

Attachment 7
General Fund
Financial Forecast FY 2026-27 through FY 2030-31
Proposed Budget FY 2026-27
(Amounts in Thousands)

	PROJECTED				
	2026-27	2027-28	2028-29	2029-30	2030-31
Recurring Items:					
Revenues					
Sales Tax	60,926	62,647	64,590	66,643	68,763
Property Taxes	85,859	89,723	93,760	97,980	102,389
Utility Users Tax	22,425	23,546	24,724	25,960	26,739
Services Charges - Intra City	19,332	20,298	21,110	21,849	22,505
Services Charges	30,009	31,060	31,991	32,951	33,940
In Lieu of Tax	11,753	12,341	12,958	13,606	14,014
Interest/Use of Money	4,470	4,514	4,559	4,605	4,651
Parking/Traffic/Other Fines	3,417	3,588	3,731	3,843	3,920
Transient Occupancy Tax	14,633	15,585	17,065	16,468	16,879
Building Permits/License Fees	7,489	7,788	8,061	8,303	8,552
Transient Parking Tax	5,270	5,534	5,810	5,984	6,164
Business Taxes	2,614	2,692	2,773	2,856	2,942
Franchises	1,551	1,567	1,582	1,598	1,614
Intergovernmental Revenues	2,446	2,495	2,545	2,596	2,648
Total General Fund Revenues	\$ 272,195	\$ 283,378	\$ 295,261	\$ 305,243	\$ 315,719
Expenditures					
City Council	\$ (2,520)	\$ (2,625)	\$ (2,729)	\$ (2,828)	\$ (2,932)
City Manager	(4,415)	(4,565)	(4,689)	(4,815)	(4,954)
City Clerk	(2,561)	(2,653)	(2,734)	(2,814)	(2,901)
City Treasurer	(1,194)	(1,235)	(1,268)	(1,302)	(1,339)
City Attorney	(7,239)	(7,474)	(7,659)	(7,853)	(8,067)
Management Services	(8,793)	(9,105)	(9,375)	(9,646)	(9,939)
Financial Services	(8,780)	(9,074)	(9,314)	(9,561)	(9,831)
Parks & Recreation	(39,934)	(41,433)	(42,800)	(44,142)	(45,575)
Library Services	(11,767)	(12,180)	(12,532)	(12,888)	(13,273)
Community Development	(21,354)	(22,108)	(22,759)	(23,412)	(24,119)
Public Works	(22,657)	(23,477)	(24,200)	(24,920)	(25,695)
Fire	(56,734)	(59,240)	(62,017)	(64,110)	(66,242)
Police	(77,732)	(81,034)	(84,535)	(87,088)	(89,706)
Non-Departmental	(9,163)	(10,088)	(11,774)	(12,031)	(12,509)
Total General Fund Expenditures	(274,842)	(286,290)	(298,384)	(307,411)	(317,081)
RECURRING BALANCE SUBTOTAL	\$ (2,647)	\$ (2,912)	\$ (3,123)	\$ (2,168)	\$ (1,363)
Discussion Papers - Recurring	(50)	(50)	(50)	(50)	(50)
RECURRING BALANCE / (DEFICIT)	\$ (2,697)	\$ (2,962)	\$ (3,173)	\$ (2,218)	\$ (1,413)

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<u>Non-Recurring Revenue/Savings Items:</u>					
Non-Recurring Revenue/Use of Resources	\$ 134				
Use of 115 Trust for CalPERS Contribution	4,414	4,414	4,414	4,414	
Estimated Annual Budget Savings	5,497	5,726	5,968	6,148	6,342
Non-Recurring Revenue/Savings Total:	10,045	10,140	10,382	10,562	6,342
<u>Plus Est. Beginning Balance June 30th:</u>	\$ 34,237	\$ 27,853	\$ 24,082	\$ 22,350	\$ 24,023
Working Capital Reserve	(1,907)	(1,717)	(1,814)	(1,354)	(1,451)
Emergency Reserve	(636)	(572)	(605)	(451)	(484)
Budget Stabilization Reserve	(636)	(572)	(605)	(451)	(484)
Compensated Absences Reserve	(318)				
Adjusted Beginning Balance July 1st	30,741	24,991	21,059	20,093	21,606
<u>Less Non-Recurring Expenses:</u>					
Proposed One-Time Budget Items	\$ (3,953)				
Discussion Papers - One-Time	(65)				
ERP Ramp-up	(1,804)	(2,405)	(1,503)		
Contributions to CalPERS	(4,414)	(4,414)	(4,414)	(4,414)	
Deposit to 115 Trust		(1,267)			
Subtotal Non-Recurring Items	(10,236)	(8,086)	(5,917)	(4,414)	-
EXCESS/(DEFICIENCY) OF REVENUE OVER APPROPRIATIONS	\$ 30,550	\$ 27,045	\$ 25,523	\$ 26,241	\$ 27,947
PLUS RECURRING BALANCE (ABOVE)	\$ (2,697)	\$ (2,962)	\$ (3,173)	\$ (2,218)	\$ (1,413)
ENDING SPENDABLE FUND BALANCE	\$ 27,853	\$ 24,082	\$ 22,350	\$ 24,023	\$ 26,535
FORMAL RESERVE BALANCES	\$ 68,723	\$ 71,585	\$ 74,608	\$ 76,865	\$ 79,283

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BUDGET PARAMETERS
Proposed Budget FY 2026-27

Description	2026-27	2027-28	2028-29	2029-30	2030-31
<u>Revenues:</u>					
Sales Tax	1.6%	2.8%	3.1%	3.2%	3.2%
Property Taxes	4.0%	4.5%	4.5%	4.5%	4.5%
Utility Users Tax	7.8%	5.0%	5.0%	5.0%	3.0%
Services Charges - Intra City	9.9%	5.0%	4.0%	3.5%	3.0%
Service Charges	3.4%	3.5%	3.0%	3.0%	3.0%
In-Lieu of Tax	9.9%	5.0%	5.0%	5.0%	3.0%
Interest/Use of Money	(3.1%)	1.0%	1.0%	1.0%	1.0%
Parking/Traffic/Other Fines	8.0%	5.0%	4.0%	3.0%	2.0%
Transient Occupancy Tax	3.0%	6.5%	9.5%	(3.5%)	2.5%
Building Permits/License Fees	5.9%	4.0%	3.5%	3.0%	3.0%
Transient Parking Tax	7.8%	5.0%	5.0%	3.0%	3.0%
Business Taxes	3.0%	3.0%	3.0%	3.0%	3.0%
Franchise Fees	1.0%	1.0%	1.0%	1.0%	1.0%
Intergovernmental Revenues	23.2%	2.0%	2.0%	2.0%	2.0%
<u>Expenditures:</u>					
Salaries & Wages*	-	-	-	-	-
Utilities	9.0%	7.5%	5.0%	5.0%	3.5%
Contracts/Services/Other	3.0%	3.0%	3.0%	3.0%	3.0%
Internal Service Funds	4.5%	4.5%	4.5%	4.0%	4.0%

*confidential