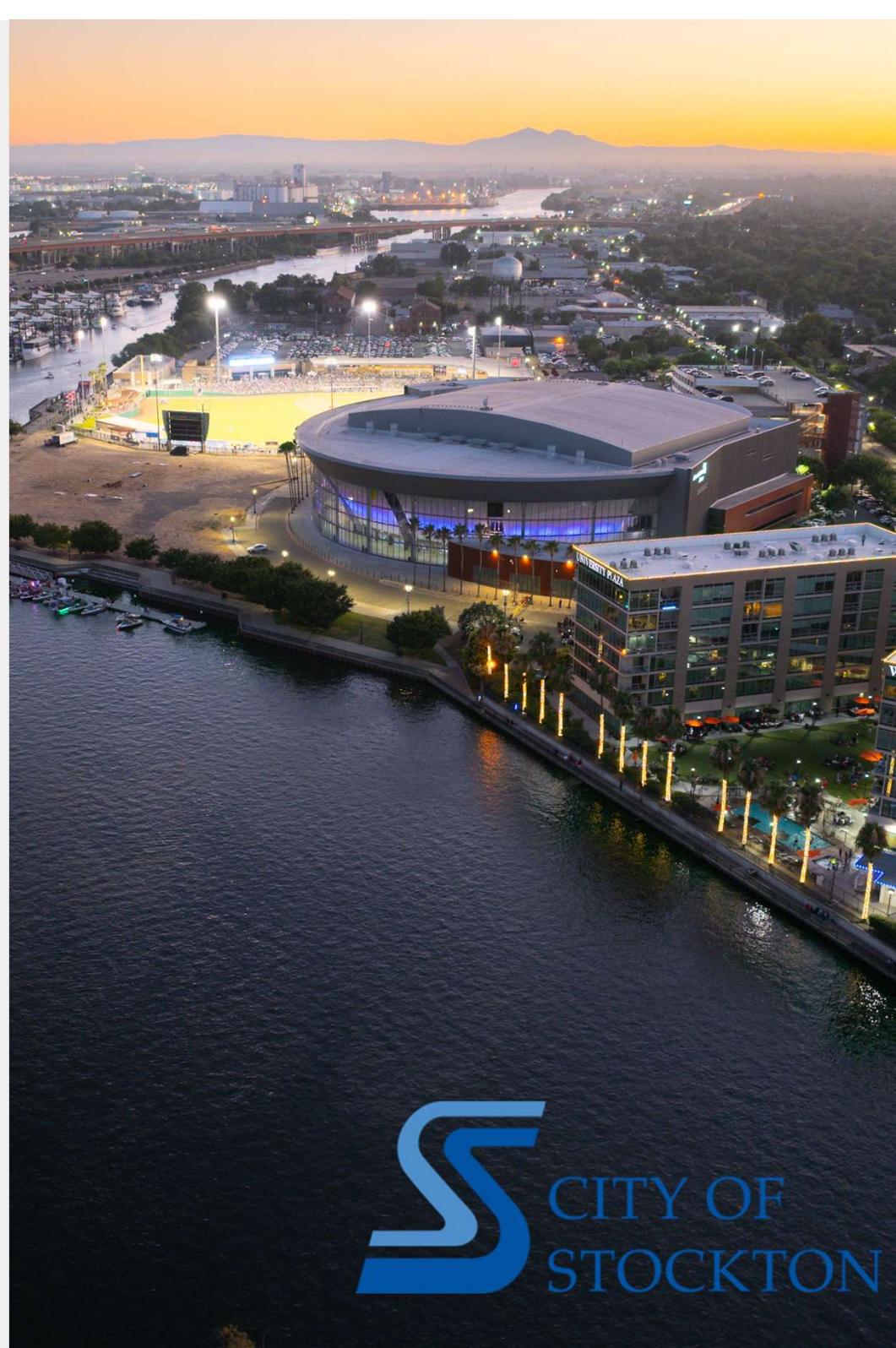


FY 2025-26 Annual Budget

City Council Meeting
March 3, 2026
Agenda Item 16.2

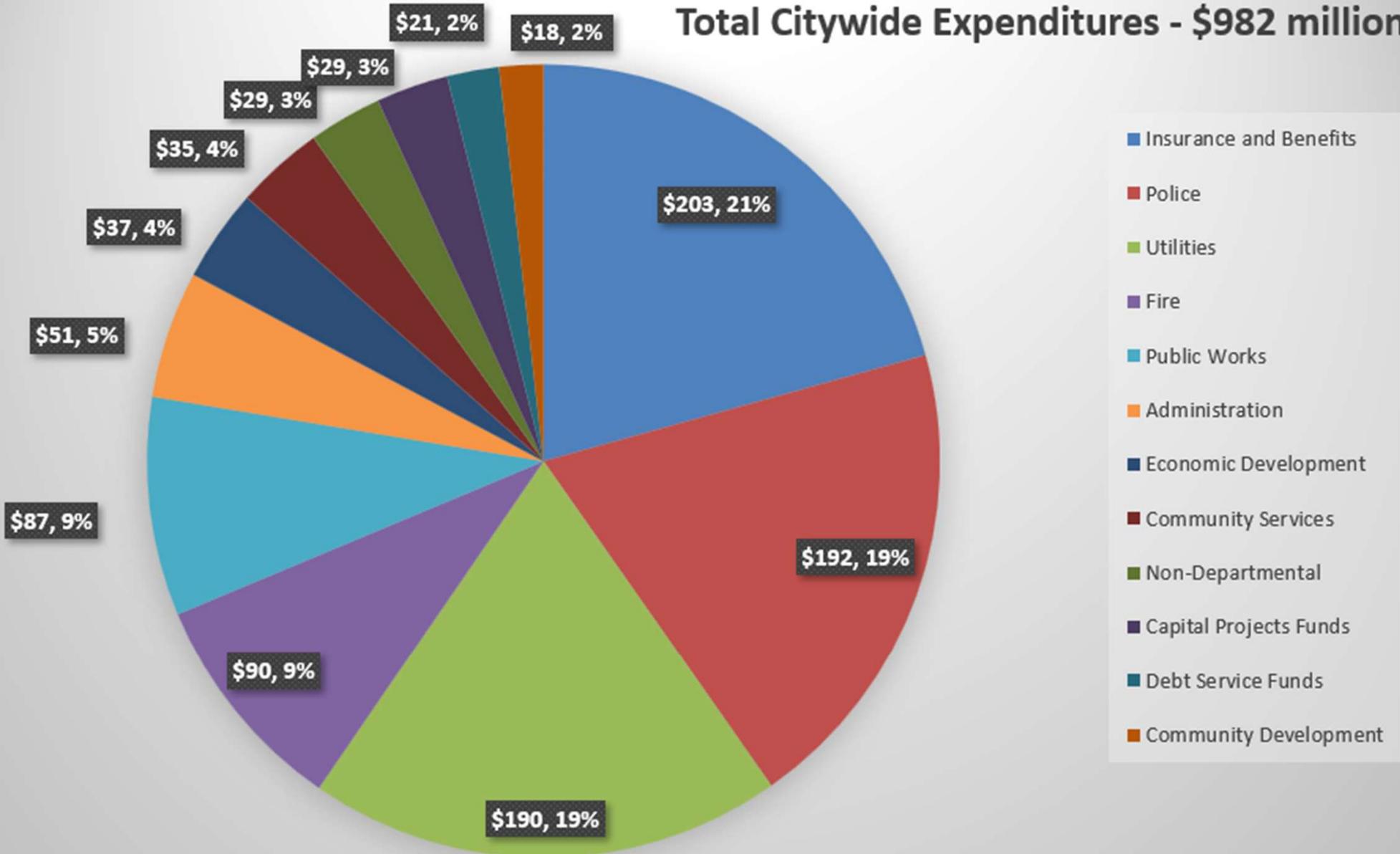


Background

- **FY 2025-26 Annual Budget Resolution (2025-06-24-1602) and budget document reviewed and approved by the City Council on June 24, 2025**
- **FY 2025-26 Adopted Budget document completed on September 15, 2025**

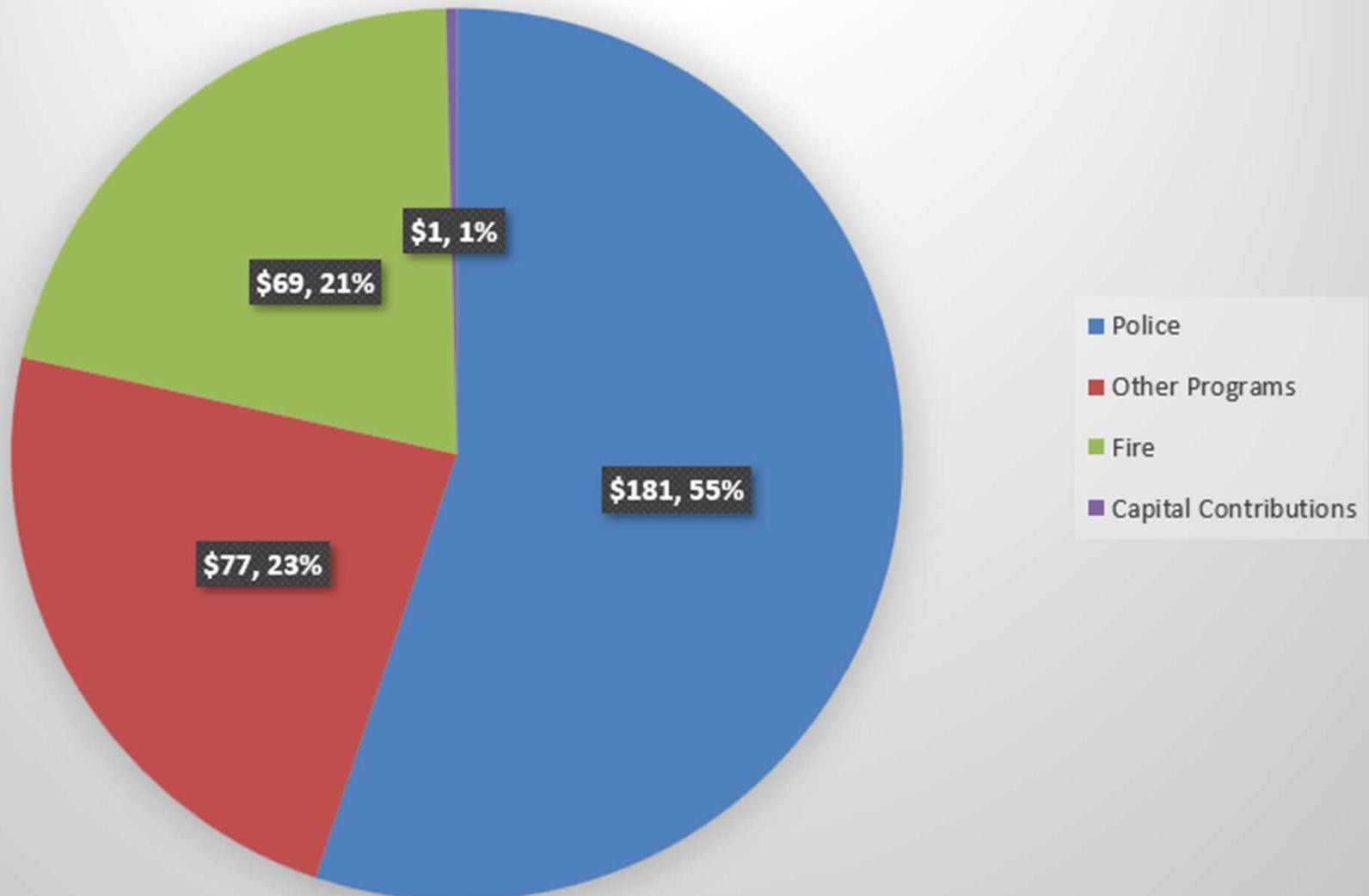
FY 2025-26 Budget Overview – All Funds

Total Citywide Expenditures - \$982 million



FY 2025-26 Budget Overview – General Fund

Total General Fund Expenditures - \$328 million



FY 2025-26 Budget Requests

Summary of Changes to Proposals on Page A-9

<u>Proposed Action</u>	<u>Financial Impact</u>
Deny All non-safety New Budget Requests	\$4.5 Million
Reduce Contingency Budget	\$0.6 Million
Reduce General Fund Contribution to Capital Improvement Plan	\$2.1 Million
Enterprise Resource Planning Project Adjustment	\$1.7 Million
Vacancy Estimate Adjustment	<u>\$6.09 Million</u>
	<u>\$15.1 Million</u>

FY2025-26 General Fund Requests

Detail of General Fund Adjustments

Reduce FY25-26 CM Approved Budget Requests	Item 25-0660 06/24/25	\$ (4,412,915)
Reduce FY25-26 CM Proposed CIP to LRFP minimum	Item 25-0660 06/24/25	\$ (2,050,000)
Reduce FY25-26 CM Proposed Non-Departmental Contingency	Item 25-0660 06/24/25	\$ (872,000)
Transfer from IT ERP Project to General Fund	Item 25-0660 06/24/25	\$ (1,700,000)
Recalculate Vacancy Savings	Item 25-0660 06/24/25	\$ (6,085,800)
Reduce FY25-26 CM Proposed ND Special Services - Community Engagement	Council Direction 6.5.25	\$ (150,000)
City Attorney FY25-26 Budget Requests	Council Direction 6.5.25	\$ 73,416
City Clerk FY25-26 Budget Requests	Council Direction 6.5.25	\$ 54,661
Increase City Council Discretionary Budget	Council Direction 6.24.25	\$ 22,000
Increase Firefighter Recruitment Efforts	Council Direction 6.5.25	\$ 34,970
Increase OVP staff - Add 2 FTE and 3 PT (conditional; if lose CalVIP grant)	Council Direction 6.5.25	\$ 387,174
Stores Transition from ASD to MUD and PW	Allocation Change	\$ (196,530)
OPTIC salary allocation to other funds	Allocation Change	\$ (147,779)
		\$ (15,042,803)

Community Engagement

Community Engagement Budget – City Manager’s Office

Council motion passed on 06/24/2025

Reallocate Community Engagement Budget to the following areas:

- ❖ **\$73,416 to the City Attorney’s Office**
- ❖ **\$54,661 to the City Clerk’s Office**
- ❖ **\$22,000 to the City Council Discretionary Budget**

\$ 5,500 Mayor

\$16,500 City Council

\$22,000

General Fund Reserves

Pursuant to Section 1903 of the City Charter, Chapter 19.03 of the Stockton Municipal Code, and Section 5.01.030 of the City Reserve and Fund Balance Policy, the FY 2025-26 Annual Budget reflects the following working capital, known contingency, and risk-based reserve balances (See Page C-3):

Working Capital – 16.7% Budget Reserve	\$54.7 million
Known Contingencies (Priority 1)	\$73.5 million
Risk-Based (Priority 2)	\$10.8 million

However, per the General Fund - Reserve and Fund Balance Policy, the proposed reserve targets were as follows (See Page A-12):

Category	Amount (millions)
Working Capital	\$54.7
Known Contingencies	\$93.3
Risk-Based	\$90.7
Total	\$238.7



CITY OF STOCKTON

QUESTIONS