



Fiscal Year 2025-2026  
Revised Budget  
Lakewood, California

**REVISED  
BUDGET  
FY 2025-26**

**City Council**

Mayor Todd Rogers

Vice Mayor Cassandra Chase

Council Member David Arellano

Council Member Steve Croft

Council Member Jeff Wood

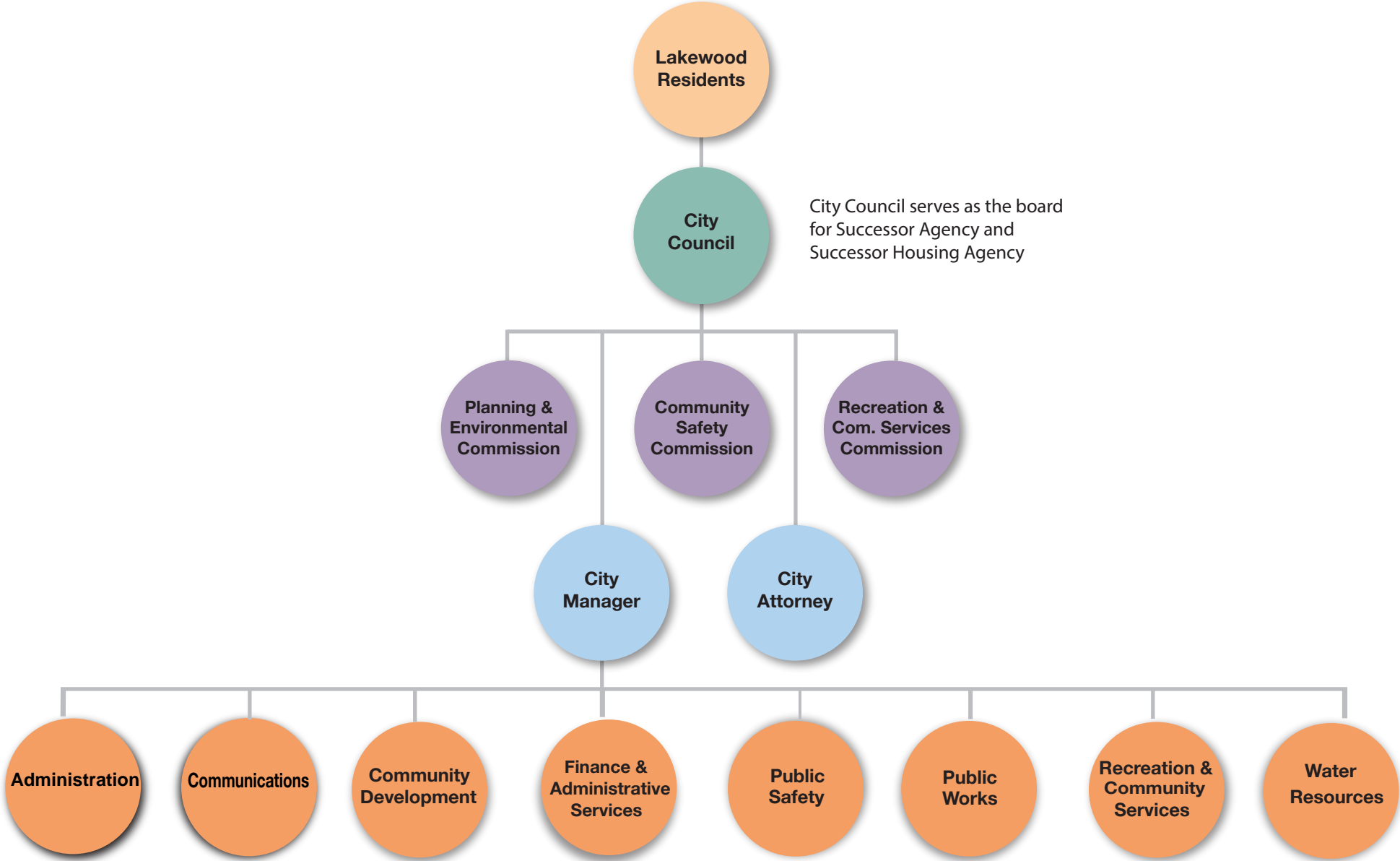


# **INTRODUCTION**

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# ORGANIZATION CHART

Revised Budget 2025-2026 • City of Lakewood





# City of Lakewood Budget Narrative

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June 10, 2025

**City of Lakewood  
Lakewood, California**

Honorable Mayor and Councilmembers:

I am very pleased to present for your consideration the revised budget for Fiscal Year (FY) 2025-26, the second year of the city's adopted two-year budget.

The City of Lakewood has a long tradition of strong fiscal oversight and prudent budget management, and we take to heart that maintaining our local quality of life and keeping our local property values high requires Lakewood to have the funding to keep our streets well-maintained and preserve our exceptional parks, recreation programs, and the safe and clean public spaces and neighborhoods that keep our community a desirable place to live, do business and raise a family. And, even in the current environment of uncertainty with the economy, Lakewood's historic prudence positions the city well to withstand whatever negative impacts may come to pass over the next year.

The revised budget is in line with the city's guiding principles and traditional values, producing an operational blueprint that preserves those valued services while maintaining a fiscally-sound organization. Even in an environment of change, it is our core values that act as guideposts toward stability and predictability. While the city's overall expenditure budget (inclusive of special revenue and enterprise funds) is in excess of \$100 million, the General Fund is the largest and most discretionary component of the budget and extremely important in the provision of essential city services. Also reflective of the city's prudent fiscal management is the inclusion of a rainy-day reserve fund for economic uncertainty equaling 20 percent of the city's annual operating budget that is set by policy and allows the organization to weather funding shortfalls.

Even in past years with limited resources resulting in a structural deficit, the city has consistently taken needed actions to balance the budget, whether it be making difficult budget cuts or pursuing new revenue streams when budget cuts have threatened the ability to provide essential services. The latter was the case when the community approved Measure L (the local Transaction and Use Tax) in March 2020. The budget before you and all future budgets for the foreseeable future would be much different in nature. Measure L represents a source of revenue that has allowed the city to maintain the programs and services that have helped define a quality of life in Lakewood that historically has distinguished us from other cities. We are grateful for the trust that the community has imparted on us and are respectful of the responsibility that we have to ensure that these new funds are spent with the same level of measured prudence that engendered the trust that facilitated the passage of the measure. These Measure L funds allow the city to chart a steady fiscal course for years to come. First and foremost, this includes maintaining core services and programs for Lakewood residents, addressing infrastructure needs, and focusing on strategic long-term funding solutions.

This budget allows the city to continue to preserve and improve the city's infrastructure such as streets, sidewalks, trees and community facilities, largely through a "save-then-spend" capital financing strategy. Prior to the passage of Measure L, operational savings realized each fiscal year were allocated toward the funding of future capital improvement projects. That became impossible over the past decade as the city grew into and began to realize a structural deficit.

The FY 2025-26 Revised Budget includes \$3.605 million for future-year capital improvement projects (CIPs), that includes a modest three percent increase to assist with the inflationary changes. These resources allow for the city to continue "on track" funding comprehensive infrastructure improvements. The allocations will be incorporated into the City Council's CIP planning and prioritization process outside of the budget development activity. In addition, the budget reflects the City Council's ongoing commitment and prioritization of public safety, with over \$1 million of investments added to the FY 2025-26 to address an uptick in regional crime trends.

Following is a more detailed review of the budget specifics:

For the current FY 2024-25 Final Budget Estimate, it is anticipated that the city's General Fund will have a surplus of approximately \$2.4 million. While expenditures have trended slightly below budgeted amounts for the year, projected revenues) are stronger than originally anticipated.

**FY 2025-26 Revised Budget**

The FY 2025-26 Revised Budget forecasts a General Fund surplus totaling almost \$1.6 million. Revenues are expected to be slightly higher than both the current year and the original two-year budget forecast.

Following is a summary of the FY 2025-26 General Fund Revised Budget activity:

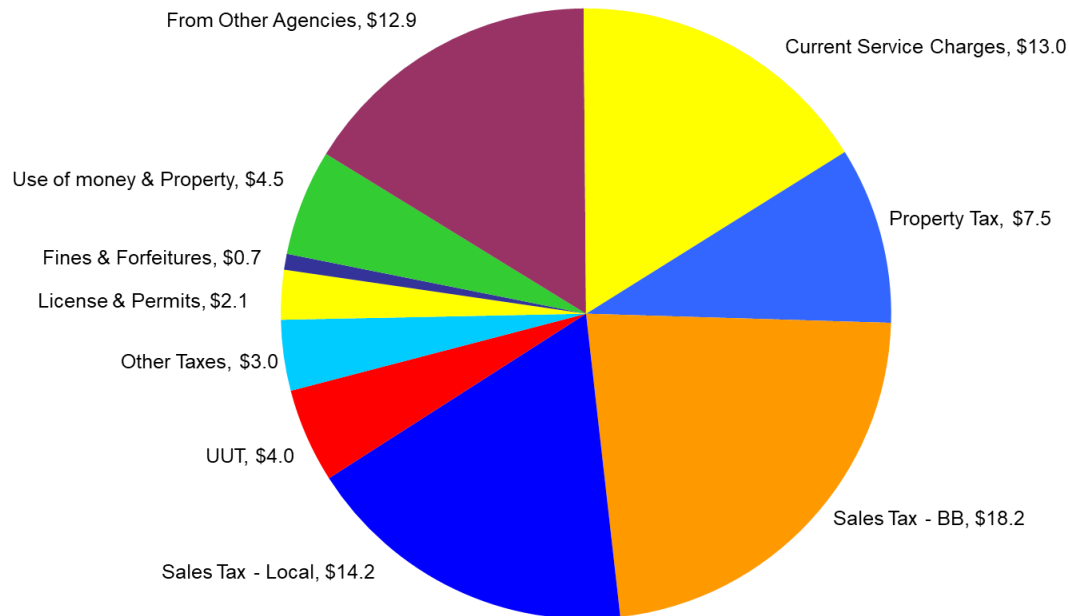
|                           | <u>Revised<br/>FY 2025-26</u> |
|---------------------------|-------------------------------|
| <b>Sources:</b>           |                               |
| General Revenues          | \$80,133,800                  |
| Transfers In:             | <u>4,630,200</u>              |
| Total Sources             | 84,764,000                    |
| <b>Uses:</b>              |                               |
| Departmental Expenditures | \$79,586,450                  |
| CIP Set-Aside             | <u>3,605,000</u>              |
| Total Uses                | 83,191,450                    |
| <b>Projected Surplus</b>  | <b><u>\$ 1,572,550</u></b>    |

**Revenues / Sources**

During FY 2025-26 we are expecting city General Fund revenues and sources to total approximately \$84.8 million, most of which (\$80.1 million) are revenues. This is almost \$1.5 million less than the current year’s estimate (which includes over \$2 million in one-time transfers) and almost \$1.4 million more than anticipated in the adopted budget. Among the biggest increases were Investment earnings, Refuse Collection Charges, and Building Permit Fees. Offsetting those increases was the \$976,000 reduction in Lakewood Equestrian Center (LEC) rental and concession fees as the facility was fully transitioned to a private operator.

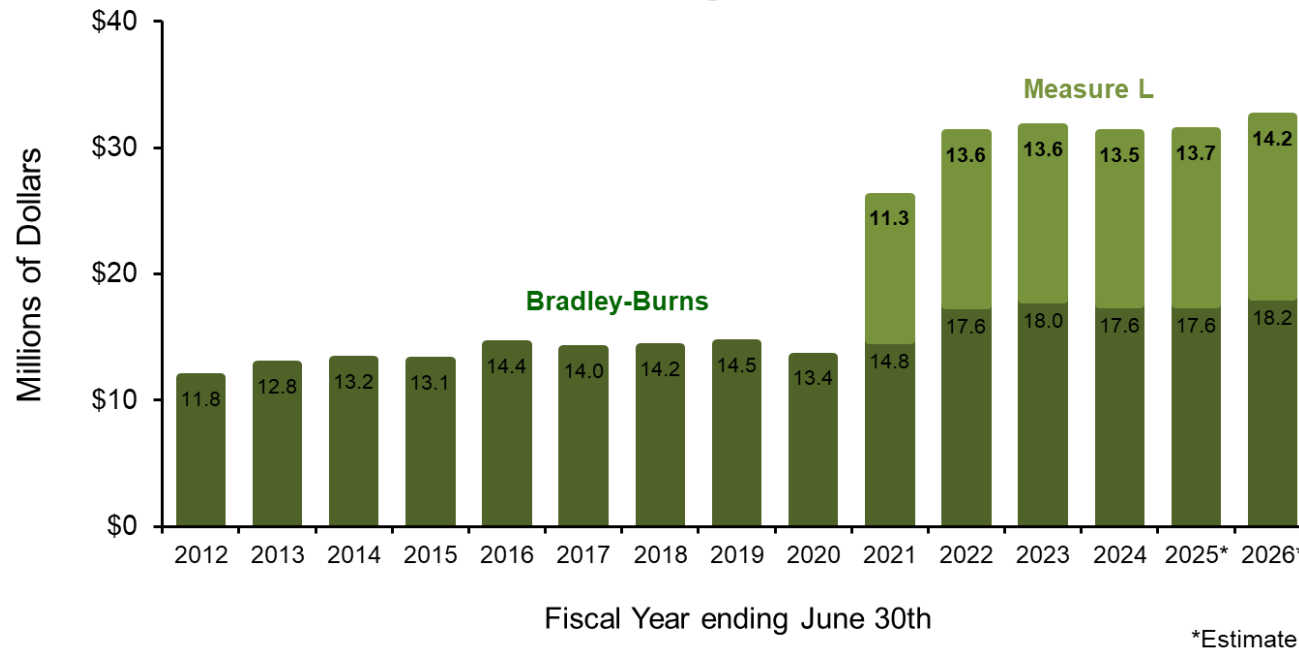
Following is a revenue chart graphically showing the anticipated revenues relative to other General Fund Revenues:

***FY 2025-26 General Fund Revenues: \$80.1 Million  
(Amounts below in millions)***



**Sales Tax Revenue** – Like many municipalities throughout the State, Sales Tax Revenue is the largest General Fund revenue source. It is also highly sensitive to consumer attitudes. With inflationary pressures being a common concern amid wide-ranging tariff discussions, consumer sentiment has been trending downward as significant economic uncertainty exists. In FY 2025-26 Bradley Burns Sales Tax and Measure L Sales Tax revenues are expected to be \$350,000 and \$272,000 lower than originally estimated, respectively. Below is a chart with historical information going back to FY 2011-12:

### Sales Tax Revenue History FY 2011-12 through FY 2025-26



**Investment Earnings** - The city’s investment earnings revenue has continued to benefit from higher interest yields over a prolonged period. We anticipate receiving \$2.95 million, or \$950,000 more than originally anticipated for FY 2025-26.

***Building & Plan Check Fees*** – The Revised Budget includes over \$2.5 million in Building & Plan Check Fees for FY 2025-26, or over \$200,000 more than the adopted budget. This is indicative of the ongoing construction activity in the community and the expectation of its continuation through the upcoming fiscal year.

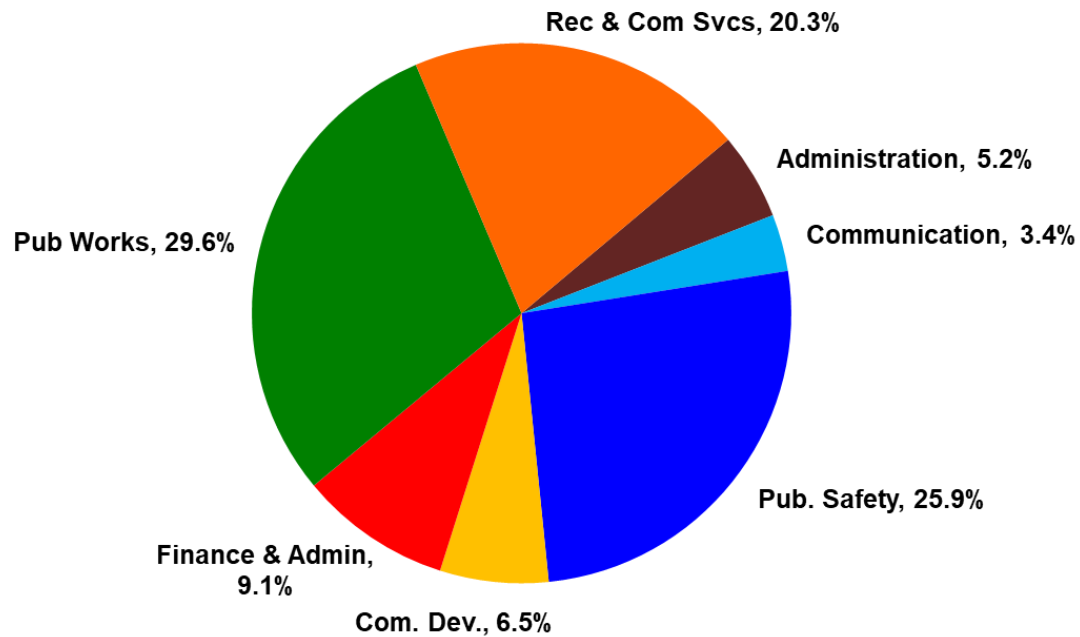
### **Expenditures / Uses**

General Fund expenditures and set-asides are expected to total almost \$83.2 million in FY 2025-26, or about \$900,000 more than the adopted budget, the increase represents additional appropriations in several departments including Public Safety that began in prior years, and which are being extended into FY 2025-26. The increase above reflects a \$1.2 million decrease from the operations of the LEC. As mentioned in the Revenue Section, operations were transitioned to a private operator. Among the larger components of the increase are: \$307,000 in funding for the continuation of the citywide private security patrol at the current service level (through the Station Cities Joint Powers Authority), \$30,000 for the private security firm to provide a dedicated supervisor to the three cities in the above JPA, \$400,000 set-aside for potential public safety technology enhancements (i.e. Flock pilot program), \$150,000 towards continuing the contract of two Homeless Liaison positions originally added in February 2025, \$181,450 in funding the Los Angeles County Sheriff's Department (LASD) contract rate increase of 4.5% (originally budgeted at 3.5%), \$93,950 to fund two additional Maintenance Trainee positions to serve as a cleanup crew (with an emphasis on homeless cleanups), \$300,000 for contracting with a private firm for building official services, \$200,000 for the outsourcing and management of facility security devices, landlines & mobile phones, \$105,000 in additional funding for CIPs as part of the annual infrastructure set-aside, \$210,000 for the purchase of traffic signal battery backups for eight locations, \$150,000 for additional street lighting maintenance costs, and \$125,000 for equipment upgrades to both McCormick and Mayfair pools.

Overall, departmental expenditures for Fiscal Year 2025-26 are projected to total approximately \$79.6 million. The three departments accounting for the largest portions of these expenditures—Public Works, Public Safety, and Recreation & Community Services—illustrate a uniquely balanced allocation of resources within the municipal context. This distribution reflects the City of Lakewood's comprehensive approach to governance, emphasizing the interdependent relationship between infrastructure development, community engagement, and public safety in promoting an enhanced quality of life.

Following is a department expenditure chart for the upcoming year graphically showing the relative expenditure component for each department:

***FY 2025-26 Departmental Expenditures - \$79.6 Million***



**WATER UTILITY FUND**

In the Revised Fiscal Year 2025-26 Budget, the fund is projected to close the year with a surplus of approximately \$174,773. This represents a decrease of roughly \$43,000 compared to the original budget projection, primarily due to an increase in expenses of approximately \$161,000. These higher costs are largely offset by slightly stronger-than-anticipated revenues totaling \$117,500.

Following is a summary of the FY 2025-26 Water Utility Fund Revised Budget:

|                       | <u>Revised</u><br><u>FY 2025-26</u> |
|-----------------------|-------------------------------------|
| Sources:              |                                     |
| <u>Revenues</u>       | <u>\$ 16,169,000</u>                |
| Total Sources         | 16,169,000                          |
| Uses:                 |                                     |
| Departmental Expenses | \$ 14,198,527                       |
| Transfers Out –       |                                     |
| <u>General Fund</u>   | <u>1,795,700</u>                    |
| Total Uses            | 15,994,227                          |
| Projected Surplus     | <u>\$ 174,773</u>                   |

### Revenues

During FY 2025-26 we are expecting Water Utility revenues to total \$16.17 million, or \$117,500 more than the original budget estimate. This is due to slightly higher than originally expected water sales.

### Expenses / Uses

Water Utility expenses and fund transfers are expected to total about \$16 million in FY 2025-26. This is about \$161,000 (1%) more than the amount originally included in the adopted budget. This is primarily due to the addition of \$124,000 in software updates for the year.

### **BUDGET CONCLUSION**

The last few years, with the ups and downs of the covid and post-covid economy, have been fiscally challenging for all California cities and Lakewood has been no exception. Nonetheless, Lakewood has persevered. And now as we are presented with economic policy changes of the current administration, Lakewood again faces a degree of uncertainty. However, through all of that, the resilience of the community and the local economy has not only endured but thrived,

positioning the city to continue flourishing, notwithstanding the current challenges we face. Although those external economic factors give us reason to be cautious, the underlying structure of our budget and local economy is sound. The revised budget maintains our levels of service and provides us with the ability to maintain the infrastructure needed to sustain the quality of life that our residents deserve and expect. The city's long tradition of prudent fiscal management has served us well in the past and will allow us to persevere through the next year and beyond. As in years past, the City will remain committed to prudent fiscal management, strong financial oversight, and a disciplined "living within our means" approach to meeting both current and future community needs.

I am proud of the professionalism and dedication that our organization has exhibited over the historic challenges of the recent past and continues to exhibit. I want to thank and commend all of our staff for their indefatigable commitment to ever enhancing the quality of life of the people we serve. As well, I especially want to thank the City Council for its hard work and invaluable input in the process, as well as the members of the city's budget development team, comprising the department Directors, their senior support staff, and, of course, the stalwart efforts of the Finance & Administrative Services staff who acted as liaisons to the various departments. Their advice and input was critical in the development of this financial plan and they did the heavy lifting in the preparation of the actual document.

In closing, this revised budget is well within our tradition of fiscal prudence and living within our means in a sustainable way. As we move forward into what continues to be unconventional economic conditions, we will continue to focus on essential services and strategies for maximizing quality and cost efficiency through cost controls, improved service delivery methods, and strategic investments in technology and employee training and development. With the City Council's continued leadership, we will provide the necessary fiscal stewardship to meet the current and future needs of the community.

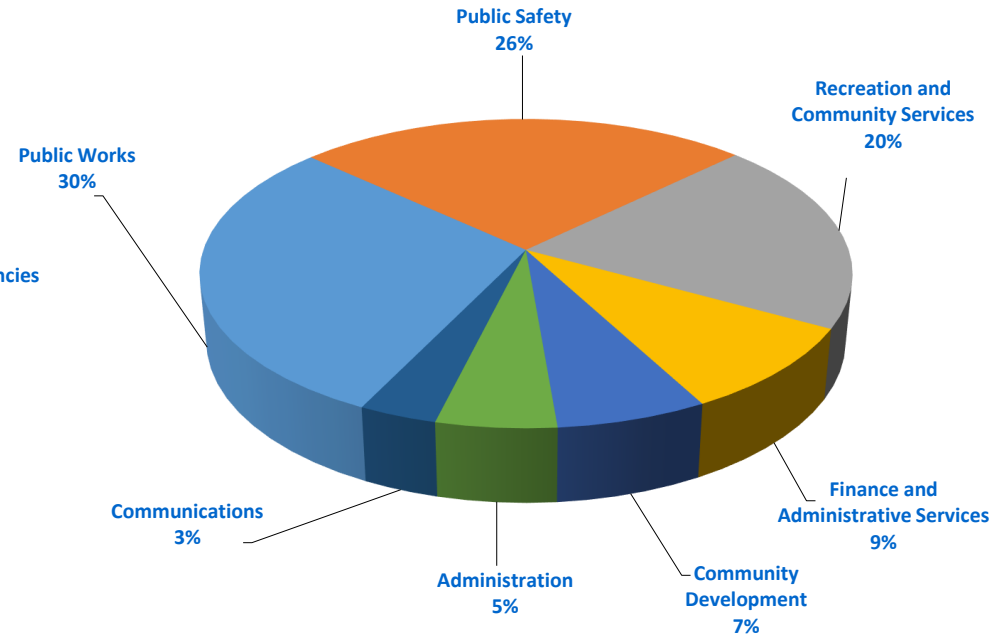
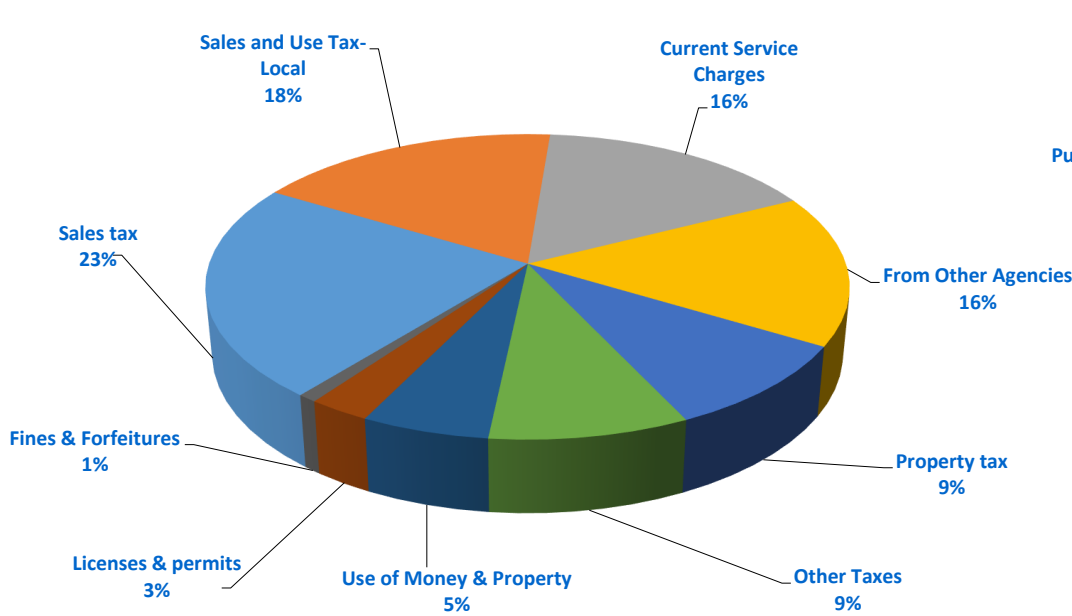


Thaddeus McCormack  
City Manager

# **SUMMARY OF FUNDS**

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**FY 2025-2026**  
**Sources and Uses- General Fund**



**Fiscal Year 2025-2026**

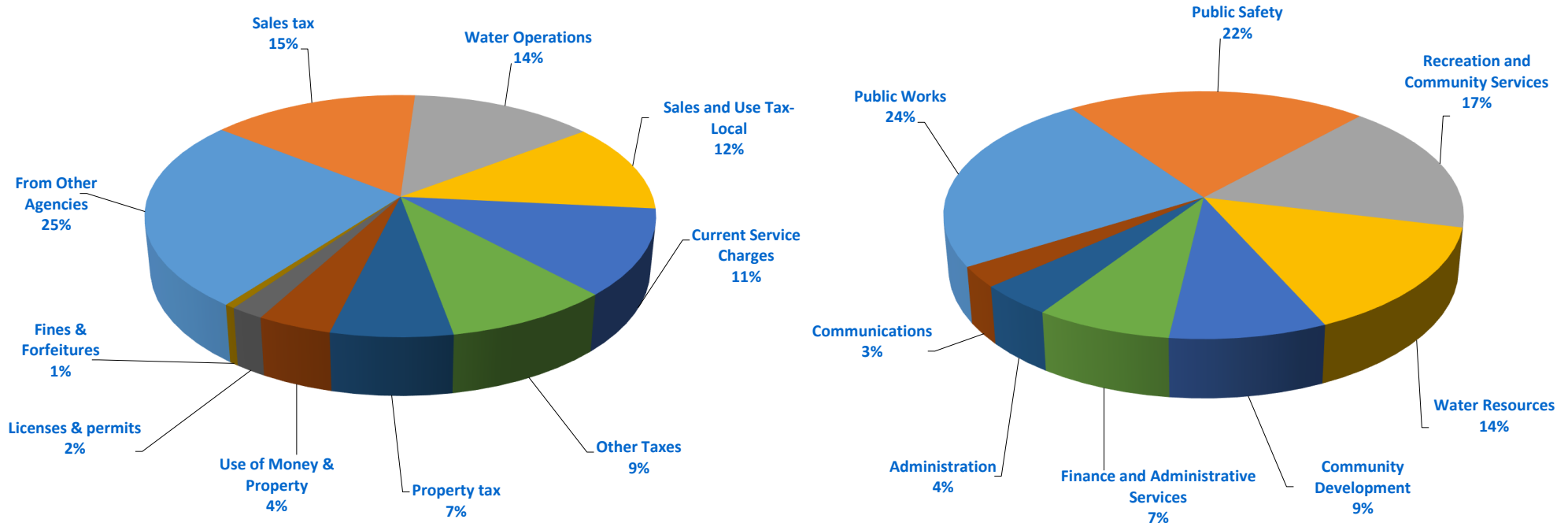
**Sources of Funds**

|                          |                   |
|--------------------------|-------------------|
| Sales tax                | 18,246,000        |
| Sales and Use Tax- Local | 14,172,000        |
| Current Service Charges  | 13,019,940        |
| From Other Agencies      | 12,853,800        |
| Property tax             | 7,502,000         |
| Other Taxes              | 7,011,000         |
| Use of Money & Property  | 4,477,950         |
| Licenses & permits       | 2,176,000         |
| Fines & Forfeitures      | 675,100           |
| Transfers In             | 4,424,200         |
| <b>\$</b>                | <b>84,557,990</b> |

**Uses of Funds**

|                                     |                   |
|-------------------------------------|-------------------|
| Public Works                        | 23,557,217        |
| Public Safety                       | 20,654,368        |
| Recreation and Community Services   | 16,138,091        |
| Finance and Administrative Services | 7,255,646         |
| Community Development               | 5,174,586         |
| Administration                      | 4,120,779         |
| Communications                      | 2,685,746         |
| Transfers Out                       | 3,605,000         |
| <b>\$</b>                           | <b>83,191,433</b> |

**FY 2025-2026  
Sources and Uses- All Funds**



**Fiscal Year 2025-2026**

**Sources of Funds**

|                          |                    |
|--------------------------|--------------------|
| From Other Agencies      | 30,286,389         |
| Sales tax                | 18,246,000         |
| Water Operations         | 16,169,000         |
| Sales and Use Tax- Local | 14,172,000         |
| Current Service Charges  | 13,704,940         |
| Other Taxes              | 10,805,000         |
| Property tax             | 7,907,000          |
| Use of Money & Property  | 4,856,150          |
| Licenses & permits       | 2,176,300          |
| Fines & Forfeitures      | 675,100            |
| <b>\$</b>                | <b>118,997,879</b> |

**Uses of Funds**

|                                     |                    |
|-------------------------------------|--------------------|
| Public Works                        | 24,211,291         |
| Public Safety                       | 21,492,368         |
| Recreation and Community Services   | 17,169,740         |
| Water Resources                     | 14,452,807         |
| Community Development               | 8,599,798          |
| Finance and Administrative Services | 7,439,646          |
| Administration                      | 4,137,912          |
| Communications                      | 2,698,446          |
| <b>\$</b>                           | <b>100,202,008</b> |

**FUND SUMMARY**

**CITY OF LAKEWOOD**

**FISCAL YEAR 2025-2026**

| <b>FUND</b>                                    | <b>Estimated<br/>Fund Balance<br/>June 30, 2025</b> | <b>Revenues</b>       | <b>Appropriations</b> | <b>Reserves &amp;<br/>Transfers In/<br/>(Out)</b> | <b>Estimated<br/>Fund Balance<br/>June 30, 2026</b> |
|--|---|-----------------------|-----------------------|---|---|
| <u>General Fund*</u>                           | \$ 8,532,015  | \$ 80,133,790         | \$ 79,586,433         | \$ 4,424,200                                      | \$ 13,503,572                                       |
| Transfer to Capital Improvement Proj Reserve   | (3,500,000)   | -                     | -                     | (3,605,000)                                       | (7,105,000)   |
|  | <u>5,032,015</u>                                    | <u>80,133,790</u>     | <u>79,586,433</u>     | <u>819,200</u>                                    | <u>6,398,572</u>                                    |
| <u>Housing Successor Agency Fund</u>           | 1,805,685   | 355,150               | 1,058,000             | (350,000)   | 752,835   |
| <u>Special Revenue Funds</u>                   |   |                       |                       |   |   |
| Air Quality Management (AQMD)                  | 154,467   | 103,000               | 10,000                | -   | 247,467   |
| Beverage Container Recycle Grant               | 48,115  | 23,281                | 54,006                | -   | 17,390  |
| Community Development Block Grant (CDBG)       | 547,929   | 503,000               | 298,352               | -   | 752,577   |
| Measure M                                      | 8,288,696   | 1,532,000             | -                     | -   | 9,820,696   |
| Measure R                                      | 5,604,865   | 1,350,000             | 1,405                 | -   | 6,953,460   |
| Measure W                                      | 4,620,413   | 1,148,616             | 280,780               | -   | 5,488,249   |
| Permanent Local Housing Allocation             | 1,125,703   | 263,190               | 263,190               | -   | 1,125,703   |
| Proposition A Recreation                       | (57,692)  | 37,000                | 69,626                | -   | (90,318)  |
| Proposition A Transit Fund                     | 1,796,631   | 2,105,000             | 2,420,434             | -   | 1,481,197   |
| Proposition C Transit Fund                     | 6,748,518   | 1,780,000             | 794,042               | -   | 7,734,476   |
| Road Maintenance & Rehabilitation (RMRA)       | 8,871,018   | 2,303,774             | -                     | -   | 11,174,792  |
| State COPS Grant                               | 116,130   | 253,000               | 200,000               | -   | 169,130   |
| State Gas Tax                                  | 94,477  | 2,357,129             | -                     | (2,278,500)                                       | 173,106   |
| Transportation Development Act (TDA) Article 3 | 82,739  | 64,150                | -                     | -   | 146,889   |
| Used Oil Grant                                 | 25,805  | 11,499                | 11,499                | -   | 25,805  |
| Other Capital Improvement Funds                | 5,391,704   | 3,230,000             | -                     | -   | 8,621,704   |
| Miscellaneous Grants/Funds                     | 1,824,474   | 5,275,300             | 955,714               | -   | 6,144,060   |
| <b>TOTAL GOVERNMENTAL FUNDS</b>                | <b>52,121,693</b>                                   | <b>102,828,879</b>    | <b>86,003,481</b>     | <b>(1,809,300)</b>                                | <b>67,137,791</b>                                   |
| <u>Water Utility Operations</u>                | <u>12,455,639</u>                                   | <u>16,169,000</u>     | <u>14,198,527</u>     | <u>(1,795,700)</u>                                | <u>12,630,412</u>                                   |
| <b>GRAND TOTAL</b>                             | <b>\$ 64,577,332</b>                                | <b>\$ 118,997,879</b> | <b>\$ 100,202,008</b> | <b>\$ (3,605,000)</b>                             | <b>\$ 79,768,203</b>                                |

\* Represents General Fund's estimated unassigned fund balance

# **APPROPRIATION SUMMARY**

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**APPROPRIATION SUMMARY**

**CITY OF LAKEWOOD**

**CONTRACT SERVICES**

| <b>Rank</b> | <b>Description</b>                 | <b>2025-2026<br/>Adopted<br/>Budget</b> | <b>% of<br/>Total</b> | <b>2025-2026<br/>Revised<br/>Budget</b> | <b>% of<br/>Total</b> | <b>Amount of<br/>Change</b> | <b>% of<br/>Change</b> |
|-------------|------------------------------------|---|-----------------------|---|-----------------------|-----------------------------|------------------------|
| 1           | Law Enforcement                    | \$ 15,830,600                           | 36.9%                 | \$ 16,491,750                           | 37.7%                 | \$ 661,150                  | 4.2%                   |
| 2           | Refuse Collection/Disposal Service | 7,198,000                               | 16.8%                 | 7,198,000                               | 16.4%                 | -                           | 0.0%                   |
| 3           | Tree Maintenance                   | 1,585,000                               | 3.7%                  | 1,585,000                               | 3.6%                  | -                           | 0.0%                   |
| 4           | Street Lighting                    | 1,103,000                               | 2.6%                  | 1,352,000                               | 3.1%                  | 249,000                     | 22.6%                  |
| 5           | Street Sweeping                    | 908,150                                 | 2.1%                  | 908,150                                 | 2.1%                  | -                           | 0.0%                   |
| 6           | Utility Billing Services           | 725,000                                 | 1.7%                  | 865,000                                 | 2.0%                  | 140,000                     | 19.3%                  |
| 7           | Animal Control                     | 699,279                                 | 1.6%                  | 699,279                                 | 1.6%                  | -                           | 0.0%                   |
| 8           | Sky Knight                         | 605,700                                 | 1.4%                  | 611,000                                 | 1.4%                  | 5,300                       | 0.9%                   |
| 9           | Engineering Services               | 595,500                                 | 1.4%                  | 595,500                                 | 1.4%                  | -                           | 0.0%                   |
| 10          | Building Inspection                | 580,000                                 | 1.4%                  | 606,000                                 | 1.4%                  | 26,000                      | 4.5%                   |
|             | Sub-total                          | 29,830,229                              | 69.5%                 | 30,911,679                              | 70.6%                 | 1,081,450                   | 122.3%                 |
| 11          | Maintenance Agreement              | 331,123                                 | 0.8%                  | 334,423                                 | 0.8%                  | 3,300                       | 1.0%                   |
| 12          | Traffic Control                    | 230,000                                 | 0.5%                  | 440,000                                 | 1.0%                  | 210,000                     | 91.3%                  |
| 13          | Legal Services                     | 221,000                                 | 0.5%                  | 221,000                                 | 0.5%                  | -                           | 0.0%                   |
| 14          | Audit & Other Financial Services   | 172,000                                 | 0.4%                  | 198,000                                 | 0.5%                  | 26,000                      | 15.1%                  |
| 15          | Fire & Security Alarm              | 168,150                                 | 0.4%                  | 157,650                                 | 0.4%                  | (10,500)                    | -6.2%                  |
| 16          | Street & Sidewalk Maintenance      | 160,000                                 | 0.4%                  | 185,000                                 | 0.4%                  | 25,000                      | 15.6%                  |
| 17          | Industrial Waste Inspection        | 88,000                                  | 0.2%                  | 104,000                                 | 0.2%                  | 16,000                      | 18.2%                  |
| 18          | Information Technology Services    | 80,112                                  | 0.2%                  | 545,762                                 | 1.2%                  | 465,650                     | 581.2%                 |
| 19          | Code Enforcement                   | 54,000                                  | 0.1%                  | 54,000                                  | 0.1%                  | -                           | 0.0%                   |
| 20          | Recreation Class Catalog           | 49,200                                  | 0.1%                  | 53,755                                  | 0.1%                  | 4,555                       | 9.3%                   |
|             | Sub-total                          | 1,553,585                               | 3.6%                  | 2,293,590                               | 5.2%                  | 740,005                     | 83.7%                  |
|             | All other                          | 11,534,717                              | 26.9%                 | 10,597,451                              | 24.2%                 | (937,266)                   | -106.0%                |
|             | <b>Grand total</b>                 | <b>\$ 42,918,531</b>                    | <b>100.0%</b>         | <b>\$ 43,802,720</b>                    | <b>100.0%</b>         | <b>\$ 884,189</b>           | <b>100.0%</b>          |

**APPROPRIATION SUMMARY****CITY OF LAKEWOOD**

| <b>Department</b>                    | <b>2023-2024<br/>Actual</b> | <b>2024-2025<br/>Final<br/>Estimate</b> | <b>2025-2026<br/>Adopted<br/>Budget</b> | <b>2025-2026<br/>Revised<br/>Budget</b> |
|--------------------------------------|-----------------------------|---|---|---|
| <b>ADMINISTRATION</b>                |                             |   |   |   |
| Employee Services                    | \$ 2,571,222                | \$ 2,719,153                            | \$ 2,808,639                            | \$ 2,809,059                            |
| Contract Services                    | 602,516                     | 642,463                                 | 847,818                                 | 838,203                                 |
| Facilities Expense                   | 7,092                       | 12,620                                  | 7,500                                   | 12,750                                  |
| Office Expense                       | 2,680                       | 4,000                                   | 4,000                                   | 4,000                                   |
| Meeting                              | 86,911                      | 110,250                                 | 98,250                                  | 103,250                                 |
| Special Dept. Supplies               | 136,588                     | 208,200                                 | 246,200                                 | 251,200                                 |
| Other Operating                      | 65,742                      | 94,950                                  | 118,450                                 | 119,450                                 |
| Interdepartmental and Capital Outlay | -                           | -                                       | -                                       | -                                       |
| <b>Total Administration</b>          | <b>3,472,750</b>            | <b>3,791,636</b>                        | <b>4,130,857</b>                        | <b>4,137,912</b>                        |
| <b>COMMUNICATIONS</b>                |                             |   |   |   |
| Employee Services                    | 1,973,561                   | 2,160,729                               | 2,244,441                               | 2,249,441                               |
| Contract Services                    | 127,406                     | 150,700                                 | 159,850                                 | 171,850                                 |
| Facilities Expense                   | 14,902                      | 12,800                                  | 16,600                                  | 16,600                                  |
| Office Expense                       | 16,302                      | 20,600                                  | 21,600                                  | 21,600                                  |
| Meeting                              | 10,454                      | 17,900                                  | 19,900                                  | 23,900                                  |
| Special Dept. Supplies               | 141,391                     | 168,280                                 | 172,630                                 | 172,630                                 |
| Other Operating                      | 3,753                       | 10,908                                  | 8,125                                   | 10,925                                  |
| Interdepartmental and Capital Outlay | 26,044                      | 66,000                                  | 31,500                                  | 31,500                                  |
| <b>Total Communications</b>          | <b>2,313,813</b>            | <b>2,607,917</b>                        | <b>2,674,646</b>                        | <b>2,698,446</b>                        |
| <b>COMMUNITY DEVELOPMENT</b>         |                             |   |   |   |
| Employee Services                    | 2,385,398                   | 2,590,088                               | 2,863,043                               | 2,859,403                               |
| Contract Services                    | 3,777,742                   | 4,725,914                               | 4,833,450                               | 5,356,946                               |
| Facilities Expense                   | -                           | -                                       | -                                       | -                                       |
| Office Expense                       | 5,889                       | 24,215                                  | 9,000                                   | 8,100                                   |
| Meeting                              | 3,103                       | 6,100                                   | 10,750                                  | 5,050                                   |
| Special Dept. Supplies               | 61,045                      | 174,129                                 | 282,149                                 | 304,759                                 |
| Other Operating                      | 11,497                      | 55,912                                  | 49,720                                  | 65,540                                  |
| Interdepartmental and Capital Outlay | 2,960,302                   | -                                       | -                                       | -                                       |
| <b>Total Community Development</b>   | <b>9,204,976</b>            | <b>7,576,358</b>                        | <b>8,048,112</b>                        | <b>8,599,798</b>                        |

**APPROPRIATION SUMMARY**

**CITY OF LAKEWOOD**

| Department                                       | 2023-2024<br>Actual | 2024-2025<br>Final<br>Estimate | 2025-2026<br>Adopted<br>Budget | 2025-2026<br>Revised<br>Budget |
|--|---------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>FINANCE AND ADMINISTRATIVE SERVICES</b>       |                     |                                |                                |                                |
| Employee Services                                | 2,780,131           | 3,178,608                      | 3,583,967                      | 3,165,313                      |
| Contract Services                                | 1,003,979           | 1,250,302                      | 650,215                        | 1,132,035                      |
| Facilities Expense                               | 21,884              | 22,650                         | 22,650                         | 22,750                         |
| Office Expense                                   | 144,880             | 148,000                        | 148,400                        | 150,900                        |
| Meeting  | 11,748              | 22,560                         | 24,800                         | 26,800                         |
| Special Dept. Supplies                           | 583,510             | 355,871                        | 266,092                        | 368,912                        |
| Other Operating                                  | 3,817,664           | 3,936,963                      | 2,604,145                      | 2,557,786                      |
| Interdepartmental and Capital Outlay             | 236,241             | 109,400                        | 15,650                         | 15,150                         |
| <b>Total Finance and Administrative Services</b> | <b>8,600,037</b>    | <b>9,024,354</b>               | <b>7,315,919</b>               | <b>7,439,646</b>               |
| <b>PUBLIC SAFETY</b>                             |                     |                                |                                |                                |
| Employee Services                                | \$ 1,883,789        | \$ 2,404,881                   | 2,529,104                      | \$ 2,622,211                   |
| Contract Services                                | 14,779,199          | 16,597,438                     | 16,703,600                     | 18,209,150                     |
| Facilities Expense                               | 23,331              | 35,150                         | 33,000                         | 35,150                         |
| Office Expense                                   | 7,162               | 9,300                          | 9,300                          | 9,300                          |
| Meeting  | 13,351              | 24,350                         | 24,150                         | 24,150                         |
| Special Dept. Supplies                           | 93,816              | 128,558                        | 135,307                        | 129,407                        |
| Other Operating                                  | 53,007              | 53,746                         | 63,000                         | 63,000                         |
| Interdepartmental and Capital Outlay             | 132,873             | 357,297                        | 20,000                         | 400,000                        |
| <b>Total Public Safety</b>                       | <b>16,986,528</b>   | <b>19,610,720</b>              | <b>19,517,461</b>              | <b>21,492,368</b>              |
| <b>PUBLIC WORKS</b>                              |                     |                                |                                |                                |
| Employee Services                                | 5,261,172           | 5,973,093                      | 6,273,690                      | 6,253,440                      |
| Contract Services                                | 13,491,906          | 16,701,200                     | 16,906,563                     | 15,543,804                     |
| Facilities Expense                               | 574,429             | 570,810                        | 570,810                        | 570,810                        |
| Office Expense                                   | 8,354               | 24,430                         | 24,750                         | 11,150                         |
| Meeting  | 14,575              | 19,600                         | 23,100                         | 23,600                         |
| Special Dept. Supplies                           | 983,254             | 1,080,078                      | 933,903                        | 1,140,137                      |
| Other Operating                                  | 15,725              | 58,670                         | 60,200                         | 75,350                         |
| Interdepartmental and Capital Outlay             | 1,849,584           | 1,467,684                      | 909,000                        | 593,000                        |
| <b>Total Public Works</b>                        | <b>22,198,999</b>   | <b>25,895,565</b>              | <b>25,702,016</b>              | <b>24,211,291</b>              |

**APPROPRIATION SUMMARY**

**CITY OF LAKEWOOD**

| Department                                     | 2023-2024<br>Actual  | 2024-2025<br>Final<br>Estimate | 2025-2026<br>Adopted<br>Budget | 2025-2026<br>Revised<br>Budget |
|--|----------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>RECREATION AND COMMUNITY SERVICES</b>       |                      |                                |                                |                                |
| Employee Services                              | 11,127,344           | 12,069,163                     | 13,102,586                     | 12,857,806                     |
| Contract Services                              | 1,418,064            | 1,424,063                      | 1,507,435                      | 1,093,732                      |
| Facilities Expense                             | 1,713,611            | 1,936,867                      | 1,889,240                      | 1,967,189                      |
| Office Expense                                 | 13,769               | 15,450                         | 15,450                         | 15,450                         |
| Meeting  | 9,892                | 16,200                         | 19,700                         | 19,700                         |
| Special Dept. Supplies                         | 1,200,336            | 1,156,785                      | 1,409,837                      | 1,014,603                      |
| Other Operating                                | 56,267               | 84,125                         | 88,000                         | 87,810                         |
| Interdepartmental and Capital Outlay           | 894,295              | 1,004,523                      | 585,600                        | 113,450                        |
| <b>Total Recreation and Community Services</b> | <b>16,433,578</b>    | <b>17,707,176</b>              | <b>18,617,848</b>              | <b>17,169,740</b>              |
| <b>TOTAL GOVERNMENTAL ACTIVITIES</b>           | <b>\$ 79,210,681</b> | <b>\$ 86,213,726</b>           | <b>\$ 86,006,859</b>           | <b>\$ 85,749,201</b>           |
| <b>WATER RESOURCES</b>                         |                      |                                |                                |                                |
| Employee Services                              | \$ 3,179,094         | \$ 3,631,235                   | 3,767,675                      | \$ 3,785,675                   |
| Contract Services                              | 885,569              | 1,421,845                      | 1,309,600                      | 1,457,000                      |
| Facilities Expense                             | 2,013,449            | 2,063,850                      | 2,056,850                      | 2,068,850                      |
| Office Expense                                 | 3,462                | 5,500                          | 5,500                          | 5,500                          |
| Meeting  | 9,311                | 15,000                         | 15,000                         | 20,000                         |
| Special Dept. Supplies                         | 569,017              | 984,248                        | 818,143                        | 1,010,423                      |
| Other Operating                                | 4,084,495            | 5,707,299                      | 5,842,756                      | 5,886,859                      |
| Interdepartmental and Capital Outlay           | 125,565              | 554,332                        | 222,500                        | 218,500                        |
| <b>Total Water Resources*</b>                  | <b>10,869,962</b>    | <b>14,383,309</b>              | <b>14,038,024</b>              | <b>14,452,807</b>              |
| *inclusive of Measure W funding                |                      |                                |                                |                                |
|  | <b>\$ 90,080,643</b> | <b>\$ 100,597,035</b>          | <b>\$ 100,044,883</b>          | <b>\$ 100,202,008</b>          |

# **REVENUE SUMMARY**

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# REVENUE SUMMARY

CITY OF LAKEWOOD

## REVENUE COMPOSITION

| Rank | Description                       | 2025-2026<br>Adopted<br>Budget | % of<br>Total | 2025-2026<br>Revised<br>Budget | % of<br>Total | Amount of<br>Change | % of<br>Change |
|------|-----------------------------------|--------------------------------|---------------|--------------------------------|---------------|---------------------|----------------|
| 1    | Sales tax                         | \$ 18,596,000                  | 16.8%         | \$ 18,246,000                  | 15.3%         | \$ (350,000)        | -1.9%          |
| 2    | Water utility service charges     | 15,798,500                     | 14.3%         | 15,551,000                     | 13.1%         | (247,500)           | -1.6%          |
| 3    | Sales and Use Tax- Local          | 14,444,000                     | 13.1%         | 14,172,000                     | 11.9%         | (272,000)           | -1.9%          |
| 4    | Motor vehicle in lieu / ERAF      | 12,461,000                     | 11.3%         | 12,577,000                     | 10.6%         | 116,000             | 0.9%           |
| 5    | Refuse service charges            | 7,800,000                      | 7.1%          | 8,684,000                      | 7.3%          | 884,000             | 11.3%          |
| 6    | Property tax                      | 7,352,000                      | 6.7%          | 7,502,000                      | 6.3%          | 150,000             | 2.0%           |
| 7    | Utility users tax                 | 3,903,000                      | 3.5%          | 3,990,000                      | 3.4%          | 87,000              | 2.2%           |
| 8    | Prop A Transit                    | 2,285,460                      | 2.1%          | 2,105,000                      | 1.8%          | (180,460)           | -7.9%          |
| 9    | Gas tax                           | 2,278,500                      | 2.1%          | 2,357,129                      | 2.0%          | 78,629              | 3.5%           |
| 10   | Road Maintenance and Rehab Grant  | 1,975,000                      | 1.8%          | 2,303,774                      | 1.9%          | 328,774             | 16.6%          |
|      | Sub-Total                         | 86,893,460                     | 78.7%         | 87,487,903                     | 73.5%         | 594,443             | 6.9%           |
| 11   | Prop C Transit                    | 1,930,010                      | 1.7%          | 1,780,000                      | 1.5%          | (150,010)           | -7.8%          |
| 12   | Building Permits & Fees           | 1,924,300                      | 1.7%          | 2,176,000                      | 1.8%          | 251,700             | 13.1%          |
| 13   | Franchise fees                    | 1,870,000                      | 1.7%          | 1,750,000                      | 1.5%          | (120,000)           | -6.4%          |
| 14   | Measure M                         | 1,659,510                      | 1.5%          | 1,532,000                      | 1.3%          | (127,510)           | -7.7%          |
| 15   | Measure W                         | 1,600,066                      | 1.4%          | 1,148,616                      | 1.0%          | (451,450)           | -28.2%         |
| 16   | Measure R                         | 1,462,510                      | 1.3%          | 1,350,000                      | 1.1%          | (112,510)           | -7.7%          |
| 17   | Recreation fees                   | 1,229,200                      | 1.1%          | 1,193,850                      | 1.0%          | (35,350)            | -2.9%          |
| 18   | Business licenses                 | 720,000                        | 0.7%          | 720,000                        | 0.6%          | -                   | 0.0%           |
| 19   | Fines, Forfeitures, and Penalties | 661,100                        | 0.6%          | 675,100                        | 0.6%          | 14,000              | 2.1%           |
| 20   | CDBG (Block Grant)                | 503,000                        | 0.5%          | 503,000                        | 0.4%          | -                   | 0.0%           |
|      | Sub-Total                         | 13,559,696                     | 12.3%         | 12,828,566                     | 10.8%         | (731,130)           | -8.5%          |
|      | All other                         | 9,978,456                      | 9.0%          | 18,681,410                     | 15.7%         | 8,702,954           | 101.6%         |
|      | <b>Grand total</b>                | <b>\$ 110,431,612</b>          | <b>100.0%</b> | <b>\$ 118,997,879</b>          | <b>100.0%</b> | <b>\$ 8,566,267</b> | <b>100.0%</b>  |

**REVENUE SUMMARY**

**CITY OF LAKEWOOD**

| Description                         | 2023-2024<br>Actual | 2024-2025<br>Final<br>Estimate | 2025-2026<br>Adopted<br>Budget | 2025-2026<br>Revised<br>Budget |
|-------------------------------------|---------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>GENERAL FUND:</b>                |                     |                                |                                |                                |
| Property taxes                      | \$ 7,112,100        | \$ 7,346,000                   | \$ 7,352,000                   | \$ 7,502,000                   |
| Sales tax                           | 17,607,245          | 17,619,000                     | 18,596,000                     | 18,246,000                     |
| Sales and use tax- local            | 13,455,028          | 13,707,000                     | 14,444,000                     | 14,172,000                     |
| Utility users tax                   | 3,836,274           | 3,940,000                      | 3,903,000                      | 3,990,000                      |
| Other taxes                         | 2,517,938           | 2,914,000                      | 3,151,000                      | 3,021,000                      |
| Licenses & permits                  | 2,153,053           | 2,113,600                      | 1,924,300                      | 2,176,000                      |
| Fines & forfeitures                 | 722,318             | 679,163                        | 661,100                        | 675,100                        |
| Use of money & property             | 5,501,210           | 6,201,056                      | 4,258,950                      | 4,477,950                      |
| From other agencies                 | 12,052,913          | 12,541,482                     | 12,728,800                     | 12,853,800                     |
| Current service charges             | 12,138,736          | 12,604,009                     | 12,120,600                     | 13,019,940                     |
| <b>Total General Fund</b>           | <b>77,096,816</b>   | <b>79,665,309</b>              | <b>79,139,750</b>              | <b>80,133,790</b>              |
| <b>AQMD FUND:</b>                   |                     |                                |                                |                                |
| Use of money & property             | 1,772               | 3,000                          | 3,000                          | 3,000                          |
| From other agencies                 | 107,817             | 100,000                        | 100,000                        | 100,000                        |
| Current service charges             | -                   | 39,190                         | -                              | -                              |
| <b>Total AQMD Fund</b>              | <b>109,588</b>      | <b>142,190</b>                 | <b>103,000</b>                 | <b>103,000</b>                 |
| <b>CDBG GRANT FUNDS:</b>            |                     |                                |                                |                                |
| Use of money & property             | 15,209              | 3,000                          | 3,000                          | 3,000                          |
| From other agencies                 | 484,792             | 500,000                        | 500,000                        | 500,000                        |
| <b>Total CDBG Funds</b>             | <b>500,001</b>      | <b>503,000</b>                 | <b>503,000</b>                 | <b>503,000</b>                 |
| <b>HOUSING SUCCESSOR AGENCY</b>     |                     |                                |                                |                                |
| Use of money & property             | 76,406              | 150                            | 150                            | 150                            |
| Current service charges             | 239,092             | 355,000                        | 185,000                        | 355,000                        |
| <b>Total Housing Successor Fund</b> | <b>315,498</b>      | <b>355,150</b>                 | <b>185,150</b>                 | <b>355,150</b>                 |

**REVENUE SUMMARY**

**CITY OF LAKEWOOD**

| Description                 | 2023-2024<br>Actual | 2024-2025<br>Final<br>Estimate | 2025-2026<br>Adopted<br>Budget | 2025-2026<br>Revised<br>Budget |
|-----------------------------|---------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>MEASURE M</b>            |                     |                                |                                |                                |
| Use of money & property     | \$ 211,290          | \$ 200,000                     | \$ 70,000                      | \$ 70,000                      |
| From other agencies         | 1,506,050           | 1,589,510                      | 1,589,510                      | 1,462,000                      |
| <b>Total Measure M Fund</b> | <b>1,717,340</b>    | <b>1,789,510</b>               | <b>1,659,510</b>               | <b>1,532,000</b>               |
| <b>MEASURE R</b>            |                     |                                |                                |                                |
| Use of money & property     | 168,933             | 150,000                        | 60,000                         | 60,000                         |
| From other agencies         | 1,333,717           | 1,402,510                      | 1,402,510                      | 1,290,000                      |
| <b>Total Measure R Fund</b> | <b>1,502,649</b>    | <b>1,552,510</b>               | <b>1,462,510</b>               | <b>1,350,000</b>               |
| <b>MEASURE W</b>            |                     |                                |                                |                                |
| Use of money & property     | 123,898             | 126,000                        | 50,000                         | 50,000                         |
| From other agencies         | -                   | 1,550,789                      | 1,550,066                      | 1,098,616                      |
| <b>Total Measure R Fund</b> | <b>123,898</b>      | <b>1,676,789</b>               | <b>1,600,066</b>               | <b>1,148,616</b>               |
| <b>PROP A TRANSIT FUND:</b> |                     |                                |                                |                                |
| Other taxes                 | 2,144,539           | 2,254,460                      | 2,254,460                      | 2,074,000                      |
| Use of money & property     | 70,343              | 75,000                         | 31,000                         | 31,000                         |
| Current service charges     | 51,991              | -                              | -                              | -                              |
| <b>Total Prop A Fund</b>    | <b>2,266,873</b>    | <b>2,329,460</b>               | <b>2,285,460</b>               | <b>2,105,000</b>               |
| <b>PROP C TRANSIT FUND:</b> |                     |                                |                                |                                |
| Other taxes                 | 1,778,845           | 1,870,010                      | 1,870,010                      | 1,720,000                      |
| Use of money & property     | 184,116             | 160,000                        | 60,000                         | 60,000                         |
| <b>Total Prop C Fund</b>    | <b>1,962,961</b>    | <b>2,030,010</b>               | <b>1,930,010</b>               | <b>1,780,000</b>               |

**REVENUE SUMMARY**

**CITY OF LAKEWOOD**

| Description  | 2023-2024<br>Actual  | 2024-2025<br>Final<br>Estimate | 2025-2026<br>Adopted<br>Budget | 2025-2026<br>Revised<br>Budget |
|--|----------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>ROAD MAINTENANCE &amp; REHAB</b>                  |                      |                                |                                |                                |
| Use of money & property                              | \$ 227,527           | \$ 225,000                     | \$ 75,000                      | \$ 75,000                      |
| From other agencies                                  | 2,124,277            | 2,151,774                      | 1,900,000                      | 2,228,774                      |
| <b>Total Road Maint &amp; Rehab</b>                  | <b>2,351,804</b>     | <b>2,376,774</b>               | <b>1,975,000</b>               | <b>2,303,774</b>               |
| <b>STATE GAS TAX FUND/TRAFFIC CONGESTION RELIEF:</b> |                      |                                |                                |                                |
| Use of money & property                              | 47,430               | 40,000                         | 20,000                         | 20,000                         |
| From other agencies                                  | 2,220,259            | 2,332,977                      | 2,258,500                      | 2,337,129                      |
| <b>Total State Gas Tax Fund</b>                      | <b>2,267,689</b>     | <b>2,372,977</b>               | <b>2,278,500</b>               | <b>2,357,129</b>               |
| <b>SPECIAL GRANTS/ MISC FUNDS:</b>                   |                      |                                |                                |                                |
| Beverage Container Recycling                         | 24,853               | 20,000                         | 20,000                         | 23,281                         |
| Enforceable Obligations                              | 549,902              | 405,000                        | 471,000                        | 405,000                        |
| JAG  | -                    | 38,523                         | -                              | -                              |
| Los Angeles County-Open Space                        | -                    | 917,682                        | -                              | -                              |
| Permanent Local Housing Allocation                   | 2,322                | 1,152,783                      | 263,190                        | 263,190                        |
| Prop A Recreation                                    | 108,358              | 38,060                         | 37,000                         | 37,000                         |
| SB2- Housing   | 293,815              | -                              | -                              | -                              |
| Sewer Reconstruction                                 | -                    | 300                            | 300                            | 300                            |
| State COPS   | 236,172              | 249,000                        | 223,000                        | 253,000                        |
| State Park Bond                                      | 49,000               | -                              | -                              | 2,000,000                      |
| Transportation Development Act Article 3             | 94,632               | 82,350                         | 82,350                         | 64,150                         |
| Used Oil   | -                    | 11,316                         | 11,316                         | 11,499                         |
| Weingart State Grant                                 | -                    | -                              | -                              | 2,700,000                      |
| Other Capital Improvement Funds                      | 2,000,000            | 2,243,900                      | -                              | 3,230,000                      |
| Miscellaneous Grants/Funds                           | 355,245              | 413,821                        | 150,000                        | 170,000                        |
| <b>Total Special Grants/ Misc Funds</b>              | <b>3,714,300</b>     | <b>5,572,735</b>               | <b>1,258,156</b>               | <b>9,157,420</b>               |
| <b>TOTAL GOVERNMENTAL FUNDS:</b>                     |                      |                                |                                |                                |
|  | <b>\$ 93,929,418</b> | <b>\$ 100,366,414</b>          | <b>\$ 94,380,112</b>           | <b>\$ 102,828,879</b>          |

**REVENUE SUMMARY****CITY OF LAKEWOOD**

| Description                        | 2023-2024             | 2024-2025             | 2025-2026             | 2025-2026             |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                    | Actual                | Final Estimate        | Adopted Budget        | Revised Budget        |
| <b>WATER OPERATIONS FUND:</b>      |                       |                       |                       |                       |
| Use of money & property            | \$ 535,841            | \$ 736,307            | \$ 178,000            | \$ 543,000            |
| From other agencies                | -                     | 50,000                | -                     | -                     |
| Current service charges            | 317,389               | 75,000                | 75,000                | 75,000                |
| Operating revenues                 | 12,839,993            | 14,761,500            | 15,798,500            | 15,551,000            |
| <b>Total Water Operations Fund</b> | <b>13,693,223</b>     | <b>15,622,807</b>     | <b>16,051,500</b>     | <b>16,169,000</b>     |
| <br>                               |                       |                       |                       |                       |
| <b>GRAND TOTAL:</b>                | <b>\$ 107,622,641</b> | <b>\$ 115,989,221</b> | <b>\$ 110,431,612</b> | <b>\$ 118,997,879</b> |