

# Fiscal Years 2025-27 Operating & Capital Improvement Program Budgets

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City Council  
June 17, 2025



# Budget Overview

- Overall, City remains in a **stable financial position** due to reliable property tax revenues, healthy reserves, and a modest residual fund balance
- The Biennial Budget is **“stretched”** due to lower revenue projections associated with loss of a major sales tax generator and unstable macro economic and development market conditions, as well as increased programmatic expenditures over the last five years
- Operating revenues covers 96.5% of operating expenditures. **Residual fund balance covers the gap to maintain existing services during uncertain period**
- **Maximizing use of unspent personnel budget** from this fiscal year (2024/25) to increase UAL contribution in FY25-27 Biennial and offset MOU negotiation costs
- Proposed budget **preserves \$9.3 million of residual fund balance** for possible loss of federal grants and/or major economic downturn

# Operating Budget Overview

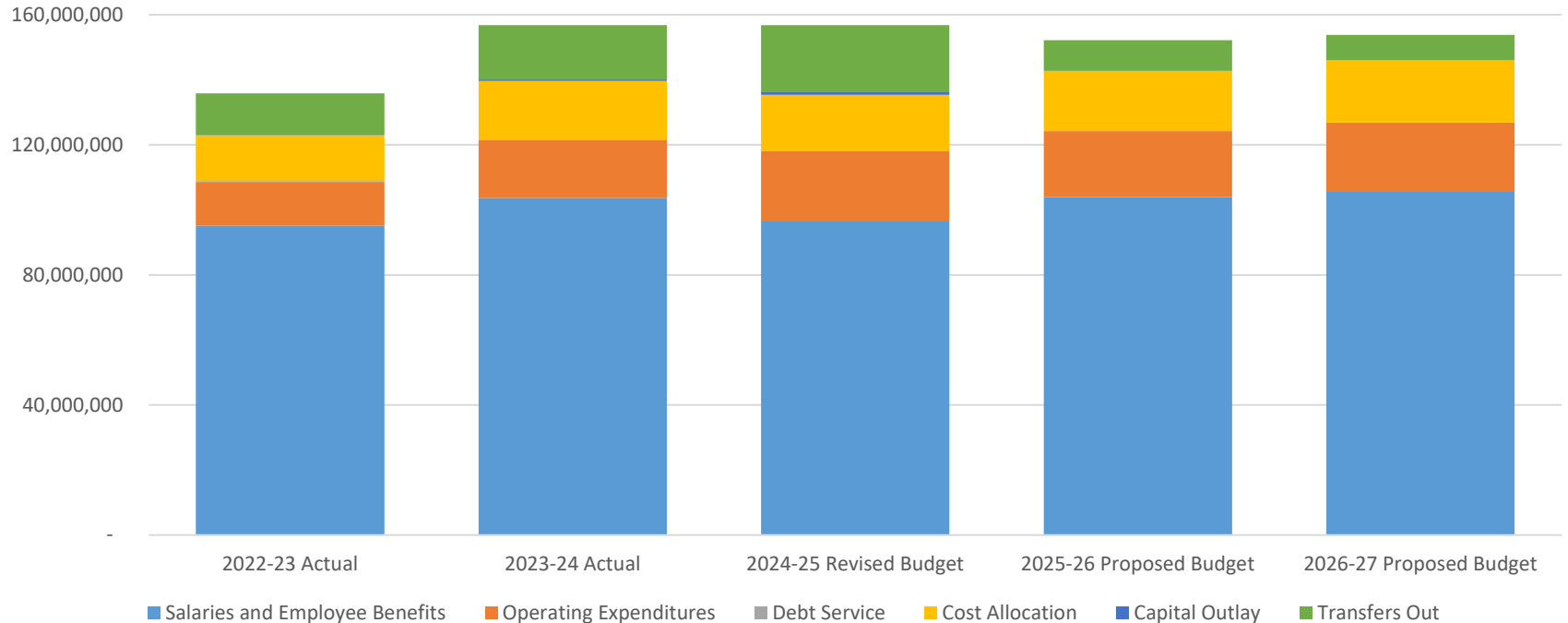
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FY 2025-26 & FY 2026-27



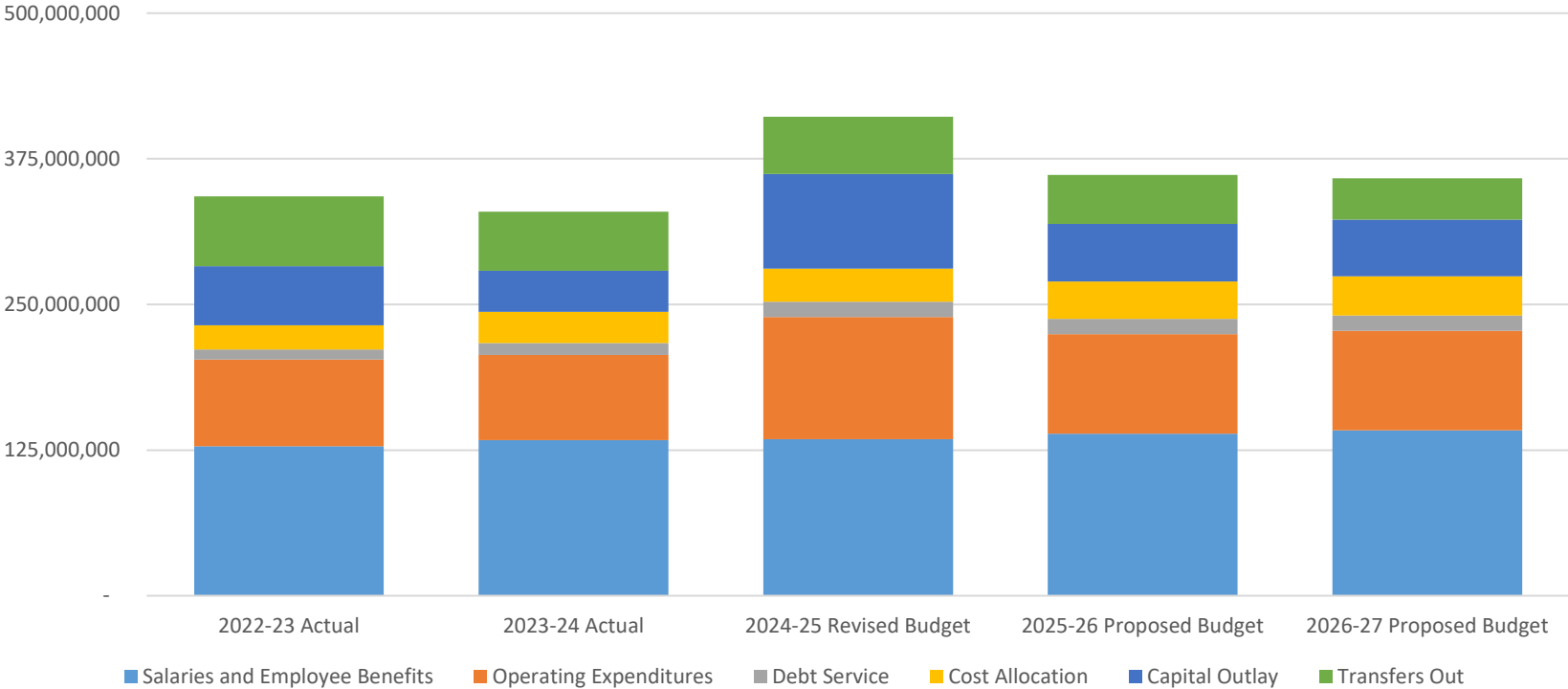
## Budget Overview - General Fund

General Fund expenditure budget proposed at \$152.2 million for FY 2025-26 and \$153.8 million for FY 2026-27



# Budget Overview – All Funds

All Funds proposed budget at \$361.2 million in FY 2025-26 and \$358.3 million in FY 2026-27



# City Council Directed Operating Budget Changes



Department	Proposed	Year 1	Year 2	Funding Source
Non-Depart.	Increase revenues from CFDs for use in General Fund	\$1,000,000	\$1,000,000	CFDs
Library	Social Services (part-time or contractual)	(\$77,800)	-	General Fund
Police	Hiring of up to 72 Police Officers (up from 70 officers recommended on May 5 <sup>th</sup> )	(\$615,542)	(\$472,396)	General Fund
City Attorney	Hiring of a Victim Services Advocate	(\$200,000)	(\$202,000)	General Fund
Non-Depart.	Various adjustments including CalPERS, transfers, negotiations, etc.	(\$350,000)	(\$350,000)	General Fund
Non-Depart.	Additional funds required for 25% Reserve	(\$196,034)	(\$62,007)	General Fund
	<b>TOTAL</b>	<b>(\$439,376)</b>	<b>(\$86,403)</b>	

# Capital Improvement Program Budget Overview

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FY 2025-26 & FY 2026-27

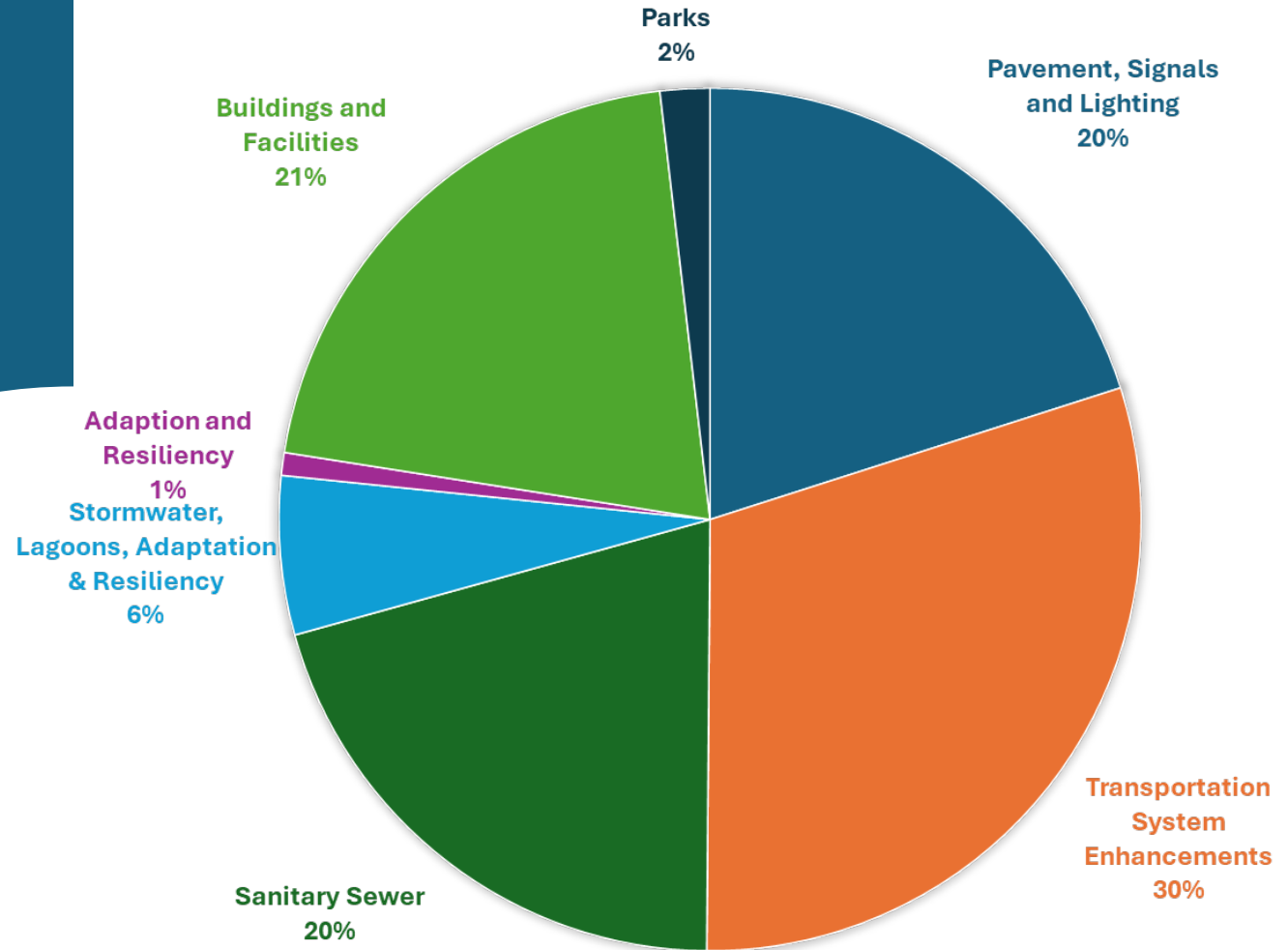


# Capital Improvement Program Budget Overview

- Proposed from all funding sources:
  - **\$42.3 million for FY 2025-26**
  - **\$40.4 million for FY 2026-27**
- Focus on funding projects that improve safety, security and accessibility at public facilities plus leveraging grant funding
  - \$17.6 million in grant funding over two-year period
- Includes \$8.1 million of General Fund contribution for FY 2025-27 (25% of total two-year funding)
- \$82.7 million investment from numerous funding sources (sewer, grants, pavement, stormwater, etc.) advances 17 City Strategic Plan projects

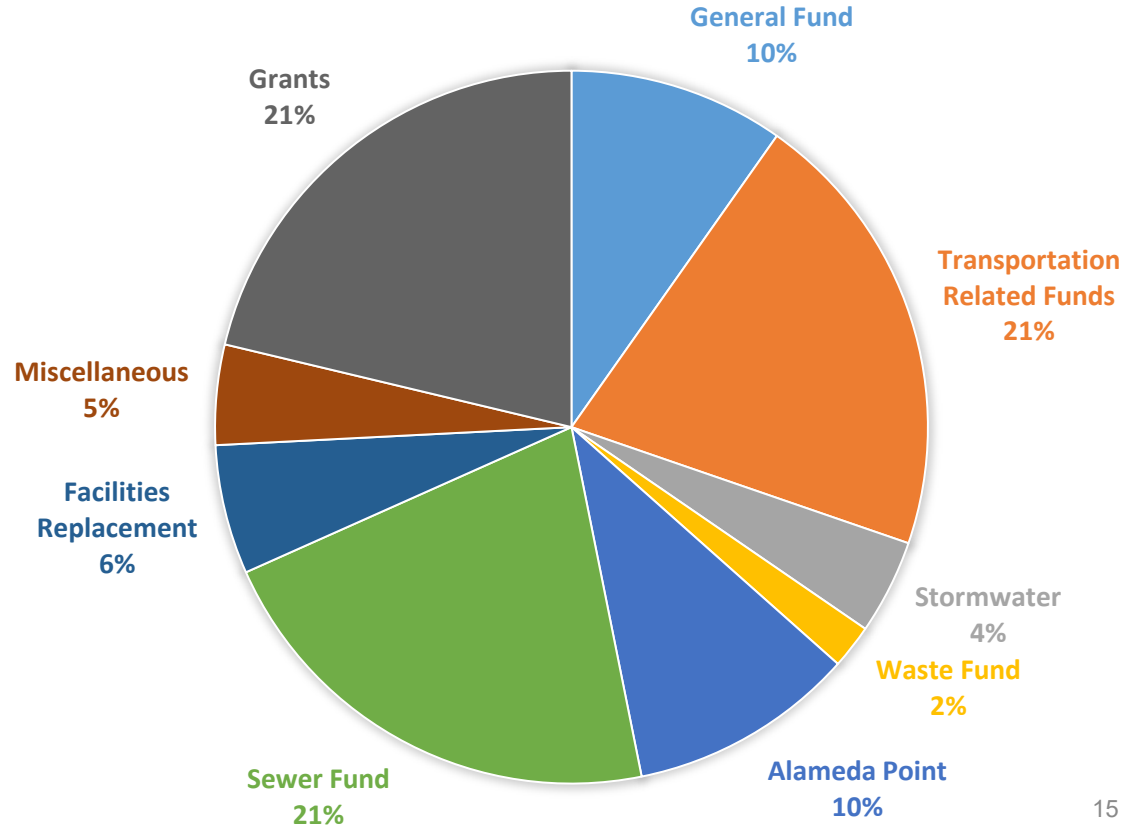


# Capital Improvement Program Budget by Project Type



# Capital Improvement Program Budget by Fund Source

Fund Source	% Total Capital Budget
General Fund	10%
Transportation Funds (Gas Tax, BB, etc..)	21%
Stormwater Fund	4%
Waste Fund	2%
Alameda Point	10%
Sewer Enterprise Fund	21%
Facilities ISF	6%
Miscellaneous	5%
Grants	21%



## Capital Budget Changes Since May Workshop

Project	Proposed	Year 1	Year 2	Funding Source
Alameda Point Pier 2 Rehabilitation	Based on further review of available fund balance, reduced proposed allocation in year 2.		(\$2,000,000)	Alameda Point
Oakland-Alameda Estuary Adaptation Project	Given uncertainty at federal level, will return to Council if grant appropriated	(\$1,000,000)		Grant match
	<b>TOTAL</b>	(\$1,000,000)	(\$2,000,000)	

# Questions?