

A dark blue silhouette of the Sacramento skyline, including various buildings and the two towers of the Bay Bridge, set against a light blue background.

Fiscal Year 2024/25 Final Budget Review and Adoption

Budget Hearings Schedule

Date / Meeting	Subject
Week of April 29, 2024 – Release of Proposed Budget	Release of Proposed Budget
May 7, 2024 – I I AM B&A Committee	Proposed Budget Overview Review of Fees & Charges
May 7, 2024 – 5PM Council	Proposed Budget Hearing: • Budget Overview • Community Services • Internal Services • Municipal Services • Public Safety
May 14, 2024 – 2PM Council	Proposed Budget Hearing: • Fees & Charges • Capital Plan • Pilot Equity Analysis
May 20, 2024 – 5:30PM Measure U Commission	Proposed Budget Overview
May 21, 2024 – 5PM Council	Proposed Budget Hearing: • Budget Deliberations & Council Direction
June 11, 2024 – Council – 5PM	Final Budget Review and Adoption

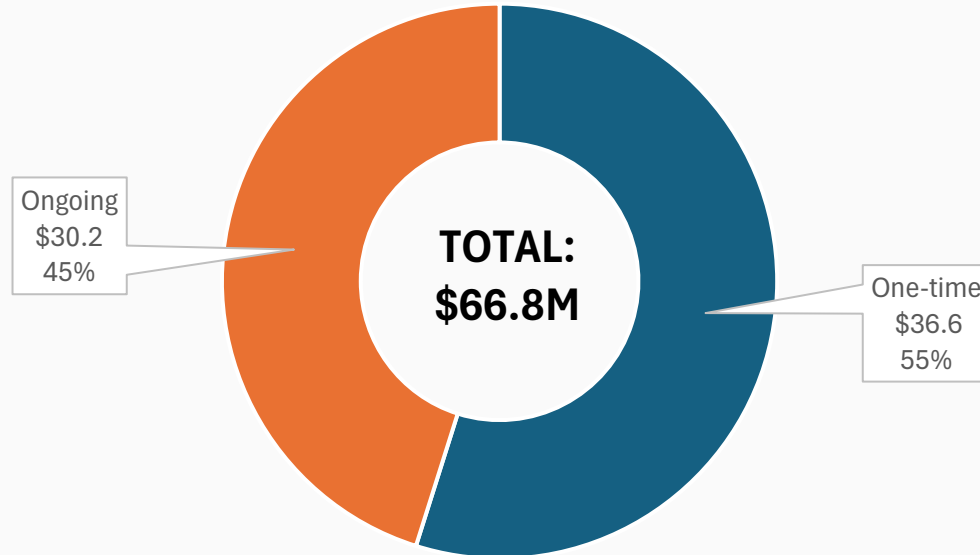
Final Budget

- \$1.6 Billion All Funds
- \$847 Million General/Measure U Funds
- Closes \$66 Million funding gap without eliminating filled positions
- Incorporates Council's May 21st action incorporating the Mayor's Memo into the Proposed Budget and Budget & Audit Committee's May 28th action

Closing the Gap (millions)

	FY25 Budget	FTE Impact vs FY24 Midyear Forecast
Projected FY25 Surplus / (Deficit)	(\$66.0)	-
Citywide Revenue/Expense Adjustments	\$4.7	-
Department Augmentations/Adjustments	(\$2.4)	(18.81)
Citywide Strategies	\$33.7	-
Departmental Revenue Increases	\$14.9	-
Level 1 Reductions	\$17.0	(23.15)
Level 2 Reductions	\$4.0	(21.05)
Salary Savings Adjustments	(\$5.2)	-
May 21 Council Action	-	-
May 28 Budget & Audit Committee Action	-	-
Other Technical Adjustments	\$0.1	-
FY25 Budget Surplus / (Deficit)	\$0.8	(63.01)

Reduction Plan – One-Time & Ongoing Strategies (millions)



One-time balancing strategies will need to be covered in the following Fiscal Year

Proposed to Final Budget Changes

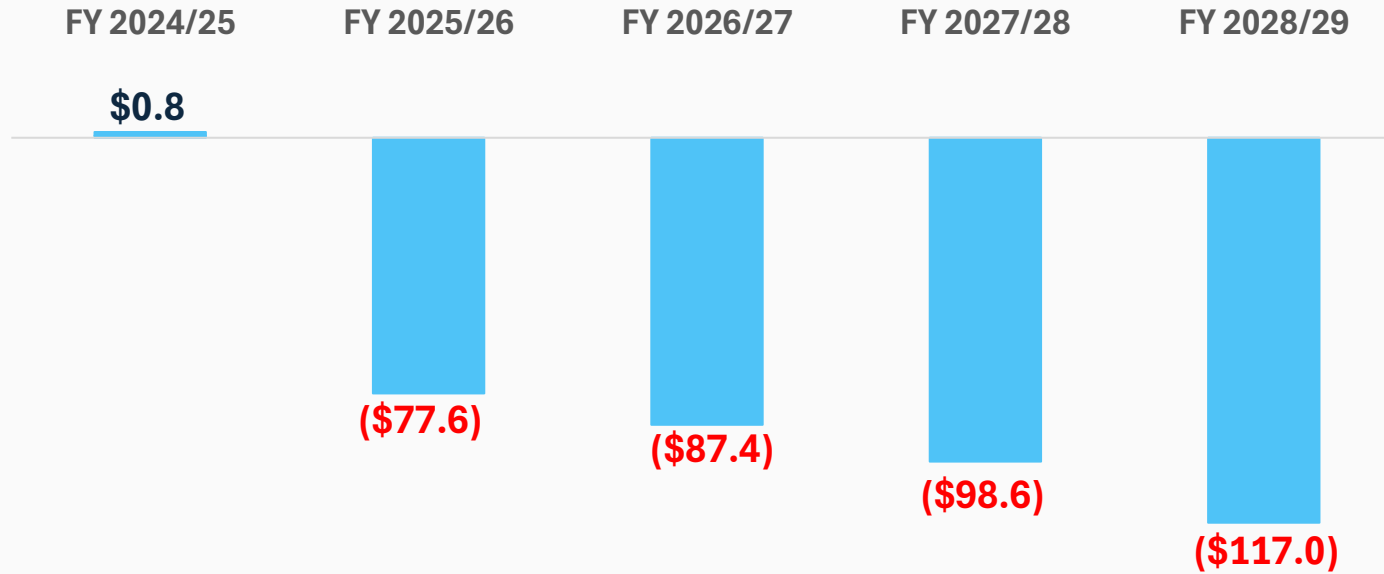
Utilize Up To \$3.3M of FY 24 Economic Uncertainty Reserve Contribution for the following purposes:

- \$120,000 for the IT internship training program
- \$250,000 for RydeFreeRT
- \$370,000 for Youth Program Scholarship Fund
- \$300,000 for Community Center Fee Waivers
- \$300,000 for Youth Sports Field Maintenance
- \$250,000 for Northern Bike Trail Maintenance
- \$600,000 for Neighborhood Development Action Team
- \$102,000 for Arts Stabilization
- \$200,000 for Digital Equity Response
- \$500,000 for FUEL Network
- \$100,000 for Fine & Fee Justice
- \$200,000 for Revenue Restoration for Parking Citation Fee

Direct City Manager to:

- Restore the Language Access Coordinator position utilizing existing budgeted funds for language access
- Restore \$87,000 in funding for the SMUD Museum of Science and Curiosity in the Community Center Fund
- Restore \$87,000 in funding for the Sacramento History Alliance in the Community Center Fund
- Modernize the Home Occupation Permit Fee program
- Establish a fee waiver or relief program for low-income seniors for the Sidewalk Repair Administration Fee
- Up to \$16,000 for the Measure U Committee to conduct community focus groups – B&A May 28th Action - Unspent contract funds identified in Participatory Budget MYOP.

Updated G/MU Fund 5-Year Forecast



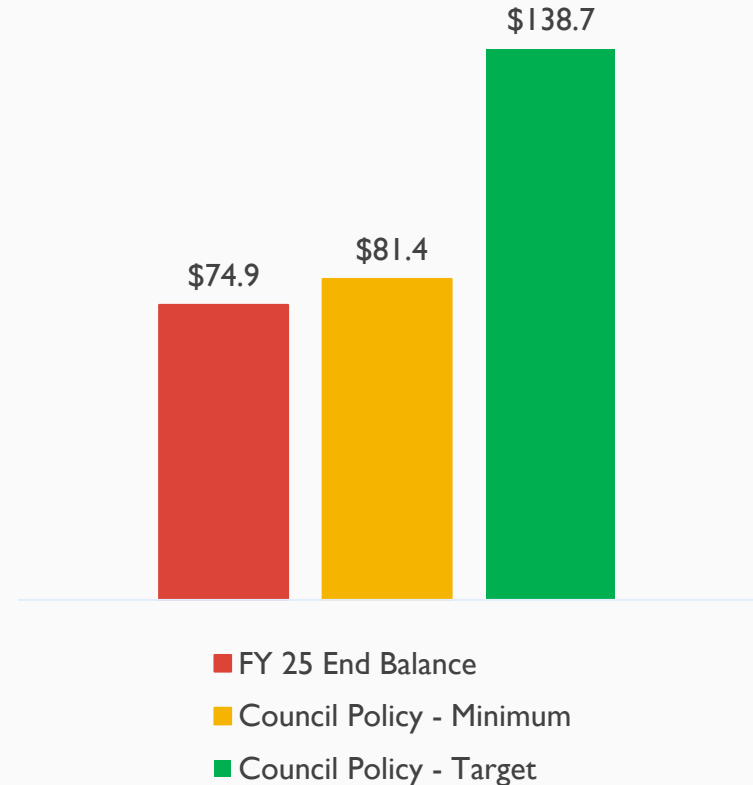
Does **NOT** include State HHAP funding after FY2024/25

Impact To Economic Uncertainty Reserve (millions)

Suspending the FY25 EUR contribution and \$3.3 million of the FY24 EUR contribution will leave the EUR balance at the end of FY25:

- \$6.5 million below the minimum balance as established by Council policy.
- \$63.8 million below the target balance as established by Council policy.

A lower EUR balance results in the City being more vulnerable during an economic downturn.



Upcoming Challenges

- Structural Budget Deficit
 - Imbalance between expense & revenue growth
 - Future labor agreement costs
 - Increasing insurance costs
 - Future of State homelessness funding to cities (HHAP)
- Unfunded liabilities
 - \$1.4 Billion Capital
 - \$1.4 Billion Pension
 - \$0.2 Billion OPEB
- Risk of recession

Thank You!

- Mayor & Council
- City Manager & Executive Team
- Budget Team
- Department Heads
- Department Staff
- Advisory Committees
- Members of the Public

Other Proposed to Final Budget Adjustments

The Final Budget contains technical adjustments (position/labor/other) that have a budgetary impact:

**\$49k savings
for G/MU
Funds**

**\$120k savings
for Other
Funds**

Multi-Year Operating Project adjustments are primarily associated with applying G/MU resources to cover the homelessness services shortfall, increasing G/MU homelessness services contribution to \$19.6 million in FY25.