



COUNCIL STAFF REPORT

CITY COUNCIL of SALT LAKE CITY
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TO: Council Members

FROM: Austin Kimmel, Sylvia Richards, and Allison Rowland
Budget and Policy Analysts

DATE: April 1, 2025

RE: Budget Amendment Number 5 of Fiscal Year (FY) 2025

Project Timeline:

Consent: April 1, 2025
1st Briefing: April 1, 2025
2nd Briefing (if needed) & Public Hearing: April 15, 2025
Potential Adoption Vote: May 6, 2025

Budget Amendment Number Five includes 20 proposed amendments, including \$2,855,699 in revenues and \$9,109,320 in expenditures. The amendment proposes changes in six funds and moving 2.0 general fund positions from the Mayor’s Office; 1 position will be moved to Public Lands, and one will move to IMS. With the adoption of Budget Amendment #5, the available fund balance will be 20.81 percent of the FY 2025 Adopted Budget. If the item is adopted as proposed, then Fund Balance would be \$37,533,578 above the 13% minimum target.

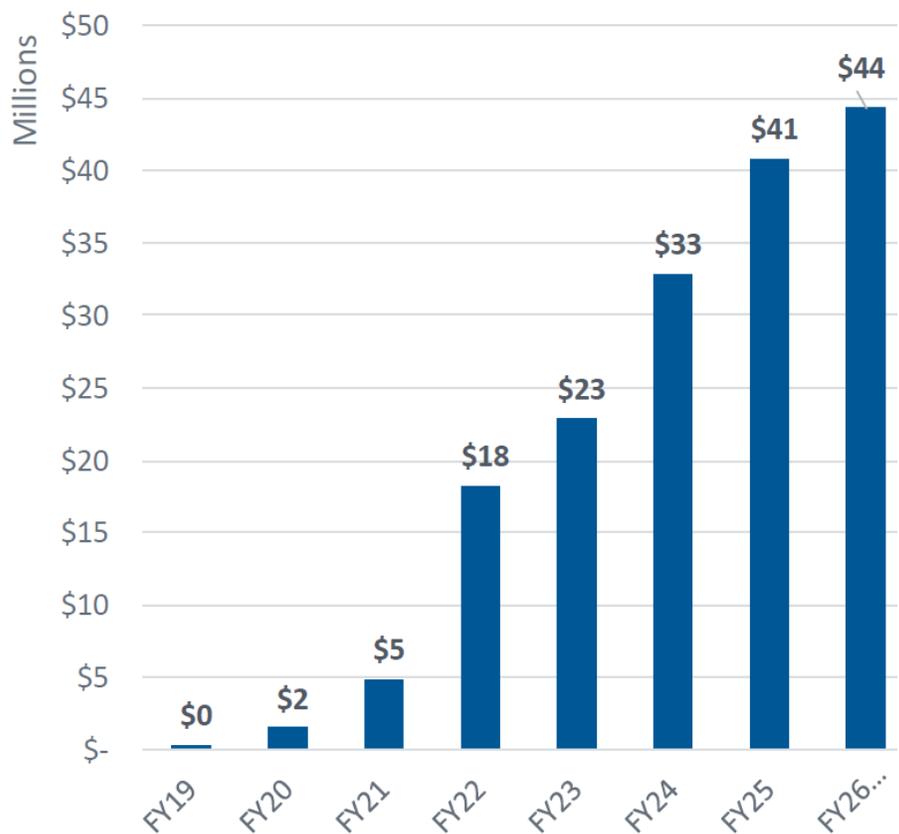
Fund Balance

While the increased General Fund Balance is positive for the City’s fiscal position, it’s important to note that the annual budget has used an escalating amount of one-time General Fund Balance revenues to fill the annual budget structural deficit. The chart to the right was provided by the Finance Department to show how much General Fund Balance was used in the past seven fiscal years. Note the City’s current fiscal year is FY2025 so the FY2026 column is only for discussion purposes to show the impact of the trend continuing. The Council may wish to discuss with the Administration policy goals for the use of General Fund Balance in the next annual budget such as whether reducing the reliance on one-time funding to fill the structural deficit.

Tracking New Ongoing General Fund Costs for the Next Annual Budget

The table of potential new ongoing General Fund costs for the FY2026 annual budget is available as Attachment 1 at the end of this document. The total new ongoing costs from Budget Amendments 1 through 5 would be \$6,381,054. Note that of the total cost, \$4.1 million would be needed if the Homeless Shelter Cities State Mitigation grant is not available for FY2026.

Use of Fund Balance



UPDATED Fund Balance Chart

The Administration has provided an updated revenue chart. Based on revenue data across the first part of the fiscal year, it is proposed that revenues will be approximately \$8.59 million above the FY 2025 Adopted Budget.

Revenue	FY25 Annual Budget	FY25 Amended Budget	Projection	Amended Variance Favorable/(Unfavorable)
Property Taxes	138,046,542	138,046,542	143,808,262	5,761,720
Sales, Use & Excise Taxes	120,916,200	120,916,200	122,664,000	1,747,800
Franchise Taxes	14,450,000	14,450,000	14,450,000	-
Total Taxes	273,412,742	273,412,742	280,922,262	7,509,520
Charges For Services	5,845,724	5,845,724	6,138,379	292,655
Fines & Forfeitures	2,935,035	2,945,035	3,078,725	133,690
Interest Income	8,000,000	8,000,000	6,050,000	(1,950,000)
Interfund Service Charges	32,128,467	32,128,467	33,007,605	879,138
Intergovernmental Revenue	5,954,017	5,954,017	6,111,273	157,256
Licenses	20,179,072	20,179,072	20,873,988	694,916
Miscellaneous Revenue	3,298,277	3,288,277	4,040,362	752,085
Parking Meter Revenue	2,701,331	2,701,331	2,711,331	10,000
Parking Tickets	1,500,000	1,500,000	1,750,000	250,000
Permits	18,810,172	18,810,172	18,660,407	(149,765)
Property Sale Proceeds	10,300	10,300	10,300	-
Gain on Property Dispositions	-	-	680	680
Rental & Other Income	1,040,389	1,040,389	1,071,360	30,971
Operating Transfers In	5,495,833	5,965,241	5,942,145	(23,096)
Total W/O Special Tax	107,898,617	108,368,025	109,446,555	1,078,530
Sales Tax Addition 1/2%	56,484,479	56,484,479	56,484,479	-
Total General Fund	437,795,838	438,265,246	446,853,296	8,588,050

UPDATED Fund Balance Chart

The table below presents updated Fund Balance numbers and percentages based on the proposed changes included in Budget Amendment #5.

	FY2024 Budget			FY2025 Budget		
	FOF	GF Only	TOTAL	FOF	GF Only	TOTAL
Beginning Fund Balance	24,309,089	178,266,652	202,575,741	27,841,978	146,448,554	174,290,532
Prior Year Encumbrances	(2,538,952)	(18,618,979)	(21,157,931)	(3,547,119)	(18,657,815)	(22,204,934)
Estimated Beginning Fund Balance	21,770,137	159,647,673	181,417,810	\$ 24,294,859	\$ 127,790,739	\$ 152,085,598
Beginning Fund Balance Percent	30.52%	42.56%	40.63%	39.57%	30.50%	31.66%
Year End ACFR Adjustments						
Revenue Changes	-	-	-			
Expense Changes (Prepaids, Receivable, Etc.)		(2,484,423)	(2,484,423)		(3,188,435)	(3,188,435)
Fund Balance w/ ACFR Changes	21,770,137	157,163,250	178,933,387	24,294,859	124,602,304	148,897,163
Final Fund Balance Percent	30.52%	41.89%	40.08%	39.57%	29.74%	30.99%
Budgeted Change in Fund Balance	(3,657,641)	(29,211,158)	(32,868,799)	(4,162,906)	(36,664,442)	(40,827,348)
Budget Amendment Use of Fund Balance						
BA#1 Revenue Adjustment	-	-	-		469,408	469,408
BA#1 Expense Adjustment	-	(204,200)	(204,200)		(2,468,933)	(2,468,933)
BA#2 Revenue Adjustment	-	-	-		102,000	102,000
BA#2 Expense Adjustment	-	763,950	763,950		(3,407,524)	(3,407,524)
BA#3 Revenue Adjustment	-	-	-		3,904,861	3,904,861
BA#3 Expense Adjustment	-	(3,046,220)	(3,046,220)		(3,959,861)	(3,959,861)
BA#4 Revenue Adjustment	-	-	-		-	-
BA#4 Expense Adjustment	-	(2,890,480)	(2,890,480)		-	-
BA#5 Revenue Adjustment	-	5,513,148	5,513,148		1,013,067	1,013,067
BA#5 Expense Adjustment	-	(32,816,722)	(32,816,722)		(3,736,688)	(3,736,688)
BA#6 Revenue Adjustment	-	-	-		-	-
BA#6 Expense Adjustment	-	-	-		-	-
Change in Revenue	-	-	-		-	-
Change in Expense	-	-	-		-	-
Fund Balance Budgeted Increase	-	-	-		-	-
Adjusted Fund Balance	23,785,523	125,111,640	148,897,163	20,131,953	79,854,192	99,986,145
Adjusted Fund Balance Percent	33.35%	33.35%	33.35%	32.79%	19.06%	20.81%
Projected Revenue	71,320,043	375,142,791	446,462,834	61,397,384	419,006,975	480,404,359

As mentioned earlier, with the complete adoption of Budget Amendment #5, the available fund balance will increase to 20.81 percent of the FY 2025 Adopted Budget. If all the items are adopted as proposed, then Fund Balance would be \$37,533,578 above the 13% minimum target.

A summary spreadsheet outlining proposed budget changes is attached, which can be modified as determined by the Council.

Impact Fee Unallocated “Available to Spend” Balances and Refund Tracking

The table below is current as of February 28, 2025. Impact fees must be encumbered or spent within six years of the City receiving them. Expired impact fees must be returned to the entity who paid them with interest over the intervening six years.

Type	Unallocated Cash “Available to Spend”	Next Refund Trigger Date	\$ Expiring in FY2027
Fire	\$750,546	More than two years away	-
Parks	\$8,807,661	More than two years away	-
Police	\$1,625,193	More than two years away	-
Transportation	\$3,682,347	More than two years away	-

Note: Encumbrances are an administrative function when impact fees are held under a contract

PUBLIC PROCESS: Public Hearing

Section A: Grants Requiring No Staff Resources

A-1: 400 South Bridge Reconstruction over Jordan River – (\$3,500,000 – one-time from the County Quarter Cent Fund Balance)

The Administration is requesting \$3.5 million from the County quarter cent sales tax fund balance to fully fund the 400 South bridge over the Jordan river. \$4 million was allocated in FY 25, bringing the total to \$7.5 million. Based on structural analysis, the bridge is at risk of being further downgraded, meaning emergency vehicles and UTA buses may not be allowed on it until it is fixed. Funding it now would enable sooner construction. The remaining fund balance in that account would be approximately \$2 million if this item is approved.

For more background on the inspection of the bridge and other funding for the project please refer to the Administration’s transmittal.

A-2: Withdrawn prior to transmittal

A-3: Community Land Trust Program Funds Allocation – (\$310,000 – one-time from Community Land Trust)

The Administration is requesting funding from dormant program income fund dollars to repair various homes in the Community Land Trust program. In previous discussions the Council indicated a willingness to allocate funding within the program, acknowledging that the Administration was working on a more comprehensive policy for the CLT. The administration indicates they expect to transmit that in April.

- *Policy question – the Council may wish to schedule a more in depth discussion on the Community Land Trust when that policy is received from the Administration, particularly if there are budget adjustments that could/should be made for the FY 26 budget.*

A-4: Hive Pass Funding for Passes and Continuing Greenbike Membership – (\$135,000 – one-time from the General Fund)

Due to increased usage of the HIVE pass, the administration is requesting \$114,000 to help keep up with demand. The budget was reduced a few years ago to align with usage, but between FY 24 and FY 25, usage increased. This will bring the total general fund amount to \$464,000, which is based on projected usage. The Administration indicates it will include this increased cost in the upcoming budget year.

The Administration is also requesting \$8,500 to cover related GreenBike memberships for HIVE pass users. For the last seven years UTA has been paying for these memberships. However, current UTA leadership is not interested in continuing the investment. The Administration is planning to include this in the budget for the next three years.

- *Policy question – The Council may wish to discuss whether it is interested in the City providing the GreenBike memberships, and if the Council is interested in funding this service long-term. Council may wish to ask the Administration if UTA was approached to identify additional funds.*

A-5: Expanding Scope of FY25 Funded Restroom Study to Include Assessment of All Public Restrooms – (\$75,000 one-time from the General Fund)

Note: Public Lands coordinated with CAN on Items A-5&6. The Administration is proposing to allocate \$75,000 of the \$500,000 set aside by the Council for “Public Hygiene Pilot program” to expand the scope of the Fairmont Park Restroom Study. \$100,000 was allocated in FY 25, and the additional \$75,000 will enable the study to be City-wide.

- *Policy question – the Council may wish to ask the administration for more information about what is expected to be included in the scope and if there are any specific policy goals they wish to achieve with this study?*

A-6: Public Hygiene Pilot Program – (\$425,000 – one-time from the General Fund)

Note: Public Lands coordinated with CAN on Items A-5&6. The Administration is requesting the Council release funding for the Public Hygiene pilot program, originally allocated in FY 2025. The new amount would be \$425,000. The Administration is working on releasing an RFP for proposals. The Administration’s transmittal indicates that the RFP would ask for providing “new and/or increased hygiene and outreach services for unsheltered individuals experiencing homelessness in SLC. Proposals can include mobile services or improving/expanding existing stationary facilities.”

- *Policy question – the Council may wish to evaluate whether reducing the funding from the original \$500k allocated would potentially reduce the scope of impact of this pilot project. The Council could elect to make up the funding from fund balance.*

A-7: Additional Funding for Construction Mitigation – (\$270,000 – one-time from the General Fund)

Due to high demand, the Administration is requesting \$270,000 from general fund balance to add to the construction mitigation grants administered by Economic Development. When the Council increased this funding in the FY 25 budget, several Council Members expressed an interest in fully funding requests, given the increased construction activity in the City. In FY 25 the Council allocated \$600,000. Economic Development anticipates \$270,000 in additional funding will fully address requests for the remainder of the fiscal year. Additionally Economic Development indicates that they will make these funds available to businesses that have been awarded funds in previous rounds. This funding would allow an additional 90 small businesses to receive grants. Staff asked the Administration if the new amount of \$870,000 should be included in the FY 26 budget. The Administration indicates that they expect most major street construction projects to be wrapped up by the next fiscal year.

- *Policy question – the Council may wish to have further discussion about other anticipated construction projects that may have business impact, to inform the FY 26 budget.*

A-8: Animal Services Contract Increase True-Up – (\$398,281 – one-time from the General Fund)

The Administration is requesting additional funding for the contract with Salt Lake County for animal services. The Contract was finalized after the FY 25 budget was adopted, which is why it wasn’t included. The new contract pricing is \$398,281 more than the current budget, and is due largely to inflationary increases, and does not include any service level increases.

- *The Council may wish to ask the Administration if there is a way to adjust the timing of contract negotiations so they can be included in the timing of the annual budget process.*

A-9: FY25 Water Stabilization Monthly Fixed Fee (Water for \$281,965); FY25 Water Stabilization Monthly Fixed Fee (Sewer for \$65,495); FY25 Water Stabilization Monthly Fixed Fee (Franchise Fee Tax \$72,752) for a total of \$420,212 one-time funds from the General Fund

The Administration is requesting \$420,212 of funding from general fund balance to cover the cost of the water stabilization fee charged to the City as a water user (water, sewer, and stormwater) – calculated based on each meter, and the size of each meter. The Public Lands department was not aware of this fee proposal at the time of the FY 25 budget. Public Utilities will likely have a new rate structure in time for the FY 26 budget request, at which time Public Lands will evaluate the budget need.

A-10: Storm Water Impact Fees (\$36,091 one-time from the General Fund; \$269,654 one-time from the General Fund and \$269,654 from the CIP Fund)

The Administration is requesting one-time funds to cover \$305,745 in stormwater impact fees relating to Parks/CIP projects that were not included in those original project budgets – including Sugar House Park Pavilion and several other CIP projects funded in FY 25. The Administration is evaluating how to operationalize including these fees in project budgets in the future.

For background information on the City's stormwater fee and fund, please refer to the Administration's transmittal.

A-11: Public Safety Plan – Westside Parks Security Guards – (\$59,430 one-time from the General Fund)

The Public Lands department is requesting \$59,430 to add additional security detail in westside parks, as contemplated in the Public Safety plan proposed by the Mayor in January 2025. This funding would provide funding for services from April-June.

- *Policy question – The Council may wish to discuss with the Administration whether funding for security services will be included in the FY 26 budget, and if so, the duration of those services.*

A-12: Updating Four Sections of the Impact Fees Facilities Plan – (\$80,000 one-time from the CIP Fund)

The Administration is requesting \$80,000 from the various impact fee accounts to update all sections of the Impact Fee Facility Plan – Fire, Police, Parks and Transportation. The Council previously approved an update to the transportation in FY 24. This would enable all sections to be updated. The last comprehensive update was in 2016. Updated plans ensure that impact fees are set based on realistic/current cost estimates for improvements relating to growth, and that growth estimates are based on current data. State code governs the impact fee facility plan process, including allowable uses for impact fees. The analysis must be completed by a consultant approved in the impact fee analysis field.

A-13: Mayor's Office Transfer of 2 FTE's to Two Departments – (Budget Neutral)

The Administration is proposing to shift two FTEs out of the Mayor's office into other City departments:

- *One is a Constituent Services and Office Coordinator (N19), which is currently occupied, to support the administrative functions of the Public Lands Department, in a project coordinator role.*
- *One is a vacant Community Liaison position (E26), currently focused on language access, that would move to IMS and reclassified as a Communication Specialist I (E27). Due to the reclassification, the position would cost more annually, but for FY 25 would be absorbed by IMS.*

This is a budget amendment request because the dollar amounts would need to be moved from the Mayor's office to Public Lands and IMS.

- *Policy question – The Council may wish to ask the Administration for an update on City-wide communication strategy, including any relevant metrics.*

A-14: Ranked Choice Voting Education and Outreach – (\$50,000 one-time from the General Fund)

As discussed during the Council's December discussion on Ranked Choice Voting, the Administration is proposing to add \$50,000 in one time money from the general fund balance to support outreach efforts relating to this voting process. This is in addition to funds that are anticipated to be included in the FY 26 budget. Adding funds in this budget amendment would enable efforts to get underway immediately rather than waiting for July 1 to begin. The Council straw polled support of this approach for the 2025 election cycle.

A-15: Additional Funding for City Hall Security Guards – (\$700,000 ongoing from the General Fund)

The Administration is proposing to add \$700,000 in funding from general fund balance to account for increased security needs at the City and County building and overall Civic Campus (Washington Square, Library, Public Safety Building). This would be in addition to the \$916,000 approved in FY 26, for a total of \$1.616 million. The Administration indicated this likely reflects the actual ongoing need, and will plan to include it in the FY 26 budget.

**Section B: Grants for Existing Staff Resources
(None)**

**Section C: Grants for New Staff Resources
(None)**

Section D: Housekeeping (write-ups from Administration's transmittal)

D-1: Engineering Reappropriation for Fencing – (\$63,953 one-time from the General Fund to the CIP Fund)

One-time funding was provided to Public Service's Engineering Division in FY 2024 in a late-fiscal year budget amendment for fencing adjacent to the North Temple bridge over the Jordan River, Archuleta Bridge, and Folsom Trail. This funding was to be used for temporary fencing associated with a CIP project but could not be transferred to CIP because it didn't meet certain CIP criteria requirements. Instead of going to CIP, the budget was loaded into Engineering Operations. However, because Engineering was not fully aware of the circumstances associated with the appropriation, the funds were not encumbered and subsequently were not rolled over to the FY 2025 budget. This housekeeping initiative is to reappropriate the \$63,953.04 in funds that lapsed to the Fund Balance so the invoice from Mountain States Fence can be paid.

D-2: Streets Mini Planer Replacement – (\$394,000 one-time from the General Fund)

Earlier this year a planer used for the Roadway Preservation Program was damaged in an at-fault accident. A repair estimate was obtained by Fleet, however, it was predicted to exceed the value of the asset. After discussion with the manufacturer, leadership at Fleet and Streets determined it made fiscal sense to send the damaged planer out to an auction, with the hope of finding an interested buyer who may want it for spare parts.

Given the robust demands of the Roadway Preservation Program, it is essential for the Streets Division to replace the planer, which is used in removing and replacing old asphalt. The Roadway Preservation Program is an umbrella title that includes among other sub-programs Asphalt Mill & Overlay. This would enable each asphalt team to have access to a dedicated planer, eliminating the need to rely on the availability of another team's equipment, which significantly limits productivity and operational efficiency. Replacing the planer will ensure the Streets Division can operate at full capacity.

Since the City is self-insured, Streets must cover the cost of the replacement equipment. Public Services proposes using \$394,000 in end-of-year savings be transferred from its division budget to the Fleet Division to cover the replacement cost. This end-of-year savings exists largely due to the mild winter that occurred this season, which resulted in lower weather-related expenses including the salt budget, equipment rentals, and fleet fuel.

D-3: Fire Wildland/Hurricane Deployment Reimbursements – (\$1,013,067 one-time reimbursement to the General Fund and \$38,558 one-time reimbursement to the Fleet Fund)

The Fire Department has been deployed several times this fiscal year to three wildland fires and two hurricanes. The department expects to receive a full reimbursement of costs to the General Fund and a portion to Fleet. The costs are itemized below:

- California Wildland Park Fire (August 2024) - \$195,075
 - California Wildland Line Fire (September 2024) - \$165,412
 - Utah Task Force 1/USAR Hurricane Helene (September 2024) - \$121,861
 - Utah Task Force 1/USAR Hurricane Milton (October 2024) - \$148,926
 - California Wildland Palisades Fire (January 2024) - \$420,351
- Total Reimbursement - \$1,051,625

Staff inquired about federal funding uncertainties and the Fire Department indicates their counterparts have promised a 75% advance on reimbursements. They will continue to monitor the situation.

D-4: Cultural Core Funding – (\$241,000 one-time from the General Fund)

This funding is being requested to replace funding that fell to fund balance at the end of fiscal year 2024. The amount was housed in Non-Departmental and was meant to be expended in the amount of \$50,000 annually to supplement the existing \$250,000 annual funding level for the Cultural Core contract. The new total amount the City has committed to pay Cultural Core annually is \$300,000. If the reappropriation is approved, then the funds would be encumbered through a purchase order process.

In FY 2023, the City Council approved the Cultural Core Surplus Funds be added to the city's \$250,000 annual contribution. The \$291,000 surplus would be divided, adding \$50,000 to the city's contribution which would then total \$300,000 for five years. In the sixth year \$41,000 would be added to the city's contribution.

D-5: Cultural Core Funding Move – (\$250,000 – ongoing from General Fund)

In Budget Amendment #3 of FY 2024, Cultural Core funding in the amount of \$250,000 was moved from the Department of Economic Development to Non-Departmental. When the budget for FY 2025 was being developed, this budget was initially captured in the Economic Development Department. However, it should have been captured in the Economic Development Non Departmental Cost Center. This amendment formally corrects that discrepancy.

Section E: Grants Requiring No New Staff Resources

E-1: BEMS – Bureau of Emergency Medical Services – (\$6,003 – Misc. Grant Fund)

This amendment is to recognize the City's funding availability for an increase in an existing grant award of \$6,003. In August of 2024, the Salt Lake City Fire Department was awarded \$9,642 through the Bureau of Emergency Medical Services. In February of 2025 that award was increased by \$6,003 which gave SLC a total award of \$15,645. Original Public Hearing was held March 5, 2024.

Section F: Donations (None)

Section G: Consent Agenda

G-1: Utah State University Wildlife Foundation – (\$85,356 – Misc. Grant Fund)

Utah State University has been awarded a grant by the National Fish and Wildlife Foundation as part of their pollinator program. Part of this grant has been awarded to the Trails and Natural Lands division of the Public Lands Department of Salt Lake City as a subaward. Salt Lake City will use the grant to accomplish three main objectives: 1) Species Development. 2) Seedling Production and 3) Native Seed Farm. The goal of these objectives is to supply the Utah Pollinator Habitat Program and the city's Trails projects with seedlings which will be used to enhance and restore public lands along trails with pollinator habitat to the benefit of the urban population. The Public Hearing was held Feb. 4, 2025.

G-2: Utah Department of Natural Resources/Forestry, Fire, and State Lands – (\$63,255 – Misc. Grant Fund)

The Utah Division of Forestry, Fire and State Lands (FFSL) has received funds from the Utah State Legislature to be administered for vegetation improvement projects on sovereign lands of Utah. The proposed uses of the funds were brought before a grant selection committee and approved. The FFSL has awarded Salt Lake City Corporation for the implementation of a Jordan River invasive species control and restoration project. The Public Hearing was held Feb. 4, 2025.

G-3: State of Utah: Department of Environmental Quality Drinking Water Board – 4th Avenue Well – (\$800,000 – Misc. Grant Fund)

Public Utilities applied for and was awarded a planning loan through the Drinking Water Board. The loan amount is up to \$800,000 for planning and design costs to address PFAS contamination in the 4th Avenue Well. In addition to awarding the loan, the State will also forgive 100% of the principal cost of the loan to pay for an engineering study to address the contamination issue. While this is a loan and not a grant, the mechanism for receiving the money is similar to a grant. Typically, when receiving a loan, the loan recipient receives all the money at once and thus can spend funds once the money is received. In this instance, the funder (lender) is requiring Salt Lake City to initially incur the expenses and then submit reimbursement requests to receive the money. The agreement for this loan is that 100% of the principal will be forgiven and there will be no expectation of repayment. Due to the unique requirements of this loan, the management of funds will follow grant approval and reimbursement processes. The Public Hearing was held Feb. 4, 2025.

G-4: Salt Lake City Bike Share Expansion – (\$121,236 – Misc. Grant Fund)

Transportation Division received a grant from the Utah Department of Transportation for \$614,790 in August of 2022. In October of 2024, UDOT increased that amount by \$121,236 for a new total of \$735,026. This item is to obtain approval for the additional \$121,236. This grant was awarded to Salt Lake City to expand the Bike Share program in collaboration with Green Bike. The original public hearing for the grant was March 22, 2022.

ATTACHMENTS

- *Ongoing Costs to the General Fund (See chart below)*

ACRONYMS

CAFR – Comprehensive Annual Financial Report

CIP – Capital Improvement Program
CDBG – Community Development Block Grant Program
CLTPF – Community Land Trust Program Funds
FFSL – Forestry, Fire and State Lands
FOF – Funding Our Future
FTE – Full time Employee / Equivalent
FY – Fiscal Year
GF – General Fund
HUD – Housing and Urban Development
IMS – Information Management Services
PFAS – Per- and polyfluoroalkyl substances
UDOT – Utah Department of Transportation

ATTACHMENT 1

Council Request: Tracking New Ongoing Costs to the General Fund

Council staff has provided the following list of potential new ongoing costs to the General Fund. Many of these are new FTE's approved during this fiscal year's budget amendments, noting that each new FTE increases the City's annual budget costs if positions are added to the staffing document. Note that some items in the table below are partially or fully funded by grants. If a grant continues to be awarded to the City in future years, then there may not be a cost to the General Fund but grant funding is not guaranteed year-over-year.

Budget Amendment	Item	Potential Cost to FY2026 Annual Budget	Full Time Employee (FTEs)	Notes
#1	Item A-1 Attorney's Office Organizational Structure Change	\$722,888	3 FTEs: 1 City Prosecutor 1 Senior City Attorney 1 Deputy Director of Administration	<p>City Prosecutor \$178,278 for 9 months/\$237,704 annually Senior City Attorney Class 39 - \$157,635.74 for 8 months/\$236,454 annually Deputy Director of Administration Class 40 - \$186,547 for 9 months or \$248,730 annually.</p> <p>At the time of publishing this staff report, the cost to lease office space is unknown. The cost could be more or less than the current budget under the soon-to-be terminated interlocal agreement with the District Attorney's Office.</p>
#1	Item D-8	\$171,910	1 FTE: Capital Asset Planning Financial Analyst IV position	Inadvertently left out of the Mayor's Recommended FY2025 Budget. Position would be dedicated to impact fees compliance tracking and reporting for new state requirements. Impact fees fully reimburse the General Fund for the position's cost.
#1	Item E-1 Homeless Shelter Cities Mitigation Grant FY25	\$2,945,957 grant funding*	4 FTEs: 3 Officer positions 1 Sergeant position	*Amount of grant funding needed in order to fully cover the ongoing costs including the new FTEs.
	Costs currently paid for by the Homeless Shelter Cities Mitigation Grant in FY2024 that might be shifting to the General Fund in FY2025	\$662,760	For ongoing costs related to 15 existing FTEs; the grant funds a total of 23 FTEs	\$662,760 is needed for ongoing equipment for all 15 officers. The Administration is checking whether existing budgets could absorb some of these costs.
#2	Item A-2 Enhanced Security at Justice Court	\$200,000		A security report identified an issue needing to be addressed immediately.

Budget Amendment	Item	Potential Cost to FY2026 Annual Budget	Full Time Employee (FTEs)	Notes
#2	Item A-3 Community Oriented Policing Svcs or COPS Hiring Grant from U.S. Dept. of Justice for 2 new Sergeants & 10 new Officers FY 24-25	\$1,285,642 in FY2026	For ongoing costs related to hiring 2 new Sergeant FTEs and 10 new Officers in the Police Dept.	Ongoing costs include grant salary match plus vehicles, supplies & equipment. After the 48 month grant period ends, the estimated annual cost to retain the 12 police officers is \$2,071,325.
#2	Item A-4 Vehicles, Equipment & Related Police Officer costs not covered by the Homeless Shelter Cities State Mitigation Grant FY24-25	\$498,692 is ongoing	For ongoing costs related to the hiring of new officers	Ongoing costs include ongoing salary increases, supplies, body cameras, vehicles, and computers.
#1 & #2	D-7 Prosecutor's Office Changes since Budget Amendment #1	(\$280,279) back to General Fund Balance	<u>1 FTE Removed</u> City Prosecutor FTE removed	Reverses a portion of budgetary impacts & actions outlined in BAM#1, Item A-1.
#3	A-2 IMS – Add 1 full-time Cybersecurity Engineer and convert 1 part-time Graphic Designer into full-time using funds from the elimination of additional part-time positions.	\$173,484 ongoing for Cybersecurity Engineer position	Adds 1 Cybersecurity Engineer Position .50 Graphic Design position was requested but NOT approved by the Council.	
#5	A-4: Hive Pass Funding Additional Passes and Continuing Greenbike Membership	\$135,000 for additional Hive passes (\$114,000) and continuing Greenbike membership (\$8,500)	None	
#5	A-8: Animal Services Contract Increase True-Up	\$398,281 ongoing		Price increase of old contract plus increase of new contract.

Budget Amendment	Item	Potential Cost to FY2026 Annual Budget	Full Time Employee (FTEs)	Notes
#5	A-15: Additional Funding for City Hall Security Guards	\$700,000 ongoing for City Hall Security Guards	None	
TOTAL		\$7,216,054	39 total FTEs of which 16 are New FTEs	Note that of the total cost, \$4.1 million would be needed if the Homeless Shelter Cities State Mitigation grant is not available for FY2026