

RESOLUTION 2026-###

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO APPROVING THE MID-YEAR BUDGET AMENDMENT TO THE BIENNIAL 2024-2026 YEAR-2 ADOPTED BUDGET FOR FISCAL YEAR 2025-26 TOTALING \$2,858,817

WHEREAS, the City of San Pablo adopted the FY 2024–26 Biennial Budget via Resolution 2024-064 on May 20, 2024, establishing the City’s two-year financial plan;

WHEREAS, once the budget is approved, City staff continue to routinely monitor revenue and expenditure performance and recommends adjustments to ensure alignment with operational needs and updated financial projections;

WHEREAS, budget amendments are in response to updated revenue and expenditure projections;

WHEREAS, the City Council approves budget amendments as part of the Mid-year or Mid-cycle reporting process;

WHEREAS, on August 4, 2025, the City Council adopted Resolution 2025-104, approving a 2024-26 Biennial Budget Mid-Cycle Amendment totaling \$593,508, incorporating updated revenue estimates, contract cost increases, telecommunications service adjustments, and Special Revenue Fund spending needs;

WHEREAS, the current FY 2025–26 Mid-Year Budget update builds upon these earlier adjustments and reflects updated revenue and expenditure trends through the midpoint of the 2025-26 Fiscal Year, and addresses projected revenue and expenditure shortfalls identified in Finance Department staff’s FY 2025-26 fiscal analysis;

WHEREAS, the net fiscal impact totals (\$2,858,817), comprised of a total revenue decrease of (\$1,171,729), and a total expenditure increase of \$1,687,088 representing an increase over the adopted budget;

WHEREAS, the City Council approved a \$5 million 2024-26 Biennial Budget Short-Fall appropriation via Resolution 2024-064 to allow the City Manager to utilize General Fund Designated Reserve (GFDR) funds for any potential revenue short-falls and increased operational expenses throughout the FY 2024-26 Biennial Budget Cycle;

WHEREAS, the Finance Department staff recommend not to utilize the \$5 million General Fund Designated Reserves (GFDR) fund allocation for the projected FY 2025-26 Budget Short-Fall adopted via Resolution 2024-064, as the GFDR fund allocations have not been utilized throughout the FY 2024-26 Biennial Budget Cycle, and the recommendation is to retain these GFDR reserve funds for other unexpected impacts for the remainder of the 2025-26 Fiscal Year;

WHEREAS, the Finance Department is recommending the FY 2025-26 Budget Amendment from the City's Fiscal Resiliency Reserves and OPEB Retiree Health Fund for the projected revenue reductions and expenditure increases for FY 2025-26; as follows:

Fund	Description	From Account #	To Account #	FY 2025-26 Budget Amendment
103	Sales Tax Revenue Sustainability Reserve	103-0000-49999	100-0000-31610	\$270,842
104	General Liability Sustainability Reserve	104-0000-49999	100-0000-31300	\$538,829
105	Pension (CalPERS) Liability Sustainability Reserve	105-0000-49999	100-1430-41201	\$496,355
180	Casino Revenue Sustainability Reserve	180-0000-49999	100-0000-31610	\$900,887
610	OPEB Trust Fund Transfer Out	610-0000-39999	610-0000-49999	\$550,000
100	General Fund OPEB Transfer In	100-0000-49999	610-0000-39999	(\$550,000)
610	OPEB Trust Fund: Retiree Health	610-0000-49999	610-0000-41311	\$651,904
	Total:			\$2,858,817

NOW, THEREFORE, BE IT RESOLVED that the foregoing recitations are true and correct and are included herein by reference as findings; and

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo hereby approves a Mid-year amendment to the Biennial 2024-2026 Year-2 adopted budget for Fiscal Year 2025-26 as set forth in this Resolution and increases appropriations by \$2,858,817.

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ADOPTED this 16 day of March, 2026, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

ATTEST:

APPROVED:

Dorothy Gantt, City Clerk

Elizabeth Pabon Alvarado, Mayor