



Agenda Report

September 23, 2024

TO: Honorable Mayor and City Council
FROM: Department of Finance
SUBJECT: **AMENDMENTS TO FISCAL YEAR 2025 ADOPTED OPERATING BUDGET**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action 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 Section 15378(b);
2. Approve amending the Fiscal Year 2025 (FY 2025) Adopted Operating Budget as detailed in the following report and increasing the Citywide total Full-Time Equivalents (FTEs) by 3.3 permanent FTEs and 1.0 limited-term FTE; and
3. Authorize the City Manager to enter into an agreement with the State of California Office of Traffic Safety for acceptance of the Selective Traffic Enforcement Program (STEP) and the Project Safe Neighborhoods Grant funds (in connection with Item #5).

EXECUTIVE SUMMARY:

Throughout the fiscal year, budget amendments are necessary to account for unanticipated changes to the adopted budget. These revenue and appropriation amendments are presented to the City Council for consideration. This agenda report includes proposed amendments to the FY 2025 Operating Budget as adopted by the City Council on June 10, 2024. The proposed budget amendments fall into one of the following categories:

- Re-appropriations or “carry-forwards” of previously approved appropriations from the FY 2024 budget that were unexpended as of June 30, 2024 (purchase orders, contracts, and grants), where sufficient funding was available in the account and are now anticipated to be expended during FY 2025. As detailed in *Attachments A and B* of this report, approval of the proposed carry-forwards will increase FY 2025 total authorized operating appropriations across multiple funds by a net amount of \$18,256,234; or

- Amendments to the FY 2025 Operating Budget that are based on information that was not available when the Operating Budget was presented to the City Council for adoption on June 10, 2024. As detailed in *Attachment C* of this report, approval of the proposed budget amendments will increase FY 2025 total authorized operating appropriations across multiple funds by a net amount of \$893,243.

Proposed Carry-Forward Items

1. **Carry-Forward of FY 2024 Purchase Orders and Contracts** – The Department of Finance recommends appropriations in the amount of \$18,256,234 be carried forward from FY 2024 to FY 2025 throughout various funds. As detailed in *Attachment A*, the recommended appropriations represent 39 contractual obligations where goods or services were ordered in FY 2024 but will not be received until FY 2025. Delays were primarily caused by supply chain issues affecting production and delivery of goods or services.
2. **Carry-Forward of FY 2024 Grants** – The Department of Finance recommends recognizing revenue and appropriations of \$681,586, to carry forward grants from FY 2024 to FY 2025 across two different funds. As detailed in *Attachment B*, the recommended revenue and appropriations represent six grants. The multi-year grants will continue to fund a variety of programming, some of which includes the purchase of equipment related to emergency response, Police Department range training equipment, de-escalation training, alcohol compliance checks at bars and restaurants, and driving under the influence (DUI) checkpoints.

Proposed Budget Amendments

3. **City Manager Budget Adjustments** – The Office of the City Manager recommends two adjustments totaling \$1,056,530 as detailed below.
 - a. **Facilities Maintenance** – The Office recommends appropriating \$150,000 from the unappropriated fund balance in the General Fund (101) for unexpected maintenance/repair work at leased and unoccupied City facilities. This responsibility was transferred from the Public Works Department as it more closely aligns with the real property management operation within the Economic Development Division.
 - b. **Dine Out Program Funding** – The Office also recommends appropriating \$906,530 from the unappropriated fund balance in the General Fund (101) for one-time funding from the Federal Small Business Administration for the City's Dine Out Program. This program provides for select businesses to receive new or upgraded on-street dining for the life of the program, while funding remains available. The Department did not expend all available funding in FY 2024, and consequently recommends this be re-appropriated for FY 2025.

4. **Pasadena Police Department Budget Adjustments** – The Police Department recommends recognizing revenue and appropriating \$641,862 in the General Fund (101) for one grant and reimbursement from a local agency, as well as authorizing the City Manager to enter into an agreement with the State of California for acceptance of the Selective Traffic Enforcement Program (STEP) Grant funds as outlined below.
 - a. **Step Grant** – The Department recommends recognizing revenue and appropriating \$590,000 in the General Fund for the STEP Grant. This grant will be used for directed enforcement of driving under the influence (DUI) checkpoints, bicycle safety, and other traffic enforcement programs. The grant period runs from October 2024 to September 2025.
 - b. **LAIMPACT Task Force** – The Department additionally recommends recognizing revenue and appropriating \$51,862 in the General Fund for a personnel reimbursement from the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (LAIMPACT). This funding covers overtime and other personnel costs of one Police Lieutenant, who works with other LA-area agencies in coordinated narcotics and robbery investigations.

5. **Pasadena Public Health Department Grants** – The Pasadena Public Health Department (PPHD) recommends recognizing revenue and appropriating \$286,297 in the Public Health Fund (203), as well as increasing its personnel allocation by 1.0 FTE, for two grants as detailed below.
 - a. **Black Infant Health Grant** – The PPHD recommends recognizing revenue and appropriating \$100,000 in the Public Health Fund (203) and adding a 1.0 limited term FTE. The supplemental funding will support a Community Services Representative II position for the remainder of FY 2025 and is prorated to that effect; the position will also be requested to continue as part of the FY 2026 budget process. The purpose of the program is to provide group support and case management services to pregnant and post-partum Black women. This supplemental funding was awarded by the Los Angeles County Department of Public Health (LACDPH) and is effective through June 30, 2026.
 - b. **CDC Public Health Workforce Development** – The Department also recommends recognizing revenue and appropriating \$186,297 in the Public Health Fund (203) to support a contract extension through the Los Angeles County Department of Public Health (LACDPH), as pass-through funding from the Centers for Disease Control and Prevention (CDC). The purpose of the program is to provide staff trainings aligned with the Department's Workforce Development Plan and development of a Multi-Year Training and Exercise Plan (MYTEP). The funding allocation will support contracted services and program supplies. The funding is effective through June 30, 2025.

6. **Transportation Department Personnel and Budget Adjustments** – The Department of Transportation recommends three adjustments totaling \$231,213, offset by an increase in revenue of \$394,500, as detailed below.
- a. **2.0 FTE Parking Enforcement Representatives** – The Department recommends recognizing revenue of \$394,500 and appropriating \$74,588 in the General Fund (101), as well as increasing its personnel allocation by 2.0 FTEs for Parking Enforcement Representatives. This appropriation request is the prorated cost for FY 2025 (annualized FTE cost of \$149,176). The two additional positions will be needed to patrol the newly expanded Playhouse parking meter zone, which was approved by the City Council on May 20, 2024. The cost of this amendment will be offset by a pro-rated increase in revenue of approximately \$394,500, resulting from citations issued by the new positions.
 - b. **1.0 FTE Senior Office Assistant** – The Department recommends appropriating \$40,568 from the unappropriated fund balances in four funds – \$10,142 each in the General Fund (101), Civic Center Parking Meter Fund (214), Playhouse Parking Fund (229), and Off-Street Parking Facilities Fund (407) – and increasing its personnel allocation by 1.0 FTE for a Senior Office Assistant. This is the prorated cost for FY 2025 (annualized FTE cost of \$81,136). The additional position will be needed to help process parking citations, staff commission meetings, and provide other general support due to the newly expanded Playhouse parking meter zone.
 - c. **Graduate Management Intern Funding** – The Department additionally recommends appropriating \$116,057 from the unappropriated fund balance in the Proposition C Local Transit Fund (209) to fund two Graduate Management Interns in the Transit Division that have been intentionally unfunded in prior years. These interns will work up to 30 hours per week to assist the Division with transit planning and administration duties.
7. **Interdepartmental Transfer of 2.0 FTE Positions** – The Department of Information Technology (DoIT) recommends transferring 2.0 FTEs and corresponding appropriations of \$162,458 from the Libraries and Information Services Department (Library). This is the prorated cost for FY 2025, and will be transferred between the two departments, resulting in an overall net-zero impact to the citywide budget. The positions include 1.0 FTE Senior IT Support Specialist (PCN 2002) and 1.0 FTE IT Analyst (PCN 2034).

While most of Library's Information Technology (IT) support transferred as part of the citywide consolidation of IT resources and creation of DoIT in 2010, these positions remained to provide support for the Integrated Library System (ILS) and specialized technology support across the department. Since the closure of the Central Library, the two departments initiated discussions on how best to support the Library's current and future technology requirements, given its unique and dynamic technology needs. It was mutually agreed that transferring these two positions to DoIT would provide the best support model by aligning Library with the IT support

structures of other departments, thus providing more service redundancy and resources to meet the evolving needs of Library patrons.

- 8. Finance Department Personnel Adjustment** – The Finance Department recommends increasing its personnel allocation by 0.3 FTE for a Collections Specialist position, bringing that position from 0.7 FTE to 1.0 FTE. This increase will support the higher complexity and case load of the collections team, as well as greater involvement in emergency medical service collections. The position will be responsible for, among other duties, ambulance billing collections, analyzing delinquent account information, interfacing with delinquent debtors, negotiating payment of claims, and preparing customer correspondence. The cost of this increase will be absorbed within existing FY 2025 appropriations. It is also anticipated that there will be a corresponding increase in revenue as a result of this FTE increase.

COUNCIL POLICY CONSIDERATION:

The City Council’s strategic planning goal of maintaining fiscal responsibility and stability will be advanced by monitoring the FY 2025 Adopted Operating Budget and by implementing necessary budget amendments.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not “projects” as defined by CEQA Guidelines Section 21065 and within the meaning of Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of “project” government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The actions proposed herein, amending the City’s FY 2025 Operating Budget, are governmental fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and therefore is not a “project” as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

As detailed in *Attachments A and B* of this report, approval of the proposed carry-forward items will increase FY 2025 total authorized operating appropriations across multiple funds by \$18,937,820, which will be offset through increased revenues of \$681,586.

As detailed in *Attachment C*, approval of the proposed budget amendments will increase FY 2025 total authorized operating appropriations across multiple funds by \$2,215,902, which will be offset through increased revenues of \$1,322,659, resulting in a net increase of \$893,243.

The General Fund's unappropriated fund balance will decrease by a net amount of \$3,804,231.

Full-Time Equivalents will increase overall by 3.30 permanent positions (2.55 in the General Fund and 0.75 FTE in other funds) and 1.00 limited-term position (in other funds).

Respectfully submitted,



MATTHEW E. HAWKESWORTH
Director of Finance

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Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachment: (3)

- A) Attachment A: Listing of Carry-Forward Purchase Orders and Contracts
- B) Attachment B: Listing of Carry-Forward Grants
- C) Attachment C: Summary of Proposed Q1 FY 2025 Budget Amendments