



# Fiscal Year 2023-24 Mid-Year Budget Update

# Reasons for Mid-Year Adjustments



## Mid-Year is an opportunity to update budget based on:

- Emergencies
- Capital needs
- Emerging opportunities
- Unforeseen economic changes
- Shifts in priorities requiring reallocation of funding

# Mid-Year Adjustments Summary



## All Funds

CATEGORY	CURRENT BUDGET	PROPOSED CHANGES	TOTAL PROPOSED BUDGET
<b>Total Revenues</b>	<b>224,110,454</b>	<b>3,849,592</b>	<b>227,960,046</b>
Salaries & Benefits	84,784,021	1,354,163	86,138,184
Operating Expenditures	100,122,798	2,831,802	102,954,600
Capital Expenditures	94,119,184	3,762,027	97,881,211
Debt Service	6,033,267	-	6,033,267
Transfers	2,065,000	-	2,065,000
<b>Total Expenditures</b>	<b>287,124,270</b>	<b>7,947,992</b>	<b>295,072,262</b>
<b>NET IMPACT</b>	<b>(63,013,816)</b>	<b>(4,098,400)</b>	<b>(67,112,216)</b>

### Commentary

Revenues increased by 4.6m; this accounts for park acquisition fees that was missed for \$2m; along with property sales at \$1.57m that was not budgeted for. Increased development is expected to add another \$550,000 in fee revenue. Other increases are related to account lines that are doing better than expected. There was a decrease in revenue of \$757k for discontinued recreation programs for a net increase to revenues of \$3.8m.

Most expenditure adjustments for salaries & benefits are related to MOU signing bonuses, missed part-time, overtime and out-of-class budgets. Operating increases are mostly related to water meter software needs, replacing damaged solid waste commercial containers, additional funding for pavement, traffic control and streetlight maintenance, along with various small increases across accounts for building repairs, training, and equipment rentals. Whenever appropriate, these costs were offset by vacancy savings. Capital increases include funding for Louise Avenue & Lathrop Road improvements, and large equipment for Streets to aid in pavement maintenance.

# General Fund Adjustments



## Fund 100 - General Fund

	Adopted Budget	Amended Budget	Actuals through December	Mid-Year Requests	Proposed Budget	% Change
<b>REVENUES</b>						
Licenses and Permits	865,000	865,000	847,816	35,000	900,000	4%
Public Safety Programs	1,743,300	1,743,300	537,693	(522,000)	1,221,300	-30%
Rental Property	500,000	500,000	161,532	63,000	563,000	13%
<b>Total Revenues</b>	<b>69,111,437</b>	<b>69,111,437</b>	<b>20,278,411</b>	<b>(424,000)</b>	<b>68,687,437</b>	<b>-1%</b>
<b>EXPENDITURES BY CATEGORY</b>						
Salaries & Benefits	42,997,821	43,317,617	20,216,039	966,507	44,284,124	2%
Operations	23,937,427	24,751,421	9,796,929	666,260	25,417,681	3%
Capital	-	498,526	764,091	362,000	860,526	73%
<b>Total Expenditures</b>	<b>68,955,248</b>	<b>70,587,564</b>	<b>30,777,059</b>	<b>1,994,767</b>	<b>72,582,331</b>	<b>3%</b>
<b>EXPENDITURES BY DEPARTMENT</b>						
Non Departmental	10,874,000	10,886,077	5,707,977	310,000	11,196,077	3%
City Clerk	1,174,550	1,298,372	424,916	(1,600)	1,296,772	0%
City Attorney	1,694,738	1,648,706	721,441	113,900	1,762,606	7%
City Manager	5,509,713	5,702,018	1,823,241	76,900	5,778,918	1%
Human Resources	1,301,839	1,305,629	586,386	32,300	1,337,929	2%
Finance	2,898,375	2,916,596	1,102,126	140,800	3,057,396	5%
Police	22,589,432	23,051,604	10,668,794	466,953	23,518,557	2%
Fire	11,895,342	12,086,281	5,550,913	529,589	12,615,870	4%
Recreation	1,179,426	1,196,412	301,822	60,600	1,257,012	5%
Public Works	9,585,008	10,241,016	3,797,979	265,325	10,506,341	3%
<b>Total Expenditures</b>	<b>68,955,248</b>	<b>70,587,564</b>	<b>30,777,059</b>	<b>1,994,767</b>	<b>72,582,331</b>	<b>3%</b>

### Commentary

Revenue adjustments: We increased budget for Licenses and Permits and Rental Property based on current activity. Public Safety Mutual Aid was decreased for technical clean-up and unanticipated need for the remaining fiscal year for a net General Fund revenue decrease of \$424k.

Expenditure adjustments: We discovered an extra Firefighter was budgeted in Measure M so he was moved to General Fund; MOU signing bonuses, and part-time, overtime and out-of-class budgets missed at adoption (S&B); homeless encampment abatements and various small increases across departments (operations); added parking lot improvement budget and additional appropriations for two Public Safety projects: Police Dispatch Backup Battery & Aerial Ladder Truck (capital) for a net expenditure increase of \$1.9m

# Capital Improvement Plan Adjustments



NEW CAPITAL IMPROVEMENT PROJECTS				
Department	Project Description	Fund/ Percentage	Fund Description	FY24 Appropriation Needed
Engineering	2024 Pavement Maintenance	420/ (100%)	Gas Tax	500,000
Engineering	Lathrop Road Improvement Project	420/ (100%)	Gas Tax	300,000
Engineering	Louise Avenue Improvement Project	420/ (100%)	Gas Tax	300,000
Public Works-Parks	3/4 Ton Truck with Liftgate #1	820/ (100%)	Vehicles	85,000
Public Works-Parks	3/4 Ton Truck with Liftgate #2	820/ (100%)	Vehicles	85,000
Public Works-Transit	Manteca Transit Bus Facility	190/ (100%)	Transit	5,143,682
Public Works-Streets	Skid Steer	820/ (100%)	Vehicles	110,000
Public Works-Streets	Asphalt Grinder	820/ (100%)	Vehicles	500,000
Subtotal =				7,023,682

## Commentary

The Manteca Transit Bus Facility had no activity for three years and, per policy, was closed and reopened, so there is an offset of \$5.1m. Most of the other projects will assist with pavement maintenance and improvement efforts.

Additional funding for current projects is needed to cover additional expenses; the \$1.8m related to installing fiber cable for the Traffic Signal Update project to remain in compliance.

ADDITIONAL FUNDING FOR CURRENT CAPITAL IMPROVEMENT PROJECTS				
Department	Project Description	Fund/ Percentage	Fund Description	FY24 Appropriation Needed
Engineering	Traffic Signal Update	460/ (28%)	TDA/ Gas Tax	1,820,027
Fire	Aerial Ladder Truck	100/ (100%)	General Fund	51,000
Fire & Public Works	Furniture & ADA Improvements to Sycamore Building	250/ (100%)	Development Services	100,000
Police	Dispatch Backup Battery	100/ (100%)	General Fund	11,000
Public Works-Facilities	Facilities Driveway	100/ (100%)	General Fund	300,000
Subtotal =				2,282,027

# Capital Improvement Plan Adjustments (cont.)



FUNDING AMENDMENTS TO CURRENT PROJECTS					FY24 Appropriation Needed
Department	CIP	Project Description	Fund/ Percentage	Fund Description	
Public Works-Streets	24101	Craftco Supershot 2500 Cracksealer	820/ (100%)	Vehicles	100,000
Public Works-Streets	24073	Sound Wall Replacement: Union & Louise	420/ (100%)	Gas Tax	(500,000)
Public Works-Transit	20010	Manteca Transit Bus Facility (close & reopen)	190/ (100%)	Transit	(5,143,682)
Public Works-Streets	Various	Moving projects from Fund 420 to Fund 820	420/ (100%)		(2,030,250)
Public Works-Streets	Various	Moving projects from Fund 420 to Fund 820	820/ (100%)		2,030,250
				Subtotal =	(5,543,682)
				<b>TOTAL =</b>	<b>3,762,027</b>

**Commentary**

Request to add appropriation for a previously approved, but not funded, Cracksealer. The Sound Wall replacement project is requested to close so budget can be reallocated to newly proposed projects, but is anticipated to be brought back in FY25. Also, per policy, the Manteca Transit Bus Facility project that had no activity will be closed; funding is offset with the new project. Lastly, we request funding for multiple vehicles that were budgeted in Fund 420 (Gas Tax) instead of Fund 820 (Vehicles) be corrected. The net fiscal impact for all capital adjustments is \$3.7m.

# Position Control Adjustments



NEW PERSONNEL					FY24 Appropriation Needed
Department	New FTE	Position	Fund/ Percentage	Fund Description	
Public Works-Solid Waste	4	Solid Waste Equipment Operator I	660/ (100%)	Solid Waste	64,000
Public Works-Solid Waste	1	Solid Waste Supervisor	660/ (100%)	Solid Waste	31,000
Public Works-Solid Waste	1	Compliance Specialist	660/ (100%)	Solid Waste	16,000
<b>Total New FTEs =</b>		<b>6</b>		<b>Total Fiscal Impact =</b>	<b>111,000</b>

**Commentary**

Solid Waste is requesting additional staff. Due to the time it takes to recruit and hire, the additional appropriation is calculated for only 2.5 months remaining in the fiscal year. These positions will be budgeted for in full starting in the next fiscal year. The Solid Waste Supervisor position requires a new job description and Human Resources will bring it to Council separately for full approval at a later date.



# Questions?

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