

Budget Overview

Proposed FY 2025-26 Budget and Five-Year CIP



Financial Services Department
May 20, 2025



Overview

Budget Themes

General Fund Summaries

- Summary with Recommendations
- Revenue
- Expenditure
- Decision Packages & Other Spending Items

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Recommendations

Budget Themes

- Employee compensation costs
- New technology programs and online services
- Training, health, and wellness
- Critical public safety and public works programs
- Measure FP implementation
- CalPERS Unfunded Accrued Liability
- Uncertain economic future



GF Summary with Recommendations

Proposed FY 2025–26 Budget	
Estimated Beginning Fund Balance	\$2,612,555
Core Revenues & Transfers In	123,450,395
Core Expenditures & Transfers Out	(123,449,820)
Additional Payments & Funding Sources	(\$1,186,051)
General Fund Balance before Decision Packages	\$1,427,079
Recommended Decision Packages Ongoing (net)	338,322
Recommended Decision Packages One-Time	(1,722,495)
Total Estimated Year-End Fund Balance after Recommendations	\$42,906



General Fund Revenues

Revenue Type	Proposed FY 2025-26	Increase / (Decrease) over Midyear FY 2024-25	
		\$	%
Property Tax	38,137,298	711,100	2%
Sales and Use Tax	11,414,000	414,000	4%
Transient Occupancy Tax	9,174,038	892,216	11%
Property Tax in Lieu of LVF	10,614,205	371,975	4%
Utility Users Tax	9,033,626	533,626	6%
Property Transfer Tax	2,300,919	-	0%
Other Taxes	4,563,775	99,025	2%
Total Tax Revenue	\$85,237,861	\$3,021,942	3.7%
Non-Tax Revenue	35,472,106	(167,047)	(0.5%)
Transfers In	2,740,428	(1,524,875)	(36%)
Total General Fund Revenue	\$123,450,395	\$1,330,020	1.1%

General Fund Expenditures

Expenditure Type	Proposed FY 2025-26	Increase / (Decrease) over Midyear FY 2024-25	
		\$	%
Personnel	67,426,580	4,206,333	7%
Maintenance & Operations	10,051,140	(3,949,577)	(28%)
Internal Services	30,805,103	0	0%
Capital Outlay	40,000	(49,634)	(55%)
Subtotal Expenditures	108,322,823	207,121	0.2%
Transfers Out	15,126,997	(753,787)	(5%)
Total Expenditures & Transfers Out	\$123,449,820	(\$546,666)	(0.4%)

Decision Packages & Other Items

- **Additional Payments & Sources of Funds**

Item	Amount
Unfunded Accrued Liability Payment	(4,263,037)
Use of CalPERS Pension Reserve Fund	3,500,000
Up-front Measure FP Costs (estimated)	(422,800)
Use of Future Bond Proceeds/ Interest	422,800
Economic Contingency Reserve Contribution	(423,014)
Total	(\$1,186,051)

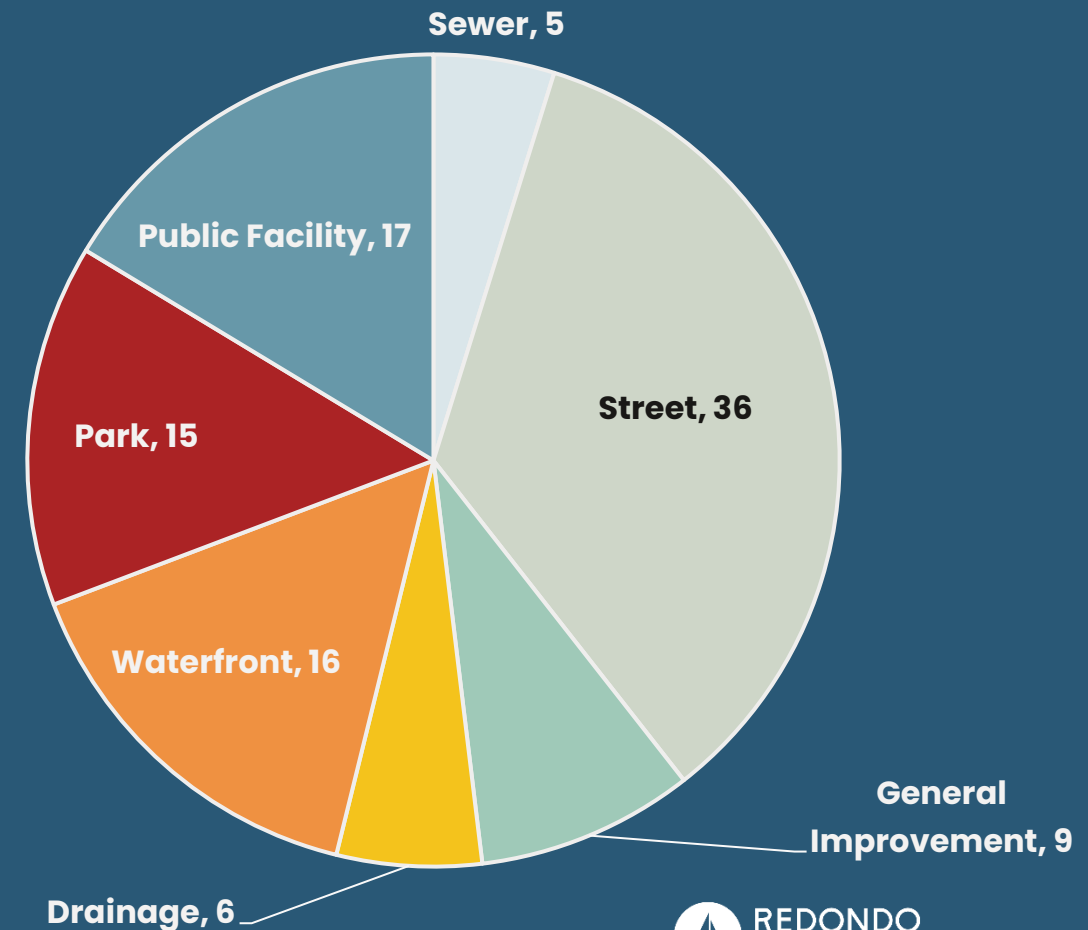
- **Decision Packages**

Fund	Ongoing Requests (net)	One-time Requests (net)	Total FY 2025-26 Request
General Fund	(338,322)	1,722,495	1,384,173
All Other Funds	2,100,052	2,457,202	4,557,254
Total	\$1,761,730	\$4,179,697	\$5,941,427

Capital Projects Summary

Type	Amount (\$ millions)
FY 2025-26	
New	\$29.7
Carryover	\$64.2
Total	\$93.9
Total # of Projects	104
FY 2024-25 Projections	
Amount Spent	\$18.3
Project Progress	
Completed	22
Designed/ Awarded	17

Capital Projects by Category



Budget Calendar

- **May 20th** – Budget & CIP Introduction
- **June 3rd** – Operations Focus
- **June 10th** – CIP Focus
- **June 12th** – Budget & Finance Commission
- **June 17th** – Budget & CIP Adoption



Recommended Actions

1. Receive and File the Budget Presentation
2. Provide Direction on the preparation of additional Budget Response Reports

