



**NOTICE AND AGENDA
CITY OF UNION CITY**

GARY SINGH, Mayor
SCOTT SAKAKIHARA, Vice Mayor (District 4)
LANCE NISHIHARA, Councilmember (District 1)
JAIME PATIÑO Councilmember (District 2)
JEFF WANG, Councilmember (District 3)

**CITY COUNCIL
SPECIAL MEETING
Tuesday, April 29, 2025
6:00 PM**

City Council Chambers | 34009 Alvarado-Niles Road, Union City, CA 94587

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. ORAL COMMUNICATIONS - Comments limited to items on the Special Meeting Agenda**
- 4. STUDY SESSION**
 - 4.a. Discussion of FY 2025-2026 & FY 2026-2027 General Fund Revenues and Expenditures, Trends and Other Financial Information**
- 5. ADJOURNMENT**

/s/ Thai Nam Pham

Thai Nam Pham, MMC, CPMC
City Clerk

MEETING INFORMATION

Regular City Council meetings are held in person on the second and fourth Tuesday of each month at 7:00 p.m. in the Council Chambers, City Hall, 34009 Alvarado-Niles Road, Union City, CA 94587.

Meetings can also be observed via Zoom: <http://citycouncil-live.unioncity.org>

Meetings are broadcast live on UCTV Channel 15 and live-streamed on the City's website: <https://www.unioncity.org/199/City-Meetings-Video>.

Public Comment: Members of the public cannot provide comments via Zoom unless specifically permitted, as detailed below. Remote access is subject to technical availability. If the Zoom platform or other technology fails, the City Council will proceed with the meeting in person unless prohibited by law.

Public Records: Documents related to agenda items are available for review on the City's website (<https://www.unioncity.org>) or during business hours at the City Clerk's Office, 34009 Alvarado-Niles Road, Union

City, CA 94587.

Accessibility: If you require special assistance to participate in the meeting, please contact the City Clerk's Office at (510) 675-5448 at least 72 hours before the meeting. Closed captioning is available for all regular City Council meetings.

ADDRESSING THE CITY COUNCIL

In-Person Public Comment:

Members of the public may address the Council on any agenda item or during the Public Input portion of the meeting. To speak, please fill out a speaker card with your name and city of residence. If you would like a follow-up from the City, you may also provide your mailing address. Completing a speaker card and providing your name, city, or mailing address are not required to make a public comment but are requested for record-keeping purposes.

Written Comment:

To submit written comments on an agenda item or during Public Comment, please email: publiccomment@unioncity.org. Include "public comment" in the subject line and reference the agenda item number. Written comments will be forwarded to the City Council and made publicly available.

Public Comment via Zoom:

As noted above, the public may not address the Council via Zoom unless required by AB 2449. If the City is required to provide this opportunity, the Mayor will announce it at the beginning of the meeting. If allowed, raise your virtual hand on Zoom to indicate that you would like to speak on a specific agenda item.

CITY COUNCIL NORMS AND GUIDELINES

(Resolution No. 6129-23; Adopted May 23, 2023)

The Union City Council abides by the following norms:

1. We conduct ourselves in a professional manner, treat everyone with respect, and act with high integrity, always putting the interests of the City of Union City ahead of self-interests in accordance with our code of ethics.
2. We respect the Council-Manager form of government, and do not interfere with the City Manager's role or any professional duties of City staff.
3. We recognize that matters of confidential nature are to be kept private and undisclosed.
4. We respect each other's opinions and are supportive of each other's work advocating for the City, and we ensure that all voices are heard. We do not criticize others for having a different point of view, and we agree to disagree respectfully.
5. We understand that the City Council acts as a body, all members are equal, and policy direction is only given by a majority vote of the City Council. Once a decision is made, all members of the City Council must respect the City Council's direction.
6. We will be prepared for City Council meetings and ask our questions of the City Manager in advance so we can avoid surprising City staff at meetings.
7. We do not criticize City staff publicly or to others and will refrain from directing them. Instead, we will take our concerns and questions privately to the City Manager.
8. We will govern on an at-large basis, although elected by districts. We will maintain a citywide perspective and consider the needs and interests of the entire community.

9. We will continue to allocate resources based on long-term strategic priorities and efforts, with consideration of citywide service levels and financial capacity.
10. We understand customer service is the priority and each member of the City Council will help constituents regardless of the district in which they reside or from which a Councilmember themselves is elected.
11. We recognize the significant importance of attendance and participation at City Council meetings in proceeding with City business. All members of the City Council should endeavor to miss no more than two regular meetings per calendar year absent extraordinary circumstances. Members of the City Council should, absent unforeseen circumstances, provide a minimum of sixty days' notice to the City Council of planned absences during the Good of the Order or Items Referred by Council portion of the City Council agenda, as appropriate.

May these Council Norms be administered and enforced in the following manner:

1. Councilmembers have the primary responsibility to assure that ethical standards are understood and met by the Council, and that the public can continue to have full confidence in the integrity of government.
2. The Mayor and the Council have the responsibility to intervene when action of its members are in violation of Council Norms.
3. The City Council can review and revise the Council Norms as needed.
4. During City Council discussions, deliberations, and proceedings, the Mayor is designated with the primary responsibility to ensure that Councilmembers adhere to the Council Norms.

CERTIFICATION OF MEETING NOTICE AND AGENDA POSTING

This notice and agenda were posted on the City's website and the City Hall bulletin board at least 24 hours prior to the meeting date, in compliance with the Ralph M. Brown Act.

/s/Thai Nam Pham, MMC, CPMC
City Clerk/Secretary to the City of Union City Successor Agency



Agenda Item

ATTACHMENTS:

Description		Type
	Staff Report	Attachment
	PowerPoint Presentation	Attachment



Agenda Item

DATE: 4/29/2025

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: JOAN MALLOY, CITY MANAGER

SUBJECT: DISCUSSION OF FY 2025-2026 & FY 2026-2027 GENERAL FUND REVENUES AND EXPENDITURES, TRENDS AND OTHER FINANCIAL INFORMATION

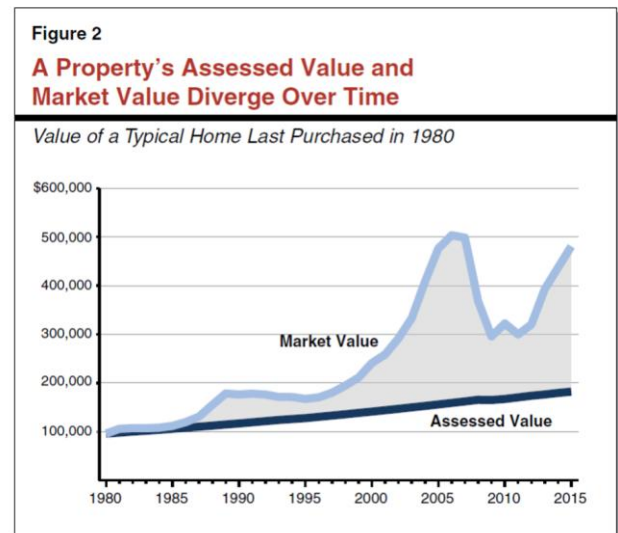
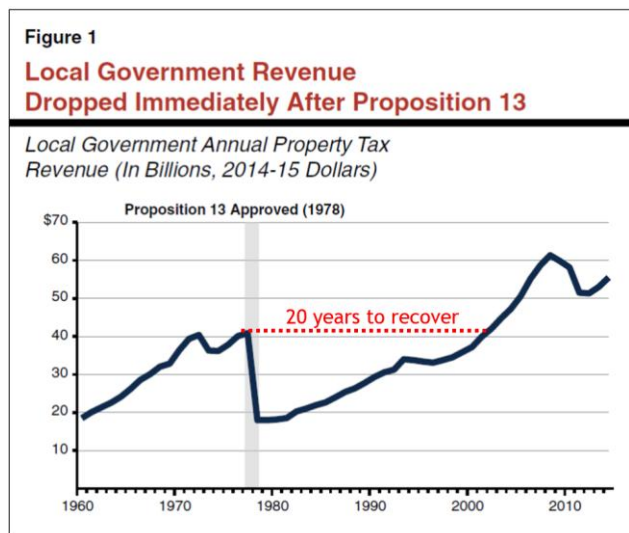
EXECUTIVE SUMMARY

Staff recommend that the City Council hear a presentation and discuss the FY 2025-2026 & FY 2026-2027 General Fund revenues and expenditures trends and other financial information.

STRATEGIC PLAN

This staff report aligns with Goal A: Financial Stability and Sustainability.

DISCUSSION



Source: *Common Claims About Proposition 13* (2016) – Legislative Analyst's Office

Proposition 13 passed by California voters in 1978 forever changed city budgets. Prior to 1978, cities and counties balanced their budgets with a property tax formula. The property tax that property owners paid could increase dramatically year over year, creating hardship for those with fixed incomes. Proposition 13 capped property tax rates at 1% of assessed

valuation, with annual inflation increases of no more than 2%. The passage of Proposition 13 immediately reduced property tax payments from homes, businesses and farms by 57%, and it took California 20 years to recover from the decrease of property tax revenues. Proposition 13 created a gap between property market values and assessed values, and the two will never be the same again.

To offset the revenue shortfall, municipalities increasingly rely on other taxes and fees to provide essential services. Table 1 below shows that cities within Alameda County now rely on a variety of taxes. This table shows that Union City receives the lowest property tax per capita in the County, and second lowest combined taxes per capita.

Table 1 – Per Capita Tax Information for Cities in Alameda County

City	Population	Property Taxes	Property Taxes In Lieu of VLF	Sales & Use Taxes	TOT	Franchise s	Business License Taxes	Utility Users' Taxes	Combine d Taxes per Capita
Alameda	78,280	\$837	\$128	\$150	\$33	\$48	\$28	\$115	\$502
Albany	20,271	\$695	\$111	\$241	\$3	\$36	\$39	\$94	\$524
Berkeley	124,321	\$1,216	\$121	\$152	\$56	\$15	\$217	\$121	\$682
Dublin	72,589	\$661	\$112	\$360	\$17	\$82	\$2	\$-	\$574
Emeryville	12,905	\$459	\$83	\$665	\$349	\$174	\$747	\$262	\$2,279
Fremont	230,504	\$420	\$119	\$388	\$20	\$50	\$51	\$-	\$628
Hayward	162,954	\$417	\$111	\$390	\$16	\$68	\$19	\$106	\$710
Livermore	87,955	\$485	\$111	\$454	\$37	\$67	\$88	\$-	\$756
Newark	47,529	\$434	\$123	\$331	\$87	\$101	\$33	\$79	\$754
Oakland	440,646	\$1,132	\$132	\$136	\$48	\$46	\$230	\$131	\$723
Piedmont	11,270	\$1,969	\$131	\$33	\$-	\$51	\$57	\$108	\$380
Pleasanton	79,871	\$921	\$97	\$307	\$46	\$38	\$66	\$-	\$555
San Leandro	91,008	\$366	\$102	\$443	\$8	\$65	\$83	\$128	\$829
Union City	70,143	\$232	\$113	\$171	\$21	\$54	\$25	\$66	\$451

source: www.sco.ca.gov (2021) & Bing/Wikipedia

Balancing the FY26 and FY27 budget is a challenging task for Union City. Table 2 below shows that Union City taxes make up 85% of total General Fund revenues for FY26 and 84% of total General Fund revenues for FY27. The 7.4% increase in total General Revenues, from \$79.5 million in FY25 to \$85.3 million in FY25 will take some effort. Staff will emphasize business license tax enforcement of Measure QQ, increasing cost recovery for charges for services and license & permits, and one-time revenue reconciliations of demolition deposits. The 4.7% increase between FY26 and FY27 includes anticipated development which increases building permits and other development related fee revenues.

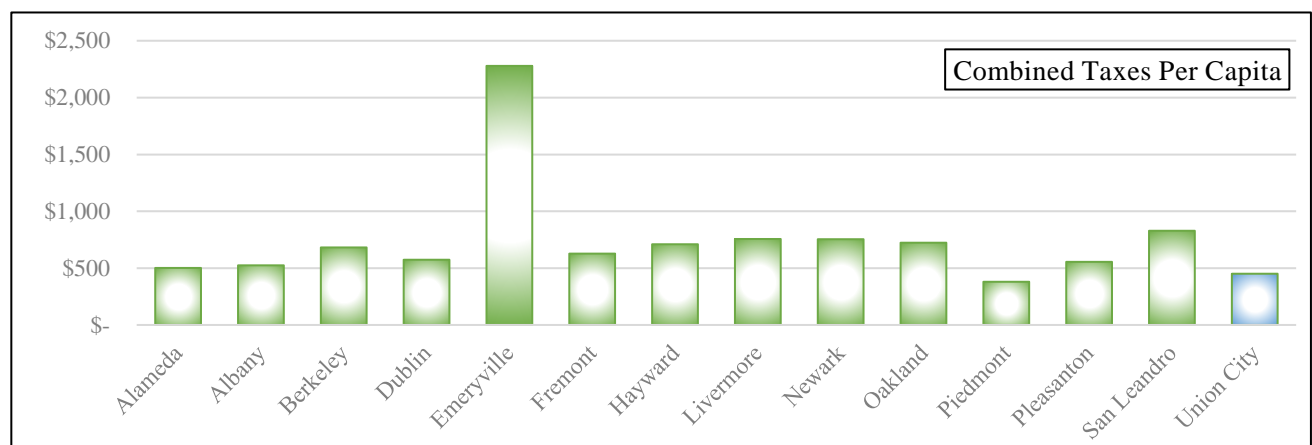


Table 2 – General Fund Revenues by Category

Revenue Sources (General Fund)	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Projected FY26 Year End	Projected FY27 Year End
Property Tax	19,888,365	21,115,479	22,107,500	22,993,800	23,912,100
Property Tax in lieu of VLF	8,472,448	9,035,866	9,477,000	9,846,400	10,241,300
Sales Tax - Bradley Burns	12,456,279	11,464,078	11,113,100	11,532,500	11,759,200
Sales Tax - Measure AA	7,174,437	6,918,301	6,506,400	6,605,000	6,736,000
Transient Occupancy Tax	1,832,773	1,545,226	1,590,200	1,637,900	1,687,000
Franchise Tax	5,825,882	6,386,526	6,561,600	6,741,900	6,931,400
Business License Tax	1,897,354	2,359,247	2,600,000	4,800,000	4,800,000
Real Property Transfer Tax	322,712	280,526	396,900	396,900	396,900
Utility Users' Tax	6,295,863	6,596,476	6,909,700	7,246,800	7,609,600
Cannabis Tax	688,917	586,986	578,700	596,100	614,000
Charges for Services	2,638,319	2,568,920	2,950,734	3,158,250	3,249,350
Licenses & Permits	2,977,876	3,740,793	3,566,900	4,737,800	7,271,000
Fines & Forfeitures	263,941	347,567	258,800	265,700	272,800
Intergovernmental Revenues	785,277	1,040,588	837,964	754,200	770,500
Investment & Rental Income	1,538,217	2,507,790	2,581,200	2,656,800	2,734,600
Miscellaneous Revenues	862,890	235,608	611,500	1,053,100	54,600
Proceeds from the Sale of Property	2,137	9,781	2,000	2,000	2,000
Transfers-In	7,049,913	818,000	818,000	318,000	318,000
TOTAL REVENUES	80,973,601	77,557,758	79,468,198	85,343,150	89,360,350

For FY26 and FY27, staff projects 4% increases in property tax revenues. In Union City, having property tax as its largest revenue source provides some financial stability, however, the low per capita property tax base means the City must work hard every year to secure enough other revenues to pay for essential services.

Property Tax

FY19 Actual	16,268,752	
FY20 Actual	17,225,697	5.88%
FY21 Actual	17,589,175	2.11%
FY22 Actual	18,224,515	3.61%
FY23 Actual	19,888,365	9.13%
FY24 Draft	21,115,479	6.17%
FY25 Projected	22,107,500	4.70%
FY26 Projected	22,993,800	4.01%
FY27 Projected	23,912,100	3.99%

Property Tax in lieu of VLF

FY19 Actual	6,946,434	
FY20 Actual	7,288,199	4.92%
FY21 Actual	7,681,033	5.39%
FY22 Actual	7,894,566	2.78%
FY23 Actual	8,472,448	7.32%
FY24 Draft	9,035,866	6.65%
FY25 Projected	9,477,000	4.88%
FY26 Projected	9,846,400	3.90%
FY27 Projected	10,241,300	4.01%

Table 3 below compares how much a city keeps from every property tax dollar paid by a property owner. Comparing homeowners paying \$10,000 in property taxes in Berkeley and Union City, the City of Berkeley will receive \$3,246 from its homeowner, while the City of Union City will only receive \$1,600. This inequity was the result of Proposition 13. Other factors affecting property tax revenues are the physical size of the city, and the land use type.

Table 3 – City Share of Total Property Tax Revenues

City	Population	City Share	City Property Tax Revenues	City Property Taxes In Lieu of VLF Revenues
Berkeley	124,321	32.46%	\$151,230,000	15,010,000
Piedmont	11,270	30.39%	22,200,000	1,480,000
Oakland	440,646	26.69%	499,030,000	58,290,000
Alameda	78,280	25.66%	65,500,000	10,050,000
Pleasanton	79,871	25.62%	73,570,000	7,750,000
Dublin	72,589	23.57%	47,950,000	8,150,000
Albany	20,271	19.43%	14,100,000	2,250,000
Livermore	87,955	18.00%	42,650,000	9,740,000
Emeryville	12,905	17.05%	5,920,000	1,080,000
Newark	47,529	16.77%	20,640,000	5,850,000
Hayward	162,954	16.19%	67,940,000	18,020,000
Union City	70,143	16.00%	16,270,000	7,890,000
Fremont	230,504	14.50%	96,850,000	27,340,000
San Leandro	91,008	11.79%	33,270,000	9,280,000

source: HdL 2024 Q2 report, www.sco.ca.gov (2021) & Bing/Wikipedia

Interestingly, revenues from property taxes in lieu of VLF was a State change made in 2004 which replaced lost vehicle license fees with property tax revenues, yet they do not align with the City's share of property tax revenues. Staff can confidently predict property tax revenue increases year over year. The assessed value of homes in California rarely decreases, and with Proposition 13, homeownership turnover leads to greater property tax revenue increases. Additionally, the City is anticipating significant housing and commercial development to occur starting in FY27. The completion and sale of these developments will increase the City's property tax base.

Sales Tax - Bradley Burns

FY19 Actual	10,878,886	
FY20 Actual	9,989,135	-8.18%
FY21 Actual	10,851,824	8.64%
FY22 Actual	12,010,454	10.68%
FY23 Actual	12,456,279	3.71%
FY24 Draft	11,464,078	-7.97%
FY25 Projected	11,113,100	-3.06%
FY26 Projected	11,532,500	3.77%
FY27 Projected	11,759,200	1.97%

Sales Tax - Measure AA

FY19 Actual	5,491,347	
FY20 Actual	5,595,634	1.90%
FY21 Actual	6,249,677	11.69%
FY22 Actual	7,148,865	14.39%
FY23 Actual	7,174,437	0.36%
FY24 Draft	6,918,301	-3.57%
FY25 Projected	6,506,400	-5.95%
FY26 Projected	6,605,000	1.52%
FY27 Projected	6,736,000	1.98%

The volatility of sales tax makes it a challenge to balance the City's budget, especially when revenues decrease, while expenditure increases. Fortunately, a recent report from Avenu Insights, the City's sales tax consultant, projected sales tax increasing for FY26 and FY27. To improve Union City's sales tax base and fiscal stability, staff see economic development as an area of focus, growing and diversifying the business environment within the City. More

businesses not only give our residents greater opportunity to shop in town, they should also capture sales and use tax revenues from out-of-town patrons.

Business License Tax

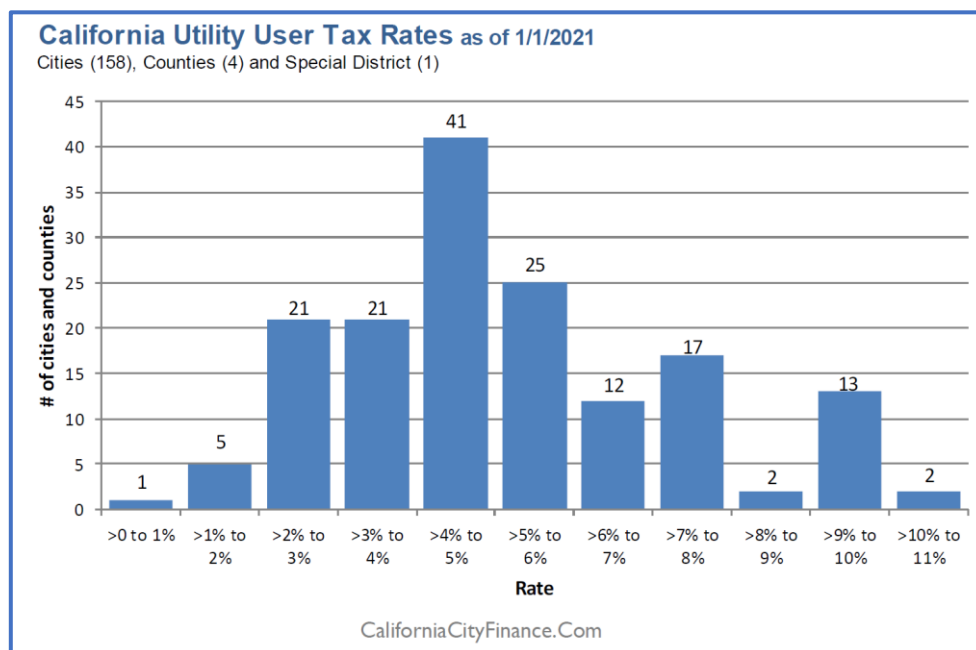
FY19 Actual	1,713,983	
FY20 Actual	1,851,849	8.04%
FY21 Actual	1,739,458	-6.07%
FY22 Actual	1,787,652	2.77%
FY23 Actual	1,897,354	6.14%
FY24 Draft	2,359,247	24.34%
FY25 Projected	2,600,000	10.20%
FY26 Projected	4,800,000	84.62%
FY27 Projected	4,800,000	0.00%

Utility Users' Tax

FY19 Actual	-	
FY20 Actual	-	
FY21 Actual	1,026,166	
FY22 Actual	5,285,251	415.05%
FY23 Actual	6,295,863	19.12%
FY24 Draft	6,596,476	4.77%
FY25 Projected	6,909,700	4.75%
FY26 Projected	7,246,800	4.88%
FY27 Projected	7,609,600	5.01%

In November 2024, the community voted to pass Measure QQ, amending the City's Business License Tax Ordinance, transitioning to a gross receipts-based business tax rate. This makes the tax more equitable among business types, and proportional to the amount of revenues generated. While the total business tax license revenue potential, based on the new gross receipts-based tax rate, is uncertain until after several years of implementation, staff plans to fully enforce and collect the taxes starting in FY26. The new business license tax revenue is needed to provide essential city services.

Utility users' tax is a resilient revenue source for the City, and staff projects stable Utility users' tax revenue growth. Measure WW, a 5% utility users' tax on electricity, gas, video and telecommunication services, was approved by 57% of local voters in the November 2020 election. UUT revenues are projected to be \$7.2 million in FY26, and \$7.6 million for FY27. Unless renewed by voters, this funding will automatically expire on December 31, 2028. The attached chart shows the utility users' tax rates of the 158 cities, 4 counties and one special district, in 2021.



Charges for Services include development plan reviews and inspections, community services classes and programs, and other user fees for services. Licenses and Permits include building permits, fire permits, and parking permits. These two categories are heavily dependent on design standards and quality of life standards within the City. For FY26, City staff plans to conduct a comprehensive user fee study to improve cost recovery for user fees and permit revenues. For FY27, anticipated development should occur, increasing building permits as well as other development-related fees and applications.

Charges for Services

FY19 Actual	2,639,800	
FY20 Actual	3,320,884	25.80%
FY21 Actual	1,957,665	-41.05%
FY22 Actual	2,417,512	23.49%
FY23 Actual	2,638,319	9.13%
FY24 Draft	2,568,920	-2.63%
FY25 Projected	2,950,734	14.86%
FY26 Projected	3,158,250	7.03%
FY27 Projected	3,249,350	2.88%

Licenses & Permits

FY19 Actual	2,713,908	
FY20 Actual	3,283,961	21.00%
FY21 Actual	2,586,183	-21.25%
FY22 Actual	3,086,088	19.33%
FY23 Actual	2,977,876	-3.51%
FY24 Draft	3,740,793	25.62%
FY25 Projected	3,566,900	-4.65%
FY26 Projected	4,737,800	32.83%
FY27 Projected	7,271,000	53.47%

Investment income has grown over the years due to interest rates as well as portfolio size. For FY26 and FY27, staff project a 2.93% increase in investment earnings.

For FY25 fines & forfeitures are expected to be less than projected due to the City Council's direction to staff to not enforce parking restrictions in the Station District. Staff anticipates similar fines and forfeitures revenues for FY26 and FY27, unless policy direction changes.

Investment & Rental Income

FY19 Actual	399,705	
FY20 Actual	536,213	34.15%
FY21 Actual	592,162	10.43%
FY22 Actual	700,669	18.32%
FY23 Actual	1,538,217	119.54%
FY24 Draft	2,507,790	63.03%
FY25 Projected	2,581,200	2.93%
FY26 Projected	2,656,800	2.93%
FY27 Projected	2,734,600	2.93%

Fines & Forfeitures

FY19 Actual	564,295	
FY20 Actual	340,971	-39.58%
FY21 Actual	171,719	-49.64%
FY22 Actual	213,191	24.15%
FY23 Actual	263,941	23.81%
FY24 Draft	347,567	31.68%
FY25 Projected	258,800	-25.54%
FY26 Projected	265,700	2.67%
FY27 Projected	272,800	2.67%

Staff have identified a one-time reconciliation of demolition deposits, which we will occur in FY26. This will provide approximately \$1 million in revenues to cover essential city expenditures in FY26, but this revenue goes away in FY27. For FY26 and FY27, staff eliminated the unjustified \$500,000 transfer in from the Workers' Compensation Fund.

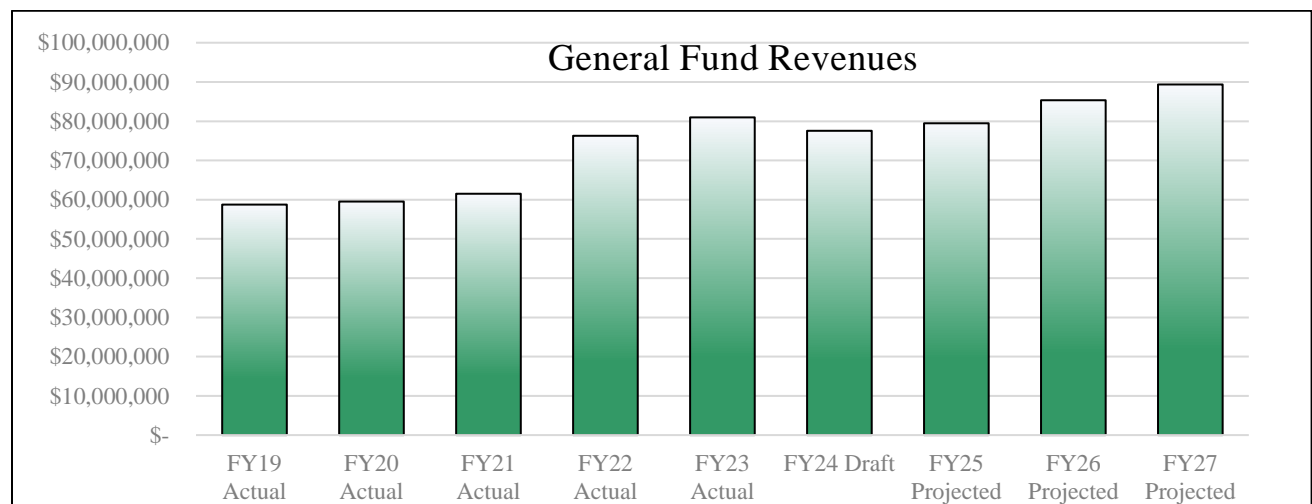
Miscellaneous Revenues

FY19 Actual	1,298,103	
FY20 Actual	257,206	-80.19%
FY21 Actual	265,414	3.19%
FY22 Actual	751,179	183.02%
FY23 Actual	862,890	14.87%
FY24 Draft	235,608	-72.70%
FY25 Projected	611,500	159.54%
FY26 Projected	1,053,100	72.22%
FY27 Projected	54,600	-94.82%

Transfers-In

FY19 Actual	259,196	
FY20 Actual	1,266,773	388.73%
FY21 Actual	1,250,000	-1.32%
FY22 Actual	7,299,913	483.99%
FY23 Actual	7,049,913	-3.42%
FY24 Draft	818,000	-88.40%
FY25 Projected	818,000	0.00%
FY26 Projected	318,000	-61.12%
FY27 Projected	318,000	0.00%

Overall, staff is projecting necessary revenue growth to meet the demands of essential General Fund services. For FY26, there was an approximate \$3 million funding gap in the General Fund, for which we will depend on increased business license tax revenues, and one-time revenues to balance the budget. For FY27, revenue increases from development-related fees and permits will cover that year's expenditures, however there will be issues if the development is delayed into the future.



General Fund Expenditures

A lot of changes are proposed for FY26 and FY27 from the current FY25 General Fund expenditures. These changes mostly increase expenditures, decrease a few, and restate expenditures in some cases. The following list summarizes the fiscal impact:

- Increase in MOU salaries and benefits
- Budgeting of savings from vacant positions in FY26 & FY27
- Increase in CalPERS UAL expenses
- Increase in professional/consulting expenses
- Increase in fire services contract
- Decreasing workers' compensation charges
- Increase in general liability charges
- Purchases of additional vehicles for ECD and Police
- Better categorized operating expenses from one-time expenses

- Better categorized departmental expenses versus non-departmental expenses

Looking at the Salaries and Wages category in Table 4 below, the Draft Proposed FY26 Budget and Draft Proposed FY27 Budget show increases compared to prior years. This is due to MOU increases, several job reclassifications, and the standard practice of proposing full staffing for all positions (and having no vacancies).

Table 4 – General Fund Expenditures by Category

Expenditures By Category	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
5A-Salaries and Wages	24,827,092	27,864,147	26,888,090	29,563,212	30,569,218
5B-Employee Benefits	18,374,973	16,811,192	17,791,770	18,462,575	19,540,395
5C-Supplies	617,740	457,637	484,250	773,394	761,726
5D-Services	23,675,034	27,810,450	30,573,972	31,463,431	32,856,782
5F-Debt Service	-	-	-	-	-
5G-Lease Obligation	810,759	753,814	758,666	758,666	758,666
5i-Capital Assets	963,287	(16,494)	282,479	373,079	697,766
5J-Interest Non-Debt	-	-	-	-	-
5K-Other Expenses	-	-	-	-	-
5L-Transfer Out	1,480,900	4,959,796	4,159,561	3,674,834	3,756,916
4X-Other Financing Sources	(217,658)	-	-	-	-
TOTAL EXPENDITURES	70,532,128	78,640,542	80,938,788	85,069,191	88,941,468

For Employee Benefits, there was a decrease from FY23, of \$18.4 million, to FY24, of \$16.8 million, and then increases to \$17.8 million in FY25, \$18.5 million in FY26 and \$19.5 million in FY27. FY23 CalPERS expenses of \$12.8 million decreased to \$3.9 million in FY24, however the City began paying the CalPERS UAL in FY24. Unfortunately, the CalPERS UAL payment increases year over year. Year over year changes to Health Insurance expenses are dependent on the number of active positions, as well as the health insurance plans chosen by the employees. Proposed FY26 and FY27 health insurance expenses are higher than prior years because the new MOUs provide employees with a higher monthly health care allowance, and these years project for full staffing.

5A-Salaries and Wages	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
51110 Regular Pay	21,327,193	23,849,961	22,508,890	28,404,062	29,381,679
51111 Regular Part-Time Pay	1,118,944	898,215	699,610	548,762	556,993
51112 Seasonal Part-Time/Temp Pay	7,221	511,671	783,500	492,398	492,398
51113 Holiday Pay	472,816	538,124	509,670	656,999	677,157
51115 Overtime Pay	1,749,761	1,909,375	2,251,550	1,595,885	1,595,885
51117 Uniform/Auto/Cell Allowance	145,205	148,661	128,040	158,276	158,276
51118 Meal Allowance	5,954	8,139	6,830	6,830	6,830
51130 Anticipated Salary Savings	-	-	-	(2,300,000)	(2,300,000)
51999 Budgetary Adjust-CRS Salaries	-	-	-	-	-
5A-Salaries and Wages	24,827,092	27,864,147	26,888,090	29,563,212	30,569,218

5B-Employee Benefits	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
52110 Medicare Tax	351,397	392,070	370,810	419,816	434,111
52111 PERS	12,796,871	3,864,883	3,499,240	4,123,929	4,252,927
52112 Health Insurance	2,930,104	3,230,886	3,073,870	3,972,961	4,001,097
52113 Workers Compensation (ISF)	2,020,878	2,273,638	2,158,920	360,468	747,371
52114 Deferred Compensation	53,313	63,917	64,430	59,802	61,057
52115 Disability Insurance	37,857	42,613	43,290	46,258	46,408
52116 Unemployment Insurance	6,217	13,732	33,180	-	-
52117 Cal-Veba	22,744	25,993	23,080	23,080	23,080
52118 POA Retiree Medical-City Match	155,591	175,593	165,260	200,000	200,000
52120 CalPERS UAL Payment	-	6,727,868	8,359,690	9,256,261	9,774,345
52999 Budgetary Adjust-CRS Benefits	-	-	-	-	-
5B-Employee Benefits	18,374,973	16,811,192	17,791,770	18,462,575	19,540,395

Workers' Compensation expenses show a dramatic decrease in FY26 and FY27 because the Workers' Compensation Internal Service Fund is adequately funded. Staff is using this opportunity to reduce Workers' Compensation expenses to balance the General Fund budget, however these expenses will need to increase by \$2 million within 3-5 years.

5C-Supplies	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
53101 Office Supplies (Excluding Paper)	36,688	37,099	52,790	69,613	69,703
53102 Data Processing Supplies	20,064	24,508	27,510	29,950	29,950
53103 Photo Supplies (RE'TIRE)	6,331	2,163	18,930	14,233	14,233
53104 Books (RE'TIRE)	17,931	2,657	3,330	11,293	10,293
53105 Election Materials	99	775	200	1,000	100
53201 Firearms & Supplies	121,968	89,318	98,320	160,462	160,462
53202 K-9 Provisions	26,593	15,922	4,510	16,313	16,313
53203 Medical Supplies (RE'TIRE)	1,090	61	-	2,075	2,075
53301 Fuel (Gasoline, Etc)	2,714	4,228	3,800	-	-
53401 Janitorial Supplies	4,063	2,312	1,160	11,930	11,930
53402 Building Supplies	52,618	57,493	82,690	90,500	90,500
53504 Traffic Safety	8,042	2,606	7,900	19,000	11,741
53601 Recreational Supplies	23,109	17,492	15,840	45,900	45,900
53701 Other Operating Supplies	166,292	131,720	76,360	186,075	183,475
53702 Rain Gear/Uniform Acces	4,851	3,794	3,040	13,750	13,750
53703 Safety Supplies	78,665	28,311	64,620	70,000	70,000
53704 Small Tools (RE'TIRE)	274	550	550	1,150	1,150
53801 Paper Supplies (SB1383)	46,345	36,600	22,700	27,150	27,150
5C-Supplies	617,740	457,637	484,250	773,394	761,726

Expenses in General Fund supplies are reasonable when compared to prior years. For the firearms and supplies account, the Police Department plans to replace current firearms with new ones in FY26 and FY27. The Police Department's other operating supplies make up approximately \$100,000 of the \$186,000, and this account covers a variety of departmental expenses. To simplify budget analysis and financial processing, the Finance staff plan to retire some of the account codes and combine their budgeted expenses with other line items.

The table below is a partial list of services accounts. Overall, service expenses are increasing year over year, mostly due to inflation. Within the Contractual Services line item is the Alameda County Fire District (ACFD) fire services contract, and its increases are shown later in this report. Janitorial services were also part of contractual services in FY23 but separated out in FY24 through FY27. Legal services are proposed to remain unchanged for FY26 and FY27. Election services occur every other year at approximately \$250,000.

5D-Services (Partial List)	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
54110 Professional/Consulting	1,010,716	2,041,908	2,172,719	2,668,584	3,050,854
54111 Contractual Services	18,122,317	20,236,238	21,508,203	20,138,290	20,687,119
54112 Legal Services	589,477	627,012	705,301	705,301	705,301
54118 Sub-grants	251,408	240,303	400,977	258,147	258,147
54121 Election Services	260,354	415	250,000	500	262,500
54123 Repair/Maint-Radios	86,940	93,191	173,734	144,072	151,276
54124 Repair/Maint-Other	125,089	206,480	316,565	364,264	327,364
54127 Fleet-Vehicle Replace (ISF)	294,829	434,858	436,200	436,200	436,200
54130 Janitorial Services	-	540,373	555,000	555,000	555,000
54135 Hardware & Software Maint	-	118,823	186,371	206,796	215,860
54143 Risk Management (ISF)	-	-	-	1,954,932	2,171,979
54206 Cell Phone	119,902	190,803	216,045	218,745	217,245
54207 Data Circuits	172,056	222,486	181,323	131,323	131,323
54212 Utilities	745,232	(7,644)	-	-	-
54214 Paper Printing Svcs (SB1383)	53,832	67,462	127,687	142,369	122,369
54215 Membership Dues	100,523	122,705	123,741	135,222	135,222
54235 Electricity	-	505,093	555,600	598,550	625,350
54236 Natural Gas	-	27,743	30,500	32,000	33,600
54237 Water	-	228,685	251,500	385,200	386,600
54238 Sewer	-	45,793	50,400	57,205	59,105

Proposed for FY26 and FY27, the risk management (ISF) line was added to all department program budgets so that we can better evaluate the full cost of program operations. In prior years, the similar amount was transferred from the Finance Department's General Fund budget to the General Liability Internal Service Fund (ISF) to pay for insurance premiums. Utilities expenses were separated in FY24, and as expected, are increasing year over year.

Shown below is a partial list of Other Expenses within the General Fund. Other capital equipment expenses are mostly IT related expenses. For FY26, motor vehicles are for two police motorcycles and a vehicle for the Neighborhood Preservation Specialist. For FY27, staff propose setting aside \$200,000 for the needed fire apparatus. The capital lease expenses are for network infrastructure, a fire truck, and energy conservation/efficiency.

Other Expenses (Partial List)	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
57125 Building Improvements	-	23,054	-	-	36,900
57130 Other Capital Equipment	745,629	(70,652)	235,479	234,579	216,366
57140 Motor Vehicles (NEW)	-	6,399	1,000	95,000	201,000
57160 Computer & Technology Equipment	-	-	-	-	200,000
57170 Furniture & Fixtures	-	14,939	46,000	43,500	43,500
58310 Capital Lease-Principal	623,359	651,728	681,089	681,089	681,089
58320 Capital Lease-Interest	125,601	102,086	77,577	77,577	77,577
59101 Transfer Out	1,480,900	4,959,796	4,159,561	3,674,834	3,756,916

Table 5 on the following page presents General Fund Expenditures by Department and Program. The Non-Department expenses are comprised of transfers out of \$1,695,000 and anticipated salary savings of (\$2,300,000). The City Council program shows an increase in FY26 and FY27 for a planned City Council Retreat and Team Building, Strategic Plan and Townsend Public Affairs consulting. The Community Relations program shows a spike in FY26 for community polling/survey.

The City Manager program FY27 budget proposes a Facilities Master Plan. The City Attorney's program expenses are relatively flat, and the City Clerk's budget shows a spike every other year due to election expenses. For Finance, the Risk Management transfer out was removed from Finance and added the line-item budget within each department/program. The FY26 budget includes business tax assistance as we are responsible for enforcing Measure QQ.

The Human Resources and Information Technology budgets are status quo. The Police Department have several personnel changes which include a conversion of several cadets to Community Service Aide positions. FY26 also retired the Deputy Police Chief position, returning it to one of the two frozen Police Officer positions. Fire services provided by the Alameda County Fire Department has increased in costs, from \$11.7 million in FY23 to an estimated \$15.2 million in FY27.

The Public Works Department proposes adding a Principal Civil Engineer in FY27 to assist with the upcoming development projects, and a Maintenance Worker I to help with ground maintenance. Economic & Community Development proposes reducing contracted staffing in FY26 so that they can add a second Building Permit Technician. The Community & Recreation Services department proposes no significant changes.

The City recently updated its finance software (Enterprise Resource Planning software), and this gave Finance staff the opportunity to modify our account numbers for better reporting. The new chart of accounts now have the following departments:

- 60 – Debt Service Programs
- 70 – RDA/Successor Agency Programs
- 80 – Citywide Programs (Non CIP)
- 90 – Capital Improvement Projects (PW)

Prior to this change some of these related expenses were tracked in the operating department budgets, making it difficult to analyze.

Table 5 – General Fund Expenditures by Department and Program

Org Code	Program Title	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
110-00000	GENERAL FUND	1,480,900	2,779,753	969,491	(605,000)	(605,000)
00-Non-Departmental Subtotal		1,480,900	2,779,753	969,491	(605,000)	(605,000)
110-11001	City Council	214,306	348,430	389,770	561,063	562,681
110-11021	Planning Commission	51,085	23,367	37,040	39,089	39,444
110-11022	Leisure Commissions	6,954	9,181	14,540	13,232	13,232
110-11023	Leisure Youth Commission	-	1,611	2,500	2,500	2,500
110-11024	Human Relations Commission	5,043	3,182	1,820	1,000	1,000
110-11041	Community Relations	84,223	268,293	87,870	257,500	81,500
11-City Council Subtotal		361,611	654,065	533,540	874,384	700,357
110-12001	City Manager	1,467,674	1,688,609	1,825,843	1,830,114	2,263,124
110-12030	Cyber Outage	-	(3,324)	-	-	-
110-12040	Emergency Services	105,219	178,889	322,020	267,570	268,848
110-12301	Solid Waste Mgmt	-	128,787	118,320	-	-
12-City Manager's Office Subtotal		1,572,893	1,992,961	2,266,183	2,097,683	2,531,971
110-13001	City Attorney	586,782	608,338	600,000	600,000	600,000
110-13002	Litigation Contingency	2,695	14,771	59,205	59,205	59,205
13-City Attorney Subtotal		589,477	623,108	659,205	659,205	659,205
110-14001	City Clerk	699,823	240,825	572,690	383,636	628,923
14-City Clerk Subtotal		699,823	240,825	572,690	383,636	628,923
110-15001	Finance Administration	552,286	699,190	652,425	305,894	309,562
110-15011	Accounting	1,443,351	1,673,978	1,576,713	2,033,700	2,038,021
110-15012	Central Services	(34,012)	68,513	48,530	48,800	48,800
110-15013	Revenue Collection	729,684	863,048	790,330	1,023,713	1,035,558
110-15030	FIN-Risk Management	1,550,000	2,821,000	1,900,000	-	-
15-Finance Subtotal		4,241,309	6,125,728	4,967,998	3,412,107	3,431,941
110-16001	Human Resources	1,061,205	1,062,851	1,114,990	1,195,202	1,231,050
16-Human Resources Subtotal		1,061,205	1,062,851	1,114,990	1,195,202	1,231,050
110-17001	Information Technology	3,332,007	4,479,845	4,749,705	5,341,485	5,453,306
17-Information Technology Subtotal		3,332,007	4,479,845	4,749,705	5,341,485	5,453,306
110-21001	Police Administration	3,332,486	3,695,943	3,791,841	3,575,456	3,707,889
110-21002	Police Training	945,991	964,294	1,058,391	1,222,763	1,247,397
110-21003	Police Investigation	4,870,003	5,048,364	5,317,663	6,497,445	6,796,302
110-21004	Police Patrol	18,094,695	17,215,494	17,388,511	20,828,639	21,788,207
110-21005	Police Records	672,054	753,783	756,104	992,156	1,019,639
110-21006	Police Traffic	1,248,041	1,252,385	1,237,688	836,978	804,122
110-21007	Police Juvenile	52,039	55,855	60,400	60,400	60,400
110-21008	Police-COPPS	179,654	361,909	563,316	1,221,257	1,273,127
110-21009	Police Gang Task Force	10,925	-	-	-	-
110-21010	Police Swat Team	97,043	117,408	145,000	179,315	179,315
110-21011	Records/Comms/Property	1,708,164	1,523,957	1,990,084	2,061,035	2,075,109
110-21012	Police Information Technology	169,087	22,820	57,773	59,113	59,113
110-21103	PD Volunteer Services	4,000	1,602	3,950	9,600	9,600
110-21118	OTS Selective Traffic Enforce	5,180	-	-	-	-
110-21140	2017 JAG Byrne Grant	-	(1,200)	-	17,000	17,000
110-21143	2019 Byrne JAG Grant	16,323	-	-	-	-
110-21144	2020 Byrne JAG Grant	16,613	-	-	-	-
110-21196	K-9 Police Dogs of Union City	14,606	-	-	-	-
110-21197	Police Explorers	7,246	4,894	13,780	20,330	20,330
21-Police Subtotal		31,444,150	31,017,509	32,384,502	37,581,486	39,057,550

Table 5 – General Fund Expenditures by Department and Program (continued)

Org Code	Program Title	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
110-22001	Fire Operations	11,754,973	13,183,717	13,881,678	14,705,167	15,168,707
22-Fire Subtotal		11,754,973	13,183,717	13,881,678	14,705,167	15,168,707
110-31001	Parking Enf Svcs (PES)	1,265	-	-	-	-
110-33001	PW Administration	208,937	158,175	136,395	285,962	289,976
110-33002	Engineer Administration	42,877	52,564	50,640	2,400	2,400
110-33003	Engineer-Design/Projt Mgmt	359,272	420,193	511,980	512,174	830,762
110-33004	Engineer-Eng Inspection	258,072	262,686	323,660	335,768	338,334
110-33005	Engineer-Traffic Engrnr	-	17,546	-	-	-
110-33011	Streets Administration	209,197	77,184	106,320	126,657	127,091
110-33013	Streets Street Cleaning	57,499	190,201	-	-	-
110-33021	Bldg/Grnd Admin	37,904	63,046	69,580	94,716	95,862
110-33023	Bldg/Grnd Bldg Maint	1,846,297	2,014,489	2,067,890	2,184,358	2,231,337
110-33024	Bldg/Grnd Park Maint	1,564,557	1,603,750	1,604,510	1,931,839	2,099,904
30-Public Works Subtotal		4,585,877	4,859,834	4,870,975	5,473,873	6,015,665
110-41001	ECD Administration	732,595	733,407	695,170	872,645	883,406
110-41002	Building and Safety	1,188,308	1,376,306	1,312,928	2,009,860	2,045,627
110-41003	Neighborhood Preservation	11,531	11,744	169,086	246,773	213,674
110-41004	Current Planning	578,426	686,958	690,110	757,616	759,887
110-41005	Advance Planning	8,812	46,350	150,804	93,780	96,280
110-41007	ECD-PS-ECHO	256,042	205,303	5,647	5,897	5,897
110-41008	ECD-Fire Permits	63,178	101,736	93,260	101,697	103,059
110-41009	ECD Environmental Programs	274,864	514,389	472,720	641,022	773,852
110-41012	ECD-PS-CRIL	-	10,000	3,770	-	-
110-41013	ECD-PS-Immigration Institute	-	5,000	5,000	5,000	5,000
110-41015	ECD-PS-Legal Asst for Seniors	-	10,000	5,470	-	-
110-41016	ECD-PS-SAVE	-	-	7,120	-	-
110-41017	ECD-PS-Spectrum Fall Prev	-	10,000	5,000	-	-
110-41018	ECD-PS-Tiburcio Vasquez	-	-	9,920	-	-
110-41019	ECD-PS-Centro Resource Center	-	-	111,550	-	-
110-41022	Economic Development	364,793	357,968	554,920	591,219	593,903
110-41301	ECD-CRIL	-	-	10,000	10,000	10,000
110-41303	ECD-Immigration Institute	-	-	10,000	10,000	10,000
110-41304	ECD-Legal Assistance Seniors	-	-	10,000	10,000	10,000
110-41305	ECD-LIFE Elder Care	-	-	15,000	15,000	15,000
110-41307	ECD-Spectrum CS-Fall Prevent	-	-	10,000	10,000	10,000
110-41309	ECD-Tiburcio Vasquez	-	-	20,000	20,000	20,000
110-41311	ECD-ECHO Housing	-	-	20,000	20,000	20,000
110-41312	ECD-Centro De Servicios	-	-	145,000	145,000	145,000
110-41316	ECD-SAVE	-	-	5,000	5,000	5,000
110-41317	ECD-Spectrum Senior Meals	-	-	3,000	3,000	3,000
110-41318	ECD-Union City Family Center	-	-	3,000	3,000	3,000
40-Economic & Comm Dev Subtotal		3,478,549	4,069,160	4,543,475	5,576,510	5,731,587
110-51001	Leisure Administration	674,521	811,090	921,310	1,038,103	1,046,886
110-51002	Kennedy Youth Center	439,312	517,079	516,520	609,352	613,030
110-51003	Holly Center	325,838	397,989	363,575	493,394	496,959
110-51004	Senior Center	399,962	450,847	471,655	611,798	616,039
110-51005	UC Sports Center	990,479	1,084,453	1,133,650	1,232,102	1,243,066
110-51007	Youth Special Interest	3,945	7,654	9,180	14,855	14,867
110-51008	Youth Programs (pre-split)	144,988	185,980	69,620	132,972	133,205
110-51009	Youth/Family Services	949,618	967,222	909,390	1,276,058	1,287,549
110-51012	DPN-LSCP	-	(137)	-	-	-
110-51020	First 5 Grant	5,392	-	-	-	-
110-51027	Natl Parkinsons Comm Gnt-Ex Cl	8,913	125	5,000	5,000	5,000

Table 5 – General Fund Expenditures by Department and Program (continued)

Org Code	Program Title	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
110-51030	CRS-CAREavan	186,602	139,713	189,488	151,260	151,789
110-51035	CAREavan-Cannabis Com Benefits	3,340	-	-	-	-
110-51041	Homeless Hsng Asst Prev (HHAP)	556	2,945	-	-	-
110-52016	Therapeutic Rec	23,788	15,983	17,440	27,100	27,296
110-52036	LRF-Boxing	23,997	26,471	37,100	42,956	43,036
110-52037	LRF-Teen Fee	-	230	3,390	-	-
50-Community & Rec Svcs Subtotal		4,181,251	4,607,644	4,647,318	5,634,953	5,678,723
110-61012	P O B Debt Service	-	2,180,043	3,190,070	1,979,834	2,061,916
60-Debt Svcs Programs Subtotal		-	2,180,043	3,190,070	1,979,834	2,061,916
110-71101	RDA Economic Development	93	-	-	-	-
70-RDA/SA Projects Subtotal		93	-	-	-	-
110-80106	Misc Dep-Station East Develop	-	1,253	2,620	-	-
110-81009	Network Infrastructure Rplcmnt	218,467	(447,160)	160,560	160,560	160,560
110-81010	Comp Replacement	511,078	-	-	-	-
110-81011	PW Public Request & Ticketing Sys	-	-	-	-	200,000
110-81200	COVID-19 Virus	7,893	13,732	33,180	-	-
110-81210	R Valle Celebration of Life	10,384	-	-	-	-
110-81500	Storms 2023-DR4683	35,598	583	250	-	-
110-81501	Storms 2023-DR4699	-	515	150	-	-
110-82014	Sergeant's Office Remodel	-	23,054	-	-	-
110-82015	ARC & Sub Station Re-Model	-	-	-	-	36,900
110-83004	Fire Truck	-	-	-	-	200,000
110-83012	PNC Eqpt Finance-Fire Truck	168,601	168,601	168,601	168,601	168,601
110-84022	Integral Communities Station	5,113	844	1,990	-	-
110-84029	Florence St-CEQA	-	-	2,330	-	-
110-84098	Nuvera Homes-Turk Island	-	-	2,020	-	-
110-84119	Louie Ranch-Time & Materials	3,668	4,290	1,450	-	-
110-84131	USA Properties-Time & Mats	2,559	-	-	-	-
110-84133	33663 Mission Blvd-Time & Mats	-	261	-	-	-
110-84135	H & S Energy-Time & Materials	3,344	969	8,450	-	-
110-84136	Windflower Blk 2-Dev Agrmnt	126	-	-	-	-
110-84141	Dec Rd/7th St Areas 9/10 T&M	6,635	-	-	-	-
110-84143	Decoto Rd/7th St Area 1-T&M	3,256	135	-	-	-
110-84144	Decoto Rd/7th St Area 2-T&M	3,396	1,226	-	-	-
110-84145	Decoto Rd/7th St Area 4-T&M	9,612	-	-	-	-
110-84147	Louie Ranch/Appian Way-T&M	2,563	11,142	3,520	-	-
110-84150	33454-33462 3rd St Time & Mats	561	-	-	-	-
110-84153	31011 Union City Bl-Time & Mats	-	190	2,230	-	-
110-84156	Misc Dep-2625 Decoto Rd	-	2,567	690	-	-
80-Citywide Programs (Non-PW) Subtotal		992,853	(217,799)	388,041	329,161	766,061
110-90924	Energy Conservation	226,942	231,829	236,759	236,759	236,759
110-91706	Energy Efficiency Project	192,857	192,825	192,746	192,746	192,746
110-92119	City Hall Space Planning Proj	9,789	-	-	-	-
110-92123	Union Landing Monument SignImp	29,062	-	-	-	-
110-92213	PD Facility Assessmnt Plan	6,210	-	-	-	-
110-92221	Library Roof & Interior Repair	125,257	-	-	-	-
110-92228	Historical Museum Repairs	66,449	104,410	45,153	-	-
110-92229	CH EmergGentr/TSwitch Retrofit	16,131	111,408	113,806	-	-
110-92230	Atrium/Garden Repairs	11,809	117,949	186,379	-	-
110-92231	CH Workstan Modernization-Ph 1	35,351	-	-	-	-
110-92235	Centro de Servicios Fence Encl	4,591	-	-	-	-
110-92312	FS 31 & 32 Apparatus Bay Exhst	-	165,861	745	-	-
110-92316	CH Server Room 2nd Battery BUP	-	395	102,605	-	-

Table 5 – General Fund Expenditures by Department and Program (continued)

Org Code	Program Title	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
110-92323	PD Men's Shower Stall Repairs	23,332	-	-	-	-
110-92336	FS 31 Kitchen Countertop Replc	7,378	-	-	-	-
110-92340	CH Wstation ModernizatonPhase2	-	2,210	87,790	-	-
110-92411	Dry Creek Bridge Repair	-	20,820	13,360	-	-
110-92414	FS 31 Fence	-	33,591	19,584	-	-
110-92432	City Hall Carpet Replacement	-	-	200,000	-	-
90-Capital Projects (PW) Subtotal		755,159	981,297	1,198,927	429,505	429,505
110-GENERAL FUND TOTAL		70,532,128	78,640,542	80,938,788	85,069,191	88,941,468

Looking at Table 6 – General Fund Revenues and Expenditures below, it appears that revenues closely match expenditures through the years, except for FY21 to FY23 where federal stimulus funds offset police and fire services costs, the City had numerous vacancies, recreation programming was ceased, and many professional services contracts were put on hold, all of which caused revenues to exceed expenditures significantly in those years. Based on the revenue discussions in the beginning of this report, staff believe that Union City's greatest challenge is increasing revenues. The expenditure and service levels are appropriate for a Union City's size.

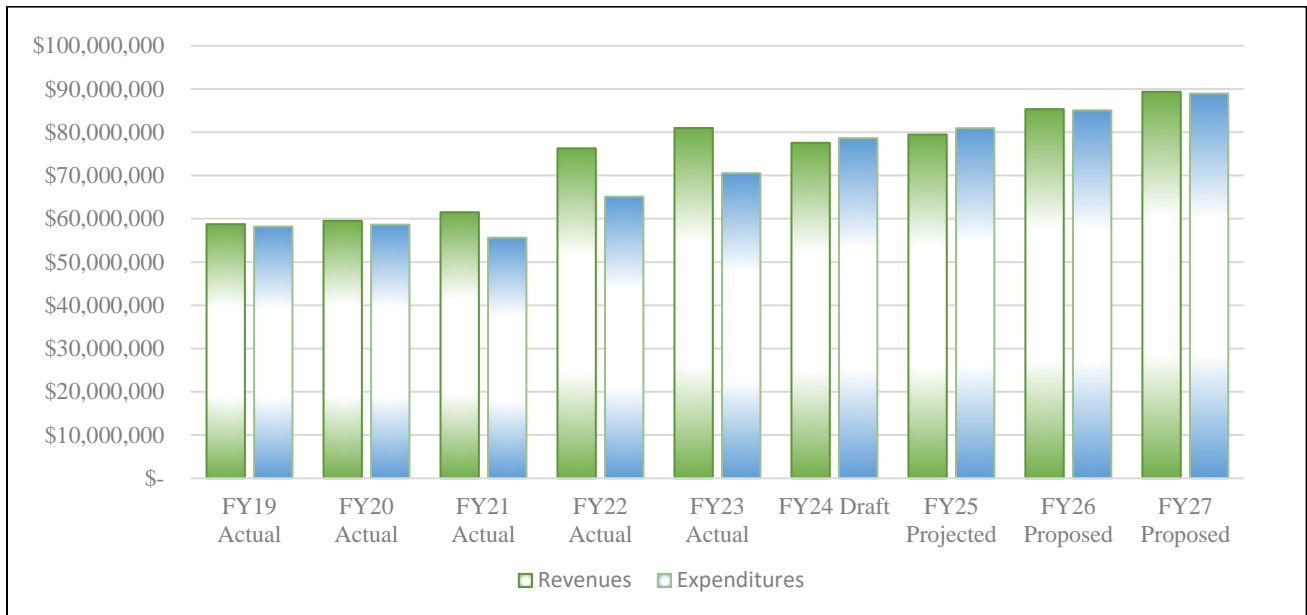
Table 6 – General Fund Revenues and Expenditures

Table 7 on the following page lists permanent, benefited positions within the City. Overall, staff proposes adding two full-time equivalent in FY27, while the detailed changes are listed further in this report. We are also listing two authorized, but unfunded, Police Officers within the Police Department. At one point in time, the City had five frozen Police Officer positions, and now we are down to two.

Table 7 – Union City Position List (Benefited Positions Only)

Union City Position List		Fiscal Year		
Home Dept	PCN Title	FY25	FY26	FY27
11-City Council	COUNCIL MEMBER	4.00	4.00	4.00
11-City Council	MAYOR	1.00	1.00	1.00
11-City Council Total		5.00	5.00	5.00
12-City Manager's Office	ADMINISTRATIVE SPECIALIST-CONF	1.00	1.00	1.00
12-City Manager's Office	CITY MANAGER	1.00	1.00	1.00
12-City Manager's Office	DEPUTY CITY MANAGER	1.00	1.00	1.00
12-City Manager's Office	EMERGENCY SERVICES COORDINATOR	1.00	1.00	1.00
12-City Manager's Office	MANAGEMENT ANALYST I	1.00	1.00	1.00
12-City Manager's Office	MANAGEMENT ANALYST II	1.00	1.00	1.00
12-City Manager's Office	RECYCLING & SOLID WASTE MGR	1.00	1.00	1.00
12-City Manager's Office	SUSTAINABILITY ANALYST I/II	1.00	1.00	1.00
12-City Manager's Office Total		8.00	8.00	8.00
14-City Clerk	CITY CLERK	1.00	1.00	1.00
14-City Clerk Total		1.00	1.00	1.00
15-Finance	ACCOUNTANT	1.00	1.00	1.00
15-Finance	ACCOUNTING MANAGER	1.00	1.00	1.00
15-Finance	ADMINISTRATIVE ASSISTANT II	1.00	1.00	1.00
15-Finance	BUSINESS LICENSE COORDINATOR	-	1.00	1.00
15-Finance	FINANCE DIRECTOR	1.00	1.00	1.00
15-Finance	FINANCE SPECIALIST III	4.00	3.00	3.00
15-Finance	JUNIOR ACCOUNTANT	-	1.00	1.00
15-Finance	LEAD PAYROLL TECHNICIAN	1.00	1.00	1.00
15-Finance	OFFICE SPECIALIST I	1.00	1.00	1.00
15-Finance	REVENUE COLLECTION MANAGER	1.00	1.00	1.00
15-Finance	SENIOR ACCOUNTANT	2.00	2.00	2.00
15-Finance Total		13.00	14.00	14.00
16-Human Resources	ADMINISTRATIVE SPECIALIST-CONF	0.50	0.50	0.50
16-Human Resources	HUMAN RESOURCES ANALYST I	1.00	1.00	-
16-Human Resources	HUMAN RESOURCES ANALYST II	-	-	1.00
16-Human Resources	HUMAN RESOURCES DIRECTOR	1.00	1.00	1.00
16-Human Resources	HUMAN RESOURCES MANAGER	1.00	1.00	1.00
16-Human Resources	HUMAN RESOURCES TECHNICIAN	1.00	1.00	1.00
16-Human Resources Total		4.50	4.50	4.50
17-Information Technology	ADMINISTRATIVE ASSISTANT I	0.50	0.50	0.50
17-Information Technology	CYBER SECURITY MANAGER	1.00	1.00	1.00
17-Information Technology	INFO TECHNOLOGY DIRECTOR	1.00	1.00	1.00
17-Information Technology	SENIOR SYSTEMS ANALYST	3.00	3.00	3.00
17-Information Technology	SYSTEMS ANALYST	1.00	1.00	1.00
17-Information Technology	TECH SUPPORT SPECIALIST II	2.00	2.00	2.00
17-Information Technology	WEB & DATABASE ADMINISTRATOR	1.00	1.00	1.00
17-Information Technology Total		9.50	9.50	9.50

Union City Position List		Fiscal Year		
Home Dept	PCN Title	FY25	FY26	FY27
21-Police	COMMUNITY RESOURCES COORDINATR	1.00	1.00	1.00
21-Police	COMMUNITY SERVICE AIDE	5.00	7.00	7.00
21-Police	CONFIDENTL OPERATION ASSISTANT	2.00	2.00	2.00
21-Police	CRIME ANALYST	1.00	1.00	1.00
21-Police	EXEC ASST TO THE POLICE CHIEF	1.00	1.00	1.00
21-Police	PERSONNEL & TRAINING SUPERVISO	1.00	1.00	1.00
21-Police	POLICE CADET	4.50	2.50	2.50
21-Police	POLICE CAPTAIN	2.00	2.00	2.00
21-Police	POLICE CHIEF	1.00	1.00	1.00
21-Police	POLICE DEPT OFFICE COORDINATOR	1.00	1.00	1.00
21-Police	POLICE DEPUTY CHIEF	1.00	-	-
21-Police	POLICE LIEUTENANT	6.00	6.00	6.00
21-Police	POLICE OFFICE ASSISTANT	6.00	6.00	6.00
21-Police	POLICE OFFICER	55.00	55.00	55.00
21-Police	POLICE OFFICER - COPPS	2.00	2.00	2.00
21-Police	POLICE OFFICER (FROZEN)	1.00	2.00	2.00
21-Police	POLICE RECORDS SUPERVISOR	1.00	1.00	1.00
21-Police	POLICE SERGEANT	13.00	13.00	13.00
21-Police	POLICE SERGEANT - COPPS	1.00	1.00	1.00
21-Police	PROPERTY & EVIDENCE SPECIALIST	2.00	2.00	2.00
21-Police	PROPERTY & EVIDENCE SUPERVISOR	1.00	1.00	1.00
21-Police	PUBLIC SERVICES OFFICER II	1.00	1.00	1.00
21-Police Total		109.50	109.50	109.50
30-Public Works	ADMINISTRATIVE ASSISTANT II	1.00	1.00	1.00
30-Public Works	ADMINISTRATIVE ASSISTANT III	2.00	2.00	2.00
30-Public Works	ASSISTANT TRANSIT PLANNER	1.00	-	-
30-Public Works	ASSOCIATE TRANSIT PLANNER	1.00	-	-
30-Public Works	CITY ENGINEER	1.00	1.00	1.00
30-Public Works	ENGINEER I	1.00	1.00	1.00
30-Public Works	ENGINEER II	1.00	1.00	1.00
30-Public Works	ENGINEER III	1.00	1.00	1.00
30-Public Works	FACILITY MAINTENANCE WORKER	2.00	2.00	2.00
30-Public Works	FLEET SUPERVISOR	1.00	1.00	1.00
30-Public Works	GROUNDS SUPERVISOR	1.00	1.00	1.00
30-Public Works	LEAD CONSTRUCTION INSPECTOR	1.00	1.00	1.00
30-Public Works	LEAD FACILITIES MAINTENANCE WORKER	1.00	1.00	1.00
30-Public Works	MAINTENANCE I - PARKS & GROUND	13.00	12.00	13.00
30-Public Works	MAINTENANCE I - STREETS	7.00	7.00	7.00
30-Public Works	MAINTENANCE II - PARKS & GROUN	5.00	5.00	5.00
30-Public Works	MAINTENANCE II - STREETS	2.00	2.00	2.00
30-Public Works	MAINTENANCE III - PARKS & GROUND	-	1.00	1.00
30-Public Works	PRINCIPAL CIVIL ENGINEER	1.00	1.00	2.00
30-Public Works	PUBLIC WORKS DIRECTOR	1.00	1.00	1.00
30-Public Works	PUBLIC WORKS INSPECTOR	1.00	1.00	1.00
30-Public Works	PUBLIC WORKS MAINTENANCE II	1.00	1.00	1.00
30-Public Works	PUBLIC WORKS SUPERINTENDENT	1.00	1.00	1.00
30-Public Works	SPECIAL PROJECTS COORDINATOR	1.00	1.00	1.00
30-Public Works	STREET SWEEPER OPERATOR	2.00	2.00	2.00
30-Public Works	STREETS SUPERVISOR	1.00	1.00	1.00

Union City Position List		Fiscal Year		
Home Dept	PCN Title	FY25	FY26	FY27
30-Public Works	SUPERVISING CONST INSPECTOR	1.00	1.00	1.00
30-Public Works	TRANSIT ANALYST I	-	1.00	1.00
30-Public Works	TRANSIT ANALYST II	-	1.00	1.00
30-Public Works	TRANSIT COORDINATOR	1.00	1.00	1.00
30-Public Works	TRANSIT MANAGER	1.00	1.00	1.00
30-Public Works	VEHICLE EQUIP TECHNICIAN	1.00	1.00	1.00
30-Public Works	VEHICLE HEAVY EQUIP MECHANIC	2.00	2.00	2.00
30-Public Works Total		57.00	57.00	59.00
40-Economic & Comm Dev	ADMINISTRATIVE ASSISTANT II	1.00	1.00	1.00
40-Economic & Comm Dev	ADMINISTRATIVE ASSISTANT III	1.00	1.00	1.00
40-Economic & Comm Dev	ASSISTANT PLANNER	1.00	1.00	1.00
40-Economic & Comm Dev	ASSOCIATE PLANNER	1.00	1.00	1.00
40-Economic & Comm Dev	BUILDING PERMIT TECHNICIAN	1.00	2.00	2.00
40-Economic & Comm Dev	BUILDING PERMIT TECHNICIAN II	0.50	0.50	0.50
40-Economic & Comm Dev	BUILDING/CODE COMPLIANCE COORD	1.00	1.00	1.00
40-Economic & Comm Dev	BUILDING/CODE COMPLIANCE INSPE	1.00	1.00	1.00
40-Economic & Comm Dev	CHIEF BLDG OFF/SR PLANS EXAMIN	1.00	1.00	1.00
40-Economic & Comm Dev	COMMUNITY DEVELOPMENT TECH	0.50	0.50	0.50
40-Economic & Comm Dev	ECONOMIC & COMM DEV DIR	1.00	1.00	1.00
40-Economic & Comm Dev	ECONOMIC DEVELOPMENT COORDINAT	1.00	1.00	1.00
40-Economic & Comm Dev	ECONOMIC DEVELOPMENT MANAGER	1.00	1.00	1.00
40-Economic & Comm Dev	ENVIRONMENTAL PROG INSPECTOR	2.00	-	-
40-Economic & Comm Dev	ENVIRONMENTAL PROG INSPECTOR (SENIOR)	-	1.00	1.00
40-Economic & Comm Dev	ENVIRONMENTAL PROG TECHNICIAN	-	1.00	1.00
40-Economic & Comm Dev	ENVIRONMENTAL PROGRAMS MANAGER	1.00	1.00	1.00
40-Economic & Comm Dev	HOUSING & COMMUNITY DEVELOP MANAGER	1.00	1.00	1.00
40-Economic & Comm Dev	NEIGHBORHOOD PRESERVATION INSPECTOR	1.00	1.00	1.00
40-Economic & Comm Dev	PLANNING MANAGER	1.00	1.00	1.00
40-Economic & Comm Dev	SENIOR PLANNER	1.00	1.00	1.00
40-Economic & Comm Dev	SR BUILDING/CODE COMPLIANCE INSPE	1.00	1.00	1.00
40-Economic & Comm Dev Total		20.00	21.00	21.00
50-Community & Rec Svcs	ADMINISTRATIVE ASSISTANT II	4.00	4.00	4.00
50-Community & Rec Svcs	ADMINISTRATIVE ASSISTANT III	1.00	1.00	1.00
50-Community & Rec Svcs	CASE MANAGER	3.00	3.00	3.00
50-Community & Rec Svcs	CLINICAL SUPERVISOR	1.00	1.00	1.00
50-Community & Rec Svcs	COMMUNITY & RECREATION PROGRAM SPECIALI	2.00	2.00	2.00
50-Community & Rec Svcs	COMMUNITY SERVICES MANAGER	1.00	1.00	1.00
50-Community & Rec Svcs	CRS DIRECTOR	1.00	1.00	1.00
50-Community & Rec Svcs	CRS MANAGER	1.00	1.00	1.00
50-Community & Rec Svcs	FACILITIES MAINT ATTENDANT	0.50	0.50	0.50
50-Community & Rec Svcs	HOMELESS PROG COORDINATOR	1.00	1.00	1.00
50-Community & Rec Svcs	HOMELESS PROG OUTREACH WORKER	1.00	1.00	1.00
50-Community & Rec Svcs	INTERV COUNSELOR (PEG)	1.00	1.00	1.00
50-Community & Rec Svcs	INTERV COUNSLR (MEG)	1.00	1.00	1.00
50-Community & Rec Svcs	LEISURE SERVICES MAINT WORKER	1.00	1.00	1.00

Union City Position List		Fiscal Year		
Home Dept	PCN Title	FY25	FY26	FY27
50-Community & Rec Svcs	OFFICE SPECIALIST I	0.75	0.75	0.75
50-Community & Rec Svcs	OFFICE SPECIALIST II	0.50	0.50	0.50
50-Community & Rec Svcs	OFFICE SPECIALIST II (.5-Holly & .5-YFS)	1.00	1.00	1.00
50-Community & Rec Svcs	OFFICE SPECIALIST III	0.75	0.75	0.75
50-Community & Rec Svcs	PRESCHOOL SITE SUPERVISOR II	2.00	2.00	2.00
50-Community & Rec Svcs	PRESCHOOL SITE SUPV I	1.25	1.25	1.25
50-Community & Rec Svcs	PROGRAM COORDINATOR (SEIU-PT)	1.50	1.50	1.50
50-Community & Rec Svcs	RECREATION ADMINISTRATIVE TECH	1.00	1.00	1.00
50-Community & Rec Svcs	RECREATION PROGRAM COORDINATOR	4.00	4.00	4.00
50-Community & Rec Svcs	RECREATION SUPERVISOR	3.00	3.00	3.00
50-Community & Rec Svcs	SENIOR RECREATION SUPERVISOR	1.00	1.00	1.00
50-Community & Rec Svcs	YOUTH EMPLOYMENT COORD	1.00	1.00	1.00
50-Community & Rec Svcs	YOUTH SERVICES SPECIALIST	1.00	1.00	1.00
50-Community & Rec Svcs Total		38.25	38.25	38.25
Citywide Total		265.75	267.75	269.75

The proposed changes to staffing include:

- Convert to Business License Coordinator – From Finance Specialists III
- Add a Junior Accountant – Offset by reduced overtime and temporary staffing expenses
- Convert to HR Analyst II – From HR Analyst I (starting in FY27)
- Convert to two Community Services Aides – Offset by grant funds and reduced Police Cadet staffing
- Convert to Grounds Maintenance III – From Grounds Maintenance II
- Add Grounds Maintenance I – Starting in FY27
- Add Principal Civil Engineer – Starting in FY27
- Convert to Transit Analyst I – From Assistant Transit Planner
- Convert to Transit Analyst II – From Associate Transit Planner
- Convert to Senior Environmental Inspector – From Environmental Program Inspector
- Convert to Environmental Technician – From Environmental Program Inspector
- Add Building Technician – Offset by reduced contracted labor

Staff looked at the number of vacant positions (currently authorized, frozen, and proposed new), and Citywide, there are 38.5 FTE, making up \$4.1 million in salary expenses and \$5.7 million in total employee costs. For just the General Fund, there are 26.55 FTE, making up \$3.1 million in salary expenses and \$4.3 million in total employee costs.

FISCAL IMPACT

None.

RECOMMENDATION

Staff recommends that the City Council discuss the FY 2025-2026 & FY 2026-2027 General Fund revenues and expenditures trends and other financial information, and provide feedback to staff.

Prepared by

Jackie Acosta, Finance Director
Chu Thai, Accounting Manager

Submitted by

Jackie Acosta, Finance Director



Discussion of FY 2025-2026 & FY 2026-2027
General Fund Revenues and Expenditures,
Trends and Other Financial Information

April 29, 2025

| Executive Summary

- Discussion of General Fund revenues, expenditures, and financial trends
- Focus: Goal A - Financial Stability and Sustainability

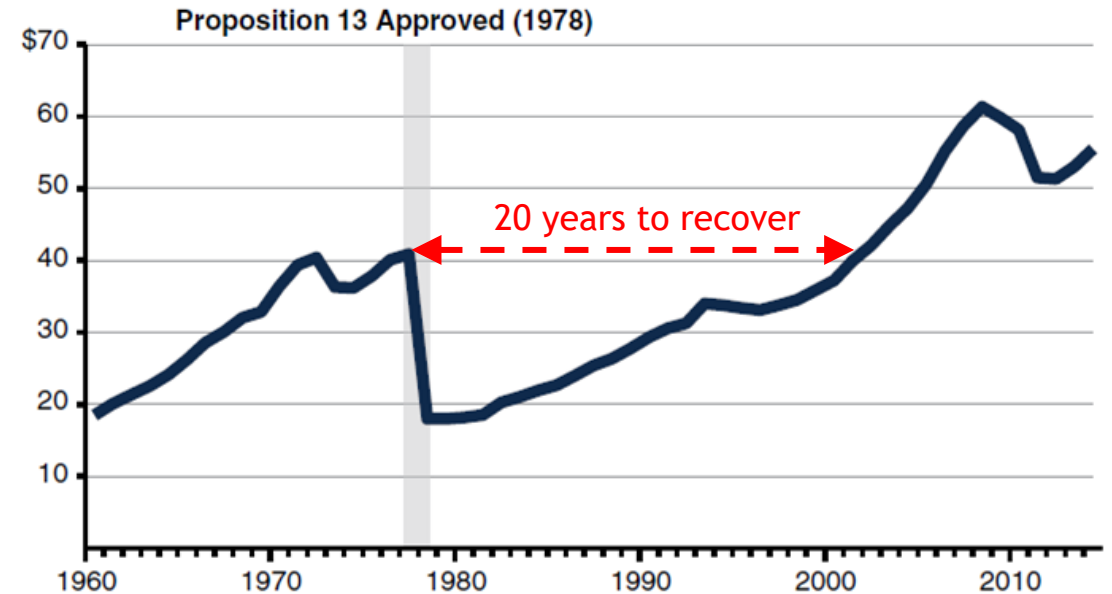
Proposition 13 Changed Municipal Finance

- Capped property tax rates at 1% of assessed value
- Assessed values cannot be increased more than 2% per year
- It took California cities 20 years to recover from the decreases in property tax revenues
- Cities rely on other taxes and sources of revenues

Figure 1

Local Government Revenue Dropped Immediately After Proposition 13

*Local Government Annual Property Tax
Revenue (In Billions, 2014-15 Dollars)*



Comparison of Per Capita Tax

- Union City has lowest Property Taxes Per Capita and 2nd Lowest Combined Taxes Per Capita

City	Population	Property Taxes	Property Taxes In Lieu of VLF	Sales & Use Taxes	TOT	Franchises	Business License Taxes	Utility Users' Taxes	Combined Taxes per Capita
Alameda	78,280	\$837	\$128	\$150	\$33	\$48	\$28	\$115	\$502
Albany	20,271	\$695	\$111	\$241	\$3	\$36	\$39	\$94	\$524
Berkeley	124,321	\$1,216	\$121	\$152	\$56	\$15	\$217	\$121	\$682
Dublin	72,589	\$661	\$112	\$360	\$17	\$82	\$2	\$-	\$574
Emeryville	12,905	\$459	\$83	\$665	\$349	\$174	\$747	\$262	\$2,279
Fremont	230,504	\$420	\$119	\$388	\$20	\$50	\$51	\$-	\$628
Hayward	162,954	\$417	\$111	\$390	\$16	\$68	\$19	\$106	\$710
Livermore	87,955	\$485	\$111	\$454	\$37	\$67	\$88	\$-	\$756
Newark	47,529	\$434	\$123	\$331	\$87	\$101	\$33	\$79	\$754
Oakland	440,646	\$1,132	\$132	\$136	\$48	\$46	\$230	\$131	\$723
Piedmont	11,270	\$1,969	\$131	\$33	\$-	\$51	\$57	\$108	\$380
Pleasanton	79,871	\$921	\$97	\$307	\$46	\$38	\$66	\$-	\$555
San Leandro	91,008	\$366	\$102	\$443	\$8	\$65	\$83	\$128	\$829
Union City	70,143	\$232	\$113	\$171	\$21	\$54	\$25	\$66	\$451

General Fund Revenues by Source

Revenue Sources (General Fund)	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Projected FY26 Year End	Projected FY27 Year End
Property Tax	19,888,365	21,115,479	22,107,500	22,993,800	23,912,100
Property Tax in lieu of VLF	8,472,448	9,035,866	9,477,000	9,846,400	10,241,300
Sales Tax - Bradley Burns	12,456,279	11,464,078	11,113,100	11,532,500	11,759,200
Sales Tax - Measure AA	7,174,437	6,918,301	6,506,400	6,605,000	6,736,000
Transient Occupancy Tax	1,832,773	1,545,226	1,590,200	1,637,900	1,687,000
Franchise Tax	5,825,882	6,386,526	6,561,600	6,741,900	6,931,400
Business License Tax	1,897,354	2,359,247	2,600,000	4,800,000	4,800,000
Real Property Transfer Tax	322,712	280,526	396,900	396,900	396,900
Utility Users' Tax	6,295,863	6,596,476	6,909,700	7,246,800	7,609,600
Cannabis Tax	688,917	586,986	578,700	596,100	614,000
Charges for Services	2,638,319	2,568,920	2,950,734	3,158,250	3,249,350
Licenses & Permits	2,977,876	3,740,793	3,566,900	4,737,800	7,271,000
Fines & Forfeitures	263,941	347,567	258,800	265,700	272,800
Intergovernmental Revenues	785,277	1,040,588	837,964	754,200	770,500
Investment & Rental Income	1,538,217	2,507,790	2,581,200	2,656,800	2,734,600
Miscellaneous Revenues	862,890	235,608	611,500	1,053,100	54,600
Proceeds from the Sale of Property	2,137	9,781	2,000	2,000	2,000
Transfers-In	7,049,913	818,000	818,000	318,000	318,000
TOTAL REVENUES	80,973,601	77,557,758	79,468,198	85,343,150	89,360,350

Property Tax Revenues

- Property taxes account for about 40% of all General Fund revenues
- Property tax of 1% is imposed on the assessed value of real property
- Estimating 4% annual increases
- Property Tax In Lieu of VLF started with the State Budget Act of 2004

Property Tax

FY19 Actual	16,268,752	
FY20 Actual	17,225,697	5.88%
FY21 Actual	17,589,175	2.11%
FY22 Actual	18,224,515	3.61%
FY23 Actual	19,888,365	9.13%
FY24 Draft	21,115,479	6.17%
FY25 Projected	22,107,500	4.70%
FY26 Projected	22,993,800	4.01%
FY27 Projected	23,912,100	3.99%

Property Tax in lieu of VLF

FY19 Actual	6,946,434	
FY20 Actual	7,288,199	4.92%
FY21 Actual	7,681,033	5.39%
FY22 Actual	7,894,566	2.78%
FY23 Actual	8,472,448	7.32%
FY24 Draft	9,035,866	6.65%
FY25 Projected	9,477,000	4.88%
FY26 Projected	9,846,400	3.90%
FY27 Projected	10,241,300	4.01%



| City Share of Total Property Tax Revenues

If two property owners in different cities each pay \$10,000 in property taxes:

- City of Berkeley keeps \$3,246
- City of Union City keeps \$1,600
- Fallout of Proposition 13, system is not fair

City	Population	City Share	City Property Tax Revenues	City Property Taxes In Lieu of VLF Revenues
Berkeley	124,321	32.46%	\$151,230,000	15,010,000
Piedmont	11,270	30.39%	22,200,000	1,480,000
Oakland	440,646	26.69%	499,030,000	58,290,000
Alameda	78,280	25.66%	65,500,000	10,050,000
Pleasanton	79,871	25.62%	73,570,000	7,750,000
Dublin	72,589	23.57%	47,950,000	8,150,000
Albany	20,271	19.43%	14,100,000	2,250,000
Livermore	87,955	18.00%	42,650,000	9,740,000
Emeryville	12,905	17.05%	5,920,000	1,080,000
Newark	47,529	16.77%	20,640,000	5,850,000
Hayward	162,954	16.19%	67,940,000	18,020,000
Union City	70,143	16.00%	16,270,000	7,890,000
Fremont	230,504	14.50%	96,850,000	27,340,000
San Leandro	91,008	11.79%	33,270,000	9,280,000

Sales Tax and Measure AA

- Bradley Burns: 1% per State Law
- Measure AA: additional 0.5% approved by Union City voters
- Recent analysis projects increases for FY26 & FY27
- Sales Tax and Measure AA account for 20% of total general fund revenues

Sales Tax - Bradley Burns

FY19 Actual	10,878,886	
FY20 Actual	9,989,135	-8.18%
FY21 Actual	10,851,824	8.64%
FY22 Actual	12,010,454	10.68%
FY23 Actual	12,456,279	3.71%
FY24 Draft	11,464,078	-7.97%
FY25 Projected	11,113,100	-3.06%
FY26 Projected	11,532,500	3.77%
FY27 Projected	11,759,200	1.97%

Sales Tax - Measure AA

FY19 Actual	5,491,347	
FY20 Actual	5,595,634	1.90%
FY21 Actual	6,249,677	11.69%
FY22 Actual	7,148,865	14.39%
FY23 Actual	7,174,437	0.36%
FY24 Draft	6,918,301	-3.57%
FY25 Projected	6,506,400	-5.95%
FY26 Projected	6,605,000	1.52%
FY27 Projected	6,736,000	1.98%

Business License Tax & Utility Users' Tax

- \$1.9 million has been the average revenue from Business License Tax
- \$2.4 million FY24 includes one-time enforcement
- Measure QQ: Project \$3 Million in additional Business Tax

Business License Tax

FY19 Actual	1,713,983	
FY20 Actual	1,851,849	8.04%
FY21 Actual	1,739,458	-6.07%
FY22 Actual	1,787,652	2.77%
FY23 Actual	1,897,354	6.14%
FY24 Draft	2,359,247	24.34%
FY25 Projected	2,600,000	10.20%
FY26 Projected	4,800,000	84.62%
FY27 Projected	4,800,000	0.00%

Utility Users' Tax

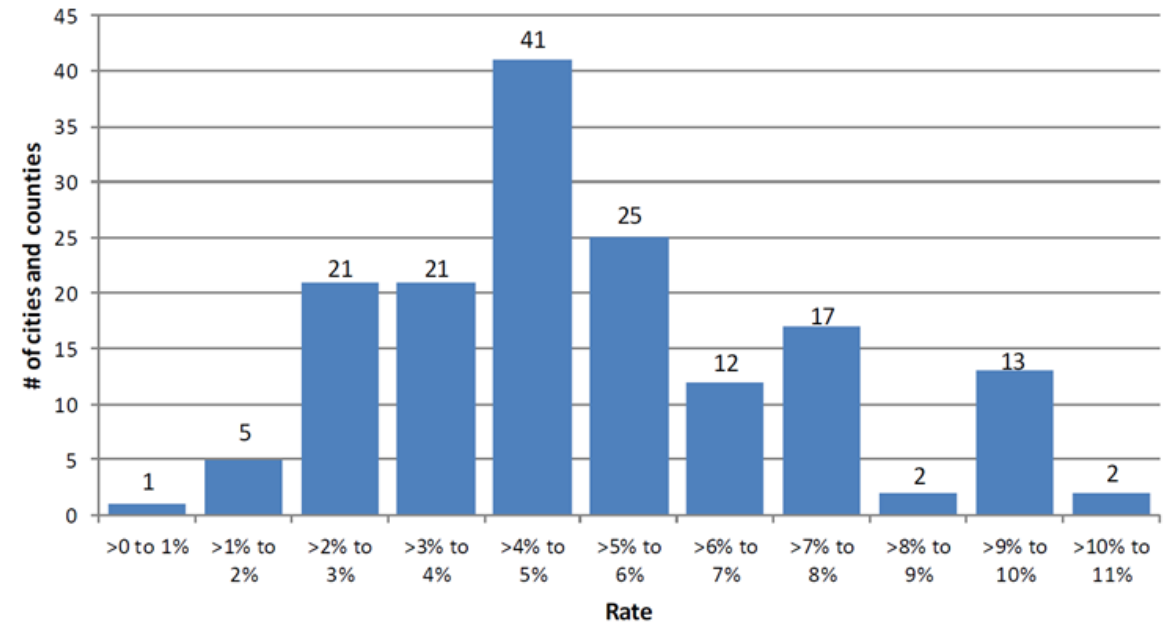
FY19 Actual	-	
FY20 Actual	-	
FY21 Actual	1,026,166	
FY22 Actual	5,285,251	415.05%
FY23 Actual	6,295,863	19.12%
FY24 Draft	6,596,476	4.77%
FY25 Projected	6,909,700	4.75%
FY26 Projected	7,246,800	4.88%
FY27 Projected	7,609,600	5.01%

Utility Users' Tax

- 5% rate expires on December 31, 2028
- 5.0% = \$6.9 million
7.5% = \$10.3 million potential?
- 7.5% is most common in Alameda County: Cities of Alameda, Berkeley, Oakland & Piedmont

California Utility User Tax Rates as of 1/1/2021

Cities (158), Counties (4) and Special District (1)



CaliforniaCityFinance.Com

Charges for Services, Licenses & Permits

- Comprehensive User Fee in FY26 to improve cost recovery
- Projecting greater fees and permits from anticipated development in FY27

Charges for Services

FY19 Actual	2,639,800	
FY20 Actual	3,320,884	25.80%
FY21 Actual	1,957,665	-41.05%
FY22 Actual	2,417,512	23.49%
FY23 Actual	2,638,319	9.13%
FY24 Draft	2,568,920	-2.63%
FY25 Projected	2,950,734	14.86%
FY26 Projected	3,158,250	7.03%
FY27 Projected	3,249,350	2.88%


















Licenses & Permits

FY19 Actual	2,713,908	
FY20 Actual	3,283,961	21.00%
FY21 Actual	2,586,183	-21.25%
FY22 Actual	3,086,088	19.33%
FY23 Actual	2,977,876	-3.51%
FY24 Draft	3,740,793	25.62%
FY25 Projected	3,566,900	-4.65%
FY26 Projected	4,737,800	32.83%
FY27 Projected	7,271,000	53.47%


















Investments, Fines & Forfeitures

- Fines & Forfeitures: Parking citations, Neighborhood Preservation citations, Fireworks citations. Reduction in FY25 is due to the temporary cessation of parking enforcement in the Station District

Investment & Rental Income

FY19 Actual		399,705	
FY20 Actual		536,213	 34.15%
FY21 Actual		592,162	 10.43%
FY22 Actual		700,669	 18.32%
FY23 Actual		1,538,217	 119.54%
FY24 Draft		2,507,790	 63.03%
FY25 Projected		2,581,200	 2.93%
FY26 Projected		2,656,800	 2.93%
FY27 Projected		2,734,600	 2.93%

Fines & Forfeitures

FY19 Actual		564,295	
FY20 Actual		340,971	 -39.58%
FY21 Actual		171,719	 -49.64%
FY22 Actual		213,191	 24.15%
FY23 Actual		263,941	 23.81%
FY24 Draft		347,567	 31.68%
FY25 Projected		258,800	 -25.54%
FY26 Projected		265,700	 2.67%
FY27 Projected		272,800	 2.67%

Miscellaneous Revenues & Transfers In

- Miscellaneous Revenues: One-Time reconciliation of demolition deposits in FY26
- Transfers in: Eliminating unjustified \$500,000 transfers in from Workers' Compensation Fund

Miscellaneous Revenues

FY19 Actual	1,298,103	
FY20 Actual	257,206	-80.19%
FY21 Actual	265,414	3.19%
FY22 Actual	751,179	183.02%
FY23 Actual	862,890	14.87%
FY24 Draft	235,608	-72.70%
FY25 Projected	611,500	159.54%
FY26 Projected	1,053,100	72.22%
FY27 Projected	54,600	-94.82%

Transfers-In

FY19 Actual	259,196	
FY20 Actual	1,266,773	388.73%
FY21 Actual	1,250,000	-1.32%
FY22 Actual	7,299,913	483.99%
FY23 Actual	7,049,913	-3.42%
FY24 Draft	818,000	-88.40%
FY25 Projected	818,000	0.00%
FY26 Projected	318,000	-61.12%
FY27 Projected	318,000	0.00%

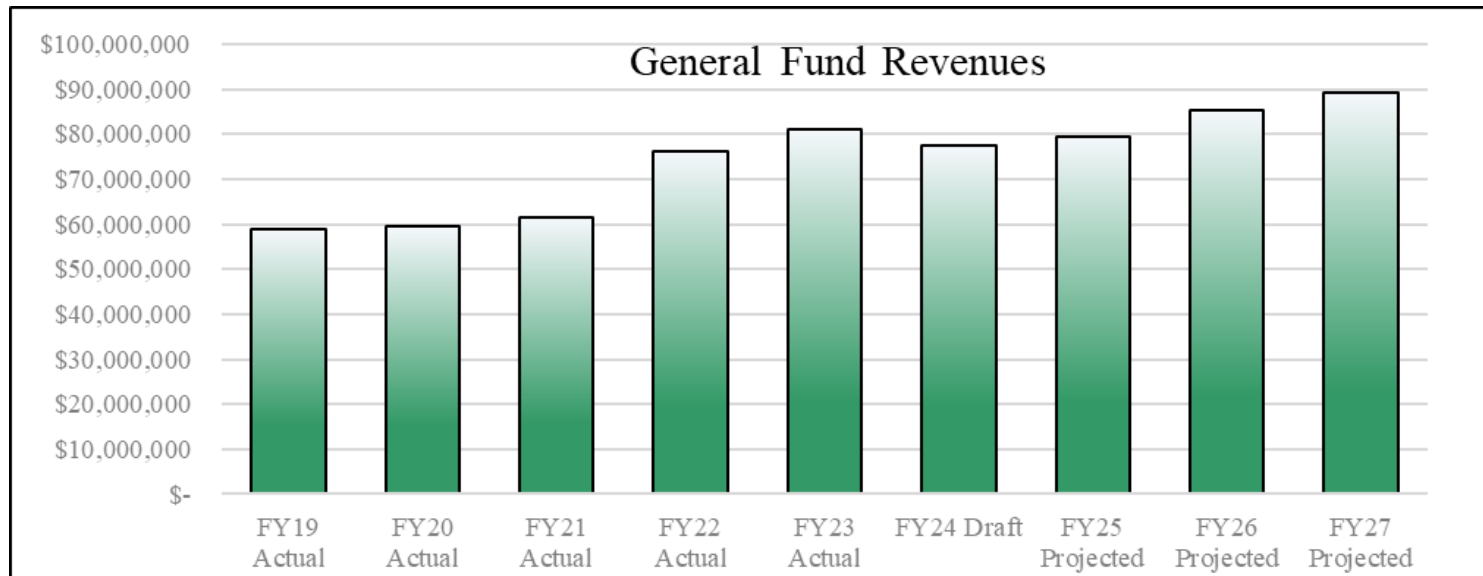
General Fund Revenue Summary

Revenue challenges:

- Volatility of sales taxes
- Development-dependent increases

Proposed strategy:

- Need to focus on other revenue sources
- Full implementation of Measure QQ



| General Fund Expenditure Overview

- FY26 Proposed of \$85.1 million and FY27 Proposed of \$88.9 million
 - ✓ Increase in MOU salaries and benefits
 - ✓ Budgeting of savings from vacant positions in FY26 & FY27
 - ✓ Increase in CalPERS UAL expenses
 - ✓ Increase in professional/consulting expenses
 - ✓ Increase in fire services contract
 - ✓ Decreasing workers' compensation charges
 - ✓ Increase in general liability charges
 - ✓ Purchases of additional vehicles for ECD and Police
 - ✓ Better categorized operating expenses from one-time expenses
 - ✓ Better categorized departmental expenses versus non-departmental expenses

General Fund Expenditures by Category

- Proposed FY26 Budget: Status Quo, still increasing expenses
- Proposed FY27 Budget: Additional staffing for development
- Services: Proposed FY26 & FY27 increasing due to increases in fire services contract, contractual services, professional services, and utilities

Expenditures By Category	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
5A-Salaries and Wages	24,827,092	27,864,147	26,888,090	29,563,212	30,569,218
5B-Employee Benefits	18,374,973	16,811,192	17,791,770	18,462,575	19,540,395
5C-Supplies	617,740	457,637	484,250	773,394	761,726
5D-Services	23,675,034	27,810,450	30,573,972	31,463,431	32,856,782
5F-Debt Service	-	-	-	-	-
5G-Lease Obligation	810,759	753,814	758,666	758,666	758,666
5i-Capital Assets	963,287	(16,494)	282,479	373,079	697,766
5J-Interest Non-Debt	-	-	-	-	-
5K-Other Expenses	-	-	-	-	-
5L-Transfer Out	1,480,900	4,959,796	4,159,561	3,674,834	3,756,916
4X-OthrFinancingSources	(217,658)	-	-	-	-
TOTAL EXPENDITURES	70,532,128	78,640,542	80,938,788	85,069,191	88,941,468

| General Fund Expenditures by Category

- Salaries and Wages:
 - ✓ Includes MOU increases, budgeting for vacant positions, and proposed new positions
- Employee Benefits:
 - ✓ FY23 CalPERS expenses of \$12.8 million decreased to \$3.9 million in FY24 because the City began accounting separately for the CalPERS UAL in FY24
 - ✓ CalPERS UAL – General Fund share of UAL cost is increasing from \$6.7 million in FY24, to \$8.3 million in FY25, to \$9.2 million in FY26, to \$9.7M in FY27 (Citywide UAL cost increasing from \$8.3 million in FY24, to \$9.9 million in FY25, to \$11.0 million in FY26, to \$11.5 million in FY27)
 - ✓ Health Insurance – Increasing due to MOU. FY26 & FY27 is high because we budget for vacant positions
 - ✓ Workers' Compensation – Reducing departmental charges to balance the FY26 & FY27 budget. Annual expenses are approximately \$2 million per year

| General Fund Expenditures by Category

- Supplies:
 - ✓ Reasonable expenses
- Services:
 - ✓ Alameda County Fire Department within Contractual Services: \$14.7 million in FY26 and \$15.2 million in FY27
 - ✓ Contractual Services – Largest line item: \$20 million per year including ACFD: \$2 million for ITS contracts, \$1.8 million dispatching contract, \$375,000 animal services and other PD contracts, \$300,000 building maintenance
 - ✓ Professional Consulting – Approximately \$3 million per year. \$610,000 building & safety contract, \$150,000 for planning support, \$280,000 accounting/revenue support, and \$400,000 for Facilities Master Plan (FY27),
 - ✓ Risk Management (ISF) – Charging departments for insurance costs to better capture full cost of program operations

| General Fund Expenditures by Category

- Other Expenses:
 - ✓ Other Capital Equipment – ITS larger (capitalized) equipment
 - ✓ Motor vehicles – Two Police motorcycle and Neighborhood Preservation Specialist vehicles in FY26 and \$200,000 set-aside for fire apparatus in FY27
 - ✓ Capital Lease – Approximately \$760,000 per year for network infrastructure, a fire truck and energy conservation/efficiency projects.
 - ✓ Transfers Out – \$2 million for Pension Obligation Debt Service, \$875,000 per Retiree Medical Expense agreements, \$750,000 LLAD fund support and \$70,000 for PBID fund support

General Fund Expenditures by Department

Expenditures By Department	FY23 Actual	Draft FY24 Year End	Projected FY25 Year End	Draft Proposed FY26 Budget	Draft Proposed FY27 Budget
00-Non-Departmental	1,480,900	2,779,753	969,491	(605,000)	(605,000)
11-City Council	361,611	654,065	533,540	874,384	700,357
12-City Manager's Office	1,572,893	1,992,961	2,266,183	2,097,683	2,531,971
13-City Attorney	589,477	623,108	659,205	659,205	659,205
14-City Clerk	699,823	240,825	572,690	383,636	628,923
15-Finance	4,241,309	6,125,728	4,967,998	3,412,107	3,431,941
16-Human Resources	1,061,205	1,062,851	1,114,990	1,195,202	1,231,050
17-Information Technology	3,332,007	4,479,845	4,749,705	5,341,485	5,453,306
21-Police	31,444,150	31,017,509	32,384,502	37,581,486	39,057,550
22-Fire	11,754,973	13,183,717	13,881,678	14,705,167	15,168,707
30-Public Works	4,585,877	4,859,834	4,870,975	5,473,873	6,015,665
40-Economic & Comm Dev	3,478,549	4,069,160	4,543,475	5,576,510	5,731,587
50-Community & Rec Svcs	4,181,251	4,607,644	4,647,318	5,634,953	5,678,723
60-Debt Svcs Programs	-	2,180,043	3,190,070	1,979,834	2,061,916
70-RDA/SA Projects	93	-	-	-	-
80-Citywide Programs (Non-PW)	992,853	(217,799)	388,041	329,161	766,061
90-Capital Projects (PW)	755,159	981,297	1,198,927	429,505	429,505
TOTAL EXPENDITURES	70,532,128	78,640,542	80,938,788	85,069,191	88,941,468

| General Fund Expenditures by Department

- 00: Non-Department Expenses:
 - ✓ Transfers Out – \$1,695,000 (plus \$1,979,834 for POB in Department 60-Debt Service Program). Negative \$2,300,000 for anticipated salary savings
- 11: City Council:
 - ✓ \$160,000 for City Council Retreat and Team Building, Strategic Plan and Townsend Public Relations Consulting
 - ✓ \$71,000 for US Conference of Mayors, ABAG, Alameda County Mayors Conference, LCC, NLC, East Bay EDA, Cal Cities Caucus Memberships (NALO, APAMO, etc.), Sister Cities International
 - ✓ Community Relations – \$160,000 for polling/survey and consulting
 - ✓ Proposed Commission program budgets will move to respective departments

| General Fund Expenditures by Department

- 12: City Manager's Office:
 - ✓ Professional Consulting – \$165,000 in FY26 for Baker Tilly, Financial Modeling, and Program Policy Consulting. Additional \$400,000 in FY27 for Facilities Master Plan (\$565,000 total for FY27)
- 13: City Attorney:
 - ✓ Approximately \$659,000 per year
- 14: City Clerk:
 - ✓ Approximately \$384,000 for FY26 and \$629,000 in FY27 which includes election expenses (\$250,000)

| General Fund Expenditures by Department

- 15: Finance:
 - ✓ Risk Management Program – Converted \$1.9 million transfers out to risk management expenses within various funds/programs
 - ✓ Increased contract services to implement and enforce new business tax rates of Measure QQ
 - ✓ Proposed new Junior Accountant offset by savings in overtime and temporary staffing.
 - ✓ Proposed converting to Business License Coordinator (from Finance Specialist III) to improve operational efficiency and service delivery of Revenue Program

- 16: Human Resources:
 - ✓ Propose converting to HR II from HR Analyst I (in FY27)

| General Fund Expenditures by Department

- 17: Information Technology Services:
 - ✓ Propose no changes
- 21: Police:
 - ✓ Propose converting to two Community Services Aides, offset by grant funds and reduced Police Cadet staffing
 - ✓ Budget will memorialize frozen Police Officer positions
- 25: Fire:
 - ✓ \$11.7 million in FY23
 - ✓ \$13.2 million in FY24
 - ✓ \$13.9 million in FY25
 - ✓ \$14.7 million in FY26
 - ✓ \$15.2 million in FY27

| General Fund Expenditures by Department

- 30: Public Works:
 - ✓ Propose converting to Maintenance Worker III for better service management
 - ✓ Propose adding Maintenance Worker I in Ground Maintenance in FY27
 - ✓ Propose adding Principal Civil Engineer in FY27
- 40: Economic & Community Development:
 - ✓ Propose adding second Building Permit Technician, offset by reduced contract staffing
 - ✓ Possible loss of CDBG funds due to Federal policies will affect the City's General Fund

| General Fund Expenditures by Department

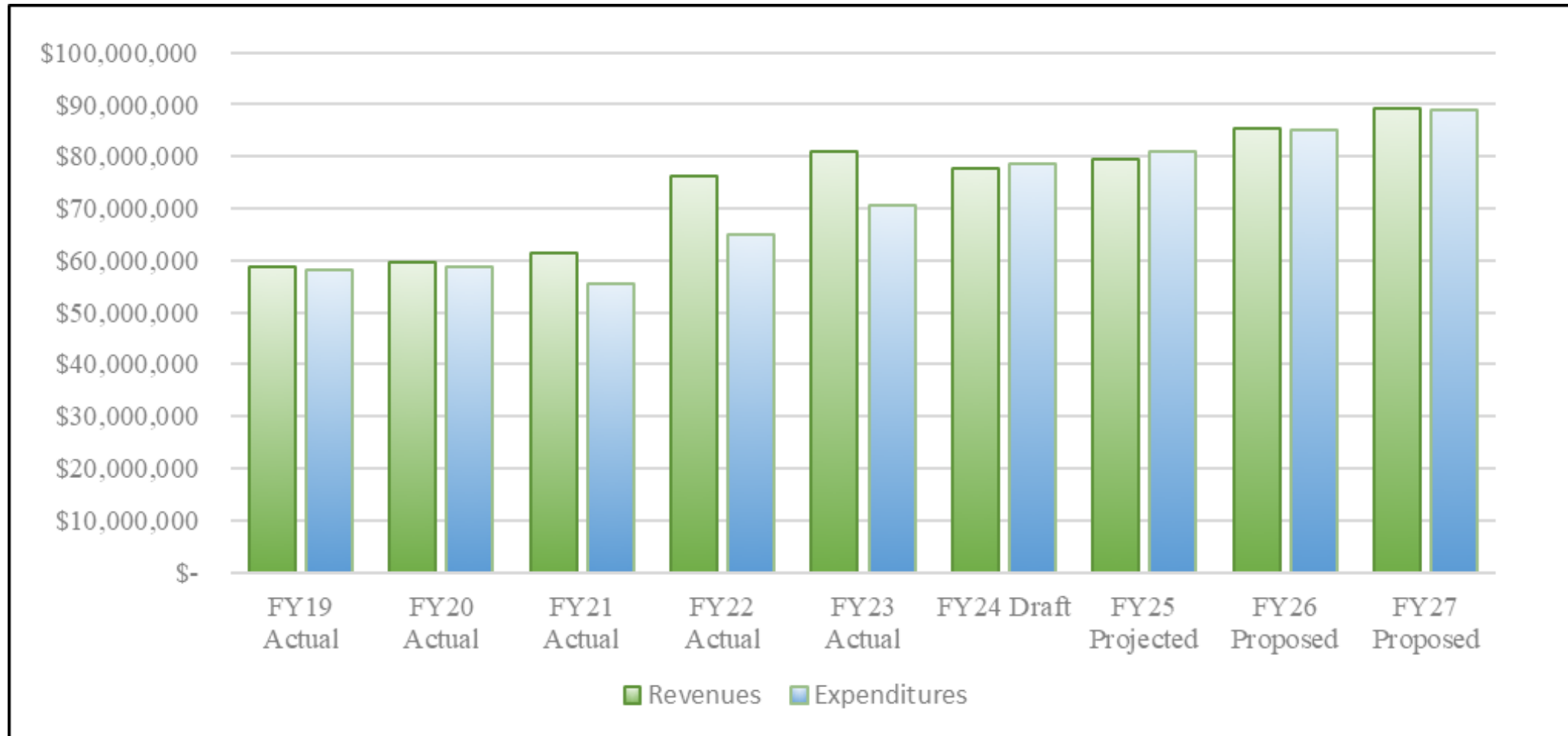
- 50: Community & Recreation Services:
 - ✓ Proposes no significant changes. Federal policies may affect CRS programs and the General Fund
- 60: Debt Services:
 - ✓ \$1,979,834 in FY26 and \$2,061,916 in FY27 to pay for General Fund's share of Pension Obligation Bond expenses
- 80: Citywide Program (Non-CIP):
 - ✓ FY26 - \$329,000 for network and fire truck lease payments
 - ✓ FY27 – Lease payments plus \$200,000 Public Works ticketing system, \$37,000 for ARC & Substation replacement furnishings and \$200,000 for fire apparatus set aside

| General Fund Expenditures by Department

- 90: Capital Improvement Program:
 - ✓ Approximately \$430,000 per year for Debt Service expenses on Energy Conservation and Energy Efficiency projects
 - ✓ Ideally, General Fund should budget or transfer out

General Fund Revenues and Expenditures

- Surplus/Deficit margin of -2% to 2% each year (excluding FY21 to FY23)





| Position List (Benefited Positions Only)

Union City Position List Home Dept	Fiscal Year		
	FY25	FY26	FY27
11-City Council	5.00	5.00	5.00
12-City Manager's Office	8.00	8.00	8.00
14-City Clerk	1.00	1.00	1.00
15-Finance	13.00	14.00	14.00
16-Human Resources	4.50	4.50	4.50
17-Information Technology	9.50	9.50	9.50
21-Police	109.50	109.50	109.50
30-Public Works	57.00	57.00	59.00
40-Economic & Comm Dev	20.00	21.00	21.00
50-Community & Rec Svcs	38.25	38.25	38.25
Citywide Total	265.75	267.75	269.75

| Proposed Staffing Changes

- Convert to Business License Coordinator – From Finance Specialists III
- Add a Junior Accountant – Offset by reduced overtime and temporary staffing expenses
- Convert to HR Analyst II – From HR Analyst I (starting in FY27)
- Convert to two Community Services Aides – Offset by grant funds and reduced Police Cadet staffing
- Convert to Grounds Maintenance III – From Grounds Maintenance I/II
- Add Grounds Maintenance I – Starting in FY27
- Add Principal Civil Engineer – Starting in FY27

| Proposed Staffing Changes (continued)

- Convert to Transit Analyst I – From Assistant Transit Planner
- Convert to Transit Analyst II – From Associate Transit Planner
- Convert to Senior Environmental Inspector – From Environmental Program Inspector
- Convert to Environmental Technician – From Environmental Program Inspector
- Add Building Permit Technician – Offset by reduced contracted labor

| Vacant Positions

- Currently authorized, frozen and proposed new positions
- All Funds – 38.5 FTE, \$4.1 million in salaries & \$5.7 million in total employee expenses
- General Fund Only – 26.55 FTE, \$3.1 million in salaries and \$4.3 million in total employee expenses
- Assumed \$2.3 million in anticipated salary savings for each fiscal year of proposed budget

| Key Takeaway:

- Stable property tax growth ensures some financial predictability, but not enough
- Need to focus on other revenue sources
- Projecting revenues to meet expenditure requirements
- Budget lacks capital maintenance and replacement
- Stagnant revenue growth is not enough to cover status quo expenditure budget

| Questions, Discussion & Recommendation:

- Tuesday, May 13, 2025, presentation of other major funds operating budgets
- Tuesday, May 20, 2025, presentation of Capital Improvement Program
- Staff is available to answer questions from the City Council
- Recommendation: Provide staff with feedback