



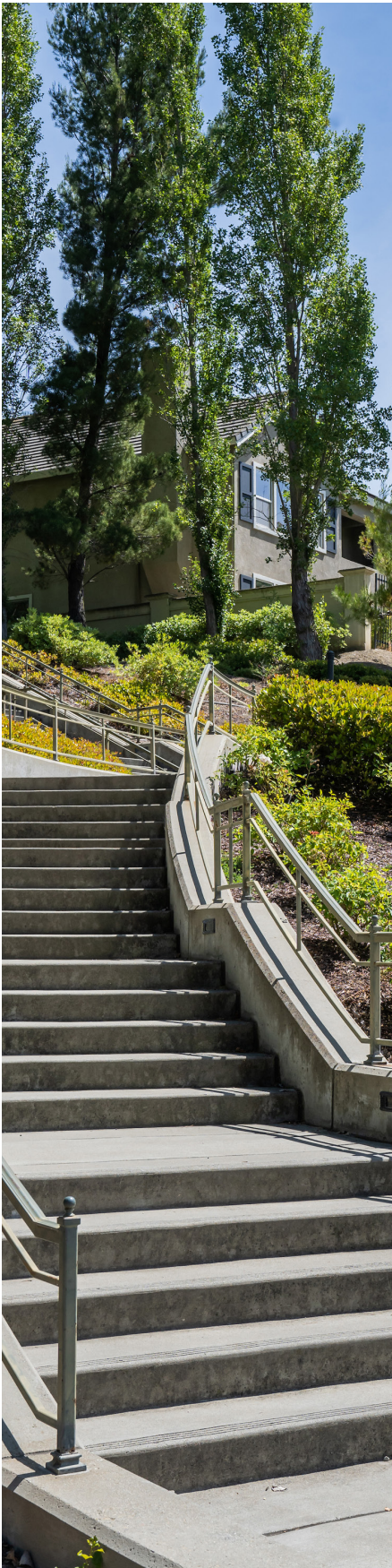
FISCAL YEAR

2025-2026

ANNUAL BUDGET

CITY OF HERCULES, CALIFORNIA





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Welcome: The City of Hercules Annual Budget FY 2025-2026

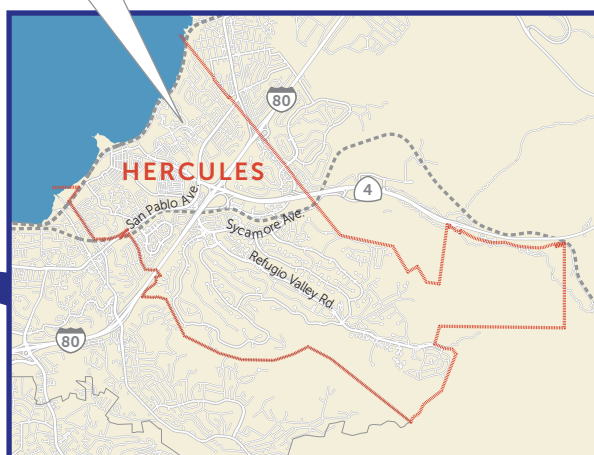
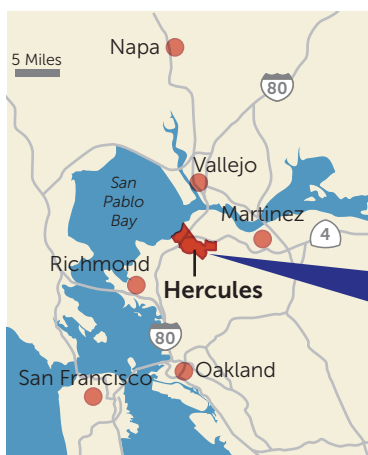


About Hercules: Established as a dynamite factory in the 1800s and incorporated in 1900, the City of Hercules is located on the northeastern shore of San Pablo Bay, conveniently located along the I-80 corridor and within minutes of both San Francisco and Napa. The over 25,000 residents represent a diverse mix of many ethnic groups. Primarily a suburban, family-oriented community, the City is transforming into more than a suburban community with a lively new waterfront, and a new train and ferry terminal in the works.

Hercules offers residents a range of municipal services. The City provides a full range of recreational programs including youth/teen and adult activities, and year-round child care.

The City of Hercules is a community of 26,063 residents

located along the I-80 corridor and within minutes of both San Francisco and Napa. Hercules is in Contra Costa County in the San Francisco Bay Area.



HERCULES CITY COUNCIL

Mayor

Dion Bailey

Vice Mayor

Chris Kelley

Council Members

Alexander Walker-Griffin

Dilli Bhattarai

Chris Kelley

Tiffany Grimsley

EXECUTIVE LEADERSHIP TEAM

City Manager

Dante Hall

City Attorney

Christi Crowl

City Clerk

Eiblis Melendez

Finance Director

Edwin Gato

Public Works Director

Glenn Dombeck

Police Chief

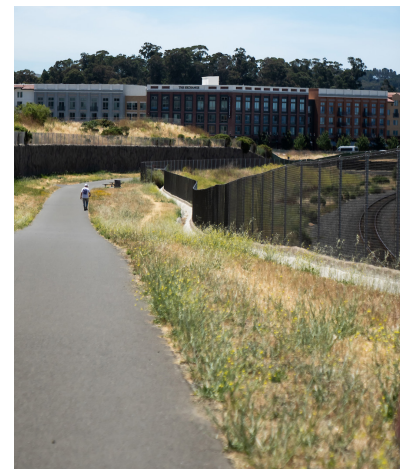
Joseph Vasquez

Community Development

Director Tim Rood

Parks & Recreation Director

Christopher Roke





The City's Senior Center provides daily senior programs and activities and sponsors special community events and trips.

Hercules maintains an abundance of open space areas and trails throughout the community, providing the opportunity for spotting various types of wildlife and offering dazzling views of the bay. Hercules also has two community and five neighborhood parks. The City also has approximately 950 acres of open space areas and trails distributed throughout the community. Together the open space areas and city parks account for approximately 1/3 of the total land area within the City. Future plans include redeveloping the historic Hercules Point as a public waterfront park.



Hercules is served by two public school districts: John Swett Unified School District and West Contra Costa Unified School District. Private elementary and secondary schools are also available in adjacent communities. At the post-secondary level, both public schools and private schools in the East Bay provide a variety of high-quality educational opportunities. The City Child Care Program provides before-and-after school day care and pre-school programs.

HERCULES AT WORK

FY 2023/204

13,800

Total City Labor Force

3,299

Total Employed by
Top 10 Employers, 2023-24

FINANCE COMMISSIONERS:

Chair

Dennis Esselsagoe

Commissioners

Edward Ulle

Janet Stallman

Sam Ahmad

Rupinder Sandhu





LETTER FROM THE CITY MANAGER

Honorable Mayor and Members of the City Council:

On behalf of our Hercules team, it is our privilege to present to you the Recommended Fiscal Year 2025-26 Annual Operating Budget and Fiscal Years 2025-26 through 2034-35 Capital Improvement Program (CIP).

The budget documents are the culmination of collaborative efforts among numerous team members, who have worked together to align resources with the priorities set forth by the City Council and the community, all while ensuring fiscal responsibility. In executing the Council's budget, our team is dedicated to promoting our core organizational values: teamwork, customer service, innovation, resilience in facing challenges, and professional development. I wish to extend my heartfelt appreciation to all individuals involved for their commitment to improving the community we serve. Collaborating with such a dedicated and community-oriented team of professionals is truly a privilege.

The City Manager's message provides an overview of the essential components of the budget. The memo begins with a summary of key highlights, followed by a detailed analysis of significant points categorized by funds. City Council members will receive comprehensive budget workbooks, and the complete budget will be accessible on the City's website.

The City operates under a fiscal operating budget. The Annual Budget presented in this report seeks to balance one-time investments with ongoing projects and long-term financial stability strategies. It is designed to meet the needs of the community while considering the City's current and anticipated financial resources. The proposed budget reflects the community's long-term vision, strategic objectives, and priorities.

On May 28, 2024, the City Council formally adopted the Hercules City Council Strategic Goals for the period of 2024-2026. This pivotal decision establishes a comprehensive framework for the Council's priorities and outlines multi-year objectives designed to enhance the well-being of the community.

The goals are as follows:

Goal #1: Promote the development of the Hercules Hub to create a vibrant center

for community engagement and economic activity.

Goal #2: Enhance the city's fiscal sustainability through prudent financial management, ensuring long-term economic viability.

Goal #3: Improve transparency and communication within the community, fostering a culture of openness and collaboration among residents and city officials.

Goal #4: Continue investing in a skilled and dedicated workforce at City Hall to ensure effective governance and high-quality service delivery.

Goal #5: Strategically plan and secure funding for major infrastructure projects to enhance connectivity and improve the quality of life for all residents.

Goal #6: Develop a comprehensive land-use strategy that promotes responsible development while preserving the distinct character of the neighborhoods.

Goal #7: Formulate a detailed economic development strategy to attract new businesses and stimulate local employment opportunities.

The City Manager's proposed annual budget



is carefully aligned with this commitment to long-term financial stability. It includes detailed revenue estimates and expenditure appropriations across various funds, such as the General Fund, other restricted funds, sewer services, debt service, and internal service funds. This budget comprehensively addresses all dimensions of City operations, encompassing general functions, capital investments, and debt obligations.



Annual Budget Summary

The City is committed to delivering a wide array of services to the Hercules community, resulting in a budget that is multifaceted and complex, supported by various funding sources. These funding sources encompass the General Fund, Special Revenue Funds, Capital Funds, Debt Service, Sewer Enterprise Fund, and Internal Service Funds. It is important to note that the majority of these funds, aside from the General Fund, are subject to restrictions. Collectively, these funds comprise the citywide budget covering both operating and capital expenditures. A comprehensive breakdown of revenue and expenditure for all funds is available in the financial summary section of the budget document.

The City Manager's recommended annual budget is consistent with the Council's commitment to sustaining long-term financial stability. This budget presents estimated revenues and expenditures for the General Fund, other restricted funds, sewer operations, debt service, and internal service funds. It includes provisions for general operations, debt management, capital projects, and internal transfers that are essential for all City programs and functions. Additionally, the fund summaries and financial schedules illustrate prior year actual results in conjunction with the proposed budget for Fiscal Year 2025-26 as compared to the previous year's budget. The subsequent categories outline the foundational assumptions utilized as a baseline for these estimations.

Salaries and Benefits

Labor represents the most significant component of our overall expenses, comprising nearly 60% of total expenditures. This extensive category includes direct compensation, such as wages and salaries, and critical benefits, including comprehensive health insurance, robust retirement plans, and associated labor costs. The following section delineates the key assumptions that have been meticulously considered in estimating the financial implications of salaries and benefits:

Base Salary

To address costs associated with personnel services, a preliminary wage increase of

3% has been incorporated. This increase is contingent upon ongoing labor negotiations with various employee groups.

Retirement Plans

Normal Cost: The projected normal cost rates for the PERS Miscellaneous and Public Safety classifications have been determined through a thorough actuarial valuation utilizing data as of June 30, 2023, specific to the City's retirement plans conducted by CalPERS. This comprehensive analysis is essential for establishing the minimum required contributions for the fiscal year 2025-2026. The term "normal cost" refers to the annual amount, expressed as a percentage of payroll, necessary to fund the pension benefits accrued by current employees during the fiscal year. Additionally, the accompanying table provides an overview of the increases in contribution rates, making a clear comparison to the previous year's budget. This information underscores the financial adjustments necessary to sustain the integrity of our retirement systems, which is critical for policymakers and stakeholders engaged in fiscal planning and management.

Unfunded Actuarial Liability: The projected contribution amounts related to the unfunded actuarial liability for the PERS Miscellaneous and Public Safety classifications have been similarly determined through a comprehensive actuarial valuation using data as of June 30, 2023. This detailed analysis is vital for establishing the minimum required contributions for the fiscal year 2025-2026. The unfunded actuarial liability (UAAL) denotes the disparity between the total cost of promised pension benefits and the

assets available to fulfill those obligations. It indicates a shortfall in the pension fund, revealing that the assets are insufficient to meet all promised payments to current and future retirees. A significant UAAL may imply considerable financial pressure on the pension system, potentially necessitating increased contributions from employers, including cities, counties, or states, to address the shortfall. At present, the City's funding ratio stands at approximately 70%.

Employer-Sponsored Health Insurance

Employer-sponsored health insurance, encompassing vital medical, dental, and vision coverage, is expected to experience a modest 3% increase in premium costs compared to the fiscal year 2024-25 Kaiser rate. This projection reflects current trends in healthcare expenses and reinforces our commitment to providing essential health benefits to employees and their families while navigating the complexities of the healthcare landscape.

Other Expenditures

According to prevailing economic trends, including the Consumer Price Index (CPI) for the San Francisco Area as of February 2025, all other expenditures are anticipated to increase by 3%.

City departments have submitted additional funding requests that exceed their baseline budgets to enhance service delivery, comply with legislative mandates, and execute special projects within the budgetary framework. These various funding requests were presented to the Council as part of the Proposed Budget for Fiscal Year 2025-26 and are summarized as follows:

	BUDGET IMPACT		
	General Fund	Other Funds	TOTAL
Ongoing costs:			
Low-Income Home Repair Program	\$30,000		\$30,000
Housing Program Support	\$67,390		\$67,390
DocuSign Contract Lifecycle Management Platform		\$19,624	\$19,624
Total, Ongoing	\$97,390	\$19,624	\$117,014
One-Time Costs:			
Housing Transaction Support		\$120,595	\$120,595
General Plan Update and EIR		\$1,300,000	\$1,300,000
Motorola Radios for Police Department	\$143,647	\$100,000	\$243,647
Marshfield Consulting		\$50,000	\$50,000
Quad-City CORE Homeless Services Pilot Program	\$48,965		\$48,965
SNG Contract for Engineering and CIP Services	\$240,000		\$240,000
Total, One-Time	\$432,612	\$1,570,595	\$2,003,207
TOTAL	\$530,002	\$1,590,219	\$2,120,221



The City's annual budget is an essential planning instrument that effectively aligns community needs with the resources available for service delivery. These critical services include public safety through the police department, park recreational opportunities, community development initiatives, essential public works projects, and efficient administrative operations. This comprehensive budget provides a detailed financial strategy for the upcoming fiscal year, featuring a five-year forecast for the General Fund. This forecast allows for thoughtful anticipation of future needs and opportunities that will promote growth and enhance the quality of life for all residents.

As the City develops the FY 25-26 annual budget, we invite community members to contribute their perspectives on the most significant priorities to residents, businesses, and other stakeholders. We aim to create a budget that ensures the City's financial sustainability while upholding the delivery of services that our community values.

The City utilizes fund accounting to ensure compliance with financial regulations and to exhibit transparency in its financial management. A fund is a collection of related accounts specifically organized to manage resources allocated for activities or objectives. In the Analysis section of this report, readers will find comprehensive and detailed information regarding the various categories of funds, which underscore their unique purposes and financial implications. This section thoroughly presents information on the following fund categories:

- I. General Fund Revenue Estimates
- II. General Fund Expenditures Projections
- III. General Fund Projected Net Annual Result
- IV. General Fund Reserves
- V. General Fund Five-Year Forecast
- VI. Non-General Fund Programs

General Fund Budget

The General Fund functions as the primary operating fund of the City, providing essential financial resources for a wide range of services. It receives funding from multiple sources, including property taxes, sales taxes, business licenses, fines, forfeitures, and intergovernmental revenue. This fund is critical for supporting key services such as law enforcement, parks, and recreation, public

works—which includes the maintenance of streets and facilities—and fundamental government functions like administration and finance.

In contrast to funds earmarked for specific purposes, such as water and sewer projects or capital improvements, the General Fund is allocated for a broad spectrum of City operations. Its importance cannot be overstated, as it guarantees the consistent delivery of essential services and empowers the City to respond effectively to unforeseen events and economic variations.

The General Fund revenues for Fiscal Year 2025-2026 are projected to increase by approximately 5% compared to the audited actuals for Fiscal Year 2023-2024, primarily due to the revised Franchise Fee from Republic Services.

The foundation of the General Fund revenues is composed of several essential tax sources, including the Utility User's Tax (UUT), Sales Tax, Property Tax, Real Property Transfer Tax (RPTT), and Transient Occupancy Tax (TOT), among others. The interdependence of these key revenue streams is crucial; should one or more of these vital contributors cease operations within the City of Hercules, it could result in a significant decline in revenue. Such a decrease would threaten our financial stability and compromise the availability of critical programs and services for the community. This emphasizes the importance of maintaining a stable and diverse revenue base to ensure we can continue to meet the needs of our residents effectively.

The General Fund monitors the sources and applications of resources primarily determined by the City Council. Its purpose is to facilitate the provision of activities, programs, and services the community identifies as essential and desirable. Expenditures from the General Fund are strategically allocated to enhance public safety, maintain public infrastructure through comprehensive public works initiatives, promote community development, and enrich recreational and park opportunities. In addition, the fund underpins essential administrative functions, ensuring that the City operates efficiently and effectively and addresses the needs of its citizens.

Based on the assumptions previously outlined, the general fund's ongoing expenditures are projected to increase by 5% relative to

the budget of the previous fiscal year. This projection ensures sufficient funding for essential services and responsibilities.

The General Fund is projected to conclude the fiscal year with positive operating results totaling \$423,000, along with an operating reserve of \$5 million. This reserve constitutes 25% of the overall General Fund budget, reflecting effective financial management practices and ensuring a robust foundation for future fiscal planning.

General fund reserves, commonly known as rainy day funds, are financial allocations established by governments to address unforeseen expenditures or economic downturns. These reserves serve as critical financial buffers, primarily intended for one-time, unbudgeted expenses or to manage various financial risks. The fundamental purpose of creating a general fund reserve is to enhance economic stability by effectively addressing unexpected costs and mitigating the impact of financial uncertainties. The following provides an overview of the general fund reserves, including the types of reserves and the projected ending balance for the fiscal year 2025-26.

GENERAL FUND RESERVES OVERVIEW

Restricted	
Section 115 Trust (Pension)	\$2,595,291
Former RDA Project Negative Cash Balance	\$3,400,000
Designated	
Earthquake Insurance Deductible	\$500,000
Partial Repayment of CalHFA Loan	\$2,500,000
Hercules Hub (Local Match Requirement)	\$3,000,000
Capital Improvement Projects (CIP)	\$1,360,401
Public Education and Government (PEG) Fees	\$274,000
Reusable Bags	\$13,930
Economic Uncertainty or Operating Reserve	\$5,074,474
Unrestricted	
Set-Aside for Programs and Projects	\$3,430,626
Total, General Fund Reserves	\$22,148,722

A detailed breakdown of the General Revenues and Expenditures is included in the General Fund section of the budget book.



General Fund Five-Year Forecast

The Five-Year Forecast comprehensively assesses current and long-term financial conditions, including revenues, expenditures, fund balances, and operating reserves. Its primary purpose is to offer the City Council and the broader community an economic perspective while identifying critical issues that may warrant consideration during the annual budget development.

It is crucial to recognize that a forecast differs from a budget. The Five-Year Forecast is a strategic tool that anticipates future financial conditions based on specific assumptions. Should future deficits be expected, the forecast presents an opportunity to take corrective actions to uphold financial stability.

This analysis focuses on the City's General Fund, the primary operating budget for tax-supported municipal services. Implementing long-range financial forecasting empowers the City to make informed decisions that facilitate the ongoing sustainability of essential community services. It is recommended that this plan be reviewed and updated annually. As indicated in Attachment 5, the General Fund can accommodate the additional ongoing costs outlined in the proposed budget.

Furthermore, the five-year forecast incorporates the assumption of a one-time full repayment of all CalHFA loans, as agreed upon on October 18, 2013. Fortunately, sufficient funds are available in the operating reserve to facilitate these loan repayments.

The five-year forecast includes the following assumptions, several of which are highly important to maintaining City services:

- Annual growth in various revenue sources is projected to be 0% to 3%, with an overall average annual growth of 2%.
- Applied a Cost-of-Living (COLA) Increase of 3% for salaries.
- PERS Miscellaneous and Public Safety Normal Cost and Unfunded Actuarial Liability (UAL) rates are projected as follows based on 2025 CalPERS actuarial assumptions.
- Health care costs, including medical, dental and vision, are

projected to increase by 3% using current year premium as base.

- All other expenditures are estimated to increase by 3%.

Special Revenue funds

Special revenue funds are designed to track and manage revenues that are designated for specific programs or projects. This approach ensures transparency and accountability in how these funds are utilized. These revenues often come from grants or other specific funding sources that support particular purposes, such as transportation, building permit services, and various restricted programs.

Because these funding sources are restricted, it is necessary to track revenues and expenditure separately from the City's primary operating fund, known as the General Fund. There is currently enough funding to complete existing projects and programs; however, the initiation of new programs or projects will depend on the availability of future funding sources.

It's important to highlight Victoria by the Bay Lighting and Landscaping Assessment District (LLAD) is projected to end the fiscal year with significant deficits. City staff are actively working on a comprehensive strategy to address the deficit in Victoria by the Bay LLAD in line with the Council's direction.

The following are funds under the Special Revenue category:

Asset Seizure (Fund #101): The City has established a forfeited assets fund designed to manage the financial proceeds obtained from drug-related assets seized by the police. This fund is essential for accounting for the monetary amounts and property confiscated during law enforcement operations addressing illegal drug activities. The funds will remain in custody until a final court determination is made, ensuring compliance with legal standards. Moreover, these resources are strictly restricted for use in activities pertaining to law enforcement.

AB 3229 COPS Program (Fund #201): The California State Legislature initiated the Citizens Options for Public Safety (COPS) program, a vital initiative designed to enhance front-line law enforcement services across the state. Each year, the City benefits

from approximately \$150,000 in funding through this program. These essential funds are seamlessly integrated into the General Fund, providing crucial financial support that helps offset the costs associated with police services. This program plays a significant role in ensuring the safety and security of the community by bolstering the resources available to law enforcement agencies.

Landscaping and Lighting Assessment

Districts (LLADs): This funding is designated exclusively for landscaping and lighting maintenance, as well as capital improvements in city parks, along major roads, and within each of the five Landscaping and Lighting Assessment Districts (LLADs). The five LLADs encompass approximately 8,500 parcels. An annual assessment must be submitted to the county and included on the county tax rolls yearly. An engineer's report outlining the budget and assessment amount must be prepared to support this. Staff are working on the assessment and budget, which will be included in the budget documents once finalized.

Stormwater (Fund #231): Stormwater funds are established to address the costs associated with managing stormwater runoff. This encompasses activities such as regulatory compliance, planning, maintenance, capital improvements, and infrastructure repairs. Typically, these funds are financed through user fees, ensuring that those who benefit from stormwater management services contribute to their expenses. The activities supported by the Stormwater fund are currently exhibiting a favorable trend and are anticipated to continue improving as the years progress. Staff will persist in monitoring and analyzing the financial health of the fund to ensure adherence to the Clean Water Act and other regulatory requirements.

Development Impact Fees (DIF): Under the California Mitigation Fee Act (AB 1600), municipalities and counties have the authority to implement Development Impact Fees (DIFs). This legislative provision allows local governments to levy fees on new development projects to finance public infrastructure and facilities, improvements, and community amenities commensurate with the development's impacts. These fees ensure that the financial responsibilities associated with new developments are appropriately allocated



and that infrastructure development aligns with community needs. It is essential to note that DIFs are not permissible for covering operational and maintenance expenses, nor can they be utilized to address existing capital or infrastructure deficiencies. Their primary objective is to mitigate the effects of new development projects on public facilities and services. The City DIF funds are categorized as follows and their respective available fund balances projected in FY 25-26:

- Public Facilities (Fund #241): \$160,534
- Community Development Tax Fund: \$10,478
- Other Development Fee (Fund #243): \$76,657
- Police Facilities (Fund #244): \$81,366
- Parks & Recreation (Fund #247): \$8,276
- Public Benefit Fee (Fund #249): \$1,039,867
- Transportation Facilities (Fund #261): \$477,493

State Gas Tax (Fund #262): A gas tax fund, or Highway Users Tax Account (HUTA), is a dedicated fund that receives revenue from taxes on gasoline and diesel fuel, which is then used to finance transportation-related projects like road construction, maintenance, and public transit. The primary purpose of a gas tax fund is to ensure that the revenue generated from fuel consumption is used to maintain and improve the infrastructure that supports transportation, including roads, bridges, and public transportation systems. The revenue for these funds comes from excise taxes (a tax on the sale of a specific good, in this case, gasoline and diesel fuel) levied on the sale of these fuels. The revenue estimate for FY 25-26 is \$738K.

Measure J Street Fund (Fund #263): The Measure J Fund is a specialized revenue fund established to account for the income generated by the County's ½ cent sales tax measure. This fund is exclusively designated for initiatives related to street maintenance and improvements, functioning in a manner analogous to the Gas Tax. The resources allocated to the Measure J Fund are intended solely for purposes that enhance and preserve the integrity of the County's transportation infrastructure. The revenue estimate for FY 25-26 is \$493K.

SB1 Road Maintenance and Rehabilitation Account (Fund #268): Senate Bill (SB) 1, Chapter 5, Statutes of 2017, was a transformative piece of legislation aimed at revitalizing the aging infrastructure of California's transportation systems. This bill established the Road Maintenance and Rehabilitation Program (RMRP), an initiative designed to combat the significant backlog of maintenance needs affecting both the extensive State Highway System and the intricate local street and road networks. Furthermore, the legislation created the Road Maintenance and Rehabilitation Account (RMRA), a dedicated funding source to support these vital efforts.

A portion of the funds generated through the RMRA will be distributed according to a specified formula to eligible cities and counties, as stipulated in Streets and Highways Code section 2032(h). This funding is crucial for executing essential maintenance tasks, undertaking comprehensive rehabilitation projects, and implementing critical safety enhancements on local streets and roads. Through this program, communities will be better equipped to maintain their infrastructure, ensuring safer and more reliable transportation for all residents. The revenue estimate for FY 25-26 is \$684K.

Solid Waste and Recycling (Fund #291): The funding is from the rate differential between the fees collected by Richmond Sanitary Services (RSS) per their franchise agreement with Hercules and the "new" fees for the post-collection agreement negotiated in 2013 with the West Contra Cost Integrated Waste Management Authority (WCCIWMA), of which Hercules is a member agency (RSS's monthly bills to residents and businesses includes both the collection service component and post-collection service component). The differential occurred when lower post-collection fees were adopted in late 2013 due to the payoff of the bond financing for the Integrated Resource Recovery Facility that was constructed in Richmond. In January 2016, the City Council authorized funding for several important initiatives aimed at enhancing public infrastructure and environmental sustainability. These initiatives include repairs to streets impacted by garbage trucks, comprehensive street sweeping, the removal of debris from the stormwater system, and the enforcement of

the plastic bag ban. FY 25-26, an estimated ending available balance is \$293K.

Water Quality Retention Basin (Fund #387): This fund is established to collect revenues generated from the Property Tax Special Assessment associated with the creation of the City of Hercules Community Facilities District No. 2017-01, formed on April 11, 2017. The development projects at Bayfront and Muir Pointe necessitated the construction of a water quality detention basin to manage and mitigate runoff produced by the enhancements made to support these developments. The establishment of this Community Facilities District (CFD) provides a structured funding mechanism to address the ongoing maintenance costs linked to the water quality detention basin, thus ensuring both environmental protection and community health within the district. FY 25-26 estimated ending available balance is \$315K.

Regional Water Quality (Fund #521): This fund accounts for Regional Water Quality. Created by the State Legislature in 1967, the Board protects water quality by setting statewide policy, coordinating, and supporting the Regional Water Board efforts, and reviewing petitions that contest Regional Board actions. There are nine regional water quality control boards that exercise rulemaking and regulatory activities by basins. FY 25-26 estimated ending available balance is \$55K.

BART Park & Ride (Fund #266): This fund is designated for the maintenance of BART's park-and-ride facility, ensuring its operational integrity and user satisfaction. BART will finance the maintenance expenses through a revolving fund mechanism, thereby preventing any out-of-pocket expenditures for the City. This approach facilitates consistent upkeep and fosters an efficient transit environment for all commuters.

General Plan Update Fee and Building Training Fee (Fund #267): A general plan update fee is a fee charged by local jurisdictions in California to recover costs associated with preparing, updating, and revising their general plans and associated elements, which are blueprints for meeting a community's long-term vision. These fees are intended to cover the expenses incurred by local agencies in developing and maintaining their general plans, which are required by



California law to address various aspects of community development, including land use, circulation, housing, and more. FY 25-26 proposed budget of \$1.3 million is to acquire services of a consultant to develop a comprehensive updates to the City's general plan land use, economic development, open space & conservation, and noise elements, and related updates. The projected ending available balance for FY 25-26 is \$94K.

Successor Housing: On February 27, 2024, the City Council adopted a resolution designating the City as the Housing Successor to the Hercules Redevelopment Agency. This designation allows the City to effectively manage \$4.3 million in outstanding loans and access \$5.3 million in Housing Funds. These resources will be utilized to cover administrative expenses and support the development of affordable housing, particularly for households classified as extremely low to low income.

Furthermore, on January 28, 2025, the City Council approved a resolution establishing the policies and procedures manual for the administration of Hercules Successor Housing loans. This manual is designed to ensure consistency and fairness in the administration and oversight of approximately 41 collectible loans issued by the former Redevelopment Agency, which had a total collectible loan balance of \$3.8 million as of June 30, 2024.

Debt Service Funds

The Debt Service Fund is responsible for accumulating financial resources to cover the payment of principal, interest, and related costs for general long-term debt, primarily funded by taxes levied by the City. Debt is issued as necessary to support infrastructure improvements.

CalHFA Loans

The City received loans from CalHFA through the Residential Development Loan Program (RDLP) and the Housing Enabled by Local Partnerships (HELP) to build the Sycamore North project, also known as the Aventine development. The City expected income from leasing the residential units to be enough to repay these loans. However, the actual cost to finish the project was much higher than the budget set by the City and the Redevelopment Agency. As a result, the project failed and was put up for sale to find

a qualified developer who could offer the best deal. Now, the City is responsible for repaying the loans.

In 2012, City staff talked to CalHFA and negotiated new loan terms after several meetings. They extended the payment deadline and lowered the interest rate from 3% to 1.5%. The updated loan agreements for CalHFA Loan No. HELP-080604-03 and RDLP-060506-01 were signed on April 11, 2005, and February 15, 2007. These agreements will end on April 11, 2027, and August 15, 2026. The remaining loan balance must be paid in full by the contract expiration dates.

Capital Improvement Projects (CIP)

Each year, the staff prepares and presents a Capital Improvement Program (CIP) budget to the City Council for approval, alongside the operating budget for the forthcoming fiscal year. Although the CIP budget is established for a single year, it encompasses projected programming over ten years.

The development of the CIP is informed by various sources, including assessments of ongoing projects, active grant applications, requests from the community and the Council, regulatory mandates, and various condition reports, studies, and evaluations conducted by workgroups. This comprehensive process evaluates and prioritizes infrastructure needs. The staff meticulously balances these requirements with available funding to formulate the CIP, prioritizing projects for funding as early as possible within the five-year program, contingent upon financial resources. However, the project demand significantly exceeds the available funding over the ten-year timeline. Consequently, the staff maintains a list of projects not recommended for funding, referred to as 'unfunded projects,' which may be considered in subsequent years. As summarized below, the CIP documents contain the project list and the corresponding funding sources for FY 25-26.

Future Developments

The City is committed to expanding its tax base and improving the quality of life by implementing new developments in strategically identified areas.

The approval of development projects is

essential to the City's strategy for promoting local economic growth, advancing fair housing initiatives, and fulfilling its obligation to provide 995 housing units under the Regional Housing Needs Allocation (RHNA) for the 2023-2031 Housing Element cycle. However, recent economic changes, including rising interest rates, decreased rental rates, and increased construction costs, have significantly affected the feasibility of several previously approved developments. In response, many developers have approached the City requesting accommodation, such as extending entitlements and utilizing infrastructure financing programs allowed under state law.

These factors highlight the challenges facing the economic viability of developments in recent years, including fluctuating interest rates, construction costs, and prevailing rental prices.

The following are upcoming developments:

- **Owl Ranch:** Residential subdivision consisting of 40 single-family residential lots on a 7.44-acre site at 215 Skelly, the former McLeod Ranch property.
- **The Mint at Bayfront (M&P):** 325-unit multi-family residential development within the approved 90-acre mixed-use Bayfront project.
- **Bayfront Blocks KLMP&O:** 175 townhomes (incl. 22 live/work) within the approved 90-acre mixed-use Bayfront project.
- **Bayfront Affordable Housing:** Ledcor has requested to credit the 58 existing 80% AMI units in The Exchange toward the project's affordable housing commitment (5% of a proportionate mix of units at 60% AMI).
- **Hilltown:** 325-unit multi-family residential development within the approved 90-acre mixed-use Bayfront project.
- **Sycamore Crossing Residential:** 120 multifamily units.
- **Hampton Inn & Suites Hotel, Sycamore Crossing:** 4-story, 105-guest room hotel on a 1.8-acre site within the approved 12.8-acre Sycamore Crossing mixed-use project.
- **Franklin Canyon RV Resort:** RV/tent cabin resort with clubhouse, pool and RV storage.
- **Bayfront Blocks E&G Hotel:** Proposed 207-key hotel with retail, restaurant, meeting rooms and amenities.



• **America's Tire:** Approved 8,938-square foot tire store at Creekside Center. Building permit ready to issue; site improvement plans approved. Potential construction in 2024.

• **Sutter Health:** Moving forward with purchase of 100 and 200 Linus Pauling Drive. Anticipating outpatient medical office/imaging/blood draw and additional parking.

- **New Businesses:**
- **Learn & Play Montessori**
- **Dynamite Donuts**
- **KS Indian Grocery**
- **KS Brows**
- **Tandorri Pizza**
- **Tommy's BBQ**

Looking Ahead

On May 28, 2024, the City Council formally adopted the Hercules Strategic Plan for 2024-2026. This plan delineates key priorities that will steer our initiatives in serving the residents of Hercules. It reflects a thorough process of input and collaboration involving staff, department heads, elected officials, and City leadership. The strategic plan articulates the goals we aspire to achieve in community service, the strategies we will deploy to attain those goals, and the metrics we will utilize to ensure accountability throughout the implementation process. It is anchored in the City's vision and mission statements, which guide the strategic initiatives that inform our work.

In the past year and continuing into fiscal year 2025-2026, we will persist in executing the objectives outlined in these initiatives. We express our admiration for the diligence, commitment, and creativity exhibited by Hercules staff as we endeavor to enhance constituent services, effectively recruit and retain talented employees, and coordinate efforts across departments and with neighboring agencies to address the community's identified needs.

Staff members have made a concerted effort to align the budgetary process with the strategic plan. Each department has reviewed its proposed initiatives for the upcoming year, considering how they can further our collective objectives. The budget review team has systematically assessed departmental goals and performance metrics, prioritizing budget requests likely to yield

the most significant impact on the outcomes outlined in the strategic plan. As a result, the budget includes several recommendations designed to facilitate further progress on our initiatives.

In Closing

While uncertainties and unknowns persist, the FY 2025-26 Recommended Annual Budget provides the Council, City Staff, and the community with a sense of informed optimism. This budget effectively addresses community priorities while ensuring the continuation of the robust City services that residents expect through balanced and conservative strategies.

In light of various challenges, we are collaboratively working to prepare Hercules for the future by implementing strategic fiscal decisions that adapt to our growing and diversifying population. This budget is designed to be responsible, responsive, and balanced. Our objective is to foster growth through planning, and this budget will facilitate the advancement of the City.

Hercules is fortunate to be in a comparatively strong financial position, which enables the City to maintain the status quo. However, it is essential to recognize that not every need can be fully funded. Nonetheless, this position allows the City to continue providing high-level services to the community members who rely on them.

This favorable status can largely be attributed to the prudent fiscal policies enacted by the Council. An unwavering commitment to fiscal discipline will be essential in maintaining financial stability amid current economic uncertainties and preparing for potential budgetary challenges. As spending pressures continue to mount, the guiding principles established by the City Council will be instrumental in informing spending decisions. To date, these principles have effectively prioritized service delivery and the welfare of city employees, benefiting both the community and the workforce.

Acknowledgements

This budget constitutes a meaningful advancement by preserving existing services and investing in fundamental areas while aiming for long-term financial stability in alignment with the objectives set forth by the City Council. Nevertheless, our projections

indicate we will face budgetary challenges in the forthcoming years. Consequently, the City has commenced planning efforts currently to enable the City Council to make informed decisions as we work toward establishing a sustainable budget.

We sincerely thank all City staff for their essential contributions in formulating this adopted budget for the City Council. Our employees are profoundly committed to the City and the services extended to our residents and community. Special acknowledgment is warranted for the Finance Department staff for their dedication and diligence throughout the budget process and in preparing the annual budget document.

The collective vision of the City Council, coupled with a commitment to the enhancement of Hercules, is integral to the services we provide. We appreciate the expertise and resourcefulness that the Department Heads have exhibited throughout this budget process and the outstanding work each department has accomplished over the past several years in readiness for the impending cycle of growth, projects, and services. The upcoming years are certain to be both exciting and challenging. We wish to convey our appreciation for the confidence placed in the City's management team during this budget process. This document reflects the significant time dedicated to discussion and deliberation, as well as the valuable directions and suggestions offered, all of which highlight a shared commitment to the future success of the City of Hercules.

Respectfully submitted,



– **Dante Hall**
City Manager

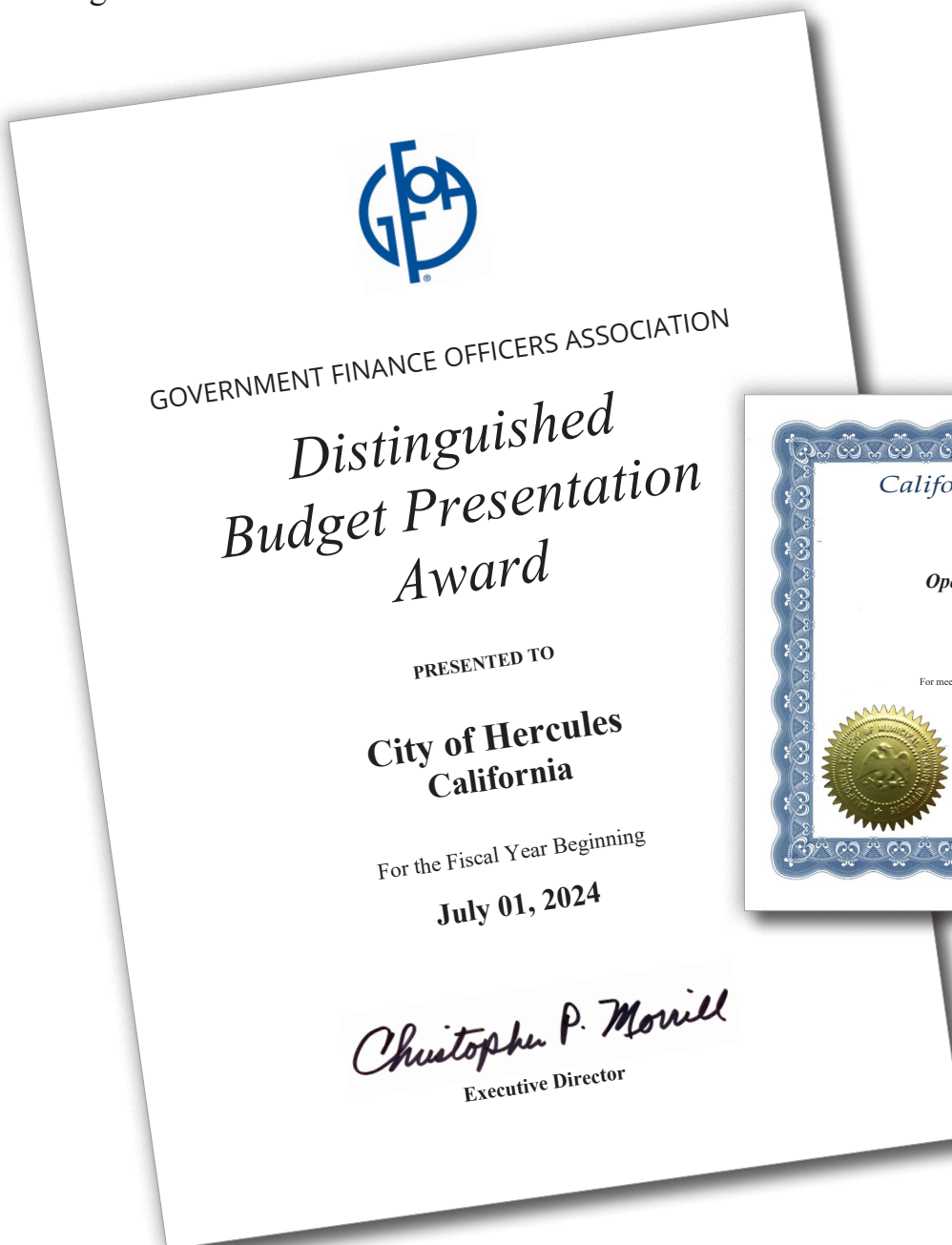


– **Edwin Gato**
Finance Director



BUDGET AWARDS

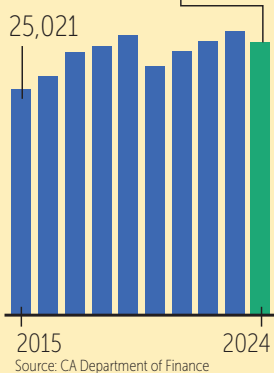
The City of Hercules received the Government Finance Officers Association's (GFOA) Distinguished Budget Award and the California Society of Municipal Finance Officer's (CSMFO) Operating Budget Excellence Award for the FY2024-25 budget. These awards represent a significant achievement and reflect a commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In preparing the FY2025-26 budget, staff has once again followed the GFOA and CSMFO criteria as well as made enhancements. This document will be submitted to the GFOA and CSMFO for consideration for the FY2025-26 budget awards.



HERCULES DATA DIGEST FY 2025-2026

26,063

Population of the
City of Hercules



43.5

Median age of residents

\$56,098

Per Capita Personal
Income

29,528

Student Enrollment
(Reflects the total number
of students enrolled in
the West Contra Costa
School District)

13,800

Total City Labor Force

Top 10 Employers, 2023-24

Employer	Number of Employees
1. Bio-Rad Laboratories:	2,263
2. West Contra Costa Unified School District:	297
3. Home Depot:	167
4. Safeway:	158
5. Pacific Bio Labs Inc:	130
6. Contra Costa County Social Services:	87
7. Lucky Supermarkets:	60
8. City of Hercules:	61
9. Benda Tool & Model Works Inc:	47
10. Big Lots:	29



FISCAL YEAR 2025-2026

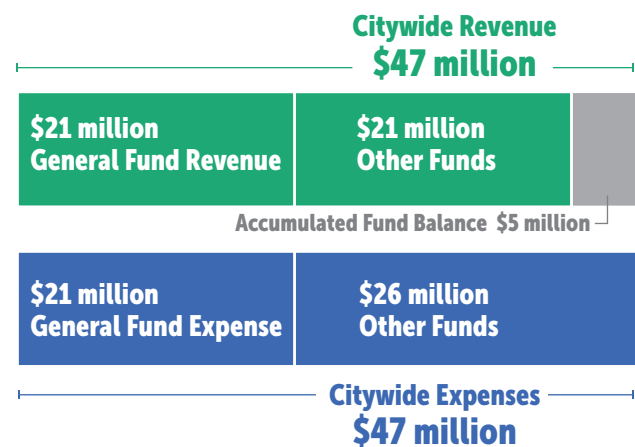
BUDGET AT A GLANCE

CITY OF HERCULES, CALIFORNIA

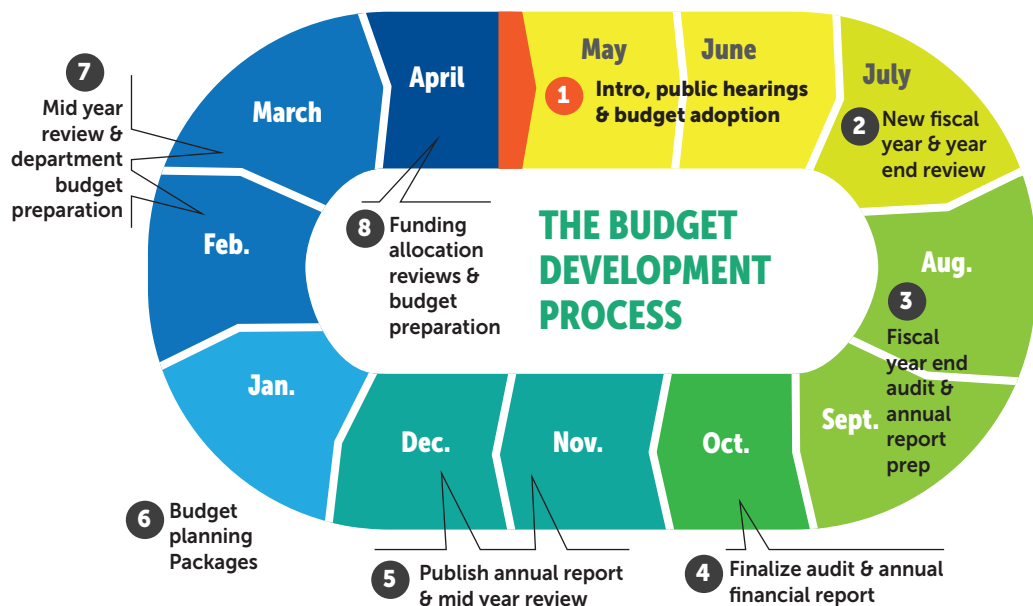
The Budget is the City's Roadmap

The City of Hercules' annual budget is one of our most important policy documents. The Budget at a Glance is a simplified version of the comprehensive budget document that includes highlights, and an overview of major revenue sources and expenditures.

CITY OF HERCULES FY 2025-2026 BUDGET OVERVIEW



How is the budget developed? The City Council adopts the budget in June of each year for the following fiscal year, which runs from July 1 to June 30. The budget development process is continuous and includes public communication throughout the year.



Hercules Budget 101 – an animated overview of the budget process: <https://youtu.be/so3ScXZDpWY>



CITY OF HERCULES STRATEGIC GOALS

Goal #1: Advance the development of the Hercules Hub, creating a dynamic center for community engagement and economic activity.

Goal #2: Strengthen the city's fiscal sustainability through prudent financial management, ensuring long-term economic viability.

Goal #3: Enhance transparency and communication within the community, fostering a culture of openness and collaboration between residents and city officials.

Goal #4: Continue investing in a skilled and dedicated team at City Hall to ensure effective governance and service delivery.

Goal #5: Strategically plan and fund major infrastructure projects to improve connectivity and enhance the quality of life for all citizens.

Goal #6: Develop a comprehensive land-use strategy that promotes responsible development while preserving the unique character of our neighborhoods.

Goal #7: Formulate a detailed economic development strategy to attract new businesses and stimulate local employment opportunities.

CalPERS Pension Funding Status Safety/police pension funding

	Plan Assets (in \$ millions)	Unfunded (in \$ millions)	Accrued Liability
FY 20-21	\$49	\$18	\$67 million
FY 21-22	\$61	\$10	\$71 million
FY 22-23	\$57	\$20	\$77 million
FY 23-24	\$60	\$21	\$81 million

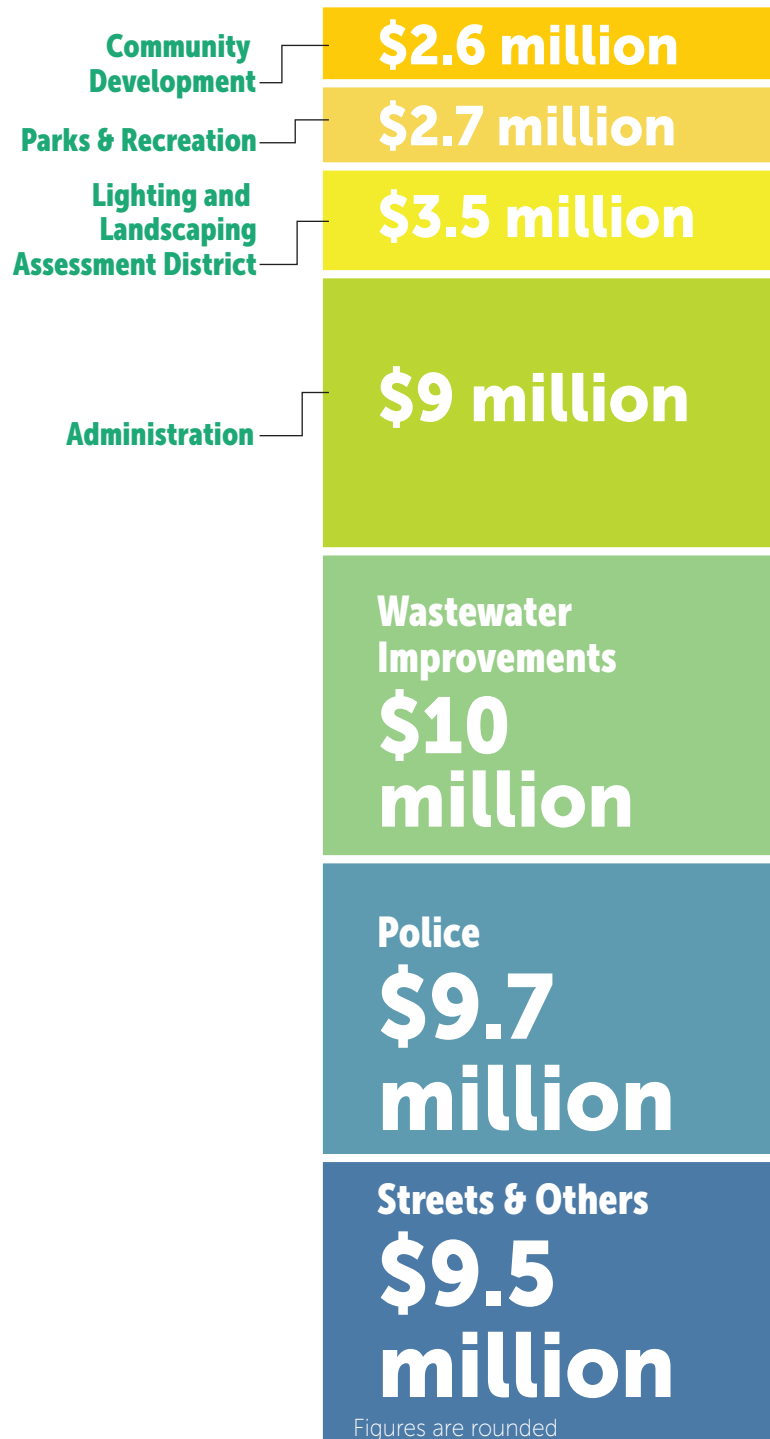
— Fund ratio: 74% —

Based on June 2022 CalPERS actuarial report, The Fitch (a credit rating agency) generally considers a funded ratio of 70% to be adequate.

FY 2025-26:

Citywide Expenditures by Program

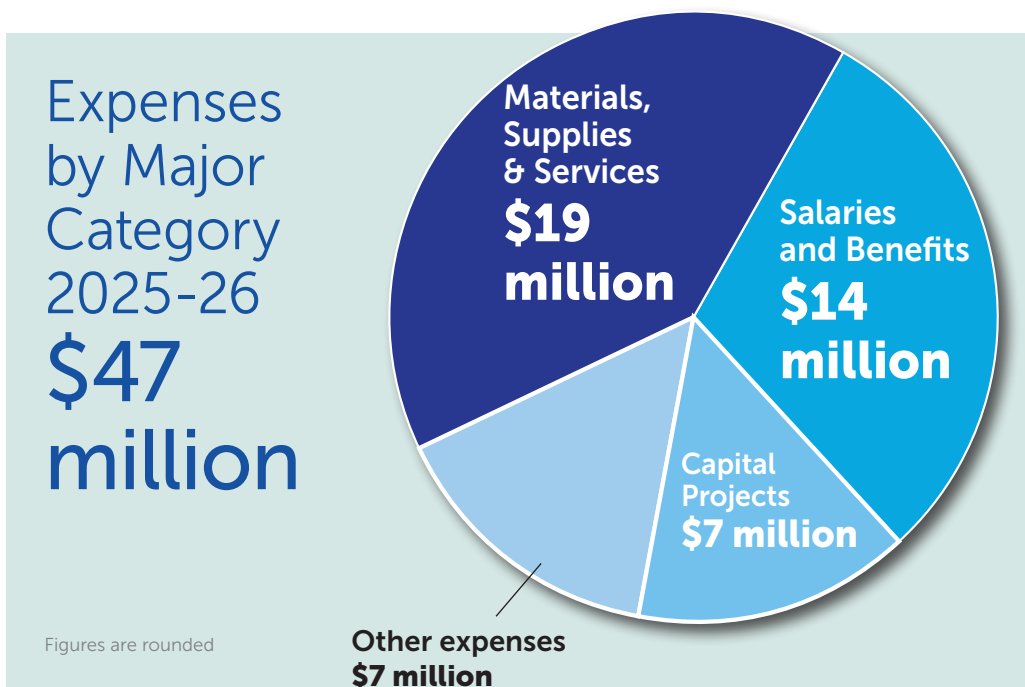
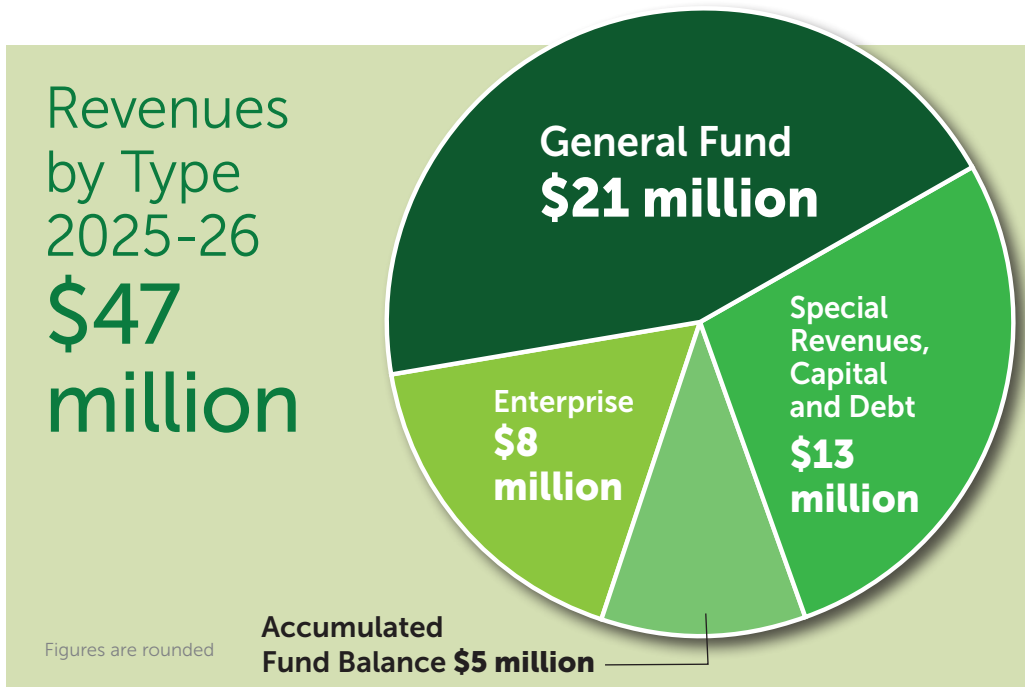
\$47 million total





CITY OF HERCULES BUDGET FY 2025-26: CITYWIDE BUDGET

The following is a breakdown of revenues by fund type and expenditures by major category.



What the City of Hercules takes care of

Here is a look at some of the services the City provides and facilities and infrastructure it maintains:

58 miles of city streets

1,494 street and parking lot features

14 traffic signals

7 miles of bike lanes

62 miles of sanitary sewers

13 parks

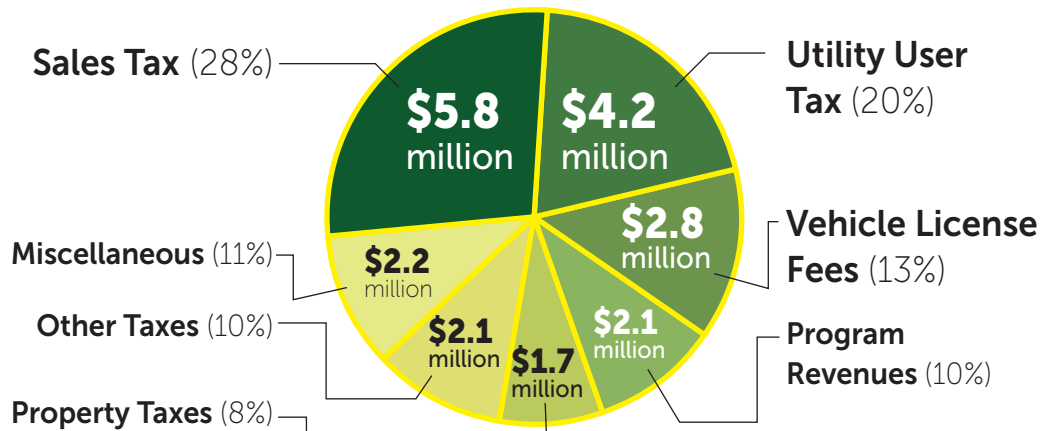
9 playground structures

5 Recreation Centers



CITY OF HERCULES BUDGET FY 2025-26: GENERAL FUND OPERATING BUDGET

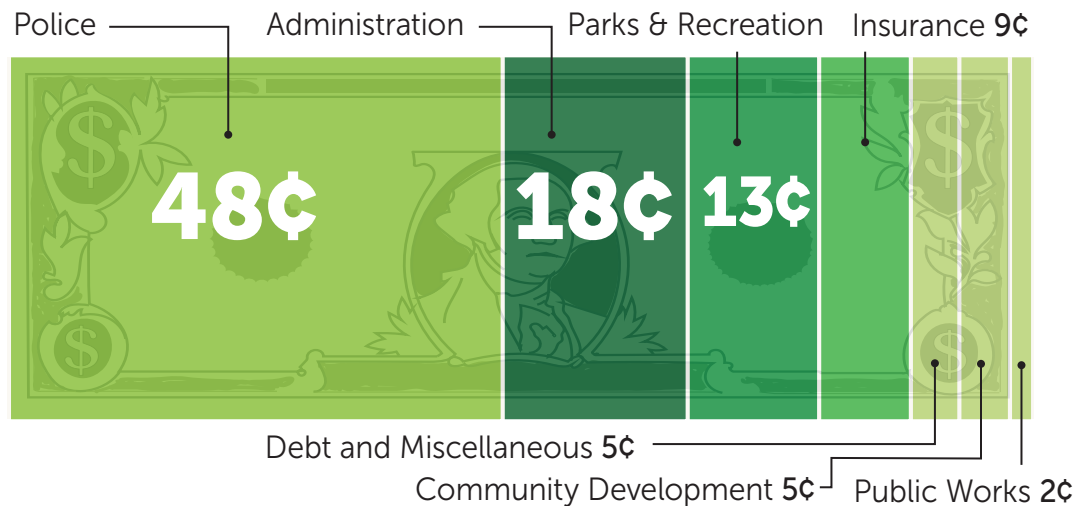
General Fund
Revenue:
**Where does
the money
come from?**



Figures are rounded

General Fund
Expenditures:
**Where does
the money go?**

**For every dollar
spent on the
general fund:**

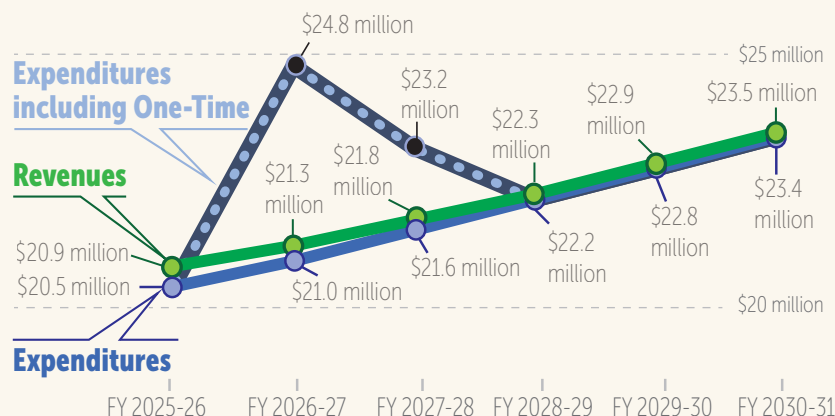


Figures are rounded

A LOOK AHEAD

The Five-Year Forecast provides a current and long-range financial assessment of revenues, expenditures, fund balance, and operating reserves. The primary objective is to provide the City Council and the community with a financial forecast and identify any significant issues that may need to be addressed in the annual budget development process.

General Fund Five-Year Forecast



The net annual operating results are structurally balanced. However, the forecast included a one-time repayment to retire all CalHFA loans, which will temporarily cause the General Fund to experience a deficit. The City has set aside adequate reserves to weather such difficult times in the future.



BUDGET PROCESS

GOVERNING STRUCTURE AND BASIS OF BUDGETING

The City of Hercules is a municipality incorporated in 1900 under provisions of the Constitution of the State of California. The City operates under a Council Manager general law form of government and is governed by a council of five elected members with staggered four-year terms. Additionally, City Council members act as the board of directors of the Hercules Public Financing Authority (PFA).



BASIS OF BUDGET AND FUND STRUCTURE

Local governments account for revenues and expenditures through separate funds such as General, Special Revenue, Enterprise, Internal Service and Fiduciary funds. The accounts of the City of Hercules are organized on the basis of funds, each of which is considered a separate financial entity. Each fund is comprised of a set of self-balancing accounts for its revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into generic fund types and fund categories as follows:

GOVERNMENTAL FUNDS

- **General Fund:** The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.
- **Capital Projects Funds:** The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust / Agency Funds).
- **Debt Service Funds:** Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
- **Internal Service Funds:** Internal Services Funds are a type of proprietary fund used to report any activity that provides goods and services on a cost reimbursement basis to other City funds and departments of the primary government and its component units.
- **Trust / Agency Funds:** Trust Funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments, and/or other funds.



BUSINESS-TYPE FUNDS

Enterprise Funds: Enterprise Funds are used to account for operations:

(a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the full costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred is appropriate for capital maintenance, management control or

accountability. Because enterprise funds use the full-accrual basis of accounting under FASB, all long-term debt liabilities and debt service payments are recorded within the enterprise fund itself.

For tracking convenience, a separate fund for enterprise debt service payments is shown on the following table although all transactions are reported together within an enterprise fund's financial statements. City budgets contain three major categories - operating, capital and debt. The table on the following page lists the City's funds and the categories in which a fund's financial transactions contain.

HERCULES FINANCIAL REPORTING FUND STRUCTURE

FUND DESCRIPTION	Fund #	Operating	Capital	Debt
GENERAL FUND (100)		X		X
SPECIAL REVENUE FUNDS				
Asset Seizure	101	X		
Ab 3229 Cops Program	201	X		
Citywide L&L Dist 83-2	220	X	X	
Victoria By The Bay L&L	221	X	X	
Hercules Village L&L Dist	222	X	X	
Baywood Assess 04-1 L&L	223	X	X	
Bayside Assess Dist L&L	224	X	X	
Arterial Roadways	225	X		
Stormwater Assessment	231	X		
Dif-Gen Public Facilities	241		X	
Community Development Fnd	242		X	
Development Fee Fund	243		X	
Dif-Police Facilities	244		X	
Dif-Fire Facilities	246		X	
Dif-Park & Rec	247		X	
Public Benefit Fee	249		X	
Dif-Traffic Facilities	261	X	X	
State Gas Tax Fund	262	X	X	
Measure "C" Street Fund	263	X	X	
Stmp Traffic Impact Fund	264		X	
Solid Waste And Recycling	291	X		
Regional Water Quality	521	X		
Bart (Park & Ride)	266	X		
CAPITAL PROJECT FUNDS				
Street Cip Grants	295		X	
City Capital Proj-Single	300, 310, 311		X	
Energy Conservation Project	301		X	
Grant Fund / Stip / Rip	340s, 350		X	
Water Quality Ret Basin	387		X	
DEBT SERVICE FUNDS				
2003b Debt Service Pfa	672			X
2009 Debt Service Pfa	673			X
Suntrust Lease	383			X
Equipment Lease	388			X



BASIS OF ACCOUNTING AND FINANCIAL REPORTING

The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The basis of accounting depends on the purpose for which the fund has been established and by its measurement focus.

All *governmental and expendable trust funds* use a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (i.e., revenue/other financing sources) and decreases (i.e., expenditures/other financing uses) of net current assets.

All proprietary funds, pension trust and agency funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with operation are included on the balance sheet. Fund equity for proprietary funds (i.e., net total assets) is segregated into restricted net assets and unrestricted net assets. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. Agency and trust funds are custodial in nature (assets equal liabilities) and do not involve measuring the results of operations.

Modified Accrual Accounting. The modified accrual basis of accounting is used by all governmental funds and expendable trust funds, as required by generally accepted accounting principles (GAAP), the Governmental Accounting Standards Board (GASB) and the State of California. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Property tax and assessments are recognized as revenues in the fiscal year in which the taxes were levied. Sales and use taxes are reported as revenue when collected by the State of California for subsequent remittance to the City. Intergovernmental revenues and investment earnings are accrued when earned. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility

requirements are satisfied. Fines and permits revenue are not susceptible to accrual as they generally are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general longterm debt, recognized when due, and accumulated unpaid vacation and compensatory pay that is accrued and reported on the government-wide financial statements for governmental funds.

Full Accrual Accounting. As mentioned previously, the full-accrual basis of accounting is used for the enterprise and proprietary fund types. Under this method, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. The City has chosen to utilize GASB as its standard setting body for the accounting in its proprietary funds, as allowed since November 30, 1989.

Deferred revenues arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when loans are extended upon agreement for future lease or loan repayment proceeds. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Past actual data presented in this budget document reconcile to the City’s financial statements using the GAAP basis of accounting for governmental funds and full-accrual basis for enterprise funds.

Basis of Budgeting Method. The budget uses the cash plus encumbrance basis budgeting. Cash plus encumbrance basis budgeting is a method of accounting that uses income when received and expenses when paid and committed. This method contrasts with accrual accounting, which recognizes income at the time the revenue is earned and records expenses when incurred regardless when cash is received or paid. The cash plus encumbrance basis of budgeting are the same for all governmental funds. The budgeting basis for enterprise or proprietary funds do not include depreciation and also at cash plus encumbrance basis budgeting.



BUDGET PROCESS AND PROCEDURES

The City follows the following procedures in establishing the budgetary data reflected in this document:

- 1. The City Manager submits to the City Council a proposed operating budget for the following fiscal year.** This budget includes proposed expenditures, by fund and department, and the revenues expected to finance them.
- 2. Public hearings are conducted** to obtain taxpayer comments.
- 3. The budget is legally enacted** through passage of a resolution before July 1.
- 4. The City Manager is authorized to transfer budgeted amounts between objects within the same department;** however, any revisions, which alter total expenditures of any fund, must be approved by the City Council.
- 5. Formal budgetary integration is employed as a management control device.** Special Revenue Fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (USGAAP) and are consistent with the basis used for financial reporting.

Accordingly, actual revenues and expenditures can be compared with related budget amounts without any reconciliation. The General Fund budget is adopted on the budgetary basis, which is not consistent with accounting principles generally accepted in the United States of America.

Commitments for material and services, such as purchase orders and contracts, are recorded during the year as encumbrances to assist in controlling expenditures. Appropriations, which are encumbered at year-end lapse, then are added to the following year's budgeted appropriations. However, encumbrances at year-end are reported as reservations of fund balance.

6. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2018, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.

7. Budget revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year, which were contingent upon new or additional revenue sources and re-appropriated amounts for prior year encumbrances. The City Manager must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications, with approval of the Finance Director.

8. Certain appropriations carryover and are re-appropriated for the subsequent year.

9. Budget appropriations for the various governmental funds become effective July 1. The City Council may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level.



BUDGETARY PROCESS

There are two pieces to the budget: an operating budget and a capital budget. The departmental operating budgets represent current year operations whereas the capital budget covers major construction projects and the purchase of major equipment for multiple fiscal years. The operating and capital budgets are concurrently created and adopted in a similar manner. However the operating budget covers a one-year period while the capital budget covers a five-year period with money being appropriated for the first year along with the current year operating budget and the remaining four years of the capital plan being approved in concept.

The budget and this document is the culmination of a process in which the community -- through its elected leaders, commission/committee members, public hearings, and the advice of City staff -- decides upon the services it shall receive from its government under the constraint of resources available to it through taxes, fees, and transfers from the federal, state, and county governments.

Operating Budget Process

The budget process began in March with the request by the Finance Department for revenue projections and an estimation of operating expenditures requests.

City Council / Finance Commission Budget Meetings. The City Manager and the City's senior staff discussed the City's General Fund budget issues with the City Council/Finance Commission as first looks at revenues and expenditures. The Finance Commission includes five appointed members from the public. The budget work sessions provided time for the Commission members to discuss issues related to the budget.

Citizen Input on the Budget and Final Adoption. Citizen participation was encouraged during the City Council / Finance Commission budget work sessions. Additionally, public notice of Council consideration of the City's proposed budget resolution was advertised per state law. A copy of the proposed Budget was available at the City Clerk's Office and on-line for

citizen review. Any amendments made by Council will be incorporated into the final adopted budget.

Mid-Year Budget Review and Revision Process.

After the adoption of the budget, there are scheduled reviews of the budget's progress. In March of the fiscal year, there is a major mid-year (second quarter) review in which revenues and expenditures are examined and adjustments made if necessary. There are also first, third and fourth quarter reports prepared and reviewed with the Finance Subcommittee of the City Council. Any adjustments to the budget must be passed by City Council resolution.

In addition to these scheduled reviews of the adopted budget, there is a process for amending the budget during the year if a department finds that more money is needed to be spent on a program than was originally anticipated, or finds that there are new funded or unfunded needs to be met. In this case, the department must present to City Council its reasons for requesting a budget adjustment. As with the scheduled budget reviews, these budget adjustments must also be adopted by City Council resolution before a department can spend money amounting to more than the original appropriation.

Requests for adjustment to the budget fall into two categories:

- **Pre-Approval** - Departments may present to Council on an individual basis revised funding requests for approval to proceed with a new initiative, program or project. Council approval of such requests constitutes formal budget appropriations authority.
- **New Requests** - Department requests may be submitted through the mid-year revision resolution. Departments submit a memorandum to the City Manager outlining the cost of the requested item, its justification, financing sources, whether the request is a one-time or ongoing cost, and accounting codes impacted. If approved by the City Manager, these requests are listed on the subsequent mid-year revision resolution. City Manager review includes a determination of the necessity for the request and its fiscal impact.



Capital Improvement Budget

The Capital Improvement Budget is a plan for capital projects, fixed assets, and infrastructure owned by the City of Hercules. Requests from senior staff are reviewed by the City Manager as part of the annual budget development process to insure that the City's assets are maintained in an efficient manner and that Council long-term goals are met. The capital budget is organized by the department and/or fund responsible for the asset. The capital process starts with departments submitting their requests for maintenance, replacement, and the addition of assets under their control. The City Manager oversees a disciplined process to provide assurance to citizens that the City's assets and infrastructure are maintained within the constraints of available funding.

USING THIS BUDGET DOCUMENT

The first section of this document is a general introduction to the budget and the document itself. The document covers both the operating and capital budgets for the City with most of this document being devoted to the City's operating budgets. In general, the document is organized by fund type with the majority of it devoted to the General Fund.

The first section of this document gives a general overview of the City's revenues, expenditures, and fund balances. This section gives a summary of the fund balances for all of the funds and the resources available to the City to meet current and future obligations. Also presented are the detailed account information of all the City's revenues, and a list of the City employee positions for all departments.

The General Fund section shows budget expenditure details of each General Fund department. The sections following the General Fund are the City's various special revenue funds, capital project funds, debt service funds, enterprise funds, and internal service and trust funds. The Appendices section includes the resolutions that adopted the budgets, and a glossary of budgeting and accounting terms.

CITY ORGANIZATIONAL STRUCTURE

The organizational structure of the City of Hercules' municipal departments is found in the chart on the following page. The chart outlines the supervisory reporting structure of the City's senior staff. The City Manager reports to and serves at the pleasure of the City Council, a five-member elected body.

The City Manager holds a weekly Department Head Meeting to review the occurrences of the prior week and the upcoming week. This meeting is also held to discuss any items of special interest or concern.



CITY COMMISSIONS AND SUB-COMMITTEES

The City has three (3) commissions and three (3) full/sub committees appointed by the City Council.

Commissions and committees provide advisory recommendations, counsel and guidelines on their relevant topic areas.

These commissions and committees include the following:

- Planning Commission
- Community and Library Services Commission
- Finance Commission
- Education Sub-Committee (Inactive)
- Economic Development Sub-Committee
- Public Safety/Traffic Sub-Committee



CITY OF HERCULES

STATEMENT OF FINANCIAL PRINCIPLES AND POLICIES

Adopted December 16, 2015

Establishing certain generalized principles governing the financial affairs of the City is desirable to guide both the financial management and financial planning for the City. The City of Hercules is accountable to its citizens, employees, and other stakeholders for the use of public funds and the best management of resources. These Financial Principles will provide City staff with guidance in preparing and submitting the annual budget for the City and in the preparation of financial forecasts. The adoption of certain financial policies is necessary and appropriate to implement the financial principles and to help ensure financial sustainability and to improve the City's credit worthiness and bond rating.

Financial Principles

- Adopt a balanced operating budget by June 30th of each year for the following fiscal year without using General Fund undesignated fund balances or reserves. The budget thus adopted shall include expenditures necessary to provide for the well-being and safety of the community subject to available revenues;
- Fees for services shall be updated annually to recover, as much as possible, the cost of providing the services and to allow for the impacts of inflation, with fees not exceeding the cost of providing the service. In some instances, the City Council may elect to not recover the full cost of providing the service and the City Council shall determine the appropriate cost recovery level of individual services;
- Revenues in excess of expenditures at the end of a fiscal year shall be applied on a priority basis to satisfy the general fund reserve requirements, capital projects reserves, capital equipment reserves, and liability reserves before being appropriated for other uses.
- Current year operating expenditures shall be funded by current year operating revenues;
- Manage the City's finances as to ensure repayment of debt and improvement in the City's bond rating in order to minimize future issuance and interest costs to the City.
- Meet all financial reporting requirements in a timely manner and ensure appropriate internal controls are in place to ensure financial accountability.

General City Financial Policies

- Employees are one of the most important assets of the City and should be compensated at an appropriate level and commensurately with the City's ability to pay;
- Establish, and then maintain, a "minimum reserve" for economic uncertainties equal to one month or 8.33% of expenditures of the current year General Fund budget exclusive of Nonspendable, Restricted, and Assigned fund balance with a goal of increasing that to two months or 16.66% of expenditures in the future.
- The General fund reserve shall provide for meeting contingency needs, investment earnings, and shall serve as a cash flow reserve.
- Provide for capital equipment replacement as necessary to achieve greater efficiency and effectiveness in the City's operations;
- One-time revenues shall be utilized for one-time expenditures or to enhance reserve funds as appropriate or necessary;
- The City shall maintain, replace, and improve its infrastructure and the City shall set aside a reasonable and prudent amount of General Fund monies for capital projects including the repair of various facilities as part of its annual budget process to the greatest extent possible.



Revenue & Expenditure Policies

- Realistic and prudent estimates of revenues shall be used to maintain financial flexibility;
- Revenue raising alternatives shall be explored as necessary and the City shall pursue grants available to local government;
- Programs funded through user fees shall be self-supporting to the greatest extent possible or at a level proscribed by the City Council;
- Full recovery of overhead and internal services from grant and special or enterprise funds shall be pursued to the greatest extent possible and as permitted by the restrictions associated with each fund.



Special Revenue, Enterprise, and Internal Service Fund Policies

- The City shall abide by applicable rules and regulations pertaining to the expenditures of special revenue funds as required by each funding source;
- Enterprise activities shall be programmed to generate sufficient revenues to support the enterprise's operations including overhead and internal services, debt service requirements, and current and future capital needs;
- Special Revenue and Enterprise funds shall adhere to all other applicable fiscal policies of the City.
- Internal Service funds shall be established as appropriate to ensure cost recovery on a fair and equitable basis;
- Transfers to the General fund from other funds for overhead costs shall be reviewed annually and

conform to the Federal Office of Management & Budget A-97 Guidelines.

Debt Policies

- Debt shall only be incurred for capital improvement projects and only if the project cannot be funded by recurring or one-time revenues;
- Proceeds from long-term debt shall not be used for current on-going expenditures;
- Short-term borrowing shall not be used for operating expenditures unless it is a Tax & Revenue anticipation Note or other short-term cash flow borrowing and shall be limited to repayment in the same fiscal year;
- The use of the City's General Fund as security for debt issues should be limited to the greatest extent possible to capital projects which serve the general benefit for the City.

Forecasting Policies

- The City shall develop and maintain a five to ten year Financial Forecast which shall be updated two times each year with any unexpected changes in economic conditions or other circumstances prompting more frequent updates;
- The Financial Forecast should recognize the effects of economic cycles and shall differentiate between one-time revenues associated with one-time economic activities and revenues resulting from base economic growth;
- Financial Forecasts shall identify the assumptions used in their preparation and the risks associated with those assumptions;
- Revenue and expenditure estimates should be prepared on a realistic basis with a target of +/- 2 percent variance from the estimate for revenues and a +/- 1 percent variance for expenditures;
- On-going revenue increases based upon site specific development shall be incorporated using a realistic estimation of timing and shall not exceed the midpoint of the range of estimated revenues.



1. The City Council hereby approve the following additions to the Statement of Financial Principles and Policies:

a. Service Level Expectations - Defining the types and levels of services expected in a given year includes a process of public engagement, understanding current services, identifying the City's mission, long-term vision, and goals of the community. Based on the goals established by the City Council, the City Manager identifies the resources required to deliver services, how best to organize those resources to achieve the City Council's vision for the community and presents those recommendations in the proposed Budget for the City Council review, consideration, and direction. In a service-oriented organization such as a city, it takes a combination of staff and consultants to provide services. As important as it is for a city to invest in its physical capital, it is just as important for a city to ensure it is investing appropriately in its human capital and to determine what is the proper level of staffing and the necessary skill sets required to deliver on the city's mission. City staff is currently evaluating potential needs for additional personnel and resources necessary to accomplish tasks related to the established priorities.

b. Reserve Policy - Increasing the general fund reserve policy limit from 16% to 25% (equal to three months of the General Fund Operating Budget) to protect the City from fluctuations in the economy or other significant unplanned needs. Once a 25% funding level is reached, available surplus funds would be directed to other Council priorities.

c. Long-Term Capital Improvement Project Funding – During the April 26, 2022, Budget

Workshop, the current funding strategy for capital projects entail a detailed analysis of the long-term capital improvement project funding needs based on a 5-year forecast. This strategy assumes a “pay as you go” philosophy that does not anticipate the use of debt financing.

d. General Fund Surplus Allocation – A surplus occurs when income exceeds expenditures. The term is often referred to in government as savings. A surplus is an indication that the City's finances are being effectively managed. Staff recommends that Available resources as determined annually through the closing of the financial records will be used as a basis for the following allocation:

i. 25% contribution to Pension/OPEB - The City has established an Internal Revenue Service Code Section 115 irrevocable trust which achieves a higher rate of return on investments than that earned on the pooled investment portfolio, LAIF. 25% of the available fund balance shall be put into a Trust Fund or directly into paying off the CalPERS unfunded liability for either pensions or post-employment benefits.

ii. 25% to Operating Reserve – 25% be put into operating reserves up to the 25% policy limit.

iii. 50% contribution to unmet/deferred infrastructure and maintenance needs – A funding mechanism to fund projects included in the Long-Term Capital Improvement Project Funding, as described in section c above.



LOCAL CITY BUDGET AND DEMOGRAPHIC COMPARISON FY 2024-2025

	HERCULES	SAN PABLO	EL CERRITO	PINOLE
Form of Government	Council-Manager General Law	Council-Manager General Law	Council-Manager General Law	Council-Manager General Law
Year Incorporated	1900	1948	1917	1903
BUDGET COMPARISON				
General Fund Revenue	\$19,835,823	\$54,367,874	\$51,386,444	\$28,219,433
General Fund Expenditures	\$19,445,717	\$54,350,355	\$51,352,492	\$37,215,683
Total Full Time Equivalents	38	97	95	84
Sworn Personnel FTE	26	61	74	29
DEMOGRAPHICS				
Population	26,063	31,088	25,700	18,192
Annual Percent Change	-0.53%	-0.24%	1.15%	-0.47%
Median Age	44	34	42	44
Population per FTE	686	320	271	217
Population per Sworn FTE	1,002	510	347	627
Housing Units	9,165	9,941	10,996	7,106
Average Household Size	3	3	2	3
Labor Force	14,400	14,900	14,300	9,700
Unemployment Rate	4.1%	4.80%	3.5%	2.6%
Median Household Income	\$130,583	\$78,215	\$127,475	\$120,833
Per Capital Income	\$56,098	\$29,111	\$47,977	\$52,589

* The Budget Comparison data was obtained from the corresponding city's Adopted Budget for FY 2024-25.

*The Population and Housing Units was obtained from the State Department of Finance published on January 2024

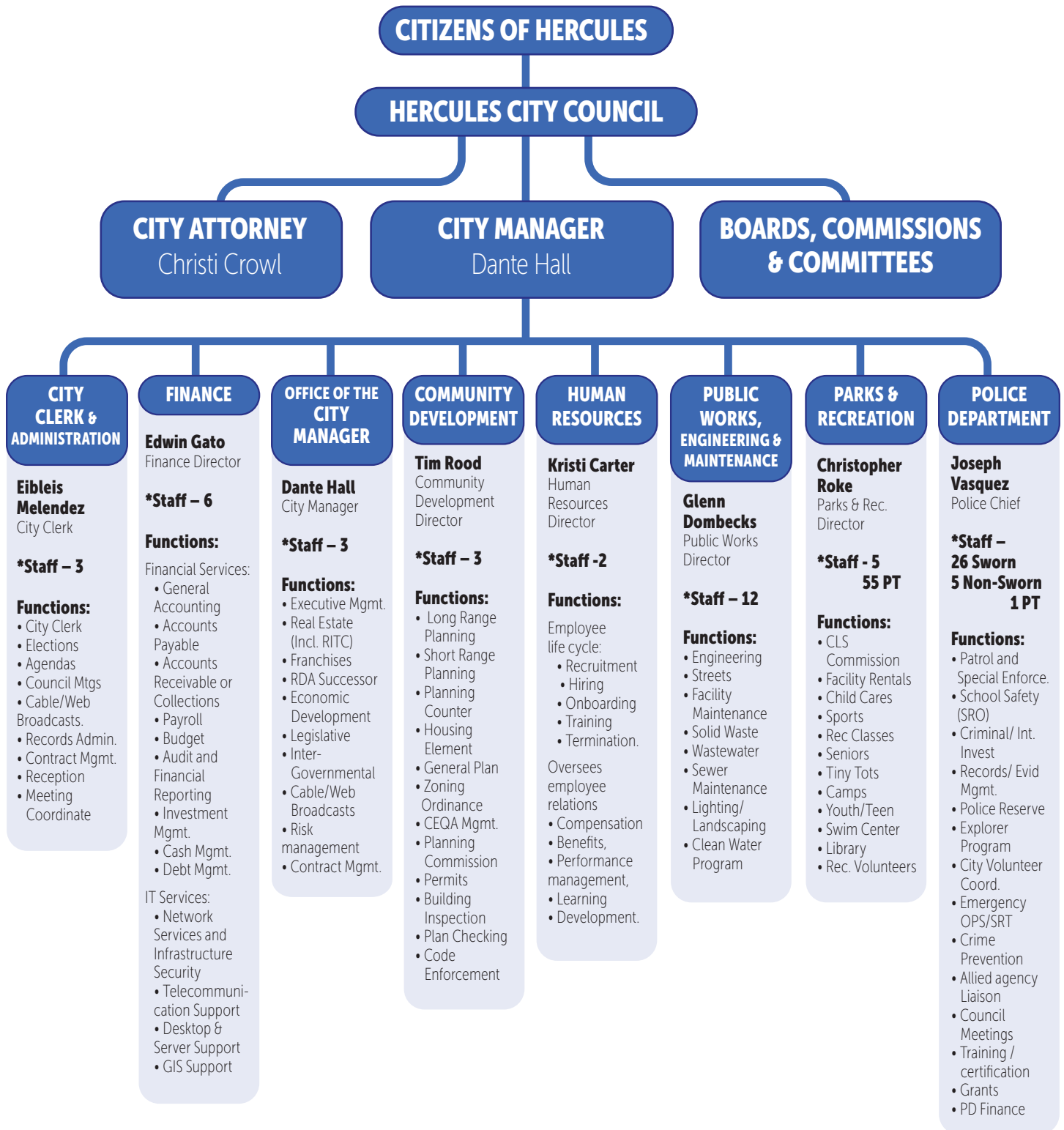
* The median age, average household size, median household income, and the per capital income was obtained from the Census Bureau published on July 2023

* The Labor Force and Unemployment Rate was obtained from the California Employment Development Department published on March 2025



FY 2025-26 CITY OF HERCULES

ORGANIZATION CHART SENIOR MANAGEMENT



*includes department heads



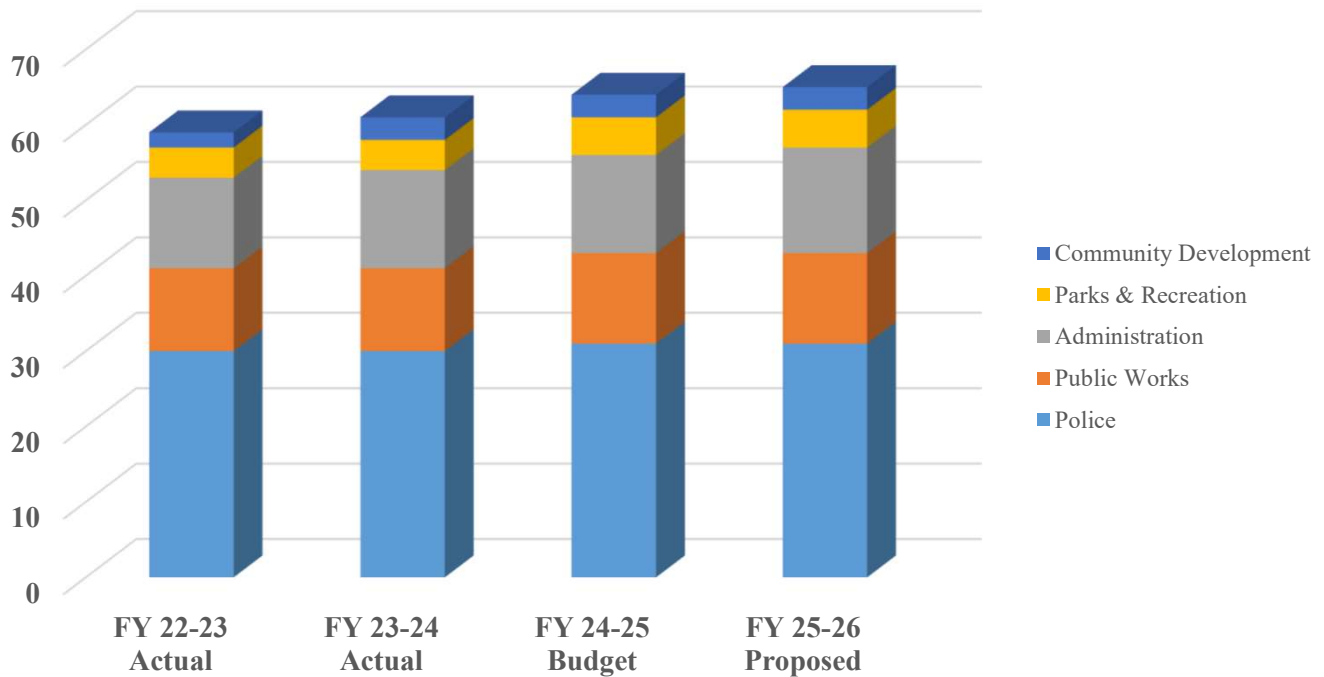
CITYWIDE BUDGET





Authorized Full-Time Positions By Classification Within Department

FTE Trends



Personnel by Department

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Police				
Chief of Police	1	1	1	1
Police Commander	2	2	2	2
Police Sergeant	5	5	5	5
Police Officer	18	18	18	18
Police Support Specialist	3	3	3	3
Parking Enforcement Officer			1	1
Administrative Specialist	1	1	1	1
	30	30	31	31
Public Works				
Public Works Director	1	1	1	1
Public Works Superintendent	1	1	1	1
Public Works Inspector/Specialist	1	1	1	1
Maintenance Supervisor		1	1	1
LLAD Coordinator			1	1
Associate Engineer	1	1	1	1
Maintenance Worker I	4	4	1	2
Maintenance Worker II	3	2	5	4
	11	11	12	12



Authorized Full-Time Positions By Classification Within Department

Community Development

Community Development Director	1	1	1	1
Senior Planner		1	1	1
Permit Technician	1			
Community Development Specialist		1	1	1
	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>

Parks & Recreation

Parks & Recreation Director	1	1	1	1
Recreation Manager	1	1	1	1
Recreation Supervisor				2
Recreation Coordinator	2	2	2	
Recreation Technician			1	1
	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>

Administration

Accounting Technician II	2	2	2	2
Administrative Specialist	1	1	1	1
Cable/Communications Technician	1			
City Clerk		1	1	1
City Clerk/PIO	1			
City Manager	1	1	1	1
Finance Director	1	1	1	1
Human Resources Manager	1	1	1	1
Human Resources Technician				1
Information Systems Administrator	1	1	1	1
Information Systems Specialist		1	1	1
Management Analyst	1	1	1	1
Senior Accountant	1	1	1	1
Senior Clerk	1	2	2	2
	<u>12</u>	<u>13</u>	<u>13</u>	<u>14</u>
Total City-wide FTE Count	<u><u>59</u></u>	<u><u>61</u></u>	<u><u>64</u></u>	<u><u>65</u></u>



CITYWIDE BUDGET

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

Labor Allocation By Fund

Fund No.		100	232	233	234	235	236	237	238	239	251	253	220	221	222	223	224	225	231	262	263	291	420	460	470	
Fund Name		General	LLAD No. 83-2 (Zone 1)	LLAD No. 83-2 (Zone 2)	LLAD No. 83-2 (Zone 3&4)	LLAD No. 83-2 (Zone 5A)	LLAD No. 83-2 (Zone 5B)	LLAD No. 83-2 (Zone 5C)	LLAD No. 83-2 (Zone 6)	LLAD No. 83-2 (Zone 7)	LLAD No. 83-2 (Zone 8)	LLAD No. 83-2 (Zone 9)	LLAD No. 83-2 (Zone 10)	LLAD No. 2002-1 (Victoria by the Bay)	LLAD No. 2002-2 (Hercules Village)	LLAD No. 2004-1 (Baywood)	LLAD No. 2005-1 (Bayside)	Arterial Roadway	Stormwater	State Gas Tax	Measure "C" Street Fund	AB 939 JPA	Sewer	IT Ops and Repl	Facility Maint	Total
Position Title	Department																									
Full-Time	Department																									
ADMINISTRATIVE SPECIALIST	POLICE	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
CHIEF OF POLICE	POLICE	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
POLICE COMMANDER	POLICE	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.00
POLICE OFFICER	POLICE	18.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.00
POLICE SERGEANT	POLICE	5.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.00
PARKING ENFORCEMENT OFFICER*	POLICE	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
POLICE SUPPORT SPECIALIST	POLICE	3.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.00
		31.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31.00
ASSOCIATE ENGINEER	PUBLIC WORKS	-	-	-	-	-	-	-	-	-	-	-	0.15	-	-	-	-	-	0.15	0.20	0.20	-	0.30	-	-	1.00
MAINTENANCE WORKER I	PUBLIC WORKS	-	-	-	-	-	-	-	-	-	-	-	0.35	-	-	0.05	0.05	-	0.05	0.10	0.08	-	0.15	-	0.17	1.00
MAINTENANCE WORKER II	PUBLIC WORKS	0.15	0.05	0.04	0.01	0.02	0.01	0.01	0.01	0.06	0.07	0.05	0.53	0.42	0.05	0.08	0.03	0.15	0.46	0.41	0.24	-	1.40	-	0.75	5.00
MAINTENANCE SUPERVISOR	PUBLIC WORKS	-	-	-	-	0.00	-	-	0.01	-	-	-	0.02	0.10	-	0.01	-	-	0.05	0.10	0.08	-	0.15	-	0.47	1.00
LLAD COORDINATOR	PUBLIC WORKS	-	0.01	0.02	0.02	0.02	0.01	0.01	0.01	0.01	-	0.02	0.54	0.08	0.08	0.05	0.02	-	-	-	-	-	-	-	0.10	1.00
PUBLIC WORKS DIRECTOR	PUBLIC WORKS	0.10	-	-	-	-	-	-	-	-	-	-	0.05	-	-	-	-	-	0.10	0.20	0.20	-	0.30	-	0.05	1.00
PUBLIC WORKS SUPERINTENDENT	PUBLIC WORKS	0.03	0.02	0.02	0.02	0.02	0.02	0.01	0.02	0.02	0.02	0.01	0.03	0.02	0.02	0.02	0.02	-	0.18	0.10	0.10	-	0.25	-	0.05	1.00
PUBLIC WORKS INSPECTOR/SPECIALIST	PUBLIC WORKS	0.25	0.01	0.01	-	-	0.01	-	0.01	0.01	0.01	0.01	0.12	0.04	0.00	0.04	0.04	-	0.05	0.13	0.12	-	0.05	-	0.09	1.00
		0.53	0.09	0.09	0.05	0.06	0.05	0.03	0.07	0.10	0.10	0.09	1.79	0.66	0.15	0.25	0.16	0.15	1.04	1.24	1.02	-	2.60	-	1.67	12.00
COMMUNITY DEVELOPMENT DIRECTOR	COMMUNITY DEVELOPMENT	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
SENIOR PLANNER	COMMUNITY DEVELOPMENT	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
PERMIT TECHNICIAN	COMMUNITY DEVELOPMENT	0.20	0.02	0.02	-	-	0.02	-	0.02	0.02	0.02	0.02	0.17	0.05	0.05	0.05	0.05	-	0.03	0.07	0.05	-	0.07	-	0.07	1.00
		2.20	0.02	0.02	-	-	0.02	-	0.02	0.02	0.02	0.02	0.17	0.05	0.05	0.05	0.05	-	0.03	0.07	0.05	-	0.07	-	0.07	3.00
PARKS & RECREATION DIRECTOR	PARKS & RECREATION	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
RECREATION MANAGER	PARKS & RECREATION	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
RECREATION TECHNICIAN	PARKS & RECREATION	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
RECREATION SUPERVISOR	PARKS & RECREATION	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.00
		5.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.00
CITY MANAGER	ADMINISTRATION	0.59	-	-	-	-	-	-	-	-	-	-	0.12	-	-	-	-	-	-	-	-	-	0.29	-	-	1.00
CITY CLERK	ADMINISTRATION	0.64	-	-	-	-	-	-	-	-	-	-	0.02	0.02	0.02	0.02	0.02	-	-	-	-	-	0.10	0.16	-	1.00
FINANCE DIRECTOR	ADMINISTRATION	0.80	-	-	-	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	0.10	-	-	1.00
HUMAN RESOURCES MANAGER	ADMINISTRATION	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
HUMAN RESOURCES TECHNICIAN	ADMINISTRATION	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
MANAGEMENT ANALYST	ADMINISTRATION	0.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.25	0.10	0.30	-	0.10	1.00
INFORMATION SYSTEMS SPECIALIST	ADMINISTRATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00	-	1.00
INFORMATION SYSTEMS ADMINISTRATOR	ADMINISTRATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00	-	1.00
SENIOR CLERK	ADMINISTRATION	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.00
SENIOR ACCOUNTANT	ADMINISTRATION	0.80	-	-	-	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	-	-	0.10	-	-	1.00
ACCOUNTING TECHNICIAN II	ADMINISTRATION	1.60	-	-	-	-	-	-	-	-	-	-	0.20	-	-	-	-	-	-	-	-	-	0.20	-	-	2.00
ADMINISTRATIVE SPECIALIST	ADMINISTRATION	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
		9.68	-	-	-	-	-	-	-	-	-	-	0.54	0.02	0.02	0.02	0.02	-	-	-	0.25	0.10	1.09	2.16	0.10	14.00
		48.41	0.11	0.11	0.05	0.06	0.07	0.03	0.09	0.12	0.12	0.11	2.50	0.73	0.22	0.32	0.23	0.15	1.07	1.31	1.32	0.10	3.76	2.16	1.84	65.00



CITYWIDE BUDGET

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

Labor Allocation
By Fund

Fund No.		100	232	233	234	235	236	237	238	239	251	253	220	221	222	223	224	225	231	262	263	291	420	460	470	
Position Title	Fund Name	General	LLAD No. 83-2 (Zone 1)	LLAD No. 83-2 (Zone 2)	LLAD No. 83-2 (Zone 3&4)	LLAD No. 83-2 (Zone 5A)	LLAD No. 83-2 (Zone 5B)	LLAD No. 83-2 (Zone 5C)	LLAD No. 83-2 (Zone 6)	LLAD No. 83-2 (Zone 7)	LLAD No. 83-2 (Zone 8)	LLAD No. 83-2 (Zone 9)	LLAD No. 83-2 (Zone 10)	LLAD No. 2002-1 (Victoria Bay)	LLAD No. 2002-2 (Hercules Village)	LLAD No. 2004-1 (Baywood)	LLAD No. 2005-1 (Bayside)	Arterial Roadway	Stormwater	State Gas Tax	Measure "C" Street Fund	AB 939 JPA	Sewer	IT Ops and Repl	Facility Maint	Total
Part-Time																										
HUMAN RESOURCES SPECIALIST	ADMINISTRATION	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FACILITY ATTENDANT	PARKS & RECREATION	0.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.89
LIFEGUARD/SWIM INSTRUCTOR I	PARKS & RECREATION	3.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.49
LIFEGUARD/SWIM INSTRUCTOR II	PARKS & RECREATION	0.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.57
OFFICE ASSISTANT I (PT)	PARKS & RECREATION	0.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21
OFFICE ASSISTANT II (PT)	PARKS & RECREATION	1.27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.27
RECREATION AIDE	PARKS & RECREATION	1.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.06
RECREATION LEADER I	PARKS & RECREATION	1.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.96
RECREATION LEADER II	PARKS & RECREATION	2.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.66
RECREATION LEADER III	PARKS & RECREATION	3.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.77
RECREATION SPECIALIST	PARKS & RECREATION	0.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.75
SENIOR LIFEGUARD	PARKS & RECREATION	0.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.15
POLICE SUPPORT SPECIALIST	POLICE	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00
RECORDS CLERK SPECIALIST	POLICE	0.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.50
		18.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.29



CITYWIDE BUDGET

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City-Wide Budget All Funds Summary

	Available Fund Balance FY 23-24	Projected Revenues/ Transfers In FY 24-25	Projected Expenses/ Transfers Out FY 24-25	Changes in Commitments/ Reserves FY 24-25	Projected Available Fund Balance FY 24-25	Proposed Revenues/ Transfers In FY 25-26	Proposed Expenses/ Transfers Out FY 25-26	Changes in Commitments/ Reserves FY 25-26	Proposed Available Fund Balance FY 25-26
General Fund									
100 GENERAL FUND	\$0	\$19,835,823	\$19,445,717	(\$390,106)	\$0	\$20,891,627	\$20,467,868	(\$423,759)	\$0
401 FISCAL NEUTRALITY	4,610,007			\$210,527	4,820,534			\$253,940	5,074,474
General Fund Total	4,610,007	19,835,823	19,445,717	(179,579)	4,820,534	20,891,627	20,467,868	(169,819)	5,074,474
Special Revenue Funds									
101 ASSET SEIZURE	217,000	-	117,000		100,000	-	100,000		-
201 AB 3229 COPS Program	62,715	150,000	176,556		36,159	150,000	186,159		-
220 CITYWIDE L&L DIST 83-2	1,145,759	2,298,346	2,217,733	-	1,226,372	2,351,768	2,199,033		1,379,107
221 VICTORIA BY THE BAY L&L	(655,546)	660,174	707,109		(702,481)	590,212	728,080		(840,349)
222 HERCULES VILLAGE L&L DIST	102,163	183,048	225,414	-	59,797	188,241	245,104		2,934
223 BAYWOOD ASSESS 04-1 L&L	91,882	181,144	180,511	-	92,515	186,035	185,981	-	92,569
224 BAYSIDE ASSESS DIST L&L	165,282	165,678	161,240		169,720	170,209	169,187		170,742
225 ARTERIAL ROADWAYS	393,134	340,210	365,916		367,428	349,928	376,790		340,566
231 STORMWATER ASSESSMENT	84,422	355,645	449,029		(8,962)	375,000	392,606	-	(26,568)
241 DIF-GEN PUBLIC FACILITIES	160,534	-	-		160,534	-	-		160,534
242 COMMUNITY DEVELOPMENT FND	180,478	-	170,000		10,478	-	-		10,478
243 DEVELOPMENT FEE FUND	76,657	-	-		76,657	-	-		76,657
244 DIF-POLICE FACILITIES	281,366	-	200,000		81,366	-	-		81,366
246 DIF-FIRE FACILITIES	-	-	-	-	-	-	-		-
247 DIF-PARK & REC	158,276	-	-		158,276	-	150,000		8,276
249 PUBLIC BENEFIT FEE	1,039,867	-	-		1,039,867	-	-		1,039,867
261 DIF-TRAFFIC FACILITIES	477,493	-	-		477,493	-	-		477,493
262 STATE GAS TAX FUND	496,011	727,585	725,829	-	497,767	738,148	754,459	-	481,456
263 MEASURE "C" STREET FUND	678,765	520,000	601,186		597,579	493,303	612,868	-	478,014
264 STMP TRAFFIC IMPACT FUND	-	-	-		-	-	-		-
266 BART PARK & RIDE	-	89,000	89,000	-	-	92,000	92,000		-
267 GENERAL PLAN AND BLDG TRAINING	1,394,760	-	-		1,394,760	-	1,300,000		94,760
268 SB1 - RMRA	940,852	673,002	1,030,200	-	583,654	683,809	500,000	-	767,463
291 AB 939 - JPA FUND	878,373	185,000	388,340		675,033	-	381,852		293,181
387 WATER QUALITY RETENTION BASIN	287,000	62,000	48,000		301,000	63,000	49,000		315,000
521 REGIONAL WATER QUALITY	55,123	-	-		55,123	-	-		55,123
640 HOUSING SUCCESSOR	5,880,886	102,000	113,000		5,869,886	-	120,595		5,749,291
Special Revenue Funds Total	14,593,252	6,692,832	7,966,063	-	13,320,021	6,431,653	8,543,714	-	11,207,960
Capital Projects Funds									
300 CITY - CAPITAL PROJECTS	-	2,350,823	2,350,823		-	2,923,720	2,923,720		-
354 HERCULES HUB	-	1,089,000	1,089,000		-	2,239,000	2,239,000		-
295 FEDERAL GRANTS	-	-	-		-	-	-		-
296 STATE AND LOCAL GRANTS	-	38,500	38,500		-	190,500	190,500		-
Capital Projects Funds Total	-	3,478,323	3,478,323	-	-	5,353,220	5,353,220	-	-



CITYWIDE BUDGET

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

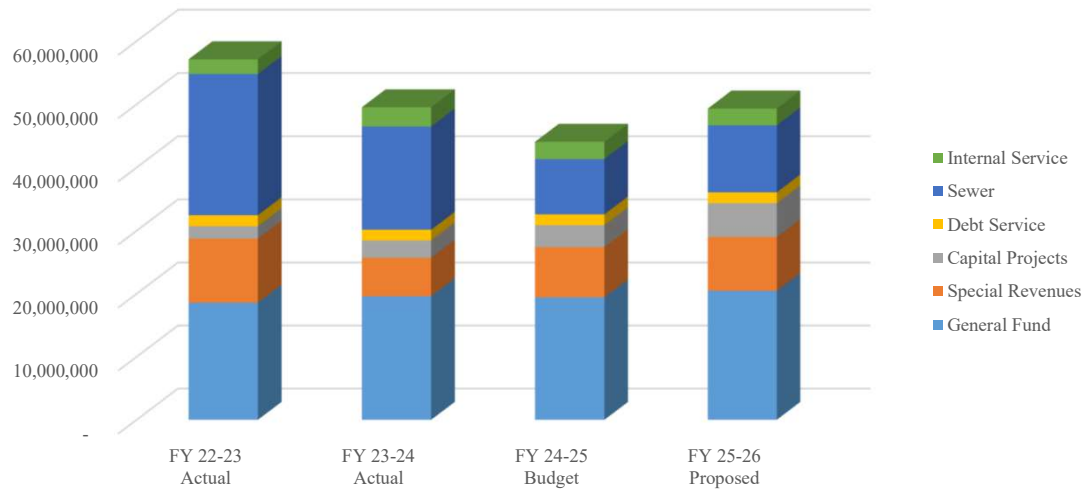
City-Wide Budget All Funds Summary

	Available Fund Balance FY 23-24	Projected Revenues/ Transfers In FY 24-25	Projected Expenses/ Transfers Out FY 24-25	Changes in Commitments/ Reserves FY 24-25	Projected Available Fund Balance FY 24-25	Proposed Revenues/ Transfers In FY 25-26	Proposed Expenses/ Transfers Out FY 25-26	Changes in Commitments/ Reserves FY 25-26	Proposed Available Fund Balance FY 25-26
Debt Service Funds									
672 2003B DEBT SERVICE PFA	-	563,430	563,430		-	561,212	561,212		-
673 2009 DEBT SERVICE PFA	-	905,296	905,296		-	906,578	906,578		-
383 SUNTRUST LEASE	-	-	-	-	-	-	-		-
388 EQUIPMENT LEASE	-	235,027	235,027		-	245,079	245,079		-
Debt Service Funds Total	-	1,703,753	1,703,753		-	1,712,869	1,712,869	-	-
Enterprise Funds									
420 SEWER FUND (OPERATIONS)	10,771,772	6,910,657	7,662,587		10,019,842	7,200,934	10,080,152	(4,977,934)	2,162,690
421 SEWER FUND (CAPITAL)	-	1,100,000	1,100,000		-	536,680	536,680		-
Sewer Fund Total	10,771,772	8,010,657	8,762,587	-	10,019,842	7,737,614	10,616,832	(4,977,934)	2,162,690
Internal Service Funds									
450 VEHICLE REPLACEMENT FUND	314,637	158,000	150,000		322,637	163,000	-		485,637
460 IT OPERATING FUND	584,764	1,085,715	1,036,263		634,216	1,102,852	1,441,997		295,071
470 FACILITY MAINTENANCE FUND	267,437	1,046,683	1,137,470		176,650	1,047,125	1,201,184		22,591
480 IT EQUIPMENT REPLACEMENT FUND	363,172	-	309,000	-	54,172	292,000	-	-	346,172
490 FACILITY REPLACEMENT FUND	247,669	-	92,254	-	155,415	-	-	-	155,415
Internal Service Funds Total	1,777,679	2,290,398	2,724,987	-	1,343,090	2,604,977	2,643,181	-	1,304,886
Total, City Budget	\$31,752,710	\$42,011,786	\$44,081,430	(\$179,579)	\$29,503,487	\$44,731,960	\$49,337,684	(\$5,147,753)	\$19,750,010
Agency Funds									
382 ASSMT DIST 05-01 DEBT SVC	-	226,873	226,873		-	229,356	229,356		-
501 TAYLOR WOODROW MAINT LMOD	75,156	-	-		75,156	-	-		75,156
511 OPEB & SOMAR	2,865,497	120,000	112,475		2,873,022	144,000	115,800		2,901,222
730 HERCULES GOLF CLUB	-	-	-	-	-	-	-		-
Agency Funds Total	2,940,653	346,873	339,348		2,948,178	373,356	345,156	-	2,976,378
SUCCESSOR AGENCY & HOUSING	-	8,587,154	8,587,154	-	-	9,758,380	9,758,380	-	-
Totals	34,693,363	\$50,945,813	\$53,007,932	(\$179,579)	\$32,451,665	\$54,863,696	59,441,220	(\$5,147,753)	\$22,726,388



City-wide Expenditures Summary by Fund Type

Expenditure Trends



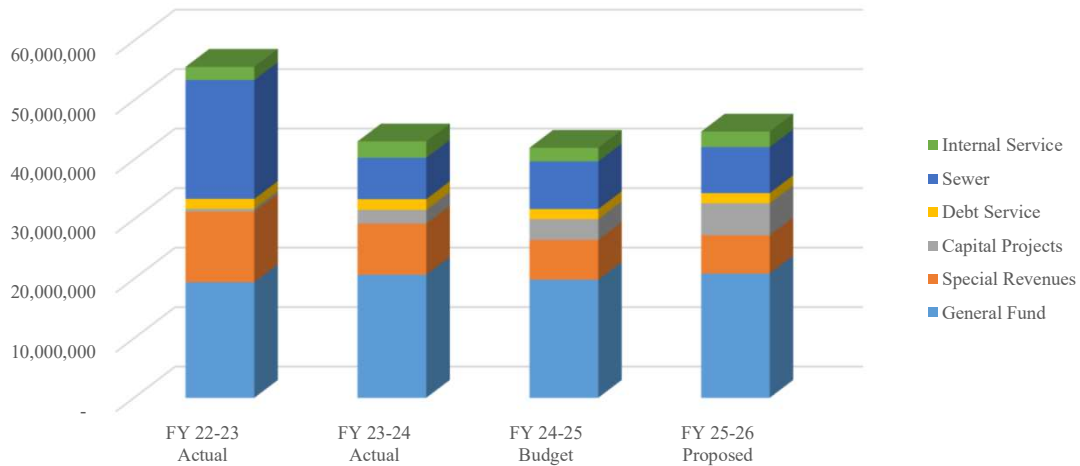
Expenditures By Department

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
General Fund Operations by Department				
Police	\$ 8,430,069	\$ 9,043,290	\$ 9,124,961	\$ 9,635,424
Public Works	417,265	432,333	429,968	443,381
Community Development	408,635	719,579	1,014,244	1,104,239
Parks & Recreation	2,408,847	2,673,550	2,591,807	2,700,746
Administration	4,204,024	4,682,817	5,186,280	5,517,787
Non-Department	260,000	260,000	260,000	260,000
Transfers Out	822,559	799,213	798,457	806,291
	16,951,399	18,610,782	19,405,717	20,467,868
One-time	1,644,194	991,639	40,000	-
	18,595,593	19,602,421	19,445,717	20,467,868
Special Revenue, Capital and Debt				
Special Revenues	10,161,374	6,111,060	7,966,063	8,543,714
Capital Projects	1,959,988	2,734,303	3,478,323	5,353,220
Debt Service	1,752,421	1,710,843	1,703,753	1,712,869
Enterprise				
Sewer	22,324,123	16,344,904	8,762,587	10,616,832
Net City Budget	54,793,499	46,503,531	41,356,443	46,694,503
Internal Charges				
Internal Service Funds	2,332,179	3,027,619	2,724,987	2,643,181
Total City Budget	\$ 57,125,678	\$ 49,531,150	\$ 44,081,430	\$ 49,337,684
Fiduciary				
Successor Agency	2,440,572	8,183,449	8,587,154	9,758,380
Other Agency	369,629	333,077	339,348	345,156
Total Organization	\$ 59,935,879	\$ 58,047,676	\$ 53,007,932	\$ 59,441,220



City-wide Revenues/Transfers In Summary by Fund Type

Revenue Trends



Revenues By Fund

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
General Fund				
Taxes	\$ 13,241,060	\$ 12,808,147	\$ 13,551,000	\$ 13,828,000
Intergovernmental	2,527,866	2,650,830	2,655,000	2,763,000
Fines & Forfeitures	46,057	34,409	45,000	40,000
Program Revenues	1,909,358	1,999,649	1,822,350	2,079,400
Use of Money & Property	794,570	1,623,167	799,000	1,209,100
Cost allocated to other departments	588,529	667,863	786,917	785,968
Transfers In	150,000	156,727	176,556	186,159
	19,257,440	19,940,792	19,835,823	20,891,627
One-time	169,461	731,717	-	-
	19,426,901	20,672,509	19,835,823	20,891,627
Special Revenue, Capital and Debt				
Special Revenues	11,848,175	8,580,940	6,692,832	6,431,653
Capital Projects	474,045	2,307,981	3,478,323	5,353,220
Debt Service	1,668,349	1,814,172	1,703,753	1,712,869
Enterprise				
Sewer	19,997,843	6,956,530	8,010,657	7,737,614
Net City Budget	53,415,313	40,332,132	39,721,388	42,126,983
Internal Charges				
Internal Service Funds	2,218,712	2,747,989	2,290,398	2,604,977
Total City Budget	\$ 55,634,025	\$ 43,080,121	\$ 42,011,786	\$ 44,731,960
Fiduciary				
Successor Agency	5,562,048	7,046,757	8,587,154	9,758,380
Other Agency	423,432	547,635	346,873	373,356
Total Organization	\$ 61,619,505	\$ 50,674,513	\$ 50,945,813	\$ 54,863,696



CITYWIDE BUDGET

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City-wide Budget

Transfers

Transferred From (Sender)		Transferred To (Receiver)		FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Fund Name	Fund No.	Fund Name	Fund No.				
General Fund	100	Capital Projects	300	\$500,000	\$639,712	\$2,350,823	2,923,720
General Fund	100	Capital Projects	300	115,579	-	-	-
General Fund	100	Hercules HUB	340	3,493	-	-	-
General Fund	100	Hercules HUB	340	8,556	-	-	-
General Fund	100	SunTrust Lease	383	102,549	-	-	-
General Fund	100	OPEB Liability	511	60,000	60,000	60,000	60,000
General Fund	100	2003B Debt Service PFA	672	360,649	563,316	563,430	561,212
General Fund	100	2009 Debt Service PFA	673	5,300	-	-	-
General Fund	100	Asset Seizure	101	-	-	-	-
General Fund	100	Equipment Lease (Solar Project)	388	226,433	235,897	235,027	245,079
AB 3229 COPS Program	201	General Fund	100	150,000	156,727	176,556	186,159
Landscape & Lighting District 83-2	220	Arterial Roadways	225	-	-	-	-
Landscape & Lighting District Victoria by the Bay 2002-1	221	Arterial Roadways	225	27,200	28,016	29,529	30,373
Landscape & Lighting District Hercules Village 2002-2	222	Arterial Roadways	225	7,500	7,725	8,051	8,281
Landscape & Lighting District Baywood 2004-1	223	Arterial Roadways	225	2,700	2,781	2,841	2,922
Landscape & Lighting District Bayside 2005-1	224	Arterial Roadways	225	18,500	19,055	20,136	20,711
Landscape & Lighting District 83-2 (Zone 1)	232	Arterial Roadways	225	26,100	26,100	29,688	30,536
Landscape & Lighting District 83-2 (Zone 2)	233	Arterial Roadways	225	20,600	21,218	22,367	23,006
Landscape & Lighting District 83-2 (Zone 3&4)	234	Arterial Roadways	225	28,000	28,840	30,376	31,244
Landscape & Lighting District 83-2 (Zone 5A)	235	Arterial Roadways	225	20,600	21,218	22,316	22,953
Landscape & Lighting District 83-2 (Zone 5B)	236	Arterial Roadways	225	11,500	11,845	12,284	12,635
Landscape & Lighting District 83-2 (Zone 5C)	237	Arterial Roadways	225	16,100	16,583	15,970	16,426
Landscape & Lighting District 83-2 (Zone 6)	238	Arterial Roadways	225	24,500	25,235	26,570	27,329
Landscape & Lighting District 83-2 (Zone 7)	239	Arterial Roadways	225	31,700	32,651	34,351	35,332
Landscape & Lighting District 83-2 (Zone 8)	251	Arterial Roadways	225	51,600	53,148	56,052	57,653
Landscape & Lighting District 83-2 (Zone 9)	253	Arterial Roadways	225	27,400	28,222	29,679	30,527
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 10)	220	21,952	22,391	23,030	26,002
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 1)	232	871	888	921	1,000
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 2)	233	617	629	635	675
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 3&4)	234	891	909	829	890
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 5A)	235	1,236	1,261	1,423	1,510
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 5B)	236	277	283	345	367
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 5C)	237	261	266	193	205
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 6)	238	631	644	592	633
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 7)	239	649	662	827	874



CITYWIDE BUDGET

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City-wide Budget

Transfers

Transferred From (Sender)		Transferred To (Receiver)		FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Fund Name	Fund No.	Fund Name	Fund No.				
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 8)	251	1,966	2,005	2,457	2,571
State Gas Tax	262	Landscape & Lighting District 83-2 (Zone 9)	253	1,077	1,099	1,233	1,304
State Gas Tax	262	Landscape & Lighting District Victoria by the Bay 2002-1	221	10,047	10,248	13,052	13,454
State Gas Tax	262	Landscape & Lighting District Hercules Village 2002-2	222	3,982	4,062	4,347	4,736
State Gas Tax	262	Landscape & Lighting District Baywood 2004-1	223	2,613	2,665	3,259	3,367
State Gas Tax	262	Landscape & Lighting District Bayside 2005-1	224	2,284	2,330	2,822	2,970
State Gas Tax	262	Arterial Roadways	225	-	-	-	-
State Gas Tax	262	SB1 Road Maintenance and Repair Account (RMRA)	268	553,583	-	-	-
Measure "C" Street Fund	263	Arterial Roadways	225	-	-	-	-
SB1 Road Maintenance and Repair Account (RMRA)	268	State Gas Tax	262	262,755	-	-	-
Solid Waste and Recycling	291	Stormwater Assessment	231	125,000	125,000	125,000	125,000
City Capital Projects	300	General Fund	100	-	250,000	-	-
City Capital Projects	311	Federal Grant	295	-	-	-	-
American Rescue Plan Act (ARPA)	353	General Fund - Loss of Revenue Component	100	3,142,889	-	-	-
Sewer - Operation	420	Sewer - Capital	421	13,700,000	147,173	1,100,000	536,680
IT - Operation	460	IT - Replacement	480	-	365,516	-	292,000
Facility Maintenance	470	Facility Replacement	490	-	261,696	-	-
				\$19,680,140	\$3,178,016	\$5,007,011	\$5,340,336



CITY OF HERCULES

FY 25-26 LIST OF ADDITIONAL BUDGET REQUEST

					Budget Impact		
Title	Fund	Department	Description	Justification	General Fund	Other Funds	Total
Ongoing costs:							
Low-Income Home Repair Program	General Fund	Community Development	Consultant support for implementation of new home repair program mandated by the adopted 6th Cycle Housing Element. The consultant will provide minor home repair services to low-income homeowners on an as-needed, first-come first-served basis and leverage grant funds as applicable. The City would pay the difference, and there would be no cost to the homeowner. This partnership would help the City fulfill Housing Program H1-4: Monitor and Preserve Affordable Housing and At-Risk Housing: “Throughout the planning period, utilize CDBG or other funds, as available, to provide financial assistance for minor repairs of homes owned and occupied by lower-income residents. Eligible repairs include plumbing, electrical, painting, carpentry, roof, and masonry, with a goal of assisting 16 households.”	Rebuilding Together East Bay Network, a nonprofit organization based in Berkeley, provides similar home repair program services to the cities of Emeryville and Alameda and the Marin Housing Authority and is interested in working with Hercules on this program.	\$30,000		\$30,000
Housing Program Support	General Fund	Community Development	Consultant support for implementation of new fair housing programs mandated by the adopted 6th Cycle Housing Element which are not eligible for use of Housing Asset Funds, including coordination with Contra Costa County Housing Authority, fair housing outreach and assistance, preparation to public information, tenant and landlord outreach and education to increase use of Housing Choice Vouchers, stakeholder engagement, pursuit of affordable housing funding, preparation of an ADU information packet, preparaton of a database and monitoring procedure for existing affordable units, establishing guidelines and criteria for affordability of replacement units and tracking mechanisms.		\$67,390		\$67,390
DocuSign Contract Lifecycle Management Platform	Internal Service Fund	Information Technology	The contract management software will be implemented city-wide to enhance the processing and storage of contracts. This represents an ongoing annual renewal of the DocuSign e-Signature Platform, aimed at streamlining the operations and improving efficiency.	The implementation of the DocuSign Contract Lifecycle Management (CLM) platform, along with a customized build, is designed to enhance the efficiency of administrative processes across all departments. This solution will facilitate compliance with contract policies and procedures while ensuring effective organization of contracts for improved record management. By streamlining responsibilities and requirements at each phase of the contract process, the City anticipates a substantial reduction in the time staff members spend communicating with vendors, consultants, legal teams, and other internal departments. Furthermore, this structured approach will promote adherence to the latest versions of agreements, necessary documentation, as well as administrative and financial policies and procedures prior to execution.		\$19,624	\$19,624
Total, Ongoing Costs					\$97,390	\$19,624	\$117,014

One-Time Costs:

Housing Transaction Support	Housing Successor Fund	Community Development	RSG consultant support for housing program work eligible for Housing Asset Fund as administration, including preparation and issuance of a NOFA for Housing Asset Funds, assistance with evaluation of developer proposals, and transaction support for mandated pursuit of affordable housing development on Caltrans and BART park and ride sites.	This work was mandated by the state through HCD review of the 6th Cycle Housing Element.		\$120,595	\$120,595
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CITY OF HERCULES

FY 25-26 LIST OF ADDITIONAL BUDGET REQUEST

Title	Fund	Department	Description	Justification	Budget Impact		
					General Fund	Other Funds	Total
General Plan Update and EIR	General Plan Update Fee	Community Development	Planning, environmental and related consultant services for comprehensive updates to the General Plan Land Use, Economic Development, Open Space & Conservation, and Noise Elements and related updates to other elements as needed, and preparation of an Environmental Impact Report.	California state law requires each city and county to adopt a general plan for physical development, including any relevant adjacent land. Per Government Code Section 65400(a)(2)(A), the city must submit an annual report to the state detailing its progress in implementing the General Plan.		\$1,300,000	\$1,300,000
Motorola Radios for Police Department	General Fund/Asset Seizure Fund	Police	Replacement of existing 35 radios and associated equipment	The current portable handheld radios are over 15 years old and have already begun being replaced county wide by all law enforcement agencies. The technology is outdated and eventually will not be able to support incoming software. Motorola has stopped making the models we currently have which already has made it difficult to replace as they continue to breakdown. Many of the batteries have become inoperable or are not holding a charge. Radios are a critical resource for the police department and are essential for safety and communication.	\$143,647	\$100,000	\$243,647
Marshfield Consulting	Internal Service Fund	Information Technology	This firm partners with DocuSign to assist agencies in implementation and training on the DocuSign Contract Lifecycle Management Platform.	The implementation of the DocuSign Contract Lifecycle Management (CLM) platform, along with a customized build, is designed to enhance the efficiency of administrative processes across all departments. This solution will facilitate compliance with contract policies and procedures while ensuring effective organization of contracts for improved record management. By streamlining responsibilities and requirements at each phase of the contract process, the City anticipates a substantial reduction in the time staff members spend communicating with vendors, consultants, legal teams, and other internal departments. Furthermore, this structured approach will promote adherence to the latest versions of agreements, necessary documentation, as well as administrative and financial policies and procedures prior to execution.		\$50,000	\$50,000
Quad-City CORE Homeless Services Pilot Program	General Fund	City Manager	This program will effectively address homelessness. Contra Costa County has established the Coordinated Outreach Referral and Engagement (CORE) Program. This program serves as the main entry point into the County's Coordinated Entry System, providing crucial outreach and stabilization services to individuals and families experiencing homelessness. CORE teams actively identify those living on the streets, assess their needs, and connect them to essential resources like shelter, healthcare, and long-term housing.	Recognizing the need for regional solutions, the cities of Hercules, Pinole, El Cerrito, and San Pablo are proposing a multi-jurisdictional agreement with the CORE Program. This initiative includes coordinated outreach, shared funding, data evaluation, and enhanced collaboration among law enforcement and outreach teams. Launching as a one-year pilot in Hercules, this program aims to assess impact and inform long-term strategies for addressing homelessness in our community.	\$48,965		\$48,965
SNG Contract for On-call Engineering and CIP Services	General Fund	Public Works	Provision of on-call engineering services to assist in review, design and management of private land development, CIP projects and other tasks as assigned by the City.	Scope to include review and development of plans, specifications, and estimates and project management, bidding, contracts, and construction management for capital improvement projects. Work also includes development of capital improvement planning and budgeting for the city's Five-Year CIP (2025-30) consisting of the short- and long-range project delivery and funding for maintaining, rehabilitating, improving, and constructing new and existing infrastructure assets as prioritized by the City.	\$240,000		\$240,000
Total, One-Time Costs					\$432,612	\$1,570,595	\$2,003,207
Total					\$530,002	\$1,590,219	\$2,120,221



DEPARTMENT SUMMARIES





CITY COUNCIL



DION BAILEY
Mayor



CHRIS KELLEY
Vice Mayor



**ALEXANDER
WALKER-GRIFFIN**
Council Member



TIFFANY GRIMSLEY
Council Member



DILLI BHATTARAI
Council Member

The five members of the City Council are elected at-large by the voters of Hercules, with one of the Council Members selected each year to serve as Mayor by their colleagues. Their primary responsibilities are to establish public policy, enact ordinances, adopt an annual budget for each fiscal year, and take other actions which guide and determine how to best provide services and enhance the quality of life in Hercules.

The City Council typically meets the second and fourth Tuesday of for their regular meetings, with special meetings called as needed, and this provides the primary means to hear from the City's residents and other stakeholders. Another important role is that Council Members represent the City on a number of regional boards and agencies including the WestCAT, the West Contra Costa Transportation Advisory Committee, the West Contra Costa Regional Integrated Waste management Authority, the Contra Costa Mayors Conference, the Association of Bay Area Governments, and the League of California Cities, among others.

As the City's main policy making body, the City Council is charged with guiding the City towards the realization of the Vision for our community as established in the current Strategic Plan:

CITY OF HERCULES: VISION

The City of Hercules is a richly diverse community, serving as a major transportation hub and a prime destination for the Bay Area. It is built on a sound economic and physical infrastructure, and its residents enjoy public safety, security, well-maintained parks, streets and public facilities. We conduct our work in an atmosphere of trust and respect. We constantly look for better ways to deliver services and always strive for excellence.



CITY OF HERCULES: MISSION

Our mission is to lead our diverse community and enhance the quality of life in the City of Hercules, now and in the future. We do this by providing effective, efficient, responsive, and innovative services with integrity and a culture of transparency.



CITY COUNCIL

CITY OF HERCULES: VALUES

•INTEGRITY

Honesty, transparency, fair dealing

•PROFESSIONALISM

Exemplary conduct, competence, continuous improvement, respect

•SERVICE

Customer orientation, courtesy, hard work, striving for excellence

•COLLABORATION

Teamwork, communication, community interaction and outreach

•CREATIVITY

Thinking, innovating, encouraging critical analysis

•TENACITY

Setting priorities, staying focused, not getting discouraged

•RESPONSIBILITY

Taking ownership of one's work, accountability, going the extra mile

FY 2025-26 STRATEGIC GOALS:

GOAL #1

Advance Progress of the Hercules Hub

GOAL #2

Take Steps to Address the City's Fiscal Sustainability

GOAL #3

Improve Community Transparency and Communication

GOAL #4

Continue Investing in a Winning Team at City Hall

GOAL #5

Plan and Fund Major Infrastructure

GOAL #6

Develop a Comprehensive Land-Use Strategy

GOAL #7

Develop a Comprehensive Economic Development Strategy



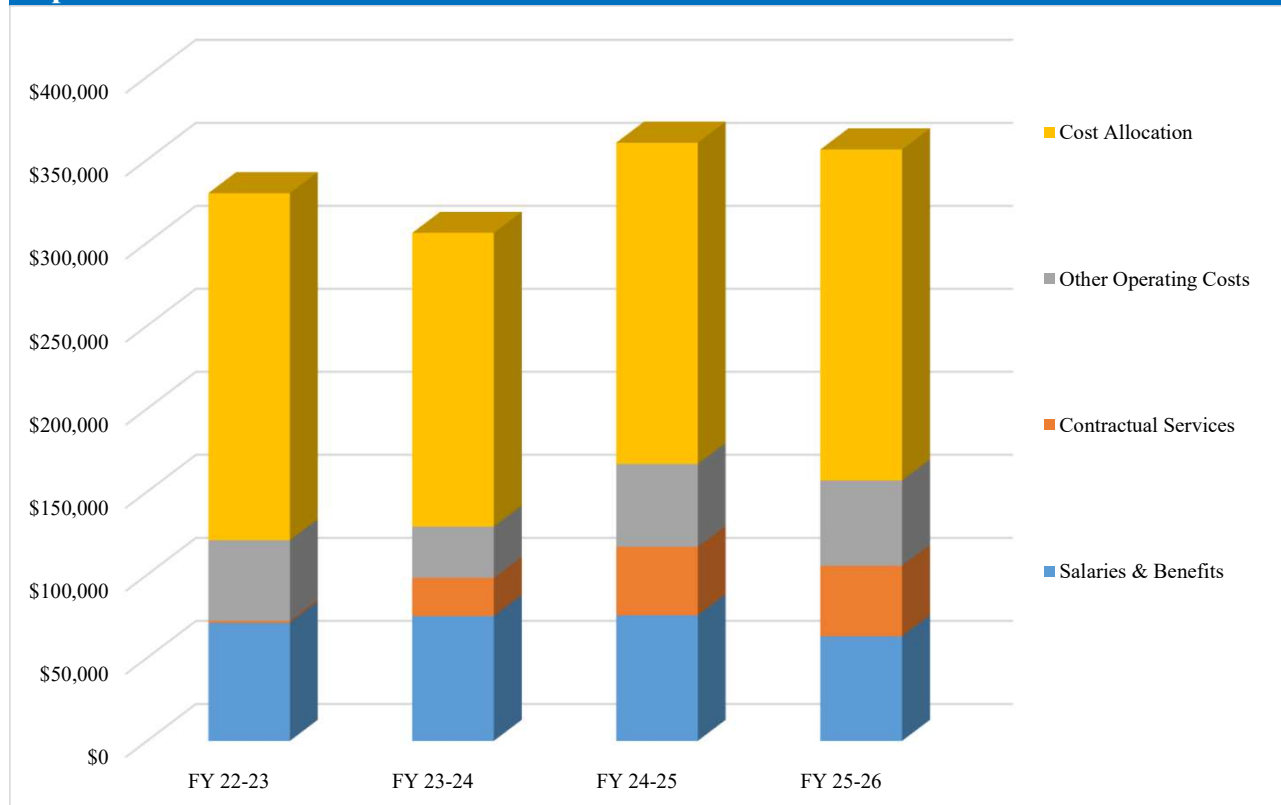


City Council

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures By Type</u>				
Salaries & Benefits	\$ 71,066	\$ 75,146	\$ 75,625	\$ 63,000
Contractual Services	1,231	22,923	41,200	42,400
Other Operating Costs	48,546	30,922	49,900	51,400
Cost Allocation	209,000	176,924	193,538	199,344
	<u>\$ 329,843</u>	<u>\$ 305,915</u>	<u>\$ 360,263</u>	<u>\$ 356,144</u>
<u>Expenditures By Fund/Program</u>				
General Fund	<u>\$ 329,843</u>	<u>\$ 305,915</u>	<u>\$ 360,263</u>	<u>\$ 356,144</u>

Expenditure Trends





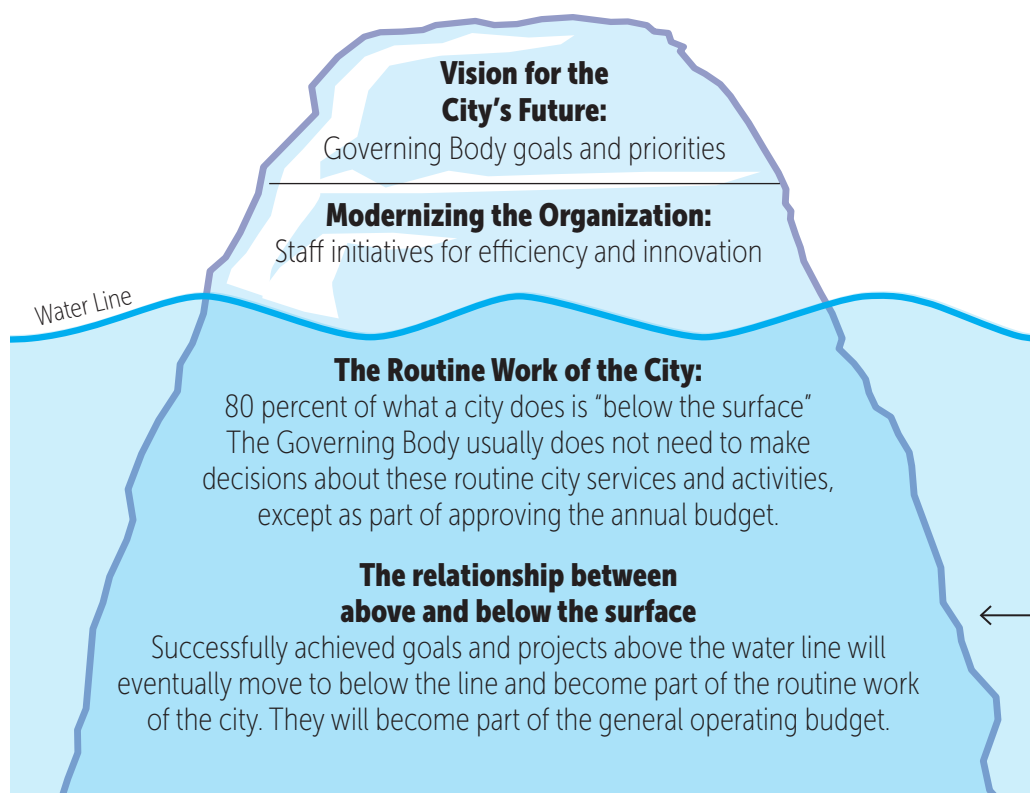
CITY MANAGER

The City Manager is appointed by and serves at the pleasure of the City Council and is responsible for implementing the policy direction provided by the City Council as given in City Council meetings based on the recommendations made by the City Manager and his staff, providing leadership to the City organization and employees, fostering a level of community engagement, and keeping the community informed through a variety of means. The City Manager also works with the City Council in regard to their regional and other agency assignments and support the City Council in the City's legislative advocacy efforts.

As the City's Chief Executive Officer, the City Manager responsible for ensuring the City organization is focused on meeting the Mission as defined Strategic Plan:

Our mission is to lead our diverse community and enhance the quality of life in the City of Hercules, now and in the future. We do this by providing effective, efficient, responsive, and innovative services with integrity and a culture of transparency.

The Iceberg Model of City Work



CITY MANAGER'S KEY PRIORITIES FOR FY 25-26:

- To align Council's priorities, ongoing programs, projects and activities with the budget, and staff resources.
- Develop a workplan to accomplish Council's strategic goals.
- The mandated obligations of local government remain the core function of the City and need not be fully detailed in the Work Plan, including but not limited to public infrastructure, public safety, governmental transparency, financial accountability, and implementation of regulations.

This balance between core services and strategic goals is well depicted by the "Iceberg Model" depicted left.

← Source: Nalbandian Consulting & Training, May 2003



CITY MANAGER

STRATEGIC GOAL WORKPLAN HIGHLIGHTS

GOAL #1: ADVANCE PROGRESS OF THE HERCULES HUB

Objective	Tactical Steps	Timeline
Develop regional partnerships	Participate and collaborate with other agencies, their boards and commissions, and other stakeholder groups to raise awareness of the Hercules Hub and regional transit-related issues, surface opportunities for partnership, and support appropriate transportation revenue generating measures.	Ongoing
Enhance lobbying efforts/ contracts	Secure the services of a federal lobbyist as an advocate on behalf of the Hercules Hub.	Winter 2024
Continue to keep the community informed	Utilize social media and other informational platforms to disseminate information regularly and when new developments occur.	Ongoing
Initiate the Train Station design	Secure sufficient grant funding to begin the station design.	Summer

GOAL #2: TAKE STEPS TO ADDRESS THE CITY'S FISCAL SUSTAINABILITY

Objective	Tactical Steps	Timeline
Improve efficiency through a budget review process	Continue to improve and create a more robust Capital Improvement Plan (CIP) with special attention to service delivery methodology, addressing deferred maintenance, and prioritizing projects.	Spring 2025; Ongoing
Explore revenue sources to meet current and future needs	Present to Council future revenue-generating options that include: <ul style="list-style-type: none">• Sales Tax• UUT (Utility User Tax)• Grant opportunities• Real Property Transfer Tax• General Obligation (GO) bonds• Lease Revenue/Certificate of Participation (COP) bonds	Winter 2024

GOAL #3: IMPROVE COMMUNITY TRANSPARENCY AND COMMUNICATION

Objective	Tactical Steps	Timeline
Improve communication on the progress of Strategic Goals	Provide quarterly updates at City Council meetings and post the progress to a dedicated strategic plan web page on the City's website.	Fall 2024; Ongoing
Provide community engagement opportunities outside of Council meetings	Provide twice-a-year workshops/town halls to allow residents to connect with the City outside of Council meetings and the rigid public comment process.	Winter 2024; Ongoing
Encourage residents to be more involved in civic affairs	Evaluate and report back on ways to improve resident engagement, such as a resident academy.	Winter 2024



CITY MANAGER

STRATEGIC GOAL WORKPLAN HIGHLIGHTS



GOAL #4: CONTINUE INVESTING IN A WINNING TEAM AT CITY HALL

Objective	Tactical Steps	Timeline
Address staff capacity	• Initiate a gap analysis of strategic goal priorities and staff capacity.	Spring 2025
	• Initiate a staffing comparison study of comparable cities (population, city services, department size, and total FTEs).	Spring 2025
Develop a succession plan	• Identify critical and vulnerable positions; Identify a talent pipeline; and identify employees in the qualified positions who could temporarily fill the vacancy and potentially apply as candidates for the position should the need arise.	Winter 2024
	• Create a succession development plan with training and learning opportunities that are aligned with the successor position.	Winter 2025
Invest in ongoing staff education and training through conferences and other learning tools	• Survey staff to assess service and/or training gaps in each department and the City organization, as a whole.	Summer 2025
	• Use the above-mentioned (succession plan) education/experience assessment and cross reference with survey/interviews..	Spring 2026
	• Identify training opportunities/conferences, including complimentary webinars, for each department.	Spring 2025; Ongoing
Build a high-performance culture that both yields efficient results and increases staff retention	• Review and analyze potential standards to define and measure high performance culture.	Spring 2025
	• Survey and initiate standards for efficiency.	Spring 2025
	• Survey and initiate standard retention goals, to include impediments and opportunities.	Spring 2025



CITY MANAGER

STRATEGIC GOAL WORKPLAN HIGHLIGHTS

GOAL #5: PLAN AND FUND MAJOR INFRASTRUCTURE

Objective	Tactical Steps	Timeline
Identify and set priorities related to major infrastructure	Review and refine policy for prioritizing capital projects as part of the budgeting process.	Spring 2025
Continue progress on the Capital Improvement Plan	Continue to update the City Council on progress during the mid-year CIP progress report process.	Spring 2025
Devise a plan for funding the Parks and Recreation Facilities Master Plan	Identify grant opportunities, sponsorships, partnerships, and available Capital Improvement funds for projects called out in the 5-year Park Master Plan Action Plan.	Ongoing
Devise a plan for funding facilities assessment and maintenance	Maintain and refine the recently established Facility Replacement Fund to address the backlog of large unfunded maintenance and infrastructure projects.	Spring 2025

GOAL #6: DEVELOP A COMPREHENSIVE LAND-USE STRATEGY

Objective	Tactical Steps	Timeline
Complete the Housing Element certification process and begin implementation	Work with the State Department of Housing and Community Development to complete the review and certification of the Housing Element.	Spring 2025
Update the General Plan	<ul style="list-style-type: none">• Secure the services of a consultant to update the General Plan, which will include land-use strategies for the redevelopment of shopping centers and commercial sites with mixed-use. ----- <ul style="list-style-type: none">• Complete the General Plan Update	Spring 2025 Spring 2027
Update Council and community on affordable housing progress and RHNA obligations	Continue annual reporting to the City Council on the status of development projects and Housing Element RHNA (Regional Housing Needs Allocation) progress.	Ongoing

GOAL #7: DEVELOP A COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

Objective	Tactical Steps	Timeline
Devise strategies to expand retail and attract businesses	<ul style="list-style-type: none">• Develop an Economic Development strategy in conjunction with the General Plan update. ----- <ul style="list-style-type: none">• Continue to implement the Business Attraction Grant program.	Spring 2026 Ongoing



RISK MANAGEMENT

Risk Management is a unit under the Administrative Services Department. The Administrative Services Director works with Departments to eliminate or mitigate potential risk and preserve public property, as well as manage the City’s Workers’ Compensation Program.



The City is a member of the Municipal Pooling Authority (“MPA”), a joint powers agency that is governed by a board of member municipalities. The City’s deposits with the Municipal Pooling Authority are in accordance with formulas established by the Municipal Pooling Authority. Actual surpluses or losses are shared in accordance with a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

PERFORMANCE MEASURE	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
# of Workers Compensation claims	19	15	25	10	10
# of General Liability claims	17	17	14	20	20

COUNCIL STRATEGIC GOAL

Reduce exposure to litigation and claims.

- The City has been successful in reducing claims and litigation over the past few years. Efforts to continue this trend include updates to the city’s standard form of contracts and the development of specialty contract models, the investment of monies to address key infrastructure issues like the maintenance of trees and the filling of major potholes. However, the more recent period has seen an uptick in claims and possible litigation.

OBJECTIVES:

- Preservation of the City’s assets and public service capabilities from loss, destruction and depletion.
- Systematized internal procedures for identifying and constantly reassessing the fluctuating exposures to risk, and implementing courses of action to minimize or eliminate that risk.
- The establishment, to the extent possible of an exposure-free work and service environment in which the City personnel and members of the public can enjoy safety and security in the course of their daily pursuits.
- Protection against the financial consequences of catastrophic loss through avoidance, risk transfer, and/or purchased insurance.

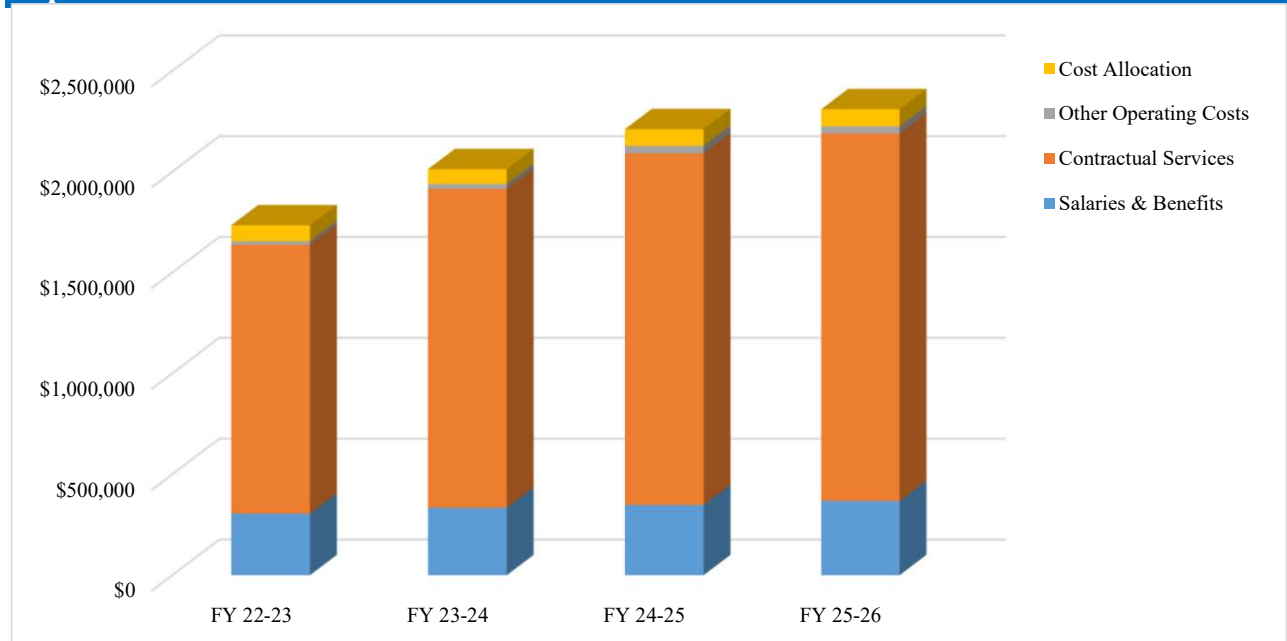


City Manager

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures By Type</u>				
Salaries & Benefits	\$ 305,323	\$ 334,817	\$ 347,674	\$ 367,613
Contractual Services	1,332,929	1,581,320	1,743,781	1,822,800
Other Operating Costs	17,520	23,320	37,400	35,000
Cost Allocation	79,000	73,941	82,735	85,217
	<u>\$ 1,734,772</u>	<u>\$ 2,013,398</u>	<u>\$ 2,211,590</u>	<u>\$ 2,310,630</u>
<u>Expenditures By Fund/Program</u>				
General Fund				
City Manager	\$ 493,247	\$ 532,417	\$ 505,924	\$ 553,611
Risk Management	1,241,525	1,480,981	1,705,666	1,757,019
	<u>1,734,772</u>	<u>2,013,398</u>	<u>2,211,590</u>	<u>2,310,630</u>

Expenditure Trends





HUMAN RESOURCES

In support of the City's principles, values and vision, it is the goal of the Human Resources Department to support the total operation in meeting its goals through its most valuable resource – its people. The Human Resources office strives to develop an attitude of teamwork and quality in our day-to-day operations; create an atmosphere that fosters challenges, fun and safety; and commit to doing and to acting openly, equitably and consistently in our pursuit of uncompromising quality.



OBJECTIVES:

To act as a catalyst to enable all City of Hercules employees to contribute at optimum levels toward the success of a greater community by:

- Attract and retain a highly qualified, diverse workforce.
- Offering a competitive salary and benefits package and developing the full potential of our workforce by providing training and development for career enhancement.
- Foster amicable employee/labor relations.
- Promote employee safety, wellness, high productivity and performance.
- Ensure compliance with laws and regulations
- Maintain consistency and fairness when implementing and administering policy decisions and direction.

COUNCIL STRATEGIC GOAL

Provide a means for employees to report concerns of possible wrong doing (whistle-blowing).

- The City maintains a whistleblower hotline through a third party and regularly makes that information available to employees.

Continue a formal volunteer program to help various departments.

- The Police Department makes good use of volunteers in a variety of roles with two volunteers added to the roster recently. A cadre of Police volunteers is also now working in support of our voluntary code compliance efforts to enhance the community. Volunteers were utilized in the recent upgrades at the Ohlone and Foxboro community Centers. In Parks & Recreation volunteers support a variety of events and activities.

PERFORMANCE MEASURE	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
New Hires	46	13	42	44	44
Tuition Reimbursements	7	3	5	5	5
Tuition Reimbursement Amounts	\$11,590	\$8,375	\$13,054	\$15,311	\$15,311

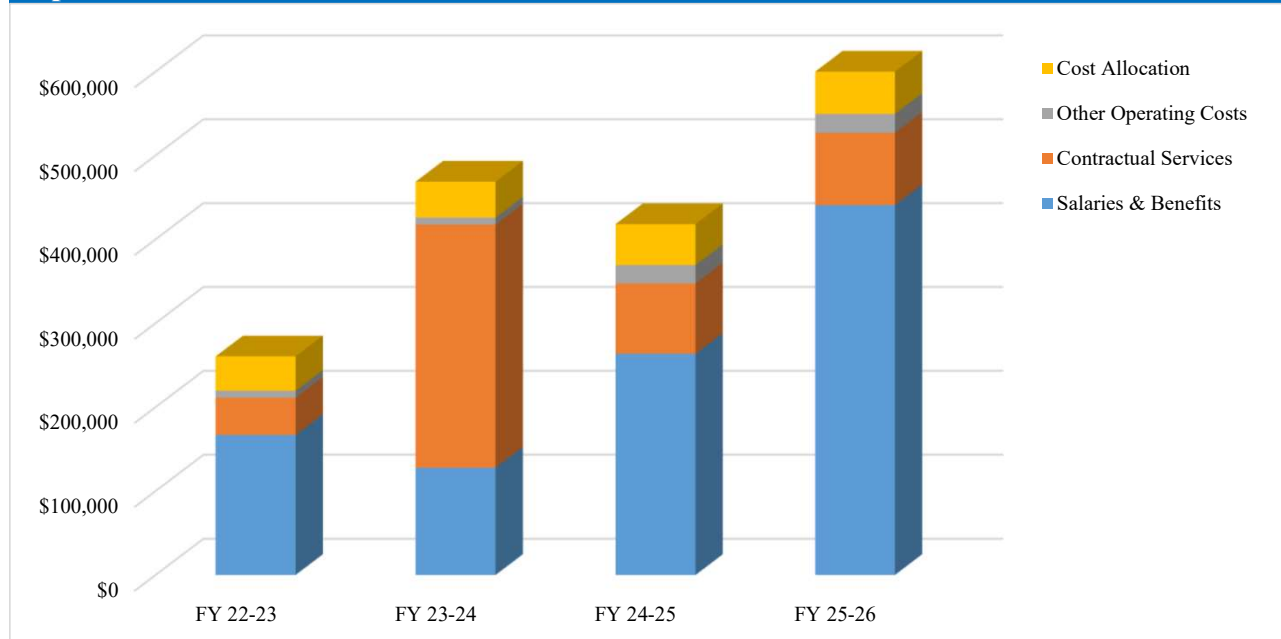


Human Resources

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures By Type</u>				
Salaries & Benefits	\$ 166,719	\$ 127,931	\$ 263,425	\$ 440,636
Contractual Services	44,550	289,654	83,900	86,400
Other Operating Costs	8,122	8,163	21,900	22,500
Cost Allocation	41,000	42,949	48,918	50,386
	\$ 260,391	\$ 468,697	\$ 418,143	\$ 599,922
<u>Expenditures By Fund/Program</u>				
General Fund				
Human Resources	260,391	468,697	418,143	599,922
	260,391	468,697	418,143	599,922

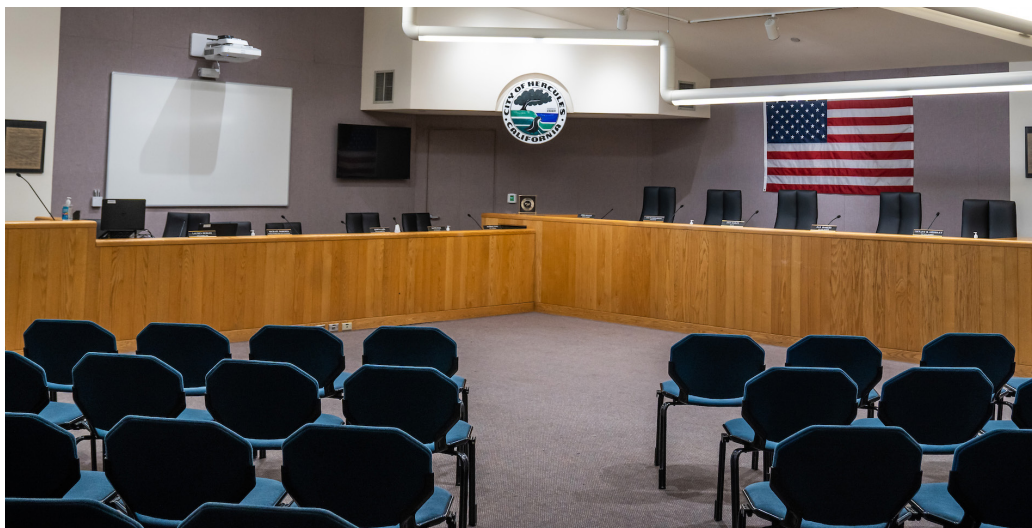
Expenditure Trends





CITY CLERK

The Office of the City Clerk serves as a liaison between the public and the City Council. The City Clerk ensures that the City's democratic and legislative decision-making processes are properly executed, recorded, archived and administered in accordance with federal, state and local statutes and regulations.



As the City's Elections Official and Political Reform Act compliance officer, the City Clerk administers **municipal elections** from election pre-planning to the declaration of election results; and ensures compliance and the timely filing of matters pertaining to the Political Reform Act.

The City Clerk serves as the **Clerk of the City Council** and ensures that meetings of the City Council follow the Brown Act (open meeting laws). The Office of the City Clerk prepares and distributes the legislative agenda, records all legislative actions of the Council, performs attestations, administers Oaths of Office, verifies that legal notices have been posted or published, and administers the boards and commissions appointment process.

The City Clerk is the **Custodian of Records** and archives and is responsible for compliance with the Public Records Act. The Office of the City Clerk administers the City's Records Management Program for the Preservation, Protection, Retention and Legal Disposition of the City's Records which includes receiving and responding to public records requests in adherence to all the provisions of the Public Records Act.

The Office of the City Clerk staff greet and assist the public at City Hall and provide administrative support for business license application processing and the filing of claims presented to the City.

OBJECTIVES:

- To ensure open access to information, documents, and the legislative process.
- To ensure fair and impartial elections.
- To maintain the official record of all City Council proceedings.
- To develop and maintain on-going efforts that increase transparency in city government.
- Perform other State and municipal statutory duties.





CITY CLERK

CITY CLERK PERFORMANCE GOAL:

Develop an updated comprehensive records management program including a records management policy and a retention schedule designed to control the creation, acquisition, processing, maintenance, storage, and final disposition of all recorded information, regardless of form or media, handled during normal business practices.

PHASE	Phase Tasks	% Complete
Phase 1: Update current policies, procedures and Retention Schedules	Review and assess current storage, records management policies, procedures and retention schedules. Research governmental and regulatory minimum required retention periods	80%
Phase 2: Retention Schedule Training	Develop a records retention reference guide. Schedule training.	—
Phase 3: Inactive & Obsolete Records Review	Identify and determine designation (permanent storage or disposition) of inactive and obsolete records. Repackage inactive records for proper permanent storage, prepare designated obsolete records for disposition.	—

The Office of the City Clerk aligns its objectives and strategies with City Council Strategic Goal #3: Improve Community Transparency and Communication.

THE OFFICE OF THE CITY CLERK SERVICE AREA OBJECTIVES AND STRATEGIES

Municipal Elections	Clerk of City Council	Custodian of Records
Objective 1: Ensure fair and impartial elections.	Objective 2: Maintain the official record of all City Council proceedings.	Objective 3: Ensure open access to information, documents, and the legislative process.
Objective 1 Strategies: 1a. Open access to Municipal elections information and resources including Public Notices of Election, nomination process and posting guidelines, candidates and filing deadlines on the City website. 1b. Provide links to elections resources, voter registration, polling information, and Election results on the City website. 1c. Declare and attest election results and retain election records as required by law.	Objective 2 Strategies: 2a. Post for open access City Council and Commission meeting notices on the City website, at City Hall, and the Community Center. 2b. Record proceedings and attest to the actions of City Council. 2c. Retain City Council records per the adopted retention schedule.	Objective 3 Strategies: 3a. Accept public records requests online, in person, or over the phone. 3b. Post adopted minutes and video recording of meetings on the City website. 3c. Post link to access records repository on the City website. 3d. Review and update the City's records management program as needed to ensure alignment with changes in regulations/legal requirements.

PERFORMANCE MEASURE	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
City Council Meeting Agendas	21	21	21	21	25
Finance Commission Agendas	6	6	6	6	3
Planning Commission Agendas	23	24	24	24	8
Community & Library Services Commission Agendas	12	12	12	12	10
Economic Development Subcommittee Agendas	-	1	2	-	-
Public Safety & Traffic Subcommittee Agendas	2	1	-	2	-
West Contra County Mayors & Supervisors Association	4	-	5	-	-
Public Comments at City Council Meetings	-	-	-	-	41
Public Records Request	38	34	46	66	39

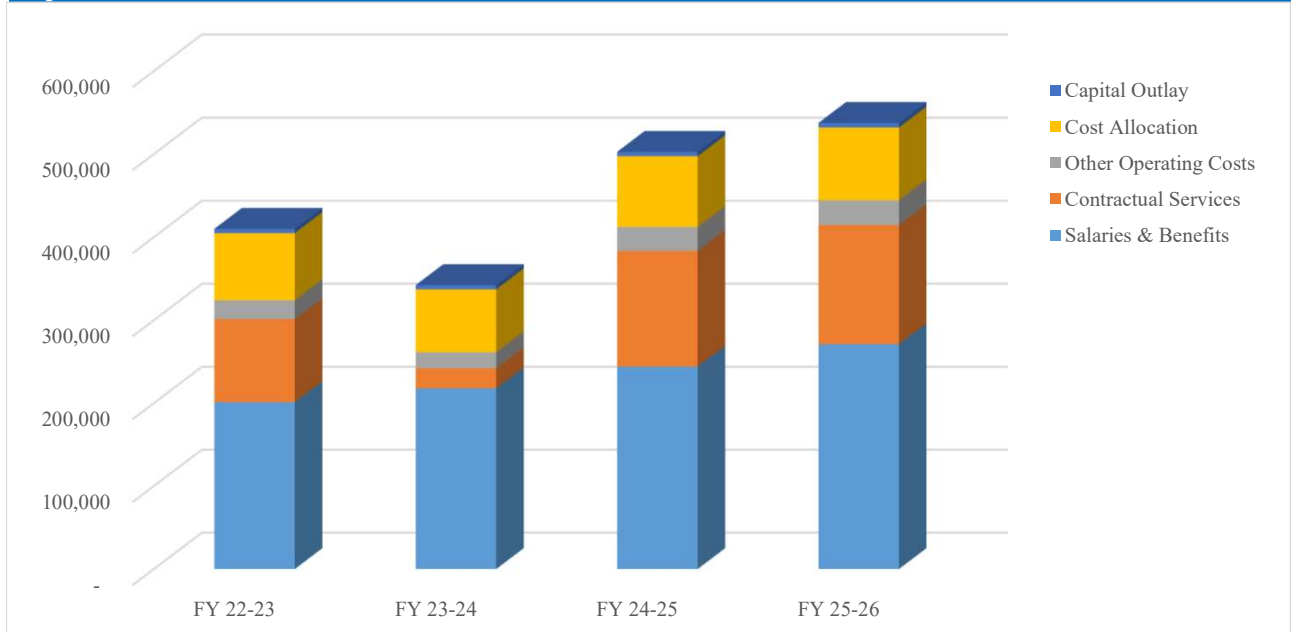


City Clerk

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Expenditures By Type				
Salaries & Benefits	\$ 201,214	\$ 217,840	\$ 244,095	\$ 271,048
Contractual Services	100,165	24,306	139,400	143,600
Other Operating Costs	22,596	19,212	28,900	29,800
Cost Allocation	81,000	75,966	85,095	87,648
Capital Outlay	5,000	5,000	5,200	5,400
	\$ 409,975	\$ 342,324	\$ 502,690	\$ 537,496
Expenditures By Fund/Program				
General Fund				
City Clerk	\$ 372,172	\$ 328,751	\$ 463,690	\$ 497,296
Outreach	343	413	400	400
Cable TV	37,460	13,160	38,600	39,800
	\$ 409,975	\$ 342,324	\$ 502,690	\$ 537,496

Expenditure Trends





CITY ATTORNEY

Appointed by the City Council as the City’s chief legal advisor, the City Attorney provides all legal services and advice to the City Council, Commissions, and staff. The City Attorney represents the City in all litigation, and manages any special counsel services, including when used for litigation. Elements of the City’s risk management efforts and claims administration are also handled by the City Attorney.



Serving as the City’s legal counsel, the City Attorney contributes to the City’s overall operation in a multiplicity of service areas and in support of all Strategic Plan goals, and in particular Goal H and two related strategies:

Continue to Provide Exemplary Governance and City Administration

Strategy 1: Improve administrative processes and overall quality of executive and administrative management.

Strategy 3: Provide and enhance exemplary governance.

PERFORMANCE INDICATOR	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
# of developer projects	7	5	9	7	7



KEY PRIORITIES

- Provide high-quality legal services in a cost-effective manner
- Develop and recommend strategies to reduce legal risk and exposure to liability
- Work to minimize litigation exposure and resolve litigation in an effective manner
- Effectively manage special counsel contracts and services



CITY ATTORNEY

WORKPLAN HIGHLIGHTS:

- **Perform all requested legal work and review and prepare required documents and contracts in a timely manner**, including ordinances, resolutions, legal opinions, and contracts and agreements.
- **Provide the City Council with regular litigation and claims updates**, including assessment of success, liability, and advise as to how to best manage and respond to pending or active litigation and claims.
- **Review all agenda items, staff reports, and related attachments for consideration by the City Council, and Commissions as needed**, including assessing and ensuring compliance with law and best practices from a legal perspective, approving required documents as to form, advising staff and the City Council on those matters.
- **Facilitate the City's public improvements and private development projects through on-going support of these activities**, including consideration by the Planning Commission and City Council of private development, preparation and award of bids for public projects, assisting with contract award and management, resolution of legal issues which may arise, and close-out of completed projects and assisting with any claims which may arise.
- **Identify on a pro-active basis any opportunities to avoid exposure to legal risk or concerns and take steps to do so**, including regularly consulting with the City Council, City Manager, and staff on up-coming projects and activities, monitoring the changing legal landscape and new case law, and engaging with a variety of stakeholders to better assess areas of possible concern.



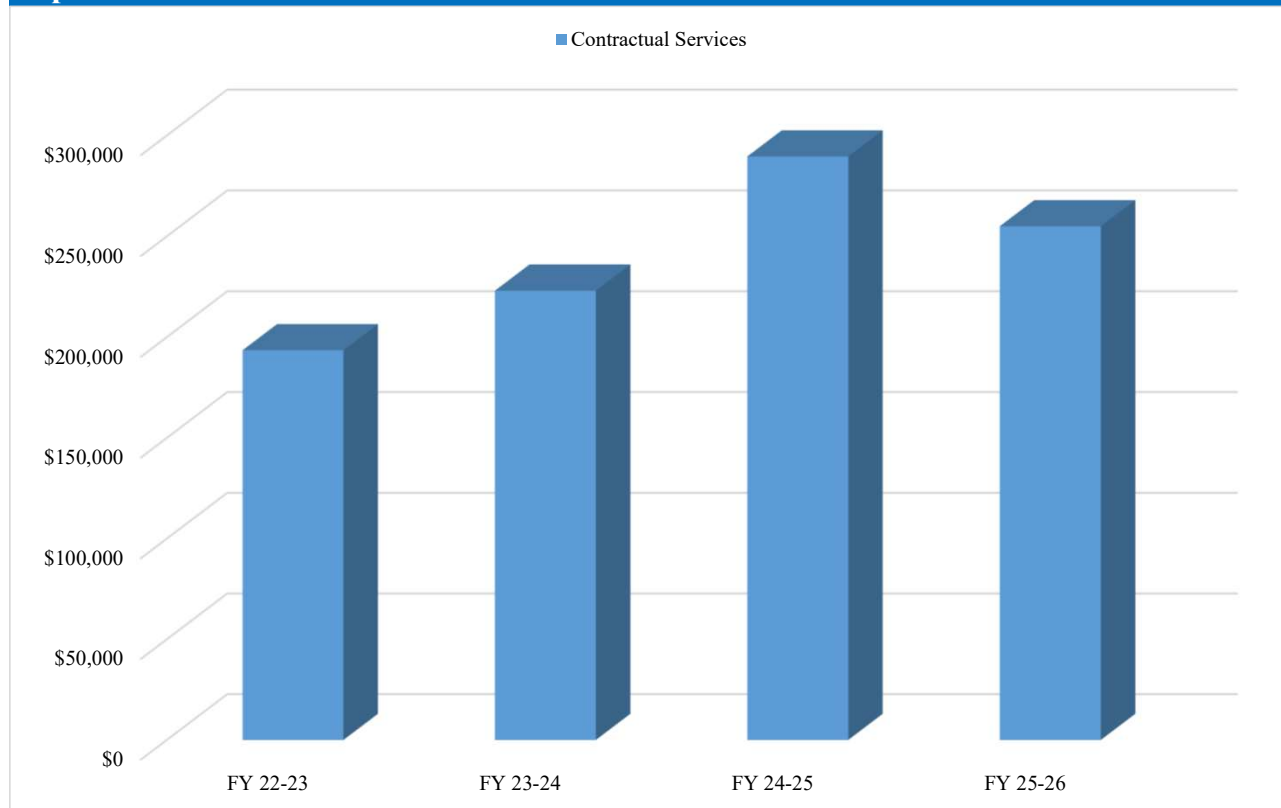


City Attorney

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures By Type</u>				
Contractual Services	\$193,487	\$223,043	\$289,600	\$255,000
	<u>\$193,487</u>	<u>\$223,043</u>	<u>\$289,600</u>	<u>\$255,000</u>
<u>Expenditures By Fund/Program</u>				
General Fund	\$193,487	\$223,043	\$289,600	\$255,000
	<u>\$193,487</u>	<u>\$223,043</u>	<u>\$289,600</u>	<u>\$255,000</u>

Expenditure Trends





FINANCE

The Finance Department is responsible for providing the City, and its agencies (including the Successor Agency and the Public Financing Authority), with the fiscal oversight and controls necessary to ensure sound financial management. The Department oversees budgeting, accounting, revenue collection, and protection of city-wide assets. The Department is responsible for managing the City's fiscal resources in a prudent and effective manner and undergoes an external audit every year. The Department also provides internal support for all city departments and reporting services to enhance accountability and assist with strategic planning and decision-making. The Department is committed to providing financial information in a timely manner and to providing positive customer service to both external and internal customers.

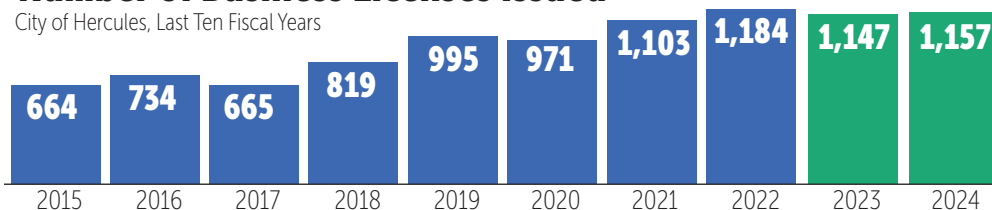
The Department is also responsible for the coordination and completion of the annual audit for all City funds, and related audits for Wastewater fund, federal funds, Measure B (Additional Sales Tax) and N (Utility Users Tax).



OPERATING INDICATORS

Number of Business Licenses Issued

City of Hercules, Last Ten Fiscal Years



PERFORMANCE INDICATOR

PERFORMANCE INDICATOR	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Journal Entries	359	361	205	189	195
Cash Receipt	835	677	607	476	490
Accounts Payable	304	282	188	149	153
Budget Adjustments	20	9	5	12	13



KEY PRIORITIES 2025-26:

- Budget Development and Management
- Financial Reporting
- Financial Analysis
- Revenue Collection:
- Debt Management
- Payroll Processing
- Vendor Payments
- Cash Flow Management
- Procurement Oversight
- Business License Administration



FINANCE

KEY PRIORITIES 2025-26:

The Finance Department prioritizes effective financial management to support the City's sustainable growth and fiscal responsibility. Our key areas of focus include:

- **Budget Development and Management:** Responsible for preparing and overseeing the City's annual and multi-year budgets, ensuring alignment with City Council policies and priorities.
 - **Financial Reporting:** Prepares accurate and transparent financial reports, including the Annual Comprehensive Financial Report (ACFR), to facilitate informed decision-making and ensure accountability.
 - **Financial Analysis:** Conduct a comprehensive financial analysis to assess the City's financial health, identify potential risks, and formulate strategies for enhancement.
 - **Revenue Collection:** Our team oversees the collection of diverse revenue streams, including taxes, fees, and grants, to ensure adequate funding for essential City services.
 - **Debt Management:** Manage the City's debt portfolio, encompassing the issuance and repayment of bonds to maintain long-term financial stability.
 - **Payroll Processing:** The department efficiently processes employee payroll to ensure timely and accurate payments while adhering to all relevant regulations.
 - **Vendor Payments:** Ensure the timely processing of vendor payments and maintain meticulous records for all transactions.
 - **Cash Flow Management:** Oversight of cash flow management ensures sufficient funds are available to meet all financial obligations while maximizing investment returns.
 - **Procurement Oversight:** Manage the procurement of goods and services for the City, ensuring cost-effectiveness and compliance with applicable regulations.
 - **Business License Administration:** The department administers business licenses and ensures a streamlined compliance and regulation process.
- Through these activities, the Finance Department strives to uphold the highest standards of financial integrity and contribute to the City's overall fiscal health.

COUNCIL STRATEGIC GOALS:

Strategic Initiatives for Enhancing Fiscal Sustainability

To ensure the fiscal sustainability of the city, it is essential to implement the following strategic initiatives:

- **Conduct a comprehensive budget review process aimed at improving efficiency.**
- **Continue to develop and enhance a more robust Capital Improvement Plan (CIP), focusing on the following areas:**
 - o Service delivery methodologies
 - o Addressing deferred maintenance
 - o Prioritization of projects

- **Investigate diverse revenue sources to fulfill both current and future fiscal requirements.**

- **Present to the City Council potential revenue-generating options, which may include:**

- o Sales Tax
- o Utility Users Tax (UUT)
- o Available grant opportunities
- o General Obligation (GO) bonds
- o Lease Revenue and Certificates of Participation (COP) bonds
- o Real Property Transfer Tax

These initiatives will contribute to strengthening the city's financial foundation and ensuring long-term sustainability.



INFORMATION TECHNOLOGY

Information Technology is responsible for overseeing the technology infrastructure and daily needs of the City. Information Technology utilizes information and communications technology to design, select, and implement a variety of technology solutions that assist the City and all City departments with providing services and meeting strategic goals promoting technological and telecommunication growth. The Information Technology department collaborates with all city departments and provides support for all network users and mobile devices, as well as maintenance of data centers, server networks, switches, routers, and software applications.



OBJECTIVES:

- Provide technological desktop computer support to City staff within four hours of request.
- Maintain and support approximately 40 software applications, including those specific to public safety services.
- Implement upgraded software applications as required.
- Maintain connectivity among network routers, switches, and devices to ensure availability and reliability for City staff and external customers.
- Implement and maintain servers for new applications.
- Implement the prioritized recommendations from the IT Capital Project Plan.

PERFORMANCE MEASURE

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
# tickets	2,043	2,080	2,500	3,000	3,100
# of upgrades	80	10	120	150	150
# of software installation	5	15	10	10	5

PERFORMANCE GOALS

	FY 2023	FY 2024	FY 2025
Percentage of software applications supported citywide	70%	70%	80%
Employee service request fulfilled with 7-10 days	90%	90%	95%

IT STRATEGIC GOALS

The City's IT strategic goals are designed to enhance service delivery through modernization and innovation, foster digital inclusion, improve customer experience, and fortify cybersecurity measures.

Customer Service and Engagement:

- Enhance online access to City services.
- Streamline interactions and communication with citizens.
- Employ technology to elevate customer experience.

Digital Workplace:

- Support a flexible and efficient digital workforce.

- Modernize internal processes and workflows to enhance productivity.
- Foster collaboration and communication within city government.

Infrastructure and Operations:

- Maintain and upgrade the City's IT infrastructure to ensure optimal performance.
- Provide reliable and secure IT services for all city operations.
- Optimize resource allocation and budgeting for maximum efficiency.

Security:

- Safeguard city data and systems against cyber threats.

- Ensure the resilience of City services in the face of natural disasters and emergencies.

Innovation and Technology Roadmap:

- Develop a comprehensive roadmap for future technology investments.
- Explore and implement emerging technologies to enhance City services.
- Stay proactive in navigating the evolving technology landscape.

Data and Analytics:

- Leverage data to inform strategic decision-making and improve city services.
- Evaluate the effectiveness of IT initiatives and programs through robust data analysis.

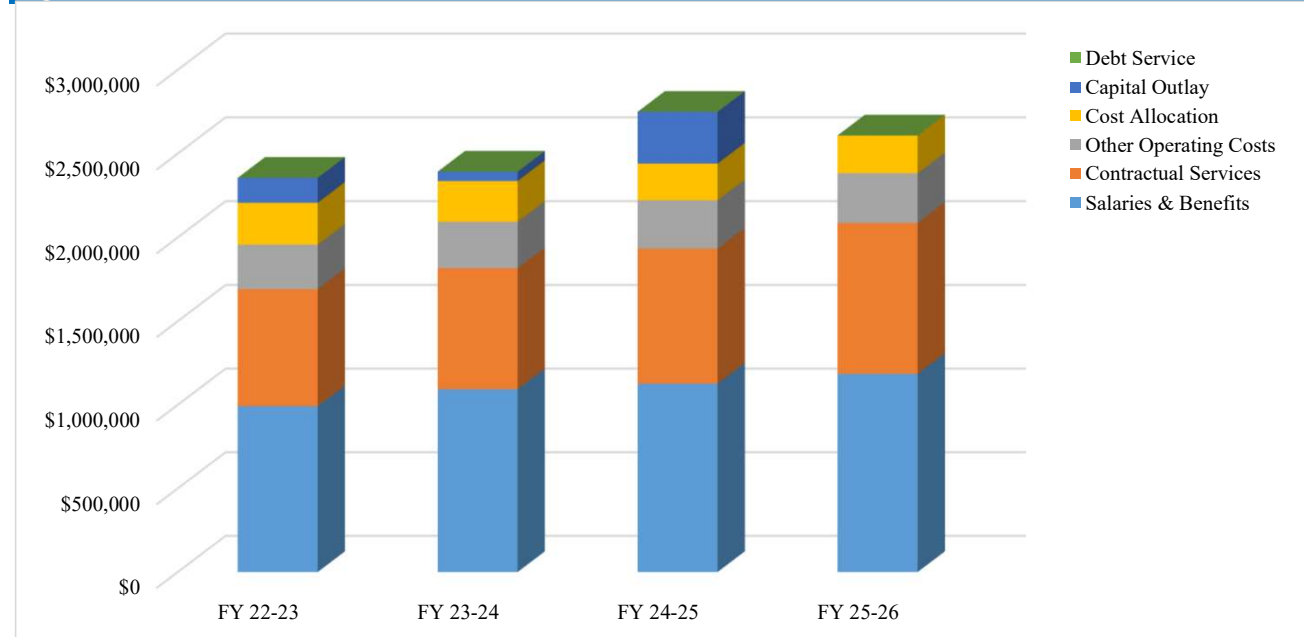


Finance

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Expenditures By Type				
Salaries & Benefits	\$992,064	\$1,093,374	\$1,126,584	\$1,185,837
Contractual Services	699,674	723,187	806,950	900,924
Other Operating Costs	264,865	276,987	287,611	296,146
Cost Allocation	250,000	242,755	219,112	225,685
Capital Outlay	149,021	56,002	309,000	-
Debt Service	-	-	-	-
	\$ 2,355,624	\$ 2,392,305	\$ 2,749,257	\$ 2,608,592
Expenditures By Fund/Program				
General Fund	\$1,290,670	\$1,355,417	\$1,403,994	\$1,458,595
Internal Service Fund				
Information Technology (IT) Operations	1,064,954	1,036,888	1,036,263	1,149,997
IT Equipment Replacement	-	-	309,000	-
	\$ 2,355,624	\$ 2,392,305	\$ 2,749,257	\$ 2,608,592

Expenditure Trends





POLICE

The Hercules Police Department has 26 sworn officers and 5 non-sworn full-time positions within numerous operating units and Divisions, including Patrol, Investigations, Traffic, Records and Property and Evidence.

The HPD is responsible for protecting the City’s residents, property owners, and businesses by patrolling 10.6 square miles of Hercules using cars, bicycles, and motorcycles.

The Department fosters a problem- solving, community policing philosophy, and works collaboratively with policy makers, the City Manager’s Office, and the community to address problems of crime and property damage.



CONTACT INFORMATION

Phone: (510) 799 8260

Office Address:
111 Civic Drive,
Hercules CA, 94547

Office Hours:
M-TH, 8 AM-5 PM

Website: herculesca.gov

Facebook: Hercules
Police Department

COMMUNITY SERVICE

We focus on being professional and compassionate while committing to public safety.

Our mission is to serve our community with honor and create community partnerships through positive and transparent engagement. We adhere strictly to our core values of loyalty, duty, respect, service, humility, integrity, and perseverance ... LDRSHIP.

We maintain a caring attitude and empathize with those we serve. We welcome and seek an active partnership with the community in carrying out our responsibilities.

We recognize that to be an effective law enforcement agency we must have the support, confidence, and trust of our community. We work diligently to be a part of this community and not apart from it.

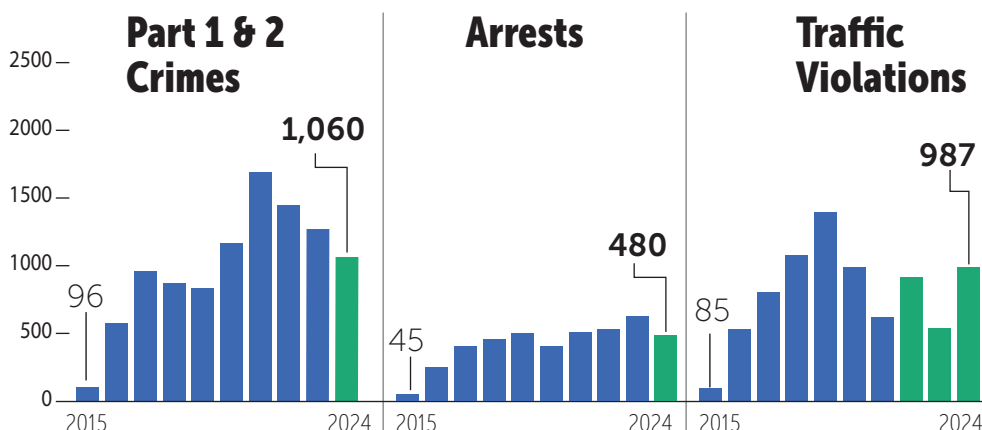


OPERATING INDICATORS

Calls for Service

Hercules Police Department Last Ten Fiscal Years

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1,843	7,707	13,142	16,245	16,918	29,935	25,784	26,071	25,196	24,223





POLICE



1 CRIME PREVENTION

Keeping our community, and visitors safe while improving the overall quality of life.

2 BUILDING TRUST

through open and honest engagement with the community we serve.

3 RESPOND WITH COMPASSION

and empathy during all contacts with the public..

4 PROVIDE EFFICIENT COMMUNICATION

utilizing technology and social media

5 RECRUIT, HIRE AND DEVELOP

qualified men and women to maintain quality service for the present and future of this community

6 AUTHENTIC COMMUNITY EVENTS

to build and foster positive relationships with our community which instills trust in our department.

WORKPLAN HIGHLIGHTS:

- We will continue to provide traffic safety, enforcement, and education services to the community

- We will continue to coordinate disaster preparedness

with Fire, Emergency Medical Services and the County and State Office of Emergency Services.



- Critical training for all Department personnel will continue to be provided including Crisis Intervention Team (CIT), De-Escalation Tactics, Procedural Justice, and Racial Profiling, and Officer Wellness.

- Parolees, probationers, and registered sex offenders living within Hercules will continue to be strictly monitored.

- We will continue to seek Federal, State, and other funding to enhance staffing and equipment.



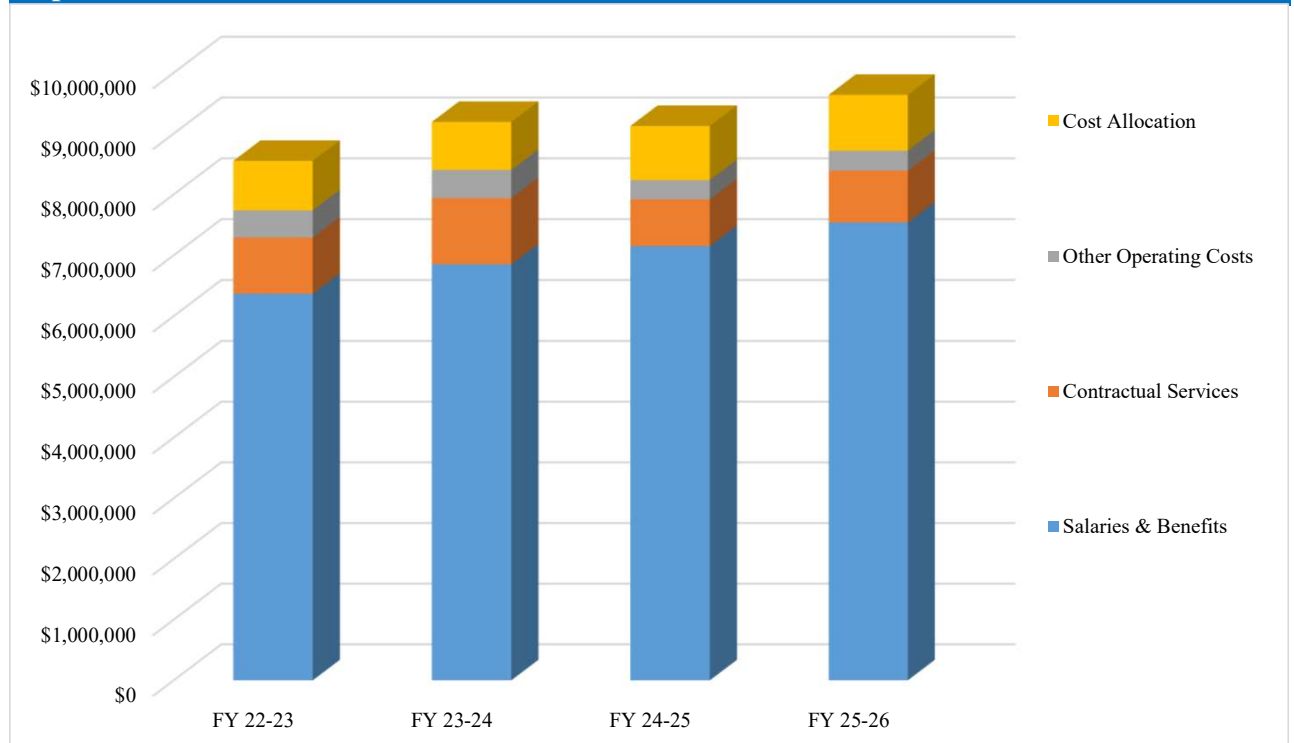


Police

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures By Type</u>				
Salaries & Benefits	\$ 6,365,810	\$ 6,848,157	\$ 7,149,757	\$ 7,536,154
Contractual Services	924,130	1,089,136	765,700	853,671
Other Operating Costs	447,487	463,305	319,600	329,188
Cost Allocation	813,000	790,179	889,904	916,411
Capital Outlay	54,102	20,227	117,000	100,000
	<u>\$ 8,604,529</u>	<u>\$ 9,211,004</u>	<u>\$ 9,241,961</u>	<u>\$ 9,735,424</u>
<u>Expenditures By Fund/Program</u>				
General Fund				
Administration/Inspection/Support	\$ 3,987,421	\$ 4,288,984	\$ 3,936,596	\$ 4,289,699
Patrol	4,605,491	4,870,976	5,188,365	5,345,725
	8,592,912	9,159,960	9,124,961	9,635,424
Asset Forfeiture	11,617	51,044	117,000	100,000
	<u>\$ 8,604,529</u>	<u>\$ 9,211,004</u>	<u>\$ 9,241,961</u>	<u>\$ 9,735,424</u>

Expenditure Trends





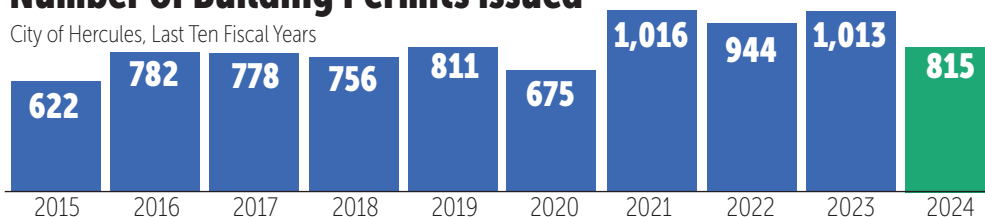
COMMUNITY DEVELOPMENT

The Community Development Department provides information and advisory services to decision makers and the public regarding the growth and development of the community to ensure balanced and appropriate land use. The Community Development Department processes development applications in accordance with the City's adopted General Plan and zoning ordinance, maintains and updates the City's codes, General Plan and other long-range plans, and provides staff support to the City Council and Planning Commission as well as other City departments. In addition, the Community Development Department responds to public inquiries regarding zoning, land use, use permits, and development standards. The Community Development Department is also responsible for fostering the City's economic development, including business assistance grants and incentives. Community Development includes the Planning, Building, and Code Enforcement Divisions, which ensure the safety of the citizens of Hercules through enforcement of state and local codes, standards, and regulations. The Department works diligently to ensure that all new construction meets the standard of construction required by the codes and that all existing structures are maintained in a safe condition.

OPERATING INDICATORS

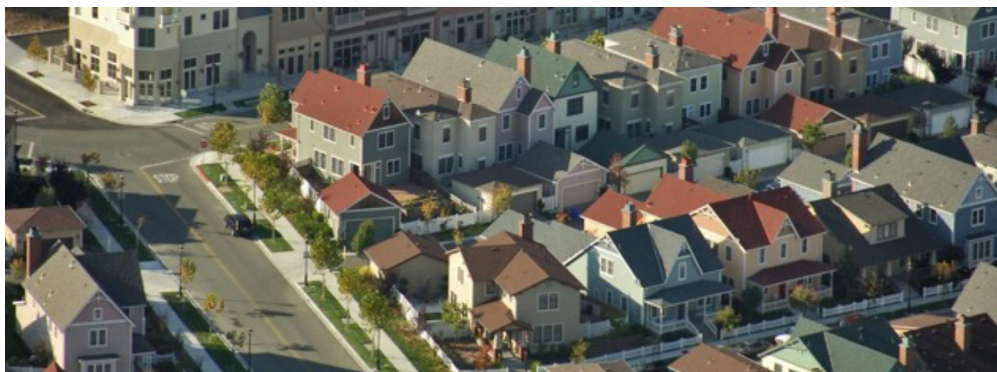
Number of Building Permits issued

City of Hercules, Last Ten Fiscal Years



PERFORMANCE INDICATOR

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
# of Administrative Use Permits	58	59	49	38	38



KEY PRIORITIES 2025-26:

- Begin a comprehensive General Plan Update, including the Land Use, Economic Development, Circulation, Open Space & Conservation, and Noise Elements
- Develop a strategy to bring the Hercules Hub station area into partial compliance with the regional Transit-Oriented Communities Policy
- Steward the City's Housing Successor Agency funds and loans
- Expand the City's tax base through quality development, including Owl Ranch, the Bayfront project, Sycamore Crossing, and the North Shore Business Park
- Continue attracting desired new businesses to Hercules by replenishing the funds for the successful Business Attraction Grant program
- Pursue other new business attraction and retention initiatives as directed by the Council



COMMUNITY DEVELOPMENT

WORKPLAN HIGHLIGHTS:

- **Ensure the successful build-out of the Waterfront Master Plan and the Bayfront**, including guiding the construction and entitlement components of each phase and working with the developer to ensure a vibrant and model transit-oriented-development.
- **Maintain a safe and attractive community**, including enforcing the City's codes and ensuring new development adds to the overall quality of the community.
- **Consider comprehensively updating the City's General Plan** to reflect current conditions and goals.
- **Expand the City's tax base through new development**, including facilitating the start of construction of approved developments.
- **Enhance the City's economic base**, including developing and managing business attraction programs, with an emphasis on attracting restaurants, cafés and other uses that expand the City's tax base as well as its vibrancy.
- **Identify and pursue grant opportunities** for the Hercules Hub, including working with our regional partners, advancing the design of the next phases and building support for the project among key constituencies.

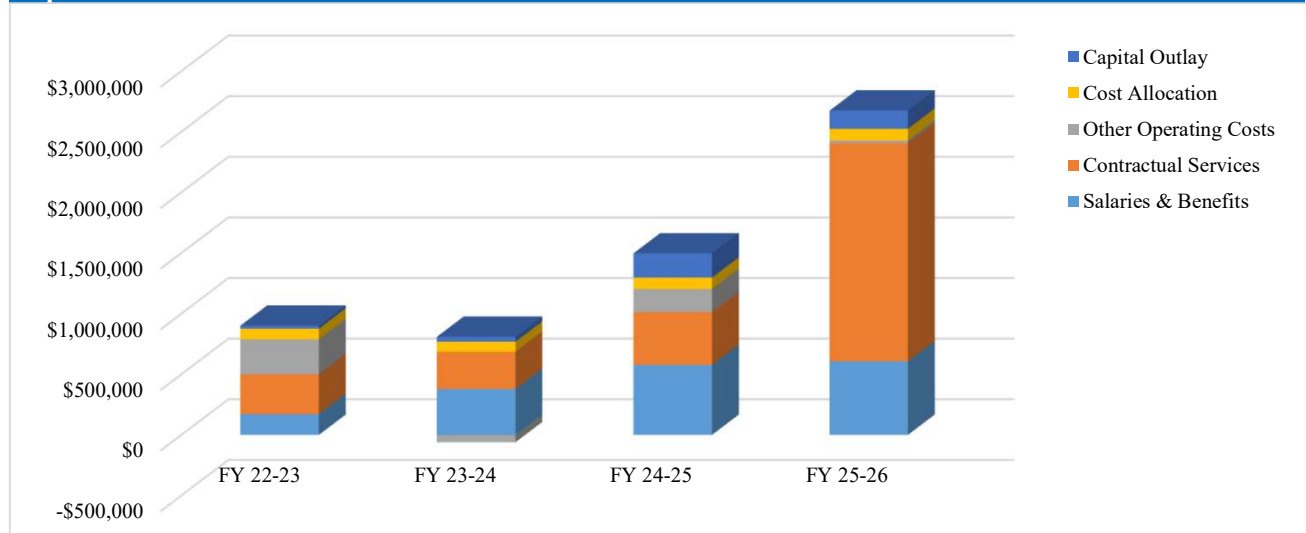




Community Development Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Expenditures By Type				
Salaries & Benefits	\$172,501	\$378,754	\$577,500	\$606,924
Contractual Services	328,283	306,904	435,790	1,799,482
Other Operating Costs	288,369	(60,031)	190,261	21,924
Cost Allocation	87,000	82,777	93,693	96,504
Capital Outlay	24,313	40,596	200,000	150,000
	\$900,466	\$749,000	\$1,497,244	\$2,674,834
Expenditures By Fund/Program				
General Fund	\$410,822	\$723,145	\$1,014,244	\$1,104,239
Community Development Fund	-	-	170,000	-
DIF-Police Facilities	4,259	830	200,000	-
DIF-Park & Recreation	-	39,766	-	150,000
DIF-Traffic Facilities	33,003	-	-	-
General Plan and Training Fees	168,202	-	-	1,300,000
Successor Housing	284,180	(14,741)	113,000	120,595
	900,466	\$749,000	\$1,497,244	\$2,674,834

Expenditure Trends





PUBLIC WORKS



The Public Works Department constructs, maintains, and operates the City's public infrastructure including streets, sidewalks, traffic signals, bridges, streetlights, storm drain system, stormwater basins, creeks, sewer collection system, landscaping, parks, urban forest, and public buildings. The Department is staffed with 13 employees and is organized into two Divisions overseen by the Public Works Director/City Engineer who reports to the City Manager.

The Engineering Division administers the City's Capital Improvement Program including grant funding, reviews and inspects grading and public improvements on private development projects, reviews traffic engineering, and administers the City's Clean Water Program. The Division also responds to public inquiries, administers the sewer lateral certification program, and issues encroachment permits, grading permits, and wide-load permits. The Division consists of 2 employees, an Assistant Engineer and Public Works Inspector, in addition to the City Engineer.

The Maintenance & Operations Division maintains the City's public parks, landscape medians, streets, sidewalks, urban forest, infrastructure and public facilities. This division makes certain that the stormwater and wastewater discharged into San Pablo Bay is clean through the City's Creek and Stormwater Basin Maintenance Program, Storm Drain Maintenance Program, Street Sweeping Program and Sanitary Sewer Program. In addition, the Public Works Division eliminates safety hazards with the City's Fire Break Program in open spaces, Tree Trimming Program in parks and streets. The Division also administers the City-wide Lighting and Landscaping Assessment Districts, abates graffiti, and cleans up illegal dumping. It is staffed with a Maintenance Superintendent and 7 Maintenance Workers.

A Management Analyst reporting directly to the Public Works Director/City Engineer provides administrative support to the Department on budgeting, managing grant funding, contract, processing invoices, and other related office support.

KEY PRIORITIES 2025-26:

- Continue to aggressively pursue grant funding for the City's CIP projects
- Advance the Hercules RITC
- Effectively manage day-to-day operations to ensure Hercules keeps its reputation as a well-maintained City
- Expedite processing of private development projects
- Utilize Capital Reserve funding to improve public infrastructure
- Increase oversight of City-wide public facilities
- Improve Day to Day oversight of L&L Contracts



PUBLIC WORKS

The Public Works inventory includes:



58 miles
of city streets

1,494
street and
parking lot
features

14 traffic signals

7 miles
of bike lanes

62 miles
of sanitary sewers

The Public Works Department supports the achievement of all Strategic Plan goals, and in particular:

Goal D: Enhance Transportation Access and Options

Strategy 1: Promote Alternative Forms of Transit

Goal G: Invest In and Enhance Maintenance of Public Infrastructure and Facilities

Strategy 1: Re-evaluate and Make Recommendations to Improve the City's Capital Improvement Programs, Clean Water Programs and all Lighting and Landscaping Assessment Districts.



PERFORMANCE INDICATOR

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Facility Projects	0	1	0	3	2
Parks and Open Space Projects	1	7	4	6	6
Streets Projects	4	5	5	5	5
Sewer Projects	4	7	1	2	1
Regional Transit Intermodal Center Phases	1	3	1	3	2
# of Sewer Lateral Permits Issued	115	143	145	98	100

WORKPLAN HIGHLIGHTS:

- Continue to implement **recommendations** of Parks Master Plan, Pavement Management Plan, and Facilities Master Plan
- **Advance the Capital Improvement Program**, Completing the \$14M Sycamore Sewer Trunk Main Replacement Project, and Park Improvement Projects throughout the City and \$1.15M Design Contract for the RITC.
- **Facilitate the successful completion of**

the Sycamore Crossing Project, including roadway improvements and utility relocations.

- **Utilize Capital Reserve funding** to enhance the public infrastructure
- **Increase focus on Maintenance & Operations organizational development and training**, including cross training on core equipment such as the backhoe and operation of sewer lift stations and HVAC systems in buildings.

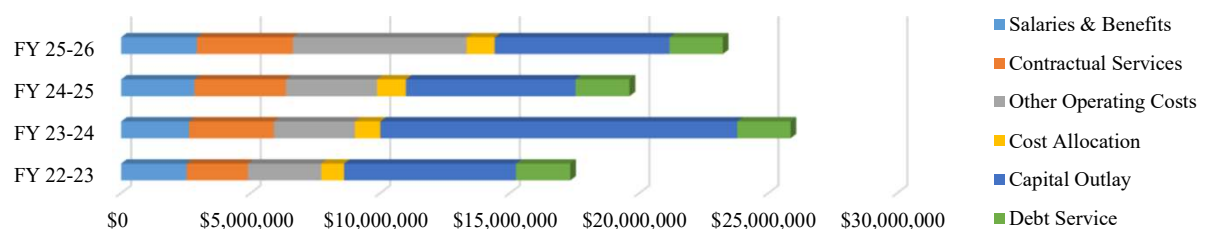


Public Works

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Expenditures By Type				
Salaries & Benefits	\$2,525,753	\$2,618,517	\$2,827,485	\$2,919,989
Contractual Services	2,364,485	3,275,993	3,535,208	3,705,184
Other Operating Costs	2,837,284	3,128,898	3,515,364	6,707,642
Cost Allocation	874,986	979,194	1,113,767	1,087,563
Capital Outlay	6,636,788	13,792,114	6,547,060	6,742,729
Debt Service	2,092,199	2,063,430	2,080,050	2,066,304
	\$17,331,495	\$25,858,146	\$19,618,934	\$23,229,411
Expenditures By Fund/Program				
General Fund	\$417,627	\$433,138	\$429,968	\$443,381
Citywide L&L 83-2	1,529,797	1,716,785	1,938,080	1,911,392
Victoria By The Bay L&L 2002-1	547,731	766,388	677,580	697,707
Hercules Village L&L 2002-2	186,144	207,422	217,363	236,823
Baywood L&L 2004-1	285,495	141,066	177,670	183,059
Bayside L&L 2005-1	149,524	161,595	141,104	148,476
Arterial Roadways	423,871	308,731	365,916	376,790
Stormwater	422,703	398,039	449,029	392,606
State Gas Tax	586,051	603,463	669,864	693,901
Measure "C" Street Fund	418,300	444,631	601,186	612,868
BART Park & Ride	31,237	358,411	89,000	92,000
SB1 - RMRA	349,361	249,696	1,030,200	500,000
Solid Waste and Recycling	121,571	12,986	263,340	256,852
Grants	492,000	473,609	-	-
GRANT FUND / STIP / RIP	193,541	1,101,014	38,500	190,500
City Capital Project	1,288,400	673,876	2,350,823	2,923,720
Hercules HUB	(13,953)	235,804	1,089,000	2,239,000
Water Quality Retention Basin	10,747	10,242	48,000	49,000
Sewer - Operations	5,339,268	5,613,269	6,562,587	9,543,472
Sewer - Capital	3,284,855	10,584,462	1,100,000	536,680
ISF - Equipment Replacement	484,713	162,900	150,000	-
ISF - Facilities Maintenance	782,512	1,184,248	1,137,470	1,201,184
ISF - IT Replacement	-	2,344	-	-
ISF - Facilities Replacement	-	14,027	92,254	-
Regional Water Quality	-	-	-	-
	\$17,331,495	\$25,858,146	\$19,618,934	\$23,229,411

Expenditure Trends





PARKS AND RECREATION

The past fiscal year was very productive. Like the rest of the world, we were coming out of the pandemic and trying to find our new normal. During this time, the Hercules Parks and Recreation Department, among other things, underwent a yearlong Parks and Recreation Facilities Master Plan (PRFMP) project. The process included a half dozen pop-up events held at several different venues throughout the city, an open house, a couple surveys, as well as ongoing meetings with a Steering Committee that took an in-depth look at our parks, trails and open space. The process also included evaluating our assets and amenities, and ultimately guided recommendations for the Hercules City Council. We are happy to announce that the Parks Master Plan was officially adopted in March of 2024.

In addition to the Parks Master Plan, the Parks and Recreation Department also successfully launched the Herculean Mile Awards Recognition program. The Herculean Mile is a recognition program where members of the community and employees will be recognized 3 times per year, and featured in the seasonal activity guide developed by the Parks and Recreation Department. The first winners were recognized by Council in March, and we are looking forward to seeing with the Herculean Mile can take us.

We also made great strides to return activities, programs and events to the community. Some of the most popular events included Community Cleanup Day, Movies in the Park, 4th of July Fireworks Celebration, National Night Out, Unity Day, Trunk or Treat, PUMPKATAAZ, Tree Lighting, Breakfast with Santa, and more. We even added new events like All In One Day (hiring event), Spring into



GOALS:

- Continue to grow programs and rentals to generate revenue for the City.
- Reimagine Teen Center by converting into a Preschool Center.
- Follow the trends in the industry, and continue to create new programs.
- Offer fun and exciting events to the community.
- Continue to work on CIP and important projects, i.e.
- Beechnut Mini Park project (Prop 68 - Clean Water and Parks Act).

Wellness, and Youth In Government Day. And we also reimagined events like the Rec EGGs-Po featuring a Hydro Hunt. With each passing season, the community has responded to all of these great programs and continues to support the day to day

programs like RAP, swim lessons, Tiny Tots, etc.

We have also noticed an increase in fee classes, and youth sports. Our Basketball program continues to grow. There is a renewed emphasis on Adult fitness programs including things like Karate, Jazzercise, Zumba, Aqua Zumba, Boxing for Health, Hip Hop Xtreme, and more. All of these programs together are essential to personal health. The benefits gained from participating in programs like these include living longer, prolonging independent living for seniors, combats things like osteoporosis and diabetes, helps rehabilitate and strengthen muscles, and enhances the overall health and well-being.

In addition to offering a myriad of great programs, activities and classes, the real strength of Recreation Services doesn't stop at personal health, but also is the key to balanced human development, quality of life, reduces self-destructive and anti-social behavior, builds strong families and healthy communities, reduces health care, social services, and police/justice costs, and generates significant economic generators in the community. It is proven that recreation and fitness improve work performance, increases productivity, decreases absenteeism, decreases staff turnover, and reduces on the job accidents.

We look forward to continue delivering quality programming, and amazing community events in the coming year. We can't wait to see what FY 2025-26 has in store for the community. We just know that Parks and Rec will be there to help provide opportunity.



PARKS AND RECREATION

EVENTS:

- Cultural Festival
- Movie Nights – Summer Series
- Fireworks Celebration
- National Night Out
- Unity Day
- Trunk or Treat & PUMPKATAAZ
- Youth In Government Day

- Holiday Tree Lighting
- Breakfast with Santa
- All In One Day

**Parks
Make
Life
Better!**

- Rec EGGs-Po featuring Hydro Hunt
- Spring Into Wellness
- Community Clean-up Day
- And more...

ACCOMPLISHMENTS

- New Events: Youth In Government Day, and the re-imagined Rec EGGs-Po/Hydro Hunt.
- Completed projects: New water bottle refill stations at the Senior Center and City Hall, Painted interior of the Community Center, Installed additional basketball hoops at the Community Center, and more.
- Held many successful events in the 2023-24FY, including: 4th of July Fireworks Celebration, National Night Out, Movie Nights, Trunk or Treat & PUMPKATAAZ, Tree Lighting, All In One Day (summer hiring event), Rec EGGs-Po/Hydro Hunt, the Senior Food Program (Brown Bag program), and more.
- Trainings: Youth Program staff participated in the Summer Leader Institute Training at Pleasant Hill Recreation & Park District, new staff attended an all-day summer staff training led by veteran staff, and more.

WORKPLAN HIGHLIGHTS:

- Completed Parks and Recreation Facilities Master Plan; begin implementation of the plan; paint exterior of Community Swim Center.
- Continue to grow and refine citywide community events (i.e. Cultural Festival, 4th of July Fireworks, NNO, etc).
- Continue to add new contractors to meet needs.
- Follow the trends (re-imagine programs), create new programs based on community input.
- Modify current programs to follow industry trends and community needs (i.e. adding age appropriate programs to accommodate TK students in RAP).



FACILITIES

- 13** Parks
- 9** Playground Structures
- 8** Picnic Areas
- 8** Tennis Courts
- 5** Swings
- 5** Recreation Centers (including a Teen Center and Senior Center)
- 4** Outdoor Basketball Courts
- 3** Childcare Facilities
- 3** Multi-Use Fields
- 2** Baseball/Softball Fields
- 2** Soccer Fields
- 2** Horseshoe Pits
- 2** Bocce Ball Courts
- 2** Gazebos
- 2** Pools
- 1** Gymnasium
- 1** Dog Park
- 1** Outdoor Fitness Par Course

and miles of trails to walk, hike, bike, skate

PERFORMANCE INDICATOR

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
YOUTH & TEENS: # of youth programs	8	-	10	13	-
# of youth attendees	112	-	243	178	-
AQUATICS: # of aquatics programs	2	4	9	308	328
# of aquatics attendees	533	1,098	1,943	2,128	2,390
RECREATION CLASSES: # of recreation programs	4	3	16	24	397
# of recreation attendees	124	16	500	398	3,746
PRESCHOOL/GRADESCHOOL: # of preschool/gradeschool programs	8	-	11	9	9
# of preschool/gradeschool attendees	869	-	2,510	2,482	3,755
SENIORS: # of senior programs	14	-	14	21	25
# of senior attendees	2,778	-	5,984	15,655	21,045
# of meals served	3,399	8,212	5,124	6,662	8,858



Parks & Recreation

Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures By Type</u>				
Salaries & Benefits	\$ 1,682,116	\$ 1,874,264	\$ 1,792,879	\$ 1,879,831
Contractual Services	314,003	423,759	359,700	367,628
Other Operating Costs	74,428	95,496	99,600	101,600
Cost Allocation	360,300	306,983	339,628	351,687
	<u>\$ 2,430,847</u>	<u>\$ 2,700,502</u>	<u>\$ 2,591,807</u>	<u>\$ 2,700,746</u>
<u>Expenditures By Fund/Program</u>				
General Fund				
Library	117,558	147,422	137,850	140,466
Administration	103,503	136,980	143,400	152,900
Facility Rentals	186,424	241,164	172,260	181,283
Lupine Day Camp	177,540	203,822	163,779	145,804
Ohlone Day Camp	11,803	11,253	5,796	5,962
Ohlone Child Care	191,853	181,093	222,826	236,224
Hanna Child Care	263,439	295,476	243,173	257,142
Lupine School Child Care	285,134	316,879	237,228	251,177
Recreation Classes	92,066	108,750	96,463	100,264
Senior Citizens	41,048	36,222	76,410	79,989
Tiny Tots	235,183	236,802	305,226	322,066
Swim Center	402,772	455,309	475,600	511,831
Sport Program	114,851	120,444	115,764	117,675
Teen Program	28,309	27,856	21,995	21,266
Community Center-Concession Stand	384	368	-	400
Youth/Teen Resource Center	178,980	180,662	174,037	176,297
	<u>\$ 2,430,847</u>	<u>\$ 2,700,502</u>	<u>\$ 2,591,807</u>	<u>\$ 2,700,746</u>

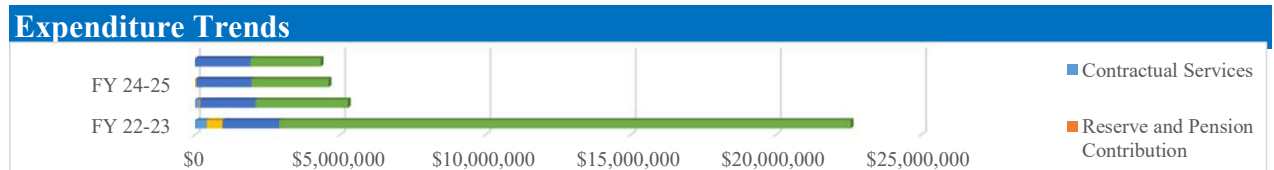
Expenditure Trends





Non-Departmental Department Expenditure Summary

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures By Type</u>				
Contractual Services	404,347	134,827	-	-
Reserve and Pension Contribution	-	34,027	-	-
Settlement Payment	537,341	9,103	40,000	-
Debt Service	1,952,421	1,910,843	1,903,753	1,912,869
Transfers	19,680,140	3,178,016	2,656,188	2,416,616
	\$ 22,574,249	\$ 5,266,816	\$ 4,599,941	\$ 4,329,485
<u>Expenditures By Fund/Program</u>				
General Fund	\$ 941,688	\$ 177,957	\$ 40,000	\$ -
American Rescue Plan Act (ARPA)	-	-	-	-
	941,688	177,957	40,000	-
<u>Debt Service</u>				
CalHFA Loans	200,000	200,000	200,000	200,000
Suntrust Lease	102,549	-	-	-
Equipment Lease	226,432	235,897	235,027	245,079
2003B PFA Lease Revenue Bonds	514,769	566,537	563,430	561,212
2009 PFA Taxable Lease Revenue Bonds	908,671	908,409	905,296	906,578
	1,952,421	1,910,843	1,903,753	1,912,869
<u>Transfers</u>				
General Fund	1,382,559	1,498,925	858,457	866,291
AB3229 COPS Program	150,000	156,727	176,556	186,159
Citywide L&L 83-2	258,100	265,060	279,653	287,641
Victoria By The Bay L&L 2002-1	27,200	28,016	29,529	30,373
Hercules Village L&L 2002-2	7,500	7,725	8,051	8,281
Baywood L&L 2004-1	2,700	2,781	2,841	2,922
Bayside L&L 2005-1	18,500	19,055	20,136	20,711
State Gas Tax	602,937	50,342	55,965	60,558
SB1 RMRA	262,755	-	-	-
Solid Waste and Recycling	125,000	125,000	125,000	125,000
City Capital Projects	-	250,000	-	-
City Capital Projects	-	-	-	-
American Rescue Plan Act (ARPA)	3,142,889	-	-	-
Sewer - Capital	13,700,000	147,173	1,100,000	536,680
Information Technology (IT) Operations	-	365,516	-	292,000
ISF - Facilities Maintenance	-	261,696	-	-
	19,680,140	3,178,016	2,656,188	2,416,616
	\$ 22,574,249	\$ 5,266,816	\$ 4,599,941	\$ 4,329,485





FUND SUMMARIES





Fund Listing

General Fund

This fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City. The General Fund includes activities for police, planning, public works, operations and maintenance, and legal and administration.

Fund Number	Fund Name	Responsible Department
100	GENERAL FUND	ALL

Special Revenue Funds

These funds are used to account for the proceeds of special revenue sources that are legally restricted to expenditure for specified purposes.

Fund Number	Fund Name	Responsible Department
101	ASSET SEIZURE	Police
201	AB 3229 COPS Program	Police
220	CITYWIDE L&L DIST 83-2	Public Works
221	VICTORIA BY THE BAY L&L	Public Works
222	HERCULES VILLAGE L&L DIST	Public Works
223	BAYWOOD ASSESS 04-1 L&L	Public Works
224	BAYSIDE ASSESS DIST L&L	Public Works
225	ARTERIAL ROADWAYS	Public Works
231	STORMWATER ASSESSMENT	Public Works
241	DIF-GEN PUBLIC FACILITIES	Community Development
242	COMMUNITY DEVELOPMENT FND	Community Development
243	DEVELOPMENT FEE FUND	Community Development
244	DIF-POLICE FACILITIES	Community Development
246	DIF-FIRE FACILITIES	Community Development
247	DIF-PARK & REC	Community Development
249	PUBLIC BENEFIT FEE	Community Development
261	DIF-TRAFFIC FACILITIES	Community Development
262	STATE GAS TAX FUND	Public Works
263	MEASURE "C" STREET FUND	Public Works
264	STMP TRAFFIC IMPACT FUND	Community Development
266	BART (PARK & RIDE)	Public Works
267	GENERAL PLAN UPDATE FEE	Community Development
268	SB1 - RMRA	Public Works
291	SOLID WASTE AND RECYCLING	Public Works
353	AMERICAN RESCUE PLAN ACT (ARPA)	Finance
387	WATER QUALITY RET BASIN	Public Works
521	REGIONAL WATER QUALITY	Public Works



Fund Listing

Sewer Enterprise Funds

These funds are used for services provided to the public on an user charge basis, similar to the operation of a commercial enterprise.

Fund Number	Fund Name	Responsible Department
420	WASTEWATER - Operations	Public Works
421	WASTEWATER - Capital Projects	Public Works

Internal Service Funds

These funds are used for operations serving other funds or departments within a government on a cost-reimbursement basis.

Fund Number	Fund Name	Responsible Department
450	VEHICLE REPLACEMENT FUND	Police, Public Works, and Parks & Recreation
460	IT OPERATIONS	Finance
470	FACILITY MAINTENANCE FUND	Public Works
480	IT EQUIPMENT REPLACEMENT	Finance
490	FACILITIES REPLACEMENT	Public Works

Debt Service Funds

These funds are used to account for money that will be used to pay the interest and principal of long-term debts. Bonds used by a government to finance major construction projects, to be paid by tax levies over a period of years, require a debt service fund to account for their repayment. The debts of special assessment and proprietary funds are serviced within those funds, rather than by a separate debt service fund.

Fund Number	Fund Name	Responsible Department
672	2003B DEBT SERVICE PFA	Finance
673	2009 DEBT SERVICE PFA	Finance
383	SUNTRUST LEASE	Finance
388	EQUIPMENT LEASE	Finance

Capital Projects Funds

These funds are used to account for the construction or acquisition of fixed assets, such as buildings, equipment and roads. Depending on its use, a fixed asset may instead be financed by a special revenue fund or a proprietary fund. A capital project fund exists only until completion of the project.

Fund Number	Fund Name	Responsible Department
295	FEDERAL GRANTS - CIP	Public Works
296	STATE AND LOCAL GRANTS - CIP	Public Works
300	CITY CAPITAL PROJ-SINGLE	Public Works
354	HERCULES HUB	Public Works



Fund Listing

Agency Funds

These funds are used to account for assets held in trust by the City for the benefit of individuals or other entities. Financial Statements may further distinguish fiduciary funds as either trust or agency funds; a trust fund generally exists for a longer period of time than an agency fund.

Fund Number	Fund Name	Responsible Department
382	ASSMT DIST 05-01 DEBT SVC	Finance
501	TAYLOR WOODROW MAINT LMOD	Finance
511	OPEB AND SOMAR	Finance

Private Purpose Trust Funds

A fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Hercules Redevelopment Successor Agency. The sole purpose of this fund is to retire debt of the former redevelopment agency.

Fund Number	Fund Name	Responsible Department
600	SUCCESSOR AGENCY FUND	Finance



GENERAL FUND



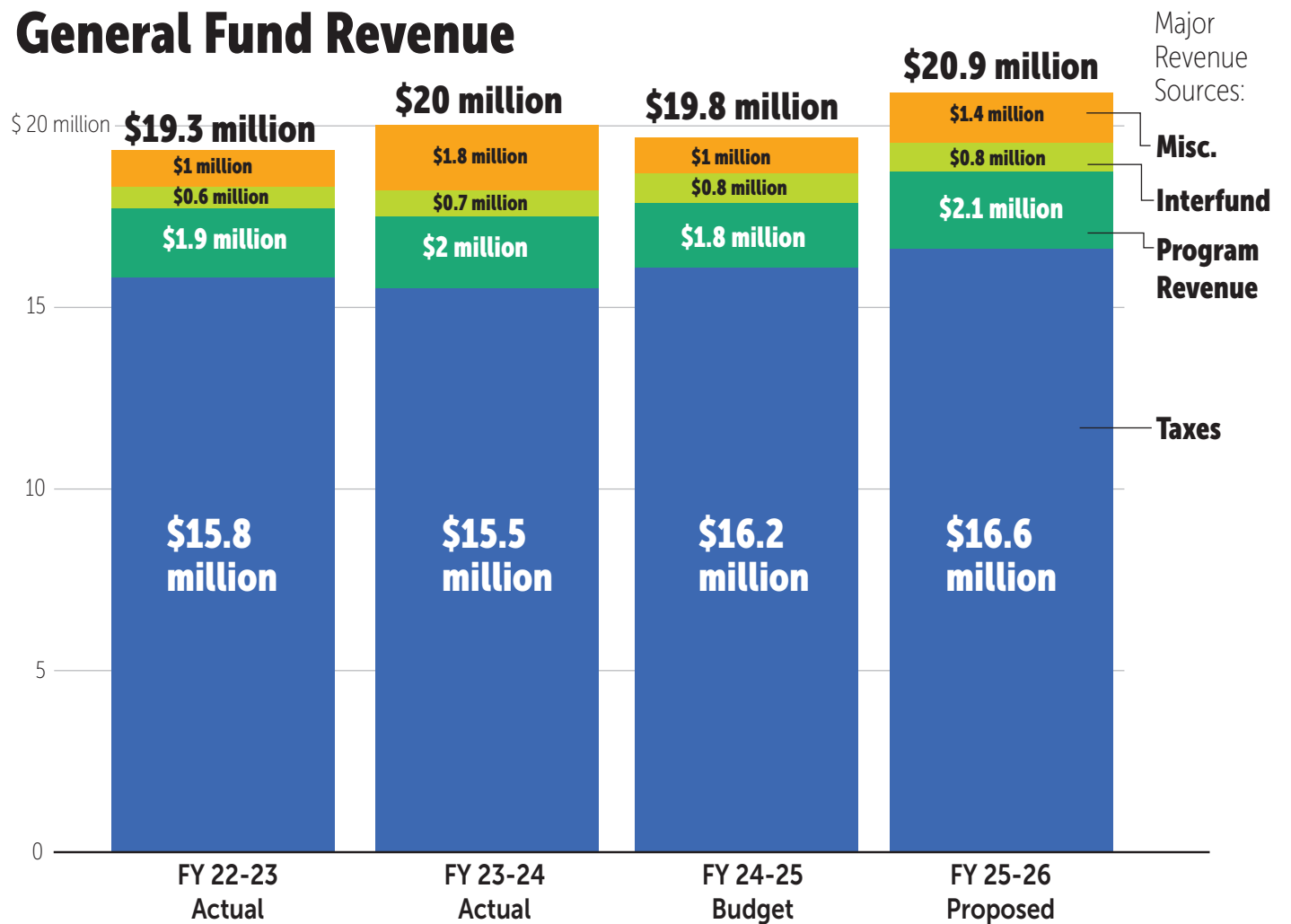


GENERAL FUND OVERVIEW

The General Fund is the chief operating fund of the City. This fund is used to record all resource inflows and outflows that are not associated with special-purpose funds. The activities being paid for through the general fund constitute the core administrative and operational tasks of the City.

MAJOR REVENUE

The City strategically relies on several key revenue sources to support its General Fund budget effectively. The accompanying graph illustrates that projected General Fund revenues for Fiscal Year 2025-26 are anticipated to increase by approximately 5% compared to the Fiscal Year 2024-25 budget. This projected revenue growth is primarily attributed to enhancements in general tax proceeds, investment income, program fees associated with the reopening of Parks and Recreation programs, and adjusted franchise fees from Republic Services. A significant portion of the General Fund revenues is derived from various taxes, including the Utility User’s Tax (UUT), Sales Tax, Property Tax, Real Property Transfer Tax (RPTT), and Transient Occupancy Tax (TOT), among other tax sources.

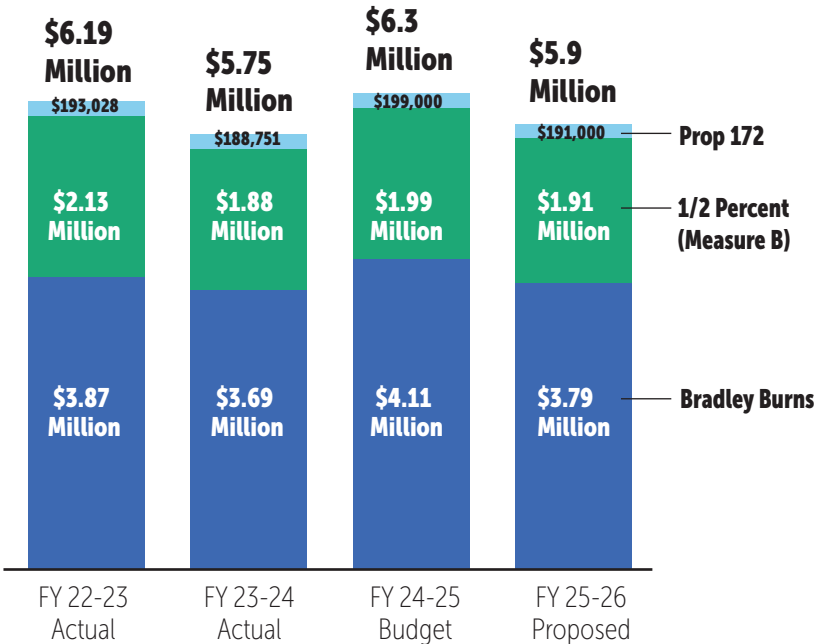




Sales and Use Tax

Sales tax revenue is the main funding source for the City’s General Fund, essential for financial stability. Recent data from the California Department of Tax and Fee Administration (CDTFA) indicates a projected 2% increase in sales tax revenues for Fiscal Year 2023-2024. However, a decline may be anticipated for Fiscal Year 2025-2026 due to economic factors and shifts in consumer spending, particularly toward online shopping. Notably, over 50% of the City’s sales tax revenues come from just three key operators, meaning fluctuations in their contributions could significantly impact future funding for programs and services.

Sales and Use Tax

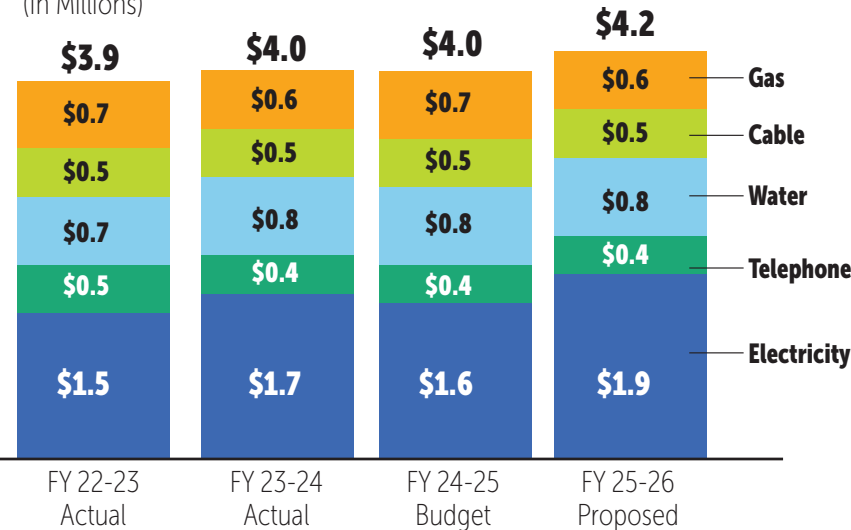


Utility User’s Tax

The Utility User’s Tax (UUT) is an 8% tax on essential utilities that residents and businesses use daily. This tax includes services like electricity, gas, water, and sewer, as well as types of communication like telephone (including cell phone use and long-distance calls) and cable television. The City sets the tax rate and decides how to spend the money from this tax on community needs and services. For the fiscal year 2025-2026, the City expects UUT revenues to be about \$4.2 million. However, there is a worrying trend: UUT revenues from Wireless Telecom are decreasing. This decline is mainly because telecom companies have changed how they bundle their services, moving more costs into non-taxable data services. On a positive note, the drop in Wireless Telecom revenues should be

Utility User’s Tax (UUT)

(In Millions)



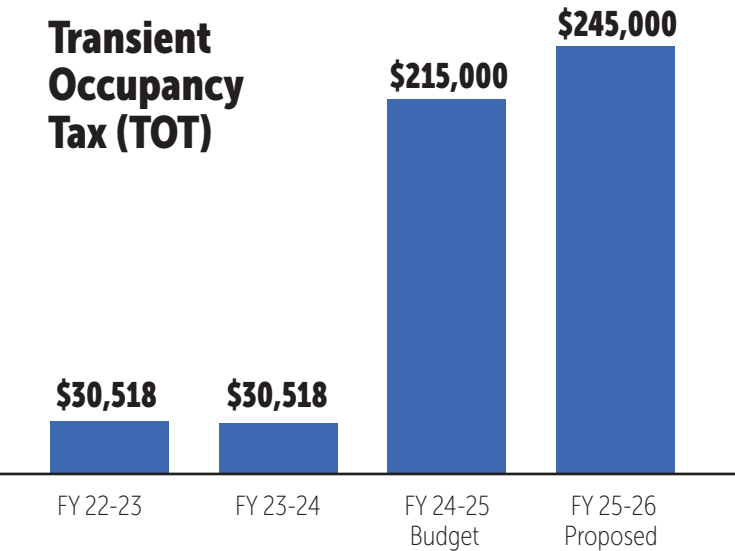
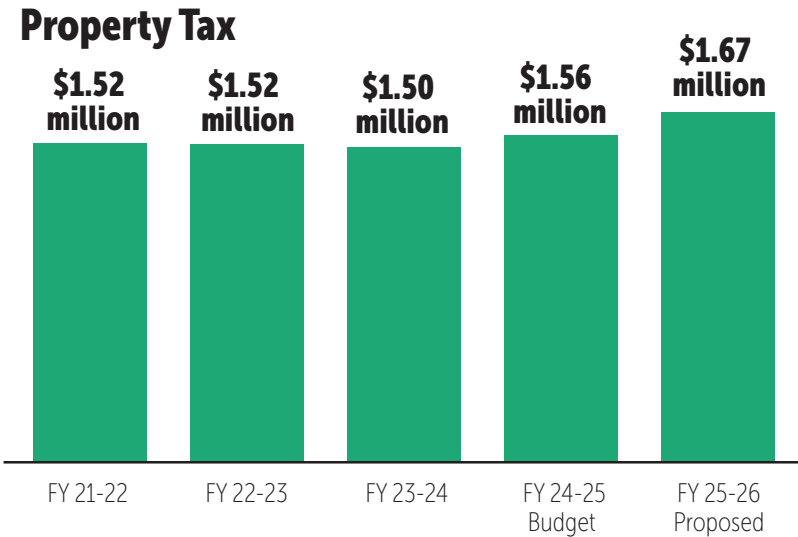
balanced by increasing UUT revenues from other essential utilities, like electricity, gas, and water. This increase comes from recent rate hikes for these services, which are meant to address

growing infrastructure needs and ensure quality utilities for the community. So, while there are challenges, the overall outlook for UUT revenue in the City remains stable.



Property Tax

The City of Hercules is classified as a low-to-no property tax jurisdiction, which significantly limits its capacity for revenue generation. As a result, the City receives only 5% of the base 1% property tax rate, a figure that is notably lower than the amounts collected by most other jurisdictions. In the current fiscal period, the Assessor’s Office has instituted a Consumer Price Index (CPI) factor of 2% for non-Prop 8 parcels, reflecting prevailing economic conditions and considerations of inflation. For the fiscal year 2025-26, the City’s projected share of the 1% assessed property value tax is estimated to be approximately \$1.6 million.

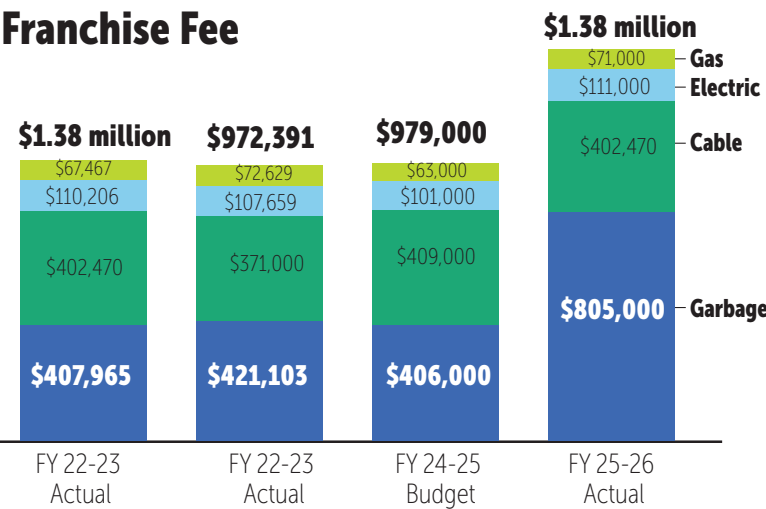


Transient Occupancy Tax (TOT)

The TOT, or “hotel tax,” is a fee for guests staying in rental properties, amounting to 10% of the rental price set by the owner. This tax helps fund the City’s General Fund for public services. The City expects a significant increase in TOT revenue due to the growth of options like Airbnb and short-term rentals. Hercules Self-Storage Management LLC will also contribute. According to their agreement, the City will receive 10% of the storage facility’s rental income instead of the TOT, starting when either 90% occupancy is reached, or three years pass since the Certificate of Occupancy. Starting in FY 24-25, the City will collect this revenue, projected to add \$200,000 annually to support local projects and services.

Franchise Fee

A City franchise fee is a charge imposed by local governments on utility companies, allowing them to use public rights-of-way for essential services like electricity, water and garbage. This fee helps fund infrastructure maintenance and provides revenue for local governments. Typically outlined in a franchise agreement, this formal contract details the terms of public space usage. On March 25, 2025, the City Council reaffirmed the Solid Waste Franchise Agreement with Richmond Sanitary Service, Inc., which will increase its annual payment to the City by approximately \$195,000.



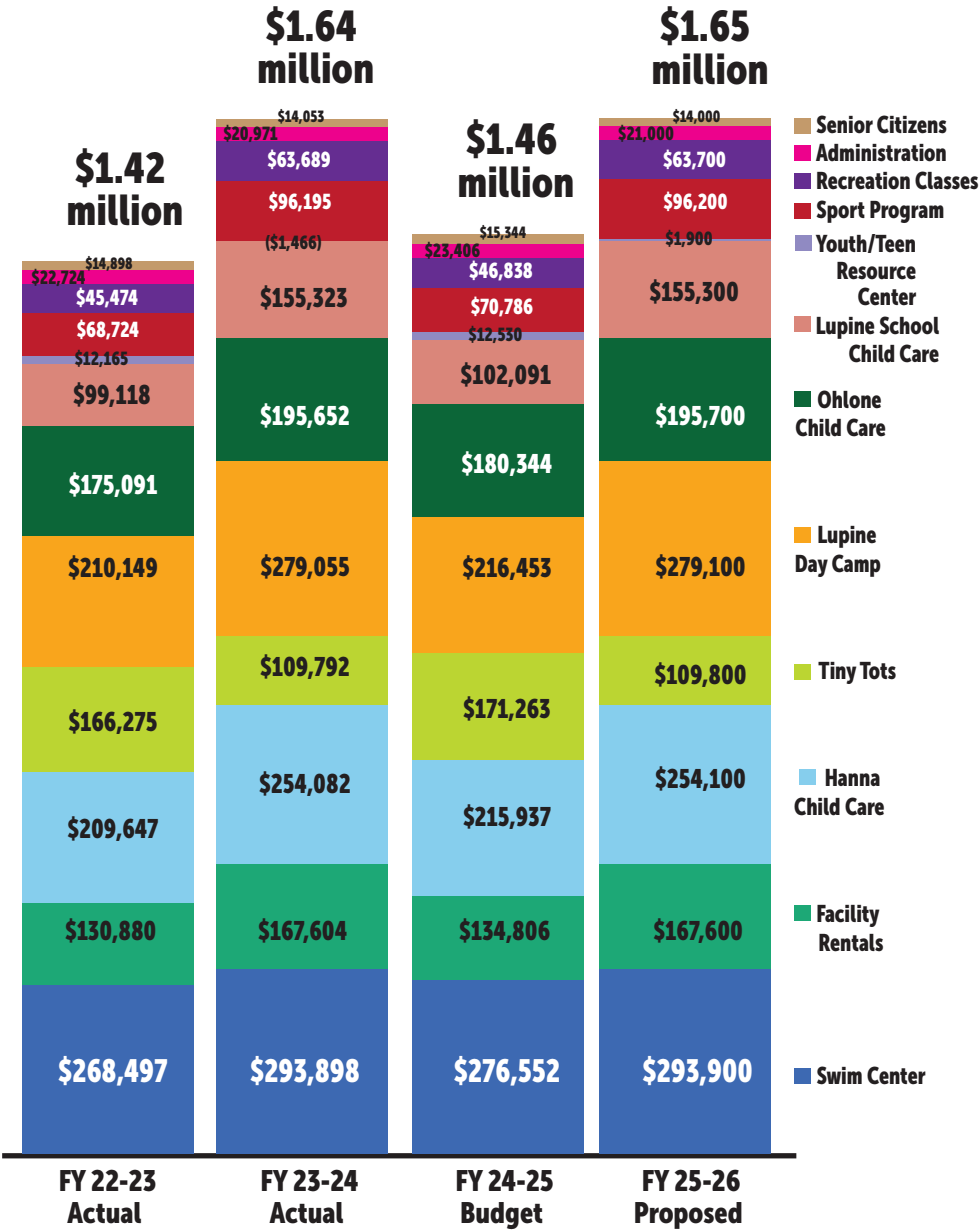


Parks & Recreation Program Revenues

(Based on Actual Receipts)

Parks & Recreation Program Revenues

Hercules Parks & Recreation provides a comprehensive program to serve the community. These offerings include summer camps, organized sports leagues, educational classes, and various cultural events. The revenue generated by Parks & Recreation experienced a significant decline during the pandemic, primarily due to reduced available programs and the temporary closure of facilities. Nevertheless, the proposed FY25-26 budget projects a continued increase in program revenues, leveraging the actual revenue data from FY 23-24. This forecast reflects a positive trend, indicating a renewed community engagement in recreational activities.



Fees for Services

The City implements fees that accurately reflect the costs associated with the various services provided to the community. These fees are detailed in the City’s Master Fees Schedule and are subject to periodic approval by the City Council. Individual fees may be adjusted at any time during the fiscal year, provided there is a clear linkage to the costs incurred in delivering those services. On October 10, 2023, the City completed a comprehensive user fee study aimed at determining appropriate cost recovery levels for services that primarily benefit specific individuals or groups rather than the public. Following this thorough analysis, the newly established fee structure was officially adopted on October 24, 2023, ensuring alignment with the value delivered to the community.



GENERAL FUND EXPENSES

The General Fund includes expenses for operations, debt, capital, and transfers out.

The operating costs are for departments that provide services to the Hercules community, including Police, Public Works, Community Development, Parks & Recreation, and the general administrative departments. Operating expenses include retirement, health insurance, and one-time expenditures, and other capital projects.

Indirect Cost

The City of Hercules General Fund includes expenses for all administrative services (e.g., finance, human resources, attorney services, etc.). A portion of these services support the enterprise funds, and other restricted funds. The City uses a fair and equitable indirect cost allocation process to allocate departmental costs from the General Fund to all funds that benefit from the services that the General Fund departments provide. The plan is completed under generally accepted accounting principles (GAAP) as recognized by the Governmental Accounting Standards Board (GASB). The primary principles used to develop the plan are: 1) the allocated cost is necessary and reasonable for the proper performance of a department, division, unit, and program; 2) the allocated cost is charged to departments, divisions, units, and programs relative to the benefits received; and 3) costs are consistently treated as direct or indirect. Those costs that cannot reasonably be directly charged are included in the Cost Plan.



Capital and Debt Expenditures

The General Fund includes Capital Improvement Projects (CIPs) related to public buildings, general improvements, street improvements, drainage improvements, and park improvements.

The detail for each CIP that includes additional funding in the upcoming budget year can be found in the Capital Improvement Program section of this document. Debt in the General Fund includes the principal payments on outstanding loans that are the obligation of the General Fund.

Transfers Out

Funds are transferred out of the General Fund for debt service, loan repayments, and capital projects. Future budgets will include a transfer Capital Reserve Fund for future capital needs, Pension Reserve Trust Fund to assist in funding future pension contributions and Operating Reserve up to the reserve limit.

Non-Recurring Expenditures

These include projects that are related to special studies. For example, full cost projects related to future developments and engineering projects, such as traffic studies, all of which are pass-through expenses that are funded by developer contributions.



FIVE-YEAR GENERAL FUND FORECAST

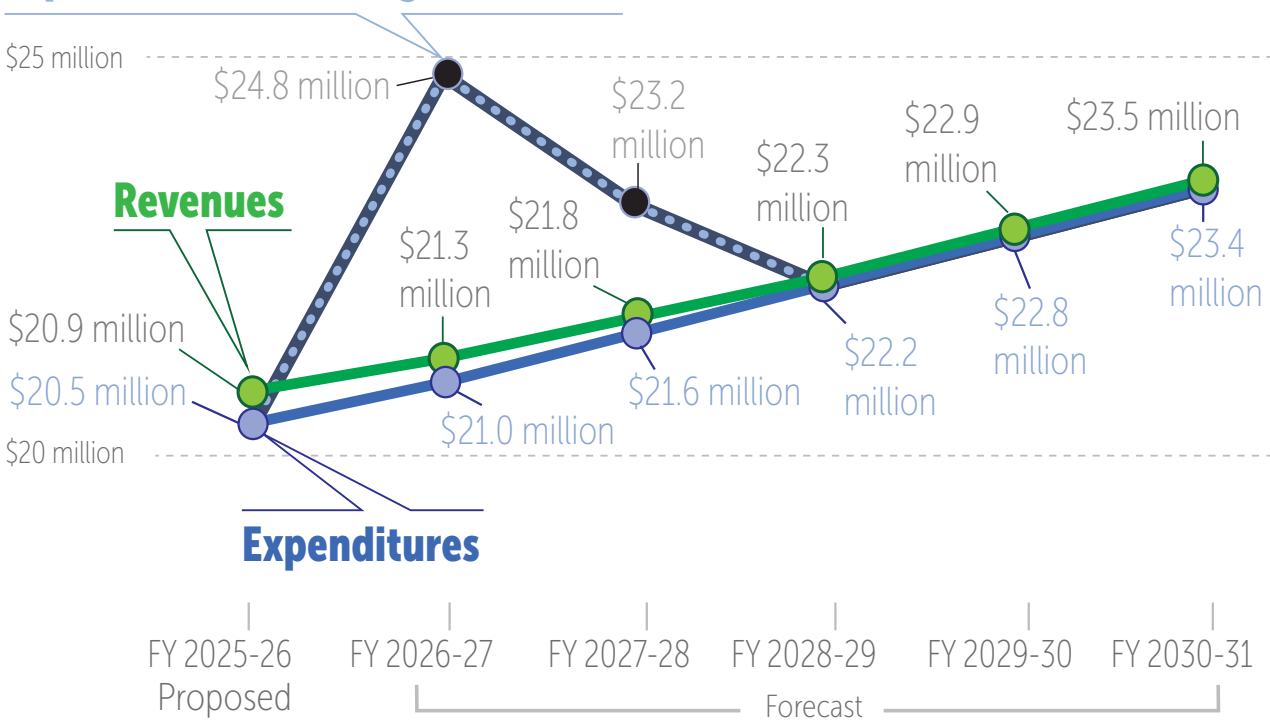
The Five-Year Forecast presents a comprehensive financial analysis, encompassing current and long-term assessments of revenues, expenditures, fund balances, and operating reserves. The primary objective of this forecast is to equip the City Council and the community with an economic outlook while identifying significant issues that may require attention during the annual budget development process.

It is essential to emphasize that a forecast should not be confused with a budget. The Five-Year Forecast is a strategic tool for anticipating future financial conditions based on specific assumptions. Should projections indicate potential deficits, this forecast enables timely corrective actions to ensure ongoing financial stability.

This analysis is focused on the City’s General Fund, which represents the principal operating budget for tax-supported municipal services. Engaging in long-range financial forecasting is vital for making informed decisions that uphold the community’s core services. As a best practice, the City should update this plan annually.

General Fund Five-Year Forecast

Expenditures including One-Time



The General Fund is anticipated to conclude the fiscal year with a positive net balance, according to current projections. This positive outlook is extended through a five-year forecast period ending in 2031, under the assumption that service levels will remain consistent. Revenue forecasts indicate an expected annual increase in general tax revenues ranging from 2% to 3%. Conversely, expenditures are projected to increase at an average rate of 3% per year.

Furthermore, the five-year forecast includes a provision for a one-time repayment to fully retire all CalHFA loans, in accordance with the agreement established on October 18, 2013. The City has adequately reserved funds to ensure this loan repayment can be fulfilled.



General Fund

Fund Summary - 100

Fund Description / Budget Highlights

The General Fund is the City of Hercules Chief Operating Fund. This fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police, planning, engineering, public works, operations and maintenance, and legal and administrative services.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Projection	FY 25-26 Proposed
<u>Revenues</u>				
Taxes				
Utility User Tax	\$3,996,274	\$4,011,166	\$3,988,000	\$4,202,000
Sales Tax	6,192,500	5,753,278	6,296,000	5,890,000
Property Taxes	1,638,581	1,658,630	1,641,000	1,674,000
Franchise Fees	988,108	972,391	979,000	1,382,000
Business Licenses	274,540	292,733	282,000	282,000
Transfer Tax	120,539	90,359	150,000	153,000
Transient Occupancy Tax	30,518	29,590	215,000	245,000
Vehicle License Fee (VLF) and Other				
Intergovernmental	2,527,866	2,650,830	2,655,000	2,763,000
Fines & Forfeitures	46,057	34,409	45,000	40,000
Program Revenues				
Community Development	246,520	224,004	198,000	292,400
Parks and Recreation	1,423,642	1,648,866	1,466,350	1,649,000
Police	196,189	88,348	115,000	97,000
Public Works	30,776	32,054	31,000	31,000
Other	12,231	6,377	12,000	10,000
Investment Income	564,014	1,412,799	564,000	991,100
Tower & Property Leases	230,556	210,368	235,000	218,000
Cost allocated to other funds	588,529	667,863	786,917	785,968
Transfers In	150,000	156,727	176,556	186,159
Total, Ongoing Revenues	19,257,440	19,940,792	19,835,823	20,891,627
<u>Expenditures</u>				
Police	8,430,069	9,043,290	9,124,961	9,635,424
Public Works	417,265	432,333	429,968	443,381
Community Development	408,635	719,579	1,014,244	1,104,239
Parks and Recreation	2,408,847	2,673,550	2,591,807	2,700,746
City Council	329,843	305,915	360,263	356,144
City Manager	491,141	525,815	505,924	553,611
Human Resources	258,427	465,665	418,143	599,922
Legal	193,487	223,043	289,600	255,000
City Clerk	408,679	339,370	502,690	537,496
Finance	1,281,043	1,342,588	1,403,994	1,458,595
Workers Comp/General Liability	1,241,404	1,480,421	1,705,666	1,757,019
Non-Department	260,000	260,000	260,000	260,000
Transfers Out (Debt Service Obligations)	822,559	799,213	798,457	806,291
Total, Ongoing Expenditures	16,951,399	18,610,782	19,405,717	20,467,868



General Fund

Fund Summary - 100

Fund Description / Budget Highlights

The General Fund is the City of Hercules Chief Operating Fund. This fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police, planning, engineering, public works, operations and maintenance, and legal and administrative services.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Projection	FY 25-26 Proposed
<u>Net Annual Activity</u>				
Ongoing Operations	2,306,041	1,330,010	\$ 430,106	\$ 423,759
One-Time Revenues	169,461	731,717	-	-
One-Time Expenditures	(1,644,194)	(991,639)	(40,000)	-
Outstanding Encumbrances		(626,897)		
Annual Surplus (Deficit)	\$831,308	\$443,191	\$390,106	\$423,759
<u>Transfer to Reserve (per Council Policy)</u>				
Operating Reserve	\$207,827	\$110,798	\$97,527	\$105,940
Section 115 Trust (Pension)	207,827	110,798	97,527	105,940
Capital Improvement Projects	415,654	221,595	195,052	211,879
	\$831,308	\$443,191	\$390,106	\$423,759
<u>Operating Reserve:</u>				
Beginning Balance	\$4,014,331	\$4,326,140	\$4,610,007	\$4,820,534
Current Year Contribution	207,827	110,798	97,527	105,940
Interest Earned	103,982	173,069	113,000	148,000
Ending Balance	\$4,326,140	\$4,610,007	\$4,820,534	\$5,074,474
% of Projected Operating Expenditures	26%	25%	25%	25%



General Fund

Expenditure by Category

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures by Category</u>				
<u>Police</u>				
Salaries & Benefits	6,254,106	6,730,648	7,149,757	7,536,154
Contractual Services	924,130	1,089,136	765,700	853,671
Other Operating Expenditures	438,833	433,327	319,600	329,188
Cost Allocation	813,000	790,179	889,904	916,411
	8,430,069	9,043,290	9,124,961	9,635,424
<u>Public Works</u>				
Salaries & Benefits	52,600	35,457	38,714	40,107
Contractual Services	247,069	252,702	270,283	278,500
Other Operating Expenditures	23,596	54,854	26,997	27,900
Cost Allocation	94,000	89,320	93,974	96,874
	417,265	432,333	429,968	443,381
<u>Community Development</u>				
Salaries & Benefits	170,314	375,188	577,500	606,924
Contractual Services	145,427	249,835	322,790	378,887
Other Operating Expenditures	5,894	11,779	20,261	21,924
Cost Allocation	87,000	82,777	93,693	96,504
	408,635	719,579	1,014,244	1,104,239
<u>Parks & Recreation</u>				
Salaries & Benefits	1,660,117	1,847,313	1,792,879	1,879,831
Contractual Services	314,003	423,759	359,700	367,628
Other Operating Expenditures	74,427	95,495	99,600	101,600
Cost Allocation	360,300	306,983	339,628	351,687
	2,408,847	2,673,550	2,591,807	2,700,746
<u>City Council</u>				
Salaries & Benefits	71,066	75,146	75,625	63,000
Contractual Services	1,231	22,923	41,200	42,400
Other Operating Expenditures	48,546	30,922	49,900	51,400
Cost Allocation	209,000	176,924	193,538	199,344
	329,843	305,915	360,263	356,144
<u>City Manager</u>				
Salaries & Benefits	270,897	295,895	313,289	331,994
Contractual Services	123,724	132,659	72,500	101,400
Other Operating Expenditures	17,520	23,320	37,400	35,000
Cost Allocation	79,000	73,941	82,735	85,217
	491,141	525,815	505,924	553,611
<u>Human Resources</u>				
Salaries & Benefits	164,755	124,899	263,425	440,636
Contractual Services	44,550	289,654	83,900	86,400
Other Operating Expenditures	8,122	8,163	21,900	22,500
Cost Allocation	41,000	42,949	48,918	50,386
	258,427	465,665	418,143	599,922



General Fund

Expenditure by Category

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
<u>Expenditures by Category</u>				
<u>Legal</u>				
Contractual Services	193,487	223,043	289,600	255,000
	193,487	223,043	289,600	255,000
<u>City Clerk</u>				
Salaries & Benefits	199,918	214,886	244,095	271,048
Contractual Services	100,165	24,306	139,400	143,600
Other Operating Expenditures	22,596	19,212	28,900	29,800
Capital Outlay	5,000	5,000	5,200	5,400
Cost Allocation	81,000	75,966	85,095	87,648
	408,679	339,370	502,690	537,496
<u>Finance</u>				
Salaries & Benefits	606,452	663,783	680,550	713,338
Contractual Services	251,589	259,902	289,000	297,800
Other Operating Expenditures	262,002	274,337	274,000	282,200
Cost Allocation	161,000	144,566	160,444	165,257
	1,281,043	1,342,588	1,403,994	1,458,595
<u>Worker's Compensation/General Liability</u>				
Salaries & Benefits	32,199	31,760	34,385	35,619
Contractual Services	1,209,205	1,448,661	1,671,281	1,721,400
	1,241,404	1,480,421	1,705,666	1,757,019
<u>Non-Departmental</u>				
Debt Service - CalHFA	200,000	200,000	200,000	200,000
SOMAR benefit payments	60,000	60,000	60,000	60,000
	260,000	260,000	260,000	260,000
<u>Transfers Out</u>				
SunTrust Loan (Final Payment)	102,549	-	-	-
Engie Equipment Lease	226,432	235,897	235,027	245,079
Debt Service - 2020 PFA Lease Revenue	365,949	563,316	563,430	561,212
Refunding Bonds				
Other Transfers	127,629	-	-	-
	822,559	799,213	798,457	806,291
Total, Ongoing Expenditures	16,951,399	18,610,782	19,405,717	20,467,868



GENERAL FUND

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

General Fund

General Fund Projected Reserves

		FY 25-26 (Proposed)					
Reserve Description	Type of Reserves	Beginning Balance	Surplus Allocation	Interest Income (Operating Reserve)	Capital Improvement Projects (CIP)	One-Time Expenses	Projected Ending Balance
Section 115 Trust (Pension)	Restricted	\$2,489,351	105,940				\$2,595,291
General Fund Set-Aside:							
Former RDA Project Negative Cash Balance	Restricted	3,400,000					3,400,000
Programs and Projects	Unrestricted	3,863,238				(432,612)	3,430,626
General Fund Reserve or Designations:							
Reserve for Earthquake Insurance Deductible	Designated	500,000					500,000
Reserve for Partial repayment of CalHFA loan	Designated	2,500,000					2,500,000
Reserve for Hercules HUB (Local Match)	Designated	3,000,000					3,000,000
Reserve for Capital Projects	Designated	4,072,242	211,879		(2,923,720)		1,360,401
Reserve for Reusable Bags (remaining)	Designated	13,930					13,930
Reserve for PEG Fees	Restricted	274,000					274,000
Reserve for Economic Uncertainty (25% target)	Designated	4,820,534	105,940	148,000			5,074,474
Total, General Fund Reserves		\$24,933,295	\$423,759	\$148,000	(\$2,923,720)	(\$432,612)	\$22,148,722

Projected Annual Activities:

Council Reserve Policy (Surplus Allocation)
 25% to Operating Reserve for Economic Uncertainty
 25% to Section 115 Trust (Pension)
 50% to Capital Projects

105,940
 105,940
 211,879
\$423,759

One-Time Employee Retention Pay
 Police Officer's Association (POA)
 Teamsters
 Non-Represented

Interest Income (Operating Reserve)

Capital Improvement Projects (CIP)

\$148,000
(\$2,923,720)

One-Time Expenses

Replace 35 Police Radios
 Quad-City CORE Homeless Services Pilog Program
 SNG Contract for Engineering and CIP Services

(\$143,647)
 (\$48,965)
 (\$240,000)
(\$432,612)



GENERAL FUND

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

General Fund Five-Year Financial Forecast

Description / Highlights

The five-year financial forecast involves projecting revenues, expenses, and key factors that have a financial impact on the organization. Understanding long-term trends and potential risk factors that may impact overall financial sustainability allows the finance officer to proactively address these issues. Going through a long-term financial planning process allows decision makers to focus on long-term objectives, encourages strategic thinking, and promotes overall awareness for financial literacy in an organization. Long-term financial planning creates commitment and motivation to provide a guide for decision-making.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed	Year 1 FY 26-27 Forecast	Year 2 FY 27-28 Forecast	Year 3 FY 28-29 Forecast	Year 4 FY 29-30 Forecast	Year 5 FY 30-31 Forecast
<u>Revenues</u>									
Taxes									
Utility User Tax	3,996,274	4,011,166	3,988,000	4,202,000	4,381,000	4,453,000	4,621,000	4,796,000	4,989,000
Sales Tax	6,192,500	5,753,278	6,296,000	5,890,000	6,038,000	6,189,000	6,344,000	6,502,000	6,665,000
Property Taxes	1,638,581	1,658,630	1,641,000	1,674,000	1,707,000	1,741,000	1,776,000	1,812,000	1,848,000
Franchise Fees	988,108	972,391	979,000	1,382,000	1,409,000	1,436,000	1,464,000	1,492,000	1,521,000
Business Licenses	274,540	292,733	282,000	282,000	284,000	290,000	296,000	302,000	308,000
Transfer Tax	120,539	90,359	150,000	153,000	156,000	159,000	162,000	165,000	168,000
Transient Occupancy Tax	30,518	29,590	215,000	245,000	246,000	247,000	248,000	249,000	250,000
Vehicle License Fee (VLF) and Other									
Intergovernmental	2,527,866	2,650,830	2,655,000	2,763,000	2,818,000	2,874,000	2,931,000	2,989,000	3,049,000
Fines & Forfeitures	46,057	34,409	45,000	40,000	41,000	42,000	43,000	44,000	45,000
Program Revenues									
Community Development	246,520	224,004	198,000	292,400	298,000	302,000	306,000	310,000	314,000
Parks and Recreation	1,423,642	1,648,866	1,466,350	1,649,000	1,682,000	1,715,000	1,748,000	1,782,000	1,816,000
Police	196,189	88,348	115,000	97,000	98,000	99,000	100,000	101,000	102,000
Public Works	30,776	32,054	31,000	31,000	32,000	33,000	34,000	35,000	36,000
Other	12,231	6,377	12,000	10,000	10,000	10,000	10,000	10,000	10,000
Investment Income	564,014	1,412,799	564,000	991,100	1,011,000	1,031,000	1,052,000	1,073,000	1,094,000
Tower & Property Leases	230,556	210,368	235,000	218,000	223,000	228,000	233,000	238,000	243,000
Cost allocated to other funds	588,529	667,863	786,917	785,968	758,000	781,000	804,000	827,000	842,000
Transfers In	150,000	156,727	176,556	186,159	150,000	150,000	150,000	150,000	150,000
	<u>19,257,440</u>	<u>19,940,792</u>	<u>19,835,823</u>	<u>20,891,627</u>	<u>21,342,000</u>	<u>21,780,000</u>	<u>22,322,000</u>	<u>22,877,000</u>	<u>23,450,000</u>
<u>Expenditures</u>									
Police	8,430,069	9,043,290	9,124,961	9,635,424	9,922,000	10,220,000	10,526,000	10,841,000	11,163,000
Public Works	417,265	432,333	429,968	443,381	689,000	707,000	725,000	743,000	763,000
Community Development	408,635	719,579	1,014,244	1,104,239	1,138,000	1,172,000	1,207,000	1,243,000	1,280,000
Parks and Recreation	2,408,847	2,673,550	2,591,807	2,700,746	2,771,000	2,844,000	2,919,000	2,995,000	3,073,000



GENERAL FUND

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

General Fund Five-Year Financial Forecast

Description / Highlights

The five-year financial forecast involves projecting revenues, expenses, and key factors that have a financial impact on the organization. Understanding long-term trends and potential risk factors that may impact overall financial sustainability allows the finance officer to proactively address these issues. Going through a long-term financial planning process allows decision makers to focus on long-term objectives, encourages strategic thinking, and promotes overall awareness for financial literacy in an organization. Long-term financial planning creates commitment and motivation to provide a guide for decision-making.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed	Year 1 FY 26-27 Forecast	Year 2 FY 27-28 Forecast	Year 3 FY 28-29 Forecast	Year 4 FY 29-30 Forecast	Year 5 FY 30-31 Forecast
City Council	329,843	305,915	360,263	356,144	365,000	375,000	385,000	396,000	407,000
City Manager	491,141	525,815	505,924	553,611	569,000	583,000	597,000	611,000	626,000
Human Resources	258,427	465,665	418,143	599,922	618,000	634,000	650,000	666,000	683,000
Legal	193,487	223,043	289,600	255,000	262,000	270,000	278,000	286,000	294,000
City Clerk	408,679	339,370	502,690	537,496	551,000	566,000	581,000	596,000	612,000
Finance	1,281,043	1,342,588	1,403,994	1,458,595	1,498,000	1,540,000	1,584,000	1,628,000	1,674,000
Workers Comp/General Liability	1,241,404	1,480,421	1,705,666	1,757,019	1,791,000	1,827,000	1,863,000	1,899,000	1,936,000
Non-Department	260,000	260,000	260,000	260,000	62,000	64,000	66,000	68,000	70,000
Transfers Out (Debt Service Obligations)	822,559	799,213	798,457	806,291	808,000	820,000	832,000	845,000	853,000
	16,951,399	18,610,782	19,405,717	20,467,868	21,044,000	21,622,000	22,213,000	22,817,000	23,434,000
Net Operating Results									
Ongoing Operations	\$2,306,041	\$1,330,010	\$430,106	\$423,759	\$298,000	\$158,000	\$109,000	\$60,000	\$16,000
One-Time Revenues	169,461	731,717	-	-	-	-	-	-	-
One-Time Expenditures	(1,644,194)	(991,639)	(40,000)	-	-	-	-	-	-
Outstanding Encumbrances		(626,897)							
Net Operating Surplus (Deficit)	\$831,308	\$443,191	\$390,106	\$423,759	\$298,000	\$158,000	\$109,000	\$60,000	\$16,000
Note: CalHFA Loan Balance Payment (One-Time)					(\$3,750,000)	(\$1,600,000)			
Operating Reserve:									
Beginning Balance	\$4,014,331	\$4,326,140	\$4,610,007	\$4,820,534	\$5,074,474	\$5,226,474	\$5,383,474	\$5,572,474	\$5,754,474
Current Year Contribution	\$207,827	110,798	97,527	105,940			27,000	15,000	4,000
Interest Earned	\$103,982	173,069	113,000	148,000	152,000	157,000	162,000	167,000	173,000
Ending Balance	\$4,326,140	\$4,610,007	\$4,820,534	\$5,074,474	\$5,226,474	\$5,383,474	\$5,572,474	\$5,754,474	\$5,931,474
% of Projected Operating Expenditures	26%	25%	25%	25%	25%	25%	25%	25%	25%

(1) CalHFA Loan due on August 2026 and April 2027.

(2) Applied 3% COLA annually.



SPECIAL REVENUE FUNDS





Asset Seizure

Fund Summary - Fund 101

Fund Description / Budget Highlights

The purpose of this fund is to account for monies received from Police confiscated drug money and property. Funds are held until final court disposition is received. The funds are then restricted for police related activities only.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 217,000	\$ 100,000
Revenues				
Intergovernmental	\$ 159,854	\$ 1,133	-	-
Interest Income	2,732	10,019	-	-
Miscellaneous Revenues	-	-	-	-
	162,586	11,152	-	-
Transfers In	-	-	-	-
	162,586	11,152	-	-
Expenditures				
Salaries and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Other Expenses	8,654	29,977	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement Projects (CIP)	2,964	21,066	117,000	100,000
Debt Service	-	-	-	-
	11,618	51,043	117,000	100,000
Transfer Out	-	-	-	-
	11,618	51,043	117,000	100,000
Changes in restricted reserves				
Net Annual Activity	150,968	(39,891)	(117,000)	(100,000)
Ending Available Fund Balance		\$ 217,000	\$ 100,000	\$ -



AB 3229 COPS Program

Fund Summary - Fund 201

Fund Description / Budget Highlights

California state legislation (AB 3229) created the Citizens Options for Public Safety (COPS) program. These funds are used for front line law enforcement services.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 62,715	\$ 36,159
Revenues				
Intergovernmental	\$ 165,271	\$ 186,159	150,000	150,000
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	165,271	186,159	150,000	150,000
Transfers In	\$ -	-	-	-
	165,271	186,159	150,000	150,000
Expenditures				
Salaries and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out	150,000	156,727	176,556	186,159
	150,000	156,727	176,556	186,159
Changes in restricted reserves				
Net Annual Activity	15,271	29,432	(26,556)	(36,159)
Ending Available Fund Balance		\$ 62,715	\$ 36,159	\$ -

**Lighting and Landscape District 83-2****Fund Summary - Fund 220****Fund Description / Budget Highlights**

The purpose of this fund is to account for Zone #1 to 10 Lighting and Lanscaping District No. 83-2 to finance the costs of landscaping and lighting public areas. The 1972 Act provides that the total cost of installation, construction, operations, maintenance and servicing of landscaping, street lighting and park and recreational facilities can be recovered by the District. Refer to the Engineer's Report.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 1,145,759	\$ 1,226,372
Revenues				
Assessment	\$ 2,075,134	\$ 2,218,229	2,265,861	2,315,737
Interest Income	24,478	57,238	-	-
Miscellaneous Revenues	-	-	-	-
	<u>2,099,612</u>	<u>2,275,467</u>	<u>2,265,861</u>	<u>2,315,737</u>
Transfers In	30,428	31,037	32,485	36,031
	<u>2,130,040</u>	<u>2,306,504</u>	<u>2,298,346</u>	<u>2,351,768</u>
Expenditures				
Salary and Benefits	562,164	546,550	631,231	654,852
Contractual Services	89,849	395,012	401,335	533,200
Utilities	526,174	378,032	411,140	448,688
Maintenance & Repairs	8,982	72,437	166,960	55,775
Other Expenses	3,178	7,604	18,814	14,317
Cost Allocation	191,000	200,830	140,517	144,731
Capital Improvement Projects (CIP)	148,451	116,319	-	-
Loan Repayment (10 years)	-	-	168,083	59,829
	<u>1,529,798</u>	<u>1,716,784</u>	<u>1,938,080</u>	<u>1,911,392</u>
Transfer Out	258,100	265,060	279,653	287,641
	<u>1,787,898</u>	<u>1,981,844</u>	<u>2,217,733</u>	<u>2,199,033</u>
Changes in restricted reserves				
Net Annual Activity	<u>\$ 342,142</u>	<u>324,660</u>	<u>80,613</u>	<u>152,735</u>
Ending Available Fund Balance (Based on Engineer's Report)		\$ 1,145,759	\$ 1,226,372	\$ 1,379,107



SPECIAL REVENUE FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

Landscaping and Lighting Assessment District No. 83-2

Summary by Zone

	Zone 1	Zone 2	Zone 3 & 4	Zone 5A	Zone 5B	Zone 5C	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	
	Hercules by the Bay	Foxboro	The Gems/Birds	Business Park	Commercial	Development Parcels	Village Parkway	Heights	Trees and Flowers	Birds and Country Run	City-Wide	Total
Revenues												
Assessments and Interest	105,559	82,961	122,137	98,202	49,160	32,222	100,836	125,540	205,630	98,822	1,294,668	2,315,737
General Benefit Contribution	1,000	675	890	1,510	367	205	633	874	2,571	1,304	26,002	36,031
	106,559	83,636	123,027	99,712	49,527	32,427	101,469	126,414	208,201	100,126	1,320,670	2,351,768
Expenditures By Type												
Salaries & Benefits	21,001	21,289	10,844	12,892	13,185	6,628	16,563	23,694	23,442	21,327	483,987	654,852
Contractual Services	10,995	4,725	8,355	15,615	2,305	1,095	4,725	3,515	33,765	5,935	442,170	533,200
Utilities	17,050	7,007	23,942	40,778	300	400	3,581	15,400	70,048	37,037	233,145	448,688
Maintenance & Repairs	-	-	-	-	-	-	5,775	-	-	-	50,000	55,775
Other Expenses	947	750	883	310	269	292	982	1,099	1,295	925	6,565	14,317
Cost Allocation	-	-	461	5,908	2,282	1,835	-	-	-	-	134,245	144,731
Capital Improvement Projects (CIP)	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment (10 years)	20,260	-	42,192	-	-	-	17,637	33,867	-	-	(54,127)	59,829
	70,253	33,771	86,677	75,503	18,341	10,250	49,263	77,575	128,550	65,224	1,295,985	1,911,392
Transfers Out	30,536	23,006	31,244	22,953	12,635	16,426	27,329	35,332	57,653	30,527	-	287,641
	100,789	56,777	117,921	98,456	30,976	26,676	76,592	112,907	186,203	95,751	1,295,985	2,199,033
Net Annual Results	5,770	26,859	5,106	1,256	18,551	5,751	24,877	13,507	21,998	4,375	24,685	152,735
Beginning Balance	(50,174)	131,674	81,301	108,815	245,644	(1,685)	(91,634)	94,799	318,566	26,012	363,054	1,226,372
Ending Balance	(44,404)	158,533	86,407	110,071	264,195	4,066	(66,757)	108,306	340,564	30,387	387,739	1,379,107
(Based on Engineer's Report)												



**Victoria by the bay Lighting and Landscape District
Fund Summary - Fund 221**

Fund Description / Budget Highlights

The purpose of this fund is to account for Victoria by the bay Lighting and Lanscaping District No. 2002-1 to finance the costs of landscaping and lighting public areas. The 1972 Act provides that the total cost of installation, construction, operations, maintenance and servicing of landscaping, street lighting and park and recreational facilities can be recovered by the District.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ (655,546)	\$ (702,481)
Revenues				
Assessment	\$ 472,851	\$ 508,538	647,122	576,758
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	472,851	508,538	647,122	576,758
Transfers In	\$ 10,047	10,248	13,052	13,454
	482,898	518,786	660,174	590,212
Expenditures				
Salary and Benefits	112,286	98,644	122,347	121,368
Contractual Services	168,675	256,268	185,500	210,225
Utilities	229,920	303,488	265,000	280,000
Maintenance & Repairs	4,400	54,916	39,500	30,000
Other Expenses	-	974	10,854	854
Cost Allocation	28,000	28,523	29,379	30,260
Capital Outlay	4,450	23,575	25,000	25,000
Debt Service	-	-	-	-
	547,731	766,388	677,580	697,707
Transfer Out	27,200	28,016	29,529	30,373
	574,931	794,404	707,109	728,080
Changes in restricted reserves				
Net Annual Activity	\$ (92,033)	(275,618)	(46,935)	(137,868)
Ending Fund Balance		(655,546)	\$ (702,481)	\$ (840,349)
(Based on Engineer's Report)				



Hercules Village Lighting and Landscape District

Fund Summary - Fund 222

Fund Description / Budget Highlights

The purpose of this fund is to account for Hercules Village Lighting and Landscaping District No. 2002-2 to finance the costs of landscaping and lighting public areas. The 1972 Act provides that the total cost of installation, construction, operations, maintenance and servicing of landscaping, street lighting and park and recreational facilities can be recovered by the District.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Projection	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 102,163	\$ 59,797
Revenues				
Assessment	\$ 162,323	\$ 174,570	178,701	183,505
Interest Income	3,706	7,835	-	-
Miscellaneous Revenues	-	-	-	-
	166,029	182,405	178,701	183,505
Transfers In	\$ 3,982	4,062	4,347	4,736
	170,011	186,467	183,048	188,241
Expenditures				
Salary and Benefits	47,608	43,918	38,333	41,362
Contractual Services	58,483	48,609	59,100	68,625
Utilities	63,033	80,080	80,070	89,397
Maintenance & Repairs	5,020	22,543	25,300	24,000
Other Expenses	-	-	1,921	421
Cost Allocation	12,000	12,271	12,639	13,018
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	186,144	207,421	217,363	236,823
Transfer Out	7,500	7,725	8,051	8,281
	193,644	215,146	225,414	245,104
Changes in restricted reserves				
Net Annual Activity	\$ (23,633)	(28,679)	(42,366)	(56,863)
Ending Fund Balance		\$ 102,163	\$ 59,797	\$ 2,934
(Based on Engineer's Report)				



Baywood Lighting and Landscape District

Fund Summary - Fund 223

Fund Description / Budget Highlights

The purpose of this fund is to account for Baywood Lighting and Landscaping District No. 2004-1 to finance the costs of landscaping and lighting public areas. The 1972 Act provides that the total cost of installation, construction, operations, maintenance and servicing of landscaping, street lighting and park and recreational facilities can be recovered by the District.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 91,882	\$ 92,515
Revenues				
Assessment	\$ 154,648	\$ 166,246	177,885	182,668
Interest Income	3,491	3,171	-	-
Miscellaneous Revenues	-	-	-	-
	158,139	169,417	177,885	182,668
Transfers In	2,613	2,665	3,259	3,367
	160,752	172,082	181,144	186,035
Expenditures				
Salary and Benefits	56,676	49,842	51,680	52,929
Contractual Services	49,417	39,479	3,000	49,195
Utilities	24,192	28,955	37,220	39,400
Maintenance & Repairs	4,210	10,985	57,100	14,000
Other Expenses	-	-	1,811	311
Cost Allocation	11,000	11,805	12,159	12,524
Capital Outlay	140,000	-	-	14,700
Debt Service	-	-	14,700	-
	285,495	141,066	177,670	183,059
Transfer Out	2,700	2,781	2,841	2,922
	288,195	143,847	180,511	185,981
Changes in restricted reserves				
Net Annual Activity	\$ (127,443)	28,235	633	54
Ending Fund Balance		\$ 91,882	\$ 92,515	\$ 92,569
(Based on Engineer's Report)				



Bayside Lighting and Landscape District

Fund Summary - Fund 224

Fund Description / Budget Highlights

The purpose of this fund is to account for Bayside Lighting and Landscaping District No. 2005-1 to finance the costs of landscaping and lighting public areas. The 1972 Act provides that the total cost of installation, construction, operations, maintenance and servicing of landscaping, street lighting and park and recreational facilities can be recovered by the District.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 165,282	\$ 169,720
Revenues				
Assessment	\$ 147,933	\$ 159,093	162,856	167,239
Interest Income	3,029	7,432	-	-
Miscellaneous Revenues	-	-	-	-
	150,962	166,525	162,856	167,239
Transfers In	2,284	2,330	2,822	2,970
	153,246	168,855	165,678	170,209
Expenditures				
Salary and Benefits	43,159	40,332	37,264	36,351
Contractual Services	3,826	3,307	3,000	3,285
Utilities	53,535	68,533	35,050	38,790
Maintenance & Repairs	41,004	41,004	55,000	60,500
Other Expenses	-	-	2,118	618
Cost Allocation	8,000	8,419	8,672	8,932
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	149,524	161,595	141,104	148,476
Transfer Out	18,500	19,055	20,136	20,711
	168,024	180,650	161,240	169,187
Changes in restricted reserves				
Net Annual Activity	\$ (14,778)	(11,795)	4,438	1,022
Ending Fund Balance		\$ 165,282	\$ 169,720	\$ 170,742
(Based on Engineer's Report)				



Arterial Roadways

Fund Summary - Fund 225

Fund Description / Budget Highlights

The purpose of this fund is to account for Arterial Roadways Lighting and Lanscaping District to finance the costs of landscaping and lighting public areas.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 393,134	\$ 367,428
Revenues				
Assessment	\$ -	\$ -	-	-
Interest Income	(2,022)	28,325	-	-
Miscellaneous Revenues	-	-	-	-
	(2,022)	28,325	-	-
Transfers In	314,000	322,637	340,210	349,928
	311,978	350,962	340,210	349,928
Expenditures				
Salary and Benefits	23,062	25,151	26,077	26,772
Contractual Services	2,614	32,824	-	-
Utilities	341,547	192,320	267,200	275,200
Maintenance & Repairs	50,648	50,109	60,000	61,800
Other Expenses	-	-	-	-
Cost Allocation	6,000	8,327	12,639	13,018
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	423,871	308,731	365,916	376,790
Transfer Out	-	-	-	-
	423,871	308,731	365,916	376,790
Changes in restricted reserves				
Net Annual Activity	\$ (111,893)	42,231	(25,706)	(26,862)
Ending Fund Balance		\$ 393,134	\$ 367,428	\$ 340,566



Stormwater Assessment

Fund Summary - Fund 231

Fund Description / Budget Highlights

To account for activities associated with the acquisition or construction, and operation and maintenance of stormwater facilities for drainage and disposal of stormwater, and operations related to the provision of services.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 84,422	\$ (8,962)
Revenues				
Assessment	\$ 336,987	\$ 221,305	230,645	250,000
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	336,987	221,305	230,645	250,000
Transfers In	125,000	125,000	125,000	125,000
	461,987	346,305	355,645	375,000
Expenditures				
Salary and Benefits	214,259	217,583	218,014	214,406
Contractual Services	123,405	100,896	141,228	145,400
Utilities	1,849	2,226	2,122	2,200
Maintenance & Repairs	32,422	21,738	26,523	27,300
Other Expenses	3,768	2,728	3,183	3,300
Cost Allocation	47,000	52,869	57,959	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	422,703	398,040	449,029	392,606
Transfer Out	-	-	-	-
	422,703	398,040	449,029	392,606
Changes in restricted reserves				
Net Annual Activity	\$ 39,284	(51,735)	(93,384)	(17,606)
Ending Available Fund Balance		\$ 84,422	\$ (8,962)	\$ (26,568)



Development Impact Fee - Public Facilities

Fund Summary - Fund 241

Fund Description / Budget Highlights

To account for the collection of and expenditure of fees imposed as a condition of new development within the City, in compliance with California Government Code Section 66006 (AB 1600)

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 160,534	\$ 160,534
Revenues				
Fees	\$ 391	\$ 5,670	-	-
Interest Income	2,926	7,828	-	-
Miscellaneous Revenues	-	-	-	-
	3,317	13,498	-	-
Transfers In	-	-	-	-
	3,317	13,498	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ 3,317	13,498	-	-
Ending Available Fund Balance		\$ 160,534	\$ 160,534	\$ 160,534



Community Development Tax

Fund Summary - Fund 242

Fund Description / Budget Highlights

Accounts for the activities and services of the Community Development Department. Revenues are derived from fees, licenses, and fines collected in conjunction with the planning, permitting and enforcement activities of the department in accordance with state law, requiring fees not to exceed the cost of providing services.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 180,478	10,478
Revenues				
Fees	\$ 750	\$ -	-	-
Interest Income	3,411	8,899	-	-
Miscellaneous Revenues	-	-	-	-
	4,161	8,899	-	-
Transfers In	-	-	-	-
	4,161	8,899	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	-	-	170,000	-
Debt Service	-	-	-	-
	-	-	170,000	-
Transfer Out	-	-	-	-
	-	-	170,000	-
Changes in restricted reserves				
Net Annual Activity	\$ 4,161	8,899	(170,000)	-
Ending Available Fund Balance		\$ 180,478	\$ 10,478	\$ 10,478



Development Fee Fund

Fund Summary - Fund 243

Fund Description / Budget Highlights

This fund accounts for revenues from citywide development impact fees required from certain new developments. Funds are used to mitigate the impacts on availability and condition of public facilities caused by these developments.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 76,657	\$ 76,657
Revenues				
Fees	\$ -	\$ -	-	-
Interest Income	1,453	3,780	-	-
Miscellaneous Revenues	-	-	-	-
	1,453	3,780	-	-
Transfers In	-	-	-	-
	1,453	3,780	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ 1,453	3,780	-	-
Ending Available Fund Balance		\$ 76,657	\$ 76,657	\$ 76,657

**Development Impact Fee - Police Facilities****Fund Summary - Fund 244****Fund Description / Budget Highlights**

To account for the collection of and expenditure of fees imposed as a condition of new development within the City, in compliance with California Government Code Section 66006 (AB 1600). Police Facilities needs through 2035 to be funded by this fee include: a waterfront police substation; an expansion of the existing station; an auditorium/emergency operations center; equipment and additional patrol vehicles for ten new police officers; needed to serve new development.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 281,366	\$ 81,366
Revenues				
Fees	\$ 692	\$ 2,530	-	-
Interest Income	5,339	13,848	-	-
Miscellaneous Revenues	-	-	-	-
	6,031	16,378	-	-
Transfers In	-	-	-	-
	6,031	16,378	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	4,259	830	200,000	-
Debt Service	-	-	-	-
	4,259	830	200,000	-
Transfer Out	-	-	-	-
	4,259	830	200,000	-
Changes in restricted reserves				
Net Annual Activity	\$ 1,772	15,548	(200,000)	-
Ending Available Fund Balance		\$ 281,366	\$ 81,366	\$ 81,366



Development Impact Fee - Fire Facilities

Fund Summary - Fund 246

Fund Description / Budget Highlights

To account for the collection of and expenditure of fees imposed as a condition of new development within the City, in compliance with California Government Code Section 66006 (AB 1600) - Fire Facilities. The City collects these fees and remits to various governmental entities, organizations or trusts.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Projection	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Fees	\$ 915	\$ -	-	-
Interest Income	(27)	21	-	-
Miscellaneous Revenues	-	-	-	-
	888	21	-	-
Transfers In	-	-	-	-
	888	21	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ 888	21	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



Development Impact Fee - Parks & Recreation

Fund Summary - Fund 247

Fund Description / Budget Highlights

To account for the collection of and expenditure of fees imposed as a condition of new development within the City, in compliance with California Government Code Section 66006 (AB 1600). Assessed only on new residential development, the Parks & Recreation impacts fees are based on the costs to the City of providing new facilities defined in the 2001 Nexus study, including a 4,000-sq.-ft. teen center, a 4,240-sq.-ft. child care center, and a 10,000-sq.-ft. community cultural arts center, as well as acquiring 46.72 acres of land and improving 59.52 acres for neighborhood and community parks.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 158,276	\$ 158,276
Revenues				
Fees	\$ 805	\$ -	-	-
Interest Income	3,774	8,415	-	-
Miscellaneous Revenues	-	-	-	-
	<u>4,579</u>	<u>8,415</u>	<u>-</u>	<u>-</u>
Transfers In	-	-	-	-
	<u>4,579</u>	<u>8,415</u>	<u>-</u>	<u>-</u>
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	-	39,766	-	150,000
Debt Service	-	-	-	-
	<u>-</u>	<u>39,766</u>	<u>-</u>	<u>150,000</u>
Transfer Out	-	-	-	-
	<u>-</u>	<u>39,766</u>	<u>-</u>	<u>150,000</u>
Changes in restricted reserves				
Net Annual Activity	\$ 4,579	(31,351)	-	(150,000)
Ending Available Fund Balance		\$ 158,276	\$ 158,276	\$ 8,276



Public Benefit Fee

Fund Summary - Fund 249

Fund Description / Budget Highlights

The purpose of this fund is to account for fees charged by City to Owner in the amount specified under the line item, "New Public Benefit Fee" on the Schedule of Exactions.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 1,039,867	\$ 1,039,867
Revenues				
Fees	\$ -	\$ -	-	-
Interest Income	19,938	51,274	-	-
Miscellaneous Revenues	-	-	-	-
	19,938	51,274	-	-
Transfers In	-	-	-	-
	19,938	51,274	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ 19,938	51,274	-	-
Ending Available Fund Balance		\$ 1,039,867	\$ 1,039,867	\$ 1,039,867

**Development Impact Fee - Transportation Facilities****Fund Summary - Fund 261****Fund Description / Budget Highlights**

To account for the collection of and expenditure of fees imposed as a condition of new development within the City, in compliance with California Government Code Section 66006 (AB 1600). The purpose of the transportation impact fee program is to fund improvements to the City's major roadway, bicycle, and pedestrian facilities needed to accommodate travel demand generated by new land development within the City over the next 22 years (through 2040).

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 477,493	\$ 477,493
Revenues				
Fees	\$ 2,820	\$ 330,718	-	-
Interest Income	3,078	18,770	-	-
Miscellaneous Revenues	-	-	-	-
	5,898	349,488	-	-
Transfers In	-	-	-	-
	5,898	349,488	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	12,949	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	20,055	-	-	-
Debt Service	-	-	-	-
	33,004	-	-	-
Transfer Out	-	-	-	-
	33,004	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ (27,106)	349,488	-	-
Ending Available Fund Balance		\$ 477,493	\$ 477,493	\$ 477,493



State Gas Tax Fund Summary - Fund 262

Fund Description / Budget Highlights

This fund accounts for revenues received from the State of California under Street and Highways Code Sections 2105, 2106, 2107, and 2107.5 and 7360. Expenditures support the street maintenance and construction projects in conformance with the Streets and Highways Code requirements.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 496,011	\$ 497,767
Revenues				
Gas Tax	\$ 664,094	\$ 721,198	727,585	738,148
Interest Income	12,548	24,711	-	-
Miscellaneous Revenues	-	-	-	-
	<u>676,642</u>	<u>745,909</u>	<u>727,585</u>	<u>738,148</u>
Transfers In	<u>262,755</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>939,397</u>	<u>745,909</u>	<u>727,585</u>	<u>738,148</u>
Expenditures				
Salary and Benefits	259,269	264,427	269,408	282,940
Contractual Services	30,442	77,103	109,978	113,300
Utilities	12,195	15,064	12,700	13,100
Maintenance & Repairs	74,881	63,599	81,500	83,900
Other Expenses	17,301	9,856	20,200	20,800
Cost Allocation	96,986	102,413	126,078	129,861
Capital Outlay	94,977	21,682	50,000	50,000
Capital Improvement Projects (CIP)	-	49,320	-	-
Debt Service	-	-	-	-
	<u>586,051</u>	<u>603,464</u>	<u>669,864</u>	<u>693,901</u>
Transfer Out	<u>602,937</u>	<u>50,342</u>	<u>55,965</u>	<u>60,558</u>
	<u>1,188,988</u>	<u>653,806</u>	<u>725,829</u>	<u>754,459</u>
Changes in restricted reserves				
Net Annual Activity	<u>\$ (249,591)</u>	<u>92,103</u>	<u>1,756</u>	<u>(16,311)</u>
Ending Available Fund Balance		\$ 496,011	\$ 497,767	\$ 481,456



Measure "C" Street Fund

Fund Summary - Fund 263

Fund Description / Budget Highlights

This fund accounts for revenue allocated by the Contra Costa County Transportation Authority to the City from the State collected sales tax to be expended for growth management planning and local street maintenance and improvement.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 678,765	\$ 597,579
Revenues				
Gas Tax	\$ 510,780	\$ 1,043,772	520,000	493,303
Interest Income	1,735	29,866	-	-
Miscellaneous Revenues	-	-	-	-
	512,515	1,073,638	520,000	493,303
Transfers In	-	-	-	-
	512,515	1,073,638	520,000	493,303
Expenditures				
Salary and Benefits	259,116	278,193	265,415	275,050
Contractual Services	3,501	9,982	68,278	68,300
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	51,000	49,092	67,493	69,518
Capital Outlay	104,683	107,364	200,000	-
Capital Improvement Projects (CIP)	-	-	-	200,000
Debt Service	-	-	-	-
	418,300	444,631	601,186	612,868
Transfer Out	-	-	-	-
	418,300	444,631	601,186	612,868
Changes in restricted reserves				
Net Annual Activity	\$ 94,215	629,007	(81,186)	(119,565)
Ending Available Fund Balance		\$ 678,765	\$ 597,579	\$ 478,014



BART Park & Ride

Fund Summary - Fund 266

Fund Description / Budget Highlights

The Hercules Transit Center (HTC), a park and ride facility in the City of Hercules has been maintained and operated under a joint agreement between the City of Hercules, BART and Western Contra Costa Transit Authority (WestCat). This fund is to account for the maintenance of the facility and fully reimburse by BART.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Fees	\$ -	\$ -	-	-
Interest Income	-	-	-	-
Miscellaneous Revenues	81,187	32,318	89,000	92,000
	81,187	32,318	89,000	92,000
Transfers In	-	-	-	-
	81,187	32,318	89,000	92,000
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	14,674	245,897	24,000	25,000
Utilities	10,900	2,459	20,000	21,000
Maintenance & Repairs	5,663	3,532	45,000	46,000
Other Expenses	-	6,525	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement Project (CIP)	-	100,000	-	-
Debt Service	-	-	-	-
	31,237	358,413	89,000	92,000
Transfer Out	-	-	-	-
	31,237	358,413	89,000	92,000
Changes in restricted reserves				
Net Annual Activity	\$ 49,950	(326,095)	-	-
Fund Balance				
Ending Available Fund Balance		\$ -	\$ -	\$ -



General Plan Update Fee and Building Training Fee

Fund Summary - Fund 267

Fund Description / Budget Highlights

The fund is to account for the General Plan Update Fee and Building Training Fee. The General Update Fee (1% of construction valuation of any permit issued) is a fee to pay for the costs of preparing and adopting an updated general plan and the associated environmental documents, and maintaining and preparing legally required reports on the general plan. The Building Training Fee was discontinued and the fee was collected to comply with AB 1608.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 1,394,760	\$ 1,394,760
Revenues				
Fees	\$ 164,192	\$ 254,542	-	-
Interest Income	22,898	42,315	-	-
Miscellaneous Revenues	-	-	-	-
	187,090	296,857	-	-
Transfers In	953,800	-	-	-
	1,140,890	296,857	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	168,202	-	-	1,300,000
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	168,202	-	-	1,300,000
Transfer Out	-	-	-	-
	168,202	-	-	1,300,000
Changes in restricted reserves				
Net Annual Activity	\$ 972,688	296,857	-	(1,300,000)
Fund Balance				
Ending Available Fund Balance		\$ 1,394,760	\$ 1,394,760	\$ 94,760



Road Maintenance Rehabilitation Account (SB1 - RMRA)

Fund Summary - Fund 268

Fund Description / Budget Highlights

Senate Bill (SB) 1, Chapter 5, Statutes of 2017, created the Road Maintenance and Rehabilitation Program (RMRP) to address deferred maintenance on the State Highway System and the local street and road system, and the Road Maintenance and Rehabilitation Account (RMRA) for the deposit of various funds for the program. A percentage of this new RMRA funding will be apportioned by formula to eligible cities and counties pursuant to Streets and Highways Code section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 940,852	\$ 583,654
Revenues				
RMRA	\$ 576,570	\$ 664,869	673,002	683,809
Interest Income	12,020	40,692	-	-
Miscellaneous Revenues	-	-	-	-
	588,590	705,561	673,002	683,809
Transfers In	553,583	-	-	-
	1,142,173	705,561	673,002	683,809
Expenditures				
Salary and Benefits	-	-	-	-
Pass through to other agency	44,832	87,930	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Street Maintenance Program	-	-	-	-
Capital Improvement Projects (CIP)	304,529	161,766	1,030,200	500,000
Debt Service	-	-	-	-
	349,361	249,696	1,030,200	500,000
Transfer Out	262,755	-	-	-
	612,116	249,696	1,030,200	500,000
Changes in restricted reserves				-
Net Annual Activity	\$ 530,057	455,865	(357,198)	183,809
Ending Available Fund Balance		\$ 940,852	\$ 583,654	\$ 767,463



Solid Waste and Recycling

Fund Summary - Fund 291

Fund Description / Budget Highlights

The funding is from the rate differential between the fees collected by Richmond Sanitary Services (RSS) per their franchise agreement with Hercules and the fees for the post-collection agreement. The differential occurred when lower post-collection fees were adopted in 2013 due to the payoff of the bonds. On September 22, 2015, Hercules City Council restrict the use of funds to the purchase and distribution of reusable bags, street sweeping, and street repairs.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 878,373	\$ 675,033
Revenues				
Fees	\$ -	\$ -	-	-
Interest Income	19,420	44,590	9,000	-
Miscellaneous Revenues	176,184	176,206	176,000	-
	195,604	220,796	185,000	-
Transfers In	-	-	-	-
	195,604	220,796	185,000	-
Expenditures				
Salary and Benefits	12,377	12,986	13,340	13,852
Contractual Services	9,194	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	243,000
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	100,000	-	250,000	-
Debt Service	-	-	-	-
	121,571	12,986	263,340	256,852
Transfer Out	125,000	125,000	125,000	125,000
	246,571	137,986	388,340	381,852
Changes in restricted reserves				
Net Annual Activity	\$ (50,967)	82,810	(203,340)	(381,852)
Ending Available Fund Balance		\$ 878,373	\$ 675,033	\$ 293,181



American Recovery Plan Act ("ARPA")

Fund Summary - Fund 353

Fund Description / Budget Highlights

This fund accounts for revenues from the American Recovery Plan Act ("ARPA"). On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the President. Fiscal Recovery Funds are intended to provide support to state, local, and tribal governments in responding to the impact of COVID-19 and in their efforts to contain the negative impacts of COVID-19 on their communities, residents, and businesses. The Fiscal Recovery Funds build on and expand the support provided to governments over the last year, including through the Coronavirus Relief Fund (CRF).

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
ARPA (Non-Entitlement)	\$ 3,142,889	\$ -	-	-
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	3,142,889	-	-	-
Transfers In	-	-	-	-
	3,142,889	-	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out - General Fund	3,142,889	-	-	-
	3,142,889	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ -	\$ -	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



Water Quality Retention Basin

Fund Summary - Fund 387

Fund Description / Budget Highlights

This fund accounts for revenues from Property Tax Special Assessment for the formation of City of Hercules Community Facilities District No. 2017-01 on April 11, 2017. Development of the Bayfront and Muir Pointe created the need for construction of water quality detention basin for runoff generated by the improvements constructed to support the developments. The CFD was formed to create a funding mechanism for the maintenance costs associated with the water quality detention basin.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 287,000	\$ 301,000
Revenues				
Property Tax	\$ 55,077	\$ 58,161	56,000	57,000
Interest Income	4,156	13,747	6,000	6,000
Miscellaneous Revenues	-	-	-	-
	59,233	71,908	62,000	63,000
Transfers In	-	-	-	-
	59,233	71,908	62,000	63,000
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	10,747	10,242	48,000	49,000
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	10,747	10,242	48,000	49,000
Transfer Out	-	-	-	-
	10,747	10,242	48,000	49,000
Changes in restricted reserves				
Net Annual Activity	\$ 48,486	\$ 61,666	14,000	14,000
Ending Available Fund Balance		\$ 287,000	\$ 301,000	\$ 315,000



Regional Water Quality

Fund Summary - Fund 521

Fund Description / Budget Highlights

This fund accounts for the Regional Water Quality. Created by the State Legislature in 1967, the Board protects water quality by setting statewide policy, coordinating and supporting the Regional Water Board efforts, and reviewing petitions that contest Regional Board actions. There are nine regional water quality control boards that exercise rulemaking and regulatory activities by basins.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 55,123	\$ 55,123
Revenues				
Fees	-	-	-	-
Interest Income	1,045	2,718	-	-
Miscellaneous Revenues	-	-	-	-
	<u>1,045</u>	<u>2,718</u>	<u>-</u>	<u>-</u>
Transfers In	-	-	-	-
	<u>1,045</u>	<u>2,718</u>	<u>-</u>	<u>-</u>
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in restricted reserves				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	\$ 1,045	2,718	-	-
Fund Balance				
Ending Available Fund Balance		\$ 55,123	\$ 55,123	\$ 55,123



Successor Housing Agency

Fund Summary - Fund 640

Fund Description / Budget Highlights

On February 27, 2024, the City elected to become the Successor Housing Authority and retain the housing assets and functions previously performed by the Hercules Redevelopment Agency in accordance with HSC Section 34176.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 5,880,886	\$ 5,869,886
Revenues				
Tax Increment (RPTTF)	-	-	-	-
Interest Income	388,208	478,616	102,000	-
Miscellaneous Revenues	-	253,594	-	-
	388,208	732,210	102,000	-
Transfers In	-	-	-	-
	388,208	732,210	102,000	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	284,180	(14,741)	113,000	120,595
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	284,180	(14,741)	113,000	120,595
Transfer Out	-	-	-	-
	284,180	(14,741)	113,000	120,595
Changes in restricted reserves				
Net Annual Activity	\$ 104,028	746,951	(11,000)	(120,595)
Ending Available Fund Balance		\$ 5,880,886	\$ 5,869,886	\$ 5,749,291



SEWER ENTERPRISE FUND





Sewer - Operations

Fund Summary - Fund 420

Fund Description / Budget Highlights

This fund accounts for wastewater treatment to the cities of Hercules and Pinole and for the maintenance of the City's sewer lines and related facilities. It is a self-supporting activity which provides services on a user charge basis to residences and businesses.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Projection	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 10,771,772	\$ 10,019,842
Revenues				
Charges for Services	\$ 5,922,758	\$ 5,891,836	6,053,000	6,235,000
Interest Income	375,085	577,482	238,000	270,000
Rate Stabilization Fund	-	340,039	619,657	695,934
Miscellaneous Revenues	-	-	-	-
	6,297,843	6,809,357	6,910,657	7,200,934
Transfers In	-	-	-	-
	6,297,843	6,809,357	6,910,657	7,200,934
Expenditures				
Salary and Benefits	727,572	756,775	791,861	797,035
Contractual Services	74,250	1,062,574	461,267	475,100
Utilities	65,929	78,634	90,700	93,400
Maintenance & Repairs	41,507	24,489	51,600	53,200
Sewer Plant Operating Expenses	1,994,792	2,128,446	2,609,425	2,862,426
Other Expenses	5,740	11,262	6,600	6,800
Cost Allocation	258,000	271,061	420,784	433,408
Capital Outlay	5,596	-	-	-
Capital Improvement Projects (CIP)	53	-	-	-
Capital Outlay - Pinole (Hercules' Share)	79,226	79,226	65,000	2,755,799
Debt Service	2,092,199	2,063,430	2,065,350	2,066,304
	5,344,864	6,475,897	6,562,587	9,543,472
Transfer Out	13,700,000	147,173	1,100,000	536,680
	19,044,864	6,623,070	7,662,587	10,080,152
Changes in restricted reserves				(4,977,934)
Net Annual Activity	(12,747,021)	186,287	(751,930)	(7,857,152)
Ending Available Fund Balance		\$ 10,771,772	\$ 10,019,842	\$ 2,162,690
Debt Service Coverage Ratio	1.50	1.20	1.20	1.20
Operating & Maintenance Reserve (180 days)				1,180,000
Capital Reserve (Equal to annual system depreciation)				1,002,000
Debt Service Reserve (Equivalent to 1-year of debt service)				2,100,000



Sewer - Capital Projects

Fund Summary - Fund 421

Fund Description / Budget Highlights

This fund accounts for wastewater treatment to the cities of Hercules and Pinole and for the maintenance of the City's sewer lines and related facilities. It is a self-supporting activity which provides services on a user charge basis to residences and businesses.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Projection	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Charges for Services	\$ -	\$ -	-	-
Interest Income	-	-	-	-
Bond Proceeds	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	-	-	-	-
Transfers In	13,700,000	147,173	1,100,000	536,680
	13,700,000	147,173	1,100,000	536,680
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Sewer Plant Operating Expenses	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Capital Improvement Projects (CIP)	3,284,855	10,584,462	1,100,000	536,680
Debt Service	-	-	-	-
	3,284,855	10,584,462	1,100,000	536,680
Transfer Out	-	-	-	-
	3,284,855	10,584,462	1,100,000	536,680
Changes in restricted reserves				
Net Annual Activity	10,415,145	(10,437,289)	-	-
Ending Fund Balance		\$ -	\$ -	\$ -



INTERNAL SERVICE FUNDS





Vehicle Replacement

Fund Summary - Fund 450

Fund Description / Budget Highlights

To account for the financing, operations, servicing and maintenance of fleet vehicles and major equipment utilized by City departments, of which the services are rendered on a cost reimbursement basis.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 314,637	\$ 322,637
Revenues				
Charges for Services	\$ 148,300	\$ 153,000	158,000	163,000
Interest Income	6,050	8,914	-	-
Miscellaneous Revenues	-	-	-	-
	154,350	161,914	158,000	163,000
Transfers In	-	-	-	-
	154,350	161,914	158,000	163,000
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	484,713	162,900	150,000	-
Debt Service	-	-	-	-
	484,713	162,900	150,000	-
Transfer Out	-	-	-	-
	484,713	162,900	150,000	-
Changes in restricted reserves				
Net Annual Activity	\$ (330,363)	(986)	8,000	163,000
Ending Available Fund Balance		314,637	\$ 322,637	\$ 485,637



Information Technology (IT) Operations

Fund Summary - Fund 460

Fund Description / Budget Highlights

This fund accounts for Information Technology who provide a variety of technology related services for the city, including networking and infrastructure technology including servers, switching, security, cyber protection, internet connectivity, service desk, disaster recovery and other data communication technologies. Resources are from administrative charges to departments based upon their proportional share of program costs.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 584,764	\$ 634,216
Revenues				
Charges for Services	\$ 1,271,986	\$ 1,013,843	\$ 1,085,715	1,102,852
Interest Income	-	-	-	-
Miscellaneous Revenues	5,376	6,065	-	-
	1,277,362	1,019,908	1,085,715	1,102,852
Transfers In	-	-	-	-
	1,277,362	1,019,908	1,085,715	1,102,852
Expenditures				
Salary and Benefits	375,984	416,762	446,034	472,499
Contractual Services	46,209	2,708	30,000	100,524
Utilities	46,521	53,678	53,200	54,800
Maintenance and Subscriptions	355,354	406,899	434,750	447,800
Other Expenses	2,865	2,650	13,611	13,946
Cost Allocation	89,000	98,189	58,668	60,428
Capital Outlay	149,021	56,002	-	-
	1,064,954	1,036,888	1,036,263	1,149,997
Transfer Out	-	365,516	-	292,000
	1,064,954	1,402,404	1,036,263	1,441,997
Changes in restricted reserves				
Net Annual Activity	\$ 212,408	(382,496)	49,452	(339,145)
Ending Available Fund Balance		\$ 584,764	\$ 634,216	\$ 295,071



Facility Maintenance

Fund Summary - Fund 470

Fund Description / Budget Highlights

This fund accounts for Facility Maintenance provides and manages maintenance and emergency structural repair services for all City facilities. The source of revenue is reimbursement from departments for the cost of providing facility maintenance services.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 267,437	\$ 176,650
Revenues				
Charges for Services	\$ 787,000	\$ 938,955	1,046,683	1,047,125
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	787,000	938,955	1,046,683	1,047,125
Transfers In	-	-	-	-
	787,000	938,955	1,046,683	1,047,125
Expenditures				
Salary and Benefits	155,241	247,854	323,801	362,965
Contractual Services	65,954	165,432	193,495	199,300
Utilities	355,016	461,122	281,300	289,700
Maintenance & Repairs	111,707	140,513	179,300	184,800
Other Expenses	22,593	25,062	28,100	29,000
Cost Allocation	72,000	144,264	131,474	135,419
	782,511	1,184,247	1,137,470	1,201,184
Transfer Out	-	261,696	-	-
	782,511	1,445,943	1,137,470	1,201,184
Changes in restricted reserves				
Net Annual Activity	\$ 4,489	(506,988)	(90,787)	(154,059)
Ending Available Fund Balance		\$ 267,437	\$ 176,650	\$ 22,591



Information Technology (IT) Equipment Replacement

Fund Summary - Fund 480

Fund Description / Budget Highlights

This fund provides for the replacement of government technology infrastructure and equipment used to support City's departmental needs (servers, switches, data security, etc.). The source of revenue is contributions from various departments for future replacement of computer and related technology equipment included in the program.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 363,172	\$ 54,172
Revenues				
Charges for Services	\$ -	\$ -	-	-
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	-	-	-	-
Transfers In	-	365,516	-	292,000
	-	365,516	-	292,000
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	309,000	-
Debt Service	-	-	-	-
	-	-	309,000	-
Transfer Out	-	-	-	-
	-	-	309,000	-
Changes in restricted reserves				
Net Annual Activity	\$ -	365,516	(309,000)	292,000
Ending Available Fund Balance		\$ 363,172	\$ 54,172	\$ 346,172



Facilities Replacement

Fund Summary - Fund 490

Fund Description / Budget Highlights

This fund will be used to cover the major replacement of City buildings and facilities. The source of revenue is an annual contribution from various departments based on the square footage occupied.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 247,669	\$ 155,415
Revenues				
Charges for Services	\$ -	\$ -	-	-
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	-	-	-	-
Transfers In	-	261,696	-	-
	-	261,696	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	-	14,027	92,254	-
Debt Service	-	-	-	-
	-	14,027	92,254	-
Transfer Out	-	-	-	-
	-	14,027	92,254	-
Changes in restricted reserves				
Net Annual Activity	\$ -	247,669	(92,254)	-
Ending Available Fund Balance		\$ 247,669	\$ 155,415	\$ 155,415



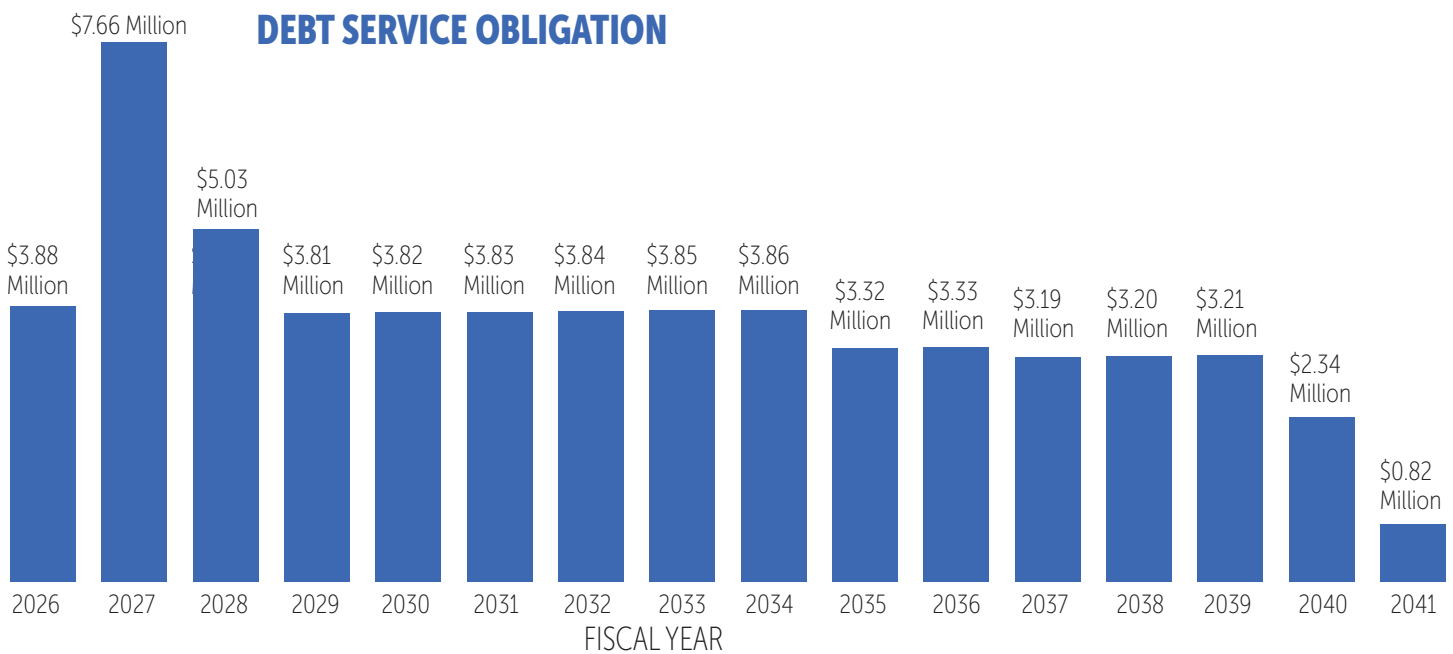
DEBT SERVICE FUNDS





FY 2025-26 DEBT DETAIL

Summary of Annual Debt Service Obligation from FY 2025-26 through Maturity



Total Outstanding Debt Obligation by Debt Category in FY 2025-26	Principal	Interest	Total
2020 Public Financing Authority (PFA) Lease Revenue Bonds	\$4,584,558	\$470,188	\$5,054,746
2009 Public Financing Authority (PFA) Taxable Lease Revenue Bonds	\$7,400,000	\$5,135,449	\$12,535,449
California Housing Finance Agency (CalHFA) HELP Loan	\$1,211,455	\$18,733	\$1,230,188
California Housing Finance Agency (CalHFA) RDLP Loan	\$3,750,000	\$213,572	\$3,963,572
Engie Construction Loan	\$3,743,099	\$930,018	\$4,673,117
2021 Public Financing Authority (PFA) Wastewater Revenue Bonds	\$7,355,000	\$1,487,917	\$8,842,917
Public Owned Treatment Works Construction Loan	\$19,856,033	\$2,806,523	\$22,662,556
Total	\$47,900,145	\$11,062,400	\$58,962,545

Note: In FY 2026-27 and FY 2027-28, the remaining balances for CalHFA loans are due in full.



CITY OF HERCULES

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

Under State law, the City may not issue debt in excess of 15% of the total assessed valuation of taxable property within its boundaries.

In accordance with California Governmental Code Section 43605, only the City's general obligation bonds are subject to that legal debt limit.

For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed Valuation	\$2,823,697,070	\$3,035,240,481	\$3,279,761,098	\$3,505,792,898	\$3,655,023,232	\$3,873,427,943	\$4,107,894,266	\$4,278,246,435	\$4,499,945,010	\$4,675,468,550
Conversion Percentage	→25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	\$705,924,268	\$758,810,120	\$819,940,275	\$876,448,225	\$913,755,808	\$968,356,986	\$1,026,973,567	\$1,069,561,609	\$1,124,986,253	\$1,168,867,138
Debt Limit Percentage	→15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Legal Debt Margin	\$105,888,640	\$113,821,518	\$122,991,041	\$131,467,234	\$137,063,371	\$145,253,548	\$154,046,035	\$160,434,241	\$168,747,938	\$175,330,071

Total debt applicable to the limit as a percentage of debt limit ¹

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

¹ Section 43605 of the California Government Code for General Obligation Bonds.



FY 2025-26 DEBT DETAIL

2009 Public Financing Authority Taxable Lease Revenue Bonds (Bio-Rad Project)

The Authority issued taxable lease revenue bonds, series 2009, dated July 29, 2009, totaling \$10,080,000. The purpose of the bonds was to finance the acquisition of certain commercial condominium properties, consisting of approximately 96,847 square feet located at 203-295 Linus Pauling Drive within the City from the City, funding a reserve fund for the Bonds and to paying the costs of issuance of the Bonds. The interest rates on the bonds range from 6.00% to 8.40%. The interest is payable semiannually on January 1 and July 1, commencing January 1, 2010. The bonds are subject to optional special mandatory redemption, and mandatory sinking account redemption provisions. The bonds are payable from and secured by revenues consisting primarily of the base rental payments of the property lease, Principal is due annually beginning on July 1, 2010, in amounts ranging from \$165,000 to \$845,000. The bonds mature on July 1, 2038.

The Bonds constitute limited obligations of the Authority payable solely from Revenues. The Authority has no taxing power. The obligation of the City to make City Advances does not constitute an obligation of the City which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

Future debt service requirements on the 2009 Public Financing Authority Taxable Lease Revenue bonds are as follows:

Year Ending June 30	Principal	Interest	Total
FY 2025-26	\$300,000	\$606,578	\$906,578
FY 2026-27	\$325,000	\$580,796	\$905,796
FY 2027-28	\$350,000	\$552,953	\$902,953
FY 2028-29	\$380,000	\$522,840	\$902,840
FY 2029 to Maturity	\$6,045,000	\$2,872,283	\$8,917,283
Total	\$7,400,000	\$5,135,449	\$12,535,449



FY 2025-26 DEBT DETAIL

2020 PFA Lease Revenue Refunding Bonds

On August 1, 2020, the Hercules Public Financing Authority refinanced the proceeds of the Lease Revenue Bonds, Series 2003B, in the aggregate principal amount of \$5,876,843. The interest rate of 2.21% with a final maturity due on December 1, 2023. The debt service payments are scheduled semi-annually at amounts that ranges from \$106,428 to \$560,249.

The City is obligated to pay only its Base Rental Payments and Additional Payments under the Lease. The obligation of the City to pay Base Rental Payments or Additional Payments does not constitute an obligation of the city for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

Future debt service requirements on the 2020 Hercules Public Financing Authority Lease Revenue Refunding Bond are as follows:

Year Ending June 30	Principal	Interest	Total
FY 2025-26	\$465,032	\$96,180	\$561,212
FY 2026-27	\$477,396	\$85,766	\$563,162
FY 2027-28	\$489,075	\$75,087	\$564,162
FY 2028-29	\$500,055	\$64,157	\$564,212
FY 2029 to Maturity	\$2,653,000	\$148,998	\$2,801,998
Total	\$4,584,558	\$470,188	\$5,054,746



FY 2025-26 DEBT DETAIL

Housing Enabled by Local Partnerships (H.E.L.P.) Loan ("H.E.L.P. Loan")

In April 2005 the City entered into an agreement with the California Housing Finance Agency (Agency), a public instrumentality and political subdivision of the state of California to develop a 50-unit multifamily rental project that is a component to a mixed-used development, also consisting of 26,825 square feet of ground-floor commercial space. The Agency has authorized the making of a loan in the amount of \$1,600,000 known as the Housing Enabled by Local Partnerships (H.E.L.P.) to the City for the purpose of assisting in operating a local housing program. Under the terms of this original agreement the City of Hercules agreed to reimburse the Agency \$1,600,000, 10 years from April 11, 2005 at a 3% simple per annum interest. Interest is to be charged only on funds disbursed. In October 2013, the City and Agency amended the agreement to extend the due date of the loan and accumulated interest until April 2027 and to reduce the interest rate to 1.5% simple interest effective October 31, 2013.

The annual debt service requirements to maturity for the H.E.L.P. Loan are as follows:

Year Ending June 30	Principal	Interest	Total
FY 2025-26	—	—	—
FY 2026-27	—	—	—
FY 2027-28	\$1,211,455	\$18,733	\$1,230,188
Total	\$1,211,455	\$18,733	\$1,230,188



FY 2025-26 DEBT DETAIL

Residential Development Loan Program Loan ("R.D.L.P Loan")

In February 2007, the City entered into a loan agreement with the California Housing Finance Agency (Agency) in the amount of \$3,750,000 (\$1,750,000 for predevelopment costs and \$2,000,000 for construction costs). The funds will be used to assist with site acquisition, predevelopment, and construction costs for 23 affordable ownership units within a 52-unit condominium project, which is a component to the Sycamore Downtown Street project, a mixed-use, mixed-income development. Under the terms of the original agreement, the City agreed to repay the Agency \$3,750,000, four years from February 2007 at 3% simple per annum interest. In October 2013, the City and Agency amended the agreement to extend the due date of the loan and accumulated interest until August 2026 and to reduce the interest rate to 1.5% simple interest effective October 31, 2013.

Future debt service requirements to maturity for the R.D.L.P. Loan are as follows:

Year Ending June 30	Principal	Interest	Total
FY 2025-26	—	\$100,000	\$100,000
FY 2026-27	\$3,750,000	\$113,572	\$3,863,572
FY 2027-2028	—	—	—
Total	\$3,750,000	\$213,572	\$3,963,572



FY 2025-26 DEBT DETAIL

Engie Construction Loan

On August 14, 2020, the City entered into an equipment lease purchase agreement for the implementation of the “Option A” Energy Services Contract. Interest rate is 2.71%, 30/360 basis, and payment commencing August 14, 2020, and ending on September 14, 2040.

Future annual debt service requirements to maturity for the rental payment are as follows:

Year Ending June 30	Principal	Interest	Total
FY 2025-26	\$143,641	\$101,438	\$245,079
FY 2026-27	\$158,064	\$97,545	\$255,609
FY 2027-28	\$173,379	\$93,262	\$266,641
FY 2028-29	\$189,633	\$88,563	\$278,196
FY 2029 to Maturity	\$3,078,382	\$549,210	\$3,627,592
Total	\$3,743,099	\$930,018	\$4,673,117

Note: PG&E savings are re-directed to offset the loan payments. The Base Option would result in a net annual projected savings of approximately \$28,000 per year for the first 20 years and a total projected savings of \$2 million over the 25-year life of the project.



FY 2025-26 DEBT DETAIL

Wastewater Revenue Bonds, Series

In July, 2021, the City issued the Direct Purchase Lease in the amount of \$8,450,000 and the proceeds were used to early pay off the 2010 PFA Wastewater Revenue Bonds. The bonds bear interest at 2.38%. Interest on the bonds is payable semi-annually on February 1 and August 1 in each year, commencing February 1, 2022. Principal payments are due in annual installments ranging from \$355,000 to \$545,000, commencing August 1, 2022, through August 1, 2040.

In the event of default, the City shall declare the entire principal amount of the unpaid series 2021 installment payments and accrued interest thereon to be due and payable immediately in writing.

Future debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest	Total
FY 2025-26	\$385,000	\$170,468	\$555,468
FY 2026-27	\$395,000	\$161,186	\$556,186
FY 2027-28	\$400,000	\$151,725	\$551,725
FY 2028-29	\$410,000	\$142,086	\$552,086
FY 2029 to Maturity	\$5,765,000	\$862,453	\$6,627,453
Total	\$7,355,000	\$1,487,917	\$8,842,917



FY 2025-26 DEBT DETAIL

State Water Resources Construction Loan

In June 2016, the City entered into an installment sale agreement with the California State Water Resources Control Board in the amount of \$26,500,000. The funds are for construction costs for the Pinole-Hercules Wastewater Pollution Control Plant Improvement Project. The interest rate on the loan is 1.7%. The first principal and interest payment are due August 31, 2019, and is contingent on the total drawdowns at project completion. The loan matures on August 31, 2038.

Future debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest	Total
FY 2025-26	\$1,173,285	\$337,553	\$1,510,837
FY 2026-27	\$1,193,230	\$317,607	\$1,510,837
FY 2027-28	\$1,213,515	\$297,322	\$1,510,837
FY 2028-29	\$1,234,145	\$276,692	\$1,510,837
FY 2029 to Maturity	\$15,041,858	\$1,577,350	\$16,619,208
Total	\$19,856,033	\$2,806,523	\$22,662,556

**2020 DEBT SERVICE PFA****Fund Summary - Fund 672****Fund Description / Budget Highlights**

This fund accounts for the 2020 Public Financing Authority (PFA) Lease Revenue Refunding Bond. The City and the Authority refinance a portion of the costs of the acquisition, construction and installation of various public improvements of the City, including the City Library, that were originally financed and refinanced from the proceeds of the Lease Revenue Bonds, Series 2003B.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Property Lease Revenue	-	-	-	-
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	-	-	-	-
Transfers In/General Fund	360,649	563,316	563,430	561,212
	<u>360,649</u>	<u>563,316</u>	<u>563,430</u>	<u>561,212</u>
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	2,500	1,600	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	512,269	564,937	563,430	561,212
	<u>514,769</u>	<u>566,537</u>	<u>563,430</u>	<u>561,212</u>
Transfer Out	-	-	-	-
	<u>514,769</u>	<u>566,537</u>	<u>563,430</u>	<u>561,212</u>
Changes in restricted reserves				
Net Annual Activity	<u>\$ (154,120)</u>	(3,221)	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -
(Restricted for Debt Service)				

**2009 DEBT SERVICE PFA****Fund Summary - Fund 673****Fund Description / Budget Highlights**

This fund accounts for the 2009 Public Financing Authority (PFA) Taxable Lease Revenue Bonds (Bio-Rad Project). The purpose of the bonds was to finance the acquisition of certain commercial condominium properties, consisting of approximately 96,847 square feet located at 203-295 Linus Pauling Drive. The bonds is secured by revenues consisting primarily of the base rental payments of the property lease, Principal is due annually and will mature on July 1, 2038.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Property Lease Revenue	915,949	921,499	905,296	906,578
Interest Income	57,470	93,460	-	-
	973,419	1,014,959	905,296	906,578
Transfers In	5,300	-	-	-
	978,719	1,014,959	905,296	906,578
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	908,671	908,409	905,296	906,578
	908,671	908,409	905,296	906,578
Transfer Out	-	-	-	-
	908,671	908,409	905,296	906,578
Changes in restricted reserves				
Net Annual Activity	\$ 70,048	106,550	-	-
Ending Available Fund Balance		-	\$ -	\$ -
(Restricted for Debt Service)				



SunTrust Lease

Fund Summary - Fund 383

Fund Description / Budget Highlights

This fund accounts for SunTrust Lease. On September 27, 2007, the City entered into master lease agreements with Sun Trust Leasing Corporation in order to provide funds for the financing of the EMS Project performed by Siemens Building Technologies. Payments are due semiannually. The Master Lease Agreement matures on September 27, 2022.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Charges for Services	\$ -	\$ -	-	-
Interest Income	-	-	-	-
Property Lease Revenue	-	-	-	-
	-	-	-	-
Transfers In	102,549	-	-	-
	102,549	-	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	102,549	-	-	-
	102,549	-	-	-
Transfer Out	-	-	-	-
	102,549	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ -	-	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



Equipment Lease

Fund Summary - Fund 388

Fund Description / Budget Highlights

This fund accounts for Engie Solar Project Lease. On August 14, 2020, the City entered into master lease agreements with Sterling National Bank in order to provide funds for the financing of the Solar Energy Project by ENGIE Services U.S. Inc. Payments are due annually and the payments are offset by the energy savings of approximately \$28,000 annually. The Master Lease Agreement matures on September 14, 2040.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Charges for Services	\$ -	\$ -	-	-
Interest Income	-	-	-	-
Property Lease Revenue	-	-	-	-
	-	-	-	-
Transfers In	226,432	235,897	235,027	245,079
	226,432	235,897	235,027	245,079
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	226,432	235,897	235,027	245,079
	226,432	235,897	235,027	245,079
Transfer Out	-	-	-	-
	226,432	235,897	235,027	245,079
Changes in restricted reserves	(1,053)			
Net Annual Activity	\$ (1,053)	-	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



CAPITAL PROJECT FUNDS





2025-26 CAPITAL PROJECTS BUDGET & TEN-YEAR CAPITAL IMPROVEMENT PLAN (CIP)

Hercules Capital Improvement Projects (CIP) is committed to preserving and enhancing the city’s aging public infrastructure within the constraints of available resources. The maintenance of existing infrastructure is essential for fostering a resilient community. This plan emphasizes a balanced approach to capital improvements, focusing on the rehabilitation of outdated infrastructure while also pursuing critical enhancement projects that address vital priorities, including street safety and sustainability.

This Capital Improvement project emphasizes:

- Substantial capital work has been completed and proposed in light of grant-funded (and locally matched) transportation projects.
- A “fix it first” approach where proper maintenance of Hercules existing infrastructure is prioritized above requests for “new” infrastructure.
- Additional revenue or funding is needed to maintain our existing infrastructure adequately.

City Council Strategic Goals, specific to CIP:

GOAL #1: ADVANCE PROGRESS OF THE HERCULES HUB

Objective	Tactical Steps	Timeline
Develop regional partnerships	Participate and collaborate with other agencies, their boards and commissions, and other stakeholder groups to raise awareness of the Hercules Hub and regional transit-related issues, surface opportunities for partnership, and support appropriate transportation revenue generating measures.	Ongoing
Enhance lobbying efforts/ contracts	Secure the services of a federal lobbyist as an advocate on behalf of the Hercules Hub.	Winter 2024
Continue to keep the community informed	Utilize social media and other informational platforms to disseminate information regularly and when new developments occur.	Ongoing
Initiate the Train Station design	Secure sufficient grant funding to begin the station design.	Summer



GOAL #5: PLAN AND FUND MAJOR INFRASTRUCTURE

Objective	Tactical Steps	Timeline
Identify and set priorities related to major infrastructure	Review and refine policy for prioritizing capital projects as part of the budgeting process.	Spring 2025
Continue progress on the Capital Improvement Plan	Continue to update the City Council on progress during the mid-year CIP progress report process.	Spring 2025
Devise a plan for funding the Parks and Recreation Facilities Master Plan	Identify grant opportunities, sponsorships, partnerships, and available Capital Improvement funds for projects called out in the 5-year Park Master Plan Action Plan.	Ongoing
Devise a plan for funding facilities assessment and maintenance	Maintain and refine the recently established Facility Replacement Fund to address the backlog of large unfunded maintenance and infrastructure projects.	Spring 2025

Public infrastructure includes essential elements such as the City's streets, sewers, storm drains, transportation systems, facilities, and parks. The Capital Improvement Program (CIP) is structured for a ten-year horizon; however, the City Council will allocate funds specifically for the fiscal year 2025-26. This CIP and the associated budget will be presented for approval by the City Council during the annual budget adoption process.

The CIP articulates a comprehensive vision for short-term and long-term project delivery and funding. Its primary focus is on maintaining, improving, and developing new and existing infrastructure assets to serve the needs of residents, businesses, property owners, and visitors. The program is designed to align with the General Plan, the Parks Master Plan, and other relevant master planning documents while maximizing available resources. This alignment ensures a structured approach to the planning, scheduling, and implementing of capital projects over the next decade.

Furthermore, the CIP integrates the City's infrastructure development and maintenance investments, which are classified as capital

improvements, with other significant capital expenditures that enhance the City's asset inventory. Projects included in the CIP are characterized as long-term investments that involve the construction, replacement, or enhancement of assets (such as facilities, roadways, parks, sewer systems, and drainage lines), possess a valuable life of at least five years, and entail a minimum cost of \$50,000.

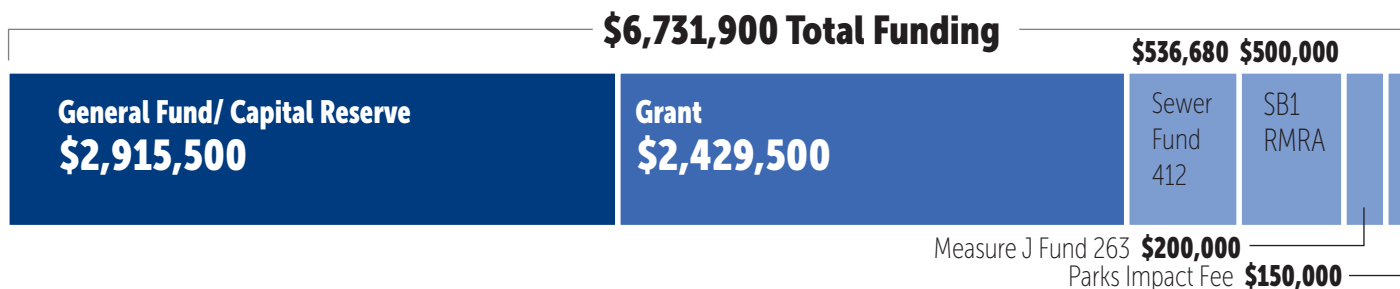
It is essential to note the distinction between capital and operating budgets. Capital projects are approved for funding in one fiscal year, but their completion may extend over several years. Conversely, operating budgets are typically focused on continuous maintenance and utilize a "use-it-or-lose-it" principle at the end of the fiscal year, resulting in any unspent funds being returned to the funds.

The projects included in the Ten-Year Capital Improvement Plan (CIP) have been prioritized in alignment with the Ten-Year Action Plan derived from the recently completed Parks Master Plan, the Sanitary Sewer Master Plan, the City's Pavement Management Program, and the Building Facilities Assessment.



The FY 2025-26 Proposed CIP are fully funded by various funding sources as specified below:

FY 2025-26 Proposed CIP Funding Sources



Capital Improvement Projects are primarily funded through revenues from restricted funds.

- **The Sewer Fund** is specifically designated for maintaining and replacing the City’s sewer systems, and a significant portion of the capital budget is allocated to this fund.
- **The Transportation Fund** includes revenue sources such as the Gas Tax, Measure J, and the SB1 Road Maintenance and Repair Account, resulting from voter-approved increases to enhance transportation infrastructure. Furthermore, transportation projects benefit from Development Impact Fees (DIF), which are imposed on new residential and commercial developments. Nonetheless, these fees can vary considerably and are subject to specific restrictions.
- **The General Fund** is the only non-restricted funding source that can be utilized for public infrastructure expenses. Due to the limitations imposed by restricted funds this fiscal year, staff propose that 43% of the Fiscal Year 2025-26 Capital Improvement Program (CIP) be funded from this source.

The Ten-Year Capital Improvement Plan (CIP) has revealed many unfunded projects. Approximately \$112 million, representing 83% of the total Ten-Year CIP, remains without funding. This amount comprises \$101 million for the Hercules HUB, \$3.2 million allocated for streets, \$3.9 million for parks, and \$3.5 million designated for facilities, as detailed in the CIP documents. Below is a range of financing options for the City Council to consider regarding funding for the future CIP.





Capital Grants

The City has retained the services of California Consulting, a grant-writing consultancy, to assist in identifying and applying for relevant grants for approved Capital Improvement Projects.

Bond Financing

1. General Obligation Bonds (GOs): These municipal bonds enable state and local governments to raise funds for projects that do not necessarily generate direct revenue. They are called “general obligation” bonds because a specific revenue-generating asset does not underpin them. Instead, their repayment relies on the issuer’s “full faith and credit,” which illustrates the government’s ability to impose taxes and generate revenue to meet its obligations to bondholders, typically through property taxes.

2. Lease Revenue Bonds: This financing method is effective and increasingly favored by state and local governments for acquiring equipment, constructing public facilities, and expanding or rehabilitating existing infrastructures. Lease financing allows cities to undertake various governmental projects without incurring traditional debt that would necessitate voter approval.

Projects previously appropriated by the City Council that have not been fully expended carry remaining appropriations known as carryover amounts. These figures are estimates that will be reconciled at the close of the fiscal year. It is essential to clarify that the amounts listed in the projected carryover column should not be interpreted as funds available for commitment, as this estimate may encompass funds already encumbered due to executed contracts for services or goods.

The ten-year CIP correlates physical improvements with financial planning, optimizing the advantages of available funding sources. The funding primarily originates from capital and special revenue funds, with allocations usually restricted to specified purposes. Further descriptions of these funding sources can be found in the City’s adopted budget. Additionally, the City has implemented a policy to allocate resources for a capital reserve to address future capital needs.

Given the identification of numerous unfunded projects in the upcoming decade, staff recommends that the City Council explore the possibility of financing these projects through the issuance of bonds. By embarking on long-term debt to support significant infrastructure initiatives with extended service lives, the City can promote equity among generations while maintaining the integrity of the operating budget.





CITY OF HERCULES

TEN-YEAR CAPITAL IMPROVEMENT PROJECT PROGRAM SPENDING PLAN FY 2025-2035

Project Name	Funding Sources	Prior Year Balance	FY 2025-26 Projection	FY 2026-27 Projection	FY 2027-28 Projection	FY 2028-29 Projection	FY 2029-30 Projection	FY 2030-31 Projection	FY 2031-32 Projection	FY 2032-33 Projection	FY 2033-34 Projection	FY 2034-35 Projection	Total Projection
City Hall	General Fund/Capital Reserves	126,270	337,700	-	-	-	-	-	-	-	-	-	463,970
Senior Center	General Fund/Capital Reserves	22,715	19,250	-	-	-	-	-	-	-	-	-	41,965
Library	General Fund/Capital Reserves	107,254	-	-	-	-	-	-	-	-	-	-	107,254
Community Swim Center	General Fund/Capital Reserves	132,638	100,000	-	-	-	-	-	-	-	-	-	232,638
Teen Center	General Fund/Capital Reserves	20,460	11,000	-	-	-	-	-	-	-	-	-	31,460
Hanna Ranch Childcare Center	General Fund/Capital Reserves	6,820	34,650	-	-	-	-	-	-	-	-	-	41,470
Lupine Kidz Center	General Fund/Capital Reserves	17,380	-	17,160	-	-	-	-	-	-	-	-	34,540
Public Works Maintenance Yard	General Fund/Capital Reserves	8,650	-	-	-	-	-	-	-	-	-	-	8,650
Ohlone Community Center	General Fund/Capital Reserves	113,905	37,620	-	-	-	-	-	-	-	-	-	151,525
Foxboro Community Center	General Fund/Capital Reserves	9,735	-	-	-	-	-	-	-	-	-	-	9,735
Police Department Lobbies	Police Impact Fee	200,000	-	-	-	-	-	-	-	-	-	-	200,000
	Asset Seizure Fund	112,722	-	-	-	-	-	-	-	-	-	-	112,722
Leila's By The Bay Roof	General Fund/Capital Reserves	-	30,000	-	-	-	-	-	-	-	-	-	30,000
Main & Play Pool Maintenance & Repairs	Unfunded	-	-	100,000	-	-	-	-	-	-	-	-	100,000
Pool Pump Room	Unfunded	-	-	75,000	-	-	-	-	-	-	-	-	75,000
Future Facility Capital Improvement Project	Unfunded	-	-	415,000	415,000	415,000	415,000	415,000	415,000	415,000	415,000	-	3,320,000
Total, Facilities		878,549	570,220	607,160	415,000	415,000	415,000	415,000	415,000	415,000	415,000	-	4,960,929
Falcon Way	General Fund/Capital Reserves	920,505	-	-	-	-	-	-	-	-	-	-	920,505
	SBI RMRA	400,000	-	-	-	-	-	-	-	-	-	-	400,000
	Solid Waste Fund	250,000	-	-	-	-	-	-	-	-	-	-	250,000
	General Fund/Capital Reserves	-	750,000	-	-	-	-	-	-	-	-	-	750,000
Foxboro	SBI RMRA	150,000	250,000	-	-	-	-	-	-	-	-	-	400,000
	Measure J Fund - 263	-	100,000	-	-	-	-	-	-	-	-	-	100,000
	SBI RMRA	-	-	250,000	-	-	-	-	-	-	-	-	250,000
	Measure J Fund - 263	-	-	100,000	-	-	-	-	-	-	-	-	100,000
Hercules By The Bay	General Fund/Capital Reserves	-	150,000	-	-	-	-	-	-	-	-	-	150,000
	Unfunded	-	-	1,150,000	-	-	-	-	-	-	-	-	1,150,000
Green Infrastructure Project	General Fund/Capital Reserves	-	150,000	-	-	-	-	-	-	-	-	-	150,000
	SBI RMRA	-	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	2,250,000
	Measure J Fund - 263	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	-	900,000
Annual Street Repair Project	General Fund/Capital Reserves	-	150,000	-	-	-	-	-	-	-	-	-	150,000
	Unfunded	-	-	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	2,000,000
John Muir Parkway Traffic Calming Imp	General Fund/Capital Reserves	-	258,000	-	-	-	-	-	-	-	-	-	258,000
Total, Streets		1,720,505	2,158,000	2,100,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	-	10,178,505
Sycamore Ave (Upper Trunk Main)	Sewer Fund - 421	-	-	-	-	-	-	-	-	-	-	-	-
Sycamore Ave (Lower Trunk Main)	Sewer Fund - 421	-	-	-	-	-	-	-	-	-	-	-	-
Promenade Lift Station	Sewer Fund - 421	-	185,000	1,170,450	-	-	-	-	-	-	-	-	1,355,450
Repair/Replace Sewer Lines under SR-4 & Along Willow Avenue	Sewer Fund - 421	-	200,000	100,000	1,080,000	-	-	-	-	-	-	-	1,380,000
Lower Sycamore Ave SS Overflow Pipeline	Sewer Fund - 421	-	151,680	1,648,320	-	-	-	-	-	-	-	-	1,800,000
Total, Sewer		-	536,680	2,918,770	1,080,000	-	-	-	-	-	-	-	4,535,450
Beechnut Park	Eastbay Regional Park District WW Grant Fund	39,494	-	-	-	-	-	-	-	-	-	-	39,494
	Prop 64 Grant Funds	151,097	190,500	-	-	-	-	-	-	-	-	-	341,597
	Parks Impact Fee	-	150,000	-	-	-	-	-	-	-	-	-	150,000
Foxboro Playground	General Fund/Capital Reserves	-	50,000	-	-	-	-	-	-	-	-	-	50,000
	Unfunded	-	-	550,000	-	-	-	-	-	-	-	-	550,000
Foxboro Basketball Court	General Fund/Capital Reserves	118,241	-	-	-	-	-	-	-	-	-	-	118,241
Refugio Picnic Area	General Fund/Capital Reserves	557,917	-	-	-	-	-	-	-	-	-	-	557,917
	Community Development Tax	170,000	-	-	-	-	-	-	-	-	-	-	170,000
Refugio Tennis Court	General Fund/Capital Reserves	-	55,000	-	-	-	-	-	-	-	-	-	55,000
	Unfunded	-	-	135,000	135,000	-	-	-	-	-	-	-	270,000
Dredge Refugio Lake	General Fund/Capital Reserves	132,101	120,000	450,000	-	-	-	-	-	-	-	-	702,101
	Unfunded	-	-	225,000	-	-	-	-	-	-	-	-	225,000
Woodfield Basketball Court	Unfunded	-	-	215,000	-	-	-	-	-	-	-	-	215,000
Woodfield Tennis Court	Unfunded	-	-	-	320,000	-	-	-	-	-	-	-	320,000
Woodfield Replace Restroom	Unfunded	-	-	-	-	-	-	465,000	-	-	-	-	465,000
Woodfield Accessibility Route	Unfunded	-	-	-	-	55,000	275,000	-	-	-	-	-	328,000
Sycamore Avenue Bicycle	Transportation Impact Fee	-	-	-	-	240,000	-	-	-	-	-	-	240,000
	Unfunded	-	-	-	-	-	1,440,000	-	-	-	-	-	1,440,000
Slurry Seal the Bay Trail	Unfunded	-	-	-	132,000	-	-	-	-	-	-	-	132,000
Bay Trail Wall Repair	SBI RMRA	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Total, Parks		1,248,850	565,500	1,575,000	587,000	295,000	1,713,000	465,000	-	-	-	-	6,449,350
Hercules - The HUB	Grant - Measure J SP	89,000	89,000	89,000	-	-	-	-	-	-	-	-	267,000
	Grant - Measure J TLC	117,972	-	-	-	-	-	-	-	-	-	-	117,972
	Grant - WCCITAC STMP	264,340	950,000	-	-	-	-	-	-	-	-	-	1,214,340
	Grant - Garamendi Earmark	822,973	-	-	-	-	-	-	-	-	-	-	822,973
	Grant - TIRCP	-	1,200,000	1,200,000	-	-	-	-	-	-	-	-	2,400,000
	General Fund/Capital Reserves	-	670,500	-	2,529,500	-	-	-	-	-	-	-	3,000,000
	Unfunded	-	-	4,250,000	29,085,319	30,162,080	30,162,080	7,540,520	-	-	-	-	101,199,999
Total, Transportation		1,294,285	2,909,500	4,250,000	31,414,819	30,162,080	30,162,080	7,540,520	-	-	-	-	109,022,284
Total, CIP		5,142,189	6,739,900	12,739,930	34,096,819	31,472,080	32,890,080	9,020,520	1,015,000	1,015,000	1,015,000	-	135,146,518



CITY OF HERCULES TEN-YEAR CAPITAL IMPROVEMENT PROJECT PROGRAM SPENDING PLAN FY 2025-2035

Project Name	Funding Sources	Prior Year Balance	FY 2025-26 Projection	FY 2026-27 Projection	FY 2027-28 Projection	FY 2028-29 Projection	FY 2029-30 Projection	FY 2030-31 Projection	FY 2031-32 Projection	FY 2032-33 Projection	FY 2033-34 Projection	FY 2034-35 Projection	Total Projection
Funding Sources:													
Fund #296	Grant Funds - State	190,591	190,500	-	-	-	-	-	-	-	-	-	381,091
Fund #354	Grant Funds - HUB	1,294,285	2,239,000	1,289,000	-	-	-	-	-	-	-	-	4,822,285
Fund #247	Parks Impact Fee	-	150,000	-	-	-	-	-	-	-	-	-	150,000
Fund #261	Transportation Impact Fee	-	-	-	-	240,000	-	-	-	-	-	-	240,000
Fund #244	Police Impact Fee	200,000	-	-	-	-	-	-	-	-	-	-	200,000
Fund #100	General Fund/Capital Reserves	2,274,591	2,923,720	467,160	2,529,500	-	-	-	-	-	-	-	7,986,971
Fund #262	State Gas Tax Fund - 262	-	250,000	-	-	-	-	-	-	-	-	-	250,000
Fund #268	SBI RMRA	650,000	500,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	3,150,000
Fund #101	Asset Seizure Fund	112,722	-	-	-	-	-	-	-	-	-	-	112,722
Fund #263	Measure J Fund - 263	-	200,000	200,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	-	1,100,000
Fund #291	Solid Waste Fund	250,000	-	-	-	-	-	-	-	-	-	-	250,000
Fund #421	Sewer Fund - 421	-	536,680	2,918,770	1,080,000	-	-	-	-	-	-	-	4,535,450
Fund #242	Community Development Tax	170,000	-	-	-	-	-	-	-	-	-	-	170,000
Fund #220	LLAD 83-2 Zone 10 - 220	-	-	-	-	-	-	-	-	-	-	-	-
Unfunded - Hercules HUB	Unfunded - Hercules HUB	-	-	4,250,000	29,085,319	30,162,080	30,162,080	7,540,520	-	-	-	-	101,199,999
Unfunded - Facilities	Unfunded - Facilities	-	-	590,000	415,000	415,000	415,000	415,000	415,000	415,000	415,000	-	3,495,000
Unfunded - Streets	Unfunded - Streets	-	-	1,400,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	3,150,000
Unfunded - Parks	Unfunded - Parks	-	-	1,125,000	587,000	55,000	1,713,000	465,000	-	-	-	-	3,945,000
Total, Funding		5,142,189	6,739,900	12,759,930	34,096,819	31,472,080	32,890,080	9,020,520	1,015,000	1,015,000	1,015,000	-	135,146,518





CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules Facilities CIP Summary

Project	Funding Source:	Prior	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
		Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
City Hall	General Fund/Capital Reserves	\$ 126,270.00	\$ 337,700.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 463,970
Senior Center	General Fund/Capital Reserves	\$ 22,715.00	\$ 19,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,965
Library	General Fund/Capital Reserves	\$ 107,254.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,254
Community Swim Center	General Fund/Capital Reserves	\$ 132,638.00	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,638
Main & Play Pool Maintenance	Unfunded	\$ -	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Pool Pump Room	Unfunded	\$ -	\$ -	\$ 75,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Teen Center	General Fund/Capital Reserves	\$ 20,460.00	\$ 11,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,460
Hanna Ranch Childcare Center	General Fund/Capital Reserves	\$ 6,820.00	\$ 34,650.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,470
Lupine Kidz Center	General Fund/Capital Reserves	\$ 17,380.00	\$ -	\$ 17,160.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,540
Public Works Maintenance Yard	General Fund/Capital Reserves	\$ 8,650.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,650
Ohlone Community Center	General Fund/Capital Reserves	\$ 113,905.00	\$ 37,620.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 151,525
Foxboro Community Center	General Fund/Capital Reserves	\$ 9,735.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,735
Police Department Lobbies	Police Development Impact Fee	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
	Asset Seizure Fund	\$ 112,722.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,722
Leila's By The Bay Roof	General Fund/Capital Reserves	\$ -	\$ 30,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Future Facility Capital Improvement Project	Unfunded	\$ -	\$ -	\$ 415,000.00	\$ 415,000.00	\$ 415,000.00	\$ 415,000.00	\$ 415,000.00	\$ 415,000.00	\$ 415,000.00	\$ 415,000.00	\$ -	\$ 3,320,000
	Total	\$ 878,549	\$ 570,220	\$ 607,160	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ -	\$ 4,960,929

Funding Source:

	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Fund/Capital Reserves	\$ 565,827	\$ 570,220	\$ 17,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,153,207
Police Development Impact Fee	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Facility Maintenance Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asset Seizure Fund	\$ 112,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,722
Unfunded	\$ -	\$ -	\$ 590,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ -	\$ 3,495,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 878,549	\$ 570,220	\$ 607,160	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ -	\$ 4,960,929



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63065
Project Name: City Hall

Description:

FY 24-25
ADA Transition Plan \$25,000
Carpet/Paint \$75,000
Rebuild Entrance Garden / Fountain / Lighting \$20,000
Exit Lights \$4,200

FY 25-26
Exterior Paint \$50,000
ADA Transition \$25,000
Carpet/Paint \$75,000
Repave Parking Lot \$150,000

Justification:

Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 126,270	\$ 337,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 463,970
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 126,270	\$ 337,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 463,970



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63066
Project Name: Senior Center

Description:

FY 24-25
Fence around inground transformer Transformer \$3,000
ADA Steps , Ramps and walkways at Senior Center \$15,000
Inspect and update Exit Lights as needed \$2,100

FY 25-26
Repair / Replace roof gutters \$2,000
Repaint Outside Senior Center \$8,000
Repaint inside Senior Center \$5,000
Carpet \$2,500

Justification:

Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 22,715	\$ 19,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,965
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 22,715	\$ 19,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,965



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: PW0004
Project Name: Library

Description:

Seal the Starry Cone with elastomeric paint.

FY 24-25

Seal Starry Cone \$15,000

Justification:

Elastomeric paint could prevent leaking from re-occurring for 2-3 Years.



Projected Timing:

Estimated Start Date:

Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 107,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,254
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 107,254	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,254



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63067
Project Name: Community Swim Center

Description:

FY 24-25	
Pool Deck slot drain Repair \$25,000	Replace electrical Panel Cover \$1,200
HVAC Repair/Replacement \$79,080	AC compressor Electrical Disconnects \$3,500
Filter Flow Meters \$3,600	
Inspect and update Exit Lights as needed \$2,100	
FY 25-26	
Ada Steps , Ramps and walkways at Senior Center \$25,000	Flow Meters \$5,400
ADA Striping \$3,000	Pool Deck Lighting \$18,000
Shower Benches \$12,000	UPS To Phone System \$1,200
Replace Diving Stands 15k?	Pool Filter Media \$3,600

Justification: Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 132,638	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,638
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 132,638	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,638



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: **Main & Play Pool Maintenance & Repairs**

Description:

Replace or repair concrete bib around the main pool.
The bib is approximately 500 feet x 18" wide.
Concrete around pool deck chipping, fragmenting, showing rebar, or has chunks missing.
Bib with starting blocks anchors failing need replacing

Justification:

Recommend partner with swim teams to replace starting blocks at same time
Replace 1" tiles around both pools, and coping tiles on main pool.
Replace directional marker tiles or bead blasted (to be seen clearly).
Replace Sikaflex (caulk) & backer rod (foam) around deck between tiles and overflow drain gutters.
Repair coping around play pool. Coping blocks are approximately 18" x 24". Need to be reattached and level.



Projected Timing:

Estimated Start Date:

Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
Unfunded	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: **Pool Pump Room**

Description:

Surge pit needs to be re-plastered (approx. 10' diameter x 10' deep), (\$20,000)
Move Chlorine tank(s) above ground. The city currently has (1) 1,000 gallon in-ground tank in a vault. County Health would like the tank to be above ground. The city has been grandfathered, but get asked annually what our plans are to remove the in-ground tank. Best option for Hercules...

Justification:

Old snack shack (adjacent to vault) could accommodate (2) 500 gallon Cl2 tanks & a chemical shower
Shack would need demo inside.
Shack has plumbed water line, that could be used for the chemical shower/eye wash station.
Surrounding deck of shack is failing, consider removing or repairing existing deck

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
Unfunded	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63068
Project Name: Teen Center

Description: FY 24-25
ADA Steps , Ramps and walkways at Teen Center \$15,000
Bathroom Exhaust Fans \$3,600

FY 25-26
Kitchen Range Hood \$2,000
Exterior Paint \$8,000

Justification: Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:
Estimated Start Date:
Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 20,460	\$ 11,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,460
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 20,460	\$ 11,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,460



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63069
Project Name: Hanna Ranch Childcare Center

Description: FY 24-25
Kitchen Range Hood \$2,000
Inspect and update Exit Lights as needed \$4,200

FY 25-26
VCT Flooring in Classrooms \$25,000
Interior Cabinet Repair and Refresh \$6,500

Justification: Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 6,820	\$ 34,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,470
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 6,820	\$ 34,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,470



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63070
Project Name: Lupine Kidz Center

Description:

FY 24-25
Restroom Exhaust Fans \$5,400
Kitchen Range Hood \$2,000
Inspect and update Exit Lights as needed \$8,4000

FY 25-26
Slurry Seal Parking Lot \$3,500
Restripe Parking Lot \$2,500
Inspect and update Fire Alarm as needed \$9,600

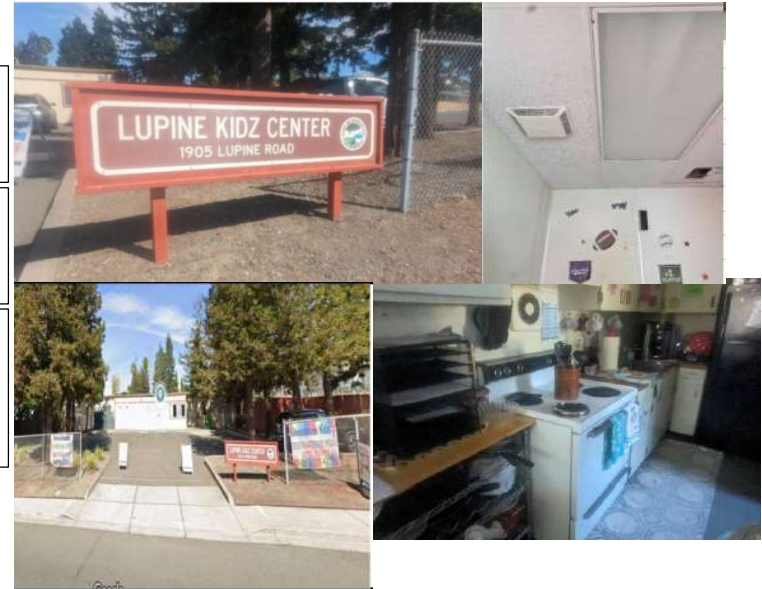
Justification:

Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 17,380	\$ -	\$ 17,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,540
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 17,380	\$ -	\$ 17,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,540



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63071
Project Name: Public Works Maintenance Yard

Description: FY 24-25
Replace or Repair Trailer \$30,000

Justification: Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community. The Roof and siding needs to be repaired.

Projected Timing:
Estimated Start Date:
Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 8,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,650
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 8,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,650



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63072
Project Name: Ohlone Community Center

Description:

FY 24-25	
Redesign and Renovate Bathrooms \$56,000	Water Heater \$3,500
HVAC Repair and or Replacement \$22,950	Inspect and update Exit Lights as needed \$2,100
Interior Cabinet Repair and Refresh \$6,500	Install Parking lot Lights \$10,500

FY 25-26
Exterior Paint \$8,000
ADA Transition \$10,000
HVAC Repair and or Replacement \$16,200

Justification:

Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 113,905	\$ 37,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 151,525
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 113,905	\$ 37,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 151,525



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63073
Project Name: Foxboro Community Center

Description: FY 24-25
HVAC Needed \$6,750
Inspect and update Exit Lights as needed \$2,100

Justification: Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:
Estimated Start Date:
Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ 9,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,735
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 9,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,735



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number: 63054
Project Name: Police Department Lobbies

Description: This project will remove the decrepit, abandoned modular building in front of City Hall and replace it with police lockers, including private restrooms and showers, and a workout/training area. The project is on hold until sufficient developer impact fees have been deposited into the fund, which would occur for example when the Bayfront developer pulls permits for The Mint private residential development project.

Justification: The Locker room and restrooms used by Police Staff are too small and are in greatly deteriorated condition as they are utilized 24 hours a day/seven days a week. In addition, as our Police staffing has become more diverse with more female officers, space needs to be reallocated to accommodate this shift. A remodel and upgrade of the existing locker rooms and restrooms was evaluated but is not feasible. The new facilities will provide more space and allow for increased diversity and inclusion.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
Police Development Impact Fee	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Asset Seizure Fund	\$ 112,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,722
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 312,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 312,722



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:

Project Name: Leila's By The Bay Roof

Description:

Replace the asphalt shingle roof.

Justification:

The shingles are worn and the roof is due for replacement.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: Future Facility Capital Improvement Project

Description:

Future facility capital improvement projects to be determined.

FY 26-27 through FY 33-34
Per Draft Building Assessment

Justification:

Identified in the Draft Building Assessment 10-Year CIP for health, safety, building longevity, and service to the community.

Projected Timing:

Estimated Start Date:

Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
Unfunded	\$ -	\$ -	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ -	\$ 3,320,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ 415,000	\$ -	\$ 3,320,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules Streets CIP Summary

Project Name	Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
		Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Falcon Way	General Fund/Capital Reserves	\$ 920,505.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 920,505
	SB1 RMRA	\$ 400,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
	Measure J Fund - 263	\$ 250,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Foxboro	General Fund/Capital Reserves	\$ -	\$ 750,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,000
	SB1 RMRA	\$ 150,000.00	\$ 250,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
	Measure J Fund - 263	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Hercules By The Bay	SB1 RMRA	\$ -	\$ -	\$ 250,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
	Measure J Fund - 263	\$ -	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
	General Fund/Capital Reserves	\$ -	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Green Infrastructure Project	Unfunded	\$ -	\$ -	\$ 1,150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,150,000
	General Fund/Capital Reserves	\$ -	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
	SB1 RMRA	\$ -	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -	\$ 2,250,000
Annual Street Repair Project	Measure J Fund - 263	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	\$ 900,000
	General Fund/Capital Reserves	\$ -	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
	Unfunded	\$ -	\$ -	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -	\$ 2,000,000
John Muir Parkway Traffic Calming Improvements	General Fund/Capital Reserves	\$ -	\$ 258,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,000
Total		\$ 1,720,505	\$ 2,158,000	\$ 2,100,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ 10,178,505

Funding Sources:

General Fund/Capital Reserves	\$ 920,505	\$ 1,458,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,378,505
SB1 RMRA	\$ 550,000	\$ 500,000	\$ 500,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ 3,300,000
Measure J Fund - 263	\$ 250,000	\$ 200,000	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	\$ 1,350,000
Solid Waste Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unfunded	\$ -	\$ -	\$ 1,400,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ 3,150,000
Total	\$ 1,720,505	\$ 2,158,000	\$ 2,100,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ 10,178,505



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63074
Project Name: Falcon Way

Description: Repair and resurface Falcon Way from Wren Court to Refugio Valley Road

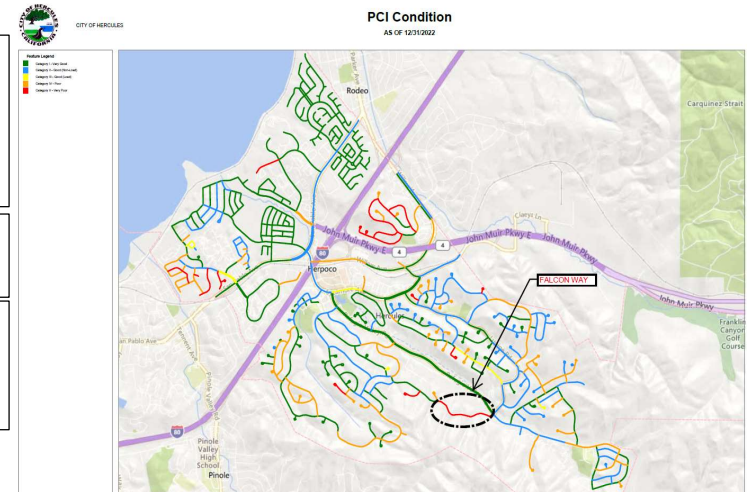
Justification: This section of Falcon Way which serves as a collector for the Birds neighborhood is in extremely poor condition and on a steep downgrade with curves.

Design = \$100,000
Construction = \$1,500,000
Contract Project Management Cost = \$50,000
Design and construct FY24-25

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
General Fund/Capital Reserves	\$ 920,505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 920,505
SB1 RMRA	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Measure J Fund - 263	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Solid Waste Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,570,505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,570,505



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63075
Project Name: Foxboro

Description: Repair and Resurface residential streets in Foxboro as funding allows.

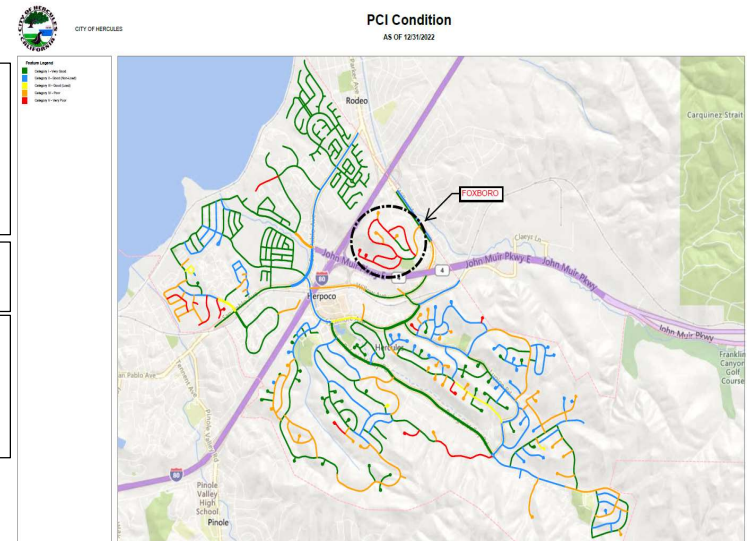
Justification: The Foxboro neighborhood, as a whole, has the most degraded streets in Hercules.

Design = \$100,000
Construction = \$1,100,000
Contract Project Management Cost = \$50,000
Design FY24-25
construct FY25-26

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
General Fund/Capital Reserves	\$ -	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,000
SB1 RMRA	\$ 150,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Measure J Fund - 263	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 150,000	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,250,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules Capital Improvement Plan Fiscal Years 2025-26 through 2034-35

Project Number:

Project Name: Hercules By The Bay

Description:

Repair and Resurface residential streets in Hercules By The Bay as funding allows.

Justification:

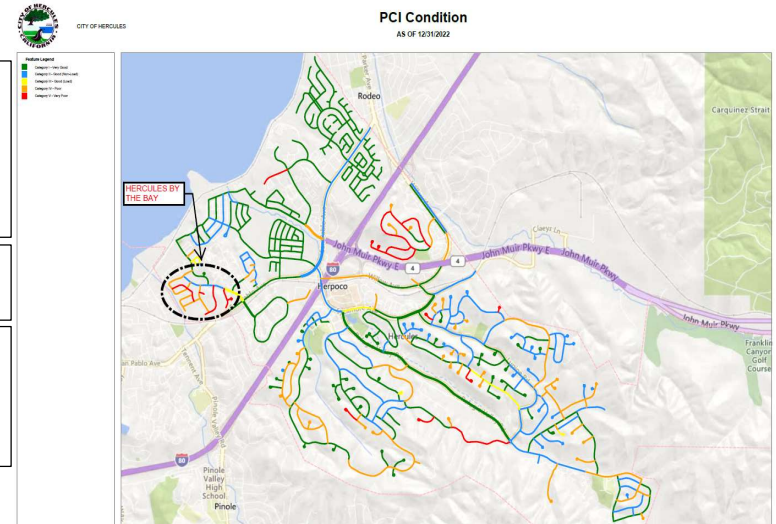
Hercules By The Bay, as a whole, has the most degraded streets in Hercules excepting the Foxboro neighborhood

Design = \$100,000
Construction = \$1,500,000
Contract Project Management Cost = \$50,000
Design FY25-26
construct FY26-27

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
SB1 RMRA	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Measure J Fund - 263	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
General Fund/Capital Reserves	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Unfunded	\$ -	\$ -	\$ 1,150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,150,000
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 150,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,650,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: Green Infrastructure Project

Description:

Green Infrastructure (GI) refers to the construction and retrofit of storm drainage to reduce runoff volumes, disperse runoff to vegetated areas, harvest and use runoff where feasible, promote infiltration and evapotranspiration, and use bioretention and other natural systems to detain and treat runoff before it reaches our creeks and Bay. Green infrastructure facilities include, but are not limited to, pervious pavement, infiltration basins, and bioretention facilities or "raingardens".

Justification:

Provision C.3.j.i of the Municipal Regional Stormwater Permit (MRP) requires the City to treat 1.58 acres through Green Infrastructure by June 30, 2027.

FY25/26
\$250k



Projected Timing:

Estimated Start Date:

Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
General Fund/Capital Reserves	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:

Project Name: Annual Street Repair Project

Description:

Repair and Resurface City streets at miscellaneous locations.

Justification:

v

Projected Timing:

Estimated Start Date:

Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
SB1 RMRA	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ 2,250,000
Measure J Fund - 263	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	\$ 900,000
General Fund/Capital												
Reserves	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Unfunded	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ 2,000,000
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 500,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ 5,300,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: John Muir Parkway Traffic Calming Improvements

Description:

Design and install Recommended and Approved Traffic Calming on John Muir from Alfred Noble to Transit loop

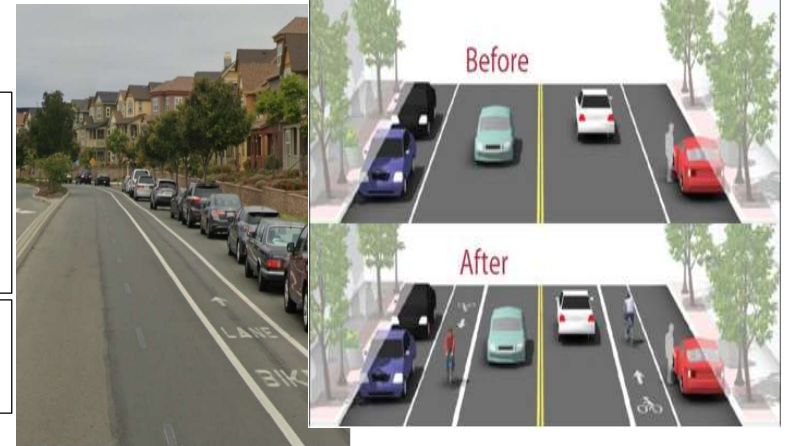
Justification:

John Muir Pkwy was design to meet the needs of planned commercial use of adjacent parcel. With the change of use it necessitates the modifying of John Muir Pkwy to better fulfill neighborhood needs.

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
General Fund/Capital Reserves	\$ -	\$ 258,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 258,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules Sewer CIP Summary

Project Name	Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
		Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Promenade Lift Station	Sewer Fund - 421	\$ -	\$ 185,000.00	\$ 1,170,450.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,355,450
Repair/ Replace Sewer Lines under SR-4 & Along Willow Ave	Sewer Fund - 421	\$ -	\$ 200,000.00	\$ 100,000.00	\$ 1,080,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,380,000
Lower Sycamore Ave. SS Overflow Pipeline	Sewer Fund - 421	\$ -	\$ 151,680.00	\$ 1,648,320.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000
Total		\$ -	\$ 536,680	\$ 2,918,770	\$ 1,080,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,535,450



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: Promenade Lift Station

Description:

As part of the Bay Front Development Project, the Promenade Lift Station will be taken off-line and bypassed using gravity piping. The Project includes decommissioning the Promenade Lift Station and installing 1,1200 feet of 12-inch diameter gravity main.

Justification:

The relocation is required by the Development Agreement.

Design = \$135,000
Construction = \$1,170,450
Contract Project Management = \$50,000

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Sewer Fund - 421	\$ -	\$ 185,000	\$ 1,170,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,355,450
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 185,000	\$ 1,170,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,355,450



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: Repair/ Replace Sewer Lines under SR-4 & Along Willow Ave.

Description:

Repair existing main under SR-4 between Willow and Foxboro and 2 sections of main along Willow near Sycamore.

FY 25-26 Replace 2 Sections of pipe

FY 26-27 Design remaining sections, including under SR-4

FY 26-27 Construction

Justification:

Prior cleaning/video inspection has determined the pipes are in poor condition and should be repaired. Additional analysis during design will determine extent of repair needed.



Projected Timing:

Estimated Start Date:

Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Sewer Fund - 421	\$ -	\$ 200,000	\$ 100,000	\$ 1,080,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,380,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 200,000	\$ 100,000	\$ 1,080,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,380,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number:

Project Name: Lower Sycamore Ave. SS Overflow Pipeline

Description:

Install the 500 foot long overflow pip in the vicinity of Main streey and Apollo court to complete project

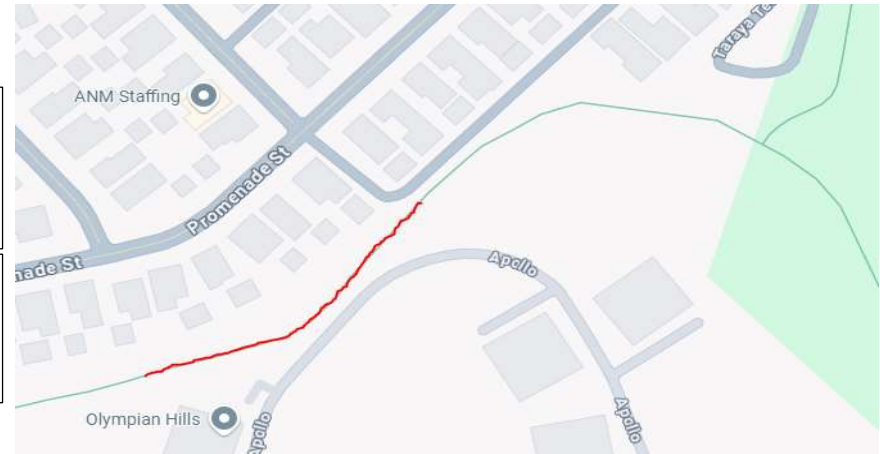
Justification:

This Section of pipe is 30 feet deep and under the effluent main and requires special design and installation

Projected Timing:

Estimated Start Date:

Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Sewer Fund - 421	\$ -	\$ 151,680	\$ 1,648,320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 151,680	\$ 1,648,320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Parks CIP Summary

Project Name	Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
		Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Beechnut Park	Eastbay Regional Park District WW Grant Funds	\$ 39,494.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,494.00
	Prop. 68 Grant Funds	\$ 151,097.00	\$ 190,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 341,597.00
	Parks Impact Fee Fund	\$ -	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000.00
Foxboro Playground	Unfunded	\$ -	\$ 50,000.00	\$ 550,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000.00
Foxboro Basketball Court	General Fund/Capital Reserves	\$ 118,241.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,241.00
Refugio Picnic Area	General Fund/Capital Reserves	\$ 537,917.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537,917.00
	Community Development Tax Fund	\$ 170,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,000.00
Refugio Tennis Courts	Unfunded	\$ -	\$ 55,000.00	\$ 135,000.00	\$ 135,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 325,000.00
Dredge Refugio Lake	General Fund/Capital Reserves	\$ 132,101.00	\$ 50,000.00	\$ 450,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 632,101.00
	Unfunded	\$ -	\$ 70,000.00	\$ 225,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295,000.00
Woodfield Basketball Court	Unfunded	\$ -	\$ -	\$ 215,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 215,000.00
Woodfield Tennis Court	Unfunded	\$ -	\$ -	\$ -	\$ 320,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320,000.00
Woodfield Replace Restroom	Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 465,000.00	\$ -	\$ -	\$ -	\$ -	\$ 465,000.00
Woodfield Accessibility Route	Unfunded	\$ -	\$ -	\$ -	\$ -	\$ 55,000.00	\$ 273,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 328,000.00
Sycamore Avenue Bicycle	Transportation Impact Fee Fund	\$ -	\$ -	\$ -	\$ -	\$ 240,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000.00
	Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,440,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,440,000.00
Slurry Seal the Bay Trail	Unfunded	\$ -	\$ -	\$ -	\$ 132,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,000.00
Bay Trail Wall Repair	State Gas Tax Fund - 262	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000.00
	Total	\$ 1,248,850	\$ 565,500	\$ 1,575,000	\$ 587,000	\$ 295,000	\$ 1,713,000	\$ 465,000	\$ -	\$ -	\$ -	\$ -	\$ 6,449,350

Funding Source:													
Transportation Impact Fee Fund	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000
Eastbay Regional Park District WW Grant Funds	\$ 39,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,494
Prop. 68 Grant Funds	\$ 151,097	\$ 190,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 341,597
General Fund/Capital Reserves	\$ 788,259	\$ 50,000	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,288,259
Parks Impact Fee Fund	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Community Development Tax Fund	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,000
State Gas Tax Fund - 262	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Unfunded	\$ -	\$ 175,000	\$ 1,125,000	\$ 587,000	\$ 55,000	\$ 1,713,000	\$ 465,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,120,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 1,248,850	\$ 565,500	\$ 1,575,000	\$ 587,000	\$ 295,000	\$ 1,713,000	\$ 465,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,449,350



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number: 63063
Project Name: Beechnut Park Improvement Project

Description: Improve Beechnut Park utilizing grant funding. Improvements are to be determined but could include a half play court with basketball hoop, play structures, picnic area, and turf play area. There is an easement for the overhead electric transmission lines which needs to be modified by PG&E and approved by the CPUC prior to improvements being constructed. This process is expected to occur over FY 24-25 along with the preliminary design, with final design and construction taking place FY 25-26.

Justification: Beechnut Park is the most in need of enhancing and has been essentially unimproved for many years. Council appropriated the grant funding for Beechnut Park in a prior year. This project is included in the 5-Year Action Plan of the Parks Master Plan.

Design = \$63,500
Construction = \$340,500
Contract Project Management = In house, no additional cost



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Eastbay Regional Park												
District WW Grant Funds	\$ 39,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,494
Prop. 68 Grant Funds	\$ 151,097	\$ 190,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 341,597
Parks Impact Fee Fund	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 190,591	\$ 340,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 531,091



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:
Project Name: Foxboro Playground Equipment and Safety Surfacing Replacement Project

Description: Playground Equipment and Safety Surfacing Replacement Project.
Replace the playground equipment and safety surfacing

Justification: Both the playground equipment and safety surfacing are in poor condition and need to be replaced.
This project is included in the 5-Year Action Plan of the Parks Master Plan.

Design = \$25,000
Construction = \$550,000
Contract Project Management =\$25,000



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Unfunded	\$ -	\$ 50,000	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 50,000	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number: PR2501
Project Name: Foxboro Basketball Court Surfacing & Relocate/Replace Hoops

Description:

Resurface the basketball court and relocate/replace the hoops.

Justification:

The surfacing is uneven in places and very rough. The hoops do not have the standard setback. This project is included in the 5-Year Action Plan of the Parks Master Plan.

Construction = \$135,000
Contract Project Management \$10,000
Timeline FY 24-25



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
General Fund/Capital Reserves	\$ 118,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,241
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 118,241	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,241



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number: 63061
Project Name: Refugio Valley Park Picnic Area & Shade Structure Improvement Project

Description:

This project will add 2 shade structures over the picnic areas to replace the shade provided by the eucalyptus trees that were removed, renovate the picnic area surfacing and furniture, and provide accessible parking stalls in the parking lot and path of travel to these facilities.

Justification:

These facilities are in need of a renovation and this project was included in the 5-Year Action Plan of the Parks Master Plan

Final Design & Construction Support = \$76,450
Construction = \$670,000
Contract Project Management = inhouse, no additional cost



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
General Fund/Capital Reserves	\$ 537,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537,917
Community Development Tax Fund	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,000
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 707,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 707,917



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

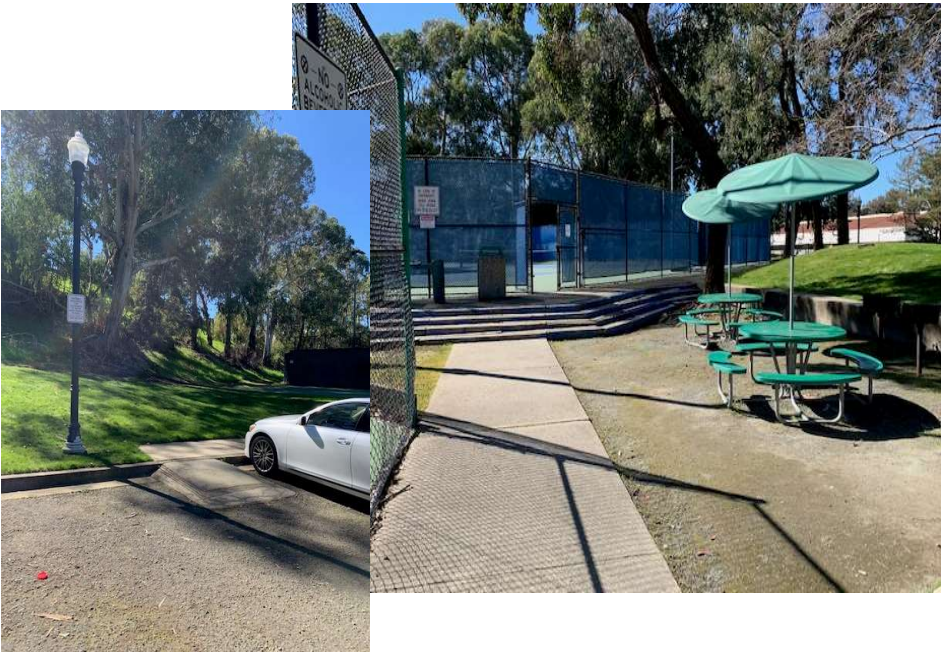
City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:
Project Name: Refugio Tennis Courts Circulation and Safety Improvement Project

Description: This project will renovated the circulation system between the parking lot, practice wall, group picnic area, tennis courts, and Turquoise Avenue including replacing the wood railroad tie stairs, steps, and other connecting features with concrete and provide a marked accessible parking spot and accessible route from the parking lot to the tennis courts and gathering areas.

Justification: The safety and accessibility enhancements are needed to fully utilize the site and these improvements were included in the 5-Year Action Plan of the Parks Master Plan.

Design = \$35,000
Construction = \$270,000
Contract Project Management = \$20,000
Funding - Unfunded
Timeline FY 26-27



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Unfunded	\$ -	\$ 55,000	\$ 135,000	\$ 135,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 325,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 55,000	\$ 135,000	\$ 135,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 325,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number: 63079
Project Name: Dredge Refugio Lake

Description:

Justification:

Dredge Refugio Lake which is filling in the lake with sediment.

If the lake is not dredged soon, it will continue to fill in. This project was listed in the 5-Year Action Plan of the Parks Master Plan.

Preliminary Design, Environmental, Permits = \$100,000
Final Design = \$50,000
Construction = \$675,000
Contract Project Management = \$70,000
Timeline Preliminary Design/Permits FY 25-26
Final Design & Construction FY 26-27



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
General Fund/Capital Reserves	\$ 132,101	\$ 50,000	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 632,101
Unfunded	\$ -	\$ 70,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 132,101	\$ 120,000	\$ 675,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 927,101



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:
Project Name: Woodfield Basketball Court Renovation Project

Description: Resurface and restripe courts, replace posts, backboards, hoops.

Justification: Surfacing and basketball hoops/posts are in very poor shape and this project is listed in the 5-Year Action Plan of the Parks Master Plan.

Basketball Court Renovation Project
Construction Cost = \$200,000
Contract Project Management \$15,000
FY 25-26

Projected Timing:
Estimated Start Date:
Estimated End Date:



Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Unfunded	\$ -	\$ -	\$ 215,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 215,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ 215,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 215,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:

Project Name: Woodfield Tennis Court Renovation Project

Description: Resurface and restripe tennis courts, install new nets, perimeter seating and storage, remove trees in the perimeter lifting the courts. New courts will support tennis and/or pickleball.

Justification: Court surfacing and appurtenant facilities are in very poor condition and need of renovation. This project is listed in the 5-Year Action Plan of the Parks Master Plan.

Construction Cost \$300,000
Contract Project Management \$20,000
FY 26-27



Projected Timing:

Estimated Start Date:

Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Unfunded	\$ -	\$ -	\$ -	\$ 320,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ 320,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:
Project Name: Woodfield Replace Restroom Project

Description:

Replace the existing restroom building with a prefab restroom, similar to Duck Pond Park.

Justification:

The building and facilities are in extremely poor condition and need of replacement. This project is listed in the 5-Year Action Plan of the Parks Master Plan.

Construction Cost \$450,000
Contract Project Management \$15,000
FY 29-30



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 465,000	\$ -	\$ -	\$ -	\$ -	\$ 465,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 465,000	\$ -	\$ -	\$ -	\$ -	\$ 465,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:
Project Name: Woodfield Accessibility Route Project

Description:

Install an accessible pathway between the restrooms, fields, courts, playground, picnic areas, and street parking. Relocate and enhance entrance to park, pending on funding availability (not included in budget).

Justification:

Accessible route connecting existing park features will enhance the park for all-ability users. This project is listed in the 5-Year Action Plan of the Parks Master Plan.

Design = \$30,000
Construction Cost = \$273,000
Contract Project Management = \$25,000
Construction FY27-28



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 273,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 328,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 273,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 328,000



CAPITAL PROJECT FUNDS

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:
Project Name: Sycamore Avenue Bicycle and Pedestrian East-West Connector Project

Description: Install multiuse pedestrian/bicycle pathway on the north side of Sycamore and Class II bicycle facilities on the south side under I-80/BNSF RR to connect the east and west sides of the City.

Justification: I-80 divides the City and safety enhancements are needed on Sycamore so bicyclists and pedestrians have connectivity to the east and west sides of the City. This project is listed in the 5-Year Action Plan of the Parks Master Plan.

Design = \$160,000
Construction = \$1,440,000
Contract Project Management = \$80,000
Funding Future Grants
Timeline TBD, dependent upon funding



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Transportation Impact Fee Fund	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000
Unfunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,440,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,440,000
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ 1,440,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,680,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number:

Project Name:Slurry Seal the Bay Trail

Description:

Crack seal and slurry seal the City’s section of the Bay Trail from approximately 1,100 feet south of Railroad Avenue to the northern City limits.

Justification:

The trail is highly used and needs regular maintenance to ensure the surfacing is safe and usable. This project is listed in the 5-Year Action Plan of the Parks Master Plan.

Project Cost
Construction Cost = \$120,000
Contract Project Management = \$12,000
FY 26-27



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Unfunded	\$ -		\$ -	\$ 132,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ 132,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35

Project Number: PR2503
Project Name: Bay Trail Wall Repair

Description:

Install a cut-off wall below the Bay Trail wall to prevent soil from migrating under the wall onto the trail. Backfill soil on the private property above the wall.

Justification:

This work is needed to protect the property above the wall and prevent soil from encroaching onto the Bay Trail.

Project Cost
Construction Cost = \$100,000
FY 24-25



Projected Timing:
Estimated Start Date:
Estimated End Date:

Funding Source:	Prior Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
	Carryover	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
State Gas Tax Fund - 262	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000



CAPITAL PROJECT FUNDS

CITY OF HERCULES FY 2025-26 ANNUAL BUDGET

**City of Hercules
Capital Improvement Plan
Fiscal Years 2025-26 through 2034-35**

Project Number: 63056
Project Name: Hercules - The Hub

Description: Environmental mitigation work from previous construction phases is on-going. A funding plan has been created to complete the final design, utility relocations, and construction of the remainder of the Hub. The budget in coming years is dependent upon receiving grants. The City set aside \$3M in the General Fund/Capital Reserves as the City's local contribution. Most recently, the City was successful in securing \$2.4M of State TIRCP funds towards final design.

Justification: Moving forward, a total of \$107.7M is needed to complete the infrastructure for a train stop, of which it is proposed \$104.7M be funded with grants.

Project Schedule

Project Schedule		Year	2023				2024				2025				2026				2027				2028				2029			
		Quarter	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4		
DESIGN																														
CONSTRUCTION PACKAGE 1: Utility Relocations																														
CONSTRUCTION PACKAGE 2: Track, Structures, Platform																														
CONSTRUCTION PACKAGE 3: Transit Center																														



Phase:	Funding Source:	Prior	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	Total Budget
		Carryover	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Env - Reporting & Field Monitoring	Grant Measure J SP	89,000	89,000	89,000	-	-	-	-	-	-	-	-	267,000
Env - Conservation Easement	Public Benefit Fee Funds	-	-	-	-	-	-	-	-	-	-	-	-
Design	Grant Measure J TLC	117,972	-	-	-	-	-	-	-	-	-	-	117,972
	Grant WCCTAC STMP Funding	264,340	150,000	-	-	-	-	-	-	-	-	-	414,340
	Grant WCCTAC STMP Funding	-	800,000	-	-	-	-	-	-	-	-	-	800,000
	Grant TIRCP	-	1,200,000	1,200,000	-	-	-	-	-	-	-	-	2,400,000
	Grant Garamendi Earmark	822,973	-	-	-	-	-	-	-	-	-	-	822,973
	General Fund	-	670,500	-	-	-	-	-	-	-	-	-	670,500
	Unfunded	-	-	4,250,000	4,250,000	-	-	-	-	-	-	-	8,500,000
ROW/Utility Relocations	General Fund	-	-	-	2,329,500	-	-	-	-	-	-	-	2,329,500
	Unfunded	-	-	-	24,835,319	-	-	-	-	-	-	-	24,835,319
Construction	Unfunded	-	-	-	-	30,162,080	30,162,080	7,540,520	-	-	-	-	67,864,680
Adjustment		-	-	-	-	-	-	-	-	-	-	-	-
Total		1,294,285	2,909,500	5,539,000	31,414,819	30,162,080	30,162,080	7,540,520	-	-	-	-	109,022,284



Federal Grants - CIP

Fund Summary - Fund 295

Fund Description / Budget Highlights

This fund accounts for funds expended for Projects funded by federal grants utilized in acquiring or constructing capital assets for the City.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Federal Grants	\$ 19,885	\$ 472,098	-	-
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	19,885	472,098	-	-
Transfers In	-	-	-	-
	19,885	472,098	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	492,000	-	-	-
Debt Service	-	-	-	-
	492,000	-	-	-
Transfer Out	-	473,609	-	-
	492,000	473,609	-	-
Changes in restricted reserves				
Net Annual Activity	\$ (472,115)	(1,511)	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



State and Local Grants - CIP

Fund Summary - Fund 296

Fund Description / Budget Highlights

This fund accounts for funds expended for Projects funded by state and local grants utilized in acquiring or constructing capital assets for the City.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
State/Local Grants	\$ -	\$ 1,095,913	38,500	190,500
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	-	1,095,913	38,500	190,500
Transfers In	-	-	-	-
	-	1,095,913	38,500	190,500
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	35,948	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	193,541	1,065,066	38,500	190,500
Debt Service	-	-	-	-
	193,541	1,101,014	38,500	190,500
Transfer Out	-	-	-	-
	193,541	1,101,014	38,500	190,500
Changes in restricted reserves				
Net Annual Activity	\$ (193,541)	(5,101)	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



City - Capital Projects

Fund Summary - Fund 300

Fund Description / Budget Highlights

This fund accounts for funds expended for major capital improvement projects associated with City-owned facilities including police, parks, community centers, and city buildings. This fund is funded primarily by General Fund.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Fees	\$ -	-	-	-
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	-	-	-	-
General Fund Capital Reserves	500,000	639,712	2,350,823	2,923,720
	500,000	639,712	2,350,823	2,923,720
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	1,288,400	673,876	2,350,823	2,923,720
Debt Service	-	-	-	-
	1,288,400	673,876	2,350,823	2,923,720
Transfer Out	-	250,000	-	-
	1,288,400	923,876	2,350,823	2,923,720
Changes in restricted reserves				
Net Annual Activity	\$ (788,400)	(284,164)	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



Energy Conservation Project

Fund Summary - Fund 301

Fund Description / Budget Highlights

This fund accounts for funds expended for the energy conservation project by Engie Services. This fund is funded by proceeds from the Equipment Lease Purchase Agreement with Sterling National Bank.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Loan Proceeds	\$ -	\$ -	-	-
Interest Income	386	1,049	-	-
Miscellaneous Revenues	-	-	-	-
	386	1,049	-	-
Transfers In	-	-	-	-
	386	1,049	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Changes in restricted reserves				
Net Annual Activity	386	1,049	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



HERCULES HUB

Fund Summary - Fund 354

Fund Description / Budget Highlights

This fund accounts for funds expended for the Hercules Hub (The Hub) Projects. The project is funded by multiple funding sources, including but not limited to, Federal, State, and Local grants. The Hercules Hub (The Hub) will create a regional, state-of-the-art housing and transportation community on the waterfront overlooking the San Pablo Bay. The Hub will connect thousands of housing units with a new train stop along the Capitol Corridor, bicycle and pedestrian pathways, bus routes, carpool options, and ferry service.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Grant	\$ (46,226)	\$ 99,209	1,089,000	2,239,000
Interest Income	-	-	-	-
Miscellaneous Revenues	-	-	-	-
	(46,226)	99,209	1,089,000	2,239,000
Transfers In	-	-	-	-
	(46,226)	99,209	1,089,000	2,239,000
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Improvement Projects (CIP)	(14,003)	235,804	1,089,000	2,239,000
Debt Service	-	-	-	-
	(14,003)	235,804	1,089,000	2,239,000
Transfer Out - General Fund (Loss of Revenue	50	-	-	-
	(13,953)	235,804	1,089,000	2,239,000
Changes in restricted reserves				
Net Annual Activity	\$ (32,273)	\$ (136,595)	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



AGENCY FUNDS





Assessment District 05-01 Debt Service

Fund Summary - Fund 382

Fund Description / Budget Highlights

This fund accounts for revenues from property tax special assessments and provides funding for bonded debt related to Reassessment District 2005-1 (John Muir Parkway). The District Bond are not general obligations of the City.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Assessment	\$ 230,700	\$ 228,616	226,873	229,356
Interest Income	6,758	17,664	-	-
Miscellaneous Revenues	-	-	-	-
	237,458	246,280	226,873	229,356
Transfers In	-	-	-	-
	237,458	246,280	226,873	229,356
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	6,620	6,885	6,900	7,100
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	222,754	220,638	219,973	222,256
	229,374	227,523	226,873	229,356
Transfer Out	-	-	-	-
	229,374	227,523	226,873	229,356
Changes in restricted reserves				
Net Annual Activity	\$ 8,084	18,757	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



Taylor Woodrow Maintenance LMOD

Fund Summary - Fund 501

Fund Description / Budget Highlights

An agreement with Taylor Woodrow Homes, Inc. (project known as the "Hercules Village Project") was established with the former Redevelopment Agency to assist with the development. 15% of the residential units in the projects are provided to Low to Moderate Income. This fund is to be use for the benefit of the qualified buyers or affordable unit owners.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 75,156	\$ 75,156
Revenues				
Charges for Services	\$ -	\$ -	-	-
Interest Income	1,419	3,691	-	-
Miscellaneous Revenues	-	-	-	-
	1,419	3,691	-	-
Transfers In	-	-	-	-
	1,419	3,691	-	-
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Changes in restricted reserves				
Net Annual Activity	\$ 1,419	3,691	-	-
Ending Available Fund Balance		\$ 75,156	\$ 75,156	\$ 75,156



Other Post-Employment Benefits (OPEB) and SOMAR

Fund Summary - Fund 511

Fund Description / Budget Highlights

This fund is to account for the optional monetary allowance for both safety and non-safety employees with an annual three percent adjustment on January 1st of each year to employees who retire as regulated by PERS and must have the minimum sick leave accrued as outlined in the Memorandum of Understanding (MOU), and OPEB Trust.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ 2,865,497	\$ 2,873,022
Revenues				
Charges for Services	\$ -	\$ -	-	-
Interest Income	124,555	237,664	60,000	84,000
Miscellaneous Revenues	-	-	-	-
	124,555	237,664	60,000	84,000
Transfers In	60,000	60,000	60,000	60,000
	184,555	297,664	120,000	144,000
Expenditures				
Salary and Benefits	125,209	88,335	92,475	95,200
Contractual Services	15,045	17,219	20,000	20,600
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	-	-	-	-
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
	140,254	105,554	112,475	115,800
Transfer Out	-	-	-	-
	140,254	105,554	112,475	115,800
Changes in restricted reserves				
Net Annual Activity	\$ 44,301	192,110	7,525	28,200
Ending Available Fund Balance (Restricted for OPEB)		\$ 2,865,497	\$ 2,873,022	\$ 2,901,222



SUCCESSOR AGENCY





Successor Agency

Fund Summary - Fund 600

Fund Description / Budget Highlights

The Hercules' Successor Agency was established as a separate legal entity on January 10, 2012, under the City Council adopted Resolution 12-005. All non-housing funds and assets were then turned over to the successor agency who is charged with the responsibility of paying off the former Redevelopment Agency's existing debts, disposing of the former Redevelopment Agency's properties and assets to help pay off debts and return revenues to the local government entities that receive property taxes, and winding up the affairs of the former Redevelopment Agency.

Fund Activity

	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Budget	FY 25-26 Proposed
Beginning Available Fund Balance			\$ -	\$ -
Revenues				
Tax Increment (RPTTF)	5,484,039	6,910,188	8,587,154	9,758,380
Interest Income	77,775	136,569	-	-
Miscellaneous Revenues	234	-	-	-
	5,562,048	7,046,757	8,587,154	9,758,380
Transfers In	-	-	-	-
	5,562,048	7,046,757	8,587,154	9,758,380
Expenditures				
Salary and Benefits	-	-	-	-
Contractual Services	-	-	-	-
Utilities	-	-	-	-
Maintenance & Repairs	-	-	-	-
Other Expenses	65,909	4,732,088	2,349,400	1,821,590
Cost Allocation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	2,374,663	3,451,361	6,237,754	7,936,790
	2,440,572	8,183,449	8,587,154	9,758,380
Transfer Out	-	-	-	-
	2,440,572	8,183,449	8,587,154	9,758,380
Changes in restricted reserves				
Net Annual Activity	\$ 3,121,476	(1,136,692)	-	-
Ending Available Fund Balance		\$ -	\$ -	\$ -



GLOSSARY OF BUDGET TERMS





GLOSSARY OF BUDGET TERMS

Adopted Budget: The adopted budget is the annual City budget approved by the City Council on or before June 30.

Allocated Costs: Interfund transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it but that properly apply to another fund.

Appropriation: An appropriation is the legal authorization granted by the City Council to make expenditures and incur obligations for a specific purpose within a specific time frame.

Assessed Valuation: A dollar placed on real estate or other property by the County as a basis for levying property taxes.

Beginning Fund Balance: Fund balance available in a fund from the end of the prior year for use in the following year.

Bond: A City may raise capital by issuing a written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dated in the future, together with periodic interest at a specified rate.

Budget: A plan of financial and program operation listing an estimate of proposed appropriations or expenses and the proposed means of financing them, for a particular time period. The budget is proposed or preliminary until it has been adopted by the City Council. Hercules' budget encompasses one fiscal year.

Capital Budget: Annual appropriations for capital improvement projects such as street improvements and building construction. Capital projects are supported by a five-year expenditure plan, which details funding sources and expenditure amounts.

They often are multi-year projects, which require funding beyond the one-year budget period.

Capital Projects Fund: A fund created to account for all resources to be used for the constructions or acquisition of designated fixed assets by a governmental until except those financed by a proprietary or fiduciary funds.

Debt Service: Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or leasing arrangements.

Department: An organizational until comprised of divisions or programs. It is the basic until of service responsibility that may include a broad mandate or related activities. It is possible for a department to have only one division.

Division: A subsection (or activity) within a department, which furthers the objectives of the City Council by providing specific services or programs.

Enterprise Fund: A type of fund established for total costs of those governmental facilities and services, which are operated in a manner similar to private enterprises. These programs are entirely or predominantly self-supporting. The city of Hercules maintains a Sewer Enterprise Fund.

Expenditures: Monies spent, including current operating expenses, debt service and capital outlays.

Fiduciary Funds: These funds account for assets held by the City in a trustee capacity. The budget does not appropriate fiduciary funds.

Fiscal Year (FY): The City's year for accounting and budgeting purposes, that begins on July 1 and ends June 30.



Full-Time Equivalent (FTE): The amount of time a regular full time or part-time position has been budgeted for in terms of the amount of time an employee works in a year.

Fund: An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created. These are four types for funds: General, Special Revenue, Enterprise, and Fiduciary.

Fund Balance: The amount of financial resources available for use. Generally, this represents the excess of assets over the sum of liabilities and restricted reserves. For enterprise funds, it is the excess of current assets over current liabilities.

Gann Appropriations Limit: Article XIIIB of the State constitution was amended by Proposition 4 (Gann initiative) in 1979. Article XIIIB limits growth in the spending of tax proceeds to tax proceeds appropriated in the “base year” of the 1978-79 times the product of the allowable annual percentage change in a cost-of-living factor and the allowable annual percentage change in a population change factor. The cost-of-living factor is the larger of the annual percentage change in the State per capita personal income or the annual percentage change in the local non-residential assessed valuation due to new construction. The population change factor is the larger of the annual percentage change of the jurisdiction’s population or the annual percentage population change of the country in which the jurisdiction is located.

General Fund: The primary fund used to account for all revenues and expenditures of the City not legally restricted as to use. The fund is used to offset the cost of the City’s general operations. Examples of departments financed by the General Fund include the Police, Public Works and Administrative Departments.

Grant: Contributions, gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity or facility.

Guaranteed Investment Contract (GIC): A contract that guarantees repayment of principal and a fixed or floating interest rate for predetermined period of time.

Infrastructure: Facilities on which the continuance and growth of a community depend, such as streets and roads, sewers, public buildings, parks, etc.

Interfund Transfer In/Out: Monies transferred from one fund to another. Such money is transferred to finance the operations of another fund or to reimburse the fund for certain expenditures.

Internal Service Funds: These funds provide services to City departments and recover their costs through user charges. The Vehicle Replacement Fund is an Internal Service Fund managing the replacement and maintenance of the City fleet.

Method of Accounting: The City’s General Fund budget is developed using modified accrual basis of accounting, with revenues being recorded when measurable and available, and expenditures recorded when the liability is incurred. Enterprise funds and Internal Service Funds are budgeted on a generally accepted accounting principles (GAAP) basis, which for Proprietary Funds is on a full accrual accounting basis.

Operating Budget: Annual appropriation funds for on-going program cost, including salaries and benefits, services and supplies, debt service and capital outlay.



Operating Capital Outlay: A budget appropriation category which budgets all equipment having a unit cost of more than \$2,500 and an estimated useful life of over one year. These are considered an operating expense and are differentiated from capital expenditures by the amount of money they cost. Any expenditure over \$2,500 with an estimated useful life over one year is capitalized.

Operating Transfer: Amounts transferred between funds; not considered a revenue or expense. For example, legal authorized transfers from a fund receiving revenue to the fund through which the resources are to be expected.

Ordinance: A formal legislative enacted by the City Council. It has the full force and the effect of law within the City boundaries unless it is in conflict with any higher form of law such as a State statute or constitutional provision. An ordinance has higher legal standing than a resolution.

Program: A program is an activity or division within a department, which furthers the objectives of the City Council by providing services or a product.

Reserve: Represents the portion of fund balance set aside for financing future capital improvements or the outlay of capital projects in any given year, and addressing one-time emergency needs.

Resolution: A special order of the City Council, which has lower legal standing than an ordinance.

Revenues: Monies received or anticipated by a local government from both tax and non-tax sources during the fiscal year.

Salaries and Benefits: A budget category which generally accounts for full-time and parttime employees, overtime expenses and all employee benefits, such as medical, dental and retirement.

Services and Supplies: Expenditures for supplies, materials and services which ordinarily are consumed within a fiscal year and which are not included in inventories.

Special Revenue Funds: These funds account for the proceeds derived from specific revenue sources that are legally restricted to expenditures for specified purposes.



COUNCIL RESOLUTIONS

