



**City of Santa Barbara**

# **FY2025 BUDGET OVERVIEW**

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Fire and Police Commission

April 25, 2024

# Agenda

1. City Council Priorities
2. Vision 2030
3. FY2025 Budget Overview
4. Essential SB
5. Questions & Discussion





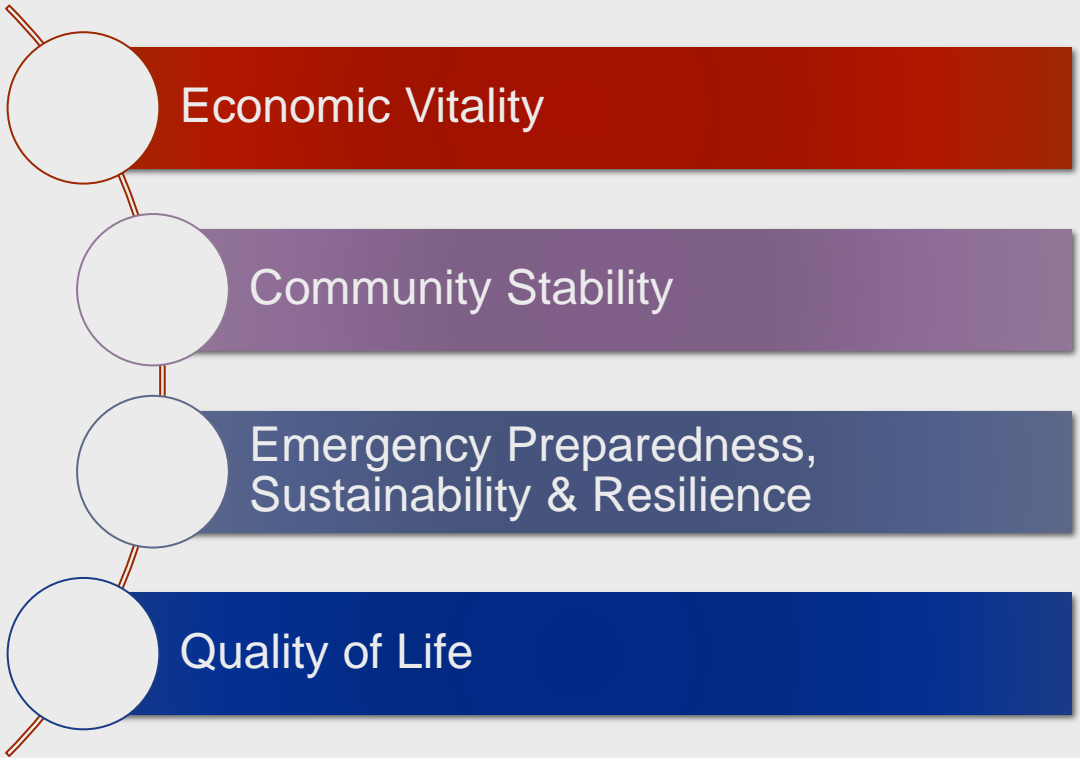
# City Council Priorities

# Goals

- Assist Council and staff to develop a future focus, set strategic direction and next priorities
- Clear direction to staff
- Annual process
- Guide City's financial plan of projects and initiatives for two-year budget cycle
- Capture large initiatives beyond day-to-day services



# City Council Priorities \*



\*City Council DRAFT Priorities: As discussed during the Council Priorities workshop on February 22, 2024.



# Annual Schedule

Month/Year	Priority Process Calendar – Aligned with budget cycle
July 2024	City Administrator guidance on upcoming planning process
July – Sept 2024	Communication plan, town halls, surveys, information gathering; Year end report on priorities (starting September 2026)
October 2024	City Council special meeting on priorities for FY 2026
December 2024	Priorities published (website, Council meeting, etc.). Staff develops base budget for FY2026, identifies workload on Council priorities
Jan-Feb 2025	Staff budget development, including addressing Council priorities; Midyear status update on priorities (starting February 2026)
March 2025	Council budget workshop
April 2025	City Administrator’s recommended financial plan for FY2026 and FY2027, budget released with programmatic budget for each priority
May 2025	City Council budget hearings
June 2025	City Council deliberations and budget adoption
July 2025	Repeat schedule



# Vision 2030

# Multi-Year Forecast

Identify any surplus / deficit in upcoming year to provide departments with directions at the start of budget process.

Identify any structural imbalance that may exist but is not apparent with a 1-year focus.

Identify budget challenges during the forecast period to strategize how to address now.

Informed by many economic indicators.



# Fiscal & Budgetary Challenges

Retention &  
recruitment

Affording  
labor wage  
increases

Healthcare  
cost increases

Pension cost  
increases &  
unfunded liability

Economic  
uncertainty

High  
inflation

Reserve  
policy

Self-Insurance  
program  
funding

## Why this Initiative?

Essence of good governance – improve services, adopt emerging technology, & use resources well

Pandemic created opportunity to build on what we've learned through responding differently

Our revenues & cost & levels of services must align to be a fiscally sustainable organization

Ensure our operations & services meet the challenges of today

**VISION  
2030**   
A Plan for Smarter Government



# Vision 2030 Working Groups



- Fiscal Sustainability
- Revenue
- Operations
- Thriving Workforce
- Communications
- CORE

# FY2025 Budget Overview

# Budget Calendar

## October – December

- Multi-year forecast
- Position allocations
- Budget kick-off

## January – March

- Departments develop budget
- Budget meetings with City Administrator
- Capital budget
- General Fund balancing

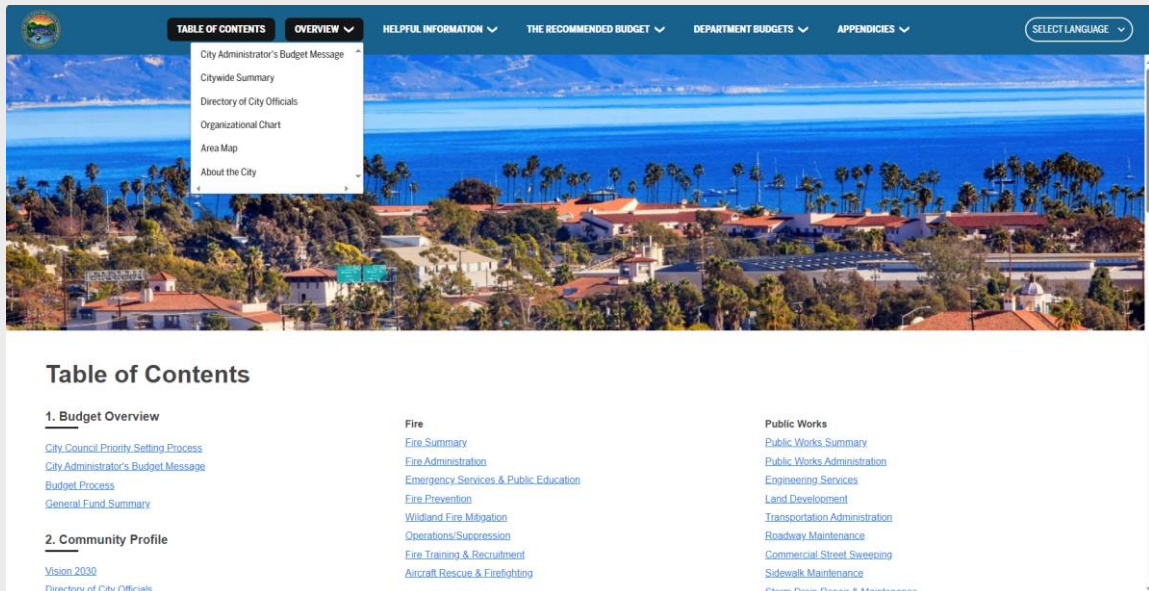
## April – June

- Proposed budget filed
- Finance Committee review
- Fee changes
- Budget presentation to Council
- Adoption

## July – September

- Implementation
- Carryovers
- ICS allocations
- Cost allocation studies

# OpenGov Updates



The screenshot shows the OpenGov website interface. At the top, there is a navigation bar with the following items: TABLE OF CONTENTS, OVERVIEW (with a dropdown arrow), HELPFUL INFORMATION (with a dropdown arrow), THE RECOMMENDED BUDGET (with a dropdown arrow), DEPARTMENT BUDGETS (with a dropdown arrow), APPENDICES (with a dropdown arrow), and a SELECT LANGUAGE button. A dropdown menu is open under 'OVERVIEW', listing: City Administrator's Budget Message, Citywide Summary, Directory of City Officials, Organizational Chart, Area Map, and About the City. Below the navigation bar is a large banner image of a coastal town. Underneath the banner is a 'Table of Contents' section with three columns of links:

1. Budget Overview	Fire	Public Works
<a href="#">City Council Priority Setting Process</a>	<a href="#">Fire Summary</a>	<a href="#">Public Works Summary</a>
<a href="#">City Administrator's Budget Message</a>	<a href="#">Fire Administration</a>	<a href="#">Public Works Administration</a>
<a href="#">Budget Process</a>	<a href="#">Emergency Services &amp; Public Education</a>	<a href="#">Engineering Services</a>
<a href="#">General Fund Summary</a>	<a href="#">Fire Prevention</a>	<a href="#">Land Development</a>
	<a href="#">Wildland Fire Mitigation</a>	<a href="#">Transportation Administration</a>
	<a href="#">Operations/Suppression</a>	<a href="#">Roadway Maintenance</a>
	<a href="#">Fire Training &amp; Recruitment</a>	<a href="#">Commercial Street Sweeping</a>
	<a href="#">Aircraft Rescue &amp; Firefighting</a>	<a href="#">Sidewalk Maintenance</a>
	<a href="#">Special Services</a>	<a href="#">Storm Drain Repair &amp; Maintenance</a>

- New budget landing page with drop-downs
- Leveraging OpenGov for quarterly reports, CIP, & Measure C reports
- Addition of informational pages to help clarify the budget process
- Better explanation of difference between budget reports & transparency tool data

<http://www.santabarbaraca.gov/budget-reports>

# Mid-Cycle Update

Budget hearing presentations will focus on major changes in FY2025 from the second year of the City Council adopted FY2024-FY2025 Financial Plan.

# Major Budget Changes

Salary & pension cost increase assumptions

Softening tax revenues

Housing Element implementation

Inflation & other operating expense increases

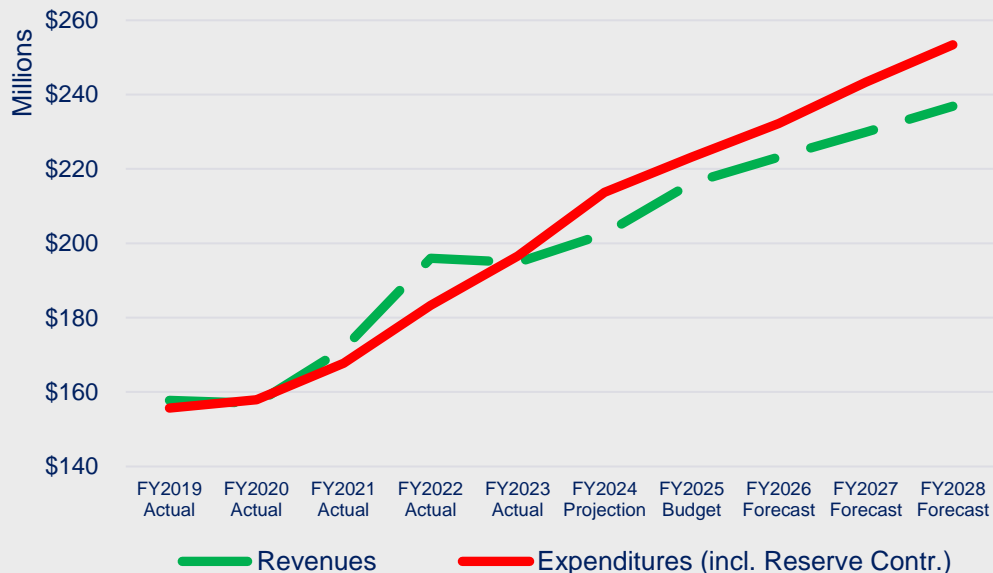
Downtown Parking Fund depleting reserves

Projected General Fund Deficit of \$7.1 Million



# General Fund Multi-Year Forecast

General Fund Revenue & Expenditure Forecast




## Notable Impacts

- Sales tax & TOT modest growth, but volatile
- Stable property tax & department revenues
- Salary increases
- Pension costs
- Inflation
- Capital investment

# General Fund Overview

\$ MILLIONS	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 ACTUAL	FY2024 BUDGET	FY2025 BUDGET
Revenues	\$171.6	\$196.0	\$194.8	\$203.7	\$216.2
Expenditures	164.9	180.1	193.4	203.6	220.3
Reserves to Meet Policy Target	2.8	3.2	3.1	2.7	2.9
<b>Surplus / (Deficit)</b>	<b>\$3.8</b>	<b>\$12.7</b>	<b>(\$1.7)</b>	<b>(\$2.7)</b>	<b>(\$7.1)</b>
Target Budget Reductions	6.8	4.1	1.0	2.7	4.1
<b>Net Surplus / (Deficit)</b>	<b>(\$3.0)</b>	<b>\$8.6</b>	<b>(\$2.7)</b>	<b>(\$5.4)</b>	<b>(\$11.2)</b>

# Budget Hearing Schedule

DATE	TYPE	TOPIC	DATE	TYPE	TOPIC
11/30/23	City Council Retreat	Budget hearing schedule	5/7/24	Finance Committee meeting	Budget review and recommendations
2/27/24	Finance Committee meeting	Water & Wastewater rates – revenue requirement	5/14/24	City Council regular meeting	General Fund budget (department operating budgets, fees, projects, capital, major changes)
2/27/24	City Council regular meeting	Water & Wastewater rates – revenue requirement	5/21/24	City Council regular meeting	All Other Funds budget (department operating budgets, fees, projects, capital, major changes)
3/5/24	City Council special meeting	Work session	6/4/24	City Council regular meeting	Budget deliberations
4/9/24	Finance Committee meeting	Review proposed Water, Wastewater & Solid Waste rate changes	6/11/24	City Council regular meeting	Budget adoption
4/9/24	City Council regular meeting	Approval for Final Rate Notice (including Solid Waste)	6/25/24	City Council regular meeting	Rate hearing on proposed Water, Wastewater, & Solid Waste
4/23/24	City Council regular meeting 	Budget introduction	7/2/24	City Council regular meeting	Water, Wastewater & Solid Waste rate adoption
4/30/24	Finance Committee meeting	Downtown Parking rate restructure proposal			



# Essential SB

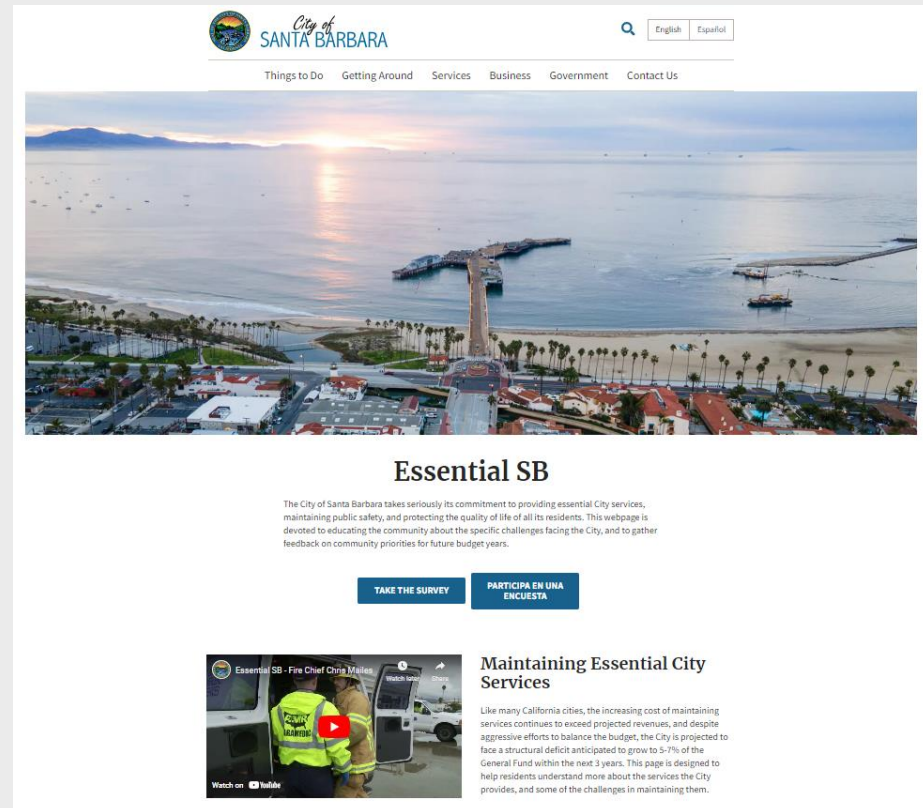
# Essential SB

Commitment to essential City services

Educating the community about the City's challenges

Public survey to gather priorities and feedback

<https://santabarbaraca.gov/essentialsb>



The screenshot shows the 'Essential SB' webpage. At the top is the City of Santa Barbara logo and navigation menu. Below is a large scenic image of the coastline. The main heading is 'Essential SB'. A paragraph explains the city's commitment to essential services and public safety. Two buttons are present: 'TAKE THE SURVEY' and 'PARTICIPA EN UNA ENCUESTA'. Below is a video player showing a fire chief, with the title 'Essential SB - Fire Chief Chris Matias'. To the right, a section titled 'Maintaining Essential City Services' discusses budget challenges and the need for resident understanding.

City of  
SANTA BARBARA

English Español

Things to Do Getting Around Services Business Government Contact Us

## Essential SB

The City of Santa Barbara takes seriously its commitment to providing essential City services, maintaining public safety, and protecting the quality of life of all its residents. This webpage is devoted to educating the community about the specific challenges facing the City, and to gather feedback on community priorities for future budget years.

TAKE THE SURVEY PARTICIPA EN UNA ENCUESTA

Essential SB - Fire Chief Chris Matias

### Maintaining Essential City Services

Like many California cities, the increasing cost of maintaining services continues to exceed projected revenues, and despite aggressive efforts to balance the budget, the City is projected to face a structural deficit anticipated to grow to 5-7% of the General Fund within the next 3 years. This page is designed to help residents understand more about the services the City provides, and some of the challenges in maintaining them.

# Potential Revenue Measure

The City is considering a 1/2 cent transactions and use (i.e. sales) tax increase ballot measure. Funding from this measure could be used for services including:

Maintaining 9-1-1  
emergency/fire/  
paramedic/police  
response

Keeping  
neighborhood fire  
stations open

Improving housing  
affordability;  
addressing  
homelessness

Keeping public  
areas/parks safe  
and clean

Protecting local  
drinking water,  
stormwater  
protection

Improving natural  
disaster  
preparedness

Retaining local  
businesses/jobs

# Sales Tax Comparison

City	Sales Tax Rate
Carpinteria	9.00%
Goleta	8.75%
San Luis Obispo	8.75%
<b>Santa Barbara</b>	<b>8.75%</b>
Santa Maria	8.75%

- Santa Barbara’s sales tax rate is 8.75%, lower than neighboring Carpinteria and equal to what is charged in San Luis Obispo and many other Santa Barbara County cities including Lompoc, Santa Maria and many others.
- It is higher than what is paid in Ventura (7.75%) but lower than many similar “destination” communities, such as Pasadena (10.25%), Santa Monica (10.25%) and Monterey (9.25%)
- Limit to sales tax rate – 9.25%!

# Revenue Measure Considerations

**A 1/2 cent  
additional sales  
tax would:**

Match rates in similar cities, including Monterey, Palm Springs, Santa Cruz, Santa Rosa and others.

Generate an estimated \$15.6 Million annually to support the General Fund.

100% of funds to stay local in the City of Santa Barbara.

Generate revenue to maintain existing, essential City services.



# Discussion & Questions



POLICE DEPARTMENT

# BUDGET PRESENTATION

*Recommended Budget for Fiscal Year 2025*

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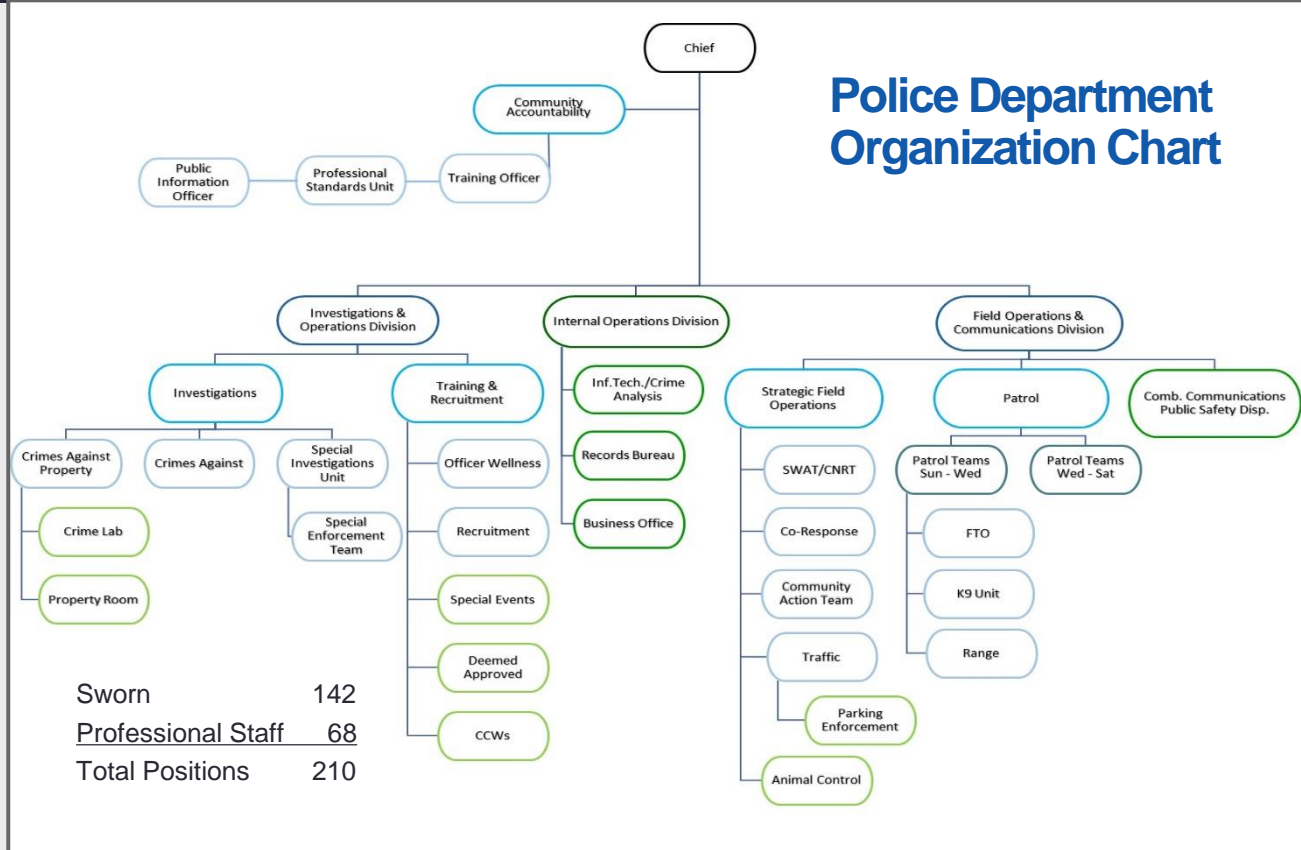
April 25, 2024

# Police Agenda

1. Department Organization
2. Revenues
3. Expenses
4. FY 2025 Budget Reductions
5. FY 2024 Overview
6. Department Priorities
7. CORE Goals



# Police Department Organization Chart



Sworn	142
Professional Staff	68
<b>Total Positions</b>	<b>210</b>

# Police Department

- FTE: 210
- FY 2024 Budget: \$66M

*We want to be recognized by our community, profession, & those looking for a career in law enforcement as a premier policing agency.*



## ✓ FY24 Highlights

- Expanded wellness with on-duty fitness program
- Increased training
- Increased Co-Response & ability to write Mental Health Holds
- Improved hiring practices (10 Officers & 19 Professional Staff hired in 2023)

## ✓ FY24 Challenges

- Recruitment & hiring
- Technology implementation
- Special event & First Amendment event staffing

## ✓ FY25 Priorities

- Retention & recruitment
- Public mission strategy dashboard
- Updated career development plan
- Explorer program

### IN THE NUMBERS

violent crime down **4%** property crime down **21%** **8,366** training hours **644** social media posts

## Department Priorities

- Recruitment within the local community
- Alignment of department resources
- Invest in employee personal and professional growth



# Revenues

Description	FY 2024 Projections	FY 2025 Recommended Budget
Fines & Forfeitures	\$2,341,201	\$2,535,600
Fees & Service Charges	\$837,250	\$851,000
Intergovernmental	\$804,560	\$454,086
Internal Charges	\$220,000	\$220,000
Taxes	\$393,000	\$415,000
Other Revenues	\$286,659	\$203,578
Licenses & Permits	\$140,500	\$141,000
Use Of Money & Prpty	\$200,000	\$0
<b>Total</b>	<b>\$5,223,171</b>	<b>\$4,820,264</b>



# Expenditures

Description	FY 2024 Projections	FY 2025 Recommended Budget
Salaries	\$29,278,206	\$28,075,504
Benefits	\$21,880,916	\$20,810,243
Allocated Costs	\$4,021,842	\$4,536,254
Supplies & Services	\$4,063,132	\$3,721,419
Capital Equip. & Projects	\$3,690,064	\$700,000
Non-Capital Equipment	\$1,894,226	\$653,982
Transfers	\$230,000	\$230,000
Special Projects	\$929,881	\$16,000
Debt Service	\$36,675	\$37,051
<b>Total</b>	<b>\$66,024,942</b>	<b>\$58,780,453</b>



# Measure C Funding

Description	FY 2024 Revised Budget	FY 2025 Recommended Budget
Measure C – Equipment	\$450,000	\$450,000

Measure C – FY24 Equipment Projects
Ballistic Vests
EBikes for Community Action Team
911 Call Log Recorder Equipment
Traffic Accident Digital Reconstruction Equipment
Patrol Rifles
Rain Jackets & Boots
Expanded eCitations

# General Fund Distribution of Police Department Budget

Description	FY 2025 Rec. Budget	% of PD Budget
Salary & Benefits	\$48,473,784	85.30%
Internal Service Allocations	\$4,524,712	7.96%
Supplies & Services	\$3,830,596	6.74%
<b>Total</b>	<b>\$56,829,092</b>	<b>100%</b>

# FY 2024 / FY 2025 Police Department General Fund Budget Reductions

## FY 2024 Target Budget Reduction **\$986,718**

Position ID	Position Title
242400107	SPECIALTY POLICE OFFICER (HELD POSITION)
242400108	SPECIALTY POLICE OFFICER (HELD POSITION)
242401008	SPECIALTY POLICE SERGEANT (HELD POSITION)
292917001	RANGE MASTER (ELIMINATED)
Eliminated funding for hourly positions in the Records Bureau.	

## FY 2025 Target Budget Reduction **\$1,518,194**

Position ID	Position Title
242400075	SPECIALTY POLICE OFFICER (HELD POSITION)
242400109	SPECIALTY POLICE OFFICER (HELD POSITION)
242400107	SPECIALTY POLICE OFFICER (HELD POSITION)
242400108	SPECIALTY POLICE OFFICER (HELD POSITION)
242401008	SPECIALTY POLICE SERGEANT (HELD POSITION)
292917001	RANGE MASTER (ELIMINATED)
Eliminated funding for hourly positions in the Records Bureau.	

# Police CORE Goals

Pillar	Department Goal	Performance Measure	Unit of Measure	Target
Innovation	Leverage cloud computing infrastructure advancements that enhance security and improve business continuity.	Perform an annual test of incident response in a disaster recovery scenario.	Numeric Value	1
Innovation	Leverage cloud computing infrastructure advancements that enhance security and improve business continuity.	Implement a feature or function of external reporting technologies using our SSAS and Power BI tools.	Numeric Value	1
Organizational Optimization	Align resources to increase efficiency, balance workload, recruit and retain, and address public safety concerns.	Design a robust recruitment plan that embraces our local community groups, colleges and universities, and strives to make this department a desirable place to work so that our percentage of vacancies drops to less than 15%	Percent	15
Organizational Optimization	Align resources to increase efficiency, balance workload, recruit and retain, and address public safety concerns.	Move field operations to an 11 hour plan schedule	Numeric Value	1
Thriving Workforce	Support personal and professional development of all members of the police department and continue to prepare competent and compassion leaders.	Annual mental health check-ins to improve the well-being of employees	Percent	75
Thriving Workforce	Support personal and professional development of all members of the police department and continue to prepare competent and compassion leaders.	Have sergeants and commanders attend use of force investigation training.	Percent	100

# Discussion, Public Comment, & Questions



## FIRE DEPARTMENT

# BUDGET PRESENTATION

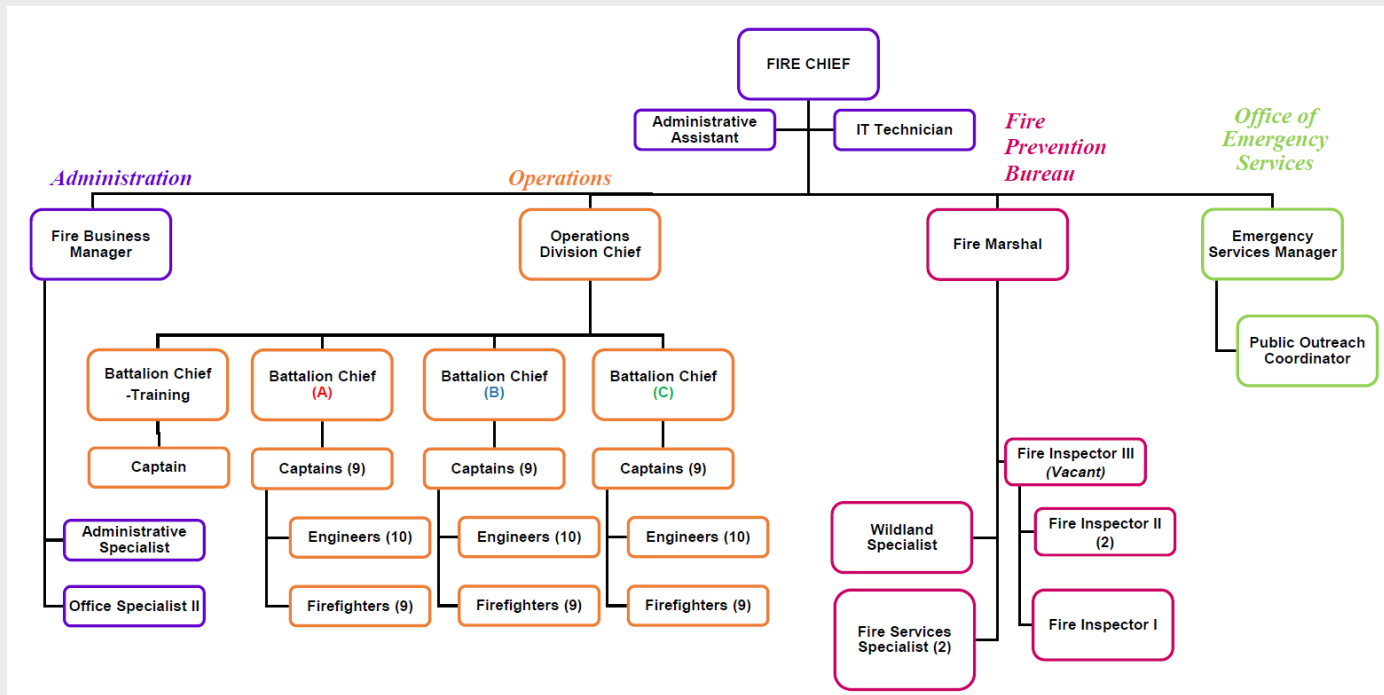
*Recommended Budget for Fiscal Year 2025*

April 25, 2024

# Fire Agenda

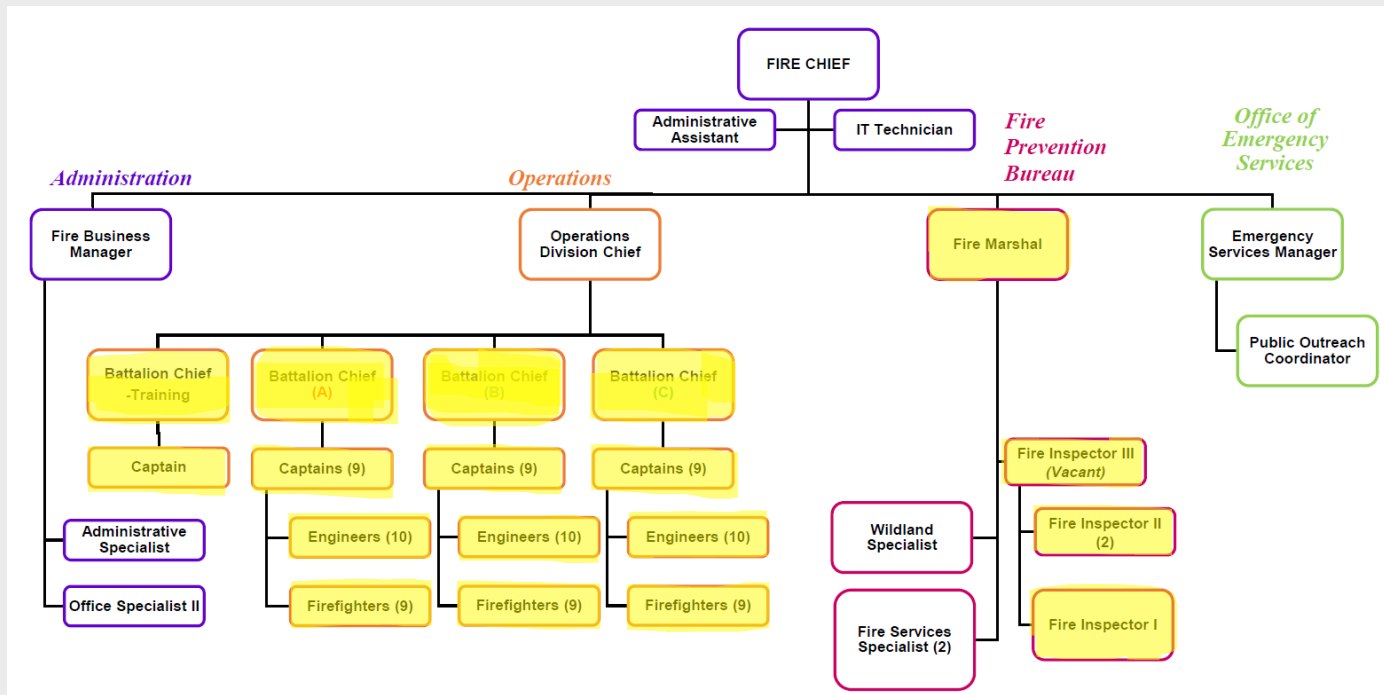
1. Department Organization
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5. CORE

# Organizational Chart





# Organizational Chart – Protected Positions



# Fire Department

- FTE: 105 authorized (6 current vacancies)
- Budget: \$35M (General Fund)



## FY24 Highlights

- 11,560 incidents in 2023
- Vegetation management funding from Cal Fire & Coastal Conservancy
- Hiring of vegetation mgmt. crew
- New Pierce fire engines lease-purchase
- 2 EOC activations



## FY24 Challenges

- Continued focus on natural disasters, including fires & floods
- Procurement of 3 fire engines – significant cost increases found
- Preparation for Regional Fire Communications Center
- Succession planning & leadership development



## FY25 Priorities

- Implement findings of Standards of Cover Study
- Transition to Regional Fire Communications Center
- Academy
- Recruitment & training for EOC
- Firefighter wellness

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### BEYOND THE NUMBERS

The members of the Santa Barbara City Fire Department are dedicated to the safety & well-being of the community through preparedness, prevention, & response.

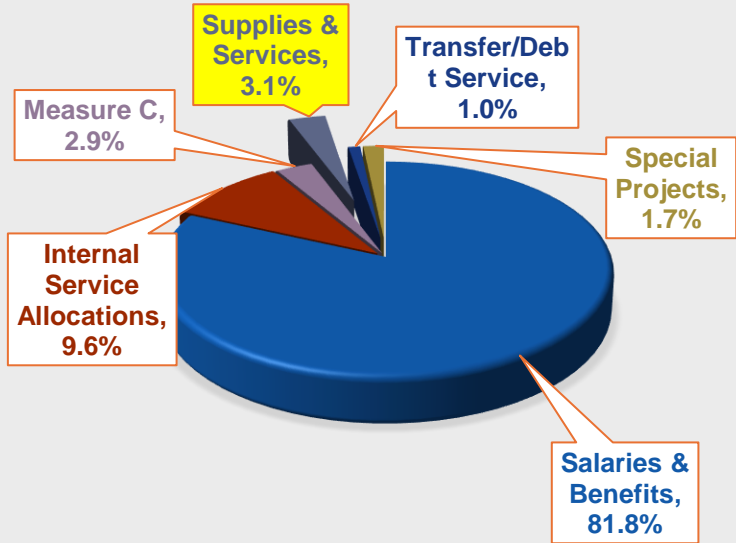
# Revenues

Description	FY 2024 Projections	FY 2025 Recommend
Fees & Service Charges	\$3,641,873	\$3,585,397
Intergovernmental	1,637,565	1,500,000
Other Revenues	529,907	532,521
Taxes	227,000	240,000
Use Of Money & Prpty	34,850	34,850
<b>Total</b>	<b>\$6,071,195</b>	<b>\$5,892,768</b>

# Expenditures

Description	FY 2024 Projections	FY 2025 Recommend
Salaries	\$20,467,828	\$20,098,288
Benefits	12,545,609	13,986,442
Allocated Costs	3,842,188	4,014,670
Supplies & Services	1,497,411	960,998
Capital Equip & Projects	668,049	1,220,000
Special Projects	187,931	694,536
Non-Capital Equipment	450,564	312,818
Transfers	253,778	395,078
Debt Service	-51,071	4,925
<b>Total</b>	<b>\$39,861,657</b>	<b>\$41,687,755</b>

# Distribution of Fire Department Budget



Description	FY 2025 Budget
Salaries & Benefits	\$34,084,730
Internal Allocations	\$4,014,670
<b>Supplies &amp; Services</b>	<b>\$1,273,816</b>
Measure C	\$1,220,000
Special Projects	\$694,536
Transfer/Debt	\$400,003
<b>Total</b>	<b>\$41,687,755</b>

# Measure C Allocation

\$1,220,000



Regional Dispatch

\$850,000



Equipment Replacement

\$370,000

# FY 2024 / FY 2025 Fire Department Budget Reductions

FY 2024 Target Reduction \$623,026

Description	Reduction
Warehouse Specialist - Position Eliminated	\$92,806
Fire Inspector II – Position Held	196,284
Shift Equipment Replacement to Measure C	162,000
Cancel Custodial Contract	29,167
Return Ford Fusion	2,800
Disallow take home vehicles for staff not on call	15,000
<b>Total</b>	<b>\$498,057</b>

# FY 2024 / FY 2025 Fire Department Budget Reductions

FY 2025 Target Reduction \$960,105

Description	Reduction
Fire Inspector III – Position Held	\$196,284
Reduce Training Services & Supplies	12,500
Reduce Training Overtime Budget	40,000
MDC Replacement Fund	34,850
MDC Reserve Balance Return – One time	196,300
<b>Total</b>	<b>\$479,934</b>



# Fire CORE Goals

Pillar	Department Goal	Performance Measure	Unit of Measure	Target
Innovation	Seek opportunities for innovation and implementation of technology	Investigate and respond to community inquiries via the City's new Citizen Request Management database within three business days	Days	3
Innovation	Provide professional and timely delivery of services to our whole community	Conduct 25 outreach events within the community	Numeric Value	25
Innovation	Provide professional and timely delivery of services to our whole community	Engage community through social media outreach by providing educational and response related messaging.	Numeric Value	1,201
Innovation	Provide professional and timely delivery of services to our whole community	Successful integration to Regional Dispatch by 2025	Percent	100

# Fire CORE Goals

Organizational Optimization	Strengthen the SBFD's sustainability and community resilience	Inspect 90% of high risk residential facilities annually	Percent	90
Organizational Optimization	Strengthen the SBFD's sustainability and community resilience	Complete 14 miles of vegetation road clearance within the WFSAD	Numeric Value	14
Organizational Optimization	Strengthen the SBFD's sustainability and community resilience	Ensure emergency incident response time is 6 minutes and 15 seconds 90% of the time	Percent	90
Thriving Workforce	Support and foster opportunities for personal growth and professional development	Provide at least one quarterly training for City staff assigned to the EOC	Days	6
Thriving Workforce	Diligently establish a healthy, safe, and productive culture	75% of staff participating in annual Health Physical Exam	Percent	75
Thriving Workforce	Support and foster opportunities for personal growth and professional development	75% of staff participating in at least one professional development or external training opportunity annually	Percent	75



# QUESTIONS?

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