



Fiscal Year 2023/24 Third Quarter Budget Update

Presented by Jennifer Terry, Finance Manager
Geovanny Calvopina, Financial Analyst

May 7, 2024, City Council Meeting, Agenda Item No. 20



Fiscal Year 2023/24 Third Quarter Budget Update

Overview

- 1st Year of the Biennial (two-year) Budget
- Personnel Changes
 - Approve the Updated Schedule of Authorized Positions List
- Year-to-Date Revenues & Expenditures (7/1/23-3/31/23)
- Discuss Changes to the General Fund, Measure T, and other significant changes
- Approval of Third Quarter Budget Adjustments
- Future Financial Updates

Fiscal Year 2023/24 Third Quarter Budget Update

Personnel Changes

Proposed FY 2023/24 Third Quarter

Dept.	Title	FY 24 Changes
Community Services / Support Services		
	PARKS & LANDSCAPE INSPECTOR I	1
Fire Administration		
	EMERGENCY MED SRVS NURSE COORD	1
	EMS COORDINATOR	-1
Police Support		
	POLICE DETECTIVE I / II / III	-2
	POLICE DETECTIVE III	2
Police Communications		
	P/T DISPATCHER I / II - LIMITED TERM	0.5
Public Works / Engineering		
	PARKS & LANDSCAPE INSPECTOR I	-1
Library		
	CIRCULATION SUPERVISOR	-1
	LIBRARY SERVICES SUPERVISOR	1
Total Changes for Third Quarter Budget Update		0.5

Fiscal Year 2023/24 Third Quarter Budget Update

Citywide Overview- Revenue & Expenditures

CITYWIDE							
	FY 2023/24 Adopted Budget	FY 2023/24 Amended Budget	YTD thru 3/31/24	% Received thru 03/31/24	Proposed Adjustments	% Change	FY 2023/24 Proposed Amended Budget
Revenues							
Taxes-Sales Tax	\$ 58,450,800	\$ 58,450,800	\$ 32,105,737	55%	\$ (3,891,660)	-7%	\$ 54,559,140
Taxes-Property	29,257,137	29,257,137	18,214,105	62%	\$ 1,012,876	3%	30,270,013
Charges for Services	21,700,469	21,700,469	11,712,924	54%	\$ (1,124,732)	-5%	20,575,737
Other Misc Revenue	15,904,960	23,636,146	29,192,859	124%	\$ 7,077,304	44%	30,713,450
Special Assessments	11,604,336	11,604,336	6,099,429	53%	-	0%	11,604,336
Taxes-VLF/Property Tax Comp	9,830,800	9,830,800	5,448,517	55%	-	0%	9,830,800
Tax-Special Tax	9,674,724	9,674,724	4,987,576	52%	-	0%	9,674,724
Taxes-Franchises	4,710,000	4,710,000	1,740,389	37%	-	0%	4,710,000
Taxes-Other	4,049,700	4,049,700	2,044,550	50%	\$ (1,046,320)	-26%	3,003,380
Taxes-Transient Occupancy Tax	3,955,000	3,955,000	1,120,273	28%	\$ (1,860,000)	-47%	2,095,000
License/Permit Fees	1,918,875	1,918,875	1,589,481	83%	\$ 136,000	7%	2,054,875
Taxes-Business Licenses	1,014,700	1,014,700	824,363	81%	-	0%	1,014,700
Taxes-Property Transfer	800,000	800,000	369,754	46%	\$ (250,000)	-31%	550,000
Loan/Bond/Lease Proceeds	-	-	7,544	100%	\$ 7,544	0%	7,544
Total Revenue	\$ 172,871,501	\$ 180,602,687	\$ 115,457,501	64%	\$ 61,012	0%	\$ 180,663,699
	FY 2023/24 Adopted Budget	FY 2023/24 Amended Budget	YTD thru 3/31/24	% Used thru 3/31/24	Proposed Adjustments	% Change	FY 2023/24 Proposed Amended Budget
Expenditures							
Personnel Costs	\$ 89,591,715	\$ 95,036,807	\$ 60,607,479	64%	\$ (1,126,920)	-1%	\$ 93,909,887
Operations & Maintenance	58,264,963	68,412,889	38,620,235	56%	\$ 1,351,167	2%	69,764,056
Capital Outlay	2,615,785	13,651,148	4,999,668	37%	\$ (793,484)	-30%	12,857,664
Allocations	9,859,971	9,859,971	7,560,618	77%	\$ (964,646)	-10%	8,895,325
Total Expenditures	\$ 160,332,434	\$ 186,960,816	\$ 111,787,999	60%	\$ (1,533,883)	-1%	\$ 185,426,932
Contribution to/(Use of) Fund Balance	\$ 12,539,067	\$ (6,358,129)			\$ 1,594,895		\$ (4,763,234)

Fiscal Year 2023/24 Third Quarter Budget Update

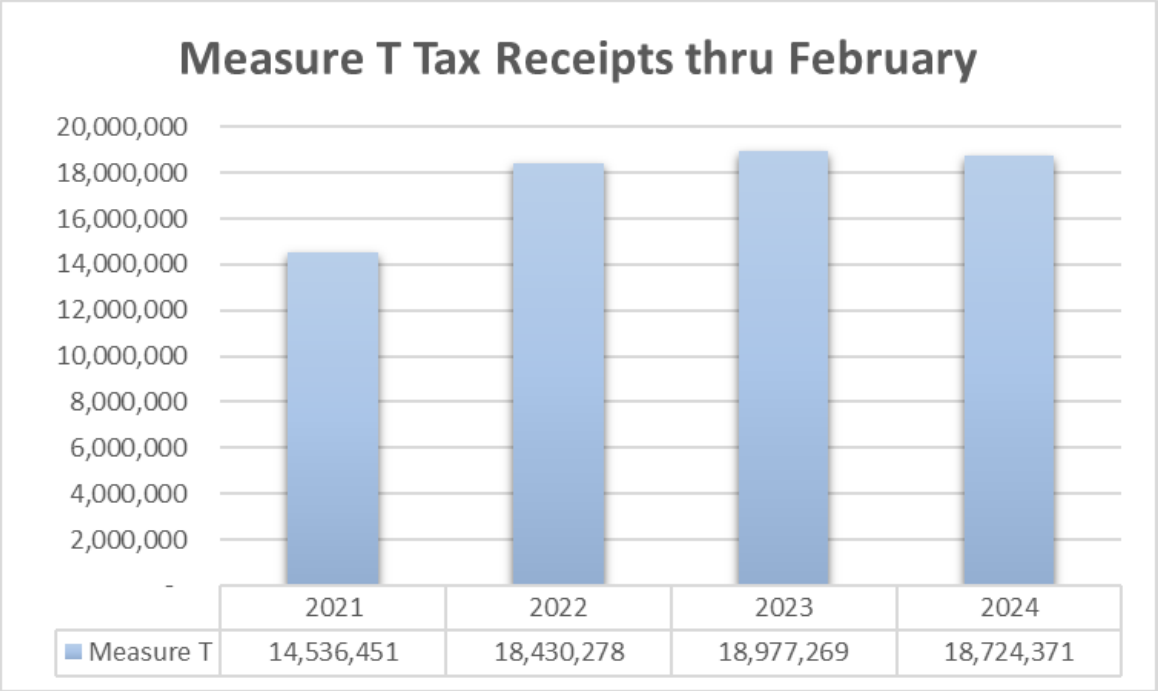
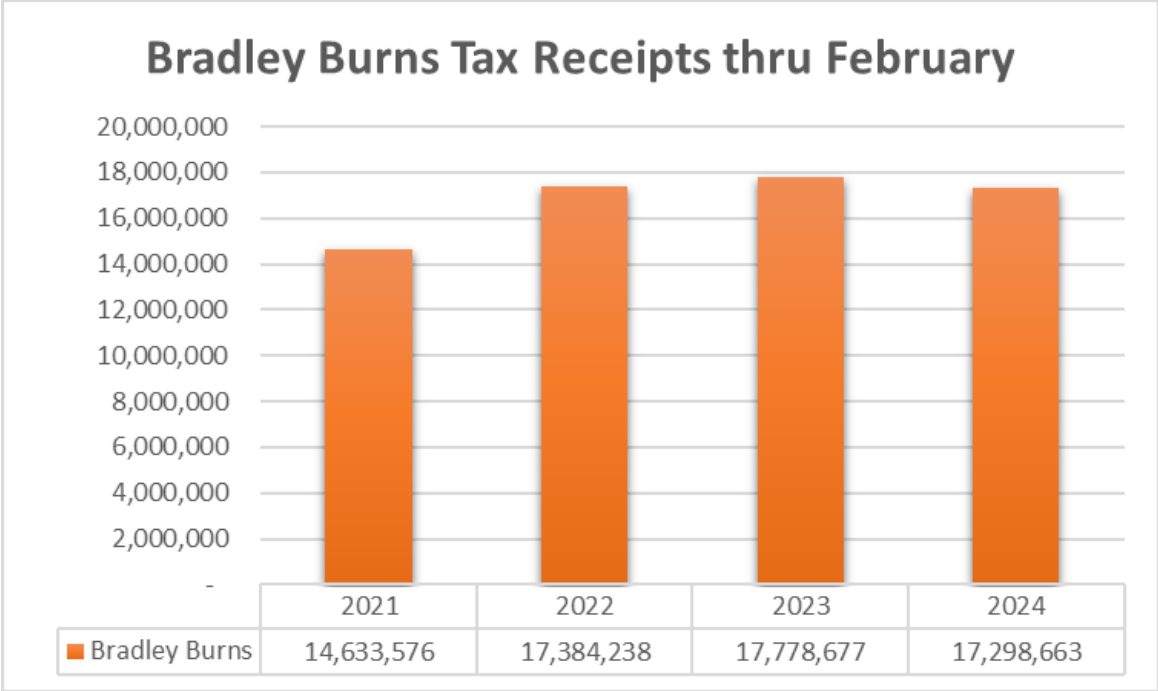
General Fund and Measure T Overview- Revenue Year-to-Date

GENERAL FUND				
	2023/24 AMENDED BUDGET	YTD THRU 03/31/24	% RECEIVED	
Revenue				
Taxes-Sales Tax	\$ 27,926,000	\$ 15,349,928	55%	
Taxes-VLF/Property Tax Comp	\$ 9,830,800	\$ 5,448,517	55%	
Taxes-Property	\$ 9,780,700	\$ 6,536,543	67%	
Other Misc Revenue	\$ 4,980,224	\$ 12,079,303	243%	
Charges for Services	\$ 4,747,960	\$ 2,801,243	59%	
Taxes-Franchises	\$ 4,652,000	\$ 1,720,950	37%	
Taxes-Transient Occupancy Tax	\$ 3,955,000	\$ 1,120,273	28%	
License/Permit Fees	\$ 1,908,375	\$ 1,584,846	83%	
Taxes-Business Licenses	\$ 1,014,700	\$ 824,363	81%	
Taxes-Property Transfer	\$ 800,000	\$ 369,754	46%	
Loan/Bond/Lease Proceeds	\$ -	\$ 7,544	0%	
Transfer In	\$ -	\$ 27	0%	
Total Revenue	\$ 69,595,759	\$ 47,843,292	69%	

MEASURE T				
	2023/24 AMENDED BUDGET	YTD THRU 03/31/24	% RECEIVED	
Revenue				
Taxes-Sales Tax	\$ 30,524,800	\$ 16,755,808	55%	
Total Revenue	\$ 30,524,800	\$ 16,755,808	55%	

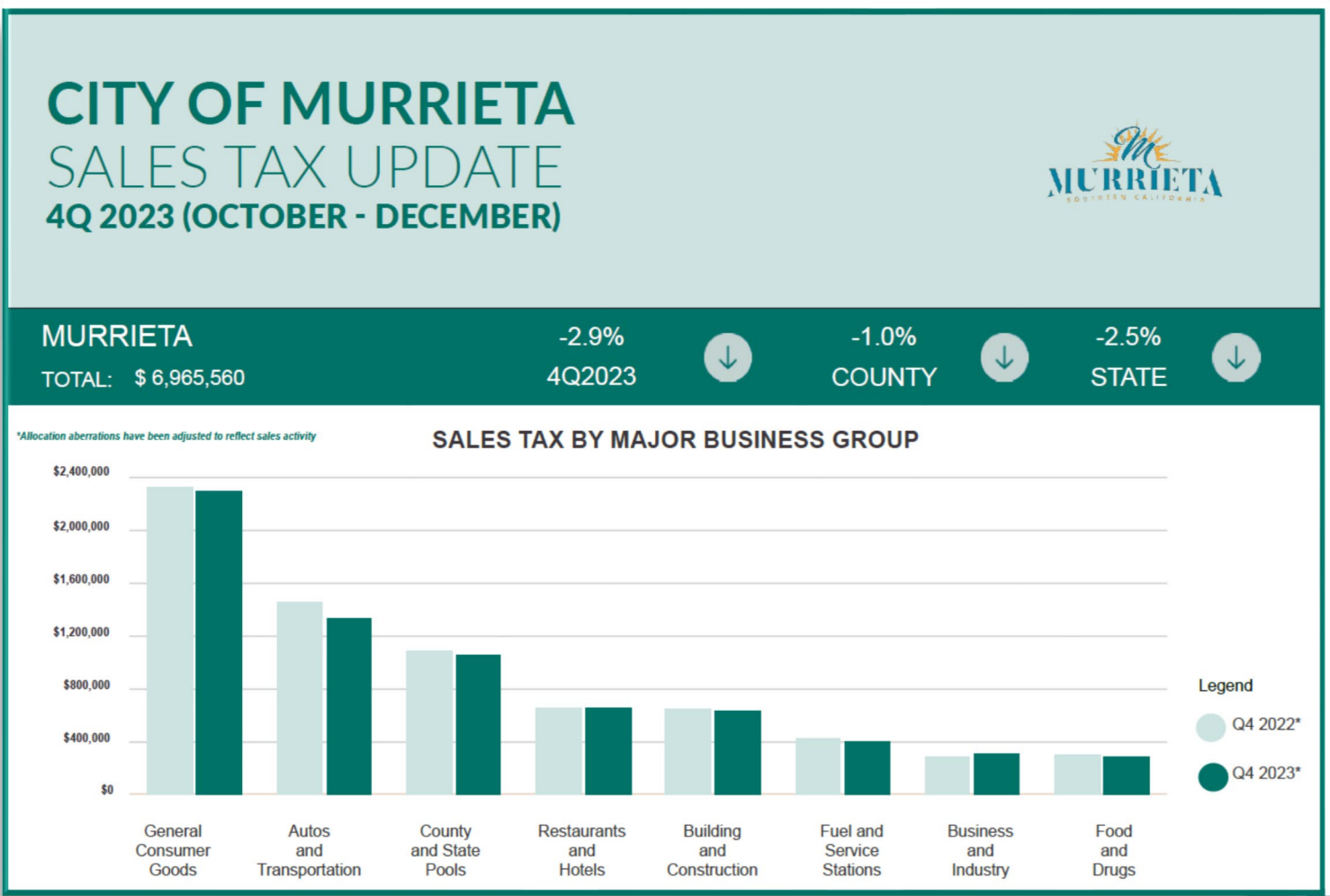
Fiscal Year 2023/24 Third Quarter Budget Update

Revenue (Sales Tax)



Fiscal Year 2023/24 Third Quarter Budget Update

Revenue (Sales Tax)



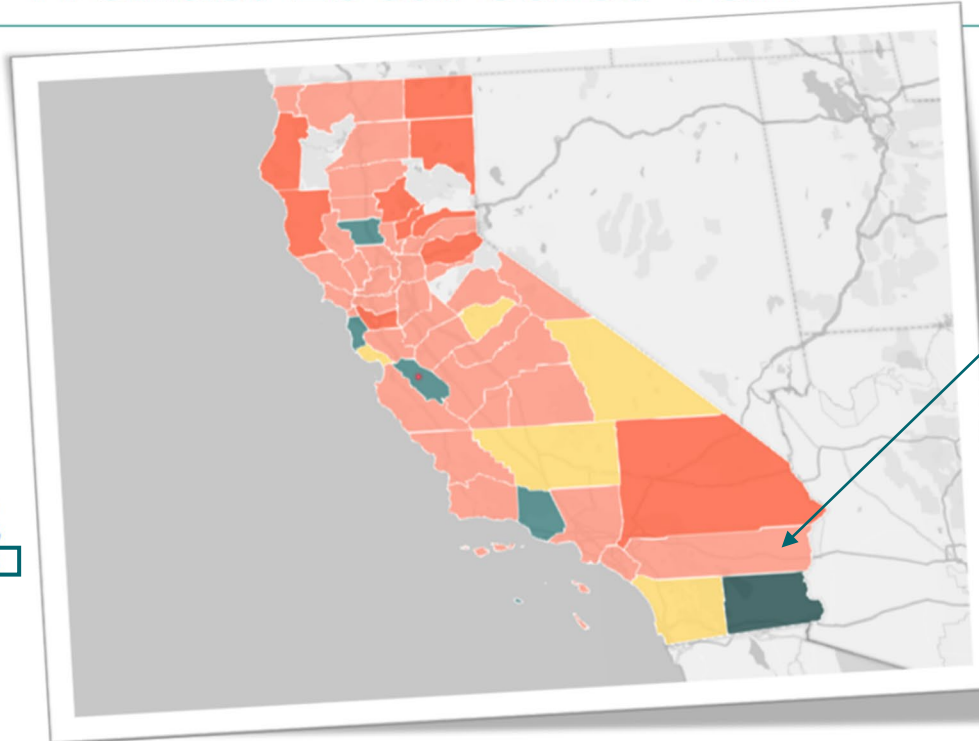
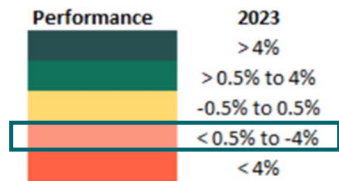
Fiscal Year 2023/24 Third Quarter Budget Update

Revenue (Sales Tax)



County Trends: Local Sales Tax

Calendar
Year 2023
-2.3%



Riverside County

HdL
Companies

Fiscal Year 2023/24 Third Quarter Budget Update

General Fund and Measure T Overview- Expenditure Year-to-Date

GENERAL FUND				
	2023/24 AMENDED BUDGET	YTD THRU 03/31/24	% USED	
Expenditures				
Personnel Costs	\$ 49,998,664	\$ 31,650,372	63%	
Operations & Maintenance	\$ 15,901,084	\$ 9,323,281	59%	
Allocations	\$ 6,561,200	\$ 4,920,900	75%	
Capital Outlay	\$ 2,210,107	\$ 275,283	12%	
Transfer Out	\$ 1,070,344	\$ 802,758	75%	
Expenditures	\$ 75,741,399	\$ 46,972,593	62%	

MEASURE T				
	2023/24 AMENDED BUDGET	YTD THRU 03/31/24	% USED	
Expenditures				
Personnel Costs	\$ 12,328,810	\$ 8,509,761	69%	
Operations & Maintenance	\$ 3,106,925	\$ 1,094,309	35%	
Allocations	\$ 797,270	\$ 597,953	75%	
Capital Outlay	\$ 2,493,801	\$ 2,383,900	96%	
Transfer Out	\$ 10,049,859	\$ 7,537,394	75%	
Expenditures	\$ 28,776,665	\$ 20,123,316	70%	

Fiscal Year 2023/24 Third Quarter Budget Update

General Fund- Proposed Changes-Revenue

- Align Sales Tax with current estimates
- Account for better-than-expected interest income
- Account for the delayed opening of the Murrieta Hot Springs Resort

GENERAL FUND				
	2023/24 AMENDED BUDGET	NET CHANGES	% CHANGE	2023/24 PROPOSED AMENDED BUDGET
Revenue				
Taxes-Sales Tax	\$ 27,926,000	\$ (1,869,300)	-7%	\$ 26,056,700
Taxes-VLF/Property Tax Comp	\$ 9,830,800	\$ -	0%	\$ 9,830,800
Taxes-Property	\$ 9,780,700	\$ 385,000	4%	\$ 10,165,700
Other Misc Revenue	\$ 4,980,224	\$ 1,789,642	36%	\$ 6,769,866
Charges for Services	\$ 4,747,960	\$ (330,840)	-7%	\$ 4,417,120
Taxes-Franchises	\$ 4,652,000	\$ -	0%	\$ 4,652,000
Taxes-Transient Occupancy Tax	\$ 3,955,000	\$ (1,860,000)	-47%	\$ 2,095,000
License/Permit Fees	\$ 1,908,375	\$ 136,000	7%	\$ 2,044,375
Taxes-Business Licenses	\$ 1,014,700	\$ -	0%	\$ 1,014,700
Taxes-Property Transfer	\$ 800,000	\$ (250,000)	-31%	\$ 550,000
Loan/Bond/Lease Proceeds	\$ -	\$ 7,544	0%	\$ 7,544
Transfer In	\$ -	\$ -	0%	\$ -
Total Revenue	\$ 69,595,759	\$ (1,991,954)	-3%	\$ 67,603,805

Fiscal Year 2023/24 Third Quarter Budget Update

General Fund- Proposed Changes-Expenditures

- Decreases to due unfilled positions
- Increases for contract services
- Decreases due to reconciliation of Risk related expenses (all funds)
- Decreases in postponed purchases of equipment

GENERAL FUND				
	2023/24 AMENDED BUDGET	NET CHANGES	% CHANGE	2023/24 PROPOSED AMENDED BUDGET
Expenditures				
Personnel Costs	\$ 49,998,664	\$ (859,046)	-2%	\$ 49,139,617
Operations & Maintenance	\$ 15,901,084	\$ 421,130	3%	\$ 16,322,215
Allocations	\$ 6,561,200	\$ (584,036)	-9%	\$ 5,977,164
Capital Outlay	\$ 2,210,107	\$ (699,200)	-32%	\$ 1,510,907
Transfer Out	\$ 1,070,344	\$ -	0%	\$ 1,070,344
Expenditures	\$ 75,741,399	\$ (1,721,152)	-2%	\$ 74,020,246

Fiscal Year 2023/24 Third Quarter Budget Update

Measure T- Proposed Changes Revenue and Expenditures

- Align Sales Tax with current estimates
- Decreases to due unfilled positions
- Decreases in O&M
- Decreases in Capital Outlay

MEASURE T				
	2023/24 AMENDED BUDGET	NET CHANGES	% CHANGE	2023/24 PROPOSED AMENDED BUDGET
Revenue				
Taxes-Sales Tax	\$ 30,524,800	\$ (2,022,360)	-7%	\$ 28,502,440
Total Revenue	\$ 30,524,800	\$ (2,022,360)	-7%	\$ 28,502,440
	2023/24 AMENDED BUDGET	NET CHANGES	% CHANGE	2023/24 PROPOSED AMENDED BUDGET
Expenditures				
Personnel Costs	\$ 12,328,810	\$ (191,402)	-2%	\$ 12,137,408
Transfer Out	\$ 10,049,859	\$ -	0%	\$ 10,049,859
Operations & Maintenance	\$ 3,106,925	\$ (214,876)	-7%	\$ 2,892,049
Capital Outlay	\$ 2,493,801	\$ (94,284)	-4%	\$ 2,399,517
Allocations	\$ 797,270	\$ (125,160)	-16%	\$ 672,110
Expenditures	\$ 28,776,665	\$ (625,722)	-2%	\$ 28,150,943

Fiscal Year 2023/24 Third Quarter Budget Update

Remaining Citywide- Proposed Changes

Revenues

Increases

- Interest Income \$1.6 mil
- Federal & State Reimbursement of \$1.7mil
- Developer Impact Fees of \$840k
- Measure A - \$918k

Decreases

- \$1 mil in Gas Tax Revenue

Expenditures

-Increase in O&M in the amount of \$1.8 mil for the Los Alamos Water system.

-Decreases of \$1.1 mil for Risk Related Expenditures.

Fiscal Year 2023/24 Third Quarter Budget Update

Sustainability Reserves

Sustainability Reserves Fiscal Year 2023/24								
	Estimated Beginning Fund Balance	Contribution to Reserves General Fund	Contribution to Reserves Measure T Fund	Contribution to Reserves Information Services Fund	Use of Reserves General Fund	Use of Reserves Measure T Fund	Use of Reserves Information Services Fund	Estimated Ending Fund Balance
General Fund Operating Reserves - 28%	16,795,491	3,620,839	-	-	-	-	-	20,416,330
Measure T Operating Reserves - 27%	3,812,350	-	1,120,458	-	-	-	-	4,932,808
Fire District Operating Reserves - (FD)	3,787,453	-	-	-	-	-	-	3,787,453
Fire District Operating Reserves - (MT)	1,817,745	-	1,609,391	-	-	-	-	3,427,136
CSD Operating Reserves - (CSD)	1,039,015	-	-	-	-	-	-	1,039,015
CSD Operating Reserves - (MT)	50,047	-	491,704	-	-	-	-	541,751
Library District Operating Reserves - (LF)	747,833	-	-	-	-	-	-	747,833
Library District Operating Reserves - (MT)	-	-	246,152	-	-	-	-	246,152
Total Operating Reserves	28,049,933	3,620,839	3,467,705	-	-	-	-	35,138,477
Economic Contingency (110)	4,510,443	45,273	-	-	-	-	-	4,555,716
Economic Contingency (111)	3,827,168	-	-	-	-	-	-	3,827,168
Fleet Replacement (111)	1,153,000	-	300,000	-	-	-	-	1,453,000
Fleet Replacement (110)	-	2,000,000	-	-	-	-	-	2,000,000
Fire Fleet Replacement (111)	2,415,443	-	1,400,000	-	-	-	-	3,815,443
Fleet Replacement (715)	1,015,909	-	-	-	-	-	-	1,015,909
Total Fleet Replacement	4,584,352	2,000,000	1,700,000	-	-	-	-	8,284,352
Information Services (726)	282,000	-	-	-	-	-	-	282,000
Total Information Services	282,000	-	-	-	-	-	-	282,000
Facility Repair (111)	1,100,000	-	800,000	-	-	(533,000)	-	1,367,000
CSD Facility Repair (111)	1,105,850	-	4,500,000	-	-	-	-	5,605,850
CSD Facility Repair (110)	-	2,000,000	-	-	-	-	-	2,000,000
Fire Facility Repair (111)	35,000	-	900,000	-	-	-	-	935,000
Fire Facility Repair (110)	-	1,000,000	-	-	-	-	-	1,000,000
Information Technology (110)	-	1,000,000	-	-	-	-	-	1,000,000
Pension 115 Trust (PARS) (111)	3,000,000	-	2,000,000	-	-	-	-	5,000,000
Pension 115 Trust (PARS) (110)	-	2,000,000	-	-	-	-	-	2,000,000
OPEB 115 Trust (CERBT) (111)	-	-	1,000,000	-	-	-	-	1,000,000
OPEB 115 Trust (CERBT) (110)	-	1,000,000	-	-	-	-	-	1,000,000
Continuing Operations (110)	-	6,000,000	-	-	(4,000,000)	-	-	2,000,000
Continuing Operations (111)	4,025,000	-	-	-	-	-	-	4,025,000
Totals	50,519,746	18,666,112	14,367,705	-	(4,000,000)	(533,000)	-	79,020,563

Fiscal Year 2023/24 Third Quarter Budget Update

Estimated Fund Balance

Fiscal Year 2023/24									
Fund	Beg. Unassigned Fund Bal., 7/1/23	Proposed Amended Revenues	Proposed Amended Transfers In	Proposed Amended Expenditures	Proposed Amended Transfers Out	Capital Outlay	Use of Reserves	Transfer to Reserves	Est. End. Unassigned Fund Bal., 6/30/24
General Fund	36,610,663	67,603,805	-	(72,949,902)	(1,070,344)	(1,789,173)	4,000,000	(18,666,112)	13,738,937
Measure T	16,794,503	28,502,440	-	(18,101,084)	(10,049,859)	(1,701,289)	533,000	(14,367,705)	1,610,006
Fire District Fund	(53,642)	18,283,035	7,131,187	(25,525,014)	-	(169,611)	-	-	(334,045)
CSD Fund	(7,661)	2,631,472	2,945,577	(5,418,904)	-	40,509	-	-	190,993
Library Fund	640,303	2,638,264	143,773	(3,296,933)	-	4,342	-	-	129,749
Total	53,984,166	119,659,016	10,220,537	(125,291,838)	(11,120,203)	(3,615,222)	4,533,000	(33,033,817)	15,335,640

Fiscal Year 2023/24 Third Quarter Budget Update

Future Finance Updates

- June 2024 Fiscal Year 2025-2029 Capital Improvement Plan Adoption
- June 2024 Fiscal Year 2025 Murrieta Fire District Operating Budget (FD) Adoption
- Fall 2024 Fiscal Year 2025 First Quarter Budget Update
- Fall 2024 Fiscal Year 2024 Year-End (4th Quarter) Budget Update



Fiscal Year 2023/24 Third Quarter Budget Update

Recommended Actions

- Accept and File the report;
- Amend the Fiscal Year 2023/24 Operating Budget as defined in the Fiscal Year 2023/24 Third Quarter Proposed Budget Amendments;
- Amend the Fiscal Year 2023/24 Capital Budget as defined in the Fiscal Year 2023/24 Third Quarter Proposed Budget Amendments for project 21034; and
- Approve the Updated Schedule of Authorized Positions List.







Fiscal Year 2023/24 Third Quarter Budget Update

Citywide Overview- Revenue Types

