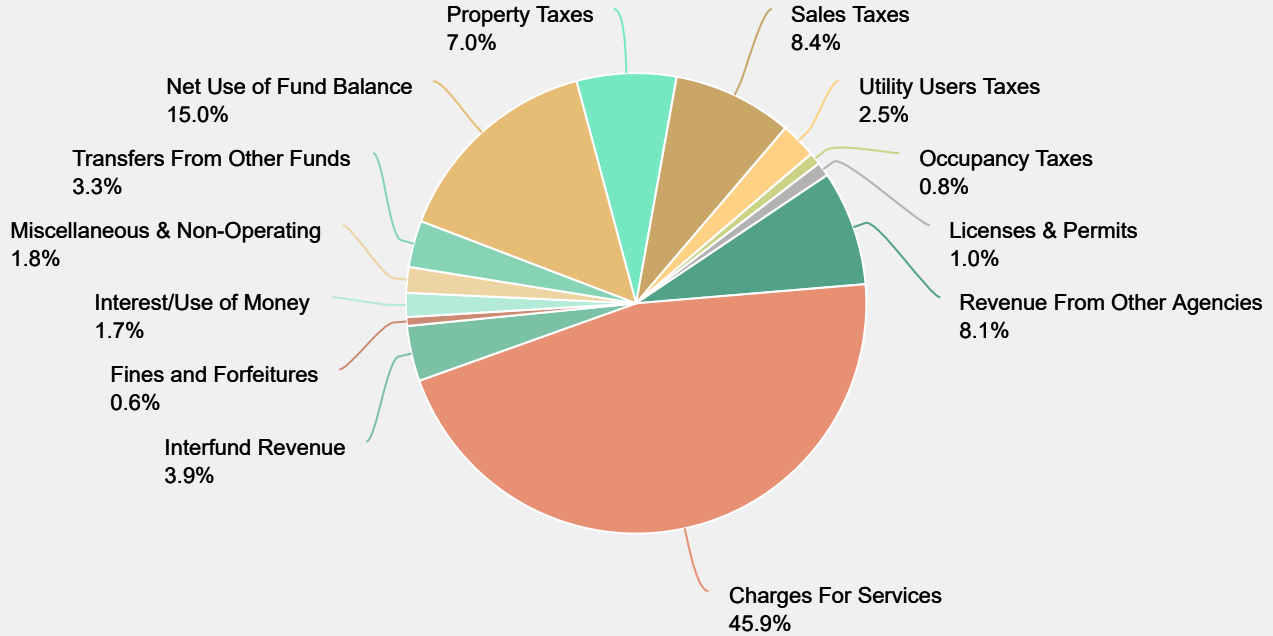




# Resources & Appropriations



## Where the Money Comes From Total Resources FY 2024 = \$1,172,779,206

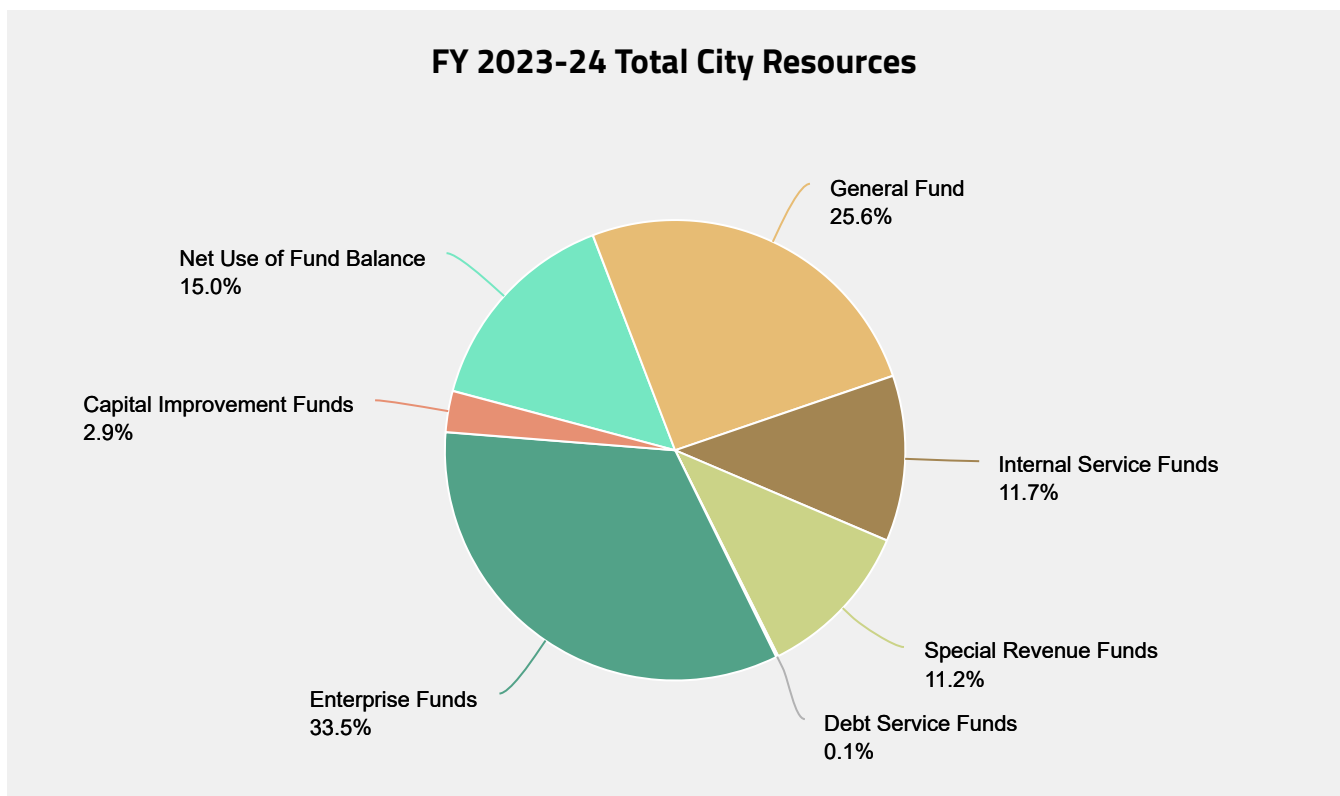


RESOURCES		
Property Taxes	\$ 82,075,537	7.0%
Sales Taxes	98,497,423	8.4%
Utility Users Taxes	29,638,160	2.5%
Occupancy Taxes	9,965,000	0.8%
Licenses & Permits	11,637,371	1.0%
Revenue From Other Agencies	94,695,343	8.1%
Charges For Services	538,029,772	45.9%
Interfund Revenue	45,560,276	3.9%
Fines and Forfeitures	7,225,000	0.6%
Interest/Use of Money	19,741,532	1.7%
Miscellaneous & Non-Operating	21,162,882	1.8%
Transfers From Other Funds	38,349,233	3.3%
Net Use of Fund Balance	176,201,677	15.0%
<b>Grand Total</b>	<b>\$ 1,172,779,206</b>	<b>100.0%</b>

## Overview of Resources

The City Resources forecasted for FY 2023-24 reflect a conservative yet consistent approach with established budget practices and financial principles. We used various forecasting techniques, such as trend analysis, economic indicators, and professional judgment to arrive at the forecasted revenue. Revenue forecasting is one of the most challenging aspects in the budget process and a variety of factors come into play when deciding on revenue projections, such as estimates of population growth, local and regional economic growth, inflation, historical revenue patterns, and factors specific to individual revenue sources.

Total FY 2023-24 City Resources (including Transfers from Other Funds and Use of Fund Balance) are approximately \$1.2 billion. The following chart and table illustrate the total budgeted resources for all City Funds for FY 2023-24:



Fund Type	Adopted FY 2022-23	Adopted FY 2023-24	Increase / (Decrease)	% Change
General Fund	\$ 261,906,260	\$ 299,838,614	\$ 37,932,354	14.5%
Special Revenue Funds	121,643,726	131,373,934	9,730,208	8.0%
Debt Service Funds	1,641,000	1,695,000	54,000	3.3%
Capital Improvement Funds	39,364,499	34,040,382	(5,324,117)	(13.5%)
Enterprise Funds	376,827,151	392,935,119	16,107,968	4.3%
Internal Service Funds	124,419,366	136,694,480	12,275,114	9.9%
Net Use of Fund Balance	170,599,310	176,201,677	5,602,367	3.3%
<b>Total Resources</b>	<b>\$ 1,096,401,312</b>	<b>\$ 1,172,779,206</b>	<b>\$ 76,377,894</b>	<b>7.0%</b>

## General Fund

The General Fund Revenue budget for FY 2023-24 is projected to be \$299.8 million (including approximately \$34.2 million for Measure S sales tax revenue). For FY 2023-24, the General Fund budget has been balanced with the projected use of \$16.1 million of Measure S Unallocated Fund Balance, as well as approximately \$20.4 million of American Rescue Plan Act (ARPA) Funds.

The General Fund provides the majority of ongoing governmental services that are not funded through restricted special revenue funds. These services include Fire, Police, Library, Arts & Culture, Community Services & Parks, Community Development, Public Works, and general staff support services that include City Clerk, City Treasurer, City Attorney, City Manager, Finance, and Human Resources. This fund is supported by general taxes, including property, sales, and utility user taxes, in addition to other various fees, taxes and transfers from other funds.

The table below shows the estimates of the major revenue sources for the General Fund by category for FY 2022-23 and FY 2023-24.

### General Fund Revenues

Category	Adopted FY 2022-23	Revised FY 2022-23	Adopted 2023-24	Variance	% Change
Property Taxes	\$ 76,960,571	\$ 76,960,571	\$ 80,318,537	\$ 3,357,966	4.4%
Sales Taxes	52,235,457	56,832,876	56,936,209	103,333	0.2%
Sales Taxes (Measure S)	17,523,710	21,721,746	34,154,000	12,432,254	57.2%
Utility Users Taxes	24,992,782	27,480,114	29,638,160	2,158,046	7.9%
Occupancy Taxes	7,970,457	8,600,000	9,965,000	1,365,000	15.9%
Licenses & Permits	9,498,746	10,498,746	10,090,543	(408,203)	(3.9%)
Revenue from Other Agencies	220,000	220,000	443,114	223,114	101.4%
Charges for Services	26,620,195	27,220,195	29,175,675	1,955,480	7.2%
Interfund Revenue	18,697,882	18,697,882	19,058,184	360,302	1.9%
Fines and Forfeitures	3,005,000	3,005,000	3,225,000	220,000	7.3%
Use of Money and Property	2,319,540	3,110,540	3,668,942	558,402	18.0%
Miscellaneous & Non-Operating	1,161,200	1,210,700	804,000	(406,700)	(33.6%)
Transfers from Other Funds	20,700,720	20,700,720	22,361,250	1,660,530	8.0%
<b>Total Revenues</b>	<b>\$ 261,906,260</b>	<b>\$ 276,259,090</b>	<b>\$ 299,838,614</b>	<b>\$ 23,579,524</b>	<b>8.5%</b>
Measure S Projected Unallocated Fund Balance	-	-	16,089,193	16,089,193	-
Econ Dev Assigned Fund Balance	617,215	-	-	-	-
ARPA Funds	17,974,084	17,974,084	20,447,921	2,473,837	13.8%
<b>Total Resources</b>	<b>\$ 280,497,559</b>	<b>\$ 294,233,174</b>	<b>\$ 336,375,728</b>	<b>\$ 42,142,554</b>	<b>14.3%</b>

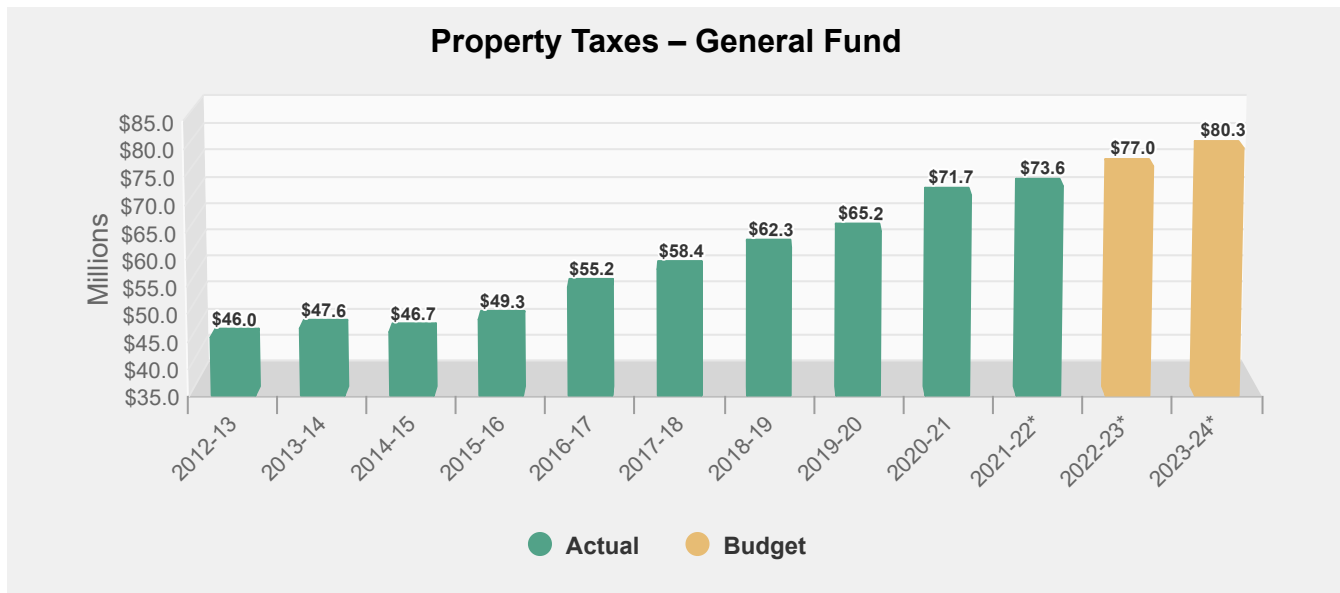
Major revenue categories, changes, and assumptions for the General Fund revenues are summarized in the following pages.

**Property Taxes** are the largest revenue source in the General Fund, representing 26.8% of the total General Fund revenues. For FY 2023-24, the property tax category is projected to increase by \$3.4 million, or 4.4% over the prior year's revised estimate, for a total of \$80.3 million. The City continues to experience growth in its assessed property valuation, however, has seen an overall decrease in the number of home sales in calendar year 2022 compared to 2021, mainly due to rising concerns over higher interest rates and inflation.

Thus, the City’s property tax consultants have forecasted a modest and conservative growth in Property Taxes for FY 2023-24 and outward.

Property Tax is an ad valorem tax (based on value) imposed on real property (land and permanently attached improvements such as buildings) and personal (movable) property. Proposition 13 adopted by the California voters on June 6, 1978, created a comprehensive system for the assessment and limitation of real property taxes. Property tax is based on the real property’s adjusted assessed full value. Proposition 13 set the FY 1975-76 assessed values as the base year from which future annual inflationary assessed value increases are calculated (not to exceed 2.0% for any given year). The County Assessor also re-appraises each real property parcel when there are purchases, construction, or other statutory defined “changes in ownership”. Proposition 13 limits the property tax rate to 1.0% of the property’s full value plus overriding rates to pay specifically approved voter indebtedness. The 1.0% property tax levy is collected by the County Tax Collector and is distributed to various public agencies. The City of Glendale receives 13.57% of the 1.0% levy on assessed value.

The graph below shows historical and forecasted Property Tax revenues, followed by a listing of the top 10 property taxpayers for the City’s General Fund.



**Notes:**

\* Starting in FY 2023-24, Property Transfer Taxes are no longer listed under Occupancy & Other Taxes category but reported under this category. This change has also been reflected in FY 2021-22 and FY 2022-23 for comparative purposes.

### Top 10 Property Taxpayers (In Alphabetical Order)

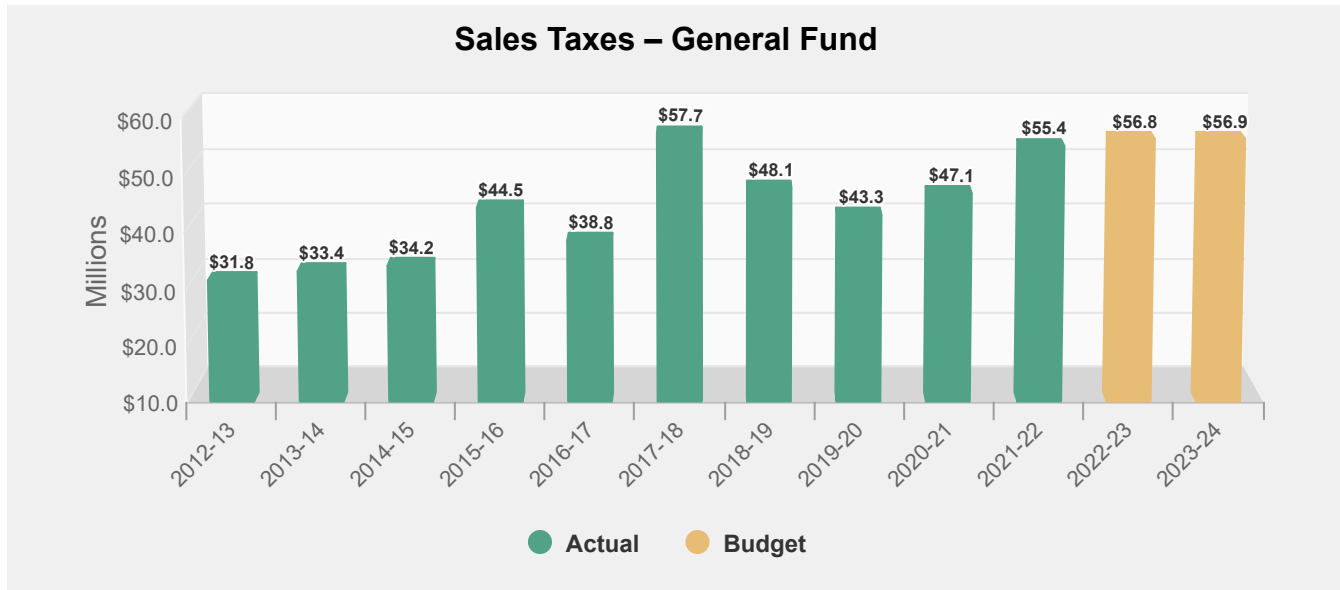
120 W Wilson Avenue Apartments LP	GPI 500 Brand Limited
Americana at Brand LLC	La Hana OW LLC Lessor
Americana Residential LLC	Onni 700 Brand LP
DWF V 655 North Central LLC	Stanley A Sirott Trust
Glendale Mall Associates LLC	Walt Disney World Company

Source: HdL Coren & Cone 2022-23 Property Data

**Sales Taxes** are the second largest revenue source in the General Fund, representing 19.0% of the total General Fund revenues, not including Measure S revenues. For FY 2023-24, Sales Taxes are forecasted to increase by \$103 thousand, or 0.2% over the prior year’s revised estimate, for a total of \$56.9 million.

While the revenue for this category has certainly recovered from the pandemic with the City experiencing healthy sales tax growth in the past year, the City’s Sales Tax consultants are projecting a slowdown in the upcoming fiscal year and the outer years, resulting in little to no growth in anticipated revenues for FY 2023-24.

The graph below illustrates historical and forecasted Sales Tax revenues, followed by a listing of the top 25 Sales Tax producers for the City.



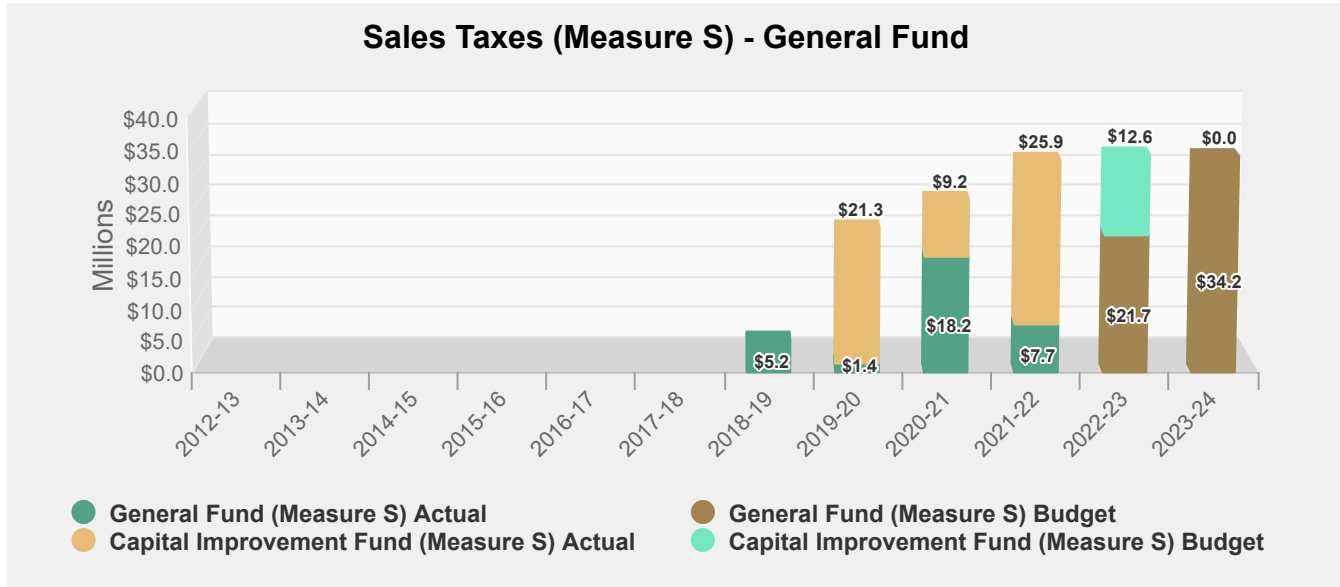
### Top 25 Sales Tax Producers (in Alphabetical Order)

- |                                  |                          |
|----------------------------------|--------------------------|
| Apple                            | Lexus of Glendale        |
| Bloomington's                    | Macy's                   |
| Bob Smith Toyota                 | New Century Honda        |
| Calstar Mercedes                 | Nordstrom                |
| Car Pros Kia Glendale            | Pacific BMW              |
| CDW Direct                       | Solar Optimum            |
| CDW Government                   | Star Auto Group          |
| Financial Services Vehicle Trust | Target                   |
| Glendale Dodge Chrysler Jeep     | Tesla Motors             |
| Glendale Nissan                  | Toyota Lease Trust       |
| Glendale Subaru/Mitsubishi       | Toyota of Glendale Scion |
| Home Depot                       | United Oil               |
| Hyundai Lease Titling Trust      |                          |

Source: HdL Companies 1<sup>st</sup> Quarter 2023 Newsletter – City of Glendale

**Sales Tax (Measure S)** - In November 2018, Glendale voters approved the Quality of Life and Essential Services Protection Measure (Measure S), which took effect April 1, 2019, and added 0.75% to the sales tax rate in the City. This additional Sales Tax revenue is estimated to generate approximately \$34.2 million in FY 2023-24. It is important to note that the entire Measure S Sales Tax revenue estimate is being included within the FY 2023-24 General Fund revenues, while the prior fiscal years only reflect the Measure S Sales Tax portion that was used mostly to fund Measure S revenue supported recurring General Fund programs.

The graph below illustrates historical and forecasted Sales Tax (Measure S) revenues.

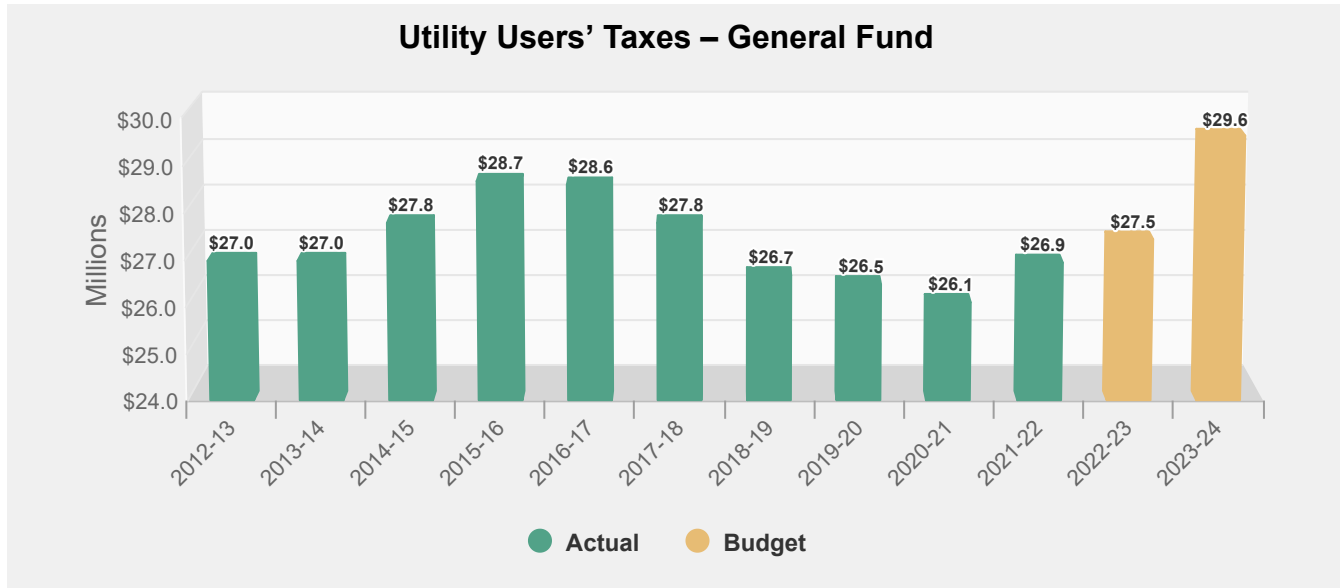


**Utility Users' Taxes (UUT)** are the third largest revenue source for the General Fund, representing 9.9% of the total General Fund revenues. This tax is levied on the following utility services: video (6.5%), telecommunications (6.5%), electricity (7.0%), gas (7.0%), and water (7.0%). The telecommunications category includes wired and wireless telecommunications; prepaid, intrastate, interstate, and international services; ancillary services; voice-over internet protocol; paging; and private communication services. UUT revenues are estimated to increase by \$2.2 million, or 7.9% over prior year's revised estimate, for a total estimate of \$29.6 million for FY 2023-24.

We anticipate an increase in Electric UUT due to an expected increase in Electric operating revenues through the upcoming GWP Cost of Service Assessment (COSA). However, the City is anticipating a continued decrease in telecommunication revenues due to consumers' declining usage of voice and text and increasing data usage (internet access and internet access-based apps). Data services have been deemed as exempt from taxation by courts in California and other jurisdictions nationwide. Cable revenue also continues to slowly decline as customers cancel traditional cable television services in favor of streaming services, which results in a lower bill and corresponding tax collection.

In addition, per Assembly Bill 1717, effective January 1, 2016, the Board of Equalization and the City have been authorized to collect the UUT from prepaid wireless sales within local jurisdictions. The original legislation was to sunset on January 1, 2020; however, that has been further extended to January 1, 2026, via Senate Bill 1441.

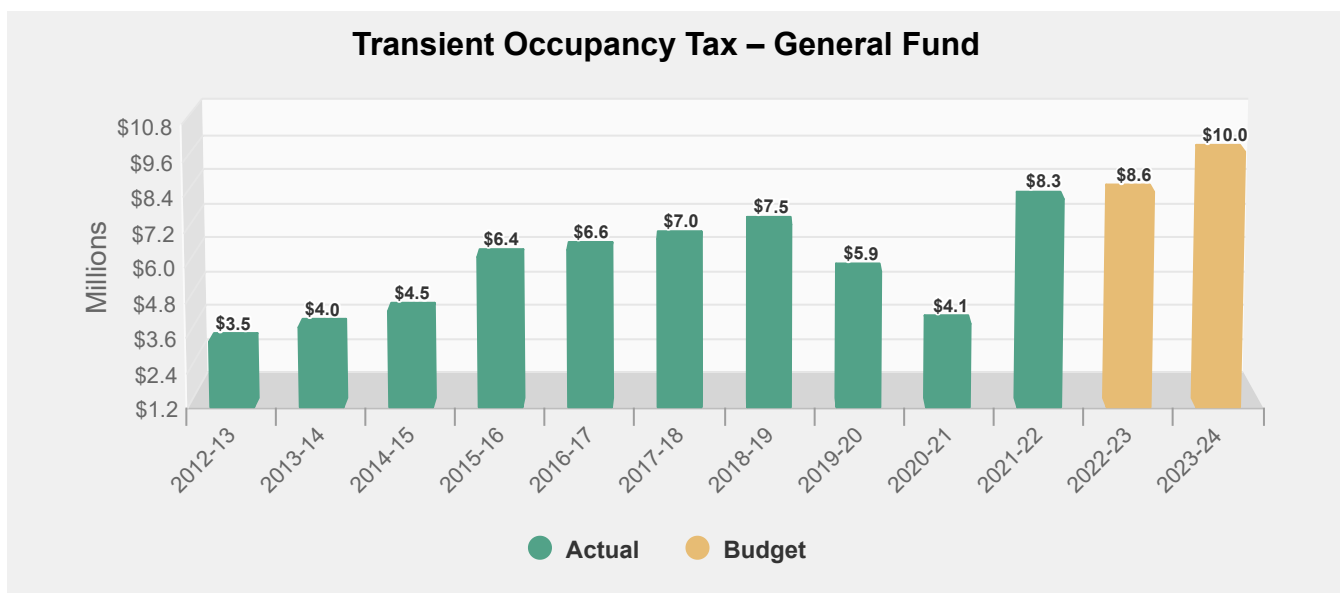
The graph below illustrates historical and forecasted UUT revenues.



**Transient Occupancy Tax (TOT)** represents 3.3% of the total General Fund revenues. This tax is levied at 12.0% for occupying a room(s) or other living space(s) in a hotel, inn, tourist home/house, motel or other lodging for a period of 30 days or less. The TOT is authorized under Section 4.32 of the Glendale Municipal Code and the revenue is deposited into the General Fund. For FY 2023-24, TOT revenue is anticipated to increase by \$1.4 million, or 15.9% over the FY 2022-23 revised estimate, for a total estimate of \$10.0 million for FY 2023-24.

Since the pandemic, hotel services have seen significant recovery over the past year. Consequently, TOT revenues, which are received by hotels at the time of booking and remitted to the City on a monthly basis, have seen month-over-month growth in recent quarters. Also, built into the FY 2023-24 revenue estimate is the anticipated revenue to be received from the newly opened Holiday Inn Express & Suites hotel in Glendale Downtown.

The graph below illustrates historical and forecasted TOT revenues.

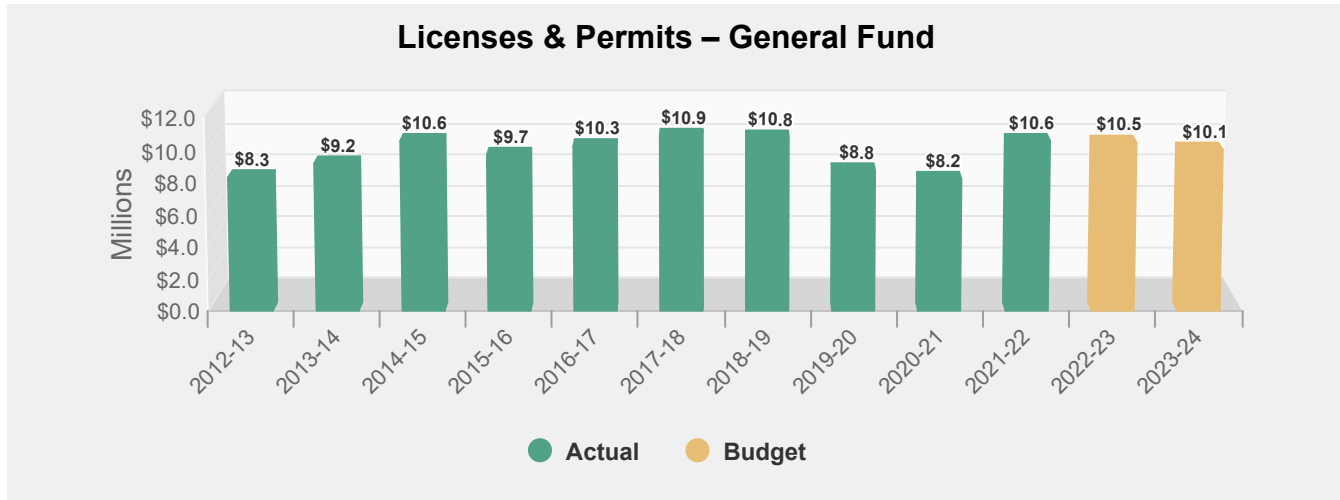




**Licenses and Permits** include Building Permits, Business License Permits, Planning Permits and Street Permits. Licenses & Permits represents 3.4% of the total General Fund revenues. Revenue in this category is project-based and non-recurring, and is estimated to decrease by \$408 thousand, or 3.9%. The decrease is primarily due to lower projected revenue in Planning Permits and Street Permits.

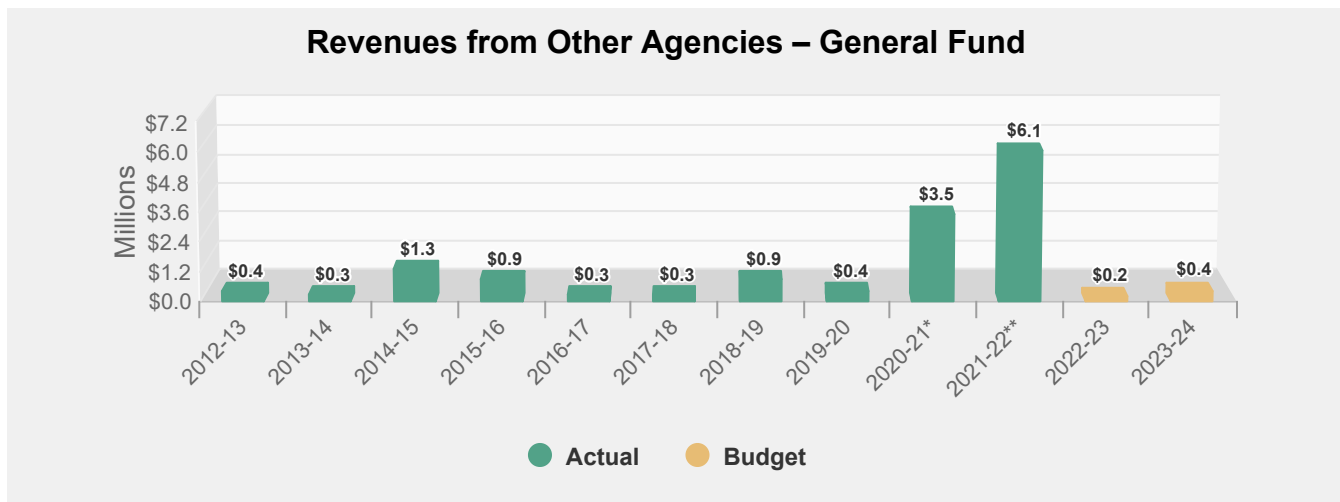
The largest revenue stream in this category is Building Permits, which is estimated to increase by \$176 thousand, or 3.0% from the FY 2022-23 estimate, for a total FY 2023-24 estimate of \$6.0 million.

The graph below illustrates historical and forecasted Licenses and Permits revenues.



**Revenues from Other Agencies** for the General Fund mainly consists of unrestricted Federal, State and Local grants, as well as reimbursements, which include State SB 90 revenues and Ground Emergency Medical Transportation (GEMT) program reimbursements. This category represents 0.1% of the total General Fund revenues, with \$443 thousand estimated for FY 2023-24.

The graph below illustrates historical and forecasted Revenues from Other Agencies.



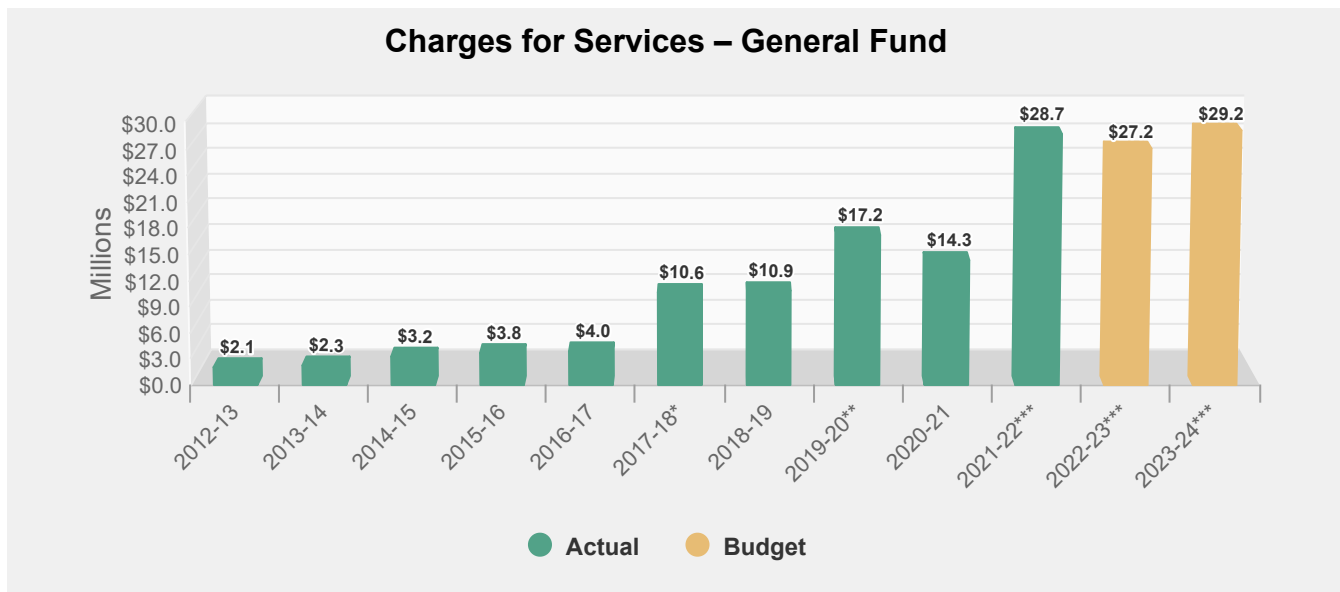
**Notes:**

- \* In FY 2020-21, the City received a one-time direct financial relief from the CARES Act in the amount of \$2.5 million.
- \*\* In FY 2021-22, the City used \$5.1 million of ARPA Funds.

**Charges for Services** include user fees that are charged for a variety of services provided to the public, franchise fees charged for a right-of-way or license granted to an individual or a group to market a company's goods or services in a particular territory, and Landfill Host Assessment fees.

For FY 2023-24, this category is expected to increase by \$2.0 million, or 7.2%, totaling \$29.2 million, which represents 9.7% of the total General Fund revenues. While this category was impacted due to the pandemic, City services, programs, and facilities reopened during FY 2022-23, which accounts for the increase in this revenue category.

The graph below illustrates historical and forecasted revenues from Charges for Services.

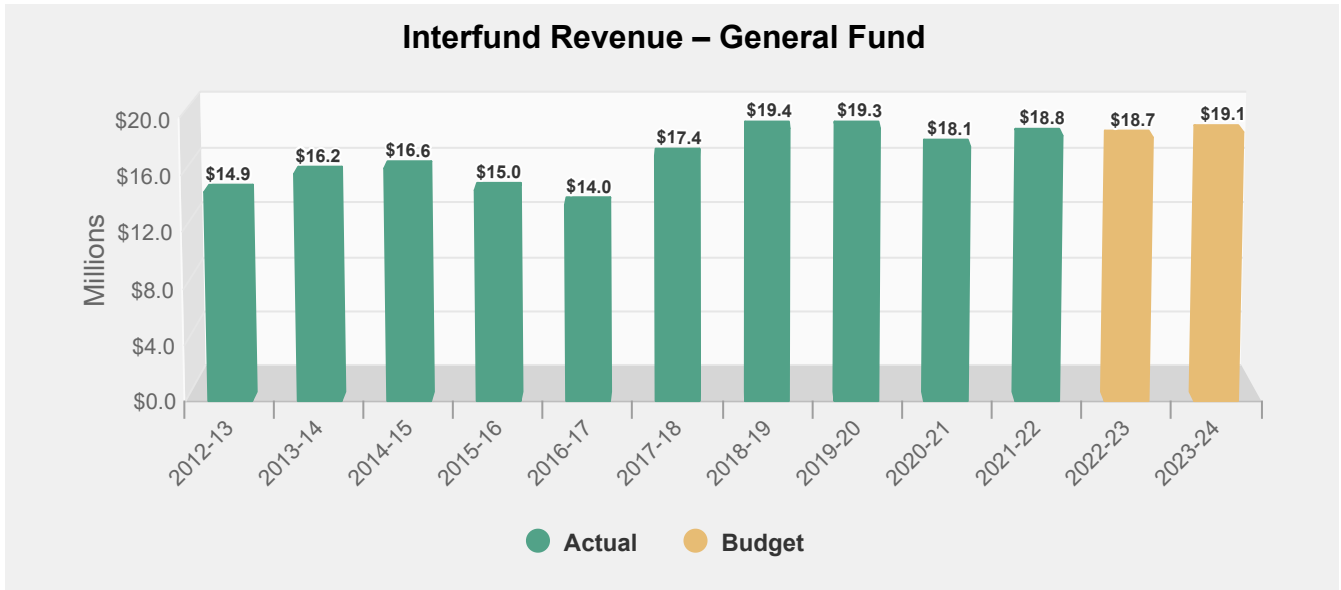


**Notes:**

- \* In FY 2017-18, the large increase is mainly due to the shift of the Emergency Medical Response fund (Fund 2200) to the General Fund, which also includes the Paramedic Membership Fees.
- \*\* In FY 2019-20, the shift of the Filming Funds and the Recreation Fund into the General Fund significantly increased the revenue estimate for this category, as well as the receipt of \$2.0 million in Scholl Canyon Tipping Fees that had previously only been received in the Capital Improvement Fund.
- \*\*\* Starting in FY 2023-24, Landfill Host Assessment and Franchise Taxes are no longer listed under Occupancy & Other Taxes category but reported under this category. This change has also been reflected in FY 2021-22 and FY 2022-23 for comparative purposes.

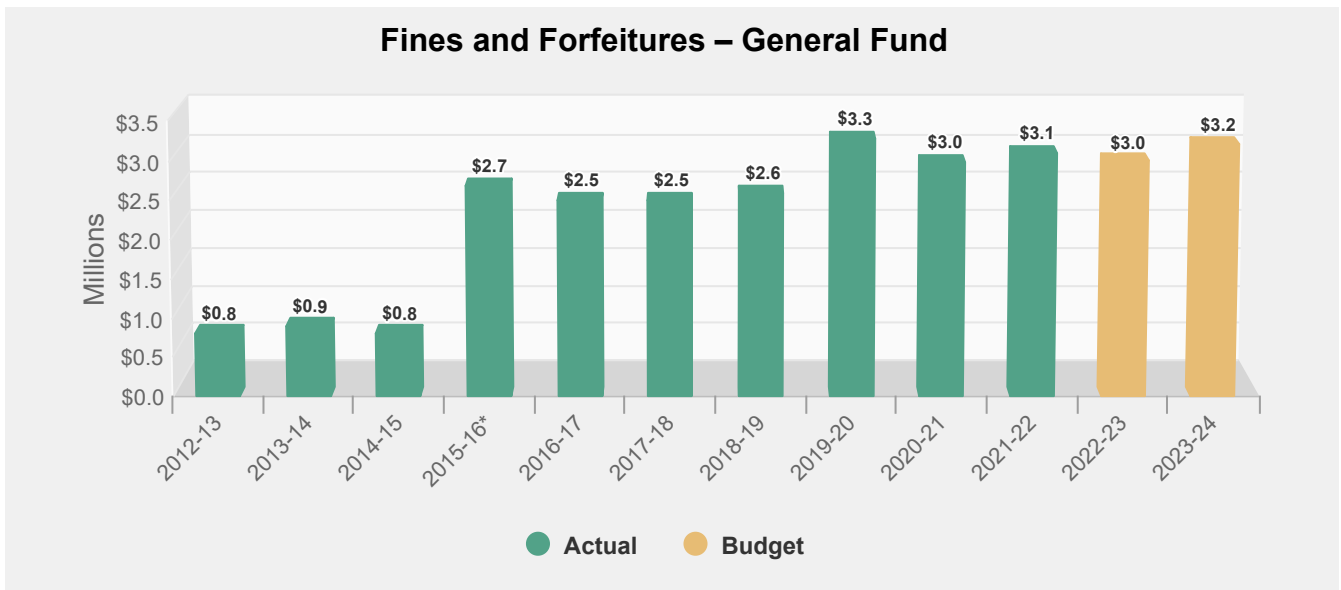
**Interfund Revenue** is mainly the revenue derived from the City's cost allocation plan. This plan formally allocates certain General Fund costs from "central service" departments to a variety of "receiving" departments that are funded outside of the General Fund. The central service departments in the General Fund include City Attorney, City Clerk, City Treasurer, Finance, Management Services, Human Resources, Fire Administration, and Public Works Administration. Receiving departments include Community Development, Community Services & Parks, Fire, Glendale Water & Power, Information Technology, Library, Arts & Culture, Public Works, and Police. The premise behind the formal cost allocation plan is to identify those costs associated with services provided by the central service departments to the receiving departments and recover said costs. For FY 2023-24, this category is expected to increase by \$360 thousand, or 1.9%, totaling \$19.1 million, which represents 6.4% of the total General Fund revenues.

The graph below illustrates historical and forecasted Interfund Revenue.



**Fines and Forfeitures** are derived from the collection of penalties for violations of statutory offenses, administrative rules, confiscated property, and court fees. Fines and Forfeitures revenue represents 1.1% of the total General Fund revenues in the FY 2023-24 Adopted Budget. The estimated revenue for FY 2023-24 is \$3.2 million, of which \$2.6 million is the revenue derived from issued parking tickets.

The graph below illustrates historical and forecasted revenues from Fines and Forfeitures.

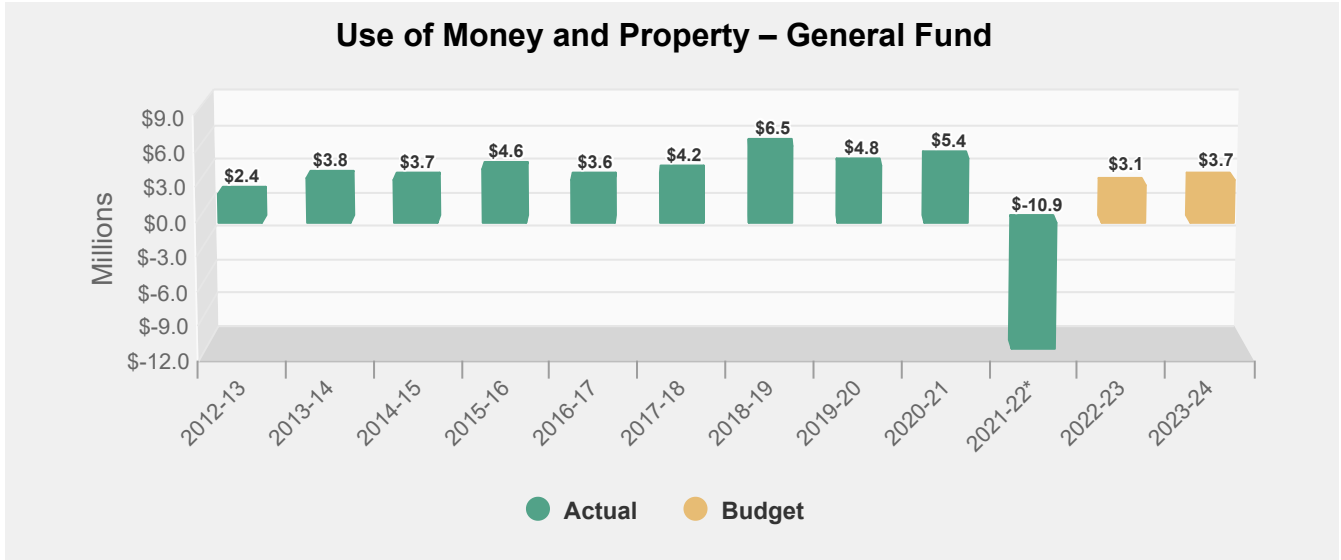


**Notes:**

\* Starting in FY 2015-16, the annual transfer from the Parking Fund was no longer listed under Transfers from Other Funds category but reported under this category.

**Use of Money and Property** mainly includes Interest and Investment Revenues and Rent and Lease Income. The City Treasurer invests funds that are available but not needed for immediate disbursement. Funds are invested in Local Investments Pool and in a core portfolio of U.S. Government Obligations. This category is projected to increase by \$558 thousand, or 18.0%, for FY 2023-24, due primarily to higher estimated interest revenue.

The graph below illustrates historical and forecasted revenues from Use of Money and Property.

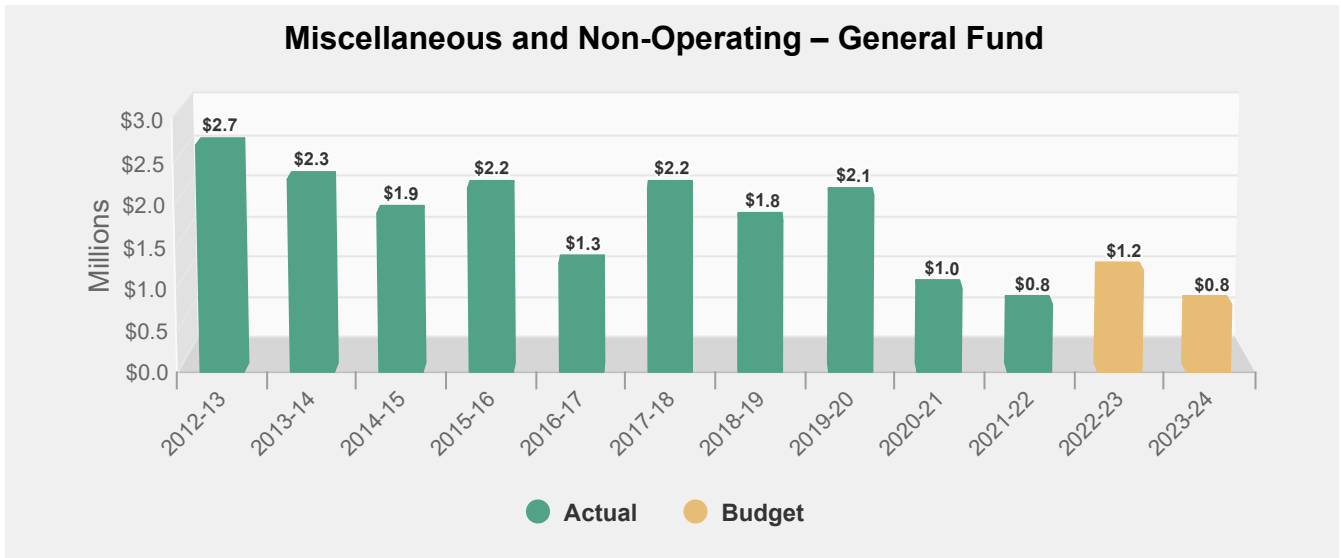


**Notes:**

\* The Use of Money and Property category is negative due to the unrealized losses in interest revenue, recorded in accordance with GASB 31 in the amount of \$8.8 million and the unbudgeted interest income and unrealized losses recorded for the Section 115 PERS Stabilization Trust Fund totaling to a net \$5.3 million.

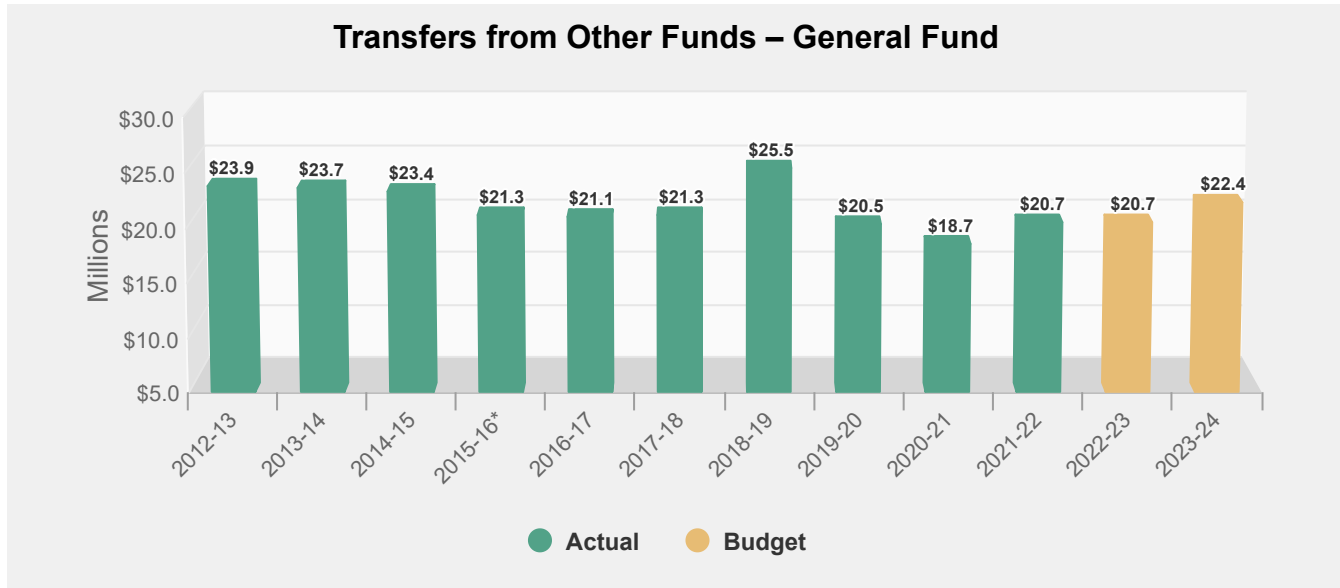
**Miscellaneous & Non-Operating** consists of revenues other than taxes and fees, such as the sale of items/property not normally held for resale, unclaimed money or property or other contributions and donations. For FY 2023-24, this revenue category represents \$804 thousand, or 0.3% of the General Fund revenues.

The graph below illustrates historical and forecasted Miscellaneous and Non-Operating Revenue.



**Transfers from Other Funds** are made to the General Fund for a variety of purposes. Transfers represent 7.5% of the total General Fund revenues in the FY 2023-24 Adopted Budget. The transfer in this category consists of the transfer from the Electric Revenue Fund, totaling \$22.4 million, or 10.0% of the total Electric Operating Revenues for FY 2023-24.

The graph below illustrates historical and forecasted Transfers from Other Funds.



**Notes:**

\* Starting in FY 2015-16, the transfer from the Parking Fund was no longer listed under this category, but rather in the Fines & Forfeiture category.

## Special Revenue Funds

Revenues in Special Revenue Funds are estimated to total \$131.4 million in FY 2023-24, which is \$9.7 million, or 8.0%, higher than the FY 2022-23 Adopted Budget, due primarily to the following changes:

- Housing Assistance Fund (2020) – The increase of \$4.0 million is due primarily to an increase in anticipated revenues for FY 2023-24, which will be applied to the year’s estimated housing assistance program costs.
- Workforce Fund (2060) – The decrease of \$861 thousand is due primarily to a decrease in anticipated federal grants and lower service fees revenue.
- Parking Fund (2210) – The increase of \$1.1 million is due primarily to an increase in anticipated parking tickets revenue resulting from parking usage returning to pre-pandemic levels.
- Transit Prop A Local Return Fund (2560) – The increase of \$673 thousand is due primarily to an increase to the Subsidy Prop A Local Return revenues.
- Transit Utility Fund (2580) – The increase of \$2.4 million is due primarily to an increase in Subsidy Revenue.
- Electric Public Benefit Fund (2910) – The increase of \$784 thousand is due primarily to an increase in public benefit fees revenue.

## Debt Service Funds

For FY 2023-24, there is an increase from the prior year of \$54 thousand, or 3.3%, for a total of \$1.7 million, in the Debt Service Fund for the Police Building construction project, based on the Glendale Municipal Financing Authority 2019 Lease Revenue Refunding Bonds schedule.

## Capital Improvement Funds

Revenues in Capital Improvement Funds are estimated to total \$34.0 million in FY 2023-24, which is a \$5.3 million, or 13.5%, decrease from the FY 2022-23 Adopted Budget, due primarily to the following changes:

- *Capital Improvement Fund (4010)* – The decrease of \$5.0 million is due to no funding allocated to Capital Improvement projects in FY 2023-24. Beginning FY 2023-24, the Scholl Canyon Royalty Fee will be deposited directly in the Landfill Postclosure Fund, and the Sales Tax Transfer is only reflected in the Capital Improvement Fund (Measure S) described below.
- *Capital Improvement Fund (Measure S) (4011)* – The \$8.6 million revenue estimate for this fund is a transfer from the estimated \$34.2 million in Measure S Sales Tax revenues included within the General Fund for the funding of various Capital Improvement projects.
- *Landfill Postclosure Fund (4030)* – The increase of \$2.4 million is due primarily to higher Scholl Canyon Royalty Fees anticipated. It is important to note that beginning FY 2023-24, the fees will be deposited directly in this fund instead of the Capital Improvement Fund. Consequently, the landfill transfer from the Capital Improvement Fund is also suspended.

## Enterprise Funds

Revenues in Enterprise Funds are estimated to total \$392.9 million in FY 2023-24, which is \$16.1 million, or 4.3%, higher than the FY 2022-23 Adopted Budget, due primarily to the following changes:

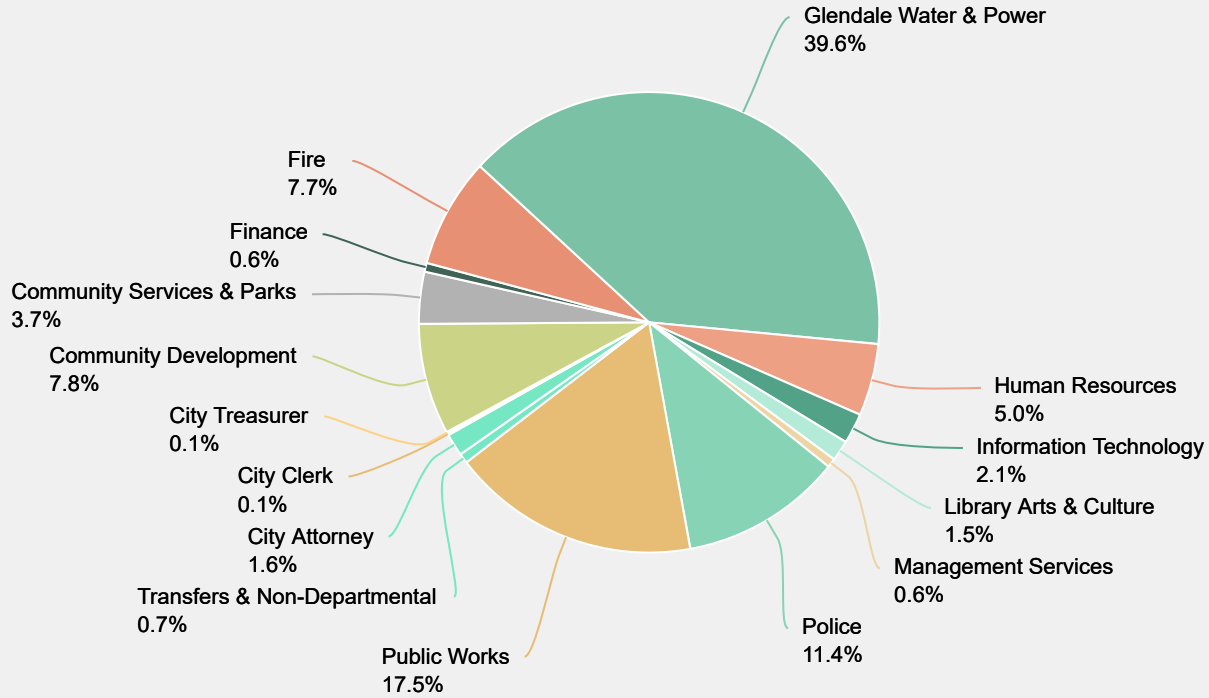
- *Sewer Fund (5250)* – The increase of \$2.5 million is due primarily to higher projected revenues from the commercial user groups.
- *Refuse Disposal Fund (5300)* – The increase of \$4.6 million is due largely to a projected rate adjustment in the residential refuse disposal fees.
- *Electric Utility Funds (5810 – 5880)* – The net increase of \$7.8 million is due primarily to an increase in the estimated revenue from electric domestic sales, partially offset by a decrease in electric commercial sales.
- *Water Utility Funds (5910 – 5980)* – The net increase of \$493 thousand is due primarily to increases in drought rates in the Multi-Family, Single-Family, and Commercial user groups, partially offset by a decrease in the sale of water in the Single-Family user group.

### Internal Service Funds

Revenues in Internal Service Funds are estimated to total \$136.7 million in FY 2023-24, which is \$12.3 million, or 9.9%, higher than FY 2022-23 Adopted Budget, due primarily to the following changes:

- Fleet Management Fund (6010) – The increase of \$3.7 million is due primarily to a transfer from the General Fund to help replenish the fund.
- ITD Infrastructure Fund (6030) – The decrease of \$3.3 million is due to a decrease in ITD service charges to other departments.
- Liability Insurance Fund (6120) – The increase of \$3.1 million is due primarily to an increase in revenue estimates for self-insured insurance.
- Compensation Insurance Fund (6140) – The increase of \$3.0 million is due primarily to an increase in various Workers' Compensation rates.
- Employee Benefits Fund (6400) – The increase of \$1.9 million is due primarily to an increase in revenue estimates for employee vacation and compensatory time charges.
- Wireless Fund (6600) – The increase of \$1.8 million is due to an increase in ITD service charges to other departments.

## Where the Money Goes Total Appropriation FY 2024 = \$1,172,779,206

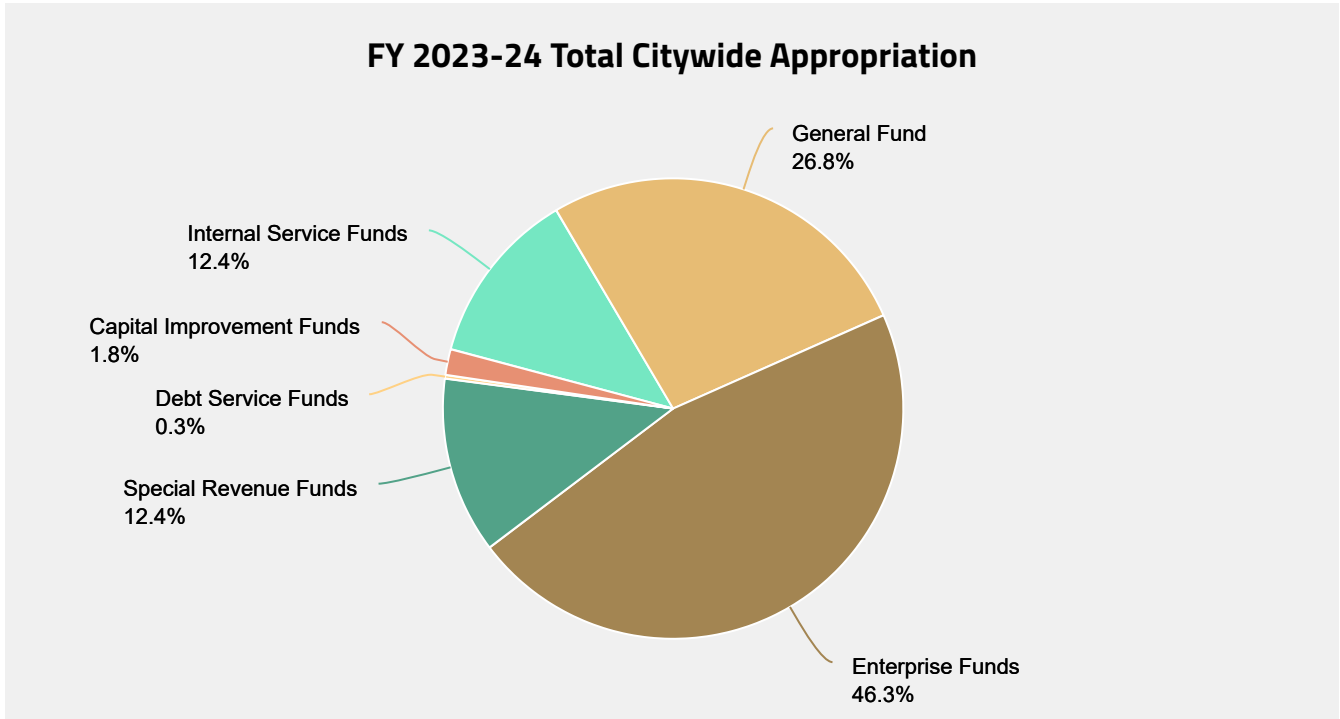


APPROPRIATIONS		
City Attorney	\$ 18,646,285	1.6%
City Clerk	1,527,864	0.1%
City Treasurer	1,104,064	0.1%
Community Development	91,479,165	7.8%
Community Services & Parks	42,807,697	3.7%
Finance	7,363,608	0.6%
Fire	90,311,651	7.7%
Glendale Water & Power	464,984,378	39.6%
Human Resources	59,190,481	5.0%
Information Technology	25,015,243	2.1%
Library Arts & Culture	17,091,387	1.5%
Management Services	7,372,608	0.6%
Police	133,184,809	11.4%
Public Works	204,711,983	17.5%
Transfers & Non-Departmental	7,987,983	0.7%
<b>Grand Total</b>	<b>\$ 1,172,779,206</b>	<b>100.0%</b>



## Overview of Appropriations

Total citywide FY 2023-24 appropriations is \$1.2 billion. The following chart illustrates the percentage of budgeted appropriations for each fund type:



The table below depicts the total City appropriations by fund type as adopted for FY 2022-23 and FY 2023-24. Additional details can be found in the *Summary of Appropriations by Fund Type* report under the “Budget Summaries” section of this book.

### Total Citywide Budgeted Appropriations

Fund Type	Adopted FY 2022-23	Adopted FY 2023-24	Increase / (Decrease)	% Change
General Fund	\$ 280,497,560	\$ 314,485,272	\$ 33,987,712	12.1%
Special Revenue Funds	128,897,563	145,322,171	16,424,608	12.7%
Debt Service Funds	2,996,650	2,993,300	(3,350)	(0.1%)
Capital Improvement Funds	44,092,238	21,390,000	(22,702,238)	(51.5%)
Enterprise Funds	506,618,428	543,524,279	36,905,851	7.3%
Internal Service Funds	133,298,873	145,064,184	11,765,311	8.8%
<b>Citywide Total</b>	<b>\$ 1,096,401,312</b>	<b>\$ 1,172,779,206</b>	<b>\$ 76,377,894</b>	<b>7.0%</b>

The following sections discuss some of the major changes in appropriations depicted in the table above for each fund type.

## General Fund

Total FY 2023-24 General Fund Appropriations is approximately \$314.5 million. The appropriations for the adopted FY 2023-24 General Fund budget, together with comparative revised appropriations from FY 2022-23, are as follows:

Category*	Adopted FY 2022-23	Revised FY 2022-23	Adopted 2023-24	Increase/ (Decrease)	% Change
Salaries	\$ 102,449,097	\$ 99,317,534	\$ 110,835,963	\$ 11,518,429	11.6%
Overtime	10,954,250	10,832,487	11,486,526	654,039	6.0%
Hourly wages	8,423,453	8,390,803	8,512,605	121,802	1.5%
Benefits	32,102,663	32,102,663	33,836,274	1,733,611	5.4%
PERS Retirement	58,387,569	58,387,569	62,139,298	3,751,729	6.4%
PERS Cost Sharing	(3,567,519)	(3,567,519)	(3,414,452)	153,067	(4.3%)
Maintenance & Operation	68,466,674	73,134,362	75,056,075	1,921,713	2.6%
Capital Outlay	700,000	1,004,049	45,000	(959,049)	(95.5%)
Transfers Out	2,581,373	10,555,916	15,987,983	5,432,067	51.5%
<b>Total General Fund Budget</b>	<b>\$280,497,560</b>	<b>\$290,157,864</b>	<b>\$314,485,272</b>	<b>\$ 24,327,408</b>	<b>8.4%</b>

**Notes:**

\* Excludes carryovers.

As indicated above, the General Fund budget is forecasted to increase by approximately \$24.3 million, or 8.4% compared to the revised FY 2022-23 budget. This increase is mainly attributable to the following:

- **Salaries and Benefits:** The total net increase in the Salaries and Benefits category is approximately \$17.9 million. Of this, \$11.5 million is in salaries as a result of approved Memorandum of Understanding Cost of Living Adjustments, normal step progression and reallocation of employees; \$3.9 million is in PERS costs (net of employee cost sharing); and a net increase of \$2.5 million in hourly wages, overtime, and other benefits. These costs are inclusive of \$8.0 million in estimated vacancy savings.
- **Maintenance & Operation (M&O):** There is a total net increase of approximately \$1.9 million in the M&O budget proposed for FY 2023-24. This is primarily due to increases in internal service charges including \$4.4 million in the liability rate and \$1.3 million in the ITD service charge, as well as an increase of \$1.5 million in contractual services. These increases are partially offset by decreases of \$1.6 million in direct assistance, \$1.6 million in regulatory costs, and \$1.0 million in furniture and equipment.
- **Capital Outlay:** The total net decrease of approximately \$959 thousand in the Capital Outlay category is due to less equipment purchases this year compared to prior year.
- **Transfers Out:** The total net increase in this category is approximately \$5.4 million. Of the \$16.0 million in transfers budgeted for FY 2023-24, \$8.6 million is for the transfer to the Measure S Capital Improvement Fund for the funding of various Capital Improvement projects. In addition, \$5.8 million of the amount is budgeted for a transfer to two Internal Service Funds; \$4.0 million to the Fleet Management Fund and \$1.8 million to the Building Maintenance Fund to help replenish the two funds.

## Summary of Resources and Appropriations

Based on the FY 2023-24 proposed revenues and appropriations, as well as the anticipated use of approximately \$16.1 million of Measure S Unallocated Fund Balance and \$20.4 million in ARPA Funds, the proposed General Fund budget is balanced for FY 2023-24.

Total Resources	\$ 336,375,728
Total Appropriations	314,485,272
<b>Net Surplus / (Use of Fund Balance):</b>	<b>\$ 21,890,456</b>

## Special Revenue Funds

The approximately \$16.4 million increase in the Special Revenue Funds is primarily due to the following:

- *CDBG Fund (2010)* – The net decrease of approximately \$33 thousand is due to an increase in construction for the Pacific Natural Grass project, offset by a decrease in direct assistance.
- *Housing Assistance Fund (2020)* – The increase of approximately \$4.3 million is primarily due to an increase in direct assistance and Portable Voucher HAP expense.
- *Home Grant Fund (2030)* – The net increase of approximately \$6 thousand is due to an increase in contractual services, hourly wages, and personnel costs; offset by a decrease in direct assistance.
- *Emergency Solutions Grant Fund (2050)* – The decrease of approximately \$9 thousand is primarily due to a decrease in direct assistance.
- *Workforce Fund (2060)* – The net decrease of approximately \$861 thousand is primarily due to increases in personnel costs, hourly wages, and contractual services, offset by a decrease in direct assistance.
- *Affordable Housing Trust Fund (2090)* – The decrease of approximately \$151 thousand is primarily due to decreases in personnel costs.
- *Urban Art Fund (2100)* – The increase of approximately \$540 thousand is due to an increase in contractual services.
- *Glendale Youth Alliance Fund (2110)* – The net decrease of approximately \$17 thousand is primarily due to a decrease in personnel costs and cost allocation charge, offset by an increase in liability insurance.
- *Low & Mod Income Housing Asset Fund (2130)* – The net decrease of approximately \$148 thousand is primarily due to decreases in personnel costs, rent, cost allocation, and ITD service charges, offset by a slight increase in contractual services.
- *Miscellaneous Grant Fund (2160)* – The increase of approximately \$5.6 million is due to new project appropriation for the Verdugo Wash project, Homeless Housing, Assistance and Prevention Round 4, and Prop A.
- *Hazardous Disposal Fund (2190)* – The increase of approximately \$16 thousand is due to an increase in personnel costs.
- *Parking Fund (2210)* – The increase of approximately \$1.6 million is primarily due to increases in personnel costs, contractual services, regulatory costs, as well as more project appropriation for the Parking Structure Improvement and Elevator Replacement at Marketplace and Orange Parking Lot projects.

- Measure M Local Return Fund (2220) – The decrease of approximately \$456 thousand is due to less project appropriation this year compared to last year.
- Measure W Fund (2260) – The net decrease of approximately \$409 thousand is primarily due to decreases in contractual services, engineering costs and construction costs, which is offset by more project appropriation for the Stormwater Capture & Treatment Program.
- Air Quality Improvement Fund (2510) – The decrease of approximately \$88 thousand is primarily due to a decrease in other employee benefits.
- Measure R Local Return Fund (2540) – The increase of approximately \$1.4 million is due to an increase in subsidy expenses; offset by decreases in capital outlay and construction costs.
- Transit Prop A Local Return Fund (2560) – The net increase of approximately \$1.0 million is primarily due to an increase in equipment and Subsidy Prop A Local Return, offset by a decrease in construction costs. In addition, more project appropriation was included for the Bus Technology Upgrades project.
- Transit Prop C Local Return Fund (2570) – The net decrease of approximately \$170 thousand is due to decreases in construction costs as a direct result of less project appropriation.
- Transit Utility Fund (2580) – The net increase of approximately \$2.4 million is primarily due to increases in contractual services, offset by decreases in personnel costs, building and grounds repair costs, and utility costs.
- Asset Forfeiture Fund (2600) – The net increase of approximately \$492 thousand is due to decreases in personnel costs, overtime, and non-fleet capital outlay, offset by an increase in fleet capital outlay for the purchase of a mobile command post.
- Police Fund (2610) – The increase of approximately \$113 thousand is primarily due to increases in personnel costs, contractual services, overtime costs, training, general supplies, and liability insurance.
- Supplemental Law Enforcement Fund (2620) – The increase of \$150 thousand is due to an increase in personnel costs, overtime costs, and liability insurance.
- Fire Mutual Aid Fund (2660) – The decrease of approximately \$418 thousand is due to a decrease in personnel costs as a result of conservative planning of fire mutual aid resources being deployed in FY 2023-24.
- Nutritional Meals Grant Fund (2700) – The increase of approximately \$185 thousand is primarily due to increases in hourly wages, contractual services, and general supplies.
- Library Fund (2750) – The net increase of approximately \$90 thousand is primarily due to an increase in personnel costs which is offset by a decrease in general supplies.
- Cable Access Fund (2800) – The decrease in \$50 thousand is due to no project appropriation this year compared to prior year.
- Electric Public Benefit Fund (2910) – The net increase of approximately \$1.3 million is due to an increase in personnel costs and funding towards public benefit programs, partially offset by decreases in contractual services and cost allocation charges.

### Debt Service Funds

There is only one Debt Service Fund with an appropriation for FY 2023-24: The Police Building 2019 Fund (3031). The net decrease in this fund of approximately \$3 thousand is mainly due to decreases in interest costs on the bond and in contractual services, offset by an increase in the principal payment.

### Capital Improvement Funds

The approximately \$22.7 million net decrease in the Capital Improvement Funds is primarily due to the following:

- *Capital Improvement Fund (4010)* – decrease of approximately \$13.7 million is the result of an overall decrease in new project appropriations relative to last fiscal year. The proposed project appropriations for FY 2023-24 within this fund include: ADA Facility Modifications, Branch Libraries, and Parks Unanticipated Repairs.
- *Capital Improvement Fund (Measure S) (4011)* – The decrease of \$8.6 million is the result of an overall decrease in new project appropriations relative to last fiscal year. The proposed project appropriations for FY 2023-24 within this fund include: Alex Theatre Improvements, Phase I, Sports Complex Field 3 Artificial Turf, Pedestrian and Bike Plan Implementation, Colorado Street Pedestrian Safety Improvement, Wilson Avenue Pedestrian Safety Improvement, Civic Auditorium Wood Floor and Drapery, Pacific Community Pool Replaster, Pacific/Edison Artificial Turf Multi-Purpose Field Design for Replacement, Fire Station 24 Restrooms, Fire Station 27 Ambulance Operator Dormitories, Citywide Picnic Table Replacement, and City Hall Lobby and Entrance.
- *State Gas Tax Fund (4020)* – The decrease of approximately \$1.3 million is a result of decreases in contractual services and engineering costs due to less project appropriation. New appropriation for FY 2023-24 includes Street Tree Maintenance, View Crest Road Pavement Rehabilitation, PMP Implementation Project, and ADA Crack and Seal Program.
- *Parks Mitigation Fee Fund (4050)* – The increase of \$500 thousand is due to more project appropriation compared to prior year. New project appropriation includes land acquisition for a new park.
- *Library Mitigation Fee Fund (4070)* – The increase of \$225 thousand is a result of additional appropriation for the Library Collection Development project.
- *Measure A Fund (4130)* – The increase of \$175 thousand is a result of new appropriations for projects relative to last fiscal year. The proposed project appropriations for FY 2023-24 within this fund are for Adams Park Mini Playground Replacement and Cerritos Splash Pad/Restroom Renovation Design.

## Enterprise Funds

The approximately \$36.9 million net increase in the Enterprise Funds is primarily due to the following:

- *Sewer Fund (5250)* – The net increase of approximately \$7.9 million is due to an increase in personnel costs, contractual services, capital outlay, amortization expense and construction costs. These are offset by decreases in depreciation, engineering costs, direct assistance costs, and other improvement costs. Some of the major proposed project appropriations for FY 2023-24 within this fund include: Wastewater Capacity Improvement, Hyperion Wastewater System, Los Angeles/ Glendale Water Reclamation Plant, Citywide Sewer CCTV Inspection, and Wastewater Master Plan Implementation Program.
- *Refuse Disposal Fund (5300)* – The net increase of approximately \$1.5 million is primarily due to an increase in fleet equipment charge, capital outlay, and equipment costs, which are offset by decreases in personnel costs, contractual services, and depreciation.
- *Fiber Optic Fund (5400)* – The increase of approximately \$78 thousand is primarily due to an increase in personnel costs and contractual services.
- *Verdugo Fire Communication Fund (5800)* – The net increase of approximately \$269 thousand is due to an increase in personnel costs and capital outlay, offset by decreases in contractual services and depreciation.
- *Electric Utility Funds (5820, 5830, 5850 & 5880)* – The increase of approximately \$23.3 million is mainly attributable to increases in contractual services, personnel costs, natural gas fuel, purchased power, carbon allowances, and appropriation for capital improvement projects compared to last fiscal year. Some of the major proposed project appropriations for FY 2023-24 within this fund include: GWP Solar Design Built Program, Grayson Demolition & Site Improvement, 4kV to 12kV Feeder Upgrade Program, Sub-Mobile Transformer, Fiber Plan, Upgrade/Replace Advances Metering Infrastructure, and Grayson Repower Services.
- *Water Utility Funds (5920, 5930, 5950 & 5980)* – The increase of approximately \$3.9 million is mainly attributable to an increase in personnel costs, contractual services, purchased water, utilities, cost allocation charge, and appropriation for capital improvement projects compared to prior fiscal year. Some of the major proposed project appropriations for FY 2023-24 within this fund include: Pipeline Management Kenneth 2023, Well Installation – Foothill Well, and SCADA Communication Improvement.

## Internal Service Funds

The approximately \$11.8 million net increase in the Internal Service Funds is primarily due to the following:

- *Fleet Management Fund (6010)* – The net increase of approximately \$8.1 million is primarily due to increases in personnel costs and capital outlay, offset by decreases in depreciation, vehicle maintenance, and contractual services.
- *ITD Infrastructure Fund (6030)* – The net increase of approximately \$507 thousand is primarily due to increases in personnel costs, contractual services, and computer hardware; partially offset by a decrease in capital outlay and projects.
- *ITD Applications Fund (6040)* – The net decrease of approximately \$1.5 million is primarily due to decreases in amortization expense, ITD service charge, and contractual services, offset by increases in personnel costs and maintenance projects.

- *Building Maintenance Fund (6070)* – The increase of approximately \$2.0 million is primarily due to increases in personnel costs, contractual services, general supplies, as well as new project appropriation. Some of the programmed funding for FY 2023-24 projects are: Cubicles & Office Buildout of Permit Services Center, Fire Sprinkler Head Replacements at Various Facilities, Roofing Replacements, Replacement of Four Fire Panels at Police Building, Flooring Replacement Citywide, Grandview Library Critical Maintenance, and Exterior Painting of Old Police Building.
- *Unemployment Insurance Fund (6100)* – The decrease of approximately \$51 thousand is primarily due to a decrease in claims.
- *Liability Insurance Fund (6120)* – The net increase of approximately \$2.4 million is primarily due to increases in excess insurance premium, slightly offset by decreases in personnel costs, contractual services, training, and general supplies.
- *Compensation Insurance Fund (6140)* – The net increase of approximately \$116 thousand is due to an increase in personnel costs, contractual services, and excess insurance premium; offset by a decrease in claim payments.
- *Dental Insurance Fund (6150)* – The increase of approximately \$29 thousand is due to an increase in claims.
- *Medical Insurance Fund (6160)* – The decrease of approximately \$223 thousand is due to a decrease in claims and group medical premium costs.
- *Vision Insurance Fund (6170)* – The increase of approximately \$15 thousand is due to increases in claims and cost allocation charges.
- *Employee Benefits Fund (6400)* – The increase of approximately \$676 thousand is due to increases in separation, vacation, and compensation time payouts.
- *RHSP Benefits Fund (6410)* – The decrease of approximately \$2.8 million is primarily due to a one-time transfer that was made in FY 2022-23 to the Liability Insurance Fund (6120) due to funding needs.
- *Post-Employment Benefits Fund (6420)* – The increase of approximately \$173 thousand is due to an increase in retiree Medicare Part A reimbursements, medical benefits for survivors of deceased employees, and PERS replacement benefits.
- *Wireless Fund (6600)* – The increase of approximately \$2.4 million is primarily due to an increase in personnel costs, repairs to buildings and grounds, and capital outlay; slightly offset by decreases in depreciation and ITD service charge.