



Continued Public Hearing for the Presentation and Adoption of the Fiscal Year 2027 Operating Budget

June 15, 2026
City Council Meeting
Item X





FY 2027 Recommended Budget Appropriations

Total Budgeted Appropriations

(including Affiliated Agencies and CIP)

in millions

	FY 2025 Actuals	FY 2026 Adopted	FY 2027 Recommended
General Fund	\$381.2	\$364.9	\$383.4
All Funds	\$1,223.7	\$1,512.4	\$1,409.8

Full-Time Equivalent Positions

(including Affiliated Agencies)

	FY 2025 Adopted	FY 2026 Revised	FY 2027 Recommended
General Fund	1,084.03	1,089.04	1,089.59
All Funds	2,406.88	2,434.38	2,424.84



Proposed Adjustments to FY 2027 Recommended Operating Budget

Public Health Department

- Fully fund two PORT Firefighters (\$315,000) and PORT eligible motel vouchers (\$227,700).
 - > Transfer ERF-2 and ESG funding from Housing Dept. to Public Health Fund (203).
- Community Engagement - Promotores
 - > Increase revenue and appropriations by \$560,000 in the Public Health Fund (203) for 3.0 FTE positions and materials/supplies.
 - Program Coordinator II, Community Services Representative III, Community Services Representative I.
 - > To be utilized and funded by PWP, Rent Stabilization, and Transportation via interdepartmental transfers.



Proposed Adjustments to FY 2027 Recommended Operating Budget

Public Health Department

- Increase Health Officer from 0.75 FTE to 1.0 FTE.
 - > Increase appropriations by \$94,239 in the General Fund (101) to further support community facing needs.
- Disease and prevention control in long-term care facilities.
 - > Increase appropriations by \$101,150 in the General Fund (101) for 1.0 FTE Community Services Representative III.
 - > Federal funding for disease control is ending.



Proposed Adjustments to FY 2027 Recommended Operating Budget

Transportation Department

- **Parking Enforcement**
 - > Start transitioning from a contractual services model to an in-house staffing model - will offer extended coverage during current understaffed shifts.
 - New staffing model to be fully implemented in FY 2028.
 - > Increase appropriations by \$600,000 in the General Fund (101) for 12.0 FTE positions.
 - Parking Enforcement Representatives (10), Senior Parking Enforcement Representative (1), Parking Services Supervisor (1).
- **Enhanced security for Parking Enforcement Staff**
 - > Increase appropriations by \$90,000 in the General Fund (101) for body-worn cameras.
 - > Future committee meeting to discuss operating policy.



Proposed Adjustments to FY 2027 Recommended Operating Budget

Non-Departmental

- Year-Round Homelessness Shelter
 - > Increase appropriations by \$2.0 million in the General Fund (101) to establish a reserve as workplan begins.
- One-time use of excess reserve balance for debt service payments due in FY 2027.
 - > Decrease appropriations by \$1.78 million in the General Fund (101).



Proposed Adjustments to FY 2027 Recommended Operating Budget

Fire Department

- Fire Inspector
 - > Increase appropriations by \$95,891 in the General Fund (101) for 1.0 FTE Fire Inspector to help meet state-mandated inspection frequencies.
 - > To focus on business, mercantile, and storage occupancy inspections.



Fiscal Impact of Proposed Adjustments

- General Fund: increase appropriations by \$1,201,280.
- All Funds: increase appropriations by \$3,091,680.
- Increase citywide FTE total by 17.25 FTE.
 - > 14.25 FTE – General Fund
 - > 3.00 FTE – Public Health Fund



Recommendation

- Close the public hearing and formally adopt the FY 2027 Operating Budget.
- Adopt by resolution the City's FY 2027 Operating Budget and any changes passed by a motion of the City Council.
- Adopt a resolution determining the annual amount of transfer from the Power Fund for FY 2027 and amending the amount of transfer for FY 2026.



Questions/Comments





Enhancement Requests

Department	Amount	Description
Transportation	\$240,000	Fund local match of CicLAvia grant for two events; one-time expense.
Housing	\$345,000	Buildout costs to develop satellite office at Heritage Square. Could consider office in Public Health building as alternative.
Police	\$360,000	Annual lease and start-up costs for two Drone as a First Responder program. Ongoing costs of \$260,000 would increase projected deficit.
Police	\$300,000	Software platform to centralize data from CAD, RMS, and other PD databases. Ongoing costs of \$200,000 would increase projected deficit.
Police	\$250,000	Real time intelligence platform. Ongoing costs of \$150,000 would increase projected deficit.*

- PD willing to evaluate vacant non-sworn FTEs to offset costs for requests.



Enhancement Requests

Department	Amount	Description
City Manager – EconDev	\$85,000	Event programming and technical resource support for small businesses.
Risk Mgmt/CAO	\$2.0m	Additional funding for outside legal
PRCS	TBD	Re-establish the Youth Council. Brought up during PRCS Budget presentation.
Housing	TBD	Set aside funds for initial work to establish a year-round homeless shelter.
Public Works	TBD	Use funds to additional street resurfacing or sidewalk repairs.
Fire	TBD	Use funds for additional station repairs.
Various	TBD	Set-aside funds for LA 28 events.