Council file No. 26-0600-S110

BUDGET AND FINANCE COMMITTEE REPORT relative to the Fiscal Year (FY) 2025-26 Capital and Technology Improvement Expenditure Program Year-End Reappropriations.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the reappropriation of capital improvement and contingency project account balances as of June 30, 2026, within the funds listed in Attachment B of the City Administrative Officer (CAO) report dated July 24, 2026, attached to the Council file, except for those accounts and amounts delineated in Attachment A of said report and those accounts with funds that have been reappropriated by interim actions in FY 2025-26:

    a. General Fund (Non-Dept. Capital Improvement Expense Program) No. 100/54

    b. Special Gas Tax Street Improvement Fund No. 206/50

    c. Local Transportation Fund No. 207/94

    d. Park and Recreational Sites and Facilities Fund No. 209/88

    e. Measure R Local Return Fund No. 51Q/94

    f. Measure M Local Return Fund No. 59C/94

    g. Road Maintenance and Rehabilitation Program Fund No. 59V/50

    h. Measure W Local Return Fund No. 60W/50

    i. Sewer Capital Fund No. 761/50

    j. Wastewater Syst Comm Paper A Const Fund No. 70W/50

    k. Wastewater Syst Comm Paper B Const Fund No. 70X/50

    l. Debt Service Reserve Fund Releases Tracking Fund No. W1G/50.

2. AUTHORIZE the CAO to make technical corrections, as necessary, to implement the intent of these transactions; and, AUTHORIZE the Controller to implement these instructions.

Fiscal Impact Statement: The CAO reports that there is no additional impact to the General Fund. The reappropriations are for previously approved General Fund and special funded projects. The reversions are required to support the FY 2026-27 Adopted Budget.

Financial Policies Statement: The CAO reports that the recommended actions comply with the City's Financial Policies, which require that prior-year encumbrances related to the Capital and Technology Improvement Expenditure Program be evaluated as part of this annual report.

Community Impact Statement: None submitted

SUMMARY

At its meeting held on August 18, 2026, your Budget and Finance Committee considered the CAO report, dated July 24, 2026, relative to the reappropriation of capital improvement and contingency project balances as of June 30, 2026. Unencumbered appropriations for capital projects within the Municipal Facilities, Physical Plant, and Wastewater Facilities Capital and Technology Improvement Expenditure Program revert to the unallocated balance accounts within the fund from which they were appropriated at the close of each FY.

After an opportunity for public comment was held, the Committee moved to approve the recommendations contained in the CAO report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

MEMBER	**VOTE**
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-