

Fiscal Year 2025-2026 Budget Questions and Answers

1. At a Council meeting earlier this year - we talked about exposing specific "operational expense budget" items more clearly. These items are dominantly in the Public Works area. Some of these look to be exposed on Slide #4 in the presentation. But we don't currently see what \$'s are estimated in these operational items and if this is an increase or decrease from prior budgets/actuals. – For example Tree related work/\$'s - I see on page 50 of the Budget book - more of the details...but not with it compared to this year's budget/actual estimate) Is this possible to represent these more clearly?

The one-time, non-operations projects are listed as separate line-item projects in the CIP budget list and are no longer included with the budgeted expenditure totals for operations.

2. On slide #11, the "Fund Balance for Capital Projects" of over 5 million. I assume again, that these dollars are the estimated \$'s that were in last years budget - but were not spent - due to project delays or that the larger projects behind these \$'s are multi year projects - so are not expected to be needed in this fiscal year.

The \$5M reported is a net negative fund balance, or a utilization of previous fund balance. In a for-profit company, it would be called "Net Operating Loss". The negative fund balance is labeled "Use of Fund Balance for Capital Projects" to reflect the fact that the City is dipping into fund balance in order to fund the proposed \$7M of Capital Projects.

3. Continuing on this prior question - are the (beyond the nonemergency/quick fix) dollars in last/this years' budget for the Police Building project (due to delayed decision making) now included in the \$5 million amount?

The proposed FY 2025 - 2026 budget includes a \$50,000 line item for the Police Building planning. As a new project for the Police and Public Works building is identified and the scope defined, it will be brought to the City Council directly for approval, along with consideration for funding.

4. Why don't you cut the financial assistance to Visit Carmel, See Monterey, and the CBTS Chamber of Commerce by 50 percent? That would save \$220,000!

The City Council has historically supported operations and organizations that contribute to the economic development of the community. Expenditures in this portion of the budget are considered to be investments that will yield a return of increased property, sales and transient occupancy taxes in the future.

As line items in the budget, the City Council can control how much is contributed to these agencies in the coming fiscal year. While the amounts expended to most agencies are entirely at the discretion of the City Council, the exception is the Sunset Center. Currently, the City is under contract to pay \$750,000 per year for the operation of the Center until the year 2032.

5. Is there a less expensive option for completing an audit (master plan) for your IT function? \$108,000 seems a bit high.

The City will delay its IT Strategic Plan preparation, instead focusing in the coming year on conducting an external audit of its primary IT cyber-defense systems.

6. Is the forecast on the economy really that bad? Why don't you increase all of the three major revenue pillars by 500 basis points (5%)? How much additional revenue would that reap?

As the Federal Reserve has had many occasions to note, the forecast for the economy is uncertain. The local economy has shown flexibility in the face of changing tourist dynamics but has also experienced significant negative impacts in the last recession. If, on the other hand, the economy was to "heat up" by 500 basis points or 5% growth in each of the three major revenue sources, it would add \$1.2 million over the proposed budgeted revenue. The City Council conducts a mid-year budget review around January each year. This check-in will allow for the revenue projections to be reviewed again.

7. Please tell me the new positions proposed by your Department Heads, the cost of each, and why you chose not to include them in the draft budget. (C Rerig, email 5/7/25, 8:07)

City Administration cut multiple department asks for *new* positions. Below are those positions that were not included in the budget. These positions were created without the oversight of management, HR and City Council, and will need to go through that process.

Dept.	New Positions Proposed	Budgeted Cost
IT	Systems Network Analyst	160,939
PW	Assistant Public Works Director	258,310
Library/CA	Administrative Analyst	164,572

8. Please list all budget requests (including budget estimate) from Department Heads that you removed in order to balance the draft budget.

The table below summarizes the changes that have occurred to the budget in order to bring it before the Council today. The budget starts based on plans made by Department Heads for the coming year. The City's Management Team then comes together to blend those plans into the Recommended Budget. Feedback is then obtained, and a revised budget is presented for analysis at the Budget Workshop. See the timeline and highlight of changes below.

	Department Requested	Changes	5/2/2025 Recommended	Changes	5/21/2025 Proposed
Property Tax	\$9,094,517	\$103,888	\$9,198,405	\$0	\$9,198,405
Sales & Use	3,794,590	33,529	3,828,119	-	3,828,119
Measure C	6,117,604	477,452	6,595,056	-	6,595,056
TOT	7,694,721	1,414,395	9,109,116	-	9,109,116
Services	2,611,233	99,852	2,711,085	200,816	2,911,901
Other	3,272,484	-	3,272,484	-	3,272,484
Total Revenue	\$32,585,149	\$2,129,116	\$34,714,265	\$200,816	\$34,915,081
Salaries & Benefits	\$16,936,689	(\$178,718)	\$16,757,971	(\$1,688,887)	\$15,069,084
Services & Supplies	13,505,811	(1,637,463)	11,868,348	1,841,110	13,709,458
CalPER UAL	2,708,158	-	2,708,158	-	2,708,158
Capital Outlay	7,850,000	44,000	7,894,000	105,000	7,999,000
Debt	509,100	-	509,100	-	509,100
Total Expenditure	\$41,509,758	(\$1,772,181)	\$39,737,577	\$257,223	\$39,994,800
Total Net Income	(\$8,924,609)	\$3,901,297	(\$5,023,312)	(\$56,407)	(\$5,079,719)

	Department Requested	Changes	5/2/2025 Recommended	Changes	5/21/2025 Proposed
Administration	\$3,745,079	\$107,854	\$3,852,933	(\$97,916)	\$3,755,017
Citywide	5,166,768	(351,825)	4,814,943	-	4,814,943
Council	254,093	(5,314)	248,779	(27)	248,752
Legal	517,000	-	517,000	-	517,000
Planning	2,519,547	(147,627)	2,371,920	(15,869)	2,356,051
Ambulance	1,531,530	300,828	1,832,358	527,402	2,359,760
Fire	3,416,097	1,327	3,417,424	-	3,417,424
Police	5,836,128	(292,061)	5,544,067	11,373	5,555,440
Economic Development	1,167,981	-	1,167,981	-	1,167,981
Library	1,545,319	(57,193)	1,488,126	3,778	1,491,904
Community Activities	345,550	(98,360)	247,190	(790)	246,400
Public Works	7,105,566	(1,273,810)	5,831,756	(275,728)	5,556,028
Operating Budget	\$33,150,658	(\$1,816,181)	\$31,334,477	\$152,223	\$31,486,700
Debt	\$509,100	\$0	\$509,100	\$0	\$509,100
Capital Outlay	7,850,000	44,000	7,894,000	105,000	7,999,000
Total	\$41,509,758	(\$1,772,181)	\$39,737,577	\$257,223	\$39,994,800

9. Please review the amount of funds actually spent on capital expenditures the last seven (7) years in the draft budget to ensure they are correct. And please consider adding the \$1MM for the tree catch-up program in the Fiscal Year 2024/25 completed capital expenditures as you are proposing to add the same in Fiscal Year 2025/26.

While the table of historic CIP expenditures below is updated for estimated expenditures through the end of the FY24-25 year, those current year numbers are still in-process. CIP expenditures also include donations, but it is important to note that not all donations are fully allocated to CIP and have historically been split against operations depending on the donations themselves.

Fiscal Year	Projects	Total Spent
2017 - 2018	2	465,637
2018 - 2019	5	37,375
2019 - 2020	11	366,708
2020 - 2021	0	0
2021 - 2022	8	217,941
2022 - 2023	20	1,096,079
2023 - 2024	22	2,760,886
2024 - 2025	22	4,870,404

10. Why is the Sunset Center operating grant of \$750,000 included under marketing and economic development? Is there another logical place for it?

The business plan for the Sunset Center was to form a premier performing and cultural arts center that would benefit not only the residents but also the business of the City through increased tourism. For this reason, the expenditures for Sunset Center are considered to be an investment in Economic Development. It is important to note that the plan for the Sunset Center also envisioned their development of their own funding sources.

Overall, the City is not paying for Marketing and that description has been removed from the presentation and budget book.

11. It would be helpful if we had the salaries listed alongside each department with all the individual positions listed as a matter of openness and transparency.

See Attachment.

12. What is the Police line item called “Holiday in Lieu”?

Because the police department runs 24/7, police staff do not get holidays off. The way the City compensates them for the lost time off is to give them an additional amount of compensation equivalent to the time they did not get to take. Essentially, we pay them the holiday in lieu of taking the time off.

13. CIP projects should be listed to include the total cost of the entire project, not just the “design” or “construction” portions of the project, so there is better understanding of how much overall its going to cost.

Public Works is in the process of estimating the total cost to bring each project to completion, in addition to the current year CIP costs. Should the current year CIP be approved, those subsequent costs will be forecast in detail and brought back to the City Council in subsequent years for approval so that the projects can progress.

14. Where does the City get its industry forecasts?

The City meets regularly with HDL Companies to study trends in sales tax, and assess how those trends inform not only sales tax collections, but also how those trends impact its other major revenue pillars of property and transient occupancy taxes. The City looks to information obtained from VisitCarmel, based on its hotel owner-members, and correlates that with its own information obtained directly from hoteliers and retailers and through its Planning operations. The City also works with State of California data and local realtors to understand the local housing market and its trends. Together these information sources help the City to generate a picture of what the coming year might look like so that a forecast of revenues can be made.

15. How much are we projecting to be left over of the unassigned fund balance at the end of FY 24-25? FY25-26? How much does the City have in the bank for the future?

Please see page 80 of the Proposed Budget Book. Based on the beginning audited fund balances, forecast operating results for the Fiscal Year 2024-2025 and the budget for 2025-2026, the City projects an unallocated fund balance of \$7,729,665 as of June 30, 2026. Unallocated fund balances are those funds that are not restricted or designated for any purposes and are therefore available for use as the Council decides. Going forward, the City Council’s new policy limits operating costs to be no more than 90% of revenues. This would contribute another 10% of revenues (an estimated \$3.4M annually) to that unallocated balance. Together the \$7.7M starting balance and the \$3.4M annually are what is forecast to be available to address the backlog of deferred maintenance and other CIP projects.

16. Is the four months of unbudgeted vacant positions like a mini hiring freeze?

In calculating salary expense for the 2025 - 2026 budget, the City has made an assumption that positions which are vacant will not be filled for four months. This assumption recognizes the fact that most positions take time for recruiting and for new hires to begin work. Four months represents an assumption about the average time to fill vacant positions and allows the City to prioritize its hiring, resulting in some positions being hired right away and others being hired late in the fiscal year.

17. What is the catalyst behind the Public Works ask for replacement vehicles for the 2000 Dodge Dakota and the 2002 Ford Ranger? Are they breaking down to the point where the City is spending a lot of money to repair, or because the vehicles are old and wanting to move towards electric vehicles?

The status of the two pickup trucks slated for replacement is as follows:

- Unit 20 is a 2007 Ford Ranger. 35,118 miles, It has a bad transmission, no reverse, bent frame, damaged rear bumper and tailgate. It was involved in a minor accident and it is not cost effective to make further repairs.**
- Unit 2 is a 2000 Dodge Dakota with 110,899 miles. It is 25 years old and is on our vehicle replacement schedule to be replaced this year. It runs "ok" but is not reliable. See pictures.**



18. The ribbon cans are rusting. Can the City pursue other trash can options?

Other designs are currently being considered and tested. This project has been removed from the CIP list while that testing is being completed.

19. City Council approved a financial policy yesterday that states operating costs are limited to 90% of the current year revenue, meaning the other 10% could go to Capital Projects. The City is at 92% with the Recommended Budget. Taking into consideration the Ambulance contract, how does this change?

After considering adopted, recommended and suggested changes to the budget presented on May 6, operating expenditures currently represent 91% of budgeted revenues. See Question 8 table showing the changes made to the budget through the budgeting process. In order to meet the 90% policy goal, additional revenues must be obtained and/or expenditures must be eliminated. Per the Council's request, the City has developed a list of options for additional changes that can be made to the budget in order to reach that goal of 90%. Please see Table 2 in Appendix A of the staff report. In future years, the City will continue to have a conversation around balancing the services and ordinary operations of the City against the policy goal of budgeting no more than 90% for operating expenditures.

20. It looks like we are losing the local history librarian. Can you provide a little narrative explaining the position changes in the Recommended Budget?

Per the classification and comparable study authorized by City Council in 2022 and approved in November of 2024, the position descriptions and job titles were updated. As a part of that study, the expertise previously listed as 'History Librarian' is now reported under 'Supervising Librarian'.

21. The City's new reserve policy of 50% differs from other municipalities. If we were to reduce the reserve to 40%, it would give the City a few extra million to spend.

The City's new reserve policy is similar to other small, tourist-dependent cities but is more than other local cities currently set aside. It represents six months of operating costs. A reduction of the reserve requirement to 40% increases the FY25-26 ending Unallocated fund balance by \$3.2M, thereby increasing the amount of funds available for CIP projects.

22. The City should consider a grant writer.

The City will evaluate options for hiring a grant writer or training in-house personnel on grant writing, and will bring back those opportunities to the City Council as they are identified.

23. Does CalPERS have a cap by which they are limited in raising our base contribution annually?

CalPERS calculates the annual required contribution based on a sliding multi-year average which serves to smooth out volatility and give cities advanced notice of future increases. A single-year investment gain or loss decreases or increases the required UAL contribution amount

incrementally for each of the next five years, not just one, due to the 5-year ramp in the amortization policy. However, the contribution requirements beyond the first year are also impacted by investment returns beyond the first year.

24. Can the City provide an organizational chart or the number of people that are in each department? (Maria Ruse?, CC Mtg 5/6/25)

Please see page 18 of the budget for an organizational chart and pages 16 – 17 for the number of employees. Most employees are cross-trained, supporting multiple functions. For example, they are not working on just “Streets” or just “Facilities”. Therefore the FTE count is not limited to the structure of the boxes in the Org Chart.

25. There is some reference we made yesterday modifying the policy. We talked about eliminating the hostelry fund and it is still referenced in the budget. It was eliminated and crossed off from the policy, so in order to be consistent, I would like to tie the budget to the policy.

With the May 5 approval from Council, the budget book has been updated for the new policies. In addition, see the budget book for an analysis of how the new policies are applied to the FY 2025-2026 budget.

26. Is the City implementing the 90/10 operating policy with the FY25-26 Recommended Budget? If the City is short of the 90/10 policy, is the City going to make that up?

The two new budgetary guidelines apply to the FY 2025-2026 budget. Those budget guidelines stipulate that the budget for operating expenditures not exceed 90% of budgeted revenue and that budget for CIP expenditures equal at least 10% of budgeted revenue. See the staff report for an analysis of the application of those policy guidelines to the new budget.

27. With more community meetings and projects, there are more pressures on staff. The City should add another administrative analyst for City Hall to manage these meetings and additional workload.

While more staff would allow the City to take on more projects and proposals, the word of the day is efficiencies. If the City is going to meet its guideline that 10% of its current revenues be available for CIP and thus no more than 90% of its current revenues be utilized for operations, operating expenditures must be held firm at current or lower levels.

28. Code Compliance FTE was reduced from two down to one and a half. I would like to see that budgeted and staffed fully.

This is not an actual reduction from previous staffing levels. Instead the titles and FTE-count are being adjusted to reflect the staffing plan that is currently in place and operating with one of the code compliance officers

50% assigned to planning permit technician, which represents the actual overlap of code compliance and Planning. This code compliance officer is still actively pursuing compliance cases.

29. The City needs to budget an IT audit.

See Question #5 above.

30. The size of the marketing budget is worrisome. Maybe we should structure it differently with less money in that function. (Baron, CC Mtg 5/6/25)

As reference in Question #10 above, the City does not engage in Marketing so that description has been removed from the budget book. The City does invest in Economic Development. Regarding the amount of expenditures for Economic Development, see question #4 above.

31. The City needs to identify additional sources of revenue, such as parking management.

At the City's current levels of operation and revenue collections, forecasts show that it will be exceedingly difficult to maintain current levels of service in the face of slowing revenue growth. While the City will continue to work on improving operating efficiencies, identifying alternate revenue sources (and protecting current revenue sources) are critical to the City being able to continue its current level of services, let alone enhancing services.

In addition, the amount of revenues and unrestricted balances available to fund CIP projects will be rapidly depleted at the current rate of expenditure and future revenue collections from existing sources are unlikely to be able to fund the list of desired CIP projects in addition to the significant amounts of deferred maintenance and infrastructure repairs. Identification of new revenue sources is complex, as no easy answer can be listed here and implemented next year. Implementing new revenue sources is long-term project that the Council will need to consider.

32. How much of the different categories are spent on capital expenditures versus recurring revenues? How much of the \$39 million is CapEx money? Is it all in Public Works? City-wide? Is the Project Manager's salary in the operating or Capital line? Some of the Capital expenditures need to be on the backs of some employees. Maybe a diagram to take a look at this breakout? Should we be budgeting their time in CIP?

In the fiscal year 2025 - 2026 budget, all of the capital expenditures have been reported as capital project or "CIP" expense. This includes reclassifying costs to CIP that had previously been included in forestry and planning operations. Included in the updated CIP list are the costs of project managers, with internally staffed project management listed as its own CIP line-item. In the future, the City will explore ways to track individual labor time and allocate it to projects and outcomes on an ongoing basis, but that technology is not yet available and allocations of individual staff time happen only at year-end.

33. Can we double check our cybersecurity insurance?

The City has cyber security insurance in place. In addition, as discussed in Question 5, the City is organizing an IT audit.

34. Why don't we have Saturday library hours?

Due to union objections, the City has been unable to implement Saturday operations. City Administration is strongly in favor of Saturday hours and will continue to explore opportunities to add Saturday hours over the first quarter. Staff will return to Council if additional funds are needed for staffing.

35. We are only spending \$300K net new on roads in this fiscal year. We need to be spending a decent chunk of our CIP budget on roads and \$300k of the \$7.9M is not the right ratio.

The fiscal year 2025 - 2026 budget for Streets is \$1.6 million of new expenditures in addition to the completion of a \$2.7 million carry-over, multi-year project.

36. The Historic CIP Lookback table included in the first draft of the budget book (p. 72) does not look complete. Confirmation on total spends?

See Question #9 above.

37. The City needs some long-term plan to figure out how to address the City's buildings' deferred maintenance.

This is consistent with the City's assessment of the situation. In the face of dwindling fund balances, slowing revenues and increasing operating costs (as discussed in Question #15 and #31), a thoughtful, multi-year budget plan to address unfunded maintenance and infrastructure is essential. City staff will be working with the Financial Stewardship Workgroup over the coming months to address this need.

38. The City does not have a City Public Information Officer.

Per Question 27 above, the City is looking for the most efficient way to address public information needs.

39. If the City were to borrow money to pay for the construction of the police station, how would payments in future years appear in the budget - capital projects or operating expenses?

Expenditures for debt service are included in operating costs, so the cost of the bond issuance and its related interest would be included in operating costs and would be on top of the normal costs for operating the City. An example of this can be seen in the current budget relative to the debt service for Sunset Center on page 57 of the Proposed Budget Book.

40. How much would it cost to repave all the streets that have "fallen off of the bad end of the pavement management index?"

Public Works is developing an analysis that will be presented in the May 21 Budget Workshop.

41. Is there sufficient staffing to accommodate all of the community meetings that are being scheduled?

There is enough staffing to currently accommodate all the community meetings but the time to facilitate meetings does reduce time available for other activities and service.

42. Does the City follow any State parental leave benefits?

Employees do not pay into State Disability Insurance therefore not eligible for State parental leave benefits.

43. Can we provide an example of how much employees contribute to their benefit packages. I'm thinking two safety - one classic and one PEPPRA (for purposes of PERS), and two non-safety - one classic and one PEPPRA (for purposes of PERS). As well as an example of medical contributions on the part of staff.

Question & Answer Subsequent to Budget Workshop

44. Could a discussion of Carmel's current reserve policy or goals, including the risks caused by these practices, be included in the budget narrative? In particular, please characterize the risk associated with Carmel's lack of reserves for deferred maintenance and climate/resilience.

As outlined in the budget document, the City has adopted a simplified set of budgetary guidelines and a new, consolidated reserve for uncertainties. The policy now states that a reserve of 50% of operating expenditure shall be maintained. This reserve is to be available to cushion the impact on operations of the volatile nature of the City's revenues. The new budget guidelines further seek to focus on reserves and capital maintenance by capping operational spending at 90% of revenues and requiring capital improvements spending to be at least 10% of revenues. As discussed at the May 21 budget workshop, these policies will contribute a steady stream of funding in addition to the current unallocated fund balance being held and budgeted for capital improvements. At the same time, as mentioned in the May 21 workshop, the City has a significant amount of as-of-yet unquantified maintenance work to do, and the amount of the currently available and future funding may not be sufficient to get the work done in the near-term. The City is currently working on an updated plan but that plan is not yet available.

45. First, I would encourage spending the un-allocated balance to what the Staff refers to as “aging” infrastructure. We continue to profess that we live in Beautiful Carmel, which requires we look at vistas, not the roads and pathways beneath our feet or the public green spaces like those on Ocean Avenue towards Del Mar parking. Our city is in deplorable shape. Let’s fix the roads, beautify the public pathways, fix or replace the police facility, so that the entire city gets the type of attention that tax-paying citizens are giving to Scenic Pathway.

The spending of the unallocated fund balance is at the discretion of Council. In FY25-26 budget, Council has authorized a capital improvements ("CIP") budget of \$7.9 million that will consume \$4.9 million of the \$14 million unassigned fund balance to be spent on the FY25-26 approved CIP projects, including projects addressing the City's aging infrastructure. This spending comes on top of an estimated \$5 million of CIP spending in the current FY 24-25 year.

46. Second, you are considering cost cuts to operating expenses appropriately; however, now is also the time to consider revenue increases. Why does Carmel persist on being below market on TOT. We tax at 10% for Transient Occupancy Tax while other coastal communities, including Pacific Grove, Laguna Beach, etc. are at 12%. That additional +2% would address the concern about not meeting the 90/10 guideline over the next 5 years; but for some reason this is a “parking lot” item to be addressed at a future date?

The City currently collects 10% for Transient Occupancy Tax (TOT). Another 2% is collected as part of a self-assessment which all of the Hotels placed on themselves as part of the Carmel Hospitality Improvement District for a total cost to the visitor of 12%. The 2% is passed directly from the hotels to Visit Carmel for marketing. In other words, the City only receives a 10% TOT from hotels. Increasing the City TOT from 10% to 12% would raise an estimated additional \$1.8 million, or 5% of operating expenditures. The City Council considered this action in 2024 but decided to keep the TOT at 10%. The City is actively looking for additional revenue sources, but considering additional revenue sources requires more research and staff time than cutting expenditures. It also takes longer for the implementation and realization of new revenues. For example, creating new revenues in FY25-26 would have required Council actions as early FY23-24.

47. Since Salaries & Benefits are the biggest expense, I recommend we make it clearer as to how the \$15,069,084 of expenses are being applied. The budget shows a total of 90.5 positions, yet the organizational chart only shows some positions and each organization just shows a total salary number as a line item. I recommend the document: 1) show the amount of salaries and in parenthesis depict how many positions that represents or, 2) under each organization restate how many employees work there. For example: Community Planning & Building organization has a total of 12 employees for salaries of \$1,561,919; how about displaying it as: Salaries (12 positions).....\$1,561,919 on the Budget Summary & Service Impacts table. By simplifying the ability to connect both salaries and positions, we can celebrate how small some organizations are and how impressive their performance is or evaluate inconsistencies on how to utilize headcount.

The City will incorporate these changes in the preparation of the FY26-27 budget.

48. Although it is always recommended to have a General Fund Reserve, a 50% reserve of annual projected operating expenditures it is very high. I recommend a more traditional use of 30 to 35%; therefore, allocating funds to projects both short term and long term to ensure continuity and completion.

Please reference Question 21

49. Unassigned General Fund: Currently we are showing an unassigned Fund balance by June 2025 of \$14,153,262. Why are we increasing it? What about we allocate to some key operational or capital improvement areas instead of showing it as unassigned? The practical element of that is to allow for the city to function.

The City's unassigned fund balance represents all non-restricted funds leftover after the General Fund Reserve is funded. The unassigned fund balance is projected to increase in the current FY24-25 year because the City anticipates current-year revenues to be greater than current-year expenditures by a surplus of \$3.8 million. That increase is budgeted to go the other direction in the FY25-26 budget. For FY25-26, Council has

authorized \$4.9 million of the \$14 million unassigned fund balance to be spent, mostly on FY25-26 approved CIP projects.

50. Potential Changes to the Budget (budget workshop): Very good effort in trying to identify how to cut expenditures. A hiring freeze and cut to Economic Development seem appropriate as a way to reassess. I do not recommend reducing/eliminating: 1) Computer replacement, 2) Building department, 3) employee appreciation, 4) City clerk vital records, 5) HR Physical personnel file, 6) Public Web based budget. It is imperative to keep supporting efforts for our employees to be able to perform and efficiently manage the multiple requests they receive.

I recommend we as a community, with the support of our businesses and residents, start looking at other sources of revenue such as parking spaces, increasing transit occupancy tax, vacancy tax on empty homes, pay-per-use of services, etc.

Council made no additional cuts to operating expenditures at the May 21, 2025 Budget Workshop and is discussing various revenue generating ideas.

51. Unassigned Fund Balance in June 2026: The value shown on the budget book (page 80) shows \$7,729,665 vs. the projected balance on the presentation shows \$7,260,561. Seems this is an error.

As the current FY24-25 fiscal year draws to a close, year-end forecasts for operating and CIP expenditures continue to be refined. Between the publishing of the draft budget book, the publishing of the presentation and the republishing of the budget book, the estimate for spending and project completion has continued to be updated and refined. At this time, the forecast for the June 2026 unassigned fund balance is approximately \$7.9 million.

Attachments:

		FY 24/25	FY 24/25	FY 25/26	
Department and Title	Salary Schedules	Adopted	Proposed	Change	
Council					
Councilmember	monthly \$150	4.00	4.00	0.00	
Mayor	monthly \$200	1.00	1.00	0.00	
City Council Total		5.00	5.00	0.00	
Administration					
City Administrator	Max 241,088	1.00	1.00	0.00	
Assistant City Administrator	193,753 - 235,507	1.00	1.00	0.00	
Administrative Analyst	89,359 - 108,607	1.00	1.00	0.00	
Administrative Coordinator	66,227 - 80,517	1.00	1.00	0.00	
City Clerk	151,864 - 184,591	1.00	1.00	0.00	
Finance Manager	151,864 - 184,591	1.00	1.00	0.00	
Accountant	121,701 - 147,930	1.00	1.00	0.00	
Finance Analyst	89,357 - 108,638	1.00	1.00	0.00	
Finance Specialist	69,659 - 84,677	1.00	1.00	0.00	
Human Resources Manager	151,864 - 184,591	0.00	1.00	1.00	
Senior Human Resources Analyst		1.00	0.00	-1.00	
Information Services/Network Manager	151,864 - 184,591	1.00	1.00	0.00	
Information Technology Technician	75,920 - 92,310	1.00	1.00	0.00	
Administration Total		12.00	12.00	0.00	
Community Activities					
Community Activities Assistant I hourly	33,998 - 41,319	1.00	0.50	-0.50	
Executive Assistant	44,941 - 48,607	0.50	0.50	0.00	
Community Activities Total		1.50	1.00	-0.50	
Library					
Library and Community Activities Director	167,573 - 203,687	1.00	1.00	0.00	
Supervising Librarian	83,907 - 101,982	2.00	2.00	0.00	
Librarian	76,274 - 92,706	1.00	1.00	0.00	
Library Associate	64,355 - 78,250	0.00	3.00	3.00	
Library Assistant	58,510 - 71,136	4.00	1.00	-3.00	
Executive Assistant	44,941 - 48,607	0.50	0.50	0.00	
Librarian II (Local History)		1.00	0.00	-1.00	
Librarian I hourly	65,312 - 79,394	1.00	1.00	0.00	
Library Assistant hourly	56,264 - 68,390	3.25	2.00	-1.25	
Library Total		13.75	11.50	-2.25	

Community Planning & Building						
Community Planning and Building Director	189,825	-	230,733	1.00	1.00	0.00
Principal Planner	134,160	-	163,093	2.00	2.00	0.00
Senior Planner	121,701	-	147,930	0.00	1.00	1.00
Associate Planner	92,161	-	111,998	2.00	2.00	0.00
Assistant Planner	83,450	-	101,400	1.00	0.50	-0.50
Administrative Coordinator	66,227	-	80,517	1.00	1.00	0.00
Building Official	125,439	-	152,448	1.00	1.00	0.00
Building Inspector	101,213	-	123,053	1.00	1.00	0.00
Permit Technician	69,659	-	84,677	1.00	1.00	0.00
Code Compliance Coordinator	87,152	-	105,934	2.00	1.50	-0.50
Community Planning & Building Total				12.00	12.00	0.00
Public Works						
Public Works Director	189,825	-	230,733	1.00	1.00	0.00
Administrative Coordinator	66,227	-	80,517	1.00	1.00	0.00
Public Works Superintendent	125,445	-	152,485	1.00	1.00	0.00
Streets Supervisor	88,899	-	108,098	1.00	1.00	0.00
Streets Maintenance Worker III	74,381	-	90,418	2.00	2.00	0.00
Streets Maintenance Worker III	61,485	-	82,181	5.00	5.00	0.00
Facilities Maintenance Supervisor	93,434	-	113,568	1.00	1.00	0.00
Facilities Maintenance Specialist	74,381	-	90,418	1.00	1.00	0.00
Environmental Compliance Manager	125,439	-	152,448	1.00	1.00	0.00
Administrative Analyst	89,359	-	108,607	1.00	1.00	0.00
Project Manager	125,439	-	152,448	2.00	2.00	0.00
City Forester	125,445	-	152,485	1.00	1.00	0.00
Assistant City Forester	92,539	-	112,507	1.00	1.00	0.00
Tree Climber & Care Specialist	74,381	-	90,418	1.00	1.00	0.00
Administrative Analyst	89,359	-	108,607	1.00	1.00	0.00
F&B Maintenance Worker III	61,485	-	82,181	3.00	3.00	0.00
Tree Permit Technician	69,659	-	84,677	1.00	1.00	0.00
Public Works Total				25.00	25.00	0.00
Police						
Public Safety Director	193,753	-	235,507	1.00	1.00	0.00
Police Commander	167,573	-	203,687	1.00	1.00	0.00
Police Sergeant	148,637	-	161,158	2.00	3.00	1.00
Police Officer	129,230	-	140,109	9.00	10.00	1.00
Police Services Supervisor	76,960	-	96,346	1.00	1.00	0.00
Police Services Officer	66,914	-	83,762	6.00	6.00	0.00
Community Services Officer/Animal Control	62,046	-	77,688	2.00	2.00	0.00
Police Total				22.00	24.00	2.00
Ambulance						
Paramedics				6.00	0.00	-6.00
Ambulance Total				6.00	0.00	-6.00
Citywide Total Funded Positions				97.25	90.50	-6.75

			FY 24/25	FY 24/25	FY 25/26	
Department and Title		Salary Schedules	Adopted	Proposed	Change	
Council						
Councilmember		monthly \$150	4.00	4.00	0.00	
Mayor		monthly \$200	1.00	1.00	0.00	
City Council Total			5.00	5.00	0.00	
Administration						
City Administrator		Max 241,088	1.00	1.00	0.00	
Assistant City Administrator	193,753 -	235,507	1.00	1.00	0.00	
Administrative Analyst	89,359 -	108,607	1.00	1.00	0.00	
Administrative Coordinator	66,227 -	80,517	1.00	1.00	0.00	
City Clerk	151,864 -	184,591	1.00	1.00	0.00	
Finance Manager	151,864 -	184,591	1.00	1.00	0.00	
Accountant	121,701 -	147,930	1.00	1.00	0.00	
Finance Analyst	89,357 -	108,638	1.00	1.00	0.00	
Finance Specialist	69,659 -	84,677	1.00	1.00	0.00	
Human Resources Manager	151,864 -	184,591	0.00	1.00	1.00	
Senior Human Resources Analyst			1.00	0.00	-1.00	
Information Services/Network Manager	151,864 -	184,591	1.00	1.00	0.00	
Information Technology Technician	75,920 -	92,310	1.00	1.00	0.00	
Administration Total			12.00	12.00	0.00	
Community Activities						
Community Activities Assistant I hourly	33,998 -	41,319	1.00	0.50	-0.50	
Executive Assistant	44,941 -	48,607	0.50	0.50	0.00	
Community Activities Total			1.50	1.00	-0.50	
Library						
Library and Community Activities Director	167,573 -	203,687	1.00	1.00	0.00	
Supervising Librarian	83,907 -	101,982	2.00	2.00	0.00	
Librarian	76,274 -	92,706	1.00	1.00	0.00	
Library Associate	64,355 -	78,250	0.00	3.00	3.00	
Library Assistant	58,510 -	71,136	4.00	1.00	-3.00	
Executive Assistant	44,941 -	48,607	0.50	0.50	0.00	
Librarian II (Local History)			1.00	0.00	-1.00	
Librarian I hourly	65,312 -	79,394	1.00	1.00	0.00	
Library Assistant hourly	56,264 -	68,390	3.25	2.00	-1.25	
Library Total			13.75	11.50	-2.25	
Community Planning & Building						
Community Planning and Building Directo	189,825 -	230,733	1.00	1.00	0.00	
Principal Planner	134,160 -	163,093	2.00	2.00	0.00	
Senior Planner	121,701 -	147,930	0.00	1.00	1.00	
Associate Planner	92,161 -	111,998	2.00	2.00	0.00	
Assistant Planner	83,450 -	101,400	1.00	0.50	-0.50	
Administrative Coordinator	66,227 -	80,517	1.00	1.00	0.00	
Building Official	125,439 -	152,448	1.00	1.00	0.00	
Building Inspector	101,213 -	123,053	1.00	1.00	0.00	
Permit Technician	69,659 -	84,677	1.00	1.00	0.00	
Code Compliance Coordinator	87,152 -	105,934	2.00	1.50	-0.50	
Community Planning & Building Total			12.00	12.00	0.00	
Public Works						
Public Works Director	189,825 -	230,733	1.00	1.00	0.00	
Administrative Coordinator	66,227 -	80,517	1.00	1.00	0.00	
Public Works Superintendent	125,445 -	152,485	1.00	1.00	0.00	
Streets Supervisor	88,899 -	108,098	1.00	1.00	0.00	
Streets Maintenance Worker III	74,381 -	90,418	2.00	2.00	0.00	
Streets Maintenance Worker I/II	61,485 -	82,181	5.00	5.00	0.00	
Facilities Maintenance Supervisor	93,434 -	113,568	1.00	1.00	0.00	
Facilities Maintenance Specialist	74,381 -	90,418	1.00	1.00	0.00	
Environmental Compliance Manager	125,439 -	152,448	1.00	1.00	0.00	
Administrative Analyst	89,359 -	108,607	1.00	1.00	0.00	
Project Manager	125,439 -	152,448	2.00	2.00	0.00	
City Forester	125,445 -	152,485	1.00	1.00	0.00	
Assistant City Forester	92,539 -	112,507	1.00	1.00	0.00	
Tree Climber & Care Specialist	74,381 -	90,418	1.00	1.00	0.00	
Administrative Analyst	89,359 -	108,607	1.00	1.00	0.00	
F&B Maintenance Worker I/II	61,485 -	82,181	3.00	3.00	0.00	
Tree Permit Technician	69,659 -	84,677	1.00	1.00	0.00	
Public Works Total			25.00	25.00	0.00	
Police						
Public Safety Director	193,753 -	235,507	1.00	1.00	0.00	
Police Commander	167,573 -	203,687	1.00	1.00	0.00	
Police Sergeant	148,637 -	161,158	2.00	3.00	1.00	
Police Officer	129,230 -	140,109	9.00	10.00	1.00	
Police Services Supervisor	76,960 -	96,346	1.00	1.00	0.00	
Police Services Officer	66,914 -	83,762	6.00	6.00	0.00	
Community Services Officer/Animal Control	62,046 -	77,688	2.00	2.00	0.00	
Police Total			22.00	24.00	2.00	
Ambulance						
Paramedics			6.00	0.00	-6.00	
Ambulance Total			6.00	0.00	-6.00	
Citywide Total Funded Positions			97.25	90.50	-6.75	