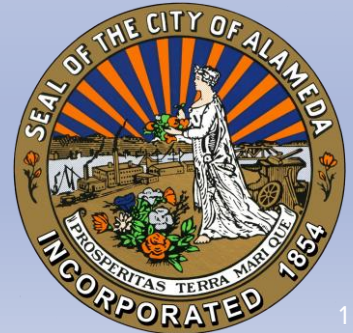


Proposed FY 2026-27 Mid-Cycle Budget

City Council Budget Workshop
May 5th, 2025



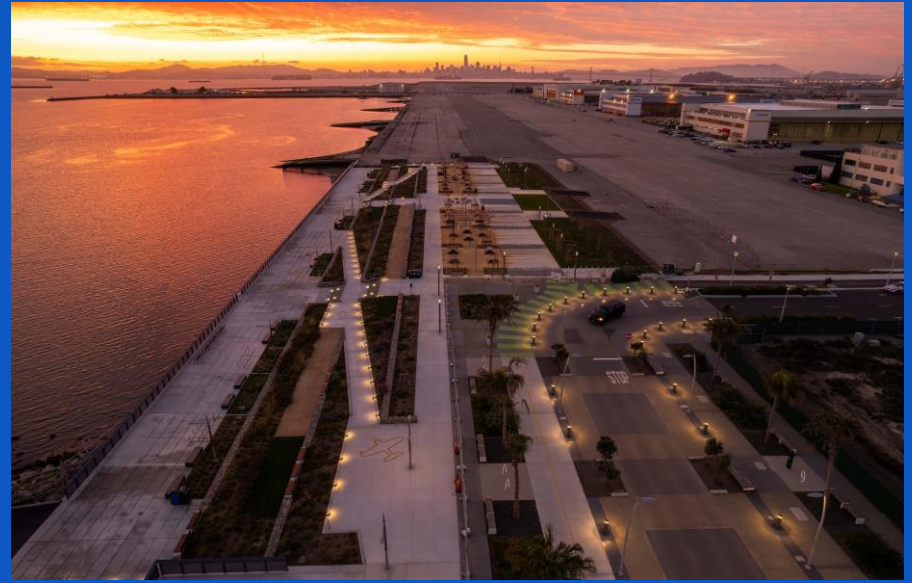
City Council Strategic Priorities



1. Enhance Community Safety & Services
2. Build Resilience to Climate Change & Water Level Rise
3. House All Alamedans and End Homelessness
4. Invest in Transportation, Infrastructure, Economic Opportunities & Historic Resources
5. Practice Fiscally Responsible, Equitable & Inclusive Governance



Budget Overview



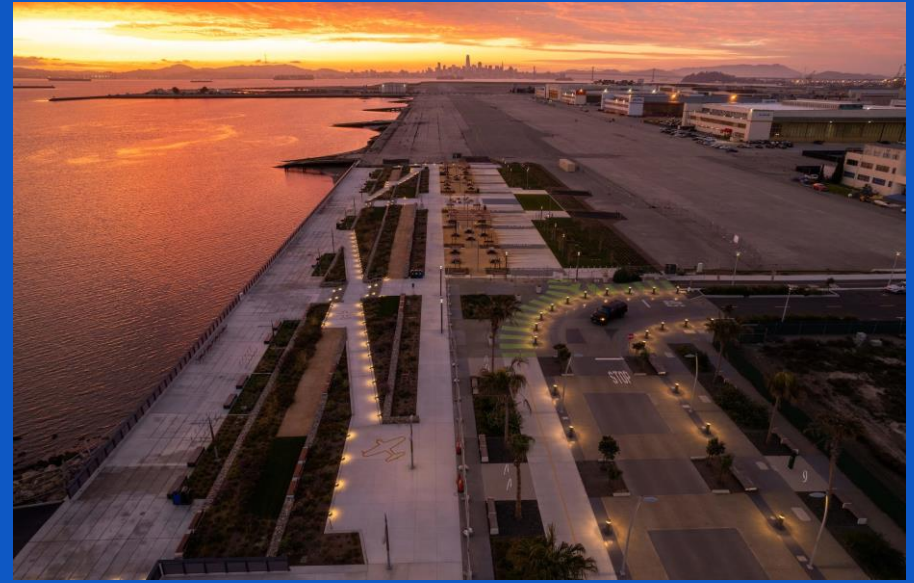
FY26-27 Mid-Cycle Budget Instructions to Staff

- The Budget Policy (passed November 2025) indicates that changes to the Mid-Cycle are not significant in nature, with recommended changes to be limited to technical adjustments, time sensitive opportunities or issues, or new grant activities. For significant changes, pre-existing services and programs are to be prioritized.
- Given the City's Budget Policy and the current tight fiscal environment staff was instructed the following:
 - Minimal/necessary workforce requests
 - Operations & Maintenance (O&M) requests are for minor changes or unforeseen issues

FY26-27 Mid-Cycle Budget Overview

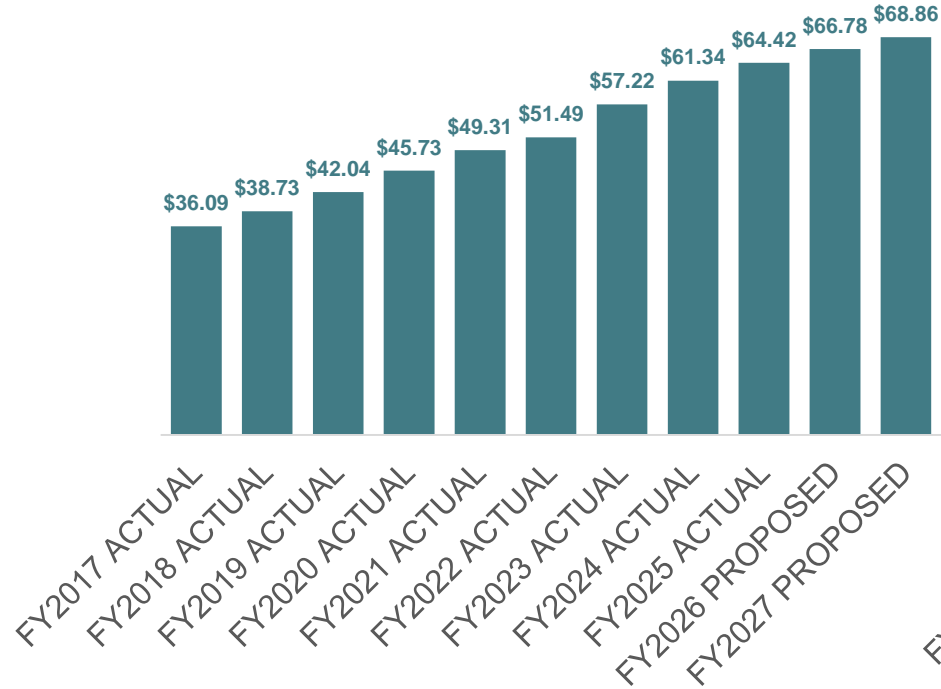
- Overall, City remains in a **stable but tight financial position** due to reliable property tax revenues, healthy reserves, and a modest residual fund balance
- Staff worked to implement the Budget Policy for the Mid-Cycle process of minimal significant changes.
- The FY26-27 Mid-Cycle Budget includes utilizing vacancy savings to reinstate 4 new Police Officers, 6 new FTE requests, and only necessary O&M requests to preserve as much of the residual fund balance as economic uncertainty is still high. Staff requests resulted in a \$2.1 million increase in ongoing costs to the General Fund.
- As a result of these collective and collaborative efforts, the anticipated ending residual fund balance is **projected to be \$9.69 million**
- However, Aquatic Center construction bid increased costs by **\$5 million** and is coming to Council for consideration in June 2026

Budget Context: Still Uncertain Fiscal Realities

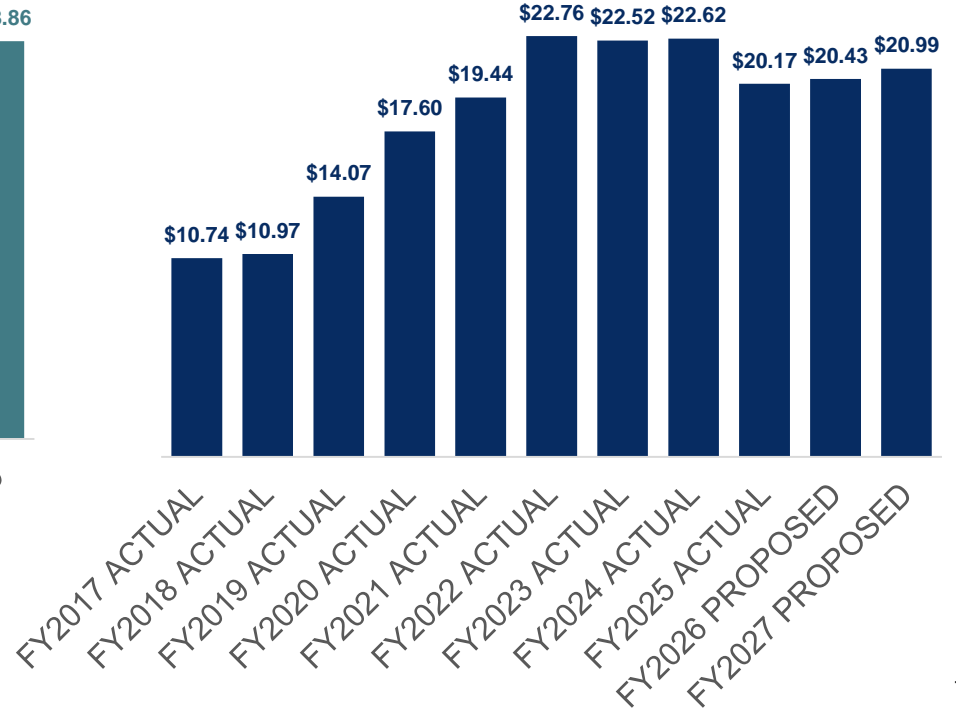


Property Tax Steadily Increases; Sales Tax Decreased

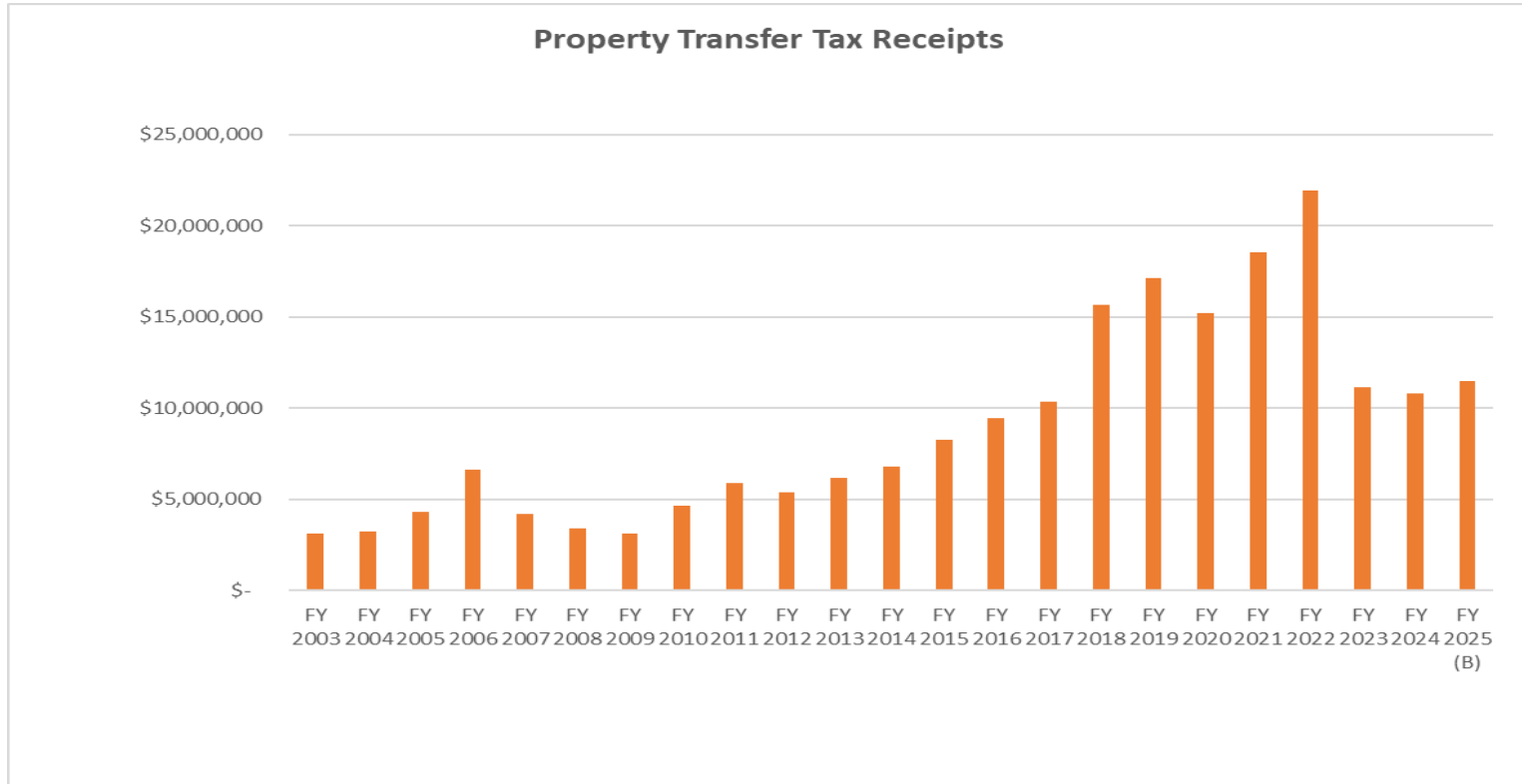
Property Tax



Sales Tax

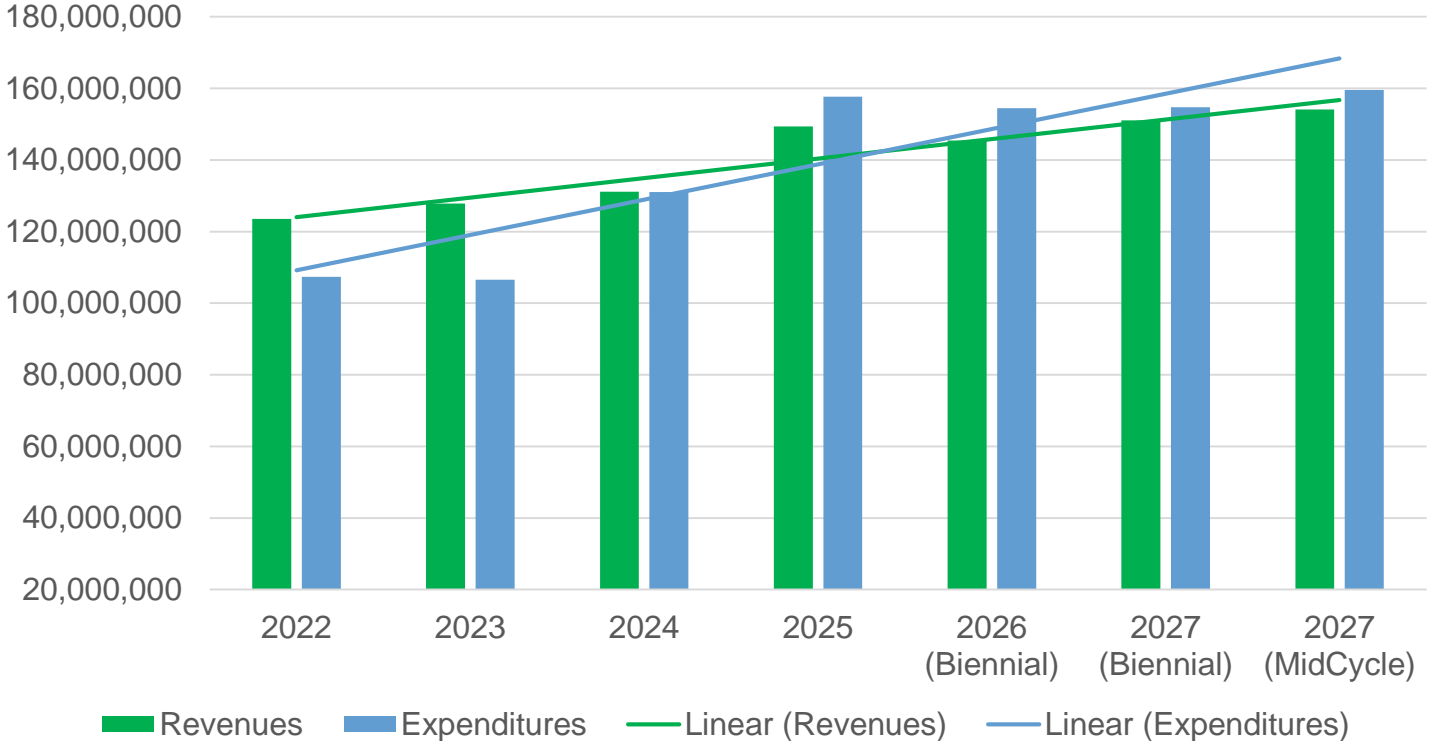


Property Transfer Tax Is Highly Volatile and Decreased Over Last Several Years



General Fund Expenditures Outpacing Revenues

General Fund Trends – Revenues vs. Expenditures



Average Yearly Expenditure Growth: 7.33%

Average Yearly Revenue Growth: 4.53%

Upcoming FY27-29 Biennial Budget Anticipated Costs

- Unfunded pension liabilities increased payment: \$2,000,000 per year
- Dignity Village operations (grant funds expire): \$2,000,000 per year
- Library Fund continued General Fund support (previous use of fund reserves): \$1,250,000 per year
- IT Internal Service Fund rate holiday ending: \$750,000 per year
- Totals to \$6 million in ongoing annual costs starting in Fiscal Year 2026-27

Department Budget Presentations

Base Reuse and Economic Development

Base Reuse & Economic Development – Overview & Highlights

- Alameda Point and Other Citywide Leases
 - 4 new commercial leases | 4 commercial lease renewals | 6 new residential leases
 - Repaired and replaced 6 residential roofs
 - City Council approved Radium Presents Performing Arts Center transaction
 - Approval from US Fish & Wildlife to allow shade structures behind Monarch St Buildings
 - Completed critical wharf repairs to Bay Trail at Grand Marina
- Citywide Economic Development
 - Concluded Two-Year Guaranteed Basic Income Pilot Program
 - Supported 150 Alameda Small Businesses with one-on-one advising through Small Business Development Center
 - Administered over \$250,000 in Façade Improvement Grants, Special Event Grants, and Cultural Arts Grants to nonprofits and small businesses
 - Repositioned Façade Grant program to address Park, Webster St Vacancies

Base Reuse & Economic Development – Challenges & Opportunities in FY26-27

- Addressing ongoing deferred maintenance issues in Alameda Point Housing, Buildings, Piers & Waterfront (Three existing CIP allocations in Biennial Budget – no change)
- Numerous major leases nearing expiration, including three ~50 year marina leases
- New Alameda Point Branding & Marketing
- Lease & sell properties consistent with Reuse Area Disposition Strategy (Lease major vacant hangars (11, 24, 41), Explore sale of 41, 11/12/400, 2)
- Advance Main Street Neighborhood North Housing Development
- Future of Veteran's Administration property
- New Economic Development Strategic Plan in 2027
- Ongoing Implementation of DABA/WABA vacancy strategy

Base Reuse & Economic Development MidCycle Budget Requests

- None

City Attorney

City Attorney's Office

- **Civil** (Municipal Advisory/ Litigation/ Risk Management – No Budget Request)
 - Affirmative litigation along with many other local governments, to protect (**approx. in excess of \$40M**) local grant funding against unconstitutional federal conditions
 - Working with staff to modernize the City's inclusionary housing ordinance to ensure affordable housing production
- **Prosecution and Public Rights** (No Budget Request)
 - **Launched precedent-setting Victim Service Program** providing crisis intervention, case managements, and support services to victims and witnesses of crime throughout criminal justice process, supported by **\$500k in Byrne SCIP grant funding**
 - In 2025, the PPRU **reviewed over 1200 misdemeanor cases** for charging, representing a 50% increase over 2024, itself a record-setting year with 800 cases processed, and a 445% increase over the 2020 baseline
- **Police Auditor** (No Budget Request)
 - The Auditor continues to work with APD towards completion of the CALEA accreditation process which includes **compliance with 185 standards**. The work continues to be supported by a **COPS grant for \$224k**.
- **Rent Program** (\$40,000 budget request to support Section 8 Housing)

CAO: Rent Program – Overview & Highlights

- Administer Rent Ordinance
 - Limit on annual rent increases for most rental units
 - Just Cause eviction protections for all rental units
 - Registration of all rental units
- Operations fully funded by annual program fee adjusted annually based on inflation (average 3.6% annually since 2022)
- Careful management and exceptional staff work resulting in expanded services (e.g. new staff position to resolve rent-increase violations) without requiring additional fee adjustments
- In 2025 staff oversaw more than \$500,000 in refunds to tenants who received invalid rent increases

CAO: Rent Program – Challenges & Opportunities in FY26-27

- Launch new clinics, giving public a forum to interact with staff and get answers about rent regulation, housing rights and legal resources
- Improve online resources, including:
 - Complete the transfer of program website to a City department webpage
 - Provide additional instructional videos and workshop recordings
 - Explore development of an online, public-facing search tool to verify registration and fee-payment status for rental properties
 - Continue to improve Rent Registry interface, workflow, and tutorials
- Enhanced regulation of utility fees that landlords charge to tenants may require additional staffing to process petitions and documentation

Rent Program – \$40,000 Request Supporting Section 8 Housing

- Council policy decision to waive program fees for rental units in Housing Choice Voucher (Section 8) and similar programs
 - Purpose: Encourage participation in Section 8, expand rental offerings for low-income residents, and meet Fair Housing goals
- 725 registered subsidized units = \$80K estimated annual waiver
- Staff can offset \$40,000 by earmarking money collected for late penalties and fines
- Requesting \$40,000 to make up the difference
- Future biennial budgets will include similar requests

Operating Budget Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Housing Choice Voucher Unit Fee Waiver	\$40,000	General Fund		X
TOTAL	\$40,000			

City Clerk

City Clerk – Overview & Highlights

- Staffing is now stable following substantial turnover
- Council Chambers equipment was upgraded during FY 2025-26
- A US Department of State passport recertification and inspection was passed in FY 2025-26

City Clerk – Challenges & Opportunities in FY26-27

- A General Municipal Election will be held on November 2, 2026
- Additional SB707 (Brown Act) provisions take effect July 1, 2026
- Improving broadcast quality would require significant lighting infrastructure

City Clerk – MidCycle Budget Requests

- None

City Manager Office: Housing and Human Services

Housing and Human Services – Overview & Highlights

- Enhanced Homeless Services
 - Implemented prevention program and released a housing resource pamphlet
 - Developed the Engagement Team with City staff – In first 9 months, housed 3 people directly from the street, sheltered 16 people, offered additional resources
 - Winter Shelter Program – added Case Management and during 5 month program, supported 113 people with housing and program support
- Library Social Worker – 1st quarter Interventions: 107 therapeutic and 4 safety
- Began billing to MediCal for reimbursement engagement team eligible services
- Housed over 90 people in Below Market Rate ownership and rental units since FY25
- Launched the CDBG Residential Rehabilitation Program

Housing and Human Services – Challenges & Opportunities in FY26-27

- Challenge with potential reduction of external funding for safety net services
- Organizational structure and staff capacity
 - HHS has made strong improvements in the organizational structure since its inception a few years ago.
 - There are still unfilled gaps and structural changes that would maximize the positive impact HHS has with residents
 - HHS is undergoing a strategic planning process. Results from this process may include future recommendations to City Council for staffing and funding changes.
- Challenge with ongoing operational funding for Dignity Village
- HHS is utilizing the upcoming division strategic plan to expand internal and external understanding of the work of HHS.
- Further exploring inter-departmental collaboration opportunities

Housing and Human Services – MidCycle Budget Requests

- Contractual services for Alameda Family Services (AFS) to continue full-time licensed social services staff at the Main Library, five days/week to support social services and interventions. Includes all staff and supply costs.
- This program has shown, in just one quarter, to be impactful to the community. Working with AFS on this program also supports the City's ability to access medical services, including mental health and respite programs for its clients, that the City would otherwise have challenges accessing due to medical confidentiality laws.

Operating Budget Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Library Social Work Services	\$155,000	General Fund		X
TOTAL	\$155,000			

Fire Department

FIRE – Overview & Highlights

- Staff Development & Training
 - 12 Employee Promotions
 - Paramedic and Peer Support Team Training
 - Training Facility Re-Accreditation
- Operations & Technology
 - Updated Command Structure
 - Station Alerting System
 - Map Integrations
- Operational Improvements
 - New Apparatus Placed in Service & Fire Dock
 - Emergency Water Supply Upgrades

FIRE – Challenges & Opportunities in FY26-27

- **Facilities & Infrastructure**
 - Complete Fallen Firefighter Memorial installation
 - Finalize facilities analysis and relocate Fire Administration
 - Complete ISO 5-year renewal
- **Planning & Preparedness**
 - Develop Strategic Plan
 - Complete Emergency Operations Plan (EOP) update
- **Prevention & Community Engagement**
 - Strengthen fire prevention capabilities
 - Recognize 150 years of community service

FIRE – MidCycle Budget Requests

- Office Assistant
 - Strengthens administrative capacity and improves customer service.
 - Ensures consistent front-desk coverage.
 - Allows higher-level staff to focus on core responsibilities and expands capacity for grant applications.
 - Increases in Fire revenues covers the cost of this FTE
- Fire Portable Radios Replacement
 - One-time replacement of 50% of end-of-life portable radios.
 - Prioritizes frontline and ready-reserve units for emergency response.
 - Offset by transfer from Fund 616 – Capital Equipment Fund.

Operating Budget Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Portable Radio Replacement	\$100,000	General Fund	X	
Portable Radio Replacement	\$250,000	Capital Equip. (Fund 616)	X	
TOTAL	\$350,000			

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Office Assistant	\$130,100	General Fund		X
--Fire Department revenues	(\$130,100)	General Fund		X
TOTAL	\$0			

Finance Department

Finance – Overview & Highlights

- Significant staff turnover but department is now fully staffed.
- Earned City of Alameda's First Triple Crown from the GFOA:
 - Certificates of Excellence for:
 - Budget Book
 - Annual Comprehensive Financial Report (ACFR)
 - Popular Annual Financial Report (PAFR)
- Restructured investment portfolio to lock in higher interest rates.
- Transitioned merchant bank services from Wells Fargo to US Bank.
- Processed 13,190 vendor invoices and 18,008 payroll checks.

Finance – Challenges & Opportunities in FY26-27

- Modernize the bank reconciliation process.
- Create Five-Year Forecast to support the development of the FY27-29 Biennial Budget.
 - Publishing in Fall 2026
- First full year of implementing the City's new Collections Policy.
- Implement a Digital Vendor Dashboard in City's Tyler Munis ERP.

Finance – MidCycle Budget Requests

- Add Administrative Management Analyst to Budget team
 - Increases capacity for financial analysis needed per new Budget Policy
 - Supports succession planning for this important role and City function
 - Increases capacity of Budget Manager to do overall management work
- Increase Investment Management Fees by \$80,000 in order to increase Interest income revenue
 - Recommended by City Treasurer
 - Locks in higher interest rates which will generate more revenue
 - Resulting in \$1 million additional interest income revenue

Operating Budget Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Increase Investment Management fees	\$80,000	General Fund		X
TOTAL	\$80,000			

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Add Administrative Management Analyst	\$197,770	General Fund		X
TOTAL	\$197,770			

Human Resources Department

Human Resources – Overview & Highlights

- Human Resources provides comprehensive, citywide services including labor relations and negotiations, recruitment and retention, disability and leave management, and training and development
- Completed 85+ recruitments to support departmental staffing needs
- Successfully negotiated successor Memorandums of Understanding for nine bargaining units and amended two Compensation Plans
- Delivered citywide training on conflict resolution and employee wellness
- Facilitated resolution of complex and sensitive employee relations matters and investigations

Human Resources – Challenges & Opportunities in FY26-27

- Evolving legislative requirements continue to expand compliance obligations and administrative processes
- Modernizing HR practices requires a one-time, front-loaded investment of resources and implementation effort
- Economic and social conditions place increased pressure on maintaining stable and productive labor relations
- Centralizing HR services and leveraging subject matter expertise enhances service delivery and enables a shift toward strategic initiatives
- Reducing potential injuries and risk exposure minimizes liability and strengthens organizational resilience
- Promoting a safe, healthy, and productive work environment supports employee retention, recruitment, and the City's reputation as an employer of choice

Human Resources – MidCycle Budget Requests

- Establish a Safety Officer – Citywide Position
 - Potential future offset through elimination or reduction of additional funding for vendors who provide similar safety services. Following a pilot to determine if contractual services were sufficient, staff recommends returning to an internal staff model
 - Direct and administer citywide occupational and environmental safety programs, ensuring regulatory compliance, hazard prevention, employee training, and risk mitigation across multiple departments
 - Centralize safety duties being performed by various departments, creating comprehensive and proactive safety program
 - Mitigate and reduce potential risk, liability and cost for the City

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Add Safety Officer	\$197,770	General Fund		X
TOTAL	\$197,770			

Information Technology

IT – Overview & Highlights

- The IT Department established a new Governance, Risk and Strategy (GRS) division dedicated to strengthening oversight, modernizing City technology, managing risk, and building staff capabilities through training.
- Requesting Upgrade of a Position to IT Manager - GRS
- The IT Department's top priority is protecting the City from cyber threats while keeping daily operations running smoothly for all employees.

IT – Challenges & Opportunities in FY26-27

- **Rising Cybersecurity Threats**
 - Protecting the City from cyber threats and attacks
 - Cyberattacks on local governments are increasing in frequency and sophistication, making every City a potential target
- **Technology Change and Adoption**
 - Exploring AI to improve services and streamline daily operations
 - Identifying and adopting modern technology to enhance efficiency
 - Building staff confidence and productivity through Microsoft 365
- **Operations & Service Delivery**
 - IT disruptions directly impact the City's ability to deliver public services
 - Strengthening networks to ensure reliable connectivity and staff productivity

IT – MidCycle Budget Requests

- Position Upgrade IT Analyst to IT Manager – GRS
- Data Security Posture Management/Data Loss Prevention
- Cybersecurity Tool
- Additional Redundancy Cable and Internet Funding

Operating Budget Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Cable and Internet Funding	\$251,500	IT ISF Fund (Fund 606)		X
Data Security Posture Management	\$120,000	IT ISF Fund (Fund 606)		X
Cybersecurity Tool	\$25,000	IT ISF Fund (Fund 606)		X
TOTAL	\$396,500			

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
IT Analyst to IT Manager upgrade (GRS Division)	\$40,512	IT ISF Fund (Fund 606)		X
TOTAL	\$40,512			

Library

Library – Overview & Highlights

- Library Visitors, Attendees of Events, and Circulation of Materials have all experienced year over year increases.
- Student Success Initiative TK-12
- Launching 5-year Strategic Plan

Library – Challenges & Opportunities in FY26-27

Challenges

- Match Community Demand of Print and Electronic Materials
- Sustain Funding for Staff and Patron Safety

Opportunities

- Opportunity to expand Outreach to underserved groups in Alameda
- Improve Breadth of Programs
- Increase our Library of Things (Tool) collection

Library – MidCycle Budget Requests

- Upgrade Library Assistant to Librarian I
 - Offset by reducing Operation & Maintenance (O&M) costs
 - Librarian I position will oversee the collection development
 - Core library function that enhances our circulation offerings to the community

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Upgrade Library Assistant to Librarian I	\$22,000	Library Fund (Fund 210)		X
--Offset through O&M reduction	(\$22,000)	Library Fund (Fund 210)		X
TOTAL	\$0			

Planning, Building, & Transportation

PBT – Overview & Highlights

- **Planning:** Implementing housing element through code amendments and procedures; Park and Webster zoning adjustments
- **Building and Code Enforcement:** 4,230 Permits | 30,873 building inspections | 533 code enforcement cases | 1,532 Inspections.
- **Transportation Planning:** 225k rides on water shuttle in 2025 | Vision Zero implementation including first neighborhood greenway conversion, 35% design for Stargell improvement
- **Sustainability:** Advancing shoreline adaptation plan and near-term sea level rise adaptation projects, expanding public EV charging at city lots and curbside, policies and programs to switch from gas-powered to electric appliances in buildings.

PBT – Challenges & Opportunities in FY26-27

- Building and Sustainability: Staff retention → need for succession planning and role alignment
- Permit Center and Plan Check: Increased mandates/timelines, need for faster permit processing and system upgrades → opportunity to improve service and reduce consultant services
- Sustainability and Resiliency: Safety, infrastructure and climate action improvements → require proactive investment
- Code Enforcement Program: Stability, constant need to evolve and the need for right-size staffing → use grants, secure ongoing funding

PBT – MidCycle Budget Requests

- Reclass Building Official to Assistant Director
- Reclass Combination Inspector II to Plans Examiner
- Align Sustainability Manager Salary with Other Managers
- Shift Sr. Management Analyst to 100% Sustainability focus with General Fund Allocation
- Accela Permit System Audit and Optimization

Operating Budget Proposals Above Baseline – Non General Fund

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Planning and Building – Accela Permit System Audit and Optimization	\$75,000	Planning and Building (Fund 209)	X	
TOTAL	\$75,000			

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Sustainability Manager – Align salary to match PBT division manager salary range	\$36,000	General Fund		X
Sr. Management Analyst (Sustainability) – Reallocate temporarily assigned 30% Transportation funding to General Fund	\$70,149	General Fund		X
Planning and Building – Upgrade vacant Building Inspector II to Plans Examiner	\$6,312	Planning and Building (Fund 209)		X
Planning and Building – Reclassify Building Official position to Assistant Director position	\$36,328	Planning and Building (Fund 209)		X
TOTAL	\$148,789			

Police Department

Police – Overview & Highlights

- Two year crime reduction of all crimes by over 20%
- Continued 100% compliance with AB 953 on stop data collection
- Continued 4.7 out of 5.0 rating for officer professionalism
- Continued hiring of new officers (11 this year plus four in the academy)
- Continued progress of CALEA accreditation
- Stood up dedicated business district patrols

Police – Challenges & Opportunities in FY26-27

- Challenges

- Hiring and training pace/tempo of Police Officers
- Pending service retirements of Police Officers
- Aggregate crime reductions

- Opportunities

- Continued hiring and training pace/tempo of Police Officers
- Increased service delivery with more staff
- Detectives and traffic assignments
- Promotions
- CALEA accreditation

Police – MidCycle Budget Requests

- Four Police Officer positions
 - This would provide additional coverage for Patrol, Traffic, and Investigations
- Increase overtime for Crime Scene Technician weekend coverage

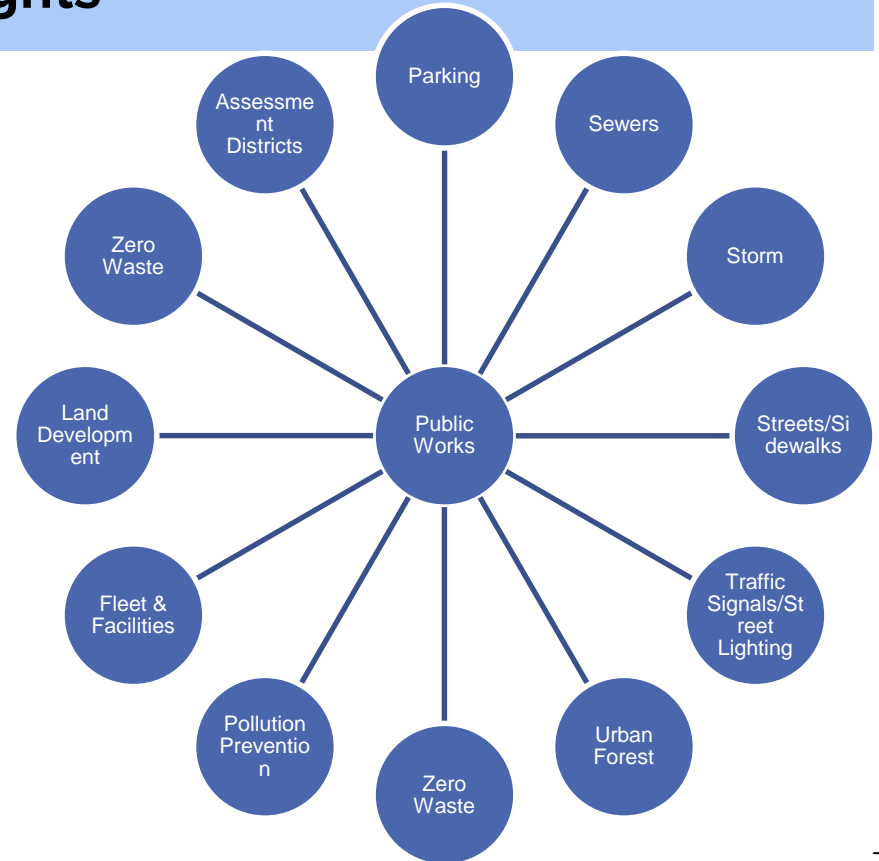
Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Increase OT budget for Crime Scene Technicians	\$20,000	General Fund		X
Hire 4 Police Officers	\$980,000	General Fund		X
Signing bonuses for 4 Police Officers	\$300,000		X	
TOTAL	\$1,300,000			

Public Works

Public Works – Overview & Highlights

- Making Alameda more Accessible
- Updated Zero Waste Plan
- Achieved 100% trash capture from stormwater system
- City Fleet Electrification and Charging Infrastructure Plan
- Transportation Enhancements
- Responded to nearly 3,000 public service requests
- Swept over 19,000 miles of curb, removing nearly 11,000 cubic yards of debris



Public Works – Challenges & Opportunities in FY26-27

- Cost of improving Accessibility at City Buildings
- Cost of Fleet EV Charging Build Out
- Optimal staffing at all levels within the department

Public Works MidCycle Budget Requests

- Design repairs to pedestrian and bicyclist Wooden Bridge
- City Fleet
 - Fleet Electric Vehicle Charging Infrastructure-near-term phase
 - Operational and Vehicle Replacement Costs
- Zero Waste Implementation
 - Promotion of the Multi-family Bulky Program – community based social media
 - Illegal dumping enforcement program
 - Compost Procurement
 - Pilot education and resource programs for low-income communities
 - Pilot cash-for-trash program serving the unsheltered community
- Stormwater permit for spartina grass removal now has a fee
- Staffing
 - New Division Manager
 - New Parking Technician
 - Salary adjustment to align Traffic Signal and Streetlight Technicians

Operating Budget Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Design Repairs for Bike/Ped Wooden Bridge	\$110,000	General Fund	X	
TOTAL	\$110,000			

Operating Budget Proposals Above Baseline – Non General Fund

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
City Fleet EV Charging-near term phase	\$150,000	Fleet Internal Service Fund (Fund 601)	X	
City Fleet Repair Costs	\$240,000	Fleet ISF (Fund 601)		X
City Fleet Replacement Costs and Deferred Fire Replacement Vehicles	\$1,110,500	Fleet ISF (Fund 601)	X	
Launch campaign to promote multi-family bulky pickup program and illegal dumping enforcement program; compost procurement	\$341,000	Waste Management Fund (Fund 261)		X
Pilot education and resource program for low-income communities and a cash-for-trash program serving the unsheltered community	\$175,000	Measure D (Fund 262)	X	

Operating Budget Proposals Above Baseline – Non General Fund

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Spartina Grass Removal Permit Fee	\$3,630	Stormwater Fund (Fund 264)		X
TOTAL	\$1,997,630			

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Salary Adjustment Traffic Signal Technician	\$12,727	Gas Tax		X
Add Parking Technician	\$123,631	Parking Fund		X
--Increased Parking revenues	(\$123,631)	Parking Fund		X
Add Public Works Division Manager	\$251,772	General Fund		X
TOTAL	\$264,499			

Recreation & Parks

ARPD – Overview & Highlights

- ARPD programs, community events, services, support the Alameda community serving all ages.
- In 2025/26 ARPD served over 571,791
- Park maintenance restructuring
- ARPD's strength is offering a wide range of affordable programs, activities, and community events for all ages.
- Mastick has expanded hours partially open later in the evenings on Monday, Tuesday, and Wednesday, and open fully on Saturdays

ARPD – Challenges & Opportunities in FY26-27

- Parks' biggest challenge is the removal of the Playground Funding CIP and will continue to delay our playground renovation schedule.
- Our ongoing challenge is meeting the growing demand for programs and services with limited resources, specialized staffing support, aging technology, and facilities that require modernization, while also navigating increased competition from surrounding agencies and private providers.
- Mastick struggles to support existing and expanded programming with limited full-time positions.

ARPD – MidCycle Budget Requests

- Sweeney Park Trail Connectors – Soil Expenses
- Estuary Park – Personnel: Park Maintenance Worker 1
- Estuary Park – Operations & Maintenance (O&M)
- Office Assistant converted to Executive Assistant

Operating Budget Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Estuary Park Equipment Aquisition	\$60,000	General Fund	X	
Estuary Park O&M	\$30,000	General Fund		X
Sweeney Park Trail Connector	\$100,000	General Fund	X	
TOTAL	\$190,000			

Workforce Change Proposals Above Baseline

<u>Recommended</u>	FY26-27	Funding Source	One-Time	Ongoing
Park Maintenance Worker 1 (6 months)	\$64,120	General Fund		X
OA to EA position upgrade	\$15,000	General Fund		X
--Offset by Part-Time Budet reduction	(\$15,000)	General Fund		X
TOTAL	\$64,120			

Summary of Denied Requests

Denied Budget Requests

<u>Recommended</u>	Cost	Dept	Funding Source	One-Time	Ongoing
EMT to Paramedic Training Program	\$116,000	Fire	General Fund		X
Emergency Operations Center AV Upgrade	\$251,500	Fire	General Fund	X	
Outside Investigators & Negotiators	\$63,000	HR	General Fund		X
Records Specialist Work Hours Change	\$52,000	Police	General Fund		X
Add Two Administrative Technician II Positions	\$284,319	Police	General Fund		X
TOTAL	\$766,819				

Summary of Upgraded Position Requests

Upgraded Position Budget Requests

<u>Recommended</u>	Net Cost	Dept	Funding Source	One-Time	Ongoing
Upgrade Office Assistant to Executive Assistant	\$0	ARPD	General Fund		X
Upgrade Library Assistant to Librarian I	\$0	Library	Library Fund (210)		X
Upgrade Combination Inspector II to Plans Examiner	\$6,132	PBT	PBT Fund (209)		X
Reclassify salary range: Sustainability Manager	\$36,000	PBT	General Fund		X
Upgrade Building Official to Assistant Director	\$36,328	PBT	PBT Fund (209)		X
Upgrade IT Systems Analyst to IT Manager	\$40,512	Police	IT ISF Fund (606)		X
Transfer allocations: Senior Management Analyst	\$70,149	PBT	General Fund		X
TOTAL	\$189,121				

Summary of New Position Requests

New Position Budget Requests

<u>Recommended</u>	Cost	Dept	Funding Source	One-Time	Ongoing
Park Maintenance Worker I (6 months only)	\$64,000	ARPD	General Fund		X
Administrative Management Analyst	\$197,770	Finance	General Fund		X
Office Assistant	\$130,100	Fire	General Fund		X
Safety Officer	\$197,770	HR	General Fund		X
Parking Technician	\$123,000	PW	Parking Fund (265)		X
Division Manager	\$251,800	PW	General Fund		X
Four Police Officers	\$980,000	Police	General Fund		X
Four Police Officers: signing bonus	\$300,000	Police	General Fund	X	
TOTAL	\$2,244,440				

Alternatives for Consideration

Alternatives for Consideration

- New and Recent Financial Considerations
 - Aquatic Center – additional \$5 million
 - Increased economic impacts from recent geopolitical events
- Alternatives
 - Authorize Public Works Parking Technician (full cost recovery)
 - Authorize four Police Officers
 - Change Fire Office Assistant to Part-Time (\$53,000 annually)
 - Continue using contractual services for Safety Officer duties (no new cost)
 - Defer Park Maintenance Worker I until FY 2027-29 Biennial Budget
 - Defer Public Works Division Manager until Biennial Budget and organizational assessment
 - Defer Finance Budget Management Analyst to Part-Time
 - Direct staff to conduct a 5-Year Budget Forecast and return to City Council with staffing recommendations at FY 2026-27 Mid-Year

Next Steps

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- Provide direction to staff on the FY 2026-27 Mid-Cycle Budget
- Adopt FY26-27 Mid-Cycle Budget on June 2, 2026

Council Questions, Discussion & Direction

Thank you

Ecaterina Burton,
Budget Manager



Ross McCarthy,
Finance Director