

Agenda Report

May 6, 2024

TO: Honorable Mayor and City Council
FROM: Department of Finance
**SUBJECT: OPENING OF THE PUBLIC HEARING FOR THE FISCAL YEAR 2025
RECOMMENDED OPERATING BUDGET**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is not a “project” subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 21065 and within the meaning of Sections 15060(c) and 15378(b);
2. Open the public hearing for the Fiscal Year (FY) 2025 Recommended Operating Budget; and
3. Continue this public hearing to the regular meeting of the City Council at 5:30 p.m. on June 3, 2024, and such other date as the City Council may determine, at which time the City Council will be asked to close the public hearing and adopt the FY 2025 Recommended Operating Budget.

BACKGROUND:

The City of Pasadena Charter, Section 902, requires that on or before the third Monday in May, the City Manager shall submit to the City Council an annual operating budget for the succeeding fiscal year. As part of the process, the City Council shall open the public hearing on the proposed operating budget and continue the public hearing until a formal recommendation to adopt the FY 2025 Recommended Operating Budget is presented to the City Council.

The Recommended Budget represents the City’s financial plan for FY 2025 and furthers the City’s mission to deliver exemplary municipal services responsive to our entire community and consistent with the City’s history, culture, and unique character. In addition to the City’s anticipated operating revenues and expenses, the Recommended Budget includes the appropriations for the FY 2025–2029 Capital Improvement Program (CIP) and the City’s affiliated agencies (Rose Bowl Operating Company, Pasadena Center Operating Company, and Pasadena Community Access Corporation).

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The table below presents the FY 2025 Recommended Budget alongside two preceding fiscal years.

Total Budgeted Appropriations
 (including Affiliated Agencies and CIP)

in millions

	FY 2023 Actuals	FY 2024 Adopted	FY 2025 Recommended
General Fund	\$304.7	\$323.7	\$340.7
All Funds	\$1,000.9	\$1,240.5	\$1,147.5

Full-Time Equivalent Positions
 (including Affiliated Agencies)

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Recommended *
General Fund	1,028.10	1,062.15	1,080.27
All Funds	2,321.36	2,356.23	2,403.38

*As of FY 2025, the City's FTE total includes 83.32 "non-budgeted" positions (56.00 FTE MASH trainees, 8.00 FTE Firefighter trainees, 19.32 FTE Retirees). There are no appropriations budgeted for these positions, only the FTE authorization to meet Enterprise Resource Planning (ERP) system requirements.

Attachment A provides a citywide summary of recommended appropriations and Full-Time Equivalent (FTE) positions for FY 2025 by department/affiliated agency. The City Manager's Transmittal Letter for the FY 2025 Recommended Operating Budget is Attachment B. Throughout May, departments and affiliated agencies will present their recommended operating budget to their respective City Council Committee. These budget workshops will begin on May 6th and conclude on May 28th, meanwhile the citywide operating budget is currently scheduled for adoption on June 10, 2024. The complete budget presentation schedule is outlined in Attachment C.

Copies of the FY 2025 Recommended Operating Budget are available for public review at the City Clerk's Office and the San Rafael Branch and Hasting Branch libraries. The documents are also available on the City's website.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced through the adoption of the FY 2025 Recommended Operating Budget.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not "projects" as defined by CEQA Guidelines Section 21065 and within the meaning of Sections 15060(c) and 15378(b). Section 15378 excludes from the definition of "project" the creation of government funding mechanisms and fiscal activities which do not yet commit the lead agency to any specific

project, and also excludes organizational or administrative governmental activities that do not result in physical changes to the environment. The action proposed herein, consideration of the FY 2025 Operating Budget, is budgetary and part of the City’s normal administrative process as it takes early steps to prepare for the possibility of undertaking a project, and therefore is not yet a “project” as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The FY 2025 Recommended Budget proposes total operating appropriations of \$340,746,216 in the General Fund and \$1,147,518,420 in all Funds (includes affiliated agencies and CIP). The FTE positions funded by the General Fund are 1,080.27 FTEs and those funded by all Funds are 2,403.38 FTEs (includes affiliated agencies).

Respectfully submitted,




MATTHEW E. HAWKESWORTH
Director of Finance

Prepared by:



Timothy Park
Budget Administrator

Approved by:



MIGUEL MARQUEZ
City Manager

Attachments (3):

- 1) Attachment A – Summary of Appropriations and FTEs by Department
- 2) Attachment B – City Manager’s Transmittal Letter for Operating Budget
- 3) Attachment C – City Council & Committee Meeting Schedule for Operating Budget