



FY 2025-26 Budget Study Session

April 15, 2025

Biennial Budget Public Engagement Process in 2024

- December 5: Strategic Plan Adopted by City Council
- January 13: Budget Priority Setting Workshop
 - Online Survey Launched (175 responses received)
- March 5: Mid-Year Budget Update
- March 19: FY 2022-23 ACFR Presented to Council
- April 6: Community Budget Workshop
- April 23: Financial Advisory Board Budget Workshop
- May 7: City Council Budget Study Session
- May 21: Department head presentations, Assessment hearings, Master Fee Schedule adoption
- May 28: Financial Advisory Board meeting and budget discussion
- June 4: First Budget Hearing
- June 6: FAB Special Meeting
- June 18: Second Budget Hearing and Adoption

Budget Process – FY 2025-26

- Feb 4: FY 2023-24 Audit presented to Council
- March 4: Mid-year update to Council on FY 2024-25
- April 15: Council study session on General Fund for FY 2025-26
- Mid-Cycle update and formal adoption of FY 2025-26 Budget in June 2025

Highlighted Revenue Trends



Real Property Transfer Tax

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Adopted	FY 2025-26 Adopted
Real Property Transfer Tax	\$4,863,035	\$4,157,840	\$3,129,523*	\$3,000,000	\$3,200,000

FY 2023-24 Month	Properties Sold	Amount Received
July	12	\$ 173,868
August	17	\$ 235,014
September	19	\$ 266,855
October	21	\$ 278,220
November	27	\$ 360,954
December	16	\$ 224,868
January	10	\$ 120,038
February	18	\$ 254,166
March	13	\$ 172,536
April	30	\$ 531,408
May	27	\$ 366,174
June	17	\$ 228,642
Total FY23-24	227	\$ 3,212,743

*Actual total includes RPTT rebates of \$83,220



Measure R/G

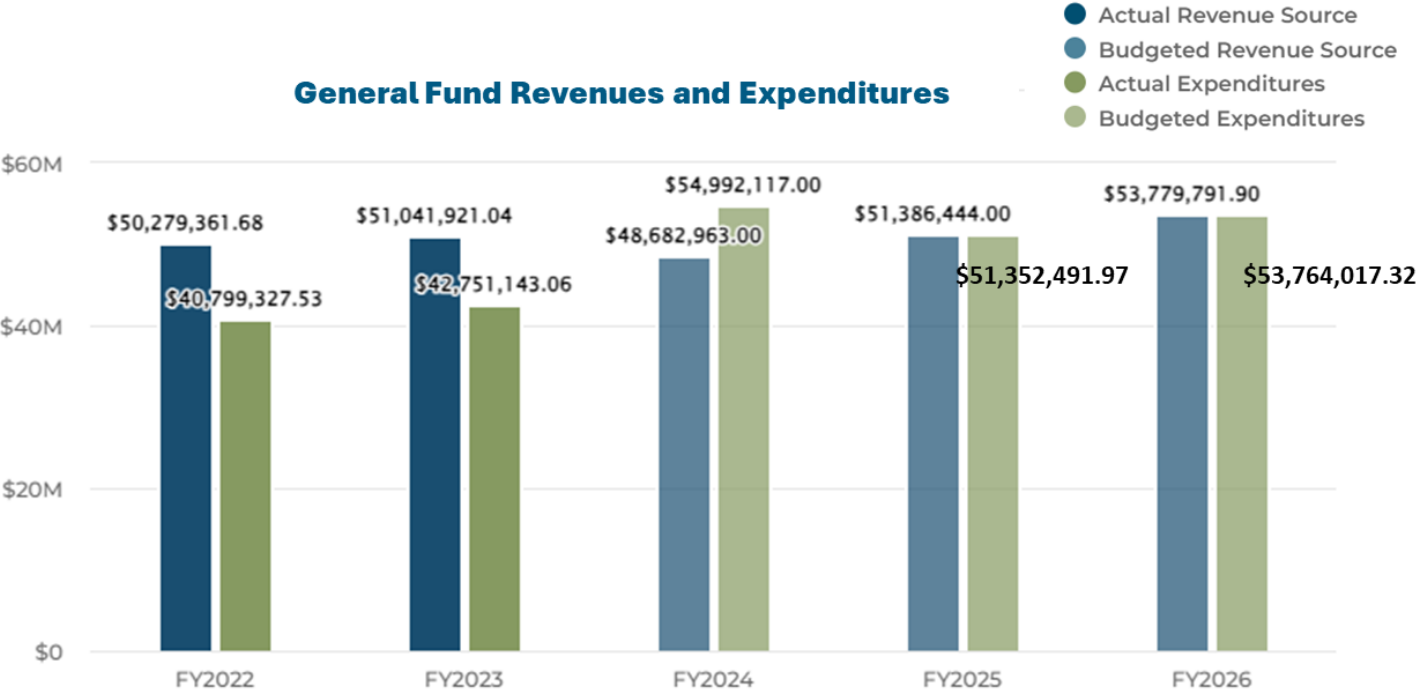
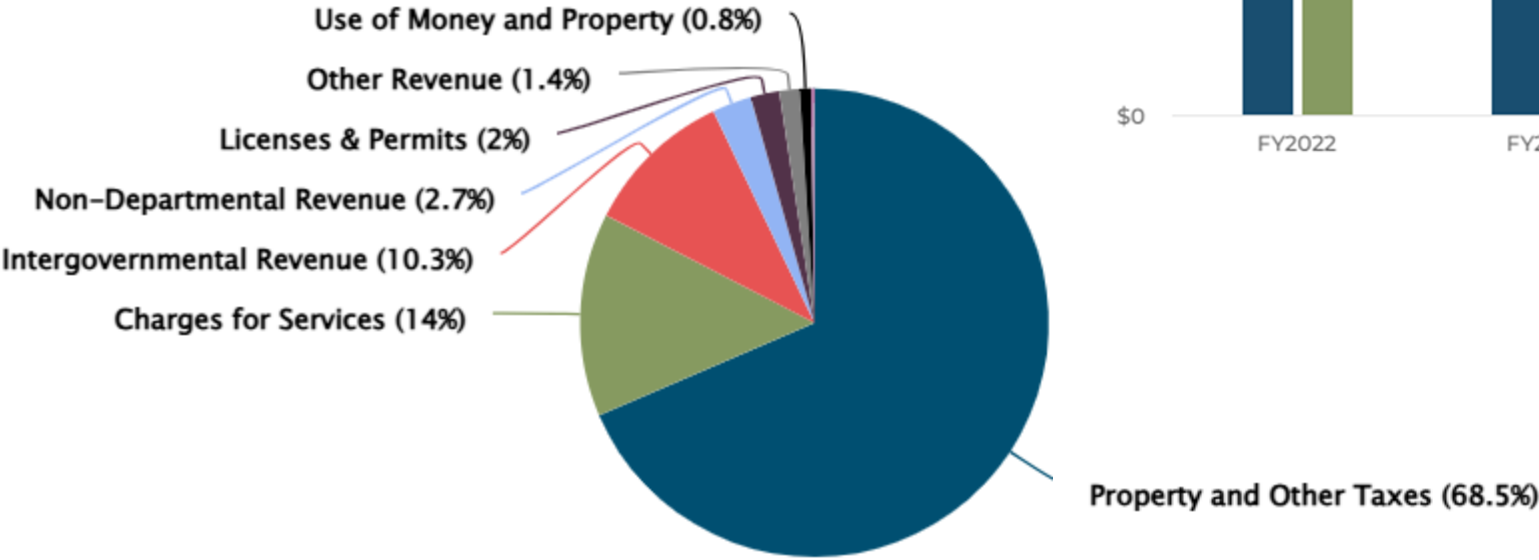
	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Adopted	FY 2025-26 Adopted
Measure R Revenue	\$3,632,337	\$4,651,914	\$4,322,227	\$4,459,000	\$4,581,000



General Fund Cannabis Revenue

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Adopted	FY 2025-26 Adopted
Cannabis Revenue	\$330,425	\$448,514	\$519,098	\$440,000	\$550,000

General Fund Budget



Updates to FY 2024-25 After Adoption

Updates with FY 2024-25 Budget Impact

- Roll-forward of purchase orders from FY 2023-24
- New labor contracts signed (SEIU, PEA, PSMA, City Manager)

Updates with no FY 2024-25 Budget Impact

- Measure G passes with 81% approval
 - No change to current Biennial Budget but supports long-term sustainability
- FY 2023-24 year-end finalized, ACFR presented – update to fund balance from budget estimates
- General Fund Reserve policy level increased from 10% to 17%
- El Cerrito recognized by the Government Finance Officers Association (GFOA)
 - Distinguished Budget Presentation Award
 - Certificate of Achievement for Excellence in Financial Reporting

Adjustments required for FY 2025-26

- Updated personnel estimates
 - SEIU, PSMA, PEA and City Manager contracts
 - Position reclassifications
 - Conversion of Fire Inspector to full-time
- Updated General Liability and Worker's Compensation insurance estimates
- Updated utilities cost estimates
- Increased costs for Library additional hours
- Unbilled expenses from County for East Bay Regional Communications System Authority (EBRCS) for 2017-2018
- **All adjustments incorporated into proposed FY25-26 budget - no change to General Fund Expenditure totals**

Changes to FY 2025-26 by Department

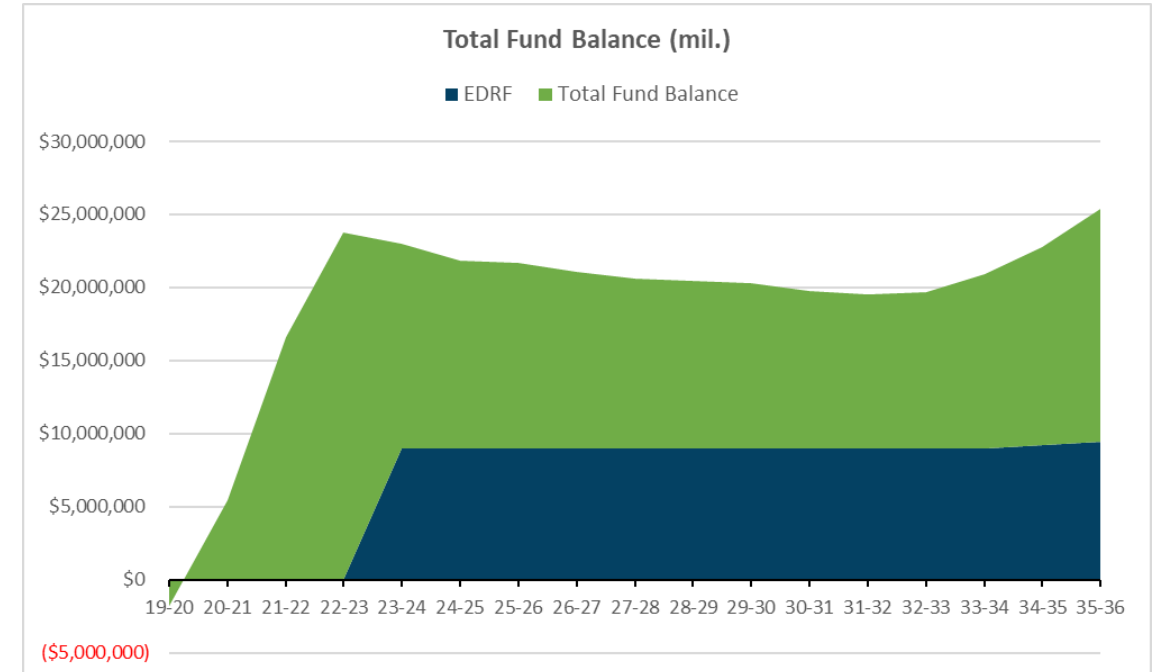
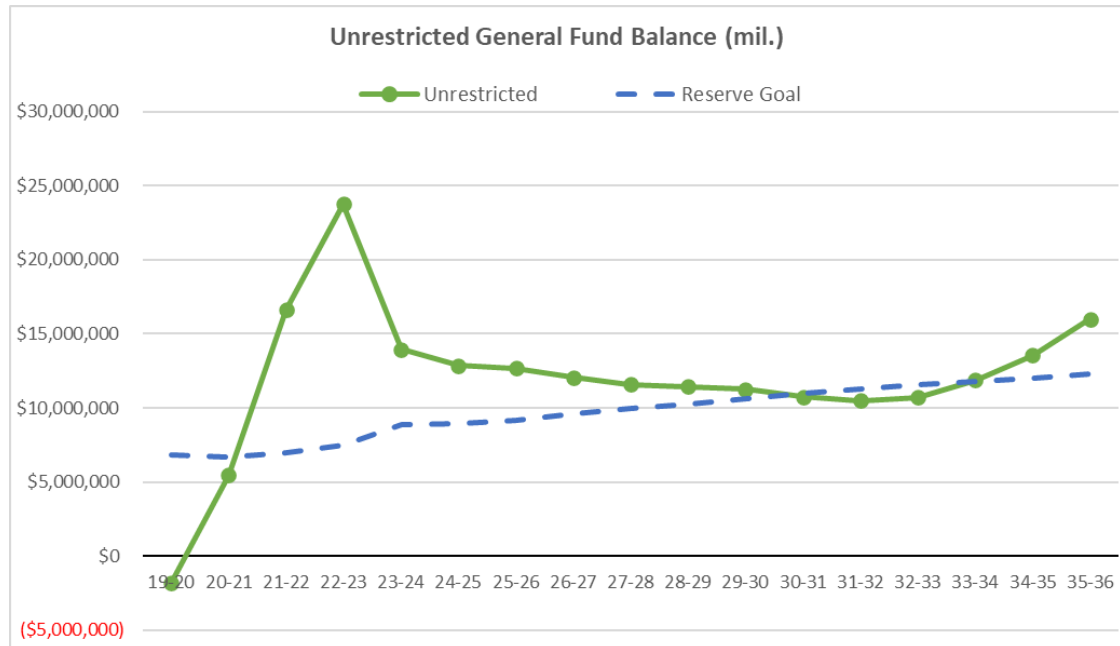
	FY 25 Amended Budget	FY 26 Originally Proposed	FY 26 Updated Proposed	Change
Administration	7,729,678	8,021,609	8,233,564	211,955
Police	15,052,742	15,465,725	15,297,985	(167,740)
Fire	15,338,246	15,825,790	16,026,892	201,102
Public Works	2,481,847	2,676,030	2,604,358	(71,672)
Community Development	4,133,728	4,018,641	4,003,277	(15,364)
Recreation	6,728,467	6,884,848	6,708,767	(176,081)
Non-Departmental	882,691	871,374	889,174	17,800
Total	52,347,399	53,764,017	53,764,017	-

Note: No change to General Fund expenditure or revenue totals

Impacts to Department and City Operations

- Little to no capacity for unbudgeted projects and initiatives
- Prioritization of urgent and immediate needs, less capacity for emergency or unexpected requests
- Limited capacity to respond to unexpected legal and employee-related claims
- Impacts to departments may change, with possible readjustments at midyear depending on economic conditions and revenue and expenditure trends in each department

General Fund Forecast – Updated April 2025



- Forecast includes:
 - Conservative revenue and expenditure growth assumptions
 - Labor increases from existing contracts and historic averages

- Forecast does not include:
 - Assumption of a recession
 - Section 115 Trust
 - Issuance of new debt or uses of fund balance
 - Equipment or vehicle purchases beyond those budgeted
 - Additional contributions to Internal Service Funds

One-Time Expenditures for Consideration

Description	Amount
Fire Engine 152 Replacement	1,600,000
Fire Mandated SCBA Replacement	400,000
Service Delivery Study	140,000
Pool Replaster	800,000
Pool ADA upgrades (triggered by replaster & previous projects)	1,000,000
Office/Admin Building demolition at 10936 SPA (former Church site)	50,000
HNA & Parks - High Priority/Hazard Tree & Vegetation Management Work	80,000
Public Works Utility Truck/Van Purchase	60,000
Council Chambers AV Overhaul	350,000
Total	4,480,000

- Not able to be included in FY 2025-26 budget
- Would require use of Unassigned General Fund Balance

Recommendation:

- Allocate funds to Vehicle Replacement and Deferred Maintenance ISFs
- Allocate to Section 115 Trust
- Appropriate funds for Service Delivery Study



Key Highlights

- Second year of Biennial Budget, developed in Spring 2024
- Uncertain and turbulent economy
- No changes recommended to bottom line (difference between revenues and expenditures) for General Fund
 - Some adjustments among departments
- List of possible one-time expenses not included in FY 2025-26 budget

Next Steps

- Staff to make any updates based on Council feedback
- FAB review of budget in April
- Final budget adoption for FY 2025-26 in June 2025



Agenda Item No. 3

AGENDA BILL

Agenda Item No. 7.E.

Date: May 6, 2025
To: El Cerrito City Council
From: Crystal Reams, Finance Director/City Treasurer, Finance Department
Subject: FY 2024-25 Third Quarter Cash and Investment Report

ACTION PROPOSED

Receive and file the City's Third Quarter Cash and Investment Report for the period January 31, 2025 to March 31, 2025.

BACKGROUND

It is the policy of the City of El Cerrito ("City") to invest public funds in a manner which provides for the safety of the principal while providing enough liquidity to cover the City's short and long-term needs while generating the appropriate yield. All investment activity will conform to the California Government Code, Sections 53601 through 53659.

ANALYSIS

The FY 2024-25 Third Quarter Cash and Investment Report for January 31, 2025 to March 31, 2025 shows that the City's total cash and investments as of March 31, 2025, had a par value of \$33,968,104.76 in the following accounts.

- \$19,919,875.46, (LAIF)
 - \$228,943.89 Earnings September 2024 - December 2024
- \$3,372,224.48 (Mechanics Bank) (Includes interest earnings)
 - \$28.36 Interest Earned January 2025
 - \$26.58 Interest Earned February 2025
 - \$24.57 Interest Earned March 2025
- \$9,273,494.21 (Mechanics Bank Money Market) (Includes interest earnings)
 - \$35,680.17 Interest Earned January 2025
 - \$36,850.07 Interest Earned February 2025
 - \$38,047.99 Interest Earned March 2025
- \$1,400,160.61 (Section 115 Trust PARS/US Bank) (Includes investment earnings)
 - \$16,882.28 Earned January 2025
 - \$15,990.45 Earned February 2025
 - \$(19,170.21) Earned March 2025
- \$2,350.00 (Petty Cash Funds)

These funds are available to meet operating expenses for the next six months.

STRATEGIC PLAN CONSIDERATIONS

The City's Investment Policy, Comprehensive Financial Policy, and Strategic Plan sets form guidelines for the investment of City funds and aligns with California Government code, Section 53646 and Section 53600-53609. The purpose of the City's Investment Policy is to provide guidelines for prudent investment of the City's idle funds and ensure policies, procedures, systems, and best practices in fiscal management.

This action supports the [City's Strategic Plan Goal\(s\)](#) of:

- *High Performing Organization* Ensure the City maintains a strong financial position and a high-performing organization where employees feel a sense of inclusion and belonging.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

High-Performing Organization: The Quarterly Cash and Investment Report complies with the City of El Cerrito Investment Policy and California Government Code Section 53646.

LEGAL CONSIDERATIONS

The City's investments comply with standards reflected in the City of El Cerrito Investment Policy.

Reviewed by:

Attachments:

1. FY 25 Q3 Quarterly Cash & Investment Report

City of El Cerrito
Quarterly Cash and Investment Report for
the Quarter Ending March 31, 2025

Attachment 1

Category	Trustee/Broker	Month Ending	PAR Value (Actual Value)	Quarter End Interest Rate	Market value
Pooled Investments	California State Treasurer	March 31, 2025	\$ 19,919,875.46	0.00%	\$ 19,919,875.46
Cash with Bank	Mechanics Bank	March 31, 2025	\$ 3,372,224.48	0.01%	\$ 3,372,224.48
Money Market Account	Mechanics Bank	March 31, 2025	\$ 9,273,494.21	4.58%	\$ 9,273,494.21
Section 115	PARS/US Bank	March 31, 2025	\$ 1,400,160.61	N/A	\$ 1,400,160.61
Petty Cash Funds	City Management	March 31, 2025	\$ 2,350.00	N/A	\$ 2,350.00
Total Cash and Investments			\$ 33,968,104.76		\$ 33,9968,104.76

I certify that this report is in compliance with the City of El Cerrito Investment Policy and the California government Code Section 53646.
The City has sufficient cash to meet the next six months of estimated expenditures as required by the Code.

Crystal Reams

Crystal Reams, Finance Director/City Treasurer

CITY OF EL CERRITO

SALES TAX UPDATE

4Q 2024 (OCTOBER - DECEMBER)



EL CERRITO

TOTAL: \$ 1,038,720

6.5%

4Q2024



-3.2%

COUNTY



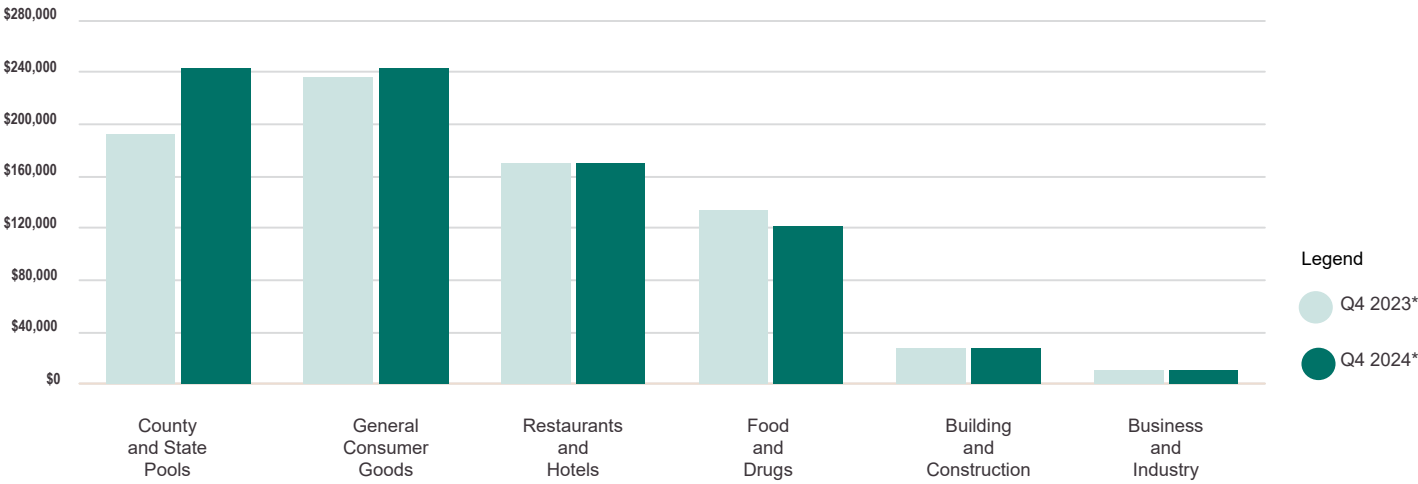
-1.1%

STATE



**Allocation aberrations have been adjusted to reflect sales activity*

SALES TAX BY MAJOR BUSINESS GROUP



Measure A

TOTAL: \$574,601

↓ -0.9%

Measure R

TOTAL: \$1,149,466

↓ -0.9%



CITY OF EL CERRITO HIGHLIGHTS

El Cerrito's receipts from October through December were 27.1% above the fourth sales period in 2023. Excluding reporting aberrations, actual sales were up 6.5%.

General consumer good's results for holiday 2024 was a mixed bag, some did well and others fell slightly. Consumer's uncertainty about the economic outlook meant shoppers focused on needs and value; thus, fewer transactions at specialty stores among others.

The food-drugs group was down on trend with statewide averages. Restaurants-hotels had flat results as rising menu prices led to diners eating out less often;

when they did eat out, they opted for a casual dining establishment.

Receipts to the countywide pool were up 1%, the City's portion of pool increased as other agencies in the pool had large negative results leading to the City's 26% increase in allocation.

The voter approved transaction taxes, Measures A and R, reflect slowing in several categories, there were gains in online shopping and vehicle purchases.

Net of aberrations, taxable sales for all of Contra Costa County declined 3.2% over the comparable time period; the Bay Area was down 0.5%.



TOP 25 PRODUCERS

- | | |
|------------------------|--------------------|
| Barnes & Noble | Petco |
| Chevron | Petvet Petfood |
| Chipotle | Ross |
| CVS Pharmacy | Safeway |
| El Cerrito Honda | STIIIZY El Cerrito |
| Foot Locker | T Mobile |
| Harbor Freight Tools | Trader Joe's |
| Ifshin Violins | Verizon Wireless |
| Jack in the Box | Walgreens |
| JoAnn Fabrics & Crafts | |
| Lucky Supermarket | |
| Marshalls | |
| McDonald's | |
| Nug | |
| O'Reilly Auto Parts | |
| Pastime Hardware | |



STATEWIDE RESULTS

California's local one cent sales and use tax receipts during the months of October through December were 1.2% lower than the same quarter one year ago after adjusting for accounting anomalies. The fourth quarter is notably the highest sales tax generating period of the year but exhibited diminished year-over-year returns as consumers struggled with tariff concerns and pulling back on discretionary spending.

For the past eight quarters - two calendar years - statewide results have declined; led mostly by autos-transportation and building-construction suppressed activity due to the sustained high interest rate environment. Specifically, this quarter, as new and used car returns pulled back, only leasing activity improved likely representing buyers willingness to wait for more advantageous economic conditions before committing to long term obligations. Furthermore, building-construction drops spanned multiple categories including building materials, plumbing/electrical and contractors as property owners delay repairs and improvements until they're more comfortable tapping available equity.

During this holiday shopping period, brick-and-mortar general retailers slumped 2.4%, further hindered by lower gas prices. Recent closures by merchants selling variety/low priced items and weaker returns from department stores were most impactful. As consumers appeared more interested in value/discounted items vs higher priced/luxury goods, overall statewide receipts revealed growth from online retailers by way of local returns through fulfillment centers and allocations via each county's use tax pool demonstrating a desire to spend, just more through different vendors which shifted local tax distributions.

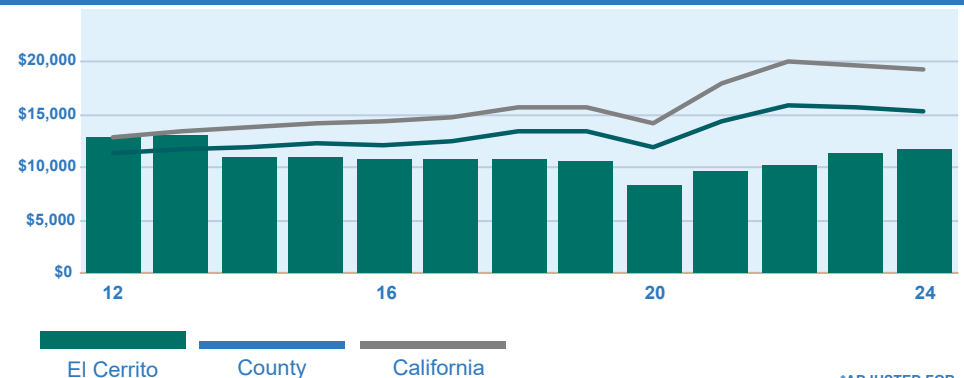
Fuel and service stations experienced a drop of 14% largely due to the decreased price of global crude oil. While this dynamic hurt the sector results, it did allow for more disposable income to be spent in other areas and does not appear to be changing in the near term.

Revenue from restaurants sustained a modest gain of 1.3%, with only a waning from fine dining establishments - consistent with spending trends in other sectors. As eateries try and balance higher menu prices and demand, a 'return to office' call by businesses could inspire future increased foot traffic for many venues in metropolitan centers.

The fourth quarter also marks the end of the calendar year. As expected 2024 was 1.2% lower than 2023 with most sectors taking a hit. Only restaurants, business-industry and allocations via the county use tax pools improved.

With national tariff discussions happening at the federal level, consumers start 2025 wondering if higher priced goods and difficult decisions are on the horizon. Also, the Federal Reserve Board hasn't signified any relief by way of lower interest rates leaving only minimal growth expectations to come. The theme of the current economic outlook is uncertainty.

SALES PER CAPITA*



TOP NON-CONFIDENTIAL BUSINESS TYPES

El Cerrito Business Type	Q4 '24	Change	County Change	HdL State Change
Casual Dining	72,379	3.4% ↑	0.6% ↑	1.9% ↑
Quick-Service Restaurants	55,890	-5.0% ↓	0.9% ↑	1.6% ↑
Grocery Stores	55,126	-3.8% ↓	-2.4% ↓	-1.0% ↓
Specialty Stores	40,615	-4.8% ↓	-2.6% ↓	-1.7% ↓
Fast-Casual Restaurants	31,245	-0.1% ↓	4.4% ↑	1.5% ↑
Electronics/Appliance Stores	26,250	0.3% ↑	-1.2% ↓	-2.6% ↓
Convenience Stores/Liquor	14,866	-5.2% ↓	-3.6% ↓	-2.3% ↓
Automotive Supply Stores	13,239	-9.0% ↓	5.3% ↑	1.0% ↑
Home Furnishings	8,441	60.7% ↑	0.6% ↑	-2.1% ↓
Leisure/Entertainment	8,081	1.1% ↑	1.8% ↑	2.0% ↑

*Allocation aberrations have been adjusted to reflect sales activity

MINUTES



Staff Liaison
Crystal Reams | 510-215-4312
creams@ci.el-cerrito.ca.us

REGULAR MEETING OF THE FINANCIAL ADVISORY BOARD (FAB)

Tuesday, March 25, 2025 at 6:30 p.m.
City hall, Council Chambers
10890 San Pablo Avenue
El Cerrito, CA 94530

This Meeting Place is Wheelchair Accessible

6:30 p.m. CONVENNE REGULAR MEETING

1. ROLL CALL – Chair Kimberly White called the meeting to order at 6:35 PM.

Present: Chair Kimberly White; Vice-Chair David Carvel; Members Michael McDougall and Janos Szlatenyi.

Absent: None

2. ORAL COMMUNICATIONS FROM THE PUBLIC

Remarks are typically limited to three (3) minutes per person and may be on anything within the subject matter jurisdiction of the body. Remarks on non-agenda items will be heard first, as well as introduction by individuals interested in serving on the advisory body. Remarks on agenda items will be heard at the time the item is discussed.

NONE

3. COUNCIL/STAFF LIAISONS ANNOUNCEMENTS AND REPORTS (5 min.)

Staff and/or Councilmembers may report Council policies, priorities and significant actions taken by the City Council, and/or on matters of general interest to the FAB.

Staff updates:

- Mid-year update went to Council on March 04, information included in reports. – Reports not attached, will forward to FAB, items loaded on the City's website under the March 4th council meeting agenda packet.
- Federal funding updates – FAB requested updates on how much federal funding the City has at the April 29th meeting.
- FY25-26 Budget Update

4. APPROVAL OF THE MINUTES (5 min.) (Attachment)

Consider a motion adopting the minutes for the FAB meeting held on February 25, 2025.

Motion/Second: To approve the minutes by Vice-Chair Carvel, seconded by member Michael McDougal.

Ayes: Chair Kimberly White; Vice-Chair David Carvel; Members Janos Szlatenyi and Michael McDougall

Noes: None

5. FINANCE DEPARTMENT OVERVIEW (30 min.) (Attachment)

Finance presentation.

6. PURCHASING ORDINANCE REVIEW 1988-5 4.04 (40 min.) (Attachment)

Discuss and possible action regarding purchasing ordinance recommendations.

Motion/second: To approve the establishment of an Ad-hoc committee to aid in modernizing the City's purchasing policy based on current administrative policies by Vice-Chair David Carvel, second by member Michael McDougall.

Ayes: Chair Kimberly White; Vice-Chair David Carvel; Members Janos Szlatenyi and Michael McDougall

Noes: None

7. YOUTH PARTICIPATION APPLICANT (10 min.)

Discuss recommendations for moving forward with a youth applicant. Criteria of acceptance, term length, meaningful work and mentoring.

Staff Liaison Reams will invite youth applicant for an interview/Q&A session for the next meeting.

8. FUTURE AGENDA ITEMS (5 min.)

- Purchasing Ordinance Review 1988-5 4.04 – add update from ad-hoc 4/2025
- Budget cycle recommendations - add to 4/2025 agenda
- Federal funding updates – Staff Liaison Reams to provide how much in federal funding (fed award packages) include in staff updates 4/2025
- Add youth interview 4/2025 agenda

9. ADJOURNMENT

Chair White adjourned the regular meeting adjourned at 9:03 PM.

This is to certify that this foregoing is a true and correct copy of the minutes of the regular Financial Advisory Board meeting of March 25, 2025, as approved by the Financial Advisory Board.

Kimberly White, Chair

Crystal Reams, Finance Director

From: noreply@civicplus.com
To: [City Clerk; Stephen Prée](#)
Subject: Online Form Submittal: Application for Boards, Commissions, and Committees
Date: Thursday, January 30, 2025 9:24:53 PM

This sender is trusted.

Application for Boards, Commissions, and Committees

PERSONAL INFORMATION

Please provide your name, residency and contact information.

First Name:	Clive
Last Name:	Watson-Lamprey Singer
Address:	
City:	El Cerrito
State	CALIFORNIA
Zip	94504
Phone Number	
Email Address	
Length of Residence	
Years at above address:	12
Years in El Cerrito:	12
Years in Contra Costa County:	12
Owner/Tenant:	Rent home
Youth Applicant (age 14-18)	Yes
Date of Birth	
Select One:	I am not a student at ECHS, but I am a resident of El Cerrito between the ages of 14-18
Name of Parent/Guardian	

Parent/Guardian Phone
No:

[REDACTED]

Parent/Guardian Email
Address:

[REDACTED]

Are you currently serving
on an advisory body?

No

CITY BOARDS,
COMMISSIONS, AND
COMMITTEES

[City Advisory Bodies Website](#)

Advisory Body (first
choice)

Financial Advisory Board

Advisory Body (second
choice)

Urban Forest Committee

Reason(s) for applying:

I have lived in El Cerrito for most of my life and I love this city. I love how walkable and bikeable it is, the dozens of cuisines right around the corner, the Greenway, everything. However, I sometimes feel like I don't do very much to be an active member of my community. Being a youth member of these programs will allow me to learn about my city and help it in ways I've never been able to before. I've read the minutes and accomplishments of several boards and decided to apply to the Financial Advisory Board and the Urban Forest Committee. I'm applying to the Financial Advisory Board so I can learn more about how the city manages money. I've been taking Economics at Berkeley High School this year and while it's fascinating, it can be very abstract. I'd love to get hands on experience and see how economics and finances impact people, not just graphs. I'm applying for the Urban Forest Committee because I love forests and green spaces. I walk and bike around the city all the time and I enjoy the shade and atmosphere trees provide. I would be very thankful to get an opportunity to help others feel the same. I will work hard to learn about and improve my city.

Describe any relevant
experience, activities or
abilities that would help
qualify you as an
applicant for
appointment:

IB Economics at Berkeley High School
Founding member of Boys Who Cook, a cooking club at
Berkeley High School
2 years of consistent babysitting experience

REFERENCES
Please list two personal
or professional

Karl Kaku, [REDACTED]
[REDACTED]

references, including name, address, and contact information.

Reference 1:

Reference 2:

Meridel Tobias, [REDACTED]

(Section Break)

**YOUTH APPLICANT
ACKNOWLEDGEMENTS**

Please read and acknowledge the following statements regarding requirements to participate.

By checking this box, I acknowledge the requirements above

I confirm that:

- 1) The information submitted in this application is true and correct to the best of my knowledge;
- 2) I am a student at El Cerrito High School, or a resident of El Cerrito between the ages of 14-18;
- 3) I understand written consent is required from my parent or guardian;
- 4) I am not employed by the City of El Cerrito in any capacity; and
- 5) I am aware of the meeting schedule for the advisory body I am applying for and feel I will be able to devote the time necessary to perform the duties.

Within 30 days of appointment (unless otherwise indicated below), I understand that I am required to:

- 1) Complete one hour of Sexual Harassment Prevention Training;
- 2) Complete Orientation/Handbook Training.

By submitting my application I acknowledge and understand that:

- 1) This application is a PUBLIC RECORD and will be disclosed in full upon request.

Email not displaying correctly? [View it in your browser.](#)