



CITY OF ALBANY BIENNIAL BUDGET

FY 2025/26 AND FY 2026/27

1000 San Pablo Avenue, Albany, CA 94706
510.528.5710
cityhall@albanyca.gov
www.albanyca.gov

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INTRODUCTION



City Council Strategic Plan

The City Council for the City of Albany, California typically meets every two years to review and update a two-year Strategic Plan that identifies priority goals of the City Council. The Strategic Plan is also utilized to inform budget development and implementation for the upcoming biennial budget cycle. In 2025, the City Council met on February 25th to review accomplishments from the prior Strategic Plan and identify goals and objectives for the upcoming Plan. The 2025–2027 Strategic Plan was adopted on March 17, 2025, and provided the framework for development of the FY 2025/26 and FY 2026/27 proposed Budgets.

The City's Mission Statement is: ***Albany is dedicated to providing a healthy, safe, and accessible city that serves our diverse community.***

The Strategic Plan Goals are:



GOAL 7
REDUCE GREENHOUSE GAS POLLUTION
AND ADAPT TO CLIMATE CHANGE



GOAL 2
PROMOTE HOUSING AVAILABILITY & QUALITY



GOAL 3
PROMOTE STREETS THAT SUPPORT SAFETY,
TRANSPORTATION & MOBILITY OPTIONS



GOAL 4
ENCOURAGE COMMUNITY CONNECTIVITY
THROUGH DIVERSITY, EQUITY & INCLUSION



GOAL 5
INCREASE REVENUE & ECONOMIC
DEVELOPMENT TO SUSTAIN CITY SERVICES



GOAL 6
INCREASE PUBLIC HEALTH, SAFETY &
RESILIENCY

City Manager's Budget Message

Honorable Mayor and City Councilmembers,

I am pleased to present to you the City of Albany's proposed operating budgets for FY 2025/26 and FY 2026/27. They are the result of a detailed process of reviewing existing budgets, city services and programs to serve our community. Of particular note is that for the first time in several years, the proposed budget for FY 2025/26 is balanced as a result of the deliberate work to keep expenditures within existing resources. In addition, the proposed budget was developed with careful consideration of fiscal sustainability and planning for the future, and in alignment with the City Council's Strategic Plan.

Strategic Priorities and Themes

The City Council has adopted a Strategic Plan for the period of April 2025 – March 2027 which identifies the City's priorities beyond the day-to-day essential local government core services. Each of the City Council's Strategic Goals are listed below with updates on recent activities supporting each goal.

Reduce Greenhouse Gas Pollution and Adapt to Climate Change

Climate adaptation is crucial because it helps to reduce the harmful impacts of climate change on people and ecosystems. It involves adjusting to the changing climate and its effects, such as extreme weather, rising sea levels, and changes in food and water resources. By taking proactive measures, we can aim to enhance resilience and minimize the risks associated with a changing climate.

The City of Albany has a strong track record of climate action, including adopting a Climate Action and Adaptation Plan (CAAP) in 2019, which aims for 70% greenhouse gas (GHG) reductions by 2035 and net zero emissions by 2045. Several initiatives have been accomplished over the years to reduce greenhouse gases. Additionally, the city has been actively implementing new measures to reduce emissions, such as providing rebates for heat pump HVAC conversions, promoting sustainable foodware practices, promoting alternative modes of transportation through both bicycle and pedestrian infrastructure improvements citywide, incentivizing electrification of buildings, and working toward further electrification opportunities. In addition, several habitat restoration projects are underway including creek restoration, Albany Hill restoration, and other open space enhancement projects.

The work of climate action and adaptation is a cross-departmental priority, utilizing a minimum of six staff across multiple departments working on a variety of innovative projects to help achieve the City's CAAP goals and reduce greenhouse gas pollution.

Key Actions and Initiatives:

Climate Action and Adaptation Plan (CAAP): Adopted in 2019, the CAAP sets ambitious goals for reducing GHG emissions and transitioning to a carbon-free future.

Gasline Decommissioning Pilot: Project to engage with residents on several blocks to assess feasibility and lay the groundwork for fully electrifying a block and decommissioning the gasline serving that block.

Emissions Reduction Efforts: The City is actively working to reduce emissions through various measures, including incentivizing electric vehicle charging in multi-family properties, increasing the application of compost on city recreation fields, and supporting alternative modes of transportation to private automobiles.

Equipment Electrification: Ongoing efforts to swap out gas-powered maintenance equipment with equivalent and effective electric models as funding permits. Completed upgrades include battery-electric landscaping equipment and an electric riding lawnmower.

Buildings and Facilities Electrification: Ongoing efforts to replace building infrastructure items that are at end-of-life with equivalent and effective electric models as funding permits. Completed upgrades include heat pump electric water heaters in multiple City facilities.

Specific examples of Climate Action programs include:

- **Rebates for Heat Pump HVAC Conversions:** The City has provided rebates to households, including low-income households, to help them switch to more energy-efficient HVAC systems.
- **Sustainable Foodware Ordinance:** This ordinance aims to reduce plastic waste in restaurants by requiring the use of more sustainable foodware.
- **Street Tree Management Plan:** The City is actively working to expand and manage its urban tree canopy to help reduce carbon emissions and improve air quality.

Promote Housing Availability and Quality

The City is committed to and continues to move forward with policies and programs to promote housing availability and quality. Updates to the Accessory Dwelling Unit (ADU) and the zoning density bonus standards in the Planning and Zoning Code have been adopted resulting in the reduction of regulatory barriers to the production of new housing. The City has launched a Pre-approved ADU Program to facilitate the construction of new ADUs through a streamlined permitting process, and an ADU Amnesty Program to legalize the existence of unpermitted ADUs. Additionally, an informational handout and permitting process has been established to promote housing production through Senate Bill (SB) 9 applications, which allow single-family lots to be subdivision and developed with up to four dwelling units.

Rent review and landlord/tenant counseling continue to be provided via ECHO Housing on behalf of the City. Outreach on this program is ongoing. Nearly 70 landlords and tenants are assisted annually regarding housing issues, with the majority referred to ECHO Housing for direct services. The City entered into contract with an outside consultant to investigate tenant complaints and conduct health and safety inspections pursuant to State laws Assembly Bill (AB) 838 and AB 548 in multi-unit tenant rental units. Additional work is underway to further protect tenants and support housing providers in coordination with the City's Housing Advisory Committee, which is now fully seated and meeting monthly.

Information is regularly provided to seniors, families and other residents about the affordable housing process in the Bay Area. Referrals by the City to community-based organizations that specialize in affordable housing and a variety of related issues are ongoing.

To maintain the quality of existing housing stock and the safety of residents, the City proactively launched an information and outreach campaign to Homeowners Associations and to property owners of multi-tenant buildings to ensure required inspection and necessary repairs of exterior, elevated balconies, decks, and stairs are initiated and completed.

Promote Streets that Support Safety, Transportation and Mobility Options

An update is underway to the City's Active Transportation Plan with the most recent discussion at the City Council meeting on May 5, 2025, with an anticipated completion date by the end of 2025.

This area also includes planning, design, and construction of capital projects to implement the Active Transportation Plan and maintain mobility infrastructure throughout the city. Roadway programs also include traffic calming, intersection daylighting, and managing on-street parking including residential accessible parking designations in accordance with Council policies. The city also supports safety programs including School Crossing Guards and bike safety education in elementary schools.

Active Transportation Capital Improvements include:

- Completed: Masonic Intersections/Ohlone Trail Safety Improvements, Codornices Creek Improvements Phase IV, San Pablo Pedestrian Improvements Phase I, Citywide Traffic Calming & ATP Improvements Project, Lower Solano Curb Ramps, multiple Phases of the Sidewalk Program, Streetlighting Evaluation, Kains/Adams Pilot Bike Boulevard.
- In Progress & Planned: Active Transportation Plan Update, Marin Pavement & Curb Ramp Rehabilitation Phase 2, Cleveland Bikeway, Partner projects with Alameda CTC (San Pablo Pedestrian Improvements Phase II and Jackson Bikeway Phase 2), Pierce-Cleveland Bikeway Connection.

The Paratransit Program transports seniors and adults 18+ with a disability to local businesses. Many participate in the weekly program. The Senior Shuttle also takes seniors on a variety of trips. In 2024, the Senior Center completed 1,460 one-way trips helping seniors stay active.

An evaluation of the streetlighting system was completed in February 2024. Analysis included a GIS inventory of the existing streetlighting system, specifications for the types of luminaries used in Albany and recommendations for improvements at critical intersections, near schools, and along bikeways and priority sidewalks. Replacement of failed/failing streetlights using the new specifications is underway, and additional improvements will be incorporated into the upcoming Capital Improvement Plan projects.

Measure C “Safe and Accessible Sidewalks & Pathways Special Tax” was approved by the voters at the November 2024 election – with more than 70% YES votes. The scope of funding is expanded to include established bike and pedestrian pathways and fund a broader range of operations tasks.

Encourage Community Connectivity through Diversity, Equity and Inclusion

Community connectivity has been promoted through several events including a Community Expo in April, Movie in the Park in May, Boheme out of the Box in June, 4th of July in the Park, Concerts in the Park in August/September, and Winter Wonderland in December.

To increase accessibility and enhance communication to residents on City resources and information, a Community Expo was held featuring 52 local nonprofits and city departments to help facilitate community building. We have also included a City information booth at several community events.

The City increased outreach through Albany CARES and Community Center programs. Information distribution on city programs and services provided via multiple channels – electronic, flyers, mailers, banners, posters, other service organizations and in person. We also worked to develop a new and enhanced city website that went “live” in April 2025.

The City continued a program to promote and assist with enrollment in programs for tax exemptions/rebates for low-income households. The number of recipients has increased from 122 in 2022 to 201 in 2024.

Increase Revenue and Economic Development to Sustain City Services

Measure C, “Safe and Accessible Sidewalks and Pathways Special Parcel Tax” was approved by voters at the November 2024 election. Staff also is reviewing additional revenue opportunities for consideration including but not limited to a review of the City’s business license tax, funding for infrastructure improvements and maintenance, and other revenues to help further support the overall general fund to sustain city services going forward.

Program support funding was secured from outside sources including Stopwaste.org and ACTC. In addition, the ongoing Memorandum of Understanding (MOU) with University of California, Berkeley is providing \$400,000 per year to support operating costs and \$200,000 per year to support emergency response equipment costs.

Increase Public Health, Safety and Resiliency

To enhance code enforcement capabilities, a consultant has been retained to prepare a comprehensive update to the City’s administrative citation procedures and assist with further program development. Code enforcement work is ongoing to several priority locations thought the city and is oftentimes conducted in coordination with legal counsel.

An updated Emergency Operations Plan was adopted by the City Council in October 2024. In addition, revisions are underway to the City’s Local Hazard Mitigation Plan in response to feedback from the California Office of Emergency Services and recently released FEMA guidance. Completion is expected in spring 2025.

Training to further enhance emergency preparedness and resiliency is ongoing, including development of scenario-based training exercises that will be conducted in 2025. Recent events including the Tsunami emergency alert have provided additional exposure and learning opportunities across departments. The City is also continuing to invest in community readiness capabilities through an ongoing partnership with CERT Inc and the City’s CERT training program.

A mandatory seismic retrofit ordinance was adopted in 2023. Implementation is currently underway with the first tier of retrofits to be completed in late 2025.

Operating Budget Overview

The City’s Operating Budget is a financial plan outlining how the City will spend its resources on the day-to-day operations and services for a specific fiscal year (July 1 to June 30). It covers all departmental operations and includes expenditures like personnel costs, contracts, supplies, equipment and other regular expenditures.

For the first time in several years, the proposed budget for FY 2025/26 is balanced, planning for no deficit in City operations. Achieving this balance has required deep analysis of City revenues and programs and a commitment on the part of all departments to tightly manage their costs while maintaining high quality services to the Albany community.

Capital Budget Planning

The City’s Five-Year Capital Improvement Program (CIP) budget is separately presented to the City Council for approval, although linked to operating programs and driven by the same strategic priorities as the

operating budget. In addition, the staffing costs required for implementation of the CIP are primarily included within the operating budget. CIP Projects are prioritized to comply with regulatory mandates for infrastructure standards, and projects also aim to help achieve the City Council's Strategic Plan goals. The CIP generally includes the following programmatic areas: Buildings & Facilities; Parks, Creeks, & Open Space; Public Right-of-Way; Utilities (which will be Sewer & Storm Drain); and Other. Formal approval of the CIP and appropriations authority for the initial years is expected to be brought to the City Council in July 2025.

Economic Outlook and Upcoming Financial Challenges

Domestic and Global Economic Uncertainty

The most common refrain recently when discussing the economy has been uncertainty. Many of these uncertainties flow from changes in federal policy under the new administration resulting in ripple effects in financial markets, inflation, and business and consumer confidence.

Closure of Golden Gate Fields

In June 2024, Golden Gate Fields closed ending a long history for the racing track. The closure has resulted in a loss of sales tax and race tax revenues for the City. That loss which began in FY 2024/25 continues going forward resulting in an ongoing loss of revenue. In addition to the sales and race tax revenues, Golden Gate Fields is a source of property tax revenue for the City, both for general *ad valorem* property taxes, but also for the special property taxes and assessments that help fund City operations. The ultimate disposition of that property could affect those tax revenues. For example, if the property is sold to a public entity, the City could face the loss of several hundred thousand dollars in General Fund revenue and nearly \$800,000 in special purpose revenues.

Growing Pension Liabilities

The City of Albany contracts with the California Public Employees Retirement System (CalPERS) for employee pensions. CalPERS regularly calculates the amount needed to pay future benefits for contracted employees and charges the City (as well as receiving employee contributions) to fund these costs.

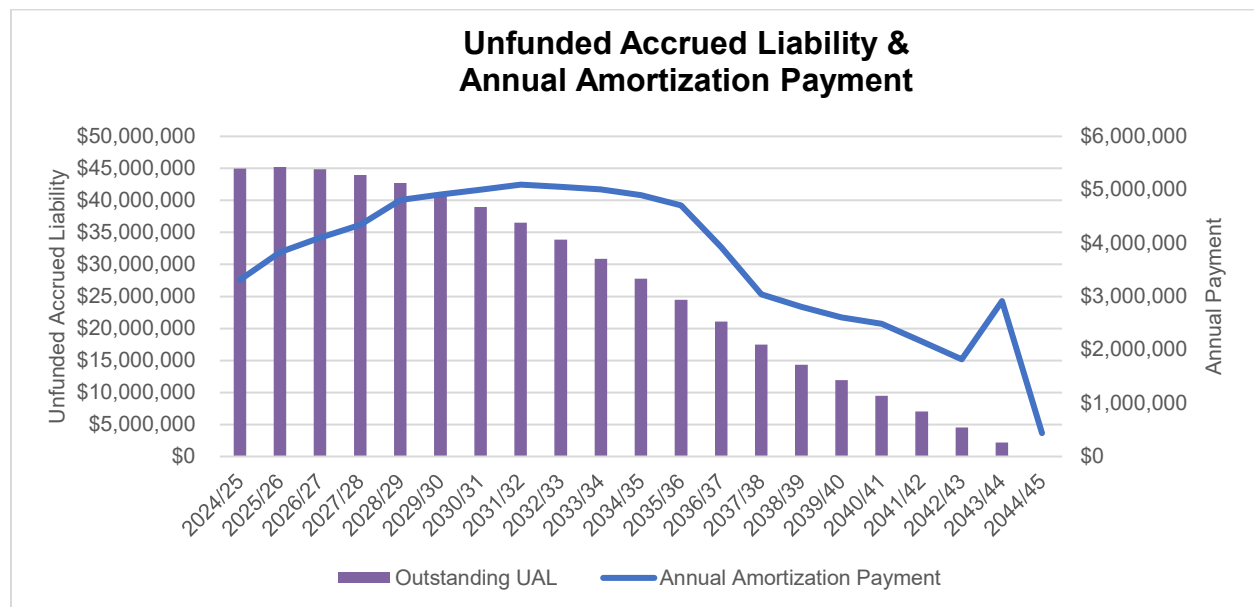
Pension costs are a significant component of Albany's budget and warrant attention as they will continue to increase more quickly than average revenue growth over the next several years. There are several factors that affect pension costs. One of the most significant is the overall health of the economy and performance of the investment markets. The current economic climate can be best described as uncertain, with significant economic headwinds increasing market unpredictability and potentially resulting in market losses for CalPERS which will further increase the City's cost for pension funding.

Pension costs are made up of two components. The first, referred to as the "normal cost" is the percentage of payroll that the City contributes, along with employee contributions, toward the cost of employee pensions. The second component of pension costs is the Unfunded Accrued Liability (UAL). A UAL occurs when current pension plan assets are not projected to be sufficient to pay total pension costs in future years; this can result from investment outcomes that are different than those assumed, from changes in plan design or other assumptions. The City's UAL has fluctuated in the past couple of years, mainly due to CalPERS' annual investment returns but overall has been increasing steadily.

As of June 30, 2023, the City's UAL was \$45.2 million. As described above, the amount varies from year to year due to CalPERS investment results as well as periodic policy changes by CalPERS that affect the annual amortization amounts. The City's UAL in FY 2020/21 was \$36.5 million but dropped to \$25.1 million for FY 2021/22 due to a very strong investment return of 21.3% in FY 2020/21. However, CalPERS then reported an investment return of -7.5% in FY 2021/22 (revised from preliminary returns of -6.1%), which increased the City's UAL to \$41.9 million. CalPERS charges member agencies a 6.8% interest rate on the UAL (their anticipated investment return) and requires a repayment schedule that escalates over the next decade.

The City's annual UAL payment increased from \$1.5 million in FY 2018/19 to \$3.3 million for FY 2024/25, more than doubling in six years. As of July 1, 2024, The City's UAL payments are projected to escalate and reach a peak annual payment of \$5.1 million in 2031 (shown in current dollars, not adjusted for inflation). This is also illustrated in the chart below.

Figure 1



Strong Labor Market and Rising Labor Costs

Despite the overall economic uncertainty, labor markets have been and remain relatively strong. This strength, combined with inflation, continues to put pressure on labor costs. Both nationally and in California, state and local government labor costs (wages and benefits) increased by almost five percent from December 2023 to December 2024. According to global labor market analytics firm Lightcast, California's public sector suffers from severe labor supply stress, with 31% of occupations having less than one local person available to fill these roles. Also, the cost of living is relatively high in the Bay Area putting further upward pressure on labor costs.

Acknowledgements

I would like to acknowledge and thank staff in each City department who participated in the development and preparation of this biennial budget. It truly takes an *"urban village"* to build our budget, and Albany has a talented team of staff dedicated to serving our community.



Nicole Almaguer
City Manager

Basis of Budgeting

The basis of budgeting refers to the method used to recognize revenues and expenditures in the budget. The City of Albany's basis of budgeting is the same basis that is used for accounting, a modified accrual basis for all governmental funds. Using this basis, revenues are recognized when they become both measurable and available. Measurable means the amount of the transaction can be determined. Revenues are considered available if they are collected within 60 days of the end of the current fiscal year. Expenditures are generally recorded when a liability is incurred except for debt service expenditures which are recorded when payment is due. Intergovernmental revenues such as grants that are received as reimbursement for specific purposes or projects are recognized when the related expenditures are recorded.

For the City's Proprietary Sewer Enterprise Fund, the basis used for accounting and budgeting is a full accrual basis in which revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

Budgetary Policy and Control

The City operates on a July 1 through June 30 budget year (fiscal year basis). The budget preparation schedule is shown below, which includes the interactions between the City departmental staff and the City Manager in planning and presenting the proposed budget for community input and City Council review and approval. The budget is ultimately adopted at the Fund level (legal level of control) and the City Council must approve all budget revisions that change the initial fund appropriations.

The City Council is provided with a 10-Year General Fund Financial Forecast as a planning tool that helps the City Council and staff identify important trends and anticipate the longer-term consequences of budget decisions. The forecast tools have been instrumental in modeling the effects of such recent budget issues as rising retirement system costs and potential scenarios for future revenue performance.

After the annual budget is adopted, the City follows established procedures and the related financial policies in spending and monitoring revenues and expenditures. These procedures occur throughout the year and include the City's management team, staff, and the City Council. The City's management team and staff also prepare a Mid-Year Budget Review each year in February. This process includes a review of all revenues and expenditures the City has received or incurred during the first 6 months (July-December) and projects out the remaining six months of the year (January-June). Any modifications to the adopted budget are once again presented to the City Council for review and approval in February. During the fiscal year, modifications to the adopted budget may also be made on an as needed basis due to legislative mandates or grant requirements. These modifications are also presented to the City Council for review and approval. The Finance Department coordinates these efforts with all City departments and is responsible for ensuring proper authorization is received and accurate accounting entries are recorded into the City's financial system.

The City's budget is detailed to ensure the City Council, as the governing body, is fully informed and in control of all aspects of the City's financial activities. Information is itemized by fund and department. The budget includes personnel costs, materials, supplies, contractual services, equipment costs, debt service costs, as well as minor capital expenditures.

Fund Structure

The financial operations of the City are organized into funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, segregated for the purposes of carrying on specific activities, or complying with special regulations, restrictions, or limitations.

Budget Process

The City operates on a July 1 through June 30 budget/fiscal year and develops budgets on a biennial basis, adopted in odd-numbered years. The budget development process begins in December of even-numbered years with departmental review of prior year budgets and evaluation of anticipated changes or new programs. The full two-year cycle is shown below.

Figure 2

Timeframes	Tasks
December (Year 2)	Departmental review of prior-year budgets and anticipated changes
February/March (Year 2)	• Midyear Budget Review for Current Year Budget • City Council Two-Year Strategic Plan development and adoption.
May (Year 2)	Budget Workshops with Council Audit & Fiscal Sustainability Standing Committee and full City Council
June (Year 2)	Budget Adoption by City Council
July 1 (Year 1)	Fiscal Year Start for New Biennial Budget
February (Year 1)	Midyear Budget Review for Current Budget Year (Year 1)
May (Year 1)	Mid-cycle Review of Two-Year budget
June (Year 1)	City Council Adoption of Amendments to Year 2 Budget
July 1 (Year 2)	Fiscal Start for Year 2 of Biennial Budget

GENERAL FUND AND EMERGENCY MEDICAL SERVICES (EMS) FUND



General Fund

For the first time in many years, the proposed General Fund budget for FY 2025/26 is balanced with \$33.5 million in both expenditures and revenues. This reflects a tremendous commitment on the part of all City departments to manage and reduce expenditures to keep them aligned with available resources.

The table below shows a summary of General Fund revenues, expenditures and fund balance for FY 2022/23 and FY 2023/24 actuals, FY 2024/25 projected and proposed FY 2025/26 and FY 2026/27 budgets.

Figure 3

0001 - GENERAL FUND							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
Revenues							
Property Tax	9,492,392	10,039,257	10,300,000	10,630,900	330,900	3.2%	10,855,900
Sales and Use Taxes	5,533,889	5,334,559	4,750,000	4,888,000	138,000	2.9%	4,900,000
Franchise and Other Taxes	6,862,709	7,303,158	7,623,576	7,545,500	(78,076)	-1.0%	7,828,000
Licenses and Permits	727,159	764,974	787,923	744,200	(43,723)	-5.5%	749,200
Fines and Forfeitures	228,530	256,529	248,145	300,000	51,855	20.9%	310,000
Earnings on Investments	699,866	842,154	574,494	560,000	(14,494)	-2.5%	560,000
Revenues from Other Agencies	370,451	205,962	425,811	285,000	(140,811)	-33.1%	295,000
Current Service Charges	1,358,510	1,388,384	1,412,174	1,431,192	19,018	1.3%	1,433,100
Other Revenue	601,011	1,170,786	823,515	859,400	35,885	4.4%	807,900
Transfers In	3,455,410	4,880,870	5,500,000	6,271,586	771,586	14.0%	6,391,287
Total Revenues	29,329,926	32,186,633	32,445,638	33,515,778	1,070,140	3.3%	34,130,387
Expenditures							
General Government	10,987,871	11,059,371	11,865,922	11,439,762	(426,160)	-3.6%	12,245,833
Police	7,423,475	7,756,589	8,570,147	8,437,633	(132,514)	-1.5%	8,886,992
Fire	3,397,130	4,298,027	4,024,100	3,418,716	(605,384)	-15.0%	3,714,220
Public Works	3,409,275	4,092,053	4,374,337	4,964,618	590,281	13.5%	5,062,557
Recreation	2,603,074	2,542,466	2,554,900	2,668,066	113,166	4.4%	2,763,598
Community Development	1,717,632	2,138,342	2,275,974	2,586,982	311,008	13.7%	2,604,505
Total Expenditures	29,538,455	31,886,848	33,665,380	33,515,778	(149,602)	-0.4%	35,277,705
Excess (Deficiency) of Revenues Over Expenditures	(208,529)	299,785	(1,219,742)	0	1,219,742	-	(1,147,318)
Beginning Fund Balance	11,584,597	11,376,068	11,675,852	10,456,110	--	--	10,456,110
Use of Fund Balance for Deficit	(208,529)	299,785	(1,219,742)	0	--	--	(1,147,318)
Available Ending Fund Balance	11,376,068	11,675,852	10,456,110	10,456,110	--	--	9,308,792

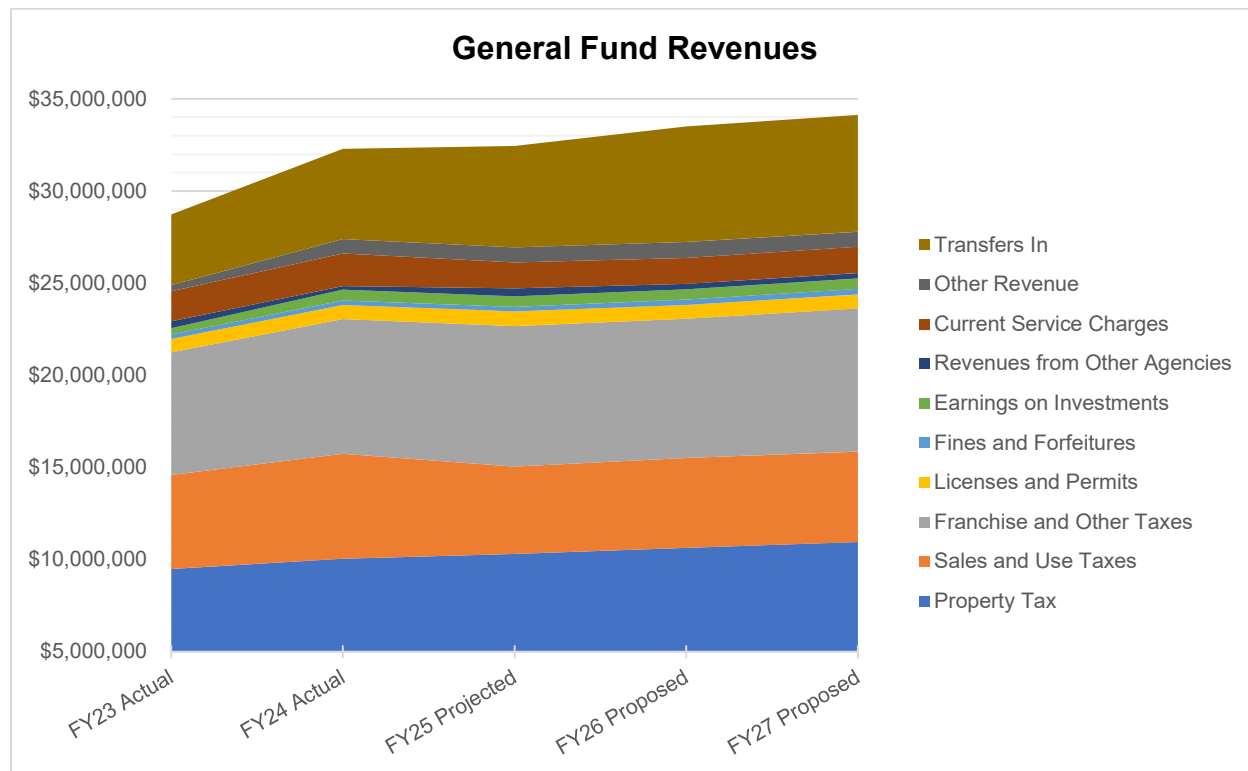
While the proposed budget for FY 2025/26 is balanced, there is still work to be done to balance FY 2026/27, with the proposed budget showing the use of \$1.15 million from fund balance to balance the budget. It is staff's intent to bring forward options for balancing the FY 2026/27 budget prior to the start of the fiscal year.

Revenues

Cities in California are funded through two main revenue types: taxes and fees. Fees are charges for services provided to an individual or organization and comprise a broad category of revenues. Taxes are defined as charges imposed by authority on persons or property for public purposes and may not be proportional to service provided to any one individual.

Albany receives about one-third of its revenue from property taxes; however, the City does have a diverse set of revenues, explained in more detail later in this section. The chart below shows the breakdown of the major revenue sources for FY 2022/23 through FY 2026/27.

Figure 4



Taxes

Charter cities (like Albany) are given the power to tax under Article XI, §5 of the California Constitution. With certain exemptions, Albany may levy any tax approved by voters without approval from the State of California. Albany's general fund is supported through the following taxes:

1. **Property Taxes:** A tax on real property (land and buildings) and tangible personal property (certain unattached property). Albany collects these taxes through Alameda County.
 - a. Ad valorem on secured
 - b. Ad valorem on unsecured
 - c. **Possessory Interest:** When a taxable entity leases space owned by an exempt organization, property taxes are assessed on the lease amount (as known as the lessee's possessory interest in the property).
 - d. **In Lieu Vehicle License Fees (VLF):** in lieu of paying cities property tax on vehicles, a fee is paid to the State at the time of registration. This is distributed to cities based on the registration address.

2. Sales & Use Taxes: A tax on sales or on the receipts from sales. Albany collects sales and use taxes through the State of California Department of Tax and Fee Administration.

- a. Local 1% Sales Tax: In CA, the State sales tax rate is 7.25%, of which 6% is retained by the State, .25% by the County, and 1% goes to the cities in which the transaction occurred (or the product was delivered in the case of use taxes).
- b. Transaction and Use Tax: The City of Albany assesses a 0.5% tax on transactions that occur in the City. This tax varies slightly from sales tax but is applied on the same principle. Approved by voters originally in November 2012, the tax was set to expire in 2018 but was extended by voters in November 2017. The tax is detailed in Albany Municipal Code (AMC) § 4-12.
- c. Sugar-Sweetened Beverage Tax: In November 2016, Albany voters approved Measure O1, the Sugar-Sweetened Beverage Product Distribution Tax, applying an excise tax of \$0.01 per ounce on the distribution of sugar-sweetened beverages and sweeteners used to sweeten such drinks, with a few exceptions. The tax is codified under AMC § 4-13. While this was passed as a general tax, meaning the funds can be used for any governmental purpose, the ordinance requires the Council to hold an annual study session to receive input and recommendations on how to allocate the proceeds of the tax from several groups. Results of those study sessions, and a summary of how the funds have been spent is available on the City's website.

3. Other Taxes:

- a. Utility Users Taxes (UUT): The UUT is a tax on the consumption of utility services. Albany voters passed their first UUT as Measure O in November 2010 and most recently updated the taxes through Measure DD in November 2020. Albany currently collects taxes on four utilities as described below. The UUT is detailed in AMC § 4-11. Exemptions exist for various reasons, however, the most notable is the low-income exemption authorized in November 2020 that authorizes a tax exemption for utility users that already qualify for a utility provider's low-income program. The low-income exemption is detailed in AMC §§ 4-11.3(e) and 4-11.3(f).
 - i. Communications UUT: A 6.5% tax on charges for the use of communication and telecommunication services. (AMC § 4-11.4)
 - ii. Electric UUT: A 9.5% tax on charges made for electricity used and associated charges for delivery and other associated activities. (AMC § 4-11.5)
 - iii. Gas UUT: A 9.5% tax on charges made for using gas in the City, which is transported and delivered through a pipeline or by mobile transport. (AMC § 4-11.6)
 - iv. Water UUT: A 7.5% tax on charges made for using water in the City which is transported and delivered through a pipeline distribution system. (AMC § 4-11.27)

With the passage of Measure DD in November 2020, the UUT on Electric and Gas utilities was increased from 7% to 9.5%. While the increase was passed as, and these taxes continue to be, general taxes, voters included a provision that the Council will endeavor to expend at least one-third of the increase in revenue on action items in the City's Climate Action and Adaptation Plan, and other environmental stability programs.

- b. Business License Taxes: In place since the 1950s, Albany's business license taxes are codified under AMC § 5-2. With a few exceptions, persons doing business in Albany must pay a tax

based on the number of full-time equivalent employees working in the City. The taxes are due on a calendar year basis for in town businesses and rates are increased yearly based on using the annual change in the June Consumer Price Index for All Urban Wage Earners and Clerical Workers San Francisco Bay Area as established by the US Bureau of Labor Statistics.

- c. Real Property Transfer Tax: Albany levies a tax of 150/100 of 1% (1.5%) of the value of the transaction on all transfers of real property within the City. The tax, described in AMC § 4-5, was implemented in 1958 and most recently updated to the current rate in November 2020.
- d. Transient Occupancy (Hotel-Motel Room) Tax: Established in 1958, Albany's hotel tax is detailed in AMC § 4-3. The tax rate of 10%, paid by the customer and collected by the operator, is imposed on the consideration charged for the "occupancy of space." While Albany does not currently have any standalone hotels, the definition of hotel in the municipal code extends the tax to short term room rentals, such as those found on Airbnb.

Fees

Another source of revenue to the General Fund are fees charged to recover costs for services provided to specific individuals.

- 1. Charges for Services/Licenses and Fees: Fees charged by the City of Albany for services rendered are set each year by Council and posted in the City's Master Fee Schedule. By law, fees cannot exceed the cost of the service provided, otherwise the charge would be considered a tax and require voter approval.
- 2. Franchise Fees: Franchise fees are charged to utility providers for the use of municipal services or right of ways, or in consideration for exclusive rights. Albany charges franchise fees on the following utilities:
 - a. Electric
 - b. Gas
 - c. Garbage Collection
 - d. Cable TV

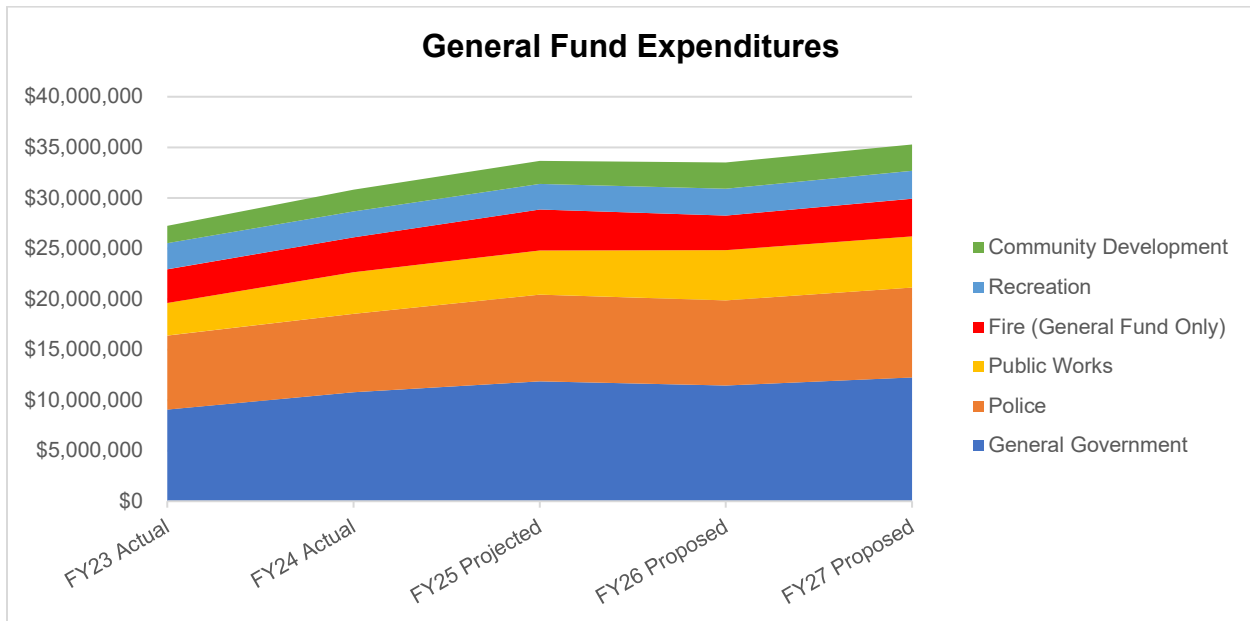
Transfers In

Albany receives several dedicated or special purpose revenues. These dedicated revenue sources are used to offset eligible program and project costs which results in a Transfer In of special revenues to the General Fund, reducing net General Fund costs. Additionally, the special revenue sources are administered and managed by General Fund staff and these costs are generally reimbursed where eligible by transferring special revenues to the General Fund.

Expenditures

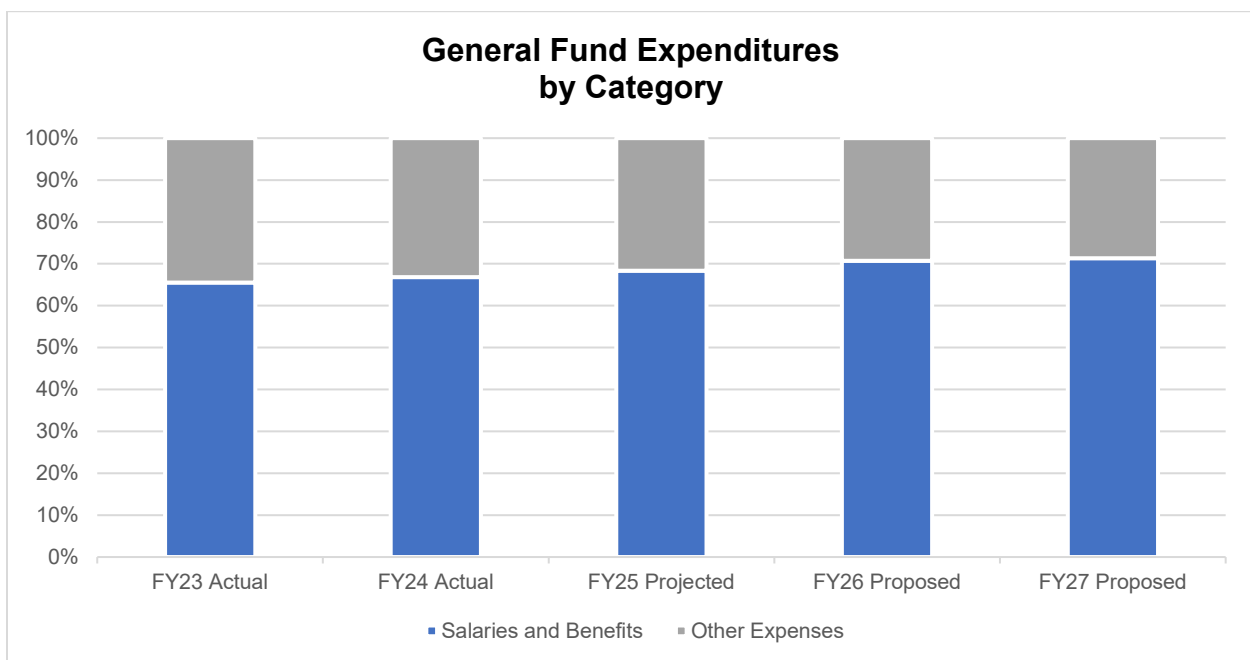
The City's General Fund covers most City operating costs and general government services. The chart below shows General Fund expenditures by Department from FY 2022/23 through the proposed budgets for FY 2025/26 and FY 2026/27. The largest single Department shown (General Government) encompasses several departments including City Council, Administration, Human Resources, City Clerk, City Attorney, Risk Management, Information Technology, Finance and Non-Department/Citywide.

Figure 5



In addition to looking at expenditures by function/department, municipal expenditures can also be evaluated looking across two categories: salaries and benefits, and all other expenditures including services, supplies and equipment. Salaries and benefits generally average more than 70% of Albany's operating budget. Below is a chart showing Albany's salary and benefit expenditures from FY 2022/23 through the proposed budgets for FY 2025/26 and FY 2026/27.

Figure 6



Salaries and Benefits

Salaries and benefits are proposed to increase by \$882,000, or just under one percent, in FY 2025/26. This is the case even though base labor costs per position are increasing on average about seven to eight percent. A few changes, both positive and negative, result in this net increase:

1. Base labor costs have been increased to align with cost-of-living (COLA) and equity adjustments required under current labor agreements. This affects all positions in the budget and along with other benefit cost increases (such as health insurance and regular pension contributions) totals approximately \$1.8 million.
2. Effective with the FY 2025/26 budget, the labor budgets (salary and all items that are tied to salary) for all but the smallest departments have been reduced by four percent reflecting the impact of staff turnover. Historically, the City has had a three to four percent vacancy rate, meaning that labor budgets have typically had savings due to turnover. Accounting for this in the budget results in savings of approximately \$500,000.
3. Three positions will be “unfunded” in the budget to reduce costs: Administrative Assistant in Finance, IT Analyst in Information Technology, and a Recreation Coordinator II in Recreation & Community Services saving approximately \$400,000. This reflects departmental commitments to right-sizing expenditures to remain within existing resources.
4. The City’s cost for the annual required payment to CalPERS for the unfunded pension liability increases by \$286,000 or 8.7% between FY 2024/25 and FY 2025/26.

A detailed projection was completed for fiscal year 2025/26 and fiscal year 2026/27 using current employee data and assuming vacant positions will be filled at mid-range with average benefits.

All Other Expenditures

All other expenditures include any item that is not considered salaries or benefits. This includes administrative expenditures such as dues and memberships, office supplies, and training, as well as professional services such as audit and consulting services. While these costs generally go up year by year along with the Consumer Price Index, staff have worked to keep these costs as low as possible.

All other expenditures are budgeted to decrease by \$832,000 when compared to projected expenditures for FY 2024/25 and \$114,000 when compared to the approved budget for FY 2024/25. This reduction in expenditures is the net result of several changes.

1. The General Fund had an extraordinary expenditure in FY 2024/25 with the final settlement of the Lion’s Club lawsuit against the City. The settlement resulted in an unbudgeted expenditure of \$1.5 million, \$500,000 of which had already been set aside, leaving a net one-time cost of \$1 million. This is the primary reason for the reduction in other expenditures for FY 2025/26 when compared to FY 2024/25.
2. While insurance rates have increased across the board, the City’s cost for insurance coverages in FY 2025/26 is projected to decrease by \$150,000. This is due to the City choosing to increase its self-insured retention (essentially the City’s deductible) for both Worker’s Compensation and Liability insurance. If the City has any large claims in either program, it will now have to cover more of the cost before the insurance coverage takes over. Over the last ten years, the City has had very few claims that have exceeded the old, self-insured retention levels meaning it is unlikely the

City would see any additional claim costs, although it is not possible to predict what claims may arise.

3. The decreases described above are offset by increases in costs for contracted services such as vegetation management and street sweeping.
4. IT services costs, including cyber security measures, are also increasing across the board.

Emergency Medical Services Fund

The City's other major operating fund is the Emergency Medical Services (EMS) Fund. A summary of the EMS Fund is shown in the following table.

Figure 7

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
1002 - EMS Fund	(40,364)	225,408	0	32,883	32,883	--	17,195
Expenditures	2,747,186	3,404,480	3,710,000	3,768,471	58,471	1.6%	4,042,805
Salaries and Benefits	2,428,319	2,970,025	3,310,000	3,242,271	(67,729)	-2.0%	3,513,925
Services & Supplies	318,867	434,455	400,000	526,200	126,200	31.6%	528,880
Professional & Other Services	158,530	225,912	150,904	259,000	108,096	71.6%	260,850
Supplies	41,386	43,992	65,445	83,600	18,155	27.7%	75,900
Other Expenditures	21,671	47,549	43,243	47,000	3,757	8.7%	47,000
Utilities	35,228	42,666	40,491	42,600	2,109	5.2%	44,700
Equipment & Improvements	62,053	74,336	99,917	94,000	(5,917)	-5.9%	100,430
Revenues	2,706,822	3,629,887	3,710,000	3,801,354	91,354	2.5%	4,060,000

Revenues

This fund receives revenues primarily from three sources.

The first source is a special parcel tax assessment that was approved by Albany voters in November 2022, the Emergency Medical Services, Advanced Life Support, and Fire Protection Special Tax (Measure K). It repealed and replaced two existing property tax assessments that supported emergency medical services with a single new parcel tax supporting EMS and transport with Advanced Life Safety capabilities, a seventh position on each of the three Fire Department shifts, and emergency medical response and advanced life support equipment replacement. The tax measure imposes a special tax on residential and commercial property at \$0.074 per square foot adjusted annually. The tax currently is projected to bring in \$2.1 million in FY 2025/26 and continues to help relieve the General Fund of some costs that it covered for these services.

The second major source of funding for the EMS fund is ambulance billing revenues. While ambulance billing reimbursement is heavily regulated, Albany receives significant revenue from this source to help offset EMS costs. Current annual revenue from ambulance fees is approximately \$1.4 million.

The third source of revenue to the EMS fund is a contribution from the City's Pension Tax Override fund to offset a portion of the retirement costs for EMS employees. A total of \$300,000 from the Pension Tax Override fund is proposed to be transferred into the EMS fund consistent with offsetting an allowable portion of the retirement costs for these employees.

Expenditures

The expenditures for the EMS Fund represent the labor, supply and services costs associated with providing all emergency medical response, transport, training, regulatory and other required functions.

Like the General Fund, the single biggest category of expenditures in the EMS Fund is salaries and benefits, making up 86 percent of proposed expenditures in FY 2025/26. The increase in salary and benefit costs are the result of several factors including negotiated cost-of-living adjustments. It also reflects that as a greater percentage of the overall costs for the Fire department are related to medical calls rather than fire calls, it is appropriate to shift additional staffing costs to the EMS Fund.

STAFFING



The proposed budgets for FY 2025/26 and FY 2026/27 propose no net increase in full-time staffing, with a total of 118.3 FTE positions as shown in the table below. This is consistent with the need to closely manage expenditures to balance the budget. Within the current staffing level, however, the proposed budgets include several changes.

1. A vacant Management Analyst position that previously staffed the Risk Management function is proposed to be converted to a needed Communications and Records Supervisor position within the Police Department. Adding this civilian position will both improve management of police records and dispatch functions but will also free up the Administrative Sergeant to focus on management of sworn police functions. The Risk Management functions originally assigned to the Management Analyst position have been distributed to other City staff.
2. Some positions are proposed to be “unfunded” (held vacant) for the budget years to generate savings. The positions are:
 - a. Administrative Assistant in the Finance Department
 - b. Recreation Coordinator II in the Recreation and Community Services Department.
 - c. IT Analyst in the Information Technology Division.

The following table summarizes staffing levels for the current fiscal year, the past two fiscal years and proposed for FY 2025/26 and FY 2026/27.

Figure 8

Department Name	FY2022/23 Approved	FY2023/24 Approved	FY2024/25 Current	FY2025/26 Proposed	Difference	FY2026/27 Proposed
City Manager's Office						
Assistant City Manager	0.25	0.25	1.00	1.00	0.00	1.00
Assistant to the City Manager	1.00	1.00	1.00	1.00	0.00	1.00
City Manager	1.00	1.00	1.00	1.00	0.00	1.00
Total	2.25	2.25	3.00	3.00	0.00	3.00
Human Resources						
Human Resources Analyst	1.00	1.00	1.00	1.00	0.00	1.00
Human Resources Director	1.00	1.00	1.00	1.00	0.00	1.00
Total	2.00	2.00	2.00	2.00	0.00	2.00
City Clerk						
City Clerk	1.00	1.00	1.00	1.00	0.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	0.00	1.00
Total	2.00	2.00	2.00	2.00	0.00	2.00
Information Technology						
Information Technology Manager	1.00	1.00	1.00	1.00	0.00	1.00
IT Analyst	0.00	1.00	1.00	1.00	0.00	1.00
Media & Communication Manager	1.00	1.00	1.00	1.00	0.00	1.00
Total	2.00	3.00	3.00	3.00	0.00	3.00

Department Name	FY2022/23 Approved	FY2023/24 Approved	FY2024/25 Current	FY2025/26 Proposed	Difference	FY2026/27 Proposed
Finance						
Accounting Supervisor	1.00	1.00	1.00	1.00	0.00	1.00
Accounting Technician II	2.00	2.00	2.00	2.00	0.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00	0.00	1.00
Finance Director	1.00	1.00	1.00	1.00	0.00	1.00
Finance Manager	1.00	1.00	1.00	1.00	0.00	1.00
Financial Analyst	1.00	1.00	1.00	1.00	0.00	1.00
Payroll Technician	1.00	1.00	1.00	1.00	0.00	1.00
Total	8.00	8.00	8.00	8.00	0.00	8.00
Risk Management						
Management Analyst	1.00	1.00	1.00	0.00	(1.00)	0.00
Total	1.00	1.00	1.00	0.00	(1.00)	0.00
Police						
Communications & Records Supervisor	0.00	0.00	0.00	1.00	1.00	1.00
Police Administrative Specialist	1.00	1.00	1.00	1.00	0.00	1.00
Police Chief	1.00	1.00	1.00	1.00	0.00	1.00
Police Lieutenant	2.00	2.00	2.00	2.00	0.00	2.00
Police Officer	17.00	17.00	17.00	17.00	0.00	17.00
Police Records Assistant	1.00	1.00	1.00	1.00	0.00	1.00
Police Records Specialist	0.80	0.80	0.80	0.80	0.00	0.80
Police Sergeant	6.00	6.00	6.00	6.00	0.00	6.00
Public Safety Dispatcher	9.00	9.00	9.00	9.00	0.00	9.00
Total	37.80	37.80	37.80	38.80	1.00	38.80
Fire						
Fire Captain	3.00	3.00	3.00	3.00	0.00	3.00
Fire Chief	1.00	1.00	1.00	1.00	0.00	1.00
Fire Community Engagement Specialist	0.50	0.50	0.50	0.50	0.00	0.50
Fire Engineer	6.00	6.00	6.00	6.00	0.00	6.00
Fire Fighter/Paramedic	6.00	9.00	9.00	9.00	0.00	9.00
Fire Inspector	1.00	1.00	1.00	1.00	0.00	1.00
Fire Lieutenant	3.00	3.00	3.00	3.00	0.00	3.00
Total	20.50	23.50	23.50	23.50	0.00	23.50
Public Works						
Associate Engineer	2.00	2.00	2.00	2.00	0.00	2.00
CIP Program Manager	1.00	1.00	1.00	1.00	0.00	1.00
Lead Maintenance Worker	4.00	4.00	4.00	4.00	0.00	4.00
Maintenance Worker II	3.00	3.00	3.00	3.00	0.00	3.00
Management Analyst	1.00	1.00	1.00	1.00	0.00	1.00
Program Manager	1.00	1.00	1.00	1.00	0.00	1.00
Project Manager	1.00	1.00	1.00	1.00	0.00	1.00
Public Works Director/City Engineer	1.00	1.00	1.00	1.00	0.00	1.00
Public Works Manager	1.00	1.00	1.00	1.00	0.00	1.00
Urban Forestry Coordinator	1.00	1.00	1.00	1.00	0.00	1.00
Total	16.00	16.00	16.00	16.00	0.00	16.00

Department Name	FY2022/23 Approved	FY2023/24 Approved	FY2024/25 Current	FY2025/26 Proposed	Difference	FY2026/27 Proposed
Recreation & Community Services						
Recreation & Community Services Director	0.75	1.00	1.00	1.00	0.00	1.00
Recreation & Community Services Manager	1.00	1.00	1.00	1.00	0.00	1.00
Recreation Coordinator I	2.00	2.00	1.00	1.00	0.00	1.00
Recreation Coordinator II	4.00	4.00	5.00	5.00	0.00	5.00
Recreation Supervisor	5.00	5.00	5.00	5.00	0.00	5.00
Total	12.75	13.00	13.00	13.00	0.00	13.00
Community Development						
Associate Planner	2.00	2.00	2.00	2.00	0.00	2.00
Associate Transportation Planner	1.00	1.00	1.00	1.00	0.00	1.00
Building Inspector II	1.00	1.00	1.00	1.00	0.00	1.00
Community Development Director	1.00	1.00	1.00	1.00	0.00	1.00
Community Development Technician	1.00	1.00	1.00	1.00	0.00	1.00
Management Analyst	1.00	1.00	1.00	1.00	0.00	1.00
Planning Manager	2.00	2.00	2.00	2.00	0.00	2.00
Total	9.00	9.00	9.00	9.00	0.00	9.00
GRAND TOTAL	113.30	117.55	118.30	118.30	0.00	118.30

Vacancies

Pursuant to recently passed legislation (AB 2561), the City must report at least annually on the number of staffing vacancies and recruitment and retention efforts. Currently, within the 118.3 FTE, there are eight vacant positions, including the three proposed to be unfunded. The other five vacant positions are: Human Resources Analyst, Management Analyst, Police Officer (2 FTE), and Public Works Manager. Recruitments are in progress for several of these positions including Human Resources Analyst and Police Officer.

The City's recruitment process is shown in the chart below:



The City has reviewed applicable policies, procedures, and recruitment activities to identify potential opportunities to further enhance this program area. Active steps are underway including updates to the pre-employment/background process and how to further promote open recruitment opportunities. The City works to coordinate recruitment efforts proactively with the City's Human Resources Department and the Department with a vacant position to help facilitate cohesiveness and timeliness throughout the recruitment process.

DEPARTMENTAL BUDGETS



City Council

The Albany City Council is the legislative body responsible for setting City policy and adopting the City budget. The Council consists of five (5) members elected by the Albany electorate for four-year staggered terms. Elections are held in even-numbered years, with three Council members elected in one cycle and two Council members elected in the alternate cycle. The Mayor and Vice Mayor are appointed annually by the City Council and have the responsibility of representing the City at various functions and chairing Council meetings. The City Council members also select among themselves representatives to various local and regional bodies.

The City Council appoints the City Manager, who is the City's Chief Administrative Officer and is responsible for all City operations.

The City Council uses the formulation of a Strategic Plan to identify key issues, develop City Council direction and establish priorities to best focus use of the City's limited resources and capacity. The City budget includes funding allocations to accomplish the City Council Strategic Plan, as well as the ongoing mandated obligations of local government which remain the core services of the City including but not limited to: public infrastructure, public safety, governmental transparency, financial accountability, and implementation of regulations.

Mission Statement

Albany is dedicated to providing a healthy, safe, and accessible city, that serves our diverse community.

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
11 - CITY COUNCIL	(161,635)	(41,454)	(158,979)	(151,027)	7,952	-5.0%	(151,300)
Expenditures	161,635	41,454	158,979	151,027	(7,952)	-5.0%	151,300
Salaries and Benefits	65,871	98,358	66,979	105,127	38,148	57.0%	105,300
Services & Supplies	95,764	(56,904)	92,000	45,900	(46,100)	-50.1%	46,000
Supplies	2,059	220	600	500	(100)	-16.7%	600
Other Expenditures	93,704	(57,123)	91,400	45,400	(46,000)	-50.3%	45,400

City Manager/Administration

The City Manager is appointed by the City Council as the administrative head of the City of Albany municipal government. The City Manager is responsible for policy implementation and management of the day-to-day operations of the City. The City Manager is responsible for the administrative leadership of City staff and for the implementation of policies and guidelines established by the City Council. The City Manager advises and makes recommendations to the City Council concerning any conditions or situations that require Council direction or policy determination and prepares the recommended budget for consideration and adoption by the City Council. The City Manager keeps the City Council advised of the current and long-term financial condition of the City, ensures that ordinances and applicable laws are enforced, and oversees the operation of City departments. The City Manager also manages implementation of the Strategic Plan adopted by the City Council, and administers special projects based on the policy direction of the Council.

Administration includes the following Divisions: City Manager's Office, Economic Development, Information Technology, Media & Communications, and Risk Management.

Economic Development Division

The Economic Development Division aims to promote vital and inviting business areas and to assist with the retention of existing businesses and attraction of new businesses to the City's commercial areas. The Division leads implementation of the Economic Development Strategic Plan that was adopted by the City Council in 2017. The Division also conducts outreach to businesses, commercial property owners, developers, and commercial realtors related to business attraction, retention, and identification of new ideas for supporting local business growth.

Information Technology Division

The Information Technology Division is responsible for the operation and delivery of Information Technology services and support, working towards ensuring City staff have reliable, current and efficient information technology to perform necessary work on a day-to-day basis.

The Division seeks to continuously improve available technology and capabilities, including establishing more online services when possible. The Division has completed an Information Technology Strategic Plan that identifies the City's short-term and long-term Information Technology needs and outlines how to further enhance the reliability and continuity of the City's Information Technology systems. The Division has enhanced Helpdesk coverage and general IT support and implemented network security monitoring with Artificial Intelligence analysis.

Media & Communications Division

The Media & Communications Division is responsible for the development and operation of media services for the City of Albany including KALB, Albany's Public, Educational, and Government (PEG) access channel; all City special event audio-visual production; management of City audio-visual systems and production facilities; management of the City of Albany website, including Granicus web content for City Council and City advisory bodies; and management of the City YouTube channel.

Risk Management Division

The Risk Management Division comprises all City functions that relate to reducing or addressing risk. This includes all insurance payments (general liability and workers' compensation), as well as City preparations for emergencies, both internally and for the Albany community.

Albany is a member of the Bay Cities Joint Powers Insurance Authority (BCJPIA), which is a public agency insurance pool. Through BCJPIA, the City purchases general liability, workers' compensation, automobile damage, and employment practices insurance. BCJPIA contracts with an administrator, who is responsible for managing these insurance programs, investigating claims and overseeing any required legal defense for claims and lawsuits against the City. The City Manager or designee serves as the City's Risk Manager and represents Albany on the BCJPIA Board of Directors. The City Attorney is also consulted on matters related to the BCJPIA and general liability.

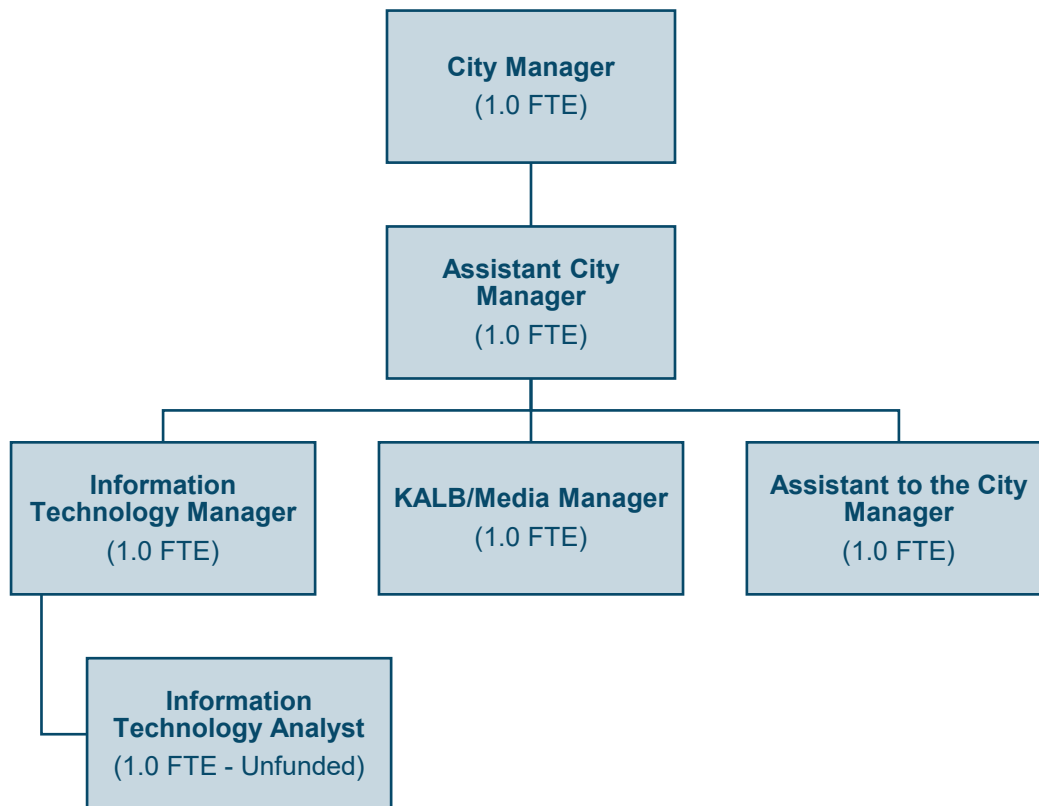
The Division also includes the City's Disaster Preparedness program. Disaster Preparedness is headed by the Albany Fire Department in coordination with the City Manager's Office and is comprised of a team of representative staff from multiple departments. The Disaster Preparedness Program, also referred to as the Office of Emergency Services (OES), coordinates a collection of programs to build disaster resilience in Albany. These programs support disaster preparedness, community connections, and local government efforts to help the City respond to and recover from our next earthquake, fire, or other disaster.

Disaster preparedness includes training of all full-time staff in the incident management system and compliance with FEMA for SEMS/NIMS mandates; coordination with Department Heads and other key staff on their roles and expectations in the Emergency Operations Center (EOC); administration of the Emergency Operations Plan (EOP) and supporting annexes; and Community Emergency Response Team (CERT) classes to engage and empower our community with regard to disaster preparedness and response. There is also close coordination with staff in the Community Development Department who are responsible for implementing the City's Local Hazard Mitigation Plan. Disaster preparedness programming also includes disaster preparedness training/outreach including care and shelter training, engagement with the business community, and support in implementing an Access and Functional needs opt-in program in coordination with Community Services to assist those who may be most vulnerable in our city before, during and after a disaster.

The Division also includes Cybersecurity. Cyber Risk Control is accomplished through the identification and analysis of risk and implementation of risk control measures. Cybersecurity is headed by the city's Information Technology Division. An annual cyber audit is conducted to evaluate and assess the city's exposures. The IT Division works to mitigate potential risks by implementing the customized recommendations provided in the audit.

Organization Chart

City Manager/Administration — 6.0 FTE



Core Services

- Policy implementation and management of the day-to-day operations of the City
- Preparation of the recommended budget for consideration and adoption by the City Council
- Keeping the City Council advised of the current and long-term financial condition of the City
- Management implementation of the Strategic Plan adopted by the City Council
- Risk management and disaster preparedness
- Administration of public information and engagement on citywide matters
- Promotion of vital and inviting business areas and economic development
- Operation and delivery of Information Technology services and support
- Operation of full media services for the City of Albany including KALB, Albany's Public, Educational, and Government (PEG) access channel; overall management of the City of Albany website; and management of the City YouTube channel

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Increased community outreach utilizing a variety of media mechanisms including eNews, eNotify, mailed postcards throughout the year including year-end recap and highlights of accomplishments.
- Developed and implemented programs to serve the business community including the Business Attraction Grant and the Business Façade Improvement Grant. A total of 28 businesses were assisted by the Economic Development Division in FY 2023/24, and 39 in FY 2024/25.
- Implemented critical projects identified within the Information Technology Strategic Plan to help keep the City's technology secure and functioning effectively, including cybersecurity improvements.
- Developed and launched a new City website focused on ease of use and updated to utilize a .gov top-level domain as mandated.
- Managed implementation of City Council Strategic Plan and assistance in developing an updated City Council Strategic Plan including enhanced accounting of deliverables with an online webpage.
- Ensured responsible financial management that is detailed to the City Council through periodic budget reports and the Annual Comprehensive Financial Report (ACFR).
- Furthered staffing and training in risk management and utilization of services from the City's insurance provider.
- Opened the City's Emergency Operations Center (EOC) due to major storms and a Tsunami emergency alert to ensure preparedness for response and coordination across departments and outside agencies.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Conduct analysis and recommendations in coordination with the Finance Department regarding additional revenue opportunities citywide, as well as potential modernization of existing taxes for consideration by the City Council for upcoming Elections.	FY 2025/26
2. Continue to provide direct assistance to current and potential Albany Businesses for the purposes of business retention and attraction to the City's key commercial areas.	Continuous
3. Continue to manage and prioritize disaster preparedness including training of staff and the City Council.	Continuous
4. Continue to implement priority projects identified in the IT Strategic Plan including upgrades to the City's facilities security systems, increase online services, and cyber security enhancements.	Continuous
5. Work to ensure effective organizational and operational capacity of City Departments and further analyze opportunities for competitive compensation in line with comparable agencies.	Continuous

- | | |
|---|------------|
| 6. Implement City Council Strategic Plan and report progress on an ongoing basis. | Continuous |
| 7. Continue to review opportunities for organizational efficiencies in consideration of budget constraints. | Continuous |
| 8. Continue and enhance outreach support through the distribution of public information/marketing, promotional materials, social media, website, and other outlets. | Continuous |
| 9. Seek opportunities to further partner with local agencies and organizations towards collaborative services and programming. | Continuous |

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
12 - ADMINISTRATION	19,624,721	20,819,276	21,860,303	22,647,394	787,091	3.6%	23,097,869
Expenditures	5,788,312	5,775,349	5,725,206	5,085,705	(639,501)	-11.2%	5,272,231
Salaries and Benefits	1,134,411	1,499,164	1,463,109	1,591,662	128,553	8.8%	1,671,978
Services & Supplies	4,653,901	4,276,185	4,262,097	3,494,043	(768,054)	-18.0%	3,600,253
Professional & Other Services	1,052,079	1,423,196	1,089,429	1,494,678	405,249	37.2%	1,501,178
Supplies	5,468	6,060	5,150	4,500	(650)	-12.6%	5,150
Other Expenditures	1,906,748	732,759	1,243,299	227,266	(1,016,034)	-81.7%	221,425
Utilities	78,836	93,727	54,750	93,700	38,950	71.1%	98,400
Equipment & Improvements	112,065	116,429	73,300	61,800	(11,500)	-15.7%	83,300
Insurance	1,498,706	1,904,013	1,796,169	1,612,100	(184,069)	-10.2%	1,690,800
Revenues	25,413,034	26,594,625	27,585,509	27,733,099	147,590	0.5%	28,370,100

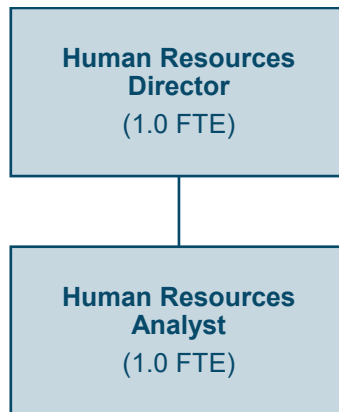
Human Resources

The Human Resources Department strives to develop and implement effective human resource management strategies and programs that attract, develop, and retain a highly qualified and diverse workforce empowered to deliver quality municipal services in a safe, equitable, and supportive work environment. The Department's primary responsibilities include benefits administration, classification and compensation, labor and employee relations including good faith negotiations with labor unions, recruitment and selection, organizational development and training, workers compensation administration and serving as a business partner and resource for the City. Human Resources also provides services to former City of Albany employees, potential new employees through the recruitment and selection process, and other agencies.

The Human Resources Department works in coordination with the City Manager to promote the wellbeing of City staff through the provision of programs for employees including a health and wellness fair, employee newsletter, and other employee recognition activities to facilitate retention and recognition of employees and works towards innovative methods to recruit a diverse pool of qualified candidates. The Department also coordinates with the City Manager on development of policy and procedures to ensure the City is compliant with labor rules including but not limited to the Family Medical Leave Act, California Family Rights Act, Mandated Reporter requirements, Harassment, Discrimination and Retaliation, Equal Employment Opportunities (EEO), Workers Compensation, etc. The Department also monitors available benefit programs and regularly researches opportunities to ensure quality benefits at competitive rates.

Organization Chart

Human Resources Department — 2.0 FTE



Core Services

- Benefits administration
- Classification and compensation
- Labor and employee relations
- Recruitment, selection, and retention
- Organizational development and training
- Workers' compensation administration
- Business partner and resource for the City
- Safety & Wellness administration
- Employee Engagement
- Employee Recognition
- Equal Employment Opportunity (EEO)
- ADA Disability Coordinator (for employees)
- Policy Development

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Successfully negotiated multi-year labor contracts with the Albany Fire Fighters' Association (AFFA), Albany Peace Officers' Association (APOA), and the Service Employees International Union (SEIU), demonstrating the City's commitment to fair labor practices and stability.
- Developed and implemented a comprehensive Citywide Remote Work Policy to provide structure for flexible work arrangements and replace temporary COVID-19 measures, supporting operational resilience and employee well-being.
- Monitored and updated the City's Personnel Rules and Regulations and internal policies and procedures to reflect local, state, and federal employment law changes, ensuring compliance and effective HR governance.
- Implemented a modernized Human Resources Information System (NEOGov), which processed over 2,100 applications and supported the onboarding of more than 80 new employees, significantly improving recruitment efficiency.
- Completed a targeted recruitment campaign to fill three new Firefighter/Paramedic positions funded through the 2022 Measure K Emergency Services Tax, enhancing the City's emergency service capacity.
- Developed an executive recruitment campaign to fill the Finance Director position in 2024.
- Prioritized employee retention and recognition through wellness initiatives, a revitalized employee newsletter, and appreciation events.
- Enhanced benefit administration for dental, life, and disability coverage, ensuring access to high-quality, cost-effective plans for all employees.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Integrate inclusive recruitment strategies and marketing campaigns for vacant positions.	FY 2025/26
2. Maintain competitive and equitable compensation and benefit offerings by implementing a comprehensive compensation and benefit study.	FY 2025/26
3. Develop and implement a structured promotional examination process for public safety departments, ensuring operational readiness and leadership continuity.	FY 2025/26
4. Prepare for upcoming labor contract negotiations with Service Employees International Union, Local 1021 (SEIU).	FY 2026/27
5. Research and implement training programs for employees to increase knowledge, skills, and career development.	Continuous
6. Ensure compliance and policy alignment by monitoring and responding to legal and regulatory updates, regularly reviewing HR policies, and supporting citywide compliance through education and oversight.	Continuous
7. Foster positive labor relations and organizational trust by maintaining open communication with labor groups, participating in good faith negotiations, and serving as a reliable resource for both employees and departments.	Continuous

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
122 - HUMAN RESOURCES	(499,557)	(600,034)	(637,756)	(652,339)	(14,583)	2.3%	(685,735)
Expenditures	499,557	600,034	637,756	652,339	14,583	2.3%	685,735
Salaries and Benefits	304,273	368,109	447,678	444,561	(3,117)	-0.7%	460,457
Citywide Benefits	91,282	88,878	92,228	92,228	0	0.0%	92,228
Services & Supplies	104,002	143,047	97,850	115,550	17,700	18.1%	133,050
Professional & Other Services	76,886	118,972	74,000	76,000	2,000	2.7%	93,000
Supplies	643	576	1,000	1,000	0	0.0%	1,000
Other Expenditures	26,277	23,110	22,750	38,150	15,400	67.7%	38,650
Utilities	197	389	100	400	300	300.0%	400

City Clerk

The City Clerk is the keeper of the official records of the City and manages the Records System. The City Clerk prepares the agenda packet for City Council meetings, records and maintains the proceedings, and processes and distributes all official documents enacted by the City Council. In addition, the City Clerk maintains the legislative history; certifies copies of records, documents, resolutions and ordinances; receives and open bids; publishes legal notices; administers oaths; receives claims and lawsuits against the City; and prepares proclamations. The City Clerk also administers the application process to City Council Advisory Bodies, develops a Handbook for Advisory Bodies, organizes training for Advisory Bodies and performs additional duties associated with various City Boards/Commissions/Committees. The City Clerk delivers the Oath of Office for all employees and elected/appointed officials. The City Clerk also conducts special projects, as requested by the City Manager. The City Clerk also works in coordination with the City Manager to review and update City policy and procedures on an ongoing basis.

The City Clerk serves as the Elections Officer, which involves coordinating municipal elections every two years and special elections as they are called. The City Clerk is also the Fair Political Practices Commission filing officer, the Clerk to the City Council and its Standing Committees, serves as a Board Member of the Board of Police & Fire Pension Fund Commissioners, and provides support for the Advisory Bodies to the City Council. The City Clerk seeks to modernize records management by utilizing available technology and online tools and strives to ensure governmental transparency.

Organization Chart



Core Services

- Official record keeper for the City and manages record keeping system
- Prepares the agenda packet for City Council meetings, records, and maintains the proceedings, and processes and distributes all official documents enacted by the City Council
- Maintains the legislative history
- Certifies copies of records, documents, resolutions, and ordinances; receives and opens bids; publishes legal notices; administers oaths; receives claims and lawsuits against the City; and prepares proclamations
- Administers the application process and provides support to City Council Advisory Bodies
- Serves as the Official Elections Officer
- Clerk to the City Council and its Standing Committees and serves as a Board Trustees of the Board of Police & Fire Pension Fund Commissioners

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Coordinated the 2024 General Municipal Election (Ranked Choice Voting including voter outreach and education, Vote by Mail ballots, outreach for election information and methods to return ballots, and several Early Voting Ballot Drop Stop events), which included six ballot measures (2 parcel taxes, 4 Charter amendments), five candidates for City Council, and four candidates for Board of Education.
- Worked with the Alameda County Registrar of Voters Office and consultant Democracy Rising to ensure successful implementation of Ranked Choice Voting for the 2024 General Municipal Election.
- Coordinated the bi-annual Advisory Body & Brown Act Training for all Advisory Body Members and staff liaisons.
- Worked with Media Manager to implement and transition to new City website.
- Provided guidance to all Advisory Body Members and staff liaisons on best practices for Brown Act compliance.
- Assisted and guided filers on electronic filing of FPPC Campaign Disclosure Statements.
- For FY 2023/24 – processed 86 City Council Resolutions, eight City Ordinances, 18 Proclamations, 79 contracts and 8 Requests for Proposal/ Request for Qualifications/ Request for Bids.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Coordinate the 2026 election.	FY 2025/26 FY 2026/27
2. Continue to conduct outreach to the Community on Ranked Choice Voting.	FY 2025/26 FY 2026/27
3. Work with Media Manager in implementing Laserfiche Weblink, Public Portal, and Forms for City staff and the public.	FY 2025/26
4. Further the availability of electronic records and an update the Records Retention Schedule.	Continuous FY 2025/26
5. Obtain further training regarding City Clerk Administration and Election Law to obtain specialized certifications.	Continuous
6. Continue reviewing City website, City Codes, and related documents to move to non-gender specific pronouns.	Continuous

Departmental Budget

		FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
13 - CITY CLERK		(552,766)	(480,894)	(536,025)	(496,194)	39,831	-7.4%	(663,626)
	Expenditures	552,885	529,583	546,175	546,194	19	0.0%	673,776
	Salaries and Benefits	397,336	455,661	445,925	490,944	45,019	10.1%	503,526
	Services & Supplies	155,550	73,922	100,250	55,250	(45,000)	-44.9%	170,250
	Professional & Other Services	34,538	64,870	37,500	32,500	(5,000)	-13.3%	37,500
	Supplies	584	430	500	500	0	0.0%	500
	Other Expenditures	120,427	8,622	62,250	22,250	(40,000)	-64.3%	132,250
	Revenues	119	48,690	10,150	50,000	39,850	392.6%	10,150

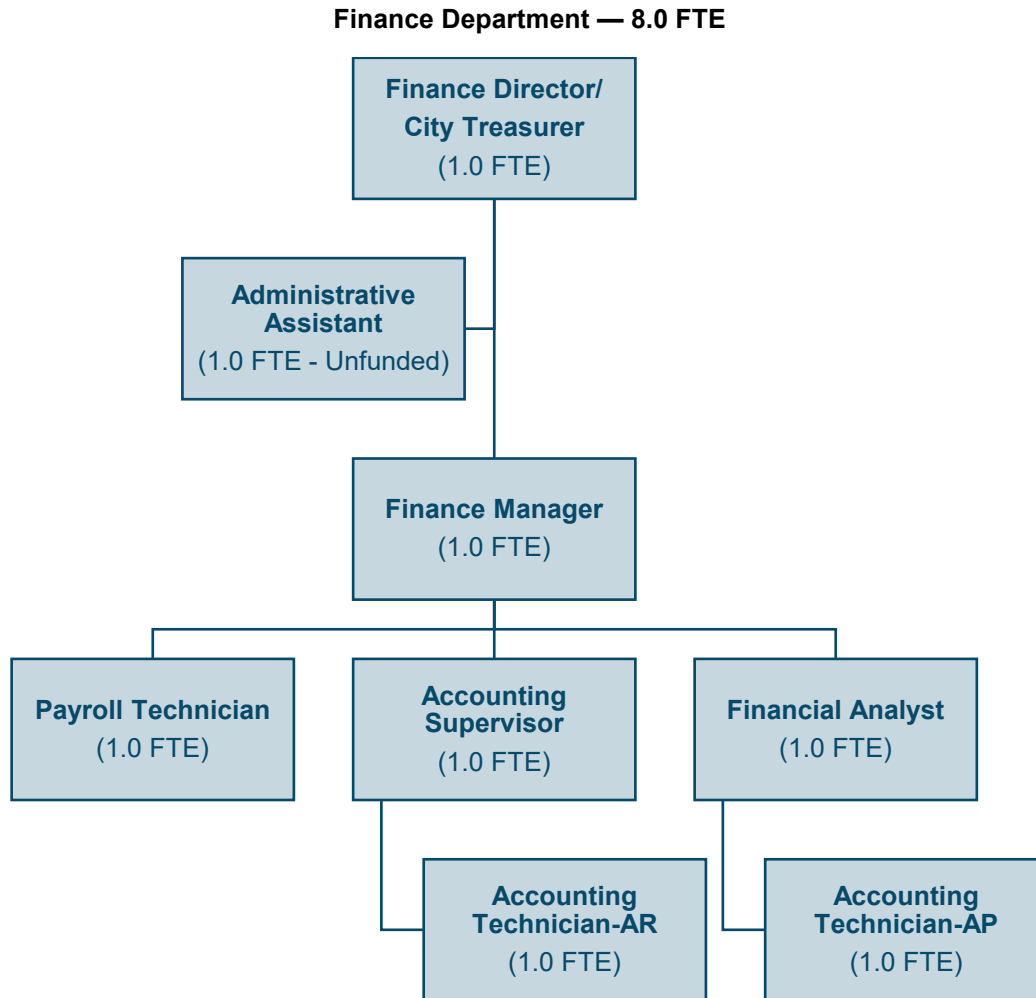
Finance

The Finance Department is responsible for the preparation and publication of the biennial operating budget, annual update of the master fee schedule, annual comprehensive financial reports, and, in conjunction with the Public Works Department, the biennial update of the five-year capital improvement plan. The Department maintains the formal accounting records for the City, and issues quarterly financial reports to the City Council. Special projects related to finance and accounting are performed as needed.

The Department performs operating functions of cash receipts, accounts payable, payroll, revenue invoicing, administration of bonded debt, and financial reporting for special revenues, grants, and investments. The Department closes the City's financial records monthly, including performing monthly bank reconciliations and monitors the City's budget on an ongoing basis.

The Department also oversees the administration of certain assessments and taxes and provides technical analysis of funding mechanisms to the City Manager and City Council. In coordination with the City Manager, the Department develops policy and procedures to ensure compliance with current accounting and financial standards and seeks to plan for long-range budgeting including development and review of several policies including: reserve fund, asset management, debt management and cash management. The Department works towards streamlining processes for customers to the maximum extent practicable by utilizing available technology and online tools. The Department assists both internal and external customers. Staff support other City departments in budget analysis, billing and collections, and contracts and vendor payments.

Organization Chart



Core Services

- Biennial operating budget
- Master fee schedule
- Financial statements
- Assists with biennial update of the five-year Capital Improvement Plan
- Annual Comprehensive Financial Report (ACFR)
- Cash receipts
- Accounts payable
- Payroll
- Revenue Invoicing
- Administration of bonded debt
- Financial reporting for special revenues, grants, debt, and investments
- Bank reconciliations
- Quarterly financial

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Worked as a team to implement new processes to address persistent Audit finding; finding eliminated with FY 2023/24 Audit.
- Submitted Fiscal Year 2022/23 Annual Comprehensive Financial Report (ACFR) to Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting Program and the FY 2023/24 and FY 2024/25 Biennial Budget to GFOA for the Budget Excellence Award.
- Produced the Fiscal Year 2023/24 Annual Comprehensive Financial Report (ACFR) within 7 months of fiscal year end close and submitted to GFOA award program.
- Initiated formal month-end close process with 15-day target in April 2024.
- Rolled out public payment forum Resident Access for customers to make payments online 24/7.
- Managed significant staff turnover while maintaining and improving department operations.
- Processed and issued an increased number of Business Licenses: 1,986 in FY 2022/23 vs. 2,222 in FY 2023/24.
- Processed 6,819 Accounts Payable invoices resulting in a cost of \$12.62 per invoice paid.
- Provided internal Payroll services: issued 3,916 checks, corresponding to an annual cost of \$578.89 per employee/pensioner to process payroll.
- Substantially improved and automated quarterly budget spreadsheet to eliminate manual updates and ensure formula accuracy.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Migrate City Business License program to new vendor and draft update to existing business license code	FY 2025/26 FY 2026/27
2. Develop pension funding policy to address unfunded pension liabilities	FY 2025/26
3. Update Development Impact Fees	FY 2025/26
4. Develop a balanced budget for FY 2026/27	FY 2026/27
5. Enable additional financial system modules to streamline processes for tracking fixed assets and grants, and payroll automation.	FY 2025/26 FY 2026/27

Departmental Budget

		FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
17 - FINANCE		(1,259,341)	(1,457,071)	(1,448,039)	(1,368,413)	79,626	-5.5%	(1,443,791)
	Expenditures	1,271,108	1,479,336	1,490,039	1,410,413	(79,626)	-5.3%	1,485,791
	Salaries and Benefits	977,819	1,014,991	1,169,989	1,099,013	(70,976)	-6.1%	1,170,591
	Services & Supplies	293,289	464,345	320,050	311,400	(8,650)	-2.7%	315,200
	Professional & Other Services	151,044	299,028	230,000	250,000	20,000	8.7%	250,000
	Supplies	5,698	3,675	3,000	3,000	0	0.0%	3,000
	Other Expenditures	100,915	123,752	57,800	20,800	(37,000)	-64.0%	22,800
	Utilities	33,079	35,623	27,250	35,600	8,350	30.6%	37,400
	Equipment & Improvements	2,553	2,266	2,000	2,000	0	0.0%	2,000
	Revenues	11,767	22,265	42,000	42,000	0	0.0%	42,000

Police

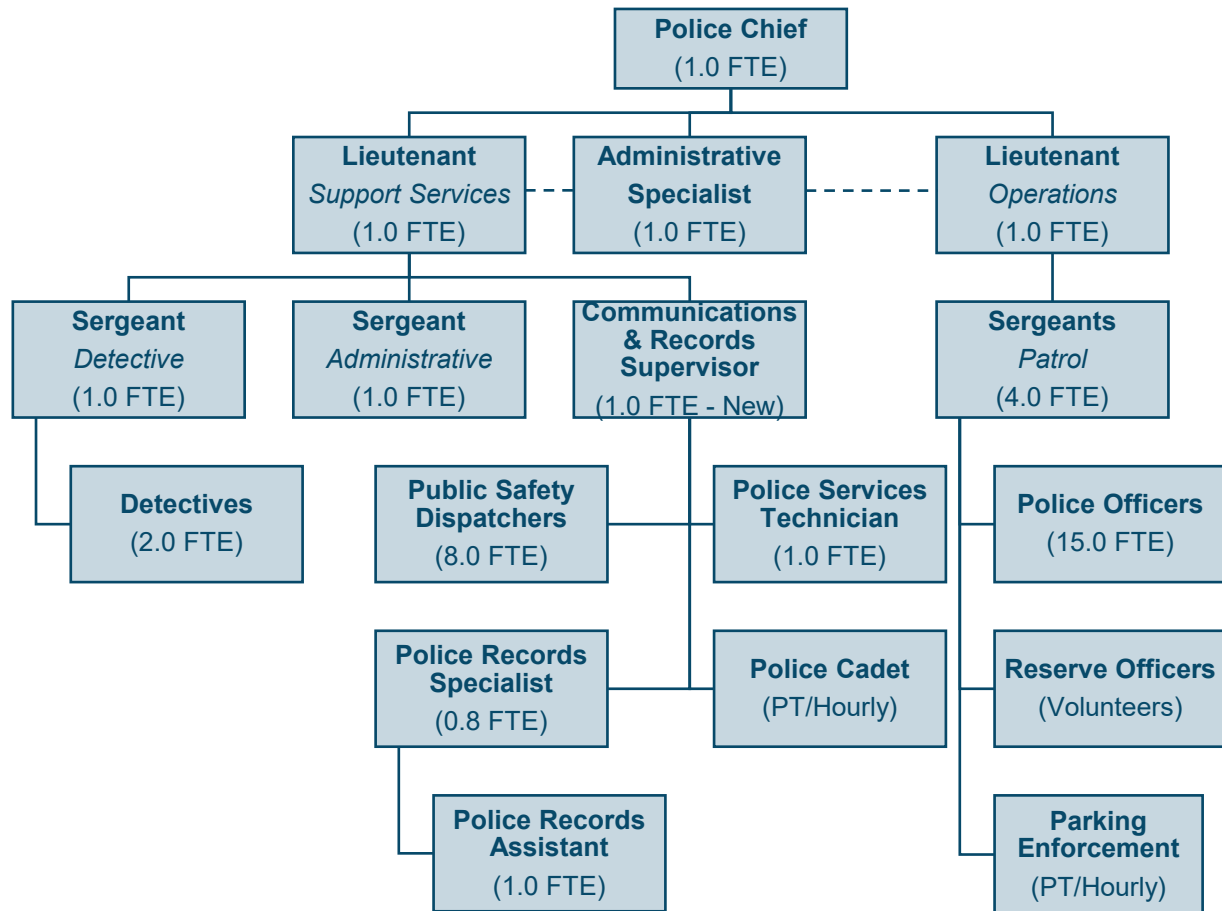
The Albany Police Department is responsible for the preservation of public peace, enforcement of laws, protection of life and property, and providing police related services to the community. These responsibilities are accomplished through proactive police patrol, traffic enforcement, criminal investigation, and administrative support services.

The Albany Police Department focuses on crime prevention through active community outreach, including Neighborhood Educational Presentations, Coffee with a Cop, School Presentations, and National Night Out. The department is a partner in blighted property mitigation and code enforcement. The department works closely with Albany Cares to assist those experiencing homelessness to connect with services.

The police department maintains a 24-hour Public Safety Answering Point (PSAP) for 911 emergency police, fire and medical dispatch, as well as routine telecommunications services for these three professional disciplines. Contract dispatch services are also provided to the Kensington Police Protection and Community Services District. The PSAP utilizes a modern Computer Aided Dispatch and Records Management System which is integrated with mobile computers in each police patrol vehicle.

Organization Chart

Police Department — 38.8 FTE



Core Services

- Preservations of public peace, enforcement of laws, protection of life and property, and providing police related services to the community
- Proactive police patrol, traffic enforcement, criminal investigation, and administrative support services
- Crime prevention through active community outreach, including Neighborhood Educational Presentations, Coffee with a Cop, School Presentations, National Night Out, and Albany Police Activities League youth services programs
- Assist with blighted property mitigation and code enforcement
- Assist Albany CARES program
- 24-hour Public Safety Answering Point (PSAP) for 911 emergency police, fire and medical dispatch
- Receiving, classifying, recording, and storing evidence and property
- Administration and management of the Police Department's computerized Records Information Management System (RIMS)
- Coordinate with the District Attorney's office to manage case outcomes
- Parking Enforcement

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Implemented a Mental Health mobile app for supporting staff.
- Received GOLD level award from Lexipol for Excellence in Law Enforcement Policy Management.
- Hosted the Annual National Night Out event.
- Participated in joint traffic safety operation with Berkeley Police Department.
- Utilized Social Media platform for recruiting campaign.
- Implemented the Flock Camera System Program.
- In FY 2023/24 – received 5,149 911 calls, completed 1,680 reports, initiated 16,355 proactive activities, responded to 15,897 calls and answered 96.84% of calls within 20 seconds.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Continue to seek opportunities to “green” our fleet with more hybrid or alternative powered vehicles	FY 2025/26
2. Explore opportunities to further mental health crisis response within the City	FY 2025/26
3. Develop educational/outreach programs to further enhance existing community outreach and engage the community	Continuous
4. Continue training and staff enrichment programs to ensure equality in our delivery of services and department culture	Continuous
5. Further expand on a variety of communication tools to connect with the community	FY 2025/26
6. Explore new technology options to improve police services provided to the community and increase public safety	Continuous
7. Increase training focused on tech related crimes	FY 2026/27
8. Replacement of radio equipment	FY 2025/26

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
19 - POLICE	(7,076,883)	(7,366,418)	(8,182,305)	(8,558,813)	(376,508)	4.6%	(8,255,192)
Expenditures	7,423,475	7,756,589	8,570,147	9,169,655	599,508	7.0%	8,886,992
Salaries and Benefits	6,502,506	6,990,455	7,912,692	7,705,611	(207,081)	-2.6%	8,146,692
Services & Supplies	920,968	766,134	657,455	732,022	74,567	11.3%	740,300
Professional & Other Services	382,571	215,023	182,355	202,022	19,667	10.8%	206,600
Supplies	117,085	100,067	99,700	124,000	24,300	24.4%	124,000
Other Expenditures	212,377	237,026	245,000	250,000	5,000	2.0%	250,000
Utilities	65,096	74,045	48,400	74,000	25,600	52.9%	77,700
Equipment & Improvements	143,839	139,974	82,000	82,000	0	0.0%	82,000
Revenues	346,591	390,171	387,842	610,842	223,000	57.5%	631,800

Fire

The Albany Fire Department is an ISO Class 2 agency providing fire prevention, and fire and emergency medical response services for the community. The Department's primary divisions include Administration, Fire Prevention, Fire Emergency Operations, and Emergency Medical Services. The Department also serves as lead, in coordination with the City Manager, regarding the management of the City's Community Preparedness and Resiliency Programs.

Fire Administration Division

The Administration Division is responsible for planning and tracking the financial, organizational, and developmental aspects of the Department, which are essential for operational readiness. These include fleet and equipment management, facilities, personnel, budgeting, operational programs, community relations, public education, fire investigations and fire prevention.

Fire Prevention Division

The Department's Fire Prevention Division provides fire and life safety consultation, plan checks, and inspections for projects in existing buildings, occupancies, and new developments. The Fire Prevention Division reviews plans for these construction projects to ensure compliance with the City Municipal and State Fire Codes. Annually, Fire Prevention Inspectors perform Fire and Life safety inspections in all multi-family residential buildings with three or more units, all businesses, that are not home-based, all public and private schools, and senior living facilities. The Department has established a comprehensive fire inspection database to effectively manage and maintain inspection records.

Fire Emergency Operations Division

The Fire Emergency Operations Division responds to a variety of emergency and non-emergency calls for service. Emergency responses include fire suppression, emergency medical incidents, hazardous materials threats, and various technical and water rescue incidents. The Division is comprised of two engines (one is a reserve), one 75-foot ladder truck, two ambulances (one is a reserve), two type-six wildland engines (one is a reserve), a command vehicle and fire inspector staff vehicle.

Albany Fire personnel respond to structure fire incidents with an Albany fire engine, ladder truck, and automatic aid from Berkeley Fire Department, to meet the NFPA 1710 Standard. If necessary, additional mutual-aid assistance is received from neighboring agencies. Albany Fire personnel respond to wildland fire incidents with one engine and a four-wheel drive brush truck, along with mutual aid engines from Alameda and surrounding counties. The Department responded to 1,049 fire related incidents in Fiscal Years 2024 and 2025, six of which were major wildland fires in the State. The Department is part of the California Office of Emergency Services (OES) resource ordering and status system (ROSS). Over the past 22 years the Department has responded to over 42 requests for major wildfires throughout the state.

Hazardous materials incidents are mitigated with at least one advanced life support (ALS) engine and if necessary, specifically equipped hazardous material units from Berkeley, Oakland, and Alameda County

Fire Departments.

All freeway incident responses include our ALS ambulance, ALS engine, and the ALS ladder truck, along with assistance from Berkeley, Richmond, and El Cerrito Fire Departments.

The Department has seven certified rescue swimmers who can deploy from the Albany Waterfront to perform open water rescue operations. The Department also coordinates with the US Coast Guard, Berkeley, Oakland, and Alameda County rescue boats.

Emergency Medical Services Division

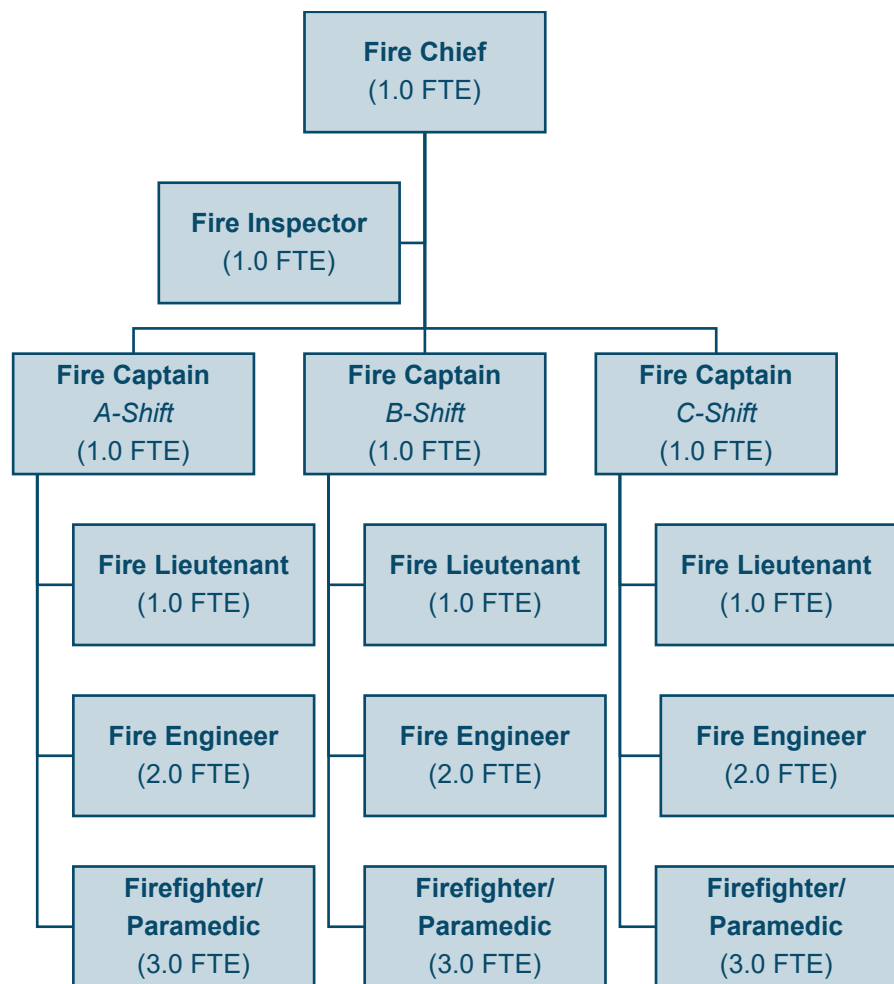
The Emergency Medical Services (EMS) Division is responsible for ambulance transport, First-Responder ALS units, quality assurance and clinical education. This includes training, license verification, and certification of paramedics. The department utilizes a Physician as our Medical Director, and a Registered Nurse as our Quality Assurance Nurse/Educator. Together they help maintain the high level of skill and knowledge our personnel need when caring for the community.

Albany Fire Paramedics follow guidelines developed by the Alameda County Emergency Medical Services Agency, for the delivery of emergency medical and transport services, including specialized treatment and transport to definitive care. The City retains Advanced Life Support (ALS) transporting rights under 1797.201 and 1797.224 of the California Health and Safety Code. These codes allow for the Fire Department to have exclusive rights to response and transport of individuals within the City of Albany.

The Division aims to provide Advanced Life Support care and transport that exceeds Alameda County EMS requirements. During Fiscal Years 2024/25 and 2024/25 (estimated) the Department responded to 4,391 calls for service, of which 3,269 were medical emergencies, this represents 74.4% of all AFD responses.

Organization Chart

Fire Department — 23.0 FTE



Core Services

- Responding to a variety of emergency and non-emergency calls for service directly impacting Public Safety and Public Health
- Fire suppression, emergency medical incidents, hazardous materials threats, and various technical and water rescue incidents
- Manage EOC and Resiliency Programs, provide City Disaster Service Worker training
- Managing and enhancing the Emergency Operations Plan and Disaster Preparedness education programs to increase community resilience
- Major wildland fire response
- Open-Water rescue
- Ambulance transport via Advanced Life Support (ALS) transporting rights under 1797.201 and 1797.224 of the California Health and Safety Code
- Fire Prevention inspection, consultation, and plan review
- Vegetation management on Albany Hill to prevent wildfires

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Maintained an average median overall response time for all medical calls in the City of Albany of 3 minutes and 44 seconds.
- Inspected 100% of businesses, apartments, and state-mandated inspections.
- Fire suppression units outperformed the National Fire Protection Association (NFPA) response standard of 9 minutes and 20 seconds 90% of the time.
- Designed and purchased a new ambulance, anticipated to be in service by July 2025.
- Updated Emergency Operations Plan adopted by Albany City Council October 2024.
- Installed MagnaGrip Diesel Exhaust removal system in fire station apparatus bay. This system decreases personnel's exposure to cancer causing carcinogens by removing all diesel exhaust from the vehicles at its source to the outside.
- Responded to multiple major wildfire incidents as part of the California Master Mutual-Aid plan through the California Office of Emergency Services (OES) resource ordering and status system (ROSS).
- Maintained training agreement with Berkeley Fire Department providing Fire and EMS training to AFD personnel helping to improve service provided to our community, and the safety and performance of emergency personnel.
- Clinical review of 100% of all Patient Care Reports, helping to assure the highest level of care is being provided by Albany FD paramedics.
- Completed four CERT FEMA classes in 2024 and 2025, with assistance from Albany CERT Inc. Each class completed the Fire Department's "CERT Final" held at the Albany Firehouse with realistic scenarios, live fire training, medical training, rescues, and incorporating the Incident Command System.
- Provided University Village Albany staff in disaster preparedness through a hybrid-CERT program.
- Continued training for the Albany First-Responder Wellness program and Peer Support Team established in FY 2023/24 and FY 2024/25.
- City Council approved the purchase of a Pierce AT100-foot aerial firefighting apparatus culminating more than 18 months of work to design an apparatus to meet the City's unique needs, including rear steering axles to better navigate our tight street, idle-reduction technology to reduce emissions, and a 100' aerial platform to reach the top of new taller buildings.
- Responded to multiple wildland fires on Albany Hill and kept them contained on the Hill, leveraging the additional firefighter funded by Measure K and mutual aid resources.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Design and purchase a new ambulance to replace the oldest of the current ageing fleet.	FY 2026/27
2. Explore the use of alternate destination and transportation options to optimize the use of Albany's limited medical resources.	FY 2026/27

- | | |
|---|------------|
| 3. Evaluate opportunities to establish a cooperative regional training center in the East Bay that can be utilized by Albany, Berkeley, El Cerrito, and Richmond Fire Departments. | FY 2026/27 |
| 4. Complete the purchase of Holmatro vehicle extrication equipment to eliminate the gasoline powered hydraulic tools and replace with stronger, lighter battery powered electric tools. | FY 2025/26 |
| 5. Design and purchase a Type 6 Wildland Firefighting Brush Truck to put the 2016 Brush Truck into reserve status and remove the current reserve, a 2005 Brush Truck, from the fleet. | FY 2026/27 |
| 6. Maintain an average median overall response time for all medical calls in the City of Albany of less than four minutes. | Continuous |
| 7. Continue to provide robust disaster preparedness awareness and training programs. | Continuous |

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
20 - FIRE	(2,995,827)	(4,151,058)	(3,725,850)	(3,101,466)	624,384	-16.8%	(3,396,970)
Expenditures	3,397,130	4,298,027	4,024,100	3,418,716	(605,384)	-15.0%	3,714,220
Salaries and Benefits	2,768,548	2,986,136	3,091,002	2,859,516	(231,486)	-7.5%	3,129,895
Services & Supplies	628,582	1,311,890	933,098	559,200	(373,898)	-40.1%	584,325
Professional & Other Services	34,755	54,124	71,609	96,000	24,391	34.1%	104,725
Supplies	49,749	100,261	53,224	77,500	24,276	45.6%	81,150
Other Expenditures	258,747	69,363	566,103	73,500	(492,603)	-87.0%	81,925
Utilities	49,326	55,180	44,901	55,200	10,299	22.9%	57,900
Equipment & Improvements	138,910	935,866	103,302	122,000	18,698	18.1%	123,625
Debt Service	97,095	97,095	93,959	135,000	41,041	43.7%	135,000
Revenues	401,303	146,968	298,250	317,250	19,000	6.4%	317,250
1002 - EMS Fund	(40,364)	225,408	0	32,883	32,883	--	17,195
Expenditures	2,747,186	3,404,480	3,710,000	3,768,471	58,471	1.6%	4,042,805
Salaries and Benefits	2,428,319	2,970,025	3,310,000	3,242,271	(67,729)	-2.0%	3,513,925
Services & Supplies	318,867	434,455	400,000	526,200	126,200	31.6%	528,880
Professional & Other Services	158,530	225,912	150,904	259,000	108,096	71.6%	260,850
Supplies	41,386	43,992	65,445	83,600	18,155	27.7%	75,900
Other Expenditures	21,671	47,549	43,243	47,000	3,757	8.7%	47,000
Utilities	35,228	42,666	40,491	42,600	2,109	5.2%	44,700
Equipment & Improvements	62,053	74,336	99,917	94,000	(5,917)	-5.9%	100,430
Revenues	2,706,822	3,629,887	3,710,000	3,801,354	91,354	2.5%	4,060,000

Public Works

The Public Works Department maintains City-owned facilities, including buildings, parks, open space areas, public right-of-way and infrastructure systems and administers the City's Capital Improvement Program. Public Works responds to service requests such as graffiti, illegal dumping, issues with streetlights/traffic lights, etc. The department is also responsible for maintaining compliance with regulations associated with infrastructure systems such as storm drains and sewers, and coordinates with outside utility agencies doing work within the City. The Department works in close coordination with the City's other Departments to build major renewal and improvement projects throughout the City, provide safe and functional community facilities, and maintain ongoing coordination efforts with local, regional, and state regulatory agencies. The Department is also responsible for the administration of the City's Parks, Recreation and Open Space Commission.

Maintenance Programs

The Public Works Department is responsible for maintenance of City-owned infrastructure and property including:

Buildings & Facilities

Civic Center (comprised of the Emergency Operations Center, City Hall, Police Department, and Fire Station), Community Center, Senior Center, the Senior Center Annex, City Park restrooms, and the Public Works Maintenance Center.

Parks & Open Space

City parks including Dartmouth Tot Lot, Jewel's Terrace Park, Memorial Park, Ocean View Park, Peggy Thomsen Pierce Street Park, and the Ohlone Greenway. Open space along Albany Hill, the Albany Bulb Waterfront, and Albany's segments of five creeks (Cerrito, Codornices, Marin, Middle, and Village).

Urban Forestry

Public Works oversees the City's urban forest street tree program. This includes annual street tree plantings throughout the city along with educational outreach regarding street trees. Tree pruning is also conducted, with priority given to young tree pruning, any emergency pruning, pruning for clearance, or other immediate needs. As trees die, decay, or age out of safety/suitability for public streets, staff work to remove and recycle tree stumps, limbs, and and planting replacement trees.

Sanitary Sewer

Public Works maintains the City's sewer collection system, which includes flushing sewer lines to remove build-up and debris, video inspection of lines to document pipe condition, emergency responses to overflows, and spot repairs as needed to City-owned facilities. This program area involves prescriptive compliance with regulatory agency requirements.

Storm Drains

The City's storm drain system is a network of structures, channels and underground pipes that carry stormwater (rainwater) to the San Francisco Bay. Maintenance includes inspection and removal of excess debris; coordinating street sweeping, and trash capture device maintenance. The Storm Drain Maintenance Program is guided by the regulatory framework of the California Water Board's Municipal Regional Stormwater Permit.

Capital Improvement Project (CIP) Program

The Public Works Department is responsible for the development of the City's five-year Capital Improvement Project Plan (CIP). The CIP Plan draws on adopted Citywide guiding documents such as the Active Transportation Plan, Parks, Recreation & Open Space Master Plan (PROS Master Plan), City Council Strategic Plan, and more to inform prioritization of renewal and improvement activities. The CIP Plan provides the City with a roadmap for implementation of projects under various categories.

CIP work can be divided into Core Programs, which formalize the annual investments into renewal of the City's major infrastructure systems, and discrete Projects, which are standalone efforts to enhance or improve the City's facilities. Public Works partners with the Finance Department to plan allocations of Special Revenue funding from state, regional, federal, and local revenues to support both Core Programs and discrete Projects. CIP appropriations are budgeted through the CIP Plan.

The City currently has four core Annual Rehabilitation Programs: Streets (21000), Sidewalk (22000), Sewer (32000), and Storm Drain (35000). Two new programs for Buildings & Facilities (51000) and Parks (41000) are proposed in the upcoming CIP Plan to systematize capital renewal in those areas.

Streets

The Department manages the City's pavement network and constructs roadway maintenance and rehabilitation projects. The Annual Street Rehabilitation Program (CIP No. 21000) and Albany's associated Pavement Management Plan (PMP) are informed by a pavement inventory performed biennially through the Metropolitan Transportation Commission's (MTC) Pavement Technical Assistance Program (P-TAP). Public Works conducts pavement maintenance and rehabilitation construction projects. More complex projects are brought to the Transportation Commission for review. This capital program is funded by Alameda County Direct Local Distributions from Measure BB gas taxes and Vehicle Registration Fees (VRF), State SB1 Road Maintenance and Rehabilitation Account gas taxes, and local Measure F Street & Storm Drain Tax revenues.

Sidewalks

Public Works is also responsible for administering the Annual Sidewalk Rehabilitation Program (CIP No.

22000). Public Works executes projects on an ongoing basis to repair and rehabilitate sidewalks throughout the City. Project locations are proposed based on selection criteria derived from a comprehensive sidewalk survey. This program was established to accompany a 10-year parcel tax levied to fund repairs to Albany sidewalks, which are otherwise the responsibility of the abutting property owner. In November 2024, Albany voters approved Measure C, which extended the parcel tax through June 2035 and incorporated additional program activities such as sidewalk shaving and recurring sidewalk surveys as eligible expenditures.

Sewer

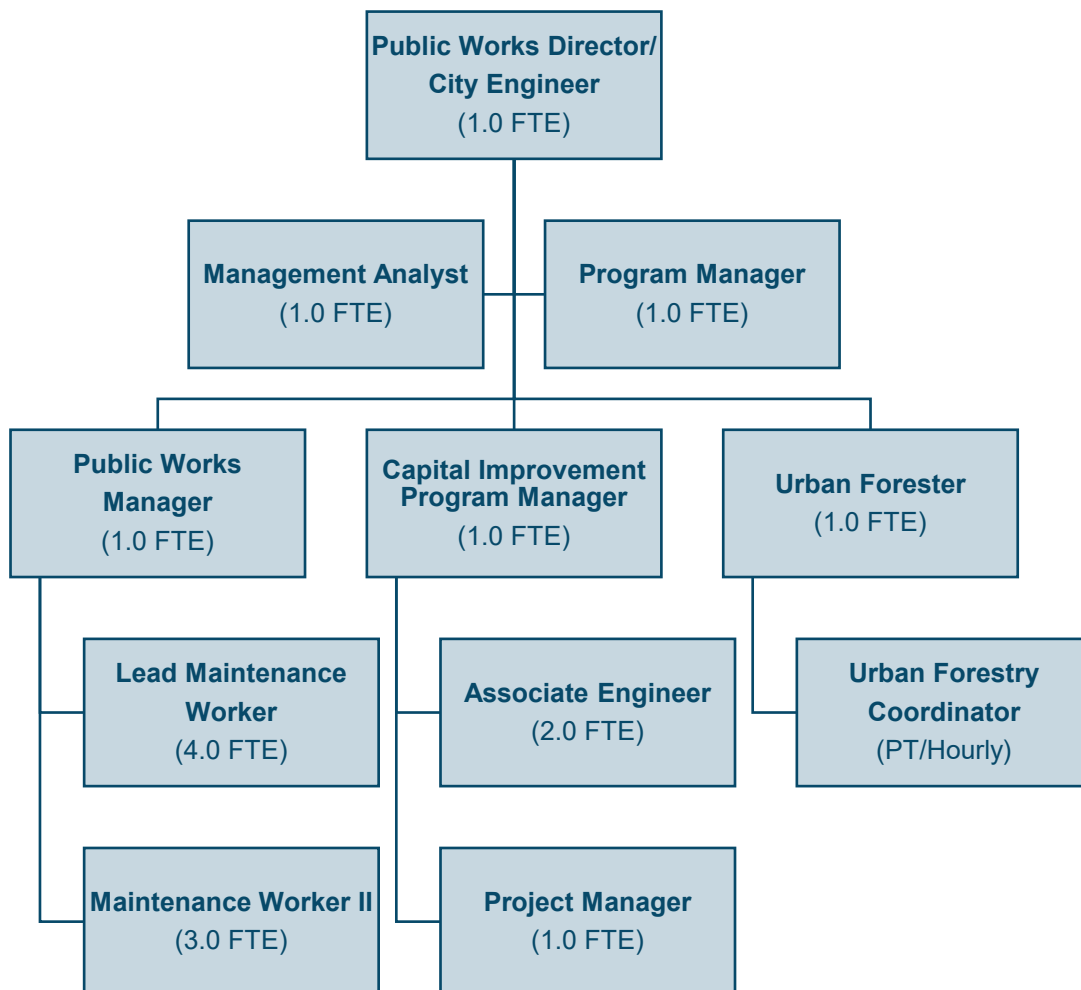
Public Works is responsible for replacing the City's approximately 34 miles of public sewer main, plus associated lower laterals and approximately 750 manholes. Since 2006, the City has been required to comply with the Statewide Waste Discharge Requirements (SWDR) of the Water Board and has adopted a Sewer System Management Plan (SSMP) for systematic rehabilitation and replacement of the sanitary sewer collection system. In May of 2009, the USEPA issued an Administrative Order (AO) to East Bay Municipal Utility District (EBMUD), the City of Albany, and six other East Bay cities, and a Consent Decree agreement was executed in 2014. The Consent Decree mandated that the City rehabilitate 28,530 linear feet of sewer mains by 2018, and 5,706 linear feet per fiscal year thereafter until the year 2030. The City is currently in compliance with these obligations. Systematic rehabilitation projects are ongoing and formalized through the Annual Sewer Rehabilitation Program (CIP No. 32000) and funded by local Sewer Enterprise Fees.

Storm Drains

Public Works conducts projects for rehabilitation and improvement of all City-owned stormwater facilities. The City's storm drain system consists of approximately 12 miles of storm drain pipelines and culverts. The Annual Storm Drain Rehabilitation Program (CIP No. 35000) currently formalizes the City's investment into stormwater infrastructure in Albany via revenues from the local Measure F Street & Storm Drain Tax.

Organization Chart

Public Works Department — 16.0 FTE



Core Services

- Operations and maintenance of all City-owned facilities, including City buildings, parks, streets, street landscapes, City sidewalks, street trees, creeks & open spaces, sewers, and storm drains
- Management of the City's Capital Improvement Program, including Development of the City's five-year Capital Improvement Plan, planning and execution of projects for core infrastructure programs, and execution of discrete projects in the areas of transportation, parks & open space, climate action, and other City priorities
- Compliance with all appropriate systemic and programmatic regulatory requirements at local, regional, state, and federal levels
- Providing efficient and effective services to the community, especially but not limited to during weather events and emergencies

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Completed the Citywide Streetlighting Evaluation (CIP No. 25008), which provided an inventory of City lighting conditions and guidelines for lighting upgrades; subsequently completed an initial round of replacements for 70+ failed/failing streetlights.
- Executed three Phases of the Sidewalk Repair Program (CIP No. 22000), with Phase 10 construction currently awaiting bids; Phases 7-9 comprised 19,700 square feet of sidewalk rehabilitation at 134 locations.
- Completed the Albany Hill Forest Management & Habitat Restoration Plan, which articulates the community's vision for the future of Albany Hill, addresses needs for management of declining Blue Gum Eucalyptus, and recommends strategic management for preservation and enhancement of Western Monarch overwintering habitat.
- Prepared tax measure for Measure C – Safe and Accessible Sidewalks & Pathways Special Parcel Tax, which was adopted by Albany voters at the November 2024 election. This measure expanded the eligible uses of tax revenues to more holistically support the Sidewalk Repair Program, extended collection of the tax through June 2035, incorporated equitable discounts and exemptions, and increased the annual revenue from the tax.
- Maintained compliance with regulatory requirements for management of the City's Sanitary Sewer (USEPA Consent Decree) and Storm Drain (CA Water Board's Municipal Regional Permit 3.0) systems.
- Performed significant improvements to departmental administration, including activation of ArcGIS Online asset management modules for streetlights, signs, and street trees; implementation of ITPipes specialty sanitary sewer asset management software; and activation of a new public-facing Service Request Portal integrated with the new City website.
- Concluded multi-year Capital Improvement Project efforts including: Phase IV of the Codornices Creek Improvements Project (CIP No. 43001), which constructed a multi-use trail adjacent to Codornices Creek, filling a gap in the Albany Bicycle and Pedestrian Networks and making the area generally more accessible and enjoyable; Phase 1 of the San Pablo Pedestrian Improvements Project (CIP No. 24010), which implemented pedestrian safety improvements on San Pablo at various intersections; and Design for the Marin Pavement & Curb Ramp Rehabilitation streetscape project (CIP No. 23004), which is currently awaiting bids and expected for construction in FY 2025/26.
- Implemented compost and mulch procurement activities in the Parks Maintenance program to successfully meet annual procurement requirements associated with SB1383.
- Completed the Albany Bulb Long-Term Flood Projection Plan / Coastal Vulnerability Assessment Update and Adaptation Plan to address CA Waterboard requirements and identify future projects for coastal resilience at the Albany Bulb Landfill.
- Implemented 5,208 linear feet of red curbing Citywide to help residents park in compliance with State AB431, which implemented new restrictions for parking around intersections for improved pedestrian visibility.
- Partnered with the Alameda County Transportation Commission (Alameda CTC) and the Community Development Department (Transportation Division) to coordinate delivery of major transportation improvement projects on San Pablo Avenue and Jackson Street, with Alameda CTC taking on project delivery and funding for the next construction phase of the San Pablo Complete Streets Plan, and providing funding to Albany for the City-managed Jackson Bikeway Project (CIP

No. 25015), which is currently in design. Costs for these two projects were expected to exceed \$3M in overall project costs.

- Responded to community desire for improved City Parks, including continuing scheduled weekend service and constructing planned improvements such as the Ocean View Pickleball Conversion and Memorial Dog Park Improvements Projects (CIP No. 41016/41017)
- In accordance with the City's Climate Action & Adaptation goals, updated Citywide equipment and facilities from gas-powered to electric where feasible and appropriate (i.e. at the time renewal or replacement is needed), including \$25,000 of Public Works landscaping equipment and heat-pump water heaters in the Fire and Police Departments, and installed a Level 2 EV charger at Public Works to support future upgrades to Public Works fleet vehicles.
- Founded the Habitat Restoration Internship Program under the City's Creeks & Open Space Maintenance program, which is designed to invest in development of local youth to encourage environmental stewardship and careers in natural areas management and conservation.
- Completed rehabilitation of 7,268 linear feet of sewer rehabilitation in FY 2023/24, in excess of the annual requirement for sewer rehabilitation under the US EPA Consent Decree of 5,706 linear feet per year.
- Planted 146 street trees in 2024 and 100 trees in early 2025.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Perform a second round of upgrades and replacements to streetlights identified in the Citywide Streetlighting Evaluation (CIP No. 25008) as failed or failing (i.e. <50% functional diodes).	FY 2025/26
2. Construct Phase 2 of the Marin Pavement & Curb Ramp Rehabilitation Project (CIP No. 23004).	FY 2025/26
3. Progress the Sewer Rate Study to review and update the City's Sewer Enterprise Fee to ensure sufficient operation and capital resources to implement the requirements of the Sewer Consent Decree in accordance with Proposition 218 requirements.	FY 2025/26
4. Explore methods for funding and transition to more holistic City-run Street Tree and Streetlighting maintenance programs.	FY 2025/26
5. Initiate planning efforts for management of the City's Buildings & Facilities, including a needs assessment targeting necessary capital renewal and asset management best practices, and an electrification study for evaluation of potential conversions and facility upgrades, as funding permits.	FY 2025/26
6. Complete major planning efforts including the Capital Improvement Project Plan update, the Watershed Management Plan update, and the Sanitary Sewer Master Plan update.	FY 2026/27

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| 7. Continue to engage with the community to develop Parks improvement projects and maintenance activities, as informed by the Parks, Recreation, and Open Space Master Plan, including implementation of Prop 68 grant-funded enhancements, improvements to landscaping maintenance, and performance of a Citywide turf audit. | FY 2026/27 |
| 8. Construct the Brighton Easement Sewer Rehabilitation Project as part of the Annual Sewer Rehabilitation Program (CIP No. 32000). | FY 2026/27 |
| 9. Continue improvements to departmental asset management and administration, including continued investment into ArcGIS Online, implementation of additional asset and project management software, and staff training and integration for adoption of new and updated tools. | Continuous |
| 10. Monitor the ongoing legal landscape surrounding storm drain funding and Proposition 218 considerations, for integration into future funding efforts for the City's storm drain maintenance and operations. | Continuous |
| 11. Continue to seek impactful and feasible opportunities for facility, equipment, and vehicle conversion from gas to electric, in service of the City's Climate Action & Adaptation goals. | Continuous |

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
21 - PUBLIC WORKS	(2,392,253)	(1,685,667)	(1,947,750)	(2,341,531)	(393,781)	20.2%	(2,436,470)
Expenditures	3,409,275	4,092,053	4,374,337	4,964,618	590,281	13.5%	5,062,557
Salaries and Benefits	1,517,492	1,873,271	1,797,809	2,161,918	364,109	20.3%	2,243,007
Services & Supplies	1,891,782	2,218,782	2,576,528	2,802,700	226,172	8.8%	2,819,550
Professional & Other Services	1,123,459	1,351,588	1,563,373	1,663,000	99,627	6.4%	1,663,000
Supplies	160,955	190,462	193,166	219,800	26,634	13.8%	219,800
Other Expenditures	64,374	111,631	500,846	538,525	37,679	7.5%	546,275
Utilities	242,020	271,066	229,304	277,800	48,496	21.1%	288,400
Equipment & Improvements	44,162	37,223	67,742	79,575	11,833	17.5%	78,075
Debt Service	256,812	256,811	22,097	24,000	1,903	8.6%	24,000
Revenues	1,017,021	2,406,386	2,426,587	2,623,087	196,500	8.1%	2,626,087

Recreation & Community Services

The Recreation & Community Services Department provides a vast array of recreational opportunities, events, and community services programs to promote health and wellness, encourage civic engagement, and build a stronger sense of community. The Department provides recreational programming at many city buildings and parks. The Department is comprised of the Recreation Division and Community Services Division.

Recreation Division

The Recreation Division offers a wide array of classes, camps and programs that reflect current community interests and trends to provide engaging, inclusive, educational opportunities for youth, teens, and adults. The Recreation Division also manages the registration of facility rentals at the Albany Community Center, Senior Center and the Memorial Park building, and picnic, tennis/pickleball courts and field rentals at Memorial Park, Ocean View Park and Jewel's Terrace Park. The Division coordinates with the Public Works Department on the maintenance of facilities and parks. The Division also implements the Joint Use Agreement with the Albany Unified School District.

The Recreation Division provides the City's after-school program "Friendship Club" a license-exempt program with two sites located at Ocean View Park and Memorial Park. Friendship Club provides an enriching after-school environment for children six to twelve years of age (1st-5th grade) and operates during the school year (September-mid-June). The program aims to provide a nurturing and safe environment for children to play, make friends, and do homework. During the summer, winter, mid-winter and spring breaks, Friendship Club offers weeklong full-day camps. The Junior Counselor program provides opportunities for tweens and teens to gain valuable leadership experience.

The Recreation Division plans and implements special events. Annual events include Concerts in the Park, Movie in the Park, and 4th of July. Dinner with Albany will be held in 2025. The Division also provides staff support to Public Art programs and projects such as the Albany Community Center Foyer Art Gallery, and Sculpture Loan program.

Community Services Division

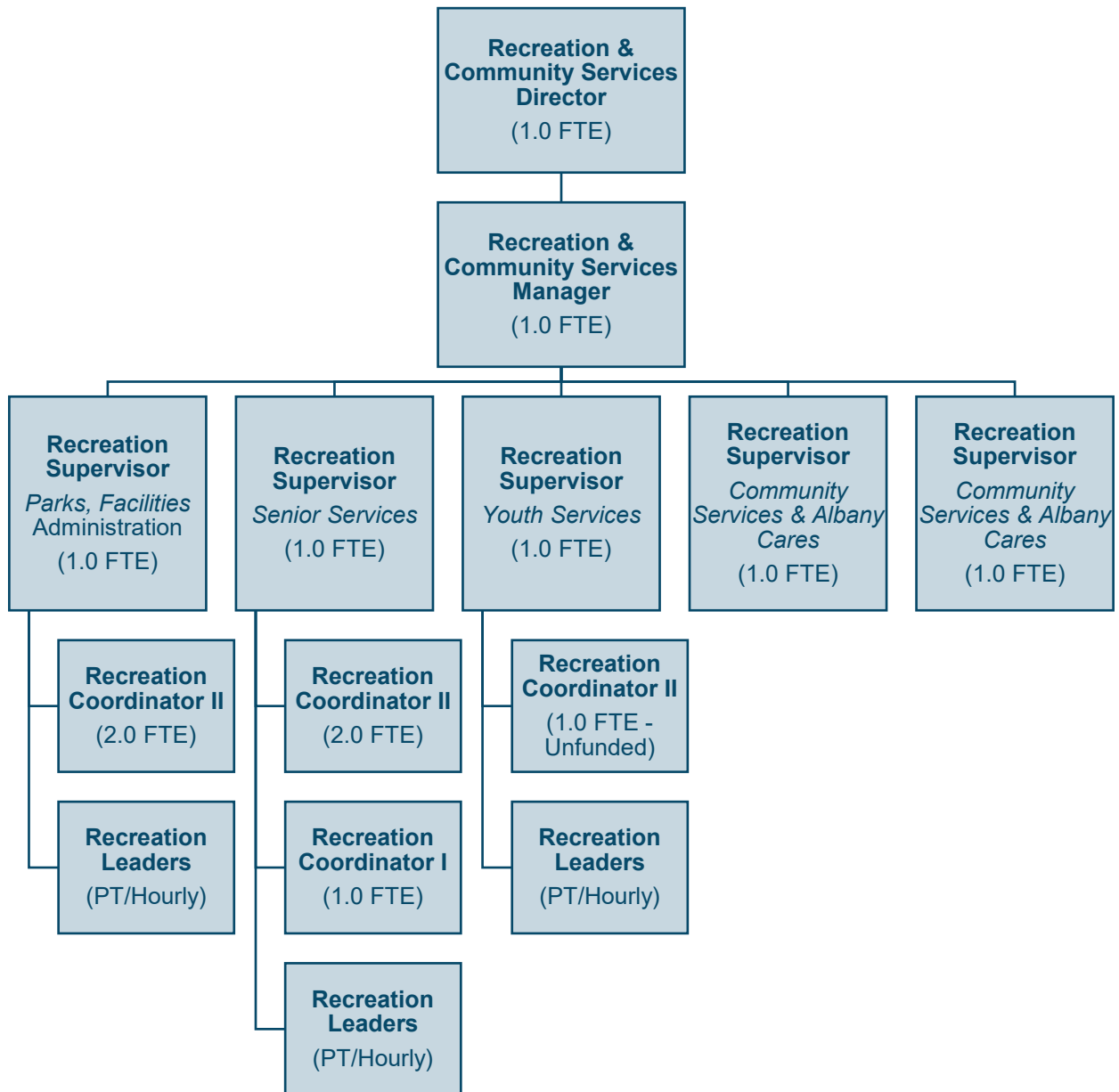
The Community Services Division works in coordination with several City Departments to further outreach and engagement to the community. The Division is responsible for the implementation of the Albany CARES program and associated outreach strategies to connect with households in need, including but not limited to seniors and any resident at risk of or already experiencing homelessness. Albany CARES provides assistance and referral services to assist community members in navigating City and local resources and social services systems. The Division also oversees a contract with Insight Housing for the provision of services for Albany Project HOPE, the City's outreach, engagement, and housing navigation services for people experiencing homelessness or at risk of becoming homeless. Albany CARES also facilitates the City's Parcel Tax Exemption and Renter Rebate program and coordinates and implements

direct assistance programs for low-income Albany households, including the ARPA funded Friendship Subsidy Program, and the Debt Relief and Rental Assistance Program.

The Community Services Division also provides programs and services that aim to support the well-being, independence, and social engagement of older adults at the Albany Senior Center and Senior Youth Annex. Programming includes a variety of classes, socials and events, the congregate lunch and meals-on-wheels programs and the Senior Travel Troupe. The Division also administers the Albany Paratransit Program which provides transportation for participants to go on day trips, and shopping trips and includes a subsidy program on taxi and TNC rides. Other services comprise the Mercy Brown Bag program, health insurance counseling, and free tax filing assistance.

Organization Chart

Recreation & Community Services Department — 13.0 FTE



Core Services

- Programs, classes and camps for youth, teens, and adults
- Administration of facility, field and picnic rentals
- Planning and implementation of kids after school programs and camps
- Planning, implementation and coordination of citywide special events
- Albany Senior Center activities, services and special events

- Paratransit program including taxi subsidies, transportation for senior recreational trips, and weekly shopping trips
- Meals on Wheels and congregate meals programs
- Albany CARES program
- Albany Project HOPE program
- Temporary ARPA funded Community Grocery Program, Friendship Club after school and camp subsidy programs, debt relief and Rental assistance programs
- Outreach and engagement to the community, focusing on public safety and human services programs
- Distribution of programming information on social media outlets, website and production of the Recreation Activity Guide
- Management of Joint Use Agreements for City Parks & Facilities
- Staff support to the Arts Committee

Performance and Accomplishments FY 2023/24 and FY 2024/25

- The Recreation & Community Services Department has continued to increase programming and service levels to the community since the pandemic.
- Senior Center staff and volunteers delivered 15,278 meals, served 11,019 in-per person meals, provided 1,174 shopping trips and packaged and distributed 2,204 bags of groceries.
- The Community Center staff processed 1,206 picnic reservations, 10,499 tennis court reservations at Jewel's Terrace, Memorial Park, and Ocean View Park, and 5,084 pickleball court reservations at Ocean View Park, 40 block parties, 2,531 sports field reservations, and 938 facility reservations along with hosting and supporting community group meetings and events such as the Alameda County Registrar of Voters, American Red Cross, CERT, Albany Library, Friends of Albany Library, Albany Unified School District, Albany Triathlon and Move'n'Groove.
- The Albany CARES program provided referral and resource services to 542 individuals, including direct referrals for unhoused individuals to Albany Project HOPE, expanded access to renter rebates and homeowner exemptions, distributed 602 bags of groceries and essential household items and 3,442 grocery cards through the Community Grocery Program, provided 81 subsidies to Friendship Club After-school participants, Friendship Summer and Seasonal Camp participants and Junior Counselors, and granted rental assistance and debt relief to 57 households.
- The Friendship Club successfully provided safe and engaging after-school programming, serving over 132 children each school year at two sites and offering seasonal and summer camps with over 1038 participants. There were 169 Junior Counselor participants and several Parent Night Out events were hosted.
- Successfully partnered with San Francisco Opera to bring Bohème Out of the Box to Solano Avenue, organized other community events such as the Albany Community Expo, Concerts in the Park, 4th July in the Park, and launched Movie in the Park and Winter Wonderland.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Provide a wide array of recreational programs and community services that meet the needs of the community.	Continuous
2. Provide safe and engaging youth programming including after-school and camp programs.	Continuous
3. Continue to assess programs and services for older adults.	Continuous
4. Continue to implement Albany CARES and Albany Project HOPE to assist the city's most vulnerable residents.	Continuous
5. Continue to administer remaining ARPA funds to support the Friendship Subsidy and the Debt Relief and Rental Assistance programs	Continuous
6. Distribute program information through social media outlets, bulletin boards, website, and production of the Recreation Activity Guide.	Continuous
7. Organize and implement special events to support citywide programs and initiatives and provide special events planning assistance to community organizations.	Continuous
8. Implement and promote art programs such as sculpture loan, community center foyer art gallery and other approved Public Art projects.	Continuous

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
22 - RECREATION	(1,430,203)	(1,196,293)	(1,539,900)	(1,478,866)	61,034	-4.0%	(1,585,898)
Expenditures	2,603,074	2,542,466	2,554,900	2,668,066	113,166	4.4%	2,763,598
Salaries and Benefits	1,775,124	1,816,494	1,781,593	1,761,896	(19,697)	-1.1%	1,865,528
Services & Supplies	827,950	725,972	773,307	906,170	132,863	17.2%	898,070
Professional & Other Services	398,959	394,911	406,763	523,820	117,057	28.8%	508,820
Supplies	26,067	30,530	42,756	33,000	(9,756)	-22.8%	33,000
Other Expenditures	167,971	141,729	172,967	179,250	6,283	3.6%	179,250
Utilities	128,413	132,322	123,127	138,600	15,473	12.6%	145,500
Equipment & Improvements	106,540	26,481	27,694	31,500	3,806	13.7%	31,500
Revenues	1,172,871	1,346,173	1,015,000	1,189,200	174,200	17.2%	1,177,700

Community Development

The Community Development Department plays a crucial role in shaping Albany's physical environment through policy development and program implementation. This multi-disciplinary department encompasses two key divisions: the Planning & Building Division and the Transportation & Sustainability Division.

Planning & Building Division

The Planning and Building Division oversees and enforces both state and local land use regulations. Its responsibilities include formulating policy recommendations for land use development within the City and managing the evaluation and processing of applications through the Planning and Zoning Commission. The Planning & Building Division also handles amendments to the Planning and Zoning Code in response to changes in state and federal laws. Furthermore, it is instrumental in implementing key policy documents such as the Albany 2035 General Plan and the 2023-2031 Housing Element.

In addition, the Planning & Building Division administers the California Building Standards Code. Department responsibilities involve reviewing construction documents to ensure code compliance, issuing building permits, and conducting inspections to verify that construction adheres to regulations. Finally, the Planning & Building Division takes the lead in developing projects aimed at creating affordable housing within the City.

Transportation & Sustainability Division

The Transportation & Sustainability Division focuses on the planning and implementation of policies and programs related to transportation and mobility. The department's work includes initiatives for pedestrians, bicycles, traffic calming, and roadway safety. The division collaborates closely with the Public Works Department on the design and implementation of transportation projects. It also provides staff support to the City's Transportation Commission and coordinates with external transportation agencies such as AC Transit, the Alameda County Transportation Commission, MTC for regional initiatives, and Caltrans.

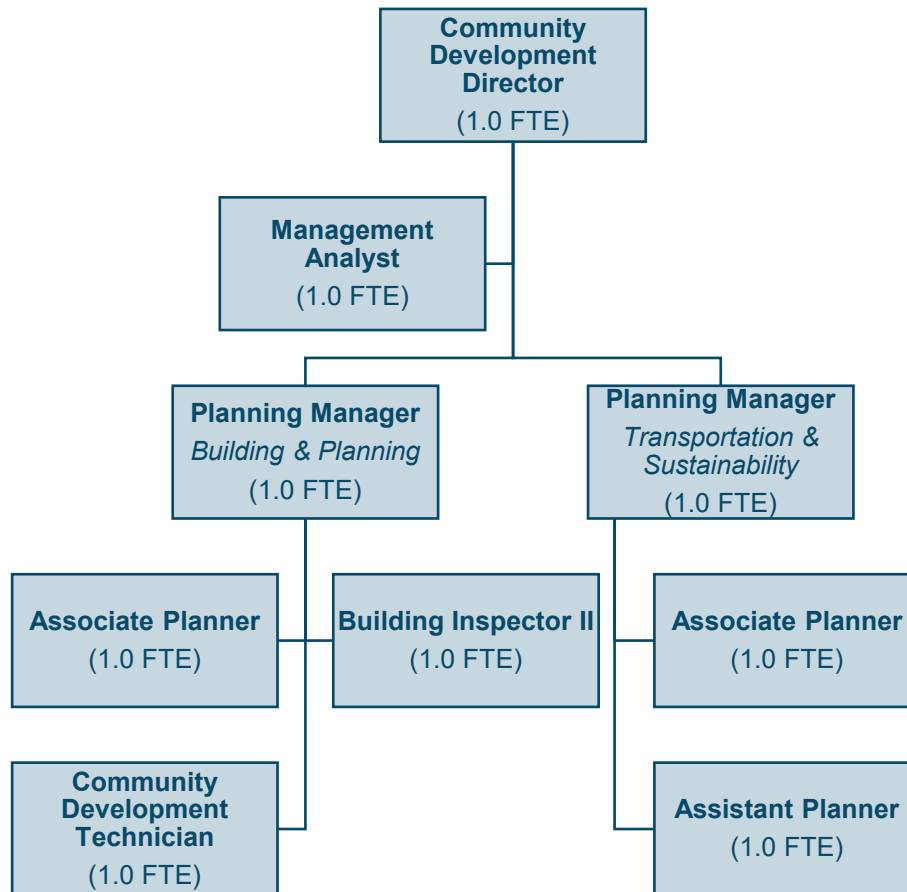
Furthermore, the Transportation & Sustainability Division manages the City's efforts to reduce greenhouse gas emissions and adapt to climate change. The division supports the City's Climate Action Committee and collaborates with partner organizations like Ava Community Energy, Stopwaste.org, and BayRen. It also takes the lead in overseeing solid waste management franchise agreements and local waste reduction programs.

Other Programs & Responsibilities

Beyond its core functions, the Community Development Department staff addresses a range of resilience and environmental planning issues. Activities include the development and implementation of the City's multi-family soft story retrofit program. Department staff also collaborate with the Public Works Department on planning for Albany's waterfront protection and creek restoration, as well as the preparation of a Street Tree Management Plan. Additionally, the department works with the City's Fire Department on disaster preparedness, hazard mitigation, and emergency operations.

Organization Chart

Community Development Department — 9.0 FTE



Core Services

- Administration of the California Building Standards Code
- Checking building plans for building code compliance, issuing building permits, and inspecting construction for compliance
- Construction-related code enforcement
- Administration of state and local land use and building regulations and formulating policy recommendations related to the physical development of the City
- Evaluating and processing development applications through the Planning and Zoning Commission
- Updating the Planning and Zoning Code, the Albany General Plan, and the Housing Element
- Planning for the City's urban and natural environment, including climate action and adaptation planning and implementation; hazard mitigation and disaster resilience; resource reduction, recycling, and solid waste management; creek and open space planning
- Planning and implementation of projects related to pedestrian, bicycle, and vehicle safety
- Coordination with AC Transit, the Alameda County Transportation Commission, and Caltrans regarding implementation of improvements to the City's mobility network
- Development and implementation of affordable housing programs and projects within the City

Performance and Accomplishments FY 2023/24 and FY 2024/25

- Completion of Phase 1 of a comprehensive update to the City's Active Transportation Plan.
- Oversight of the completion of the SAHA affordable housing project.
- Comprehensive update to the City's Planning and Zoning Code, including accessory dwelling unit requirements, density bonus requirements, and standards for placement of heat pumps.
- Compliance with significant amendments to state laws regarding solid waste collection and disposal.
- Implementation of HVAC incentive programs and electric vehicle charging pilot program.
- Development and implementation of a sustainable foodware program.
- Resolution of several long-standing public nuisance properties.
- Issuance of building permits for 23 new residential accessory dwelling units over the two-year period.
- Issuance of building permit for the 207-unit multi-family housing development at 540 San Pablo Avenue.
- Staffing 56 Commission and committee meetings over the past two-year period.
- Phase 1 of the Soft Story Retrofit program is underway. Three retrofits have been completed and an additional three have been permitted, with the retrofit underway. In addition, 19 properties have been screened and determined not to have a wood frame soft story and thus are exempt from the program.

Goals and Objectives for FY 2025/26 and FY 2026/27

	Target Completion
1. Implementation of the 2023-2031 Housing Element	Continuous
2. Updating Planning and Zoning Code related to bicycle parking, childcare facilities, and state legislative amendments	Continuous
3. Completion of a Development Impact Fee study	FY 2025/26
4. Completion of a comprehensive update to the Active Transportation Plan	FY 2025/26
5. Completion of the Street Tree Management Plan	FY 2025/26
6. Implementation of Local Hazard Mitigation Plan	Continuous
7. Modernization of permit application tracking software	Continuous
8. Manage the Gas Line Decommissioning Pilot Project	FY 2025/26
9. Exploration of opportunities for electrification of transportation, including EV charging	Continuous
10. Develop data to prioritize traffic calming measures	FY 2026/27

Departmental Budget

	FY 2022/23 Actuals	FY 2023/24 Actuals	FY2024/25 Projected	Proposed FY2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY2026/27 Budget
23 - COMMUNITY DEV	(750,412)	(906,988)	(1,595,674)	(1,636,682)	(41,008)	2.6%	(1,649,205)
Expenditures	1,717,632	2,138,342	2,275,974	2,586,982	311,008	13.7%	2,604,505
Salaries and Benefits	1,108,220	1,492,053	1,441,010	1,793,432	352,422	24.5%	1,810,055
Services & Supplies	609,412	646,289	834,964	793,550	(41,414)	-5.0%	794,450
Professional & Other Services	486,541	559,956	796,983	705,000	(91,983)	-11.5%	705,000
Supplies	2,233	3,131	4,790	4,000	(790)	-16.5%	4,000
Other Expenditures	106,967	66,888	24,810	68,150	43,340	174.7%	68,150
Utilities	13,491	15,718	7,711	15,700	7,989	103.6%	16,600
Equipment & Improvements	180	595	671	700	29	4.4%	700
Revenues	967,220	1,231,354	680,300	950,300	270,000	39.7%	955,300

SPECIAL REVENUE FUNDS



Overview

Special revenue funds account for and report the proceeds of specific revenue sources that are committed or assigned to specific purposes other than debt service or capital projects. The City has several special revenue funds, mostly comprised of parcel taxes in addition to some sources from the State of California and the County of Alameda. Special revenue funds are used for several purposes including supporting operating expenditures, planned capital improvements, and emergency repairs and maintenance. Each of the special revenue funds is defined below and described in more detail in the following section.

Fund Definitions

- **1001 - Pension Property Tax Fund** accounts for revenues, expenditures and balances provided by the special property tax levied to fund the obligations of the City of Albany Police and Fire Relief or Pension Fund (Trust) as well as a portion of the current police and fire retirement costs.
- **1101 - Alameda County Measure B Local Streets and Roads Fund** accounts for the City's share of a one-half cent sales tax which is restricted for transportation purposes. That sales tax has expired and was replaced by Alameda County Measure BB.
- **1102 - Alameda County Measure B Bike and Pedestrian Fund** accounts for the City's share of a one-half cent sales tax which is restricted for transportation purposes. That sales tax has expired and was replaced by Alameda County Measure BB.
- **1103 - Alameda County Measure B Paratransit Fund** accounts for the City's share of a one-half cent sales tax which is restricted for transportation purposes. That sales tax has expired and was replaced by Alameda County Measure BB.
- **1104 - Alameda County Vehicle Registration Fee (VRF) Fund** accounts for revenue the City receives from the County that is an allocation of vehicle registration fees collected by the State. Expenditures are restricted to transportation purposes.
- **1105 - California State Highway Users Tax Account (HUTA) Gas Tax Fund** accounts for revenues received and expended under the State of California, Street and Highways Code Sections 2103, 2105, 2106, 2107, and 2107.5. These revenues must be expended for street maintenance or construction.
- **1201 - Alameda County Measure BB Local Streets and Roads Fund** accounts for the City's share of a one-half cent sales tax, updated in 2022 to a one-cent sales tax, which is restricted for transportation purposes. It is used entirely for capital expenditures except for annual administrative dues to Alameda CTC.
- **1202 - Alameda County Measure BB Bike and Pedestrian Fund** accounts for the City's share of a one-half cent sales tax, updated in 2022 to a one-cent sales tax, which is restricted for transportation purposes. It is used entirely for capital expenditures.
- **1203 - Alameda County Measure BB Paratransit Fund** accounts for the City's share of a one-half cent sales tax, updated in 2022 to a one-cent sales tax, which is restricted for paratransit transportation services.
- **1301 - L&LAD 1996-1 Open Space Fund** accounts for the purchase of open space on Albany Hill, through the City of Albany Open Space, Recreational Playfield and Creek Restoration Assessment District No. 1996-1. Parcel tax is not currently active, but funds remain for appropriate activities.
- **1302 - L&LAD 1996-1 Recreational Playfields Fund** accounts for the acquisition, development and maintenance of recreational playfields throughout the City of Albany Open Space, Recreational

Playfield and Creek Restoration Assessment District No. 1996-1. Parcel tax is not currently active, but funds remain for appropriate activities.

- **1303 - L&LAD 1996-1 Creek Restoration Fund** accounts for restoration of creeks through the City of Albany Open Space, Recreational Playfield and Creek Restoration Assessment District No. 1996-1. Parcel tax is not currently active, but funds remain for appropriate activities.
- **1304 - Lighting and Landscape Assessment District 1988-1 Fund (LLAD 88-1)** accounts for assessments levied on district property and is restricted for use for landscaping, parks, trees, lighting, and related activities.
- **1305 - Sidewalk Parcel Tax Fund** accounts for voter approved parcel taxes for repairs to sidewalks and pathways and to improve the walkability of the City.
- **1306 - Parks & Open Space Parcel Tax Fund (Measure M)** accounts for funds collected locally and restricted for maintenance and improvements for parks, urban forestry, and open space.
- **1401 - Library Operations Fund** accounts for voter approved parcel taxes in support of library operations.
- **1402 – Public, Educational and Governmental Access (PEG) Fund** accounts for funds from cable providers to help support the local cable access channel administered by the City, KALB.
- **1403 – Public Art Fund** accounts for fees paid by development projects for public art in lieu of including the art directly in the project.
- **1501 - Supplemental Law Enforcement Services Fund (SLESF)/COPS Funds** accounts for revenues received under Legislation (AB3229) to fund various front-line law enforcement activities.
- **1601 – NPDES Storm Drain Fund** accounts for revenues and expenditures for programs and activities used to prevent nonpoint source pollution. This fund also encompasses revenue received from the City's Waste Management Franchise Agreement for street sweeping and related activities in accordance with the Alameda County Clean Water Program and Municipal Regional Permit requirements administered by the California Water Board.
- **2006 – Street Paving & Storm Drain Facility Improvement Tax (Measure F) Fund** accounts for special tax funds collected locally since voter approval in 2006. These funds are restricted for repair and rehabilitation of streets and storm drains.

Pension Property Tax Override Fund

The City of Albany imposed an *ad valorem* property tax beginning in fiscal year 1982/83 to pay the City's pension liability for Police and Fire retirees. The initial tax rate was set at 0.0993% of the full property value. This was the estimated rate required to fund the unfunded liability of the now closed Police and Fire Relief and Pension Fund, which was closed to new participants. Funds generated by this tax are also used to partially fund required contributions to CalPERS police and fire retirement plans based on the level of benefits in effect when the pension override was approved.

Annually the City Council adopts by resolution the Tax Rate for the ensuing Fiscal Year. The rate is capped at the rate set in 1982, 0.0993%. As previously noted, the revenue collected in this fund is held to meet obligations in two primary areas: 1) the Albany Police and Fire Relief Pension Fund, which is closed to new members and funds retirement obligations earned by pensioners prior to the City Public Safety employees being covered by CalPERS; and 2) partial funding of required contributions to the open CalPERS police and fire retirement plans. The funds can be used to cover City pension costs that do not exceed the benefits offered at the time the tax was implemented.

Over the years the funding needs for the Albany Police and Fire Pension Trust Fund have fluctuated based on the plan funding status calculated by the plan actuaries. The last actuarial valuation, conducted as of June 30, 2024, established the annual contribution rate at \$1,023,773.

The contribution towards applicable current Police and Fire Safety CalPERS costs is estimated to be \$3,729,844 based on the most recent CalPERS actuarial valuations, dated June 30, 2024. The estimate was adjusted to ensure the tax only covers the level of benefit provided when the tax was first enacted.

As shown below, the estimated fund balance in the restricted special revenue fund is projected to be \$1,425,901 as of July 1, 2025. The preliminary estimated results for Fiscal Year 2025/26 are summarized in the following table.

Figure 9

Pension Property Tax Estimated Source/(Use) of Funds (FY 2025/26)

Beginning Balance July 1, 2025	\$1,425,901
Source of Funds — FY 2025/26 Taxes	\$3,877,853
Use of Funds	(\$3,877,853)
Annual Contribution Albany Pension Trust Fund	(\$500,000)
Annual Payment of Partial Current Safety PERS	(\$3,377,853)
TOTAL USES	(\$3,877,853)
Estimated Ending Balance June 30, 2026	\$1,425,901

As seen above, the proposed uses of the pension tax override fund will leave the fund balance at \$1,425,901 until additional tax is collected in future years. Staff recommend that the balance stay in the fund to help offset the increase in the CalPERS UAL in future years.

1001 - PENSION TAX OVERRIDE							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(3,603,600)	(3,800,400)	(3,397,535)	(3,877,853)	(480,318)	14.1%	(3,994,000)
Total Revenues	(3,603,600)	(3,800,400)	(3,397,535)	(3,877,853)	(480,318)	14.1%	(3,994,000)
Salaries and Benefits	500,000	500,000	0	0	0	--	0
Services & Supplies	2,607,061	2,760,074	3,400,000	3,877,853	477,853	14.1%	3,994,000
Other Expenditures	2,607,061	2,760,074	3,400,000	3,877,853	477,853	14.1%	3,994,000
Total Expenditures	3,107,061	3,260,074	3,400,000	3,877,853	477,853	14.1%	3,994,000
(Excess) Deficiency of Revenues Over Expenditures	(496,539)	(540,326)	2,465	0	(958,171)	-38871.0%	0
Beginning Fund Balance	(391,501)	(888,041)	(1,428,366)	(1,425,901)	--	--	(1,425,901)
(Addition)/Use - Fund Balance	(496,539)	(540,326)	2,465	0	--	--	0
Available Ending Fund Balance	(888,041)	(1,428,366)	(1,425,901)	(1,425,901)	--	--	(1,425,901)

Alameda County Transportation Commission (ACTC) Funds

Measures B, BB, and Vehicle Registrations Funds (1101, 1102, 1103, 1104, 1201, 1202, 1203)

The Alameda County Transportation Commission (ACTC) distributes local tax revenues to jurisdictions to support regional priorities, which include:

- Expanding mass transit
- Improving highway infrastructure
- Improving local streets and roads
- Improving bicycle and pedestrian safety, and
- Expanding special transportation for seniors and people with disabilities.

Measure B was a County direct local distribution funded through a half-cent sales tax to deliver transportation improvements and services. Collection of this tax was approved by Alameda County voters in 2000 and expired in March 2022. The City will be spending down the balance of this fund over the next several years.

Albany received funding from Measure B revenues for local street and road improvements, including projects under the Annual Street Rehabilitation Program (CIP No. 21000), as well as implementation of projects with active transportation & bike/pedestrian safety elements, including but not limited to the Masonic Intersections (Ohlone Greenway Trail Safety Improvements) Project (CIP No. 25007), the San Pablo Avenue Pedestrian Improvements Project – Phase I (CIP No. 24010), and the Street Lighting Evaluation Project (CIP No. 25008). Measure B also supported the City's paratransit program administered by the Recreation Department.

Alameda County voters approved a second County-wide measure, Measure BB, in 2014, which would provide additional revenue immediately, and increase upon expiration of Measure B in 2022. Measure BB is similarly dedicated to the regional priorities listed above. Albany's distributions are earmarked for local streets & roads improvements, bicycle & pedestrian safety projects, and paratransit program operations.

Projects currently funded through Measure BB include the City's Annual Street Rehabilitation Program, traffic calming projects throughout the City, Active Transportation Plan elements of larger projects, construction of the San Pablo Pedestrian Improvements Project – Phase I, and the City's paratransit program. Measure BB is scheduled to expire in 2045.

Vehicle Registration Fee revenue is collected by the state and distributed to public agencies to plan, design, and construct improvements to public streets. Albany's allocation is distributed by ACTC. This funding source is currently programmed to the Annual Street Rehabilitation Program.

The ACTC-administered funds are used mainly for CIP purposes; however, the paratransit portions of these funds fully support the operation of the City's paratransit program. Public Works also utilizes these funds for ACTC annual dues, generally considered operating expenditures.

1101 - SR-MSR B-LCL STRTS & RDS (ACTC)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Earnings on Investments	(26,434)	(16,160)	0	0	0	--	0
Total Revenues	(26,434)	(16,160)	0	0	0	--	0
Salaries and Benefits	0	0	0	0	0	--	0
Services & Supplies	612,399	434,825	(297,568)	0	297,568	-100.0%	0
Professional & Other Services	199,259	198,233	(13,397)	0	13,397	-100.0%	0
Supplies	0	52	0	0	0	--	0
Other Expenditures	5,110	5,346	6,500	0	(6,500)	-100.0%	0
Equipment & Improvements	408,030	231,194	(290,671)	0	290,671	-100.0%	0
Total Expenditures	612,399	434,825	(297,568)	0	297,568	-100.0%	0
(Excess) Deficiency of Revenues Over Expenditures	585,965	418,665	(297,568)	0	(297,568)	100.0%	0
Beginning Fund Balance	(1,359,546)	(773,581)	(354,916)	(652,484)	--	--	(652,484)
(Addition)/Use - Fund Balance	585,965	418,665	(297,568)	0	--	--	0
Available Ending Fund Balance	(773,581)	(354,916)	(652,484)	(652,484)	--	--	(652,484)

1102 - SR-MSR B-BYCYCL & PDSTRN (ACTC)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Total Revenues	(3,182)	(1,812)	0	0	0	--	0
Services & Supplies	148,721	83,239	0	0	0	--	0
Equipment & Improvements	148,721	83,239	0	0	0	--	0
Total Expenditures	148,721	83,239	0	0	0	--	0
(Excess) Deficiency of Revenues Over Expenditures	145,539	81,427	0	0	0	--	0
Beginning Fund Balance	(244,666)	(99,127)	(17,700)	(17,700)	--	--	(17,700)
(Addition)/Use - Fund Balance	145,539	81,427	0	0	--	--	0
Available Ending Fund Balance	(99,127)	(17,700)	(17,700)	(17,700)	--	--	(17,700)

1103 - SR-MSR B - PARATRANSIT (ACTC)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Total Revenues	0	0	0	0	0	--	0
Salaries and Benefits	5,642	0	0	0	0	--	0
Services & Supplies	6,939	0	0	0	0	--	0
Utilities	142	0	0	0	0	--	0
Equipment & Improvements	6,797	0	0	0	0	--	0
Total Expenditures	12,581	0	0	0	0	--	0
(Excess) Deficiency of Revenues Over Expenditures	12,581	0	0	0	0	--	0
Beginning Fund Balance	(12,582)	0	0	0	--	--	0
(Addition)/Use - Fund Balance	12,582	0	0	0	--	--	0

1104 - SR-MSR F - VEHICLE REG (ACTC)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Revenues from Other Agencies	(87,921)	(87,016)	(75,000)	(75,000)	0	0.0%	(75,000)
Total Revenues	(98,282)	(107,103)	(75,000)	(75,000)	0	0.0%	(75,000)
Services & Supplies	82,831	38,338	40,053	0	(40,053)	-100.0%	0
Professional & Other Services	20,000	0	12,000	0	(12,000)	-100.0%	0
Equipment & Improvements	62,831	38,338	28,053	0	(28,053)	-100.0%	0
Total Expenditures	82,831	38,338	40,053	0	(40,053)	-100.0%	0
(Excess) Deficiency of Revenues Over Expenditures	(15,452)	(68,765)	(34,947)	(75,000)	40,053	-114.6%	(75,000)
Beginning Fund Balance	(367,972)	(383,424)	(452,189)	(487,136)	--	--	(562,136)
(Addition)/Use - Fund Balance	(15,452)	(68,765)	(34,947)	(75,000)	--	--	(75,000)
Available Ending Fund Balance	(383,424)	(452,189)	(487,136)	(562,136)	--	--	(637,136)

1201 - MSR BB-LCL STRTS & RDS (ACTC)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Revenues from Other Agencies	(1,476,952)	(1,214,721)	(1,500,000)	(1,188,849)	311,151	-20.7%	(1,188,849)
Total Revenues	(1,558,048)	(1,374,360)	(1,500,000)	(1,188,849)	311,151	-20.7%	(1,188,849)
Services & Supplies	943,607	964,028	375,257	14,000	(361,257)	-96.3%	14,000
Professional & Other Services	25,145	68,056	(6,243)	0	6,243	-100.0%	0
Other Expenditures	5,110	5,346	6,500	14,000	7,500	115.4%	14,000
Equipment & Improvements	913,352	890,626	375,000	0	(375,000)	-100.0%	0
Total Expenditures	943,607	964,028	375,257	14,000	(361,257)	-96.3%	14,000
(Excess) Deficiency of Revenues Over Expenditures	(614,441)	(410,332)	(1,124,743)	(1,174,849)	672,408	-59.8%	(1,174,849)
Beginning Fund Balance	(2,440,514)	(3,054,955)	(3,465,287)	(4,590,030)	--	--	(5,764,880)
(Addition)/Use - Fund Balance	(614,441)	(410,332)	(1,124,743)	(1,174,849)	--	--	(1,174,849)
Available Ending Fund Balance	(3,054,955)	(3,465,287)	(4,590,030)	(5,764,880)	--	--	(6,939,729)

1202 - MSR BB-BYCYCL & PDSTRN (ACTC)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Revenues from Other Agencies	(149,246)	(142,734)	(155,000)	(137,829)	17,171	-11.1%	(137,829)
Total Revenues	(156,100)	(155,572)	(155,000)	(137,829)	17,171	-11.1%	(137,829)
Services & Supplies	197,347	120,251	81,498	0	(81,498)	-100.0%	0
Professional & Other Services	1,960	57,189	56,498	0	(56,498)	-100.0%	0
Equipment & Improvements	195,387	63,062	25,000	0	(25,000)	-100.0%	0
Total Expenditures	197,347	120,251	81,498	0	(81,498)	-100.0%	0
(Excess) Deficiency of Revenues Over Expenditures	41,248	(35,321)	(73,502)	(137,829)	98,669	-134.2%	(137,829)
Beginning Fund Balance	(307,439)	(266,191)	(301,512)	(375,014)	--	--	(512,843)
(Addition)/Use - Fund Balance	41,248	(35,321)	(73,502)	(137,829)	--	--	(137,829)
Available Ending Fund Balance	(266,191)	(301,512)	(375,014)	(512,843)	--	--	(650,672)

1203 - MSR BB-PARATRANSIT (ACTC)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Revenues from Other Agencies	(91,928)	(88,158)	(95,000)	(89,581)	5,419	-5.7%	(90,000)
Total Revenues	(96,497)	(96,917)	(95,347)	(89,581)	5,766	-6.0%	(90,000)
Salaries and Benefits	43,102	57,705	0	120,684	120,684	--	123,402
Services & Supplies	9,745	11,069	8,000	25,700	17,700	221.3%	25,700
Professional & Other Services	9,745	9,048	8,000	9,200	1,200	15.0%	9,200
Utilities	0	0	0	500	500	--	500
Equipment & Improvements	0	2,020	0	16,000	16,000	--	16,000
Total Expenditures	52,847	68,774	8,000	146,384	17,700	221.3%	149,102
(Excess) Deficiency of Revenues Over Expenditures	(43,649)	(28,144)	(87,347)	56,803	(11,934)	13.7%	59,102
Beginning Fund Balance	(134,352)	(178,001)	(206,145)	(293,492)	--	--	(236,689)
(Addition)/Use - Fund Balance	(43,649)	(28,144)	(87,347)	56,803	--	--	59,102
Available Ending Fund Balance	(178,001)	(206,145)	(293,492)	(236,689)	--	--	(177,587)

Alameda County Transportation Commission Funds (1101, 1102, 1103, 1104, 1201, 1202, 1203)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Revenues from Other Agencies	(1,806,047)	(1,532,629)	(1,825,000)	(1,491,260)	333,740	-18.3%	(1,491,678)
Total Revenues	(1,938,542)	(1,751,925)	(1,825,347)	(1,491,260)	334,087	-18.3%	(1,491,678)
Salaries and Benefits	48,744	57,705	0	120,684	120,684	--	123,402
Services & Supplies	2,001,588	1,651,749	207,240	39,700	(167,540)	-80.8%	39,700
Professional & Other Services	256,109	332,527	56,859	9,200	(47,659)	-83.8%	9,200
Supplies	0	52	0	0	0	--	0
Other Expenditures	10,220	10,691	13,000	14,000	1,000	7.7%	14,000
Utilities	142	0	0	500	500	--	500
Equipment & Improvements	1,735,117	1,308,479	137,382	16,000	(121,382)	-88.4%	16,000
Total Expenditures	2,050,332	1,709,454	207,240	160,384	(167,540)	-80.8%	163,102
(Excess) Deficiency of Revenues Over Expenditures	111,790	(42,470)	(1,618,107)	(1,330,876)	501,628	-31.0%	(1,328,576)
Beginning Fund Balance	(4,867,071)	(4,755,281)	(4,797,751)	(6,415,858)	--	--	(7,746,734)
(Addition)/Use - Fund Balance	111,790	(42,470)	(1,618,107)	(1,330,876)	--	--	(1,328,576)
Available Ending Fund Balance	(4,755,281)	(4,797,751)	(6,415,858)	(7,746,734)	--	--	(9,075,310)

HUTA Gas Tax Fund

Fund 1105

Highway Users Tax Account (HUTA) gas tax revenue is collected by the state and distributed to public agencies and cities to plan, design, and construct improvements to public streets and highways as well as maintenance and operation of public streets and highways. Albany receives approximately \$500,000–\$600,000 each year for local streets and roads. See California Streets & Highways Code §2103-2108 for details on HUTA apportionments.

Albany's HUTA Gas Tax revenue has historically supported both operating and capital expenditures and was included in previous CIP budgets as a funding source. Since FY 2020/21, this revenue stream has been directed primarily towards supporting the City's maintenance and operations programs in the public right-of-way through transfers to the General Fund.

1105 - SR-GAS TAXES							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Earnings on Investments	(28,392)	(53,314)	0	0	0	–	0
Revenues from Other Agencies	(606,870)	(609,405)	(492,990)	(595,035)	(102,045)	20.7%	(595,035)
Total Revenues	(635,262)	(662,718)	(492,990)	(595,035)	(102,045)	20.7%	(595,035)
Services & Supplies	426,374	456,322	804,487	519,000	(285,487)	-35.5%	519,000
Professional & Other Services	0	0	(8,645)	0	8,645	-100.0%	0
Other Expenditures	394,000	456,322	519,000	519,000	0	0.0%	519,000
Equipment & Improvements	32,374	0	294,132	0	(294,132)	-100.0%	0
Total Expenditures	426,374	456,322	804,487	519,000	(285,487)	-35.5%	519,000
(Excess) Deficiency of Revenues Over Expenditures	(208,888)	(206,396)	311,497	(76,035)	183,442	58.9%	(76,035)
Beginning Fund Balance	(807,840)	(1,016,728)	(1,223,124)	(911,627)	–	–	(987,662)
(Addition)/Use - Fund Balance	(208,888)	(206,396)	311,497	(76,035)	–	–	(76,035)
Available Ending Fund Balance	(1,016,728)	(1,223,124)	(911,627)	(987,662)	–	–	(1,063,697)

Lighting and Landscaping District Funds

Measure R LLAD 1996-1 Open Space (1301), Recreation and Playfields (1302), Creek Maintenance (1303), and LLAD 1988-1, Lighting and Landscaping District (1304)

In 1988, pursuant to the Landscaping and Lighting Act of 1972, Albany formed a Lighting and Landscaping Assessment District (LLAD). The assessments levied and collected provide for the installation and maintenance of public landscaping, park, and recreational improvements within the district. Proceeds from this assessment district are allocated to fund 1304, which currently supports the City's Parks, Public Right-of-Way, and Urban Forestry Maintenance Programs. This assessment district does not expire, and a public hearing is scheduled annually in tandem with the published Engineer's Report and budget for use of the proceeds.

In 1996, Albany formed another Lighting and Landscaping Assessment District (LLAD), to fund acquisition, improvement and maintenance of open space on Albany Hill, recreational playfields throughout the City, and creek restoration. Also, in 1996, the voters approved Measure R, an advisory measure which expressed support for the LLAD and called for allocation of the proceeds as follows: (1) 50% for the acquisition, improvement and maintenance of open space on Albany Hill; (2) 25% for the acquisition, improvement, and maintenance of recreational playfields; and (3) 25% for creek restoration and maintenance.

In 1999, the City issued \$6.23 million in improvement bonds secured by the LLAD revenues. These bonds were repaid in 2019. Projects recently completed using Measure R funding included construction of the Albany Hill Access Improvements Project and the Codornices Creek Phase IV Improvement Project (CIP No. 43001). In recent years Measure R has provided supplemental funding for vegetation management on Albany Hill and along the bank of Cerrito Creek.

Revenues from the 1996-1 assessment district were allocated to six funds: three for operating programs and three for capital projects. The operating funds are Fund 1301 – Open Space, Fund 1302 – Playfields, and Fund 1303 – Creek Restoration. The capital funds are Fund 2302 - Open Space, Fund 2303 - Playfields and Fund 2304 - Creek Restoration. At this time, funds in 1301 and 1302 are substantially exhausted. Fund 1303 is budgeted to be depleted by the end of this budget period. Future program costs will be funded through other parks and creeks/open space special revenue, including LLAD 1988-1 (1304) and Measure M Parks and Open Space Parcel Tax (1306). The remaining capital funds if available will be budgeted as part of the City's next CIP update.

1301 - SR-LLD 1996-1 OPEN SPACE							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Earnings on Investments	(19,654)	(37,460)	(20,000)	0	20,000	-100.0%	0
Total Revenues	(19,654)	(37,460)	(20,000)	0	20,000	-100.0%	0
Services & Supplies	89,266	2,812	7,800	20,000	12,200	156.4%	20,000
Other Expenditures	89,266	2,812	7,800	20,000	12,200	156.4%	20,000
Total Expenditures	89,266	2,812	7,800	20,000	12,200	156.4%	20,000
(Excess) Deficiency of Revenues Over Expenditures	69,612	(34,647)	(12,200)	20,000	7,800	-63.9%	20,000
Beginning Fund Balance	(62,020)	7,592	(27,056)	(39,256)	--	--	(19,256)
(Addition)/Use - Fund Balance	69,612	(34,647)	(12,200)	20,000	--	--	20,000
Available Ending Fund Balance	7,592	(27,056)	(39,256)	(19,256)	--	--	744

1302 - SR-LLD 1996-1 RCREATN PLAYFLD							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Earnings on Investments	(9,827)	(18,730)	0	0	0	--	0
Total Revenues	(9,827)	(18,730)	0	0	0	--	0
Services & Supplies	19,727	2,250	3,200	20,000	16,800	525.0%	20,000
Other Expenditures	19,727	2,250	3,200	20,000	16,800	525.0%	20,000
Total Expenditures	19,727	2,250	3,200	20,000	16,800	525.0%	20,000
(Excess) Deficiency of Revenues Over Expenditures	9,900	(16,479)	3,200	20,000	(16,800)	-525.0%	20,000
Beginning Fund Balance	(25,266)	(15,366)	(31,846)	(28,646)	--	--	(8,646)
(Addition)/Use - Fund Balance	9,900	(16,479)	3,200	20,000	--	--	20,000
Available Ending Fund Balance	(15,366)	(31,846)	(28,646)	(8,646)	--	--	11,354

1303 - SR-LLD 1996-1 CREEK MNTNANCE							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Earnings on Investments	(9,827)	(18,730)	(15,000)	0	15,000	-100.0%	0
Total Revenues	(9,827)	(18,730)	(15,000)	0	15,000	-100.0%	0
Services & Supplies	44,633	25,237	70,000	43,500	(26,500)	-37.9%	43,500
Other Expenditures	44,633	25,237	70,000	43,500	(26,500)	-37.9%	43,500
Total Expenditures	44,633	25,237	70,000	43,500	(26,500)	-37.9%	43,500
(Excess) Deficiency of Revenues Over Expenditures	34,806	6,507	55,000	43,500	41,500	75.5%	43,500
Beginning Fund Balance	(187,420)	(152,614)	(146,107)	(91,107)	--	--	(47,607)
(Addition)/Use - Fund Balance	34,806	6,507	55,000	43,500	--	--	43,500
Available Ending Fund Balance	(152,614)	(146,107)	(91,107)	(47,607)	--	--	(4,107)

1304 - SR-LLD 1988-1 LGHTNG&LNDSCPNG							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(529,545)	(538,940)	(539,214)	(539,214)	0	0.0%	(539,214)
Total Revenues	(529,545)	(538,940)	(539,214)	(539,214)	0	0.0%	(539,214)
Services & Supplies	245,366	455,338	464,500	487,500	23,000	5.0%	487,500
Professional & Other Services	6,691	6,576	10,000	7,500	(2,500)	-25.0%	7,500
Other Expenditures	238,674	448,762	454,500	480,000	25,500	5.6%	480,000
Total Expenditures	245,366	455,338	464,500	487,500	23,000	5.0%	487,500
(Excess) Deficiency of Revenues Over Expenditures	(284,179)	(83,602)	(74,714)	(51,714)	(23,000)	30.8%	(51,714)
Beginning Fund Balance	(514,246)	(798,425)	(882,027)	(956,741)	--	--	(1,008,455)
(Addition)/Use - Fund Balance	(284,179)	(83,602)	(74,714)	(51,714)	--	--	(51,714)
Available Ending Fund Balance	(798,425)	(882,027)	(956,741)	(1,008,455)	--	--	(1,060,169)

LIGHTING AND LANDSCAPING DISTRICT FUNDS (1301, 1302, 1303, 1304)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(529,545)	(538,940)	(539,214)	(539,214)	0	0.0%	(539,214)
Earnings on Investments	(39,308)	(74,919)	(35,000)	0	35,000	-100.0%	0
Total Revenues	(568,853)	(613,859)	(574,214)	(539,214)	35,000	-6.1%	(539,214)
Services & Supplies	398,992	485,637	545,500	571,000	25,500	4.7%	571,000
Professional & Other Services	6,691	6,576	10,000	7,500	(2,500)	-25.0%	7,500
Other Expenditures	392,300	479,061	535,500	563,500	28,000	5.2%	563,500
Total Expenditures	398,992	485,637	545,500	571,000	25,500	4.7%	571,000
(Excess) Deficiency of Revenues Over Expenditures	(169,861)	(128,222)	(28,714)	31,786	9,500	-33.1%	31,786
Beginning Fund Balance	(788,952)	(958,813)	(1,087,035)	(1,115,749)	--	--	(1,083,963)
(Addition)/Use - Fund Balance	(169,861)	(128,222)	(28,714)	31,786	--	--	31,786
Available Ending Fund Balance	(958,813)	(1,087,035)	(1,115,749)	(1,083,963)	--	--	(1,052,177)

Sidewalk and Pathways Parcel Tax Fund

Fund 1305

In 2016, Albany voters approved a special tax to fund improvements to public sidewalks. That tax raised approximately \$230,000 per year which was needed but not sufficient to fund current sidewalk improvement needs.

In November 2024, Albany voters approved Measure C, a new sidewalk parcel tax beginning in FY 2025/26 which is expected to raise \$400,000 per year for sidewalk maintenance, repair and improvement. FY 2025/26 will be the first year of the new tax, which has been set at a rate of \$0.017/lot sq. ft. not to exceed \$6,000 per parcel. Beginning in FY 2026/27, the Measure authorized annual increases based on CPI, not to exceed 3%.

1305 - SR - SIDEWALK PARCEL TAX							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(218,742)	(225,334)	(225,445)	(392,282)	(166,837)	74.0%	(404,051)
Earnings on Investments	(14,278)	(14,348)	(10,000)	(20,000)	(10,000)	100.0%	(10,000)
Total Revenues	(233,020)	(239,682)	(235,445)	(412,282)	(176,837)	75.1%	(414,051)
Services & Supplies	379,663	422,435	25,045	95,225	70,180	280.2%	98,000
Professional & Other Services	38,047	21,900	5,500	6,500	1,000	18.2%	6,500
Other Expenditures	1,862	3,776	19,545	88,725	69,180	354.0%	91,500
Equipment & Improvements	339,753	396,759	0	0	0	--	0
Total Expenditures	379,663	422,435	25,045	95,225	70,180	280.2%	98,000
(Excess) Deficiency of Revenues Over Expenditures	146,643	182,754	(210,400)	(317,057)	(247,017)	117.4%	(316,051)
Beginning Fund Balance	(653,135)	(506,492)	(323,738)	(534,138)	--	--	(851,195)
(Addition)/Use - Fund Balance	146,643	182,754	(210,400)	(317,057)	--	--	(316,051)
Available Ending Fund Balance	(506,492)	(323,738)	(534,138)	(851,195)	--	--	(1,167,246)

Parks and Open Space Fund (Measure M)

Fund 1306

Established by voters in 2018, the Parks and Open Space Special Parcel Tax is described in §4-15 of the Albany municipal code. The tax was proposed to fund ongoing maintenance and park improvements as Lighting and Landscaping District 1996-1 (Measure R) funding that had been used to fund the acquisition, improvement, and maintenance of several parks and open spaces in the City was expiring.

The City's Parks, Urban Forestry, and Creeks & Open Space Maintenance Programs, managed by the Public Works Department, are partially funded by Measure M revenues via transfers in from the Parks and Open Space Fund. Other non-operational expenditures, such as future capital projects, are also coded directly to this funding source. The budget presented reserves a portion of the tax proceeds each year for future capital projects associated with the replacement or improvement of park and open space areas.

1306 - PARK AND OPEN SPACE PARCEL TAX (Measure M)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(480,268)	(493,760)	(503,758)	(513,709)	(9,951)	2.0%	(523,983)
Earnings on Investments	(33,124)	(49,840)	(7,500)	0	7,500	-100.0%	0
Total Revenues	(513,391)	(543,600)	(511,258)	(513,709)	(2,451)	0.5%	(523,983)
Salaries and Benefits	49,004	51,539	53,400	0	(53,400)	-100.0%	0
Services & Supplies	104,539	545,867	395,156	450,500	55,344	14.0%	450,500
Professional & Other Services	15,791	4,348	12,000	0	(12,000)	-100.0%	0
Other Expenditures	88,748	504,182	383,156	450,500	67,344	17.6%	450,500
Equipment & Improvements	0	37,337	0	0	0	—	0
Total Expenditures	153,543	597,406	448,556	450,500	55,344	12.3%	450,500
(Excess) Deficiency of Revenues Over Expenditures	(359,848)	53,805	(62,702)	(63,209)	(57,795)	92.2%	(73,483)
Beginning Fund Balance	(816,546)	(1,176,394)	(1,122,589)	(1,185,291)	—	—	(1,248,500)
(Addition)/Use - Fund Balance	(359,848)	53,805	(62,702)	(63,209)	—	—	(73,483)
Available Ending Fund Balance	(1,176,394)	(1,122,589)	(1,185,291)	(1,248,500)	—	—	(1,321,983)

Library Operations Fund

Fund 1401

The Library Operations Fund records revenue from two voter approved parcel taxes: the Library Services Act of 1994 and the Supplemental Library Services Act 2006. These special taxes support additional library services for Albany residents. The taxes are outlined in the Albany Municipal Code: Chapter 5-22 (Library Services Act of 1994) and Chapter 5-23 (Supplemental Library Services Act 2006).

1401 - SR-LIBRARY OPERATIONS							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(744,117)	(752,777)	(750,000)	(750,000)	0	0.0%	(750,000)
Earnings on Investments	(36,387)	(51,803)	(15,000)	(15,000)	0	0.0%	(15,000)
Other Revenue	(41,508)	(37,969)	(45,020)	(45,020)	0	0.0%	(45,020)
Total Revenues	(822,013)	(842,550)	(810,020)	(810,020)	0	0.0%	(810,020)
Services & Supplies	784,148	790,598	878,600	797,940	(80,660)	-9.2%	878,600
Professional & Other Services	777,846	777,977	782,940	782,940	0	0.0%	782,940
Other Expenditures	6,302	12,621	95,660	15,000	(80,660)	-84.3%	95,660
Total Expenditures	784,148	790,598	878,600	797,940	(80,660)	-9.2%	878,600
(Excess) Deficiency of Revenues Over Expenditures	(37,865)	(51,952)	68,580	(12,080)	80,660	117.6%	68,580
Beginning Fund Balance	(890,749)	(928,614)	(980,566)	(911,986)	--	--	(924,066)
(Addition)/Use - Fund Balance	(37,865)	(51,952)	68,580	(12,080)	--	--	68,580
Available Ending Fund Balance	(928,614)	(980,566)	(911,986)	(924,066)	--	--	(855,486)

Public, Educational, and Governmental Access (PEG) Funds

Fund 1402

The City receives Public, Educational, and Governmental Access (PEG) funds from cable providers to help support the local cable access channel administered by the City, KALB. Collection of these funds are allowed by federal law and expenditures are restricted to capital costs such as equipment and facility upgrades.

1402 - SR-CABLE TV (PEG)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Franchise and Other Taxes	(22,462)	(21,965)	(27,500)	(22,000)	5,500	-20.0%	(22,000)
Total Revenues	(22,462)	(21,965)	(27,500)	(22,000)	5,500	-20.0%	(22,000)
Services & Supplies	5,410	32,267	27,500	0	(27,500)	-100.0%	0
Professional & Other Services	0	0	2,500	0	(2,500)	-100.0%	0
Supplies	4,074	0	0	0	0	—	0
Equipment & Improvements	1,336	32,267	25,000	0	(25,000)	-100.0%	0
Total Expenditures	5,410	32,267	27,500	0	(27,500)	-100.0%	0
(Excess) Deficiency of Revenues Over Expenditures	(17,051)	10,302	0	(22,000)	33,000	—	(22,000)
Beginning Fund Balance	(47,049)	(64,100)	(53,799)	(53,799)	—	—	(75,799)
(Addition)/Use - Fund Balance	(17,051)	10,302	0	(22,000)	—	—	(22,000)
Available Ending Fund Balance	(64,100)	(53,799)	(53,799)	(75,799)	—	—	(97,799)

Public Art Fund

Fund 1403

Albany municipal code §20.58 (Art in Public Places Program), enacted in 2007, establishes a requirement that new development projects include a Public Art feature valued at 1.75% of construction. In lieu of including the art themselves, certain projects may pay a fee to the City, as laid out in municipal code §20.58.050. Revenue from these fees is maintained solely for the acquisition, installation, improvement, and maintenance of Public Art Features.

1403 - SR-PUBLIC ART							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Total Revenues	0	0	0	0	0	--	0
Services & Supplies	1,634	6,000	0	0	0	--	0
Professional & Other Services	1,634	6,000	0	0	0	--	0
Other Expenditures	0	0	0	0	0	--	0
Equipment & Improvements	0	0	0	0	0	--	0
Total Expenditures	1,634	6,000	0	0	0	--	0
(Excess) Deficiency of Revenues Over Expenditures	1,634	6,000	0	0	0	--	0
Beginning Fund Balance	(182,090)	(180,456)	(174,456)	(174,456)	--	--	(174,456)
(Addition)/Use - Fund Balance	1,634	6,000	0	0	--	--	0
Available Ending Fund Balance	(180,456)	(174,456)	(174,456)	(174,456)	--	--	(174,456)

Supplemental Law Enforcement Services (SLESF)/COPS Fund

Fund 1501

As a local government in California, Albany receives an annual allocation from the State of California for law enforcement purposes through the COPS grant fund. COPS funds are allocated on the basis of population. SLESF (Supplemental Law Enforcement Services Fund) and COPS (Citizens' Option for Public Safety) funds can be used for a variety of front-line law enforcement services. This includes things like salaries, equipment, and administrative overhead, but specifically for law enforcement purposes.

1501 - SR-SLESF/COPS-STATE GRANT							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Revenues from Other Agencies	(165,271)	(186,159)	0	(190,000)	(190,000)	--	(200,000)
Total Revenues	(165,271)	(186,159)	0	(190,000)	(190,000)	--	(200,000)
Salaries and Benefits	0	0	0	0	0	--	0
Services & Supplies	49,445	345,943	0	184,000	184,000	--	193,200
Other Expenditures	43,651	179,290	0	184,000	184,000	--	193,200
Equipment & Improvements	5,794	166,653	0	0	0	--	0
Total Expenditures	49,445	345,943	0	184,000	184,000	--	193,200
(Excess) Deficiency of Revenues Over Expenditures	(115,826)	159,784	0	(6,000)	(374,000)	--	(6,800)
Beginning Fund Balance	(861,805)	(977,631)	(817,847)	(817,847)	--	--	(823,847)
Addition/(Use) - Fund Balance	(115,826)	159,784	0	(6,000)	--	--	(6,800)
Available Ending Fund Balance	(977,631)	(817,847)	(817,847)	(823,847)	--	--	(830,647)

Storm Drain Fund

Fund 1601

The Storm Drain/National Pollutant Discharge Elimination System (NPDES) fund is funded by a fee established in 1992, last updated in 1998. In accordance with the City's Sewer and Storm Water Code (Chapter 15-4.9) revenue from this fee is used for enforcement, implementation, and administrative overhead associated with the Urban Runoff Clean Water Program or associated documents including the Watershed Master Plan. The City programs revenue to support programs and activities used to prevent non-point source pollution, specifically operations and maintenance of the City's Storm Drain system.

If spending continues at the current rate, storm drain maintenance program needs will exceed available resources within the next few years. A fee study is planned within the next biennium to ensure the rate assessed is sufficient to support ongoing operations as well as needed infrastructure repair and replacement.

1601 - STORM DRAINAGE							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(299,162)	(307,503)	(302,000)	(302,000)	0	0.0%	(302,000)
Earnings on Investments	(46,178)	(64,037)	0	0	0	--	0
Current Service Charges	(160,910)	(177,923)	(155,000)	(175,000)	(20,000)	12.9%	(175,000)
Other Revenue	(895)	(910)	(850)	0	850	-100.0%	0
Transfers In	0	(225,590)	0	0	0	--	0
Total Revenues	(507,146)	(775,963)	(457,850)	(477,000)	(19,150)	4.2%	(477,000)
Services & Supplies	241,578	724,489	771,958	749,587	(22,371)	-2.9%	749,587
Professional & Other Services	154,489	5,192	31,000	6,000	(25,000)	-80.6%	6,000
Supplies	1,635	0	0	0	0	--	0
Other Expenditures	73,477	719,297	740,958	743,587	2,629	0.4%	743,587
Utilities	6,153	0	0	0	0	--	0
Equipment & Improvements	5,824	0	0	0	0	--	0
Total Expenditures	241,578	724,489	771,958	749,587	(22,371)	-2.9%	749,587
(Excess) Deficiency of Revenues Over Expenditures	(265,568)	(51,474)	314,108	272,587	3,221	1.0%	272,587
Beginning Fund Balance	(1,341,448)	(1,607,016)	(1,658,490)	(1,344,382)	--	--	(1,071,795)
(Addition)/Use - Fund Balance	(265,568)	(51,474)	314,108	272,587	--	--	272,587
Available Ending Fund Balance	(1,607,016)	(1,658,490)	(1,344,382)	(1,071,795)	--	--	(799,208)

Street Paving and Storm Drain Improvement Tax Fund

Fund 2006

The Albany Street Paving and Storm Drain Facility Improvement tax was authorized by 2006 Measure F. The tax is detailed in municipal code §4-10 which states the tax revenue shall be used for the repair, rehabilitation, and other improvements needed for streets and storm drains. The fund supports major City capital improvement efforts including the Annual Storm Drain Rehabilitation Program (CIP No. 35000), updates to the Watershed Management Plan, and the Annual Street Rehabilitation Program (CIP No. 21000).

2006 - CIP-STRT & STRM DRAIN (MSR F)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Property Tax	(1,248,521)	(1,316,356)	(1,323,000)	(1,323,000)	0	0.0%	(1,323,000)
Total Revenues	(1,248,521)	(1,316,356)	(1,323,000)	(1,323,000)	0	0.0%	(1,323,000)
Services & Supplies	3,103,793	1,346,277	1,290,544	275,100	(1,015,444)	-78.7%	275,100
Professional & Other Services	317,438	68,839	96,493	3,100	(93,393)	-96.8%	3,100
Other Expenditures	131,748	268,731	272,000	272,000	0	0.0%	272,000
Equipment & Improvements	2,654,607	1,008,707	922,050	0	(922,050)	-100.0%	0
Total Expenditures	3,103,793	1,346,277	1,290,544	275,100	(1,015,444)	-78.7%	275,100
(Excess) Deficiency of Revenues Over Expenditures	1,855,271	29,922	(32,457)	(1,047,900)	1,015,444	--	(1,047,900)
Beginning Fund Balance	(5,120,931)	(3,265,660)	(3,235,738)	(3,268,194)	--	--	(4,316,094)
(Addition)/Use - Fund Balance	1,855,271	29,922	(32,457)	(1,047,900)	--	--	(1,047,900)
Available Ending Fund Balance	(3,265,660)	(3,235,738)	(3,268,194)	(4,316,094)	--	--	(5,363,994)

SEWER ENTERPRISE FUNDS



The City's Sewer service funds are considered enterprise funds, fully funded by fees charged to the end user. Sewer fees are used to pay annual maintenance and operating costs (fund 4001), contributions to capital projects and replacement reserves (fund 4002), and annual debt service payments for capital improvements installed in prior years (fund 4003). In FY 2024/25, the Sewer Fund fully paid off a \$4.8 million Wastewater Refunding bond from 2016 which had funded previous sewer projects. This results in savings in FY 2025/26 of \$325,000. Historical and proposed budgets for all three sewer funds are shown below.

4001 - ENT-SEWER OPERATIONS							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Earnings on Investments	(195,153)	(281,240)	0	(200,000)	(200,000)	--	(200,000)
Current Service Charges	(4,548,581)	(4,602,984)	(3,723,280)	(4,508,280)	(785,000)	21.1%	(4,508,280)
Total Revenues	(4,743,734)	(4,884,224)	(3,723,280)	(4,708,280)	(985,000)	26.5%	(4,708,280)
Salaries and Benefits	408,544	496,449	498,705	568,155	69,450	13.9%	591,671
Services & Supplies	3,382,898	1,532,619	1,637,587	1,297,700	(339,887)	-20.8%	1,300,300
Professional & Other Services	170,718	235,185	350,000	350,000	0	0.0%	350,000
Supplies	8,805	4,523	50,000	50,000	0	0.0%	50,000
Other Expenditures	3,155,652	1,229,904	1,000,177	657,000	(343,177)	-34.3%	657,000
Utilities	22,853	22,064	22,410	25,700	3,290	14.7%	26,800
Equipment & Improvements	24,870	40,942	215,000	215,000	0	0.0%	216,500
Total Expenditures	3,791,443	2,029,068	2,136,292	1,865,855	(339,887)	-15.9%	1,891,971
(Excess) Deficiency of Revenues Over Expenditures	(952,291)	(2,855,157)	(1,586,988)	(2,842,425)	(645,113)	40.7%	(2,816,309)

4002 - ENT - SEWER CAPITAL PROJECTS							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Other Revenue	(29,655)	(47,957)	0	0	0	--	0
Total Revenues	(2,548,631)	(47,957)	0	0	0	--	0
Services & Supplies	623,682	3,846,437	1,219,000	0	(1,219,000)	-100.0%	0
Professional & Other Services	231,720	(0)	419,000	0	(419,000)	-100.0%	0
Other Expenditures	0	3,485,832	0	0	0	--	0
Equipment & Improvements	(6,422)	(85,772)	800,000	0	(800,000)	-100.0%	0
Total Expenditures	623,682	3,846,437	1,219,000	0	(1,219,000)	-100.0%	0
(Excess) Deficiency of Revenues Over Expenditures	(1,924,949)	3,798,480	1,219,000	0	1,219,000	100.0%	0

4003 - ENT - SEWER DEBT SERVICE							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Transfers In	(50,015)	(592,450)	(328,526)	0	328,526	-100.0%	0
Total Revenues	(50,015)	(592,450)	(328,526)	0	328,526	-100.0%	0
Services & Supplies	29,370	17,450	330,026	0	(330,026)	-100.0%	0
Debt Service	29,370	17,450	330,026	0	(330,026)	-100.0%	0
Total Expenditures	29,370	17,450	330,026	0	(330,026)	-100.0%	0
(Excess) Deficiency of Revenues Over Expenditures	(20,646)	(575,000)	1,500	0	658,552	43903.5%	0

SEWER FUNDS (4001, 4002, 4003)							
	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024/25 Budget	Proposed FY 2025/26 Budget	Increase/ (Decrease) Amount	Percentage Change	Proposed FY 2026/27 Budget
Revenues							
Earnings on Investments	(195,153)	(281,240)	0	(200,000)	(200,000)	--	(200,000)
Current Service Charges	(4,548,581)	(4,602,984)	(3,723,280)	(4,508,280)	(785,000)	21.1%	(4,508,280)
Other Revenue	(29,655)	(47,957)	0	0	0	--	0
Transfers In	(2,568,991)	(592,450)	(328,526)	0	328,526	-100.0%	0
Total Revenues	(7,342,380)	(5,524,631)	(4,051,806)	(4,708,280)	(656,474)	16.2%	(4,708,280)
Salaries and Benefits	408,544	496,449	498,705	568,155	69,450	13.9%	591,671
Services & Supplies	4,035,950	5,396,506	3,186,613	1,297,700	(1,888,913)	-59.3%	1,300,300
Professional & Other Services	402,438	235,185	769,000	350,000	(419,000)	-54.5%	350,000
Supplies	8,805	4,523	50,000	50,000	0	0.0%	50,000
Other Expenditures	3,155,652	4,715,736	1,000,177	657,000	(343,177)	-34.3%	657,000
Utilities	22,853	22,064	22,410	25,700	3,290	14.7%	26,800
Equipment & Improvements	18,448	(44,830)	1,015,000	215,000	(800,000)	-78.8%	216,500
Debt Service	29,370	17,450	330,026	0	(330,026)	-100.0%	0
Total Expenditures	4,444,494	5,892,954	3,685,318	1,865,855	(1,888,913)	-51.3%	1,891,971
(Excess) Deficiency of Revenues Over Expenditures	(2,897,886)	368,323	(366,488)	(2,842,425)	1,232,439	-336.3%	(2,816,309)
Beginning Fund Balance	(2,515,232)	(5,413,117)	(5,044,794)	(5,411,282)	--	--	(8,253,707)
(Addition)/Use - Fund Balance	(2,897,886)	368,323	(366,488)	(2,842,425)	--	--	(2,816,309)
Available Ending Fund Balance	(5,413,117)	(5,044,794)	(5,411,282)	(8,253,707)	--	--	(11,070,016)

OTHER FUNDS



Grant Funds

In addition to the other funds described earlier, there are a few active grant funds the City maintains as described below. These funds are primarily structured as reimbursement grants where once the City has been awarded the grant, expenditures are made and then reimbursed from the granting agency. The one exception to this structure is the Federal CARES Act/ARPA Funds where the City has received the full grant amount and the full amount has been appropriated. All CARES/ARPA funds must be spent by December 2026.

- **1405 - Community Development Block Grant (CDBG) Fund** accounts for revenues received and expended under the Federal Community Development Act of 1974. The funds are distributed through the Alameda County Housing and Community Development Department to assist low income and disabled people in Albany.
- **1406 - Federal CARES Act Fund/American Rescue Plan Act (ARPA) Fund** accounts for funds received from the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act managed through the U.S. Department of Treasury to be used to respond to or mitigate the impacts of COVID-19.
- **1506 - Operating Grants Fund** accounts for grant revenues and expenditures for specific grant programs.
- **1602 - Waste Management Fund (Measure D – StopWaste)** accounts for monies received from the County Waste Management Authority. Expenditures are made from this fund on a variety of waste reduction programs to comply with State Legislation AB 939 and for oversight of the City's garbage franchise.

Fund	Estimated Beginning Fund Balance 07/01/2025	FY 2025/26 Revenue	FY 2025/26 Expenditures	Projected Ending Fund Balance 06/30/2026	FY 2026/27 Revenue	FY 2026/27 Expenditures	Projected Ending Fund Balance 06/30/2027
1405 - SR-CDBG - CMNTY DVLPMT BLCK GRNT	(236,465)	0	0	(236,465)	0	0	(236,465)
1406 - FEDERAL CARES ACT FUND	1,227,923	0	0	1,227,923	0	0	1,227,923
1506 - MISC GRANTS	(434,153)	(640,000)	719,000	(513,153)	0	0	(513,153)
1602 - SR-STOPWASTE - COUNTY MSR D	(13,550)	(60,000)	24,000	22,450	(60,000)	24,000	58,450

Debt Service Funds

The City's Debt Service funds account for the accumulation of resources for, and payments on, long-term debt, both principal and interest. For FY 2025/26 and FY 2026/27, the City has three financings requiring debt service payments as described below.

2016 General Obligation Refunding Bond

In 2016, the City issued \$14,750 in General Obligation Refunding Bonds (GO Bonds). The bonds were issued to refinance several of the City's outstanding General Obligation Bonds at a lower interest rate. The previous bonds had been issued to finance various capital improvements. The refunding bond will be fully paid in fiscal year 2038.

Each year the Finance Director calculates the tax rate needed to collect the total debt service payment for the following fiscal year by dividing the total debt service payment by the City's estimated assessed valuation. For FY 2025/26, the total debt service payment is \$984,487. As of April 10, 2025, the County Assessor's Office estimated that the City's total taxable valuation at \$3.9 billion. As such, the tax rate for FY 2025/26 will be set at 0.0252% of the assessed value.

2017 Albany Service Center Lease

In 2016, the City entered into a design-build contract to construct a permanent Public Works Service Center and in 2017 approved the Lease Purchase of the facility upon completion of construction. The lease purchase agreement has a 20-year term, with level annual debt service until the final year of the agreement at which time a balloon payment of \$2,935,765 is due. The City can pre-pay the entire remaining amount at any time without penalty.

Fire Engine Lease Purchase

In July 2021, the City Council authorized the purchase of a new Fire Engine and in September 2021, the City entered into a financing agreement with Holman Capital to finance the purchase. The financing involved a 10-year term with a 2.9% interest rate.

The table below shows the balance as of June 30, 2025, FY 2025/26 principal payments required and the ending balance as of June 30, 2026 for each of the financings.

Financing	Balance June 30, 2025	Additions	Deletions (Principal)	Balance June 30, 2026
2016 General Obligation Refunding Bonds	9,775,000	0	(735,000)	9,040,000
2016 General Obligation Refunding Premium	618,486		(112,452)	506,034
Lease Agreements				
2017 Albany Service Center Lease	5,221,098	0	(150,997)	5,070,101
Fire Engine Lease Purchase	571,973	0	(81,248)	490,725
TOTAL Long-Term Debt	16,186,557	0	(1,079,697)	15,106,860

The next table shows the total annual debt service payments for each of the financings from FY 2025/26 through the term of the financing.

Debt Service Payments - Fiscal Year	GO Refunding	GO Premium	Albany Service Center	Fire Engine
2025/26	984,488	56,226	351,585	97,095
2026/27	990,613	56,226	351,585	97,095
2027/28	997,063	56,226	351,585	97,095
2028/29	995,813	56,226	351,585	97,095
2029/30	993,741	56,226	351,585	97,095
2031-2035	4,587,534	56,226	1,757,923	145,643
2036-2038	1,798,450	56,226	3,668,233	0
TOTALS	11,347,702	393,582	7,184,078	631,119

Reserves

In June 2023, the Albany City Council adopted an updated Capital Reserve Fund Policy. The policy establishes reserve funds to save for larger items that are not purchased or repaired on an annual basis such as vehicles, equipment, building maintenance, and larger professional services projects such as master plans. Each fund has a minimum funding level to ensure sufficient funds are available in case of a maintenance emergency as shown below.

Figure 10

Reserve Fund	Minimum Funding Level
General City Building Reserve (2007)	\$250,000
Police Department Reserve (2202)	\$100,000
EMS Reserve (2204)	\$100,000
Fire Reserve (2203/2205)	\$100,000
Community Development Reserve (004/2208/2401)	\$50,000
IT Equipment/KALB Equipment Reserve (2207/2209)	\$100,000
Public Works Reserve (2210)	\$100,000
Recreation Reserve (2211)	\$100,000
Climate Action & Adaptation Reserve (2212)	No minimum level
Pension Reserve (0001)	No minimum level

Funding for these reserves has occurred through allocations of surplus General Fund results when available as determined by the City's annual financial audit. The following pages provide more detail on the reserve funds.

General City Building Reserve Fund (2007)

The General City Building Reserve Fund is used to ensure that the City can consistently fund cyclic large-scale replacements, repairs, and renewal needed for City-owned buildings and facilities. While operations and general maintenance is included in departmental operating budgets, larger systemic repairs and building updates are not. This includes but is not limited to roofing, HVAC, paint, security systems, gutters, and restroom facilities. Programmatic enhancements to City facilities are funded separately.

The General City Building Reserve Fund was used for the following purchases in the last biennial budget period:

- City Hall IT/Lunchroom Conversion Project (CIP No. 51011) - \$73,500
- City Hall Gutter Replacement Project (CIP No. 51000) - \$60,000

An update to the City's five-year Capital Improvement Project (CIP) Plan is currently in progress. Staff are proposing an Annual City Buildings & Facilities Rehabilitation Program (CIP No. 51000), which will begin with a Citywide needs assessment of all City-owned buildings and facilities and will propose methods for investing systematically into the longevity of these assets. This program is modeled after the City's existing data-driven capital rehabilitation programs for Streets, Sewers, Storm Drains, Sidewalks, and Parks. Larger-scale or more unique enhancements for City buildings and facilities will continue to be proposed as standalone projects, and may draw on various funding reserves, as appropriate to the nature of the project.

Currently, the following major City Buildings & Facilities expenditures are estimated within the next five fiscal years:

Expenditure	Approximate Cost
Emergency repairs for all City buildings and facilities	\$250,000
Appropriate Climate Action & Adaptation upgrades, such as upgrading gas water heaters to electric when existing equipment is at end of life	\$50,000
City Buildings & Facilities Needs Assessment (CIP)	\$150,000
Civic Center HVAC Project (CIP No. 51004)	\$1,500,000
Citywide Building Security Upgrades (CIP)	\$575,000
Community Center Kitchen Upgrades (CIP)	\$250,000
Firehouse Emergency Generator Replacement (CIP)	\$100,000
City Hall Plaza & Landscape Improvements (CIP)	\$100,000
Community Center Patio Upgrades (CIP)	\$100,000
Firehouse Floor Renewal (CIP)	\$75,000

City Buildings Electrification Plan (CIP)	\$75,000
City Fleet Electrification Plan (CIP)	\$50,000
Firehouse Outdoor Storage Enclosure (CIP)	\$50,000
Citywide Automatic Door Upgrades (CIP)	\$35,000
Civic Center Space Planning (CIP)	\$30,000
Total	\$3,390,000

The above table does not include the comprehensive Annual City Buildings & Facilities Rehabilitation Program (CIP No. 51000) costs for general capital renewal and asset management, the recommended annual budget for which is to be determined through the City Buildings & Facilities Needs Assessment process. Additionally, the three planning efforts included in the table will also result in further project costs.

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$367,662
FY 2024/25 Reserve Fund Contributions	\$0
Anticipated FY 2024/25 Expenditures/Appropriations	\$0*
Estimated FY 2024/25 Year End Balance	\$367,662

** Repair and renewal needs that arose during this time were absorbed into the Public Works Operating Budget. This is not anticipated to be a sustainable long-term solution.*

Police Equipment Reserve Fund (2202)

The Police Equipment Reserve Fund was used for the following purchases in the last biennial budget period:

- Vehicle replacement and outfitting \$57,800
- Purchase of Parking Enforcement Vehicle (Go-4)... \$37,234

Replacement of the following items is anticipated within the next five fiscal years:

Repair or Replacement	Approximate Cost
Five patrol cars (\$85,000 per vehicle with equipment)	\$425,000
Replacement of two Police dirt bikes/motorcycles (\$16,000 per bike)	\$32,000
Total	\$457,000

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$201,175
FY 2024/25 Reserve Fund Contributions	\$10,450
Anticipated FY 2024/25 Expenditures/Appropriations	\$37,234
Estimated FY 2024/25 Year End Balance	\$174,392

EMS Reserve Fund (2204)

The EMS Equipment Reserve Fund was earmarked for the following purchases in the last biennial budget period. Payment will be due upon receipt of the ambulance which is anticipated in July 2025:

- Ambulance with gurney \$389,767

Replacement of the following items is anticipated within the next five fiscal years:

Repair or Replacement	Approximate Cost
Ambulance with gurney, emergency radios, and mobile gateway	\$475,000
4 Cardiac Monitor Defibrillators and 3 LUCAS mechanical CPR units	\$250,000
Total	\$725,000

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$159,573
FY 2024/25 Reserve Fund Contributions	\$178,983
Anticipated FY 2024/25 Expenditures/Appropriations	\$0
Estimated FY 2024/25 Year End Balance	\$338,556

Note: because the estimated year FY 2024/25 balance is less than the expected cost of the ambulance, the balance (\$51,211) will need to be made up from another source.

Fire Reserve Fund (2205)

In prior years, Fire reserves have been kept in two funds – Fire Fleet Equipment Reserve (2203) and Fire Operating Equipment Reserve (2205). Since these two funds serve similar purposes, they have been combined into a single fund (2205) for FY 2025/26 and beyond.

Replacement of the following items is anticipated within the next five fiscal years:

Repair or Replacement	Approximate Cost
21 Self-Container Breathing Apparatus (SCBAs)	\$750,000
Fire station altering system	\$40,000
Type-6 Wildland Fire Engine	\$500,000
Balance of Pierce AT100 Aerial Platform	\$350,000
Total	\$1,640,000

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$297,785
FY 2024/25 Reserve Fund Contributions	\$91,072
Anticipated FY 2024/25 Expenditures/Appropriations	\$39,566
Estimated FY 2024/25 Year End Balance	\$349,291

IT Reserve Fund (2207)

The IT Reserve Fund was used for the following purchases in the last biennial budget period:

- HCI Nutanix Upgrade \$131,440
- Wireless Network Upgrade \$39,932
- EOC Audio Visual Upgrade \$11,937

The KALB Reserve Fund (2009) has been merged with the IT Reserve Fund (2207) to align with the General Fund budget consolidation of technology related expenditures. Replacement of the following items is anticipated within the next five fiscal years:

Repair or Replacement	Approximate Cost
Firewall replacement	\$50,000
HCI Nutanix upgrade	\$350,000
Switch replacement	\$149,000
Enterprise asset management system	\$250,000
Technology support for EOC	\$20,000
Phone system upgrade	\$100,000
Senior Center AV upgrade	\$50,000
Council Chambers AV upgrades	\$50,000
Community Room AV Phase II	\$25,000
Live Sound Updates	\$15,000
Total	\$1,059,000

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$489,648
FY 2024/25 Reserve Fund Contributions	\$0
Anticipated FY 2024/25 Expenditures/Appropriations	\$0
Estimated FY 2024/25 Year End Balance	\$489,648

Community Development Reserve Funds (2208/0004/2401)

Replacement of the following items is anticipated within the next five fiscal years:

Repair or Replacement	Approximate Cost
Purchase New Permit Software	\$200,000
Specific Plan for Albany Hill	\$100,000
City General Plan (2025ish)	\$600,000
Specific Plan for Albany Waterfront	\$600,000
Total	\$1,500,000

Community Development holds funds in three different reserves. The first fund (0004) holds revenue from fees collected to assist with the update of the City's General Plan updates, expected to be updated every 10 or so years. The second fund (2208) is used to save for larger plans that only happen every few years, but cost a significant amount of money to complete, and holds fees collected to assist with technology updates for permitting and other software in the department. The last fund (2401) holds Capital Facility Development Fees. These fees are impact fees established to mitigate the impact of new development in the City and are restricted in their use. Staff are currently engaged with NBS on updating these fees.

The following table shows the balance of the funds at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the funds in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Fund	0004	2208	2401
Audited FY 2023/24 Ending Balance	\$236,693	\$141,258	\$366,566
FY 2024/25 Reserve Fund Contributions	\$6,388	\$7,668	\$27,356
Anticipated FY 2024/25 Expenditures/Appropriations	\$0	\$0	\$0
Estimated FY 2024/25 Year End Balance	\$243,081	\$148,926	\$393,922

Public Works Reserve Fund (2210)

The Public Works Reserve Fund was established to ensure funding for repair and replacement of equipment and facilities vital to the Public Works Department's core functions. This includes reserving funds to ensure the City can both replace essential equipment in case of emergency, and to save for purchases in service of programmatic improvements and Citywide goals.

Public Works utilized reserve funds mainly for equipment upgrades in line with Climate Action & Adaptation goals in fiscal year 2023/24 and 2024/25, as essential equipment remained relatively stable. This included the purchase of battery electric landscaping equipment (\$25,000) and an electric riding lawnmower (\$30,820) to replace the equivalent gas-powered units.

Replacement of the following items is anticipated within the next five fiscal years:

Repair or Replacement	Approximate Cost
Public Works Equipment Replacement/Upgrade (i.e., small vacuum truck, backhoe, forklift, sewer survey van*)	\$550,000
Public Works fleet passenger vehicle replacement for aging vehicles (Qty 1-2, conversion to electric)	\$80,000
Public Works fleet truck replacement for aging vehicles (Qty 1-2, conversion to electric)	\$160,000
Field devices/connectivity for maintenance crew	\$25,000
Total	\$815,000

**The Sewer Fund is expected to contribute to purchases as appropriate.*

Public Works Center security and emergency system upgrades, which were listed in the above table in the FY23-FY24 Biennial Budget, are projected to be included in a larger CIP project for Citywide Security Upgrades, for which funding is to be separately identified.

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$325,357
FY 2024/25 Reserve Fund Contributions	\$0
Anticipated FY 2024/25 Expenditures/Appropriations	\$30,820
Estimated FY 2024/25 Year End Balance	\$294,537

Recreation Reserve Fund (2211)

The Recreation Reserve Fund was used for the following purchases in the last biennial budget period:

- Improvements to the office area \$6,199
- Improvements to the audiovisual equipment \$15,605

Replacement of the following items is anticipated within the next five fiscal years:

Repair or Replacement	Approximate Cost
Senior Center Garden improvements	\$25,000
Improvements to the Community Center security system	\$22,000
Automatic door upgrades	\$35,000
Community Center kitchen appliance upgrade	\$100,000
Community Room lighting improvements	\$15,000
Vehicle replacement	\$175,000
New display cases at the picnic areas	\$50,000
Paint Community Center interior rooms	\$150,00
Total	\$572,000

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$262,683
FY 2024/25 Reserve Fund Contributions	\$1,950
Anticipated FY 2024/25 Expenditures/Appropriations	\$2,826
Estimated FY 2024/25 Year End Balance	\$261,807

Climate Action & Adaptation Reserve Fund (2212)

The Climate Action & Adaptation Reserve Fund is funded at the City Council's discretion through contributions from the General Fund in years where a surplus is present. The current balance in the Fund was authorized by the City Council in May 2023 from General Fund surplus identified in the FY 2021/22 Annual Comprehensive Financial Report.

The Fund is intended to support action Items in the City's Climate Action and Adaptation Plan and other environmental sustainability programs as may be authorized by the City Council.

The following table shows the balance of the fund at the end of fiscal year 2023/24, any amounts anticipated to be contributed to the fund in fiscal year 2024/25, anticipated expenditures in fiscal year 2024/25 and the estimated June 30, 2025 balance:

Audited FY 2023/24 Ending Balance	\$143,469
FY 2024/25 Reserve Fund Contributions	\$0
Anticipated FY 2024/25 Expenditures/Appropriations	\$0
Estimated FY 2024/25 Year End Balance	\$143,469

ADDITIONAL INFORMATION



Appropriation Limit

The State Constitution contains a restriction on the amount that local governments may appropriate from the “proceeds of taxes”. The Appropriations Limit (Limit) was established based on appropriations during fiscal year 1978/79, and it is increased each year based on specified factors. The Limit is also referred to as the Gann Limit or Proposition 4 Limit.

Adoption of the adjustment must be done at a noticed meeting and there must be a recorded vote of the City Council regarding the selection of optional factors selected for the adjustment calculation. As part of the annual financial audit, the City Auditors review the computation of the adjustment to the limit and any findings. California Government Code Section 7910(a) requires the documentation used to determine the appropriations limit be available for 15 days before adoption.

2025/26 Formula Used to Make Adjustments

The annual adjustment is based on a formula which includes two categories of adjustment factors. The City Council has the discretion to choose one factor from each of the categories listed below.

CATEGORY A – CHANGE IN POPULATION (determined by the State Department of Finance)

- Change in City of Albany population – 0.28%; or
- Change in population for Alameda County – 0.31%.

CATEGORY B – CHANGE IN STATE INCOME OR NON-RESIDENTIAL NEW CONSTRUCTION VALUATION

- Change in State Per Capita Income – 6.44%; or
- Change in City of Albany new non-residential assessed valuation – 0.0%.

The discretionary factors recommended for calculating the FY 2025/26 Appropriations Limit are:

- Change in population for Alameda County – 0.31%
- Change in State Per Capita Income – 6.44%

The calculation of the FY 2025/26 Appropriations Limit based on the factors above is shown below.

Fiscal Year 2025/26 Calculation of Appropriations Limit

Fiscal Year 2024/25 Limit (<i>Reso. 2024-45</i>)	\$30,548,784
Fiscal Year 2025/26 Adjustment Factor	x 1.0677
FISCAL YEAR 2025/26 Appropriations Limit	\$32,616,425
Increase in Limit	\$2,067,641

Appropriations Subject To Limit: \$28,123,944

Fiscal Year 2025/26 is \$4,292,481 below the limit.

Parcel Tax Rates

The City of Albany has several approved special taxes and fees that are collected annually on the Alameda County Property Tax Roll. These taxes and fees are different than the Special Assessments under Landscaping and Lighting District laws. The Assessment Districts have a prescribed process under State law for the preparation of an annual report and levy of the assessment. For the local taxes and fees, because they were adopted at different times, the language providing for an adjustment also varies.

The following are the local taxes and fees addressed in this section:

1. Library Services Act of 1994 (CPI not to exceed 5%)
2. Supplemental Library Services Act of 2006 (CPI not to exceed 5%)
3. 2006 Street Paving and Storm Drain Improvement Tax (CPI not to exceed 5%)
4. 2018 Parks and Open Space Parcel Tax (CPI not to exceed 2%)
5. Sidewalk Parcel Tax (Measure C – CPI not to exceed 3%)
6. Sewer Service Charges (No inflator)
7. 2022 Emergency Medical Services, Advanced Life Support, and Fire Protection Tax (CPI not to exceed 5%)

The City also collects from property owners an annual Storm Drain / Urban Run-off (National Pollution Discharge Elimination System – NPDES) Fee. This fee was implemented without a provision for an annual adjustment and therefore the fee remains unchanged since implementation in 1992. Changes in laws regulating property related fees would impose new requirements for a change in the amount of the Storm Drain / Urban Run-off fee. Staff are researching additional funding mechanisms for this program and will bring additional information to Council at a later date.

For those parcel taxes that are adjusted based on the CPI for April 2024 to April 2025, the annual adjustment provision would be 1.3%. This is below the allowed increase for some of the measures which are capped at 2%. For the Measure F Street Paving and Storm Drain Improvement Tax, the CPI adjustment factor is defined as the CPI for the previous calendar year, or 2.76%. As a municipal finance best practice, it is appropriate for the City Council to take formal action on both the Maximum Fee or Tax, and the Proposed Fee or Tax.

The “maximum” is derived by multiplying the maximum fee approved in the previous fiscal year (Fiscal Year 2024/25) by the “annual adjustment factor”. Because the County collects property tax payments in two equal installments the rate levied must be an even number. Therefore, when NBS prepares the tax roll, in some cases the actual amount levied will be one cent less than the calculated maximum.

These fees and taxes are accounted for in separate funds to ensure the proper use and accounting for the revenue generated. Staff have analyzed funding required in Fiscal Year 2025/26 based on projected revenue and expenditures and presented these estimates in the biennial budget package. The purpose of this analysis is to determine whether an adjustment to the maximum rate is recommended. If less than the “Maximum Adjustment” is required for the upcoming year, future increase(s) will still be available. For example, if no increase is required for the current year and the change in the CPI next year is 1.0% – at

that time the rate could increase the equivalent of 3.69% (2.69% for FY 2025/26 plus 1.0% for FY 2026/27) unless capped at a lower amount under the language of the specific tax measure.

The information provided below summarizes, for each of the taxes and fees, key data as well as whether an adjustment is recommended. The rates described is the base rate for a single residential unit. Each of the fees/taxes has a conversion factor for other land use types. Most of the current rates are being levied at the maximum rate based on the application of previous authorized cost of living adjustments, unless otherwise noted.

Staff recommend that the City Council confirm the proposed Fiscal Year 2025/26 rates as presented. The Exhibit attached to the Resolution contains a column for the adjusted rate. Tax rates must be adopted by Council and submitted to Alameda County by August 10 of each year. The proposed rates are consistent with past Council direction and tax requirements.

Library Special Taxes: Library Services Act Tax and Supplemental Library Tax

FUND 1401	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Library Services Act of 1994	\$ 69.22	\$ 97.68	\$ 69.22	Zero
Supplemental Library Services Act of 2006	\$ 28.36	\$ 40.43	\$ 28.36	Zero

Staff reviewed the estimated Library revenue and expenditures for the current year, Fiscal Year 2024/25, as well as potential capital expenditures related to the library facilities. While in both years the current tax rate is projected to produce expenditures more than revenues for the Library Fund, there is sufficient fund balance to cover the budgeted deficit as well as maintain a fund balance reserve for unexpected expenditures. Due to reduced costs during the COVID-19 pandemic, the Library Fund will have accumulated net assets of \$980,566 as of June 30, 2024. It is ideal to have a balance of at least \$200,000 in reserve for cash flow and emergency purposes and staff does not consider lowering the balance through planned budget deficits and capital expenditures unreasonable.

Emergency Medical Services, Advanced Life Support, and Fire Protection Tax

FUND 1002	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Emergency Medical Services (EMS) Fund	\$0.074 per square foot	\$0.075 per square foot	\$0.075 per square foot	\$0.001 per square foot

The Emergency Medical Services (EMS) Fund was created to track the costs of providing EMS within the City. Prior to fiscal year 2023/24, the fund contained revenue from the City's two parcel taxes dedicated to emergency medical services: the Emergency Medical Services Special Tax; and the Paramedic Advanced Life Support (ALS) Fire Engines and Ambulance Special Tax. In November 2022, voters approved the repeal of those two taxes, replacing them with the Emergency Medical Services, Advanced Life Support, and Fire Protection Tax (Measure K).

The Emergency Medical Services, Advanced Life Support, and Fire Protection Tax can be found in the City's municipal code §4-7 as a replacement for the prior taxes mentioned above. The tax imposed was intended solely for the purpose of dedicating revenue for the City's operation of paramedic and ambulance transport services. The cost for the City to provide emergency and transport services exceeds the revenues generated from the fees for providing the service so the repeal and increase of the taxes was passed to ensure future funding for the City's EMS program. The change also extended the purpose of the tax to include firefighting services and equipment.

Fiscal year 2023/24 was the first year the tax was collected; FY 2024/25 was the first year implementing a rate adjustment pursuant to the terms of the measure. The maximum rate allowed to be collected is increased by the lesser of the increase in the San Francisco Bay Area Consumer Price Index or 5%. The City Council may set rates lower than the maximum rate if it is found that additional funds are not needed in any given year. Proposed rates for fiscal year 2025/26 are set forth above.

2006 Street Paving and Storm Drain Improvement Tax

FUND 2006	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
2006 — St. & Storm Drain Improvement	\$ 159.66	\$ 164.07	\$ 164.07	\$4.41

The Albany Street Paving and Storm Drain Facility Improvement tax was authorized by 2006 Measure F. The tax is detailed in municipal code §4-10 which states the tax revenue shall be used for the repair, rehabilitation, and other improvements needed for streets and storm drains. The fund supports major City capital improvement efforts including the Annual Storm Drain Rehabilitation Program (CIP No. 35000), updates to the Watershed Management Plan, and the Annual Street Rehabilitation Program (CIP No. 21000).

The code provides for increases in the tax rate imposed by the City. The increases are determined by applying the cost-of-living adjustment for the San Francisco Bay Area for the prior calendar year, as published in the Consumer Price Index by the US Bureau of Labor and Statistics, to the previously determined maximum rate. The increase is capped at 5%. Staff is recommending the full adjustment of tax by CPI as outlined above.

2018 Parks and Open Space Parcel Tax (Measure M)

FUND 1306	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
2018 — Parks and Open Space	\$ 75.51	\$76.49	\$76.49	\$ 0.98

This tax, passed by voters in November 2018, replaced the 1996 Landscape and Lighting Assessment District tax. The tax is intended to cover repairs and maintenance in City parks and open space. The fund has supported an increase in parks maintenance as well as maintaining a balance for future capital projects.

The code provides for increases in the tax rate imposed by the City. The increases are determined by applying the cost-of-living adjustment for the San Francisco Bay Area to the previously determined maximum rate. The increase is capped at 2% annually. The code specifies that the rate cannot decrease except by voter action. The allowed CPI adjustment of 1.3% adjustment is recommended for FY 2025/26.

Safe and Accessible Sidewalks & Pathways Special Parcel Tax

FUND 1305	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
2024 Sidewalk Parcel Tax	Per sq. ft. not to exceed \$6,000	n/a	\$0.017/sq ft	\$0.017/sq ft

In 2016, Albany voters approved a special tax to fund improvements to public sidewalks. That tax raised approximately \$230,000 per year which was needed but not sufficient to fund current sidewalk improvement needs.

In November 2024, Albany voters approved Measure C, a new sidewalk parcel tax beginning in FY 2025/26 which is expected to raise \$400,000 per year for sidewalk maintenance, repair and improvement. FY 2025/26 will be the first year of the new tax, which has been set at a rate of \$0.017/lot sq. ft. not to exceed \$6,000 per parcel. Beginning in FY 2026/27, the Measure authorized annual increases based on CPI, not to exceed 3%.

Annual Clean Storm Water NPDES Service Charge

FUND 1601	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Annual Clean Storm Water NPDES Service Charge	\$41.62	\$41.62	\$41.62	Zero

The Storm Drain/National Pollutant Discharge Elimination System (NPDES) fund is supported by a fee established in 1992, last updated in 1998, with no current mechanism to increase fees on an annual basis. In accordance with the City's Sewer and Storm Water Code (Chapter 15-4.9) revenue from this fee is used for enforcement, implementation, and administrative overhead associated with the Urban Runoff Clean Water Program or associated documents including the Watershed Master Plan. The City programs revenue to support programs and activities used to prevent non-point source pollution, specifically operations and maintenance of the City's Storm Drain system.

As shown in the FY 2025/26 and FY 2026/27 biennial Budget, current expenditures exceed current revenues requiring use of General Fund resources to cover ongoing costs. A fee study is planned within the next biennium to ensure the rate assessed is sufficient to support ongoing operations as well as needed infrastructure repair and replacement.

Annual Sewer Service Charge

FUND 4001	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Annual Sewer Service Charge	\$638.17	\$ 638.17	\$ 638.17	Zero

The Sewer Service Charge funds are used to pay for annual maintenance and operating costs; annual debt service payments for capital improvements installed in prior years; and contributions to capital project and replacement reserves. The Sewer Master Plan has identified projects that are needed to meet compliance requirements and to maintain the sanitary sewer system in a manner that protects public health and safety. The City updated its analysis of the sewer service charge in July 2017 and adopted Resolution 2017-69 mandating annual increases by the CPI to the sewer rate until 2022. As such, no adjustment is available at this point. An updated fee study is underway which will allow rate adjustments in the future to ensure adequate funding for operational and capital needs.

Ten-Year Forecast

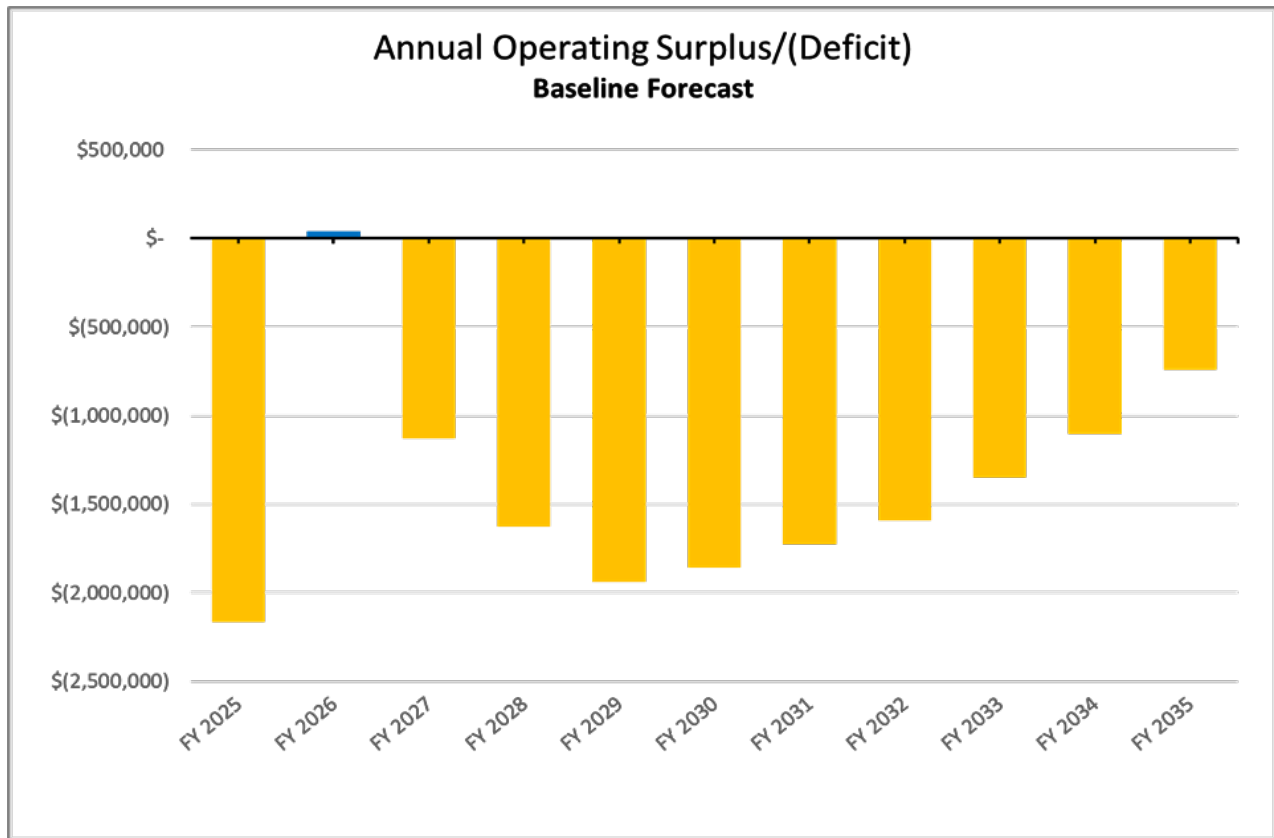
As a measure of financial sustainability, it is a best practice to look forward with a projection of General Fund revenues and expenditures to determine if and when corrective actions may be needed and at what level. As discussed earlier, the City has for a number of years budgeted anticipating a deficit with revenues insufficient to cover expenditures. Over the last several years, the City has had some years that resulted in a surplus and some that resulted in a deficit. Overall while City revenue growth has been relatively strong and resilient, it currently does not keep pace with the growth in expenditures.

In looking at a long-term forecast, there are two main components, labor costs and revenue growth, that drive whether the City is in a sustainable financial position or whether there is an ongoing structural imbalance. So, while the proposed FY 2025/26 budget is balanced, that alone does not solve the City's structural budget problem, as in just the next fiscal year, expenditures are projected/proposed to exceed revenues. This is because expenditures, primarily labor and pension expenditures, are anticipated to grow by more than six percent (due to COLAs and equity increases), revenues are projected to grow by about two percent. The chart below shows the impact of anticipated revenue and expenditure growth on the annual operating results for the City.

The following assumptions are reflected in the long-term scenario shown below:

- Average growth in revenues and expenditures.
- For individual revenue and expenditure categories, the Average Annual Growth Rate (AAGR) for prior fiscal years is based on a "centered" 3-year Moving Average that helps to smooth the fiscal data from prior fiscal years. Smoothing techniques reduce the volatility in the data.
- For total annual revenues and expenditures, the Forecast Model uses the non-smoothed data series (actual values) to calculate the AAGR in order to provide the most accurate representation of actual revenue and expenditure growth over the entire 10-year prior period.
- The City's annual unfunded pension liability payment is based on CalPERS projections through FY 2030/31 and additional data through actuarial data provided by a City consultant (TrueComp, formerly GovInvest).

Figure 11



In the baseline forecast shown above, the primary reason for shifts in the anticipated operating deficit are related to anticipated increases in the City's required contribution to CalPERS for its unfunded pension liability. Absent any other significant changes, once the growth in the City's UAL payment slows and ultimately reverses, expenditure growth and revenue growth are more aligned.

It should be noted however, that there are many variables that could change this outlook for the positive or negative including but not limited to: identifying additional sources of revenue, additional programmatic reductions, a potential recession, investment losses that trigger additional increases in the City's UAL payments, upward pressure on salaries and benefits to remain competitive with other employers for both recruitment and retention, and other unknown events. For example, if the growth in salaries and benefits is higher than historically average, revenue growth cannot keep up and the annual operating deficit could continue to grow.

Albany Police and Fire Pension Fund

The Albany Police and Fire Pension Plan (the Plan) is a fiduciary fund maintained by the City for the benefit of members of the plan. The plan closed to new participants in 1971 when active service members were transitioned to CalPERS. The plan is governed per City Charter Chapter IX and monitored by the Board of Police and Fire Pension Fund Commissioners (the Board) as laid out in said Chapter. Benefits are paid out as set forth in the City Charter and adjustments to benefits paid are made to service retirees on an annual basis, while disability retiree payments are adjusted in conjunction with current City union contracts.

Per the City Charter, the Board shall have charge of and administer the fund and report on the condition of the Plan, with a full and complete list of the beneficiaries and amounts paid to them, in June of each year. As of May 1, 2025, the plan is paying benefits to 12 retirees and 3 beneficiaries. Beneficiaries and amounts paid in fiscal years 2018/19 through 2024/25 (estimated) are shown below. Annual adjustments for service retirees were approved by the Board at the April 22, 2025 meeting and are effective July 1, 2025. Adjustments for disability retirees will be made throughout the year when AFFA and APOA adjustments are made and presented to the board at that time.

The Plan currently has investments in both the Local Agency Investment Fund (LAIF) administered by the State of California as well as private investments administered by CIBC. Investment updates are provided to the Board on a quarterly basis.

Albany Police and Fire Pension Fund Beneficiary Payments

Fiscal Year End	Total Payees	Active Count	Spouse Count	Amount Paid
FY 2024/25 (Estimated)	12	9	3	\$904,896
FY 2023/24	12	9	3	\$883,652
FY 2022/23	13	9	4	\$910,345
FY 2021/22	15	11	4	\$1,156,482
FY 2020/21	18	13	5	\$1,274,381
FY 2019/20	19	14	5	\$1,279,094
FY 2018/19	19	15	4	\$1,257,130

SUGAR-SWEETENED BEVERAGE TAX FY 2025/26 EXPENDITURE PLAN



In November 2016 the City of Albany voters approved Measure O1 (Ordinance No. 2016-02), enacting a general tax on the distribution of sugar sweetened beverages. As included in the Ordinance, the Sugar-Sweetened Beverage Tax is General Fund revenue that the City Council aims to apply towards specific purposes related to health and wellbeing and approved expenditures are incorporated into the City's annual operating budget. The Ordinance requires that the Council hold a study session annually to develop an expenditure plan for the proceeds of the sugar sweetened beverage tax. This study session was held on May 19, 2025.

Description	FY 2025/26 Cost
Crossing Guard Program - The crossing guard program has been provided by All City Management Services (ACMS) since FY2018/19 school year and funded by Sugar-Sweetened Beverage Tax proceeds. Contracting for the service has helped to lessen workload and demand placed on the police department allowing staff to focus on law enforcement duties and internal matters related to the operations of the police department rather than the management of an ancillary program.	\$188,407
Bike Safety Program - The "Drive Your Bike" safety course provides education and training courses for bicycling to elementary grade students. Students learn how to perform a bike safety check, adjust helmets, turn signaling, abide by the rules of the road, intersection safety, and safely navigate their school's neighborhood by bike.	\$15,000
All-bany Swims - The Albany Unified School District All-bany Swims is a pilot program to teach young children to swim targeting primary grades (1 st , 2 nd & 3 rd graders) with a comprehensive program to improve water safety and fitness in children that are most at-risk for drowning.	\$15,000
Move'n'Groove Event - This one-day event provides outdoor exercise and music to promote physical wellness. The event includes a 5k course around Albany High School and Memorial Park. Participants run, walk, roller skate, or roller jog while being entertained by live bands stationed around the course.	\$2,500
Total	\$220,907

INVESTMENT POLICY



REFERENCE



About the City

History of the City

Early Settlers: Albany's heritage is intertwined with its location along the eastern shore of San Francisco Bay, its temperate climate and its unique natural features. This environment supported the City's first known residents, a tribe of Native Americans known as the Costanoans (coast dwellers) or Ohlone, who lived at the base of Albany Hill along Cerrito Creek. Shell fragments and grinding rocks found at Creekside Park serve as a reminder of these people who lived in the Albany area until the early 19th Century, when the Spanish land barons arrived in California.

In 1820, the King of Spain granted a large portion of the East Bay to Don Luis Maria Peralta, who then divided the land among his three sons. Jose Domingo received the northern portion, which included the area of Berkeley and Albany, and used the land for cattle farming.

Gold and dynamite: The discovery of gold and the entry of California into the United States brought many settlers to the west, ultimately ending the land grant economy. The Peralta land was divided into small parcels and sold as farms or homesteads.

Gold mining created a demand for dynamite, and Albany became home to a number of powder plants at Fleming Point, which is the present site of [Golden Gate Fields Racetrack](#). This industry died out in 1905 after a series of explosions and fires. In 1906, the great San Francisco earthquake and fire occurred, resulting in a large migration of families from San Francisco to the East Bay. This significantly impacted development in Albany and other nearby jurisdictions.

Incorporation: In 1908, area residents protested the dumping of Berkeley garbage in their community by incorporating and became the City of Ocean View. In 1909, voters changed the name of the city, primarily to distinguish the City from many other communities in the area with the name of Ocean View. On a vote of 38 - 6, Albany was chosen as the new name, in honor of the birthplace of the City's first mayor, Mayor Frank Roberts. In 1927, Albany voters adopted the City's first Charter, giving the City full control over its own governance. In 2008 the City of Albany celebrated its Centennial.

Recent History: After several failed attempts in the late 1920s to annex to Berkeley, Albany firmly established its independence, and by the 1930s had begun to create its own high school. During World War II, the Federal Government built a housing project called "Codornices Village" on land leased from the University of California, to accommodate the thousands of workers at the Richmond shipyards. Adjacent was the "Veterans Village," which provided temporary military housing for the US Navy training base in the same area. After the war, both "villages" operated as a Federal Housing Project until 1956, when the 420 units reverted to University ownership and came to be known as "Albany Village," providing family student housing for those attending the University of California at Berkeley.

Current Community:

Albany is committed to providing a healthy, safe, and accessible city, and strives to lift every voice in our community.

-City of Albany Mission Statement

The City of Albany's mission statement represents the character of our special community. Albany, California is a small city of 20,271 residents, located within the greater San Francisco Bay area. Albany today combines a vibrant community along with its central location in a major metropolitan region.

Albany prides itself on being a safe, community-oriented city, with strong services and programs for youth, families and the elderly. It is a city made up largely of single-family homes and small businesses. Albany's small-town character is exemplified by its "Main Street," Solano Avenue, a pedestrian-friendly business district composed primarily of small "mom and pop" shops, and home to some of the Bay area's best restaurants. Albany's public schools have an outstanding reputation with student test scores at the elementary, middle and high school levels among the highest in the state. Our city is beautifully located on the eastern shoreline of the San Francisco Bay, directly east of the Golden Gate Bridge.

Surrounded by the San Francisco Bay to the west, the Berkeley Hills to the East, and the communities of Berkeley, El Cerrito, Kensington, and Richmond, Albany's 1.7 square miles offer a fascinating diversity within a small-town community. Located next to the [University of California, Berkeley](#) and with a highly ranked public school system ([Albany Unified School District](#)) of its own, Albany provides a warm environment for families and students alike. [Community events](#), [the arts](#), and a vibrant commercial district cater to the needs of the community. The [Solano Stroll](#), an annual event, closes over one mile of Solano Avenue to traffic, drawing close to 100,000 annually to this open air parade and fair.

Recreational opportunities abound, including the newly created McLaughlin [East Shore State Park](#), the [San Francisco Bay Trail](#), and a plethora of organized sports for adults and children. Albany and its surrounding environs offer a wide variety of recreational uses, including walking, hiking and [bicycle paths](#) along the shoreline, hills, and creeks of the East Bay area.

Easily accessible to San Francisco by both freeway and public transportation, Albany residents enjoy world-class entertainment, shopping, and all the benefits of living within one of the most interested metropolitan regions in the world.

General Statistics

Population & Growth: Albany's population is about 19,800 (19.8 K) as of 2023 (datausa.io). The City covers only ~1.8 sq mi, yielding a very high density (~11,044 people/sq mi) (censusreporter.org). Between 2022 and 2023 the population declined slightly (-1.29%) (datausa.io).

Age Distribution: The median resident age is **37.8 years** (censusreporter.org), roughly on par with California's (37.6) and the metro area's (40.0) median. This implies a balanced age mix, with substantial working-age and family-age populations.

Income Levels: Albany is relatively affluent. The **median household income** is about **\$135,927** (censusreporter.org), and **per capita income** is **\$72,518** (censusreporter.org). Both are well above California's average. Only about 8–9% of residents live below the poverty line (censusreporter.org and datausa.io), lower than state and national averages, indicating general prosperity.

Employment and Industry: Approximately **10.4 thousand** Albany residents are employed (datausa.io). The largest local employment sectors are **Professional, Scientific, & Technical Services** (~2,205 jobs), **Educational Services** (~2,141), and **Health Care & Social Assistance** (~1,239) (datausa.io). These industries – along with Albany's proximity to major research and education institutions – drive the local economy. (Albany's unemployment rate is low, in line with the Bay Area average).

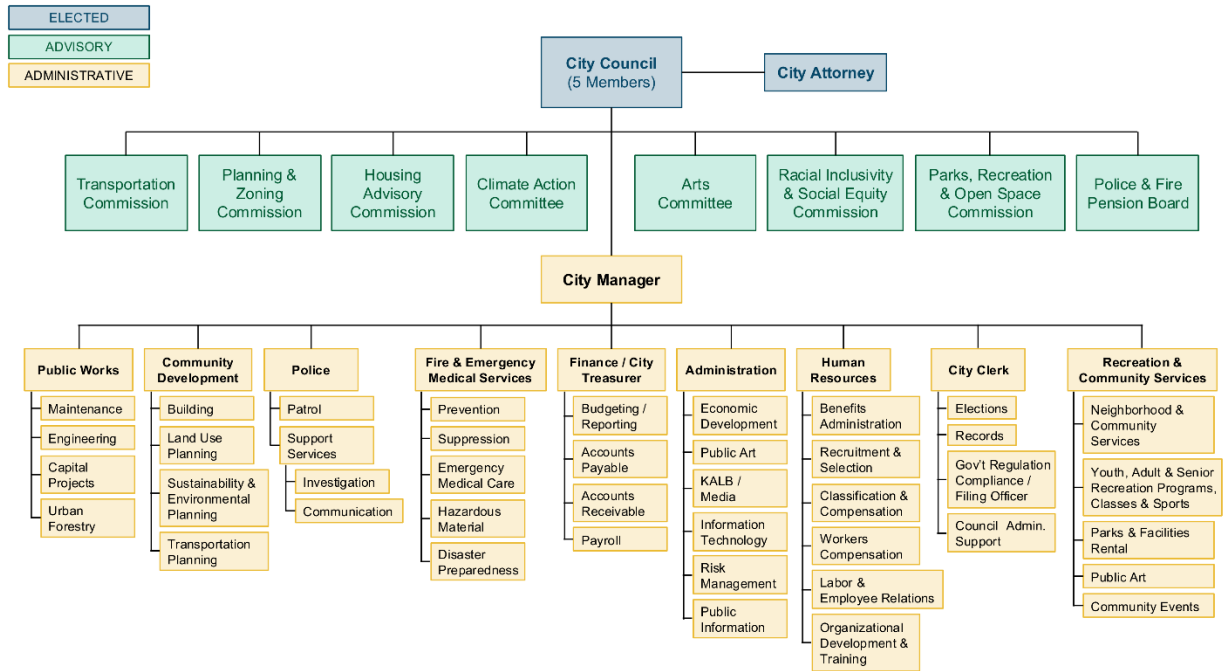
Education: Educational attainment in Albany is very high. About **97.4%** of adults have at least a high school diploma and **76.4%** hold a bachelor's degree or higher (censusreporter.org). These rates far exceed California's averages (84.6% and 36.5%, respectively (censusreporter.org), reflecting the city's well-educated population.

Housing: Albany's housing market is very expensive and dense. The **median home value** is about **\$1.19 million**. Homeownership is relatively low: only about **53.6%** of housing units are owner-occupied (implying ~46.4% renter-occupied). By contrast, over 75% of households are families (censusreporter.org). The City has ~8,000 housing units (Census 2019-2023), yielding roughly 4.3 persons per household on average. (Median rent is also high – on the order of \$2,300+ – reflecting the costly rental market.) (datausa.io)

Race & Ethnicity: Albany is a diverse community. About **46.8%** of residents identify as **White**, **29.2%** as **Asian**, and **3.7%** as **Black or African American** (worldpopulationreview.com). The remaining population is primarily multiracial or other races. **Hispanic/Latino** residents (of any race) make up roughly **13.0%** of the population (california-demographics.com). This mix — particularly the large Asian and White populations — is consistent with the City's location in the Bay Area.

Sources: Data are drawn from the U.S. Census Bureau (2020 Census and 2019–2023 ACS) and related statistical aggregators censusreporter.org, datausa.io, worldpopulationreview.com. Each section above cites the most recent available figures.

Citywide Organization Chart



Glossary

Adopted Budget: The adopted budget is the annual City budget approved by the City Council on or before June 30.

Appropriation: An appropriation is the legal authorization granted by the City Council to make expenditures and incur obligations for a specific purpose within a specific time frame.

Assessed Valuation: A dollar value placed on real estate or other property by the County as a basis for levying property taxes.

Beginning Fund Balance: Fund balance available in a fund from the end of the prior year for use in the following year.

Bond: A City may raise capital by issuing a written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dated in the future, together with periodic interest at a specified rate.

Budget: A plan of financial and program operation listing an estimate of proposed appropriations or expenditures and the proposed means of financing them, for a particular time period. The budget is proposed or preliminary until it has been adopted by the City Council. Albany's budget encompasses two fiscal years.

Capital Budget: Annual appropriations for capital improvement projects such as street improvements and building construction. Capital projects are supported by a five-year expenditure plan, which details funding sources and expenditure amounts.

They often are multi-year projects, which require funding beyond the one-year budget period.

Capital Projects Fund: A fund created to account for all resources to be used for the construction or acquisition of designated fixed assets by a governmental unit except those financed by a proprietary or fiduciary fund.

Debt Service: Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or leasing arrangements.

Department: An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility that may include a broad mandate or related activities. It is possible for a department to have only one division.

Division: A subsection (or activity) within a department, which furthers the objectives of the City Council by providing specific services or programs.

Enterprise Fund: A type of fund established for total costs of those governmental facilities and services, which are operated in a manner similar to private enterprises. These programs are entirely or predominantly self-supporting. The City of Albany maintains a Sewer Enterprise Fund.

Expenditures: Monies spent, including current operating expenses, debt service and capital outlays.

Fiduciary Funds: These funds account for assets held by the City in a trustee capacity. The budget does not appropriate fiduciary funds.

Fiscal Year (FY): The City's year for accounting and budgeting purposes, that begins on July 1 and ends June 30.

Full-Time Equivalent (FTE): The amount of time a regular full-time or part-time position has been budgeted for in terms of the amount of time an employee works in a year.

Fund: An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created. These are four types for funds: General, Special Revenue, Enterprise, and Fiduciary.

Fund Balance: The amount of financial resources available for use. Generally, this represents the excess of assets over the sum of liabilities and restricted reserves. For enterprise funds, it is the excess of current assets over current liabilities.

Gann Appropriations Limit: Article XIII B of the State constitution was amended by Proposition 4 (Gann initiative) in 1979. Article XIII B limits growth in the spending of tax proceeds to tax proceeds appropriated in the “base year” of the 1978-79 times the product of the allowable annual percentage change in a cost-of-living factor and the allowable annual percentage change in a population change factor. The cost-of-living factor is the larger of the annual percentage change in the State per capita personal income or the annual percentage change in the local non-residential assessed valuation due to new construction. The population change factor is the larger of the annual percentage change of the jurisdiction’s population or the annual percentage population change of the country in which the jurisdiction is located.

General Fund: The primary fund used to account for all revenues and expenditures of the City not legally restricted as to use. The fund is used to offset the cost of the City’s general operations. Examples of departments financed by the General Fund include the Police, Public Works and the Administrative Departments.

Grant: Contributions, gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity or facility.

Infrastructure: Facilities on which the continuance and growth of a community depend, such as streets and roads, sewers, public buildings, parks, etc.

Interfund Transfer In/Out: Monies transferred from one fund to another. Such money is transferred to finance the operations of another fund or to reimburse the fund for certain expenditures.

Method of Accounting: The City’s General Fund budget is developed using modified accrual basis of accounting, with revenues being recorded when measurable and available, and expenditures recorded when the liability is incurred. Enterprise funds and Internal Service Funds are budgeted on a generally accepted accounting principles (GAAP) basis, which for Proprietary Funds is on a full accrual accounting basis.

Operating Budget: Annual appropriation funds for on-going program cost, including salaries and benefits, services and supplies, debt service and capital outlay.

Operating Capital Outlay: A budget appropriation category which budgets all equipment having a unit cost of more than \$5,500 and an estimated useful life of over one year.

These are considered an operating expenditure and are differentiated from capital expenditures by the amount of money they cost. Any expenditure over \$5,000 with an estimated useful life over one year is capitalized.

Operating Transfer: Amounts transferred between funds; not considered a revenue or expenditure. For example, legal authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

Ordinance: A formal legislative action by the City Council. It has the full force and the effect of law within the City boundaries unless it is in conflict with any higher form of law such as a State statute or constitutional provision. An ordinance has higher legal standing than a resolution.

Program: A program is an activity or division within a department which furthers the objectives of the City Council by providing services or a product.

Reserve: Represents the portion of fund balance set aside for financing future capital improvements or the outlay of capital projects in any given year and addressing one-time emergency needs.

Resolution: An order of the City Council, which has lower legal standing than an ordinance.

Revenues: Monies received or anticipated by a local government from both tax and non-tax sources during the fiscal year.

Salaries and Benefits: A budget category which generally accounts for full-time and part-time employees, overtime expenditures and all employee benefits, such as medical, dental and retirement.

Services and Supplies: Expenditures for supplies, materials and services which ordinarily are consumed within a fiscal year, and which are not included in inventories.

Special Revenue Funds: These funds account for the proceeds derived from specific revenue sources that are legally restricted to expenditures for specified purposes.

RESOLUTIONS



Resolution No. 2025-35

**A Resolution of the Albany City Council Adopting the Two-Year City of Albany
Operating Budget for Fiscal Years 2025/26 and 2026/27**

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RESOLUTION NO. 2025-35

**A RESOLUTION OF THE ALBANY CITY COUNCIL ADOPTING AND
APPROPRIATING FUNDS FOR THE TWO-YEAR CITY OF ALBANY
OPERATING BUDGET FOR FISCAL YEARS 2025/26 AND 2026/27**

WHEREAS, the City Fiscal Year concludes on June 30th of each year; and

WHEREAS, the City Council desires to adopt a two-year operating budget authorizing appropriations for Fiscal Year 2025/26 beginning July 1, 2025 and Fiscal Year 2026/27 beginning July 1, 2026; and

WHEREAS, the Operating Budget is a financial plan that accounts for all funds used for City operations including the General Fund; and

WHEREAS, the legal level of control for budgetary appropriations is at the fund level; and

WHEREAS, the proposed budget was reviewed by the City Council at a public meeting held by the Albany City Council on June 2, 2025, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the proposed budget.

NOW, THEREFORE, BE IT RESOLVED, by the Albany City Council, that the Two-Year Operating Budget for fiscal years 2025/26 and 2026/27 shall be approved for funds listed in Exhibit A attached hereto and by reference made a part hereof; and

BE IT FURTHER RESOLVED, that, except for Fund 0001 – General Fund, these appropriations are in addition to any appropriations previously allocated for specific projects or programs; and

1 **BE IT FURTHER RESOLVED**, that without further action by the City Council the
2 City Manager shall be authorized to administratively transfer budgeted amounts between line
3 items, provided that the transfer is within the same department activity and fund.
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8 **ROBIN D. LÓPEZ, MAYOR**

9 **ATTACHMENT:**
10 Exhibit A – Operating Budget Funds
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RESOLUTION 2025-35 - EXHIBIT A

A RESOLUTION OF THE ALBANY CITY COUNCIL ADOPTING AND APPROPRIATING FUNDS FOR THE TWO-YEAR CITY OF ALBANY OPERATING BUDGET FOR FISCAL YEARS 2025/26 AND 2026/27

Fund	Estimated Beginning Fund Balance 07/01/2025	FY 2025/26 Revenue	FY 2025/26 Expenditures	Projected Ending Fund Balance 06/30/2026	FY 2026/27 Revenue	FY 2026/27 Expenditures	Projected Ending Fund Balance 06/30/2027
0001 - GENERAL FUND	10,456,111	(33,515,778)	33,515,778	10,456,111	(34,130,387)	35,277,705	9,308,793
0004 - GF-GENERAL PLAN	243,081	0	0	243,081	0	0	243,081
1001 - SR-PENSION PROPERTY TAX	1,425,901	(3,877,853)	3,877,853	1,425,901	(3,994,000)	3,994,000	1,425,901
1002 - SR-EMERGENCY MEDICAL SERVICES	143,169	(3,801,354)	3,768,471	176,052	0	0	176,052
1101 - SR-MSR B-LCL STRTS & RDS(ACTC)	286,247	0	0	286,247	0	0	286,247
1102 - SR-MSR B-BYCYCL & PDSTRN(ACTC)	18,562	0	0	18,562	0	0	18,562
1103 - SR-MSR B-PARATRANSIT (ACTC)	0	0	0	0	0	0	0
1104 - SR-MSR F - VEHICLE REG (ACTC)	501,757	0	0	501,757	0	0	501,757
1105 - SR-GAS TAXES	1,425,167	(595,035)	519,000	1,501,202	(595,035)	519,000	1,577,237
1201 - SR-MSR BB-LCL STRTS & RDS(ACTC)	3,215,527	(1,188,849)	14,000	4,390,377	(1,188,849)	14,000	5,565,226
1202 - SR-MSR BB-BYCYCL & PDSTRN(ACTC)	363,190	(137,829)	0	501,019	(137,829)	0	638,848
1203 - SR-MSR BB-PARATRANSIT (ACTC)	195,696	(89,581)	146,384	138,893	(90,000)	149,102	79,791
1204 - SR-ACTC COMPETITIVE GRANTS	0	0	0	0	0	0	0
1301 - SR-LLD 1996-1 OPEN SPACE	68,237	0	20,000	48,237	0	20,000	28,237
1302 - SR-LLD 1996-1 RCREATN PLAYFLD	52,457	0	20,000	32,457	0	20,000	12,457
1303 - SR-LLD 1996-1 CREEK MNTNANCE	124,192	0	43,500	80,692	0	43,500	37,192
1304 - SR-LLD 1988-1 LGHTNG&LNDSCPNG	1,001,546	(539,214)	487,500	1,053,260	(539,214)	487,500	1,104,974
1305 - SR-SIDEWALK PARCEL TAX	319,129	(412,282)	95,225	636,186	(414,051)	98,000	952,237
1306 - SR-PARKS/OPEN SPACE	1,185,291	(513,709)	450,500	1,248,500	(523,983)	450,500	1,321,983
1401 - SR-LIBRARY OPERATIONS	911,986	(810,020)	797,940	924,066	(810,020)	878,600	855,486
1402 - SR-CABLE TV (PEG)	34,202	(22,000)	0	56,202	(22,000)	0	78,202
1403 - SR-PUBLIC ART	162,756	0	0	162,756	0	0	162,756
1405 - SR-CDBG -CMNTY DVELPMNT BLCK GRNT	(236,465)	0	0	(236,465)	0	0	(236,465)
1406 - FEDERAL CARES ACT FUND	1,227,923	0	0	1,227,923	0	0	1,227,923
1501 - SR-SLESF/COPS-STATE GRANT	732,731	(190,000)	184,000	738,731	(200,000)	193,200	745,531
1506 - MISC GRANTS	(434,153)	(640,000)	719,000	(513,153)	0	0	(513,153)
1601 - SR-STORM DRAINAGE / NPDES	1,437,729	(477,000)	749,587	1,165,142	(477,000)	749,587	892,555
1602 - SR-STOPWASTE - COUNTY MSR D	(13,550)	(60,000)	24,000	22,450	(60,000)	24,000	58,450
2006 - CIP-MSR F-STRT&STRM DRN PRJS	3,648,646	(1,323,000)	275,100	4,696,546	(1,323,000)	275,100	5,744,446
2007 - CIP-GENERAL CAPITAL PROJECTS	367,662	0	100,000	267,662	0	0	267,662
2202 - CIP-POLICE EQUIPMENT RESERVE	174,392	0	50,000	124,392	0	0	124,392
2204 - CIP-EMS EQUIPMENT RESERVE	338,556	0	50,000	288,556	0	0	288,556
2205 - CIP-FIRE OP EQUIPMNT RESERVE	349,291	0	50,000	299,291	0	0	299,291
2207 - CIP-EQUIP REPLACEMENT RSV	489,648	0	100,000	389,648	0	0	389,648
2208 - CIP-CMMTY DEVLPMNT EQUIP RESE	148,946	0	50,000	98,946	0	0	98,946
2210 - PW-CAPITAL RESERVE	294,537	0	50,000	244,537	0	0	244,537
2211 - REC & SR CTR CAP RESRV	261,807	0	50,000	211,807	0	0	211,807
2212 - CLIMATE/ADAPTATION PLAN RESERV	143,469	0	0	143,469	0	0	143,469
2401 - CIP-IF-CAPITL FACLTY DVLPR FEE	393,922	0	0	393,922	0	0	393,922
4001 - ENT-SEWER OPERATIONS	5,411,282	(4,708,280)	1,865,855	8,253,707	(4,708,280)	1,891,971	11,070,016



City of Albany

1000 San Pablo Avenue • Albany, California 94706
(510) 528-5710 • www.albanyca.org

RESOLUTION NO. 2025-35

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

The 2nd day of June 2025, by the following votes:

AYES: Council Members Hansen-Romero, Jordan, McQuaid, Miki and

Mayor López

NOES: none

ABSENT: none

ABSTAINED: none

RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this 3rd
day of June, 2025.

Anne Hsu
CITY CLERK

*Albany is committed to providing a healthy, safe, and accessible city,
and strives to lift every voice in our community.*

Resolution No. 2025-36

**A Resolution of the Albany City Council to Adopt the Fiscal Year 2025/26 Tax Rate
for the Pension Property Tax Override**

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WHEREAS, each fiscal year since 1982/83, the City of Albany has had the authority to levy a pension property tax override collected as part of the property tax bill; and

WHEREAS, the City Council desires to set a tax rate that shall be applied for the Fiscal Year beginning July 1, 2025 and ending June 30, 2026 (Fiscal Year 2025/26).

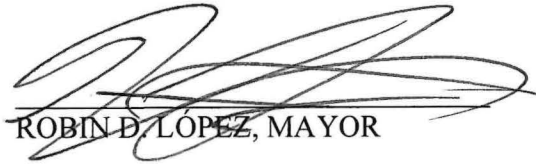
A) Listed below is the tax rate (expressed as a percentage of full assessed value), which has been calculated by estimating the revenue and tax amounts required to be raised by property taxes to meet certain City pension obligations.

C) In accordance with the Charter sections listed above, the figure listed below is hereby adopted as the annual tax rate for Fiscal Year 2025/26.

Fund: Pension Fund Rate: .0993 % (*point zero nine nine three percent*) of full value.

BE IT FURTHER RESOLVED, that the amount set forth above is appropriated in accordance with applicable State and local laws; and

1 **BE IT FURTHER RESOLVED**, that the *point zero nine nine three percent* rate shall
2 only be applicable to the Fiscal Year as stated in this resolution and that this action does not
3 permanently set the pension override tax. Subject to the historical maximum rate and
4 calculations methodology, the City Council expressly reserves its right to levy a different rate
5 in future fiscal years as necessary and appropriate in order to meet Pension obligations funded
6 by the tax.

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10 ROBIN D. LOPEZ, MAYOR



City of Albany

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RESOLUTION NO. 2025-36

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

The 2nd day of June 2025, by the following votes:

AYES: Council Members Hansen-Romero, Jordan, McQuaid, Miki and

Mayor López

NOES: none

ABSENT: none

ABSTAINED: none

RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this 3rd
day of June, 2025.

Anne Hsu
CITY CLERK

*Albany is committed to providing a healthy, safe, and accessible city,
and strives to lift every voice in our community.*

Resolution No. 2025-37

**A Resolution of the Albany City Council Adjusting the Fiscal Year 2025/26 Rates
to be Applied to City of Albany Special Taxes and Fees Collected on the Annual
Property Tax Bill**

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RESOLUTION NO. 2025-37

**A RESOLUTION OF THE ALBANY CITY COUNCIL ADJUSTING
THE FISCAL YEAR 2025/26 RATES TO BE APPLIED TO
CITY OF ALBANY SPECIAL TAXES AND FEES COLLECTED ON
THE ANNUAL PROPERTY TAX BILL**

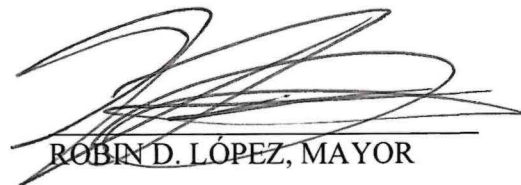
WHEREAS, the City of Albany collects certain local approved special taxes and fees on the County Property Tax Bill; and

WHEREAS, the authorizing measures and actions imposing these fees in some cases allow for an annual adjustment based on the change in the Consumer Price Index; and

WHEREAS, the City's Property Tax Assessment Consultant (NBS Government Services) has calculated the maximum rate of adjustment for each of the subject fees based on a 2.76 percent change in the Consumer Price Index for December 2024 and a 1.3 percent change for April 2025; and

WHEREAS, staff analyzed the projected revenues and expenses for each of the subject fees and presented the biennial budget at the City Council meeting on June 2, 2025; and

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Albany does hereby adopt the attached Schedule of Approved Rates, which shall be used to calculate the subject fees and taxes on the Fiscal Year 2025/26 tax roll.


ROBIN D. LÓPEZ, MAYOR

ATTACHMENT:
Exhibit A – Schedule of Approved Rates

Resolution No. 2025-37 - Exhibit A
Maximum and Proposed FY 2025/26 Rates

Library Special Taxes: Library Services Act Tax and Supplemental Library Tax

FUND 1401	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Library Services Act of 1994	\$ 69.22	\$ 97.68	\$ 69.22	Zero
Supplemental Library Services Act of 2006	\$ 28.36	\$ 40.43	\$ 28.36	Zero

Emergency Medical Services, Advanced Life Support, and Fire Protection Tax

FUND 1002	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Emergency Medical Services (EMS) Fund	\$0.074 per square foot	\$0.075 per square foot	\$0.075 per square foot	\$0.001 per square foot

2006 Street Paving and Storm Drain Improvement Tax

FUND 2006	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
2006 – St. & Storm Drain Improvement	\$ 159.66	\$ 164.07	\$ 164.07	\$4.41

2018 Parks and Open Space Parcel Tax (Measure M)

FUND 1306	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
2018 – Parks and Open Space	\$ 75.51	\$76.49	\$76.49	\$ 0.98

Safe and Accessible Sidewalks & Pathways Special Parcel Tax

FUND 1305	Parcel Size (Square Feet)	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
2024 Sidewalk Parcel Tax	Per sq. ft. not to exceed \$6,000	n/a	\$0.017/sq ft	\$0.017/sq ft	n/a

Annual Clean Storm Water NPDES Service Charge

FUND 1601	Annual 2024/25 Maximum Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Annual Clean Storm Water NPDES Service Charge	\$41.62	\$41.62	\$41.62	Zero

Annual Sewer Service Charge

FUND 4001	Annual 2024/25 Rate	Annual 2025/26 Maximum Rate	Annual 2025/26 Applied Rate	Approximate Change
Annual Sewer Service Charge	\$638.17	\$ 638.17	\$ 638.17	Zero



City of Albany

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RESOLUTION NO. 2025-37

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

The 2nd day of June 2025, by the following votes:

AYES: Council Members Hansen-Romero, Jordan, McQuaid, Miki and

Mayor López

NOES: none

ABSENT: none

ABSTAINED: none

RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this 3rd
day of June, 2025.

Anne Hsu
CITY CLERK

*Albany is committed to providing a healthy, safe, and accessible city,
and strives to lift every voice in our community.*

Resolution No. 2025-38

**A Resolution of the Albany City Council Establishing the Appropriations Limit for
Fiscal Year 2025/26**

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RESOLUTION NO. 2025-38

**A RESOLUTION OF THE ALBANY CITY COUNCIL ESTABLISHING
THE APPROPRIATIONS LIMIT FOR THE CITY OF ALBANY
FOR THE 2025/26 FISCAL YEAR**

WHEREAS, annually State law requires that an Appropriations Limit be adopted by the City Council; and

WHEREAS, Article XIII B of the California Constitution places certain restrictions on appropriations made by local governments; and

WHEREAS, the restrictions are applicable to appropriations that meet the definition of “Proceeds of Taxes”; and

WHEREAS, the law allows the option to select the factors to be used to calculate the annual Appropriations Limit; and

WHEREAS, for one of the adjustment factors the City must select between: (A) the change in the City of Albany population, or (B) the change in the Alameda County population, and the City has selected the change in the Alameda County population; and

WHEREAS, for the second adjustment factor the City must select between: (1) the change in the State per capita income, or (2) the change in the assessed valuation of local non-residential construction, and the City has selected the change in the State per capita income; and

WHEREAS, the calculation of the Appropriations Limit for Fiscal Year 2025/26 is described in Exhibit A, attached hereto and by reference made a part hereof.

1 **NOW, THEREFORE, BE IT RESOLVED**, that the Albany City Council does
2 hereby establish the appropriations limit for fiscal year 2025/26 as \$32,616,425; and
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4 **BE IT FURTHER RESOLVED**, that the Limit has been calculated in accordance
5 with State Law as shown in Exhibit A, attached hereto; and
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7 **BE IT FURTHER RESOLVED**, that said appropriation limit herein established may
8 be changed, as deemed necessary, by resolution of the Albany City Council.
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13 ROBIN D. LÓPEZ, MAYOR

14 **ATTACHMENT:**

15 Exhibit A – FY 2025/26 Appropriation Limit Calculation
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**ATTACHMENT: EXHIBIT A
CITY OF ALBANY RESOLUTION No. 2025-38
ADOPTION OF FISCAL YEAR 2025/26 APPROPRIATIONS LIMIT**

A. Selection of Optional Factors

1. Change In Population – City of Albany or Alameda County

Population	1/1/2024	1/1/2025	% Increase
a. City of Albany	20,520	20,578	0.28%
b. County of Alameda	1,655,644	1,662,482	0.31%

The selected factor is 1(b). Alameda County growth of 0.31%

2. Change in State Per Capita Personal Income vs. Change In City Non-Residential Building Construction

Factors	% Change
a. Change in State Per Capita Personal Income	6.44%
b. Change in Albany New Non-Residential Assessed Valuation	0.00%

The selected factor is 2(a). Change in State Per Capita Income 6.44%

B. Fiscal Year 2025/26 Growth Adjustment Factor

Calculation of the adjustment factor = X * Y

Where :

$$X = \frac{\text{Selected Factor \#1} + 100}{100} = \frac{0.31\% + 100}{100} = 1.003$$

$$Y = \frac{\text{Selected Factor \#2} + 100}{100} = \frac{6.44 + 100}{100} = 1.0644$$

$$\text{FY 2025/26 ADJUSTMENT FACTOR (X * Y)} = 1.0677$$

C. Fiscal Year 2025/26 Calculation of Appropriations Limit

Fiscal Year 2024/25 Limit (Reso. 2024-45)	\$30,548,784
Fiscal Year 2025/26 Adjustment Factor	x 1.0677
FISCAL YEAR 2025/26 Appropriations Limit	\$32,616,425

Appropriations Subject To Limit: \$28,123,944

Fiscal Year 2025/26 is \$4,292,481 below the limit.



City of Albany

1000 San Pablo Avenue • Albany, California 94706
(510) 528-5710 • www.albanyca.org

RESOLUTION NO. 2025-38

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

The 2nd day of June 2025, by the following votes:

AYES: Council Members Hansen-Romero, Jordan, McQuaid, Miki and

Mayor López

NOES: none

ABSENT: none

ABSTAINED: none

RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this 3rd
day of June, 2025.

Anne Hsu
CITY CLERK

*Albany is committed to providing a healthy, safe, and accessible city,
and strives to lift every voice in our community.*

Resolution No. 2025-39

A Resolution of the Albany City Council Appropriating Reserve Funds for Smaller Programmatic Purchases

**A RESOLUTION OF THE ALBANY CITY COUNCIL APPROPRIATING
RESERVE FUNDS FOR SMALLER PROGRAMMATIC PURCHASES
FOR FISCAL YEARS 2025/26 AND 2026/27**

WHEREAS, each City department has both anticipated and unanticipated needs that may require the use of reserve funds throughout each biennial budget cycle; and

NOW, THEREFORE, BE IT RESOLVED, that the Albany City Council hereby appropriates the following amounts from each reserve fund for fiscal years 2025/26 and 2026/27:

Reserve Fund	Appropriation
General City Building Reserve Fund	\$100,000
Police Reserve Fund	\$50,000
Fire Reserve Fund	\$50,000
EMS Reserve Fund	\$50,000
Community Development Reserve Fund	\$50,000
IT Equipment/KALB Equipment Reserve Fund	\$100,000
Public Works Reserve Fund	\$50,000
Recreation Reserve Fund	\$50,000



 ROBIN D. LÓPEZ, MAYOR



City of Albany

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AYES: Council Members Hansen-Romero, Jordan, McQuaid, Miki and

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WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this 3rd
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Anne Hsu
CITY CLERK

*Albany is committed to providing a healthy, safe, and accessible city,
and strives to lift every voice in our community.*

Resolution No. 2025-40

A Resolution of the Albany City Council Adopting the City of Albany Investment Policy

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RESOLUTION NO. 2025-40

**A RESOLUTION OF THE ALBANY CITY COUNCIL ADOPTING
THE CITY OF ALBANY INVESTMENT POLICY FOR FISCAL YEAR 2025/26**

WHEREAS, the City is committed to achieving long-term financial sustainability; and

WHEREAS,; the City Council delegates authority for investment management to the
City Treasurer and as such must review and adopt an Investment Policy each fiscal year; and

WHEREAS, the City of Albany Investment Policy has been reviewed by the City
Council in conjunction with the FY 2025/26 and FY2 2026/27 Biennial Operating Budget.

NOW, THEREFORE, BE IT RESOLVED, that the Albany City Council hereby
adopts the City of Albany Investment Policy as shown in Exhibit A, attached hereto, effective
July 1, 2025.


ROBIN D. LÓPEZ, MAYOR

ATTACHMENT:
Exhibit A – Investment Policy



CITY OF ALBANY

INVESTMENT POLICY

Resolution No. 2025-40

Adopted June 2, 2025

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SECTION 1: INTRODUCTION

Goals

The investment policy of the City of Albany is based upon state law, city charter and ordinances and the prudent money management rule. The primary goals of this policy are:

1. To ensure compliance of all State and Local laws governing the investment of monies in the custody of the City Treasurer.
2. To protect the principal monies entrusted to the City Treasurer.
3. To meet the daily cash flow demands of the City.
4. To generate the maximum amount of investment income within the parameters of prudent risk management.

The monies entrusted to the City Treasurer constitute the "Investment Portfolio" referred to in this document.

SECTION 2: IMPLEMENTATION

Delegation of Authority

Pursuant to the City Charter, management responsibility for investments belongs to the City Treasurer. The Treasurer shall establish procedures for the operation of an investment program consistent with this investment policy and shall perform investment transactions. These procedures will include reference to safekeeping, wire transfer agreements, banking service contracts and collateral/depository agreements. The Treasurer shall be responsible for all transactions undertaken. However, the Treasurer shall request review and/or approval of the City Manager for investments outside of the Local Agency Investment Fund (LAIF) unless otherwise specified.

The Treasurer shall appoint a Deputy City Treasurer who shall perform the Treasurer's duties in the absence of the Treasurer. The Treasurer may also delegate investment decision making and execution authority to an investment advisor. The advisor shall follow this investment policy and such other written instructions as are provided.

Scope

The Treasurer is responsible for investing the unexpended cash in the City Treasury. This investment policy applies to all the investment activities of the City of Albany, except for the Public Employees Retirement System (PERS), Deferred Compensation Funds, and the Police and Fire Relief or Pension Fund of the Police and Fire Departments of the City of Albany, which are administered separately. The financial assets of all funds, with these four noted exceptions, shall be administered in accordance with the provisions of this policy.

Objectives

Objectives have been set in order to achieve the goals of this investment policy. The primary objectives, in priority order, of the City of Albany's investment policy are:

A. Safety of Principal

Safety of principal is the foremost objective of the City of Albany. With each investment transaction the Treasurer shall seek to ensure the preservation of capital in the overall investment portfolio. The City shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

1. **Credit risk**, defined as the risk of loss due to the failure of the issuer of a security shall be mitigated by investing in only very safe securities (see list of authorized investments), and by diversifying the Investment Portfolio so that the failure of any one issuer does not unduly harm the City's cash flow.
2. **Market risk**, defined as the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by structuring the Investment Portfolio so that securities are diversified by maturity and may mature at the same time that major cash outflows occur, thus eliminating the need to sell securities prior to their maturity for cash flow purposes. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are

inevitable and will be considered within the context of overall investment return.

Further guidelines for safety of principal shall include:

1. Limiting the Investment Portfolio's exposure to each issue and each issuer of debt.
2. Determining the minimum credit requirements for firms that hold City monies.

B. Liquidity

The City of Albany's Investment Portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which will be reasonably anticipated. The Investment Portfolio shall maintain a position of at least 50% in "readily marketable" securities, i.e., those securities that are actively traded in the secondary market.

C. Return on Investment

Return on investments shall be a market average rate of return governed by the objectives of safety and liquidity in accord with prudent investment principles.

Prudence

Generally, investments shall be made in the context of the "prudent investor" rule, which states:

"...investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Authorized individuals acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Ethics and Conflicts of Interest

The Investment Officers, i.e., the City Treasurer and Deputy City Treasurer, shall be governed by the "Code of Ethics" and the "Code of Professional Conduct" of the California Municipal Treasurers Association. The Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Investment Officers shall disclose any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial positions that could be related to the performance of the City of Albany's Investment Portfolio. Investment Officers shall subordinate their personal investment transactions to those of the City of Albany, particularly with regard to the timing of purchases and sales.

Investment Officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively. The Investment Officers shall comply with all relevant state laws governing financial conflicts of interest.

At all times, the Investment Officers shall act as custodians of the public trust.

SECTION 3: PROCEDURES

Internal Control

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, fraud, or misuse. The Treasurer shall establish an annual independent review by an external auditor. The purpose of this review shall be to consider means for improved future performance, and to verify that investments have been made in accordance with the City's policies and procedures.

Safekeeping of Securities

To protect against potential losses by collapse of individual securities dealers, all securities owned by the City (including collateral on repurchase agreements), shall be held in the City's name in safekeeping by a third-party bank trust department, acting as a custodian of City funds. Said trust department shall act as agent for the City of Albany pursuant to a custody agreement between the bank and the City. All securities shall be received and delivered using standard delivery-versus-payment procedures. The Custodian shall provide safekeeping receipts of all securities held.

Qualified Dealers

The City shall transact business only with banks, savings and loans and investment securities dealers. The dealers must be primary dealers regularly reporting to the Federal Reserve Bank. The Treasurer shall investigate dealers wishing to do business with the City and determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and are recommended by managers of portfolios similar to the City's.

All financial institutions and securities dealers who desire to engage in investment transactions with the City of Albany shall submit a written certification that the supervising officer has reviewed the City's investment policy and agrees to disclose potential conflicts or risks to public funds that might arise out of business transactions between the firm/depository and the City of Albany. Employees of any financial institution offering securities or investments to the City of Albany shall be trained in the precautions appropriate to public sector investments and shall be required to familiarize themselves with the City's investment policy.

When two or more investment opportunities offer essentially the same maturity, yield, quality and liquidity, the City of Albany shall seek to promote local economic development by giving priority to the financial institutions in Albany, then Alameda County, and then California.

The City shall at least annually send a copy of the current investment policy to all dealers approved to do business with the City. Confirmation of receipt of this policy shall be considered evidence that the dealer understands the City's investment policies and intends to show the City only appropriate investments.

If the City has an investment advisor, the investment advisor may use its own list of authorized broker/dealers to conduct transactions on behalf of the City.

Performance Standards

The Investment Portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles commensurate with the investment risk constraints and cash flow needs. The City will establish an appropriate performance benchmark to which to compare the performance of its portfolio.

Reporting

California Government Code 53607 states that the Treasurer shall render a monthly list of investment transactions to the legislative body when investment authority has been delegated to the Treasurer by the legislative body.

The City Treasurer shall also render an investment report no less than quarterly to the City Manager and the legislative body of the City, once all bank statements have been reconciled by the Finance Department.

The report shall identify the type of investment, institution, settlement and maturity dates, purchase price and coupon rate. Current book value, current market value and yield to maturity rate shall be given for all securities with a maturity date exceeding twelve months.

SECTION 4: INVESTMENTS AND STRATEGIES

Authorized Investments

The City is governed by California Government Code, Section 53600 et seq. Within the context of these limitations, the following investments are authorized as further limited herein. A security purchased in accordance with this policy shall not have a forward settlement date exceeding 45 days from the time of investment.

United States Treasury Bills, Bonds and Notes, or those instruments for which the full faith and credit of the United States are pledged for payment of principal and interest.

Federal Agency or United States Government-Sponsored Enterprise Obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

Municipal Obligations, which by definition may include registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

Supranational Obligations-United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 15% of the market value of the Investment Portfolio.

Banker's Acceptances-a bill of exchange or time drafts drawn on and accepted by a commercial bank. Banker's acceptances purchased may not exceed 180 days to maturity and 40% of the market value of the Investment Portfolio. No more than 5% of the market value of the portfolio may be invested in banker's acceptances issued by one bank.

Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):

(1) The entity meets the following criteria:

(A) Is organized and operating in the United States as a general corporation.

(B) Has total assets in excess of five hundred million dollars (\$500,000,000).

(C) Has debt other than commercial paper, if any, that is rated in a rating category of “A” or its equivalent or higher by an NRSRO.

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.

(C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO.

Purchases of eligible commercial paper may not exceed 270 days to maturity and may not exceed 25% of the market value of the Investment Portfolio.

Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30% of the market value of the Investment Portfolio. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decision-making authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

Medium Term Notes (MTNs) defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. MTNs eligible for purchase shall be rated in a rating category of “A” or its equivalent or better by an NRSRO. The aggregate total of all purchased MTNs may not exceed 30% of the market value of the Investment Portfolio.

Asset-Backed Securities defined as mortgage passthrough securities collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable passthrough certificates, or consumer receivable-backed bonds. Securities eligible for investment under this subdivision for investments that are not issued or guaranteed by federal agencies and GSEs shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision shall not exceed 20% of the market value of the Investment Portfolio.

Repurchase Agreements (repos). The City may invest in repurchase agreements not exceeding seven (7) days maturity with banks and dealers with which the City has entered into a master repurchase contract which specifies terms and conditions of repurchase agreements. The market value of securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102% no later than the next business day.

Local Agency Investment FUND (LAIF). The City may invest in LAIF; a pool established by the State Treasurer for the benefit of local agencies up to the maximum amount permitted by LAIF.

Local Government Investment Pools. Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in California Government Code section 53601 subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

- (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in California Government Code section 53601 subdivisions (a) to (q), inclusive.
- (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

Time Deposits (CDs). The City may invest in time certificates of deposit issued by a national or state chartered bank or federal savings and loan association rated C or better by Sheshunoff Information Services Inc. CDs are collateralized. If the collateral is government securities, 110% of the market value to the face amount of the deposit is required. Promissory notes secured by first mortgages and first trust deeds used as collateral require 150% of the market value to the face amount of the deposit. The City may waive the first \$250,000 of collateral security for such deposits if the institution is insured pursuant to federal law. In order to secure such deposits, an institution shall maintain in the collateral pool securities having a market value of at least 10% in excess of the total amount deposited.

The maximum terms for time deposits shall be one year. Since time deposits are not liquid, no more than 15% of the Investment Portfolio may be invested in this category. The issuer firm should have been in existence for at least five years and be based in California. In general, the issuer must have a minimum 3% net worth to assets ratio, have \$90 million in assets and its operation must have been profitable during its last reporting period.

Money Market Accounts. The City may invest in shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). The company shall have met either of the following criteria: (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include commission that the companies may charge and shall not exceed 20% of the market value of the Investment Portfolio.

Prohibited Investments

In accordance with Government Code Section 53601.6, no investment shall be made by the City in any of the following instruments: inverse floaters, range notes, interest only strips derived from a pool of mortgages, and any security that could result in a zero-interest accrual if held to maturity.

Maturities

To the extent possible, maturities shall be selected to anticipate cash needs, thereby eliminating the possibility of the need for forced investment liquidation. Cash flow estimates shall be prepared in a prudent manner.

Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 5 years from the date of purchase. However, investments may exceed five years in maturity after receiving authorization by the City Council at least three months prior to purchase. For purposes of compliance with this policy, an investment's term or remaining maturity shall be measured from the settlement date to final maturity.

Diversification

The City will diversify its investments by security type and institution. With the exception of U.S. Treasuries, federal agencies, and authorized pools, no more than 5% of the City's total investment portfolio shall be invested in the securities of any issuer regardless of security type.

Trading

The City shall not make investments for the purpose of trading or speculation as the dominant criterion, such as anticipating an appreciation of capital value through changes in market rates.

Swapping of Securities

A swap is the movement from one security to another and may be done for a variety of reasons, such as to increase the Investment Portfolio's yield or return potential, lengthen or shorten the Investment Portfolio's overall duration, to take a profit, or to increase investment quality.

Portfolio Adjustments

Where this policy specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Should an investment percentage of portfolio limitation be exceeded due to an incident such as fluctuation in portfolio size, the affected securities may be held. The Treasurer shall consider restructuring the portfolio basing the decision in part on the expected length of time the portfolio will be imbalanced. Credit criteria listed in this policy refers to the credit rating at the time the security is purchased. If an investment's credit rating falls below the minimum rating required at the time of purchase, the Treasurer will perform a timely review and decide whether to sell or hold the investment.

SECTION 5: POLICY REVIEW

This investment policy shall be reviewed by the City Council at a public meeting annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, rate of return, and its relevance to current law and financial and economic trends. Amendments and modifications to the policy shall be approved by the City Council prior to implementation.

SECTION 6: GLOSSARY

AGENCIES: Federal agency securities and/or Government Sponsored Enterprises (GSE) which include Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), and Federal Agricultural Mortgage Association (Farmer Mac).

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual report of the (entity). It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

ASKED: The price at which securities are offered.

ASSET-BACKED SECURITIES: Securities that are supported by pools of assets, such as installment loans or leases, or by pools of revolving lines of credits. Asset-backed securities are structured as trusts in order to perfect a security interest in the underlying assets.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BOOK RETURN: Book return includes interest, amortization/accretion of premiums/discounts, realized gains and losses, over a given period of time.

BOOK VALUE: The value at which an asset is carried on a balance sheet.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT: A short-term, secured deposit in a financial institution that usually returns principal and interest to the lender at the end of the loan period. Certificates of Deposit (CDs) differ in terms of collateralization and marketability. Those appropriate to public agency investing include:

Negotiable Certificates of Deposit: Generally, short-term debt instrument that usually pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. The majority of negotiable CDs mature within six months while the average maturity is two weeks. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor). Negotiable CDs are insured by FDIC up to \$250,000, but they are not collateralized beyond that amount.

Non-Negotiable Certificates of Deposit: CDs that carry a penalty if redeemed prior to maturity. A secondary market does exist for non-negotiable CDs, but redemption includes a transaction cost that reduces returns to the investor. Non-negotiable CDs issued by banks and savings and loans are insured

by the Federal Deposit Insurance Corporation up to the amount of \$250,000, including principal and interest. Amounts deposited above this amount may be secured with other forms of collateral through an agreement between the investor and the issuer. Collateral may include other securities including Treasuries or agency securities such as those issued by the Federal National Mortgage Association.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER: An unsecured short-term promissory note issued by corporations or municipalities, with maturities ranging from 2 to 270 days.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

CUSTODIAN: A person or financial institution that oversees or holds funds for safekeeping to prevent them from being stolen or lost.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Noninterest-bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g., U.S. Treasury Bills.)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

GOVERNMENT SPONSORED ENTERPRISES (GSE): Privately held corporations with public purposes created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy. Securities issued by GSEs carry the implicit backing of the U.S. Government, but they are not direct

obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM TERM NOTES: Corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NET ASSET VALUE: Net asset value (NAV) is a term used in the mutual fund industry to determine the average price per share of a pool or mutual fund. How this measure varies over time provides information on whether the pool is stable or variable. NAV is the market value of all securities in a mutual fund, less the value of the fund's liabilities, divided by the number of shares in the fund outstanding. Shares of mutual funds are purchased at the fund's offered NAV.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to

compensate them for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation. SEC RULE 15C3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, FHLMC, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

SUPRANATIONALS: A supranational organization is formed by a group of countries through an international treaty with specific objectives such as promoting economic development. Supranational organizations also issue debt in the United States. The most commonly recognized supranational debt is the International Bank for Reconstruction and Development (IBRD or World Bank), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).

TREASURY BILLS: A noninterest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.



City of Albany

1000 San Pablo Avenue • Albany, California 94706
(510) 528-5710 • www.albanyca.org

RESOLUTION NO. 2025-40

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

The 2nd day of June 2025, by the following votes:

AYES: Council Members Hansen-Romero, Jordan, McQuaid, Miki and

Mayor López

NOES: none

ABSENT: none

ABSTAINED: none

RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this 3rd
day of June, 2025.

Anne Hsu
CITY CLERK

*Albany is committed to providing a healthy, safe, and accessible city,
and strives to lift every voice in our community.*