



FY 2025-26 Budget Adoption Public Hearing

JUNE 17, 2025

ALAN ALTON, CHIEF FINANCIAL OFFICER
VERONICA CONNER, BUDGET MANAGER

Chief Financial Officer's Comments

PROPOSED BUDGET FY 2025-26



Homeless Services Budget Reductions

PROPOSED BUDGET FY 2025-26



Housing & Community Services Budget Reductions

Budget Reduction Description	Amount
Homeless Services Program Reductions (General Fund Transfer Out – not included in May 6 & 7 Study Session)	(\$1,410,000)
Housing & Community Services General Fund Professional Services Contracts (included in May 6 & 7 Study Session)	(\$161,000)
Total Department Reductions	(\$1,571,000)

FY 2025-26 Homeless Services

(in millions)

Fund Type:	2024-25 Adopted Budget	2025-26 Proposed Budget	\$ Change	% Change
Homeless Services	\$3.4	\$4.1	\$0.7	19.4%

➤ 2025-26 - \$1.6M in Federal ARPA funding no longer available, causing net increase of fund.

General Fund Budget Reductions

PROPOSED BUDGET FY 2025-26



General Fund Budget Reductions

Changes from Study Session

Description	Amount
Removed Furlough Estimate	\$1,379,600
Removed Fire Station Black Out 4-0 Truck Company	\$3,582,000
Reduced 2.0 FTE Firefighters	(\$450,000)
Reduced 1.0 FTE Deputy Fire Chief	(\$380,000)
Reduced Fire Department Services & Supplies	(\$45,000)
City Attorney COLA	(\$12,000)
Additional Recreation Revenue	(\$110,000)
Reduced 1.0 FTE Facilities Attendant in Recreation	(\$80,000)
Reduced 1.6 FTE Recreation Specialist in Recreation	(\$140,000)

General Fund Budget Reductions Changes From Study Session

Description	Amount
Reduced Temp Staffing hours in Recreation	(\$36,000)
Reduced 1.0 FTE DEI & EEO Officer	(\$207,000)
Reduced 1.0 FTE Human Resources Technician	(\$110,000)
Reduced 1.0 FTE Officer	(\$291,000)
Storm Water Enterprise Fund Charges	(\$17,000)
Forgo Equity Compensation for Exec Staff	(\$138,000)
General Fund Deficit Increase since May Study Session	\$2,945,600

Total General Fund Budget Reductions

Dept	2025-26 Proposed Budget	8% Target	January 2025 Reductions	Proposed Reductions
City Manager *	3,163,274	253,062	359,900	485,000
City Attorney	4,593,236	367,459	2,500	305,550
Human Resources *	4,642,756	371,420	202,435	317,000
Finance *	8,003,655	640,292	10,000	1,744,902
Fire Department	55,866,080	4,469,286	900,000	1,227,000
Planning & Econ Development *	17,503,262	1,400,261	457,590	1,052,600
Recreation & Parks	17,120,134	1,369,611	375,000	916,000
Transportation & Public Works	25,753,151	2,060,252	1,191,605	703,000
Housing & Community Services *	4,900,280	392,022	8,000	1,571,000
Police Department	77,779,139	6,222,331	160,502	3,135,500
Santa Rosa Water	745,209	59,617	40,000	17,000
Comms & Intergovt. Relations *	1,819,748	145,580	211,368	233,000
Executive Compensation				138,000
Total	221,889,924	17,751,194	3,918,900	11,845,552

* Departments met 8% target

Changes from Study Session – Other Funds

- Santa Rosa Water eliminated 7.0 vacant FTEs and added 11.0 FTEs in a re-organization of the Subregional and Local Wastewater enterprise funds, increasing expenditures by approximately **\$770K**, and included in the current rate model
- Housing Authority increased revenue and expenditures by **\$125K** due to updated allocations from the Department of Housing & Urban Development

Changes from Study Session – **General Fund**

- Eliminated 0.5 FTE vacant Limited Term Community Outreach Specialist in Graffiti Abatement **(\$73K)**; will fund additional time for 1.0 FTE Limited Term Housing & Community Services Technician in Graffiti Abatement.

Citywide Budget Overview

PROPOSED BUDGET FY 2025-26



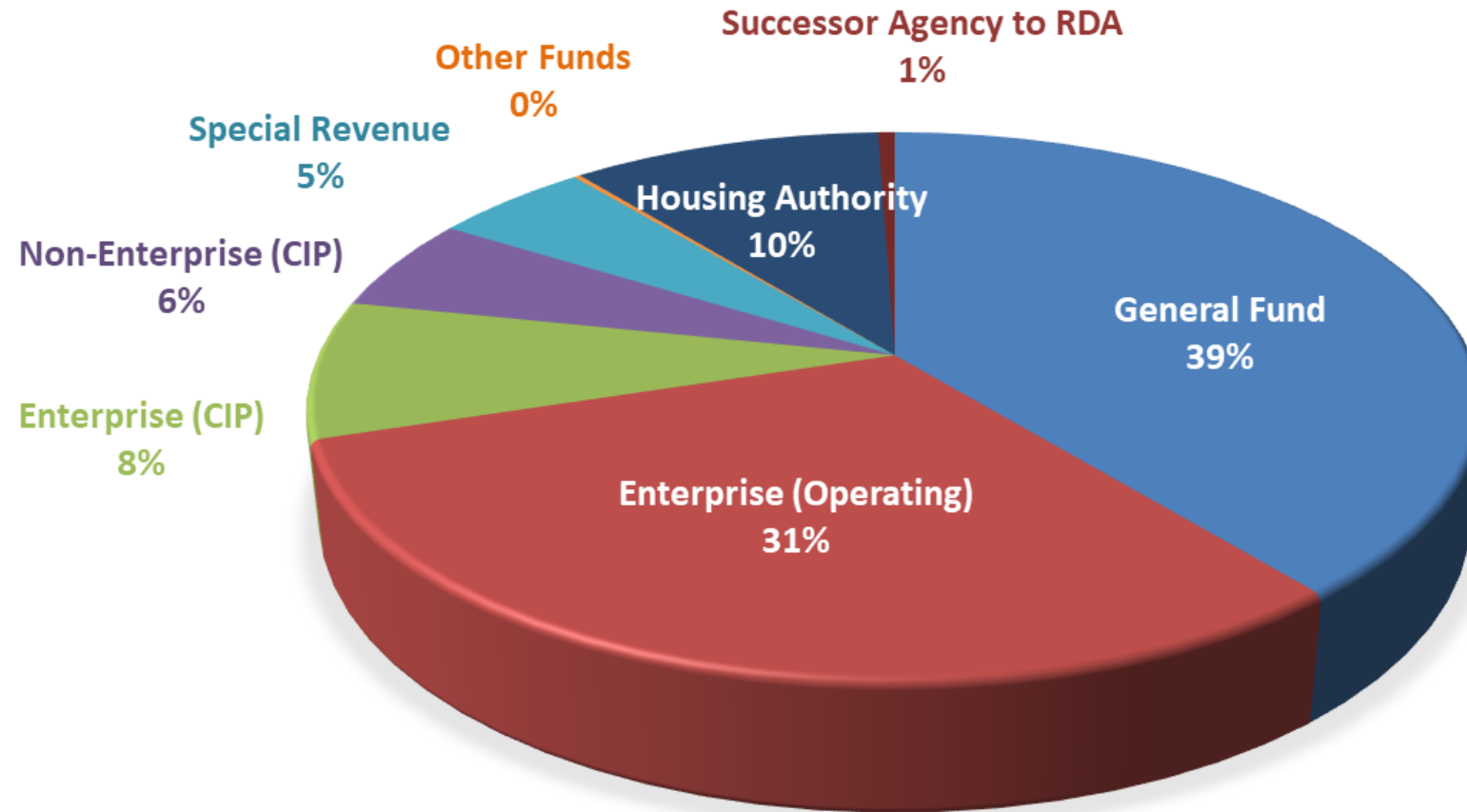
FY 2025-26 Citywide Revenues by Fund (in millions)

Fund Type	2024-25 Adopted Budget	2025-26 Proposed Budget	\$ Change	% Change
General Fund	\$213.0	\$215.1	\$2.1	1.0%
Enterprise Funds	187.0	200.0	13.0	7.0%
Special Revenue Funds	34.0	44.3	10.3	30.3%
Other Funds	5.3	0.5	(4.8)	(90.6%)
Housing Authority	49.2	54.0	4.8	9.8%
Successor Agency to RDA	3.3	3.0	(0.3)	(9.1%)
Total	\$491.8	\$516.9	\$25.1	5.1%

FY 2025-26 Citywide Expenditures by Fund Type (in millions)

Fund Type	2024-25 Adopted Budget	2025-26 Proposed Budget	\$ Change	% Change
General Fund	\$220.2	\$216.5	(\$3.7)	(1.7%)
Enterprise (Operating)	158.3	171.8	13.5	8.5%
Enterprise (CIP)	24.6	45.2	20.6	83.9%
Non-Enterprise (CIP)	26.0	30.8	4.8	18.4%
Special Revenue	19.5	28.6	9.1	46.6%
Other Funds	5.3	1.2	(4.1)	(77.2%)
Housing Authority	51.6	56.7	5.1	10.0%
Successor Agency to RDA	3.3	3.0	(0.3)	(8.2%)
Total	\$508.8	\$553.8	\$45.0	8.9%
Operations (net of CIP)	\$458.2	\$477.8	\$19.6	4.3%
CIP only	\$50.6	\$76.0	\$25.4	50.2%

FY 2025-26 Citywide Expenditures by Fund



General Fund Budget Overview

PROPOSED BUDGET FY 2025-26



FY 2025-26 General Fund Summary

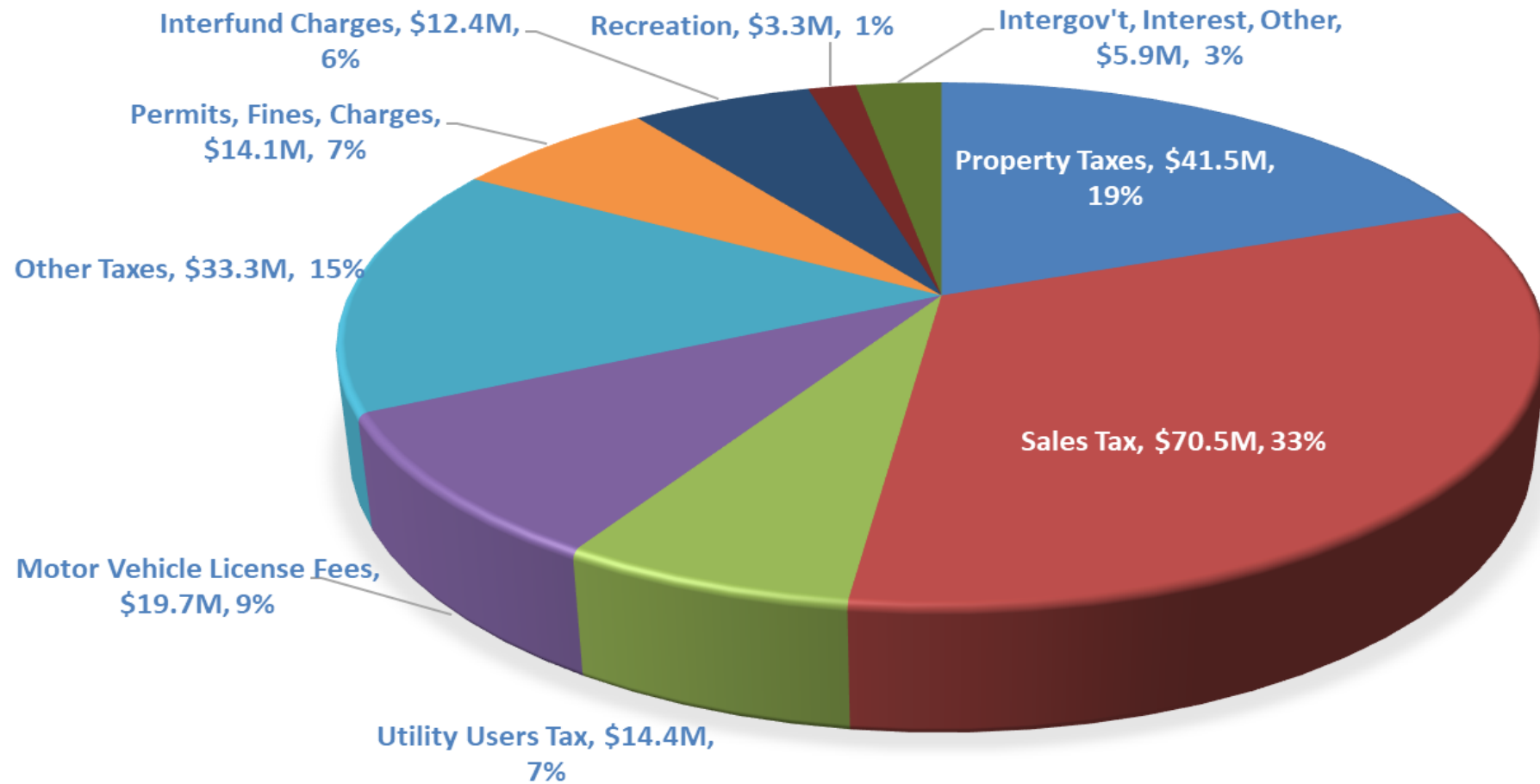
(in millions)

	Proposed General Fund Budget
Revenue	\$215.1
Transfers In	2.5
Total Revenues + Transfers In	217.6
Expenditures	216.5
Capital Improvement Projects	2.0
Transfers Out	7.2
Total Expenditures + Transfers Out	225.7
Use of Reserves	(\$8.1M)

FY 2025-26 General Fund Revenues by Category (in millions)

Category	2024-25 Adopted Budget	2025-26 Proposed Budget	\$ Change	% Change
Property Tax	\$39.1	\$41.5	\$2.4	6.2%
Sales Tax	75.9	70.5	(5.4)	(7.1%)
Utility Users Tax	14.2	14.4	0.2	1.4%
Vehicle License Fees	18.5	19.7	1.2	6.5%
Other Taxes	29.9	33.3	3.4	11.4%
Permits, Fines & Charges	14.6	14.1	(0.5)	(3.1%)
Interfund Charges	11.7	12.4	0.7	6.0%
Recreation Revenues	3.3	3.3	--	--
Intergov't, Interest & Other	5.9	5.9	--	--
Total	\$213.0	\$215.1	\$2.1	1.0%

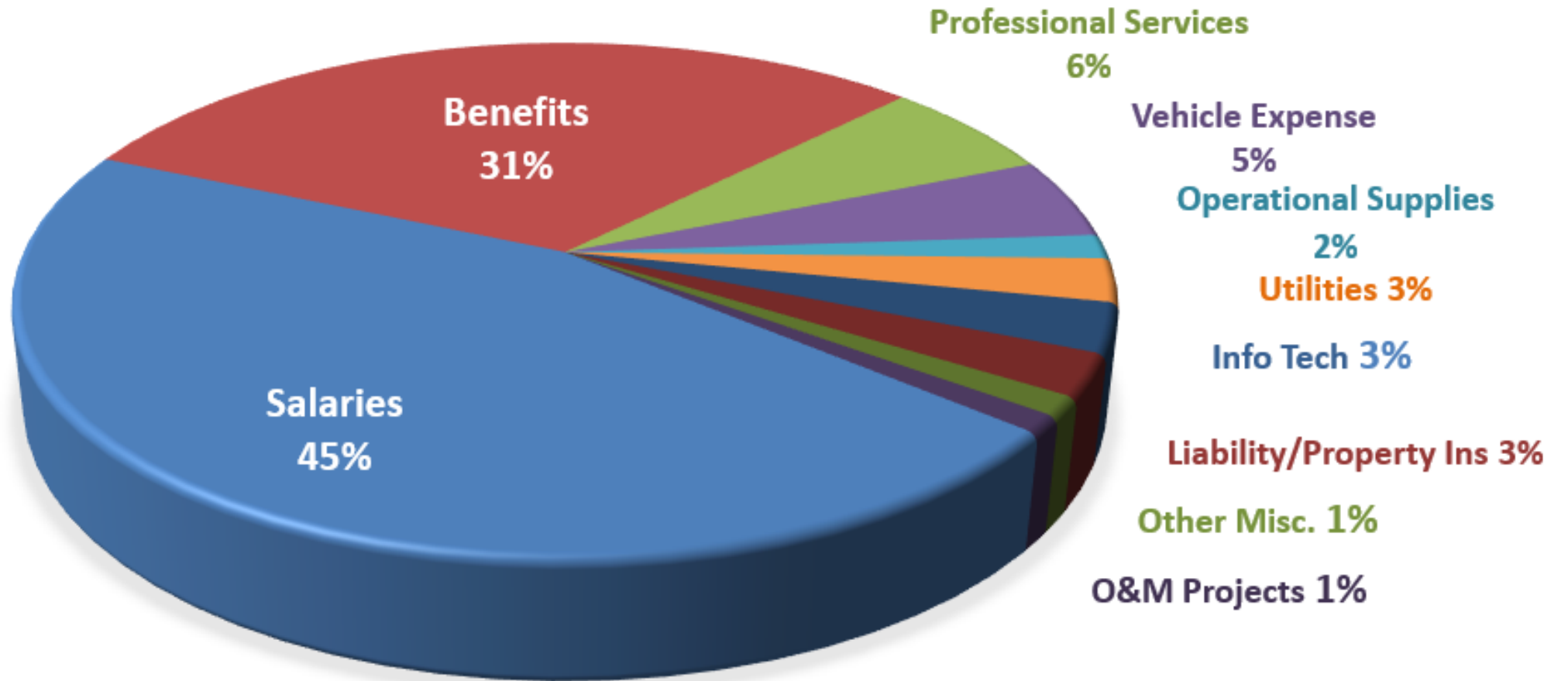
General Fund Revenues by Category



FY 2025-26 General Fund Expenditures by Category (in millions)

Category	2024-25 Adopted Budget	2025-26 Proposed Budget	\$ Change	% Change
Salaries	\$99.2	\$98.5	(\$0.7)	(0.7%)
Benefits	68.8	66.9	(1.9)	(2.8%)
Professional Services	16.8	13.6	(3.2)	(19.0%)
Vehicle Expense	10.0	11.0	1.0	10.0%
Operational Supplies	3.4	3.3	(0.1)	(2.9%)
Utilities	5.7	5.9	0.2	3.5%
Information Technology	6.4	6.7	0.3	4.7%
Liability/Property Insurance	4.9	5.7	0.8	16.3%
Other Miscellaneous	2.8	2.6	(0.2)	(7.1%)
Capital Outlay	-	-	-	-
O&M Projects	2.2	2.3	0.1	4.5%
Total	\$220.2	\$216.5	(\$3.7)	(1.7%)

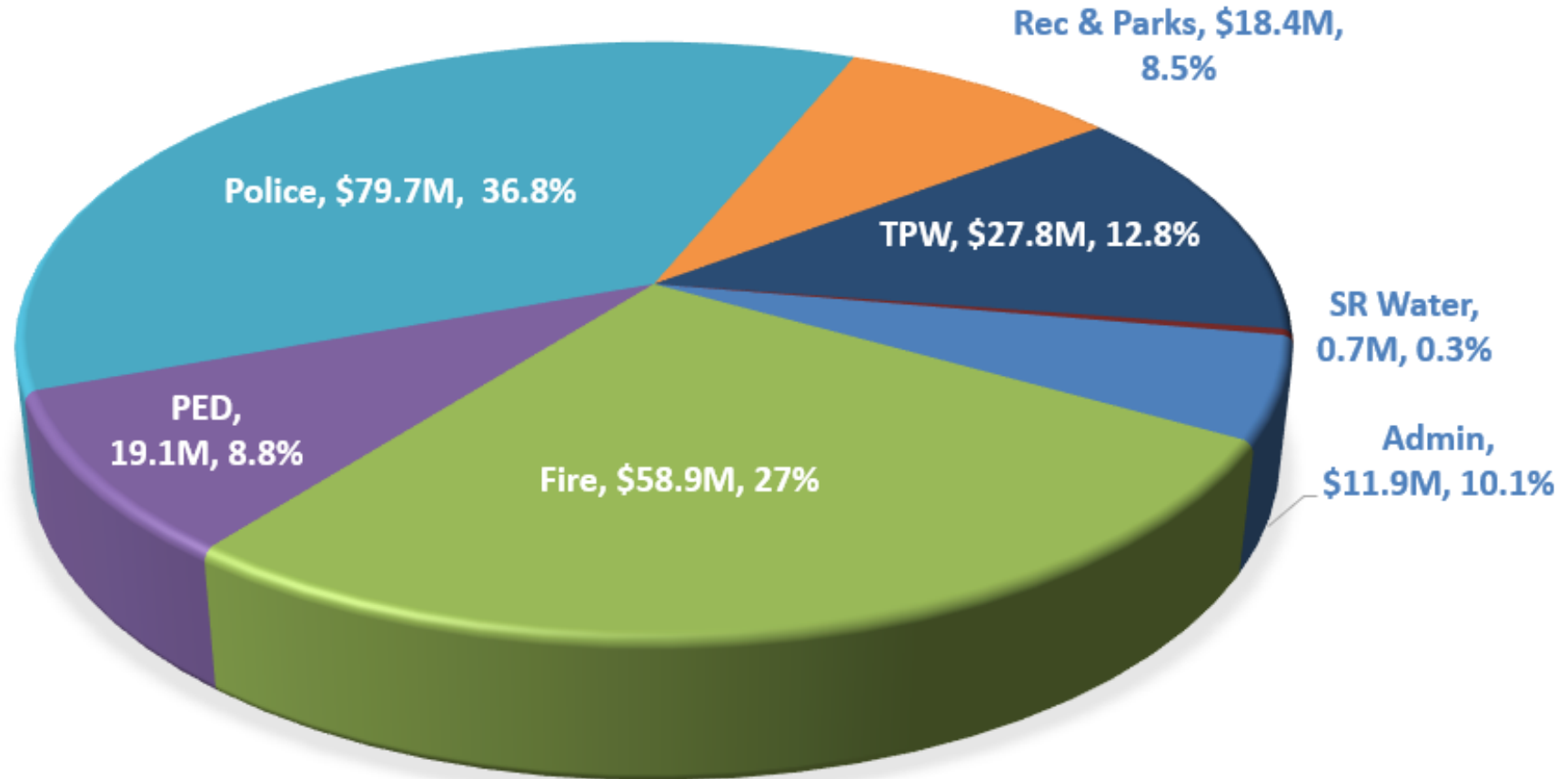
General Fund Expenditures by Category



FY 2025-26 General Fund Expenditures by Department (in millions)

Department	2024-25 Adopted Budget	2025-26 Proposed Budget	\$ Change	% Change
Administration	\$15.2	\$11.9	(\$3.3)	(21.7%)
Housing & Community Services	0.2	-	(0.2)	(-100%)
Fire	58.8	58.9	(0.1)	0.2%
Planning & Economic Development	19.5	19.1	(0.4)	(2.1%)
Police	79.6	79.7	0.1	0.1%
Recreation & Parks	18.8	18.4	(0.4)	(2.1%)
Transportation & Public Works	27.3	27.8	0.5	1.8%
SR Water (Storm Water GF only)	0.8	0.7	(0.1)	(12.5%)
Total	\$220.2	\$216.5	(\$3.7)	(1.7%)

General Fund Expenditures by Department



General Fund Baseline

Public Safety and Prevention Tax

	Police: 34.3%	Fire: 23.7%	Violence Prevention: 0.4%
General Fund Department Budget	\$79,746,062	\$58,893,388	\$943,358
Baseline Calculation	74,295,785	51,345,791	904,661
Over (Under) Baseline	\$5,450,277	\$7,547,597	\$38,697

General Fund Long-Range Financial Forecast *(in \$ millions)*

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30
Revenues	\$213.0	\$215.1	\$219.7	\$224.5	\$228.1	233.1
Transfers In	2.3	2.5	2.5	2.5	2.5	2.5
Total Revenues & TI	\$215.3	\$217.6	\$222.2	\$227.0	\$230.6	235.6
Expenditures	220.2	216.5	230.0	240.4	251.6	259.9
Transfers Out	8.4	9.2	9.3	9.5	9.0	9.2
Total Expenditures & TO	\$228.6	\$225.8	\$239.3	\$249.9	\$260.5	269.1
Surplus (Deficit)	(\$13.3)	(\$8.1)	(\$17.1)	(\$22.9)	(\$29.9)	(33.5)

General Fund Reserves Projection

\$8.1M Deficit Passed					
	FY2025	FY2026	FY2027	FY2028	FY2029
6/30/2024 Reserves	\$ 68,826,590				
FY 24/25 Actuals Over Deficit	\$ (1,700,000)				
FY 25/26 Budget Deficit (\$8.1M)	\$ (8,100,000)				
Childcare pilot program	\$ 1,400,000				
One Time PG&E Funding	\$ 9,200,000				
6/30/2025 Projected Reserves	\$ 69,626,590				
FY 26/27 Budget Deficit (\$17.1M)		\$ (17,100,000)			
6/30/2026 Projected Reserves		\$ 52,526,590			
FY 27/28 Budget Deficit (\$22.9M)			\$ (22,900,000)		
6/30/2027 Projected Reserves			\$ 29,626,590		
FY 28/29 Budget Deficit (\$29.9M)				\$ (29,900,000)	
6/30/2028 Projected Reserves				\$ (273,410)	
FY 29/30 Budget Deficit (\$33.5M)					\$ (33,500,000)
6/30/2029 Projected Reserves					\$ (33,773,410)
* Council Mandated Reserve was \$34.9M in FY2024, expected to be \$40.6M in 2027					

Staffing Summary

PROPOSED BUDGET FY 2025-26

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Authorized FTE Staff Summary – All Funds

Dept.	FY 24-25	FTE Change	FY 25-26
CAO	15.90	-0.90	15.00
CMO	11.00	-2.00	9.00
Comm's & Intergovt Rel	9.00	-2.00	7.00
Finance	62.60	-2.00	60.60
Fire	169.00	11.00	180.00
H&CS	27.00	-	27.00
HR	23.00	-3.00	20.00

Authorized FTE Staff Summary – All Funds

Dept.	FY 24-25	FTE Change	FY 25-26
IT	33.00	-	33.00
PED	78.50	-3.50	75.00
Police	263.00	-15.00	248.00
Rec & Parks	76.15	-6.60	69.55
TPW	261.00	-11.00	250.00
Water	278.00	4.00	282.00
Total FTEs	1,307.15	-31.00	1,276.15

FY 2025-26 General Fund

Organizational & Position Change Detail

Dept.	Home Org	Position Title	Vacant/Filled Status	FTE
CMO	020100	Administrative Technician-Conf (mid-year)	Vacant	-1.00
CMO	020100	Assistant City Manager	Filled	-1.00
			Total Change CMO	-2.00
CAO	030000	Paralegal	N/A	0.10
CAO	030000	Legal Secretary	Vacant	-1.00
			Total Change CAO	-0.90
HR/Risk	040101	Organizational Development & Training Manager (mid-year)	Vacant	-1.00
HR/Risk	040101	DEI & EEO Officer	Filled	-1.00
HR/Risk	040101	Human Resources Technician	Vacant	-1.00
			Total Change HR/Risk	-3.00
Finance	050103	Senior Customer Service Rep	Filled	-1.00
Finance	050103	Field Collections Rep	Filled	-1.00
			Total Change Finance	-2.00

FY 2025-26 General Fund

Organizational & Position Change Detail

Dept.	Home Org	Position Title	Vacant/Filled Status	FTE
Fire	060200	Firefighter (mid-year)	Vacant	-4.00
Fire	060300	Building Plans Examiner	Filled – currently underfilling	1.00
Fire	060300	Fire Protection Engineer	Vacant	-1.00
Fire	060500	Deputy Emergency Preparedness Coordinator	Filled	-1.00
Fire	060100	Administrative Secretary	Filled	-1.00
Fire	060200	Deputy Fire Chief	Filled	-1.00
Fire	060200	Firefighter	Vacant	-2.00
			Total Change Fire	-9.00
R&P	090208	Recreation Supervisor (mid-year)	Vacant	-1.00
R&P	090203	Facilities Attendant	Filled	-1.00
R&P	090209	Recreation Specialist	Filled	-0.80
R&P	090203	Recreation Specialist	Vacant	-0.80

FY 2025-26 General Fund

Organizational & Position Change Detail

Dept.	Home Org	Position Title	Vacant/Filled Status	FTE
R&P	090202	Limited Term Community Outreach Specialist	Vacant	-1.00
R&P	090100	Director Recreation and Parks	Filled	-1.00
R&P	090100	Deputy Director Parks	Filled	-1.00
			Total Change R&P	-6.60
TPW	100402	Research and Program Coordinator	Filled	1.00
TPW	100402	Supervising Engineer	Filled	-1.00
TPW	100304	Administrative Technician (mid-year)	Filled	-1.00
TPW	100402	Administrative Technician (mid-year)	Vacant	-1.00
TPW	100406	Senior Administrative Assistant (mid-year)	Vacant	-1.00
TPW	100405	Associate Civil Engineer (mid-year)	Vacant	-1.00
TPW	100403	Civil Engineering Technician III (mid-year)	Vacant	-2.00
TPW	100407	Civil Engineering Technician III (mid-year)	Vacant	-1.00
TPW	100502	Skilled Maintenance Worker (mid-year)	Vacant	-2.00

FY 2025-26 General Fund

Organizational & Position Change Detail

Dept.	Home Org	Position Title	Vacant/Filled Status	FTE
TPW	100507	Facility Maintenance Coordinator	Filled	-1.00
TPW	100701	Zero Waste Coordinator	Filled	-1.00
			Total Change TPW	-11.00
Police	170601	Police Field and Evidence Technician (mid-year)	Vacant	-1.00
Police	170302	Police Field and Evidence Technician	Vacant	-1.00
Police	170501	Police Technician	Vacant	-1.00
Police	170503	Communications Dispatcher	Vacant	-1.00
Police	170601	Police Officer	Vacant	-7.00
Police	170201	Police Officer	Filled	- 2.00
Police	170601	Community Services Officer	Vacant	-1.00
Police	170201	Police Sergeant	Filled	-1.00
			Total Change Police	-15.00

FY 2025-26 General Fund

Organizational & Position Change Detail

Dept.	Home Org	Position Title	Vacant/Filled Status	FTE
PED	080401	Civil Engineer Tech III	Vacant	-1.00
PED	080100	Administrative Secretary	Vacant	-1.00
PED	080102	Assistant Chief Building Official	Filled	-1.00
PED	080203	Code Enforcement Officer	Filled	-1.00
PED	080501	Administrative Technician	N/A	1.00
PED	080203	Limited Term Community Outreach Specialist	Vacant	-0.50
			Total Change PED	-3.50
CIRO	220101	Communications Coordinator (mid-year)	Vacant	-1.00
CIRO	220101	Communications Coordinator	Filled	-1.00
			Total Change CIRO	-2.00
			Total General Fund Position Changes	-55.00

FY 2025-26 Non-General Fund Organizational & Position Change Detail

Dept.	Position Title	FTE
Fire	Measure H Firefighter	9.00
Fire	Measure H Engineer	3.00
Fire	Measure H Captain	3.00
Fire	Measure H Battalion Chief	3.00
Fire	Measure H Fire Inspector II	2.00
	Total Non-General Fund Additions Fire Department *	20.00
Water	Utility Systems Operator II	-1.00
Water	Wastewater Treatment Supervisor	2.00
Water	Wastewater Operator II	1.00

* Titles for Measure H positions are preliminary and subject to change

FY 2025-26 Non-General Fund Organizational & Position Change Detail

Dept.	Position Title	FTE
Water	Senior Mechanical Technologist	2.00
Water	Senior Instrumentation Technician	1.00
Water	Senior Electrical Technician – Water	1.00
Water	Electrical Technician – Water	3.00
Water	Supervising Mechanical Technologist	-1.00
Water	Senior Maintenance Worker	-1.00
Water	Skilled Maintenance Worker	-3.00
	Total Non-General Fund Additions Water	4.00
	Total All Funds Position Changes	24.00

Recommendation

The City Manager and the Finance Department recommend that Council approve, by resolution:

- Six (6) resolutions to adopt the FY 2025-26 Operations & Maintenance Budget and Capital Improvement Program Budget
- Amend the Public Safety and Prevention (Formerly Measure O) Transaction & Use Tax Implementation Plan to adjust for FY 2025-26 budget for all programs

Questions?