

Budget and Finance Committee Monthly Budget Update General Fund and Measure C

March 18, 2026

General Fund Revenue As of 2/28/2026

	FY 2026 Updated Budget (Jan 2026)	FY 2026 Unaudited Actuals	% of Budget Received / Spent	<i>Report through 2/28/26</i>
Property Tax (411*)	77,458,791	40,744,522	53%	Anticipate ~\$30 million in April payments plus additional \$6 million in other payments
Sales Tax (413*)	47,599,300	25,978,514	55%	Consultant anticipates ~\$20.1 million in remaining six months of FY 2026. Will have oral update of first quarter actuals at meeting.
Utility Users Tax (41470)	25,000,000	13,674,106	55%	Anticipate meeting forecast. Received between six and seven months of payments
Franchise Fees (416*)	13,630,000	5,678,627	42%	Trending below budget. Monitoring
Real Property Transfer Tax (41420)	11,500,000	5,922,967	52%	Trending slightly below budget. Monitoring
Business Tax (41410)	3,963,000	110,353	3%	Most revenue posts in first quarter of calendar year. Monitoring but anticipate meeting forecast.
Transient Occupancy Tax (41430)	2,676,500	959,714	36%	Trending slightly below budget. Monitoring
Cannabis Revenue (41435)	806,933	370,669	46%	Anticipate meeting forecast. Received approximately six months of payments but are trending down in most recent period.
Other Taxes (41411, 41440, 4146*, 42410)	3,664,789	1,374,232	37%	Trending below budget. Monitoring
Fees and Charges for Service (43*)	10,276,367	6,712,474	65%	Trending to receive amount greater than budget.
Permits (425*)	3,294,839	1,670,978	51%	Trending slightly below budget. Monitoring
Intergovernmental (421* 422* 418* 419* 45140)	7,098,366	6,276,312	88%	Anticipate achieving budget.
Fines and Forfeitures (423*)	2,822,948	1,637,796	58%	Anticipate achieving budget. Payments arrive after activity.
Other Revenue (46*)	3,863,170	764,918	20%	Anticipate achieving budget. This includes funds from the OPEB trust anticipated in March.
Investment Income (44*)	-	7,434		Minimal investment income anticipated due to negative cash balance.
Total Revenues	213,655,003	111,883,614	52%	
Transfers-In (49*)	26,712,422	14,653,785	55%	
Total Revenues & Transfers-In	240,367,425	126,537,399	53%	Currently anticipate that any revenue shortfalls will be covered by some revenue items coming in over budget. Monitoring

General Fund Expenses As of 2/28/2026

Expense	FY 2026 Updated Budget (Jan 2026)	FY 2026 Unaudited Actuals	% of Budget Received / Spent	
Salaries and Benefits (51* 55* less 91*)	188,614,434	128,647,384	68%	This appears slightly high but includes time before additional labor concessions and other personnel changes. Anticipated to end year within budget and monitoring closely.
Maintenance and Utilities (61*)	2,191,970	980,856	45%	
Supplies and Services (including encumbrances) (62*)	14,697,395	4,870,457	33%	
Capital (71*)	199,000	152,998	77%	Single purchases for capital
Total Expenditures	205,702,798	134,651,695	65%	
Internal Service Charges (64*)	22,093,539	11,046,771	50%	
Transfers Out (98*)	12,571,088	8,128,123	65%	
Total Expenditures, Internal Service Charges & Transfers Out	240,367,425	153,826,588	64%	Currently anticipate that expenses will be below budget at end of you but are consistently monitoring for unanticipated items.

Measure C Revenue and Expenses As of 2/28/2026

	FY 2026 Updated Budget (Jan 2026)	FY 2026 Unaudited Actuals	% of Budget Received / Spent	Notes
Measure C Sales Tax (413*)	22,764,000	11,519,122	51%	Forecasted by consultant at \$19,849,000. This is anticipated in Measure C forecast shared with Council on February 28, 2026.
Measure C Investment (44*)	-	200,007		
Total Measure C Revenue	22,764,000	11,719,129	51%	This report anticipates a lower than budgeted revenue. The reduced revenue is anticipated in long term plan for Measure C. Staff is reviewing actual expenses for resolution.
Salaries and Benefits (51* 55*)	6,381,489	4,943,945	77%	This appears to be unbudgeted expenses. Staff will review and identify resolution.
Maintenance and Utilities (61*)	58,888	14,221	24%	
Supplies and Services (including encumbrances) (62*)	639,620	477,070	75%	This appears to be unbudgeted expenses but may be associated with unspent encumbrances. Staff will review and identify resolution.
Internal Service Charges (64*)	524,719	262,358	50%	
Capital (71*)	285,631	-		
Transfers Out (98*)	19,714,685	16,393,124	83%	Includes Transfer to Debt Service, Capital Projects, and General Fund. Full transfer to General Fund has been made and, therefore, this appears artificially high
Total Measure C Expenses	27,605,031	22,090,719	80%	This report anticipates higher than budgeted expense. The reduced revenue is anticipated in long term plan for Measure C. Staff is reviewing actual expenses for resolution.

Monthly Salary & Benefits Report As of 3/9/2026

Month	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25
% of Payroll Year	65%	58%	50%	42%	31%	23%	15%	8%
Straight Line Forecast	\$127,872,352.93	\$112,828,546.70	\$97,784,740.48	\$82,740,934.25	\$60,175,224.91	\$45,131,418.68	\$30,087,612.45	\$15,043,806.23
Actual Amount Spent	\$15,060,183.57	\$15,593,996.68	\$15,679,516.52	\$23,154,956.46	\$15,943,570.70	\$16,010,802.90	\$15,784,536.30	\$15,613,675.69
Total Spent	\$132,841,238.82	\$117,781,055.25	\$102,187,058.57	\$86,507,542.05	\$63,352,585.59	\$47,409,014.89	\$31,398,211.99	\$15,613,675.69
(Over) Under Budget*	\$(4,968,885.89)	\$(4,952,508.55)	\$(4,402,318.10)	\$(3,766,607.80)	\$(3,177,360.68)	\$(2,277,596.21)	\$(1,310,599.54)	\$(569,869.46)

Monthly Overtime Report As of 3/9/2026

	Budget	% of Budget	Actuals								
	Annual Budget		Total	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25	Sep-25	Aug-25	Jul-25
PD*	\$5,250,290.00	71%	\$3,702,581.90	\$223,861.34	\$287,265.46	\$425,406.48	\$638,020.71	\$500,807.21	\$575,977.81	\$521,065.25	\$530,177.64
Fire*	\$6,319,200.56	63%	\$3,965,393.55	\$280,890.89	\$193,256.39	\$429,261.61	\$626,229.11	\$515,939.95	\$695,546.76	\$644,259.70	\$580,009.14
Other	\$327,659.00	61%	\$200,260.14	\$15,058.19	\$16,014.37	\$20,158.33	\$32,776.12	\$30,691.96	\$36,105.09	\$31,532.81	\$17,923.27

* These calculation assume a straight-line forecast. Therefore, anticipated savings after VSIP and Layoff's (estimated at over \$2 million) as well as overtime savings from Fire and Police side letters are not incorporated. Staff does not anticipate ending the year over budget and is continuing to monitor closely.

Three payrolls were posted in November.

Questions / Discussion