AGENDA
FINANCE COMMITTEE
REGULAR MEETING NOTICE
OCTOBER 13, 2026
PUBLIC MEETING 4:00 P.M.

Members
Victor M. Gordo, Mayor
Tyron Hampton, District 1
Rick Cole, District 2
Gene Masuda, District 4

STAFF
Karin Schnaider, Director of Finance
Arnold Lee, Chief Assistant City Attorney
Gloria Acevedo, Recording Secretary

MISSION STATEMENT

The City of Pasadena is dedicated to delivering exemplary municipal services, responsive to our entire community and consistent with our history, culture, and unique character.

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Language translation services are available for this meeting by calling (626)744-4124 at least 24 hours in advance. Habrá servicio de interpretación disponible para éstas juntas llamando al (626)744-4124 por lo menos con 24 horas de anticipación.

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Items on the agenda may not be called in order listed. Agendas and supporting documents are available on the Internet at https://www.cityofpasadena.net/commissions/city-council-finance-committee/

*Materials related to an item on this Agenda submitted to the Finance/Audit Committee **after** distribution of the agenda packet will be posted online and listed as: "Supplemental Agenda Material Received after the Posting of the agenda"*

PUBLIC COMMENT AT THE REGULAR FINANCE COMMITTEE MEETING FOR OCTOBER 13, 2026, AT 4:00 P.M. WILL BE ACCEPTED IN-PERSON AND BY VIDEOCONFERENCE/TELECONFERENCE.

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Pasadena Media - YouTube
AND

WWW.PASADENAMEDIA.ORG

In order to facilitate public participation at meetings the City will accept public comment in the following manner:

1. Whether participating in-person or virtually at the meeting, members of the public may provide public comment by submitting a speaker card prior to the start of public comment on that item, at the following webpage:

   www.cityofpasadena.net/commissions/public-comment/

   If a public comment speaker wishes to speak on more than one agenda item, please indicate which items on the online form (multiple item speakers will be handled according to the process posted on the agenda and as specified in the City meeting policy). Public comments are limited to 3 minutes each, and the Chair and Committee may limit this time if reasonable under the circumstances.

2. In-person Meeting Participation: Complete an online speaker card at the following website: **www.cityofpasadena.net/commissions/public-comment/**

   After submitting a public speaker card, members of the public may attend the meeting in-person by coming to the Pasadena City Council Chamber, Room S249 at City Hall at the date and start-time of the posted meeting.

   Virtual Meeting Participation: For virtual participants, you may attend by connecting to the meeting using a computer, other electronic device, or by telephone. Please review the agenda to identify the published start time for the meeting and connect to the meeting just prior to, or at the start of the meeting.

   To participate in public comment for an item and to be recognized to speak, it is required that the speaker login to the meeting using the same name or telephone number used on the Speaker Card form. This will allow City staff to locate and

promote the speaker into the meeting when it is time for their public comment. Participants' phone calls to the Committee meeting will be recorded as part of the Committee meeting. By staying on the line and making public comment during the Committee meeting by phone, you are agreeing to have your phone call recorded. Following is the connectivity information for virtual participation:

Computer or electronic devices, join the meeting at: **cityofpasadena.net/cczoom**

Telephone only dial-in: 1-669-900-6833, Meeting ID: 161 482 446

3. **Speaker Card Help Line**: If a public comment speaker needs assistance in completing a speaker card, please call the City Clerk's Office at: (626) 744-4124. Help line will open **30 minutes** prior to the posted start time of the meeting.

4. Members of the public may submit correspondence of any length prior to the start of the meeting, at the following email address:

   gacevedo@cityofpasadena.net

   Correspondence will be forwarded to the Committee prior to the start of the meeting, posted online, and made part of the legislative record for the item.

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DEPARTMENT OF FINANCE

CITY OF PASADENA
NOTICE OF REGULAR MEETING
OF THE FINANCE COMMITTEE

OCTOBER 13, 2026
PUBLIC MEETING: 4:00 P.M.
PASADENA CITY HALL, COUNCIL CHAMBER
100 NORTH GARFIELD AVENUE, ROOM S249

NOTICE IS HEREBY GIVEN that the regular meeting of the Finance Committee will be held on Tuesday, October 13, 2026, at 4:00 p.m. in the Pasadena City Hall Council Chambers S249.

Victor M. Gordo, Chair
Finance Committee

I HEREBY CERTIFY that this notice, in its entirety, was posted on the Internet at www.cityofpasadena.net/commissions/city-council-finance-committee and on the Council Chamber Bulletin Board, Room S249 and the Bulletin Board in the rotunda area, City Hall, 100 North Garfield Avenue, this 8th day of October, 2026, by 5:30 p.m., and that copies hereof were faxed, emailed or delivered to each member of the City Council and to each local newspaper of general circulation, radio or television station requesting notice in writing, all of which recipients are identified on the distribution list set forth herein below.

Gloria Acevedo, Recording Secretary
Finance Committee

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REGULAR MEETING
AGENDA
FINANCE COMMITTEE
OCTOBER 13, 2026

Public Meeting: 4:00 P.M.
Council Chamber, Pasadena City Hall
100 North Garfield Avenue, Room S249

The Finance Committee may take action within its authority on any item listed on this agenda as it deems appropriate following consideration and discussion of the matter.

PUBLIC MEETING - 4:00 P.M.

ROLL CALL

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Public comment will be limited to a total of 20 minutes at the beginning of the meeting and will continue at the conclusion of the meeting, if necessary. Please limit to 2 minutes each.

NEW BUSINESS

1. **AMEND THE FISCAL YEAR 2027 CAPITAL IMPROVEMENT PROGRAM BUDGET**

2. **AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS FOR STREET IMPROVEMENTS AS PART OF THE ANNUAL CITYWIDE STREET RESURFACING AND AMERICANS WITH DIASABILITIES ACT (ADA) IMPROVEMENT PROGRAM FISCAL YEAR 2027 FOR AN AMOUNT NOT TO EXCEED $1,223,952**

3. **APPROVE AMENDMENTS TO THE FISCAL YEAR 2027 ADOPTED OPERATING BUDGET**

4. **APPROVE FISCAL YEAR 2026 GENERAL FUND EMERGENCY CONTINGENCY COMMITMENT OF $54,737,400 AND UP TO $18,245,800 IN THE GENERAL FUND OPERATING RESERVE COMMITMENT**

ADJOURN

NEW BUSINESS

ITEM 1

1. AMEND THE FISCAL YEAR 2027 CAPITAL IMPROVEMENT PROGRAM BUDGET

Agenda Report

October 13, 2026

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Public Works

SUBJECT: **AMEND THE FISCAL YEAR 2027 CAPITAL IMPROVEMENT PROGRAM BUDGET**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed actions are not "projects" as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(4) and (5) of the State CEQA Guidelines and, as such, are not subject to environmental review; and

2. Amend the Fiscal Year 2027 Capital Improvement Program (CIP) Budget as detailed in Attachment A of this report.

BACKGROUND:

Throughout the fiscal year (FY), the Department of Public Works, in conjunction with other impacted departments, reviews active CIP projects to determine if budgetary changes are needed. Staff has completed this report detailing needed budget adjustments and amendments to the FY 2027 CIP Budget as detailed on Attachment A.

Amendments to FY 2027 – 2031 CIP Budget

1. **Building Maintenance FY 2026 – 2030 (71931)** – The Department of Public Works recommends appropriating $750,000 from the Building Preventive Maintenance Fund to this project and increasing the project budget by a like amount. The scope includes urgently needed modernization of the two elevators serving the west side (front entrance) of City Hall, which are approximately thirty-five years old and have obsolete components. One elevator has been out of service for months, and the remaining elevator

recently experienced a breakdown between floors with seven people trapped inside for almost two hours. Replacement parts are no longer readily available, making repairs increasingly difficult and creating a significant risk of prolonged outages. These failures compromise access to City Hall offices and services for individuals with disabilities and others who depend on elevator access. Prompt funding is necessary to advance design and procurement to address this critical accessibility and operational need. Staff will prioritize implementation, with completion of both elevators anticipated in FY 2028.

2. **Miscellaneous Sidewalk Repair Program FY 2026 - 2030 (73950)** – The Department of Public Works recommends appropriating $116,029 in Private Capital to this project and increasing the project budget by a like amount. These funds have been collected from property owners and developers as conditions of development or sales of the property. The program provides for replacement of damaged sidewalks along property frontages. These repairs will help maintain pedestrian accessibility along the City's sidewalk network. This work is anticipated to be completed in FY 2028.

3. **High Voltage Series Street Light Conversion (74415)** – The Department of Public Works recommends transferring remaining balance of $34,334 in Street Occupancy Rental Fees and $30,034 in Gas Tax from the High Voltage Series Street Light Conversion – Phase III (74420) to this project and increasing the project budget by a like amount. The High Voltage Series Street Light Conversion phases will be consolidated and managed as a single project and as such, all available balances from previous phases shall be transferred to project 74415.

4. **Raymond Avenue Undergrounding – Street Lighting (74823)** –The Department of Public Works recommends appropriating $5,000,000 from the Underground Utilities Fund and increasing the project budget by a like amount. The funding will be used to cover street lighting material procurement, and the construction. This project is currently in the design phase and has sufficient funds to complete this phase. Construction is anticipated to begin in March 2027.

5. **Annual ADA Sidewalk Improvement Program (73913)** – The Department of Public Works recommends appropriating $30,245 in Street Occupancy Rental Fees and increasing the project budget by a like amount. This funding will cover ineligible administrative costs associated with Community Development Block Grant (CDBG)-funded sidewalk improvements.

6. **Jackie Robinson Community Center Improvement (78961)** – The Department of Public Works recommends appropriating $1,000,000 in U.S. Department of Housing and Urban Development (HUD) Economic Development Initiative–Community Project Funding (EDI-CPF) grant funds to this project. The funding was secured through Congresswoman Judy Chu's Fiscal Year 2026 Community Project Funding request for improvements to the Jackie Robinson Community Center. The additional funding will primarily

support renovation of the Center's pottery/kiln room, which has been out of service for an extended period, allowing the City to restore pottery programming at the facility. Funding will also support facility accessibility improvements identified as part of the project. Work is anticipated to be completed in FY 2028.

7. **Citywide Leading Pedestrian Interval/Accessible Pedestrian Signal (LPI/APS) Implementation Program FY 2025 - 2029 (75928)** – The Department of Transportation (DOT) recommends appropriating $250,000 in Community Development Block Grant (CDBG) funds and $75,000 in Street Occupancy Rental Fees to this project and increasing the budget by a like amount. The CDBG funds were awarded to the City as part of the CDBG Program Year 2026 entitlement funds and was approved by City Council on June 15, 2026. The Street Occupancy Rental Fees will be used to cover costs defined as non-eligible by the granting agency but is required to design and construct the project. This appropriation will fund the installation of new ADA compliant Accessible Pedestrian Signal push buttons and appurtenant materials at 20 intersections. This work is anticipated to be completed in FY 2027.

8. **Pedestrian Crossing Enhancements Program FY 2021 - 2028 (75112, Sub-Project 75135)** – The Department of Transportation (DOT) recommends appropriating $92,920 in Traffic Reduction Fees and $35,000 in Street Occupancy Rental Fees to this project and increasing the budget by a like amount. DOT was awarded a Highway Safety Improvement Program Cycle 11 (HSIP 11) grant in the amount of $249,120 for the design and construction of Rectangular Rapid Flashing Beacons (RRFBs) at multiple locations. The City Council accepted the funds on October 23, 2023. This appropriation will cover construction administration costs along with additional design costs. The Street Occupancy Rental Fees funding will support the installation of new Americans with Disabilities Act (ADA)-compliant Accessible Pedestrian Signal (APS) push buttons at signalized intersections by Street Maintenance crews, as well as associated project costs resulting from unforeseen field conditions and material procurement delays.

9. **Transportation System Safety Enhancements Project FY 2021 – 2028 (75115, Sub-Project 75136)** – The Department of Transportation (DOT) recommends appropriating $95,820 in Traffic Reduction Fees to this project and increasing the budget by a like amount. DOT was awarded a Highway Safety Improvement Program Cycle 11 (HSIP 11) grant in the amount of $397,710 for the design and construction of retroreflective backplates and near side signal heads at various locations. The City Council accepted the funds on October 23, 2023. This funding will cover ineligible administrative costs associated with HSIP 11 grant.

10. **Installation of Pedestrian Hybrid Beacon at Washington Blvd and Hudson Ave (75512)** – The Department of Transportation (DOT) recommends appropriating $76,005 in Traffic Reduction Fees to this project and increasing the budget by a like amount. DOT was awarded a Highway Safety Improvement

Program Cycle 11 (HSIP 11) grant in the amount of $357,210 to construct the Pedestrian Hybrid Beacon at Washington Blvd and Hudson Ave. The City Council accepted the funds on October 23, 2023. This funding will cover ineligible administrative costs associated with HISP 11 grant.

11. **T.M. Goodrich Intertie Transformer Upgrades (3263)** – The Water and Power Department recommends transferring the remaining balance of $899,104 in Power Fund from 35kV Subtransmission System Upgrades (3283) to this project and increasing the budget by a like amount. The scope of the 35kV Subtransmission System Upgrades (3283) project is now under the workplan for T.M. Goodrich Receiving Station Upgrades (3263), as such all funds for that scope are requested to be moved accordingly. The 35kV Subtransmission System Upgrades (3283) project will close.

12. **Purchase of Vehicles and Equipment (3500)** – The Water and Power Department recommends transferring the unencumbered balance of $1,360,872 in Power Fund from Power System Equipment (3254) to this project and increasing the budget by a like amount. The scope of the Power System Equipment (3254) project is now under the workplan for Vehicles and Equipment - Power Fund (3500), as such all unencumbered funds for that scope are requested to be moved accordingly. The Power System Equipment (3254) project will close.

13. **Power Transmission Program (3251)** – The Water and Power Department recommends transferring $446,930 in Power Fund from Power Transmission Program (3190) to this project and increasing the budget by a like amount. The Power Transmission Program (3190) was closed in FY 2026 and was replaced with CIP 3251.

COUNCIL POLICY CONSIDERATION:

All of the above projects and actions address City Council's goals to maintain fiscal responsibility and stability and improve, maintain, and enhance public facilities and infrastructure.

ENVIRONMENTAL ANALYSIS:

CEQA excludes from environmental analysis those actions that are not "projects" as defined by State CEQA Guidelines Section 15378. That section excludes from the definition of "project" the creation of government funding mechanisms and fiscal activities which do not yet commit the lead agency to any specific project and excludes organizational or administrative governmental activities that do not result in physical changes to the environment. The actions proposed herein are budgetary and part of the City's normal administrative process as it takes early steps to prepare for the possibility of undertaking a project, and therefore they are not yet "projects" as defined by CEQA. As the City becomes more certain it will undertake one of the projects, and

before it commits itself to the project, the appropriate environmental analysis will be conducted and brought to the appropriate City body for approval.

FISCAL IMPACT:

The cumulative result of these recommendations will increase the FY 2027 CIP budget by $7,521,019. The specific funding sources for the budget amendments are listed on Attachment A. There is no change to the General Fund.

Respectfully submitted,

GREG DE VINCK, P.E.
Director of Public Works

Prepared by:

Phyllis Hallowell
Public Works Administrator

Approved by:

MATTHEW E. HAWKESWORTH
Interim City Manager

Attachment A – Amendments to the FY 2027 – 2031 CIP Budget

	Project/Fund Source	Appropriations Through FY 2027	Changes	Revised Appropriation
1	**Building Maintenance FY 2026 - 2030 (71931)**			
	Building Preventive Maintenance Fund	4,681,840	750,000	5,431,840
	Total	**4,681,840**	**750,000**	**5,431,840**
2	**Miscellaneous Sidewalk Repair Program FY 2026 - 2030 (73950)**			
	Private Capital	906,678	116,029	1,022,707
	Total	**906,678**	**116,029**	**1,022,707**
3	**High Voltage Series Street Light Conversion (74415)**			
	General Fund	3,965,000	0	3,965,000
	Street Occupancy Rental Fees	470,000	34,334	504,334
	Gas Tax	0	30,034	30,034
	Total	**4,435,000**	**64,368**	**4,499,368**
	High Voltage Series Street Light Conversion - Phase III (74420)			
	Street Occupancy Rental Fees	95,000	(34,334)	60,666
	Gas Tax	60,000	(30,034)	29,966
	Total	**155,000**	**(64,368)**	**90,632**
4	**Raymond Avenue Undergrounding - Street Lighting (74823)**			
	Underground Utilities Fund - Public Works	600,000	5,000,000	5,600,000
	Underground Utilities Fund - Power Facilities (3214)	24,092,000	0	24,092,000
	Total	**24,692,000**	**5,000,000**	**29,692,000**
5	**Annual ADA Sidewalk Improvement Program (73913)**			
	Community Development Block Grant (CDBG)	4,760,108	0	4,760,108
	General Fund	10,500,000	0	10,500,000
	Street Occupancy Rental Fees	175,000	30,245	205,245
	Total	**15,435,108**	**30,245**	**15,465,353**
6	**Jackie Robinson Community Center Improvements (78961)**			
	Department of Housing and Urban Development / Community Project Funding (HUD / EDI-CPF)	0	1,000,000	1,000,000
	Community Development Block Grant (CDBG)	224,000	0	224,000
	General Fund	436,000	0	436,000
	Total	**660,000**	**1,000,000**	**1,660,000**
7	**Citywide Leading Pedestrian Interval / Accessible Pedestrian Signal (LPI/APS) Implementation Program FY 2025 - 2029 (75928)**			
	Measure M MSP	1,000,000	0	1,000,000
	Community Development Block Grant (CDBG)	0	250,000	250,000
	Street Occupancy Rental Fees	0	75,000	75,000
	Total	**1,000,000**	**325,000**	**1,325,000**

	Project/Fund Source	Appropriations Through FY 2027	Changes	Revised Appropriation
8	**Pedestrian Crossing Enhancements Program - FY 2021 - 2028 (75112, Sub-Project 75135)**			
	Community Development Block Grant (CDBG)	482,744	0	482,744
	Gas Tax	75,000	0	75,000
	General Fund	86,870	0	86,870
	Highway Safety Improvement Program Grant 10	248,700	0	248,700
	Highway Safety Improvement Program Grant 11	249,120	0	249,120
	Highway Safety Improvement Program Grant 12	324,630	0	324,630
	Measure M MSP	236,148	0	236,148
	Reserve for Key Projects	38,645	0	38,645
	Traffic Reduction Fee	317,531	92,920	410,451
	Street Occupancy Rental Fees	0	35,000	35,000
	Total	**2,059,388**	**127,920**	**2,187,308**
9	**Transportation System Safety Enhancements Project FY 2021 - 2028 (75115, Sub-Project 75136)**			
	Civic Center Parking Meter Fund	100,000	0	100,000
	Gas Tax	50,000	0	50,000
	Highway Safety Improvement Program Grant 11	397,710	0	397,710
	Traffic Reduction Fee	250,000	95,820	345,820
	Total	**797,710**	**95,820**	**893,530**
10	**Installation of Pedestrian Hybrid Beacon at Washington Blvd and Hudson Ave (75512)**			
	Commercial Development Fee	14,000	0	14,000
	Highway Safety Improvement Program Grant 11	357,210	0	357,210
	Measure M MSP	500,000	0	500,000
	Traffic Reduction Fee	46,000	76,005	122,005
	Total	**917,210**	**76,005**	**993,215**
11	**T.M. Goodrich Intertie Transformer Upgrades (3263)**			
	Power Fund	5,251,031	899,104	6,150,135
	Total	**5,251,031**	**899,104**	**6,150,135**
	35kV Subtransmission System Upgrades (3283)			
	Power Fund	899,104	(899,104)	0
	Total	**899,104**	**(899,104)**	**0**
12	**Purchase of Vehicles and Equipment (3500)**			
	Power Fund	13,069,547	1,360,872	14,430,419
	Total	**13,069,547**	**1,360,872**	**14,430,419**
	Power System Equipment (3254)			
	Power Fund	3,559,847	(1,360,872)	2,198,975
	Total	**3,559,847**	**(1,360,872)**	**2,198,975**
13	**Power Transmission Program (3251)**			
	Power Fund	1,083,000	446,930	1,529,930
	Total	**1,083,000**	**446,930**	**1,529,930**
	Power Transmission Program (3190)			
	Power Fund	9,428,999	(446,930)	8,982,069
	Total	**9,428,999**	**(446,930)**	**8,982,069**
		Net Changes	**7,521,019**	

PASADENA

Public Works Department

AMEND THE FISCAL YEAR 2027 CAPITAL IMPROVEMENT PROGRAM BUDGET

Finance Committee
October 13, 2026
Item 1

Recommendations

Public Works Department

1. Find proposed actions are not "projects" as defined in CEQA, Public Resources Code Section 21065 and Section 15378(b)(4) and (5) and, as such, are not subject to environmental review

2. Amend the Fiscal Year 2027 Capital Improvement Program (CIP) Budget as detailed in Attachment A of this report

PASADENA

Projects

Public Works Department

	Project	Funding Source	Change ($)
1	**Building Maintenance FY 2026 - 2030 (71931)**	Building Preventive Maintenance Fund	$750,000
2	**Miscellaneous Sidewalk Repair Program FY 2026 - 2030 (73950)**	Private Capital	$116,029
3	**High Voltage Series Street Light Conversion (74415)**	Street Occupancy Rental Fees Gas Tax	$34,334 $30,034
	High Voltage Series Street Light Conversion – Phase III (74420)	Street Occupancy Rental Fees Gas Tax	($34,334) ($30,034)
4	**Raymond Avenue Undergrounding – Street Lighting (74823)**	Underground Utilities Fund – Public Works	$5,000,000

Projects

Public Works Department

	Project	Funding Source	Change ($)
5	**Annual ADA Sidewalk Improvement Program (73913)**	Street Occupancy Rental Fees	$30,245
6	**Jackie Robinson Community Center Improvements (78961)**	Department of Housing and Urban Development / Community Project Funding (HUD / EDI-CPF)	$1,000,000
7	**Citywide Leading Pedestrian Interval / Accessible Pedestrian Signal (LPI/APS) Implementation Program FY 2025 - 2029 (75928)**	Community Development Block Grant (CDBG) Street Occupancy Rental Fees	$250,000 $75,000
8	**Pedestrian Crossing Enhancements Program - FY 2021 - 2028 (75112, Sub-Project 75135)**	Traffic Reduction Fee Street Occupancy Rental Fees	$92,920 $35,000

Projects

Public Works Department

	Project	Funding Source	Change ($)
9	**Transportation System Safety Enhancements Project FY 2021 - 2028 (75115, Sub-Project 75136)**	Traffic Reduction Fee	$95,820
10	**Installation of Pedestrian Hybrid Beacon at Washington Blvd and Hudson Ave (75512)**	Traffic Reduction Fee	$76,005
11	**T.M. Goodrich Intertie Transformer Upgrades (3263)**	Power Fund	$899,104
	35kV Subtransmission System Upgrades (3283)	Power Fund	($899,104)
12	**Purchase of Vehicles and Equipment (3500)**	Power Fund	$1,360,872
	Power System Equipment (3254)	Power Fund	($1,360,872)
13	**Power Transmission Program (3251)**	Power Fund	$446,930
	Power Transmission Program (3190)	Power Fund	($446,930)

Fiscal Impact

Public Works Department

- Net increase to the FY 2027 CIP Budget by $7,521,019
- No Impact to the General Fund

NEW BUSINESS

ITEM 2

2. AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS FOR STREET IMPROVEMENTS AS PART OF THE ANNUAL CITYWIDE STREET RESURFACING AND AMERICANS WITH DIASABILITIES ACT (ADA) IMPROVEMENT PROGRAM FISCAL YEAR 2027 FOR AN AMOUNT NOT TO EXCEED $1,223,952

Agenda Report

October 13, 2026

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Public Works

SUBJECT: **AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS FOR STREET IMPROVEMENTS AS PART OF THE ANNUAL CITYWIDE STREET RESURFACING AND AMERICANS WITH DISABILITIES ACT (ADA) IMPROVEMENT PROGRAM FISCAL YEAR 2027 FOR AN AMOUNT NOT TO EXCEED $1,223,952**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed actions do not constitute a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA guidelines and, as such, no environmental document pursuant to CEQA is required;

2. Authorize the City Manager to enter into an agreement with Los Angeles County Department of Public Works (LACDPW) for design and construction related to street resurfacing and ADA improvements along various streets of shared jurisdiction with the County's cost share amount estimated to be $1,223,952 as part of Annual Citywide Street Resurfacing and ADA Improvement Program Fiscal Year (FY) 2027;

3. Amend the FY 2027 Capital Improvement Program Budget by appropriating $1,223,952 from LACDPW to the Annual Citywide Street Resurfacing and ADA Improvement Program FY 2027 (73951); and

4. Authorize the City Manager to approve, within the contract authority, amendments to the subject contract including durational extensions.

BACKGROUND:

Several street segments along the City of Pasadena's boundaries are under shared jurisdiction with Los Angeles County. In some locations, the jurisdictional boundary runs

along the roadway centerline or follows irregular limits through an intersection or street segment. Resurfacing only the City-maintained portion would therefore result in improvements terminating at these jurisdictional boundaries, leaving portions of the same roadway unimproved and creating an inconsistent pavement surface.

To provide a more comprehensive and uniform pavement improvement for residents, and other roadway users, the City coordinated with LACDPW to jointly resurface these streets across their full width or to other appropriate limits. Through this collaborative effort, LACDPW agreed to fund its proportionate share of the resurfacing and ADA improvements. Pasadena will serve as the lead agency and will be responsible for the design and construction of the improvements within both jurisdictions. The identified street segments will subsequently be incorporated into the *Annual Citywide Street Resurfacing and ADA Improvement FY 2027 (73951)* project for coordinated delivery.

This agreement addresses resurfacing approximately 2.8 miles of asphalt pavement. Additionally, the streets being resurfaced may receive the following improvements: removal and reconstruction of damaged concrete curbs, gutters, sidewalks, curb ramps, driveway aprons, and cross gutters; adjustment of existing utility manholes; replacement of traffic signal loop detectors; installation of striping and raised pavement markers; and miscellaneous appurtenant work. The streets to be resurfaced under this agreement are listed below and are identified in Attachment A – FY27 Street Resurfacing - LA County and City of Pasadena shared jurisdiction - Location Map.

Segment	Scope of Work	Length (miles)	Jurisdiction
Crestford Drive – Florecita Way to Altadena Drive	Resurfacing	0.1	0% CITY 100% COUNTY
Del Mar Boulevard – 595' west of Madre Street to Rosemead Boulevard	Resurfacing	0.6	29% CITY 71% COUNTY
Eaton Canyon Drive – 775' north of Kinneloa Canyon Road to New York Drive	Resurfacing	0.3	77% CITY 23% COUNTY
San Pasqual Street – Santa Anita Avenue to County Bridge over Eaton Wash Channel	Resurfacing	0.9	80% CITY 20% COUNTY
Sierra Madre Villa Avenue – Fairpoint Street to New York Drive	Resurfacing	0.9	70% CITY 30% COUNTY

The Department of Public Works will perform the preliminary engineering, solicitation of construction bids, award of construction contract, and contract administration for the project. Under the terms of the agreement, the County agrees to deposit with the City, following execution of the agreement and no earlier than 30 calendar days prior to the notice inviting bids, the County's estimated cost share of $1,223,951.78. The actual amount will be determined by final accounting of the project expenditures and actual quantities and bid prices received.

It is anticipated that construction will begin in Spring 2027.

COUNCIL POLICY CONSIDERATION:

This agreement is consistent with the City Council's goal to improve, maintain, and enhance public facilities and infrastructure, and improve public safety throughout the City. It also supports the Public Facilities Element of the General Plan by maintaining and rehabilitating public facilities to enhance the quality of life of the community.

ENVIRONMENTAL ANALYSIS:

The execution of this agreement with LACDPW is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The execution of this agreement is an administrative activity. Any activity undertaken under this Agreement involving physical changes in the environment will continue to be subject to individual CEQA review prior to approving or undertaking such activity. Since the subject actions do not constitute a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

Staff recommends amending the FY 2027 Capital Improvement Program Budget by appropriating $1,223,951.78 in LACDPW funds to the *Annual Citywide Street Resurfacing and ADA Improvement Program FY 2027 (73951)* and increasing the total estimated project cost by a like amount.

The total cost of this agreement is $3,272,151.57 with the City's share estimated to be $2,048,199.79 and County's share estimated to be $1,223,951.78. Funding for the City's share will be addressed by the utilization of existing budgeted appropriations in the *Annual Citywide Street Resurfacing and ADA Improvement Program FY 2027* (73951). It is anticipated that all costs will be expended in FY 2028.

Respectfully submitted,

GREG DE VINCK, P.E.
Director of Public Works

Prepared by:

Brent Maue, P.E.
City Engineer

Approved by:

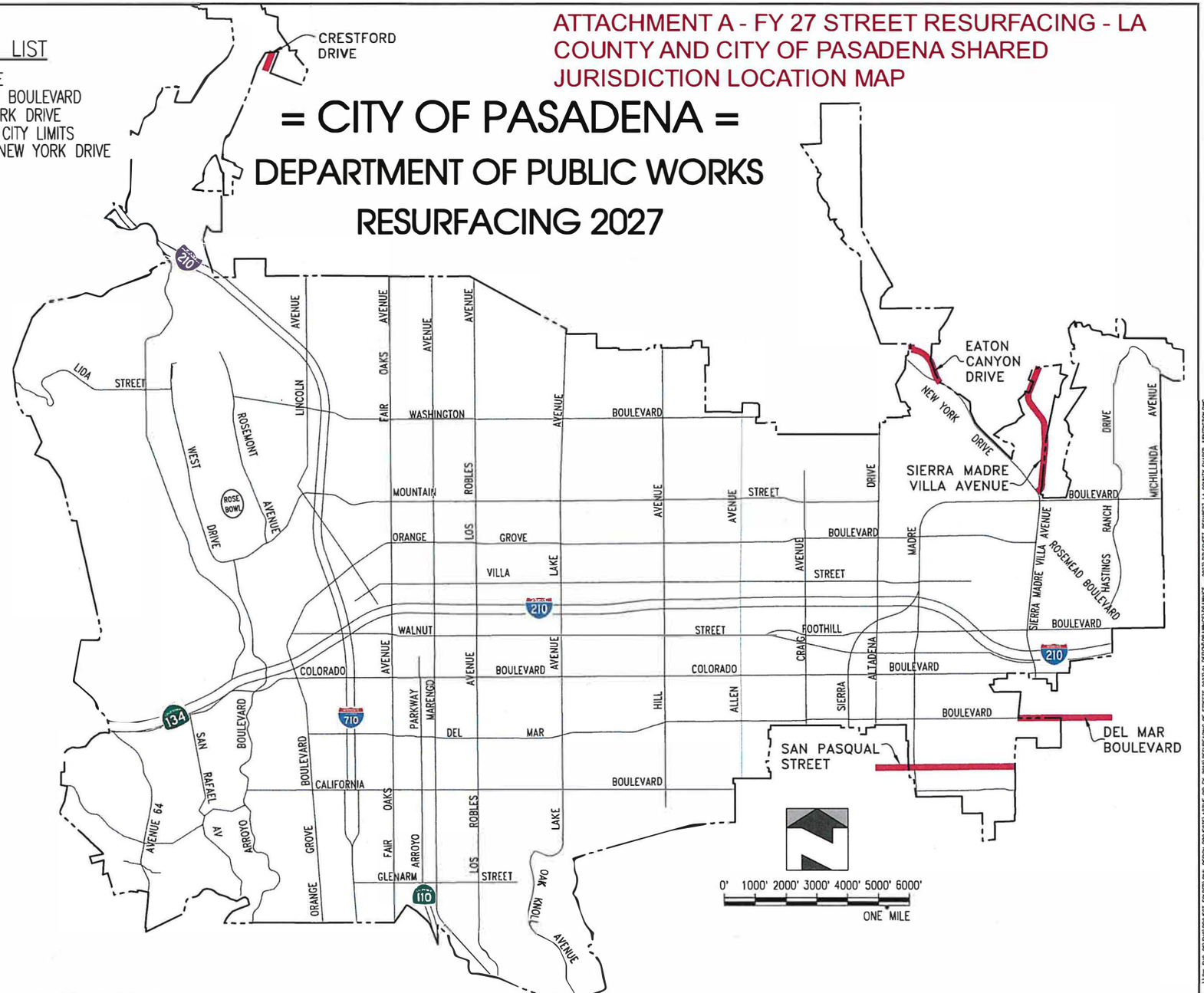
MATTHEW E. HAWKESWORTH
Interim City Manager

Attachment A – FY27 Street Resurfacing - LA County and City of Pasadena shared jurisdiction - Location Map

ATTACHMENT A - FY 27 STREET RESURFACING - LA COUNTY AND CITY OF PASADENA SHARED JURISDICTION LOCATION MAP

LA COUNTY SHARED JURISDICTION STREET LIST

CRESTFORD DRIVE – FLORECITA WAY TO ALTADENA DRIVE
DEL MAR BOULEVARD – EAST CITY LIMITS TO ROSEMEAD BOULEVARD
EATON CANYON DRIVE – NORTH CITY LIMITS TO NEW YORK DRIVE
SAN PASQUAL STREET – SANTA ANITA AVENUE TO EAST CITY LIMITS
SIERRA MADRE VILLA AVENUE – NORTH CITY LIMITS TO NEW YORK DRIVE



LEGEND

STREETS TO BE FULL WIDTH MILLED OR OVERLAY

PASADENA

Department of Public Works

AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS FOR STREET IMPROVEMENTS AS PART OF THE ANNUAL CITYWIDE STREET RESURFACING AND AMERICANS WITH DIASABILITIES ACT (ADA) IMPROVEMENT PROGRAM FISCAL YEAR 2027 FOR AN AMOUNT NOT TO EXCEED $1,223,952

Finance Committee

October 13, 2026

Item 2

Project Background

Department of Public Works

- Several street segments along the City of Pasadena's boundaries are under shared jurisdiction with Los Angeles County
- In some locations, the jurisdictional boundary follow irregular limits through an intersection or street segment. Resurfacing only the City-maintained portion would leave portions of the same roadway unimproved and create an inconsistent pavement surface
- The City coordinated with LA County Department of Public Works to jointly resurface these streets across their full width or to other appropriate limits. Through this collaborative effort, LACDPW agreed to fund its proportionate share of the resurfacing and ADA improvements
- The City will serve as the lead agency and will be responsible for the design and construction. The Department of Public Works will perform the preliminary engineering, solicitation of construction bids, award of construction contract, and contract administration for the project

Project Background (cont'd)

Department of Public Works

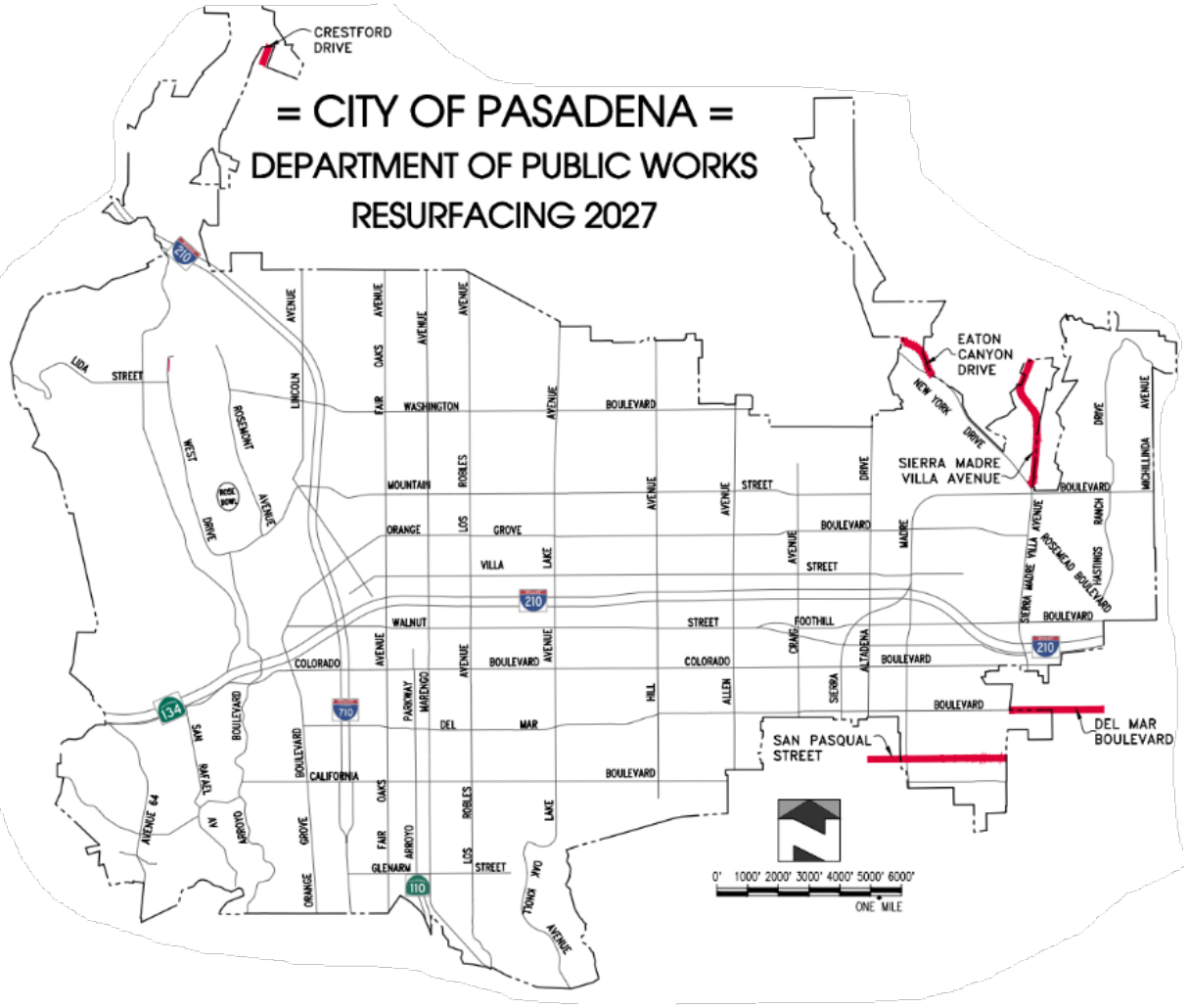
- Scope of work includes removal and reconstruction of damaged concrete curbs, gutters, sidewalks, curb ramps, driveway aprons, and cross gutters; adjustment of existing utility manholes; replacement of traffic signal loop detectors; installation of striping and raised pavement markers; and miscellaneous appurtenant work

STREETS TO BE RESURFACED UNDER THIS AGREEMENT		
Segment	**Length (miles)**	**Jurisdiction**
Crestford Drive – Florecita Way to Altadena Drive	0.1	0% CITY 100% COUNTY
Del Mar Boulevard – 595' west of Madre Street to Rosemead Boulevard	0.6	29% CITY 71% COUNTY
Eaton Canyon Drive – 775' north of Kinneloa Canyon Road to New York Drive	0.3	77% CITY 23% COUNTY
San Pasqual Street – Santa Anita Avenue to County Bridge over Eaton Wash Channel	0.9	80% CITY 20% COUNTY
Sierra Madre Villa Avenue – Fairpoint Street to New York Drive	0.9	70% CITY 30% COUNTY

Project Background (cont'd)

Department of Public Works

Segment
Crestford Drive – Florecita Way to Altadena Drive
Del Mar Boulevard – 595' west of Madre Street to Rosemead Boulevard
Eaton Canyon Drive – 775' north of Kinneloa Canyon Road to New York Drive
San Pasqual Street – Santa Anita Avenue to County Bridge over Eaton Wash Channel
Sierra Madre Villa Avenue – Fairpoint Street to New York Drive



Fiscal Impact

Department of Public Works

Project Budget Amendment

FY 2027-2031 CIP Project Budget (73951)	$ 11,121,923
LA County Dept of Public Works Funds	$ 1,223,952
New Project Budget Amount	**$ 12,345,875**

Total Fiscal Impact for the five proposed segments

City Share	$ 2,048,200
County Share	$ 1,223,952
Construction Estimate (*shared streets only*)	**$ 3,272,152**

Project will have no additional impact on the General Fund beyond the funds previously budgeted for the project

Recommendations

Department of Public Works

1. Find that the proposed actions do not constitute a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA guidelines and, as such, no environmental document pursuant to CEQA is required;
2. Authorize the City Manager to enter into an agreement with Los Angeles County Department of Public Works (LACDPW) for design and construction related to street resurfacing and ADA improvements along various streets of shared jurisdiction with the County's cost share amount estimated to be $1,223,952 as part of Annual Citywide Street Resurfacing and ADA Improvement Program Fiscal Year (FY) 2027;

Recommendations (cont'd)

Department of Public Works

3. Amend the FY 2027 Capital Improvement Program Budget by appropriating $1,223,952 from LACDPW to the Annual Citywide Street Resurfacing and ADA Improvement Program FY 2027 (73951); and
4. Authorize the City Manager to approve, within the contract authority, amendments to the subject contract including durational extensions.

NEW BUSINESS

ITEM 3

3. APPROVE AMENDMENTS TO THE FISCAL YEAR 2027 ADOPTED OPERATING BUDGET

Agenda Report

October 13, 2026

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Finance

SUBJECT: **APPROVE AMENDMENTS TO THE FISCAL YEAR 2027 ADOPTED OPERATING BUDGET**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action herein is not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 21065 and within the meaning of Section 15378(b); and

2. Approve amendments to the Fiscal Year (FY) 2027 Adopted Operating Budget as detailed in the following report and an increase to the Citywide total Full-Time Equivalents (FTEs) by 2.0 permanent positions.

EXECUTIVE SUMMARY:

Throughout the fiscal year, budget amendments are necessary to account for unanticipated changes to the adopted budget. These revenue and appropriation amendments are presented to the City Council for consideration. This agenda report includes proposed amendments to the FY 2027 Operating Budget as adopted by the City Council on June 22, 2026. The proposed budget amendments fall into one of the following categories:

- Re-appropriations or "carry-forwards" of previously approved appropriations from the FY 2026 budget that were unexpended as of June 30, 2026; (purchase orders, contracts, and grants), where sufficient funding was available in the account and are now anticipated to be expended during FY 2027. As detailed in *Attachments A and B* of this report, approval of the proposed carry-forwards will increase FY 2027 total authorized operating appropriations across multiple funds by a net amount of $8,851,482; or

- Amendments to the FY 2027 Operating Budget that are based on information that was not available when the Operating Budget was presented to the City Council for adoption on June 22, 2026. As detailed in *Attachment C* of this report, approval of

the proposed budget amendments will increase FY 2027 total authorized operating appropriations across multiple funds by a net amount of $1,928,799 as well as the Citywide total FTE count by 2.0 positions.

Proposed Carry-Forward Items

1. **Carry-Forward of FY 2026 Purchase Orders and Contracts** – The Department of Finance recommends appropriations in the amount of $8,847,971 be carried forward from FY 2026 to FY 2027 throughout various funds. As detailed in *Attachment A*, the recommended appropriations represent eighteen (18) contractual obligations where goods or services were ordered in FY 2026, but which will not be received until FY 2027. Delays were primarily caused by extended build times, vendor scheduling constraints, and manufacturing and delivery delays.

2. **Carry-Forward of FY 2026 Grants** – The Department of Finance recommends recognizing revenue of $782,118 and appropriating $785,629, to carry forward grants from FY 2026 to FY 2027 across two different funds. As detailed in *Attachment B*, the recommended revenue and appropriations represent six (6) grants. The multi-year grants will continue to fund programs such as the Caltrans Clean California Local Grant, Community Development Block Grant (CDBG) Micro Enterprise Grant Program to assist small businesses impacted by the Eaton Fire, and library grants for Lunch at the Library and the Civic Makers Lab.

Proposed Budget Amendments

3. **Housing Department Funding** – The Housing Department recommends recognizing revenue and appropriating $869,800 in the Other Housing Funds (238), appropriating $331,073 in the Home Investment Partnership Fund (221), and appropriating $55,612 in the General Fund (101) for the actions described below.

    a. **Measure A Funding –** The Department recommends recognizing and appropriating $832,300 in the Other Housing Funds (238) for rental assistance funding. On May 19, 2025, the City Council authorized the City Manager to enter into a contract with the County for the receipt of FY 2026 Measure A Local Solutions Funds in the amount of $867,473 to support households receiving emergency household vouchers. However, due to unspent funds and the continuation of the program, funding is necessary to be established again in FY 2027.

    b. **Ramona Street Affordable Housing** – The Department recommends appropriating $331,073 from the unappropriated fund balance in the Home Investment Partnership Fund (221) for the Ramona Seniors, a 100-unit affordable housing project for seniors on City-owned property at 280 Ramona Street. On November 14, 2022, the City Council approved the original key business terms of the project. The full amount of the budgeted HOME funds for this project, totaling $2,756,073, will be used towards project costs during the construction phase.

c. **Mobile Shower Services** – The Department recommends recognizing and appropriating $37,500 from the County of Los Angeles in the Other Housing Funds (238) for mobile shower services. The City maintains a partnership with The Shower of Hope to provide weekly mobile shower services to people experiencing homelessness. The objective is to promote individual and public health by providing critical hygiene services to the unhoused population within the City.

d. **Bad Weather Shelter** – The Department recommends appropriating $55,612 from the unappropriated fund balance in the General Fund (101) for capital improvements at the Trinity Evangelical Lutheran Church necessary for operation of the Bad Weather Shelter. This funding was previously approved by the City Council on December 8, 2025, and in FY 2027 will be used for the completion of the laundry room, shower room, and restrooms, in addition to addressing an attic access issue.

4. **Street Sweeper Purchases** – The Public Works Department recommends appropriating $935,551 from the unappropriated fund balance in the Refuse Collection Fund (406) for the purchase of two street sweepers. The funding is necessary to replace two existing street sweepers that have reached the end of their useful lives; however, due to procurement delays, a purchase order was never opened and therefore was unable to be completed in FY 2026.

5. **City Manager's Office Funding** – The Office of the City Manager recommends recognizing $200,500 and appropriating $632,667 from the unappropriated fund balance in the General Fund (101) for the programs detailed below.

   a. **Dine Out Grant Program** – The Office recommends appropriating $432,467 from the unappropriated fund balance in the General Fund (101) for the continuation of the Dine Out Grant Program. Approved by the City Council on February 26, 2024, this program was funded through a $1.5 million one-time federal earmark administered by the Small Business Administration (SBA). However, due to delays in completing the Program, re-appropriation of the funding in FY 2027 is necessary for the remaining grantees/businesses to complete their projects. This program has until August 31, 2028 to use the funding and the City will be fully reimbursed by the grant.

   b. **CDBG Commercial Façade Program** – The Office recommends recognizing and appropriating $200,500 in the General Fund (101) for the CDBG-funded Commercial Façade Improvement Program. On May 19, 2025, the City Council approved the program as part of the FY 2025 Annual Action Plan submitted by the Housing Department to the Department of Housing and Urban Development (HUD). This program would assist in enhancing commercial districts to create quality shopping and dining experiences. However, the Economic Development Division's FY 2026 budget was not amended in time for the program, which will continue into FY 2027 and will be fully reimbursed by the grant.

6. **Pasadena Fire Department Funding** – The Fire Department recommends recognizing and appropriating $238,328 in the General Fund (101) and recognizing and appropriating $247,200 in the Homeland Security Grant Fund (230) for the programs detailed below.

    a. **2024 CalOES Regional US&R Task Force Four (RTF-4)** – The Department recommends recognizing and appropriating $247,200 in the Homeland Security Grant Fund (230) for funding awarded by CalOES (California Office of Emergency Services) via the 2024 Regional Urban Search and Rescue (US&R) Response Training Reimbursement Agreement. The RTF-4 is comprised of 30 people across seven fire departments in the region who are specially trained and equipped for large or complex US&R operations. The multi-disciplinary organization provides eight functional elements that include Supervision, Search, Rescue, Medical, Planning, Safety, Haz-Mat and Tool/Equipment Support. The reimbursement agreement with Cal OES will allow participating fire agencies to maintain regular staffing to avoid degradation of services or reduction in emergency response capabilities to the local community during the training.

    b. **Rio Hondo Community College Program** – The Department recommends recognizing and re-appropriating $111,328 in the General Fund (101) for the continuation of an Instructional Service Agreement (ISA) with the Rio Hondo Community College District (RHCCD). This funding was previously approved by the City Council on May 18, 2026 and was recommended to support ongoing training programs and department needs, including contract services with Auro Physiotherapy and Wellness to provide on-site physical therapy services, and for multi-cancer screenings and testing for fire personnel. As this budget was amended near the end of the fiscal year, there was not sufficient time to use the funding, which will continue into FY 2027.

    c. **California Fire Foundation Funds for Brush Abatement** – The Department recommends recognizing and re-appropriating $100,000 from the California Fire Foundation in the General Fund (101) for brush abatement. This funding was previously approved by the City Council on May 18, 2026 to reduce wildfire risk in Pasadena's High Fire Severity Zones through vegetation management, including clearing hazardous fuel and trimming trees near electrical infrastructure, while also addressing ongoing recovery needs following the Eaton Canyon Fire. As this budget was amended near the end of the fiscal year, there was not sufficient time to use the funding, which will continue into FY 2027.

    d. **Direct Relief Funds for Swift Water Program** – The Department recommends recognizing and re-appropriating $27,000 in the General Fund (101) for grant funding from Direct Relief to support the acquisition of a swift water trailer. This funding was previously approved by the City Council on May 18, 2026 for equipment that will enhance the Department's operational capacity to respond to water-related emergencies, including swift water rescues and post-wildfire mud and debris flow incidents. As this budget was

amended near the end of the fiscal year, there was not sufficient time to use the funding, which will continue into FY 2027.

7. **Parks, Recreation, and Community Services (PRCS) Funding** – The PRCS Department recommends appropriating $235,311 from the unappropriated fund balance in the General Fund (101) for the following purchases.

    a. **Park Maintenance Equipment** – The Department recommends re-appropriating $200,000 from the unappropriated fund balance in the General Fund (101) for previously approved funding to purchase park maintenance equipment. Procurement of the equipment was delayed while the appropriate purchasing method was clarified. Because the proposed cooperative contract could not be used in FY 2026, a competitive bid will be required in FY 2027.

    b. **Robinson Park Equipment** – The Department recommends re-appropriating $35,311 from the unappropriated fund balance in the General Fund (101) for previously approved FY 2026 funding for Robinson Park Gymnasium basketball backboards. Due to unanticipated delays, a purchase order for this equipment was not requested prior to the end of the fiscal year.

8. **Pasadena Public Health Funding** – The Pasadena Public Health Department (PPHD) recommends recognizing $500,000 and appropriating $150,000 in the Health Fund (203) and recognizing and appropriating $80,000 in the Homeland Security Grant Fund (230) for the programs outlined below.

    a. **Measure B Funding** – The Department recommends recognizing and appropriating funding in the amount of $150,000 in the Health Fund (203) for Measure B funding awarded by LA County Supervisorial District 5, which will be disbursed through the County's Department of Health Services (LAC DHS). The Measure B Fund provides financial assistance to support trauma and emergency services and bioterrorism preparedness efforts in Los Angeles County. Unallocated funds are split evenly between the County Supervisory Districts and made available for one-time projects that meet Measure B requirements. The funding will be used to purchase a mobile command unit for field operations management for bioterrorism and other public health emergency responses. The new mobile command unit will replace the prior trailer that was destroyed in the Eaton Fire in 2025.

    b. **Urban Area Security Initiative (UASI) Grant** – The Department recommends recognizing and appropriating $80,000 in the Homeland Security Grant Fund (230) for the UASI 24 grant. The UASI program provides financial assistance to address the planning, organization, equipment, training, and exercise needs of high-threat, high-density Urban Areas, and to assist these areas in building and sustaining capabilities to prevent, protect against, mitigate, respond to, and recover from threats or acts of terrorism using the Whole Community approach. As a passthrough from Cal OES, the City of Los Angeles awarded the Department a total of $80,000. The funding will be used to purchase a prepositioned cache of antibiotics for staff in the

case of a bioterrorism attack and for a vendor to deliver a Public Information Officer training for identified PPHD staff.

c. **General Fund Support Transfer to Public Health Fund** – The Department recommends recognizing revenue in the amount of $350,000 in the Health Fund (203) as a transfer from the General Fund. While the appropriation side of this transfer in the General Fund (101) was previously approved in the FY 2027 Adopted Operating Budget and described in the Department's budget narrative, the revenue side of the transfer in the Health Fund was inadvertently excluded in the City's system of record.

9. **Purchase of Clean Air Vehicles** – The Human Resources Department recommends appropriating $215,000 from the unappropriated fund balance in the Air Quality Improvement Fund (216) to purchase clean-air electric vehicles for the Fire Department and PRCS. This allocation of Air Quality Management District funding supports the City's ongoing commitment to sustainability and clean-air initiatives.

   Funding in the amount of $180,000 will be allocated to PRCS to purchase three 2026 Chevrolet Silverado EVs. This purchase was previously approved as part of the FY 2026 budget, but the purchases were not completed within the fiscal year and the funds remain available.

   Funding in the amount of $35,000 will be allocated to the Fire Department to purchase an electric vehicle for the Fire Inspector position approved as part of the FY 2027 Adopted Operating Budget.

10. **Metro Section 5310 Grant Program** – The Transportation Department recommends recognizing and appropriating $185,805 from the appropriated fund balance in the Transportation Sales Tax Fund (208) to implement the first year of the Metro Section 5310 grant program. On July 23, 2026 the City Council approved receipt of these grant funds, and while the FY 2027 local match was included in the FY 2027 Adopted Operating Budget, the grant-funded expenditures and corresponding grant revenue were inadvertently omitted.

11. **Concierge Program Positions (2.0 Management Analyst II)** – The Planning and Community Development Departments recommends appropriating $179,766 from the unappropriated fund balance in the Building Services Fund (204) and adding 2.0 FTE Management Analyst II positions on an ongoing basis to support an expansion to the City's development services concierge program. These positions will serve as dedicated development services concierges responsible for providing enhanced customer service and assisting commercial and residential applicants in navigating complex development projects that require coordination across multiple City departments, divisions, permitting processes, and inspections. The costs of these two positions are pro-rated for nine (9) months in FY 2027. The total cost of these positions in future years will be approximately $282,000.

12. **Historic Resources Survey Phase II** – The Planning and Community Development Department recommends re-appropriating $54,319 from the unappropriated fund

balance in the General Fund (101) to fund the continuation of the City-Wide Historic Resource Survey. These funds have been carried forward previously and are necessary to complete Phase II of the Historic Resource Survey, which includes the intensive level survey of eligible resources identified from the reconnaissance survey and public engagement, the final phase of the project. The final Historic Context Statement and final project report is anticipated to be completed and presented to the City Council by Spring 2027.

13. **Rent Stabilization Fund Revenue** – The Rent Stabilization Department recommends recognizing revenue in the amount of $160,000 in the Rent Stabilization Fund (689) to align revenue estimates with budgeted appropriations. During the FY 2027 budget process, appropriation adjustments were made to the budget for which the revenue portion of the adjustments were not.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by monitoring the FY 2027 Adopted Operating Budget and by implementing necessary budget amendments.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not "projects" as defined by CEQA Guidelines Section 21065 and within the meaning of Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The actions proposed herein, amending the City's FY 2027 Operating Budget, are governmental fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and therefore is not a "project" as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

As detailed in *Attachments A and B* of this report, approval of the proposed carry-forward items will increase FY 2027 total authorized operating appropriations across multiple funds by $9,633,600, which will be offset through increased revenues of $782,118, resulting in a net increase of $8,851,482.

As detailed in *Attachment C*, approval of the proposed budget amendments will increase FY 2027 total authorized operating appropriations across multiple funds by $4,410,432, which will be offset through increased revenues of $2,481,633, resulting in a net increase of $1,928,799.

The General Fund's unappropriated fund balance will decrease by a net amount of $1,702,558.

Full-Time Equivalents will increase overall by 2.00 permanent positions in the Building Services Fund (204).

Respectfully submitted,

KARIN SCHNAIDER
Director of Finance

Prepared by:

Jonathan Paul
Principal Administrative Analyst

Approved by:

MATTHEW E. HAWKESWORTH
Interim City Manager

Attachments: (3)

A) Attachment A: Listing of Carry-Forward Purchase Orders and Contracts
B) Attachment B: Listing of Carry-Forward Grants
C) Attachment C: Summary of Proposed 1st Quarter FY 2027 Budget Amendments

ATTACHMENT A: Listing of Carry-Forward Purchase Orders and Contracts

Item #	Department	Vendor / Grantor	Amount	Description/Notes	Fund	Fund Description
1a	City Manager's Office	Keyser Marston Associates	$ 33,085	Continuation of consultant services to assist the City in evaluating developer proposals for redevelopment of the Kaiser site (470 N Lake Ave)	101	General Fund
1b	Fire	South Coast Fire Equipment Inc	$ 2,909,297	Purchase of Two (2) Fire Engines in the Fleet Replacement Schedule; extended build times and manufacturing delays for fire apparatus extended delivery times	503	Fleet Replacement Fund
1c	Fire	South Coast Fire Equipment Inc	$ 2,831,716	Purchase of Two (2) Fire Engines in the Fleet Replacement Schedule; extended build times and manufacturing delays for fire apparatus extended delivery times	503	Fleet Replacement Fund
1d	Fire	Braun Northwest Inc	$ 1,406,939	Purchase of Three (3) Rescue Ambulances in the Fleet Replacement Schedule; extended build times and manufacturing delays are expected to push delivery to 2nd Quarter FY 2027	503	Fleet Replacement Fund
1e	Fire	MES I Acquisition Inc.	$ 513,766	Self-Contained Breathing Apparatus (SCBA) replacements and related components, to be completed in FY 2027	101	General Fund
1f	Housing	FFBH MOTORS LLC V#: 65510	$ 12,859	Replacement vehicle lost due to the Eaton Fire; anticipated to be received in September 2026	101	General Fund
1g	Housing	FFBH MOTORS LLC V#: 65510	$ 28,897	Replacement vehicle lost due to the Eaton Fire; anticipated to be received in September 2026	101	General Fund
1h	Housing	FFBH MOTORS LLC V#: 65510	$ 15,755	Replacement vehicle lost due to the Eaton Fire; anticipated to be received in September 2026	105	General Fund Projects Fund
1i	Housing	PFVT MOTORS LLC V#: 14033	$ 135,172	Replacement vehicle lost due to the Eaton Fire; anticipated to be received in September 2026	105	General Fund Projects Fund
1j	Housing	UAG CERRITOS I LLC V#: 1417	$ 158,769	Replacement vehicle lost due to the Eaton Fire; received in August 2026	105	General Fund Projects Fund
1k	Planning	JAS Pacific	$ 35,805	Eaton Fire schools plan review; plan checks and corrections for damaged schools are ongoing	105	General Fund Projects Fund
1l	Police	ProForce	$ 34,343	Replacement firearms lost in the Eaton Fire, which were received in July 2027	105	General Fund Projects Fund
1m	PRCS	Golden Star Technology Inc	$ 94,575	Purchase and installation of audio/visual equipment for Villa Parke Community Center; vendor scheduling constraints and equipment delivery delays pushed scheduled installation to October 2026	101	General Fund
1n	Public Works	Sonsray Machinery LLC	$ 32,275	Protective enclosure, additional safety equipment, and installation for the recently purchased Case SL50TR Loader assigned to the Parks, Recreation and Community Services (PRCS) Department, which was initially delivered without an enclosed cab; the enclosure is on order and should be available in 2nd Quarter FY 2027	503	Fleet Replacement Fund

ATTACHMENT A: Listing of Carry-Forward Purchase Orders and Contracts

Item #	Department	Vendor / Grantor	Amount	Description/Notes	Fund	Fund Description
1o	Public Works	72 HOUR LLC DBA: NATIONAL AUTO FLEET GROUP	$ 249,651	Three (3) Ford Lightning trucks and one (1) Chevy Silverado EV on order, which are replacement vehicles identified by Public Works (PW) for replacement for PW and PRCS; production to be begin in September 2026, with delivery anticipated in FY 2027	503	Fleet Replacement Fund
1p	Public Works	Puente Hills Ford, LLC	$ 241,967	Street Maintenance hot patch truck that was not delivered until FY 2027, and which is for the Roadways Crew to be used for pothole and surface repairs	101	General Fund
1q	Transportation	Gobis, John Nicolas	$ 60,330	Continuation of project study of bus stop amenities and bus shelter advertisement revenue strategies, and development of the RFP	209	Proposition C Local Transit Fund
1r	Transportation	Blais & Associates LLC	$ 52,769	Grant writing services to support the Department's grant application and funding effort in FY 2027; City was ineligible for initial identified grant in FY 2026	209	Proposition C Local Transit Fund

$ 8,847,971	**Grand Total Appropriations**

Appropriations by Fund	
$ 925,149	Total General Fund (101)
$ 379,845	Total General Fund Projects Fund (105)
$ 113,099	Total Proposition C Local Transit Fund (209)
$ 7,429,877	Total Fleet Replacement Fund (503)

ATTACHMENT B: Listing of Carry-Forward Grants

Item #	Department	Vendor / Grantor	Type	Amount	Notes	Fund	Fund Description
2a	City Manager's Office	Community Development Block Grant	Revenue	$ 125,500	Micro Enterprise Grant Program, to assist local, low-to-moderate income, micro-enterprises (5 employees or fewer) impacted by the Eaton Fire	101	General Fund
			Expense	$ 125,500		101	General Fund
2b	Housing	California Department of Transportation	Revenue	$ 432,959	Clean California Local Grant project expenditures in accordance with the Caltrans Grant Agreement	101	General Fund
			Expense	$ 432,959		101	General Fund
2c	Police	US Department of Justice	Revenue	$ 34,390	USDOJ Edward G. Byrne grant for eleven (11) Automated License Plate Readers (ALPRs)	101	General Fund
			Expense	$ 34,390		101	General Fund
2d	Police	California Office of Traffic Safety (OTS)	Revenue	$ 164,813	CalOTS grant for Driving Under the Influence (DUI) checkpoints	101	General Fund
			Expense	$ 164,813		101	General Fund
2e	Library	California State Library	Revenue	$ 9,456	Lunch at the Library grant program will continue to address food insecurity during the summer months while also promoting literacy	212	Library Services Fund
			Expense	$ 12,967		212	Library Services Fund
2f	Library	Urban Libraries Council	Revenue	$ 15,000	Civic Makers Lab for Adults program helps young adults build civic knowledge and skills through action-based, experiential learning	212	Library Services Fund
			Expense	$ 15,000		212	Library Services Fund

$ 785,629	**Grand Total Appropriations**

Appropriations by Fund	
$ 757,662	Total General Fund (101)
$ 27,967	Total Library Services Fund (212)

Attachment C: Summary of Proposed 1st Quarter FY 2027 Budget Amendments

(excludes Carry-Forward Items)

			Proposed Amendments			
Item #	**Fund**		**Revenue Recognition**	**Expenditure Appropriations**	**Net Amendments**	**FTE Amendments**
3d	101	General Fund - Housing Department	$0	$55,612	$55,612	-
5a	101	General Fund - City Manager's Office	$0	$432,167	$432,167	-
5b	101	General Fund - City Manager's Office	$200,500	$200,500	$0	-
6b	101	General Fund - Fire Department	$111,328	$111,328	$0	-
6c	101	General Fund - Fire Department	$100,000	$100,000	$0	-
6d	101	General Fund - Fire Department	$27,000	$27,000	$0	-
7a	101	General Fund - Parks, Recreation, and Community Services Department	$0	$200,000	$200,000	-
7b	101	General Fund - Parks, Recreation, and Community Services Department	$0	$35,311	$35,311	-
12	101	General Fund - Planning and Community Development Department	$0	$54,319	$54,319	-
		Total General Fund	**$438,828**	**$1,216,238**	**$777,409**	**-**
3a	238	Other Housing Funds	$832,300	$832,300	$0	-
3b	221	Home Investment Partnership Fund	$0	$331,073	$331,073	-
3c	238	Other Housing Funds	$37,500	$37,500	$0	-
4	406	Refuse Collection Fund	$0	$935,551	$935,551	-
6a	230	Homeland Security Grant Fund	$247,200	$247,200	$0	-
8a	203	Health Fund	$150,000	$150,000	$0	-
8b	230	Homeland Security Grant Fund	$80,000	$80,000	$0	-
8c	203	Health Fund	$350,000	$0	($350,000)	-
9	216	Air Quality Improvement Fund	$0	$215,000	$215,000	-
10	208	Transportation Sales Tax Fund	$185,805	$185,805	$0	-
11	204	Building Services Fund	$0	$179,766	$179,766	2.00
13	689	Rent Stabilization Fund	$160,000	$0	($160,000)	-
		City Funds Total	**$2,481,633**	**$4,410,432**	**$1,928,799**	**2.00**

Amendments to Fiscal Year 2027 Adopted Operating Budget

Jonathan Paul
Principal Administrative Analyst

October 13, 2026
Finance Committee/City Council
Item 3 (Finance); Item 5 (City Council)

Recommendations

Finance Department

A. Amend the Fiscal Year (FY) 2027 Operating Budget

- Carry forward a net amount of $8,851,482 for previously approved appropriations from the FY 2026 budget that were unexpended as of June 30, 2026
- Budgetary adjustments netting an increase of $1,928,799 in appropriations, and an increase of 2.0 Full Time Equivalent (FTE) positions to the Citywide count

FY 2027 Budget Amendments

Finance Department

1. **Carry-forward of FY 2026 Purchase Orders and Contracts**
   - Appropriate $8,847,971 to be carried forward from FY 2026 to FY 2027 throughout various funds
   - Eighteen (18) Purchase Orders and Contracts

2. **Carry-forward of FY 2026 Grants**
   - Recognize revenue of $782,118 and appropriate $785,629 to carry forward the remaining balances of six (6) grants from FY 2026 to FY 2027 across two different funds

PASADENA

FY 2027 Budget Amendments

Housing Department

3. Housing Department Funding

a) Measure A Funding

- ✓ Recognize and appropriate $832,300 in the Other Housing Funds (238) for rental assistance
- ✓ Support from Measure A Local Solutions Funds to support households receiving emergency household vouchers

b) Ramona Street Affordable Housing

- ✓ Appropriate $331,073 in the Home Investment Partnership Fund (221) for the Ramona Seniors, a 100-unit affordable housing project on City-owned property
- ✓ Funding towards project costs during the construction phase

PASADENA

3. Housing Department Funding (cont'd)

c) Mobile Shower Services

- ✓ Recognize and appropriate $37,500 from the County of Los Angeles in the Other Housing Funds (238)
- ✓ Partnership with The Shower of Hope to provide weekly mobile shower services to people experiencing homelessness

d) Bad Weather Shelter

- ✓ Appropriate $55,612 in the General Fund (101) for capital improvements at the Trinity Evangelical Lutheran Church, necessary for the operation of the Bad Weather Shelter
- ✓ Will be used for completion of the laundry room, shower room, and restrooms, and will address an attic access issue

FY 2027 Budget Amendments

Public Works Department

4. Street Sweeper Purchases

- Appropriate $935,551 in the Refuse Collection Fund (406) for the purchase of two street sweepers
- Replace existing street sweepers that have reached the end of their useful lives
- Purchase unable to be completed in FY 2026

FY 2027 Budget Amendments

Office of the City Manager

5. City Manager's Office Funding

a) Dine Out Grant Program

- ✓ Appropriate $432,467 in the General Fund (101)
- ✓ $1.5 million federal earmark from the Small Business Association
- ✓ Program delays necessitate re-appropriation for the remaining grantees/businesses to complete their projects

b) CDBG Commercial Façade Program

- ✓ Recognize and appropriate $200,500 in the General Fund (101) for the CDBG-funded program
- ✓ Element of the FY 2025 Annual Action Plan submitted by the Housing Department to HUD
- ✓ Assist in enhancing commercial districts to create quality shopping and dining experiences

6. Pasadena Fire Department Funding

a) 2024 CalOES Regional US&R Task Force Four (RTF-4)

- ✓ Recognize and appropriate $247,200 in the Homeland Security Grant Fund (230) for Response Training Reimbursement Agreement
- ✓ Agreement with CalOES will allow participating agencies to maintain regular staffing during training

b) Rio Hondo Community College Program

- ✓ Recognize and re-appropriate $111,328 in the General Fund (101) for the ISA with Rio Hondo Community College District
- ✓ Will support ongoing training programs and department needs, including contract services with Auro Physiotherapy and Wellness to provide on-site physical therapy services, and multi-cancer screenings and testing for fire personnel

6. Pasadena Fire Department Funding (cont'd)

c) California Fire Foundation Funds for Brush Abatement

- ✓ Recognize and reappropriate $100,000 from the CA Fire Foundation in the General Fund (101) for brush abatement
- ✓ To reduce wildfire risk in the City's High Fire Severity Zones through vegetation management, while also addressing ongoing recovery needs following the Eaton Canyon Fire

d) Direct Relief Funds for Swift Water Program

- ✓ Recognize and reappropriate $27,000 in the General Fund (101) for grant funding from Direct Relief to support the acquisition of a swift water trailer
- ✓ Will enhance the Department's operational capacity to respond to water-related emergencies

FY 2027 Budget Amendments

Parks, Recreation, and Community Services Department

7. Parks, Recreation, and Community Services Funding

a) Park Maintenance Equipment

- ✓ Reappropriate $200,000 in the General Fund (101)
- ✓ Procurement of equipment was delayed while appropriate purchasing method was clarified

b) Robinson Park Equipment

- ✓ Reappropriate $35,311 in the General Fund (101) for Robinson Park Gymnasium basketball backboards
- ✓ Unanticipated delays caused a purchase order to not be requested prior to the end of the fiscal year

FY 2027 Budget Amendments

Public Health Department

8. Pasadena Public Health Funding

a) Measure B Funding

- ✓ Recognize and appropriate $150,000 in the Health Fund (203) for Measure B funding awarded by LA County Supervisorial District 5
- ✓ Financial assistance to support trauma and emergency services and bioterrorism efforts in LA County
- ✓ Purchase a mobile command unit for field operations management for bioterrorism and other public health responses

b) Urban Area Security Initiative (UASI) Grant

- ✓ Recognize and appropriate $80,000 in the Health Fund (203)
- ✓ UASI 24 grant will be used to purchase a prepositioned cache of antibiotics for staff in the case of a bioterrorism attack, and for PIO training for identified departmental staff

PASADENA

FY 2027 Budget Amendments

Public Health Department

8. Pasadena Public Health Funding (cont'd)

c) General Fund Support Transfer to Public Health Fund

- ✓ Recognize revenue in the amount of $350,000 in the Health Fund (203) as a Transfer From the General Fund
- ✓ Appropriation side of this transfer in the General Fund was approved in the FY 2027 Adopted Operating Budget
- ✓ Revenue side of the transfer in the Health Fund was inadvertently excluded in the City's system of record

FY 2027 Budget Amendments

Human Resources Department

9. Purchase of Clean Air Vehicles

- Appropriate $215,000 in the Air Quality Improvement Fund (216) to purchase four (4) clean-air vehicles
  - $180,000 will be allocated to PRCS to purchase three(3) 2026 Chevrolet Silverado EVs, which was not completed in FY 2026
  - $35,000 will be allocated to the Fire Department to purchase an electric vehicle for the Fire Inspector position that was approved as part of the FY 2027 Adopted Operating Budget

FY 2027 Budget Amendments

Transportation Department

10. Metro Section 5310 Grant Program

- Recognize and appropriate $185,805 in the Transportation Sales Tax Fund (208) to implement the first year of the Metro Section 5310 grant program
- City Council approved receipt of funding in July
- Local match was anticipated and included in the FY 2027 Adopted Operating Budget, though the grant-funded expenditures and corresponding revenue were inadvertently omitted

FY 2027 Budget Amendments

Planning and Community Development Department

11. Concierge Program Positions (2.0 Management Analyst II)

- Appropriate $179,766 in the Building Services Fund (204) and add 2.0 FTE Management Analyst II positions
- Position responsibilities include:
  - Providing enhanced customer service to support an expansion to the City's development services concierge program
  - Assisting commercial and residential applicants in navigating complex development projects that require coordination across multiple City departments, divisions, permitting processes, and inspections

FY 2027 Budget Amendments

Planning and Community Development Department

12. Historic Resources Survey Phase II

- Reappropriate $54,319 in the General Fund (101) to fund the continuation of the City-Wide Historic Resource Survey
- Will complete Phase II of the survey
- Intensive level survey of eligible resources identified from the reconnaissance survey and public engagement
- Final Historic Context Statement and project report anticipated to be completed and presented to the City Council by Spring 2027

FY 2027 Budget Amendments

Rent Stabilization Department

13. Rent Stabilization Fund Revenue

- Recognize revenue in the amount of $160,000 in the Rent Stabilization Fund (689) to align revenue estimates with budgeted appropriations
- Appropriation adjustments were made as part of the FY 2027 Adopted Operating Budget, while the revenue portion of the adjustments were not

NEW BUSINESS

ITEM 4

4. APPROVE FISCAL YEAR 2026 GENERAL FUND EMERGENCY CONTINGENCY COMMITMENT OF $54,737,400 AND UP TO $18,245,800 IN THE GENERAL FUND OPERATING RESERVE COMMITMENT

Agenda Report

October 13, 2026

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Finance Department

SUBJECT: **APPROVE FISCAL YEAR 2026 GENERAL FUND EMERGENCY CONTINGENCY COMMITMENT OF $54,737,400 AND UP TO $18,245,800 IN THE GENERAL FUND OPERATING RESERVE COMMITMENT**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that that the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378, and, as such, no environmental document pursuant to CEQA is required; and

2. Adopt a resolution approving the City of Pasadena General Fund Emergency Contingency commitment of $54,737,400 and General Fund Operating Reserve commitment of up to $18,245,800 (with the final amount to be determined upon conclusion of Fiscal Year (FY) 2026 financial statement preparation based solely on General Fund sub-fund 101 (Fund 101)).

BACKGROUND:

As recommended by the Government Finance Officers Association best practices and to meet City Council's strategic planning objective of fiscal responsibility and stability, the City has established fund reserve goals. Maintaining adequate and prudent levels of fund reserves mitigates current and future risks by protecting against reducing service levels or raising taxes or fees, because of temporary revenue shortfalls, unexpected one-time expenditures, or natural disaster costs. Appropriate reserve levels are monitored by rating agencies and play an essential role in safeguarding the City's bond ratings.

In FY 2017 the overall commitment of 20% was split between the General Fund Emergency Contingency (15%) and a General Fund Operating Reserve (5%).

The City's Fund Balance Policy follows Governmental Accounting Standards Board (GASB) Statement No. 54, which defines how governments classify fund balance. This standard classifies fund balance into five categories: non-spendable, restricted, committed, assigned, and unassigned. It also requires formal action by the City Council to commit a fund balance annually, prior to fiscal year end and before the financial statements are audited.

This action formally commits the full 15% FY 2026 General Fund Emergency Contingency Committed fund balance for $54,737,400 and the 5% General Fund Operating Reserve of up to $18,245,800 with a recognition that the actual amount of the Operating Reserve may be less, to account for previously approved unreimbursed activities.

The table below provides a comparison of the General Fund balances and includes the Section 115 Trusts for both pension and other post-employment benefits.

General Fund - Fund Balance Summary

	FY 2025	FY 2026	Change
15% Emergency Reserve	51,292,500	54,737,400	3,444,900
5% Operating Reserve	17,097,500	18,245,800	1,148,300
Sub-Total	68,390,000	72,983,200	4,593,200
Section 115 Trust - Pension	14,273,745	8,337,795	(5,935,950)
Section 115 Trust - OPEB	2,704,003	2,950,023	246,020
Total	**$85,367,748**	**$84,271,018**	**($1,096,730)**

The City used a portion of its Section 115 Pension Trust Fund to help manage rising pension costs. The Trust Fund had grown to about $14.9 million through investment earnings, in December of 2025, City Council approved using $7 million from the trust to make an additional discretionary payment to CalPERS.

As part of the budget adoption for FY 2026, the City Council determined that the General Fund Emergency Contingency Commitment and Operating Reserve Commitment Calculations should be based on the current year appropriations solely from the General Fund 101 excluding sub funds 102-108, which are specialized funds of the General Fund.

In order to qualify as a committed fund balance, a stabilization commitment of fund balance must clarify the circumstances under which the funds may be utilized. These circumstances cannot occur routinely. Hence, the terms "extreme operational budget deficits" and "to mitigate the effects of major economic uncertainties resulting from

events uncontrollable by the City" are used in the resolution to enact the Operating Reserve.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by the commitment of General Fund Balance for Emergency Contingency and commitment of General Fund Balance for Operating Reserve.

ENVIRONMENTAL ANALYSIS:

The proposed action is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378. The approval of the commitment of general fund emergency contingency and general fund operating reserves is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since, the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

For many years the General Fund has had surplus unassigned fund balance beyond the reserve commitments. With the strategic use of fund balance to fund capital improvement projects, the surplus funds have been expended or committed. The reserve commitments in the General Fund have already been appropriated in FY 2027. There is no fiscal impact as a result of this action; however, the individual components that make up the total fund balance are changed.

Respectfully submitted,

KARIN SCHNAIDER
Director of Finance

Prepared by:

for Armine Trashian
Controller

Approved by:

MATTHEW E. HAWKESWORTH
Interim City Manager

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA APPROVING THE COMMITMENT OF GENERAL FUND BALANCE FOR THE GENERAL FUND EMERGENCY CONTINGENCY COMMITMENT AND GENERAL FUND BALANCE OPERATING RESERVE COMMITMENT FOR FISCAL YEAR 2026

WHEREAS, the Governmental Accounting Standards Board (GASB) has issued its Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions with the intent of improving financial reporting by providing fund balance categories that will be more easily understood;

WHEREAS, the City Council last modified the Fund Balance Policy on August 15, 2011, through Resolution no. 9136 (the "Fund Balance Policy");

WHEREAS, the Fund Balance Policy increased the commitment of General Fund Balance from 10 percent to 20 percent of the General Fund annual appropriations for Fiscal Years after Fiscal Year 2014;

WHEREAS, the Fund Balance Policy includes a temporal framework for increasing the General Fund Emergency Contingency Commitment of the General Fund after Fiscal Year 2014, over five years if this goal cannot be reached initially;

WHEREAS, the Fund Balance Policy states that it be taken into account during budget preparation;

WHEREAS, the Fund Balance Policy provides that the City Council may commit General Fund balance for specific purposes by taking formal action and these committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same formal action taken to establish the commitment;

WHEREAS, as part of the budget adoption for fiscal year 2027, the City Council determined that the General Fund Emergency Contingency Commitment should be maintained at fifteen (15) percent and the General Fund Operating Reserve Commitment should be maintained at an amount less than five (5) percent of the adopted General Fund annual appropriations; and

WHEREAS, as part of the budget adoption for fiscal year 2027, the City Council determined that the General Fund Emergency Contingency Commitment and Operating Reserve Commitment calculations should be based on the current year appropriations solely from the General Fund sub fund (Fund 101 in the City's general ledger), excluding sub funds 102 through 108, which are specialized funds of the General Fund.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASADENA RESOLVES AS FOLLOWS:

1. The General Fund Emergency Contingency Commitment of General Fund Balance shall be $54,737,400.

2. The General Fund Emergency Contingency Commitment may be used for emergency contingencies in the event of the declaration of a state or Federal state of emergency or a local emergency as defined in Title 2, Chapter 2.370 of the City of Pasadena Municipal Code and these uses may only be changed by approval of a subsequent resolution of the City Council.

3. The General Fund Operating Reserve Commitment of General Fund balance shall be determined upon the conclusion of the Fiscal Year 2026 financial statement preparation by committing up to $18,245,800 to the extent possible, based on availability of funding from the unassigned General Fund balance.

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4. The General Fund Operating Reserve Commitment may be used for the purpose of stabilizing the delivery of City services during periods of extreme operational budget deficits and to mitigate the effects of major economic uncertainties resulting from events uncontrollable by the City and these uses may only be changed by approval of a subsequent resolution of the City Council.

Adopted at the regular meeting of the City Council on the ___ day of October, 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mark Jomsky, CMC
City Clerk

Approved as to form:

for

Arnold F. Lee
Chief Assistant City Attorney

PASADENA

Department of Finance

Commitment of General Fund Balance for General Fund Emergency Contingency and General Fund Operating Reserve for FY 2026

Armine Trashian
Controller

October 13, 2026
Finance Committee/City Council
Item 4 (Finance Committee); Item 7 (City Council)

GASB Statement No. 54 - Review

- Accounting 101
  - Assets – Liabilities = Fund Balance

Categories of Fund Balance:

- Nonspendable
- Spendable - Four Classifications:
  - Restricted
  - Committed
  - Assigned
  - Unassigned

GASB Statement No. 54 - Categories

- Nonspendable Fund Balance:
  - Not in spendable form - such as Inventory or prepaids
  - Legally or contractually required to be kept intact, such as principal in a permanent fund.
- Restricted Fund Balance:
  - Externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or
  - Imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance:
  - Committed to specific purpose by formal action by highest level of decision makers.
  - Uncommitted only through same level of formal action.
  - Required prior to end of reporting period. Amount may be subsequently determined.

GASB Statement No. 54 - Categories

- Assigned Fund Balance:
  - Amounts intended for a specific purpose.
  - Intent should be expressed by governing body or delegate who assigns amounts in accordance with policy established by the governing body.
  - Authority has been delegated to the Finance Director for assignments of fund balance for financial statements.

- Unassigned Fund Balance:
  - Residual classification for the General Fund for amounts not restricted, committed, or assigned.
  - General Fund is the only fund to present positive unassigned fund balance.

General Fund Commitment

Department of Finance

- Policy:
- FY 2026 Emergency Contingency (15%)= $54,737,400
- FY 2026 Operating Reserve (5%) = $18,245,800
- Total FY 2026 Commitment (20%) = $72,983,200

General Fund Commitment

Department of Finance

5-Year General Fund Reserve History					
	FY 2026	**FY 2025**	**FY 2024**	**FY 2023**	**FY 2022**
15% Emergency Reserve	54,737,400	51,292,500	48,552,000	43,952,969	43,003,950
5% Operating Reserve	18,245,800	17,097,500	16,184,000	14,650,989	14,334,650
Sub-Total	**72,983,200**	**68,390,000**	**64,736,000**	**58,603,958**	**57,338,600**
Section 115 Trust - Pension	8,337,795	14,273,745	13,206,233	11,982,715	11,701,050
Section 115 Trust - OPEB	2,950,023	2,704,003	2,501,656	2,270,012	2,216,382
Total	**$84,271,018**	**$85,367,748**	**$80,443,889**	**$72,856,685**	**$71,256,032**

General Fund Commitment - Recommendation

Department of Finance

- City Council, through formal action (resolution), commits $54,737,400 for emergency purposes defined as:
  - General Fund Emergency Contingency Commitment to be used in the event of a declared federal, state, or local emergency.
  - Can only be changed by City Council resolution.

Operating Reserve

Department of Finance

- The fund balance policy allows for a separate Operating Reserve allocation, in order to provide flexibility to the City Council to utilize some reserves for strategic purposes without declaring a fiscal emergency. The operating reserve for 2026 is $18,245,800.