Budget Adoption Resolution

RESOLUTION NO. NS-30,164

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ ADOPTING A BUDGET FOR FISCAL YEAR 2024

BE IT RESOLVED, by the City Council of the City of Santa Cruz, that the budget of the City of Santa Cruz for Fiscal Year (FY) 2024, including the Capital Investment Program (CIP), as proposed in that certain document entitled "City of Santa Cruz Proposed Annual Budget Fiscal Year 2024," on file with the City Clerk, is hereby adopted for FY 2024, effective July 1, 2023, with the addenda thereto as determined by the City Council and detailed in the attached Exhibits:

Exhibit A: Schedule of Administrative Budget Corrections
Exhibit B: Updated General Fund Tax Revenue Graphs
Exhibit C: Capital Outlay - Corrected

BE IT FURTHER RESOLVED that the Finance Director is authorized to create additional appropriations in order to provide for necessary commitments carried over from the prior fiscal year, including contract and purchase order encumbrances and unexpended project balances, so long as there is a sufficient fund balance to finance these commitments.

PASSED AND ADOPTED this 13th day of June, 2023, by the following vote:

AYES:	Councilmembers Newsome, Brown, Watkins, Brunner; Vice Mayor Golder; Mayor Keeley.
NOES:	None.
ABSENT:	Councilmember Kalantari-Johnson.
DISQUALIFIED:	None.

APPROVED: ______________________
Fred Keeley, Mayor

ATTEST: ______________________
Bonnie Bush, City Clerk Administrator

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EXHIBIT A

Schedule of Budget Changes FY 2024 Proposed to Adopted

Revenue

Dept	Fund	Add/Reduce /New	Project #	Project Name	GL Account String	Account Description	Amount inc/(dec)	One-time	Annual	Justification
ED	130	Add			130-00-00-0000-49790	Other loan principal receipts	300,000		x	
	311	Reduce	h512302	CFSC - SCAP Housing Renovation	311-00-00-0000-49126	From CDBG Fund	(93,411)	x		Project completed in FY 2023 and should not have been budgeted in FY 2024
	311	Reduce	g301201	Teen Center - CDBG	311-00-00-0000-49126	From CDBG Fund	(35,000)	x		Project completed in FY 2023 and should not have been budgeted in FY 2024
FR	101	Add				Public safety impact fee - Fire	80,000		x	Increase budget based on actuals in FY 2023
PD	101	Add				Public safety impact fee - Police	100,000		x	Increase budget based on actuals in FY 2023
	101	Add			101-00-00-0000-41111	Property Tax	1,177,028	x		Updated Property Tax estimate based on updated projection from HdL
						Total	**1,528,617**			
						Proposed General Fund at Budget Hearings	**132,086,098**			
						Updated Proposed General Fund	**133,443,126**			
						Total GF change	**1,357,028**			
						Proposed Total Funds at Budget Hearings	**363,499,174**			
						Updated Proposed Total Funds	**365,027,791**			
						Total change	**1,528,617**			

Expenditures

Dept	Fund	Add/Reduce /New/Move	Project #	Project Name	GL Account String	Account Description	Amount inc/(dec)	One-time	Annual	Justification
CMO	101	Add	p102213	Grant Writing Services	101-10-03-1210-54990	Miscellaneous supplies and services	20,000		x	The addition of $20K was missed to bring this program to its full funding of $50K
CMO	101	Move		Communication Team	101-10-03-1210-51xxx	misc salary accounts	(869,380)		x	Move the Communication Team to its own activity for better tracking
CMO	101	Move		Communication Team	101-10-03-1218-51xxx	misc salary accounts	869,380		x	Move the Communication Team to its own activity for better tracking
ED	261	Reduce	h512302	CFSC - SCAP Housing Renovation	261-00-00-0000-59103	To General CIP	(93,411)	x		Project completed in FY 2023 and should not have been budgeted in FY 2024

ED	261	Reduce	g301201	Teen Center - CDBG	261-00-00-0000-59103	To General CIP	(35,000)	x		Project completed in FY 2023 and should not have been budgeted in FY 2024
PR	101	Reduce			101-30-43-3211-52119	Group health admin	(7,424)	x		Budgeted in wrong fund
PR	104	Add			104-30-43-3211-52119	Group health admin	7,424	x		Budgeted in wrong fund
WT	711	Add			711-XX-XX-XXXX-51XXX	misc salary accounts	206,965		x	Adding a Senior Professional Engineer to the Water Department
PW	731	Reduce			731-XX-XX-XXXX-51XXX	misc salary accounts	(7,602)	x		Reallocation of position 106-058 from Refuse Fund to Equipment Operations
PW	811	Add			811-XX-XX-XXXX-51XXX	misc salary accounts	7,602	x		Reallocation of position 106-058 from Refuse Fund to Equipment Operations
PR	101	Add	m301902	Arana Gulch Restoration	101-30-41-3114-54990	Supplies and services	15,000		x	New operating project
PR	101	Add	m301901	Wharf Storm Damage Repairs Project	104-30-43-3211-54390	Maintenance- other infrastructure	36,810		x	New operating project
PR	101	Add	m302001	Pogonip Lower Meadow Site Remediation	101-30-40-3101-54312	Maintenance- park improvements	69,862		x	New operating project
PR	101	Add	o300801	Ocean Villa Cleanups	101-30-41-3106-54990	Supplies and services	1,000		x	New operating project
						Total	**221,226**			
						Proposed General Fund at Budget Hearings	133,563,344			
						Updated Proposed General Fund	133,698,592			
						Total GF change	135,248			
						Proposed Total Funds at Budget Hearings	394,259,977			
						Updated Proposed Total Funds	394,481,203			
						Total change	221,226			

CHANGES TO BUDGET NARRATIVE - CORRECTING THE NARRATIVE

Introduction

Added councilmembers' district number to City Council cover page
Updated Commission and Committee Chairpersons
Updated Economic Development and Housing department name to add "and Housing" throughout the entire document.

City Overview

Added additional supporting funds to Economic Development and Housing

Budget Discussion

Updated graphs for Property tax, Sales tax, TOT, and UUT
Updated graphs for Citywide Operating Expenditures and General Fund Expenditures

Department Summaries

CMO added accomplishments for the Children's Fund Oversite Committee and District Engagement policy per councilmember request.

Economic Development and Housing added revitalization of Downtown as a goal per Councilmember Kalantari-Johnson's suggestion during the Budget Hearings.
Fiance added DEI goal per Councilmember Brunner suggestion during the Budget Hearings.
Police changed "FY24 Goal" to "FY24 Anticipated" per Councilmember Brunner suggestion during the Budget Hearings.
Planning added FY23 accomplishment of submitting draft of 6th Cycle Housing Element to state and FY24 goal of Housing Element Certification per councilmember suggestions.
Public Works added West Cliff Action Plan as a goal suggested by Councilmember Kalantari-Johnson.

Capital Outlay
Updated the Capital Outlay section with FY 2024 amounts. Prior year amounts were mistakenly left in the FY 2024 document, however, department budgets and all financial reports reflected accurate FY24 amounts.

Appendix
Added acronyms to listing based on feedback from departments