

Budget Committee April 29, 2025, Action Minutes

1. April 14, 2025 Action Minutes Meeting Document – No change (not applicable).
2. FY25-26 Budget Review: **CONTINUATION OF APRIL 28, 2025 BUDGET COMMITTEE MEETING**

d. Citywide Overall Budget: Reviewed with the following comments.

a. Buildings, Facilities & Infrastructure Reserve Fund Update: A recommended transfer of \$375,000 from Measure U proceeds as following the resolution that 40% should be earmarked for infrastructure and streets. This \$375,000 will be allocated to upgrading the PW fuel filling station, enhancing the Police Station generator, and making electrical improvements to the EOC. Additionally, \$200,000 will be used as part of the funding for citywide pavement digs out and repairs, supplemented by \$150,000 from Go-Sonoma Road fund and \$150,000 from the Gas Tax fund. In total, \$500,000 will be spent on the streets pavement program.

b. Administrative Services Budget: Reviewed with the following comments:

i. Instead of spending \$6,000 annually on updating the cost allocation plan, consider a bi-annual update with no action during the off year or during the off years, staff could update the spreadsheet created by the consultant and produce a mini-update, or consult with Clearsource to explore other ways to implement a bi-annual update.

ii. Clarification was provided regarding the O365 cost, which refers to the city's subscription service for Microsoft Office 365. Additionally, there was clarification on the website's AI search feature, including the amount of funding allocated for this function and its benefits. The AI search feature has proven helpful in making the muni-code searchable.

iii. Lastly, clarification was provided on the necessity of having an outside organization conduct the audit of sales tax and Utility User Tax. This ensures that the City is accurately collecting its taxes.

c. Community Development Budget: Reviewed with the following comments:

1. Staff to correct the cost on the STG grant expenses.

2. Staff to review the contract from code source to see how much the cost would truly be for zoning code update and bring back a realistic number to such code updates.

d. Building Budget: Reviewed and no change

e. Fire Budget: Reviewed and no change

f. Police Budget:

i. Clarification was provided regarding the \$9,500 (43.2%) increase in gas and electric utilities. The reason for this increase is that the FY24-25 budget was set too low and was not realistic. The FY25-26 budget is based on the estimated FY24-25 costs with an escalator.

ii. The wording "carryover" for RV tows should be removed as this item is being rebudgeted in the new fiscal year. It was clarified that if the FY24-25 budget amount of \$12,000 is not spent, it does not mean the department will have \$24,000 to spend on towing in the next year. The \$12,000 will be rebudgeted for the new year.

iii. It was discussed that there is no budget for radio system replacement in FY25-26, as the entire system could potentially cost around \$300,000. The temporary fix is to purchase a repeater to address dead zone communication in the city for officer safety in FY24-25. A plan will then be

developed and brought back to the committee to discuss and address the replacement of the radio system.

- iv. The EOC assessment study should be combined into one line item and simply called "EOC assessment study." There is no carryover since there was no contract obligated in FY24-25 to have any balance for carryover.
- v. The department is being asked to budget for only one patrol unit purchase in FY25-26. This is because the department already purchased one vehicle in the current FY24-25 budget, and another vehicle is requested for approval by the City Council on the May 6th agenda. Therefore, only one vehicle should be purchased in FY25-26, not two as recommended.
- g. Public Works Budget:
 - i. The laborer position is currently vacant in FY24-25 and will be frozen in FY25-26. The Budget Committee has requested the department to provide the following options:
 1. The cost to fill the position at half-time, which is estimated to be \$60,000.
 2. The cost to fill the position with part-time extra help, up to 960 hours.
 3. The cost to hire a contractor for maintenance.
 - ii. Community Center/Senior Center and Ives Pool budget: These budgets were discussed on 4/28/25. Please refer to those minutes for the action items.
- h. Non Departmental Budget: The budget was discussed on 4/28/25. Please refer to those minutes for the action items.
- i. Debt Service Budget: The change to the debt service schedule involves financing a tractor for approximately \$160,000 at 8% interest. The Budget Committee recommends purchasing the tractor using the vehicle reserve fund to avoid paying the 8% interest for financing.
- j. Other non-major government funds: no change
- k. Special Revenue Fund: Capital Improvement Plan projects are tapping these funds to pay for CIP projects and what will change in these funds from previous discussion was the pavement digs out and repair project.
- l. Water and Wastewater Fund: These budgets were discussed on 4/28/25. Please refer to those minutes for the action items.
- e. Capital Improvement Plan: will return with added digs out and repair project.
- f. Q3 General Fund Update: staff received improved sales tax forecasts from the consultant for the 4th quarter, leading to adjustments in the financial update.
- g. Budget Committee Budget Process Policy was previously revised, but it is recommended to maintain the current policy without further changes.
- h. Standing Topics:
 - a. Fire Ad Hoc Committee – no action
 - b. Updating Long-term model - no action
 - c. Measure U: Status re: second ¼ cent – no discussion, no action
- i. Future meeting schedules
 - a. May 5, 2025 2PM to 4PM
 - b. May 27, 2025 10AM to noon
- j. Meeting Recap – Staff is sending out the action minutes for committee to weigh in.