City of Chico

Proposed Annual Budget

FY 2026-27

Today's Budget Presentation

- Budget Document Overview
- Financial Overview
- Department Presentations
- Discussion
- Consider Approval of Proposed Budget

Budget Document Overview

New in FY2026-27

City of Chico

FY 2026-27 PROPOSED BUDGET

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New in FY2026-27 Budget

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- Capital Summary By Type

City of Chico
FY 2026-27 PROPOSED BUDGET

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REQUEST TITLE	PROJECT NUMBER	REQUEST TYPE	ESTIMATED FINAL FY2026	BUDGETED FY2027	BUDGETED FY2028	BUDGETED FY2029	BUDGETED FY2030	BUDGETED FY2031
Garner Ln Reconstruction	50693	Road & Bikeways	$ 665,407	$ -	$ -	$ -	$ -	$ -
Citywide Pedestrian Safety Enh	50694	Road & Bikeways	$ 38,787	$ -	$ -	$ -	$ -	$ -
Citywide Pedestrian Safety Enh	50694	Road & Bikeways	$ 349,830	$ -	$ -	$ -	$ -	$ -
2031 Road Rehabilitation - Barber Neighbor	50713	Road & Bikeways	$ -	$ -	$ -	$ -	$ -	$ 15,000,000
Trails Plan and Implementation	50716	Road & Bikeways	$ 41,200	$ -	$ -	$ -	$ -	$ -
Total Road & Bikeways			**$ 129,254,043**	**$ 23,098,243**	**$ 17,637,500**	**$ 17,637,500**	**$ 17,637,500**	**$ 17,637,500**
Annual Fleet Replacement	50033	Vehicles and Wheeled Equip.	$ 1,274,122	$ 1,799,654	$ 10,622,471	$ 1,366,505	$ 1,434,648	$ 1,665,898
DIF Fleet Replacement	50436	Vehicles and Wheeled Equip.	$ 52,511	$ -	$ -	$ -	$ -	$ -
Replacement Aerial Truck	50545	Vehicles and Wheeled Equip.	$ 30,270	$ 41,200	$ -	$ -	$ -	$ -
Community Service Officer Truck	50612	Vehicles and Wheeled Equip.	$ 8,285	$ -	$ -	$ -	$ -	$ -
CSO Truck	50650	Vehicles and Wheeled Equip.	$ 19,457	$ 7,210	$ -	$ -	$ -	$ -
Transport Van	50651	Vehicles and Wheeled Equip.	$ 118,450	$ -	$ -	$ -	$ -	$ -
Patrol Vehicles (4)	50652	Vehicles and Wheeled Equip.	$ 110,790	$ -	$ -	$ -	$ -	$ -
Replacement Engines E5R and E6	50677	Vehicles and Wheeled Equip.	$ 400,000	$ -	$ -	$ -	$ -	$ -
Replacement Engines E5R and E6	50677	Vehicles and Wheeled Equip.	$ 3,022,020	$ -	$ -	$ -	$ -	$ -
New Parks Truck	50679	Vehicles and Wheeled Equip.	$ 85,490	$ -	$ -	$ -	$ -	$ -
2 Target Team Vehicles	50696	Vehicles and Wheeled Equip.	$ 99,745	$ -	$ -	$ -	$ -	$ -
Traffic Unit Vehicles	50704	Vehicles and Wheeled Equip.	$ 187,460	$ -	$ -	$ -	$ -	$ -
Special Weapons and Tactics (SWAT) Transp	50705	Vehicles and Wheeled Equip.	$ 225,834	$ 25,750	$ 25,750	$ 25,750	$ 25,750	$ -
Industrial Mechanic Truck (WPCP)	50728	Vehicles and Wheeled Equip.	$ -	$ 82,400	$ -	$ -	$ -	$ -
AIP XX - Airport Fire Truck ARFF	50730	Vehicles and Wheeled Equip.	$ -	$ -	$ 160,000	$ -	$ -	$ -
AIP XX - Airport Fire Truck ARFF	50730	Vehicles and Wheeled Equip.	$ -	$ -	$ 1,440,000	$ -	$ -	$ -
Unmanned Aerial System (UAS) Vehicle	50735	Vehicles and Wheeled Equip.	$ -	$ 424,360	$ 28,325	$ 28,325	$ 28,325	$ 28,325
Total Vehicles and Wheeled Equipment			**$ 5,634,434**	**$ 2,380,574**	**$ 12,276,546**	**$ 1,420,580**	**$ 1,488,723**	**$ 1,694,223**

CITY OF CHICO INC. 1872

Schedule of Interfund Transfers

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CITY OF CHICO
INC. 1872

City of Chico
FY 2026-27 PROPOSED BUDGET

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Fiscal Year 2026-27
Schedule of Interfund Transfers

Fund Number	Transferring Fund (Source)	Fund Number	Receiving Fund (Use)	Amount ($)
F001	General Fund	F002	Park	$ 3,959,300.00
F001	General Fund	F003	Emergency Reserve	$ 1,006,961.00
F001	General Fund	F009	Debt Service	$ 499,999.00
F001	General Fund	F051	Arts & Culture	$ 43,532.00
F001	General Fund	F052	Specialized Community Services	$ 5,401,609.00
F001	General Fund	F098	Justice Assistance Grant (JAG)	$ 1,779.00
F001	General Fund	F099	Supplemental Law Enforcement Service	$ 31,390.00
F001	General Fund	F100	Grants - Operating Activities	$ 7,229.00
F001	General Fund	F312	Remediation	$ 257,725.00
F001	General Fund	F315	General Plan Reserve	$ 100,000.00
F001	General Fund	F856	Airport	$ 214,011.00
F001	General Fund	F871	Private Development - Building	$ 205,500.00
F001	General Fund	F872	Private Development - Planning	$ 73,500.00
F001	General Fund	F873	Private Development - Engineering	$ 63,700.00
F001	General Fund	F874	Private Development - Fire	$ 24,300.00
F001	General Fund	F876	City Recreation	$ 91,404.00
F001	General Fund	F931	Technology Replacement	$ 200,000.00
F001	General Fund	F932	Fleet Replacement	$ 541,200.00
F001	General Fund	F933	Facility Maintenance Reserve	$ 300,000.00
F001	General Fund	F934	Prefunding Equipment Liability Reserve - Police	$ 270,000.00
F001	General Fund	F938	Prefunding Equipment Liability Reserve - Fire	$ 173,768.00
F001	General Fund	F941	Maintenance District Admin	$ 106,148.00
F001	General Fund	F943	Public Infrastructure Replcmt	$ 2,090,000.00
F005	Measure H	F003	Emergency Reserve	$ 560,265.00
F005	Measure H	F307	Streets & Roads	$ 600,341.00
F052	Specialized Community Services	F932	Fleet Replacement	$ 23,593.00
F211	Traffic Safety	F001	General Fund	$ 40,000.00
F212	Transportation	F307	Streets & Roads	$ 100,000.00
F305	Bikeway Improvement	F871	Private Development - Building	$ 1,250.00
F305	Bikeway Improvement	F873	Private Development - Engineering	$ 1,250.00
F307	Streets & Roads	F932	Fleet Replacement	$ 590,750.00
F308	Street Facility Improvement	F871	Private Development - Building	$ 7,500.00

Total Appropriations

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City of Chico
FY 2026-27 PROPOSED BUDGET

Service Area	Operating Amount	Capital Amount	Total Appropriations	General Funds/Measure H Expenditures (includes capital)
Administrative Services	$ 13,905,164	$ 1,626,719	$ 15,531,883	$ 929,496
City Attorney	$ 1,291,560	$ -	$ 1,291,560	$ 641,560
City Clerk	$ 2,239,159	$ 36,000	$ 2,275,159	$ 2,147,774
City Manager	$ 1,551,103	$ 219,000	$ 1,770,103	$ 1,651,103
Community Development	$ 8,270,701	$ 1,608,511	$ 9,879,212	$ 1,953,670
Fire	$ 22,866,710	$ 456,782	$ 23,323,492	$ 22,599,622
Police	$ 48,549,244	$ 1,117,908	$ 49,667,152	$ 48,335,726
Public Works - Engineering	$ 11,311,228	$ 26,803,043	$ 38,114,271	$ 18,370,773
Public Works - Operations & Maintenance	$ 35,043,646	$ 8,131,186	$ 43,174,832	$ 11,039,432
Successor Agency	$ 1,979,758		$ 1,979,758	
Improvement Districts	$ 2,351,938		$ 2,351,938	
Debt Service (includes Sewer, Successor Agency & Leases)	$ 9,155,512		$ 9,155,512	
Total:	$ 158,515,723	$ 39,999,149	$ 198,514,872	$ 107,669,156

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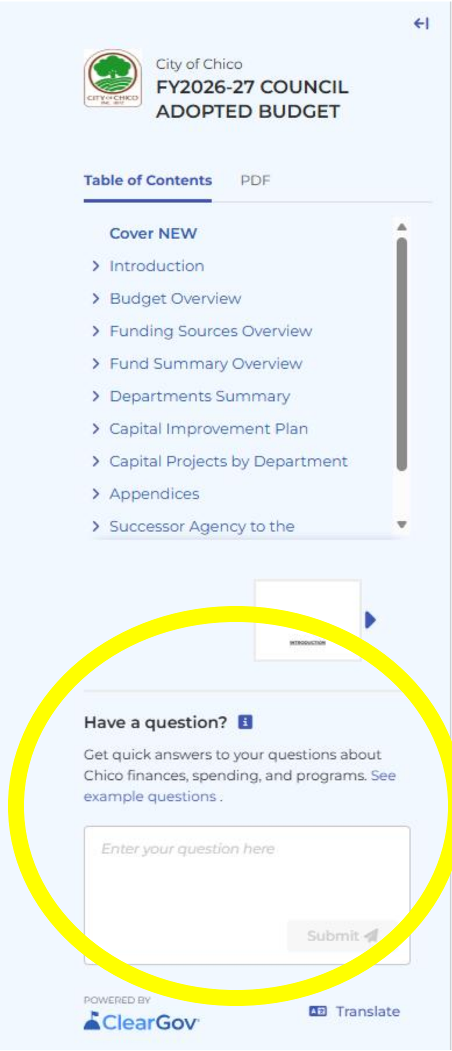

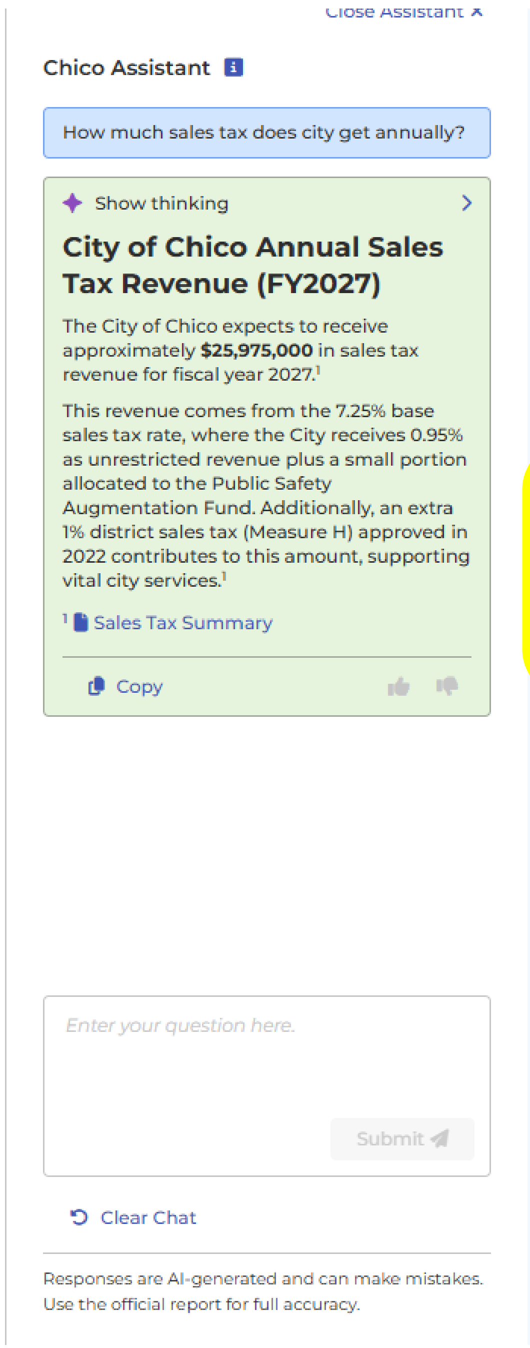

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CITY OF CHICO
INC. 1872

Financial Overview

City Council Strategic Initiatives

A SAFE COMMUNITY

Focusing on creating a safe community through several key objectives, including enhancing staffing and departmental policies, improving infrastructure related to traffic and transportation, and strengthening resilience against natural threats such as flooding and wildfires while integrating a comprehensive homelessness response into these initiatives.

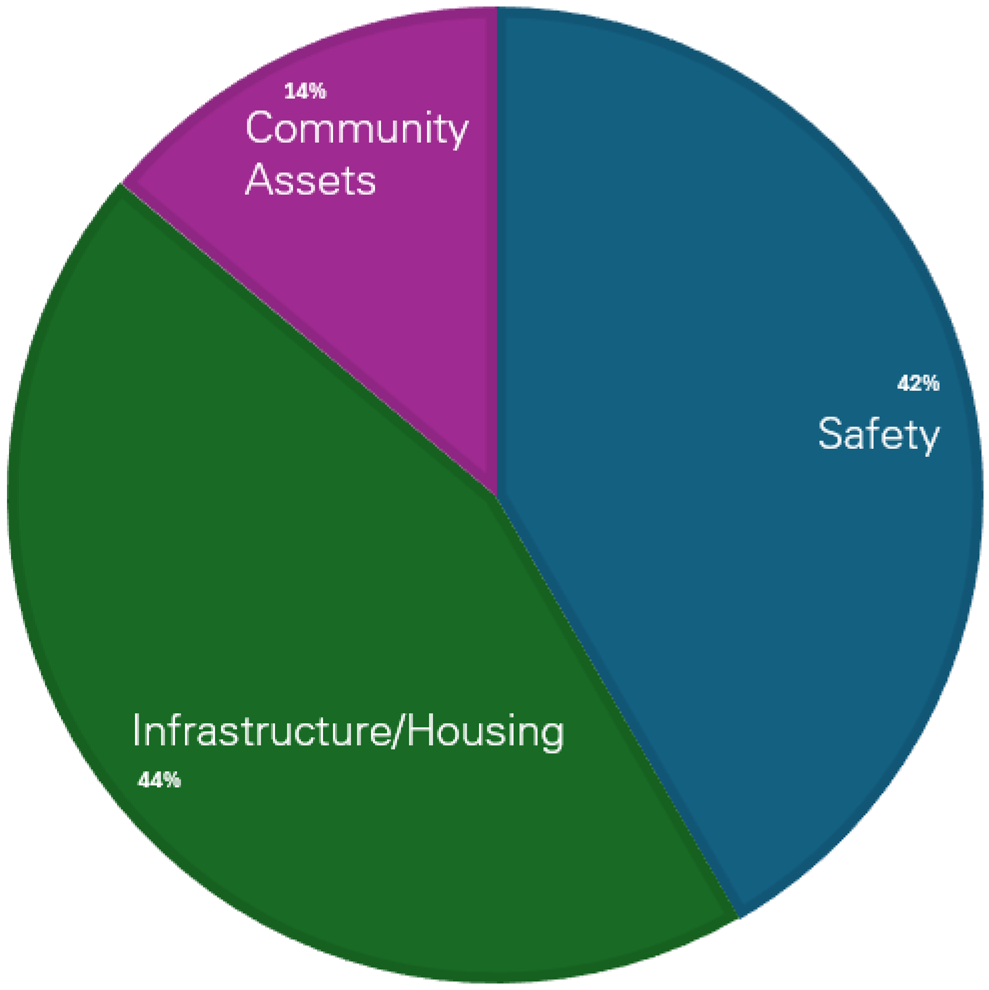
LONG-TERM VIABILITY

Prioritizing long- term sustainability through steady infrastructure investment, reforming land use and housing policies, adhering to the 2030 General Plan, while developing an economic strategic plan centered around sound financial policies.

PROTECT AND ENHANCE PRIMARY COMMUNITY ASSETS

Investing in parks, greenways, and recreational facilities, revitalizing neighborhoods, collaborating with California State University, Chico (CSUC), improving downtown Chico, and supporting key businesses that drive economic growth, helping retain current residents while attracting new ventures.

Funding by City Council Initiative



FY2026-27 Total Appropriations

Service Area	Operating Amount	Capital Amount	Total Appropriations	General Funds/Measure H Expenditures (includes capital)
Administrative Services	$ 13,905,164	$ 1,626,719	$ 15,531,883	$ 929,496
City Attorney	$ 1,291,560	$ -	$ 1,291,560	$ 641,560
City Clerk	$ 2,239,159	$ 36,000	$ 2,275,159	$ 2,147,774
City Manager	$ 1,551,103	$ 219,000	$ 1,770,103	$ 1,651,103
Community Development	$ 8,270,701	$ 1,608,511	$ 9,879,212	$ 1,953,670
Fire	$ 22,866,710	$ 456,782	$ 23,323,492	$ 22,599,622
Police	$ 48,549,244	$ 1,117,908	$ 49,667,152	$ 48,335,726
Public Works - Engineering	$ 11,311,228	$ 26,803,043	$ 38,114,271	$ 18,370,773
Public Works - Operations & Maintenance	$ 35,043,646	$ 8,131,186	$ 43,174,832	$ 11,039,432
Successor Agency	$ 1,979,758		$ 1,979,758	
Improvement Districts	$ 2,351,938		$ 2,351,938	
Debt Service (includes Sewer, Successor Agency & Leases)	$ 9,155,512		$ 9,155,512	
Total:	$ 158,515,723	$ 39,999,149	$ 198,514,872	$ 107,669,156

City of Chico General Funds

Five-Year Projection

CITY OF CHICO
INC. 1872

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9	ESTIMATED FINAL 2025-26	PROPOSED BUDGET 2026-27	PROJECTED BUDGET 2027-28	PROJECTED BUD 2028-29
REVENUES				
Sales Tax	$ 27,240,000	$ 25,975,000	$ 26,364,625	$ 26,891
District Sales Tax (Measure H)	$ 25,300,000	$ 25,250,000	$ 25,755,000	$ 26,270
Property Tax	$ 16,050,700	$ 16,106,200	$ 16,428,324	$ 16,756
Property Tax In Lieu of VLF	$ 11,462,000	$ 11,690,000	$ 11,923,800	$ 12,162
Utility Users Tax	$ 11,195,000	$ 11,602,000	$ 11,834,040	$ 12,070
Transient Occupancy Tax (TOT)	$ 3,950,000	$ 4,461,000	$ 4,550,220	$ 4,641
Other Taxes	$ 6,248,000	$ 6,499,000	$ 6,628,980	$ 6,761
Total Tax Revenues	$ 101,445,700	$ 101,583,200	$ 103,484,989	$ 105,554
Percentage Change from prior year	6%	0%	2%	
Other Revenues	$ 2,592,993	$ 2,966,160	$ 3,025,483	$ 3,085
Other Revenue Changes:				
Total Other Revenues	$ 2,592,993	$ 2,966,160	$ 3,025,483	$ 3,085
Total Revenue	$ 104,038,693	$ 104,549,360	$ 106,510,472	$ 108,640
Change from Prior Year		1%	2%	
EXPENDITURES				
Salaries and Benefits	$ 61,109,751	$ 67,027,715	$ 69,373,685	$ 71,454
Materials, Services & Supplies	$ 1,151,991	$ 1,157,447	$ 1,180,596	$ 1,204
Purchased Services	$ 8,092,680	$ 7,410,077	$ 7,558,279	$ 7,709
Other Expenses	$ 2,295,528	$ 2,377,216	$ 2,424,760	$ 2,473
Allocations for Utilities and Internal Services	$ 11,718,792	$ 10,685,317	$ 10,792,170	$ 10,900
Indirect Cost Allocation Reimb. - Other Funds	$ (3,643,994)	$ (3,461,723)	$ (3,461,723)	$ (3,46
Total Operating Expenditures	$ 80,724,748	$ 85,196,049	$ 87,867,767	$ 90,280
Percentage Change from prior year		6%	3%	
Net Operations before Capital Expenditures	$ 23,313,945	$ 19,353,311	$ 18,642,705	$ 18,360
Financial Emergency Plan Reductions (3%-6%)				
Capital Improvement Projects	$ 66,066,084	$ 18,725,332	$ 12,820,922	$ 13,079
Total Other Expenditure Items	$ 66,066,084	$ 18,725,332	$ 12,820,922	$ 13,079
Total Expenditures	$ 146,790,832	$ 103,921,381	$ 100,688,689	$ 103,359
Change from Prior Year		-29%	-3%	
NET REVENUE OVER/(UNDER) EXPENDITURES BEFORE OTHER SOURCES (USES)	$ (42,752,139)	$ 627,979	$ 5,821,783	$ 5,281
OTHER FINANCING SOURCES (USES) - See Schedule				
Other Financing Sources	$ 1,439,954	$ 86,120	$ 20,000	$ 20
Possible Transfers from Emergency Reserve Fund*				
Other Financing Uses	$ (12,372,301)	$ (7,522,091)	$ (5,611,560)	$ (5,319
TOTAL OTHER SOURCES (USES)	$ (10,932,347	$ (7,435,971)	$ (5,591,560)	$ (5,299
NET REVENUE	$ (53,684,486	$ (6,807,992)	$ 230,224	$ (18
BEGINNING CASH BALANCE	$ 66,730,461	$ 13,045,975	$ 6,237,983	$ 6,468
ENDING CASH BALANCE	$ 13,045,975	$ 6,237,983	$ 6,468,207	$ 6,449
Desired Operating Reserve	**$ 4,479,860**	**$ 5,094,638**	**$ 6,054,356**	**$ 6,389**

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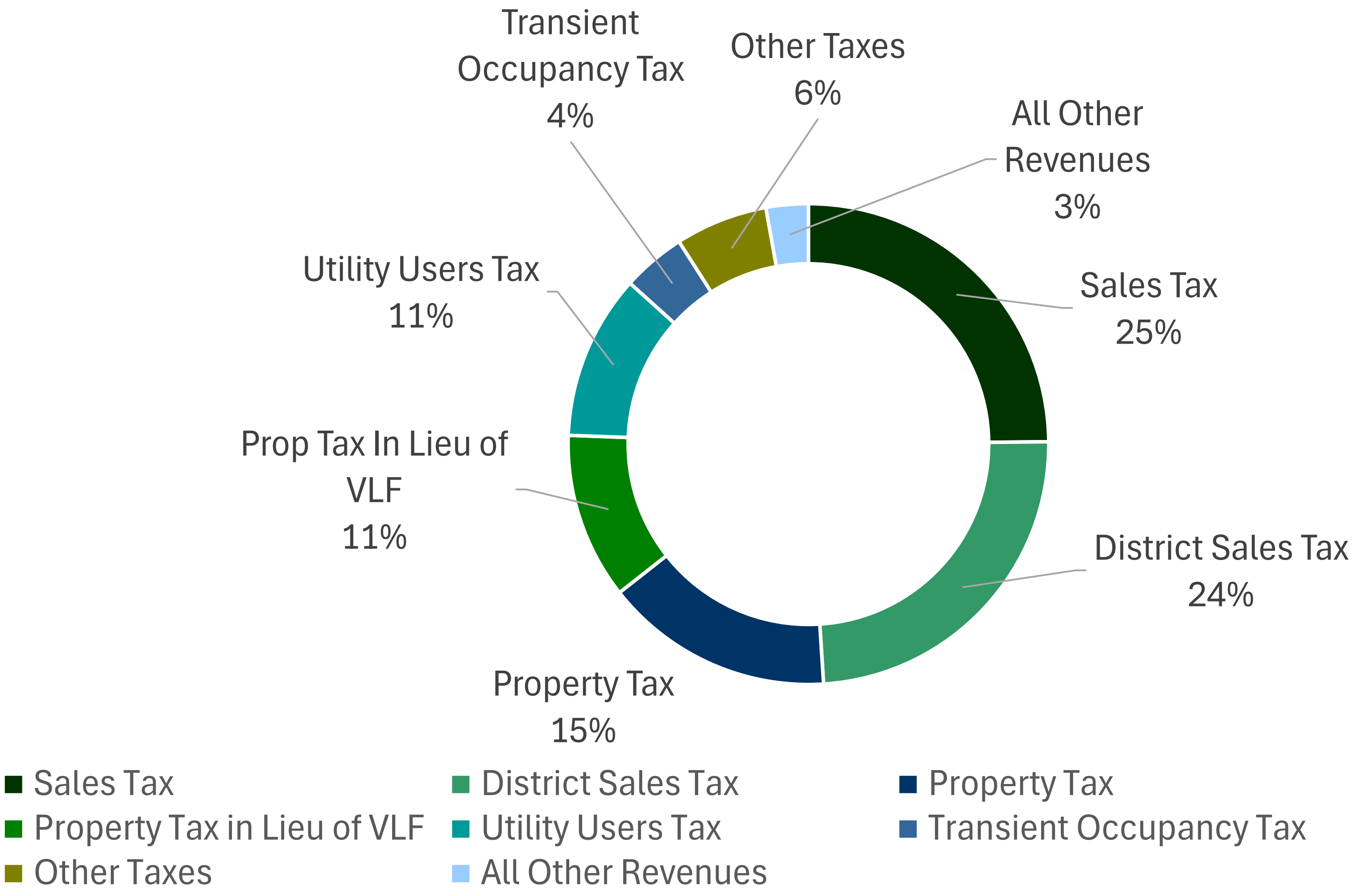
Five-Year Projection



City of Chico
FY 2025-26 Proposed Budget
General & Park Funds Five-Year Projection
Funds 001,002,005,011 &052

Five-Year Projection

Projections as of May 2025

	ESTIMATED FINAL 2024-25	PROPOSED BUDGET 2025-26
REVENUES		
Sales Tax	$ 26,725,000	$ 26,740,000
District Sales Tax (Measure H)	$ 25,000,000	$ 25,300,000
Property Tax	14,381,242	15,511,400
Property Tax In Lieu of VLF	10,848,582	11,000,000
Utility Users Tax	10,195,000	10,195,000
Transient Occupancy Tax (TOT)	4,000,000	3,900,000
Other Taxes	5,948,000	6,088,000
Settlement Proceeds	1,720,000	-
Total Tax Revenues	98,817,824	98,734,400
Other Revenues	1,819,158	1,873,493
Total Other Revenues	1,819,158	1,873,493
TOTAL REVENUE	**100,636,982**	**100,607,893**

City of Chico
FY 2026-27 Proposed Budget
General & Park Funds Five-Year Projection
Funds 001,002,005,011 &052

Five-Year Projection

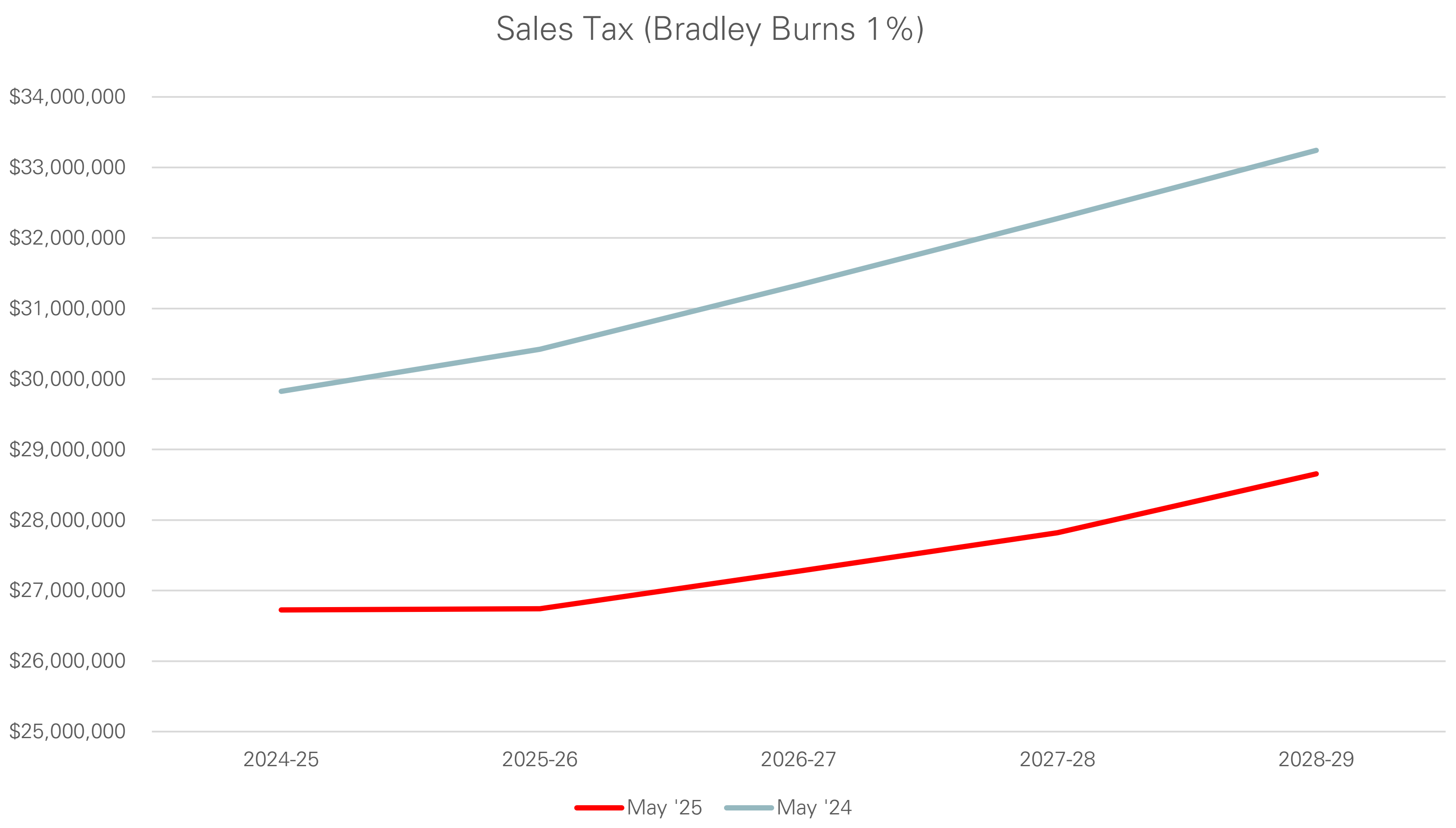
	MODIFIED ADOPTED 2024-25	ACTUAL 2024-25	PROPOSED BUDGET 2025-26	ESTIMATED FINAL 2025-26
REVENUES				
Sales Tax	$ 26,725,000	$ 27,486,865	$ 26,740,000	$ 27,240,000
District Sales Tax (Measure H)	$ 25,000,000	$ 25,547,582	25,300,000	25,300,000
Property Tax	14,381,242	14,461,195	15,511,400	16,050,700
Property Tax In Lieu of VLF	10,848,582	10,848,583	11,000,000	11,462,000
Utility Users Tax	10,195,000	11,680,580	10,195,000	11,195,000
Transient Occupancy Tax (TOT)	4,000,000	4,353,168	3,900,000	3,950,000
Other Taxes	5,948,000	6,195,861	6,088,000	6,248,000
Settlement Proceeds	1,720,000	1,720,000	-	-
Total Tax Revenues	98,817,824	102,293,834	98,734,400	101,445,700
Percentage Change from prior year		**3.5%**		**2.7%**
Other Revenues	1,819,158	6,438,663	1,873,493	2,592,993
Total Other Revenues	1,819,158	6,438,663	1,873,493	2,592,993
TOTAL REVENUE	**100,636,982**	**108,732,497**	**100,607,893**	**104,038,693**
Change from Prior Year		**8.0%**		**3.4%**

Five-Year Projection

City of Chico
FY 2026-27 Proposed Budget
General & Park Funds Five-Year Projection
Funds 001,002,005,011 &052

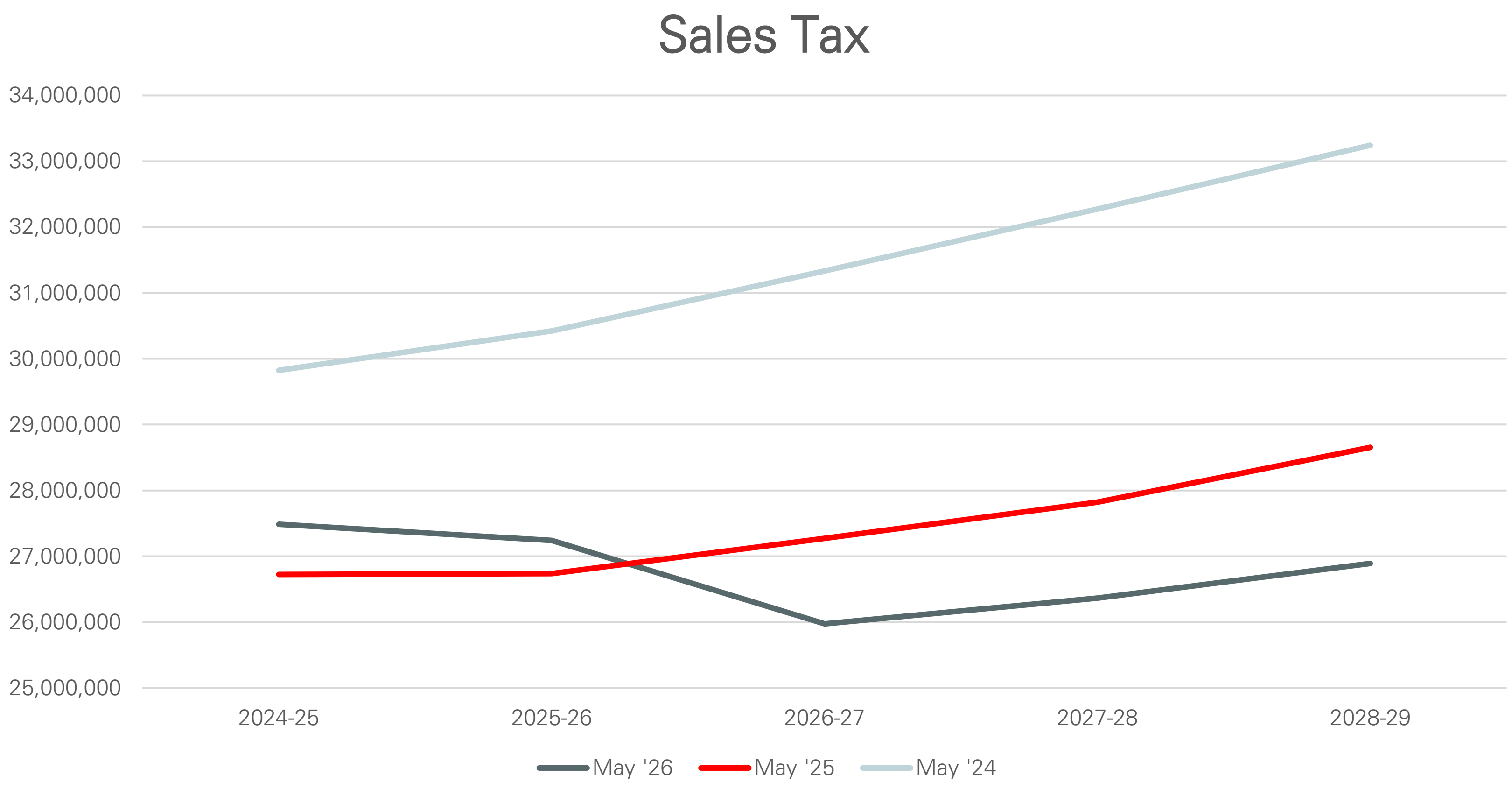
	ESTIMATED FINAL 2025-26	CITY MGR RECOMM 2026-27	PROJECTED 2027-28	PROJECTED 2028-29	PROJECTED 2029-30	PROJECTED 2030-31
REVENUES						
Sales Tax	$ 27,240,000	$ 25,975,000	$ 26,364,625	$ 26,891,918	$ 27,698,675	$ 28,529,635
District Sales Tax (Measure H)	25,300,000	25,250,000	25,755,000	26,270,100	27,058,203	27,869,949
Property Tax	16,050,700	16,106,200	16,428,324	16,756,890	17,259,597	17,777,385
Property Tax In Lieu of VLF	11,462,000	11,690,000	11,923,800	12,162,276	12,527,144	12,902,959
Utility Users Tax	11,195,000	11,602,000	11,834,040	12,070,721	12,432,842	12,805,828
Transient Occupancy Tax (TOT)	3,950,000	4,461,000	4,550,220	4,641,224	4,780,461	4,923,875
Other Taxes	6,248,000	6,499,000	6,628,980	6,761,560	6,964,406	7,173,339
Total Tax Revenues	101,445,700	101,583,200	103,484,989	105,554,689	108,721,329	111,982,969
Other Revenues	2,592,993	2,966,160	3,025,483	3,085,993	3,178,573	3,273,930
Total Other Revenues	2,592,993	2,966,160	3,025,483	3,085,993	3,178,573	3,273,930
TOTAL REVENUE	**104,038,693**	**104,549,360**	**106,510,472**	**108,640,682**	**111,899,902**	**115,256,899**
Change from Prior Year		**0.5%**	**1.9%**	**2.0%**	**3.0%**	**3.0%**

Five-Year Projection



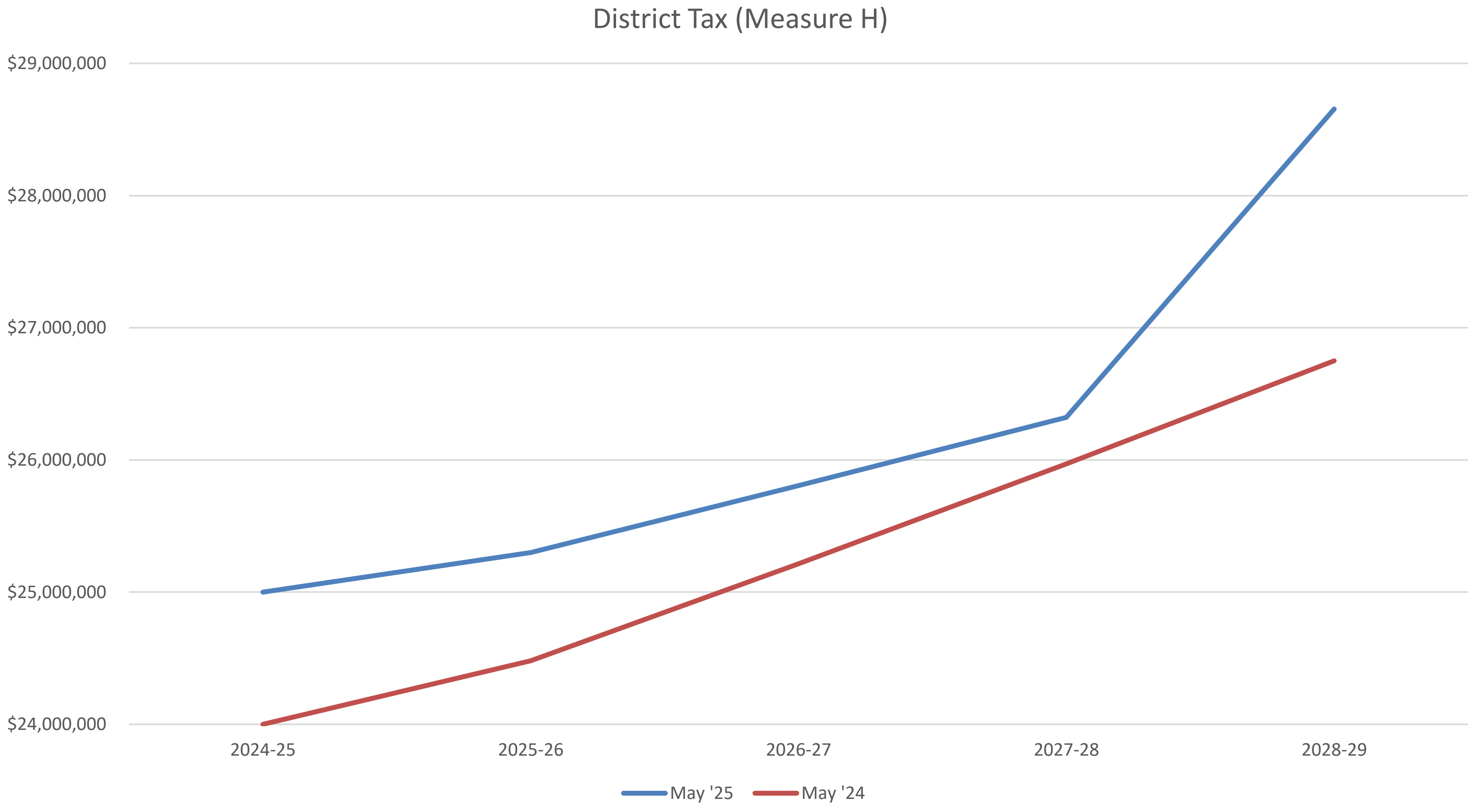
Reduction in projected Sales Tax Revenue since May ‘24

Five-Year Projection

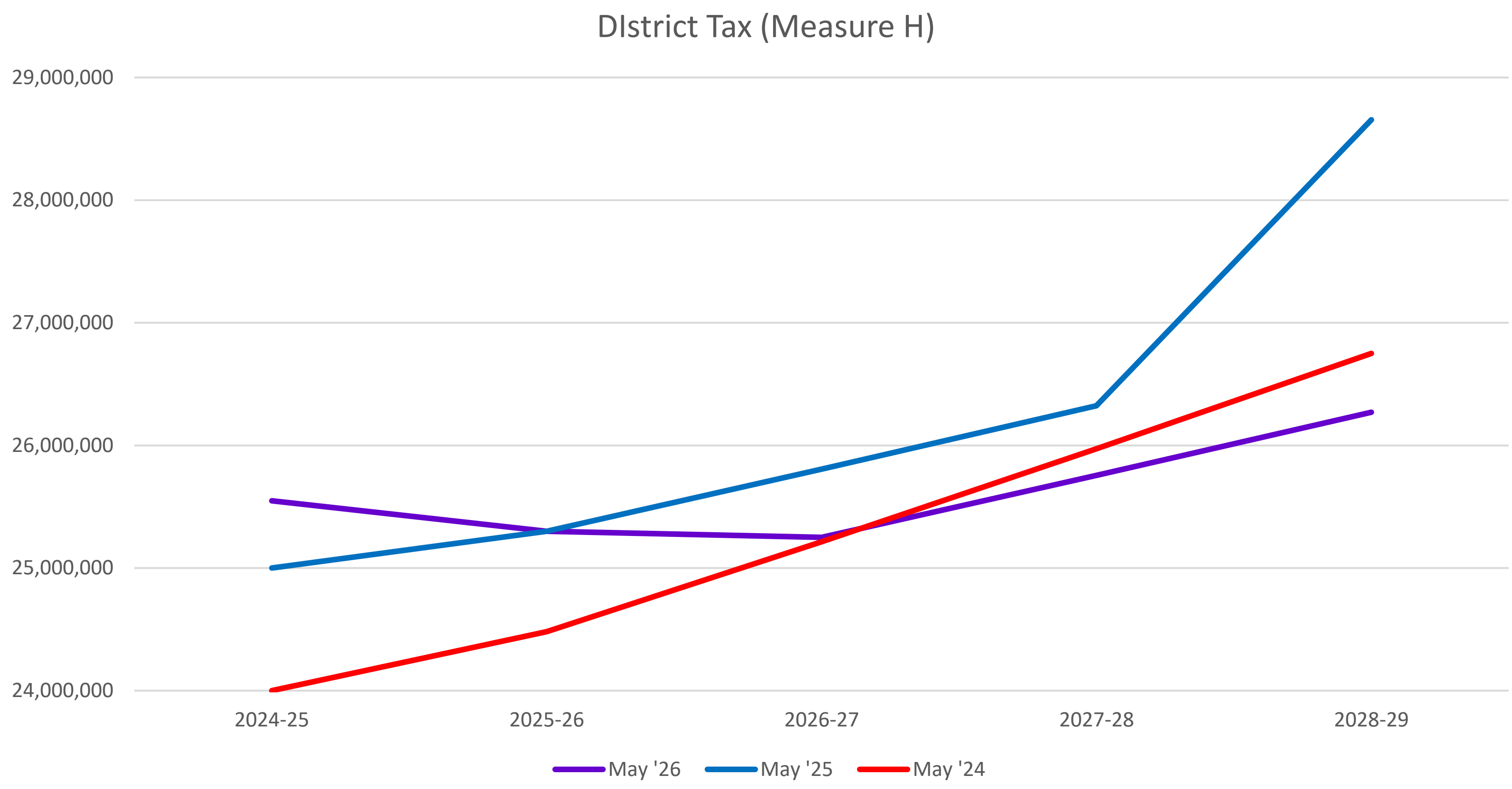


FY 2024-25 and 2025-26 better than projected

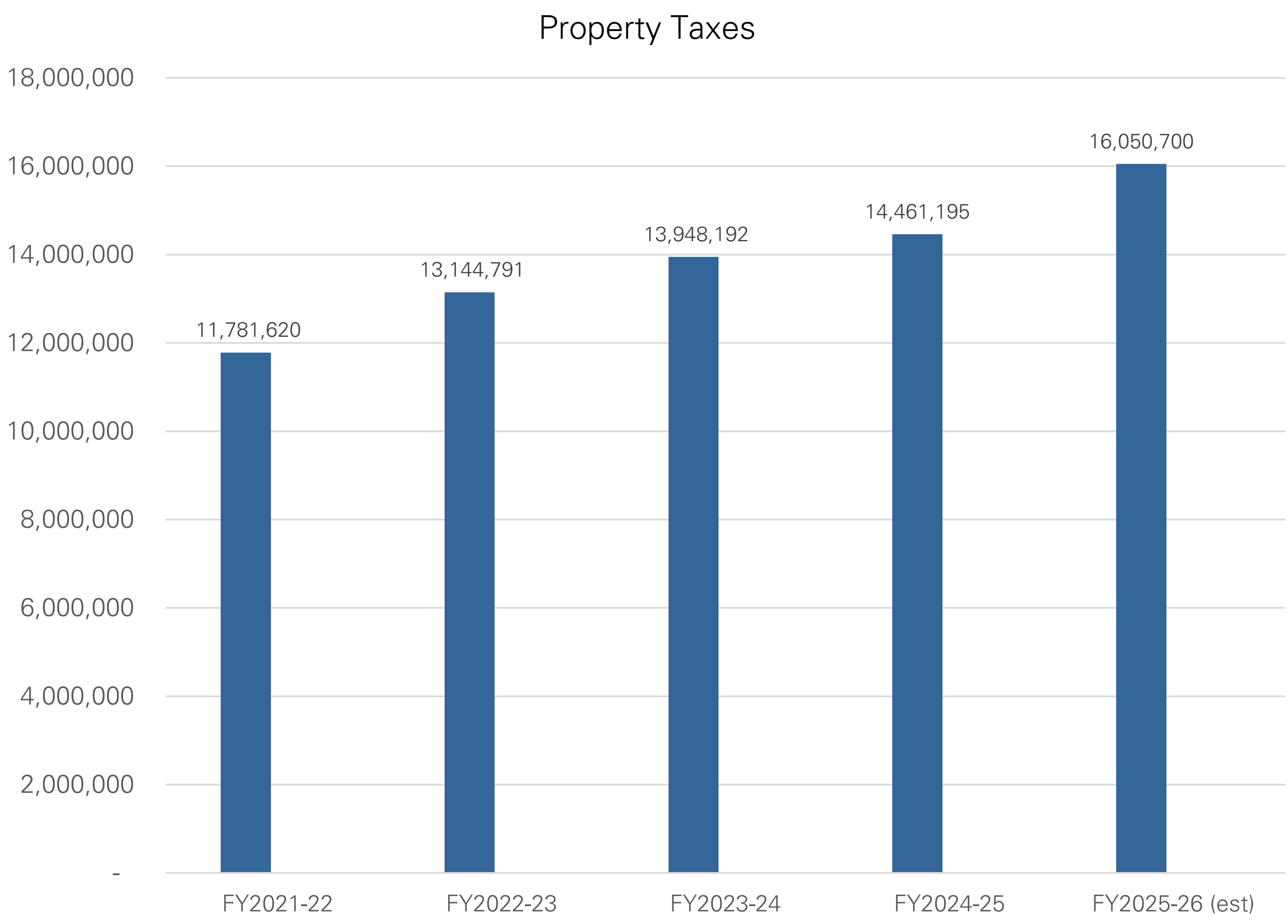
Five-Year Projection



Five-Year Projection



Five-Year Projection



Continued Increases in Property Tax

Five-Year Projection

City of Chico
FY 2026-27 Proposed Budget
General & Park Funds Five-Year Projection
Funds 001,002,005,011 &052

	ESTIMATED FINAL 2025-26	PROPOSED BDUGET 2026-27	PROJECTED 2027-28	PROJECTED 2028-29	PROJECTED 2029-30	PROJECTED 2030-31
REVENUES						
Sales Tax	$ 27,240,000	$ 25,975,000	$ 26,364,625	$ 26,891,918	$ 27,698,675	$ 28,529,635
District Sales Tax (Measure H)	25,300,000	25,250,000	25,755,000	26,270,100	27,058,203	27,869,949
Property Tax	16,050,700	16,106,200	16,428,324	16,756,890	17,259,597	17,777,385
Property Tax In Lieu of VLF	11,462,000	11,690,000	11,923,800	12,162,276	12,527,144	12,902,959
Utility Users Tax	11,195,000	11,602,000	11,834,040	12,070,721	12,432,842	12,805,828
Transient Occupancy Tax (TOT)	3,950,000	4,461,000	4,550,220	4,641,224	4,780,461	4,923,875
Other Taxes	6,248,000	6,499,000	6,628,980	6,761,560	6,964,406	7,173,339
Total Tax Revenues	101,445,700	101,583,200	103,484,989	105,554,689	108,721,329	111,982,969
Other Revenues	2,592,993	2,966,160	3,025,483	3,085,993	3,178,573	3,273,930
Total Other Revenues	2,592,993	2,966,160	3,025,483	3,085,993	3,178,573	3,273,930
TOTAL REVENUE	**104,038,693**	**104,549,360**	**106,510,472**	**108,640,682**	**111,899,902**	**115,256,899**
Change from Prior Year		**0.5%**	**1.9%**	**2.0%**	**3.0%**	**3.0%**
EXPENDITURES						
Salaries and Benefits	61,109,751	67,027,715	69,373,685	71,454,896	73,598,542	75,070,513
Materials, Services & Supplies	1,151,991	1,157,447	1,180,596	1,204,208	1,228,292	1,252,858
Purchased Services	8,092,680	7,410,077	7,558,279	7,709,445	7,863,634	8,020,907
Other Expenses	2,295,528	2,377,216	2,424,760	2,473,255	2,522,720	2,573,174
Allocations for Utilities and Internal Services	11,718,792	10,685,317	10,792,170	10,900,092	11,009,093	11,119,184
Indirect Cost Allocation Reimb. - Other Funds	(3,643,994)	(3,461,723)	(3,461,723)	(3,461,723)	(3,461,723)	(3,461,723)
Total Operating Expenditures	80,724,748	85,196,049	87,867,767	90,280,173	92,760,558	94,574,913
Percentage Change from prior year		**5.5%**	**3.1%**	**2.7%**	**2.7%**	**2.0%**
Net Operations before Capital Expenditures	**23,313,945**	**19,353,311**	**18,642,705**	**18,360,509**	**19,139,344**	**20,681,986**

Five-Year Projection

CITY OF CHICO
INC. 1872

	ESTIMATED FINAL 2025-26	PROPOSED BDUGET 2026-27	PROJECTED 2027-28	PROJECTED 2028-29	PROJECTED 2029-30	PROJECTED 2030-31
TOTAL REVENUE	**104,038,693**	**104,549,360**	**106,510,472**	**108,640,682**	**111,899,902**	**115,256,899**
Change from Prior Year		**0.5%**	**1.9%**	**2.0%**	**3.0%**	**3.0%**
EXPENDITURES						
Salaries and Benefits	61,109,751	67,027,715	69,373,685	71,454,896	73,598,542	75,070,513
Materials, Services & Supplies	1,151,991	1,157,447	1,180,596	1,204,208	1,228,292	1,252,858
Purchased Services	8,092,680	7,410,077	7,558,279	7,709,445	7,863,634	8,020,907
Other Expenses	2,295,528	2,377,216	2,424,760	2,473,255	2,522,720	2,573,174
Allocations for Utilities and Internal Services	11,718,792	10,685,317	10,792,170	10,900,092	11,009,093	11,119,184
Indirect Cost Allocation Reimb. - Other Funds	(3,643,994)	(3,461,723)	(3,461,723)	(3,461,723)	(3,461,723)	(3,461,723)
Total Operating Expenditures	80,724,748	85,196,049	87,867,767	90,280,173	92,760,558	94,574,913
Percentage Change from prior year		**5.5%**	**3.1%**	**2.7%**	**2.7%**	**2.0%**
Net Operations before Capital Expenditures	**23,313,945**	**19,353,311**	**18,642,705**	**18,360,509**	**19,139,344**	**20,681,986**

Continue to have consistent surplus after operating activities

Five-Year Projection

CITY OF CHICO
INC. 1872

	ESTIMATED FINAL 2025-26	PROPOSED BDUGET 2026-27	PROJECTED 2027-28	PROJECTED 2028-29	PROJECTED 2029-30	PROJECTED 2030-31
TOTAL REVENUE	**104,038,693**	**104,549,360**	**106,510,472**	**108,640,682**	**111,899,902**	**115,256,899**
Change from Prior Year		**0.5%**	**1.9%**	**2.0%**	**3.0%**	**3.0%**
EXPENDITURES						
Salaries and Benefits	61,109,751	67,027,715	69,373,685	71,454,896	73,598,542	75,070,513
Materials, Services & Supplies	1,151,991	1,157,447	1,180,596	1,204,208	1,228,292	1,252,858
Purchased Services	8,092,680	7,410,077	7,558,279	7,709,445	7,863,634	8,020,907
Other Expenses	2,295,528	2,377,216	2,424,760	2,473,255	2,522,720	2,573,174
Allocations for Utilities and Internal Services	11,718,792	10,685,317	10,792,170	10,900,092	11,009,093	11,119,184
Indirect Cost Allocation Reimb. - Other Funds	(3,643,994)	(3,461,723)	(3,461,723)	(3,461,723)	(3,461,723)	(3,461,723)
Total Operating Expenditures	80,724,748	85,196,049	87,867,767	90,280,173	92,760,558	94,574,913
Percentage Change from prior year		**5.5%**	**3.1%**	**2.7%**	**2.7%**	**2.0%**
Net Operations before Capital Expenditures	**23,313,945**	**19,353,311**	**18,642,705**	**18,360,509**	**19,139,344**	**20,681,986**

ClearGov

Salaries and Benefits

Includes:	
	Scheduled salary increases
	Contractual increases
	Estimated 10% increase for insurance @ 1/1/27
	CalPERS and other benefits costs

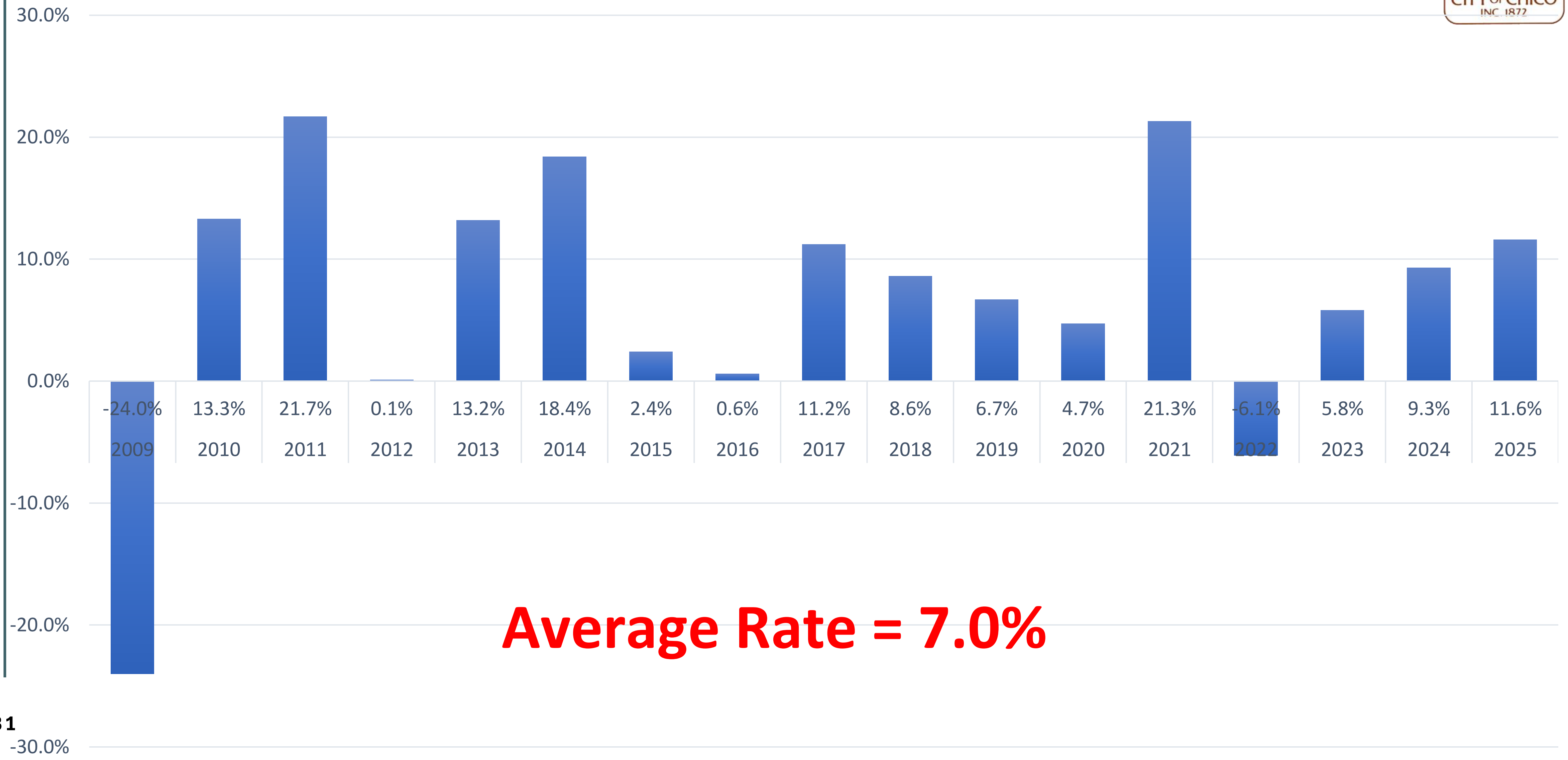
Unfundeded Accrued Liability (UAL)

UAL Annual Payment

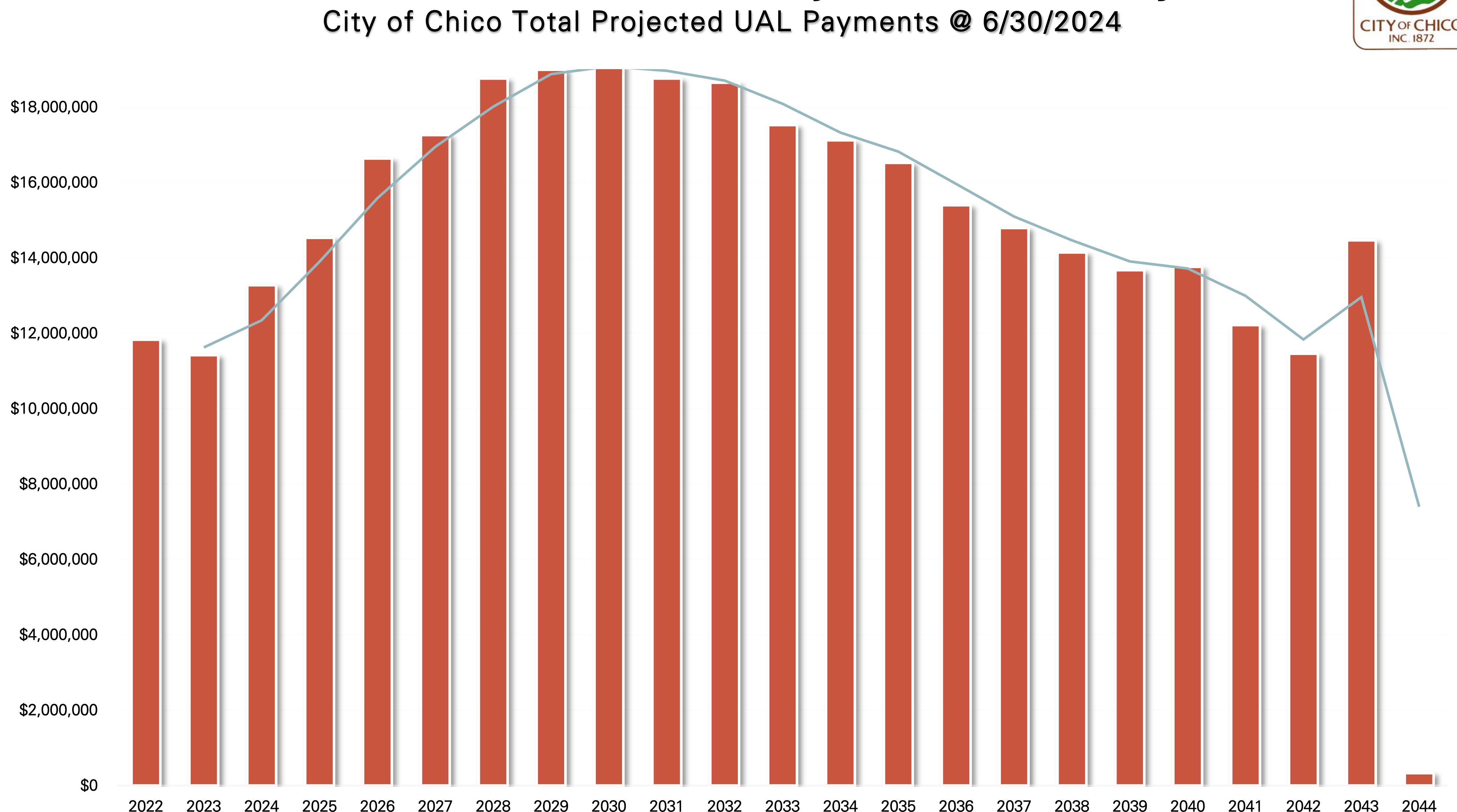
- Calculated annually by CalPERS
- Changes each year based on actuarial factors
  - Investment return
  - Mortality rates
  - Number of Retirees
- Similar to a mortgage balance that has an annually adjusted rate
- Annual payment can be paid in July of each year or paid monthly
  - Prepayment saves one month of interest
  - 2026-27 payment = $16,101,814

CalPERS Investment Rate of Return History 2009 - 2025

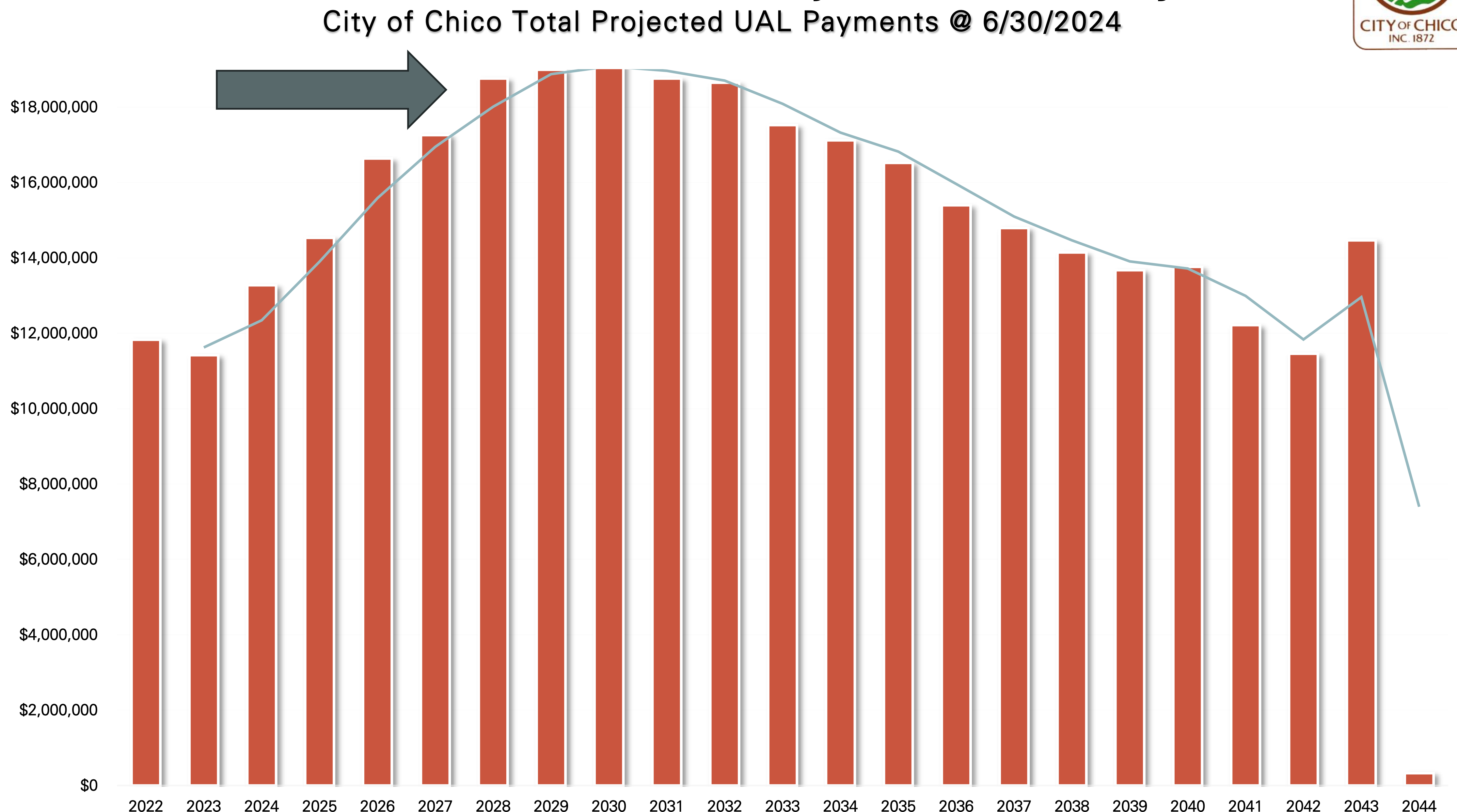
CalPERS Investment Rate of Return History 2009 - 2025



Total Projected UAL Payments



Total Projected UAL Payments



Section 115 Pension Trust (Fund 904)

- $10,311,115 estimated balance at the end of 2025-26
  - Funded by a portion of General Fund surplus per Budget Policy

CalPERS Unfunded Liability Reserve Fund (Fund 903)

- $11,797,681 estimated balance at the end of 2025-26
  - Funded by payroll contributions each pay period

Two Factors of Pension Costs:
Normal Cost

- Normal Cost % of Salaries
- Designed to cover current employees' cost of future retirement
- Pensionable wages multiplied by %

Estimated Employer Contribution Rates*

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
@ 6/30/22 Report							
Miscellaneous	13.1%	12.7%	12.3%	11.9%	11.6%	N/A	N/A
Safety	22.8%	22.3%	21.8%	21.3%	20.8%	N/A	N/A
@ 6/30/23 Report							
Miscellaneous	13.15%	12.7%	12.4%	12.0%	11.7%	11.4%	N/A
Safety	22.68%	22.2%	21.7%	21.2%	20.6%	20.1%	N/A
@ 6/30/24 Report							
Miscellaneous	N/A	12.52%	12.2%	11.8%	11.5%	11.2%	10.9%
Safety	N/A	21.91%	21.4%	20.9%	20.4%	19.8%	19.3%

Sound Fiscal Policy and Conservative Approach

- Fully funded Emergency Reserve
- Dedicate surplus to futures liabilities and replacement funds
- Pension Reserves

Five-Year Projection

	ESTIMATED FINAL 2025-26	PROPOSED BDUGET 2026-27	PROJECTED 2027-28	PROJECTED 2028-29	PROJECTED 2029-30	PROJECTED 2030-31
Net Operations before Capital Expenditures	**23,313,945**	**19,353,311**	**18,642,705**	**18,360,509**	**19,139,344**	**20,681,986**
Capital Improvement Projects	66,066,084	18,725,332	12,820,922	13,079,341	14,066,772	15,655,753
Total Other Expenditure Items	66,066,084	18,725,332	12,820,922	13,079,341	14,066,772	15,655,753
TOTAL EXPENDITURES	**146,790,832**	**103,921,381**	**100,688,689**	**103,359,514**	**106,827,330**	**110,230,666**
Change from Prior Year		***-29.2%***	***-3.1%***	***2.7%***	***3.4%***	***3.2%***
NET REVENUE OVER/(UNDER) EXPENDITURES BEFORE OTHER SOURCES (USES)	**(42,752,139)**	**627,979**	**5,821,783**	**5,281,168**	**5,072,572**	**5,026,233**
OTHER FINANCING SOURCES (USES) - See Schedule						
Other Financing Sources	1,439,954	86,120	20,000	20,000	20,000	20,000
Other Financing Uses	(12,372,301)	(7,522,091)	(5,611,560)	(5,319,761)	(4,950,755)	(4,860,285)
TOTAL OTHER SOURCES (USES)	**(10,932,347)**	**(7,435,971)**	**(5,591,560)**	**(5,299,761)**	**(4,930,755)**	**(4,840,285)**
NET REVENUE	**(53,684,486)**	**(6,807,992)**	**230,224**	**(18,593)**	**141,817**	**185,948**
BEGINNING CASH BALANCE	66,730,461	13,045,975	6,237,983	6,468,207	6,449,613	6,591,430
ENDING CASH BALANCE	**$ 13,045,975**	**$ 6,237,983**	**$ 6,468,207**	**$ 6,449,613**	**$ 6,591,430**	**$ 6,777,378**
Desired Operating Reserve	***$ 5,493,593***	***$ 5,708,107***	***$ 6,054,356***	***$ 6,389,704***	***$ 6,590,083***	***$ 6,771,013***

Five-Year Projection

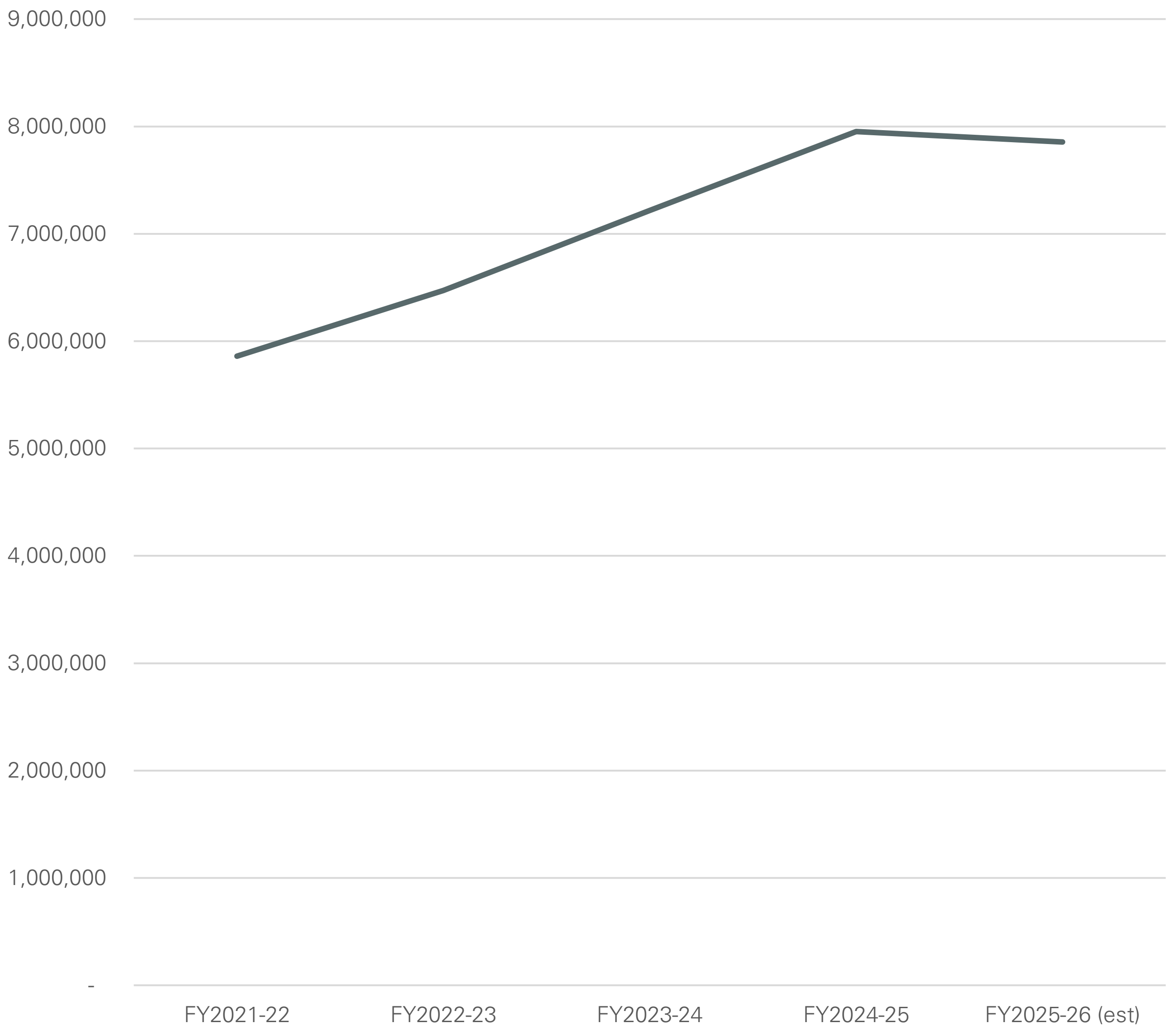
	ESTIMATED FINAL 2025-26	PROPOSED BDUGET 2026-27	PROJECTED 2027-28	PROJECTED 2028-29	PROJECTED 2029-30	PROJECTED 2030-31
Net Operations before Capital Expenditures	**23,313,945**	**19,353,311**	**18,642,705**	**18,360,509**	**19,139,344**	**20,681,986**
Capital Improvement Projects	66,066,084	18,725,332	12,820,922	13,079,341	14,066,772	15,655,753
Total Other Expenditure Items	66,066,084	18,725,332	12,820,922	13,079,341	14,066,772	15,655,753
TOTAL EXPENDITURES	**146,790,832**	**103,921,381**	**100,688,689**	**103,359,514**	**106,827,330**	**110,230,666**
Change from Prior Year		***-29.2%***	***-3.1%***	***2.7%***	***3.4%***	***3.2%***
NET REVENUE OVER/(UNDER) EXPENDITURES BEFORE OTHER SOURCES (USES)	**(42,752,139)**	**627,979**	**5,821,783**	**5,281,168**	**5,072,572**	**5,026,233**
OTHER FINANCING SOURCES (USES) - See Schedule						
Other Financing Sources	1,439,954	86,120	20,000	20,000	20,000	20,000
Other Financing Uses	(12,372,301)	(7,522,091)	(5,611,560)	(5,319,761)	(4,950,755)	(4,860,285)
TOTAL OTHER SOURCES (USES)	**(10,932,347)**	**(7,435,971)**	**(5,591,560)**	**(5,299,761)**	**(4,930,755)**	**(4,840,285)**
NET REVENUE	**(53,684,486)**	**(6,807,992)**	**230,224**	**(18,593)**	**141,817**	**185,948**
BEGINNING CASH BALANCE	66,730,461	13,045,975	6,237,983	6,468,207	6,449,613	6,591,430
ENDING CASH BALANCE	**$ 13,045,975**	**$ 6,237,983**	**$ 6,468,207**	**$ 6,449,613**	**$ 6,591,430**	**$ 6,777,378**
Desired Operating Reserve	***$ 5,493,593***	***$ 5,708,107***	***$ 6,054,356***	***$ 6,389,704***	***$ 6,590,083***	***$ 6,771,013***

Streets and Roads Expenditures

	FY2020-21 Actuals	FY2021-22 Actuals	FY2022-23 Actuals	FY2023-24 Actuals	FY2024-25 Actuals	FY2025-26 Est Final Budget	FY2026-27 Proposed Budget
Gas Tax Funds	$ 4,488,479	$ 4,752,319	$ 5,738,859	$ 4,951,135	$ 9,488,559	$ 18,198,503	$ 8,889,780
Transportation Funds	975,056	1,255,012	1,754,536	2,308,405	3,149,290	12,414,116	1,825,231
Development Impact Fees Funds	2,093,709	4,184,539	2,458,874	2,242,394	7,746,153	12,699,055	2,510,455
Grant Funds	2,759,849	15,841,519	11,666,762	15,357,160	27,392,236	41,372,846	0
Other Non Discretionary Funds	39,316	23,713	8,048	428,269	27,207	26,558	0
General Fund	3,794,763	4,532,782	5,942,854	7,436,201	9,887,415	30,399,431	5,706,238
Measure H	0	0	246,955	3,647,648	11,317,012	28,107,334	14,019,289
	$ 14,151,172	$ 30,589,884	$ 27,816,888	$ 36,371,212	$ 69,007,872	$ 143,217,843	$ 32,950,993

FY2025-26 includes rollover from previous years' budgeted amounts

Gas Tax



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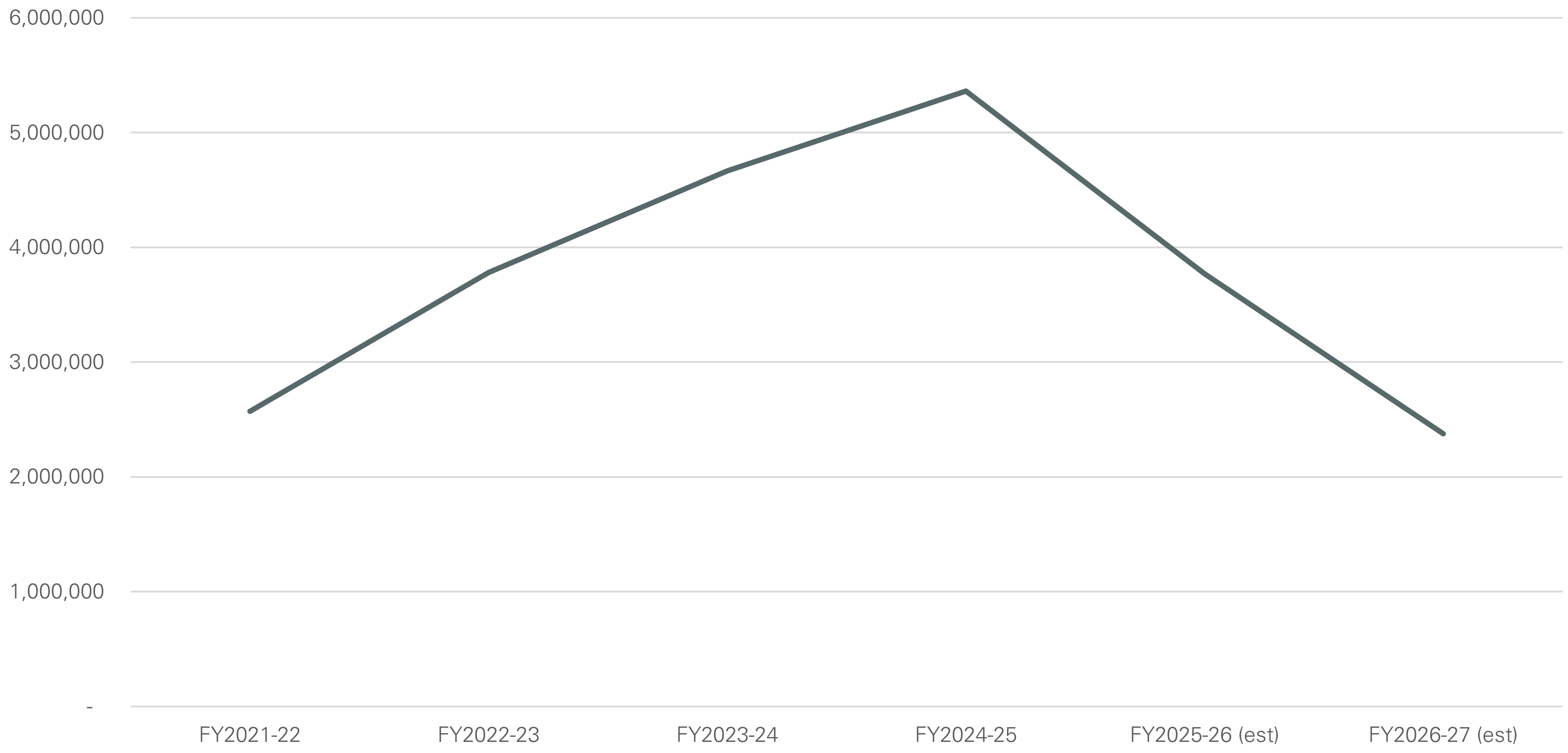
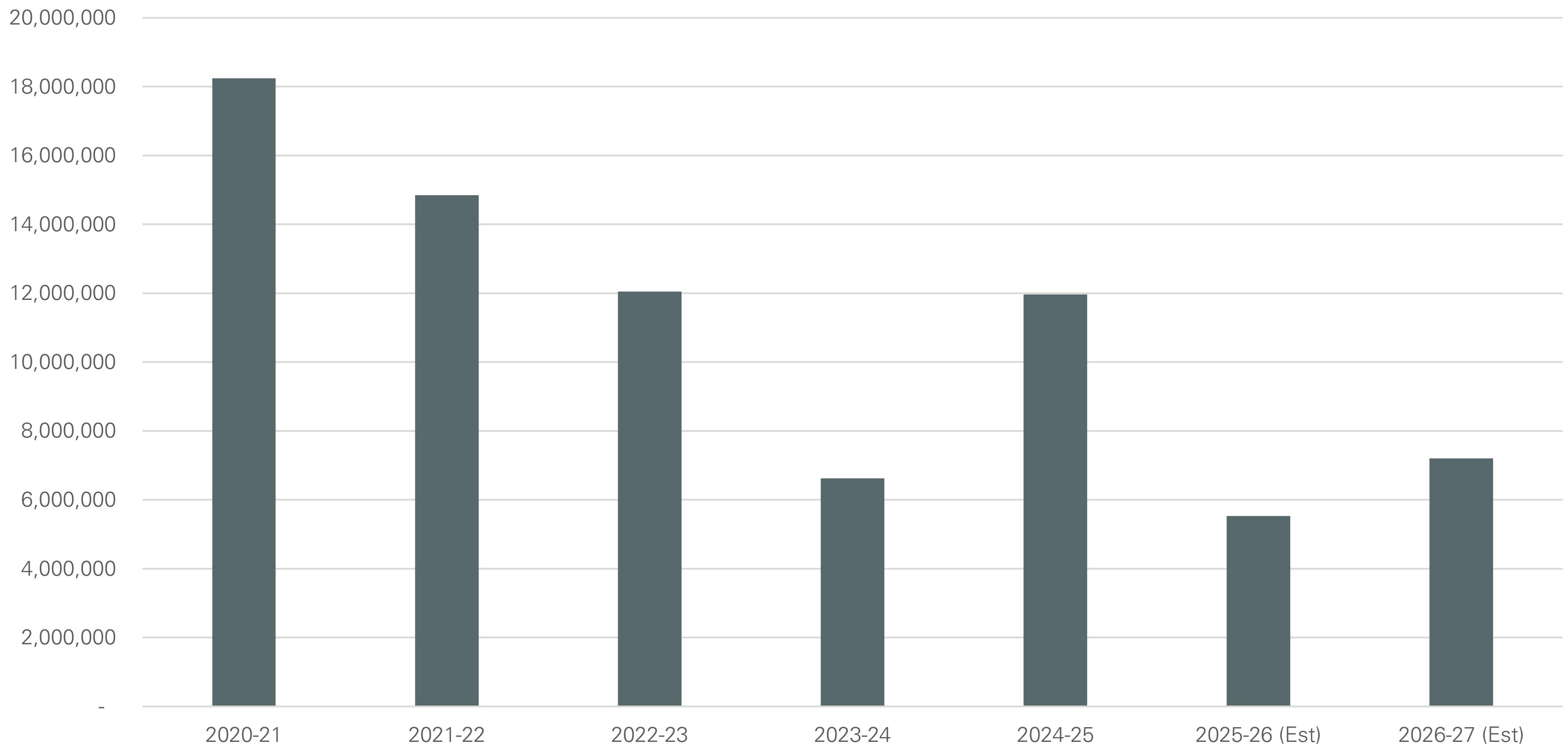
FY2021-22
FY2022-23
FY2023-24
FY2024-25
FY2025-26 (est)

Transportation (LTF)



Development Impact Fees



Funds to Keep an Eye On

Sewer Fund

Funds on Watch

Sewer Fund

- Cost of materials, maintenance, etc. outpacing revenue

Funds on Watch

Sewer Fund

- Cost of materials, maintenance, etc. outpacing revenue

Parking Fund

Funds on Watch

Sewer Fund

- Cost of materials, maintenance, etc. outpacing revenue

Parking Fund

- Lower revenue resulting in use of reserves

Funds on Watch

Sewer Fund

- Cost of materials, maintenance, etc. outpacing revenue

Parking Fund

- Lower revenue resulting in use of reserves

Private Development

Funds on Watch

Sewer Fund

- Cost of materials, maintenance, etc. outpacing revenue

Parking Fund

- Lower revenue resulting in use of reserves

Private Development

- Related to construction trends

Funds on Watch

Sewer Fund

- Cost of materials, maintenance, etc. outpacing revenue

Parking Fund

- Lower revenue resulting in use of reserves

Private Development

- Related to construction trends

Airport

Funds on Watch

Sewer Fund

- Cost of materials, maintenance, etc. outpacing revenue

Parking Fund

- Lower revenue resulting in use of reserves

Private Development

- Related to construction trends

Airport

- Dependent on Lease Revenue

Sewer Operating Fund

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Estimated Final	FY 2027 Proposed Budget
Beginning Fund Balance	**$16,600,654**	**$13,301,960**	**$5,621,130**	**$154,999**
Revenues				
Intergovernmental Revenues	$0	$1,523,306	$0	$1,201,766
Sanitation	$15,301,757	$15,564,267	$15,565,000	$15,965,000
Use of Money & Property	$429,500	$309,361	$180,000	$180,000
Transfers In	$2,810,841	$3,307,933	$25,497,568	$9,986,461
Total Revenues	**$18,542,097**	**$20,704,867**	**$41,242,568**	**$27,333,227**
Expenditures				
Non Cash/Other Adjustments	-$49,729	-$130,618	$0	$0
Salaries & Employee Benefits	$3,554,251	$3,854,929	$4,281,257	$4,584,862
Materials & Supplies	$1,726,255	$1,896,782	$1,769,370	$1,951,160
Allocations	$1,776,622	$2,048,598	$2,230,739	$1,995,562
Other Expenses	$239,105	$240,200	$365,550	$370,050
Purchased Services	$1,825,894	$1,807,963	$1,795,683	$2,091,389
Indirect Cost Allocations	$467,736	$467,736	$802,971	$755,086
Capital Projects	$3,668,026	$7,700,098	$26,030,008	$5,145,197
Transfers Out	$8,632,631	$10,500,009	$9,433,121	$10,594,920
Total Expenditures	**$21,840,791**	**$28,385,697**	**$46,708,699**	**$27,488,226**
Total Revenues Less Expenditures	**-$3,298,694**	**-$7,680,830**	**-$5,466,131**	**-$154,999**
Ending Fund Balance	**$13,301,960**	**$5,621,130**	**$154,999**	**$0**

Sewer Reserve Fund

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Estimated Final	FY 2027 Proposed Budget
Beginning Fund Balance	$11,503,143	$15,779,582	$21,978,209	$3,891,486
Revenues				
Use of Money & Property	$506,356	$761,254	$0	$0
Transfers In	$6,580,924	$8,745,306	$7,410,600	$8,547,966
Total Revenues	$7,087,280	$9,506,560	$7,410,600	$8,547,966
Expenditures				
Transfers Out	$2,810,841	$3,307,933	$25,497,323	$10,157,259
Total Expenditures	$2,810,841	$3,307,933	$25,497,323	$10,157,259
Total Revenues Less Expenditures	$4,276,439	$6,198,627	-$18,086,723	-$1,609,293
Ending Fund Balance	$15,779,582	$21,978,209	$3,891,486	$2,282,193

Sewer Fund Reserve Fund Balance $2,282,193

Parking Operating Fund

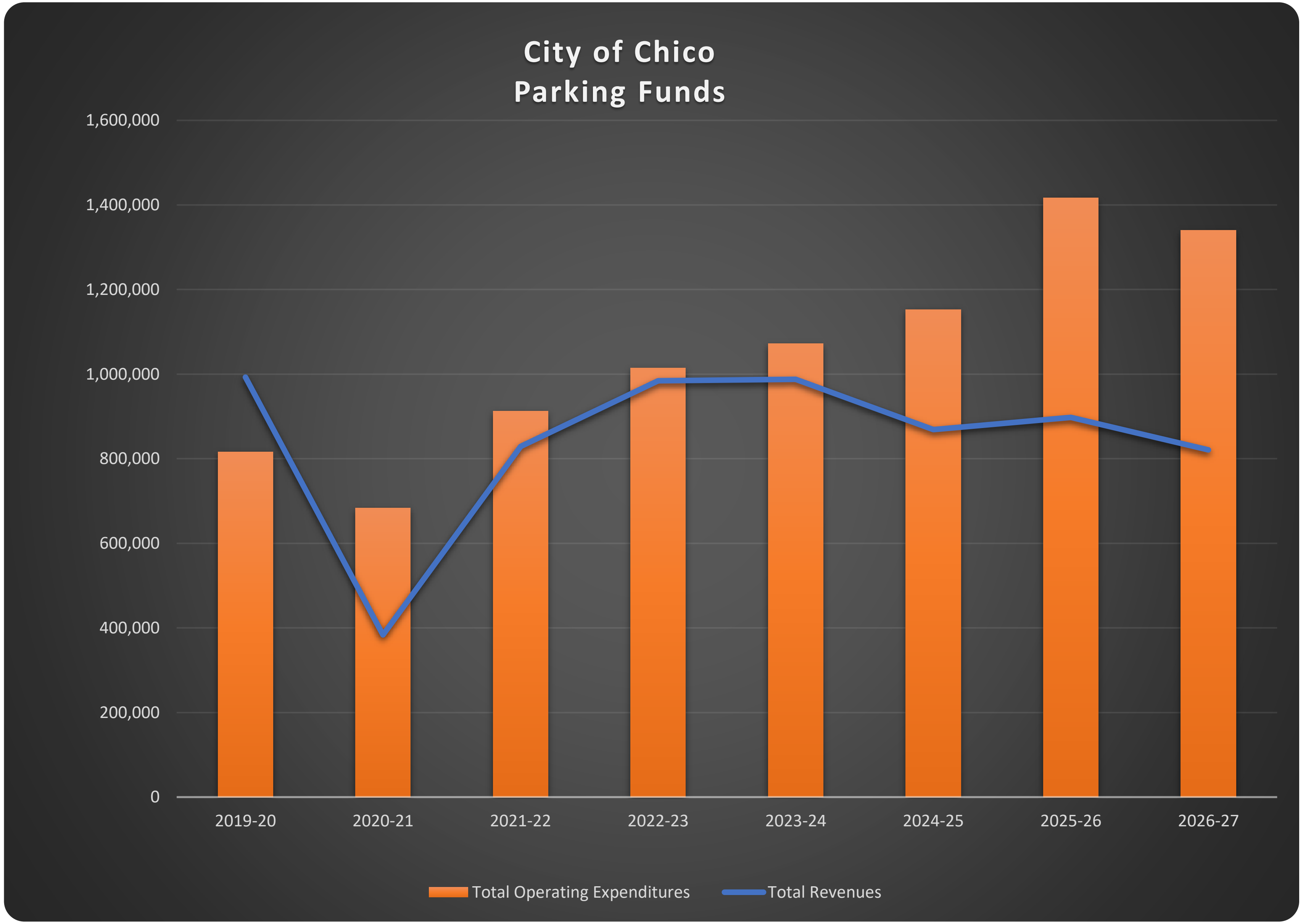
Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Estimated Final	FY 2027 Proposed Budget
Beginning Fund Balance	**$1,110,193**	**$635,343**	**$348,971**	**-$207,463**
Revenues				
Transportation	$950,072	$847,994	$893,001	$815,800
Other Revenues	$5,000	$5,000	$5,000	$5,000
Use of Money & Property	$32,625	$15,938	$0	$0
Total Revenues	**$987,697**	**$868,932**	**$898,001**	**$820,800**
Expenditures				
Non Cash/Other Adjustments	-$6,643	-$13,971	$0	$0
Salaries & Employee Benefits	$368,054	$406,907	$549,350	$461,365
Materials & Supplies	$48,231	$22,312	$46,704	$46,704
Allocations	$229,918	$297,287	$306,041	$325,076
Other Expenses	$4,754	$7,370	$3,400	$3,400
Purchased Services	$342,586	$340,386	$399,054	$399,052
Indirect Cost Allocations	$78,628	$78,628	$112,294	$104,345
Capital Projects	-$4,333	$14,136	$35,342	$1,616
Transfers Out	$401,352	$2,250	$2,250	$2,250
Total Expenditures	**$1,462,547**	**$1,155,305**	**$1,454,435**	**$1,343,808**
Total Revenues Less Expenditures	**-$474,850**	**-$286,372**	**-$556,434**	**-$523,008**
Ending Fund Balance	**$635,343**	**$348,971**	**-$207,463**	**-$730,471**

Parking Reserve Fund

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Estimated Final	FY 2027 Proposed Budget
Beginning Fund Balance	**$299,045**	**$309,096**	**$321,535**	**$321,535**
Revenues				
Use of Money & Property	$10,051	$12,439	$0	$0
Total Revenues	**$10,051**	**$12,439**	**$0**	**$0**
Expenditures				
Total Expenditures	**$0**	**$0**	**$0**	**$0**
Total Revenues Less Expenditures	**$10,051**	**$12,439**	**$0**	**$0**
Ending Fund Balance	**$309,096**	**$321,535**	**$321,535**	**$321,535**

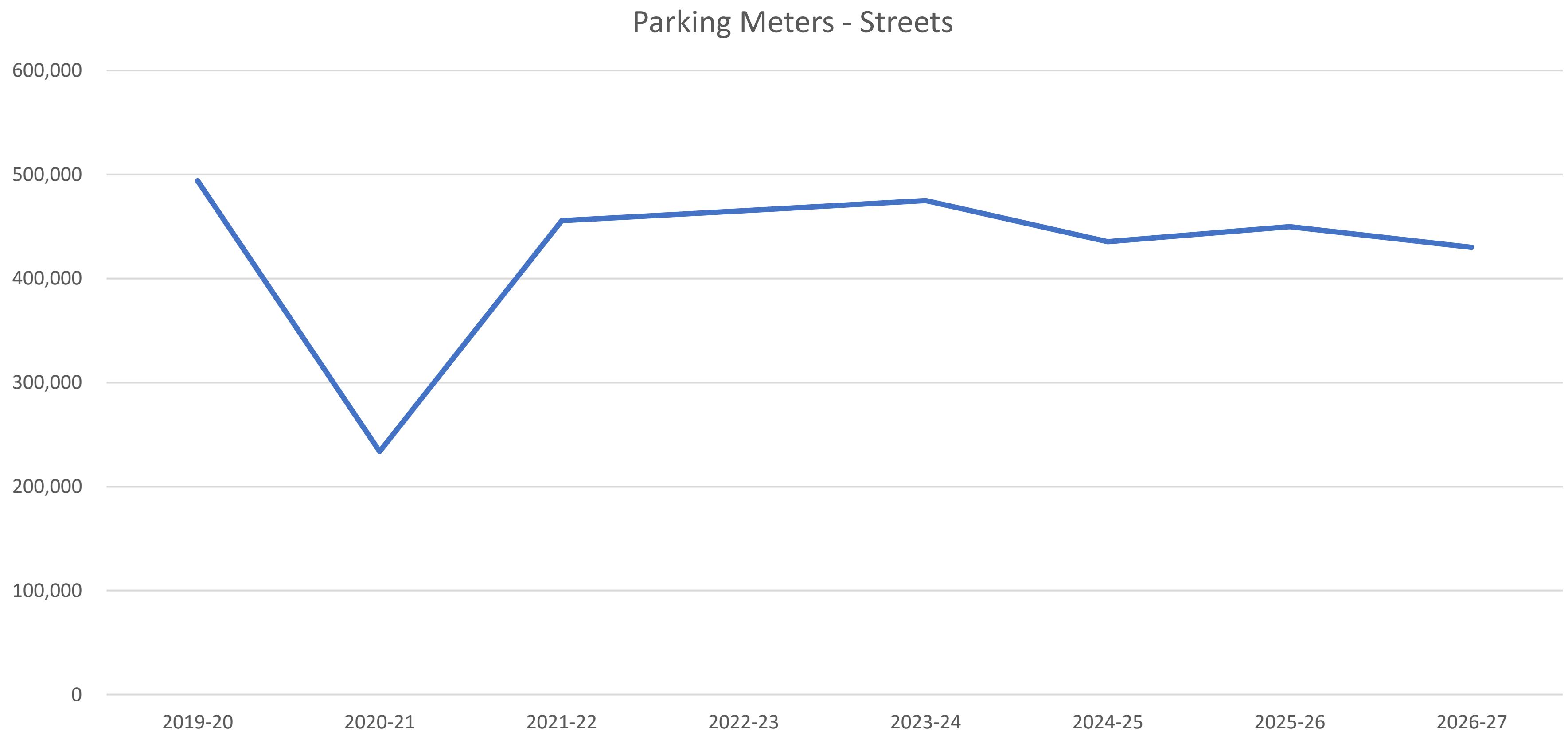
Parking Reserve Fund Balance $321,535

ClearGov

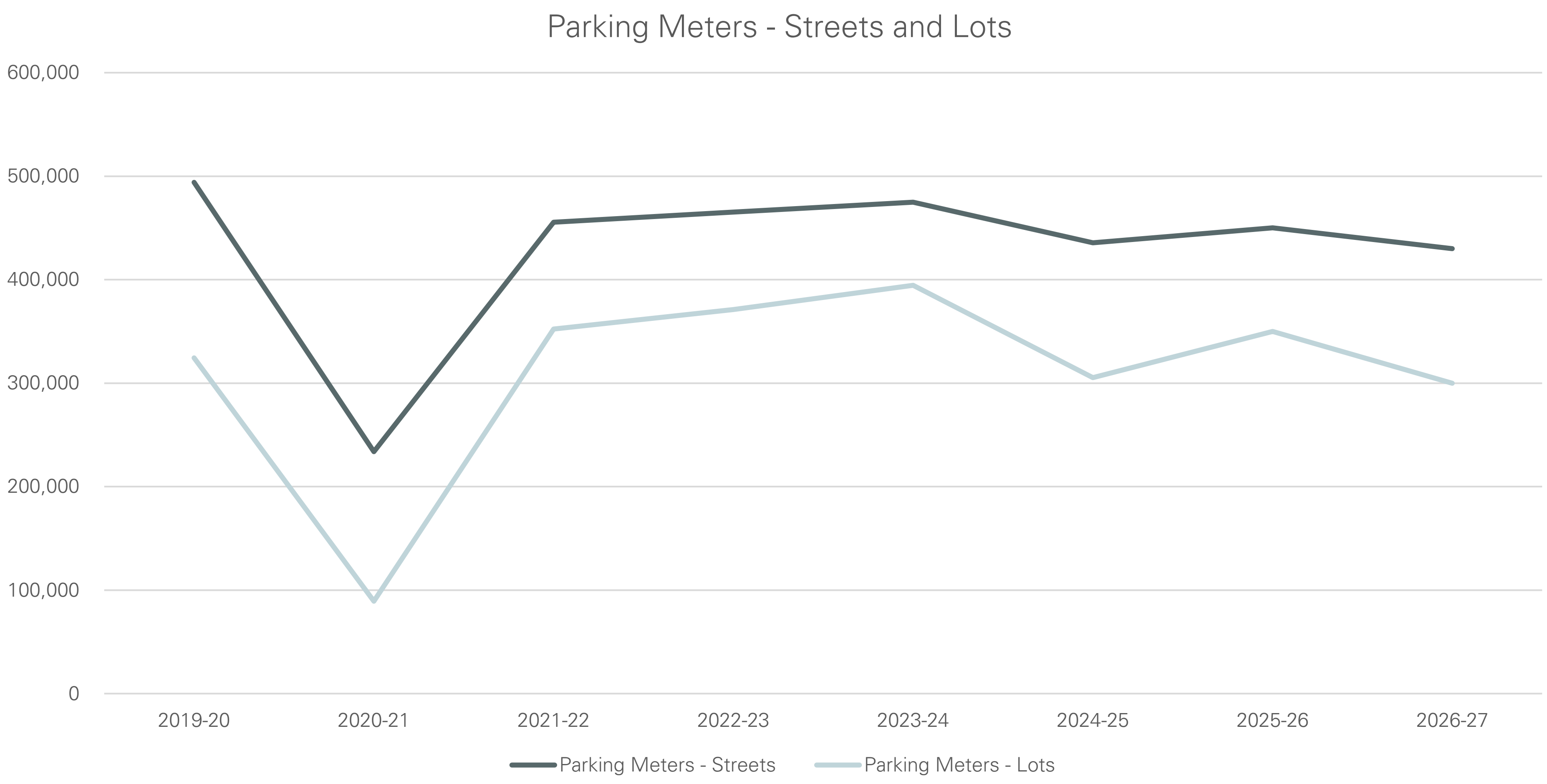


Revenues Not Supporting Ongoing Operational Costs

Parking Revenue



Parking Revenue



City of Chico
FY2026-27 Proposed Budget
Private Development Funds 871, 872, 873, 874

	2022-23 Actuals	2023-24 Actuals	2024-25 Actuals	2025-26 Estimated Final	2026-27 Proposed
Beginning Balance	**$5,389,112**	**$5,538,152**	**$5,819,508**	**$4,930,392**	**$2,794,526**
Revenues					
Licenses & Permits	$2,353,769	$2,921,841	$2,270,677	$2,429,000	$2,318,000
Charges for Services	306,306	289,500	222,106	$ 284,100	$ 230,000
Planning & Engineering Fees	1,143,901	1,503,256	1,146,201	$1,212,000	$1,122,000
Use of Money & Property	13,201	201,841	216,978	$ 102,000	$ 102,000
Other Income	3,875	4,305	19,424	$ 12,416	$ -
Transfers In	427,903	518,434	449,246	$ 429,752	$ 416,100
Total Revenues	**4,248,955**	**5,439,177**	**4,324,632**	**4,469,268**	**4,188,100**
Expenditures					
Salaries & Employee Benefits	$2,186,247	$3,050,517	$3,423,564	$3,817,207	$4,376,234
Materials & Supplies	20,253	28,160	16,683	55,646	62,596
Purchased Services	746,848	864,739	501,015	169,022	281,773
Other Expenses	46,898	68,414	71,711	97,355	112,982
Allocations	498,847	851,046	1,027,423	1,278,625	1,174,025
Capital Projects	57,357	142,273	148,100	1,016,588	210,981
Transfers Out	167,673	201,140	139,364	170,691	147,024
non Cash/Other Adjustments	100,379	(48,466)	(114,112)	-	-
Total Expenditures	**3,824,502**	**5,157,823**	**5,213,748**	**6,605,134**	**6,365,615**
Total Rev Less Expenditures	424,453	281,354	(889,116)	(2,135,866)	(2,177,515)
Ending Fund Balance	**$5,813,565**	**$5,819,506**	**$4,930,392**	**$2,794,526**	**$ 617,011**

City of Chico
FY2026-27 Proposed Budget
Private Development Funds 871, 872, 873, 874

	2022-23 Actuals	2023-24 Actuals	2024-25 Actuals	2025-26 Estimated Final	2026-27 Proposed
Beginning Balance	**$5,389,112**	**$5,538,152**	**$5,819,508**	**$4,930,392**	**$2,794,526**
Revenues					
Licenses & Permits	$2,353,769	$2,921,841	$2,270,677	$2,429,000	$2,318,000
Charges for Services	306,306	289,500	222,106	$ 284,100	$ 230,000
Planning & Engineering Fees	1,143,901	1,503,256	1,146,201	$1,212,000	$1,122,000
Use of Money & Property	13,201	201,841	216,978	$ 102,000	$ 102,000
Other Income	3,875	4,305	19,424	$ 12,416	$ -
Transfers In	427,903	518,434	449,246	$ 429,752	$ 416,100
Total Revenues	**4,248,955**	**5,439,177**	**4,324,632**	**4,469,268**	**4,188,100**
Expenditures					
Salaries & Employee Benefits	$2,186,247	$3,050,517	$3,423,564	$3,817,207	$4,376,234
Materials & Supplies	20,253	28,160	16,683	55,646	62,596
Purchased Services	746,848	864,739	501,015	169,022	281,773
Other Expenses	46,898	68,414	71,711	97,355	112,982
Allocations	498,847	851,046	1,027,423	1,278,625	1,174,025
Capital Projects	57,357	142,273	148,100	1,016,588	210,981
Transfers Out	167,673	201,140	139,364	170,691	147,024
non Cash/Other Adjustments	100,379	(48,466)	(114,112)	-	-
Total Expenditures	**3,824,502**	**5,157,823**	**5,213,748**	**6,605,134**	**6,365,615**
Total Rev Less Expenditures	424,453	281,354	(889,116)	(2,135,866)	(2,177,515)
Ending Fund Balance	**$5,813,565**	**$5,819,506**	**$4,930,392**	**$2,794,526**	**$ 617,011**

City of Chico
FY2026-27 Proposed Budget
Private Development Funds 871, 872, 873, 874

General Fund Support

	2022-23 Actuals	2023-24 Actuals	2024-25 Actuals	2025-26 Estimated Final	2026-27 Proposed
Beginning Balance	**$5,389,112**	**$5,538,152**	**$5,819,508**	**$4,930,392**	**$2,794,526**
Revenues					
Licenses & Permits	$2,353,769	$2,921,841	$2,270,677	$2,429,000	$2,318,000
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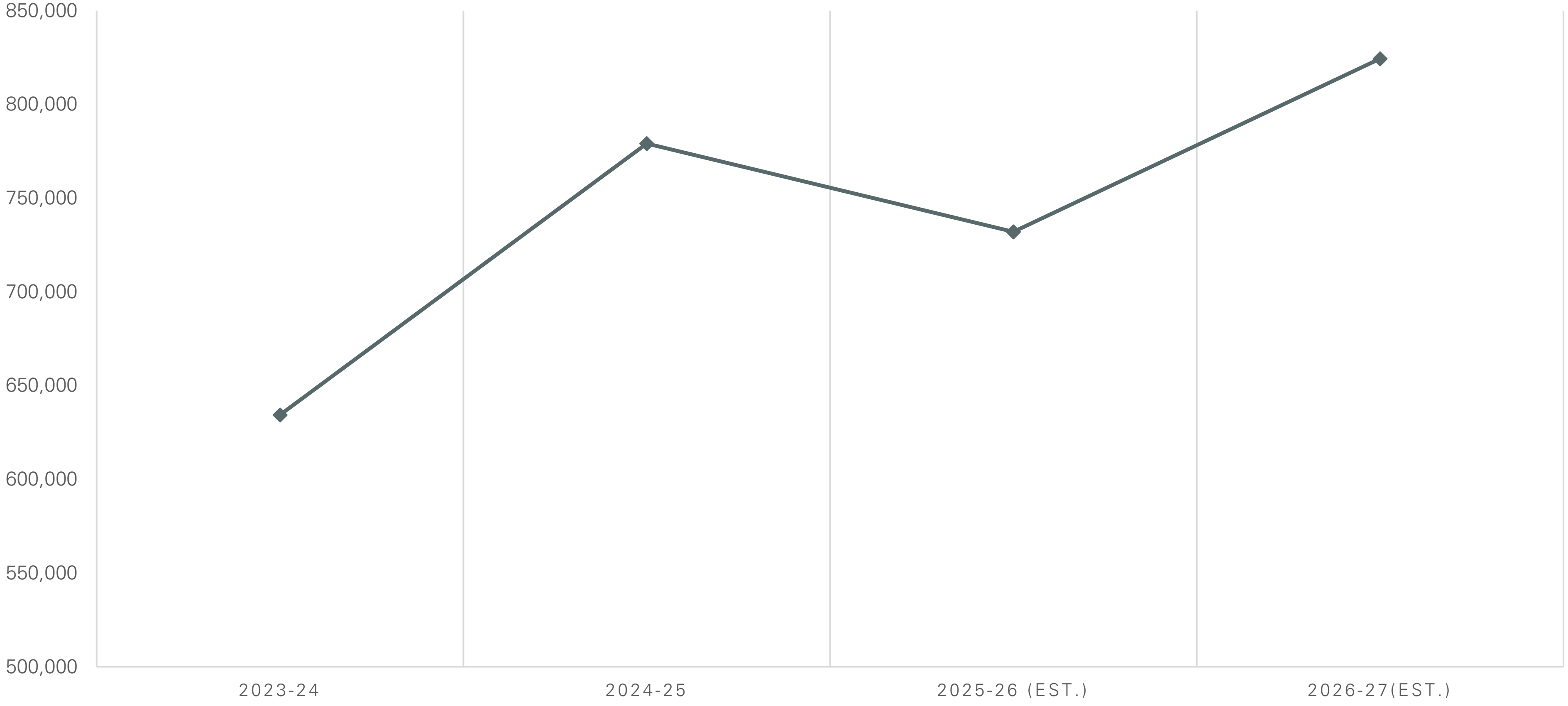
Ending Fund Balance	**$5,813,565**	**$5,819,506**	**$4,930,392**	**$2,794,526**	**$ 617,011**

City of Chico
Airport Fund (Fund 856)

	2023-24 Actuals	2024-25 Actuals	2025-26 Estimated Final	2026-27 Proposed Budget
REVENUES				
Fuel Flowage Fees	$ 34,158	$ 36,377	$ 30,000	$ 30,000
Landing Fees	28,013	45,169	25,000	30,000
Rental & Lease Income	768,196	948,906	732,000	824,400
Concession Income	28,260	30,003	25,000	30,000
Interest	1,526	(10,767)	0	0
Intergovernmental Revenue	0	0	1,000,000	0
Other	(7,573)	125,366	5,000	5,000
TOTAL REVENUE	**852,580**	**1,175,054**	**1,817,000**	**919,400**
EXPENDITURES				
Salaries and Benefits	409,854	379,369	478,050	525,621
Materials & Supplies	31,794	15,808	27,070	27,070
Purchased Services*	217,806	223,641	223,647	208,956
Other Expenses	18,611	(407)	27,895	27,895
Allocations for Utilities and Internal Services	389,927	412,872	374,703	363,364
Non-Recurring Operating				
Total Operating Expenditures	1,067,992	1,031,283	1,131,365	1,152,906
Net Operations before Capital Expenditures	**(215,412)**	**143,771**	**685,635**	**(233,506)**
Other Expenditure Items:				
Capital Improvement Projects	$ -	$ 59,000	$ 986,868	$ -
TOTAL EXPENDITURES	**1,067,992**	**1,090,283**	**2,118,233**	**1,152,906**
NET REVENUE OVER/(UNDER) EXPENDITURES BEFORE OTHER SOURCES (USES)	**(215,412)**	**84,771**	**(301,233)**	**(233,506)**
OTHER FINANCING SOURCES (USES) - See Schedule				
Transfers In/(Out)*	(55,468)	(68,368)	57,773	152,464
TOTAL OTHER SOURCES (USES)	**(55,468)**	**(68,368)**	**57,773**	**152,464**
NET REVENUE/(DEFICIT)	**(270,880)**	**16,403**	**(243,460)**	**(81,042)**
BEGINNING CASH BALANCE	578,979	308,099	324,502	81,042
ENDING CASH BALANCE	**$ 308,099**	**$ 324,502**	**$ 81,042**	**$ -**

CITY OF CHICO
INC. 1872

AIRPORT RENTAL & LEASE INCOME



2023-24 and 2024-25 Adjusted for actual activity vs new GASB requirement

City of Chico
Airport Fund (Fund 856)

	2023-24 Actuals	2024-25 Actuals	2025-26 Estimated Final	2026-27 Proposed Budget
REVENUES				
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BEGINNING CASH BALANCE	578,979	308,099	324,502	81,042
ENDING CASH BALANCE	**$ 308,099**	**$ 324,502**	**$ 81,042**	**$ -**

Includes Budgeted Transfer from General Fund

Department Presentations

Administrative Services Department

Administrative Services Department
Strategic Goals

- Provide timely and accurate financial reporting.
- Provide safeguards to process financial transactions accurately and securely.
- Monitor agency cash flow and cash management.
- Provide a secure and functional computer network system.
- Create and enhance strategic partnerships within the community.
- Enhance the employee experience.
- Cultivate and embrace diversity and inclusion.
- Retain talent through growth opportunities.
- Expand the use of technology for improved efficiency.
- Protect all City assets.

Administrative Services Department
Key Initiatives for FY2026-27

HUMAN RESOURCES

- Aggressively market the City of Chico as an employer of choice to enhance quality candidate sourcing and proactive recruitment efforts (Talent Management).
- Develop and Implement a Recruitment and Retention Strategic Plan that promotes employee advancement (Succession Planning).
- Engage employees in City of Chico culture through an employee-centric environment that focuses on people operations (Employee Experience).
- Utilize all software mediums to their fullest capabilities to ensure seamless data processing (Technology).

FINANCE

- Develop budget that funds City Council priorities and implements new Government Finance Officers Association (GFOA) strategic planning criteria.

INFORMATION SYSTEMS

- Continue to develop the City's Fiber Utility by implementing the pilot program and analyzing continued areas and opportunities for expansion.

RISK MANAGEMENT

- Enhance worker's compensation training/education.
- Mitigate City risk through comprehensive analysis.
- Enhance City safety programs through ongoing training.

Administrative Services Department

Mission

To serve the citizens of the City of Chico and City departments by providing accurate, efficient and timely information, service and support.

Funding Sources: General Fund and Internal Service Funds

Total Budget Requested: $13,905,164

Total Personnel Costs: $5,588,958

Current Number of Positions: 36

Administrative Services Department

Positions:
Continued Use of Interns and Annuitant

New Funding:
Maintenance Contract for P25 Radio System
Increased Funding to Support ongoing Service Contracts/Maintenance Agreements

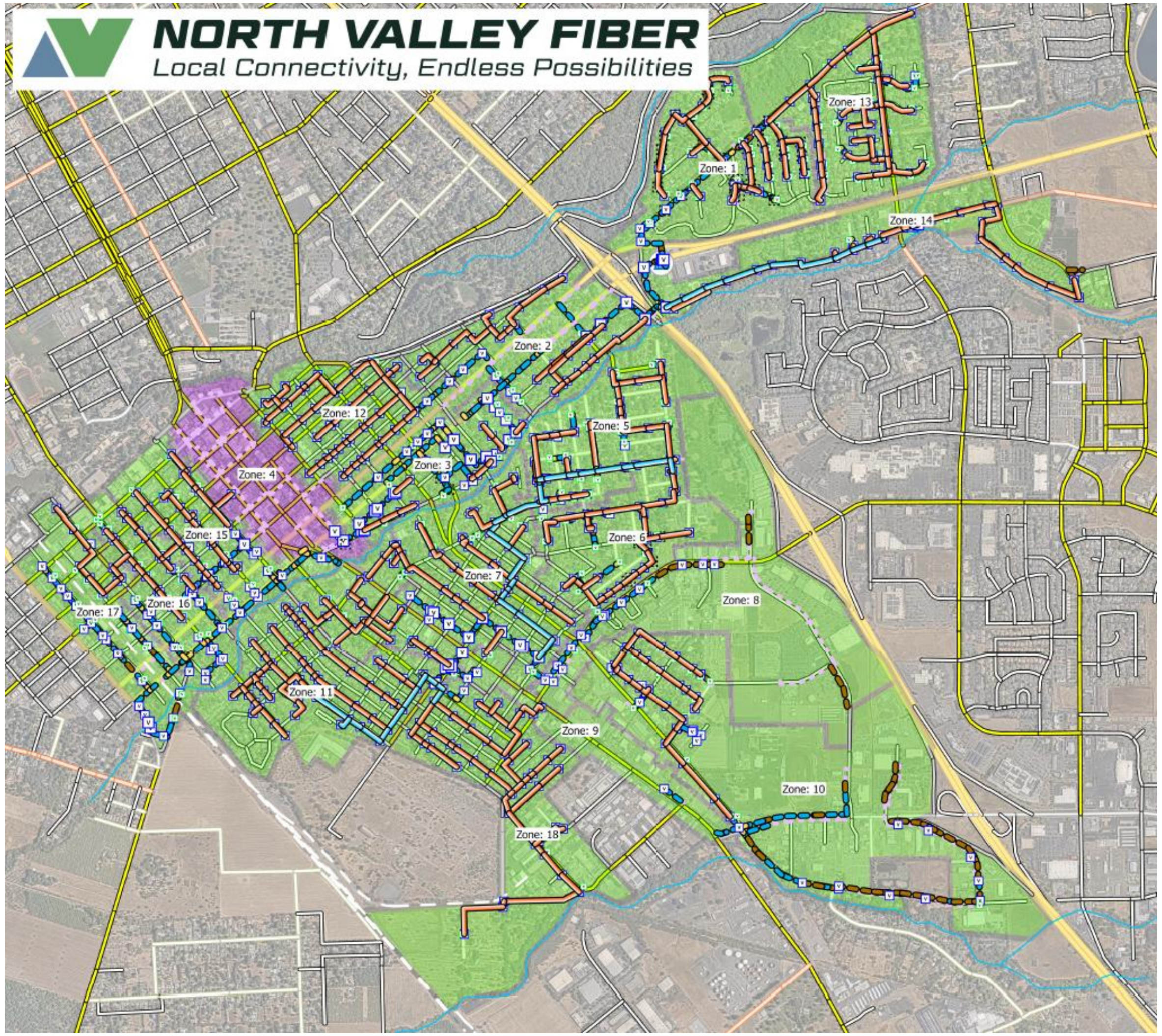
Existing Projects – Additional Funding:
Fiber Utility – First Area Nearing Completion – Requesting Interfund Loan

Administrative Services Department

Fiber Utility –

First Area of Construction

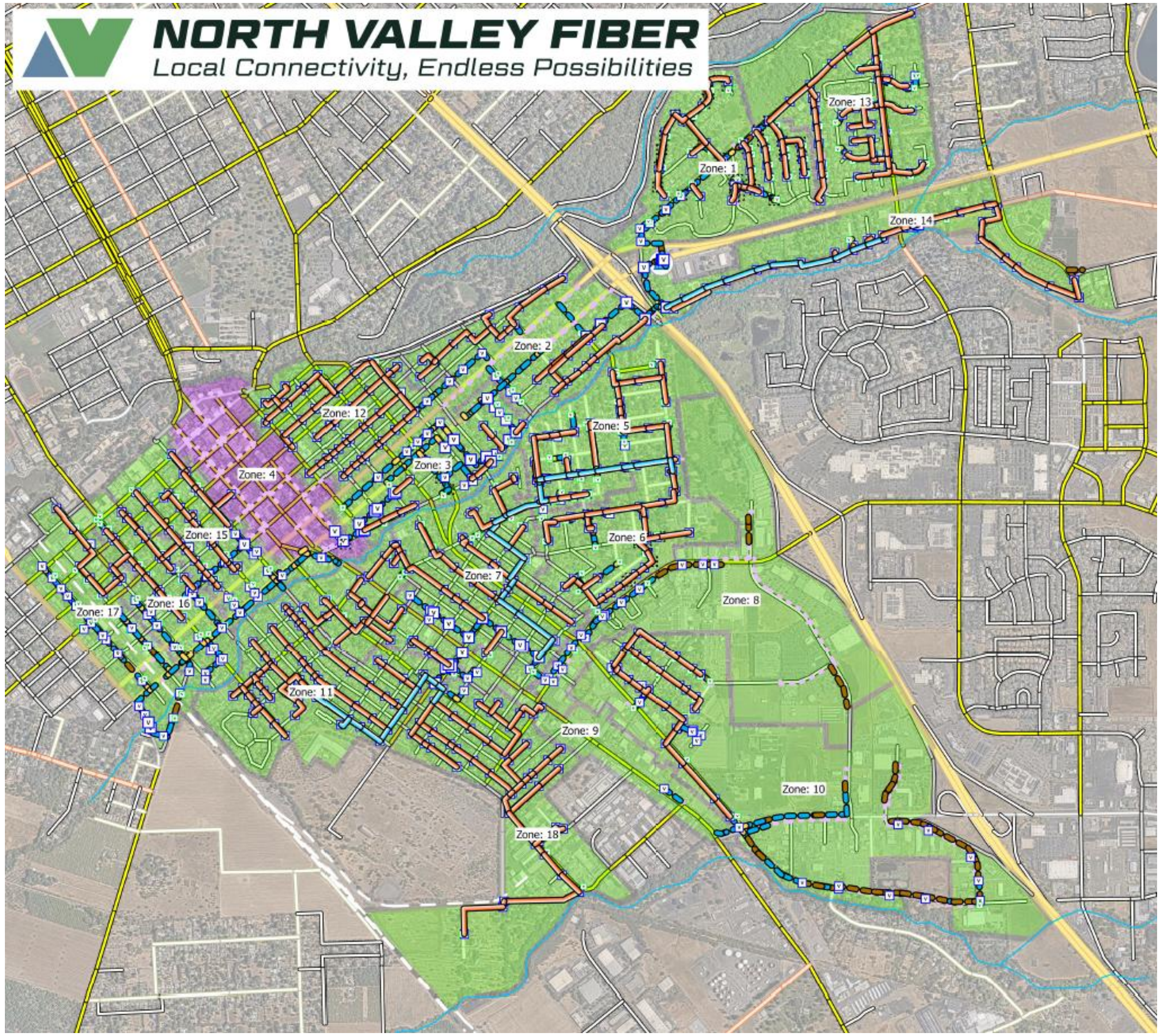
Serve Approximately
9,095 residents



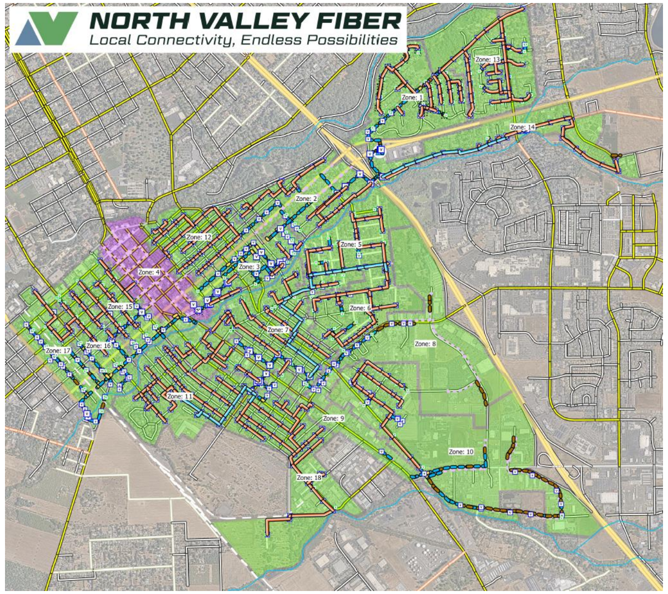
Administrative Services Department

Approximately 196,000 Linear Feet of Conduit Installed

Approximately 128,000 Linear Feet of Fiber Installed



Administrative Services Department



System will be Ready to “Turn On” in early Summer

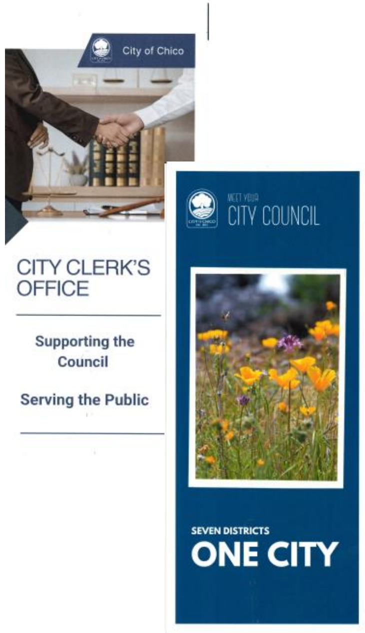
Next Phase - Onboard Customers through Internet Service Providers or Directly

City Clerk

City Clerk

Mission

Our Mission is to maintain the integrity of city government in the City of Chico and ensure an informed citizenry by providing access to city government through open and accessible meetings and accurate recording of the City Council proceedings; by protecting and preserving City documents and records; through the conduct of fair and democratic elections; and by providing excellent service to the public.



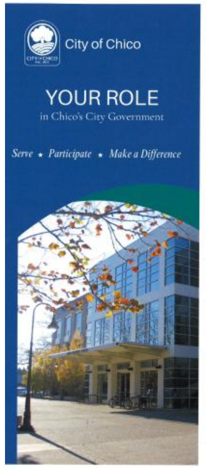
Funding Sources: General Fund and PEG Fund

Total Budget Requested: $2,239,159

Total Personnel Costs: $1,227,937

*Includes City Council Budgets

Current Number of Positions: 4.5



Strategic Goals :

City Clerk

Elections Administration & Voter Support:

- Facilitate 2026 Election
- Provide support to local candidates to ensure fair, transparent and accessible municipal elections

City Staff Reports:

- Refine staff reports and process to ensure standardization within the organization
- Staff training

Expand Digital Access for Public Meetings:

- ADA Requirements
- Zoom Integration
- Develop a multi-year roadmap for technology upgrades and digital services

Process Improvements:

- Continue to evaluate and identify areas within the department that can improve efficiency and consistency

Records Management:

- Historical Documents & City-wide assistance with records

WHAT'S NEW?

City Clerk

- Increased membership dues
- Part time position for hourly employee

City Management

City Management
Strategic Goals

- Strengthen strategic partnerships to benefit the City and enhance our citizens' quality of life.
- Strengthen opportunities for business development, expansion, and investment in the Chico community.
- Provide fiscal leadership to the organization.
- Effectively operationalize City Council policy direction.
- Enhance opportunities for citizen engagement.

City Management

Mission

To provide professional, ethical, and trusted leadership in the administration and execution of policies and objectives approved by the City Council; to develop and recommend alternative solutions to community problems as identified by Council; to plan and develop new programs to meet the future needs of the City; to prepare the annal budget; and to foster trust and pride in city government by providing excellent customer service; building a sustainable government structure; and effectively and efficiently directing City operations.

Funding Sources: General Fund, Donation/Grant Funds

Total Budget Requested: $1,551,103

Total Personnel Costs: $964,147

Current Number of Positions: 3.5

City Management
Highlights

CITY OF CHICO
INC. 1872

- Lost Park Redevelopment
  - Evolving with OZ 2.0
- Cannabis
- Economic Development
  - Economic Vitality Strategy
  - Team Chico
  - Travel Chico
  - Visitor Services

CHICO ECONOMIC
VITALITY STRATEGY
A Sector-Led, Place-Enabled Approach.

Fire Department

Fire Department

Strategic Goals:

- Create a destination fire department focused on a highly qualified workforce
- Enhance the department’s physical assets to address the needs of Chico’s growing community while providing a safe working environment for personnel
- Improve internal fire department communications to promote clear and transparent dissemination of information
- Improve communications and relationships with external and cooperative partners to enhance service to the Chico community
- Enhance the training program to align with industry standards and improve department capacity to effectively mitigate emergencies in the community
- Establish a comprehensive health and wellness program that improves the physical and mental wellbeing of Chico Fire

Fire Department

Key Initiatives for FY2026-27 :

- Begin the Standards for Response Coverage and Strategic Plans
- Establish formal performance objectives (such as response time goals, etc.)
- Begin planning and securing funding for Fire Station 6

Fire Department

<u>Mission</u>

Our Mission is to provide the highest quality fire, rescue, and emergency services to the Chico community in a caring and professional manner.

Vision: Through innovation, collaboration, and continuous improvement, we envision a future where our community feels secure, every firefighter is empowered, and every challenge is met with resilience and expertise.

Funding Sources:

General Fund, Measure H, Private Development

Total Budget Requested:

$23,323,492

Total Personnel Costs:

$19,478,424

Current Number of Positions:

71

WHAT'S NEW?

Fire Department

- Awarded grant funding for over 5,000 feet of new wildland hose and paratec heavy rescue equipment
- Placed into service P25 capable emergency response radios for greater coverage
- Placed into service 12 new Thermal Imaging Cameras (TICs) and 17 new Automatic External Defibrillators (AEDs) received from grant funds

Fire Department

Areas of Responsibilities

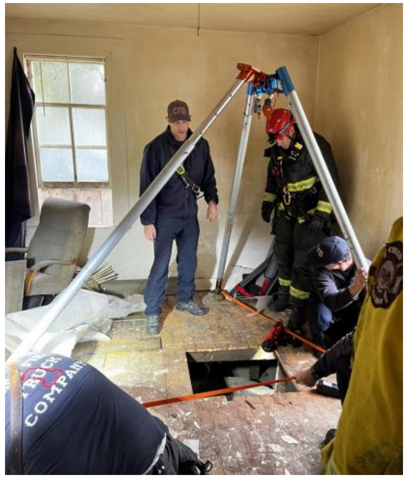
Essential Services Provided:

Emergency Response (Fires, EMS, Rescues, etc.)

Emergency Management & Pre-Incident Planning

Fire Code Enforcement

Public Education



Key Accomplishments for FY2025-26 :

- Added an additional Engine Company (Engine 1)
- Completed Phase II Fire Station Alerting System (Mach Alert) install
- Completed install of the Tablet Command CAD Overlay
- Initiated design & build out of a new tiller ladder truck, expected delivery Summer 2026
- Initiated design & build out of 2 fire engines, expected delivery Fall 2026

Fire Department

Fire Department

FY 2026-27 Goals

Fire Department

- Secure funding to build Fire Station 6 to improve response times
- Improve Emergency Response Performance
- Strengthen Wildfire and Wildland Urban Interface Preparedness
- Maintain Best Practice Training and Professional Development
- Expand Technology and Data Analysis Capability
- Upgrade or Maintain Facility and Apparatus Readiness
- Continue Development of a Comprehensive Community Risk Reduction Model

Police Department

Police Department

Mission

To create a safer Chico and improve quality of life by partnering with our community and providing dedicated service.

Core Values

Integrity
Courage
Respect

Funding Sources: General Funds, Grant Funds, Parking Fund

Total Budget Requested: $49,667,152

Total Personnel Costs: $39,872,589

Current Number of Positions: 196.18

What's new in FY2026-27 Proposed Budget

Operating Requests

· Training · Purchased Services · Materials & Supplies ·

Staffing Requests

· Community Services Officers ·

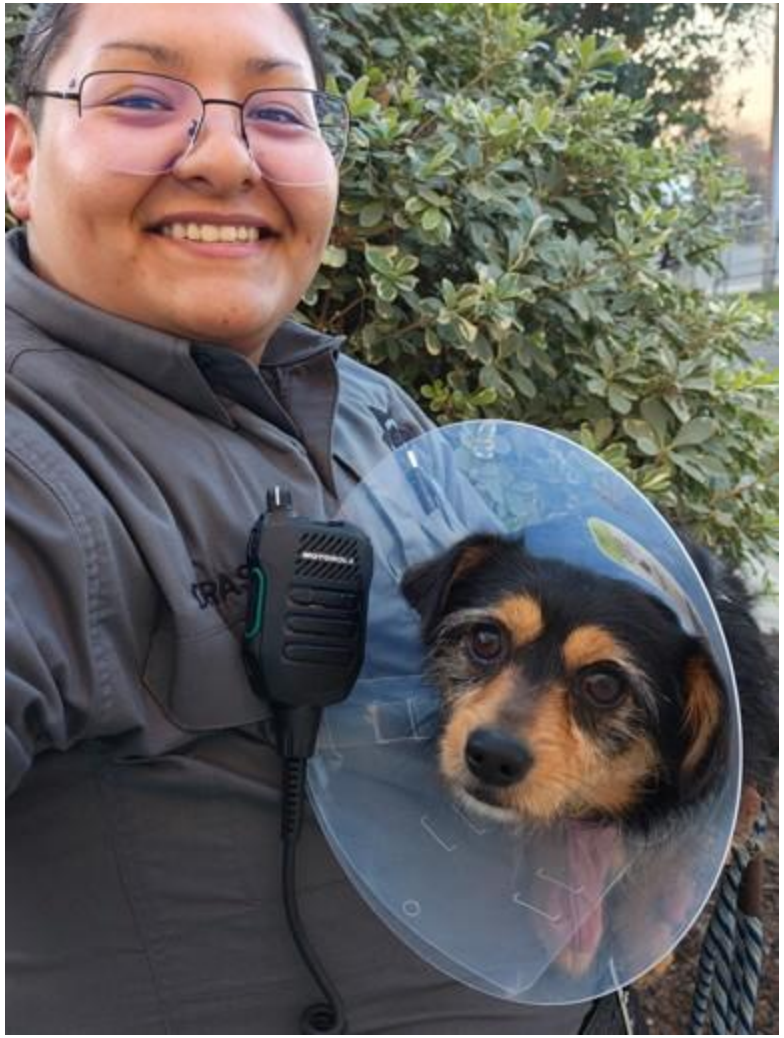
Capital Improvement Projects

· Equipment · Vehicles · Overhead ·

Police Department
Operating

- POST Update Instructor Training - $30,000
- Task Force Fees - $12,965
- Skydio DFR Command Drone Tracking and Integration Program - $11,000
- CivicPlus Public Records Request Portal dedicated to Police Department - $10,500

Police Department
Operating



- Background Expenses- $10,000
- Training Ammunition - $10,000
- Animal Control Veterinary Expenses - $4,000
- Solid Waste Disposal - $1,500
- Duty Ammunition - $1,000

Police Department
Animal Shelter Operating

- Contractual: Modular Building Rental and Cremation Services - $7,400
- Animal Shelter Food - $7,000
- Communications - $1,500
- Pest Control - $1,000
- Membership/Dues - $700
- Books/Periodicals/Software - $500
- Small Tools/Equipment - $500

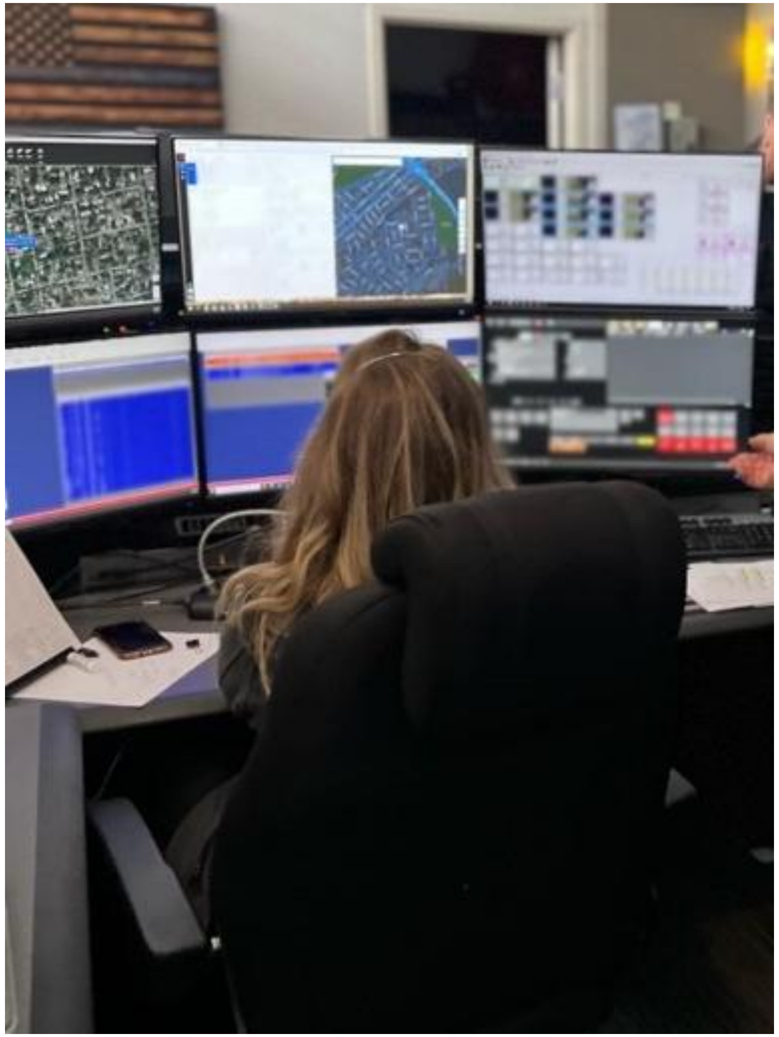
Police Department
Staffing

- (1) Community Services Officer I
  - One CSO Position assigned to the Traffic Unit to operate the Red-Light Camera System, take non-injury traffic collisions, provide parking enforcement, and tow vehicles
- (2) Community Services Officer I
  - Two CSO positions assigned to the TARGET team to provide dedicated support 7 days a week to address quality-of-life issues, ordinance enforcement, and non-emergency calls for service in high-use public spaces

Service Firearms

- Project established for replacement of service handguns and optics
- Current budget of $31,200
- NEW: Request to increase funding by $35,956 to cover project overhead and set aside for replacement of Patrol rifles, for which no dedicated funding source currently exists

Police Department
Existing Capital Project



Dispatch Center Chairs

- Project established for replacement of Dispatch Center chairs
- Current budget of $3,090 annually
- NEW: Request for an increase of $11,845 in FY26-27 year to replace all current chairs and increase annual set aside to $5,150 for future replacement

Existing Capital Project

Overhead Expenses

Requesting that a 3% Overhead be applied to Capital Projects that were initially set up without accounting for Overhead Expenses

- ALPR Project - $4,363
- Uniforms and Safety Equipment - $3,000
- Crisis Response Unit Equipment - $900
- Police LiveScan Machine - $180
- CSI Equipment - $60

New Capital Projects

Forensic Examination Computers

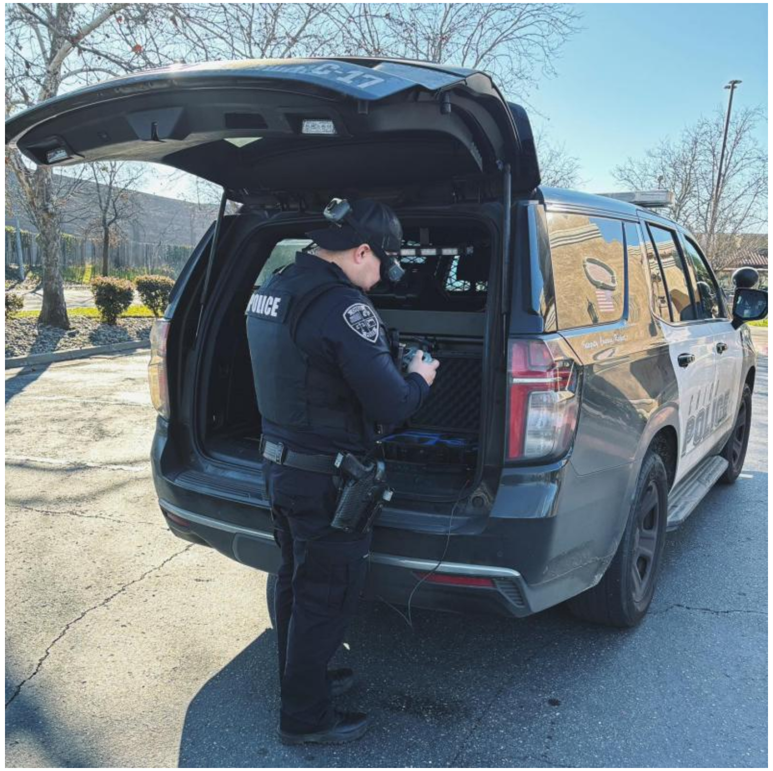
- Forensic Examination Computers initially purchased by Information Systems
- Upgraded hardware ensures efficient processing of large data sets, secure transfer of evidence to the District Attorney's Office, and continued operational reliability
- Project established to set aside $5,150 annually for future computer replacement costs

Bomb Squad Equipment

- Specialized equipment to enhance protection and mitigate the loss of life due to ballistic and explosive threats
- Equipment to include:
  - Improvised Explosive Device (IED) Disruptor Unit, Stand, and Accessories
  - Remote Firing Devices and Controllers
  - Wall Penetrating Sensors
  - Day Box for Explosive Component Storage
  - Rapid Action Diagnostic and Hand Tool Kits
  - Hazmat Suits
- Project Budget: $30,385

Police Department
New Capital Projects

CHICO POLICE
UAS



UAS Deployment in January 2026

Unmanned Aerial System (UAS) Vehicle

- Mobile UAS Vehicle capable of rapidly deploying equipment and staff associated with UAS Team, including drones and robotics
- Vehicle provides necessary infrastructure for field operations: technology, power source, audiovisual and charging stations, as well as streaming capabilities
- Initial purchase in FY26-27 with a set aside in future years to replace vehicle in expected lifespan of 15 years
- Project Budget: $424,360

Community Development Department

Community Development Department
Strategic Goals

Planning
- Ensure the City's General Plan and Land Use Regulations (Title 19) are consistent with quickly evolving State housing and land use legislation.
- Expeditiously process development applications in accordance with local, State, and federal regulations and standards.

Housing
- Plan and administer affordable housing programs and funding.

Geographic Information Systems (GIS)
- Provide up-to-date GIS data and information to all City departments and the community.

Building
- Ensure residential and non-residential construction is consistent with California and City building, fire, plumbing, mechanical, electrical, residential, and green codes.

Code Enforcement
- Maintain and improve the quality of the community through enforcement of local and state codes and regulations.

Community Development Department
Planning Division

Funding Sources:
- Enterprise Funds
- Special Revenue Funds
- General Fund

Total Budget Requested: $2,881,875

Total Personnel Costs: $1,153,776

Current Number of Positions: 8

Approximately $330,000 of the General Fund request is a required annual pass-through to Butte LAFCO.

Essential Services:
Implement City's General Plan, Title 19 Zoning Ordinance, Design Guidelines; ensure compliance with regional/State/federal planning and environmental laws; support City Council, Planning Commission, Architectural Review and Historic Preservation Board, Climate Action Commission, Map Advisory Committee, & Zoning Administrator.

Community Development Department
Planning Division

Key Achievements and Initiatives:

- ✓ Barber Yard Initial Development
  - 135 acres, 1,250 units, and 180k sq ft commercial/office
  - Plan for an integrated compact neighborhood development
- ✓ Safety Element Update (Emergency Preparedness)
- ✓ Residential Readiness Code Amendments, Phases 3 and 4
- ✓ Pro-Housing Designation with HCD
- ✓ Pursue Pro-Housing Incentive Program (PIP) funds to incentivize housing production

Barber Yard Aerial View

Community Development Department
Housing Division

Funding Sources:
- Special Revenue Funds
- Federal Awards

Total Budget Requested: $2,244,820

Total Personnel Costs: $739,948

Current Number of Positions: 3

Bar Triangle Apartments, 2026
Photo Credit: Louis Rocha

Essential Services:
Plan & implement affordable housing programs and initiatives; manage Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME), Permanent Local Housing Assistance (PLHA) and Affordable Housing Funds (AHF); implement City's Housing Element; manage housing loan portfolio; work with developers to facilitate affordable housing projects.

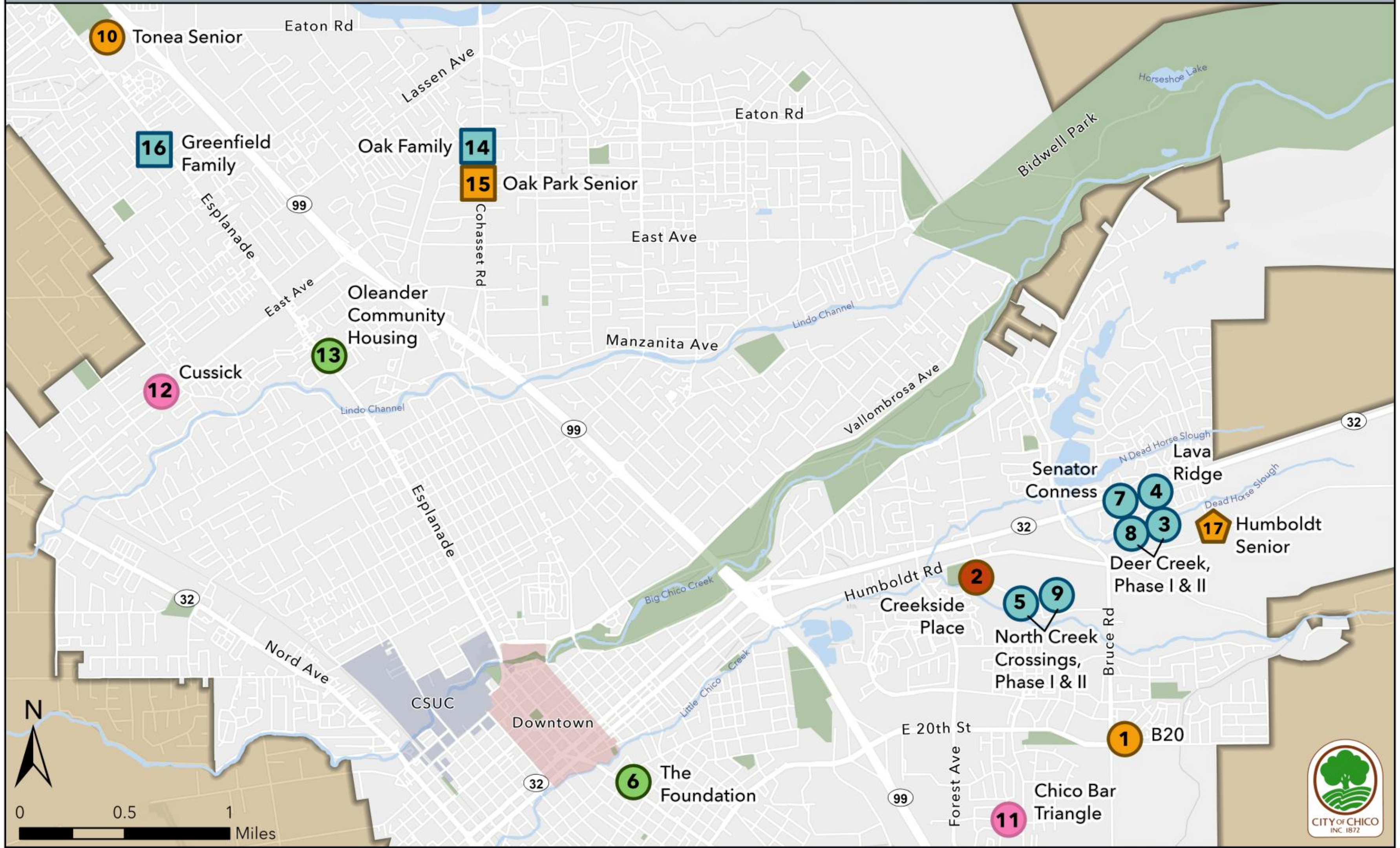
Community Development Department
Housing Division

Key Achievements and Initiatives:

- ✓ City Funded Affordable Housing
  - 180 new affordable housing units completed
    - ❖ Oleander Community Housing – Supportive Housing (37 units)
    - ❖ Cussick Apartments – Family (74 units)
    - ❖ Bar Triangle Apartments – Family (69 units)
  - 65 affordable units preserved
    - ❖ Turning Point Commons (rehabilitation)
- ✓ Non-City Funded Affordable Housing
  - 276 affordable housing units in development
    - ❖ Oak Park Senior Apartments - (59 units)
    - ❖ Oak Park Family Apartments - (75 units)
    - ❖ Greenfield Family Apartments - (63 units)
    - ❖ Humboldt Road Senior - (79 units)
- ✓ Programs and Policy
  - 6th Cycle Housing Element compliance and reporting
  - Administration of PLHA funding

City of Chico Summary of Affordable Housing 2022-2026

Projects funded in part with federal disaster recovery funds



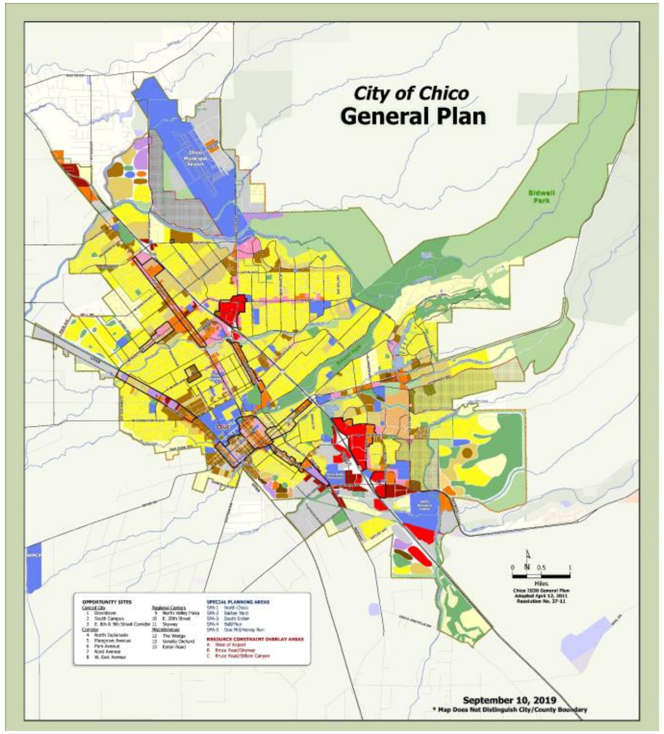
	Senior	Family	Large Family	Special Needs	Seniors & Special Needs	# Units
Completed Projects	●	●	●	●	●	1,117
Projects Under Construction	■	■	———	———	———	197
Projects Awaiting Development/Funding	⬟	———	———	———	———	79

CITY OF CHICO INC. 1872

Community Development Department
Geographical Information Systems (GIS)

Funding Sources:
- All City Funds

Total Budget Requested: $476,616
Total Personnel Costs: $273,117
Current Number of Positions: 2



Essential Services:
Provides mapping and GIS support to all City departments, outside agencies, utilities, special districts, and community; maintains City's interactive GIS website system by capturing, checking, storing, integrating, analyzing, displaying, and distributing spatial data.

Community Development Department
Geographical Information Systems (GIS)

Key Achievements:

- ✓ Saved PW Engineering ~$30,000 – in-house sewer camera integration
- ✓ Notice generation: 1–2 hours → ~7 minutes per notice
- ✓ Portal cloud transition complete; all divisions served
- ✓ Internal Story Map user guides built for self-serve learning
- ✓ 26,500-recipient sewer rate mailing list reconciled across 3 systems

Upcoming Initiatives:

- ✓ Single-source data architecture – next phase of Portal investment
- ✓ ADA compliance for all 17 public-facing maps
- ✓ Public-facing Story Map guides, ADA-compliant from launch
- ✓ Expanding Field Maps to more departments for live data collection

Community Development Department
Building Division

Funding Sources:
- Enterprise Funds

Total Budget Requested: $3,170,297

Total Personnel Costs: $2,233,172

Current Number of Positions: 16

In Motion Fitness Construction
Photo Credit: Holt Construction

Essential Services:
Implement all State mandated Building, Fire, Residential, Mechanical, Electrical, Plumbing, and Green Codes; manage all building plan review and permit processes; perform inspections of all building construction projects; archive and maintain storage of building construction plans and documents; certify all new buildings, additions, and changes of use for appropriate legal occupancy; develop and maintain automated permitting system; and administer Residential Energy Conservation Program.

Community Development Department

Building Division

2025 Data Highlights:

Building Permit Valuation Activity, New Construction Permits Issued:

- ✓ Single-Family Residential – $24.5 million valuation
- ✓ Multi-Family Residential – $13.2 million valuation
- ✓ Commercial Permits – 33 permits, $13.2 million valuation

New Housing Units Completed:

- ✓ Single-Family Residential – 108 units
- ✓ Multi-Family Residential – 191 units
- ✓ Accessory Dwelling Units – 31 units

Key Initiatives:

- ✓ Coordinate Comprehensive Updates to City's On-Line Permitting System to Enhance External and Internal Use.
- ✓ Complete User Fee Study Update and Adopt New Fees.
- ✓ Create Over-the-Counter Plan Review and Integrate a Streamlined Solar Permit Process.

In Motion Fitness Construction
Photo Credit: Holt Construction

Building Private Development Revenue Remains Strong

Community Development Department
Code Enforcement Division

Funding Sources:
- Housing Funds
- General Fund

Total Budget Requested: $1,109,604

Total Personnel Costs: $618,973

Current Number of Positions: 5

Drop N Dash, 2025
Photo Credit: Louis Rocha

Essential Services:
Ensure all buildings, structures, and properties are in compliance with local ordinances and zoning laws; investigate, process, and resolve Municipal Code violations; sponsor and participate in community cleanup events such as “Drop and Dash”; and administer the Abandoned Vehicle Abatement Program (AVA), which is funded through the Butte County AVA Service Authority.

Community Development Department
Code Enforcement Division

2025 Data Highlights:

Code Enforcement Cases:

- ✓ Opened - 1,582
- ✓ Closed – 1,642
- ✓ Citations issued - 65
- ✓ AVA – 236 vehicles/trailers abated
- ✓ Weed Abatement - 378 inspections

Code Voluntary Compliance Rates:

- ✓ 96% of Code Enforcement cases

Key Achievements and Initiatives:

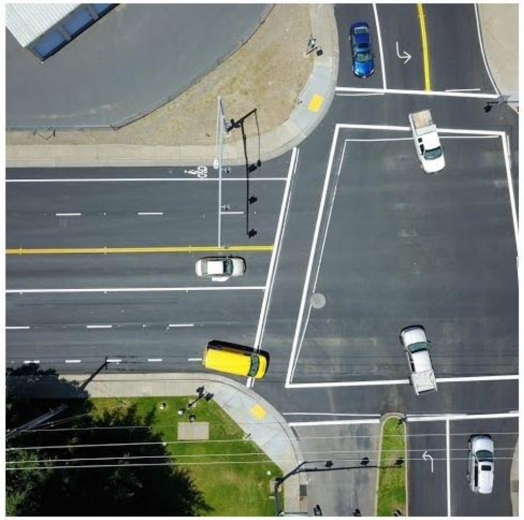
- ✓ Present a Cost Recovery Ordinance for Re-Inspections.
- ✓ Present a Tobacco Retailer License Ordinance.
- ✓ Implement the Council-approved Massage Establishment Ordinance.
- ✓ Collaborate with City Attorney’s Office to pursue legal action on complex cases.

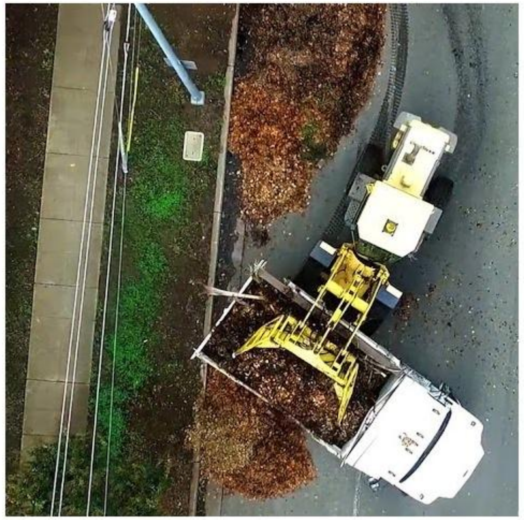
Community Development Department

<u>FUTURE DEPARTMENT RESTRUCTURE</u>

Division Leads

Enhanced Career Paths / Employee Retention






Public Works
Operations and Maintenance Department

Operations & Maintenance
Division Overview

Division #	Division Name
110	Environmental Services
601	Public Works Administration
630	Fleet Services
640	Facilities
650	Right-of-Way Maintenance / Traffic Safety & Street Cleaning
660	Parking Meter Maintenance
670	Underground / Water Pollution Control Plant
682	Parks & Open Spaces
686	Street Trees / Public Plantings
688	Outreach & Engagement / Encampment Clean-Up
691	Airport
941	Chico Maintenance Districts (CMDs)

Operations & Maintenance

Mission

To maintain safe, reliable, modern infrastructure and services for the greater Chico Community.

Funding Sources: General Fund, Capital Projects Funds, Enterprise Funds, Special Revenue Funds, Internal Service Funds

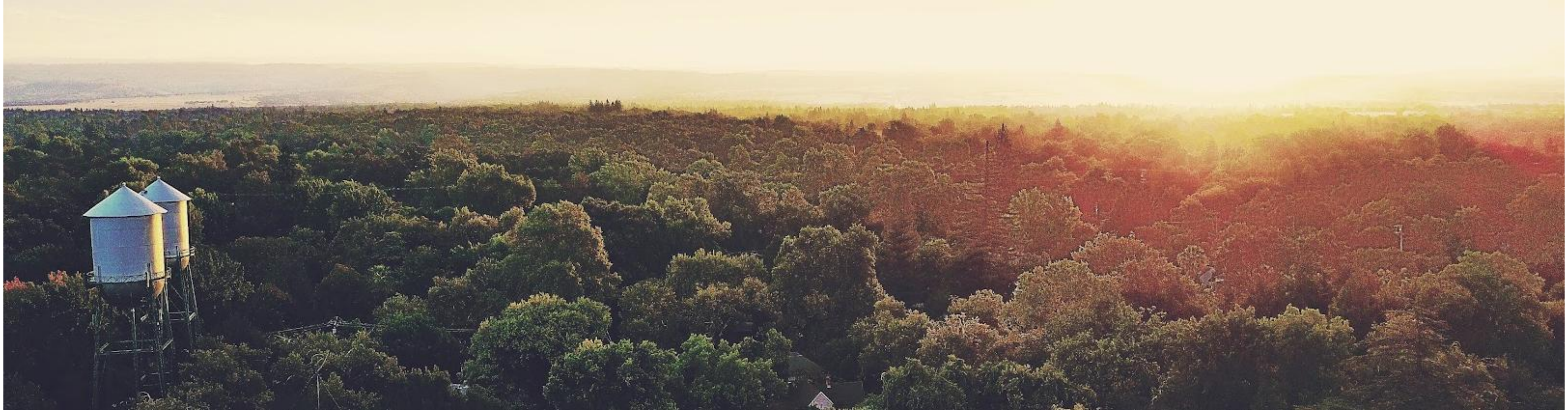
Total Budget Requested: $35,043,646

Total Personnel Costs: $14,595,818

Current Number of Positions: 101

Operations & Maintenance
Strategic Goals

- Enhance infrastructure and recreation facilities to be world-class, inviting public spaces.
- Deploy a rapid response service delivery system focused on a sense of urgency in all functions.
- Deploy projects to ensure long-term sustainability, accessibility, and opportunity.
- Establish economic development opportunities and partnerships to ensure a robust local economy.



WASTEWATER TREATMENT FACILITY

- Under the guidance of the State Water Resources Control Board NPDES permit, treat and discharge water at a standard that not only meets but exceeds those requirements.
- Continue rehabilitation of primary clarification tanks.
- Finalize Phase III SST energy project for new boilers and co-generation unit.
- Utilize resources that optimize sewer investment within both the collection system and Wastewater Treatment Plant.
- Install new software/servers and field components for SCADA upgrade while continuing to provide reliable WPCP instrumentation performance.

Operations & Maintenance
Initiatives for FY 2026-27

RIGHT-OF-WAY & STREET CLEANING MAINTENANCE DIVISION

- Coordinate repairs with Public Works - Engineering for upcoming annual roadway capital projects to complete labor-intensive dig outs, crack sealing and surface preparation at least six months ahead of project start date.
- Extend the life of City streets by placing at least 40,000 lbs. of crack sealing material.
- Replace at least 15,000 square feet of City sidewalk.
- Maintain clean, safe City streets, and meet MS4 permit through regular street sweeping and the annual leaf collection program.

Operations & Maintenance
Initiatives for FY 2026-27

PARKS & OPEN SPACES DIVISION

- Implement and maintain the Parking Management Program for Upper Bidwell Park.
- Initiate ongoing fuel reduction projects throughout Bidwell Park and greenways.
- Renew dedicated investment in trail maintenance.

Operations & Maintenance
Initiatives for FY 2026-27

STREET TREES & PUBLIC PLANTINGS DIVISION

- Continue implementation of Urban Forest Master Plan (UFMP) Priority actions.
- Manage no net loss of tree canopy to maintain baseline of 33,534 trees in public right-of-way.
- Maneuver from reactive calls for service to proactive urban forest management.
- Continue to develop a strategic program of tree pruning to achieve a 7-year cycle.

Operations & Maintenance
Initiatives for FY 2026-27

TRAFFIC SAFETY DIVISION

- Rapid safety response: Respond within 1 hour to any report of streetlight or signal knockdowns.
- Place approximately 25,000 lbs of high-visibility thermoplastic paint to enhance roadway markings, to improve visibility of lanes, crosswalks, and traffic control features throughout the City.
- Upgrade signs to meet FHWA retroreflectivity standards: Continue regulatory and warning sign replacement program, replacing all signs within current zones during the fiscal year.

Operations & Maintenance
Initiatives for FY 2026-27

UNDERGROUND DIVISION

- Clean at least 50% of the sanitary sewer collection system.
- Comply with the Sanitary Sewer System General Order Permit and maintain the collection system, so there are zero Sanitary Sewer Overflows (SSOs hereafter). If an overflow does occur, respond within 30 minutes of notification.
- Inspect at least 25% of the sanitary sewer collection system.

Initiatives for FY 2026-27

FLEET SERVICES DIVISION

- Integrate new fleet software to maximize reporting capacity.
- Actively report to the California Air Resources Board (CARB) on the mandated Clean Truck Check Program.
- Develop a plan to expand electrical infrastructure for current and future needs of electric vehicles in the City fleet.

Operations & Maintenance
Initiatives for FY 2026-27

BUILDINGS & FACILITIES MAINTENANCE DIVISION

- Continue to enhance and modernize all municipal facilities with the aim to serve the public effectively and efficiently.
- Capitalize on automated building maintenance systems (where possible) to better diagnose and respond to preventative and corrective maintenance demands with minimal staff.
- Operationalize and capitalize on Asset Management and Capital Forecasting tools for all City facilities, including Parks and the Water Pollution Control Plant.
- Deliver significant energy efficiency projects through the Sustainable Solutions Turnkey (SST) Program.

Operations & Maintenance
Initiatives for FY 2026-27

AIRPORT DIVISION

- Continue to renew older leaseholds at current market rates.
- Work to expand leasing and development opportunities at Chico Regional Airport.
- Continue to market the airport to increase general aviation and aerial fire suppression.
- Continue to work with community stakeholders to establish a well-funded Revenue Guarantee Fund (goal of $2 million) to competitively position Chico for the return of commercial air service.
- Continue to design and fund the local share of upcoming projects included in the Airport Capital Improvement Projects (ACIP). Projects include runway reconstruction, terminal improvements, and ramp improvements.

Operations & Maintenance
Initiatives for FY 2026-27

<u>OUTREACH & ENGAGEMENT / ENCAMPMENT CLEAN UP DIVISION</u>

- Work with community partners to evaluate and assist in securing sheltering options for those experiencing homelessness.
- Work to clean and restore Chico's parks, greenways, and open spaces.
- Follow Council direction for post-Warren level of services.

Operations & Maintenance
New Capital Requests

- Airport Projects: TSA Modular, Taxiway R Rehab
- Facilities Projects: Landscape Irrigation Repairs at 411 Main & Children's Playground, Animal Shelter Roof & Painting
- WPCP Projects: Washer Compactor Replacements, Barscreens Rehab, Aeration Tank 6 Upgrade
- New Equipment: Asphalt Paver, Industrial Mechanic Truck

Water Pollution Control Plant

Animal Shelter

Asphalt Paver

Operations & Maintenance
Conclusion

Public Works O&M continues deliver service that directly improves quality of life by preserving the community's greatest asset: it’s Public Infrastructure.

This proposed budget reflects a fiscally-responsible investment in the essential work that keeps Chico running every day.

Mission:
To maintain safe, reliable, modern infrastructure and services for the greater Chico Community.

Public Works - Engineering Department

Engineering

Engineering
Strategic Goals

Core Values:
Integrity, Accountability, Transparency, Safety, Cultural Awareness, Human Health, Inclusivity, and Innovation

Core Focus Areas:
Resiliency, Sustainability, Customer Experience, Equity and Fiscal Health

Performance Excellence and Leadership Culture: We aim to cultivate a workplace culture that empowers employees and builds strong leadership at all levels of our Public Works – Engineering team. By developing mentorship programs, enhancing decision-making capabilities, and fostering continued learning through the promotion of technical expertise in the engineering field, we will equip our team to innovate, solve complex challenges and drive the success of public works projects.

Project Delivery: Our goal is to streamline processes and strengthen relationships to improve project delivery. By formalizing processes, collaborating with local officials and stakeholders, and ensuring clear communication, we will enhance the quality and efficiency of our project processes. In return, the residents and patrons of Chico will experience quality of life daily interactions in our community once projects are completed.

Strategic Infrastructure Planning: We are committed to shaping a sustainable and forward-thinking infrastructure strategy. Through comprehensive master planning, long-term document systems (i.e. data collection) and advanced project management, we will ensure that the City’s infrastructure meets the current needs, while preparing for future growth.

Engineering

<u>Mission</u>

Our Mission is to build and preserve safe, sustainable and livable infrastructure for our community. Our vision is to provide a sustainable and connected Chico where innovative urban infrastructure integrates and thrives with the natural environment. Our Core Values of Performance Excellence, Project Delivery and Strategic Infrastructure Planning are the conduit for delivering on this Mission and Vision.

Funding Sources: General Fund, Capital Project Funds, Special Revenue Funds

Total Operating Budget Requested: $11,311,228

Total Personnel Costs: $7,515,879

Total Capital Budget: $ 26,803,043

Current Number of Positions: 37

Engineering

Challenges:

- Staffing – 37 approved positions, 9 vacancies currently (24.3% vacancy rate, mostly Manager level)
    - Several manager-level vacancies for extended periods of time, **up to 6-years of open recruitment on one**
- 86 Active Capital Improvement Program (CIP) Projects.
- ~ $125 Million 5-Year CIP Program … organize, develop and deliver.

Goals with this coming FY 2026/27:

- Measure H Roadway Rehabilitation Project Planning & Delivery!!!
- Leverage LOCAL funding sources as match funds for larger State and Federal Grants ($124 Million in grants secured since 2015).
- Coordinate, review and approve development projects towards build out conditions and demands in a streamlined manner.
- Analyze, assess and potentially Implement several new Council directives:
    - Parklet program, free parking initiative(s), micro-mobility program, sewer rate analysis, CMC updates, e-bike safety

Engineering

Ceanothus Ave Road Reconstruction (CIP No. 50663)

BEGIN CONSTRUCTION:
May 2026

CONTRACTOR:
Franklin Construction
(~ $1.6 Million)

Engineering
Eaton / Floral Roundabout (CIP No. 50472)

<u>BEGIN CONSTRUCTION:</u>
April 2026

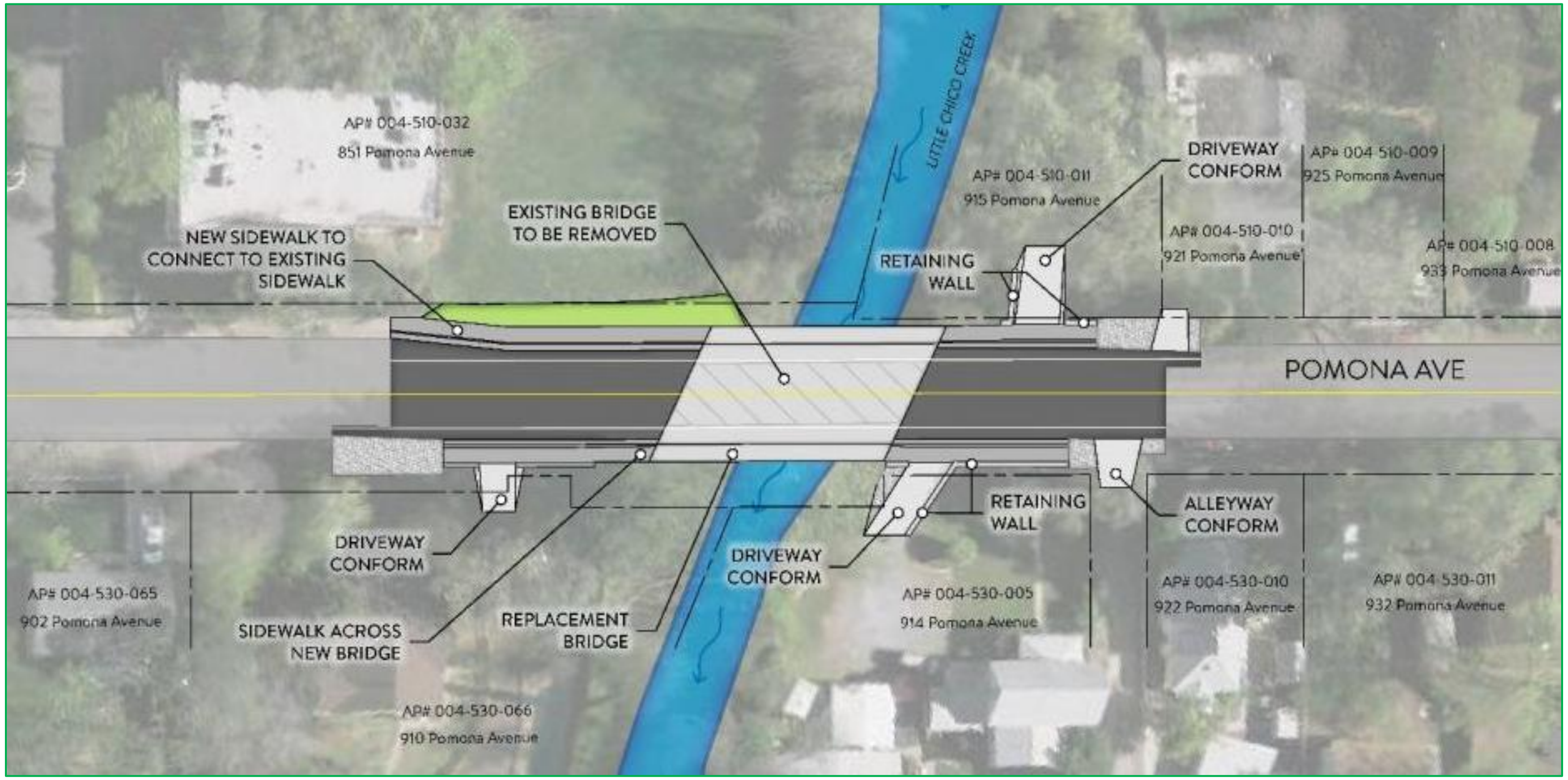
<u>CONTRACTOR:</u>
Knife River Construction ($3.0 Million)

Engineering

Pomona Bridge Replacement (CIP No. 50233)

BEGIN CONSTRUCTION:
June 2026

CONTRACTOR:
Franklin Construction ($5.5 Million)



Engineering

Fair Street Road Reconstruction (CIP No. 50643)

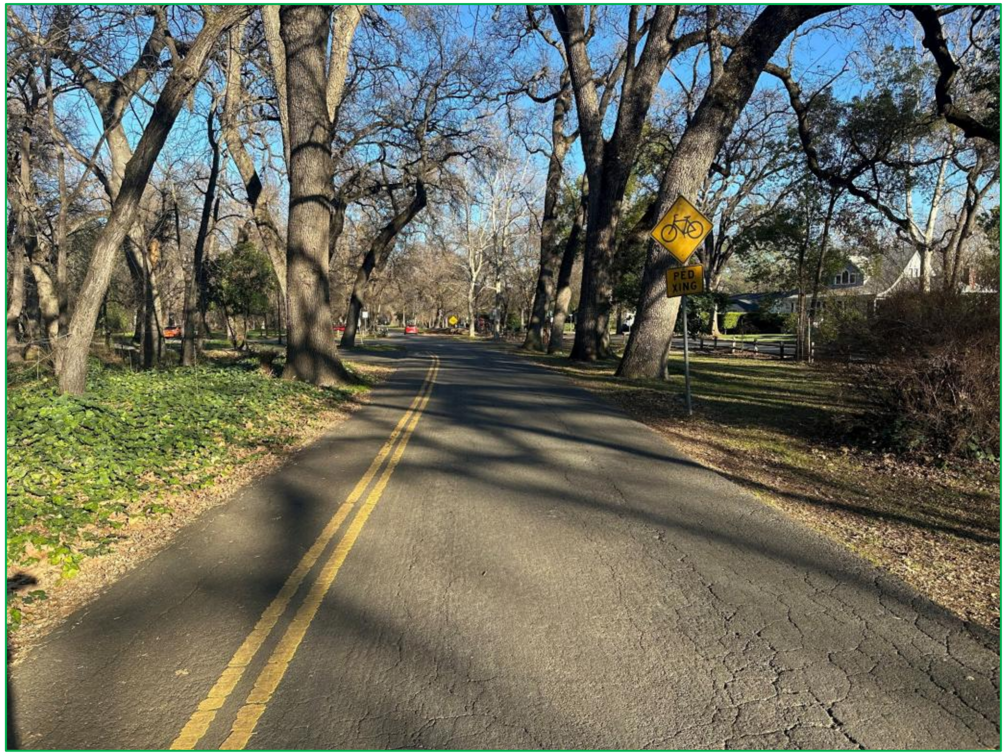
BEGIN CONSTRUCTION:
June 2024

CONTRACTOR:
Knife River Construction
($5.0 Million)

Engineering
South Park Drive Reconstruction (CIP No. 50498)

<u>BEGIN CONSTRUCTION:</u>
June 2026

<u>CONTRACTOR:</u>
R&R Horn Contractors, Inc.
($2.5 Million)



Engineering

North Cedar Street Road Reconstruction (CIP No. 50614)

<u>BEGIN CONSTRUCTION:</u>
June 2026

<u>CONTRACTOR:</u>
Mountain Cascade, Inc.
($2.0 Million)

Engineering

E 20th Street Road Reconstruction (CIP No. 50495)

<u>BEGIN CONSTRUCTION:</u>
July 2026

<u>CONTRACTOR:</u>
TBD
(Eng. Est. $4.0 Million)

Engineering

Primary Clarifiers Rehabilitation (CIP No. 50596)

BEGIN CONSTRUCTION:
May 2026

CONTRACTOR:
W.M. Lyles Co. ($6.0 Million)

Engineering
Other Notable Projects Going Into Construction

PROJECT NAME	CIP NO.	ESTIMATED START DATE
2026 FOREST AVE SLURRY SEAL	50633	MAY 2026
PARK AVE BEAUTIFICATION	50686	APRIL 2026
SR32 / BRUCE RD INTERSECTION	50475	AUGUST 2026
CITYWIDE PEDESTRIAN ENHANCEMENTS	50694	JUNE 2026
VALLOMBROSA PED/BIKE SAFETY	16011	JUNE 2026
TRASH CAPTURE DEVICE	50449	JUNE 2026
2027 RR – MARIPOSA, NORTH	50560	MAY 2027
2027 PP – LOCALS ROADS NEAR ROAD REHABS	50634	MAY 2027
GARNER LANE RECONSTRUCTION	50693	SEPTEMBER 2026
SOUTHBOUND SR99 / EATON ROAD ROUNDBOUT	50488	APRIL 2027

End

Thank you!