2023/2024	ADJUSTED BUDGET FY2023/2024	PROPOSED BUDGET FY2024/2025	CHANGE FROM PRIOR YEAR ADJUSTED
General Government	26,049,688	28,746,477	34,705,681	30,364,656	(4,341,025)
Parks, Recreation & Community Services	9,953,493	11,700,688	12,713,086	12,800,572	87,486
Housing & Human Services	2,680,729	15,941,021	18,863,404	16,839,349	(2,024,055)
Police Department	50,330,046	53,962,653	54,315,880	56,451,188	2,135,308
Fire Department	30,959,964	32,435,808	32,818,623	35,204,047	2,385,424
Planning & Development	6,626,826	7,507,786	9,461,429	6,684,196	(2,777,233)
Public Works	14,996,165	17,944,708	19,318,800	18,964,351	(354,449)
Transfers	8,922,389	8,838,575	9,304,229	9,991,645	687,416
Total General Fund	\$150,519,300	\$177,077,716	\$191,501,132	\$187,300,004	\$(4,201,128)

Proposed General Fund Expenditures = **\$187.3 million**

HOUSING AND HUMAN SERVICES: HOMELESSNESS INITIATIVES



Motel Leasing	\$3.1 million
Mobile Crisis Intervention	\$1.5 million
Project Homekey Operations	\$4.7 million
Wellness Village	\$3.9 million

In Fiscal Year 24-25, the City is projected to spend **\$13.1 million**

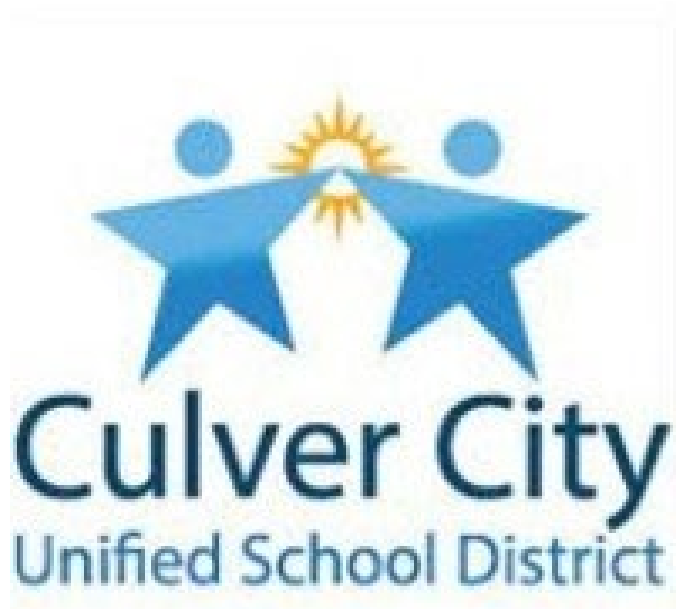
** Not including staff to administer the program*

GENERAL FUND BUDGET ENHANCEMENTS

DEPARTMENT	REQUESTED ONE-TIME	REQUESTED ONGOING	TOTAL CITY MANAGER RECOMMENDED ONE-TIME	TOTAL CITY MANAGER RECOMMENDED ONGOING
City Attorney	607,860	259,565	607,860	259,565
City Manager	350,000	84,000	250,000	84,000
Finance	232,900	222,700	232,900	222,700
Housing & Human Services	-	975,165	-	612,366
Human Resource	240,000	203,500	240,000	203,500
Information Technology	-	442,435	-	442,435
Non-Departmental	-	101,685	-	101,685
Parks, Recreation & Community Svcs	-	591,306	-	591,306
Police Department	20,000	1,316,381	20,000	316,381
Fire Department	80,000	338,676	80,000	338,676
Planning and Development	351,460	200,700	351,460	200,700
Public Works	-	472,122	-	472,122
TOTAL GENERAL FUND	\$1,882,220	\$5,208,235	\$1,782,220	\$3,845,436

Recommended General Fund Budget Enhancements Total = **\$5.6 million**

CCUSD FUNDING REQUEST



The FY 24-25 total cost for the Culver City Unified School District crossing guard contract is \$489,000.

The City currently contributes \$305,559 for 10 sites.

CCUSD has requested that the City fund the entire amount – an additional \$183,441.

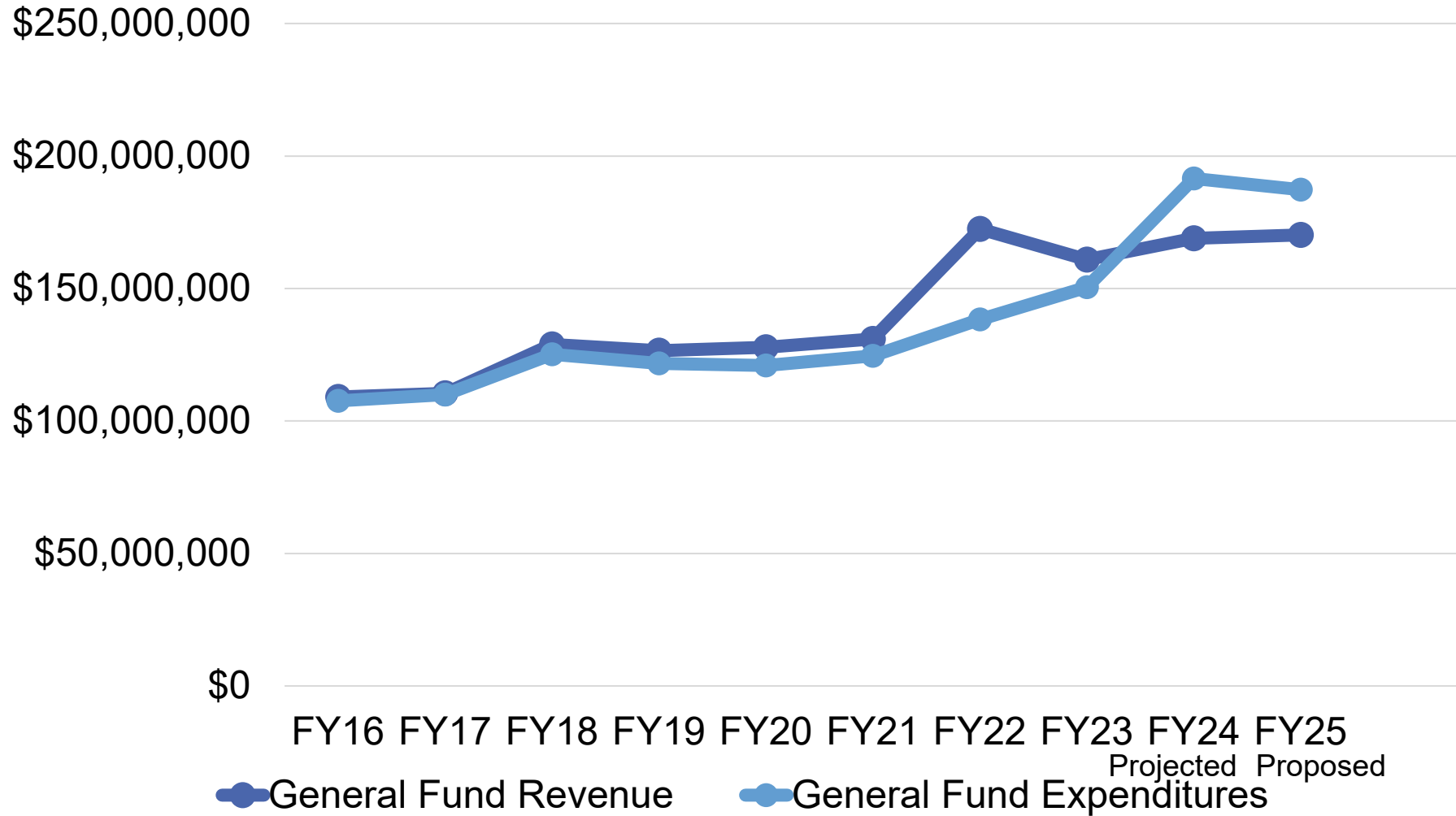
Funding for this request is not currently included in the Proposed Budget



BALANCED BUDGET

A balanced budget is achieved when annual General Fund expenses do not exceed the annual General Fund revenue

10-YEAR TREND GF REVENUE & EXPENDITURES



RETIREMENT OBLIGATIONS

There are two components in the City's CalPERS annual contributions



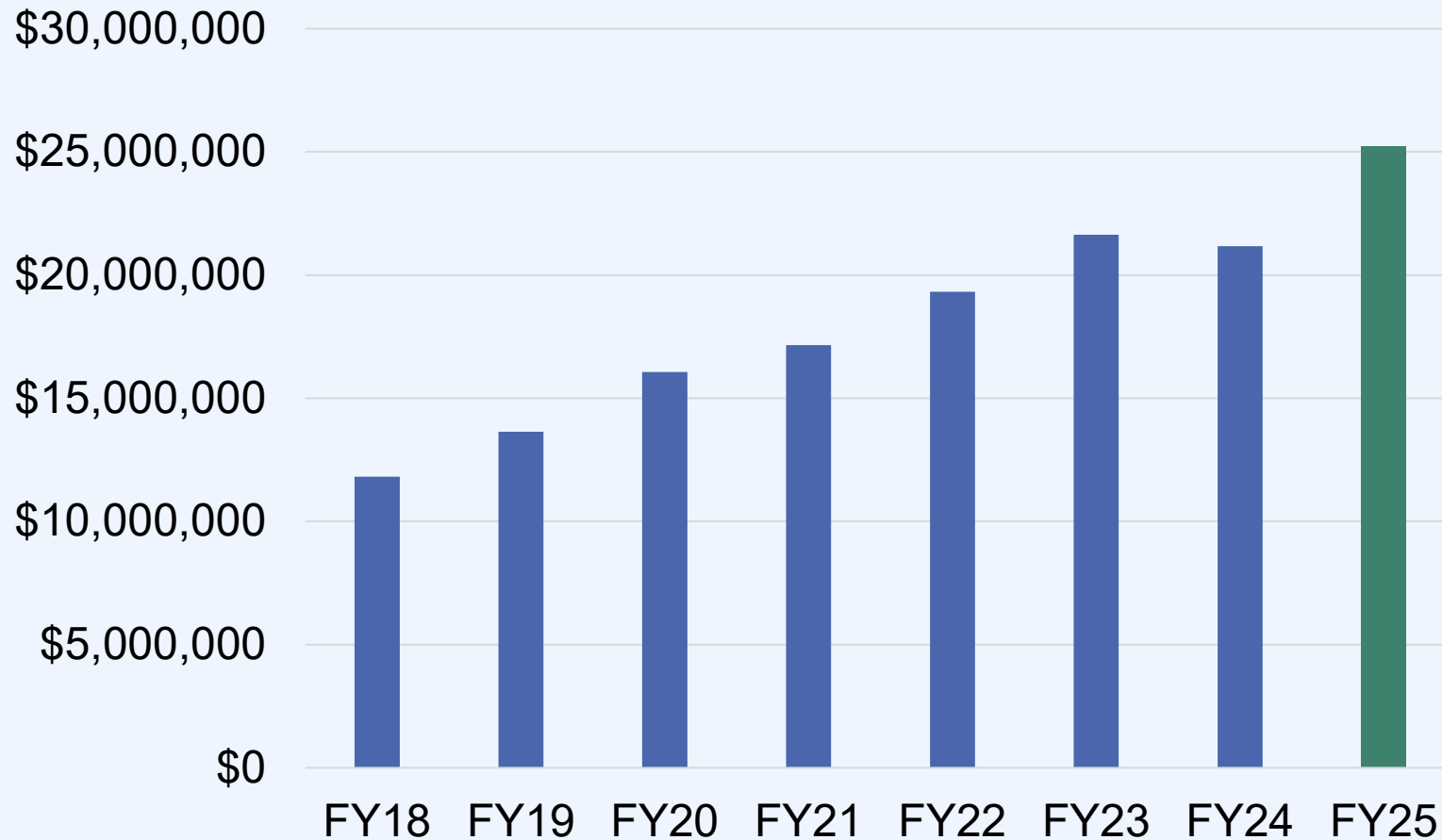
"Normal cost" is the calculated cost of the current year of service for active employees (**10.55%** for Miscellaneous and **20.81%** for Safety in FY 24-25)



"Unfunded Accrued Liability" (UAL) payment

In Fiscal Year 24-25, the City's annual UAL payment = **\$25.2 million**

8-YEAR TREND UNFUNDED ACCRUED LIABILITY PAYMENTS



The amount the City owes each year fluctuates based on market performance in prior years.

The City's Fiscal Year 24-25 UAL payment increased \$4 million from the prior year

CURRENT UAL AMORTIZATION PAYMENT SCHEDULE

Date	Current Amortization Schedule (<i>in thousands</i>)					
	Miscellaneous		Safety		Combined	
	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2024	\$ 126,266	\$ 10,862	\$ 196,200	\$ 15,218	\$ 322,466	\$ 26,080
6/30/2025	123,626	11,094	193,815	16,181	317,442	27,275
6/30/2026	120,568	11,854	190,273	17,122	310,841	28,976
6/30/2027	116,516	12,042	185,516	17,921	302,033	29,962
6/30/2028	111,995	13,321	179,611	19,465	291,607	32,786
6/30/2029	105,844	13,605	171,709	19,886	277,554	33,491
6/30/2030	98,982	13,897	162,835	20,319	261,817	34,215
6/30/2031	91,351	12,919	152,910	20,031	244,261	32,950
6/30/2032	84,212	12,648	142,607	19,952	226,819	32,599
6/30/2033	76,868	11,927	131,685	19,169	208,553	31,096
6/30/2034	69,769	11,537	120,829	18,853	190,599	30,390
6/30/2035	62,591	11,047	109,562	18,293	172,153	29,340
6/30/2036	55,431	10,181	98,108	17,237	153,538	27,417
6/30/2037	48,679	9,711	86,966	16,703	135,645	26,414
6/30/2038	41,953	9,210	75,618	16,129	117,572	25,338
6/30/2039	35,288	8,838	64,092	15,724	99,381	24,562
6/30/2040	28,555	8,614	52,201	16,208	80,756	24,822
6/30/2041	21,595	7,235	39,000	13,838	60,595	21,073
6/30/2042	15,586	6,269	27,352	12,495	42,938	18,764
6/30/2043	10,167	9,569	16,299	15,485	26,466	25,054
6/30/2044	969	682	1,404	1,413	2,374	2,095
6/30/2045	331	130	39	41	370	170
6/30/2046	220	227	-	-	220	227
6/30/2047	-	-	-	-	-	-
Total		\$ 217,416		\$ 347,681		\$ 565,097

CalPERS updates the amortization schedule annually

The City can draw down from its Section 115 Pension to smooth out these costs

LONG-TERM RETIREMENT OBLIGATIONS

As of June 2022, the City's total UAL obligation
over the long-term = **\$323 million***

*This amount fluctuates every year depending on market returns

OTHER RETIREMENT-RELATED COSTS



The City currently pays \$420,000 per month in post-retiree health reimbursements

CHANGES TO THE RETIREMENT COST STRUCTURE



278

406



CLASSIC EMPLOYEES

PEPRA EMPLOYEES

OTHER FUNDS PROPOSED BUDGET

FUND TYPE	ADOPTED BUDGET FY 23/24	ADJUSTED BUDGET FY 23/24	PROPOSED BUDGET FY 24/25	CHANGE FROM PRIOR YEAR ADJUSTED
Special Revenue Funds	24,104,881	57,373,110	21,712,079	(35,661,031)
Enterprise Fee Funds	84,314,155	123,880,661	107,414,136	(16,466,525)
Capital Improvement Funds	19,541,052	58,484,789	20,214,482	(38,270,307)
Internal Service Funds	27,814,528	34,590,052	30,551,616	(4,038,436)
TOTAL OTHER FUNDS:	155,774,616	\$274,328,612	\$179,892,313	(\$94,436,299)

INTERNAL SERVICE FUNDS

Equipment Replacement Fund	Annual equipment and vehicle replacement payment	\$4.1 million
Equipment Maintenance & Fleet Services	Central equipment maintenance operations	\$10.7 million
Self-Insurance Fund	Funds public liability, workers' compensation, employee disability	\$12.8 million
Central Stores	Purchase of materials, supplies and auto parts	\$2.9 million

Proposed Fiscal Year 24-25 Internal Service Funds Expenditures Total = \$30.5 million

INTERNAL SERVICE FUNDS BUDGET ENHANCEMENTS

FUND	REQUESTED ONE-TIME	REQUESTED ONGOING	TOTAL CITY MANAGER RECOMMENDED ONE-TIME	TOTAL CITY MANAGER RECOMMENDED ONGOING
Equipment Replacement Fund				
Equipment Maintenance & Fleet Services	-	57,689	-	57,689
Self-Insurance Fund	135,000	515,000	135,000	515,000
Central Stores	-	76,050	-	76,050
TOTAL GENERAL FUND	\$135,000	\$648,739	\$135,000	\$648,739

ENTERPRISE FUND: REFUSE DISPOSAL



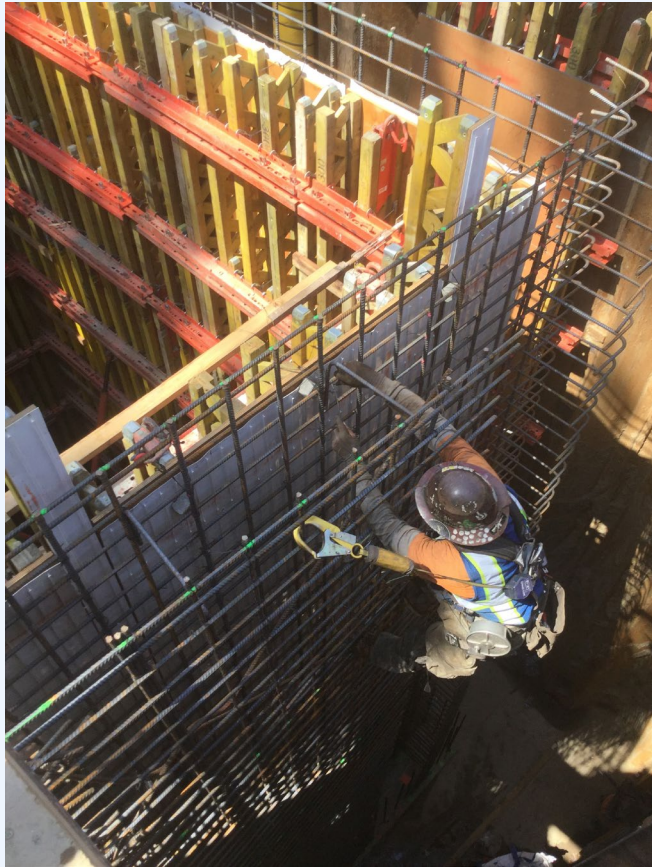
Proposed Budget = \$23.7 million

ENTERPRISE FUND: MUNICIPAL BUS LINES



Proposed Budget = \$68.2 million

ENTERPRISE FUND: SEWER



Proposed Budget = \$12.9 million

ENTERPRISE FUND: MUNICIPAL FIBER NETWORK

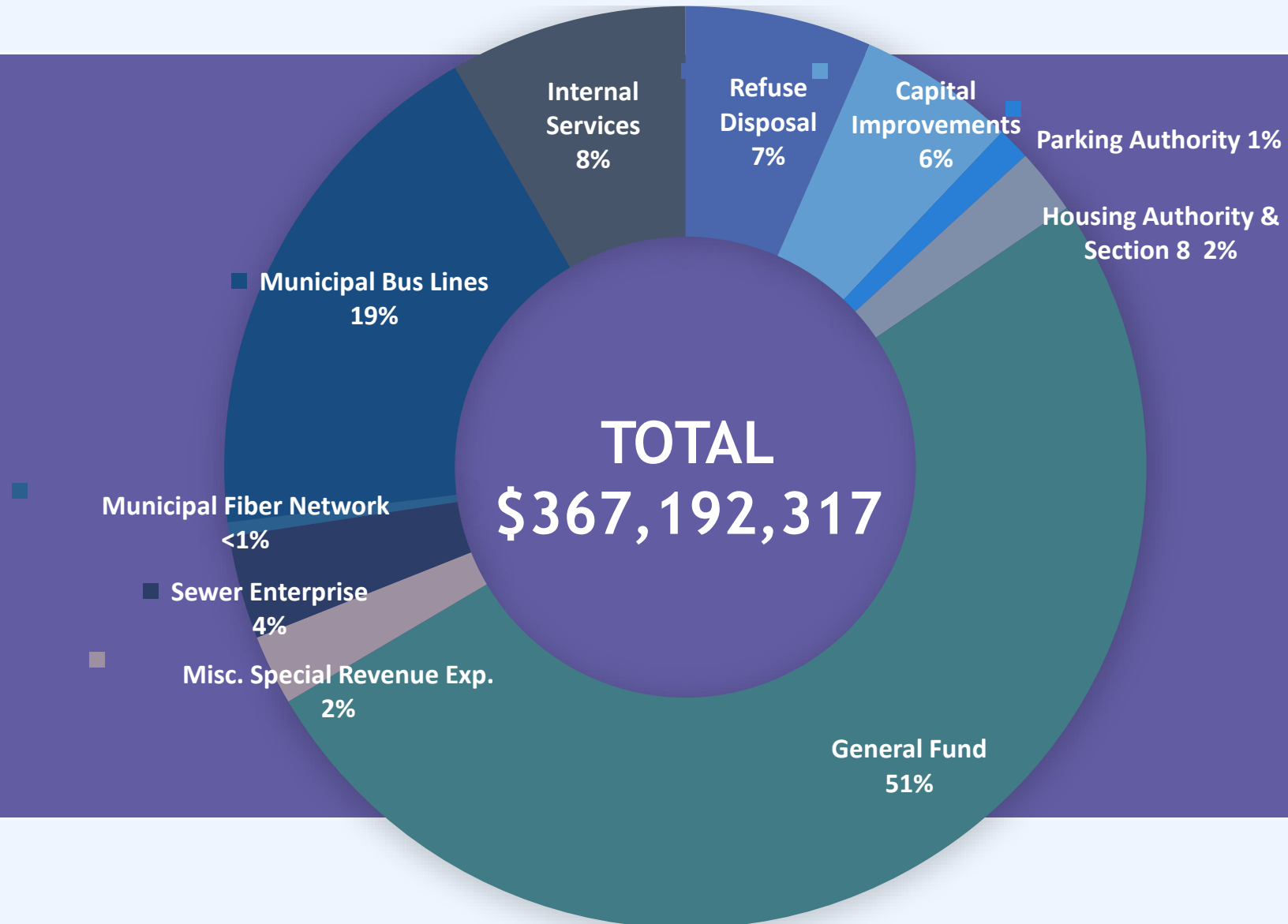


Proposed Budget = \$1.8 million

OTHER FUNDS BUDGET ENHANCEMENTS

FUND	REQUESTED ONE-TIME	REQUESTED ONGOING	TOTAL CITY MANAGER RECOMMENDED ONE-TIME	TOTAL CITY MANAGER RECOMMENDED ONGOING
Refuse Disposal	610,000	345,177	610,000	345,177
Municipal Bus Lines		834,638	-	834,638
Sewer	360,000	369,400	360,000	369,400
Municipal Fiber Network	15,000	-	15,000	-
Housing Authority	60,000	-	60,000	-
Parking Authority	170,000	-	170,000	-
TOTAL	\$1,215,000	\$1,549,215	\$1,215,000	\$1,549,215

TOTAL PROPOSED EXPENDITURES – ALL CITY FUNDS



CAPITAL IMPROVEMENT PROJECTS



Street & Alley Improvements.....	\$11.7 million
Equipment Improvements.....	\$26.1 million
Facilities Improvements.....	\$5.9 million
Sewer and Urban Runoff Management.....	\$4.1 million
Parks & Park Facilities Projects.....	\$2.2 million
Traffic Signal & Lighting Improvements.....	\$1.9 million
Cultural Arts Projects.....	\$1.2 million
Technology Improvements.....	\$0.8 million
Other Projects.....	\$0.5 million

Fiscal Year 24-25 Proposed CIP Budget Appropriations = \$54.4 million

PARK IMPROVEMENT PROJECTS

- Parks Playground Rehabilitation
- Park Playground Equipment Repairs
- “The Plunge” Pool Resurfacing
- Baseball Field Lighting Upgrades
- Tennis Courts Soundproofing
- Sports Courts Resurface and Restripe
- Culver City Park Hillside Slope Assessment
- Media Park Lighting
- MWELo Parks Landscape Project
- Veteran’s Memorial Park Building Refurbishment
- Community Garden
- Blanco Park Building Trailer Replacement
- Veteran’s Park Parking Lot Resurfacing
- New Park Signage Installations



Proposed Budget for Parks & Park Facilities Projects = \$2.2 million

NEW CIP PORTAL

The screenshot shows the City of Culver City website's CIP portal. At the top left is the City of Culver City logo, which includes a circular seal with the text 'CITY OF CULVER CITY' and 'INCORPORATED 1911'. To the right of the logo, it says 'CITY OF Culver City' and 'Los Angeles County, CA'. Below the header is a navigation bar with 'Overview', 'Demographics', and 'Projects' (the latter is highlighted with a green underline). The main content area is titled 'Latest Projects' and features two tabs: 'All Projects' (selected) and 'Proposed Projects'. A dropdown menu is set to 'Parks and Park Facilities Projects'. Three project cards are displayed: 1. 'Model Water Efficient Landscape Ordinance (PP026)' with a photo of a landscaped area with palm trees. 2. 'Community Garden (PP025)' with a photo of a fenced garden path. 3. 'Playground Equipment Repair at Parks (PP016)' with a photo of a person using a power tool on playground equipment.

To learn more about all the City's proposed capital improvements projects go to:

culvercity.cleargov.com/projects

GENERAL FUND RESERVE BALANCE

NON-SPENDABLE are assets that are not liquid or are receivable notes.

RESTRICTED can only be used for a specific purpose.

- Section 115 Trust for Pension costs

COMMITTED are set by Council Policy.

- Contingency Reserve (30% of GF operating budget) for emergencies
- Facility Planning Reserve for City facilities
- Recreation Facilities Reserve for parks
- Public Safety Equipment Reserve

ASSIGNED includes encumbered contracts and carryover funds.

UNASSIGNED are available to be appropriated.

GENERAL FUND – FUND BALANCE

Est. Beginning Fund Balance		134,803,071
FY2023-2024 CIP Project Closeouts		1,860,837
Adjusted Est. Beginning Fund Balance		136,663,908
FY 2024-2025 Revenues	170,184,808	
Less:		
FY 2024-2025 On-Going Expenditures	<u>(175,526,139)</u>	
Structural Budget Surplus/(Shortfall)	<u>(5,341,331)</u>	
Less:		
One-Time Transfers for Capital Projects		
Transfer from Unassigned Reserve Balance	(5,160,935)	
Transfer from Facilities Reserve Balance	(4,364,710)	
Transfer from Recreation Reserve Balance	(466,000)	
One-Time Enhancement Request	<u>(1,782,220)</u>	
Total One-Time Expenditures	<u>(11,773,865)</u>	
Net Increase / (Decrease) to Fund Balance		<u>(17,115,196)</u>

Est. Ending Fund Balance

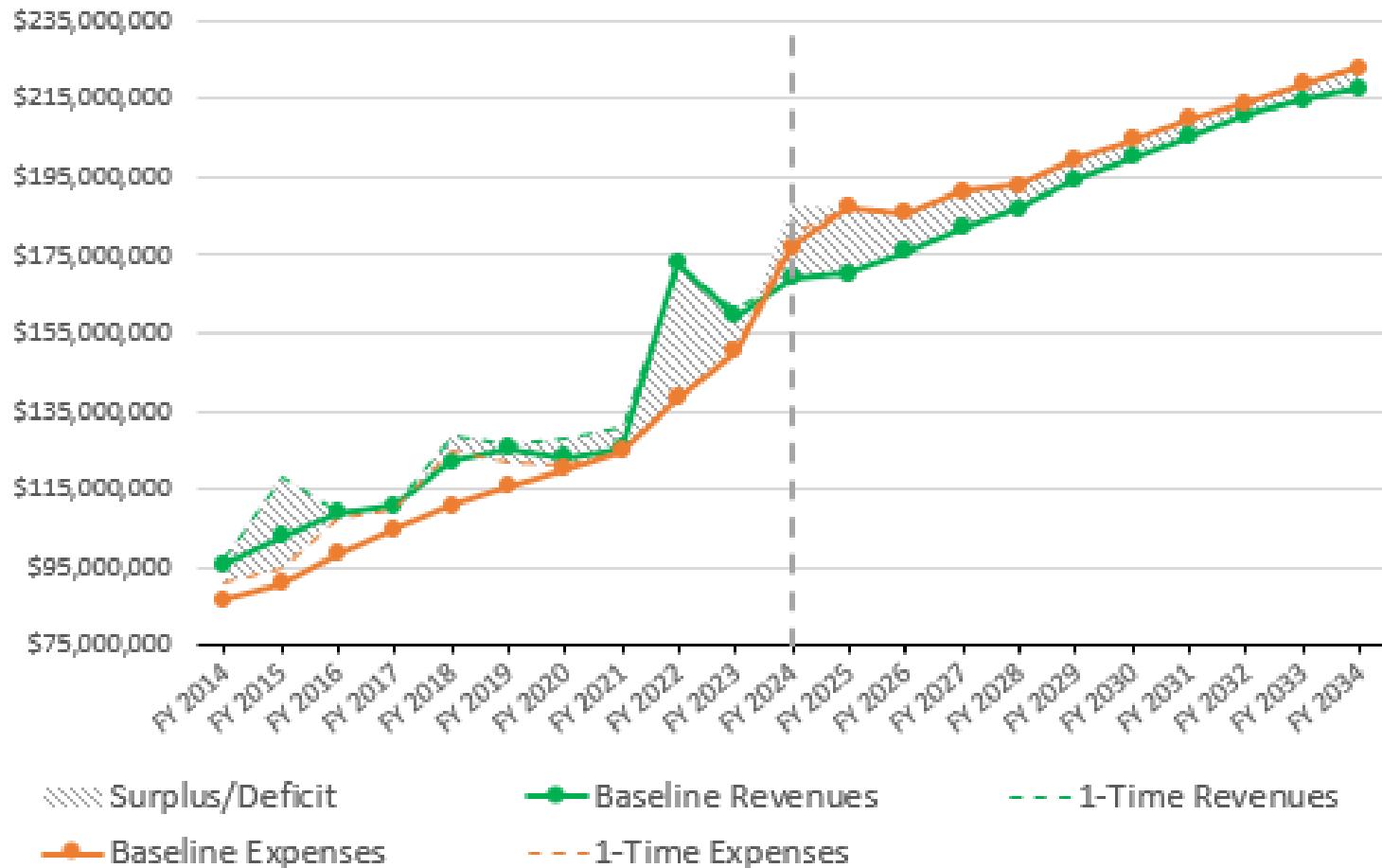
\$119,548,712

GENERAL FUND – FUND BALANCE

Non-Spendable	\$15,630,679
Restricted: Pension Trust Funds	\$29,638,414
Committed: 30% Contingency Reserve	\$50,471,742
Committed: Facilities Planning Reserve	\$16,340,735
Committed: Recreation Facilities Reserve	\$400,396
Committed: Public Safety Equipment Reserve	\$194,140
Assigned	\$6,765,186
Unassigned	\$3,063,420
Total	<u>\$119,548,712</u>

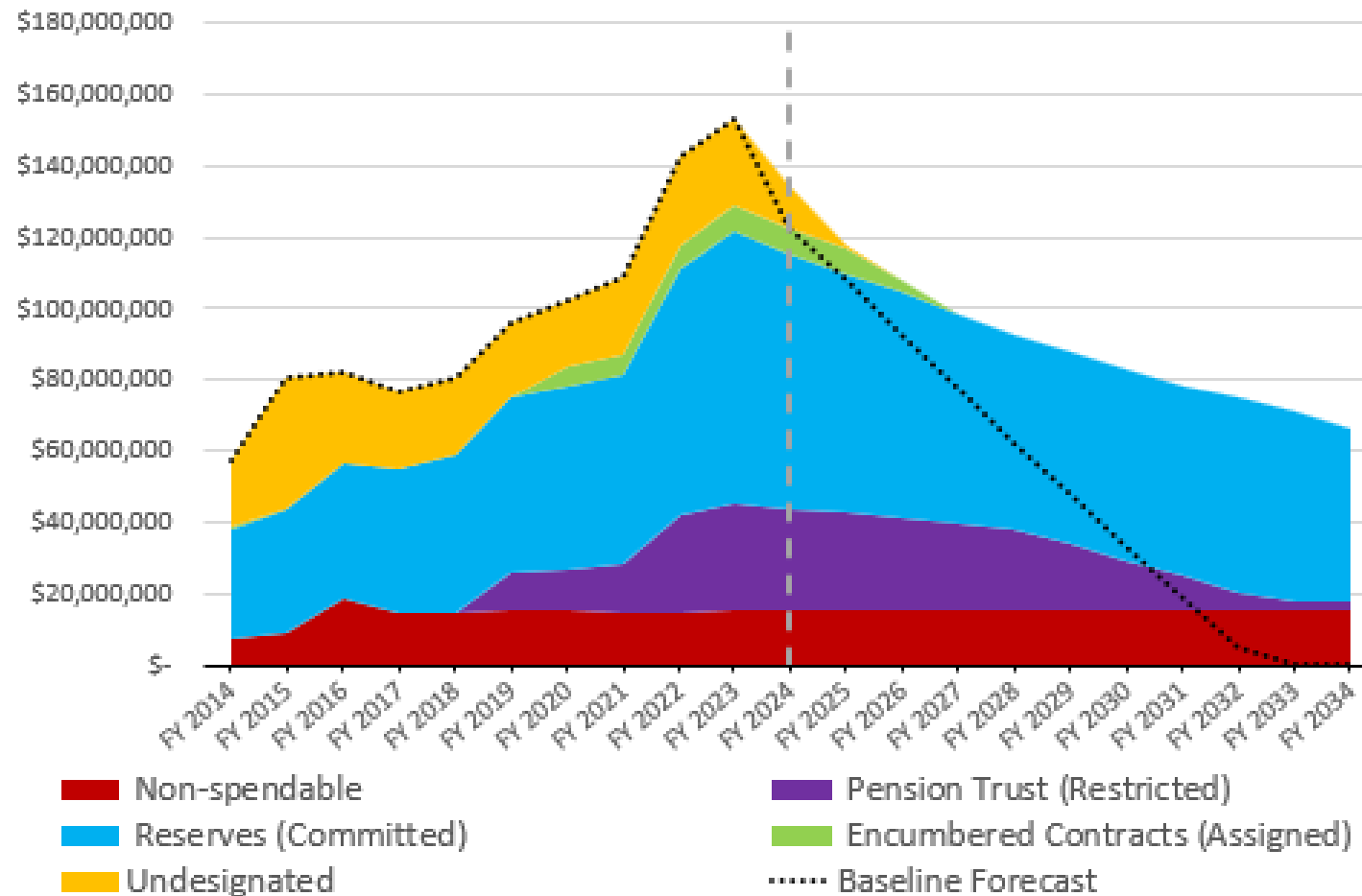
10-YEAR FORECAST

Total Revenues & Expenses
10-Year Prior and Scenario Forecast



10-YEAR FORECAST

Year End Fund Balance & Allocation
10-Year Prior with Scenario Forecast



FISCAL YEAR 2024-25 BUDGET SCHEDULE

MARCH

Departments Budget Kick-Off
FY 24-25 Work Plan Presentations
Commission and Committee Budget Input

APRIL

City Manager Budget Review

MAY

FY 24-25 Proposed Budget Submitted
FY 24-25 Department Budget Presentations

JUNE

Council Holds Public Hearing to Adopt Final Budget

JULY

Adopted FY 24-25 Budget in Effect

Public Hearing is schedule for June 10, 2024