City Council Questions on Proposed Fiscal Year 2026-27 Budget

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Sample: Original Personnel	*1*	*(type question/ provide feedback here)*	
Fund Summaries	61, 72, 76	Councilmember Breitenbucher: Several of the City's long-term financial forecasts, particularly Measure M and Gas Tax-related funds, appear to show expenditures outpacing revenues in future years and may be at capacity. What is the City's plan to address long-term sustainability of these funds?	The FY 2022-2027 fund summaries reflect that Measure M is currently operating near capacity, with the majority of revenues supporting ongoing public safety personnel and operational costs, leaving limited remaining flexibility for additional capital investment or service expansion. The Gas Tax-related funds similarly reflect planned use of available fund balance reserves to support ongoing roadway maintenance and infrastructure needs. Staff will continue to strategically prioritize expenditures, phase capital projects, pursue grant funding opportunities, and evaluate long-term funding strategies through future budget cycles to maintain service levels and infrastructure investment needs.
Fund Summaries	69	Councilmember Breitenbucher: For Fund 350, regarding cell tower lease, did we lose that lease after a year? Why the loss in FY 26/27?	We confirmed with IT that the cell tower lease agreement remains active and ongoing. The associated lease revenue is recorded under Rental of Property and reflected within the “Other Revenues” line item. For FY 2026–27, the budget includes a conservative estimate of $100,000 in recurring revenue related to the lease. The reason the chart may appear to show a “loss” or decline in FY27 is because FY 2024–25 included approximately $100,000 in one-time CPUC LATA grant revenue, which temporarily increased total fund revenues that year. Since the grant was non-recurring, it is not included in the FY27 budget projections. As a result, the change reflected in the chart is primarily due to the absence of that one-time grant funding rather than a reduction in ongoing operations or the loss of the cell tower lease revenue stream. The fund itself remains stable and continues to maintain a positive fund balance.

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