



Fiscal Climate

Preserving the Cerritos experience for future generations

Overview

From public safety initiatives to essential infrastructure projects, the City of Cerritos is committed to achieving high-quality services through prudent budget analysis and implementation. You're invited to participate in the City's Fiscal Year 2026-2027 budget planning process by attending a future meeting.

Meeting Learning Outcomes

Overview of Services

Current Fiscal Climate

Financial Forecasts

Budget Considerations

Feedback Opportunities

Budget Planning Dates

April 15 at 7 p.m.	Community Budget Workshop Cerritos Senior Center at Pat Nixon Park
April 21 at 7 p.m.	Community Budget Workshop Virtual Webinar
May 11 at 7 p.m.	City Council Meeting - Budget Study Session City Council Chamber
June 8 at 7 p.m.	City Council Meeting - Budget Study Session City Council Chamber
June 22 at 7 p.m.	City Council Meeting - Public Hearing and Budget Adoption City Council Chamber

View more detailed information, latest actions by the City, and upcoming dates by visiting cerritos.gov/future.

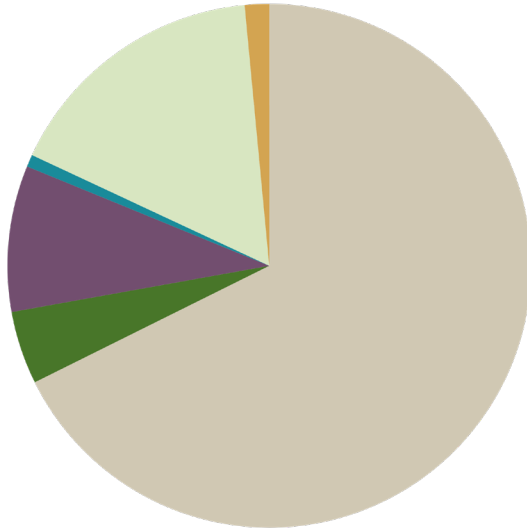










Citywide Revenues

Citywide Revenues by Fund Type

City of Cerritos revenues are comprised of six fund types. The General Fund accounts for the largest source of City revenue.



Revenue Total: \$138,882,233

	\$101,503,081	General Fund
	\$1,019,910	General Fund - Misc.
	\$14,178,612	Special Revenue Funds
	\$795	Capital Projects Fund*
	\$22,014,835	Enterprise Funds
	\$165,000	Internal Service Funds

Fiscal Year 2025-2026 Budget

* Revenue is based on infrastructure grants and other one-time revenues.

General Fund Revenues

Sales tax revenues make up nearly half the overall General Fund.

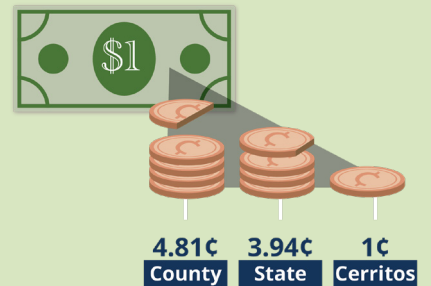
Sales Tax	\$43.8M
Use of Money & Property	\$21.8M
Other Taxes	\$12.7M
Current Fees & Services	\$10.7M
Intergovernmental	\$7.7M
Licenses & Permits	\$2.1M
Franchise Fees	\$1.5M
Fines & Forfeitures	\$0.9M
Other Revenue	\$0.3M

Fiscal Year 2025-2026 Budget



Sales Tax Allocation

Out of the **9.75%** sales tax paid by consumers, the City receives **1%**. For each dollar spent in Cerritos, the City receives one cent.



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Citywide Expenditures

Grand Total: **\$154,402,583** ←

Citywide Expenditures by Service Type

Citywide expenditures fund public safety, maintain infrastructure, support community amenities, and provide high quality services for residents.



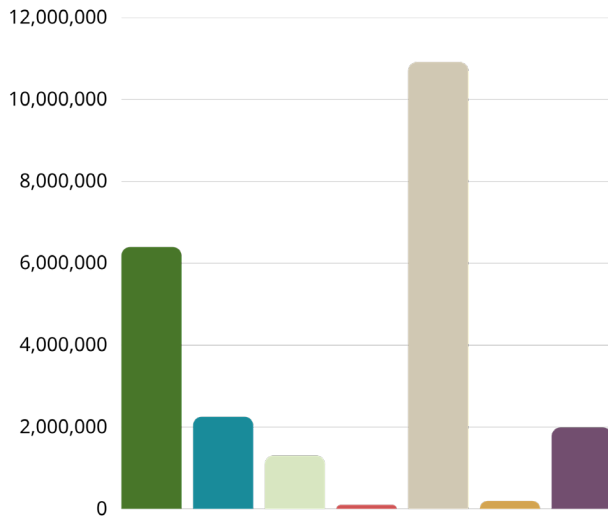
Fiscal Year 2025-2026 Budget

Expenditures Total: **\$131,387,520**

- 36.4% **Public Works**
Streets, parks, trees, building maintenance
- 18.1% **Community Safety**
Sheriff's services, crossing guards, parking enforcement, emergency management
- 13.3% **Administrative Services**
Finance, human resources, technology, procurement
- 12.2% **Community and Cultural Services**
Library, recreation services, senior programs, community events
- 9.5% **Theater**
Cerritos Center for the Performing Arts and arts education
- 6.9% **Community Development**
Planning, permitting, economic development, transit, housing
- 3.6% **Legislative and Administrative**
Citywide management, elections, records, legal services

Capital Improvement Program (CIP)

CIP projects are prioritized based on critical need and intended to support reasonable and controlled growth.



Expenditures Total: **\$23,015,063**

- **\$6,400,000** **Government Buildings**
- **\$2,254,500** **Other Projects**
- **\$1,305,000** **Parks and Open Space**
- **\$50,000** **Sewer Improvements**
- **\$10,915,563** **Streets and Highways**
- **\$100,000** **Traffic Signals**
- **\$1,990,000** **Water Improvements**

Fiscal Year 2025-2026 Budget

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Strategic Plan

Cerritos in Progress

The Strategic Plan aligns the community, City Council, and staff around a shared vision for the future of Cerritos. Guided by eight overarching goals and implementing objectives, the Strategic Plan supports long-term initiatives and service enhancements. Learn more at cerritos.gov/strategy.



Enhance Public Safety



Attract and Retain a High Skilled Work Force



Assess and Maintain Infrastructure



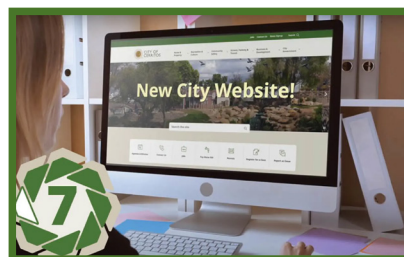
Strengthen Economic Development



Improve Technology Resources



Focus on Fiscal Transparency and Sustainability



Improve Community Communications



Continued Excellence in Community Programming

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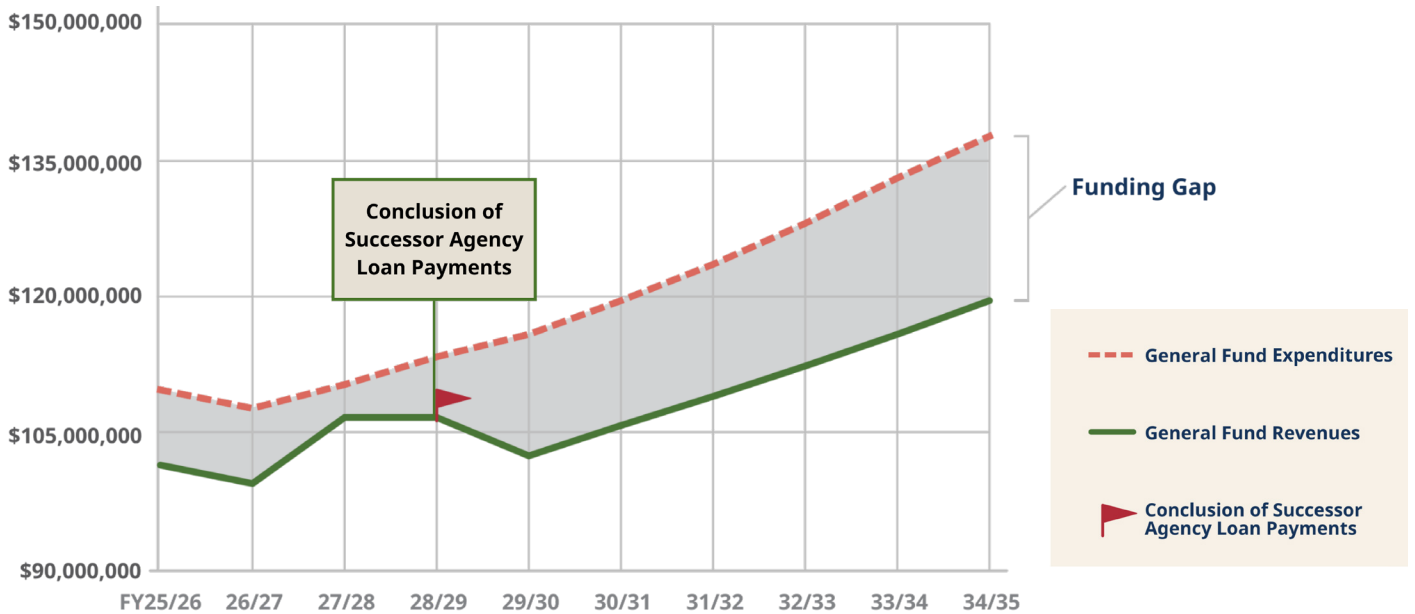




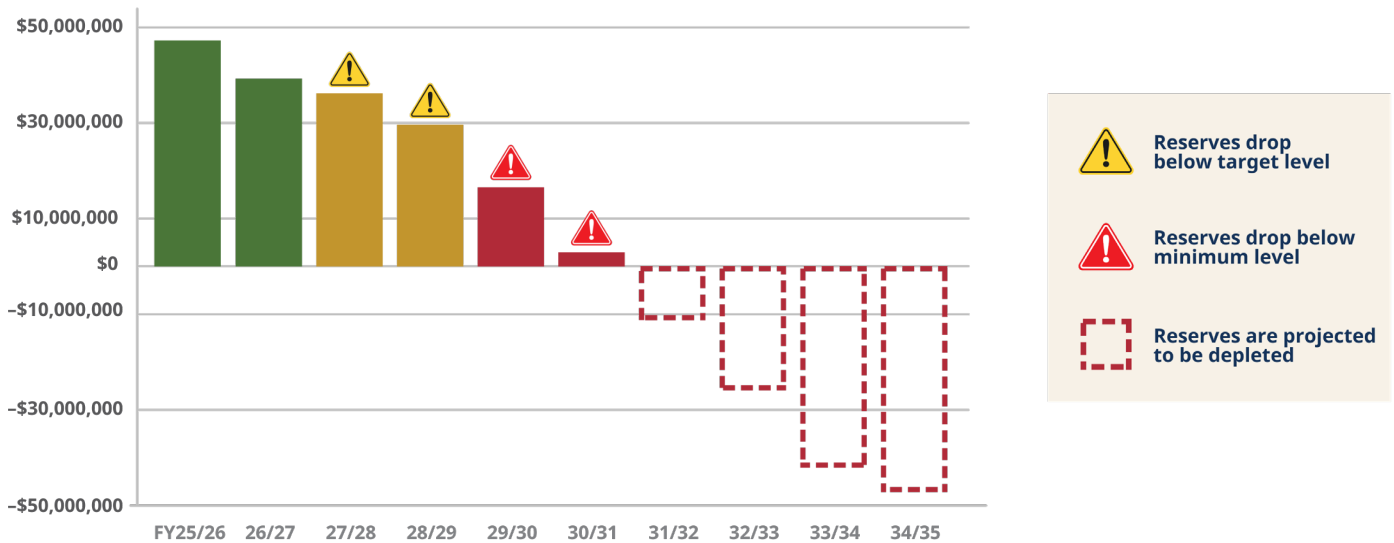
General Fund Forecasts

To close deficits to the General Fund, the City will pull from its General Fund Reserves. Without appropriate adjustments, General Fund Reserves will steadily drop and will be depleted within five years, unless actions are taken.

Ten Year Forecasted Expenditures and Revenues



Ten Year Forecasted General Fund Reserves



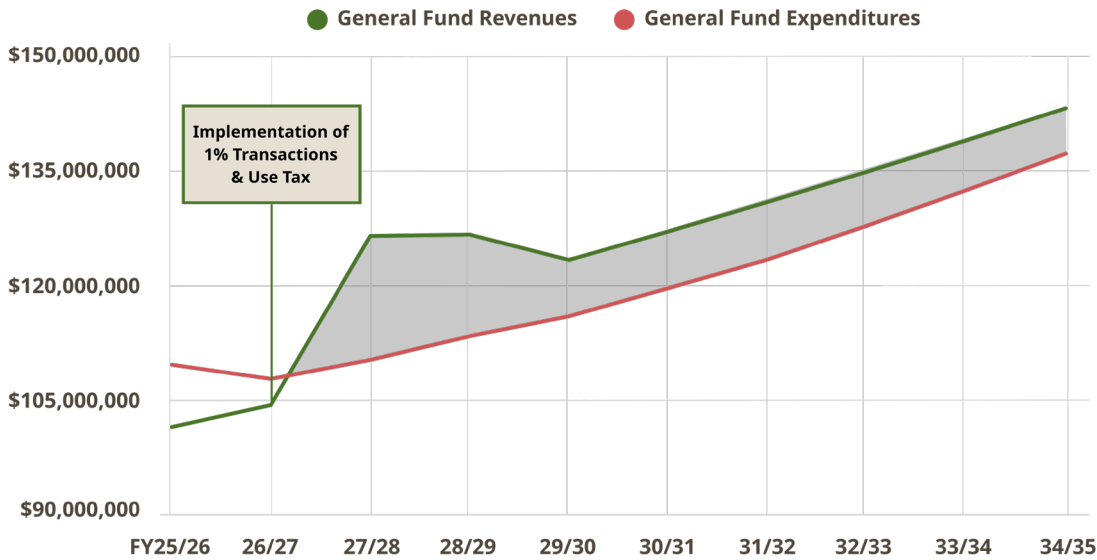
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General Fund Forecasts (With 1% Transactions and Use Tax)

A Transactions and Use Tax (TUT) increase of 1% is projected to raise General Fund revenues by approximately \$19 million annually. This would enhance the City's fiscal capacity, helping to close General Fund deficits. Implementing a TUT would require voter approval.



Forecasted General Fund Reserves (With 1% TUT)

Approval of a TUT increase would support growth of the City's General Fund Reserves. Over time, this would enable the allocation of reserves toward capital investment and strategic one-time expenditures.

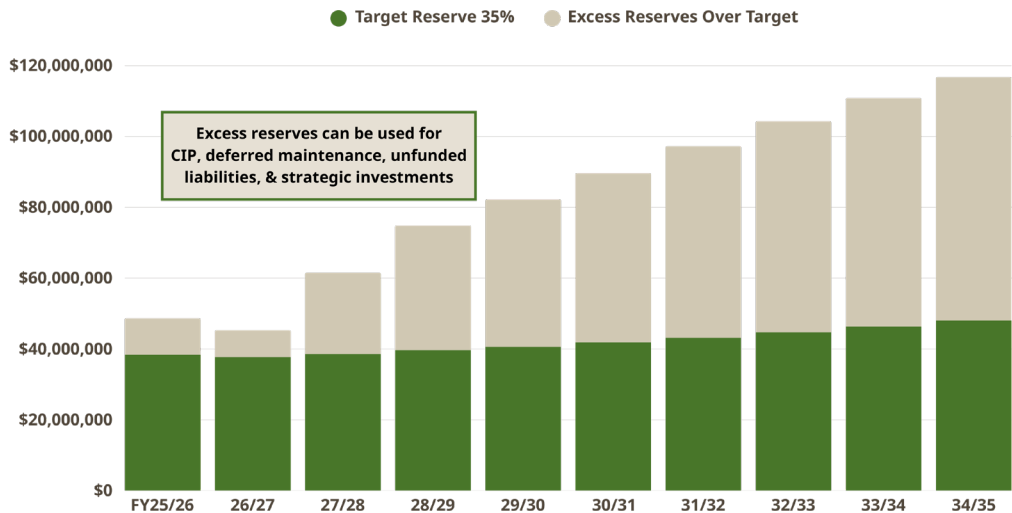


Chart assumes cumulative reserve growth for analytical purposes and does not reflect spending of excess reserves.

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