

Edits Made to the Proposed Operating Budget Since the May 6, 2025, City Council Workshop

Fiscal Year 2025/26 Citywide Revenue Changes

The Total Net Changes in Citywide Revenues from the workshop to proposed for adoption is a net reduction of \$331,765.

- For General Fund, there was a net reduction of \$1,015,490 in the City's estimated Sales Tax Revenue.
- For Measure T, there was a net reduction of \$1,254,740 in the City's estimated Sales Tax Revenue.
- For the Fire District, there was an increase of \$504 for the Fire Suppression Assessment Revenues.
- For the Fleet Replacement Fund, there was an increase of \$1,937,961 in the City's estimated Charges for Services. These revenues are from the Internal Service Charges for our Fleet Allocation, establishing the City's Fleet Replacement Program.

Fiscal Year 2025/26 Citywide Expenditure Changes

For Fiscal Year 2025/26, changes resulted in a net increase of \$4,242,922; the adjustments are as follows:

- Salary and Benefits saw a net decrease of \$320,121 in Salary and Benefits resulting from final edits to the Personnel budgets, which includes the addition and reclassification of positions recommended by the City Manager.
- Operations & Maintenance (O&M) increased by \$221,672 in Contract Services and Training & Development. These changes account for the Ongoing/Recurring expenses that were recommended by the City Manager as part of the Budget workshop.
- Capital Outlay increased by \$4,219,233 for the Fleet Replacement Program. These changes were recommended as part of the Budget workshop as a result of Council's recommendation to move forward with the Fleet Replacement program through the transfer of Fleet Reserves.
- One-Time Expenditures increased by \$108,163. The proposed budget for the City Manager's recommendations for the new One-Time budget requests were added after receiving Council Direction during the Budget Workshop.
- Fleet Allocation increased by \$13,975 for the proposed budget. The increase represents the direction received from Council during the Budget Workshop to establish and maintain the Fleet Replacement Fund and Program.

Fiscal Year 2025/26 Citywide Transfers In/Out Changes

- Transfers In and Out decreased by \$215,004 since the Budget Workshop. Measure T Transfers In and Out adjust as revenues and expenditures change in the Fire District, CSD, and the Library Fund. There was a net decrease in Expenses across Fire, CSD, and Library that lead to this decrease in Transfers.

Edits Made to the Proposed Operating Budget Since the
May 6, 2025, City Council Workshop

Fiscal Year 2026/27 Citywide Revenue Changes

The Total Net Changes in Citywide Revenues from the workshop to proposed for adoption is a net reduction of \$342,229.

- For General Fund Fiscal Year 2026/27, there was a net reduction of \$1,045,950 in the City's estimated Sales Tax Revenue.
- For Fiscal Year 2026/27, there was a net reduction of \$1,292,378 in the City's estimated Sales Tax Revenue.
- For the Fleet Replacement Fund for Fiscal Year 2026/27, There was an increase of \$1,996,099 in the City's estimated Charges for Services. These revenues are from the Internal Service Charges for our Fleet Allocation, establishing the City's Fleet Replacement Program.

Fiscal Year 2026/27 Citywide Expenditure Changes

For Fiscal Year 2026/27, changes resulted in a net increase of \$6,426,465; the adjustments are as follows:

- Salary and Benefits saw a net increase of \$562,881 in Salary and Benefits resulting from final edits to the Personnel budgets, which includes the addition and reclassification of positions recommended by the City Manager.
- Operations & Maintenance (O&M) increased by \$94,992 in Contract Services and Training & Development. These changes account for the Ongoing/Recurring expenses that were recommended by the City Manager as part of the Budget workshop.
- Capital Outlay increased by \$5,443,199 for the Fleet Replacement Program. These changes were recommended as part of the Budget workshop as a result of Council's recommendation to move forward with the Fleet Replacement program through the transfer of Fleet Reserves.
- One-Time Expenditures increased by \$311,000. The proposed budget for the City Manager's recommendations for the new One-Time budget requests were added after receiving Council Direction during the Budget Workshop.
- Fleet Allocation increased by \$14,393 for the proposed budget. The increase represents the direction received from Council during the Budget Workshop to establish and maintain the Fleet Replacement Fund and Program.

Fiscal Year 2025/26 Citywide Transfers In/Out Changes

- Transfers In and Out decreased by \$211,174 since the Budget Workshop. Measure T Transfers In and Out adjust as revenues and expenditures change in the Fire District, CSD, and the Library Fund. There was a net decrease in Expenses across Fire, CSD, and Library that lead to this decrease in Transfers.