

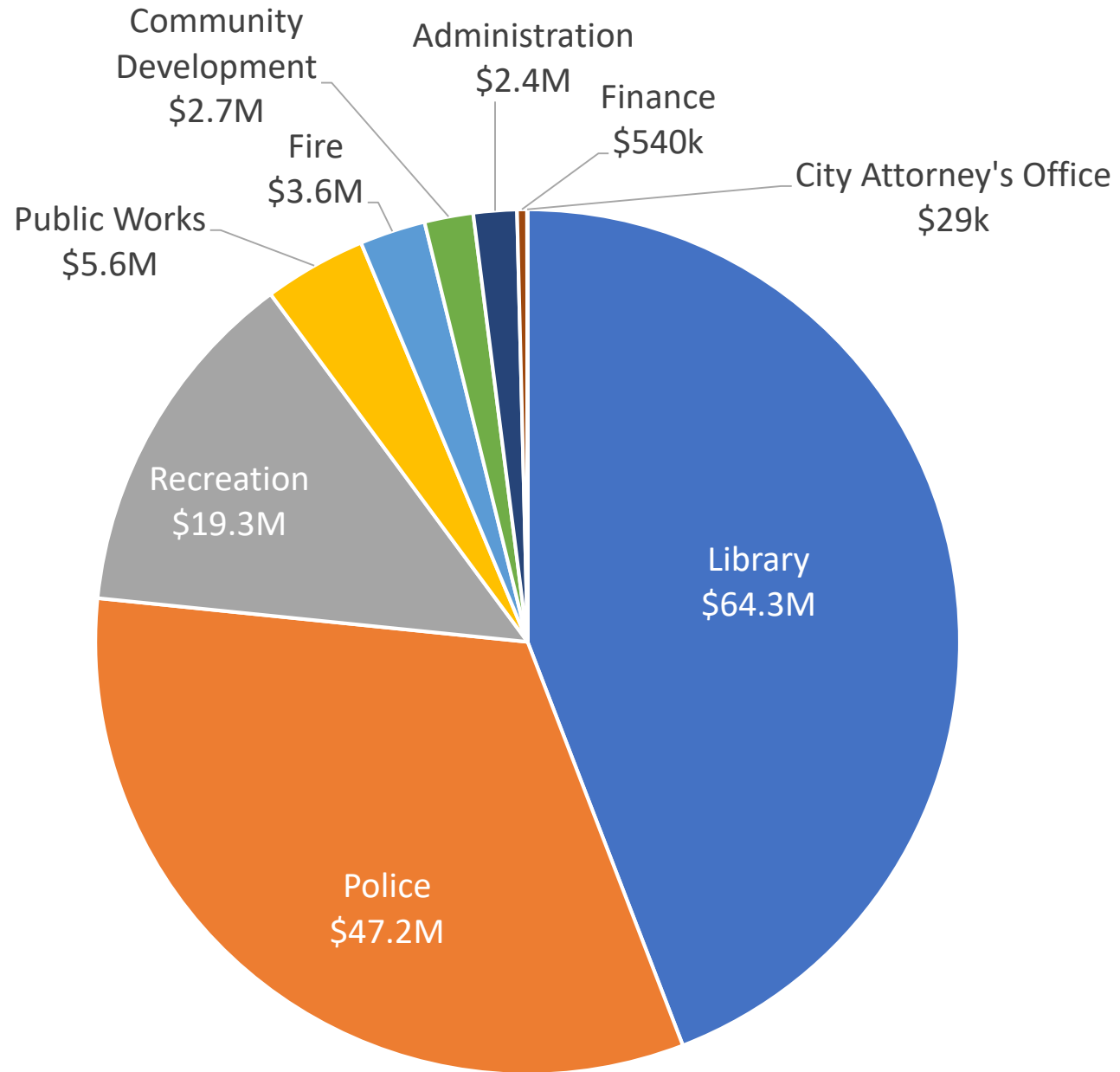
Preliminary
Biennial Budget
(FY 2026/27-2027/28)
General Fund &
Capital Improvement Plan

MAY 18, 2026

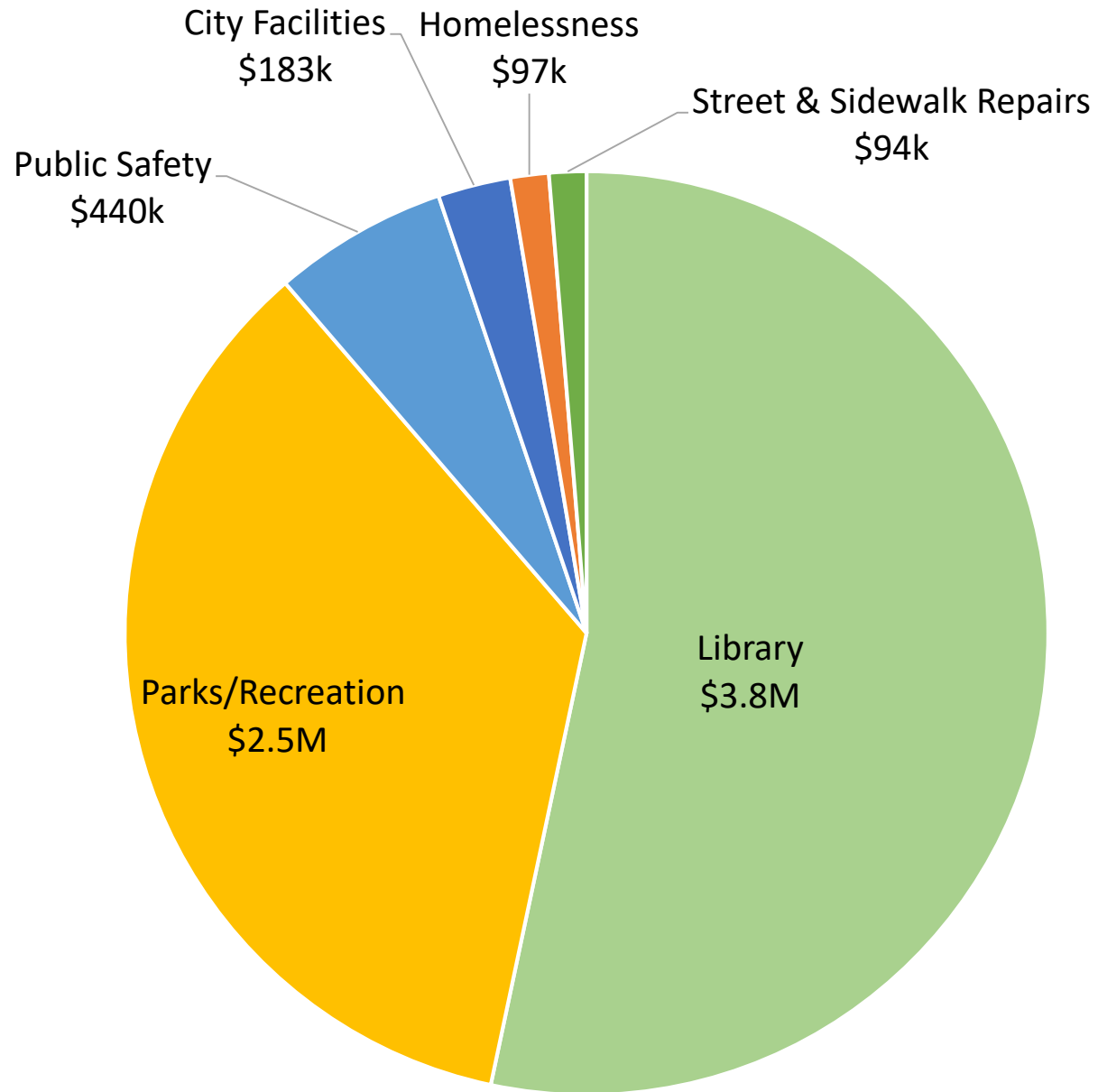
MEASURE E COMMITTEE



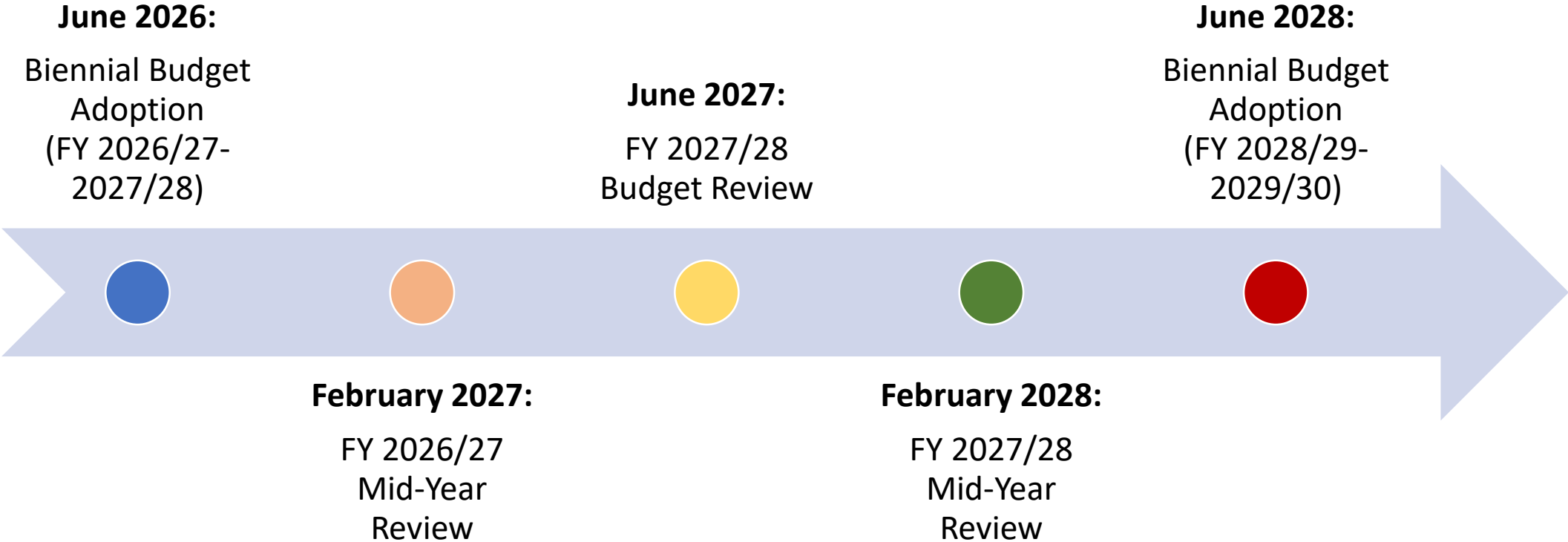
**Measure E
Operating
Expenditures
2015 - 2026
\$145.5M**



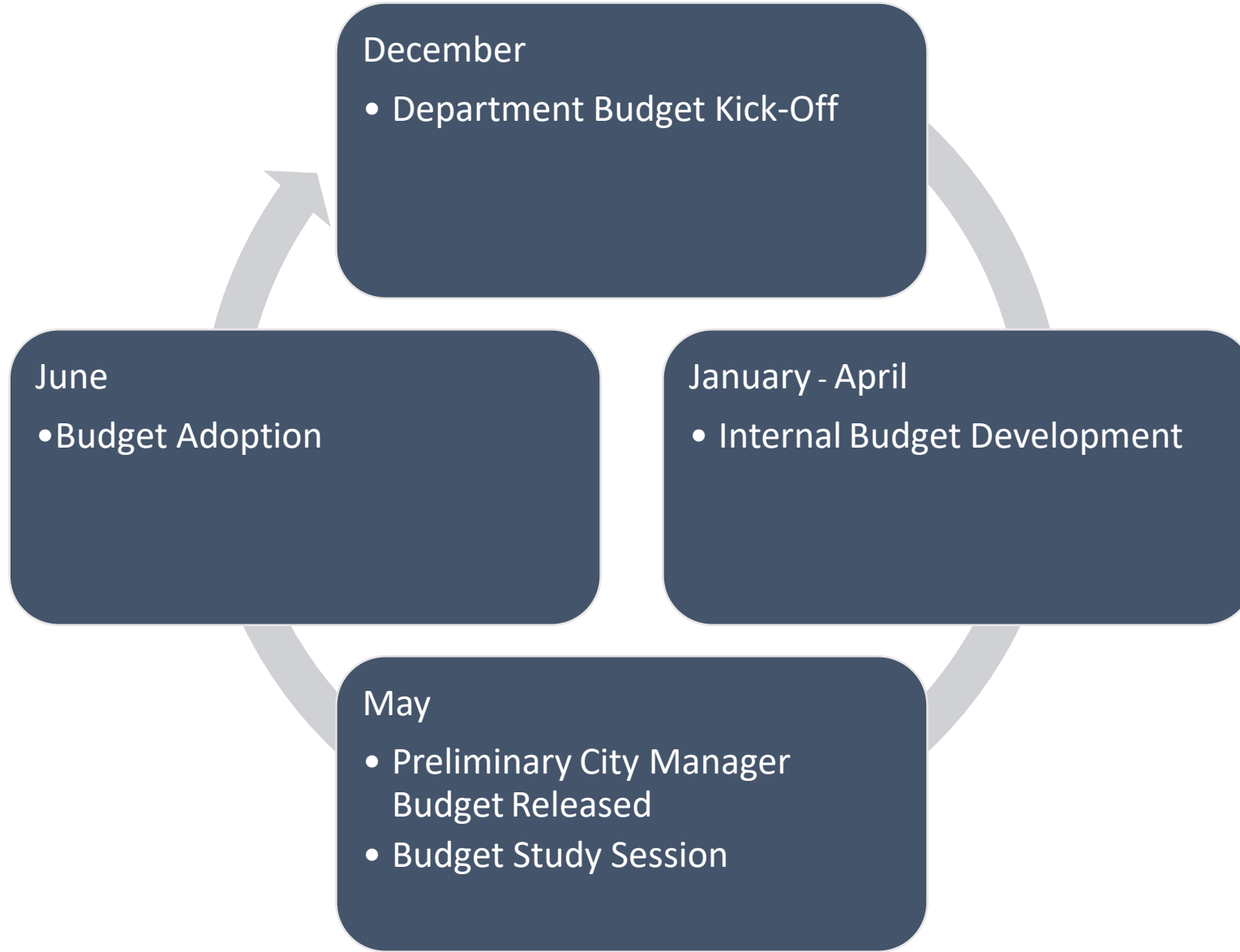
**Measure E
CIP
Expenditures
2015 - 2026
\$7.2M**



Biennial Budget Process



Internal Budget Development Process



Council Strategic Priorities

Key elements of the budget are in alignment with:

- Economic Development
- Housing
- Infrastructure
- City Services
- Public Safety
- Youth & Seniors

General Fund Operating Budget

	FY 2026/27*	FY 2027/28*
General Fund Resources	\$193,071,280	\$199,949,180
General Fund Appropriations	207,095,556	217,383,917
Variance	(14,024,276)	(17,434,737)
Budget Balancing Strategies:		
Fund Balance	2,442,487	4,617,621
Reallocate CIP	580,689	0
Infrastructure Reserve	1,534,000	1,534,000
Facility Reserve	500,000	500,000
Police Dev Impact Fees	1,234,000	2,467,000
Vacancy Factor	7,733,100	8,316,116
Total Budget Balancing Strategies	14,024,276	17,434,737
<i>Balanced General Fund Budget</i>	\$0	\$0

* Preliminary amounts are subject to change as the budget is further developed.

City Manager Recommended Additions

FY 2026/27 key additions include the following:

- (Community Dev) SHARE Center (\$1,895,000)
- (Fire) International Association of Firefighters (IAFF) Labor Group (\$1,214,323)
- (Police) Police Officer – unfreeze 4 positions (\$759,590 Measure G)
- (Community Dev) Rental assistance program (\$500,000)
- (Fire) Staffing for Adequate Fire and Emergency Response - SAFER (\$426,000 Measure G)

City Manager Recommended Additions

FY 2026/27 key additions include the following (continued):

- (Police) Deputy Police Chief (\$375,100 Measure G)
- (Public Works) Sanitary Sewer Payment Assistance (\$150,000)
- (Community Dev) Administrative Analyst I (\$144,370)
- (Community Dev) Code Enforcement Officer I (\$142,040 Measure G)

City Manager Recommended Additions

FY 2026/27 key additions include the following (continued):

- (Community Dev) Combo Building Inspector I (\$142,040)
- (Community Dev) Administrative Clerk I (\$130,390)
- (Citywide) Association of Management Personnel (AMPS) Labor Group Projection (TBD)

FY 2027/28 key additions include the following:

- (Community Dev) Code Enforcement Officer II (\$155,170 Measure G)
- (Community Dev) Combo Building Inspector I (\$145,860)

Overview of Citywide Personnel

Current Approved Positions	677.5
Deputy Chief of Police	1.0
Police Officers (unfreeze)	4.0
Administrative Analyst	1.0
Administrative Clerk	1.0
Code Enforcement Officer I	1.0
Combo Building Inspector I	1.0
Total FY 2026-27	686.5
Code Enforcement Officer I	1.0
Combo Building Inspector I	1.0
Firefighters (SAFER Grant expires)	-9.0
Total FY 2027-28	679.5


Capital Improvement Program (CIP) – Where we are today

- City Council addressed sewer sanitary infrastructure needs by approving a rate increase
- CIP review of carryover budget (encumbered and unencumbered) at Mid-Year
 - Approximately **\$66.0** million
 - **123** projects Citywide
 - **\$29.3** million in streets, sidewalks and related projects (**45%**)

Department	Amount
Administration and Finance	\$575,679
Community Development	7,261,646
Public Safety	309,132
Public Works	48,899,860
Library & Community Services	13,913,348
Total	\$65,959,664

Road Infrastructure Funds

Fund	FY 2025/26	FY 2026/27	FY 2027/28
Gas Tax (State projections)	\$4,372,000	\$4,528,500	4,685,000
Measure X (City projections)	5,819,400	5,960,100	6,100,700
SB1 (State projections)	4,252,000	4,539,200	4,826,400
Total	\$14,443,400	\$15,027,800	\$15,612,100



FY 2026/27 CIP Recommendations

Key Projects include:

- Sewer Lift Stations & Mains **\$16.5** million
- Street Preventative Maintenance **\$8.5** million
- Boronda Road **\$3.9** million
- Harden Safe Route to School **\$3.6** million
- Traffic Signals **\$2.6** million
- Williams Road **\$2.1** million
- Pavement & Sidewalks **\$1.8** million
- San Juan Grade Road **\$1.7** million

FY 2027/28 CIP Recommendations

Key Projects include:

- Sewer Lift Stations & Mains **\$15.3** million
- John Street Safe Route to School **\$6.8** million
- Harden Safe Route to School **\$5.1** million
- Street Preventative Maintenance **\$4.8** million
- Pavement & Sidewalks **\$1.8** million
- Boronda Road **\$1.1** million
- Williams Road **\$1.0** million
- Traffic Signals **\$0.6** million

Overview of CIP Projects

- Streets & Sidewalks **\$17.8M**
- Sanitary Sewer **\$16.5M**
- Engineering/Transportation **\$8.1M**

2027–2028
\$40.3 million

2026–2027
\$47.2 million

- Sanitary Sewer **\$15.3M**
- Engineering/Transportation **\$13.0M**
- Streets & Sidewalks **\$9.5M**

Questions?

