



City of Glendale
Budget Study Session #1
April 27, 2021

Agenda

- FY 2020-21
 - General Fund Update
- FY 2021-22
 - Proposed General Fund Budget
 - Five Year Forecast
 - American Rescue Plan Act (ARPA) Funds
 - Proposed Citywide Fee Changes
- Budget Calendar
- Questions & Comments



City of Glendale

FY 2020-21 General Fund Update



FY 2020-21 General Fund Revenues (1 of 2)

Revenues received total approximately \$116.5 million, or 52.9% of total Q2 Revised Budget (exclusive of Measure S revenues)

- Property Tax, Sales Taxes, and Utility Users' Tax continue to track closely to the revenue projection



- Transient Occupancy Taxes continue to track low due to the Hospitality industry not being fully recovered



FY 2020-21 General Fund Revenues (2 of 2)

(In Thousands)*

	Adopted Budget	Revised Budget Q1	Revised Budget Q2	Actuals 2/28/21	% Received
Property Taxes	\$ 69,809	\$ 69,809	\$ 70,358	\$ 37,428	53.2%
Sales Taxes**	42,547	42,547	42,547	25,507	60.0%
Utility Users' Taxes	24,224	24,224	25,784	15,705	60.9%
Occupancy and Other Taxes	18,201	14,201	12,951	5,508	42.5%
Licenses and Permits	9,147	9,147	8,879	5,263	59.3%
Revenue From Other Agencies	220	2,755	2,755	2,535	92.0%
Charges For Services	17,342	17,342	13,561	8,484	62.6%
Interfund Revenue	18,223	18,223	18,223	12,068	66.2%
Fines and Forfeitures	3,330	3,330	3,005	1,887	62.8%
Interest/Use Of Money and Property	1,811	1,811	1,811	1,082	59.7%
Miscellaneous and Non-Operating	1,707	1,707	1,707	314	18.4%
Transfers from Other Funds	18,594	18,594	18,594	767	4.1%
Total Revenues:	\$ 225,156	\$ 223,691	\$ 220,176	\$ 116,549	52.9%

*Excludes GSA Loan Repayment amount, which is no longer being recorded as earned revenues but will be reflected in the unassigned fund balance category for the City's General Fund.

**Excludes Measure S sales tax revenues; includes receipts for the months of July through January.



FY 2020-21 General Fund Expenditures (1 of 3)

- Expenditures recorded total approximately \$151.5 million, or 64.1% of total revised budget (exclusive of Measure S expenditures)
- Revised Expenditure Budget includes Budget Carryovers, Departmental Budget Reductions, and Other Adjustments

Changes to Adopted Budget As of 2/28/21 (In Thousands)				
Adopted Budget	Budget Carryovers	Budget Reductions (1 st Qrt)	Other Adjustments	Revised Budget
\$238,802	\$769	(\$1,663)	\$200	\$238,108



FY 2020-21 General Fund Expenditures (2 of 3)

Projected year-end budget savings \$6.6 million

General Fund Projected Year-End Savings (In Thousands)		
Category	Initial	Revised
Salaries & Benefits	\$ 314	\$ 1,623
Contractual Services	1,376	1,400
Supplies	551	631
Utilities	531	341
Liability Insurance	1,720	1,813
Other	670	755
Total Projected Savings	\$ 5,162	\$ 6,563



FY 2020-21 General Fund Expenditures (3 of 3)

(In Thousands)*

	Adopted Budget	Revised Budget	Actuals 2/28/21	% Expensed
Salaries & Benefits	\$ 188,155	\$ 186,105	\$ 123,208	66.2%
Maintenance & Operations	47,421	48,595	27,061	55.7%
Capital Outlay	-	181	137	75.7%
Transfers Out	1,585	1,585	1,056	66.6%
Sub-Total General Fund Budget	\$ 237,160	\$ 236,466	\$ 151,462	64.1%
GSA Loan Repayment 20% Transfers Out**	1,642	1,642	1,642	100.0%
Grand Total Expenditures:	\$ 238,802	\$ 238,108	\$ 153,104	64.3%
Projected Year-End Savings	-	(6,563)	-	-
Projected Total Expenditures:	\$ 238,802	\$ 231,545	\$ 153,104	66.1%

*Excludes Measure S sales tax expenditures

**The 20% transfer of the GSA Loan Repayment to the Low and Moderate Housing Fund will no longer be recorded as a transfers out in the General Fund but will be directly reflected in the Low and Moderate Housing Fund.



FY 2020-21 General Fund Summary Update

(In Thousands)

	Adopted FY2020-21	Revised FY2020-21	GSA Loan Repayment	Projected Savings	Total Projected
Resources	\$ 225,156	\$ 220,176	\$ -	\$ -	\$ 220,176
GSA Loan Repayment	8,210	-	8,210	-	8,210
Econ Dev Assigned Fund Balance	667	667	-	-	667
Total Resources	\$ 234,033	\$ 220,843	\$ 8,210	\$ -	\$ 229,053
Appropriations	\$ 237,160	\$ 236,466	\$ -	\$ (6,563)	\$ 229,903
Carryovers from FY 2019-20	-	(769)	-	-	(769)
GSA Loan Repayment Transfer to Low & Mod	1,642	-	1,642	-	1,642
Total Appropriations	\$ 238,802	\$ 235,697	\$ 1,642	\$ (6,563)	\$ 230,776
Ending Net Surplus/(Use of Fund Balance)	\$ (4,769)	\$ (14,854)	\$ 6,568	\$ 6,563	\$ (1,723)



FY 2020-21 General Fund Projected Ending Fund Balance

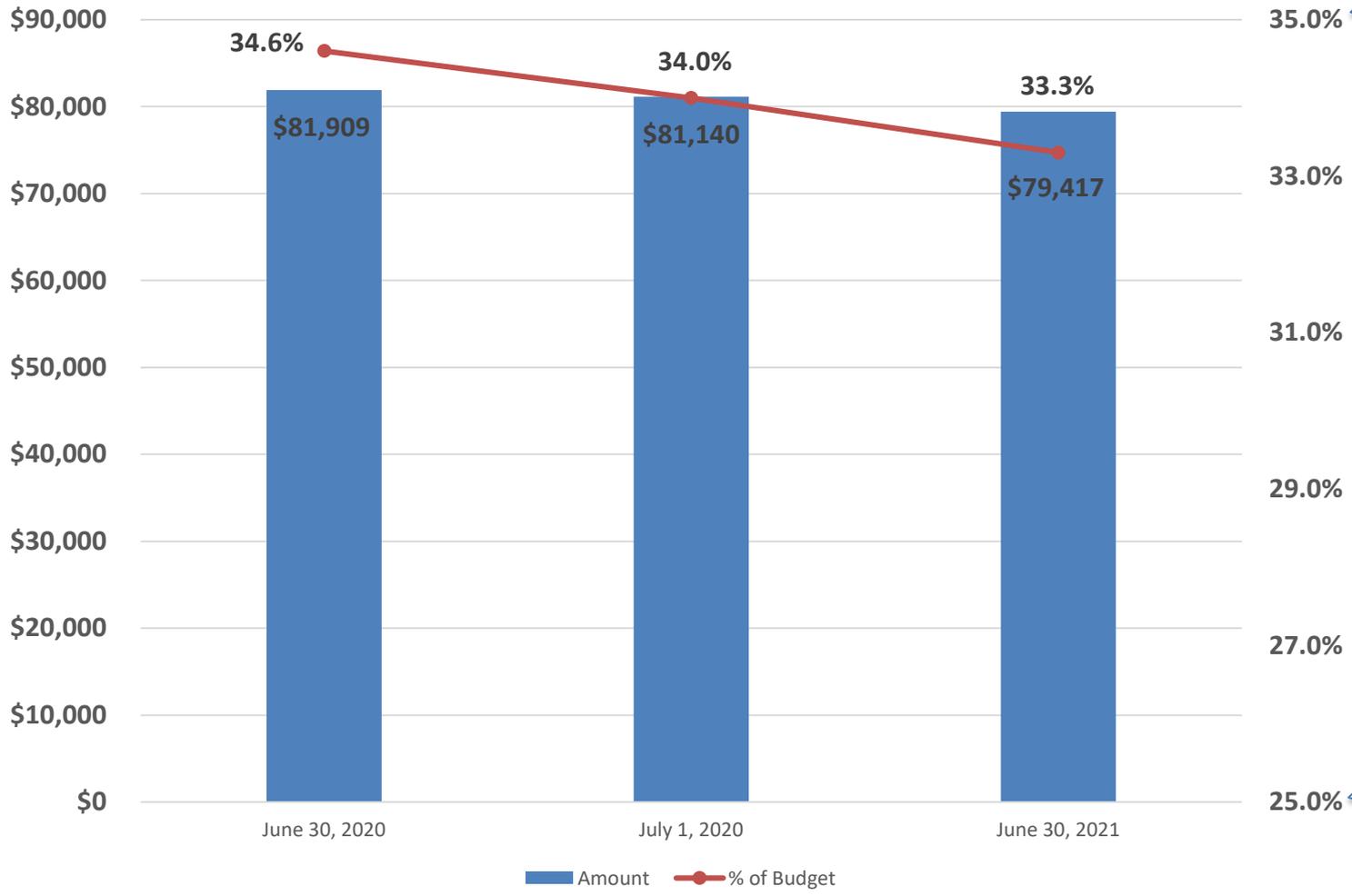
(In Thousands)

	Unassigned & Charter Reserve	% of Budget*
Ending Unassigned & Charter Reserve, 06/30/2020	\$ 81,909	34.6%
FY 2019-20 Budget Carryovers	(769)	
Beginning Adjusted Unassigned & Charter Reserve 07/01/2020	\$ 81,140	34.0%
FY 2020-21 Revised Projected Use of Fund Balance	(1,723)	
Projected Ending Unassigned & Charter Reserve, 06/30/2021	\$ 79,417	33.3%

*Ending Unassigned & Charter Reserve, 6/30/2020 percentage is based on the Adopted FY 2019-20 expense budget. All other Reserve percentages are based on the Adopted FY 2020-21 expense budget. Council Policy is a floor of 25% with target of 35%



FY 2020-21 General Fund Projected Ending Fund Balance (In Thousands)



Ceiling of 35%

Floor of 25%

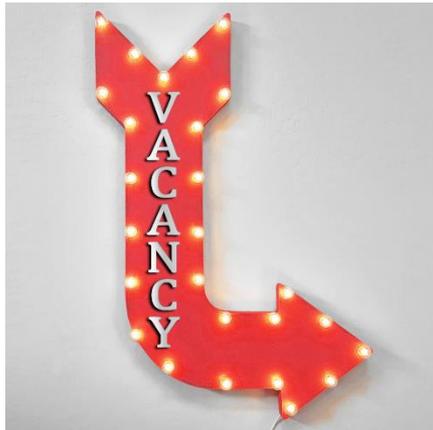


FY 2021-22 General Fund
Proposed Budget



FY 2021-22 General Fund Revenue Assumptions (1 of 2)

- **Sales Tax** – Restaurants & Hotels, Fuel Service, and General Consumer Goods are slowly tracking up out of the pandemic; online sales continue to generate strong revenues



- **Occupancy & Other Taxes** – Hospitality industry is slowly recovering, TOT revenues gradually ramping back up although anticipated to not be fully recovered in FY 2021-22



FY 2021-22 General Fund Revenue Assumptions (2 of 2)

- **Fines & Forfeitures** – Traffic Safety Fines are decreased, with remote work still in process and travel being suppressed

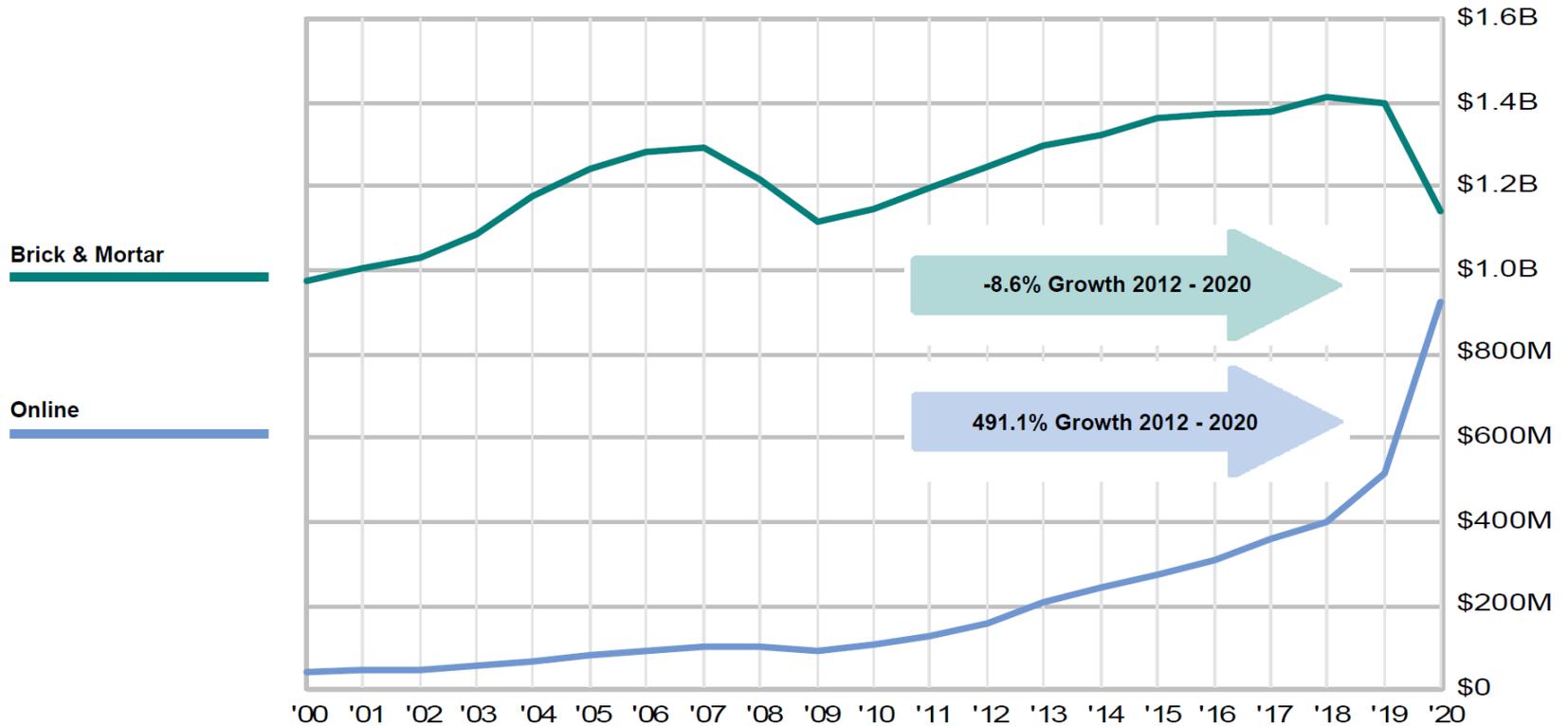


- **Charges for Services** – Revenues to track higher as programs and City facilities return to operations, although some reductions in revenues still sustained for a portion of the year due to limited capacity, and less anticipated activity



Sales Tax – Brick & Mortar vs. Online Sales

Local 1% Sales Tax by Calendar Year



Legend:

Brick & Mortar - Statewide General Consumer Goods from Place-of-Sale locations

Online - Statewide General Consumer Goods from Fulfillment Centers and County Use-Tax Pool Allocations

Chart provided by HdL



FY 2021-22 General Fund Proposed Revenues

	FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	Variance	%
Property Taxes	\$ 70,358	\$ 73,179	\$ 2,821	4.0%
Sales Taxes**	42,547	44,061	1,514	3.6%
Utility Users' Taxes	25,784	26,020	236	0.9%
Occupancy and Other Taxes	12,951	15,608	2,657	20.5%
Licenses and Permits	8,879	9,828	949	10.7%
Revenue From Other Agencies	2,755	220	(2,535)	(92.0%)
Charges For Services	13,561	16,023	2,462	18.2%
Interfund Revenue	18,223	18,886	663	3.6%
Fines and Forfeitures	3,005	3,005	-	-
Interest/Use Of Money	1,811	1,748	(63)	(3.5%)
Miscellaneous and Non-Operating	1,707	1,525	(182)	(10.7%)
Transfers from Other Funds	18,594	20,700	2,106	11.3%
Total Revenues:	\$ 220,176	\$ 230,804	\$ 10,628	4.8%

*Excludes the GSA Loan Repayment amount, which is no longer being recorded as earned revenues but will be reflected in the unassigned fund balance category for the City's General Fund.

**Excludes Measure S sales tax revenues



FY 2021-22 General Fund Proposed Appropriations (1 of 2)

	FY 2020-21 Revised Budget*	FY 2021-22 Proposed Budget	Variance	%
Salaries & Benefits				
Salaries	\$ 100,533	\$ 102,003	\$ 1,470	1.5%
Overtime	10,741	10,739	(2)	0.0%
Hourly Wages	7,104	7,389	285	4.0%
Benefits (Net Salary Charges out)	27,521	29,160	1,639	6.0%
PERS (Net of Cost-Share)	47,050	50,988	3,939	8.4%
Vacancy Budget Savings	(5,000)	(5,000)	-	0.0%
Total Salaries & Benefits	\$ 187,948	\$ 195,279	\$ 7,331	3.9%

*Excludes one-time adjustments and carryovers



FY 2021-22 General Fund Proposed Appropriations (2 of 2)

	FY 2020-21 Revised Budget*	FY 2021-22 Proposed Budget	Variance	%
Maintenance & Operation				
Contractual Services	\$ 8,695	\$ 8,955	\$ 260	3.0%
Fleet Equipment Rental Charge	2,000	3,000	1,000	50.0%
ISD Service Charge	11,959	13,085	1,126	9.4%
Building Maintenance Service Charge	4,000	4,977	977	24.4%
All Other M&O	19,711	19,840	129	0.7%
Total Maintenance & Operations	\$ 46,366	\$ 49,857	\$ 3,492	7.5%
Capital Outlay	-	118	118	N/A
Transfers Out	1,585	1,585	-	0.0%
Sub-Total General Fund Budget	\$ 235,898	\$ 246,839	\$ 10,940	4.6%
GSA Loan Repayment 20% Transfers Out**	1,642	-	(1,642)	(100%)
Grand Total Expenditures:	\$ 237,540	\$ 246,839	\$ 9,298	3.9%

*Excludes one-time adjustments and carryovers

**The 20% transfer of the GSA Loan Repayment to the Low and Moderate Housing Fund will no longer be recorded as a transfers out in the General Fund but will be directly reflected in the Low and Moderate Housing Fund.



American Rescue Plan Act (ARPA) Funds

ARPA signed into law On March 11, 2021 guaranteeing direct financial relief to Local Governments

City of Glendale allocation - \$49.8 million

What the Funds Can Be Used For...

- Revenue Replacement
- Water, Sewer, & Broadband Infrastructure
- COVID Assistance Programs
- Hero Pay for municipal employees up to \$13/per hour

Funds must be spent by December 31, 2024



FY 2021-22 General Fund Proposed Budget Summary

(In Thousands)

	FY 2021-22 Proposed Budget
Revenues*	\$ 230,804
GSA Loan Repayment	1,467
Econ Dev Assigned Fund Balance	535
ARPA Funds	14,033
Total Resources	\$ 246,839
Appropriations*	\$ 246,839
Ending Net Surplus/(Use of Fund Balance)	\$ -

*Excludes Measure S sales tax revenues and expenditures

**The 20% transfer of the GSA Loan Repayment to the Low and Moderate Housing Fund will no longer be recorded as a transfers out in the General Fund but will be directly reflected in the Low and Moderate Housing Fund.



FY 2021-22 General Fund Projected Ending Fund Balance

(In Thousands)

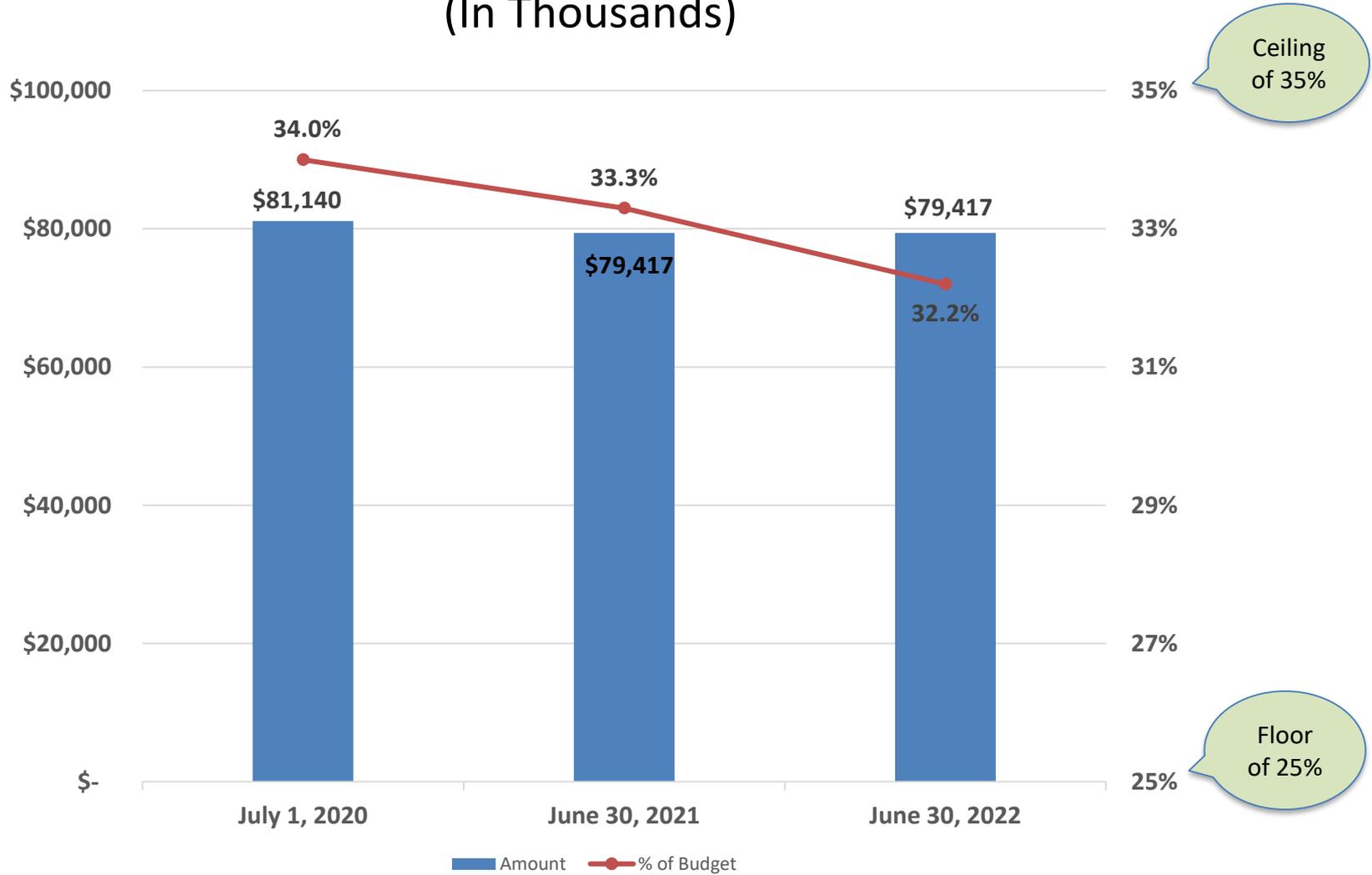
	Unassigned & Charter Reserve	% Projected* Reserve
Beginning Adjusted Fund Balance, 7/1/2020*	\$ 81,140	34.0%
FY 20-21 Projected Use of Fund Balance	(1,723)	
Projected Ending Fund Balance, 6/30/2021*	\$ 79,417	33.3%
FY 21-22 Projected Use of Fund Balance	-	
Projected Ending Fund Balance, 6/30/2022**	\$ 79,417	32.2%

* Reserve percentage is based on FY 2020-21 adopted appropriation of \$238.8 million. Current policy is a floor of 25% and a target of 35%.

** Reserve percentage is based on FY 2021-22 proposed appropriation of \$246.8 million.



FY 2021-22 General Fund Projected Ending Fund Balance (In Thousands)



FY 2021-22 General Fund Five Year Forecast

(In Millions)*

	<i>Projected FY 20-21</i>	<i>Proposed FY 21-22</i>	<i>Projected FY 22-23</i>	<i>Projected FY 23-24</i>	<i>Projected FY 24-25</i>	<i>Projected FY 25-26</i>
Resources	\$ 229.1	\$ 232.9	\$ 239.4	\$ 246.2	\$ 252.4	\$ 249.1
ARPA Funds	-	14.0	17.1	-	-	-
Total Resources	\$ 229.1	\$ 246.9	\$ 256.5	\$ 246.2	\$ 252.4	\$ 249.1
Appropriations						
Base Line	\$ 187.2	\$ 195.9	\$ 201.7	\$ 206.7	\$ 211.2	\$ 215.4
PERS (Net of Cost Share)	43.6	51.0	54.8	56.5	58.3	56.0
Total Appropriations	\$ 230.8	\$ 246.9	\$ 256.5	\$ 263.2	\$ 269.5	\$ 271.4
Change to Fund Balance	\$ (1.7)	\$ -	\$ -	\$ (17.0)	\$ (17.1)	\$ (22.3)

*Excludes Measure S sales tax revenues and appropriations



Proposed Citywide Fee Changes

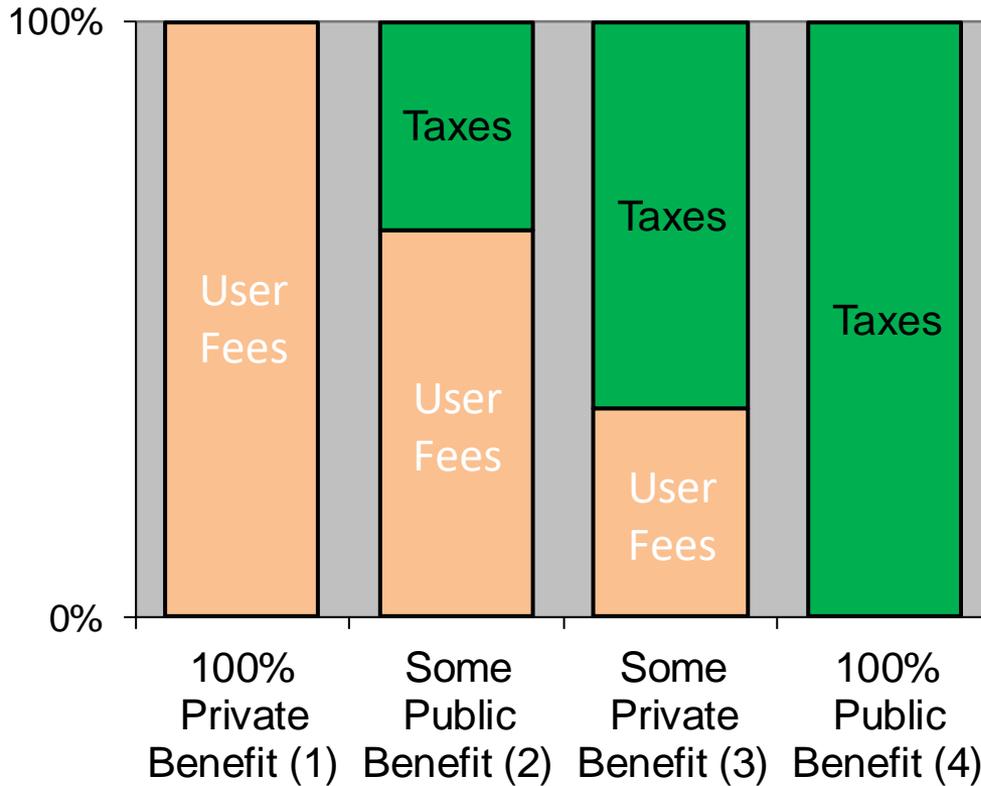
FY 2021-22



Fee Setting Guidelines

Fee vs. Tax

Source of Service Funding



Examples

- 1) Building Permits
- 2) Youth Programs
- 3) Historic Preservation
- 4) Police Patrol



FY 2021-22 Proposed Fee Changes

2,342 Fees with \$134,223 Revenue Impact

No Changes

1,673 Fees

\$ -

Fee Deletions

7 Fees

\$ -

CPI Adjustments* (0.87%)

659 Fees

\$ 71,823

New Fees**

3 Fees

\$ 62,400

* General Fund impact is \$48,785

** New Fee impact is in the General Fund



FY 2021-22 Proposed Fee Deletions (1 of 2)

Fee #	Page #	Service Title	Dept/Div	FY 2020-21 Fee
17	2	Police Officer (4 Hours Minimum)	Miscellaneous / Filming & Special Events	\$126.00 per Hour
19	2	Police Sergeant (4 Hours Minimum)	Miscellaneous / Filming & Special Events	\$161.00 per Hour
62	58	Historic Preservation Commission review of single family dwelling modification or demolition	Community Development / Planning	\$5,129.00 per Request
63	58	Historic Preservation Commission review of modification or demolition of buildings/structures/features other than single family dwellings	Community Development / Planning	\$5,382.00 per Request



FY 2021-22 Proposed Fee Deletions (2 of 2)

Fee #	Page #	Service Title	Dept/Div	FY 2020-21 Fee
6	137	Residential Care facility: Permit to operate or maintain a Large family day care; includes periodic inspection	Fire / Miscellaneous Fire Fees	\$336.00 per Facility
73	143	FLS annual inspection not otherwise covered by CIP (conducted as incremental adjunct to CUPA inspection)	Fire / Miscellaneous Fire Fees	\$30.00 per Site
76	143	FLS annual inspection not otherwise covered by CIP (FPB inspection not otherwise covered)	Fire / Miscellaneous Fire Fees	\$30.00 per Site



FY 2021-22 Proposed New Fees

Fee #	Page #	Service Title	Dept/Div	Proposed Fee
39	3	Police Personnel Fee (4 hour minimum) <i>Hourly cost for providing Police Personnel (Officer or Sergeant) to monitor activity at Special Events and filming detail sites and ensure safety</i>	Miscellaneous / Filming & Special Events	\$147.00 per Hour
14	22	GTC Bike Locker Rental Deposit Fee <i>Deposit Fee to rent a locker at the Glendale Transportation Center for storing bicycles and other equipment</i>	Public Works / Transit Fees	\$50.00 per Key
125	62	Glendale Transportation Demand Model Run Services <i>As-needed transportation Demand Model runs for proposed developments in the City</i>	Community Development / Planning Fees	\$4,160.00 per Model Run



FY 2021-22 Budget Adoption Calendar (1 of 2)

- April 27, Budget Study Session #1, 9:00 a.m.
 - FY 2019-20 General Fund Update
 - FY 2020-21 Proposed General Fund Budget
 - Citywide Fee Schedule
- May 4, Budget Study Session #2, 9:00 a.m.
 - Measure S Discussion
- May 6, Budget Study Session #3, 1:00 p.m.
 - Departmental Presentations
 - City Clerk
 - City Attorney
 - Community Services & Parks
 - Human Resources
- May 11, Budget Study Session #4, 9:00 a.m.
 - Departmental Presentations
 - Library, Arts & Culture
 - Glendale, Water & Power
 - Police



FY 2021-22 Budget Adoption Calendar (2 of 2)

- May 13, Budget Study Session #5, 9:00 a.m.
 - Departmental Presentations
 - Information Services
 - Community Development
 - Public Works
- May 18, Budget Study Session #6, 9:00 a.m.
 - Departmental Presentations
 - City Treasurer
 - Administrative Services - Finance
 - City Manager
 - Innovation, Performance & Audit
 - Fire
- May 20, Budget Study Session #7, 9:00 a.m.
 - FY 2021-22 Citywide Budget Summary
 - Follow-up Items
- June 8, Budget Hearing and Budget Adoption, 6:00 p.m.



Questions & Comments





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