



FISCAL YEAR 2024-25 BUDGET ADOPTION

June 25, 2024



AGENDA

- City Council priorities
- Summary of budget changes
- Summary of 5-year forecast changes
- Resolution and actions
- Final City Council direction and adoption



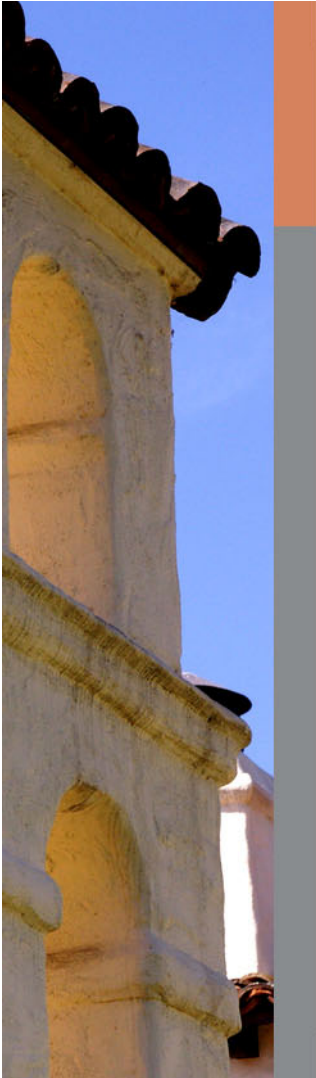


CITY COUNCIL PRIORITIES

- Climate action – mitigation, adaptation, and resilience
- Emergency and disaster preparedness
- Housing
- Safe routes



BUDGET UPDATES

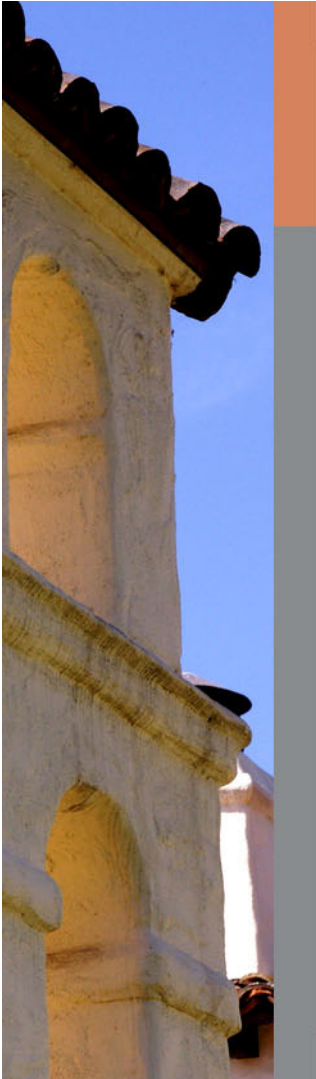


FISCAL YEAR 2023-24 GENERAL FUND YEAR-END PROJECTION



- Changes since the June 11 public hearing:
 - Transfer of \$576,000 to the General Capital Improvement Program Fund for the pavement slurry seal project
 - Transfer of \$1.75 million to the General Capital Improvement Program Fund to support the Capital Improvement Plan (CIP)
 - Projected operating surplus of \$806,701

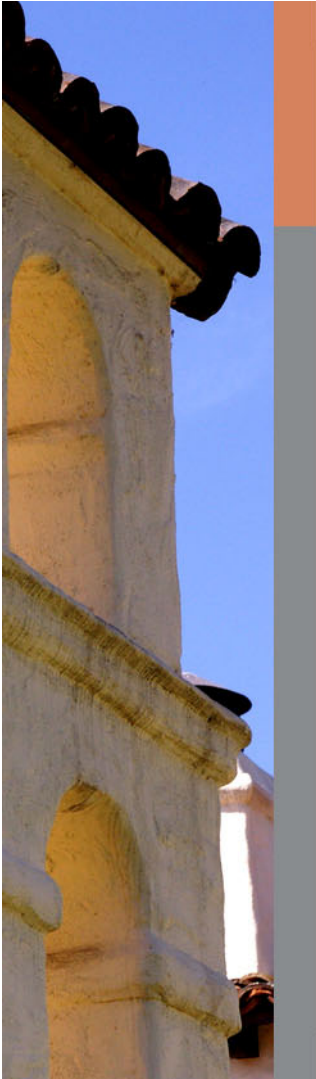
Fiscal year 2023-24 General Fund year-end projection	
Projected surplus as of June 11	\$3,132,701
Transfer for pavement slurry seal project	(576,000)
Transfer to support the CIP	(1,750,000)
Projected surplus	\$806,701



FISCAL YEAR 2024-25 PROPOSED BUDGET UPDATES



- Changes since the June 11 public hearing:
 - Creation of the Environmental Justice Program Implementation Fund
 - Transfer of \$1 million from the Bayfront Mitigation Fund to the Environmental Justice Program Implementation Fund



ANTICIPATED BUDGET AMENDMENTS DURING THE FISCAL YEAR

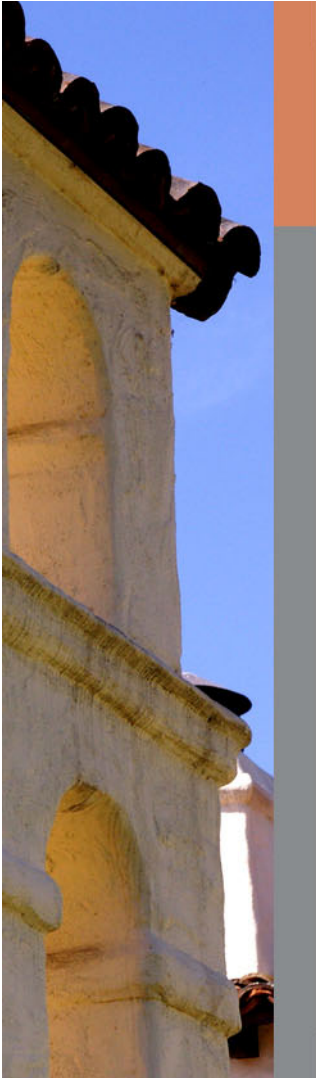
- Menlo Park Police Officers' Association negotiations and memorandum of understanding updates
- Appropriation of funding from the Environmental Justice Program Implementation Fund as projects are brought to City Council





GENERAL FUND FIVE-YEAR FORECAST





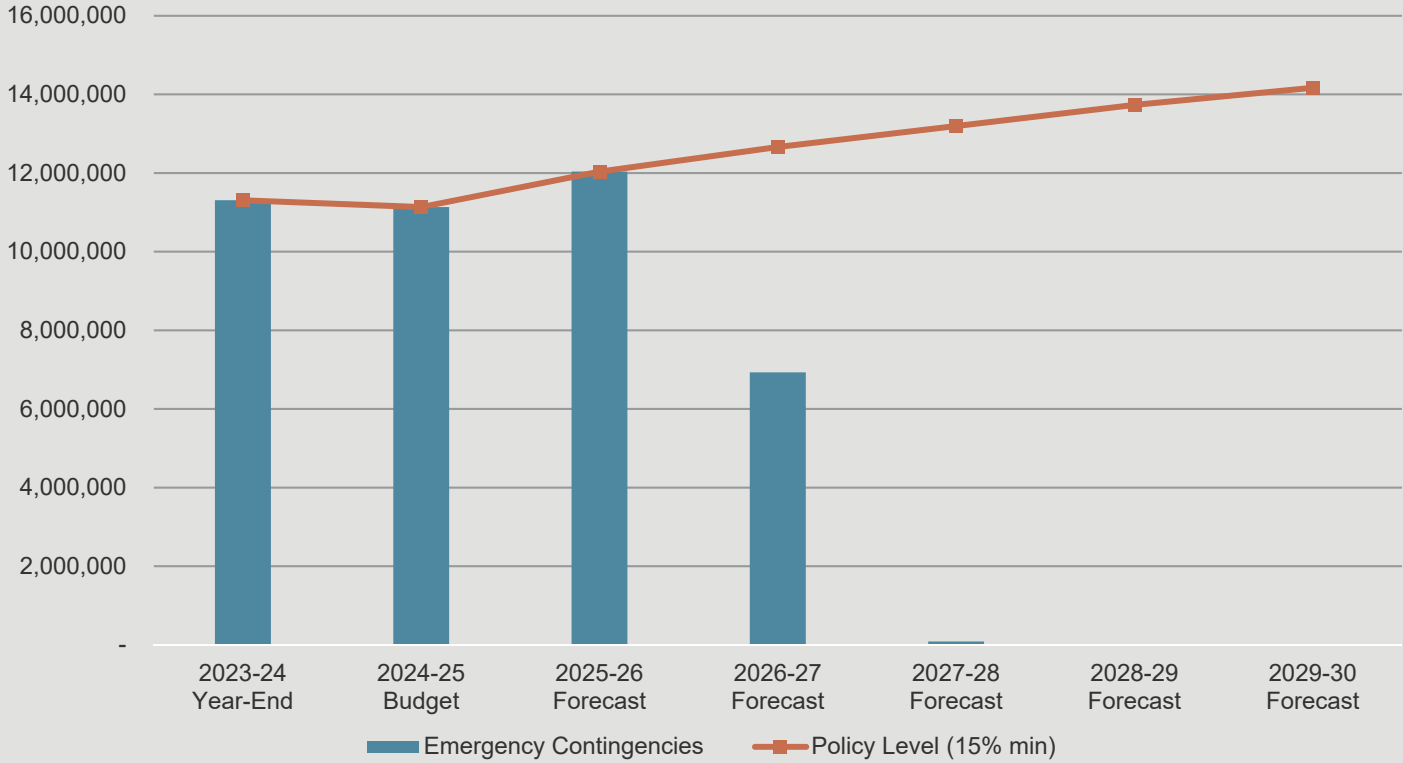
GENERAL FUND FIVE-YEAR FORECAST



- Includes the transfers of \$576,000 and \$1.75 million
- Fiscal year 2023-24 surplus projected to be \$806,701
- Total fund balance trends downward from \$34.6 million in the proposed fiscal year 2024-25 budget to \$4.5 million in fiscal year 2029-30 forecast
- Emergency Contingency Reserve (15% minimum policy level)
 - Falls below the minimum in fiscal year 2026-27
 - No longer funded in fiscal year 2028-29
- Economic Stabilization Reserve (20% minimum policy level)
 - Falls below the minimum in fiscal year 2028-29

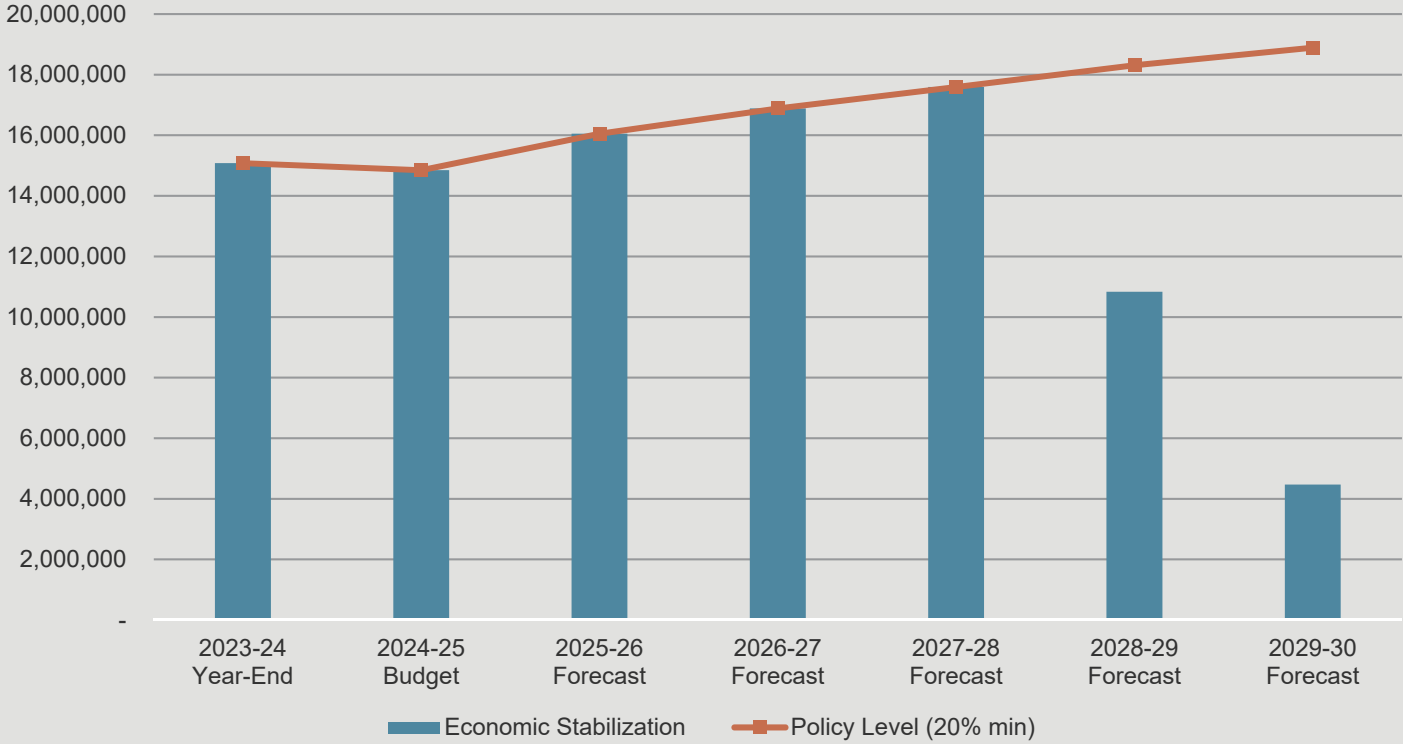


GENERAL FUND RESERVE: EMERGENCY CONTINGENCY





GENERAL FUND RESERVE: ECONOMIC STABILIZATION





RESOLUTIONS





RESOLUTIONS

- Adoption of the fiscal year 2024-25 budget and capital improvement plan
 - Formally appropriates funds and allows expenditures during the fiscal year
 - Establishes the Environmental Justice Program Implementation Fund
 - Authorizes payments up to the budget amount for certain items

- Salary schedule amendments
 - Approves updates to the salary schedule pursuant to current memorandum of understandings
 - Effective beginning the first full pay period following July 1



RESOLUTIONS

- Rate assistance program
 - Promotes equity and helps low-income households cover basic living expenses
 - Extends the rate assistance program for solid waste and water utilities through June 30, 2025

- Award authority
 - Establishes the award authority, bid requirements, and approving authority for fiscal year based on an annual inflationary factor
 - No changes from the prior year



CITY COUNCIL ACTION

- Provide final direction on the proposed fiscal year 2024-25 budget
- Adopt proposed resolutions



THANK YOU