

Proposed Budget

FY 2025-2026



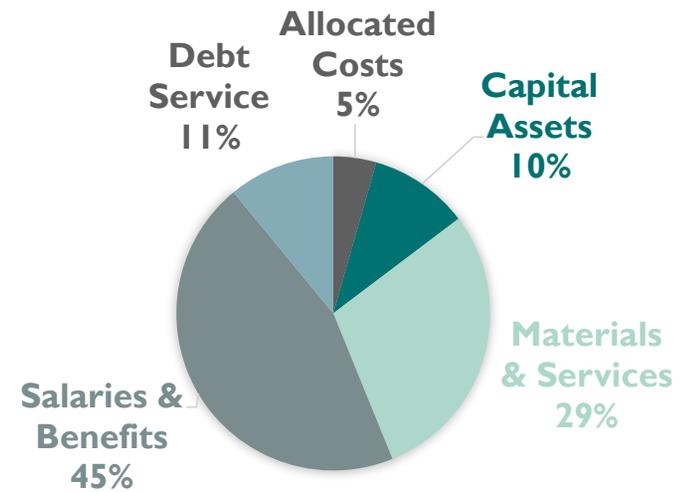
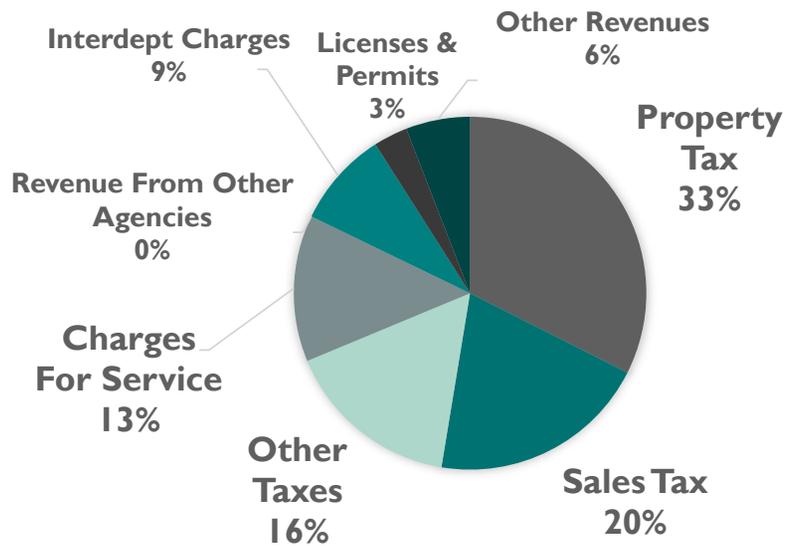
Summary of Budget Process



City-Wide Summary

Revenue: Over \$144.2 Million

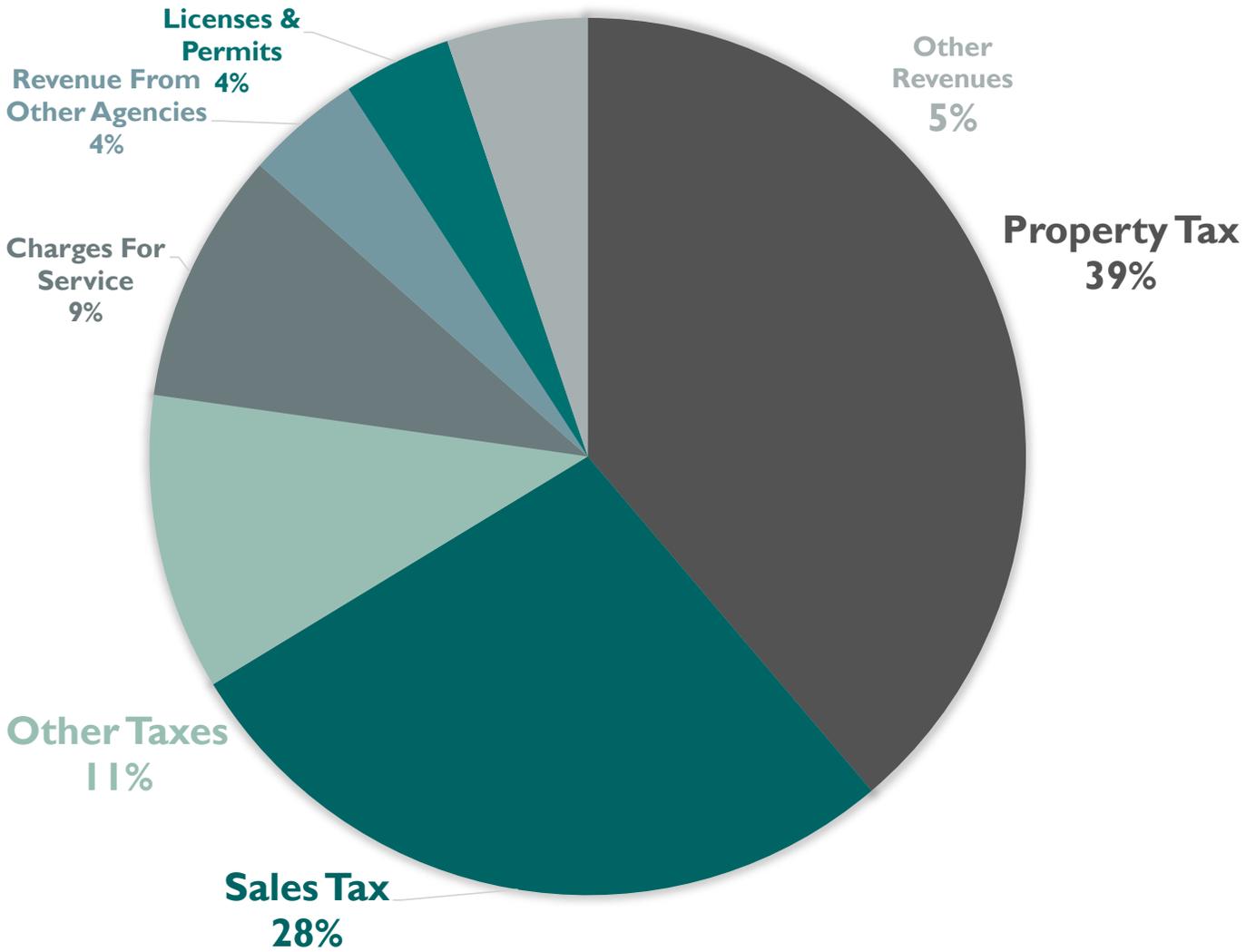
Expenditures: Over \$156.1 Million



General Fund Summary

Net Change in Fund Balance is \$768

| | FY2022-23 Actual | FY2023-24 Actual | Original Budget FY2024-25 | Estimated FY2024-25 | Proposed Budget FY2025-26 |
|----------------------------------|---------------------|---------------------|------------------------------|------------------------|---------------------------------|
| Net Change in Fund Balance | (3,130,138) | 830,082 | 1,335 | (1,150,220) | 768 |
| Ending Fund Balance | 21,028,742 | 21,858,824 | 21,860,159 | 20,708,604 | 20,709,372 |
| <i>Reserve Requirement (18%)</i> | 15,669,435 | 16,273,400 | 16,429,907 | 17,097,177 | 17,330,881 |

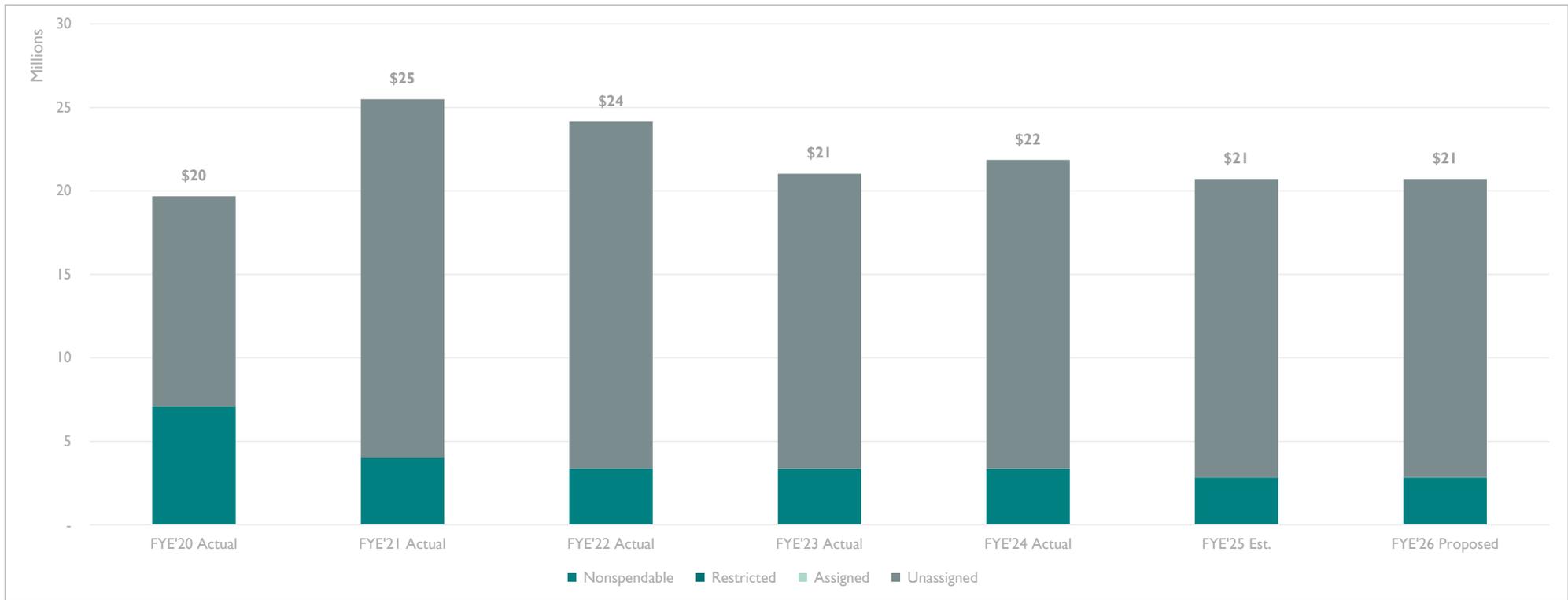


General Fund Revenue Sources

| | FY2023-24 Actual | Original Budget FY2024-25 | Estimated FY2024-25 | Proposed Budget FY2025-26 | Increase/ (Decrease) | |
|-----------------------------|---------------------|---------------------------------|------------------------|---------------------------------|-------------------------|-------------|
| Property Tax (39%) | 34,653,005 | 36,219,000 | 36,861,016 | 37,345,400 | 1,126,400 | 3.1% |
| Sales Tax (28%) | 26,222,939 | 23,837,000 | 25,873,620 | 26,500,000 | 2,663,000 | 11.2% |
| Other Taxes (11%) | 9,984,854 | 10,740,400 | 10,100,323 | 10,534,000 | (206,400) | -1.9% |
| Charges For Service (9%) | 8,503,455 | 8,788,500 | 9,373,685 | 8,957,830 | 169,330 | 1.9% |
| Proposition A Exchange (3%) | 2,250,000 | 2,275,995 | 1,500,000 | 2,625,000 | 349,005 | 15.3% |
| Other GF Revenues (10%) | 9,623,610 | 9,417,700 | 10,125,455 | 10,321,210 | 903,510 | 9.6% |
| Grand Total | 91,237,862 | 91,278,595 | 93,834,099 | 96,283,440 | 5,004,845 | 5.5% |

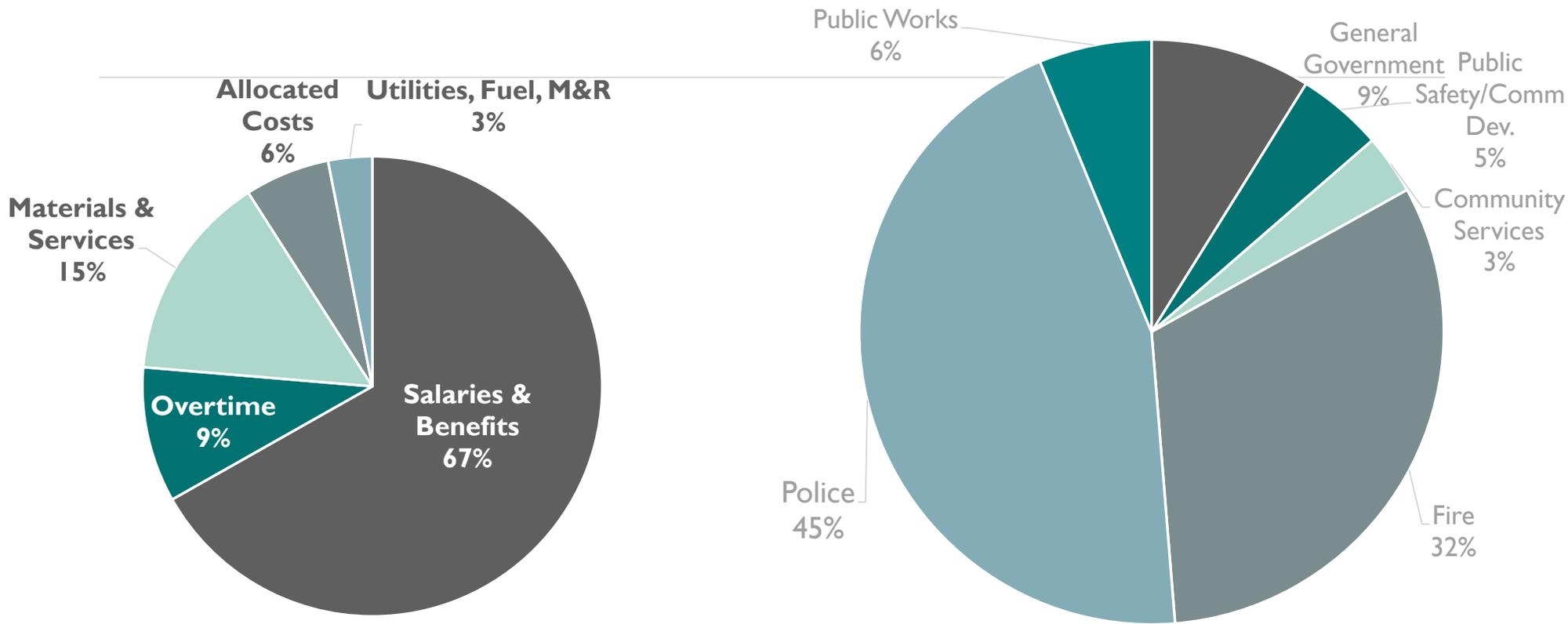
Comparison of General Fund Budget

Changes in General Fund Fund Balance



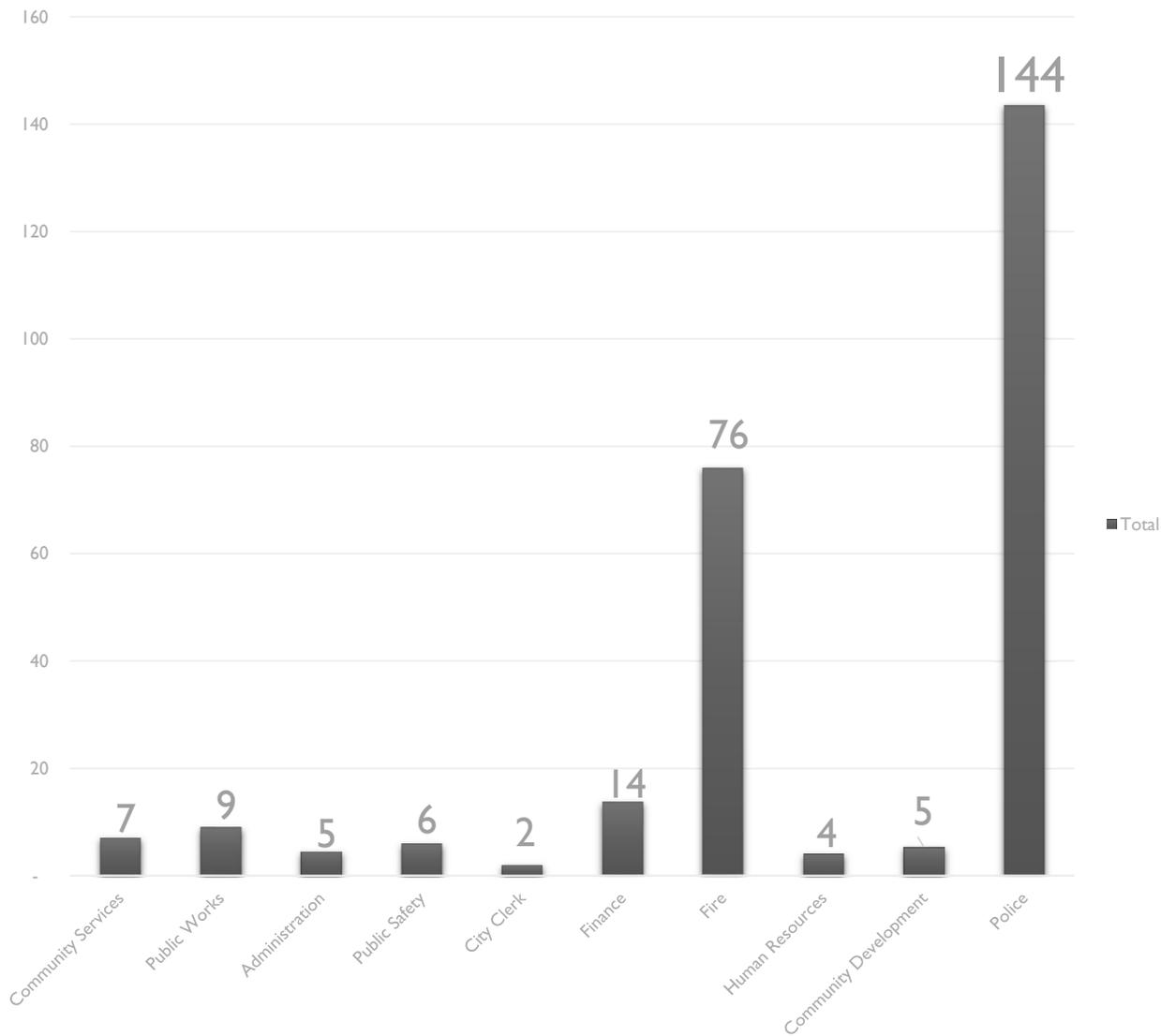
General Fund Expenditures

\$82.4 Million Total



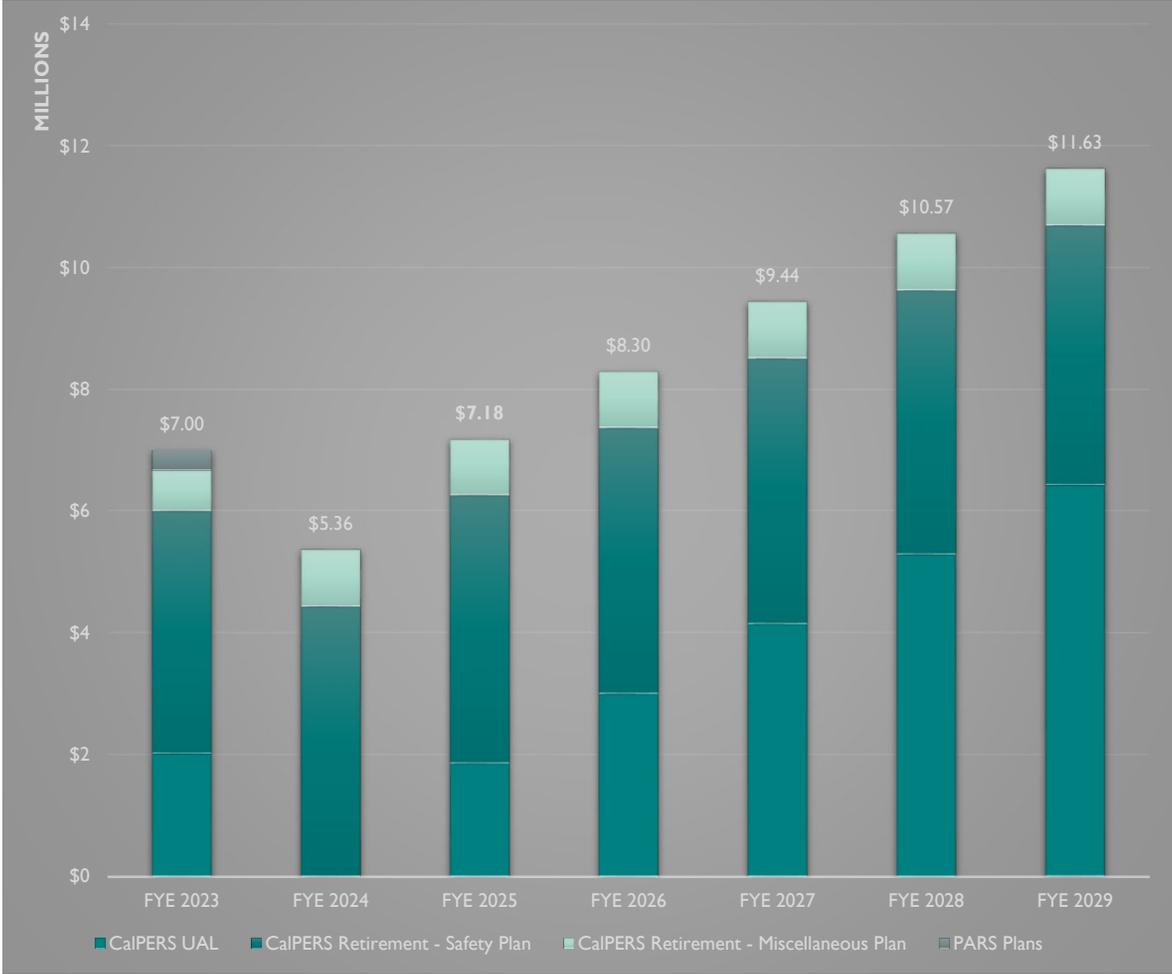
| | FY2023-24 Actual | Original Budget FY2024-25 | Estimated FY2024-25 | Proposed Budget FY2025-26 | Increase/ (Decrease) | |
|---------------------------|---------------------|---------------------------------|------------------------|---------------------------------|-------------------------|-----------|
| Expenditures | | | | | | |
| General Government | 6,015,932 | 7,062,952 | 7,237,517 | 7,314,926 | 251,974 | 4% |
| Public Safety/Comm Dev | 3,908,047 | 3,820,374 | 3,311,348 | 3,923,528 | 104,333 | 3% |
| Community Services | 2,482,431 | 2,389,730 | 2,772,276 | 2,721,240 | 331,510 | 14% |
| Fire | 22,361,570 | 23,953,222 | 24,909,962 | 26,210,482 | 2,257,260 | 9% |
| Police | 32,145,503 | 34,048,448 | 34,801,819 | 37,142,735 | 3,094,287 | 9% |
| Public Works | 3,293,751 | 4,884,635 | 5,075,094 | 5,140,641 | 256,006 | 5% |
| Expenditures Total | 70,207,234 | 76,159,361 | 78,108,016 | 82,453,552 | 6,295,370 | 8% |

Comparison of General Fund Expenditures



Full Time Employees by Department within the General Fund

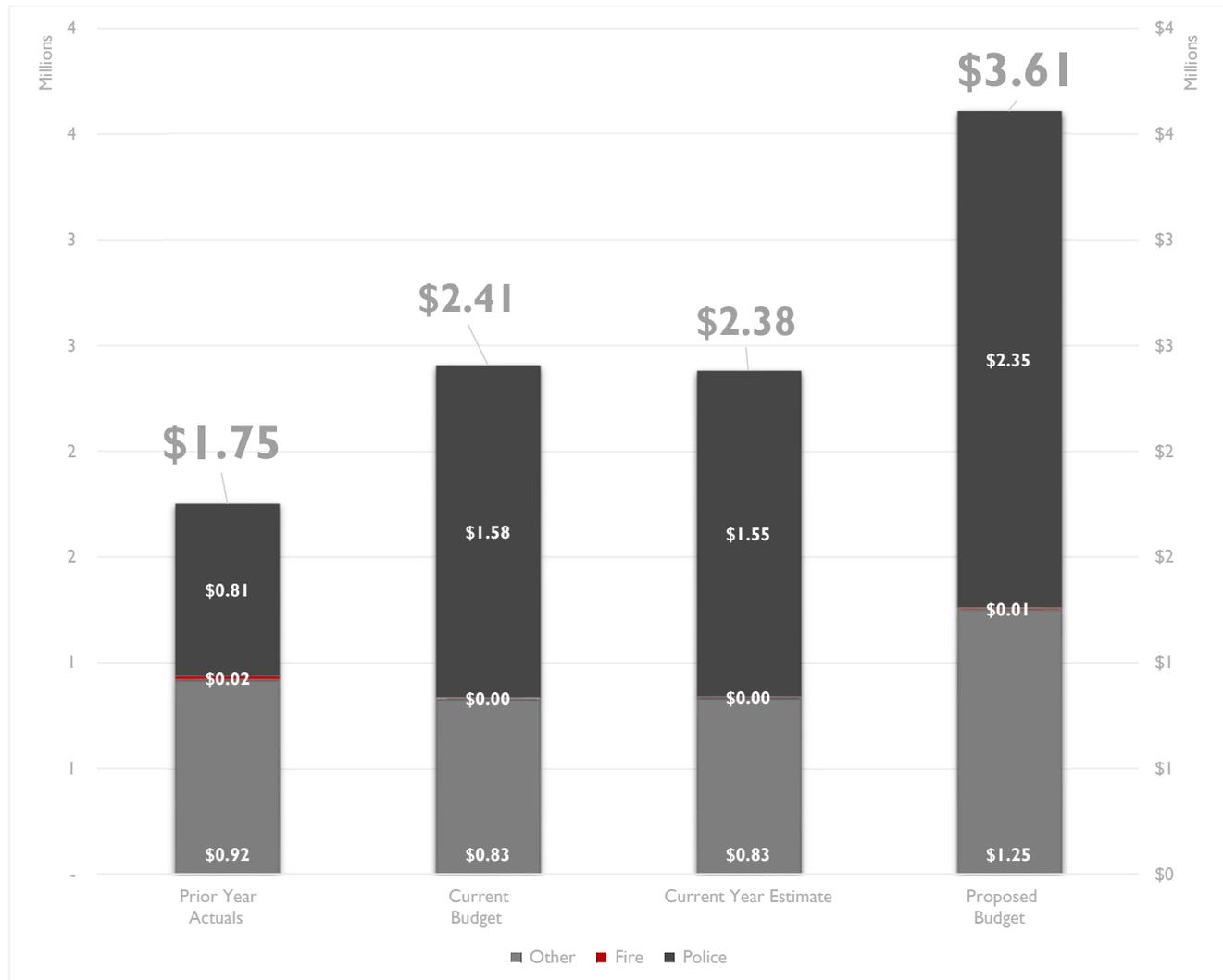
Pension Costs

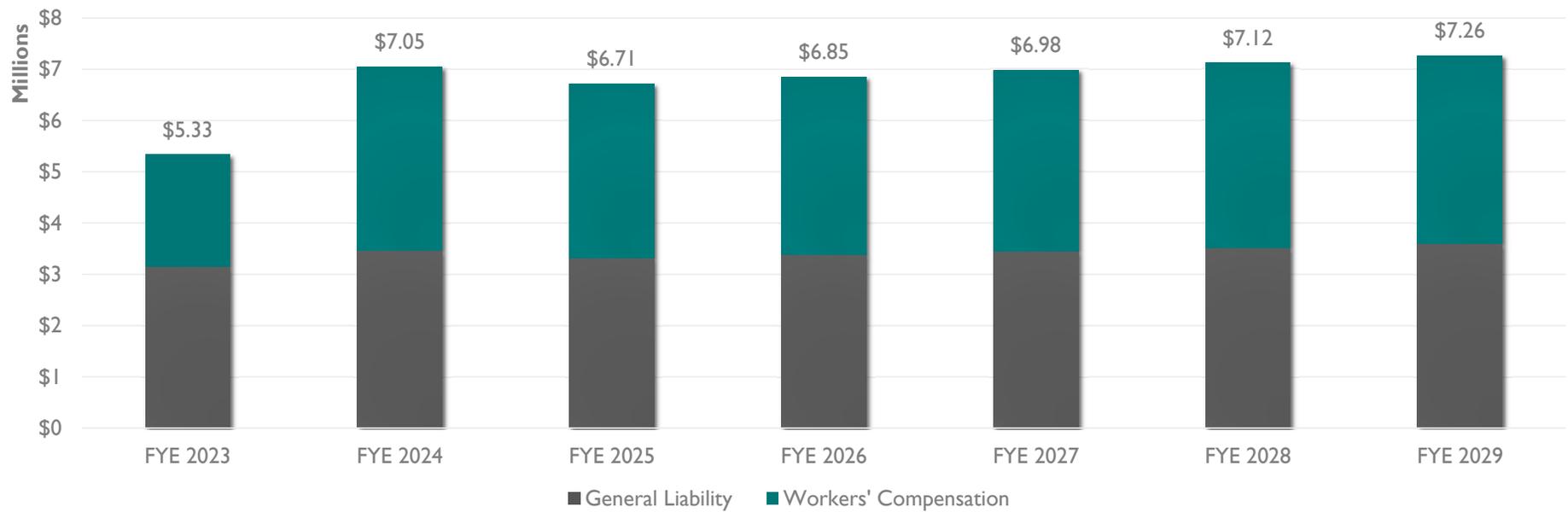


General Fund Workers Compensation Funding

City has allocated \$3.61M to Workers Comp, distributed to each Bargaining Group based on the actuarial provided.

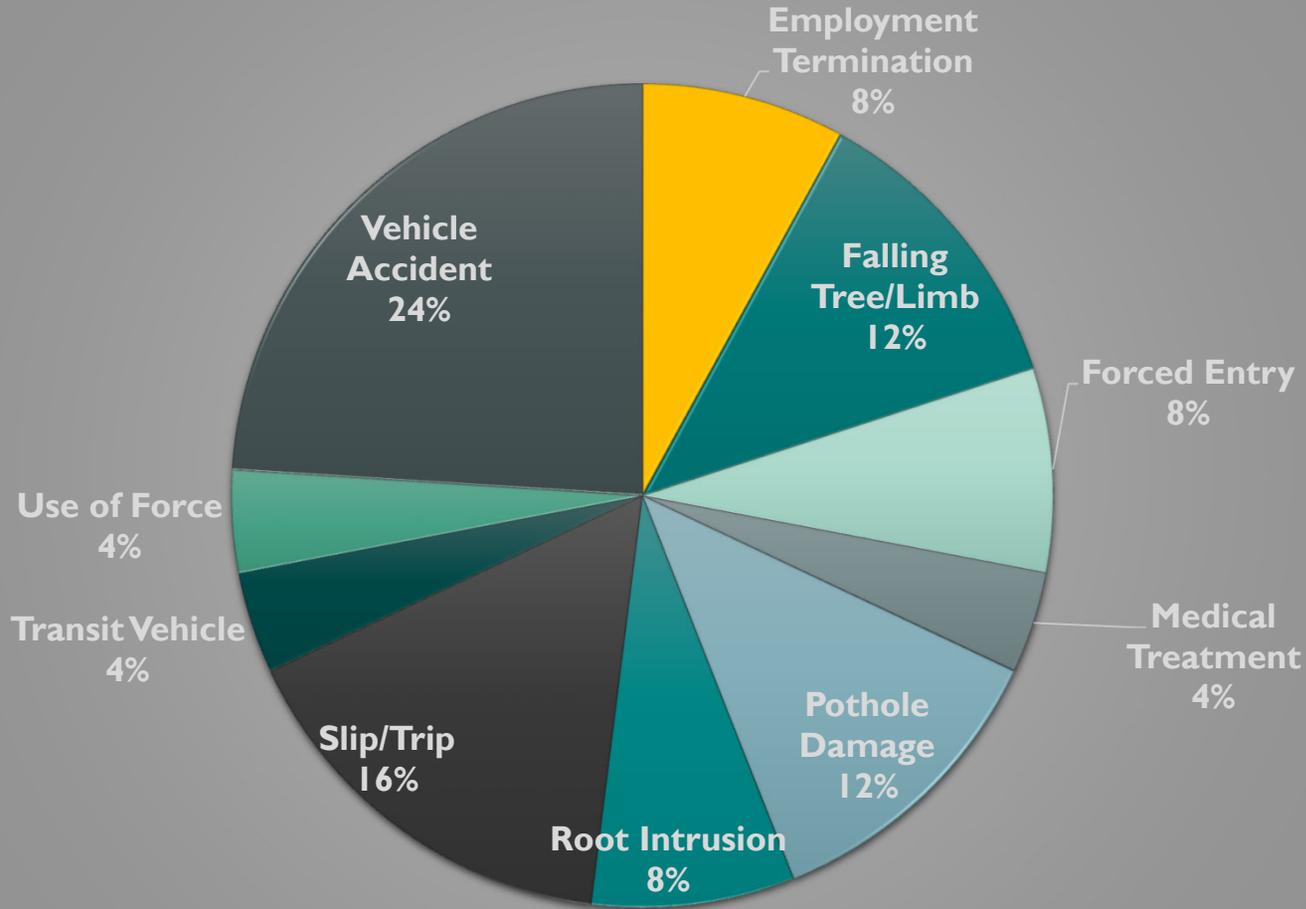
Citywide the funding for FY 2025-26 increased by \$1.4M (\$1.2M in General Fund)





Liability & Workers' Comp. Projected Losses

Open Liability Claims 6/30/24



Open Liability Claims 6/30/2024

Efforts to Reduce Risk

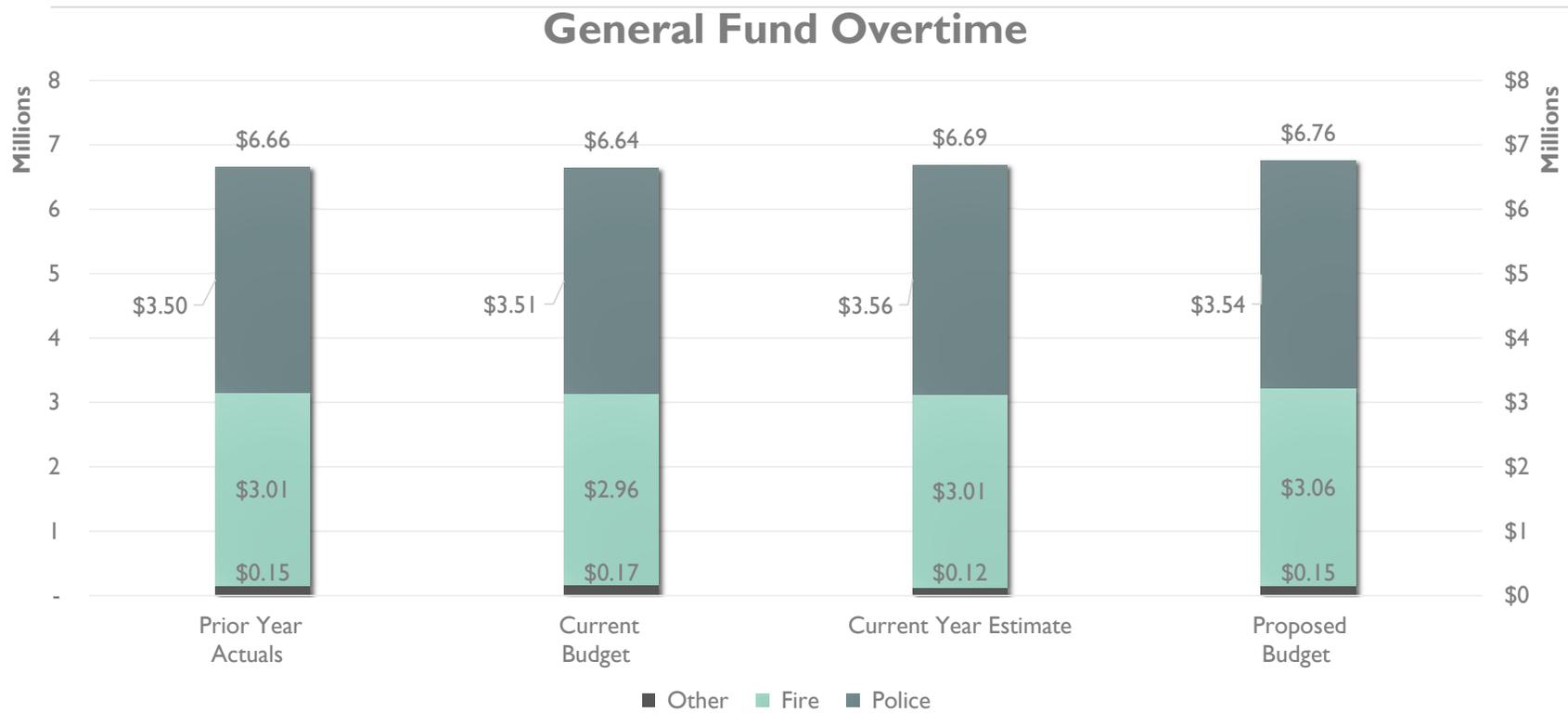
LossCAP Program – Initial Risk Management Evaluation

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graph TD; A[LossCAP Program – Initial Risk Management Evaluation] --> B[Identified 63 actions items]; B --> C[Reviewed monthly with excess carrier Risk Manager];
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Identified 63 actions items

Reviewed monthly with excess carrier Risk Manager

General Fund Overtime (in Millions)



Budget Survey

January - May

28 responses:

86% Residents

32% Property Owners

21% Employed in West Covina

Respondents were asked their opinion on 10 different city services.

Survey Rankings:

Importance and Funding



Needs Improvement



Service Levels Maintained



No new positions added



Recreation and community service programs, including Sportsplex operations.



Special Events, such as Spring Festival, 4th of July, Egg Hunt, Summer Concerts, etc.



Tree trimming and landscaping maintenance

**Non-Salary Expenditures
YTD 2025**

Special Event

| | |
|-----------------------------------|----------------|
| JULY 4TH EVENT | 148,398 |
| STATE OF THE CITY | 78,582 |
| SPRING FESTIVAL EVENT | 42,114 |
| FESTIVAL OF FRIGHTS | 46,144 |
| MOON FESTIVAL | 48,319 |
| SUMMER CONCERTS | 28,260 |
| LET IT SNOW | 23,796 |
| OTHER EVENTS | 184,523 |
| TOTAL YTD EXPENDITURES | 600,136 |
| | |
| ORIGINAL BUDGET | 210,000 |
| | |
| PROPOSED BUDGET FY 2025-26 | 466,000 |

2024-25 Special Events

Other Considerations

Sportsplex

- These operations continue to be subsidized by the General Fund in the next fiscal year.
- However, in the long-term, staff is evaluating opportunities for the complex to be self-sustaining and increase the local sales tax base.

Health Department

- Until direction is provided from the California Department of Public Health (CDPH), the City is in a holding pattern.
- The FY 2025-26 budget does not include new revenue and expenditures for a health department.

Chamber

- The City established a Chamber as a pilot program.
- The FY 2025-26 budget does not include general fund expenditures for the chamber.

FY 2025-26 Funded Capital Projects

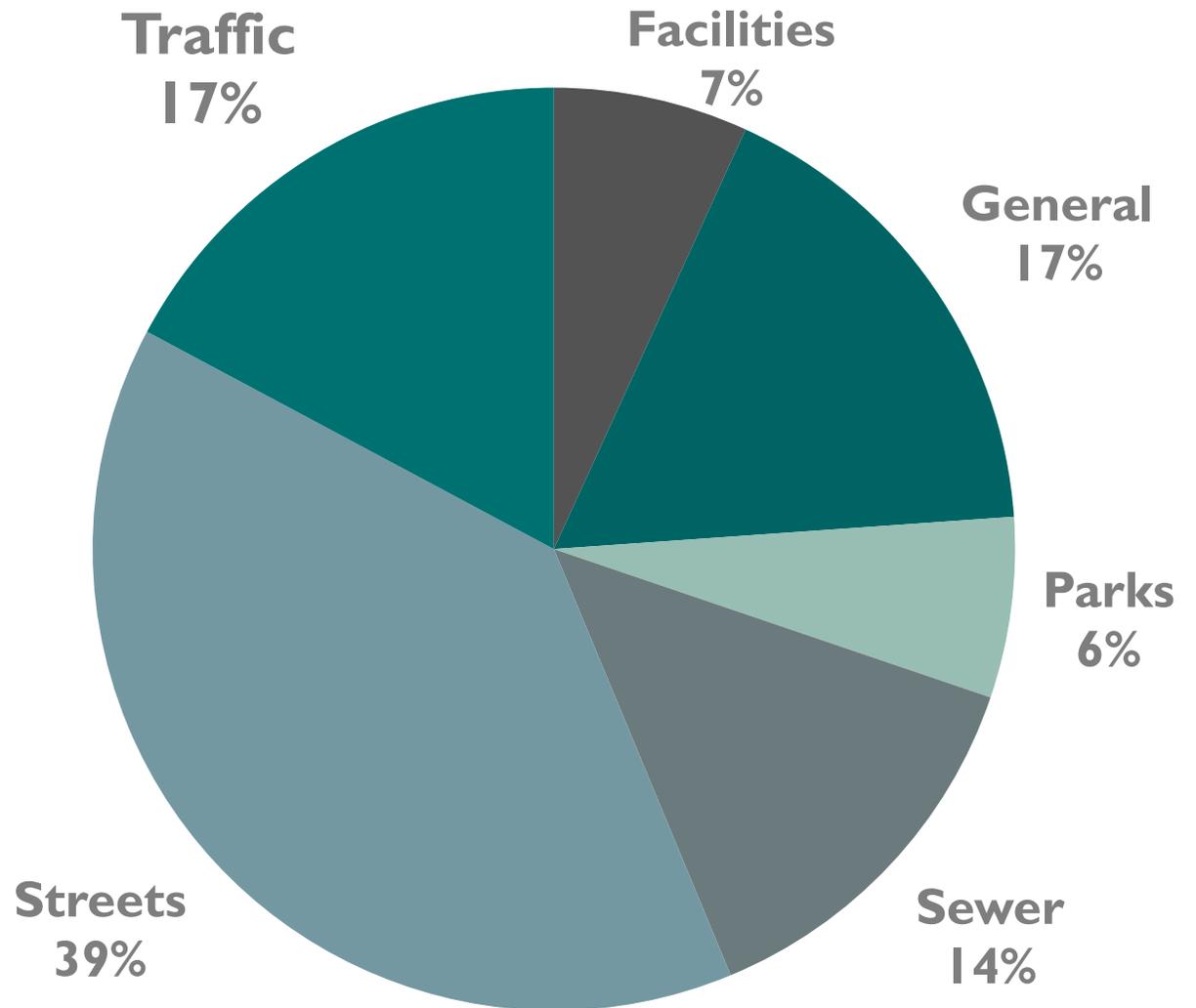
| | FYE 2026 |
|---|-------------------|
| Facilities | 2,050,000 |
| 25019, City Hall Elevators | 250,000 |
| 26002, City Council Chamber and ADA Improvements | 150,000 |
| 26003, Senior Center Audio/Visual Improvements | 50,000 |
| 26004, Sportsplex Restroom Installation | 150,000 |
| 26005, City Hall Campus Improvements Design | 250,000 |
| 26006, City Hall Parking Garage Improvements Design | 500,000 |
| 26007, City Hall Improvement-Paint | 200,000 |
| 26016, Fire Station 3 Roof Replacement | 500,000 |
| General | 150,000 |
| 26008, Paseo Improvements | 150,000 |
| Parks | 100,000 |
| 23007, Drinking Fountains & Picnic Areas | 100,000 |
| Streets | 8,589,800 |
| 26001, Residential Street Rehab (25-26) | 5,214,800 |
| 25003, Street Underpass Pumps | 300,000 |
| 26011, Median Landscaping | 350,000 |
| 26010, Sidewalk & Concrete Repairs | 400,000 |
| 26012, Street Sweeping Materials | 75,000 |
| 26013, Annual Sidewalk, Curb & Gutter Repairs FY25-26 | 250,000 |
| 26018, Arterial Road Rehab | 2,000,000 |
| Traffic | 1,790,000 |
| 21024, Traf Sig Controller & Bckp Battery | 90,000 |
| 23016, Traf. Signs, Stripping, Pvmt. Markers | 100,000 |
| 26014, Pedestrian & Vehicle Safety Imp FY 25-26 | 1,500,000 |
| 26015, Traffic Signal Cabinets with Controllers | 100,000 |
| Grand Total | 12,679,800 |

Capital Improvement Program

\$120 M Total Funded Projects

Over \$28 M in Projects Underway

\$12 M Proposed in new projects for FY2025-26



Budget in Brief

Attachment No. 1



Proposed Budget FY2025-26

Structurally Balanced Budget

City-Wide

\$144.3M | Recurring Revenue
\$156.2M | Expenditures

General Fund

\$96.3M | Revenue
\$82.5M | Expenditures/Transfers

Funding Sources

General fund Revenue Primarily comes from:

- Property taxes (\$37.3M)
- Sales Tax (\$26.5M)
- Other Taxes (\$10.5M)
- Charges for Services (\$9M)

General Fund - Fund Balance

● Nonspendable ● Unassigned

Where does the General Fund money go?



Questions/Comments/Input

