



CITY OF MANHATTAN BEACH CITY HALL

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TO: Honorable Mayor and Members of the City Council

FROM: Steve Charelian, Finance Director

MEETING: City Council Regular Meeting, February 15, 2022

SUBJECT: Agenda Item No. 15 - Fiscal year 2021-2022 Mid-Year Budget Report and Fiscal Year 2022-2023 Budget Development

DATE: February 11, 2022

SUPPLEMENTAL ATTACHMENT

- PowerPoint Presentation

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MID-YEAR BUDGET REPORT FISCAL YEAR 2021-2022

FEBRUARY 15, 2022



KEY TAKEAWAYS

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Projections for Fiscal Year (FY) 2021-2022:

- General Fund Revenues exceed Expenditures
 - Revenues trending higher
- Expenditures are trending below budget
- Projected year-end transfers to other funds will reduce fund balance



FY2021-2022 PROJECTION

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GENERAL FUND ADOPTED BUDGET

REVENUES	\$82.3 million
EXPENDITURES	77.7 million
SURPLUS	\$4.6* million

GENERAL FUND PROJECTION

NET BUDGET ADJUSTMENTS (to date)	(\$1.1 million)
REVENUES OVER BUDGET	4.6 million
OPERATING EXPENDITURES UNDER BUDGET	431,972
PROJECTED SURPLUS	\$8.5* million

*Includes \$4.2 million in American Rescue Plan Act (ARPA) funds



GENERAL FUND REVENUES

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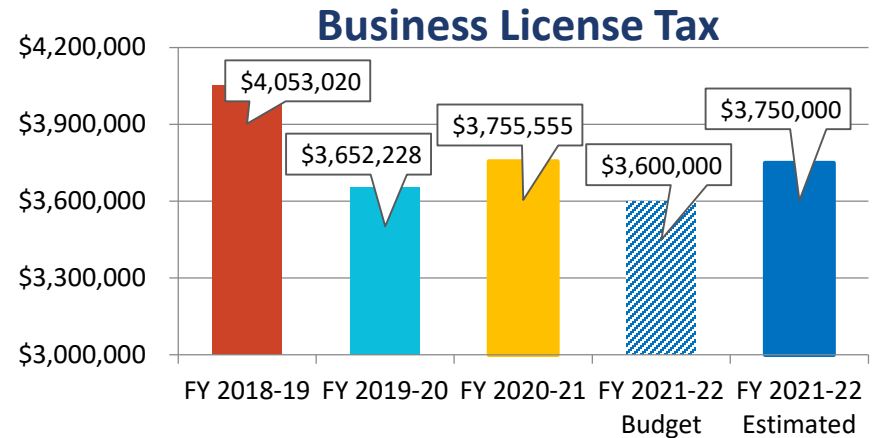
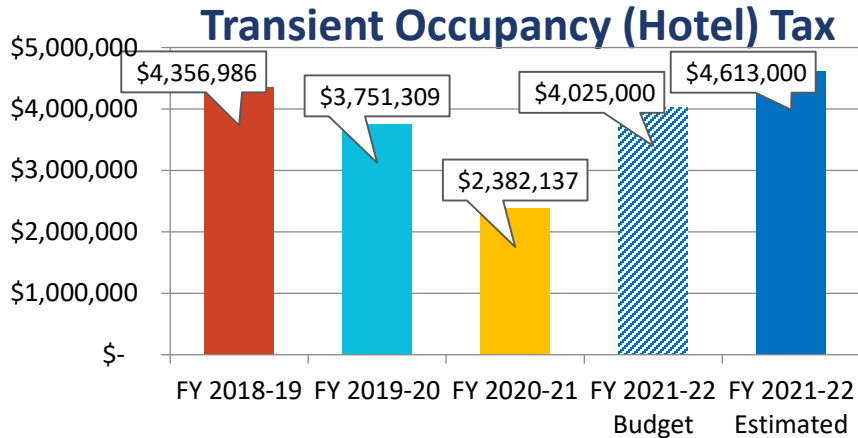
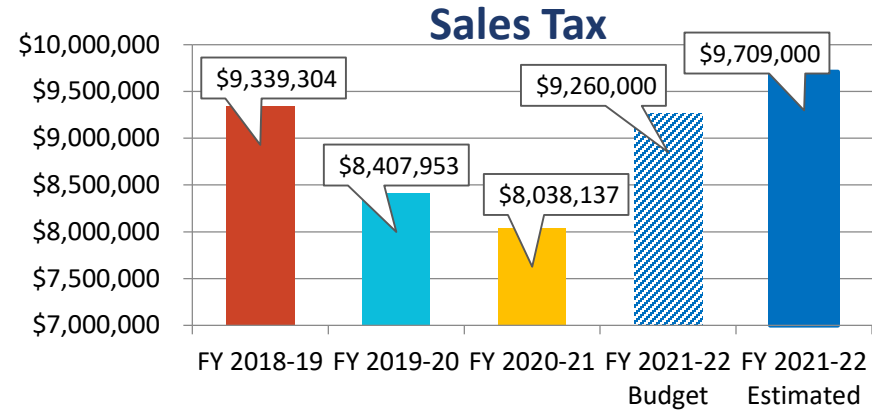
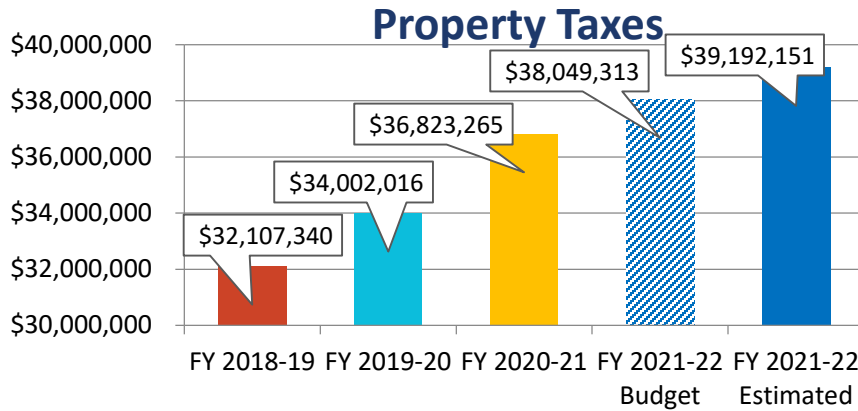
General Fund Revenues are expected to end the year \$2.9 million (4.9%) higher than the Adjusted Budget

Major Revenue Sources	Compared to Budget	
Property Tax	\$1.1 million	3.0% Higher
Sales & Use Tax	\$449,000	4.8% Higher
Transient Occupancy Tax	\$588,000	14.6% Higher
Business License Tax	\$150,000	4.2% Higher
Real Estate Transfer Tax	\$290,000	35.8% Higher
Building Plan Check Fees	\$245,000	14.0% Higher
Service Charges	\$351,365	6.9% Higher



REVENUE PROJECTIONS

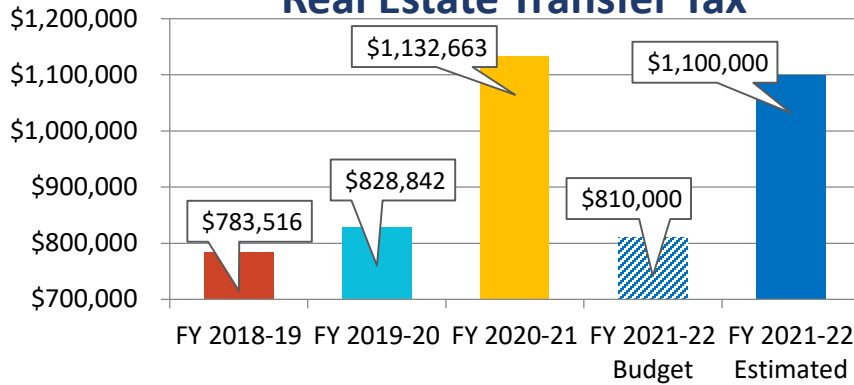
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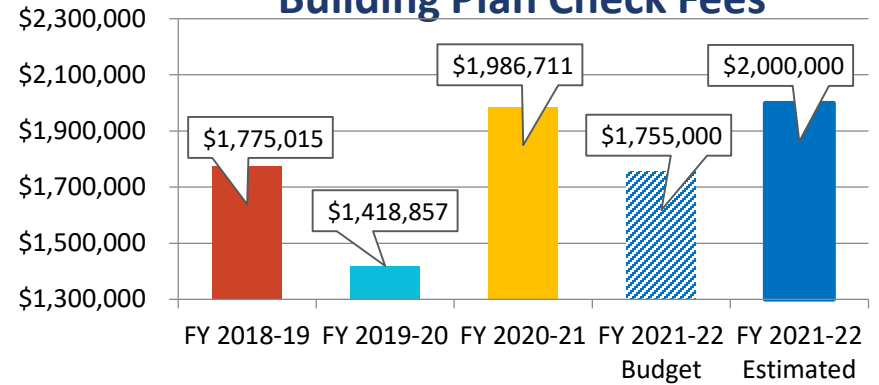
REVENUE PROJECTIONS

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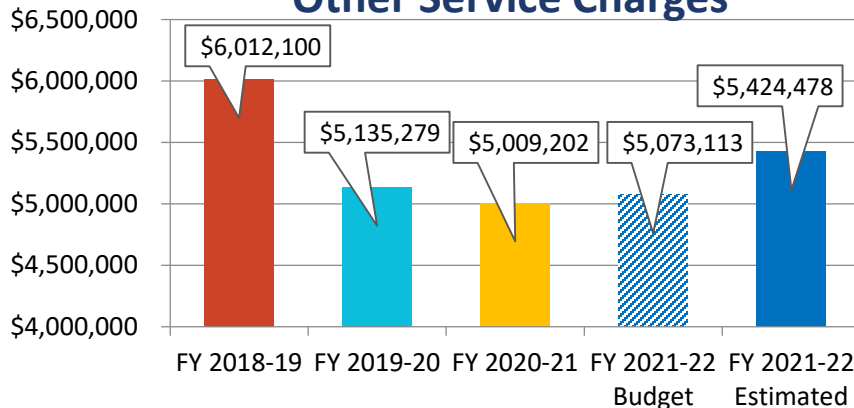
Real Estate Transfer Tax



Building Plan Check Fees



Other Service Charges



PANDEMIC RELATED REVENUES

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Six reimbursement applications submitted to FEMA

- Covid-19 related materials, payroll, contracts and rentals
- \$1.3 million in expenditures pending FEMA review/approval

American Rescue Plan Act (ARPA) funds allocated to municipalities:

- The first ARPA disbursement of \$4.2 million received in July 2021



GENERAL FUND EXPENDITURES

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General Fund Expenditures are expected to end the year \$431,972 (0.5%) lower than the Adjusted Budget

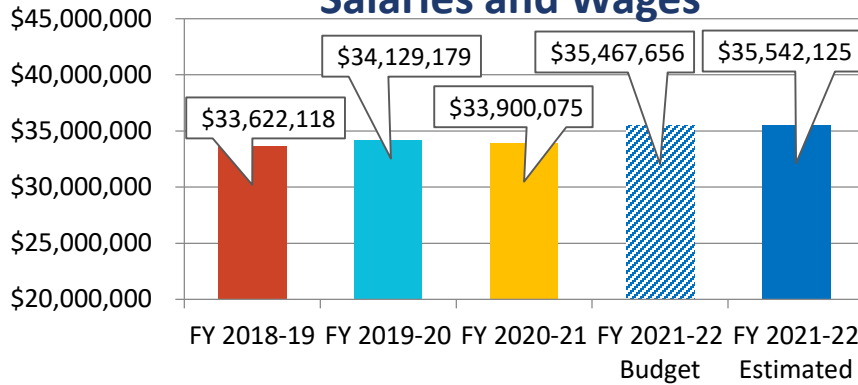
Expenditures	Compared to Budget	
Salaries & Wages	(\$74,469)	0.2% Higher
Employee Benefits	\$924,862	6.5% Lower
Contract & Professional Services	(\$634,048)	5.9% Higher
Materials & Services	\$185,132	6.6% Lower
Utilities	(\$46,556)	4.8% Higher



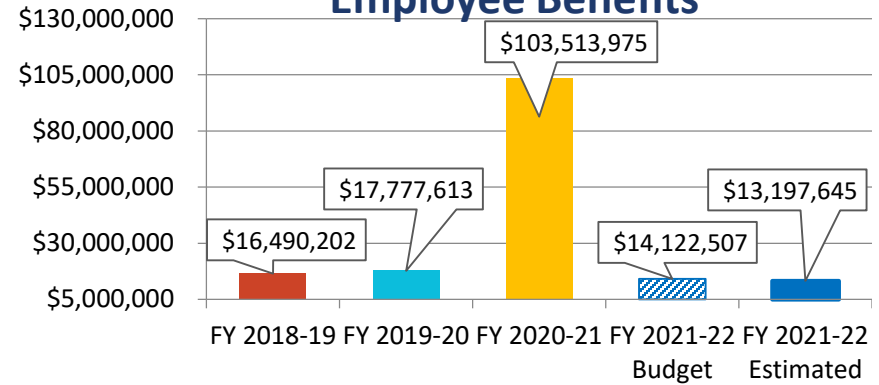
EXPENDITURE PROJECTIONS

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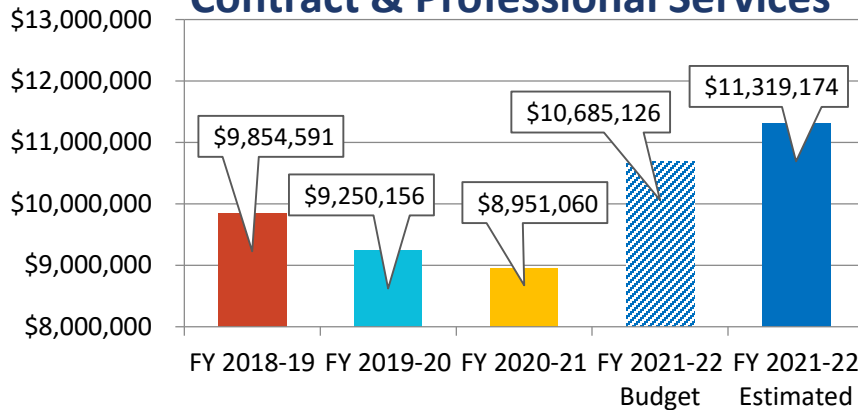
Salaries and Wages



Employee Benefits



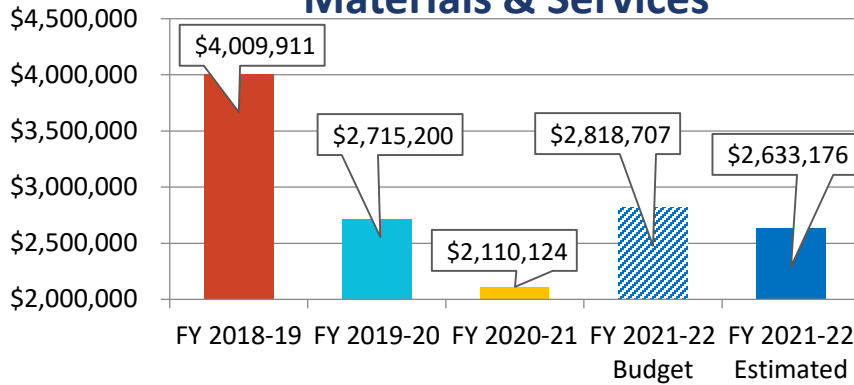
Contract & Professional Services



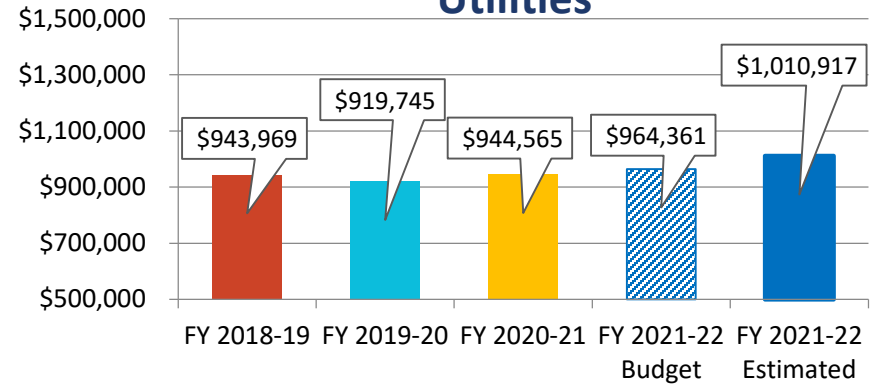
EXPENDITURE PROJECTIONS

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Materials & Services



Utilities



PROPOSED MID-YEAR ADJUSTMENTS

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Requested FY 2021-2022 Budget Adjustments

[PW] Park Maintenance & Landscaping Improvements	\$625,000
[HR] Covid-19 Testing	150,000
[HR] Insurance Fund Budget Adjustments (NET)	112,597
TOTAL NET INCREASE	\$887,597

Requested FY 2021-2022 Staffing Adjustments

[PW] Eliminate Building Repair Craftsperson	(\$103,152)
[PW] Add Senior Management Analyst	149,178
[CD] Add Senior Planner	143,622
[CD] Office Assistant to Admin Assistant	12,366
[CD] Office Assistant to Admin Analyst	28,748
[FD] Senior Management Analyst (PT) to Admin Analyst (FT)	57,488
ANNUAL BUDGET IMPACT IN FUTURE YEARS	\$144,628



BUDGET OUTREACH

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Budget Priorities Community Meeting held on February 7 via Zoom

- About 27 attendees provided with:
 - FY 2021-2022 Budget Overview
 - FY 2022-2023 Budget Process Outline
 - FY 2022-2023 Budget Timeline
 - Opportunities to discuss questions and comments with staff



FY 2022-2023 BUDGET TIMELINE

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QUESTIONS

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