



City Manager's Proposed
FY 2025-26 Mid-Year Budget
City Council Presentation – March 10, 2026



FY 2025-2026 Budget Timeline



- May 27, 2025 – Proposed Preliminary Budget for FY 2025-26 was presented to City Council and public during a special workshop.
- June 10, 2025 – Received budget presentation, held public hearing to receive feedback from the City Council and public. Continued public hearing to the June 24, 2025, City Council meeting.
- June 24, 2025 – City Council held budget public hearing, received public input, approved the FY 2025-26 Preliminary Budget, with projected General Fund deficit of \$3,038,902.

FY 2025-2026 Budget Timeline

(cont.)



- September 23, 2025 – City Council adopted Resolution No. 11463 approving Phase One of the General Fund cost-saving measures totaling approximately \$3 million in savings for FY 2025-26 and were projected to provide annual ongoing savings through the reduction of 20 positions in the following departments:
 - Fire Department
 - Police Department
 - Finance / Information Technology Department
 - City Attorney's Office
 - Library Department

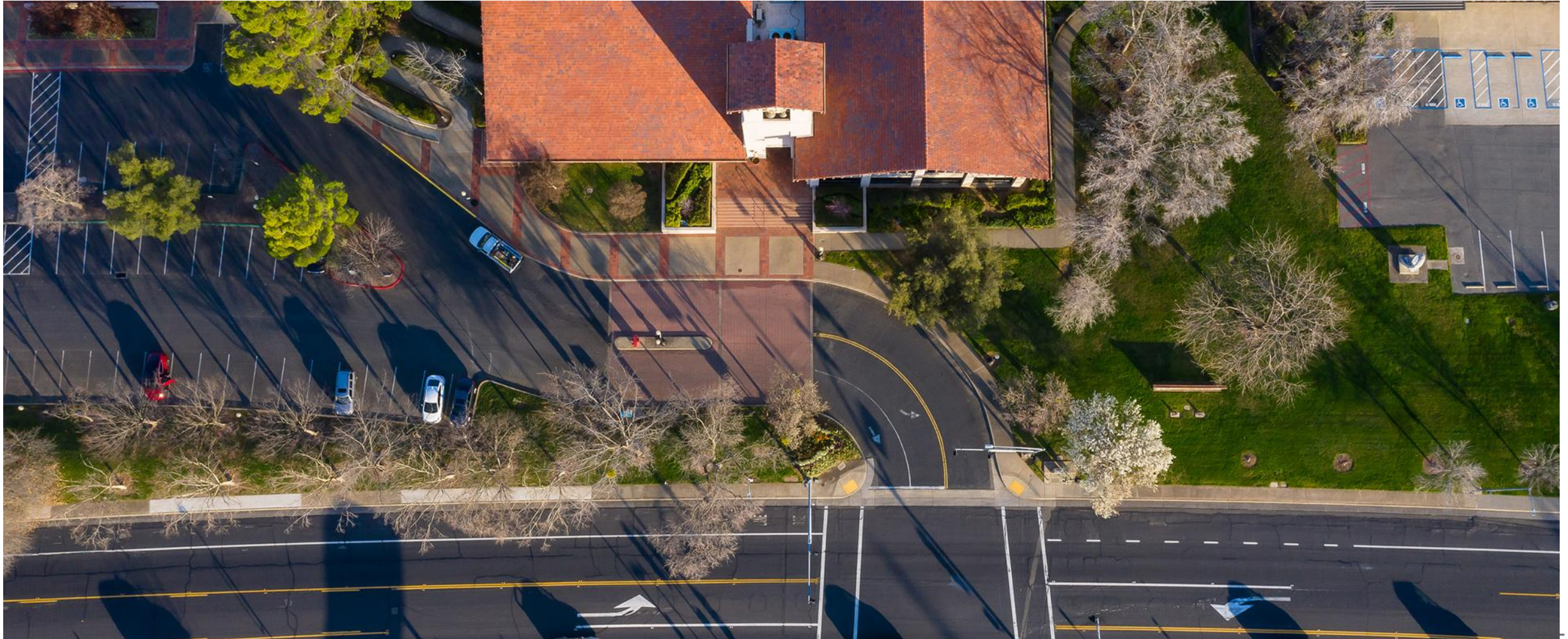
FY 2025-2026 Budget Timeline

(cont.)



- October 10, 2025 – City Council adopted Resolution No. 11482 approving Phase Two of the General Fund cost saving measures which were estimated to generate General Fund savings of \$1,159,236 in FY 2025-26 and \$2,318,473 in FY 2026-27 through service reorganization efforts and use of alternative funding sources within the following departments:
 - Community Development Department
 - Parks and Recreation Department
 - Public Work Department
 - Utilities Department (formerly Environmental & Water Resources)

FY 2025-26 Proposed Mid-Year Budget



Budget Structure and Overview

(cont.)



- The City Manager’s Proposed Mid-Year Budget for Fiscal Year (FY) 2025–26 represents the cumulative result of all budgetary actions taken since the adoption of the FY 2025–26 Preliminary Budget.

$$\begin{array}{ccccccccc} \text{FY 2025-26} & & \text{FY 2025-26} & & \text{Encumbrance} & & & & \text{Phase 1 \& 2 General Fund} \\ \text{Proposed Mid-Year} & = & \text{Adopted} & + & \text{Carryforward} & + & \text{Council Approved} & + & \text{Cost Saving Measures \&} \\ \text{Budget} & & \text{Budget} & & \text{Budget} & & \text{Budget Adjustments} & & \text{Approve MOUs} \end{array}$$

Budget Structure and Overview

(cont.)



- The Encumbrance Carryforward Budget reflects the continuation of authorized but unspent purchase orders (POs) from the prior fiscal year into the current fiscal year. The PO carryforward process ensures that funds committed for goods or services such as contractual services, or material purchases remain available until the related obligations are fulfilled. Carrying forward the associated budget authority along with the purchase orders is critical to maintaining fiscal integrity, honoring legally binding commitments, and ensuring that previously approved contracts and procurements can be completed without interruption.

Budget Structure and Overview

(cont.)



- The Proposed Mid-Year Budget incorporates all Council approved revenue increases and appropriation adjustments adopted by resolution during the fiscal year, as well as the expenditure reductions and structural adjustments implemented through the Phase One and Phase Two General Fund cost-saving measures.
- The amounts reflected in the “Adjustment” column represent the net impact of these cumulative changes when compared to the adopted FY 2025–26 Preliminary Budget.

General Fund Summary – pg 5-6

Summary of General Fund Revenues and Expenditures
Fund 010

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Adopted Budget	FY 2025-26 Proposed Mid-Year Budget	Adjustment (Mid-Year Budget Less Adopted Budget)
Revenues								
Taxes	59,967,769	66,075,402	70,086,681	73,208,866	75,631,595	80,622,692	80,622,692	0
Licenses & Permits	4,241,034	4,299,748	4,010,647	4,977,444	3,916,292	4,068,589	4,503,589	435,000
Intergovernmental	9,753,188	10,045,573	12,900,194	14,025,143	13,793,539	11,251,068	11,257,871	6,803
Charges for Services	13,959,335	18,250,447	17,696,356	18,948,237	21,648,606	16,908,910	18,058,910	1,150,000
Fines, Impact Fees	153,339	133,772	133,080	207,365	150,269	110,200	118,200	8,000
Interest	69,519	(951,314)	894,693	2,891,036	2,508,277	600,000	600,000	0
Other Revenue	1,380,315	1,176,601	1,181,058	452,639	(81,380)	881,000	882,674	1,674
Total Revenues	89,524,499	99,030,227	106,902,709	114,710,730	117,567,198	114,442,459	116,043,936	1,601,477
Expenditures								
0101100 - City Council	104,152	112,377	118,539	120,089	140,603	155,116	155,116	0
0101200 - City Manager's Office	721,621	700,467	690,940	736,166	775,034	797,322	812,309	14,987
0101203 - City Manager's Office - PIO	460,718	466,083	516,999	547,952	591,635	628,587	631,435	2,848
0101400 - City Clerk	581,740	591,310	648,107	637,181	696,858	752,283	745,502	(6,781)
0101401 - City Clerk - Elections	65,873	0	46,173	0	61,145	0	0	0
0101601 - Finance- Administration	444,849	445,758	551,754	518,758	518,038	586,392	572,774	(13,618)
0101602 - Finance- Disbursements	615,952	564,817	564,266	752,331	799,217	879,197	884,037	4,840
0101603 - Finance - Revenue	795,003	735,201	914,563	970,777	801,284	878,909	1,040,778	161,869
0101604 - Finance - Financial Services	1,146,806	1,182,517	1,281,548	1,200,276	1,267,507	1,642,612	1,780,372	137,760
0101700 - City Attorney	953,138	1,095,212	1,307,443	1,267,677	1,323,800	1,383,331	1,205,147	(178,184)
0101800 - Human Resources	622,182	602,453	673,714	834,153	849,379	1,027,029	1,055,285	28,256
0101904 - IT - Info Svcs	1,843,038	1,840,028	2,007,640	2,142,912	1,900,177	2,294,062	2,457,648	163,586
0101905 - IT- GIS	155,092	196,954	236,417	317,814	337,640	382,527	267,988	(114,539)
0101902 - Parks & Rec - Facilities	1,473,134	1,914,986	2,103,702	3,317,082	3,227,415	2,264,680	3,170,358	905,678
0102700 - Parks & Rec - Administration	799,947	807,163	854,864	898,200	1,016,863	1,081,431	1,139,386	57,955
0102710 - Parks & Rec - Comm & Cultural Svcs	1,368,765	1,982,598	2,680,164	2,694,057	2,926,397	2,792,550	3,200,042	407,492
0102711 - Parks & Rec - Community Facilities	0	0	450	0	0	0	0	0
0102720 - Parks & Rec - Outdoor Sports	1,192,935	1,693,408	2,743,801	2,117,223	2,090,470	2,146,278	1,856,062	(290,216)
0102730 - Parks & Rec - Aquatics	2,576,346	1,724,335	2,217,494	2,189,239	2,099,843	2,140,434	2,365,911	225,477
0103801 - Parks & Rec - Park Maintenance	2,895,757	3,216,766	3,226,003	3,636,625	4,040,954	5,194,579	5,687,875	493,296
0103802 - Parks & Rec - Park Dev	157,489	175,176	264,888	248,862	480,697	580,196	641,513	61,317
0103803 - Parks & Rec - Trails	719,527	608,225	296,443	312,572	238,087	252,775	511,717	258,942
0103805 - Parks & Rec - Municipal Landscaping	1,568,648	1,684,296	2,046,564	2,254,397	2,182,229	1,808,916	1,440,419	(368,497)
0104000 - Parks & Rec - Zoo	1,648,755	1,917,544	2,376,124	3,226,894	2,694,100	2,541,399	2,574,237	32,838
0101909 - Police - Animal Control	233,215	232,439	277,896	390,701	370,594	406,978	419,732	12,754
0102110 - Police - Administration	2,978,264	3,752,555	4,851,227	4,607,086	4,268,887	3,953,669	3,882,964	(70,705)
0102111 - Police - Support Services	3,634,826	3,674,585	4,053,600	3,992,357	4,287,880	4,809,564	4,743,403	(66,161)

General Fund Summary – pg 5-6

(cont.)



Summary of General Fund Revenues and Expenditures

Fund 010

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26	Adjustment
	Actual	Actual	Actual	Actual	Actual	Adopted	Proposed	(Mid-Year Budget
						Budget	Mid-Year Budget	Less
								Adopted Budget)
0102112 - Police - Operations	13,496,724	13,911,636	14,192,085	15,889,941	17,332,593	17,759,513	18,318,291	558,778
0102113 - Police - Investigations	3,221,597	3,104,183	2,885,039	3,301,779	3,675,022	4,492,216	3,602,045	(890,171)
0102220 - Fire - Administration	1,772,999	2,174,459	2,623,131	2,599,250	2,994,305	3,172,887	2,784,141	(388,746)
0102221 - Fire - Emergency Response	20,875,664	22,076,490	21,905,235	23,413,909	26,936,506	26,699,344	25,556,693	(1,142,651)
0102222 - Fire - Prevention	558,290	545,028	417,838	554,070	490,865	502,243	520,109	17,866
0102223 - Fire - Emergency Medical	565,007	949,752	673,950	1,136,681	2,918,427	589,553	1,462,398	872,845
0102300 - Community Development - Admin	725,524	862,562	834,003	1,711,027	1,440,246	1,027,761	1,102,917	75,156
0102310 - Community Development - Engineering	2,853,007	3,464,248	3,843,386	3,070,958	2,522,819	1,890,800	1,833,618	(57,182)
0102320 - Community Development - Building Services	1,699,346	2,055,017	2,778,896	2,633,569	2,403,687	2,367,397	2,416,030	48,633
0102325 - Community Development - Code Enforcement	380,915	407,434	433,132	469,975	433,349	541,018	367,505	(173,513)
0102330 - Community Development - Planning	1,166,814	1,225,619	1,285,672	1,066,760	1,097,707	1,282,288	1,427,677	145,389
0102900 - Library	1,838,898	1,753,515	2,192,763	2,099,362	2,167,758	2,304,966	2,213,336	(91,630)
0103700 - Utilities - Fleet Management	1,217,805	1,228,449	1,621,593	1,463,334	1,422,228	1,778,190	2,004,128	225,938
0105000 - Nondepartmental	3,855,487	6,180,073	7,588,332	8,096,163	9,355,812	8,212,257	9,010,823	798,566
0232601 - Public Works - Engineering	2,219,368	2,109,771	2,161,266	2,145,815	2,088,397	2,496,441	2,527,453	31,012
0233200 - Public Works - Streets	1,748,802	2,173,388	2,470,514	2,997,166	2,365,295	2,482,843	2,341,982	(140,861)
0233201 - Public Works - Traffic	1,858,533	2,032,349	2,054,696	2,140,155	2,350,239	2,444,991	1,943,598	(501,393)
Total Expenditures	89,812,552	98,171,225	107,512,854	114,721,296	121,981,992	121,425,524	122,674,754	1,249,230
Revenues Over (Under) Expenditures	(288,053)	859,002	(610,145)	(10,566)	(4,414,794)	(6,983,065)	(6,630,818)	1,593,477
Transfer In	6,058,559	4,589,055	4,454,442	4,026,857	5,254,900	5,546,145	5,546,145	0
Transfer Out	0	0	0	387,124	3,564,985	1,601,982	2,478,952	876,970
Net Transfers	6,058,559	4,589,055	4,454,442	3,639,733	1,689,915	3,944,163	3,067,193	(876,970)
Total Revenues Over (Under) Expenditures	5,770,506	5,448,057	3,844,297	3,629,167	(2,724,879)	(3,038,902)	(3,563,625)	(524,723)
Unassigned Fund Balance					25,335,749	22,296,847	25,617,716	
Encumbrance Carry Forward					3,845,592		0	

Next Steps



May 26, 2026 – Present FY 2026-27 Proposed Operating and Capital Budget to City Council

June 9, 2026 – Hold Public Hearing on FY 2026-27 Operating and Capital Budget

June 23, 2026 – Resolution Adopting FY 2026-27 Operating and Capital Budget